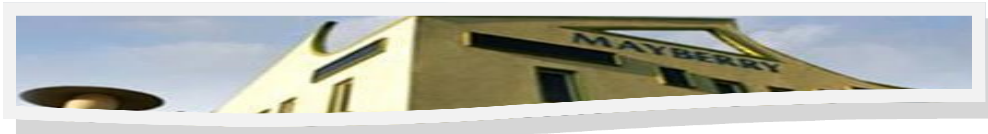


VOLUME 1
JULY 2018

MAYBERRY INVESTMENTS LIMITED

ECONOMIC SUMMARY

UNITED STATES

GROSS DOMESTIC PRODUCT

Real gross domestic product (GDP) rose over the year at a rate of 4.1% in the second quarter of 2018, according to the advance estimate released by the Bureau of Economic Analysis. Revised real GDP went up 2.2% within the first quarter.

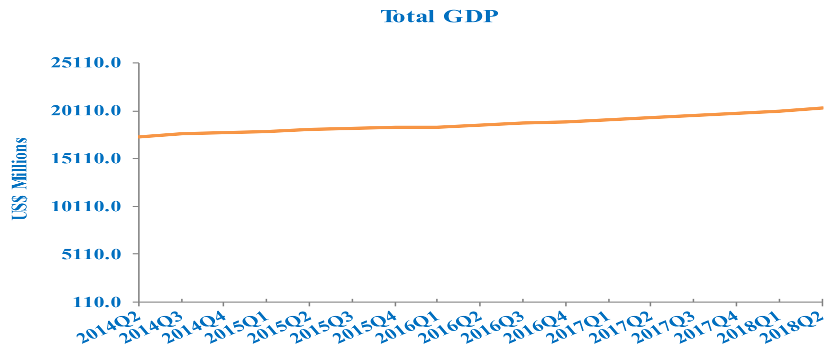
The increase in real GDP for the second quarter was derived from mainly positive contributions from exports, non-residential fixed investment, personal consumption expenditure (PCE), federal government spending, and state and local government spending.

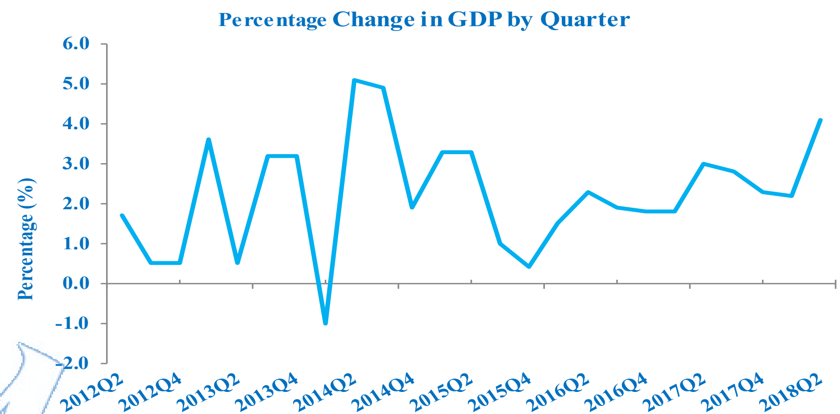
This was partially impacted by the negative contribution from residential fixed investment and private inventory investments. Imports, a deduction of the calculation of GDP, rose over the period.

Real GDP growth accelerated as a result of rises in the second quarter in exports and PCE, a minute decline in residential fixed investment as well as accelerations in federal government spending and in state and local spending. However, this was tempered by decline in private inventory investment and a deceleration in non-residential fixed investment.

“Current-dollar GDP increased 7.4%, or $361.5 billion, in the second quarter to a level of $20.4 trillion compared to first quarter where current-dollar GDP increased 4.3%, or $209.2 billion”, according to the Bureau Economic Analysis.

“The price index for GDP purchases moved up 2.3% in the second quarter, compared to a rise of 2.5% in the first quarter. The PCE price index went up 1.8%, relative to a advance of 2.5%. With the exception of food and energy prices, the PCE price index increased 2.0%, relative to a 2.2% climb.”





UNEMPLOYMENT

Total nonfarm payroll employment climbed by157,000 in July, with the rate of unemployment moved down to 3.9%. Employment rose in the various areas of health care, professional, business services and manufacturing and social assistance. In July , the unemployment rate decreased by 0.1% to 3.9% with the number of unemployed persons down to to 6.3 million (284,000). Reflecting a year ago, unemployment rate went down by 676,000 and jobless rate by 0.4%.

