

# SPDR Australian Equity ETFs

## Interim Report

For the Period Ended 31 December 2019

### **SPDR® MSCI Australia Select High Dividend Yield Fund**

(ARSN 145 353 591)

### **SPDR® S&P®/ASX 200 Financials EX A-REIT Fund**

(ARSN 149 870 020)

### **SPDR® S&P®/ASX 200 Resources Fund**

(ARSN 149 870 002)

### **SPDR® S&P®/ASX 200 Small Ordinaries Fund**

(ARSN 149 869 992)

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Issued by State Street Global Advisors, Australia Services Limited (AFSL Number 274900, ABN 16 108 671 441) ("SSGA, ASL"). Registered office: Level 17, 420 George Street, Sydney, NSW 2000, Australia · Telephone: 1300 382 689 · Web: [www.ssga.com](http://www.ssga.com).  
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# SPDR Australian Equities ETFs

## Interim report

### For the half-year ended 31 December 2019

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This interim report does not include all the notes of the type normally included in an annual report. Accordingly, this interim report is to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made in respect of SPDR Australian Equities ETFs during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim report covers the SPDR S&P/ASX 200 Resources Fund, SPDR S&P/ASX Small Ordinaries Fund, SPDR S&P/ASX 200 Financials EX A-REIT Fund and SPDR MSCI Australia Select High Dividend Yield Fund as individual entities.

The Responsible Entity of the SPDR Australian Equities ETFs is State Street Global Advisors, Australia Services Limited (ABN 16 108 671 441) (AFSL 274900). The Responsible Entity's registered office is:

State Street Global Advisors, Australia Services Limited  
Level 14, 420 George Street  
Sydney NSW 2000.

## Directors' report

The directors of State Street Global Advisors, Australia Services Limited (ABN 16 108 671 441), the Responsible Entity of SPDR S&P/ASX 200 Resources Fund, SPDR S&P/ASX Small Ordinaries Fund, SPDR S&P/ASX 200 Financials EX A-REIT Fund and SPDR MSCI Australia Select High Dividend Yield Fund (the "Funds"), present their report together with the financial statements of the Funds for the half-year ended 31 December 2019.

### Principal activities

The Funds invest in a diversified portfolio of Australian listed securities in accordance with the provision of the Funds' Constitutions.

The Funds did not have any employees during the half-year.

There were no significant changes in the nature of the Funds' activities during the half-year or since the end of the half-year and up to the date of this report.

### Directors

The following persons held office as directors of State Street Global Advisors, Australia Services Limited during the half-year or since the end of the half-year and up to the date of this report:

James MacNevin  
Matthew George  
Jonathan Mark Shead

### Review and results of operations

During the half-year, the Funds continued to invest their funds in accordance with target asset allocations as set out in the governing documents of the Funds and in accordance with the provisions of the Funds' Constitutions.

SPDR S&P/ASX 200 Resources Fund generally invests in the securities that are constituents of the S&P/ASX 200 Resources Index and aims to achieve investment returns (before fees and other costs), that closely correspond to the performance of the Index.

SPDR S&P/ASX Small Ordinaries Fund generally invests in the securities that are constituents of the S&P/ASX Small Ordinaries Index and aims to achieve investment returns (before fees and other costs), that closely correspond to the performance of the Index.

SPDR S&P/ASX 200 Financials EX A-REIT Fund generally invests in the securities that are constituents of the S&P/ASX 200 Financials Ex A-REIT Index and aims to achieve investment returns (before fees and other costs), that closely correspond to the performance of the Index.

SPDR MSCI Australia Select High Dividend Yield Fund generally invests in the securities that are constituents of the MSCI Australia Select High Dividend Yield Index and aims to achieve investment returns (before fees and other costs), that closely correspond to the performance of the Index.

## Directors' report (continued)

### Review and results of operations (continued)

#### Results

The performance of the Funds, as represented by the results of their operations, was as follows:

	<b>SPDR S&amp;P/ASX 200 Resources Fund</b>		<b>SPDR S&amp;P/ASX Small Ordinaries Fund</b>	
	<b>Half-year ended</b>		<b>Half-year ended</b>	
	<b>31 December 2019</b>	<b>31 December 2018</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
Operating profit/(loss) (\$)	<u>683,286</u>	<u>(5,812,041)</u>	<u>767,211</u>	<u>(3,022,677)</u>
Distributions to unitholders (\$)	<u>1,527,819</u>	<u>1,228,489</u>	<u>294,551</u>	<u>235,157</u>
Distributions (cents per unit - CPU)	<u>18.76</u>	<u>17.24</u>	<u>19.43</u>	<u>15.55</u>

	<b>SPDR S&amp;P/ASX 200 Financials EX A-REIT Fund</b>		<b>SPDR MSCI Australia Select High Dividend Yield Fund</b>	
	<b>Half-year ended</b>		<b>Half-year ended</b>	
	<b>31 December 2019</b>	<b>31 December 2018</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
Operating profit/(loss) (\$)	<u>(3,369,658)</u>	<u>(5,836,768)</u>	<u>1,098,125</u>	<u>(12,328,378)</u>
Distributions to unitholders (\$)	<u>2,853,127</u>	<u>2,936,486</u>	<u>4,972,488</u>	<u>5,862,810</u>
Distributions (cents per unit - CPU)	<u>60.31</u>	<u>68.67</u>	<u>89.36</u>	<u>109.77</u>

