



**MAIN**  
MANAGEMENT, LLC

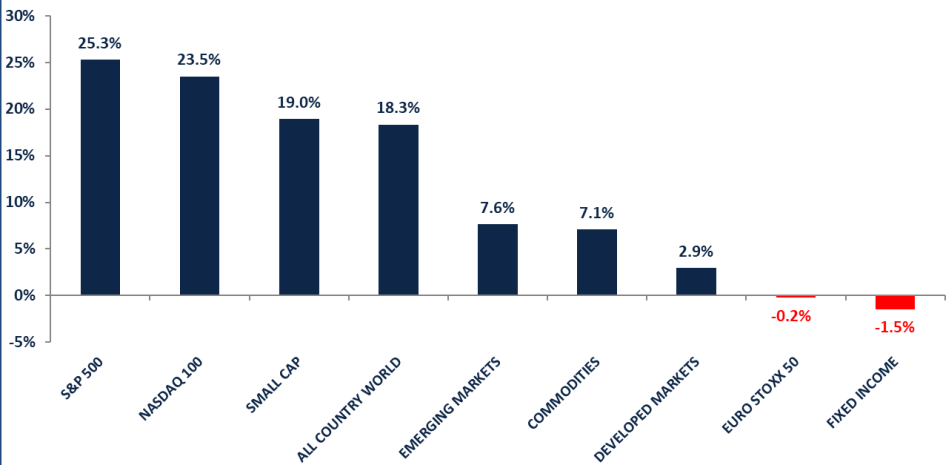
# MAIN MANAGEMENT MARKET NOTE: **November 22, 2024**

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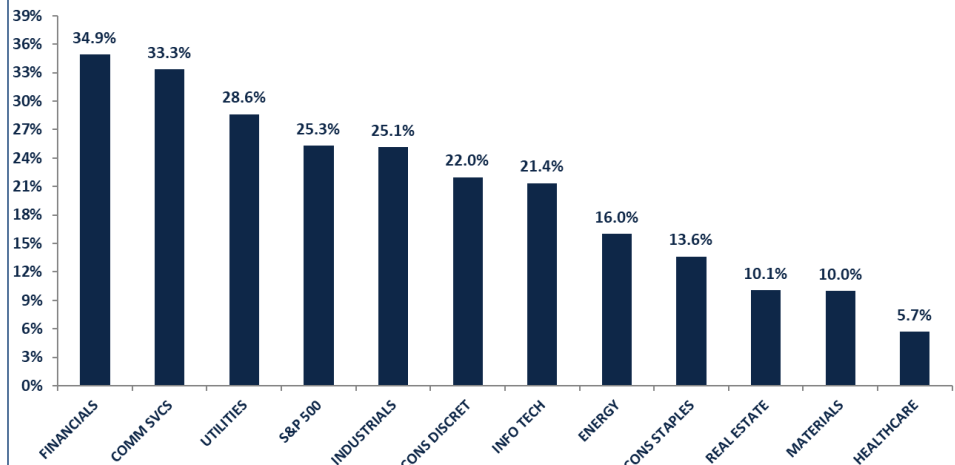
# Performance

