

# Voya Global Perspectives

## Voya Investment Management

As of June 02, 2023

### Commentary and Statistics

- U.S. equities advanced during a holiday-shortened week. The S&P 500 notched a third weekly gain while the Nasdaq rose for a sixth straight week, its longest streak since January 2020. Markets rallied sharply on Friday after Congress passed a deal to suspend the debt ceiling until January 2025, removing a high-profile overhang.
- A big upside surprise in May jobs growth did little to change the odds of a 25 basis point (bp) rate hike in June. U.S. Treasury yields were mostly lower for the week; the two-to-ten spread inversion hovered about -81 bp.
- The U.S. dollar index ticked down a notch and bitcoin ticked up against the dollar. The Bloomberg commodities index gained, along with gold and copper. WTI crude oil slipped back after two weeks of gains.
- June nonfarm payrolls grew by 339,000, well ahead of market expectations in the 185,000 to 195,000 range and topping April's upwardly revised 294,000, which itself was a big upside surprise. The March reading also was revised up from 165,000 to 217,000.
- May unemployment rose to 3.7%, surpassing forecasts of 3.5% and April's 3.4%, which was the lowest rate since 1969. Average hourly earnings rose 0.3%, lower than April's 0.5% increase and up 4.3% year over year.
- Consumer confidence read 102.3 in May, below April's 103.7. Current conditions deteriorated more than three points while expectations decreased marginally. Respondents' expectations for year-ahead inflation ticked down slightly to 6.1% from April's 6.2%.
- The ISM manufacturing index printed 46.9 for May, just shy of April's 47.1. New orders weakened, whereas production returned to expansion and employment improved,

Index Prices (\$)		
Index	06/02/23	12/31/22
Dow Jones Industrial Average	33,763	33,147
S&P 500 Index	4,282	3,839

Returns (%)				
U.S. Market Indexes Returns	One Week	QTD	YTD	3-Months
S&P 500 Index	1.83	4.53	12.37	8.04
S&P MidCap 400 Index	2.57	0.01	3.82	-3.90
S&P SmallCap 600 Index	3.07	0.26	2.84	-5.39
Russell 1000 Index	1.97	4.34	12.13	7.29
Russell MidCap Index	2.24	-0.17	3.88	-2.36
Russell 2000 Index	3.26	1.83	4.62	-3.34
Dow Jones Industrial Average	2.02	1.94	2.89	2.92
NASDAQ Composite Index	2.04	8.51	27.01	15.78

U.S. Bond Market Returns				
	One Week	QTD	YTD	3-Months
Bloomberg U.S. Aggregate Index	0.96	-0.77	2.17	2.65
Bloomberg High Yield Bond Index	1.15	0.92	4.53	2.35
S&P / LSTA Senior Loan Index	0.34	0.92	3.91	0.80

S&P 500 Sector Returns				
	One Week	QTD	YTD	3-Months
Technology	1.39	12.00	36.44	23.69
Materials	3.10	-2.57	1.61	-5.38
Consumer Discretionary	3.39	5.81	22.88	10.87
Health Care	2.19	0.64	-3.69	2.48
Utilities	0.85	-3.84	-6.96	0.74
Consumer Staples	0.38	-1.35	-0.54	2.29
Energy	1.37	-3.14	-7.66	-5.96
Financials	2.20	2.03	-3.64	-6.93
Industrials	2.66	-0.20	3.26	-1.12
Communication Services	1.12	11.59	34.47	22.60
Real Estate	3.13	-1.73	0.33	-2.69
S&P 500	1.88	4.53	12.37	8.04

### U.S. Returns by Style

One Week (%)		Year to Date (%)		3-Months (%)	
Large Value 1.9	Large Growth 2.0	Large Value 1.2	Large Growth 23.8	Large Value -0.7	Large Growth 15.4
Mid Value 2.2	Mid Growth 2.3	Mid Value 0.1	Mid Growth 10.8	Mid Value -4.7	Mid Growth 1.9
Small Value 3.5	Small Growth 3.0	Small Value -0.2	Small Growth 9.3	Small Value -6.7	Small Growth -0.1