The tables below demonstrate the performance of the Funds as represented by their total returns. Total returns reflect combined capital growth and distribution performance assuming all distributions are reinvested; and are shown net of fees. The total returns for the half-year are shown for the past five half-years to 31 December 2019:

	<b>2019 %</b>	<b>2018 %</b>	<b>2017 %</b>	<b>2016 %</b>	<b>2015 %</b>
<b>SPDR S&amp;P/ASX 200 Resources Fund</b>					
Total return	<u>0.95</u>	<u>(9.23)</u>	<u>25.94</u>	<u>22.91</u>	<u>(23.97)</u>
Benchmark: S&P/ASX 200 Resources Index	<u>0.86</u>	<u>(8.96)</u>	<u>26.27</u>	<u>23.24</u>	<u>(23.85)</u>
<b>SPDR S&amp;P/ASX Small Ordinaries Fund</b>					
Total return	<u>3.62</u>	<u>(13.11)</u>	<u>18.39</u>	<u>6.08</u>	<u>6.68</u>
Benchmark: S&P/ASX Small Ordinaries Index	<u>3.89</u>	<u>(12.75)</u>	<u>18.70</u>	<u>5.84</u>	<u>6.98</u>



## Directors' report (continued)

### Review and results of operations (continued)

	2019 %	2018 %	2017 %	2016 %	2015 %
<b>SPDR S&amp;P/ASX 200 Financials EX A-REIT Fund</b>					
Total Return	<u>(3.28)</u>	<u>(7.90)</u>	<u>3.63</u>	<u>18.08</u>	<u>0.57</u>
Benchmark: S&P/ASX 200 Financials Ex A-REIT Index	<u>(3.37)</u>	<u>(7.79)</u>	<u>3.76</u>	<u>18.52</u>	<u>0.84</u>
<b>SPDR MSCI Australia Select High Dividend Yield Fund</b>					
Total return	<u>0.84</u>	<u>(8.19)</u>	<u>4.00</u>	<u>15.41</u>	<u>(4.01)</u>
Benchmark: MSCI Australia Select High Dividend Yield Index	<u>0.85</u>	<u>(7.97)</u>	<u>4.19</u>	<u>15.74</u>	<u>(3.82)</u>

The movement in the assets and liabilities in the Statements of financial position corresponds with the units issued and redeemed during the half-year as reflected in note 5 and the performance of the Funds during the half-year.

Consistent with our statements in the governing documents of the Funds, past performance is not a reliable indicator of future performance.

### Significant changes in the state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Funds that occurred during the financial half-year.

### Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2019 that has significantly affected, or may significantly affect:

- (i) the operations of the Funds in future financial half-years, or
- (ii) the results of those operations in future financial half-years, or
- (iii) the state of affairs of the Funds in future financial half-years.

### Likely developments and expected results of operations

The Funds will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Funds and in accordance with the provisions of the Funds' Constitutions.

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

The Funds' investment objectives and strategies remain unchanged which are to track the performance of their underlying indexes. Accordingly the future returns of the Funds are dependent on the performance of their underlying indexes.

### Rounding of amounts to the nearest dollar

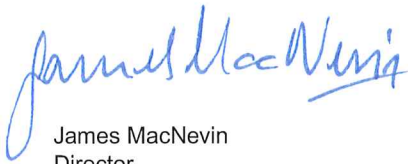
The Funds are entities of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded to the nearest dollar in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

## **Directors' report (continued)**

### **Auditor's independence declaration**

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

This report is made in accordance with a resolution of the directors.



James MacNevin  
Director

Sydney  
21 February 2020


## Auditor's Independence Declaration to the Directors of State Street Global Advisors, Australia Services Limited as the Responsible Entity of

- ▶ SPDR S&P/ASX 200 Resources Fund
- ▶ SPDR S&P/ASX Small Ordinaries Fund
- ▶ SPDR S&P/ASX 200 Financials EX A-REIT Fund
- ▶ SPDR MSCI Australia Select High Dividend Yield Fund

referred to collectively as SPDR Australian Equities ETFs.

