



MAIN
MANAGEMENT, LLC

MAIN MANAGEMENT MARKET NOTE:

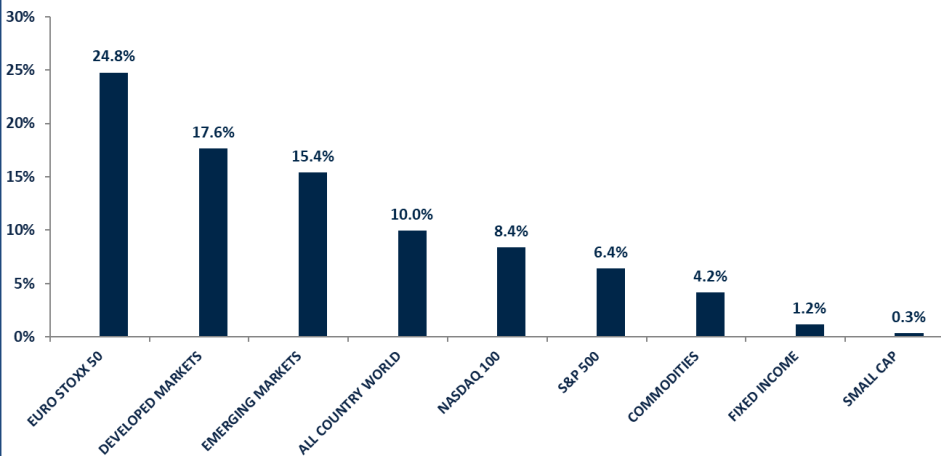
July 11, 2025

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

Phone: 415-217-5800 | Fax: 415-217-5809 | www.mainmgt.com

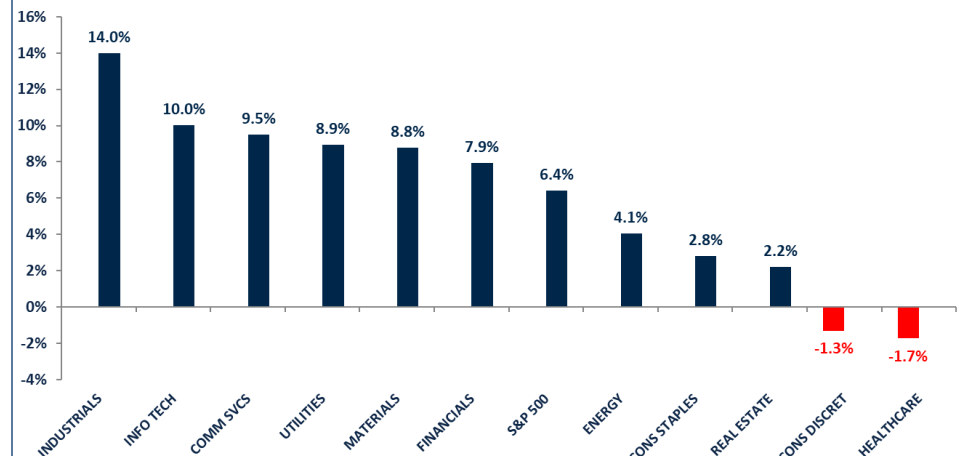
Performance

YTD 2025 ETF BROAD INDEX PRICE PERFORMANCE THROUGH JULY 11



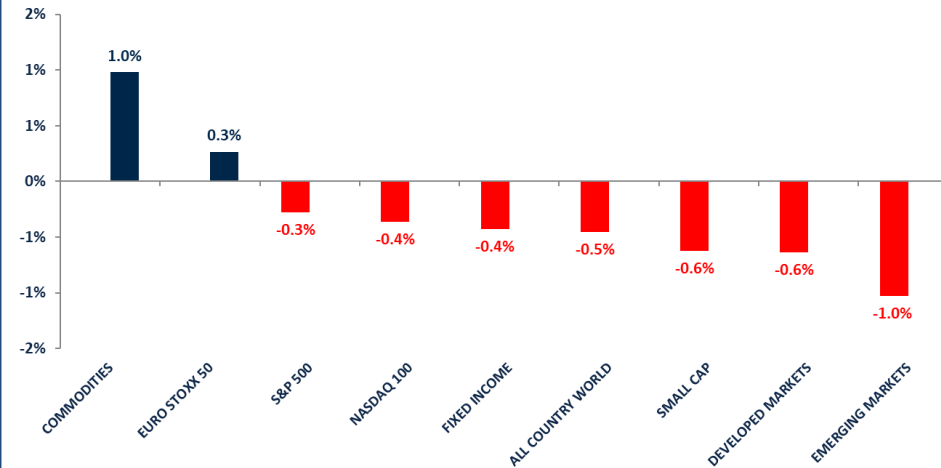
FactSet financial data and MAIN

YTD 2025 ETF SECTOR PRICE PERFORMANCE THROUGH JULY 11



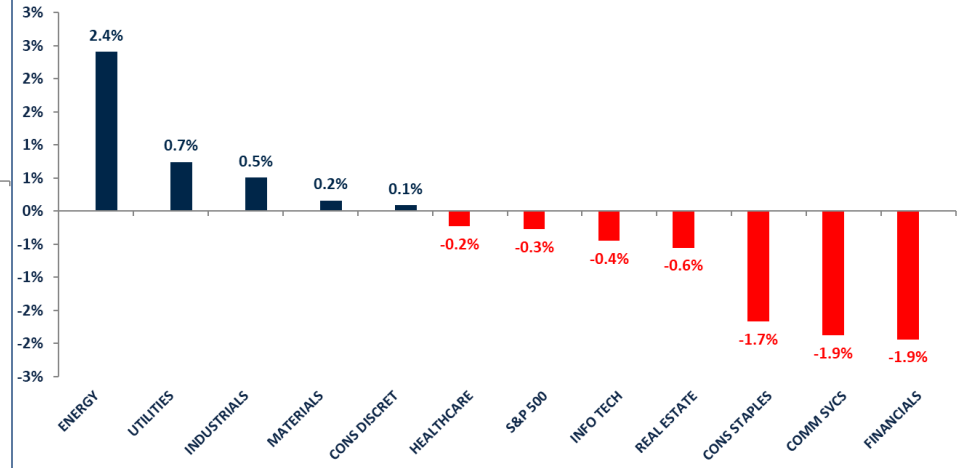
FactSet financial data and MAIN

ETF BROAD INDEX PRICE PERFORMANCE TRAILING WEEK ENDED JULY 11



FactSet financial data and MAIN

