

Open-End Net Fund Flows (\$)	3/20	2/20	YTD (Mar)
Equity	-46.19B	-15.96B	-101.40B
Taxable Bond	-213.02B	3.88B	-163.87B
Municipal Bond	-42.13B	8.87B	-21.39B
Hybrid	-47.23B	-4.84B	-53.08B
Taxable Money Market	694.81B	31.82B	706.95B

Key Interest Rates	4/30/20	12/31/19	4/30/19
Federal Funds Target Rate	0.25%	1.75%	2.50%
ICE LIBOR (3-Month)	0.56%	1.91%	2.58%
2-Year T-Note	0.20%	1.57%	2.27%
10-Year T-Note	0.64%	1.92%	2.50%
Bond Buyer 40	3.93%	3.63%	3.82%

Commodities/U.S. Dollar	4/20	YTD	12 Mo.
U.S. Dollar Index (DXY)	-0.03%	2.73%	1.58%
TR/CC CRB Commodity Index	-3.77%	-36.92%	-36.39%
Crude Oil/WTI (per Barrel)	-8.01%	-69.15%	-70.52%
Natural Gas (per million BTUs)	18.90%	-10.96%	-24.42%
Gold Bullion (Ounce)	7.00%	11.23%	31.77%

### Total Return Performance

U.S. Stock Indices	4/20	YTD	12 Mo.
S&P 500	12.82%	-9.30%	0.85%
DJIA	11.22%	-14.07%	-6.16%
NASDAQ 100	15.23%	3.37%	16.90%
S&P MidCap 400	14.18%	-19.73%	-14.96%
Russell 2000	13.74%	-21.09%	-16.41%
Russell 3000	13.24%	-10.43%	-1.05%

U.S. Styles/Market Caps	4/20	YTD	12 Mo.
S&P 500 Growth	14.45%	-2.15%	7.34%
S&P 500 Value	10.71%	-17.35%	-6.67%
S&P MidCap 400 Growth	14.04%	-14.15%	-8.72%
S&P MidCap 400 Value	14.34%	-25.78%	-21.71%
Russell 2000 Growth	14.90%	-14.71%	-9.24%
Russell 2000 Value	12.34%	-27.74%	-23.87%

Foreign Stock Indices (USD)	4/20	YTD	12 Mo.
MSCI World NET (Ex-U.S.)	6.97%	-17.91%	-11.47%
MSCI Emerging Markets NET	9.16%	-16.60%	-12.00%
MSCI Europe NET	5.93%	-19.84%	-13.58%
MSCI BRIC NET	7.90%	-14.68%	-9.57%
MSCI EM Latin America NET	6.30%	-42.19%	-37.31%
Nikkei 225	7.60%	-12.23%	-3.32%

Bloomberg Barclays Bond Ind.	4/20	YTD	12 Mo.
U.S. Treasury: Intermediate	0.27%	5.54%	9.27%
GNMA 30 Year	0.61%	3.67%	7.60%
Municipal Bond (22+)	-2.64%	-3.80%	1.31%
U.S. Aggregate	1.78%	4.98%	10.84%
Intermediate Corporate	4.00%	0.73%	6.35%
U.S. Corporate High Yield	4.51%	-8.75%	-4.11%
Global Aggregate	1.96%	1.63%	6.56%
EM Hard Currency Aggregate	2.22%	-7.53%	-1.53%

Sources: Bloomberg, Bloomberg Barclays, Investment Company Institute

**Past performance is no guarantee of future results.** Historical performance figures for the indices are for illustrative purposes only and not indicative of any actual investment. Indices are unmanaged and an investor cannot invest directly in an index.

### Climate

As one might expect, opinions seem to vary widely when it comes to forecasting the state of the economy and the fate of the stock market, particularly while still in the midst of the coronavirus (COVID-19) pandemic. Some pundits, and President Donald J. Trump, are anticipating a V-shaped snapback to the economy, while others are leaning more towards a U- or L-shaped recovery, the latter of which does not portend much of a recovery. With respect to the sharp sell-off in the stock market in Q1'20, which sent the S&P 500 Index into bear market territory (20% decline from its most recent high), some pundits believe that the S&P 500 Index already established its closing low for the period on 3/23/20 at 2,237.40. Others, believe the index needs to retest the bear market low before properly launching the next bull market. Since 1928, there have been 25 bear markets and 60% of the time the S&P 500 Index has retested and established a fresh low, according to MarketWatch.

