

Stock Index Performance

| Index                              | Week   | YTD     | 12-mo.  | 2021   | 5-yr.  |
|------------------------------------|--------|---------|---------|--------|--------|
| Dow Jones Industrial Avg. (31,097) | -1.27% | -13.54% | -8.46%  | 20.95% | 10.20% |
| S&P 500 (3,825)                    | -2.18% | -19.12% | -10.17% | 28.68% | 11.51% |
| NASDAQ 100 (11,586)                | -4.29% | -28.72% | -19.84% | 27.51% | 16.52% |
| S&P 500 Growth                     | -3.73% | -27.02% | -16.05% | 32.00% | 13.62% |
| S&P 500 Value                      | -0.72% | -10.30% | -4.34%  | 24.86% | 8.43%  |
| S&P MidCap 400 Growth              | -2.16% | -24.07% | -20.12% | 18.89% | 6.74%  |
| S&P MidCap 400 Value               | -1.08% | -12.99% | -8.41%  | 30.61% | 7.31%  |
| S&P SmallCap 600 Growth            | -1.58% | -23.16% | -19.48% | 22.56% | 7.48%  |
| S&P SmallCap 600 Value             | -0.73% | -13.17% | -13.73% | 30.85% | 6.93%  |
| Russell 2000                       | -2.09% | -22.55% | -24.98% | 14.78% | 5.38%  |
| MSCI EAFE                          | -2.19% | -20.18% | -18.55% | 11.26% | 2.05%  |
| MSCI World (ex US)                 | -1.91% | -19.00% | -19.97% | 7.82%  | 2.35%  |
| MSCI World                         | -2.24% | -20.08% | -14.19% | 21.82% | 7.78%  |
| MSCI Emerging Markets              | -1.58% | -18.27% | -25.52% | -2.54% | 2.02%  |
| S&P GSCI                           | -2.06% | 37.80%  | 45.95%  | 40.35% | 12.00% |

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 7/1/22. 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.  | 2021   | 5-yr.  |
|------------------------|--------|---------|---------|--------|--------|
| Communication Services | -4.54% | -29.69% | -29.20% | 21.57% | 6.28%  |
| Consumer Discretionary | -4.69% | -31.50% | -23.04% | 24.43% | 10.17% |
| Consumer Staples       | 0.41%  | -4.23%  | 8.47%   | 18.63% | 9.08%  |
| Energy                 | 1.29%  | 33.53%  | 39.17%  | 54.39% | 7.23%  |
| Financials             | -1.42% | -17.56% | -12.16% | 34.87% | 7.46%  |
| Health Care            | 0.42%  | -7.22%  | 3.64%   | 26.13% | 12.41% |
| Industrials            | -0.79% | -16.04% | -13.19% | 21.10% | 6.93%  |
| Information Technology | -4.47% | -26.72% | -13.44% | 34.52% | 20.24% |
| Materials              | -3.07% | -17.35% | -8.63%  | 27.28% | 8.87%  |
| Real Estate            | -0.43% | -18.63% | -3.90%  | 46.14% | 8.85%  |
| Utilities              | 4.14%  | 1.94%   | 15.85%  | 17.67% | 10.32% |

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 7/1/22. 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.  | 2021   | 5-yr.  |
|---------------------------------|--------|---------|---------|--------|--------|
| U.S. Treasury: Intermediate     | 1.02%  | -5.33%  | -5.83%  | -1.72% | 0.97%  |
| GNMA 30 Year                    | 1.57%  | -7.24%  | -7.62%  | -1.46% | 0.46%  |
| U.S. Aggregate                  | 1.27%  | -9.81%  | -9.71%  | -1.54% | 1.00%  |
| U.S. Corporate High Yield       | -1.63% | -14.03% | -12.77% | 5.28%  | 2.14%  |
| U.S. Corporate Investment Grade | 0.80%  | -13.91% | -13.66% | -1.04% | 1.39%  |
| Municipal Bond: Long Bond (22+) | 1.32%  | -14.11% | -13.43% | 3.17%  | 1.51%  |
| Global Aggregate                | 0.48%  | -13.52% | -14.79% | -4.71% | -0.46% |

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 7/1/22. 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          | 2.83% |
| LIBOR (1-month)     | 1.67%         | 5-yr T-Note          | 2.88% |
| CPI - Headline      | 8.60%         | 10-yr T-Note         | 2.88% |
| CPI - Core          | 6.00%         | 30-yr T-Bond         | 3.10% |
| Money Market Accts. | 0.51%         | 30-yr Fixed Mortgage | 5.83% |
| 1-yr CD             | 1.69%         | Prime Rate           | 4.75% |
| 3-yr CD             | 1.99%         | Bond Buyer 40        | 4.45% |
| 5-yr CD             | 2.38%         |                      |       |

Sources: Bankrate.com, Federal Reserve Bank NY, & US Bureau of Labor Statistics. Prime Rate as of 7/5/22, LIBOR as of 6/29/22, all other data as of 7/1/22.

