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## **Global Investor Confidence Declines in September by 2.4 points to 104.4**

### **North American Confidence Continues Decline, While European and Asian Confidence Rises**

**BOSTON, September 26, 2017** — State Street Global Exchange<sup>SM</sup> today released the results of the State Street Investor Confidence Index® (ICI) for September 2017.

The Global Investor Confidence Index decreased to 104.4, down 2.4 points from August's revised reading of 106.8. The decline in sentiment was driven by a 6.3 point drop in the North American ICI to 105.6. By contrast, the European ICI rose by 4.7 points to 93.7 along with the 3.7 increase in the Asian ICI to 102.8.

The Investor Confidence Index was developed by Kenneth Froot and Paul O'Connell at State Street Associates<sup>(R)</sup>, 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.

"The regional breakdown of our Investor Confidence Index this month reveals rather diverging paths," commented Kenneth Froot. "Confidence has strengthened in Europe and Asia on the back of optimistic economic conditions. However, it has weakened in North America with renewed geopolitical concerns and the FOMC's pivotal decision to gradually trim its \$4.5 trillion portfolio."

"The risk appetite narrative of recent months has been revolving around monetary policy rhetoric from major central banks," said Rajeev Bhargava, managing director and head of Investor Behavior Research at State Street

Associates. “While global equity markets appeared to be unnerved by the Fed’s announcements of balance-sheet reductions, overall investor sentiment has declined.”

### **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/ideas/investor-confidence-index.html>.

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*\* AUM reflects approx. \$34 billion (as of June 30, 2017) with respect to which State Street Global Advisors Funds Distributors, LLC serves as marketing agent; State Street Global Advisors Funds Distributors, LLC and State Street Global Advisors are affiliated.*

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