

# Media Replay



**Is the US Going Broke?**

TIME  
**March 13, 1972**  
Dow Jones: 929

**The Economy's High Blood Pressure**

The New York Times  
**July 9, 1978**  
Dow Jones: 817

**There's No Way Out of this Unemployment Crunch**

U.S. News & World Report  
**March 14, 1983**  
Dow Jones: 1,114

**Exploding Federal Debt— Why so Dangerous?**

U.S. News & World Report  
**October 22, 1984**  
Dow Jones: 1,217

**Bear Holds Bull to a Standstill**

The New York Times  
**June 1, 1960**  
Dow Jones: 624

**Stocks Are Spooked That Trump's Tariffs Will Trigger a Recession**

The Wall Street Journal  
**March 11, 2025**  
Dow Jones: 41,433

**War, Inflation Knock World Economy Off Balance**

The Wall Street Journal  
**September 23, 2022**  
Dow Jones: 30,076

**World Economy Shudders as Coronavirus Threatens Global Supply Chains**

The Wall Street Journal  
**February 24, 2020**  
Dow Jones: 27,960

**A New Economic Era for China Goes Off the Rails**

The New York Times  
**January 7, 2016**  
Dow Jones: 16,514

**Is the Recession Over?**

The New York Times  
**March 22, 1992**  
Dow Jones: 3,276

**Joblessness Is Here to Stay**

Newsweek  
**December 21, 2009**  
Dow Jones: 10,414

**Coming Soon: "Invasion of the Walking Debt"**

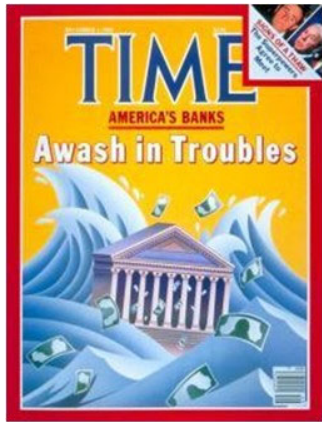
The New York Times  
**July 31, 2011**  
Dow Jones: 12,132



# Déjà News

Crisis of Today...or Yesterday?

