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## Fall Focus: Increasing Contributions

Between school extracurriculars and changing routines in the fall, it can be challenging to make sure that your priorities remain just that — priorities.

Our biggest tip when your calendar is full and time is at a premium? Focus on one goal you'd like to accomplish so that you can remain successful without feeling overwhelmed.

When it comes to your savings, a smart goal is to increase your NEST 529 account contributions.

For starters, if you set up an Automatic Investment Plan (AIP), you can schedule automatic contributions to your NEST 529 account to help work toward your savings goals more seamlessly. You can also schedule automatic annual AIP increases at any time.

Increasing account contributions can also be a family affair. As the holidays draw near, encourage family and loved ones to consider gifting NEST 529 account contributions rather than (or in addition to) toys. NEST 529 gift certificates and Ugift make it easy to increase your savings.

Contributing funds to your account now is the best way to financially prepare for your child's academic future — so why wait?



### Contact Us


**by web:**

[www.NEST529Direct.com](http://www.NEST529Direct.com)

[www.NEST529Advisor.com](http://www.NEST529Advisor.com)

**by social media:**

 NEST 529 College Savings

 NEST 529 Advisor  
College Savings Plan

**by email:**

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Direct – 888.993.3746

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## NEST@work Spotlight

Are you an employer looking to boost your benefits package or an employee saving for higher education expenses? Consider NEST@work, the benefits program that offers employees the ability to use their employer's existing payroll system to direct deposit from their paycheck into their NEST 529 account. Learn more at [NEST529.com/employer](http://NEST529.com/employer).



## NEST 529 Milestones

### Message from the Nebraska State Treasurer

I am immensely proud of NEST 529's accomplishments as we work to help families save for their loved ones' academic futures. This year, the NEST 529 community has grown to more than 266,000 funded accounts nationwide, including over 86,000 in Nebraska.

The good news doesn't stop there. On June 5th, 2019, Legislative Bill 610 was signed into law in Nebraska. A cornerstone of my platform as Treasurer, beginning in 2022 the law will help encourage and magnify college savings efforts for Nebraskans with new low-income and employer matching programs for NEST 529 contributions. The law will also establish a NEST 529 account with an initial contribution for every baby born on or after January 1, 2020 who is a resident of Nebraska at the time of birth. More details about the law are available at the NEST 529 News Center.

This legislation is a groundbreaking approach to college savings. I hope it will serve as an example for other states, and I want to thank the members of Nebraska's legislature for believing in our children's future. Overall, this year's accomplishments reflect our ongoing commitment to creating the most innovative and beneficial college savings tools possible for every Account Owner, and I look forward to the continued success of the plan.



## Market Commentary



**Kurt Spieler, CFA**  
Vice President,  
Chief Investment Officer  
First National  
Wealth Management

Stocks and bonds typically move in opposite directions. In most cases, if the economy is expected to do well, stocks go up, interest rates rise and bond prices go down. If the economy is slowing or expected to go into recession, stocks decline and bond prices move higher, while interest rates drop. In 2019, both stock and bond prices have moved higher. Bonds have rallied this year as interest rates have declined, indicating a slowing economy. Stocks are up strongly, signaling a belief that the economy is still on sound footing. This raises the question of which market is correct. The answer is probably somewhere in the middle. The economy is slowing, but not as much as the bond market expects. Corporate profit growth will continue, but perhaps not as much as the stock market expects.

Geopolitical risk including trade wars and Brexit are adding to overall concerns. On the negative side, net exports and a drawdown in inventories is weighing on the U.S. economy. Globally, the trade war rhetoric is harming manufacturing and investment spending. The primary reason we believe the U.S. economy will continue to expand is the health of the consumer. Job creation combined with wage growth that outpaces inflation has led to rising disposable personal incomes. Reasonable levels of consumer debt and interest rates that are trending lower should allow consumption to positively contribute to the U.S. economy.

Global equities have remained volatile in the last few months as the market has reacted to economic uncertainty. Through Aug. 31, the S&P 500 return is +18.3% and MSCI Europe Far East (EAFE) return is +9.7%.<sup>1</sup> Valuations are slightly above historical averages with the S&P 500 trading on a price-to-earnings ratio of 16.6x and MSCI EAFE 13.3x.<sup>2</sup> We believe the key to further stock market appreciation is corporate profit growth. Over the last year, S&P 500 earnings grew at 7.1% and are expected to increase by 7.8% over the next 12 months.<sup>3</sup> International earnings have declined recently, with a resumption of 5.0% growth estimated.<sup>4</sup>

The fixed income market has rallied strongly since May. As of Aug. 31, the Barclay's Intermediate U.S. Government/Credit return is +6.8%.<sup>5</sup> In addition to bonds reacting to economic uncertainty, low and negative global interest rates have pressurized U.S. Treasury yields. The Federal Reserve reduced the Fed Funds rate in July and is expected to further decrease interest rates. Although the positive impact on economic activity may be limited, the change in monetary policy could support equity and bond prices.