As lead auditor for the review of the half-year financial report of SPDR Australian Equities ETFs for the half-year ended 31 December 2019, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



Ernst & Young



Rita Da Silva  
Partner  
21 February 2020

## Statements of comprehensive income

	SPDR S&P/ASX 200 Resources Fund		SPDR S&P/ASX Small Ordinaries Fund	
	Half-year ended		Half-year ended	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	\$	\$	\$	\$
<b>Investment income</b>				
Distribution and dividend income	1,699,650	1,417,965	386,761	361,502
Interest income from financial assets at amortised cost	1,520	2,699	239	857
Net gains/(losses) on financial instruments at fair value through profit or loss	(842,584)	(7,081,069)	447,412	(3,322,646)
Other operating income/(loss)	-	-	11	339
<b>Total net investment income/(loss)</b>	<b>858,586</b>	<b>(5,660,405)</b>	<b>834,423</b>	<b>(2,959,948)</b>
<b>Expenses</b>				
Responsible Entity's fees	4,495	3,838	1,226	1,139
Investment Manager's fees	167,566	143,065	57,433	53,372
Transaction costs	3,239	4,729	5,060	4,441
Withholding taxes on dividends	-	-	3,486	3,777
Other operating expenses	-	4	7	-
<b>Total operating expenses</b>	<b>175,300</b>	<b>151,636</b>	<b>67,212</b>	<b>62,729</b>
<b>Operating profit/(loss) for the half-year</b>	<b>683,286</b>	<b>(5,812,041)</b>	<b>767,211</b>	<b>(3,022,677)</b>
Other comprehensive income for the half-year	-	-	-	-
<b>Total comprehensive income for the half-year</b>	<b>683,286</b>	<b>(5,812,041)</b>	<b>767,211</b>	<b>(3,022,677)</b>

*The above Statements of comprehensive income should be read in conjunction with the accompanying notes.*



**Statements of comprehensive income (continued)**

	SPDR S&P/ASX 200 Financials EX A-REIT Fund		SPDR MSCI Australia Select High Dividend Yield Fund	
	Half-year ended		Half-year ended	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	\$	\$	\$	\$
<b>Investment income</b>				
Distribution and dividend income	2,256,323	2,064,826	4,153,716	4,453,592
Interest income from financial assets at amortised cost	1,544	4,085	4,016	7,615
Net gains/(losses) on financial instruments at fair value through profit or loss	(5,458,455)	(7,766,311)	(2,758,224)	(16,512,703)
<b>Total net investment income/(loss)</b>	<b>(3,200,588)</b>	<b>(5,697,400)</b>	<b>1,399,508</b>	<b>(12,051,496)</b>
<b>Expenses</b>				
Responsible Entity's fees	4,369	3,600	8,493	7,936
Investment Manager's fees	162,837	134,202	275,973	257,897
Transaction costs	1,864	1,566	16,917	11,046
Other operating expenses	-	-	-	3
<b>Total operating expenses</b>	<b>169,070</b>	<b>139,368</b>	<b>301,383</b>	<b>276,882</b>
<b>Operating profit/(loss) for the half-year</b>	<b>(3,369,658)</b>	<b>(5,836,768)</b>	<b>1,098,125</b>	<b>(12,328,378)</b>
Other comprehensive income for the half-year	-	-	-	-
<b>Total comprehensive income for the half-year</b>	<b>(3,369,658)</b>	<b>(5,836,768)</b>	<b>1,098,125</b>	<b>(12,328,378)</b>

*The above Statements of comprehensive income should be read in conjunction with the accompanying notes.*

## Statements of financial position

	Notes	SPDR S&P/ASX 200 Resources Fund		SPDR S&P/ASX Small Ordinaries Fund	
		As at		As at	
		31 December 2019	30 June 2019	31 December 2019	30 June 2019
		\$	\$	\$	\$
<b>Assets</b>					
Cash and cash equivalents		525,063	705,110	189,013	169,765
Margin accounts		30,517	262,353	11,372	91,855
Due from brokers - receivable for securities sold		-	1,029	-	235,407
Receivables		-	406	69,750	71,033
Financial assets at fair value through profit or loss	3	98,976,015	87,774,469	23,322,203	22,593,220
<b>Total assets</b>		<u>99,531,595</u>	<u>88,743,367</u>	<u>23,592,338</u>	<u>23,161,280</u>
<b>Liabilities</b>					
Due to brokers - payable for securities purchased		-	-	-	46,966
Payables	7	67,409	58,708	22,025	21,959
Distribution payable	6	1,527,819	2,822,533	294,551	316,030
Financial liabilities at fair value through profit or loss	4	-	-	-	881
<b>Total liabilities</b>		<u>1,595,228</u>	<u>2,881,241</u>	<u>316,576</u>	<u>385,836</u>
<b>Net assets attributable to unitholders - Equity</b>	5	<u>97,936,367</u>	<u>85,862,126</u>	<u>23,275,762</u>	<u>22,775,444</u>

The above Statements of financial position should be read in conjunction with the accompanying notes.

Statements of financial position (continued)

	Notes	SPDR S&P/ASX 200 Financials EX A-REIT Fund		SPDR MSCI Australia Select High Dividend Yield Fund	
		As at		As at	
		31 December 2019	30 June 2019	31 December 2019	30 June 2019
		\$	\$	\$	\$
<b>Assets</b>					
Cash and cash equivalents		1,285,393	723,434	2,113,700	1,345,761
Margin accounts		135,036	179,599	199,092	465,120
Receivables		-	762,121	124,120	1,275,911
Financial assets at fair value through profit or loss	3	<u>92,269,242</u>	<u>76,931,730</u>	<u>171,038,311</u>	<u>155,761,941</u>
<b>Total assets</b>		<u>93,689,671</u>	<u>78,596,884</u>	<u>173,475,223</u>	<u>158,848,733</u>
<b>Liabilities</b>					
Payables	7	75,148	63,658	148,349	134,057
Distribution payable	6	<u>2,853,127</u>	<u>1,045,508</u>	<u>2,326,968</u>	<u>3,535,385</u>
<b>Total liabilities</b>		<u>2,928,275</u>	<u>1,109,166</u>	<u>2,475,317</u>	<u>3,669,442</u>
<b>Net assets attributable to unitholders - Equity</b>	5	<u>90,761,396</u>	<u>77,487,718</u>	<u>170,999,906</u>	<u>155,179,291</u>

The above Statements of financial position should be read in conjunction with the accompanying notes.

