MAIN
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Main Management Market Note

September 11, 2026

Our Offerings

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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

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

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.

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

Performance

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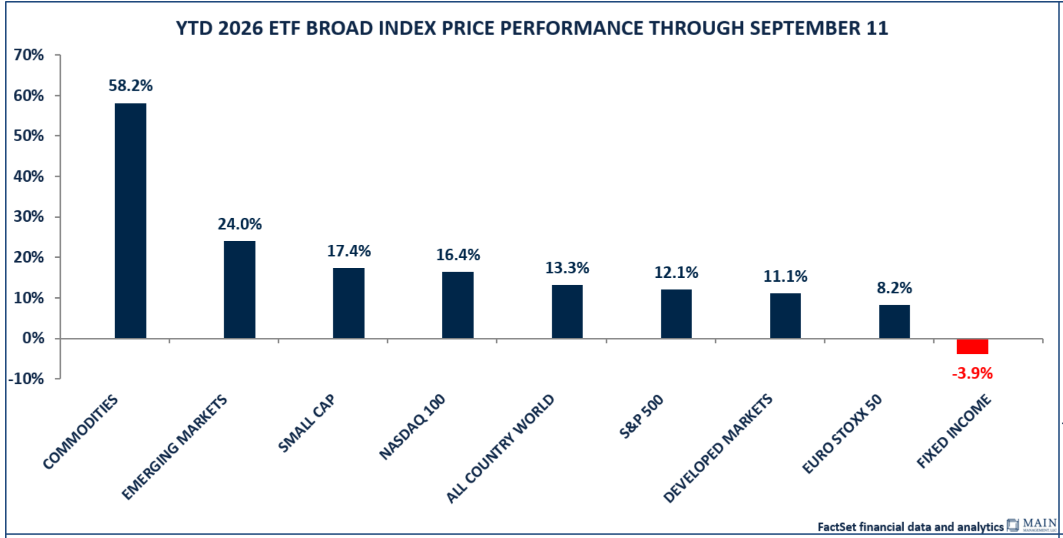

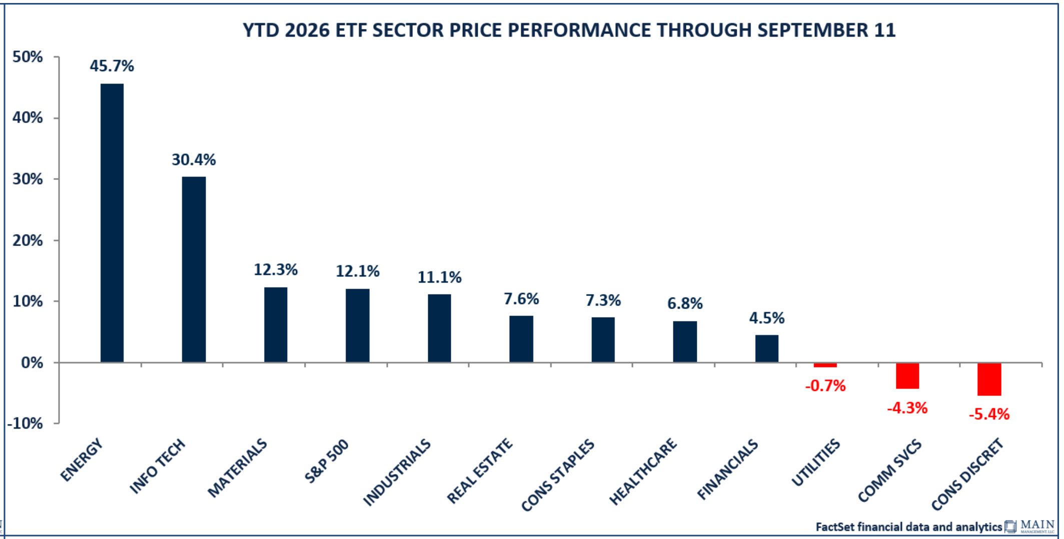

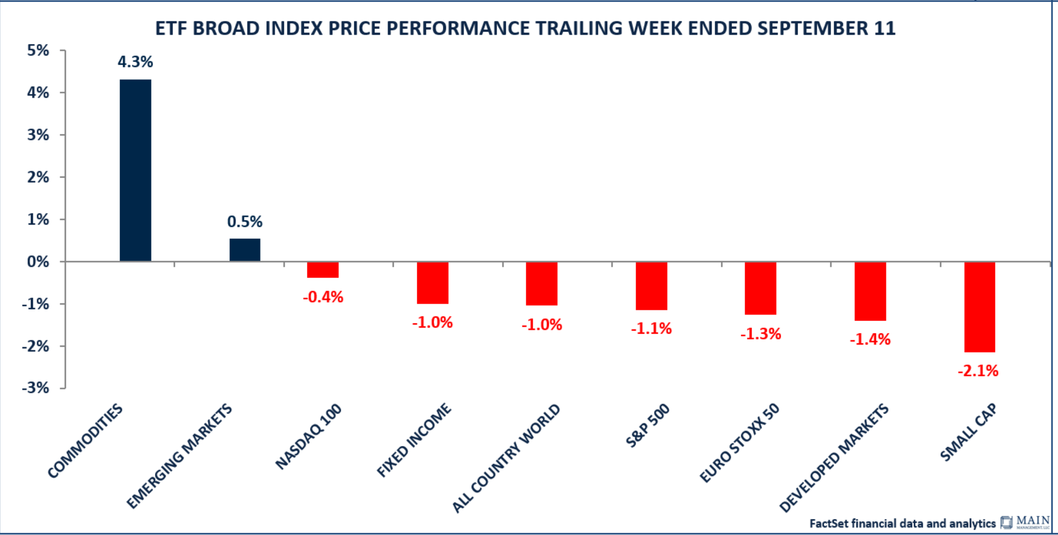

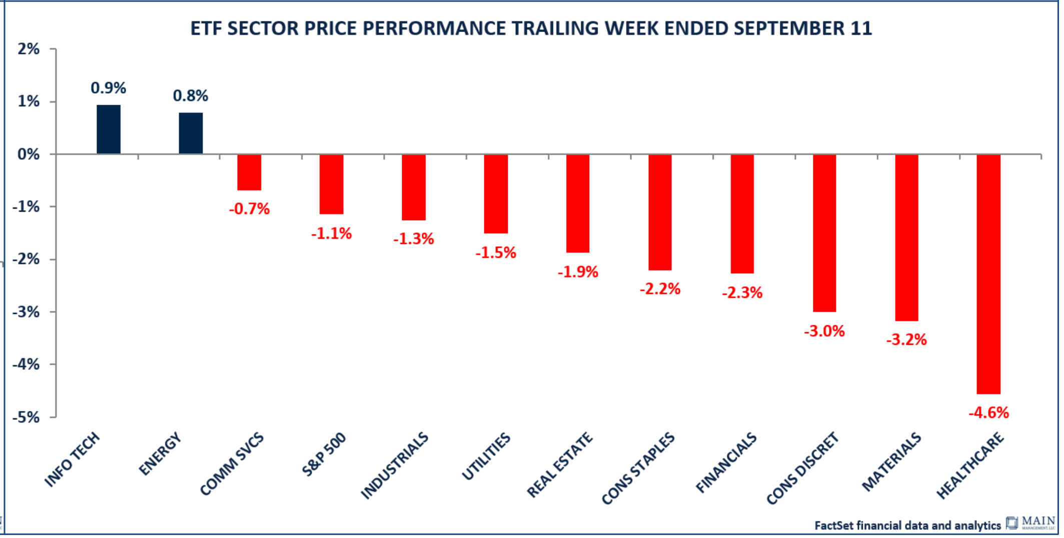

Recession Dashboard

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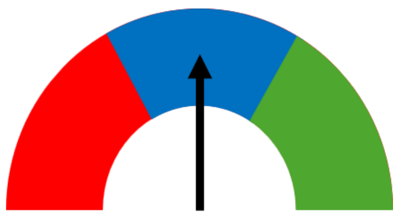
RECESSION START	INFLATION	CONSUMER	YIELD CURVE	HOUSING	SENTIMENT	AUTOS	EMPLOY-MENT	PMI	RETAIL SALES
NOV 1973	↓	—	—	↓	—	—	↓	↓	—
JAN 1980	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1981	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1990	↓	↓	↓	↓	↔	↓	↓	↔	—
MAR 2001	↔	↓	↓	↔	↔	↔	↓	↓	↔
DEC 2007	↓	↓	↓	↓	↔	↓	↓	↓	↓
DEC 2019	↑	↑	↔	↔	↑	↔	↑	↔	↔
SEP 2026	↓	↔	↑*	↔	↔	↔	↔	↑	↑
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

