

WDEF

WisdomTree Europe Defense Fund

Fund Description

WDEF tracks a tier-weighted index of European companies engaged in the defense industry. Index constituents have at least 10% revenue in defense-related activities and are weighted based on exposure.

FactSet Analyst Report

WDEF is passively managed to invest in European defense-related companies. The fund uses a representative sampling to mirror the risk/return profile of the index rather than buying every constituent. Eligible companies must be listed in European countries, meet minimum size and liquidity requirements, and generate at least 10% of revenue from defense-related activities. Selected securities are scored based on defense revenue percentage: score 1 has 12-25% exposure, score 2 has 25-50%, and score 3 has over 50%. The index caps these groups: 12.5% for the highest exposure (3) and 4.5% for the lower exposure categories (1 and 2). Holdings are weighted primarily by free-float market capitalization, adjusted by their level of defense revenue exposure. Index rebalancing is done semi-annually in March and September.