



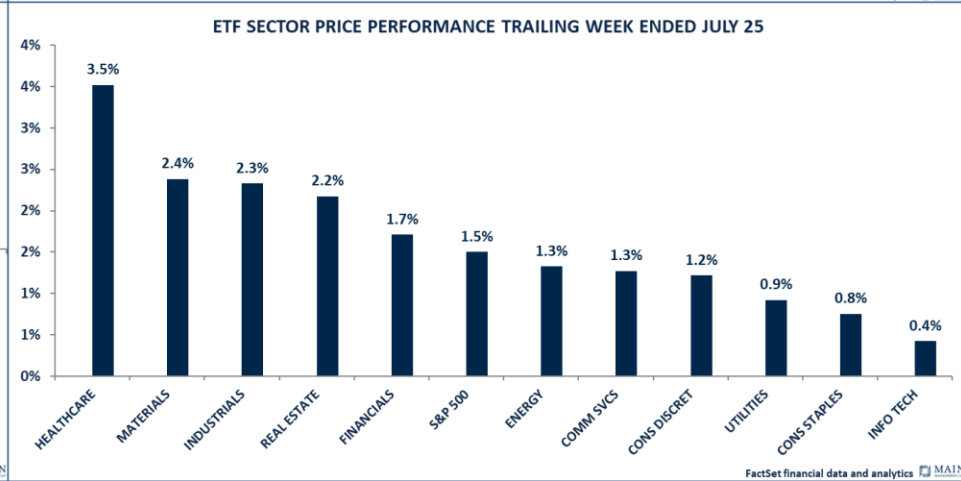
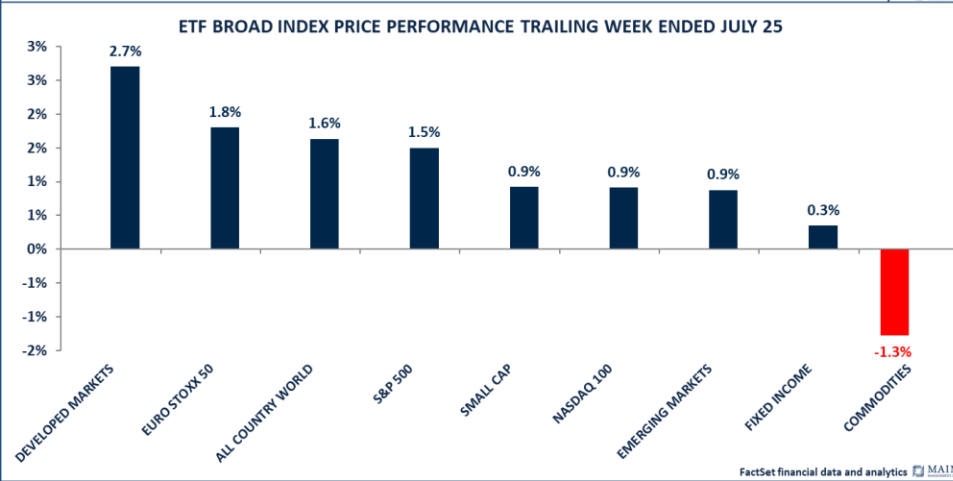
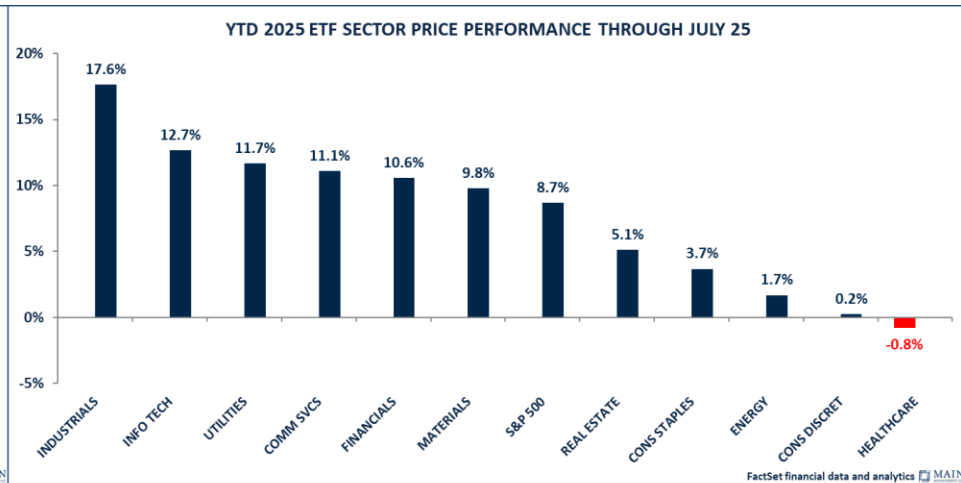
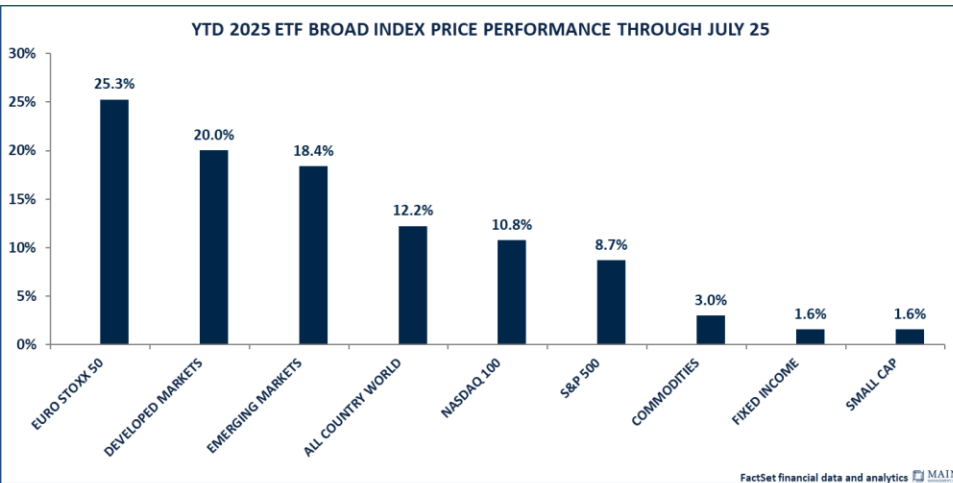
MAIN
MANAGEMENT, LLC