### Stock Market

The S&P 500 Index ("index") closed at 2,912.43 on 4/30/20, 13.99% below its all-time closing high of 3,386.15 on 2/19/20, according to Bloomberg. The index staged a robust rebound, up 30.17%, from its low-point this year at the close on 3/23/20 (2,237.40) through 4/30/20. The S&P 500 Index posted a total return of 12.82% in April. All 11 major sectors that comprise the index were up on a total return basis. The top-performer was Energy, up 29.78%, while the worst showing came from Utilities, up 3.22%. Year-to-date through April, the S&P 500 Index posted a total return of -9.30%. Only one of the 11 major sectors was up on a total return basis. The top-performer was Information Technology, up 0.22%, while the worst showing came from Energy, down 35.70%. While S&P 500 Index earnings have been adjusted much lower for 2020 since the start of the year, 2021 projections are up significantly. As of 12/30/19, Bloomberg's 2020 and 2021 consensus earnings estimates for the S&P 500 Index stood at 9.02% and 10.72%, respectively. As of 5/1/20, those same two estimates were -20.1% and 24.9%, respectively. A Bloomberg survey of 18 equity strategists found that their average 2020 year-end price target for the S&P 500 Index was 2,935 as of 4/15/20, according to its own release. The highest estimate was 3,500 while the lowest estimate was 2,500. Data from S&P Global Market Intelligence indicates that 81 U.S. companies and public investment funds, such as real-estate investment trusts, have suspended or canceled their dividends in 2020, the highest number since 2001, according to Bloomberg. Over the previous 10 years, a total of 55 companies eliminated their dividends. In addition to the 81 suspended or canceled dividends, 135 companies have cut their dividend payouts in 2020. At the current pace, dividend reductions could easily surpass the 316 cuts made in 2009. Last year set a record for dividend payouts at \$491 billion. Bank of America sees dividend payouts declining by around 10% in 2020.

### Bond Market

The yield on the benchmark 10-year Treasury note (T-note) closed trading on 4/30/20 at 0.64%, down three basis points (bps) from its 0.67% close on 3/31/20, according to Bloomberg. The yield stood 167 bps below its 2.31% average for the 10-year period ended 4/30/20. Perhaps the biggest news in the bond market pertained to the credit markets. Moody's reported that its global speculative-grade default rate stood at 3.5% in March, according to its own release. Moody's puts the historical average default rate at 4.1% since 1983. It sees the default rate rising to 11.3% by the end of March 2021. Its baseline default forecast assumes a sharp downturn in the global economy in the first half of 2020, followed by a recovery later this year and into 2021. Its most pessimistic scenario (deeper economic disruptions stemming from the coronavirus lingering into 2021) has the default rate reaching 16.3% by March 2021. Moody's noted that the largest number of downgrades in March occurred in the Hotel, Gaming & Leisure and Oil & Gas industries. Goldman Sachs believes that investment-grade corporate debt issuance could hit a record \$1.5 trillion in 2020, according to CNBC.

### Takeaway

Investors are craving evidence that the U.S. is making progress against COVID-19, in our opinion. As of 5/1/20, 23 states have a partial reopening underway, according to NBC News. These states are likely to provide us with some valuable feedback in the weeks ahead. In the meantime, many investors have decided to tamp down their risk exposure. Year-to-date through 4/29/20, total U.S. money market fund assets surged by \$1.102 trillion, from \$3.631 trillion to \$4.733 trillion, according to the Investment Company Institute.

