

# SPDR® Blackstone Senior Loan ETF

- Senior loans have historically generated greater income with less volatility than competing fixed income asset classes
- Relative to high yield bonds, senior loans have experienced higher recovery rates due in part to their seniority in the capital structure
- Blackstone Credit and Insurance manages the fund's industry and credit exposures based on technical and fundamental views to generate alpha by building a diversified portfolio with appropriate liquidity

## Fund Information

AUM	\$5,625.44 Million
Gross Expense Ratio	0.70%
Average Bid-Ask Spread	0.03%
Average Dollar Volume	\$100.07 Million
Strategy Type	Active

Source: Bloomberg Finance L.P., Morningstar, as of 03/31/2024. Average 30-day bid-ask spread and average notional dollar trading volume. 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.

# SRLN

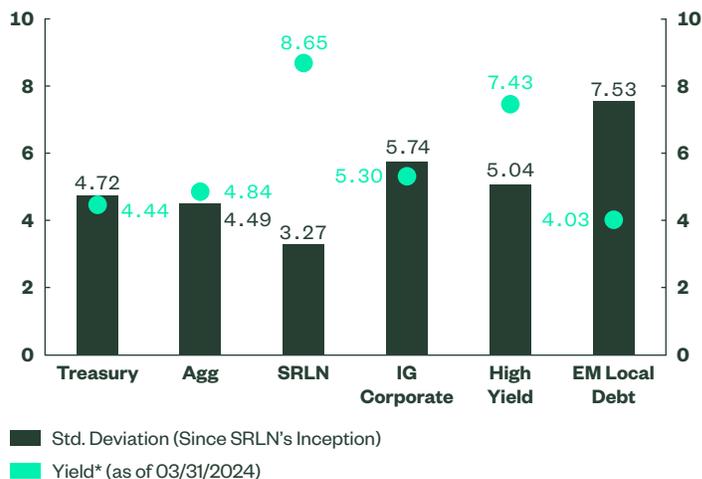
Highlights  
Senior Loans

Q1 2024

## Potential Income with Reduced Volatility

The senior loan floating-rate structure may help limit the impacts of rising rates as their coupon payments are tied to a reference rate, such as LIBOR or SOFR. Senior loans have seen relatively high yield with less volatility compared with competing fixed income asset classes, as shown in the figure. Senior loans may be attractive in a rising rates environment given their shorter duration and floating rate component, as their total return may be less negatively impacted than it would be for fixed-rate high yield securities. And relative to high yield bonds, senior loans have historically seen higher recovery rates (64.3% vs. 40.2%, respectively).<sup>1</sup>

## Yield and Volatility Since SRLN's Inception



Source: State Street Global Advisors, Bloomberg Finance, L.P., as of 03/31/2024 used for yield calculations and FactSet 04/04/2013–03/31/2024 used for standard deviation calculations. \*30 Day SEC Yield used for SRLN's yield and YTW used for index yields. SRLN was inceptioned on April 4, 2013. Corporates = Bloomberg U.S. Corporate Index, Agg = Bloomberg U.S. Aggregate Bond Index, EM Local Debt = Bloomberg EM Local Currency Govt Index, Treasury = Bloomberg U.S. Treasury Index, High Yield = Bloomberg High Yield.

**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.

SRLN's active mandate seeks to avoid weak or failing credits, which can be included in a passive strategy. This has led to SRLN's outperformance of 301 bps since inception relative to its largest passive competitor, the Invesco Senior Loan ETF (BKLN).<sup>2</sup>

### US Loan and High Yield Recovery Rates



Source: Blackstone Credit and Insurance, J.P. Morgan Default Monitor  
 Period: 01/01/2005–03/31/2024. First lien loans have represented over 95% of outstanding loans historically since 2005 (source: LCD).

- 1 Source: J.P. Morgan Default Monitor. High Yield long term average recovery rate is based on a 25-year average and Senior Loans long term average recovery rate is based on a 24-year average.
- 2 Source: Morningstar 04/03/2013–03/31/2024. Return measured using cumulative return. Past performance is not a reliable indicator of future performance.

