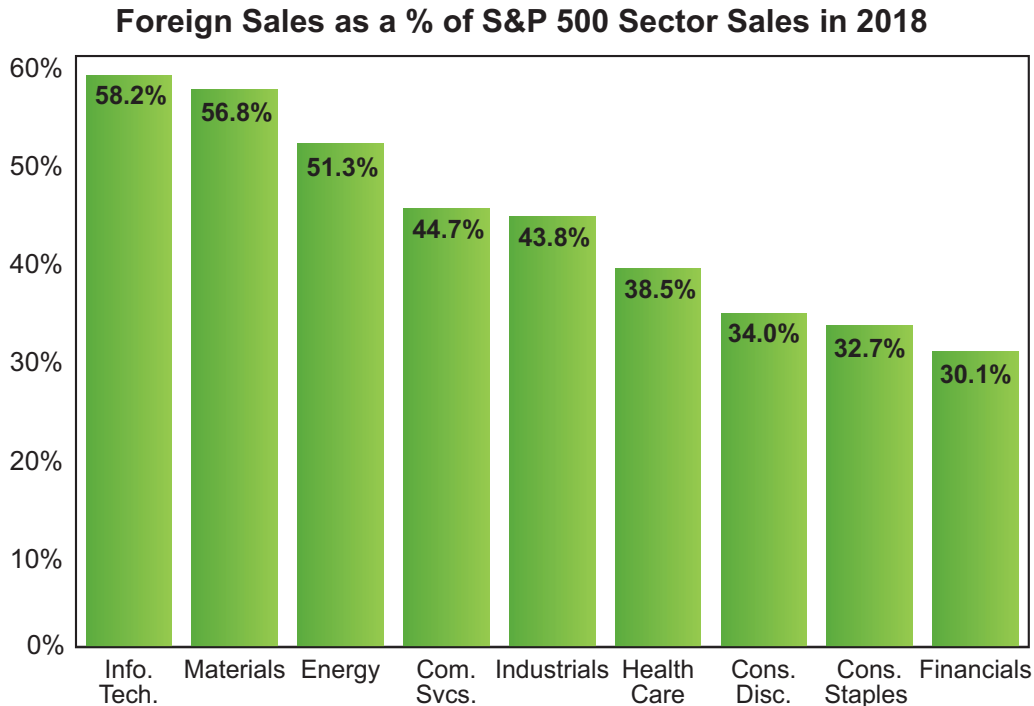


Some Sectors Are More Global Than Others



Source: S&P Dow Jones Indices. Past performance is no guarantee of future results. Utilities and Real Estate not included.

View from the Observation Deck

1. Since globalization appears to be here to stay, investors may want to begin to factor in the percentage of total sales that companies are garnering outside of the U.S.
2. The companies in the S&P 500 Index booked 42.9% of their total sales outside of the U.S. in 2018, down from 43.6% in 2017. The high for the past five years was 47.8% in 2014, according to S&P Dow Jones Indices.
3. The U.S. dollar was strong in 2018, and over the past five years as well. The U.S. Dollar Index rose 4.4% in 2018, according to Bloomberg. It was up 20.2% from 2014-2018.
4. A strong U.S. dollar can be a notable headwind to U.S. companies selling products abroad by making their goods more expensive than those of their global competitors.
5. Only three sectors achieved more than 50% of their respective sales from foreign markets in 2018, and they were Information Technology (58.2%), Materials (56.8%) and Energy (51.3%).
6. Asia and Europe were the two biggest regions in 2018 with each accounting for 8.24% of total S&P 500 sales.

This chart is for illustrative purposes only and not indicative of any actual investment. There can be no assurance that any of the projections cited will occur. The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. The 11 major S&P 500 Sector Indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector. The U.S. Dollar Index (DXY) indicates the general international value of the dollar relative to a basket of major world currencies. 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, the Internal Revenue Code or any other regulatory framework. Financial advisors are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.