Index	10-Yr. High Value	Date	10-Yr. Low Value	Date	Month-End Value	% Off High Value	YTD Return (USD)	Month-End Yield
S&P 500	3386.15	2/19/2020	1022.58	7/2/2010	2912.43	-13.99%	-9.30%	2.08%
S&P 500 Growth	2120.38	2/19/2020	528.55	7/2/2010	1903.30	-10.24%	-2.15%	1.30%
S&P 500 Value	1301.02	1/17/2020	486.55	7/2/2010	1053.14	-19.05%	-17.35%	3.12%
S&P MidCap 400	2106.12	2/20/2020	700.16	7/6/2010	1646.36	-21.83%	-19.73%	2.15%
S&P MidCap 400 Growth	1004.45	2/20/2020	306.64	7/6/2010	826.24	-17.74%	-14.15%	1.25%
S&P MidCap 400 Value	692.20	1/16/2020	251.27	7/6/2010	503.23	-27.30%	-25.78%	3.27%
S&P 100	1518.94	2/19/2020	463.84	7/2/2010	1338.02	-11.91%	-6.62%	2.05%
DJIA	29551.42	2/12/2020	9686.48	7/2/2010	24345.72	-17.62%	-14.07%	2.66%
NASDAQ 100	9718.73	2/19/2020	1728.34	7/2/2010	9000.51	-7.39%	3.37%	0.96%
Russell 2000	1740.75	8/31/2018	590.03	7/6/2010	1310.66	-24.71%	-21.09%	1.81%
Russell 2000 Growth	1142.13	2/19/2020	324.00	7/6/2010	925.28	-18.99%	-14.71%	0.85%
Russell 2000 Value	2049.42	8/22/2018	804.33	10/3/2011	1382.58	-32.54%	-27.74%	3.00%
Russell 3000	1984.26	2/19/2020	602.36	7/2/2010	1684.96	-15.08%	-10.43%	2.03%
MSCI World Net (ex U.S.) (USD)	6499.50	1/17/2020	3249.15	5/25/2010	5274.27	-18.85%	-17.91%	3.68%
MSCI Emerging Markets Net (USD)	573.23	1/26/2018	296.25	1/21/2016	439.97	-23.25%	-16.60%	3.01%
Ibovespa/Brazil (USD)	43619.40	4/8/2011	9077.09	1/21/2016	14835.15	-65.99%	-48.30%	4.39%
RTS/Russia (USD)	2123.56	4/8/2011	628.41	1/20/2016	1125.03	-47.02%	-27.14%	7.66%
S&P BSE 500/India (USD)	245.12	1/24/2018	95.89	9/3/2013	169.12	-31.01%	-22.73%	1.67%
Shanghai Composite/China (USD)	832.07	6/12/2015	314.68	12/3/2012	404.92	-51.34%	-7.55%	2.32%
KOSPI/South Korea (USD)	2.42	1/29/2018	1.16	3/19/2020	1.61	-33.74%	-15.25%	2.37%
Hang Seng (USD)	4241.01	1/26/2018	2087.46	10/4/2011	3179.61	-25.03%	-11.96%	3.78%
MSCI Euro (USD)	1544.35	1/26/2018	814.62	6/1/2012	1071.20	-30.64%	-22.84%	4.10%
S&P 500 Consumer Discretionary	1048.28	2/19/2020	228.84	7/6/2010	955.81	-8.82%	-2.71%	1.25%
S&P 500 Consumer Staples	665.35	2/14/2020	262.40	7/2/2010	597.56	-10.19%	-6.76%	2.95%
S&P 500 Energy	737.09	6/23/2014	179.94	3/18/2020	289.65	-60.70%	-35.70%	6.15%
S&P 500 Utilities	359.13	2/18/2020	141.65	6/1/2010	290.71	-19.05%	-10.72%	3.51%
S&P 500 Financials	516.21	1/2/2020	151.85	10/3/2011	378.34	-26.71%	-25.43%	2.79%
S&P 500 Banks	383.30	1/2/2020	105.73	8/22/2011	245.75	-35.89%	-34.56%	4.11%
FTSE NAREIT All Equity REITs	835.20	2/14/2020	342.95	7/6/2010	641.84	-23.15%	-16.68%	4.36%
S&P 500 Health Care	1219.65	1/22/2020	324.13	7/1/2010	1162.03	-4.72%	-1.63%	1.73%
S&P 500 Pharmaceuticals	768.14	1/21/2020	268.30	6/4/2010	737.32	-4.01%	-0.46%	2.60%
NYSE Arca Biotechnology	5400.34	9/27/2018	995.18	7/6/2010	5167.98	-4.30%	2.06%	0.27%
S&P 500 Information Technology	1801.61	2/19/2020	328.07	7/2/2010	1608.60	-10.71%	0.22%	1.39%
Philadelphia Semiconductor	1979.50	2/19/2020	307.49	8/31/2010	1731.24	-12.54%	-5.95%	1.80%
S&P 500 Telecom Services	192.97	2/19/2020	100.96	5/26/2010	170.66	-11.56%	-5.47%	1.35%
S&P 500 Industrials	718.21	2/12/2020	234.50	7/2/2010	542.35	-24.49%	-20.68%	2.53%
S&P 500 Materials	401.59	1/26/2018	170.73	7/2/2010	326.55	-18.69%	-14.83%	2.41%
Philadelphia Gold & Silver	228.95	4/8/2011	38.84	1/19/2016	113.68	-50.35%	6.63%	0.67%
TR/CC CRB Commodity	370.56	4/29/2011	106.29	4/21/2020	117.20	-68.37%	-36.92%	N/A
ICE BofA Perpetual Preferred	293.45	2/17/2020	132.55	5/6/2010	279.56	-4.73%	-2.91%	5.00%
ICE BofA U.S. High Yield Constrained	472.87	2/20/2020	232.16	5/25/2010	421.11	-10.95%	-9.83%	8.21%

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