Investor Newsletter brought to you by My Portfolio Guide, LLC : **Issue # 47** **Winter 2026**

the Guide

My Portfolio Guide
- Personal Wealth Management -

INSIDE THIS ISSUE :

SHORT MEMORIES

After a narrow, frothy AI run, leadership is broadening, volatility will creep back in and balanced portfolios will quietly regain relevance.

MARKET RECAP

How did the stock market do last quarter? Take a look at how different benchmarks and indexes did versus your own portfolio. What's on the horizon?

EDUCATION CORNER

Learn why we look to Janus in January and what's coming ahead! Read about how we see the major themes playing out and which sectors to watch for in 2026.

NEWS & NOTES CALENDAR

Growth is in motion at My Portfolio Guide, from welcoming Jason Clardy to the team to hosting a March client event focused on the long-term foundations of AI. Come learn about what will support the growth and sustainability of AI.

Mag 7 to Many

For much of the past few years, market leadership has been remarkably narrow and increasingly unquestioned. A small group of large-cap, AI-centric companies delivered outsized returns, reinforcing the belief that owning "the right few" was all that mattered. Valuations stretched, narratives hardened, and investor memories shortened. It worked exceptionally well…until it didn't need to anymore.

Today, the market feels different; not because the AI story is fading, but because it's growing up. What began as a speculative trade is increasingly becoming an implementation phase, where capital spending, infrastructure build-out, and productivity gains matter more than hype. That transition has consequences. Leadership is broadening, dispersion is rising, and balance...long dismissed as unnecessary, is quietly making a comeback.

Small- and Mid-cap stocks, long left behind, are beginning to reflect this shift. So are international markets, where valuations remain more reasonable and sector exposures differ meaningfully from the U.S.

Meanwhile, gold's surge above $5,000 per ounce sends a parallel signal: beneath strong headline returns, investor unease hasn't disappeared. Inflation concerns linger, geopolitics remain unstable, and periodic "sell America" sentiment resurfaces quickly when confidence wobbles.

At the same time, markets appear increasingly sensitive to policy signals. The Federal Reserve's posture has evolved from aggressive tightening to cautious flexibility, but uncertainty around the timing and magnitude of future moves remains. History suggests these transitions are rarely smooth. With no meaningful correction since last spring, complacency has crept back into investor psychology...often right before markets remind participants that volatility is the price of admission.

The Shiller CAPE and other valuation measures don't signal imminent collapse, but they do suggest thinner margins for error, particularly in areas where expectations are already elevated. In this environment, concentration feels efficient...until it isn't.

Markets (and humans) have short memories. Cycles don't.

As leadership expands from the "Magnificent" few to the "Many," we believe disciplined, diversified portfolios...***across*** market caps, regions, and asset classes, are better positioned not just to participate, but to endure. Balance isn't a retreat from opportunity. It's how investors stay standing long enough to capture it.

	2025 YTD	2024	2023	2022	2021	2020	2019	2018
20 / 80	5.69%	3.11%	6.17%	-15.51%	2.26%	6.29%	8.88%	-3.90%
40 / 60	8.43%	8.33%	10.83%	-16.51%	8.32%	8.13%	11.13%	-4.70%
50 / 50	9.80%	10.94%	13.16%	-17.01%	11.35%	9.02%	12.25%	-5.09%
60 / 40	11.17%	13.55%	15.50%	-17.51%	14.38%	9.90%	13.38%	-5.49%
70 / 30	12.54%	16.16%	17.83%	-18.01%	17.41%	10.76%	14.50%	-5.89%
80 / 20	13.91%	18.77%	20.17%	-18.50%	20.45%	11.60%	15.62%	-6.29%
S&P 500	16.65%	23.99%	24.83%	-19.50%	26.51%	15.26%	17.90%	-7.74%
Mid Cap	6.16%	12.60%	15.82%	-14.93%	22.36%	11.39%	12.70%	-13.19%
Small Cap	4.39%	7.03%	14.28%	-17.55%	23.89%	9.65%	12.50%	-13.44%
MSCI EAFE	17.97%	1.62%	14.81%	-24.41%	7.12%	15.88%	6.90%	-14.82%
Emerging	22.44%	9.69%	6.27%	-20.85%	-3.15%	9.88%	4.30%	-17.00%
Bonds	2.96%	-2.12%	1.50%	-14.52%	-3.79%	4.59%	6.80%	-3.01%

MARKET RECAP

How did the "Market" do ???

