



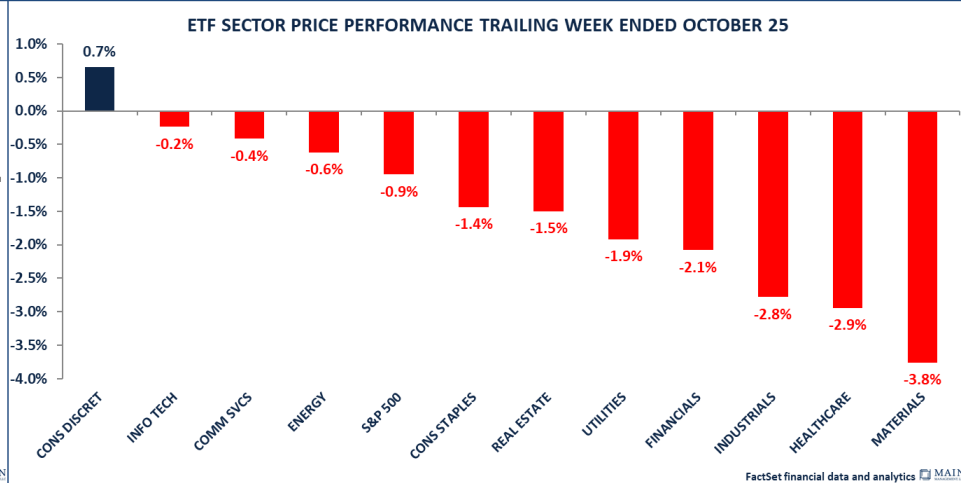
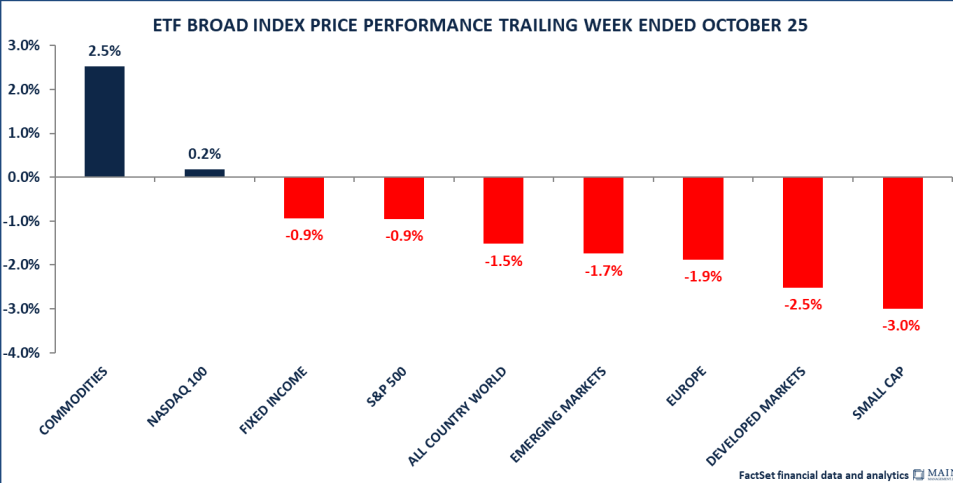
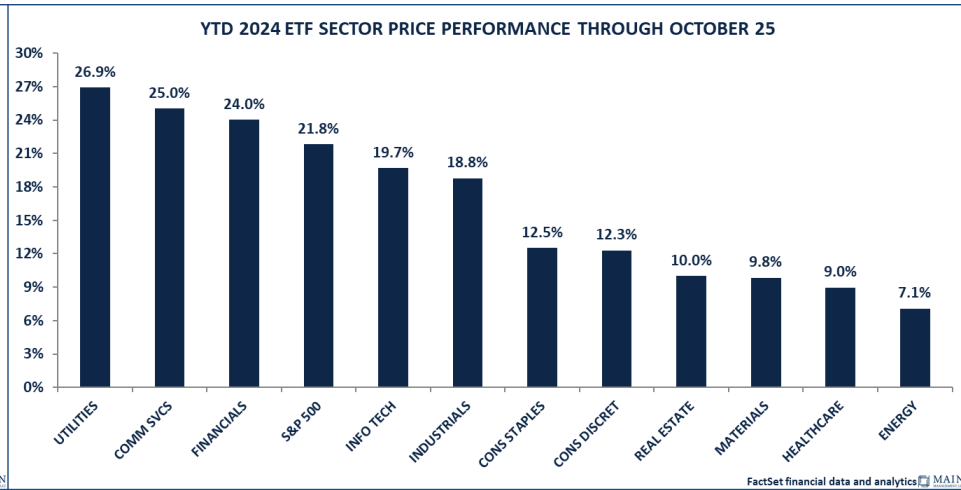
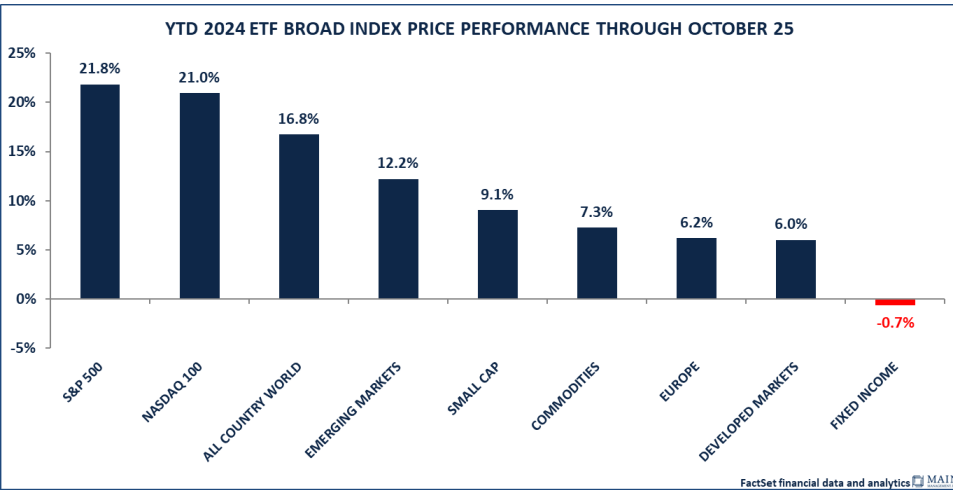
MAIN
MANAGEMENT, LLC

