

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

MARKET COMMENTARY

- Stocks close at all time highs demonstrating resilience in the face of incessant political drama. Oil prices slid, giving back much of last week's gains; gold was up modestly. The yield on the 10-year U.S. Treasury note fell to about 2.16% on soft hiring news.
- Nonfarm payrolls reported 138,000 new jobs in May, below expectations, even as unemployment reached a 16-year low of 4.3% and underemployment dropped to 8.4% from 8.6% in April. Hourly earnings came in at 2.5%, undershooting expectations by 0.1%.
- U.S. consumer spending accelerated 0.4% in April compared to March, the fastest pace in four months, indicating that the U.S. economy is rebounding after a slow first quarter. Personal income rose 0.4% in April. The personal saving rate held steady in April at 5.3%.
- The U.S. trade deficit increased by 5.2% in April, to \$47.6 billion, more than economists' expectations of \$46.2 billion. Imports rose 0.8% while exports fell 0.3%. The strong U.S. dollar was cited as a cause of the increase.
- The closely watched ISM index of U.S. manufacturing activity inched up to 54.9 in May from 54.8 in April. A reading above 50 indicates expansion. Readings for each month of 2017 have been higher than any monthly readings in the past two years.
- Eurozone annual inflation fell from 1.9% in April to 1.4% in May, more sharply than expected. The disappointment came despite a drop in the jobless rate to a seven-year low. The two reports are likely to make the European Central Bank more reluctant to quickly unwind its stimulus programs.
- The European Commission's Economic Sentiment Indicator fell to 109.2 in May from 109.7 in April. Economists had expected business confidence to rise to 110.0 after centrist Emmanuel Macron defeated anti-euro candidate Marine Le Pen in France's presidential elections.
- China's official manufacturing PMI registered 51.2 in May, unchanged from April. The index, considered a gauge of business sentiment, has remained in expansion territory for 10 consecutive months. Economists said the May figure points to an economy slowing less rapidly than expected.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	0.1	0.4	1.3	0.8
iShares National AMT-Free Muni Bond ETF	0.5	1.7	3.4	0.9
iShares Core US Aggregate Bond ETF	0.6	1.1	2.7	1.6
Global Equity				
iShares MSCI ACWI	1.2	3.1	12.6	19.1
U.S. Equity				
iShares Core S&P 500 ETF	1.0	2.2	9.7	18.2
iShares Russell Mid Cap ETF	1.2	2.1	8.2	16.2
iShares Russell 2000 ETF	1.7	0.5	4.0	21.7
iShares Core U.S. Value ETF	0.6	0.6	3.7	16.0
iShares Core U.S. Growth ETF	1.3	3.5	14.8	20.8
Foreign Equity				
iShares MSCI EAFE ETF	1.8	4.4	16.4	18.8
iShares MSCI EAFE Small Cap ETF	2.0	4.0	19.2	19.0
iShares MSCI EAFE Value ETF	1.3	2.8	12.8	21.2
iShares MSCI EAFE Growth ETF	2.3	5.8	20.0	16.4
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	0.1	2.9	19.3	27.6
iShares MSCI Emerging Markets Small Cap ETF	0.4	(0.2)	16.0	17.9
"Other" Asset Classes				
iShares U.S. Real Estate ETF	1.0	0.9	4.9	5.8
iShares International Developed Real Estate ETF	2.5	3.8	13.2	8.4
SPDR Barclays High Yield Bond ETF	0.4	1.3	4.8	12.9
iShares S&P GSCI Commodity Indexed Trust	(2.7)	(1.3)	(9.9)	(9.6)

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 MSCI ACWI ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE AND MID-CAPITALIZATION DEVELOPED AND EMERGING MARKET EQUITIES.
- 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.