

FIRST TRUST ENERGY INFRASTRUCTURE FUND
Form N-CSR
February 06, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-22528

First Trust Energy Infrastructure Fund
(Exact name of registrant as specified in charter)

120 East Liberty Drive, Suite 400
Wheaton, IL 60187
(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.
First Trust Portfolios L.P.
120 East Liberty Drive, Suite 400
Wheaton, IL 60187
(Name and address of agent for service)

registrant's telephone number, including area code: N30-765-8000

Date of fiscal year end: November 30

Date of reporting period: November 30, 2017

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.

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Annual Report

November 30, 2017

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Caution Regarding Forward-Looking Statements

This report contains certain forward-looking statements within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements regarding the goals, beliefs, plans or current expectations of First Trust Advisors L.P. (First Trust or the Advisor) and/or Energy Income Partners, LLC (EIP or the Sub-Advisor) and their respective representatives, taking into account the information currently available to them. Forward-looking statements include all statements that do not relate solely to

current or historical fact. For example, forward-looking statements include the use of words such as anticipate, estimate, intend, expect, believe, plan, may, should, would or other words that convey uncertainty of future outcomes.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of First Trust Energy Infrastructure Fund (the Fund) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. When evaluating the information included in this report, you are cautioned not to place undue reliance on these forward-looking statements, which reflect the judgment of the Advisor and/or Sub-Advisor and their respective representatives only as of the date hereof. We undertake no obligation to publicly revise or update these forward-looking statements to reflect events and circumstances that arise after the date hereof.

Managed Distribution Policy

The Board of Trustees of the Fund has approved a managed distribution policy for the Fund (the Plan) in reliance on exemptive relief received from the Securities and Exchange Commission that permits the Fund to make periodic distributions of long-term capital gains as frequently as monthly each tax year. Under the Plan, the Fund currently intends to continue to pay a recurring monthly distribution in the amount of \$0.11 per Common Share that reflects the distributable cash flow of the Fund. A portion of this monthly distribution may include realized capital gains. This may result in a reduction of the long-term capital gain distribution necessary at year end by distributing realized capital gains throughout the year. The annual distribution rate is independent of the Fund's performance during any particular period. Accordingly, you should not draw any conclusions about the Fund's investment performance from the amount of any distribution or from the terms of the Plan. The Board of Trustees may amend or terminate the Plan at any time without prior notice to shareholders.

Performance and Risk Disclosure

There is no assurance that the Fund will achieve its investment objective. The Fund is subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline and that the value of the Fund shares may therefore be less than what you paid for them. Accordingly, you can lose money by investing in the Fund. See Risk Considerations in the Additional Information section of this report for a discussion of certain other risks of investing in the Fund.

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit <https://www.ftportfolios.com> or speak with your financial advisor. Investment returns, net asset value and common share price will fluctuate and Fund shares, when sold, may be worth more or less than their original cost.

The Advisor may also periodically provide additional information on Fund performance on the Fund's web page at <https://www.ftportfolios.com>.

How to Read This Report

This report contains information that may help you evaluate your investment in the Fund. It includes details about the Fund and presents data and analysis that provide insight into the Fund's performance and investment approach.

By reading the portfolio commentary by the portfolio management team of the Fund, you may obtain an understanding of how the market environment affected the Fund's performance. The statistical information that follows may help you understand the Fund's performance compared to that of relevant market benchmarks.

It is important to keep in mind that the opinions expressed by personnel of EIP are just that: informed opinions. They should not be considered to be promises or advice. The opinions, like the statistics, cover the period through the date on the cover of this report. The material risks of investing in the Fund are spelled out in the prospectus, the statement of additional information, this report and other Fund regulatory filings.

Shareholder Letter

First Trust Energy Infrastructure Fund (FIF)

Annual Letter from the Chairman and CEO

November 30, 2017

Dear Shareholders:

Thank you for your investment in First Trust Energy Infrastructure Fund.

First Trust is pleased to provide you with the annual report which contains detailed information about your investment for the 12 months ended November 30, 2017, including a market overview and a performance analysis for the period. We encourage you to read this report carefully and discuss it with your financial advisor.

