

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

MARKET COMMENTARY

- Politics and Fed speak continued to dominate headlines during the week as U.S. equities crept slightly up. After snapping an eight-session losing streak, the Dow (along with the Nasdaq and S&P 500) finished the week higher. Oil shot up during the period while gold lost some ground. The 10-year U.S. Treasury yield closed at approximately 2.39%.
- Most of the political focus during the period continued to revolve around tax reform. A good amount of concern remains about implementation challenges following the failure to repeal/replace Obamacare.
- Government debate surrounding contentious issues such as the border adjustment tax (BAT) continued to complicate tax reform progress. BAT is a particularly divisive proposal with winners and losers from such a tax actively lobbying in Washington.
- Fed speak during the period included Chicago Federal Reserve (Fed) President Evans stating that two more rate hikes this year seems appropriate and that talk of another three rate hikes does not seem necessary, given the economic fundamentals. He added that the projected effects of fiscal stimulus on the Fed's economic forecasts were pushed out more into 2018 during the March Federal Market Open Committee (FOMC) meeting.
- While not directly addressing monetary policy, Fed Chair Janet Yellen also made comments during the week noting that pockets of persistently high unemployment remain, despite a job market that has improved substantially since the recession. She pushed for better education and training to work towards solving the issue.
- Consumer confidence surged to its highest reading since December 2000 with the March Consumer Confidence Index hitting 125.6, compared to 116.1 in February and versus the 114.0 consensus estimate.
- The Case-Shiller's Home Price Index for January rose 0.9% month-to-month, better than the 0.7% gain expected. The index hit a 31-month high and was up 5.9% year-over-year.
- February personal income rose 0.4% month-to-month, down from January's revised 0.5% gain but in line with consensus. Personal spending rose 0.1% month-to-month, against expectations for 0.2% (which was also January's pace).
- Internationally, German business sentiment hit a near six-year high while Chinese January-February industrial profits rose at the fastest pace in over five years.

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	(0.1)	0.6	0.2
iShares National AMT-Free Muni Bond ETF	0.2	0.3	1.1	(0.3)
iShares Core US Aggregate Bond ETF	0.1	(0.1)	0.8	0.2
U.S. Equity				
iShares Core S&P 500 ETF	0.8	0.1	5.9	17.1
iShares Russell Mid Cap ETF	1.1	(0.2)	5.0	16.8
iShares Russell 2000 ETF	2.2	0.0	2.2	26.2
iShares Core U.S. Value ETF	0.8	(1.1)	3.2	20.2
iShares Core U.S. Growth ETF	0.9	1.1	8.4	16.0
Foreign Equity				
iShares MSCI EAFE ETF	0.2	3.2	7.9	12.4
iShares MSCI EAFE Small Cap ETF	(0.1)	2.5	8.6	11.8
iShares MSCI EAFE Value ETF	0.3	3.1	6.5	16.0
iShares MSCI EAFE Growth ETF	0.1	3.4	9.1	7.9
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	(1.1)	3.7	12.5	17.2
iShares MSCI Emerging Markets Small Cap ETF	(0.4)	3.7	14.2	14.8
"Other" Asset Classes				
iShares U.S. Real Estate ETF	1.0	(1.5)	3.0	5.0
iShares International Developed Real Estate ETF	(0.1)	0.5	5.2	1.1
SPDR Barclays High Yield Bond ETF	1.1	(0.3)	2.3	14.6
iShares S&P GSCI Commodity Indexed Trust	2.7	(4.1)	(5.4)	7.5

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.

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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.