White Paper
Gold

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Invest in Gold

A Portfolio Diversifier With Staying Power

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STATE STREET GLOBAL ADVISORS SPDR®

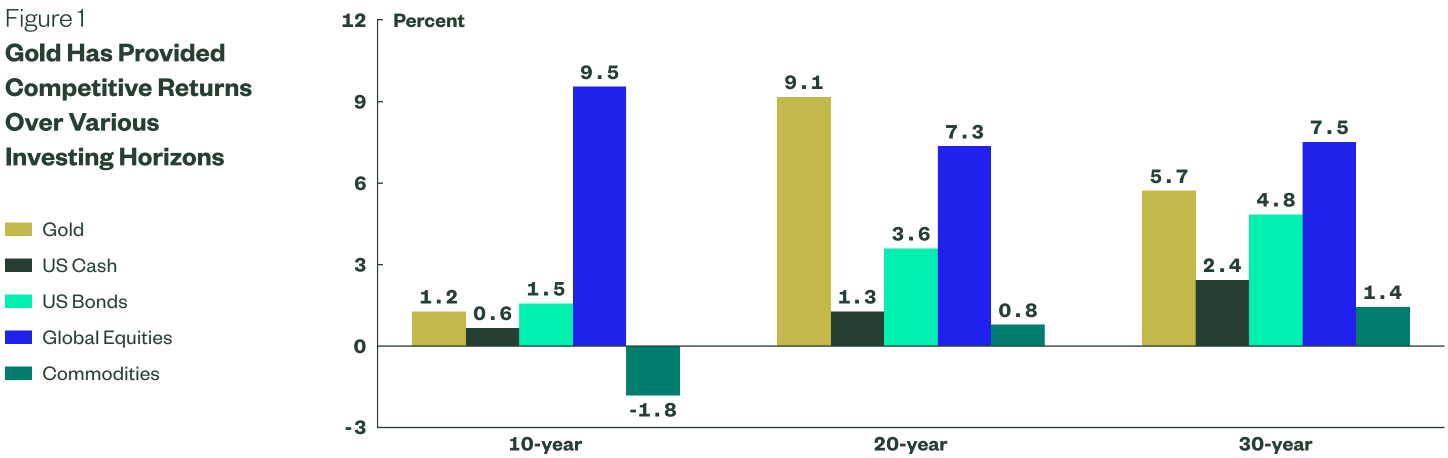
Contents

Executive Summary

Gold can often appear polarizing, with differing views among investors expressed about its potential benefits. There are many motivating factors for when and why to allocate to gold, with these frequently emerging strongest during extreme periods — either significant market turmoil spurring investors to seek defensive positions, or extreme market rallies in the gold price attracting interest.

Yet, this reactionary treatment of gold drastically overlooks its relevance and unique characteristics as a core strategic position for various long-term investing horizons. From a portfolio perspective, a primary utility for gold is as an effective and robust risk-management tool, a durable mechanism to preserve wealth, and an efficient source of portfolio diversification.

Figure 1
Gold Has Provided Competitive Returns Over Various Investing Horizons



Source: Bloomberg Finance, L.P., State Street Global Advisors. Data as of June 30, 2022. Gold: gold spot price in US dollar, US Cash: ICE BofAML US 3-Month Treasury Bill Index, US Bonds: Bloomberg US Aggregate Total Return Index, Global Equities: MSCI World Total Return Index, Commodities: S&P GSCI Total Return Index. **Past performance is not a reliable indicator of future performance.**

This paper provides an outline of the primary benefits gold may offer portfolios relative to other major asset classes as well as its distinct contribution to portfolio strategy over the long run. It also examines how including gold in a hypothetical multi-asset portfolio may improve its risk-return characteristics. Results from this case study highlighted that holding between 2% and 10% of SPDR® Gold Shares (GLD®) between January 1, 2005,[1] and June 30, 2022, improved each hypothetical portfolio's cumulative return and Sharpe ratio and lowered its maximum drawdowns, as compared to a portfolio without any gold-backed investments.

1 A Risk-Management Tool With Staying Power

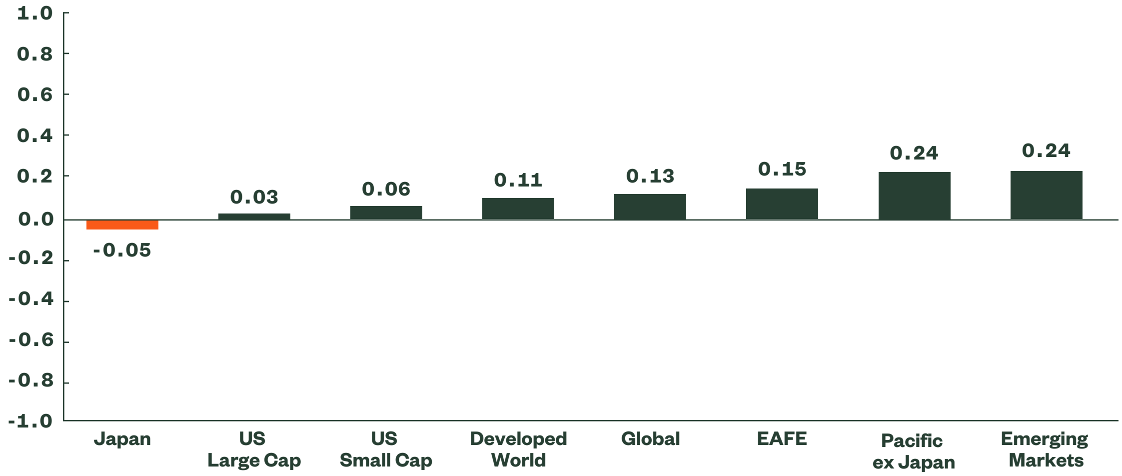
Over the long term, gold stands out as a persevering source of portfolio diversification — a major reason why multi-asset portfolio managers can consider including gold in their portfolio's allocations. Gold's diverse, global demand among both cyclical and countercyclical sectors can help drive two key strategic benefits for portfolios: its persistently low correlations to other asset classes and its ability to protect against tail risks. These characteristics may aid in providing efficient portfolio diversification while reducing portfolio drawdowns and volatility resulting in improved risk-adjusted portfolio performance.

Gold Maintains a Low Correlation to Financial Assets

All investments carry some degree of risk; the higher the potential return on investment, the more risk an investor must take. When building a multi-asset portfolio, investors must consider not only the potential or forecasted risk-return characteristics of a particular asset class, but also how that asset class or market segment behaves relative to other investments and the impact on the portfolio as a whole. Although many investors tend to focus on constructing portfolios with asset classes offering high forecasted risk-adjusted returns, there are potential benefits to including asset classes that may also move differently relative to one another.

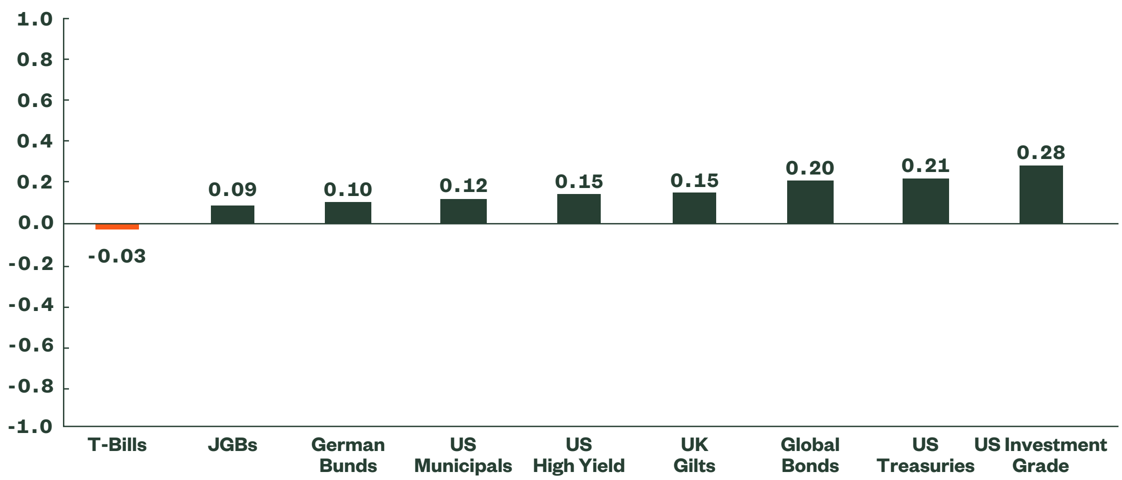
A low correlation between the asset classes in a multi-asset portfolio can potentially help lower portfolio volatility and therefore, all else being equal, increase diversification and enhance the overall risk-adjusted return of a portfolio. Comparing gold's behavior to global equity and fixed income indices highlights its low correlation over the last 30 years. Among major equity markets such as the US and Japan, the correlation to gold ranges from near zero to negative (see Figure 2), while the highest fixed income index correlation (0.28 to US investment-grade bonds) is still relatively low (see Figure 3). This persistent low correlation to financial assets aids in gold's ability to provide continued portfolio diversification and potentially improve risk-adjusted portfolio performance.

