



MAIN
MANAGEMENT, LLC

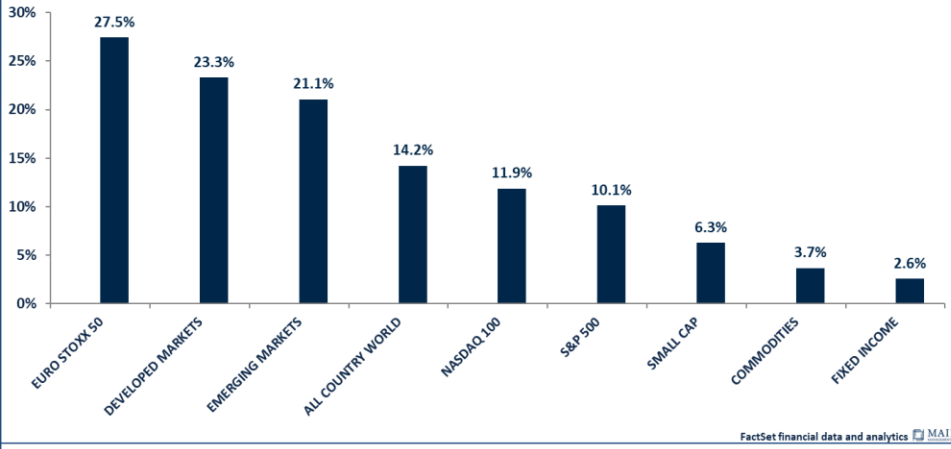
MAIN MANAGEMENT MARKET NOTE: August 22, 2025

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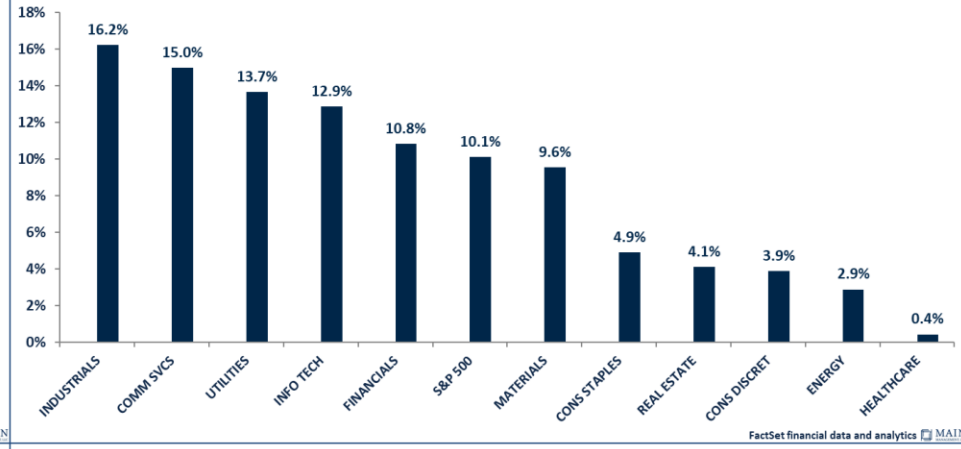
Performance

YTD 2025 ETF BROAD INDEX PRICE PERFORMANCE THROUGH AUGUST 22



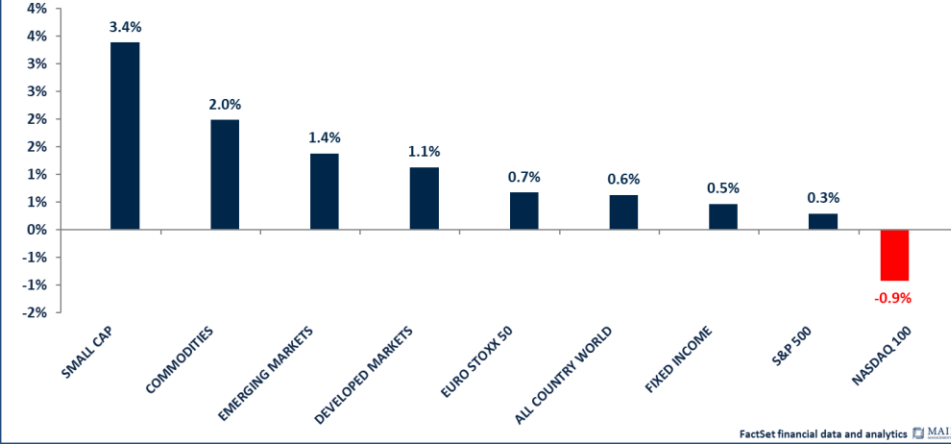
FactSet financial data and analytics MAIN

