

Open-End Net Fund Flows (\$)	5/24	4/24	YTD (May)
Equity	-40.8B	-60.2B	-221.8B
Taxable Bond	6.7B	8.8B	100.7B
Municipal Bond	1.2B	-0.9B	11.9B
Hybrid	-7.9B	-13.2B	-46.6B
Taxable Money Market	70.4B	-18.5B	61.5B

Key Interest Rates/Yields	6/28/24	5/31/24	6/30/23
Federal Funds Target Rate	5.50%	5.50%	5.25%
2-Year T-Note	4.76%	4.87%	4.90%
5-Year T-Note	4.38%	4.51%	4.16%
10-Year T-Note	4.40%	4.50%	3.84%
Bond Buyer 40	4.36%	4.53%	4.44%

Commodities/U.S. Dollar	6/24	YTD	12 Mo.
U.S. Dollar Index (DXY)	1.14%	4.47%	2.87%
FTSE/CC CRB Excess Ret.	0.11%	10.10%	10.87%
Crude Oil/WTI (per Barrel)	5.91%	13.80%	15.43%
Natural Gas (per million BTUs)	0.54%	3.46%	-7.04%
Gold Bullion (Ounce)	0.72%	12.93%	21.26%

Total Return Performance

U.S. Stock Indices	6/24	YTD	12 Mo.
S&P 500	3.59%	15.29%	24.54%
DJIA	1.23%	4.79%	16.02%
Nasdaq 100	6.27%	17.47%	30.77%
S&P MidCap 400	-1.58%	6.15%	13.55%
Russell 2000	-0.93%	1.73%	10.03%
Russell 3000	3.10%	13.56%	23.11%

U.S. Styles/Market Caps	6/24	YTD	12 Mo.
S&P 500 Growth	6.98%	23.56%	32.51%
S&P 500 Value	-0.65%	5.79%	15.27%
S&P MidCap 400 Growth	-1.28%	11.69%	18.81%
S&P MidCap 400 Value	-1.90%	0.42%	8.13%
Russell 2000 Growth	-0.17%	4.43%	9.11%
Russell 2000 Value	-1.69%	-0.86%	10.87%

Foreign Stock Indices (USD)	6/24	YTD	12 Mo.
MSCI World NET (Ex-U.S.)	-1.66%	4.96%	11.22%
MSCI Emerging Markets NET	3.94%	7.49%	12.55%
MSCI Europe NET	-2.25%	5.81%	11.68%
MSCI BRIC NET	1.24%	6.27%	8.76%
MSCI EM Latin America NET	-6.06%	-15.68%	-5.59%
Nikkei 225	0.59%	4.46%	9.00%

Bloomberg Fixed Income Ind.	6/24	YTD	12 Mo.
U.S. Treasury: Intermediate	0.85%	0.21%	3.37%
GNMA 30 Year	1.02%	-1.01%	2.21%
Municipal Bond (22+)	2.10%	0.08%	4.26%
U.S. Aggregate	0.95%	-0.71%	2.63%
Intermediate Corporate	0.69%	1.00%	5.89%
U.S. Corporate High Yield	0.94%	2.58%	10.44%
Global Aggregate	0.14%	-3.16%	0.93%
EM Hard Currency Aggregate	0.41%	1.87%	7.85%

Sources: Bloomberg and 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

On June 8, 2023, the S&P 500 Index ("Index") stood 20.04% above its most recent low, indicating a new Bull Market had begun. Since then, the Index has surged by 29.19% on a total return basis (6/8/23 - 6/28/24). For comparison, since 1926 the Index's average annual total return has been 10.27%, according to data from Morningstar. There have been 16 Bull Markets and 15 Bear Markets since 1942. Of those, the average Bull Market lasted 4.3 years while the average Bear Market lasted just 11.1 months. While we expect the current Bull Market will differ from previous ones, it is worth noting that it is comparatively younger than the historical average. That said, existing economic hurdles could threaten equity valuations, in our opinion. One area we have been watching is the U.S. housing market. The median U.S. existing-home sales price stood at a record \$419,300 in May 2024, up from \$270,400 in February 2020 (pre-COVID). Surging prices and elevated interest rates are sapping affordability. The monthly housing payment on a home listed in the U.S. stood at a record \$2,894 during the four weeks ended May 5, 2024, an increase of 14% year-over-year.

