

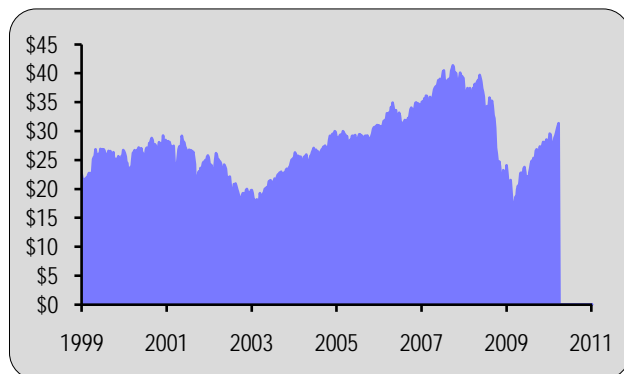
Industrial Sector SPDR

XLI

\$

31.24

Trading History



NOTES: The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at www.sectorspdr.com/performance.

Fund basics

Fund assets (\$mns)	2,995
Avg. volume (000)	10,079
Expense ratio (bp)	21
Total returns (market)*	
One year	73.3%
Five year	2.6%
Ten year	2.4%
Since inception	4.3%
Beta vs. S&P 500	1.23
Standard deviation	25.9%

*as of 03/31/10. See Notes.

ALTAR™ score



Valuation metrics	2010E	2011E
Price-to-Earnings	17.6	14.7
Price-to-Cash Flow	10.6	9.3
Price-to-Sales	1.1	1.0
Price-to-Book Value	2.5	2.2
Yield (%)	2.0	2.1

Analyst's view:

Sales may pick up modestly this year and next after a devastating double-digit decline in 2009, and with capacity utilization starting to recover margins could improve as well. Still, return on equity is likely to remain depressed, and in any case valuations appear to already reflect an eventual recovery, resulting in a below-average ALTAR Score and risk/reward profile for this cyclical sector.

Fundamentals

Results & estimates*

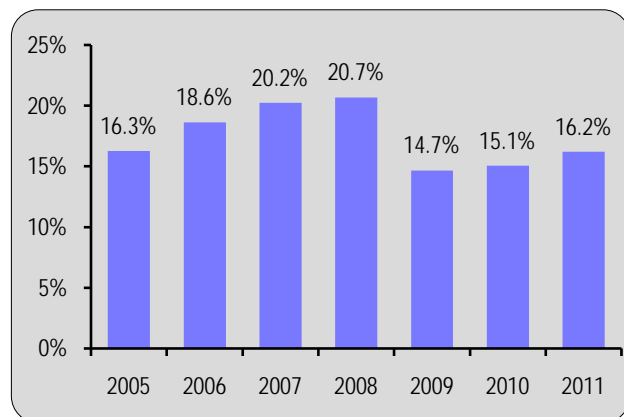
	2005	2006	2007	2008	2009	2010E	2011E
Sales per share	\$22.97	\$25.31	\$27.39	\$29.15	\$25.97	\$27.01	\$28.68
EPS	\$1.64	\$1.93	\$2.23	\$2.23	\$1.55	\$1.77	\$2.12
Change (%)		17.8%	15.3%	-0.2%	-30.2%	14.3%	19.3%
Net margin	7.1%	7.6%	8.1%	7.6%	6.0%	6.6%	7.4%
Book value per share	\$10.28	\$10.49	\$11.55	\$9.96	\$11.21	\$12.34	\$13.78
Dividends per share-gross	\$0.55	\$0.63	\$0.70	\$0.79	\$0.70	\$0.64	\$0.68

*pro forma based on current fund constituents. See disclosures.

