

SPMD

State Street SPDR Portfolio S&P 400 Mid Cap ETF Analyst Report

The SPDR Portfolio S&P 400 Mid Cap ETF (SPMD) track the S&P 400 MidCap Index, which offers broad exposure to mid-sized U.S. companies. SPMD is one of several that offer exposure to an asset class that can make up a significant portion of long-term, buy-and-hold portfolios. This ETF may be more appealing to those in the portfolio construction business as opposed to short-term traders. SPMD offers exposure to a balanced portfolio of about 400 individual stocks. As with all of State Street's SPDR "Portfolio" lineup, SPMD competes — and even beats — the management fee of ultra-low-cost rivals like Vanguard Mid-Cap ETF (VO), Schwab U.S. Mid-Cap ETF (SCHM) and iShares Core S&P Mid-Cap ETF (IJH). All four funds offer broadly similar allocation to sectors and company size. SPMD is a relative latecomer and lags these three rivals in assets but still offers good liquidity.

Tactical traders might prefer SPMD's older and larger sister fund: the SPDR Midcap 400 ETF Trust (MDY). MDY is one of the oldest ETFs on the market and tracks the same index as SPMD, but costs much more. Why? A number of State Street's older funds, like MDY, were structured as UITs, and therefore lack the flexibility to lend out securities and reinvest dividends. Some of them are also burdened by costly legacy royalty contracts. MDY's higher fee won't deter short-term traders, who are more concerned with liquidity than fees, but for buy-and-old investors we'd recommend SPMD (or one of its low-cost rivals).

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 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 later. SPMD, which was renamed to SPMD in October 2017,



ESG Themes and Scores

5.97/10

ESG Rate

31.86%

Global Percentile

56.91%

Peer Percentile

Performance Data

	SPMD	ETF Database Category Average	Factset Segment Average
1 Month	3.59%	3.30%	2.91%
3 Month	6.69%	4.60%	5.44%
YTD Return	14.54%	11.08%	11.37%
1 Year Return	26.21%	22.94%	19.67%
3 Year Return	16.27%	15.20%	12.07%
5 Year Return	8.40%	6.42%	5.75%

Top 5 Holdings

Symbol	Holding	% Assets
FLEX	Flex Ltd	1.68%
TWLO	Twilio, Inc. Class A	0.97%
STRL	Sterling Infrastructure, Inc.	0.83%
NVT	nVent Electric plc	0.80%
FTI	TechnipFMC plc	0.78%

Vitals

Issuer	State Street
Brand	SPDR
Structure	ETF
Expense Ratio	0.03%
Inception	Nov 08, 2005
Index Tracked	S&P MidCap 400 Index

ETF Database Themes

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

FactSet Classifications

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