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WisdomTree US Quality Growth UCITS ETF



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The WisdomTree US Quality Growth UCITS ETF (QGRW) seeks long term capital appreciation by investing primarily in high growth, high quality, and high profitability companies from the US markets which meet WisdomTree's ESG (environmental, social and governance) criteria. By focusing on quality and growth stocks, QGRW aims to provide higher upside participation in bull markets, and generate positive excess returns over a full market cycle.

WisdomTree's growth factor aims to capture companies which are experiencing growth in sales, realised earnings, and expected earnings. Growth captures trend in fundamentals, often including disruptive companies and technological giants, allowing for greater upside participation. On the other hand, WisdomTree's Quality factor adds stability to the equation, and helps filter out most unprofitable, highly speculative, and junky growth names. This combination positions WisdomTree US Quality Growth UCITS ETF as a potential choice for investors with a higher risk appetite as a strategic, long-term equity investment.

WisdomTree Investment Philosophy

At WisdomTree, we believe that quality stocks are the cornerstone of an equity portfolio. They are key to building resilient portfolios that can help investors build wealth over the long term and navigate the inevitable storms along the way. This philosophy underpins our core equity offerings, including the Quality Dividend Growth and Quality Growth ETF ranges.



Quality as a foundation stone

WisdomTree considers quality as the backbone of portfolio construction. Quality is a time tested investment philosophy that has demonstrated historical outperformance across regions with reduced volatility and drawdowns.



Robust, research-driven, systematic process

Investors benefit from WisdomTree's transparent and systematic investment process rooted in academically driven research.



High active share, style consistent portfolio

The ETFs deliver consistent high exposure to the profitability factor with high active share.

Why invest in Growth stocks? Because they have the potential to capture more upside in bullish markets and it's a strong partner to quality

1. Greater upside participation in bullish and sideways markets

Growth stocks tend to capture market trends and outperform the market in upward and sideways moving markets.

2. A strong companion to Quality

Combination of quality with growth, adds stability in down markets and protects investments from large drawdowns.

3. Access to disruptive and leading tech companies

Growth tends to capture disruptive and growing companies, which translates into higher allocation to technological giants. The strategy avoids saturated and stagnant sections of the market, allowing for higher upside potential.

Why invest in Quality stocks? Because they have the potential to both grow over the long term and to weather any temporary storm

1. A recognised investment philosophy

Like Warren Buffet, Benjamin Graham or Robert Novy-Marx, many practitioners have used quality attributes to select stocks in their portfolios.

2. Long Term historical outperformance

Academics have demonstrated that quality stocks have outperformed the market over the long term while exhibiting lower volatility. In 2014, Fama-French extended their three factors model to add quality metrics like operational profitability.

3. An all-weather, balanced risk profile

Quality stocks are attractive on two distinct levels. First, since quality companies generate

high revenues, they can grow and compound wealth in the future. Second, thanks to their solid business models and financial strength, they can withstand unexpected events such as an economic downturn or a pandemic.

WisdomTree ESG framework

WisdomTree understands the importance of ESG considerations within investment strategies and strongly believe that ESG principles need to be addressed holistically and not simply applied to a subset of impact investments.

We have aligned our proprietary equity indices with ESG factors using exclusion criteria, applying a combination of principle-based exclusions and activity-based exclusions based on the assessment from Sustainalytics, a leading independent ESG and corporate governance research, ratings and analytics firm.

For information on our approach to ESG, visit our [responsible Investing page](#).

Investment process: WisdomTree US Quality Growth UCITS Index

With the WisdomTree US Quality Growth UCITS ETF, investors benefit from WisdomTree's style-consistent, transparent and systematic investment process, which is rooted in academically driven research.

1. Screening for inclusion

- + **Incorporation, listing and size** – Top 500 companies by market capitalisation, with shares listed on a U.S. stock exchange, incorporated and headquartered in the United States.
- + **Liquidity screen** – Minimum market capitalisation of USD 100 million, along with median daily volume of USD 1 million to ensure liquidity.
- + **ESG considerations** - Index members are also screened for the ESG criteria defined within the WisdomTree ESG framework.

2. Stock selection

The strategy comprises a diversified basket of US companies with the best combined score using five fundamental metrics¹ that we believe best represent high-quality and high-growth companies:

- + Return on equity (ROE)²
- + Return on assets (ROA)²
- + Analysts' earnings growth expectations .
- + Trailing 5 year EBIDTA (earnings before interest, taxes, depreciation, and amortization) growth

1 All data is sourced from Factset.

2 Historical three-year average is used

- + Trailing 5-year Sales growth

3. Weighting

- + The strategy is rebalanced semi-annually
- + The companies in the strategy are weighted by free-float market capitalization
- + Individual Stock caps ensure diversification, with maximum security weight capped at 15%

Why WisdomTree US Quality Growth UCITS ETF?

- + **Growth focus:** Captures trend in earnings and sales, often including disruptive companies and technological giants, allowing for greater upside participation.
- + **Quality focus:** Introduces stability by eliminating most of the unprofitable and speculative growth companies, ensuring higher return on equity and return on assets.
- + **Strategic blend:** An optimal choice for investors with a higher risk appetite as a strategic, long-term equity investment, to generate high excess returns over full market cycles.

ETF Information: WisdomTree US Quality Growth UCITS ETF

Ticker	Exchange	ISIN	Bloomberg Code	Listing Currency	Base Currency	TER%
QGRW	LSE	IE000YGEAK03	QGRW LN	USD	USD	0.33
QGRP	LSE	IE000YGEAK03	QGRP LN	GBx	USD	0.33
QGRW	Borsa Italiana	IE000YGEAK03	QGRW IM	EUR	USD	0.33
QGRW	Xetra	IE000YGEAK03	QGRW GY	EUR	USD	0.33

TER: Total Expense Ratio

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