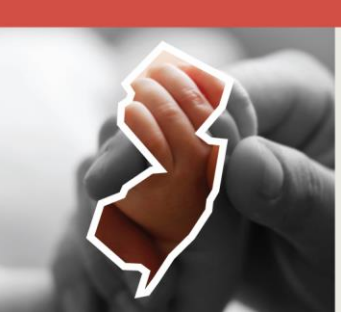

NJABP
Alternate Benefit Program

Your Future in Focus

Do You Think Investing for Retirement Has to Be Risky?

"Market volatility" refers to the tendency for the investment markets to fluctuate unpredictably—and it's a normal risk of investing. When it comes to investing for retirement, many investors sell when the stock market fluctuates. But that shouldn't always be the case. If the ups and downs of stock prices have you biting your nails, you may want to consider looking at investing for retirement differently. Because changing course could mean you might miss out when the market rebounds.

Behavioral scientists say people fear losses more than they anticipate gains—and then they act accordingly (and irrationally). Before you act, consider what's driving your decision—facts or fear?

Remember: You're in it for the long term

Timing is everything, but successful market timing is nearly impossible—even for professional investors. **If you sell when prices are down, you "lock in" losses**—and lose the chance to gain when prices come back. "Herd" investing (i.e., "following the crowd") can drive you over a cliff. If you follow the pack wherever it's headed, you may end up behind. By the time you hear about today's market performance on Wall Street, it's *yesterday's* news.

Are you looking for a smoother journey?

A well-diversified portfolio may help balance out the potential ups and downs of the markets. One way to achieve this is through asset allocation—spreading your money across different investment types. Asset allocation won't guarantee a profit or protect against loss, but it can help smooth your road to a more secure retirement.

Fortunately, as a participant in the **New Jersey Alternate Benefit Program (ABP)**, you have access to a wide array of investment options, as you can see from the chart on the right.

This is a simplified illustration of the relationship between investment risk and potential rate of return. There is no assurance that higher risk investments will provide greater returns over time. Past performance is not indicative of future performance.

The following funds are registered mutual funds: Calvert Equity I Fund, Oppenheimer Developing Markets Y, and PIMCO All Assets Instl.

The ABP offers a full range of investment alternatives across the risk-return spectrum. Within stocks, the Plan's investment options are offered across the geographic, market capitalization, economic (developed versus emerging markets) and growth-value spectrum. A socially responsible equity option is available, as well. The ABP also offers both core and opportunistic fixed-income options, a balanced (bonds and stocks) option, a real return (inflation-protection) strategy option, and a stable value option.

Keep in mind, though, that every investment has some degree of risk—and potential reward. If an investment offers little risk of losing money, it may also offer less of a chance for higher returns. An investment with greater risk may offer a higher chance for returns, but there is no guarantee that a higher-risk investment will provide greater returns.

Register Your Email Address with Prudential

Are you looking to cut down on the amount of mail you receive? Then be sure to register your email address with Prudential Retirement®. When you do, you can choose to receive all Plan-related communications online and by email.

It's quick and easy to make the change:

1. Visit **www.prudential.com/njabp**.
2. Click on "Access My Account."
3. Click on "Register Now."
4. Follow the on-screen prompts.

The Help You Need—at No Additional Cost!

Your Prudential Retirement Counselors

When you have questions about retirement planning—including the investment options available to you in the ABP—the "answers" may be at your fingertips, thanks to your Prudential retirement counselors. Be sure to reach out to one of your knowledgeable retirement counselors *today.*

Your Retirement Counselor Contact Information

Alicia Smith *(Northern Jersey)* **Email:** alicia.smith@prudential.com **Phone:** 732-428-2314	**Bob Rooyakkers** *(Central Jersey)* **Email:** robert.rooyakkers@prudential.com **Phone:** 732-587-8331	**Cornell Fields** *(Southern Jersey)* **Email:** cornell.fields@prudential.com **Phone**: 908-461-9148

Plan information can be obtained by calling **855-NJABP11** (855-652-2711) toll free or by visiting **www.prudential.com/njabp**.

Investors should consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus, and if available the summary prospectus, contains complete information about the investment options available through your plan. Please call 1-877-778-2100 for a free prospectus and if available, a summary prospectus that contains this and other information about our mutual funds. You should read the prospectus and the summary prospectus, if available carefully before investing. It is possible to lose money by investing in securities.

Keep in mind that application of asset allocation and diversification concepts does not assure a profit or protect against loss in a declining market. It is possible to lose money by investing in securities.

Shares of the registered mutual funds are offered through Prudential Investment Management Services LLC (PIMS), Newark, NJ, a Prudential Financial company. Prudential Retirement is a Prudential Financial Business. Retirement Counselors are registered representatives of PIMS

The DCP Stable Value Fund is a trust product that is composed of a group annuity contract issued by The Prudential Insurance Company of America and a portfolio of assets owned by the New Jersey State Employees Deferred Compensation Plan or its designee. Guarantees apply during the term of the group annuity contract. The Fund is not issued or guaranteed by the U.S. government or by any state government or agency. Transfers into the Fund may be made at any time. Transfers out of the Fund may be made to other investment options that are accepting contributions at such time. If in the future the Plan adds an investment option(s) with characteristics similar to the DCP Stable Value Fund, transfers to such new option(s) may be subject to restrictions. The Prudential Insurance Company of America, Newark, New Jersey, is a Prudential Financial company.

NJABP Alternate Benefit Program

Prudential

The Prudential IncomeFlex Target Fund is a separate account under a group variable annuity contract issued by Prudential Retirement Insurance and Annuity Company (PRIAC), Hartford, CT, a Prudential Financial company. PRIAC does not guarantee the investment performance or return on contributions to the separate account. You should consider the objectives, risks, charges, and expenses of the Fund and guarantee features before purchasing this product. Like all variable investments, this fund may lose value. Availability and terms may vary by jurisdiction; subject to regulatory approvals.

For this and other information, please visit www.prudential.com/njsedcp or call 1-866-NJSEDCP (1-866- 657-3327) for a copy of the Prudential IncomeFlex Target® Important Considerations before investing. Annuity contracts contain exclusions, limitations, reductions of benefits, and terms for keeping them in force. Contract form # GA-2020-TGWB4-0805-NJ.

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