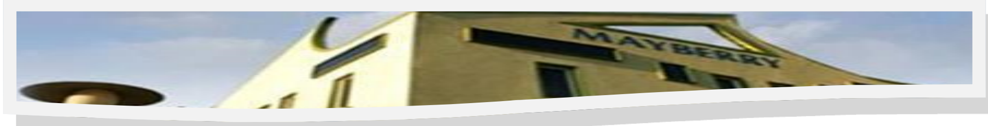


MAYBERRY
INVESTMENTS LIMITED

VOLUME 1
APRIL 2018

ECONOMIC SUMMARY

UNITED STATES

GROSS DOMESTIC PRODUCT

"Real gross domestic product (GDP) rose over the year at a rate of 2.3% in the first quarter of 2018, according to the advance estimate released by the Bureau of Economic Analysis." Real GDP went up 2.9% within the fourth quarter.

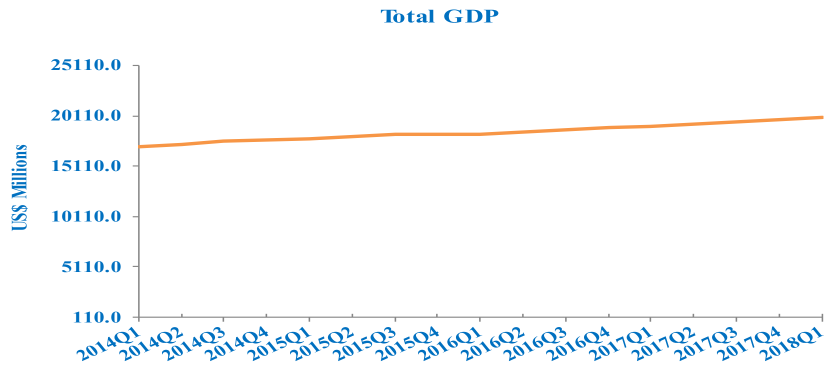
First quarter advance estimate released is based on source data that are incomplete or subject to further revision by the source agency as highlighted by the Bureau. The data for the "second" estimate for the first quarter will be released on May 30, 2018 and is based on a more thorough data.

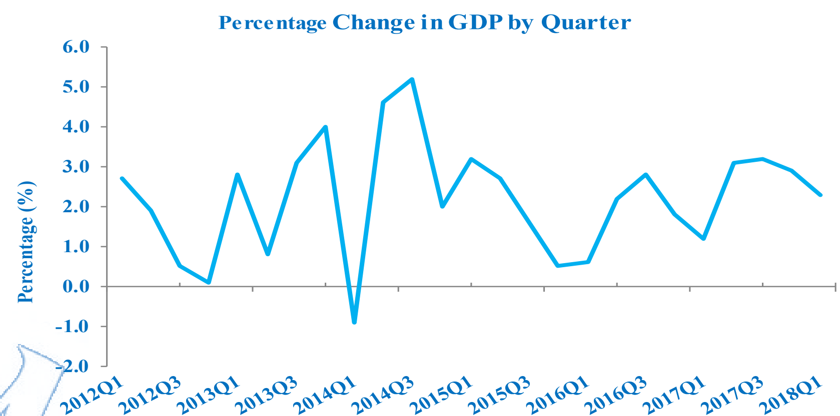
"The increase in real GDP for the first quarter was mainly positive contributions from personal consumption expenditures (PCE), exports, nonresidential fixed investment private inventory investment, federal government spending, and state and local government spending. Imports, a deduction of the calculation of GDP, climbed over the period."

"The deceleration of real GDP within the quarter reflected movements in PCE, residential fixed investment, exports, and state and local government spending. These were tempered by an upturn in private inventory investment. Imports also went down."

Current-dollar GDP increased 4.3%, or $211.20 billion, in the first quarter to a level of $19.97 trillion. In the fourth quarter, current-dollar GDP increased 5.3%, or $253.50 billion, according to the Bureau Economic Analysis.

The price index for GDP purchases moved up 2.8% in the first quarter, compared to a rise of 2.5% in the fourth quarter. The PCE price index went up 2.7%, the same as in the fourth quarter. With the exception of food and energy prices, the PCE price index increased 2.5%, as compared to a 1.9% increase.