# Debt, Debt, and More Debt



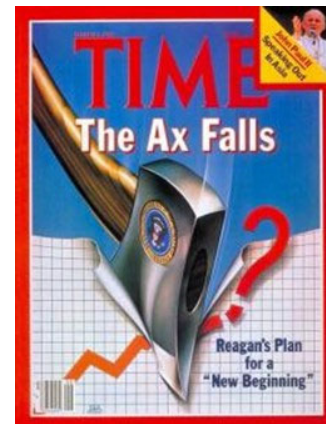
12/3/1984



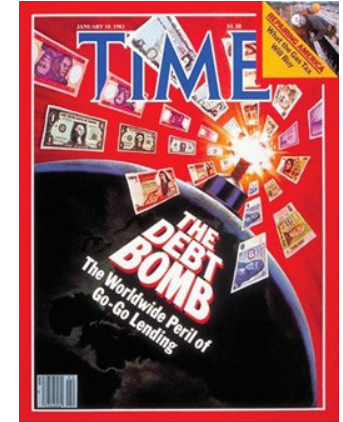
5/22/1995



4/25/2016



3/2/1981



1/10/1983

From TIME. ©

# Geopolitical Risks



10/6/1980



1/14/1980



3/28/2022



6/7/1999



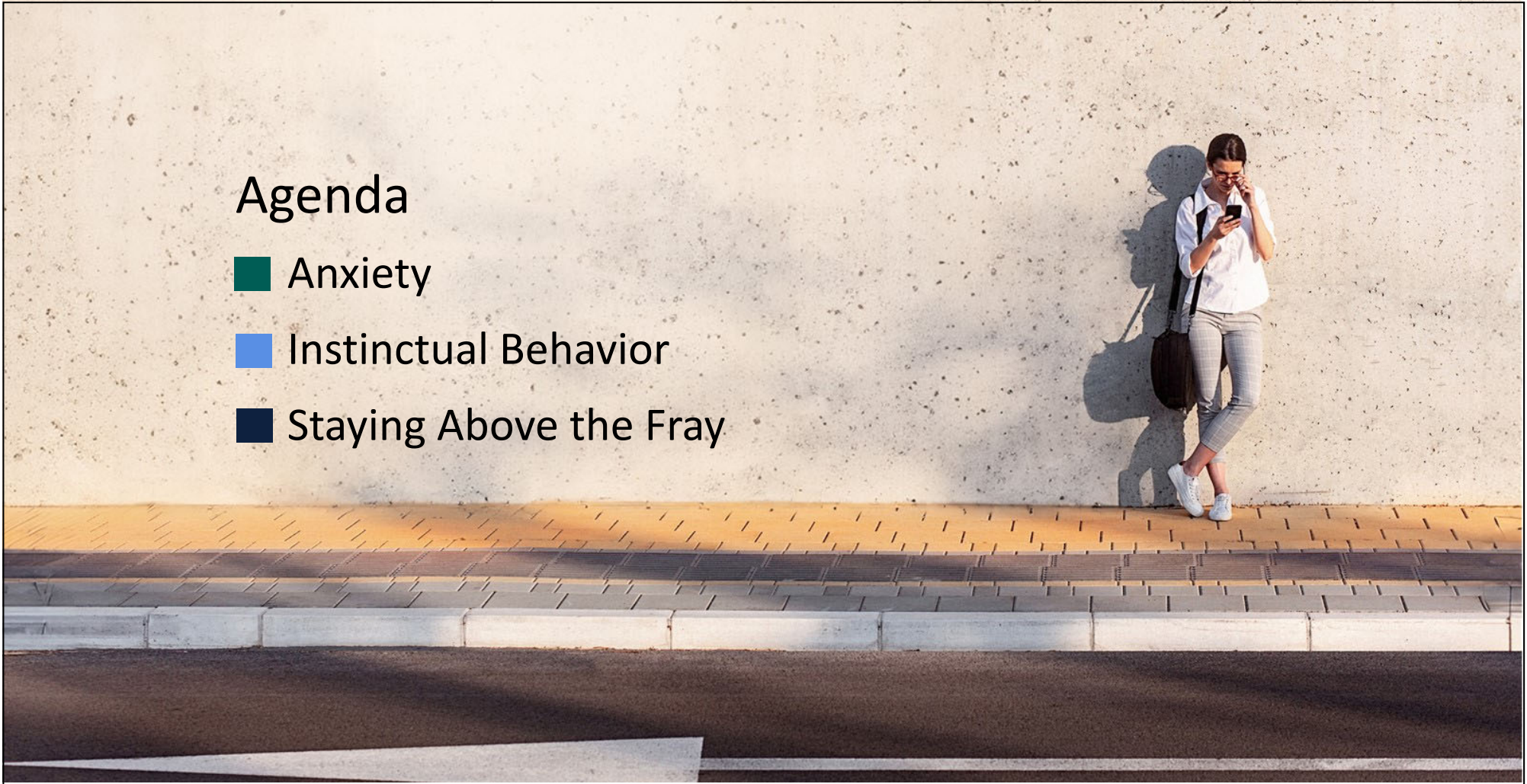
7/28/2008

From TIME. ©



# Agenda

- Anxiety
- Instinctual Behavior
- Staying Above the Fray



# Anxiety



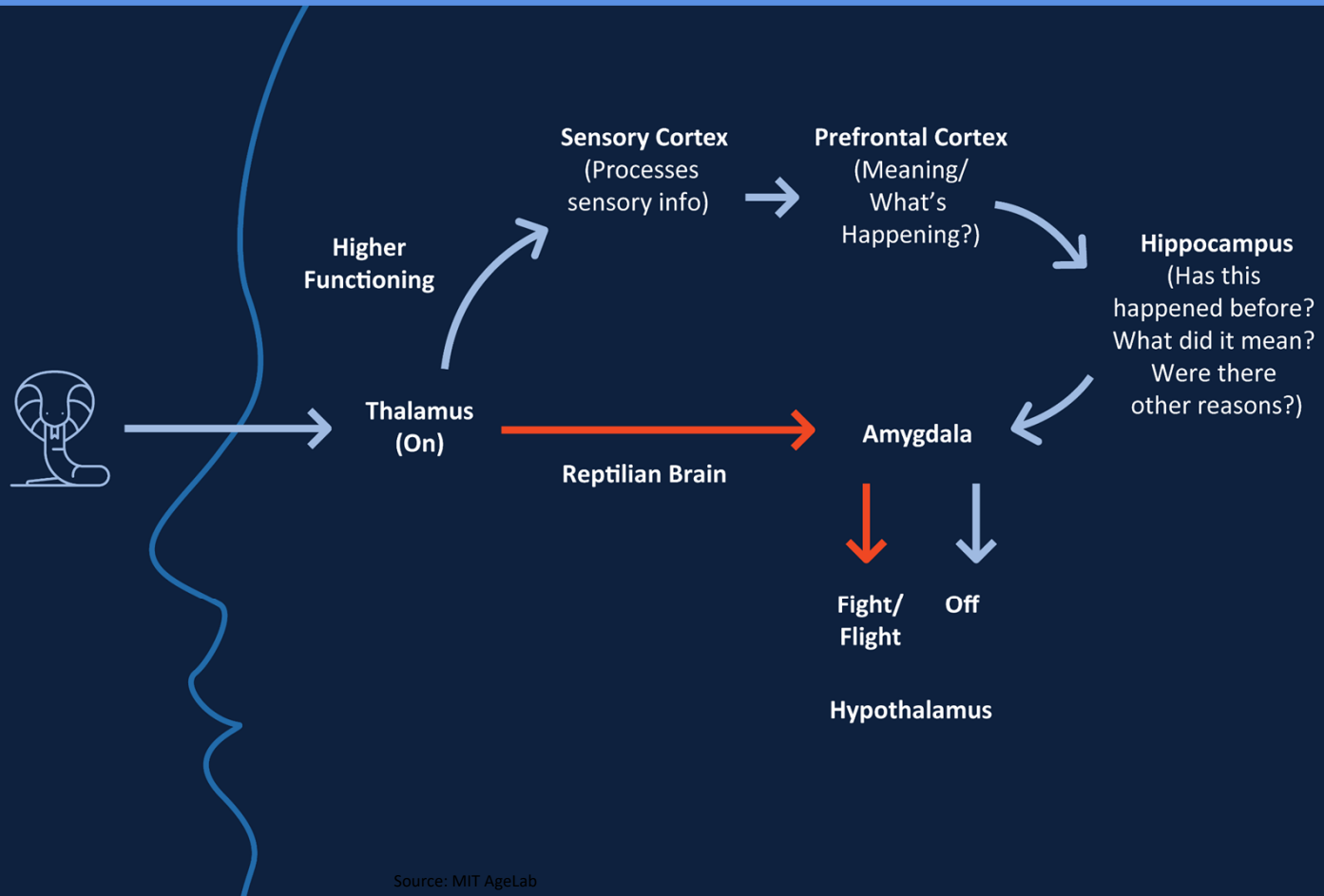
**Stress:** Anything that disrupts homeostasis

