STATEMENT OF FINANCIAL CONDITION AND SUPPLEMENTARY INFORMATION

(UNAUDITED)

State Street Global Markets, LLC
(a wholly-owned subsidiary of State Street Corporation)
June 30, 2019

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Statement of Financial Condition and Supplementary Information

(Unaudited)

June 30, 2019

Contents

Supplementary Information

State Street Global Markets, LLC
(a wholly-owned subsidiary of State Street Corporation)

Statement of Financial Condition
(Unaudited)

June 30, 2019

Assets		
Cash and cash equivalents	$	165,267,476
Securities segregated in compliance with federal regulations		24,934,765
Deposits with clearing organizations		79,406,729
Receivable from broker-dealers and clearing organizations		277,460,341
Receivable from customers		15,171,671
Receivable from affiliates		1,172,713
Intangible assets, net of accumulated amortization of $3,510,000		2,340,000
Other assets		3,084,352
Total assets	$	568,838,047
Liabilities and member’s equity		
Liabilities:		
Payable to broker-dealers and clearing organizations	$	7,639,565
Payable to customers		46,283,536
Payable to affiliates		3,382,642
Accrued tax liability		1,828,076
Deferred tax liability, net		187,484
Accrued fines and penalties		500,000
Accrued expenses and other liabilities		2,962,146
Total liabilities		62,783,449
Member’s equity		506,054,598
Total liabilities and member’s equity	$	568,838,047

The accompanying notes are an integral part of the statement of financial condition.

State Street Global Markets, LLC
(a wholly-owned subsidiary of State Street Corporation)

Notes to Statement of Financial Condition

(Unaudited)

June 30, 2019

1. Organization and Description of Business

State Street Global Markets, LLC (the Company), a Delaware single-member limited liability company, is a wholly-owned subsidiary of State Street Corporation (the Parent). The Parent's liability is limited to the amount of its equity contribution, as shown in the Statement of Financial Condition. The Company was incorporated as State Street NewCo, LLC (NewCo) on October 7, 2016, and was designated as a broker-dealer on March 16, 2017 and renamed State Street Global Markets, LLC on May 1, 2017. The Company was established in conjunction with a reorganization effort to repurpose an affiliated broker-dealer that had previously provided services in support of the brokerage businesses operated within the State Street Global Markets (SSGM) division of the Parent (SSGM Services). In connection with the reorganization, the legacy broker-dealer transferred the SSGM Services to the Company effective May 1, 2017.

The Company is a U.S. Securities and Exchange Commission (SEC) registered clearing broker-dealer. The Company is a member of the Financial Industry Regulatory Authority (FINRA), the National Futures Association (NFA), the New York Stock Exchange (NYSE) and the Securities Investor Protection Corporation (SIPC). The Company is registered as an Introducing Broker with the NFA and the Commodity Futures Trading Commission (CFTC). The Company is also registered with the Australian Securities and Investments Commission (ASIC) as a foreign company and operates under a class order exemption.

The Company supports the brokerage businesses operated within the SSGM division of Parent. The Company is engaged as a securities broker-dealer that comprises several classes of services, including principal transactions and agency transactions. Transition Management is a service provided to asset owners that are changing managers or restructuring a portfolio. Transactions that result from transitions may be executed through the Company. The Company offers clearing services for US based equity and fixed income markets. The Company also offers introducing services for Europe, Middle East, Africa (EMEA) and Asia Pacific (APAC) equity and fixed income markets with a fully disclosed clearing arrangement with National Financial Services, LLC (NFS).

The Company provides State Street Fund Connect (Fund Connect), a proprietary electronic fund platform, to certain investment managers, institutional funds and institutional investors. Fund Connect provides investors access to a wide range of institutional money market funds from leading providers through a single, secure interface and the ability to subscribe to and redeem such funds.

1. Organization and Description of Business (continued)

Fund Connect is made available on the Global Link Platform, which is a proprietary software product made available by State Street Bank and Trust (SSBT). Fund Connect supports omnibus trading as well as custody and fully-disclosed trading models.