## Statements of changes in equity

	Notes	SPDR S&P/ASX 200 Resources Fund		SPDR S&P/ASX Small Ordinaries Fund	
		Half-year ended 31 December 2019	Half-year ended 31 December 2018	Half-year ended 31 December 2019	Half-year ended 31 December 2018
		\$	\$	\$	\$
<b>Total equity at the beginning of the half-year</b>	5	<b>85,862,126</b>	73,225,993	<b>22,775,444</b>	21,517,398
<b>Comprehensive income for the half-year</b>					
Profit/(loss) for the half-year		<u>683,286</u>	<u>(5,812,041)</u>	<u>767,211</u>	<u>(3,022,677)</u>
<b>Total comprehensive income for the half-year</b>		<u><b>683,286</b></u>	<u><b>(5,812,041)</b></u>	<u><b>767,211</b></u>	<u><b>(3,022,677)</b></u>
<b>Transactions with unitholders</b>					
Applications	5	<b>19,529,075</b>	9,544,060	-	1,521,322
Redemptions	5	<b>(6,740,559)</b>	(16,322,268)	-	-
Units issued upon reinvestment of distributions	5	<b>130,258</b>	52,137	<b>27,658</b>	22,693
Distributions paid and payable	5, 6	<u><b>(1,527,819)</b></u>	<u>(1,228,489)</u>	<u><b>(294,551)</b></u>	<u>(235,157)</u>
<b>Total transactions with unitholders</b>		<u><b>11,390,955</b></u>	<u><b>(7,954,560)</b></u>	<u><b>(266,893)</b></u>	<u><b>1,308,858</b></u>
<b>Total equity at the end of the half-year</b>		<u><b>97,936,367</b></u>	<u><b>59,459,392</b></u>	<u><b>23,275,762</b></u>	<u><b>19,803,579</b></u>

The above Statements of changes in equity should be read in conjunction with the accompanying notes.



**Statements of changes in equity (continued)**

		SPDR S&P/ASX 200 Financials EX A-REIT Fund		SPDR MSCI Australia Select High Dividend Yield Fund	
		Half-year ended 31 December 2019	31 December 2018	Half-year ended 31 December 2019	31 December 2018
	Notes	\$	\$	\$	\$
<b>Total equity at the beginning of the half-year</b>	5	77,487,718	62,528,010	155,179,291	164,131,267
<b>Comprehensive income for the half-year</b>					
Profit/(loss) for the half-year		<u>(3,369,658)</u>	<u>(5,836,768)</u>	<u>1,098,125</u>	<u>(12,328,378)</u>
<b>Total comprehensive income for the half-year</b>		<u>(3,369,658)</u>	<u>(5,836,768)</u>	<u>1,098,125</u>	<u>(12,328,378)</u>
<b>Transactions with unitholders</b>					
Applications	5	19,472,649	22,022,834	19,221,780	3,922,837
Redemptions	5	-	(10,635,601)	-	(15,395,127)
Units issued upon reinvestment of distributions	5	23,814	20,622	473,198	426,011
Distributions paid and payable	5, 6	<u>(2,853,127)</u>	<u>(2,936,486)</u>	<u>(4,972,488)</u>	<u>(5,862,810)</u>
<b>Total transactions with unitholders</b>		<u>16,643,336</u>	<u>8,471,369</u>	<u>14,722,490</u>	<u>(16,909,089)</u>
<b>Total equity at the end of the half-year</b>		<u>90,761,396</u>	<u>65,162,611</u>	<u>170,999,906</u>	<u>134,893,800</u>

*The above Statements of changes in equity should be read in conjunction with the accompanying notes.*

