



War Times & The Stock Market





Wars and conflicts have been a constant throughout history, however recent events might cause us to look at how the stock market has performed during past times of war. The chart below shows the S&P 500 Index level since 1927 and several of the major wars and conflicts since then. Though uncertainty may temporarily shape the market, we believe seeing the market's overall resiliency can help maintain a long-term perspective.

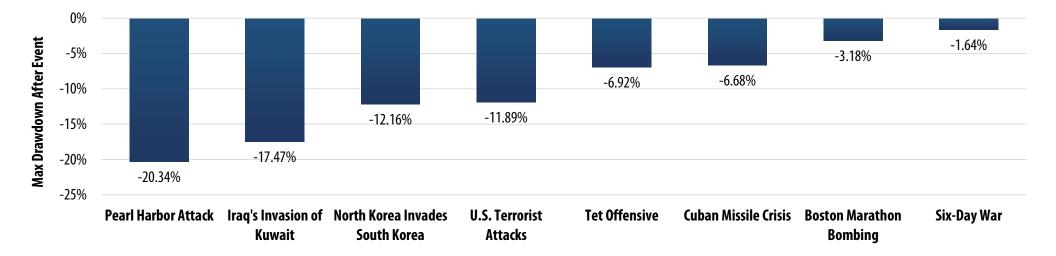


Source: S&P CapIQ. Bloomberg. Monthly index levels from 12/31/1927 - 3/31/2022. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index.

U.S. Stock Market Returns After Major Geopolitical Shocks



Geopolitical Shock	Event Date	1- Day Return	1- Year Return	Max Drawdown	Days Until Bottom	Days Until Recovery
Russia Invades Ukraine*	2/24/2022	1.50%	-	-	-	-
Boston Marathon Bombing	4/15/2013	-2.48%	19.49%	-3.18%	4	14
U.S. Terrorist Attacks	9/11/2001	-5.01%	-13.75%	-11.89%	11	30
Iraq's Invasion of Kuwait	8/2/1990	-1.19%	13.66%	-17.47%	71	187
Tet Offensive	1/30/1968	-0.54%	15.43%	-6.92%	36	69
Six-Day War	6/5/1967	-1.64%	19.36%	-1.64%	0	1
Cuban Missile Crisis	10/16/1962	-0.31%	30.91%	-6.68%	8	17
North Korea Invades South Korea	6/25/1950	-5.27%	20.03%	-12.16%	19	59
Pearl Harbor Attack	12/7/1941	-4.15%	3.70%	-20.34%	142	304

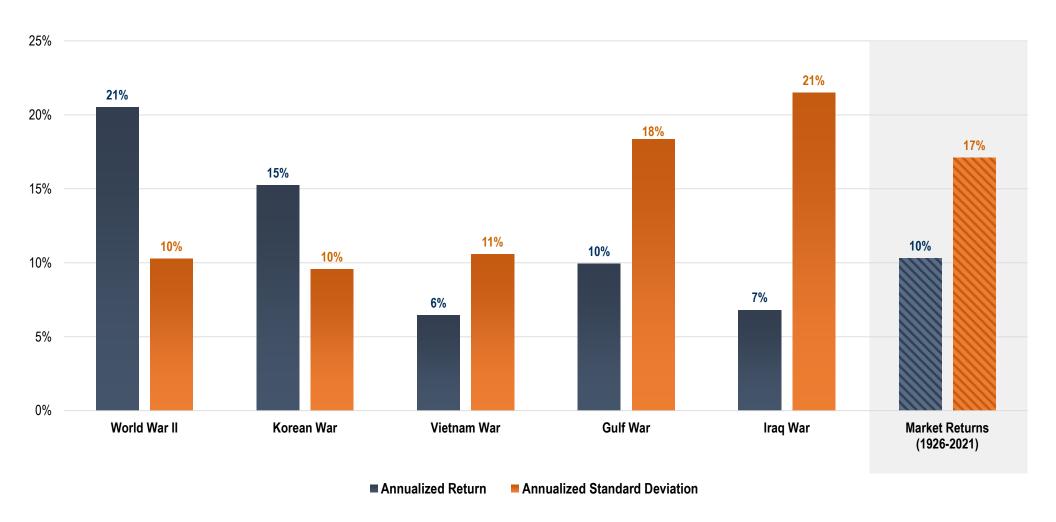


Past performance is no guarantee of future results. Source: Ken French Data Library. Ken French data library uses the CRSP database. Universe includes all New York Stock Exchange (NYSE), American Stock Exchange (AMEX) & NASDAQ stocks. Returns are market-cap weighted.

