



MAIN
MANAGEMENT, LLC

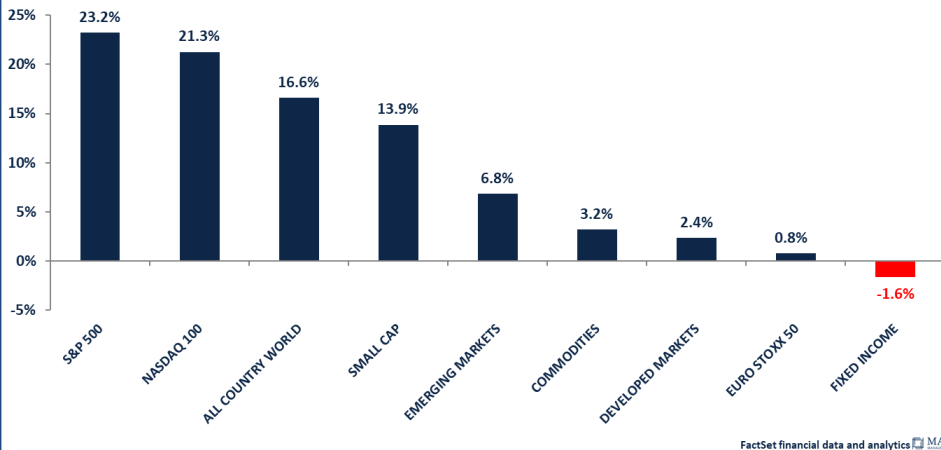
MAIN MANAGEMENT MARKET NOTE: **November 15, 2024**

601 California Street, Suite 300, San Francisco, CA 94108

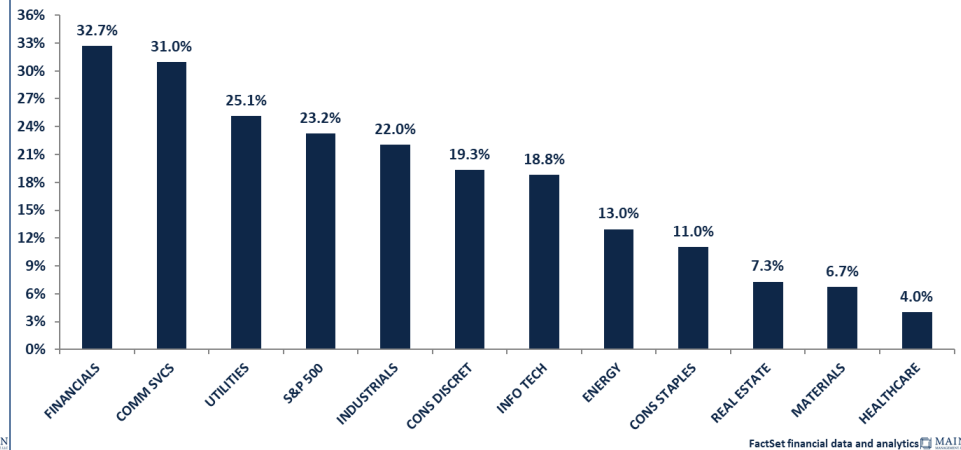
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Performance

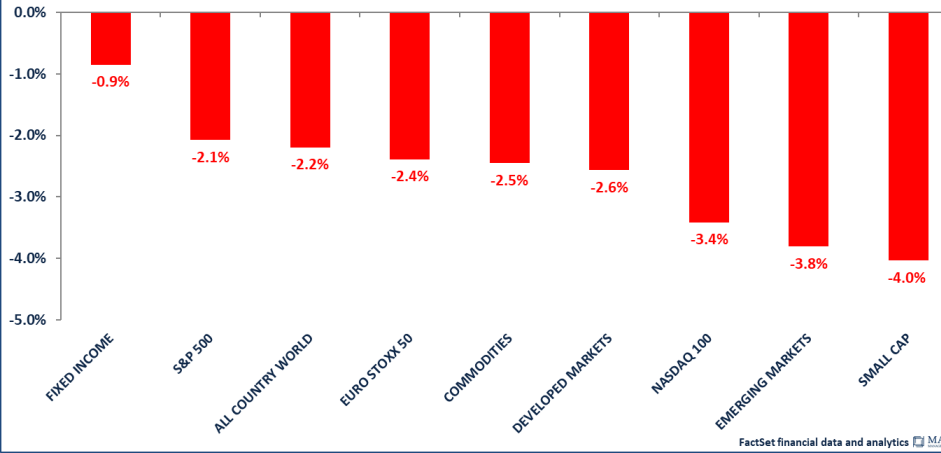
YTD 2024 ETF BROAD INDEX PRICE PERFORMANCE THROUGH NOVEMBER 15



