

Investment Weekly

For the week ended July 19, 2024

Commentary

- **Uncertainty took center stage** this week following the Trump assassination attempt and global IT outage. Meanwhile...
- **...the U.S equity rotation continued.** Indices were mixed; the Nasdaq fell for the first week since late May and the S&P had its worst week since mid April. However, small caps rose again—the fourth gain of the last five weeks—after a big five-day double-digit rally.
- **...treasury yields** were somewhat weaker across the curve.
- **Economic news was relatively light and unremarkable.** Retail sales were in line with expectations. July's NY Fed Empire manufacturing survey improved but remained in contraction while the Philadelphia Fed's manufacturing index hit its highest level since April. Housing starts were up but homebuilder sentiment remained weak.
- On the labor front, **weekly initial jobless claims ticked up**, though seasonality and weather may have played a role.
- At this point, **there's a 96% expectation that the Fed will cut rates in September**, and many expect a second cut in December according to future's forecasts.
- **The dollar rose** after two weeks lower while gold fell on the week. Copper was also sharply lower on concerns about China demand. Oil was lower again this week, too.
- **2Q24 earnings:** The earnings growth rate for the S&P 500 currently stands at 16.5% and the revenue growth rate is 5.6%. Of the 14% of S&P 500 companies that have reported, 83% have beaten consensus EPS expectations and 57% have surpassed consensus sales expectations according to FactSet.

Market data

Index prices (\$)	07/19/24	12/29/23
Dow Jones Industrial Average	40,288	37,690
S&P 500	5,505	4,770

Returns (%)	1wk	QTD	YTD	3mo
Equities				
S&P 500	-2.24	0.88	16.30	11.21
S&P Mid Cap 400	-0.79	2.96	9.30	6.71
S&P Small Cap 600	0.81	6.50	5.73	10.59
Russell 1000	-2.15	1.00	15.37	10.72
Russell MidCap	-0.32	2.83	7.93	6.29
Russell 2000	-0.12	6.72	8.57	12.55
Dow Jones Industrial Average	0.19	3.07	8.01	6.55
NASDAQ Composite	-4.04	-0.02	18.55	16.21

Fixed income				
Bloomberg U.S. Aggregate	-0.06	1.21	0.49	3.72
Bloomberg Global Aggregate	-0.09	1.59	-1.62	2.75
Bloomberg High Yield Bond	0.17	1.39	4.01	4.20
S&P / LSTA Senior Loan	0.11	0.60	4.73	2.44
JPM EMBI+ Emerging Markets Bond	-0.45	1.10	3.58	3.21

S&P 500 sectors				
Technology	-5.52	-0.96	27.02	23.01
Materials	-0.16	2.09	6.22	1.85
Consumer discretionary	-2.38	1.36	7.10	9.64
Health care	0.10	1.42	9.34	6.85
Utilities	0.86	2.89	12.60	8.11
Consumer staples	1.62	2.16	11.33	5.99
Energy	0.49	1.22	12.28	-1.92
Financials	-0.23	4.25	14.86	6.52
Industrials	-0.14	2.41	10.35	4.00
Communication services	-3.18	-2.53	23.47	7.89
Real Estate	0.90	5.50	2.92	14.03

Equity style performance				
Large cap value	0.31	3.04	9.87	5.85
Large cap growth	-4.25	-0.76	19.78	14.55
Mid cap value	0.27	3.50	8.20	6.52
Mid cap growth	-2.12	0.76	6.78	5.27
Small cap value	1.20	8.07	7.15	11.93
Small cap growth	-1.41	5.41	10.09	13.18

International equities				
MSCI EAFE	-1.76	2.01	7.87	6.81
MSCI U.K.	-0.85	2.05	9.11	8.01
MSCI Europe ex-U.K.	-2.32	0.89	7.14	5.15
MSCI Japan	-1.09	4.09	10.80	7.76
MSCI AC Asia ex-Japan	-2.98	0.39	10.34	12.03
MSCI Emerging Markets	-2.68	0.77	8.50	9.91
MSCI ACWI	-2.14	1.20	12.92	9.80

Source: FactSet.