UNEMPLOYMENT

Total nonfarm payroll employment climbed by 164,000 in April, with the rate of unemployment inching down at 3.9%. Employment rose in the various areas of health care, manufacturing professional and business services and mining. The unemployment rate was 3.9% after experiencing 6 months at 4.1%. The number of unemployed persons was had a minor change to stand at 6.3 million.

Long-term unemployed (those jobless for 27 weeks or more) figure slightly changed and was at 1.3 million in April and accounted for 20% of the unemployed. Throughout the year, the number of went down by 340,000.

Labour force participation rate had a small change at 62.8% and the employment -population ratio at 60.3%.

Involuntary part-time workers or the number of persons employed part time for economic reasons experienced a small movement to 5.0 million in April. 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 1.4 million individuals marginally attached to the labour force, down by 172,000 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, 408,000 persons were classified as discouraged workers. These persons are not currently seeking for work as they believe no jobs are available for them. The remaining 1.0 million persons marginally attached to the labor force in March had not searched for work 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	444,186			

CONSUMER PRICE INDEX

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2% in April on a seasonally adjusted basis following a decline of 0.1% in March," the U.S. Bureau of Labor Statistics indicated. The all items index increased 2.5% before seasonal adjustment over the last year.

The all items less food and energy index increased 0.1% in April. The indexes for shelter rose 0.3% while medical care, personal care, motor vehicle insurance and airfares were mixed. The indexes for household furnishings and operations, personal care, tobacco, medical care, and apparel all went up over the month of April. On the other hand, those for used cars and trucks, new vehicles, recreation, and airline fares all decreased.

The all items index rose 2.5% for the 12 months for April, experiencing an upward trending since the period ending June 2017 which was 1.6%. The index for all items less food and energy rose 2.1% for year ending April. The energy index increased 7.9% and the food index advanced 1.4%.

There was a rise in the energy index of 1.4% in April (March: 2.8%). "The gasoline index grew 3.0% in April after falling 4.9% the prior month." (Before seasonal adjustment, gasoline prices increased 6.2% in April). "The electricity index fell 0.6% in April, and the index for natural gas fell 0.4%. The energy index increased 7.9% over the past 12 months, with all the major component indexes rising. Gasoline index advanced 13.4 % and the fuel oil index up 22.6%."

The food index inched up by 0.3% in April as compared to March's 0.1%. The index for food at home increased 0.5% in April while the index for food away from home increased 2.5% over the last 12 months.

PRODUCER PRICE INDEX

"The Producer Price Index for final demand prices went up 0.1% in April, seasonally adjusted. Final demand prices rose 0.3% in March and 0.2% in February. On an unadjusted basis, the final demand index increased 2.6% for the 12 months ended in April."

The index for final demand services went up 0.1%, and prices for final demand goods were unchanged for the current month.

"The index for final demand less foods, energy, and trade services inched up 0.1% in April after increasing 0.4% in March. For the 12 months ended in April, prices for final demand less foods, energy, and trade services increased 2.5%."

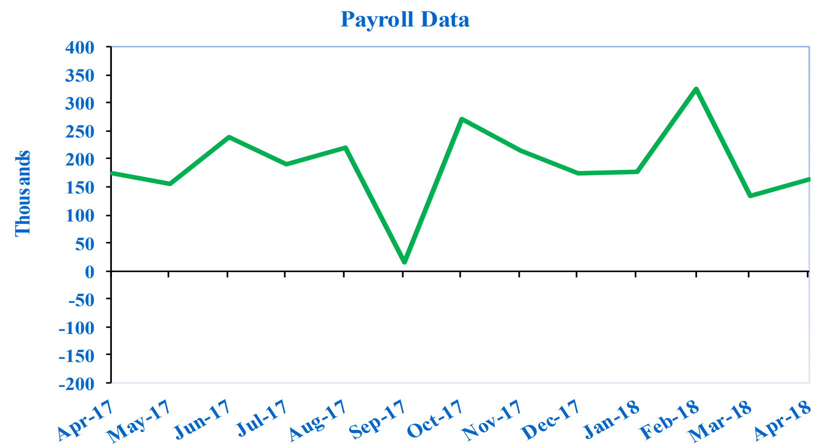
Prices for final demand goods remained unchanged in April following a climb of 0.3% in March. Final demand goods less food and energy index rose 0.3% whereas there was a 1.0% increase in the prices for final demand energy which caused a 1.1% drop in the index for final demand foods. .