↑ Positive ↔ Neutral ↓ Negative

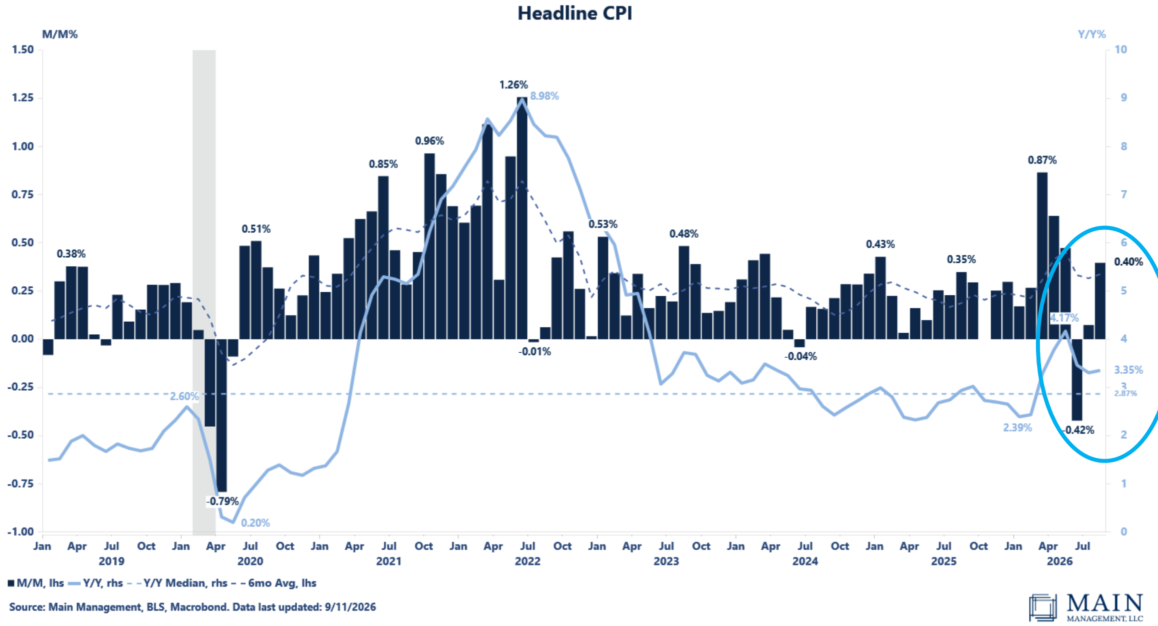
Overall:

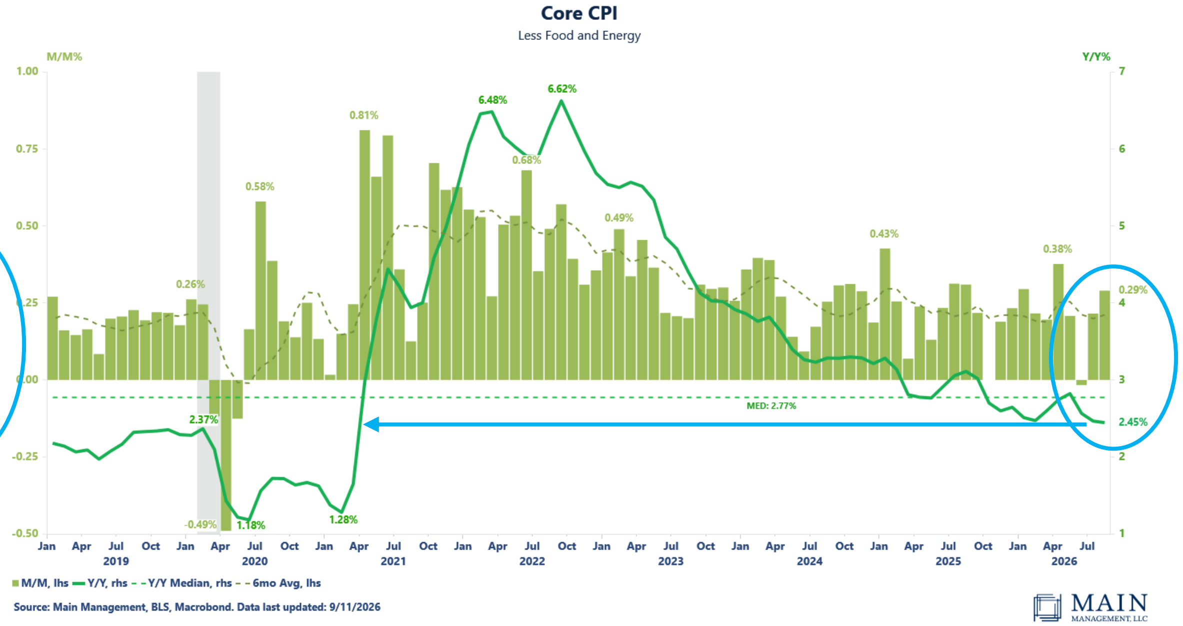


Inflation: *Headline CPI. Source: St. Louis Fed.* **Consumer**: *Conference Board Consumer Confidence. Source: The Conference Board.* **Yield Curve**: *10 year – 3 month Treasury spread. Source: FactSet financial data and analytics.* **Housing**: *Housing Starts & Existing Home Sales. Source: St. Louis 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.*

August CPI

- Headline CPI (left) rose +0.40% MoM, in line with expectations. It ticked up on a YoY basis to +3.35%. Energy prices re-accelerated after 2 down months, rising +2.1% MoM, driving up the headline figure. Food prices were muted, up just +0.1% MoM, and shelter remains in its steady deceleration trend.
- Core CPI (right) came in above forecasts at +0.29% MoM versus +0.2% expected. Still, with an easier comp rolling off from last August, the YoY figure inched down to +2.45%, the lowest since March 2021! With this release, the odds of a Fed rate hike next week rose to roughly 87%.





NEUTRAL

Goods CPI

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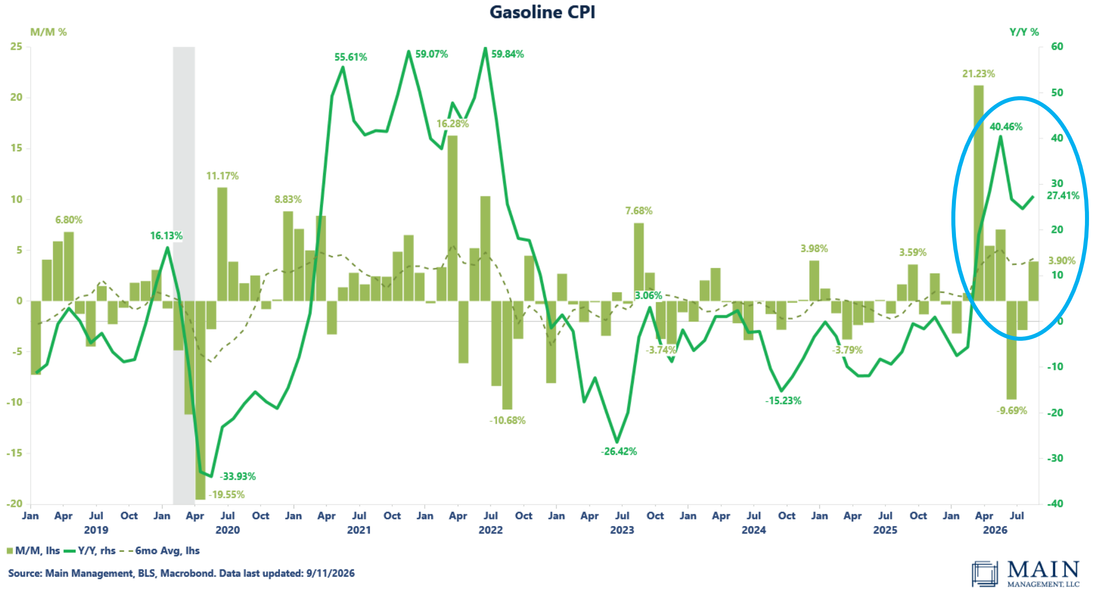
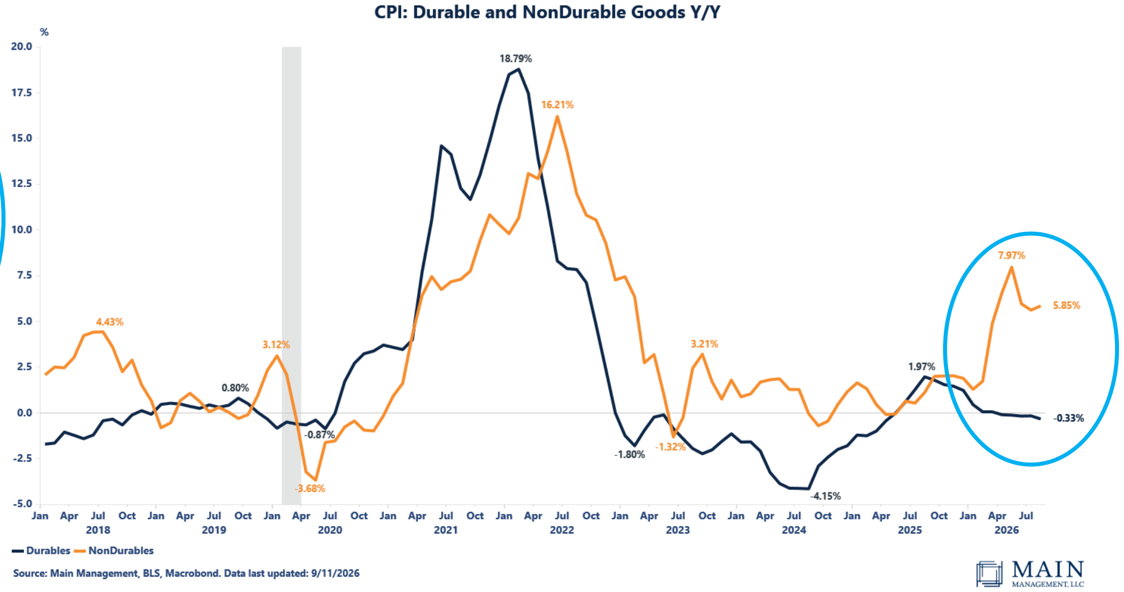
- Gasoline (left) rebounded in August after 2 down months, rising +3.90% MoM and re-accelerating to +27.41% YoY. No wonder consumer sentiment remains depressed. Diesel hit an all-time high at $5.97/gal this week. As a key input for goods transportation, this is a tough development for a lot of companies who are now paying record prices to get their goods where they need to be. The question is how long will this last…?
- On the right, you can see a clear divergence between Durable (black) and NonDurable Goods (orange) that began earlier this year when the Iran conflict erupted. Petroleum/fuels are NonDurable Goods, so it's easy to see why that figure has risen to +5.85% YoY while Durable goods are actually negative on a YoY basis at -0.33%.

