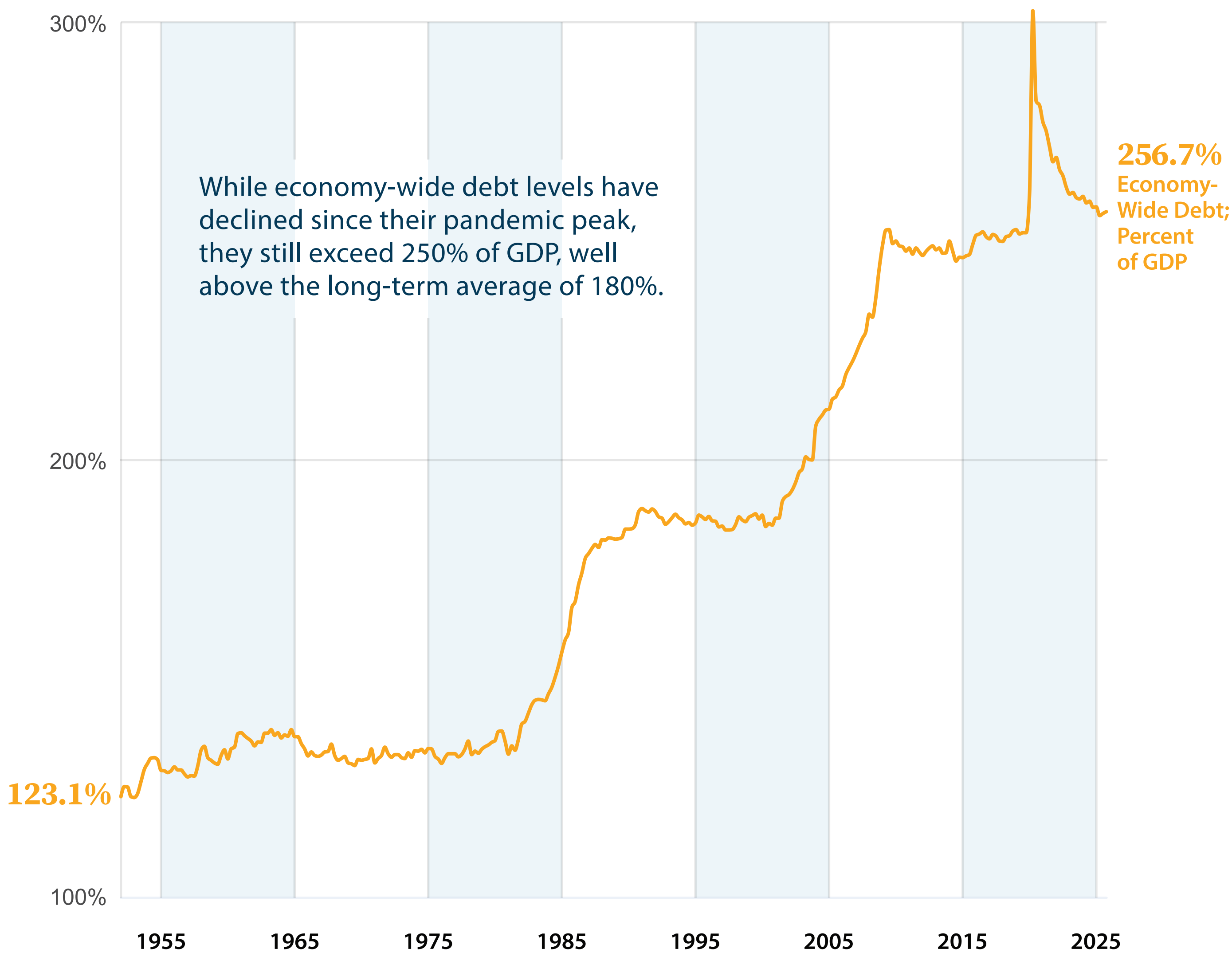
# Investing Through Financial Distress

New York Life Investment Management

## Americans are feeling financially stretched, but even in uncertain times, it's important for investors to stay focused on their long-term goals.

