

# SPDR® Refinitiv Global Convertible Bond UCITS ETF

Highlights  
Convertible Bonds

Q4 2020

The first — and only — global convertible bond ETF now has EUR and CHF currency-hedged share classes.

## Reasons to Consider Convertible Bonds

- **Hybrid exposure** that provides characteristics of both equities and bonds.
- **Lower drawdown** compared to equities in periods of market downturn.<sup>1</sup>
- **Less interest rate sensitivity** compared to high yield and investment grade corporate bonds.<sup>2</sup>
- **Potential pick up from M&A activity.** Embedded clauses in many convertible bond term sheets can help to provide additional returns.

Global convertible bonds may help investors navigate a more volatile market environment, partially protecting on the downside whilst being less sensitive to interest rate moves than nominal bonds (see next page).

## Funds in Focus

<b>GCVB LN (USD)</b>	SPDR Refinitiv
<b>GLCB LN (GBP)</b>	Global Convertible Bond
<b>ZPRC GY</b>	UCITS ETF (Dist)
<b>CONV IM</b>	
<b>GCVB SW</b>	
<b>SPF1 GY</b>	SPDR Refinitiv
<b>GCVE IM</b>	Global Convertible Bond
<b>GCVE SW</b>	EUR Hdg UCITS ETF (Acc)
<b>GVCV SW</b>	SPDR Refinitiv
	Global Convertible Bond
	CHF Hdg UCITS ETF (Acc)

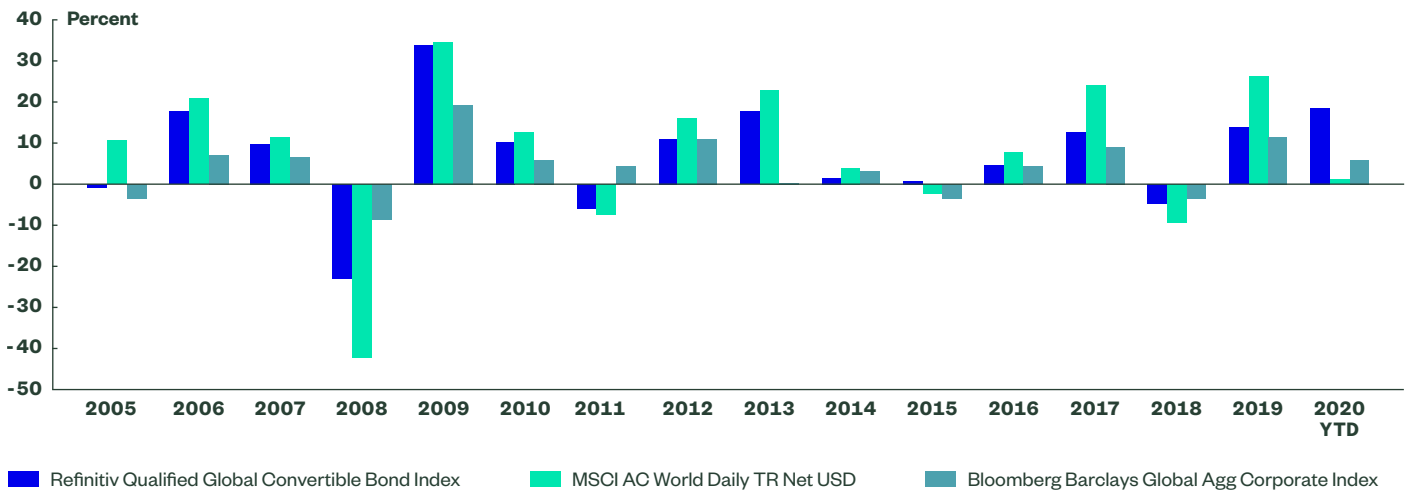
## How to Incorporate Convertible Bonds into Your Portfolio

- Convertible bonds can be used in the implementation of both fixed income and equity strategies.
- Traditionally they have been used by those investors wishing to extract the value in rising stock markets.
- Their inclusion in a portfolio allocation helps diversification. Convertible bonds offer hybrid features, i.e. a bond with a call or an equity with a put. They also come from a diverse range of issuers and sectors.