**Fear:** Clear and present danger

**Anxiety:** Anticipation of a clear or present danger, whether real or not

**Crisis:** A stage in a sequence of events at which the trend of all future events depends

# The Brain as a Fear Factory



Source: MIT AgeLab



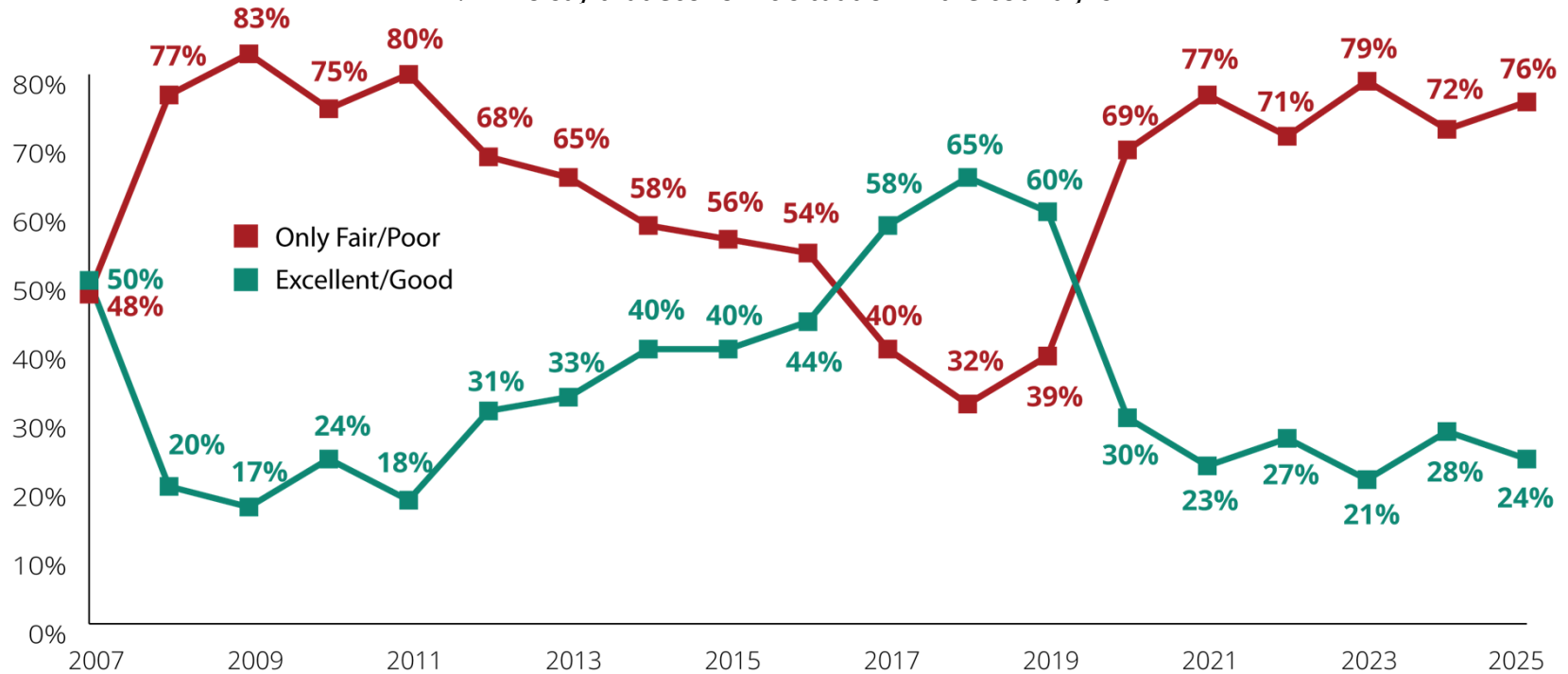
## The Daily Media Storm

The average  
American spends  
**7 hours &  
3 minutes**  
looking at a  
screen everyday

*Screen Time Statistics: Average Screen Time in US vs. the Rest of the World, Comparitech, 3/15/23*

# Views of Economy Have Turned Negative

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



Source: Summer 2020 Global Attitudes Survey, Pew Research Center, 9/3/20 and 2025 Pew Research Center's American Trends Panel, Pew Research Center, 2025



# Instinctual Behavior



## Anxiety's Impact on Behavior

- Investing attention in the negative
- If it's not clear, it must be bad
- Risk aversion: "Just don't lose it!"