MAIN MANAGEMENT MARKET NOTE: **October 25, 2024**

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Performance



Recession Dashboard

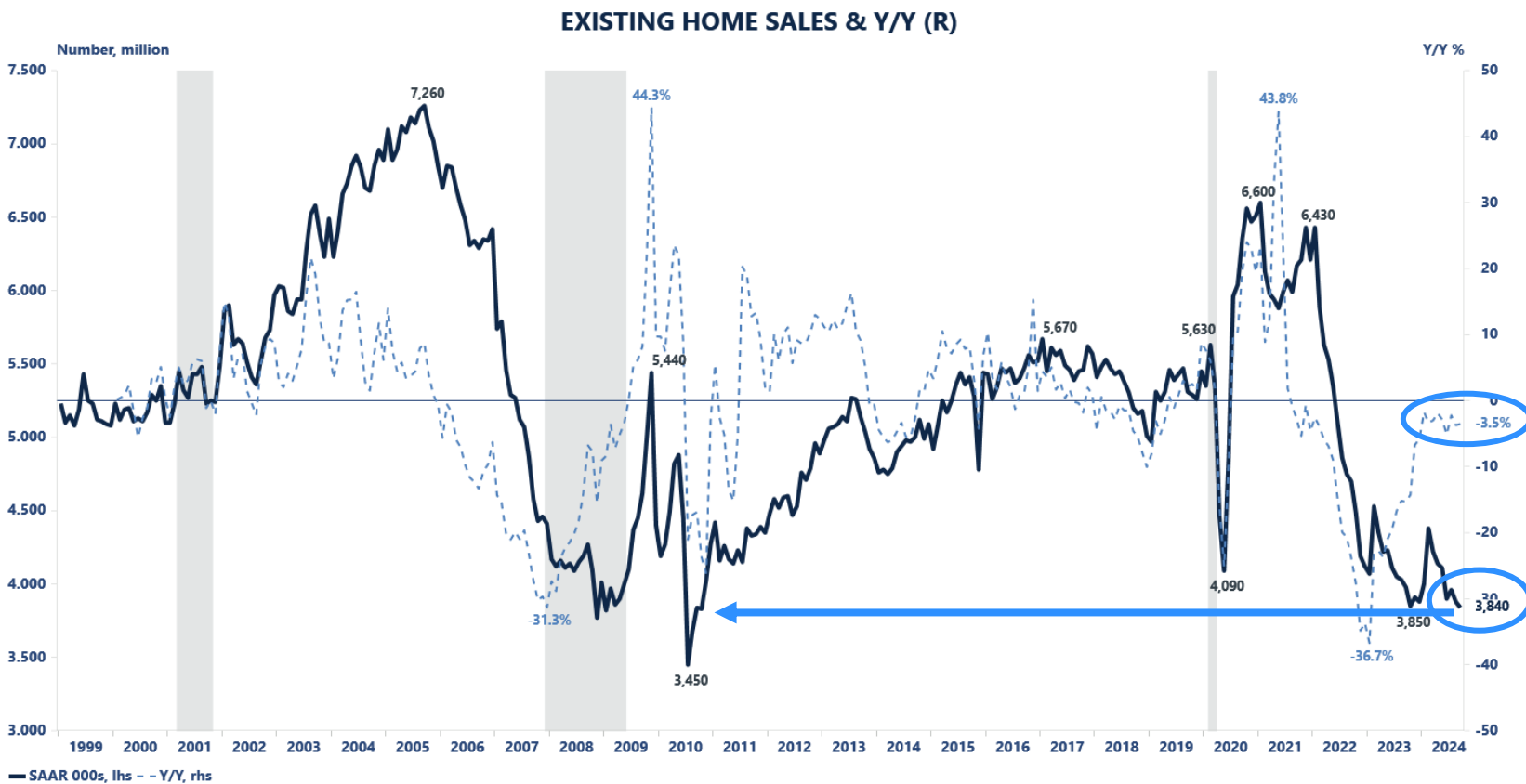
RECESSION START	INFLATION	CONSUMER	YIELD CURVE	HOUSING	SENTIMENT	AUTOS	EMPLOYMENT	PMI	RETAIL SALES
NOV 1973	↓	—	—	↓	—	—	↓	↓	—
JAN 1980	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1981	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1990	↓	↓	↓	↓	↔	↓	↓	↔	—
MAR 2001	↔	↓	↓	↔	↔	↔	↓	↓	↔
DEC 2007	↓	↓	↓	↓	↔	↓	↓	↓	↓
DEC 2019	↑	↑	↔	↔	↑	↔	↑	↔	↔
OCT 2024	↑	↔	↔*	↑	↔	↓	↓	↑	↔
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, 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.

