

SPDR Spotlight

Pro-Active Core - TOTL

The Lead

- The Fed Chairman Powell’s pushback on rate cuts in March and upside surprises in the December payroll report sent 2-year Treasury yields up by 18bps in the last two trading sessions, underscoring continued rate uncertainty
- With rate implied volatility currently sitting in the 86nd percentile¹, indexed core bond exposures are more vulnerable to rate uncertainty
- The actively managed [SPDR® DoubleLine® Total Return Tactical ETF \(TOTL\)](#) may help investors navigate this period of monetary policy uncertainties, unconstructive valuations and uneven fundamental trends for credit with its ability to tactically adjust portfolio duration while enhancing yields

The Takeaway

TOTL is a core bond exposure that combines traditional and non-traditional fixed income asset classes, seeking to generate high quality income by exploiting inefficiencies within the global fixed income market, while maintaining active risk constraints. As a result of DoubleLine’s skilled active management, TOTL is showing a yield higher than 87% of its peers² and has seen lesser drawdowns than its peer group median 85% of the time since its inception.³ In fact, TOTL’s outperformance over the benchmark with lower risk is a long-term trend, as shown below.

Chart of the Week

TOTL Has Consistently Delivered Above Benchmark Results With Less Excess Risk



Source: Morningstar, Period: 2/1/2021 – 1/31/2024 , the Agg = Bloomberg Aggregate Bond Index **Past performance is not a reliable indicator of future performance.**

Standard
Performance

Ticker	Name	QTD (%)	YTD (%)	Annualized					Inception Date	Gross Expense Ratio
				1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)		
TOTL (NAV)	SPDR® DoubleLine® Total Return Tactical ETF	6.34	5.84	5.84	-2.56	0.56	-	1.04	02/23/2015	0.55%
TOTL (MKT)	SPDR® DoubleLine® Total Return Tactical ETF	6.02	5.61	5.61	-2.60	0.52	-	1.03	02/23/2015	0.55%

Source: ssga.com, as of 12/31/2023. **Performance returns for periods of less than one year are not annualized. Past performance is not a reliable indicator of future performance. 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. For SPDR ETFs, visit [ssga.com](https://www.ssga.com) for most recent month-end performance.** The market price used to calculate the Market Value return is the midpoint between the highest bid and the lowest offer on the exchange on which the shares of the Fund are listed for trading, as of the time that the Fund's NAV is calculated. If you trade your shares at another time, your return may differ. The gross expense ratio is the fund's total annual operating expenses ratio. It is gross of any fee waivers or expense reimbursements. It can be found in the fund's most recent prospectus.

Footnotes

1 Bloomberg Finance L.P., Period: 1/1/2014 – 2/2/2024. Rate implied volatility represented by the MOVE Index.
2 Morningstar, as of 1/31/2024. Peer group defined as all US-listed ETFs and US domiciled mutual funds (oldest share class) in the Intermediate Core-Plus Morningstar Category. Yield defined as the 12 Month Yield.
3 Morningstar, Period: 3/1/2015 - 1/31/2024. 6-month rolling Max Drawdown computed with 1-month step size. Group defined as all US-listed ETFs and US domiciled mutual funds (oldest share class) in the Intermediate Core-Plus Morningstar Category.

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The values of **debt securities** may decrease as a result of many factors, including, by way of example, general market fluctuations; increases in interest rates; actual or perceived inability or unwillingness of issuers, guarantors or liquidity providers to make scheduled principal or interest payments; illiquidity in debt securities markets; and prepayments of principal, which often must be reinvested in obligations paying interest at lower rates.

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