

Stock Index Performance

| Index                              | Week  | YTD    | 12-mo. | 2018    | 5-yr.  |
|------------------------------------|-------|--------|--------|---------|--------|
| Dow Jones Industrial Avg. (28,455) | 1.14% | 24.98% | 27.54% | -3.48%  | 12.52% |
| S&P 500 (3,221)                    | 1.68% | 31.04% | 33.20% | -4.39%  | 11.49% |
| NASDAQ 100 (8,678)                 | 2.26% | 38.57% | 40.53% | 0.04%   | 16.50% |
| S&P 500 Growth                     | 1.82% | 30.50% | 32.65% | -0.01%  | 13.21% |
| S&P 500 Value                      | 1.51% | 31.70% | 33.91% | -8.97%  | 9.41%  |
| S&P MidCap 400 Growth              | 2.07% | 26.22% | 27.60% | -10.34% | 9.70%  |
| S&P MidCap 400 Value               | 1.99% | 26.24% | 27.91% | -11.90% | 8.17%  |
| S&P SmallCap 600 Growth            | 2.44% | 21.28% | 24.00% | -4.09%  | 11.14% |
| S&P SmallCap 600 Value             | 1.67% | 24.48% | 26.90% | -12.68% | 8.51%  |
| MSCI EAFE                          | 0.64% | 21.43% | 21.97% | -13.79% | 5.48%  |
| MSCI World (ex US)                 | 1.02% | 20.77% | 21.42% | -14.20% | 5.40%  |
| MSCI World                         | 1.31% | 27.15% | 28.66% | -8.71%  | 8.56%  |
| MSCI Emerging Markets              | 1.97% | 17.48% | 18.46% | -14.58% | 5.73%  |
| S&P GSCI                           | 1.26% | 16.78% | 14.59% | -13.82% | -5.46% |

Source: Bloomberg. Returns are total returns. 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 12/20/19. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

S&P Sector Performance

| Index                  | Week  | YTD    | 12-mo. | 2018    | 5-yr.  |
|------------------------|-------|--------|--------|---------|--------|
| Communication Services | 2.55% | 33.54% | 34.52% | -12.53% | 8.01%  |
| Consumer Discretionary | 1.48% | 26.79% | 30.74% | 0.82%   | 13.31% |
| Consumer Staples       | 1.31% | 27.87% | 28.09% | -8.39%  | 8.28%  |
| Energy                 | 2.52% | 10.83% | 12.05% | -18.10% | -2.36% |
| Financials             | 0.52% | 31.73% | 34.84% | -13.04% | 11.07% |
| Health Care            | 2.30% | 21.01% | 24.72% | 6.47%   | 9.66%  |
| Industrials            | 0.26% | 29.36% | 31.34% | -13.32% | 9.44%  |
| Information Technology | 1.95% | 48.97% | 51.28% | -0.29%  | 19.79% |
| Materials              | 1.22% | 23.27% | 27.00% | -14.70% | 6.75%  |
| Real Estate            | 2.71% | 27.36% | 25.60% | -2.23%  | 7.05%  |
| Utilities              | 2.74% | 26.26% | 23.30% | 4.11%   | 10.44% |

Source: Bloomberg. Returns are total returns. 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 12/20/19. An index cannot be purchased directly by investors. Past performance is no guarantee of future results. On 9/28/18, the Global Industry Classification Standard (GICS) was reconstituted and the Telecommunications Services sector was renamed Communication Services. GICS sector information for periods prior to 9/28/18 may not necessarily be comparable to the reconstituted sectors.

Bond Index Performance

| Index                           | Week   | YTD    | 12-mo. | 2018   | 5-yr. |
|---------------------------------|--------|--------|--------|--------|-------|
| U.S. Treasury: Intermediate     | -0.22% | 4.99%  | 5.56%  | 1.41%  | 1.96% |
| GNMA 30 Year                    | -0.11% | 5.61%  | 6.04%  | 1.03%  | 2.32% |
| U.S. Aggregate                  | -0.30% | 8.54%  | 8.81%  | 0.01%  | 3.04% |
| U.S. Corporate High Yield       | 0.68%  | 14.10% | 12.72% | -2.08% | 6.16% |
| U.S. Corporate Investment Grade | -0.25% | 14.34% | 13.96% | -2.51% | 4.59% |
| Municipal Bond: Long Bond (22+) | -0.16% | 10.19% | 10.85% | 0.34%  | 4.83% |
| Global Aggregate                | -0.45% | 6.18%  | 6.80%  | -1.20% | 2.16% |

Source: Bloomberg Barclays. Returns are total returns. 5-yr. return is an average annual. One-week, YTD, 12-mo. and 5-yr. performance returns calculated through 12/20/19. An index cannot be purchased directly by investors. Past performance is no guarantee of future results.

