

Voya Global Perspectives

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As of July 21, 2017

Investment Weekly

Commentary and Statistics

- The S&P 500 and Nasdaq ticked up while the Dow Jones lost some ground during a week focused on earnings commentary and political controversies. Gold finished the period higher, rising for the sixth consecutive session. Oil dropped and the 10-year U.S. Treasury yield closed at approximately 2.24%.
- With 19% of S&P 500 companies having reported second quarter results, 73% have beaten earnings expectations while 77% have beaten sales expectations. According to FactSet, the second quarter blended earnings growth rate estimate for the S&P 500 is 7.2%. Avista Corp., Sears Holding, and Nike impressed this week; Maxim Integrated Products, General Electric and Alliance Data Systems were among the disappointments.
- President Donald Trump's business transactions are now being investigated by Special Counsel Robert Mueller as part of his investigation into Russia's meddling in last year's election.
- Bloomberg reported that Mueller is examining a broad range of transactions involving Trump's businesses, as well as those of which he is associated. The article, which cited a person familiar with the probe, said "FBI investigators and others are looking at Russian purchases of apartments in Trump buildings, Trump's involvement in a controversial SoHo development with Russian associates, the 2013 Miss Universe pageant in Moscow and Trump's sale of a Florida mansion to a Russian oligarch in 2008."
- Weekly initial unemployment claims came in at 233K, lower than last week's upwardly revised 248K (was 247K) and below consensus for 245K. This is the lowest reading since May 2012. The four-week average decreased 2,250 to 243.75K.
- June housing starts came in at a seasonally

Index Prices (\$)		
Index	07/21/17	12/31/16
Dow Jones Industrial Average	21,580.07	19,762.60
S&P 500 Index	2,472.54	2,238.83

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	3-Months
Dow Jones Industrial Average	-0.22	1.21	10.67	5.69
S&P 500 Index	0.56	2.13	11.67	5.81
Russell 2000 Index	0.50	1.49	6.55	4.40
Russell MidCap Index	0.53	1.69	9.82	4.58
Bloomberg Barclays U.S. Aggregate Index	0.56	0.64	2.93	1.16
Bloomberg Barclays High Yield Bond Index	0.59	0.88	5.86	2.57
United States 20-Year Treasury Bond	2.05	0.94	6.65	2.57
S&P/LSTA Senior Loan Index	0.22	0.52	1.96	0.89

S&P 500 Sector Returns	One Week	MTD	YTD	3-Months
Consumer Discretionary	1.06	1.62	12.79	3.63
Consumer Staples	0.71	0.29	8.34	1.16
Energy	-0.45	0.36	-12.30	-3.11
Financials	-0.28	0.61	7.53	7.49
Health Care	1.11	2.19	18.60	10.40
Industrials	-0.99	0.83	10.41	5.08
Materials	-0.02	2.65	12.11	6.31
Technology	1.12	5.55	23.74	10.03
Telecom	1.02	-0.98	-11.62	-6.22
Utilities	2.59	2.53	11.50	3.89

U.S. Returns by Style					
One Week (%)		Year to Date (%)		3-Months (%)	
Large Value	Large Growth	Large Value	Large Growth	Large Value	Large Growth
0.2	0.9	5.6	17.7	3.4	7.8
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
0.6	0.4	6.7	13.6	3.1	6.3
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
0.5	0.5	1.5	12.2	2.2	6.7

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	3-Months
Bloomberg Barclays Global Aggregate Bond Index	1.26	1.38	5.85	2.88
MSCI EAFE Index	0.47	2.38	16.94	9.43
MSCI United Kingdom Index	0.39	2.12	12.37	7.41
MSCI Europe ex-U.K. Index	-0.13	2.48	21.26	12.62
MSCI Japan Index	1.49	2.04	12.35	6.85
MSCI AC Asia ex-Japan Index	1.36	4.47	28.42	13.02
MSCI Emerging Markets Index	1.35	5.40	25.01	11.61
JPM EMBI+ Emerging Markets Bond Index	0.70	0.87	7.12	1.78
FTSE EPRA/NAREIT GRE Index	1.29	1.82	9.18	2.84

Source: FactSet

adjusted annual rate (SAAR) of 1.215M, better than the upwardly revised May rate of 1.122M (was 1.092M) and consensus for 1.160M. Housing starts rose 8.3% month-to-month and 2.1% higher year-over-year.

- The Philadelphia Fed index dropped to 19.5 in July, down from 27.6 in June and below consensus for 24.0. Indexes for general activity, new orders, shipments, employment and work hours all remained in positive territory, but fell from June levels. Approximately 37% of businesses interviewed indicated increased activity in July, down from 42% in the prior month.