## Statements of cash flows

	SPDR S&P/ASX 200 Resources Fund		SPDR S&P/ASX Small Ordinaries Fund	
	Half-year ended		Half-year ended	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	\$	\$	\$	\$
<b>Cash flows from operating activities</b>				
Proceeds from sale of financial instruments at fair value through profit or loss	2,713,931	2,215,613	2,711,112	2,706,165
Purchase of financial instruments at fair value through profit or loss	(1,848,718)	(2,514,101)	(2,735,023)	(2,944,116)
Amount received from/(paid to) brokers for margin accounts	231,836	94,432	80,483	24,277
Distributions and dividends received	1,579,852	1,408,579	313,331	304,197
Interest received	1,926	2,855	918	1,229
Other income received/(paid)	-	-	11	339
Responsible Entity's fees paid	(4,322)	(3,813)	(388)	(1,137)
Investment Manager's fees paid	(161,114)	(142,119)	(57,845)	(53,301)
Payment of other operating expenses	(1,163)	(5,573)	(4,979)	(8,039)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>2,512,228</b>	<b>1,055,873</b>	<b>307,620</b>	<b>29,614</b>
<b>Cash flows from financing activities</b>				
Distributions paid	(2,692,275)	(929,064)	(288,372)	(241,930)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(2,692,275)</b>	<b>(929,064)</b>	<b>(288,372)</b>	<b>(241,930)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(180,047)</b>	<b>126,809</b>	<b>19,248</b>	<b>(212,316)</b>
Cash and cash equivalents at the beginning of the half-year	705,110	163,478	169,765	350,453
<b>Cash and cash equivalents at the end of the half-year</b>	<b>525,063</b>	<b>290,287</b>	<b>189,013</b>	<b>138,137</b>

*The above Statements of cash flows should be read in conjunction with the accompanying notes.*

**Statements of cash flows (continued)**

	SPDR S&P/ASX 200 Financials EX A-REIT Fund		SPDR MSCI Australia Select High Dividend Yield Fund	
	Half-year ended		Half-year ended	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	\$	\$	\$	\$
<b>Cash flows from operating activities</b>				
Proceeds from sale of financial instruments at fair value through profit or loss	333,515	66,831	32,057,477	18,896,729
Purchase of financial instruments at fair value through profit or loss	(1,639,233)	(1,194,019)	(30,819,674)	(18,615,251)
Amount received from/(paid to) brokers for margin accounts	44,563	108,126	266,028	107,344
Distributions and dividends received	3,000,549	3,048,825	5,254,291	6,193,427
Interest received	1,839	4,339	4,615	8,772
Other income received/(paid)	-	1,308	-	-
Responsible Entity's fees paid	(4,115)	(3,330)	(8,243)	(8,621)
Investment Manager's fees paid	(153,181)	(123,940)	(267,693)	(280,604)
Payment of other operating expenses	(284)	-	(11,155)	(14,981)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>1,583,653</b>	<b>1,908,140</b>	<b>6,475,646</b>	<b>6,286,815</b>
<b>Cash flows from financing activities</b>				
Distributions paid	(1,021,694)	(628,927)	(5,707,707)	(5,352,907)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(1,021,694)</b>	<b>(628,927)</b>	<b>(5,707,707)</b>	<b>(5,352,907)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>561,959</b>	<b>1,279,213</b>	<b>767,939</b>	<b>933,908</b>
Cash and cash equivalents at the beginning of the half-year	723,434	261,168	1,345,761	1,164,604
<b>Cash and cash equivalents at the end of the half-year</b>	<b>1,285,393</b>	<b>1,540,381</b>	<b>2,113,700</b>	<b>2,098,512</b>

*The above Statements of cash flows should be read in conjunction with the accompanying notes.*

## Contents of the notes to the financial statements

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## 1 Basis of preparation of interim report

These interim financial statements for the half-year ended 31 December 2019 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim report covers SPDR S&P/ASX 200 Resources Fund, SPDR S&P/ASX Small Ordinaries Fund, SPDR S&P/ASX 200 Financials EX A-REIT Fund and SPDR MSCI Australia Select High Dividend Yield Fund (the "Funds") as individual entities.

SPDR MSCI Australia Select High Dividend Yield Fund (the "Fund") was constituted on 19 July 2010 and will terminate on 27 September 2090 unless terminated earlier in accordance with the provisions of the Fund's Constitution.

SPDR S&P/ASX 200 Financials EX A-REIT Fund (the "Fund") was constituted on 15 March 2011 and will terminate on 11 April 2091 unless terminated earlier in accordance with the provisions of the Fund's Constitution.

SPDR S&P/ASX 200 Resources Fund (the "Fund") was constituted on 15 March 2011 and will terminate on 11 April 2091 unless terminated earlier in accordance with the provisions of the Fund's Constitution.

SPDR S&P/ASX Small Ordinaries Fund (the "Fund") was constituted on 18 March 2011 and will terminate on 11 April 2091 unless terminated earlier in accordance with the provisions of the Fund's Constitution.

This interim report does not include all the notes of the type normally included in an annual report. Accordingly, this interim report is to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made in respect of the Funds during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

### (a) Significant accounting policies

The significant accounting policies applied in these interim financial statements are the same as those applied to the Funds' financial statements for the year ended 30 June 2019.

### (b) Segment information

Each fund as an individual entity is organised into one main segment which operates solely in the business of investment management within Australia.

The Funds operate in Australia and hold investments in Australia.

### (c) Changes in accounting standards

There were no new standards, interpretations or amendments to existing standards effective for the first time for the half-year beginning 1 July 2019 that had a material impact on the amounts recognised in financial statements. There are no new accounting standards, interpretations or amendments to existing standards that have been issued, but not yet effective, that are material to the financial statements or have been early adopted for the 31 December 2019 reporting period.

### (d) Interim measurement

The nature of the Funds' operations is such that income and expenses are incurred in a manner which is not impacted by any form of seasonality.