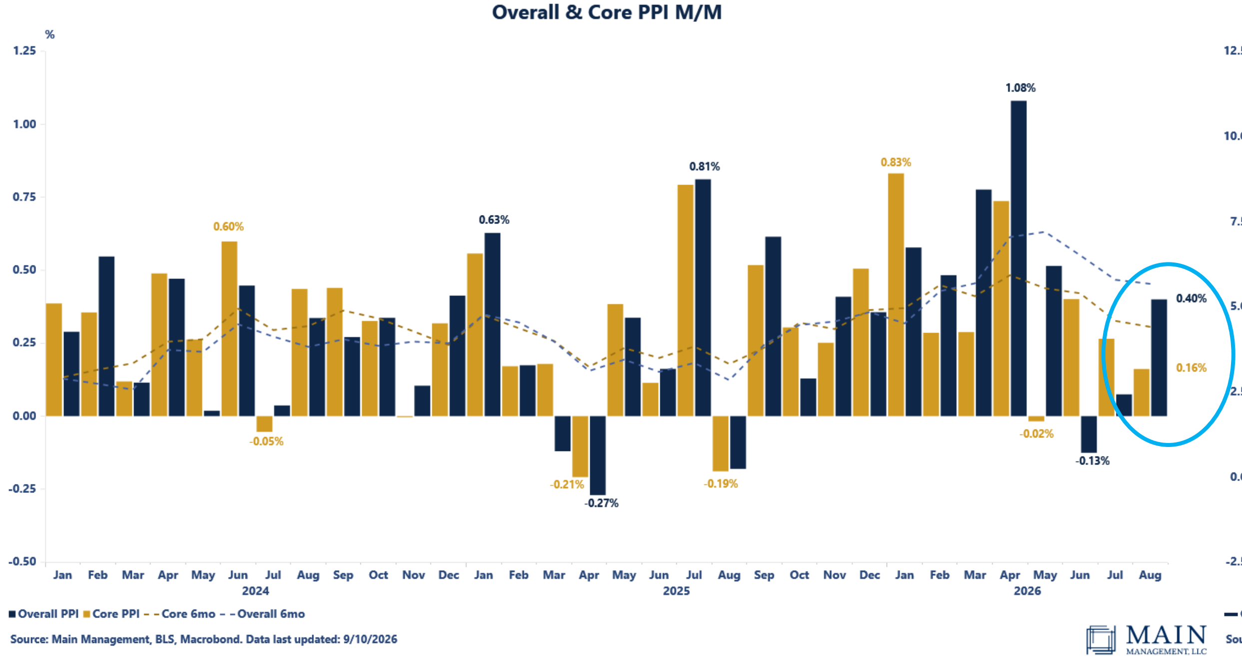


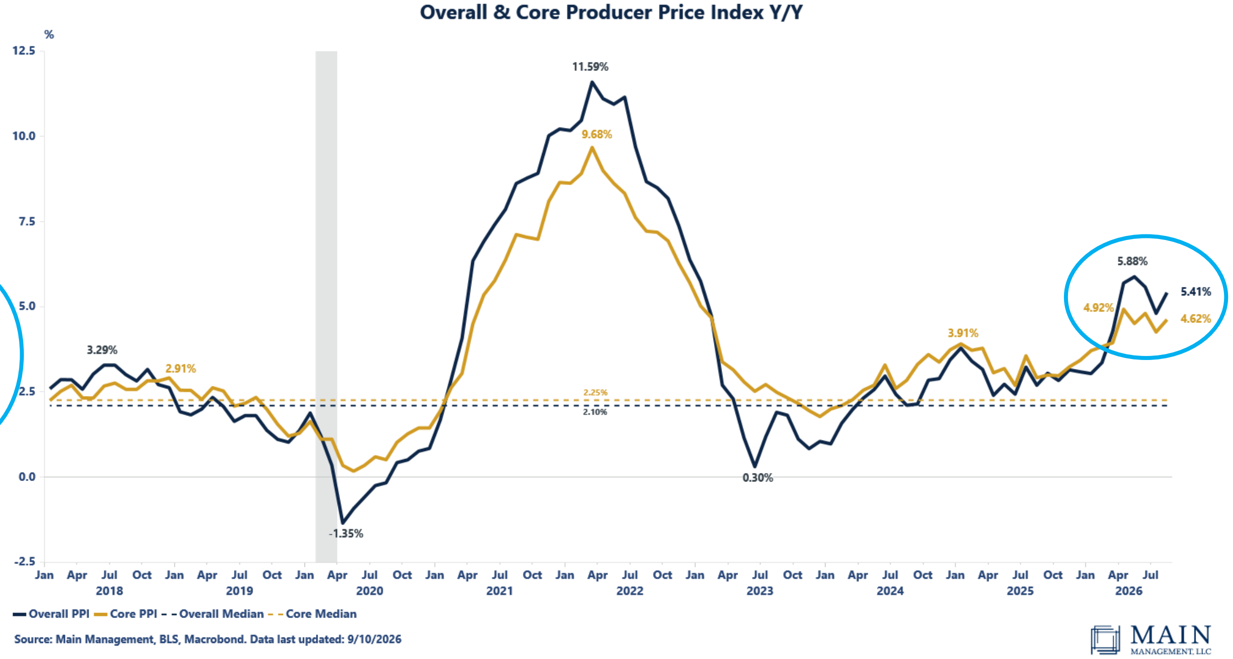


NEGATIVE

August PPI

- The Headline Producer Price Index (PPI) posted a +0.40% MoM gain in August (left, black), in line with expectations. The Core figure (gold) was up a more muted +0.16% MoM, roughly half of forecasts for a +0.3% figure. Petroleum-based goods rebounded in August, driving the divergence between Headline and Core PPI.
- On the right, we show the YoY figures. Both rebounded as negative MoM figures rolled off from last August with Headline PPI bouncing back to +5.41% and Core to +4.62%. PPI tends to lead CPI, so we will have to wait and see if the rebound in Energy continues to feed through to September CPI after August's +2.1% rise.

