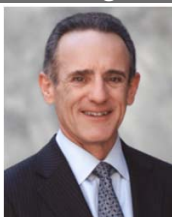


Voya Senior Loan Group

Riding the Technicals

- Looking to take advantage of robust technicals, investors sought out a series of large cap primary deals ahead of an expected slowing of the forward pipeline in what was a good week for the asset class. The S&P/LSTA Leveraged Loan Index (the "Index") gained a solid 0.35%, while average bids increased by 22 bps, to 93.34.
- Propelling a busy week for primary loans were indicators of an active but notably smaller institutional pipeline. Net of the approximately \$13.97 billion of anticipated repayments unassociated with the forward calendar, the amount of net new supply poised to hit the market totals approximately \$4.45 billion, down from \$9.4 billion last week. Much of this upcoming activity stems from opportunistic transactions that are not expected to bring significant net new outstandings into the market. Nonetheless, the flurry of activity was good for issuers, as B+/B margins tightened from L+441 to L+431, while BBs ticked up slightly to L+306 from L+293.
- An extremely well bid secondary market continued to enjoy a strong technical backdrop despite the continued repricing and opportunistic activity that is generally par for the course with the current higher spirits brought on by this spring's rally. While sizeable repayments and a smaller new issue flow have frustrated some, the general health of the market continues to improve: the percentage of the market bid at par or above continues to grow, and now stands at nearly 33%, up from 27% a week ago.
- The CLO space continues to be active, with \$816 million of new issue priced this week. The MTD total now stands at \$4.3 billion, while YTD is \$18.4 billion. Retail experienced a decent \$100 million of net inflows (Lipper FMI universe).
- Individual rating cohorts boasted hale and hearty gains across the credit spectrum. CCCs were up 0.89%, with average bids rising 71 bps to 79.95. Single Bs increased 0.37%, while bids were up 20 bps for an average of 95.10. BBs climbed 0.24%, and their 99.23 bid average was a 15 bps advance.
- There were no defaults in the Index this week. The default rate by amount outstanding remains unchanged at 1.96%.

Portfolio Managers

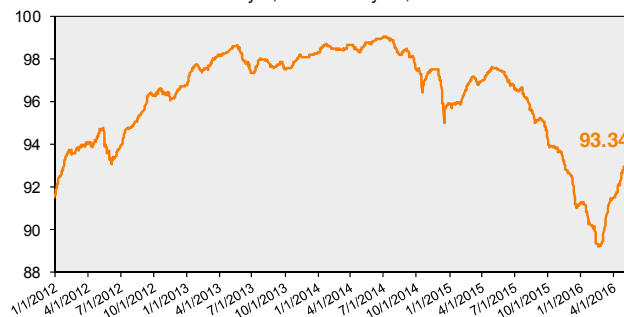


Dan Norman
Group Head

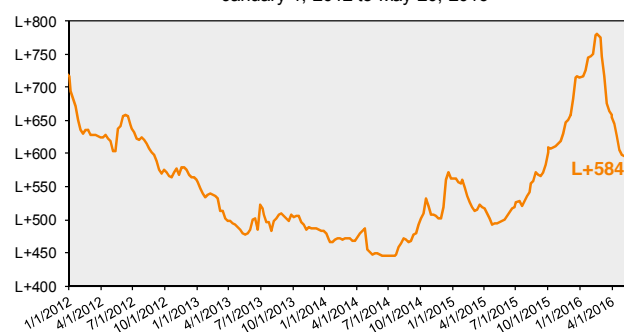


Jeff Bakalar
Group Head

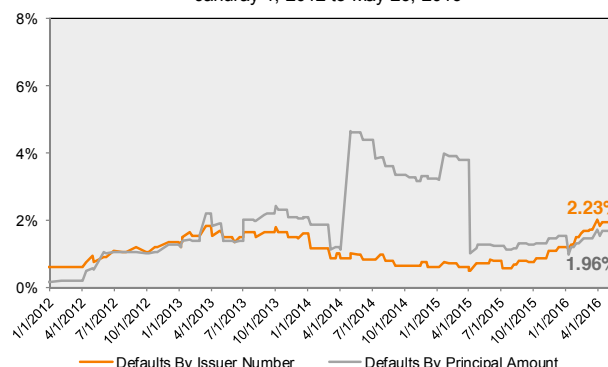
Average Bid
S&P/LSTA Leveraged Loan Index
January 1, 2012 to May 26, 2016



