

High Long-Term Returns Require Patience

Sticking with stocks in turbulent times requires patience—but it has historically paid off.

When investors hear that stocks have averaged an annual return of 10.42% since 1926, they may mistakenly believe that stocks will return 10% most years. In reality, stocks have only returned between 8 and 12% in six calendar years since 1926.

S&P 500 Index Annual Total Returns (1926–2024)

Painful			Challenging			Good			Exceptional		
>-20%	-16 to -20%	-12 to -16%	-8 to -12%	-4 to -8%	0 to -4%	0- to 4%	4 to 8%	8 to 12%	12 to 16%	16 to 20%	>20%
1930 -24.89	2022 -18.11	1973 -14.68	1929 -8.41	1977 -7.15	1934 -1.44	1960 0.46	1947 5.70	1926 11.62	1965 12.45	1944 19.75	1927 37.48
1931 -43.33			1932 -8.19	1981 -4.92	1939 -0.41	1970 3.85	1948 5.50	1959 11.95	1971 14.30	1949 18.79	1928 43.60
1937 -35.02			1940 -9.78	2018 -4.38	1953 -0.98	1994 1.32	1956 6.55	1968 11.06	2006 15.79	1952 18.36	1933 53.99
1974 -26.46			1941 -11.59		1990 -3.10	2011 2.11	1978 6.57	1993 10.07	2010 15.06	1964 16.48	1935 47.66
2002 -22.10			1946 -8.07			2015 1.38	1984 6.27	2004 10.88	2014 13.68	1972 18.99	1936 33.92
2008 -36.99			1957 -10.78				1987 5.25	2016 11.95		1979 18.60	1938 31.12
			1962 -8.72				1992 7.61			1986 18.66	1942 20.34
			1966 -10.06				2005 4.91			1988 16.60	1943 25.89
			1969 -8.50				2007 5.49			2012 16.00	1945 36.43
			2000 -9.10							2020 18.40	1950 31.71
			2001 -11.88								1951 24.01

Past performance does not guarantee future results.

The performance shown above is index performance.

Investors cannot directly invest in an index.

Bottom line: The high returns that stocks have delivered come with significant volatility—but this has been worthwhile for long-term investors.

8 to 12% gain

1926	11.62
1959	11.95
1968	11.06
1993	10.07
2004	10.88
2016	11.95

Your financial professional can help you stay focused on your long-term goals when you feel impatient with the stock market.

S&P 500 Index is a market capitalization-weighted price index composed of 500 widely held common stocks. Returns for the S&P 500 Index from 1926 to 1969 are calculated by Ibbotson and are represented by the SBBI US Large Stock Index. Returns from 1970 to 2024 are for the S&P 500 Index. Source: Morningstar.

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

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