Main Management Market Note

May 15, 2026

Our Offerings

MAIN MANAGEMENT, LLC

OUR STRATEGIES

Active	Thematic	International	BuyWrite
Sector Rotation	*Innovation*	*Rotation*	*Hedged Equity*
SECT	**TMAT**	**INTL**	**BUYW**
US CORE EQUITY	GLOBAL MID-CAP GROWTH	NON-US CORE EQUITY	ALTERNATIVE INCOME

mainmgtetfs.com

CUSTOM MODEL PARTNERSHIP

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.

Investment Committee Leadership

Kim Arthur
CEO / CIO

Dick Fredericks
Founding Partner

Alex Varner
Managing Director, Research

Jim Concidine
Founding Partner

Darol Ryan
Managing Partner

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

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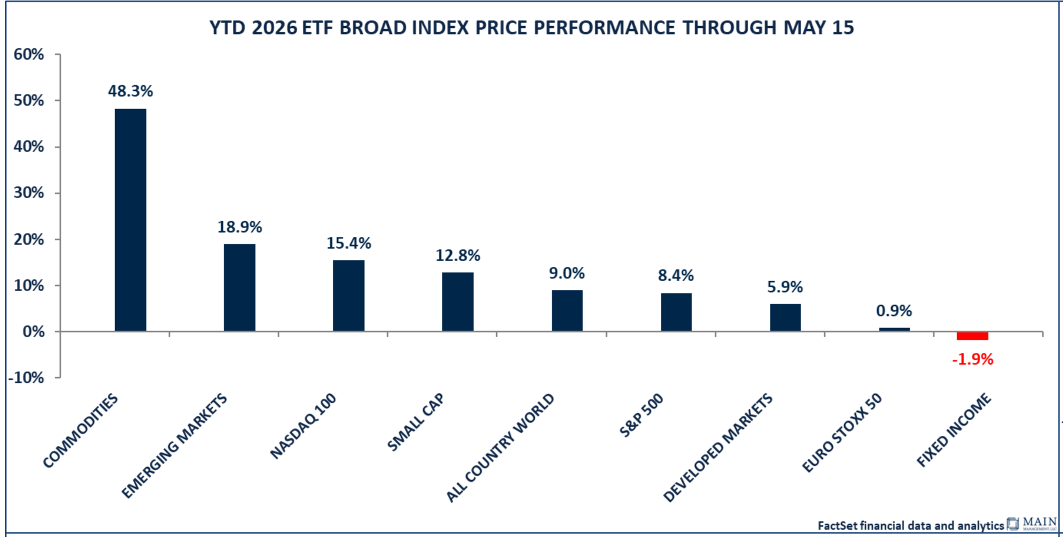

