

CPWM's Weekly Market Monitor is designed to provide a summary of recent market commentary and statistics.

MARKET COMMENTARY

- Stock markets around the globe took a hard tumble for the week, their worst decline since the early February rout. Despite a reassuringly predictable FOMC meeting, White House threats of a trade war spooked investors. Gold and oil prices both rose for the week. The yield on the ten-year U.S. Treasury note fell slightly, to about 2.84%.
- U.S. stocks sold off early in the week as investors took profits in technology shares. It got worse after the Trump administration announced tariffs on a range of Chinese imports, amounting to tens of billions of dollars of goods, in addition to the duties on steel and aluminum. In response, China announced tariffs on about three billion of U.S. goods.
- Existing home sales beat expectations for February, though the housing market continued to tighten. Coming in at 5.5 million, the National Association of Realtors' existing home sales ended two consecutive months of declines and beat consensus estimates of 5.4 million. By contrast, new home sales fell slightly.
- The mood among German investors worsened in March. The ZEW survey of German economic sentiment fell to 5.1 this month from 17.8 in February, versus a consensus forecast for 13.1. A different gauge of investor perceptions of current economic conditions fell to 90.7 from 92.3 last month, versus expectations of 90.0.
- The Commerce Department said February orders for durable goods — products designed to last at least three years — increased 3.1% over January to \$247.72 billion, the fastest increase in eight months and the largest gain since mid-2017.
- The Federal Reserve increased its baseline interest rate by 25 basis points (bp) as expected. The bigger questions surrounded the evolution of the Fed's Summary of Economic Projections or "dot plot," which had been signaling three rate hikes in 2018, and might move up to four. The SEP maintained a projection of three rate hikes for 2018, though the median 2019 dot went from two to three rate hikes. The long-run dot also drifted slightly higher. The median core PCE inflation projection was unchanged at 1.9%. No change in balance of risks, though noted economic outlook has strengthened.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	0.0	0.0	0.1	0.2
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iShares Core US Aggregate Bond ETF	(0.1)	0.2	(2.1)	0.7
Global Equity				
iShares MSCI ACWI	(4.8)	(5.3)	(2.8)	13.4
U.S. Equity				
iShares Core S&P 500 ETF	(5.9)	(5.7)	(2.9)	12.5
iShares Russell Mid Cap ETF	(4.9)	(3.7)	(2.5)	11.1
iShares Russell 2000 ETF	(4.7)	(2.3)	(1.4)	13.1
iShares Core U.S. Value ETF	(5.2)	(5.7)	(5.9)	5.7
iShares Core U.S. Growth ETF	(6.3)	(5.2)	0.1	18.4
Foreign Equity				
iShares MSCI EAFE ETF	(3.6)	(4.8)	(3.4)	12.6
iShares MSCI EAFE Small Cap ETF	(3.0)	(3.5)	(0.8)	21.5
iShares MSCI EAFE Value ETF	(3.6)	(5.3)	(3.7)	10.3
iShares MSCI EAFE Growth ETF	(3.6)	(4.0)	(2.9)	15.3
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	(4.7)	(5.7)	(0.5)	20.4
iShares MSCI Emerging Markets Small Cap ETF	(4.3)	(5.3)	(3.0)	14.5
"Other" Asset Classes				
iShares U.S. Real Estate ETF	(3.9)	(1.8)	(9.3)	(2.8)
iShares International Developed Real Estate ETF	(1.6)	(1.6)	(2.3)	11.4
SPDR Barclays High Yield Bond ETF	(1.0)	(1.3)	(2.1)	3.4
iShares S&P GSCI Commodity Indexed Trust	2.3	0.5	2.7	16.2

IMPORTANT NOTES

ALL COMMENTARY SOURCED FROM VOYA GLOBAL PERSPECTIVES REPORT AND TO BE USED FOR INFORMATIONAL PURPOSES ONLY.

