

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

MARKET COMMENTARY

- U.S. equities notched up for the period with the S&P 500, Nasdaq and Dow Jones posting gains for the week. Oil also finished higher, gold experienced a loss. The 10-year U.S. Treasury yield closed at approximately 2.33%.
- Tensions between the U.S. and North Korea remain elevated. Foreign Minister Ri Young-ho commented that a recent tweet from president Donald Trump claiming that North Korea's leadership "won't be around much longer" constituted a declaration of war, and that North Korea reserves the right to shoot down U.S. strategic bombers.
- Germany also made headlines as Chancellor Angela Merkel's CDU/CSU party won a fourth term in government but performed worse-than-expected, securing 33% of the vote – the worst performance since the first national elections were held in 1949.
- Federal Reserve (Fed) Chair Janet Yellen commented about considerable uncertainties surrounding the inflation outlook. However, she also reiterated that transitory factors are likely holding back prices and the Fed should be wary about moving too gradually. Yellen added that it would be imprudent to keep policy on hold until inflation moves back to 2%.
- The second revision for Q2 GDP came in better than expected, rising 3.1% versus the 3% consensus estimate (which was also the first revision). That was an acceleration from +1.2% in Q1.
- August new home sales came in at a 560K seasonally adjusted annual rate (SAAR), below consensus for 580K and a drop from July's upwardly revised 580K (was 571K). On a year-to-year basis, sales were down 1.2%. The August average sales price came in at \$368,100, down from July's \$371,300. Pending home sales fell 2.6% month-to-month in August. That was worse than the 0.5% decline expected, and was the fifth decline in the past six months. On a year-to-year basis, pending home sales fell 2.6%. The report noted while hurricane disruptions likely impacted the overall data, the weakness was widespread across the country.
- September consumer confidence slightly dipped, coming in at 119.8 vs. August's 120.4 level and the 120.0 consensus estimate. The Present Situation Index ticked down to 146.1 from 148.4 in August, while the Expectations Index rose to 102.2 from the prior month's 101.7

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	(0.2)	(0.3)	1.4	0.8
iShares National AMT-Free Muni Bond ETF	(0.3)	(0.4)	4.1	0.5
iShares Core US Aggregate Bond ETF	(0.2)	(0.6)	3.1	(0.1)
Global Equity				
iShares MSCI ACWI	0.2	1.9	17.6	18.9
U.S. Equity				
iShares Core S&P 500 ETF	0.7	2.0	14.0	18.6
iShares Russell Mid Cap ETF	1.1	2.8	11.5	15.1
iShares Russell 2000 ETF	2.9	6.3	11.0	21.0
iShares Core U.S. Value ETF	0.9	3.4	8.2	16.0
iShares Core U.S. Growth ETF	0.7	1.2	18.8	20.3
Foreign Equity				
iShares MSCI EAFE ETF	0.1	2.4	20.6	18.9
iShares MSCI EAFE Small Cap ETF	0.9	2.9	26.1	21.7
iShares MSCI EAFE Value ETF	0.3	3.0	18.2	22.2
iShares MSCI EAFE Growth ETF	0.0	1.7	23.0	15.2
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	(1.3)	(0.0)	28.6	21.6
iShares MSCI Emerging Markets Small Cap ETF	(1.5)	0.1	23.0	13.7
"Other" Asset Classes				
iShares U.S. Real Estate ETF	0.6	(0.8)	6.7	3.2
iShares International Developed Real Estate ETF	(0.5)	(0.8)	13.6	4.0
SPDR Barclays High Yield Bond ETF	0.3	0.6	6.3	7.7
iShares S&P GSCI Commodity Indexed Trust	0.0	3.0	(4.9)	0.5

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 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.