Gold for Australian investors

For Investment Professional Use Only.

8273410.1.1.ANZ.INST

Gold as a strategic asset

Gold is a mainstream, strategic investment that has historically delivered long-term returns in a variety of market conditions:

Diversification

Gold has demonstrated a low and negative correlation to many financial asset indices over time

Gold has a track record of providing a hedge during periods of large market drawdowns, systemic risk, and geopolitical volatility

Returns

Gold has delivered positive returns over a 10-year, 20-year, and 30-year trailing period

Liquidity

Global gold market liquidity is on par with major debt, currency, and equity markets

The estimated average daily turnover of gold is over US$200 billion, which is near the trading volume of all companies that are listed in the S&P 500 Index

Portfolio impact

Adding an allocation to gold may potentially provide increased diversification, reduce portfolio drawdowns, and increase portfolio efficiency through higher Sharpe Ratios

Unlike other asset classes viewed as portfolio diversifiers, gold has historically been an efficient source of portfolio diversification

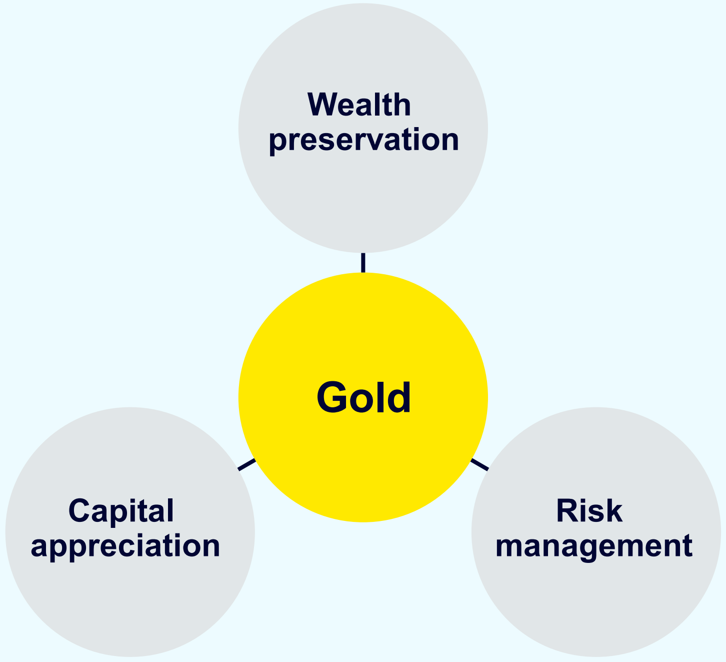
Source: Bloomberg Finance, L.P., State Street Investment Management, World Gold Council. As of 31 March 2025. **Past performance is not a reliable indicator of future performance.** Diversification does not ensure a profit or guarantee against loss. Gold liquidity includes estimates on over-the-counter (OTC) transactions, and published statistics on futures exchanges, and gold-backed exchange-traded products. The above targets are estimates based on certain assumptions and analysis made by the World Gold Council. There is no guarantee that the estimates will be achieved.

Gold’s dual nature

Diverse sources of demand — both cyclical and counter cyclical — have been the source of gold’s low historical correlation to financial assets and its unique ability to provide key strategic portfolio functions.

	Average annual Gold demand (%)	Driver
Jewellery	50	Cyclical
Industrial	8	Cyclical
Investment	28	Counter-cyclical
Central banks	15	Both

Gold’s unique investment characteristics, rooted in diverse demand across a full economic cycle, may serve multiple roles in portfolios.

