



This is one of those moments that reminds us how fortunate we are to live in Canada. While our country is not perfect—we have regional differences and the occasional political friction, much like any family—we remain overall a healthy, stable, and prosperous nation.

Our health care system can certainly improve, but it remains accessible, and no one faces bankruptcy because a loved one needs surgery or essential medication. Education is available to all and generally well-funded. We have free press that can investigate and report without fear. And we can sleep at night without worrying about bombs, blackouts, or instability.

Global Developments

On Saturday, February 28, despite ongoing negotiations, President Donald Trump announced *Operation Epic Fury*, a joint U.S.–Israeli military action with the stated goal of toppling the Iranian regime. As widely reported, the conflict has since drawn in six countries and led to the closure of the Strait of Hormuz, contributing to rising oil prices.

As with Russia’s invasion of Ukraine, this new conflict is creating global economic and geopolitical disruption. No one can predict when it will end. History has repeatedly shown that removing a leader rarely guarantees stability, and such situations often lead to prolonged turmoil.

We cannot control these events—just as we could not control the war in Ukraine.

Economic Implications

We again find ourselves in a period of uncertainty. Rising oil prices create a risk of inflation, while global instability may cause companies to delay investment, raising the risk of recession. So much for a president who once claimed he deserved a Nobel Peace Prize.

What we *can* control is the quality of the information we consume. The internet is filled with misinformation, unverified claims, and AI-generated content presented as fact. I strongly encourage you to rely on reputable newspapers and national broadcasters as your starting point; although not perfect, they are held to far higher standards than most online sources.

As for how this situation will affect you and your portfolio, I will echo what I wrote in January: I am not making short-term projections. There is no shortage of forecasts about the duration of this conflict or its impact on the global economy, but even those who initiated it do not know how it will play out.

Looking to History

One of the most useful tools we have is history. Since 1928, there have been 35 major wars—now 36. Some have lasted for years. Throughout them all, while markets experienced dips (including several significant ones), the S&P 500 has continued its long-term upward trajectory. Companies providing essential goods, transportation, financial services, and other fundamentals have survived for more than a century and continue to pay reliable dividends.

Despite the current turmoil—and as illustrated in the attached charts—we have weathered many crises before. My philosophy remains the same:

- Maintain a diversified portfolio across sectors and regions
- Hold quality companies
- Collect dividends to support your lifestyle or reinvest for the future

A solid, well-diversified portfolio is built to withstand periods like this. We will continue to collect your dividends and pay them out as income if needed—or reinvest them on your behalf.

There's an old saying about forecasts: they're like a broken clock—repeat them often enough and they will eventually be right, but only for a moment.

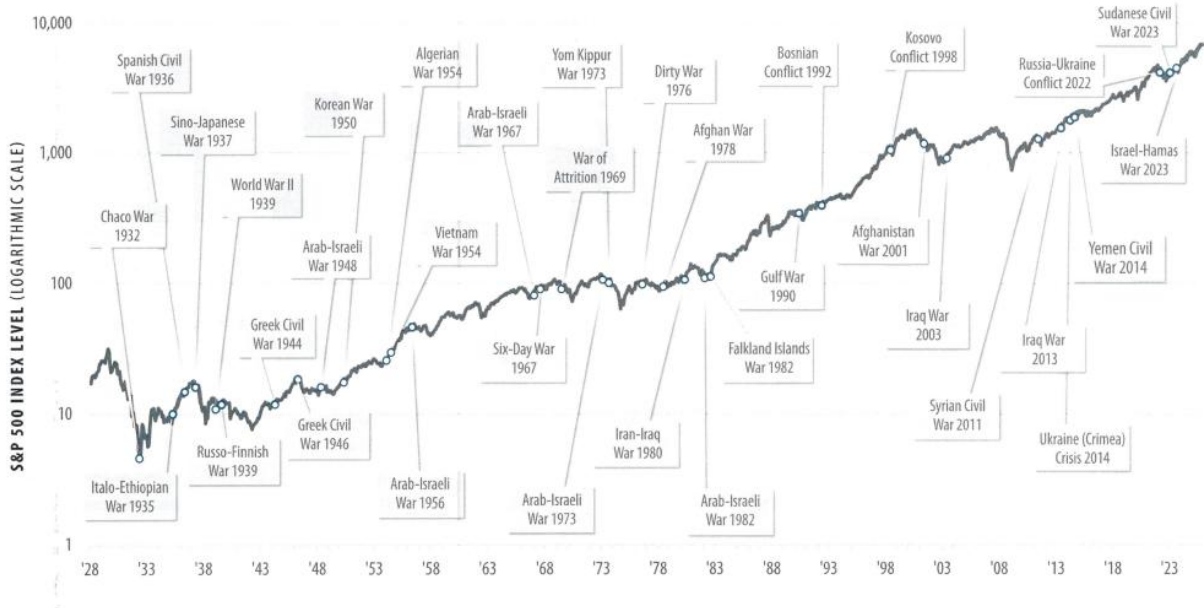
As always, if you have questions or concerns, please do not hesitate to contact me.

