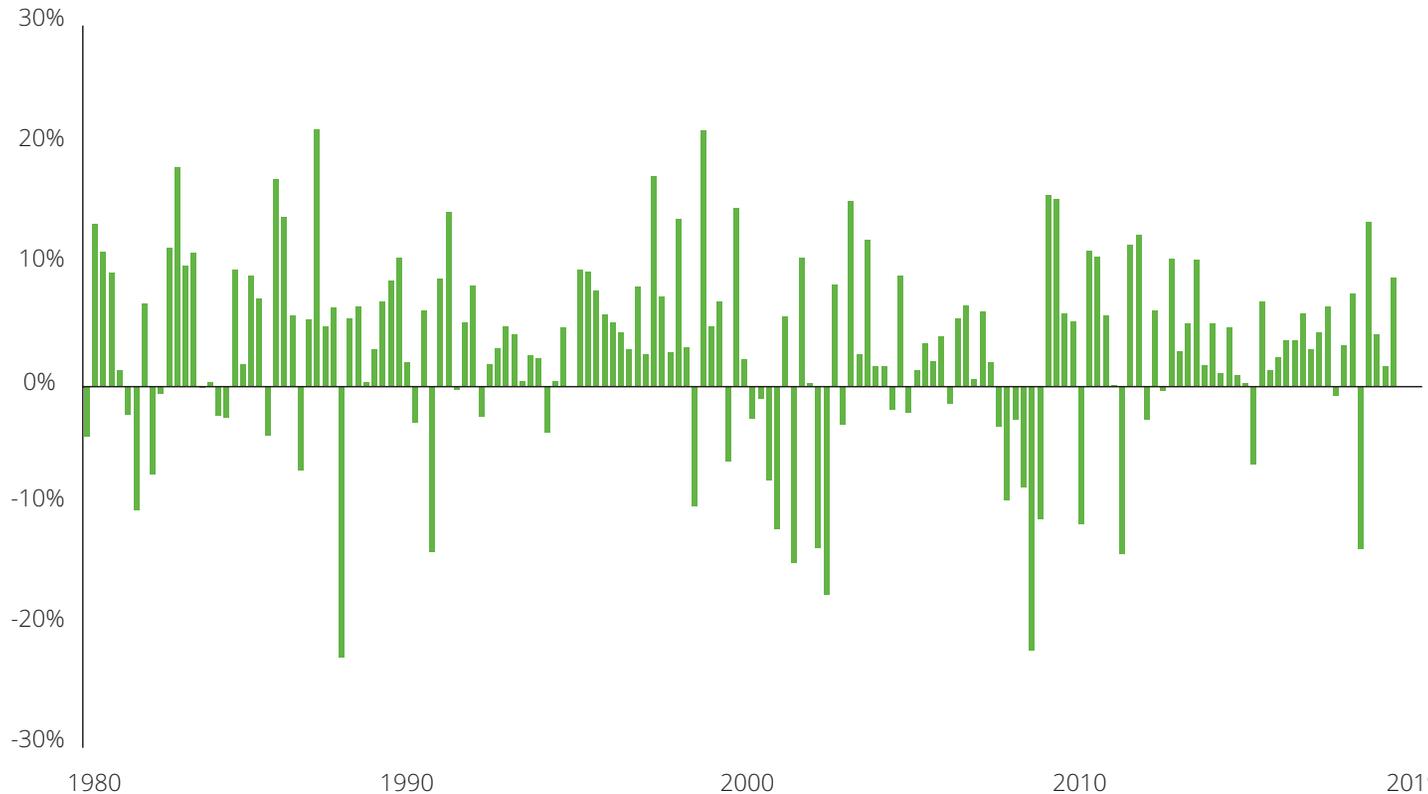


## Tuning Out Short-Term Volatility Could Lead to Long-Term Gains

The market can be volatile from year to year, and frequent volatility can make investors feel the urge to sell their investments before they drop further in value. The S&P 500 Index had an average annual return of 11.81% from 1980 through year-end 2019. However, looking at the short-term, or the Index's quarterly returns during that time period, shows the type of volatility and inconsistency that most investors would like to avoid.