Figure 3: Standard Performance

Ticker	Name	YTD (%)	Annualized					Inception Date	Gross Expense Ratio (%)	30-Day SEC Yield (%)
			1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)			
SRLN (NAV)	SPDR® Blackstone Senior Loan ETF	1.88	10.66	3.59	4.14	3.38	3.29	04/03/2013	0.70	8.54
SRLN (MKT)	SPDR® Blackstone Senior Loan ETF	1.91	10.88	3.70	4.19	3.39	3.29	—	—	—
BKLN (NAV)	Invesco Senior Loan ETF	1.72	10.51	4.39	3.84	3.08	3.38	03/03/2011	0.67	8.28
BKLN (MKT)	Invesco Senior Loan ETF	1.87	11.05	4.51	3.92	3.11	3.34	—	—	—

Source: ssga.com, Morningstar, as of 03/31/2024. 1-Year, 3-years, 5-years and Since Inception figures are annualized. Some of the funds listed may have current fee agreements in place that reduces fund expenses and if removed or modified will result in higher expense ratios. Complete details can be found by visiting each fund family website. **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 or respective fund family website for most recent month-end performance.** Performance returns for periods of less than one year are not annualized. ^ BKLN's Net Expense Ratio = 0.65, Unsubsidized SEC yield for BKLN is 8.26. The Adviser has contractually agreed to waive fees and/or pay certain expenses through at least August 31, 2025. 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. An annualized yield that is calculated by dividing the investment income earned by the fund less expenses over the most recent 30-day period by the current maximum offering price.

## ssga.com

**Information Classification: Limited Access**

### Marketing communication.

**For professional/qualified investor use only in authorized regions.**

### NOTICE TO PERSONS IN THE EUROPEAN ECONOMIC AREA ("EEA")

The fund is permitted to market into the relevant EEA jurisdiction pursuant to either Article 42 of AIFMD (if and as implemented under national laws of such member state); or (ii) can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional client/qualified investor).

**The fund is an alternative investment fund for the purpose of the European Union Alternative Investment Fund Managers Directive (Directive 2011/61/EU) ("AIFMD"). SSGA Funds Management, Inc. or State Street Global Advisors Trust Company is the alternative investment fund manager ("AIFM") of the fund.**

**Netherlands:** State Street Global Advisors Netherlands, Apollo Building 7th floor, Herikerbergweg 29, 1101 CN Amsterdam, Netherlands. T: +31 20 7181 000. State Street Global Advisors Netherlands is a branch office of State Street Global Advisors Europe Limited, registered in Ireland with company number 49934, authorised and regulated by the Central Bank of Ireland, and whose registered office is at 78 Sir John Rogerson's Quay, Dublin 2.

**Switzerland:** State Street Global Advisors AG, Beethovenstr. 19, CH-8027 Zurich. Registered with the Register of Commerce Zurich CHE-105.078.458. T: +41 (0)44 245 70 00. F: +41 (0)44 245 70 16.

**United Kingdom:** State Street Global Advisors Limited. Authorized and regulated by the Financial Conduct Authority. Registered in England. Registered No. 2509928. VAT No. 577659181. Registered office: 20 Churchill Place, Canary Wharf, London, E14 5HJ T: 020 3395 6000. F: 020 3395 6350. Web: ssga.com. **United States:** State Street Global Advisors, 1 Iron Street, Boston, MA 02210-1641. T: +1 617 786 3000.

**For Investors in UK: The Fund is an alternative investment fund for the purpose of the European Union Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the "AIFMD"). It is not a regulated collective investment scheme for purposes of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). The promotion of the fund and the distribution of this material in the UK is restricted by law. Information on this Fund is transmitted to the professional investor at the investor's own initiative, in response to an unsolicited request. The information provided does not constitute tax advice, investors should consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Fund.**

### For Switzerland Qualified Investor:

The distribution of interests of U.S. SPDR ETFs in Switzerland will be exclusively made to, and directed at, qualified investors according to Article 10(3) and (3ter) of the Swiss Collective Investment Schemes Act ("CISA") and its implementing ordinance. The legal documents of U.S. SPDR ETFs can be obtained free of charge from the representative in Switzerland. Swiss Representative & Swiss Paying Agent: State Street Bank International GmbH Beethovenstrasse 19 8027 Zurich, Switzerland T: +41 44 560 500.

