

Voya Global Perspectives

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As of May 8, 2015

Investment Weekly

Commentary and Statistics

- A sluggish week in the equity markets was rescued by a sharp Friday rally on what some observers were terming a “Goldilocks” job report — strong enough to indicate economic growth but not so robust as to incite the Fed into near-term action. Yield on the benchmark ten-year Treasury ended slightly higher but was well off mid-week highs.
- With the upside surprises continuing, year-over-year first quarter earnings growth has turned positive. Of the 447 S&P 500 companies that have reported first quarter 2015 results, 71% have beaten earnings expectations while 45% have beaten revenue expectations. The blended earnings growth rate for the fourth quarter now stands at 0.1%, according to FactSet, a marked improvement over the -4.7% expected as the quarter drew to a close. CBS, Herbalife and Disney impressed this week, while Kellogg, News Corp. and Whole Foods were among the disappointments.
- Nonfarm payrolls got back on track in April after a March that turned out even more dismal than previously thought. The economy added 223,000 jobs last month, while March’s result was slashed by around 40,000 jobs to a revised 85,000. The unemployment rate fell to 5.4%, the lowest level in nearly seven years. Hourly wages were up 2.2% from a year earlier, though the average workweek was stagnant. The labor-force participation rate ticked slightly higher but remained near multi-decade lows.
- Consumer borrowing in March grew at the largest monthly rate in nearly a year to reach a record high in excess of \$3.3 trillion. Credit card borrowing was among the biggest growers, suggesting that consumers may be more comfortable taking on debt.

Index Prices (\$)		
Index	5/08/2015	12/31/2014
Dow Jones Industrial Average	18,191.11	17,823.07
S&P 500 Index	2,116.10	2,058.90

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	One Year
Dow Jones Industrial Average	0.97	2.02	2.95	12.50
S&P 500 Index	0.44	1.54	3.49	15.13
Russell 2000 Index	0.58	1.24	2.91	14.01
Russell MidCap Index	0.31	1.28	4.32	15.25
Barclays U.S. Aggregate Index	-0.09	-0.41	0.83	3.58
Barclays High Yield Bond Index	0.08	0.10	3.87	2.36
United States 20-Year Treasury Bond	-1.25	-2.55	-1.93	12.60
S&P/LSTA Senior Loan Index	0.07	0.06	2.64	2.14

S&P 500 Sector Returns	One Week	MTD	YTD	One Year
Consumer Discretionary	0.31	1.72	6.56	22.63
Consumer Staples	0.79	1.69	1.91	13.99
Energy	-1.14	-0.84	2.74	-10.67
Financials	1.71	2.52	0.60	14.85
Health Care	1.08	2.44	7.67	29.71
Industrials	0.47	1.67	0.78	9.00
Materials	0.64	2.40	6.60	9.67
Technology	-0.08	1.39	4.35	23.39
Telecom	-1.45	-1.73	5.64	3.62
Utilities	-0.89	-0.32	-5.90	6.57

U.S. Returns by Style					
One Week (%)		Year to Date (%)		One Year (%)	
Large Value	Large Growth	Large Value	Large Growth	Large Value	Large Growth
0.5	0.3	1.6	5.9	11.2	18.9
Mid Value	Mid Growth	Mid Value	Mid Growth	Mid Value	Mid Growth
0.4	0.3	2.5	6.0	11.3	19.0
Small Value	Small Growth	Small Value	Small Growth	Small Value	Small Growth
0.3	0.9	0.4	5.4	7.5	20.7

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	-0.22	-0.53	-1.40	-4.77
MSCI EAFE Index	0.86	0.57	9.99	2.03
MSCI United Kingdom Index	2.50	1.60	7.60	-3.08
MSCI Europe ex-U.K. Index	1.13	1.33	10.72	-1.64
MSCI Japan Index	0.32	-0.42	13.77	18.45
MSCI AC Asia ex-Japan Index	-1.85	-1.86	10.41	16.07
MSCI Emerging Markets Index	-1.02	-1.19	8.87	5.40
JPM EMBI+ Emerging Markets Bond Index	0.29	0.11	4.18	2.85
NAREIT Global Real Estate Index	0.06	0.10	4.19	10.37

Source: FactSet

- Thanks to the strong dollar and the re-opening of West Coast ports, the trade deficit in March posted its biggest monthly increase since 1996 to reach six-year highs. The worse-than-expected result suggests revisions to first quarter GDP growth are likely to push that metric into negative territory.
- The Energy Department reported that U.S. crude stockpiles declined for the first time since December. Oil prices have risen around 40% since late March.
- In the U.K. the Conservative party led by Prime Minister David Cameron enjoyed an unexpectedly strong showing in the latest elections, securing a majority in Parliament that will enable it to govern without the influence of a coalition partner. Equity markets cheered the clear-cut decision.

Bond Rates (%) as of:	5/08/2015	5/01/2015	12/31/2014	5/08/2014
U.S. Federal Funds Target Rate	0.25	0.25	0.25	0.25
U.S. Two-Year Treasury Yield	0.58	0.61	0.69	0.39
U.S. Ten-Year Treasury Yield	2.15	2.12	2.17	2.60
High Yield (Merrill U.S. Corporates)	5.74	5.70	6.19	5.38

Commodity Prices as of:	5/08/2015	5/01/2015	12/31/2014	5/08/2014
Gold (USD/oz)	1188.90	1174.50	1184.10	1287.70
Crude Oil (USD/bbl)	59.39	59.15	53.27	100.26
Gasoline (USD/gal)	2.97	2.82	2.45	3.85
Copper (NYM \$/lbs)	2.93	2.93	2.84	3.08

Exchange Rates as of:	5/08/2015	5/01/2015	12/31/2014	5/08/2014
\$ per €	1.12	1.12	1.21	1.39
\$ per £	1.54	1.52	1.56	1.70
¥ per \$	119.77	120.12	119.90	101.61

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, May 11	Tuesday, May 12	Wednesday, May 13	Thursday, May 14	Friday, May 15
BOE Policy Announcement (May) U.K.	Leading and Coincident Indexes (Mar) Japan Industrial Production (Mar) U.K. NFIB Small Business Optimism (Apr) U.S. JOLTS Job Openings (Mar) U.S.	Retail Sales (Apr) China Industrial Production (Apr) China Industrial Production (Mar) Euro Zone GDP (1Q15) Euro Zone Retail Sales (Apr) U.S. Business Inventories (Mar) U.S.	PPI (Apr) U.S.	Empire St. Mnfg (May) U.S. Industrial Production (Apr) U.S. Capacity Utilization (Apr) U.S. U of Michigan Sentiment (May) U.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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