

SPDR S&P 500 ETF Trust (SPY)

30 Years of
Unrivaled Liquidity

Liquid, Cost-Effective Exposure to the World's Largest Economy

SPDR® S&P 500® ETF Trust (SPY), the first US-listed ETF, was the spark that ignited the \$8.9 trillion global ETF market you know today.¹

Since its launch in 1993, SPY has established itself as a premier choice for investors looking for cost-effective, highly liquid exposure to the well-known S&P 500® Index. As a result, the fund provides reliable access to 500 of the largest publicly traded US firms,² spanning all major sectors.

SPY is also the most actively traded ETF globally — no other ETF even comes close — and boasts an extremely diverse investor base of large institutions, financial professionals, and individuals. Its unrivaled liquidity and exposure to one of the world's best-known indices make it a valuable tool for both long-term investors and active traders.

Discover how SPY has helped investors around the world access US equities, while bringing innovation and transparency to markets for three decades and counting.

At a Glance

SPY's launch, which took place in 1993, stems from the 1987 "Black Monday" crash when US stocks lost over 20% in a single day. In the aftermath, US regulators suggested the need for a trading vehicle to provide an additional layer of liquidity for US stocks. This was the impetus that led to the launch of SPY,³ a collaboration between State Street Global Advisors, S&P Dow Jones Indices, and the American Stock Exchange.

\$360B

Assets Under Management⁴

\$39.6B

Average Daily Trading Volume⁵

0.004%

Average Bid-Ask Spread⁶

46%

Of ETF Options Volume⁷

Why Investors Choose SPY

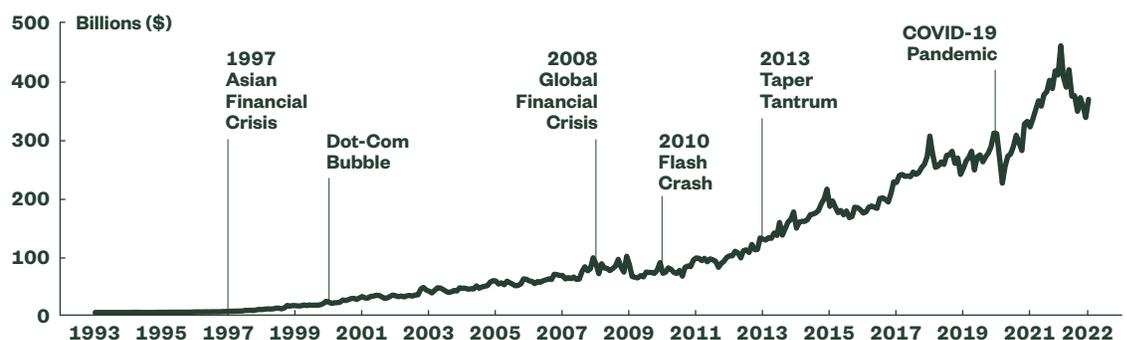
Diversification in a Single Position SPY's coverage touches nearly every facet of the US economy, giving investors a highly efficient way to gain exposure to the world's largest economy and many of the world's most-recognized firms in a single fund.

Trusted Providers SPY is managed by State Street Global Advisors, an ETF pioneer and one of the world's largest asset managers, and benchmarked to the S&P 500 Index from S&P Dow Jones Indices, one of the most trusted index providers in the world.

Unrivaled Liquidity SPY — which trades \$39 billion a day, on average — gives investors the ability to tap into unmatched liquidity.⁸

SPY's liquidity can be even more prevalent during volatile markets. In fact, SPY's percentage of overall market volume tends to spike during days of elevated stress and trading. As the market began to witness steep declines during the onset of COVID-19, SPY became the first ETF to ever trade more than \$100 billion in a single day on February 28, 2020,⁹ showing that investors gravitate to its deep pool of liquidity — particularly when it's needed most.

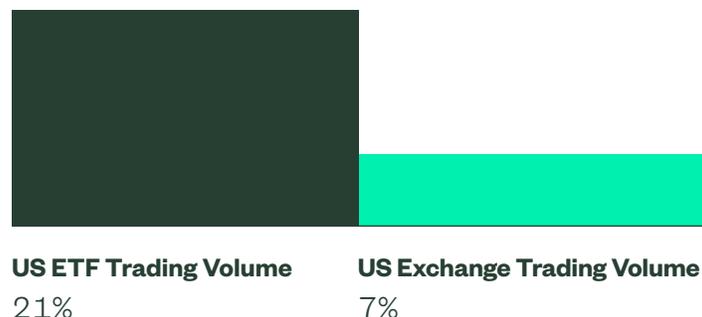
Figure 1
SPY Has Helped Investors Navigate Volatile Periods
SPY Assets Since 1993



Source: Bloomberg Finance L.P., as of November 28, 2022.

