Bond Compass

Q2 2021

A Rate and Reflation Balancing Act

STATE STREET GLOBAL ADVISORS SPDR®

A Leader in Fixed Income Index Investing

$551

billion in indexed fixed income assets

The Scale to Specialise

- State Street Global Advisors' global scale enables our portfolio managers, traders and investment strategists to be sector specialists and based in their geographic markets
- Our dedicated capital markets teams provide 24-hour coverage across global markets, offering enhanced liquidity and cost-efficient* trading strategies
- Entrusted with $551 billion in indexed fixed income assets, managing 30+ currencies across 40 different countries**

25

years of bond index investing experience

Proven Track Record

- 25 years of bond index investing — our first fixed income index fund launched in 1996
- Manage more than 100 fixed income index strategies, providing choice for investors
- More than 100 fixed income professionals dedicated to conducting research, managing risks and costs, and supporting our clients

100+

fixed income index strategies

Innovative Solutions for Bond Investors

- Comprehensive range of cost-effective* ETFs
- Offering access to government and corporate bonds across the yield curve, using a consistent index methodology

* Frequent trading of ETFs could significantly increase commissions and other costs such that they may offset any savings from low fees or costs.

** State Street Global Advisors, as of 31 March 2021.

Contents

Investor Sentiment — Flows and Holdings

A snapshot of global fixed income flows, holdings and valuations, based on data provided by State Street Global Markets.*

* The fixed income flows and holdings indicators produced by State Street Global Markets, the investment, research and trading division of State Street Corporation, are based on aggregated and anonymised custody data provided to it by State Street, in its role as custodian. State Street Global Advisors does not have access to the underlying custody data used to produce the indicators.

Fixed Income Flows and Holdings

State Street Global Markets builds indicators of aggregated long-term investor behaviour in fixed income markets from a substantial subset of $10 trillion worth of fixed income assets under custody and administration at State Street.* This captures behavioural trends across tens of thousands of portfolios and is estimated to cover just over 10% of outstanding fixed income securities globally.

Analysis

Good news was bad for bond investors in the first quarter, as improving growth prospects on the heels of accelerating vaccinations and fiscal stimulus pushed global yields higher. With administered doses nearing 700 million globally, the immunization process has been truly spectacular given we essentially started at zero just a few months ago. The rollout has been uneven, however, with the EU notably lagging the US and UK in the developed world, while the variability in emerging economies is even greater. On the stimulus front, the Biden administration quickly passed another $1.9 trillion in relief funding, providing further support to the economic recovery.

The global growth picture has improved dramatically in light of these developments, with the International Monetary Fund (IMF) upgrading its global outlook twice since the start of the year. The US is leading the charge, with the Federal Reserve (Fed) raising its 2021 gross domestic product (GDP) estimate by 230 bps since December to 6.5 percent. Inflation expectations have also risen along with the improving growth outlook, which has been a primary driver in repricing yields. The almost-40-bps increase in implied 10-year breakeven inflation accounted for half of the rise in Treasury yields in Q1, while higher rate-hike expectations accounted for the other half. As it stands now, the Fed is expected to begin raising rates by late 2022, and most of the G-10 central banks are expected to join in earnest during 2023. Central banks took disparate approaches to address rising yields, with some actively pushing back, like the European Central Bank (ECB) and Reserve Bank of Australia (RBA), while others were encouraged by the implied economic gains embedded in higher interest rates, like the Fed and Bank of Canada (BOC).

Overall, Treasuries posted their weakest quarter since the 1980s, while corporate bonds were the weakest since the Global Financial Crisis. Investor behavior reflected these concerns. Our data showed negative Treasury flows since February, with cross-border activity leading overall outflows. Eurozone sovereign flows proved more resilient, with the ECB increasing asset purchases in an attempt to contain rising yields. This has resulted in an investor preference for yield, with Italian sovereign bond (BTP) flows among the strongest during the quarter. Demand for emerging market (EM) debt was weak throughout the quarter, with an earlier preference for Asia waning, and all regions now in outflows. EM investor confidence has declined in the face of the stronger US dollar (USD) and rising inflation concerns. There was still an overall reach for yield, however, with high yield flows remaining in the top decile all quarter, while investment grade flows were closer to neutral.

The above estimates based on certain assumptions and analysis. There is no guarantee that the estimates will be achieved.
* State Street Form 10-K, as of 31 December 2020.

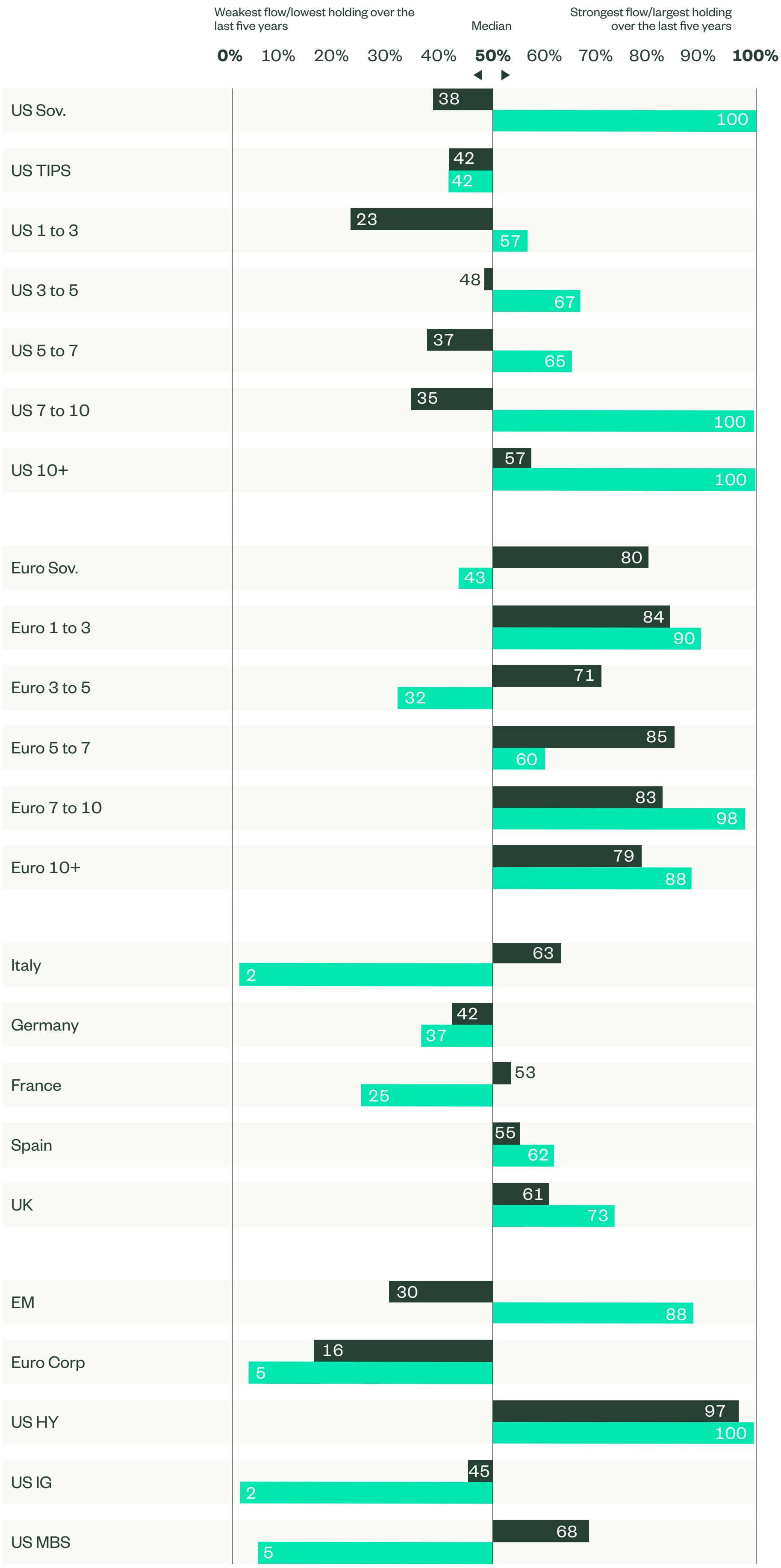
Q1 2021
Flows & Holdings

90-Day Flows

Holdings*

These metrics are generated from regression analysis based on aggregated and anonymous flow data in order to better capture investor preference and to ensure the safeguarding of client confidentiality. The figures are shown as percentiles, expressing the flows and holdings over the last quarter, relative to the last five years. The benefit of this approach is that it provides perspective on the size of flows and holdings compared to their historical trends, whereas a single, dollar figure provides less context.

