

# NAPLES GLOBAL ADVISORS

## It's A Zoo Out There!

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The Naples Zoo has been a stalwart institution of our beautiful town for over 100 years. As the father of young children (though rapidly becoming not-so-young), we've spent our share of Saturdays walking the paths, watching sunbathing gators, and feeding the giraffes. Besides visiting, I've had the good fortune of being involved with the Zoo as the co-chair of Zoobilee for the third year running. Zoobilee is a truly unique, nighttime event at the Zoo, with beautiful lighting, animal displays, and dozens of restaurants from around town serving delicious food. Of course, music and a dance floor are musts. As you might imagine, the weeks leading up to an event with so many moving parts are awfully close to chaos.



Consistently, one of the most impressive aspects of the event is the one key employee of the Zoo who orchestrates the entire production. It never ceases to amaze me how calm, rational, and efficient she is, especially when things start to get wild right before go-time. I ask her time and again, "what is your secret?" In her delightfully jolly tone she always responds, "keep it simple sweetie!"

"Awfully close to chaos" is a fair assessment of planning a party at a Zoo. The phrase also does a good job describing recent global events. In the first quarter of 2026, we saw a dramatic escalation in military conflicts worldwide. The year started off with a bang, when in early January a U.S.-led military operation in Venezuela led to the capture of President Nicolas Maduro. The operation unfolded and concluded so rapidly that most global markets didn't miss a beat; however, it's worth noting that a somewhat muted uptrend in oil prices began shortly thereafter. There was nothing muted about what happened just a few weeks later, when yet another war erupted in the Middle East—this time with Iran. Once the world realized that the war in Iran would not be over in a matter of hours, or even days, some markets reacted violently. Many global oil, gas, and fuel markets jumped by 70% or more over the next few trading sessions, largely due to the impact the region has on oil and gas shipping via the Strait of Hormuz. How much of an impact? Over 20% of all global oil and natural gas cargo travels through the Strait from the oil-rich Persian Gulf, carried by over 30,000 ships passing through the Strait in a typical year.<sup>2</sup>

A natural inclination any time uncertainty appears is to try and predict what happens next. Perhaps believing that you know what comes next eases the tension that uncertainty brings. It's no secret that predicting correctly can be quite entertaining (the gambling industry is built on that feeling). However, "predicting the future" is tricky business. The implications of the war in Iran are wide-ranging. One notable impact is higher energy and fuel prices, a point already visible in futures markets and gas stations nationwide. Equity market volatility due to news headlines is another notable impact that has been visible for several weeks now. Things get somewhat less obvious from there. Second and third level effects branch out into a seemingly endless web of contingencies, and before you know it, the potential risk spreads to everything from airline travel expectations (high jet fuel prices stem demand) to potential food shortages (key components of fertilizer are derived from natural gas). An example of an unexpected effect resulting from the war is the growing concern that a helium shortage will have significant impact on the semiconductor manufacturing industry.<sup>3</sup> How many people even know that helium is used in semiconductor manufacturing, let alone that helium is critical? Nearly one third of the world's helium supply comes from the Persian Gulf, and Qatar is home to one of only two plants worldwide that produces semiconductor-grade helium.<sup>1</sup> Trying to predict what comes next given the intricate and interconnected nature of modern technology and

global economies becomes an overwhelming and nearly impossible task, especially if you want to do so with any level of consistency. So, what is one to do? Believe it or not, the answer is rather straightforward: Keep It Simple Sweetie!

So, what does “keeping it simple” look like when it comes to preparing for the future, specifically your financial future? Many of the possible answers or “solutions” make the task seem daunting, but time and again we find that the simplest answers truly seem to be the best ones. The typical portfolio review we have with you, our client families, touches on portfolio asset allocation and cash flow. The logic is elegant in its simplicity—gauging risk and thoughtfully managing liquidity are critical aspects of a portfolio manager’s job. If our collective risk tolerance conversation is honest and thorough, then the result should be an asset allocation and portfolio that performs relatively well in both rising and volatile markets. An easy way to tell if your risk positioning is awry is if market volatility causes you to truly stress about your future financial viability. Granted, we can’t expect the overall investing experience to be “fun and games” all the time, but rarely (if ever...) should it be psychological torture. The income and cash flow discussion largely focuses on making sure your bills are paid in the near and intermediate term, and you have visibility into the income stream created by your portfolio to service your budget and support your lifestyle. Nearly as important as the risk discussion, the cash flow discussion promotes the idea that when market volatility inevitably rears its head, adequate excess cash has already been set aside, if needed, and there is an understanding of the income from dividends and interest arriving regularly into your portfolio. The goal of these discussions, along with the planning, portfolio management, research, and travel, is to build a true “all-weather” portfolio for you. If we achieve our goal, you are prepared for whatever the future may bring, and the urge to predict the future can be relegated to cocktail party conversation and March Madness brackets—just where it belongs. If you feel as though you might benefit from revisiting this discussion, please call us to set some time to meet.



Should you decide you’d like to meet with us in person, the time has nearly arrived to update the driving directions! We’re excited to be moving to a new location, which will more efficiently accommodate our 15-person Naples team. Starting Monday, May 11<sup>th</sup> we will be operating from our new office located at 856 3<sup>rd</sup> Avenue South in downtown Naples, just a short walk from our current location. The updated offices allow for a larger, more cohesive space with room to grow and lots of designated parking! We plan to take every step necessary to avoid disruption during our move and anticipate completing the transition without losing the ability for you to reach us. We are thrilled to show you our new location and look forward to having a refreshed, more spacious home to serve you better for the coming years.

1 Bettenhausen, Craig. “Iran War Threatens Global Helium Supply | C&EN Global Enterprise.” C&EN Global Enterprise, 23 Mar. 2026, [pubs.acs.org/doi/10.1021/cen-10404-buscon1](https://pubs.acs.org/doi/10.1021/cen-10404-buscon1).

2 Britannica Editors. “Strait of Hormuz | Map, Importance, Conflict and Closure, Control, Oil, & Facts | Britannica.” Britannica.Com, [www.britannica.com/place/Strait-of-Hormuz](https://www.britannica.com/place/Strait-of-Hormuz). Accessed 27 Mar. 2026.

3 “Helium Shortage 2026.” FusionWW.Com, Fusion Worldwide, 17 Mar. 2026, [www.fusionww.com/insights/helium-shortage-2026](https://www.fusionww.com/insights/helium-shortage-2026).