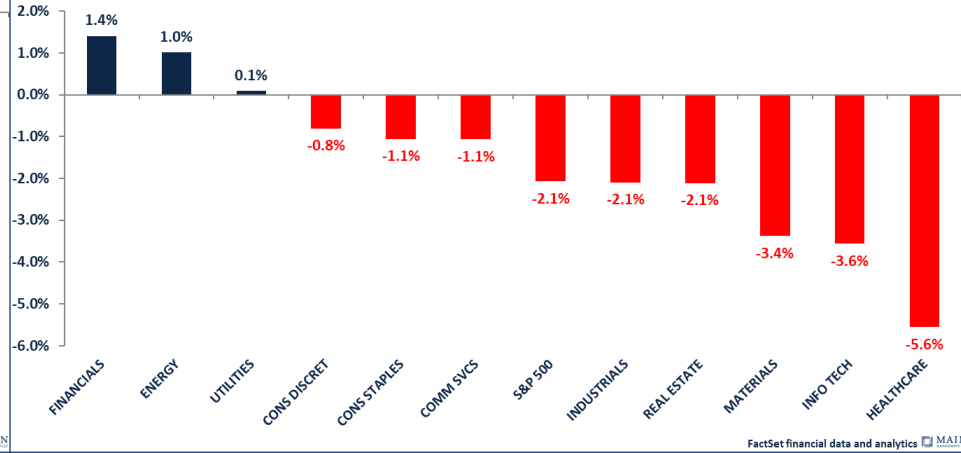
YTD 2024 ETF SECTOR PRICE PERFORMANCE THROUGH NOVEMBER 15



ETF BROAD INDEX PRICE PERFORMANCE TRAILING WEEK ENDED NOVEMBER 15



ETF SECTOR PRICE PERFORMANCE TRAILING WEEK ENDED NOVEMBER 15



Recession Dashboard

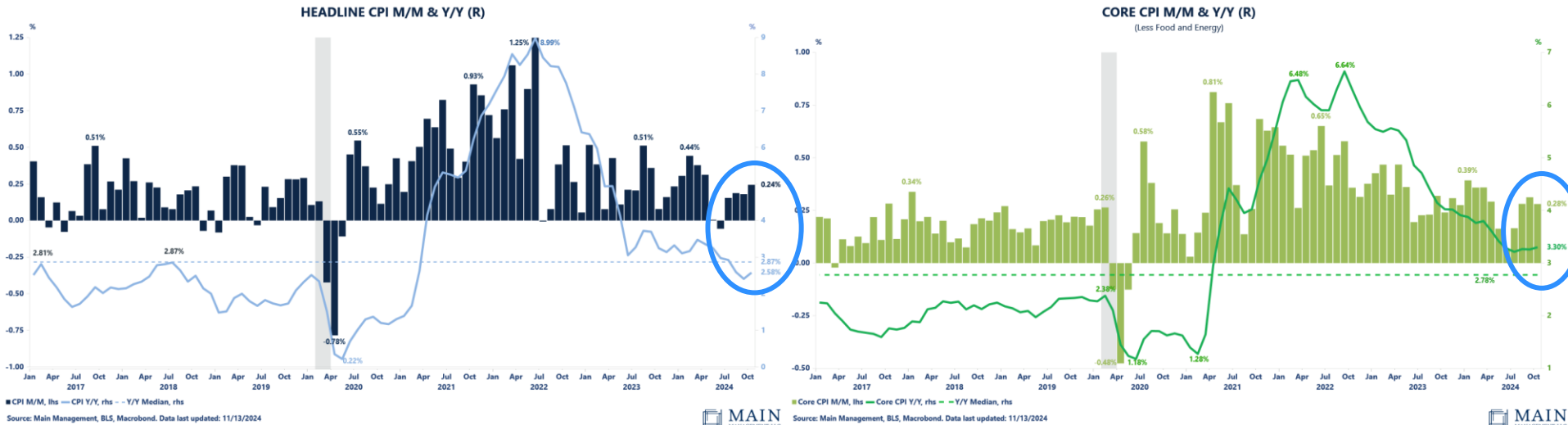
RECESSION START	INFLATION	CONSUMER	YIELD CURVE	HOUSING	SENTIMENT	AUTOS	EMPLOYMENT	PMI	RETAIL SALES
NOV 1973	↓	—	—	↓	—	—	↓	↓	—
JAN 1980	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1981	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1990	↓	↓	↓	↓	↔	↓	↓	↔	—
MAR 2001	↔	↓	↓	↔	↔	↔	↓	↓	↔
DEC 2007	↓	↓	↓	↓	↔	↓	↓	↓	↓
DEC 2019	↑	↑	↔	↔	↑	↔	↑	↔	↔
NOV 2024	↑	↔	↔*	↑	↔	↓	↓	↑	↔
LAST CHANGE	BLUE MAR '23	RED JAN '23	RED MAR '23	BLUE JUN '23	RED JUN '22	BLUE SEP '23	BLUE SEP '22	BLUE JUN '23	RED SEP '23

↑ 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, AAI **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.