Figure 2
Gold Exhibits Low 30-Year Correlation to Major Equity Indices



Source: Bloomberg Finance, L.P., State Street Global Advisors. Data ending June 30, 2022. Gold correlation calculation based on monthly data. Global: MSCI All Country World (ACWI) Index, Developed World: MSCI World Index, Japan: MSCI Japan Index, Pacific ex Japan: MSCI Pacific ex Japan Index, Emerging Markets: MSCI Emerging Markets (EM) Index, EAFE: MSCI EAFE Index, US Large Cap: S&P 500 Index, US Small Cap: Russell 2000 Index. The correlation coefficient measures the strength and direction of a linear relationship between two variables. It measures the degree to which the deviations of one variable from its mean are related to those of a different variable from its respective mean, with 0 being uncorrelated and 1 being perfectly correlated. **Past performance is not a reliable indicator of future performance.**

Figure 3
Gold Exhibits Low 30-Year Correlation to Major Fixed Income Indices



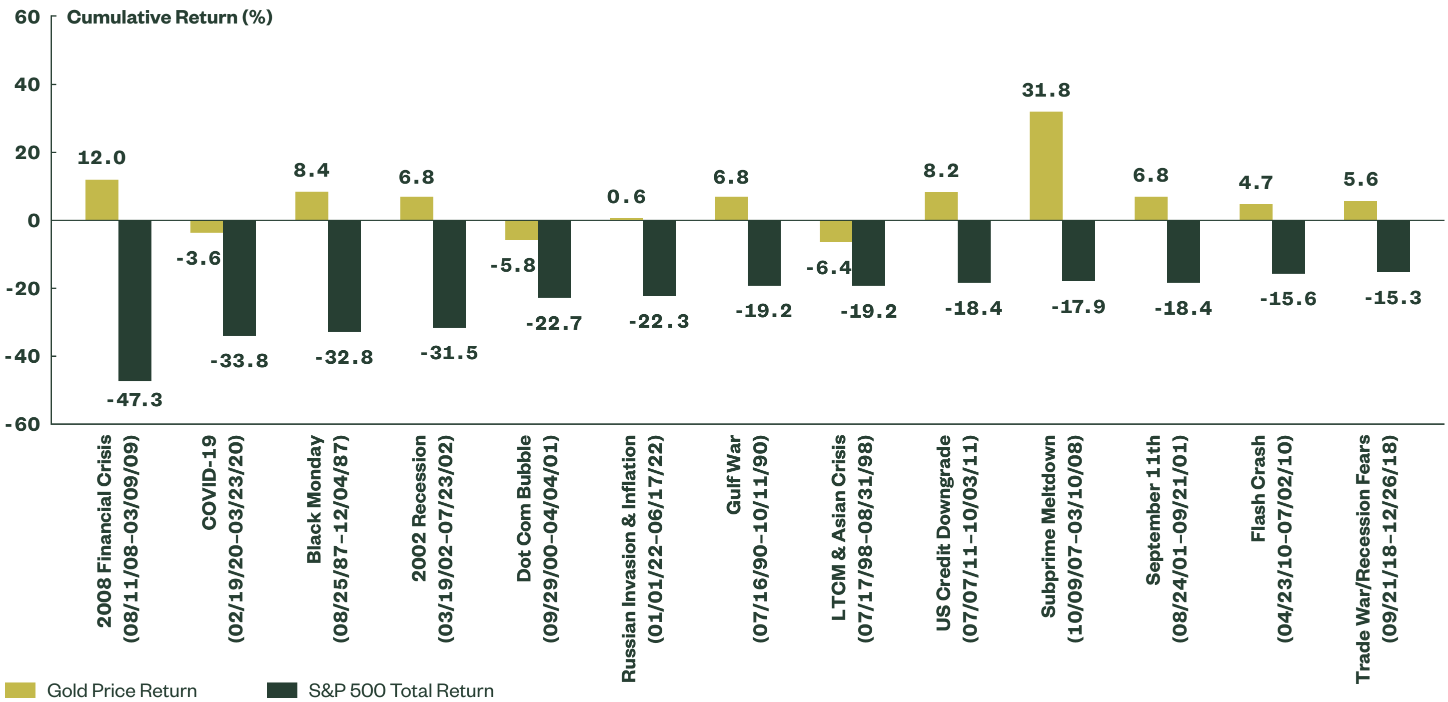
Source: Bloomberg Finance, L.P., State Street Global Advisors. Data ending June 30, 2022. Gold correlation calculation based on monthly data. T-Bills: ICE BofAML US 3-Month Treasury Bill Index, US Treasuries: ICE BofAML US Treasury Index, US Municipals: ICE BofAML US Municipal Securities Index, US High Yield: ICE BofAML US High Yield Index, Global Bonds: Bloomberg Global Aggregate Total Return Index Value Hedged USD, German Bunds: ICE BofAML German Government Index, UK Gilts: ICE BofAML UK Gilt Index, JGBs: ICE BofAML Japan Government Index, US Investment (Inv) Grade: ICE BofAML US Corp BBB-A Index. The correlation coefficient measures the strength and direction of a linear relationship between two variables. It measures the degree to which the deviations of one variable from its mean are related to those of a different variable from its respective mean, with 0 being uncorrelated and 1 being perfectly correlated. **Past performance is not a reliable indicator of future performance.**

Gold Is a Robust, Multifaceted Risk-Management Tool

Beyond providing low correlations to financial assets over multiple market cycles, gold has a strong track record of protecting against both short- and long-term market volatility. Its ability to protect portfolios against systemic market shocks and tail events emanating from various catalysts (financial, health-related, economic, geopolitical, credit/liquidity) may help reduce portfolio drawdowns, resulting in potential improvement of portfolio performance over time.

When evaluating major drawdowns in US equity markets, gold has not only outperformed relative to US equities on a relative basis, but also on an absolute basis in the majority of cases. As detailed in figure 4, during peak-to-trough drawdowns greater than 15% on the S&P 500® Index, gold averaged 5.83%, compared to -24.19% total return on the S&P 500. Furthermore, during these 13 drawdown events, gold experienced positive returns during nine of them. During the three periods when gold's return was negative, it still reduced portfolio drawdowns and volatility when compared to a portfolio with no allocation to gold. Furthermore, gold tends to maintain gains over time even as markets recover.

Figure 4
Gold Outperforms Relative to US Equities During Drawdowns Greater Than 15%



Source: Bloomberg Finance, L.P., State Street Global Advisors. US Equity represented by S&P 500 Total Return. Gold: gold spot price in US dollars. Data from August 25, 1987, to June 30, 2022. **Past performance is not a reliable indicator of future performance.** Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable.

Gold not only helps mitigate risk during sustained equity market drawdowns, but also may help protect against shorter-term bouts of volatility driven by market technicals or transient events. When evaluating measurements of implied volatility for equity, interest rate, and currency volatility, gold has served as a better potential hedge. During trading weeks exhibiting elevated implied volatility for US equity, US Treasury, and foreign exchange (FX) markets, gold's average weekly performance was positive and outperformed defensives assets like bonds and the US dollar, on average.

Figure 5
Gold's Average Weekly Returns Outperform During Periods of Elevated Volatility

Gold
S&P 500 Index
US Bonds
US Dollar

Source: Bloomberg Finance L.P., State Street Global Advisor. Data from January 1, 1990, to June 30, 2022. Equity volatility spike represented by one standard deviation rise in CBOE Volatility Index (VIX Index) on weekly basis. Rate volatility spike represented by one standard deviation rise in ICE BofA MOVE Index on weekly basis. Currency volatility spike represented by one standard deviation rise in JP Morgan Global FX Volatility Index on weekly basis. Gold: gold spot price in US Dollars, US Bonds: Bloomberg US Aggregate Index, US Dollar: US dollar spot index, S&P 500: S&P 500 price index. **Past performance is not a reliable indicator of future performance.** Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable.