Stock Market

The Index stood at 5,460.48 on 6/28/24, down 0.48% from its all-time high of 5,487.03 set on 6/18/24, according to data from Bloomberg. The S&P MidCap 400 and S&P SmallCap 600 Indices stood -3.82% and -11.53%, respectively, below their all-time highs as of the same date. In June, the Index posted a total return of 3.59%. Five of the 11 major sectors that comprise the Index registered positive total returns for the month. The top-performer was Information Technology, up 9.32%, while the worst showing came from Utilities which were down 5.51%. The Index posted a total return of 24.54% over the trailing 12-month period ended 6/28/24. Each of the 11 major sectors were positive on a total return basis. The Index's top performer was Communication Services, up 44.87%, while the worst showing came from Real Estate which increased by 5.60%. In an echo of their performance in 2023, technology stocks have provided the lion's share of the total return for the Index so far in 2024. Year-to-date through 6/28/24, the Information Technology, Communication Services, and Financials Indices accounted for 52.42%, 15.08%, and 9.20%, respectively, of the total return in the Index, according to data from S&P Dow Jones Indices. If we look at the individual securities that comprise the Index, we observe a rather narrow market has formed again this year. The top ten performing stocks currently account for 71.17% of the Index's total return through 6/28/24. For comparison, in 2023, 67.07% of the Index's total return came from the top ten stocks.

Bond Market

The yield on the benchmark 10-year Treasury note (T-note) stood at 4.40% at the close of trading on 6/28/24, representing a decline of 10 basis points (bps) from its 4.50% close on 5/31/24, according to data from Bloomberg. The 4.40% yield stood 201 bps above its 2.39% average for the 10-year period ended 6/28/24 and 59 bps below its most recent high of 4.99% set on 10/19/23. The yield on the 2-year T-note stood at 4.76% on 6/28/24, representing a decline of 11 bps from when it stood at 4.87% on 5/31/24. As revealed in the "Bloomberg Fixed Income Indices" table to the left, U.S. fixed income returns appear to have stagnated under the pressure of elevated short term interest rates, with trailing 12-month returns far outpacing year-to-date ("YTD") returns. In our view, the Federal Reserve's ("Fed") recent guidance on interest rate policy is likely to blame for this disparity. In June, the Fed revealed a revised target of just one rate cut in 2024, down from its November 2023 announcement that it was targeting three cuts totaling 75 bps during the calendar year.

Takeaway

Despite persistent inflation and elevated interest rates, the Index's Bull Market stampeded onward in June, culminating in the Index reaching its 31st all-time high of the year on 6/18/24. While risks to the U.S. economy persist, earnings and revenue growth forecasts remain strong. As of 6/28/24, Bloomberg's earnings and revenue growth estimates for the Index stood at 9.59% and 4.61%, respectively for 2024, and 14.07% and 5.82%, respectively, for 2025. From our perspective, if these forecasts are met, the Index could reward investors with further gains. As mentioned in the "Stock Market" section above, the total returns in the U.S. equity markets have been comparatively narrow. Notably, the S&P SmallCap 600 Index has yet to recapture its all-time high of 1,466.02 which was set over two-and-a-half years ago on 11/8/21. From our perspective, the current interest rate environment may be limiting the financing options available to smaller companies with riskier business models and less stable cash flows. We expect these pressures to recede should disinflation lead to looser monetary policy.

