

» Fund Objective

This actively managed exchange-traded fund seeks to provide investors with positive returns.

» Fund Facts

Fund Ticker	FMF
CUSIP	33739G103
Intraday NAV	FMFIV
Fund Inception Date	8/1/13
Expense Ratio	0.95%
Rebalance Frequency	Quarterly
Primary Listing	NYSE Arca

» Fund Description

The First Trust Morningstar Managed Futures Strategy Fund seeks to provide returns that exceed the performance of the Morningstar® Diversified Futures IndexSM (the "benchmark") by actively selecting investments for the fund with varying maturities from the underlying components of the benchmark. The fund is not an index-tracking ETF and is not required to invest in all of the components of the benchmark. The fund will generally seek to hold similar instruments to those included in the benchmark but the actively managed structure allows the investment team flexibility to manage the contract selection and rolls to seek to exceed the performance of the index.

» Index Description

- » The Morningstar® Diversified Futures IndexSM contains 35 different futures positions consisting of:
 - 20 commodities
 - 9 equity indexes
 - 6 currencies
- » The index has the ability to go long, short or flat, providing greater flexibility and the potential to capture both upward and downward movements in price.[^]
- » The commodity, equity and currency exposure in the index is represented by distinct subindexes created for each underlying asset type.

» Fund Advisor

- » First Trust Advisors L.P. is the advisor to the fund and manages the fund's portfolio.
- » Daily investment decisions are made by:
 - John Gambla, CFA, FRM, PRM, Senior Portfolio Manager, Alternatives Investment Team of First Trust
 - Rob A. Guttschow, CFA, Senior Portfolio Manager, Alternatives Investment Team of First Trust

» Performance Summary (%)

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund Performance*							
Net Asset Value (NAV)	2.04	1.79	7.13	-0.95	—	—	0.00
After Tax Held	2.04	1.77	6.73	-1.07	—	—	-0.29
After Tax Sold	1.16	1.02	4.03	-0.78	—	—	-0.13
Market Price	1.83	1.82	6.46	-0.73	—	—	-0.02
Index Performance**							
S&P 500 Index	3.43	2.65	14.37	11.93	—	—	12.25
ICE BofAML 3-month U.S. Treasury Bill Index	0.46	0.81	1.36	0.68	—	—	0.43
Morningstar® Diversified Futures Index SM	2.32	2.37	8.56	0.55	—	—	1.17

» Calendar Year Total Returns (%)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD
FMF	—	—	—	—	—	—	-2.50	-0.51	-4.29	1.84	1.79
S&P 500 Index	—	—	—	—	—	—	13.69	1.38	11.96	21.83	2.65
ICE BofAML 3-month U.S. Treasury Bill Index	—	—	—	—	—	—	0.03	0.05	0.33	0.85	0.81
Morningstar® Diversified Futures Index SM	—	—	—	—	—	—	-1.12	0.61	-2.80	3.35	2.37

» 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
FMF	4.71	-1.51	0.98	-0.32	1.00
S&P 500 Index	10.16	11.17	0.18	1.10	0.09
Morningstar® Diversified Futures Index SM	4.76	—	1.00	0.00	1.00

Overall Morningstar Rating™



Among 90 funds in the Managed Futures category.
This fund was rated 4 stars/90 funds (3 years).^S

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.

*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.

**The Morningstar® Diversified Futures IndexSM is the fund's benchmark. 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.

[^]The long position agrees to buy the asset when the contract expires and stands to profit if the underlying asset price goes up. The short position agrees to sell the asset when the contract expires and stands to profit as long as the underlying asset price goes down. The flat position is when you have neither a long position nor a short position.

» Commodity Futures Weights (%)^{1,2}

Copper, Sep18	1.82
Cotton No. 2, Dec18	1.03
Wheat (CBT), Sep18	1.03
Soybean Meal, Sep18	0.54
Soybean Meal, Dec18	0.54
Lean Hogs, Aug18	-0.75
Soybean Oil, Dec18	-1.02
Silver, Sep18	-1.33
Coffee 'C', Sep18	-1.41
Sugar #11 (World), Oct18	-1.69
Live Cattle, Aug18	-1.75
Corn, Sep18	-2.06
Soybean, Nov18	-3.24
Gold 100 oz., Aug18	-4.11

» Cash & Collateral (%)

Cash	18.41
U.S. Treasury Bills	81.60

» Energy Futures Weights (%)^{1,2}

Brent Crude Oil, Oct18	3.88
Low Sulphur Gasoil G, Aug18	3.88
New York Harbor ULSD, Sep18	3.05
WTI Crude Oil, Aug18	3.04
Brent Crude Oil, Sep18	2.60
WTI Crude Oil, Oct18	1.74
WTI Crude Oil, Nov18	1.72
Low Sulphur Gasoil G, Jul18	1.66
Gasoline RBOB, Aug18	1.48
Gasoline RBOB, Nov18	1.37
New York Harbor ULSD, Aug18	0.76
Gasoline RBOB, Sep18	0.73
Natural Gas, Sep18	0.00