For more information please visit globalmarkets.statestreet.com

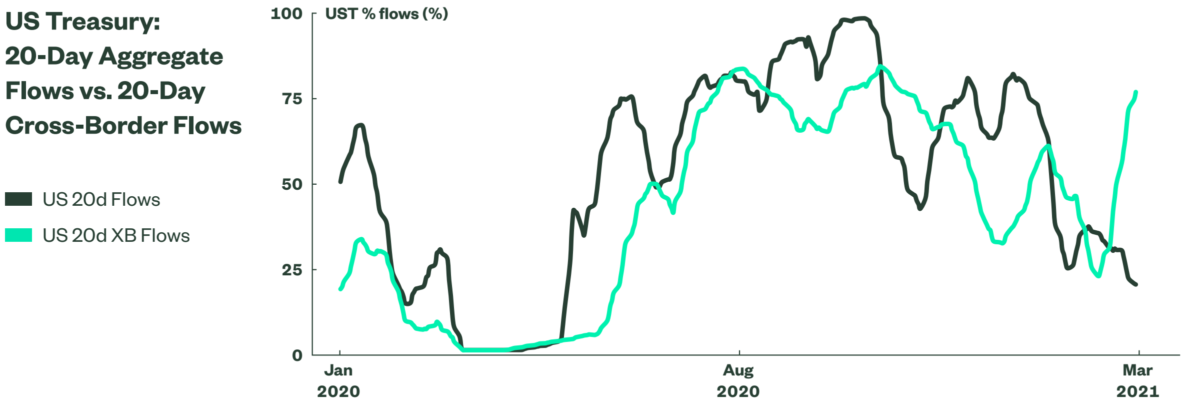


Source: State Street Global Markets, as of 31 March 2021. Flows and holdings are as of date indicated. They should not be relied thereafter. *As at quarter end.

Foreign Buyers Emerge for Treasuries

Treasuries were on the back foot for the better part of the first quarter as our flow data shifted from relatively strong buying to outright selling. This led to price gaps and a series of weak auctions as the marginal buyer was not yet attracted to higher yields. While our overall flows remain negative, foreign buying of Treasuries has bounced back, an indication that price concessions are at least attracting some buyer groups back into the asset class. With US government financing needs remaining high for the remainder of the year, finding a more stable clearing level for Treasuries will be important for all asset classes.

US Treasury: 20-Day Aggregate Flows vs. 20-Day Cross-Border Flows

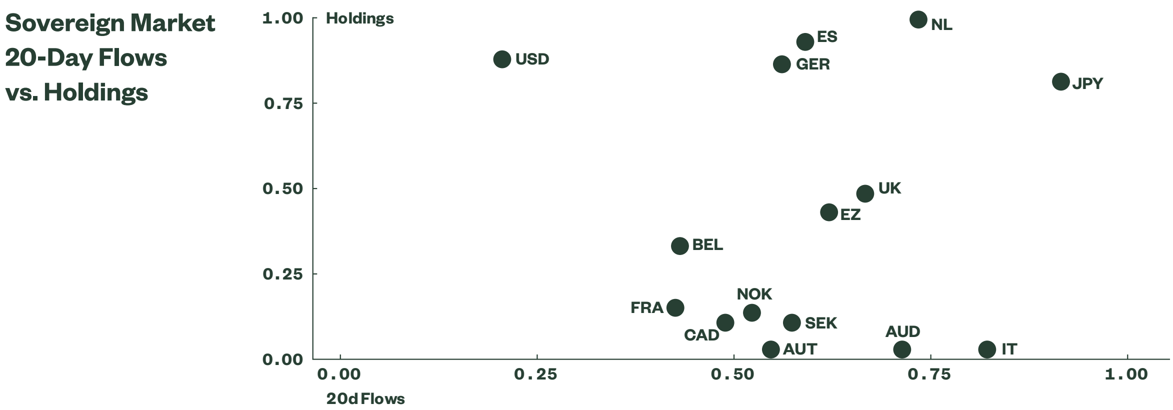


Source: State Street Global Markets, as of 31 March 2021.
Flows and holdings are as of the date indicated. They should not be relied on thereafter.

Looking for a Safe Place to Hide

Rising yields were a global phenomenon in both developed and emerging markets during the first quarter. Even Japanese government bonds (JGBs) posted a modest rise in interest rates since the start of the year. While higher Treasury yields gained the most attention, other sovereign markets actually had similar or larger yield gains, with Canada, Australia, New Zealand, and the US all recording an 80-bps-or-more increase in 10-year yields during the quarter. Investors are nonetheless the most negative on Treasuries, with duration-weighted flows at only the 20th percentile versus overall developed market flows in the 40th percentile (20-day moving average). Stronger flows into JGBs and the eurozone show that investors are presently favoring stability in yields over the yield advantage offered by Treasuries.

Sovereign Market 20-Day Flows vs. Holdings

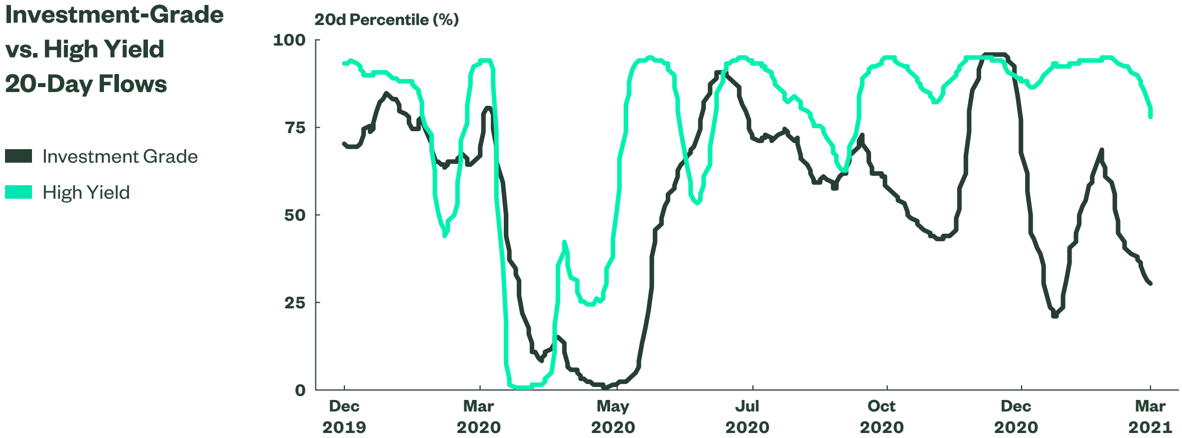


Source: State Street Global Markets, as of 31 March 2021.
Flows and holdings are as of the date indicated. They should not be relied on thereafter.

Still Reaching for High Yield

High yield was one of the few fixed income asset classes able to record a positive return in the first quarter, supported by its lower duration profile and higher-yielding average coupons. Financing conditions also remain supportive, with high yield issuance in March recording its biggest month ever at a time when upgrades are outpacing downgrades by one of their widest margins in decades. Investor flows reflect this positive bias, with 20-day high yield flows remaining in the top quartile for the past five months. In contrast, investment grade investors have been net sellers since the start of the year even as spreads remain largely unchanged on the year.

Investment-Grade vs. High Yield 20-Day Flows



Source: State Street Global Markets, as of 31 March 2021.
Flows and holdings are as of the date indicated. They should not be relied on thereafter.

PriceStats®

Quarterly measure of inflation based on prices from millions of items sold by online retailers, helping investors anticipate and evaluate the impact of inflation.

PriceStats®

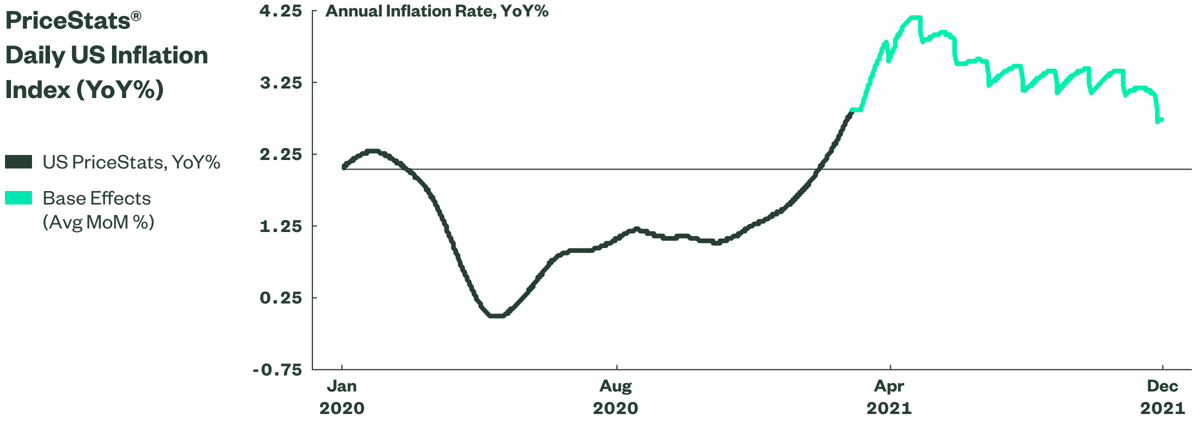
PriceStats® provides high-frequency measures of inflation and real exchange rates drawn from prices on millions of items sold by online retailers. This real-time pulse of global economic trends helps investors anticipate and evaluate the impact of inflation, including the impact on monetary policy and the degree of exchange rate misalignments.

