

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

MARKET COMMENTARY

- Global stock markets posted losses for the week. Investor sentiment shifted into "risk-off" mode as the China-U.S. trade negotiations grew wobbly, then worsened after the European Central Bank called off a planned interest rate hike due to darkening economic skies. The final bricks in the wall of worry were cemented into place on Friday: a severely disappointing U.S. jobs report and falling Chinese exports. Capping it all was news that China's President Xi had canceled his trip to Florida, where he had been expected to sign a trade accord with President Trump.
- Oil prices ended flat for the week, despite production cuts from OPEC. Gold prices rose slightly. Bond prices rose as traders reacted to disappointing U.S. and Eurozone economic data. The ten-year U.S. Treasury yield decreased steadily, ending the week at about 2.64%. The U.S. dollar increased against a basket of major currencies.
- The February nonfarm payrolls report confirmed a trend of slowing U.S. employment growth. New jobs rose by only 20,000, far below estimates of 180,000 though the prior two months were revised up 12,000. The unemployment rate fell to 3.8%, just below estimates of 3.9%; the labor force participation rate was unchanged at 63.2%. Average hourly earnings were up 0.4% month-over-month and 3.4% year-over-year, both ahead of estimates.
- China's exports and imports fell sharply in February, pointing to a worsening economic slowdown. Exports to the United States fell 26.2%, while imports from the U.S. dropped 28.6%, narrowing China's trade surplus with the U.S. to \$14.72 billion, a two-year low. Separately, Beijing lowered its 2019 GDP growth target to 6.0-6.5%.
- Service sector growth also was weak: Caixin China General Services PMI fell to 51.1 in February from 53.6 in January. New orders and employment rose slightly. By contrast, the U.S. ISM Non-Manufacturing PMI index increased to 59.7 in February from 56.7 in January.
- IHS Markit/CIPS UK Construction PMI dropped to 49.5 in February, falling into contraction as business optimism hit a four-month low. U.S. construction spending decreased 0.6% in December as investment in both private and public projects decreased. By contrast, U.S. new home sales increased 3.7%.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	0.1	0.2	0.6	2.2
iShares National AMT-Free Muni Bond ETF	0.4	0.7	1.4	4.0
iShares Core US Aggregate Bond ETF	0.8	0.3	1.4	3.7
Global Equity				
iShares MSCI ACWI	(2.1)	1.3	9.0	(2.7)
U.S. Equity				
iShares Core S&P 500 ETF	(2.2)	1.5	9.8	2.1
iShares Russell Mid Cap ETF	(2.7)	0.9	13.0	1.1
iShares Russell 2000 ETF	(4.2)	1.2	13.3	(1.9)
iShares Core U.S. Value ETF	(2.3)	0.6	9.5	0.5
iShares Core U.S. Growth ETF	(2.2)	2.1	10.3	3.2
Foreign Equity				
iShares MSCI EAFE ETF	(1.8)	2.3	8.0	(7.0)
iShares MSCI EAFE Small Cap ETF	(2.4)	2.3	8.6	(12.5)
iShares MSCI EAFE Value ETF	(2.2)	1.4	6.2	(9.3)
iShares MSCI EAFE Growth ETF	(1.6)	3.1	8.9	(5.4)
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	(2.0)	(1.2)	6.6	(12.7)
iShares MSCI Emerging Markets Small Cap ETF	(0.6)	0.4	6.2	(14.4)
"Other" Asset Classes				
iShares U.S. Real Estate ETF	0.2	(0.0)	12.2	16.0
iShares International Developed Real Estate ETF	0.2	0.2	8.9	2.9
SPDR Barclays High Yield Bond ETF	(0.5)	1.0	6.4	4.1
iShares S&P GSCI Commodity Indexed Trust	0.2	2.9	11.1	(3.5)

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.