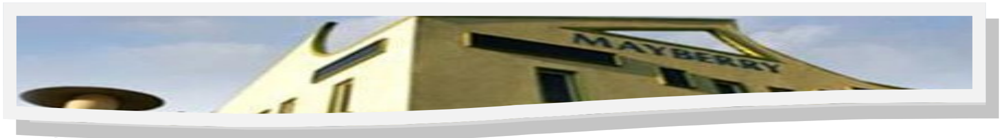


VOLUME 1
DECEMBER

MAYBERRY INVESTMENTS LIMITED

ECONOMIC SUMMARY

UNITED STATES

GROSS DOMESTIC PRODUCT

According to the Bureau of Economic Analysis, “Real gross domestic product (GDP) increased at an annual rate of 3.2% in the third quarter of 2017, according to the "third" estimate released by the Bureau of Economic Analysis. In the second quarter, real GDP increased 3.1%.”

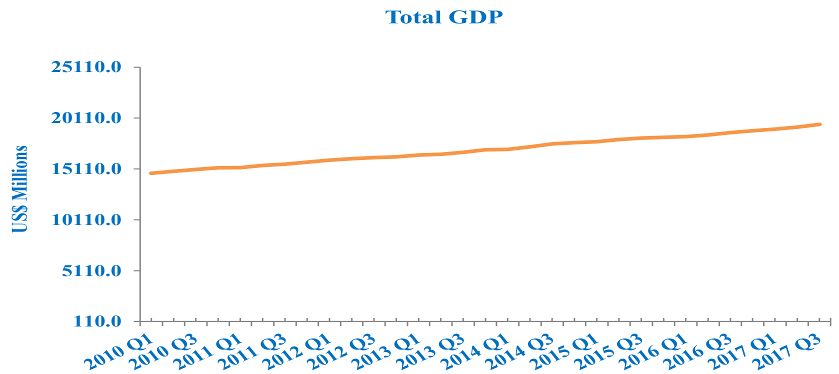
“Real gross domestic income (GDI) increased 2.0% in the third quarter, compared with an increase of 2.3 %in the second. The average of real GDP and real GDI, a supplemental measure of U.S. economic activity that equally weights GDP and GDI, increased 2.6 %in the third quarter, compared with an increase of 2.7% in the second quarter.”

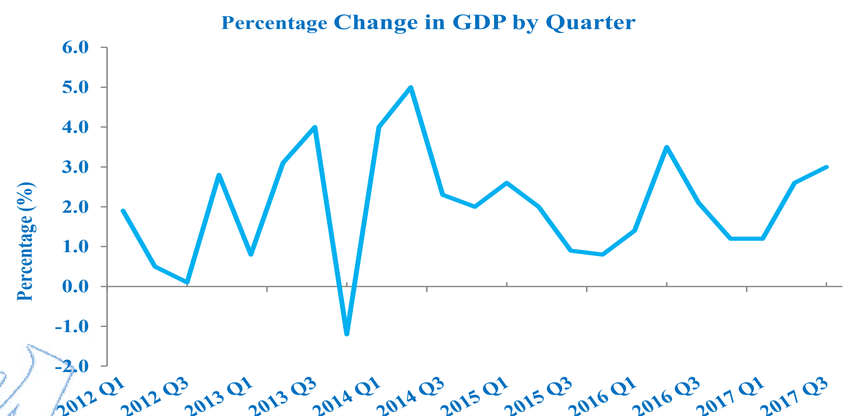
The increase in real GDP in the third quarter reflected positive contributions from personal consumption expenditures (PCE), private inventory investment, nonresidential fixed investment, exports, federal government spending, and state and local government spending that were partly offset by a negative contribution from residential fixed investment. Imports, which are a subtraction in the calculation of GDP, decreased.

The slight acceleration in real GDP in the third quarter primarily reflected an acceleration in private inventory investment and an upturn in state and local government spending that were partly offset by decelerations in PCE, nonresidential fixed investment, and exports.

Current-dollar GDP increased 5.3%, or $250.6 billion, in the third quarter to a level of $19,500.6 billion. In the second quarter, current-dollar GDP increased 4.1%, or $192.3 billion.