# We Seek Negative Information

Google Searches for CNBC vs. S&P 500 Index

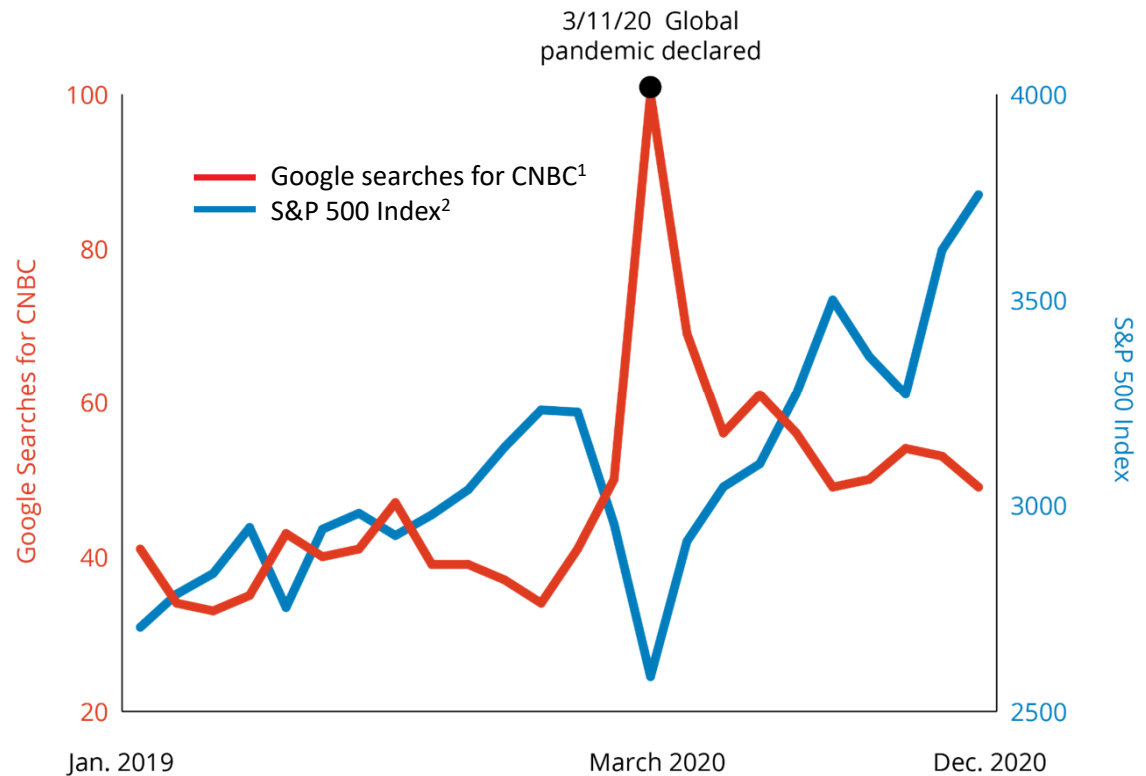
**PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.**

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.

