

| Open-End Net Fund Flows (\$) | 9/20 | 8/20 | YTD (Sep) |
|------------------------------|----------|---------|-----------|
| Equity | -70.94B | -68.79B | -446.09B |
| Taxable Bond | 30.79B | 59.27B | 75.52B |
| Municipal Bond | 6.17B | 10.55B | 17.98B |
| Hybrid | -6.64B | -2.54B | -68.96B |
| Taxable Money Market | -111.66B | -55.32B | 786.57B |

| Key Interest Rates | 10/30/20 | 12/31/19 | 10/31/19 |
|---------------------------|----------|----------|----------|
| Federal Funds Target Rate | 0.25% | 1.75% | 1.75% |
| ICE LIBOR (3-Month) | 0.22% | 1.90% | 1.90% |
| 2-Year T-Note | 0.16% | 1.57% | 1.53% |
| 10-Year T-Note | 0.88% | 1.92% | 1.69% |
| Bond Buyer 40 | 3.62% | 3.63% | 3.61% |

| Commodities/U.S. Dollar | 10/20 | YTD | 12 Mo. |
|--------------------------------|---------|---------|---------|
| U.S. Dollar Index (DXY) | 0.16% | -2.44% | -3.40% |
| Refinitiv/CC CRB Excess Ret. | -2.55% | -22.10% | -18.18% |
| Crude Oil/WTI (per Barrel) | -11.01% | -41.39% | -33.94% |
| Natural Gas (per million BTUs) | 32.41% | 52.97% | 27.38% |
| Gold Bullion (Ounce) | -0.40% | 23.43% | 24.10% |

Total Return Performance

| U.S. Stock Indices | 10/20 | YTD | 12 Mo. |
|--------------------|--------|--------|--------|
| S&P 500 | -2.66% | 2.76% | 9.70% |
| DJIA | -4.52% | -5.38% | 0.34% |
| NASDAQ 100 | -3.16% | 27.49% | 38.02% |
| S&P MidCap 400 | 2.17% | -6.63% | -1.16% |
| Russell 2000 | 2.09% | -6.78% | -0.16% |
| Russell 3000 | -2.16% | 3.13% | 10.14% |

| U.S. Styles/Market Caps | 10/20 | YTD | 12 Mo. |
|-------------------------|--------|---------|---------|
| S&P 500 Growth | -3.08% | 16.89% | 24.44% |
| S&P 500 Value | -2.00% | -13.24% | -7.10% |
| S&P MidCap 400 Growth | 1.16% | 2.60% | 8.49% |
| S&P MidCap 400 Value | 3.49% | -16.57% | -11.60% |
| Russell 2000 Growth | 0.76% | 4.66% | 13.35% |
| Russell 2000 Value | 3.58% | -18.75% | -13.95% |

| Foreign Stock Indices (USD) | 10/20 | YTD | 12 Mo. |
|-----------------------------|--------|---------|---------|
| MSCI World NET (Ex-U.S.) | -3.93% | -10.78% | -6.79% |
| MSCI Emerging Markets NET | 2.06% | 0.87% | 8.25% |
| MSCI Europe NET | -5.64% | -13.99% | -9.29% |
| MSCI BRIC NET | 3.35% | 5.49% | 13.92% |
| MSCI EM Latin America NET | -1.13% | -36.79% | -33.14% |
| Nikkei 225 | -0.07% | 2.85% | 5.41% |

| Bloomberg Barclays Bond Ind. | 10/20 | YTD | 12 Mo. |
|------------------------------|--------|-------|--------|
| U.S. Treasury: Intermediate | -0.38% | 5.62% | 5.32% |
| GNMA 30 Year | 0.01% | 3.32% | 3.43% |
| Municipal Bond (22+) | -0.43% | 2.70% | 3.27% |
| U.S. Aggregate | -0.45% | 6.32% | 6.19% |
| Intermediate Corporate | 0.04% | 5.65% | 6.15% |
| U.S. Corporate High Yield | 0.51% | 1.13% | 3.49% |
| Global Aggregate | 0.10% | 5.82% | 5.63% |
| EM Hard Currency Aggregate | -0.09% | 1.92% | 3.47% |

Sources: Bloomberg, Bloomberg Barclays, Investment Company Institute

Past performance is no guarantee of future results. Historical performance figures for the indices are for illustrative purposes only and not indicative of any actual investment. Indices are unmanaged and an investor cannot invest directly in an index.