MAIN MANAGEMENT MARKET NOTE: July 25, 2025

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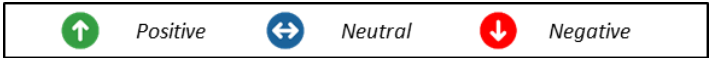
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Performance



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	RED JUL '25	BLUE JUL '25	BLUE DEC '24



Overall:

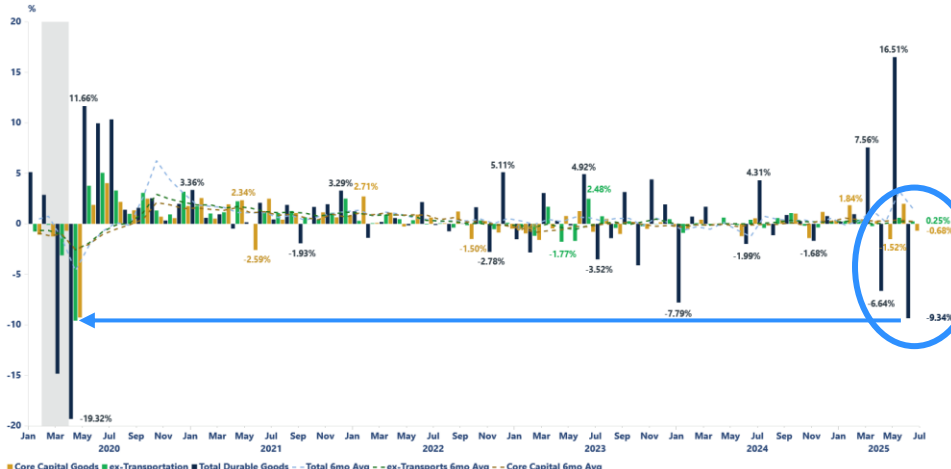


Inflation: Headline CPI. Source: St. Louis Fed. **Consumer:** Conference Board Consumer Confidence. Source: The Conference Board. **Yield Curve:** 10 year – 3 month Treasury spread. Source: FactSet financial data and analytics. **Housing:** Housing Starts & Existing Home Sales. Source: St. Louis Fed. **Sentiment:** Conference Board Consumer Confidence, UMich Consumer Sentiment, State Street Investor Confidence, CEO Confidence, VIX, AAll Autos. 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.