This interim report is prepared based upon an accrual concept, which requires income and expenses to be recorded as earned or incurred and not as received or paid throughout the period.

The Responsible Entity of the Funds is State Street Global Advisors, Australia Services Limited (the "Responsible Entity"). The Responsible Entity's registered office is Level 14, 420 George Street, Sydney, NSW 2000.

This interim report is presented in Australian currency.

## 1 Basis of preparation of interim report (continued)

### (d) Interim measurement (continued)

This interim report was authorised for issue by the directors on 21 February 2020. The directors of the Responsible Entity have the power to amend and reissue the interim report.

There have been no changes in the risk management policies and processes of the Funds since year end.

A copy of the 30 June 2019 Annual Report containing detail of the accounting policies and other disclosures can be found at [www.ssga.com/au](http://www.ssga.com/au).

### (e) Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current half-year.

## 2 Fair value measurement

The Funds measure and recognise Financial assets / liabilities at fair value through profit or loss (see note 3 and 4) on a recurring basis.

The Funds have no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

### (i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their last traded prices at the end of the reporting period without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in notes to the financial statements as at 30 June 2019.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

### (ii) Valuation techniques used to derive level 2 and level 3 fair value

The fair value of financial assets and liabilities that are not exchange-traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

## 2 Fair value measurement (continued)

### (ii) Valuation techniques used to derive level 2 and level 3 fair value (continued)

The fair value of derivatives that are not exchange traded is estimated at the amount that the Funds would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

### Recognised fair value measurement

The tables below set out the Funds' financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 31 December 2019 and 30 June 2019.

#### SPDR S&P/ASX 200 Resources Fund

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>As at 31 December 2019</b>				
<b>Financial assets at fair value through profit or loss</b>				
Equity securities	<u>98,976,015</u>	-	-	<u>98,976,015</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>98,976,015</u>	-	-	<u>98,976,015</u>
<b>As at 30 June 2019</b>				
<b>Financial assets at fair value through profit or loss</b>				
Australian share price index futures	2,700	-	-	2,700
Equity securities	<u>87,771,769</u>	-	-	<u>87,771,769</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>87,774,469</u>	-	-	<u>87,774,469</u>

## 2 Fair value measurement (continued)

### Recognised fair value measurement (continued)

#### SPDR S&P/ASX Small Ordinaries Fund

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>As at 31 December 2019</b>				
<b>Financial assets at fair value through profit or loss</b>				
Australian share price index futures	3,526	-	-	3,526
Equity securities	20,405,089	-	63,638	20,468,727
Unit trusts	2,849,950	-	-	2,849,950
<b>Total financial assets at fair value through profit or loss</b>	<b>23,258,565</b>	<b>-</b>	<b>63,638</b>	<b>23,322,203</b>

As at 30 June 2019

<b>Financial assets at fair value through profit or loss</b>				
Equity securities	20,140,857	-	-	20,140,857
Unit trusts	2,445,414	6,949	-	2,452,363
<b>Total financial assets at fair value through profit or loss</b>	<b>22,586,271</b>	<b>6,949</b>	<b>-</b>	<b>22,593,220</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Australian share price index futures	881	-	-	881
<b>Total financial liabilities at fair value through profit or loss</b>	<b>881</b>	<b>-</b>	<b>-</b>	<b>881</b>

#### SPDR S&P/ASX 200 Financials EX A-REIT Fund

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>As at 31 December 2019</b>				
<b>Financial assets at fair value through profit or loss</b>				
Australian share price index futures	19,575	-	-	19,575
Equity securities	92,249,667	-	-	92,249,667
<b>Total financial assets at fair value through profit or loss</b>	<b>92,269,242</b>	<b>-</b>	<b>-</b>	<b>92,269,242</b>

As at 30 June 2019

<b>Financial assets at fair value through profit or loss</b>				
Australian share price index futures	6,290	-	-	6,290
Equity securities	76,925,440	-	-	76,925,440
<b>Total financial assets at fair value through profit or loss</b>	<b>76,931,730</b>	<b>-</b>	<b>-</b>	<b>76,931,730</b>



## 2 Fair value measurement (continued)

### Recognised fair value measurement (continued)

#### SPDR MSCI Australia Select High Dividend Yield Fund

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>As at 31 December 2019</b>				
<b>Financial assets at fair value through profit or loss</b>				
Australian share price index futures	3,526	-	-	3,526
Equity securities	<u>171,034,785</u>	-	-	<u>171,034,785</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>171,038,311</u>	-	-	<u>171,038,311</u>

As at 30 June 2019

<b>Financial assets at fair value through profit or loss</b>				
Australian share price index futures	900	-	-	900
Equity securities	<u>155,761,041</u>	-	-	<u>155,761,041</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>155,761,941</u>	-	-	<u>155,761,941</u>

The Funds' policies are to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

#### (i) Transfers between levels

The following table presents the transfers between levels for the half-year ended 31 December 2019.