### The S&P 500 Index's Quarterly Returns Have Been Extremely Volatile (1980-2019)



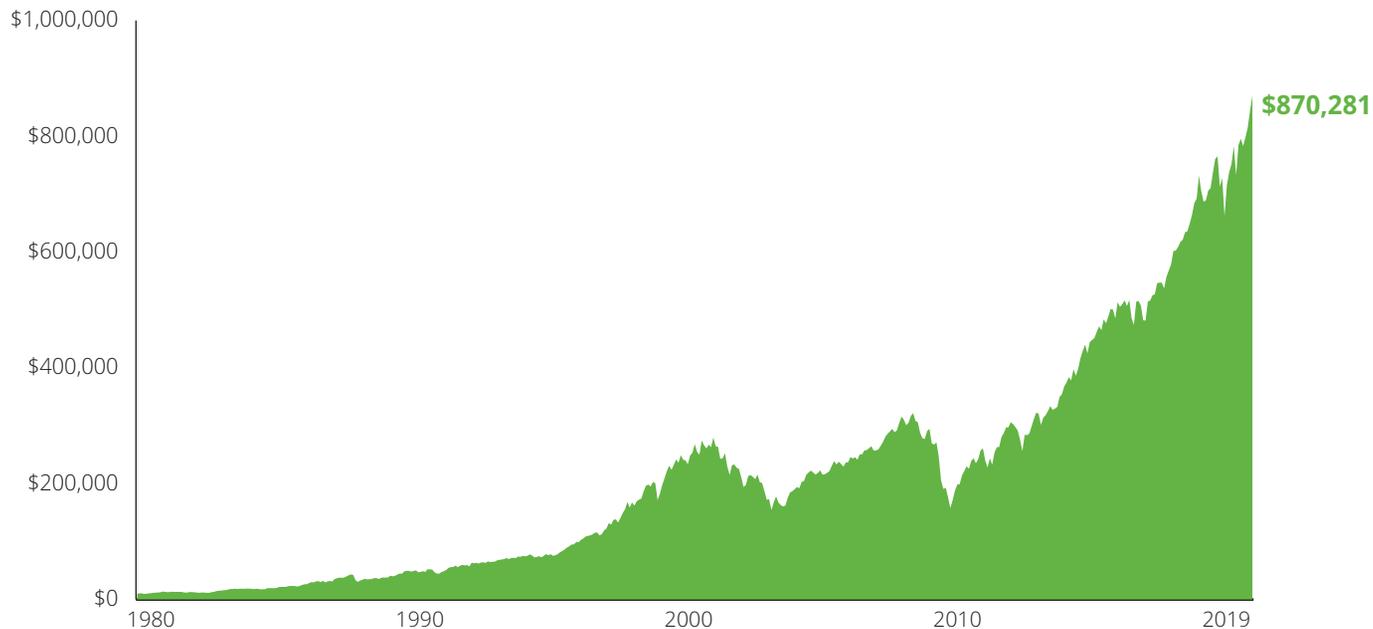
Would you feel comfortable investing in something that had investment returns this inconsistent?

**Past performance does not guarantee future results.** For illustrative purposes only. Indices are unmanaged and not available for direct investment. | Data sources: Morningstar and Hartford Funds, 1/20

# Client Conversations

The reality is that short-term volatility is just that: short term. Zooming out and taking a look at the bigger picture shows that short-term volatility can lead to long-term gains. The chart below shows the result of investing \$10,000 *in the same Index and time period* as the previous chart. Tuning out short-term volatility allowed this investor to enjoy substantial long-term gains.

## Long-Term Growth: Hypothetical Growth of \$10,000 Invested in S&P 500 Index (1980-2019)



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Data sources: Morningstar and Hartford Funds, 1/20

**Talk to your financial advisor about how to plan for volatility.**

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

Important Risks: Investing involves risk, including the possible loss of principal.

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