The U.S. bull market continued through the November 2016 election and the first 10 months of the Trump presidency. We believe several factors over the past several months have pointed to an accelerating economy. From November 8, 2016 (Election Day 2016) through November 30, 2017, the S&P 500[®] Index (the Index) posted a total return of 26.49%, according to Bloomberg. In addition, all 11 Index sectors were up on a total return basis. Since the beginning of 2017 through November 30, 2017, the Index has closed its trading sessions at all-time highs on 57 occasions and has spent the entire year in positive territory. This has only happened in 10 different years over the past seven decades.

Halfway through the fourth quarter, monthly data releases show real gross domestic product (GDP) growing at an approximate 3% annual rate. If that holds, it would make for three consecutive quarters of growth at 3% or higher. The last time that happened was 2004. While we remain optimistic about the U.S. economy, we are also well aware that no one can predict the future or know how markets will perform in different economic environments.

We believe that you should invest for the long term and be prepared for market volatility by keeping current on your portfolio and investing goals by speaking regularly with your investment professional. It is also important to keep in mind that past performance can never guarantee future results.

Thank you for giving First Trust the opportunity to be a part of your investment plan. We value our relationship with you and will continue to focus on bringing the types of investments that we believe can help you reach your financial goals.

Sincerely,

James A. Bowen

Chairman of the Board of Trustees

Chief Executive Officer of First Trust Advisors L.P.

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First Trust Energy Infrastructure Fund (FIF)

AT A GLANCE

As of November 30, 2017 (Unaudited)

Fund Statistics

Symbol on New York Stock Exchange	FIF
Common Share Price	\$ 17.70
Common Share Net Asset Value (NAV)	\$ 18.73
Premium (Discount) to NAV	(5.50)%
Net Assets Applicable to Common Shares	\$ 328,719,662
Current Monthly Distribution per Common Share ⁽¹⁾	\$ 0.1100
Current Annualized Distribution per Common Share	\$ 1.3200
Current Distribution Rate on Common Share Price ⁽²⁾	7.46%
Current Distribution Rate on NAV ⁽²⁾	7.05%

Common Share Price & NAV (weekly closing price)

Performance

	1 Year Ended 11/30/17	5 Years Ended 11/30/17	Average Annual Total Return Inception (9/27/11) to 11/30/17
Fund Performance⁽³⁾			
NAV	4.09%	7.27%	9.96%
Market Value	0.93%	7.40%	8.14%
Index Performance			
PHLX Utility Sector Index	26.00%	13.50%	11.98%
Alerian MLP Total Return Index	-6.83%	-1.61%	2.06%
Blended Index ⁽⁴⁾	8.74%	6.25%	7.43%

Industry Classification	% of Total Investments
Electric Power & Transmission	37.1%

Natural Gas Transmission	24.5
Crude Oil Transmission	17.7
Petroleum Product Transmission	11.4
Natural Gas Gathering & Processing	3.3
Propane	3.0
Coal	1.7
Other	1.3
Total	100.0%

Top Ten Holdings	% of Total Investments
Enbridge Energy Management, LLC	7.3%
TransCanada Corp.	4.7
Williams (The) Cos., Inc.	4.5
Enterprise Products Partners, L.P.	4.0
NextEra Energy Partners, L.P.	3.7
Enbridge Income Fund Holdings, Inc. (CAD)	3.4
EQT Midstream Partners, L.P.	3.3
Public Service Enterprise Group, Inc.	3.2
ONEOK, Inc.	3.0
American Electric Power Co., Inc.	2.8
Total	39.9%

- (1) Most recent distribution paid or declared through 11/30/2017. Subject to change in the future.
- (2) Distribution rates are calculated by annualizing the most recent distribution paid or declared through the report date and then dividing by Common Share price or NAV, as applicable, as of 11/30/2017. Subject to change in the future.
- (3) Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share price for market value returns. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.
- (4) The blended index consists of the following: PHLX Utility Sector Index (50%) and Alerian MLP Total Return Index (50%).