2

A Wealth-Preservation Tool With Liquidity

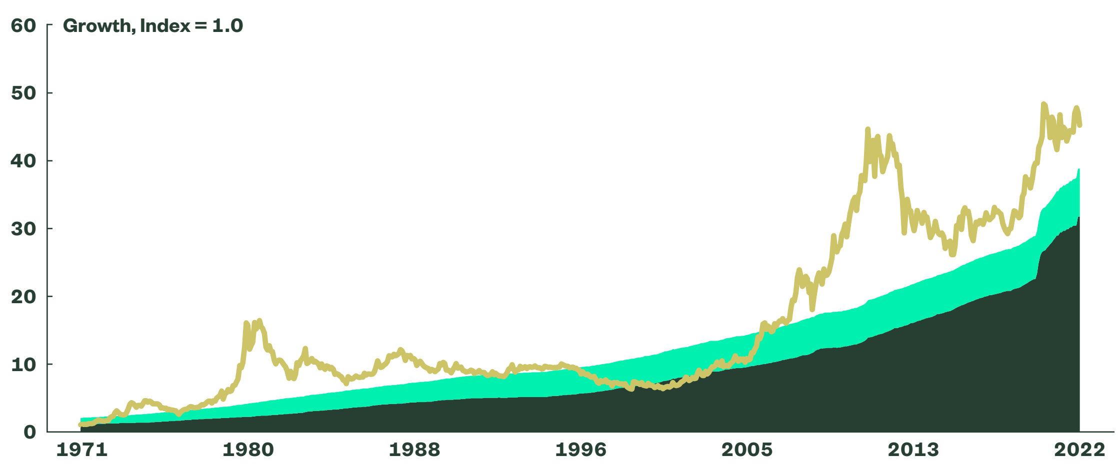
Perhaps the longest and most well-known utility for gold has been as a store of value. Gold is a naturally rare element that does not tarnish, rust, or erode — making it a reliable vehicle for maintaining and accumulating wealth for centuries. It has also been used as money and linked to currency systems throughout history. Coupled with the depth and liquidity of the gold market, these characteristics serve as a cornerstone behind its designation as a reserve asset today among global central banks and other institutions. This highlights gold's further value for diversified portfolios: maintaining wealth while protecting against rising prices and currency debasement and providing positive real returns across various inflationary environments.

Gold Preserves Spending Power Against Sources of Inflation

Since 1971 when US President Richard Nixon removed the US dollar from the gold standard, and gold began trading in a free market, the price of gold (in USD) has increased at a compound annual growth rate (CAGR) of 7.65%, rising from US $43.28/oz to US $1,817/oz today.[2] Over the course of those five decades, consumer prices increased as well, though not at the same rate as gold's appreciation. When factoring in monetary inflation, gold's performance over the long run synchronizes more closely. Broadly speaking, gold keeps up with price fluctuations over time. This, in conjunction with keeping pace with monetary inflation (likely via currency debasement), provides gold's robust ability to preserve wealth and purchasing power. Therefore, when evaluating gold as a store of value against inflation, it's important to account for both price inflation as well as sources of monetary inflation such as rising money supply and fiat currency depreciation.

Figure 6
Gold Price Has Appreciated Alongside Both Price and Monetary Inflation Since 1971

M2 Money Supply
US Consumer Price Index (CPI)
Gold Price (US$/oz)

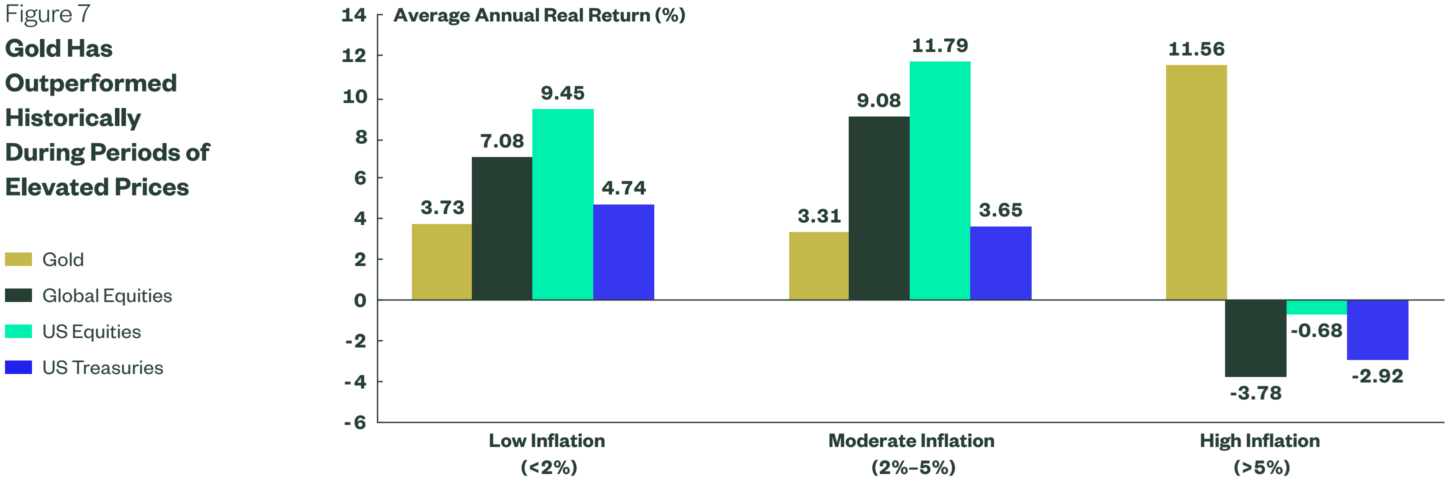


Source: Bloomberg Finance L.P., State Street Global Advisors. Data from July 31, 1971, to June 30, 2022. **Past performance is not a reliable indicator of future performance.**

Gold is commonly lauded as an inflation-hedging asset, particularly against rising price inflation as measured by common indices like the Consumer Price Index (CPI). As a global asset, however, there is more nuance to how and in what environments gold behaves against rising prices and inflationary pressures in any given region or economy. Although the price of gold tends to keep pace with general price fluctuations, its overall inflation sensitivity during periods of low or moderate price changes has been average compared to other asset classes. In reality, gold has been most effective at protecting against periods of *extreme* price instability.

Looking more closely at price inflation, gold has preserved purchasing power across multiple price-inflation environments. Yet it tends to fare best during periods of extreme price levels. Over the last 50 years, gold has provided an average annual real return of 11.56% when US CPI exceeded 5% year-over-year, compared to negative returns on average for both global and US equities as well as US Treasuries (see Figure 7).

Figure 7
Gold Has Outperformed Historically During Periods of Elevated Prices



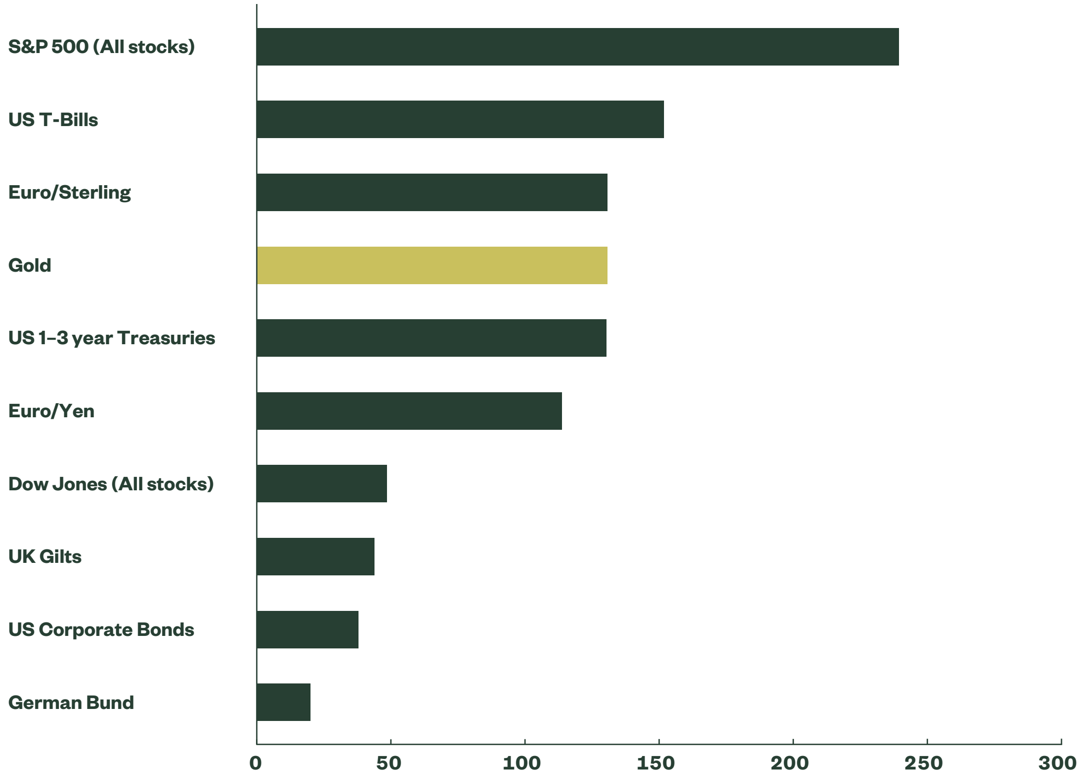
Source: Bloomberg Finance L.P., State Street Global Advisors. Data from August 31, 1971, to June 30, 2022. **Past performance is not a reliable indicator of future performance.** Gold: gold spot price in US dollar, Global Equities: MSCI World Total Return Index, US Equities: S&P 500 Index Total Return, US Treasuries: Bloomberg US Treasury Index Total Return. Data start date for US Treasuries is January 1, 1973.

