

# Voya Fixed Income: Three Topics

Presented by:

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Voya Investment Management

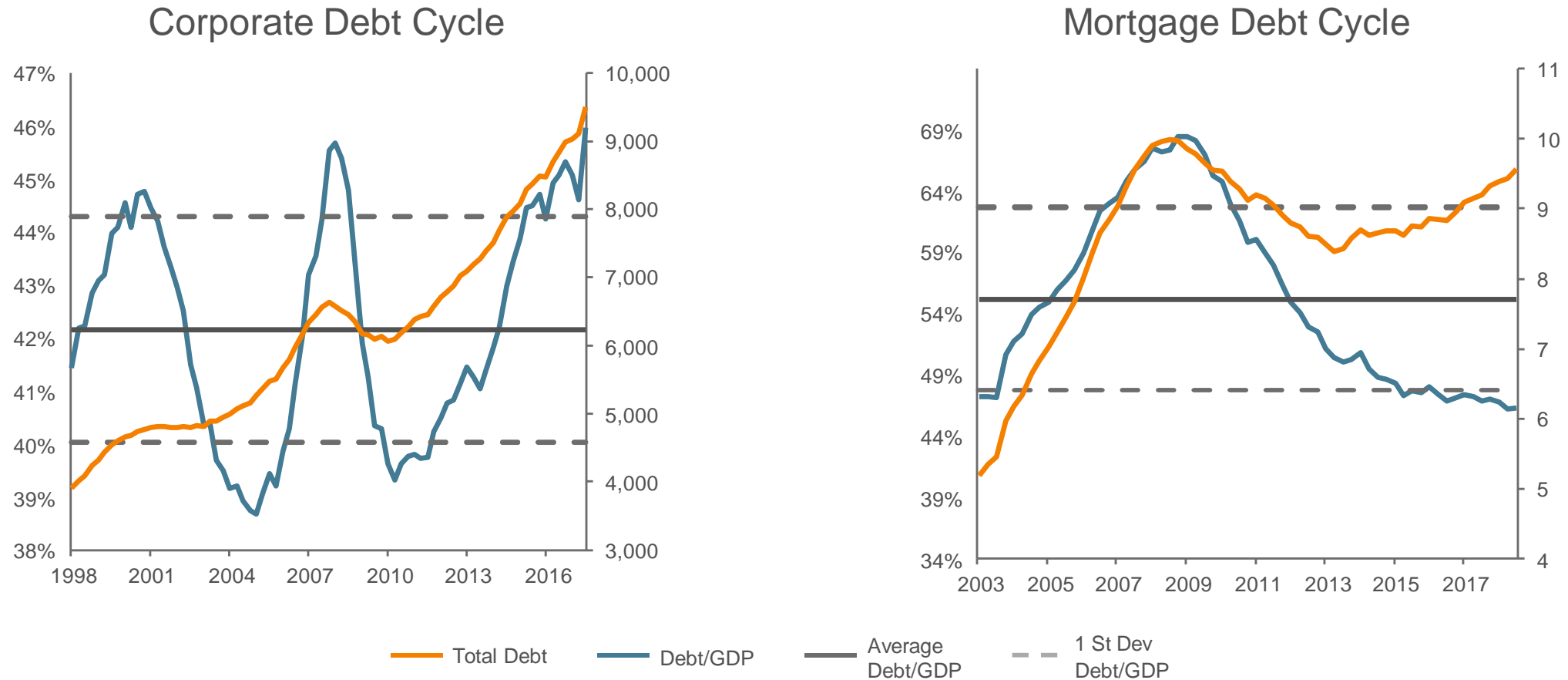
February 7, 2019

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# Corporate Credit Cycle More Advanced Than Mortgage Credit Cycle