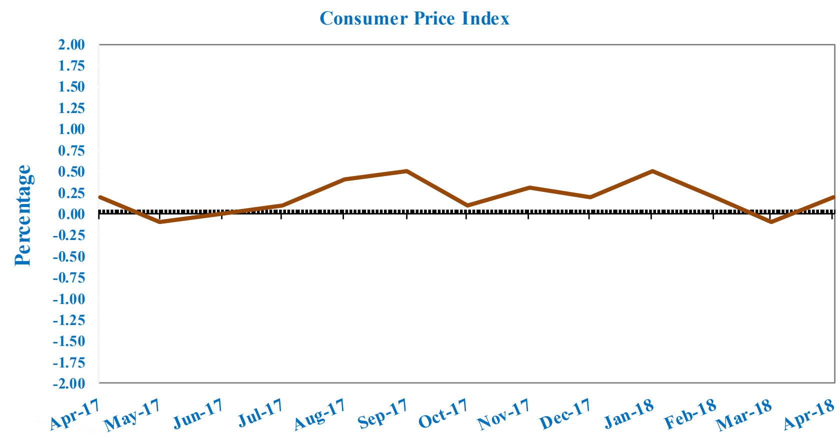
The prices for final demand services moved up 0.1% in April, the fourth straight rise. The climb in April was due led by the final demand trade services index which rose by 0.2%. (Trade indexes measure movements in margins received by wholesalers and retailers.) Prices for final demand transportation and warehousing services went up 0.6% whereas the index for final demand services less trade, transportation, and warehousing services declined 0.1%.

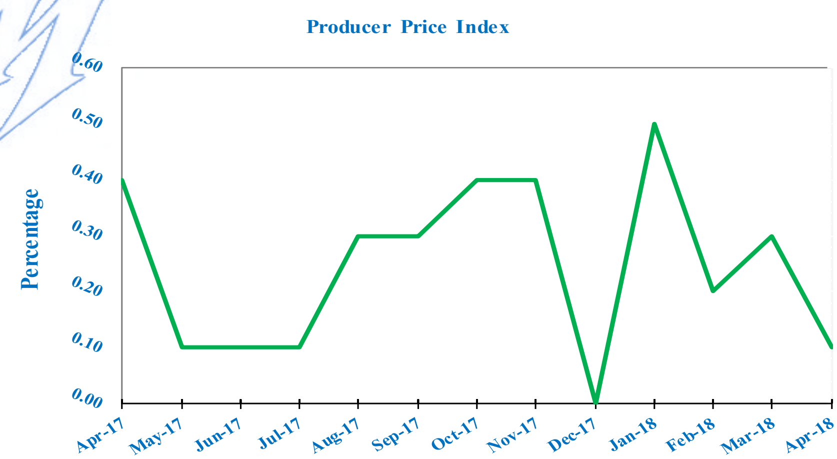
U.S. Dollar

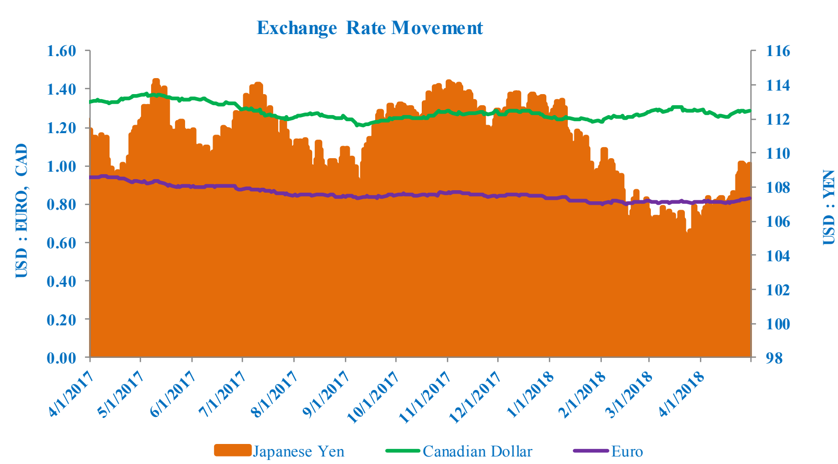
According to FX Empire, "The EURUSD had a tough month of April as the dollar spread its wings finally and managed to soar higher all through the markets during the past month. The dollar had been expected to emerge stronger over the last few months but that did not happen for quite sometime and it was only last month that the dollar began to show its true colors and moved higher all across the markets. This has pushed the euro on to a bearish phase and by the looks of it, this seems to be only the beginning of the trend."