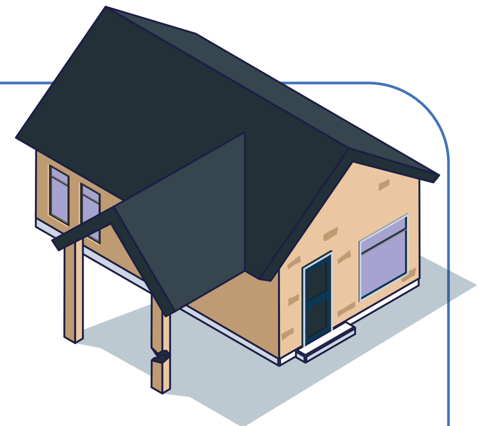
# U.S. Debt-to-GDP Near All-Time Highs

America's debt load has climbed to historic levels, raising concerns about slower growth, inflation, and growing financial strain on households and investors.



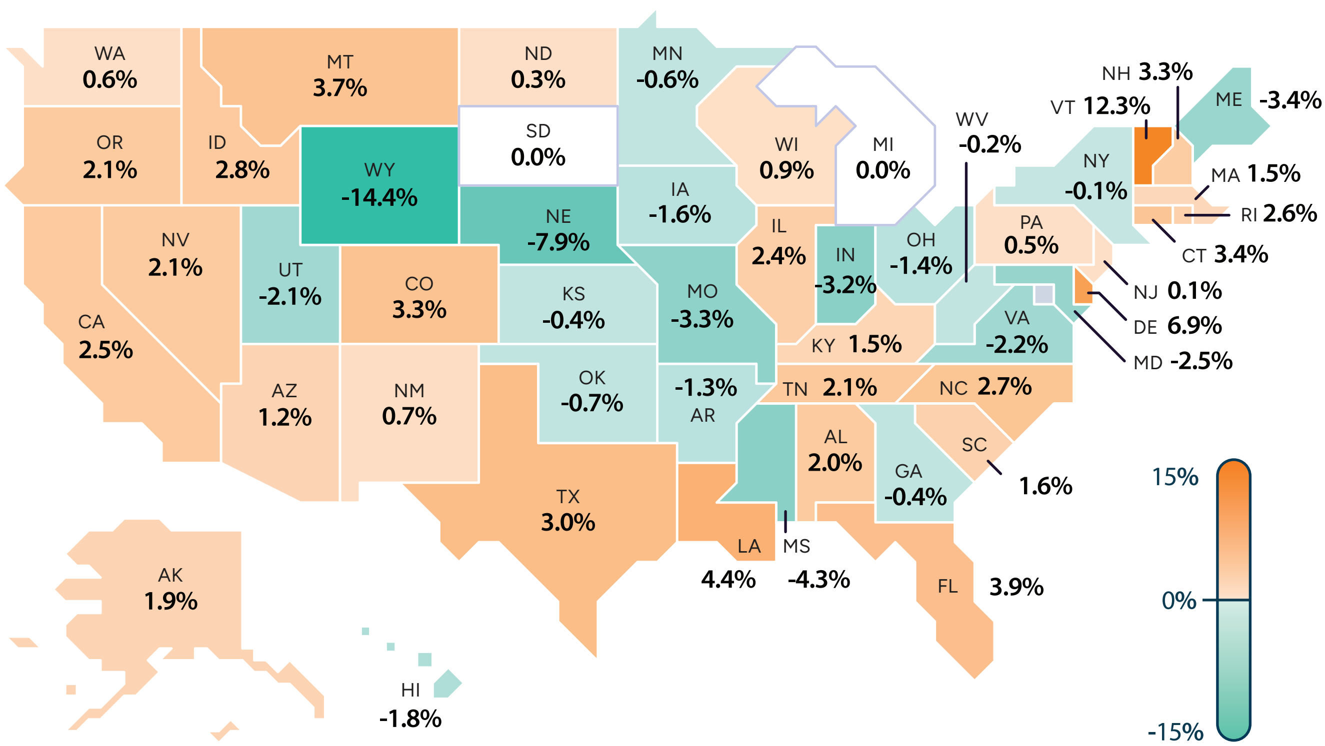

Source: Federal Reserve. 03/19/2026. *Note: Includes household, non-financial business, federal government, and state and local government debt.

## These pressures don't just exist on a macroeconomic level. They're increasingly showing up in household finances across the country.



# Change in Mortgage Delinquency Rates by State

As higher borrowing costs and persistent inflation continue to pressure household finances, mortgage delinquency rates are rising faster in some states than others.



