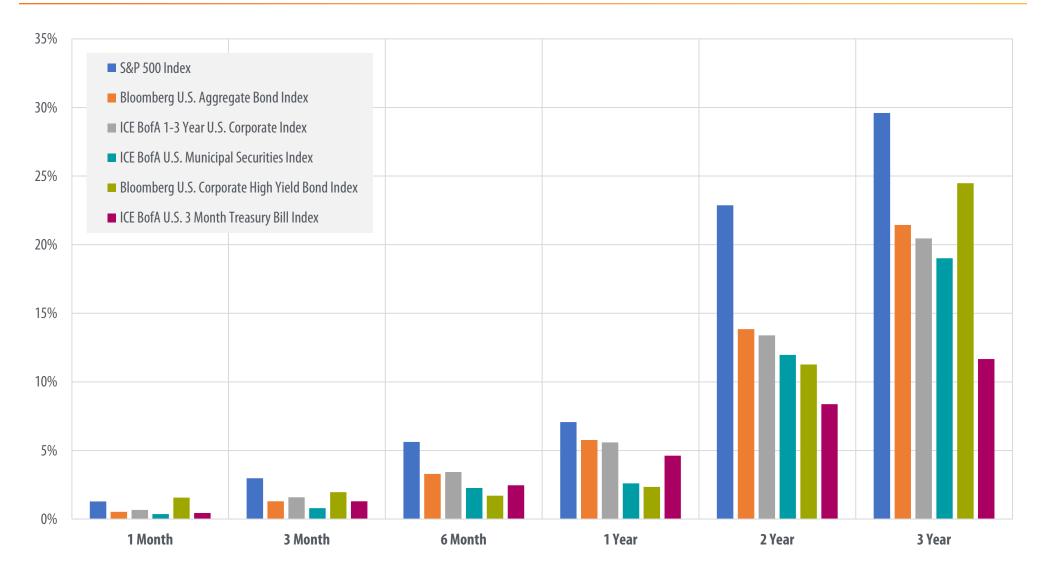




Asset Class Performance Following First Rate Cut in Last 7 Cycles

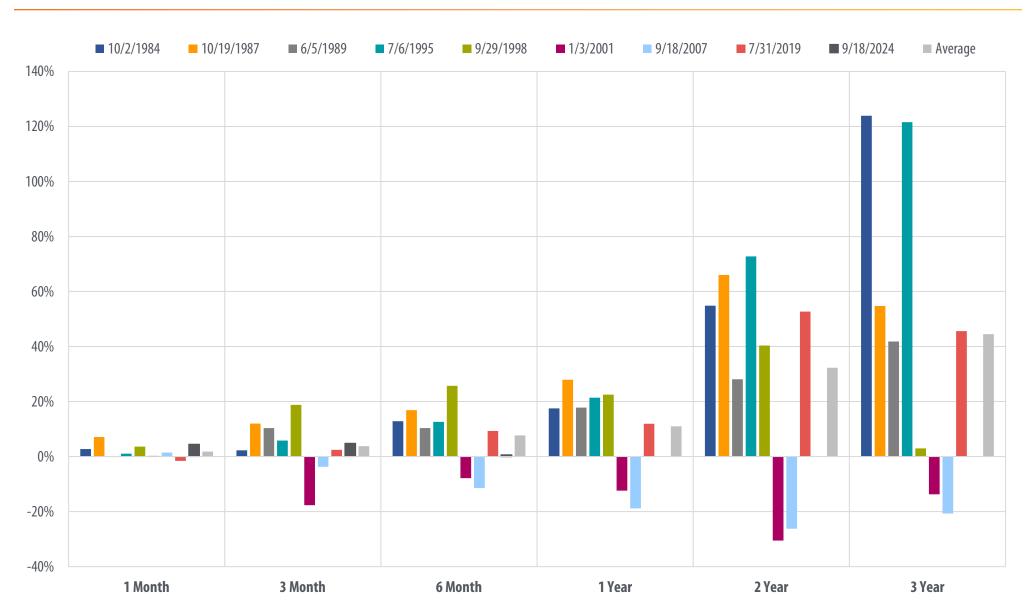




Source: First Trust, Bloomberg. As of 6/30/2025. **Past performance is no guarantee of future results.** For illustrative purposes only and not indicative of any actual investment. These indices are shown over the 1-month, 3-month, 6-month, 1-year, 2-year, and 3-year periods following the first Federal Funds interest rate cuts in the previous 7 cycles by the U.S. Federal Reserve. The start date of the periods are 6/5/89, 7/6/95, 9/29/98, 1/3/01, 9/18/07, 7/31/19, and 9/18/24. **S&P 500 Index** - An index of 500 companies used to measure large-cap U.S. stock market performance. **Bloomberg U.S. Aggregate Bond Index** - Measures the investment grade, USD-denominated, fixed-rate taxable bond market. **ICE BofA 1-3 Year U.S. Corporate Index** - Tracks the performance of USD-denominated investment grade debt publicly issued in the U.S. domestic market, including U.S. Treasury, U.S. agency, foreign government, supranational and corporate securities. **ICE BofA U.S. Municipal Securities Index** - Tracks the performance of USD-denominated investment grade tax-exempt debt publicly issued by U.S. states and territories, and their political subdivisions, in the U.S. domestic market. **Bloomberg U.S. Corporate High Vield Bond Index** - Measures the USD-denominated, high yield, fixed-rate corporate bond market. **ICE BofA U.S. 3 Month Treasury Bill Index** - Measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. Indexes are unmanaged and investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges.

S&P 500 Index Performance Following First Rate Cut





Source: First Trust, Bloomberg. As of 6/30/2025. **Past performance is no guarantee of future results.** For illustrative purposes only and not indicative of any actual investment. These indices are shown over the 1-month, 3-month, 6-month, 1-year, 2-year, and 3-year periods following the first Federal Funds interest rate cuts in the previous 9 cycles by the US Federal Reserve. The start date of the periods are 10/2/84, 10/19/87, 6/5/89, 7/6/95, 9/29/98, 1/3/01, 9/18/07, 7/31/19, and 9/18/24. **S&P 500 Index** - An index of 500 companies used to measure large-cap U.S. stock market performance. Indexes are unmanaged and investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges.