Portfolio Commentary

First Trust Energy Infrastructure Fund (FIF)

Annual Report

November 30, 2017 (Unaudited)

Advisor

First Trust Advisors L.P. (First Trust) is the investment advisor to the First Trust Energy Infrastructure Fund (the Fund). First Trust is responsible for the ongoing monitoring of the Fund 's investment portfolio, managing the Fund 's business affairs and providing certain administrative services necessary for the management of the Fund.

Sub-Advisor

Energy Income Partners, LLC

Energy Income Partners, LLC (EIP or the Sub-Advisor), located in Westport, CT, serves as the investment sub-advisor to the Fund. EIP was founded in 2003 to provide professional asset management services in the area of energy-related master limited partnerships (MLPs) and other high-payout securities such as pipeline companies, power utilities, YieldCos and energy infrastructure real estate investment trusts (REITs). EIP mainly focuses on investments in energy-related infrastructure assets such as pipelines, power transmission and distribution, petroleum storage and terminals that receive fee-based or regulated income from their corporate and individual customers. EIP manages or supervises approximately \$6.0 billion of assets as of November 30, 2017. EIP advises two privately offered partnerships for U.S. high net worth individuals and an open-end mutual fund. EIP also manages separately managed accounts and provides its model portfolio to unified managed accounts. Finally, EIP serves as a sub-advisor to three closed-end management investment companies in addition to the Fund, an actively managed exchange-traded fund (ETF), a sleeve of an actively managed ETF, a sleeve of a series of a variable insurance trust, and an open-end UCITS fund incorporated in Ireland. EIP is a registered investment advisor with the Securities and Exchange Commission.

Portfolio Management Team

James J. Murchie Co-Portfolio Manager, Founder and CEO of Energy Income Partners, LLC

Eva Pao Co-Portfolio Manager, Principal of Energy Income Partners, LLC

John Tysseland Co-Portfolio Manager, Principal of Energy Income Partners, LLC

Commentary

First Trust Energy Infrastructure Fund

The investment objective of the Fund is to seek a high level of total return with an emphasis on current distributions paid to shareholders. The Fund pursues its objective by investing primarily in securities of companies engaged in the energy infrastructure sector. These companies principally include publicly traded MLPs and limited liability companies taxed as partnerships, MLP affiliates, YieldCos, pipeline companies, utilities and other infrastructure-related companies that derive at least 50% of their revenues from operating, or providing services in support of, infrastructure assets such as pipelines, power transmission and petroleum and natural gas storage in the petroleum, natural gas and power generation industries (collectively, Energy Infrastructure Companies). Under normal market conditions, the Fund invests at least 80% of its managed assets (total asset value of the Fund minus the sum of the Fund 's liabilities other than the principal amount of borrowings) in securities of Energy Infrastructure Companies. There can be no assurance that the Fund will achieve its investment objective. The Fund may not be appropriate for all investors.

Market Recap

As measured by the Alerian MLP Total Return Index (AMZX) and the PHLX Utility Sector Index (UTY), the total return for the year ended November 30, 2017 was -6.83% and 26.00%, respectively. These figures are according to data collected from several sources, including Alerian Capital Management and Bloomberg. While in the short term, share appreciation of Energy Infrastructure Companies can be volatile, EIP believes that over the longer term, such share appreciation will approximate growth in monthly cash distributions and dividends per share. Over the last 10 years, growth in per share MLP distributions and utility dividends has averaged 0.9% and 3.4%, respectively. Over the reporting period, growth in per share cash distributions of MLPs and utilities was -5.9% and 6.2%, respectively (source: Alerian Capital Management and Bloomberg).

Performance Analysis

On a net asset value (NAV) basis, the Fund provided a total return of 4.09%, including the reinvestment of distributions for the year ended November 30, 2017. This compares, according to collected data, to a 8.74% return for a blended index consisting of the UTY

¹ Total return is based on the combination of reinvested dividends, capital gains and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per Common Share for NAV returns and changes in Common Share price for market value returns. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

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Portfolio Commentary (Continued)

First Trust Energy Infrastructure Fund (FIF)

Annual Report

November 30, 2017 (Unaudited)

(50%) and the AMZX (50%) (the Blended Index). Unlike the Fund, the Blended Index does not incur fees and expenses. On a market value basis, the Fund had a total return, including the reinvestment of distributions, of 0.93% for the same period. As of November 30, 2017, the Fund's market price per share was \$17.70, while the NAV per Common Share was \$18.73, a discount of 5.50%. As of November 30, 2016, the Fund's market price per share was \$18.83, while the NAV per Common Share was \$19.32, a discount of 2.54%.