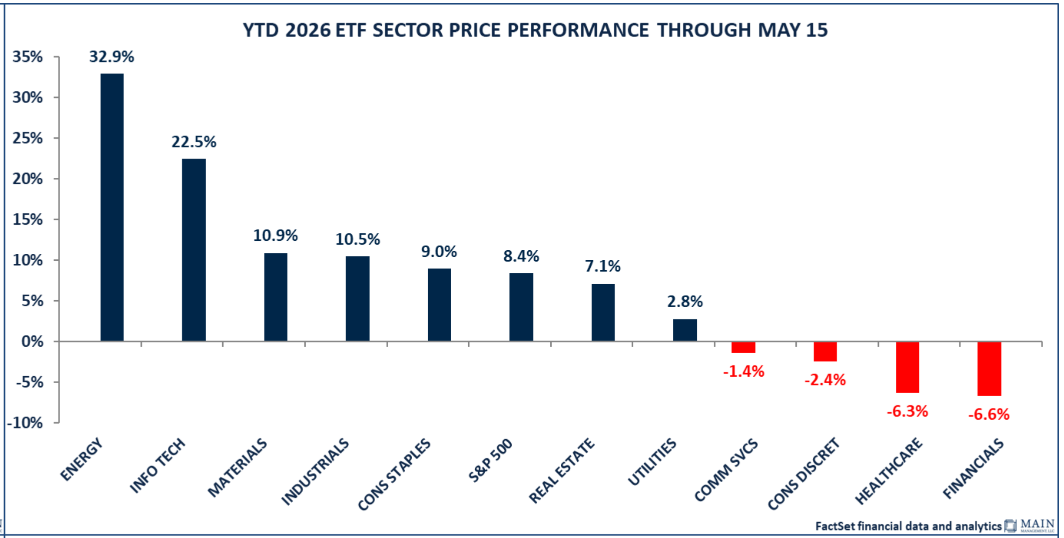

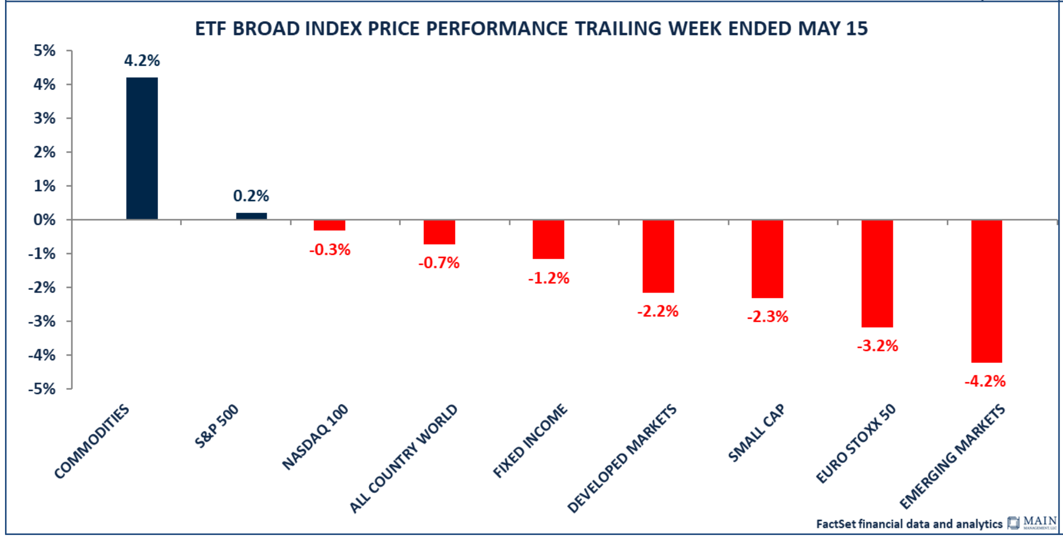

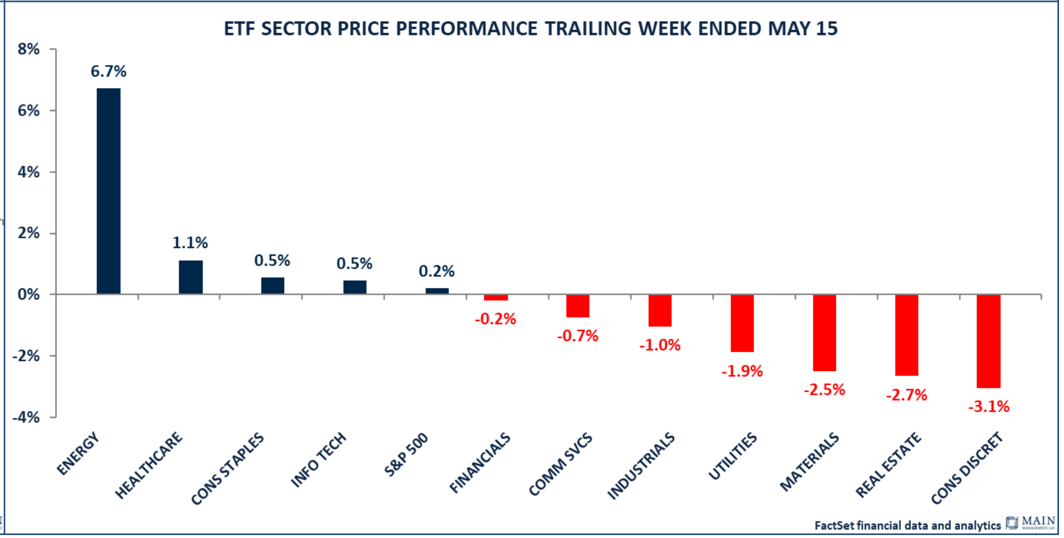

Recession Dashboard

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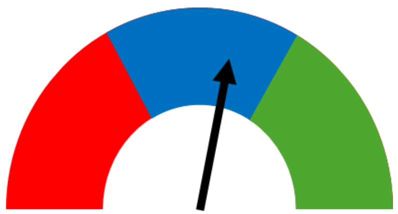
RECESSION START	INFLATION	CONSUMER	YIELD CURVE	HOUSING	SENTIMENT	AUTOS	EMPLOY-MENT	PMI	RETAIL SALES
NOV 1973	↓	—	—	↓	—	—	↓	↓	—
JAN 1980	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1981	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1990	↓	↓	↓	↓	↔	↓	↓	↔	—
MAR 2001	↔	↓	↓	↔	↔	↔	↓	↓	↔
DEC 2007	↓	↓	↓	↓	↔	↓	↓	↓	↓
DEC 2019	↑	↑	↔	↔	↑	↔	↑	↔	↔
MAY 2026	↔	↔	↑*	↔	↔	↔	↔	↑	↑
LAST CHANGE	GREEN APR '26	GREEN APR '25	BLUE JAN '26	GREEN DEC '24	GREEN APR '25	RED JAN '25	RED JUL '25	BLUE JUL '25	BLUE DEC '24

↑ *Positive* ↔ *Neutral* ↓ *Negative*

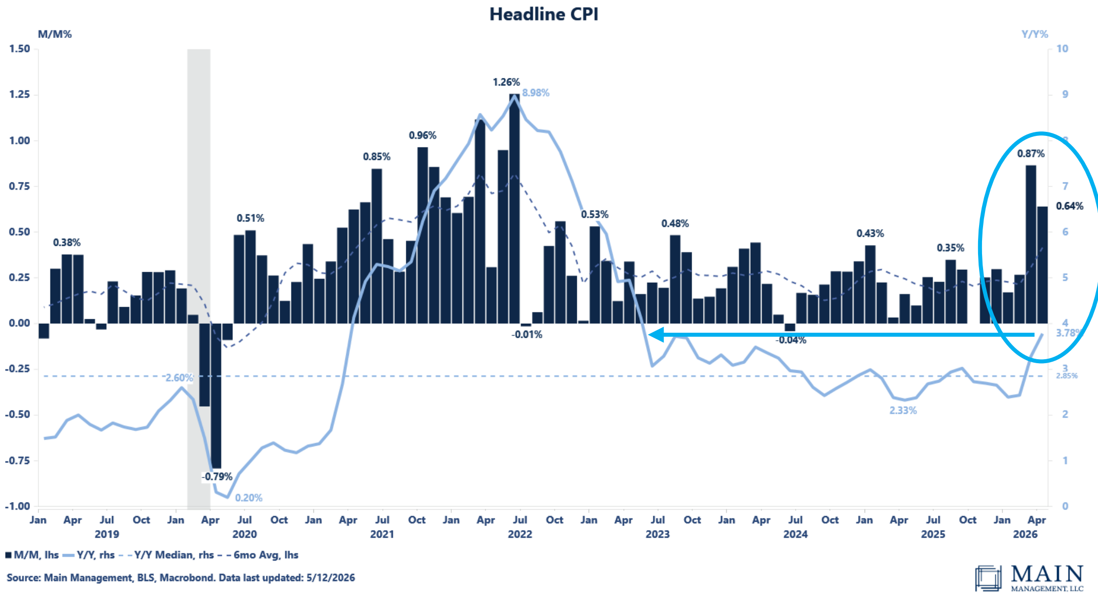
Overall:

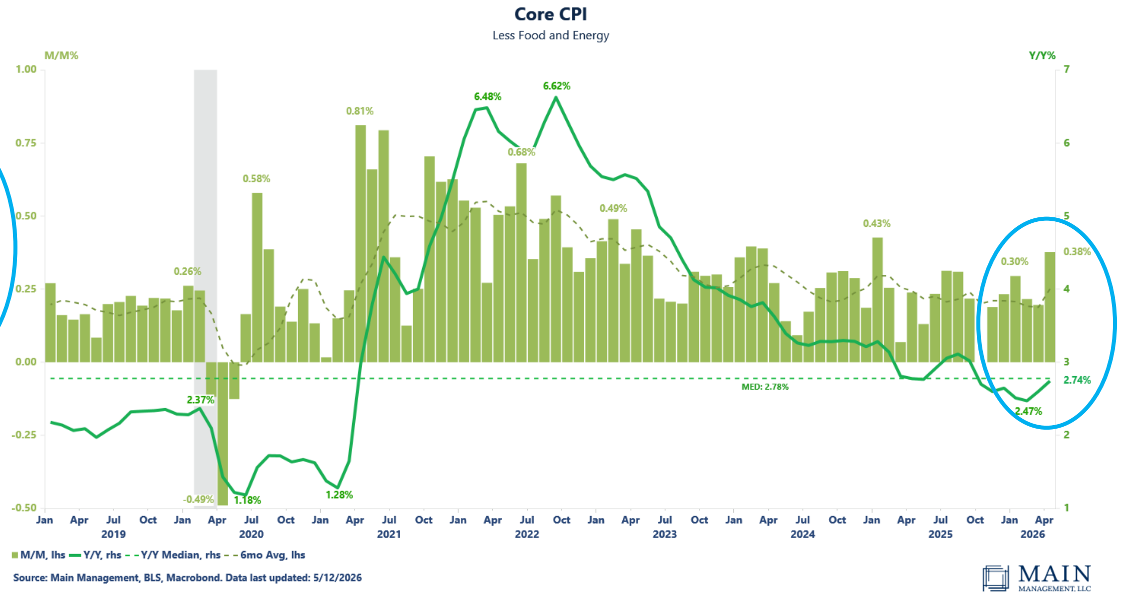


Inflation: *Headline CPI. Source: St. Louis Fed.* **Consumer**: *Conference Board Consumer Confidence. Source: The Conference Board.* **Yield Curve**: *10 year – 3 month Treasury spread. Source: FactSet financial data and analytics.* **Housing**: *Housing Starts & Existing Home Sales. Source: St. Louis Fed.* **Sentiment**:*. Conference Board Consumer Confidence, UMich Consumer Sentiment, State Street Investor Confidence, CEO Confidence, VIX, AAII* **Autos**: *Auto Sales. Source: St. Louis Fed.* **Employment**: *Initial Weekly Unemployment Claims & Nonfarm Payrolls. Source: St. Louis Fed.* **PMI**: *Markit US Manufacturing PMI & US ISM Manufacturing PMI & Chicago PMI. Source: Markit, ISM.* **Retail Sales**: *Advance Retail Sales. Source: St. Louis Fed. * 10 year – 3 month Treasury spread inverted on 11/2/22.*

CPI

- Headline CPI (left) rose +0.64% M/M in April, roughly in line with forecasts, and accelerating to +3.78% Y/Y, the highest reading since May 2023! This marked increase follows March's outsized +0.87% gain and has taken CPI from +2.43% to +3.78% in just 2 months, mostly stemming due to the Iran/Hormuz logjam which will hopefully prove to be transitory (sound familiar?). Energy has obviously played a big role, but so did Shelter this month.
- Core CPI (right) jumped +0.38% M/M, the biggest monthly reading since Jan. 2025, and rising to +2.74% Y/Y. While Energy is excluded from Core, the big increase in April was driven by a one-time upward adjustment to Shelter (more on the next slide).





