

Are You Losing the Race Against Inflation?

There can be a downside to playing it “safe” if your assets are in investments that don’t keep pace with inflation.

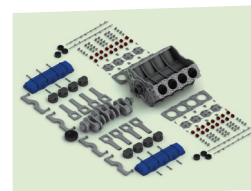
Fear of market volatility can make seemingly safe investments appear alluring. The downside of playing it safe, however, is that you may actually be losing purchasing power by putting your money in investments that don’t keep pace with inflation.

For example, when the Ford Mustang launched in 1965, the cost of a ‘64 standard coupe was \$2,427. Back then, \$100,000 invested in a 6-month CD would have provided you with \$4,880 in annualized income—enough to buy two Ford Mustangs!

Unfortunately, the income on the same \$100,000 CD today would only provide you with enough income to pay for a dual exhaust system and engine upgrade for your cherished Ford Mustang. The speed of a Mustang is apparently no match for the speed of inflation!

The Effects of Inflation: \$100,000 6-Month CD Investment

Year	6-Month CD Rate ¹	Annualized CD Income	MSRP Ford Mustang ²	Your CD Income Could Buy...
1965	4.88%	\$4,880	\$2,427	2 Ford Mustangs (\$4,854)
1985	7.80%	\$7,800	\$7,885	Almost 1 Ford Mustang ³ (\$7,885)
2005	4.62%	\$4,620	\$19,215	A top end engine kit for your Mustang (\$4,279) ⁴
2025	4.37%	\$4,370	\$31,920	A transmission kit for your Mustang plus five gallons of gas (\$4,370) ⁴



CDs are insured by the FDIC, offer a fixed rate of return, and are generally designed for short-term savings needs. The principal value and investment return of investment securities (including mutual funds) are subject to risk, will fluctuate with changes in market conditions, are generally considered long-term investments, and may not be in the best interest of all investors.

Talk to your financial professional today about investments with the potential to outpace inflation.

¹ Data Sources: Federal Reserve, Bankrate, and Hartford Funds, 3/25. Rates for previous years are the average CD rate; the CD rate for 2025 is an average of the highest available 6-month CD rates on Bankrate.com as of February 2025.

² Sources: CJ Pony Parts and Ford, 3/25.

³ Data Sources: Energy.gov and 1A Auto, 3/25.

⁴ Data Source: CJ Pony Parts, 3/25.

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