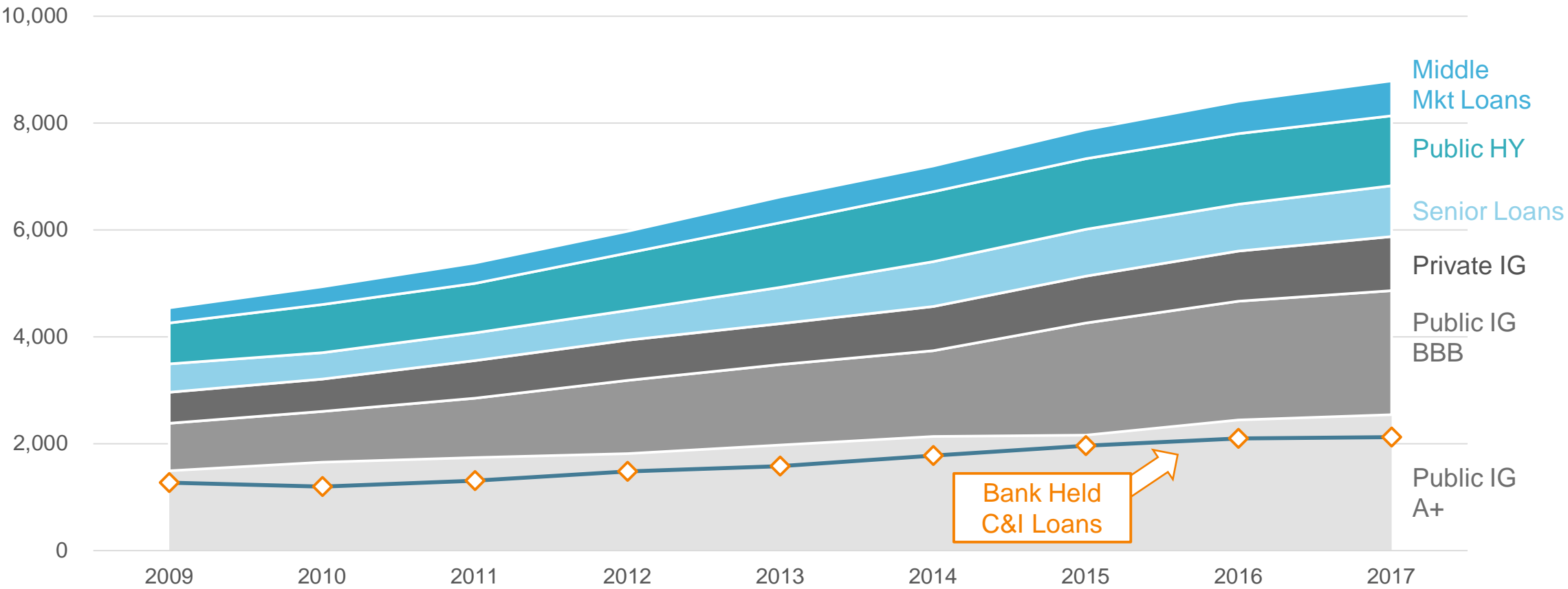
Source: Federal Reserve Bank of St. Louis, Federal Reserve Bank of New York, BLS and Voya Investment Management  
 Corporate Debt as represented by Federal Reserve Bank of St. Louis Non-Financial Corporate Credit Instruments through 06/30/18, Mortgage Debt as represented by Federal Reserve Bank of New York Survey of Household Debt & Credit through 09/30/18.



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# Debt Build-Up Has Implications for Borrowers and Investors, Sourcing from Middle Market Capital Unclear in a Prolonged Downturn