Economic calendar

Date	Country/Region	Event
07/23/24	Eurozone	Consumer Confidence Indicator (Jul)
	U.S.	Existing Home Sales (Jun)
	Japan	Markit/JMMA PMI Manufacturing SA (Jul)
07/24/24	Germany	GfK Consumer Confidence (Aug)
	Germany	Markit PMI Manufacturing/Services (Jul)
	Eurozone	Markit PMI Composite (Jul)
	U.K.	CIPS Services/Manufacturing PMI (Jul)
	U.S.	Markit PMI Services/Manufacturing (Jul)
	U.S.	New Home Sales (Jun)
07/25/24	Eurozone	M3 (Jun)
	Germany	Ifo Expectations (Jul)
	U.S.	Durable Orders (Jun)
	U.S.	GDP Chain Price (2Q24)
	U.S.	Wholesale Inventories (Jun)
	Japan	CPI Tokyo (Jul)
07/26/24	Japan	Leading Index (Final)
	U.S.	Personal Consumption Expenditure (Jun)
	U.S.	Michigan Sentiment (Jul)

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	5.50	5.50	5.50	5.50
U.S. 2yr Treasury	4.51	4.45	4.25	4.98
U.S. 10yr Treasury	4.24	4.23	3.89	4.61
U.S. 20yr Treasury	4.55	4.55	4.19	4.84
U.S. 30yr Treasury	4.45	4.46	4.05	4.71
High yield (Merrill U.S. Corporates)	6.96	6.98	6.98	7.48
Consumer rates (%)				
30yr mortgage rate		7.16	6.99	7.45
Prime rate	8.50	8.50	8.50	8.50
Commodities (\$)				
Gold (USD/oz)	2,399	2,429	2,072	2,414
Crude oil (USD/bbl)	78.64	81.91	71.65	82.22
Copper (LME \$/mt)	9,214	9,680	8,476	9,749
Gasoline (USD/gal)	3.73	3.72	3.36	3.95
Exchange rates				
\$ per €	1.09	1.09	1.10	1.07
\$ per £	1.29	1.30	1.27	1.24
¥ per \$	157.34	157.88	140.98	154.60
U.S. Dollar Index	104.40	104.19	101.33	106.15

Source: FactSet.

Earnings calendar

Mon, Jul 22	Tues, Jul 23	Wed, Jul 24	Thurs, Jul 25	Fri, Jul 26
Verizon Communications	Alphabet	Thermo Fisher Scientific	AbbVie	Hitachi
HDFC Bank Limited	Tesla	International Business Machines	AstraZeneca	ICICI Bank
Cadence Design Systems	Visa	ServiceNow	TotalEnergies	Bristol Myers Squibb
NXP Semiconductors	Coca-Cola	NextEra Energy	Union Pacific	ColgatePalmolive
Truist Financial	Texas Instruments	AT&T	Unilever	Aon
IQVIA	Danaher	Airbus Group	Honeywell International	KDDI
Nucor	GE Aerospace	Boston Scientific	RTX Corporation	3M
	Philip Morris International	KLA	Sanofi	Eni
	Comcast	Fiserv	EssilorLuxottica	Denso
	United Parcel Service	Waste Management	ShinEtsu Chemical Co.	Oriental Land
	Lockheed Martin	General Dynamics	Iberdrola	Charter Communications
	Chubb Limited	Amphenol	BNP Paribas	BASF
	HCA Healthcare	Banco Santander	Northrop Grumman	NatWest Group PLC
	SherwinWilliams	Equinor	Stellantis	NatWest Group
	Moody's	Chipotle Mexican Grill	Chugai Pharmaceutical Co.	Centene
	Canadian National Railway	CME Group	WalMart de Mexico	Komatsu
	FreeportMcMoRan	Republic Services	Volkswagen	
	Spotify Technology	Roper Technologies	Carrier Global	
	PACCAR	O'Reilly Automotive	Arthur J. Gallagher & Co.	
	General Motors	Ford Motor	Norfolk Southern	
	Capital One Financial	Newmont	PG&E	
	KimberlyClark	Edwards Lifesciences	Dassault Systemes	
	MSCI	United Rentals	VALE	
	ASM International	TE Connectivity	Valero Energy	
	CoStar Group	Waste Connections	Digital Realty Trust	
		GE Vernova Inc.	Lloyds Banking Group	
		Old Dominion Freight Line	L3Harris Technologies	

Source: Zacks.

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 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.

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.

©2024 Voya Investments Distributor, LLC • 230 Park Ave, New York, NY 10169 • All rights reserved.

IM-WEEKLY-3735244