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## A Message from the NEST Team: Make College Savings as Simple as Possible

There's no question that parents' lives are busy. NEST 529 can't help you figure out playdates or meal plans, but we can help you simplify your college savings journey. Read on for a few simple steps to take.

### Define Your Goals

Setting goals and sticking to them is Saving for College 101 – and the NEST Direct College Savings Calculator is a great tool to help you get it done. The calculator factors into account your child's age, the type of college he or she might attend, and the amount you are currently saving, to summarize the total projected education costs in your time frame, and estimate the monthly savings needed to get there.

### Automate Contributions

With the Automatic Investment Plan (AIP), you can make automatic contributions to your NEST 529 account directly from your personal checking or bank savings account – ensuring you never miss a chance to save.

Account Owners can also make automatic contributions to their NEST 529 account using payroll direct deposit of after-tax dollars.

### Save with Friends and Family

Close friends and family are an excellent resource when saving for college. Just think about it: many of them are already spending money on gifts once or twice per year! Instead of accumulating more toys or clothes, encourage loved ones to give the gift of education with gift certificate contributions or Ugift, a simple online gifting tool.

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## Stimulus Check Spotlight

NEST 529 is here to help during these unprecedented times. Looking to invest your stimulus check? Consider investing a portion into your NEST 529 account to save for your child's future. Either deposit your check into your bank account and transfer it to your NEST 529 account, or make your check payable to "NEST 529 College Savings Plans."

## Summer Celebrations

### Message from the Nebraska State Treasurer



As we approach the height of summer, and soon the highly anticipated back-to-school season, I wish all of our Account Owners good luck for their new academic chapters. This new school year is the opportunity for a reset, after the unprecedented situation brought about by the coronavirus altered the learning environment for millions of students nationwide. Now is the perfect time to refocus on your higher educational savings goals, and to create a strategy to implement all the tools NEST 529 offers to help increase your savings.

Even as many among us face new financial hardships, I commend all of our Account Owners for staying the course and continuing to prioritize their loved ones' bright futures. NEST 529 is proud to continuously offer a number of contests and academic scholarships this academic year, which we encourage you to participate in to help add a boost to your savings.

As we enter the dog days of summer, I encourage you to enjoy family time with your loved ones before your child heads off to another successful academic school year.



## Market Commentary



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

After entering a bear market earlier this year, which is defined as greater than a 20% correction, global equities have seen a strong rebound with the S&P 500 up over 36% in the last couple of months.<sup>1</sup> At the same time, the U.S. economy has reported negative economic numbers, including sharply higher unemployment. This has led investors to question the resilience of the stock market and whether the rebound is justified. In general, the stock market is a gauge on future economic and corporate earnings growth. Equities are pricing in the reopening and economic recovery in the second half of 2020. Clearly the stock market is also reacting to trillions of dollars in stimulus provided by global governments and central banks. This should provide a cushion for the markets if the reopening doesn't go as smoothly as expected.

In terms of market results, bond returns are positive with the Barclay's Intermediate Government/Credit Index up +4.63% so far this year.<sup>2</sup> In particular, U.S. Treasuries have performed well with yields now under 1% for all maturities less than ten years.<sup>3</sup> With the Federal Reserve support of the bond market through various credit facilities, corporate bonds have also performed well over the last two months. In equities, U.S. large cap equities continue to show the most resilience with the S&P 500 now down -4.97% this year.<sup>4</sup> On a sector basis, there is a wide variance in returns with some industries positive for the year and other industries still sharply negative. U.S. small and mid-cap stocks as well as international equity returns have lagged U.S. large caps so far in 2020.

While the U.S. market has risen dramatically, this has come at a time when many companies are projected to report lower revenues and earnings as a result of the recession. These factors have led to some sectors of the market exhibiting high valuations relative to their historic averages. The valuation premiums are primarily due to suppressed earnings, but create risk if the economic and earnings recovery disappoints.

The stock market has historically rewarded investors who are willing to experience short-term pain to reap the long-term gains. We recognize this is difficult in the current environment with so much fear and uncertainty. We advocate staying invested in an appropriate asset allocation as market timing is rarely successful. We are encouraged by the stock rebound and reopening of the U.S. economy, but history shows that sharp swings in sentiment and stock prices are typical during economic downturns.

