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Client Case Study

State Street Corporation

Overview

State Street Corporation is a leading global financial services provider with US$4.7 trillion in assets under management and a US$25.6 billion market cap. The company delivers investment servicing, investment management and financing solutions to institutional clients worldwide. Its Front-Office Risk team plays a critical role in managing credit, counterparty and market risk, while identifying growth opportunities and aligning them with Enterprise Risk Management (ERM) guidelines.

Challenge

State Street's Front-Office Risk team wanted visibility into how their internal ratings compared with the market.

Key challenges included:

- **Limited transparency** into market consensus and peer group ratings.
- **Difficulty in identifying and justifying credit rating changes to ERM**, especially for emerging opportunities (e.g., firms with crypto exposure).
- A **desire to uncover growth opportunities** that required expanding risk guidelines.

In absence of external validation, it was difficult to initiate risk-based conversations with internal stakeholders and challenge internal credit ratings for counterparties.

Approach

Credit Benchmark's consensus data enables State Street to benchmark internal ratings against industry peers, providing:

- **Risk insight** for surveillance of counterparty limits, collateral and exposures based on ratings comparison.
- **Alerts** for changes in CRA ratings and consensus shifts.
- **Benchmarking tools** to evaluate how quickly State Street adjusts ratings versus the broader market.

This transparency and market validation provided the Front-Office Risk team a more credible foundation to engage ERM and drive informed risk-taking decisions.

Outcome

Credit Benchmark's (CB) data has delivered measurable benefits:

- **Efficiency:** Streamlined evaluation of existing and prospective counterparties, enabling faster, more targeted risk decisions.
- **Leadership buy-in:** Strengthens case for expanding risk appetite using peer-aligned data.
- **Continuous monitoring:** Enables the Front-Office Risk team to monitor risk on an on-going basis, and utilize CB data to identify areas of focus.
- **Strategic value:** Insights help prioritize focus areas and support for internal rating changes, **unlocking business opportunitie**s.
- **Revenue expansion:** Where State Street has a more conservative counterparty rating – CB data can be **used to conduct enhanced due diligence for upgrade assessment.**

"No one else does what you do. Credit Benchmark data makes my job easier."

– Eliott Bryson,
Front Office Risk, State Street

Credit Benchmark

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