1 S&P 500 and MSCI EAFE YTD Return as of 08.31.2019; Source FactSet

2 S&P 500 and MSCI EAFE Price to Next 12 Months Earnings as of 08.31.2019; Source FactSet

3 Last 12 Months and Next 12 Months Earnings Growth for the S&P 500 as of 08.31.2019; Source FactSet

4 Next 12 Months Earnings Growth for MSCI EAFE as of 08.31.2019; Source FactSet

5 Barclay's Intermediate U.S. Government/Credit YTD Return as of 08.31.2019; Source FactSet

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*They are not meant to represent any actual investment. Indexes are unmanaged and cannot be invested in directly.*

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## Voice of the Customer: The Importance of Having a NEST 529 Account

The following excerpt is from Gail Possley, grandparent and NEST 529 Account Owner:

*Why is saving money for my grandson's education so important? I want my grandson to work as hard as he can and learn the value of a college education. He just completed the fourth grade and his MCA test scores in math and reading skills fell between the seventh and eighth grade levels. He has an amazing brain and the ability to perform very well in college.*

*I started his NEST 529 account for him when he was born because I wanted him to have funds set aside for his college education. My husband and I have tried to set aside as much as possible for his NEST 529 college savings account. We recently switched from making an annual contribution to making monthly donations to his NEST 529 account. This will allow us to provide increased savings for him. I'm hoping that through his NEST 529 account he will learn the importance of setting money aside for college. I want him to pursue the field that most interests him and to be happy and successful.*



Interested in having your NEST 529 story featured? We'd love to hear from you at [NEST529.com/share](https://www.nest529.com/share).

## Scholarship Connection

At NEST 529, our scholarships build engagement and fun into the college savings journey, in addition to providing a big boost for winners' college savings.

This year has been packed with opportunities for the NEST 529 community, and we congratulate all who participated – from the **Back-to-School Photo Drawing**, the **Big Dreams \$20K Giveaway** and the **Draw Your Dreams Contest** to the **NEST on the Farm \$1,000 Fun Photo Drawing** and the **Read and Win \$529 Drawing**.

For these scholarships alone, NEST 529 has awarded more than \$75,000 in college savings contributions – and there's more to come soon.

Whether or not you're one of the lucky winners, we hope that every scholarship is an opportunity to discuss the importance of higher education and the value of saving early and often. Check us out on Facebook [@NEST529CollegeSavings](https://www.facebook.com/NEST529CollegeSavings) or at [NEST529.com/scholarships](https://www.nest529.com/scholarships) to keep track of new scholarship opportunities.



# KIDS' TIME: Activities to Leaf You Smiling

Engage your child with these fun fall educational activities.



## Apple Counting

Draw a small basket on paper and arrange a tray of green, red and yellow small, round objects, such as M&Ms. Test your child's math and sorting skills by having him or her put different number sequences of "apples" in the basket and then count the totals.

*(Recommended for children four and older.)*



## Leaf Hunt

To help improve observation skills, create a sheet of different pictures of leaf types and go on a scavenger hunt with your child around your area or a local park to collect and identify as many different leaves as he or she can find. Have your child record the findings as well as any observations about the trees.

*(Recommended for children six and older.)*

## Spooky Stories

To help improve your child's writing and creative thinking skills, identify fall related words like scarecrow, pumpkin, ghost, and have him or her select a few of these at random. Challenge your child to write a story that includes the selected words. Bonus: Have your child write multiple stories with the different words.

*(Recommended for children eight and older.)*



*The NEST Direct and NEST Advisor Plans are sponsored by the State of Nebraska and administered by the Nebraska State Treasurer. The NEST Direct and NEST Advisor Plans offer a series of investment portfolios within the Nebraska Educational Savings Plan Trust, which offers other investment portfolios not affiliated with the NEST Direct or NEST Advisor Plans. The NEST Direct and NEST Advisor Plans are intended to operate as qualified tuition programs to be used only to save for qualified higher education expenses, pursuant to Section 529 of the U.S. Internal Revenue Code.*

*An investor should consider the Plans' investment objectives, risks, charges, and expenses before investing. The Program Disclosure Statements, at [www.NEST529Direct.com](http://www.NEST529Direct.com) or [www.NEST529Advisor.com](http://www.NEST529Advisor.com), which contain more information, should be read carefully before investing.*

*Investors should consider before investing whether their or their beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's qualified tuition program and should consult their tax advisor, attorney and/or other advisor regarding their specific legal, investment, or tax situation.*

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