*2/24/2022 data is from Bloomberg and represented by the S&P 500 Index. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. An investor cannot invest directly in an index.

U.S. Stock Market Returns During Major Wars





Source: Ken French Data Library. **Past performance is no guarantee of future results.** Ken French data library uses the CRSP database. Universe includes all New York Stock Exchange (NYSE), American Stock Exchange (AMEX) & NASDAQ stocks. Returns are market-cap weighted. Dates used for each war are as follows: World War II: 12/8/1941–9/2/1945; Korean War: 6/27/1950–7/27/1953; Vietnam War: 3/8/1965–3/29/1973; Gulf War: 8/2/1990–2/28/1991; Iraq War: 3/20/2003–12/15/2011. Total market returns use data from 7/1/1926–12/31/2021. Standard deviation is the measure of dispersion of historical returns around a mean rate of return, and a lower standard deviation indicates less volatility. An investor cannot invest directly in an index.

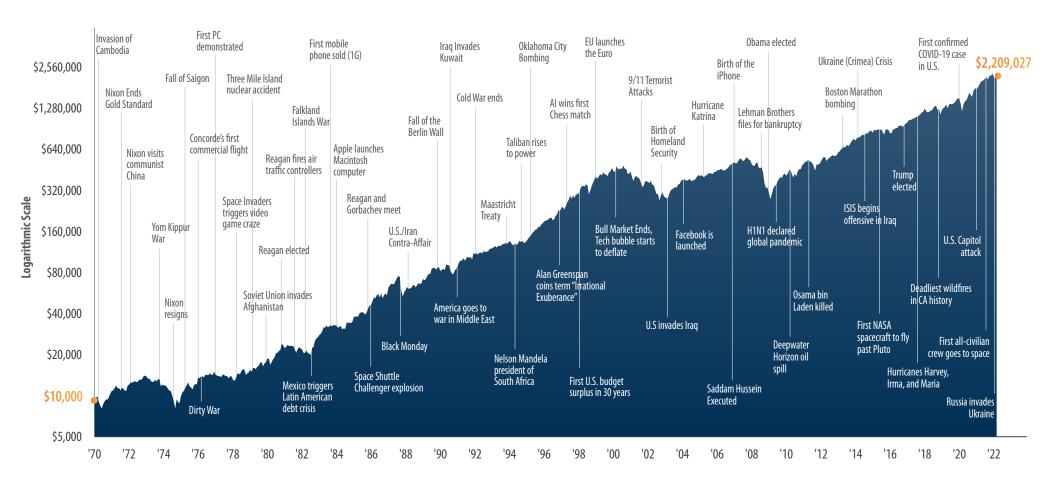
Crisis and Events

S&P 500 Index: 1970 – 2022



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 10.88%.

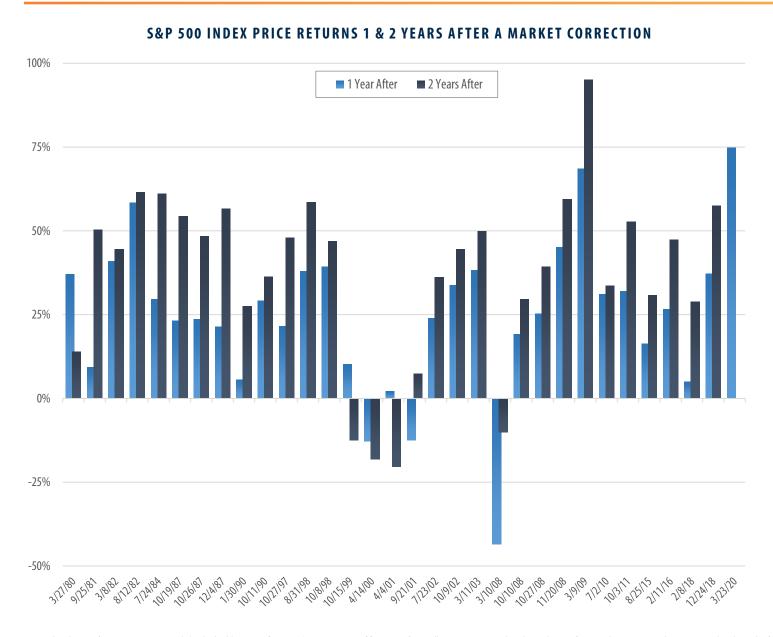


Source: Bloomberg, First Trust Advisors L.P., 12/31/1969 - 3/31/2022. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. 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.

