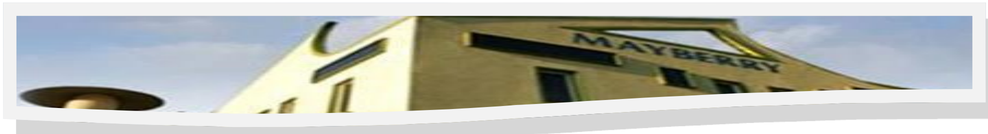


VOLUME 1
AUGUST 2018

MAYBERRY INVESTMENTS LIMITED

ECONOMIC SUMMARY

UNITED STATES

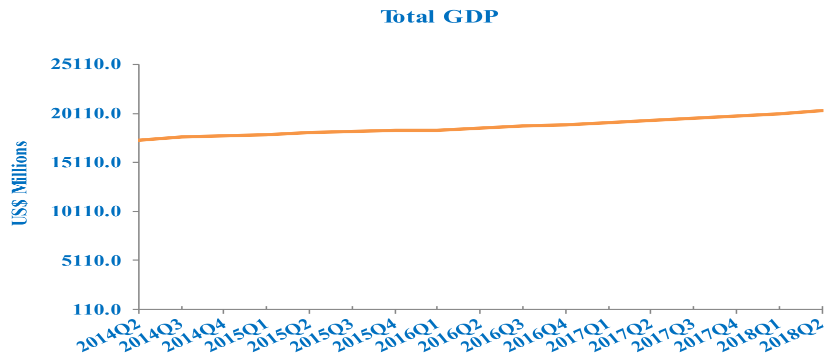
GROSS DOMESTIC PRODUCT

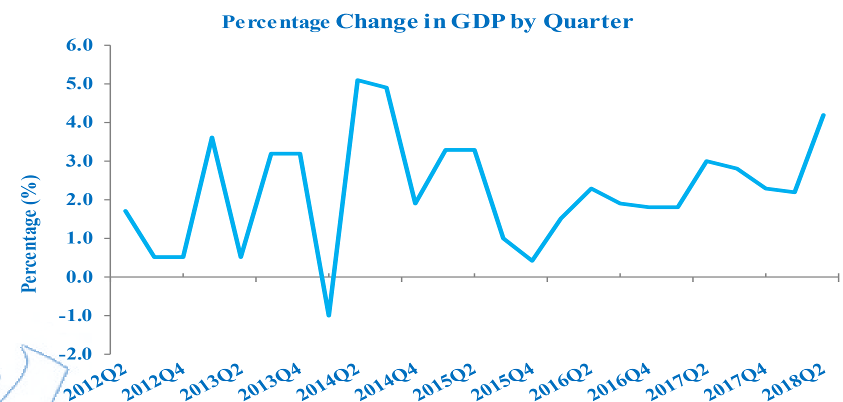
Second quarter real gross domestic product (GDP) increased at an annual rate of 4.2% following a 2.2% growth in the first quarter. This was the second estimate released by the Bureau of Economic Analysis (BEA) with initially estimated a 4.1% upward movement. The second estimate was revised upwards by 0.1% reflecting upward revisions to, "non-residential fixed investment, private inventory investment, federal government spending, and state and local government spending that were partly offset by downward revisions to PCE, residential fixed investment, and exports. Imports were revised down."

The upward movement in real GDP for the second quarter reflected positive contributions from PCE, nonresidential fixed investment, exports, federal government spending, and state and local government spending which were partly offset by negative contributions from private inventory investment and residential fixed investment. Imports decreased.

Real GDP growth acceleration in the second quarter reflected accelerations in exports, PCE, federal government spending, and state and local government spending, as well as a smaller decrease in residential fixed investment. These movements were partly tempered by a downturn in private inventory investment and a deceleration in non-residential fixed investment. Imports decreased after increasing in the first quarter.

There was a 1.8% increase in real domestic income subsequent to a 3.9% advance in the first quarter. According to BEA, "The average of real GDP and real GDI, a supplemental measure of U.S. economic activity that equally weights GDP and GDI, increased 3.0 percent in the second quarter, compared with an increase of 3.1 percent in the first quarter ."





UNEMPLOYMENT

Total nonfarm payroll employment climbed by 201,000 in August, with the rate of unemployment remaining the same at 3.9%, as stated by the U.S. Bureau of Labor Statistics. Employment rose in the various areas of professional and business services, health care, wholesale trade, transportation and warehousing, and mining. . In August, the number of unemployed persons down to 6.2 million.