ETF SECTOR PRICE PERFORMANCE TRAILING WEEK ENDED JULY 11



FactSet financial data and MAIN

Recession Dashboard

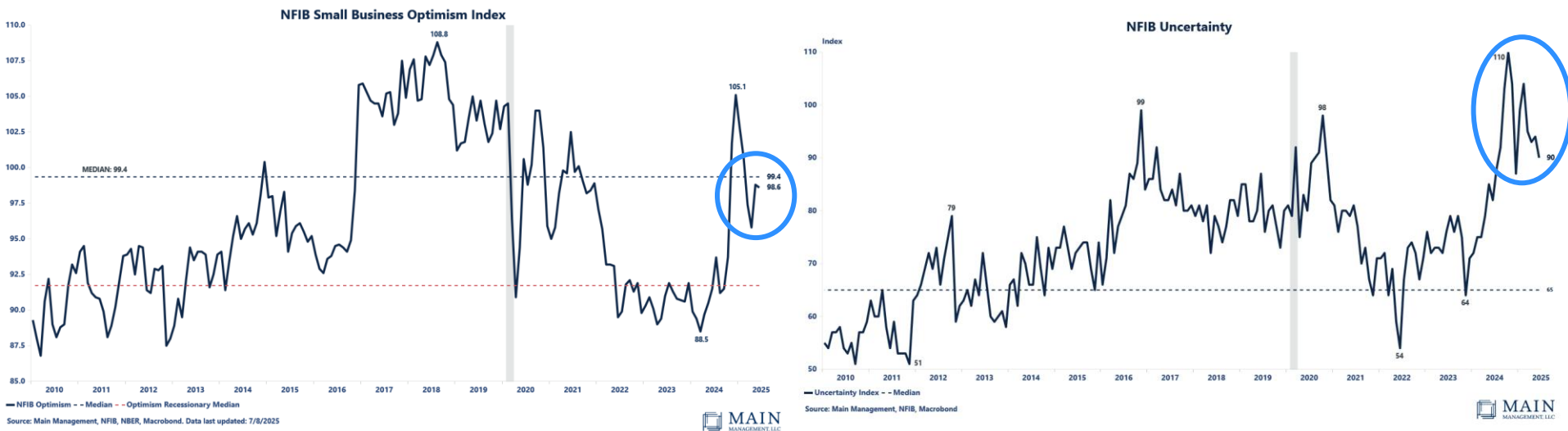
RECESSION START	INFLATION	CONSUMER	YIELD CURVE	HOUSING	SENTIMENT	AUTOS	EMPLOYMENT	PMI	RETAIL SALES
NOV 1973	↓	—	—	↓	—	—	↓	↓	—
JAN 1980	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1981	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1990	↓	↓	↓	↓	↔	↓	↓	↔	—
MAR 2001	↔	↓	↓	↔	↔	↔	↓	↓	↔
DEC 2007	↓	↓	↓	↓	↔	↓	↓	↓	↓
DEC 2019	↑	↑	↔	↔	↑	↔	↑	↔	↔
JULY 2025	↔	↔	↔*	↔	↔	↔	↓	↔	↑
LAST CHANGE	GREEN DEC '24	GREEN APR '25	RED MAR '23	GREEN DEC '24	GREEN APR '25	RED JAN '25	BLUE SEP '22	GREEN APR '25	BLUE DEC '24