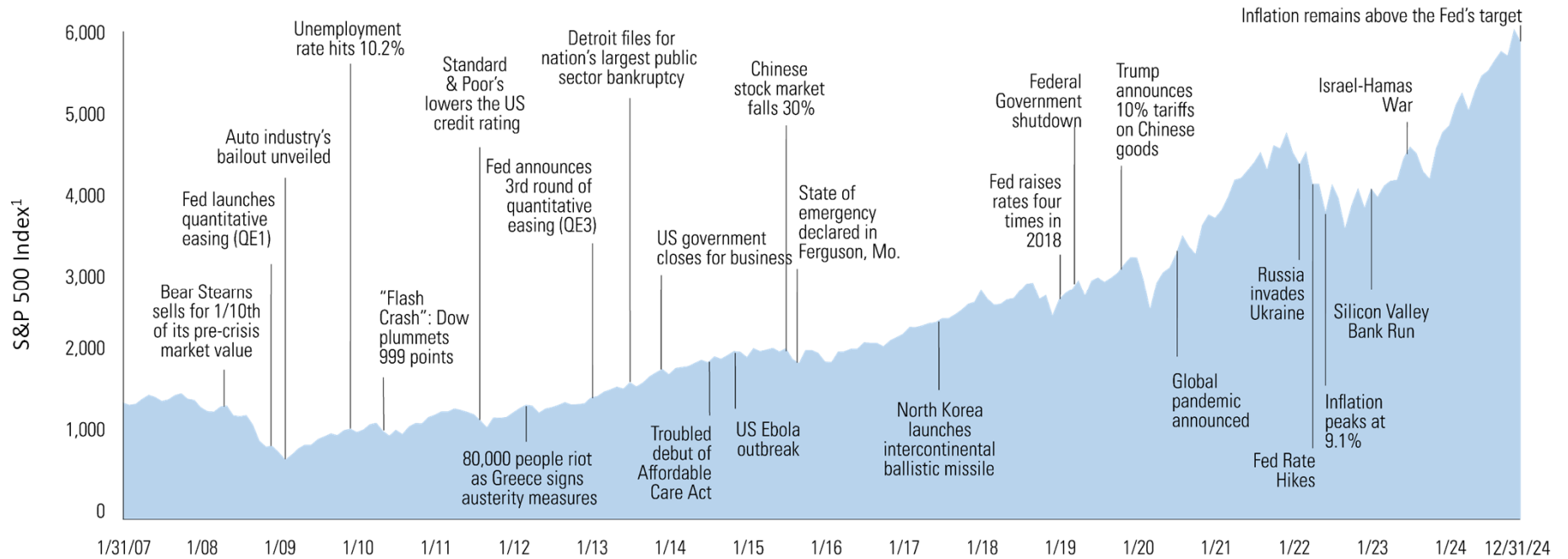
<sup>1</sup>Data Source: Google Trends, 12/23

<sup>2</sup>Data Source: Factset, 12/23





# If It's Not Clear, It Must Be Bad (It's Always Something)



<sup>1</sup>Source: FactSet 12/24

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

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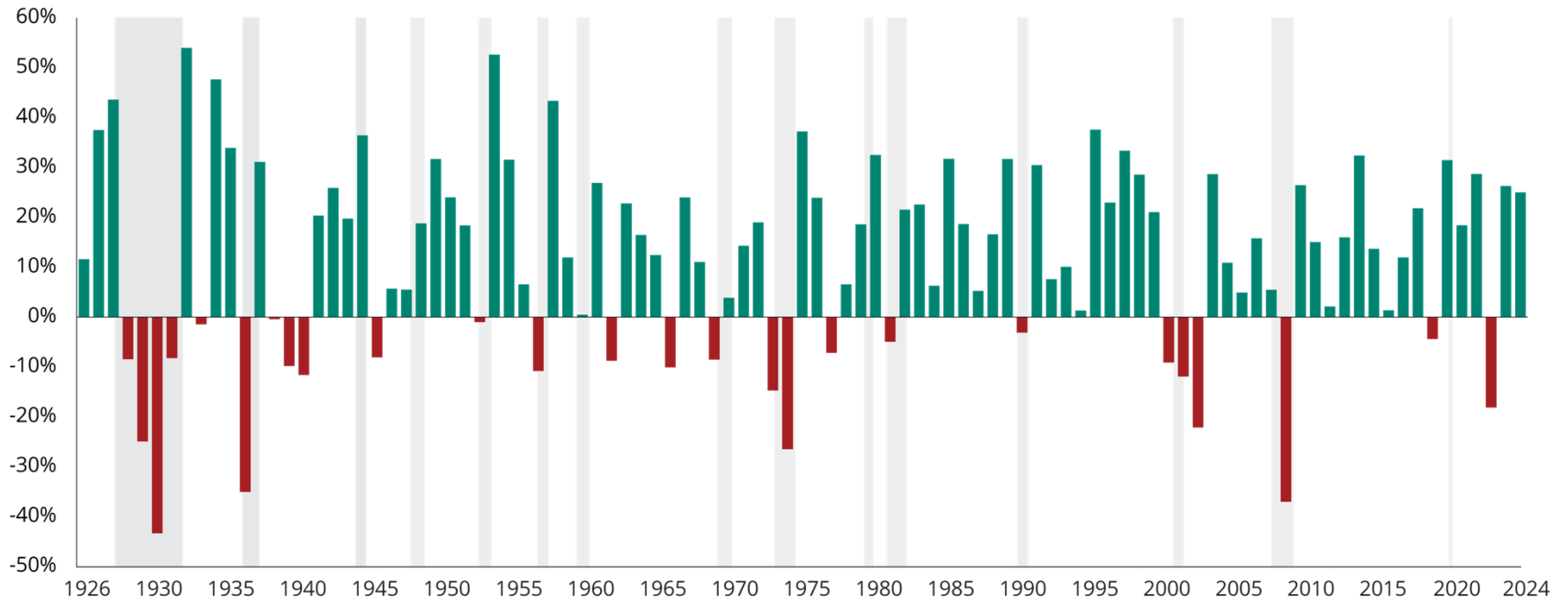
Risk  
Aversion:  
Just Don't  
Lose It!



# Risk Aversion: “Just Don’t Lose It!”

Average Annual Returns: S&P 500 Index 1926–2024

■ Recessions



PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

Source: Morningstar, 12/24. Indices are unmanaged and not available for direct investment.