This information is available on a daily basis from State Street Global Markets: globalmarkets.statestreet.com.

US: More Than Just the Base

Inflation readings are set to surge globally as the deflationary impulse from last spring's lockdowns are expected to reverse in the coming months. Since the decline in US prices last year was one of the largest, the subsequent bounce back will appear to be one of the strongest. This, however, is well understood and largely viewed as transitory, with practically every Federal Reserve (Fed) speaker expressing a view that the jump in prices will not last. Nonetheless, there are signs that the recent rise in inflation readings reflect more than just base effects, with stronger-than-average monthly readings since the end of last year. Ultimately, it will take several months to sort it all out and we won't have a clear sign on structural versus transitory pricing pressure until later this year.

PriceStats® Daily US Inflation Index (YoY%)

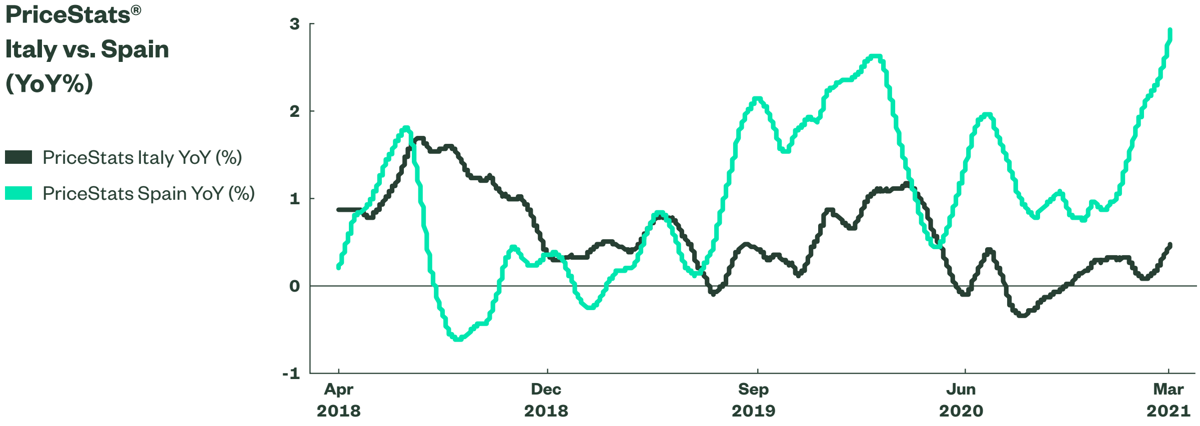


Source: State Street Global Markets, as of 31 March 2021.

Eurozone: Not All Peripheries Are Created Equal

The eurozone has always been challenged by the disparate economic profiles of the member states. While the most obvious example has been the performance of the core countries versus the periphery, differences have also emerged within the groups. Italy has been the most economically fragile, even before becoming the epicenter of the virus on the continent. Yet another round of lockdowns in Italy is further complicating the inflation picture as it now has the weakest inflation profile of the European economies tracked by PriceStats. While the European Central Bank (ECB) is likely encouraged by the overall rise in prices, the wide variances in economic performance will continue to challenge a cohesive policy response.

PriceStats® Italy vs. Spain (YoY%)

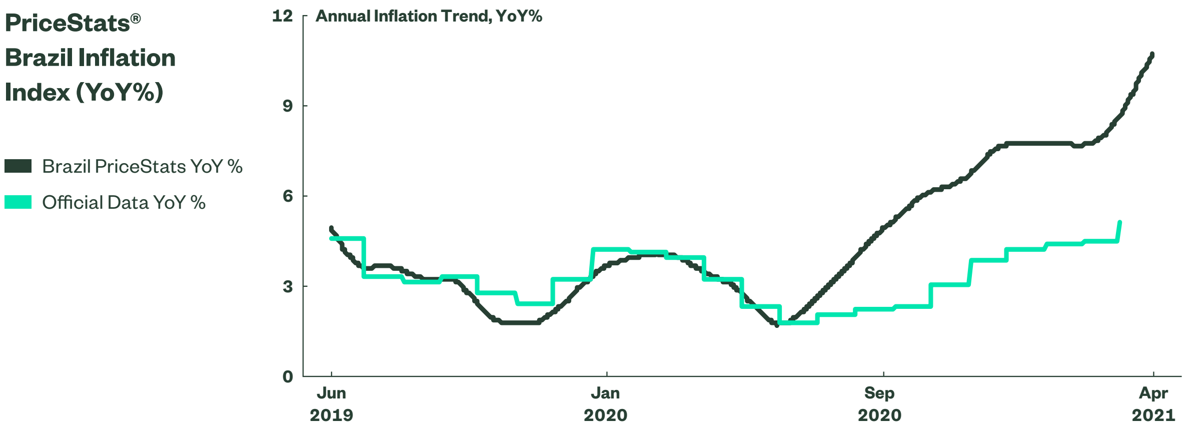


Source: State Street Global Markets, as of 31 March 2021.

Emerging Markets: Brazil Inflation Rising

Prices in Brazil have bounced backed sharply over the past few quarters and continue to accelerate. PriceStats showed monthly gains of more than 2 percent at the end of Q1. While energy makes up a large portion of these gains, industrial goods are also driving upward pressure, no doubt impacted by the weaker Brazilian real. This inflation profile prompted the Central Bank of Brazil to be one of the first monetary authorities to hike rates, raising the Special Clearance and Escrow System (SELIC) by 75 bps to 2.75 percent and signaling a comparable hike when they meet again in May. The timing of these hikes during a challenging vaccine rollout will pressure the economy and, for the moment, signals concerns of inflation topping growth.

PriceStats® Brazil Inflation Index (YoY%)



Source: State Street Global Markets, as of 31 March 2021.

Q2 Investment Outlook

State Street Global Advisors has identified the key considerations for investors in the coming quarter, and how markets can be navigated using SPDR ETFs.

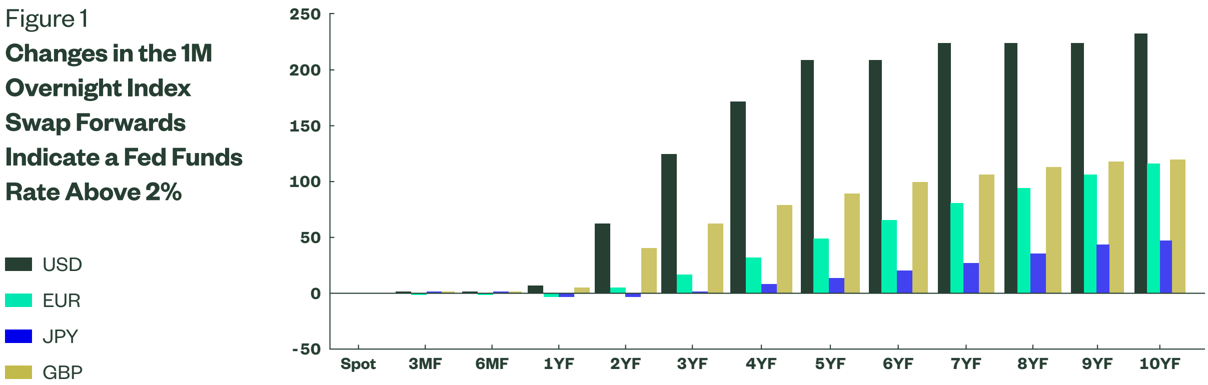
Overview of Q2 2021 Themes

A Rate and Reflation Balancing Act

The rise in Treasury yields that began in 2020 gathered pace in Q1 2021, with 10Y yields closing the quarter close to 120bp off the summer 2020 lows. Central bank policy easing is designed to reflate the economy, meaning large bond sell-offs often accompany quantitative easing (QE) — see our recent article, **Shelter from the Storm**, for further analysis.

All three of the Federal Reserve's previous QE operations have ultimately resulted in a substantial yield correction as markets sense that stimulus measures are sufficient to reflate the economy. The latest sell-off seems to have come sooner than most market participants had anticipated, helped by the rapid progression of vaccinations in the US and a supersized fiscal stimulus package.

Figure 1
Changes in the 1M Overnight Index Swap Forwards Indicate a Fed Funds Rate Above 2%

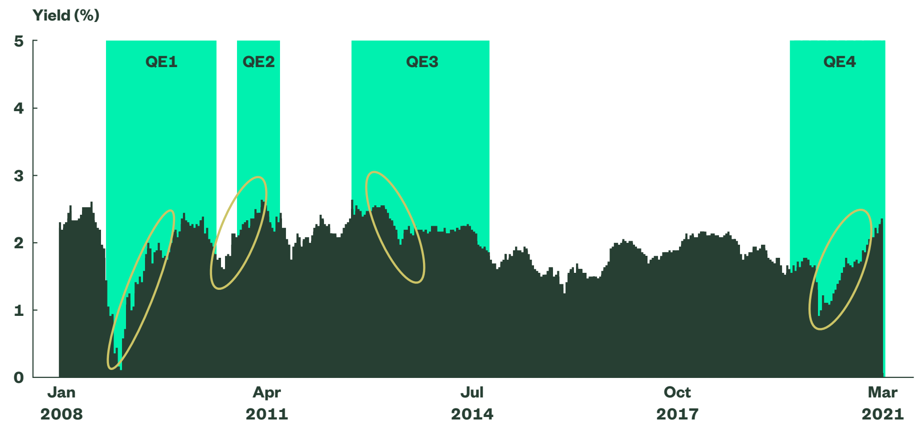


Source: Bloomberg Finance L.P., as of 31 March 2021.

