

# Voya Global Perspectives

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As of April 13, 2019

## Investment Weekly

### Commentary and Statistics

- Global stocks had a choppy week, with gains in the United States, losses in Asia and a mixed bag in Europe. Markets took a leg down on Tuesday as investors mulled a range of concerns: earnings season apprehension, U.S. plans to impose tariffs on Europe, the International Monetary Fund's downgrade of its global-growth forecast and a looming Brexit extension.
- Relief came on Wednesday, and markets resumed their upward trajectory. Investors took encouragement from the Federal Open Market Committee's March meeting minutes, which reaffirmed the FOMC's rate pause. Parliament successfully pushed off the Brexit goblins until Halloween. What's more, two major banks beat earnings expectations on Friday, an upbeat start to the 1Q19 season that sent stocks upward for the day.
- Oil prices rose on the week, whereas gold prices declined. U.S. Treasuries yields rose across the curve; the widely watched 10-year T-note rose from 2.49% to 2.56%. The U.S. dollar ended slightly lower against a basket of major currencies.
- Preliminary April results for the University of Michigan's consumer surveys pointed to continued drift. From March to April, consumer sentiment slipped from 98.4 to 96.9, current economic conditions ticked up slightly and consumer expectations ticked down. The report noted the impact of tax reform on consumer confidence has all but disappeared, but rising income and low inflation are becoming more important.
- The February JOLTS (job openings and labor turnover) report showed 7.1 million openings, the sharpest monthly decline since 2015, off January's 7.6 million and the lowest level since March 2018.
- Weekly initial jobless claims came in at 196,000, the lowest reading since October 1969. Week-to-week data are volatile, but the four-week average also hit a post-1969 low of 207,000.

Index Prices (\$)		
Index	04/12/19	12/31/18
Dow Jones Industrial Average	26,412.30	23,327.46
S&P 500 Index	2,907.41	2,506.85

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	3-Months
Dow Jones Industrial Average	-0.03	1.92	13.96	10.72
S&P 500 Index	0.56	2.66	16.67	12.58
MSCI ACWI Index	0.33	2.61	15.26	10.35
Russell 2000 Index	0.16	2.96	17.98	9.89
Russell MidCap Index	0.91	3.40	20.50	14.40
Bloomberg Barclays U.S. Aggregate Index	-0.12	-0.41	2.52	2.34
Bloomberg Barclays High Yield Bond Index	0.57	1.07	8.40	5.11
United States 20-Year Treasury Bond	-1.02	-2.53	2.08	2.26
S&P/LSTA Senior Loan Index	0.48	1.46	6.63	3.06

S&P 500 Sector Returns	One Week	MTD	YTD	3-Months
Consumer Discretionary	0.65	3.90	20.24	13.43
Consumer Staples	1.02	-0.02	11.99	10.18
Energy	-0.17	2.07	18.84	9.97
Financials	2.10	5.60	14.64	11.46
Health Care	-2.38	-2.09	4.36	2.69
Industrials	0.32	2.98	20.69	14.53
Materials	0.49	4.76	15.55	11.73
Real Estate	0.38	1.34	19.11	15.46
Technology	1.19	3.80	24.42	21.32
Communication Services	1.81	4.85	19.50	12.46
Utilities	0.20	0.05	10.90	10.23

U.S. Returns by Style					
One Week (%)		Year to Date (%)		3-Months (%)	
Large Value	0.6	Large Growth	0.6	Large Value	10.6
Mid Value	0.8	Large Growth	19.5	Large Growth	15.0
Small Value	0.5	Mid Value	18.0	Mid Value	12.0
		Mid Growth	24.1	Mid Growth	17.8
		Small Value	16.0	Small Value	8.2
		Small Growth	19.9	Small Growth	11.5

**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	3-Months
Bloomberg Barclays Global Aggregate Bond Index	0.16	-0.32	1.88	1.28
MSCI EAFE Index	0.07	2.31	12.67	8.09
MSCI United Kingdom Index	0.38	2.96	15.22	10.81
MSCI Europe ex-U.K. Index	0.47	3.38	14.40	9.54
MSCI Japan Index	-0.64	-0.10	6.74	3.16
MSCI AC Asia ex-Japan Index	0.26	2.75	14.51	11.26
MSCI Emerging Markets Index	0.66	3.00	13.25	9.05
JPM EMBI+ Emerging Markets Bond Index	-0.38	-0.19	6.39	4.60
FTSE EPRA/NAREIT GRE Index	0.12	0.45	15.49	10.49

Source: FactSet

- March PPI rose 0.6% versus February's 0.1% rise, which followed three months of declines. It was the fastest pace since October, but largely attributable to a 16% jump in gasoline prices; PPI ex-food and energy was up 0.3%.
- The IMF cut its 2019 global GDP forecast from 3.5% to 3.3%, citing weaker Chinese growth, persistent trade tensions and European slowing. Yet the IMF expects growth to stabilize in 1H19 and firm thereafter.

Bond Rates (%) as of:	04/12/19	04/05/19	12/31/18	1/11/19
U.S. Federal Funds Target Rate	2.50	2.50	2.50	2.50
U.S. Two-Year Treasury Yield	2.41	2.36	2.50	2.54
U.S. Ten-Year Treasury Yield	2.56	2.50	2.69	2.70
U.S. 30-Year Treasury Yield	2.97	2.91	3.02	3.04
High Yield (Merrill U.S. Corporates)	5.93	6.07	7.37	6.75

Commodity Prices as of:	04/12/19	04/05/19	12/31/18	1/11/19
Gold (USD/oz)	1,295.20	1,295.60	1,281.30	1,289.50
Crude Oil (USD/bbl)	63.89	63.08	45.41	51.59
Gasoline (USD/gal)	2.95	2.86	2.50	2.47
Copper (NYM \$/lbs)	2.95	2.89	2.63	2.67

Exchange Rates as of:	04/12/19	04/05/19	12/31/18	1/11/19
\$ per €	1.13	1.12	1.14	1.15
\$ per £	1.31	1.30	1.27	1.28
¥ per \$	111.97	111.75	109.72	108.41

## Index Definitions

**Bloomberg 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.

**Bloomberg 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.

**Bloomberg 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.

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**Past performance is no guarantee of future results.**

**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.

## Economic Release Calendar

Monday, April 15	Tuesday, April 16	Wednesday, April 17	Thursday, April 18	Friday, April 19
<b>Retail Sales (Feb)</b> Japan	<b>GDP (1Q19)</b> China	<b>Foreign Direct Investment (Mar)</b> China	<b>PPI (Mar)</b> Germany	<b>Building Permits (Mar)</b> U.S.
<b>Empire State Index (Apr)</b> U.S.	<b>Industrial Output (Mar)</b> China	<b>Industrial Production (Feb)</b> Japan	<b>Philadelphia Fed Index (Apr)</b> U.S.	<b>Housing Starts (Mar)</b> U.S.
<b>Capacity Utilization (Mar)</b> U.S.	<b>Retail Sales (Mar)</b> China	<b>Markit/JMMA PMI Mfg (Apr)</b> Japan	<b>Retail Sales (Mar)</b> U.S.	
<b>Mfg Production (Mar)</b> U.S.	<b>ZEW Economic Sentiment (Apr)</b> Germany	<b>PPI Output (Mar)</b> U.K.	<b>Markit PMI Svcs (Apr)</b> U.S.	
	<b>NAHB Housing Mkt Index (Apr)</b> U.S.	<b>Wholesale Inventories (Feb)</b> U.S.	<b>Leading Indicators (Mar)</b> U.S.	

Source: FactSet

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