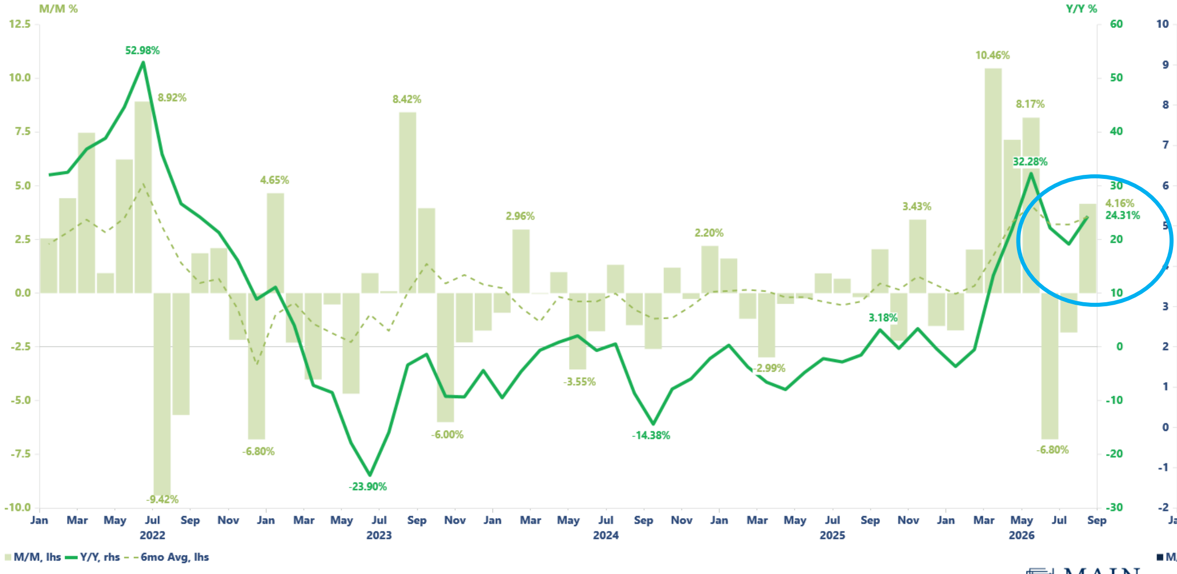




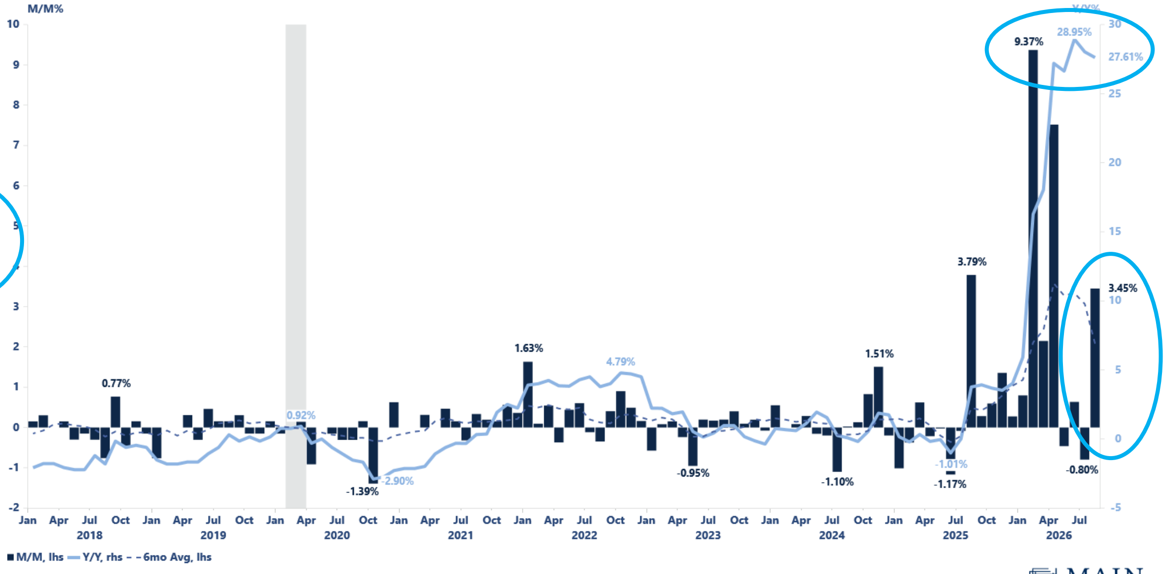
NEUTRAL

Energy & Electronics PPI

- Energy PPI (left) jumped +4.16% MoM and moved back up to +24.31% YoY, driven by a +24% increase in diesel fuel! The Energy increase is a big driver in the divergence between the core and headline figures. The +4.2% rise comes after 2 consecutive down months. As mentioned before, diesel is now at an all-time high which poses problems as it is a considerable input cost.
- On the right, we show PPI for Electronics, which has been surging higher over the last year or so. The index itself (not pictured) has risen 11 out of the last 13 months by a staggering +32%! In August, it rose +3.45% MoM and is still up +27.61% YoY.
- Both the Energy and Electronics figures pushed broader Goods PPI up by +1.1% MoM while Services were up just +0.1% MoM.



Source: Main Management, BLS, Macrobond. Data last updated: 9/10/2026



Source: Main Management, BLS, Macrobond. Data last updated: 9/10/2026

NEGATIVE

Oil & Fuel Prices

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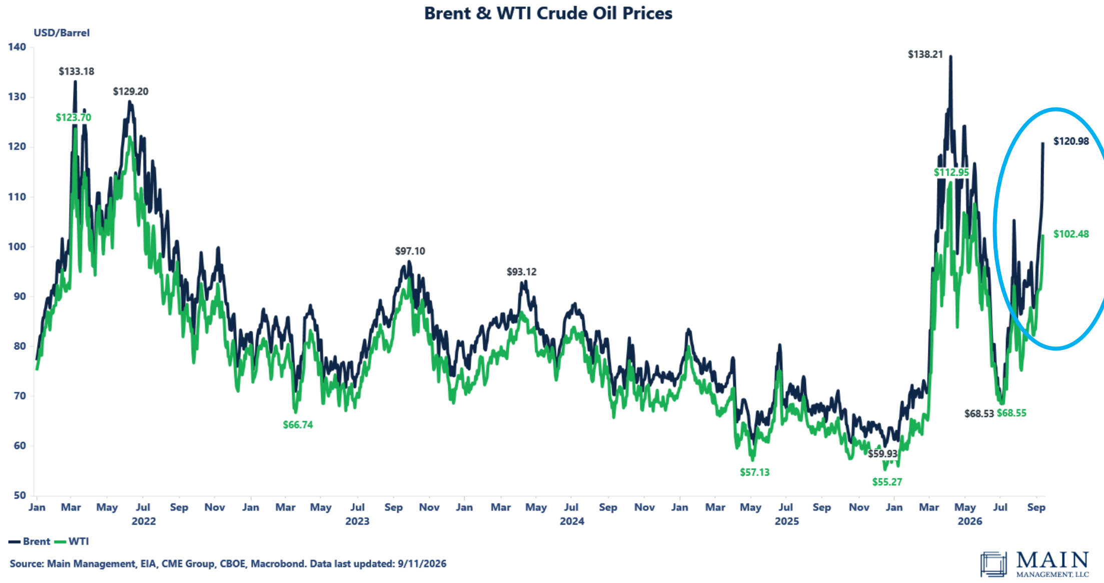
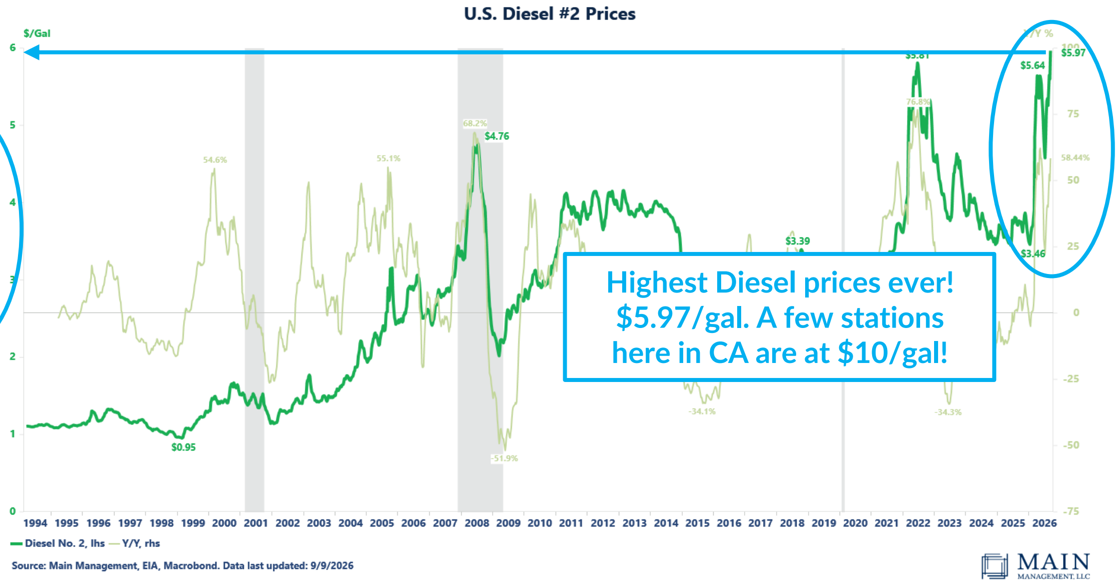
- As the Iran conflict flared up once again this past week, oil prices have shot up (left). Brent is now over $120/barrel, +80% YoY, and WTI is above $100, +64% YoY. Since July 6 alone, Brent is up +76% and WTI is up +49%! These increases will almost certainly feed into inflation data in the coming months and have pushed up bond yields and steered central banks towards more hawkish policy. 87% odds for an FOMC hike next week.
- Diesel (right) has had a particularly strong response, hitting $5.97/gallon, its highest price ever! It's up +58% from a year ago and +72% from it's $3.46 level back in January. The question is whether or not companies will pass this input cost increase onto consumers or if they'll allow it to eat into their margins.