The average correction in nominal yields in previous QE-induced sell-offs has been around 140bp, so it is perhaps premature to view the current sell-off as over. However, with terminal rate expectations for the Fed already pushing up towards 2.5%, the 2018 peak (Figure 1), there should not be much further to go in the near term.

That said, much hangs on the outlook for inflation. The current rise in yields has been driven by higher inflation expectations, with 10Y breakevens around 80bp wider than levels seen in mid-2020. Sharply rising inflation expectations are not always a feature of the broader sell-off in Treasuries. During QE3 in 2013, the rise in US yields saw breakevens actually contract. It was the sell-off in QE1 that was accompanied by a major revision of inflation expectations and that was a longer sell-off than those seen in QE2 or QE3 (Figure 2).

Figure 2
US 10Y Breakeven Changes a Key Driver of Rising Nominal Yields



Source: Bloomberg Finance L.P., as of 31 March 2021.

So can inflation continue to outstrip expectations? The PriceStats® series highlights further upside risk to both US and global inflation. Series such as the prices paid component of the US manufacturing ISM also look extremely high, so upside price risks are real. However, food prices appear to be levelling off, oil prices are down from recent highs and, assuming trade now gradually returns to more normal patterns, the cost of shipping should fall back to more sustainable levels. Also, the market already prices rising inflation with US 10Y breakevens having risen to 2.35%; history suggests that visits into territory above 2.5% have been short-lived.

This backdrop underlines how pivotal Q2 will be. With base effects for US CPI remaining positive into May, how the inflationary landscape appears to be panning out at the end of the quarter will be key. The Fed is likely to keep its policy loose until year-end in an ongoing effort to reflate the economy. If inflation moderates into the summer then there will be few concerns. However, if the surprises are to the upside then expect another leg higher in yields.

Investment Theme #1

Life in US Investment Grade Credit

- **US investment grade credit suffered in Q1 2021 on the back of rising Treasury yields. Outright yields are now higher and spreads to government bonds a little wider, which should appeal to European investors in particular.**

- **Yield spreads to Euro credit are at multi-year highs on a currency-hedged basis. So an allocation to US credit makes sense but, to capitalise on where the flows are going, focus on ESG funds.**

Investment grade (IG) credit remains a key building block for many portfolios but we avoided it as a theme in the Q1 2021 Bond Compass given low absolute yields, tight spreads and the prospects for higher government yields.

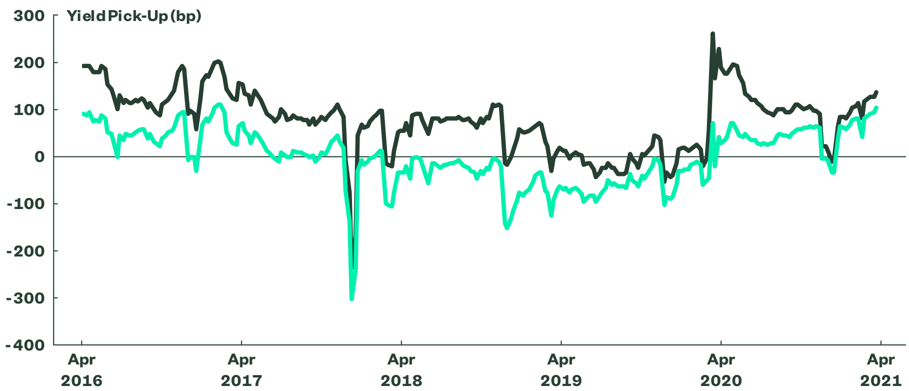
The sell-off in the underlying government curve has indeed been sharp, with the 10Y US Treasury yield rising by over 80bp during the past quarter. With the yield to worst on the Bloomberg Barclays US Corporate Bond Index now in excess of 2.25%, its highest since June 2020, it looks considerably more interesting as a yield play than it did at the start of the year when outright yields were closer to 1.75%.[1] Spreads are also off their tightest levels and may re-tighten if growth continues to print strongly. The stronger economic numbers should benefit balance sheets and, indeed, the upgrades/downgrades ratio for S&P IG Corporate ratings was at its highest in Q1 2021 since the end of 2019 in both North America and Western Europe. This may give credit a greater ability to absorb higher underlying government yields if they continue to rise.

The appeal of the higher yield on offer will be especially strong for the European investor base where domestic yields are only around 35bp for an IG EUR corporate fund.[2] So yield pick-up will be appealing although there would be currency risk. The weaker USD seen in 2020 acted as a drag on investment performance for non-US-based investors. The currency has defied consensus by pushing higher in Q1 2021 but is once again showing some signs of weakness.

Therefore, hedging USD-denominated positions makes sense and, because the Federal Reserve is seen keeping rates at low levels for some time to come, maintaining a fairly flat money market curve, the cost of hedging the USD is relatively low.[3] The result is that the hedged yield is at its highest level since May 2017 if the blow-out in spreads seen during the COVID crisis is excluded (Figure 3). From a USD-EUR spread perspective, levels are at their widest since February 2017 (again excluding the COVID-induced spike). So a yield pick-up of over 100bp is possible for investors who overweight USD IG credit versus EUR.[4]

Figure 3
US IG Credit Enjoys Widest Hedged Yield Pick-Up to Euro in Over 4 years

Hedged Yield
Spread to EUR



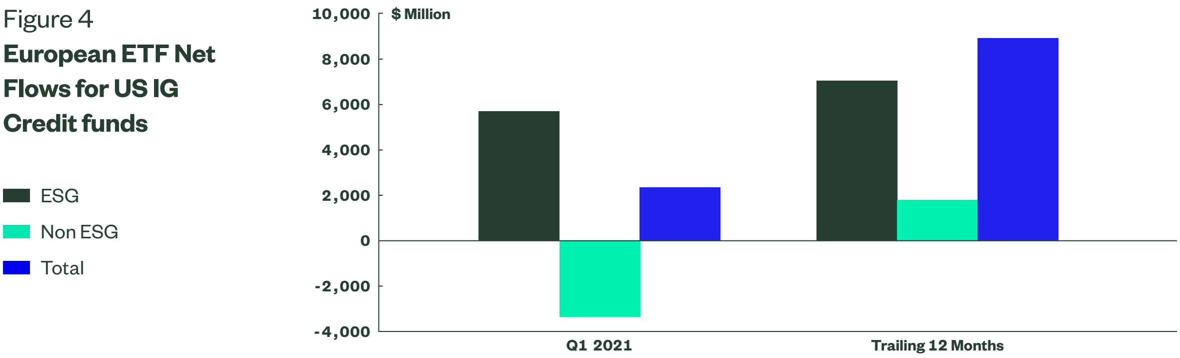
Source: Bloomberg Finance L.P., as of 31 March 2021.

Following the ESG Flow

The EU's Sustainable Finance Disclosure Regulation (SFDR) came into effect on 10 March 2021. It requires disclosures on funds marketed as ESG in order to reinforce investor confidence in ESG investment vehicles. As Figure 4 illustrates, the trend towards a greener, cleaner future is already underway in Europe, with ESG flows into US IG credit dwarfing those that have found their way into more traditional funds during the past 12 months. At a more granular level, Q1 2021 actually saw outflows from traditional funds while ESG solutions continued to gather assets.

The Bloomberg SASB U.S. Corporate ESG ex Controversies Select Index is optimised so as to maximise its ESG score at the same time that the index characteristics are pushed as close as possible to its parent Bloomberg Barclays US Corporate Index. This provides a neat solution for investors seeking to switch holdings into ESG-compliant funds but at the same time remain close to the benchmark.

Figure 4
European ETF Net Flows for US IG Credit funds



Source: Bloomberg Finance L.P., as of 31 March 2021. Flows are as of the date indicated and should not be relied upon as current thereafter.

How to Play this Theme

SPDR® Bloomberg SASB U.S. Corporate ESG UCITS ETF (Acc)

1 Source: Bloomberg Finance L.P., as of 31 March 2021.

2 For instance the yield to worst on the Bloomberg Barclays Euro-Aggregate: Corporate Index was 36bp as at 31 March 2021.

3 The cost of hedging is calculated as the 1M USD/EUR FX Forward rate on an annualised basis.

4 Based off the spread difference between the hedged Bloomberg Barclays US Corporate Bond Index and the Bloomberg Barclays Euro-Aggregate: Corporate Index as at 31 March 2021.

