



## Dear Participants,

Let's face it, the last year — especially the last quarter of 2018 — was a tumultuous period for the stock markets. There is talk of an upcoming recession, but there is no clear agreement as to when this may occur or if there may be unexpected "shocks." So, what does this all mean for you and your Plan account?

Long-term and experienced investors would likely say, "This kind of thing happens all the time and is quite normal. Just make sure your asset allocation aligns with your individual needs and risk tolerance." This is good advice for many of us as we reach for the antacids, but it is even better when we look at the realities.

Over the past ten years, from March 31, 2009 through March 31, 2019, the S&P 500 generated a 15.92% annualized return\*, including last year's dismal returns. Of those ten years, 2018 was the only calendar year showing a decline. But put yourself back to December 31, 2008 when you just endured a 37.00% decline in the market — significantly more than the last year's loss of 4.38% — and ask yourself if it was a good time to "bail out." For some the answer would be yes, if they needed the money soon, but for most the answer would be no.

Nobody can predict what markets will do, especially over the shorter term.

To learn more about the markets, contact your local Account Executive.



Diana Jones Ritter

Blake G. Washington

David J. Natoli

\* Historical data tab: <https://finance.yahoo.com/quote/%5EGSPC/history?p=%5EGSPC>



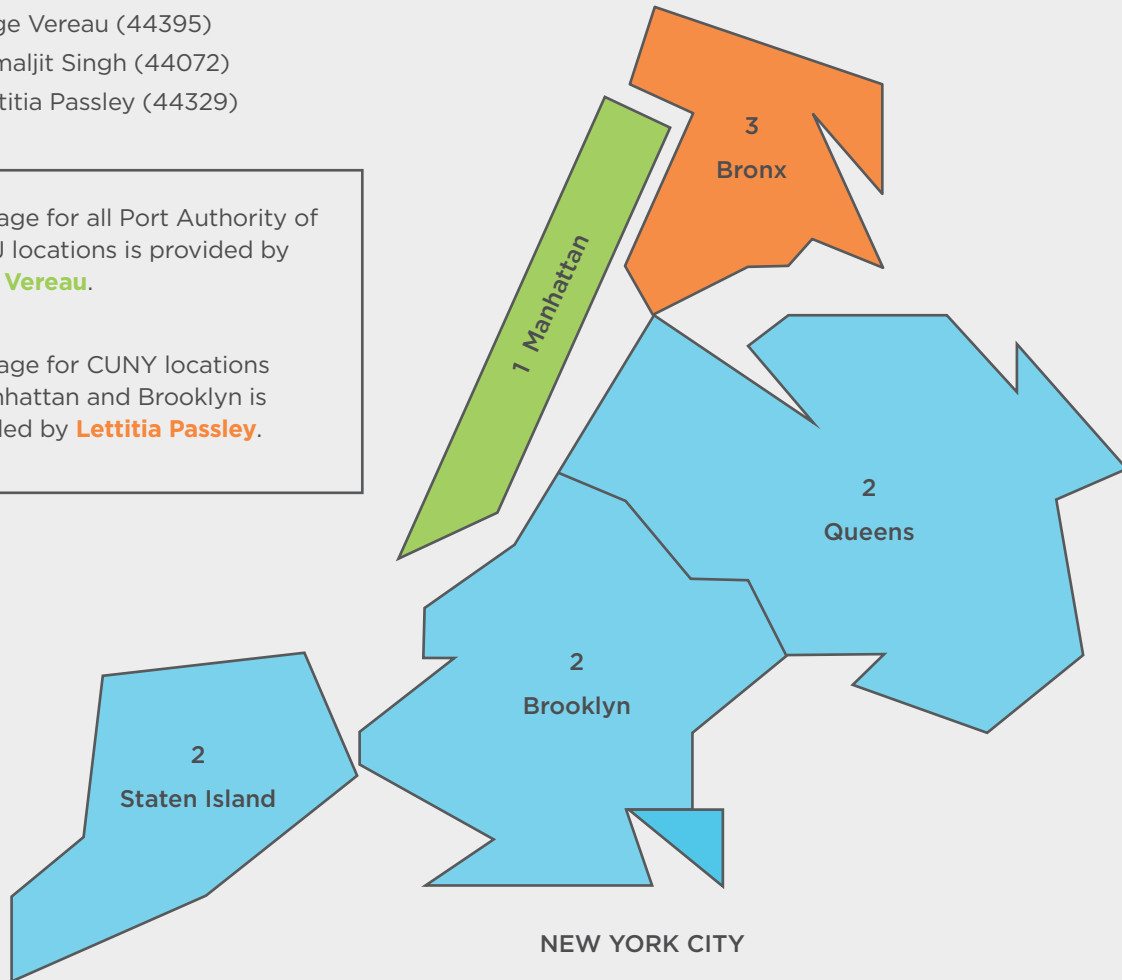
**For those in the New York City area, you might see a new face in your territory. Please check your primary contact as the territories shifted slightly.**

To contact Account Executives in the New York City area, call the HELPLINE at 1-800-422-8463, choose Option 3, and then enter the extension of your Account Executive, indicated below, followed by the pound sign:

- 1 Jorge Vereau (44395)
- 2 Kamaljit Singh (44072)
- 3 Lettitia Passley (44329)

Coverage for all Port Authority of NY/NJ locations is provided by **Jorge Vereau**.

