



# WisdomTree Strategic Metals UCITS ETF



WisdomTree.eu  
+44 (0) 207 448 4330

# WisdomTree Strategic Metals UCITS ETF

The WisdomTree Strategic Metals UCITS ETF offers investors a gateway into the clean tech and battery metals sectors. As the energy transition gains momentum, and demand for energy from data centres and new artificial intelligence applications increases, this ETF offers a refined and targeted access point to strategic metals including cobalt and lithium which are essential for building the energy systems of tomorrow.









## Beyond decarbonisation

The energy transition begun with the goal to decarbonise. Today, energy security and affordability also play a key part role in the transition to a more diversified energy base. The materials used in renewables energy and batteries are thus considered strategically important.

The 2015 Paris Agreement set an ambitious goal: limit greenhouse gas emissions to keep global warming below 1.5 degrees Celsius this century. Throughout history, energy systems have evolved, but the current low carbon phase is extraordinary. It brings fresh commodity demand, opening avenues for investors to support decarbonisation.

Beyond just environmental targets, the agreement has underscored societal ambitions in the global energy framework. The mission now is twofold: ensuring energy security and access for a population projected to reach 10 billion by 2050 and cutting greenhouse gas emissions by over 100%. Simultaneously, there's a significant drive across electric vehicles, energy storage, and renewable sources, spurring demand for certain mined commodities.

Figure 1: Energy transition commodities and applications

	 Electric vehicles	 Transmission	 Charging Infrastructure	 Energy Storage	 Solar Generation	 Wind Generation	 Hydrogen	 Geothermal
<b>Aluminium</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Cobalt</b>	Yes	-	-	Yes	-	-	-	-
<b>Copper</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Lead</b>	Yes	-	-	Yes	Yes	Yes	-	-
<b>Lithium</b>	Yes	-	-	Yes	-	-	-	-
<b>Nickel</b>	Yes	-	-	Yes	Yes	Yes	-	-
<b>Platinum</b>	-	-	-	-	-	-	Yes	-
<b>Silver</b>	-	-	-	-	Yes	-	Yes	-
<b>Tin</b>	Yes	-	-	-	Yes	-	-	-
<b>Zinc</b>	Yes	-	Yes	Yes	Yes	Yes	-	-

Source: Wood Mackenzie, 2024

## A new renewable energy race has begun

Policymakers around the world have committed to the net-zero goal, with some regions ramping up their policy undertakings. China is leading the effort in deployment, with close to half of car sales moving to a New Energy Vehicle drivetrain. China accounts for close to 80% of global photovoltaics production (most of which are used in China). The US Inflation Reduction Act (IRA) and the European Union's REPowerEU (REU) and Critical Raw Materials Act indicate that the US and European Union would like to catchup. They present not just regulatory support for the energy shift but also boost the prospects of commodities used in the renewable energy sector.

### 2050 demand forecasts point to energy transition dominating growth for various metals

Mined commodities are present in several energy transition sectors and the energy transition could be the largest driver of metal demand. According to Wood Mackenzie (2024), an accelerated energy transition will boost demand for some mined commodities and circa US \$325 billion needs to be invested by 2030 to overcome the expected supply gaps.

### Partnership to embed energy transition expertise

WisdomTree has leveraged its strong partnership with Wood Mackenzie in the energy transition space to offer investors a unique and thoughtfully crafted basket of energy transition metals.



Wood Mackenzie is a leading energy transition research and consulting firm that has been providing quality data, analytics, and insights used to power the energy, renewables, and natural resources industry for nearly 50 years. The company has more than 35 offices, which are home

to 500 researchers and 150 specialised consultants. Wood Mackenzie operates at the nexus of current energy industry tailwinds, offering clients leading energy data and analytics with the bold purpose of transforming the way the planet is powered. Wood Mackenzie is a portfolio company of Veritas Capital, a leading investor at the intersection of technology and government.