Some of the products are not available to investors in certain jurisdictions. Please contact your relationship manager in regards to availability.

Investment Theme #2

Convertibles Keeping Bonds Equity-Like

- **The reflationary economic backdrop is expected to remain in place over the coming quarter. This should continue to support the fixed income strategies that are the most similar to equities, such as convertible bonds.**

- **Convertibles should capture equity upside for the fixed income investor, but may also be used to limit equity exposure in mixed asset portfolios. Convertibles can also improve credit quality at a time when some government support measures may start to be removed.**

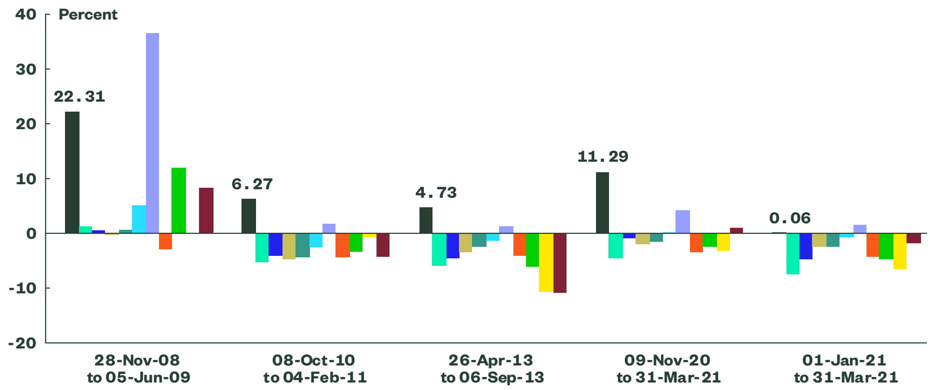
The first quarter of 2021 was a tricky one for fixed income investors, with returns from most strategies ending in negative territory. This is a sharp contrast to equities, as the S&P 500 returned in excess of 6% in Q1. The moral of the quarter was to keep bond investments as equity-like as possible.

From a macro perspective we do not anticipate a big shift in the underlying drivers of market performance over the coming quarter. Economic growth is expected to remain strong, especially in the US, while inflation is seen pushing higher, with some clarity on how high emerging potentially toward the end of the quarter. In the investment universe, government bond yields remain low (despite the sell-off), forcing investors to look at higher-risk alternatives for returns.

So strategies that benefit from ongoing reflation, such as convertible bonds with their embedded equity option, are one of the more obvious ways to give fixed income portfolios equity-like characteristics. Convertibles had a turbulent Q1, with returns for the Refinitiv Qualified Global Convertible Bond Index topping 9% by mid-February, after which we saw a reversal as the sell-off in US Treasuries intensified.[1] Despite the mixed Q1 performance, investors have kept their faith in convertibles, with net inflows going into funds during the quarter.

There may be some further yield upside in Q2 but, importantly for convertibles, the intensity of the Q1 sell-off looks unlikely to be repeated unless inflation pressures gather momentum. Rising rates may not be the ideal backdrop but the reflationary environment that drives yields higher can also lift the value of the embedded equity option, which should encourage positive returns. Indeed, convertibles have proved fairly robust as a strategy; Figure 5 shows total returns against other fixed income strategies during the Federal Reserve's QE and more recently. Returns have consistently been positive, which is not the case for many other fixed income markets.

Figure 5
Convertible Bonds — Performance During QE and Recent Yield Moves



- Refinitiv Qualified Global Convert (USD)
- UK Gilts (GBP)
- UK IG Corp (GBP)
- German Treasury (EUR)
- Euro Treasury (EUR)
- Euro IG Corp (EUR)
- Euro High Yield (EUR)
- US Treasury (USD)
- US IG Corp (USD)
- Bberg Barc EM LC Liq Gvt (USD)
- US TIPS (USD)

Source: State Street Global Advisors, Refinitiv, Bloomberg Finance L.P., as of 12 March 2021. The reference TIPS index is the Bloomberg Barclays US Government Inflation-Linked All Maturities Index. Past performance is not an indicator of future results.

As seen in Figure 6, the periods illustrated in Figure 5 were typically those when central bank rates remained stable but bond yields rose, steepening the curve. Over these periods, equity markets have typically done well, benefitting from central bank asset purchases pushing money out of government bonds into higher returning assets. With the delta[2] on the Refinitiv Qualified Global Convertible Bond Index at around 62.5%, which is fairly high by historical standards, further equity gains should be reflected in the price of the bond. This relatively high level of sensitivity also makes convertibles interesting to those running balanced portfolios, as they provide some protection to downside equity risks.

Figure 6
Rate and Yield Changes During the Periods Illustrated in Figure 5

Rates & Yields changes	28-Nov-08 to 05-Jun-09 (%)	08-Oct-10 to 04-Feb-11 (%)	26-Apr-13 to 06-Sep-13 (%)	09-Nov-20 to 31-Mar-21 (%)	01-Jan-21 to 31-Mar-21 (%)
Fed Funds	-0.75	0.00	0.00	0.00	0.00
UK Base Rate	-2.50	0.00	0.00	0.00	0.00
ECB Depo Rate	-2.50	0.00	0.00	0.00	0.00
US 10Y Yield Change	0.91	1.24	1.27	0.82	0.83
UK 10Y Yield Change	0.15	0.95	1.26	0.47	0.65
DE 10Y Yield Change	0.46	1.01	0.74	0.22	0.28

Source: State Street Global Advisors, Refinitiv, Bloomberg Finance L.P., as of 31 March 2021.

Finally, the credit quality of convertibles is typically higher than that of pure high yield strategies as the bond universe includes investment grade issuers. This should ease concerns over solvency issues as government support packages, which were put in place at the start of lockdowns, start to get peeled back. Convertibles also represent a quality enhancement versus equity as they tend to rank pari passu with common unsecured corporate bonds.

How to Play this Theme

SPDR® Refinitiv Global Convertible Bond EUR Hdg UCITS ETF (Acc)

1 Source: Bloomberg Finance L.P., as of 31 March 2021.

2 The sensitivity of the index to changes in price of the underlying equity. Source: Refinitiv, as of 31 March 2021.

Some of the products are not available to investors in certain jurisdictions. Please contact your relationship manager in regards to availability.

Investment Theme #3

Stay Long Yield and Short Duration

- **The challenging backdrop for fixed income means we continue to put a high value on assets that deliver yield. Those that combine yield with low duration risk are especially interesting.**

- **High yield proved resilient in Q1 2021 and could remain a key source of returns during Q2. Short maturity hard currency emerging market debt also provides yield and has several safeguards to limit risks.**

The first quarter of 2021 saw a sharp rise in US Treasury yields that left most fixed income strategies underwater. One exception has been high yield. An investment theme in the Q1 Bond Compass, the Bloomberg Barclays US High Yield 0–5 Year (Ex 144A) Index returned 1.7% and the Bloomberg Barclays Liquidity Screened Euro High Yield Bond Index returned 1.4% through the end of March.[1] Targeting yield remains a key strategy for investors trying to eke out returns in such a challenging environment for fixed income. We see three important factors driving this strategy:

- **Yield protects** The yield to worst on the Bloomberg Barclays Liquidity Screened Euro High Yield Index is over 2.5% and for the US High Yield 0–5 Year (Ex 144A) Index over 3.6%, which will be an important source of returns if the capital values of bonds remain challenged. It also provides cover for losses. The high coupons on offer from high yield bonds mean that durations are usually shorter than for investment grade credit, in turn meaning lower price sensitivity to rising yields. The duration on the Bloomberg Barclays US High Yield 0–5 Year Index of just 1.75 years means that yields have to rise by more than 200bp before capital losses offset the yield.

- **The benefits of stronger growth** While the reflation trade is damaging to government bonds, stronger corporate revenues should underpin an improvement in earnings. Stronger growth expectations have also underpinned higher oil prices, which should help energy companies, which are a meaningful portion of US high yield in particular.[2] Financing conditions for high yield issuers also remain favourable, leading to an improvement in credit ratings actions: S&P upgrades outnumbered downgrades for non-investment grade bonds in both Western Europe and North America during Q1 2021.