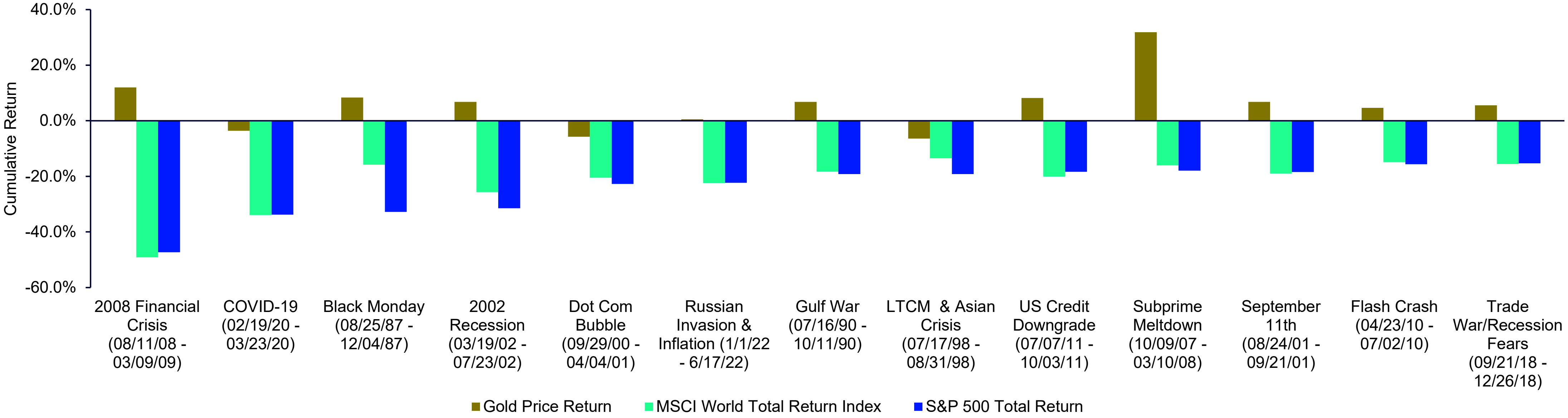


Source: State Street Investment Management, World Gold Council. Average gold demand based on full annual data for the 10-calendar year period from 31 December 2014 – 31 December 2024. **Past performance is not a reliable indicator of future performance.** The information contained above is for illustrative purposes only.

Gold as a risk management tool

Gold has historically mitigated portfolio risk during severe equity drawdowns, market turmoil, and tail risk events.

