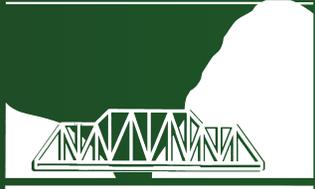


RED WING CREDIT UNION



QUARTERLY FOCUS

TIPS TO AVOID BEING A VICTIM OF FRAUD

When it comes to fraud and scams, you can always assume that if something is too good to be true, it probably is, especially during these unprecedented times. Scammers will go to great lengths for financial gain even in times of crisis by taking advantage of people's fears and looking for vulnerabilities in their victims. It is important you know what things to look for to avoid future losses. Listed below are a few of the actions you should avoid.

- Scammers will often insist that people wire money, purchase gift cards or mail cash immediately, because it is usually impossible to reverse the transaction or trace the money. Never wire money to strangers, or

to sellers who insist on a wire transfer for payment, or to anyone who claims to be a relative or friend in an emergency but wants you to keep the request a secret. If the scammer sends a check to you to deposit into your account, always allow the check to clear your account first, usually five to seven business days to avoid it being returned, leaving you with a loss.

- Only conduct business online with entities that are reputable and you know. Never send cash or wire funds to them before you receive your item. To avoid online phishing scams or malware, don't click on links from sources that are unfamiliar to you.
- Do your homework when it comes to donations. If someone requests donations in cash, by gift card, or by wiring money, think hard and twice. Research the organization by contacting the Better Business Bureau or State Department of Commerce or only donating to reputable organizations.
- Be alert to "investment opportunities." If contacted to participate in a low risk, high return investment opportunity, stay away. When you hear pitches that insist you act now, that guarantee big profits, that promise little or no financial risk, or demand that you send cash immediately, report them at ftc.gov.

As a reminder, Red Wing Credit Union will never send an email or text to you asking for your personal information. If you get one that claims to be from us, report it immediately! Always remember that if you are ever in doubt of any request, simply call us 651-388-7133 and we can help you determine if it is legitimate or fraudulent.

Preview Summer 2020

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3303 North Service Drive • Red Wing
www.redwingcu.com

MEET OUR 2020 SCHOLARSHIP WINNERS

Red Wing Credit Union understands the importance of education, and to assist our members who are continuing their studies with tuition costs, we awarded three scholarships to graduating high school seniors this spring. The selections were chosen based on essays answering "Community service is an integral part of credit unions. Share an experience when you contributed your time and/or talents in the community. What did you learn from the experience?". The first Scholarship for \$1,000 is given in memory of Rhonda Schultz, a 35-year employee of the credit union. Rhonda made valuable contributions to the well-being of many of our members as our loan manager. In recognition of her efforts, we are proud to offer the scholarship in her name. Two additional awards of \$500 are also granted.

KENDRA OELKERS, the daughter of Ian Swinnerton and Alicia Swinnerton was the recipient of the Rhonda Schultz \$1,000 Memorial Scholarship. Kendra was a honor student who graduated from Lake City High School where she also participated on the Soccer and Track and Field teams. While in high school she volunteered her time with numerous community activities including coaching youth soccer. Kendra will be attending the University of Minnesota, Twin Cities where she was accepted into the College of Science and Engineering. She looks to take advantage of the University's strong research program and explore everything they have to offer.



KENDRA OELKERS



JENNA JABLONSKI



BECCA ALPERS

JENNA JABLONSKI, the daughter of Jeffrey Jablonski and Sherry Jablonski was presented a \$500 scholarship. Next fall Jenna will be attending The University of Wisconsin Stout where she will focus her energies on a degree in Forensic Science. She graduated from Red Wing High School with honor accolades. While in high school Jenna, played Varsity softball for three years, was employed at two different businesses and volunteered her time and efforts throughout the community.

BECCA ALPERS, the daughter of John and Jodi Alpers was awarded a \$500 scholarship. While at Goodhue High School, Becca graduated with high honors for her academic performance, was Captain of the High Kick and Jazz Dance Team, a member of National Honor Society, was active in her church and several youth volunteer groups. She will be pursuing a degree in Communication Sciences and Disorders at Bethany Lutheran College in Mankato, Minnesota.

Red Wing Credit Union staff would like to wish, Kendra, Jenna and Becca and all the recent graduates the best of success in all their future endeavors.

YOUR CARD. YOUR CONTROL.

Manage your Red Wing Credit Union debit and credit cards anytime, anywhere with our new Card Control mobile app! Simply download the app to your mobile device and customize your settings so you can manage your spending and protect yourself against fraud, all through the simple, easy-to-use app.

FRAUD PROTECTION

A lost or stolen card is just one area of concern in today's world, where identity theft, fraud and other attacks are an unfortunate reality. Turning off your card when you are not using it helps protect against these events. When your card is "off", no withdrawals or purchases will be approved except for previously scheduled recurring transactions. When your card is "on", only transactions within your specified preferences will be processed. Plus, transaction controls allow your card to work only on specific locations or geographic areas, adding another layer of protection. Real-time alerts keep you informed when your card is used, approved, or exceeds the transaction controls set by you.

