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## INVESTOR CONFIDENCE INDEX RISES FROM 79.0 TO 82.6 IN JULY

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**Boston, July 22, 2008** – State Street Global Markets, the investment research and trading arm of State Street Corporation (NYSE:STT), today released the results of the State Street Investor Confidence Index<sup>®</sup> for July 2008.

Global Investor Confidence rose by 3.6 points to 82.6 from a revised June level of 79.0. Asian investors were the key drivers of this, as their risk appetite increased by 8.5 points from 74.4 to 82.9. The confidence of North American institutional investors decreased by 6.9 points to 84.7 while European institutional investors' confidence fell by negligible 0.9 points to 80.5.

Developed through State Street Global Markets' research partnership, State Street Associates, by Harvard University professor Ken Froot and State Street Associates Director Paul O'Connell, the State Street Investor Confidence Index measures investor confidence on a quantitative basis by analyzing the actual buying and selling patterns of institutional investors. The index is based on financial theory that assigns precise meaning to changes in investor risk appetite, or the willingness of investors to allocate their portfolios to equities. The more of their portfolio that institutional investors are willing to devote to equities, the greater their risk appetite or confidence.

"Globally, confidence improved somewhat, though this masks some regional variation," commented Froot. "Despite the market turmoil of the recent weeks, particularly in the financial sector, institutional investors perceive some value at current price levels, and their willingness to take risk to capture that value continues to improve from its December lows."



“After witnessing some significant regional disparities over the last year, this month we saw convergence across regions,” added O’Connell. “North American investors were the first to turn pessimistic during the current cycle, and their risk appetite fell steeply in the fourth quarter of 2007. It wasn’t until the second quarter of 2008 that European and Asian investors turned pessimistic, a period when North American confidence began to recover. With this month’s slight decline in North America coupled with a rebound in confidence in both Europe and Asia, investors are more in alignment globally than they have been for some time.”



July Results

Global	82.6
N. America	84.7
Europe	80.5
Asia-Pacific	82.9

**About State Street Global Markets:**

State Street Global Markets provides specialized investment research and trading in foreign exchange, equities, fixed income and derivatives. Its goal is to enhance and preserve portfolio values for asset managers and asset owners. From its unique position at the crossroads of the global markets, it creates and unlocks value for its clients with original flow-based research, innovative portfolio strategies, trade process optimization, and global connectivity across multiple asset classes and markets.

State Street Global Markets' research team of leading academic and industry experts is committed to continually advancing the science, including theory and application of its proprietary investor behavior research and innovative portfolio & risk management technologies to help its clients challenge conventional thinking, shape ideas, make more informed investment decisions and deliver measurable results.

**About the State Street Investor Confidence Index<sup>®</sup>:**

The index is released globally at 10 a.m. Eastern time in Boston on the second to last Tuesday of each month. More information on the State Street Investor Confidence Index, including frequently asked questions and a calendar of release dates, is available at <http://www.statestreet.com/investorconfidenceindex>. The previous month's calculations for the index are revised to account for trading activity through the end of the reporting period.

**About State Street:**

State Street Corporation (NYSE: STT) is the world's leading provider of financial services to institutional investors, including investment servicing, investment management and investment research and trading. With \$15.3 trillion in assets under custody and \$1.9 trillion in assets under management at June 30, 2008, State Street operates in 26 countries and more than 100 geographic markets worldwide and employs 28,700 worldwide. For more information, visit State Street's web site at [www.statestreet.com](http://www.statestreet.com).

This news announcement contains forward-looking statements as defined by United States securities laws, including statements about the financial outlook and business environment. Those statements are based on current expectations and involve a number of risks and uncertainties, including those related to the pace at which State Street adds new clients or at which existing clients use additional services, the value of global and regional financial markets, the pace of cross-border investment activity, changes in interest rates, the pace of worldwide economic growth and rates of inflation, the extent of volatility in currency markets, consolidations among clients and competitors, State Street's business mix, the dynamics of markets State Street serves, and State Street's success at integrating and converting acquisitions into its business. Other important factors that could cause actual results to differ materially from those indicated by any forward-looking statements are set forth in State Street's 2007 annual report and subsequent SEC filings. State Street encourages investors to read the corporation's annual report, particularly the section on factors that may affect financial results, and its subsequent SEC filings for additional information with respect to any forward-looking statements and prior to

making any investment decision. The forward-looking statements contained in this press release speak only as of the date hereof, July 22, 2008, and the company will not undertake efforts to revise those forward-looking statements to reflect events after this date.

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