The Fund maintained its regular monthly Common Share distribution of \$0.11 per share for the year ended November 30, 2017.

For the year ended November 30, 2017, the Fund's NAV underperformed the 8.74% return of the Blended Index by 465 basis points (bps). EIP believes the MLP structure and a high payout ratio are only suitable for a narrow set of long-lived assets that have stable non-cyclical cash flows, such as regulated pipelines or other infrastructure assets that

are legal or natural monopolies. EIP believes this approach leads to a portfolio of companies at the blue-chip end of the spectrum with less volatility and higher growth. In EIP's view, these types of companies tend to lag in up markets and outperform in down markets.

An important factor that affected the return of the Fund was its use of financial leverage through the use of a line of credit. The Fund established a committed facility agreement with The Bank of Nova Scotia with a current maximum commitment amount of \$130,000,000. The Fund uses leverage because its portfolio managers believe that, over time, leverage can enhance total return for common shareholders. However, the use of leverage can also increase the volatility of the NAV and, therefore, the share price. For example, if the prices of securities held by the Fund decline, the effect of changes in common share NAV and common share total return loss would be magnified by the use of leverage. Conversely, leverage may enhance common share returns during periods when the prices of securities held by the Fund generally are rising. Unlike the Fund, AMZX and UTY are not leveraged. Leverage had a positive impact on the performance of the Fund over the reporting period.

Market and Fund Outlook

Many of the assets held by MLPs were originally constructed decades ago by pipeline and power utilities. When the U.S. deregulated much of the energy industry, these utilities became cyclical commodity companies with too much debt and the resulting financial stress caused divestment of their pipeline assets to the MLP space that was trading at higher valuations. EIP believes the reverse trend is happening today. Corporate consolidations and simplifications are part of that trend. Corporate simplifications involving pipeline companies and their associated MLPs began late in 2014 and has continued in 2017. These simplifications have involved the acquisition of the subsidiary MLP by the C-Corp parent. While MLPs represented a way for the industry to lower its cost of financing between 2004 through 2014, the severe correction in the price of crude oil in 2014 caused a collapse in MLP valuations as much of AMZX had become exposed to commodity prices between 2004 and 2014. MLP distribution cuts and even some bankruptcies followed. Over the last two and a half years, about 40% of the MLPs in AMZX have cut or eliminated their dividends. Now, MLPs in the AMZX trade at valuations that are about 40% lower than 2014, while the valuation multiples of non-MLP energy infrastructure companies like utilities have risen. MLPs are now, in many cases, a higher-cost way of financing these industries; the reverse of the conditions that led to the growth of the asset class in the early part of the last decade. As a result, we are now witnessing the consolidation or simplification of corporate structures where the MLP sleeve of capital is being eliminated when it no longer reduces a company's cost of equity financing.

While some stand-alone pipeline companies are now seeking a lower cost of financing outside of the MLP structure, some cyclical companies continue to use the MLP structure to finance non-cyclical assets through sponsored entities. In most cases, these sponsored entities formed as MLPs still trade at higher multiples compared to companies in cyclical industries such as refining, oil and gas production, and petrochemicals. Therefore, in EIP's view, some of these cyclical energy companies still have an opportunity to lower their financing costs by divesting stable assets, such as pipelines and related storage facilities, to an MLP subsidiary as a way to reduce the overall company's cost of equity financing. The number and size of these sponsored entities have continued to grow with initial public offerings (IPOs) in 2017, while the number of stand-alone MLPs has been declining. Whether from the perspective of a diversified energy company seeking to lower its overall financing costs, or the energy industry in its entirety, it is fair to say that MLPs are generally created when they lower the cost of equity financing and eliminated when they do not.

