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MANAGEMENT, LLC

Main Management Market Note

June 18, 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

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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.

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CEO / CIO


Dick Fredericks
Founding Partner


Alex Varner
Managing Director, Research


Jim Concidine
Founding Partner


Darol Ryan
Managing Partner

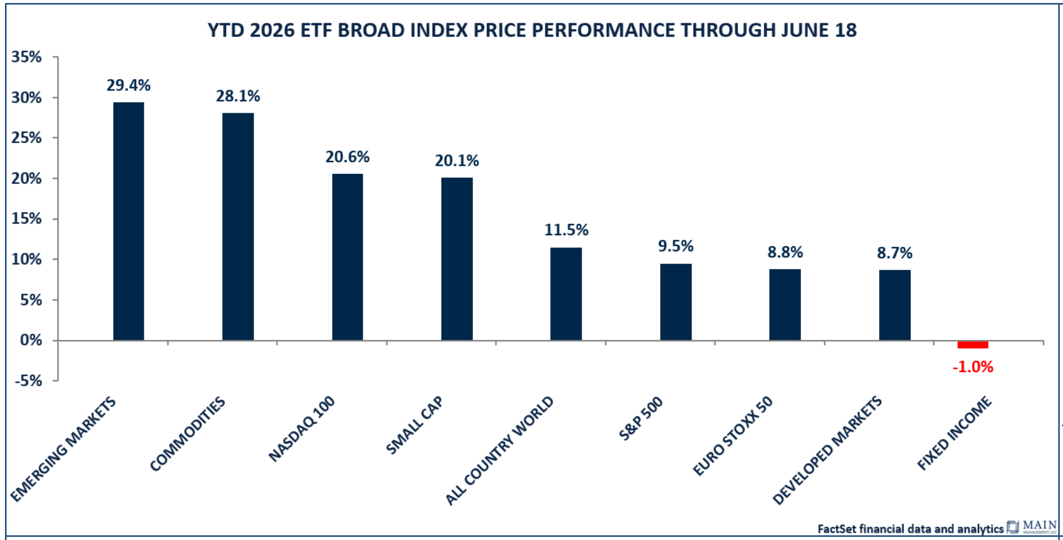
Research backed portfolios

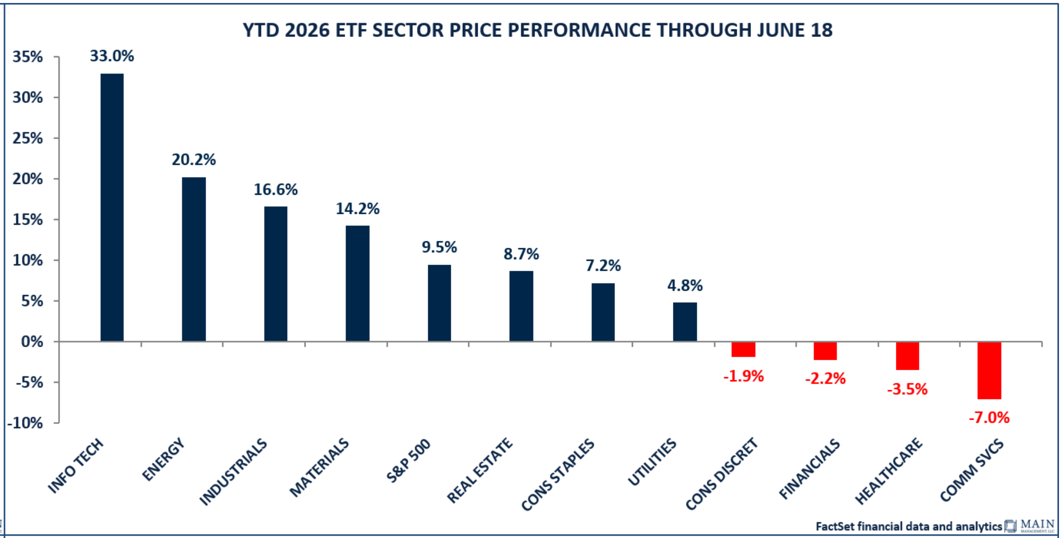

James Maxwell
Director, Research

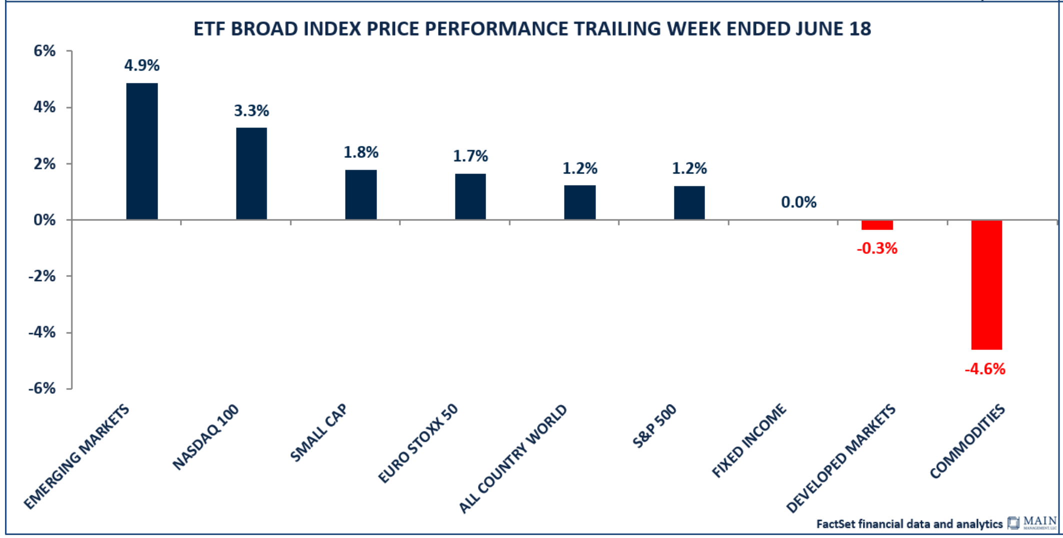

Alex Dippery
Research Analyst

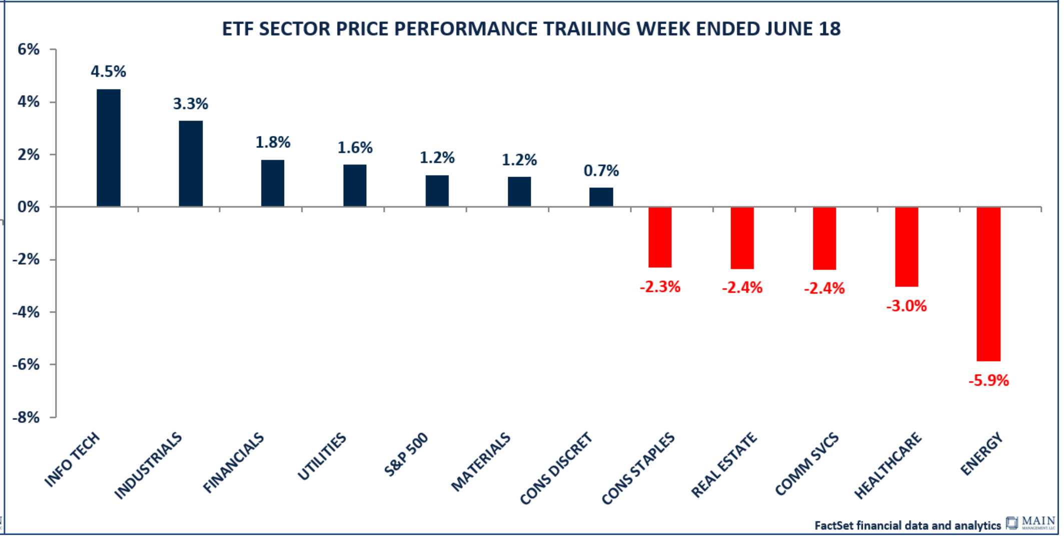
Advisors benefit from our comprehensive due diligence on other asset managers, insightful market commentary, and strategic asset class views.

Performance









Recession Dashboard

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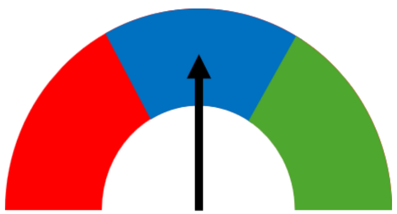
RECESSION START	INFLATION	CONSUMER	YIELD CURVE	HOUSING	SENTIMENT	AUTOS	EMPLOY-MENT	PMI	RETAIL SALES
NOV 1973	↓	—	—	↓	—	—	↓	↓	—
JAN 1980	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1981	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1990	↓	↓	↓	↓	↔	↓	↓	↔	—
MAR 2001	↔	↓	↓	↔	↔	↔	↓	↓	↔
DEC 2007	↓	↓	↓	↓	↔	↓	↓	↓	↓
JUN 2026	↓	↔	↑*	↔	↔	↔	↔	↑	↑
LAST CHANGE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

Overall:



↑ *Positive* ↔ *Neutral* ↓ *Negative*

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.*

