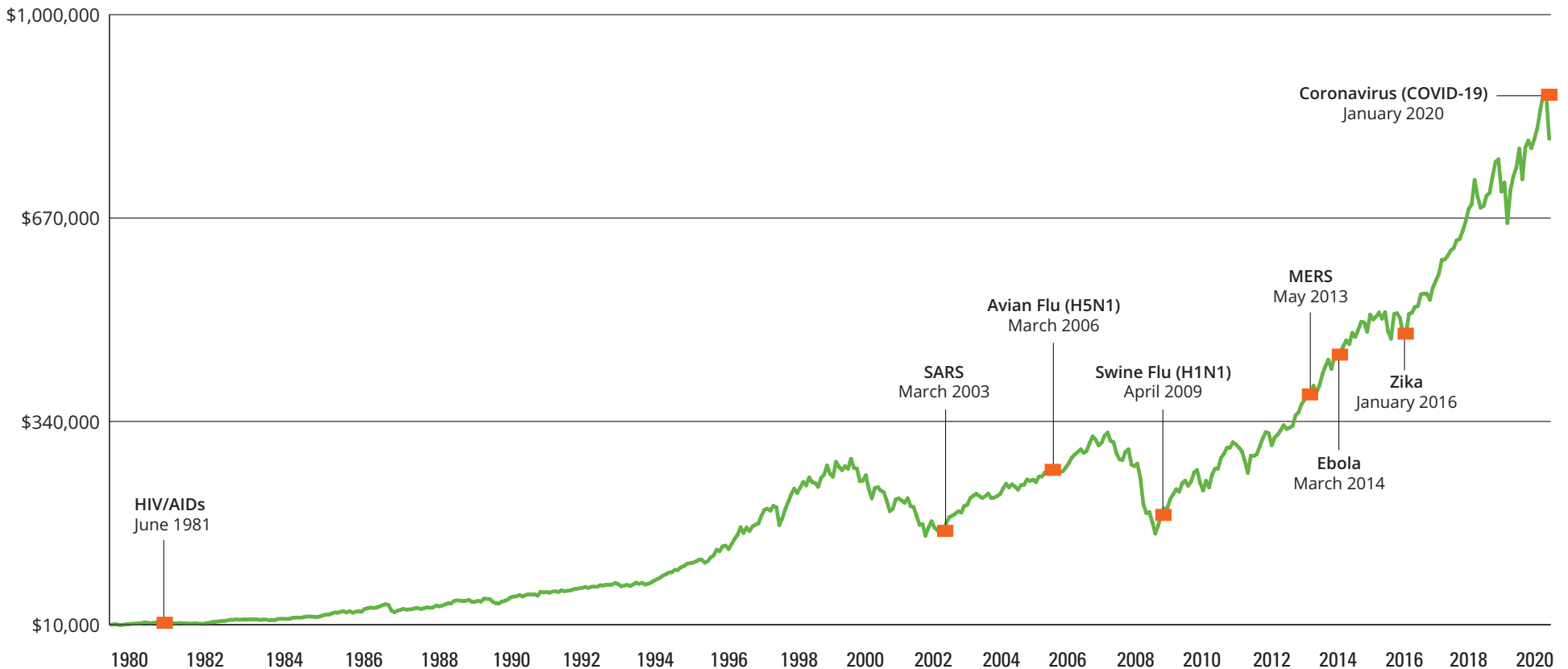


A Health Epidemic Doesn't Have to Mean Market Contagion

COMBINE UNCERTAINTY FROM A DISEASE OUTBREAK (SUCH AS CORONAVIRUS) WITH A NEWS CYCLE THAT'S QUICK TO HIGHLIGHT NEGATIVE NEWS, AND IT CAN BE HARD TO FEEL CONFIDENT STAYING INVESTED. However, there are many factors that influence market performance, and the stock market is separate from the economy. So while the global economy may feel the effects of a health crisis due to reduced travel and tourism, some historic perspective shows us that epidemics have had a much greater impact on our day-to-day lives than they have on long-term stock performance.

Epidemics Have Had Little Impact on Long-Term Market Performance

Growth of \$10,000 in the S&P 500 Index 1980 - 2/29/2020



Past performance does not guarantee future results. Indices are unmanaged and not available for direct investment. For illustrative purposes only. Data sources: WHO, Kaiser Foundation, Morningstar, and Hartford Funds, 3/20. Start date for epidemics determined by first report of cases in at least two countries.

A look at global epidemics in the last 20 years proves that not only have stocks tended to recover well, they've done so quickly: Once they reached their bottom, stocks recovered to their pre-epidemic highs within 60 days on average. One year after an outbreak began? The S&P 500 Index notched positive results across the board with an average return of 24.69%. In other words, as the chart on page 1 and the table below show, staying invested tended to reward investors in both the short and long term.

The S&P 500 Index Has Historically Recovered Quickly From Epidemics

Epidemic	Start Date	S&P 500 Index Performance from Start Date (%)					Date of Market Bottom*	Number of Days to Recovery
		1-Month	3-Month	6-Month	1-Year	3-Year (Annualized)		
SARS	March 2003	0.97	15.05	20.88	38.52	17.11	3/31/2003	30
Avian Flu	March 2006	1.24	-0.35	2.79	11.97	-15.11	6/13/2006	127
Swine Flu	April 2009	9.57	15.93	34.02	49.77	23.42	2/8/2010	51
MERS	May 2013	2.34	6.10	11.15	20.44	11.26	2/3/2014	40
Ebola	March 2014	0.84	3.97	8.84	15.51	10.63	10/15/2014	40
Zika	January 2016	-4.96	1.35	3.84	11.96	9.26	2/11/2016	74
Coronavirus	January 2020	-0.04	??	??	??	??	??	??
# of Positive		5	5	6	6	5	Average: 60	
# of Negative		2	1	0	0	1		
Average Return (%)		1.42	7.01	13.59	24.69	9.43		

STOCKS HAVE
RECOVERED
— TO —
**PRE-EPIDEMIC
HIGHS
IN 60 DAYS**
—
ON AVERAGE
FROM THEIR MARKET LOWS

Past performance does not guarantee future results. Data source: Morningstar, 3/20. *Date of market bottom is the lowest trough during the 12-months following the initial outbreak. Days to recovery is the number of trading days it took for the Index to return to its pre-epidemic level off that trough.

Talk to your financial advisor today to make sure your portfolio is diversified so you can feel confident staying invested.

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. Diversification does not ensure a profit or protect against a loss in a declining market.

This information should not be considered investment advice or a recommendation to buy/sell any security. In addition, it does not take into account the specific investment objectives, tax, and financial condition of any specific person.

Hartford Funds Distributors, LLC, Member FINRA. CCWP070_0320 216399