Coverage for CUNY locations in Manhattan and Brooklyn is provided by **Lettitia Passley**.



Investing involves market risk, including possible loss of principal. No investment strategy or program can guarantee a profit or avoid loss. Actual results will vary depending on your investment and market experience. Account Executives cannot offer investment, tax or legal advice. You should consult your own tax or legal counsel before making retirement plan decisions.

## SPECIAL INVESTMENT OPTIONS

# When you're looking to diversify, consider the whole world

We often discuss the importance of asset allocation and diversification as a way to manage market risk as you invest for long-term growth, but many participants are looking for ways to sync their personal values with their investments.

If you're among them, you'd be part of a growing, significant, grassroots trend that constitutes \$12 trillion of the \$46 trillion in professionally managed assets in the United States. According to the US SIF Foundation's 2018 Report on US Sustainable, Responsible and Impact Investing Trends, 60% of millennials think making socially responsible investments is important, as compared to 36% of baby boomers, both of which are growing percentages. In fact, 60% of millennial investors already have more than 21% of their assets in Environmental, Social and Governance (ESG) products, and that percentage is also rising.



The Plan offers the Pax Global Environmental Markets Fund – Institutional, one of the Specialty Options in our Investment Options lineup, for investors like you. This mutual fund (ticker: PGINX) invests across all environmental sectors around the world and is fossil-fuel free.

The fund typically invests in companies that focus on issues such as:



Energy efficiency



Renewable or alternative energy



Water infrastructure



Pollution control



Waste management



Sustainable food and agriculture



**If you'd like to include socially responsible investing in your retirement investment strategy, you've got the whole world available to you.** Request a fact sheet and prospectus for the Pax Global Environmental Markets Fund from the HELPLINE by calling 1-800-422-8463. As with all investment options, be sure to read both documents carefully before making your decision.

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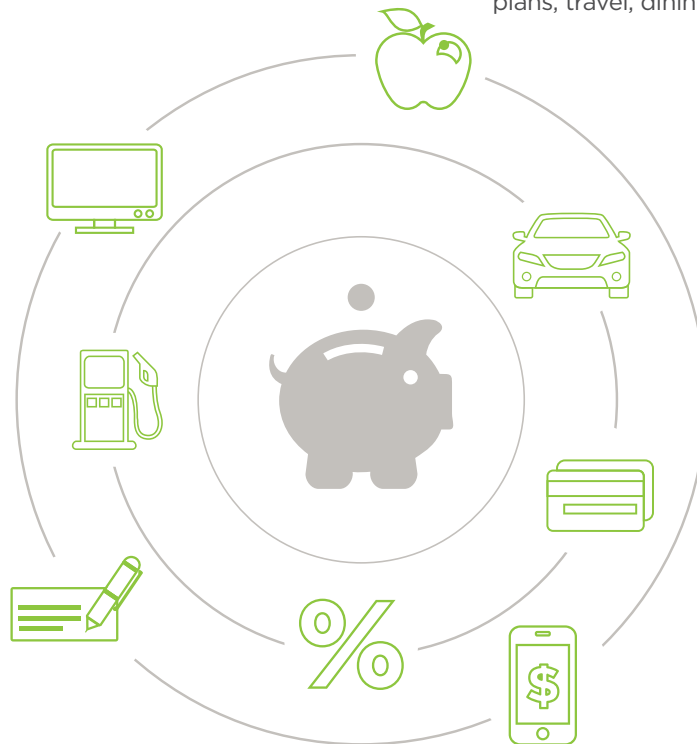
**Before investing, you should carefully consider the fund's investment objectives, risks, charges, and expenses. This and other information is contained in the fund prospectus or fact sheet, which is available by calling 1-800-422-8463. Read it carefully before you invest.**

International investing involves additional risks, including currency fluctuations, political instability and foreign regulations.

# How to find more money to save for retirement

Turning hidden costs into increased retirement plan contributions can feel like a scavenger hunt—you gotta know where to look! Here are a few ways you might be able to save:

- **Stop paying for what you don't use**  
For example, remove premium cable channels you rarely watch.
- **Pack your lunch**  
You could save money if you skip dining out every day, and you may even eat healthier.
- **Carpool or use public transportation**  
Save money on gas and reduce wear-and-tear on your car.
- **Stall a new car purchase**  
What would be a car payment could become increased retirement savings. *That new car smell doesn't last long anyway.*
- **Avoid late fees**  
Pay bills on time. Consider using a bank's automatic bill-paying service to help.
- **Save on credit card finance charges**  
You can save a lot if you can afford to pay the full balance every month.
- **Buy and sell on the Internet**  
Shopping online can be a real money-saver, but be careful! Impulse buying can erode your savings. *Say to yourself, "I will consider this purchase tomorrow."*
- **Take advantage of employee discount programs**  
Some employers negotiate discounts on popular products and services such as Internet, cell phone plans, travel, dining, gym memberships and more.