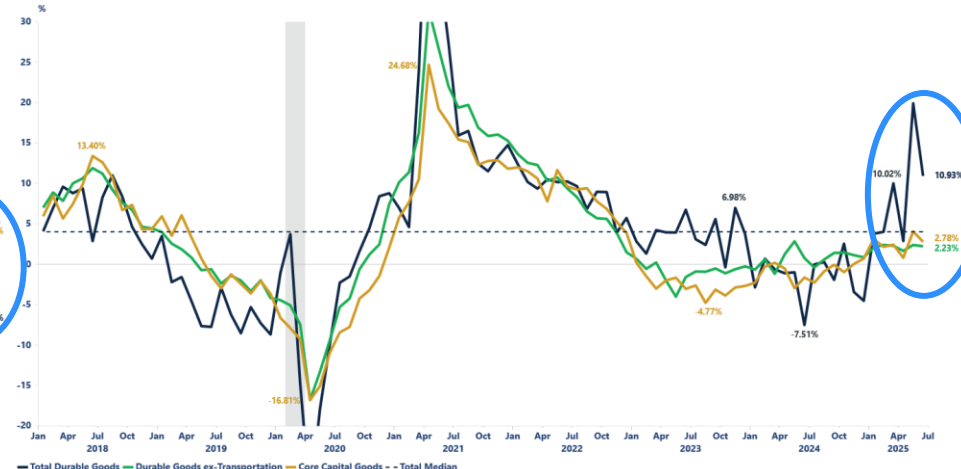
Durable Goods Orders

Durable Goods Orders fell -9.3% M/M in June (left), the biggest drop since April 2020 but better than the -10.8% forecasted decline. This reading reversed the May surge, which was driven by aircraft & parts. The biggest moves were in Transport Equipment -22.4%, Nondefense Aircraft & Parts -51.8%, and Capital Goods -22.2%. Nondefense Capital Goods (aka Core Goods), a business spending proxy, declined a more modest -0.68% M/M but did solidly miss +0.2% expectations. Goods Ex-transports were up +0.25% M/M. All 3 categories slowed on a Y/Y basis (right), with Total Durable Goods now up +10.9%, Core Goods up +2.8%, and Goods ex-Transports up +2.2%. Even with the deceleration, all 3 remain in the black Y/Y and at elevated levels on an absolute Dollar basis.

Durable Goods Orders M/M



Durable Goods Orders Y/Y



Source: Main Management, USCB, Macrobond. Data last updated: 7/25/2025

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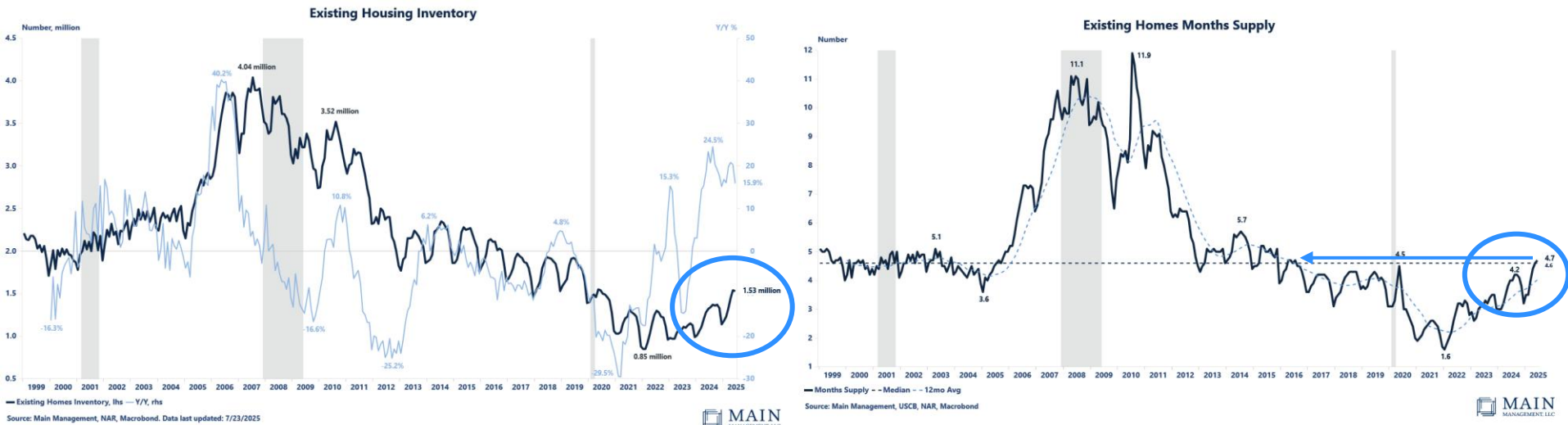
Existing Home Sales