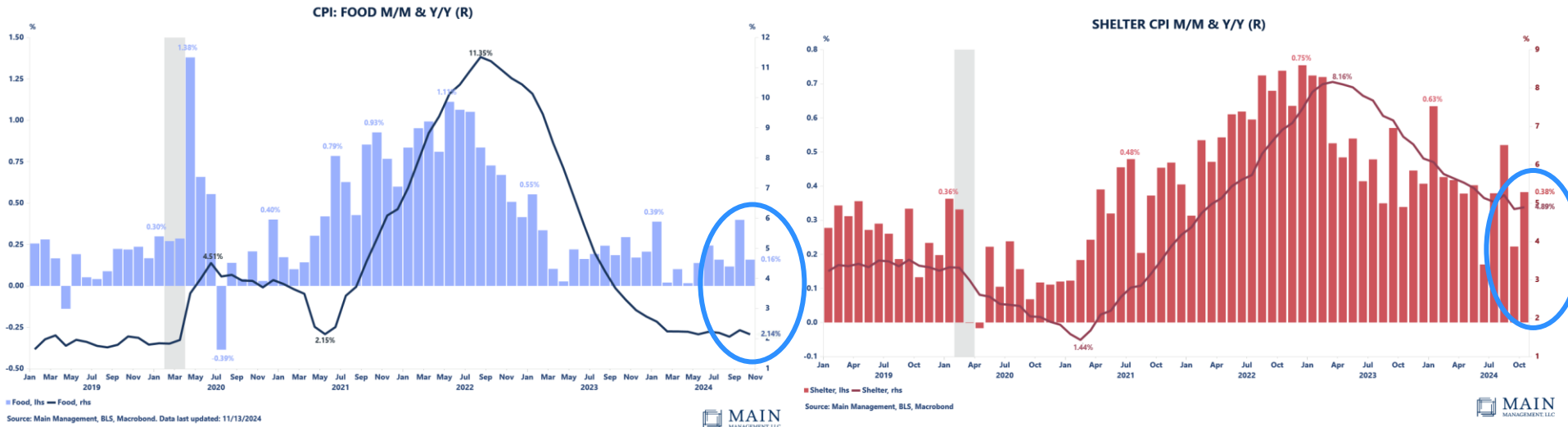
CPI

October CPI came in basically in line with expectations as the Headline (left) figure posted a +0.24% M/M gain vs 0.2% forecasted, while Core CPI (right) rose +0.28% M/M vs 0.3% forecasted. On a Y/Y basis, Headline CPI accelerated slightly to +2.58% and Core ticked up to +3.30%, the highest since May 2024.



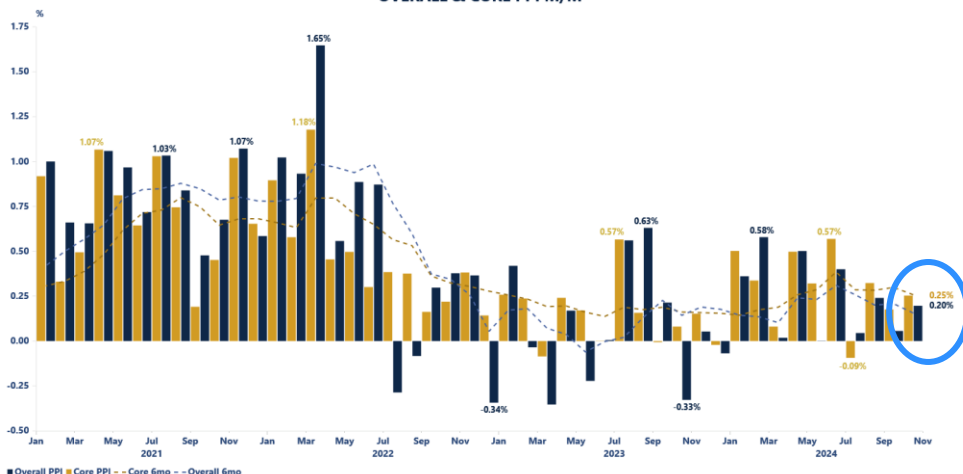
Food & Shelter CPI

Looking through at some of the bigger components, Food prices (left) slowed to +0.16% M/M and +2.14% Y/Y. Shelter (right) continues to be more stubborn, accelerating to +0.38% M/M which caused the Y/Y figure to move up to +4.89%. That Shelter reading alone was responsible for nearly half of the Headline 2.6% figure! Energy (not pictured) was basically flat in October.

