

WisdomTree Efficient TIPS Plus Gold Fund

GDT

Inflation has long been one of the most persistent macroeconomic challenges for policymakers and investors. While policy tightening has cooled headline inflation, the combination of fiscal expansion, geopolitical disruption, and structurally higher input costs suggests that inflation volatility may be here to stay.

For investors, this creates a dual challenge: preserving purchasing power while maintaining balance and liquidity in portfolios. Traditional inflation hedges, whether gold or Treasury Inflation Protected Securities (TIPS) alone, each capture part of the problem but rarely both. Gold reacts to inflation expectations and monetary instability, while TIPS hedge realized Consumer Price Index (CPI) inflation. Using a two pronged approach, the **WisdomTree Efficient TIPS Plus Gold Fund (GDT)** seeks to unite these strengths in a single, capital-efficient solution.

Gold: The Conviction Hedge

Gold, the first prong of the strategy, is expected to be the primary return driver within the strategy, providing exposure to inflation expectations, currency debasement, and global policy uncertainty. Historically, gold prices have benefited from:

- **Dollar Weakness and Fiscal Imbalance:** Twin deficits and prolonged monetary accommodation continue to weigh on the dollar; conditions historically favorable for gold.
- **Falling Real Yields:** When bond yields decline relative to inflation, gold tends to strengthen.
- **Central Bank Demand:** Global reserve managers continue diversifying away from U.S. Treasuries, sustaining a steady bid for physical gold.
- **Geopolitical and Policy Fragility:** Elevated geopolitical tensions and uncertainty around fiscal discipline further support gold's safe-haven appeal.

By targeting 90% notional exposure to gold futures, the strategy taps into these macro tailwinds while maintaining the flexibility and liquidity of a futures-based approach.

TIPS: The Stabilizing Anchor

The second prong of the strategy, 90% exposure to Treasury Inflation-Protected Securities (TIPS), provides a stable foundation tied directly to realized inflation. TIPS adjust principal and coupon payments in line with changes in CPI-inflation, offering a lower-volatility hedge against purchasing power erosion.

While TIPS tend to lag gold during sharp inflation spikes, they serve as a crucial ballast when inflation moderates or real yields rise. Together, gold and TIPS form a complementary pair: gold responds dynamically to changing expectations, while TIPS quietly deliver the math of realized inflation.

Capital Efficiency and Portfolio Fit

Using futures overlays, the strategy combines both exposures without requiring additional capital. For every \$100 invested, the notional exposure would be:

- ~\$90 is allocated to a U.S. TIPS portfolio
- ~\$90 is layered in gold futures contracts
- ~\$10 remains in short-term collateral earning Treasury bill-like returns

This structure enables investors to gain dual inflation protection while maintaining liquidity and capital efficiency.

Why GDT as an Inflation Hedge

Across market cycles, environments marked by policy ambiguity, rising debt levels, and global tensions have often contributed to renewed inflation pressures. A “two-pronged” approach positions investors for both realized and unexpected inflation shocks, delivering diversification and robustness when conventional fixed income struggles.

Conclusion

The **WisdomTree Efficient TIPS Plus Gold Fund** combines two time-tested inflation hedges into one capital-efficient structure. Gold provides the offense; TIPS provide the defense. Together, they form a resilient framework for investors seeking to preserve purchasing power in a world where inflation has proven anything but transitory.

Quick Facts	
Ticker	GDT
Exchange	Cboe
Expense Ratio	0.30%
Fund Objective	Seeks total return by combining a portfolio of U.S. Treasury Inflation-Protected Securities with a capital-efficient gold futures overlay, providing investors with diversified exposure to both realized inflation and inflation expectations within a single, liquid ETF structure.
Benchmark	S&P GSCI Gold Index ICE 0-5 Year U.S. Inflation-Linked Treasury Index
Inception Date	1/22/2026

For more information on GDT, contact your WisdomTree representative or visit [WisdomTree.com/investments](https://www.wisdomtree.com/investments).

Please see the [WisdomTree Glossary](#) for definition of terms and indexes.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. For a prospectus or, if available, the summary prospectus containing this and other important information about the fund, call 866.909.9473 or visit WisdomTree.com/investments. Read the prospectus or, if available, the summary prospectus carefully before investing.

There are risks associated with investing, including potential loss of principal.

The Fund invests in a portfolio composed of Inflation-protected U.S. Treasury Bonds (“TIPS”) and U.S. listed gold futures contracts. The interest and principal payments of TIPS are adjusted for inflation and typically have lower yields than conventional fixed-rate bonds. The Fund’s income from TIPS may decline due to deflation or changes in inflation expectations. The value of gold and commodity-linked derivative instruments such as gold futures contracts typically is based upon the price movements of the physical commodity or an economic variable linked to such price movement. Price movements in gold and gold futures contracts may fluctuate quickly and dramatically, have a historically low correlation with the returns of the stock and bond markets. Derivatives are used by the Fund to gain exposure to inflation swaps and U.S. listed gold future contracts. Derivative investments can be volatile and may be less liquid than other investments. As a result, the value of an investment in the Fund may change quickly and without warning you may lose money. While the Fund is actively managed, the Fund's investment process is heavily dependent on quantitative models and the models may not perform as intended. Please read the Fund’s prospectus for specific details regarding the Fund’s risk profile.

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You cannot invest directly in an index.

Additional information is available at WisdomTree.com/investments.

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