↑ 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.

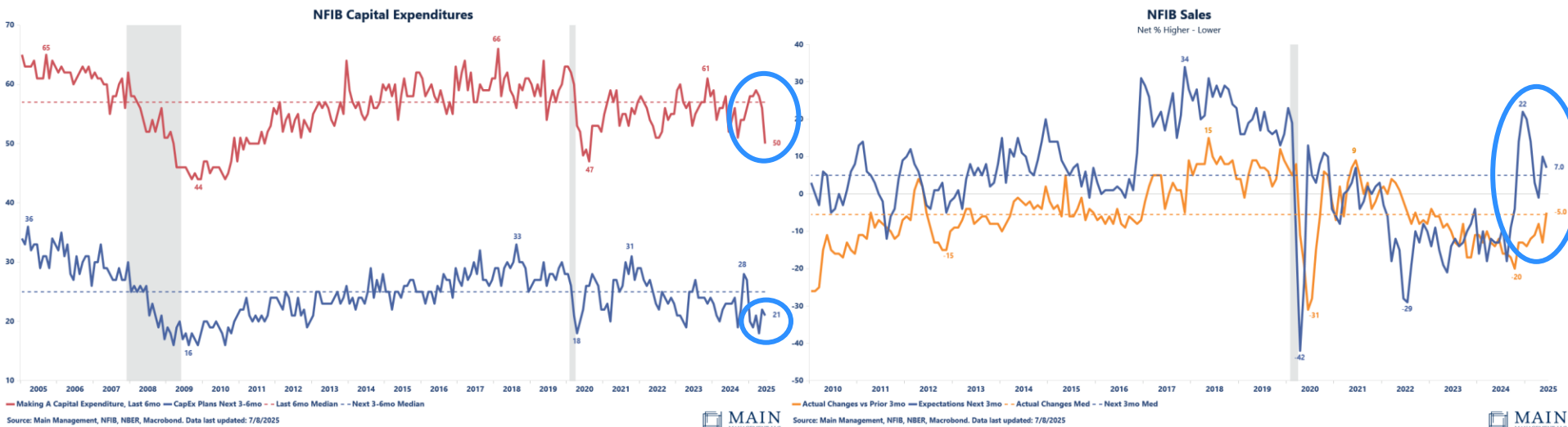
NFIB Optimism

The NFIB Small Business Optimism Index ticked down to 98.6 in June (left), just missing forecasts for a 98.7 reading. Many of the responses were mixed, with forecasts getting a bit more optimistic. The more positive outlook comes as uncertainty has been declining (right). At 90, uncertainty still remains elevated relative to recent history, but it is down from the peak of 110 from October 2024. Hopefully, this continues to decline through the summer...



