

Investment Weekly

Voya Investment Management

As of December 18, 2020

Commentary and Statistics

- Stocks advanced across the globe as distribution of the coronavirus vaccine gained momentum. U.S. market gains were tempered, however, by uncertain prospects for a new coronavirus relief package.
- As stocks advanced, S&P 500 sector leadership again changed hands. Energy, one of the few gainers last week, was one of the few losers this week along with communication services. Top gainers included technology, consumer discretionary and materials.
- As investors moved toward stocks, U.S. Treasury yields shifted unevenly. The ten-year note rose from 0.86% to 0.92%, whereas the two-year note was flat at 0.11%. The U.S. dollar resumed its downward trend against other major currencies. For the first time in its history, Bitcoin pushed above \$20,000.
- The Bloomberg Commodities index continued its upward trend; copper and oil prices again advanced, as did precious metals.
- Initial jobless claims totaled 885,000 for the week ended December 12, versus the prior week's 862,000. Continuing claims as of December 5 fell to 5.508 million versus the prior week's 5.757 million.
- November retail sales printed -1.1%, missing expectations of -0.3% and down from October's -0.1%, but up 4.1% y/y. Core categories such as clothing, department stores and electronics/appliances declined; building materials and grocery stores gained. After a strong October, online retailers were up a modest 0.2%.
- The December flash reading of IHS Markit manufacturing PMI fell 0.2 points to 56.5, after setting a 74-month high of 56.7 in November. Flash services PMI declined 3.1 points to 55.3, impacted by increasing COVID cases.

Index Prices (\$)		
Index	12/18/20	12/31/19
Dow Jones Industrial Average	30,179	28,538
S&P 500 Index	3,709	3,231

Returns (%)				
U.S. Market Indexes Returns	One Week	MTD	YTD	3-Months
Dow Jones Industrial Average	0.46	1.96	8.19	9.67
S&P 500 Index	1.29	2.51	16.88	12.20
MSCI ACWI Index	1.61	3.57	15.58	13.31
Russell 2000 Index	3.09	8.33	19.60	28.58
Russell MidCap Index	2.12	4.37	16.75	20.01
Bloomberg Barclays U.S. Aggregate Index	-0.08	-0.22	7.12	0.18
Bloomberg Barclays High Yield Bond Index	0.33	1.30	6.50	4.99
United States 20-Year Treasury Bond	-1.37	-2.30	16.78	-4.00
S&P / LSTA Senior Loan Index	0.22	0.88	2.64	2.09

S&P 500 Sector Returns	One Week	MTD	YTD	3-Months
Consumer Discretionary	2.33	1.46	31.92	10.46
Consumer Staples	0.77	1.54	10.48	7.61
Energy	-4.25	7.01	-32.02	18.88
Financials	0.15	2.25	-5.42	16.23
Health Care	1.15	2.96	12.40	7.49
Industrials	0.09	1.03	10.88	13.25
Materials	1.96	1.80	19.85	10.43
Real Estate	0.48	-0.24	-3.85	2.85
Technology	3.22	3.93	41.43	15.03
Communication Services	-0.45	2.28	22.65	14.28
Utilities	0.13	-0.84	-1.06	7.43

U.S. Returns by Style					
One Week (%)		Year to Date (%)		3-Months (%)	
Large Value	0.2	Large Growth	3.0	Large Value	13.6
Mid Value	1.0	Mid Growth	4.1	Mid Value	17.4
Small Value	1.3	Small Growth	4.7	Small Value	27.6
Large Value	1.6	Large Growth	37.3	Large Value	14.5
Mid Value	3.7	Mid Growth	37.3	Mid Value	24.9
Small Value	3.7	Small Growth	35.0	Small Value	29.5

Large Value: Russell 1000 Value
 Midcap Value: Russell Midcap Value
 Small Value: Russell 2000 Value

Large Growth: Russell 1000 Growth
 Midcap Growth: Russell Midcap Growth
 Small Growth: Russell 2000 Growth

