

Market Announcement

SPDR® S&P®/ASX Australian Bond ETF: Management Fee Reduction & Benchmark Index Change

May 19, 2025

State Street Global Advisors, Australia Services Limited (SSGA), the responsible entity of the SPDR® S&P®/ASX Australian Bond ETF (ASX Code: BOND) (“Fund”) has today published an updated Supplementary Product Disclosure Statement (SPDS) which details important upcoming changes to the Fund. Effective from 20 June 2025, the following changes will be made:

	Current	New
Fund Name	SPDR® S&P®/ASX Australian Bond ETF	SPDR® S&P®/ASX iBoxx Australian Bond ETF
Benchmark	S&P/ASX Australian Fixed Interest Index	S&P/ASX iBoxx Australian Fixed Interest Diversified 0+ Index
Management Fee	0.24% p.a.	0.10% p.a.

Why are the Fund Name and Index changing?

In November 2024, S&P Dow Jones Indices (S&P) announced the decommissioning of the S&P/ASX Fixed Interest Index Series and the launch of a similar index series based on its iBoxx bond indexing framework.

Consequently, a new index for the Fund needed to be selected. In selecting a new index, we have aimed to improve the balance of sectors in the Fund while leaving duration largely unchanged.

About the New Index

Approximately 80% of the current index is made up of bonds issued by the Commonwealth Government and Australian State and Territory Governments, with a further 10% in government related and supranational issuers. Less than 10% is made up of bonds issued by Corporate issuers.

We believe the new index developed by S&P is better balanced, with a 50% weight to Corporate Bonds and a 50% weight to Government Bonds. The Government Bond allocation is equally divided into three maturity buckets which aims to ensure that the duration of the new index remains close to that of the parent index, which represents the traditional Australian bond market index. Duration is a key risk characteristic that we have aimed to preserve.

The below details how the new Index is constructed when it is rebalanced each month:

Sector Allocation	<b>Government Bonds<sup>1</sup>:</b> 50% weight <b>Corporate Bonds:</b> 50% weight
Sector Rules	<b>Government Bonds:</b> Equal weighted across three maturity buckets: 0-5 years, 5-10 years, 10+ years. <b>Corporate Bonds:</b> No sector rules
Security Weighting	<b>Government Bonds:</b> Market value weighted within each maturity bucket and combined to achieve 50% sector target <b>Corporate Bonds:</b> Market value weighted to achieve 50% sector target

<sup>1</sup>Includes bonds issued by the Australian Commonwealth Government, central governments other than the Australian Commonwealth government and Semi Government issuers which includes Australian State and Territory Governments and supranationals.

Further details about the new index methodology can be found [here](#).

### How does the New Index Compare to the Current Index?

The below table highlights some of the key characteristics of the new versus current Index:

	Current Index	Parent Index <sup>2</sup>	New Index
Yield to Maturity	4.36	4.32	4.62
Modified Duration <sup>3</sup>	5.46	4.71	4.61
Weighted Average Term to Maturity (Years)	6.54	6.03	6.16
Weighted Average Coupon	3.05	2.96	3.61
Number of Holdings	704	839	839

Source: S&P, as of 31 March 2025.  
<sup>2</sup>Parent Index is the S&P/ ASX iBoxx Australian Fixed Interest 0+ Index which is the universe from which eligible bonds for the new index are selected from.  
<sup>3</sup>Current Index requires bonds to have a minimum remaining time to maturity of 12 months to be eligible meaning it has a higher duration when compared to indexes with a remaining time to maturity requirement of 0 months such as the New Index or Parent Index.

### Will there be any other impact to the Fund?

The Fund will incur modest transaction costs rebalancing its holdings to reflect the new index. These costs will be reflected in the Fund's performance.

We will issue an updated target market determination for the Fund when the New Index comes into effect.

### Do I need to do anything?

No response or action is required from you as a result of this change. Information about the Fund's new features are included in the Supplementary Product Disclosure Statement available on our website.

## Questions

If you have questions regarding this or your SPDR ETF investments in general, please contact your Investment Professional or MUFG Corporate Markets (AU) Limited on +61 2 1300 665 385 or email: [SPDR@cm.mpms.mufg.com](mailto:SPDR@cm.mpms.mufg.com).

Further product information can also be found on [www.ssga.com](http://www.ssga.com).

Thank you for investing with us.  
Yours sincerely,

**David Lom**

Company Secretary  
State Street Global Advisors, Australia Services Limited

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