

Voya Global Perspectives

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As of July 17, 2015

Investment Weekly

Commentary and Statistics

- Markets breathed a sigh of relief as progress was made toward a deal that would keep Greece in the euro zone. The Nasdaq delivered its best week since October while hitting a new all-time intraday high, and the S&P 500 had its strongest performance in four months to close in on a new high of its own.
- Despite a public referendum rejecting more austerity, Greece's parliament approved measures — including sharp spending cuts and tax increases — necessarily to secure additional bailout funds. In response, euro zone finance ministers agreed in principle to pursue a new deal and the ECB raised its ceiling for emergency lending to Greek banks. The International Monetary Fund, however, has warned that Greece's need for debt restructuring goes "well beyond what has been considered to date".
- While second quarter earnings thus far have been decent, analysts are still expecting the first decline in S&P 500 year-over-year earnings since third quarter 2012. Of the 61 S&P 500 companies that have reported first quarter 2015 results, 72% have beaten earnings expectations while 56% have beaten revenue expectations. The blended earnings growth rate for the second quarter stands at -3.7%, according to FactSet, an improvement over the -4.5% expected when the quarter ended. Google, Citibank and Netflix impressed this week, while Goldman Sachs, Wells Fargo and Advanced Micro Devices were among the disappointments.
- Retail sales fell 0.3% in June, the poorest performance since the weather-inhibited February. May's robust 1.2% increase was restated to 1.0%.
- Housing starts in June popped nearly 10% from May, while applications for building permits rose 7.4%. The NAHB Housing Market Index in July remained level with June at a ten-year high, suggesting strong optimism among builders.

Index Prices (\$)		
Index	7/17/2015	12/31/2014
Dow Jones Industrial Average	18,086.45	17,823.07
S&P 500 Index	2,126.64	2,058.90

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	One Year
Dow Jones Industrial Average	1.88	2.76	2.80	9.05
S&P 500 Index	2.42	3.15	4.42	10.83
Russell 2000 Index	1.22	1.08	5.89	13.23
Russell MidCap Index	0.86	1.17	3.55	9.89
Barclays U.S. Aggregate Index	0.42	0.10	-0.01	1.90
Barclays High Yield Bond Index	0.07	-0.03	2.50	0.04
United States 20-Year Treasury Bond	2.46	0.75	-4.54	6.44
S&P/LSTA Senior Loan Index	0.23	0.30	2.06	0.52

S&P 500 Sector Returns	One Week	MTD	YTD	One Year
Consumer Discretionary	1.95	3.47	10.52	20.23
Consumer Staples	1.88	5.15	4.33	14.66
Energy	-1.18	-3.49	-8.00	-24.14
Financials	3.02	4.00	3.61	14.09
Health Care	2.28	3.37	13.25	29.21
Industrials	1.51	1.64	-1.47	4.45
Materials	-0.13	-1.48	-0.98	-2.55
Technology	5.26	5.26	6.06	15.24
Telecom	1.36	1.78	4.99	0.30
Utilities	0.85	4.54	-6.62	6.24

U.S. Returns by Style

One Week (%)		Year to Date (%)		One Year (%)	
Large Value	Large Growth	Large Value	Large Growth	Large Value	Large Growth
1.4	3.1	0.9	8.4	5.8	16.0
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
0.3	1.4	0.9	6.1	5.6	14.1
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
0.2	2.2	0.6	11.2	5.0	21.9

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	-0.46	-0.82	-3.87	-7.67
MSCI EAFE Index	2.04	2.59	8.61	-0.49
MSCI United Kingdom Index	2.30	3.15	5.24	-5.35
MSCI Europe ex-U.K. Index	0.87	3.95	9.50	-0.46
MSCI Japan Index	3.95	0.76	14.65	8.77
MSCI AC Asia ex-Japan Index	1.40	-2.81	2.62	-0.34
MSCI Emerging Markets Index	1.15	-2.83	0.19	-8.97
JPM EMBI+ Emerging Markets Bond Index	0.07	0.29	2.06	-1.36
NAREIT Global Real Estate Index	1.96	2.97	1.00	2.64

Source: FactSet

- A unit of the Puerto Rican government failed to make a nearly \$95 million debt-service payment, the first missed debt payment by the U.S. commonwealth, whose governor had a few weeks ago characterized its \$72 billion in debt as “not payable”.
- China reported GDP growth of 7% for the second quarter, matching its performance in the first quarter and topping analyst expectations of 6.8% expansion. Meanwhile, its equity markets have stabilized, but the sharp rebound the government sought to engineer has yet to emerge.

Bond Rates (%) as of:	7/17/2015	7/10/2015	12/31/2014	7/17/2014
U.S. Federal Funds Target Rate	0.25	0.25	0.25	0.25
U.S. Two-Year Treasury Yield	0.67	0.65	0.69	0.46
U.S. Ten-Year Treasury Yield	2.35	2.41	2.17	2.47
High Yield (Merrill U.S. Corporates)	6.10	6.17	6.19	5.38

Commodity Prices as of:	7/17/2015	7/10/2015	12/31/2014	7/17/2014
Gold (USD/oz)	1131.90	1157.90	1184.10	1316.90
Crude Oil (USD/bbl)	50.89	52.74	53.27	103.19
Gasoline (USD/gal)	3.13	2.98	2.45	3.79
Copper (NYM \$/lbs)	2.50	2.55	2.84	3.21

Exchange Rates as of:	7/17/2015	7/10/2015	12/31/2014	7/17/2014
\$ per €	1.09	1.12	1.21	1.35
\$ per £	1.56	1.55	1.56	1.71
¥ per \$	123.97	122.69	119.90	101.55

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, July 20	Tuesday, July 21	Wednesday, July 22	Thursday, July 23	Friday, July 24
	Leading and Coincident Indexes (May) Japan Leading Economic Index (Jun) China	BOE Minutes U.K. FHFA House Price Index (May) U.S. Existing-Home Sales (Jun) U.S. Trade Balance (Jun) Japan	Retail Sales (Jun) U.K. Chicago Fed Ntl Activity (Jun) U.S. Consumer Confidence (Jul) Euro Zone Leading Index (Jun) U.S. Kansas City Fed Mnfg (Jul) U.S. Manufacturing PMI (Jul) China	Various PMIs (Jul) Euro Zone Manufacturing PMI (Jul) U.S. New-Home Sales (Jun) U.S.

Source: Bloomberg

Earnings Announcements

Monday, July 20	Tuesday, July 21	Wednesday, July 22	Thursday, July 23	Friday, July 24
Halliburton Hasbro Infosys IBM Morgan Stanley Steel Dynamics	Apple Baker-Hughes Bank of New York Mellon Chipotle GoPro Harley-Davidson Lockheed Martin Microsoft Verizon Yahoo	Abbott Labs American Express Boeing Coca Cola Illinois Tool Works Owens Corning Qualcomm St. Jude Medical Texas Instruments Whirlpool	3M AT&T Amazon.com Caterpillar Comcast Kimberly Clark McDonald's Raytheon Under Armour Visa	Biogen Cabot Oil & Gas DTE Energy Encana Lear Moody's Simon Property Spirit Airlines VF Corp. Xerox

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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