Existing Home Sales

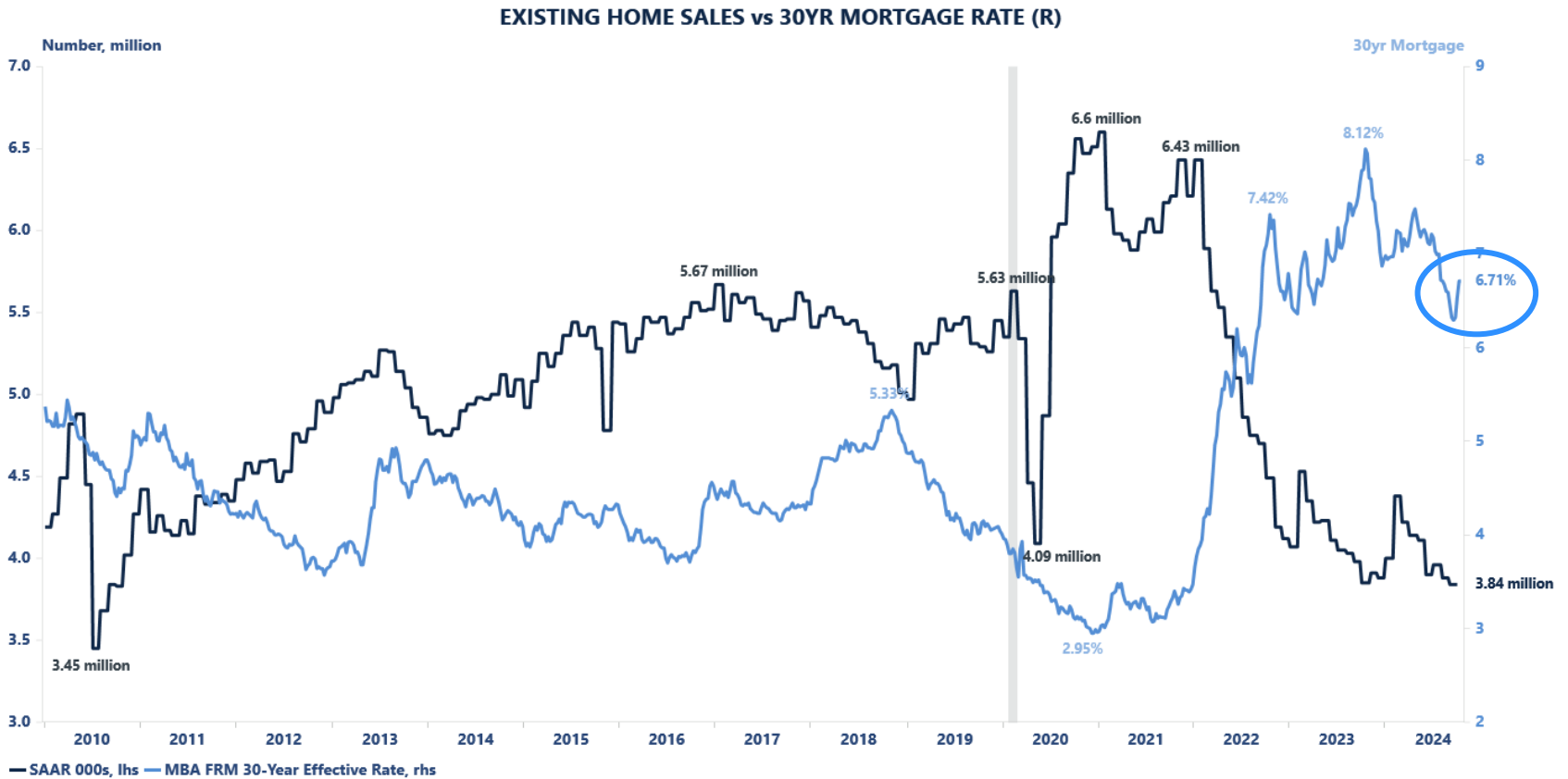
Existing Home Sales missed estimates in September, falling to 3.84 million units, which is the lowest since October 2010! Forecasts were for a 3.9 million unit reading. Sales of Existing Homes are down -3.5% from a year ago.



Source: Main Management, NAR, Macrobond. Data last updated: 10/23/2024

Mortgage Rates

Existing Home Sales were likely adversely affected by the rebound in mortgage rates, which got as low as 6.13% a few weeks ago before climbing back to 6.71%.