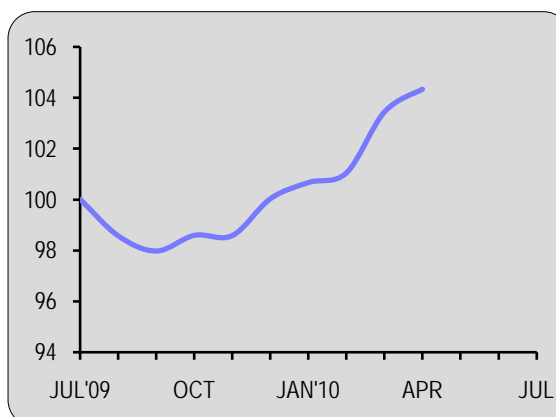
Other Fundamental Data

LT growth est.	10.8%
Payout ratio	36.0%
Foreign sales	39.1%
Debt-to-equity	1.8x

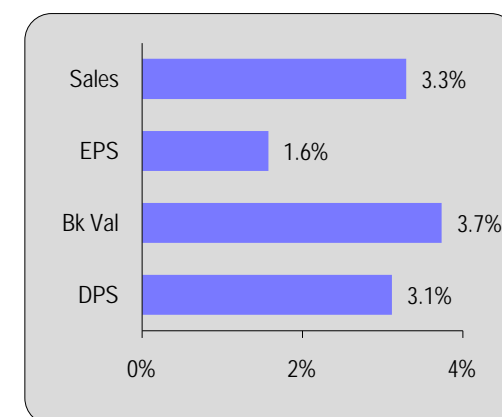
Return on Equity



Trend in Current FY Estimates



Compound growth rates (2005-10E)

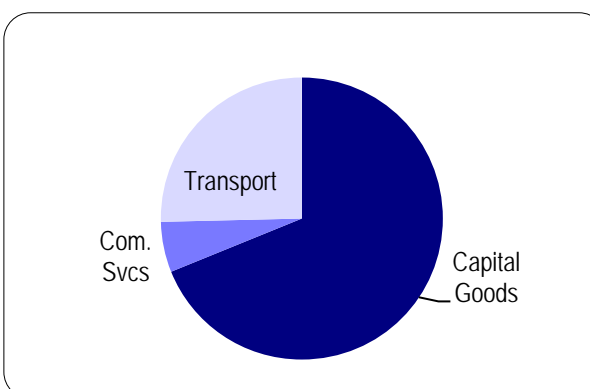


Composition

Description

Select Sector SPDR® holding S&P 500 stocks in the Industrials sector. Component industries include Capital Goods; Commercial Services & Supplies; and Transportation firms. The fund seeks investment results that, before expenses, generally correspond to the price and yield performance of the benchmark index. For product information and a prospectus visit www.sectorspdr.com.

Industry Breakdown



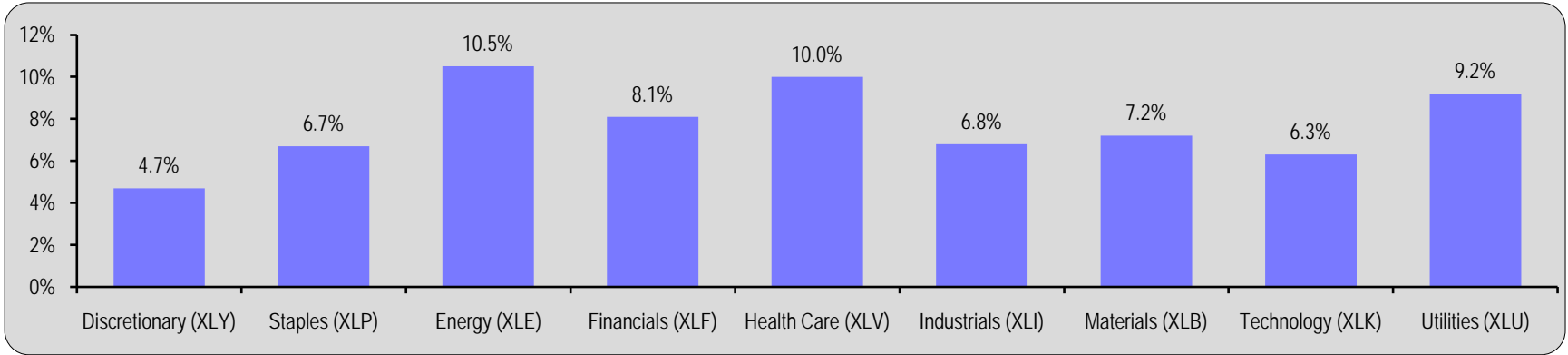
Top 10 Holdings

GENERAL ELECTRIC CO	12.5%
UNITED TECHNOLOGIE	6.2%
UNITED PARCEL SERVI	5.7%
3M CO	5.2%
BOEING CO	4.9%
UNION PACIFIC CORP	3.5%
CATERPILLAR INC	3.5%
EMERSON ELECTRIC CO	3.4%
HONEYWELL INTERNAT	3.1%
GENERAL DYNAMICS C	2.8%
TOTAL	50.8%

Select Sector SPDRs

This page provides a summary of valuation metrics for the Select Sector SPDRs and S&P 500 which may be considered when buying or selling these funds.