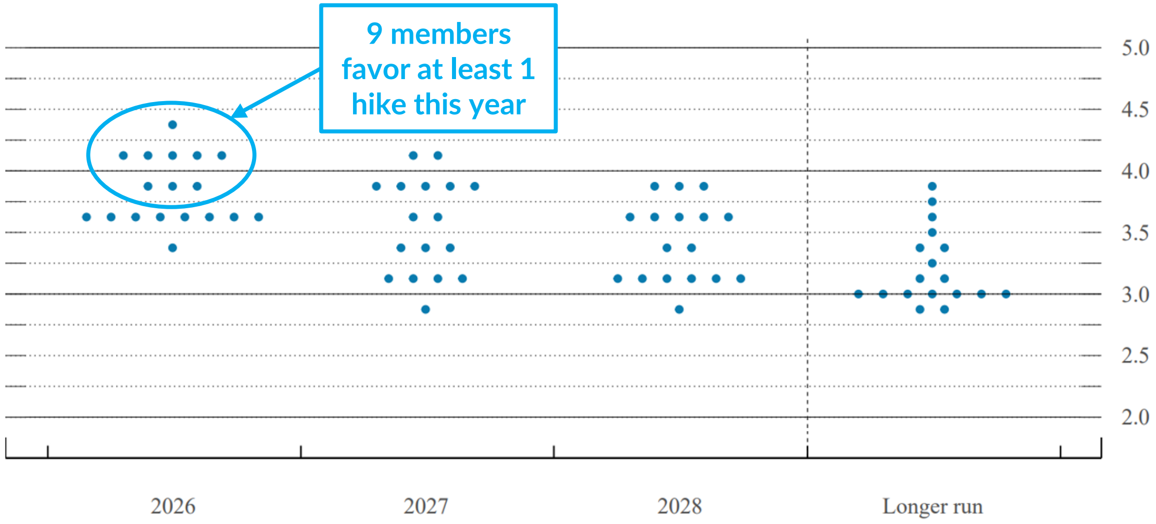
FOMC

- As expected, the FOMC left the Fed Funds target rate unchanged in June at 3.50% – 3.75%. This meeting was Warsh's first as Fed Chairman and the tone was more hawkish than anticipated. The updated dot plot (right) shows 9 out of 18 participants favor at least 1 rate hike this year as inflation expectations have been revised up considerably. However, Warsh did not submit his dots. The median dot shows indicates rates will stay at the current level in 2027 before declining 0.25% in 2028. The longer-run median dot was unchanged at 3.1%.
- The new statement was decidedly shorter and passed unanimously. It did not contain any forward guidance nor the easing bias that had prompted 3 members to dissent back in April. The statement focused on the price stability side of the dual mandate, with no mention of the maximum employment side. The 2026 headline PCE inflation median projection was revised up 0.9% to 3.6% and core PCE inflation projection was revised up +0.6%, to 3.3%.

Percent

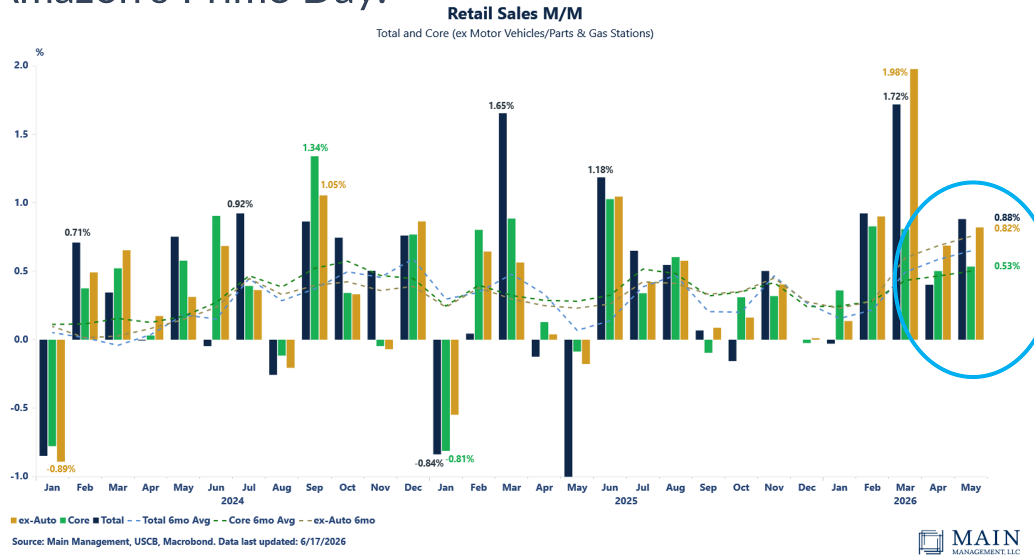
Variable	Median[1] 2026	2027	2028	Longer run
Change in real GDP	2.2	2.3	2.2	2.0
March projection	2.4	2.3	2.1	2.0
Unemployment rate	4.3	4.3	4.2	4.2
March projection	4.4	4.3	4.2	4.2
PCE inflation	3.6	2.3	2.0	2.0
March projection	2.7	2.2	2.0	2.0
Core PCE inflation[4]	3.3	2.5	2.1	
March projection	2.7	2.2	2.0	
Memo: Projected appropriate policy path				
Federal funds rate	3.8	3.6	3.4	3.1
March projection	3.4	3.1	3.1	3.1

