

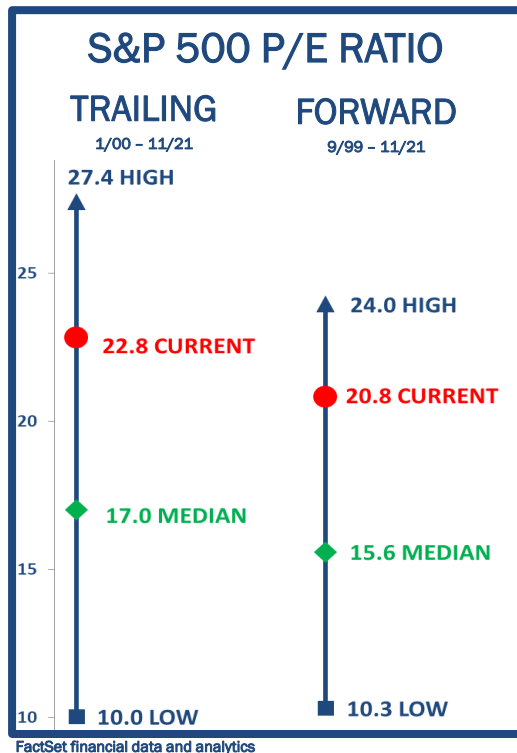


Main Management Market Note: December 3, 2021

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Executive Summary



The November Employment Report missed expectations, as the economy added 210,000 jobs, well below forecasts of 573,000. However, the Unemployment Rate fell to 4.2% and the Participation Rate improved to 61.8%. Overall, the labor market continues to improve.

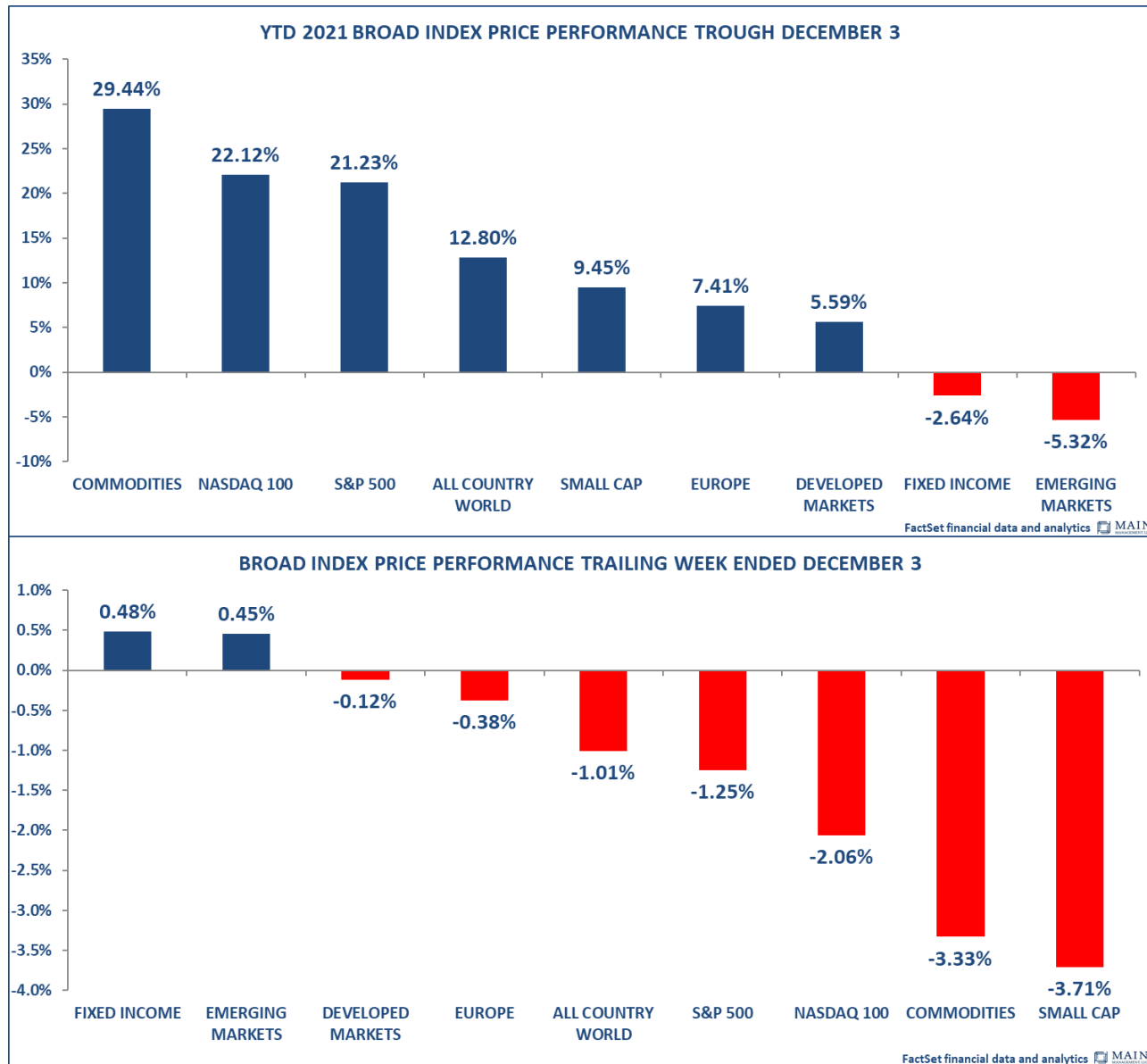
PMIs largely moderated in November but remain firmly in expansion territory. Japan saw solid improvement and the Eurozone moved higher as well. China saw some weakness however. The vast majority of the manufacturing, service, and composite indices we track remain in expansion territory, though.

Unemployment Claims are getting close to their pre-pandemic levels. Both Initial Claims as well as Continued Claims have continued to move lower in recent weeks.

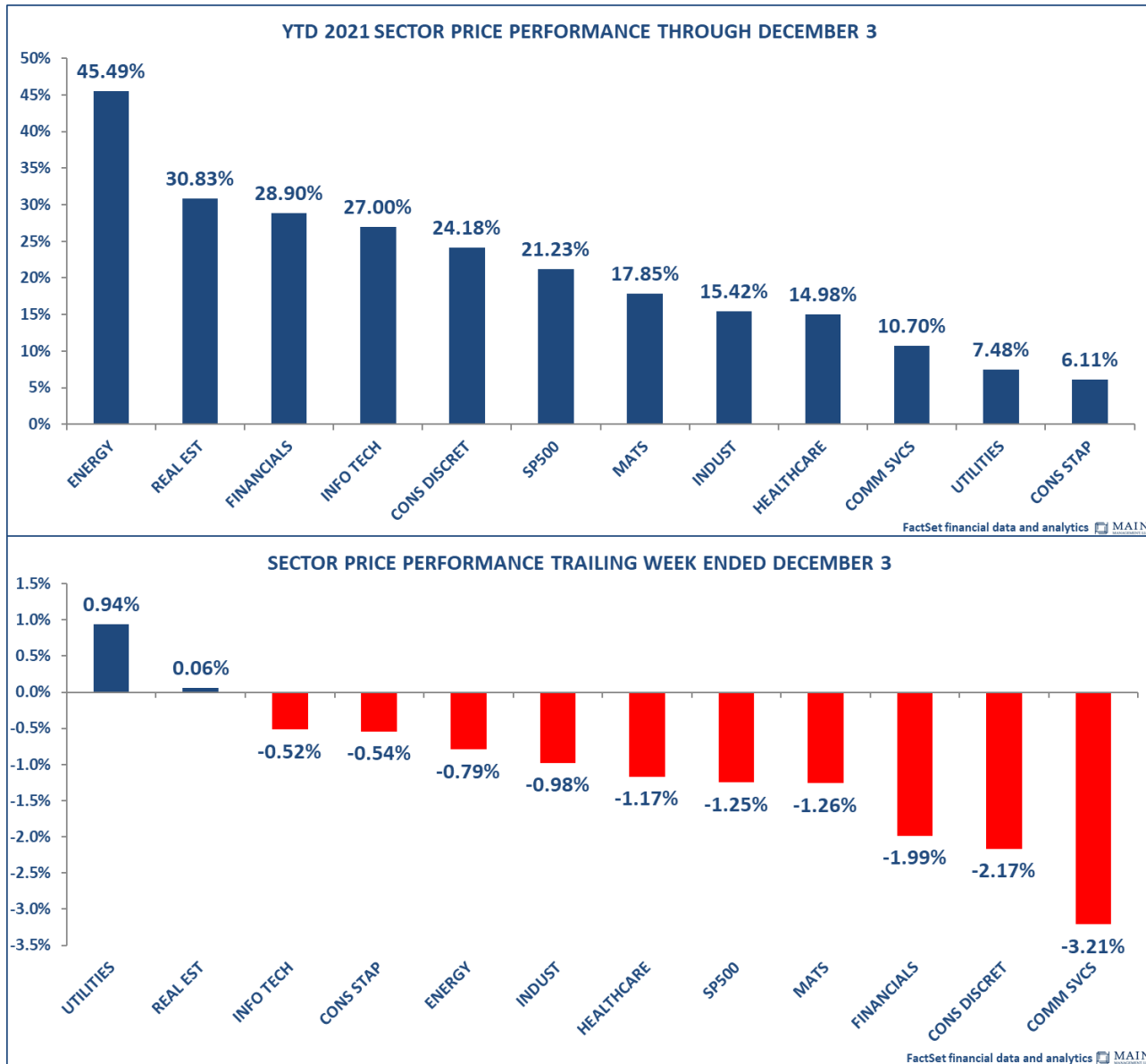
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Broad Index Performance





S&P 500 Sector Performance



Recession Dashboard

| RECESSION START | INFLATION | CONSUMER | YIELD CURVE | HOUSING | ECRI WLI | AUTOS | EMPLOYMENT | PMI | RETAIL SALES |
|-----------------|-----------|----------|-------------|---------|----------|-------|------------|-----|--------------|
| NOV 1973 | ↓ | — | — | ↓ | ↓ | --- | ↓ | ↓ | --- |
| JAN 1980 | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | --- |
| JUL 1981 | ↓ | ↓ | ↓ | ↓ | ↔ | ↓ | ↓ | ↓ | --- |
| JUL 1990 | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | ↔ | --- |
| MAR 2001 | ↔ | ↓ | ↓ | ↔ | ↓ | ↔ | ↓ | ↓ | ↔ |
| DEC 2007 | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |
| DEC 2020 | ↑ | ↔ | ↔ | ↑ | ↔ | ↔ | ↓ | ↑ | ↑ |
| DEC 2021 | ↓ | ↑ | ↑* | ↑ | ↑ | ↔ | ↔ | ↑ | ↔ |

