

# Media Replay



5/24/71



3/26/01



9/9/1974



9/28/1992



8/15/11

3/20/1995



5/24/1982



10/19/2009

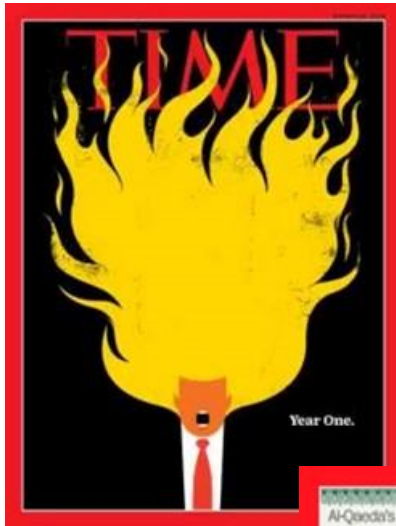


10/31/2005

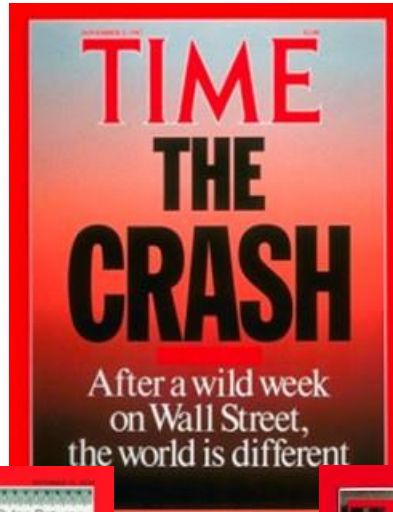


7/29/2002





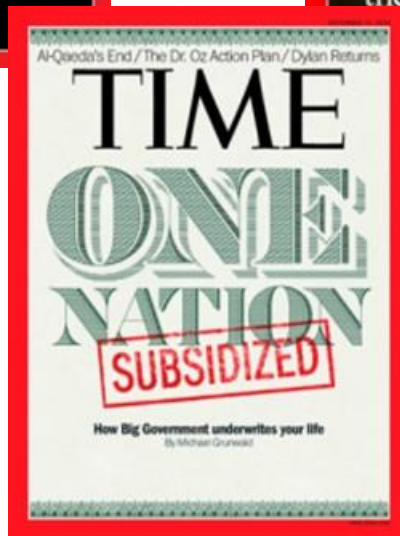
1/22/18



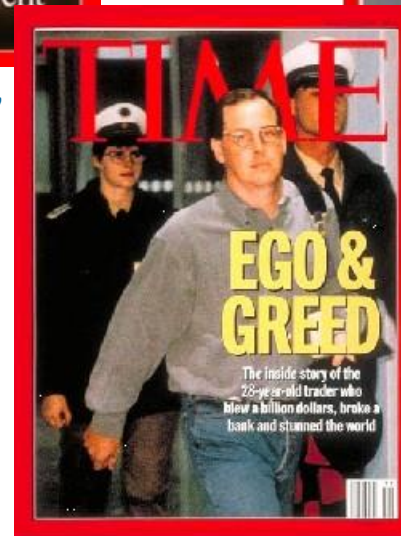
11/2/1987



5/28/1979



9/17/2012



3/13/1995



12/3/1984



5/22/95



4/26/82



1/10/83



3/2/1981



## Anxiety

## Mistakes

## Solutions



# Anxiety



# The Daily Media Storm

Adults 38+ watch