Existing Home Sales (left) remained stymied by high mortgage rates and prices. Sales slowed to 3.93 million units in June, missing forecasts for a rise to 4.01m units. They're flat from a year ago but remain at historically low levels on an absolute basis. The sales figure was certainly not helped by the Median Existing Home Price (right), which rose to a new all-time high at \$435,300, up +2.0% Y/Y. Homeowners are demanding a strong incentive (a high selling price) given the unpleasant prospect of entering a tight market with rates near 7%.



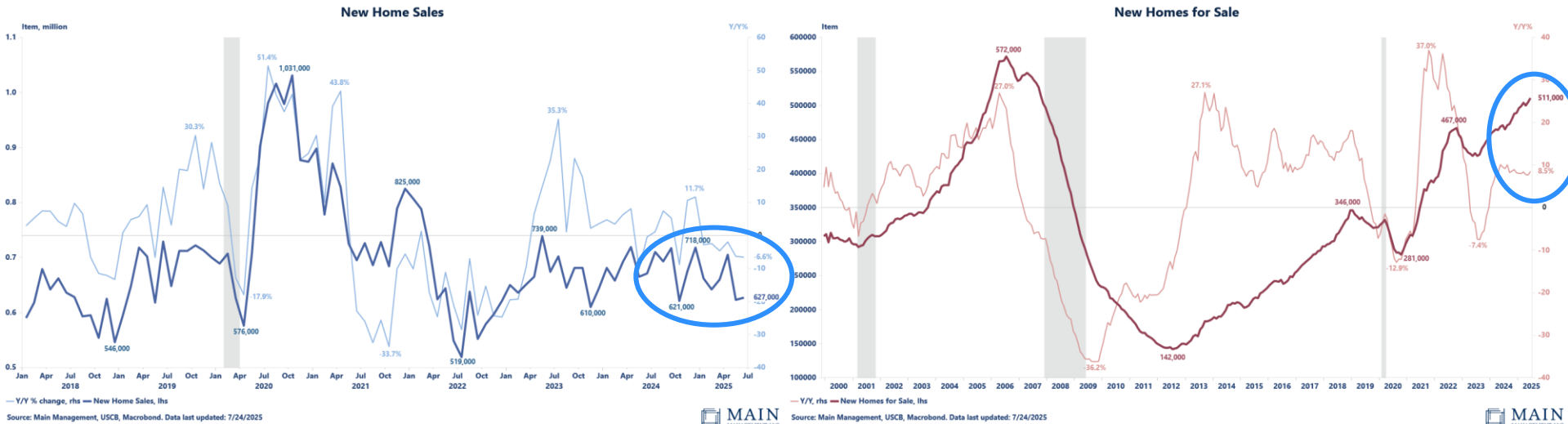
Inventory & Supply

Existing Housing Inventories (left) ticked down to 1.53 million units, the first monthly decline in 6 months, but are still up +15.9% from a year ago. They've been building choppily over the last few years and the May reading of 1.54mil units was the highest since June 2020! As prices and rates have risen, houses have been sitting on the market longer. The Months' Supply of Existing Homes (right) hit 4.7 months in June, the highest since July 2016! It's worth noting that this figure is just now back above its long-term median of 4.6mos.