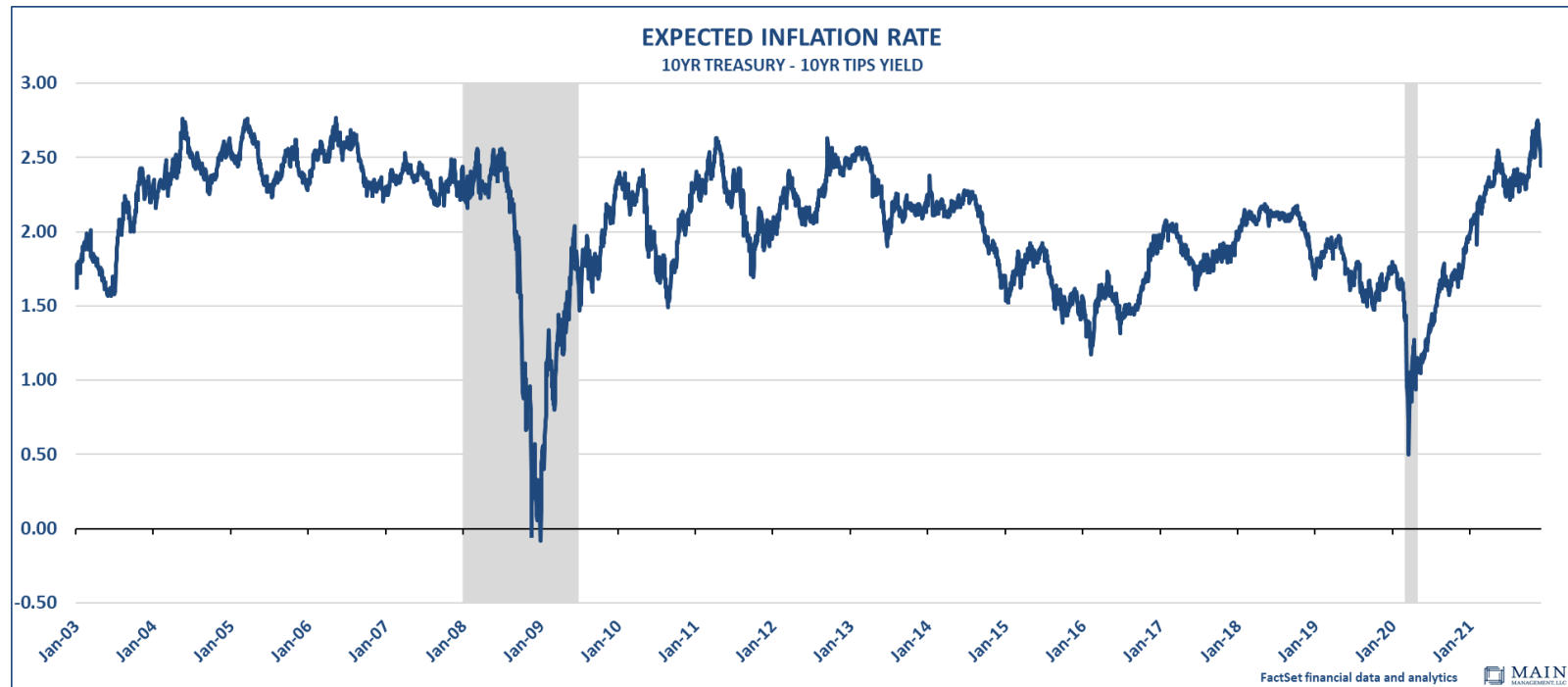
 Positive
  Neutral
  Negative



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. **ECRI WLI:** ECRI Weekly Leading Index. Source: businesscycle.com. **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 5/23/19 and again on 1/30/20.

Inflation Watch

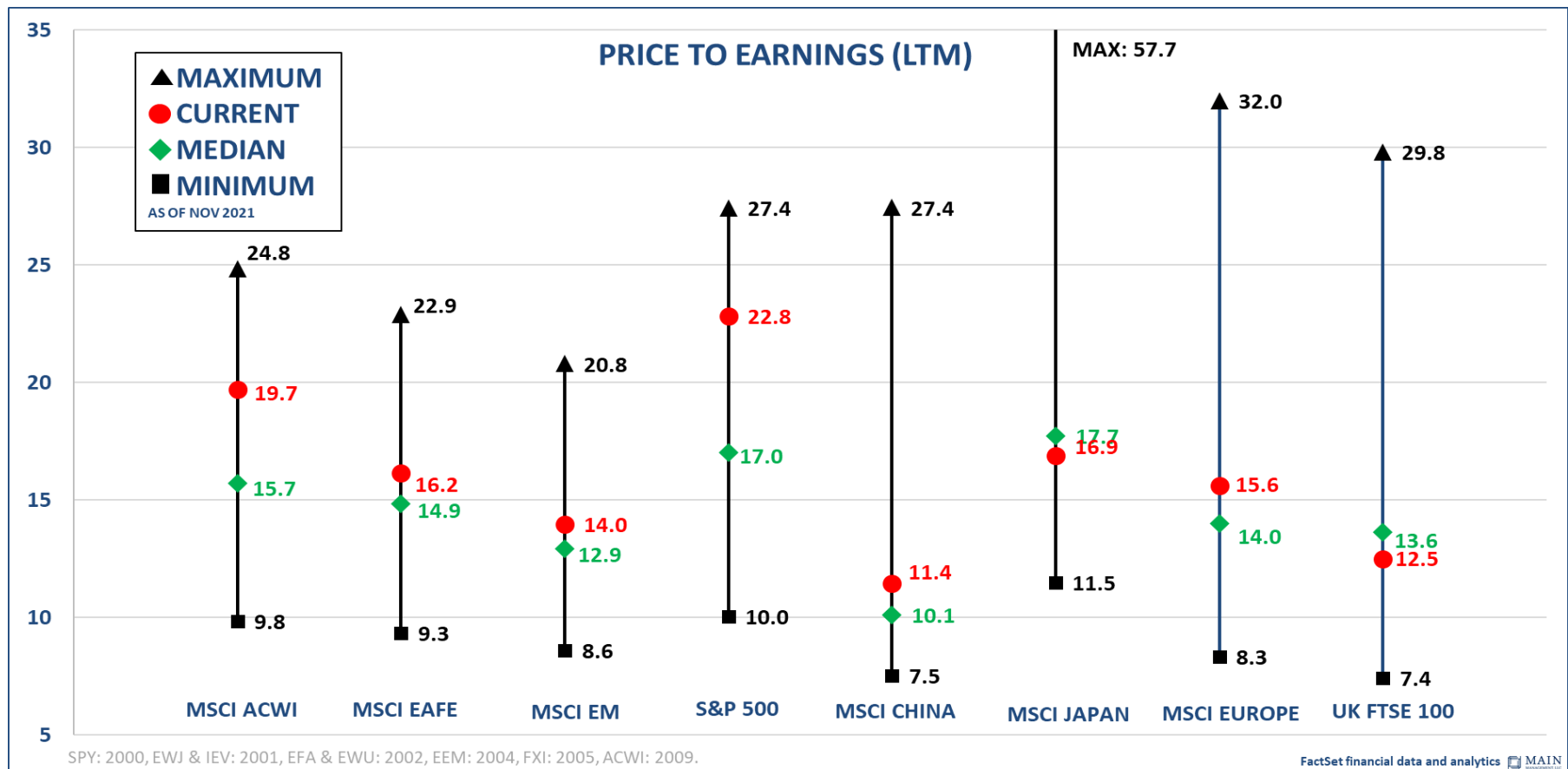


| COMMODITY | 1MO | YTD | 3MO | 12MO |
|-----------------------|--------|--------|--------|--------|
| REUTERS/JEFFERIES CRB | -8.2% | 30.8% | -0.2% | 37.7% |
| S&P GSCI | -11.2% | 30.9% | -0.6% | 38.5% |
| LUMBER | 57.8% | 4.7% | 76.9% | 40.9% |
| GASOLINE | 0.4% | 52.7% | 7.9% | 61.5% |
| NATURAL GAS | -23.9% | 71.9% | -12.8% | 47.5% |
| WTI CRUDE | -20.7% | 37.5% | -5.1% | 47.0% |
| COTTON | -7.1% | 39.4% | 14.5% | 55.6% |
| CORN | 0.7% | 19.2% | 11.8% | 37.7% |
| COPPER | -1.7% | 22.3% | 0.2% | 23.7% |
| SOYBEANS | 0.0% | -5.4% | -2.7% | 7.9% |
| SILVER | -4.9% | -15.4% | -6.4% | -7.2% |
| COFFEE | 14.1% | 85.1% | 23.7% | 103.2% |
| GOLD | -1.1% | -6.9% | -2.3% | -3.4% |
| BITCOIN | -10.7% | 94.6% | 15.8% | 196.3% |
| US DOLLAR DXY | 2.2% | 6.9% | 4.3% | 5.5% |

Data as of December 2, 2021

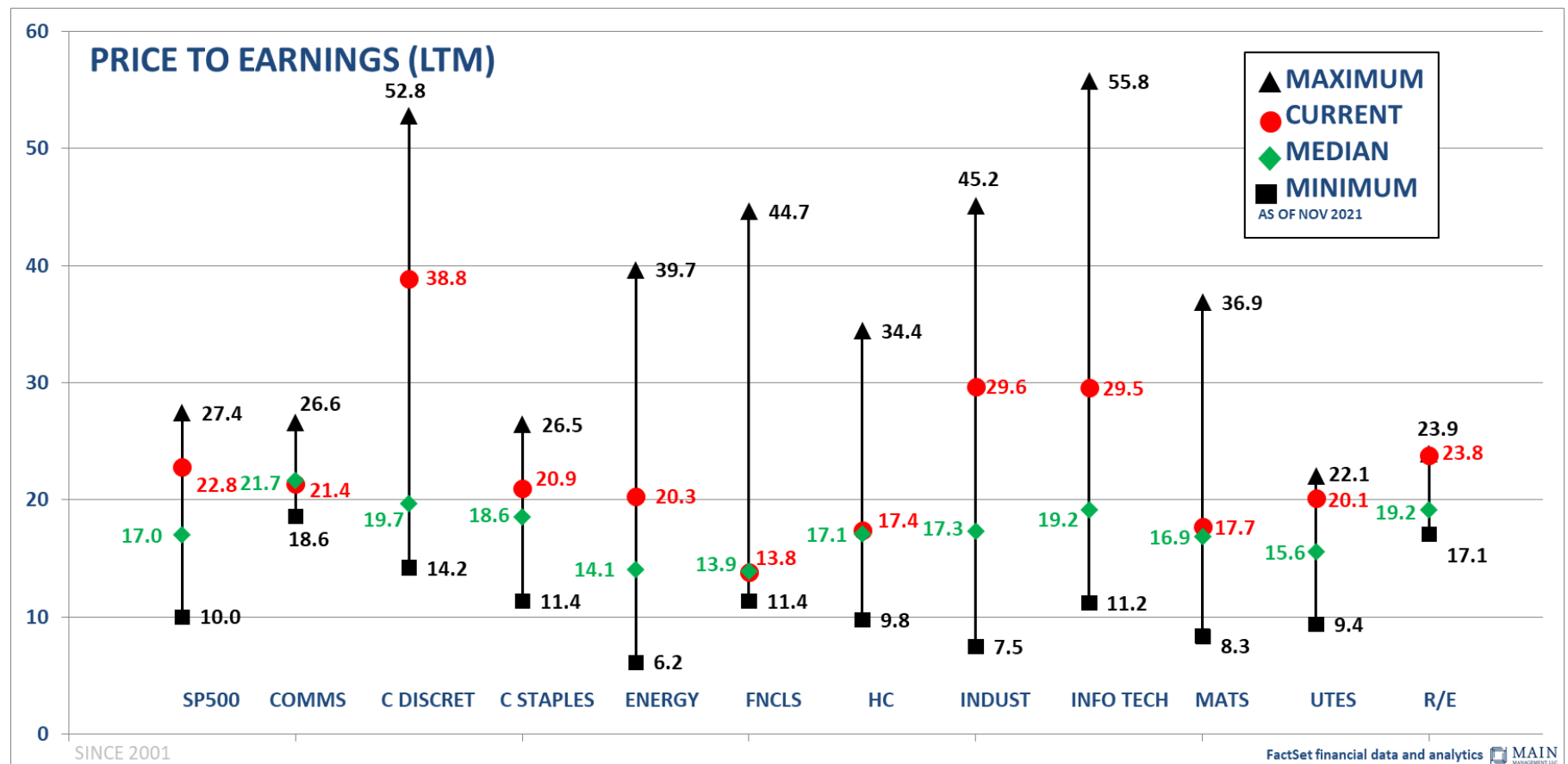
Broad Index Valuations

Below is a chart showing the current, median, and high/low values for the Price-to-Earnings value of several major global indices. This is just one of the data points we look at for our valuation work.