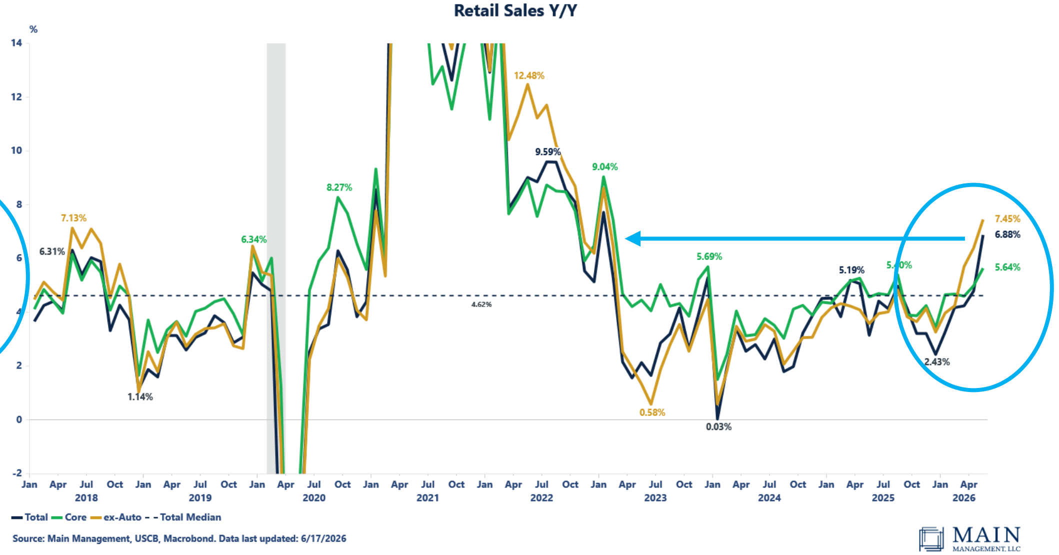
Significant upward revisions to 2026 inflation forecasts



Retail Sales

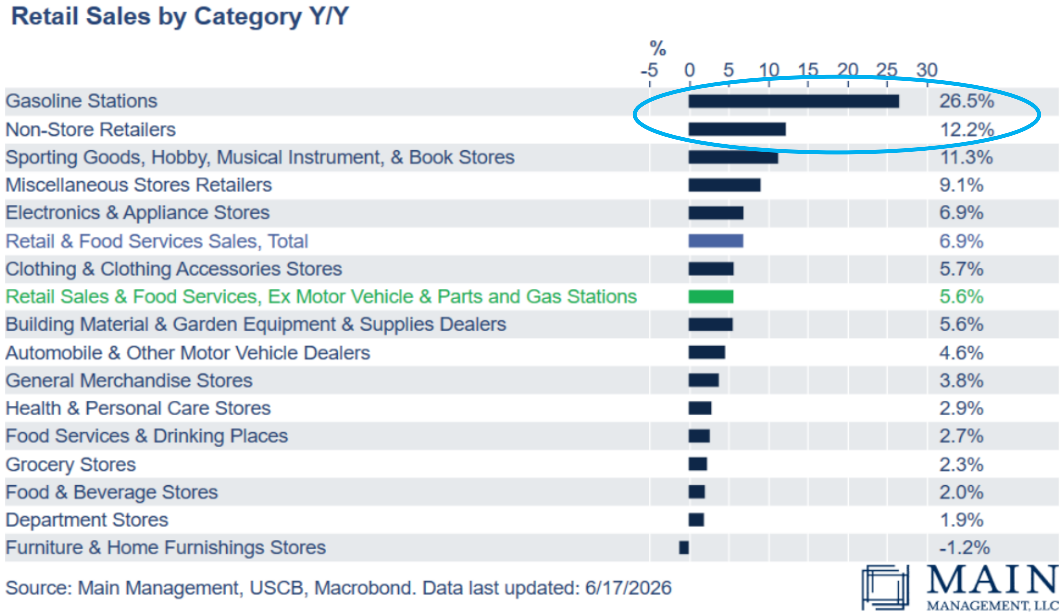
- Retail Sales posted a strong +0.88% MoM gain (left, black) in May, above forecasts for a 0.5% increase. Core Sales (green) were up a more muted +0.53% while Total ex-Autos (gold) were up +0.82%. Gas stations posted another strong month, driving the Total figure higher, as prices have been elevated in the wake of the Iran war.
- All the categories are accelerating on a YoY basis (right), with Total Sales now up +6.88% and Total ex-Autos up +7.45%, the biggest gains since early 2023. Core Sales are up +5.64% YoY, the best since Dec. 2023.
- These solid gains are reassuring as there has been concern about a potential slowdown in spending with the surge in energy prices and decline in the savings rate. June could see another solid reading with a boost from Amazon's Prime Day.

