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Investor Confidence Rose in July by 7.9 points to 108.9

Confidence in North America Rose by 10 Points, while Cautious Market Participants and Corporate Debt Build-Up Lead to a Decrease in Confidence in Europe and Asia

BOSTON, July 25, 2017 — State Street Global Exchange today released the results of the State Street Investor Confidence Index® (ICI) for July 2017.

The Global Investor Confidence Index increased to 108.9, up 7.9 points from June's revised reading of 101. The improvement in sentiment was driven by a 10.0 increase in the North American ICI to 112.1. By contrast, the European ICI decreased by 4.3 points to 94.2 and the Asian ICI declined by 1.3 points to 96.0.

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.

"Continued improvements in global economic growth seem to have ignited institutional investors' risk appetite," commented Rajeev Bhargava, managing director and head of Investor Behavior Research, State Street Associates. "Strong earnings growth expectations and optimism grounded in the improving economic outlook have taken precedence over the rising anticipation of reduced central bank balance sheets and a more hawkish tone."

"In contrast to a strong uptick in the North American sentiment in July, the European ICI remains in risk-off territory," added Ken Froot. "With fading political headwinds and a strong tone to the Eurozone corporate earnings data, the ECB's dovishness came as a surprise. As a result, European market participants continued to express caution. In addition, the buildup of corporate debt in China and concerns about the Trump Administration's global trade policies may have led to the decline in the Asian ICI."

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>.

About State Street Corporation

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AUM reflects approx. \$33.33 billion (as of March 31, 2017) with respect to State Street Global Advisors Funds Distributors, LLC (SSGA FD) which serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated.

The views expressed in this material are the views of State Street through the period ended July 25, 2017 and are subject to change based on market and other conditions.

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, July 25, 2017 and the company will not undertake efforts to revise those forward-looking statements to reflect events after this date.

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Expiration Date: 07/31/2018

CORP-3163