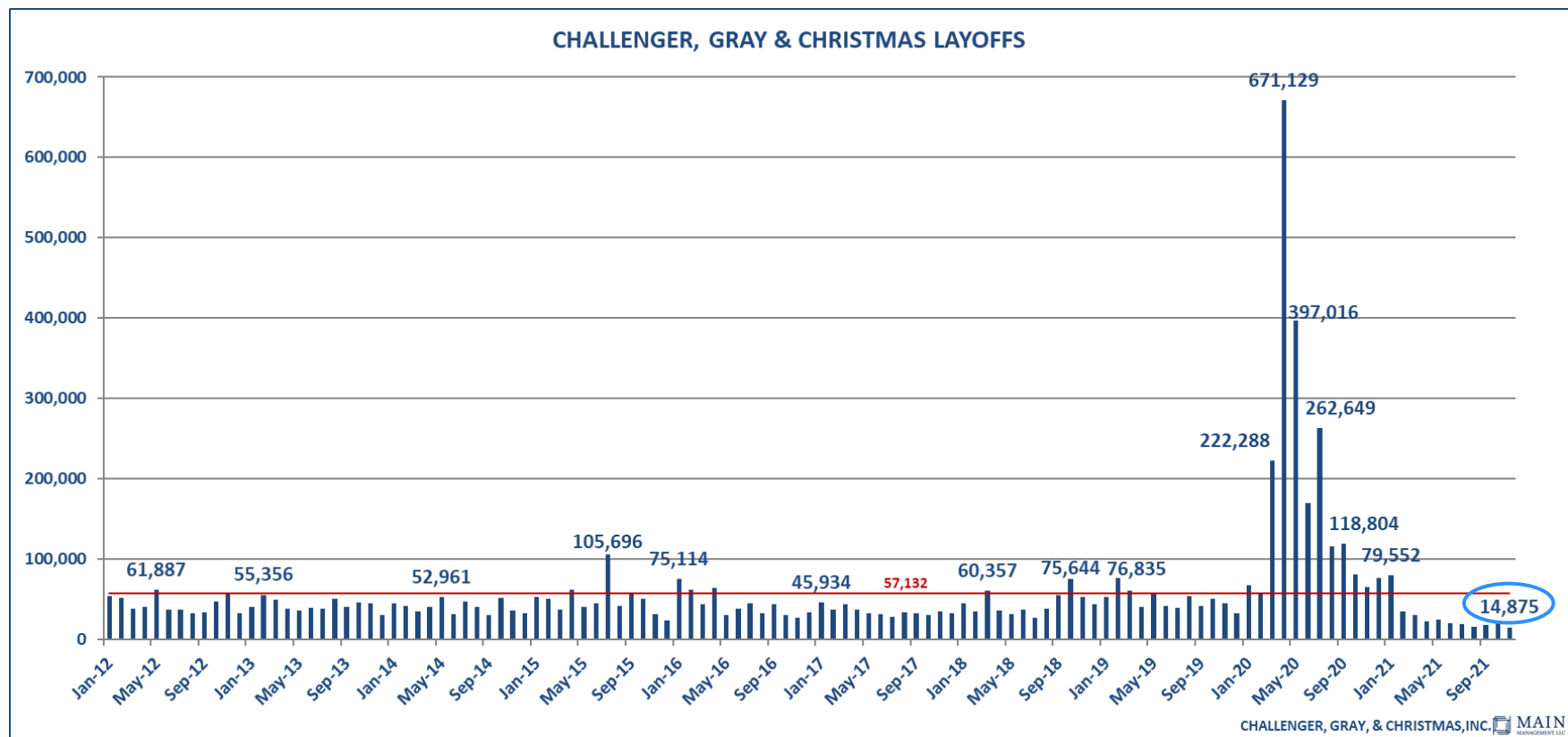
US Sector Valuations

Below is a chart showing the current, median, and high/low values for the Price-to-Earnings value of the 11 S&P 500 sectors. This is just one of the data points we look at for our valuation work.



Of Note This Week

The Challenger, Gray & Christmas Job Cut Announcement Report showed that firms announced 14,875 job cuts in November, the lowest monthly total since May 1993!! Cuts were down -35% M/M and are down -77% Y/Y. Firms are clearly reluctant to lay off workers in a tight labor market.



November Employment Report

Payrolls rose by 210,000, a sizeable miss from expectations of 573k. However, October and September were revised higher by 15k and 67k, respectively. The Unemployment Rate dropped to 4.2% and the Participation Rate improved to 61.8%. The Labor Force grew by 594,000 and the Household Employment Survey improved by 1.136 million, the biggest gain since October 2020. Earnings rose +0.26% M/M and were largely unchanged from October on a Y/Y basis at +4.80%.

| | | Nov-21 | Oct-21 | Nov-20 | Y/Y | M/M |
|----|--|---------|---------|---------|---------|--------|
| 1 | TOTAL NONFARM EMPLOYMENT (000s) | 148,611 | 148,401 | 142,809 | 4.06% | 0.14% |
| 2 | NONFARM EMPLOYMENT Δ FROM PRIOR PERIOD (000s) | 210 | 546 | 264 | | |
| 3 | CIVILIAN NON-INSTITUTIONAL POPULATION (000s) | 262,029 | 261,908 | 261,085 | 0.36% | 0.05% |
| 4 | CIVILIAN NON-INSTITUTIONAL POPULATION Δ FROM PRIOR PERIOD (000s) | 121 | 142 | 160 | | |
| 5 | CIVILIAN LABOR FORCE (000s) | 162,052 | 161,458 | 160,467 | 0.99% | 0.37% |
| 6 | CIVILIAN LABOR FORCE Δ FROM PRIOR PERIOD (000s) | 594 | 104 | -400 | | |
| 7 | PARTICIPATION RATE | 61.8% | 61.6% | 61.5% | 0.55% | 0.25% |
| 8 | EMPLOYED (000s) | 155,175 | 154,039 | 149,809 | 3.58% | 0.74% |
| 9 | EMPLOYED Δ FROM PRIOR PERIOD (000s) | 1,136 | 359 | 140 | | |
| 10 | EMPLOYED / POPULATION | 59.2% | 58.8% | 57.4% | 3.21% | 0.69% |
| 11 | UNEMPLOYED (000s) | 6,877 | 7,419 | 10,728 | -35.90% | -7.31% |
| 12 | UNEMPLOYED Δ FROM PRIOR PERIOD (000s) | -542 | -255 | -321 | | |
| 13 | UNEMPLOYMENT RATE (U3) | 4.2% | 4.6% | 6.7% | -37.31% | -8.70% |
| 14 | UNEMPLOYMENT RATE (U6) | 7.8% | 8.3% | 12.0% | -35.00% | -6.02% |
| 15 | PART-TIME FOR ECONOMIC REASONS (000s) | 4,286 | 4,423 | 6,641 | -35.46% | -3.10% |
| 16 | WANT A JOB Δ FROM PRIOR PERIOD (000s) | -137 | -45 | -27 | | |
| 17 | NOT IN LABOR FORCE (000s) | 99,977 | 100,450 | 100,548 | -0.57% | -0.47% |
| 18 | NOT IN LABOR FORCE Δ FROM PRIOR PERIOD (000s) | -473 | 38 | 341 | | |
| 19 | NOT IN LABOR FORCE / POPULATION | 38.2% | 38.4% | 38.5% | -0.93% | -0.52% |
| 20 | Δ IN NONFARM PAYROLLS LESS Δ IN THOSE LEAVING THE LABOR FORCE (000s) | 683 | 508 | -77 | | |
| 21 | AVERAGE HOURLY EARNINGS | \$31.03 | \$30.95 | \$29.61 | 4.80% | 0.26% |
| 22 | YEAR OVER YEAR Δ IN AVERAGE HOURLY EARNINGS | 4.80% | 4.84% | 4.52% | -- | -- |
| 23 | PRIVATE WEEKLY HOURS WORKED | 34.8 | 34.7 | 34.8 | 0.00% | 0.29% |
| 24 | MANUFACTURING WEEKLY HOURS WORKED | 40.4 | 40.3 | 40.3 | 0.25% | 0.25% |