YTD 2024 ETF BROAD INDEX PRICE PERFORMANCE THROUGH NOVEMBER 22



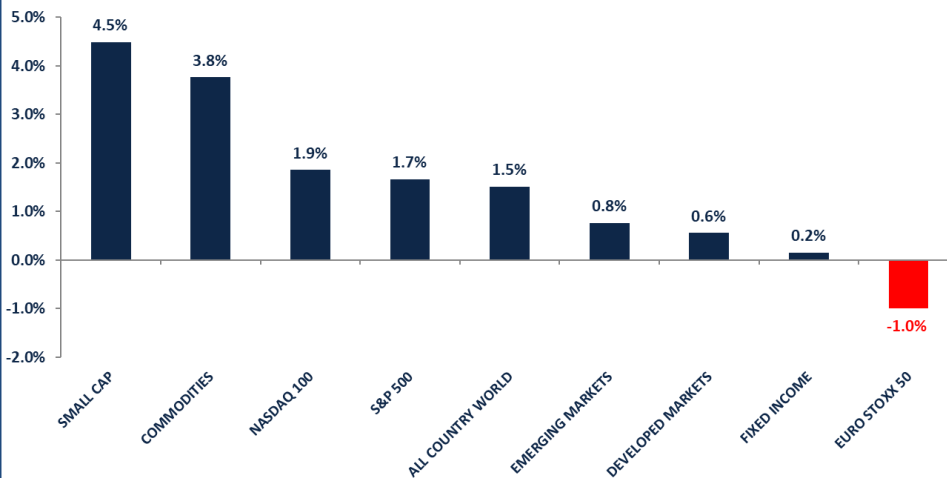
FactSet financial data and MAIN

YTD 2024 ETF SECTOR PRICE PERFORMANCE THROUGH NOVEMBER 22



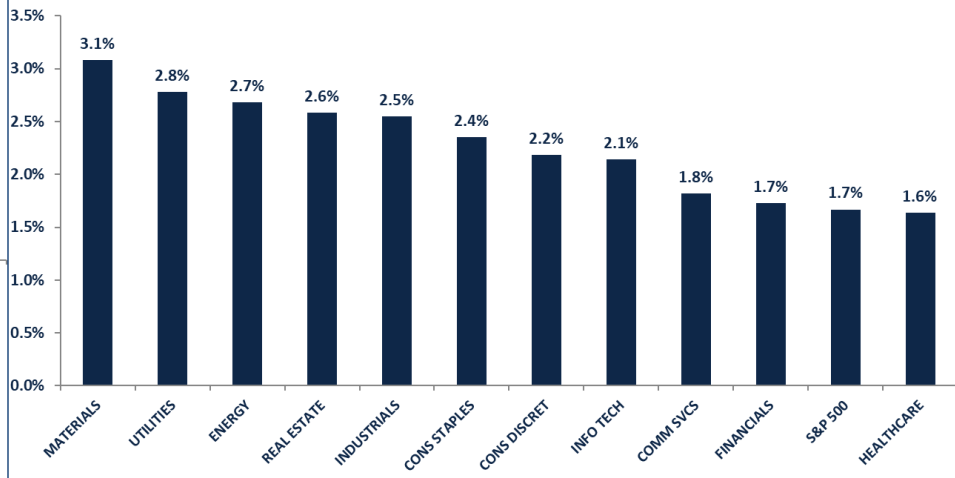
FactSet financial data and MAIN

ETF BROAD INDEX PRICE PERFORMANCE TRAILING WEEK ENDED NOVEMBER 22



FactSet financial data and MAIN

ETF SECTOR PRICE PERFORMANCE TRAILING WEEK ENDED NOVEMBER 22



FactSet financial data and MAIN

# Recession Dashboard

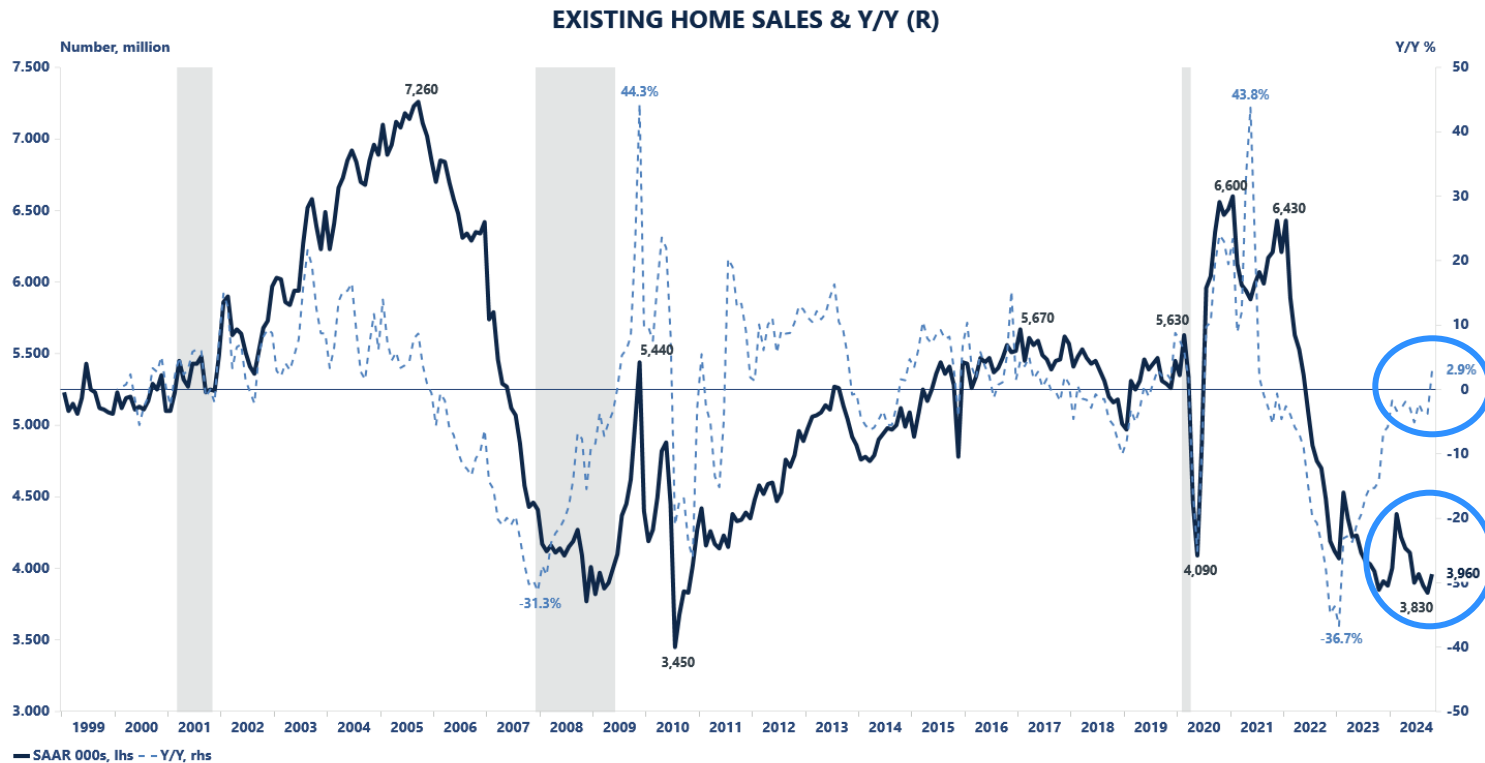
RECESSION START	INFLATION	CONSUMER	YIELD CURVE	HOUSING	SENTIMENT	AUTOS	EMPLOYMENT	PMI	RETAIL SALES
NOV 1973	↓	—	—	↓	—	—	↓	↓	—
JAN 1980	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1981	↓	↓	↓	↓	↔	↓	↓	↓	—
JUL 1990	↓	↓	↓	↓	↔	↓	↓	↔	—
MAR 2001	↔	↓	↓	↔	↔	↔	↓	↓	↔
DEC 2007	↓	↓	↓	↓	↔	↓	↓	↓	↓
DEC 2019	↑	↑	↔	↔	↑	↔	↑	↔	↔
NOV 2024	↑	↔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

