

SPDR S&P 500 ETF Trust

Sabrient Category: Cap-style/Large-cap Growth

NYSE-ARCA: SPY

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ETF Fundamentals	SPY
Sabrient Rating	Attractive
Outlook Score	62
Specialty	Passive Indexing - S&P 500
Assets Managed	\$96.8B
Fund Family	State Street Global Advisors
Price	\$129.52
NAV	\$118.42
52-week High/Low	\$129.64/101.13
Dividend Yield	1.86%
Avg. Daily Volume	\$15.3B
ETF Originated	January 22, 1993
Expense Ratio	0.09%
Constituents	496

Constituent Averages

Price-to-book Ratio	2.3
Price-to-earnings Ratio	15.2
Price-to-projected-earnings Ratio	13.0
Price-to-sales Ratio	1.4
Price-to-cash-flow Ratio	12.3
Market Cap	\$48.4B
Long Term Projected Growth Rate	11.5%

Historical Performance	Sabrient Category	
	SPY	Category
	Annualized Returns (%)	
Year to date	11.4	11.9
1-Year	13.4	14.0
2-Year	21.3	22.6
3-Year	-3.6	-3.0
5-Year	1.4	1.7

Sabrient Scores	Sabrient Category	
	SPY	Category
Value Score	61	55
Growth Score	57	60
Momentum score	48	48
Efficiency Score	56	60
Analyst Sentiment Score	76	77
% Buys	27	25
% Holds	56	58
% Sells	17	17

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Fund Profile

The SPDR(R) S&P 500 ETF Trust (NYSE Arca: SPY) is an exchange-traded fund that holds all of the S&P 500 Index stocks in the form of undivided ownership interests called SPDRs. The Fund seeks to replicate, before expenses, the price and yield performance of the S&P 500 Index.

General Analysis

With a gain of 13.4% versus 14.0% for the average Large-cap Growth fund over the trailing twelve months, the SPDR S&P 500 ETF Trust has performed about the same as its peers. This return places SPY among the bottom 40% of all exchange traded funds for total return during that time. The individual stocks in this portfolio of Large-cap Growth stocks have performed about the same as others from this category. Currently SPY ranks in the middle of the market for Sabrient's forward-looking Outlook Score at 62; looking ahead, many funds offer greater upside potential.

Showing assets of \$96.8 billion under management, this is one of the largest U.S. equity funds. SPY shows a Value Score of 61, a Growth Score of 57 and a Momentum Score of 48. On the whole, there just isn't anything too exciting or too weak with this fund. It's running in the middle of the pack across a wide variety of style metrics.

Management and operations efficiency can be estimated by considering a company's return on sales, assets and equity. SPY emerges with a middle of the pack score of 56 for Sabrient's Efficiency score. The lower this composite fundamental measure, the greater the downside volatility. 26.6% of this fund's constituents are rated a buy from Sabrient's Rating algorithm.

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Risk Metrics	SPY	Sabrient Category
Annual return	-3.9%	-3.3%
Volatility	7.7%	7.7%
Sharpe	-0.08	-0.01
Alpha	0.00%	0.61%
Beta	1.00	0.99

Exposures (small moves)

Cap. size	0.99	0.94
Style	1.12	1.24
Interest rates	0.14	0.13
Sabrient Category	1.12	

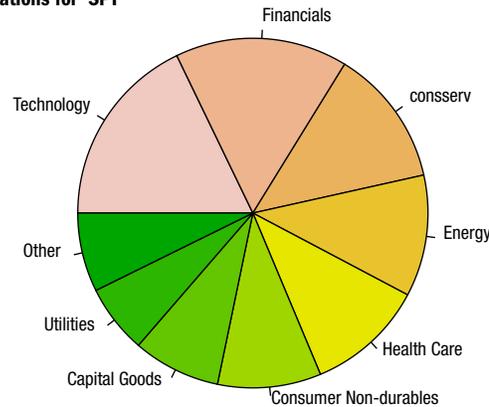
Exposures (large moves)

Market	1.00	1.01
Cap. size	1.03	1.04
Style	1.21	1.20
Interest rates	0.03	0.03
Sabrient Category	0.98	

Top Holdings

Exxon Mobil	3.3%
Apple	2.6%
Microsoft	1.8%
IBM	1.7%
Procter & Gamble	1.7%
Johnson & Johnson	1.6%
GE	1.6%
ChevronTexaco	1.5%
AT&T	1.5%
J P Morgan	1.4%

Sector concentrations for SPY



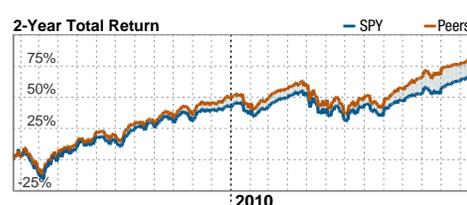
Risk Analysis

This Large-cap Growth fund has performed about the same as its Cap-style category peers over the past one to three years. This performance comes with a volatility of 7.7% compared with 7.7% for the category average. Single-factor model performance estimates this fund has an alpha of 0% and a beta of 1.00, so this fund's response to market moves is about one-to-one, and in the past it has neither gained nor lost ground relative to the market regardless of market ups and downs. With a Sharpe ratio of -0.08, this fund has offered less return with additional volatility relative to a standard savings account. All of these figures are computed on data from the past three years.

