

XSW

State Street SPDR S&P Software & Services ETF Analyst Report

This ETF offers targeted exposure to U.S. companies operating in the software and services sector, delivering precise access to a relatively narrow corner of the technology industry. Within this sub-sector, holdings are actually somewhat balanced; XSW includes exposure to application software stocks, Internet software and services companies, data processing firms, systems software manufacturers, IT consulting companies, and makers of home entertainment software. Given this targeted focus, XSW probably has limited appeal to investors looking to build a long-term portfolio; this ETF is likely more useful for those looking to establish a tactical overweight position to this corner of the market.

There are a couple aspects of XSW that are noteworthy. First, this ETF is linked to an equal-weighted index, a feature that results in a balanced portfolio and lack of company-specific concentration. XSW is also very cheap considering the granularity of exposure offered; while there are cheaper broad-based funds in the Technology Equities ETFdb Category (such as XLK and FTQ), this fund is a good bet for investors keeping an eye on fees.

XSW is a very targeted product, and as such isn't optimal for every investor. But for those seeking exposure to software firms, the index construction methodology and cost efficiency make XSW an appealing option.

ESG Themes and Scores

6.42/10

ESG Rate

44.48%

Global Percentile

46.49%

Peer Percentile

Performance Data

	XSW	ETF Database Category Average	Factset Segment Average
1 Month	-5.94%	-7.15%	-8.60%
3 Month	23.61%	28.39%	22.63%
YTD Return	-5.71%	22.73%	-2.10%
1 Year Return	-7.96%	32.36%	-0.82%
3 Year Return	9.85%	18.36%	10.94%
5 Year Return	0.64%	5.00%	-1.30%

Top 5 Holdings

Symbol	Holding	% Assets
PRCH	Porch Group, Inc.	1.20%
TENB	Tenable Holdings, Inc.	1.00%
RBLX	Roblox Corp. Class A	0.99%
NTSK	Netskope, Inc. Class A	0.98%
PAR	PAR Technology Corporation	0.97%

Vitals

Issuer	State Street
Brand	SPDR
Structure	ETF
Expense Ratio	0.35%
Inception	Sep 28, 2011
Index Tracked	S&P Software & Services Select Industry Index

ETF Database Themes

Category	Technology Equities
Asset Class	Equity
Asset Class Size	Multi-Cap
Asset Class Style	Growth
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Equity: U.S. Software & Services
Category	Sector
Focus	Information Technology
Niche	Software & Services
Strategy	Equal
Weighting	Equal