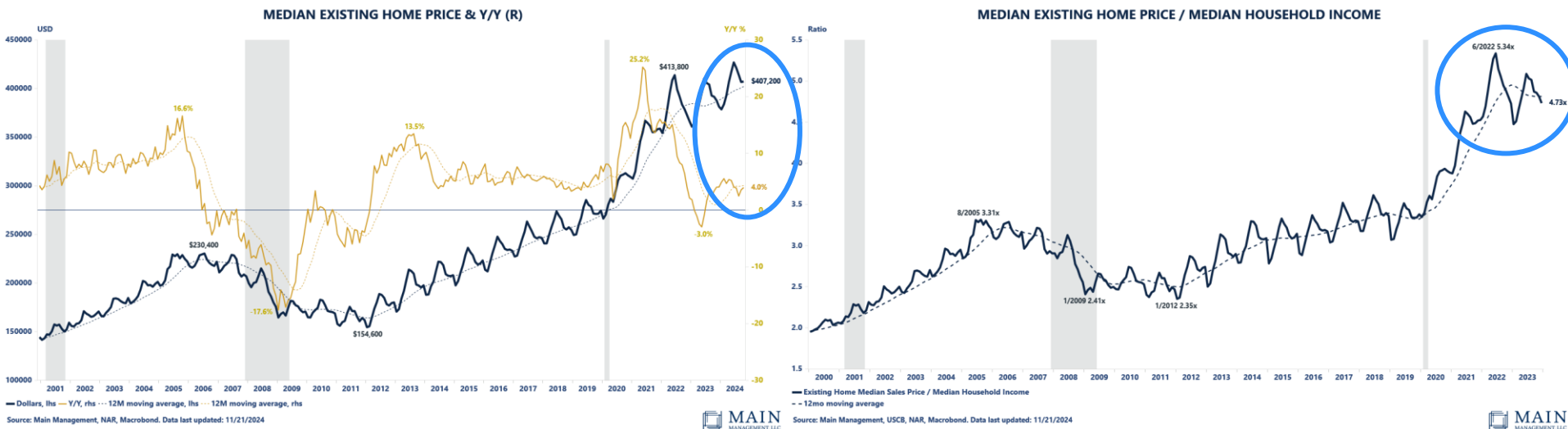
Existing Home Sales inched up to 3.96 million units in October, ahead of forecasts for a 3.93m reading but still quite depressed relative to history. September's reading of 3.83m units was the lowest in 14 years! On a Y/Y basis, Existing Sales accelerated to +2.9%, the biggest rise since June 2021.



