



There Are Always Reasons Not to Invest

Staying invested in stocks despite negative news has historically been profitable.

Whether the headline comes from a newspaper or a push notification, there will always be negative news that will make investors wary.

The table below shows standout news events over the past half century. Since we're in 2022, we highlighted events from each year ending in two along with the ever-tumultuous 2020. Disciplined investors who tuned out the noise and stayed invested in stocks were rewarded in the long term.

Staying Invested Despite Negative News

| Year | Reasons Not to Invest | Stock Market Return for Calendar Year | Growth of \$10,000 Investment From Date in Column 1* |
|------|-----------------------------------|---------------------------------------|--|
| 1972 | Watergate scandal breaks | 19.00% | \$1,975,778 |
| | Vietnam War continues | | |
| | Munich Olympic terror | | |
| 1982 | High inflation | 21.55% | \$1,052,703 |
| | Severe recession | | |
| | Middle East turmoil | | |
| 1992 | LA riots | 7.62% | \$208,215 |
| | Hurricane Andrew | | |
| | Chicago flood | | |
| 2002 | US invades Afghanistan | -22.10% | \$61,685 |
| | Iraq War resolution | | |
| | Dot.com bubble fallout | | |
| 2012 | US Consulate in Benghazi attacked | 16.00% | \$46,257 |
| | Trayvon Martin killed | | |
| | Sandy Hook shooting | | |
| 2020 | Worst pandemic in 100 years | 18.40% | \$15,239 |
| | Presidential impeachment | | |
| | Double-digit unemployment | | |
| 2022 | Russia-Ukraine War | ??? | ??? |
| | High inflation | | |
| | High oil prices | | |

Past performance does not guarantee future results.

*Assumes an initial investment of \$10,000 in stocks beginning on January 1 of the date in column 1 through December 31, 2021. Assumes reinvestment of dividends and capital gains and no taxes or transaction costs. Stocks are represented by the **S&P 500 Index**, which is a market capitalization-weighted price index composed of 500 widely held common stocks. Indices are unmanaged and not available for direct investment. For illustrative purposes only. Data Sources: Morningstar and Hartford Funds, 1/22.

Client Conversations

Perhaps nothing illustrates the resilience of US financial markets more than the confluence of historic events in 2020. And while stocks initially sold off sharply due to COVID-19, they recovered by the end of the year.

What will 2022 bring? Even if it's a down year for stocks like 2002, history suggests the market is likely to be resilient and reward investors over time.

Investing involves risk, including the possible loss of principal. Individual investor's circumstances may vary. Before investing, consider your personal goals, risk tolerance, and time horizon. While diversification does not ensure a profit or protect against a loss in a declining market, it may be prudent to diversify among equity and fixed-income investments.

**Your financial professional can help you create a plan
so you can be a confident and disciplined investor.**

This material is provided for educational purposes only.
Hartford Funds Distributors, LLC, Member FINRA.
CCWP046_0322 227991