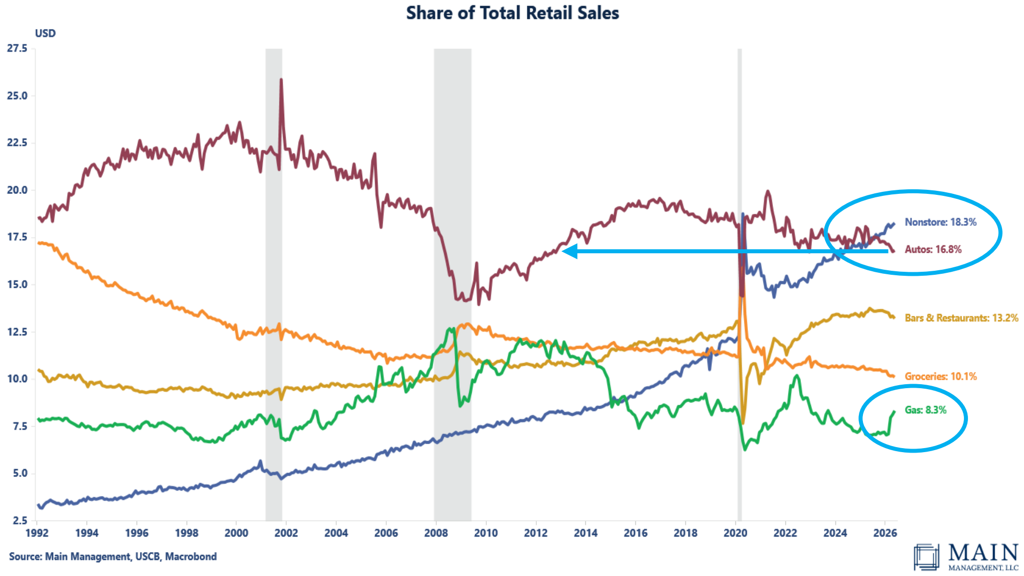




Retail Sales

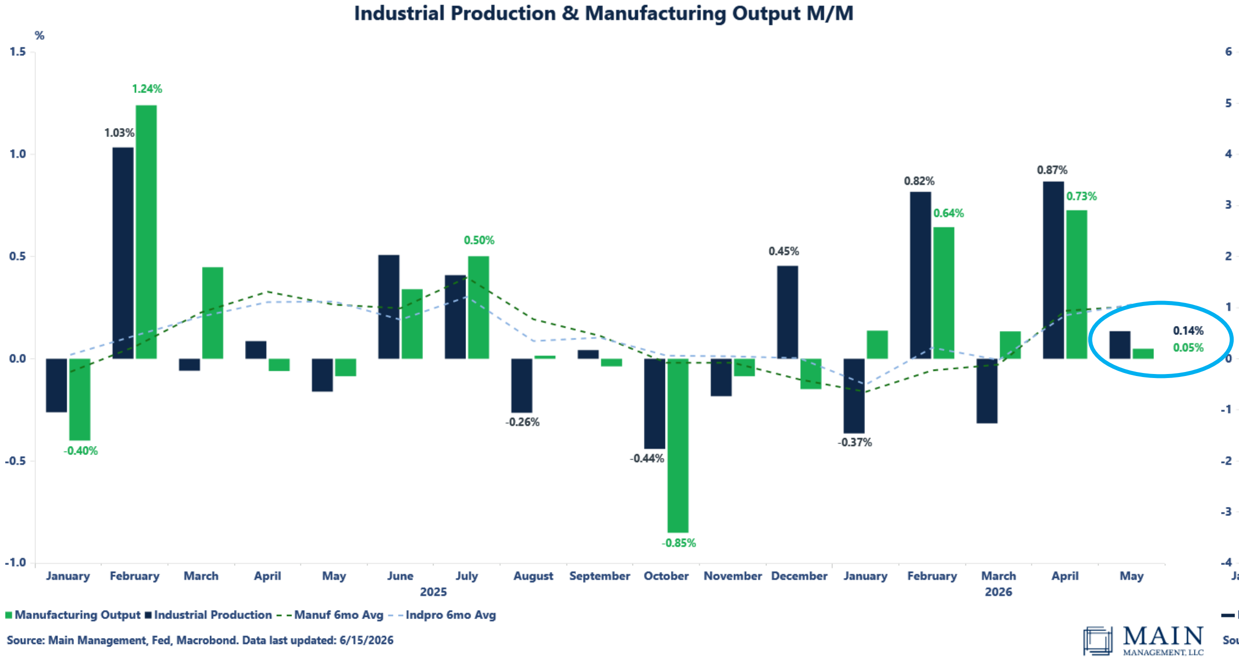
- We show the YoY category rankings on the left, where Gas Stations are well ahead, surging +26.5%. Non-Store Retailers are the next best, up +12.2% YoY. It's worth noting that there is only 1 category that's negative on a YoY basis, Furniture Stores, down -1.2%. Department Stores are the 2nd worst, up +1.9% YoY.
- On the right, we show a few categories' share of total retail sales. Non-Store is now the biggest category at 18.3%, its highest share ever (ex-covid), and it's putting a solid gap between Autos, which have shrunken to just 16.8%, the lowest since October 2012 (ex-covid)!! Gas Stations are up to 8.3% share, the highest since Sept. 2023. It appears as though consumers have been shifting spending to Gas from Autos and Bars & Restaurants.

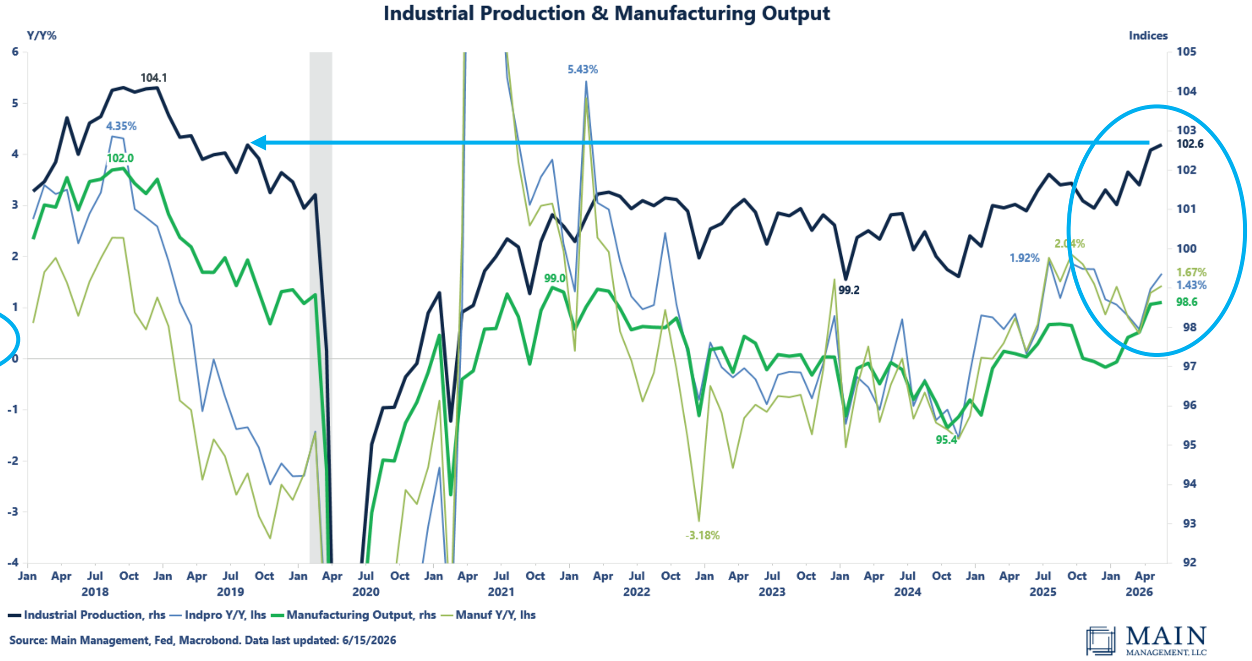




Industrial Production

- Industrial Production and Manufacturing Output posted muted gains in May (left), each missing forecasts for +0.3% MoM increases. IndPro was up +0.14% MoM while Manufacturing Output inched up +0.05% MoM.
- Both indices have been in uptrends in the last few months (right) with Industrial Production hitting 102.6, the highest level since August 2019! It's up +1.43% YoY. Manufacturing Output rose to 98.6, the best since April 2022 and is up +1.67% YoY.





