

>> Fund Objective

This exchange-traded fund seeks investment results that correspond generally to the price and yield (before the fund's fees and expenses) of an equity index called the Nasdaq Dorsey Wright People's Portfolio Index.

>> Fund Facts

Fund Ticker	DWPP
CUSIP	33733E880
Intraday NAV	DWPPIV
Fund Inception Date	8/29/12
Expense Ratio	0.60%
Rebalance Frequency	Periodically
Primary Listing	Nasdaq

>> Index Facts

Index Ticker	NQDWAPPT
Index Inception Date	7/24/17

>> Index Description

- >> The Nasdaq Dorsey Wright People's Portfolio Index is designed to provide exposure to either the U.S. equity market or T-bills, based upon daily relative strength readings resulting from a Nasdaq Dorsey Wright wholly-quantitative process.
- >> The index always holds exactly one of the three possible positions:
 - All the component securities in the Nasdaq US 500 Large Cap Index (the Cap Weight Index),
 - All the component securities in the Nasdaq US 500 Large Cap Equal Weight Index (the Equal Weight Index) or
 - All the component securities in the Nasdaq US T-bill Index (the T-Bill Index).
- >> To construct the index, the closing price of the cap-weighted Nasdaq US 500 Large Cap Index is compared to the closing price of the Nasdaq US 500 Equal Weight Index, using point and figure charts.[^]
- >> The equity index which exhibits the best point and figure relative strength is then compared to a cash-like proxy based on the 13-week T-bill, and the position with stronger relative strength is then included in the index.
- >> The point and figure relative strength analysis between these indexes and T-bills is conducted daily. This may result in a high portfolio turnover rate.
- >> The equity indexes and T-bill index rebalance on a semi-annual and weekly basis, respectively. The fund rebalances when the index in which it is currently invested rebalances.

>> Performance Summary (%)¹

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund Performance*							
Net Asset Value (NAV)	5.49	6.87	13.74	10.44	8.81	—	8.73
After Tax Held	5.40	6.56	13.24	9.81	8.17	—	8.08
After Tax Sold	3.25	4.06	8.11	7.80	6.62	—	6.60
Market Price	5.46	6.72	13.82	10.50	8.77	—	8.73
Index Performance**							
Nasdaq Dorsey Wright Peoples Portfolio Index	5.63	7.36	14.45	—	—	—	—
Nasdaq US 500 Large Cap Index	7.76	10.46	18.01	—	—	—	—
S&P 500 Index	7.71	10.56	17.91	17.31	13.95	—	15.03

>> Calendar Year Total Returns (%)¹

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD
DWPP	—	—	—	—	—	19.00	15.22	-5.88	0.50	21.76	6.87
Nasdaq US 500 Large Cap Index	—	—	—	—	—	—	—	—	—	21.99	10.46
S&P 500 Index	—	—	—	—	—	32.39	13.69	1.38	11.96	21.83	10.56

>> 3-Year Statistics¹

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
DWPP	8.46	-4.37	0.89	1.13	0.96
S&P 500 Index	9.18	—	1.00	1.71	1.00

Overall Morningstar Rating™¹



Among 194 funds in the Long-Short Equity category.
This fund was rated 4 stars/194 funds (3 years), 5 stars/105 funds (5 years).[§]

Performance data quoted represents past performance. Past performance is not a guarantee of future results and current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and shares when sold or redeemed, may be worth more or less than their original cost. You can obtain performance information which is current through the most recent month-end by visiting www.ftportfolios.com.

¹On August 18, 2017, the fund's underlying index changed from the CBOE® VIX® Tail Hedge Index to the Nasdaq Dorsey Wright People's Portfolio Index. Therefore, the fund's performance and historical returns shown for the periods prior to this date are not necessarily indicative of the performance that the fund, based on its current index, would have generated.

*NAV returns are based on the fund's net asset value which represents the fund's net assets (assets less liabilities) divided by the fund's outstanding shares. **After Tax Held** returns represent return after taxes on distributions. Assumes shares have not been sold. **After Tax Sold** returns represent the return after taxes on distributions and the sale of fund shares. Returns do not represent the returns you would receive if you traded shares at other times. **Market Price** returns are based on the midpoint of the bid/ask spread on the stock exchange on which shares of the fund are listed for trading as of the time that the fund's NAV is calculated. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

**Performance information for the Nasdaq Dorsey Wright People's Portfolio Index is for illustrative purposes only and does not represent actual fund performance. Indexes do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown. Indexes are unmanaged and an investor cannot invest directly in an index.

[^]Point and figure charts plot supply and demand within a security by focusing on its price movements and ignore small price fluctuations, trading volume and time to filter out insignificant price movements.