Average Three Year Call Secondary Spreads
S&P/LSTA Leveraged Loan Index^{1,2}
January 1, 2012 to May 20, 2016



Lagging 12 Month Default Rate³
S&P/LSTA Leveraged Loan Index
January 1, 2012 to May 26, 2016



Voya Senior Loan Strategy

The Voya Senior Loan Group is a part of Voya Investment Management. The team is comprised of 28 investment professionals and 27 dedicated support staff. There are five portfolio management teams in Scottsdale, each of which is responsible for particular industries, and a team located in London that is responsible for sourcing overseas loans.

The Voya Senior Loan Strategy is an actively managed, ultra-short duration floating rate income strategy that invests primarily in privately syndicated, below investment grade senior secured corporate loans. Senior loans are floating rate instruments that can provide a natural hedge against rising interest rates. They are typically secured by a first priority lien on a borrower's assets, resulting in historically higher recoveries than unsecured corporate bonds.

General Risks for Floating Rate Senior Bank Loans: Floating rate senior bank loans involve certain risks. Below investment grade assets carry a higher than normal risk that borrowers may default in the timely payment of principal and interest on their loans, which would likely cause the value of the investment to decrease. Changes in short-term market interest rates will directly affect the yield on investments in floating rate senior bank loans. If such rates fall, the investment's yield will also fall. If interest rate spreads on loans decline in general, the yield on such loans will fall and the value of such loans may decrease. When short-term market interest rates rise, because of the lag between changes in such short term rates and the resetting of the floating rates on senior loans, the impact of rising rates will be delayed to the extent of such lag. Because of the limited secondary market for floating rate senior bank loans, the ability to sell these loans in a timely fashion and/or at a favorable price may be limited. An increase or decrease in the demand for loans may adversely affect the loans.

Unless otherwise noted, the source for all data in this report is Standard & Poor's/LCD. S&P/LCD does not make any representations or warranties as to the completeness, accuracy or sufficiency of the data in this report.

1 – Assumes 3 Year Maturity. Three year maturity assumption: (i) all loans pay off at par in 3 years, (ii) discount from par is amortized evenly over the 3 years as additional spread, and (iii) no other principal payments during the 3 years. Discounted spread is calculated based upon the current bid price, not on par. *[Please note that Index yield data is only available on a lagging basis, thus the data demonstrated is as of May 20, 2016.]*

2 – Excludes facilities that are currently in default.

3 – Comprises all loans, including those not tracked in the LSTA/LPC mark-to-market service. Vast majority are institutional tranches. Issuer default rate is calculated as the number of defaults over the last twelve months divided by the number of issuers in the Index at the beginning of the twelve-month period. Principal default rate is calculated as the amount defaulted over the last twelve months divided by the amount outstanding at the beginning of the twelve-month period.

Group Heads

Dan Norman

Telephone - 480-477-2112
dan.norman@voya.com

Jeff Bakalar

Telephone - 480-477-2210
jeff.bakalar@voya.com

This commentary has been prepared by Voya Investment Management for informational purposes. Nothing contained herein should be construed as (i) an offer to sell or solicitation of an offer to buy any security or (ii) a recommendation as to the advisability of investing in, purchasing or selling any security. Any opinions expressed herein reflect our judgment and are subject to change. Certain of the statements contained herein are statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (1) general economic conditions, (2) performance of financial markets, (3) changes in laws and regulations and (4) changes in the policies of governments and/or regulatory authorities. The opinions, views and information expressed in this commentary regarding holdings are subject to change without notice. The information provided regarding holdings is not a recommendation to buy or sell any security. Fund holdings are fluid and are subject to daily change based on market conditions and other factors.

Voya Investment Management Co. LLC ("Voya") is exempt from the requirement to hold an Australian financial services license under the Corporations Act 2001 (Cth) ("Act") in respect of the financial services it provides in Australia. Voya is regulated by the SEC under US laws, which differ from Australian laws. This document or communication is being provided to you on the basis of your representation that you are a wholesale client (within the meaning of section 761G of the Act), and must not be provided to any other person without the written consent of Voya, which may be withheld in its absolute discretion.

Voya Compliance Approval ID IM-0527-24930-0517

Past performance is no guarantee of future results.
Approved for client/investor use.