Long-term unemployed (those jobless for 27 weeks or more) was basically the same at 1.4 million in July and accounted for 22.7% of the unemployed.

Labour force participation rate was 62.9% in July which remained the same over the month and year. In addition, the employment-population ratio at 60.5% for July, a 0.3% change since last year.

Involuntary part-time workers or the number of persons employed part time for economic reasons experienced a slight change at 4.6 million in July, a decline of 669,000. These persons who would have wanted full time employment, worked part time due to a reduction of hours or the inability to find a full-time job.

There were 1.5 million individuals marginally attached to the labour force, a small change compared to last year. These persons were not in the labour force, wanted and were available for work, and had looked for a job in the last year. They would not have been counted as unemployed because they had not searched for work in the 4 weeks before the survey was conducted.

Of the marginally attached, 512,000 persons were classified as discouraged workers in July. These persons are not currently seeking for work as they believe no jobs are available for them. There are still 1.0 million persons marginally attached to the labor force in June who had not seeked employment for reasons such as school attendance or family responsibilities.

Labour Force in Thousands	Jan-Mar	Apr-Jun	Jul-Sep	Oct - Dec
Year	Q1	Q2	Q3	Q4
2013	406,551	408,302	409,930	411,770
2014	413,266	415,744	417,944	420,294
2015	422,380	424,470	426,402	428,505
2016	430,332	431,861	433,972	435,501
2017	437,561	438,981	440,640	442,309
2018	444,206	446,149		

CONSUMER PRICE INDEX

"The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2% in July on a seasonally adjusted basis following a climb of 0.1% in May," the U.S. Bureau of Labor Statistics indicated. The all items index increased 2.9% before seasonal adjustment over the last year.

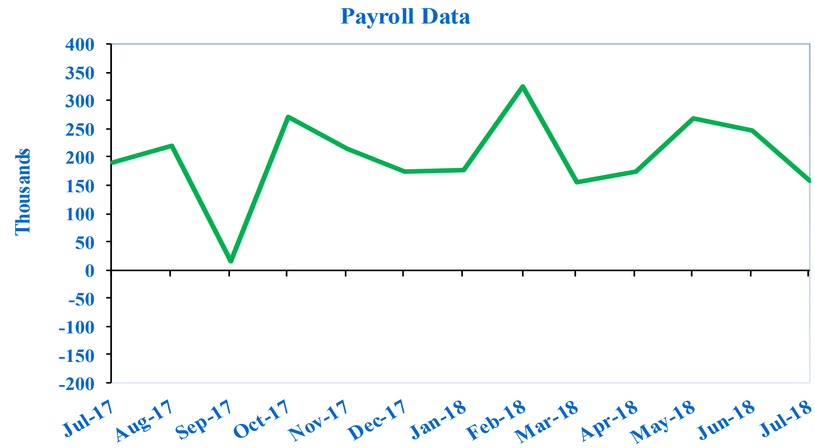
The all items less food and energy index increased 0.2% in July, similar increase to the last two months. The indexes for shelter rose 0.3% for the month of July accounting for more than half of the seasonally adjusted rises in the all items index. The indexes for used cars and trucks, new vehicles, airline fares, household furnishings and operations, and recreation all went up. On the other hand, those for medical care and apparel fell.

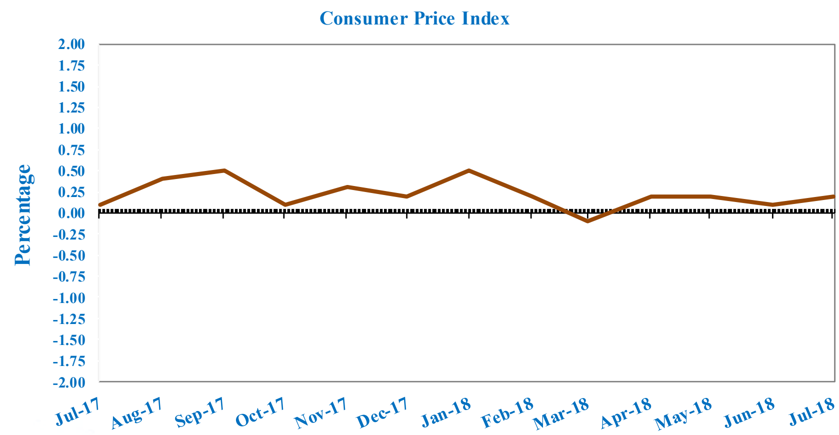
The all items index rose to 2.9% for the 12 months for July, same as that of last month. The index for all items less food and energy rose 2.4% for year ending July, the greatest uptick since September 2008. The energy index increased 12.1% and the food index advanced 1.4%, over the last year.