The price index for gross domestic purchases increased 1.7% in the third quarter, compared with an increase of 0.9% in the second quarter. The PCE price index increased 1.5%, compared with an increase of 0.3%. Excluding food and energy prices, the PCE price index increased 1.3%, compared with an increase of 0.9%.





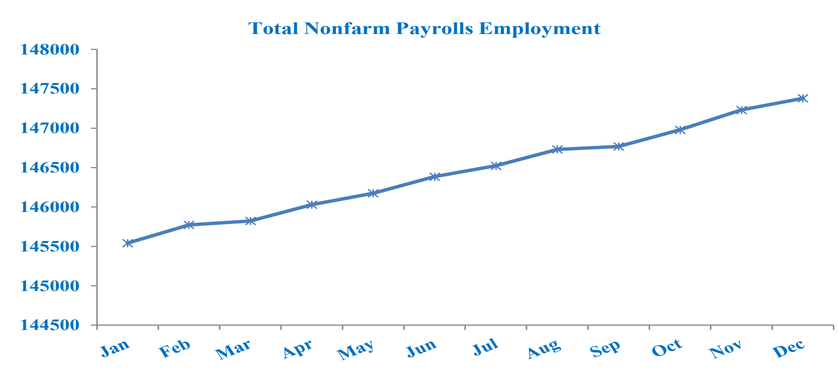
UNEMPLOYMENT

According to the Bureau of Labour Statistics, “Total nonfarm payroll employment increased by 148,000 in December, and the unemployment rate was unchanged at 4.1 percent, the U.S. Bureau of Labor Statistics reported. Employment gains occurred in health care, construction, and manufacturing.”

“The unemployment rate was 4.1% in December and the number of unemployed persons was essentially unchanged at 6.6 million. Over the year, the unemployment rate and the number of unemployed persons were down by 0.6 percentage point and 926,000, respectively.”

“The number of long-term unemployed (those jobless for 27 weeks or more) was little changed at 1.5 million in December and accounted for 22.9 percent of the unemployed. Over the year, the number of long-term unemployed declined by 354,000.”

“The number of persons employed part time for economic reasons (sometimes referred to as involuntary part-time workers) was essentially unchanged at 4.9 million in December but was down by 639,000 over the year. These individuals, who would have preferred full-time employment, were working part time because their hours had been cut back or because employment, were working part time because their hours had been cut back or because they were unable to find full-time jobs.”



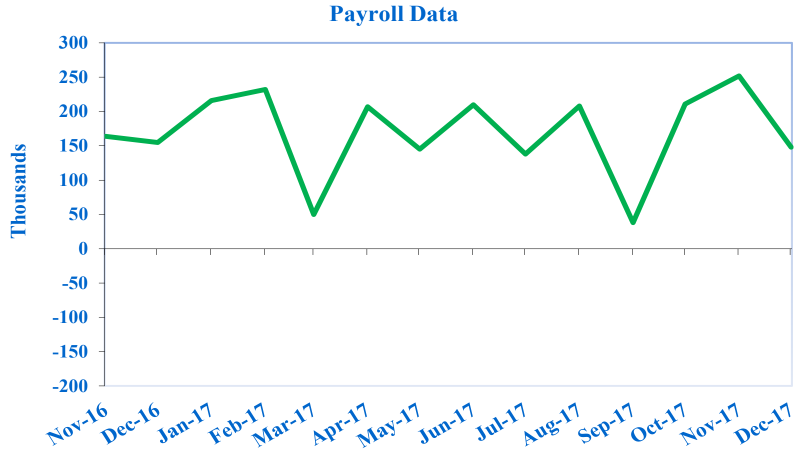
CONSUMER PRICE INDEX

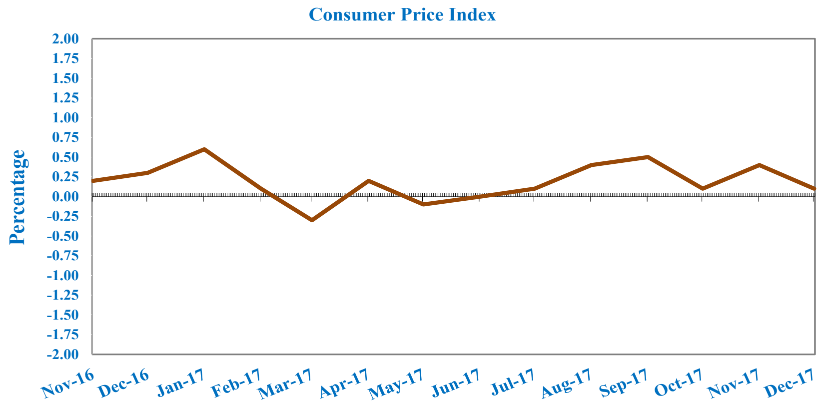
According to the Bureau of Labour Statistics, “The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.1% in December on a seasonally adjusted basis, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index rose 2.1 % before seasonal adjustment.”