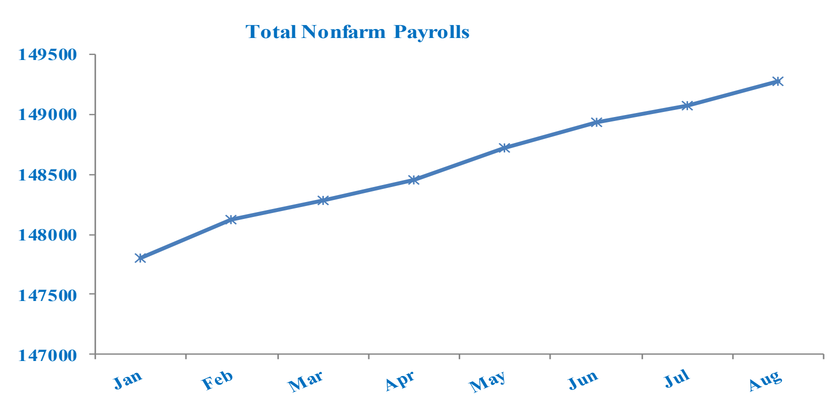
Long-term unemployed (those jobless for 27 weeks or more) had a slight change to 1.3 million in August and accounted for 21.5% of the unemployed. Since the past 12 months, this number went down by 403,000.

Labour force participation rate was 62.7%, a marginal decline when compared to last month's 62.9%. In addition, the employment-population ratio at 60.3% for August, a 0.2% change relative to that of July.

Involuntary part-time workers or the number of persons employed part time for economic reasons experienced a slight change at 4.4 million in August, a decline of 830,000. 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 1.4 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, 434,000 persons were classified as discouraged workers in August. 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 August who had not seeked employment for reasons such as school attendance or family responsibilities.



CONSUMER PRICE INDEX

"The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2% in August on a seasonally adjusted basis, remaining the same for July," the U.S. Bureau of Labor Statistics indicated. The all items index increased 2.7% before seasonal adjustment over the last year.

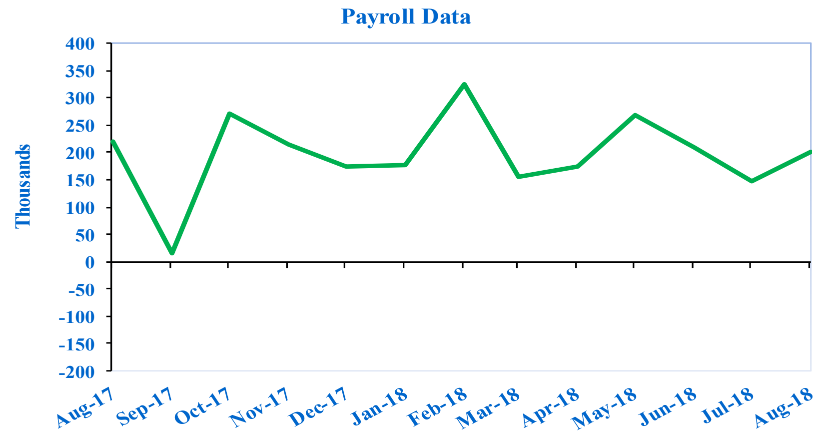
The all items less food and energy index increased 0.1% in August, the smallest advance since April. The indexes for shelter rose 0.3% for the month of August, the same as for July. The indexes for used cars and trucks and airline fares, all went up. On the other hand, those for including apparel, medical care, communication, recreation, and personal care fell.

