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INVESTOR CONFIDENCE INDEX DECLINES FROM 75.7 TO 58.2 IN OCTOBER

Boston, October 21, 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[®] for October 2008.

Global Investor Confidence decreased by 17.5 points to 58.2 from a revised September level of 75.7. Confidence among North American investors fell particularly sharply from a revised level of 75.1 to 50.8. Elsewhere, the declines were less dramatic, with European confidence falling just 1.5 points to 79.6, and Asian confidence declining 0.6 points from 87.1 to 86.5.

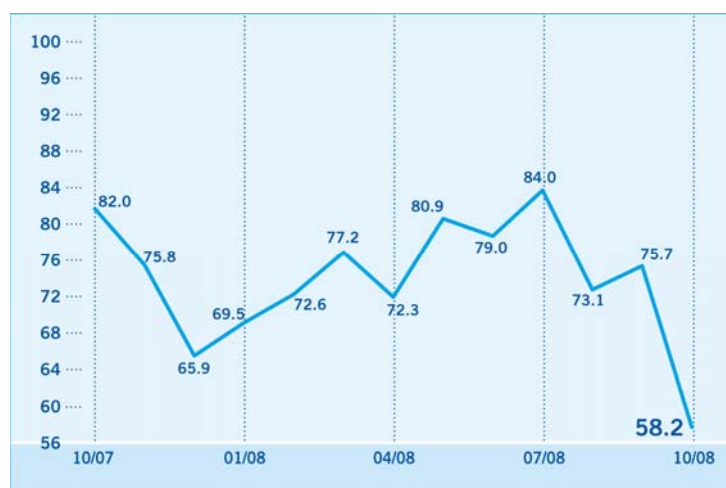
Developed through State Street Global Markets' research partnership, State Street Associates, by Harvard University professor Ken Froot and State Street Associates Director Paul O'Connell, the State Street Investor Confidence Index measures investor confidence on a quantitative basis by analyzing the 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.

"This month we saw a dramatic and unprecedented decline in investor confidence to a new record low, led by investors in North America," commented Froot. "We saw broad and important reductions of risk across investor portfolios previously at times like the Asian Crisis in 1997 and the Russian-LTCM crisis in 1998. However, even the strong broad-based selling



of risk we saw during those events appears small compared with the current outflows. The combination of financial crisis along with truly global macroeconomic risk of deep recession has been causing a complete re-evaluation of risk across a wide investment community centered on US institutional investors.”

“When you remember that this measure of investor confidence is not a survey, but rather is based on the actual trades of institutional investors, the readings are particularly striking,” added O’Connell. “The period over which this reallocation was measured in investor portfolios, September 17 to October 15, saw the largest single reallocation away from risky assets that we have witnessed in the data since it first became available in 1994.”



October Results

Global	58.2
N. America	50.8
Europe	79.6
Asia-Pacific	86.5

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[®]:

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 \$14 trillion in assets under custody and \$1.7 trillion in assets under management at September 30, 2008, State Street operates in 26 countries and more than 100 geographic markets worldwide. For more information, visit State Street's web site at 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, October 21, 2008, and the company will not undertake efforts to revise those forward-looking statements to reflect events after this date.

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