This communication is directed at professional clients (this includes eligible counterparties as defined by the appropriate EU regulator or applicable Swiss regulator) 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 (including retail clients) should not rely on this communication.

### Fund Comparisons

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.

**SRLN** The investment seeks to provide current income consistent with the preservation of capital. The fund seeks to outperform the Markit iBoxx USD Liquid Leveraged Loan Index and the Morningstar LSTA U.S. Leveraged Loan 100 Index by normally investing at least 80% of its net assets (plus any borrowings for investment purposes) in Senior Loans. For purposes of this 80% test, "Senior Loans" are first lien senior secured floating rate bank loans.

**BKLN** The investment seeks to track the investment results (before fees and expenses) of the Morningstar LSTA U.S. Leveraged Loan 100 Index (the "underlying index"). The fund generally will invest at least 80% of its total assets in senior loans that comprise the underlying index.

### Important Risk Discussion

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.

**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.**

### For Israel Distribution

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 licensed investment advisor prior to making any investment. State Street is not licensed under the Investment Advice Law, nor does it carry the insurance as required of a licensee 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 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. 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.

**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.

**Actively managed ETFs** do not seek to replicate the performance of a specified index. These investments may have difficulty in liquidating an investment position without taking a significant discount from current market value, which can be a significant problem with certain lightly traded securities. The Fund is actively managed and may underperform its benchmarks. An investment in the fund is not appropriate for all investors and is not intended to be a complete investment program. Investing in the fund involves risks, including the risk that investors may receive little or no return on the investment or that investors may lose part or even all of the investment.

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.

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.

Investments in **Senior Loans** are subject to credit risk and general investment risk. Credit risk refers to the possibility that the borrower of a Senior Loan will be unable and/or unwilling to make timely interest payments and/or repay the principal on its obligation. Default in the payment of interest or principal on a Senior Loan will result in a reduction in the value of the Senior Loan and consequently a reduction in the value of the Portfolio's investments and a potential decrease in the net asset value ("NAV") of the Portfolio.

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 **value of the debt securities** may increase or decrease as a result of the following: market fluctuations, increases in interest rates, inability of issuers to repay principal and interest or illiquidity in the debt securities markets; the risk of low rates of return due to reinvestment of securities during periods of falling interest rates or repayment by issuers with higher coupon or interest rates; and/or the risk of low income due to falling interest rates. To the extent that interest rates rise, certain underlying obligations may be paid off substantially slower than originally anticipated and the value of those securities may fall sharply. This may result in a reduction in income from debt securities income.

The S&P 500® Index is a product of S&P Dow Jones Indices LLC or its affiliates ("S&P DJI") and have been licensed for use by State Street Global Advisors. S&P®, SPDR®, S&P 500®, SPY®, SPX®, US 500 and The 500 are 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 has been licensed for use by S&P Dow Jones Indices; and these trademarks have been licensed for use by S&P DJI and sublicensed for certain purposes by State Street Global Advisors. The SPDR S&P 500 ETF Trust ("SPY") is not sponsored, endorsed, sold or promoted by S&P DJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of these indices.

BLOOMBERG, a trademark and service mark of Bloomberg Finance L.P. and its affiliates.

SSGA Funds Management, Inc. serves as the investment advisor to the SPDR ETFs that are registered with the United States Securities and Exchange Commission under the Investment Company Act of 1940. SSGA Funds Management, Inc. is an affiliate of State Street Global Advisors Limited.

**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.

SSGA Funds Management has retained Blackstone Liquid Credit Strategies LLC as the sub-advisor. State Street Global Advisors Funds Distributors, LLC is not affiliated with Blackstone Liquid Credit Strategies 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 866.787.2257 or visit [ssga.com](http://ssga.com). Read it carefully.**

© 2024 State Street Corporation.  
All Rights Reserved.  
ID2135956-2002664.30.1.GBL.INST 0524  
Exp. Date: 07/31/2024

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