Notably, there was a rise in the energy index of 0.5% in July (June: 0.3%). The gasoline index fell 0.6% in July after rising 0.5% the prior month. (Before seasonal adjustment, gasoline prices increased 1.4% in July). The electricity index went down 0.4% in June, and the index for natural gas fell 0.5%, for the fifth time%.

There was a 12.1% increase in the energy index over the past 12 months. Gasoline index advanced 24.5% and the fuel oil index up 34.7%." Whereas the index for natural gas and electricity for the last year fell 1.3% and 0.8% respectively.

The food index jumped to 0.1 in July subsequent to having an increase of 0.2% in June. The index for food away from home increased 0.1 while there was an 0.2% growth in the food at home index%. During the last year, the index for food away from home and food at home index both increased 2.8%





PRODUCER PRICE INDEX

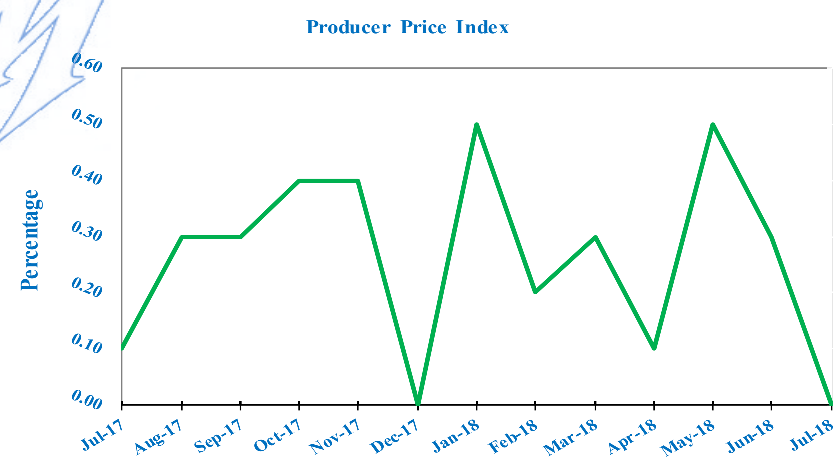
"The Producer Price Index for final demand prices remained unchanged at 0.3% in July, seasonally adjusted. Final demand prices rose 0.3% in June and 0.5% in May. On an unadjusted basis, the final demand index increased 3.3% for the 12 months ended in July.

The index for final demand services went down 0.1%, and prices for final demand goods in July increased by 0.1%.

"The prices for final demand less foods, energy, and trade services inched up 0.3% in July, the same as the prior month. For the 12 months ended in July, index for final demand less foods, energy, and trade services increased 2.8%."

The index for final demand goods advanced 0.1% in July, just as June. This was attributed to a 0.3% rise in the index for final demand goods less foods and energy. Final demand energy went down 0.3% as opposed to the index for final demand foods which saw a decline of 0.1%.

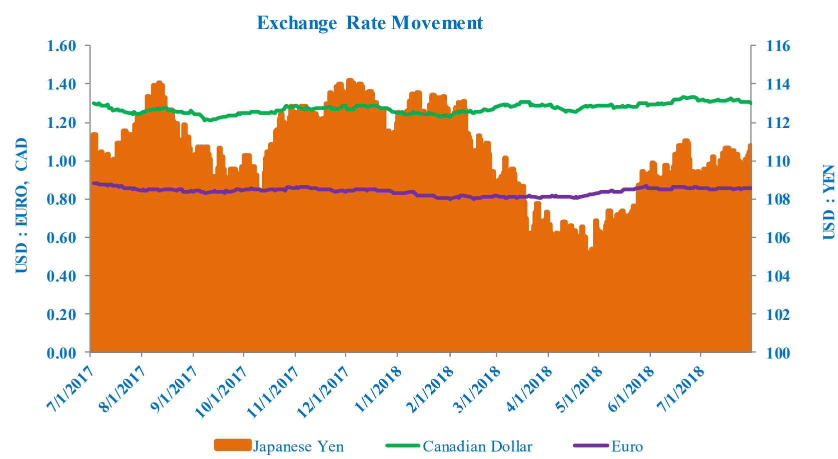
The prices for final demand services moved down 0.1% in July, the first decrease since that if December 2017. The climb in July was influenced to the index for final demand trade services, which moved down 0.8%. (Trade indexes measure movements in margins received by wholesalers and retailers.) Prices for final demand services less trade, transportation and warehousing services and the index for final demand transportation, and warehousing services went up 0.3%.



