

## Hartford MidCap Value Fund

**Tickers** A: HMOVAX C: HMOVX F: HMOVFX I: HMOVJX R3: HMOVX R4: HMOVX R5: HMOVX R6: HMOVX Y: HMOVX

**Morningstar® Category** Mid-Cap Value

**Inception Date** 04/30/2001

**Lipper Peer Group** Mid-Cap Core

### Market Overview

US equities registered their largest quarterly return in three years as gains broadened beyond those of the “Magnificent Seven” stocks that dominated the stock market’s performance for most of the year.

The Russell Midcap Value Index returned 12.11% for the period. Within the Index, all 11 sectors rose over the quarter. Financials, real estate, and consumer discretionary were the top-performing sectors, while energy was the bottom-performing sector.

### Performance Summary

- The Hartford MidCap Value Fund (I Share) underperformed the Russell MidCap Value Index during the quarter
- Security selection was the primary driver of relative underperformance. Weak selection in financials, energy, and consumer discretionary was partially offset by selection in consumer staples and industrials.
- Sector allocation, a result of our bottom-up stock-selection process, contributed to relative results. Allocation effect was driven by our overweight allocations to financials and consumer discretionary, but partially offset by our underweight to real estate and overweight to healthcare.
- The top relative detractors included an out-of-benchmark allocation to Cenovus Energy (Energy) and an overweight allocation to New York Community (Financials). The top relative contributors were out-of-benchmark allocations to Cadence Bank (Financials) and Steven Madden (Consumer Discretionary).

### Positioning & Outlook

- Given the range of economic outcomes, we continue to emphasize quality across the portfolio, are stress-testing models and balance sheets, and are actively identifying new opportunities created by the market volatility. We initiated a position in Columbia Banking System during the quarter. Its stock pulled back significantly following the banking-industry turmoil earlier in the year. Columbia maintains a high-quality deposit franchise and has significant opportunity to unlock value from a merger with Umpqua Bank, which has a unique footprint in the Pacific Northwest with sizeable market-share opportunity as they reorient the business towards commercial markets. We expect outsized tangible book-value growth over the next several years as merger synergies are realized. We also started purchasing shares of Air Leasing Corporation. Its stock faced pressure from rising interest rates, though we believe the market overestimated this impact as most of the company’s debt is at fixed rates. The company maintains an attractively aged fleet and strength in its order book and new lease rates could drive earnings upside. Additionally, given the aerospace industry’s inability to ramp production, we believe the market is underestimating the increased residual values of Air Leasing’s existing fleet. Contrarily, we exited our position in Molina Healthcare given the stock’s strong performance and redeployed the proceeds elsewhere.
- Our largest overweights at the end of the period were in the financials and healthcare sectors. We were most underweight in industrials and real-estate sectors.

### Portfolio Manager from Wellington Management

#### Gregory J. Garabedian

Senior Managing Director  
Equity Portfolio Manager  
Professional Experience Since 1997

The portfolio manager is supported by the full resources of Wellington.

### Top Ten Holdings (%)

M&T Bank Corp.	2.66
Kimco Realty Corp.	2.04
Knight-Swift Transportation Holdings, Inc.	2.00
Kemper Corp.	1.97
Middleby Corp.	1.91
Dollar Tree, Inc.	1.90
Aegon Ltd.	1.84
Allstate Corp.	1.83
Fortune Brands Innovations, Inc.	1.80
Gentex Corp.	1.80
<b>Percentage Of Portfolio</b>	<b>19.75</b>

Holdings and characteristics are subject to change. Percentages may be rounded.

Performance (%)									
Class	QTD	YTD	Average Annual Total Returns					Expenses <sup>1</sup>	
			1 Year	3 Year	5 Year	10 Year	SI	Gross	Net
A	11.69	15.87	15.87	10.85	12.19	7.37	8.25	1.17%	1.17%
A with 5.5% Max Sales Charge	—	—	9.49	8.78	10.93	6.76	7.98	—	—
F	11.76	16.27	16.27	11.26	12.65	7.77	8.49	0.77%	0.77%
I	11.80	16.15	16.15	11.17	12.55	7.69	8.46	0.86%	0.86%
R3	11.55	15.38	15.38	10.48	11.86	7.06	8.27	1.49%	1.49%
R4	11.68	15.75	15.75	10.82	12.20	7.38	8.47	1.19%	1.19%
R5	11.76	16.11	16.11	11.14	12.52	7.70	8.66	0.89%	0.89%
R6	11.76	16.27	16.27	11.28	12.66	7.78	8.50	0.77%	0.77%
Y	11.78	16.12	16.12	11.16	12.56	7.76	8.70	0.88%	0.88%
Russell Midcap Value Index	12.11	12.71	12.71	8.36	11.16	8.26	—	—	—
Morningstar Category	11.38	13.94	13.94	10.44	11.76	7.70	—	—	—
Lipper Peer Group	11.61	14.71	14.71	8.20	12.01	8.04	—	—	—

Morningstar® Category Mid-Cap Value Lipper Peer Group Mid-Cap Core

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For more current performance information to the most recent month ended, please visit [hartfordfunds.com](http://hartfordfunds.com).

Share Class Inception: A, Y - 4/30/01; F - 2/28/17; I - 5/28/10; R3, R4, R5 - 5/28/10. Performance shown prior to the inception of a class reflects performance and operating expenses of another class(es) (excluding sales charges, if applicable). Had fees and expenses of a class been reflected for the periods prior to the inception of that class, performance would be different. Since inception (SI) performance is from 4/30/01. Performance and expenses for other share classes will vary. Additional information is in the prospectus. Only Class A assesses a sales charge.

**Russell Midcap Value Index** measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values. Indices are unmanaged and not available for direct investment.

<sup>1</sup>Expenses as shown in the Fund's most recent prospectus.

**Important Risks:** Investing involves risk, including the possible loss of principal. Security prices fluctuate in value depending on general market and economic conditions and the prospects of individual companies. • Mid-cap securities can have greater risks and volatility than large-cap securities. • Different investment styles may go in and out of favor, which may cause the Fund to underperform the broader stock market. • Foreign investments may be more volatile and less liquid than U.S. investments and are subject to the risk of currency fluctuations and adverse political, economic and regulatory developments. • To the extent the Fund focuses on one or more sectors, the Fund may be subject to increased volatility and risk of loss if adverse developments occur.

**Investors should carefully consider a fund's investment objectives, risks, charges and expenses. This and other important information is contained in a fund's full prospectus and summary prospectus, which can be obtained by visiting [hartfordfunds.com](http://hartfordfunds.com). Please read it carefully before investing.**

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