



Important information from the State of Nevada

Over the past few weeks, the growing concern of the coronavirus (COVID-19) has had all of our attention. As this situation continues to have an increased impact on financial markets and communities, the State of Nevada wants to help make sense of what is surely an emotional time for families and an anxious time for investors. Please know that we are all here for you during this challenging and stressful time.

Putting things into perspective

Negative market response to health crises is not new. In fact, since 2003 there have been several different epidemics that caused short-term disruption and panic in the financial markets. The good news is that in nearly every case they were relatively short-lived, and as you can see from the chart below, the S&P 500 experienced sizable gains over the months immediately following the downturns. While there is no guarantee the market will rebound in this current situation, historically negative market responses to these types of healthcare crises have been temporary dips.

Historical view of market performance during epidemics*

Epidemic	Month end*	6-month performance, S&P 500	12-month performance, S&P 500
SARS	April 2003	14.59%	20.76%
Avian (Bird) flu	June 2006	11.66%	18.36%
Swine flu (H1N1)	April 2009**	18.72%	35.96%
MERS	May 2013	10.74%	17.96%
Ebola	March 2014	5.34%	10.44%
Measles/Rubeola	December 2014	0.20%	-0.73%
Zika	January 2016	12.03%	17.45%

*Source: Dow Jones Market Data, as cited on foxbusiness.com, January 27, 2020. Stocks are represented by the Standard & Poor's 500 price index. Returns reflect the change in price, but not the reinvestment of dividends. The S&P 500 is an unmanaged index that is generally considered to be representative of the U.S. stock market. Returns shown do not reflect taxes, fees, brokerage commissions, or other expenses typically associated with investing. The performance of an unmanaged index is not indicative of the performance of any particular investment. Individuals cannot invest directly in any index. Actual results will vary. Past performance does not indicate future results.

*End of month during which early incidents of outbreak were reported.

**H1N1 occurred during the financial crisis, when, as during other periods, many different factors influenced by market performance.

Strategies that can help you stay calm through the storm

Market volatility can be unsettling and increase anxiety. While no one can predict what the market will do and when, making decisions based on panic rarely plays out well in the long term. In these challenging times, we must find a balance in the way we live and invest to take advantage of the inevitable progress of science and in financial markets while managing the probability of short-term disruptions. That's why it's important to focus on your long-term goals as well as asset allocation and rebalancing based on goals, time frame, and risk tolerance.

History and time have shown that volatility often has an upside, especially when you use strategies like dollar-cost averaging. When you dollar-cost average, you invest equal dollar amounts at regular intervals of time – for example, investing \$100 in your NDC Plan at the same time each month. Rather than trying to time the market's ups and downs, you buy at range of difference prices. Keep in mind that dollar cost averaging does not ensure a profit nor guarantee against loss. Investors should consider their financial ability to continue their purchases through periods of low price levels.

For Nevada Public Employees' Deferred Compensation (NDC) Plan savers, this is a great time to register your retirement accounts online. When you register online, not only is your account more secure, but you can sign up for eDelivery and access the robust financial wellness offering from the NDC's contracted recordkeeper, Voya Financial.

We are here to help

Register for or log into your account today at nevada.beready2retire.com to review your current investment choices and call Voya at **(800) 584-6001** with account questions.

Our NDC Administrative team and authorized Voya Financial Staff is here to guide you through these turbulent times. PLEASE CALL AT ANYTIME. We want to make sure your decisions are in line with your long-term goals. Should anyone have questions or concerns regarding their NDC Account, participants may reach out to the NDC Administrative Team at deferredcomp@defcomp.nv.gov, the NDC contracted Recordkeeper, Voya Financial, at their dedicated office located here in Carson City at 775-886-2400, the Voya National Call Center at 800-584-6001, or you may contact the NDC Executive Officer, Rob Boehmer, directly with questions or concerns via email at: rboehmer@defcomp.nv.gov.