Gold has outperformed relative to US equities during drawdowns greater than 15%

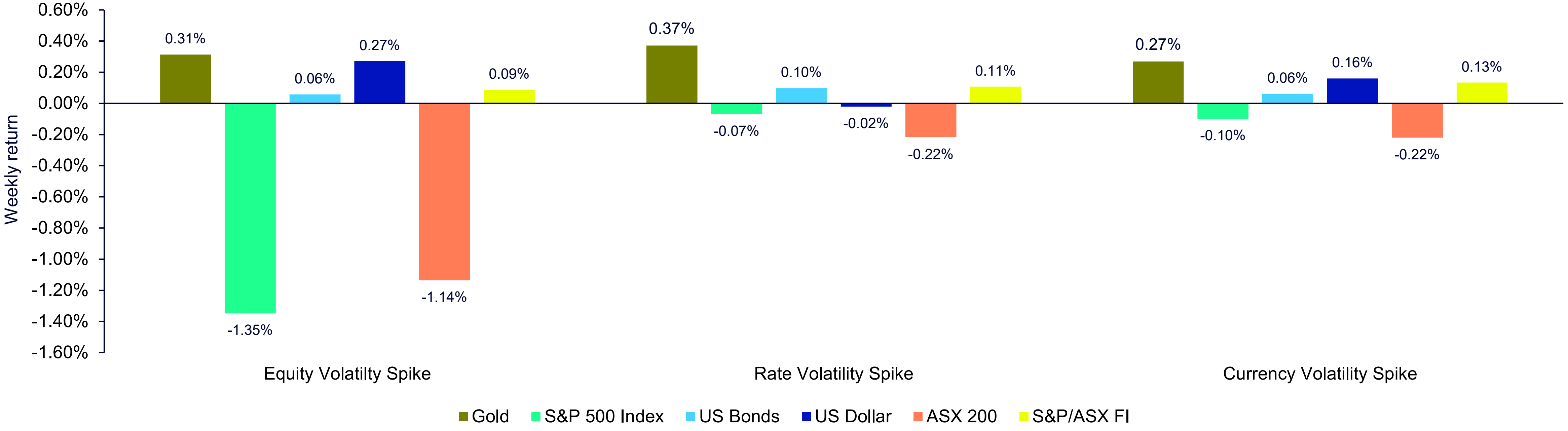


Source: Bloomberg Finance, L.P., State Street Investment Management. US Equity represented by S&P 500 Total Return. Gold: gold spot price in US dollars. Data from 25 August 1987 to 31 March 2025. Drawdown periods include: 2008 Financial Crisis (11/08/08–09/03/09), COVID-19 (19/02/20–23/03/20), Black Monday (25/08/87–04/12/87), 2002 Recession (19/03/02–23/07/02), Dot-Com Bubble (29/09/00–04/04/01), Russian Invasion & Inflation (01/01/22–17/06/22), Gulf War (16/07/90–11/10/90), LTCM and Asian Crisis (17/07/98–31/08/98), US Credit Downgrade (07/07/11–03/10/11), Subprime Meltdown (09/10/07–10/03/08), September 11 (24/08/01–21/09/01), Flash Crash (23/04/10–02/07/10), Trade War/Recession Fears (21/09/18–26/12/18). Performance returns are calculated in US dollars. Past performance is not a reliable indicator of future performance. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable. All the index performance results referred to are provided exclusively for comparison purposes only. It should not be assumed that they represent the performance of any particular investment.

Gold as a risk management tool

Gold not only helps mitigate risk during sustained equity market drawdowns, but also may help protect against shorter-term bouts of volatility driven by market technicals or transient events

Gold’s average returns have outperformed during periods of elevated volatility

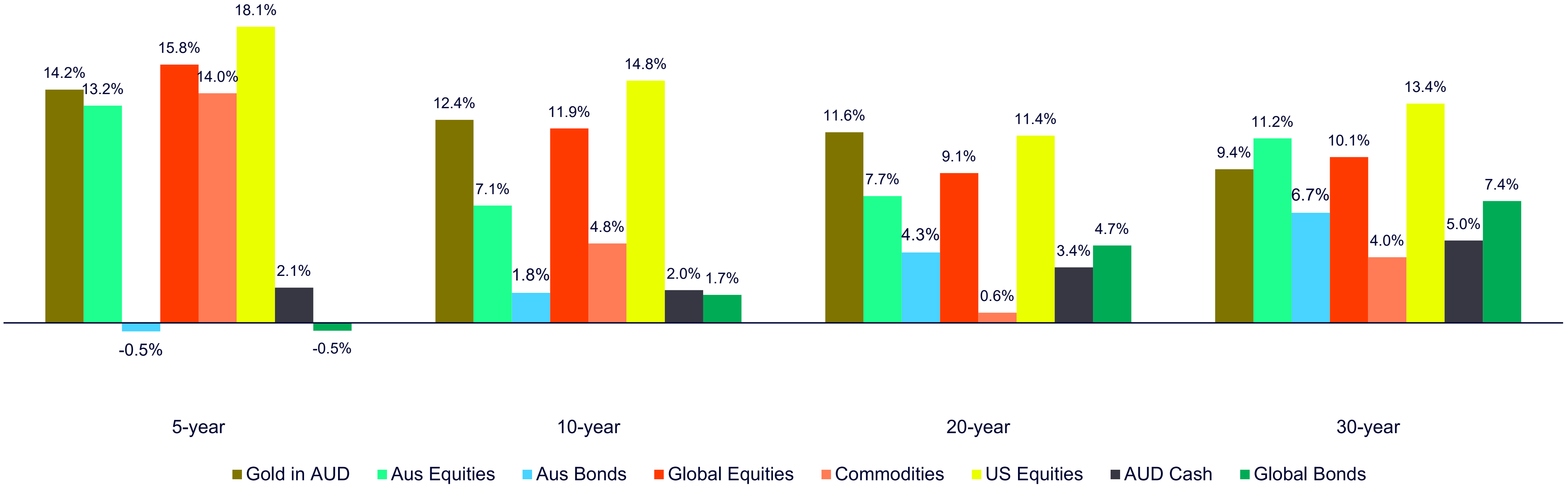


Source: Bloomberg Finance L.P., State Street Global Advisor. Data from 1 January 2005 to 31 March 2025. Equity volatility spike represented by one standard deviation rise in CBOE Volatility Index (VIX Index) on weekly basis. Rate volatility spike represented by one standard deviation rise in ICE BofA MOVE Index on weekly basis. Currency volatility spike represented by one standard deviation rise in JP Morgan Global FX Volatility Index on weekly basis. Gold: gold spot price in US Dollars, US Bonds: Bloomberg US Aggregate Index, US Dollar: US dollar spot index, US Equities: S&P 500 Price Index. Aus Equities: S&P/ASX 200 Index, Aus Bonds: Bloomberg Ausbond Composite Index. Data calculated in US dollars. Past performance is not a reliable indicator of future performance.