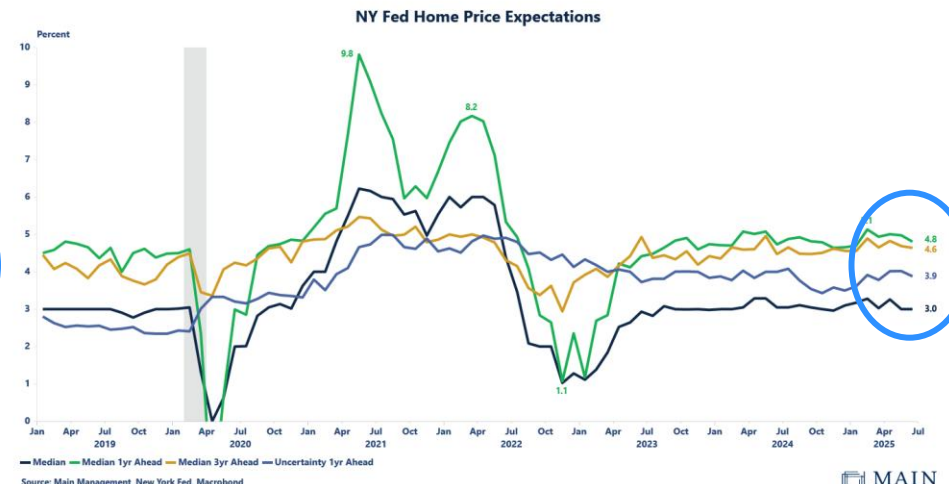
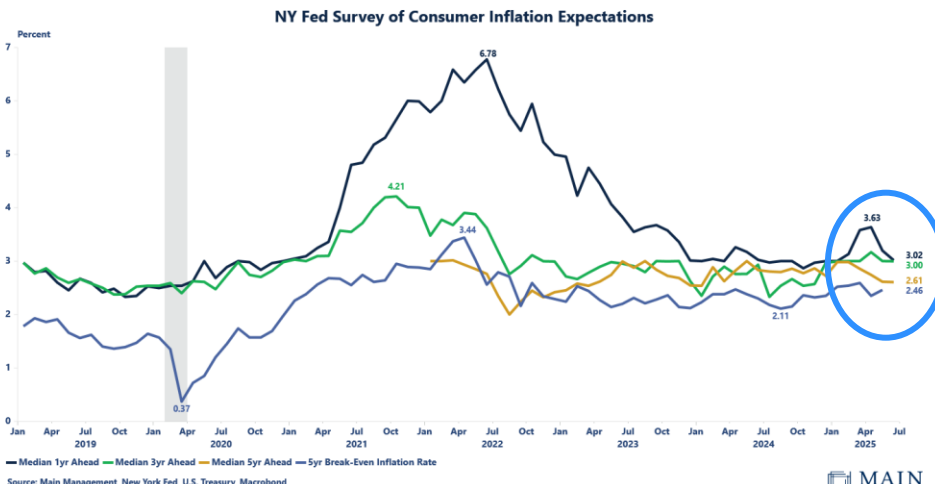
Capex & Outlook

The uncertainty was really evident in the Capital Expenditure responses (left), where only 50% of firms reported making a capital expenditure in the last 6 months, the lowest since August 2020! The share of firms looking to make one in the next 3-6 months ticked down to 21% as well. On the right, Actual Sales Changes improved but are remain net negative at -5% lower vs higher. Still, that's the least negative since January 2023. Sales Expectations ticked down to +7.0%.



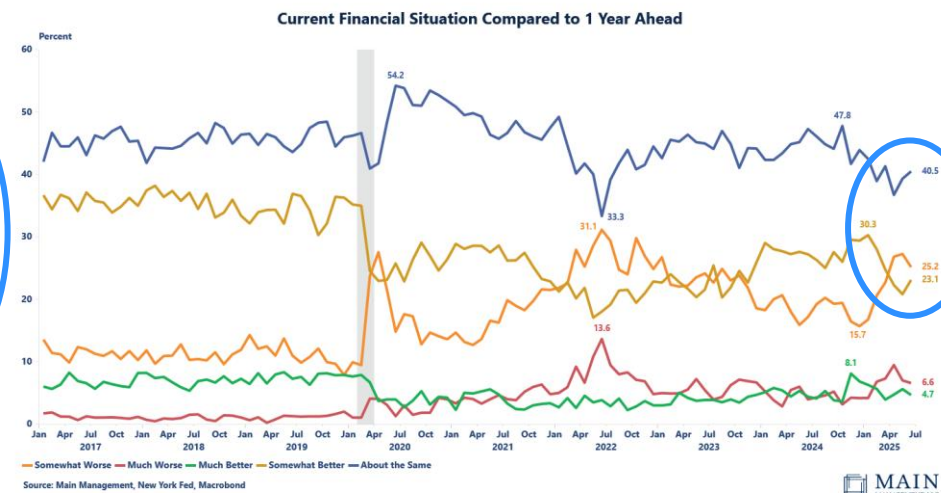
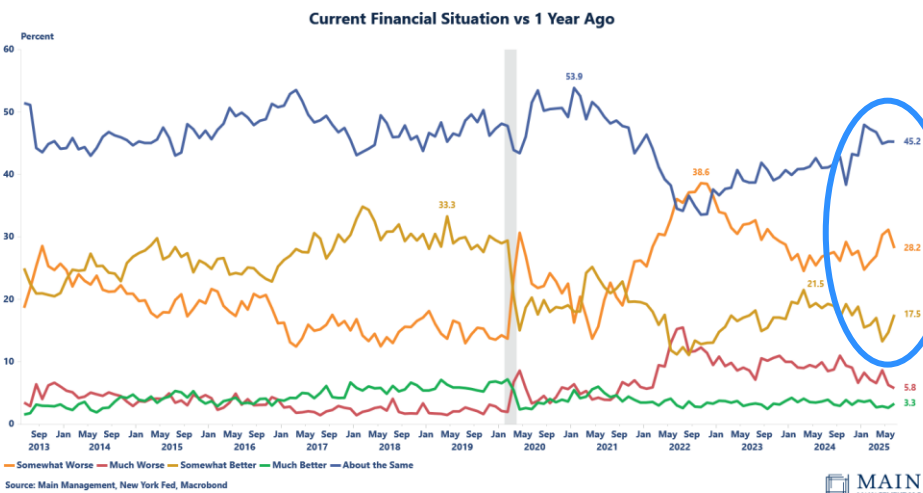
Inflation Expectations