Climate

Despite weeks of negotiations between Congress and the Trump administration, lawmakers were unable to strike a deal on a new fiscal stimulus package prior to the election. Due to the COVID-19 pandemic, millions of unemployed Americans are in need of further financial assistance. The number of unemployed persons in the U.S. stood at 12.6 million in September, according to the Bureau of Labor Statistics. Many benefits, such as the moratorium on evictions, are set to expire at the end of December. Researchers at Northwestern University reported that food insecurity has more than doubled in the COVID-19-induced recession, according to CNBC. It now impacts nearly 25% of all U.S. households. The lack of a stimulus deal provided a bit of a headwind to the stock market in late October, in our opinion.

Stock Market

The S&P 500 Index ("index") closed at 3,269.96 on 10/30/20, 8.68% below its all-time closing high of 3,580.84 on 9/2/20, according to Bloomberg. The S&P 500 Index posted a total return of -2.66% in October. Only two of the 11 major sectors that comprise the index were up on a total return basis. The top-performer was Utilities, up 5.04%, while the worst showing came from Information Technology, down 5.10%. Year-to-date through October, the S&P 500 Index posted a total return of 2.76%. Six of the 11 major sectors were up on a total return basis. The top-performer was Information Technology, up 22.13%, while the worst showing came from Energy, down 50.38%. While S&P 500 Index earnings have been adjusted much lower for 2020 since the start of the year, 2021 projections are up significantly. As of 12/30/19, Bloomberg's 2020 and 2021 consensus earnings estimates for the S&P 500 Index stood at 9.02% and 10.72%, respectively. As of 10/30/20, those two estimates were -17.70% and 22.39%, respectively. The market for new public offerings has been strong this year. Data from Renaissance Capital shows that a total of 184 equity IPOs (market caps above \$50 billion) have been priced in the U.S. so far this year (as of 11/2), up 32.4% from the same period a year ago (pre COVID-19), according to its own release. The 184 companies raised a combined \$63.7 billion, up 48.7% from the same period a year ago. Health Care and Technology have accounted for 51% and 23%, respectively, of the IPOs launched this year. Last month we noted that large-capitalization (cap) stocks were significantly outperforming small-caps, mid-caps and the major foreign stock indices in 2020. While that still holds true, it was not the case in October. Small-caps, mid-caps and emerging markets performed far better than large-caps. We will monitor this moving forward to see if becomes a trend.

Bond Market

The yield on the benchmark 10-year Treasury note (T-note) closed trading on 10/30/20 at 0.88%, up 19 basis points (bps) from its 0.69% close on 9/30/20, according to Bloomberg. The yield stood 132 bps below its 2.20% average for the 10-year period ended 10/30/20. U.S. investment-grade (IG) corporate bond issuance set a record at \$912 billion through the first nine months of 2020, according to Fitch Ratings, Inc. Fitch reported that the volume of downgrades from IG into high yield status totaled \$159 billion over the same period. It noted that \$101 billion of that total happened in Q1'20. Issuance of green bonds (used to fund climate-related projects) also reached a milestone in September. Total global issuance topped the \$1 trillion mark for the first time, according to GreenBiz. Issuance has surged over the past two years and 2020 is on track to eclipse last year's record of \$257.7 billion.

