

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

MARKET COMMENTARY

- Stocks posted losses for the week, driven by eruptions of trade-related volatility. With last week's news still fresh in memory, investors were confronted with escalating trade-war threats, disruptive White House tweets and a devaluation of China's currency. Stocks suffered their worst day of the year on Monday as investors piled into bonds, sending prices skyward and yields earthward.
- Stocks rallied after the yuan devaluation proved less severe than feared, but retrenched again after the White House suggested it might suspend upcoming trade talks with China. The 10-year U.S. Treasury yield declined from 1.775% to 1.736%. Economic worries sent crude oil futures down and gold futures up. The U.S. dollar held steady against a basket of major currencies.
- With 90% of S&P 500 companies reporting second-quarter results, 73% have exceeded earnings per share (EPS) expectations, while 57% have beaten revenue expectations. As of August 9, 2019, Refinitiv estimated the S&P 500 index's second-quarter earnings growth rate at 2.8% and its 12-month forward P/E ratio at 17.1. Carvana, Shake Shack and Vonage Holdings impressed this week, whereas Dean Foods, Disney and International Flavors disappointed.
- The July ISM non-manufacturing index fell to 53.7, marking its lowest reading since August 2016. Business activity, new orders and prices were down. Final IHS Markit U.S. Services PMI rose to 53.0, up 1.5 versus June. Though business confidence registered fresh lows, business activity hit its fastest pace in three months.
- German industrial production was much worse than expected in July, down 1.5% from June; year-to-date, production was down 5.3%. By contrast, industrial orders rose 2.5% in June, ahead of expectations.
- Britain's GDP contracted by 0.2% in the second quarter as Brexit uncertainty undermined business confidence. The drop was equivalent to an annualized decline of 0.8%, a sharp slowdown from the 2.0% increase seen in the first quarter. As a result, the pound fell to multiyear lows against the euro and U.S. dollar.
- U.S. job openings in June were little changed at 7.35 million, compared to 7.38 million in May, according to the Job Openings and Labor Turnover Survey. Hiring fell by 58,000 jobs to 5.70 million.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	0.2	0.6	2.6	3.6
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iShares Core US Aggregate Bond ETF	0.6	1.7	7.6	9.3
Global Equity				
iShares MSCI ACWI	(0.7)	(2.9)	13.6	0.1
U.S. Equity				
iShares Core S&P 500 ETF	(0.4)	(1.9)	17.8	4.4
iShares Russell Mid Cap ETF	(0.3)	(2.3)	19.8	2.9
iShares Russell 2000 ETF	(1.3)	(3.1)	13.2	(9.2)
iShares Core U.S. Value ETF	(0.9)	(2.2)	15.2	2.4
iShares Core U.S. Growth ETF	0.0	(1.8)	19.8	5.1
Foreign Equity				
iShares MSCI EAFE ETF	(1.2)	(3.9)	9.4	(4.6)
iShares MSCI EAFE Small Cap ETF	(1.0)	(3.1)	8.6	(9.1)
iShares MSCI EAFE Value ETF	(1.8)	(5.9)	2.8	(9.6)
iShares MSCI EAFE Growth ETF	(0.6)	(2.0)	15.5	0.1
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	(1.7)	(6.3)	2.9	(7.6)
iShares MSCI Emerging Markets Small Cap ETF	(1.0)	(5.9)	0.4	(11.5)
"Other" Asset Classes				
iShares U.S. Real Estate ETF	2.0	1.1	23.8	15.7
iShares International Developed Real Estate ETF	(1.0)	(3.5)	10.2	3.8
SPDR Barclays High Yield Bond ETF	(0.3)	(0.2)	10.4	5.9
iShares S&P GSCI Commodity Indexed Trust	(1.5)	(5.1)	5.9	(12.5)

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.