NEGATIVE

Gas & Shelter

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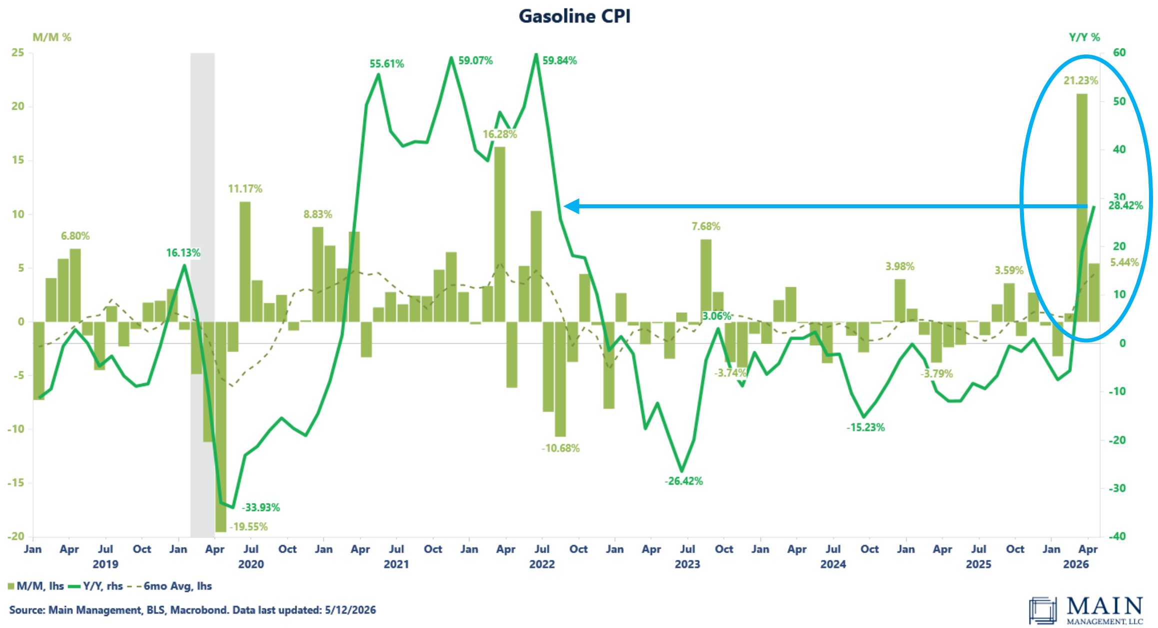
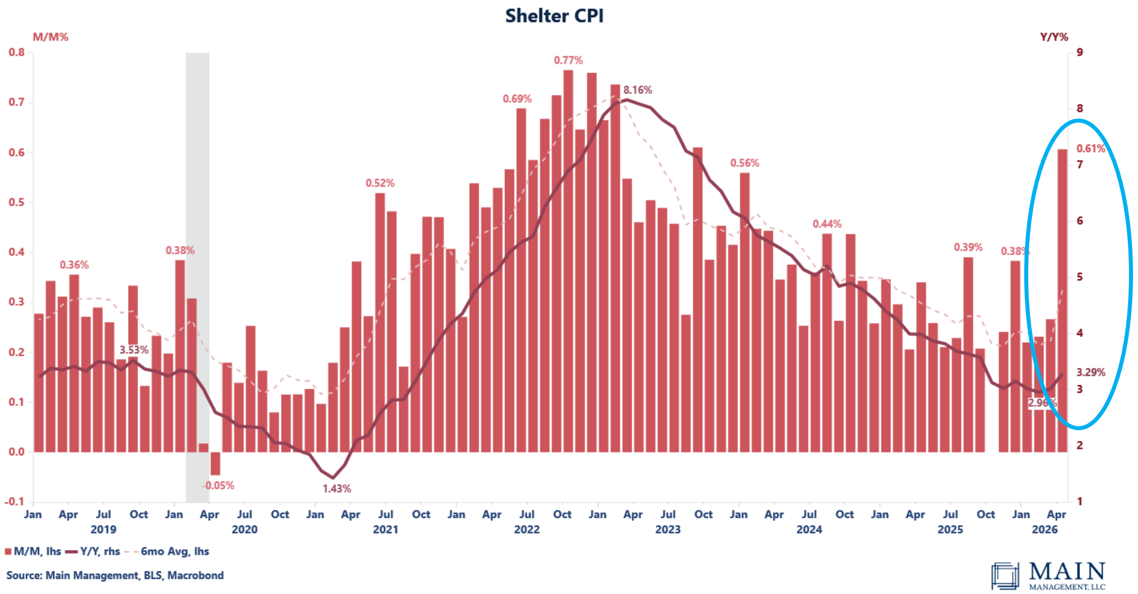
- Gas (left) has risen even more than broad Energy, adding +5.44% M/M in April after surging +21.23% in March and pushing Gas prices up +28.42% Y/Y. That's the biggest Y/Y increase since July 2022! WTI Crude prices are up around +50% since the end of February as the Strait of Hormuz remains closed.
- Shelter (right) saw a big +0.61% M/M increase on a one-off upward adjustment to both Rents and Owner's Equivalent Rent (OER). That's the biggest M/M increase since Sept. 2023 and pushed the Y/Y figure back up to +3.29%, the highest in several months.



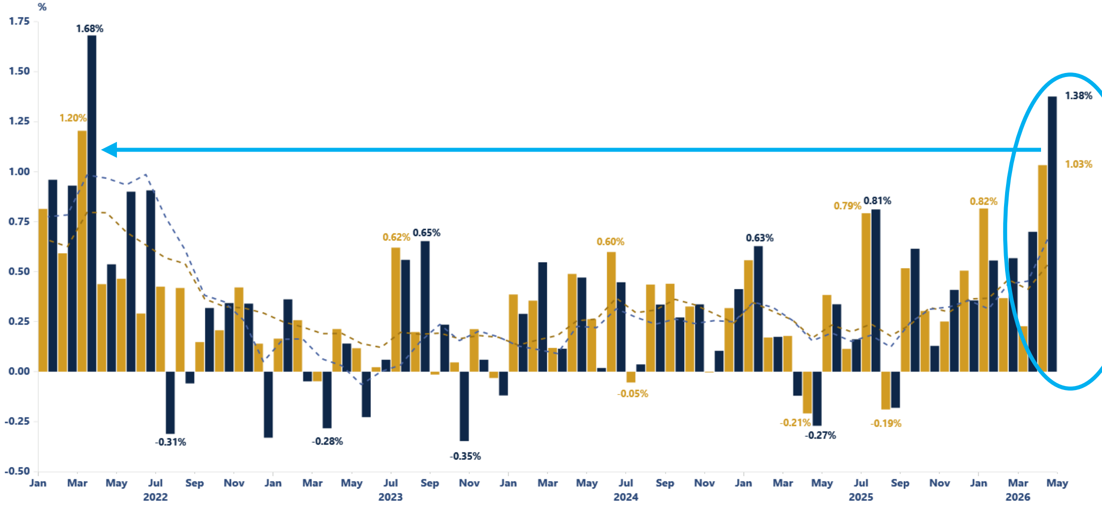


NEGATIVE

PPI

- Broad PPI (left, black) jumped +1.38% M/M in April, nearly triple forecasts for a +0.5% rise. Core PPI (left, gold) rose +1.03% M/M, also far above expectations for a +0.3% increase. Both monthly gains were the highest since March 2022!
- On a Y/Y basis (right), Broad PPI leapt to +5.99% and Core to +5.24%, the highest readings since Dec. 2022! Higher energy prices spilled into the Core figure a bit, pushing up transportation & warehousing by +6.4% M/M, a record increase. PPI tends to lead CPI by a few months, so we may continue to see accelerating CPI figures through the summer…