Federal Reserve Interest Rate Cut Cycles and the S&P 500 Index



Cycle	Easing Cycle	First Rate Cut	Last Rate Cut	Low Date	Days to Low	Drawdown to Low	Days to End	Annualized Total Return During Cycle*	# of Cuts	Total Cut %
1	1989-1992	6/5/1989	9/4/1992	10/11/1990	493	-8.25%	1,187	11.89%	27	-6.75%
2	1995-1996	7/6/1995	1/31/1996	7/19/1995	13	-0.54%	209	16.29%	3	-0.75%
3	1998	9/29/1998	11/17/1998	10/8/1998	9	-8.54%	49	8.81%	3	-0.75%
4	2001-2003	1/3/2001	6/25/2003	10/9/2002	644	-42.36%	903	-10.89%	22	-5.50%
5	2007-2008	9/18/2007	12/16/2008	11/20/2008	429	-50.49%	455	-31.99%	20	-5.00%
6	2019	7/31/2019	10/30/2019	8/14/2019	14	-4.69%	91	2.73%	3	-0.75%
7	2024	9/18/2024	_	_	_	_	_	_	4	-1.00%**
		Average			267	-19.15%	482	-0.53%		

Source: First Trust, Bloomberg. *Returns less than 1 year are not annualized. 1/1/1989 - 6/30/2025. **Total cut TBD. # of cuts is based on increments of 25 basis points. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. **S&P 500 Index** - An unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. Indexes are unmanaged and investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges.

Federal Reserve Interest Rate Cut Cycles and Bonds



Cycle	Easing Cycle	First Rate Cut	Last Rate Cut	Low Date	Days to Low	Drawdown to Low	Days to End	Annualized Total Return During Cycle*	# of Cuts	Total Cut %
1	1989-1992	6/5/1989	9/4/1992	6/5/1989	0	0.00%	1,187	11.94%	27	-6.75%
2	1995-1996	7/6/1995	1/31/1996	8/11/1995	36	-1.83%	209	5.98%	3	-0.75%
3	1998	9/29/1998	11/17/1998	11/6/1998	38	-1.20%	49	-0.40%	3	-0.75%
4	2001-2003	1/3/2001	6/25/2003	1/3/2001	0	0.00%	903	9.23%	22	-5.50%
5	2007-2008	9/18/2007	12/16/2008	9/20/2007	2	-0.68%	455	5.67%	20	-5.00%
6	2019	7/31/2019	10/30/2019	7/31/2019	0	0.00%	91	1.81%	3	-0.75%
7	2024	9/18/2024	_	_	_	_	_	_	4	-1.00%**
		Average			13	-0.62%	482	5.71%		

Source: First Trust, Bloomberg. *Returns less than 1 year are not annualized. 1/1/1989 - 6/30/2025. **Total cut TBD. # of cuts is based on increments of 25 basis points. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. Bonds represented by the **Bloomberg U.S. Aggregate Bond Index** which measures the investment grade, USD-denominated, fixed-rate taxable bond market. Indexes are unmanaged and investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges.

