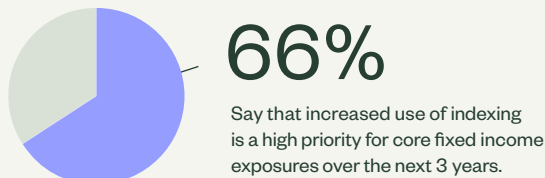


Fixed Income: Preparing for the Big Shift

Our latest research uncovers four major trends transforming fixed income portfolios, revealing what's driving institutional investors across the globe to adopt new ways of fixed income (FI) investing.

The Move to Indexing

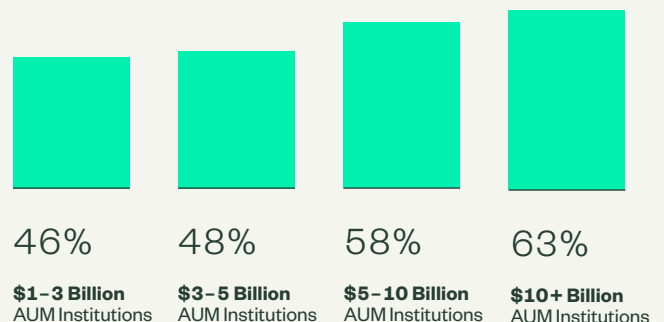
Low yields, new capabilities, and structural changes are driving a move towards indexing across the fixed income spectrum.



Leading Motivating Factors	39%	Lowering costs / improved efficiency
	38%	Maximizing impact of asset allocation decision
	33%	Opportunity for active to add alpha more difficult
	32%	Enhanced liquidity / pricing transparency
	30%	Demonstrated reliable performance

ETFs in the FI Toolkit

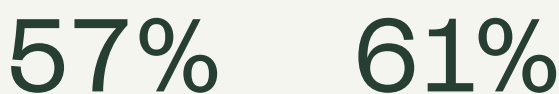
ETF performance during 2020 pandemic-related market stress highlights new investment possibilities for institutions.



Percentage more comfortable allocating to ETFs in the future given their performance during the Covid-19 market turbulence.

ESG Moves Mainstream for FI

Integrating ESG within fixed income is now a high priority for a majority of investors in Europe and the US.



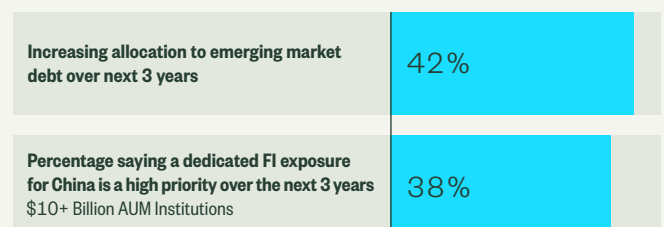
North American
Respondents

European
Respondents

Percentage saying ESG integration in fixed income is a high priority over the next 3 years.

China, EM Come Online

Most institutions will maintain or increase EM exposure, and China's entry into key indexes is a rich source of potential.



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 active and index strategies to create cost-effective solutions. As stewards, we help portfolio companies see that what is fair for people and sustainable for the planet can deliver long-term performance. And, as pioneers in index, ETF, and ESG investing, we are always inventing new ways to invest. As a result, we have become the world's fourth-largest asset manager* with US \$3.90 trillion[†] under our care.

* Pensions & Investments Research Center, as of December 31, 2020.

[†] This figure is presented as of June 30, 2021 and includes approximately \$63.59 billion of assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated.

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

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.

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

The returns on a portfolio of securities which exclude companies that do not meet the portfolio's specified ESG criteria may trail the returns on a portfolio of securities which include such companies. A portfolio's ESG criteria may result in the portfolio investing in industry sectors or securities which underperform the market as a whole.

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.

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