Global Market Returns (%)	One Week	MTD	YTD	3-Months
Bloomberg Barclays Global Aggregate Bond Index	0.32	0.98	8.80	2.23
MSCI EAFE Index	2.01	3.84	7.43	12.04
MSCI United Kingdom Index	1.72	5.22	-10.63	13.57
MSCI Europe ex-U.K. Index	2.71	3.74	10.83	10.66
MSCI Japan Index	1.23	2.94	13.57	12.21
MSCI AC Asia ex-Japan Index	0.55	4.13	22.19	13.35
MSCI Emerging Markets Index	0.90	5.32	16.39	14.74
JPM EMBI+ Emerging Markets Bond Index	0.69	1.45	5.52	3.59
FTSE EPRA / NAREIT GRE Index	0.53	1.52	-10.64	8.61

Source: FactSet

- The New York Fed Empire manufacturing survey declined in December to 4.9 following a 6.3 reading in November. New orders ticked down but remained positive, while shipments jumped.
- The Philadelphia Fed manufacturing survey fell to 11.1 in December after attaining 26.3 in November. New orders and number of employees decelerated sharply. Business expectations and capital spending plans slowed but remained at high levels.
- November housing starts of 1.547 million rose 1.2% compared to October's 1.528 million; starts were up 12.8% y/y. Building permits totaled 1.639 million, up 6.2% versus October's 1.544 million and up 8.5% y/y. Multifamily projects drove gains in both series.
- The NAHB home buyers index read 86 for December, below November's 90. The decline was consistent across regions.

Bond Rates (%) as of:	12/18/20	12/11/20	12/31/19	9/18/20
U.S. Federal Funds Target Rate	0.25	0.25	1.75	0.25
U.S. Two-Year Treasury Yield	0.11	0.11	1.56	0.14
U.S. Ten-Year Treasury Yield	0.92	0.86	1.91	0.67
U.S. 30-Year Treasury Yield	1.70	1.63	2.38	1.45
High Yield (Merrill U.S. Corporates)	3.97	4.01	4.81	4.69

Commodity Prices as of:	12/18/20	12/11/20	12/31/19	9/18/20
Gold (USD/oz)	1,888.90	1,843.60	1,523.10	1,962.10
Crude Oil (USD/bbl)	49.24	46.57	61.06	41.11
Gasoline (USD/gal)	2.36	2.36	2.75	2.38
Copper (NYM \$/lbs)	3.63	3.52	2.79	3.11

Exchange Rates as of:	12/18/20	12/11/20	12/31/19	9/18/20
\$ per €	1.22	1.21	1.12	1.19
\$ per £	1.35	1.32	1.32	1.30
¥ per \$	103.40	103.94	108.68	104.32

Index Definitions

Bloomberg Barclays Global Aggregate Bond Index measures a wide range of global government, government-related, corporate and securitized fixed-income investments, all with maturities greater than one year.

Bloomberg Barclays High Yield Bond Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market.

Bloomberg Barclays U.S. Aggregate Index is a bond market index composed of U.S. securities in Treasury, Government-Related, Corporate, and Securitized sectors that are of investment-grade quality or better, have at least one year to maturity, and have an outstanding par value of at least \$250 million.

Dow Jones Industrial Average is a price-weighted average computed from the stock prices of 30 of the largest and most widely held public companies in the United States, adjusted to reflect stock splits and stock dividends.

FTSE EPRA / NAREIT Global Real Estate Index represents general performance trends of the equity securities of real estate companies involved in the ownership, disposition and development of income-producing properties worldwide.

JPMorgan Emerging Markets Bond Index Plus (EMBI+) tracks total returns for traded foreign currency denominated debt instruments in the emerging markets which meet minimum criteria for face value outstanding and market trading liquidity.

MSCI ACWI Index is a free float-adjusted market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world, capturing large and mid cap representation across 23 Developed Markets (DM) and 26 Emerging Markets (EM) countries.