Gold's capital appreciation potential

From a portfolio perspective, a primary utility for gold is as an effective and robust risk-management tool. However, an additional, and often overlooked, factor is gold's strong historical return record.

Gold has provided competitive returns over various investing horizons

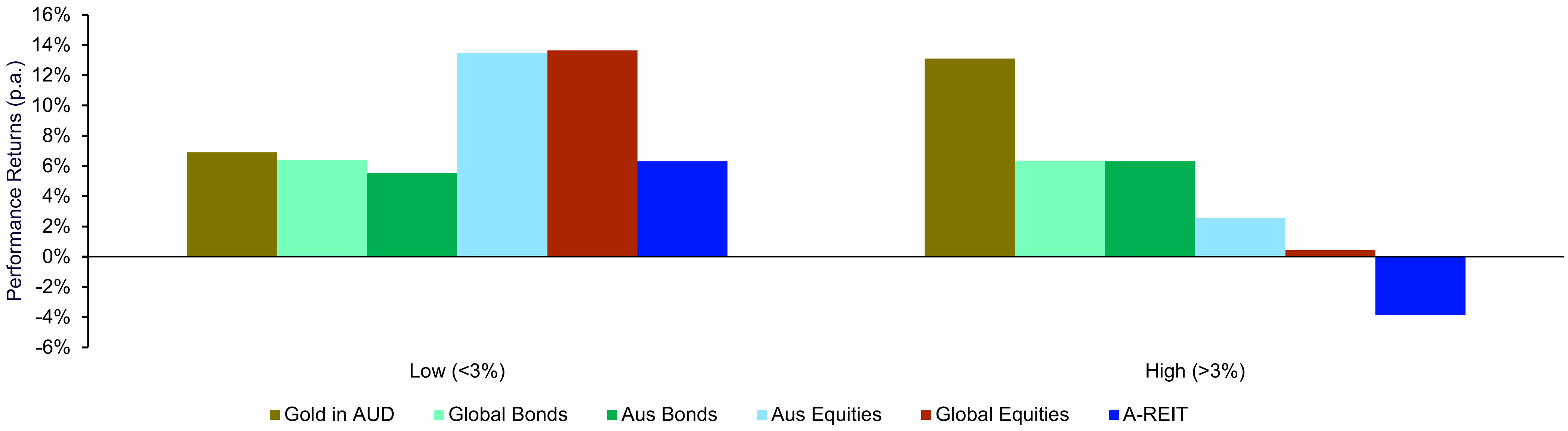


*Data history for gold spot price in AUD begins in 1995. Source: Bloomberg Finance, L.P., State Street Investment Management. Data as of 31 March 2025. Gold: gold spot price in Australian dollars, AUD Cash: Bloomberg Ausbond Bank Bill Index, Aus Bonds: Bloomberg Ausbond Composite Index, Global bonds: Bloomberg Global Aggregate Total Return Index AUD hedged, Commodities: Bloomberg Commodity Index AUD, Aus Equities: S&P/ASX 200 Total Return Index, Global Equities: MSCI World ex-Australia Total Return AUD Index, US Equities: S&P 500 Total Return Index AUD. Past performance is not a reliable indicator of future performance. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable. All the index performance results referred to are provided exclusively for comparison purposes only. It should not be assumed that they represent the performance of any particular investment. Performance returns are calculated in Australian dollars.

Gold's role in wealth preservation

Gold has historically helped preserve purchasing power over time by countering against price inflation. Yet it tends to fare best during periods of extreme price levels

