WisdomTree Physical Stellar Lumens

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The WisdomTree Physical Stellar Lumens ETP (exchange-traded product) provides investors with a simple, secure, and cost-efficient way to gain exposure to the price of Lumens (XLM), the native token of the Stellar blockchain.

Investing in Lumens via an ETP allows investors to utilise the best of traditional financial infrastructure and product structuring. The ETP allows investors to access Lumens without the need to hold the crypto assets directly, store private access keys, or interact with the blockchain and crypto infrastructure in any way.

Stellar: Layer-1 blockchain

Stellar is a high-performance Layer-1 blockchain purpose-built to modernise global finance. It enables fast, ultra-low-cost payments, and tokenised asset issuance. Since its launch in 2014, Stellar has evolved into a globally distributed network powering mission-critical use cases, including cross-border payments, remittances, and tokenised real-world assets (RWAs).

Core features driving Stellar's utility and adoption:

+ **Stellar Consensus Protocol (SCP):** a uniquely collaborative consensus mechanism built on federated voting by publicly identifiable validators. SCP eliminates the need for monetary validator incentives, delivering near-instant finality with low environmental impact.
+ **Soroban smart contracts:** introduced in 2024, Soroban brings expressive decentralised finance (DeFi) and decentralised application (dApp) capabilities to Stellar without compromising its streamlined, payments-first architecture.
+ **Anchors and on/off ramps:** Stellar integrates with 69+ regulated financial institutions ('anchors') across 170+ countries, supporting seamless access to over 170+ fiat currencies. This global fiat-crypto bridging infrastructure is unmatched in scope and compliance readiness[1].

Lumens (XLM), Stellar's native asset, is the lifeblood of the network—powering transactions, liquidity, and on-chain finance:

+ **Micro-transaction friendly:** XLM transaction fees average just $0.00015, making high-volume or micro-scale payments economically viable.
+ **Bridge asset for foreign exchange and remittances:** XLM serves as a neutral intermediary in Path Payments[2], facilitating efficient cross-currency transactions without relying on costly, slow legacy rails.
+ **Liquidity backbone for decentralised finance (DeFi):** XLM provides liquidity across Stellar's native automated market makers (AMMs) and the Stellar Decentralised Exchange (SDEX), enabling low-slippage swaps and capital-efficient routing.

These innovations, while encouraging, continue to evolve within a shifting global regulatory landscape, underscoring the importance of monitoring developments in the space.

Why invest in Lumens (XLM)?

+ **Focused utility in cross-border payments:** Stellar is purpose-built for fast, low-cost cross-border transactions, with XLM playing a central role as a bridge asset between currencies. In a global economy where remittances and real-time foreign exchange (FX) settlements are growing in importance, XLM benefits directly from increased network usage.

1 Source: Messari. 30 June 2025.

2 Path Payments refer to a transaction feature on the Stellar network that allows users to send one type of asset while enabling the recipient to receive a different asset. The Stellar protocol automatically routes the payment through available asset exchange offers on its decentralised exchange (SDEX), selecting the most efficient conversion path. This is executed atomically within a single transaction, ensuring either full completion or full rollback.

+ **Supply management and inflation resistance:** unlike many tokens with unclear monetary policies, XLM has a fixed total supply of 50 billion and no inflationary issuance[3], making it more attractive from a scarcity and monetary integrity perspective.
+ **Robust ecosystem support via the Stellar Development Foundation (SDF):** the SDF supports developers and infrastructure growth through grants, technical tooling, partnerships and regulatory engagement. It is a transparent, non-profit entity committed to long-term network adoption. SDF's efforts aid network resilience and reduce operational risk, helping the network's continued evolution.

