

WisdomTree Efficient U.S. Plus International Equity Fund

NTSD

For some investors, core investing is all about allocating to the lowest cost beta exposure in the market. WisdomTree's approach intends to not only provide a low-cost building block for asset allocation, but to also meaningfully boost **capital efficiency**. Our goal is to provide investors the flexibility and room to add portfolio diversifiers without sacrificing their desired core exposures.

We accomplish this through a futures overlay.

With the **WisdomTree Efficient U.S. Plus International Equity Fund (NTSD)**, we extend our capital efficient philosophy beyond the traditional equity-plus-bond framework. Instead of pairing equities with fixed income, NTSD pairs U.S. large cap equities with developed international equity exposure obtained via Developed International Index futures. The result is a capital efficient strategy designed to provide broader global equity exposure without requiring investors to reallocate capital away from existing core holdings or markets.

Enhanced Core via Capital Efficiency

Historically, equity investors desiring global diversification have allocated capital across both U.S. and international strategies. However, the conventional approach required dividing capital between regions, potentially limiting flexibility for additional portfolio allocations and explicitly sacrificing one exposure for the other.

NTSD takes a different approach.

Rather than allocating 100% of capital across separate U.S. and international equity funds, NTSD invests:

- **90% of assets in U.S. large cap equities** to provide a bedrock allocation for equity portfolios
- **10% in short-term fixed income** that collateralizes approximately **60% notional exposure to Developed International Index futures**.

The result is approximately **150% total equity exposure**, combining U.S. large caps and developed international equities within a single, capital efficient framework.

By using equity index futures as an overlay, NTSD intends to provide diversified global equity exposure without requiring investors to reduce U.S. equity allocations or commit additional capital. This structure maintains participation in equity market upside while expanding geographic exposure.

Expanding Global Exposure Without Sacrificing Flexibility

Many portfolios today are heavily concentrated in U.S. equities, often exhibiting large overweights relative to the market cap-weighted global equity universe. For U.S. investors, **home country bias** has rewarded portfolio for much of our recent memory. However, international equities have historically experienced distinct market cycles, sector compositions and valuation dynamics.

Adding international exposure can:

- Diversify regional economic exposure
- Provide complementary sector exposures
- Participate in emerging, thematic opportunities outside U.S. borders
- Potentially benefit from currency, style and valuation cycles

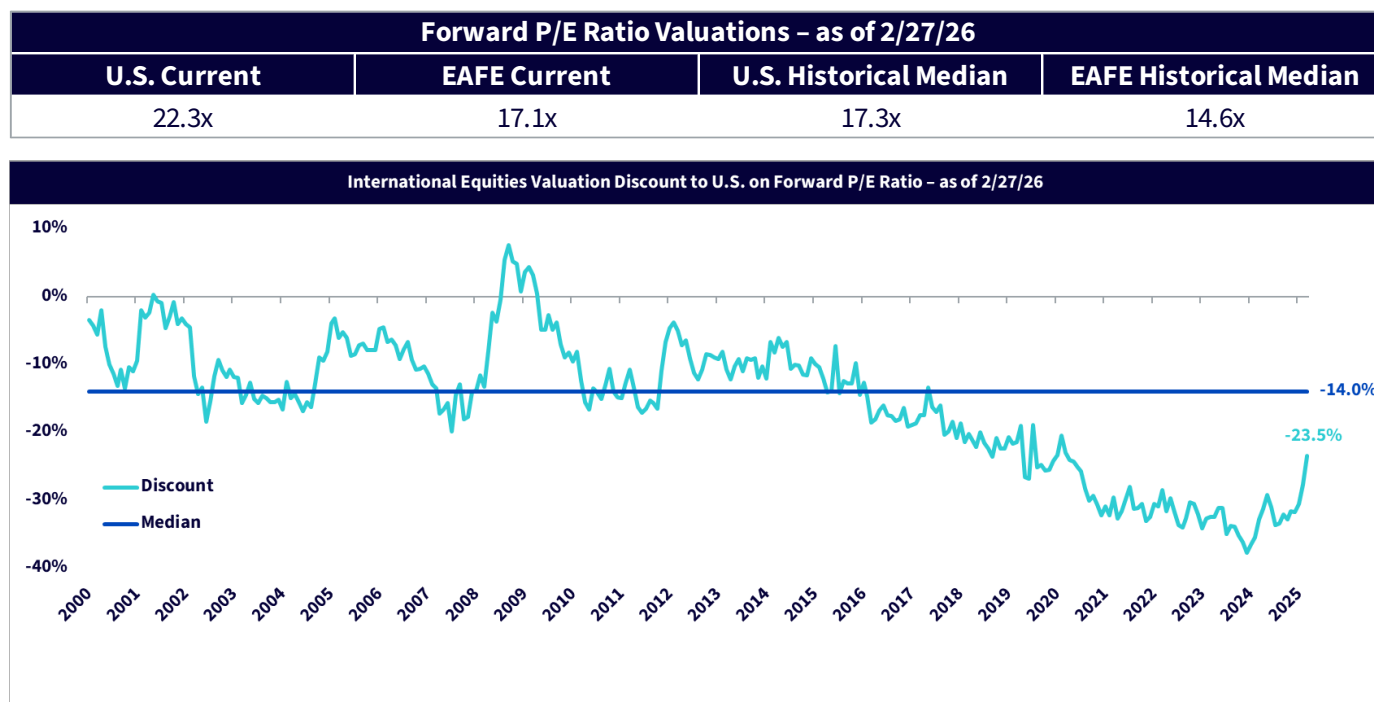
However, reallocating capital to international equities traditionally required reducing U.S. exposure within a portfolio's asset allocation framework.

