

Main Management Market Note

October 9, 2026

Our Offerings



OUR STRATEGIES

Active
Sector Rotation

SECT

US CORE EQUITY

Thematic
Innovation

TMAT

GLOBAL MID-CAP GROWTH

International
Rotation

INTL

NON-US CORE EQUITY

BuyWrite
Hedged Equity

BUYW

ALTERNATIVE INCOME

mainmgtetfs.com

CUSTOM MODEL PARTNERSHIP

Investment Committee Leadership



Kim Arthur
CEO / CIO



Dick Fredericks
Founding Partner



Alex Varner
Managing Director,
Research



Jim Concidine
Founding Partner



Darol Ryan
Managing Partner



For over 20 years, we've led the way in diversified, top-down portfolio construction — now built to be customizable for each advisor and their clients.

Research backed portfolios



James Maxwell
Director, Research

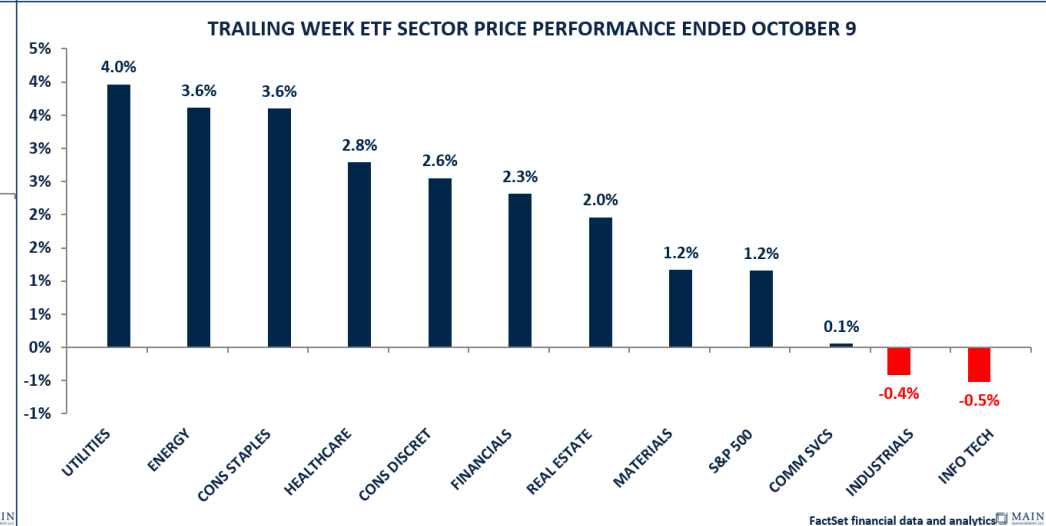
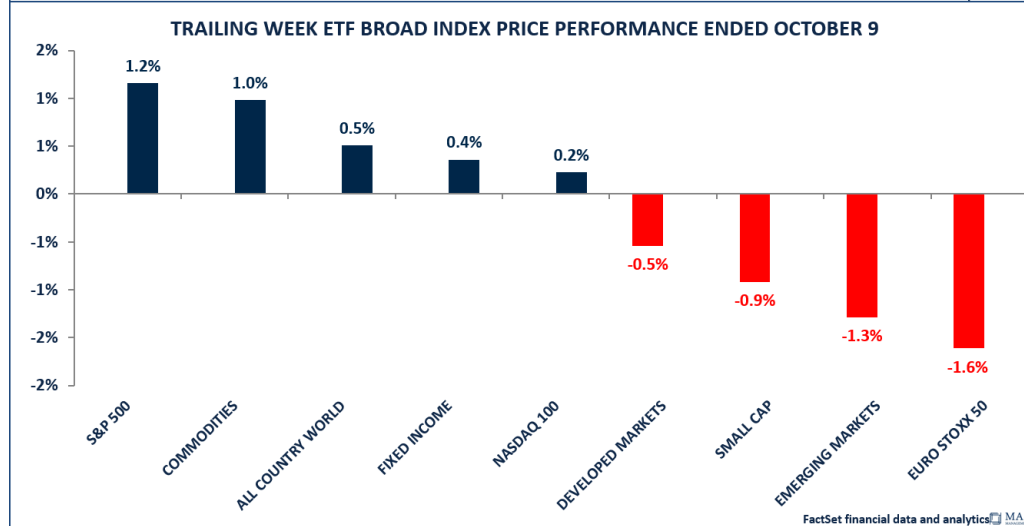
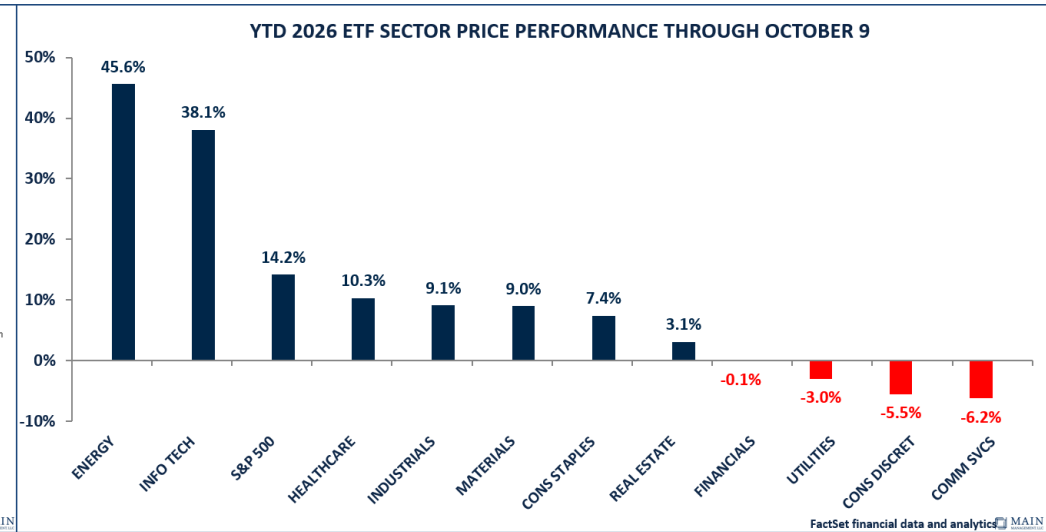
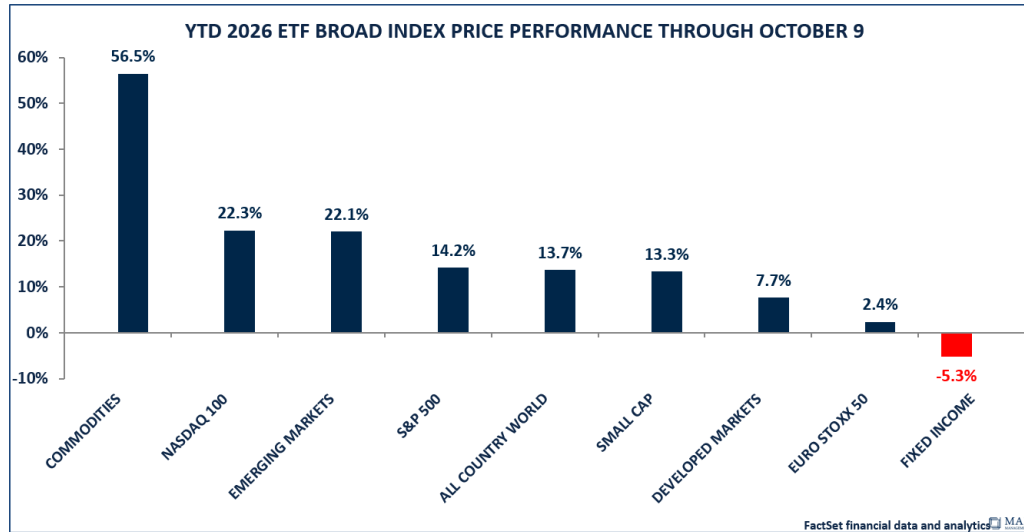


Alex Dippery
Research Analyst



Advisors benefit from our comprehensive due diligence on other asset managers, insightful market commentary, and strategic asset class views.