Gold has outperformed historically during periods of elevated prices

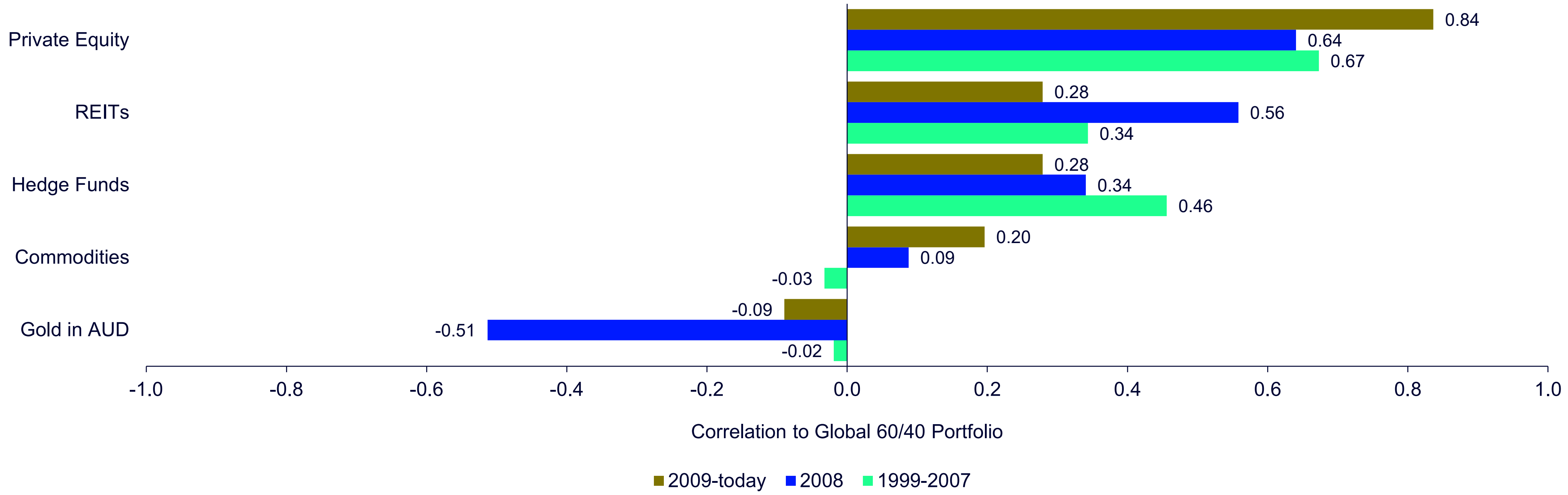


Source: Bloomberg Finance L.P., State Street Investment Management. Data from 30 June 1992 to 31 March 2025. Gold: gold spot price in Australian dollars, Global Equities: MSCI World ex- Australia Total Return AUD Index, Aus Equities: S&P/ASX 200 Total Return Index, Aus Bonds: Bloomberg Aus bond Composite Index, Global bonds: Bloomberg Global Aggregate Total Return Index AUD hedged, A-REIT: S&P/ASX 200 A-REIT Index. Past performance is not a reliable indicator of future performance. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable. All the index performance results referred to are provided exclusively for comparison purposes only. It should not be assumed that they represent the performance of any particular investment. Performance returns are calculated in Australian dollars.

Gold has historically served as a portfolio diversifier

Since 2008, gold's correlation to equities continue to be lower than other alternative asset classes. Gold has maintained a low correlation to a 60/40 portfolio post-2008 financial crisis

Gold has maintained a low correlation to a 60/40 portfolio post-2008 financial crisis



Source: Bloomberg Finance, L.P., State Street Investment Management. Data from 31 January 1995 to 31 March 2025. Gold: gold spot price in Australian dollars. Commodities: S&P GSCI Total Return Index, Hedge Funds: Credit Suisse Hedge Fund Index, REITs: FTSE NAREIT All Equity REITS Total Return Index, Private Equity: LPX50 Listed Private Equity Index Total Return. Data is calculated in Australian dollars. Past performance is not a reliable indicator of future performance.

Hypothetical weights for adding gold to a multi-asset portfolio

Adding an allocation gold — funded equally from global equities and bonds — to a multi-asset portfolio

		Weighting in Hypothetical Portfolios (%)			
Asset Class	**Investable Market Indices**	**Portfolio A**	**Portfolio B**	**Portfolio C**	**Portfolio D**
Global Equity	MSCI All Country World Index	30.00	29.50	28.50	27.00
Domestic Equity	S&P/ASX 200	30.00	29.50	28.50	27.00
Domestic Bonds	Bloomberg AusBond Composite 0+Yr Index	15.00	14.50	14.00	13.50
Global Bonds	Bloomberg Global-Aggregate Total Return Index Value Hedged	10.00	9.50	9.00	8.50
HY Bond	Bloomberg Global High Yield Corporate Total Return Index Hedged	2.00	2.00	2.00	2.00
EM Debt	Bloomberg Emerging Markets Sovereign TR Index Value Unhedged	3.00	3.00	3.00	3.00
Real Estate	FTSE EPRA Nareit Developed Index Net TRI	4.50	4.50	4.50	3.50
Private Equity	LPX50 Listed Private Equity Index TR	3.25	3.25	3.25	3.25
Commodities	Bloomberg Commodity Index Total Return	2.25	2.25	2.25	2.25
Gold	XAUAUD Spot Exchange Rate - Price of 1 XAU	0.00	2.00	5.00	10.00