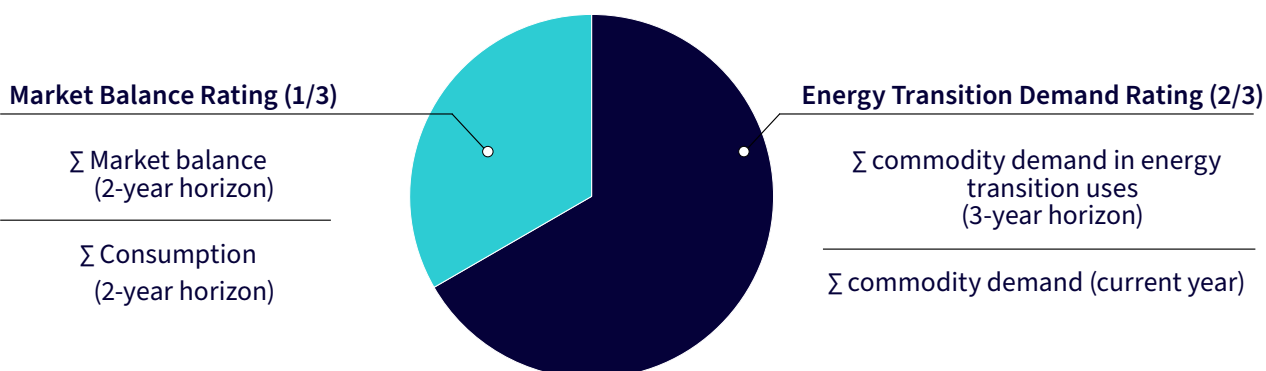
### Investment methodology

The WisdomTree Strategic Metals UCITS ETF seeks to track the WisdomTree Energy Transition Metals Commodity UCITS Index. The index is designed to replicate the price of commodity futures exposed to the energy transition theme, which include, but are not limited to electric vehicles, transmission, charging, energy storage, solar, wind, and hydrogen production. It provides targeted exposure to a wide range of metals essential for the energy transition, such as copper, nickel, aluminium, silver, zinc, tin, platinum, lithium, and cobalt.

The selection and weighting of the underlying metals is based on a forward-looking Intensity Rating, which is driven by our expert partner Wood Mackenzie. The intensity rating combines an Energy Transition Demand Rating (reflecting the demand growth forecast for the metal in Energy Transition) with a Market Balance Rating (reflecting whether the metal is under or over supplied). More emphasis is placed on the Demand Rating (with a two-third weight).

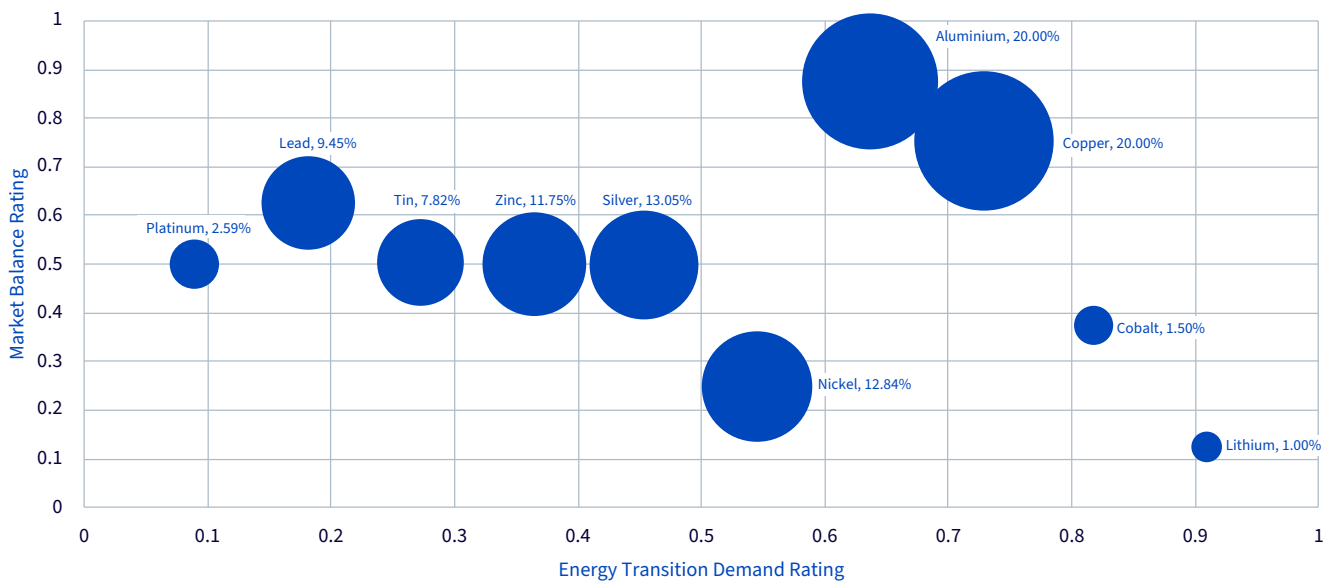
Metal futures also need to be liquid for them to be included in the strategy. The least liquid futures, cobalt and lithium, are capped at 5% and 2% respectively so as not to compromise the liquidity of the basket. However, target weights may be set at a lower level due to liquidity considerations.