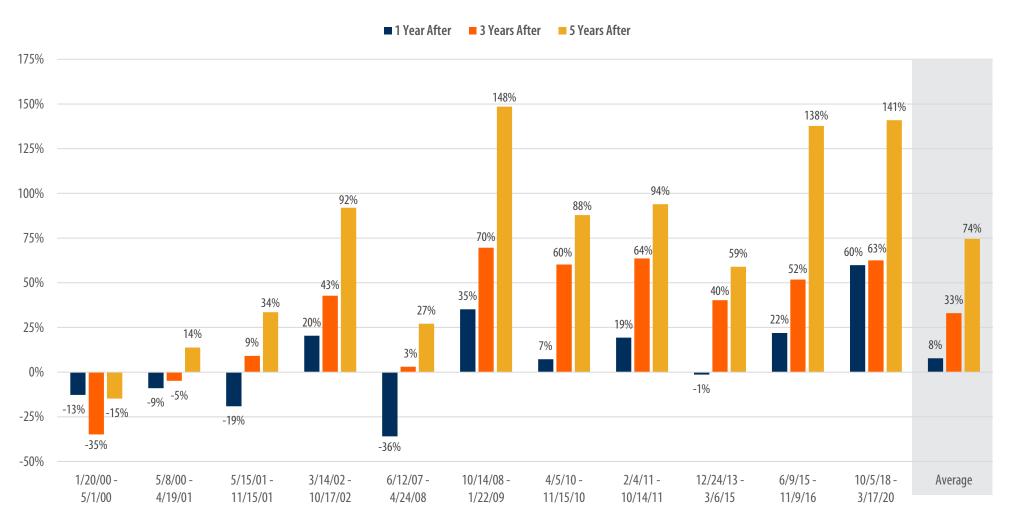
Many investors wonder how a fall in interest rates might impact U.S. stocks and various asset class returns. Since January 20, 2000, there have been 13 periods where the yield on the benchmark 10-year U.S. Treasury Note fell by 1% or more without rising by 0.5%. The following charts and tables consider periods of falling rates and can help provide some historical perspective.

Trough Date	Change In Rates (From Start to Trough)
4/10/00	-1.02%
3/22/01	-1.80%
11/7/01	-1.33%
10/9/02	-1.84%
3/17/08	-1.99%
12/30/08	-2.02%
10/7/10	-1.60%
9/22/11	-1.92%
1/30/15	-1.34%
7/8/16	-1.08%
3/9/20	-2.69%
12/27/23	-1.20%
9/16/24	-1.09%
	4/10/00 3/22/01 11/7/01 10/9/02 3/17/08 12/30/08 10/7/10 9/22/11 1/30/15 7/8/16 3/9/20 12/27/23