2. Significant Accounting Policies

The Statement of Financial Condition has been prepared in accordance with accounting principles generally accepted in the United States (GAAP). Significant accounting policies are as follows:

Use of Estimates

The preparation of Statement of Financial Condition in conformity with GAAP requires management to make estimates and assumptions in the application of certain of our significant accounting policies that may materially affect the reported amounts of assets, liabilities, equity, revenue, and expenses. As a result of unanticipated events or circumstances actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents represent cash on deposit with financial institutions, highly liquid investments with original maturities of less than ninety days that are not held for sale in the ordinary course of business and money market mutual funds subject to the amendments of Rule 2a-7.

Securities Segregated in Compliance with Federal Regulations

Securities segregated in compliance with federal regulations consist of U.S. Treasury bills deposited in a special reserve bank account for the exclusive benefit of customers under SEC Rule 15c3-3. These securities are carried at fair value.

Deposits with Clearing Organizations

Cash and securities are kept on deposit or held as collateral with various clearing organizations, and represent the balances required to be maintained in order to utilize various clearing brokers. These balances are subject to withdrawal restrictions such that the Company would be prohibited from doing business with the clearing brokers if the minimum cash or security balance on deposit is not maintained.

Receivable from and Payable to Broker-Dealers and Clearing Organizations

Receivable from broker-dealers and clearing organizations includes amounts receivable for fails to deliver, cash deposits for securities borrowed, amounts receivable from clearing organizations, and commissions receivable from broker-dealers. The Company typically borrows securities when securities are needed to deliver against a settling transaction, such as non-standard settlements requested by a customer or a fail to deliver.

2. Significant Accounting Policies (continued)

Receivable from and Payable to Broker-Dealers and Clearing Organizations (continued)

Securities borrowed transactions require the Company to deposit cash or other collateral with the lender. The initial collateral advanced has a fair value equal to or greater than the fair value of the securities borrowed. The Company monitors the fair value of the securities borrowed on a regular basis, and adjusts the collateral as appropriate. Payable to broker-dealers and clearing organizations include amounts payable for fails to receive and amounts payable to clearing organizations on open transactions.

Receivable from and Payable to Customers

Receivable from customers consists of amounts owed by customers which are collateralized by securities owned by the customer and commissions earned. Payable to customers consists of amounts owed to customers pending receipt of securities and payables arising from the Company's commission management business.

Intangible Assets

Intangible assets represent purchased assets, that can be distinguished from goodwill because of contractual rights, or because the asset is capable of being exchanged on its own or in combination with a related contract, asset, or liability. Intangible Assets reported in the Statement of Financial Condition consist of customer lists.

Finite-lived identifiable intangible assets are amortized on a straight-line basis over their estimated useful lives. Identifiable intangible assets are reviewed for impairment at least annually, or more frequently when circumstances indicate impairment could exist. Impairment is deemed to exist if the balance of the identifiable intangible asset is determined not to be recoverable. Identifiable intangible assets are reflected in the Statement of Financial Condition at cost less accumulated amortization.

Receivable from and Payable to Affiliates

The receivables from and payables to affiliates reflected in the Company's Statement of Financial Condition are described in further detail in Note 12 to the Statement of Financial Condition. All outstanding balances are intended to be cash settled and are appropriately classified as receivables and payables.

Income Taxes

The Company is a disregarded single-member limited liability company for federal, state, and local corporate income tax purposes as it is included within the consolidated tax return filed by the Parent. Accordingly, the Company is not subject to federal, state, and local corporate income taxes. The Company has computed its income tax provision on a separate entity basis using the liability method in accordance with relevant guidance and its intercompany tax sharing agreement. The Company reimburses the Parent for the expense recognized.

2. Significant Accounting Policies (continued)

Tax Uncertainty

In accordance with relevant accounting guidance, an entity is permitted to recognize the benefit of uncertain tax positions only where the position is "more likely than not" to be sustained in the event of examination by tax authorities based on the technical merits of the position. The maximum tax benefit recognized is limited to the amount that is greater than 50% likely to be realized upon ultimate settlement.

