

Voya Global Perspectives

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As of July 31, 2015

Investment Weekly

Commentary and Statistics

- Markets were unable to maintain the prior week's momentum as some high-profile earnings misses combined with global growth worries to put investors in a cautious mood. The S&P 500 and Nasdaq posted their worst weeks since March, while the DJIA had its worst since January. Gold hit a new five-year low, while crude oil ended down more than 20% from June highs. Volatility persists in Chinese equity markets, with the Shanghai exchange shedding 8.5% on Monday alone.
- While second quarter earnings continued to outpace expectations on the whole, analysts are still expecting the first decline in S&P 500 year-over-year earnings since third quarter 2012. Of the 354 S&P 500 companies that have reported second quarter 2015 results, 73% have beaten earnings expectations while 52% have beaten revenue expectations. The blended earnings growth rate for the second quarter stands at -1.3%, according to FactSet, an improvement over the -2.2% a week ago and the -4.5% forecast at the end of quarter. Ford, Facebook LinkedIn impressed this week, while Twitter, Yelp and Whole Foods were among the disappointments.
- The U.S. economy accelerated in the second quarter to 2.3%, but the first statement of GDP growth came in short of economists' forecast of 2.7%. The improvement was driven by consumption and residential investment. First quarter growth was restated to 0.6% from the 0.2% previously reported. For the first half of 2015 expansion stands at 1.5% compared with 1.9% a year earlier.
- While the central bank, as expected, took no policy action following its July meeting, some Fed watchers are pointing to a slight change in rhetoric as evidence the FOMC as poised to begin to hike rates in September. The central bank's latest statement noted it wanted to see "some

Index Prices (\$)		
Index	7/31/2015	12/31/2014
Dow Jones Industrial Average	17,689.86	17,823.07
S&P 500 Index	2,103.84	2,058.90

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	One Year
Dow Jones Industrial Average	0.80	0.67	0.71	9.39
S&P 500 Index	1.19	2.10	3.35	11.21
Russell 2000 Index	1.05	-1.16	3.54	12.03
Russell MidCap Index	1.42	0.74	3.11	10.69
Barclays U.S. Aggregate Index	0.32	0.70	0.59	2.82
Barclays High Yield Bond Index	0.45	-0.58	1.93	0.36
United States 20-Year Treasury Bond	0.83	3.73	-1.72	9.97
S&P/LSTA Senior Loan Index	-0.16	-0.36	1.39	0.18

S&P 500 Sector Returns	One Week	MTD	YTD	One Year
Consumer Discretionary	1.75	4.81	11.95	23.68
Consumer Staples	1.10	5.51	4.69	19.29
Energy	-0.33	-7.65	-11.97	-25.68
Financials	0.16	3.12	2.74	14.40
Health Care	2.27	2.80	12.63	27.47
Industrials	2.47	0.20	-2.87	6.91
Materials	1.97	-5.02	-4.55	-4.23
Technology	0.30	2.99	3.78	12.77
Telecom	1.33	-0.01	3.15	-1.73
Utilities	3.92	6.06	-5.26	10.47

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	1.3	-0.2	7.5	6.4	16.1
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
1.6	1.2	0.3	5.9	6.6	14.7
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
0.9	1.1	-2.0	9.2	4.3	20.1

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	0.49	0.22	-2.86	-6.04
MSCI EAFE Index	1.02	2.08	8.08	0.15
MSCI United Kingdom Index	2.48	1.73	3.79	-5.42
MSCI Europe ex-U.K. Index	0.69	3.77	9.31	1.85
MSCI Japan Index	0.10	0.47	14.33	8.51
MSCI AC Asia ex-Japan Index	-1.70	-6.29	-1.06	-6.03
MSCI Emerging Markets Index	-0.90	-6.87	-3.97	-13.07
JPM EMBI+ Emerging Markets Bond Index	0.53	0.41	2.18	-1.28
NAREIT Global Real Estate Index	0.62	2.42	0.46	2.24

Source: FactSet

further improvement” in labor markets before acting on rates, which was taken to suggest a lower threshold than merely “further improvement”, a phrasing it had used for months previous.

- Durable goods orders jumped 3.4% in June, but much of this increase was driven by demand for commercial aircraft. Orders for goods excluding the volatile defense and aircraft categories — a metric considered a proxy for business spending — rose a more pedestrian 0.9% during the month.
- The final Michigan consumer sentiment reading was weaker-than-expected at 93.1 versus 94 expected and 93.3 prior.

Bond Rates (%) as of:	7/31/2015	7/24/2015	12/31/2014	7/31/2014
U.S. Federal Funds Target Rate	0.25	0.25	0.25	0.25
U.S. Two-Year Treasury Yield	0.67	0.68	0.69	0.53
U.S. Ten-Year Treasury Yield	2.20	2.28	2.17	2.56
High Yield (Merrill U.S. Corporates)	6.25	6.30	6.19	5.67

Commodity Prices as of:	7/31/2015	7/24/2015	12/31/2014	7/31/2014
Gold (USD/oz)	1095.10	1085.50	1184.10	1282.80
Crude Oil (USD/bbl)	47.12	48.14	53.27	98.17
Gasoline (USD/gal)	3.04	3.10	2.45	3.69
Copper (NYM \$/lbs)	2.37	2.38	2.84	3.22

Exchange Rates as of:	7/31/2015	7/24/2015	12/31/2014	7/31/2014
\$ per €	1.10	1.10	1.21	1.34
\$ per £	1.56	1.55	1.56	1.69
¥ per \$	123.90	123.71	119.90	102.84

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, August 3	Tuesday, August 4	Wednesday, August 5	Thursday, August 6	Friday, August 7
Vehicle Sales (Jul) U.S.	PPI (Jun) Euro Zone	Services PMI (Jul) Euro Zone	Leading and Coincident Indexes (Jun) Japan	Trade Balance (Jun) U.K.
Manufacturing PMI (Jul) Euro Zone	ISM New York (Jul) U.S.	Retail Sales (Jun) U.S.	Industrial Production (Jun) U.K.	Trade Balance (Jul) China
Personal Income and Spending (Jun) U.S.	Factory Orders (Jun) U.S.	ADP Employment Change (Jul) U.S.	BOE Policy Announcement U.K.	Unemployment Rate (Jul) U.S.
Manufacturing PMI (Jul) U.S.		Trade Balance (Jun) U.S.	BOJ Policy Announcement Japan	
Construction Spending (Jun) U.S.		Services PMI (Jul) U.S.		
ISM Mnfg and Prices Paid (Jul) U.S.		ISM Non-Mnfg Composite (Jul) U.S.		

Source: Bloomberg

Earnings Announcements

Monday, August 3	Tuesday, August 4	Wednesday, August 5	Thursday, August 6	Friday, August 7
Allstate American International Avis Budget Clorox Loews Nautilus Noble Energy Tenet Healthcare Tyson Foods	Archer Daniels Midland Coach CVS Health Eastman Kodak Homeaway Hyatt Hotels Office Depot Papa John's Time Zillow	Aug 5 Agrium CBS Chesapeake Energy Dish Network FMC Jazz Pharmaceuticals Prudential Financial Tesla Time Warner Wendy's	Brinker Cinemark ConEd Cooper Tire Noodles & Co. Nvidia Overstock.com Seaworld Wausau Paper Zynga	Blue Nile Cablevision EW Scripps Groupon Hershey Sotheby's

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 investingSM

\$218 Billion AUM* | Over 900 Employees | Over 200 Investment Professionals

* Data as of March 31, 2015. Voya IM assets of \$218 billion include proprietary insurance general account assets of \$89 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 \$209 billion.

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