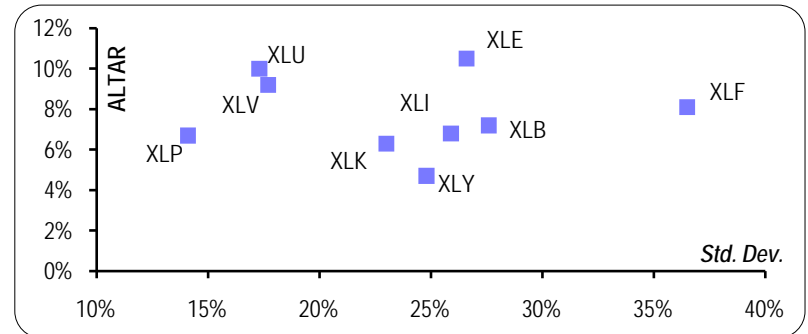
ALTAR™ Score



Calculation of ALTAR™ Score

	Avg. ROE (06-10E)	Div. by 10 P/BV	Less Exp.	equals ALTAR™
Discretionary (XLY)	11.7%	2.3x	21 bp	4.7%
Staples (XLP)	20.7%	2.9x	21 bp	6.7%
Energy (XLE)	18.8%	1.7x	21 bp	10.5%
Financials (XLF)	8.4%	1.0x	21 bp	8.1%
Health Care (XLV)	20.4%	1.9x	21 bp	10.0%
Industrials (XLI)	17.9%	2.5x	21 bp	6.8%
Materials (XLB)	16.6%	2.2x	21 bp	7.2%
Technology (XLK)	17.4%	2.6x	21 bp	6.3%
Utilities (XLU)	12.2%	1.2x	21 bp	9.2%

ALTAR™ Score vs. Ann. Standard Deviation (3yr)

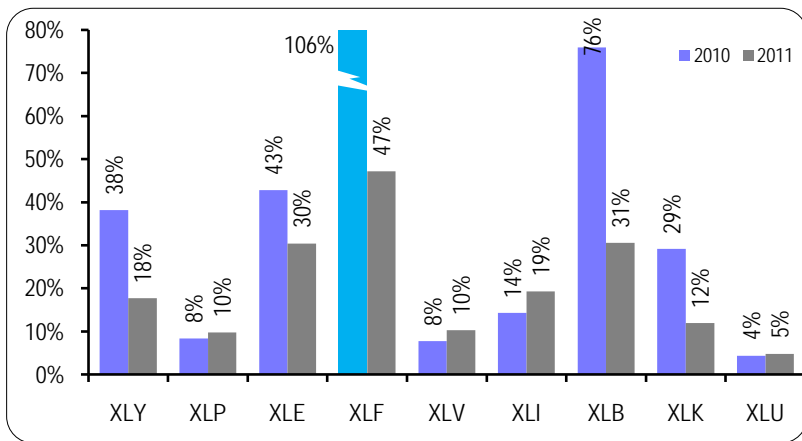


NOTE: The AltaVista Long Term Annual Return (ALTAR) forecast is our proprietary measure of an ETF's likely internal return to new shareholders over the coming years. It is calculated by dividing average Return on Equity by the price-to-book value multiple, less the fund's expense ratio. It can be used to compare funds based on investment merit, but it is not intended as a prediction of future performance. For more information go to www.altavista-research.com/altar.htm

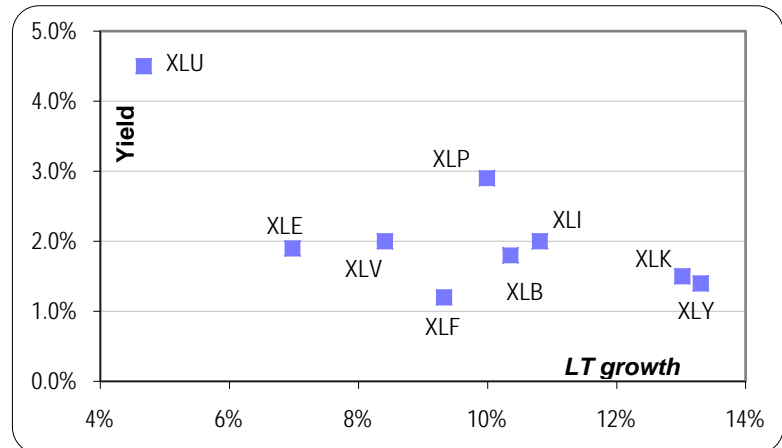
Valuation multiples (based on 2010 estimates)