Never rely on the media to tell you "how the market did". The answer is different for everyone because investors should be allocated specific to *their* goals and risk tolerance.

The above chart shows several (6) basic portfolio allocations with their corresponding performance over different time periods.

60 / 40, for example, represents 60% in the S&P 500 and 40% in the U.S. Aggregate Bond Index. Other major indexes are also posted (S&P 500, Mid, Small etc) MSCI EAFE represents 23 developed International countries except for the US or Canada.

As we move further into 2026, we maintain a balanced but constructive outlook for markets, supported by continued economic expansion, improving credit conditions, and renewed corporate investment. While artificial intelligence remains a powerful long-term theme, one of the more notable developments over the past several months has been a broadening of market leadership. After a multi-year run dominated by large-cap, AI-oriented stocks, we've begun to see a meaningful rotation into small- and mid-cap equities. Over the past three to six months, both segments have outperformed the S&P 500, reflecting improving earnings expectations, easing financial conditions, and pent-up demand for capital investment. We believe this trend has room to continue, which is why small- and mid-cap exposure remains a deliberate overweight across most of our portfolio models.

Capital spending remains a key driver of our outlook. Investment in AI infrastructure, reshoring initiatives, and productivity-enhancing technologies, combined with favorable tax incentives for equipment and domestic R&D, has the potential to support earnings growth beyond the largest companies. Importantly, banks appear more willing to lend again after tightening standards last year, creating a more supportive environment for business investment.

International markets also deserve renewed attention. Developed international and emerging market equities led all major asset class returns last year, and we continue to see pockets of attractive value and diversification benefits abroad. While geopolitical risks remain, select international markets offer different sector exposures, more reasonable valuations, and potential upside as global growth stabilizes.

Finally, gold has continued its strong run, surpassing $5,000 per ounce for the first time in history. The move reflects a combination of investor caution, lingering inflation concerns, and periodic "sell America" sentiment tied to geopolitical uncertainty. While we view gold primarily as a diversifier rather than a growth asset, its performance underscores the importance of maintaining balanced, multi-asset portfolios.

In our view, today's environment rewards discipline and diversification. With leadership expanding beyond a narrow group of stocks and opportunities emerging across market caps and regions, we believe a well-constructed portfolio is better positioned to navigate both near-term volatility and long-term opportunity.

Markets have a way of reminding investors that calm periods don't last forever. With no meaningful correction since last spring, complacency can creep in…often leaving investors unprepared for routine pullbacks. Our focus remains on diversification and discipline, not prediction, so portfolios are built to withstand both opportunity and inevitable volatility.

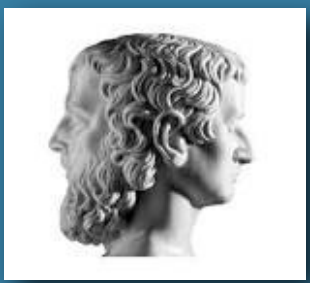
In the meantime… "**Stay disciplined to stay positive" -MPG**

EDUCATION CORNER

2026 - The View Ahead

"In the business world, the rearview mirror is always clearer than the windshield."

-Warren Buffett



Remembering Janus in January

Each year in our first-quarter Education Corner, we typically return to Janus, the Roman God of beginnings, endings, and transitions…whose two faces look backward to what was and forward to what's ahead, making him the perfect lens through which we reflect on the past year while framing the investment themes for the one to come.