Historically, the pipeline utility industry has moved in very long cycles and EIP believes the cycle that saw most of U.S. pipeline assets move to the MLP space due to the MLP being a superior financing tool is reversing. In EIP's view, the investment merits of owning these assets (stable, slow-growing earnings with a high dividend payout ratio) has not changed. The Fund continues to seek to invest primarily in energy infrastructure companies, including MLPs, with mostly non-cyclical cash flows, investment-grade ratings, conservative balance sheets, modest and/or flexible organic growth commitments and liquidity on their revolving lines of credit. Non-cyclical cash flows are, in EIP's opinion, a good fit with a steady anticipated dividend distribution that is meant to be most, or all, of an energy infrastructure company's free cash flow.

First Trust Energy Infrastructure Fund (FIF)

Portfolio of Investments

November 30, 2017

Shares/ Units	Description	Value
COMMON STOCKS (a) 92.3%		
Electric Utilities 26.4%		
90,900	Alliant Energy Corp.	\$ 4,100,499
156,500	American Electric Power Co., Inc.	12,149,095
104,500	Duke Energy Corp. (b)	9,319,310
15,900	Edison International	1,292,193
247,900	Emera, Inc. (CAD)	9,330,717
150,000	Eversource Energy (b)	9,727,500
257,200	Exelon Corp. (b)	10,727,812
165,400	Fortis, Inc. (CAD)	6,089,602
213,300	Hydro One Ltd. (CAD) (c)	3,759,595
44,000	IDACORP, Inc.	4,347,640
58,200	NextEra Energy, Inc. (b)	9,197,928
9,300	Southern (The) Co.	476,160
120,000	Xcel Energy, Inc. (b)	6,193,200
		86,711,251
Gas Utilities 5.9%		
40,600	Atmos Energy Corp.	3,746,974
41,310	Chesapeake Utilities Corp.	3,534,070
107,000	New Jersey Resources Corp.	4,772,200
150,018	UGI Corp. (b)	7,352,382
		19,405,626
Multi-Utilities 18.8%		
147,200	ATCO, Ltd., Class I (CAD)	5,257,510
211,700	Canadian Utilities Ltd., Class A (CAD)	6,406,052
127,800	CMS Energy Corp.	6,377,220
157,592	National Grid PLC, ADR (b)	9,472,855
170,000	NiSource, Inc. (b)	4,680,100
257,000	Public Service Enterprise Group, Inc. (b)	13,636,420
70,900	Sempra Energy (b)	8,578,191
107,700	WEC Energy Group, Inc.	7,484,073

61,892,421

Oil, Gas & Consumable Fuels 40.9%		
2,325,480	Enbridge Energy Management, LLC (d)	31,393,980
625,200	Enbridge Income Fund Holdings, Inc. (CAD)	14,470,001
230,000	Enbridge, Inc. (b)	8,673,300
325,700	Inter Pipeline, Ltd. (CAD)	6,841,429
172,100	Keyera Corp. (CAD)	4,850,255
671,175	Kinder Morgan, Inc. (b)	11,564,345
246,053	ONEOK, Inc. (b)	12,770,151
100,600	Targa Resources Corp. (b)	4,366,040
423,170	TransCanada Corp.	20,324,855
658,600	Williams (The) Cos., Inc. (b)	19,132,330
		134,386,686

Water Utilities 0.3%		
10,900	American Water Works Co., Inc.	998,004
Total Common Stocks		303,393,988
(Cost \$292,280,651)		

MASTER LIMITED PARTNERSHIPS (a) 36.6%

Chemicals 0.1%		
22,000	Westlake Chemical Partners, L.P.	484,000

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See Notes to Financial Statements

First Trust Energy Infrastructure Fund (FIF)**Portfolio of Investments (Continued)**

November 30, 2017

Shares/ Units	Description	Value
MASTER LIMITED PARTNERSHIPS (a) (Continued)		
Gas Utilities 1.7%		
122,152	AmeriGas Partners, L.P.	\$ 5,483,403
Independent Power and Renewable Electricity Producers 4.9%		
410,555	NextEra Energy Partners, L.P. (e)	16,023,962