"The Fed had hiked the rates in March and since that time, the traders have been expecting the dollar to move higher and gain in strength. The Fed had only met the market expectations and since the traders have already priced in 3 rate hikes during the course of the year, there has not been much movement in the markets over this period. The market wanted to see something more but that did not happen. The month of April was worse as the NFP employment data came in weaker than expected and this would have led to the dollar weakening. But the dollar bulls managed to hold on. ."









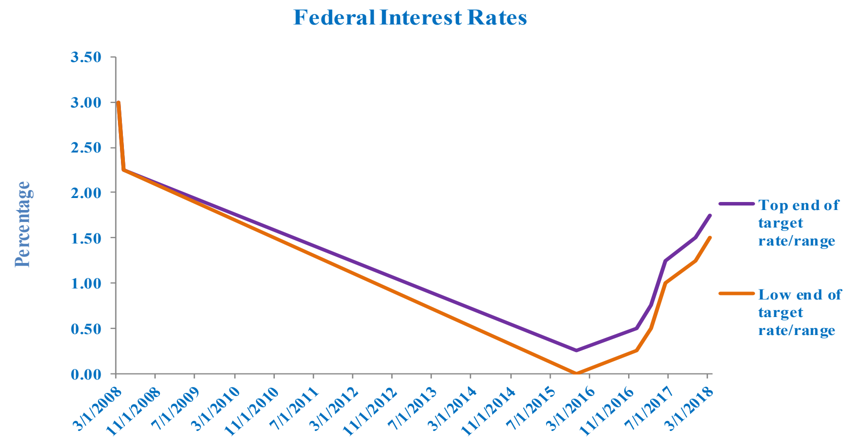
FEDERAL RESERVE MINUTES

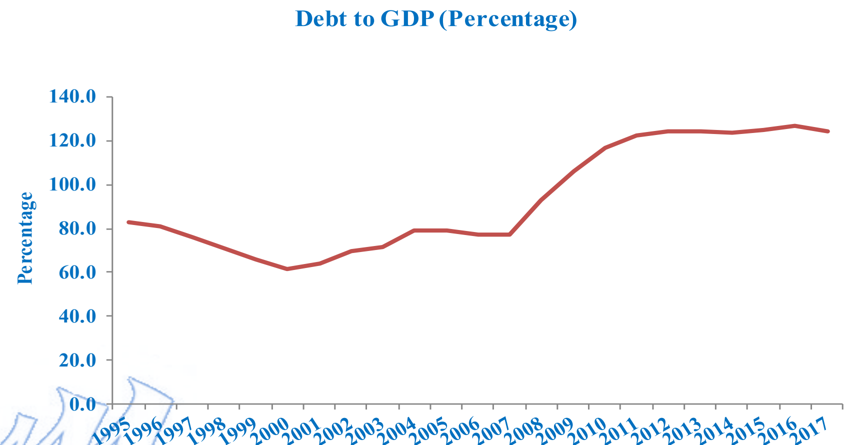
Highlights of the last Federal Open Market Committee met in March suggests that the labour market has showed continuous strengthening and economic activities have been increasing at a conservative rate. Unemployment has remained low and job gains in recent months have been high. Household spending growth has moderated from the fourth quarter pace which was a strong one while business fixed investment persists for strong growth. Overall inflation and inflation for items other than food and energy have moved close to 2% over the last year. Market-based measures of inflation compensation remain low; survey-based measures of longer-term inflation expectations are little changed, on balance.