The NY Fed's Survey of Consumer Expectations (SCE) showed that 1yr inflation expectations declined in June (left). The 1yr forecast is now at 3.02%, the lowest in a few months. The 3yr and 5yr figures were both unchanged at 3.00% and 2.61%, respectively. Home Price Expectations (right) moderated a bit, with 1yr expectations slowing to 4.8% and 3yr to 4.6%. The overall median remained unchanged at 3.0% and home price uncertainty also ticked down to 3.9%.



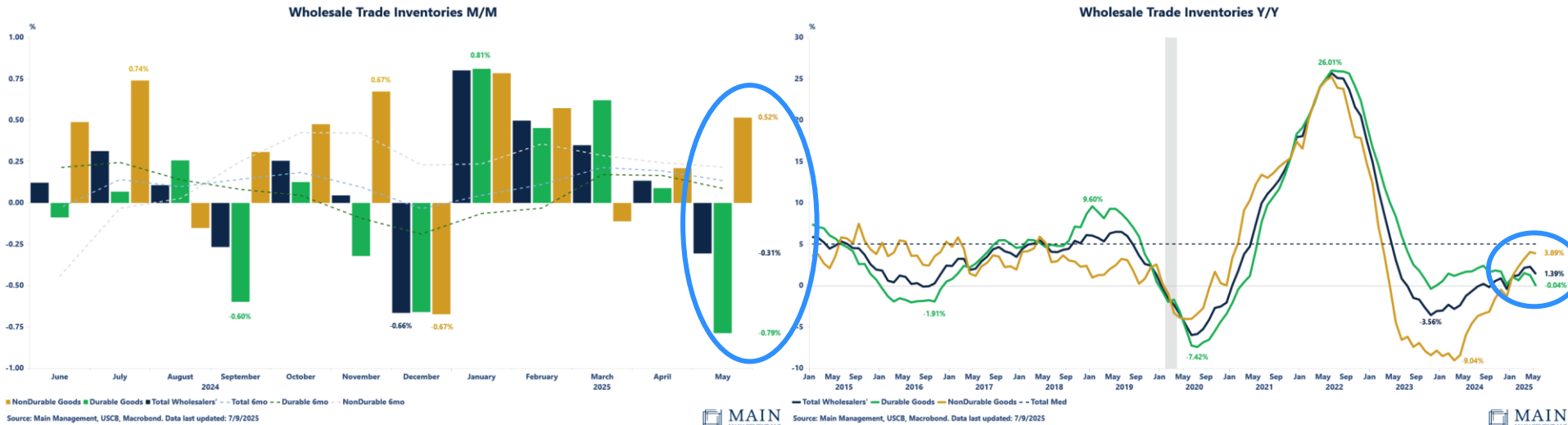
Financial Situation

Also within the SCE, we got a look at consumers' financial situation. Over the last year (left), more people are reporting their situation is “about the same” to “somewhat better” while those responding “somewhat worse” declined. Expectations for a year from now (right) showed similar behavior in the responses, with more people forecasting “about the same” to “somewhat better” and fewer expecting “somewhat worse.”