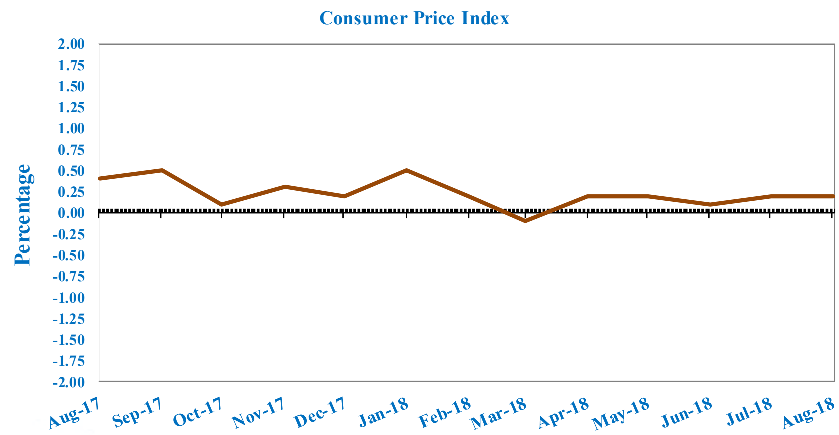
The all items index rose to 2.7% on a point to point basis, a little less than the 2.9% increase for the months ending July. The index for all items less food and energy rose 2.2% for year ending August. The energy index increased 10.2% and the food index advanced 1.4%, over the last year.

There was a rise in the energy index of 1.9% in August following a drop in the last two months. The gasoline index increased 3.0% in August after decreasing 0.6% the prior month. (Before seasonal adjustment, gasoline prices increased 0.3% in August). The electricity index rose 0.3% in August, and the index for natural gas also went up 0.9%, subsequent to falling the previous five months.

There was a 10.2% increase in the energy index over the past 12 months. Gasoline index advanced 20.3% and the fuel oil index up 30.9%." Whereas the index for natural gas and electricity for the last year fell 0.1% and 0.5% respectively.

The food index jumped to 0.1% in August, no change when compared to July. The index for food away from home increased 0.2% while the food at home index stood the same. During the last year, the index for food away from home and food at home index both increased 2.6% and 0.5% respectively.





PRODUCER PRICE INDEX

"The Producer Price Index for final demand prices went down by 0.1% in August, seasonally adjusted. Final demand prices were the same in July and moved up 0.3% in June. On an unadjusted basis, the final demand index increased 2.8% for the 12 months ended in August.

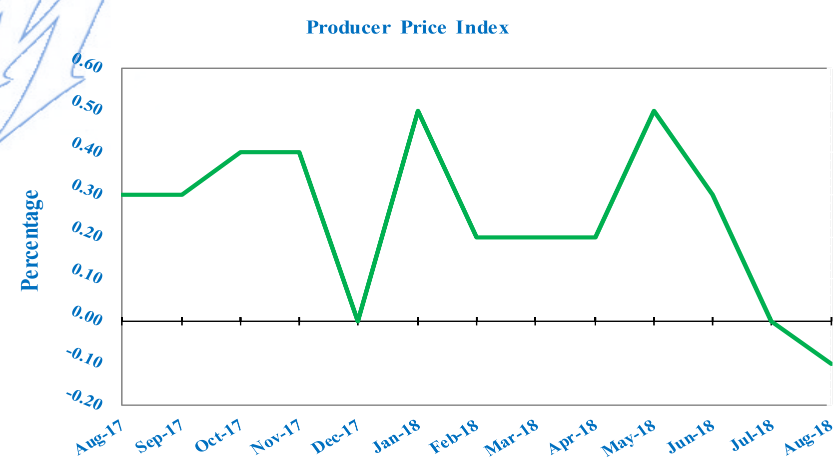
The index for final demand services went down 0.1% which resulted in the decline of the final demand index while prices for final demand goods in August were unchanged.

"The index for final demand less foods, energy, and trade services inched up 0.1% in August, subsequent to increases in the last two months. For the 12 months ended in August, index for final demand less foods, energy, and trade services increased 2.9%."

The index for final demand goods advanced remained the same in August having moved up the last three months. The index for demand goods less foods and energy was the same. In addition, final demand energy went up 0.1% resulting in a 0.6% drop in the index for demand foods.

The prices for final demand services moved down 0.1% in August and also for July. This was as a result of the reduction of the index for final demand trade services, which moved down 0.9%.

