

MARKET COMMENTARY – March 1, 2026

*For he will command his angels concerning you
To guard you in all your ways;
They will lift you up in their hands,
So that you will not strike your foot against a stone. ~Psalm 91*

In its entirety, Psalm 91 has been a comfort to folks going through struggles for millennia. If it has been a while since you've checked it out, dear reader, perhaps now is a good time to re-familiarize yourself with its encouraging message.

Yet as much as this Psalm inspires us, its core theme is NOT what our commentary is about this month. You see, the above portion of the word was actually quoted and then misconstrued – of course – by Satan when he tempted Christ in the wilderness. Without drawing any moral equivalencies, the passage and its twisting by a nefarious actor got our wheels turning. It is all-too common for financial news to be reported in a ginned-up fashion. The breathless excitement generates views or clicks. It also creates more trading volatility from which hedge funds and the like can pry value.

For at least the third month in a row we will spill a few thoughts on the AI phenomenon cascading throughout the business world. We've already suggested that we have some personal issues with its rapid, massive uptake. Those are beyond the scope of this piece. As we write, stories swirl about how a company called Block is firing 40% of its workforce to be replaced by AI. "A harbinger!" people cry.

There might be *some* truth in there. But the reality is less sexy, we think. Since 2019, Block's workforce has tripled in size. For those of us who went to public school the math works out to mean that after the layoffs, Block's workforce will still be 80% higher than pre-pandemic. After losing its way with acquisitions for years and losing business to competitors, the company is right sizing for the opportunities it sees ahead.

We do not claim to know if this is the right or wrong move for Block. We are not claiming that it won't use AI to become more efficient with fewer employees. What we are saying is that the resultant headlines and price moves that sailed away from the initial news of the layoffs were based on total conjecture to further a profitable narrative for short sellers. Specifically, that AI is killing software and that it will nab all the jobs.

We do not believe that AI will immediately make work unnecessary or unattainable for masses of the population. Certainly, some folks will use it as an excuse to work or think

less. However, for any motivated human being, we must believe that meaningful employment will be had. We have children after all. We hope to one day have grandchildren (though spouses for the children ought to come first, we hope).

If Block really is using AI to the extent claimed and it fails, no company will repeat the mess. And if the layoffs aren't about AI, if they are, as we suspect mostly about right sizing their workforce for the opportunity set they see, then it's all moot. All the angst was unnecessary.

To be clear, we believe AI will eliminate jobs. We believe it will be at the margins. Two percent here. Five percent there. We think that the growth rate for management jobs will be sluggish for several years as the growing pains work themselves out.

When we began this month's commentary, we truly didn't expect to harp on poor Block or the reporting around it so much. It is merely a poster child for what we wish to demonstrate. There are many other stories or headlines we could have pulled that show a propensity to embellish or twist the current state of the AI war.

And it is a war. We are participating. Fortunately, since we are investors, we can participate on both sides! We can buy companies producing the AI. We can buy the companies that will utilize it. Then as the situation evolves with concrete data, so, too, will your portfolios.

While we are in the midst of the war with its ginned-up hype, perhaps it will be important to remember another Psalm that says, "the LORD ... trains my hands for war, my fingers for battle. He is ... my fortress ... my shield." Each one of us was born ready for action. Likewise, Stirling Bridge will work with each of you to maintain the preparedness of your wealth.

Stirling Bridge Wealth Partners, LLC is fortunate to count many of you as clients. In the good times and bad, we remain committed to providing customized investment solutions and robust financial planning wrapped in a package of exceptional service. We thank each of you for your dedication to us and for your trust.

Sincerely
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