Voya Global Bond Fund

Discover a World of Risk-adjusted Opportunities in Global Bond Markets

Strategy overview

Invests in broad global bond sectors including a wide range of debt and derivative securities and currencies.

Key takeaways

- For the quarter ended March 31, 2025, the Voya Global Bond Fund Class I Share outperformed its benchmark, Bloomberg Global Aggregate Bond Index (the Index) on a net asset value (NAV) basis.
- During the first quarter of 2025, global yields diverged and the U.S. dollar weakened as the U.S. exceptionalism trade was challenged amidst trade policy induced uncertainty, and changes to fiscal policy improved the outlook for Europe.

Portfolio review

For the quarter ended March 31, 2025, the Voya Global Bond Fund Class I Share outperformed its benchmark, Bloomberg Global Aggregate Bond Index (the Index) on a NAV basis. Sector and duration positioning contributed meaningfully to performance over the period.

During the first quarter of 2025, global yields diverged and the U.S. dollar weakened as the U.S. exceptionalism trade was challenged amidst trade policy induced uncertainty, while changes to German fiscal policy improved the outlook for Europe. U.S. Treasury yields ended the first quarter lower, though it see-sawed on the way down. The positive sentiment investors entered the new year with was quickly flipped as trade became the center theme instead of deregulation and tax cuts, with the President announcing tariffs on Canada, Mexico and China on inauguration day. These tariffs were later delayed. This on again, off again approach along with uncertainty around the "Liberation Day" tariff announcement rattled markets, leading to a flight to quality move in U.S. Treasuries. The uncertainty kept the U.S. Federal Reserve in a cautious stance. It cited stronger than expected economic data as the reason for not lowering rates. Notably, however, the updated statement of economic projection (SEP) revealed a lower median growth projection, while the median inflation projection moved higher. The European Central Bank (ECB), on the other hand, moved to reduce its policy rate twice during the quarter on weak growth and escalated trade tensions with the U.S., and amidst inflation remaining sticky. Nonetheless, yields rose over the period due to a historic fiscal package passed in Germany. The stimulus plan and associated borrowing needs sent yields, particularly for German bunds, higher over the period. The Bank of Japan (BOJ) was once again the outlier, raising its policy rate once over the period. Emerging market bond yields broadly declined over the period. The Bloomberg Global Aggregate Bond Index returned 2.64% for the period as a result. The roll out of trade-related policy in the U.S. has dampened confidence among consumers and businesses, along with growth expectations. This lead to weakening of the U.S. dollar over the period.

For the quarter, the Fund outperformed the Index. Duration and yield curve positioning was the main driver of performance over the period, while sector allocation detracted. The uncertainty around the new U.S. administration's policies and its implications led

You should consider the investment objectives, risks, and charges and expenses of the variable product and its underlying fund options; or mutual funds offered through a retirement plan, carefully before investing. The prospectuses / prospectus summaries / information booklets contain this and other information, which can be obtained by contacting your local representative or by calling (800) 992-0180. Please read the information carefully before investing.

to negative sentiment being baked into consumer and business surveys, and along with some weaker consumer spending data, led to U.S. Treasury yields moving lower in a "flight to safety" move. Due to our relatively long duration position, it contributed to performance. Our broad overweight to securitized credit contributed modestly to performance. Variances in mortgage-backed securities (MBS) interest-only (IO) and inverse IO positioning made up majority of the performance difference to the Fund, where idiosyncratic stories drive performance. The detractions from these positions were offset by our overweight to commercial mortgage-backed securities (CMBS) and asset-backed securities (ABS), specifically collateralized loan obligations (CLO). Our broad overweight to corporate credit detracted as spreads ended the period wider.

Current strategy and outlook

Looking ahead, fundamental factors remain supportive. Growth has been roughly 2–3%[1] for the last three years, most recently delivering 2.5% in 4Q24. The labor market is healthy with only 4.1%[2] unemployment. And on the consumer side, balance sheets remain healthy.

That said, survey data has indicated tariffs have negatively impacted both business and consumer sentiment. We have already seen consumers pull back (negative growth numbers in both Personal Consumption Expenditure (PCE) and retail sales numbers for January) and we will likely see a similar reaction on the business investment side. Even if tariffs are watered down, the associated uncertainty will remain a headwind.

That said, while a recession is not our base case, the probability has clearly increased. While there will likely be an impact on personal consumption and investment, household and corporate balance sheets still remain healthy. In addition, the downside to growth should be limited as the Fed has the room to cut rates, especially if employment numbers weaken. However, much depends on how much, and for how long, the announced tariffs remain in place.