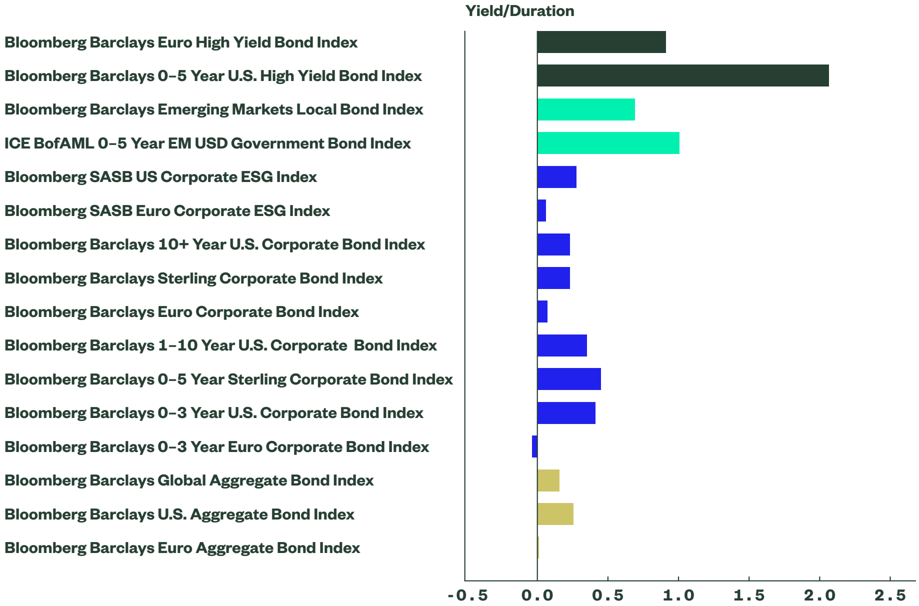
- **Spreads as a cushion for rising yields** Spreads to the underlying government curve are not tight relative to five-year history, meaning a portion of any further increase in government yields could be accommodated by spread compression.

In short, high yield has the appropriate risk-reward characteristics for an environment where market participants remain concerned about duration risk.

As Figure 7 on the next page shows, the only other asset class to offer a similar risk/return ratio is emerging market debt (EMD). In contrast to high yield, EMD has not performed well year to date. After a promising start, the more difficult position that many EM countries found themselves in with COVID on the rise, currency weakness and inflation running hot caused the asset class to lose favour. However, risks can be reduced by opting for short maturity, hard currency strategies. Alongside lower duration risk[3] it has been currency declines that have been a key source of underperformance[4] for many EM funds. A hard currency fund would leave European investors exposed to USD risk but this can be eliminated by using a hedged share class.

Much like high yield, EM hard currency debt is viewed as a spread product to US Treasuries and those spreads were at their five-year average (as at 31 March 2021) and some 90bp off the tightest levels seen in early 2018. The ICE BofA 0–5 Year EM USD Government Bond ex-144a Index is well diversified with bonds from over 60 countries and the recovery in oil prices should help many of those issuers. The index also consists of 62% investment grade issuers, with over 97% rated B or above.

Figure 7
Index Yield and Index Duration



Source: Bloomberg Finance L.P., as of 31 March 2021. Past performance is not a reliable indicator of future performance.

How to Play this Theme

SPDR® Bloomberg Barclays 0–5 Year U.S. High Yield Bond UCITS ETF (Dist)

SPDR® Bloomberg Barclays Euro High Yield Bond UCITS ETF (Dist)

SPDR® ICE BofA 0–5 Year EM USD Government Bond UCITS ETF (Dist)

1 Source: Bloomberg Finance L.P. Total returns for 2021 to 31 March 2021.

2 Oil and gas accounts for 13.7% of the Bloomberg Barclays US High Yield 0–5 Year (Ex 144A) Index, as at 31 March 2021.

3 The ICE BofA 0–5 Year EM USD Government Bond ex-144a Index strategy has 30% of the duration of the JP Morgan EM Global Diversified index.

4 For instance the JP Morgan EM Diversified index saw negative FX returns of 4.2% during Q1 2021 — source Bloomberg Finance.

Some of the products are not available to investors in certain jurisdictions. Please contact your relationship manager in regards to availability.

Performance

SPDR Bloomberg SASB U.S. Corporate ESG UCITS ETF (Acc)

Inception Date: 23 October 2020

	1 Month	3 Month	6 Month	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year	Since Inception
The fund is new and therefore does not have a performance history of its own.												
Bloomberg SASB US Corporate ESG Ex-Controversies Index	-1.75	-4.62	N/A	-4.62	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-1.91
Difference	**0.03**	**-0.20**	**N/A**	**-0.20**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**-0.19**

SPDR Refinitiv Global Convertible Bond UCITS ETF

Inception Date: 14 October 2014

	1 Month	3 Month	6 Month	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year	Since Inception
SPDR Refinitiv Global Convertible Bond UCITS ETF	-3.99	0.03	15.89	0.03	54.58	21.55	13.35	12.43	11.60	N/A	N/A	9.43
Refinitiv Global Convertible Index	-4.01	0.07	15.75	0.07	54.39	21.35	13.43	12.62	11.84	N/A	N/A	9.70
Difference	**0.02**	**-0.04**	**0.15**	**-0.04**	**0.19**	**0.21**	**-0.08**	**-0.19**	**-0.23**	**N/A**	**N/A**	**-0.27**

SPDR Bloomberg Barclays Euro High Yield Bond UCITS ETF

Inception Date: 03 February 2012

	1 Month	3 Month	6 Month	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year	Since Inception
SPDR Bloomberg Barclays Euro High Yield Bond UCITS ETF	0.47	1.38	6.44	1.38	21.83	3.91	3.10	3.05	3.99	3.52	N/A	5.46
Bloomberg Barclays Liquidity Screened High Yield Bond Index	0.47	1.50	6.58	1.50	21.85	4.24	3.48	3.47	4.42	3.89	N/A	5.84
Difference	**0.00**	**-0.12**	**-0.14**	**-0.12**	**-0.02**	**-0.34**	**-0.38**	**-0.42**	**-0.43**	**-0.37**	**N/A**	**-0.38**

Source: State Street Global Advisors, as of 31 March 2021. Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate, so you may have a gain or loss when shares are sold. Current performance may be higher or lower than that quoted. All results are historical and assume the reinvestment of dividends and capital gains. Visit ssga.com for most recent month-end performance. The calculation method for value added returns may show rounding differences. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. **Some of the products are not available to investors in certain jurisdictions. Please contact your relationship manager in regards to availability.**

Performance (cont'd)

SPDR Bloomberg Barclays 0–5 Year U.S. High Yield Bond UCITS

Inception Date: 19 September 2013

	1 Month	3 Month	6 Month	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year	Since Inception
SPDR Bloomberg Barclays 0–5 Year U.S. High Yield Bond UCITS	0.70	1.74	7.18	1.74	21.32	5.17	5.18	4.71	6.37	4.02	N/A	4.23
Bloomberg Barclays US High Yield 0–5 Year Ex 144A Index	0.63	1.81	7.07	1.81	20.76	5.37	5.44	5.02	6.67	4.45	N/A	4.69
Difference	**0.06**	**-0.07**	**0.11**	**-0.07**	**0.56**	**-0.19**	**-0.26**	**-0.30**	**-0.31**	**-0.43**	**N/A**	**-0.46**

SPDR ICE BofA 0–5 Year EM USD Government Bond UCITS ETF

Inception Date: 12 November 2014

	1 Month	3 Month	6 Month	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year	Since Inception
SPDR ICE BofA 0–5 Year EM USD Government Bond UCITS ETF	-0.31	-0.50	1.70	-0.50	8.41	2.33	2.64	2.41	2.71	N/A	N/A	2.58
ICE BoFA 0–5 Year EM USD Government Bond Ex-144A Index	-0.34	-0.34	2.01	-0.34	9.12	2.95	3.25	2.97	3.24	N/A	N/A	3.08
Difference	**0.03**	**-0.15**	**-0.31**	**-0.15**	**-0.71**	**-0.62**	**-0.61**	**-0.56**	**-0.53**	**N/A**	**N/A**	**-0.50**

Source: State Street Global Advisors, as of 31 March 2021. Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate, so you may have a gain or loss when shares are sold. Current performance may be higher or lower than that quoted. All results are historical and assume the reinvestment of dividends and capital gains. Visit ssga.com for most recent month-end performance. The calculation method for value added returns may show rounding differences. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. **Some of the products are not available to investors in certain jurisdictions. Please contact your relationship manager in regards to availability.**

Important Information

Marketing Communication.
General Access.
For professional clients use only.
For qualified investors according to Article 10(3) and (3ter) of the Swiss Collective Investment Schemes Act ("CISA") and its implementing ordinance, at the exclusion of qualified investors with an opting-out pursuant to Art. 5(1) of the Swiss Federal Law on Financial Services ("FinSA") and without any portfolio management or advisory relationship with a financial intermediary pursuant to Article 10(3ter) CISA ("Excluded Qualified Investors") only.

For Investors in Austria
The offering of SPDR ETFs by the Company has been notified to the Financial Markets Authority (FMA) in accordance with section 139 of the Austrian Investment Funds Act. Prospective investors may obtain the current sales Prospectus, the articles of incorporation, the KIID as well as the latest annual and semi-annual report free of charge from State Street Global Advisors GmbH, Brienner Strasse 59, D-80333 Munich. T: +49 (0)89-55878-400. F: +49 (0)89-55878-440.

