
Press Release

State Street Global Advisors Launches Suite of ETF Model Portfolios for the Australian Market

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SYDNEY, 30 May 2019 State Street Global Advisors, the asset management arm of State Street Corporation (NYSE: STT) today announced the launch of a new suite of Model Portfolios powered by exchange-traded funds (ETFs) for Australian investors.

The ETF Models, managed by State Street Global Advisors Investment Solutions Group, will be made available to financial and dealer groups via a number of platform providers in 2019.

“Our new suite of ETF Model Portfolios will provide financial advisers with convenient, cost effective access to State Street’s institutional asset management expertise.” said Meaghan Victor, head of SPDR ETFs, Australia and Singapore.

“And in today’s environment, we believe the transparent and open architecture nature of our models, will further support advisers to achieve the best outcomes for their clients.”

State Street’s ETF Model Portfolios are built on a disciplined risk-focused quantitative process that incorporates our asset class, risk and correlation forecasts.

The new suite of ETF Model Portfolios are founded with an open architecture investment structure, meaning that ETFs from all providers have been considered and selected to ensure portfolio investment selection is not limited by sector, asset class or product issuer.

The new models, investing in both State Street’s SPDR and third-party exchange traded funds, include:

- **State Street Risk-Based ETF Model Portfolios:** consists of three risk-based ETF model portfolios (moderate, balanced and growth) aimed at pursuing optimal capital efficiency over the long-term by investing in multiple ETFs representing asset classes such as equities, including multi-factor smart beta exposures, and investment grade debt securities.
- **State Street Income ETF Model Portfolio:** seeks to provide exposure to income and yield-generating investments by investing in multiple ETFs across asset classes, such as high dividend domestic and international equities, investment grade and high yield debt securities.

The ETF Model Portfolios are designed, built and managed by State Street Global Advisors’ Investment Solutions Group, a team established over thirty years ago and with more than US\$266.93 billion in assets under management and assets under advisory/consulting.^{1,2}

“Our ETF Model Portfolios will take advantage of a wide range of underlying asset classes to provide broadly diversified, global portfolios with a time tested, asset allocation

¹ As of December 31, 2018. Total ISG AUM of US\$245.71B excludes Execution Only LDI. Derivatives based exposure management AUM represents the notional value of exposure managed.

² As of December 31, 2018. Assets Under Advisory/Consulting of US\$21.22B includes mandates for which the firm provides advisory or consulting services supporting an investment management process that does not include the responsibility to arrange or effect the purchase or sale of securities and/or funds. In 2015, ISG revised the AUM and AUAC calculation methodology and account categorization process.

process,” said Dan Farley, chief investment officer for State Street Global Advisors Investment Solutions Group.

“In today’s low yield and competitive investment environment, we look forward to helping financial advisers in Australia benefit from State Street’s insights with this new suite of ETF Model Portfolios.”

State Street manages more than US\$620 billion in SPDR ETF assets worldwide and is one of the largest ETF providers globally.³

ENDS

About State Street Global Advisors For nearly four decades, State Street Global Advisors has been committed to helping financial professionals and those who rely on them achieve their investment objectives. We partner with many of the world’s largest, most sophisticated investors and financial intermediaries to help investors reach their goals through a rigorous, research-driven investment process spanning both indexing and active disciplines. With trillions* in assets under management, our scale and global reach offer clients access to markets, geographies and asset classes, and allow us to deliver thoughtful insights and innovative solutions.

State Street Global Advisors is the investment management arm of State Street Corporation.

* Assets under management were US\$2.8 trillion as of March 31, 2019. AUM reflects approximately US\$32.7 billion (as of March 31, 2019), with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated.

Important Risk Disclosures

The recipient warrants by receipt of this material that they are a wholesale client, as defined under the Australian Corporations Act 2001 (Cth).

State Street Global Advisors, Australia Limited (AFSL Number 238 276, ABN 42 003 914 225) ("SSGA, AL") is the investment manager for the State Street ETF Model Portfolios and State Street Global Advisors, Australia Services Limited (AFSL number 274900 ABN 16 108 671 441) is the Responsible Entity and issuer of units in the State Street ETFs which are Australian registered managed investment schemes quoted on the AQUA market of the ASX or listed on the ASX. State Street ETF Model Portfolios may include State Street ETFs and other third party ETFs.

This material is general information only and does not take into account your or your client’s individual objectives, financial situation or needs and you should consider whether it is appropriate for you or your client.

You should seek professional advice and consider the product disclosure document, available at www.spdrs.com.au, before deciding whether to acquire or continue to hold units in an ETF. This material should not be considered a solicitation to buy or sell a security.

³ State Street Global Advisors, Morningstar, as of 31 December 2018.

ETFs trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETF's net asset value. ETFs typically invest by sampling an index, holding a range of securities that, in the aggregate, approximates the full index in terms of key risk factors and other characteristics. This may cause the fund to experience tracking errors relative to performance of the index.

Investing involves risk including the risk of loss of principal. Diversification does not ensure a profit or guarantee against loss. 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.

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