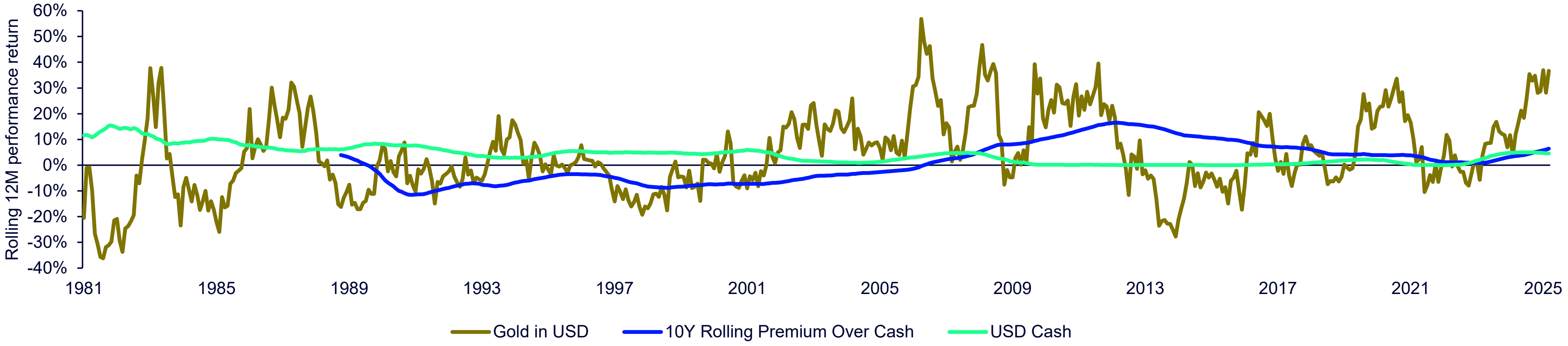
Portfolio	Gold Allocation %)	Annualized Return (%)	Annualized Standard Deviation (%)	Return/Risk	Maximum Drawdown (%)
Portfolio A	0	7.99	7.70	1.04	-11.41
Portfolio B	2	8.05	7.54	1.07	-11.14
Portfolio C	5	8.11	7.28	1.11	-10.68
Portfolio D	10	8.18	6.88	1.19	-9.76

Source: State Street Investment Management. The information contained above is for illustrative purposes only. The data displayed for the gold price back-test is a hypothetical example of Back-Tested Performance for illustrative purposes only and is not indicative of the past or future performance of any State Street IM product. Back-Tested Performance does not represent the results of actual trading but is achieved by means of the retroactive application of a model designed with the benefit of hindsight. Actual performance results could differ substantially, and there is the potential for loss as well as profit. The Back- Tested Performance may not take into account material economic and market factors that would impact the adviser's actual decision-making. The performance does not reflect management fees, transaction costs, and other fees expenses a client would have to pay. Performance returns are calculated in Australian dollars.

Potential considerations when making an allocation to gold

- Gold is generally not an income generating asset
- Difficulty in estimating gold's future expected returns as a discounted cash flow valuation method cannot be applied
- Gold price is driven not only by supply and demand fundamentals, but other macroeconomics factors and the currency market can have material impacts to the price movements.
- In the past, gold has underperformed cash returns during certain periods

Rolling 12-month gold return vs. Cash returns



Source: Bloomberg Finance L.P., State Street Investment Management. Data from 1 January 1981 to 31 March 2025. USD Cash: ICE BofAML US 3-Month Treasury Bill Index. Performance returns are calculated in US dollars. Past performance is not a reliable indicator of future performance. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable. All the index performance results referred to are provided exclusively for comparison purposes only. It should not be assumed that they represent the performance of any particular investment.

