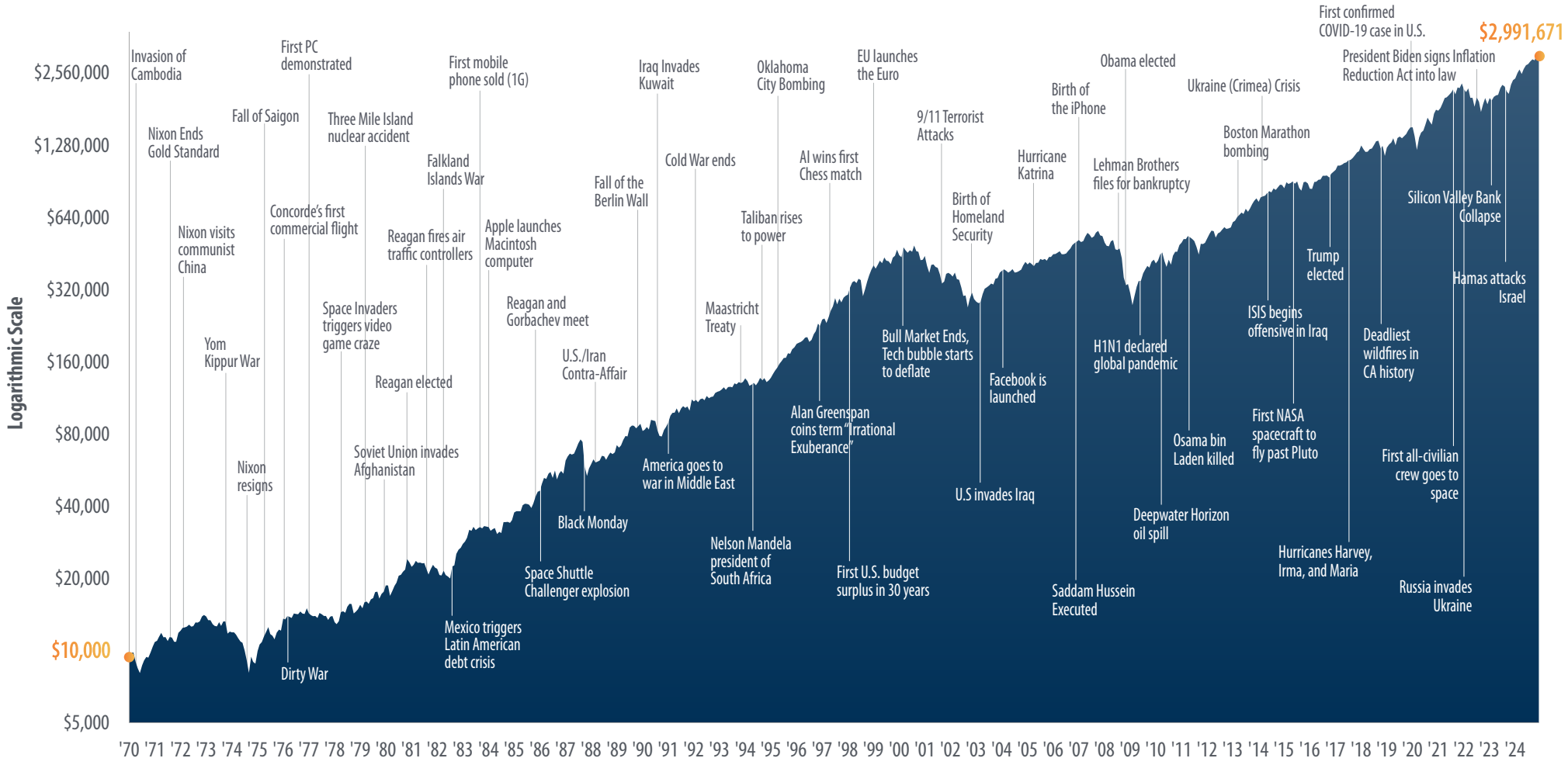
Crises and Events

S&P 500 Index: Since 1970

First Trust

This chart shows the growth of $10,000 based on S&P 500 Index performance over the last several decades. We believe looking at the market's overall resiliency through major crises and events helps to gain a fresh perspective on the benefits of investing for the long-term.

The average annual total return of the S&P 500 Index for the period shown below was 10.92%.



Source: First Trust, Bloomberg. Data from 12/31/1969 - 12/31/2024. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges. Stocks are not guaranteed and have been more volatile than the other asset classes. These returns were the result of certain market factors and events which may not be repeated in the future.

