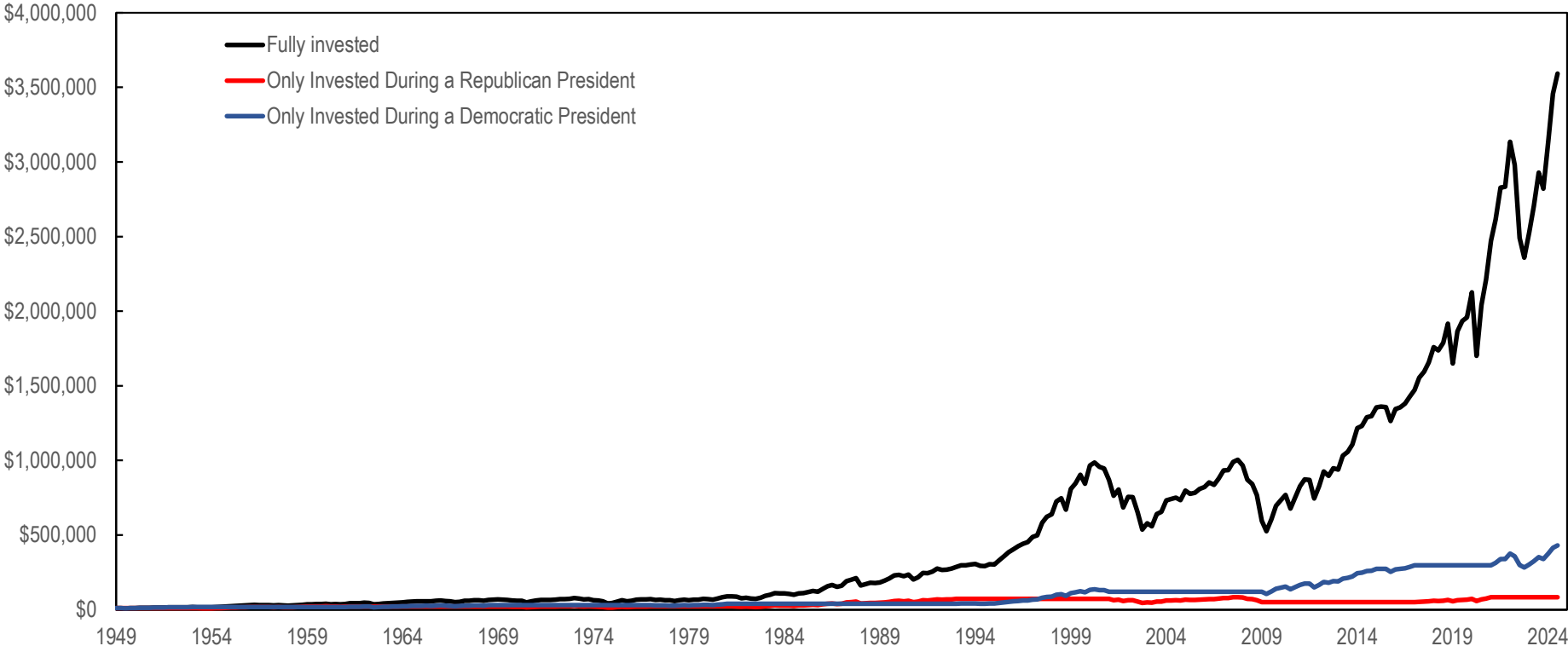




 First Trust

CLIENT RESOURCE KIT **ELECTION**

GROWTH OF \$10,000 IN THE S&P 500 INDEX SINCE 1949



Source: Standard & Poor's, FT Advisors. Data is quarterly from 1949 – 6/28/24. **Past performance is no guarantee of future results.** 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. These returns were the result of certain market factors and events which may not be repeated in the future.