NEGATIVE

ECB Rate Hike

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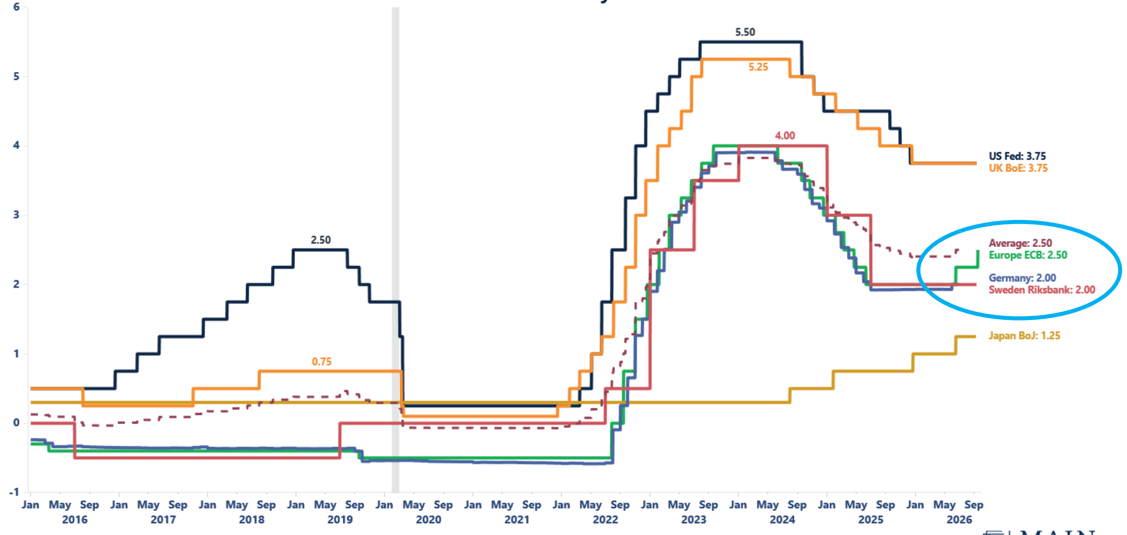
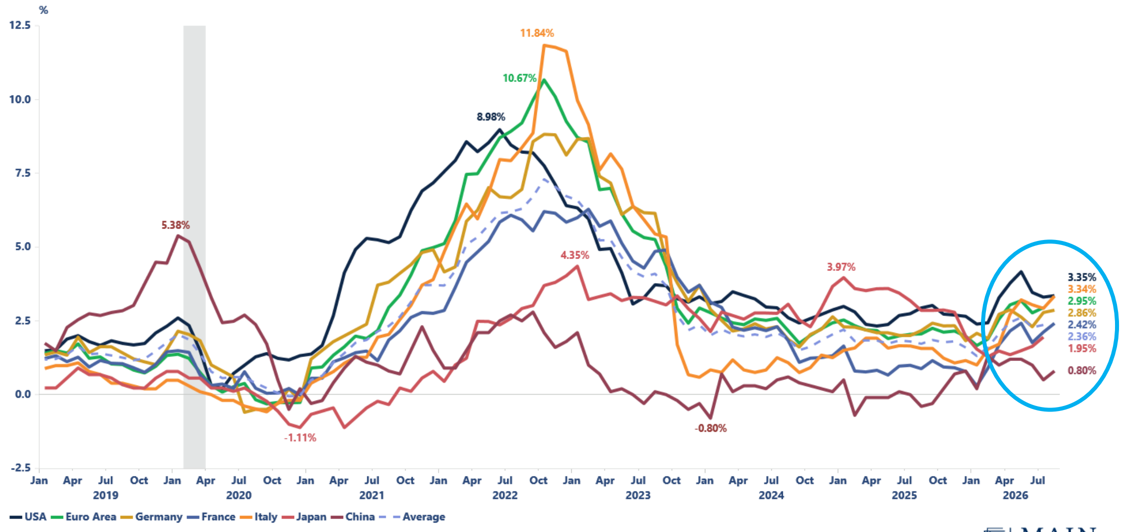
- The European Central Bank raised rates this week (left), the 2nd hike in a matter of months after 3 years of no action, citing the Middle East conflict as a cause of persistent inflation pressure. The bank is projecting 3% inflation for this year and raised its projections for 2027 and 2028 to 2.5% and 2.1%, respectively.
- On the right we show global CPI figures, most of which are trending higher. The Euro Area is currently running at 2.95%. The CPI acceleration is largely due to oil which $100 here in the U.S. as the conflict intensified once again this week. The FOMC meets next week, and markets are currently pricing in an 87% chance for a rate hike.

Central Bank Policy Rates



Source: Main Management, Fed, ECB, BOJ, OECD, BoE, Riksbanken, Macrobond

Global CPI Y/Y



Source: Main Management, BLS, IMF, DESTATIS, INSEE, Istat, SBJ, NBS, Macrobond

NEGATIVE

NFIB Optimism

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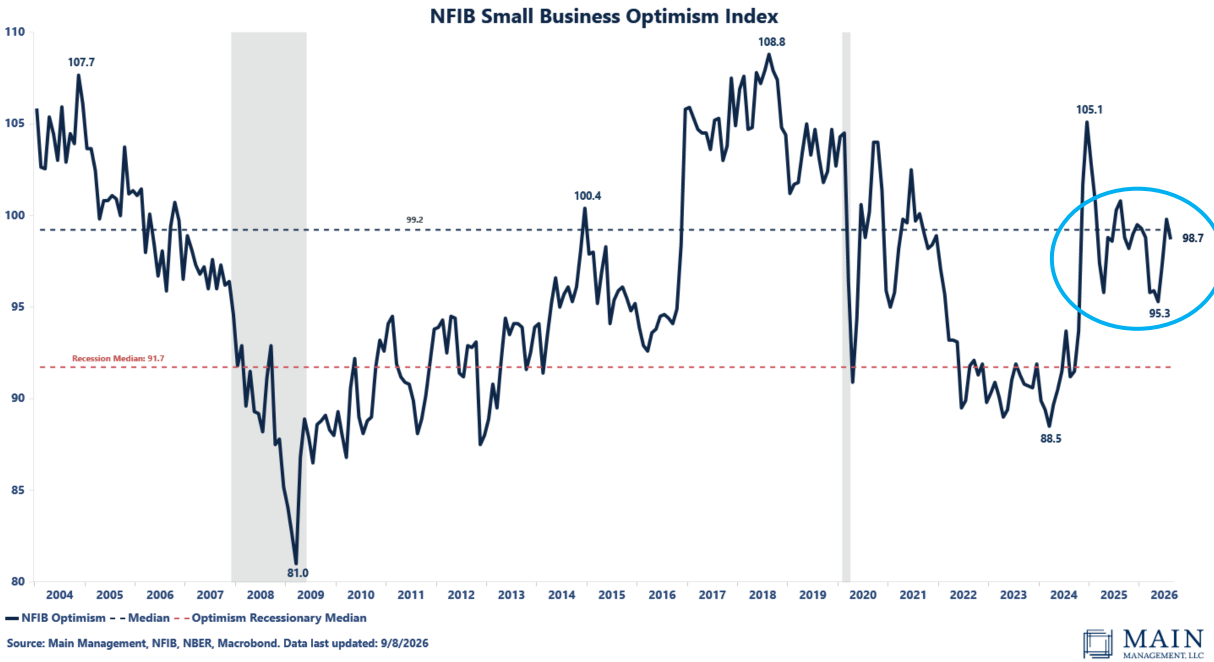
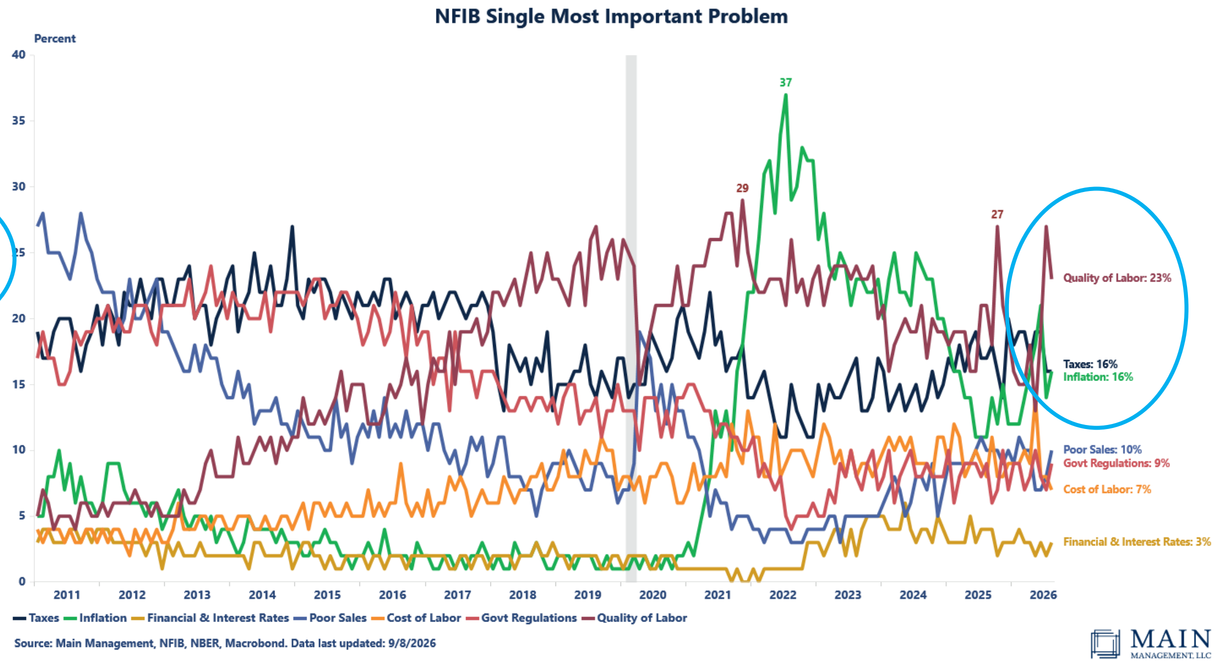
- The August NFIB Small Business Optimism Index (left) declined to 98.7, missing forecasts for a 99.3 figure. It has remained largely rangebound over the last ~18 months, unable to meaningfully break above the median of 99.2.
- Quality of Labor remains the single most important problem (right, maroon) but did pull back to 23% from 27% in July. Inflation ticked up to 16%, now tied with Taxes for the 2nd most important problem.

