Investment Weekly

For the week ended Sep 05, 2025

Commentary

Weekly summary: A slowing labor market raised expectations for Fed cuts this year.

Markets review

- **U.S. equities mostly rose during the holiday-shortened week**. Communication services led the market higher while energy was the biggest drag. Small caps were the highest gainers. Overseas market increased as well.
- **Treasury yields fell across the curve** as expectations for more Fed cuts this year increased. The U.S. Bloomberg Agg hit ~6% for the year.
- **The dollar was flat** for the week, but gold was up significantly.
- **Oil was down** after output increases were announced.

Economic review

- **August nonfarm payrolls were weak and reduced for prior periods**. The report provided more evidence of a labor market slowdown. The market now expects three cuts—totaling 75 bp—for the year.
- **August ISM manufacturing came in below consensus** despite rising new orders. ISM services also saw new orders reaching expansionary territory.
- **Initial jobless claims were above consensus**, but continuing claims were below.
- **The US trade balance widened in August**.
- The Fed's latest Beige Book report noted **mixed economic conditions**.
- July JOLTS report showed **job openings were lower than unemployed people** for the first time since the pandemic.
- **Fed independence was in focus** as a criminal investigation into Fed Governor Cook was opened.
- **The US court of appeals agreed that the president does not have unlimited tariff power** but current tariffs can stay in place until 10/14 while the decision is appealed.

Earnings review

- **2Q25 earnings:** 98% of S&P 500 companies reported. **The blended earnings growth rate was 13.2% and the revenue growth rate was 6.3%.** 80% of S&P 500 companies beat consensus EPS expectations.

Market data

Index prices ($)	09/05/25	12/31/24
Dow Jones Industrial Average	45,401	42,544
S&P 500	6,482	5,882

Returns (%)	1wk	QTD	YTD	3mo
Equities				
S&P 500	0.33	4.71	11.20	9.49
S&P Mid Cap 400	1.31	6.48	6.69	9.53
S&P Small Cap 600	0.83	8.99	4.12	12.37
Russell 1000	0.39	4.82	11.24	9.50
Russell MidCap	0.28	4.73	9.80	8.03
Russell 2000	1.04	10.17	8.20	14.41
Dow Jones Industrial Average	-0.32	3.33	8.03	7.75
NASDAQ Composite	1.14	6.65	12.89	12.63
Fixed income				
Bloomberg U.S. Aggregate	0.93	1.86	5.96	3.30
Bloomberg Global Aggregate	0.57	0.52	7.83	1.99
Bloomberg High Yield Bond	0.32	2.03	6.69	3.57
S&P / LSTA Senior Loan	0.11	1.49	4.74	2.14
JPM EMBI+ Emerging Markets Bond	0.69	3.19	9.58	5.32
S&P 500 sectors				
Technology	0.20	5.75	14.27	13.57
Materials	-0.22	5.06	11.39	6.04
Consumer discretionary	1.68	7.91	3.73	12.75
Health care	0.36	2.31	1.17	4.06
Utilities	-1.01	2.23	11.85	3.97
Consumer staples	0.43	-0.38	6.00	-0.53
Energy	-3.48	2.96	3.75	7.71
Financials	-1.67	1.35	10.71	5.15
Industrials	-0.71	2.28	15.30	5.36
Communication services	5.08	11.48	23.89	18.08
Real Estate	-0.30	1.77	5.35	1.97
Equity style performance				
Large cap value	-0.06	3.79	10.02	7.24
Large cap growth	0.81	5.80	12.25	11.49
Mid cap value	0.41	5.34	8.63	8.56
Mid cap growth	-0.13	2.93	13.00	6.43
Small cap value	1.12	11.68	8.15	16.23
Small cap growth	0.96	8.77	8.24	12.72
International equities				
MSCI EAFE	0.26	3.08	23.62	4.27
MSCI U.K.	0.35	4.92	25.14	5.10
MSCI Europe ex-U.K.	0.16	0.96	26.22	1.50
MSCI Japan	0.67	6.17	18.86	9.49
MSCI AC Asia ex-Japan	1.48	5.50	21.11	9.47
MSCI Emerging Markets	1.42	4.99	21.33	8.97
MSCI ACWI	0.47	4.42	15.21	8.22

Source: FactSet.