POSITIVE

Goods & High Tech

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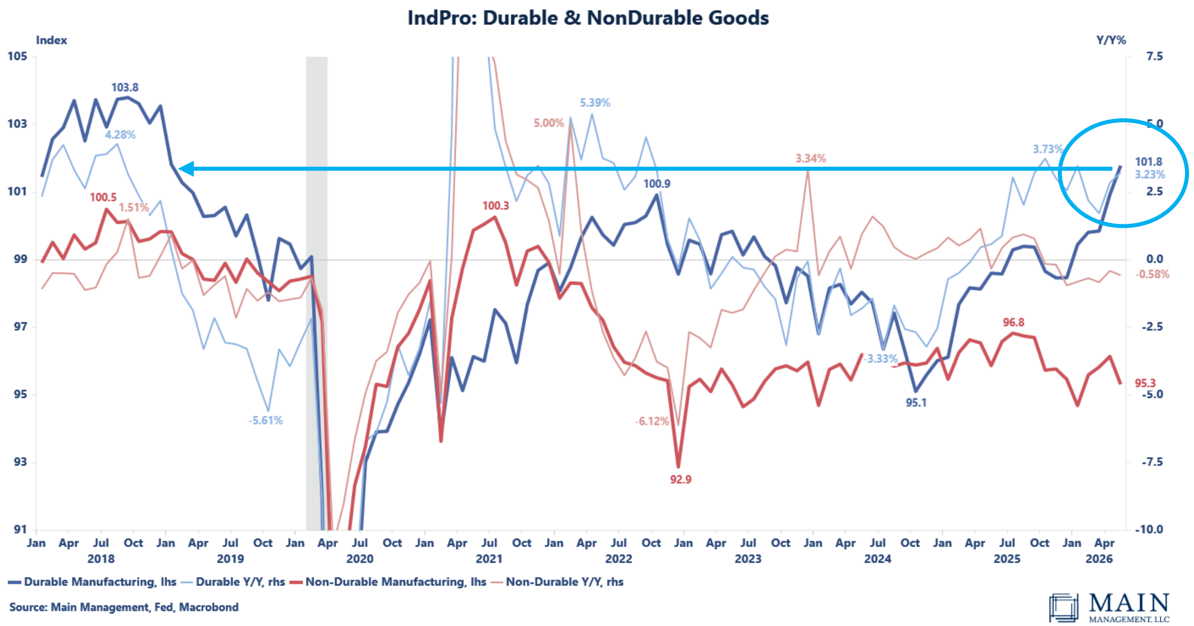
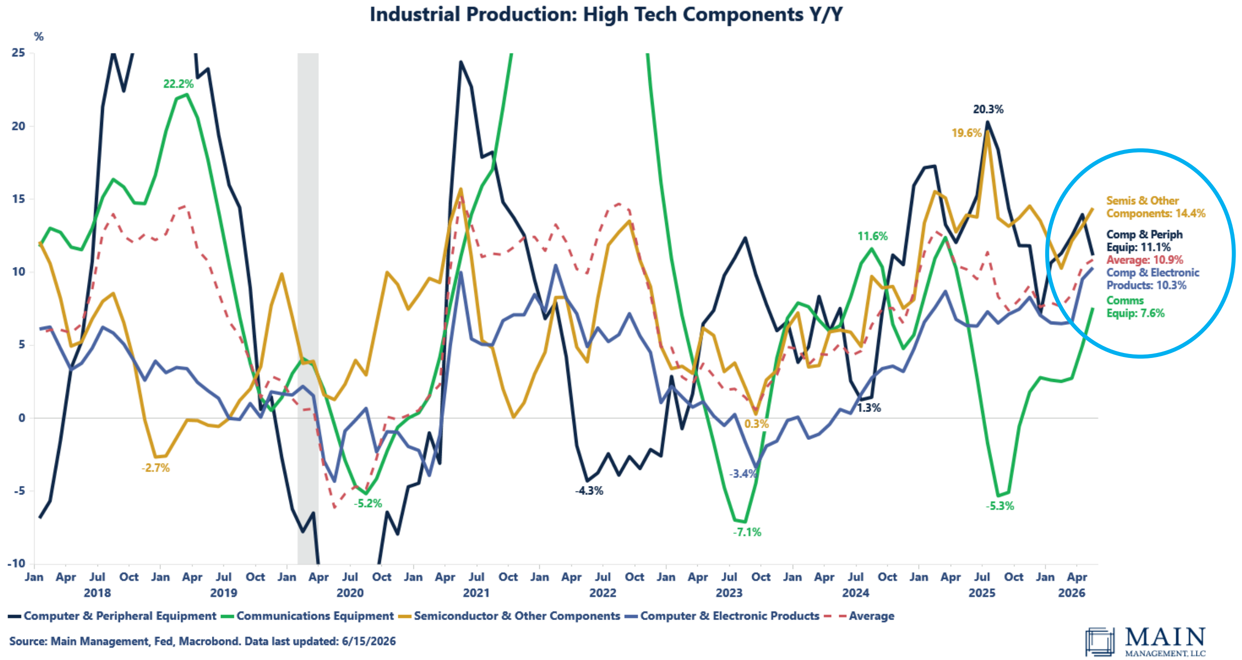
- Durable Goods (left, blue) have been surging higher over the last few months while NonDurable Goods (left, red) have been treading water. The Durable Goods Index is up to 101.8, the highest since January 2019, and up +3.2% YoY! NonDurable Goods are at 95.3, down -0.6% YoY.
- The surge in Durable Goods has been boosted by the continued strength in high-tech components (right). Only Computers & Peripheral Equipment decelerated on a YoY basis in May, but the major groups are up an average of +10.9% YoY, the best since last July.

