

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

**MARKET COMMENTARY**

- Major markets had a mixed week: U.S. and Japanese stocks rallied, whereas Europe and the U.K. declined. U.S. technology and small caps finished roughly flat after choppy sessions. Oil slipped but stayed above \$50/barrel. An ounce of gold fell from \$1307 to \$1282. The yield on the 10-year U.S. Treasury note rose from 2.23% to 2.39%.
- With 17% of S&P 500 companies reporting third-quarter results, 76% have beaten earnings expectations while 72% have beaten sales expectations. According to FactSet, the third-quarter blended earnings growth rate stood at 1.7%, down from 2.1% last week. Netflix, Goldman Sachs and PayPal impressed this week; Phillip Morris, Proctor and Gamble and Schlumberger N.V. were among the disappointments.
- The market was on tenterhooks as investors speculated about whom President Trump would nominate as the next chairperson of the Federal Reserve. Treasuries moved on news that Janet Yellen was returning to the White House following her interview Thursday. The consensus is that Trump will nominate Fed Governor Jerome Powell and Stanford economist John Taylor as chair and vice chair, though it's unclear who would get which role. The president's press secretary said an announcement is due soon.
- The Fed's Beige Book report noted modest to moderate growth across all districts, highlighting an increasingly tight labor market.
- Industrial production rose 0.3% in September, in line with expectations. Manufacturing output increased 0.1%, capacity utilization was 76.0%; both missed expectations. July production was revised down to 0.1% but August was revised up to 0.7%.
- The Conference Board's Leading Economic Index fell 0.2% to 128.6 in September after rising the previous two months. The slight decrease, the first in the past year, was attributed to hurricanes denting economic activity.
- The NAHB Housing Market Index rose in October to 68 from 64 the prior month, reaching its highest level in six months. By contrast, September existing-home sales dropped 1.5% year-over year, the third consecutive month of disappointing results. The report suggested a chronic shortage of homes for sale is beginning to have a heavier impact on the housing the market.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
<b>Investment Grade Fixed Income</b>				
iShares Short-Term National AMT-Free Muni Bond ETF	(0.1)	(0.1)	1.4	0.8
iShares National AMT-Free Muni Bond ETF	0.1	0.3	4.5	1.8
iShares Core US Aggregate Bond ETF	(0.5)	(0.2)	3.1	0.3
<b>Global Equity</b>				
iShares MSCI ACWI	0.5	2.1	20.2	22.8
<b>U.S. Equity</b>				
iShares Core S&P 500 ETF	0.9	2.8	16.7	22.8
iShares Russell Mid Cap ETF	0.8	3.3	14.0	20.1
iShares Russell 2000 ETF	0.4	4.5	12.3	25.5
iShares Core U.S. Value ETF	1.1	2.8	10.3	19.7
iShares Core U.S. Growth ETF	0.6	2.9	21.9	25.2
<b>Foreign Equity</b>				
iShares MSCI EAFE ETF	(0.3)	1.5	22.1	22.1
iShares MSCI EAFE Small Cap ETF	(1.0)	1.4	26.8	24.1
iShares MSCI EAFE Value ETF	(0.2)	1.4	19.1	23.2
iShares MSCI EAFE Growth ETF	(0.7)	1.3	24.8	20.2
<b>Emerging Markets Equity</b>				
iShares MSCI Emerging Markets ETF	(0.9)	1.4	32.8	25.0
iShares MSCI Emerging Markets Small Cap ETF	(0.9)	0.8	26.4	17.0
<b>"Other" Asset Classes</b>				
iShares U.S. Real Estate ETF	(0.9)	0.9	7.9	7.8
iShares International Developed Real Estate ETF	(0.3)	0.4	14.9	9.9
SPDR Barclays High Yield Bond ETF	0.4	0.7	6.8	7.4
iShares S&P GSCI Commodity Indexed Trust	(0.1)	0.7	(4.2)	(0.7)

## 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.