U.S. Corporate Debt Markets vs Bank Held C&I Loans: 2009-2017

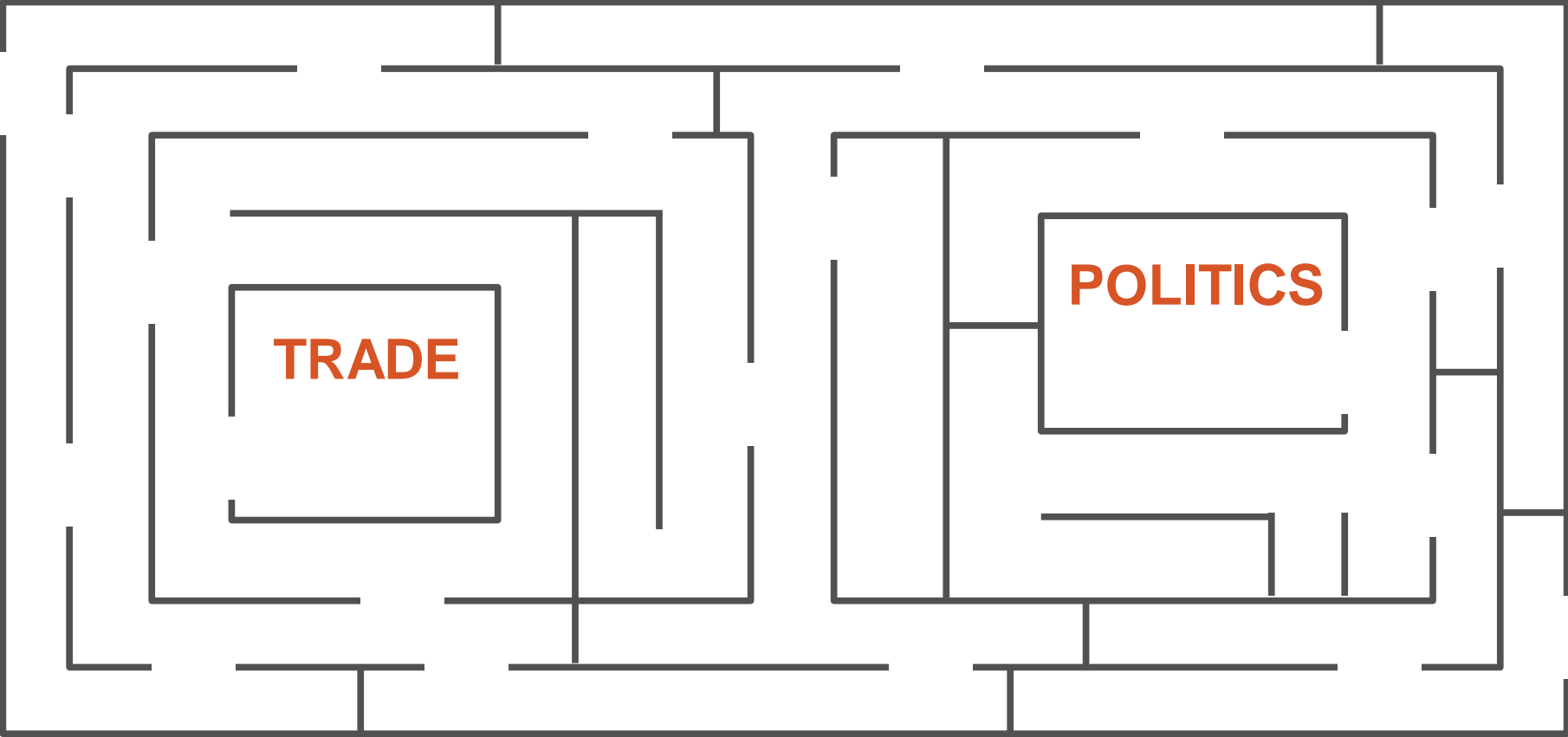


Source: Barclays, Company Filings: Voya estimates, S&P, Prequin