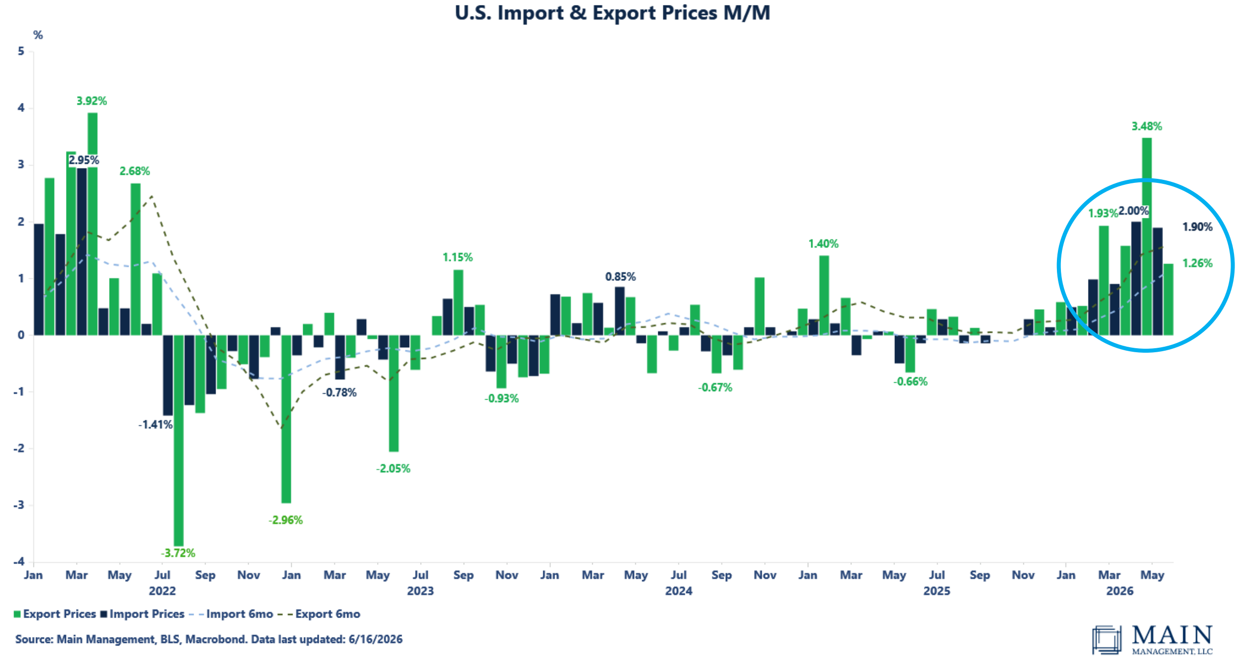


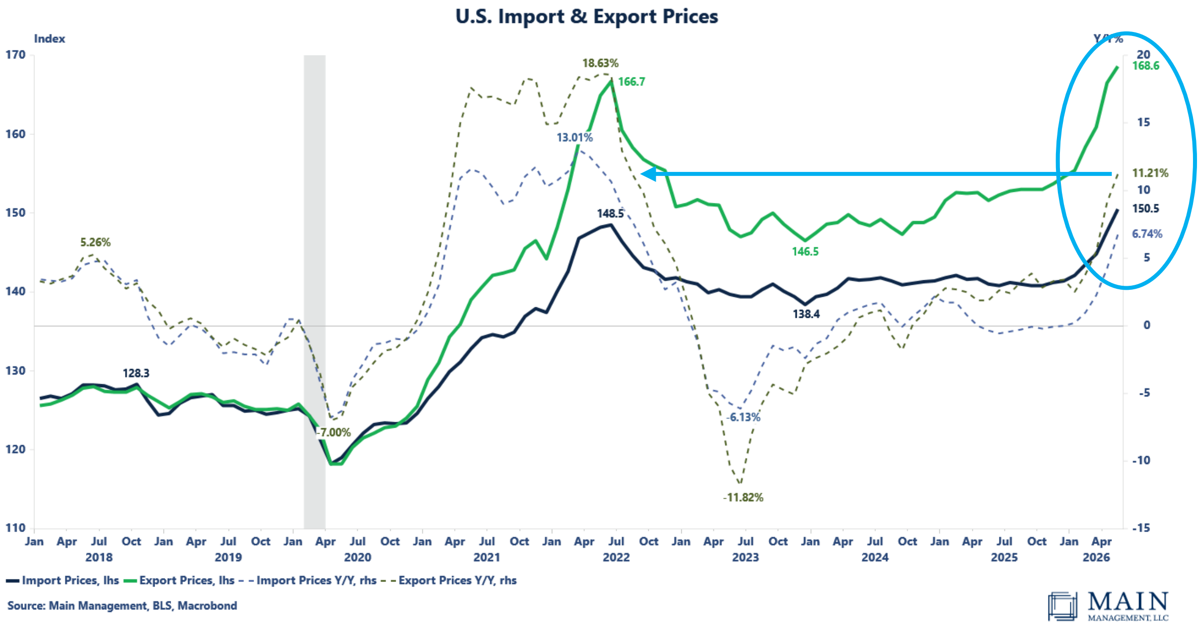


POSITIVE

Import & Export Prices

- Both Import and Export Prices posted another month of outsized increases, as Imports (left, black) were up +1.90% MoM and Exports +1.26% (green). That +1.90% Imports figure was nearly double forecasts for +1%.
- On the right we show the indices themselves as well as the YoY figures (right axis). Both price indices are now at all-time highs! On a YoY basis, Import Prices are now up +6.7% and Exports up +11.2%, the most since July and June of 2022, respectively. Since October 2025 alone, Import Prices are up +10% and Exports up +7%.