MSCI EAFE Index is a free float-adjusted market capitalization weighted index designed to measure developed markets' equity performance, excluding the U.S. & Canada, for 21 countries.

MSCI Europe ex-U.K. Index is a free float-adjusted market capitalization weighted index designed to measure equity performance of the 15 developed European markets except the United Kingdom.

MSCI U.K. Index is a free float-adjusted market capitalization weighted index designed to measure equity performance of listed common stocks in the United Kingdom.

MSCI Asia ex-Japan Index is a free float-adjusted market capitalization weighted index designed to measure equity performance of the 15 developed Asian markets except Japan.

MSCI Japan Index is a free float-adjusted market capitalization weighted index designed to measure equity performance of listed common stocks in Japan.

MSCI Emerging Markets Index is a free float-adjusted market capitalization index that measures emerging market equity performance of 23 countries.

Municipal Bond Index is a bond index that includes investment-grade, tax-exempt fixed-rate bonds with long-term maturities (greater than two years) selected from issues larger than \$50 million.

NASDAQ Composite Index is a market capitalization weighted index of the performance of domestic and international common stocks listed on the Nasdaq Stock Market including over 2,800 securities.

Russell 1000 Growth Index measures the large-cap growth segment of the U.S. equity market including Russell 1000 companies with higher price-to-book ratios and forecasted growth.

Russell 1000 Value Index measures the large-cap value segment of the U.S. equity market including Russell 1000 companies with lower price-to-book ratios and lower expected growth.

Russell MidCap Growth Index measures the performance of the mid-cap growth segment of the U.S. equity market including Russell Midcap Index companies with higher price-to-book ratios and forecasted growth.

Russell MidCap Value Index measures the performance of the mid-cap growth segment of the U.S. equity market including Russell Midcap Index companies with lower price-to-book ratios and forecasted growth.

Russell 2000 Growth Index measures the performance of small-cap growth stocks in the U.S. equity market including Russell 2000 companies with higher price-to-value ratios and forecasted growth.

Russell 2000 Value Index measures the performance of small-cap growth stocks in the U.S. equity market including Russell 2000 companies with lower price-to-value ratios and forecasted growth.

S&P 500 Index is a widely regarded as the best single gauge of the U.S. equities market, including 500 leading companies in major industries of the U.S. economy.

S&P 500 Sectors are defined as the GICS (Global Industry Classification Standard) sectors which provide standardized industry definitions consisting of 10 sectors, 24 industry groups, and 67 industries.

Economic Release Calendar

Monday, December 21	Tuesday, December 22	Wednesday, December 23	Thursday, December 24	Friday, December 25
Retail Sales SA (Nov) Australia	GfK Consumer Confidence SA (Jan) Germany	Leading Index (Oct) Japan	Durable Orders SA (Nov) U.S.	
Chicago Fed National Activity Index (Nov) U.S.	GDP SA (3Q20) U.K.	Personal Consumption Expenditure SA (Nov) U.S.	Initial Claims SA (Dec 19) U.S.	
	GDP SAAR (3Q20) U.S.	FHFA Home Price Index (Oct) U.S.	CPI Tokyo SA (Dec) Japan	
	Existing Home Sales SAAR (Nov) U.S.	Michigan Sentiment NSA (Dec) U.S.	Unemployment Rate (Nov) Japan	
	Richmond Fed Index (Dec) U.S.	New Home Sales SAAR (Nov) U.S.	Continuing Jobless Claims SA (Dec 12) U.S.	

Source: FactSet

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) changes in laws and regulations and (4) changes in the policies of governments and/or regulatory authorities. 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. Fund holdings are fluid and are subject to daily change based on market conditions and other factors.

Past performance is no guarantee of future results.

©2020 Voya Investments Distributor, LLC • 230 Park Ave, New York, NY 10169 • All rights reserved.

GP-WEEKLYVIM • 1456377 • 1363115 • WLT250004657

voyainvestments.com

PLAN | INVEST | PROTECT

