

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

MARKET COMMENTARY

- U.S. equities inched up for the week and global stocks rallied, with stocks from 23 countries hitting historic highs as measured by the MSCI World Index of large and midcap stocks. Oil and gold finished the period higher and the 10-year U.S. Treasury note yield finished the week at approximately 2.29%.
- With 6% of S&P 500 companies having reported first quarter results, 81% have beaten earnings expectations while 78% have beaten sales expectations. According to FactSet, the third quarter blended earnings growth rate is 2.1%. Monsanto, General Motors and DCX Technology impressed this week; AT&T, J.Jill, Inc and Hostess Brands were among the disappointments.
- The release of the minutes from September's Federal Open Market Committee (FOMC) meeting was fairly uneventful, with the meeting's debates not differing much from the public statements of Fed officials. As expected, participants noted persistent weaker inflation readings, with many expressing concern this might not only reflect transitory factors, but perhaps some more persistent elements as well. There was little change in rate-hike expectations following the release, with CME's FedWatch still showing expectations for a December hike remaining near 90%.
- Headline CPI was up 0.5% month-to-month, slightly weaker than consensus for 0.6% but better than August's 0.4% rise. However, prices were up 2.2% year-to-year, which was the best annual reading since April. The release noted that the gasoline index (up 13.1% month-over-month on hurricane activity) accounted for three-fourths of the increase. Ex-food and energy, core prices notched a 0.1% gain for the month, weaker than August's 0.2% month-to-month rise, which was also the consensus. Core prices were up 1.7% year-over-year, and have now held that level five months in a row.
- September Producer Price index (PPI) rose 0.4% month-to-month, matching consensus but coming in better than the prior month's 0.2% rise and gaining 2.6% year-over-year, which the release noted was the largest rise since the 2.8% gain reported in February 2012. Noted prices for services were up 0.4% (reflecting margins on machinery, equipment, parts, supplies and wholesaling), while the index for goods climbed 0.7%, largely on higher energy prices. Producer prices ex food and energy were up 0.4% month-over-month.

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	(0.2)	1.5	1.0
iShares National AMT-Free Muni Bond ETF	0.3	(0.0)	4.4	1.8
iShares Core US Aggregate Bond ETF	0.5	0.2	3.6	1.0
Global Equity				
iShares MSCI ACWI	0.9	2.3	19.6	23.2
U.S. Equity				
iShares Core S&P 500 ETF	0.2	2.4	15.7	22.2
iShares Russell Mid Cap ETF	0.2	3.0	13.1	19.7
iShares Russell 2000 ETF	(0.5)	5.5	11.8	25.2
iShares Core U.S. Value ETF	(0.3)	2.8	9.2	18.8
iShares Core U.S. Growth ETF	0.6	2.4	21.1	25.0
Foreign Equity				
iShares MSCI EAFE ETF	1.7	2.5	22.5	24.1
iShares MSCI EAFE Small Cap ETF	2.1	3.2	28.0	26.7
iShares MSCI EAFE Value ETF	1.2	2.5	19.3	25.8
iShares MSCI EAFE Growth ETF	2.2	2.6	25.7	21.9
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	2.3	3.2	33.9	28.8
iShares MSCI Emerging Markets Small Cap ETF	2.1	2.0	27.6	20.6
"Other" Asset Classes				
iShares U.S. Real Estate ETF	1.6	1.3	8.9	9.4
iShares International Developed Real Estate ETF	1.8	0.3	15.2	11.4
SPDR Barclays High Yield Bond ETF	0.0	0.7	6.4	7.8
iShares S&P GSCI Commodity Indexed Trust	2.7	2.1	(4.2)	(1.1)

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 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.