



In This Issue:

1 Strategies for Navigating
a Volatile Market

Timely Tax Tip

2 Savings Insights
*Message from the
Nebraska State
Treasurer*

Market Commentary

3 Encourage Friends and
Family to Join the NEST
529 Community

Voice of the Customer:
Why I Love My
NEST 529 Plan –
Gayle Smith, NEST 529
Account Owner

Scholarship Connection

4 Kids' Time:
Blooming Activities

Contact Us


by web:

www.NEST529Direct.com

www.NEST529Advisor.com

by social media:

 NEST 529 College Savings

 NEST 529 Advisor
College Savings Plan

by email:

clientservice@NEST529Direct.com

clientservice@NEST529Advisor.com

by phone:

Direct – 888.993.3746

Advisor – 888.659.NEST (6378)

Strategies for Navigating a Volatile Market

This quarter has seen increased market volatility, which can be nerve-racking for investors. Before making a big change to your account, keep in mind the ways that NEST 529 works to protect your savings in any market.

First, making consistent, long-term contributions to a NEST 529 account means that the returns on your investments will have the opportunity to average out over time. Though the markets may be volatile right now, continuing to regularly contribute can allow you to average out potential losses against gains over longer market cycles when the markets recover. You may even view this period as a good time to increase contributions and take advantage of lower asset prices within your investment portfolio.

If you are invested in an Age-Based Option, your portfolio is designed to adjust and grow more conservative as the Beneficiary approaches college age. Of course, there can be no guarantee of returns on any investment. However, if the Beneficiary is young, time is on their side relative to market cycles and recoveries.

If the risk of the market seems too great, NEST 529 offers a FDIC-insured Bank Savings Investment Option, which protects your initial savings, while offering a varying rate of interest. This is available as a Static Investment Option, and is also included in certain Age-Based portfolios alongside other non FDIC-insured underlying funds. Remember, you have the power to switch your investment options twice per calendar year.

Though it may seem attractive to liquidate your account entirely to avoid potential future market downturn, this will likely not benefit you in the long run. After all, if you decide to take your college savings out of the market when it's down, you may miss the opportunity to grow your assets on the upside. Furthermore, former account owners can no longer rely on a tax write-off for liquidated 529 accounts, as this deduction was suspended in the 2017 Tax Cuts and Jobs Act.

If you have additional questions about your account or investment options, reach out to the NEST team at clientservice@nest529direct.com or by calling 1-888-993-3746.



Timely Tax Tip

Once you've filed your taxes for 2018, put your tax refund to work by contributing all or part of it to a NEST 529 account. The funds you add into your account will grow tax-deferred, and are tax-free if used for qualified expenses.

Savings Insights

Message from the Nebraska State Treasurer

It is an honor to serve as your State Treasurer. I am committed to being a responsible steward for Nebraska taxpayers. As a small businessman, I am focused on making the Treasurer's office customer friendly and user oriented. Fortunately, I have inherited a staff of well trained professionals from my predecessor, Treasurer Don Stenberg.

My objective is that every Nebraska kid graduate from a 2- or 4-year college debt free through saving and investment. I am working with the Nebraska Legislature to enact meaningful legislation which will expand access and awareness of NEST 529 across our great state.



NEST 529 is a fantastic investment and is routinely ranked among the best college savings plans in the nation. The benefits of investing through NEST are immense. Nebraskans who save through NEST are eligible for up to \$10,000 in state income tax deductions and investment earnings grow tax free. Kids who have some college savings are more likely to go to and graduate from college, their grades in elementary school are higher and their dropout rates are lower. Additionally, NEST 529s are extremely flexible. NEST can be used for expenses at virtually any vocational and trade school and 2-year college, as well as traditional 4-year universities.

Thank you for your confidence in the State Treasurer's office and the Nebraska Educational Savings Trust.

Market Commentary



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

After growing above 3% for much of 2018, the U.S. economy decelerated late in the year. For the full year, U.S. GDP growth was 2.9% with economists expecting 2.5% growth in 2019.¹ Consumers will likely lead the U.S. economy as the strong labor market and wage hikes lead to rising income. One source of uncertainty

this year is the slowing global economy due in part to trade disputes. Manufacturing activity worldwide continues to slow, especially in Europe and China.

Stock markets kept climbing in February as investors remain optimistic about a patient Federal Reserve and the resilience of the U.S. economy. Through February 28th, the S&P 500 return +11.5%.² International equity returns have participated in the rebound with the MSCI Europe Far East (EAFE) return +9.3%.³ The stock market recovery has brought valuations back above average, potentially creating more volatility in 2019.

We believe the key to further upside in equities is the outlook for corporate profitability. U.S. earnings growth estimates are currently 4.5% for 2019.⁴ Several factors are weighing on earnings, including the slowing global economy, uncertainty surrounding trade and the strength of the U.S. dollar.

The primary factor driving returns is the strategic asset allocation, or the weightings of cash, stocks and bonds. The asset allocation plan should be reviewed periodically and adjusted for changes in circumstances or goals when appropriate. Unfortunately, some individuals sell out of equities based on fear and anxiety, resulting in a permanent loss to the portfolio. If an investor doesn't have the risk appetite to weather a market downturn with their current asset allocation, the asset mix should be adjusted more conservatively. This will fare better over the long run than switching allocations at the wrong time. Successful investors don't try and time the market but adhere to their financial plan and stay invested in the appropriate asset allocation.