# “I Can’t Take It Anymore!”

30%+ Drops in the S&P 500 Index 1960–2024



**-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%**

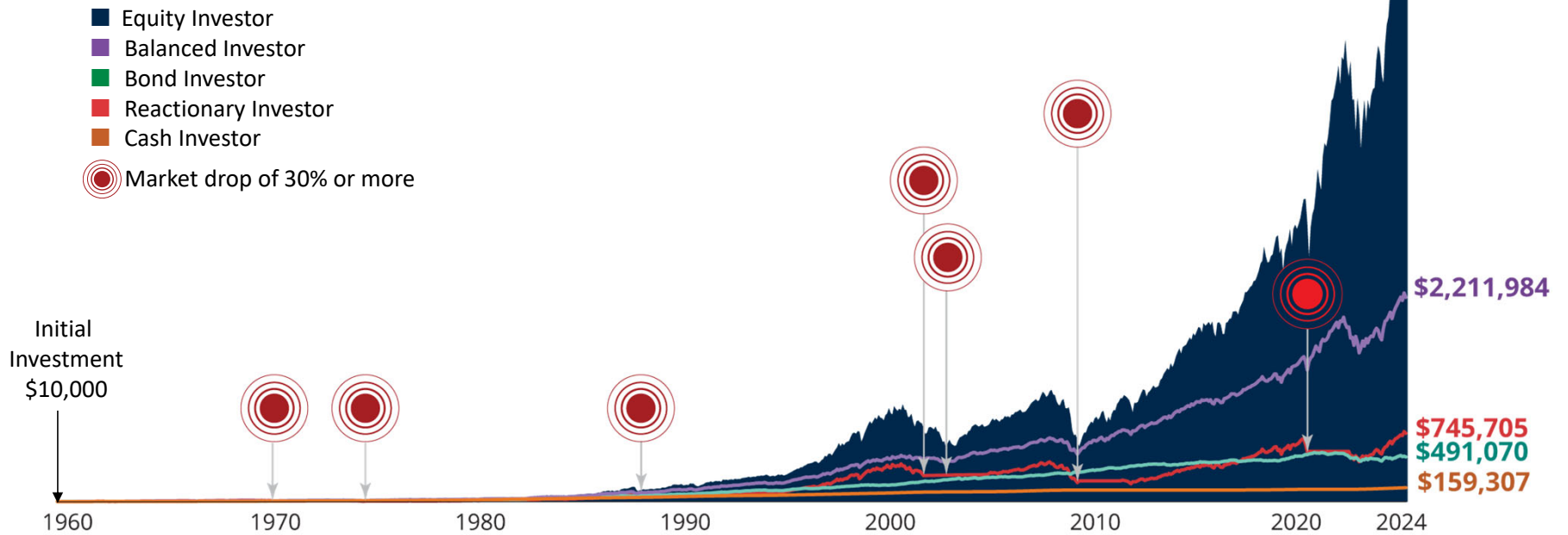
2/19/20-  
3/23/20

- Global pandemic

Source: Ned Davis Research, 12/24

# The Price of Panic

\$10,000 Invested in S&P 500 index 1/1/60–12/31/24



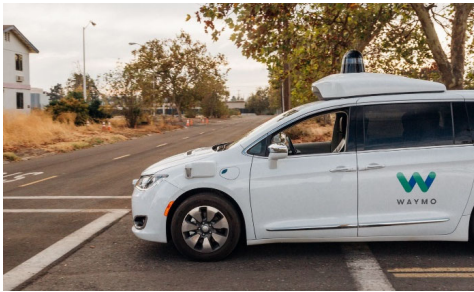
**PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.** **Equity** returns are represented by the S&P 500 Index. **Bond** returns are represented by 1960-1975: IA SBBI LT Government Index, 1976-present: Bloomberg US Aggregate Bond Index. **Reactionary** returns indicate the results of an investor who 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, 12/23. 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.





**Staying  
Above  
the Fray**

## Look Beyond the Negatives



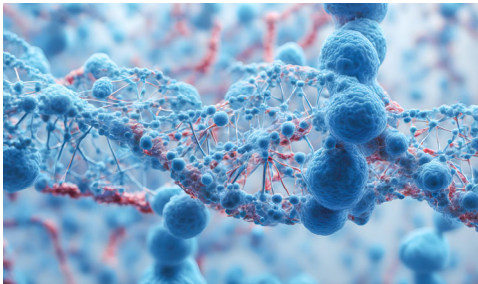
Robotaxis



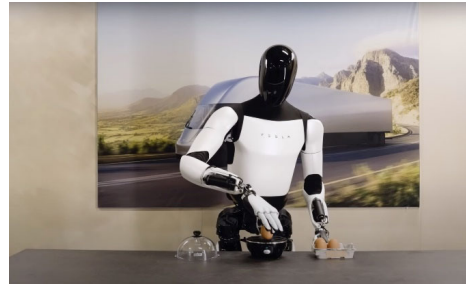
World's Longest Undersea Cable



World's Biggest Battery



Longer Life?



