

Hartford Municipal Short Duration Fund

Tickers A: HMJAX C: HMJCX F: HMJFX I: HMJIX

Inception Date 05/29/2015

Morningstar® Category Muni National Short

Lipper Peer Group Short Municipal Debt

Market Overview

United States (US) fixed income markets generated negative total returns during the first quarter, as measured by the Bloomberg Aggregate Index. Stronger-than-expected economic data, including persistent inflation pressures, pushed out the expected timing of Federal Reserve rate cuts. Resilient consumer spending and strong corporate earnings helped propel further spread tightening across most fixed income sectors. The Bloomberg Municipal Short Bond 1-5 Year Index returned -0.19% during the quarter. The ratio of 10-year AAA general obligations (GOs) to 10-year Treasuries increased from 57.9 to 59.8%, remaining below the long-term historical average of 88% over the last 20 years.

Performance Summary

- The Hartford Municipal Short Duration Fund outperformed the Bloomberg Municipal Bond Short 1-5 Year Index over the quarter.
- Security selection in investment-grade revenue bonds and high yield was the primary driver of outperformance. Security selection within investment-grade revenue bonds, particularly within housing contributed the most.
- An overweight allocation within high-yield revenue bonds was also additive, with specific contributions from industrial development, health care, and sales tax.
- An underweight exposure to pre-refunded debt slightly detracted from performance.

Positioning & Outlook

- Fundamentals are broadly positive after generous direct and indirect Federal support and coming out of the pandemic.
- Many municipal sectors have natural outlets for inflationary pressures, but the more labor constrained sectors will be more challenged.
- Expect municipals to behave defensively in a downturn given their high quality and strong balance sheets.
- Tax-exempt municipal valuations as proxied by the Muni/TSY ratio are unattractive relative to history. However, municipal bond all-in yields look attractive relative to comparable quality corporates across intermediate and long maturities.
- Despite higher issuance this year, we expect demand to remain robust, particularly if rates begin to trend lower.

Overall Morningstar Rating™ (I-Share)*



209 Products | Category Based on Risk-Adjusted Returns as of 03/31/2024

Portfolio Managers from Wellington Management

Brad W. Libby

Managing Director
Fixed-Income Portfolio Manager & Credit Analyst
Professional Experience Since 1996

Timothy D. Haney, CFA

Senior Managing Director
Fixed-Income Portfolio Manager
Professional Experience Since 1988

Elizabeth J. Kleinerman, CFA

Senior Managing Director
Fixed-Income Portfolio Manager
Professional Experience Since 2001

The portfolio managers are supported by the full resources of Wellington.

Top Ten Holdings (%)

Main Street Natural Gas, Inc., GA, Rev	3.71
State of Illinois, IL, GO	3.53
Public Finance Auth, WI, Rev	3.16
Black Belt Energy Gas Dist, AL, Rev	2.97
City of Houston, TX, GO	2.77
Metropolitan Transportation Auth, NY, Rev	2.42
Central Texas Turnpike System, TX, Rev	2.35
New Mexico Mortgage Finance Auth, NM, Rev	2.27
Texas Department of Housing & Community Affairs, TX, Rev	1.96
Massachusetts Dev Finance Agency, MA, Rev	1.74
Percentage Of Portfolio	26.88

Holdings and characteristics are subject to change. Percentages may be rounded.

***Duration** is a measure of the sensitivity of an investment's price to nominal interest-rate movement.

Class	Performance (%)		Average Annual Total Returns					Expenses ¹	
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	SI	Gross	Net
A	0.22	0.22	2.33	-0.03	1.02	—	1.19	0.91%	0.69%
A with 4.5% Max Sales Charge	—	—	-2.28	-1.55	0.09	—	0.66	—	—
F	0.40	0.40	2.79	0.28	1.33	—	1.47	0.62%	0.39%
I	0.28	0.28	2.60	0.22	1.25	—	1.42	0.72%	0.46%
Bloomberg Municipal Bond Short 1-5 Year Index	-0.19	-0.19	1.99	0.13	1.11	—	—	—	—
Morningstar Category	0.29	0.29	2.70	0.50	1.13	—	—	—	—
Lipper Peer Group	0.39	0.39	2.86	0.60	1.05	—	—	—	—

Morningstar® Category Muni National Short **Lipper Peer Group** Short Municipal Debt

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For more current performance information to the most recent month ended, please visit hartfordfunds.com.

Share Class Inception: A, I - 5/29/15; F - 2/28/17. Performance shown prior to the inception of a class reflects performance and operating expenses of another class(es) (excluding sales charges, if applicable). Had fees and expenses of a class been reflected for the periods prior to the inception of that class, performance would be different. Since inception (SI) performance is from 5/29/15. Performance and expenses for other share classes will vary. Additional information is in the prospectus. Only Class A assesses a sales charge.

Bloomberg Municipal Bond Short 1-5 Year Index measures the performance of municipal bonds with time to maturity of more than one year and less than five years. Indices are unmanaged and not available for direct investment.

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¹Expenses as shown in the Fund's most recent prospectus. Gross expenses do not reflect contractual expense reimbursement arrangements. Net expenses reflect such arrangements in instances when they reduce gross expenses. These arrangements remain in effect until 2/28/25 unless the Fund's Board of Directors approves an earlier termination. Without these arrangements, performance would have been lower.

*Class I-Shares Star Ratings: 3-year 3 stars out of 209 products, 5-year 4 stars out of 197 products for the period ended herein. Other share classes may have different ratings. The Morningstar Rating™ for funds, or "star rating," is calculated for funds and separate accounts with at least a 3-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. Star rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance (without adjusting for any sales load, if applicable), placing more emphasis on downward variations and rewarding consistent performance. 5 stars are assigned to the top 10%, 4 stars to the next 22.5%, 3 stars to the next 35%, 2 stars to the next 22.5%, and 1 star to the bottom 10%. Overall Morningstar Rating is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics. For more information about the Morningstar Fund Ratings, including their methodology, please go to global.morningstar.com/managerdisclosures. ©2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Important Risks: Investing involves risk, including the possible loss of principal. Security prices fluctuate in value depending on general market and economic conditions and the prospects of individual companies. • Municipal securities may be adversely impacted by state/local, political, economic, or market conditions. Investors may be subject to the federal alternative minimum tax as well as state and local income taxes. Capital gains, if any, are taxable. • Fixed income security risks include credit, liquidity, call, duration, and interest-rate risk. As interest rates rise, bond prices generally fall. • Investments in high-yield ("junk") bonds involve greater risk of price volatility, illiquidity, and default than higher-rated debt securities. • Financially material environmental, social and/or governance (ESG) characteristics are one of several factors that may be considered and as a result, the investment process may not work as intended.

Investors should carefully consider a fund's investment objectives, risks, charges and expenses. This and other important information is contained in a fund's full prospectus and summary prospectus, which can be obtained by visiting hartfordfunds.com. Please read it carefully before investing.

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