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Credential[®]
Securities

“Correctly predicting the ups and downs of the market is an extremely difficult, if not, impossible task. Maintaining focus on your investment objectives and long-term goals will help get you to the finish line”



Market Update – May 4, 2020

This special webinar was hosted by NEI Investments and was the latest in their series of regular market updates. For our wealth management services, our credit union partners with Aviso Wealth. NEI Investments is a part of Aviso Wealth and is Canada leader in Responsible Investment funds and portfolios.

In these sessions, experts from NEI Investments provide context for the most recent market developments and share information regarding what to expect in the coming days and weeks.

You can [listen to the full recording here](#)

Key points from the webinar:

- The last few months have been anything but “business as usual” and NEI Investments maintains regular, close contact with its sub-advisors.
- The NEI Canadian Equity Fund continues to hold shares of Air Canada. The airline was in a “much stronger financial position” going into COVID-19 than past crises, with billions of dollars of liquidity and unencumbered assets.

- Of the S&P 500 companies that have reported Q1 earnings, some have cut or suspended dividends. However, 19 companies have increased dividends. NEI funds have holdings in 10 of those 19 companies. This mixed dividend news reinforces the need for active management that can identify quality companies with stable cashflows.
- NEI Bond funds are generating higher internal yield than respective benchmarks, thanks in part to active management.
- With regard to responsible investing (RI):
 - “Preliminary indications” are that institutional investors and asset owners are reaffirming their commitments to sustainable investment portfolios.
 - According to Morningstar, record amounts of money flowed into the RI category in Q1 (US) despite overall record long-term fund outflows.
 - Early data from Morningstar suggests ESG funds have been more “resilient” during this volatile time.

If you have any questions, please feel free to contact me.

Sincerely,

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