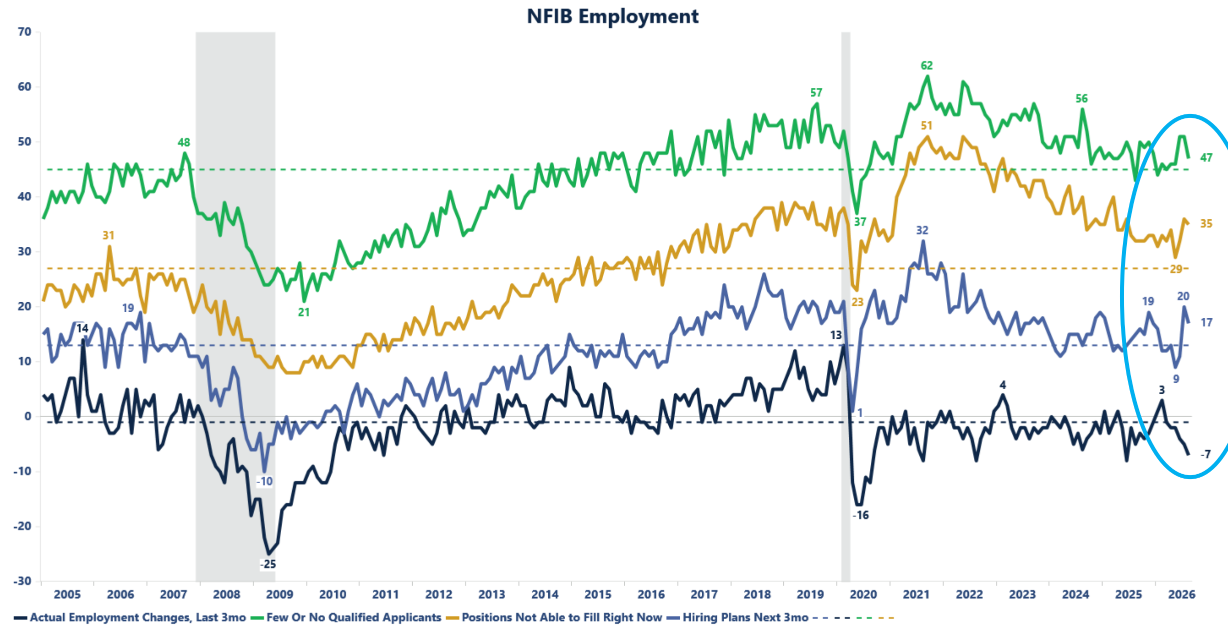




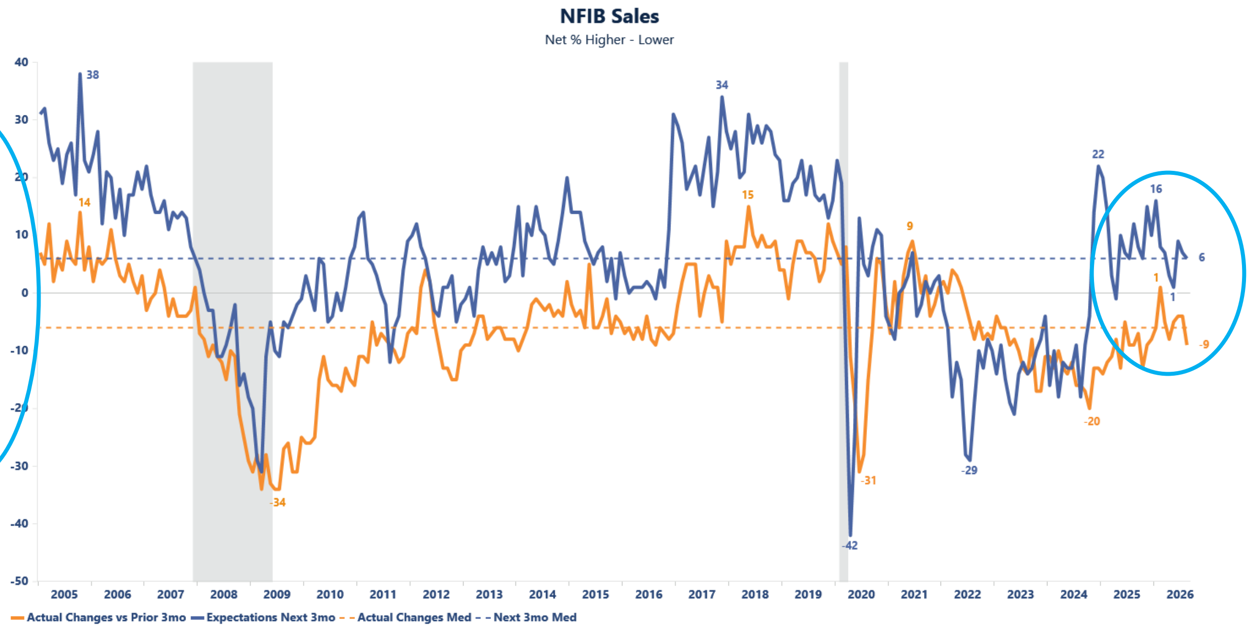
NEUTRAL

Employment & Sales

- Looking at the Employment environment (left): Actual Employment Changes fell to -7%, the lowest since June 2025. Few/No Qualified Applicants moved down to +47%. Firms with Positions Not Able to Fill declined to +35%. Hiring Plans retreated a bit to +17%.
- The Sales picture (right) deteriorated. Actual changes vs the prior 3mos slipped to -9% (net higher minus lower), the most negative in several months. 3mo Sales Expectations retreated to the median at +6%.



