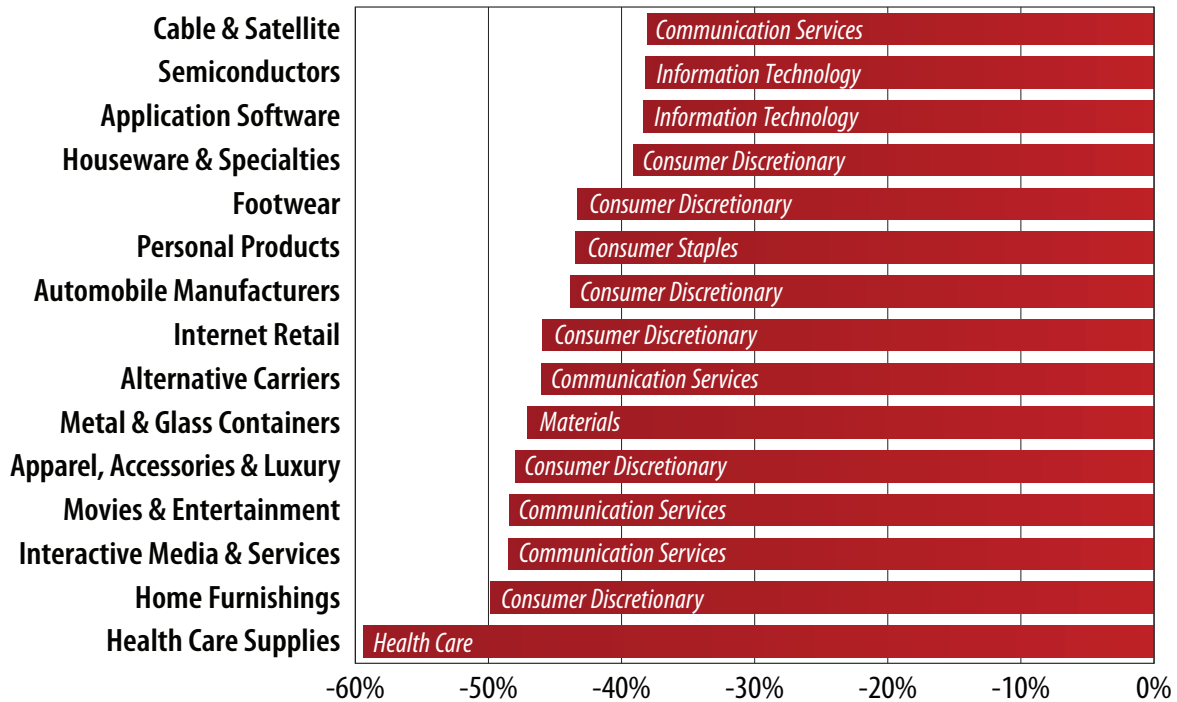


Worst-Performing S&P 500 Index Subsectors YTD (Thru 11/8)

Bottom 15 S&P 500 Index Subsector Total Returns (12/31/21-11/8/22)



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

View from the Observation Deck

1. Today's blog post is for those investors who want to drill down below the sector level to see what is not performing well in the stock market.
2. Equities continue to face headwinds in 2022. All of the subsectors featured in the chart are down more than 35% so far this year.
3. The S&P 500 Index is currently comprised of 11 sectors and 122 subsectors, according to S&P Dow Jones Indices.
4. As indicated in the chart above, Consumer Discretionary had six subsectors on the list.
5. As of 11/8/22, the most heavily weighted sector in the S&P 500 Index was Information Technology at 25.74%, according to Bloomberg. Consumer Discretionary had the third-largest weighting at 10.34%.
6. The 15 worst-performing subsectors in the chart posted total returns ranging from -38.08% (Cable & Satellite) to -59.36% (Health Care Supplies).
7. With respect to the 11 sectors, only Energy posted a positive total return for the period captured in the chart, up 74.09% according to Bloomberg. The second- and third-best performers were Consumer Staples and Health Care, with total returns of -3.87% and -4.56%, respectively. The S&P 500 Index posted a total return of -18.62% for the period.
8. There are a growing number of packaged products, such as exchange-traded funds, that feature S&P 500 Index subsectors.
9. While there are no guarantees, there could be some potential deep value opportunities in this group.

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 an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance, while the S&P sector and subsector indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector or industry.

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 professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.