Staying the Course

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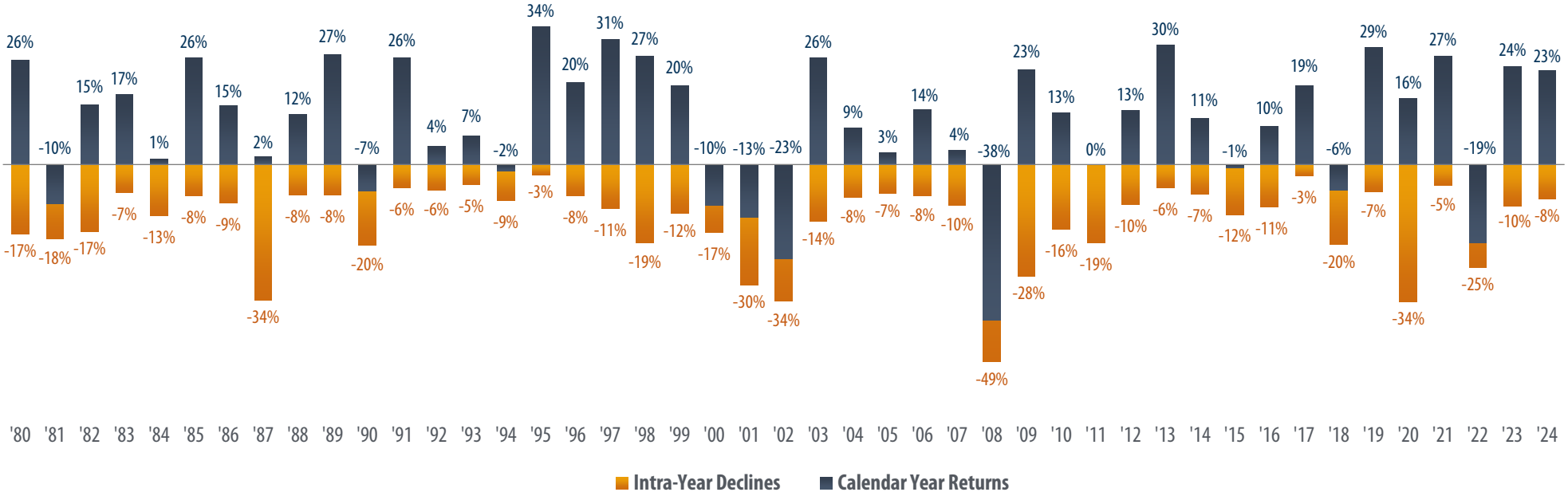
Investors tend to see short-term volatility as the enemy. Volatility may lead many investors to move money out of the market and "sit on the sidelines" until things "calm down." Although this approach may appear to solve one problem, it creates several others:

1. When do you get back in? You must make two correct decisions back-to-back; when to get out and when to get back in.
2. By going to the sidelines you may be missing a potential rebound. This is not historically unprecedented; see chart below.
3. By going to the sidelines you could be not only missing a potential rebound, but all the potential growth on that money going forward.

We believe the wiser course of action is to review your plan with your financial professional and from there, decide if any action is indeed necessary. This placates the natural desire to "do something," but helps keep emotions in check.

Intra-Year Declines vs. Calendar Year Returns

Volatility is not a recent phenomenon. Each year, there is the potential for the market to experience a significant correction, which for the S&P 500 has averaged approximately 14% since 1980. History has shown that those who chose to stay the course were rewarded for their patience more often than not.



Source: First Trust, Bloomberg. As of 12/31/2024. **Past performance is no guarantee of future results.** The benchmark used for the above chart is the S&P 500 Index. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges. Returns are based on price only and do not include dividends. This chart is for illustrative purposes only and not indicative of any actual investment. These returns were the result of certain market factors and events which may not be repeated in the future.

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.

History of U.S. Bear & Bull Markets

Daily Returns Since 1942

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This chart shows daily historical performance of the S&P 500 Index throughout the U.S. Bull and Bear Markets since 1942. We believe looking at the history of the market's expansions and recessions helps to gain a fresh perspective on the benefits of investing for the long-term.

