

# Voya Global Perspectives™ | Investment Weekly

Markets. Insights. Opportunities.

As of September 12, 2014

## Commentary and Statistics

- U.S. stock markets posted their first weekly decline in six weeks, as investors fretted over the possibility that the Federal Reserve could adopt a more hawkish tone at its policy meeting September 16-17. Generally positive economic reports in the United States provided a little counterweight. The ten-year U.S. Treasury yield rose to 2.61% and the U.S. dollar gained against the euro and yen. Gold, oil and other commodities also fell for the week.
- Retail sales rose 0.6% in August, the biggest expansion in four months, and July's activity was restated higher. Growth was broad-based during August; sales at service stations were among the few declining segments, as fuel prices have continued to decline in recent months.
- The preliminary September reading on the University of Michigan consumer-sentiment index rose to 84.6 – the highest level since July 2013 – from 82.5 for August. Meanwhile, the NFIB index of small business optimism increased in August to its second-highest level since 2007.
- Wholesale inventories edged up 0.1% in July, the smallest increase in a year and short of expectations, suggesting that restocking would not provide a lift to third quarter GDP growth. Wholesale sales, meanwhile, increased 0.7% during the month.
- U.S. consumer credit growth increased sharply in July, continuing the strong growth trend seen since last December.
- Euro zone industrial production beat expectations in July, coming in 1.0% higher than June and 2.2% higher relative to July 2013.
- In China, CPI growth eased to 2.0% for August, versus 2.2% consensus expectations. Also, PPI fell more than expected.

Returns (%)				
Global Market Returns (%)	One Week	MTD	YTD	One Year
Barclays Global Aggregate Bond Index	-1.16	-2.17	2.28	3.92
MSCI EAFE Index	-1.27	-1.17	1.73	9.47
MSCI United Kingdom Index	-1.30	-2.48	1.68	9.57
MSCI Europe ex-U.K. Index	-0.99	-0.45	1.05	11.92
MSCI Japan Index	-0.57	-0.22	-0.98	3.65
MSCI AC Asia ex-Japan Index	-1.72	-1.08	10.27	13.87
MSCI Emerging Markets Index	-3.15	-2.31	8.39	10.18
JPM EMBI+ Emerging Markets Bond Index	-1.08	-1.42	8.39	11.38
NAREIT Global Real Estate Index	-3.85	-3.22	10.63	11.37

U.S. Market Indexes Returns				
	One Week	MTD	YTD	One Year
Dow Jones Industrial Average	-0.83	-0.57	4.16	13.54
S&P 500 Index	-1.05	-0.80	9.00	20.40
Russell 2000 Index	-0.77	-1.11	0.62	12.13
Russell MidCap Index	-1.32	-1.00	9.45	19.67
Barclays U.S. Aggregate Index	-0.64	-1.10	3.65	5.10
Barclays High Yield Bond Index	-0.62	-1.07	4.57	9.00
United States 20-Year Treasury Bond	-1.96	-4.53	13.53	13.16
S&P/LSTA Senior Loan Index	-0.29	-0.33	2.09	3.77

S&P 500 Sector Returns				
	One Week	MTD	YTD	One Year
Consumer Discretionary	-1.36	-0.68	3.03	15.58
Consumer Staples	-1.06	-0.16	6.40	14.66
Energy	-3.65	-5.14	5.94	13.76
Financials	-0.35	0.11	7.96	18.12
Health Care	-0.54	-0.03	16.08	27.09
Industrials	-0.64	-0.09	3.89	19.31
Materials	-1.86	-1.65	8.75	21.30
Technology	0.04	0.03	14.95	30.27
Telecom	-2.62	-2.25	4.62	8.78
Utilities	-3.12	-2.35	13.39	19.02

### U.S. Returns by Style

One Week (%)		Year to Date (%)		One Year (%)	
Large Value	Large Growth	Large Value	Large Growth	Large Value	Large Growth
-1.2	-0.9	9.4	8.6	19.9	20.9
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
-1.6	-1.1	10.9	8.2	21.4	18.1
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
-1.2	-0.3	0.8	0.5	12.8	11.6

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

Source: FactSet

- In geopolitical news, the U.S. joined the European Union in tightening sanctions against Russia to include the country's largest bank, energy companies and a number of state owned defense and tech concerns. The U.S. also announced it would build an international coalition to defeat the Islamic State in Iraq and Syria.
- Apple reported "a record number" of preorders for its new iPhone 6 and iPhone 6 Plus smartphones. Pre-orders crashed Apple's website shortly after the phones became available at midnight on Friday.