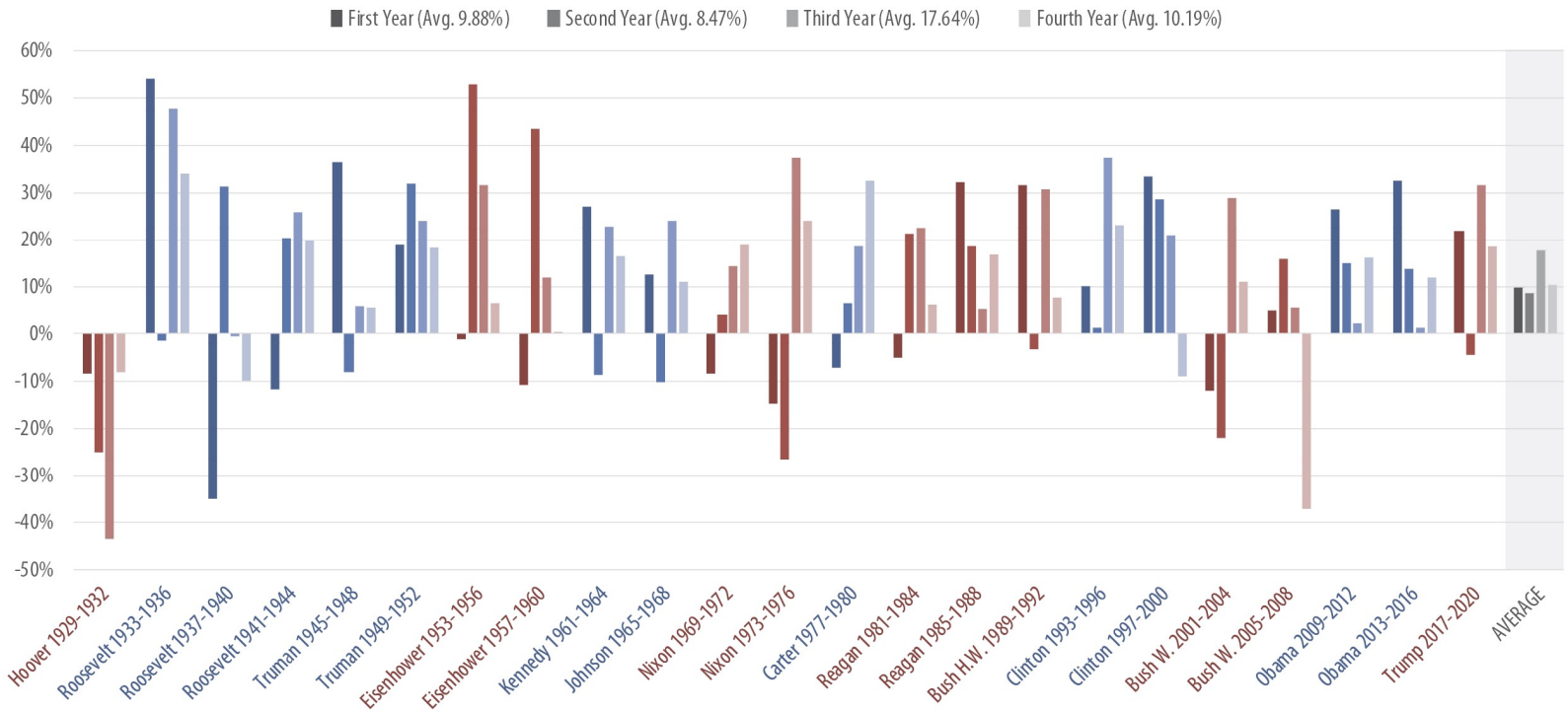
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S&P 500 INDEX PERFORMANCE: 4-YEAR ELECTION CYCLE

On and around election day there is often some anxiety about how a president's 4-year term might impact the stock market. Below we look at S&P 500 Index performance by year of each election cycle. Over the past 92 years, the S&P 500 Index has seen positive performance 73% of the time and has averaged a yearly total return of 11.54%. Seeing the big picture can help us to stay focused on our long-term investment goals.

