BOSTON, January 30, 2019 — State Street Global Exchange today released the results of the State Street Investor Confidence Index® (ICI) for January 2019.

The Global Investor Confidence Index decreased to 70.2, down 9.4 points from December’s revised reading of 79.6. Confidence among North American investors worsened, with the North American ICI decreasing from 74.5 to 66.8. The European ICI decreased by 2.6 points to 90.3 and the Asia ICI decreased by 10.3 points to 100.2.

The Investor Confidence Index was developed by Kenneth Froot and Paul O’Connell at State Street Associates, State Street Global Exchange’s research and advisory services business. It measures investor confidence or risk appetite quantitatively by analyzing the actual buying and selling patterns of institutional investors. The index assigns a precise meaning to changes in investor risk appetite: the greater the percentage allocation to equities, the higher risk appetite or confidence. A reading of 100 is neutral; it is the level at which investors are neither increasing nor decreasing their long-term allocations to risky assets. The index differs from survey-based measures in that it is based on the actual trades, as opposed to opinions, of institutional investors.

“As we progress into 2019, our global Investor Confidence Index reflects a warp-speed deterioration in confidence. While confidence itself is not necessarily at an all time low, this month’s unprecedented low level reflects the extraordinary rate of retreat hastily beaten by professional managers. Noteworthy is that this retreat has continued through the third week in January, even as stock prices had over January partially recovered from Christmas-eve lows. Clearly, managers are voicing persistent concerns around growth globally and in the nowhere-else-to-go tightening trajectories of US monetary and fiscal policies,” commented Kenneth Froot.

“What is striking again this month is that while the market narrative focuses on the deteriorating global environment, whether it be weaker data in China or rising recession risks in Europe, investor confidence is
deteriorating faster in the US than it is in other regions. This panic, and it is no longer an exaggeration to use this term, is as much about bursting a bubble in US expectations, as it is about weakness in fundamentals outside of the US,” commented Michael Metcalfe, senior managing director and head of Global Macro Strategy, State Street Global Markets.

The index is released globally at 10 a.m. Eastern time in Boston on the last Wednesday of each month. More information on the State Street Investor Confidence Index is available at http://www.statestreet.com/ideas/investor-confidence-index.html.

About State Street Corporation

State Street Corporation (NYSE: STT) is one of the world’s leading providers of financial services to institutional investors, including investment servicing, investment management and investment research and trading. With $31.62 trillion in assets under custody and administration and $2.51 trillion* in assets under management as of December 31, 2018, State Street operates in more than 100 geographic markets worldwide, including the US, Canada, Europe, the Middle East and Asia. For more information, visit State Street’s website at www.statestreet.com.

*This figure is presented as of December 31, 2018 and includes approximately $32.44 billion of assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated.

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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 set forth in State Street's 2015 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, January 30, 2019 and the company will not undertake efforts to
revise those forward-looking statements to reflect events after this date.
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