Source: Main Management, NAR, Macrobond. Data last updated: 11/21/2024

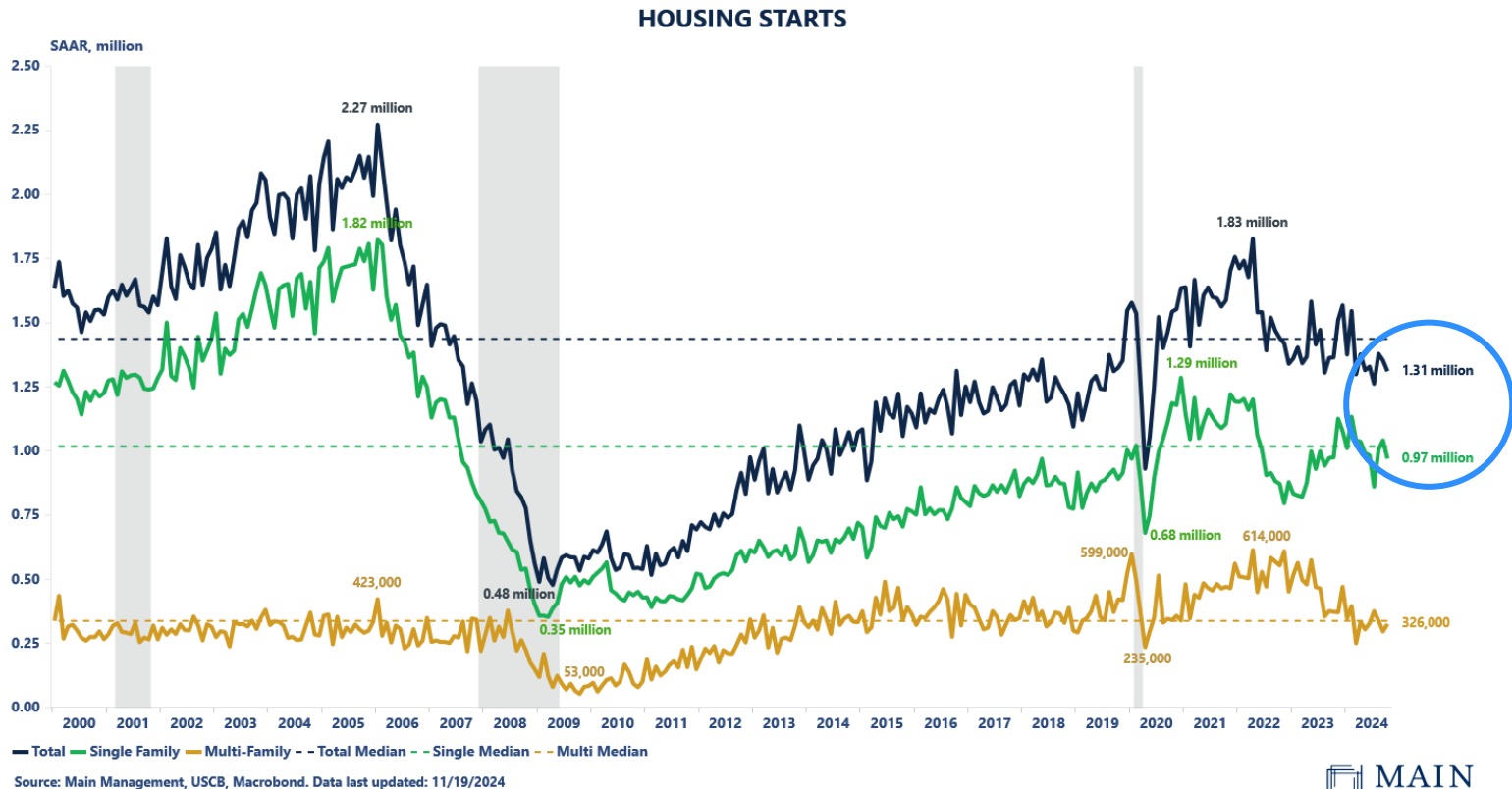
# Existing Home Sales

The Median Existing Home Price (left) was basically flat in October at \$407k and ticked up on a Y/Y basis to +4.0%. Prices have been rising at a slower pace in recent months which has resulted in a relative improvement in affordability (right). However, affordability is still tough as the price-to-income ratio currently stands at 4.73x. That ratio topped out at 5.34x back in June 2022 but even at 4.73x, it's still very elevated relative to history, indicating that homes are expensive even when accounting for the rise in incomes.



