

## Diversification Never Goes out of Favor

History shows that asset classes move in and out of favor over time. Instead of trying to chase performance by investing in past winners, building a well-diversified portfolio can help you take advantage of the strong returns of any year's favorites.



Past performance does not guarantee future results. Diversification does not ensure a profit or protect against a loss.

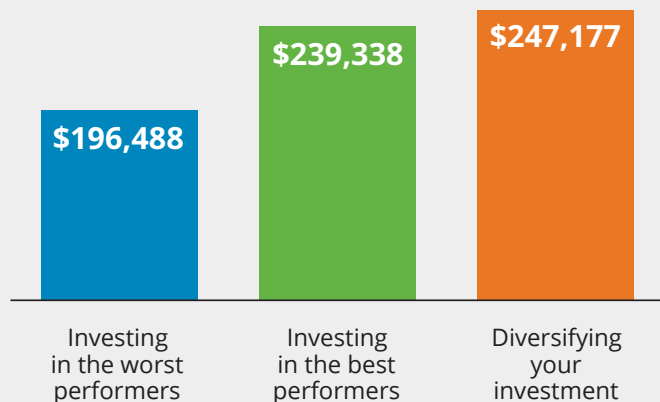
Indices are unmanaged and not available for direct investment, and are not representative of any Hartford Fund's performance. Large-Cap Growth Stocks are represented by the Russell 1000 Growth Index, which measures the performance of the large-cap growth segment of the US equity universe. Large-Cap Value Stocks are represented by Russell 1000 Value Index, which measures the performance of Russell 1000 Index companies with lower price-to-book ratios and lower forecasted growth values. Mid-Cap Stocks are represented by the Russell Midcap Index, which measures the performance of the mid-cap segment of the US equity universe. Small-Cap Stocks are represented by the Russell 2000 Index, which measures the performance of the small-cap segment of the US equity universe. International Stocks are represented by the MSCI EAFE Index, which measures developed market equity performance, excluding the US and Canada. Emerging Markets Stocks are represented by the MSCI Emerging Markets Index, which measures equity market performance in the global emerging markets. Short Duration Bonds are represented by the Bloomberg 1-3 Year Gov't/Credit Index, which is comprised of the US Gov't/Credit component of the US Aggregate Bond Index. Long Duration Bonds are represented by the Bloomberg US Long Gov't/Credit Bond Index, which measures the non-securitized component of the US Aggregate Bond Index with 10 or more years to maturity. The index includes investment grade, US dollar-denominated, fixed-rate treasuries, government-related, and corporate securities. Bank Loans are represented by the Morningstar LSTA Leveraged Loan Index, which is a market-value-weighted index that is designed to measure the performance of the U.S. leveraged loan market based upon market weightings, spreads, and interest payments. Government Bonds are represented by the Bloomberg US Government Bond Index, which is comprised of the US Treasury and US Agency Indices. Corporate Bonds are represented by the Bloomberg US Corporate Bond Index, which measures the investment-grade, fixed-rate, taxable corporate bond market. Cash Investments are represented by the Bloomberg 1-3 Month US Treasury Bill Index which tracks the market for treasury bills with 1 to 2.9999 months to maturity issued by the US government. Global Government Bonds are represented by the FTSE World Government Bond Index, a market-capitalization-weighted index consisting of government bond markets that have a remaining maturity of at least one year. Commodities are represented by the S&P GSCI Index, which represents leveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities. TIPS (Treasury Inflation Protected Securities) are represented by the Bloomberg US TIPS Index, which consists of Treasury inflation-protected securities issued by the US Treasury with a remaining maturity of one year or more. Diversified Portfolio is represented by an equal portion (6.7%) of each. Data Source: Morningstar, Inc., 1/24. Index provider notices may be found at hartfordfunds.com/index-notices.

# Client Conversations

## A Balanced Approach

It may be tempting to invest based on last year's performance. But rather than making decisions based on winners or losers in any particular year, a portfolio diversified across a variety of asset classes may be a wiser approach long term: Strongly performing asset classes can help offset weaker performers.

### The Strength of Diversification Growth of \$10,000



#### Investing in the Worst Performers:

Previous year's worst-performing index.

#### Investing in the Best Performers:

Previous year's best-performing asset class.

#### Diversifying Your Investment:

Divided across all asset classes on the previous page without rebalancing.

As of 2009-2023. Assumes a \$10,000 annual investment at the start of each year. Does not include taxes or transaction costs; excludes cash investments. The worst-performing asset class in 2008 was Emerging Markets Stocks. The best-performing asset class in 2008 was Government Bonds. For illustrative purposes only. Data Sources: Morningstar and Hartford Funds, 1/24.

Investing involves risk, including the possible loss of principal.

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