PRIOR PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. INDIVIDUAL INVESTOR PERFORMANCE MAY VARY. ALL INVESTING INVOLVES THE RISK OF LOSS INCLUDING THE POSSIBLE LOSS OF ALL AMOUNTS INVESTED. DIFFERENT TYPES OF INVESTMENTS INVOLVE VARYING DEGREES OF RISK, AND THERE CAN BE NO ASSURANCE THAT ANY SPECIFIC INVESTMENT WILL BE PROFITABLE.

MARKET-RELATED DATA INCLUDED IN CHARTS AND GRAPHS IS SOURCED MORNINGSTAR.COM.

ALL RETURNS REFERENCED ARE EXCHANGE TRADED FUNDS (ETFs) DESIGNED TO TRACK A PARTICULAR INDEX OR BENCHMARK. THERE CAN BE NO GUARANTEE THE ETFs ACHIEVE THEIR OBJECTIVE. BENCHMARK DESCRIPTIONS PROVIDED BELOW.

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EXCHANGE TRADED FUND DESCRIPTIONS:

- THE ISHARES SHORT-TERM NATIONAL AMT-FREE MUNI BOND ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF INVESTMENT-GRADE U.S. MUNICIPAL BONDS WITH REMAINING MATURITIES BETWEEN ONE MONTH AND FIVE YEARS.
- THE ISHARES NATIONAL AMT-FREE MUNI BOND ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF INVESTMENT-GRADE U.S. MUNICIPAL BONDS.
- THE ISHARES CORE U.S. AGGREGATE BOND ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF THE TOTAL U.S. INVESTMENT-GRADE BOND MARKET.
- THE ISHARES MSCI ACWI ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE AND MID-CAPITALIZATION DEVELOPED AND EMERGING MARKET EQUITIES.
- THE ISHARES CORE S&P 500 ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE-CAPITALIZATION U.S. EQUITIES.
- THE ISHARES RUSSELL MID-CAP ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF MID-CAPITALIZATION U.S. EQUITIES.
- THE ISHARES RUSSELL 2000 ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF SMALL-CAPITALIZATION U.S. EQUITIES.
- THE ISHARES CORE U.S. VALUE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF A BROAD-BASED INDEX COMPOSED OF U.S. EQUITIES THAT EXHIBIT VALUE CHARACTERISTICS.
- THE ISHARES CORE U.S. GROWTH ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF A BROAD-BASED INDEX COMPOSED OF U.S. EQUITIES THAT EXHIBIT GROWTH CHARACTERISTICS.
- THE ISHARES MSCI EAFE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE-, MID- AND SMALL-CAPITALIZATION DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA.
- THE ISHARES MSCI EAFE SMALL CAP ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF SMALL-CAPITALIZATION DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA.
- THE ISHARES MSCI EAFE VALUE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA, THAT EXHIBIT VALUE CHARACTERISTICS.
- THE ISHARES MSCI EAFE GROWTH ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA, THAT EXHIBIT GROWTH CHARACTERISTICS.
- THE ISHARES MSCI EMERGING MARKETS ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE- AND MID-CAPITALIZATION EMERGING MARKET EQUITIES.
- THE ISHARES MSCI EMERGING MARKETS SMALL CAP ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF SMALL-CAPITALIZATION EMERGING MARKET EQUITIES.
- THE ISHARES U.S. REAL ESTATE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF U.S. EQUITIES IN THE REAL ESTATE SECTOR.
- THE ISHARES INTERNATIONAL DEVELOPED REAL ESTATE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF REAL ESTATE EQUITIES IN DEVELOPED NON-U.S. MARKETS.
- THE SPDR® BARCLAYS HIGH YIELD BOND ETF SEEKS TO PROVIDE INVESTMENT RESULTS THAT, BEFORE FEES AND EXPENSES, CORRESPOND GENERALLY TO THE PRICE AND YIELD PERFORMANCE OF THE BARCLAYS HIGH YIELD VERY LIQUID INDEX.
- THE ISHARES S&P GSCI COMMODITY INDEXED TRUST SEEKS TO TRACK THE RESULTS OF A FULLY COLLATERALIZED INVESTMENT IN FUTURES CONTRACTS ON AN INDEX COMPOSED OF A DIVERSIFIED GROUP OF COMMODITIES FUTURES.