

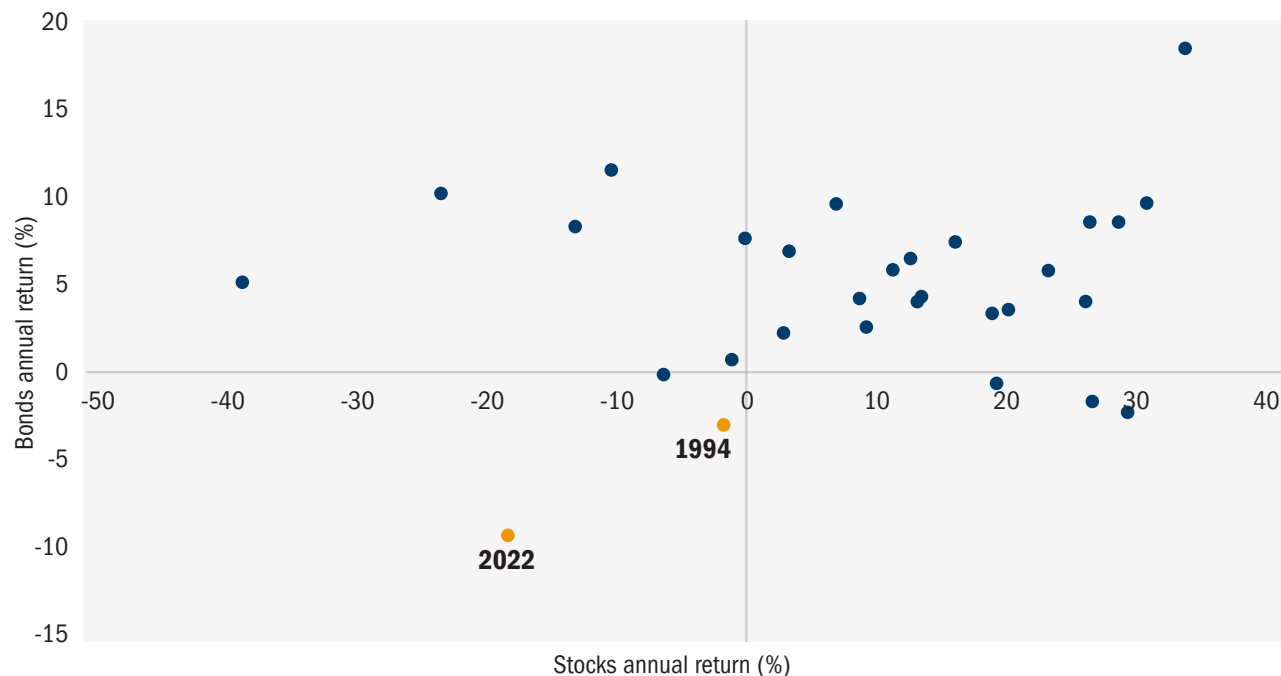
# Chart on the Go

## Latest Insights | Volatility

[LEARN MORE ON OUR BLOG »](#)

### ► Navigating (almost) uncharted territory with correlations

This is one of only two calendar years in which both stocks and bonds posted negative returns



- Year to date, 2022 has been a challenge for investors. It's the first time since 1994 that there's been a calendar-year period of negative returns for both stocks and bonds.
- This can leave investors scrambling for solutions — traditional asset class hedges aren't working and established historical relationships between asset classes aren't holding up.
- It's important to remember that real world events can impact correlations. Drivers like increased volatility and inflation can change the relationships between different asset classes.
- An active approach can help adjust asset allocation decisions to changing correlation relationships. And it can be essential to successfully navigating this environment.

Source: S&P Dow Jones Indices, Bloomberg, American Enterprise Investment Services Inc. Each dot on the chart represents the calendar-year returns for stocks and bonds, except the current year, which is through May 20, 2022. Stocks represented by the S&P 500 Index and bonds represented by the Bloomberg U.S. Aggregate Bond Index. The S&P 500 Index tracks the performance of 500 widely held, large-capitalization U.S. stocks. The Bloomberg U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. It is not possible to invest directly in an index.

Investment products offered through Columbia Management Investment Distributors, Inc., member FINRA. Advisory services provided by Columbia Management Investment Advisers, LLC. Columbia Threadneedle Investments (Columbia Threadneedle) is the global brand name of the Columbia and Threadneedle group of companies. © 2022 Columbia Management Investment Advisers, LLC. All rights reserved. The views expressed are as of the date given, may change as market or other conditions change and may differ from views expressed by other Columbia Management Investment Advisers, LLC (CMIA) associates or affiliates. This information is not intended to provide investment advice and does not take into consideration individual investor circumstances. Since economic and market conditions change frequently, there can be no assurance that the trends described here will continue or that any forecasts are accurate. Investing involves risk including the risk of loss of principal.