“The index for all items less food and energy increased 0.3% in December, its largest increase since January 2017. Along with the shelter index, the indexes for medical care, used cars and trucks, new vehicles, and motor vehicle insurance were among those that increased in December. The indexes for apparel, airline fares, and tobacco all declined over the month..”

The all items index rose 2.1% for the 12 months ending December. The index for all items less food and energy rose 1.8% over a one year period., the 12-month change has now been either 1.7 or 1.8% for eight consecutive months. The energy index rose 6.9% over the past year, and the food index rose 1.6%.

The energy index declined 1.2 percent in December following a 3.9% increase in November. The gasoline index fell 2.7% in December after rising 7.3% in November. (Before seasonal adjustment, gasoline prices decreased 3.3% in December.) The other major energy component indexes also increased, with the electricity index increasing 0.1% and the index for natural gas rising 1.2 , its highest since May 2017%.





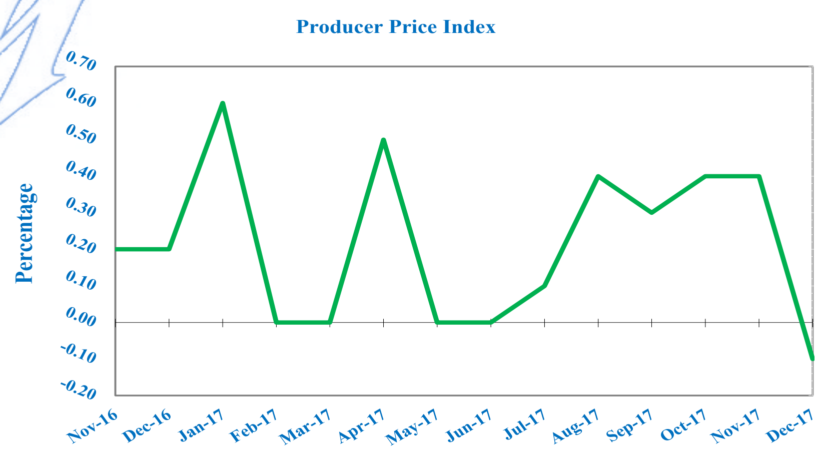
PRODUCER PRICE INDEX

According to the Bureau of Labour Statistics, “The Producer Price Index for final demand fell 0.1% in December, seasonally adjusted, the U.S. Bureau of Labor Statistics reported today. Final demand prices advanced 0.4% in both November and October. On an unadjusted basis, the final demand index climbed 2.6% in 2017 after a 1.7 % rise in 2016.”

“Most of the December decline in the final demand index is attributable to a 0.2% decrease in prices for final demand services. The index for final demand goods was unchanged. Prices for final demand less foods, energy, and trade services edged up 0.1% in December after rising 0.4% in November. In 2017, the index for final demand less foods, energy, and trade services climbed 2.3 percent following a 1.8 % advance in 2016.”