#### SPDR S&P/ASX Small Ordinaries Fund

	Equity securities \$
<b>As at 31 December 2019</b>	
Opening balance	-
Purchases	-
Sales	-
Transfers into/(out of) level 3	63,638
Gains and losses recognised in the Statement of comprehensive income	<u>-</u>
Closing balance	<u>63,638</u>
Total gains or losses for the year included in the Statement of comprehensive income for financial assets and liabilities at the end of the year	<u>-</u>

#### (ii) Fair value measurements using significant unobservable inputs (level 3)

Except for SPDR S&P/ASX Small Ordinaries Fund, the Funds did not hold any financial instruments with fair value measurements using significant unobservable inputs during the half-year ended 31 December 2019 or year ended 30 June 2019.

## 2 Fair value measurement (continued)

### Recognised fair value measurement (continued)

#### (iii) Valuation processes

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities. Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

#### (iv) Fair values of other financial instruments

The Funds did not hold any financial instruments which were not measured at fair value in the Statements of financial position. Due to their short-term nature, the carrying amounts of margin accounts, receivables and payables are assumed to approximate fair value.

## 3 Financial assets at fair value through profit or loss

	SPDR S&P/ASX 200 Resources Fund		SPDR S&P/ASX Small Ordinaries Fund	
	As at		As at	
	31 December 2019	30 June 2019	31 December 2019	30 June 2019
	\$	\$	\$	\$
<b>Financial assets at fair value through profit or loss</b>				
Derivatives	-	2,700	3,526	-
Equity securities	98,976,015	87,771,769	20,468,727	20,140,857
Unit trusts	-	-	2,849,950	2,452,363
<b>Total financial assets at fair value through profit or loss</b>	<b>98,976,015</b>	<b>87,774,469</b>	<b>23,322,203</b>	<b>22,593,220</b>

	SPDR S&P/ASX 200 Financials EX A-REIT Fund		SPDR MSCI Australia Select High Dividend Yield Fund	
	As at		As at	
	31 December 2019	30 June 2019	31 December 2019	30 June 2019
	\$	\$	\$	\$
<b>Financial assets at fair value through profit or loss</b>				
Derivatives	19,575	6,290	3,526	900
Equity securities	92,249,667	76,925,440	171,034,785	155,761,041
<b>Total financial assets at fair value through profit or loss</b>	<b>92,269,242</b>	<b>76,931,730</b>	<b>171,038,311</b>	<b>155,761,941</b>

#### 4 Financial liabilities at fair value through profit or loss

		<b>SPDR S&amp;P/ASX Small Ordinaries Fund</b>	
		<b>As at</b>	
		<b>31 December 2019</b>	<b>30 June 2019</b>
		<b>\$</b>	<b>\$</b>
<b>Financial liabilities at fair value through profit or loss</b>			
Derivatives		-	881
<b>Total financial liabilities at fair value through profit or loss</b>		-	881

#### 5 Net assets attributable to unitholders

Under AASB 132 Financial Instruments: Presentation, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Fund shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

Movements in number of units and net assets attributable to unitholders during the half-year were as follows:

<b>SPDR S&amp;P/ASX 200 Resources Fund</b>				
<b>Half-year ended</b>				
	<b>31 December 2019</b>	<b>31 December 2018</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
	<b>No.</b>	<b>No.</b>	<b>\$</b>	<b>\$</b>
Opening balance	7,082,093	6,622,176	85,862,126	73,225,993
Applications	1,650,000	900,000	19,529,075	9,544,060
Redemptions	(600,000)	(1,600,000)	(6,740,559)	(16,322,268)
Units issued upon reinvestment of distributions	10,676	4,744	130,258	52,137
Distributions paid and payable	-	-	(1,527,819)	(1,228,489)
Profit/(loss) for the half-year	-	-	683,286	(5,812,041)
Closing balance	<u>8,142,769</u>	<u>5,926,920</u>	<u>97,936,367</u>	<u>59,459,392</u>

## 5 Net assets attributable to unitholders (continued)

SPDR S&P/ASX Small Ordinaries Fund				
Half-year ended				
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	No.	No.	\$	\$
Opening balance	1,514,044	1,411,030	22,775,444	21,517,398
Applications	-	100,000	-	1,521,322
Units issued upon reinvestment of distributions	1,830	1,494	27,658	22,693
Distributions paid and payable	-	-	(294,551)	(235,157)
Profit/(loss) for the half-year	-	-	767,211	(3,022,677)
Closing balance	<u>1,515,874</u>	<u>1,512,524</u>	<u>23,275,762</u>	<u>19,803,579</u>

SPDR S&P/ASX 200 Financials EX A-REIT Fund				
Half-year ended				
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	No.	No.	\$	\$
Opening balance	3,779,830	3,125,069	77,487,718	62,528,010
Applications	950,000	1,150,000	19,472,649	22,022,834
Redemptions	-	(600,000)	-	(10,635,601)
Units issued upon reinvestment of distributions	1,159	1,034	23,814	20,622
Distributions paid and payable	-	-	(2,853,127)	(2,936,486)
Profit/(loss) for the half-year	-	-	(3,369,658)	(5,836,768)
Closing balance	<u>4,730,989</u>	<u>3,676,103</u>	<u>90,761,396</u>	<u>65,162,611</u>