Takeaway

Not all news pertaining to COVID-19 is negative. Both consumers and workers are adapting to the new normal born out of the pandemic. Employees are not only working from home they are also on the move. Upwork Inc. estimates that between 14 million and 23 million Americans plan to relocate to more affordable housing markets to work remotely, according to Staffing Industry Analysts. In many cases, the migration of workers is expected to come out of the major urban areas. The National Retail Federation says that consumers are eager to shop despite the challenging climate. Consumers are adapting to online shopping at a blistering pace. Adobe Analytics estimates that online holiday shopping in 2020 (November and December) will surge 33% year-over-year to a record \$189 billion, according to CNBC. That equates to around two years of e-commerce growth in just one season. Adobe noted that online sales could exceed \$200 billion if consumers receive another round of government stimulus checks or if brick-and-mortar stores are forced to shut down due to the spread of Covid-19. The firm expects smartphones to account for 42% of all online sales.

| Index | 10-Yr. High Value | Date | 10-Yr. Low Value | Date | Month-End Value | % Off High Value | YTD Return (USD) | Month-End Yield |
|--------------------------------------|-------------------|------------|------------------|------------|-----------------|------------------|------------------|-----------------|
| S&P 500 | 3580.84 | 9/2/2020 | 1099.23 | 10/3/2011 | 3269.96 | -8.68% | 2.76% | 1.84% |
| S&P 500 Growth | 2516.63 | 9/2/2020 | 598.65 | 10/3/2011 | 2261.22 | -10.15% | 16.89% | 1.10% |
| S&P 500 Value | 1301.02 | 1/17/2020 | 494.97 | 10/3/2011 | 1089.78 | -16.24% | -13.24% | 2.99% |
| S&P MidCap 400 | 2106.12 | 2/20/2020 | 744.98 | 10/3/2011 | 1900.18 | -9.78% | -6.63% | 1.81% |
| S&P MidCap 400 Growth | 1043.25 | 10/12/2020 | 345.40 | 10/3/2011 | 982.39 | -5.83% | 2.60% | 1.11% |
| S&P MidCap 400 Value | 692.20 | 1/16/2020 | 252.35 | 10/3/2011 | 559.32 | -19.20% | -16.57% | 2.69% |
| S&P 100 | 1675.67 | 9/2/2020 | 500.09 | 10/3/2011 | 1507.65 | -10.03% | 6.19% | 1.81% |
| DJIA | 29551.42 | 2/12/2020 | 10655.30 | 10/3/2011 | 26501.60 | -10.32% | -5.38% | 2.33% |
| NASDAQ 100 | 12420.54 | 9/2/2020 | 2038.22 | 8/19/2011 | 11052.95 | -11.01% | 27.49% | 0.79% |
| Russell 2000 | 1740.75 | 8/31/2018 | 609.49 | 10/3/2011 | 1538.48 | -11.62% | -6.78% | 1.57% |
| Russell 2000 Growth | 1223.70 | 10/13/2020 | 350.15 | 10/3/2011 | 1132.56 | -7.45% | 4.66% | 0.55% |
| Russell 2000 Value | 2049.42 | 8/22/2018 | 804.33 | 10/3/2011 | 1537.84 | -24.96% | -18.75% | 2.68% |
| Russell 3000 | 2089.83 | 9/2/2020 | 644.45 | 10/3/2011 | 1923.70 | -7.95% | 3.13% | 1.74% |
| MSCI World Net (ex U.S.) (USD) | 6499.50 | 1/17/2020 | 3369.63 | 10/4/2011 | 5732.13 | -11.81% | -10.78% | 2.87% |