Market Indicators

|   |         |
|---|---------|
| TED Spread                                      | 66 bps  |
| Investment Grade Spread (A2)                    | 200 bps |
| ICE BofA US High Yield Constrained Index Spread | 594 bps |

Source: Bloomberg. As of 7/1/22.

Weekly Fund Flows

Estimated Flows to Long-Term Mutual Funds for the Week Ended 6/22/22

|                 | Current Week      | Previous         |
|-----------------|-------------------|------------------|
| Domestic Equity | -\$5.653 Million  | -\$9.264 Million |
| Foreign Equity  | -\$2.328 Million  | -\$9.184 Million |
| Taxable Bond    | -\$15.534 Million | -\$8.515 Million |
| Municipal Bond  | -\$4.590 Million  | -\$6.243 Million |

Change in Money Market Fund Assets for the Week Ended 6/29/22

|               | Current Week     | Previous        |
|---------------|------------------|-----------------|
| Retail        | \$7.15 Billion   | \$10.62 Billion |
| Institutional | -\$18.98 Billion | -\$8.73 Billion |

Source: Investment Company Institute.

Factoids for the Week of June 27, 2022

Monday, June 27, 2022

ATTOM Data Solutions reported that 114,706 U.S. single family homes and condos were flipped in Q1'22, a 6.9% jump from the total posted in Q4'21, according to its own release. The homes flipped represented 9.6% of total home sales, the highest share of sales activity since 2000. Homes flipped in Q1'22 typically generated a gross profit of \$67,000 (the difference between the median sales price and median paid by investors), up from \$63,500 in Q4'21. That translated into a 25.8% return on investment. In Q1'22, 62.7% of the homes flipped were purchased with cash-only. The average flip took 162 days to complete.

Tuesday, June 28, 2022

Data from Renaissance Capital shows that a total of 39 equity IPOs (market caps above \$50 million) have been priced in the U.S. this year (thru 6/28), down 80.7% from the same period in 2021, according to its own release. The 39 companies raised a combined \$4.1 billion, down 94.1% from the same period a year ago. Health Care, Technology and Consumer Discretionary accounted for 36%, 23% and 13%, respectively, of the IPOs launched so far in 2022.

Wednesday, June 29, 2022

JPMorgan's 2022 Business Leaders Outlook Pulse was just released this week and it revealed that only 19% of the mid-sized company executives polled (over 1,500 business leaders generating revenues between \$20 million and \$500 million) are optimistic about the U.S. economy looking out 12 months, the lowest reading in the survey's 12-year history, according to Fox Business. That figure stood at 75% a year ago. They cited inflation and labor shortages as their biggest challenges. Despite the negative take on the economy, 71% of respondents are optimistic about their own firms' prospects in the coming year.

Thursday, June 30, 2022

The price of a barrel of crude oil (WTI) has surged from \$75.21 at the start of this year to \$109.78 as of yesterday's close, or an increase of 46%. Oil has closed as high as \$123.70 per barrel (3/8/22). Research from Dhaval Joshi, chief strategist for BCA Research's Counterpoint, indicates that elevated oil prices do not hold up during recessions, according to MarketWatch. Joshi notes that the median drawdown over the past six recessions has been 60%.

Friday, July 1, 2022

The S&P 500 Index posted a price-only return (dividends not included) of -20.58% in the first half of 2022, the worst showing since a 21.01% decline in the first half of 1970, according to MarketWatch. Statistics provided by Dow Jones Market Data indicate that, since 1932, the S&P 500 Index has endured a first-half decline of 15% or more on five occasions (1932, 1939, 1940, 1962 & 1970). The index rebounded over the following six months in each of those instances. The average second-half return for the five occurrences was 23.66%, with a median return of 15.25%, according to MarketWatch.

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