3. Income Taxes

As of June 30, 2019 the Company has a net deferred tax liability of $187,484. Of the net deferred tax liability, the Company had a deferred tax liability related to intangible assets of $577,522 and a deferred tax asset of $390,038 related to accrued expenses.

Pursuant to an intercompany tax-sharing agreement with the Parent, the Company accrues state tax expense, which is also paid to or received from the Parent.

As of June 30, 2019, the Company has identified no uncertain tax positions. If there were uncertain tax positions it is the Company's policy to record associated interest and penalties as a component of income tax expense. The earliest year open to examination is 2013.

4. Intangible Assets

The Company completed its annual review of intangible assets as of August 31, 2018, and determined no impairment charge was required. Subsequent to August 31, 2018, no events have occurred or circumstances have changed that would reduce the fair value of intangible assets below its carrying value.

The following table summarizes intangible assets as of June 30, 2019:

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer lists	$ 5,850,000	$ 3,510,000	$ 2,340,000
Total	$ 5,850,000	$ 3,510,000	$ 2,340,000

5. Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Financial assets and liabilities carried at fair value on a recurring basis are categorized based upon a prescribed three-level valuation hierarchy that prioritizes the inputs used to measure fair value. The three levels of inputs used to measure fair value are as follows:

5. Fair Value of Financial Instruments (continued)

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market. Level 1 financial instruments include U.S. Treasury bills.

Level 2 – Financial assets and liabilities whose values are based on quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability. Level 2 financial instruments include money market mutual funds.

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable in the market and significant to the overall fair value measurement. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the asset or liability, and are based on the best available information, some of which is internally developed. At June 30, 2019 there were no financial instruments classified in Level 3.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

The inputs or methodology used to value an investment are not necessarily an indication of the risk associated with investing in those securities.

The following table presents information about the Company's financial assets carried at fair value in the Statement of Financial Condition as of June 30, 2019:

	Quoted Market Prices in Active Markets (Level 1)	Pricing Methods with Significant Observable Market Inputs (Level 2)	Pricing Methods with Significant Unobservable Market Inputs (Level 3)	Total Net Carrying Value in Statement of Financial Condition
Assets				
Cash equivalents	$ –	$ 21,970,979	$ –	$ 21,970,979
Securities segregated in compliance federal regulations	24,934,765	–	–	24,934,765
Total assets carried at fair value	**$ 24,934,765**	**$ 21,970,979**	**$ –**	**$ 46,905,744**

The Company did not hold financial liabilities carried at fair value as of June 30, 2019. There were no transfers of financial assets between levels during the period ended June 30, 2019.

The fair value of highly liquid, short term assets, including cash, securities, receivables, payables, and accrued expenses approximates their carrying value given that they are short term in nature, bear interest at current market rates, or are subject to re-pricing, generally on a daily basis.

6. Receivable from and Payable to Broker-Dealers and Clearing Organizations

At June 30, 2019, amounts receivable from and payable to broker-dealers and clearing organizations include:

Receivables:	
Securities pending settlement	$ 227,001,584
Securities failed to deliver	37,222,614
Commissions	5,976,041
Securities borrowed	3,645,050
Transaction fees	3,615,052
Total receivables	$ 277,460,341
Payables:	
Securities failed to receive	$ 4,884,835
Broker-dealers	2,754,730
Total payables	$ 7,639,565

All material fail to deliver and fail to receive transactions and securities transactions pending settlement settled subsequent to June 30, 2019 without any adverse financial effect.

7. Receivable from and Payable to Customers

At June 30, 2019, amounts receivable from and payable to customers include:

Receivables:	
Securities pending settlement	$ 15,171,671
Total receivables	$ 15,171,671
Payables:	
Securities pending settlement	$ 37,393,402
Commission sharing payables	8,311,521
Commission recapture payables	578,613
Total payables	$ 46,283,536

All material securities transactions pending settlement settled subsequent to June 30, 2019 without any adverse financial effect.