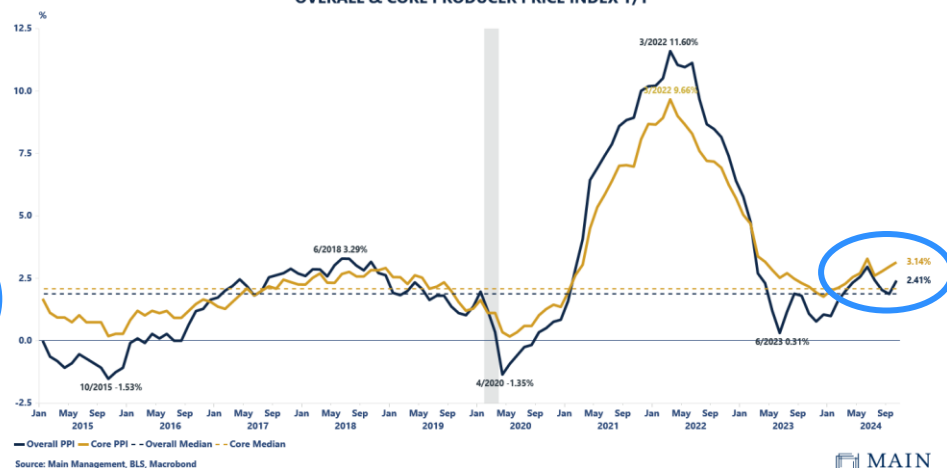


October Headline PPI came in at +0.20% M/M, in line with expectations. Core PPI was up +0.25% M/M, also in line with expectations. On a year-over-year basis, Headline PPI accelerated to +2.41% while Core now stands at +3.14%. Both have been trending higher on a Y/Y basis for the last year or so. The PPI readings tend to feed into the following CPI figures, so we'll have to see if that plays out in next month's CPI reading.

OVERALL & CORE PPI M/M



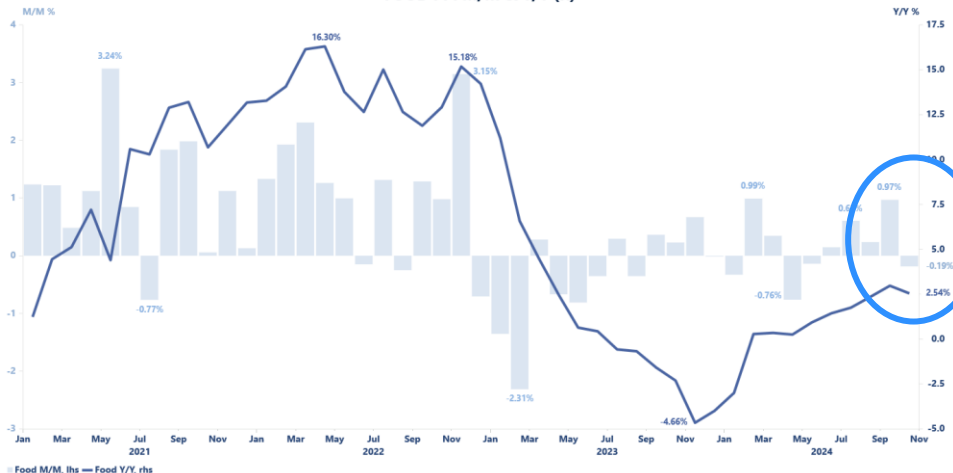
OVERALL & CORE PRODUCER PRICE INDEX Y/Y



Food & Energy PPI

Unlike in the CPI reading, the Food PPI (left) was down -0.19% M/M, the first decline in 5 months. The Y/Y figure slowed to +2.54%, also the first deceleration in several months. It will be interesting to see if this reading shows up in Food CPI in the next month or two. Energy PPI was also down in October, declining -0.35% M/M, the 5th decline in the last 6 months. Energy PPI is down -8.48% Y/Y, a continued disinflationary force in the PPI basket.

FOOD PPI M/M & Y/Y (R)



Source: Main Management, BLS, Macrobond. Data last updated: 11/14/2024

ENERGY PPI M/M & Y/Y (R)



Source: Main Management, BLS, Macrobond. Data last updated: 11/14/2024

Retail Sales

October Total Retail Sales posted a +0.40% M/M gain, ahead of forecasts for a +0.3% reading. Core Retail Sales (ex-Autos & Gas Stations) ticked up +0.13% M/M, in line with expectations. On a Y/Y basis, Total Sales accelerated to +2.85% while Core Sales were basically flat at +3.79%. While moderate, these figures do show steady, continued consumer spending.