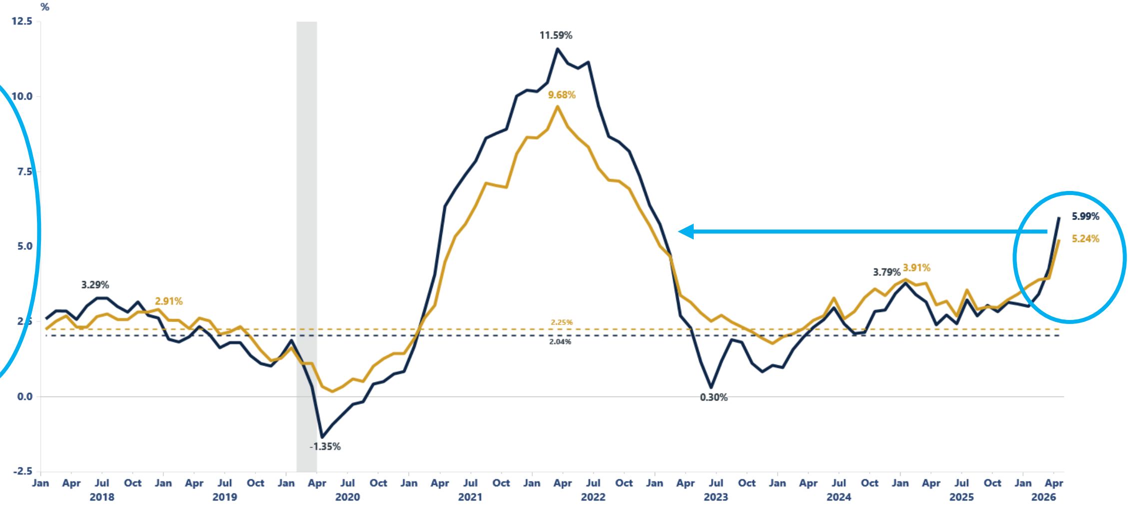
Overall & Core PPI M/M



■ Overall PPI ■ Core PPI - - Core 6mo - - Overall 6mo

Source: Main Management, BLS, Macrobond. Data last updated: 5/13/2026

Overall & Core Producer Price Index Y/Y



— Overall PPI — Core PPI - - Overall Median - - Core Median

Source: Main Management, BLS, Macrobond. Data last updated: 5/13/2026

NEGATIVE

Retail Sales

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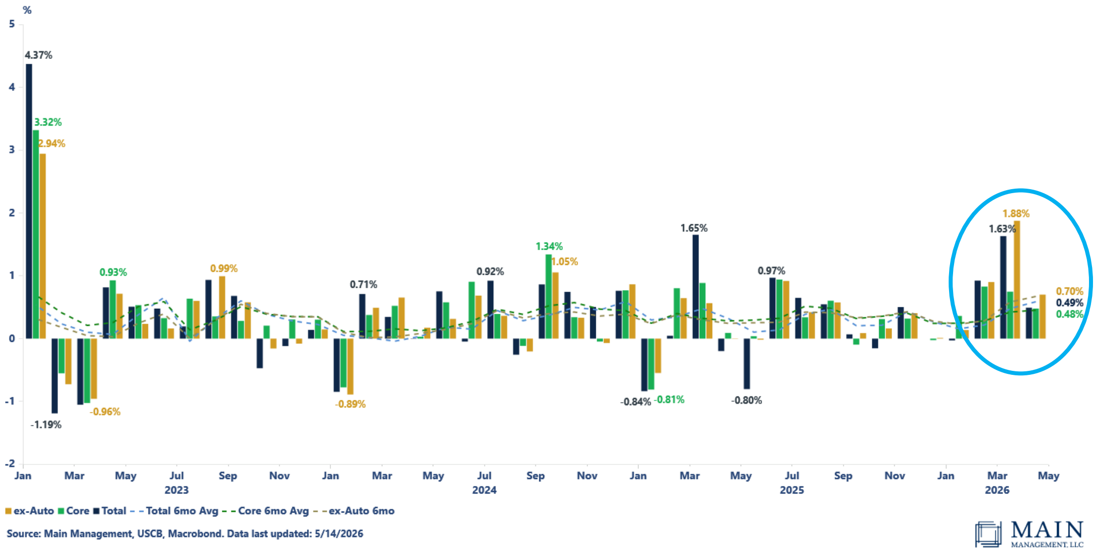
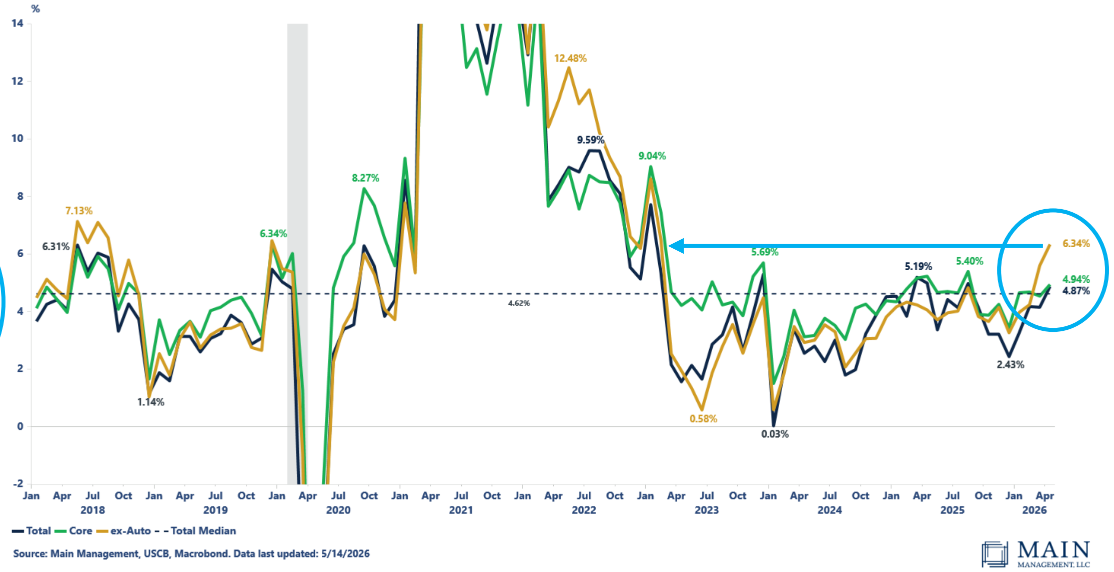
- April Retail Sales came in at a solid +0.5% M/M (left) for both Total (black) and Core (green) categories, while ex-Autos (gold) were up +0.7% M/M. March's big gains were due to the jump in Gas Stations as oil prices spiked.
- The consumer clearly remains resilient despite the recent jump in energy prices.
- On a Dollar basis, all 3 are at all-time highs with Total Retail Sales now up to $757 billion.
- These categories are all accelerating on a Y/Y basis (right) as well. Ex-Autos lead the way up +6.34%, the highest since Feb. 2023. Total Retail Sales are up +4.87% and Core up +4.94%.