U.S. Dollar

According to FX Empire, "The EURUSD pair in month of July'18 saw a range bound momentum trapped within a wider price band as month long news driven market failed to provide breakout trigger and kept the pair moving in repeated triangular formation. Thus the pair could be viewed as neutral or as having made no progress in month of July. However this movement provided profit to traders of both currencies as long as they took advantage of short term news based price swings. The month of July saw major geo-political events take place such as talks on trade relations to major political events in European countries which resulted in pair moving in a range bound fashion."

"The first week of July saw market move in favor of Euro as the volatility was thin in US markets owing to US Independence day celebrations. On European market, immigration issue was addressed in which a solution to illegal immigration was agreed upon between German chancellor Angela Merkel and German Interior Minister Horst Seehofer which served as first bullish trigger for Euro, meanwhile global markets were tensed owing to trade tariff related issues which was proposed by US President Donald Trump to be imposed on allies including Canada, Europe and China which resulted in indecisive market movement. The last day of first week put an end to Euro's reign as US confirmed official imposition of tariff on Chinese goods which effectively created the month long resistance around 1.17912 price handle."



FEDERAL RESERVE MINUTES

"On August 1, 2018 the below was announced by the Federal Open Market Committee (FOMC) regarding the below decisions which were made by the Federal Reserve to implement the monetary policy stance:

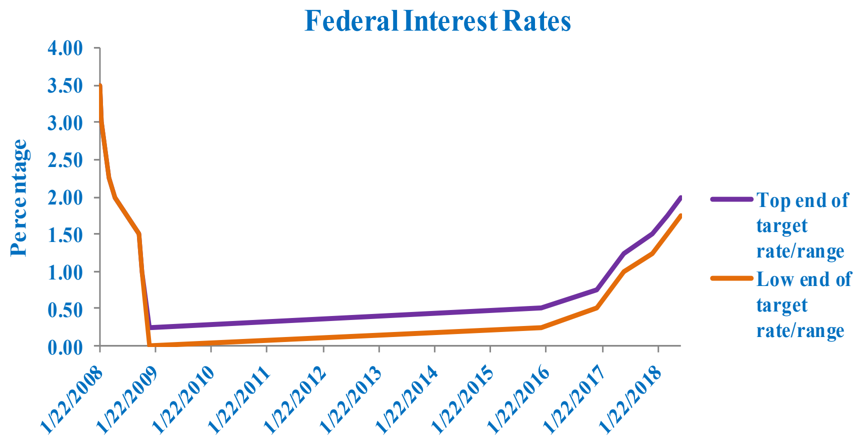
All the members of the Board of Governors of the Federal Reserve System voted to maintain the interest rate paid on required and excess reserve balances at 1.95 percent, effective August 2, 2018. The FOMC voted for the Open Market Desk at the Federal Reserve Bank of New York to permit and direct unless given other instructions, to execute transactions in the System Open Market Account in accordance with the following domestic policy directive:

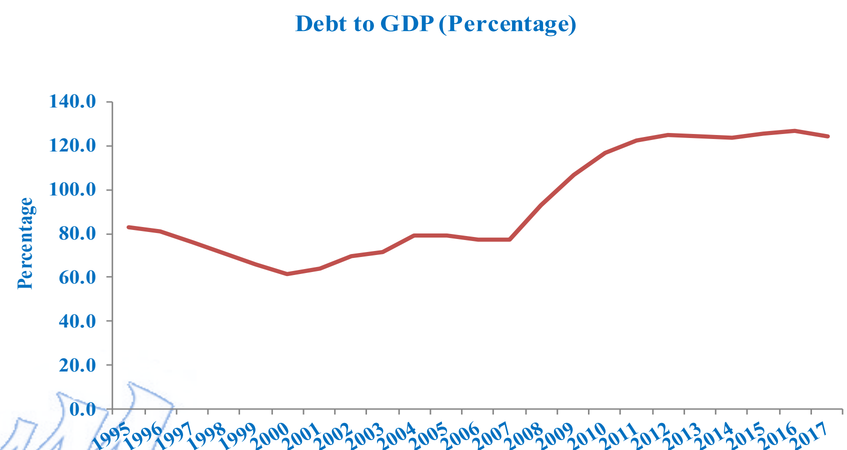
"Effective August 2, 2018, the Federal Open Market Committee directs the Desk to undertake open market operations as necessary to maintain the federal funds rate in a target range of 1-3/4 to 2%, including overnight reverse repurchase operations (and reverse repurchase operations with maturities of more than one day when necessary to accommodate weekend, holiday, or similar trading conventions) at an offering rate of 1.75%, in amounts limited only by the value of Treasury securities held outright in the System Open Market Account that are available for such operations and by a per-counterparty limit of $30 billion per day."