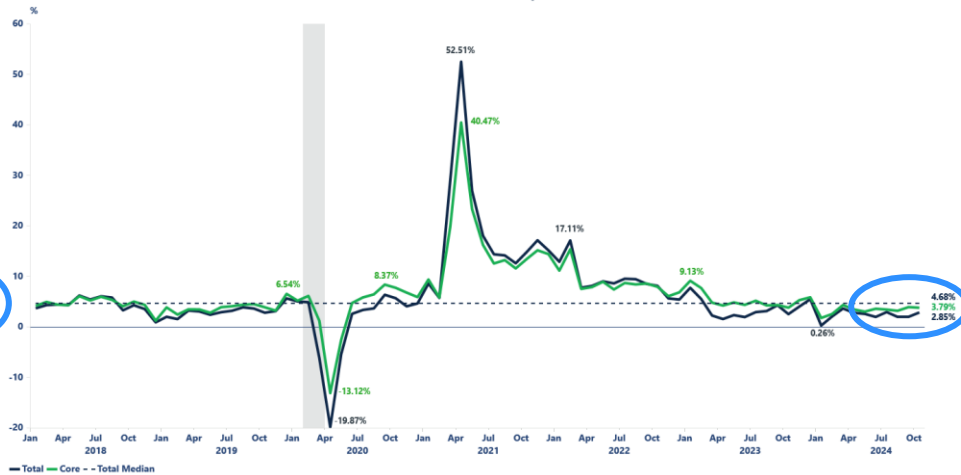
RETAIL SALES M/M

Total and Core (ex Motor Vehicles/Parts & Gas Stations) Month-over-Month % Change



Source: Main Management, USCB, Macrobond. Data last updated: 11/15/2024

RETAIL SALES Y/Y

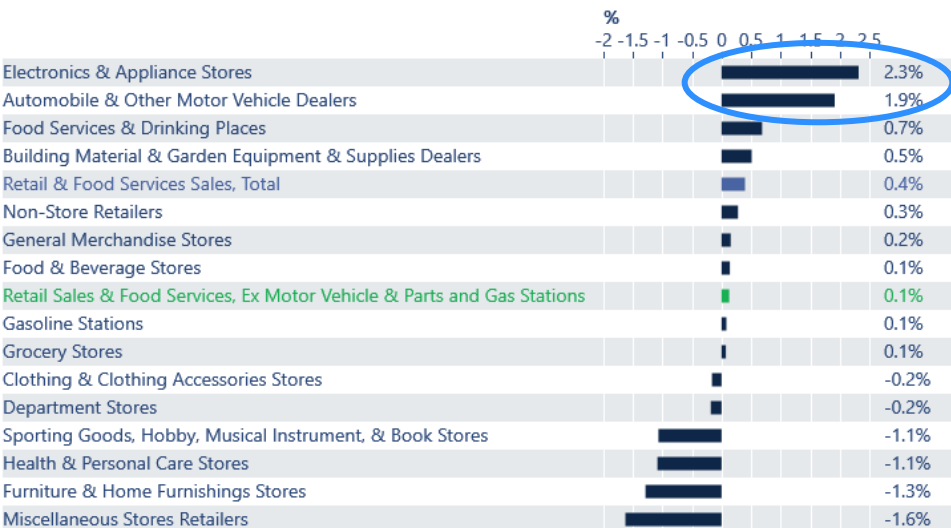


Source: Main Management, USCB, Macrobond. Data last updated: 11/15/2024

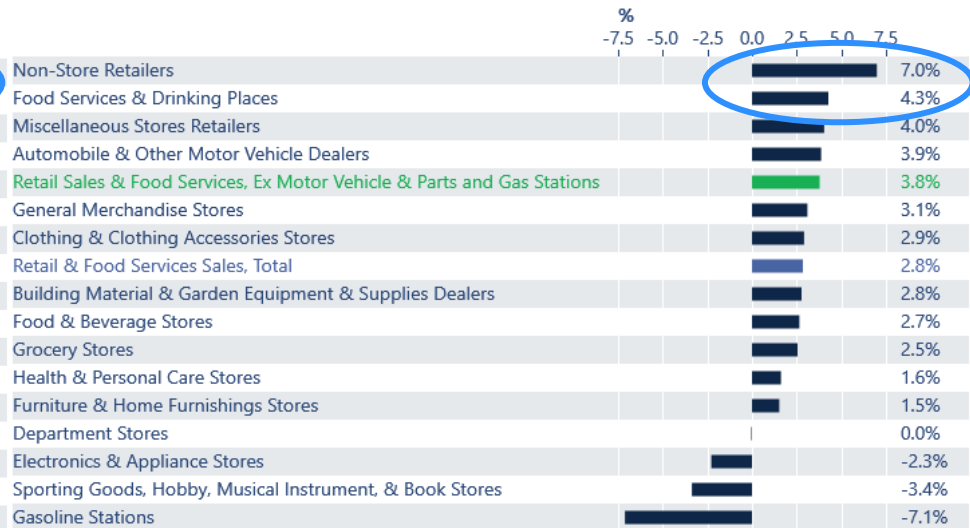
Retail Categories

Looking through at the categories on a M/M basis, Electronics led the way up at +2.3%, followed by Autos at +1.9%. The M/M laggards were Misc. at -1.6% and Furniture down -1.3%. Non-Store leads the way up on a Y/Y basis at +7.0%, followed by Bars & Restaurants at +4.3%. The Y/Y laggards are Gas Stations down -7.1% and then Sporting Goods & Hobbies down -3.4%.