Economic calendar

Date	Country/Region	Event
09/08/25	China	Import /Export (Aug)
	China	Trade Balance (Aug)
	Germany	Industrial Production (Jul)
	EU	Sentix Economic Index (Sep)
	U.S.	Consumer Credit (Jul)
09/09/25	U.S.	NFIB Small Business Index (Aug)
	China	CPI (Aug)
09/10/25	U.S.	PPI (Aug)
	U.S.	Wholesale Inventories (Jul)
	Japan	Domestic CGPI (Aug)
09/11/25	EU	ECB's Governing Council decision
	U.S.	CPI (Aug)
	U.S.	Initial Claims (09/06)
09/12/25	Germany	CPI (Aug)
	U.K.	Construction Output (Jul)
	U.K.	Industrial Production (Jul)
	U.S.	Michigan Sentiment (Sep)

Source: FactSet.

Market data, cont'd

As of:	Last close	Prior week	Year end	3 mos ago
U.S. bond rates (%)				
U.S. federal funds target rate	4.50	4.50	4.50	4.50
U.S. 2yr Treasury	3.53	3.62	4.25	3.93
U.S. 10yr Treasury	4.09	4.22	4.58	4.39
U.S. 20yr Treasury	4.71	4.87	4.86	4.90
U.S. 30yr Treasury	4.77	4.92	4.79	4.88
High yield (Merrill U.S. Corporates)	6.49	6.45	6.97	6.82
Consumer rates (%)				
30yr mortgage rate	6.58	6.62	7.28	6.92
Prime rate	7.50	7.50	7.50	7.50
Commodities				
Gold (USD/oz)	$3,653	$3,516	$2,641	$3,375
Crude oil (USD/bbl)	$61.87	$64.01	$71.72	$63.37
Copper (LME $/mt)	$9,881	$9,805	$8,706	$9,834
Gasoline (USD/gal)	$3.43	$3.38	$3.22	$3.44
Exchange rates				
$ per €	1.17	1.17	1.04	1.15
$ per £	1.35	1.35	1.25	1.36
¥ per $	147.08	147.28	157.16	143.48
U.S. Dollar Index	97.77	97.77	108.49	98.74

Source: FactSet.

Index definitions

Bloomberg 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 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 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 U.S., 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 U.K..

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

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.

Large Growth: 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.

Large Value: 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.

Midcap 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.

Midcap Value: 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.

Small Cap 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.

Small Cap Value: 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.

The S&P MidCap 400 includes 400 companies and represents almost 6% of the U.S. markets. To be eligible for inclusion in the index, a company should be a U.S. company, have a market cap between USD 3.3 billion to USD 11.8 billion, maintain a public float of at least 10% of its shares outstanding, and its most recent quarter's earnings and the sum of its trailing four consecutive quarters' earnings must be positive. The index implements changes on an as-needed basis.

The S&P SmallCap 600 includes 600 companies and represents almost 3% of the U.S. market. To be eligible for inclusion in the index, a company should be a U.S. company, have a market cap between USD 750 million to USD 3.3 billion, maintain a public float of at least 10% of its shares outstanding, and its most recent quarter's earnings and the sum of its trailing four consecutive quarters' earnings must be positive. The index implements changes on an as-needed basis.

The Russell 1000 Index measures the performance of the large-cap segment of the U.S. equity market and includes approximately 1,000 of the largest securities based on market capitalization and representing approximately 92% of the U.S. market.

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.

IM-WEEKLY- 4804439

VOYA® INVESTMENT MANAGEMENT