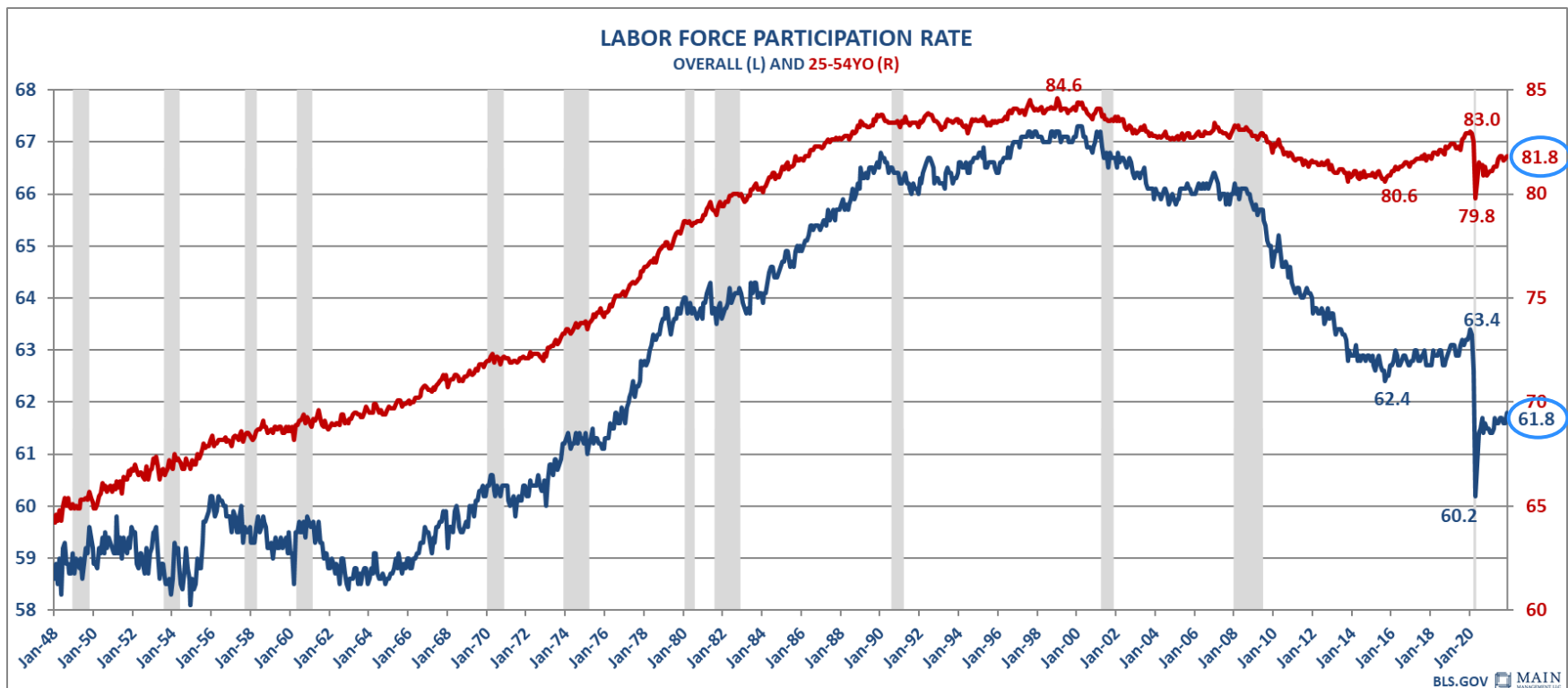
November Employment Report

From an industry standpoint, Professional & Business Services led the way adding +90,000 jobs, followed by Transportation & Warehousing at +50,000. The biggest laggards were Government which lost -25,000 jobs and then Retail Trade which shed -20,000 jobs.

| EMPLOYMENT BY SELECTED INDUSTRY, SEASONALLY ADJUSTED (000's) | | | | | |
|--|---------|------------|-------|--------|--------|
| INDUSTRY | Nov-21 | % OF TOTAL | 1MO Δ | %Δ M/M | %Δ Y/Y |
| TOTAL NONFARM | 148,611 | 100.0% | 210 | 0.1% | 4.1% |
| TOTAL PRIVATE | 126,711 | 85.3% | 235 | 0.2% | 4.4% |
| GOODS PRODUCING | 20,724 | 13.9% | 60 | 0.3% | 2.9% |
| MINING AND LOGGING | 645 | 0.4% | -2 | -0.3% | 8.0% |
| CONSTRUCTION | 7,533 | 5.1% | 31 | 0.4% | 2.4% |
| MANUFACTURING | 12,546 | 8.4% | 31 | 0.2% | 2.9% |
| DURABLE GOODS | 7,800 | 5.2% | 15 | 0.2% | 2.9% |
| MOTOR VEHICLES AND PARTS | 924 | 0.6% | -10 | -1.1% | 1.9% |
| NONDURABLE GOODS | 4,746 | 3.2% | 16 | 0.3% | 2.8% |
| PRIVATE SERVICE-PROVIDING | 105,987 | 71.3% | 175 | 0.2% | 4.8% |
| WHOLESALE TRADE | 5,747 | 3.9% | 8 | 0.1% | 2.6% |
| RETAIL TRADE | 15,434 | 10.4% | -20 | -0.1% | 2.0% |
| TRANSPORTATION & WAREHOUSING | 6,033 | 4.1% | 50 | 0.8% | 5.6% |
| UTILITIES | 536 | 0.4% | 0 | -0.1% | -0.6% |
| INFORMATION | 2,791 | 1.9% | -2 | -0.1% | 5.3% |
| FINANCIAL ACTIVITIES | 8,905 | 6.0% | 13 | 0.1% | 1.7% |
| PROFESSIONAL AND BUSINESS SERVICES | 21,400 | 14.4% | 90 | 0.4% | 4.9% |
| TEMPORARY HELP SERVICES | 2,792 | 1.9% | 6 | 0.2% | 9.1% |
| EDUCATION AND HEALTH SERVICES | 23,772 | 16.0% | 4 | 0.0% | 2.1% |
| HEALTH CARE AND SOCIAL ASSISTANCE | 20,149 | 13.6% | 6 | 0.0% | 1.3% |
| LEISURE AND HOSPITALITY | 15,581 | 10.5% | 23 | 0.1% | 14.3% |
| OTHER SERVICES | 5,787 | 3.9% | 10 | 0.2% | 5.5% |
| GOVERNMENT | 21,900 | 14.7% | -25 | -0.1% | 1.9% |

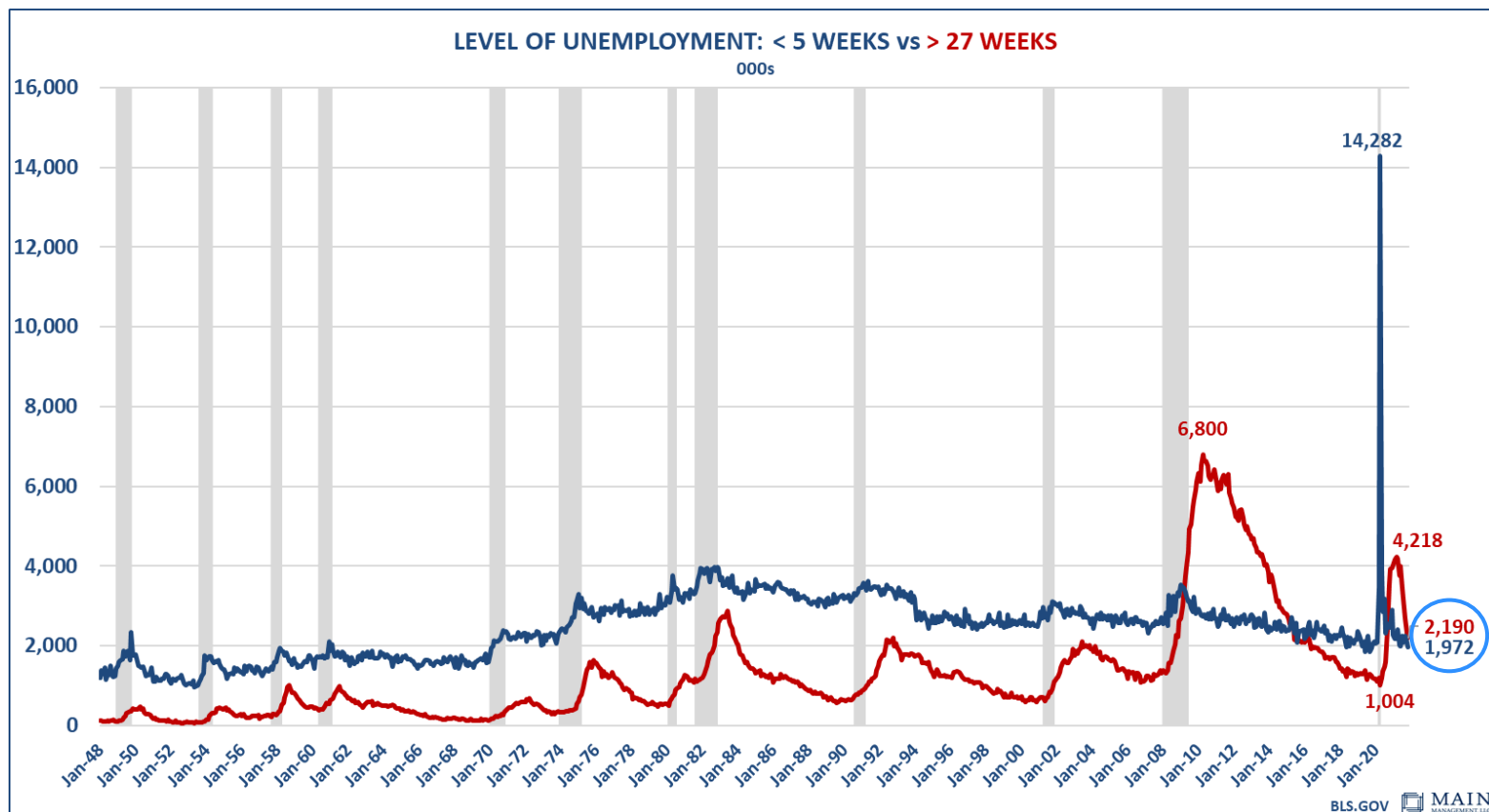
November Employment Report

The Overall Participation Rate rose to 61.8% from 61.6%, the highest since March 2020. The 25-54yo Participation Rate also improved, rising to 81.8% from 81.7%, tied for the highest since March 2020. It would be great to see these continue higher in the coming months...



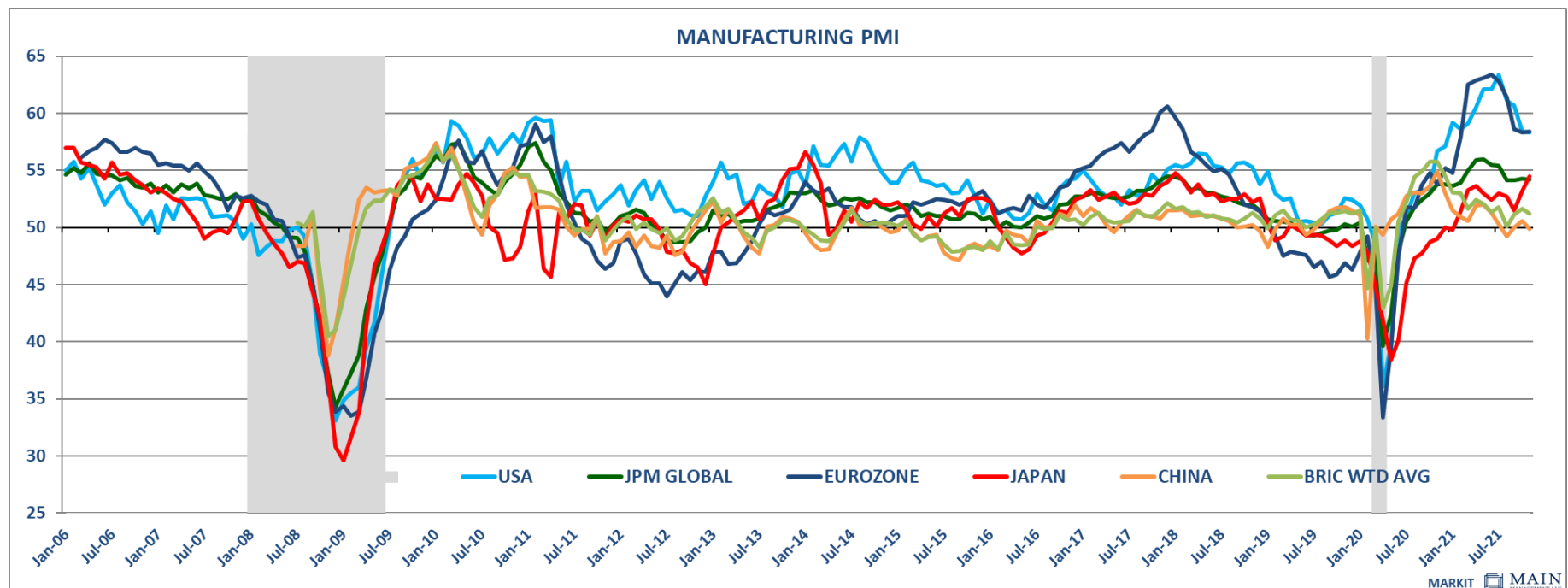
November Employment Report

Here's Long Term vs Short Term Unemployment. It is encouraging to see the LT figure decline to 2.19 million, the lowest since August 2020. That LT figure has a high correlation with the Unemployment Rate. The ST figure also declined to 1.972 million, the lowest since October 2019.