# 30,103

Minutes of news a year

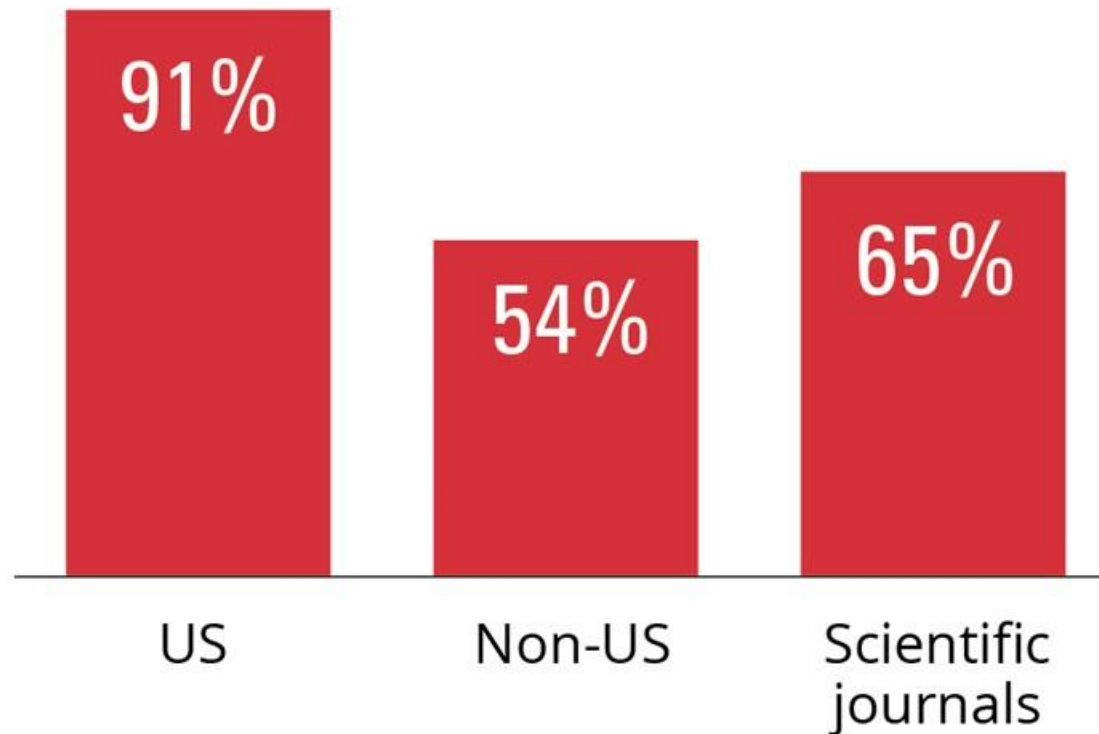


Source: *Millennials on Millennials: TV and Digital News Consumption*, Nielsen, 2018. Most recent data available.



# US COVID-19 News May Have Increased Investor Anxiety

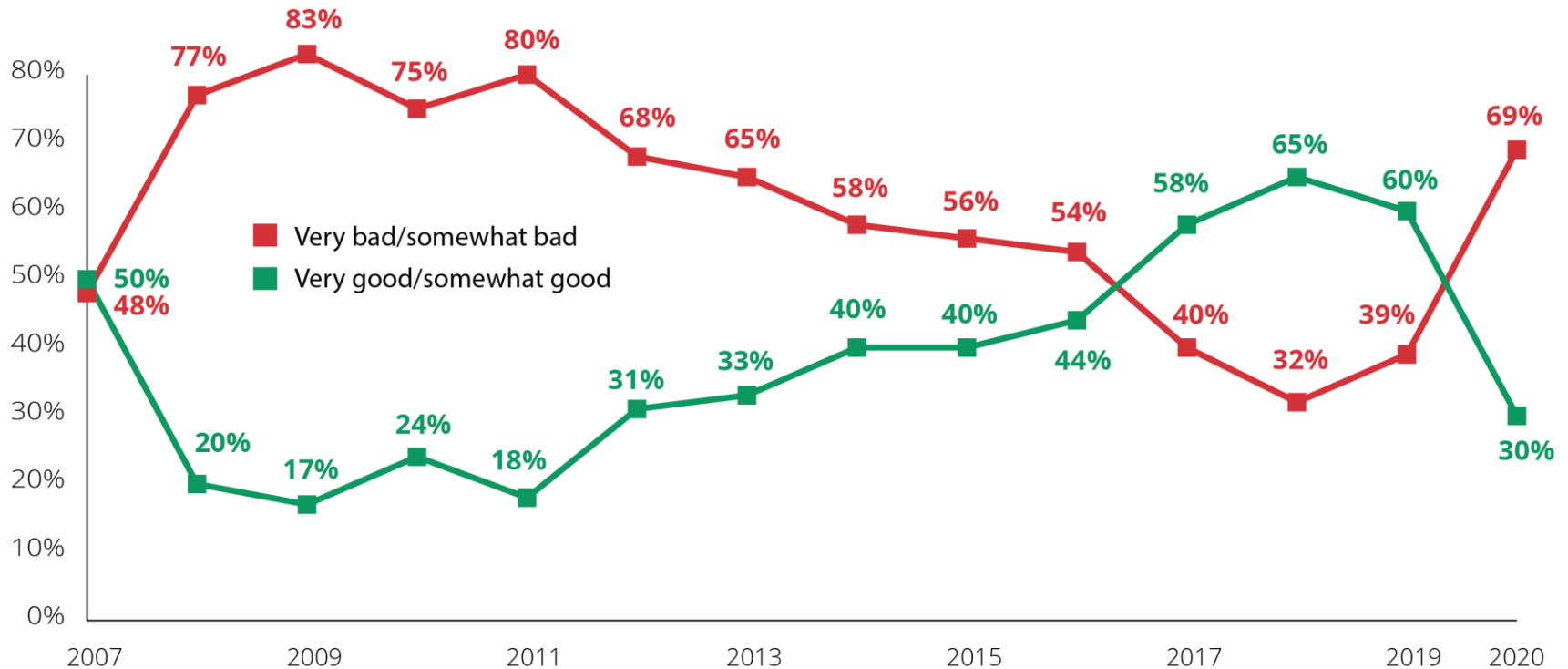
% of COVID-19 related news articles with negative tone (1/1/20 to 7/31/20)



Source: Why Is All COVID-19 News Bad News? National Bureau of Economic Research, 11/20