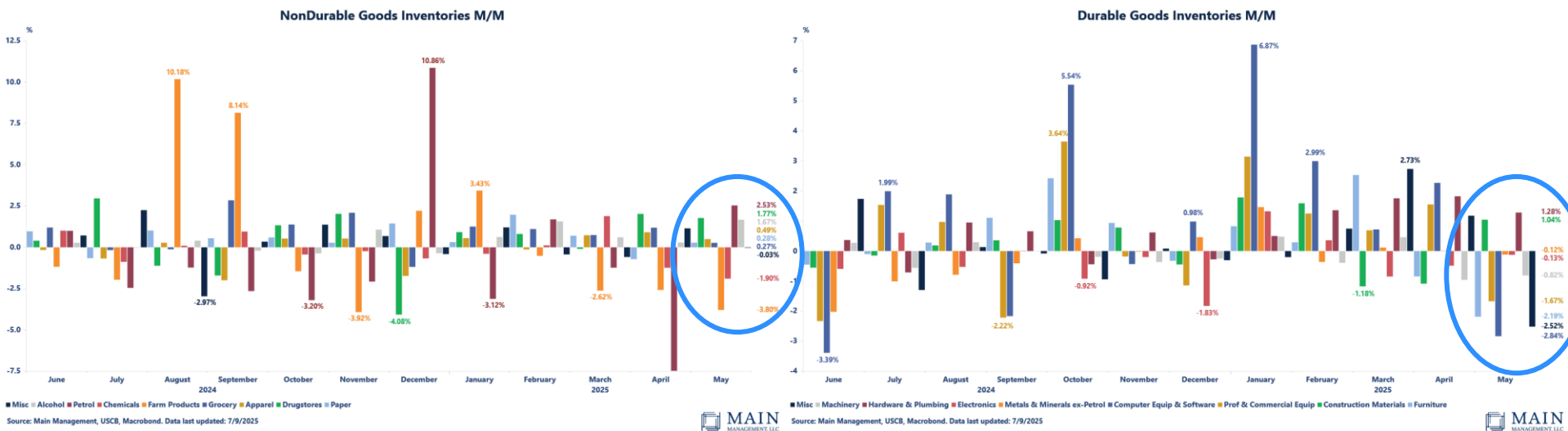
Wholesale Inventories

Wholesale Inventories declined by -0.31% M/M in May (left), dragged down by Durable goods which fell -0.79%, their biggest decline since June 2020! NonDurable Goods rose by +0.52%, the biggest increase in a few months. On a Y/Y basis (right), all of the series decelerated with Durable Goods moving into negative territory, down -0.04%, the lowest since Nov. 2023. NonDurable Goods slowed to +3.89% and Total Inventories to +1.39%.



Wholesale Inventories

Within NonDurable Goods (left), Petroleum +2.5%, Drugstores +1.8%, and Alcohol +1.7% drove the overall NonDurable inventories build in May. For Durable Goods (right), Computer Equipment -2.8%, Miscellaneous -2.5%, Furniture -2.2% , and Professional Equipment -1.7% were responsible for the decline in broad Durable Goods.