Gold Is a Global Asset With Deep Liquidity

Another key aspect for a store-of-value asset is liquidity. This is even more important in today's investment landscape as volatile markets have showcased how quickly an asset's market liquidity can diminish, as witnessed in 2020 at the onset of the global pandemic and in 2008 during the Global Financial Crisis.

The global gold market is deep and liquid, on par with that of many global currency, debt, and equity markets. In 2021, gold's average daily volume was over US $130 billion, keeping pace with the trading activity of 1–3 year US Treasuries and Euro/British Pound Sterling currency volume. Gold's liquidity is a key component in its role as a reserve asset among central banks as well as a source of liquidity for investors and households globally.

Figure 8
Average Daily Trading Volumes (USD Billions)



Source: World Gold Council, State Street Global Advisors. Average daily volumes from January 1, 2021, to December 31, 2021, except for currencies that correspond to March 2019 volumes due to data availability. Gold liquidity includes estimates of OTC transactions and published statistics on futures exchanges, and gold-backed exchange-traded products.

With the rise of non-traditional asset classes, gold's liquidity characteristics become ever more prominent. Alternative investments such as hedge funds, private equity, real estate, and private debt have become more popular in the last decade as the low-real-rate environment has encouraged investors to shift to riskier and less-liquid assets to generate alpha. Historically, many of these alternative investments have helped portfolio performance. But they are often considered less liquid due to their longer-term strategies that offer potential upside but carry illiquidity premiums. Generally speaking, these assets are not marked-to-market as frequently as stocks and bonds, which could be an issue for investors during risk-off environments. The increased appetite for less-liquid investments strengthens the case for gold, given that it can provide the capital and liquidity needed during market selloffs.

3

Portfolio Impact That Stands Out Among Other Liquid Alternatives

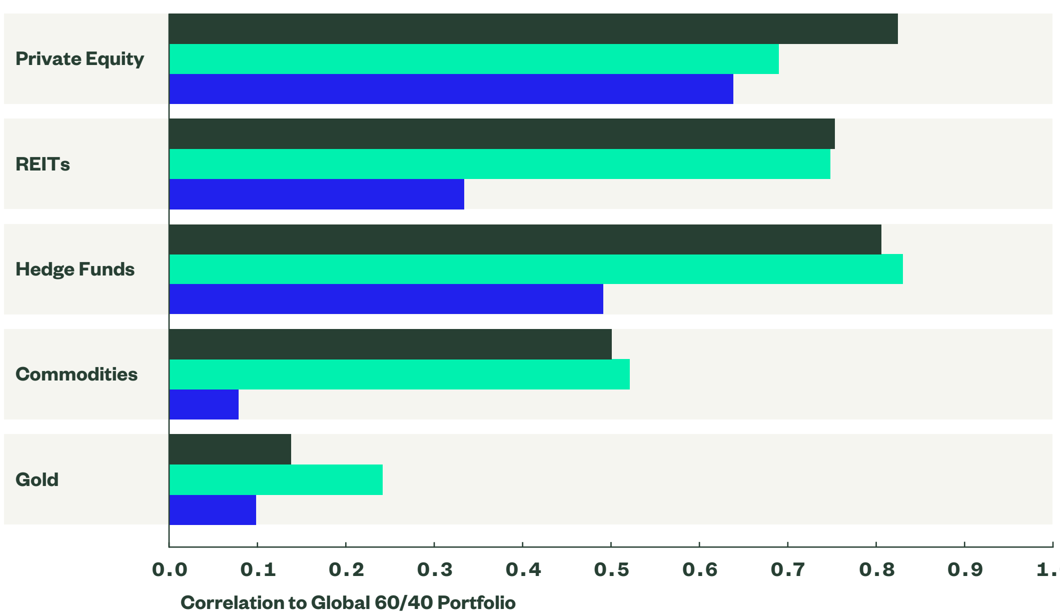
Economic growth is a key strategic driver affecting gold's long-term performance and potential investment benefits. Economic expansions lead to cyclical increases in demand for gold, as it is a key component not only in jewelry but also in certain technology products and industrial applications. Economic growth also tends to increase demand from savers. Applying a long-run perspective highlights that gold's expected returns are more comparable to bonds than equities. This makes sense, considering that gold and bonds are sensitive to long-term interest rate cycles.

A wide range of asset classes and investment strategies have been touted as portfolio diversifiers in recent decades. Many of these proposed diversifiers have failed to deliver when it counted, exhibiting high correlations to stock and bond portfolios during times of crisis.

For example, during the period leading up to the 2008 financial crisis, broad commodities, real estate investment trusts (REITs), and hedge funds joined gold in sporting relatively low correlations to a global stock-bond portfolio. Correlations rose during the peak of the crisis in 2008, as most assets were sold to meet liquidity needs. Among these asset classes, only gold's correlation reverted to pre-crisis levels in the years following 2008.

Figure 9
Gold Maintains a Low Correlation to a 60/40 Portfolio Post-2008 Financial Crisis

2009–today
2008
1994–2007



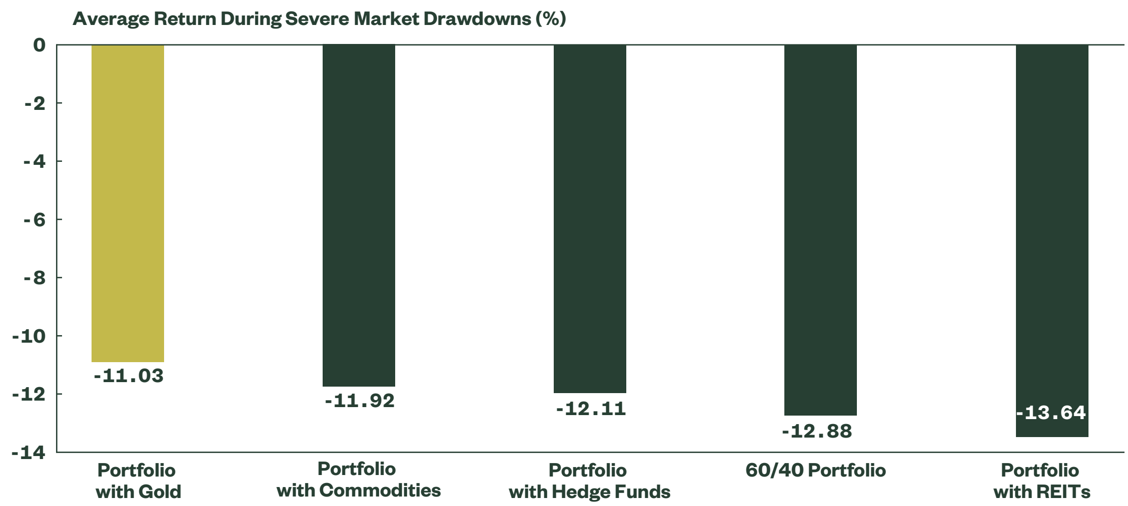
Source: Bloomberg Finance, L.P., State Street Global Advisors. Data from December 31, 1993, to June 30, 2022. Gold: gold spot price in US dollars. Commodities: S&P GSCI Total Return Index, Hedge Funds: HFRX Global Hedge Fund Index, REITs: FTSE NAREIT All Equity REITS Total Return Index, Private Equity: LPX50 Listed Private Equity Index Total Return. **Past performance is not a reliable indicator of future performance.**

Mitigating portfolio drawdowns remains incredibly important particularly as easy global monetary policies of the prior decade have spurred portfolios to seek higher potential returns by going further out on the risk curve in traditional asset classes such as stocks and bonds. Adding liquid alternative asset classes may potentially help investors mitigate risk in a traditional 60/40 portfolio. But gold, the original liquid alternative, has historically shown it may serve portfolios more effectively.

This aspect of portfolio downside protection is on display during major market drawdown events. As shown in Figure 10, adding a prorated 10% portfolio allocation to gold would have reduced portfolio drawdowns by 185 basis points (bps) on average compared to a traditional 60/40 portfolio, while the same allocation to most other liquid alternatives would have had the same impact.