S&P 500 Index



STOCK MARKET ANNUALIZED TOTAL RETURNS FOLLOWING INTEREST RATE DECLINES



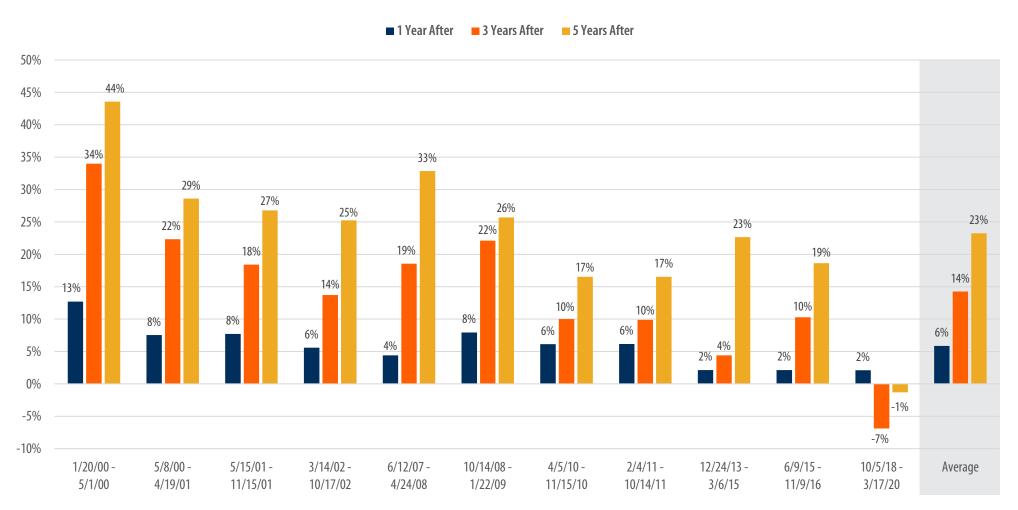
Falling Rate Periods

Source: First Trust, Bloomberg. As of 6/30/2025. Returns are calculated from the falling interest rate period end. Falling interest rate periods are defined as periods where the yield on the benchmark 10-year U.S. Treasury Note fell by 1% or more without rising by 0.5%. **Past performance is not a guarantee of future results.** For illustrative purposes only and not indicative of any actual investment. Stocks are represented by the **S&P 500 Index** which is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. Indexes are unmanaged and investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges.

Bloomberg U.S. Aggregate Bond Index



BOND ANNUALIZED TOTAL RETURNS FOLLOWING INTEREST RATE DECLINES

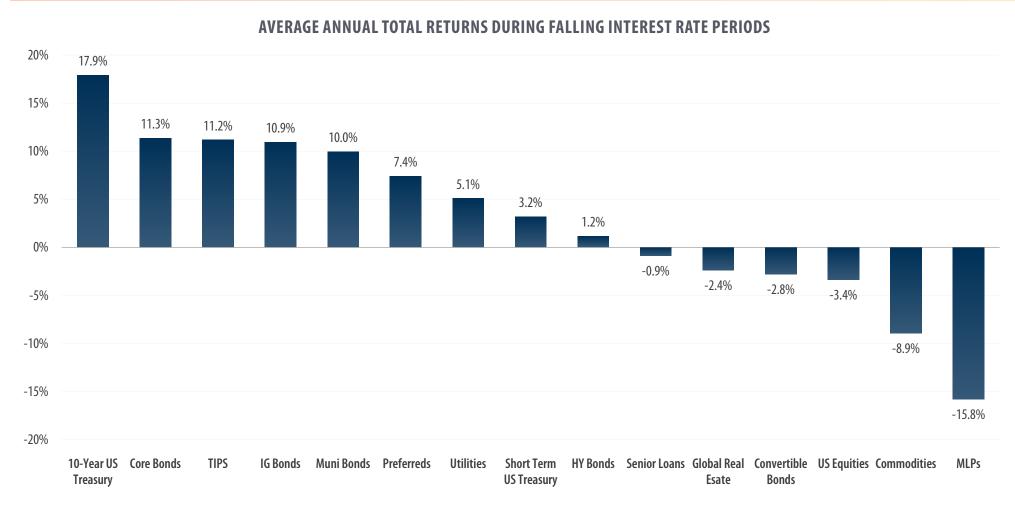


Falling Rate Periods

Source: First Trust, Bloomberg. As of 6/30/2025. Returns are calculated from the falling interest rate period end. Falling interest rate periods are defined as periods where the yield on the benchmark 10-year U.S. Treasury Note fell by 1% or more without rising by 0.5%. **Past performance is not a guarantee of future results.** For illustrative purposes only and not indicative of any actual investment. Bonds are represented by the **Bloomberg U.S. Aggregate Bond Index** which measures the investment grade, USD-denominated, fixed-rate taxable bond market. Indexes are unmanaged and investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges.