Figure 2: Target weights



Source: WisdomTree, September 2024. Indices went live on 14 August 2024.

Figure 3: WisdomTree Energy Transition Metals Commodity UCITS Index Target Weights



Source: WisdomTree, Wood Mackenzie, based on forecasts created in December 2024. Bubble size represents the target weight. Market balance ratings not considered for precious metals and not available for tin. For purpose of the chart, we set the Market Balance rating at the mid point (0.5) for these metals. Cobalt and Lithium weights are capped due to liquidity considerations. .

**Forecasts are not an indicator of future performance and any investments are subject to risks and uncertainties.**

### Why WisdomTree Strategic Metals UCITS ETF?

- + **Marco tailwind:** The energy transition - the electrification and decarbonisation of the energy system - has become a large driver of demand for metal commodities.
- + **Diversified exposure:** It provides diversified and targeted access to key metal commodities that are involved in energy transition technologies.
- + **Expert-driven approach:** Developed in collaboration with Wood Mackenzie, the ETF leverages industry insights, offering informed and forward-looking market assessment, ensuring the portfolio remains focused and relevant.
- + **Incorporates both supply and demand considerations** in the weighting methodology.
- + **The ETF is UCITS compliant.**

Listing information: WisdomTree Strategic Metals UCITS ETF

Share Class	Base Currency	Ticker	Exchange	ISIN	BBG Code	Listing Currency	TER%
Unhedged Acc	USD	WENU	LSE	IE0007UE04X9	WENU LN	USD	0.55
		NRUC	LSE		NRUC LN	GBx	
		WENU	Borsa Italiana		WENU IM	EUR	
		WENU	Xetra		WENU GY	EUR	
		WENU	SIX		WENU SW	USD	
EUR Hedged Acc	EUR	WENH	Xetra	IE000611IJM3	WENH GY	EUR	
GBP Hedged Acc	GBP	WENG	LSE	IE0003XI1PW0	WENG LN	GBx	

TER: Total expense ratio

## Important Information

**Marketing communications issued in the European Economic Area (“EEA”):** This document has been issued and approved by WisdomTree Ireland Limited, which is authorised and regulated by the Central Bank of Ireland.

**Marketing communications issued in jurisdictions outside of the EEA:** This document has been issued and approved by WisdomTree UK Limited, which is authorised and regulated by the United Kingdom Financial Conduct Authority.

WisdomTree Ireland Limited and WisdomTree UK Limited are each referred to as “WisdomTree” (as applicable). Our Conflicts of Interest Policy and Inventory are available on request.

**This marketing communication has been prepared for professional investors, but the WisdomTree products set out in this document may be available in some jurisdictions to any investors, subject to applicable laws and regulations. As the product may not be authorised or its offering may be restricted in your jurisdiction, it is the responsibility of every person or entity to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction. Prior to any application investors are advised to take all necessary legal, regulatory, tax and investment advice on the suitability and consequences of an investment in the products. Past performance is not a reliable indicator of future performance. Any historical performance included in this document may be based on back testing. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. Back tested performance is purely hypothetical and is provided in this document solely for informational purposes. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. The value of any investment may be affected by exchange rate movements. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice. These products may not be available in your market or suitable for you. The content of this document does not constitute investment advice nor an offer for sale nor a solicitation of an offer to buy any product or make any investment.**

An investment in exchange-traded products (“ETPs”) is dependent on the performance of the underlying index, less costs, but it is not expected to match that performance precisely. ETPs involve numerous risks including among others, general market risks relating to the relevant underlying index, credit risks on the provider of index swaps utilised in the ETP, exchange rate risks, interest rate risks, inflationary risks, liquidity risks and legal and regulatory risks.

The information contained in this document is not, and under no circumstances is to be construed as, an advertisement or any other step in furtherance of a public offering of shares in the United States or any province or territory thereof, where none of the issuers or their products are authorised or registered for distribution and where no prospectus of any of the issuers has

been filed with any securities commission or regulatory authority. No document or information in this document should be taken, transmitted or distributed (directly or indirectly) into the United States. None of the issuers, nor any securities issued by them, have been or will be registered under the United States Securities Act of 1933 or the Investment Company Act of 1940 or qualified under any applicable state securities statutes.

This document may contain independent market commentary prepared by WisdomTree based on publicly available information. Although WisdomTree endeavours to ensure the accuracy of the content in this document, WisdomTree does not warrant or guarantee its accuracy or correctness. Any third party data providers used to source the information in this document make no warranties or representation of any kind relating to such data. Where WisdomTree has expressed its own opinions related to product or market activity, these views may change. Neither WisdomTree, nor any affiliate, nor any of their respective officers, directors, partners, or employees accepts any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents.