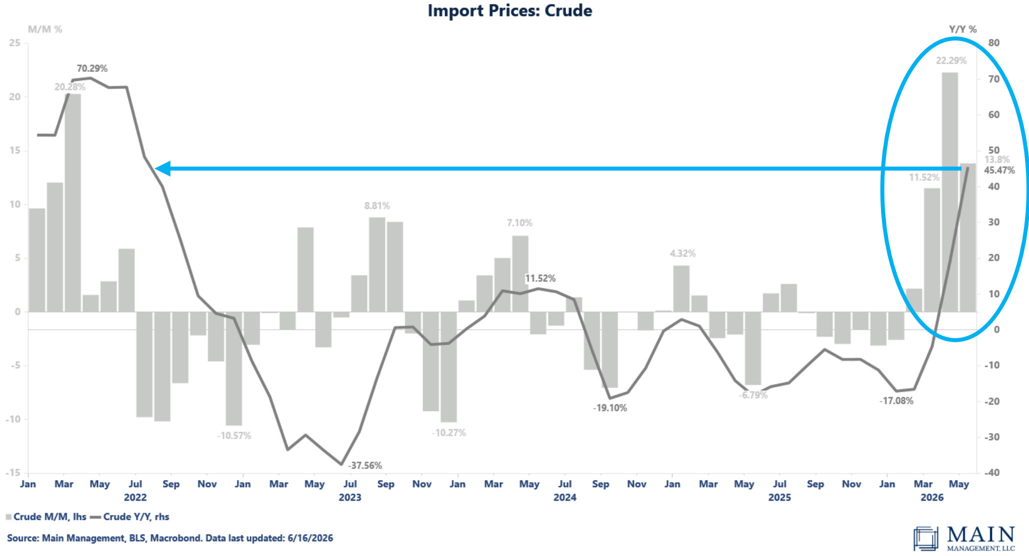


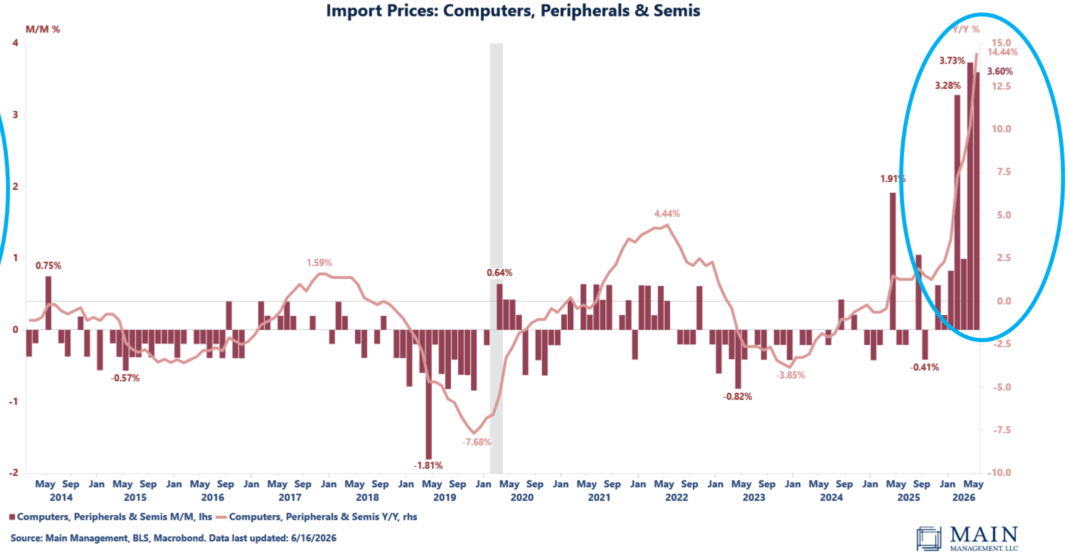


NEGATIVE

Import Prices: Oil & Tech

- The main culprits for the surge in import prices have been petroleum- and tech-related. Energy prices have surged because of the Hormuz closure, and tech prices have been bid up because of massive demand as the AI trade continues to play out.
- Crude Import Prices (left) are now up +45.5% YoY after 3 straight double digit MoM increases. That's the highest since July 2022. Oh, and they're up +47% since last October alone.
- Tech Import Prices (right) have been up accelerating for several months now, pushing the YoY figure up to a record +14.4%! Those prices are up +14% since last October alone as well.