November PMIs

On the whole, Manufacturing PMIs moderated a bit in November but remain solidly in expansion territory for the most part. The U.S. ticked down to 58.3 from 58.4. The JPM Global index edged lower to 54.2 from 54.3. The Eurozone inched up to 58.4 from 58.3. Japan improved to 54.5 from 56.2, the best since January 2018! China moved into contraction at 49.9 and took the BRIC weighted average down with it as well.



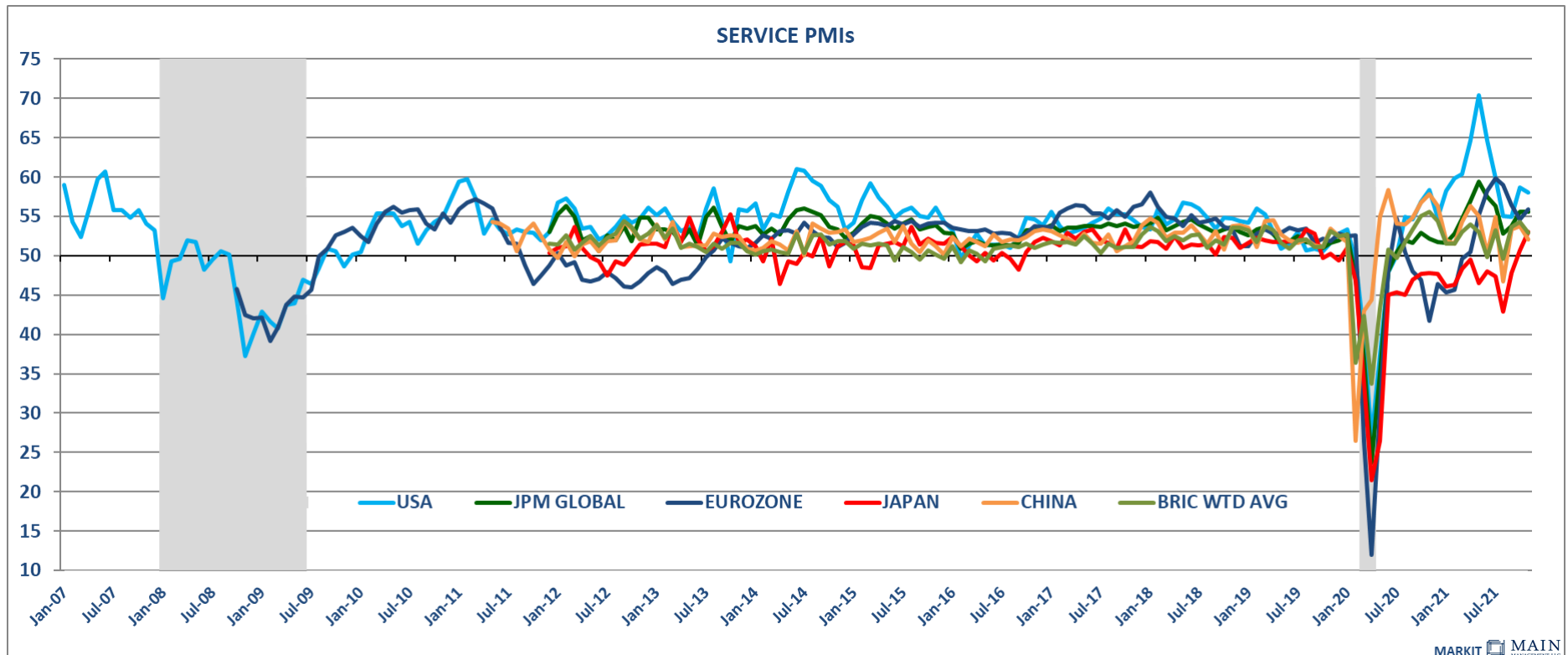
November PMIs

Here's a heatmap of the Manufacturing PMI indices we are tracking. The overall average was basically flat at 55.4 versus 55.3 in October. 18 of the 21 countries we track are above 50, or in expansion territory. China, Brazil, and Mexico are the only countries we track that are in contraction.

| DATE | Dec-19 | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 |
|------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| JPM GLOBAL | 50.1 | 50.4 | 47.1 | 47.6 | 39.6 | 42.4 | 47.9 | 50.6 | 51.8 | 52.4 | 53.0 | 53.8 | 53.8 | 53.6 | 53.9 | 55.0 | 55.9 | 56.0 | 55.5 | 55.4 | 54.1 | 54.1 | 54.3 | 54.2 |
| EUROZONE | 46.3 | 47.9 | 49.2 | 44.5 | 33.4 | 39.4 | 47.4 | 51.8 | 51.7 | 53.7 | 54.8 | 53.8 | 55.2 | 54.8 | 57.9 | 62.5 | 62.9 | 63.1 | 63.4 | 62.8 | 61.4 | 58.6 | 58.3 | 58.4 |
| BRIC | 51.2 | 51.5 | 44.7 | 49.9 | 42.9 | 44.9 | 50.5 | 52.2 | 54.4 | 54.9 | 55.7 | 55.8 | 54.5 | 53.1 | 53.0 | 51.7 | 52.4 | 52.0 | 51.4 | 51.8 | 50.1 | 51.2 | 51.6 | 51.2 |
| EUROPE DM | 48.6 | 49.6 | 50.5 | 43.7 | 33.4 | 40.5 | 48.0 | 52.0 | 51.2 | 52.1 | 52.4 | 51.2 | 53.5 | 53.5 | 55.6 | 59.7 | 61.2 | 62.5 | 62.3 | 62.1 | 61.5 | 59.7 | 59.5 | 59.2 |
| ASIA DM | 49.7 | 50.1 | 47.4 | 39.1 | 35.0 | 32.8 | 41.7 | 45.4 | 45.5 | 46.4 | 48.7 | 47.9 | 50.3 | 51.4 | 53.2 | 53.4 | 52.7 | 53.7 | 51.3 | 54.9 | 52.4 | 52.7 | 52.8 | 53.3 |
| ASIA EM | 50.5 | 50.5 | 48.0 | 46.4 | 38.7 | 41.0 | 46.2 | 49.0 | 50.1 | 51.5 | 51.9 | 53.0 | 53.7 | 53.7 | 53.8 | 54.7 | 55.6 | 55.2 | 52.1 | 49.6 | 48.6 | 49.9 | 53.1 | 52.4 |
| USA | 52.4 | 51.9 | 50.7 | 48.5 | 36.1 | 39.8 | 49.8 | 50.9 | 53.1 | 53.2 | 53.4 | 56.7 | 57.1 | 59.2 | 58.6 | 59.1 | 60.5 | 62.1 | 62.1 | 63.4 | 61.1 | 60.7 | 58.4 | 58.3 |
| UK | 47.5 | 50.0 | 51.7 | 47.8 | 32.6 | 40.7 | 50.1 | 53.3 | 55.2 | 54.1 | 53.7 | 55.6 | 57.5 | 54.1 | 55.1 | 58.9 | 60.9 | 65.6 | 63.9 | 60.4 | 60.3 | 57.1 | 57.8 | 58.1 |
| GERMANY | 43.7 | 45.3 | 48.0 | 45.4 | 34.5 | 36.6 | 45.2 | 51.0 | 52.2 | 56.4 | 58.2 | 57.8 | 58.3 | 57.1 | 60.7 | 66.6 | 66.2 | 64.4 | 65.1 | 65.9 | 62.6 | 58.4 | 57.8 | 57.4 |
| FRANCE | 50.4 | 51.1 | 49.7 | 43.2 | 31.5 | 40.6 | 52.3 | 52.4 | 49.8 | 51.2 | 51.3 | 49.6 | 51.1 | 51.6 | 56.1 | 59.3 | 58.9 | 59.4 | 59.0 | 58.0 | 57.5 | 55.0 | 53.6 | 55.9 |
| ITALY | 46.2 | 48.9 | 48.7 | 40.3 | 31.1 | 45.4 | 47.5 | 51.9 | 53.1 | 53.2 | 53.8 | 51.5 | 52.8 | 55.1 | 56.9 | 59.8 | 60.7 | 62.3 | 62.2 | 60.3 | 60.9 | 59.7 | 61.1 | 62.8 |
| SPAIN | 47.4 | 48.5 | 50.4 | 45.7 | 30.8 | 38.3 | 49.0 | 53.5 | 49.9 | 50.8 | 52.5 | 49.8 | 51.0 | 49.3 | 52.9 | 56.9 | 57.7 | 59.4 | 60.4 | 59.0 | 59.5 | 58.1 | 57.4 | 57.1 |
| SWITZ | 48.8 | 47.8 | 49.5 | 43.7 | 40.7 | 42.1 | 41.9 | 49.2 | 51.8 | 53.1 | 52.3 | 55.2 | 57.3 | 59.4 | 61.3 | 66.3 | 69.5 | 69.9 | 66.7 | 71.1 | 67.7 | 68.1 | 65.4 | 62.5 |
| GREECE | 53.9 | 54.4 | 56.2 | 42.5 | 29.5 | 41.1 | 49.4 | 48.6 | 49.4 | 50.0 | 48.7 | 42.3 | 46.9 | 50.0 | 49.4 | 51.8 | 54.4 | 58.0 | 58.6 | 57.4 | 59.3 | 58.4 | 58.9 | 58.8 |
| IRELAND | 49.5 | 51.4 | 51.2 | 45.1 | 36.0 | 39.2 | 51.0 | 57.3 | 52.3 | 50.0 | 50.3 | 52.2 | 57.2 | 51.8 | 52.0 | 57.1 | 60.8 | 64.1 | 64.0 | 63.3 | 62.8 | 60.3 | 62.1 | 59.9 |
| AUSTRALIA | 48.3 | 45.4 | 44.3 | 53.7 | 35.8 | 41.6 | 51.5 | 53.5 | 49.3 | 46.7 | 56.3 | 52.1 | 52.1 | 55.3 | 58.8 | 59.9 | 61.7 | 61.8 | 63.2 | 60.8 | 51.6 | 51.2 | 50.4 | 54.8 |
| JAPAN | 48.4 | 48.8 | 47.8 | 44.8 | 41.9 | 38.4 | 40.1 | 45.2 | 47.3 | 47.7 | 48.7 | 49.0 | 50.0 | 49.8 | 51.4 | 53.3 | 53.6 | 53.0 | 52.4 | 53.0 | 52.7 | 51.5 | 53.2 | 54.5 |
| SINGAPORE | 51.0 | 51.4 | 47.0 | 33.3 | 28.1 | 27.1 | 43.2 | 45.6 | 43.6 | 45.1 | 48.6 | 46.7 | 50.5 | 52.9 | 54.9 | 53.5 | 51.8 | 54.4 | 50.1 | 56.7 | 52.1 | 53.8 | 52.3 | 52.0 |
| CHINA | 51.5 | 51.1 | 40.3 | 50.1 | 49.4 | 50.7 | 51.2 | 52.8 | 53.1 | 53.0 | 53.6 | 54.9 | 53.0 | 51.5 | 50.9 | 50.6 | 51.9 | 52.0 | 51.3 | 50.3 | 49.2 | 50.0 | 50.6 | 49.9 |
| RUSSIA | 47.5 | 47.9 | 48.2 | 47.5 | 31.3 | 36.2 | 49.4 | 48.4 | 51.1 | 48.9 | 46.9 | 46.3 | 49.7 | 50.9 | 51.5 | 51.1 | 50.4 | 51.9 | 49.2 | 47.5 | 46.5 | 49.8 | 51.6 | 51.7 |
| BRAZIL | 50.2 | 51.0 | 52.3 | 48.4 | 36.0 | 38.3 | 51.6 | 58.2 | 64.7 | 64.9 | 66.7 | 64.0 | 61.5 | 56.5 | 58.4 | 52.8 | 52.3 | 53.7 | 56.4 | 56.7 | 53.6 | 54.4 | 51.7 | 49.8 |
| INDIA | 52.7 | 55.3 | 54.5 | 51.8 | 27.4 | 30.8 | 47.2 | 46.0 | 52.0 | 56.8 | 58.9 | 56.3 | 56.4 | 57.7 | 57.5 | 55.4 | 55.5 | 50.8 | 48.1 | 55.3 | 52.3 | 53.7 | 55.9 | 57.6 |
| INDONESIA | 49.5 | 49.3 | 51.9 | 45.3 | 27.5 | 28.6 | 39.1 | 46.9 | 50.8 | 47.2 | 47.8 | 50.6 | 51.3 | 52.2 | 50.9 | 53.2 | 54.6 | 55.3 | 53.5 | 40.1 | 43.7 | 52.2 | 57.2 | 53.9 |
| TAIWAN | 50.8 | 51.8 | 49.9 | 50.4 | 42.2 | 41.9 | 46.2 | 50.6 | 52.2 | 55.2 | 55.1 | 56.9 | 59.4 | 60.2 | 60.4 | 60.8 | 62.4 | 62.0 | 57.6 | 59.7 | 58.5 | 54.7 | 55.2 | 54.9 |
| MEXICO | 47.1 | 49.0 | 50.3 | 47.9 | 35.0 | 38.3 | 38.6 | 40.4 | 41.3 | 42.1 | 43.6 | 43.7 | 42.4 | 43.0 | 44.2 | 45.6 | 48.4 | 47.6 | 48.8 | 49.6 | 47.1 | 48.6 | 49.3 | 49.4 |
| VIETNAM | 50.8 | 50.6 | 49.0 | 41.9 | 32.7 | 42.7 | 51.1 | 47.6 | 45.7 | 52.2 | 51.8 | 49.9 | 51.7 | 51.3 | 51.6 | 53.6 | 54.7 | 53.1 | 44.1 | 45.1 | 40.2 | 40.2 | 52.1 | 52.2 |
| S. KOREA | 50.1 | 49.8 | 48.7 | 44.2 | 41.6 | 41.3 | 43.4 | 46.9 | 48.5 | 49.8 | 51.2 | 52.9 | 52.9 | 53.2 | 55.3 | 55.3 | 54.6 | 53.7 | 53.9 | 53.0 | 51.2 | 52.4 | 50.2 | 50.9 |
| AVERAGE | 49.4 | 50.0 | 49.5 | 45.8 | 34.8 | 39.0 | 47.1 | 50.0 | 50.8 | 51.5 | 52.5 | 52.1 | 53.3 | 53.4 | 54.7 | 56.2 | 57.2 | 57.8 | 56.7 | 56.5 | 54.8 | 54.7 | 55.3 | 55.4 |
| % Δ | -0.2% | 1.3% | -1.0% | -7.6% | -23.9% | 12.0% | 20.6% | 6.2% | 1.5% | 1.4% | 2.0% | -0.9% | 2.4% | 0.2% | 2.4% | 2.8% | 1.7% | 1.1% | -2.0% | -0.3% | -3.1% | -0.2% | 1.2% | 0.0% |