Performance



Recession Dashboard

RECESSION START	INFLATION	CONSUMER	YIELD CURVE	HOUSING	SENTIMENT	AUTOS	EMPLOY- MENT	PMI	RETAIL SALES
NOV 1973	↓	—	—	↓	—	—	↓	↓	—
JAN 1980	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1981	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1990	↓	↓	↓	↓	↔	↓	↓	↔	—
MAR 2001	↔	↓	↓	↔	↔	↔	↓	↓	↔
DEC 2007	↓	↓	↓	↓	↔	↓	↓	↓	↓
OCT 2026	↓	↔	↔	↔	↔	↔	↔	↑	↑
LAST CHANGE	BLUE MAY '26	GREEN APR '25	GREEN SEP '26	GREEN DEC '24	GREEN APR '25	RED JAN '25	RED JUL '25	BLUE JUL '25	BLUE DEC '24



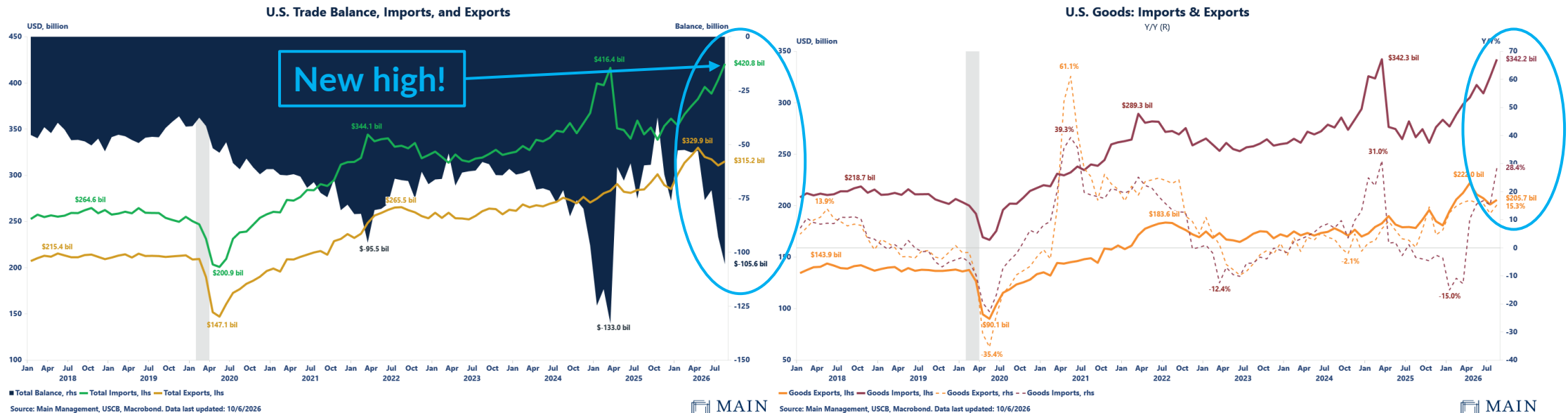
↑ Positive

↔ Neutral

↓ Negative

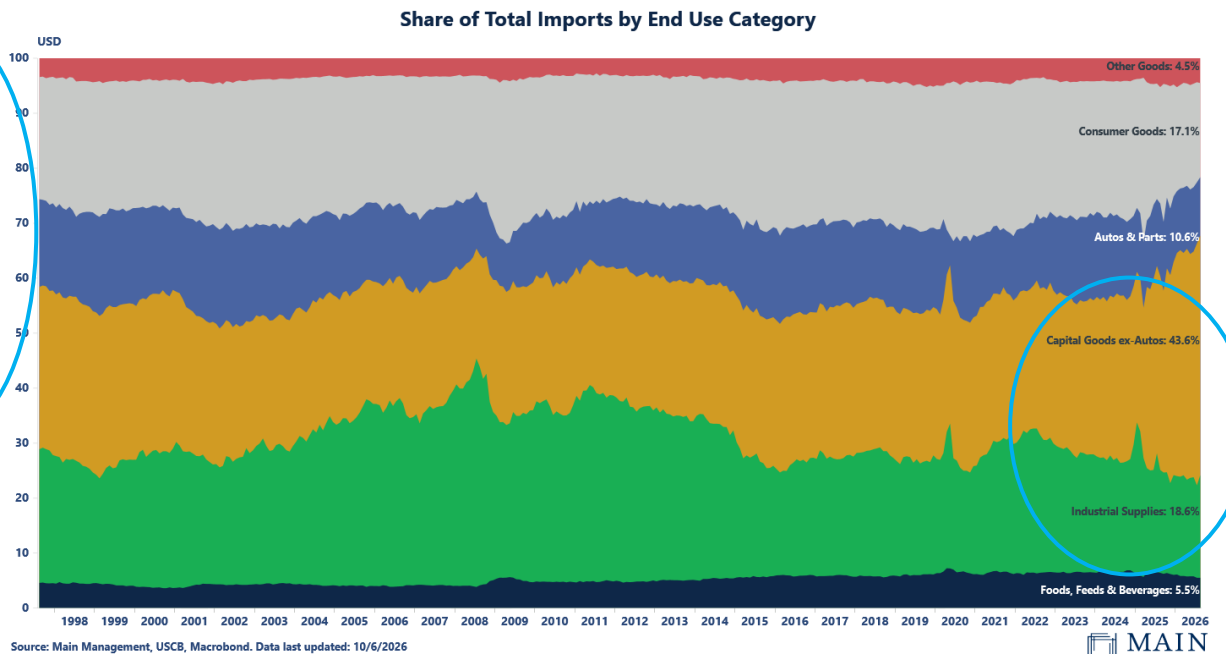
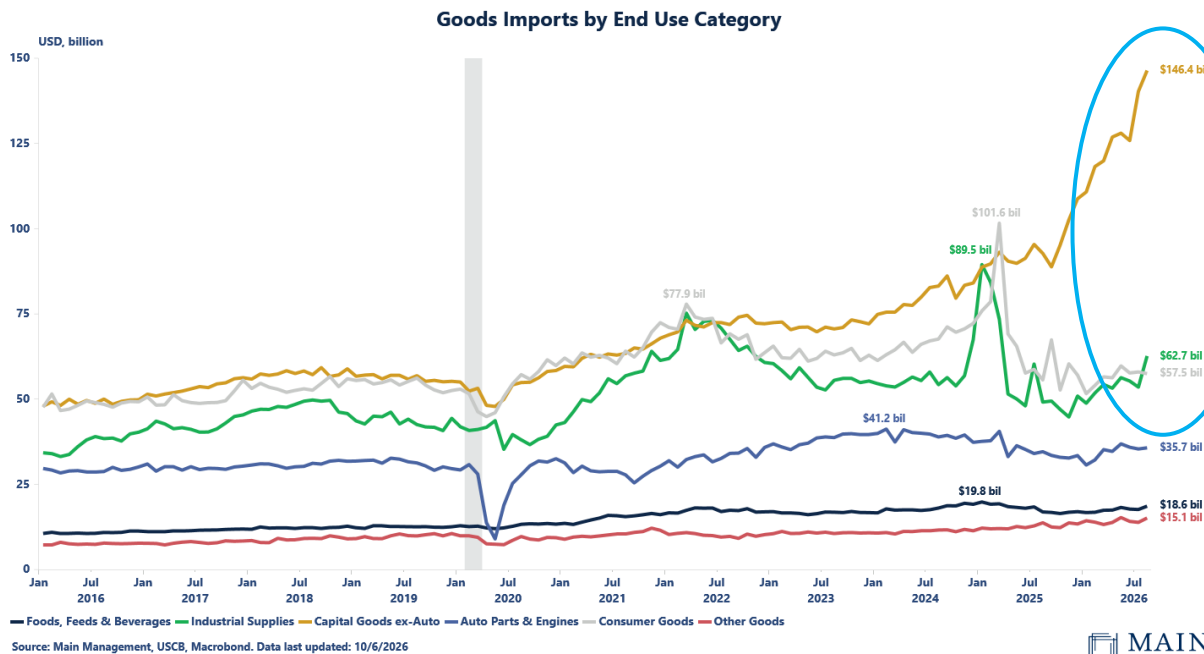
Trade Balance

