



January 2024

# WisdomTree Energy Transition Metals and WisdomTree Battery Metals



WisdomTree.eu  
+44 (0) 207 448 4330

# WisdomTree Energy Transition Metals and WisdomTree Battery Metals








WisdomTree Energy Transition Metals (WENT) and WisdomTree Battery Metals (WATT) offer investors a gateway into the energy transition and battery metals sectors. As the energy transition gains momentum, spurred by global commitments and regulatory advancements, these exchange-traded commodities (ETCs) provide refined and targeted exposure to metals essential for driving this change.

## **The Paris Agreement and decarbonization**

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 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 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.

## Energy transition commodities and applications

	 Electric Vehicles	 Transmission	 Charging Infrastructure	 Storage	 Solar Generation	 Wind Generation	 Hydrogen
Aluminium	✓	✓	✓	✓	✓	✓	
Cobalt	✓			✓			
Copper	✓	✓	✓	✓	✓	✓	
Lithium	✓			✓			
Nickel	✓			✓			✓
Platinum							✓
Silver						✓	
Tin						✓	
Zinc	✓		✓	✓	✓	✓	

Source: Wood Mackenzie, 2023

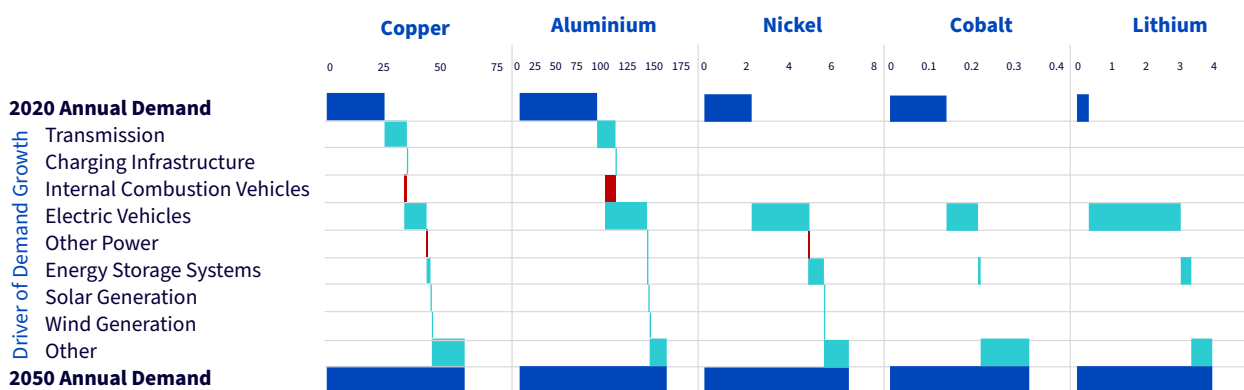
### A new renewable energy race has begun

Policymakers around the world have committed to the net-zero goal, with some regions ramping up their policy undertakings. The US Inflation Reduction Act (IRA) and the European Union's REPowerEU (REU) offer promising indications of a quicker energy transformation. They present not just regulatory support for the energy shift but also boost the prospects of commodities used in the renewable energy sector, countering the turn in the economic cycle as monetary tightening begins to have its effect.

The IRA is designed to bolster US renewable energy demand, fortified by various fiscal incentives. On the other hand, the European Commission's REU plan, introduced in May 2022, aims to lessen Europe's energy reliance on Russia without compromising on the decarbonisation goal. A core aspiration is to hike the EU's renewables target to 45% by 2030, which, as projected by Wood Mackenzie, would mean a considerable surge in renewable generation capacity by the end of the decade.

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

Mined commodities are present in a number of energy transition sectors and the energy transition could be the largest driver of metal demand. According to Wood Mackenzie, 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.



Source: Wood Mackenzie, 2023. Forecasts aligned to 1.5 degree scenario. Data presented in Millions of Tonnes. Negative growth in red. **Forecasts are not an indicator of future performance and any investments are subject to risks and uncertainties.**

## WisdomTree's strategies in collaboration with Wood Mackenzie

WisdomTree has leveraged its partnership with Wood Mackenzie, 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.

These WisdomTree proprietary strategies aim to track 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.

