

# Voya Global Perspectives

Markets. Insights. Opportunities.™

As of March 13, 2015

## Investment Weekly

### Commentary and Statistics

- A volatile week in the U.S. equity markets ended on the down side. The continued strength in the dollar had investors concerned about corporate earnings; the greenback finished at a 12-year high against the euro. Stocks saw greater success overseas: Europe posted a sixth consecutive positive week, while Japan's Nikkei closed at its highest level in 15 years. Yield on the benchmark ten-year U.S. Treasury closed near 2.10%, down from last week's — and this year's — peak around 2.24%.
- Retail sales fell 0.6% in February, the third straight monthly decline, as harsh winter conditions kept shoppers at home. Notably, auto sales posted the steepest drop in more than a year.
- Wholesale inventories were flat for a second consecutive month in January. Sales at the wholesale level fell 2%, the sixth straight monthly decline and the largest since March 2009.
- After hitting an 11-year peak in January, the University of Michigan sentiment index has tailed off over the past two months. Surveyors noted a bifurcation in confidence between higher- and lower/middle-income households in March, with the former improving as the latter declines.
- The producer price index fell for a fourth consecutive month in February, losing 0.5%, as a strong dollar pushes down costs for American companies. Core prices — which exclude volatile food and energy prices — fell an identical amount.
- The Labor Department's Job Openings and Labor Turnover Survey (JOLTS) showed job openings at the highest level since 2001. However, the rate of quits and hiring remains more than 10% below pre-2001 levels.
- Small business optimism, as measured by the National Federation of Independent

Index Prices (\$)		
Index	3/13/2015	12/31/2014
Dow Jones Industrial Average	17,749.31	17,823.07
S&P 500 Index	2,053.40	2,058.90

Returns (%)				
U.S. Market Index Returns	One Week	MTD	YTD	One Year
Dow Jones Industrial Average	-0.56	-2.02	0.10	12.77
S&P 500 Index	-0.80	-2.33	0.19	13.51
Russell 2000 Index	1.25	-0.03	2.50	6.09
Russell MidCap Index	-0.03	-1.46	2.37	13.01
Barclays U.S. Aggregate Index	0.54	-0.45	0.69	4.58
Barclays High Yield Bond Index	-0.57	-1.02	2.03	1.98
United States 20-Year Treasury Bond	2.76	-1.58	1.32	20.87
S&P/LSTA Senior Loan Index	-0.18	0.10	1.74	1.88

S&P 500 Sector Returns	One Week	MTD	YTD	One Year
Consumer Discretionary	-0.25	-1.00	4.24	16.08
Consumer Staples	-1.09	-3.57	-0.59	16.69
Energy	-2.76	-5.55	-6.44	-11.02
Financials	0.43	-0.05	-1.51	12.93
Health Care	0.53	-0.62	4.95	24.10
Industrials	-0.72	-2.52	-0.78	10.92
Materials	-1.27	-3.20	2.62	8.05
Technology	-2.36	-3.74	0.12	19.24
Telecom	-0.55	-3.27	1.95	10.70
Utilities	0.22	-3.85	-7.87	10.94

#### U.S. Returns by Style

One Week (%)		Year to Date (%)		One Year (%)	
Large Value	Large Growth	Large Value	Large Growth	Large Value	Large Growth
-0.4	-0.9	-1.5	2.8	11.4	15.0
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
0.0	0.0	0.8	3.9	12.6	13.5
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
1.6	0.9	0.0	5.0	3.6	8.6

Large Value: Russell 1000 Value  
 MidCap Value: Russell MidCap Value  
 Small Value: Russell 2000 Value

Large Growth: Russell 1000 Growth  
 MidCap Growth: Russell MidCap Growth  
 Small Growth: Russell 2000 Growth

Global Market Returns (%)	One Week	MTD	YTD	One Year
Barclays Global Aggregate Bond Index	-0.49	-2.44	-3.38	-5.46
MSCI EAFE Index	-1.72	-3.53	2.76	-0.95
MSCI United Kingdom Index	-4.38	-7.05	-2.21	-5.98
MSCI Europe ex-U.K. Index	-1.72	-4.08	2.45	-4.30
MSCI Japan Index	1.11	0.96	9.60	11.40
MSCI AC Asia ex-Japan Index	-2.36	-2.81	1.53	10.35
MSCI Emerging Markets Index	-3.24	-5.05	-1.50	2.47
JPM EMBI+ Emerging Markets Bond Index	-0.99	-1.73	-0.16	3.68
NAREIT Global Real Estate Index	0.02	-3.20	0.95	13.10

Source: FactSet

Business, edged up in February to its third-highest level since 2007.