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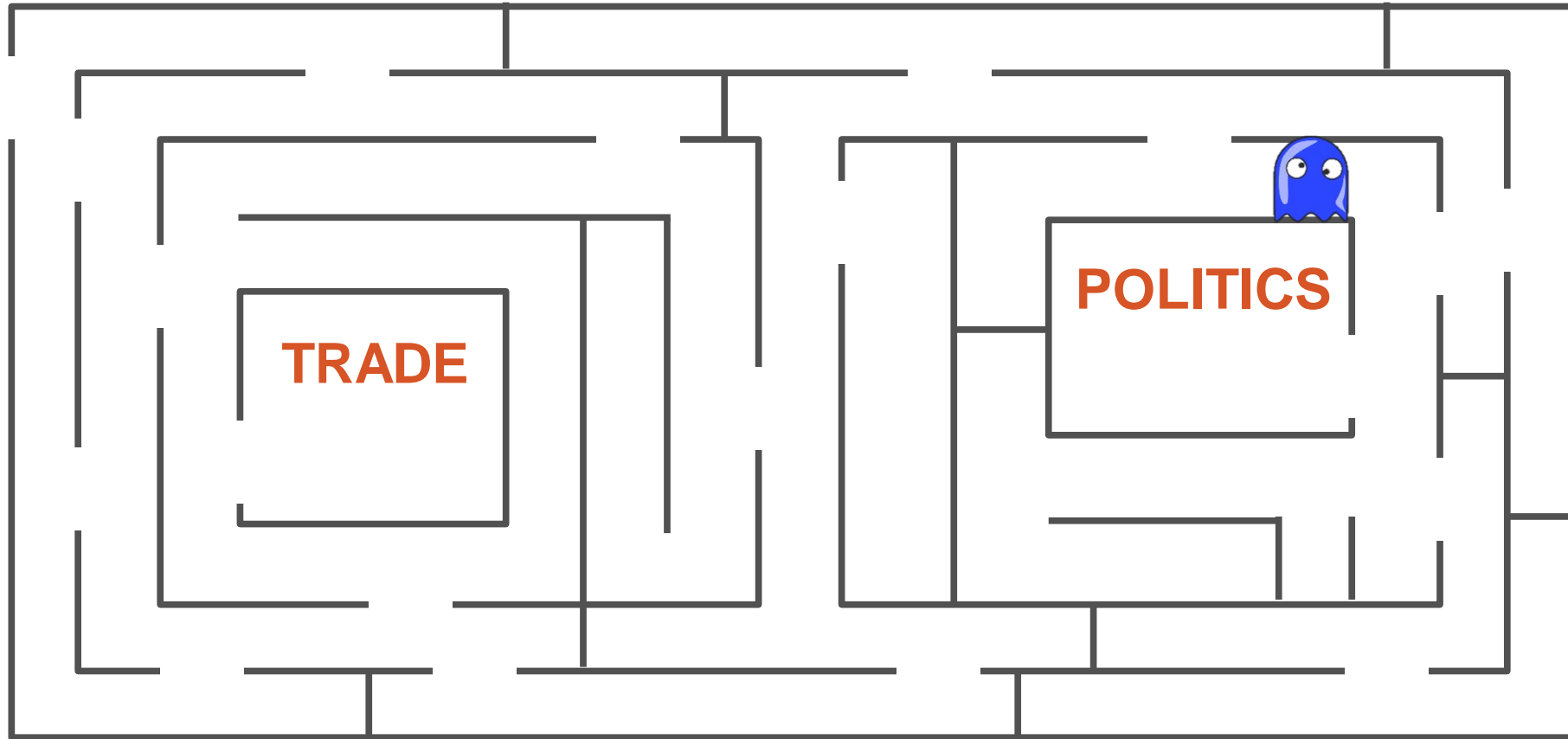
# There Are Dangers and Dead Ends in the Global Labyrinth