OBSERVATIONS

- 67 of the 92 years (73%) provided positive performance
- The average total return for a 4-year term was 46.18%
- When a Republican was in office the average yearly total return was 7.85%
- When a Democrat was in office the average yearly total return was 14.93%

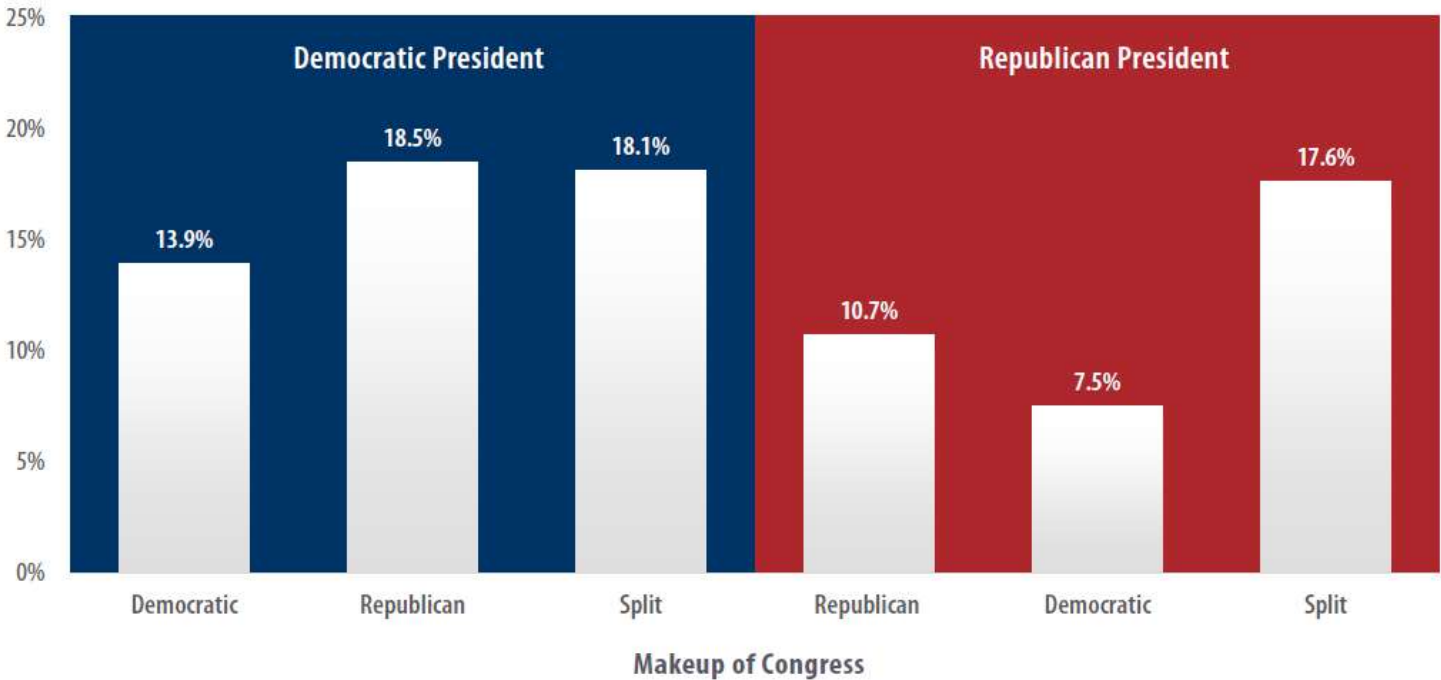


Source: Morningstar/Ibbotson Associates. **Past performance is no guarantee of future results.** For illustrative purposes only and not indicative of any actual investment. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges. These returns were the result of certain market factors and events which may not be repeated in the future.