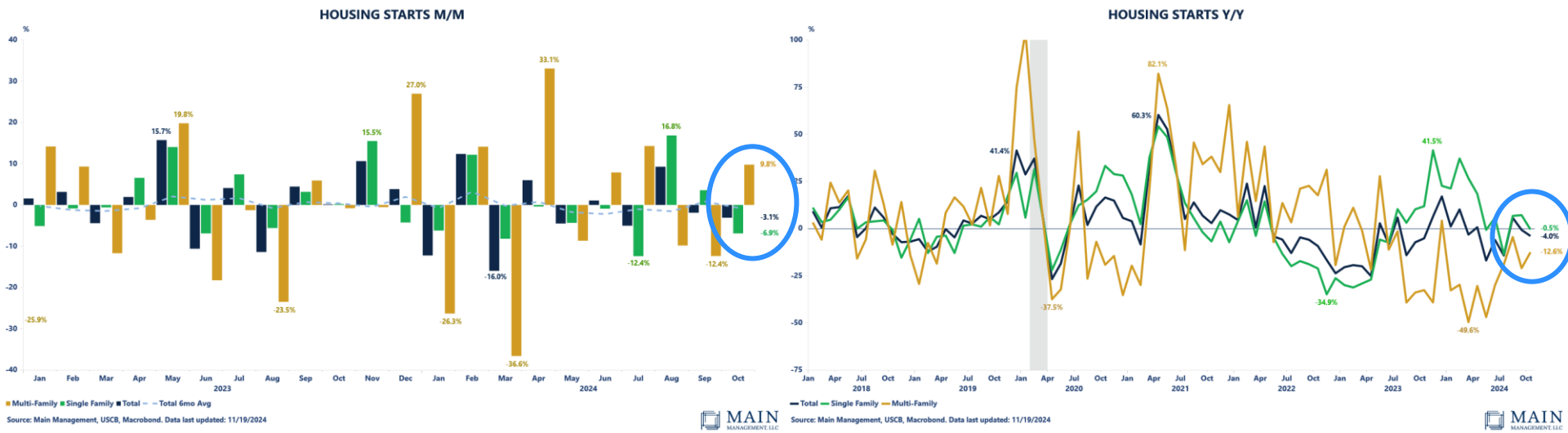
# Housing Starts

Housing Starts came in at 1.311 million units, below forecasts for a 1.33mil reading. September was revised down to 1.353 million. Single Family Starts slowed to 970k units while Multi-Family ticked up to 326k units. Hurricanes weighed on starts in October so hopefully we'll see some improvement come November.



# Housing Starts

On a month-over-month basis (left), Total Housing Starts have been down 3 out of the last 4 months. Single Family Starts fell -6.9% M/M, the most in a few months. Multi-Family Starts jumped +9.8% M/M. On a Y/Y basis (right), all of the categories are in the red. Total Starts are down -4.0%, Single Family Starts are down -0.5%, and Multi-Family Starts are down -12.6%.