The Committee directs the Desk to continue rolling over at auction the amount of principal payments from the Federal Reserve's holdings of Treasury securities maturing during each calendar month that exceeds $24 billion, and to reinvest in agency mortgage-backed securities the amount of principal payments from the Federal Reserve's holdings of agency debt and agency mortgage-backed securities received during each calendar month that exceeds $16 billion. Small deviations from these amounts for operational reasons are acceptable.

"The Committee also directs the Desk to engage in dollar roll and coupon swap transactions as necessary to facilitate settlement of the Federal Reserve's agency mortgage-backed securities transactions."

In a related action, the Board of Governors of the Federal Reserve System voted unanimously to approve the establishment of the primary credit rate at the existing level of 2.50%.

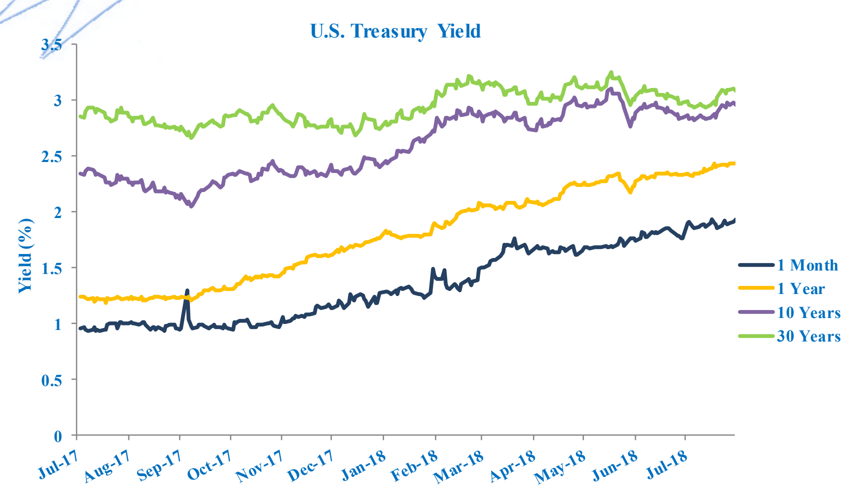




U.S. TREASURY YIELD CURVE

According to Federal Reserve Bank of Cleveland, "In July, short rates moved up and long rates trended down. The three-month (constant maturity) Treasury bill rate went up to 2.00% (for the week ending July 20) up 2 basis points from June's 1.94%, which was slightly above (2 basis points) from May's 1.92%. The 10-year rate (also constant maturity) fell by 5 basis points to 2.86%, down from June's 2.91 and well beneath May's 3.01%. These changes moved the slope downwards to 86 basis points, down 11 basis points from June's 97 basis points and 23 basis points below that of May (109 basis points), nearly a quarter of a percentage point."

"Despite a flatter yield curve, stronger actual growth meant that expectations of growth actually increased a little bit. Using past values of the spread and GDP growth suggests that real GDP will grow at approximately 1.5% rate over the upcoming year, the same as April and March estimates. Although the time horizons do not match exactly, the forecast, like other forecasts, does show moderate growth."



GOVERNMENT DEBT/DEFICIT

According to the Congressional Budget Office, "The federal budget deficit was $682 billion for the first ten months of fiscal year 2018, the Congressional Budget Office estimates, $116 billion more than the shortfall recorded during the same period last year. Revenues and outlays were higher, by 1% and 4%, respectively, than in the same period in fiscal year 2017."

Outlays were recorded at 3,448 billion, $142 billion greater than that of last year while receipts increased by $26 billion closing at $2,766 billion (2017: $2,740 billion). The 2018 outlays were impacted by movements in the timing of particular payments that otherwise would have been transacted on the weekend. If it weren't for those shifts, outlays and the deficit through July would have been larger, by roughly $40 billion, both this year and last year—but the year-to-year variances would not have been very different.

Budget Totals, October–July
Billions of Dollars

	Actual, FY 2017	Preliminary, FY 2018	Estimated Change
Receipts	2,740	2,766	26
Outlays	3,306	3,448	142
Deficit (-)	-566	-682	-116