Common ways to gain exposure to the gold market

	Gold backed ETFs	Managed funds	Gold futures	Gold mining stocks	Gold bars or coins
Potential advantages	• Transparency • Intraday trading capability* • Cover transport and storage costs • Backed by physical gold	• Mostly actively managed • May be able to generate Alpha** • Flexibility to select the type of gold exposure (e.g., gold-backed ETFs, gold futures, gold miners or the combination of all three)	• Leverage • Intraday trading capability* • Relatively large positions with low commissions	• Leverage • Intraday Trading Capability* • Offers operating and financial leverage	• Physical possession • High level of Transparency
Considerations	• Total expense ratio • Other trading costs such as brokerages and bid-ask spreads • Investors may not be able to take physical gold possession	• Annual management fees • Portfolios may contain a mixture of gold mining stocks, gold futures and gold-backed ETFs	• Management of position • Basis risk (risk that the value of contracts will not perfectly offset an underlying position)	• Exposed to company specific factors • May not exhibited strong correlation to gold prices • High equity beta	• Transport costs • Storage costs • Insurance costs • Required to pay a ‘premium’ over spot
Trade characteristics	• Tactical and Strategic	• Strategic	• Tactical	• Tactical and Strategic	• Strategic

Source: State Street Global Advisors, as of 31 March 2025, * There can be no assurance that a liquid market will be maintained.** Defined as the excess return relative to the return of the spot price of gold. For informative purposes only. A tactical trade is defined as a short-term allocation and a strategic trade is defined as a long-term allocation

Disclosures

For institutional / professional investors use only.

Issued by State Street Global Advisors, Australia, Limited (AFSL Number 238276, ABN 42 003 914 225) ("SSGA Australia"). Registered office: Level 14, 420 George Street, Sydney, NSW 2000, Australia • Telephone: +612 9240-7600 • Web: www.ssga.com.

For use with investment professionals only. The information provided herein does not constitute investment advice and is not a solicitation. It does not take into account any investor's particular investment objectives, risk tolerance, or financial and tax status. You should consult your tax and financial advisor. There is no representation or warranty as to the current accuracy of, nor liability for, decisions based on such information.

The views expressed in this material are the views of the Clive Maguchu and Robin Tsui through the period 30 June 2025 and are subject to change based on market and other conditions. This document contains certain statements that may be deemed forward-looking statements. Any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected.

This communication is directed at wholesale clients only, as defined under the Australian Corporations Act 2001 (Cth). The products and services to which this communication relates are only available to such persons and persons of any other description (including retail clients) are not entitled to rely on this communication.

This general information has been prepared without taking into account your individual objectives, financial situation or needs and you should consider whether it is appropriate for you. You should seek professional advice and consider the product disclosure statement, available at ssga.com, before deciding whether to acquire or continue to hold units in the Fund. The Target Market Determination is also available at ssga.com., before deciding whether to acquire or continue to hold units in the Fund. The Target Market Determination is also available at ssga.com.

Investing involves risk including the risk of loss of principal. Diversification does not ensure a profit or guarantee against loss.

Commodities and commodity-index linked securities may be affected by changes in overall market movements, changes in interest rates, and other factors such as weather, disease, embargoes, or political and regulatory developments, as well as trading activity of speculators and arbitrageurs in the underlying commodities.

Disclosures

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.

There can be no assurance that a liquid market will be maintained for ETF shares.

The trademarks and service marks referenced herein are the property of their respective owners. Third party data providers make no warranties or representations of any kind relating to the accuracy, completeness or timeliness of the data and have no liability for damages of any kind relating to the use of such data.
Investing in commodities entails significant risk and is not appropriate for all investors.

Disclosures

Bloomberg Finance L.P. and its affiliates (collectively, “Bloomberg”) do not approve or endorse this material and disclaim all liability for any loss or damage of any kind arising out of the use of all or any part of this material.

Other third-party content is the intellectual property of the respective third party and all rights are reserved to them. All rights reserved. No organization or individual is permitted to reproduce, distribute or otherwise use the statistics and information in this report without the written agreement of the copyright owners.

This material should not be considered a solicitation to apply for interests in the Fund and investors should obtain independent financial and other professional advice before making investment decisions. There is no representation or warranty as to the current or accuracy of, nor liability for, decisions based on such information.

The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without SSGA Australia’s express written consent

Tracking Code: 8273410.1.1.ANZ.INST
Expiration Date: 31 July 2026