

SPLG

SPDR Portfolio S&P 500 ETF

Analyst Report

The SPDR Portfolio S&P 500 ETF (SPLG) offers exposure to the S&P 500 Index, one of the world's best-known and most widely followed stock benchmarks. The S&P 500 Index includes many large and well known U.S. firms, often called 'Blue Chips', including Johnson & Johnson, Apple, Microsoft, Amazon and Visa. Investors should think of this as a play on mega and large cap stocks in the American market. These companies are sizable core holdings of any portfolio, and SPLG's ultra-low management fee makes it an appealing choice for the category.

SPLG may cause many veteran ETF investors to scratch their heads because State Street's other S&P 500 fund — the S&P 500 ETF Trust, better known by its ticker SPY — is the oldest and largest ETF on the market. The 1993 debut of SPY pretty much established the modern ETF industry, and SPY is often touted as one of the most-traded securities on the planet. So why did State Street bother with a clone? There are a few reasons. Like other early ETFs, SPY was structured as a UIT, which means it lacks the flexibility to lend out shares and reinvest dividends. These factors are part of the reason why SPY's management fee has remained persistently higher than upstart rivals like the iShares Core S&P 500 ETF (IVV) and the Vanguard S&P 500 ETF (VOO), which helped those funds swipe market share from SPY. SPLG is State Street's answer to that problem. SPY's higher fee won't deter short-term traders, who are more concerned with liquidity than fees, but for buy-and-old investors, SPLG is the better alternative.

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 pretty much founded the modern ETF market in 1993 with the launch of SPY. State Street was late to the ultra-low-cost n-cost iShares Core ushed hard to make nds, including SPLG,

ESG Themes and Scores

6.27/10

ESG Rate

42.19%

Global Percentile

32.32%

Peer Percentile

Performance Data

	SPLG	ETF Database Category Average	Factset Segment Average
1 Month	0.72%	0.91%	0.57%
3 Month	7.12%	5.27%	4.30%
YTD Return	15.67%	12.79%	8.65%
1 Year Return	17.70%	12.39%	8.88%
3 Year Return	23.29%	13.92%	7.77%
5 Year Return	15.97%	7.06%	3.79%

Top 5 Holdings

Symbol	Holding	% Assets
NVDA	NVIDIA Corporation	7.69%
MSFT	Microsoft Corporation	6.76%
AAPL	Apple Inc.	6.70%
AMZN	Amazon.com, Inc.	3.70%
AVGO	Broadcom Inc.	2.80%

Vitals

Issuer	State Street
Brand	SPDR
Structure	ETF
Expense Ratio	0.02%
Inception	Nov 08, 2005
Index Tracked	S&P 500 Index

ETF Database Themes

Category	Large Cap Blend Equities
Asset Class	Equity
Asset Class Size	Large-Cap
Asset Class Style	Blend
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Equity: U.S. - Large Cap
Category	Size and Style
Focus	Large Cap
Niche	Broad-based
Strategy	Vanilla
Weighting	Market Cap