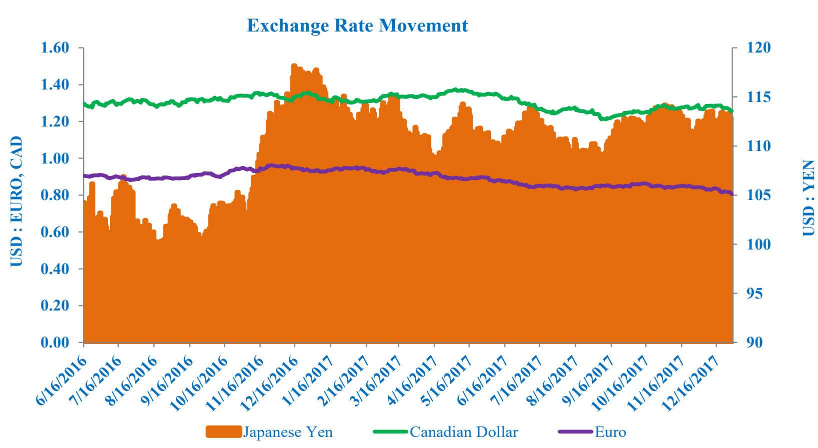
“ In December, prices for basic organic chemicals advanced 3.9% The indexes for jet fuel, diesel fuel, home heating oil, and processed young chickens also moved higher. In contrast, prices for beef and veal fell 6.3%. The indexes for gasoline, fresh and dry vegetables, liquefied petroleum gas, and turbines and turbine generator sets also moved lower.”

“The index for final demand services moved down 0.2% in December following nine consecutive increases. Most of the decrease can be traced to a 0.6% decline in margins for final demand trade services. (Trade indexes measure changes in margins received by wholesalers and retailers.) Prices for final demand transportation and warehousing services fell 0.4%. Conversely, the index for final demand services less trade, transportation, and warehousing inched up 0.1%.”



U.S. Dollar

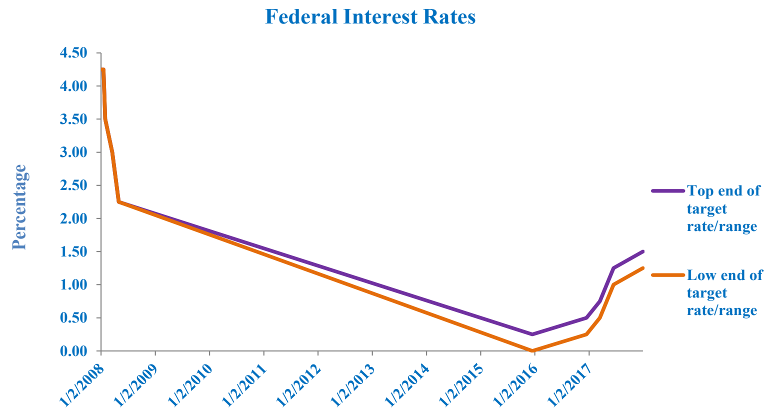
According to FX Empire, “As expected, the Fed hiked rates during the first half of the month but they were not as hawkish about the future rate hikes. In fact, a couple of Fed members were against the current rate hike as well and this was seen as a dovish signal from the Fed and this acted against the dollar which immediately came under pressure. Also, with Yellen going out and Powell coming in and with the market not in a position to fully grasp what policies that Powell would be following next year, it was a period of uncertainty for the dollar and though it placed the dollar under pressure, the fall in the dollar was not too much. The ECB also made it clear that the QE would continue till atleast September 2018 and this also set the euro on the backfoot which led to some sort of a stalemate in the EURUSD pair for the first half of the month. For the second half, not many were looking forward to any kind of great action as traders began to go on holiday and this would generally mean less liquidity and hence less volatility as well. But what we got was further dollar weakness and this time, the weakness in the dollar was more profound than the dollar weakness in the early part of the month. ”

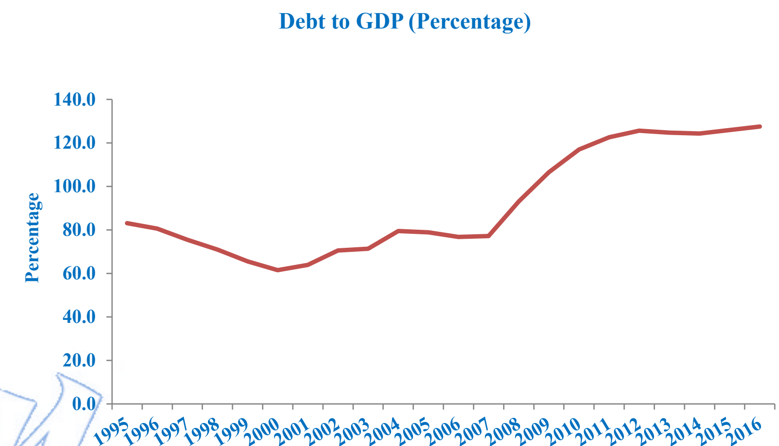


FEDERAL RESERVE MINUTES

Information received since the Federal Open Market Committee met in November indicates that the labor market has continued to strengthen and that economic activity has been rising at a solid rate. Averaging through hurricane-related fluctuations, job gains have been solid, and the unemployment rate declined further. Household spending has been expanding at a moderate rate, and growth in business fixed investment has picked up in recent quarters. On a 12-month basis, both overall inflation and inflation for items other than food and energy have declined this year and are running below 2%. Market-based measures of inflation compensation remain low; survey-based measures of longer-term inflation expectations are little changed, on balance.

