

CPWM's Weekly Market Monitor is designed to provide a summary of recent market commentary and statistics.

MARKET COMMENTARY

- After a promising jobs report, U.S. equities rebounded from a midweek dip influenced by the Bank of England's (BOE) unprecedented interest rate cut. The major U.S. and U.K. indexes posted gains, but Asian and European bourses were down for the week. Gold dove following positive employment numbers. Oil rose modestly after another volatile week. The 10-year U.S. Treasury gained traction from the strong jobs report, settling near 1.6%.
- With 86% of S&P 500 companies having reported second quarter results, 69% have beaten earnings expectations while 54% have beaten sales expectations. According to FactSet, the second quarter blended earnings decline stands at -3.5%, compared to the July 1 forecast of -5.3%. If the index reports negative earnings growth for the quarter, it will mark the fifth consecutive quarter of decline, the first such string since 3Q08–3Q09. CVS, Avon and Etsy impressed this week; Delta Air Lines, Royal Caribbean and GNC were among the disappointments.
- The U.S economy added 255,000 new jobs in July with May and June revised to include an additional 18,000 jobs. The unemployment rate stood unchanged at 4.9%. At \$25.69, average hourly nonfarm private earnings increased 2.6% compared to a year prior.
- The Markit U.S. manufacturing purchasing managers' index (PMI) rose to 52.9 in July from 51.3 in June, signifying an improved business environment and potential for economic growth in the second half of the year. According to the U.S. Department of Commerce, personal incomes were also up from June to July by 0.2%.
- The BoE reinstated its long-dormant quantitative easing program and slashed interest rates from 0.50% to 0.25%, the lowest in the bank's history, citing intent to cut them closer to zero over coming months. In the lead up to the BoE's action, U.K. retail sales fell 0.9% during the five weeks prior to July 2 – the largest monthly decline in six months.
- Markit euro zone retail PMI reflected a struggling retail sector, coming in below a neutral rating of 50 for the fourth time in five months. July's rating was 48.9 compared to 48.5 in June.

MARKET PERFORMANCE

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	(0.0)	0.2	0.9	1.3
iShares National AMT-Free Muni Bond ETF	(0.3)	(0.6)	3.5	6.4
iShares Core US Aggregate Bond ETF	(0.6)	(0.5)	5.3	5.6
U.S. Equity				
iShares Core S&P 500 ETF	0.5	4.7	8.2	6.1
iShares Russell Mid Cap ETF	(0.1)	5.3	10.1	4.2
iShares Russell 2000 ETF	1.0	8.2	9.5	1.6
iShares Core U.S. Value ETF	0.3	4.5	10.0	6.3
iShares Core U.S. Growth ETF	0.6	5.6	6.6	4.0
Foreign Equity				
iShares MSCI EAFE ETF	(0.5)	5.5	0.4	(8.5)
iShares MSCI EAFE Small Cap ETF	(0.6)	6.8	2.4	(0.2)
iShares MSCI EAFE Value ETF	(0.2)	6.4	(1.8)	(13.2)
iShares MSCI EAFE Growth ETF	(0.9)	4.5	1.9	(4.1)
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	1.2	7.9	14.7	2.3
iShares MSCI Emerging Markets Small Cap ETF	1.1	5.7	7.4	(0.2)
"Other" Asset Classes				
iShares U.S. Real Estate ETF	(1.7)	1.2	14.2	17.7
iShares International Developed Real Estate ETF	(0.3)	5.6	11.1	3.8
SPDR Barclays High Yield Bond ETF	0.5	2.5	10.3	2.0
iShares S&P GSCI Commodity Indexed Trust	1.2	(6.9)	(0.8)	(20.5)

IMPORTANT NOTES

ALL COMMENTARY SOURCED FROM VOYA GLOBAL PERSPECTIVES REPORT AND TO BE USED FOR INFORMATIONAL PURPOSES ONLY.

PRIOR PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. INDIVIDUAL INVESTOR PERFORMANCE MAY VARY. ALL INVESTING INVOLVES THE RISK OF LOSS INCLUDING THE POSSIBLE LOSS OF ALL AMOUNTS INVESTED. DIFFERENT TYPES OF INVESTMENTS INVOLVE VARYING DEGREES OF RISK, AND THERE CAN BE NO ASSURANCE THAT ANY SPECIFIC INVESTMENT WILL BE PROFITABLE.