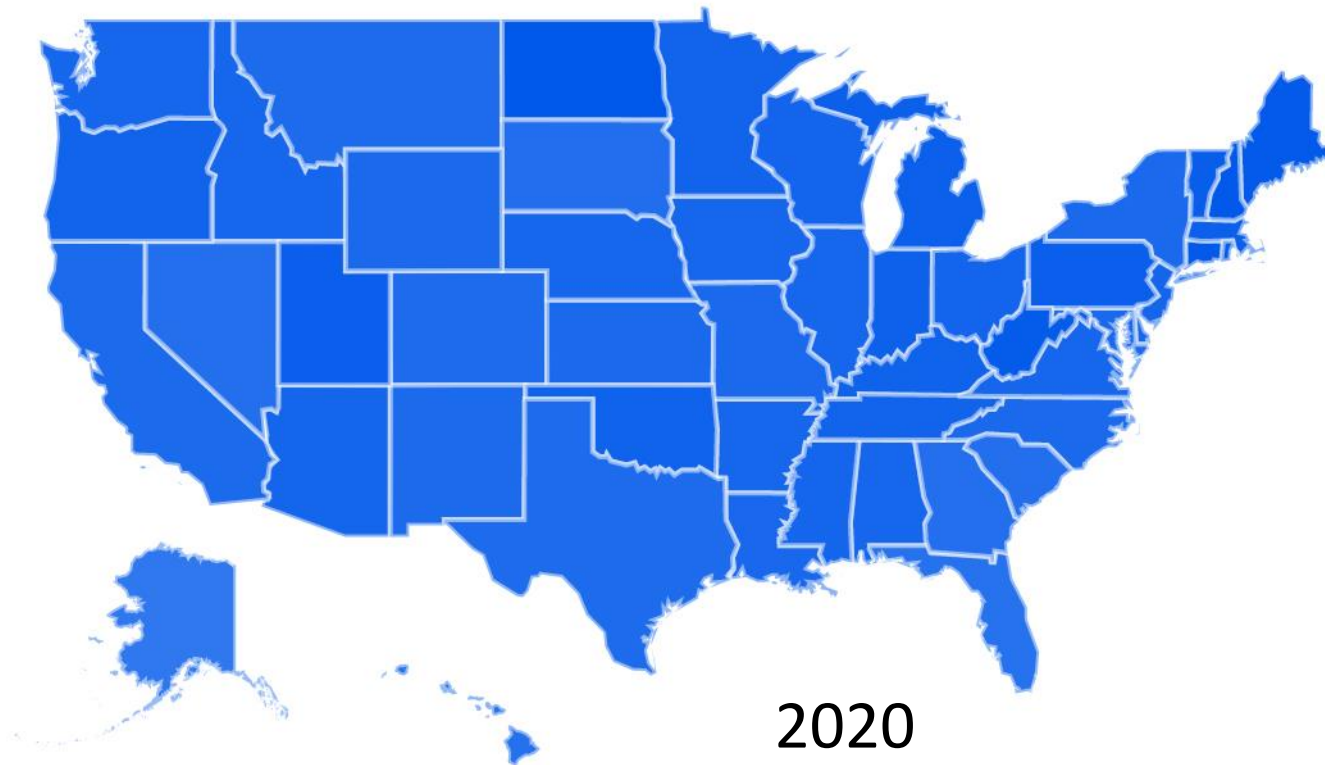
# Views of Economy Have Turned Sharply Negative

% who say that economic situation in the country is...