Another example of SPY's deep liquidity is the size of the options market traded on the ETF. SPY has notional options open interest of \$894 billion, representing 47% of ETF open notional interest.¹⁰ And even though SPY only represents 5% of ETF AUM, the fund accounts for more than 20% of all ETF trading in the US and 7% of all US exchange volumes — revealing its deep user base.¹¹

Figure 2
**SPY Percentage of
 Total Trading Volume**



Source: Bloomberg Finance L.P., State Street Global Advisors, as of December 18, 2022.

Liquidity Lowers Execution Costs While Improving Execution Flexibility

The total cost of owning an ETF is more than just its expense ratio. Liquidity can also impact trading costs such as bid-ask spreads. For investors moving large amounts of money or trading frequently, ETF liquidity and bid-ask spreads are even more important for determining costs.

Benefits of SPY's Immense Volume

- Lower Trading Costs** The average bid-ask spread of the two next-largest US-listed S&P 500® ETFs is two times SPY's bid-ask spread.¹² And the differences in bid-ask spreads between SPY and competitor ETFs tend to be more pronounced in times of market stress.
- Reduced Trade Execution Risk** In addition to providing tighter spreads and lower market impact costs for retail investors executing electronically on the secondary market, SPY's depth of liquidity across market makers means large-sized orders can be executed with minimal market impact. SPY's overall robust liquidity profile provides cost benefits relative to its competitors, regardless of the execution strategy implemented.

Figure 3
SPY Execution Costs vs. S&P 500 ETF Competitors¹³

	SPY	US-Listed S&P 500 ETF	
		iShares Core S&P 500 ETF (IVV)	Vanguard 500 Index Fund ETF (VOO)
12-month Average Daily Notional Trading Volume	\$39,631,757,341	\$2,671,136,322	\$2,309,245,997
Current Share Price	\$395.91	\$397.69	\$363.95
Bid-ask Spread	\$0.02	\$0.04	\$0.04
Average Bid-ask Spread (bps)	0.42	1.06	1.09

Source: Bloomberg Finance L.P., as of November 28, 2022.

The funds presented herein have different investment objectives, costs and expenses. Each fund is managed by a different investment firm, and the performance of each fund will necessarily depend on the ability of their respective managers to select portfolio investments. These differences, among others, may result in significant disparity in the funds' portfolio assets and performance. For further information on the funds, please review their respective prospectuses.

**A Cost-Effective,
Flexible Tool from
an ETF Pioneer**

SPY, which is part of the SPDR ETFs family, is backed by the resources of State Street Global Advisors — an ETF pioneer and one of the world's largest asset managers.

About SPDR Exchange Traded Funds SPDR ETFs are designed to be portfolio building blocks, span an array of asset classes, and provide investors with the flexibility to select investments that align with their investment strategy. The comprehensive family of SPDR ETFs is sponsored by affiliates of State Street Global Advisors.

About State Street Global Advisors For four decades, State Street Global Advisors has served the world's governments, institutions, and financial advisors. With a rigorous, risk-aware approach built on research, analysis, and market-tested experience, we build from a breadth of index and active strategies to create cost-effective solutions. And, as pioneers in index, ETF, and ESG investing, we are always inventing new ways to invest.

1st

Creator of the
World's First ETFs¹⁴

\$3.3T

AUM Managed
Globally¹⁵

40 yrs

Indexing and Portfolio
Experience¹⁶

**What Can You Do
With SPY?**

For more information on how to use the fund in your portfolio, contact SPDR ETFs Capital Markets and Sales Execution Teams.



