AMERICAN ASSOCIATION OF INDIVIDUAL INVESTORS & BETTERINVESTING

WHAT GLOBAL CONFLICT MEANS FOR YOUR PORTFOLIO IN 2026

24 MARCH 2026

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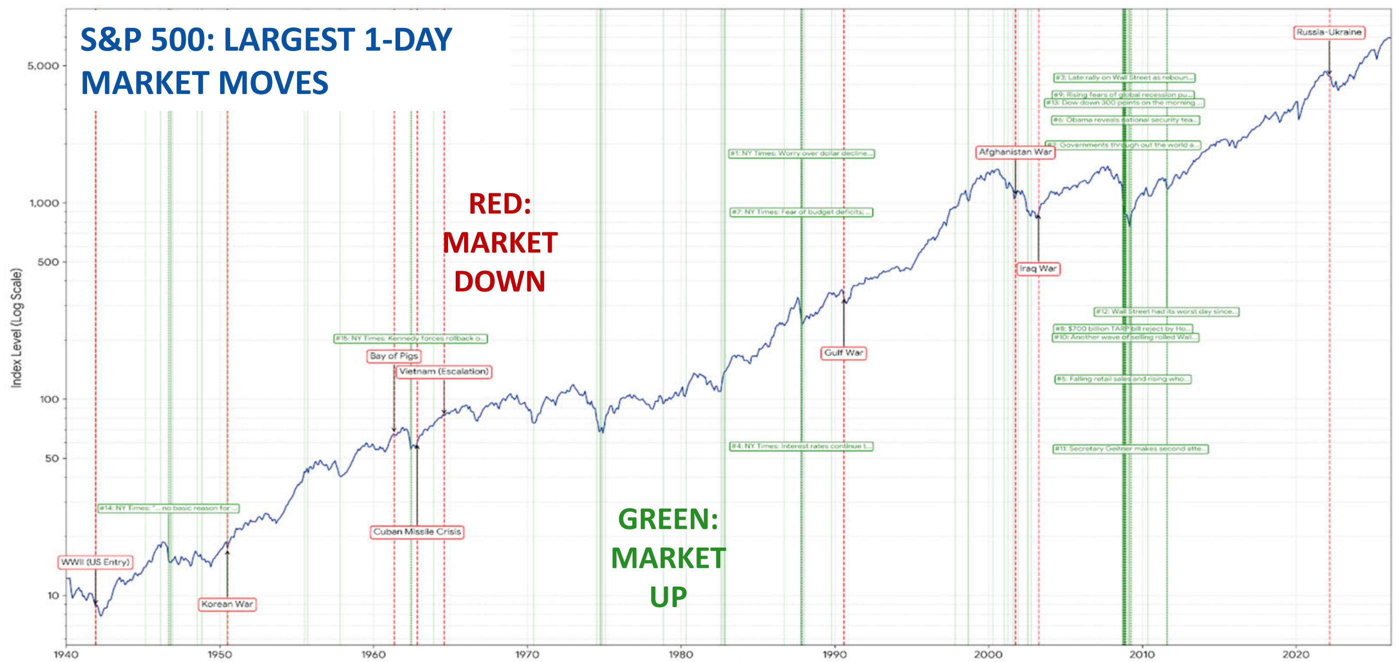
“Don’t be afraid of buying on a war scare.”

— Philip Fisher,
Common Stocks & Uncommon Profits (1958)

WHAT MOVES MARKETS? NOT WAR.