Figure 10

Gold Has Led Other Liquid Alternatives in Its Ability to Help Reduce Portfolio Drawdowns in Tail Events



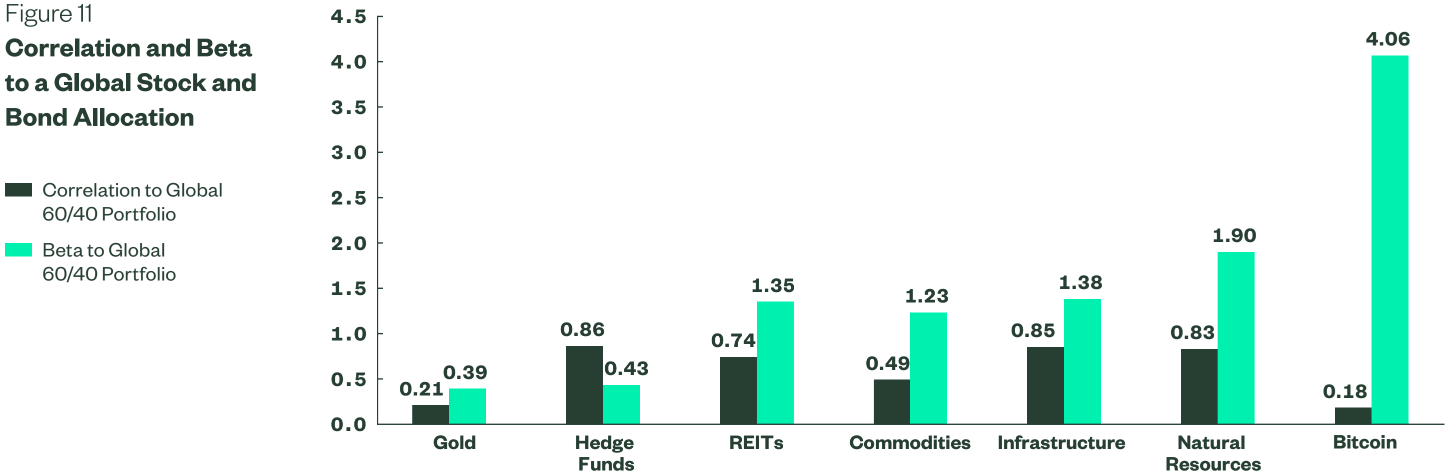
Source: Bloomberg Finance L.P., State Street Global Advisors. Data from July 16, 1990, to June 30, 2022.; 60/40 Global Portfolio = 60% MSCI World Total Return Index, 40% Bloomberg Global Aggregate Index. 10% allocation to stated alternative asset was added to 60/40 portfolio on pro-rated basis. Gold: gold spot price in US dollars, REITs: FTSE NAREIT All Equity REITS Total Return Index, Commodities: S&P GSCI Index, Hedge Funds: HFRX Global Hedge Fund Index. Drawdown periods include: Russian Invasion & Inflation (01/01/22–06/17/2022), COVID-19 (02/19/20–03/23/20), 2008 Financial Crisis (08/11/08–03/09/09), 2002 Recession (03/19/02–07/23/02), Dot-Com Bubble (09/29/00–04/04/01), Gulf War (07/16/90–10/11/90), LTCM & Asian Crisis (07/17/98–08/31/98), US Credit Downgrade (07/07/11–10/03/11), Subprime Meltdown (10/09/07–03/10/08), September 11 (08/24/01–09/21/01), Flash Crash (04/23/10–07/02/10), Trade War/Recession Fears (09/21/18–12/26/18). **Past performance is not a reliable indicator of future performance.** Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable.

Even in more recent years with further adoption of liquid alternative investments and the emergence of new nontraditional assets, gold remains the best option for achieving proper and efficient portfolio diversification. Gold has not only exhibited a low correlation to global stock/bond portfolios, but also exhibited a low beta as well. While correlation showcases directional tendencies in the movement of two assets, beta attempts to measure the explanatory power and quantify possible cause and effect.

Gold's performance is explained by more than just the fluctuations of global equity and debt markets. Gold is driven by its own market's fundamentals — gold demand in the form of jewelry, technology, central banks, and investment along with changes in gold supply globally. Compared to gold, other liquid alternatives and cryptocurrencies such as Bitcoin have higher betas to global stock/bond portfolio. This shows that their performance is determined by these markets, and may result in a less-effective source of portfolio diversification.

Figure 11

Correlation and Beta to a Global Stock and Bond Allocation



Source: Bloomberg Finance L.P., State Street Global Advisors. Data from July 31, 2010, to June 30, 2022. 60/40 Global Portfolio = 60% MSCI ACWI, 40% Bloomberg Global Aggregate Index; Gold: gold spot price in US dollars, Infrastructure: S&P Global Infrastructure Net Total Return Index, REITs: FTSE NAREIT All Equity REITS Total Return Index, Natural Resources: S&P Global Natural Resources Total Return Index, Commodities: S&P GSCI Index, Hedge Funds: HFRX Global Hedge Fund Index, Bitcoin: bitcoin price (1 XBT) in US dollars. **Past performance is not a reliable indicator of future performance.** Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable.

4 Case for Constructing Portfolios With SPDR® Gold Shares (GLD)

In a recent whitepaper by State Street Global Advisors' Investment Solutions Group (SSGA ISG) entitled "What Is the Portfolio of Assets Held by the World," a global multi-asset market portfolio (GMP) was developed, a portfolio consisting of all investable capital assets. Each asset's weighting within the GMP corresponds proportionately to that asset's market value divided by the sum of the market value of all assets in the portfolio. The GMP is the sum of all investors' holdings and a de facto proxy for the investable opportunity set available to all investors globally, or what is usually known as the "market portfolio." This may represent a good starting point for investors looking to build a globally diversified investment portfolio.

To examine the potential results of adding a 2%, 5%, or 10% strategic allocation to GLD into a multi-asset portfolio, we constructed hypothetical global multi-asset portfolios based on the concept of this GMP model by:

- Replicating the asset classes in the GMP with non-investable market indices
- Slightly adjusting each asset weighting in the GMP to include commodities and assume no gold exposure at the start (Portfolio A)
- Subtracting the percentage to be allocated to gold equally from the equity and government bond asset classes (the two asset classes with the highest weights) to add in GLD at 2% (Portfolio B), 5% (Portfolio C), and 10% (Portfolio D)

Figure 12a identifies the asset class weightings in each of the hypothetical portfolios constructed. It's important to note that the impact of adding GLD to an investor's portfolio will vary based on an investor's asset allocation decisions and market performance, among other things.

Figure 12a

Hypothetical Weights for Adding Gold to a Multi-Asset Portfolio

Asset Class	Investable Market Indices & ETF	Weighting in Hypothetical Portfolios (%)			
		Portfolio A	Portfolio B	Portfolio C	Portfolio D
Global Equity	MSCI All Country World Index	43	42	40.5	38
Total Equity		**43**	**42**	**40.5**	**38**
Government Bonds	Bloomberg Global Aggregate Government Bond Index	24	23	21.5	19
IG Credit	Bloomberg Global Aggregate Corporate Bond Index	15	15	15	15
Inflation-Linked Bonds	Bloomberg World Inflation Linked Bond Index	2	2	2	2
High Yield Bonds	Bloomberg Global Corporate High Yield Bond Index	1	1	1	1
EM Debt	Bloomberg Emerging Markets USD Aggregate Bond Index	3	3	3	3
Total Fixed Income		**45**	**44**	**42.5**	**40**
Real Estate	Global Property Research General Index	5	5	5	5
Private Equity	LPX Composite Listed Private Equity Index	4	4	4	4
Commodities	Bloomberg Commodity Index	3	3	3	3
Gold	SPDR Gold Shares (GLD)	—	2	5	10
Total Alternatives		**12**	**14**	**17**	**22**
Portfolio Total		**100**	**100**	**100**	**100**

Source: Bloomberg Finance L.P., FactSet, State Street Global Advisors, as of June 30, 2022. The asset allocation scenario is for hypothetical purposes only and is not intended to represent a specific asset allocation strategy or recommend particular allocation. Each investor's situation is unique and asset allocation decisions should be based on an investor's risk tolerance, time horizon, and financial situation. It is not possible to invest directly in an index. The information contained above is for illustrative purposes only.

From a risk-adjusted return perspective, our hypothetical blended portfolio results showed that adding a 2%, 5%, or 10% allocation to GLD in the portfolio would have improved Sharpe ratios. Further, the results demonstrated that this hypothetical scenario would have outperformed multi-asset portfolios with identical index exposure but without equivalent allocations to GLD. From a risk-management perspective, hypothetical portfolios with a GLD allocation had lower maximum drawdowns, with a 10% allocation to GLD reducing maximum drawdown by almost 409 bps.

Given that adding a 2% to 10% strategic asset allocation to GLD in a hypothetical multi-asset portfolio between January 1, 2005, and June 30, 2022, improved risk-adjusted return and reduced maximum drawdown compared with the portfolio without any exposure to gold-backed investments, global multi-asset portfolio managers should consider the merits of including gold in their portfolios.