Source: Main Management, NFIB, NBER, Macrobond. Data last updated: 9/8/2026



Source: Main Management, NFIB, NBER, Macrobond. Data last updated: 9/8/2026

NEGATIVE

Consumer Sentiment

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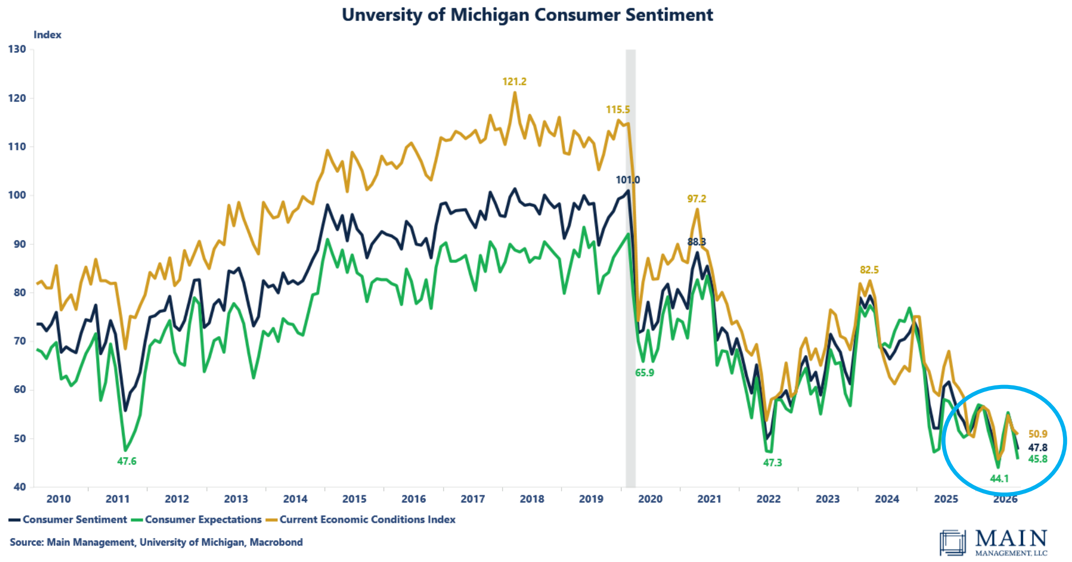
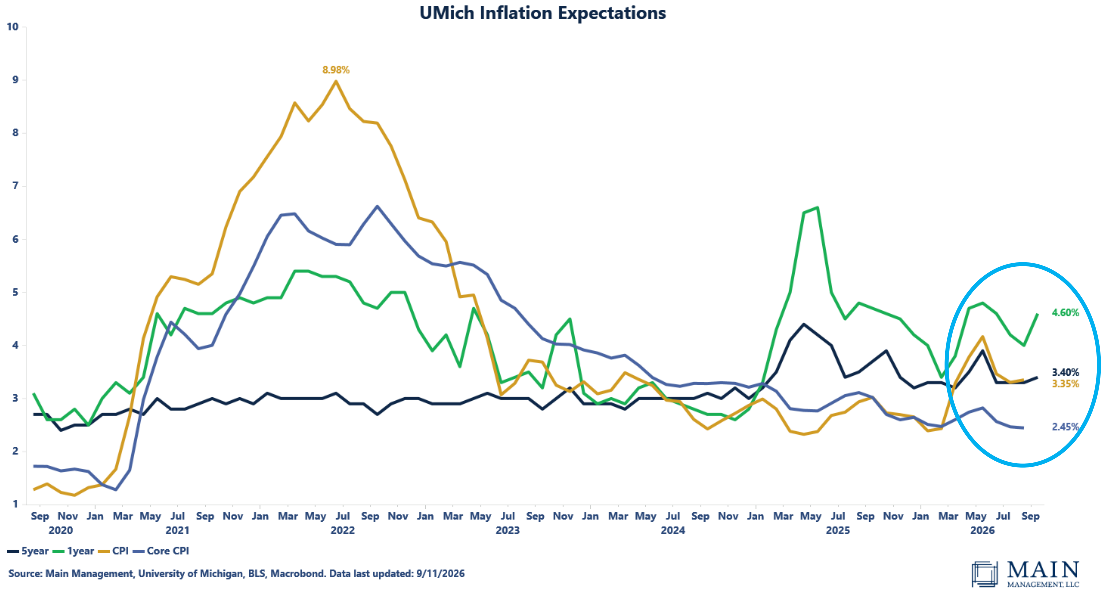
- Staying in the sentiment lane for a minute, the preliminary September release for the UMichigan Consumer Sentiment (left, black) declined for a 2nd month in a row to 47.8, solidly below forecasts for a 51.0 reading. Clearly the re-escalation in Iran and stubbornly high gas prices are weighing on consumers. Consumer Expectations (green) fell back to 45.8, and Current Economic Conditions (gold) moved down to 50.9.
- Unsurprisingly, inflation expectations (right) moved back up in the release. 1yr expectations (green) rose to 4.60% and 5yr ticked up to 3.40%. Consumers are expecting to face higher inflation for longer. The silver lining is that spending has held up well in spite of everything else going on.





NEGATIVE

Existing Home Sales

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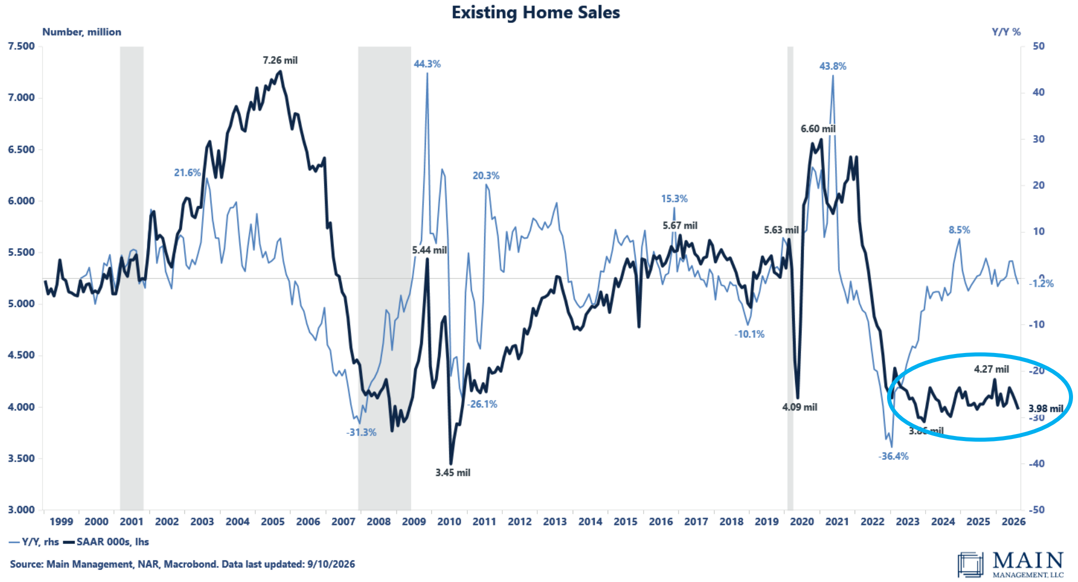
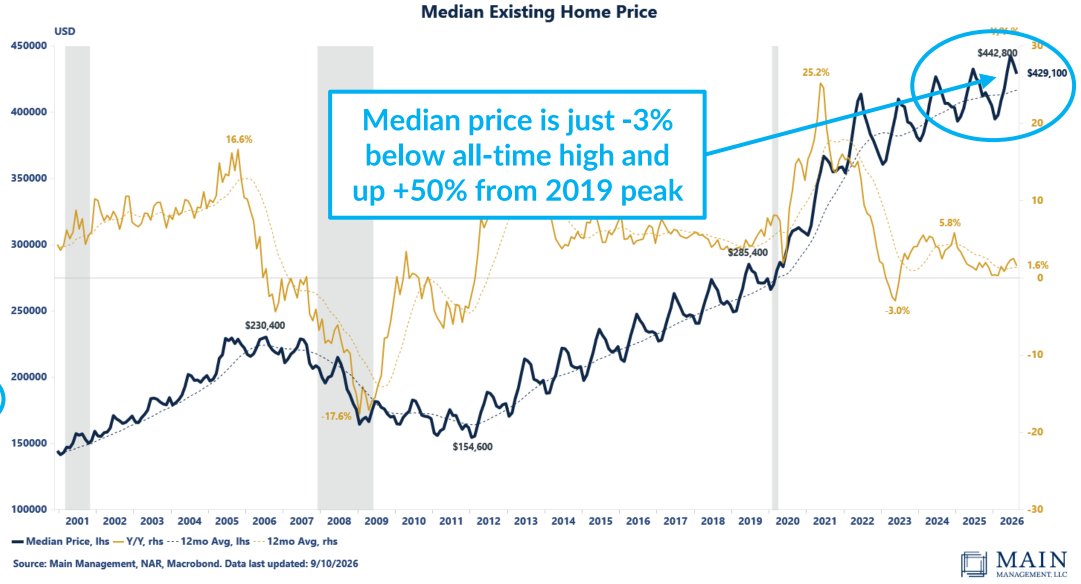
- Existing Home Sales (left) fell for the 3rd month in a row in August, declining to 3.98mil units, tied for the lowest level since September 2024. This reading was in line with forecasts and dropped the YoY figure back into the red at -1.2%.
- The Median Existing Home Price (right, black) declined for the 2nd straight month to $429,100. Still, the 12mo average (dotted black line) has been tilting up more aggressively which means the price increases have been speed up a bit. Prices are up +1.6% YoY and are a big reason the sales figures remain so depressed. Affordability and high mortgage rates (see next slide) are acting as significant dampers on homebuying activity.