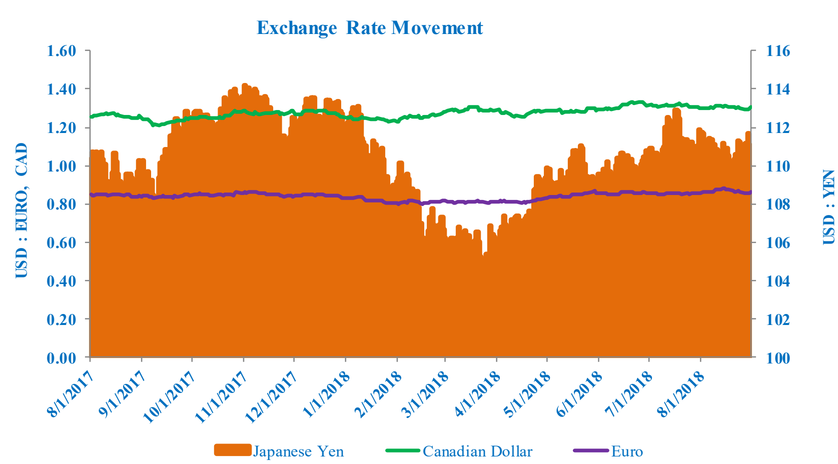
(Trade indexes measure movements in margins received by wholesalers and retailers.) Prices for final demand services less trade, transportation and warehousing services grew 0.3% while the index for final demand transportation, and warehousing services went down 0.6%.



U.S. Dollar

According to FX Empire, "The EURUSD pair was one of the most traded and most volatile of August 2018. The pair saw momentum from both macro data and major market breaking news across the globe. However, a look at daily and weekly chart shows that the pair was range bound in the long term as First half of month saw USD gain value while second half saw EURO erase losses from the early half of month and ending very near to where it started for the month.

The first week saw the pair trapped within July's momentum despite market sentiment remaining in favor of USD as FOMC statement which failed to have enough impact on the market. Ongoing Sino-U.S trade war woes also continued to influence the pair across the month with the Chinese government promising to retaliate with equal tariff if US Govt followed through on its threat of additional tariff's." "All in one, the dollar should have maintained the lead, if it weren't by increasing doubts about future Fed's monetary policies arose by US President Trump and his criticism of Powell's stance. It could be that the previous weeks' dollar decline has more to do with a due correction, and behavior this week suggests that such correction could be complete and therefore that dollar's bulls are ready to make a come back in the month to come."



FEDERAL RESERVE MINUTES

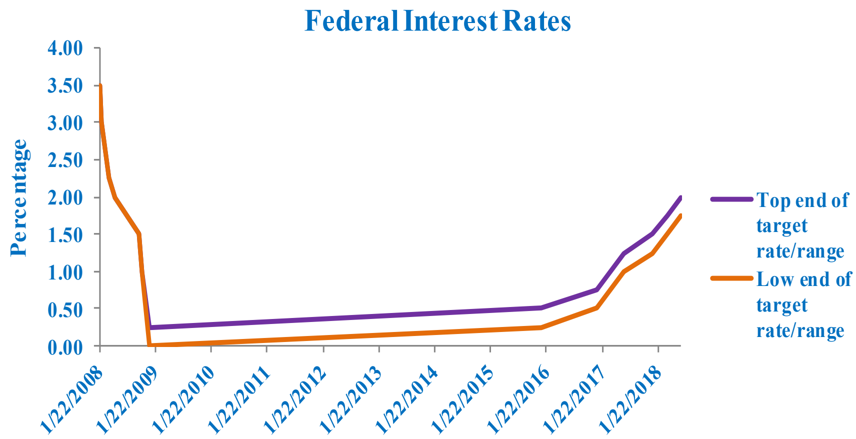
On August 1, 2018 all the members of the Board of Governors of the Federal Reserve System voted to maintain the interest rate paid on required and excess reserve balances at 1.95 percent, effective August 2, 2018. The FOMC voted for the Open Market Desk at the Federal Reserve Bank of New York to permit and direct unless given other instructions, to execute transactions in the System Open Market Account in accordance with the following domestic policy directive:

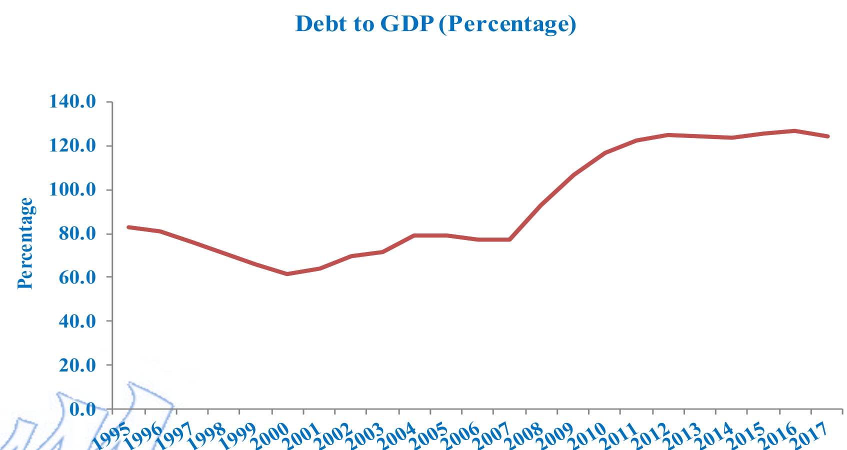
"Effective August 2, 2018, the Federal Open Market Committee directs the Desk to undertake open market operations as necessary to maintain the federal funds rate in a target range of 1-3/4 to 2%, including overnight reverse repurchase operations (and reverse repurchase operations with maturities of more 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 similar action, the Board of Governors of the Federal Reserve System voted to approve the establishment of the primary credit rate at the existing level of 2.50%.

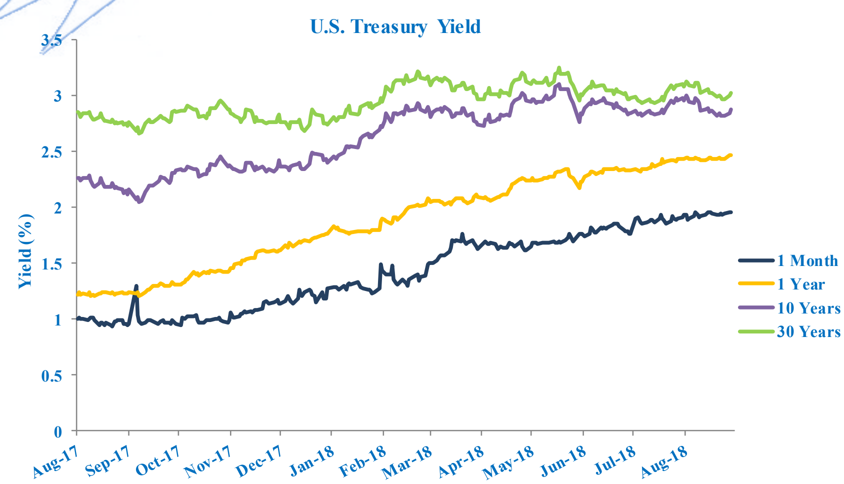




U.S. TREASURY YIELD CURVE

According to Federal Reserve Bank of Cleveland, "In August, short rates moved up and long rates trended down. The three-month (constant maturity) Treasury bill rate went up to 2.08% (for the week ending August 24) up 8 basis points from July's 2.00%, which was slightly above from June's 1.94%. The 10-year rate (also constant maturity) fell by 3 basis points to 2.83%, down from July's 2.86 and well beneath June's 2.91%. These changes moved the slope downwards to 75 basis points, down 11 basis points from July's 86 basis points and 22 basis points below that of June (97 basis points)."

"Despite a flatter yield curve, projected growth were basically the same, and maybe influenced by the strong growth depicted in GDP for the second quarter. Using past values of the spread and GDP growth suggests that real GDP will grow at approximately 1.6% rate over the upcoming year, the same as July's estimate but one-tenth of a percent more than the June number. The forecasts shows conservative growth despite the fact that the time horizons do not match exactly."



GOVERNMENT DEBT/ DEFICIT

According to the Congressional Budget Office (CBO), the federal budget deficit was $895 billion for the first eleven months of fiscal year 2018, the Congressional Budget Office estimates, $222 billion more than the shortfall recorded during the same period last year. Revenues and outlays were higher, by 1% and 7%, respectively, than in the same period in fiscal year 2017.

According to CBO, "Outlays in the first 11 months of fiscal year 2018 were $3,880 billion—up by $240 billion (or 7 percent) from the same period last year, CBO estimates. That increase would have been $68 billion smaller if not for the shift of certain payments from October to September both this year and last year and from September to August in 2018. Those shifts occurred because the regularly scheduled payment dates fell on a weekend or a holiday. The discussion below reflects adjustments to remove the effects of such timing shifts."

Budget Totals, October–August
Billions of Dollars

	Actual, FY 2017	Preliminary, FY 2018	Estimated Change
Receipts	2,966	2,985	19
Outlays	3,640	3,880	240
Deficit (-)	-674	-895	-221