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# WisdomTree Cloud Computing UCITS ETF



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Cloud computing embodies a new way for businesses and individuals to consume software. Instead of buying a singular copy and worrying about bugs or updates, one can purchase a subscription which always represents the most updated version of the most preferential features for an individual's use.

People might have heard variations of the following expressions:

- + 'Data is the new oil.'
- + 'Software is eating the world.'

At their core, these expressions are emblematic of the fact that the world's most valuable companies—those in the so-called 'trillion USD market cap club'—attained those levels based on the ability to monetise data, as well as the fact that companies that seek to use software to solve problems have experienced unprecedented growth rates in recent years.

In a way, cloud computing represents the infrastructure that allows for these things to not only work but also to accelerate into the future.

## Partnership for Cloud Computing Expertise: Bessemer Venture Partners

WisdomTree has partnered with Bessemer Venture Partners (BVP), an expert in the cloud computing space in order to bring unique insight to the selection of companies within the strategy as well as insights and outlooks for the broader cloud computing megatrend.

WisdomTree's approach is encapsulated by the BVP Nasdaq Emerging Cloud Index, which is then tracked by the WisdomTree Cloud Computing UCITS ETF.

BVP is an early-stage venture capital firm that has among the largest venture capital portfolios that focuses on cloud computing.

- + BVP is a recognised leader in assessing the potential investment merit of cloud computing companies. At the semi-annual index rebalancing, it is their knowledge and expertise that is evaluating the companies and informing the stock selection.
- + NASDAQ is a globally recognised leader in many areas, including index calculation. NASDAQ is the third-party calculation agent for the BVP Nasdaq Emerging Cloud Index.

## What Does BVP Do?

As with any index-based approach, there are standard eligibility criteria, some of which include:

- + Companies must have decided to list their shares on a major US stock exchange.
- + Companies must have had at least three months pass since becoming publicly traded.
- + Companies must have a minimum market capitalisation of \$500 million.

However, many investors take a greater degree of interest in the activities undertaken by the expert partner. BVP is focused primarily on two critical attributes of different potential constituents.

1) Companies must derive the majority of their revenue from business-oriented software products. While some businesses that have been established very recently have been fully cloud-based from their earliest operation, some other businesses have transitioned from prior business structures into cloud-based models. Adobe is a great example of such a company. BVP is using publicly available data to make these determinations.

2) Companies must meet specific revenue growth criteria. For new additions, the hurdle is 15% for the prior two fiscal years. For existing constituents, the hurdle is at least 7% for one of the last two full fiscal years.

These companies are then subjected to the ESG (Environmental, Social, Governance) screening criteria defined within the WisdomTree ESG framework. For information on the WisdomTree approach to ESG, visit our [responsible investing page](#).

The full methodology document that includes all relevant index details is available on WisdomTree's [website](#).

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Fund Information: WisdomTree Cloud Computing UCITS ETF

Ticker	Exchange	ISIN	BBG Code	Listing Currency	Base Currency	TER%
WCLD	LSE	IE00BJGWQN72	WCLD LN	USD	USD	0.40
KLWD	LSE	IE00BJGWQN72	KLWD LN	GBx	USD	0.40
WCLD	Borsa Italiana	IE00BJGWQN72	WCLD IM	EUR	USD	0.40
WCLD	SIX	IE00BJGWQN72	WCLD SW	USD	USD	0.40
WTEJ	Xetra	IE00BJGWQN72	WTEJ GY	EUR	USD	0.40
WCLD	Euronext Paris	IE00BJGWQN72	WCLD FP	EUR	USD	0.40

TER: Total Expense Ratio.

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