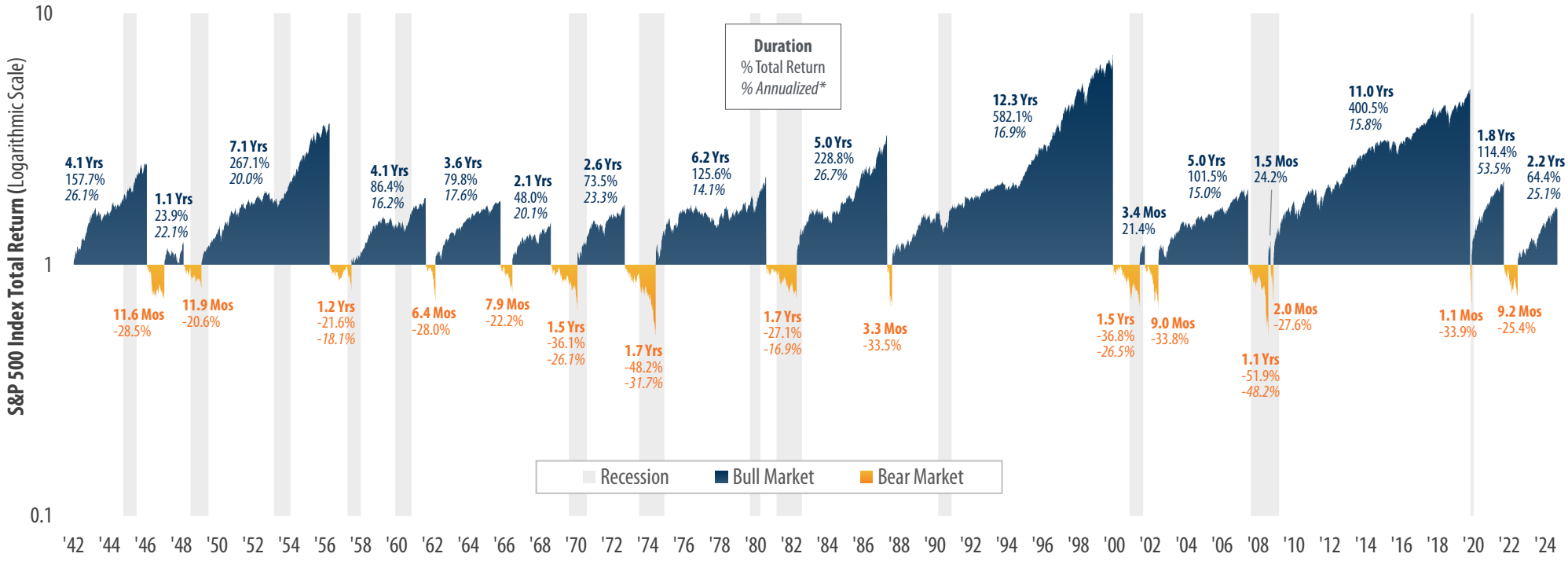
- The average **Bull Market** period lasted 4.3 years with an average cumulative total return of 150.0%.
- The average **Bear Market** period lasted 11.1 months with an average cumulative loss of -31.7%.

BULL

From the lowest close reached after the market has fallen 20% or more, to the next market high.

BEAR

When the index closes at least 20% down from its previous high close, through the lowest close reached after it has fallen 20% or more.



Source: First Trust, Bloomberg. Daily returns from 4/29/1942 - 12/31/2024. *No annualized return shown if duration is less than one year. **Past performance is no guarantee of future results.** These results are based on daily returns–returns using different periods would produce different results. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges. This chart is for illustrative purposes only and not indicative of any actual investment. These returns were the result of certain market factors and events which may not be repeated in the future.