Bond Rates (%) as of:	09/12/2014	90/05/2014	12/31/2013	09/12/2013
U.S. Federal Funds Target Rate	0.25	0.25	0.25	0.25
U.S. Two-Year Treasury Yield	0.56	0.51	0.35	0.44
U.S. Ten-Year Treasury Yield	2.61	2.46	3.01	2.91
High Yield (Merrill U.S. Corporates)	5.68	5.49	6.08	6.57

Commodity Prices as of:	09/12/2014	90/05/2014	12/31/2013	09/12/2013
Gold (USD/oz)	1231.50	1267.30	1202.30	1330.60
Crude Oil (USD/bbl)	92.27	93.29	98.42	108.60
Gasoline (USD/gal)	3.56	3.56	3.47	3.69
Copper (NYM \$/lbs)	3.10	3.16	3.44	3.21

Exchange Rates as of:	09/12/2014	90/05/2014	12/31/2013	09/12/2013
\$ per €	1.29	1.30	1.38	1.33
\$ per £	1.62	1.63	1.66	1.58
¥ per \$	107.37	104.89	105.11	99.11

Source: FactSet

## 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 US 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 22 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 68 industries.

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) interest rate levels, (4) increasing levels of loan defaults, (5) changes in laws and regulations and (6) changes in the policies of governments and/or regulatory authorities.

Past performance is no guarantee of future results.

## Economic Release Calendar

Monday, September 15	Tuesday, September 16	Wednesday, September 17	Thursday, September 18	Friday, September 19
<b>Trade Balance (Jul)</b> Euro Zone	<b>CPI (Aug)</b> U.K.	<b>CPI (Aug)</b> Euro Zone	<b>Retail Sales (Aug)</b> U.K.	<b>Leading and Coincident Index (Jul)</b> Japan
<b>Empire St. Mnfg (Sep)</b> U.S.	<b>PPI (Aug)</b> U.S.	<b>CPI (Aug)</b> U.S.	<b>Housing Starts (Aug)</b> U.S.	<b>Leading Index (Aug)</b> U.S.
<b>Industrial Production (Aug)</b> U.S.		<b>NAHB Housing Market Index (Sep)</b> U.S.	<b>Building Permits (Aug)</b> U.S.	
<b>Capacity Utilization (Aug)</b> U.S.		<b>Fed Policy Announcement</b> U.S.	<b>Philadelphia Fed Outlook (Sep)</b> U.S.	
		<b>Trade Balance (Aug)</b> Japan	<b>Household Net Worth (2Q14)</b> U.S.	

Source: Bloomberg

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) interest rate levels, (4) increasing levels of loan defaults, (5) changes in laws and regulations and (6) changes in the policies of governments and/or regulatory authorities.

**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**

\$214 Billion AUM\* | Over 850 Employees | Over 200 Investment Professionals

Data is as of 06/30/14.

\* As of June 30, 2014, Voya IM assets of \$214 billion include proprietary insurance general account assets of \$85 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 \$208 billion.

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) interest rate levels, (4) increasing levels of loan defaults, (5) changes in laws and regulations and (6) changes in the policies of governments and/or regulatory authorities.

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

©2014 Voya Investments Distributor, LLC • 230 Park Ave, New York, NY 10169

BBGP-STATISTICS 091514 • 10496 • 163086

RETIREMENT | INVESTMENTS | INSURANCE

[voyainvestments.com](http://voyainvestments.com)

**VOYA**<sup>™</sup>