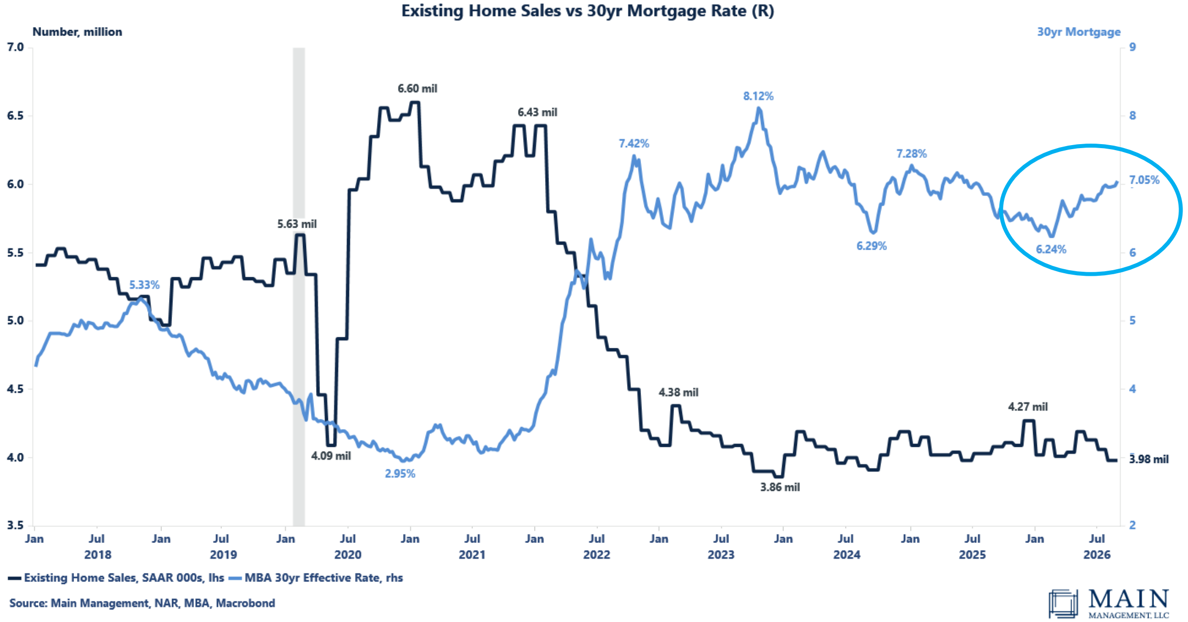


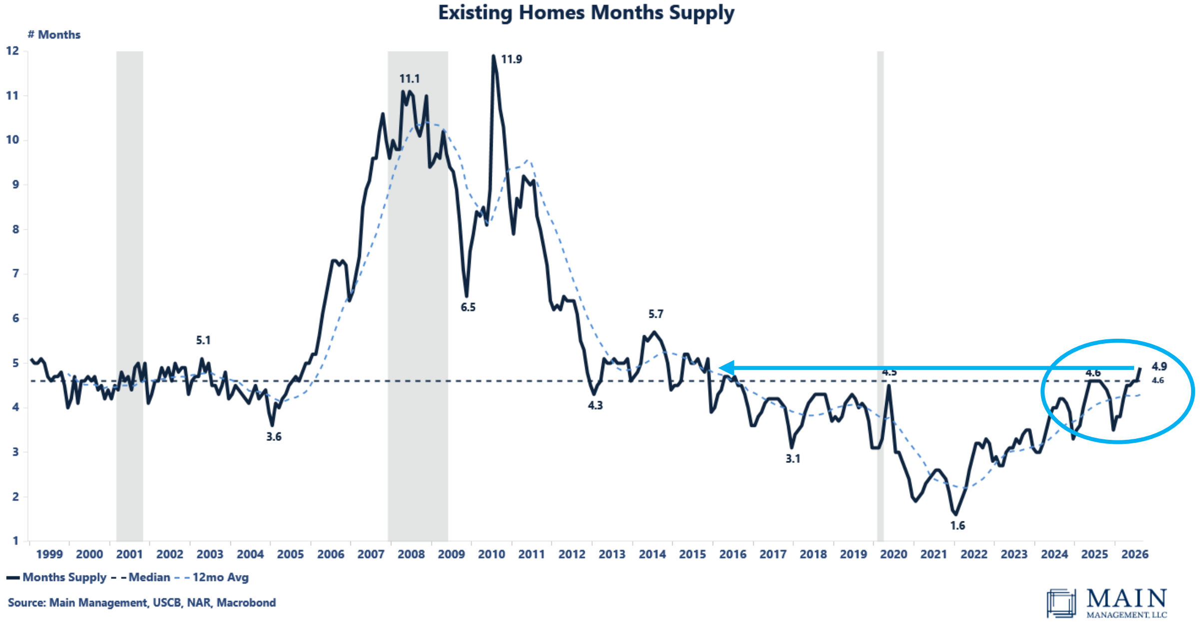


NEGATIVE

Supply & Mortgage Rates

- High mortgage rates (left) are another reason the housing market has been depressed. When you combine a 7.05% 30yr mortgage rate with near-record prices, the result is a historically high cost for potential buyers. Anyone who bought prior to 2022 is demanding a high price for their home because if they have to take out a new mortgage, it could be more than 2x their current rate. They're essentially saying: "Make me an offer I can't refuse, otherwise, I'm not selling because the cost of buying back into the market is so high." Feels like something has to give, but what?
- On the right we show the Months' Supply of Existing Homes, which has risen to 4.9 months, the highest since November 2015! Clearly the slow pace of sales is allowing inventories to build…





NEGATIVE

Summary

- August Headline CPI rose +0.40% MoM in August, in line with expectations, while Core came in at +0.29% MoM, above forecasts for a +0.2% reading. Headline CPI is now at +3.35% YoY and Core at +2.45%.
- Headline PPI was up +0.40% MoM in August, as expected, while Core came in a bit below at +0.16% versus +0.3% expectations. Petrol-related price increases drove the headline figure higher. PPI now sits at +5.41% YoY.
- The ECB raised rates to 2.5% this week, citing persistent inflation pressures stemming from the Iran conflict. Oil prices have surged as well, driving diesel to a record high at $5.97/gallon. Odds for an FOMC hike next week are 87%.
- The NFIB Small Business Optimism Survey was less positive than expected as the Sales and Employment pictures deteriorated a bit. UMich Consumer Sentiment declined for the 2nd month in a row.
- Existing Home Sales slowed to 3.98mil units SAAR. Prices are only -3% off their all-time highs and mortgage rates have moved back above 7%, both weighing massively on the market and resulting in rising inventories.

- Upcoming data:
    - NY Empire Manufacturing (Tues)
    - FOMC, Retail Sales, Import & Export Prices, Business Inventories, and NAHB HMI (Weds)
    - Building Permits, Housing Starts, Pending Home Sales, Claims, and Philly Fed Manufacturing (Thurs)
    - Industrial Production & Manufacturing Output (Fri)

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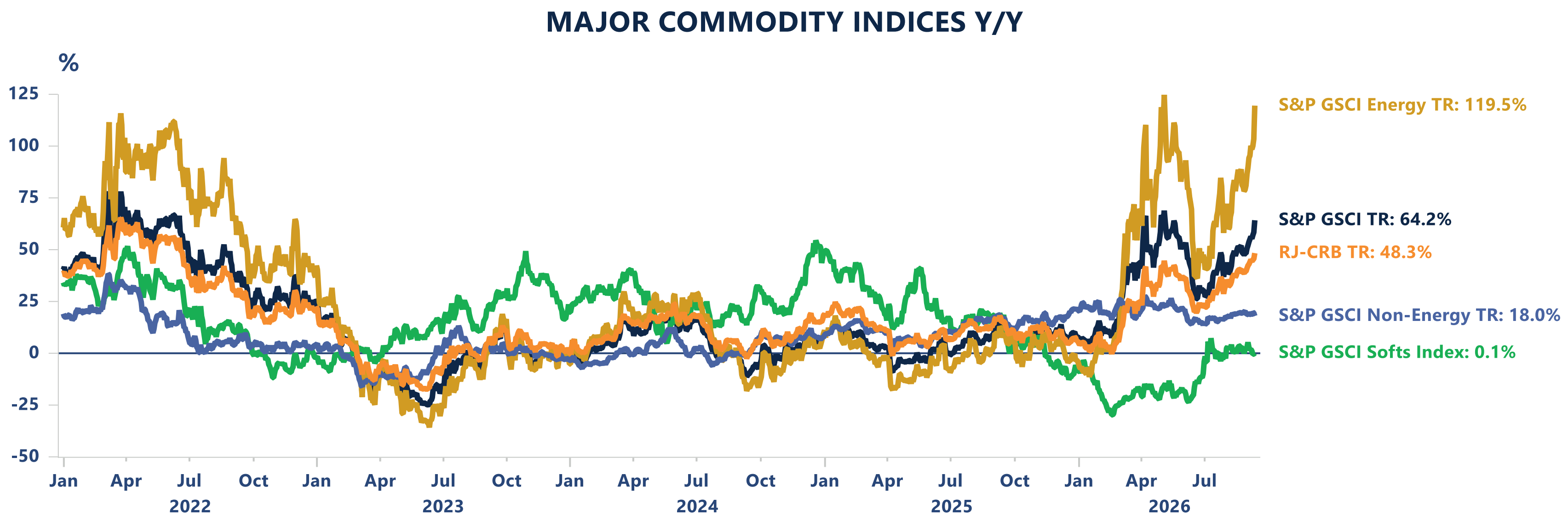
Appendix

Inflation Watch



Source: Main Management, S&P Global, CoreCommodity Management, LME, EIA, Macrobond, Johnson Matthey Platinum Today, NRCan, ICCO, ICO, USDA, MIAX, TREA, TMX, Macrobond. Data last updated: 9/11/2026

Commodity	1 Month	3 Months	YTD ↓	1 Year
Gasoline	13.7	12.3	99.0	70.3
Crude Oil	29.0	11.0	75.5	60.2
S&P GSCI	18.0	18.4	61.0	64.1
BBG Commodity Index	11.7	12.3	34.1	42.8
Cotton	1.7	18.8	31.7	30.9
Soybeans	13.8	18.2	27.7	30.1
Corn	17.1	22.6	16.8	28.1
Copper	0.3	4.7	14.1	44.5
Lumber	-0.1	-6.4	7.4	9.4
US Dollar (DXY)	-0.5	-0.9	0.7	1.3
Gold	-0.6	1.3	-0.2	19.0
Silver	1.5	-1.2	-8.3	57.3
Coffee	-6.0	29.0	-9.6	-19.8
Bitcoin	18.0%	24.2%	-12.5%	-31.3%
Natural Gas	6.5	-9.7	-23.1	-9.1

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 9/11/2026

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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.

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