

Voya Global Perspectives

Markets. Insights. Opportunities.®

As of August 21, 2015

Investment Weekly

Commentary and Statistics

- Stock markets around the globe slid early in the week and then plummeted on Thursday and Friday. The Dow entered correction territory, posting its worst two-day drop since the 2008 financial crisis. Explanations for the selloff included the impact of slowing global growth on corporate earnings, aftershocks from China's currency devaluations and emerging market vulnerability to U.S. rate hikes. The only gainers for the week were gold and government bonds. The yield on the ten-year U.S. Treasury fell to 2.05%, reversing its August climb.
- Takeaways from the July FOMC minutes leaned to the dovish side, focusing on Fed concerns about premature policy tightening and inflation rates normalizing over the medium term. The fed funds futures market continued to tamp down the probability that the Fed would hike interest rates in September – from 48% on Monday to 32% by Friday.
- The Conference Board Leading Economic Index declined in July after four months of strong gains yet still pointed to moderate U.S. growth for the year. The coincident and lagging indexes increased in line with recent months.
- Housing remained a bright spot. August homebuilder sentiment hit its highest level in a decade, and housing starts reached their highest level since October 2007. July home sales climbed to their highest reading since February 2007. The NAHB housing market index for July rose to its highest level since November 2005.
- For August, manufacturing declined in the New York area but increased in the Philadelphia region, according to the regional Fed surveys. Both found expectations of further growth over the next six months.

Index Prices (\$)		
Index	8/21/2015	12/31/2014
Dow Jones Industrial Average	16,459.75	17,823.07
S&P 500 Index	1,970.89	2,058.90

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	One Year
Dow Jones Industrial Average	-5.77	-6.81	-6.15	-1.04
S&P 500 Index	-5.71	-6.14	-2.99	0.98
Russell 2000 Index	-4.59	-6.53	-3.23	1.03
Russell MidCap Index	-5.09	-5.10	-2.14	1.21
Barclays U.S. Aggregate Index	0.59	0.51	1.10	2.61
Barclays High Yield Bond Index	-0.78	-2.14	-0.26	-3.15
United States 20-Year Treasury Bond	1.78	3.50	1.72	11.19
S&P/LSTA Senior Loan Index	-0.21	-0.82	0.56	-0.55

S&P 500 Sector Returns	One Week	MTD	YTD	One Year
Consumer Discretionary	-5.19	-7.35	3.73	10.15
Consumer Staples	-4.79	-4.92	-0.46	8.83
Energy	-8.48	-8.58	-19.53	-32.86
Financials	-5.88	-5.60	-3.02	4.34
Health Care	-4.88	-6.34	5.49	15.57
Industrials	-5.33	-5.04	-7.76	-3.23
Materials	-5.41	-5.88	-10.16	-12.86
Technology	-7.30	-7.60	-4.11	0.55
Telecom	-2.63	-2.91	0.15	-2.21
Utilities	-1.16	2.46	-2.94	9.63

U.S. Returns by Style

One Week (%)		Year to Date (%)		One Year (%)	
Large Value	Large Growth	Large Value	Large Growth	Large Value	Large Growth
-5.7	-5.7	-5.9	0.6	-2.7	4.6
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
-4.8	-5.4	-4.0	-0.4	-1.3	3.6
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
-4.0	-5.1	-7.0	0.5	-4.4	6.6

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

Global Market Returns (%)	One Week	MTD	YTD	One Year
Barclays Global Aggregate Bond Index	1.06	1.07	-1.82	-5.27
MSCI EAFE Index	-4.53	-6.33	1.24	-6.00
MSCI United Kingdom Index	-5.08	-6.58	-3.04	-11.36
MSCI Europe ex-U.K. Index	-4.64	-6.53	2.17	-4.85
MSCI Japan Index	-4.02	-4.40	9.29	4.76
MSCI AC Asia ex-Japan Index	-6.22	-9.69	-10.64	-15.53
MSCI Emerging Markets Index	-5.93	-9.76	-13.34	-22.84
JPM EMBI+ Emerging Markets Bond Index	-0.98	-1.77	0.37	-3.28
NAREIT Global Real Estate Index	-2.73	-2.40	-1.95	-1.95

Source: FactSet

- The August U.S. Markit flash PMI fell to its lowest level since October 2013. Markit economists said the strong dollar continued to pressure export sales and competitiveness, while heightened global economic uncertainty appeared to have dampened client spending at home and abroad.
- In contrast, the flash euro zone PMI for August was unchanged from July and above expectations. The euro zone recorded an all-time high trade surplus in June. U.K. retail sales rose in July, supported by low inflation and faster wage growth.