YTD 2025 ETF SECTOR PRICE PERFORMANCE THROUGH AUGUST 22



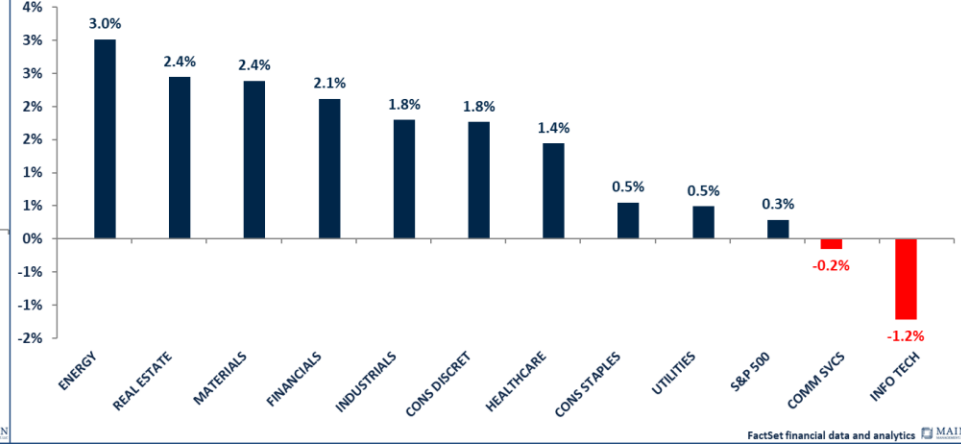
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ETF BROAD INDEX PRICE PERFORMANCE TRAILING WEEK ENDED AUGUST 22



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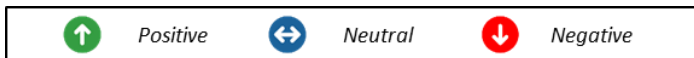
ETF SECTOR PRICE PERFORMANCE TRAILING WEEK ENDED AUGUST 22



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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	↑	↑	↔	↔	↑	↔	↑	↔	↔
AUG 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



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: 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.

