

# Voya Global Perspectives

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As of May 10, 2019

## Investment Weekly

### Commentary and Statistics

- Most stock indexes were down for the week, with trade-sensitive materials and technology as the worst performers. Trade talks between the United States and China ended without a resolution as the U.S. increased tariffs on \$200 billion of imports from China to 25%. President Trump threatened to place additional tariffs on all Chinese exports to the U.S. Markets perked back up after Treasury Secretary Mnuchin and Chinese Vice Premier Liu both offered positive comments after Friday's discussions, though neither side offered details.
- Oil prices fell after a larger than expected U.S. inventory build. Gold prices rose, reacting to disappointing inflation data. The yield on the ten-year U.S. Treasury ended the week at 2.47%. The U.S. dollar fell against a basket of major currencies.
- With 90% of S&P 500 companies reporting first-quarter results, 75% have exceeded earnings per share expectations and 57% have beaten revenue expectations. As of May 10, 2019, Refinitiv estimated the S&P 500 index's first-quarter earnings growth rate at 1.3% and its 12-month forward P/E ratio at 16.7. Roku, Microsoft and Ford Motor Co. impressed this week; whereas Tesla, Merck & Co. and eBay disappointed.
- The Job Openings and Labor Turnover Survey (JOLTS) report exceeded expectations, as the number of job openings rose to 7.5 million in March. The expected forecast was 7.22 million. The largest increases in job openings were in transportation, warehousing and utilities. The number of federal government job openings decreased.
- German industry production beat forecasts in March, led by manufacturing and construction. Still, the outlook remains gloomy due to weak business sentiment and falling orders. China's consumer price index (CPI) and producer price inflation (PPI) both rose in April. The cost of pork has significantly increased as China's hog

Index Prices (\$)		
Index	05/10/19	12/31/18
Dow Jones Industrial Average	25,942.37	23,327.46
S&P 500 Index	2,881.40	2,506.85

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	3-Months
Dow Jones Industrial Average	-1.96	-2.28	12.17	3.95
S&P 500 Index	-2.10	-2.09	15.77	6.96
MSCI ACWI Index	-2.51	-2.47	13.31	5.48
Russell 2000 Index	-2.52	-1.10	17.17	4.80
Russell MidCap Index	-1.85	-1.75	18.85	6.09
Bloomberg Barclays U.S. Aggregate Index	0.31	0.25	3.22	2.00
Bloomberg Barclays High Yield Bond Index	-0.51	-0.49	8.25	3.26
United States 20-Year Treasury Bond	1.09	1.28	4.12	2.79
S&P/LSTA Senior Loan Index	-0.38	-0.35	6.95	2.81

S&P 500 Sector Returns	One Week	MTD	YTD	3-Months
Consumer Discretionary	-2.50	-2.28	19.54	10.66
Consumer Staples	-0.31	-0.84	13.86	7.31
Energy	-0.27	-3.29	12.67	2.59
Financials	-2.17	-2.01	15.95	7.51
Health Care	-1.47	-0.55	3.22	-0.84
Industrials	-2.74	-2.37	19.12	5.02
Materials	-2.80	-4.11	9.61	5.06
Real Estate	-0.70	0.19	17.20	5.04
Technology	-3.45	-3.31	23.35	12.48
Communication Services	-1.86	-1.89	19.13	8.66
Utilities	-0.62	-1.30	10.41	4.88

U.S. Returns by Style					
One Week (%)		Year to Date (%)		3-Months (%)	
Large Value	-1.8	Large Value	13.6	Large Value	5.4
Large Growth	-2.4	Large Growth	18.8	Large Growth	8.3
Mid Value	-1.7	Mid Value	16.2	Mid Value	4.7
Mid Growth	-2.0	Mid Growth	22.7	Mid Growth	8.0
Small Value	-2.2	Small Value	15.2	Small Value	3.4
Small Growth	-2.8	Small Growth	19.1	Small Growth	6.1

**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	0.53	0.48	2.39	1.34
MSCI EAFE Index	-2.59	-2.63	10.35	5.04
MSCI United Kingdom Index	-2.84	-2.69	11.36	4.18
MSCI Europe ex-U.K. Index	-2.55	-2.95	11.99	7.12
MSCI Japan Index	-2.65	-2.53	5.59	2.38
MSCI AC Asia ex-Japan Index	-4.87	-4.24	8.76	1.66
MSCI Emerging Markets Index	-4.51	-4.17	7.61	0.25
JPM EMBI+ Emerging Markets Bond Index	-0.19	-0.03	6.69	2.12
FTSE EPRA/NAREIT GRE Index	-0.93	-0.12	13.60	2.37

Source: FactSet

herd battle with an outbreak of African swine fever. Industrial production in the United Kingdom increased 1.3% in March, exceeding market expectations.

- The producer price index rose a modest 0.2% in April, in line with market expectations, and indicating that inflation remains under wraps. Nevertheless, U.S. consumer prices increased in April, led by higher costs for gasoline, rent and healthcare. Initial jobless claims missed estimates.

Bond Rates (%) as of:	05/10/19	05/03/19	12/31/18	02/08/19
U.S. Federal Funds Target Rate	2.50	2.50	2.50	2.50
U.S. Two-Year Treasury Yield	2.28	2.36	2.50	2.47
U.S. Ten-Year Treasury Yield	2.46	2.53	2.69	2.63
U.S. 30-Year Treasury Yield	2.87	2.93	3.02	2.98
High Yield (Merrill U.S. Corporates)	6.12	5.93	7.37	6.50

Commodity Prices as of:	05/10/19	05/03/19	12/31/18	02/08/19
Gold (USD/oz)	1,287.40	1,281.30	1,281.30	1,318.50
Crude Oil (USD/bbl)	61.66	61.94	45.41	52.72
Gasoline (USD/gal)	3.17	3.16	2.50	2.45
Copper (NYM \$/lbs)	2.79	2.83	2.63	2.81

Exchange Rates as of:	05/10/19	05/03/19	12/31/18	02/08/19
\$ per €	1.12	1.12	1.14	1.13
\$ per £	1.30	1.31	1.27	1.29
¥ per \$	109.61	111.25	109.72	109.73

## 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, May 13	Tuesday, May 14	Wednesday, May 15	Thursday, May 16	Friday, May 17
<b>Foreign Direct Investment (Mar)</b> Germany	<b>Employment Change (Mar)</b> U.K.	<b>MBA Mortgage Applications (May)</b> U.S.	<b>Continuing Jobless Claims (May)</b> U.S.	<b>Michigan Consumer Expectations (May)</b> U.S.
<b>Current Account (Mar)</b> Japan	<b>NFIB Small Business Index (Apr)</b> U.S.	<b>Retail Sales (Apr)</b> U.S.	<b>Initial Claims (May)</b> U.S.	<b>Leading Indicators (Apr)</b> U.S.
		<b>Industrial Production (Apr)</b> U.S.	<b>Philadelphia Fed Index (May)</b> U.S.	<b>Baker Hughes U.S. Rig Count (May)</b> U.S.
		<b>Manufacturing Production (Apr)</b> U.S.		
		<b>NAHB Housing Market Index (May)</b> U.S.		

Source: FactSet

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