Retail Sales M/M

Total and Core (ex Motor Vehicles/Parts & Gas Stations)



Retail Sales Y/Y



POSITIVE

Industrial Production

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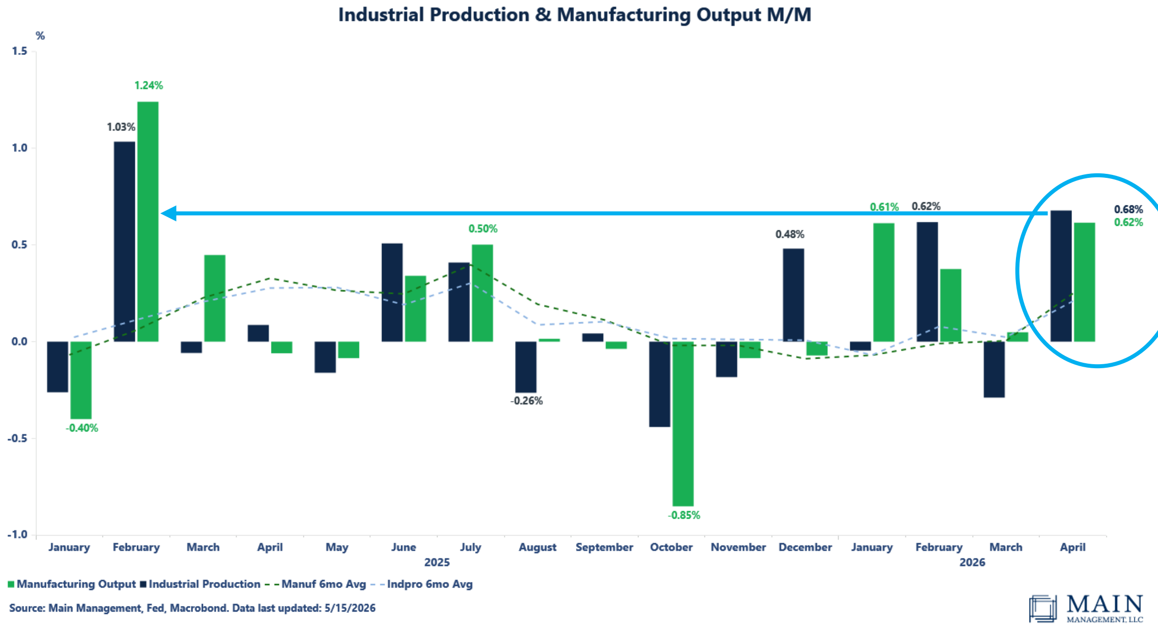
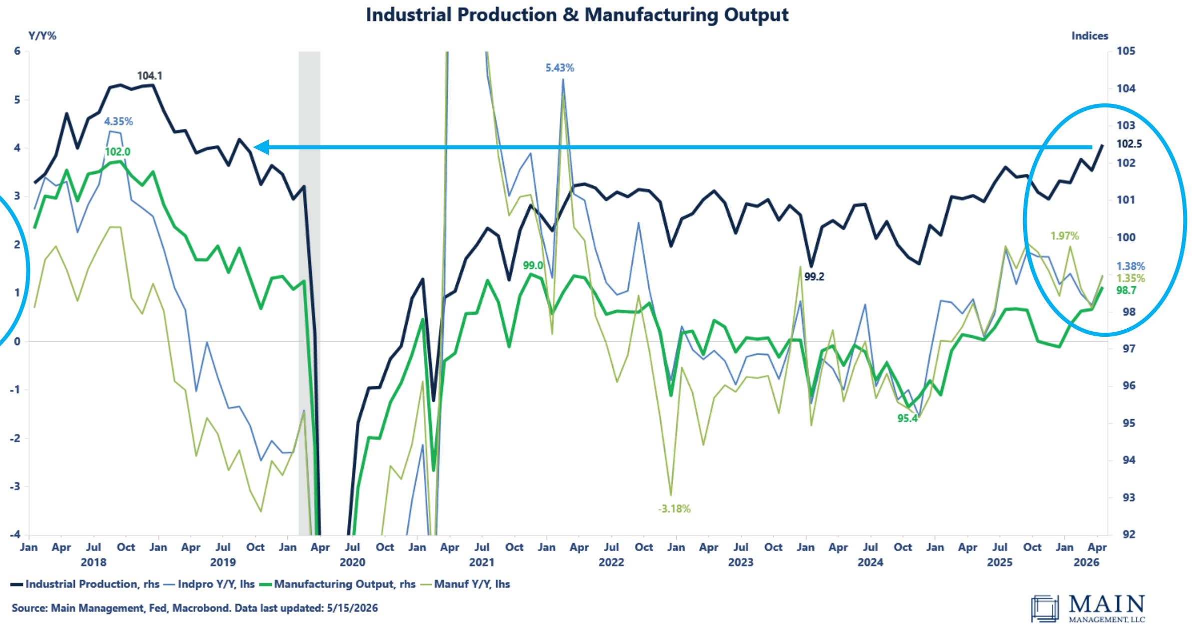
- April Industrial Production came in more than double expectations for a +0.3% reading, rising +0.68% M/M (left, black). Manufacturing Output also posted a strong +0.62% M/M gain (left, green), far above forecasts for +0.2%. Both readings were the biggest since Feb. 2025.
- On a Y/Y basis (right), Industrial Production is up +1.38% and Manufacturing Output is up +1.35%. The IndPro Index is up to 102.5, the highest level since August 2019!! The Output Index is up to 98.7, its highest since April 2022. These readings are encouraging for ongoing growth in the manufacturing sector.