Missing The Best Days In The Market

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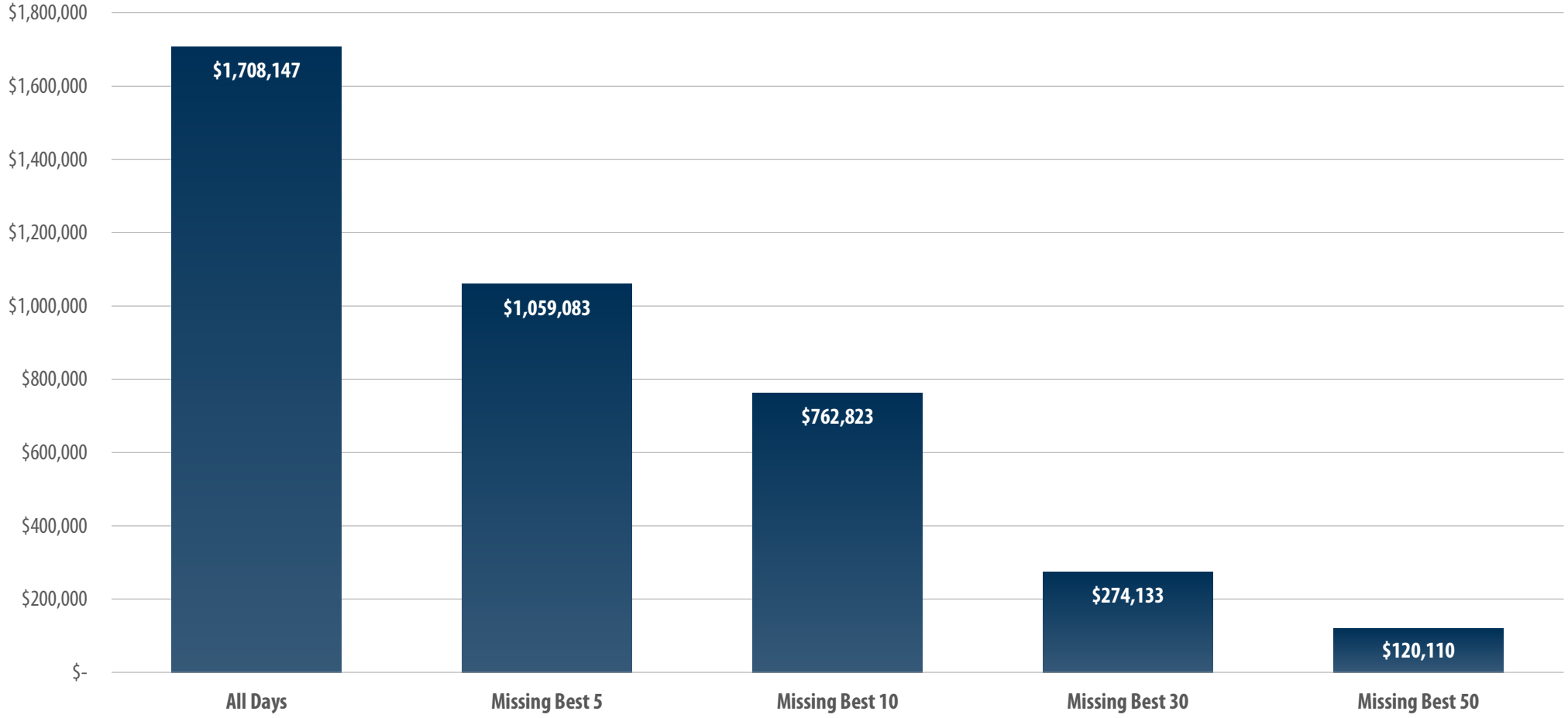
Investing in the stock market can be volatile, which may tempt some investors to pull out of the market to avoid the bad days. However, it is impossible to predict when good and bad days will happen. This chart shows the potential effect that pulling out of the stock market could have on a portfolio. An investor does not have to miss many good days to feel the financial impact over time. We believe investors will be rewarded for sticking with their investment plan.

Growth of $10K Invested in the S&P 500 Index: 12/31/79 – 12/31/24



Source: First Trust, Bloomberg. **Past performance is no guarantee of future results.** Returns are total returns. The illustration is not indicative of any actual investment and excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. These returns were the result of certain market factors and events which may not be repeated in the future. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. An index cannot be purchased directly by investors.

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.

A History of Market Corrections

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Investors like to avoid stock market declines at all costs, but declines are an inevitable part of investing. A little historical background can help put stock market declines in perspective.

S&P 500 Index 1942 - 2024

Type of Decline	Average Frequency*	Average Length**	Last Occurrence
-5% or more	About 3 times a year	39 days	August 2024
-10% or more	About every 16 months	128 days	October 2023
-15% or more	About every 3 years	230 days	October 2022
-20% or more	About every 5.5 years	335 days	October 2022

Dow Jones Industrial Average® 1942 - 2024

Type of Decline	Average Frequency*	Average Length**	Last Occurrence
-5% or more	About 3 times a year	41 days	December 2024
-10% or more	About every 17 months	130 days	September 2022
-15% or more	About every 2.75 years	226 days	September 2022
-20% or more	About every 5.75 years	397 days	September 2022

Source: First Trust, Bloomberg. Data from 4/29/1942 - 12/31/2024. **Past performance is no guarantee of future results.** For illustrative purposes only and not indicative of any actual investment. Investors cannot invest directly in an index.

*Correction cycles are determined by identifying market declines in excess of the minimum declines noted above. The cycle ends when there is a recovery of the magnitude of the minimum decline needed for that correction size (i.e., a recovery of greater than 5%, 10%, 15% or 20%). After that recovery is noted, the algorithm begins searching for the next decline to start the cycle again.

**Measures from the date of the market high to the date of the market low.

The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance.

The Dow Jones Industrial Average® (The Dow®), is a price-weighted measure of 30 U.S. blue-chip companies. The index covers all industries except transportation and utilities.