<sup>1</sup> Source: State Street Global Advisors, Morningstar, as of 30 September 2020.

<sup>2</sup> Source: State Street Global Advisors, Refinitiv, Bloomberg Finance L.P., as of 30 September 2020.

## Standard Performance



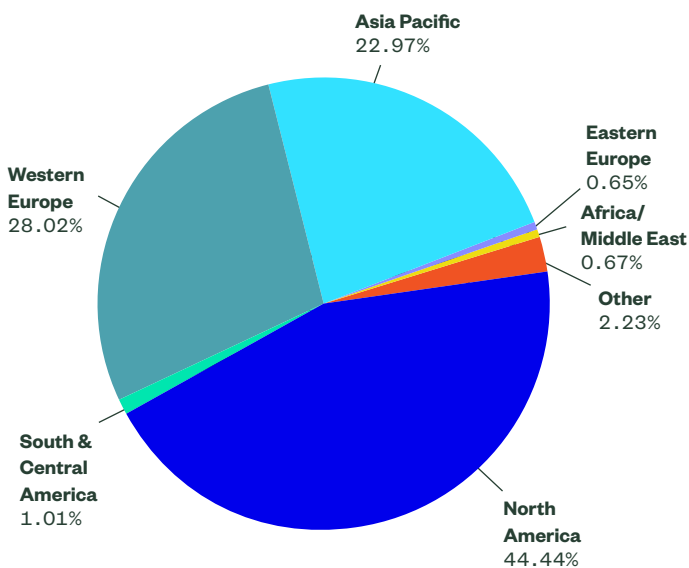
Source: State Street Global Advisors, Bloomberg Finance L.P., as of 30 September 2020. Diversification does not ensure a profit or guarantee against loss. **Past performance is not a guarantee of future results. It is not possible to invest directly in an index. Index performance does not reflect charges and expenses associated with the fund or brokerage commissions associated with buying and selling a fund. Index performance is not meant to represent that of any particular fund.**

## Understanding the Index

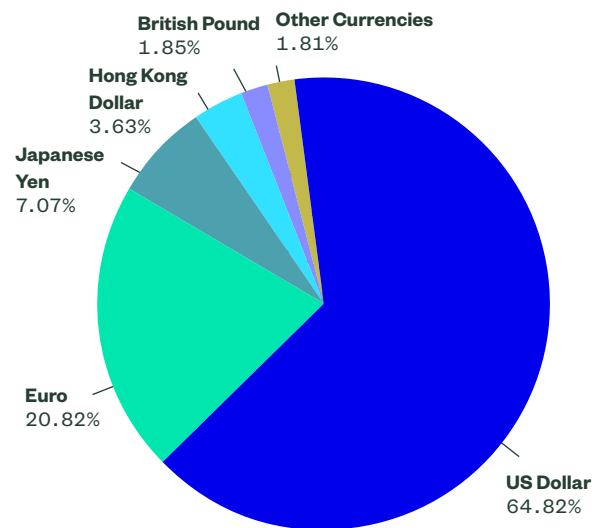
The Refinitiv Qualified Global Convertible Index is designed to provide a broad measure of the performance of the investable global convertible bond market. Qualifying fixed income securities may be issued with fixed or floating rates and must meet minimum size requirements in their

local currency. Individual issuers are capped at 4% of the Index at the start of each month.<sup>3</sup> Mandatory convertible bonds, perpetual convertible bonds, and bonds issued under Rule 144a are excluded.