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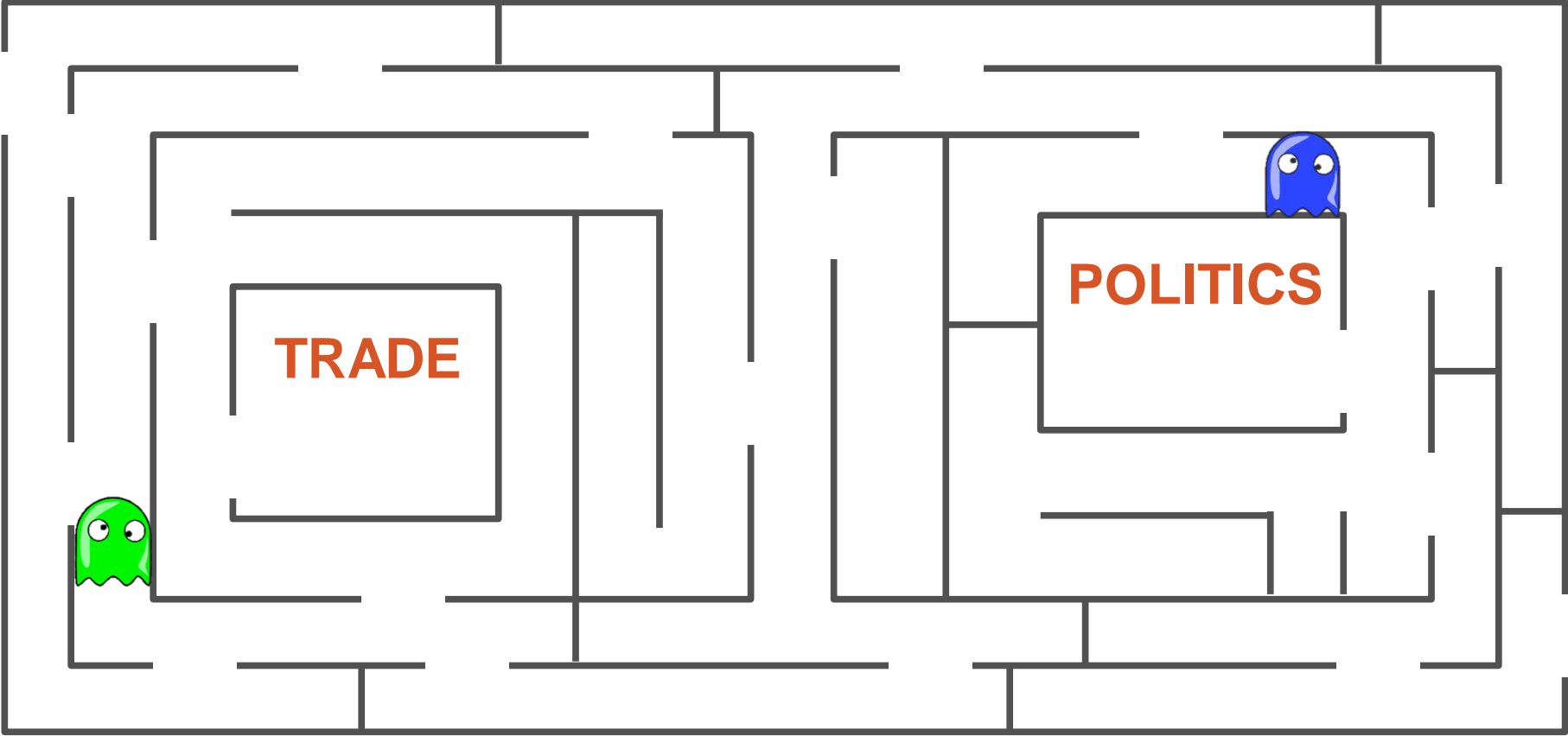


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# There Are Dangers and Dead Ends in the Global Labyrinth