Source: Summer 2020 Global Attitudes Survey, Pew Research Center, 9/3/20

# Google Searches for “Anxiety” in United States



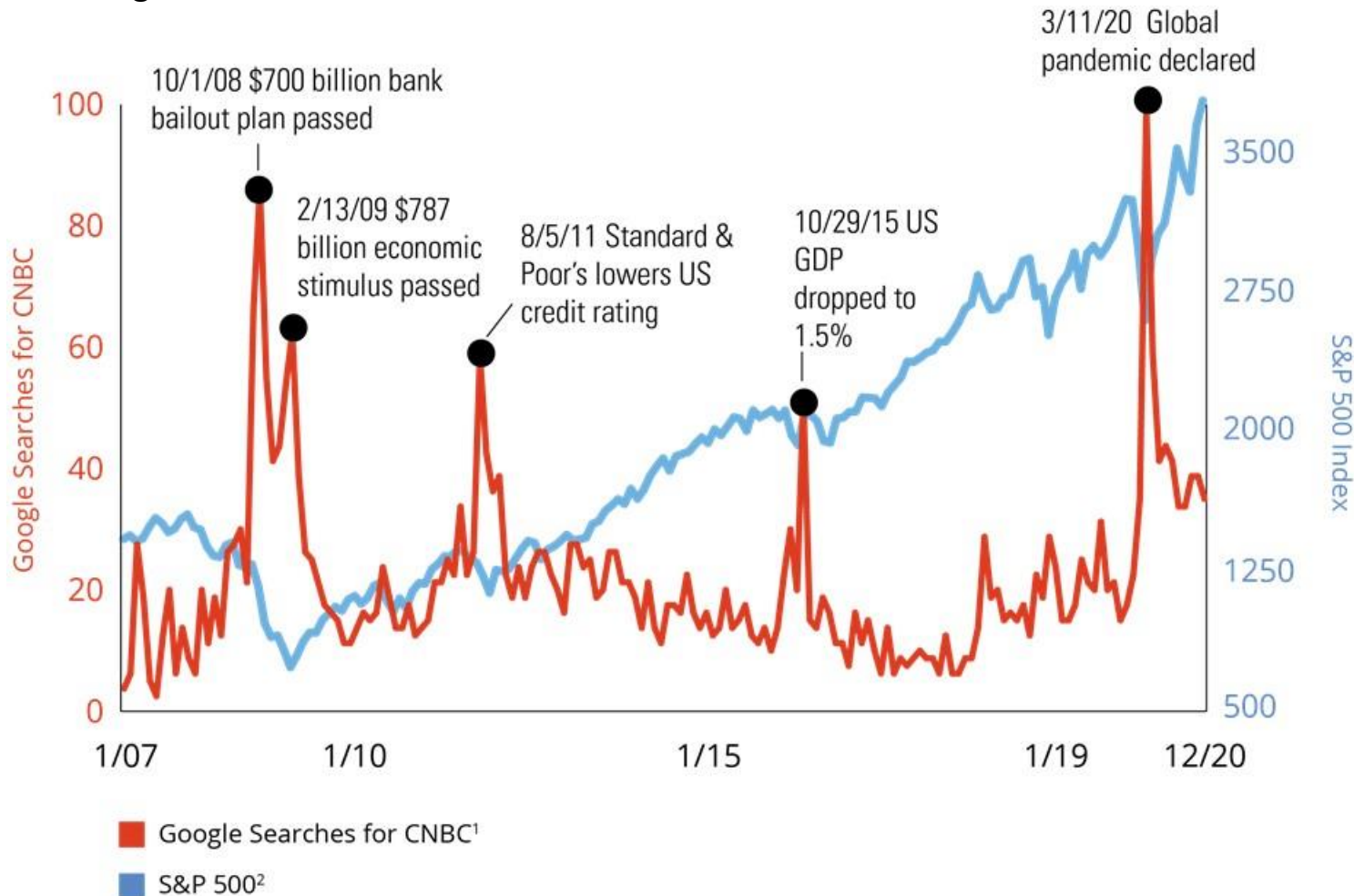
Source: Google Trends, 2020



# Mistakes

# When Markets Fall, We Search

Google Searches for CNBC vs. S&P 500 Index



## PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

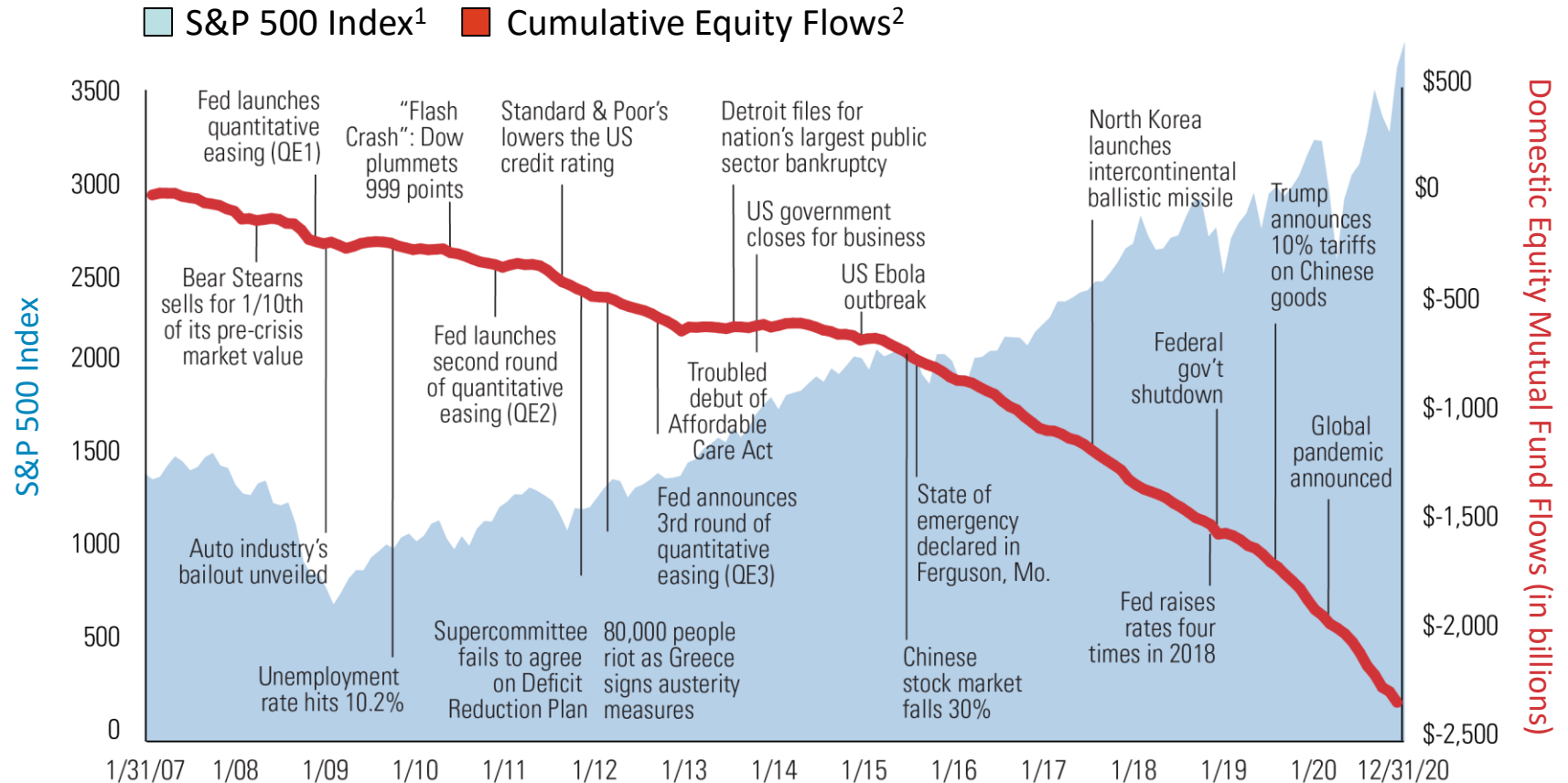
Index descriptions are included on last slide. For illustrative purposes only. Indices are unmanaged and not available for direct investment.