As we begin 2026, markets are sitting at a crossroads shaped by historic asset class performance in 2025, fresh macro inflections, and evolving geopolitical and policy dynamics. Rather than broad generalities, several key investment themes stand out as meaningful drivers of performance and risk allocation decisions over the coming 12–24 months:

The Commodity Shift

2025 saw extraordinary moves in the commodities space, particularly in precious and industrial metals. Record prices and structural demand trends are now shaping how investors think about real assets in portfolios.

Precious Metals: Gold and silver both posted historic gains with silver soaring over 140% last year while gold experienced its best performance since the late 1970s, driven by safe-haven demand, central bank purchases, and geopolitical risk sensitivity.

Despite short-term volatility (e.g., recent sharp drops tied to policy news), the structural drivers…supply deficits, physical demand, and currency debasement concerns, all remain intact, leaving metals with continued medium-term upside potential.

Industrial Metals (**Cooper and Aluminum**): Underinvestment in supply and strong demand from AI, electrification, and infrastructure suggest base metals may enjoy enduring support relative to broader commodities.

Savvy positioning: Metals miners, selective commodity ETFs, and hard asset allocations that express both cyclical and structural demand.

The Bond Reset

With central banks now in a more accommodative stance, or poised to ease, the long era of rising rates is shifting toward re-normalization.

Bond yields are expected to settle into a more typical range, offering income-oriented returns rather than capital appreciation, particularly for high-quality corporates and municipals.

The traditional inverse relationship between bonds and equities may reassert itself, reinforcing bonds' role as portfolio ballast rather than aggressive return drivers.

Savvy positioning: Bond ladders, corporate credits with strong fundamentals, and strategic use of fixed income for diversification buffers rather than speculative gains.

Fragmented Leadership & Rotation

The strong broad market gains of recent years, especially in U.S. large caps, are giving way to more differentiated equity performance:

Institutional outlooks point to greater regional and sectoral dispersion, making active management and selective exposure more valuable than passive blanket allocations.

Emerging and international markets have shown strong momentum and still offer valuation and growth diversification beyond U.S. mega-cap dominance.

Savvy positioning: Active or thematic equity strategies, international and EM exposure, sector tilts based on earnings visibility rather than valuation multiples.

The Next Tech Phase (Earnings!)

While not a novel theme, the evolution from hype to adoption in AI and next-gen computing remains a core driver:

Surging capex in data centers, semiconductor capacity, and real-world enterprise adoption suggests that the aftermarket winners won't just be headline names, but firms that deploy AI to enhance productivity and margins.

This trend is also reshaping demand for industrial infrastructure and energy, tying back into commodities and real asset themes.

Savvy positioning: Selective tech equities, data infrastructure plays, and companies with durable AI integration rather than short-lived trends.

Real Assets Reconsidered

Beyond metals and bonds, broader real assets and infrastructure allocations offer a hybrid of income and inflation protection:

REITs and Infrastructure: With lower funding costs and stable demand drivers, real estate and infrastructure income streams may compete favorably against fixed income yields.

Agricultural commodities: Weather patterns and shifting supply chains may create pockets of opportunity in select crops and food staples, even if broad commodity indices show muted energy performance.

Savvy positioning: Diversified real asset exposure, income ETFs tied to utility and infrastructure sectors, and select ag-commodity strategies.

Dollar Dynamics Ahead

While commentary on currencies remains mixed, a persistently weaker U.S. dollar alongside geopolitical uncertainty continues to feed demand for alternatives to cash and low-yield instruments.

A softer dollar supports hard asset prices and gives non-U.S. equities additional relative appeal.

Savvy positioning: Currency-aware strategies and assets that benefit from dollar depreciation or act as alternatives to cash.