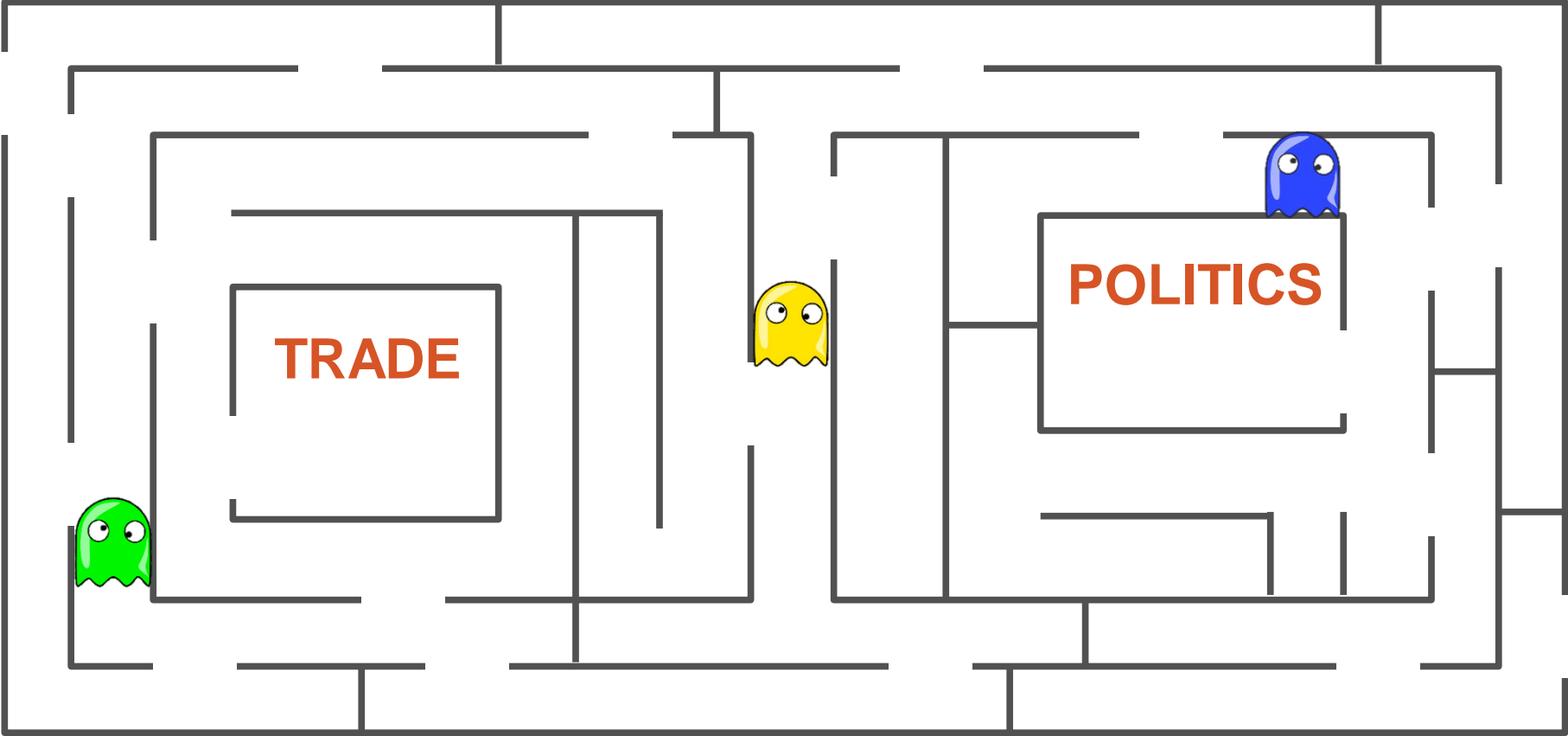


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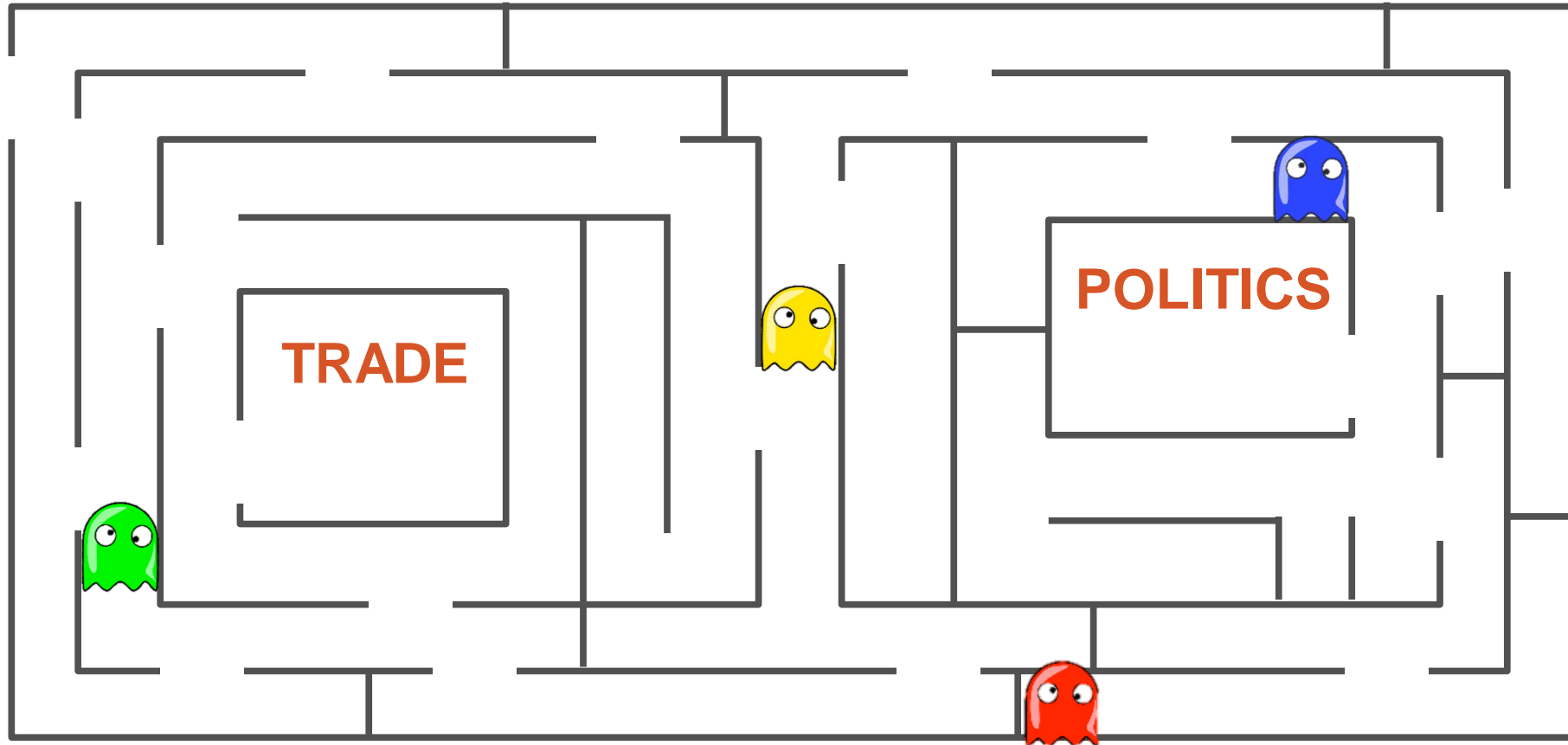