Oil, Gas & Consumable Fuels 29.9%

79,700	Alliance Holdings GP, L.P.	1,970,184
300,830	Alliance Resource Partners, L.P.	5,490,148
94,055	BP Midstream Partners, L.P.	1,718,385
60,000	Buckeye Partners, L.P. (b)	2,755,800
700,000	Enterprise Products Partners, L.P. (b)	17,241,000
205,900	EQT Midstream Partners, L.P.	14,128,858
191,976	Holly Energy Partners, L.P.	6,356,325
145,300	Magellan Midstream Partners, L.P.	9,735,100
15,972	NGL Energy Partners, L.P.	199,650
103,600	Phillips 66 Partners, L.P.	4,854,696
335,900	Plains All American Pipeline, L.P. (b)	6,550,050
41,000	Shell Midstream Partners, L.P.	1,109,050
227,069	Spectra Energy Partners, L.P.	9,291,663
47,328	Tallgrass Energy Partners, L.P.	2,078,646
208,449	TC PipeLines, L.P.	10,591,294
56,002	TransMontaigne Partners, L.P.	2,192,478
55,000	Williams Partners, L.P. (b)	2,018,500
		98,281,827
	Total Master Limited Partnerships	120,273,192
	(Cost \$108,925,277)	

REAL ESTATE INVESTMENT TRUSTS (a) 1.4%**Equity Real Estate Investment Trusts 1.4%**

49,101	CorEnergy Infrastructure Trust, Inc.	1,750,451
142,050	InfraREIT, Inc.	3,000,096
	Total Real Estate Investment Trusts	4,750,547
	(Cost \$4,507,328)	
	Total Investments 130.3%	428,417,727
	(Cost \$405,713,256) (f)	

Number of Contracts	Description	Notional Amount	Exercise Price	Expiration Date	Value
CALL OPTIONS WRITTEN (1.0)%					
600	Buckeye Partners L.P. (g)	\$ 2,755,800	\$ 60.00	Jan 2018	(9,000)
1,000	Duke Energy Corp.	8,918,000	92.50	Apr 2018	(128,000)
700	Enbridge, Inc.	2,639,700	42.50	Jan 2018	(4,200)
1,600	Enbridge, Inc.	6,033,600	45.00	Jan 2018	(4,800)
6,400	Enterprise Products Partners L.P. (g)	15,763,200	29.00	Dec 2017	(12,800)
600	Enterprise Products Partners L.P.	1,477,800	27.00	Jan 2018	(3,000)
1,500	Eversource Energy	9,727,500	65.00	Jan 2018	(127,500)
800	Exelon Corp.	3,336,800	43.00	Apr 2018	(92,000)

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3,700	Kinder Morgan, Inc.	6,375,100	18.00	Mar 2018	(185,000)
3,000	Kinder Morgan, Inc.	5,169,000	20.00	Mar 2018	(33,000)
1,500	National Grid PLC (g)	9,016,500	65.00	Dec 2017	(9,000)
500	NextEra Energy, Inc.	7,902,000	155.00	Dec 2017	(203,000)
1,700	NiSource, Inc.	4,680,100	27.00	Jan 2018	(127,500)
1,400	ONEOK, Inc. (g)	7,266,000	57.50	Dec 2017	(5,600)
1,300	Plains All American Pipeline L.P. (g)	2,535,000	21.00	Dec 2017	(2,600)

See Notes to Financial Statements

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First Trust Energy Infrastructure Fund (FIF)

Portfolio of Investments (Continued)

November 30, 2017

Number of Contracts	Description	Notional Amount	Exercise Price	Expiration Date	Value
CALL OPTIONS WRITTEN (Continued)					
1,400	Plains All American Pipeline L.P. (g)	\$ 2,730,000	\$ 22.00	Dec 2017	\$ (2,800)
2,500	Public Service Enterprise Group, Inc.	13,265,000	45.00	Dec 2017	(2,012,500)
100	Sempra Energy	1,209,900	120.00	Dec 2017	(23,100)
600	Sempra Energy	7,259,400	125.00	Jan 2018	(37,500)
500	Targa Resources Corp.	2,170,000	45.00	Dec 2017	(18,500)
1,500	UGI Corp.	7,351,500	50.00	Apr 2018	(150,000)
3,600	Williams (The) Cos., Inc.	10,458,000	32.00	Dec 2017	(7,200)
500	Williams Partners L.P.	1,835,000	37.50	Mar 2018	(50,000)
1,200	Xcel Energy, Inc.	6,193,200	50.00	Dec 2017	(156,000)
Total Call Options Written					(3,404,600)
(Premiums received \$2,040,889)					
Outstanding Loans (33.9)%					(111,500,000)
Net Other Assets and Liabilities 4.6%					15,206,535
Net Assets 100.0%					\$ 328,719,662