- The Trade Balance (left) widened more than expected in August to -\$105.6bil versus -\$102bil forecasts. Imports (green) rose to a new all-time high at \$420.8bil while Exports (gold) also increased to \$315.2bil after 3 straight down months. Imports were boosted by crude oil and non-monetary gold (both of which fall under Industrial Supplies) and semiconductors (Capital Goods). The rise in imports is a good indicator of solid demand.
- On the right, we show Goods Imports (maroon) and Exports (orange). Goods Imports are back up to \$342.2bil, just below their record \$342.3bil from March 2025. Goods Exports have a bit further to go to make a new high, now at \$205.7bil. Goods Imports are now up +28.4% YoY and Goods Exports are up +15.3% YoY.



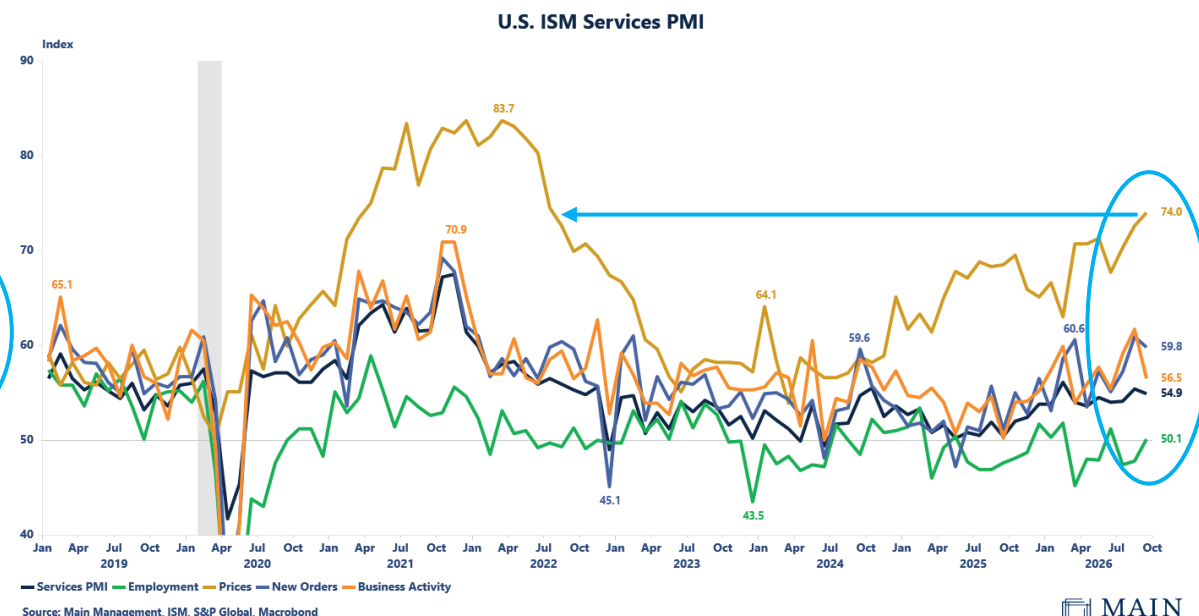
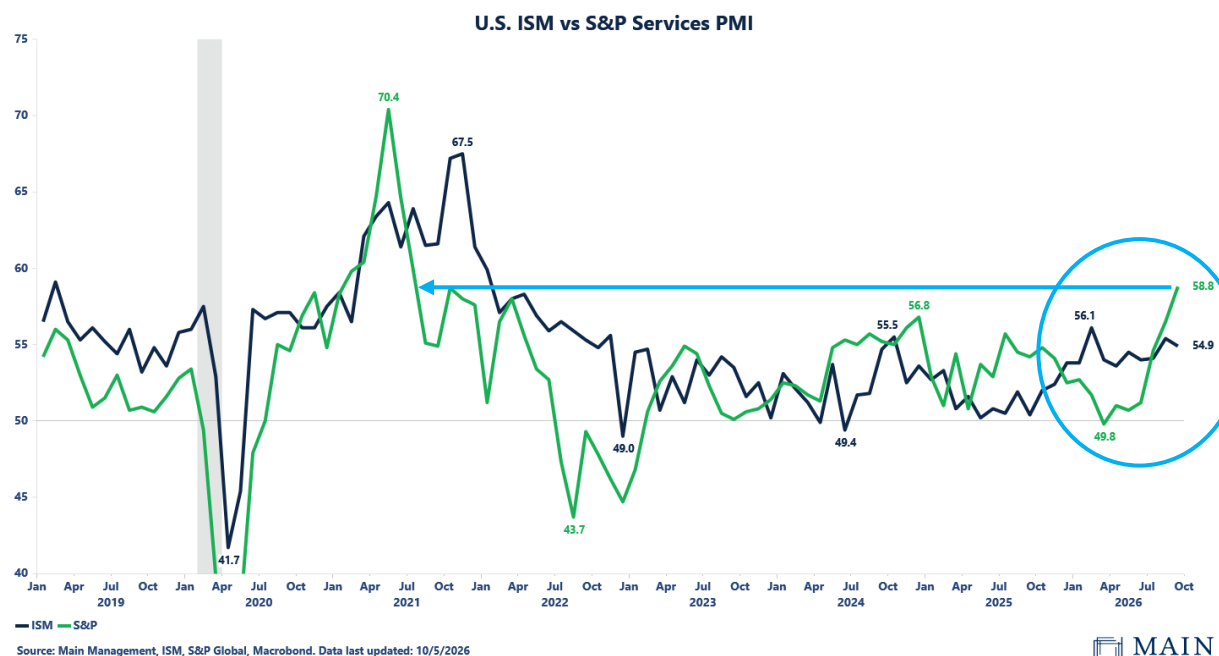
Goods Imports

- On the left, we show Goods Imports by category. As you can see, Capital Goods (gold) has surged on the back of demand for high-tech components. Industrial Supplies (green) also posted a solid gain and surpassed Consumer Goods (grey). All of the categories shown are positive on a YoY basis for the first time since July 2024!
- On the right is the share of imports by category. Capital Goods are up to 43.6% of imports, followed by Industrial Supplies at 18.6% and then Consumer Goods at 17.1%.