SOURCE: NOVEL INVESTOR

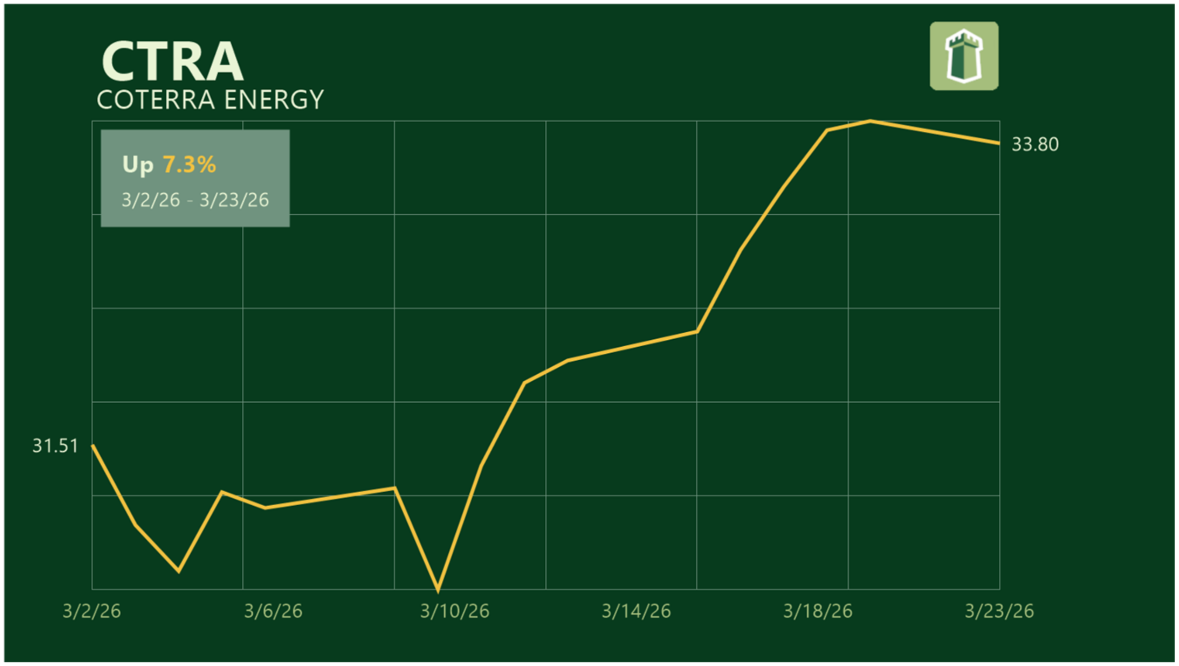
WORST BEAR MARKETS IN US HISTORY

	% Decline	Peak	Trough	Recovery	Event(s)
1	79.0	Aug 1929	May 1932	Nov 1936	1929 Crash & Great Depression
2	54.0	Aug 2000	Feb 2009	May 2013	Lost Decade (Dot-Com Bust, Global Financial Crisis)
3	**51.9**	**Dec 1972**	**Sep 1974**	**Jun 1983**	**Inflation, Vietnam, & Watergate**
4	**51.0**	**Jun 1911**	**Dec 1920**	**Dec 1924**	**WWI & Influenza**
5	**49.9**	**Feb 1937**	**Mar 1938**	**Feb 1945**	**Great Depression & WWII**
6	**37.2**	**May 1946**	**Feb 1948**	**Oct 1950**	**Postwar Bear Market**
7	35.5	Nov 1968	Jun 1970	Nov 1972	Inflationary Bear Market
8	34.2	Jan 1906	Oct 1907	Aug 1908	Panic of 1907
9	30.4	Apr 1899	Jun 1900	Mar 1901	Cornering of Northern Pacific Stock
10	30.2	Aug 1987	Nov 1987	Jul 1989	Black Monday
11	**28.5**	**Dec 2021**	**Sep 2022**	**Mar 2024**	**Ukraine, Rise of Inflation, & Shortages**
12	27.3	Oct 1892	Jul 1893	Mar 1894	Silver Agitation
13	22.8	Dec 1961	Jun 1962	Apr 1963	Height of Cold War & Cuban Missile Crisis
14	22.0	Nov 1886	Mar 1888	May 1889	Depression & Railroad Strikes
15	21.7	Apr 1903	Sep 1903	Nov 1904	Rich Man's Panic
16	**21.1**	**Aug 1897**	**Mar 1898**	**Aug 1898**	**Outbreak of Boer War**
17	20.5	Sep 1909	Jul 1910	Feb 1911	Enforcement of Sherman Antitrust Act
18	20.1	May 1890	Jul 1891	Feb 1892	Baring Brothers Crisis
19	19.6	Dec 2019	Mar 2020	Jul 2020	COVID-19 Pandemic