- Economic data out of China continue to highlight the slowing growth in the world second-largest economy. January/February results — the months are combined to offset distortions from the variable Lunar New Year holiday— depicted continued slowing in industrial production, retail sales and factory investment. Industrial production, notably, swooned to levels not seen since the 2008 financial crisis.
- As the Federal Reserve readies a rate hike, likely later this year, a number of central banks have cut key interest rates to bolster economic activity. South Korea and Thailand both slashed rates last week, as did Russia.

Bond Rates (%) as of:	3/13/2015	3/06/2015	12/31/2014	3/13/2014
U.S. Federal Funds Target Rate	0.25	0.25	0.25	0.25
U.S. Two-Year Treasury Yield	0.66	0.73	0.69	0.34
U.S. Ten-Year Treasury Yield	2.11	2.24	2.17	2.65
High Yield (Merrill U.S. Corporates)	5.98	5.83	6.19	5.69

Commodity Prices as of:	3/13/2015	3/06/2015	12/31/2014	3/13/2014
Gold (USD/oz)	1152.40	1164.30	1184.10	1372.40
Crude Oil (USD/bbl)	44.84	49.61	53.27	98.20
Gasoline (USD/gal)	2.74	2.71	2.44	3.64
Copper (NYM \$/lbs)	2.68	2.63	2.84	2.99

Exchange Rates as of:	3/13/2015	3/06/2015	12/31/2014	3/13/2014
\$ per €	1.05	1.09	1.21	1.39
\$ per £	1.48	1.51	1.56	1.67
¥ per \$	121.19	121.15	119.90	102.13

### Index Definitions

**Barclays Global Aggregate Bond Index** measures a wide range of global government, government-related, corporate and securitized fixed-income investments, all with maturities greater than one year.

**Barclays High-Yield Bond Index** tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market.

**Barclays U.S. Aggregate Index** is a bond market index composed of U.S. securities in Treasury, Government-Related, Corporate, and Securitized sectors that are of investment-grade quality or better, have at least one year to maturity, and have an outstanding par value of at least \$250 million.

**Dow Jones Industrial Average** is a price-weighted average computed from the stock prices of 30 of the largest and most widely held public companies in the United States, adjusted to reflect stock splits and stock dividends.

**FTSE EPRA/NAREIT Global Real Estate Index** represents general performance trends of the equity securities of real estate companies involved in the ownership, disposition and development of income-producing properties worldwide.

**JPMorgan Emerging Markets Bond Index Plus (EMBI+)** tracks total returns for traded foreign currency denominated debt instruments in the emerging markets which meet minimum criteria for face value outstanding and market trading liquidity.

**MSCI EAFE Index** is a free float-adjusted market capitalization weighted index designed to measure developed markets' equity performance, excluding the U.S. & Canada, for 21 countries.

**MSCI Europe ex-U.K. Index** is a free float-adjusted market capitalization weighted index designed to measure equity performance of the 15 developed European markets except the United Kingdom.

**MSCI U.K. Index** is a free float-adjusted market capitalization weighted index designed to measure equity performance of listed common stocks in the United Kingdom.

**MSCI Asia ex-Japan Index** is a free float-adjusted market capitalization weighted index designed to measure equity performance of the 15 developed Asian markets except Japan.

**MSCI Japan Index** is a free float-adjusted market capitalization weighted index designed to measure equity performance of listed common stocks in Japan.

**MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that measures emerging market equity performance of 23 countries.

**Municipal Bond Index** is a bond index that includes investment-grade, tax-exempt fixed-rate bonds with long-term maturities (greater than two years) selected from issues larger than \$50 million.

**NASDAQ Composite Index** is a market capitalization weighted index of the performance of domestic and international common stocks listed on The Nasdaq Stock Market including over 2,800 securities.

**Russell 1000 Growth Index** measures the large-cap growth segment of the U.S. equity market including Russell 1000 companies with higher price-to-book ratios and forecasted growth.

**Russell 1000 Value Index** measures the large-cap value segment of the U.S. equity market including Russell 1000 companies with lower price-to-book ratios and lower expected growth.

**Russell Midcap Growth Index** measures the performance of the mid-cap growth segment of the U.S. equity market including Russell Midcap Index companies with higher price-to-book ratios and forecasted growth.

**Russell Midcap Value Index** measures the performance of the mid-cap growth segment of the U.S. equity market including Russell Midcap Index companies with lower price-to-book ratios and forecasted growth.