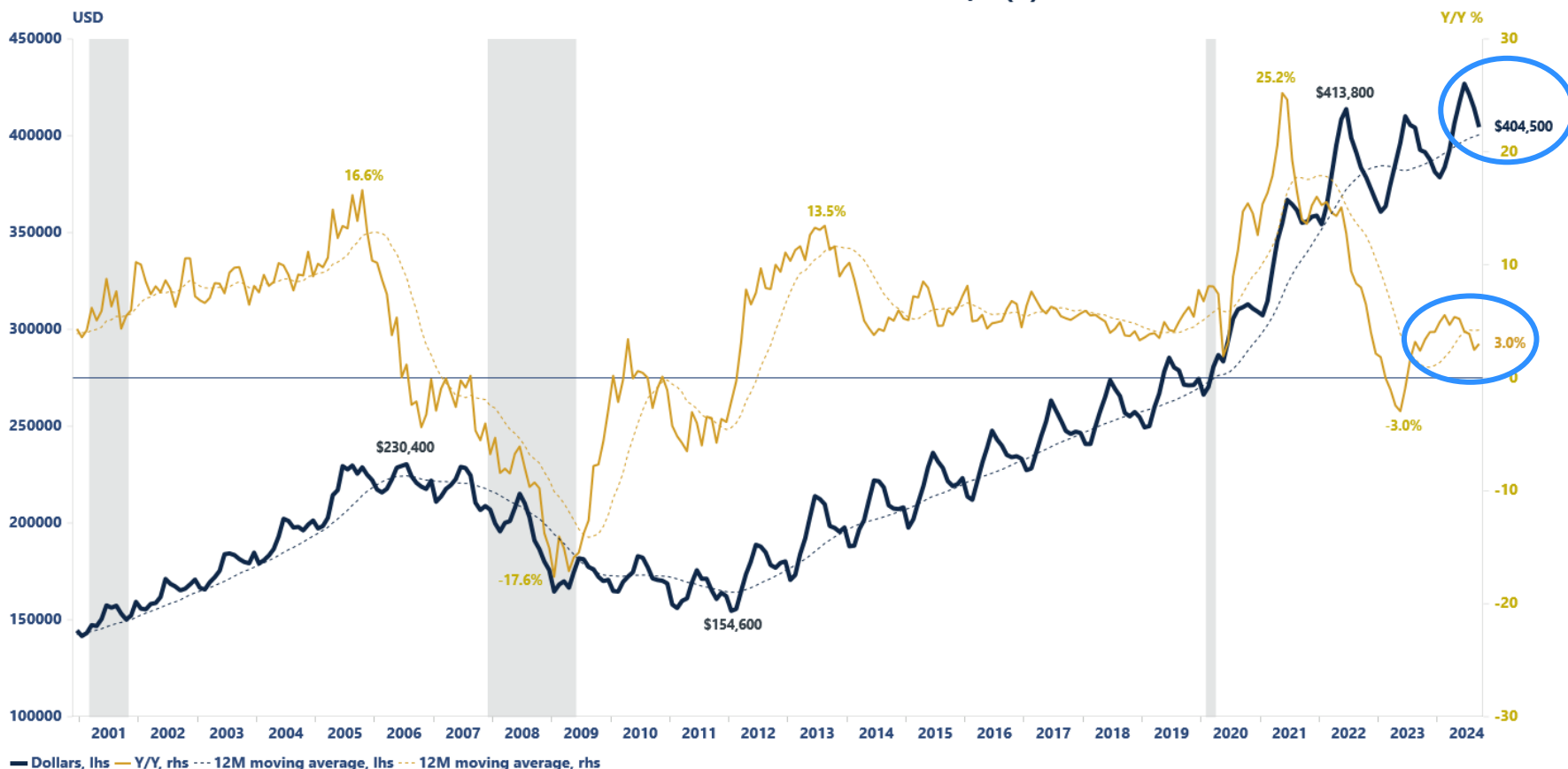


Source: Main Management, NAR, MBA, Macrobond

Home Prices

Existing Home Prices declined for the 3rd month in a row (but there's clearly a lot of seasonality here) to \$404,500. However, the median price is still up +3.0% Y/Y.

MEDIAN EXISTING HOME PRICE & Y/Y (R)

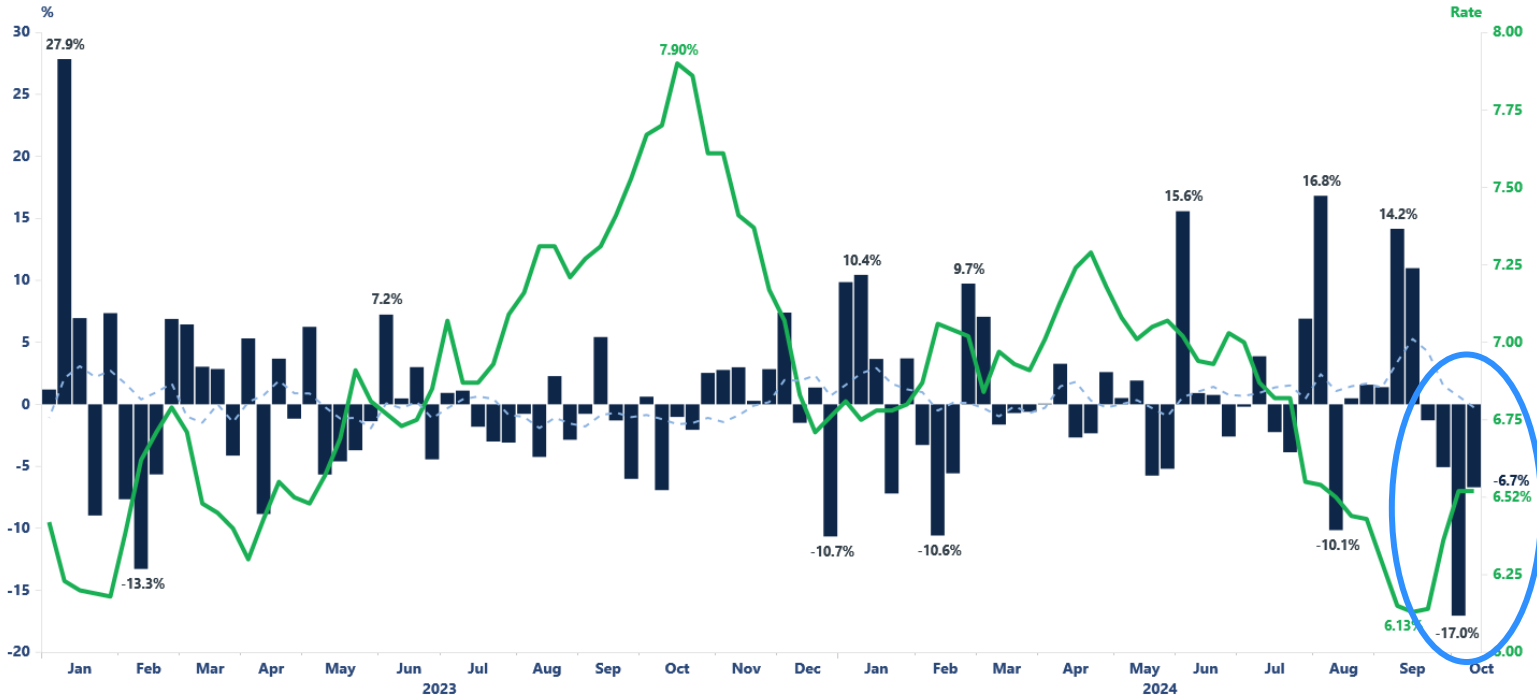


Source: Main Management, NAR, Macrobond. Data last updated: 10/23/2024

Mortgage Applications

The MBA Mortgage Applications Index is released weekly and provides a bit more real-time market data. As you can see, applications fell as soon as rates started moving back higher. Applications have been down 4 straight weeks and the -17% drop 2 weeks ago was the biggest decline since 2020!