War Times & The Stock Market

S&P 500 Index



Wars and conflicts have been a constant throughout history, however recent events might cause us to look at how the stock market has performed during past times of war. The chart below shows the S&P 500 Index level since 1928 and several of the major wars and conflicts since then. Though uncertainty may temporarily shape the market, we believe seeing the market's overall resiliency can help maintain a long-term perspective.



Source: First Trust, S&P Capital IQ, Bloomberg. Monthly index levels from 1928 - 2025. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

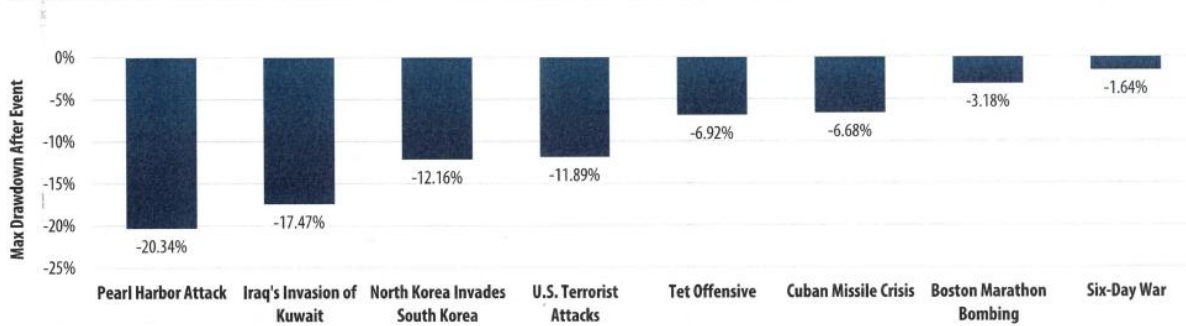
Not FDIC Insured | Not Bank Guaranteed | May Lose Value

First Trust Portfolios L.P. | Member SIPC | Member FINRA | 1-800-621-1675 | www.ftportfolios.com

U.S. Stock Market Returns After Major Geopolitical Shocks



Geopolitical Shock	Event Date	1-Day Return	1-Year Return	Max Drawdown	Days Until Bottom	Days Until Recovery
Israel-Hamas War	10/7/2023*	0.60%	34.88%	No Initial Dip	No Initial Dip	No Initial Dip
Russia Invades Ukraine	2/24/2022	1.89%	-5.13%	No Initial Dip	No Initial Dip	No Initial Dip
Boston Marathon Bombing	4/15/2013	-2.48%	19.49%	-3.18%	4	14
U.S. Terrorist Attacks	9/11/2001	-5.01%	-13.75%	-11.89%	11	30
Iraq's Invasion of Kuwait	8/2/1990	-1.19%	13.66%	-17.47%	71	187
Tet Offensive	1/30/1968	-0.54%	15.43%	-6.92%	36	69
Six-Day War	6/5/1967	-1.64%	19.36%	-1.64%	1	1
Cuban Missile Crisis	10/16/1962	-0.31%	30.91%	-6.68%	8	17
North Korea Invades South Korea	6/25/1950	-5.27%	20.03%	-12.16%	19	59
Pearl Harbor Attack	12/7/1941	-4.15%	3.70%	-20.34%	142	304



Source: First Trust, Ken French Data Library. Ken French data library uses the CRSP database. Past performance is no guarantee of future results. *Since the market was closed on 10/7/2023, 10/6/2023 was used for the event date returns. Universe includes all New York Stock Exchange (NYSE), American Stock Exchange (AMEX) & NASDAQ stocks. Returns are market-cap weighted. An investor cannot invest directly in an index. The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

Not FDIC Insured | Not Bank Guaranteed | May Lose Value

First Trust Portfolios L.P. | Member SIPC | Member FINRA | 1-800-621-1675 | www.ftportfolios.com

reflected herein. This report is not to be construed as an offer to sell or a solicitation for an offer to buy any securities. This newsletter is intended for distribution only in those jurisdictions where both the author and RCC are registered to do business in securities. Any distribution or dissemination of this newsletter in any other jurisdiction is strictly prohibited. RCC and its officers, directors, employees and their families may from time to time invest in the securities discussed in this newsletter.

© 2026 Research Capital Corporation. Member-Canadian Investor Protection Fund / Member-fonds canadien de protection des épargnants

Research Capital Corporation (RCC) makes no representations whatsoever about any other website which you may access through this one. When you access a non-RCC website please understand that it is independent from RCC and that RCC has no control over the content on that website. The content, accuracy, opinions expressed, and other links provided by these resources are not investigated, verified, monitored, or endorsed by RCC.