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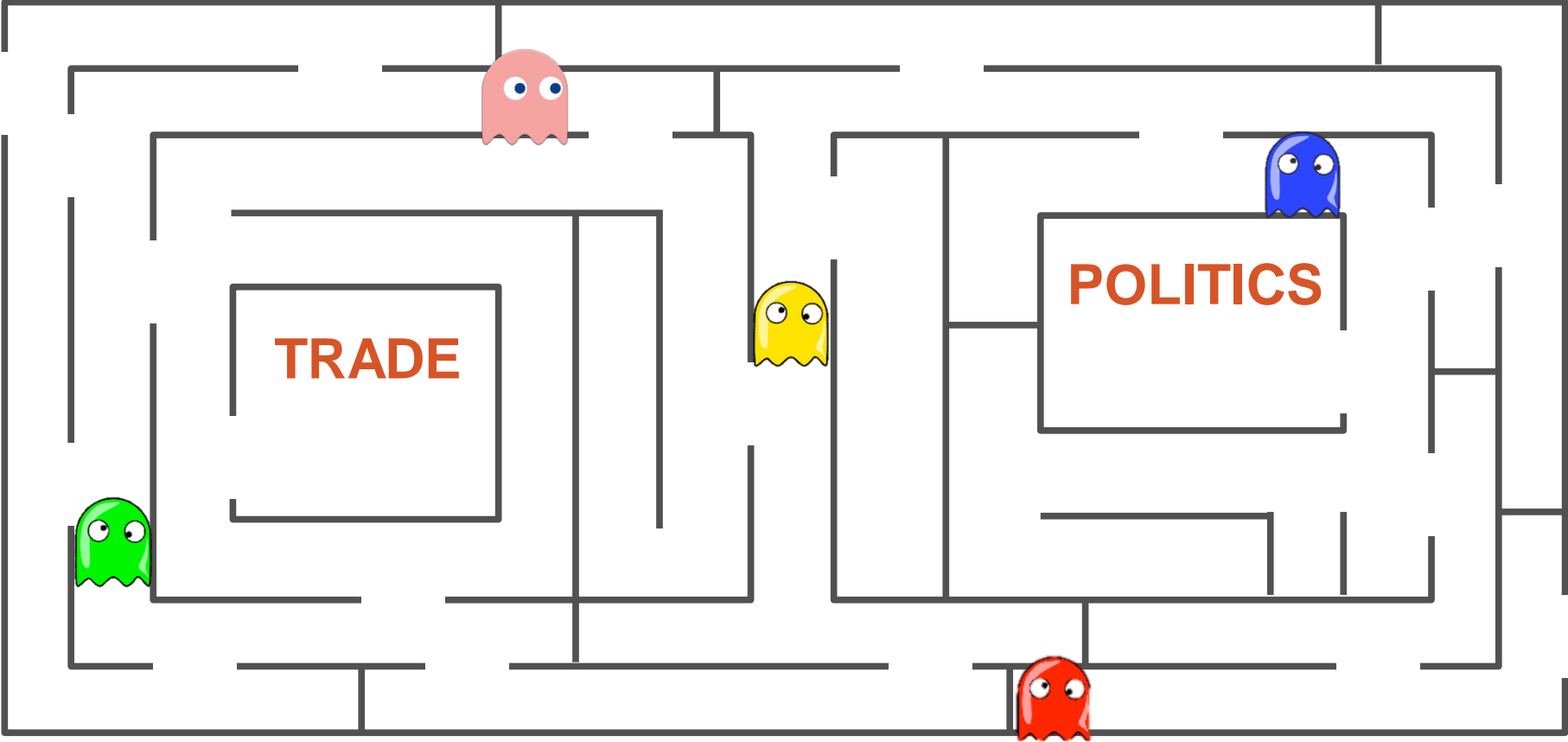
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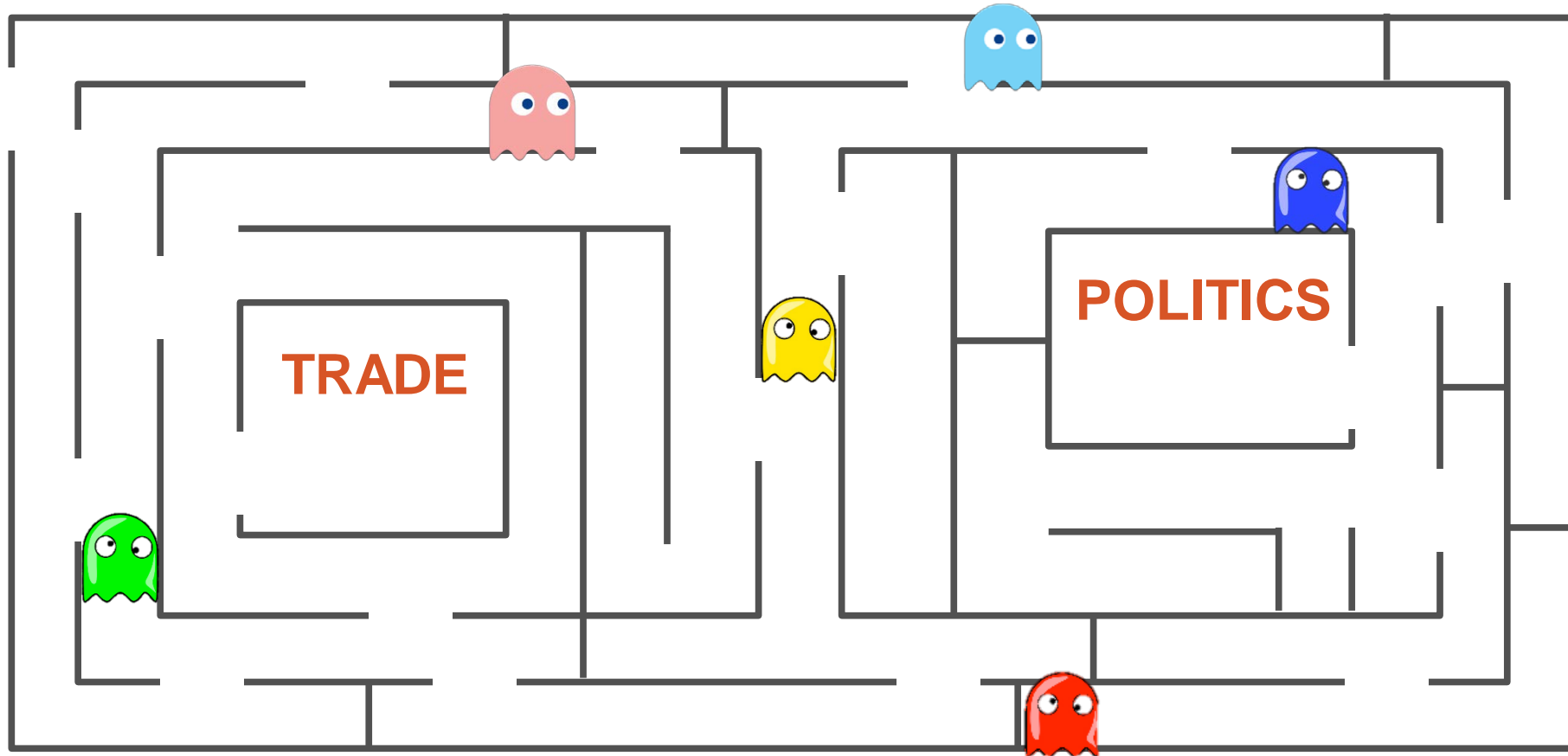