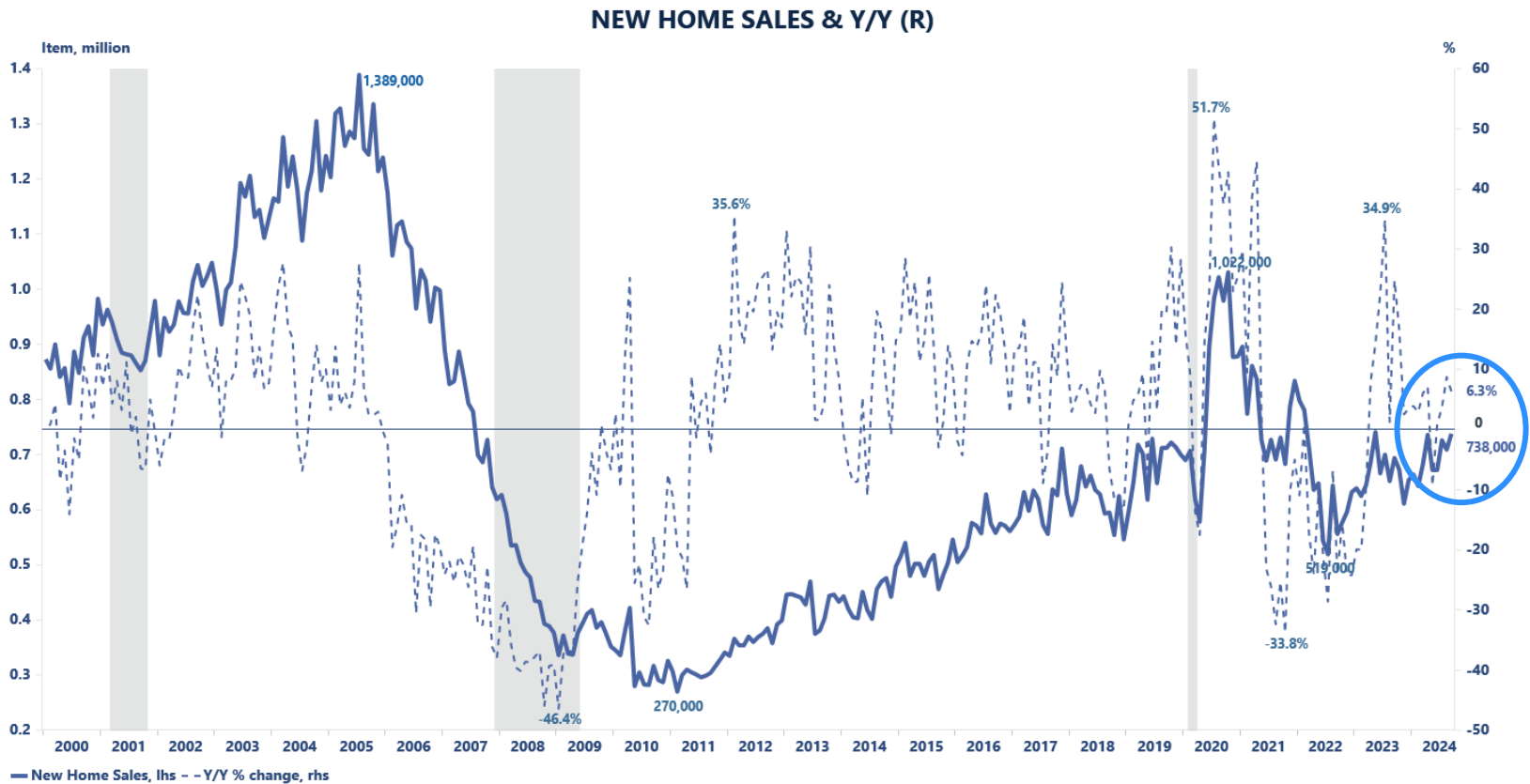
MBA Mortgage Applications Index W/W vs 30yr Mortgage Rate (R)
8WK MOVING AVERAGE



■ Index W/W, lhs — 30yr Mortgage Rate, rhs - - 8wk Avg, lhs
Source: Main Management, MBA, Macrobond. Data last updated: 10/23/2024

New Home Sales

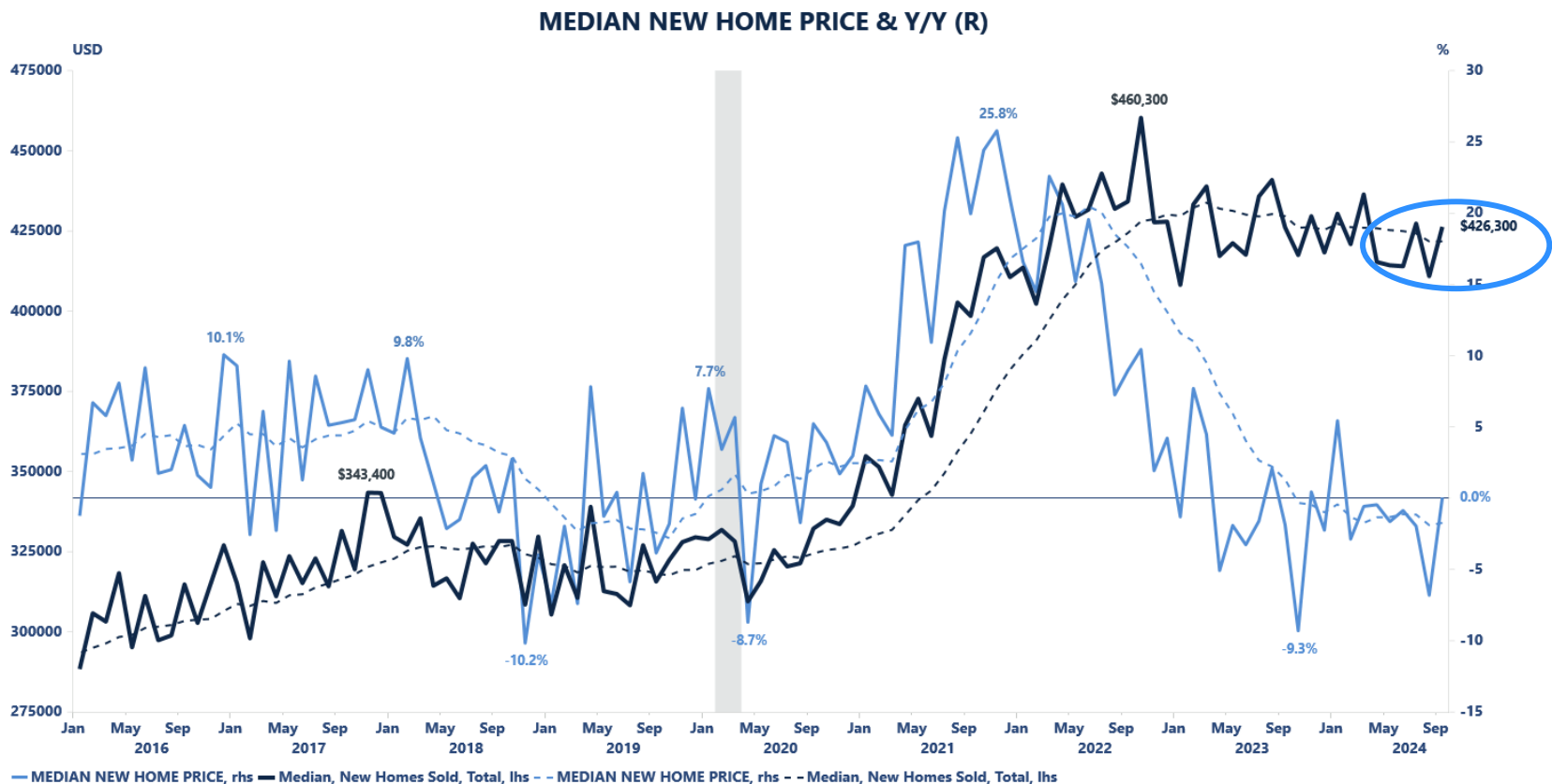
New Home Sales, on the other hand, rose to 738k units in October, beating forecasts for a 720k reading and the highest since May 2023. They're up +6.3% from a year ago and have been trending higher...