[Visit our website](#)



[Request a pre-trade analysis](#)

Endnotes

- 1 ETFGI, October 31, 2022.
- 2 Bloomberg Finance L.P., as of December 12, 2022.
- 3 "SPY Can Offer Enhanced Liquidity and Flexibility for All Users," Pensions & Investments, December 8, 2022.
- 4 Source: Bloomberg Finance L.P., State Street Global Advisors, as of December 18, 2022.
- 5 Bloomberg Finance, L.P., November 28, 2022.
- 6 Bloomberg Finance L.P., SSGA, as of December 18, 2022.
- 7 Bloomberg Finance L.P., State Street Global Advisors, as of December 18, 2022.
- 8 Bloomberg Finance L.P., State Street Global Advisors, as of December 18, 2022.
- 9 Bloomberg Finance L.P., as of December 12, 2022.
- 10 Bloomberg Finance L.P., State Street Global Advisors, as of December 18, 2022.
- 11 Bloomberg Finance L.P., State Street Global Advisors, as of December 18, 2022.
- 12 Bloomberg Finance, L.P., November 28, 2022.
- 13 No representation or warranty is being made to the currency, accuracy, reliability, or completeness of the information nor liability for any decisions made based upon it. Past performance is not a reliable indicator of future performance. Any index information or performance is not meant to represent any specific fund. You cannot invest directly in an index. Additional information on the funds discussed, including standard performance and the prospectus, is available at: <https://ssga.com/us/en/etfs/fund-finder> <https://ishares.com/us/products/eft-investments#> <https://investor.vanguard.com/investment-products/list/etfs>
- 14 ETFs managed by State Street Global Advisors have the oldest inception dates within the US, Australia, and Singapore. State Street Global Advisors launched the first ETF in the US on January 22, 1993; launched the first ETF in Hong Kong on November 11, 1999; launched the first ETF in Australia on August 24, 2001; and launched the first ETF in Singapore on April 11, 2002.
- 15 State Street Corporation, as of September 30, 2022.
- 16 State Street Corporation, as of September 30, 2022.

ssga.com

Information Classification: General Access

For institutional / professional investors use only.

State Street Global Advisors

One Iron Street, Boston MA 02210
T: +1 866 787 2257

Important Information

In general, ETFs can be expected to move up or down in value with the value of the applicable index. Although ETF shares may be bought and sold on the exchange through any brokerage account, ETF shares are not individually redeemable from the Fund. Investors may acquire ETFs and tender them for redemption through the Fund in Creation Unit Aggregations only. Please see the prospectus for more details. Equity securities may fluctuate in value and can decline significantly in response to the activities of individual companies and general market and economic conditions.

ETFs trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETFs net asset value. Brokerage commissions and ETF expenses will reduce returns.

Passively managed funds invest by sampling the index, holding a range of securities that, in the aggregate, approximates the full Index in terms of key risk factors and other characteristics. This may cause the fund to experience tracking errors relative to

performance of the index.

While the shares of ETFs are tradable on secondary markets, they may not readily trade in all market conditions and may trade at significant discounts in periods of market stress. Investing involves risk including the risk of loss of principal.

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.

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 views expressed in this material are the views of the State Street Global Advisors through the period ended January 10, 2023 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.

The information provided does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. You should consult your tax and financial advisor.

There can be no assurance that a liquid market will be maintained for ETF shares.

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

The funds presented herein have different investment objectives, costs and expenses. Each fund is managed by a different investment firm, and the performance of each fund will necessarily depend on the ability of their respective managers to select portfolio investments. These differences, among others, may result in significant disparity in the funds' portfolio assets and performance. For further information on the funds, please review their respective prospectuses.

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. 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 licensed for use by S&P Dow Jones Indices LLC (SPDJI) and sublicensed 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.

Certain State Street affiliates provide services and receive fees from the SPDR ETFs.

Distributor: State Street Global Advisors Funds Distributors, LLC, member FINRA, SIPC, an indirect wholly owned subsidiary of State Street Corporation. References to State Street may include State Street Corporation and its affiliates. Certain State Street affiliates provide services and receive fees from the SPDR ETFs. ALPS Distributors, Inc., member FINRA, is distributor for SPDR® S&P 500®, SPDR® S&P MidCap 400® and SPDR® Dow Jones Industrial Average, all unit investment trusts. ALPS Distributors, Inc. is not affiliated with State Street Global Advisors Funds Distributors, LLC.

Before investing, consider the funds' investment objectives, risks, charges and expenses. To obtain a prospectus or summary prospectus which contains this and other information, call 1-866-787-2257 or visit ssga.com. Read it carefully.

© 2023 State Street Corporation.
All Rights Reserved.
ID1327750-536325613.AM.INST 1222
SPD002893
Exp. Date: 01/31/2024

**Not FDIC Insured
No Bank Guarantee
May Lose Value**