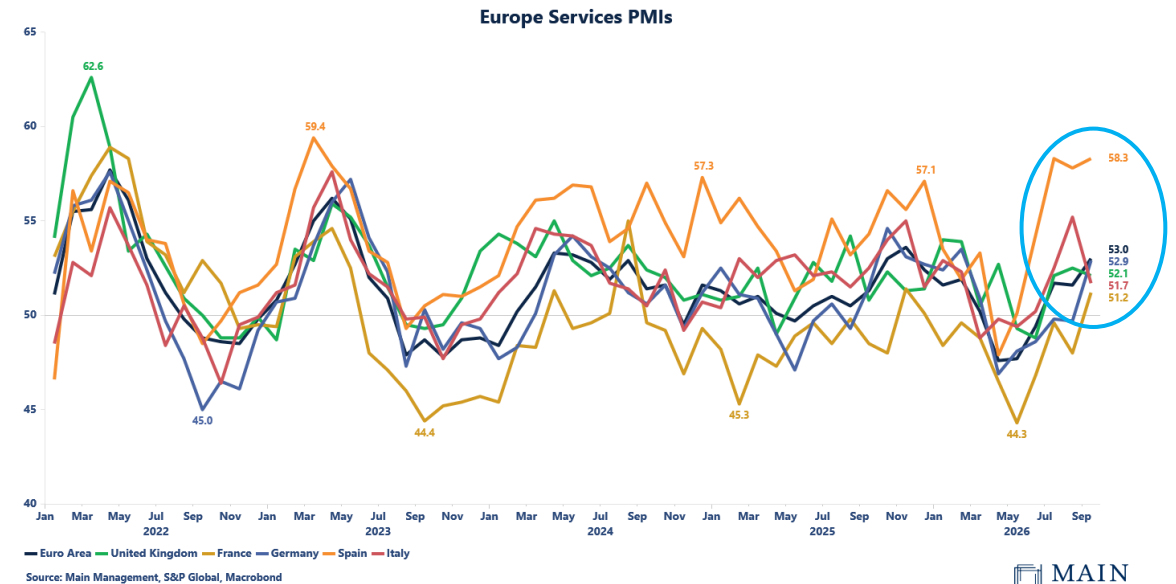
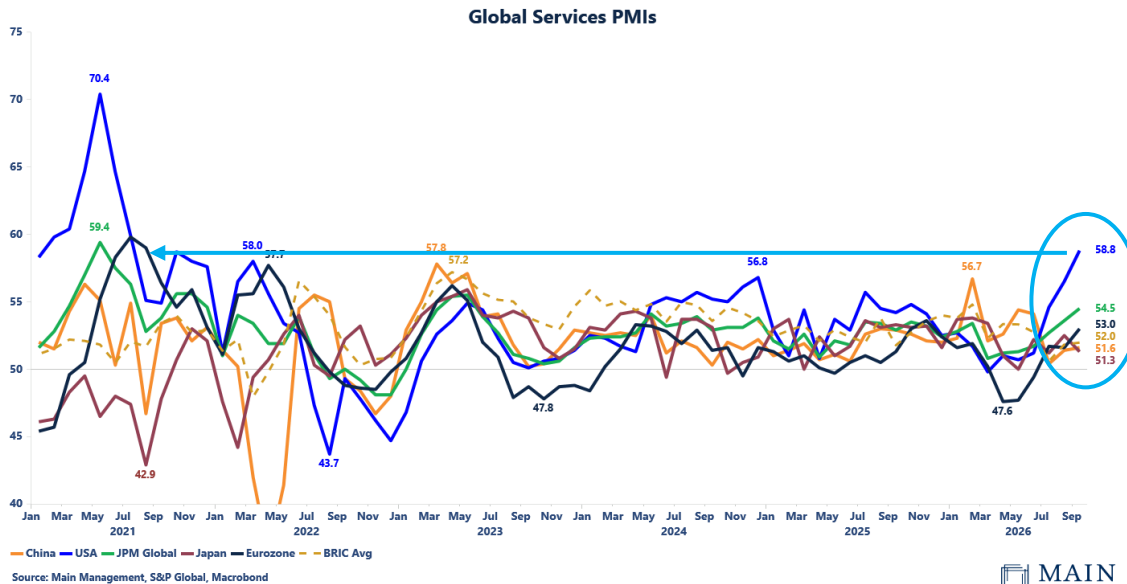
ISM vs S&P Service PMIs

- September U.S. Service PMIs were mixed as the ISM figure (left, black) ticked down to 54.9 while the S&P figure (left, green) was revised slightly higher to 58.8 from the flash 58.7 and the strongest since July 2021!
- On the right, we show the ISM components. Prices (gold) remain an issue, hitting 74.0, the highest since July 2022! Employment (green) inched back into expansion at 50.1 but New Orders (blue) and Business Activity (orange) both pulled back to 59.8 and 56.5, respectively.



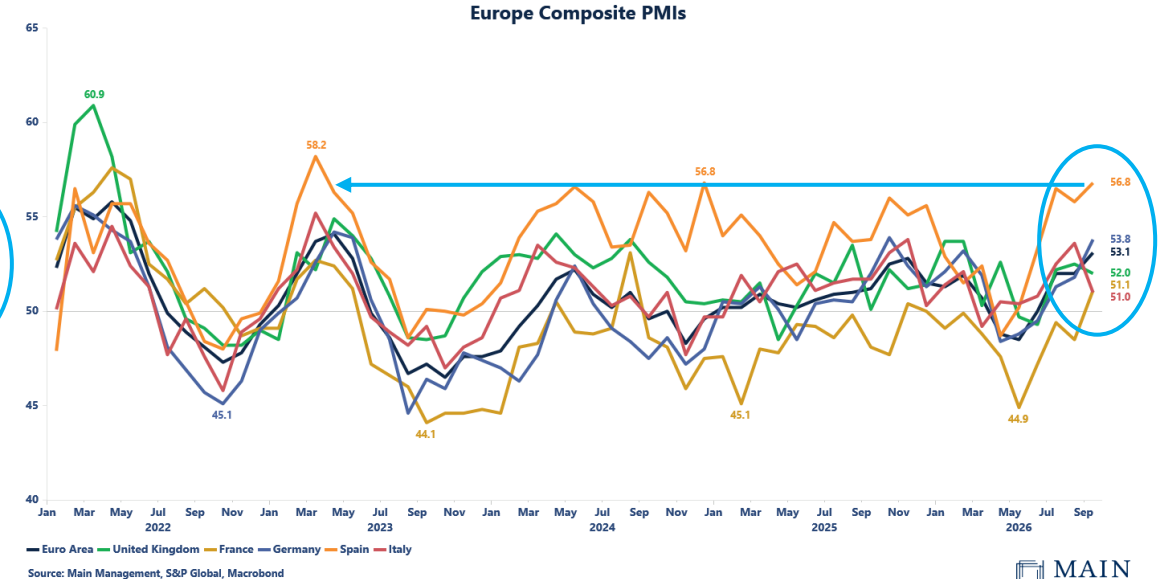
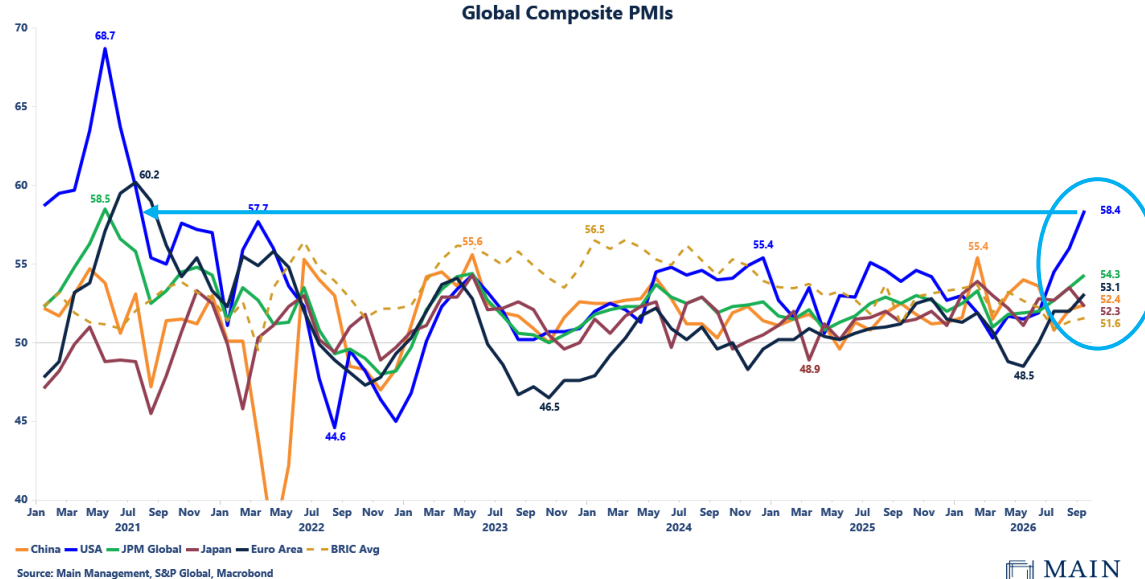
Global Service PMIs

- For the global majors, September Service PMIs (left) were more up than down. The U.S. is solidly above the others at 58.8 (blue), but they are all in expansion. Japan (maroon) was the only decliner, moving down to 51.3. China (orange) ticked up to 51.6, helping the BRICs (gold) average inch higher to 52.0. The JPM Global Index (green) hit 54.5, the highest since May 2023! The Eurozone (black) also improved to 53.0.
- Within Europe (right), Italy (red) and the UK (green) declined to 51.7 and 52.1, respectively. Spain (orange) remains at the top of the pile at 58.3, the best since March 2023! Germany (blue) also improved to 52.9 as France (gold) moved back into expansion at 51.2.