Google Trends Methodology: Google Trends enables you to compare the world's interest in various internet topics; it shows how frequently topics have been searched on Google over time. The numbers on the graph reflect how many searches have been done for a particular term, relative to the total number of searches done on Google over time. They don't represent absolute search volume numbers, because the data is normalized and presented on a scale from 0-100. Each point on the graph is divided by the highest point, or 100. A rising line for a search term indicates a growth in the term's popularity.

<sup>1</sup>Data Source: Google Trends, 12/20

<sup>2</sup>Data Source: Factset, 12/20

# The Urge to Sell During Crises



<sup>1</sup>Source: Factset, 12/20, <sup>2</sup>Source: Investment Company Institute, 12/20

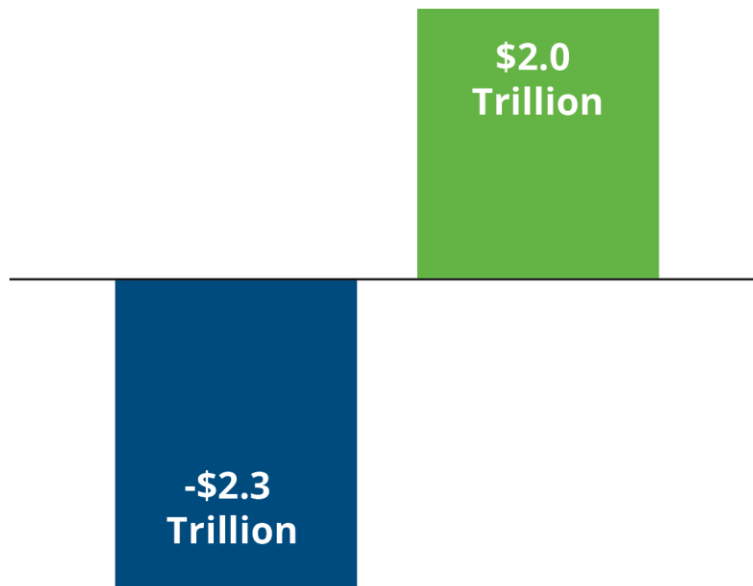
## PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS

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## If It's Not Clear, It Must Be Bad