MARKET-RELATED DATA INCLUDED IN CHARTS AND GRAPHS IS SOURCED MORNINGSTAR.COM.

ALL RETURNS REFERENCED ARE EXCHANGE TRADED FUNDS (ETFs) DESIGNED TO TRACK A PARTICULAR INDEX OR BENCHMARK. THERE CAN BE NO GUARANTEE THE ETFs ACHIEVE THEIR OBJECTIVE. BENCHMARK DESCRIPTIONS PROVIDED BELOW.

WHILE THE INFORMATION CONTAINED HEREIN WAS OBTAINED FROM SOURCES BELIEVED TO BE RELIABLE, CPCWM CANNOT GUARANTEE ITS ACCURACY OR COMPLETENESS. TOTALS MAY NOT SUM DUE TO ROUNDING.

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EXCHANGE TRADED FUND DESCRIPTIONS:

- THE ISHARES SHORT-TERM NATIONAL AMT-FREE MUNI BOND ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF INVESTMENT-GRADE U.S. MUNICIPAL BONDS WITH REMAINING MATURITIES BETWEEN ONE MONTH AND FIVE YEARS.
- THE ISHARES NATIONAL AMT-FREE MUNI BOND ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF INVESTMENT-GRADE U.S. MUNICIPAL BONDS.
- THE ISHARES CORE U.S. AGGREGATE BOND ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF THE TOTAL U.S. INVESTMENT-GRADE BOND MARKET.
- THE ISHARES CORE S&P 500 ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE-CAPITALIZATION U.S. EQUITIES.
- THE ISHARES RUSSELL MID-CAP ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF MID-CAPITALIZATION U.S. EQUITIES.
- THE ISHARES RUSSELL 2000 ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF SMALL-CAPITALIZATION U.S. EQUITIES.
- THE ISHARES CORE U.S. VALUE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF A BROAD-BASED INDEX COMPOSED OF U.S. EQUITIES THAT EXHIBIT VALUE CHARACTERISTICS.
- THE ISHARES CORE U.S. GROWTH ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF A BROAD-BASED INDEX COMPOSED OF U.S. EQUITIES THAT EXHIBIT GROWTH CHARACTERISTICS.
- THE ISHARES MSCI EAFE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE-, MID- AND SMALL-CAPITALIZATION DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA.
- THE ISHARES MSCI EAFE SMALL CAP ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF SMALL-CAPITALIZATION DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA.
- THE ISHARES MSCI EAFE VALUE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA, THAT EXHIBIT VALUE CHARACTERISTICS.
- THE ISHARES MSCI EAFE GROWTH ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA, THAT EXHIBIT GROWTH CHARACTERISTICS.
- THE ISHARES MSCI EMERGING MARKETS ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE- AND MID-CAPITALIZATION EMERGING MARKET EQUITIES.
- THE ISHARES MSCI EMERGING MARKETS SMALL CAP ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF SMALL-CAPITALIZATION EMERGING MARKET EQUITIES.
- THE ISHARES U.S. REAL ESTATE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF U.S. EQUITIES IN THE REAL ESTATE SECTOR.
- THE ISHARES INTERNATIONAL DEVELOPED REAL ESTATE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF REAL ESTATE EQUITIES IN DEVELOPED NON-U.S. MARKETS.
- THE SPDR® BARCLAYS HIGH YIELD BOND ETF SEEKS TO PROVIDE INVESTMENT RESULTS THAT, BEFORE FEES AND EXPENSES, CORRESPOND GENERALLY TO THE PRICE AND YIELD PERFORMANCE OF THE BARCLAYS HIGH YIELD VERY LIQUID INDEX.
- THE ISHARES S&P GSCI COMMODITY INDEXED TRUST SEEKS TO TRACK THE RESULTS OF A FULLY COLLATERALIZED INVESTMENT IN FUTURES CONTRACTS ON AN INDEX COMPOSED OF A DIVERSIFIED GROUP OF COMMODITIES FUTURES.