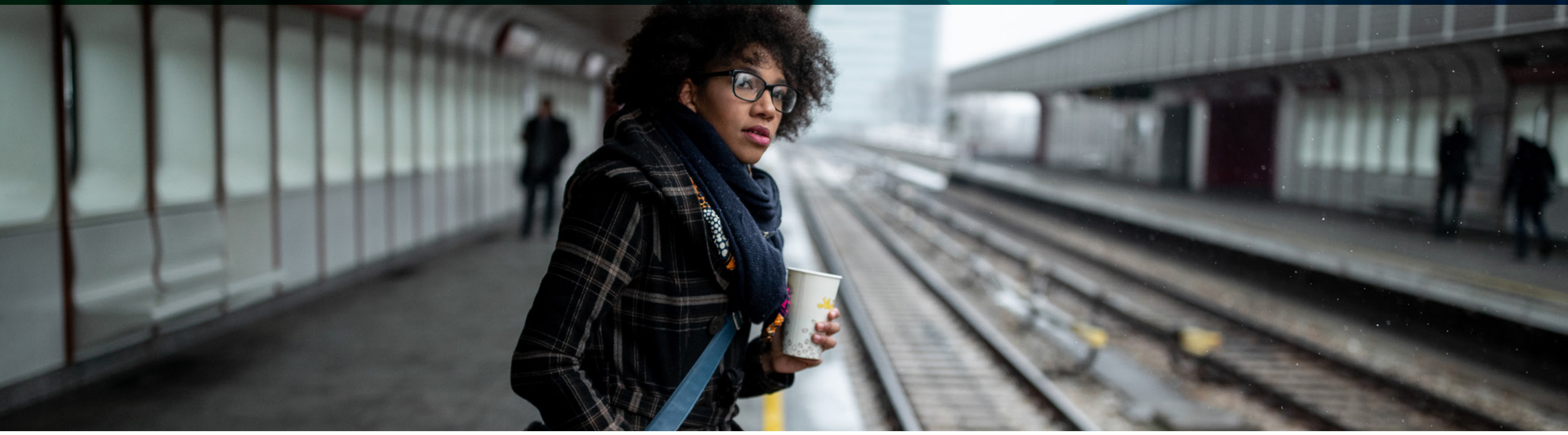
HARTFORDFUNDS
Our benchmark is the investor.®



Is Now the Right Time to Invest?

If you're waiting for a better time to invest, here's what you may want to consider.

Each time a lottery jackpot skyrockets, ticket sales spike. Even those who aren't regular lottery players don't want to be left wondering if they've missed their big chance.

Investing, on the other hand, is less trivial. When it's your retirement on the line rather than a $2 lotto ticket, you may question whether it's the right time to be in the market. Have stocks peaked and we're in for a downturn? Will this bear market ever end?

However, it's impossible to know whether the market is entering a bear or bull market until after the fact. That's why, historically, investors have been better served by simply being invested rather than waiting for a "better" time to invest.

Seeing the Forest for the Trees

We looked at the most recent bear markets in the S&P 500 Index (defined as a 20% drop from the most recent market peak). Since 1990, the market has experienced five of them.

As **FIGURE 1** shows, even if you had the worst possible timing—meaning you invested $10,000 on each of the five peak days immediately before a bear market began—your investments would have lost value initially but recovered in an average of 2.7 years. Your hypothetical investment of $50,000 would have grown to $229,405 as of December 31, 2021.

In other words, even if you managed to repeatedly invest at the worst-possible times, the amount you invested still would have more than quadrupled. While past performance doesn't guarantee future results, it's encouraging to see that, historically, the market has eventually rebounded from its deepest selloffs.

Key Points

- Historically, investors have experienced better results by staying invested in the stock market rather than trying to time it.
- A majority of the market's best days have occurred during a bear market or during the first two months of a bull market when it's often too early to tell a new bull has begun.[1]
- Working with a financial professional to build a diversified portfolio and apply a systematic investing strategy can help you stay invested.

EVEN IF YOU INVESTED

AT THE WORST POSSIBLE TIME,

YOUR PORTFOLIO WOULD HAVE **RECOVERED** IN

2.7 YEARS
ON AVERAGE

FIGURE 1

Time in the Market Has Outweighed the Timing of Your Initial Investment

"Worst" Times to Invest in the S&P 500 Index

Date of Market Peak	Negative Market Event That Ended Bull Market	Portfolio Value on Peak Day	Bottom Before Recovery	Time to Recover Investment
9/1/2000	Dot-com Bubble Burst	$10,000	$6,433	6.1 years
3/19/2002	Accounting Scandals	$17,850	$11,957	1.8 years
10/9/2007	Sub-Prime Mortgage Crisis	$36,386	$17,933	4.5 years
1/6/2009	Global Financial Crisis	$32,362	$23,564	0.3 years
2/19/2020	COVID-19 Pandemic	$158,190	$104,737	0.5 years
			Average	**2.7 years**
				Total investment: $50,000 Balance as of 12/31/21: **$229,405**

Data Sources: Ned Davis Research and Hartford Funds, 2/22. Assumes a $10,000 investment on each date in column 1. The portfolio values in column 3 are cumulative.

