

Voya Global Perspectives

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As of September 4, 2015

Investment Weekly

Commentary and Statistics

- September started off with the same kind of turbulence that characterized August. Early in the week China's PMI fell to a three-year low, triggering a global selloff. Chinese markets closed midweek for a national holiday, which gave investors a breather and led to a brief recovery. The anxiously awaited August payroll report on Friday did not come through as hoped, however, and markets continued their slide.
- Oil gained slightly for the week whereas gold declined. The ten-year U.S. Treasury yield climbed as high as 2.22% on Monday, but receded to 2.13% by the Friday close.
- The August U.S. payroll report was the key area of focus for investors ahead of the Labor Day weekend. The headline figure missed, coming in at 173,000 versus an expected 219,000, but July was revised upward significantly. What's more, the unemployment rate fell to a new post-recession low of 5.1%.
- Despite the disappointing headline figure, the U.S. economy has added an average of 212,000 jobs a month in 2015 and the economy is on track to generate more than 2 million jobs for the fifth year in a row.
- Improvement in the labor market also appears to be leading more companies to increase pay to attract or keep employees. The average hourly wage paid to American workers rose to \$25.09 in August, an increase of about 0.3%.
- The impact of the jobs report on Fed policy was unclear. Richmond Fed President Lacker, a voting member of the FOMC, called the report "good" and continued his push for rate hikes. But the report did little to change the odds of a September rate hike in the fed funds futures market.

Index Prices (\$)		
Index	9/04/2015	12/31/2014
Dow Jones Industrial Average	16,102.38	17,823.07
S&P 500 Index	1,921.22	2,058.90

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	One Year
Dow Jones Industrial Average	-3.20	-2.53	-8.09	-3.33
S&P 500 Index	-3.36	-2.55	-5.36	-1.83
Russell 2000 Index	-2.28	-1.99	-4.90	-1.38
Russell MidCap Index	-2.95	-2.19	-4.47	-2.00
Barclays U.S. Aggregate Index	0.27	0.33	0.78	2.33
Barclays High Yield Bond Index	0.27	0.16	0.31	-2.55
United States 20-Year Treasury Bond	0.34	0.84	-0.88	8.51
S&P/LSTA Senior Loan Index	0.16	0.07	0.53	-0.93

S&P 500 Sector Returns	One Week	MTD	YTD	One Year
Consumer Discretionary	-2.26	-1.54	3.13	8.72
Consumer Staples	-2.41	-1.71	-3.16	5.02
Energy	-3.05	-4.12	-19.13	-31.71
Financials	-4.22	-3.50	-7.56	-1.53
Health Care	-4.42	-2.62	1.03	9.12
Industrials	-2.75	-1.83	-9.76	-4.88
Materials	-3.62	-3.11	-12.65	-15.31
Technology	-3.22	-2.38	-4.31	0.68
Telecom	-2.23	-2.00	-2.32	-5.84
Utilities	-5.14	-3.59	-11.80	-1.60

U.S. Returns by Style

One Week (%)		Year to Date (%)		One Year (%)	
Large Value	Large Growth	Large Value	Large Growth	Large Value	Large Growth
-3.4	-3.1	-8.9	-1.0	-6.2	2.5
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
-3.3	-2.6	-7.1	-1.9	-4.9	0.8
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
-2.1	-2.5	-9.0	-0.7	-6.8	4.1

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	One Year
Barclays Global Aggregate Bond Index	0.11	0.29	-2.47	-5.17
MSCI EAFE Index	-4.37	-3.77	-3.63	-10.99
MSCI United Kingdom Index	-4.48	-4.64	-8.37	-16.50
MSCI Europe ex-U.K. Index	-3.57	-3.09	-1.46	-9.34
MSCI Japan Index	-5.46	-4.32	3.03	-0.41
MSCI AC Asia ex-Japan Index	-3.43	-3.24	-13.64	-19.38
MSCI Emerging Markets Index	-3.79	-3.62	-15.78	-26.34
JPM EMBI+ Emerging Markets Bond Index	-0.01	-0.08	0.99	-2.86
NAREIT Global Real Estate Index	-4.24	-2.92	-8.64	-8.63

Source: FactSet

- An early gauge of China's factory activity fell to a six-and-a-half year low in August despite China's efforts to reinvigorate slowing economic growth. The report suggested that China will need to ratchet up stimulus to reach its goal of about 7% GDP growth for the year. Economists expect Beijing will soon cut reserve requirements for Chinese banks, a move intended to free up funds the banks can then lend out.

Bond Rates (%) as of:	9/04/2015	8/28/2015	12/31/2014	9/04/2014
U.S. Federal Funds Target Rate	0.25	0.25	0.25	0.25
U.S. Two-Year Treasury Yield	0.66	0.66	0.69	0.54
U.S. Ten-Year Treasury Yield	2.13	2.18	2.17	2.45
High Yield (Merrill U.S. Corporates)	6.55	6.59	6.19	5.42

Commodity Prices as of:	9/04/2015	8/28/2015	12/31/2014	9/04/2014
Gold (USD/oz)	1121.40	1134.00	1184.10	1266.50
Crude Oil (USD/bbl)	46.05	45.22	53.27	94.45
Gasoline (USD/gal)	2.73	2.85	2.45	3.56
Copper (NYM \$/lbs)	2.32	2.35	2.84	3.14

Exchange Rates as of:	9/04/2015	8/28/2015	12/31/2014	9/04/2014
\$ per €	1.11	1.12	1.21	1.30
\$ per £	1.52	1.54	1.56	1.64
¥ per \$	119.19	121.01	119.90	105.12

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.

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Past performance is no guarantee of future results.

Economic Release Calendar

Monday, September 7	Tuesday, September 8	Wednesday, September 9	Thursday, September 10	Friday, September 11
Trade Balance (Aug) China	Small Business Optimism (Aug) U.S.	Consumer Confidence (Aug) Japan	BOE Policy Announcement U.K.	PPI (Aug) U.S.
Leading Index (Jul) Japan	CPI and PPI (Aug) China	Industrial Production (Jul) U.K.	Continuing Claims (Aug) U.S.	U. of Michigan Consumer Sentiment (Sep) U.S.
Investor Confidence (Sep) Euro Zone		Job Openings and Labor Turnover (Jul) U.S.		
GDP (2Q15) Japan				

Source: Bloomberg

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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 as of June 30, 2015. Voya IM assets of \$213 billion include proprietary insurance general account assets of \$86 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 \$206 billion.

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