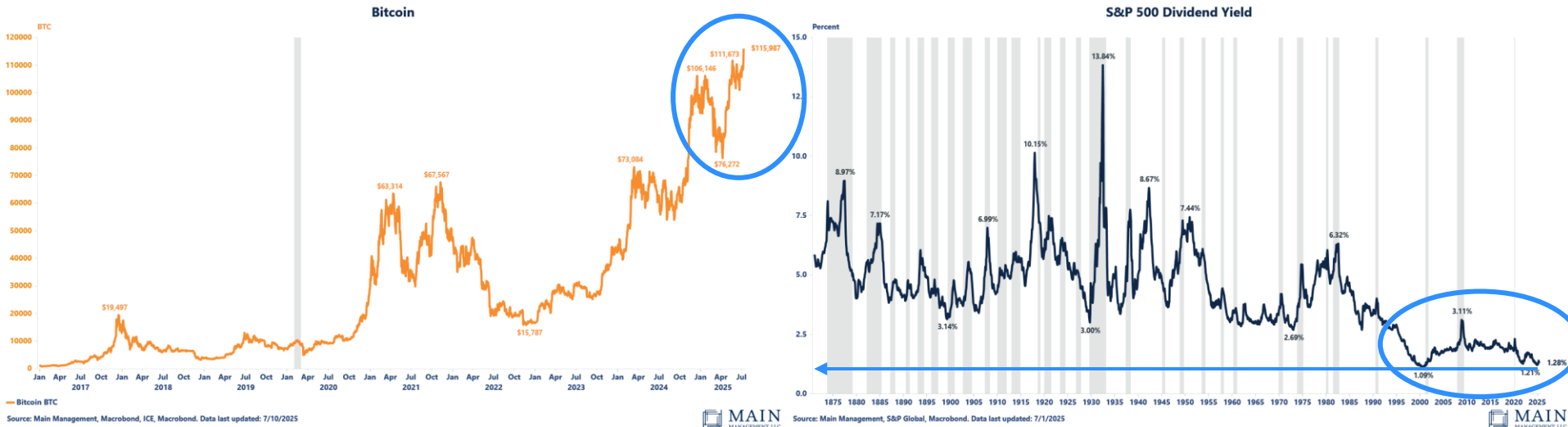
Copper

Copper prices can be viewed as a proxy for the global economy. When prices are going up, it's indicative demand for the metal that's driven by a healthy economy. With the announcement of a 50% tariff on Copper, prices jumped this week to a new all-time high before retreating a bit. The tariff timing is still uncertain, but a large increase in prices on such a widely used element could certainly cause some issues. Copper is used in electric vehicles, military hardware, and semiconductors, among many other things. The U.S. only produces about half of the copper it uses, relying on imports for the rest.



Bitcoin

Also hitting new all-time highs was Bitcoin (left), which moved up to over \$115k!
On the other hand, you've got the S&P 500 Dividend Yield (right), which now stands at 1.28%, just off the recent low of 1.21%, and pretty close to the all-time low of 1.09% from back in 2000! FYI - that chart goes back to the 1800s.



Summary

- The NFIB Small Business Optimism Index ticked down unexpectedly. The good news is that uncertainty is declining as well, and forecasts are getting more optimistic.
- The NY Fed's SCE showed that inflation expectations continued to decline. Consumers' evaluations of their financial situation are improving.
- Wholesale Inventories were down -0.3% M/M in May, dragged down by Durable goods which fell -0.8%, their biggest decline since June 2020!
- Copper popped to new all-time highs on more tariff announcements. Bitcoin also hit a new ATH this week while the S&P 500's dividend yield is near all-time lows.
- Upcoming key data to watch:
 - CPI (Tues)
 - PPI & Industrial Production (Weds)
 - Retail Sales (Thurs)

Appendix

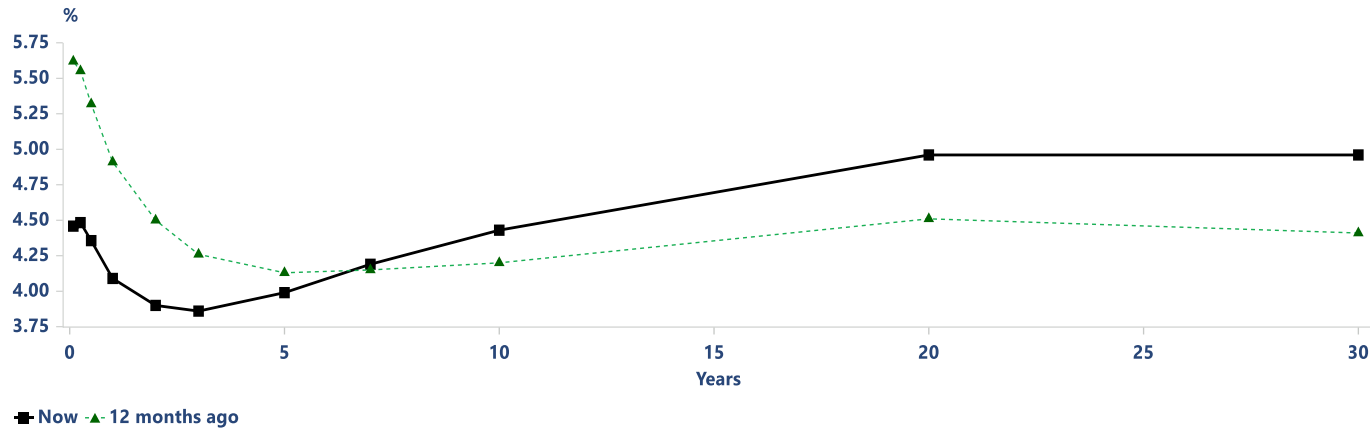
Yields & Futures

FED FUNDS FUTURES & 2-YEAR TREASURY YIELD



Source: Main Management, CME Group, U.S. Treasury, Macrobond. Data last updated: 7/11/2025

