

## ***March Commentary***

### **Dead Dinosaurs, Dull Economic Data, and Wanting a Reuben Sandwich**

It should come as no surprise that several people have recently told me, "This must be an interesting time for you." You could say something along those lines, I suppose. After all, political upheavals in Washington and international conflicts ought to make for compelling news stories. But many things don't always arouse curiosity or pique one's interest just because they should. You see, market forecasters, economic analysts, and financial professionals are supposed to look past the mainstream media headlines and make diligent efforts to learn what is happening behind the curtain.

*"Pay no attention to the man behind the curtain" – a famous line from the 1939 film [The Wizard of Oz](#), spoken by the Wizard when his true, non-magical identity is discovered by Dorothy and her companions.*

As unthinkable and uninteresting as it may seem, the "[rest of the story](#)" is, in my opinion, rather dull: the private sector has experienced relatively modest economic growth, and there doesn't appear to be an immediate or impending reason why that should significantly change. It is obvious that the conflict with Iran has caused a massive disruption to the flow of crude oil around the globe. As a result, the price of a barrel of the black stuff has risen substantially. The biggest fear and risk are that the slippery commodity could remain elevated for too long, severely slowing global economic growth. Let's face it, if all of us are

paying more for energy, we will have fewer dollars to use Uber Eats and DoorDash, take long weekends and vacations, venture out to the movie theater or Broadway shows, play golf, and purchase widgets or other stuff. This increase in energy spending by you and me may eventually impact what economists refer to as the [multiplier effect](#). In essence, we could be spending more dollars on something that doesn't provide the boost to the overall economy as efficiently and effectively as spending on other items. That makes sense, right?

However, if the turmoil in the Middle East leads to a prolonged, or even worse, permanent disruption in the global supply of crude oil, then economic pundits and prognosticators will begin revising their forecasts for the rest of 2026 and beyond. But let me remind everyone of this undeniable truth: crude oil is a commodity, it is abundant in many nations, and it is being extracted from underground in a variety of ways by many very clever businesses in these nations. Additionally, one of the basic tenets of capitalism and the law of supply and demand is that when the price of something goes up, suppliers produce more, right? It makes intuitive sense that manufacturers would want to increase the supply of whatever product they control or produce—in this case, crude oil, a commodity whose price has increased. If you follow that logic, it makes perfect sense that the world's crude oil producers and explorers are doing everything in

their power to dredge up as many "dead dinosaurs" as they can at this time. That is, if they want to make more money, and every company generally likes that sort of thing.

Please don't misunderstand me, downplaying the seriousness of the situation in the Middle East is not my intention. However, when it comes to investing, analyzing economic data, and making forecasts, the process is driven by odds, probabilities, and likely outcomes. As harsh as it may seem, it has nothing to do with emotions, sentiment, and/or heartstrings. That being said, let's take a look at some facts and figures. According to the [World Bank](#), Iran's average economic output per person in 2024 was under \$20,000. By comparison, in that same year, it was over \$85,000 for someone in the United States. Furthermore, the most [recent population estimates](#) for the two countries put the U.S. at over 340 million and Iran at about 86 million. So, if a conflict or war could be decided on paper, the current one between Iran and the United States would appear to be a lopsided contest. It is even a more convincing landslide when you add the Israelis and other allies to the American cause. While numbers might not always paint the entire picture, they certainly don't lie.

Arguably, these facts might be the reason markets haven't responded more negatively than they have thus far. No denying there has been some volatility in the market, but the S&P 500 finished down less than 5% in March, though it was down nearly 10% at one point. In fact, as I type on the evening of April 15, the index is back in positive territory since the bombing and shooting began on February 27 and is up almost 2.5% for 2026. It hasn't been a lot of fun, and I won't argue that we are out of the woods yet. However, despite all the headlines, commentary, noise, and hysteria over the general state of affairs, I would completely understand if some of you were under the impression that the markets have been in a complete free fall. What's more, I would probably try to assuage your fears and concerns by saying something like: "The recent volatility we have seen due to all this unpleasantness is not unexpected. In fact, this is a suitable reason and time for the markets to let out

a little steam. After all, equities have been on an astounding run the last few years." That statement is true, but I won't say it out loud.

Of course, the longer the conflict drags on without resolution, the less optimistic I will be. For now, though, much of the economic data has been mostly unremarkable. Take last month's U.S. GDP report, for instance. According to the [AP business section on March 13](#), the Bureau of Economic Analysis (BEA) said that the economy expanded at an annualized rate of 0.7% in the fourth quarter of 2025. That figure isn't particularly impressive, though it's certainly preferable to a shrinking economy. In many ways, it's like getting a plain cheese sandwich on white bread when you were hoping for a grilled Reuben.

But if we look at the report's underlying data, it's more like a hot dog without condiments. Yes, a dull steamed wiener. Not one straight off a hot charcoal grill with relish and spicy mustard on a lightly toasted hot dog bun. That sounds better than a simple cheese sandwich, but it's still not nearly as good as a corned beef Reuben made with rye bread, in my opinion. Alright, let me get back on track. As you can see, [line 32 on page 8 of the BEA report](#) lists an item titled "Final sales to private domestic purchasers." This data measures the current state of the private sector by removing most of the "noise" from the larger report. According to BEA estimates, it increased by 1.9% for the fourth quarter of 2025. For the full year of 2025, this same item increased by 2.6%. In comparing the two, I could easily say we might be entering the realm of tuna salad on toasted wheat bread, not the "chunk light" kind, but the solid white albacore variety. Even so, an ordinary, uninteresting handheld dish that falls well short of the allure and delectability of the aforementioned Reuben. Even so, it's still better than an undressed steamed "tube steak" or a simple cheese sandwich.

There you have it. With government shutdowns, conflict in the Middle East, robots and AI taking over the globe (just kidding), gold prices going through the roof, and boatloads of other interesting things occurring, it seems like the excitement will never end, right? But when push

comes to shove, at least at this moment, the economy looks and tastes like the equivalent of a tuna salad sandwich. Whether it's the job picture, GDP, inflation, interest rates, or most other economic data, none of these resonate like a grilled Reuben with corned beef on rye, but all are much better than a plain hot dog or simple cheese sandwich. Hey, the numbers are what they are and they don't lie. Or perhaps I should say, they don't mislead if they're correct, though we've been down that road before.

Anyone want to join me for a sandwich and chips? Bet you can't guess what I will be ordering.

Until next month—  
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