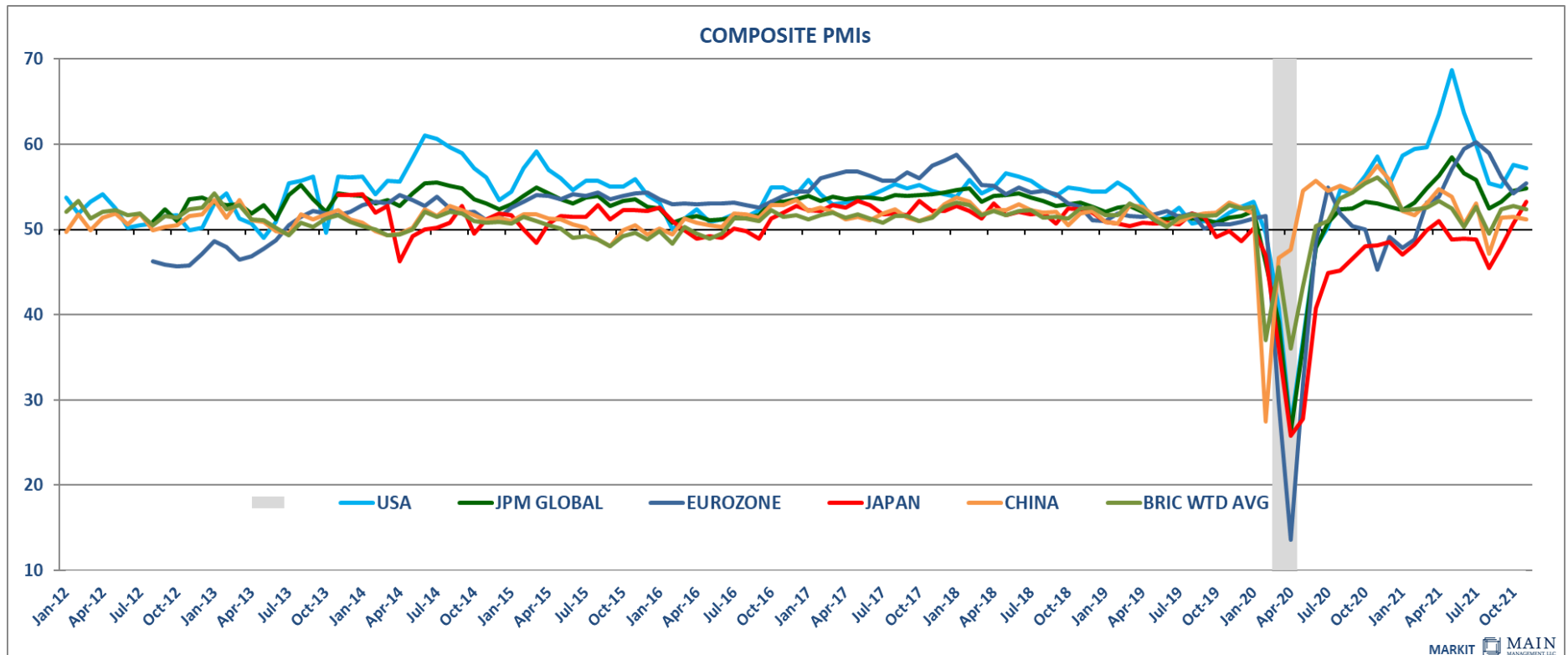
November PMIs

Service PMIs are similar to Manufacturing – moderation with Japan showing solid strength. The U.S. declined to 58.0 from 58.7. The JPM Global Index was unchanged at 55.6. The Eurozone improved to 55.9 from 54.6. Japan jumped to 53.0 from 50.7, a 27-month high! China declined to 52.1 from 53.8 and the BRIC weighted average declined to 52.9 from 54.3.



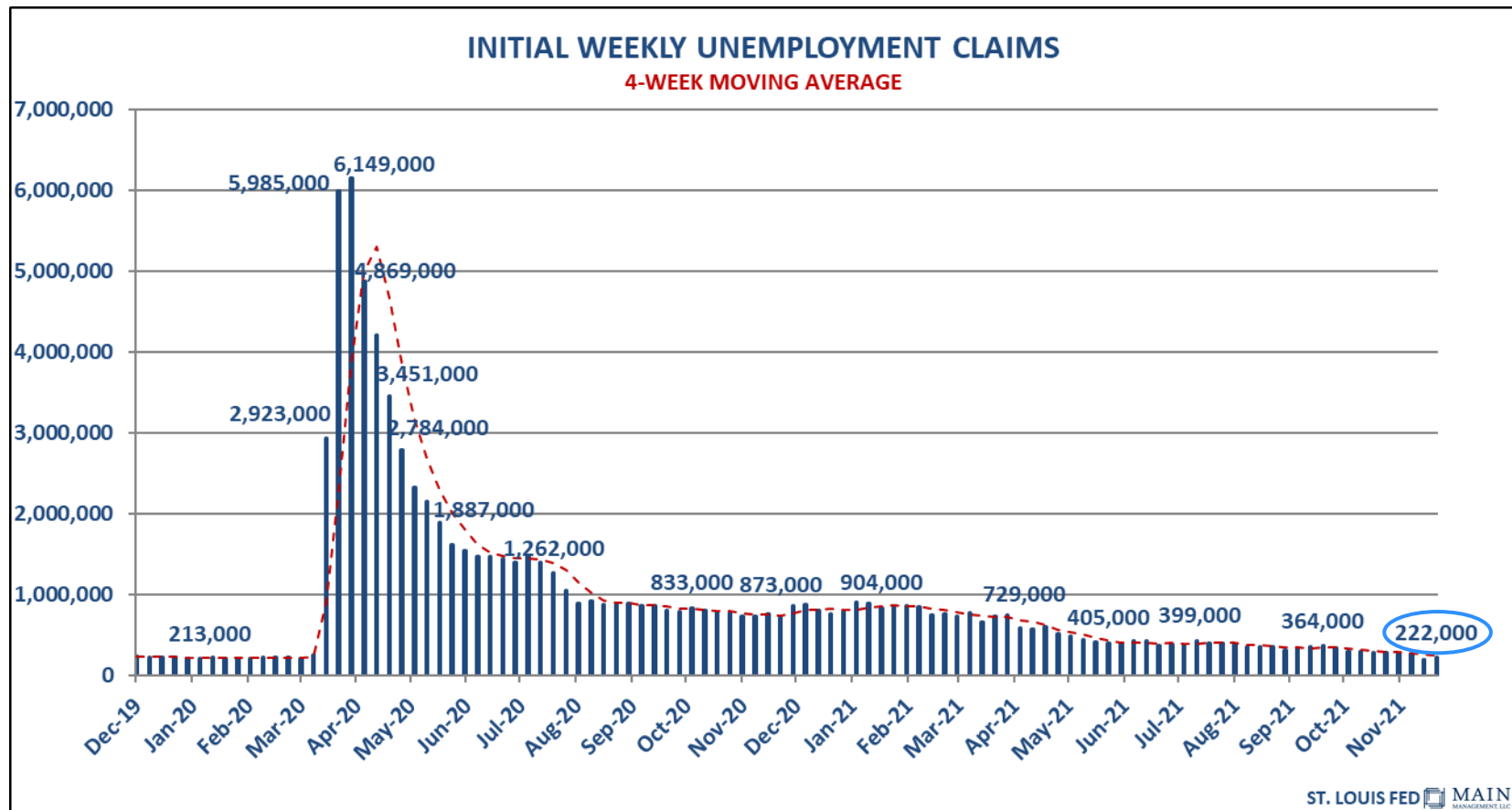
November PMIs

Unsurprisingly, Composite PMIs were similar to the Manufacturing and Service figures. The U.S. moved down to 57.2 from 57.6. The JPM Global Index rose to 54.8 from 54.5. The Eurozone increased to 55.4 from 54.2 and Japan rose to 53.3 from 50.7, the best since October 2017! China inched lower to 51.2 from 51.5 and the BRIC weighted average declined to 52.3 from 52.7.



