

## State Street and SPDR ETFs' Statement Regarding ETF Trading

State Street Global Advisors Singapore Limited (State Street) believes that so far, Standard & Poor's downgrade of the long term US debt has been greeted in a pragmatic way by investors, regulators, clients, and central banks. Many analysts and investors have claimed to have expected it for some time, and State Street's investment concern is less the downgrade as a per se indicator, but rather the diminishing set of choices available to boost US economic growth, and set federal finances onto a non-inflationary path. With this as context, State Street has also been carefully scrutinizing how market events may impact Exchange Traded Funds and the products we offer through our SPDR ETF business.

While State Street is aware of and is closely monitoring the risks and implications of the current market dislocation, we do not expect that S&P's downgrade of US Debt will have any impact on the management of our ETFs, which are passively managed to track the performance of market indices.

Since the S&P rating decision on August 5th, ETFs have continued to trade in an orderly fashion and we expect that the trading and settlement of our SPDR ETFs will continue to trade without incident as they did prior to S&P's recent announcement.

Investors can be confident that State Street and SPDR ETFs is bringing to bear all necessary resources as we closely monitor the situation and continue to commit ourselves to protecting the interests of our shareholders.

Should there be any queries concerning the above, please call +65 6826 7500 or email [ssgaasia@ssga.com](mailto:ssgaasia@ssga.com) during office hours.

**State Street Global Advisors Singapore Limited**  
**Company Registration: 200002719D**

### Important Risk Information

Nothing in this document constitutes investment advice and should not be relied upon as such. This document and the information contained herein may not be distributed and published in jurisdictions in which such distribution and publication is not permitted. Investment involves risk. The value of funds may fall or rise and past performances of the funds are not indicative of future performances. Distributions from the funds may be contingent on dividends paid on underlying investments of the funds and are not guaranteed. Listing of the funds on relevant stock exchanges does not guarantee a liquid market for the units and the funds may be delisted. Investors should read the relevant funds' prospectuses for further details including the risk factors.

ETFs trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETFs net asset value. Brokerage commissions and ETF expenses will reduce returns. Frequent trading of ETFs could significantly increase commissions and other costs such that they may offset any savings from low fees or costs. Diversification does not ensure a profit or guarantee against loss. Asset Allocation may be used in an effort to manage risk and enhance returns. It does not, however, guarantee a profit or protect against loss.

The views expressed in this material are the views of State Street Global Advisors through the period ended August 9, 2011 and are subject to change based on market and other conditions. This document contains certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected.

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