New Home Sales

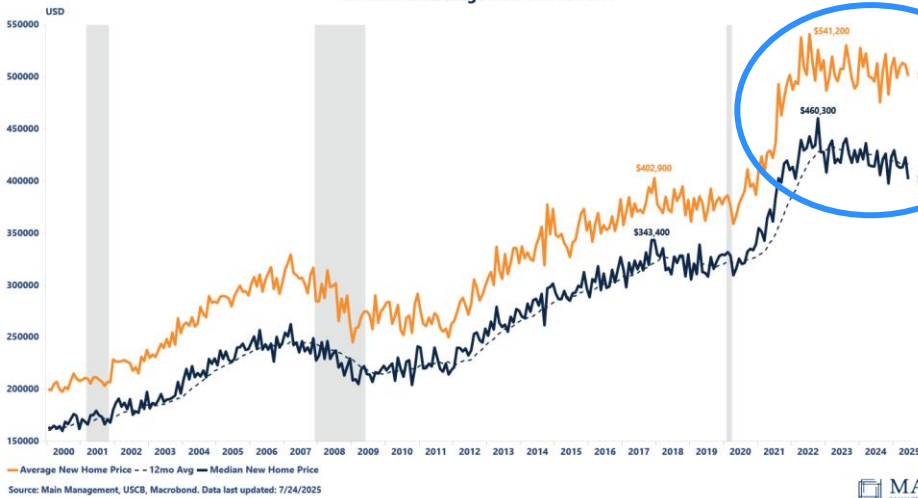
New Home Sales (left) ticked up to 627k units but fell short of expectations for 650k. They slowed to -6.6% Y/Y. Like Existing Homes, they are being hampered by elevated rates and prices. Meanwhile, the Number of New Homes for Sale (right) continues to increase, rising to 511k units, the most since October 2007! That's up +8.5% Y/Y. The implication here is that homes are sitting on the market as affordability remains a challenge. Why? You guessed it – high rates and prices.



Prices & Supply

Some good news in the New Home Market (left) is that the median and average prices have both been trending lower over the last few years. The Median New Home Price now sits at \$401,800, down -2.9% from a year ago and -13% from the peak in October 2022. The Average price is down to \$501,000, -7% off its July 2022 high. On the right, we've got Months' Supply of New Homes which rose to 9.8 months, the highest since September 2022. As with existing homes, new homes are sitting on the market longer, nearly double the median of 5.9 months.

Median & Average New Home Price



New Homes Months Supply



Total Housing Market

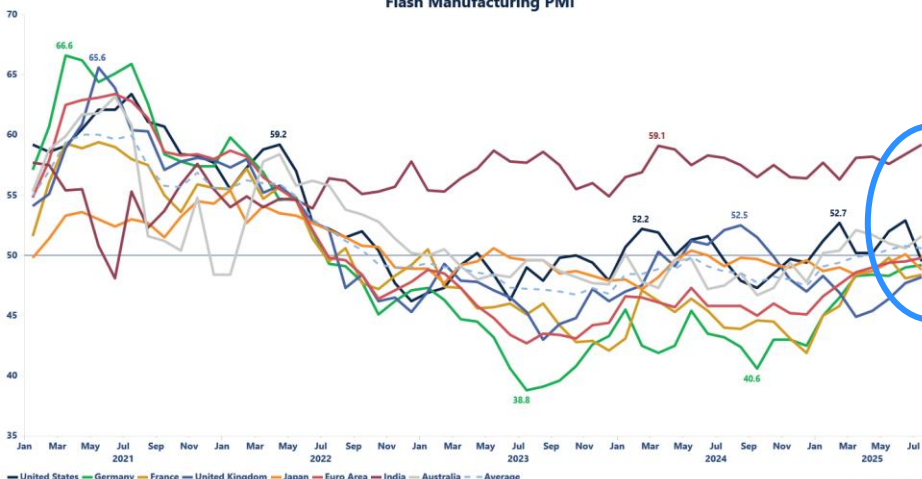
Combining new and existing home sales and median prices (# homes sold times median price), we see that the Total Value of All Homes Sold (left) ticked down to \$1.96 trillion in June. At \$1.71 trillion, Existing Homes make up 87% of the total \$ figure, dwarfing New Homes at \$0.25 trillion. That total \$1.96t figure has been largely range-bound since rates jumped in 2022 and is basically flat Y/Y at +0.4%. But it's down over -25% from the peak of \$2.63t in November 2021! On the right, we show the combined Months' Supply which rose to 14.5 months, the highest since August 2011(!!) and up +16.9% Y/Y.



