

FLRN

State Street SPDR Bloomberg Investment Grade Floating Rate ETF Analyst Report

ESG Themes and Scores

7.56/10	86.88%	97.04%
ESG Rate	Global Percentile	Peer Percentile

Performance Data

	FLRN	ETF Database Category Average	Factset Segment Average
1 Month	0.40%	0.25%	0.44%
3 Month	1.01%	-0.20%	1.02%
YTD Return	1.73%	0.83%	1.75%
1 Year Return	4.87%	5.50%	4.93%
3 Year Return	5.67%	4.63%	5.79%
5 Year Return	4.17%	1.02%	4.26%

Top 5 Holdings

Symbol	Holding	% Assets
Other	European Bank for Reconstruction & Development FRN	1.22%
Other	International Bank for Reconstruction & Development	0.92%
Other	European Bank for Reconstruction & Development FRN	0.85%
Other	European Bank for Reconstruction & Development FRN	0.79%
Other	International Bank for Reconstruction & Development	0.79%

Vitals

Issuer	State Street
Brand	SPDR
Structure	ETF
Expense Ratio	0.15%
Inception	Nov 30, 2011
Index Tracked	Bloomberg US Floating Rate Notes (5 Y)

ETF Database Themes

Category	Corporate Bonds
Asset Class	Bond
Asset Class Size	N/A
Asset Class Style	N/A
Region (General)	Developed Markets
Region (Specific)	Broad

FactSet Classifications

Segment	Fixed Income: U.S. - Broad Market, Broad-based Investment Grade Floating Rate
Category	Broad Market, Broad-based
Focus	Investment Grade
Niche	Floating Rate
Strategy	Vanilla
Weighting	Market Value

This ETF offers cheap, liquid exposure to high quality floating rate bonds, an asset class that can be useful for capturing a bit of return in certain environments. Floating rate debt has very low sensitivity to interest rates, since the payouts to investors adjust with movements in a reference benchmark rate. So for those concerned about increases in interest rates, FLRN can be a useful tool for minimizing interest rate risk while still deriving some yield.

It should be noted that FLRN is unlikely to deliver substantial current returns to investors; because of the floating rate feature and the focus on investment grade debt, there is little in the way of credit risk or interest rate risk to require compensation. So this security should exhibit relatively low volatility; it can be a nice way to generate a little bit of yield, perhaps as a place to park cash in between allocations to riskier asset classes.

There are a number of other ETFs that offer similar exposure to floating rate debt; alternatives include FLOT and FLTR. One advantage of FLRN: this ETF is incredibly cheap.