March Madness is Coming! 🏆

Each March, we return to our annual Final Four Investing Bracket where in our investment blog, "Dear Mr. Market", we share a fun but disciplined way to highlight our top investment themes, asset classes, and individual stocks. Sign up for the blog if you haven't already at www.dearmrmarket.com. Think of it like a bracket: instead of the South facing the West, we match Large Cap vs. Small Cap or Fixed Income vs. Alternatives, and instead of Duke vs. North Carolina, we dive into stock-level showdowns like Ford vs. Tesla or Chevron vs. Exxon. Last year. SOFI came out on top,

delivering an impressive +85% return for 2025, and this year's bracket reflects the evolving market backdrop and our highest-conviction ideas, offering a fresh way to explore where opportunities may lie in the months ahead. Please stay tuned for that article if you're not already signed up for the blog alerts. Lastly, let's touch on some economic sectors we like and ones to potentially overweight in your portfolio for the year to come.

Sectors Set to Shine in 2026

As we look forward, sector leadership is likely to be far more selective than in recent years. Broad market exposure can still play a role, but the opportunity set increasingly favors sectors with visible cash flows, structural demand, and pricing power. Several areas stand out as candidates for potential overweight positioning:

Industrials (Infrastructure, Reshoring & Defense)

Industrials are benefiting from a rare alignment of long-cycle forces. Reshoring and supply-chain upgrades, increased defense and aerospace spending, and infrastructure investment in transportation, power, and automation support multi-year order backlogs. These are mission-critical businesses with pricing leverage, less tied to traditional cyclicality.

Examples: Caterpillar, Deere, Lockheed Martin, RTX, Union Pacific; ETFs: XLI, ITA.

Energy (Cash Flow over Growth)

Energy companies are focused on free cash flow, balance sheet strength, and shareholder returns, not just production growth. Structural supply constraints, geopolitical uncertainty, and disciplined capital allocation support dividends and buybacks. Energy infrastructure provides inflation-sensitive, cash-flow resilience beyond spot prices.

Examples: Exxon Mobil, Chevron, ConocoPhillips, EOG Resources; ETFs: XLE, IYE.

Technology (Hype to Earnings)

Tech leadership is evolving. The next winners are those turning innovation into earnings and productivity gains, from semiconductors and data centers to power management, automation software, and cybersecurity/cloud services. The focus is on second-derivative innovators, not just headline mega-caps.

Examples: Microsoft, Broadcom, Nvidia, ASML, Palo Alto Networks; ETFs: XLK, SOXX.

Honorable Mention: Materials

Materials remain relevant due to supply constraints, electrification demand, and sensitivity to global growth, often acting as a forward indicator of economic momentum.

Examples: Freeport-McMoRan, Newmont, Alcoa; ETFs: XLB, COPX.

Where Selectivity Matters

Exercise caution with highly leveraged or rate-sensitive sectors, consumer-dependent businesses, and areas reliant on easy credit.

Bottom Line

2026 favors investors who move beyond broad-market exposure and focus on durable earnings, real assets, and advantaged sectors. Selectivity… not speed, may prove the edge. Watch leveraged tech/growth, consumer discretionary/retail, and office-focused REITs, which remain sensitive to Fed moves, spending shifts, or hybrid work trends. Key triggers include Fed policy, tech and energy earnings, and geopolitical supply-chain risks. Lastly, barring any Black Swan events that nobody can predict, this year may still have some gas in the tank but don't expect high double digits. **Our S&P target is $7,494** (+8% return).

News & Notes:

Welcome Jason Clardy!

We're excited to welcome Jason Clardy to My Portfolio Guide as a Financial Advisor.

Jason has always been driven by a desire to help others, and he believes that education is one of the most powerful tools for creating long-term financial confidence. As a father of two young children, he understands how financial stability can shape a family's peace of mind and why clarity and simplicity matter when planning for the future.

Before entering financial services, Jason built a successful career in transportation and logistics, working with both global firms and innovative startups. That experience sharpened his ability to see how complex, interconnected systems work together, an approach that now carries over into his financial planning work. Jason has a real talent for breaking down complicated topics and helping clients see how each part of their financial life supports their bigger goals. He also holds an MBA, further strengthening his analytical and strategic perspective.

Jason began his advisory career at a large, "big-box" Wall Street firm, where he worked with families to establish long-term plans and healthy financial habits. While the experience was valuable, he ultimately wanted more freedom to put clients first. That desire for independence…and the ability to deliver truly conflict-free advice as a fiduciary, led him to My Portfolio Guide. Here, Jason can focus on objective guidance and a more competitive fee structure that better serves the families he works with.