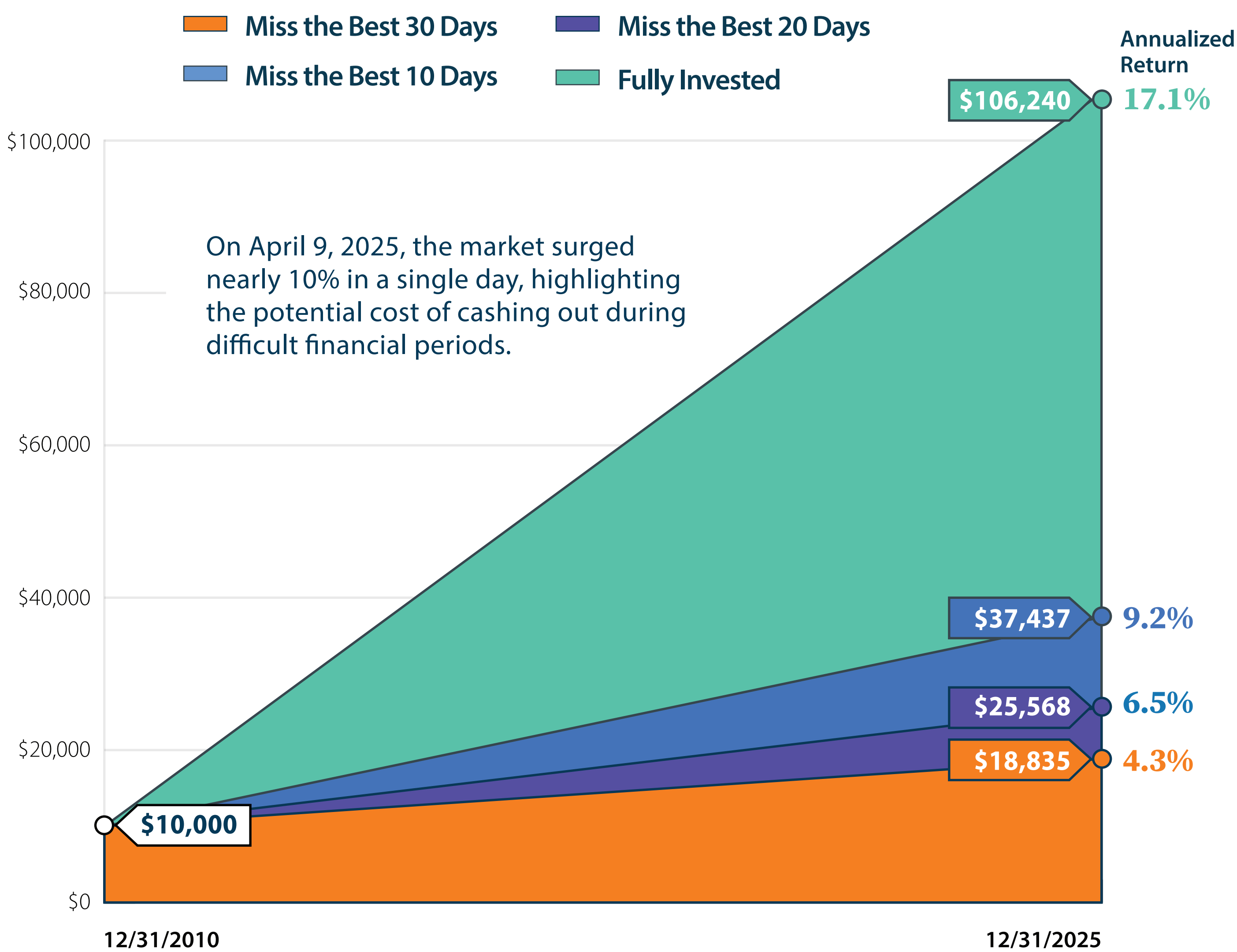

In the first quarter of 2026, 31 states saw mortgage delinquency rates increase compared to the end of 2025, signaling growing financial strain on households.

Source: WalletHub. 05/21/2026.

## When economic headlines and personal finances feel overwhelming, many investors are tempted to pull money out of the market altogether.