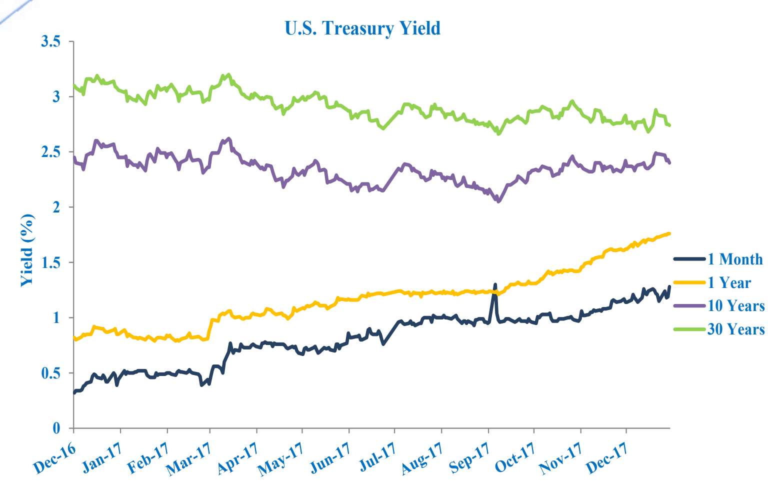
Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability. Hurricane-related disruptions and rebuilding have affected economic activity, employment, and inflation in recent months but have not materially altered the outlook for the national economy. Consequently, the Committee continues to expect that, with gradual adjustments in the stance of monetary policy, economic activity will expand at a moderate pace and labor market conditions will remain strong. Inflation on a 12-month basis is expected to remain somewhat below 2% in the near term but to stabilize around the Committee's 2% objective over the medium term. Near-term risks to the economic outlook appear roughly balanced, but the Committee is monitoring inflation developments closely. In view of realized and expected labor market conditions and inflation, the Committee decided to raise the target range for the federal funds rate to 1-1/4 to 1-1/2%.The stance of monetary policy remains accommodative, thereby supporting strong labor market conditions and a sustained return to 2 percent inflation.





U.S. TREASURY YIELD CURVE

According to Federal Reserve Bank of Cleveland, "Despite being the focus of a lot of attention, the yield curve showed only minor movements over the past month, making a small parallel upward move. The three-month (constant maturity) Treasury bill rate rose to 1.32 percent (for the week ending December 15), just up from November's 1.30 percent and a good deal above October's 1.10 percent. The ten-year rate (also constant maturity) also increased to 2.37 percent, 2 basis points above November's 2.35 percent and 4 basis points above October's 2.33 percent. The parallel shift kept the slope at 105 basis points, even with November's slope but down from October's 123 basis points."



GOVERNMENT DEBT/DEFICIT

According to the Congressional Budget Office, "The federal budget deficit was $228 billion in the first quarter of fiscal year 2018, the Congressional Budget Office estimates—$18 billion more than the one recorded during the same period last year. Revenues and outlays were higher, by 4 percent and 5 percent, respectively, than during the first quarter of fiscal year 2017. As was the case last year, this year's outlays were affected by shifts in the timing of certain payments that otherwise would have been due on a weekend or a holiday. If not for those shifts, outlays and the deficit through December would have been slightly larger, both this year and last year—and the year-to-year changes would not have been very different. Outlays so far this year would have been $49 billion larger (rather than $47 billion, still about 5 percent), and the deficit would have risen by $20 billion."

Budget Totals, October–November
Billions of Dollars

	Actual, FY 2017	Preliminary, FY 2018	Estimated Change
Receipts	741	770	29
Outlays	951	998	47
Deficit (-)	-210	-228	-18