**Cumulative Asset Flows**  
1/31/07 - 12/31/20

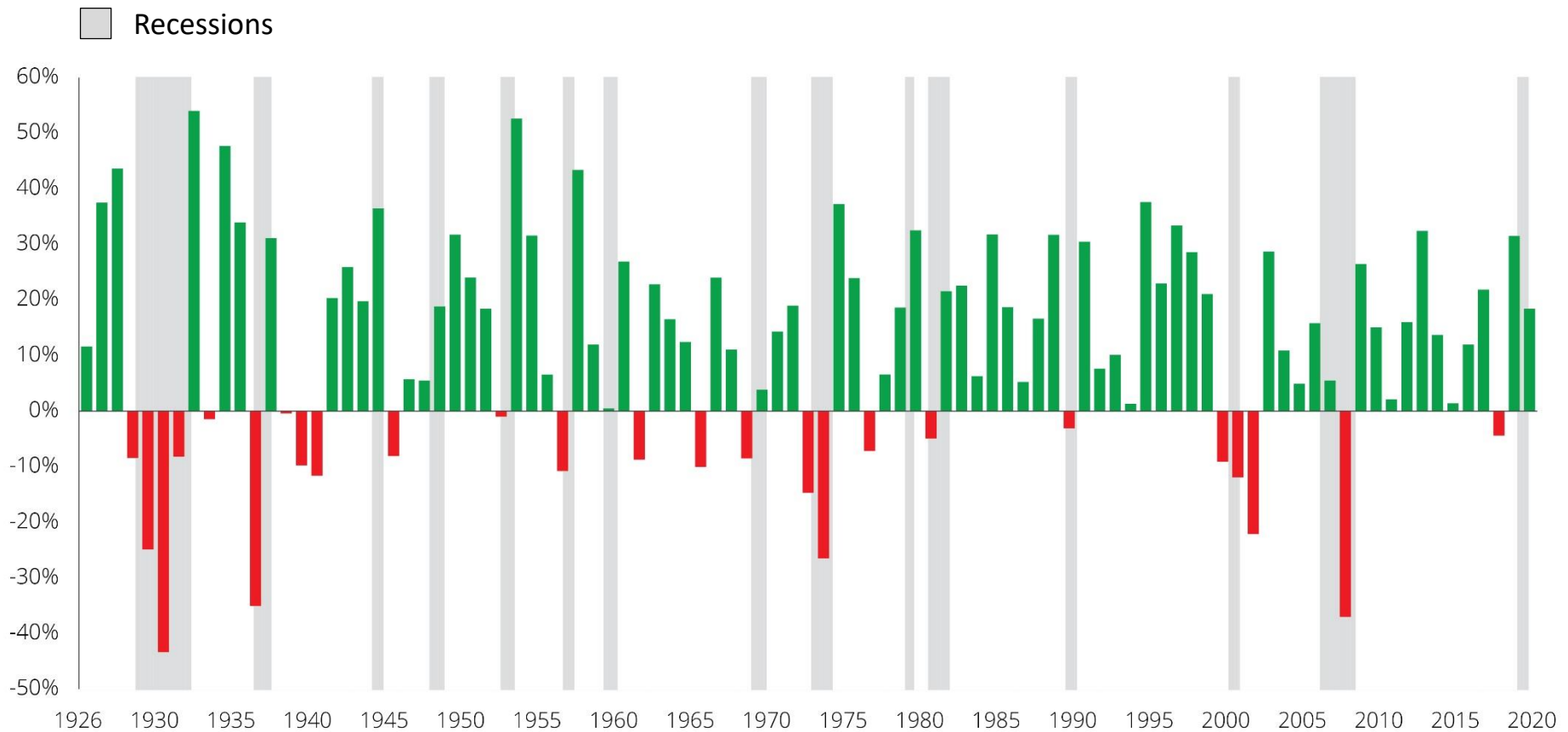


Source: Investment Company Institute, 12/20



# Risk Aversion

Average Annual Returns: S&P 500 Index 1926–2020



**PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.**

Source: Morningstar, 12/20. Indices are unmanaged and not available for direct investment.

## “I Can’t Take It Anymore!”

30%+ Drops In The S&P 500 Index 1960–2020



**-36.1%**

**11/29/68-  
5/26/70**

- Interest rates rose above 9%
- Vietnam War



**-48.2%**

**1/11/73-  
10/3/74**

- Middle East oil embargo
- Watergate



**-33.5%**

**8/25/87-  
12/4/87**

- Black Monday: the Dow Jones Industrial Average dropped 22% in a single day



**-36.8%**

**3/24/00-  
9/21/01**

- Dot-com bubble
- Accounting scandals
- 9/11



**-33.8%**

**1/4/02-  
10/9/02**

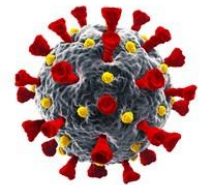
- WorldCom collapse
- Tyco executives indicted
- Ford closes five plants



