
CORBU X WISDOMTREE POLYMACRO MODELS NOW AVAILABLE

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06/01/2023

This article is relevant to financial professionals who are considering offering model portfolios to their clients. If you are an individual investor interested in WisdomTree ETF Model Portfolios, please inquire with your financial professional. Not all financial professionals have access to these Model Portfolios.

On a recent episode of Behind the Markets, I had the pleasure of speaking with Sam Rines, Managing Director and economist from CORBU, a research intelligence and advisory platform.

We discussed Sam's latest views on the economy, [inflation](#) and key investment themes, but also notably a collaboration for new [Model Portfolios](#) we are making available through our [Portfolio and Growth solutions platform](#).

CORBU x WisdomTree PolyMacro Model Portfolios are designed using CORBU's proprietary "bottom-up macro" thematic framework. This proactive, data-driven process allows for forward thinking portfolios that incorporate the best opportunities and avoid the biggest investment risks.

WisdomTree's differentiated suite of ETFs and our Model trading and implementation platform provide a unique ability to execute Models for advisors in a cost-effective manner.

PolyMacro Portfolios:

- Driven by a combination of near-term and longer-term themes
- Designed for low [turnover](#)
- Consistently researched with distributed content

Problems, Solved

This is not the investment landscape of the early 21st century. With globalization backtracking, [volatile](#) global government [bond yields](#) and national security coming to the forefront of policy-making, investing now requires a different mindset.

PolyMacro aims to take advantage of these policy pivots through a thematic view of global markets and asset allocation. The PolyMacro portfolios are much different than a traditional "index" approach, *with an eye to what will work, not what has worked*.

The current PolyMacro Model has three investment themes at the core:

- Regionalization
- De-escalation
- [Fed](#) miss takes

Regionalization and De-escalation

Geopolitics are driving two of the investment themes in the current portfolio. One of the major economic trends in the post-COVID world is near-shoring or friend-shoring to lower the risk of supply chain dependencies on China.

Mexico has been a big beneficiary in North America for manufacturers who do not want to put more capital on the ground in China. But Allied Asia also is seeing a renewed focus. Japan in particular is the closest ally.

Sam discussed that what he likes most about Japan now is the small-cap companies growing their dividends and being better stewards of capital with capital distribution growth is very positive.

Is China Investable?

Sam's take is that allocations to China must be quite tactical with regard to stimulus from the government. This year, CORBU's view has been that geopolitical issues were trending toward de-escalation and that could provide another positive catalyst. But CORBU Models would trade around China rather than have a strategic holding.

Fed Miss Takes

This theme has two motivations:

1. The Fed is likely to make a mistake at some point
2. The market is likely to have many 'miss' takes as to what the [FOMC](#) is going to do

Both miss takes lead to opportunities in the [bond market](#).

Sam likes the yields available in short duration corporate bonds. There are some dislocations in pricing but if the Fed does break something, there could be a dramatic repricing and lowering of rates that would support bond prices.

The 2-Year to 5-Year [Treasury bonds](#) are another way to express this theme, where repricing a possible Fed mistake would manifest.

Attention Financial Advisors

If you're an advisor interested in learning more about our collaboration for model portfolios, WisdomTree's ETF Model Portfolios and our Portfolio & Growth Solutions program, fill out the contact form below:

For standardized performance and the most recent month-end performance click [here](#) NOTE, this material is intended for electronic use only. Individuals who intend to print and physically deliver to an investor must print the monthly performance report to accompany this blog.

View the online version of this article [here](#).

IMPORTANT INFORMATION

U.S. investors only: Click [here](#) to obtain a WisdomTree ETF prospectus which contains investment objectives, risks, charges, expenses, and other information; read and consider carefully before investing.

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DEFINITIONS

Inflation: Characterized by rising price levels.

Model portfolio: A collection of assets owned by the underlying investor and continually managed by professional investment managers.

Turnover: The percentage of a portfolio that is sold in a particular month or year.

Volatility: A measure of the dispersion of actual returns around a particular average level.

Bond yield: Refers to the interest received from a bond and is usually expressed annually as a percentage based on its current market value.

Federal Reserve: The Federal Reserve System is the central banking system of the United States.

Federal Open Market Committee (FOMC): The branch of the Federal Reserve Board that determines the direction of monetary policy.

Bond market: The bond market—often called the debt market, fixed-income market, or credit market—is the collective name given to all trades and issues of debt securities. Governments typically issue bonds in order to raise capital to pay down debts or fund infrastructural improvements.

Treasury bond: A government bond issued by the U.S. Treasury.