Lumens in an ETP with WisdomTree

Investors look to the ETP structure to provide additional protection for their investments:

+ **Security:** safely storing digital assets is not only about protecting against hacks but also protecting against the inadvertent loss of private keys. Investing in digital assets through an ETP structure could allow investors to transfer the expensive and time-consuming burden of managing private keys to the issuer and to benefit from institutional grade safeguarding of assets in cold storage.
+ **Transparency:** transparency is a core component of the ETP structure. A digital assets ETP could offer a core measure of confidence for investors by enabling access to an audited website from the issuer, showing exactly how many coins are represented by the outstanding fund shares. This is already standard practice in physical gold ETP structures and provides an incomparable measure of transparency for investors.
+ **ETP standardisation:** product standardisation is an aspect of the ETP wrapper that could benefit investors in digital assets. Trading, holding and accounting for investments in ETPs are well established and the provision of crypto exposure in this format could allow such investments to fit within an investor's existing systems, processes, and risk management. Additionally, providing crypto exposure in an ETP could deliver benefits from standard market features that many investors rely on. Centralised clearing, an exchange listing on a recognised venue, and standard settlement practices all lower the operational and counterparty risk of making investments.
+ **Liquidity:** ETPs tend to bring a centralisation of liquidity to asset classes. This could be especially impactful in the crypto space as the current ecosystem is quite fragmented, with trading happening across many venues with no common settlement infrastructure. An investor would need to separately establish connectivity to several venues in order to access their liquidity. Investment in an ETP essentially outsources this responsibility to specialist market makers, with trading infrastructure to manage many exchange connections.

3 Historically, Stellar featured a 1% annual inflation mechanism, which was removed via a network upgrade in October 2019 following a community vote. Around the same time, the SDF conducted a strategic burn of 55 billion XLM—over half the existing supply—reducing the total to 50 billion tokens and reinforcing a fixed-supply model.

Why WisdomTree Physical Stellar Lumens?

+ **100% physically backed by Lumens:** exposure to the spot price of Lumens through an institutional grade, physically backed structure. The corresponding digital assets are securely stored in professional 'cold storage'[4].
+ **Institutional grade custody:** investors benefit from institutional grade cryptocurrency custody solutions, via a dual-custodian model with regulated custodians (Coinbase and Swissquote).
+ **Low cost:** with a management fee of just 0.50%, this is the lowest cost physically backed Lumens ETP in Europe.

WisdomTree offers a wide variety of resources on our Crypto ETP Centre.

As with all investments, particularly those involving emerging technologies, cryptocurrencies, and evolving regulatory frameworks, investors should assess both the potential rewards and the associated risks. Cryptocurrencies have historically exhibited high levels of price volatility, driven by market sentiment, regulatory developments, and evolving use cases.

Product information: WisdomTree Physical Stellar Lumens

Ticker	Exchange	ISIN	Bloomberg Code	Listing Currency	Base Currency	TER %
XLMW	SIX	GB00BN7K9C82	XLMW SW	USD	USD	0.50
XLMW	SIX	GB00BN7K9C82	XLMWCHF SW	CHF	USD	0.50
WXLM	Xetra	GB00BN7K9C82	WXLM GR	EUR	USD	0.50
XLMW	Euronext Amsterdam	GB00BN7K9C82	XLMW NA	USD	USD	0.50
WXLM	Euronext Paris	GB00BN7K9C82	WXLM FP	EUR	USD	0.50
WXLM	Borsa Italiana	GB00BN7K9C82	WXLM IM	EUR	USD	0.50

TER = total expense ratio.

4 Cold storage refers to holding private keys in an offline environment, not directly connected to the internet.

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position.

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you should not expect to be protected if something goes wrong.

Take 2 mins to learn more

The digital assets underlying WisdomTree's exchange traded products are held using secure, institutional-grade custody solutions that prevent unauthorised access or movement. Digital assets are primarily stored offline in cold wallets and their transfer requires authorisation from multiple independent parties with a redundancy of locations, communication methods and authentication devices.

Our operational processes are regularly updated to protect against evolving threats and are kept confidential for security reasons.

XLMW Index

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