From the results shown below, we found that in our hypothetical scenario:

- Portfolios B, C, and D had higher Sharpe ratios, lower maximum drawdowns, and lower standard deviations with higher returns compared with Portfolio A, the portfolio with no exposure to gold.
- Portfolio D had the highest Sharpe ratio (0.44) and the highest annualized return (5.58%).
- Portfolio D also had the lowest maximum drawdown (-31.16%).

Figure 12b

Hypothetical Blended Portfolio Performance from January 1, 2005, to June 30, 2022

	GLD Allocation (%)	Annualized Return (%)	Cumulative Return (%)	Annualized Standard Deviation (%)	Sharpe Ratio*	Maximum Drawdown (%)
Portfolio A	0	5.18	142.12	10.29	0.39	-35.25
Portfolio B	2	5.24	144.34	10.14	0.40	-34.20
Portfolio C	5	5.37	149.66	10.04	0.42	-33.07
Portfolio D	10	5.58	158.49	9.93	0.44	-31.16

Source: Bloomberg Finance L.P., FactSet, State Street Global Advisors, as of June 30, 2022. * Assumes risk-free rate of Citigroup 3-month T-bills. The impact of adding GLD to an investor's portfolio will vary based upon an investor's asset allocation decisions and market performance, among other things. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable. Returns do not represent those of a specific product but were achieved by mathematically combining the actual performance data of the constituents as listed in Figure 12a according to their weightings detailed in Figure 12a. Performance of the hypothetical blended portfolio assumes no transaction and rebalancing costs, so actual results will differ. Performance of SPDR® Gold Shares (GLD) reflects annual expense ratio of 0.40 percent. All data based on monthly measures of performance. GLD's performance quoted represents past performance, which 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. Visit ssga.com for most-recent month-end performance. The information contained above is for illustrative purposes only.

5 Find the Right Gold for Your Portfolio

Investors have several options to consider when looking to gain exposure to gold and tap into its diverse potential benefits. Understanding the potential advantages and considerations for the different gold investment vehicles — be they ETFs, mutual funds, gold bars and coins, or gold mining stocks — can help an investor to determine which option is best suited to their personal investment situation.

Comparing Gold Investment Vehicles

Gold-backed ETFs offer investors gold exposure through the many benefits of passive ETF investing, including the access and transparency of intraday trading on national exchanges and lower average expense ratios than those of many of the other options. Physically backed gold ETFs, such as SPDR® Gold Shares (GLD) and SPDR® Gold MiniShares℠ Trust (GLDM℠), provide a cost-effective way to access gold bullion through a historically low-transaction-cost vehicle with low bid-ask spreads and low tracking error[3] to the market price of gold.

ETFs may also provide deep liquidity and access to the market to rebalance and position exposures. But it's important for investors to note that not all gold ETFs are created equal — nor do they all invest exclusively in gold bullion — and investors should carefully review the holdings to determine how much of the ETF's portfolio is invested in physical gold. This is especially true when comparing gold mining ETFs and gold mutual funds that invest only a small portion of their assets in gold.

Gold Mutual Funds provide investors with the same daily liquidity as gold ETFs do, but they do not trade intraday on national exchanges, as do ETFs. And many mutual funds that hold gold in their portfolio of investments may not exclusively invest in gold, which means they may not track gold's price movements and reap the full value of gold's diverse potential benefits. Mutual funds also tend to maintain a higher total expense ratio than that of many ETFs.[4]

Gold Mining Stocks and ETFs are another way that investors can gain exposure to gold. But investing in these companies is not the same as directly investing in gold bullion or a gold-backed ETF. These represent investments in gold mining companies and operations, and these companies may be impacted by certain additional factors beyond the price of gold — such as profitability, industry competition, and other financial and operational decisions.

Gold Bars and Coins remain the most popular way that global investors access gold. But that habit may be shifting — especially in recent years as gold-backed ETFs have seen record global inflows. Although directly holding bars and coins has a high level of transparency with physical possession, investors are often required to pay a premium over the spot price of gold for their purchase. Cost and liquidity considerations also come into play when holding bars and coins outright — including costs for insurance, transportation and safekeeping, each of which can impact the underlying performance benefits realized.

Gold Futures are often used by larger or institutional investors looking to leverage their portfolios. Gold futures provide intraday trading and a way to manage underlying risks of other securities held in their portfolio. Gold futures require unique knowledge about the gold market and are not typically the vehicle of choice for the average investor. Also, gold futures contracts are not physically backed by gold, and they do carry defined expiration dates, which require holders to roll over the contract according to a scheduled expiry to maintain their gold exposure. Although gold futures are generally traded in larger positions with lower brokerage commissions due to their size, the associated brokerage and roll costs need to be considered when determining the total cost of ownership.

Choosing ETFs for Gold Exposure

For many investors, the case for gold ETFs may be strong relative to those for other gold investment vehicles, particularly in terms of accessibility, transparency, and cost. ETFs often provide a higher degree of flexibility for investors at a potentially lower overall cost than many of the other options do — and gold-backed ETFs are no exception. Gold ETFs have grown to record levels in terms of popularity and AUM since 2004, when SPDR ETFs introduced the first physically backed gold ETF designed to track the price of gold bullion, SPDR® Gold Shares (GLD).

Physically backed gold ETFs like GLD may help to eliminate many of the issues mentioned above, as ETFs seek to provide investors a relatively transparent and cost-effective way to track the price of gold. The arrival of SPDR® Gold Shares (GLD) in November 2004 transformed gold into an accessible liquid investment. It was the first gold-backed ETF in the US, and made it convenient and cost-effective for investors to hold gold in their portfolios. For investors who value a lower share price and lower holding costs, SPDR® Gold MiniShares℠ Trust (GLDM℠) offers the potential benefits an allocation to gold at the lowest total expense ratio (TER) of any SPDR gold ETF.

As the size and the number of investable asset classes continue to grow, gold — a risk-management asset that uniquely maintains its value over the long term — may play a more central strategic role in multi-asset portfolios. And SPDR gold ETFs offer investors transparency, liquidity, and convenience in one cost-effective wrapper.

Appendix

Performance

Figure 13a
SPDR® Gold Shares (GLD) Performance as of June 30, 2022

	Cumulative Returns			Annualized Returns				
	1 Month (%)	QTD (%)	YTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception 11/18/2004 (%)
NAV*	-1.21	-6.54	-0.37	2.64	8.40	7.47	0.88	7.92
Market Value	-1.57	-6.75	-1.46	1.71	8.14	7.37	0.82	7.81
LBMA Gold Price PM	-1.18	-6.44	0.62	3.05	8.84	7.90	1.29	8.35

Source: ssga.com. **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. Visit ssga.com for most-recent month-end performance. Performance returns for periods of less than one year are not annualized.** 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. Gross and Net Expense Ratio: 0.40%. The gross expense ratio is the SPDR Gold Trust (the Trust) total annual operating expense ratio. It is gross of any fee waivers or expense reimbursements. It can be found in the Trust's most recent prospectus. Effective March 20, 2015, the SPDR® Gold Shares Trust (GLD) adopted the LBMA Gold Price PM as the reference benchmark price of gold in calculating the Net Asset Value (NAV) of the Trust. Prior to that date, the Trust used the London PM Fix as the reference benchmark price in calculating the NAV. *NAV return on the scheme is calculated on a single pricing basis (US$), on the assumption that all dividends and distributions are reinvested, taking into account all charges which would have been payable upon such reinvestment.

Figure 13b
GLD Calendar Year Returns

	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)
NAV*	-4.14	23.68	18.36	-1.54	11.41
Market Value	-4.15	24.81	17.86	-1.94	12.81
LBMA Gold Price PM	-4.33	24.61	18.43	-0.93	12.66

Source: Bloomberg Finance, L.P., and State Street Global Advisors. Data as of December 31, 2021. **Past performance is not a reliable indicator of future performance.** *NAV return on the scheme is calculated on a single pricing basis (US$), on the assumption that all dividends and distributions are reinvested, taking into account all charges which would have been payable upon such reinvestment.

Figure 14a
SPDR® Gold MiniShares℠ Trust (GLDM) Performance as of June 30, 2022

	Cumulative Returns			Annualized Returns				
	1 Month (%)	QTD (%)	YTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception 06/25/2018 (%)
NAV	-1.19	-6.47	-0.23	2.90	8.65	N/A	N/A	9.35
Market Value	-1.59	-6.73	-1.32	1.87	8.38	N/A	N/A	9.25
LBMA Gold Price PM	-1.18	-6.44	0.62	3.05	8.84	N/A	N/A	9.54

Source: ssga.com. **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. Visit ssga.com for most-recent month-end performance. Performance returns for periods of less than one year are not annualized.** 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. Gross and net expense ratio: 0.10%.
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.