Bond Rates (%) as of:	8/21/2015	8/14/2015	12/31/2014	8/21/2014
U.S. Federal Funds Target Rate	0.25	0.25	0.25	0.25
U.S. Two-Year Treasury Yield	0.63	0.73	0.69	0.47
U.S. Ten-Year Treasury Yield	2.05	2.20	2.17	2.41
High Yield (Merrill U.S. Corporates)	6.66	6.51	6.19	5.31

Commodity Prices as of:	8/21/2015	8/14/2015	12/31/2014	8/21/2014
Gold (USD/oz)	1159.60	1112.70	1184.10	1275.40
Crude Oil (USD/bbl)	40.45	42.50	53.27	93.96
Gasoline (USD/gal)	2.94	2.89	2.45	3.61
Copper (NYM \$/lbs)	2.31	2.36	2.84	3.17

Exchange Rates as of:	8/21/2015	8/14/2015	12/31/2014	8/21/2014
\$ per €	1.13	1.11	1.21	1.33
\$ per £	1.57	1.56	1.56	1.66
¥ per \$	122.43	124.30	119.90	103.79

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.

This commentary has been prepared by Voya Investment Management for informational purposes. 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) changes in laws and regulations and (4) changes in the policies of governments and/or regulatory authorities. The opinions, views and information expressed in this commentary regarding holdings are subject to change without notice. The information provided regarding holdings is not a recommendation to buy or sell any security. Fund holdings are fluid and are subject to daily change based on market conditions and other factors.

Past performance is no guarantee of future results.

Economic Release Calendar

Monday, August 24	Tuesday, August 25	Wednesday, August 26	Thursday, August 27	Friday, August 28
Mnfg PMI (Aug) Euro Zone	FHFA House Price Index (Jun) U.S.	Durable Goods Orders (Jul) U.S.	Leading Index (Jul) China	GDP (2Q15) U.K.
Chicago Fed Index (Jul) U.S.	S&P/CaseShiller 20-City Index (Jun) U.S.	Composite PMI (Aug) U.S.	GDP (2Q15) U.S.	Consumer Confidence (Aug) Euro Zone
Mnfg PMI (Aug) U.S.	New Home Sales (Jul) U.S.		Personal Consumption (2Q15) U.S.	Personal Income (Jul) U.S.
			Pending Home Sales (Jul) U.S.	Personal Spending (Jul) U.S.
			CPI (Jul) Japan	U. of Mich. Sentiment (Aug) U.S.

Source: Bloomberg

This commentary has been prepared by Voya Investment Management for informational purposes. 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) changes in laws and regulations and (4) changes in the policies of governments and/or regulatory authorities. The opinions, views and information expressed in this commentary regarding holdings are subject to change without notice. The information provided regarding holdings is not a recommendation to buy or sell any security. Fund holdings are fluid and are subject to daily change based on market conditions and other factors.

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 investingSM

\$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.

This commentary has been prepared by Voya Investment Management for informational purposes. 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) changes in laws and regulations and (4) changes in the policies of governments and/or regulatory authorities. The opinions, views and information expressed in this commentary regarding holdings are subject to change without notice. The information provided regarding holdings is not a recommendation to buy or sell any security. Fund holdings are fluid and are subject to daily change based on market conditions and other factors.

Past performance is no guarantee of future results.

©2015 Voya Investments Distributor, LLC • 230 Park Ave, New York, NY 10169 • All rights reserved.
BBGP-STATISTICS 16801 • 163086

PLAN | INVEST | PROTECT

voyainvestments.com

VOYA[®]