

Voya Global Perspectives

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As of June 26, 2015

Investment Weekly

Commentary and Statistics

- Domestic equity markets were choppy on the week, as a lack of resolution to the latest Greek bailout talks had investors in a skittish mood despite decent economic data flow; the health care sector was a notable exception, however, surging as the Supreme Court upheld certain elements of the Affordable Care Act. Yield on the benchmark ten-year U.S. Treasury continued to edge higher, closing at the highest level in nearly nine months.
- First quarter economic growth proved slightly less wretched than previously thought, as the third statement from the Commerce Department on GDP was restated higher, to -0.2% from -0.7%. The final revision was driven by improved data in consumer activity, housing and inventory building.
- Consumer spending in May spiked 0.9%, its largest monthly gain in nearly six years, suggesting robust hiring and lower gas prices have finally begun to transmit through the economy. Personal income, meanwhile, increased a solid 0.5%. And given that June's University of Michigan sentiment index finished at a five-month high, there's hope that this consumer resurgence may continue.
- Existing-home sales surged in May, rising 5.1% from the previous month as first-time home buyers continued to re-enter the market. The April increase in home prices fell short of expectations, as inventory ticked higher; the FHFA reported that prices climbed 0.3 from March and 5.3% from a year ago.
- Durable goods orders disappointed in May, falling nearly 2% for the third decline in four months. However, orders for nondefense capital goods excluding aircraft — a proxy for business spending — inched 0.4% higher after a down April. Separately, manufacturing activity in June expanded at the slowest pace since October 2013.

| Index Prices (\$) | | |
|------------------------------|-----------|------------|
| Index | 6/26/2015 | 12/31/2014 |
| Dow Jones Industrial Average | 17,946.68 | 17,823.07 |
| S&P 500 Index | 2,101.49 | 2,058.90 |

| Returns (%) | | | | |
|-------------------------------------|----------|-------|-------|----------|
| U.S. Market Indexes Returns | One Week | MTD | YTD | One Year |
| Dow Jones Industrial Average | -0.34 | -0.17 | 1.88 | 9.06 |
| S&P 500 Index | -0.37 | -0.13 | 3.10 | 9.58 |
| Russell 2000 Index | -0.31 | 2.81 | 6.90 | 9.80 |
| Russell MidCap Index | -0.76 | -0.19 | 4.32 | 9.33 |
| Barclays U.S. Aggregate Index | -0.90 | -1.71 | -0.73 | 1.29 |
| Barclays High Yield Bond Index | -0.24 | -1.09 | 2.94 | 0.01 |
| United States 20-Year Treasury Bond | -3.32 | -6.61 | -7.69 | 4.11 |
| S&P/LSTA Senior Loan Index | 0.03 | -0.60 | 2.00 | 0.64 |

| S&P 500 Sector Returns | One Week | MTD | YTD | One Year |
|------------------------|----------|-------|-------|----------|
| Consumer Discretionary | 0.47 | 2.45 | 8.74 | 18.83 |
| Consumer Staples | -0.53 | -0.17 | 0.89 | 11.35 |
| Energy | -0.12 | -2.31 | -3.61 | -21.35 |
| Financials | -0.03 | 1.76 | 1.68 | 11.87 |
| Health Care | 0.33 | 1.69 | 11.72 | 25.91 |
| Industrials | -1.16 | -0.75 | -1.30 | 4.11 |
| Materials | -1.74 | -1.92 | 2.58 | 1.06 |
| Technology | -1.02 | -2.33 | 2.84 | 14.25 |
| Telecom | 1.16 | -0.43 | 5.15 | 3.76 |
| Utilities | -2.32 | -5.26 | -9.96 | -0.96 |

U.S. Returns by Style

| One Week (%) | | Year to Date (%) | | One Year (%) | |
|--------------|--------------|------------------|--------------|--------------|--------------|
| Large Value | Large Growth | Large Value | Large Growth | Large Value | Large Growth |
| -0.4 | -0.4 | 1.2 | 5.8 | 6.2 | 13.0 |
| Mid Value | Mid Growth | Mid Value | Mid Growth | Mid Value | Mid Growth |
| -0.7 | -0.8 | 2.4 | 6.1 | 6.4 | 12.1 |
| Small Value | Small Growth | Small Value | Small Growth | Small Value | Small Growth |
| 0.0 | -0.6 | 3.2 | 10.6 | 4.2 | 15.5 |