## Need help finding ways to save?

Contact your Account Executive or call the HELPLINE at 1-800-422-8463.

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# Happy tenth anniversary, bull market

The investment markets have come a long way since the depths of the Great Recession when, on March 9, 2009, the Dow Jones Industrial Average (DJIA) opened at 6,547.05. Exactly 10 years later, the DJIA closed at 24,450.24, and now just recently closed the second quarter of 2019 at 26,599.96. These results furthered the longest bull market in modern U.S. history, breaking a record in August 2018.

## Trendlines & Annotations



Source: WSJ.com, accessed April 8, 2019

While much of the decade-long trend was relatively smooth, the investment markets began encountering turbulence in late 2017 that has continued to the present day, as you can see by the green box in the chart above. This turbulence—sharp, short-term ups and downs in trading—is called market volatility.

However, Plan participants tend to be long-term investors working to achieve better financial security through retirement. The chart can help you see the big picture. If you could zoom out to the last 75 years, the trendline should be generally the same – sloping upward.

Of course, with investing, future success can never be guaranteed by relying on past performance. But three quarters of a century of generally upward movement seems to reinforce the notion that long-term investors with a well-considered strategy may enjoy investment success by staying on course.

To weather market volatility, consider continuing what you've been doing unless other factors, such as a life event, give you a reason to change.

## Tips to weather market volatility<sup>1</sup>

### Volatility isn't unusual.

Since 1979, the average number of market shifts of 1% or more is 62 per year.

### Volatility isn't necessarily harmful.

Consider sticking to your investment strategy unless there's good reason to alter your course.

### Market timing rarely works.

The ten best and ten worst days in a given period tend to be clustered together, making it extremely difficult to avoid the worst while investing to capture the best.<sup>2</sup>



If you'd like to discuss your investment strategy or any aspect of Plan participation, contact your Account Executive or call the HELPLINE at 1-800-422-8463.

<sup>1</sup> "Six tips for surviving volatile equity markets," US News and World Report (October 2018).

<sup>2</sup> Market timing can raise costs for all participants, which is why there are penalties against short-term trades through the Plan.

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## Welcome new participating employers

Camden Central School District	New City Library	Town of Moriah
Delaware Academy Central School	Port Jefferson Library	Town of Stafford
East Hampton Union Free School District	Silver Creek Central School District	Town of Windham
Elmsford Union Free School District	Syracuse Urban Renewal Agency	West Islip Union Free School District
Frankfort-Schuyler CSD	Town of Forestburgh	Yates County
Nassau County IDA	Town of Greenwood	
	Town of Huntington Housing Authority	

### The Plan makes enrolling easier than ever.

Tell a friend they can enroll in just minutes, online. Point them to [nysdcp.com/enroll](https://nysdcp.com/enroll).

### New email notifications for distributions

For participants enrolled in the eDelivery paperless program, starting in August 2019, the Plan will begin sending emails when a distribution request is received and again when the distribution has been processed. These courtesy emails will be sent to the email address on file with the Plan's recordkeeper and will not require any action from participants.



To update an email address or discontinue the eDelivery service, contact the HELPLINE at 1-800-422-8463.

**Before investing, you should carefully consider the option's investment objectives, risks, charges, and expenses. This and other information is contained in mutual fund prospectuses and in CIT and custom-option fact sheets, which are available by calling 1-800-422-8463. Read carefully before you invest.**

This newsletter provides information that is intended to help participants understand what investment alternatives are available to them under the Plan. If you need investment, tax or legal advice, please ask your accountant or lawyer. While we are pleased to help keep you up to date on your retirement savings, nothing in this newsletter can change the terms of the Plan or any investment contract.

Participants in the New York State Deferred Compensation Plan will be charged administrative fees for the Plan Year beginning April 1, 2019 and ending March 31, 2020. Each participant account is charged a \$20 annual fee, assessed in two \$10 semi-annual installments in April and October. In addition, an asset-based fee determined by the Board will be assessed to participants with a balance greater than \$20,000. The asset-based fee will not be assessed on assets in excess of \$200,000. The semi-annual asset-based fee assessed in April 2019 was 0.015%. It is anticipated the semi-annual fee to be assessed in October will be 0.015%.

Each of the mutual funds offered by the Plan has fund expenses that are netted directly from the mutual fund's daily price. These will vary based upon the investment fund selected.

Information provided by Account Executives is for educational purposes only and is not intended as investment advice. Neither the Administrative Service Agency nor any of its representatives offer investment, legal or tax advice. For such guidance, you should consult your own investment, legal or tax advisor.

Account Executives are registered representatives of Nationwide Investment Services Corporation, member FINRA, Columbus, Ohio.

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