M/M CHANGE IN RETAIL SALES BY CATEGORY



Y/Y CHANGE IN RETAIL SALES BY CATEGORY



Source: Main Management, USCB, Macrobond



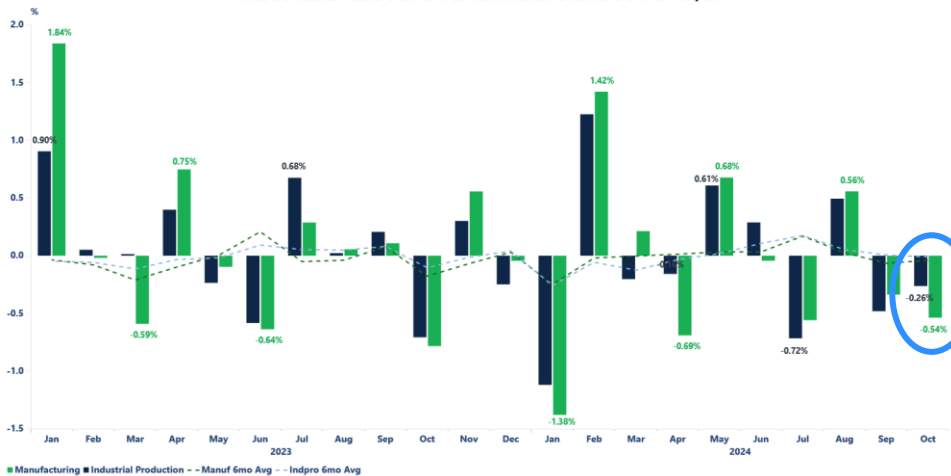
Source: Main Management, USCB, Macrobond



Industrial Production

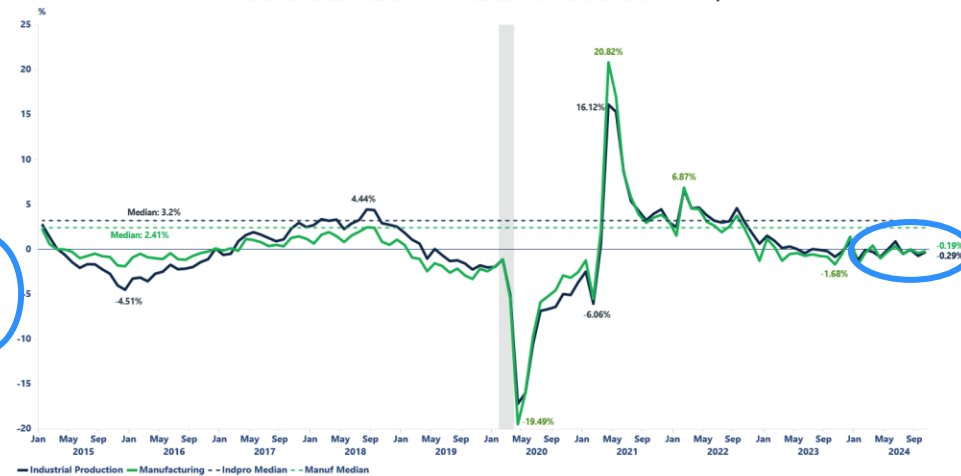
Industrial Production declined -0.26% M/M in October while Manufacturing Output fell -0.54% M/M, both down for the 3rd month out of the last 4. Both readings were in line with forecasts, though, so this wasn't unexpected. On a Y/Y basis, both accelerated but remain in the red with Industrial Production down -0.29% and Manufacturing Output down -0.19%. They've had trouble moving meaningfully into positive territory on a Y/Y basis, being range-bound around 0% for quite a while.

