

# WDGF

## WisdomTree Global Defense Fund

### Fund Description

WDGF tracks a tier-weighted index of companies engaged in the defense industry from around the world. Index constituents must have at least 25% revenue in defense-related activities and are weighted based on exposure.

### FactSet Analyst Report

WDGF is passively managed, maintaining a portfolio of 20-100 global defense-related companies. The index includes securities that generate at least 25% of revenue from the defense industry. Each stock is assigned an exposure score based on defense revenue: score 1 for 25-50% and score 2 for over 50%. Eligible companies are then classified into three regions: US, Europe, and other markets. Regions are weighted based on a macro score reflecting government defense budgets, geopolitical threats, regional R&D investments, and a momentum score based on recent relative stock performance. Regional weights are capped at 70% and floored at 10%. The index caps the exposure groups: 2.5% for score 1 and 5% for score 2. Lastly, holdings are weighted primarily by free-float market capitalization, adjusted by their level of defense revenue exposure. Index rebalancing and reconstitution is done quarterly.