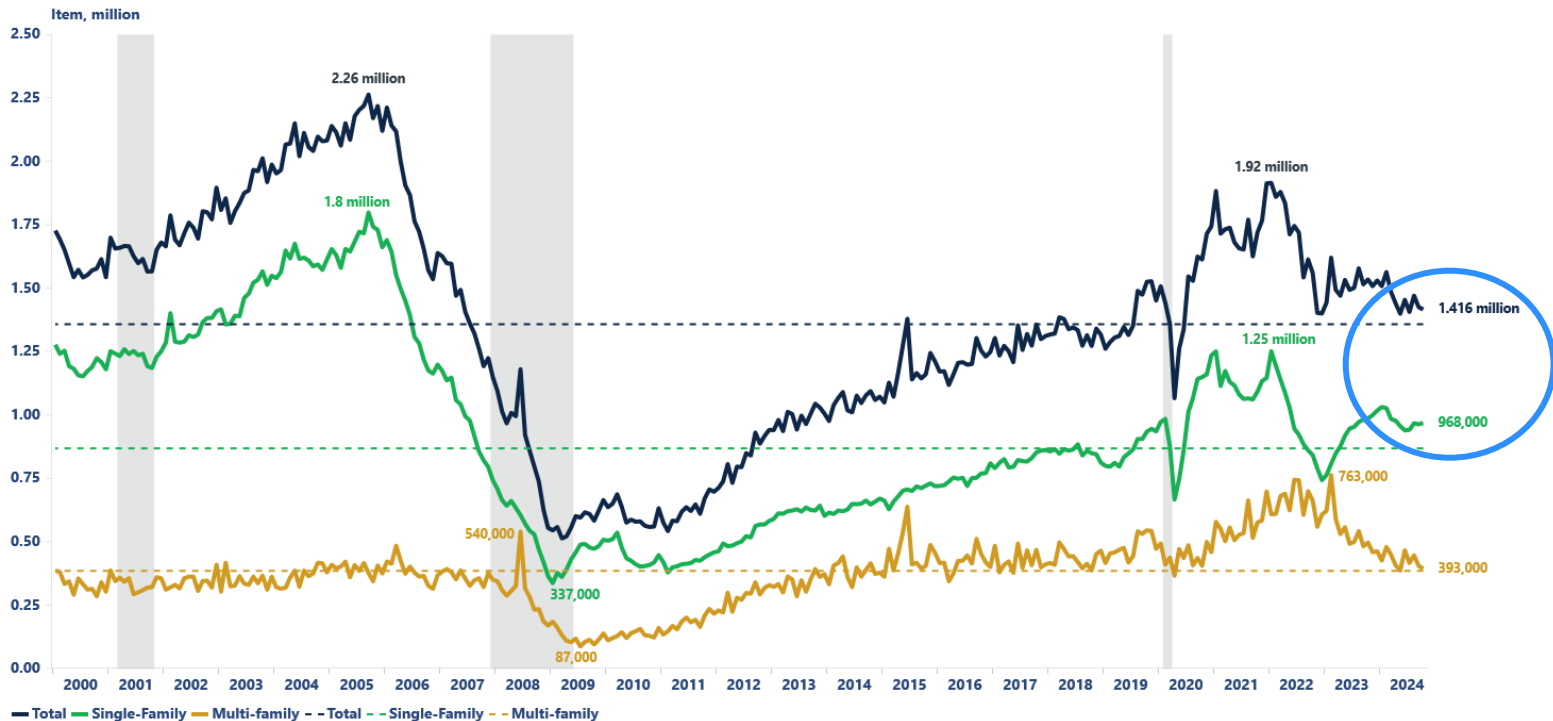


# Building Permits

The preliminary Building Permits figures for October saw Total Permits slide to 1.416 million units, missing forecasts for 1.43mil. Single Family Permits ticked up to 968k while Multi-Family fell to 393k units. Hopefully we'll see these start to move higher in the coming months...

## BUILDING PERMITS

Seasonally Adjusted Annual Rate, 000s



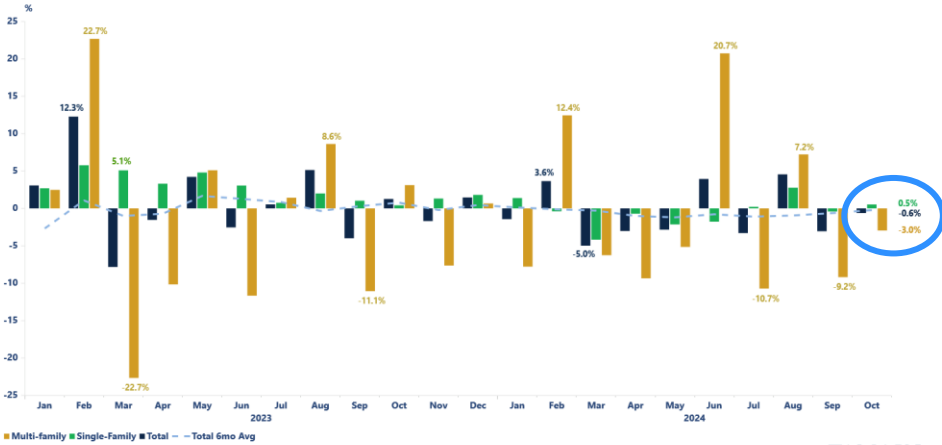
Source: Main Management, USCB, Macrobond. Data last updated: 11/19/2024



# Building Permits

On a M/M basis (left), Total Permits were down for the 2<sup>nd</sup> month in a row. Single Family ticked up +0.5% while Multi-Family were down -3.0% and have been down 3 out of the last 4 months. As is the case with Housing Starts, all of the categories are negative on a Y/Y basis (right), with Total Permits down -7.7%, Single Family down -1.8%, and Multi-Family down -20.9%.