Figure 14b
GLDM Calendar Year Returns

	2021 (%)	2020 (%)	2019 (%)	2018* (%)	2017 (%)
NAV	-3.93	23.95	18.62	1.60	N/A
Market Value	-4.01	25.10	18.10	1.84	N/A
LBMA Gold Price PM	-4.33	24.61	18.43	1.48	N/A

Source: Bloomberg Finance, L.P., and State Street Global Advisors. Data as of December 31, 2021. **Past performance is not a reliable indicator of future performance.** *2018 calendar-year performance is as of the inception of GLDM on June 25, 2018.

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Endnotes

1 January 1, 2005, is start of first full calendar quarter of data available for SPDR Gold Shares (GLD) following its inception on November 18, 2004.

2 Bloomberg Finance, L.P., State Street Global Advisors. Data from August 13, 1971, to June 30, 2022.

3 Bloomberg Finance, L.P., State Street Global Advisors. SPDR Gold Shares Trust (GLD) average daily bid-ask spread is 0.01% and tracking error is 0.000408 from January 1, 2011, to December 31, 2021. Effective March 20, 2015, the SPDR Gold Shares Trust (GLD) adopted the LBMA Gold Price PM as the reference benchmark price of gold in calculating the Net Asset Value (NAV) of the Trust. Prior to that date, the Trust used the London PM Fix as the reference benchmark price in calculating the NAV. SPDR® Gold MiniShares℠ Trust (GLDM) average bid-ask spread is 0.06% and tracking error is 0.000138 from June 26, 2018 (fund inception) to January 31, 2022. GLDM has used LBMA Gold Price PM as the reference benchmark price of gold in calculating the NAV of the Trust.

4 Morningstar Direct. Average gross expense ratio (%) for ETFs and mutual funds are 0.55% and 0.89%, respectively. Average prospectus net expense ratio for ETFs and open-end mutual funds oldest share class as defined by Morningstar, as of June 30, 2022.

Information Classification : General Access

Glossary

Asset Allocation A method of diversification which positions assets among major investment categories. Asset Allocation may be used in an effort to manage risk and enhance returns. It does not, however, guarantee a profit or protect against loss. Diversification does not ensure a profit or guarantee against loss.

Diversification A strategy of combining a broad mix of investments and asset classes to potentially limit risk, although diversification does not guarantee protection against a loss in falling markets.

Fiat Currency Currency that a government declares to be legal tender, but that it is not backed by a physical commodity. The value of fiat money is linked to supply and demand rather than the value of the material that the money is made of, such as gold or silver historically. Fiat money's value is instead based solely on the faith and credit of the economy.

Global Financial Crisis The economic crisis that occurred from 2007–2009 that is generally considered one of the biggest economic challenge since the Great Depression of the 1930s. The GFC was triggered largely by the sub-prime mortgage crisis, which led to the collapse of systemically vital US investment banks such as Lehman Brothers. The crisis began with the collapse of two Bear Stearns hedge funds in June 2007, and the stabilization period began in late 2008 and continued until the end of 2009.

Gold Standard A monetary standard under which the basic unit of currency is defined by a stated quantity of gold. In 1971 US President Richard Nixon ended the ability to convert US dollars into gold at the fixed price of $35 per ounce.

Hypothetical Blended Portfolio Performance Methodology Returns shown in Figure 12b do not represent those of a fund but were achieved by mathematically combining the actual performance data of MSCI AC World Daily TR Index, Bloomberg Global Aggregate Government Bond Index, Bloomberg Aggregate Global Corporate Bond Index, Bloomberg Emerging Markets Debt Index, Global Property Research General Index, S&P Listed Private Equity Index, Bloomberg World Inflation Linked Bond Index, Bloomberg Global Corporate High Yield Index, S&P GSCI Index, and SPDR® Gold Shares (GLD®) between January 1, 2005 and March 31, 2022. Each portfolio is re-balanced at the beginning of each year to maintain target portfolio weights. The performance assumes no transaction and rebalancing costs, so actual results will differ. It is not possible to invest directly in an index. Performance of GLD reflects annual expense ratio of 0.40%. The impact of adding GLD to an investor's portfolio will vary based upon an investor's asset allocation decisions and market performance, among other things.

Real Rate of Return The return realized on an investment, usually expressed annually as a percentage, which is adjusted to reflect the effects of inflation or other external factors, on the so-called nominal return. The real rate of return is calculated as follows: Real Rate of Return = Nominal Interest Rate – Inflation.

Sharpe Ratio A measure for calculating risk-adjusted returns that has become the industry standard for such calculations. It was developed by Nobel laureate William F. Sharpe. The Sharpe ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. The higher the Sharpe ratio the better.

Standard Deviation A statistical measure of volatility that quantifies the historical dispersion of a security, fund or index around an average. Investors use standard deviation to measure expected risk or volatility, and a higher standard deviation means the security has tended to show higher volatility or price swings in the past. As an example, for a normally distributed return series, about two-thirds of the time returns will be within 1 standard deviation of the average return.

Bloomberg Emerging Markets USD Aggregate Bond TR Index A flagship hard currency Emerging Markets debt benchmark that includes USD-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers.

Bloomberg Global Aggregate Corporate Bond TR Index Corporate Index is a flagship measure of global investment grade, fixed-rate corporate debt. This multi-currency benchmark includes bonds from developed and emerging markets issuers within the industrial, utility and financial sectors.

Bloomberg Global Corporate High Yield Bond TR Index A multi-currency flagship measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive.

Bloomberg Global Aggregate Government Bond Index TR Government index is a measure of investment grade rated debt from 25 local currency markets. This multi-currency benchmark includes treasury and government related fixed-rate bonds from both developed and emerging markets issuers.

Bloomberg US Aggregate Bond Index TR A benchmark that provides a measure of the performance of the US dollar denominated investment grade bond market, which includes investment grade government bonds, investment grade corporate bonds, mortgage pass through securities, commercial mortgage backed securities.

Bloomberg US Treasury Bond Index TR A benchmark of US dollar denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint, but are part of a separate Short Treasury Index.

Bloomberg World Inflation Linked Bond TR Index Measures the investment-grade, government inflation-linked debt from 12 different developed market countries. Investability is a key criterion for inclusion of markets in this index, and it is designed to include only those markets in which a global government linker fund is likely and able to invest.

Bloomberg Commodity Index TR A broadly diversified commodity price index distributed by Bloomberg Indexes that tracks 22 commodity futures and seven sectors. No one commodity can compose less than 2 percent or more than 15 percent of the index, and no sector can represent more than 33 percent of the index.

Bloomberg Global Aggregate Index The Bloomberg Global Aggregate Index is a flagship measure of global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

Bloomberg US Treasury Index Total Return The Bloomberg US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

Bitcoin Spot Price Bitcoin was proposed in a white paper in 2008 by a pseudonymous software developer going by the name of Satoshi Nakamoto. It is a decentralized, fully independent, digital or virtual currency also known as a cryptocurrency. No institution controls the Bitcoin network and it is not tied to a country as transactions can be performed cryptographically without the need for a central issuing authority.

CBOE Volatility Index (VIX Index) The VIX Index is a financial benchmark designed to be an up-to-the-minute market estimate of the expected volatility of the S&P 500® Index, and is calculated by using the midpoint of real-time S&P 500 Index (SPX) option bid/ask quotes.

Consumer Price Inflation (CPI) Index This CPI represents changes in prices of all goods and services purchased for consumption by urban households on a year over year basis.

FTSE NAREIT All Equity REITS Total Return Index A free-float adjusted market-capitalization-weighted index that includes all tax qualified REITs listed in the NYSE, AMEX, and NASDAQ National Market.

Global Property Research General Index A broad-based global real estate benchmark that contains all listed real estate companies that conform to General Property Research's index-qualification rules, bringing the number of index constituents to more than 650. The index's inception date was Dec. 31 1983.

HFRX Global Hedge Fund Index The HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.

ICE BofAML US 3-Month Treasury Bill Index An index comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue.

ICE BofAML US Treasury Index An index that tracks the performance of US dollar denominated sovereign debt publicly issued by the US government in its domestic market.

ICE BofAML US Municipal Securities Index An index that tracks the performance of US dollar denominated investment grade tax-exempt debt publicly issued by US states and territories, and their political subdivisions, in the US domestic market.

ICE BofAML US High Yield Index An index that tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market.

ICE BofAML German Government Index An index that tracks the performance of EUR denominated sovereign debt publicly issued by the German government in the German domestic or eurobond market.

ICE BofAML UK Gilt Index An index that tracks the performance of GBP denominated sovereign debt publicly issued by the UK government in its domestic market.

ICE BofAML Japan Government Index An index that tracks the performance of JPY denominated sovereign debt publicly issued by the Japanese government in its domestic market.

ICE BofAML US Corp BBB-A Index
An index that tracks the performance of US dollar denominated investment grade corporate debt publicly issued in the US domestic market.