8. Contingencies

In October 2016, the legacy broker-dealer reported to FINRA and the SEC that it self-identified inaccuracies in its responses to blue sheet data submissions requests received from these regulators. Blue Sheet data is submitted to regulatory agencies for use of analyzing trading activity. With the nature of the blue sheet inaccuracies being specific to SSGM services, the Company corrected the inaccuracies and resubmitted the historic blue sheets to these regulators. The Company has accrued $500,000 as accrued fines and penalties in the Statement of Financial Condition related to this matter.

8. Contingencies (continued)

In the normal course of business the Company receives requests from regulators for information and is subject to regulatory examinations. These examinations may result in fines or penalties. The Company does not expect the outcome of any pending examinations to have a material impact to the financial position, operations, or regulatory capital of the Company.

9. Concentration Risk

The Company provides investment and related services to a diverse group of customers, including institutional investors and broker-dealers. The Company's exposure to risk associated with these transactions is measured on an individual customer or counterparty basis. To reduce the potential for risk concentration, credit limits are established and continually monitored in light of changing customer and market conditions. In the normal course of providing such services, the Company requires collateral on a basis consistent with industry practice or regulatory requirements. The type and amount of collateral are continually monitored, and counterparties are required to provide additional collateral as necessary. The concentration risk associated with transactions on EMEA and APAC markets is not material due the Company serving as introducing broker with a fully disclosed clearing arrangement with NFS.

10. Risk Management

Customer Activities and Credit Risk

In the normal course of business, the Company's activities involve the execution and the settlement of customer securities transactions. These activities may expose the Company to risk in the event the customer is unable to fulfill its contractual obligation. Credit risk represents the maximum potential loss the Company faces due to the possible nonperformance by customers. The Company's customer securities activities are transacted on a delivery versus payment basis. In delivery versus payment transactions, the Company is exposed to risk of loss in the event of the customer's or broker's inability to meet the terms of their contracts.

The Company may be required to complete transactions at prevailing market prices, should any customer or broker fail to perform on their obligations. In addition, the Company has entered into indemnification agreements with certain clearing organizations whereby the Company has agreed to compensate the clearing organizations for any damages or losses caused by a customer introduced by the Company.

The Company does not extend credit to customers in the form of margin accounts and generally settles securities transactions on its customers' behalf on a delivery versus payment/receive versus payment basis. The Company's exposure to credit risk can be directly impacted by volatile securities markets that may impair the ability of counterparties to satisfy their contractual obligations. The Company seeks to manage its credit risk through a variety of reporting and control procedures, and by applying uniform credit standards maintained for all activities with credit risk.

10. Risk Management (continued)

Liquidity Risk

The Company holds a significant portion of its assets in cash and short-term highly liquid money market instruments. As of June 30, 2019, total cash held was $143.3 million and money market instruments were $22 million which represents 29% of total assets. These assets are represented in Cash and Cash Equivalents on the Statement of Financial Condition.

The Company monitors its available Cash and Cash Equivalents to ensure sufficient liquidity to meet operating needs. All bank accounts and depository accounts are monitored intraday to ensure sufficient funding to comply with the securities and futures clearing regulations. Additionally, the Company has an unsecured line of credit with the State Street Intermediate Funding (SSIF) to draw down upon to provide liquidity based upon the funding need of the entity and described in further detail in Note 12 to the Statement of Financial Condition.

Market Risk

Market risk is the potential loss the Company may incur as a result of changes in the market or fair value of a particular financial instrument. All financial instruments are subject to market risk. The Company's exposure to market risk is determined by a number of factors, including size, duration, composition, and diversification of positions held, as well as market volatility and liquidity. The Company manages market risk by setting, monitoring, and adhering to risk limits.