 **POPULISM**  **SOCIALISM**  **BREXIT**  **ITALY 5-STARS**  **IRAN**

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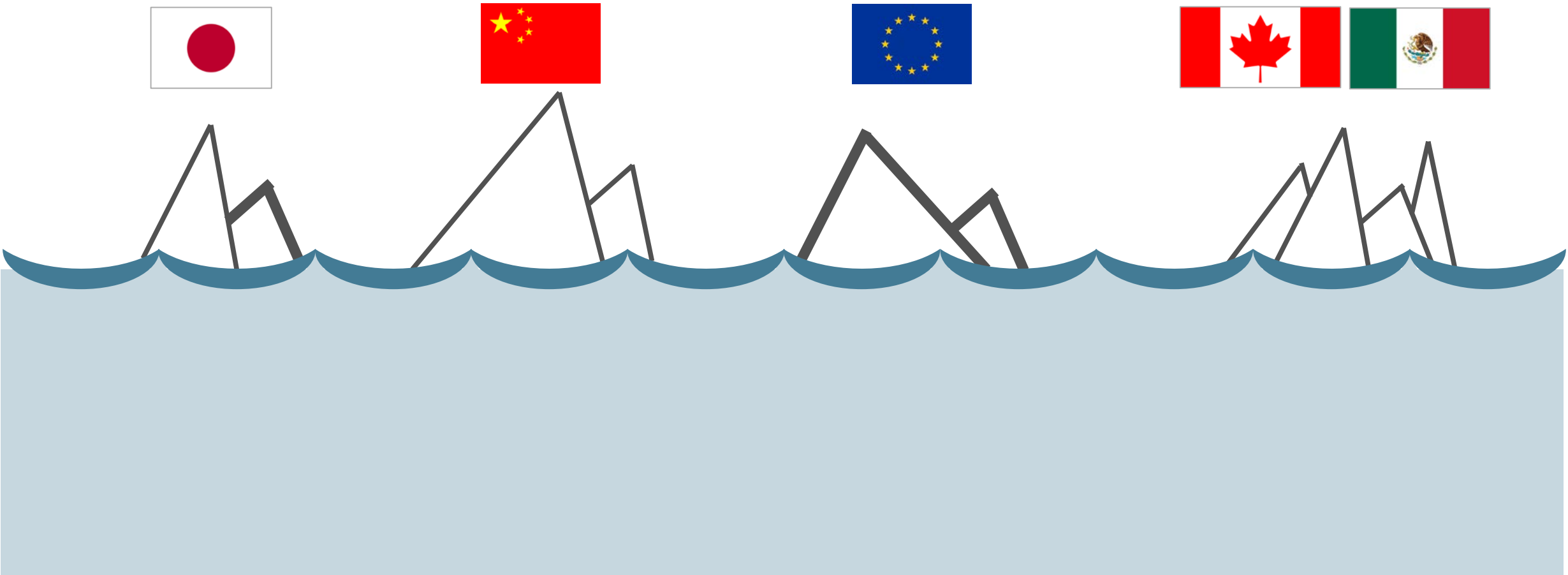
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# On the Surface, Trade Talks Appear to Be Focused on Trade Balances and Tariffs

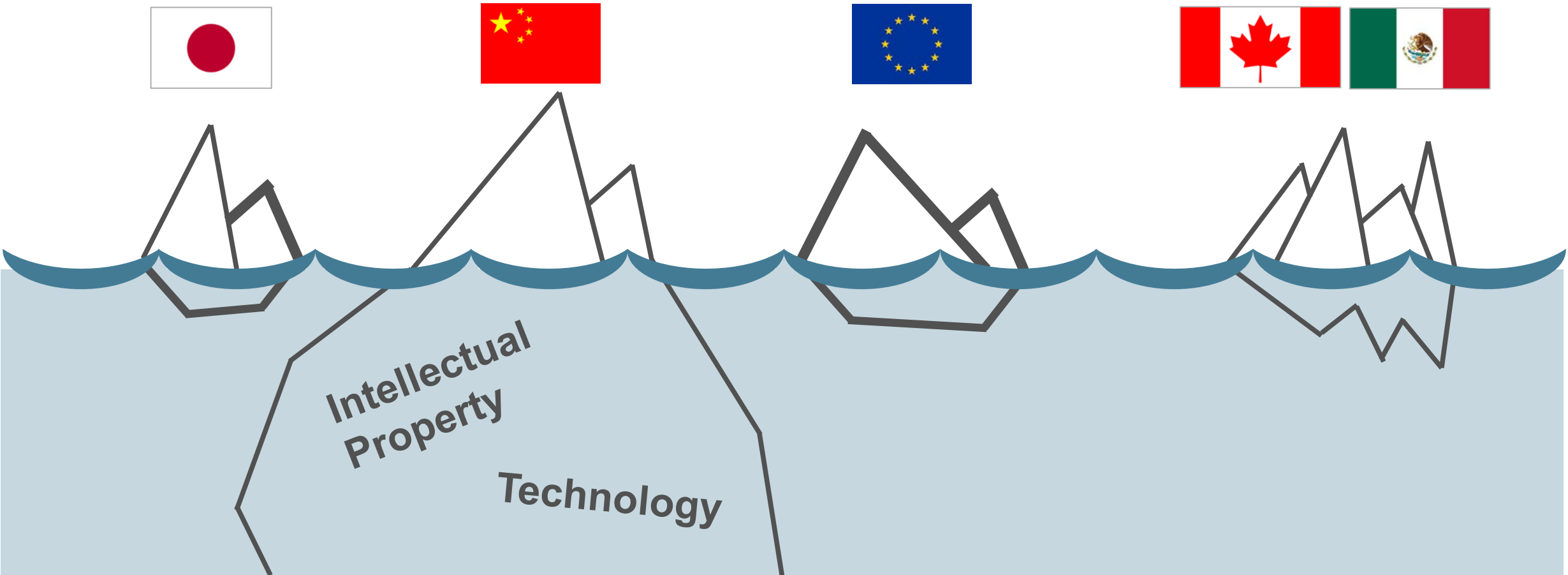


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# But There is More Beneath the Surface With China



Source: Voya Investment Management



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# Key Takeaways

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- 1 Preference for U.S.- and consumer-oriented risk
- 2 Volatility will lead to tactical opportunities in EMD and corporate bond markets
- 3 Calls for an impending recession are premature, but building political uncertainty in late 2019 is a concern

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