Another reason not to stress about timing: Despite bumps and stumbles along the way, stocks have historically grown over the long run, as **FIGURE 2** shows. And 78% of the market's best days have occurred during a bear market or during the first two months of a bull market when it was difficult to tell whether a bull market had even begun.[1] This means sitting out could mean significantly missing out.

In short, for long-term investors who have the time horizon to weather ups and downs, the length of time you're in the market matters far more than what the market is doing when you invest.

How to Get in—and Stay in

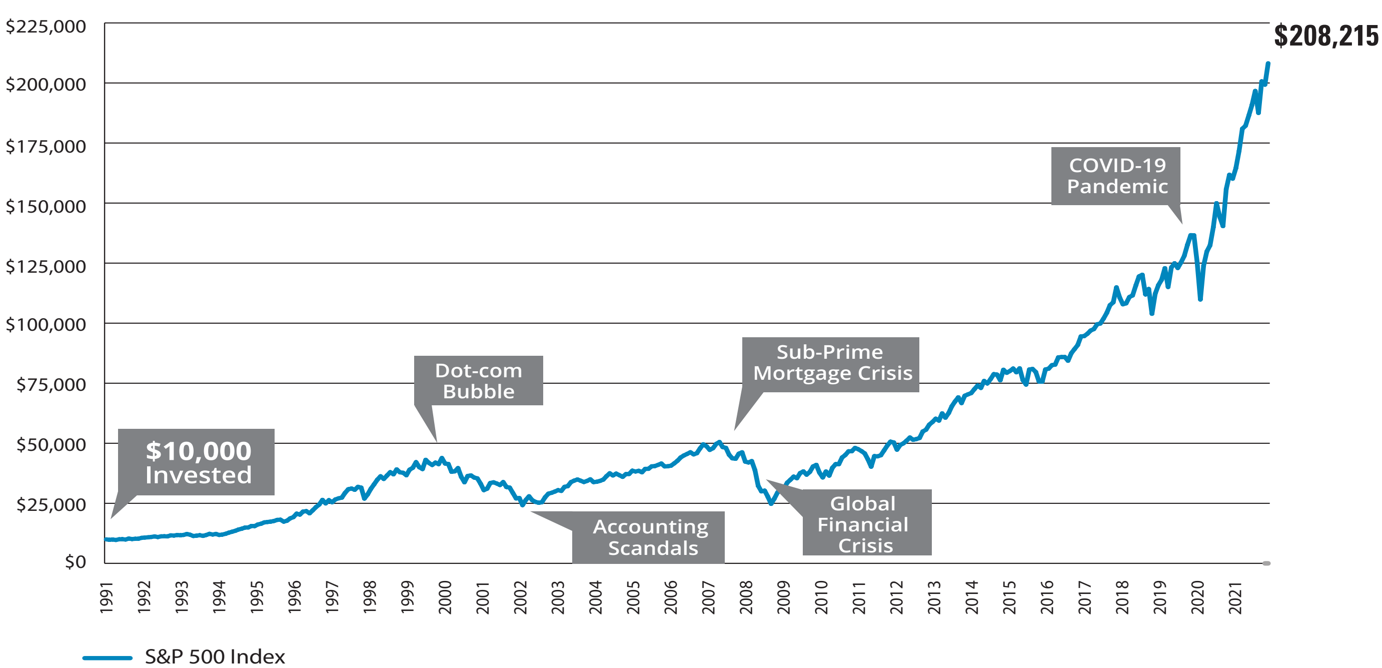
Part of weathering the market's ups and downs is making sure you're working with a financial professional to build a customized portfolio that aligns with your goals and risk tolerance. Having an intentionally designed portfolio can help you feel more confident during difficult market environments, which in turn can help you stay invested long term.

In addition, consider setting a predetermined amount to invest on a regular schedule. This can help reduce that internal "is this a good time?" debate and help you stick to your plan, regardless of the market environment.

FIGURE 2

Stocks Have Grown Over the Long Term Despite Bear Markets

Growth of $10,000 invested in the S&P 500 Index 1991–2021



Past performance does not guarantee future results. Indices are unmanaged and not available for direct investment.

Source: Morningstar Direct, 2/22.

Talk to your financial professional about setting up a systematic investing strategy to help you stay invested.

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

[1] Ned Davis Research, 2/22, time period from 1992-2021.

Important Risks: Investing involves risk, including the possible loss of principal. • Diversification does not ensure a profit or protect against a loss in a declining market. • Systematic investing does not guarantee that your investments will make a profit, nor does it protect you against losses when prices are falling.

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