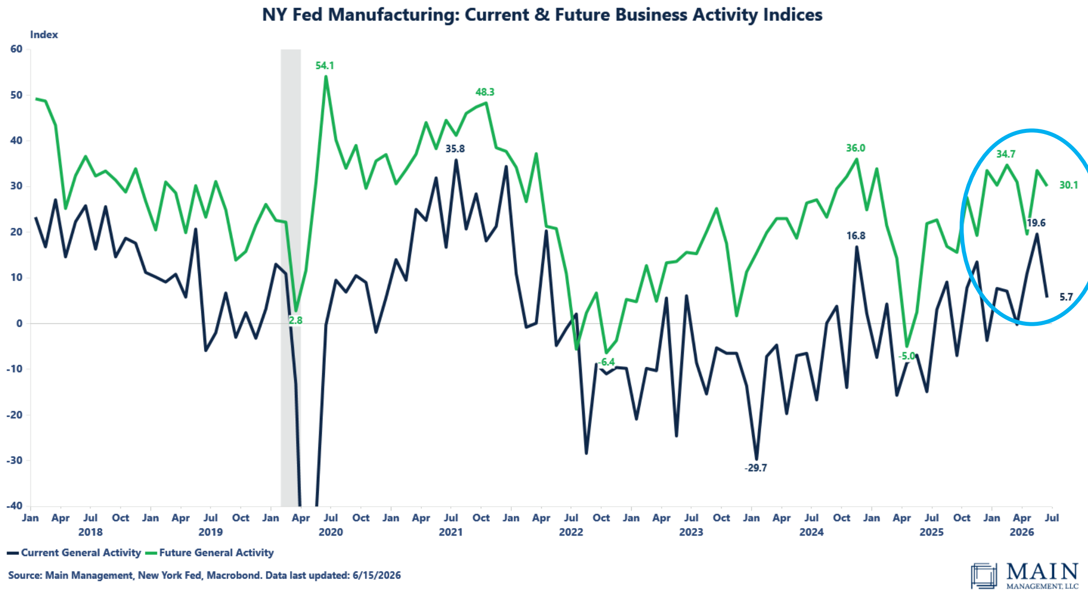


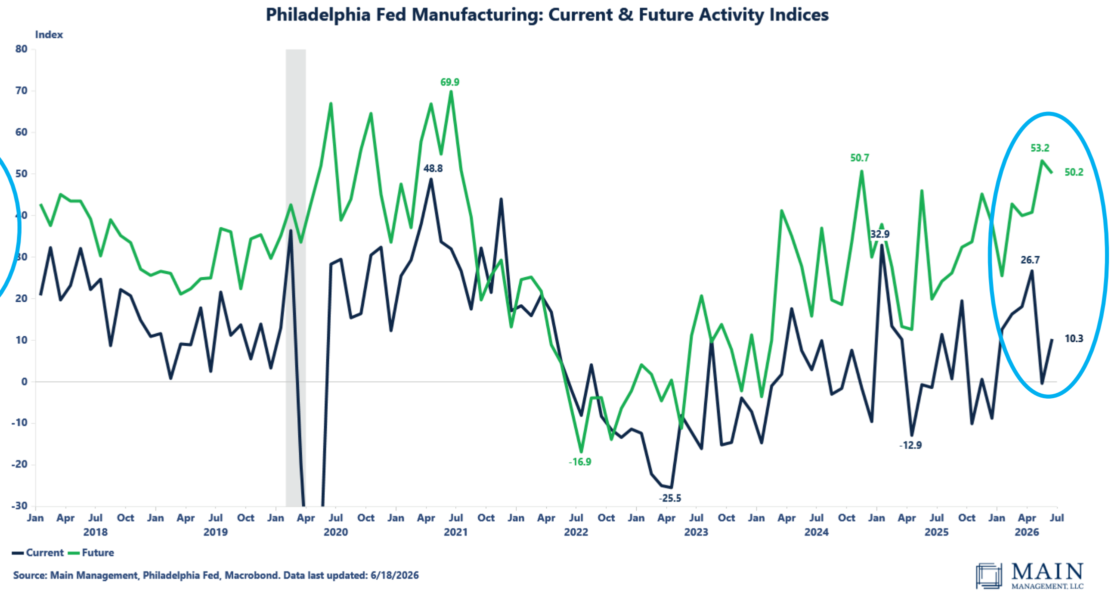


NEGATIVE

NY & Philly Fed Manufacturing

- The NY Fed Regional Manufacturing (left) picture weakened in June, with the Current Activity Index (left, black) falling back to 5.7 from a cycle high of 19.6 and missing forecasts for a 14 figure. Future Activity (green) ticked down to 30.1.
- The Philly Fed was the 2nd region to report, showing a rebound in its current activity (right, black) to +10.3, above forecasts for 10. Future activity pulled back to 50.2, but has consistently been moving higher over the last 4 years. Notably, future capex rose to its highest level since June 2021, a positive development despite the headline future activity pullback.





Summary

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- The FOMC left rates unchanged as expected. The biggest surprise was a hawkish shift in the tone and the dot plot, with 9 FOMC members now expecting at least one rate hike this year.
- Retail Sales posted a solid +0.9% MoM increase, beating forecasts, as Gas Stations continue to benefit from higher prices in the wake of the Iran war. Still, consumer spending is not yet showing signs of slowing despite fears that higher energy prices and a lower savings rate would weigh on them.
- Industrial Production and Manufacturing Output missed expectations in May but remain in uptrends with the indices themselves at multi-year highs.
- Import and Export Prices saw sizeable increases in May, coming in well above forecasts. Import Prices in particular have been driven higher by Oil and Tech-related categories.
- NY & Philly Fed Manufacturing indices were mixed for May, with NY declining while Philly was a bit stronger.

- Upcoming data:
    - Flash PMIs (Tues)
    - New Home Sales and Building Permits (Weds)
    - Core PCE, Income, Spending, Final Q1 GDP, and Durable Goods (Thurs)
    - Goods Trade Balance, Wholesale Inventories, and Michigan Sentiment (Fri)

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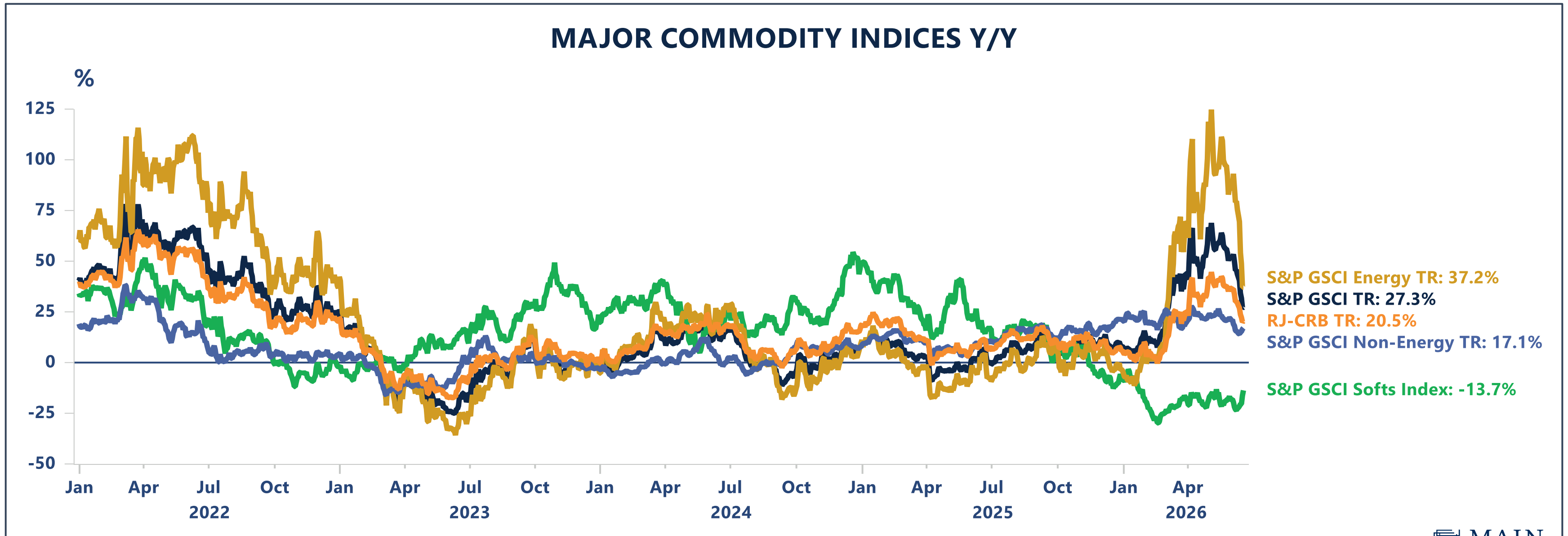
Appendix

Inflation Watch



Source: Main Management, S&P Global, CoreCommodity Management, LME, EIA, LBMA, Macrobond, LPPM, NRCan, ICCO, ICO, USDA, MIAX, TREA, TMX, Macrobond. Data last updated: 6/18/2026

Commodity	1 Month	3 Months	YTD ↓	1 Year
Gasoline	-19.3	-3.0	70.6	31.1
Crude Oil	-25.3	-18.4	33.6	6.8
S&P GSCI	-12.0	-2.6	29.5	30.4
Cotton	-8.4	12.8	19.7	17.5
Lumber	7.9	4.6	17.1	0.6
BBG Commodity Index	-9.4	-3.1	16.9	21.3
Copper	-0.7	8.2	10.7	40.9
Soybeans	-3.6	-2.0	9.8	5.8
US Dollar (DXY)	1.3	0.4	1.8	2.1
Silver	-16.7	-11.9	0.8	94.3
Gold	-8.5	-15.0	-1.6	25.8
Corn	-6.7	-7.3	-4.4	-3.1
Natural Gas	8.7	4.0	-14.7	-16.1
Coffee	-5.6	-6.7	-20.3	-19.2
Bitcoin	-20.5%	-13.9%	-26.4%	-39.7%

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 6/18/2026

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