The committee aims to provide maximum employment and price stability, consistent to its statutory mandate. An expectation of the Committee is that with more gradual changes in the monetary policy, economic activities will heightened at a moderate pace over a medium timeframe, while labour factors will remain strong. “Inflation on a 12-month basis is expected to run near the Committee's symmetric 2% objective over the medium term. Risks to the economic outlook appear roughly balanced.”

“In view of realized and expected labor market conditions and inflation, the Committee decided to maintain the target range for the federal funds rate at 1-1/2 to 1-3/4%. The stance of monetary policy remains accommodative, thereby supporting strong labor market conditions and a sustained return to 2% inflation.”

In determining the timing and size of future adjustments to the target range for the federal funds rate, the Committee decided to assess realized and expected economic conditions compared to its objectives of maximum employment and 2% inflation. This assessment will consider measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments. The Committee will carefully monitor actual and expected inflation developments relative to its symmetric inflation goal. “The Committee expects that economic conditions will evolve in a manner that will warrant further gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run. However, the actual path of the federal funds rate will depend on the economic outlook as informed by incoming data.”

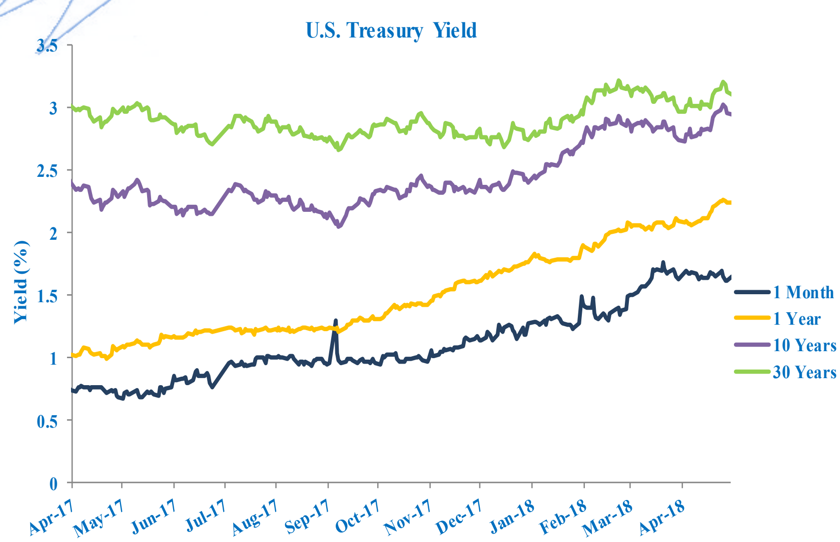




U.S. TREASURY YIELD CURVE

According to Federal Reserve Bank of Cleveland, “In April, short rates continued to rise, but long rates could not quite keep pace, so the yield curve moved higher and continued to get flatter. The three-month (constant maturity) Treasury bill rate went up to 1.81% (for the week ending April 20) up 5 basis points from March’s 1.76%, which was itself up 12 basis points from February’s 1.64%. The 10-year rate (also constant maturity) climbed by 2 basis points to 2.88%, up from March’s 2.86 but still a bit below the February number of 2.91%. These changes moved the slope downwards to 107 basis points, from March’s 110 basis points and a full 20 basis points below February’s 127 basis points.”

“Overall, the incoming data had only a minimal impact on expectations of growth. Using past values of the spread and GDP growth suggests that real GDP will grow at about a 1.5% rate over the next year, equal to the March and February 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 $382 billion for the first seven months of fiscal year 2018, the Congressional Budget Office estimates, $37 billion more than the shortfall recorded during the same period last year. Revenues and outlays were higher, by 4% and 5%, respectively, than during the first seven months of fiscal year 2017.”

Outlays were recorded at 2,394 billion, $121 billion greater than that of last year while receipts increased by $83 billion closing at $2,012 billion (2017: $1,929 billion). This was as a result of the following categories’ Social security, outlays for net interest on public debt, outlays of the Department of Homeland Security, spending for military programs of the Department of Defense.

Budget Totals, October–April Billions of Dollars			
	Actual, FY 2017	Preliminary, FY 2018	Estimated Change
Receipts	1,929	2,012	83
Outlays	2,273	2,394	121
Deficit (-)	-344	-382	-38