Source: Main Management, USCB, Macrobond. Data last updated: 10/24/2024

New Home Prices

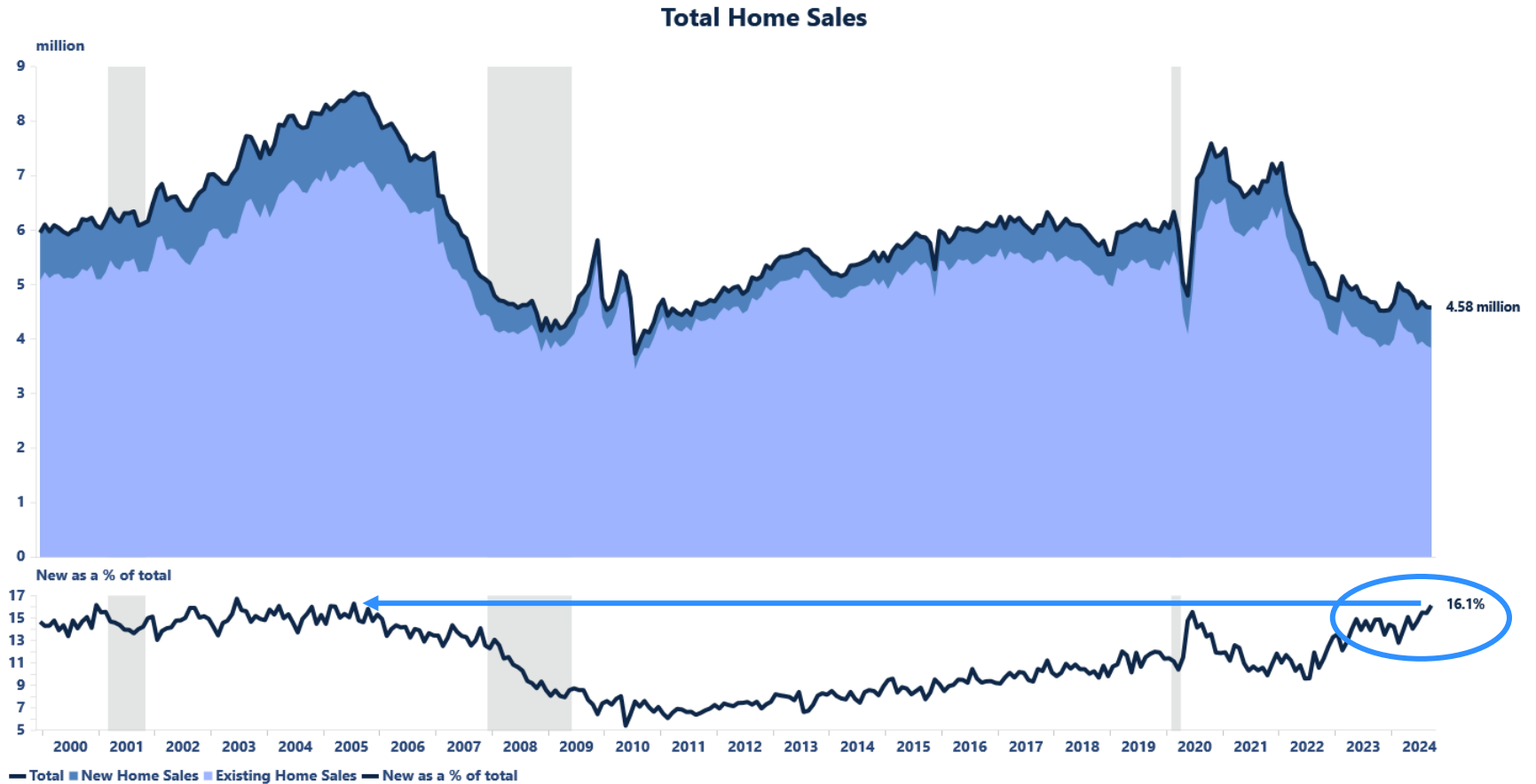
The Median New Home Price rose to \$426,300 but has been trending slowly lower for a while now, as evidenced by the 12mo moving average. The median price and is flat from a year ago, which is the first non-negative reading since February 2024.