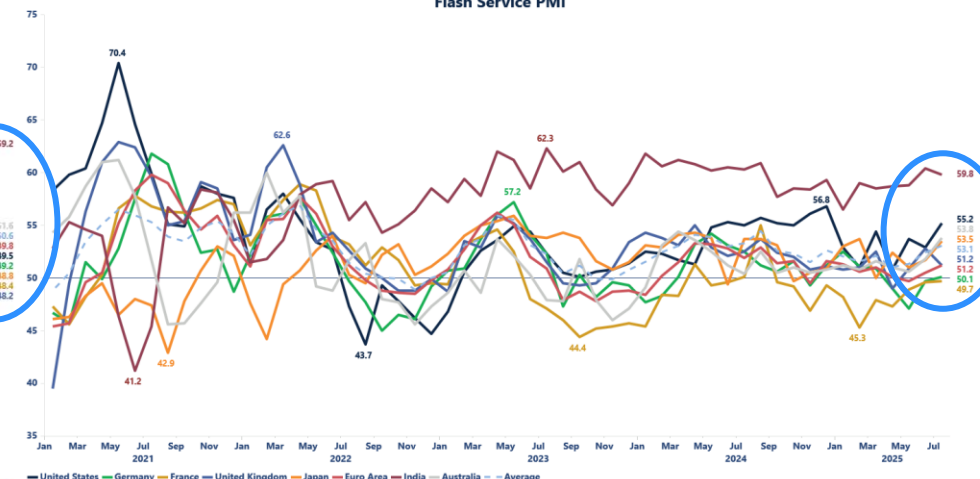
Flash PMIs

Flash PMIs came out this week for July. The Manufacturing figures (left) were mostly higher. However, the U.S. disappointed to the downside, falling back into contraction at 49.5 and the lowest since December 2024. We're seeing some signs of life in Europe, which is good, but most of the flash Manufacturing figures are in contraction. On the right are the Service figures, where the U.S. beat expectations and rose to 55.2. Only India and the UK were down while the other readings improved. France is now the sole flash Services figure in contraction.

Flash Manufacturing PMI



Flash Service PMI



Source: Main Management, S&P Global, Macrobond. Data last updated: 7/24/2025

Source: Main Management, S&P Global, Macrobond. Data last updated: 7/24/2025

Summary

- Durable Goods Orders had their biggest monthly drop since April 2020 but were better than feared but Core Capital Goods, a business spending proxy, solidly missed forecasts.
- Existing Home Sales disappointed and continue to face headwinds from high mortgage rates and high prices.
- New Home Sales ticked up but missed forecasts. The number of New Homes for Sale is at its highest level since October 2007!
- For the Total Housing Market, supply is at 14.5 months, the highest since Aug. 2011, as homes are taking longer to sell in the current tough market.
- Flash Manufacturing PMIs were more up than down, but the U.S. missed expectations and fell back into contraction. The Service figures were also more positive than negative, with only France remaining in contraction.
- Upcoming key data to watch:
 - JOLTS (Tues)
 - Q2 2025 GDP 1st reading (Weds)
 - Core PCE, Income & Spending (Thurs)
 - NonFarm Payrolls (Fri)

