The SPDR Portfolio Corporate Bond ETF (SPBO) is State Street’s offering for investors looking to access a corner of the bond market essential to any long-term, buy-and-hold portfolio. SPBO is one of the least expensive investment-grade bond ETFs in this ETFdb category, yet it has been slow to gain assets since its 2011 launch. The reason might be performance: SPBO has had consistently lagged behind the iShares iBoxx $ Investment Grade Corporate Bond ETF (LQD), the dominant ETF in this segment. SPBO has a larger slice of its portfolio in shorter-dated bonds, which may explain some of the underperformance. Liquidity is another issue: SPBO tends to trade at wider spreads than LQD.

State Street launched its ultra-low-cost SPDR Portfolio lineup in October 2017 after years of losing market share to cheaper rivals at BlackRock, Schwab, and Vanguard. This was a humiliating setback since State Street essentially founded the modern ETF market in 1993 with the launch of the SPDR S&P 500 ETF Trust (SPY). State Street was late to the ultra-low-cost space — BlackRock launched its low-cost iShares Core series five years earlier — but has pushed hard to make up ground. Many of its SPDR Portfolio funds have been renamed and repriced for this purpose. Prior to September 23, 2019, SPBO traded under the name SPDR Bloomberg Barclays Corporate Bond ETF under the ticker CBND.