ICE BofA MOVE Index This is a yield curve weighted index of the normalized implied volatility on 1-month Treasury options.

JP Morgan Global FX Volatility Index
Indexes tracking the level of implied volatility in G7 and emerging market economies.

LBMA Gold Price Determined twice each business day — 10:30 am London time (i.e., the LBMA Gold Price AM) and 3:00 pm London time (i.e., the LBMA Gold Price PM) by the participants in a physically settled, electronic and tradable auction.

LPX Composite Listed Private Equity Index
A broad global listed private equity index whose number of constituents is not limited. The LPX Composite includes all major private equity companies listed on global stock exchanges that fulfils the index provider's liquidity criteria. The index composition is well diversified across listed private equity categories, styles, regions and vintage years. The index has two versions: a price index (PI) and a total return index (TR) that includes all payouts.

M2 Money Supply M2 is a measure of the money supply that includes cash, checking deposits, and easily-convertible near money.

MSCI All Country World Index, or MSCI ACWI Index Captures large- and mid-cap representation across 23 developed market (DM) and 26 emerging market (EM) countries. With 3,050 constituents, the index covers approximately 85% of the global investable equity opportunity set.

MSCI EAFE Index The index is a free-float weighted equity index. The index was developed with a base value of 100 as of December 31, 1969. The MSCI EAFE region covers DM countries in Europe, Australasia, Israel, and the Far East.

MSCI Emerging Markets (EM) Index
The index is a free-float weighted equity index that captures large and mid cap representation across emerging market (EM) countries.

MSCI Japan Index Designed to measure the performance of the large and mid cap segments of the Japanese market. With 324 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

MSCI Pacific ex Japan Index An index that captures large and mid cap representation across 4 of 5 developed market (DM) countries in the Pacific region (excluding Japan).

MSCI World Total Return Index The index is a free-float weighted equity index. It was developed with a base value of 100 as of December 31, 1969. Index includes developed world markets, and does not include emerging markets.

Russell 2000 Index The index is comprised of the smallest 2000 companies in the Russell 3000 Index, representing approximately 8% of the Russell 3000 total market capitalization.

S&P 500 Index Widely regarded as the best single gauge of large-cap US equities and serves as the foundation for a wide range of investment products. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

S&P GSCI Total Return Index The index is widely recognized as a leading measure of general price movements and inflation in the world economy. It provides investors with a reliable and publicly available benchmark for investment performance in the commodity markets.

S&P Global Infrastructure Net Total Return Index The index is designed to track 75 companies from around the world chosen to represent the listed infrastructure industry while maintaining liquidity and tradability. To create diversified exposure, the index includes three distinct infrastructure clusters: energy, transportation, and utilities.

S&P Global Natural Resources Total Return Index The index includes 90 of the largest publicly-traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified liquid and investable equity exposure across 3 primary commodity-related sectors: Agribusiness, Energy, and Metals & Mining.

US Dollar Spot Index (USDX) The index indicates the general international value of the USD. The USDX does this by averaging the exchange rates between the USD and major world currencies.

Important Risk Information

The views expressed in this material are the views of the SPDR Gold Strategy Team through the period ended June 30, 2022, 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.

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This communication is not intended to be an investment recommendation or investment advice and should not be relied upon as such.

Investing involves risk including the risk of loss of principal.

Asset Allocation is a method of diversification which positions assets among major investment categories. Asset Allocation may be used in an effort to manage risk and enhance returns. It does not, however, guarantee a profit or protect against loss.

Bonds generally present less short-term risk and volatility than stocks, but contain interest rate risk (as interest rates raise, 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.

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

Investing in commodities entail significant risk and is not appropriate for all investors. Commodities investing entail significant risk as commodity prices can be extremely volatile due to wide range of factors. A few such factors include overall market movements, real or perceived inflationary trends, commodity index volatility, international, economic and political changes, change in interest and currency exchange rates.

Generally, among asset classes, stocks are more volatile than bonds or short-term instruments. Government bonds and corporate bonds generally have more moderate short-term price fluctuations than stocks, but provide lower potential long-term returns. US Treasury Bills maintain a stable value if held to maturity, but returns are generally only slightly above the inflation rate.

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. 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.

Companies with large market capitalizations go in and out of favor based on market and economic conditions. Larger companies tend to be less volatile than companies with smaller market capitalizations. In exchange for this potentially lower risk, the value of the security may not rise as much as companies with smaller market capitalizations.

Investments in small-sized companies may involve greater risks than in those of larger, better known companies.

Increase in real interest rates can cause the price of inflation-protected debt securities to decrease. Interest payments on inflation-protected debt securities can be unpredictable.

There are risks associated with investing in Real Assets and the Real Assets sector, including real estate, precious metals and natural resources. Investments can be significantly affected by events relating to these industries.

Investing in futures is highly risky. Futures positions are considered highly leveraged because the initial margins are significantly smaller than the cash value of the contracts. The smaller the value of the margin in comparison to the cash values of the futures contract, the higher the leverage. There are a number of risks associated with futures investing including but not limited to counterparty credit risk, basis risk, currency risk, derivatives risk, foreign issuer exposure risk, sector concentration risk, leveraging and liquidity risks.

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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.

The municipal market is volatile and can be significantly affected by adverse tax, legislative or political changes and the financial condition of the issuers of municipal securities. Interest rate increases can cause the price of a debt security to decrease. A portion of the dividends you receive may be subject to federal, state, or local income tax or may be subject to the federal alternative minimum tax.

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 REITs involves certain distinct risks in addition to those risks associated with investing in the real estate industry in general. Equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while mortgage REITs may be affected by the quality of credit extended. REITs are subject to heavy cash flow dependency, default by borrowers and self-liquidation. REITs, especially mortgage REITs, are also subject to interest rate risk (i.e., as interest rates rise, the value of the REIT may decline).

Hedge funds are typically unregulated private investment pools made available to only sophisticated investors who are able to bear the risk of the loss of their entire investment. An investment in a hedge fund should be viewed as illiquid and interests in hedge funds are generally not readily marketable and are generally not transferable. Investors should be prepared to bear the financial risks of an investment in a hedge fund for an indefinite period of time. An investment in a hedge fund is not intended to be a complete investment program, but rather is intended for investment as part of a diversified investment portfolio.

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.

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

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

Investing involves risk, and you could lose money on an investment in each of SPDR® Gold Shares Trust ("GLD®" or "GLD") and SPDR® Gold MiniSharesSM Trust ("GLDMSM" or "GLDM"), a series of the World Gold Trust (together, the "Funds").

Commodities and commodity-index linked securities may be affected by changes in overall market movements, changes in interest rates, and other factors such as weather, disease, embargoes, or political and regulatory developments, as well as trading activity of speculators and arbitrageurs in the underlying commodities.

Investing in commodities entails significant risk and is not appropriate for all investors.

Diversification does not ensure a profit or guarantee against loss.

Important Information Relating to GLD® and GLDM℠:
GLD and the World Gold Trust have each filed a registration statement (including a prospectus) with the Securities and Exchange Commission ("SEC") for GLD and GLDM, respectively. Before you invest, you should read the prospectus in the registration statement and other documents each Fund has filed with the SEC for more complete information about each Fund and these offerings. Please see each Fund's prospectus for a detailed discussion of the risks of investing in each Fund's shares. The GLD prospectus is available by clicking here, and the GLDM prospectus is available by clicking here. You may get these documents for free by visiting EDGAR on the SEC website at sec.gov or by visiting spdrgoldshares.com. Alternatively, the Funds or any authorized participant will arrange to send you the prospectus if you request it by calling 866.320.4053.

None of the Funds is an investment company registered under the Investment Company Act of 1940 (the "1940 Act"). As a result, shareholders of each Fund do not have the protections associated with ownership of shares in an investment company registered under the 1940 Act. GLD and GLDM are not subject to regulation under the Commodity Exchange Act of 1936 (the "CEA"). As a result, shareholders of each of GLD and GLDM do not have the protections afforded by the CEA.

Shares of each Fund trade like stocks, are subject to investment risk and will fluctuate in market value.

The values of GLD shares and GLDM shares relate directly to the value of the gold held by each Fund (less its expenses), respectively. Fluctuations in the price of gold could materially and adversely affect an investment in the shares. The price received upon the sale of the shares, which trade at market price, may be more or less than the value of the gold represented by them.

None of the Funds generate any income, and as each Fund regularly sells gold to pay for its ongoing expenses, the amount of gold represented by each Fund share will decline over time to that extent.

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For more information, please contact the Marketing Agent for GLD and GLDM: State Street Global Advisors Funds Distributors, LLC, member FINRA, SIPC, One Iron Street, Boston, MA, 02210; T: +1 866 320 4053. spdrgoldshares.com.

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Not FDIC Insured
No Bank Guarantee
May Lose Value