

MBNE

SPDR Nuveen Municipal Bond ESG ETF

Fund Description

MBNE is an actively managed fund of tax-exempt US municipal bonds that exhibit environmental, social, and governance characteristics. The portfolio holds intermediate-term bonds with varying credit quality.

FactSet Analyst Report

MBNE adds an ESG layer to a broad portfolio of US municipal bonds whose interests are exempt from the federal income tax. Though actively managed, the fund is pegged around its benchmark, the Bloomberg 3-15 Year Blend (2 - 17) Municipal Bond Index. The portfolio holds municipal bonds of different credit qualities with 80% allocated to A3/A- or higher and 20% allocated to Baa1/BBB+, including junk bonds. Starting with a rules-based, value-oriented strategy, the fund seeks to identify higher yielding and undervalued municipal bonds that offer above-average total return potential. Remaining securities are then screened based on ESG factors to determine: 1) bonds whose issuers are considered as ESG leaders relative to their respective sector peers, and/or 2) bonds whose proceeds are used towards positive environmental or social projects aligned with UN Sustainable Development Goals. The portfolio targets a weighted average maturity between 5 - 12 years.

