

WIMA

WisdomTree International Adaptive Moving Average Fund

Fund Description

WIMA tracks an index that utilizes a 200-day moving average strategy to dynamically switch investments between short-term treasury bills and large-cap stocks from developed markets excluding North America. Selection and weighting are based on momentum.

FactSet Analyst Report

WIMA is passively managed, providing adaptive exposure to US t-bills and international stocks ex-NA. The fund utilizes a trend-following signal based on a 200-day moving average crossover, where the ratio of the index's current price to its 200-day average determines the allocation. If the ratio remains above 1.01 for two days, the portfolio fully allocates to stocks. Conversely, a ratio of 1.01 or below shifts it to T-bills. The fund also incorporates a breadth overlay that can trigger an early re-entry into equities. If more than 15% of the index constituents trade above their own 200-day averages, even while the system is allocated to T-bills. Additionally, a 5% stop-loss triggers a rebalance back into treasuries if the market declines sharply following an equity allocation. WIMA may use futures, ETFs, money market instruments, and cash equivalents to obtain or hedge exposure. Because the strategy adjusts allocations actively and frequently, a high portfolio turnover is expected.