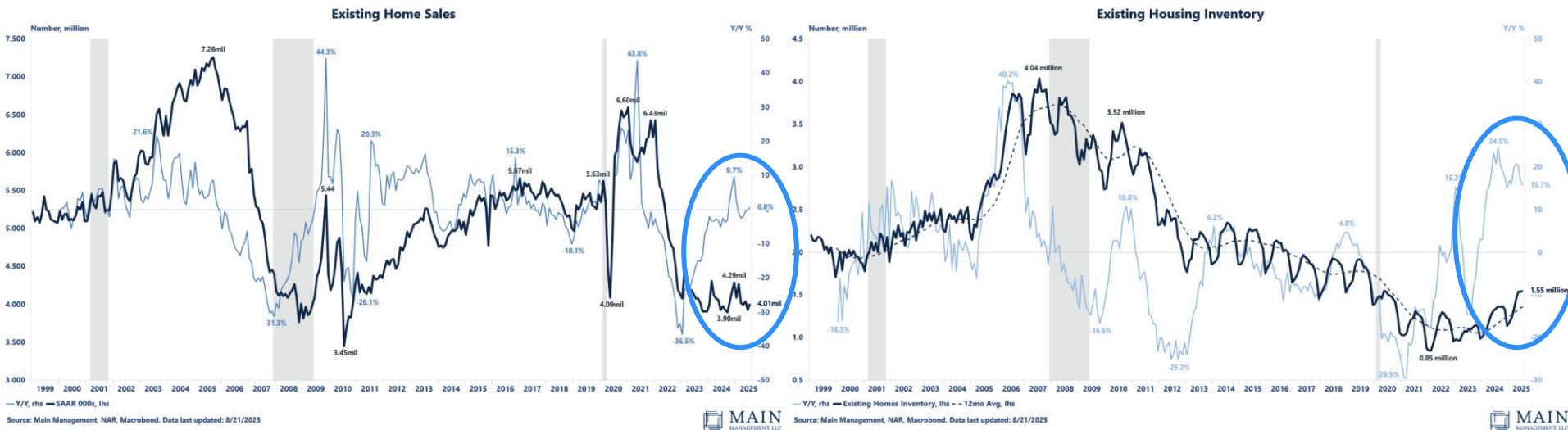
FOMC Minutes

The FOMC Minutes released this week were arguably a bit stale, given the weak payrolls report and hot PPI figures that have since come out. The Minutes revealed perhaps a more hawkish tone, indicating that inflation is being viewed as a more pressing issue than the labor market. This focus on inflation implies a lower probability/number of cuts, as rate hikes are typically used to combat inflation. However, the Jackson Hole speech on Friday was interpreted as more dovish, with Powell referencing currently restrictive policy, which implies a higher likelihood/number of rate cuts. All eyes will be on the August employment and inflation figures ahead of the September FOMC meeting. Equity markets responded positively to the speech as bond yields fell.



Existing Home Sales

Existing home sales rose to 4.01mil units SAAR in July (left), solidly above forecasts for a 3.92mil reading. They're now back positive on a Y/Y basis up +0.8%. Inventories ticked up (right), still in the uptrend that began a few years ago. Those hit 1.55mil units, up +15.7% from a year ago. Inventories have been building as sales have remained low due to historically high prices.



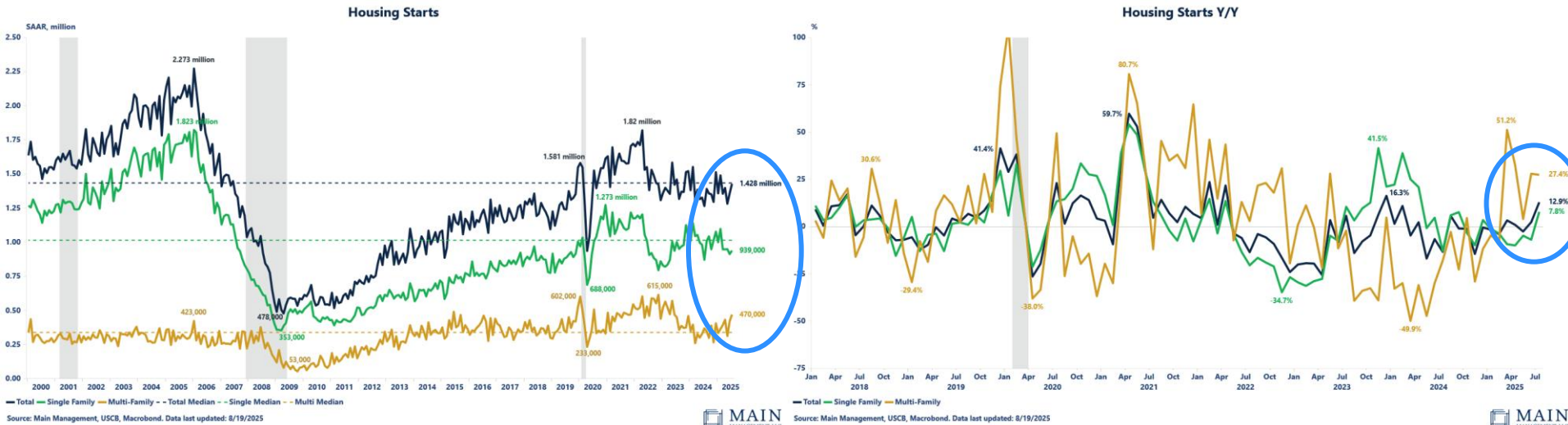
Prices & Supply

The Median Existing Home Price ticked down to \$422,400 (left), slowing to +0.2% Y/Y, the smallest gain since June 2023. Months Supply (right) inched down to 4.6 from 4.7, which was the highest since July 2016! High prices and high rates remain headwinds to buyers, resulting in homes sitting on the market longer.



Housing Starts

Total Housing Starts jumped to 1.428 million units SAAR (left), well above forecasts for a drop to 1.29mil. Single Family Starts ticked up to 939k while Multi-Family Starts drove the headline gain, surging to 470k, the most since May 2023! On a Y/Y basis (right), all are positive now with Total Starts up +12.9%, the highest since December 2023. Single Family Starts rose to +7.8%, their best since April 2024, while Multi-Family Starts slowed slightly to +27.4%.

