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## **INVESTOR CONFIDENCE INDEX RISES FROM 108.5 TO 115.5 IN JUNE**

**Boston, June 30, 2009** – 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 June 2009.

Global Investor Confidence rose by 7.0 points from a revised May reading of 108.5 to reach 115.5. Confidence was up most strongly in Europe, where the benchmark rose 9.1 points to 95.0. Confidence also rose robustly among North American investors, climbing 6.2 points from 107.4 to 113.6. In Asia, risk appetite was down slightly, falling 1.3 points to 92.1 from May's revised reading of 93.4. The revisions to the prior-month numbers for both the Global Index and the North American Index were somewhat larger than usual due to the impact of the Memorial Day holiday on reporting in May.

Developed through State Street Global Markets' research partnership, State Street Associates, by Ken Froot and Paul O'Connell, the State Street Investor Confidence Index measures investor confidence on a quantitative basis by analyzing the actual buying and selling decisions of institutional investors. Unlike survey-based indices, the index is data-driven, and is based on a 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.

"June marks the third consecutive month that the Global Index has remained above the neutral level of 100, the level above which institutional investors are increasing their allocations to risky assets," said Froot. "Notwithstanding some concerns around the long-run sustainability of fiscal positions and the impact of quantitative easing on inflation, institutional investors



continue to endorse the long-run outlook.”

“Institutional investor confidence has consistently lead measures of consumer confidence since the onset of the financial crisis in mid-2007 by one to two months, and it continues to do so during this nascent recovery,” added O’Connell. “For example, North American Investor Confidence bottomed in December, while the Conference Board’s measure of Consumer Confidence did not turn up until February. Likewise in Europe, the European Investor Confidence Index has lead the European Commission’s Economic Sentiment Indicator through the cycle. This quarter’s increase of 21.3 points is the best showing for the European Index since the third quarter of 2006.”



**June Results**

Global	115.5
N. America	113.6
Europe	95.0
Asia-Pacific	92.1

**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 last Tuesday of each month. More information on the State Street Investor Confidence Index is available at <http://www.statestreet.com/investorconfidenceindex>.

### **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 \$11.3 trillion in assets under custody and \$1.4 trillion in assets under management at March 31, 2009, State Street operates in 27 countries and more than 100 geographic markets 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 2008 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, June 30, 2009, and the company will not undertake efforts to revise those forward-looking statements to reflect events after this date.

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