HIGH-QUALITY ENERGY STOCKS DOING WELL

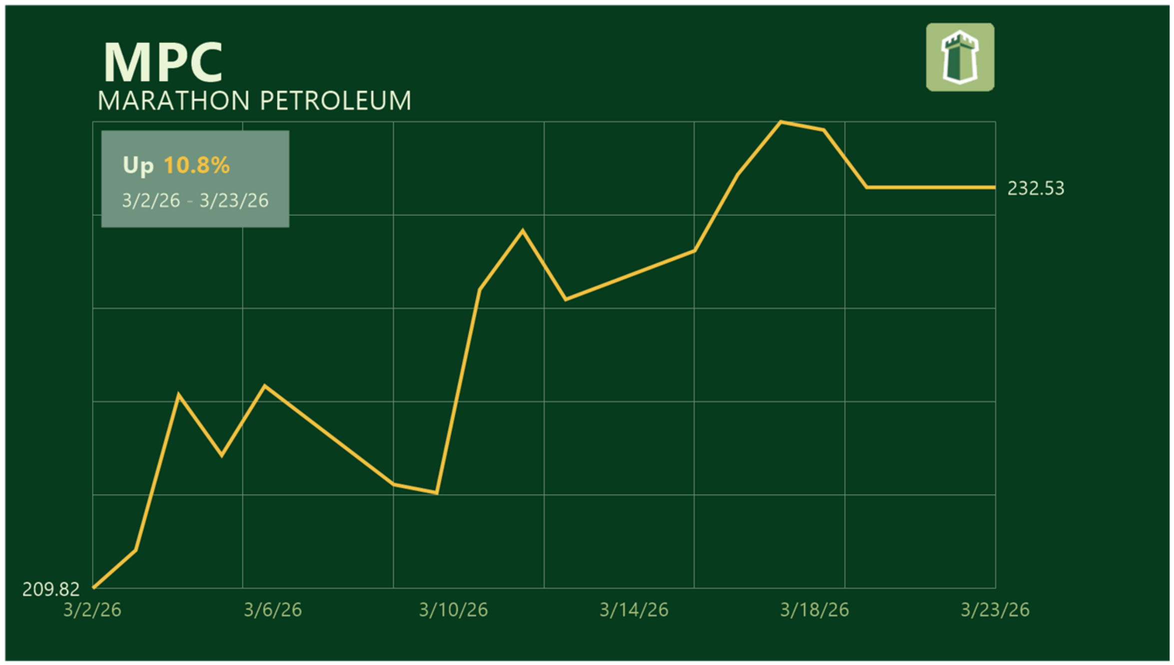
- Energy sector stocks in our ***Dividend Informer*** newsletter are performing well.
- Geopolitical risk premium pushes investors to price in supply disruptions.
- Margins of upstream companies expand during oil price increases.
- Historically, short-lived military skirmishes cause temporary spike & subsequent fade in stock prices.

COTERRA ENERGY (CTRA)



SOURCE: DIVIDEND INFORMER

MARATHON OIL (MPC)