**-56.8%**

**10/9/07-  
3/9/09**

- Housing bubble
- Financial crisis



**-33.9%**

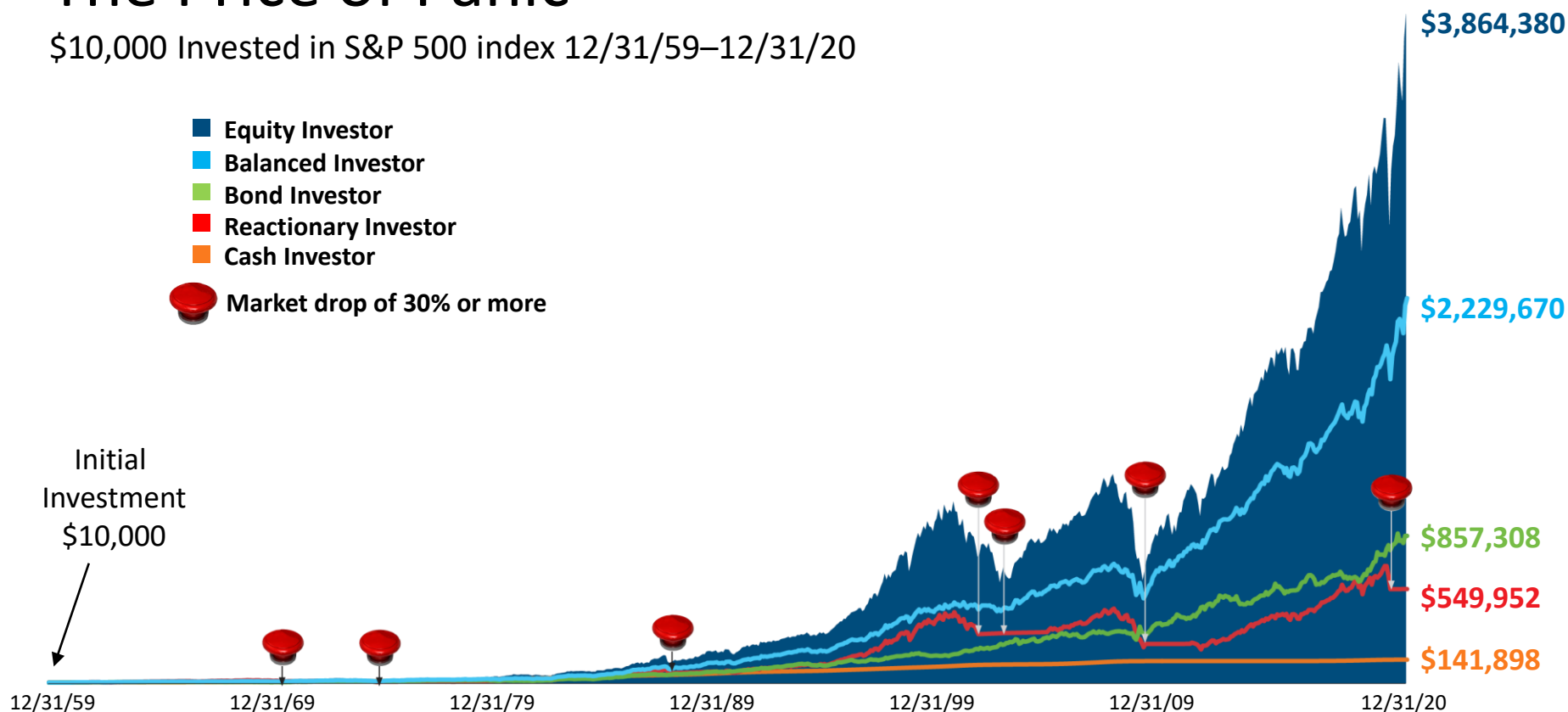
**2/19/20-  
3/23/20**

- Global pandemic



# The Price of Panic

\$10,000 Invested in S&P 500 index 12/31/59–12/31/20



**PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.** **Equity** returns are represented by the S&P 500® Index. **Bond** returns are represented by the IA SBBI US Long Term Bond Index. **Reactionary** returns indicate the results of an investor who invested in S&P 500 Index, moved 100% into 30-Day T-Bills each time the market dropped 30% and then moved 100% back into S&P 500 Index two years later. **Balanced** returns are represented by 50% S&P 500 Index and 50% IA SBBI US Long Term Bond Index. **Cash** returns are represented by 30-Day T-Bills. Data Source: Ned Davis Research, 12/20. For illustrative purposes only. Indices are unmanaged and not available for direct investment. Index descriptions are included on last slide. US Treasury securities are backed by the full faith and credit of the US Government. Equities and bonds are subject to risks and may not be suitable for all investors.

# Solutions

# The Headlines That Don't Get Much Attention



An Apple Car?