### Regional Breakdown



### Currency Breakdown

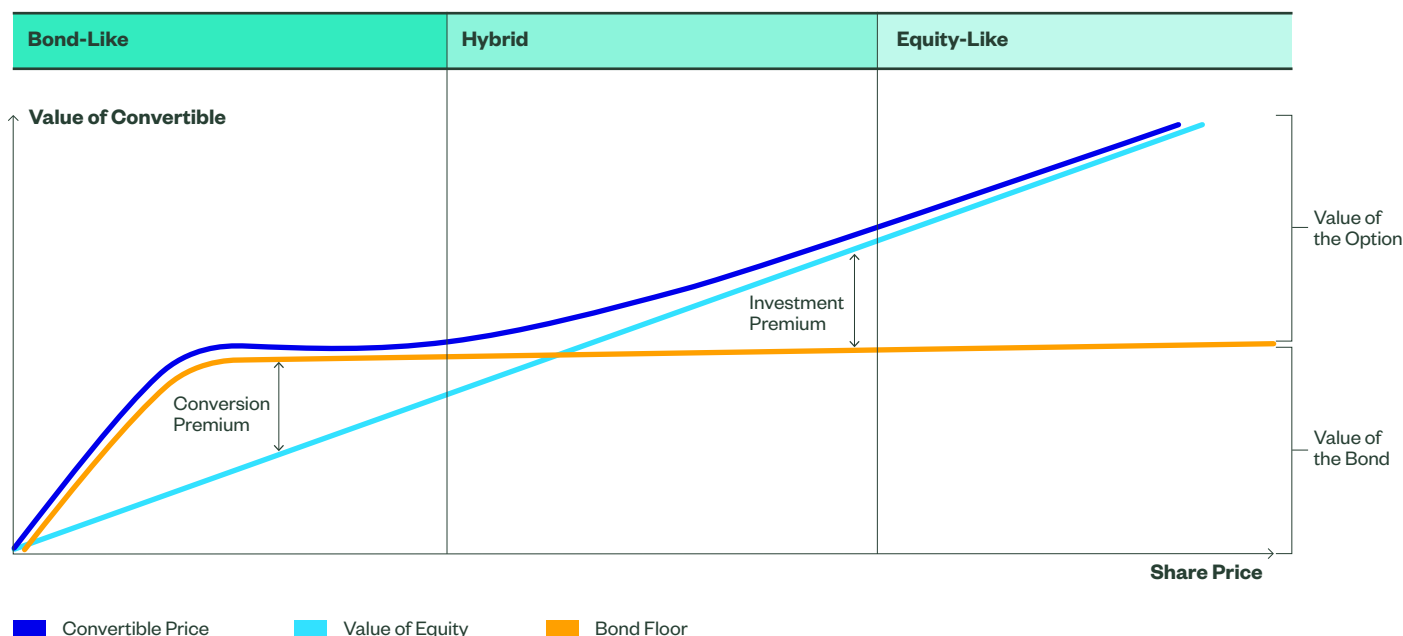


Source: Refinitiv, as of 30 September 2020.

## How Do Convertible Bonds Work?

As the underlying stock price gets closer to (or above) the conversion price, the value of the convertible bond typically rises. It thus becomes more sensitive to the change of the underlying stock price and takes on more equity-like characteristics. On the other hand, when the stock price falls

below the conversion price, the convertible behaves more like a bond. Its value typically does not fall as much as the stock because the coupon and principal value of the bond create investment value ('bond floor').



Conversion price = face value of the bond/conversion ratio. Conversion ratio = number of shares into which the convertible bond can be exchanged. The information contained above is for illustrative purposes only.

## Annualised Performance (% Unhedged, in USD)

	1 Month (%)	3 Months (%)	6 Months (%)	YTD (%)	1 Year (%)	2 Years (%)	3 Years (%)	4 Years (%)	5 Years (%)	Since Inception (%)
SPDR Refinitiv Global Convertible Bond UCITS ETF	-2.76	10.52	33.38	18.68	27.09	12.02	8.85	9.10	8.68	7.56
Refinitiv Qualified Global Convertible Index	-2.67	10.66	33.39	18.52	26.86	12.08	9.06	9.37	8.99	7.87
<b>Difference</b>	<b>-0.09</b>	<b>-0.14</b>	<b>0.00</b>	<b>0.16</b>	<b>0.23</b>	<b>-0.06</b>	<b>-0.21</b>	<b>-0.27</b>	<b>-0.31</b>	<b>-0.31</b>

Source: State Street Global Advisors, as at 30 September 2020. The fund inception date is 14 October 2014. **Performance quoted represents past performance, which is no guarantee of future results. 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. The contained performance data do not take account of the commissions and costs incurred on the issue and redemption, or purchases and sale, of units. Visit [spdrs.com](https://www.spdrs.com) for most recent month-end performance.** The performance figures contained herein are provided on a net of fees basis. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Performance returns for periods of less than one year are not annualised.