In addition to working with clients, Jason will play a key role in helping roll out the My Portfolio Guide **Emerging Investors Program**, an initiative designed to educate and empower the next generation within the families we serve. The program will focus on building foundational financial knowledge, confidence, and smart habits early, so younger investors (and heirs) are better prepared for the road ahead.

Jason lives in Whittier, California with his wife Pam and their two children. Outside of work, he enjoys coaching and refereeing youth soccer, staying active, and spending time with his family and community.

Please join us in welcoming Jason to the My Portfolio Guide team…we're excited to have him on board!

To support our continued growth, we're also in the process of adding a **Client Service & Liaison Associate** to the My Portfolio Guide team. This role will help enhance the client experience by supporting account administration, coordinating service requests, and improving day-to-day communication. By expanding our support team, our advisors will be able to spend even more time focused on planning, strategy, and meaningful client conversations.

Events Calendar

CALENDAR:

February 2026

2/18/26

Aphorio Carter

AI Data Center Tour

Tucson, AZ

March 2026

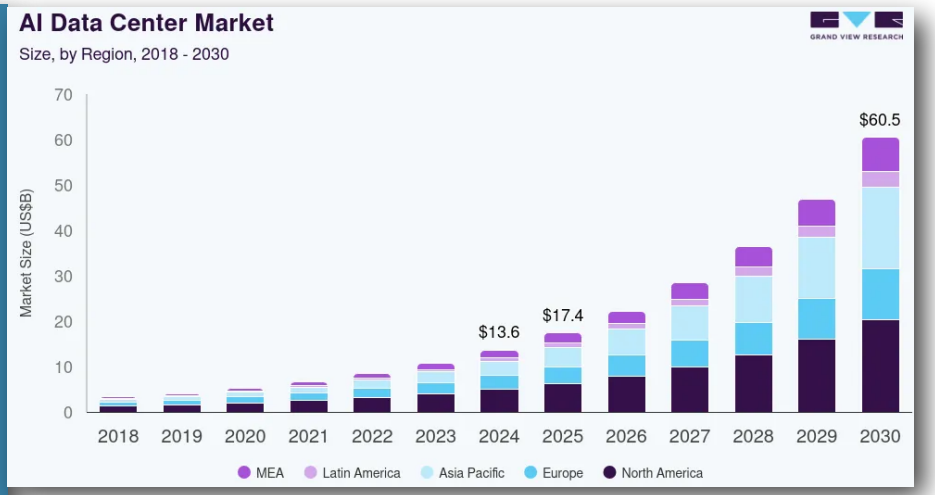
3/25/26

Client Education Dinner Event

Old Ranch Country Club

Seal Beach, CA

RSVP (562) 799-5595



It's likely rare that you live a day for the rest of your life without hearing about AI in some form or fashion! That's the world we're now in. That said, Data Centers are used every minute of every day by ordinary people all over the world, yet if you look at you look at your investment portfolio, you're likely underweight in this high-growth asset class. Before making any investment My Portfolio Guide, LLC will always aim to do our best due diligence and literally "kick the tires" on certain investment opportunities. In February we will be personally touring the Tucson II Data Center in Tucson, AZ. This 14,427 square foot data center and broadcasting facility is fully leased to DirecTV. Following this opportunity to visit the facility as well as meet with executives and the team leadership at Aphorio Carter, we're planning to host a client dinner and educational event at Old Ranch Country Club in Seal Beach. This unique event will be an ideal opportunity for clients and friends of the firm to personally vet this investment space as well as hear directly from those who manage it. Save the date **3/25/26** and RSVP to save your spot today! We're also actively calendaring in person and Zoom screen share meetings for planning and portfolio strategy reviews.

As always, if you're interested in connecting on anything else, please contact us directly on our office line at **(562)799-5595** to reserve a time to meet.

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