SOURCE: DIVIDEND INFORMER

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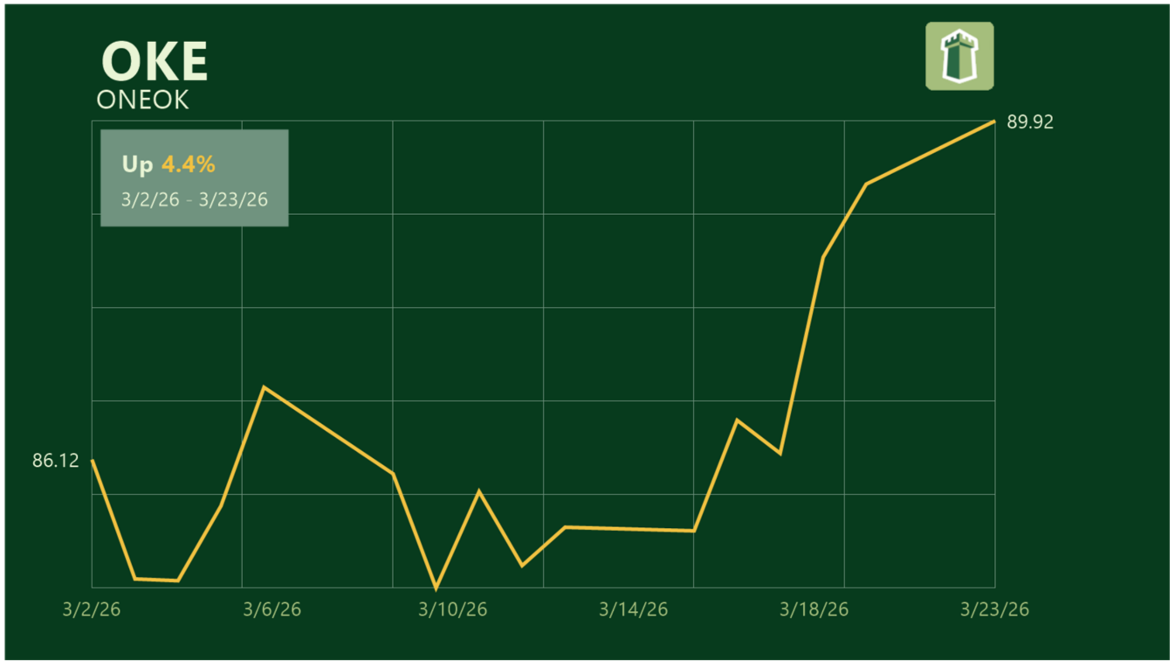
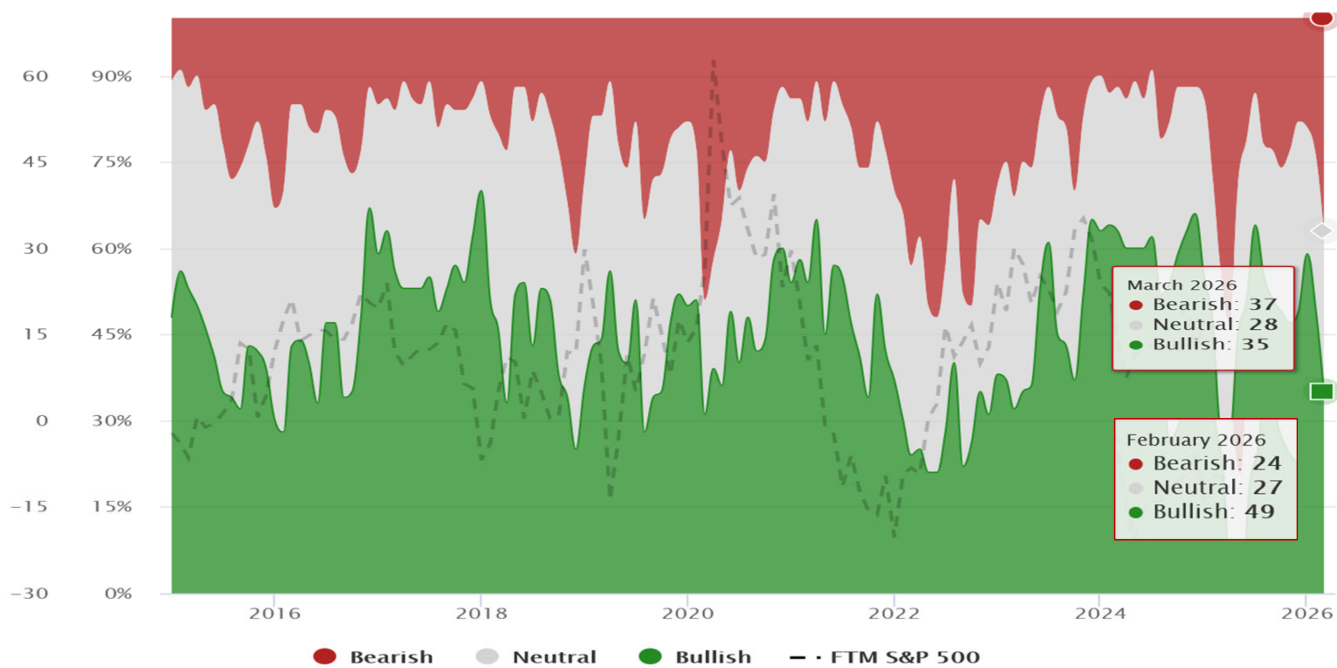