Appendix

Yields & Futures

FED FUNDS FUTURES & 2-YEAR TREASURY YIELD

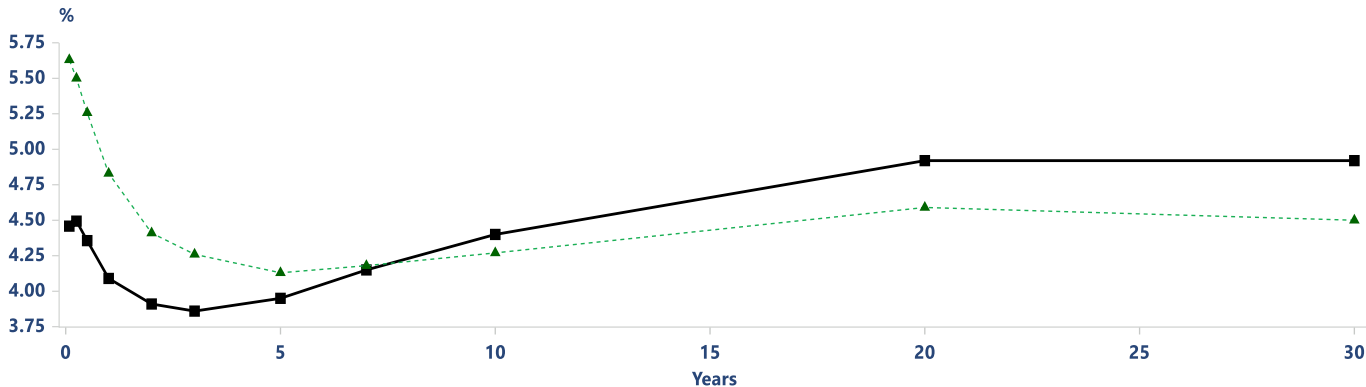


— Fed Funds Futures Dec '25 — 2yr Treasury Yield

Source: Main Management, CME Group, U.S. Treasury, Macrobond. Data last updated: 7/25/2025



US TREASURY YIELD CURVE



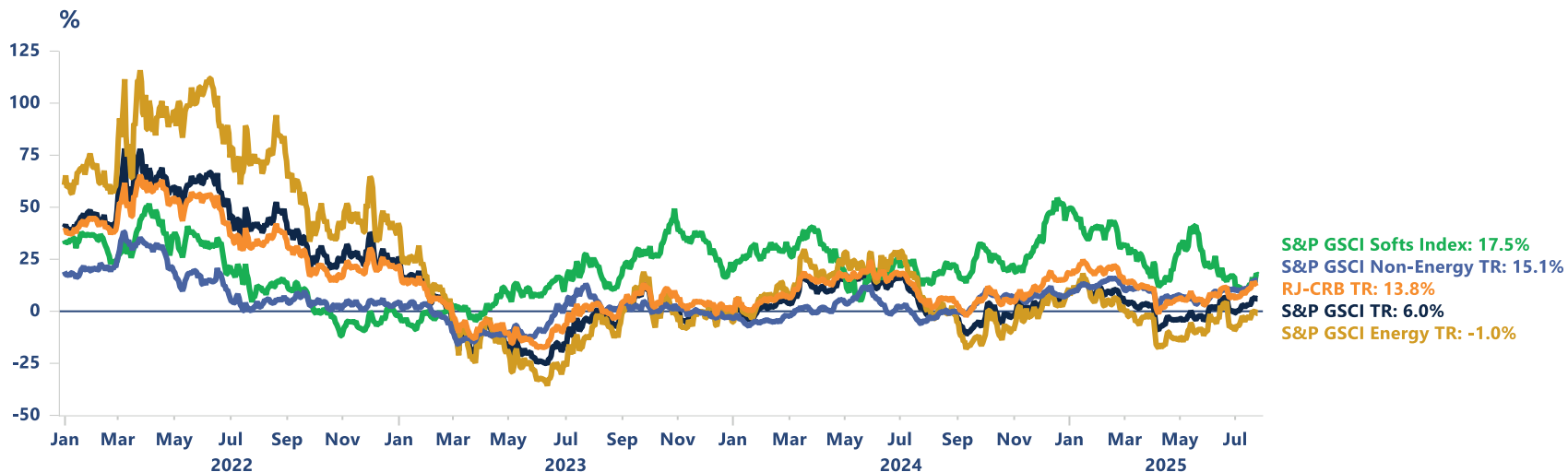
■ Now ▲ 12 months ago

Source: Main Management, U.S. Treasury, Macrobond. Data last updated: 7/25/2025



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: 7/25/2025

Commodity	1 Month	3 Months	YTD ↓	1 Year
Silver	7.9	16.4	34.8	33.9
Gold	0.0	2.4	29.3	39.8
Bitcoin	12.1%	26.3%	26.7%	79.5%
Lumber	8.8	16.9	21.0	35.6
Copper	1.2	4.9	13.6	8.4
BBG Commodity Index	-0.8	2.1	5.5	6.9
Gasoline	-5.1	1.0	5.1	-12.8
S&P GSCI	-0.9	5.9	4.5	6.7
Soybeans	-5.1	-3.5	0.6	-10.1
Cotton	5.3	-2.1	-1.5	-1.0
Coffee	-7.7	-22.3	-4.7	27.5
Crude Oil	0.6	6.2	-7.8	-15.6
US Dollar (DXY)	-1.1	-2.5	-10.2	-6.8
Corn	-4.2	-14.9	-12.4	-0.2
Natural Gas	-16.3	2.4	-14.8	41.5

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 7/24/2025

Disclosures

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