

SPDR GOLD TRUST  
Form FWP  
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Inflation Protection Solutions with Real Assets Recorded November 13, 2009 For more information,  
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Inflation and Real Assets

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Inflation Protection   Long-Run Waves of Inflation .and Deflation

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The Growth of the Money Supply

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what are real assets Real Assets Examples Inflation Linked Bonds TIPS, Linkers, OATs Real Estate Direct, Equity REITS, Mortgage REITS Commodities Oil, Gold, Copper, Soybeans, Cattle Global Natural Resource Stocks Oil & Gas, Energy & Equipment Services, Metal & Mining, Paper & Forest Products Precious Metals Gold, Silver, Platinum Renewable Resources Forest and Forest Products, Water, Solar and Wind Power Infrastructure Toll Roads, Ports, Airports, Utility (Elec, Gas, Water) Distribution Collectables Artwork, Coins, Cars Inflation-Linked Bonds -Coupon payments adjust to reflect inflation over the life of the bond Real Estate -Rents, profits, and property values tend to increase with other prices Commodities -As the value of money falls, the value of hard assets tends to rise Global Natural Resource Stocks -Companies that produce basic resources and materials deliver strong earnings

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**Inflation Protection: Stocks and Bonds Have Historically Underperformed in Periods of Rising Inflation**  
Asset classes are represented by the S&P 500 Index, Ibbotson's US Long-Term Govt. Bond Index, based on annual calendar year returns with quarterly data. Source: SSgA and Morningstar, Rising inflation refers to years in which inflation increases by more than 0.5% from the previous year; declining inflation refers to years in which inflation decreases by more than 0.5% from previous year; stable inflation refers to years in which inflation change is between +0.5% and -0.5% from previous year. Past performance is not a guarantee of future results.

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Tactical Considerations Conventional economists argue that rising inflation is unlikely when there is an output gap \* But monetarists argue that the rising money supply will lead to future inflation Two additional concerns: Soaring commodity prices China's appreciating renminbi

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Research findings: gold as a tactical inflation Hedge and long-Term strategic asset

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Introduction Gold as a tactical inflation hedge Gold as a strategic asset versus other traditional inflation  
hedges Real returns, volatility, correlation and portfolio optimization Conclusion

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looming inflation US balance sheet has reached record highs Most major Central Banks embraced Quantitative Easing in one way or another Some investors are growing concerned about the exit strategy. Might central banks leave interest rates too low for too long? Pumping too much money into the world economy for too long risks making today's solution into tomorrow's problem: a sharp rise in inflation

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gold and cpi trend together when inflation rises Gold price (US\$/oz) growth versus US CP1 Inflation;  
2-year moving average, % year-on-year; 1973-2008

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Gold tends to outperform in high inflation years Average real percentage change in the gold price (US\$/oz) during high, moderate, and low inflation years; % year-on-year; 1974- 2008

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Brief Description of the data Gold spot price at 5PM in New York S&P Goldman Sachs Commodity Index (GSCI) Bloomberg Real Estate Investment Trust Index (BB REITs) Barclay's Treasury Inflation-Protected Securities Index (TIPS) Three time periods: Jan 1974 to May 2009 Dec 1993 to May 2009 Mar 1997 to May 2009

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Real Returns and Volatility Annualized Real Returns (%) Annualized Volatility (%)\* \*Annualized  
volatility computed using monthly real returns over the corresponding period. Source: World Gold  
Council

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Historic Gold Correlations Are Lower than GSC Correlation of monthly real returns on Gold (US\$/oz), S&P GSCI, and versus various assets; Dec 1993-May 2009

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Gold Has Much Lower Average Correlations than REIT

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Gold Proved To Be a Better Diversifier (With GSCI)

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Historic Allocation Estimates and Projected Scenario

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Gold May Help Investors Achieve Max Reward-Risk

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Gold Produced the Maximum Reward Per Unit of Risk

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Gold May Be Attractive for Investors Who Own TIPS

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Conclusions In two of the three historical periods, adding gold to a basic portfolio helped to achieve both the minimum variance (4- to 6.3% allocation) and maximum reward per unit of risk (7- to 9.9% allocation) portfolios A 6.9% allocation to gold produced the highest reward-risk portfolio in the projected scenario Investors who already hold TIPS still benefit by adding gold (3.5% for minimum variance, 7.6% for maximum reward-risk)

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Actionable Investment Ideas with Real Assets

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ETFs that Offer Real Assets Exposure	Sector Assets (\$mil)	No. of ETFs	Commodity	59,718,459	30
Energy/Natural Resources	17,580,188	46	Inflation Protected Bond	17,367,748	6
Real Estate	11,320,827	21	Total	105,987,222	103

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Real Assets Risk and Return % of Real Asset Benchmark Asset Blend TIPS Barclays Capital US TIPS Index 20% REITs Dow Jones US Select REIT IndexSM 30 Commodities S&P GSCI Index 25 Global Natural Resource Stocks MSCI World Natural Resources IndexSM 25 Seek to deliver similar risk as longer dated TIPS, but with higher return potential Standard Deviation (Risk) Expected returns are based on SSgA's GAA long-term asset class forecasted returns, long-term standard deviations and correlations as of December 31, 2008. The results shown do not represent the results of actual trading using client asset or actual investment decisions of the advisor. These results do not reflect the effect of material economic and market factors on decision-making. The forecasted performance is not necessarily indicative of future results, which could differ substantially. Sources: SSgA, Ibbotson Associates, Bergman and Howard, Journal of Wealth Management, 2003, MSCI, and FactSet The MSCI World Natural Resources Index is a trademark of Morgan Stanley Capital International. Barclays Capital Barclays Capital US TIPS Index is a trademark of Barclays Capital, Inc. The Dow Jones US Select REIT Index is calculated and distributed by Dow Jones Indexes pursuant to an agreement between Dow Jones & Company, inc. Dow Jones is a service mark of Dow Jones.

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Using ETPs Hypothetical portfolios are for illustration purposes only and does not constitute investment advice and should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor particular investment objectives, strategies, tax status or investment horizon. All investing involves risk. SSgA encourages investors to seek the advice of well-qualified financial advisers, accountants, attorneys and other professionals before making any investment decision.

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Real Assets Return and Risk Characteristics Source: StyleADVISOR, SSgA Strategy & Research. Past performance is not a guarantee of future results. Index performance is not meant to represent the performance of any particular ETP. Indices are unmanaged and not subject to management fees and other expenses which would reduce performance. It is not possible to invest directly in an index. Real asset blend is comprised of 20% Barclays US TIPS Index , 15% Dow Jones REIT Index<sup>SM</sup>, 15% Dow Jones Global Ex-US REIT Index, 15% Dow UBS Commodities Index, 10% Gold London PM Fixing and 25% Energy Select Sector Index.

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Disclosure (continued) SPDR Gold Trust has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the Trust or any Authorized Participant will arrange to send you the prospectus if you request it by calling toll free at 1-866-320-4053 or contacting State Street Global Markets, LLC, One Lincoln Street, Attn: SPDR Gold Shares, 30th Floor, Boston, MA 02111.

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First issued: December 2, 2009. This Free Writing Prospectus is being filed in reliance on Rule 164(b).

SPDR® GOLD TRUST has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the Trust and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the Trust or any Authorized Participant will arrange to send you the prospectus if you request it by calling toll free at 1-866-320-4053 or contacting State Street Global Markets, LLC, One Lincoln Street, Attn: SPDR® Gold Shares, 30th Floor, Boston, MA 02111.