For Investors in Finland
The offering of funds by the Companies has been notified to the Financial Supervision Authority in accordance with Section 127 of the Act on Common Funds (29.1.1999/48) and by virtue of confirmation from the Financial Supervision Authority the Companies may publicly distribute their Shares in Finland. Certain information and documents that the Companies must publish in Ireland pursuant to applicable Irish law are translated into Finnish and are available for Finnish investors by contacting State Street Custodial Services (Ireland) Limited, 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

For Investors in France
This document does not constitute an offer or request to purchase shares in the Company. Any subscription for shares shall be made in accordance with the terms and conditions specified in the complete Prospectus, the KIID, the addenda as well as the Company Supplements. These documents are available from the Company centralizing correspondent: State Street Banque S.A., Coeur Défense — Tour A — La Défense 4 33e étage 100, Esplanade du Général de Gaulle 92 932 Paris La Défense cedex France or on the French part of the site, ssga.com. The Company is an undertaking for collective investment in transferable securities (UCITS) governed by Irish law and accredited by the Central Bank of Ireland as a UCITS in accordance with European Regulations. European Directive no. 2014/91/EU dated 23 July 2014 on UCITS, as amended, established common rules pursuant to the cross-border marketing of UCITS with which they duly comply. This common base does not exclude differentiated implementation. This is why a European UCITS can be sold in France even though its activity does not comply with rules identical to those governing the approval of this type of product in France. The offering of these compartments has been notified to the Autorité des Marchés Financiers (AMF) in accordance with article L214-2-2 of the French Monetary and Financial Code.

For Investors in Germany
The offering of SPDR ETFs by the Companies has been notified to the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) in accordance with section 312 of the German Investment Act. Prospective investors may obtain the current sales Prospectuses, the articles of incorporation, the KIIDs as well as the latest annual and semi-annual report free of charge from State Street Global Advisors GmbH, Brienner Strasse 59, D-80333 Munich.
T: +49 (0)89-55878-400
F: +49 (0)89-55878-440

Hong Kong
State Street Global Advisors Asia Limited, 68/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.
T: +852 2103-0288
F: +852 2103-0200

The Funds mentioned are not registered in Hong Kong and may not be sold, issued or offered in Hong Kong in circumstances which amount to an offer to the public. This document is issued for informational purposes only. It has not been reviewed or approved by the Hong Kong Securities and Futures Commission. State Street Global Advisors accepts no liability whatsoever for any direct, indirect or consequential loss arising from or in connection with any use of, or reliance on, this document which does not have any regard to the particular needs of any person. State Street Global Advisors takes no responsibility whatsoever for any use, reliance or reference by persons other than the intended recipient of this document.

Ireland Entity
State Street Global Advisors Ireland Limited is regulated by the Central Bank of Ireland. Registered office address 78 Sir John Rogerson's Quay, Dublin 2. Registered number 145221.
T: +353 (0)1 776 3000
F: +353 (0)1 776 3300

Israel: No action has been taken or will be taken in Israel that would permit a public offering of the Securities or distribution of this sales brochure to the public in Israel. This sales brochure has not been approved by the Israel Securities Authority (the 'ISA').

Accordingly, the Securities shall only be sold in Israel to an investor of the type listed in the First Schedule to the Israeli Securities Law, 1978, which has confirmed in writing that it falls within one of the categories listed therein (accompanied by external confirmation where this is required under ISA guidelines), that it is aware of the implications of being considered such an investor and consents thereto, and further that the Securities are being purchased for its own account and not for the purpose of re-sale or distribution.

This sales brochure may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent.

Nothing in this sales brochure should be considered investment advice or investment marketing as defined in the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law, 1995 ("the Investment Advice Law"). Investors are encouraged to seek competent investment advice from a locally licenced investment advisor prior to making any investment. State Street is not licenced under the Investment Advice Law, nor does it carry the insurance as required of a licencee thereunder.

This sales brochure does not constitute an offer to sell or solicitation of an offer to buy any securities other than the Securities offered hereby, nor does it constitute an offer to sell to or solicitation of an offer to buy from any person or persons in any state or other jurisdiction in which such offer or solicitation would be unlawful, or in which the person making such offer or solicitation is not qualified to do so, or to a person or persons to whom it is unlawful to make such offer or solicitation.

Italy Entity
State Street Global Advisors Ireland Limited, Milan Branch (Sede Secondaria di Milano) is a branch of State Street Global Advisors Ireland Limited, registered in Ireland with company number 145221, authorised and regulated by the Central Bank of Ireland, and whose registered office is at 78 Sir John Rogerson's Quay, Dublin 2. State Street Global Advisors Ireland Limited, Milan Branch (Sede Secondaria di Milano), is registered in Italy with company number 10495250960 - R.E.A. 2535585 and VAT number 10495250960and whose office is at Via dei Bossi, 4 - 20121 Milano, Italy.
T: +39 02 32066 100
F: +39 02 32066 155

For Investors in Luxembourg
The Companies have been notified to the Commission de Surveillance du Secteur Financier in Luxembourg in order to market their shares for sale to the public in Luxembourg and the Companies are notified Undertakings in Collective Investment for Transferable Securities (UCITS).

For Investors in the Netherlands
This communication is directed at qualified investors within the meaning of Section 2:72 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht) as amended. The products and services to which this communication relates are only available to such persons and persons of any other description should not rely on this communication. Distribution of this document does not trigger a licence requirement for the Companies or State Street Global Advisors in the Netherlands and consequently no prudential and conduct of business supervision will be exercised over the Companies or State Street Global Advisors by the Dutch Central Bank (De Nederlandsche Bank N.V.) and the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten). The Companies have completed their notification to the Authority Financial Markets in the Netherlands in order to market their shares for sale to the public in the Netherlands and the Companies are, accordingly, investment institutions (beleggingsinstellingen) according to Section 2:72 Dutch Financial Markets Supervision Act of Investment Institutions.

For Investors in Norway
The offering of SPDR ETFs by the Companies has been notified to the Financial Supervisory Authority of Norway (Finanstilsynet) in accordance with applicable Norwegian Securities Funds legislation. By virtue of a confirmation letter from the Financial Supervisory Authority dated 28 March 2013 (16 October 2013 for umbrella II) the Companies may market and sell their shares in Norway.

Singapore: State Street Global Advisors Singapore Limited, 168, Robinson Road, #33-01 Capital Tower, Singapore 068912 (Company Reg. No: 200002719D, regulated by the Monetary Authority of Singapore). T: +65 6826-7555. F: +65 6826-7501.

The offer or invitation of the [Units], which is the subject of this [Prospectus], does not relate to a collective investment scheme which is authorised under section 286 of the Securities and Futures Act, Chapter 289 of Singapore (SFA) or recognised under section 287 of the SFA. The Fund is not authorised or recognised by the Monetary Authority of Singapore (MAS) and [Units] are not allowed to be offered to the retail public. Each of this [Prospectus] and any other document or material issued in connection with the offer or sale is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. A potential investor should consider carefully whether the investment is suitable for it.

The MAS assumes no responsibility for the contents of this [Prospectus]. This [Prospectus] has not been registered as a prospectus with the MAS. Accordingly, this [Prospectus] and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of [Units] may not be circulated or distributed, nor may [Units] be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than to an institutional investor under Section 304 of the SFA or otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Any subsequent sale of [Units] acquired pursuant to an offer made in reliance on an exemption under section 305 of the SFA may only be made pursuant to the requirements of sections 304A.

For Investors in Spain
State Street Global Advisors SPDR ETFs Europe I and II plc have been authorised for public distribution in Spain and are registered with the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores) under no.1244 and no.1242. Before investing, investors may obtain a copy of the Prospectus and Key Investor Information Documents, the Marketing Memoranda, the fund rules or instruments of incorporation as well as the annual and semi-annual reports of State Street Global Advisors SPDR ETFs Europe I and II plc from Cecabank, S.A. Alcalá 27, 28014 Madrid (Spain) who is the Spanish Representative, Paying Agent and distributor in Spain or at ssga.com. The authorised Spanish distributor of State Street Global Advisors SPDR ETFs is available on the website of the Securities Market Commission (Comisión Nacional del Mercado de Valores).

For Investors in Switzerland
This document is directed at qualified investors only, as defined Article 10(3) and (3ter) of the Swiss Collective Investment Schemes Act ("CISA") and its implementing ordinance, at the exclusion of qualified investors with an opting-out pursuant to Art. 5(1) of the Swiss Federal Law on Financial Services ("FinSA") and without any portfolio management or advisory relationship with a financial intermediary pursuant to Article 10(3ter) CISA ("Excluded Qualified Investors"). Certain of the funds may not be registered for public sale with the Swiss Financial Market Supervisory Authority (FINMA) which acts as supervisory authority in investment fund matters. Accordingly, the shares of those funds may only be offered to the aforementioned qualified investors and not be offered to any other investor in or from Switzerland. Before investing please read the prospectus and the KIID. In relation to those funds which are registered with FINMA or have appointed a Swiss Representative and Paying Agent, prospective investors may obtain the current sales prospectus, the articles of incorporation, the KIIDs as well as the latest annual and semi-annual reports free of charge from the Swiss Representative and Paying Agent, State Street Bank International GmbH, Munich, Zurich Branch, Beethovenstrasse 19, 8027 Zurich, or at www.spdrs.com, as well as from the main distributor in Switzerland, State Street Global Advisors AG ("SSGA AG"), Beethovenstrasse 19, 8027 Zurich. For information and documentation regarding all other funds, please visit spdrs.com or contact SSGA AG.