Key Rates

|                     |            |                      |       |
|---------------------|------------|----------------------|-------|
| Fed Funds           | 1.50-1.75% | 2-yr T-Note          | 1.63% |
| LIBOR (1-month)     | 1.76%      | 5-yr T-Note          | 1.73% |
| CPI - Headline      | 2.10%      | 10-yr T-Note         | 1.92% |
| CPI - Core          | 2.30%      | 30-yr T-Bond         | 2.34% |
| Money Market Accts. | 0.91%      | 30-yr Fixed Mortgage | 3.75% |
| 1-yr CD             | 1.87%      | Prime Rate           | 4.75% |
| 3-yr CD             | 1.90%      | Bond Buyer 40        | 3.63% |
| 5-yr CD             | 1.97%      |                      |       |

Sources: Bankrate.com, Federal Reserve Bank NY, & US Bureau of Labor Statistics. Money Market Accts., CDs, and 30-yr Fixed Rate Mortgage Rates as of 12/23/19, LIBOR and Prime Rate as of 12/17/19, all other data as of 12/20/19.

Market Indicators

|                                      |         |
|--------------------------------------|---------|
| TED Spread                           | 38 bps  |
| Investment Grade Spread (A2)         | 110 bps |
| ML High Yield Master II Index Spread | 353 bps |

Source: Bloomberg. As of 12/20/19.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 12/11/19

|                 | Current Week      | Previous          |
|-----------------|-------------------|-------------------|
| Domestic Equity | -\$15.420 Billion | -\$10.936 Billion |
| Foreign Equity  | -\$2.279 Billion  | \$596 Million     |
| Taxable Bond    | \$6.202 Billion   | \$7.017 Billion   |
| Municipal Bond  | \$2.076 Billion   | \$1.739 Billion   |

Change in Money Market Fund Assets for the Week Ended 12/18/19

|               | Current Week     | Previous        |
|---------------|------------------|-----------------|
| Retail        | \$4.61 Billion   | \$5.12 Billion  |
| Institutional | -\$24.10 Billion | \$34.99 Billion |

Source: Investment Company Institute.

Factoids for the Week of December 16, 2019

Monday, December 16, 2019

Data from Challenger, Gray & Christmas indicates that 65% of U.S. companies are expected to give workers a year-end bonus or perk this year, down slightly from 66% in 2016, according to Fox Business. While a Maryland real estate firm distributed \$10 million in bonuses collectively to its roughly 200 employees in the past week, most bonuses are likely to be modest and some even merit-based. Around 20% of employers intend to give workers less than \$100 and 10-11% said they will offer a gift basket or an extra vacation day.

Tuesday, December 17, 2019

ETFGI reported that total assets invested in ETFs/ETPs listed in the U.S. stood at an all-time high of \$4.15 trillion at the end of October 2019, according to its own release. In October, net inflows totaled \$26.39 billion, bringing year-to-date net inflows to \$222.51 billion, up from \$219.17 billion for the same period a year ago. Fixed income ETFs/ETPs listed in the U.S. took in a net \$108.82 billion in the first ten months of 2019, up from \$51.29 billion for the same period a year ago. Net inflows to equity ETFs/ETPs listed in the U.S. totaled \$83.83 billion, down from \$143.93 billion for the same period a year ago.

Wednesday, December 18, 2019

S&P 500 Index stock buybacks totaled \$175.89 billion (preliminary) in Q3'19, up 6.3% from the \$165.46 billion executed in Q2'19, but down 13.7% from the \$203.76 billion registered in Q3'18, according to S&P Dow Jones Indices. Howard Silverblatt, senior index analyst at S&P Dow Jones Indices, notes that consensus estimates have buybacks at a base level of \$170 billion per quarter moving forward. In Q3'19, Information Technology, Financials and Consumer Discretionary were the most active sectors accounting for 28.0%, 27.2% and 10.4%, respectively, of all buyback expenditures. S&P 500 companies distributed \$123.12 billion in dividend payments in the quarter, up 6.4% from the \$115.72 billion paid out in Q3'18.

Thursday, December 19, 2019

ATTOM Data Solutions reported that 56,566 U.S. single family homes and condos were flipped in Q3'19, down 12.9% from Q2'19 and down 6.8% from Q3'18, according to its own release. The homes flipped in the quarter represented 5.4% of total home sales. Homes flipped in Q3'19 typically generated a gross profit of \$64,900 (the difference between the median sales price and median paid by investors), up 1.8% from Q2'19 and up 3.5% from Q3'18.

Friday, December 20, 2019

Coresight Research reported that U.S. retailers closed 9,302 stores through the first 50 weeks of 2019, up 59% from 2018's full-year count (5,844), according to its own release. There were 4,392 store openings over those 50 weeks, up 35% from the 3,258 store openings in 2018. Retail location shutdowns are expected to number in the thousands again in 2020.

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