SPDR MSCI Australia Select High Dividend Yield Fund				
Half-year ended				
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	No.	No.	\$	\$
Opening balance	5,208,409	5,633,310	155,179,291	164,131,267
Applications	650,000	150,000	19,221,780	3,922,837
Redemptions	-	(550,000)	-	(15,395,127)
Units issued upon reinvestment of distributions	15,731	14,997	473,198	426,011
Distributions paid and payable	-	-	(4,972,488)	(5,862,810)
Profit/(loss) for the half-year	-	-	1,098,125	(12,328,378)
Closing balance	<u>5,874,140</u>	<u>5,248,307</u>	<u>170,999,906</u>	<u>134,893,800</u>

## 5 Net assets attributable to unitholders (continued)

As stipulated within the Funds' Constitution, a unit confers an equal undivided, vested, and infeasible interest in the assets as a whole, subject to the liabilities. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

## 6 Distributions to unitholders

The distributions for the half-year were as follows:

SPDR S&P/ASX 200 Resources Fund			
Half-year ended			
31 December 2019	31 December 2019	31 December 2018	31 December 2018
\$	CPU	\$	CPU
Distributions payable	<u>1,527,819</u>	<u>1,228,489</u>	<u>17.24</u>
Total distributions	<u>1,527,819</u>	<u>1,228,489</u>	<u>17.24</u>

SPDR S&P/ASX Small Ordinaries Fund			
Half-year ended			
31 December 2019	31 December 2019	31 December 2018	31 December 2018
\$	CPU	\$	CPU
Distributions payable	<u>294,551</u>	<u>235,157</u>	<u>15.55</u>
Total distributions	<u>294,551</u>	<u>235,157</u>	<u>15.55</u>

SPDR S&P/ASX 200 Financials EX A-REIT Fund			
Half-year ended			
31 December 2019	31 December 2019	31 December 2018	31 December 2018
\$	CPU	\$	CPU
Distributions payable	<u>2,853,127</u>	<u>2,936,486</u>	<u>68.67</u>
Total distributions	<u>2,853,127</u>	<u>2,936,486</u>	<u>68.67</u>

SPDR MSCI Australia Select High Dividend Yield Fund			
Half-year ended			
31 December 2019	31 December 2019	31 December 2018	31 December 2018
\$	CPU	\$	CPU
Distributions paid	<u>2,645,520</u>	<u>4,045,295</u>	<u>75.79</u>
Distributions payable	<u>2,326,968</u>	<u>1,817,515</u>	<u>33.98</u>
Total distributions	<u>4,972,488</u>	<u>5,862,810</u>	<u>109.77</u>



## 7 Payables

	SPDR S&P/ASX 200 Resources Fund		SPDR S&P/ASX Small Ordinaries Fund	
	As at		As at	
	31 December 2019	30 June 2019	31 December 2019	30 June 2019
	\$	\$	\$	\$
Management fee payable	58,043	51,591	18,281	17,864
Other payables	9,366	7,117	3,744	4,095
	<u>67,409</u>	<u>58,708</u>	<u>22,025</u>	<u>21,959</u>

	SPDR S&P/ASX 200 Financials EX A-REIT Fund		SPDR MSCI Australia Select High Dividend Yield Fund	
	As at		As at	
	31 December 2019	30 June 2019	31 December 2019	30 June 2019
	\$	\$	\$	\$
Management fee payable	68,680	59,024	117,974	109,694
Other payables	6,468	4,634	30,375	24,363
	<u>75,148</u>	<u>63,658</u>	<u>148,349</u>	<u>134,057</u>

## 8 Events occurring after the reporting period

No significant events have occurred since the end of the reporting period which would impact the financial position of the Funds disclosed in the Statements of financial position as at 31 December 2019 or the results and cash flows of the Funds for the half-year ended on that date.

## 9 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2019 (or 30 June 2019).



## Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 7 to 25 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
  - (ii) giving a true and fair view of the Funds' financial position as at 31 December 2019 and of their performance for the financial half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



James MacNevin  
Director

Sydney  
21 February 2020

## Independent Auditor's Review Report

To the unitholders of:

- ▶ SPDR S&P/ASX 200 Resources Fund
- ▶ SPDR S&P/ASX Small Ordinaries Fund
- ▶ SPDR S&P/ASX 200 Financials EX A-REIT Fund
- ▶ SPDR MSCI Australia Select High Dividend Yield Fund

referred to collectively as SPDR Australian Equities ETFs.

## Report on the Half-Year Financial Report

### Conclusion

We have reviewed the accompanying half-year financial report of SPDR Australian Equities ETFs (the Funds), which comprises the statements of financial position as at 31 December 2019, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Funds is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Funds' financial position as at 31 December 2019 and of their financial performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Directors' Responsibility for the Half-Year Financial Report

The Directors of the Responsible Entity of the Funds are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Funds' financial position as at 31 December 2019 and their financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Funds ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Ernst & Young



Rita Da Silva  
Partner  
Sydney  
21 February 2020