

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

MARKET COMMENTARY

- Global stock markets delivered mixed results for the week. U.S. indexes mostly gained on the holiday-shortened week, but small caps lagged. Trading action was generally macro-driven, supported by a dovish Federal Reserve, expectations for a U.S.-China trade deal and signs of global growth bottoming. Headwinds included an earnings slowdown, lingering trade tensions and a fragile China recovery.
- Oil prices rose slightly on the week, whereas gold prices fell. Interest rates were volatile across the U.S. Treasury yield curve, but settled near where they started: the 10-year yield was flat at about 2.56%. The U.S. dollar posted significant gains against a basket of major currencies.
- With 15% of S&P 500 companies reporting first-quarter results, 78% have exceeded earnings per share (EPS) expectations, while 53% have beaten sales expectations. As of April 18, 2019, FactSet estimated the S&P 500 index's first-quarter earnings growth rate at -3.9% and its 12-month forward P/E ratio at 16.8, above both the five-year average of 16.4 and the ten-year average of 14.7. CSX, Morgan Stanley and PepsiCo impressed this week, whereas Bank of New York Mellon, Netflix and Shake Shack disappointed. Next week, 150 S&P 500 companies report 1Q19 results.
- March retail sales were up 1.6% (est. 1.0%) from February's 0.2% contraction. Sales ex-autos of 1.2% beat the 0.7% consensus. Control group sales of 1.0% (est. 0.5%) reversed February's -0.3% print. Twelve of 13 retail categories beat; auto sales rose by the most in 18 months.
- Industrial production declined 0.1% in March following a 0.1% increase in February. Mining output was the big drag. Manufacturing production was unchanged following declines in January and February. Goldman Sachs pointed out that the capex sensitive business category rebounded, increasing 0.4% after a 0.8% decline in February.
- April IHS Markit flash U.S. manufacturing PMI was unchanged at 52.4. Inflationary pressure was the weakest since July 2017. Flash services PMI was down 2.4 points to 52.8, a 31-month low. Business activity also fell to a 25-month low.
- The NAHB housing market index pushed up to 63 in April from 62 last month, marking a six-month high. Builders highlighted solid demand for single-family homes.

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	0.2	0.8	2.7
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iShares Core US Aggregate Bond ETF	(0.1)	0.8	2.4	4.7
Global Equity				
iShares MSCI ACWI	0.1	2.2	15.5	3.7
U.S. Equity				
iShares Core S&P 500 ETF	(0.1)	2.7	16.5	10.0
iShares Russell Mid Cap ETF	(0.9)	2.8	19.2	7.5
iShares Russell 2000 ETF	(1.3)	0.7	16.6	0.8
iShares Core U.S. Value ETF	0.3	2.6	16.1	7.4
iShares Core U.S. Growth ETF	(0.2)	2.7	17.2	11.7
Foreign Equity				
iShares MSCI EAFE ETF	0.4	1.7	13.4	(3.6)
iShares MSCI EAFE Small Cap ETF	0.1	1.9	14.2	(9.1)
iShares MSCI EAFE Value ETF	0.3	1.3	11.6	(6.3)
iShares MSCI EAFE Growth ETF	0.4	2.1	14.8	(1.1)
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	0.5	2.3	14.1	(4.9)
iShares MSCI Emerging Markets Small Cap ETF	0.4	1.1	10.4	(11.7)
"Other" Asset Classes				
iShares U.S. Real Estate ETF	(2.9)	1.1	15.1	18.7
iShares International Developed Real Estate ETF	(1.4)	(1.4)	10.7	2.6
SPDR Barclays High Yield Bond ETF	(0.2)	1.7	9.1	6.0
iShares S&P GSCI Commodity Indexed Trust	(0.4)	3.6	18.1	(4.8)

IMPORTANT NOTES

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

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

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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.