

Voya Global Perspectives

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As of November 24, 2017

Investment Weekly

Commentary and Statistics

- U.S. equity markets bumped up in a strong global environment fueled by supportive bank policies and steady earnings growth. Oil finished lower after hitting a two-year high and gold rose. The U.S. Treasury yield closed at approximately 2.35%.
- The S&P 500 hit an all-time record high breaking through the \$2,600 ceiling on improving corporate earnings, a strong opening to Black Friday holiday sales and positive expectations for this week's November global PMI data.
- Debate around whether the market may be near a top and the GOP's tax overhaul push was widely covered during the week with none of the reports breaking any new ground. There was little incremental development on the tax-reform front considering the holiday recess. The Senate Finance Committee released the text of its tax bill, with some observers highlighting concerns about the fast pace of the process.
- On the geopolitical front: Robert Mugabe, Zimbabwe's president for the past 37 years, resigned after recent pressure from the military and amid widespread popular protest; Lebanon's Saad al-Hariri, who unexpectedly resigned as Prime Minister while in Saudi Arabia, met with Egypt's President al-Sisi; and President Trump and Russian President Putin spoke on the telephone to reportedly discuss international hotspots.
- The start of the holiday shopping season grabbed a lot of attention with some upbeat initial takeaways. The bulk of the focus in the press is on the continued shift to online spending with an annual Black Friday online spending increase of around 18%, year to year.
- October existing-home sales came in at a 5.48M seasonally adjusted annual rate (SAAR), better than consensus for 5.43M and ahead of September's upwardly

Index Prices (\$)		
Index	11/24/17	12/31/16
Dow Jones Industrial Average	23,557.99	19,762.60
S&P 500 Index	2,602.42	2,238.83

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	3-Months
Dow Jones Industrial Average	0.89	1.04	21.83	8.74
S&P 500 Index	0.93	1.24	18.36	7.22
Russell 2000 Index	1.77	1.18	13.21	10.93
Russell MidCap Index	0.81	1.64	15.46	7.69
Bloomberg Barclays U.S. Aggregate Index	0.19	0.18	3.39	0.12
Bloomberg Barclays High Yield Bond Index	0.39	-0.38	7.05	1.37
United States 20-Year Treasury Bond	0.55	2.02	8.33	0.61
S&P/LSTA Senior Loan Index	0.10	-0.12	2.79	0.82

S&P 500 Sector Returns	One Week	MTD	YTD	3-Months
Consumer Discretionary	1.10	2.85	17.56	7.45
Consumer Staples	0.04	3.31	8.55	1.41
Energy	0.76	-0.11	-7.35	9.62
Financials	0.21	-1.44	14.12	6.46
Health Care	0.63	0.80	20.34	4.08
Industrials	1.25	-0.34	13.97	5.80
Materials	0.88	-0.28	19.96	8.84
Technology	1.77	2.63	40.85	13.71
Telecom	1.92	-0.21	-12.13	-5.10
Utilities	0.12	1.41	17.88	2.52

U.S. Returns by Style

One Week (%)		Year to Date (%)		3-Months (%)	
Large Value	Large Growth	Large Value	Large Growth	Large Value	Large Growth
0.5	1.4	9.2	28.1	5.0	9.8
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
0.6	1.1	9.6	23.1	5.8	10.2
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
1.4	2.1	6.4	20.7	9.7	12.2

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	0.78	1.33	7.26	0.40
MSCI EAFE Index	1.88	1.19	23.77	5.98
MSCI United Kingdom Index	1.70	-0.17	16.25	4.90
MSCI Europe ex-U.K. Index	2.20	0.54	27.82	4.67
MSCI Japan Index	1.44	2.80	23.27	10.74
MSCI AC Asia ex-Japan Index	1.73	3.81	42.64	9.35
MSCI Emerging Markets Index	1.57	3.18	36.86	7.02
JPM EMBI+ Emerging Markets Bond Index	0.32	-0.27	8.64	0.50
FTSE EPRA/NAREIT GRE Index	0.90	2.76	13.41	3.66

Source: FactSet

revised 5.39M pace (was 5.37M). Sales were at their strongest pace since June, but were down 0.9% year over year for their second consecutive 12-month decline. The release attributed this to ongoing supply shortages, limiting choices for prospective buyers and keeping price growth elevated.

Bond Rates (%) as of:	11/24/17	11/17/17	12/31/16	08/24/17
U.S. Federal Funds Target Rate	1.25	1.25	0.75	1.25
U.S. Two-Year Treasury Yield	1.74	1.72	1.20	1.33
U.S. Ten-Year Treasury Yield	2.34	2.35	2.43	2.19
High Yield (Merrill U.S. Corporates)	5.50	5.58	5.72	5.43

Commodity Prices as of:	11/24/17	11/17/17	12/31/16	08/24/17
Gold (USD/oz)	1,287.30	1,296.50	1,151.70	1,292.00
Crude Oil (USD/bbl)	58.95	56.71	53.72	47.43
Gasoline (USD/gal)	2.75	2.78	2.43	2.54
Copper (NYM \$/lbs)	3.17	3.06	2.50	3.03

Exchange Rates as of:	11/24/17	11/17/17	12/31/16	08/24/17
\$ per €	1.19	1.18	1.05	1.18
\$ per £	1.34	1.32	1.24	1.28
¥ per \$	111.50	112.24	116.64	109.37

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, November 27	Tuesday, November 28	Wednesday, November 29	Thursday, November 30	Friday, December 1
New Home Sales MoM (Oct) U.S.	GDP YoY (3Q P) U.K.	Economic Confidence (Nov) Euro Zone	Unemployment Rate (Oct) Euro Zone	No Data
Retail Sales YoY (Oct) Germany	Exports QoQ (3Q P) U.K.	Business Climate Indicator (Nov) Euro Zone	Initial Jobless Claims (Nov 25) U.S.	
	Imports QoQ (3Q P) U.K.	GDP Annualized QoQ (3Q S) U.S.	Continuing Claims (Nov 18) U.S.	
	Retail Inventories (MoM Oct) U.S.	Personal Consumption (3Q S) U.S.	Personal Income (Oct) U.S.	
			PCE Core YoY (Oct) U.S.	

Source: Bloomberg

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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 \$230 billion in assets for investors.¹

79% of our assets outperformed their benchmark or peer median on a 5-year basis.²

84% of the time our portfolios outperformed their benchmark on a rolling 3-year basis.³

88% of the time our portfolios outperformed their benchmark on a rolling 5-year basis.³

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¹ As of 09/30/17, Voya IM assets of \$230 billion include proprietary insurance general account assets of \$91 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 \$222 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 09/30/17. 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. ³ Metrics are based on observations of rolling 3-year or 5-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 09/30/17. If terminated and other accounts had been included, results may have differed from that shown. Source of performance returns is Voya Investment Management, and further detailed information regarding these calculations is available upon request.

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