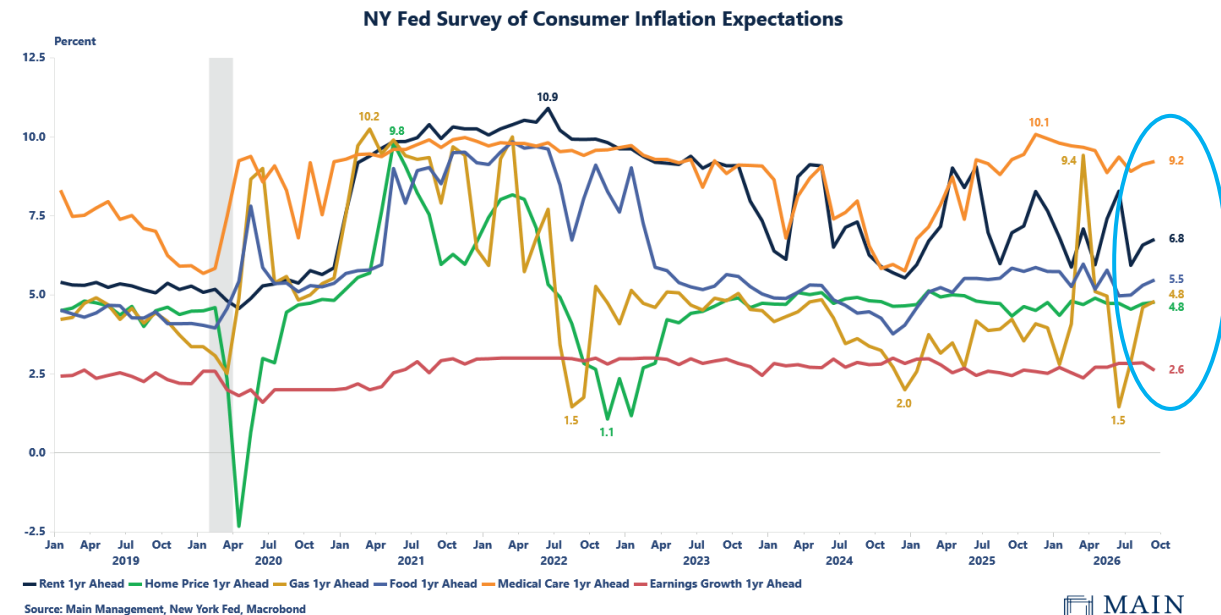
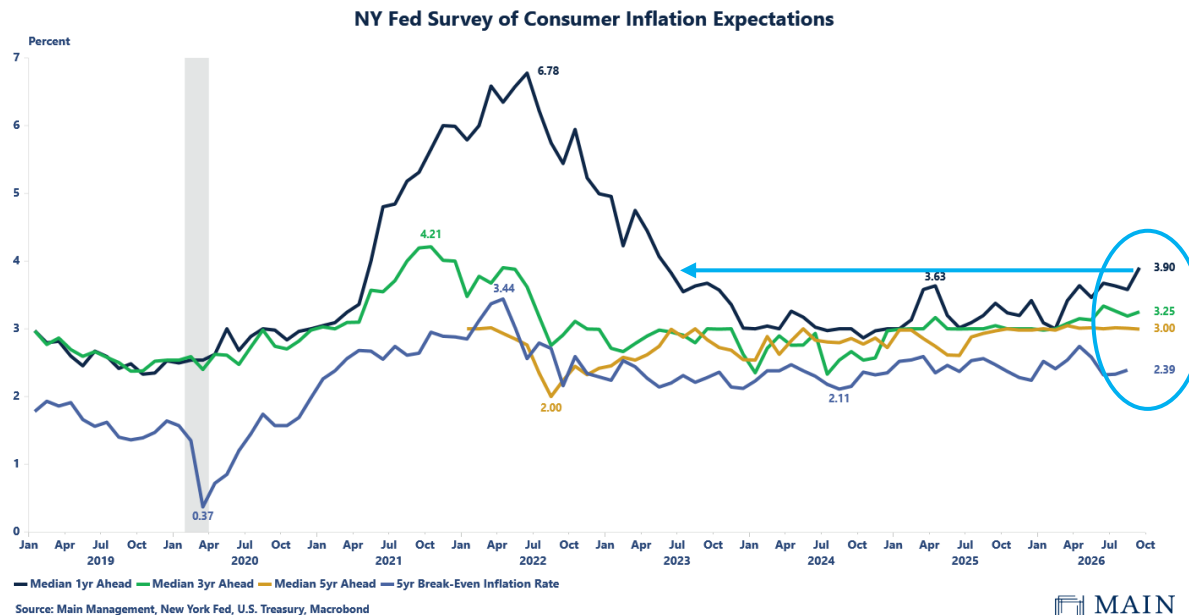
Global Composite PMIs

- The global Composite PMIs (left), they mostly followed the service figures. The U.S. (blue) is at the top of the pile at 58.4, the highest since July 2021! China (orange) moved up to 52.4, helping the BRIC average (gold) to 51.6. The JPM Global Index (green) improved to 54.3, the best since May 2023! The Euro Area (black) hit 53.1, the highest since April 2023! Japan was the lone decliner, fading to 52.3, but still firmly in expansion.
- On the right, within Europe, Spain (orange) leads the way at 56.8, tied for the best since March 2023! Germany (blue) hit 53.8 and France (gold) moved back into expansion at 51.1. Italy (red) and the UK (green) were again the decliners, moving lower to 51.0 and 52.0, respectively.