Interest Rate Swap Agreements:

Counterparty	Floating Rate ⁽¹⁾	Expiration Date	Fixed Rate ⁽¹⁾
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			Notional Amount		Unrealized Appreciation (Depreciation)/ Value
Bank of Nova Scotia	1 month LIBOR	10/08/20	\$ 36,475,000	2.121%	\$ (206,164)
Bank of Nova Scotia	1 month LIBOR	09/03/24	36,475,000	2.367%	(480,770)
			\$ 72,950,000		\$ (686,934)

- (1) The Fund pays the fixed rate and receives the floating rate, however, no cash payments are made by either party prior to the expiration dates shown above. The floating rate on November 30, 2017 was 1.244% and 1.243%, respectively.
- (a) All of these securities are available to serve as collateral for the outstanding loans.
- (b) All or a portion of these securities positions represent covers for outstanding options written.
- (c) This security is restricted in the U.S. and cannot be offered for public sale without first being registered under the Securities Act of 1933, as amended. This security is not restricted on the foreign exchange where it trades freely without any additional registration. As such, it does not require the additional disclosure required of restricted securities.
- (d) Non-income producing security that makes payment-in-kind (PIK) distributions. For the fiscal year ended November 30, 2017, the Fund received 194,799 PIK shares of Enbridge Energy Management, LLC.
- (e) NextEra Energy Partners, L.P. is taxed as a C corporation for federal income tax purposes.
- (f) Aggregate cost for federal income tax purposes was \$394,033,522. As of November 30, 2017, the aggregate gross unrealized appreciation for all investments in which there as an excess of value over tax cost was \$59,438,902 and the aggregate gross unrealized depreciation for all investments in which there was an excess of tax cost over value was \$29,182,975. The net unrealized appreciation was \$30,255,927. The amounts presented are inclusive of derivative contracts.
- (g) This investment is fair valued by the Advisor s Pricing Committee in accordance with procedures adopted by the Fund s Board of Trustees, and in accordance with the provisions of the Investment Company Act of 1940, as amended. At November 30, 2017, investments noted as such are valued at \$(41,800) or (0.0)% of net assets.

Portfolio of Investments (Continued)**November 30, 2017****Valuation Inputs**

A summary of the inputs used to value the Fund's investments as of November 30, 2017 is as follows (see Note 3A - Portfolio Valuation in the Notes to Financial Statements):

ASSETS TABLE

	Total Value at 11/30/2017	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Common Stocks*	\$ 303,393,988	\$ 303,393,988	\$	\$
Master Limited Partnerships*	120,273,192	120,273,192		
Real Estate Investment Trusts*	4,750,547	4,750,547		
Total Investments	\$ 428,417,727	\$ 428,417,727	\$	\$

LIABILITIES TABLE

	Total Value at 11/30/2017	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Call Options Written	\$ (3,404,600)	\$ (1,312,800)	\$ (2,091,800)	\$
Interest Rate Swap Agreements	(686,934)		(686,934)	
Total Liabilities	\$ (4,091,534)	\$ (1,312,800)	\$ (2,778,734)	\$

* See Portfolio of Investments for industry breakout.

All transfers in and out of the Levels during the period are assumed to occur on the last day of the period at their current value. There were no transfers between Levels at November 30, 2017.