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

International Market Returns (%)				
	One Week	QTD	YTD	3-Months
MSCI EAFE Index	0.90	1.43	10.18	4.12
MSCI United Kingdom Index	0.90	1.30	7.49	0.92
MSCI Europe ex-U.K. Index	0.19	1.20	13.50	4.70
MSCI Japan Index	2.61	4.86	11.55	9.55
MSCI AC Asia ex-Japan Index	1.27	-1.45	2.87	0.08
MSCI Emerging Markets Index	1.26	-0.10	3.92	1.28
MSCI ACWI Index	1.63	3.12	10.79	5.97
Bloomberg Global Aggregate Bond Index	1.15	-1.34	1.63	2.40
JPM EMBI+ Emerging Markets Bond Index	1.29	0.06	2.31	2.39

Source: FactSet

- S&P Global services PMI rose from 53.6 in April to 55.1 in May, setting a 13-month high. New orders rose at the fastest pace since April 2020.
- The Richmond Fed Index fell five points in May to -15. Shipments and new orders declined, though employment rose back into expansion territory.
- The Ifo Business Climate Index for Germany fell to 91.7 in May, from 93.4 in April, following six monthly increases. Manufacturing expectations fell the most steeply since March 2022, after the start of the war in Ukraine.

U.S. bond rates (%) as of:	06/02/23	05/26/23	12/31/22	3/02/2023
U.S. Federal Funds Target Rate	5.25	5.25	4.50	4.75
U.S. 2-Year Treasury Yield	4.51	4.56	4.42	4.92
U.S. 10-Year Treasury Yield	3.69	3.80	3.88	4.08
U.S. 20-Year Treasury Yield	4.04	4.16	4.11	4.23
U.S. 30-Year Treasury Yield	3.88	3.96	3.97	4.02
High Yield (Merrill U.S. Corporates)	7.44	7.84	8.04	7.93
Consumer rates (%) as of:	Prior Close	12/31/22	3/02/2023	
30-Year Mortgage Rate	6.91	6.58	6.79	
Prime Rate	8.25	7.50	7.75	
Commodity prices as of:	06/02/23	05/26/23	12/31/22	3/02/2023
Gold (USD/oz)	1969.60	1944.30	1826.20	1840.50
Crude Oil (USD/bbl)	71.74	72.67	80.26	78.16
Copper (LME \$/mt)	8337.00	8082.00	8387.00	8896.00
Gasoline (USD/gal)	3.85	3.79	3.35	3.54
Exchange rates as of:	06/02/23	05/26/23	12/31/22	3/02/2023
\$ per €	1.07	1.07	1.07	1.06
\$ per £	1.25	1.23	1.20	1.20
¥ per \$	139.66	140.50	131.95	136.70
U.S. Dollar Index	104.02	104.21	103.52	105.03

#### 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.

**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.

**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.

## Economic Release Calendar

Date	Country/Region	Event
6/5/2023	China	S&P Global/ Caixin Services PMI (May)
	Germany	S&P Global PMI Services (May)
	U.S.	Durable Orders (Apr)
	U.S.	ISM Services PMI (May)
	Japan	Real Household Consumption Expenditure (Apr)
6/6/2023	Germany	Manufacturing Turnover (Apr)
	U.K.	CIPS Construction PMI (May)
	South Africa	GDP (1Q23)
	Australia	GDP (1Q23)
6/7/2023	Japan	Leading Index (Apr)
	Germany	Industrial Production (Apr)
	Canada	Bank of Canada Interest Rate Announcement
	U.S.	Consumer Credit (Apr)
	Japan	Bank Loans (May)
	Japan	GDP (1Q23)
	China	New Yuan Loans (May)
6/8/2023	U.S.	Initial Claims (Jun 3)
	U.S.	Wholesale Inventories (Apr)
	China	CPI (May)
	China	PPI (May)
6/9/2023	Italy	Industrial Production (Apr)

Source: FactSet

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