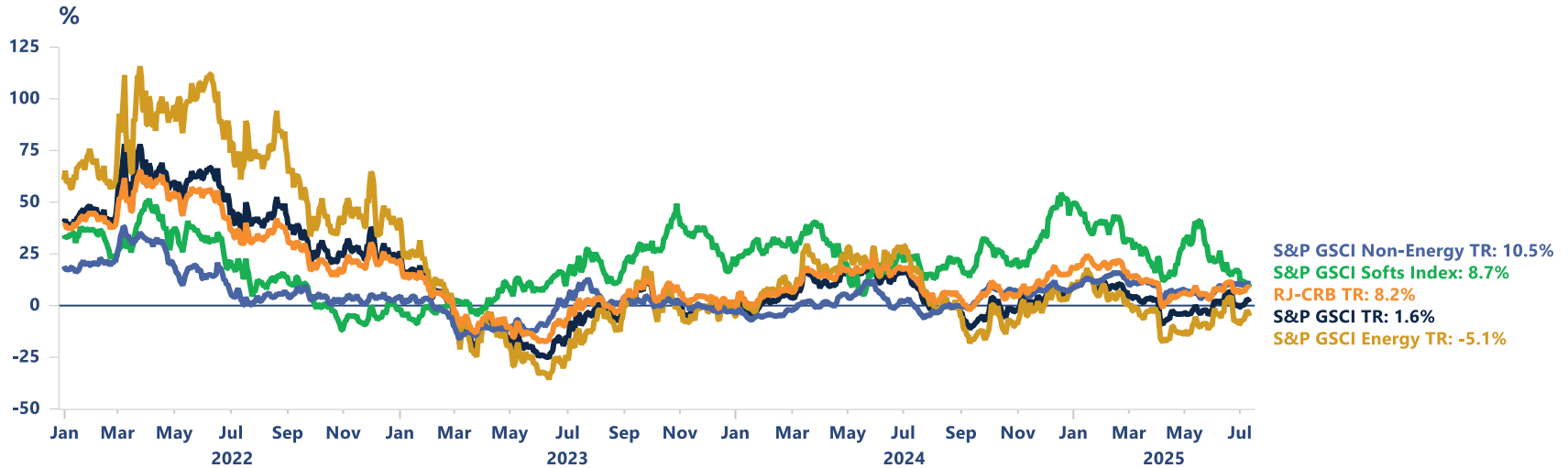
US TREASURY YIELD CURVE



Source: Main Management, U.S. Treasury, Macrobond. Data last updated: 7/11/2025

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: 7/11/2025

Commodity	1 Month	3 Months	YTD ↓	1 Year
Silver	1.0	22.1	28.0	20.4
Gold	0.0	7.9	27.6	40.6
Bitcoin	5.2%	40.5%	24.1%	99.9%
Copper	-1.9	13.1	11.8	-0.2
Lumber	1.2	-0.3	11.1	39.5
Gasoline	2.7	5.6	7.5	-14.8
BBG Commodity Index	-0.1	3.4	4.4	2.4
S&P GSCI	1.5	7.2	3.4	2.0
Soybeans	-4.1	0.0	1.4	-12.8
Cotton	0.4	-0.6	-3.1	-1.1
Crude Oil	2.0	5.3	-8.0	-19.6
Natural Gas	-8.2	-12.6	-8.1	42.4
Coffee	-19.8	-15.2	-9.3	15.0
US Dollar (DXY)	-1.3	-5.1	-10.0	-7.1
Corn	-6.0	-14.1	-11.2	1.7

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 7/10/2025

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.

The information contained herein was prepared using sources that the Firm believes are reliable, but the Firm does not guarantee its accuracy. The information reflects subjective judgments, assumptions and the Firm’s opinion on the date made and may change without notice. The Firm is not obligated to update this information. Nothing herein should be construed as investment advice or a recommendation to purchase or sell securities. The information is not intended as an offer to provide advisory services in any state or jurisdiction where such offer would not be permitted under applicable registration requirements. All equity investing entails risk of loss.

In preparing this material, Main Management has not taken into account the investment objectives, financial situation or particular needs of any individual investor. Many securities transactions are risky and are not suitable for all investors. All securities investments carry risk, including a risk of loss of principal.

601 California Street, Suite 200, San Francisco, CA 94108

Phone: 415-217-5800 | Fax: 415-217-5809 | www.mainmgt.com