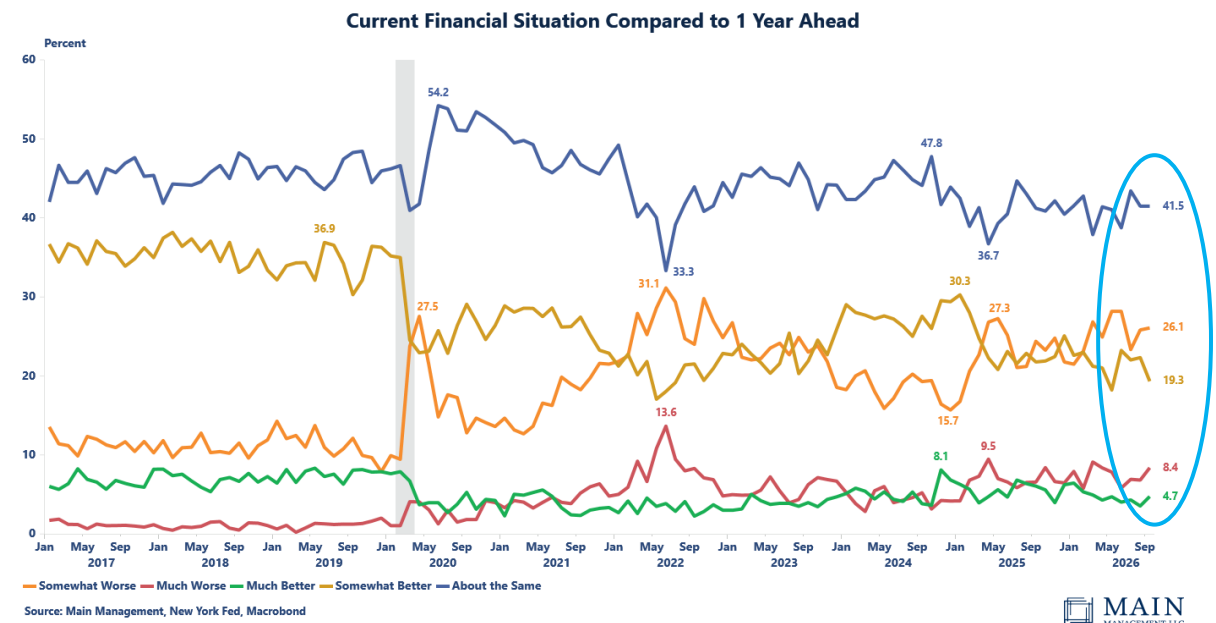
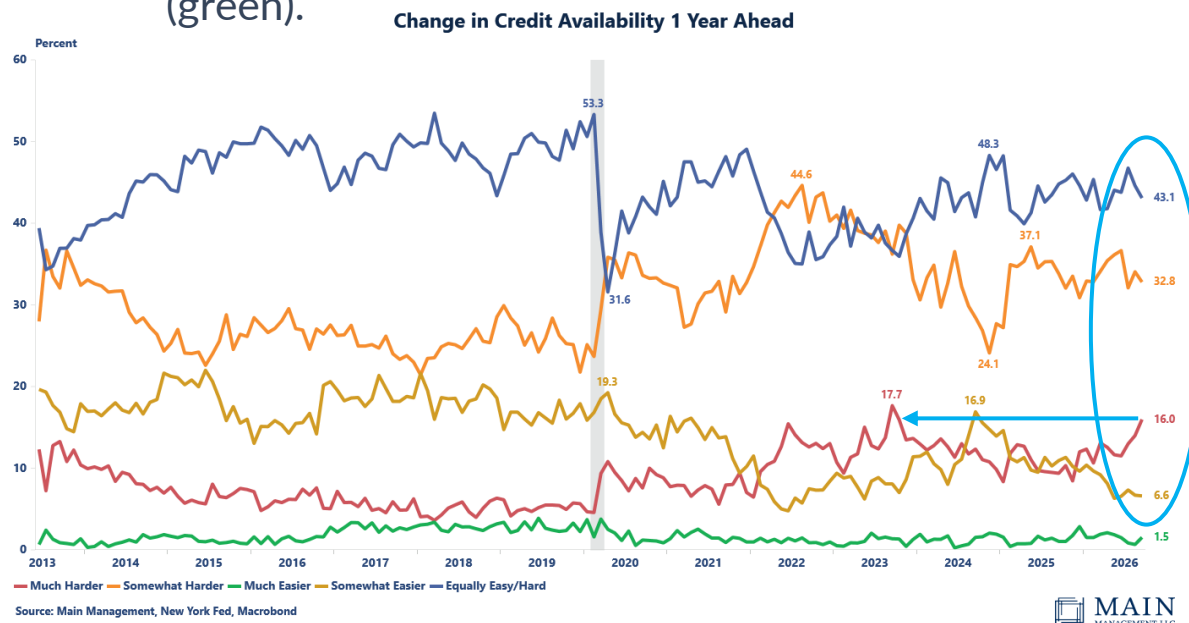
Consumer Inflation Expectations

- The NY Fed Survey of Consumer Expectations saw the 1yr figure (left, black) jump to 3.90%, the highest since May 2023! 3yr (green) expectations ticked up to 3.25% while 5yr (gold) inched down to 3.00%.
- On the right, we show some categories. Gas (gold) is up to +4.8%, tied with Home Prices 1yr out (green). Medical Care (orange) remains the highest at 9.2%, followed by Rent (black), which rose to 6.8%. Food (blue) rose to 5.5%. The only thing to decline was Earnings Growth (red), which moved down to 2.6% (not ideal).



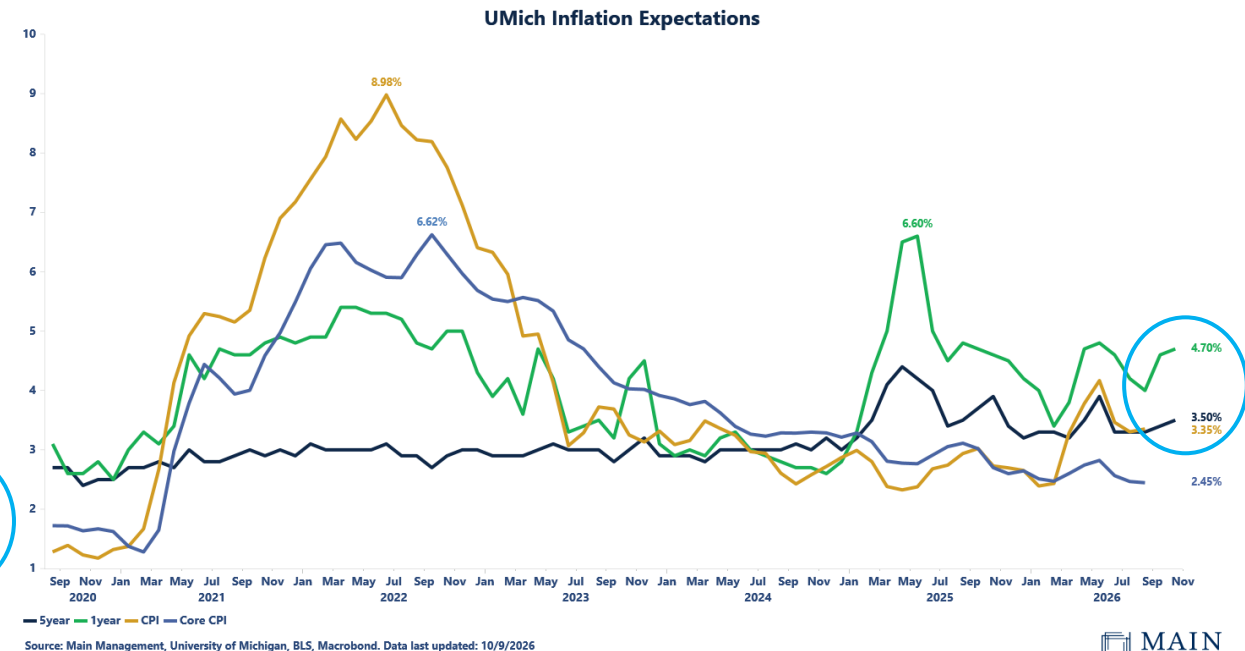
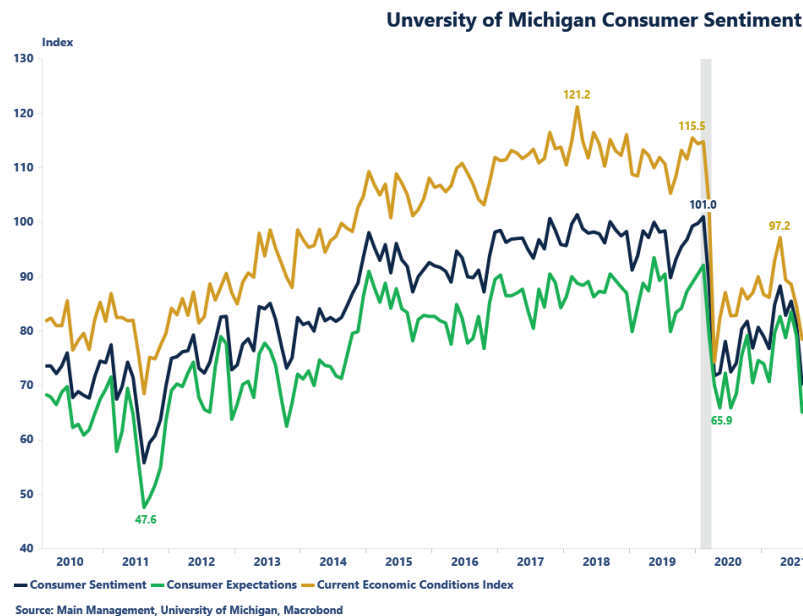
One Year from Now?