Data as of 6/28/24

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	5487.03	6/18/2024	1829.08	2/11/2016	5460.48	-0.48%	15.29%	1.33%
S&P 500 Growth	3763.39	6/18/2024	1009.73	10/16/2014	3731.63	-0.84%	23.56%	0.61%
S&P 500 Value	1845.71	3/28/2024	788.67	2/11/2016	1796.78	-2.65%	5.79%	2.31%
S&P MidCap 400	3046.36	3/28/2024	1218.55	3/23/2020	2930.09	-3.82%	6.15%	1.59%
S&P MidCap 400 Growth	1482.73	3/28/2024	572.55	10/13/2014	1429.19	-3.61%	11.69%	1.05%
S&P MidCap 400 Value	948.49	3/28/2024	373.28	3/23/2020	910.14	-4.04%	0.42%	2.18%
S&P 100	2661.19	6/27/2024	819.58	8/25/2015	2645.21	-0.60%	19.10%	1.24%
DJIA	40003.59	5/17/2024	15660.18	2/11/2016	39118.86	-2.21%	4.79%	1.87%
Nasdaq 100	19908.86	6/18/2024	3765.28	10/16/2014	19682.87	-1.14%	17.47%	0.80%
Russell 2000	2442.74	11/8/2021	953.72	2/11/2016	2047.69	-16.17%	1.73%	1.51%
Russell 2000 Growth	1709.62	2/9/2021	573.10	2/11/2016	1337.07	-21.79%	4.43%	0.65%
Russell 2000 Value	2643.45	11/8/2021	1067.63	3/23/2020	2287.49	-13.47%	-0.86%	2.38%
Russell 3000	3108.98	6/27/2024	1067.34	2/11/2016	3099.16	-0.32%	13.56%	1.33%
MSCI World Net (ex U.S.) (USD)	8493.97	5/20/2024	4189.62	2/11/2016	8259.44	-2.76%	4.96%	3.07%
MSCI Emerging Markets Net (USD)	699.23	2/17/2021	296.25	1/21/2016	573.79	-17.94%	7.49%	2.59%
Ibovespa/Brazil (USD)	29488.46	1/2/2020	9077.09	1/21/2016	22290.96	-24.41%	-19.58%	6.89%
RTS/Russia (USD)	1919.58	10/25/2021	628.41	1/20/2016	1151.93	-39.99%	9.00%	12.07%
S&P BSE 500/India (USD)	427.44	6/28/2024	129.66	3/23/2020	427.44	0.00%	16.54%	1.03%
Shanghai Composite/China (USD)	832.07	6/12/2015	328.64	7/10/2014	408.32	-50.93%	-1.38%	2.86%
KOSPI/South Korea (USD)	2.93	6/16/2021	1.16	3/19/2020	2.03	-30.81%	-0.81%	1.78%
Hang Seng (USD)	4241.01	1/26/2018	1871.10	10/31/2022	2269.03	-46.50%	6.24%	4.43%
MSCI Euro (USD)	1789.52	5/15/2024	865.50	3/18/2020	1686.12	-5.78%	5.94%	3.24%
S&P 500 Consumer Discretionary	1673.27	11/19/2021	500.86	10/15/2014	1492.14	-10.82%	5.66%	0.73%
S&P 500 Consumer Staples	841.99	4/20/2022	443.51	7/31/2014	819.86	-2.63%	8.98%	2.80%
S&P 500 Energy	749.39	4/5/2024	179.94	3/18/2020	698.23	-6.83%	10.93%	3.23%
S&P 500 Utilities	394.81	9/12/2022	203.71	8/6/2014	346.33	-12.28%	9.44%	3.25%
S&P 500 Financials	704.84	5/17/2024	264.89	2/11/2016	684.26	-2.92%	10.16%	1.64%
S&P 500 Banks	461.87	1/12/2022	180.19	2/11/2016	404.28	-12.47%	16.89%	2.79%
FTSE NAREIT All Equity REITs	980.08	12/31/2021	483.48	3/23/2020	727.52	-25.77%	-2.19%	4.11%
S&P 500 Health Care	1723.97	3/28/2024	692.10	8/7/2014	1700.33	-1.37%	7.81%	1.61%
S&P 500 Pharmaceuticals	1160.48	6/25/2024	515.78	8/7/2014	1144.95	-1.34%	17.11%	2.23%
NYSE Arca Biotechnology	6319.77	2/8/2021	2642.53	2/11/2016	5287.36	-16.34%	-2.31%	0.25%
S&P 500 Information Technology	4468.40	6/18/2024	612.98	10/16/2014	4341.09	-2.85%	28.24%	0.61%
Philadelphia Semiconductor	5765.12	6/18/2024	549.47	10/13/2014	5472.26	-5.08%	31.66%	0.81%
S&P 500 Communication Services	315.32	6/27/2024	130.86	12/24/2018	310.19	-1.63%	26.68%	0.73%
S&P 500 Industrials	1066.71	3/28/2024	412.06	3/23/2020	1031.96	-3.26%	7.75%	1.55%
S&P 500 Materials	586.08	4/9/2024	234.97	1/25/2016	556.50	-5.05%	4.05%	1.90%
Philadelphia Gold & Silver	167.76	4/14/2022	38.84	1/19/2016	137.37	-18.12%	10.22%	1.62%
FTSE/CC CRB Excess Return	329.59	6/9/2022	106.29	4/21/2020	290.47	-11.87%	10.10%	N/A
ICE BofA Perpetual Preferred	319.67	9/22/2021	201.43	8/5/2014	312.25	-2.32%	4.97%	6.54%
ICE BofA U.S. High Yield Constrained	540.01	6/25/2024	313.74	2/11/2016	539.36	-0.12%	2.60%	8.02%

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