Exchange Member Guarantees

The Company is a member of exchanges that trade and clear securities transactions. Associated with these memberships, the Company may be required to pay a proportionate share of the financial obligations of another member who may default on its obligation to the exchange. Although the rules governing different exchange memberships vary, in general, the Company's guarantee obligations would arise only if the exchange had previously exhausted its resources. In addition, any such guarantee obligation would be apportioned among the other non-defaulting members of the exchange. Any potential contingent liability under these membership agreements cannot be estimated. The Company has not recorded any contingent liability in the Statement of Financial Condition for these agreements, and believes that any potential requirement to make payments under these agreements is remote.

Other Guarantees

In the normal course of business, certain activities of the Company involve the execution and clearance of customer securities transactions through a clearing broker. These activities may expose the Company to off-balance-sheet risk in the event a customer is unable to fulfill its contractual obligation since, pursuant to the clearing agreement, the Company has agreed to indemnify the clearing brokers without limit for losses that the clearing brokers may sustain from the clients introduced by the Company. However, the transactions are collateralized by the underlying security, thereby reducing the associated risk to changes in the market value of the security through the settlement date. As a result of the settlement of these transactions, there were no amounts to be indemnified to clearing brokers for these customer accounts at June 30, 2019.

11. Regulatory Requirements

As a registered broker-dealer and introducing broker, the Company is subject to the higher of the net capital requirements of the SEC's Uniform Net Capital Rule under Rule 15c3-1 of the Securities Exchange Act of 1934 (Rule 15c3-1) and the CFTC's Rule 1.17 (Rule 1.17), respectively. The Company has elected to use the alternative method of computing regulatory net capital requirements provided for in Rule 15c3-1. Under the alternative method permitted by Rule 15c3-1, the Company must maintain net capital equal to the greater of 2% of aggregate customer-related debit items, as defined, or $250,000, whichever is greater. At June 30, 2019, the Company's net capital was $352,163,363 which was $351,279,034 in excess of the minimum required net capital of $884,329 under Rule 15c3-1.

Under clearing arrangements with its clearing brokers, the Company is required to maintain certain minimum levels of net capital to comply with other financial ratio requirements. At June 30, 2019, the Company was in compliance with all such requirements.

In accordance with the requirements of the SEC's Customer Protection: Reserves and Custody of Securities under Rule 15c3-3, the Company has segregated U.S. Treasury bills with a fair value of $24,934,765 in a special reserve bank account for the exclusive benefit of customers, which was in excess of its required deposit by $19,040,974.

Advances to affiliates, repayment of borrowings, dividend payments, distributions and other equity withdrawals are subject to certain notification and other provisions of Rule 15c3-1 and other regulatory bodies.

12. Related Party Transactions

The Company enters into transactions in the ordinary course of business with the Parent and certain other affiliated entities, which may include purchases of securities under agreements to resell, short-term financing, and deposits.

Cash and Cash Equivalents

Included in cash and cash equivalents in the Statement of Financial Condition is cash of $143,296,497 which is held on deposit at SSBT.

Funding Arrangements

The Company meets its short-term financing needs through a $1 billion uncommitted, unsecured line of credit with SSIF. As of June 30, 2019, this facility had no outstanding balance.

Collateralized Short-Term Financing

The Company may borrow equity securities from SSBT to facilitate customer trading activity under security borrowing agreements on terms which permit the Company to re-pledge or re-sell the securities to others. SSBT acts as a principal in these transactions to lend securities to the Company.

12. Related Party Transactions (continued)

Collateralized Short-Term Financing (continued)

At June 30, 2019, securities with a fair value of $3,572,765 were obtained by the Company, and $3,645,050 of cash was given to SSBT as collateral in these securities borrowing arrangements and included in receivable from broker-dealers and clearing organizations in the Statement of Financial Condition.

Expense Allocation

The Parent and its affiliates pay costs related to the Company's personnel, including coverage under the Parent's benefit plans. The Parent and its affiliates also provide clearance, legal, accounting, audit, data processing, other administrative support, rent for the use of office space, and equipment to the Company pursuant to a service agreement between the Company and certain affiliates. Under the terms of the service agreement, the Company reimburses the Parent and its affiliates for all services provided.