POSITIVE

Household Debt

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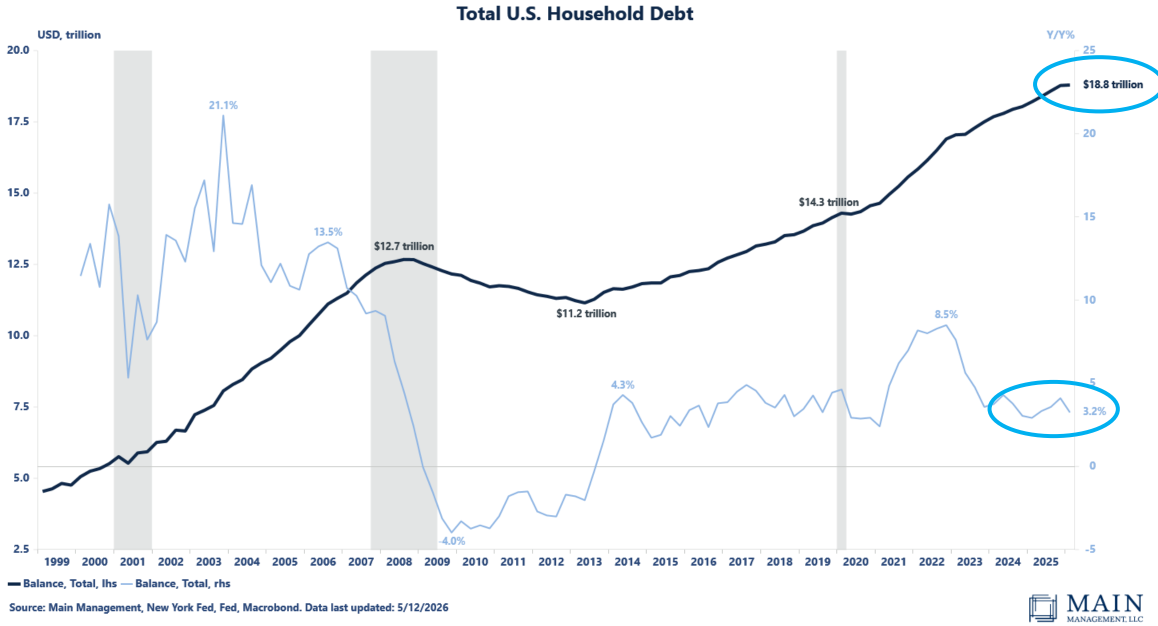
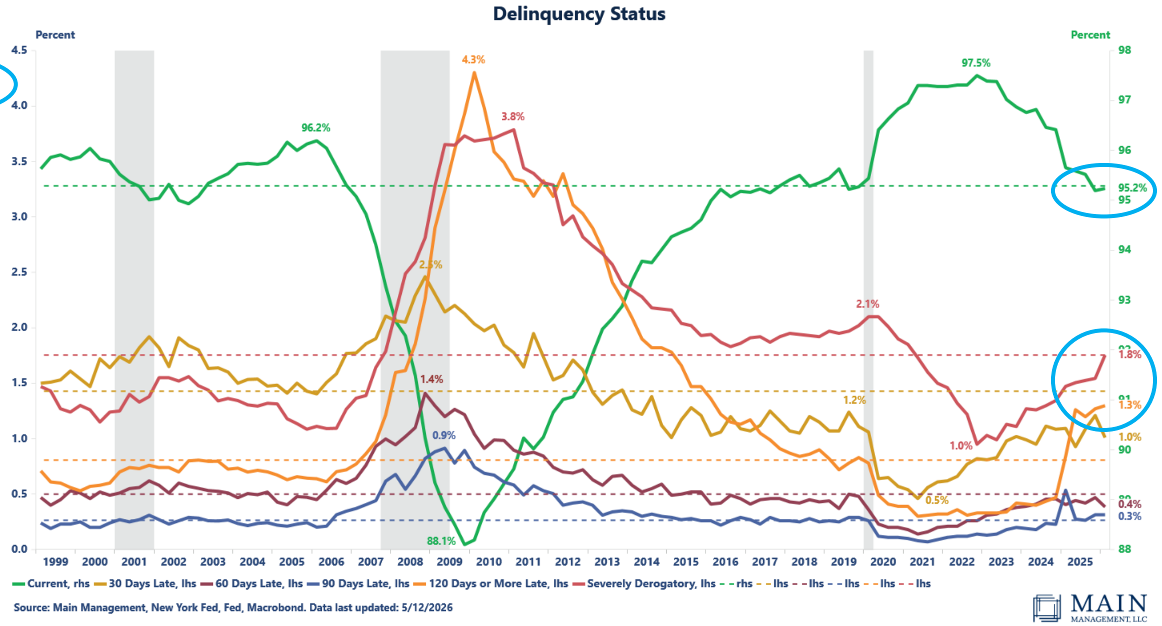
- Household Debt (left) increased by +$18.3B in Q1 2026 to a new all-time high of $18.8T, up +3.2% Y/Y. Mortgage Debt posted its lowest increase in 5 quarters (+$21.0B) while Credit Card Debt fell -$25.0B Q/Q. Auto Loans jumped +$18.0B Q/Q, the biggest gain in several quarters.
- "Current" debt (right, green) ticked back up to 95.2% of the total, right in line with the historical median. However, it's worth noting that "Severely Derogatory" and "120+ Days" are both moving higher. "120+ Days" is at 1.3%, the highest level since Q1 2016, and "Severely Derogatory" is up to 1.8%, the highest since Q1 2021!