Optimus

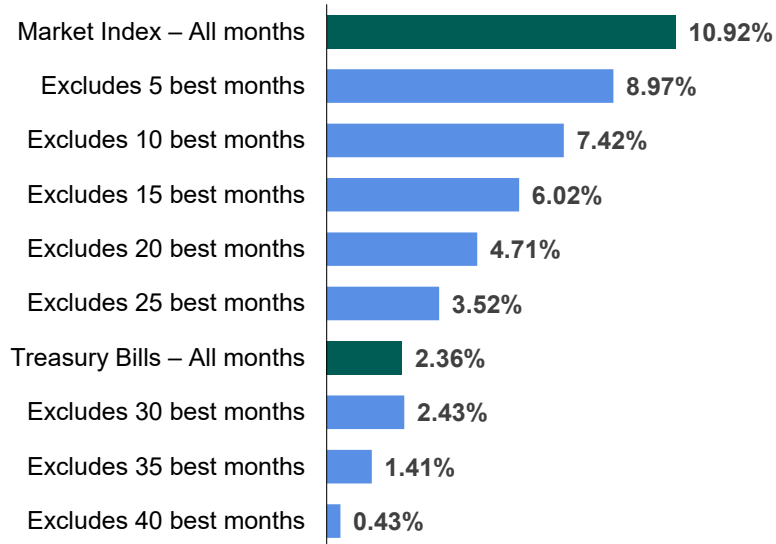


Agentic AI Agents

# Penalties of Missing the Market

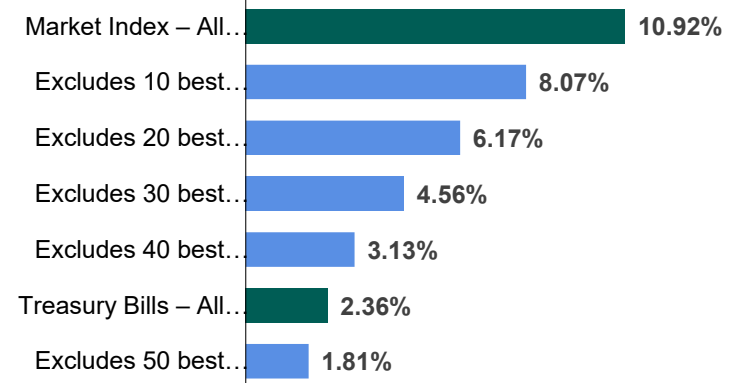
## Penalties of Missing the Market's Best Months

S&P 500 Index Average Annual Total Returns: 1995-2024



## Penalties of Missing the Market's Best Days

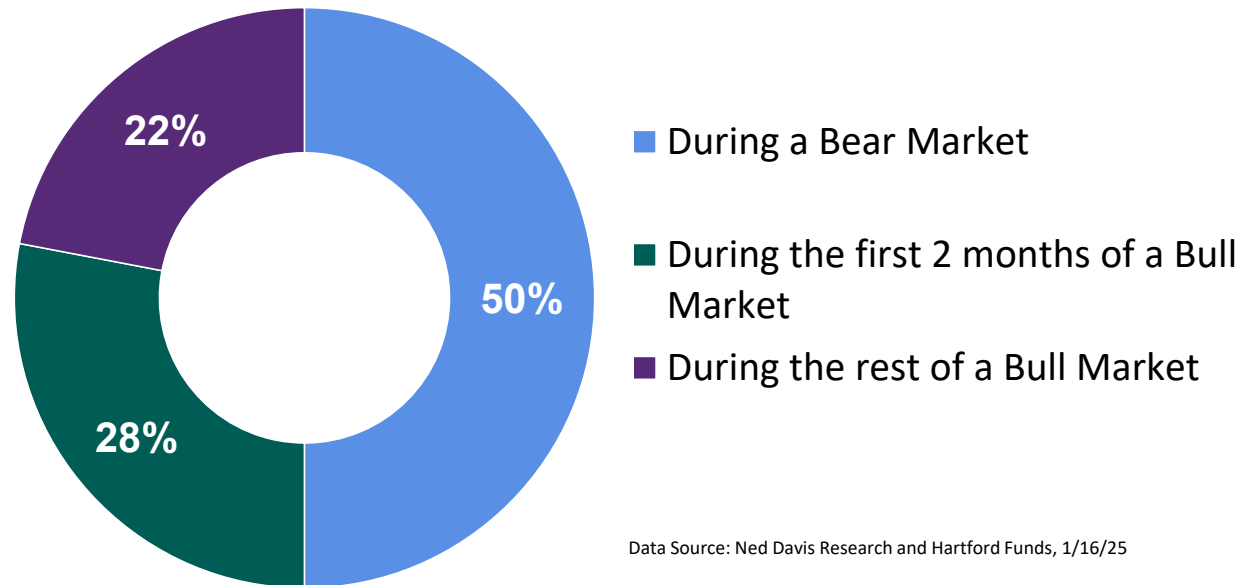
S&P 500 Index Average Annual Total Returns: 1995-2024



**Past performance does not guarantee future results.** For illustrative purposes only. Indices are unmanaged and not available for direct investment.  
Data Sources: Ned Davis Research and Hartford Funds, 2/24.