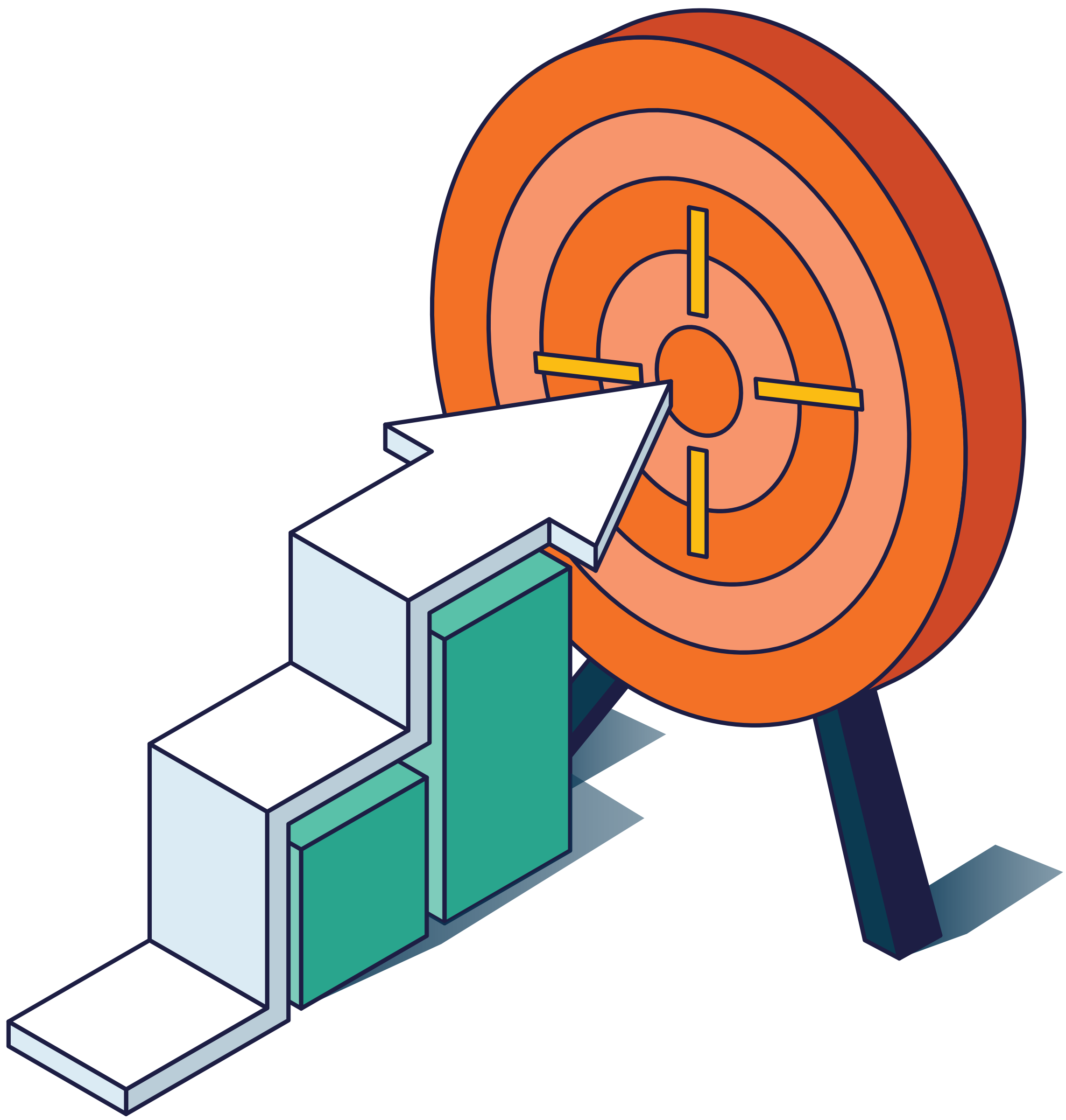
# The Cost of Cashing Out of the Market

Periods of financial stress and volatility can lead investors to pull money from the market, but panic selling can be one of the costliest investing mistakes.




Source: New York Life Investment Management. 12/31/2025. Past performance is no guarantee of future results, which will vary. It is not possible to invest directly in an Index.

Periods of market stress can test investors' resolve, but staying invested and maintaining a diversified portfolio may help investors stay aligned with their long-term financial goals.



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