NEUTRAL

Summary

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- Core and Headline CPI both posted sizeable increases in April, with Headline CPI accelerating to +3.78% Y/Y, the highest level since May 2023! Core CPI is at +2.74%, pushed higher this month by a one-off adjustment in Shelter.
- Both Broad and Core PPI readings came in far above forecasts in April as energy prices showed evidence of spilling into the Core reading. These elevated PPI readings will likely translate into elevated CPI readings in the coming months.
- Retail Sales rose a solid +0.5% M/M in April, indicating that consumers are still spending even with the jump in oil / energy prices.
- Industrial Production and Manufacturing Output came in well above forecasts in April, showing ongoing expansion in the manufacturing sector.
- Household Debt inched up to a new all-time high of $18.8T in Q1 2026, up +3.2% Y/Y. Delinquency rates are increasing for the most delinquent levels but overall, 95% of debt is still current, in line with long-term levels.

- Upcoming data:
  - NAHB Housing Market Index (Mon)
  - Pending Home Sales (Tues)
  - Flash PMIs, Building Permits, and Housing Starts (Thurs)
  - UMichigan Final Consumer Sentiment (Fri)

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Appendix

Inflation Watch

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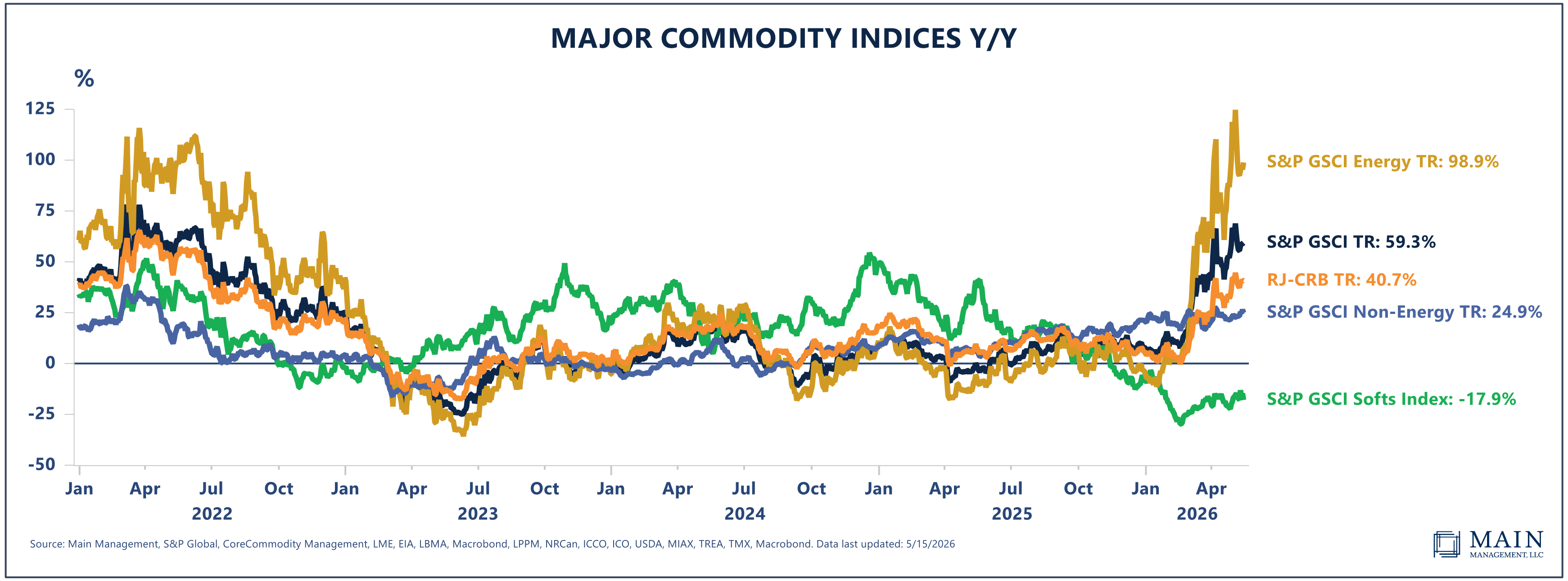

Commodity	1 Month	3 Months	YTD ↓	1 Year
Gasoline	15.7	88.2	111.4	66.5
Crude Oil	5.9	63.5	78.8	62.0
S&P GSCI	6.6	37.2	47.1	56.6
Cotton	12.6	34.8	30.6	19.1
BBG Commodity Index	5.8	20.8	29.0	37.1
Silver	12.4	12.4	21.1	158.3
Soybeans	1.1	3.3	14.0	10.0
Copper	6.9	8.7	11.5	44.4
Lumber	1.6	-1.9	8.5	5.6
Gold	-1.9	-5.5	7.6	43.1
Corn	2.5	4.7	2.5	3.5
US Dollar (DXY)	0.5	1.9	0.5	-2.2
Bitcoin	8.8%	22.4%	-7.4%	-22.2%
Coffee	-2.1	-1.7	-15.6	-23.5
Natural Gas	10.2	-10.0	-21.5	-20.6

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 5/15/2026