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S&P 500 INDEX PERFORMANCE BY PRESIDENT AND MAKEUP OF CONGRESS

AVERAGE S&P 500 INDEX TOTAL RETURN ANNUAL PERFORMANCE 1949-2023

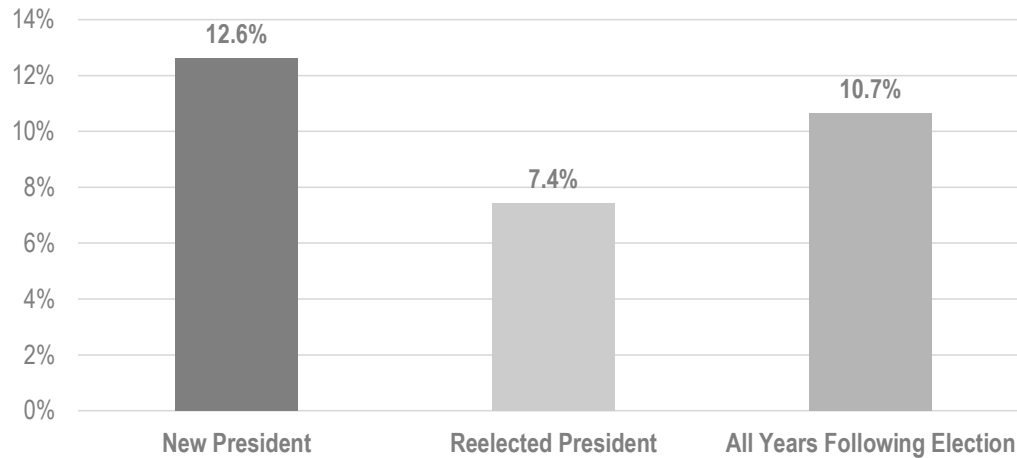


Source: Morningstar, Bloomberg. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. These returns were the result of certain market factors and events which may not be repeated in the future. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. Indices do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown. Investors cannot invest directly in an index. *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.*

S&P 500 INDEX RETURNS - NEW VS. REELECTED PRESIDENT SINCE 1928

Historically, following a U.S. presidential election, the S&P 500 Index has shown higher returns in the year after a new president is elected compared to when the incumbent president is reelected.

Average S&P 500 Total Return - Year Following Election



Source: Morningstar/Ibbotson Associates. As of 6/28/2024. **Past performance is no guarantee of future results.** 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. These returns were the result of certain market factors and events which may not be repeated in the future.

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Election Year	President Elected	New or Reelected?	S&P 500 Total Return - Year Following Election
2020	Biden	New	28.7%
2016	Trump	New	21.8%
2012	Obama	Reelected	32.4%
2008	Obama	New	26.5%
2004	Bush W.	Reelected	4.9%
2000	Bush W.	New	-11.9%
1996	Clinton	Reelected	33.4%
1992	Clinton	New	10.1%
1988	Bush H.W.	New	31.7%
1984	Reagan	Reelected	31.7%
1980	Reagan	New	-4.9%
1976	Carter	New	-7.2%
1972	Nixon	Reelected	-14.7%
1968	Nixon	New	-8.5%
1964	Johnson	New	12.5%
1960	Kennedy	New	26.9%
1956	Eisenhower	Reelected	-10.8%
1952	Eisenhower	New	-1.0%
1948	Truman	New	18.8%
1944	Roosevelt	Reelected	36.4%
1940	Roosevelt	Reelected	-11.6%
1936	Roosevelt	Reelected	-35.0%
1932	Roosevelt	New	54.0%
1928	Hoover	New	-8.4%

S&P 500 INDEX RETURNS IN U.S. PRESIDENTIAL ELECTION YEARS SINCE 1928

There are many factors that impact stock market returns, but one common concern of investors is how the stock market will be impacted by a change in America's President. In past election years, the S&P 500 Index has seen more positive performance than negative. Below we take a look at S&P 500 Index performance during presidential election years, which have historically provided positive gains for stocks.

S&P 500 Index Total Returns During Presidential Election Years (1928-2020)

U.S. Presidential Election Results	Average Return
A Republican was elected	15.3%
A Democrat was elected	8.5%
All election years	11.58%

Observations

There have been 24 elections since the S&P 500 Index began. In these election years:

- 20 of the 24 years (83%) provided positive performance
- When a Democrat was in office and a Democrat was elected (or reelected), the total return for the year averaged 15.0%
- When a Democrat was in office and a Republican was elected, the total return for the year averaged 12.9%

Source: Morningstar/Ibbotson Associates. **Past performance is no guarantee of future results.** 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. These returns were the result of certain market factors and events which may not be repeated in the future.