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 | -1.32 | -1.06 | -3.68 | -7.35 |
| MSCI EAFE Index | 0.91 | 0.17 | 9.12 | -0.42 |
| MSCI United Kingdom Index | -0.30 | -0.11 | 5.68 | -4.23 |
| MSCI Europe ex-U.K. Index | 1.94 | 1.50 | 9.99 | -1.83 |
| MSCI Japan Index | 1.32 | -0.66 | 15.00 | 9.82 |
| MSCI AC Asia ex-Japan Index | 0.72 | -2.90 | 6.40 | 5.64 |
| MSCI Emerging Markets Index | 0.85 | -1.90 | 3.78 | -3.77 |
| JPM EMBI+ Emerging Markets Bond Index | -0.10 | -1.58 | 1.88 | -1.60 |
| NAREIT Global Real Estate Index | -1.19 | -2.62 | -0.53 | 2.70 |

Source: FactSet

- Japan's consumer price index rose 0.1% year over year in May after a flat April, providing some relief to deflation fears. Separately, household spending in the country rose nearly 5% in May, the first increase in 14 months.
- Chinese manufacturing contracted for the fourth straight month in June. Equity markets in China, meanwhile, continued to plunge; the Shanghai Composite lost more than 7% on Friday alone and has shed \$1.25 trillion in market capitalization over the past two weeks.
- A breakdown in negotiations between Greece and its creditors over the weekend pushed the country ever closer to the brink. Facing massive withdrawals, Greek banks were ordered to remain closed until July 6, the day after a planned public referendum on the bailout.

| Bond Rates (%) as of: | 6/26/2015 | 6/19/2015 | 12/31/2014 | 6/26/2014 |
|--------------------------------------|-----------|-----------|------------|-----------|
| U.S. Federal Funds Target Rate | 0.25 | 0.25 | 0.25 | 0.25 |
| U.S. Two-Year Treasury Yield | 0.70 | 0.60 | 0.69 | 0.47 |
| U.S. Ten-Year Treasury Yield | 2.48 | 2.27 | 2.17 | 2.52 |
| High Yield (Merrill U.S. Corporates) | 6.04 | 5.98 | 6.19 | 5.16 |

| Commodity Prices as of: | 6/26/2015 | 6/19/2015 | 12/31/2014 | 6/26/2014 |
|-------------------------|-----------|-----------|------------|-----------|
| Gold (USD/oz) | 1173.20 | 1201.90 | 1184.10 | 1317.00 |
| Crude Oil (USD/bbl) | 59.63 | 59.61 | 53.27 | 105.84 |
| Gasoline (USD/gal) | 3.00 | 3.03 | 2.45 | 3.84 |
| Copper (NYM \$/lbs) | 2.65 | 2.59 | 2.84 | 3.16 |

| Exchange Rates as of: | 6/26/2015 | 6/19/2015 | 12/31/2014 | 6/26/2014 |
|-----------------------|-----------|-----------|------------|-----------|
| \$ per € | 1.11 | 1.13 | 1.21 | 1.36 |
| \$ per £ | 1.57 | 1.59 | 1.56 | 1.70 |
| ¥ per \$ | 123.96 | 122.76 | 119.90 | 101.56 |

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, June 29 | Tuesday, June 30 | Wednesday, July 1 | Thursday, July 2 | Friday, July 3 |
|---|---|---|--|--|
| Pending Home Sales (May) U.S. | GDP (1Q15) U.K. | Vehicle Sales (Jun) U.S. | Unemployment Rate (Jun) U.S. | Markets Closed U.S. |
| Dallas Fed Mnfg (Jun) U.S. | Unemployment Rate (May) Euro Zone | Manufacturing PMI (Jun) Euro Zone | ISM New York (Jun) U.S. | Retail Sales (May) Euro Zone |
| | CPI (Jun) Euro Zone | ADP Employment Change (Jun) U.S. | Factory Orders (May) U.S. | |
| | ISM Milwaukee (Jun) U.S. | Manufacturing PMI (Jun) U.S. | | |
| | Case-Shiller Home Prices (Apr) U.S. | Construction Spending (May) U.S. | | |
| | Chicago PMI (Jun) U.S. | ISM Mnfg and Prices Paid (Jun) U.S. | | |
| | Manufacturing PMI (Jun) China | | | |
| | Non-manufacturing PMI (Jun) 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 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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