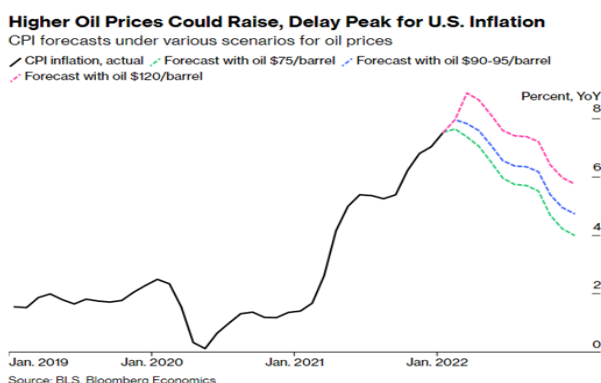


## Macro View – Effects of War

As war is underway in Ukraine, Russia's invasion poses significant risks for the world economy. Bloomberg Economics does a fantastic job laying out what they see as three scenarios for the economic impact of the Ukraine Crisis. In the first scenario, they believe there will be a swift end to conflict which will prevent a further upward spiral in commodity markets, keeping U.S. and European economies on pace for further recovery. The second scenario, a prolonged conflict, tougher Western response, and disruptions to Russia's oil and gas exports, would deliver a more pronounced shock to both energy and global markets. This scenario has the possibility to take European Central Bank rate hikes off the table this year. The final scenario is what Bloomberg describes as a "worst-case-outcome" where Europe's gas supply is cut off, which in turn could trigger a recession. The U.S. could see significantly tighter financial conditions, a larger hit to economic growth, and a more dovish fed.



## Taking Stock – Fall From Grace

Meta Platforms Inc. (FB), formerly known as Facebook, is one of the most recognizable companies in the world. However, since their transition to Meta, stock performance has been less than stellar. Meta reported earnings at the beginning of February, and since then, the stock has continued to decline. The surprise miss in revenue drove the stock price down almost 26.5% and it is currently down 41% year-to-date at the time of this writing. Just last September, Meta's market capitalization hovered above \$1 Trillion. Now, just five months later, Meta's market capitalization has been almost cut in half and is currently sitting at around \$550 billion. With other companies such as Roblox Corp. (RBLX), Microsoft (MSFT), and Unity Software Inc. (U) already heavily involved in metaverse, Meta may continue to struggle as more players enter this space.