For Investors in the UK
The Funds have been registered for distribution in the UK pursuant to the UK's temporary permissions regime under regulation 62 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019. The Funds are directed at 'professional clients' in the UK (as defined in rules made under the Financial Services and Markets Act 2000) who are deemed both knowledgeable and experienced in matters relating to investments. The products and services to which this communication relates are only available to such persons and persons of any other description should not rely on this communication. Many of the protections provided by the UK regulatory system do not apply to the operation of the Funds, and compensation will not be available under the UK Financial Services Compensation Scheme.

Issuer Entity
This document has been issued by State Street Global Advisors Ireland ("SSGA"), regulated by the Central Bank of Ireland. Registered office address 78 Sir John Rogerson's Quay, Dublin 2. Registered number 145221. T: +353 (0)1 776 3000. F: +353 (0)1 776 3300. Web: ssga.com.

ETFs trade like stocks, are subject to investment risk and will fluctuate in market value. The investment return and principal value of an investment will fluctuate in value, so that when shares are sold or redeemed, they may be worth more or less than when they were purchased. Although shares may be bought or sold on an exchange through any brokerage account, shares are not individually redeemable from the fund. Investors may acquire shares and tender them for redemption through the fund in large aggregations known as "creation units." Please see the fund's prospectus for more details.

Equity securities may fluctuate in value in response to the activities of individual companies and general market and economic conditions.

SPDR ETFs is the exchange traded funds ("ETF") platform of State Street Global Advisors and is comprised of funds that have been authorised by Central Bank of Ireland as open-ended UCITS investment companies.

State Street Global Advisors SPDR ETFs Europe I & SPDR ETFs Europe II plc issue SPDR ETFs, and is an open-ended investment company with variable capital having segregated liability between its sub-funds. The Company is organised as an Undertaking for Collective Investments in Transferable Securities (UCITS) under the laws of Ireland and authorised as a UCITS by the Central Bank of Ireland. Investing involves risk including the risk of loss of principal.

Diversification does not ensure a profit or guarantee against loss.

The trademarks and service marks referenced herein are the property of their respective owners. Third party data providers make no warranties or representations of any kind relating to the accuracy, completeness or timeliness of the data and have no liability for damages of any kind relating to the use of such data.

The information provided does not constitute investment advice as such term is defined under the Markets in Financial Instruments Directive (2014/65/EU) or applicable Swiss regulation and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell any investment.

It does not take into account any investor's or potential investor's particular investment objectives, strategies, tax status, risk appetite or investment horizon. If you require investment advice you should consult your tax and financial or other professional advisor. All information is from SSGA unless otherwise noted and has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. There is no representation or warranty as to the current accuracy, reliability or completeness of, nor liability for, decisions based on such information and it should not be relied on as such.

The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without SSGA's express written consent.

Investing in foreign domiciled securities may involve risk of capital loss from unfavourable fluctuation in currency values, withholding taxes, from differences in generally accepted accounting principles or from economic or political instability in other nations.

Investments in emerging or developing markets may be more volatile and less liquid than investing in developed markets and may involve exposure to economic structures that are generally less diverse and mature and to political systems which have less stability than those of more developed countries.

The views expressed in this material are the views of SPDR EMEA Strategy and Research through 31 March 2021 and are subject to change based on market and other conditions. This document contains certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected.

BLOOMBERG®, a trademark and service mark of Bloomberg Finance L.P. and its affiliates, and BARCLAYS®, a trademark and service mark of Barclays Bank Plc, have each been licenced for use in connection with the listing and trading of the SPDR Bloomberg Barclays ETFs. SASB does not take any position as to whether an issuer should be included or excluded from the Underlying Index.

Bonds generally present less short-term risk and volatility than stocks, but contain interest rate risk (as interest rates rise, bond prices usually fall); issuer default risk; issuer credit risk; liquidity risk; and inflation risk. These effects are usually pronounced for longer-term securities. Any fixed income security sold or redeemed prior to maturity may be subject to a substantial gain or loss. International Government bonds and corporate bonds generally have more moderate short-term price fluctuations than stocks, but provide lower potential long-term returns.

Standard & Poor's®, S&P® and SPDR® are registered trademarks of Standard & Poor's Financial Services LLC (S&P); Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC (Dow Jones); and these trademarks have been licenced for use by S&P Dow Jones Indices LLC (SPDJI) and sublicenced for certain purposes by State Street Corporation. State Street Corporation's financial products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates and third party licensors and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability in relation thereto, including for any errors, omissions, or interruptions of any index.

International Government bonds and corporate bonds generally have more moderate short-term price fluctuations than stocks, but provide lower potential long-term returns.

All the index performance results referred to are provided exclusively for comparison purposes only. It should not be assumed that they represent the performance of any particular investment.

THE SPDR REFINITIV GLOBAL CONVERTIBLE BOND UCITS ETF (THE "PRODUCT") IS NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY REFINITIV LIMITED OR ANY OF ITS SUBSIDIARIES OR AFFILIATES ("REFINITIV"). REFINITIV MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE OWNERS OF THE PRODUCT(S) OR ANY MEMBER OF THE PUBLIC REGARDING THE ADVISABILITY OF INVESTING IN SECURITIES GENERALLY OR IN THE PRODUCT(S) PARTICULARLY OR THE ABILITY OF THE REFINITIV QUALIFIED GLOBAL CONVERTIBLE INDEX (THE "INDEX") TO TRACK GENERAL MARKET PERFORMANCE. REFINITIV' ONLY RELATIONSHIP TO THE PRODUCT(S) AND STATE STREET GLOBAL ADVISORS (THE "LICENCEE") IS THE LICENSING OF THE INDEX, WHICH IS DETERMINED, COMPOSED AND CALCULATED BY REFINITIV OR ITS LICENSORS WITHOUT REGARD TO THE LICENCEE OR THE PRODUCT(S). REFINITIV HAS NO OBLIGATION TO TAKE THE NEEDS OF THE LICENCEE OR THE OWNERS OF THE PRODUCT(S) INTO CONSIDERATION IN CONNECTION WITH THE FOREGOING. REFINITIV IS NOT RESPONSIBLE FOR AND HAS NOT PARTICIPATED IN THE DETERMINATION OF THE TIMING OF, PRICES AT, OR QUANTITIES OF THE PRODUCT(S) TO BE ISSUED OR IN THE DETERMINATION OR CALCULATION OF THE EQUATION BY WHICH THE PRODUCT(S) IS TO BE CONVERTED INTO CASH. REFINITIV HAS NO OBLIGATION OR LIABILITY IN CONNECTION WITH THE ADMINISTRATION, MARKETING OR TRADING OF THE PRODUCT(S).

REFINITIV DOES NOT GUARANTEE THE QUALITY, ACCURACY AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN. REFINITIV MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENCEE, OWNERS OF THE PRODUCT(S), OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE RIGHTS LICENCED HEREUNDER OR FOR ANY OTHER USE. REFINITIV MAKE NO

EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL REFINITIV HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOST PROFITS, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Investing in high yield fixed income securities, otherwise known as "junk bonds", is considered speculative and involves greater risk of loss of principal and interest than investing in investment grade fixed income securities. These Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer.

You should obtain and read the SPDR prospectus and relevant Key Investor Information Document (KIID) prior to investing, which may be obtained from ssga.com. These include further details relating to the SPDR funds, including information relating to costs, risks and where the funds are authorised for sale.

The information contained in this communication is not a research recommendation or 'investment research' and is classified as a 'Marketing Communication' in accordance with the Markets in Financial Instruments Directive (2014/65/EU) or applicable Swiss regulation. This means that this marketing communication (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research (b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

The Fund/share class may use financial derivatives instruments for currency hedging and to manage the portfolio efficiently. The Fund may purchase securities that are not denominated in the share class currency. Hedging should mitigate the impact of exchange rate fluctuations however hedges are sometimes subject to imperfect matching which could generate losses.

The units of the Sovereign Bond Flow Indicators are standardised by debt outstanding at each point in the curve and then for the aggregates are duration weighted. State Street Global Markets ('SSGM') then aggregate the indictors into percentiles to gauge the significance of a flow or positioning metric over a variety of time periods and countries. SSGM's use is aimed at being a simple way of ranking flow and positioning indicators relative to their own history. For all of the flow indicators within the State Street Bond Compass, State Street Global Markets calculates the percentiles based on the distribution of flows over the last five years using the daily aggregate time periods shown in the charts. As a guide a 100th percentile reading represents the strongest buying in five years; and a zero percentile equals the strongest selling. A reading in the 50th percentile would signal that net flows in the asset over the period are at their average level, typically close to zero.

ID463300-2228182.45.1.GBL.INST 0421
Exp. Date 31/07/2021