CONTROL SPENDING

If you are trying to establish or maintain a budget, Card Connect can help you. Set spending limits for general use or specify thresholds by merchant types, such as gas, groceries or retail stores. You can also set these controls by location. The flexible Card Control application allows you to change these parameters at any time with ease through your mobile device. Going on vacation, holiday shopping, just update your transaction controls to fit your spending needs.

REVIEW BALANCES AND TRANSACTIONS

Monitor your finances from anywhere. Use the Card Control app to check your account balances and recent transactions real time.

GET STARTED TODAY -

Download the Free
Red Wing CU Card Control app.

Available on the Apple App Store or on Google play. Have questions, go to www.redwingcu.com or call our member service reps at 651-388-7133.

INVESTMENT CORNER

by Rich Douglas



CORONAVIRUS CONCERNS? CONSIDER PAST HEALTH CRISES

During the last week of February 2020, the S&P 500 lost 11.49% — the worst week for stocks since the 2008 financial crisis — only to jump by 4.6% on the first Monday in March.¹ By all accounts, the drop was largely driven by ever-increasing fears about the potential effects of the coronavirus (COVID-19) and its ultimate impact on the global economy. Although many market observers contend that the market was overvalued and due for a correction anyway, the unpredictability, strength, and suddenness of the historic tumble was unnerving for even the most seasoned investors. If recent volatility is causing you to consider cashing out of your stock holdings, it may be worthwhile to pause and put recent events into perspective, using history as a guide.

A Look Back

Since the turn of the millennium, the market's negative response to health crises has been relatively short-lived. As this table shows, approximately six months after early reports of a major outbreak, the S&P 500 bounced back by an average of 10.47%. After 12 months, it rebounded by an average of 17.17%. Although there are no guarantees the current situation will follow a similar pattern, it may be reassuring to know that over even longer periods of time, stocks typically regain their upward trajectory, helping long-term investors who hold steady to recoup their temporary losses, catch their breath, and go on to pursue their goals.

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.

*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 stock market performance.

What Should You Do?

First, keep in mind that market downturns sometimes offer the chance to pick up potentially solid stocks at value prices, which could position a portfolio well for future growth. Again, there are no guarantees that stocks will perform to anyone's expectations — and decisions could result in losses including a possible loss in principal — but it may be helpful to remember that some investors use downturns as opportunities to buy stocks that were previously overvalued relative to their perceived earnings potential.

Moreover, if you typically invest set amounts into your portfolio at regular intervals — a strategy known as dollar-cost averaging (DCA), which is commonly used in workplace retirement plans and college investment plans — take heart in knowing you're utilizing a method of investing that helps you behave like the value investors noted above. Through DCA, your investment dollars purchase fewer shares when prices are high, and more shares when prices drop. Essentially, in a down market, you automatically "buy low," one of the most fundamental investment tenets. Over extended periods of volatility, DCA can result in a lower average cost for your holdings than the investment's average price over the same time period.

Finally and perhaps most important, during trying times like this, it may help to focus less on daily market swings and more on the fundamentals; that is, review your investment objectives and time horizon, and revisit your asset allocation to make

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sure it's still appropriate for your needs. Your allocation can shift in unexpected ways due to changes in market cycles, so you may discover the need to rebalance your allocation by selling holdings in one asset class and investing more in another. (Keep in mind that rebalancing in a taxable account can result in income tax consequences.)

Questions?

If you still have questions about how changing market dynamics are affecting your portfolio, contact me. Often a third-party perspective can help alleviate any worries you may still hold.

¹Based on data reported in WSJ Market Data Center, February 28, 2020, and March 2, 2020. Performance reflects price change, not total return. Because it does not include dividends or splits, it should not be used to benchmark performance of specific investments.

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"These are the opinions of Rich Douglas and not necessarily those of Cambridge, are for informational purposes only, and should not be construed or acted upon as individualized investment advice. Diversification and asset allocation strategies do not assure profit or protect against loss. Indices mentioned are unmanaged and cannot be invested into directly. Past performance is not a guarantee of future results."

WELCOME BACK MACKENZIE

MacKenzie Davis rejoined the credit union at the end of March. MacKenzie was born and raised in Red Wing and currently resides in her home town with her daughter and significant other. In her free time, she enjoys spending time together as a family and enjoying the great outdoors whenever they can. MacKenzie's has over 18 years of customer service. She is thankful to be back at Red Wing Credit Union and looks forward to helping you on your next visit.



SUMMER 2020 *Holiday Closings*

Red Wing Credit Union will be closed the following days to commemorate the holidays:

INDEPENDENCE DAY SATURDAY, JULY 4
LABOR DAY SATURDAY, SEPTEMBER 5
MONDAY, SEPTEMBER 7

Remember you can access your credit union accounts via www.redwingcu.com, Touch Tone Teller, and our mobile banking app 24/7. You can also obtain cash with and ATM or check card. Stop by our office and talk to a member service representative about these free services.

HAVE A GREAT SUMMER!

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Your Hometown Credit Union Since 1954.
Local Decisions Made by People You Know—People Just Like You.

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Schedule Your Appointment Today!

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8:30 a.m. - Noon, Sat

Drive-Up
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8:30 a.m. - Noon, Sat

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