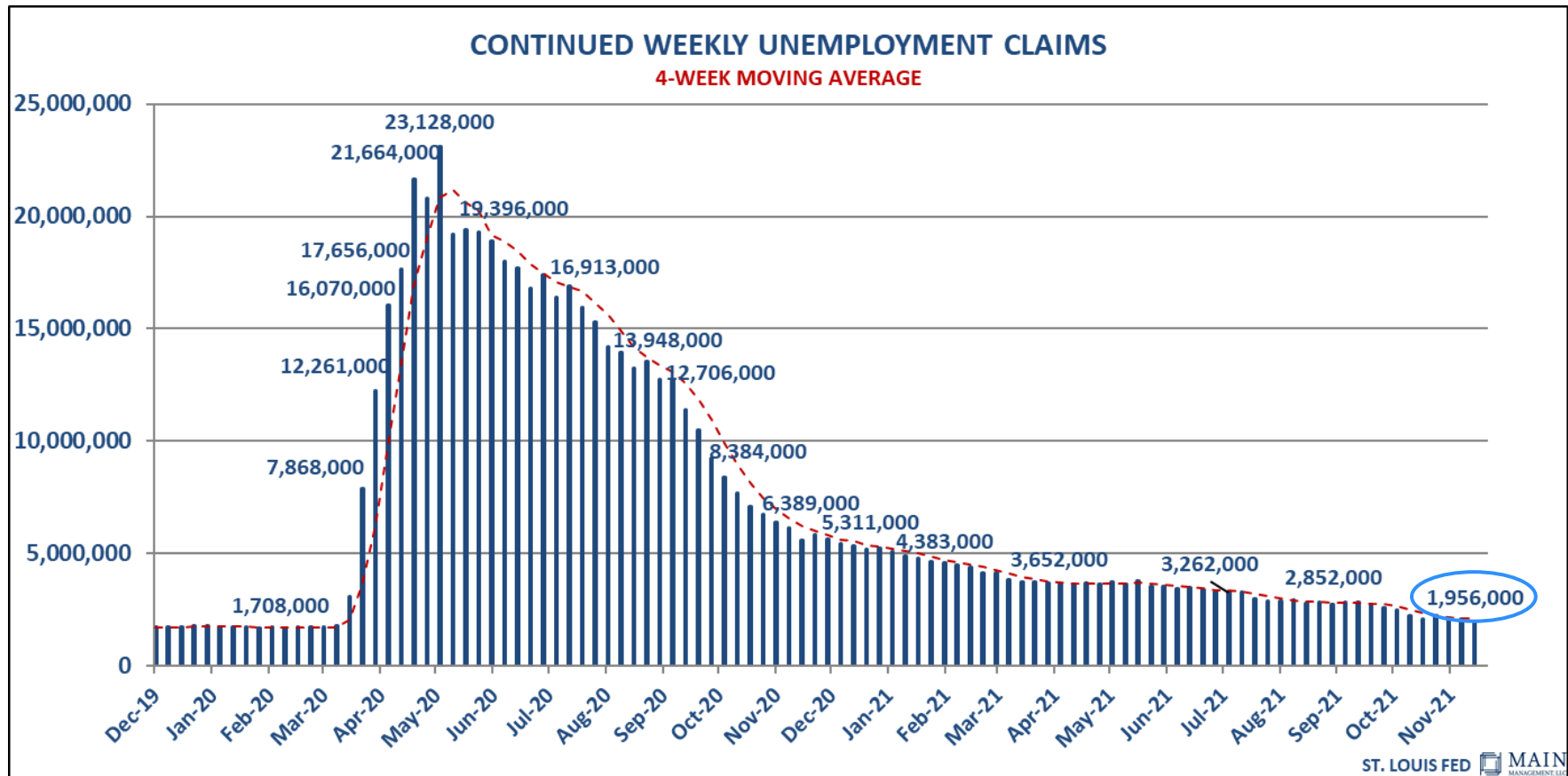
Unemployment Claims

Initial Unemployment Claims ticked a bit higher to 222,000 for the week ended Nov. 27. However, they did drop below 200k to 194,000 for the week ended Nov. 20, the first time they've been below 200k since November 1969! The 4-week moving average is now at the lowest level since March 14, 2020.



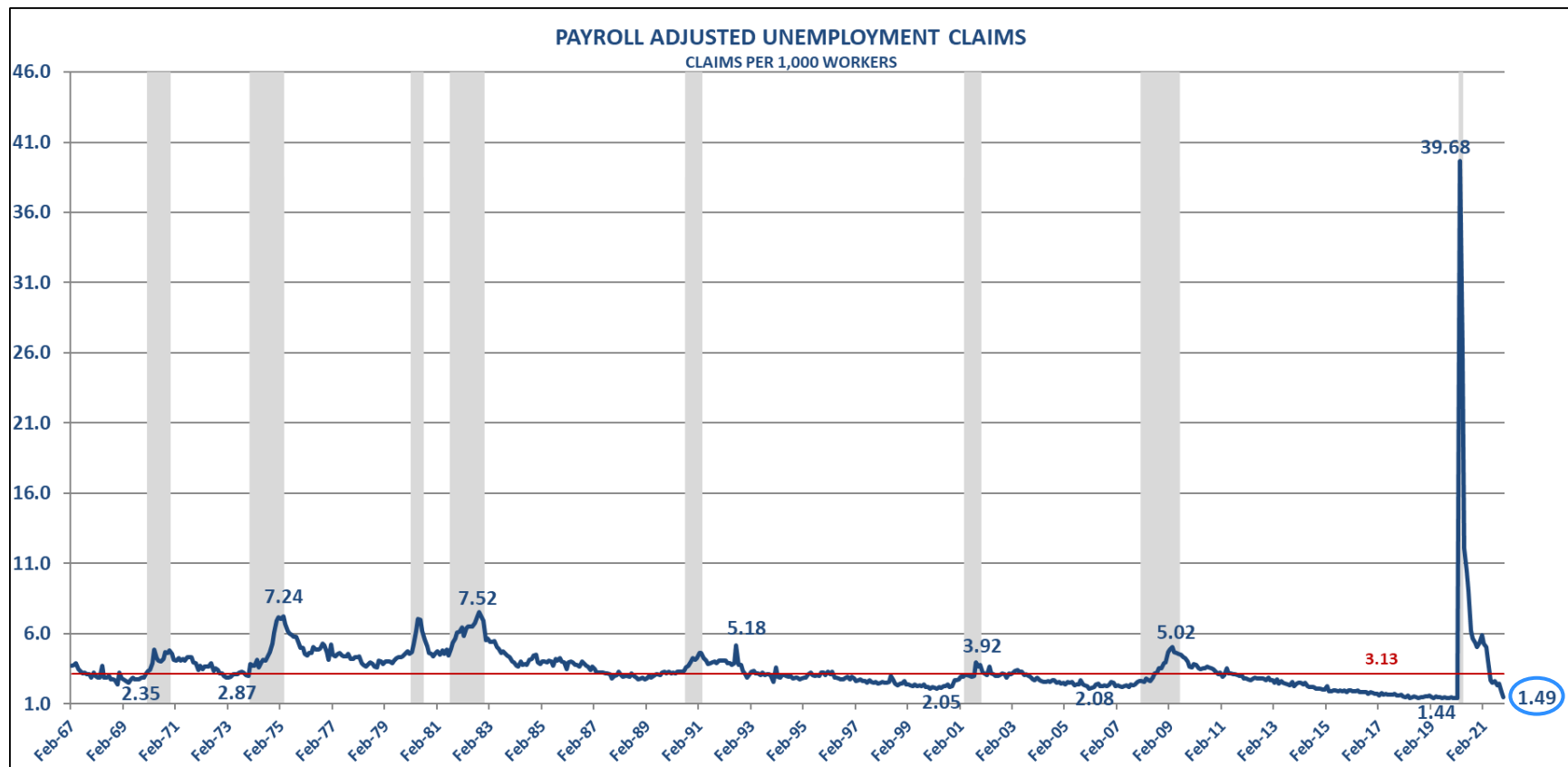
Unemployment Claims

Continued Claims fell to 1.956 million for the week ended Nov. 27, their first time below the 2 million level since March 2020.



