

Barenaked Money

QUARTERLY UPDATE | MARCH 30, 2026



Recent developments

War, what is it good for? The war in Iran has led to higher oil prices, lower stock prices, and lower bond prices.

OIL UP: You've already noticed higher gas prices, but sustained high oil prices would likely lead to broadly higher inflation.

STOCKS DOWN: High inflation and high oil prices are bad for economies, so bad for stocks.

BONDS DOWN: High inflation is bad for bonds, so bond prices have fallen.



Implications for portfolio positioning

EVERYDAY CHANGES: Each day brings new headlines and new market moves. This is not predictable, so don't pretend that it is.

SET UP FOR SUCCESS: Making investment decisions based on geopolitics is most likely to end with extreme disappointment. Don't do that, please!

MULTIPLE FUTURES: Planning for multiple future outcomes means having a diversified portfolio that is not heavily reliant on any one outcome.



Reasons for Optimism

TACO TUESDAY: Tacos are the best. We've seen quick reversals in geopolitics in the past five years. It's possible (and already happening?) again.

SOLID FOOTING: Most measures of inflation and economic growth were solid prior to the war in Iran.

OIL RELIANCE: People spend less money on oil-related expenses today than at any time in the last 50 years.

Economies are far less reliant on oil-related inputs than in the past.



Key Risks

1ST ORDER EFFECTS: Higher oil prices are challenging for stocks and bonds due to the expected inflationary effect.

2ND ORDER EFFECTS: If war persists, eventually, higher oil prices mean a worse economy. That's still likely bad for stocks, but could be good for bonds.



Investment Principles

Our investment principles are a conflict-free zone.

- Markets go up over the long-term. That's the headline. It's a boring one, that's why you don't see it.
- Market timing is impossible. The world is unpredictable and being reliably able to catch the up days and avoid the down days just isn't a thing.
- Time is your protection for long term money. Cash is your protection for short term money.
- Emotion destroys wealth. Rash decisions or decisions made with a lack of logic or sound advice can really wreck your retirement plans.



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