MAIN®
MANAGEMENT, LLC

Q2 2026 – MAIN MANAGEMENT YIELD MODERATE STRATEGY

The second quarter of 2026 saw continued heightened geopolitical tensions, headlined by the war in Iran and ongoing uncertainty around the status of the Strait of Hormuz. The agreement signed towards the end of Q2 resulted in oil prices falling lower and we anticipate Brent Crude will settle somewhere in the $75-$85 range, about a $10 premium to where it was prior to the conflict. Outside of Iran, the biggest news for bond markets was the unexpectedly hawkish tone that came out of the June FOMC meeting. Kevin Warsh presided over his first meeting as Chairman and took a no-nonsense approach to the statement, which only addressed price stability and omitted any mention of the second mandate, maximum employment. 9 members now forecast 1 or more hikes this year and there were zero dissents. Bond yields jumped on the news and finished the quarter higher overall. The 10yr came in at 4.32% and finished at 4.44%.

The Yield Moderate solidly outperformed the Bloomberg US Aggregate Bond Index (Agg) in Q2, buoyed by the BuyWrite position, which continued to provide consistent returns without interest rate sensitivity. The strategy's shorter-duration positioning helped cushion the impact of rising rates. The maturity and duration remain below benchmark by design – in order to better balance interest-rate sensitivity while still maintaining solid credit quality. The yield currently stands at 5.0% versus 4.5% for the Agg, and the credit quality is AA. (All valuation metrics per FactSet Data.)

We continue to see clients utilize the Yield Moderate as an option that may provide an interesting complement to fixed income benchmarks as we recognize that there may still be capital on the sidelines. It may also provide a risk-switching mechanism: as you move assets around, this strategy may be a good place to park funds as you look to dollar-cost average or time-cost average into other investments. Additionally, it may act as an option for income distributions as well.

	YIELD	MATURITY	DURATION
Yield Moderate	**5.0%**	**6.1**	**4.5**
Bloomberg US Aggregate Bond TR USD	**4.5%**	**8.2**	**5.8**

We thank you, our client, for the ongoing partnership and encourage current and prospective investors to contact us with any questions regarding individual ETFs or our asset allocation.

Sincerely,

Kim David Arthur

CEO and Portfolio Manager

601 California St. Suite 300 San Francisco, CA 94108 | (415) 217-5800 | mainmgt.com

July 10, 2026