SOURCE: DIVIDEND INFORMER

INVESTMENT CLUB OUTLOOK SHIFTS SLIGHTLY



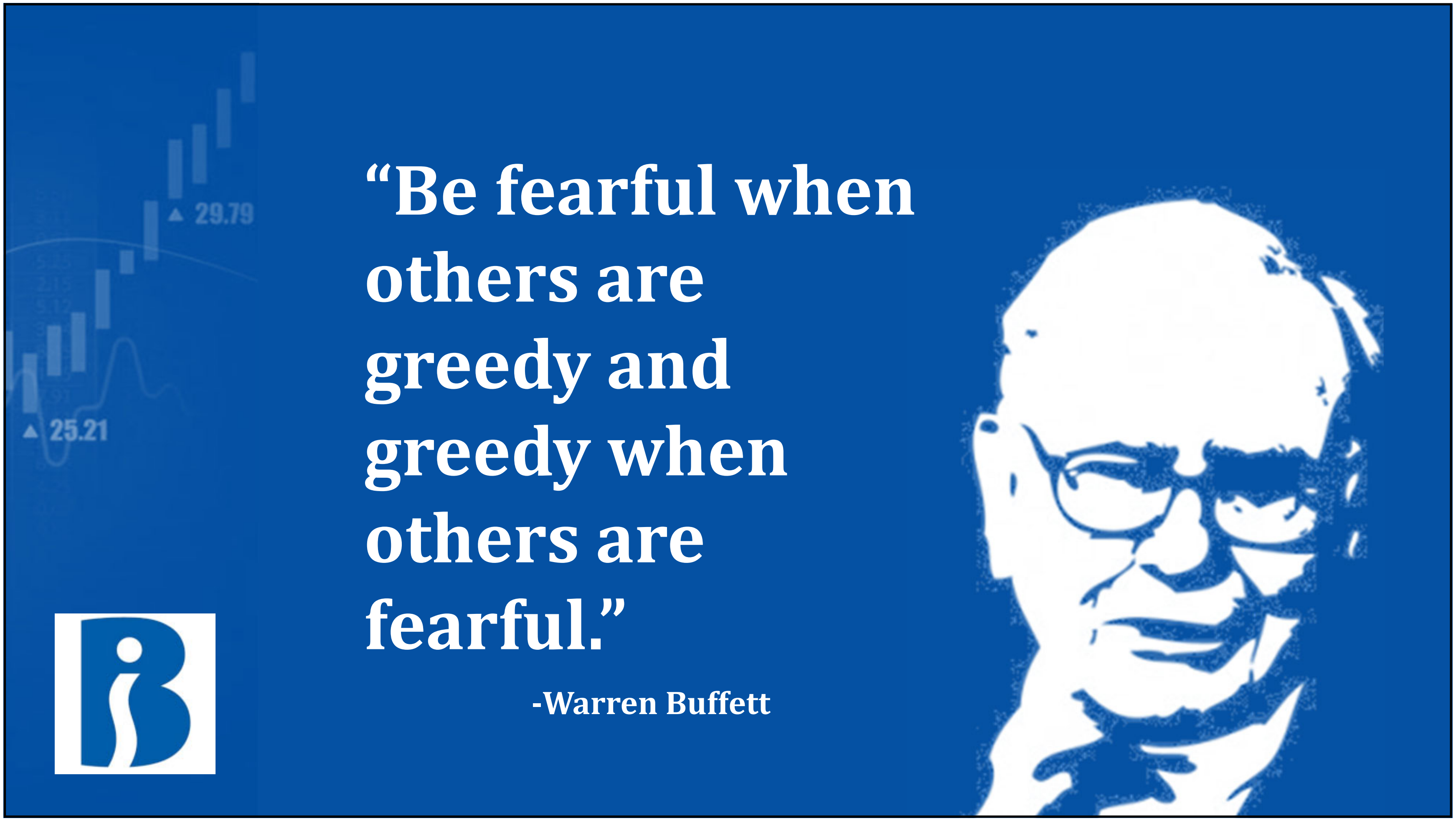
SOURCE: MYICLUB.COM

MAINTAIN 5-YEAR+ HORIZON

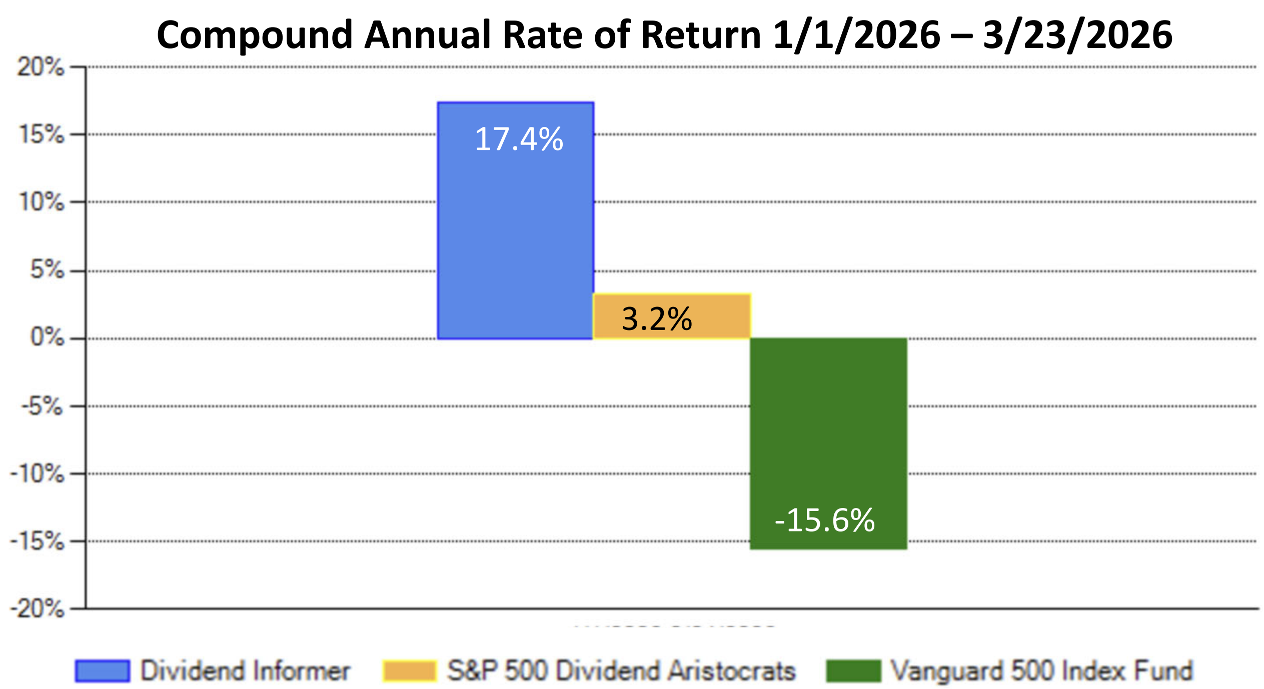
- BetterInvesting's approach to investing is grounded in long-term, buy-and-hold approach to individual stocks.
- This is key risk-management strategy, never deviating from near 100% investment in equities during bull, bear, sideways markets.
- Retirees & near-retirees likely need to maintain some sizable exposure to 5-year capital appreciation prospects of portfolio.
- Each individual can downshift as personal needs require, such as to lower-beta dividend payers.
- BUT wholesale moves in/out of market are rarely effective.