1 U.S. GDP Forecast as of 02.28.2018, Bureau of Economic Analysis; Source Bloomberg

2 S&P 500 YTD Return as of 02.28.2018; Source FactSet

3 MSCI EAFE YTD Return as of 02.28.2018; Source FactSet

4 2018 Earnings Growth for the S&P 500 as of 02.28.2018; 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

Encourage Friends and Family to Join the NEST 529 Community

Do you have friends or family members who don't already have a NEST 529 account for their children? Share your savings know-how and spread the word about your experience with NEST 529.

Starting the savings conversation is simple. There is no application fee to open a NEST 529 account, nor are there minimum deposit requirements, annual account fees, or ongoing contribution requirements. Plus, it typically takes less than 10 minutes to open an account — and maintaining it is even easier. By using the NEST 529 secure website, you're in control of your account 24-hours a day so that you can manage your money when it's most convenient for you.

Looking for even more convenience in your day-to-day life? Set up recurring account contributions with an Automatic Investment Plan (AIP) so that you can mark one more box off of your monthly to-do list.

And the savings don't stop there! At NEST 529, we make it our mission to help account owners maximize their potential to save through scholarship opportunities, giveaways, drawings, and more. Refer your friends and family to NEST529.com/scholarships for more information on what they — and you — should stay tuned to in 2019.

Help your friends and family take their first steps towards saving for a bright academic future and let them know why they should join NEST 529.



Voice of the Customer: Why I Love My NEST 529 Plan – Gayle Smith, NEST 529 Account Owner

Often blessings appear when they are both needed and unexpected. That is how we stumbled upon the NEST 529 plan when our daughters, Francine and Elizabeth (now 19 and 17), were quite young. The NEST 529 plan was also in its infancy. After my husband, Bryan Watkins, and I got married, one of our first goals was to start a family. We began by preparing our finances.

We learned about the NEST 529 plan through the research we did and felt that would be the best avenue for us. We've seen several transitions with the plan, which have all made it even better. From no longer sending checks through the mail to the addition of individual investment options, we have been very pleased with the simplicity of participating as well as the rate of return.

When each of our daughters started thinking about college, we shared with them what had been saved for their education. With what Bryan and I have contributed to their NEST 529 plan accounts, our Upromise contributions and the other funds set up by their generous grandparents, each of them should have enough to get their undergraduate degree without going into debt!

Scholarship Connection

Thank you to the many grandparents and great aunts and uncles who submitted letters for the NEST 529 Dear Grandchild Drawing, and congratulations to the winning entries, who each earned a \$1,000 NEST 529 contribution for their grandchildren!

For this drawing, grandparents were encouraged to write a letter to their young loved ones, explaining the importance of higher education and detailing their many hopes and dreams for their future. It was inspiring and heartwarming to read these words of wisdom, encouragement and love from so many cherished family members. Read on for an excerpt of one of the winning letters.

For past and currently running scholarships, visit: NEST529.com/scholarships.

*Dear Grandchild,
In college, you will immerse yourself in a myriad of experiences that will enable you to do anything you want to with your life and talents.
College helped make your parents the wise people they are today, with work they believe in and the ability to provide you with the things you need to grow and be healthy. We hope you reach for the same goals that they did, and that college will help you reach them.
We wish the best for you in all you do. That's why we started a NEST 529 account for you the first year of your life!*

All testimonials are voluntary. Individuals have not been compensated for their comments and are not affiliated with FNBO or other affiliated entities.

KIDS' TIME: Blooming Activities

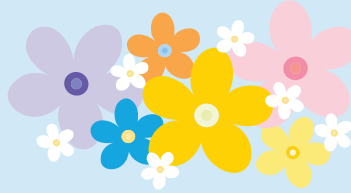
Rain, rain go away, these spring learning activities are here to stay! Take a moment this spring to try out these seasonal, educational activities with your children.



Butterfly Effect

Supply your children with two to three butterfly cutouts and encourage them to decorate each one based on specific instructions (i.e. draw four triangles, three circles, two diamonds, etc.) to help refine their knowledge of shapes and counting skills.

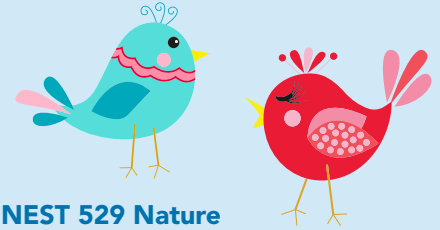
(Recommended for children under four.)



Flower Fun

Help your children plant flowers in your home or garden. On a weekly basis, have them care for the plants and journal their observations about the flowers' growth and appearance.

(Recommended for children five and older.)



NEST 529 Nature

Challenge your children to author and draw comic books/strips about nature – anything from flowers being pollinated to birds chirping. This fun activity will challenge them to tap into their creativity and hone their writing skills as they create condensed messaging to accompany each scene.

(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 or 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.

This material is provided for general and educational purposes only, and is not intended to provide legal, tax, or investment advice, or for use to avoid penalties that may be imposed under U.S. federal tax laws. This material is not an offer to sell or a solicitation of an offer to buy any securities. Any offer to sell units within the Plan may only be made by the Program Disclosure Statement and Participation Agreement relating to the Plan.

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.

Nebraska Educational Savings Plan Trust Issuer

Nebraska State Treasurer Trustee

Nebraska Investment Council Investment Oversight

First National Bank of Omaha Program Manager

First National Capital Markets, Inc. Primary Distributor, Member FINRA, SIPC

First National Capital Markets and First National Bank of Omaha are affiliates.



Nebraska State Treasurer, Trustee

1 First National Bank
Omaha

Program Manager

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

*Except the Bank Savings Investment Option

©2019 First National Bank of Omaha

Q1V12019