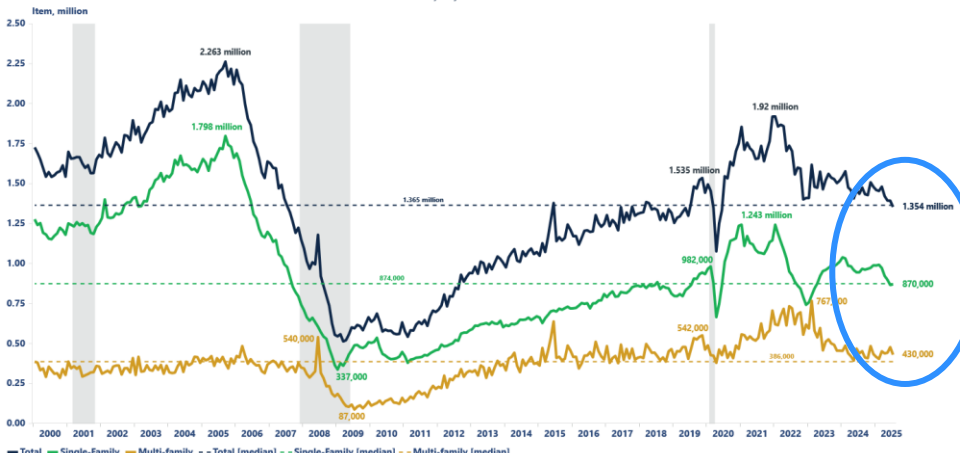


Building Permits

Unlike Starts, Building Permits fell in July to 1.354mil units SAAR (left), below forecasts for a 1.39mil unit reading and the slowest rate since June 2020! Single Family inched up to 870k while Multi-Family declined to 430k. All categories are negative and decelerating on a Y/Y basis (right). Total Permits slowed to -5.7%, Single Family are down -7.9%, and Multi-Family -1.8%.

Building Permits

Seasonally Adjusted Annual Rate, 000s



Source: Main Management, USCB, Macrobond. Data last updated: 8/19/2025

Building Permits Y/Y



Source: Main Management, USCB, Macrobond



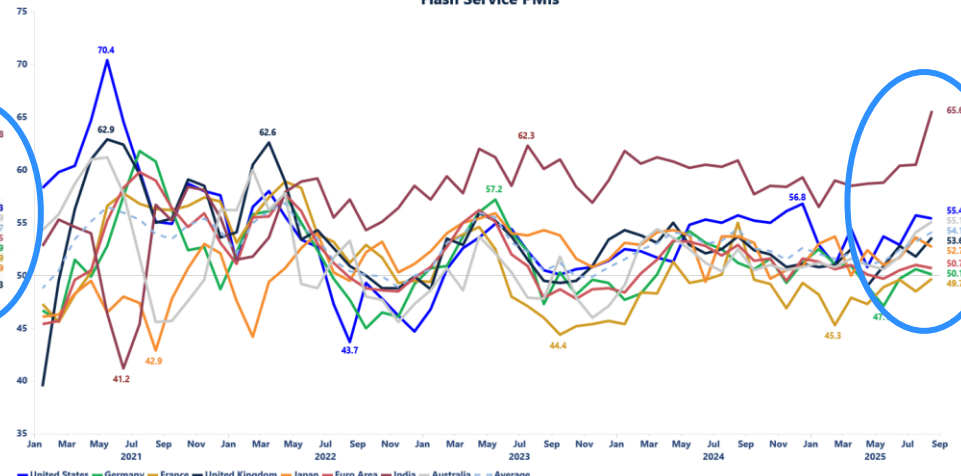
Flash PMIs

August flash PMI figures were out this week. On the Manufacturing side (left), we saw some solid improvements. The U.S. jumped to 53.3, well above forecasts for 49.5 and the highest since May 2022! Germany improved to 49.9, its best since June 2022. France rose to 49.9, its best since Jan. 2023. The U.K. ticked lower to 47.3. The Euro Area is up to 50.5, its best since June 2022. Australia up to 52.9, its best since Sept. 2022. India hit 59.8, its highest since July 2009! Services (right) were more mixed, with the U.S. ticking lower to 55.4, but still solidly above forecasts for a 54.2 reading. Germany, Japan, and the Euro Area moved down. France rose to 49.7. The U.K. improved to 53.6, its best since Aug. 2024. India surged to 65.6, the highest on record. And finally, Australia ticked up to 55.1, its best since April 2022.