This fund is underexposed to three sectors: Basic Industries, Consumer Durables, and Transportation. While being somewhat diversified across sectors, there are also some gaps here. On the other hand, this fund is not overexposed to any particular sector and is therefore not unduly weighted toward any particular segment of the economy. While this fund is not significantly overexposed to any particular sector, it does have some sectors that are underrepresented in its holdings. This means that there is a degree of sector based diversification, but also some expectation of increased risk due to the missing components.

Peer Analysis

This table compares SPY with other similar ETFs. The Peer Analysis chart compares SPY's 2-year total return with the average 2-year total return of these ETFs.



Symbol	Company	Outlook	Ann. Ret.	Volatility	Expense	Assets (\$M)
SPY	SPDR S&P 500 ETF Trust	62	-3.9%	7.7%	0.09%	96,814
IWV	iShares S&P 500 Growth	64	-1.0%	7.2%	0.18%	6,004
IWF	iShares Russell 1000 Growth Index Fund	54	-1.4%	7.8%	0.20%	13,021
RPG	Rydex S&P 500 Pure Growth ETF	45	5.4%	9.1%	0.35%	195
VUG	Vanguard Growth ETF	52	-1.0%	7.6%	NA	5,303
MGK	Vanguard Mega Cap 300 Growth ETF	76	-100.0%	0.0%	NA	401

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Fund Description

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Sabrient Definitions

Sabrient Rating: There are 5 possible Sabrient ratings: Most Attractive, Attractive, Neutral, Less Attractive, and Least Attractive. These ratings are based on the Sabrient Outlook Score and are tied to a forecast of returns during the coming 3 to 6 months.

Outlook Score: The Sabrient Outlook Score reflects the likelihood of above average returns during the coming 3 to 6 month period. Scores are from 0-100 with higher numbers representing the greater likelihood of above average returns.

Sabrient Category: Sabrient categorizes each ETF into one of 8 broad classes of ETFs: Cap-style, Sector, Industry, Location, Active, Income, Technical, Exotic and then into a "subcategory" within each category.

Specialty: Some funds are further categorized by a specialty. This field may be blank when a specialty does not make sense for a particular ETF.

Constituent Averages: These are weighted averages or otherwise aggregated common fundamental analysis statistics for the underlying holdings of the ETF and can be thought of as representing the ETF as a whole.

Sabrient Scores: The Sabrient Scores are used to rank ETFs against one another, with higher scores being better. This section compares various Sabrient scores for the subject ETF with its Sabrient category. Scores range from 0-100 with higher numbers being better.

- **Value Score:** The Sabrient Value Score represents the attractiveness of the ETF to a typical value-seeking investor. The score is based on aggregate price-to-book, price-to-earnings, price-to-sales ratios and other valuation-oriented statistics.
- **Growth Score:** The Sabrient Growth Score reflects a fund's attractiveness to a typical growth-seeking investor. Historical and projected earnings growth, sales growth, projected cash flows, and changes in earnings estimates are all factors in this score, among other things.
- **Momentum Score:** The Sabrient Momentum Score measures a fund's aggregated constituent scores for earnings and price momentum, augmented by group strength, money flow, and relative volume. This score is higher when returns and earnings have been rising, in general.
- **Efficiency Score:** Sabrient's efficiency score for ranking ETFs against one another is a measure of return on sales, return on assets, and return on earnings. These statistics are combined and ranks are generated to result in this score.
- **Analyst Sentiment Score:** The Sabrient Analyst Sentiment Score is a measure of how bullish or bearish recent changes in analyst projections have been. Stocks with recently lowered expectations will score low whereas stocks with recently raised expectations will score high.

Exposures: The "small moves" section lists the historical percent ETF return coinciding with a 1% change in the listed variable, averaged over ordinary levels of changes in the variable. The "large moves" section is the same thing, except it is averaged over larger levels of change in the exposure variable.

About Sabrient

Sabrient Systems LLC is an independent equity research firm based in Santa Barbara, CA, providing fundamentals-based quantitative research on more than 5,000 U.S.-traded equities. The Sabrient proprietary methodology and systems were developed by an experienced research team led by David Brown, a former NASA scientist and past founder & CEO of Telescan. Clients include institutions, portfolio managers, investment advisors, and hedge funds, as well as self-directed investors and active traders. The firm was founded in 2000 and is headquartered in Santa Barbara, CA.

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Using a scientific hypothesis-testing approach, the Sabrient research team selects from more than 400 factors to create a library of over 100 multi-factor filters, each targeting a key area of traditional stock analysis, including value, growth, and momentum. Combining multi-factor filters and using non-linear relevance scoring has led to full-spectrum strategies and flexible models.

Sabrient's proprietary SectorCast model provides relative rankings of sectors, industries, and the ETFs that track them based on a bottom-up composite profile of the underlying constituents. This fundamentals-based model employs both historical and forward-looking growth metrics, as well as factors related to Wall Street analyst consensus sentiment. The model is useful for relative rankings among ETFs, as well as sector rotation, enhanced ETF, and sector-specific long/short portfolios.

For more information on Sabrient and its performance, go to www.sabrient.com

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