**Russell 2000 Growth Index** measures the performance of small-cap growth stocks in the U.S. equity market including Russell 2000 companies with higher price-to-value ratios and forecasted growth.

**Russell 2000 Value Index** measures the performance of small-cap growth stocks in the U.S. equity market including Russell 2000 companies with lower price-to-value ratios and forecasted growth.

**S&P 500 Index** is a widely regarded as the best single gauge of the U.S. equities market, including 500 leading companies in major industries of the U.S. economy.

**S&P 500 Sectors** are defined as the GICS (Global Industry Classification Standard) sectors which provide standardized industry definitions consisting of 10 sectors, 24 industry groups, and 67 industries.

This commentary has been prepared by Voya Investment Management for informational purposes. Nothing contained herein should be construed as (i) an offer to sell or solicitation of an offer to buy any security or (ii) a recommendation as to the advisability of investing in, purchasing or selling any security. Any opinions expressed herein reflect our judgment and are subject to change. Certain of the statements contained herein are statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (1) general economic conditions, (2) performance of financial markets, (3) changes in laws and regulations and (4) changes in the policies of governments and/or regulatory authorities. The opinions, views and information expressed in this commentary regarding holdings are subject to change without notice. The information provided regarding holdings is not a recommendation to buy or sell any security. Fund holdings are fluid and are subject to daily change based on market conditions and other factors.

**Past performance is no guarantee of future results.**

## Economic Release Calendar

Monday, March 16	Tuesday, March 17	Wednesday, March 18	Thursday, March 19	Friday, March 20
BOJ Policy Announcement Japan	Leading and Coincident Indexes (Jan) Japan	BOE Minutes Published U.K.	Philadelphia Fed Outlook (Mar) U.S.	
Empire State Mnfg (Mar) U.S.	CPI (Feb) Euro Zone	Trade Balance (Jan) Euro Zone	Leading Index (Feb) U.S.	
Industrial Production (Feb) U.S.	Housing Starts (Feb) U.S.	FOMC Policy Announcement U.S.		
Capacity Utilization (Feb) U.S.	Building Permits (Feb) U.S.			
NAHB Housing Market Index (Mar) U.S.	Trade Balance (Feb) Japan			

Source: Bloomberg

This commentary has been prepared by Voya Investment Management for informational purposes. Nothing contained herein should be construed as (i) an offer to sell or solicitation of an offer to buy any security or (ii) a recommendation as to the advisability of investing in, purchasing or selling any security. Any opinions expressed herein reflect our judgment and are subject to change. Certain of the statements contained herein are statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (1) general economic conditions, (2) performance of financial markets, (3) changes in laws and regulations and (4) changes in the policies of governments and/or regulatory authorities. The opinions, views and information expressed in this commentary regarding holdings are subject to change without notice. The information provided regarding holdings is not a recommendation to buy or sell any security. Fund holdings are fluid and are subject to daily change based on market conditions and other factors.

**Past performance is no guarantee of future results.**

# Voya Investment Management

## Our Promises

- Clients first
- Long-term perspective
- Unmatched service

## Our Skills

- Disciplined processes
- Intensive research
- Expert portfolio construction

## Our Core Capabilities

- Equities
- Fixed Income
- Multi-Asset Strategies and Solutions

## A reliable partner committed to reliable investing

\$213 Billion AUM\* | Over 900 Employees | Over 200 Investment Professionals

\* Data is as of 12/31/14. Voya IM assets of \$213 billion include proprietary insurance general account assets of \$85 billion on a market value basis. Voya IM assets, as reported in Voya Financial SEC filings, include general account assets valued on a statutory book value basis and total approximately \$206 billion.

This commentary has been prepared by Voya Investment Management for informational purposes. Nothing contained herein should be construed as (i) an offer to sell or solicitation of an offer to buy any security or (ii) a recommendation as to the advisability of investing in, purchasing or selling any security. Any opinions expressed herein reflect our judgment and are subject to change. Certain of the statements contained herein are statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (1) general economic conditions, (2) performance of financial markets, (3) changes in laws and regulations and (4) changes in the policies of governments and/or regulatory authorities. The opinions, views and information expressed in this commentary regarding holdings are subject to change without notice. The information provided regarding holdings is not a recommendation to buy or sell any security. Fund holdings are fluid and are subject to daily change based on market conditions and other factors.

**Past performance is no guarantee of future results.**

©2015 Voya Investments Distributor, LLC • 230 Park Ave, New York, NY 10169  
BBGP-STATISTICS 11945 • 163086

RETIREMENT | INVESTMENTS | INSURANCE

voyainvestments.com

**VOYA**<sup>®</sup>