## ETF Characteristics

Number of bonds	257
AUM	1,224,021,088
Delta	0.57
Rho (100 bps)*	-1.54
Duration (Years)	3.68

Source: State Street Global Advisors, Refinitiv, as of 30 September 2020.

## ETF Weight by Rating

A	7.80%
A-	9.24%
A+	5.76%
AA	1.18%
AA-	0.57%
AA+	1.90%
AAA	0.04%
B	6.74%
B-	0.75%
B+	10.70%
BB	3.16%
BB-	9.56%
BB+	6.29%
BBB	10.16%
BBB-	9.30%
BBB+	8.64%
C	2.60%
CCC	4.02%
Not Rated	1.58%

Source: State Street Global Advisors, FinAPU, as of 30 September 2020. FinAPU provides an independent risk assessment platform of issuers based on real time available fundamental information allowing to evaluate issuers and instruments using data from Refinitiv, FitchSolutions, Thomson and proprietary risk and audit models. The indicative ratings are as of the date indicated, are subject to change, and should not be relied upon as current thereafter. For more information please go to [finapu.com](http://finapu.com).

## ETF Sector Breakdown

<b>Government</b>	<b>1.34%</b>
Agencies	1.34%
<b>Corporate</b>	<b>96.43%</b>
Basic Industrials	4.14%
Capital Goods	4.47%
Communications	12.43%
Consumer Cyclical	19.55%
Consumer Noncyclical	12.86%
Energy	1.64%
Technology	27.41%
Transportation	4.34%
Other Industrials	1.80%
Electric	1.59%
Natural Gas	0.26%
Other Utility	0.37%
Banking	0.33%
Finance Companies	0.36%
Insurance	0.29%
REITS	0.86%
Other Finance	3.74%
Not Classified	2.23%

Source: Bloomberg Finance L.P., as of 30 September 2020.

## Fund Details

	<b>SPDR Refinitiv Global Convertible Bond UCITS ETF (Dist)</b>	<b>SPDR Refinitiv Global Convertible Bond EUR Hdg UCITS ETF (Acc)</b>	<b>SPDR Refinitiv Global Convertible Bond CHF Hdg UCITS ETF (Acc)</b>
ISIN	IE00BNH72088	IE00BDT6FP91	IE00BDT6FS23
Share Class CCY	USD	EUR	CHF
Tickers	LSE: GCVB LN (USD)/GLCB LN (GBP) Deutsche Borse: ZPRO GY Borsa Italiana: CONV IM SIX Swiss: GCVB SW	Deutsche Borse: SPF1 GY Borsa Italiana: GCVE IM SIX Swiss: GCVE SW	SIX Swiss: GCVC SW
<b>TER (%)</b>	<b>0.50</b>	<b>0.55</b>	<b>0.55</b>
Index Name	Refinitiv Qualified Global Convertible Index	Refinitiv Qualified Global Convertible Monthly Hedged (EUR) Index	Refinitiv Qualified Global Convertible Monthly Hedged (CHF) Index
Index Tickers	UCBITRUS	UCBITREH	UCBITRCH
No. Index Constituents	257	257	257
Portfolio Construction	Physical — Sampled	Physical — Sampled	Physical — Sampled
Income Treatment	Distributing	Accumulating	Accumulating
Dealing Models Available	Cash	Cash	Cash
Cash Subscription	Yes	Yes	Yes

Source: State Street Global Advisors, as of 30 September 2020. Characteristics are as of the date indicated and should not be relied upon thereafter.

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\* This figure is presented as of June 30, 2020 and includes approximately \$69.52 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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