1 S&P 500 Return from 03.23.20 to 05.31.20; Source Yahoo Finance

2 Barclay's Intermediate U.S. Government/Credit YTD return as of 05.31.2020; Source FactSet

3 Treasury Yield Curve as of 05.31.20; Source Bloomberg

4 S&P 500 YTD Return as of 05.31.2020; Source FactSet

*The information, analyses and opinions expressed herein are intended to serve as general information only and should not be relied upon by any individual or entity as advice or recommendations. It is not intended to constitute legal, tax, securities or investment advice.*

*Indexes shown are economic indicators and are for comparative purposes only.*

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

*Investments Are Not FDIC-insured\* | No Bank, State or Federal Guarantee | May Lose Value*

*\*Except the Bank Savings Investment Option*



## Voice of the Customer: Everyday Savings Advice to Help Conserve Cash for College Savings

The following excerpt is from NEST 529 Account Owner and [Kitty & Kevin](#) blogger Kitty Boone:

*Why did we make saving for college a priority for our family? When my husband and I were first married, we owed \$100,000 in student loan debt. That debt was crushing. We made the decision at that time that we would do everything we could to pay it off as fast as possible. Then when we had kids, we would help fund their college endeavors.*

*What I love about these accounts is that they earmark a certain fund for our children. It tells us that we made a commitment to help with college, and we get to see the progress we are making toward helping their future. We chose a NEST 529 account as the way to save toward their future college expenses.*

*Once your account is open, you can spend as much or as little time managing the account as you want. I spend less than five minutes a month thinking about our children's NEST 529 accounts, and you know what? Every time I log in, I'm surprised how quickly the accounts have grown!*



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

Every year, NEST 529 sponsors bonuses, giveaways, and sweepstakes to help boost Account Owners' savings. Each unique scholarship opens the door to possible winnings – as well as new conversations about goals, hopes, and preparations for higher education.



We have been delighted by the enthusiastic participation in the recent Big Dreams \$40K Giveaway and NEST on the Farm \$1,000 Fun Photo Drawing. Also, be sure to check out the new Summer Fun Photo Giveaway. Each of these initiatives are excellent opportunities for families to come together and discuss the many steps on the road to higher education – from schoolwork and extracurriculars to diligent saving and financial preparation to cover the cost of attendance.

Thank you to everyone who has already made 2020 such a successful year for NEST 529 scholarships!

Be the first to hear about new scholarships and programs by liking and following us on Facebook [@NEST529CollegeSavings](#). Keep track of new and ongoing scholarships available by visiting the Scholarships & Rewards page on our website.

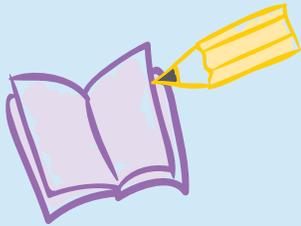
# KIDS' TIME: Summer Fun in the Sun

Teach your child financial literacy lessons with these fun activities.

## Travel Agent Fun

To help strengthen research skills, encourage your child to use the internet, travel brochures, and books from the library to learn about a destination to which he or she would like to travel. Task your child with creating a travel brochure about the destination, including the history of the place, fun things to do there, and an itinerary for a day.

*(Recommended for children 10 and older.)*



## Pen Pal-ing

To build creative writing and spelling skills, have your child write letters to friends and family detailing his or her summer activities. Provide a stamp and encourage him or her to keep up correspondence all summer long.

*(Recommended for children five to eight.)*

## BBQ Bonanza

To practice the ABCs, have your child draw a picture of his or her dream BBQ, that



includes a picture of an object for every letter

of the alphabet (ex. apples for a; burgers for b; chips for c).

*(Recommended for children under five.)*



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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Participation in the Plans does not guarantee that contributions and the investment return on contributions, if any, will be adequate to cover tuition and other higher education expenses, or that a beneficiary will be admitted to or permitted to continue to attend an eligible educational institution.

Except for the Bank Savings Static Investment Option, investments in the NEST Direct and NEST Advisor Plans are not guaranteed or insured by the FDIC or any other government agency and are not deposits or other obligations of any depository institution. Investments are not guaranteed or insured by the State of Nebraska, the Nebraska State Treasurer, the Nebraska Investment Council or First National Bank of Omaha or its authorized agents or their affiliates, and are subject to investment risks, including loss of the principal amount invested. FDIC insurance is provided for the Bank Savings Static Investment Option up to the maximum amount set by federal law, currently \$250,000.

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