	Price	P/E	PEG	P/CF	P/Sales	P/BV	Yield
Discretionary (XLY)	\$32.84	16.5	1.2	9.5	0.9	2.3	1.4
Staples (XLP)	\$27.93	14.6	1.4	10.5	0.8	2.9	2.9
Energy (XLE)	\$57.52	13.8	1.9	6.6	0.9	1.7	1.9
Financials (XLF)	\$15.95	17.1	1.8	8.3	1.4	1.0	1.2
Health Care (XLV)	\$32.13	12.2	1.4	9.7	1.1	1.9	2.0
Industrials (XLI)	\$31.24	17.6	1.6	10.6	1.1	2.5	2.0
Materials (XLB)	\$33.92	17.3	1.6	9.6	1.1	2.2	1.8
Technology (XLK)	\$23.10	15.4	1.1	9.6	2.0	2.6	1.5
Utilities (XLU)	\$29.66	12.0	2.5	5.6	0.9	1.2	4.5
S&P500	1,104.49	15.0	1.4	8.9	1.2	1.8	1.9

Earnings per share growth



Yield vs. long-term growth



Note: All valuation metrics on this page calculated based on consensus estimates of current fund constituents, as collected by Thomson Financial. Definitions of technical terms can be found on page 3 of this document.



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Select Sector SPDR Fund shareholders are subject to risks similar to those of holders of other sector stock portfolios. One primary consideration is that the general level of stock prices may decline, and thus the value of Select Sector SPDRs may decline. A Select Sector SPDR Fund may also be adversely affected by the performance of the specific sector or group of industries upon which it is based. You can expect that shares in a Select Sector SPDR Fund will move up or down in value with the value of its related Select Sector Index. In addition, the overall depth and liquidity of the secondary market in these shares may fluctuate.

Although Select Sector SPDR Funds are designed to provide investment results that, before expenses, generally correspond to the price and yield performance of their related Select Sector Indexes, the Funds of the Select Sector SPDR Trust may not be able to exactly replicate the performance of the Select Sector Indexes because of expenses and other factors.

Over time, the stock holdings of each Select Sector SPDR Fund may be rebalanced to reflect changes in the composition of its related index. A Select Sector SPDR Fund would incur transaction costs and other expenses as a result of rebalancing. Furthermore, a Select Sector SPDR Fund would realize capital gains or losses from the sale of securities in a rebalancing. Net long-term capital gains, if any, will be distributed to shareholders as capital gains distributions at least annually.

From a tax standpoint, you should be aware that the Trust is structured as a regulated investment company, and that dividend distributions may not be characterized entirely as ordinary income. You may wish to consult your tax adviser in this regard.

There are no sales loads on Select Sector SPDR shares but ordinary brokerage commissions may apply and this expense is not reflected in performance calculations.

The stocks included in each Select Sector Index were selected by the compilation agent. Their composition and weighting can be expected to differ to that in any similar indexes that are published by the S&P.

Data Definitions & Reliability

AltaVista believes the information contained in this report to be reasonably accurate at the time of publication, but makes no warranties with respect to its accuracy. Calculations of fundamental data are based on a weighted average of consensus estimates and reported results for current index constituents. As a result, historical figures for fundamental data such as dividends per share may not reflect those actually paid by the fund. To the extent that index reconstitution and rebalancing have altered fund composition, these differences may be significant. Definitions for some commonly used financial terms are as follows:

Earnings/Net Income: Unless denoted as a GAAP figure, earnings are calculated on a "pro forma" basis using consensus EPS results/estimates for the individual constituents of each fund, multiplied by the float-adjusted shares outstanding.

Cash Flow: Adds depreciation and amortization to consensus earnings estimates

Standard deviation: Statistical measure of price volatility using 3 years of monthly return data. Figures are annualized.

Beta: Measures relative volatility of ETF versus S&P 500 by comparing 3 years of monthly return data.

Book Value: Common Equity as reported by fund constituents according to GAAP. Forecasts reflect pro-forma calculations using most recently reported figures, plus earnings less dividends.

Dividends per share-gross: Dividends paid by companies in the fund on a "pro forma" basis. Differs from actual dividends paid by the fund to shareholders due to index changes over time and fund expenses, as well as timing of distributions.

Return on Equity: Net income divided by average common equity over the period.

Long-term growth: Uses consensus estimates of 3-5 year earnings growth for individual constituents of each fund to calculate a float-adjusted earnings-weighted growth rate for the fund as a whole.

Trend in Current FY Estimates: Illustrates changes in consensus estimates over time by examining the monthly change in current

Additional information is available upon request.

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