All-Civilian Space Crew



Carbon Capture Tech to Remove CO<sub>2</sub>



Amazon's Prime Air Get's FAA Approval



Google's DeepMind Stands to Transform Biology



Let's Go Shopping—Virtually

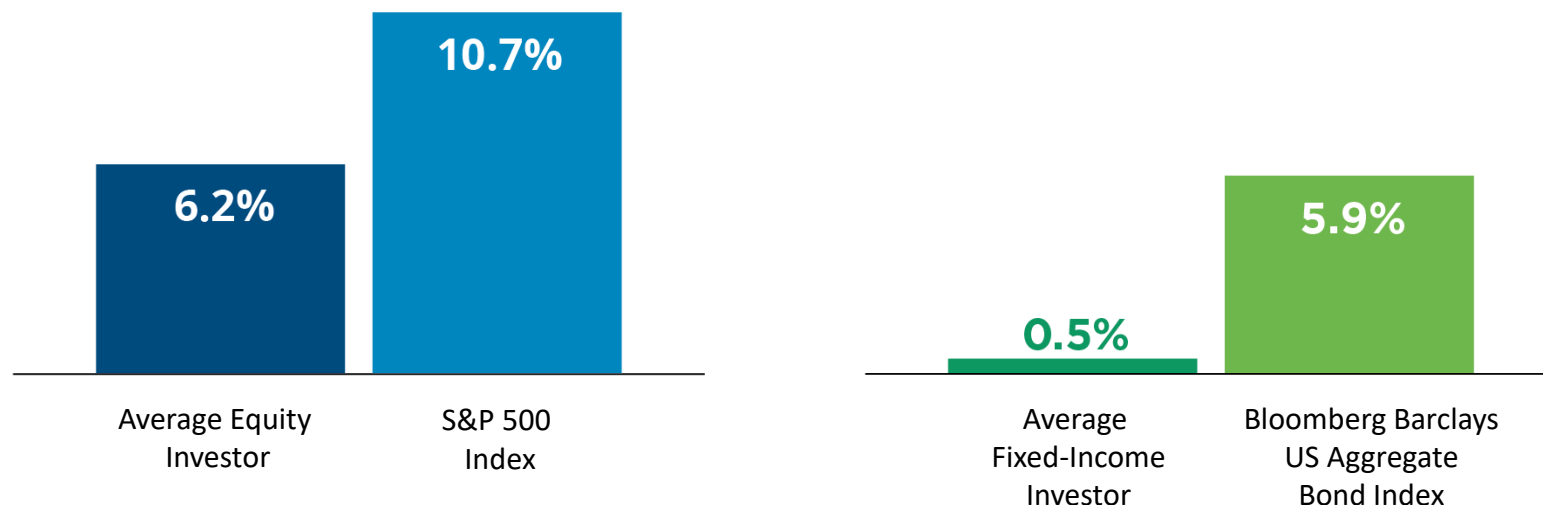


The BioButton



# Individual Investors Have Underperformed

30-Year Returns for Period Ending 12/31/20



Data Source: DALBAR's Annual Quantitative Analysis of Investor Behavior (QAIB), 2020. Performance data for indices represents a lump sum investment in January 1991 to December 2020 with no withdrawals. Stocks are represented by the S&P 500 Index. Bonds are represented by the Bloomberg Barclays US Aggregate Bond Index. Indices are unmanaged, unavailable for direct investment, and do not reflect fees, expenses, or sales charges.

Unmanaged index returns do not reflect any fees, expenses or sales charges.

Index performance is not indicative of any Hartford fund.

See last slide for index descriptions.

**Dalbar's Quantitative Analysis of Investor Behavior Methodology** — Dalbar's Quantitative Analysis of Investor Behavior uses data from the Investment Company Institute (ICI), Standard & Poor's and Barclays Index Products to compare mutual fund investor returns to an appropriate set of benchmarks. Covering the period from January 1, 1991, to December 31, 2020, the study utilizes mutual fund sales, redemptions and exchanges each month as the measure of investor behavior. These behaviors reflect the "average investor." Based on this behavior, the analysis calculates the "average investor return" for various periods. These results are then compared to the returns of respective indices.

**Average equity investor and average bond investor** performance results are calculated using data supplied by the Investment Company Institute. Investor returns are represented by the change in total mutual fund assets after excluding sales, redemptions and exchanges. This method of calculation captures realized and unrealized capital gains, dividends, interest, trading costs, sales charges, fees, expenses and any other costs. After calculating investor returns in dollar terms, two percentages are calculated for the period examined: Total investor return rate and annualized investor return rate. Total investor return rate is determined by calculating the investor return dollars as a percentage of the net of the sales, redemptions, and exchanges for each period.

## Your Financial Professional Can

- Review your portfolio balance
- Provide perspective
- Help you avoid impulse decisions

## Anxiety

We're becoming more anxious

## Mistakes

The price of panic

## Solutions

Perspective



“How many times does the end of the world as we know it need to arrive before we realize that it’s not the end of the world as we know it?”

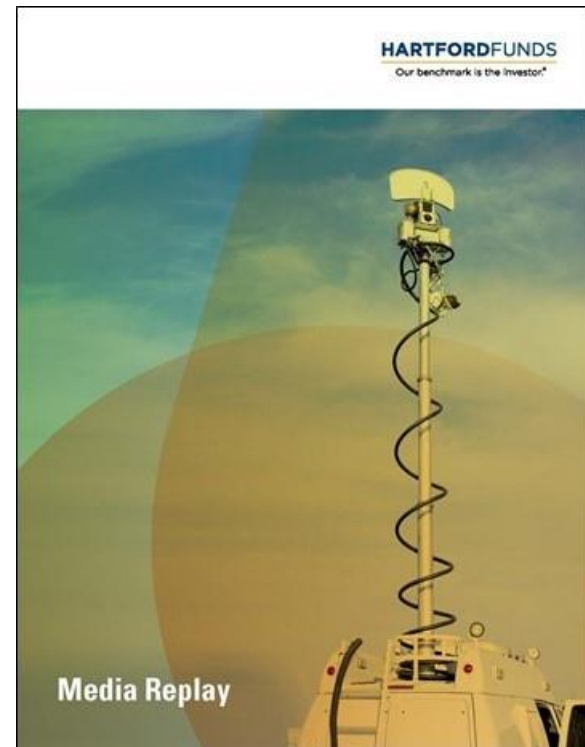
Michael Lewis

Best-selling author of “The Big Short”



## Next steps

1. Review the Media Replay brochure
2. Schedule an appointment with your financial professional
3. Discuss your portfolio asset allocation



MF916

**Important Risks:** Investing involves risk, including the possible loss of principal. Fixed income security risks include credit, liquidity, call, duration, event and interest-rate risk. As interest rates rise, bond prices generally fall.

### **Index Descriptions:**

Indices are unmanaged, and unavailable for direct investment and do not represent the performance of any Hartford Funds.

**Dow Jones Industrial Average** is price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the Nasdaq.

**S&P 500 Index** is a market capitalization-weighted price index composed of 500 widely held common stocks.

**Bloomberg Barclays US Aggregate Bond Index** is composed of securities from the Bloomberg Barclays Government/Credit Bond Index, Mortgage-Backed Securities Index, Asset-Backed Securities Index, and Commercial Mortgage-Backed Securities Index.

**Bloomberg Barclays Long Term US Treasury Total Return Index** measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury with 10 years or more to maturity.

Additional Information Regarding Bloomberg Barclays Indices Source: Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively “Bloomberg”). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, “Barclays”), used under license. Bloomberg or Bloomberg’s licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

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