



## Quarterly Video Series

### Q2 2026 Market Summary

What are our thoughts on market responses to the current conflict in Iran?

What key risks should clients be thinking about for their long-term financial plan?

What can war history teach us about market volatility, and what's our take on the AI job loss narrative?

Financial Advisors William Reardon, Mark Fast, and Jake Tolk sat down to address these common questions in the Q2 2026 video.

- 0:15 Intro & Performance of Major Market Indices YTD
- 1:24 February 28, 2026 US & Isreal Coordinated Strike on Iran
- 2:05 Geopolitically Driven Equity Drawdowns Throughout History
- 3:19 Mark Identifies Some Key Risks for Financial & Philanthropic Plans
- 7:01 Jake Starts with Addressing Volatility & Historical Market Reactions to Military Conflict
- 9:50 Back to Fundamentals
- 10:21 AI Productivity Gains & Labor Disruption

[Click Here to Watch](#)

## Cardinal Directions - Our Thoughts

May 2026

Markets have started the year with elevated volatility, driven in part by escalating war activity involving Iran and the resulting uncertainty around energy prices, supply chains, risk sentiment, and potential policy responses. While these headline-driven swings can feel unsettling, it's important to distinguish volatility from a lasting impairment of long-term returns—particularly when the underlying earnings backdrop remains constructive. History suggests that markets often reprice uncertainty quickly: an initial drawdown is frequently followed by an "information reset" as investors gain clarity on scope and duration, and then a recovery that can begin sooner than the news flow would imply. A common takeaway from studies of post-World War II conflicts is that market lows often occur during periods of maximum fear, with "time to trough" sometimes measured in days or weeks rather than quarters.

A frequently cited example is World War II, when U.S. equities bottomed in April 1942—well before the war's outcome was clear—and then continued to climb despite ongoing volatility, illustrating how markets discount forward. Against today's geopolitical backdrop, fundamentals also matter: many companies continue to signal strong earnings expectations into 2026 and 2027, and over time, markets tend to follow earnings. We're also watching innovation—particularly AI—realistically, including both productivity gains and labor disruption. One visible use case is AI-enabled drive-through ordering, where efficiency improvements can lower operating costs and, in some cases, support expansion into new locations—shifting job categories and potentially adding roles elsewhere even as certain tasks become more automated.

## Administrative Alert

Effective December 24, 2025, USPS machine-applied postmarks reflect the date mail is first processed by automated sorting equipment (often at a regional processing center), **not the date it was dropped off at a local post office**. As a result, time-sensitive items (e.g., tax filings, ballots, legal documents, donations) may appear "late" based on the postmark even if mailed on time, and organizations that rely on postmarks for deadline compliance may not treat machine postmarks as sufficient proof of timely mailing.

To reduce risk, send critical items earlier and use options that document acceptance date—request a manual (hand) postmark at the counter, obtain a Postage Validation Imprint (PVI), or use Certified/Registered Mail or a Certificate of Mailing; where feasible, consider electronic submission/payment alternatives.

## Scheduling Your Next Portfolio Review

The Compass Rose Group operations team is continuing to find solutions to help provide efficient and effective levels of service to clients, including scheduling biannual portfolio review meetings.

In case you have not seen it yet, we are sending out an email every six months inviting clients to schedule time with their primary advisor. When you see "Scheduling Your Next Portfolio Review" in your inbox, simply open the message and click the button "Send Meeting Request" to generate an email to our scheduling team. The email will prompt you to fill in relevant information including your name, preferred day of the week, preferred time of day, and preferred location (i.e., in-person, via Zoom, or by phone). Once you hit send, a service associate will follow-up with a few options that meet your preferences.

**You can also schedule directly by calling Sarai Ordonez, our Registered Client Service Associate, at 505 889-2827.**

**Market Moves**

Click the link below to review the recent movements and current standings of the Capital Market Indices (As of 4/29/26)

[Capital Market Indices](#)