Source: Main Management, USCB, Macrobond. Data last updated: 10/24/2024

New Homes Share

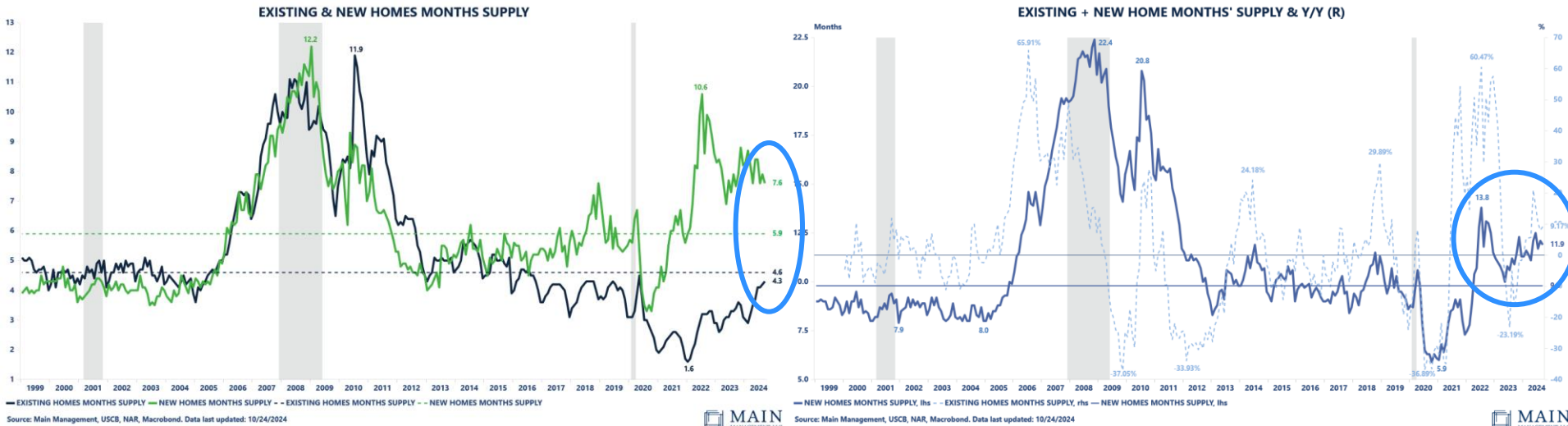
With the opposite moves in Existing and New Home Sales in October, New Home Sales rose to 16.1% share of Total Home Sales, their highest since July 2005!



Source: Main Management, NAR, USCB, Macrobond. Data last updated: 10/24/2024

Housing Supply

The Months' Supply of Existing Homes rose to 4.3 months, the most since May 2020. For New Homes, the supply stands at 7.6 months. Combined (right), we have 11.9 months supply, solidly above the long-term median of 9.8 months, and up +9.2% from a year ago.



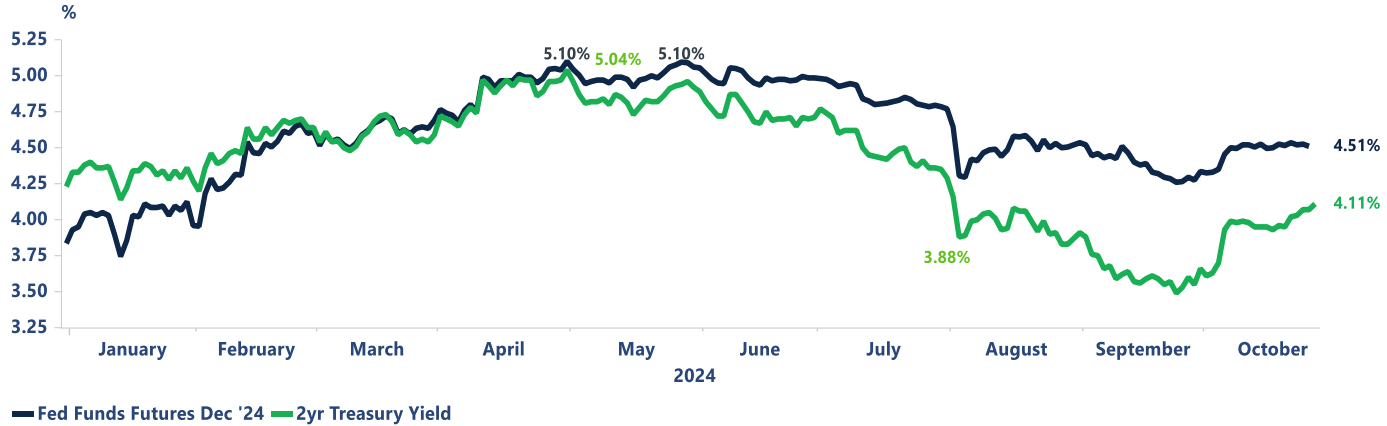
SUMMARY

- Existing Home Sales fell to 3.84 million units in September, missing forecasts for a 3.9mil reading and the lowest since October 2010!! They're down -3.5% Y/Y. They've been adversely affected by the recent rise in mortgage rates.
- New Home Sales shrugged off the mortgage rate increase, rising to 738k units, the best since May 2023 and above expectations for 720k. They're up +6.3 Y/Y.
- Overall supply ticked lower but supply for Existing Homes is at its highest level since May 2020 at 4.3 months. New Home's share of Total Home Sales rose to 16.1%, the highest since July 2005!
- Upcoming key data to watch:
 - Advance reading of GDP (Wednesday)
 - Income, Spending & Core PCE (Thursday)
 - NonFarm Payrolls (Friday)