See Notes to Financial Statements

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First Trust Energy Infrastructure Fund (FIF)

Statement of Assets and Liabilities

November 30, 2017

ASSETS:

Investments, at value (Cost \$405,713,256)	\$ 428,417,727
Cash	11,755,618
Cash segregated as collateral for open swap contracts	3,732,100
Receivables:	
Dividends	777,957
Investment securities sold	581,624
Prepaid expenses	6,754
Total Assets	445,271,780

LIABILITIES:

Outstanding loans	111,500,000
Options written, at value (Premiums received \$2,040,889)	3,404,600
Swap contracts, at value	686,934
Payables:	
Investment securities purchased	463,016
Investment advisory fees	360,190
Audit and tax fees	51,478
Printing fees	37,962
Administrative fees	20,094
Custodian fees	9,882
Interest and fees on loans	6,504
Transfer agent fees	4,172
Legal fees	3,353
Trustees fees and expenses	2,794
Financial reporting fees	771
Other liabilities	368
Total Liabilities	116,552,118

NET ASSETS \$ 328,719,662

NET ASSETS consist of:

Paid-in capital	\$ 298,303,452
Par value	175,502
Accumulated net investment income (loss)	15,460,499
Accumulated net realized gain (loss) on investments, written options, swap contracts and foreign currency transactions	(5,871,764)
Net unrealized appreciation (depreciation) on investments, written options, swap contracts and foreign currency translation	20,651,973

NET ASSETS \$ 328,719,662

NET ASSET VALUE, per Common Share (par value \$0.01 per Common Share) \$ 18.73

17,550,236

Number of Common Shares outstanding (unlimited number of Common Shares has been authorized)

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See Notes to Financial Statements

First Trust Energy Infrastructure Fund (FIF)

Statement of Operations

For the Year Ended November 30, 2017

INVESTMENT INCOME:

Dividends (net of foreign withholding tax of \$573,583)	\$ 12,113,276
Interest	4,491
Total investment income	12,117,767

EXPENSES:

Investment advisory fees	4,624,921
Interest and fees on loans	2,284,658
Administrative fees	230,469
Printing fees	163,413
Custodian fees	55,706
Audit and tax fees	51,466
Transfer agent fees	27,011
Legal fees	17,211
Trustees fees and expenses	17,008
Financial reporting fees	9,250
Other	53,073
Total expenses	7,534,186

NET INVESTMENT INCOME (LOSS) 4,583,581

NET REALIZED AND UNREALIZED GAIN (LOSS):

Net realized gain (loss) on:	
Investments	13,178,997
Written options	4,300,463
Swap contracts	(931,959)
Foreign currency transactions	(14,622)
Net realized gain (loss)	16,532,879

Net change in unrealized appreciation (depreciation) on:

Investments	(8,476,724)
Written options	(1,245,046)
Swap contracts	1,464,518

Foreign currency translation	(2,551)
Net change in unrealized appreciation (depreciation)	(8,259,803)
NET REALIZED AND UNREALIZED GAIN (LOSS)	8,273,076
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ 12,856,657

See Notes to Financial Statements

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First Trust Energy Infrastructure Fund (FIF)**Statements of Changes in Net Assets**

	Year Ended 11/30/2017	Year Ended 11/30/2016
OPERATIONS:		
Net investment income (loss)	\$ 4,583,581	\$ 3,620,773
Net realized gain (loss)	16,532,879	(13,617,401)
Net increase from payment by the sub-advisor		1,600
Net change in unrealized appreciation (depreciation)	(8,259,803)	58,876,024
Net increase (decrease) in net assets resulting from operations	12,856,657	48,880,996
DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net investment income	(3,193,583)	(3,981,810)
Net realized gain	(4,864,485)	(5,326,861)
Return of capital	(15,108,243)	(19,824,721)
Total distributions to shareholders	(23,166,311)	(29,133,392)
Total increase (decrease) in net assets	(10,309,654)	19,747,604
NET ASSETS:		
Beginning of period	339,029,316	319,281,712
End of period	\$ 328,719,662	\$ 339,029,316
Accumulated net investment income (loss) at end of period	\$ 15,460,499	\$ 9,588,502
COMMON SHARES:		
Common Shares at end of period *	17,550,236	17,550,236

*

On September 15, 2016, the Fund commenced a share repurchase program. The program continued until March 15, 2017. The Fund did not repurchase any common shares while the program was in effect.

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See Notes to Financial Statements

First Trust Energy Infrastructure Fund (FIF)

Statement of Cash Flows

For the Year Ended November 30, 2017

Cash flows from operating activities:

Net increase (decrease) in net assets resulting from operations	\$ 12,856,657
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by operating activities:	&n