| MSCI Emerging Markets Net (USD) | 573.23 | 1/26/2018 | 296.25 | 1/21/2016 | 532.17 | -7.16% | 0.87% | 2.28% |
| Ibovespa/Brazil (USD) | 43619.40 | 4/8/2011 | 9077.09 | 1/21/2016 | 16278.68 | -62.68% | -43.27% | 3.18% |
| RTS/Russia (USD) | 2123.56 | 4/8/2011 | 628.41 | 1/20/2016 | 1066.60 | -49.77% | -27.14% | 7.08% |
| S&P BSE 500/India (USD) | 245.12 | 1/24/2018 | 95.89 | 9/3/2013 | 203.99 | -16.78% | -6.07% | 1.22% |
| Shanghai Composite/China (USD) | 832.07 | 6/12/2015 | 314.68 | 12/3/2012 | 481.83 | -42.09% | 12.57% | 2.21% |
| KOSPI/South Korea (USD) | 2.42 | 1/29/2018 | 1.16 | 3/19/2020 | 1.99 | -17.82% | 5.47% | 1.94% |
| Hang Seng (USD) | 4241.01 | 1/26/2018 | 2087.46 | 10/4/2011 | 3109.03 | -26.69% | -11.38% | 3.15% |
| MSCI Euro (USD) | 1544.35 | 1/26/2018 | 814.62 | 6/1/2012 | 1167.00 | -24.43% | -14.52% | 2.68% |
| S&P 500 Consumer Discretionary | 1287.57 | 10/13/2020 | 267.58 | 10/3/2011 | 1172.03 | -8.97% | 19.76% | 0.92% |
| S&P 500 Consumer Staples | 684.99 | 9/2/2020 | 292.38 | 11/30/2010 | 639.46 | -6.65% | 1.20% | 2.80% |
| S&P 500 Energy | 737.09 | 6/23/2014 | 179.94 | 3/18/2020 | 216.82 | -70.58% | -50.38% | 7.90% |
| S&P 500 Utilities | 359.13 | 2/18/2020 | 152.93 | 8/8/2011 | 316.92 | -11.75% | -0.93% | 3.46% |
| S&P 500 Financials | 516.21 | 1/2/2020 | 151.85 | 10/3/2011 | 396.09 | -23.27% | -20.90% | 2.67% |
| S&P 500 Banks | 383.30 | 1/2/2020 | 105.73 | 8/22/2011 | 243.32 | -36.52% | -33.85% | 4.14% |
| FTSE NAREIT All Equity REITs | 835.20 | 2/14/2020 | 371.48 | 10/3/2011 | 642.32 | -23.09% | -15.22% | 4.05% |
| S&P 500 Health Care | 1273.61 | 9/2/2020 | 346.38 | 8/10/2011 | 1184.32 | -7.01% | 1.15% | 1.75% |
| S&P 500 Pharmaceuticals | 768.14 | 1/21/2020 | 282.86 | 8/10/2011 | 692.60 | -9.83% | -5.18% | 2.91% |
| NYSE Arca Biotechnology | 6142.97 | 7/20/2020 | 1001.60 | 11/25/2011 | 5212.90 | -15.14% | 3.10% | 0.34% |
| S&P 500 Information Technology | 2232.92 | 9/2/2020 | 357.71 | 8/19/2011 | 1948.66 | -12.73% | 22.13% | 1.19% |
| Philadelphia Semiconductor | 2433.48 | 10/12/2020 | 326.32 | 8/19/2011 | 2246.15 | -7.70% | 23.11% | 1.50% |
| S&P 500 Telecom Services | 215.83 | 9/2/2020 | 115.22 | 8/8/2011 | 196.55 | -8.93% | 9.46% | 1.12% |
| S&P 500 Industrials | 718.21 | 2/12/2020 | 245.04 | 10/3/2011 | 641.01 | -10.75% | -5.36% | 2.01% |
| S&P 500 Materials | 419.18 | 9/17/2020 | 179.78 | 10/3/2011 | 396.87 | -5.32% | 4.65% | 2.05% |
| Philadelphia Gold & Silver | 228.95 | 4/8/2011 | 38.84 | 1/19/2016 | 140.32 | -38.71% | 32.11% | 0.68% |
| Refinitiv/CC CRB Excess Return | 370.56 | 4/29/2011 | 106.29 | 4/21/2020 | 144.73 | -60.94% | -22.10% | N/A |
| ICE BofA Perpetual Preferred | 300.01 | 10/23/2020 | 146.25 | 8/8/2011 | 296.77 | -1.08% | 3.06% | 4.40% |
| ICE BofA U.S. High Yield Constrained | 472.87 | 2/20/2020 | 250.64 | 10/4/2011 | 467.36 | -1.17% | 0.07% | 6.01% |

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