Positioning for Falling Rates



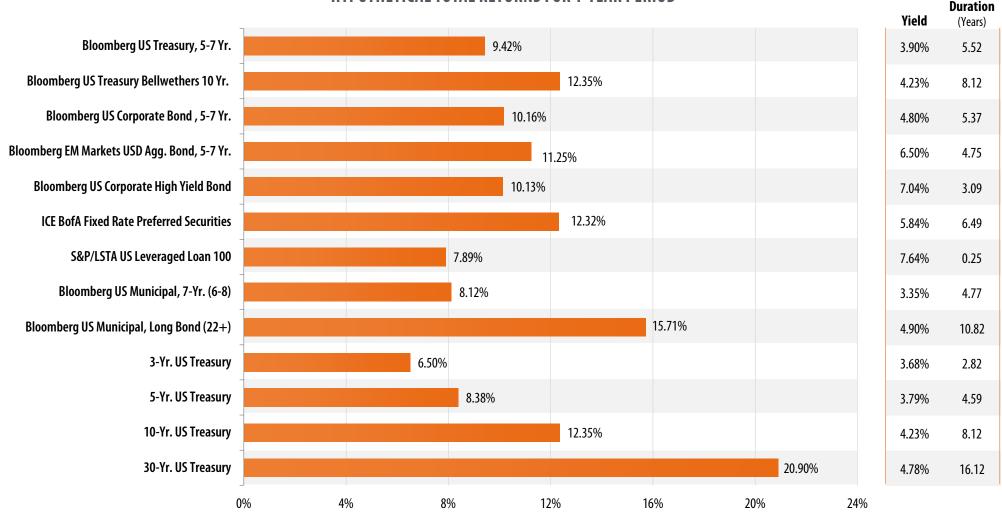


Source: First Trust, Bloomberg. Data includes falling rate periods from 1/20/2000 - 6/30/2025. Falling interest rate periods are defined as periods where the yield on the benchmark 10-year U.S. Treasury Note fell by 1% or more without rising by 0.5%. Past performance is not a guarantee of future results. For illustrative purposes only and not indicative of any actual investment. 10-Yr. U.S. Treasury - Bloomberg U.S. Treasury - Bloomberg U.S. Aggregate Bond by 1 investment in discassing to be a highly liquid and diversified benchmark. Convertible Bloomberg Commodity Index provides broad-based exposure to commodities and is designed to be a highly liquid and diversified benchmark. Convertible Bonds - ICE BofA U.S. dollar (USD) denominated convertible securities of U.S. domestic market but caps issuer exposure at 20%. Investment grade, USD-denominated, fixed-rate taxable bond market. Global Real Estate - The MSCI World Real Estate in the U.S. domestic market but caps issuer exposure at 20%. Investment Grade (IG) Bonds - ICE BofA U.S. Corporate Index tracks the performance of USD-denominated investment-grade corporate debt publicly issued in the U.S. domestic market but caps issuer exposure at 20%. Investment Grade (IG) Bonds - ICE BofA U.S. Corporate Index tracks the performance of USD-denominated investment-grade corporate debt publicly issued in the U.S. domestic market but caps issuer exposure at 20%. Investment Grade (IG) Bonds - ICE BofA U.S. domestic market but caps issuer exposure at 20%. Investment Grade (IG) Bonds - ICE BofA U.S. Corporate Index tracks the performance of USD-denominated investment grade corporate debt publicly issued in the U.S. domestic market but caps issuer exposure at 20%. Investment Grade (IG) Bonds - ICE BofA U.S. Corporate Index tracks the performance of USD-denominated investment grade prefered Securities in Index tracks the performance of USD-denominated index, whose constituents earn the majority of their caps in Index tracks the performance of USD-denominated source in the U.S.

The Effect of a 1% Fall in Interest Rates







Source: First Trust, Bloomberg, ICE BofA, S&P LSTA. Data as of 6/30/2025. **Past performance is not a guarantee of future results.** The table illustrates hypothetical examples and does not represent the return on any particular investment. Effective duration is used for the preferred index and modified adjusted duration for all others. Duration is a measure of a bond's sensitivity to interest rate changes that reflects the change in a bond's price given a change in yield. Given that senior loans typically pay a floating rate of interest, they tend to have an effective duration of approximately zero. As such, we estimate the duration for senior loans to be approximately 0.25 years. **Bloomberg U.S. Treasury, 5-7 Year Index** - An unmanaged index representing the most recently issued U.S. Treasury bonds with 10 years' maturity. **Bloomberg U.S. Corporate Bond Index** - Measures the investment grade, fixed-rate, taxable corporate bond market. **Bloomberg Emerging Markets (EM) USD Aggregate (Agg) Bond Index**, 5-7 **Year** - A flagship hard currency EM debt benchmark that includes fixed and floating-rate USD-denominated debt issued from sovereign, quasi-sovereign, and corporate EM issuers. **Bloomberg U.S. Corporate High Yield Bond Index** - Measures the USD-denominated high yield, fixed-rate corporate bond market. **ICE BofA Fixed Rate Preferred Securities Index** - Tracks the performance of fixed rate USD-denominated preferred securities issued in the US domestic market. **S&P/LSTA US Leveraged Loan 100 Index** - Designed to reflect the performance of the largest facilities in the leveraged loan market. **Bloomberg U.S. Municipal Index** - Covers the USD-denominated long-term tax-exempt bond market of the following maturities: 7 Year (6-8) and Long Bond (22+). 3-, 5-, 10- and 30-Year U.S. Treasury bonds or notes of a particular maturity. Indexes are unmanaged and an investor cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges.