

# Voya Global Perspectives

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As of April 3, 2015

## Investment Weekly

### Commentary and Statistics

- After a disappointing March, major domestic indexes were up slightly during the holiday-shortened week, though choppiness remained a key theme. U.S. Treasury bonds, meanwhile, rallied as lukewarm data flow had investors rethinking the timing of a Fed rate hike.
- Nonfarm payrolls for March missed expectations badly; the economy added only 126,000 jobs during the month — the worst number since December 2013 — in the face of expectations close to 250,000. Results for January and February were restated lower by a combined 69,000 jobs, bringing the first quarter average to 197,000 per month, well off the fourth quarter's 324,000 per month pace. The unemployment rate held steady at 5.5%.
- The trade deficit fell nearly 17% in February to reach its lowest level since 2009. Analysts point to the now-resolved labor dispute at West Coast ports as one factor, along with the strong dollar, weak global demand and lower oil prices.
- A bit of dissonance was evident in the latest manufacturing numbers. While Markit reported improved manufacturing conditions in March, noting "momentum building again after a slowdown at the turn of the year", the Institute for Supply Management's survey showed manufacturing activity in March expanded at the slowest pace in 14 months.
- Factory orders surprised in February, rising 0.2% after six months of contraction.
- Housing data continues to be mixed. Though home prices rose again in January, gaining 4.6% year-over-year according to the Case-Shiller Index, the pace of growth slowed. Pending-home sales in February hit two-year highs, rising 3.1%. Construction spending fell 0.1% in February after a revised 1.7% drop in January.
- Eurozone consumer prices fell for the fourth consecutive month in March,

Index Prices (\$)		
Index	4/02/2015	12/31/2014
Dow Jones Industrial Average	17,763.24	17,823.07
S&P 500 Index	2,066.96	2,058.90

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	One Year
Dow Jones Industrial Average	0.32	-0.05	0.31	9.70
S&P 500 Index	0.32	-0.03	0.92	11.69
Russell 2000 Index	1.25	0.24	4.56	7.71
Russell MidCap Index	0.73	0.10	4.06	12.76
Barclays U.S. Aggregate Index	0.25	0.14	1.75	6.09
Barclays High Yield Bond Index	0.25	0.09	2.61	1.96
United States 20-Year Treasury Bond	0.07	0.36	4.57	25.02
S&P/LSTA Senior Loan Index	0.09	0.00	1.84	1.78

S&P 500 Sector Returns	One Week	MTD	YTD	One Year
Consumer Discretionary	1.02	0.44	5.27	16.97
Consumer Staples	0.77	0.70	1.69	17.17
Energy	1.53	0.36	-2.50	-12.05
Financials	1.13	0.45	-1.61	9.96
Health Care	-1.46	-0.99	5.47	23.92
Industrials	-0.25	-0.66	-1.51	6.38
Materials	0.69	0.23	1.23	3.72
Technology	-0.25	-0.49	0.08	16.67
Telecom	1.64	1.72	3.28	4.40
Utilities	1.63	0.37	-4.82	12.10

U.S. Returns by Style					
One Week (%)		Year to Date (%)		One Year (%)	
Large Value	Large Growth	Large Value	Large Growth	Large Value	Large Growth
0.6	0.2	-0.7	3.8	8.4	15.0
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
1.1	0.4	2.7	5.4	11.0	14.5
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
1.6	0.9	2.5	6.6	4.0	11.5

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	0.10	0.51	-1.42	-2.75
MSCI EAFE Index	0.01	1.18	6.23	0.14
MSCI United Kingdom Index	-0.95	0.85	-0.10	-5.33
MSCI Europe ex-U.K. Index	1.21	1.79	7.58	-2.88
MSCI Japan Index	-0.94	0.87	11.30	13.31
MSCI AC Asia ex-Japan Index	2.54	1.20	6.16	10.81
MSCI Emerging Markets Index	3.20	1.89	4.21	1.63
JPM EMBI+ Emerging Markets Bond Index	0.93	0.86	2.94	4.82
NAREIT Global Real Estate Index	0.89	1.00	5.08	15.07

Source: FactSet

slipping 0.1%. Unemployment in the region eased to 11.3% in February, the lowest reading since May 2012.

- U.K. economic growth for 2014 was restated higher, to 2.8% from 2.6%, driven by stronger than expected household spending and improved exports. While this result made the U.K. the top performer among G-7 economies, the country's output still remains below pre-recession highs on a per-person basis.
- The official Chinese manufacturing PMI moved back into expansionary territory in March, beating expectations and the PMI produced by HSBC. The services PMI continued to show expansion but at a slower pace.

Bond Rates (%) as of:	4/02/2015	3/27/2015	12/31/2014	4/03/2014
U.S. Federal Funds Target Rate	0.25	0.25	0.25	0.25
U.S. Two-Year Treasury Yield	0.55	0.57	0.69	0.45
U.S. Ten-Year Treasury Yield	1.91	1.95	2.17	2.79
High Yield (Merrill U.S. Corporates)	5.86	5.92	6.19	5.56

Commodity Prices as of:	4/02/2015	3/27/2015	12/31/2014	4/03/2014
Gold (USD/oz)	1200.90	1199.80	1184.10	1284.60
Crude Oil (USD/bbl)	49.14	48.87	53.27	100.29
Gasoline (USD/gal)	2.70	2.68	2.44	3.70
Copper (NYM \$/lbs)	2.75	2.78	2.84	3.05

Exchange Rates as of:	4/02/2015	3/27/2015	12/31/2014	4/03/2014
\$ per €	1.09	1.09	1.21	1.37
\$ per £	1.48	1.49	1.56	1.66
¥ per \$	119.75	119.16	119.90	103.89

## 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, April 6	Tuesday, April 7	Wednesday, April 8	Thursday, April 9	Friday, April 10
Leading and Coincident Index (Feb) Japan	BOJ Policy Announcement Japan	Retail Sales (Feb) Euro Zone	Trade Balance (Feb) U.K.	Industrial Production (Feb) U.K.
Investor Confidence (Apr) Euro Zone	Composite PMI (Mar) Euro Zone	Fed Minutes Released U.S.	BOE Policy Announcement U.K.	
Composite PMI (Mar) U.S.	PPI (Feb) Euro Zone		Wholesale Inventories (Feb) U.S.	
ISM Non-Mnfg Composite (Mar) U.S.	JOLTS Report (Feb) U.S.		Wholesale Sales (Feb) U.S.	
	Trade Balance (Feb) Japan		CPI and PPI (Mar) China	

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 is as of 12/31/14. Voya IM assets of \$213 billion include proprietary insurance general account assets of \$85 billion on a market value basis. Voya IM assets, as reported in Voya Financial SEC filings, include general account assets valued on a statutory book value basis and total approximately \$206 billion.

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