Stock Market Corrections & Subsequent Year Returns

S&P 500 Index





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

Trough Date	Correction Return	1 Year After	2 Years After
3/27/1980	-17.07%	37.09%	13.97%
9/25/1981	-19.75%	9.36%	50.31%
3/8/1982	-15.05%	40.92%	44.58%
8/12/1982	-14.27%	58.33%	61.51%
7/24/1984	-14.38%	29.60%	60.97%
10/19/1987	-33.24%	23.19%	54.39%
10/26/1987	-11.89%	23.59%	48.43%
12/4/1987	-12.45%	21.39%	56.59%
1/30/1990	-10.23%	5.55%	27.45%
10/11/1990	-19.92%	29.10%	36.28%
10/27/1997	-10.80%	21.48%	47.86%
8/31/1998	-19.34%	37.93%	58.54%
10/8/1998	-10.00%	39.25%	46.86%
10/15/1999	-12.08%	10.16%	-12.49%
4/14/2000	-11.19%	-12.76%	-18.10%
4/4/2001	-27.45%	2.09%	-20.34%
9/21/2001	-26.43%	-12.47%	7.30%
7/23/2002	-31.97%	23.93%	36.17%
10/9/2002	-19.31%	33.73%	44.46%
3/11/2003	-14.71%	38.22%	49.87%
3/10/2008	-18.64%	-43.49%	-10.03%
10/10/2008	-36.97%	19.16%	29.57%
10/27/2008	-15.39%	25.27%	39.29%
11/20/2008	-25.19%	45.05%	59.45%
3/9/2009	-27.62%	68.57%	95.12%
7/2/2010	-15.99%	31.01%	33.54%
10/3/2011	-19.39%	32.00%	52.71%
8/25/2015	-12.35%	16.32%	30.81%
2/11/2016	-13.31%	26.63%	47.35%
2/8/2018	-10.16%	4.92%	28.93%
12/24/2018	-19.78%	37.10%	57.50%
3/23/2020	-33.92%	74.78%	?
2/23/2022	-11.91%	?	?
Average	-18.55%	24.91%	37.38%
Median	-15.99%	25.95%	44.58%
% Positive	N/A	90.63%	87.10%

Source: Bloomberg. Performance is price return only (no dividends). **Past performance is no guarantee of future results.** For illustrative purposes only and not indicative of any actual investment. Market correction: When the market fell at least 10% from its recent peak. Index returns do not reflect any fees, expenses, or sales charges. 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 stocks used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index.

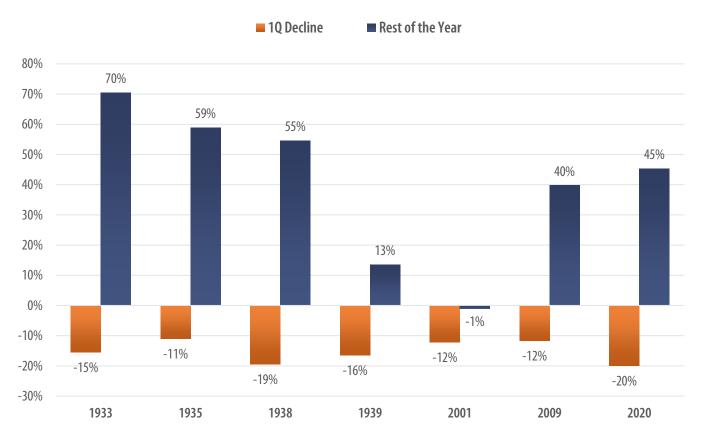
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Stock Market Returns After Large First Quarter Declines



After a down first quarter, it is natural to wonder what is in store for the rest of the year. Although it is impossible to predict what will happen, we can look at historical data from previous down first quarters to see what has happened in the past. From 1928-2021, there were 7 first quarters with a decline of >10%. In 6 of 7 cases the rest of the year provided a positive return, with an average price return of 40.21%.

S&P 500 INDEX HISTORICAL PRICE RETURNS AFTER DOWN 1ST QUARTER



S&P 500 INDEX PRICE RETURNS

Year	1Q Decline	Rest of the Year
1933	-15.46%	70.43%
1935	-11.05%	58.93%
1938	-19.43%	54.59%
1939	-16.44%	13.48%
2001	-12.11%	-1.06%
2009	-11.67%	39.76%
2020	-20.00%	45.33%
Average	-15.17%	40.21%

Past performance is no guarantee of future results. Source: Bloomberg, as of 12/31/21. First quarters with > 10% decline since 1928. Performance is price return only (no dividends). The charts are for illustrative purposes only and not indicative of any actual investment. Index returns do not reflect any fees, expenses, or sales charges. 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. Investors cannot invest directly in an index.



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