INDUSTRIAL PRODUCTION & MANUFACTURING OUTPUT M/M



Source: Main Management, Fed, Macrobond. Data last updated: 11/15/2024

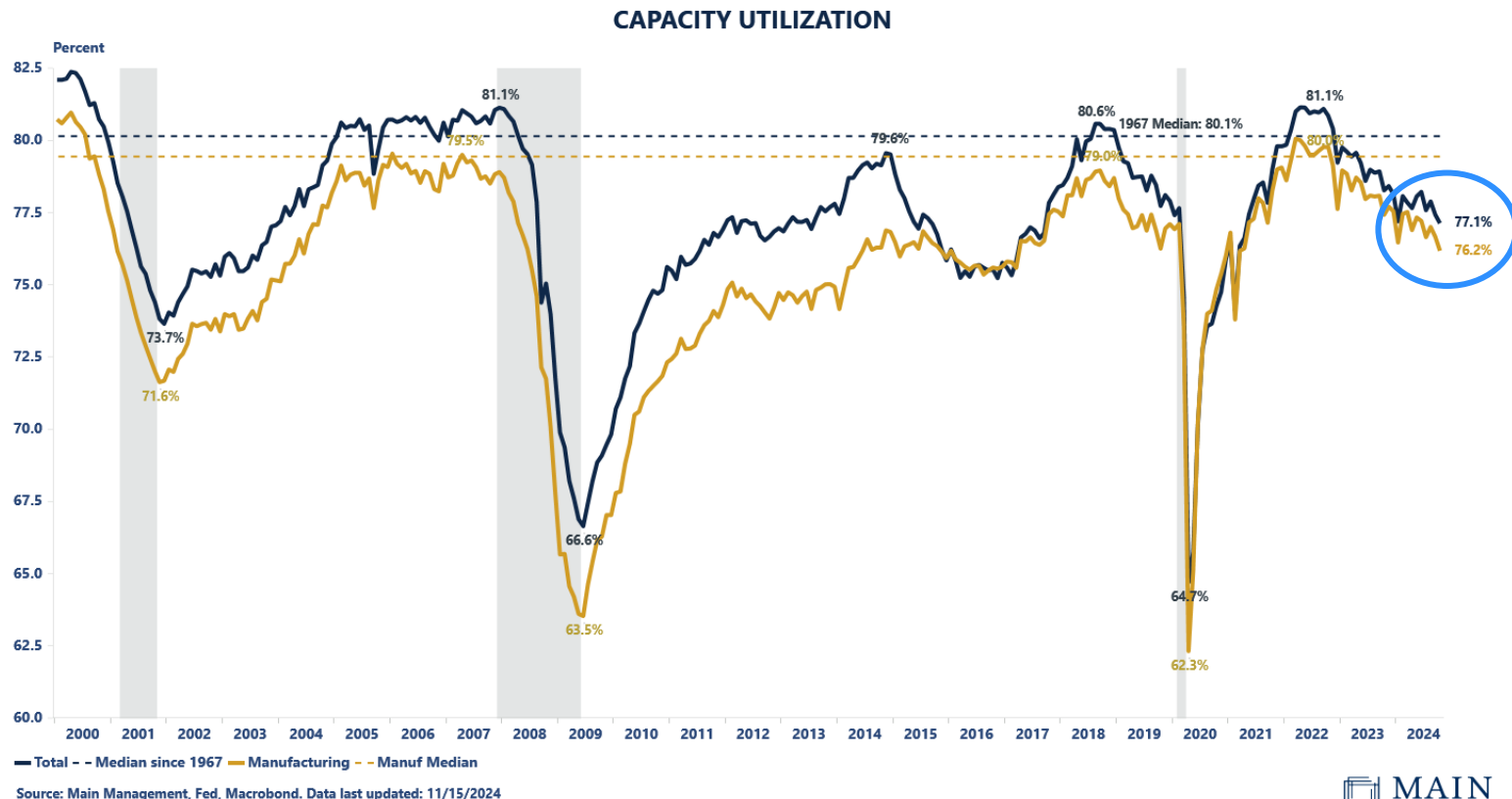
INDUSTRIAL PRODUCTION AND MANUFACTURING OUTPUT Y/Y



Source: Main Management, Fed, Macrobond. Data last updated: 11/15/2024

Industrial Production

Capacity Utilization was down in October. Total Utilization declined to 77.1%, the lowest since April 2021! Manufacturing Utilization fell to 76.2%, the lowest since March 2021! Hopefully, productivity gains are what are driving this decline, allowing manufacturers to make more while using less capacity.