- People are becoming more pessimistic about Credit Availability over the next year (left), with Much Harder (red) surging to 16.0%, the highest since September 2023! Somewhat Harder (orange) and Equally Easy/Hard (blue) both declined, as did Somewhat Easier (gold). Only 1.5% of people think credit availability will be much easier.
- The good news is that people do not expect their Financial Situation (right) to deteriorate too much, if at all. About the Same (blue) was unchanged at 41.5%. Somewhat Better declined to 19.3% while Somewhat Worse inched up to 26.1%. Only 8.4% think it will be Much Worse (red) in one year while 4.7% think much better (green).



Consumer Sentiment

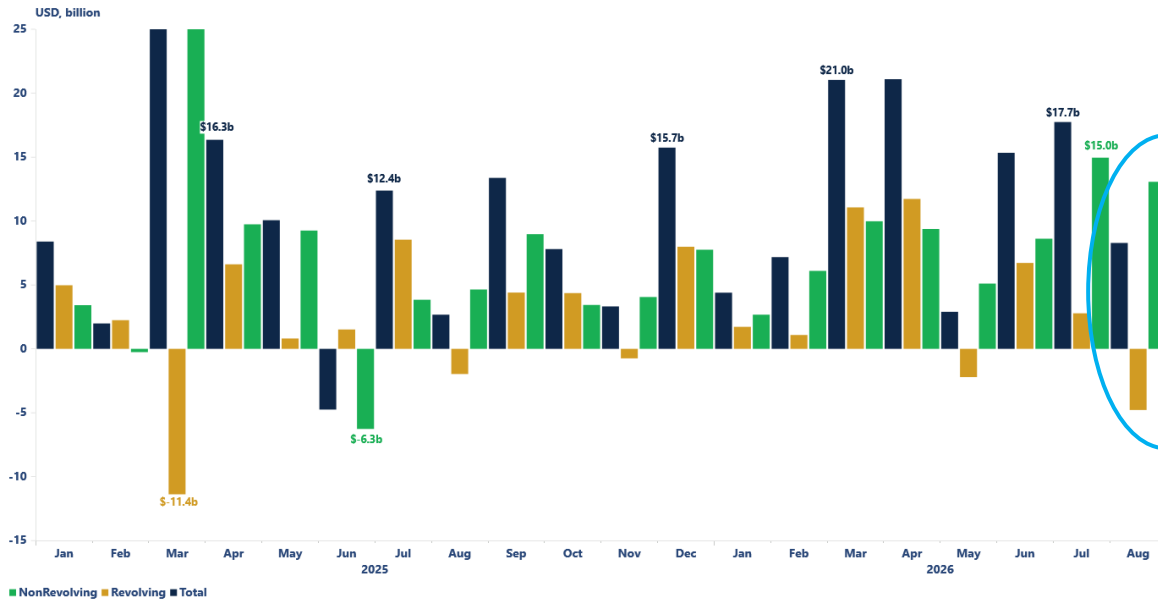
- The preliminary October UMichigan Consumer Sentiment (left, black) reading fell to 46.3, missing forecasts for 47.6. Current Conditions (gold) fell to 44.7, below 50.5 forecasts and a new record low! Consumer Expectations (green) ticked up to 47.3, a thin silver lining, ahead of 45.9 expectations.
- Unsurprisingly, the decline in sentiment was accompanied (caused?) by an increase in inflation expectations. 1yr expectations (right, green) rose to 4.70% and 5yr moved up to 3.50%, both the highest since May.



Consumer Credit

- Consumer Credit posted a +\$8.3bil MoM gain in August (left, black), led by NonRevolving Credit (like mortgages, green) which rose +\$13.1bil while Revolving Credit (like credit cards) fell -\$4.8bil, the most since March 2025.
- On the right, we show the YoY figures. Revolving is up the most at +3.37% YoY, followed by Total Credit up +2.73%. NonRevolving lags but is pretty close at +2.51% YoY. All 3 series are at all-time highs on a \$\$ basis and Non-Revolving is the far bigger share at \$3.84tril (74% of Total) versus Revolving at \$1.35tril (26% of Total).