APPENDIX

YIELDS & FUTURES

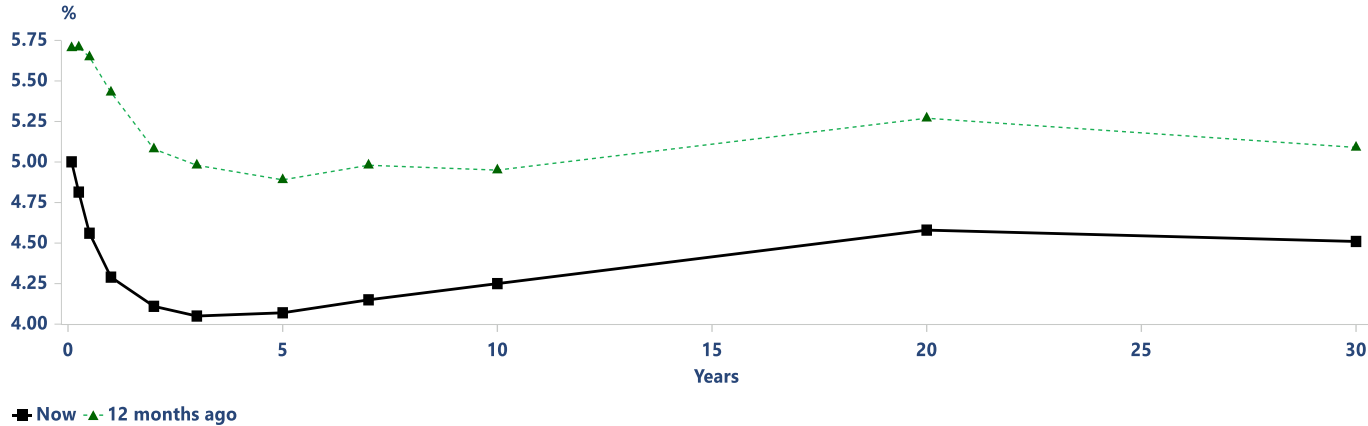
FED FUNDS FUTURES & 2-YEAR TREASURY YIELD



Source: Main Management, CME Group, U.S. Treasury, Macrobond. Data last updated: 10/25/2024



US TREASURY YIELD CURVE

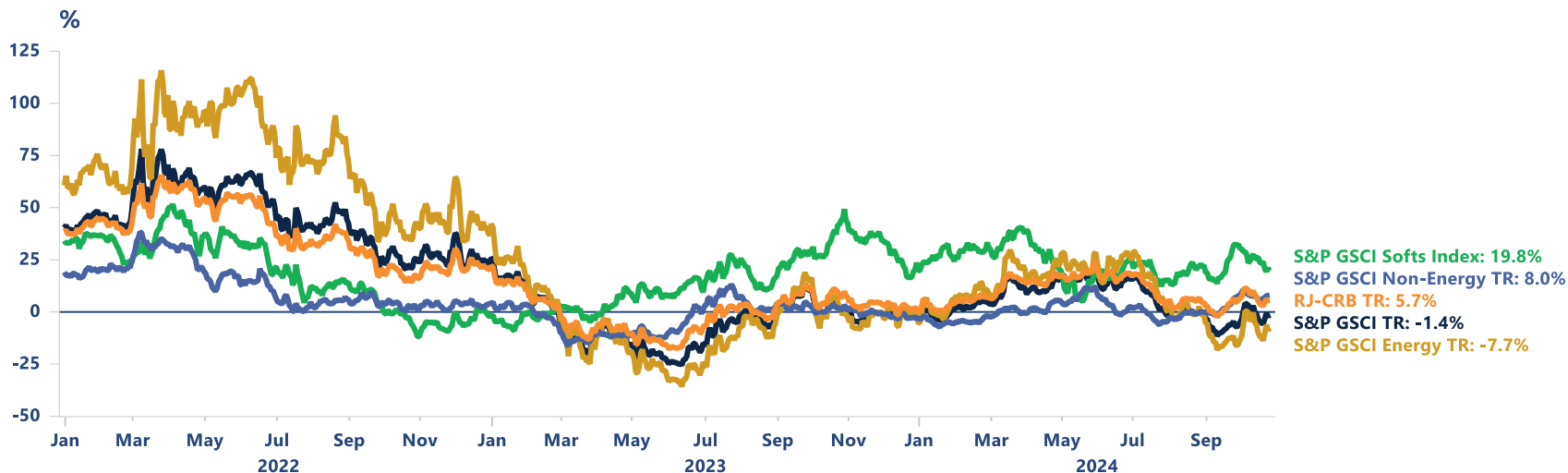


Source: Main Management, U.S. Treasury, Macrobond. Data last updated: 10/25/2024



INFLATION WATCH

MAJOR COMMODITY INDICES Y/Y



Source: Main Management, S&P Global, CoreCommodity Management, LME, EIA, LBMA, Macrobond, LPPM, NRCan, ICCO, ICO, USDA, MGEX, TREA, TMX, Macrobond. Data last updated: 10/25/2024

Commodity	1 Month	3 Months	YTD ↓	1 Year
Bitcoin	7.6%	3.4%	61.9%	106.0%
Silver	9.2	15.4	40.9	45.7
Gold	4.1	13.6	32.6	38.7
Coffee	-6.9	2.7	30.4	48.0
Copper	-0.4	3.5	10.9	18.6
S&P GSCI	1.3	-0.2	6.9	-2.7
US Dollar (DXY)	3.1	-0.4	2.6	-1.4
BBG Commodity Index	0.8	2.4	1.2	-4.8
Natural Gas	-3.5	15.3	0.3	-13.8
Crude Oil	-0.2	-10.1	-1.8	-17.7
Lumber	0.2	7.8	-2.6	9.7
Gasoline	1.9	-16.0	-3.6	-12.9
Corn	1.9	4.7	-10.6	-14.0
Cotton	-0.2	5.1	-11.7	-14.6
Soybeans	-4.1	-10.9	-23.0	-22.6

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 10/24/2024

DISCLOSURES

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