Flash Manufacturing PMI



Flash Service PMIs



Source: Main Management, S&P Global, Macrobond. Data last updated: 8/21/2025

Source: Main Management, S&P Global, Macrobond. Data last updated: 8/21/2025

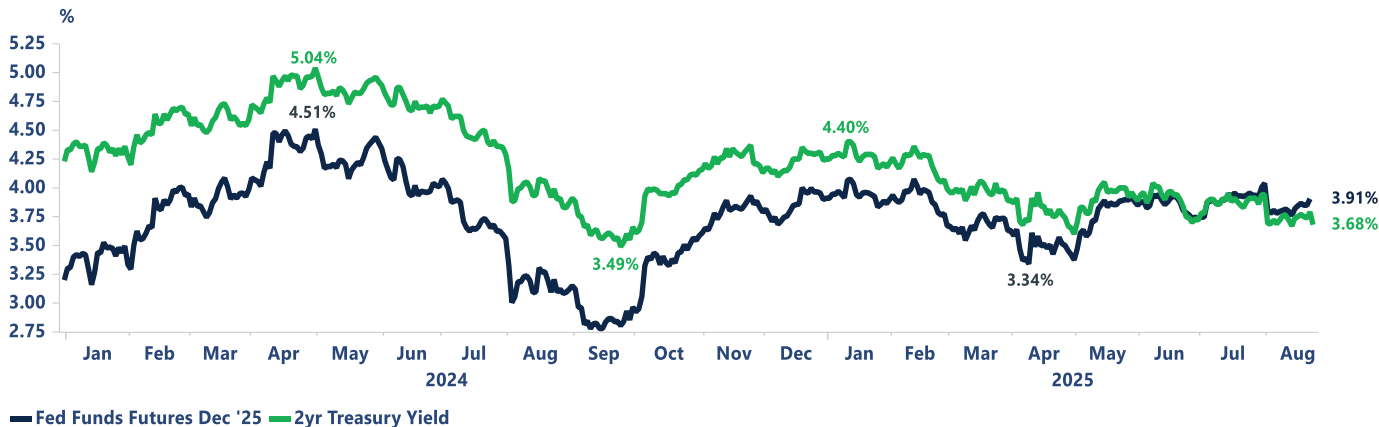
Summary

- The FOMC Minutes and Powell's speech in Jackson Hole showed that the Fed remains data dependent. The Minutes were perhaps a bit more hawkish than the speech.
- Existing Home Sales came in above forecasts but remain low relative to history in the face of high prices and high mortgage rates.
- Housing Starts moved higher, also beating forecasts, driven by Multi-Family units.
- Building Permits missed forecasts, falling to their lowest level since June 2020!
- Flash PMIs were largely positive on the Manufacturing side while Services were more mixed. The U.S. Manufacturing figure hit 53.3, its highest since May 2022!
- Upcoming key data to watch:
 - New Home Sales (Mon)
 - Durable Goods (Tues)
 - 2nd estimate Q2 GDP (Thurs)
 - Core PCE, Income & Spending (Fri)