## Personal Notes

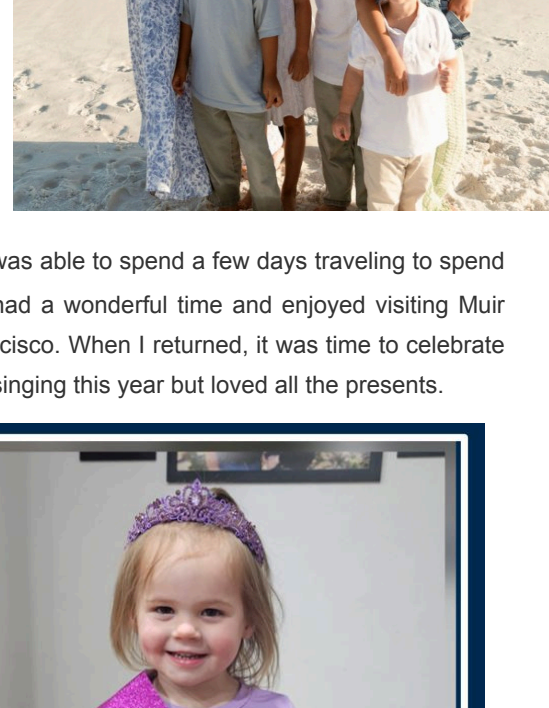
**Chuck:** I was honored to be invited to the Morgan Stanley President's Club convention in Nashville in late April. It was a chance to spend three days with senior management and the thought leaders of Morgan Stanley. Great to hear what our strategists and leadership are seeing about the future of the markets and of the industry. Most of all, great to hear and talk to my peers from across the country. Very proud of the firm that I will have worked for during the past 40 years. I will have my 40<sup>th</sup> work anniversary on May 26<sup>th</sup>. Time flies when you are having fun and when you enjoy working with all the wonderful people over the past 40 years.



**Will:** Summer is nearly here, and I feel like the family and I are just coming out of hibernation since the addition of our newest little one. It's been an amazing start to 2026, and eager for the months ahead. Swimming, grilling, and a little bit of fun travel is on the agenda. We appreciate all the love and support from family, friends, and clients. Cheers to summer 2026!



**Mark:** Spring break this year was truly unforgettable as we traveled to Destin, Florida with our family of 13 – yes, 13! From the moment we arrived, we were welcomed by stunning white sand beaches, and crystal-clear emerald waters, setting the stage for days filled with sunshine, laughter, and quality time together.



**Fallon:** April was a busy and rewarding month. I was able to spend a few days traveling to spend time with my dear friend, Juanita, in California. We had a wonderful time and enjoyed visiting Muir Woods and a tasty bowl of clam chowder in San Francisco. When I returned, it was time to celebrate Sienna's third birthday. She was embarrassed by the singing this year but loved all the presents.

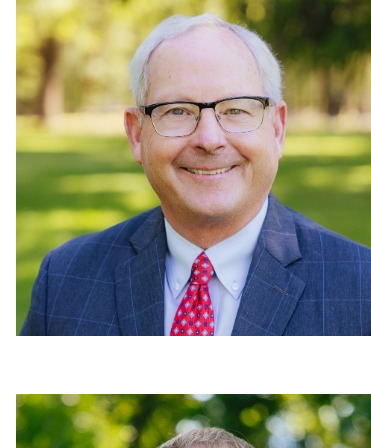


## The Compass Rose Group

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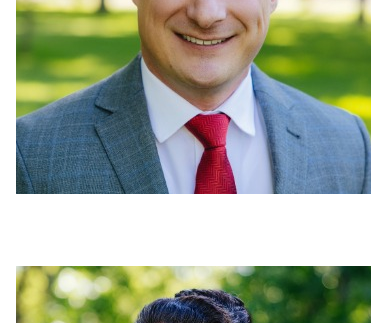


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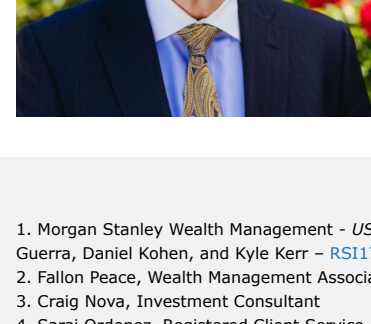


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1. Morgan Stanley Wealth Management - *US Policy Pulse, America, Iran and the Midterm Elections* (March 12, 2026) by Monica Guerra, Daniel Kohen, and Kyle Kerr – RSI173322938342 03/2026.

2. Fallon Peace, Wealth Management Associate

3. Craig Nova, Investment Consultant

4. Sarai Ordonez, Registered Client Service Associate

**2023-2026 Forbes Best-In-State Wealth Management Teams**  
Source: Forbes.com [Awarded 2023-2026]. Data compiled by SHOOK Research LLC based on 12-month time period concluding in March of year prior to the issuance of the award. [Awards Disclosures](#) | [Morgan Stanley](#)

Pictured left to right: Hunter Cruise, Registered Client Service Associate, Sarai Ordonez, Maura Gill, Portfolio Associate, Lisa Obeji, Financial Advisor, Julien Hall, Investment Consultant, Jake Tolk, Financial Advisor, Robert Hoffman, Financial Advisor, Charles Reardon, Wealth Advisor, Spencer Bianucci, Investment Consultant, Will Reardon, Financial Advisor, Tom Batson, Financial Advisor, Fallon Peace, Wealth Management Associate, Mark Fast, Financial Advisor.

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