RISKS OF GETTING OUT OF MARKET

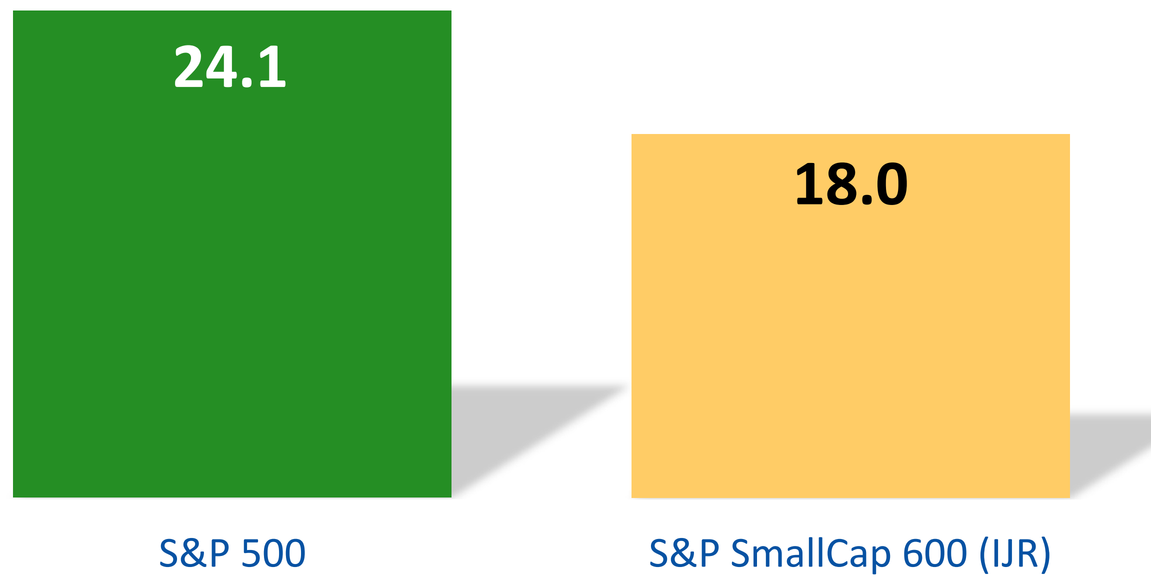
- Selling high & buying higher is no feasible approach to building wealth.
- Key problem with “moving to sidelines” is knowing when to re-engage in market.
  - Wait until market returns to previous highs?
  - Buy back in but risk that bear market rally is happening?
- For long-term, quality stock investors, much better to **sit tight** turmoil.


29.79
25.21
“Be fearful when others are greedy and greedy when others are fearful.”
-Warren Buffett

DIVIDEND/GROWTH STOCKS HOLDING UP



SMALL-CAPS REMAIN UNDERVALUED



As of 20 March 2026


KEEP
CALM
AND
STAY THE
COURSE

OUR 3 INVESTING NEWSLETTERS

Investor Advisory Service: Founded 1973, uses BetterInvesting/SSG style GARP methodology.

- Named to **Hulbert Investment Newsletter Honor Roll** for 15 years for consistent, long-term performance.

SmallCap Informer: Founded 2013, uses SSG approach to target smaller companies with long-term potential.

- Has outperformer S&P SmallCap 600 since founding.

Dividend Informer: Founded 2023, uses new approach to long-term quality & dividend growth metrics with aim to reduce volatility & still deliver performance.

Visit www.BetterInvesting.org/AAII for special savings.