NTSD seeks to solve this tradeoff. Through its capital efficient structure, investors can gain developed international exposure on top of core U.S. large cap exposure, freeing capital for additional diversifiers or strategic allocations elsewhere in the portfolio.

The International Equity Premium is Real

Over long horizons, equity risk premia have not been confined to the U.S. They have existed globally, and especially within developed and emerging. Investors have historically been compensated for bearing equity risk internationally just as they have domestically.

The U.S. dominated equity market returns in recent years, but its leadership drove valuation gaps to historical levels.



Source: WisdomTree, MSCI, S&P. Data begins 12/29/2000. U.S. measured by S&P 500 Index. International equities measured by MSCI EAFE Index. You cannot invest directly in an index.

Valuations matter. Starting valuations are one of the strongest predictors of long-term forward returns. Today, many international markets trade at substantial discounts to U.S. equities across traditional metrics. Because the U.S. has some of the world’s leading growth stocks, its ballooning multiple forced international equities to trade at a 14% valuation discount over the past few decades.

More recently, that discount has widened out and bottomed at more than twice the long-term median. Even after 2025’s “region reversal”, international equities still trade at a 24% discount to U.S. markets.

If the equity premium truly exists globally—and valuations are more attractive abroad—the expected forward return differential becomes a critical portfolio consideration.

Disrupting the Way Investors Approach Global Allocation

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 the 500 largest U.S. equities by market capitalization
- ~\$10 remains in short-term collateral, earning Treasury bill-like returns
- ~\$60 is layered in Developed International Index futures contracts

This results in approximately 150% total equity exposure. Our framework is designed to provide efficient access to global equity market beta while maintaining implementation simplicity within a single ETF vehicle.

Why Invest in NTSD?

NTSD seeks to enhance the efficiency of a global core equity allocation by providing developed international exposure without requiring investors to reduce their U.S. equity allocations. The strategy maintains participation in equity market upside across both U.S. and developed market regions while freeing up capital that can be allocated toward diversifying strategies. Through a single, systematic ETF structure, NTSD offers access to global equity market beta in a streamlined and capital-efficient approach.

Conclusion

In our view, capital efficient overlay strategies can provide meaningful enhancements to traditional equity allocations. NTSD builds on the foundation of WisdomTree’s Efficient Core family by extending the concept from equity-plus-bond diversification to a more globally diversified equity solution.

Quick Facts	
Ticker	NTSD
Exchange	NYSE
Expense Ratio	0.35%
Fund Objective	Seeks total return by combining a portfolio of U.S. large cap securities with a capital efficient Developed International Index futures overlay, providing investors with broader equity market exposure and improved diversification within a single, liquid ETF structure
Benchmark	MSCI World Index
Inception Date	3/19/2026

For more information on NTSD, 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 equity securities of U.S. large-capitalization companies and in index futures contracts that provide exposure to international equity securities, and which are used to enhance the capital efficiency of the Fund. The Fund invests in a basket of equity securities of large capitalization U.S. companies generally weighted by market capitalization. The Fund expects to invest most of its assets in the securities of U.S. companies and is therefore, more likely to be impacted by events or conditions affecting the United States.

The Fund invests in derivatives to gain exposure to U.S. equity securities. The return on a derivative instrument may not correlate with the return of its underlying reference asset. The Fund's use of derivatives will give rise to leverage. Derivatives can be volatile and may be less liquid than other securities. As a result, the value of an investment in the Fund may change quickly and without warning and you may lose money. The Fund's investments strategy is subject to risks related to rolling. The price of futures contracts further from expiration may be higher or lower, which can impact the Fund's return.

Investments in non-U.S. securities, including depositary receipts, involve political, regulatory, and economic risks that may not be present in investments in U.S. Securities. 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.

You cannot invest directly in an index.

Additional information is available at WisdomTree.com/investments.

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