This document may contain forward looking statements including statements regarding our belief or current expectations with regards to the performance of certain assets classes and/or sectors. Forward looking statements are subject to certain risks, uncertainties and assumptions. There can be no assurance that such statements will be accurate and actual results could differ materially from those anticipated in such statements. WisdomTree strongly recommends that you do not place undue reliance on these forward-looking statements.

### **WisdomTree Issuer ICAV**

The products discussed in this document are issued by WisdomTree Issuer ICAV (“WT Issuer”). WT Issuer is an umbrella investment company with variable capital having segregated liability between its funds organised under the laws of Ireland as an Irish Collective Asset-management Vehicle and authorised by the Central Bank of Ireland (“CBI”). WT Issuer is organised as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) under the laws of Ireland and shall issue a separate class of shares (“Shares”) representing each fund.

The Fund is described in a Key Information Document (KID) or Key Investor Information Document (KIID) for UK investors, and the prospectus of WT Issuer (“WT Prospectus”). A copy of the WT Prospectus and the KID / KIID is available, for EEA/UK only, in English at [www.wisdomtree.eu](http://www.wisdomtree.eu). Where required under national rules, the KID will also be available in the local language of the relevant EEA Member State. Investors should read the WT Prospectus before investing and should refer to the section of the WT Prospectus entitled ‘Risk Factors’ for further details of risks associated with an investment in the Shares.

The [summary of investor rights](#) associated with an investment in the fund is available in English on WisdomTree Europe’s website. WisdomTree Management Limited may decide to terminate the arrangements made for the marketing of its collective investment undertakings. In such circumstances, shareholders in the affected EEA Member State will be notified of this decision

and will be provided with the opportunity to redeem their shareholding in the fund free of any charges or deductions for at least 30 working days from the date of such notification.

#### Notice to Investors in Switzerland – Qualified Investors

This document constitutes an advertisement of the financial product(s) mentioned herein.

The prospectus and the key investor information documents (KIID) are available from WisdomTree's website: <https://www.wisdomtree.eu/en-ch/resource-library/prospectus-and-regulatory-reports>

Some of the sub-funds referred to in this document may not have been registered with the Swiss Financial Market Supervisory Authority ("FINMA"). In Switzerland, such sub-funds that have not been registered with FINMA shall be distributed exclusively to qualified investors, as defined in the Swiss Federal Act on Collective Investment Schemes or its implementing ordinance (each, as amended from time to time). The representative and paying agent of the sub-funds in Switzerland is Société Générale Paris, Zurich Branch, Talacker 50, PO Box 5070, 8021 Zurich, Switzerland. The prospectus, the key investor information documents (KIID), the articles of association and the annual and semi-annual reports of the sub-funds are available free of charge from the representative and paying agent. As regards distribution in Switzerland, the place of jurisdiction and performance is at the registered seat of the representative and paying agent.

#### **For Investors in France:**

The information in this document is intended exclusively for professional investors (as defined under the MiFID) investing for their own account and this material may not in any way be distributed to the public. The distribution of the Prospectus and the offering, sale and delivery of Shares in other jurisdictions may be restricted by law. WT Issuer is a UCITS governed by Irish legislation, and approved by the Financial Regulatory as UCITS compliant with European regulations although may not have to comply with the same rules as those applicable to a similar product approved in France. The Fund has been registered for marketing in France by the Financial Markets Authority (Autorité des Marchés Financiers) and may be distributed to investors in France. Copies of all documents (i.e. the Prospectus, the Key Investor Information Document, any supplements or addenda thereto, the latest annual reports and the memorandum of incorporation and articles of association) are available in France, free of charge at the French centralizing agent, Societe Generale at 29, Boulevard Haussmann, 75009, Paris, France. Any subscription for Shares of the Fund will be made on the basis of the terms of the prospectus and any supplements or addenda thereto.

**For Investors in Malta:** This document does not constitute or form part of any offer or invitation to the public to subscribe for or purchase shares in the Fund and shall not be construed as such and no person other than the person to whom this document has been addressed or delivered shall be eligible to subscribe for or purchase shares in the Fund. Shares in the Fund will not in any event be marketed to the public in Malta without the prior authorisation of the Maltese Financial Services Authority.

**For Investors in Monaco:** This communication is only intended for duly registered banks and/or licensed portfolio management companies in Monaco. This communication must not be sent to the public in Monaco.



WisdomTree.eu  
+44 (0) 207 448 4330