

Week In Review

OLLI-GMU Investment Forum

March 18, 2026

Today: With the war on Iran, will world economies and markets be collateral damage?

Sum of all fears: Wars + AI + Tariffs + Private Credit + Inflation + Fed = ???

David Toms

Disclaimer: I am not a certified financial analyst.

Any trading decisions you make are your responsibility

If you would like to acquire these slides, email me at:

David.Toms@comcast.net

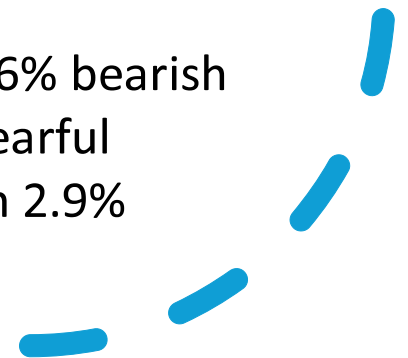
Economic Commentary

- How long will the war in Iran last?
 - Beyond 90 days: recession likely in my opinion
 - Oil, Nat Gas, fertilizer most affected
- Interest rates are rising in response
- Home sales flat in February at 4M; median price rises to \$398K
 - Homebuyers waiting for mortgage rates to decline
- Gasoline up \$0.70 nationwide
- Real Q4 GDP declined to 0.7%. Median Q1 forecast: 2.3% (BEA)
- Unemployment steady at 4.4% (BLS)
- Inflation in February rose to 0.3% from 0.2% in January (BLS)
- China downshifts economic growth plans: 5% to 4.5%
 - China economy suffering deflation and declining population
- **Barrons:** “[Real estate investment trusts](#) are suddenly a haven in a market dominated by fears about Iran, rising oil prices, and the unwinding of the artificial-intelligence trade. Investors are flocking to them for the physical assets they own—and the very real dividends they pay.”

Market commentary

Flight to safety and dividends last week

- Market is in a quandary right now
 - War, AI fears, private credit fears
 - Rotating away from growth toward value, dividends
 - Devolved from irrational exuberance to irrational disgust
- Software firms under the gun from AI effects
 - Layoffs emerging: Oracle, Block, Meta et al
- Private credit market continues selling off – overblown?
 - Market fear vs actual performance
- Dividend and value stocks back in vogue
- VIX: rose to 23.5: moderately fearful
- CNN fear gauge: 21: extremely fearful
- AAI investor sentiment: 32% bullish; 46% bearish
- Put/Call ratio rising to .85; extremely fearful
- Junk bond spreads: Rising to 3.3% from 2.9%



Who is VICI Properties?

- Triple net lease REIT
- Own 64 “experiential” properties
 - Including Caesar’s Palace, Venetian, MGM Grand
 - 60,000 hotel rooms, 500 restaurants
 - 100% occupancy
- 100% rent collected since inception in 2017
- Investment grade balance sheet by S&P, Moody’s, Fitch
- Geographically diverse: 26 states and Alberta, Canada
- 3-prong business strategy
 - Real estate investment; tenant upgrade partnerships; tenant debt capital
- 28 employees total, based in NYC
- **Going ex-dividend tomorrow!**
- Cash flow yield: 8%
- Debt to equity: 63%
- Return on equity: 10%
- Price to FFO: 10.9
- Price to book value: 1.1
- Beta: 0.70
- Morningstar: *****, fair value \$35
- Simply Wall St fair value: \$53

Now what?

- Maybe NO Fed interest rate cuts in 2026 – inflation returning?
- Best places to hide: Gold, cash, dividend stocks
- US economy is strong but....with overwhelming geo-political uncertainty
 - Strong stimulants in place – OBBB tax relief
 - Consumer spending is split among haves and have nots; overall strong
- Labor market is stronger than expected
- Inflation seems to be under control - for now
- Stock market is still very expensive: Forward PE = 22
 - Diversify!
 - Protect yourself with automated stop loss orders; or put options as insurance

"The only function of economic forecasting is to make astrology look respectable."

John Kenneth Galbraith