Bond Rates (%) as of:	07/21/17	07/14/17	12/31/16	04/21/17
U.S. Federal Funds Target Rate	1.25	1.25	0.75	1.00
U.S. Two-Year Treasury Yield	1.35	1.35	1.20	1.19
U.S. Ten-Year Treasury Yield	2.23	2.32	2.43	2.24
High Yield (Merrill U.S. Corporates)	5.17	5.32	5.72	5.56

Commodity Prices as of:	07/21/17	07/14/17	12/31/16	04/21/17
Gold (USD/oz)	1,254.90	1,227.50	1,151.70	1,289.10
Crude Oil (USD/bbl)	45.77	46.54	53.72	49.62
Gasoline (USD/gal)	2.47	2.48	2.43	2.60
Copper (NYM \$/lbs)	2.72	2.68	2.50	2.54

Exchange Rates as of:	07/21/17	07/14/17	12/31/16	04/21/17
\$ per €	1.17	1.14	1.05	1.07
\$ per £	1.30	1.31	1.24	1.28
¥ per \$	111.12	112.63	116.64	109.09

Index Definitions

Bloomberg 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.

Bloomberg 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.

Bloomberg 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.

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Past performance is no guarantee of future results.

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.

Economic Release Calendar

Monday, July 24	Tuesday, July 25	Wednesday, July 26	Thursday, July 27	Friday, July 28
Markit U.S. Manufacturing PMI (Jul P) U.S. Existing Home Sales MoM (Jun) U.S.	No Data	GDP QoQ (2Q A) U.K. GDP YoY (2Q A) U.K. MBA Mortgage Applications (Jul 21) U.S. FOMC Rate Decision (Jul 26) U.S.	Durable Goods Orders (Jun P) U.S. Initial Jobless Claims (Jul 22) U.S. Continuing Claims (Jul 15) U.S.	Economic Confidence (Jul) Euro Zone Business Climate Indicator (Jul) Euro Zone CPI YoY (Jul P) Germany GDP Annualized QoQ (2Q A) U.S. Core PCE QoQ (2Q A) U.S. U. of Mich. Sentiment (Jul F) U.S.

Source: Bloomberg

Earnings Announcements

Monday, July 24	Tuesday, July 25	Wednesday, July 26	Thursday, July 27	Friday, July 28
Alphabet, Inc. Hasbro J & J Snack Foods Swift Transportation Company V.F. Corporation	3M Company Caterpillar Chipolte Mexican Grill Express Scripts General Motors	Boeing Coca-Cola Company Edwards Lifesciences Equifax Facebook	Anheuser-Busch Baidu Mattel Shell Verizon	Barclays Cabot Oil & Gas Chevron Valero Energy

Source: Bloomberg

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Past performance is no guarantee of future results.

Voya Investment Management



Equity | Fixed Income | Multi-Asset Strategies & Solutions

Voya Investment Management is the asset management arm of Voya Financial, a leader in retirement services and investing. Our investment platform has been carefully built to help meet the long-term needs and goals of our clients, supported by more than 200 investment professionals. Our deep understanding of managing risk exposure and capturing unrecognized investment potential through intense fundamental research and skilled portfolio construction has delivered a consistency of results across continuously evolving market cycles. Today, we are proud to manage more than \$219 billion in assets for investors.¹

82% of our assets outperformed their benchmark or peer median on a 3-year basis.²

87% of our assets outperformed their benchmark or peer median on a 5-year basis.²

86% of the time our portfolios outperformed their benchmark on a rolling 3-year basis.³

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¹ As of 03/31/17, Voya IM assets of \$219 billion include proprietary insurance general account assets of \$89 billion calculated on a market value basis. Voya IM assets, as reported in Voya Financial, Inc. SEC filings, include general account assets valued on a statutory book value basis and total approximately \$213 billion. ² Metrics presented use pre-determined criteria to measure each individual investment product based on its ability to either A) rank above the median of its peer category; or B) outperform its benchmark index on a gross-of-fees basis. Generally speaking, the results for unconstrained, fully-active investment products were based on relevant peer category rankings while those of "enhanced index", rules-based, risk-constrained, or client-specific investment products were based on benchmark-relative performance. Metrics are calculated on an annualized basis and includes mutual funds as well as pooled and separately-managed institutional portfolios that fall within our traditional (long-only) commercial book of business that remain open as of 03/31/17. If terminated and other accounts had been included, results may have differed from that shown. ³ Metrics are based on observations of rolling 3-year annualized returns over the last 30 months, calculated on an annualized, gross-of-fees basis, and includes mutual funds as well as pooled and separately-managed institutional portfolios that fall within our traditional long-only commercial book of business that remain open as of 03/31/17. If terminated and other accounts had been included, results may have differed from that shown. Source of performance returns and peer medians is Voya Investment Management but is based in part on data from Morningstar (mutual funds) and eVestment (institutional composites). Further detailed information regarding these calculations is available upon request.

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