Appendix

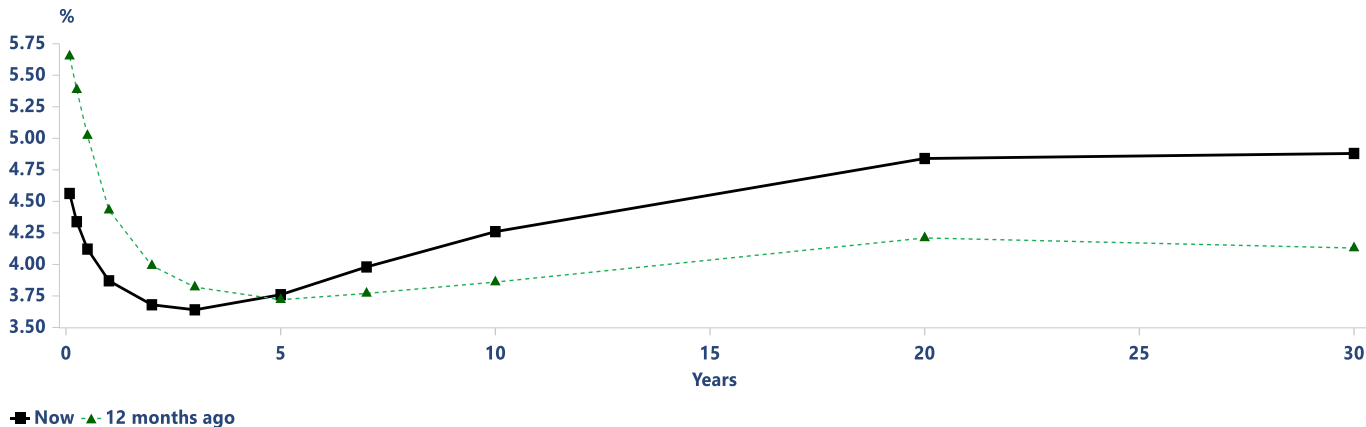
Yields & Futures

FED FUNDS FUTURES & 2-YEAR TREASURY YIELD



Source: Main Management, CME Group, U.S. Treasury, Macrobond. Data last updated: 8/22/2025

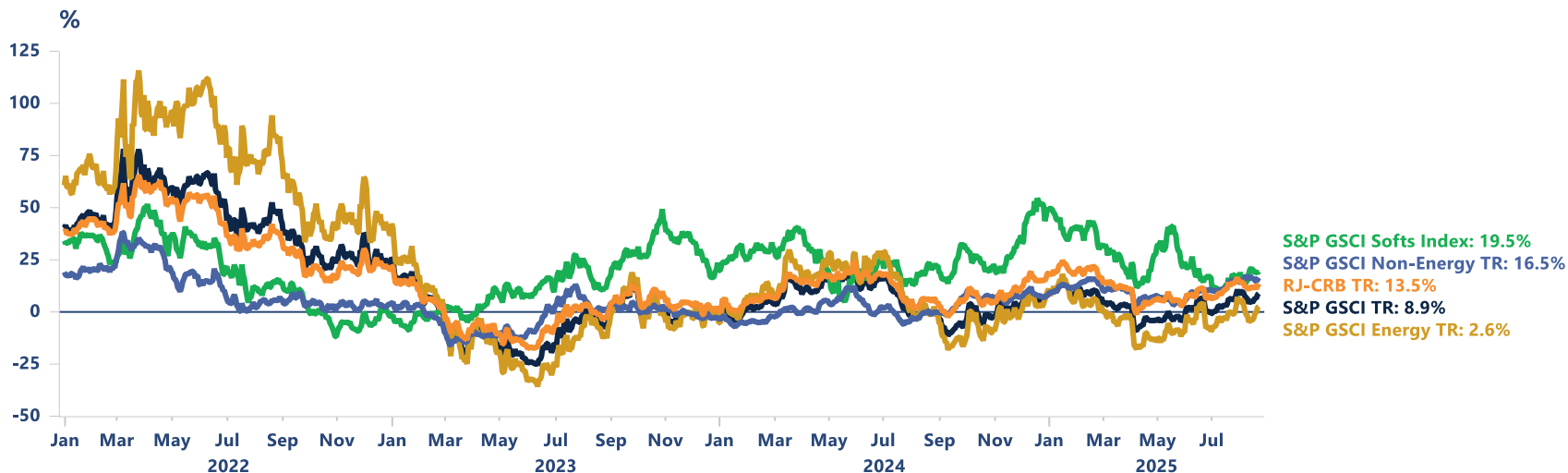
US TREASURY YIELD CURVE



Source: Main Management, U.S. Treasury, Macrobond. Data last updated: 8/22/2025

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, X, TREA, TMX, Macrobond. Data last updated: 8/22/2025

Commodity	1 Month	3 Months	YTD ↓	1 Year
Silver	-0.5	15.3	31.4	29.1
Gold	-0.4	1.5	28.1	32.8
Bitcoin	-4.7%	5.3%	20.3%	90.5%
Coffee	21.5	1.6	17.4	50.4
Copper	-0.9	1.3	11.5	5.9
Lumber	-8.5	2.0	11.0	19.6
Gasoline	0.3	0.4	7.9	-4.3
S&P GSCI	-1.0	4.4	4.0	8.5
Soybeans	0.7	-1.8	3.6	8.1
BBG Commodity Index	-3.9	-1.1	2.3	5.0
Cotton	-1.8	-0.3	-3.7	-4.2
US Dollar (DXY)	0.1	-1.5	-9.1	-2.8
Crude Oil	-4.1	0.8	-11.4	-13.2
Corn	-5.2	-14.8	-15.6	3.3
Natural Gas	-20.7	-17.5	-22.2	28.6

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 8/21/2025

Disclosures

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