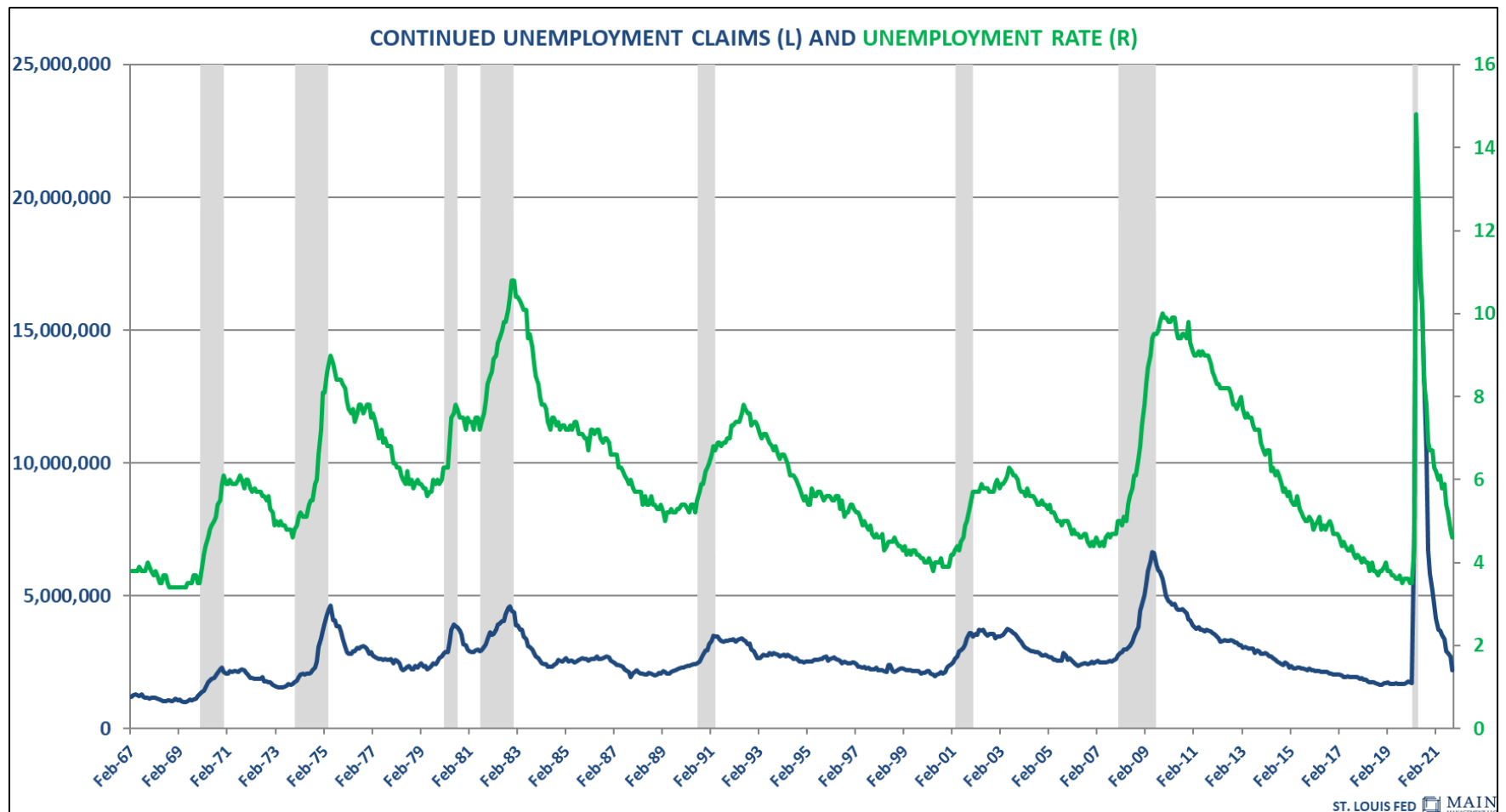
Unemployment Claims

On a payroll-adjusted basis, Initial Claims are now at 1.49 claims per 1,000 workers, the lowest level since the pandemic. For some perspective, the median since the last peak in March 2009 was 2.39 claims per 1,000 workers and the lowest reading was 1.38, so the retracement here has been remarkably quick.

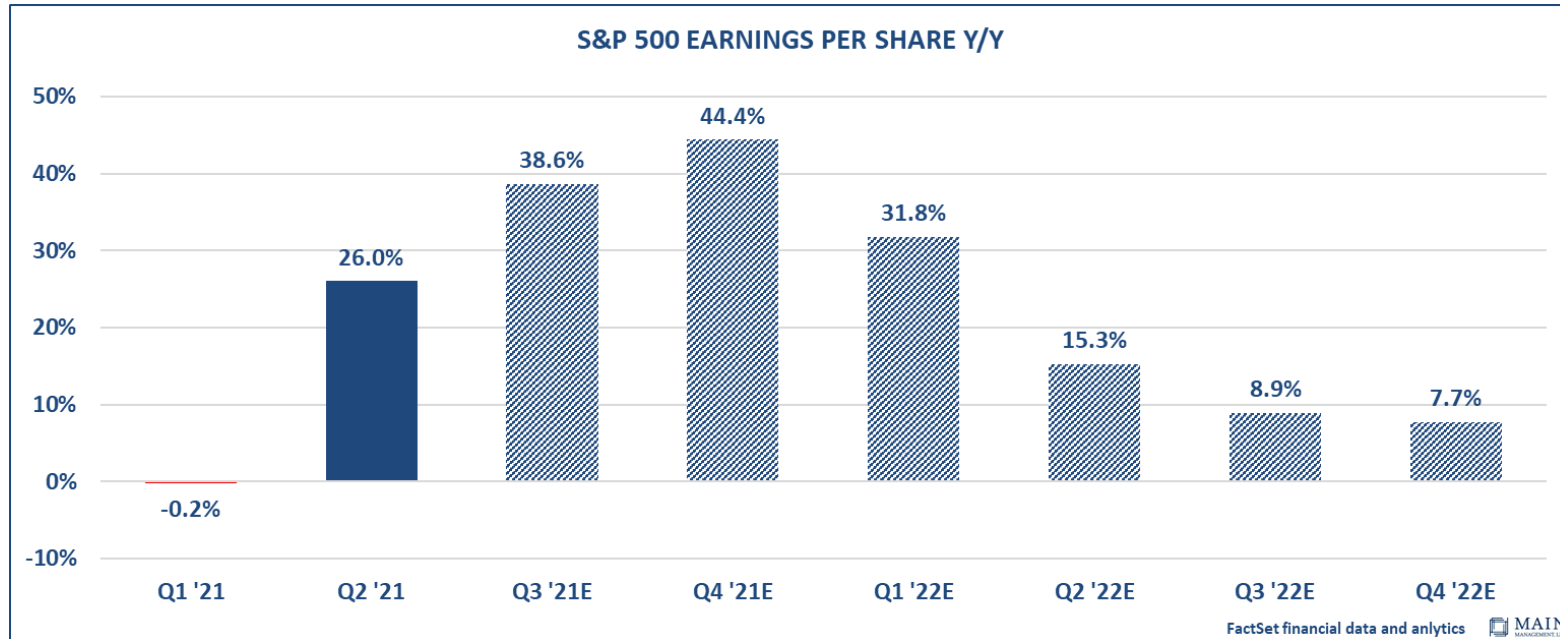


Unemployment Claims

As you can see below, Continued Claims track quite closely with the Unemployment Rate, which dropped to 4.2% in November from 4.6% in October.



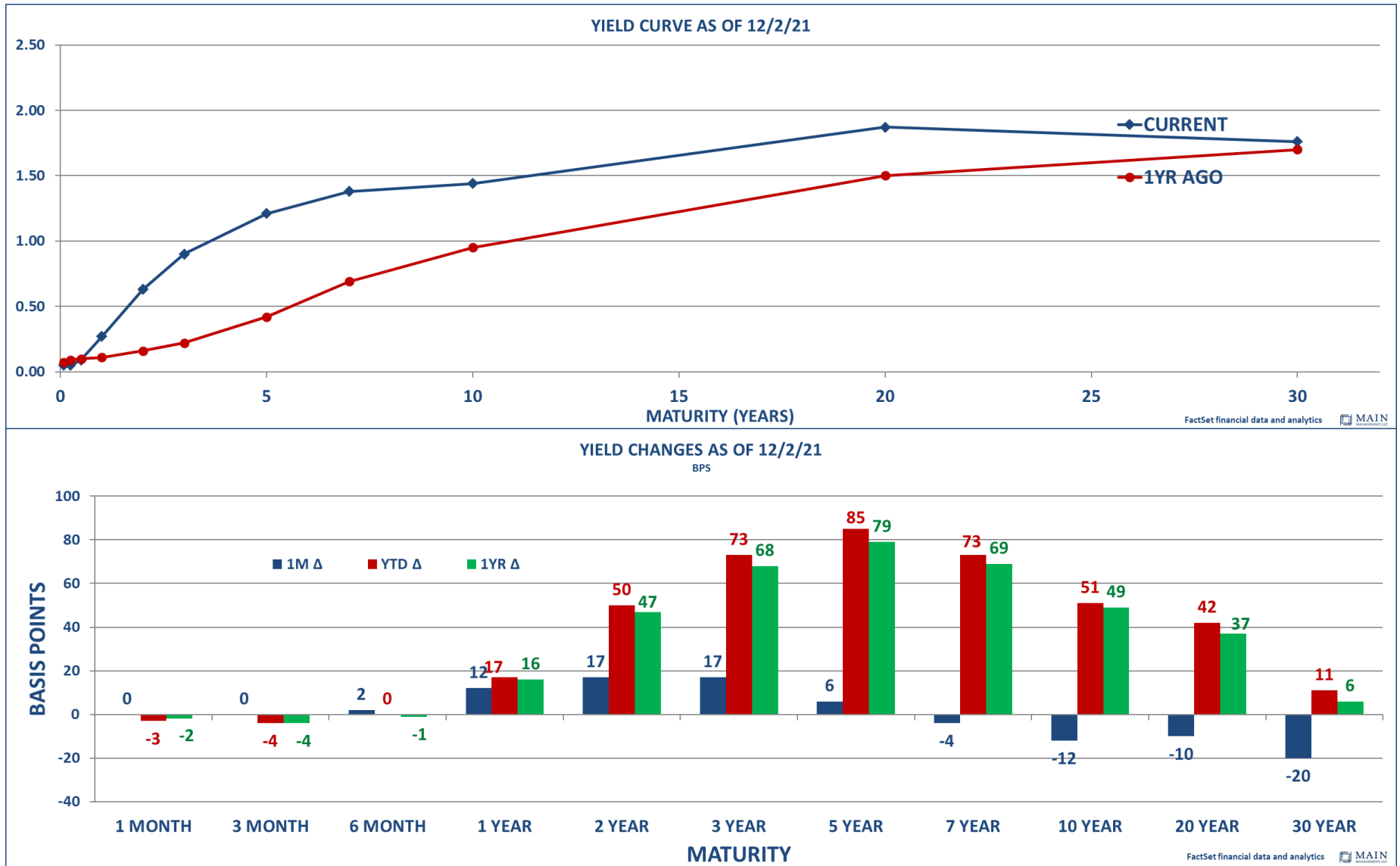
S&P 500 Earnings Estimates



| S&P 500 EARNINGS ESTIMATES | | | | CHANGE | | | |
|----------------------------|----------|----------|----------|--------|---------|--------|---------|
| PERIOD | 12/3/21 | 1WK AGO | 1MO AGO | 1WK %Δ | 1WK \$Δ | 1MO %Δ | 1MO \$Δ |
| 1Q21 | \$48.62 | \$48.62 | \$48.62 | -- | -- | -- | -- |
| 2Q21 | \$52.26 | \$52.26 | \$52.26 | -- | -- | -- | -- |
| 3Q21E | \$53.11 | \$53.11 | \$52.86 | 0.00% | \$0.00 | 0.47% | \$0.25 |
| 4Q21E | \$50.42 | \$50.34 | \$50.41 | 0.16% | \$0.08 | 0.02% | \$0.01 |
| 1Q22E | \$51.47 | \$51.48 | \$51.45 | -0.02% | -\$0.01 | 0.04% | \$0.02 |
| 2Q22E | \$54.52 | \$54.50 | \$54.26 | 0.04% | \$0.02 | 0.48% | \$0.26 |
| 3Q22E | \$56.88 | \$56.83 | \$56.41 | 0.09% | \$0.05 | 0.83% | \$0.47 |
| 4Q22E | \$57.29 | \$57.25 | \$56.89 | 0.07% | \$0.04 | 0.70% | \$0.40 |
| 2020 | \$138.68 | \$138.68 | \$138.68 | -- | -- | -- | -- |
| 2021E | \$203.02 | \$202.86 | \$202.29 | 0.08% | \$0.16 | 0.36% | \$0.73 |
| 2022E | \$220.28 | \$220.12 | \$219.35 | 0.07% | \$0.16 | 0.42% | \$0.93 |

FactSet financial data and analytics

Yields



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