1 Bloomberg
2 Trading Economics

The Bloomberg Global Aggregate Index is an unmanaged index that provides a broad-based measure of the global investment-grade fixed-rate debt markets. The Index does not reflect fees, brokerage commissions, taxes or other expenses of investing. **Investors cannot invest directly in an index.**

Principal Risks: All investing involves risks of fluctuating prices and the uncertainties of rates of return and yield. **Currency** To the extent that the Portfolio invests directly in foreign currencies or in securities denominated in, or that trade in, foreign (non-U.S.) currencies, it is subject to the risk that those currencies will decline in value relative to the U.S. dollar or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency being hedged. **Derivative Instruments** Derivative instruments are subject to a number of risks, including the risk of changes in the market price of the underlying securities, credit risk with respect to the counterparty, risk of loss due to changes in interest rates and liquidity risk. The use of certain derivatives may also have a leveraging effect which may increase the volatility of the Portfolio and reduce its returns. **Foreign Investments/Developing and Emerging Markets** Investing in foreign (non-U.S.) securities may result in the Portfolio experiencing more rapid and extreme changes in value than a fund that invests exclusively in securities of U.S. companies, due to smaller markets, differing reporting, accounting and auditing standards, and nationalization, expropriation or confiscatory taxation, foreign currency fluctuations, currency blockage, or political changes or diplomatic developments. Foreign investment risks typically are greater in developing and emerging markets than in developed markets. **Asset-Backed (including Mortgage-Related) Securities** Defaults on or the low credit quality or liquidity of the underlying assets of the asset-backed (including mortgage-related) securities held by the Portfolio may impair the value of the securities. **Credit Derivatives** The Portfolio may enter into credit default swaps, either as a buyer or a seller of the swap. As a buyer of the swap, the Portfolio pays a fee to protect against the risk that a security held by the Portfolio will default. As a seller of the swap, the Portfolio receives payment(s) in return for its obligation to pay the counterparty an agreed upon value of a security in the event of a default of the security issuer. Credit default swaps are largely unregulated and susceptible to liquidity, credit, and counterparty risks. Other risks of the Portfolio include but are not limited to: **Leverage, Liquidity, Other Investment Companies, Call, Credit, High-Yield Securities, Prepayment and Extension and Securities Lending. Investors should consult the Portfolio's Prospectus and Statement of Additional Information for a more detailed discussion of the Portfolio's risks. An investment in the Portfolio is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.**

The strategy employs a quantitative investment process. The process is based on a collection of proprietary computer programs, or models, that calculate expected return rankings based on variables such as earnings growth prospects, valuation, and relative strength. Portfolio construction uses a traditional optimizer that maximizes expected return of the portfolio, while managing tracking error.

Data imprecision, software or other technology malfunctions, programming inaccuracies and similar circumstances may impair the performance of these systems, which may negatively affect Fund performance. Furthermore, there can be no assurance that the quantitative models used in managing the Fund will perform as anticipated or enable the Fund to achieve its objective.

The strategy is available as a mutual fund or variable portfolio. The mutual fund may be available to you as part of your employer sponsored retirement plan. There may be additional plan level fees resulting in personal performance that varies from stated performance. Please call your benefits office for more information.

Variable annuities and group annuities are long-term investments designed for retirement purposes. If withdrawals are taken prior to age 59½, an IRS 10% premature distribution penalty tax may apply. Money taken from the annuity will be taxed as ordinary income in the year the money is distributed. An annuity does not provide any additional tax deferral benefit, as tax deferral is provided by the plan. Annuities may be subject to additional fees and expenses to which other tax-qualified funding vehicles may not be subject. However, an annuity does provide other features and benefits, such as lifetime income payments and death benefits, which may be valuable to you.

Variable investments, of any kind, are not guaranteed and are subject to investment risk including the possible loss of principal. The investment return and principal value of the security will fluctuate so that when redeemed, it may be worth more or less than the original investment. In addition, there is no guarantee that any variable investment option will meet its stated objective. All guarantees are based on the financial strength and claims paying ability of the issuing insurance company, who is solely responsible for all obligations under its policies.

Insurance products, annuities and funding agreements issued by Voya Retirement Insurance and Annuity Company ("VRIAC"), One Orange Way, Windsor, CT 06095, which is solely responsible for meeting its obligations. Plan administrative services provided by VRIAC or Voya Institutional Plan Services, LLC ("VIPS"). Securities distributed by or offered through Voya Financial Partners, LLC ("VFP") (member SIPC)or other broker-dealers with which it has a selling agreement. Only Voya Retirement Insurance and Annuity Company is admitted and can issue products in the state of New York. All companies are members of Voya Financial.

This commentary has been prepared by Voya Investment Management for informational purposes. Nothing contained herein should be construed as (i) an offer to sell or solicitation of an offer to buy any security or (ii) a recommendation as to the advisability of investing in, purchasing or selling any security. Any opinions expressed herein reflect our judgment and are subject to change. Certain of the statements contained herein are statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (1) general economic conditions, (2) performance of financial markets, (3) interest rate levels, (4) increasing levels of loan defaults (5) changes in laws and regulations and (6) changes in the policies of governments and/or regulatory authorities. **Past performance does not guarantee future results.**

The opinions, views and information expressed in this commentary regarding holdings are subject to change without notice. The information provided regarding holdings is not a recommendation to buy or sell any security. Portfolio holdings are fluid and are subject to daily change based on market conditions and other factors.

Not FDIC Insured | May Lose Value | No Bank Guarantee
CMFC-GLOBALBONDSTRAT 033124 • ex033125 • IM4477266