

Sector Performance Via Market Capitalization (Year-to-Date)

Large-, Mid- & Small-Cap Total Returns (12/29/17-2/5/18)

Category	S&P 500 Index	S&P MidCap 400 Index	S&P SmallCap 600 Index
Index	-0.80%	-2.61%	-2.88%
Consumer Disc.	3.52%	-3.64%	-5.00%
Consumer Staples	-4.37%	-4.52%	-8.31%
Energy	-3.76%	-7.88%	-3.08%
Financials	-0.01%	-0.06%	-1.16%
Health Care	0.52%	4.15%	5.49%
Industrials	-1.60%	-3.09%	-3.83%
Info. Tech.	0.20%	0.39%	-3.40%
Materials	-3.36%	-3.04%	-2.85%
Real Estate	-7.30%	-9.43%	-11.19%
Telecom. Services	-3.88%	-8.45%	-1.81%
Utilities	-6.89%	-8.49%	-9.62%

Source: Bloomberg. Past performance is no guarantee of future results.

View from the Observation Deck

1. The S&P 500, S&P MidCap 400 and S&P SmallCap 600 Indices hit their respective all-time closing highs on 1/26/18.
2. From 1/26/18 through 2/5/18, the S&P 500, S&P MidCap 400 and S&P SmallCap 600 Indices endured price declines of 7.79%, 7.30% and 7.23%, respectively (not shown in table).
3. These three indices together comprise the S&P Composite 1500 Index, which represents 90% of total U.S. equity market capitalization (cap), according to S&P Dow Jones Indices.
4. Total U.S. equity market cap declined by \$890 billion from the close on 1/26/18 through 2/5/18, according to Bloomberg.
5. While pundits are still sorting out why equities have sold-off so sharply and why volatility has surged, some point to the rise in Treasury yields and the potential for higher inflation stemming from strengthening U.S. economic activity. Others suggest that stocks were simply overdue for a pullback or correction.
6. Sector performance can vary widely by market cap. Some of the sectors reflect a fairly significant disparity in performance.
7. Year-to-date through 2/5/18 (table), Health Care clearly performed the best of the 11 major sectors. It was the only sector in positive territory in all three market caps.

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance. The S&P MidCap 400 Index is a capitalization-weighted index that tracks the mid-range sector of the U.S. stock market. The S&P SmallCap 600 Index is a capitalization-weighted index that tracks U.S. stocks with a small market capitalization. The 11 major S&P 500, S&P MidCap 400 and S&P SmallCap 600 Sector Indices are capitalization-weighted and comprised of S&P 500, S&P MidCap 400, and S&P SmallCap 600 constituents, respectively, representing a specific sector. The S&P Composite 1500 Index is comprised of the S&P 500, S&P MidCap 400 and S&P SmallCap 600 Indices.

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