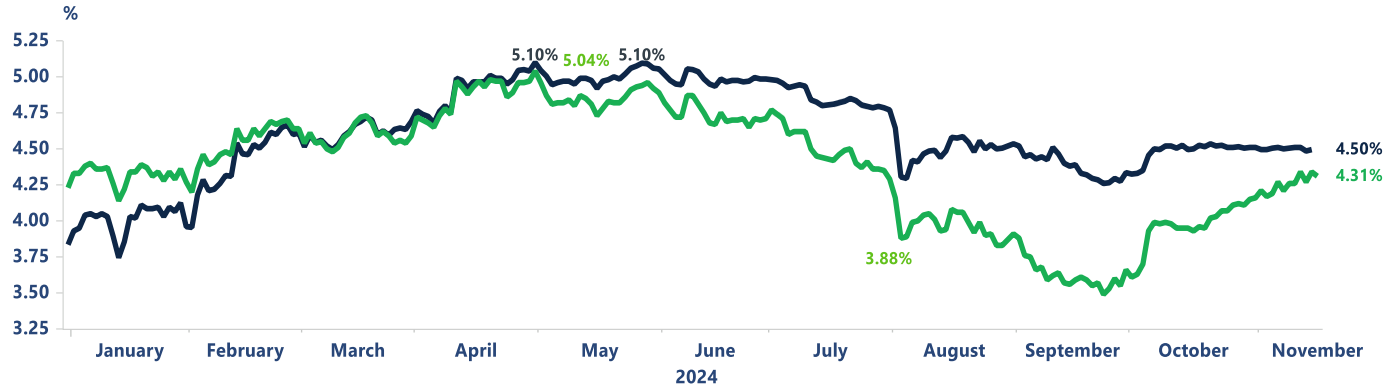
SUMMARY

- October CPI came in basically in line with forecasts as the Headline figure is up +2.58% Y/Y and Core is up +3.30% Y/Y. Food prices slowed while Shelter continues to be responsible for the bulk of the Headline reading, up +4.89% Y/Y.
- October PPI was also in line with forecasts as both the Headline and Core figures accelerated to +2.41% and +3.14% Y/Y, respectively. Food and Energy were both down on a M/M basis, though, so it will be interesting to see if those disinflationary effects show up in the November CPI.
- Total Retail Sales came in slightly above forecasts at +0.40% M/M while Core Sales were in line at +0.13% M/M, indicating ongoing consumer spending.
- Industrial Production, Manufacturing Output, and Capacity Utilization all declined in October as expected.
- Upcoming key data to watch:
 - Housing Starts & Building Permits (Tuesday)
 - Existing Home Sales (Thursday)
 - Preliminary University of Michigan Consumer Sentiment (Friday)

APPENDIX

YIELDS & FUTURES

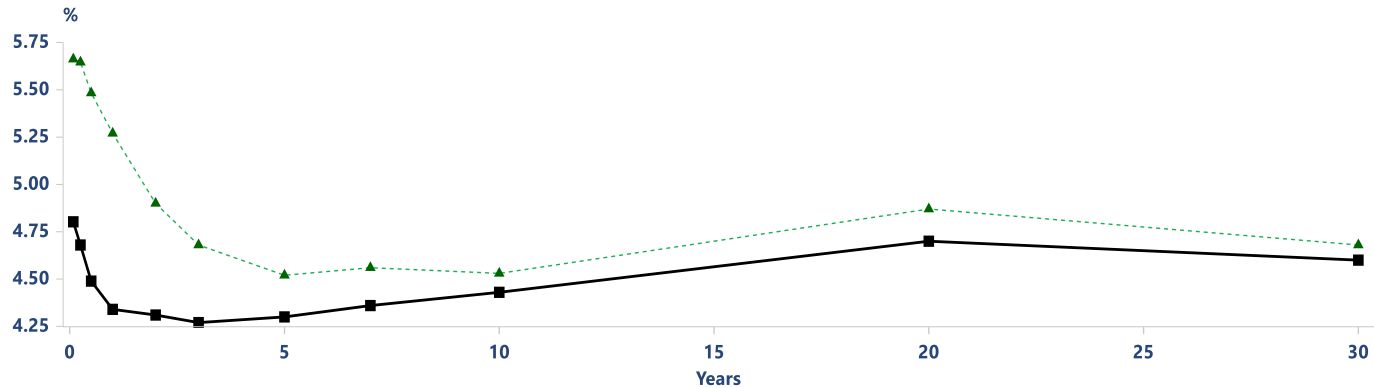
FED FUNDS FUTURES & 2-YEAR TREASURY YIELD



— Fed Funds Futures Dec '24 — 2yr Treasury Yield

Source: Main Management, CME Group, U.S. Treasury, Macrobond. Data last updated: 11/15/2024

US TREASURY YIELD CURVE



■ Now ▲ 12 months ago

Source: Main Management, U.S. Treasury, Macrobond. Data last updated: 11/15/2024

INFLATION WATCH

MAJOR COMMODITY INDICES Y/Y



Source: Main Management, S&P Global, CoreCommodity Management, LME, EIA, LBMA, Macrobond, LPPM, NRCAN, ICCO, ICO, USDA, MIA, TREA, TMX, Macrobond. Data last updated: 11/15/2024

Commodity	1 Month	3 Months	YTD ↓	1 Year
Bitcoin	39.7%	44.0%	107.2%	139.0%
Coffee	10.7	19.9	48.1	56.1
Silver	-3.2	10.2	27.9	36.8
Gold	-3.4	4.1	24.4	31.8
Natural Gas	5.8	29.7	10.8	-12.9
Lumber	12.4	13.6	8.6	18.0
US Dollar (DXY)	3.7	4.0	5.2	1.0
S&P GSCI	-5.4	-1.9	4.5	-0.7
Copper	-8.2	0.1	4.4	9.7
BBG Commodity Index	-4.8	0.5	-2.7	-6.9
Crude Oil	-7.1	-13.3	-4.5	-12.5
Gasoline	-7.9	-16.5	-5.8	-11.4
Corn	0.8	11.0	-11.1	-12.2
Cotton	-5.4	1.8	-15.7	-11.8
Soybeans	-2.0	-0.3	-23.8	-27.9

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 11/14/2024

DISCLOSURES

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