At June 30, 2019, $3,382,642 of such general and administrative costs were payable by the Company to affiliates, and included in payable to affiliate on the Statement of Financial Condition. In addition, there was a $527,007 receivable from State Street Financial Services, Inc. in the form of a deposit, which was established in conjunction with the processing of the Company's payroll and included in the receivable from affiliates on the Statement of Financial Condition.

Fund Connect

The Company has an agreement with State Street Global Advisors Funds Distributors, LLC (SSGA FD), an affiliated broker-dealer, to provide Fund Connect services in instances where SSGA FD serves as shareholder servicer. The fee agreement is based on percentage of underlying assets associated with the services provided. For the period ended June 30, 2019, $2,240,520 was recognized in the Statement of Income as Transaction Fees. At June 30, 2019, $401,750 was included in receivable from affiliates on the Statement of Financial Condition.

Structured Products

The Company has an agreement with Clipper Tax Exempt Trusts, an affiliate for being the remarketing agent for the commercial paper tax exempt program. The remarketing fee agreement is based upon the notional amount traded multiplied by an agreed upon rate. At June 30, 2019, $231,405 was included in receivable from affiliates on the Statement of Financial Condition.

Portfolio Solutions

The Company attributes a portion of its commission revenue/expense and fixed income trading profits/loss relating to its Portfolio Solutions business unit to certain affiliated entities. At June 30, 2019, the Organization had a receivable balance with State Street Global Markets Canada Inc. for $12,551 included in receivable from affiliates on the Combined Statement of Financial Condition.

Supplementary Information

Schedule I

State Street Global Markets, LLC
(a wholly-owned subsidiary of State Street Corporation)

Computation of Net Capital Pursuant to SEC Rule 15c3-1

June 30, 2019

Member's equity	$ 506,054,598
Total capital	506,054,598
Deductions and/or charges:	
Non-allowable assets:	
Aged Receivables	9,671,557
Intangible assets	2,340,000
Other assets	2,267,998
Cash held at affiliate	138,100,000
Net capital before haircuts on securities positions (tentative net capital)	353,675,043
Less: haircuts on securities	1,511,680
Net capital	$ 352,163,363
Alternative net capital requirement:	
Greater of:	
2% of aggregate debit items ($884,329 or minimum dollar ($250,000)	
Net capital requirement	884,329
Excess net capital	$ 351,279,034

There were no material differences between the Computation of Net Capital included in this report and the corresponding schedule included in the Company's Part II FOCUS Filing and reconciliation as of June 30, 2019.

State Street Global Markets, LLC
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Computation for Determination of Reserve Requirements
Pursuant to SEC Rule 15c3-3

June 30, 2019

Credit balances:	
Free credit balances and other credit balances in customers' security accounts	$ 46,900,057
Customers' securities failed to receive	1,883,706
Total credit items	$ 48,783,763
Debit balances:	
Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection	15,167,316
Failed to deliver of customers' securities not older than 30 calendar days	29,049,150
Aggregate debit items	44,216,466
Less 3% (for alternative method only)	(1,326,494)
Total 15c3-3 debits	42,889,972
Reserve computation:	
Excess of total credits over debits	$ 5,893,791
Amount held on deposit in reserve account at June 30, 2019	$ 24,934,765

There were no material differences between the Computation for Determination of Reserve Requirements included in this report and the corresponding schedule included in the Company's Part II FOCUS Filing and reconciliation as of June 30, 2019.

Schedule III

State Street Global Markets, LLC

(a wholly-owned subsidiary of State Street Corporation)

Information Relating to Possession or Control Requirements Pursuant to SEC Rule 15c3-3

June 30, 2019

1. Customers' fully paid and excess margin securities not in the Company's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date but for which the required action was not taken by the respondent within the time frames specified under Rule 15c3-3):

A. Number of items	0
B. Market Value	0

2. Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3.

A. Number of items	0
B. Market Value	0