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Historical U.S. Presidential Election Results

Election Year	President Elected	S&P 500 Index Total Return
2020	Biden	18.4%
2016	Trump	12.0%
2012	Obama	16.0%
2008	Obama	-37.0%
2004	Bush W.	10.9%
2000	Bush W.	-9.1%
1996	Clinton	23.1%
1992	Clinton	7.7%
1988	Bush H.W.	16.8%
1984	Reagan	6.3%
1980	Reagan	32.4%
1976	Carter	23.8%
1972	Nixon	19.0%
1968	Nixon	11.1%
1964	Johnson	16.5%
1960	Kennedy	0.5%
1956	Eisenhower	6.6%
1952	Eisenhower	18.4%
1948	Truman	5.5%
1944	Roosevelt	19.8%
1940	Roosevelt	-9.8%
1936	Roosevelt	33.9%
1932	Roosevelt	-8.2%
1928	Hoover	43.6%

VALUE VS. GROWTH: PERFORMANCE FOLLOWING PRESIDENTIAL ELECTIONS SINCE 1980

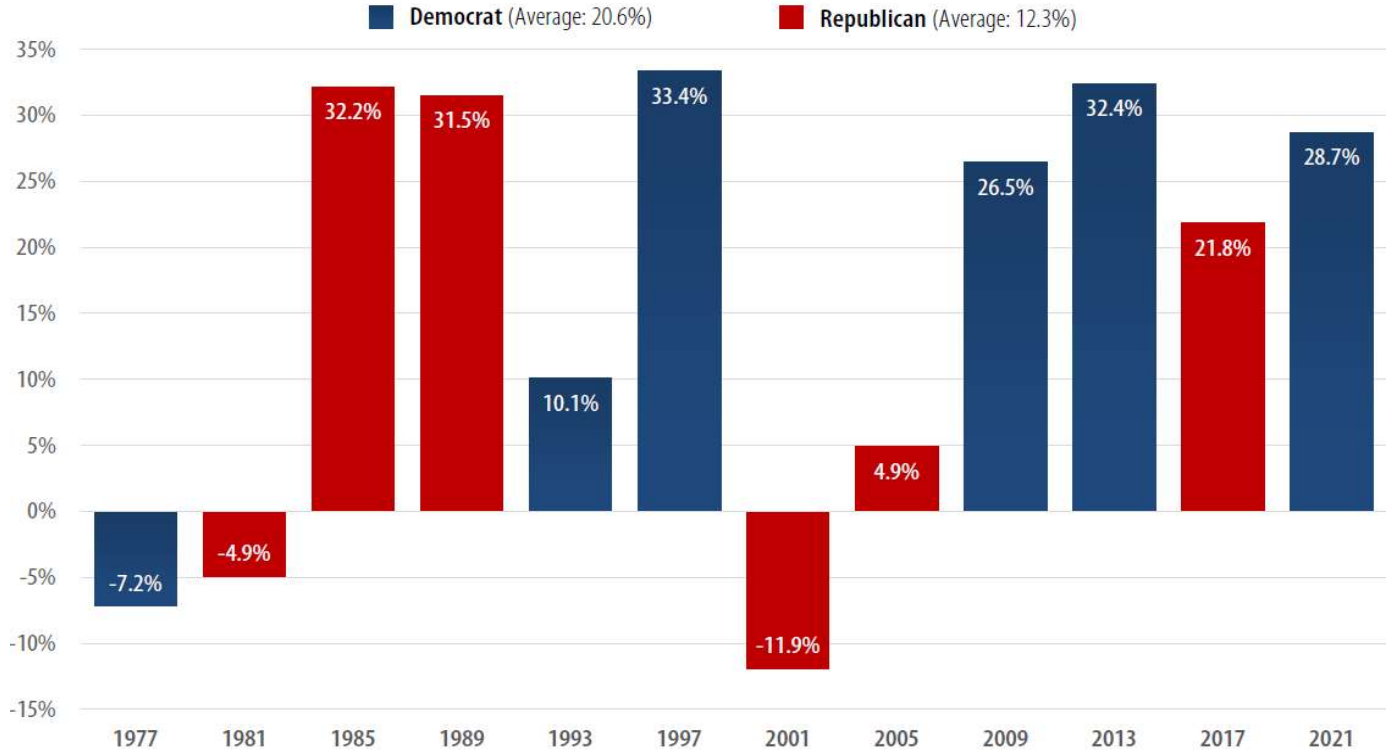
Value stocks have outperformed growth stocks for six months after every presidential election for the last 40 years. See below for the historical total returns of the Russell 1000 Value Total Return Index and the Russell 1000 Growth Total Return Index over the past 11 elections.

