

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

**MARKET COMMENTARY**

- U.S. equities crept up during the week while October consumer confidence registered at 125.9, its highest level since December 2000. Oil and gold also finished the period higher and the 10-year U.S. Treasury yield closed at approximately 2.34%.
- With over 80% of S&P 500 companies reporting third-quarter results, 74% have beaten earnings expectations while 66% have beaten sales expectations. According to FactSet, the third-quarter blended earnings growth rate stood at 5.9%, up from 4.7% last week. Molina Healthcare, Apple and Sprint impressed this week; Pandora, Cheesecake Factory and Pitney Bowes were among the disappointments.
- The Federal Open Market Committee (FOMC) meeting left interest rates unchanged, as generally expected. The statement contained few notable changes. The economic assessment was somewhat more upbeat, noting that the labor market has continued to strengthen and economic activity has been "rising at a solid rate" despite hurricane-related disruptions. There were also no meaningful changes in inflation language despite another soft CPI print for September.
- The House GOP released the text of H.R. 1, the Tax Cuts and Jobs Act. In most respects, the bill came in largely as had been expected after the debates of the last several weeks. It proposes a permanent cut to the corporate tax to 20% with no phase-in period, cuts taxes on qualifying pass-through businesses to 25% and lowers individual income-taxes. It also simplifies the bracket structure, increases the standard deduction and begins eliminating the estate tax after 2024.
- October consumer confidence registered 125.9. This was better than consensus for 121.0 and higher than September's upwardly revised 120.6 (previously 119.8). The release noted that consumers were considerably more upbeat about the short-term outlook, with improving business conditions the primary driver.
- Nonfarm payrolls increased 261K in October following an upwardly revised 18K gain in the prior month. This was below the 310K consensus, as the Street expected a bigger post-storm rebound following the hurricanes. However, the 162K average over the last three months was still seen as solid and remained well above levels that Fed officials have said are necessary to hold the unemployment rate.

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)	(0.2)	1.3	0.6
iShares National AMT-Free Muni Bond ETF	0.3	0.2	4.3	1.6
iShares Core US Aggregate Bond ETF	0.4	0.1	3.4	1.1
<b>Global Equity</b>				
iShares MSCI ACWI	0.6	2.1	20.6	26.3
<b>U.S. Equity</b>				
iShares Core S&P 500 ETF	0.3	2.2	17.3	26.4
iShares Russell Mid Cap ETF	0.0	1.1	13.6	23.7
iShares Russell 2000 ETF	(0.8)	(1.1)	11.3	31.0
iShares Core U.S. Value ETF	(0.2)	0.5	9.7	21.6
iShares Core U.S. Growth ETF	0.6	3.4	23.5	31.1
<b>Foreign Equity</b>				
iShares MSCI EAFE ETF	0.9	1.7	22.9	25.5
iShares MSCI EAFE Small Cap ETF	1.3	1.8	28.5	28.2
iShares MSCI EAFE Value ETF	0.7	0.8	19.2	24.6
iShares MSCI EAFE Growth ETF	0.9	2.3	26.3	25.2
<b>Emerging Markets Equity</b>				
iShares MSCI Emerging Markets ETF	0.4	1.8	33.0	29.7
iShares MSCI Emerging Markets Small Cap ETF	0.5	2.7	27.8	23.9
<b>"Other" Asset Classes</b>				
iShares U.S. Real Estate ETF	1.0	0.8	7.4	13.9
iShares International Developed Real Estate ETF	1.1	0.8	14.6	11.3
SPDR Barclays High Yield Bond ETF	(0.2)	(0.2)	6.3	9.5
iShares S&P GSCI Commodity Indexed Trust	2.1	6.7	0.3	10.4

## 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.

THESE MATERIALS ARE CONFIDENTIAL AND HAVE BEEN PREPARED SOLELY FOR THE INFORMATION OF THE INTENDED RECIPIENT AND MAY NOT BE REPRODUCED, DISTRIBUTED, OR USED FOR ANY OTHER PURPOSE OR SHARED WITH ANYONE IN ANY FORM OR FORMAT. REPRODUCTION OR DISTRIBUTION OF THESE MATERIALS MAY CONSTITUTE A VIOLATION OF FEDERAL OR STATE SECURITIES LAWS AND CERTAIN CONFIDENTIALITY AGREEMENTS TO WHICH THE INTENDED RECIPIENT IS A PARTY.

THIS IS NOT AN OFFER TO INVEST OR AN OFFER FOR ADVISORY SERVICES.

### 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.