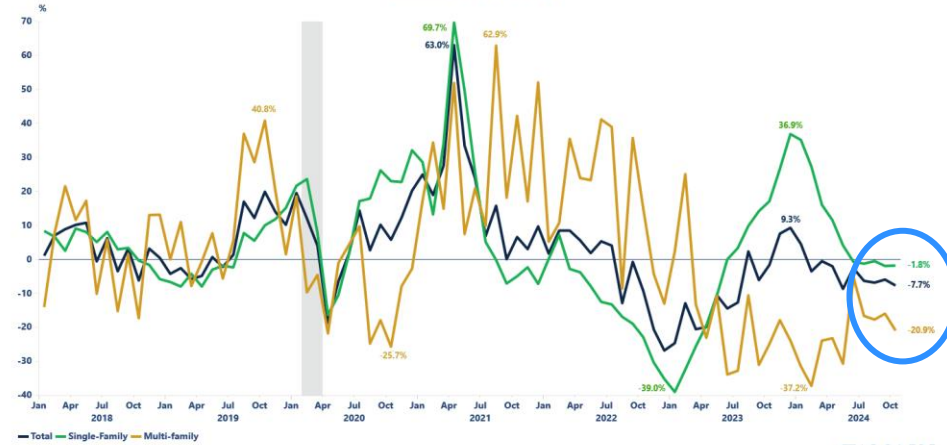
BUILDING PERMITS M/M



Source: Main Management, USCB, Macrobond



BUILDING PERMITS Y/Y

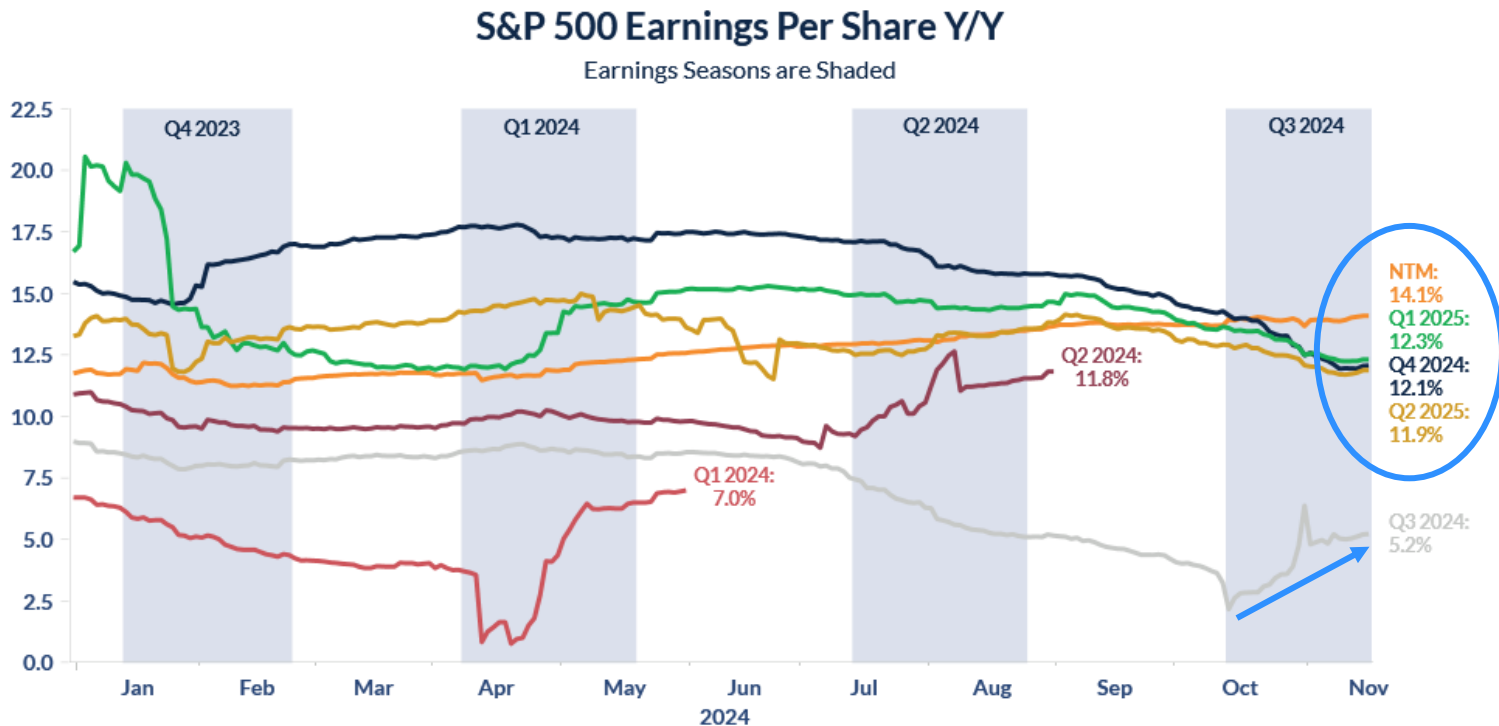


Source: Main Management, USCB, Macrobond



# Q3 Earnings

Q3 earnings season is wrapping up, with the year-over-year growth for the quarter at +5.2%, up from +4.2% expected on September 30th. The next few quarters have seen downward revisions, but the next twelve-month growth rate is still expected to be strong at 14.1% and has been trending higher during the year.