Months After Election Day	Value	Growth	Value Beat Growth By
1 Month	1.93%	0.53%	1.40%
2 Months	6.78%	4.72%	2.05%
3 Months	5.84%	3.52%	2.32%
4 Months	6.34%	1.82%	4.52%
5 Months	7.44%	1.81%	5.63%
6 Months	10.82%	5.76%	5.06%
Average	6.52%	3.03%	3.50%

Source: Bloomberg. As of 6/28/24. **Past performance is no guarantee of future results.** For illustrative purposes only and not indicative of any actual investment. The Russell 1000 Value Total Return Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 Growth Total Return Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. Indices are unmanaged and investors cannot invest directly in an index. 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.

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S&P 500 INDEX TOTAL RETURNS FIRST YEAR OF A FOUR-YEAR PRESIDENTIAL TERM



Source: Morningstar/Ibbotson Associates. **Past performance is no guarantee of future results.** Data shows first year returns of the last 12 presidential terms. 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.

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HOW STOCKS HAVE FARED IN THE FIRST YEAR OF A FOUR-YEAR PRESIDENTIAL TERM: S&P 500 INDEX & SECTOR INDEX TOTAL RETURNS

	1993	1997	2001	2005	2009	2013	2017	2021
White House	Democrat	Democrat	Republican	Republican	Democrat	Democrat	Republican	Democrat
Senate	Democrat	Republican	Democrat	Republican	Democrat	Democrat	Republican	Democrat
House of Representatives	Democrat	Republican	Republican	Republican	Democrat	Republican	Republican	Democrat
S&P 500 Index	10.00%	33.32%	-11.89%	4.91%	26.45%	32.37%	21.82%	28.68%
Communication Services	14.34%	41.25%	-12.24%	-5.63%	8.93%	11.47%	-1.25%	21.57%
Consumer Discretionary	14.64%	34.34%	2.78%	-6.36%	41.30%	43.08%	22.98%	24.43%
Consumer Staples	-3.87%	32.87%	-6.42%	3.58%	14.89%	26.14%	13.49%	18.63%
Energy	15.87%	25.21%	-10.45%	31.36%	13.78%	25.05%	-1.01%	54.35%
Financials	10.59%	47.97%	-8.94%	6.47%	17.15%	35.59%	22.14%	34.87%
Health Care	-8.19%	43.72%	-11.96%	6.46%	19.70%	41.46%	22.08%	26.13%
Industrials	18.56%	26.97%	-5.74%	2.30%	20.93%	40.64%	21.01%	21.10%
Information Technology	21.71%	28.56%	-25.87%	0.99%	61.72%	28.42%	38.81%	34.52%
Materials	13.46%	8.41%	3.40%	4.39%	48.58%	25.60%	23.84%	27.28%
Real Estate	N/A	N/A	N/A	7.36%	20.79%	-1.53%	10.85%	46.14%
Utilities	13.64%	24.68%	-30.40%	16.83%	11.91%	13.21%	12.10%	17.67%

Source: Bloomberg and The Spokesman-Review. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions or 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. The 11 major S&P 500 Sector Indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector. *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.*