» Fund Exposure (%)

Long Exposure	54.09%
Short Exposure	-42.61%
Flat Exposure	3.30%

» Currency Futures Weights (%)^{1,2}

Swiss Franc Currency	-1.04
Australian Dollar Currency	-1.21
Canadian Dollar Currency	-1.25
Japanese Yen Currency	-3.71
British Pound Currency	-4.07
Euro FX Dollar Currency	-12.02

» Equity Futures Weights (%)^{1,2}

E-Mini S&P 500 Index (US Equity Market)	12.26
NIKKEI 225 Index (Japanese Equity Market)	3.30
Mini-DAX Index (German Equity Market)	2.36
FTSE 100 Index (British Equity Market)	1.64
CAC 40 Index (French Equity Market)	1.53
S&P/TSX 60 Index (Canadian Equity Market)	1.20
SPI 200 Index (Australian Equity Market)	0.93
DAX Index (German Equity Market)	0.00
IBEX 35 Index (Spanish Equity Market)	-0.92
FTSE MIB Index (Italian Equity Market)	-1.03

¹The futures investments are held indirectly through the FT Cayman Subsidiary, a wholly-owned subsidiary of the fund organized under the laws of the Cayman Islands.

²The weight represents the fund's aggregate exposure to each futures investment whether the exposure is long, short or flat. Long positions are represented by positive weightings, short positions are represented by negative weightings, and flat positions are represented by no weightings. See the fund's prospectus and SAI for further details on the fund's investment strategy.

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 NYSE Arca, Inc.

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. The trading prices of commodities futures, fixed income securities and other instruments fluctuate in response to a variety of factors. The fund's net asset value and market price may fluctuate significantly in response to these factors. As a result, an investor could lose money over short or long periods of time. In addition, the net asset value of the fund may be more volatile over short-term periods than other investment options because of the fund's significant use of financial instruments that have a leveraging effect.

The fund is subject to management risk because it is an actively managed portfolio. The advisor will apply investment techniques and risk analyses that may not have the

desired result. There can be no assurance that the fund's investment objective will be achieved.

The fund is not obligated to invest in the same instruments included in the benchmark and may invest in certain other securities. There can be no assurance that the fund's performance will exceed the performance of the benchmark.

The fund does not invest directly in futures instruments. Rather, it invests in a wholly-owned subsidiary, which will have the same investment objective as the fund, but unlike the fund, it may invest without limitation in futures instruments. The subsidiary is not registered under the 1940 Act and is not subject to all the investor protections of the 1940 Act. Thus, the fund, as an investor in the subsidiary, will not have all the protections offered to investors in registered investment companies.

All futures and futures-related products are highly volatile. Futures instruments may be less liquid than other types of investments. The prices of futures instruments may fluctuate quickly and dramatically and may not correlate to price movements in other asset classes.

The fund regularly purchases and sells commodity futures contracts to maintain a fully invested position. This frequent trading may increase the amount of commissions or mark-ups to broker-dealers that the fund pays when it buys and sells contracts, which may detract from the fund's performance.

The benchmark and the fund will take both long and short positions and should not be used as proxies for taking long-only positions. The fund may also be flat on some positions. The fund will lose value if a security or instrument that is the subject of a short sale increases in value. Short sales involve the risk that losses may be exaggerated,

potentially losing more money than the actual cost of the investment.

The fund will, under most circumstances, effect most creations and redemptions, in whole or in part for cash, rather than in-kind securities. As a result, the fund may be less tax-efficient.

The fund holds investments that are denominated in non-U.S. currencies, or in securities that provide exposure to such currencies, currency exchange rates or interest rates denominated in such currencies. Changes in currency exchange rates and the relative value of non-U.S. currencies may affect the value of the fund's investments and the value of the fund's shares. Commodity futures contracts traded on non-U.S. exchanges or with non-U.S. counterparties present risks because they may not be subject to the same degree of regulation as their U.S. counterparts.

The fund may be subject to the forces of "whipsaw" markets (as opposed to choppy or stable markets), in which significant price movements develop but then repeatedly reverse, which could cause substantial losses.

The fund is subject to additional risks including clearing broker, counterparty risk, credit risk, gap risk, interest rate risk, income risk, issuer specific risk, regulatory risk and repurchase agreement risk. The fund may be subject to additional risks pertaining to currency, interest rates and derivatives. Large inflows and outflows may impact the fund's market exposure for limited periods of time.

The fund is classified as "non-diversified" and may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the fund may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these

issuers, experience increased volatility and be highly concentrated in certain issuers.

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.

First Trust Advisors L.P. is registered as a commodity pool operator and commodity trading advisor and is also a member of the National Futures Association.

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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 **ICE BofAML 3-month U.S. Treasury Bill Index** contains short-term U.S. Government securities with a remaining term to final maturity of about 90 days. The **S&P 500 Index** is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance.

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