» Portfolio Information

Number Of Holdings	497
Maximum Market Cap.	\$1,090.31 Billion
Median Market Cap.	\$22.41 Billion
Minimum Market Cap.	\$8.39 Billion
Price/Earnings	19.46
Price/Book	2.93
Price/Cash Flow	13.98
Price/Sales	1.81

» Top Holdings (%)

Advanced Micro Devices, Inc.	0.29
Square, Inc.	0.26
Arconic Inc.	0.24
HCA Healthcare, Inc.	0.24
Regeneron Pharmaceuticals, Inc.	0.24
Apple, Inc.	0.23
Celgene Corporation	0.23
Darden Restaurants, Inc.	0.23
Eli Lilly and Company	0.23
IAC/InterActiveCorp	0.23

» Top Sector Exposure (%)

Information Technology	15.72
Financials	14.16
Industrials	13.59
Health Care	13.06
Consumer Discretionary	10.97
Consumer Staples	6.85
Energy	6.25
Real Estate	5.65
Materials	4.75
Utilities	4.66
Communication Services	4.34

You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Portfolios L.P. at 1-800-621-1675 or visit www.ftportfolios.com to obtain a prospectus or summary prospectus which contains this and other information about the fund. The prospectus or summary prospectus should be read carefully before investing.

ETF Characteristics

The fund lists and principally trades its shares on The Nasdaq Stock Market LLC.

The fund's return may not match the return of the Nasdaq Dorsey Wright People's Portfolio Index. The fund will generally not be bought or sold in response to market fluctuations.

Investors buying or selling fund shares on the secondary market may incur customary brokerage commissions. Market prices may differ to some degree from the net asset value of the shares. Investors who sell fund shares may receive less than the share's net asset value. Shares may be sold throughout the day on the exchange through any brokerage account.

However, unlike mutual funds, shares may only be redeemed directly from the fund by authorized participants, in very large creation/redemption units. If the fund's authorized participants are unable to proceed with creation/redemption orders and no other authorized participant is able to step forward to create or redeem, fund shares may trade at a discount to the fund's net asset value and possibly face delisting.

Risk Considerations

The fund's shares will change in value, and you could lose money by investing in the fund. One of the principal risks of investing in the fund is market risk. Market risk is the risk that a particular stock owned by the fund, fund shares or stocks in general may fall in value. Equity securities prices fluctuate for a variety of reasons, including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market. There can be no assurance that the fund's investment objective will be achieved.

The fund may be concentrated in securities issued by companies concentrated in a particular industry which involves additional risks including limited diversification.

As the use of Internet technology has become more prevalent in the course of business, the fund has become more susceptible to potential operational risks through breaches in cyber security.

The index employs a "momentum" style methodology to determine if the portfolio is allocated to T-bills. During periods of positive stock market performance, the returns of the fund may be lower if the fund's net assets are allocated to T-bills. Momentum can turn quickly and cause significant variation from other types of investments.

The fund's strategy may frequently involve buying and selling portfolio securities to rebalance the fund's exposure to equity securities or T-Bills, which may result in the fund paying higher levels of transaction costs and generating greater tax liabilities for shareholders.

The fund is subject to income risk and interest rate risk. Income risk is the risk that the fund's investment in T-bills could decline during periods of falling interest rates. Interest rate risk is the risk that the value of the T-Bills in the fund's portfolio will decline because of rising market interest rates.

The fund may invest in U.S. government obligations. U.S. Treasury obligations are backed by the "full faith and credit" of the U.S. government. Securities issued or guaranteed by federal agencies and U.S. government sponsored instrumentalities may or may not be backed by the full faith and credit of the U.S. government.

If the fund has lower average daily trading volumes, it may rely on a small number of third-party market makers to provide a market for the purchase and sale of shares. Any trading halt or other problem relating to the trading activity of these market makers could result in a dramatic change in the spread between the fund's net asset value and the price at which the fund's shares are trading. Although the shares are listed on the exchange, there can be no assurance that an active trading market for such shares will develop or be maintained. Trading in shares may be halted due to market conditions or other factors.

Large inflows and outflows may impact the fund's market exposure for limited periods of time. First Trust Advisors L.P. is the adviser to the fund. First Trust Advisors L.P. is an affiliate of First Trust Portfolios L.P., the fund's distributor.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.

Definitions

Standard Deviation is a measure of price variability (risk). **Alpha** is an indication of how much an investment outperforms or underperforms on a risk-adjusted basis relative to its benchmark. **Beta** is a measure of price variability relative to the market. **Sharpe Ratio** is a measure of excess reward per unit of volatility. **Correlation** is a measure of the similarity of performance. The **S&P 500 Index** is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. The **NASDAQ US 500 Large Cap Index** is a float modified market capitalization weighted index that contains the top 500 securities from the NASDAQ US Benchmark Index.

The fund is not sponsored, endorsed, sold or promoted by Nasdaq, Inc. or its affiliates (Nasdaq, with its affiliates, are referred to as the "Corporations"). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the fund. The Corporations make no representation or warranty, express or implied to the owners of the fund or any member of the public regarding the advisability of investing in securities generally or in the fund particularly, or the ability of the index to track general stock performance.

§The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. ©2018 Morningstar, Inc. All Rights Reserved. The Morningstar Rating™ information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.