# Trying to Avoid a Bear Market Can Hurt Returns

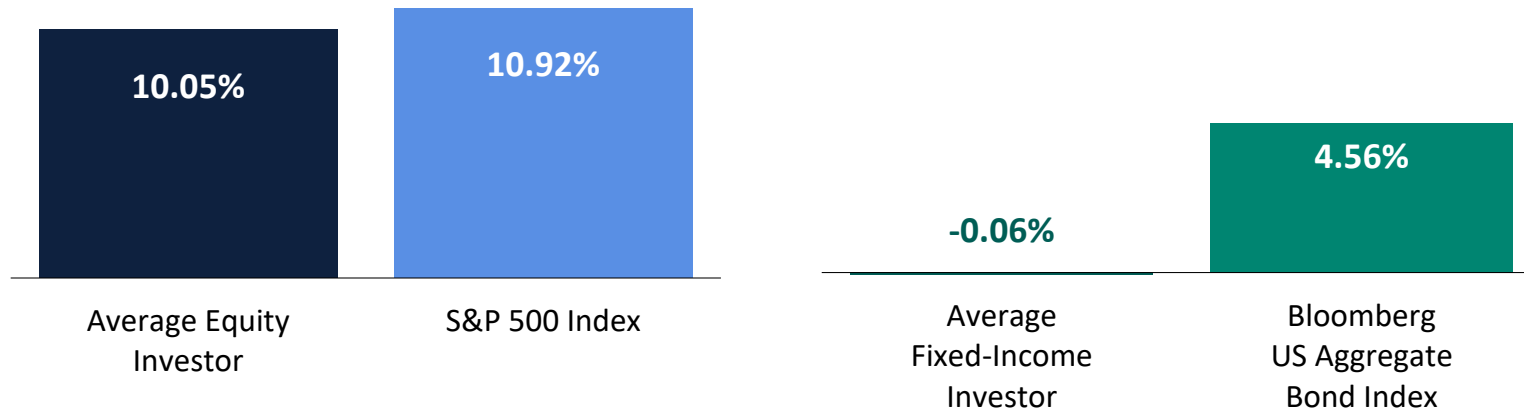
S&P 500 Index 50 Best Days: 1995-2024



Data Source: Ned Davis Research and Hartford Funds, 1/16/25

# Individual Investors Have Underperformed

Average Annual Returns for the 30-Year Period Ended 12/31/2024



Data Source: DALBAR’s Annual Quantitative Analysis of Investor Behavior (QAIB), 2025. Performance data for indices represents a lump sum investment in January 1995 to December 2024 with no withdrawals. Stocks are represented by the S&P 500 Index. Bonds are represented by the Bloomberg US Aggregate Bond Index. **Past performance does not guarantee future results.** Performance data for indices represents a lump-sum investment in January 1995 to December 2024 with no withdrawals. Indices are unmanaged, unavailable for direct investment, and do not reflect fees, expenses, or sales charges.

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 Bloomberg’s Index Products to compare mutual fund investor returns to an appropriate set of benchmarks. Covering the period from January 1, 1995, to December 31, 2024, 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.



## Summary

- **Anxiety**  
We're becoming more anxious
- **Instinctual Behavior**  
The price of panic
- **Staying Above the Fray**  
Look beyond the negatives



## THE BOTTOM LINE



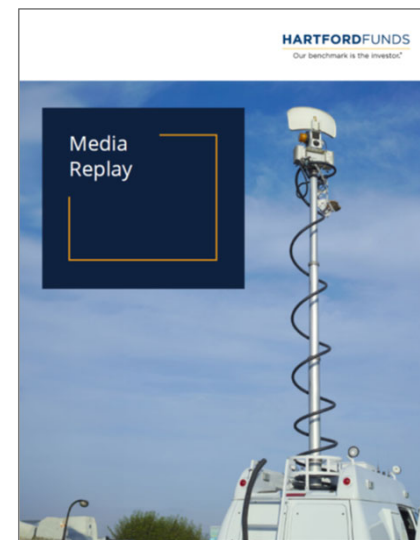
“How many times does the end of the world as we know it need to arrive before we realize that it’s not the end of the world as we know it?”

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. • Diversification does not ensure a profit or protect against loss.

**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 a 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.

**IA SBBI LT Government Index** measures the performance of a single issue of outstanding US Treasury notes with a maturity term of around 5.5 years.

**Bloomberg U.S. Aggregate Bond Index** is comprised of government securities, mortgage-backed securities, asset backed securities, and corporate securities to simulate the universe of bonds in the market.

**Bloomberg U.S. Treasury Bill (1-3 Months) Index** tracks the performance of all outstanding 0-3 month outstanding Treasury Bills issued by the US government.

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