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

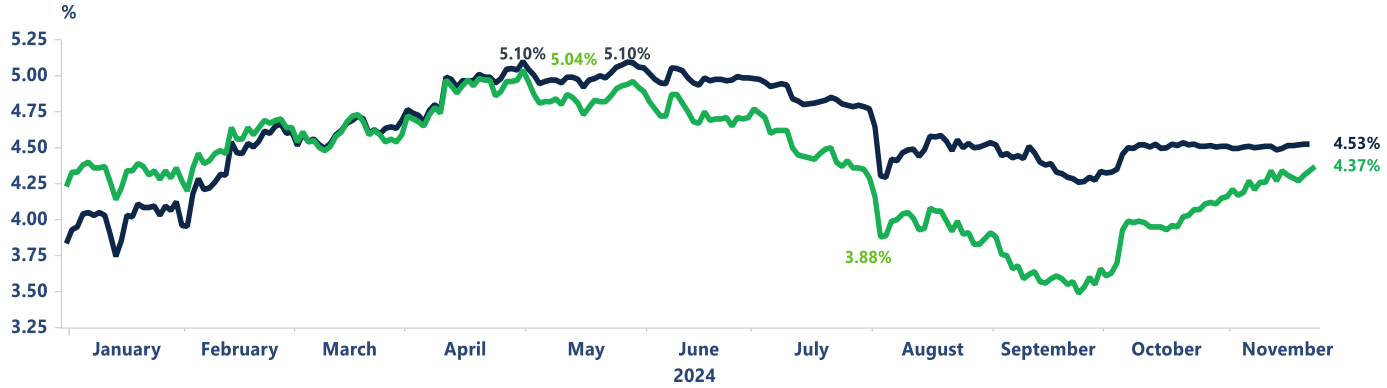
# SUMMARY

- Existing Home Sales came in above expectations at 3.96mil units but remain low relative to history. Prices were little changed in October and remain elevated relative to incomes, which has decreased affordability in the last few years.
- Housing Starts declined in October, missing forecasts. However, a big culprit in the negative figures was the hurricanes in the South. Total Starts are down -4.0% from a year ago.
- The preliminary October readings for Building Permits also declined, down -0.6% M/M. On a Y/Y basis, Total Permits are down -7.7%.
- Upcoming key data to watch:
  - Q3 2024 U.S. GDP – 2<sup>nd</sup> estimate (Wednesday)
  - Core PCE, Personal Income & Spending (Wednesday)
  - Durable Goods Orders (Wednesday)

# APPENDIX

# YIELDS & FUTURES

## FED FUNDS FUTURES & 2-YEAR TREASURY YIELD

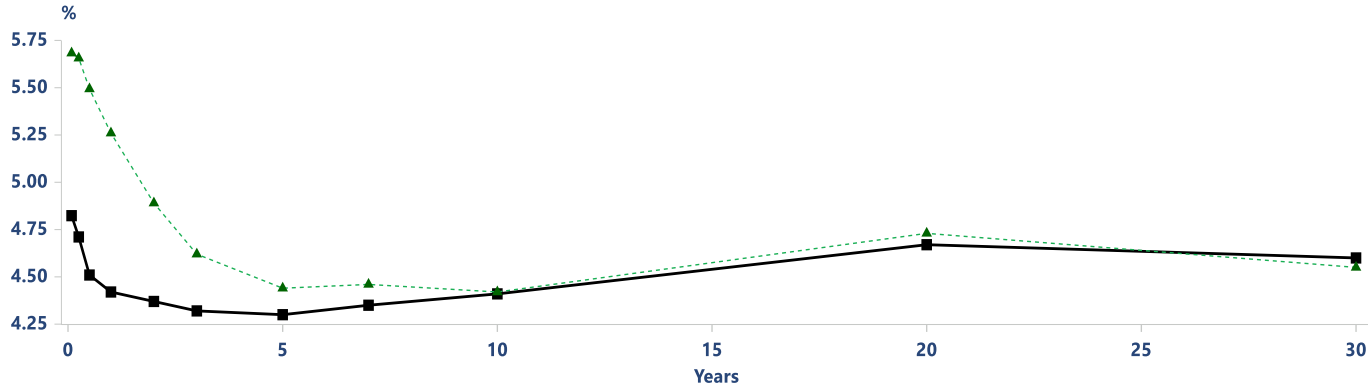


— Fed Funds Futures Dec '24 — 2yr Treasury Yield

Source: Main Management, CME Group, U.S. Treasury, Macrobond. Data last updated: 11/22/2024



## US TREASURY YIELD CURVE



■ Now ▲ 12 months ago

Source: Main Management, U.S. Treasury, Macrobond. Data last updated: 11/22/2024



# INFLATION WATCH

## MAJOR COMMODITY INDICES Y/Y



Source: Main Management, S&P Global, CoreCommodity Management, LME, EIA, LBMA, Macrobond, LPPM, NRCAN, ICCO, ICO, USDA, MIAx, TREA, TMX, Macrobond. Data last updated: 11/22/2024

Commodity	1 Month	3 Months	YTD ↓	1 Year
Bitcoin	44.0%	66.9%	134.0%	162.8%
Coffee	16.1	19.7	58.6	67.9
Natural Gas	47.9	51.9	32.8	15.9
Silver	-6.4	4.9	29.6	31.1
Gold	-1.9	6.2	29.4	35.0
Lumber	13.3	17.0	10.0	9.4
S&P GSCI	2.1	2.5	7.3	2.2
US Dollar (DXY)	3.4	5.5	5.5	3.4
Copper	-6.6	-2.3	5.1	6.5
BBG Commodity Index	0.7	2.8	0.3	-3.7
Gasoline	2.9	-8.7	-2.1	-7.5
Crude Oil	1.8	-4.0	-2.2	-9.7
Corn	5.4	13.8	-9.5	-9.1
Cotton	-2.5	0.6	-14.6	-11.3
Soybeans	0.8	2.1	-24.4	-28.5

Source: Main Management, S&P Global, CME Group, ICE, LME, Macrobond. Data last updated: 11/21/2024

# 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.

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