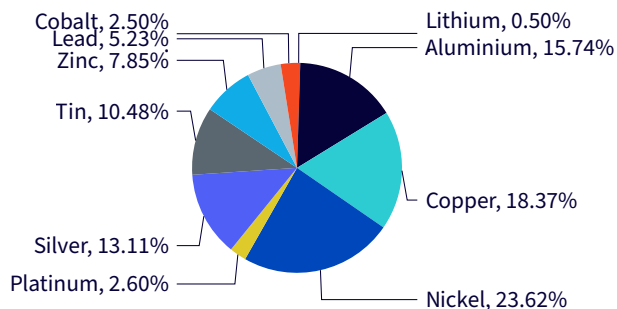
- + **WisdomTree Energy Transition Metals:** It tracks the WisdomTree Energy Transition Metals Commodity Index TR, which encapsulates the wide spectrum of the energy transition, offering exposure to copper, nickel, aluminium, silver, zinc, tin, platinum, lithium and cobalt.
- + **WisdomTree Battery Metals:** It tracks the WisdomTree Battery Metals Commodity Index TR, which concentrates on the battery sector, offering targeted exposure to nickel, aluminium, copper, zinc, lithium and cobalt.

## Target weights

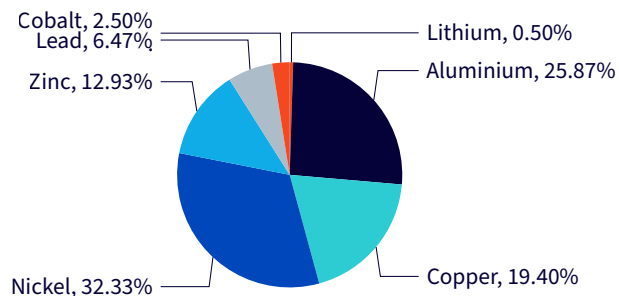
The selection and weighting of the underlying metals is based on an Intensity Rating, created in collaboration with our expert partner Wood Mackenzie, which measures the exposure and growth metrics for each metal within the usage of energy transition technologies.

They are constructed reflecting the 3-year metal demand forecasts under Wood Mackenzie’s 1.5-Degree scenario and are reconstituted annually in January with a quarterly review process.

WisdomTree Energy Transition Metals



WisdomTree Battery Metals



Source: WisdomTree, January 2024. Indices went live on 3rd February 2022

### Why WisdomTree Energy Transitions Metals and WisdomTree Battery Metals ETCs?

- + **Diversified exposure:** Both ETCs provide 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 ETCs leverage industry insights, offering informed and forward-looking investment strategies.
- + **First to market:** The introduction of lithium and cobalt exposure signifies a pioneering move in the commodity ETP space in Europe.

## Listing information: WisdomTree Energy Transition Metals

Ticker	Exchange	ISIN	Bloomberg Code	Listing Currency	Base Currency	MER%
WENT	LSE	XS2425848053	WENT LN	USD	USD	0.45
NRGT	LSE	XS2425848053	NRGT LN	GBx	USD	0.45
WENT	Borsa Italiana	XS2425848053	WENT IM	EUR	USD	0.45
NRGT	Xetra	XS2425848053	WENT GY	EUR	USD	0.45
WENT	Euronext Paris	XS2425848053	WENT FP	EUR	USD	0.45

MER: Management expense ratio.

## Listing information: WisdomTree Battery Metals

Ticker	Exchange	ISIN	Bloomberg Code	Listing Currency	Base Currency	MER%
WATT	LSE	XS2425842106	WATT LN	USD	USD	0.45
AMPS	LSE	XS2425842106	AMPS LN	GBx	USD	0.45
WATT	Borsa Italiana	XS2425842106	WATT IM	EUR	USD	0.45
WATT	Xetra	XS2425842106	WATT GY	EUR	USD	0.45

MER: Management 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.

**For professional clients only. 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 Multi Asset Issuer PLC

WisdomTree Multi Asset Issuer PLC (the “Issuer”) issues products under a Prospectus (“WTMA Prospectus”) approved by the Central Bank of Ireland, drawn up in accordance with the Directive 2003/71/EC. The WTMA Prospectus has been passported to various European jurisdictions including the UK, Italy and Germany and is available on this document.

#### **For Investors in Switzerland – Qualified Investors**

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

In Switzerland, this communication is only targeted at Qualified Investors.

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

**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.