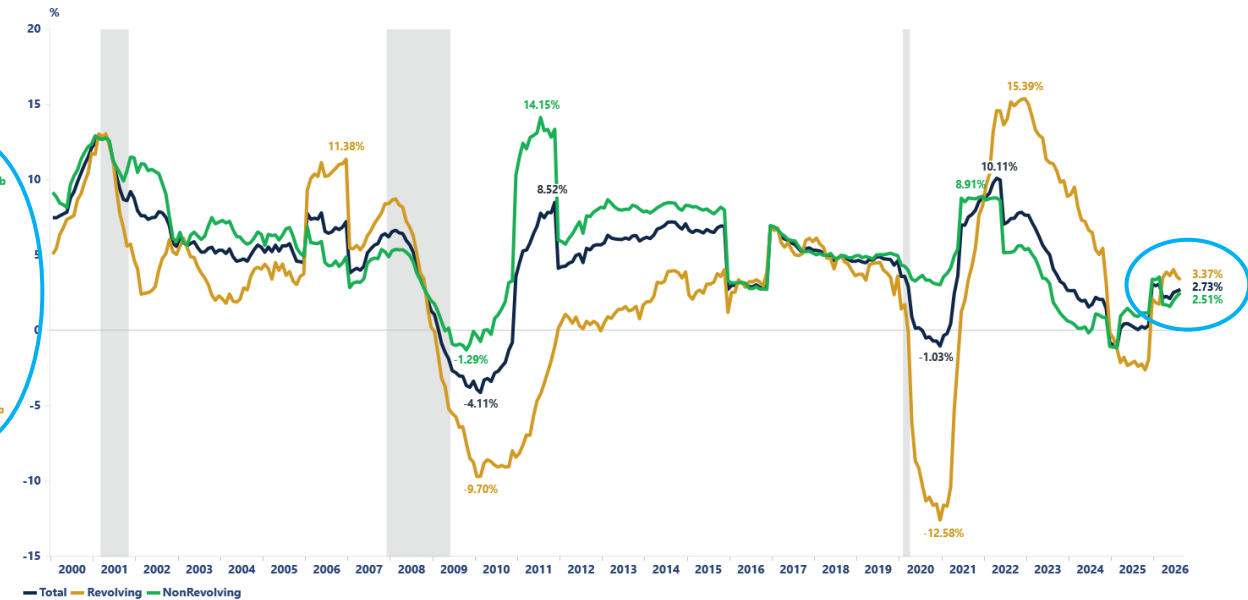
Consumer Credit M/M



■ NonRevolving ■ Revolving ■ Total

Source: Main Management, Fed, BEA, USCB, Macrobond. Data last updated: 10/7/2026

Consumer Credit Y/Y

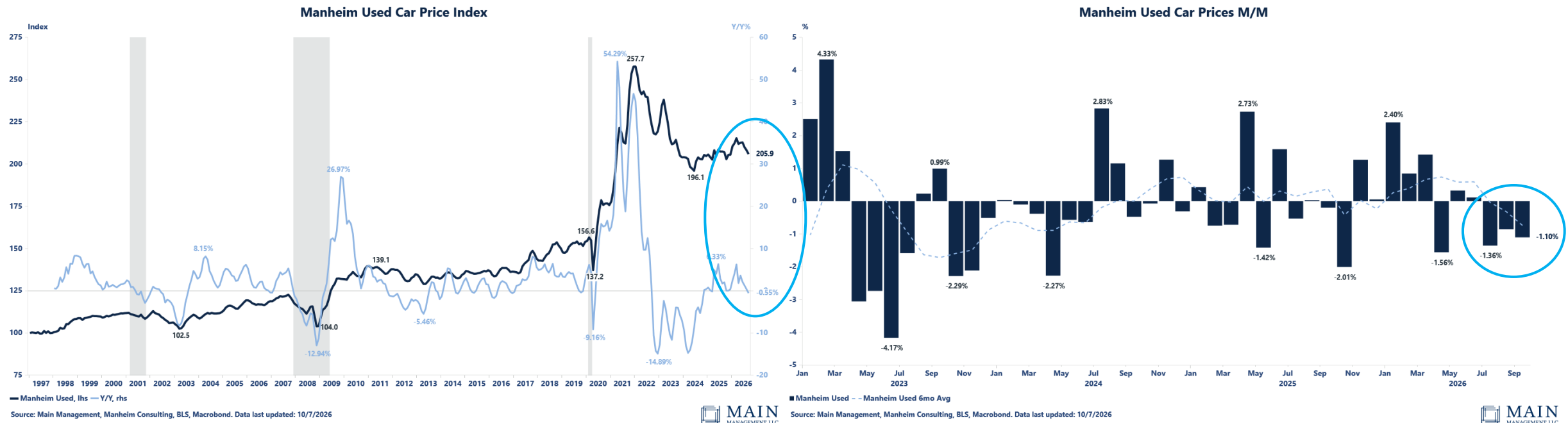


— Total — Revolving — NonRevolving

Source: Main Management, Fed, BEA, USCB, Macrobond. Data last updated: 10/7/2026

Used Car Prices

- The Manheim Used Car Price Index declined to 205.9 in September, the lowest since December 2025. They're now down -0.55% YoY, the most negative since October 2024! At least something is deflationary...
- The month-over-month readings are shown on the right. Prices were down -1.10% MoM in September and have been down for 3 straight months, the longest streak since June 2024. The 6mo average (dotted line) is the most negative it's been since April 2024.

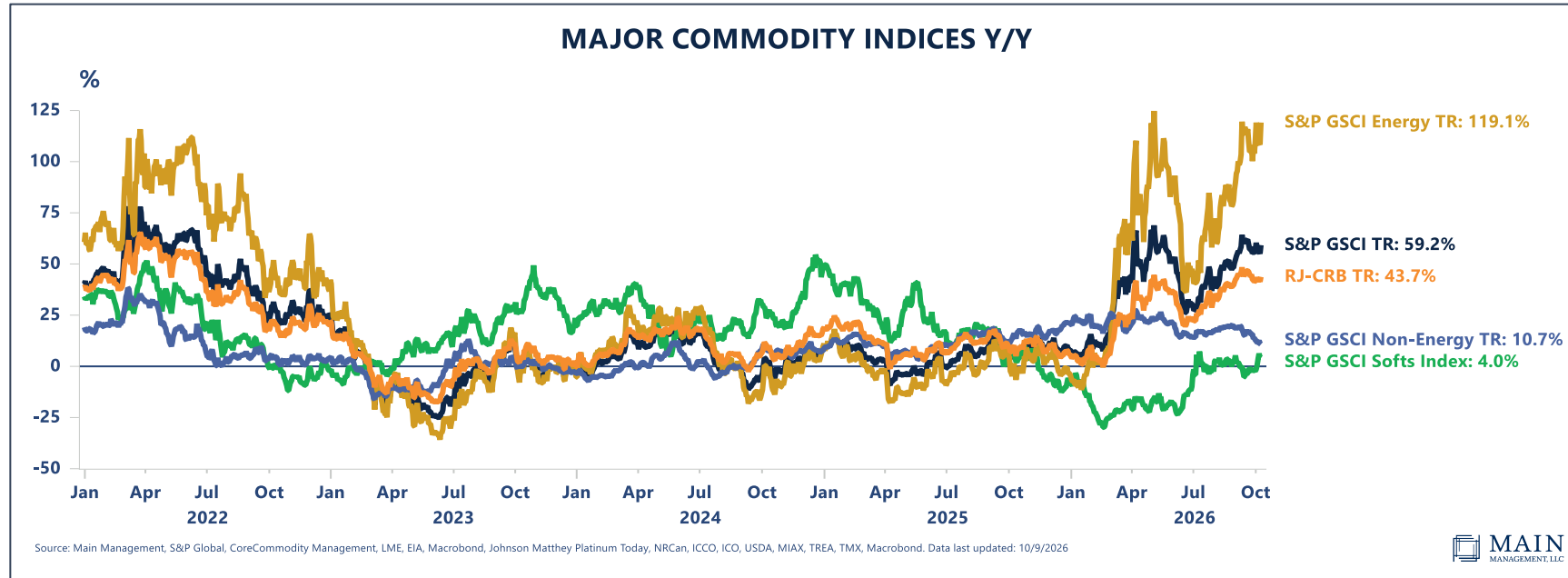


Summary

- The August Trade Balance widened as Imports hit a new record while Exports broke 3 straight down months.
- September Service and Composite PMIs saw solid improvements across much of the globe. The U.S. remains firmly above much of the rest of the world with both figures hitting multi-year highs.
- The NY Fed's Survey of Consumer Expectations saw the 1yr figure hit 3.90%, the highest since May 2023!
- UMichigan Consumer Sentiment slid in the preliminary October reading. Current Conditions hit the lowest level ever at just 44.7! Inflation expectations increased to their highest levels since May.
- Consumer Credit increased +\$8.3bil MoM in August, led by Non-Revolving credit which rose +\$13.1bil MoM.
- Used Car Prices slid for the 3rd straight month and are now down -0.55% YoY, the most negative since Oct. '24.
- Upcoming data:
 - NFIB Business Optimism and Existing Home Sales (Tues)
 - Headline & Core CPI (Weds)
 - Headline & Core PPI, Retail Sales, and Business Inventories (Thurs)
 - Industrial Production, Manufacturing Output, and Import & Export Prices, (Fri)

Appendix

Inflation Watch



Commodity	1 Month	3 Months	YTD ↓	1 Year
Gasoline	3.2	12.3	94.4	75.1
S&P GSCI	4.0	25.0	58.2	59.0
Crude Oil	0.3	25.2	57.8	46.3
BBG Commodity Index	0.5	13.8	30.9	35.0
Soybeans	-0.5	7.6	24.9	26.0
Cotton	-7.5	-0.9	18.6	22.9
Copper	-0.7	8.3	15.6	34.3
Corn	-2.3	13.1	13.6	19.2
US Dollar (DXY)	3.0	1.1	3.9	3.6
Lumber	-8.8	-17.0	-3.7	-13.9
Gold	-6.7	0.7	-4.4	3.7
Bitcoin	2.5%	29.0%	-6.7%	-32.7%
Natural Gas	6.5	-3.0	-14.1	-9.4
Silver	-10.6	-3.1	-15.8	25.2
Coffee	-10.9	-12.8	-17.1	-23.0

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 10/9/2026



Disclosures

Main Management, LLC ("Main Management", or the "Firm") is an investment adviser registered under the Investment Advisers Act of 1940, as amended. The Firm was founded in 2002 and provides investment management services primarily to high net worth, family groups, foundations/endowments, and serves as a sub-adviser to third-party investment advisers & broker-dealers.

The information contained herein was prepared using sources that the Firm believes are reliable, but the Firm does not guarantee its accuracy. The information reflects subjective judgments, assumptions and the Firm's opinion on the date made and may change without notice. The Firm is not obligated to update this information. Nothing herein should be construed as investment advice or a recommendation to purchase or sell securities. The information is not intended as an offer to provide advisory services in any state or jurisdiction where such offer would not be permitted under applicable registration requirements. All equity investing entails risk of loss.

In preparing this material, Main Management has not taken into account the investment objectives, financial situation or particular needs of any individual investor. Many securities transactions are risky and are not suitable for all investors. All securities investments carry risk, including a risk of loss of principal.