VOLUME
APRIL 2019

MAYBERRY INVESTMENTS LIMITED

ECONOMIC SUMMARY

UNITED STATES

GROSS DOMESTIC PRODUCT

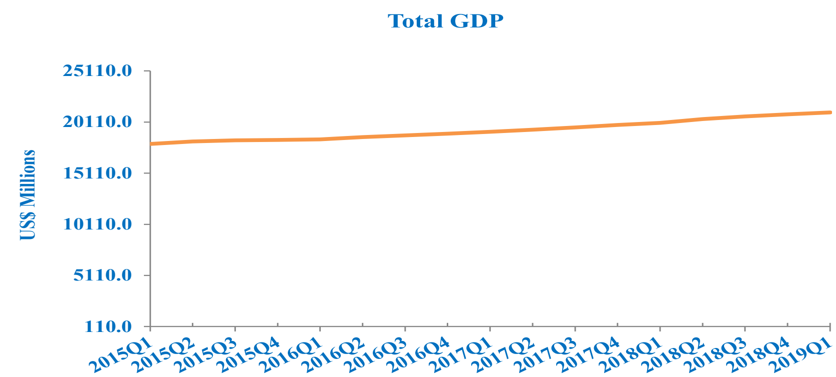
First quarter real gross domestic product (GDP) increased at an annual rate of 3.1% in the first quarter of 2019. For the fourth quarter of 2018, real GDP had a 2.2% growth according to the advanced estimate released by the Bureau of Economic. This report is based on incomplete source data that.

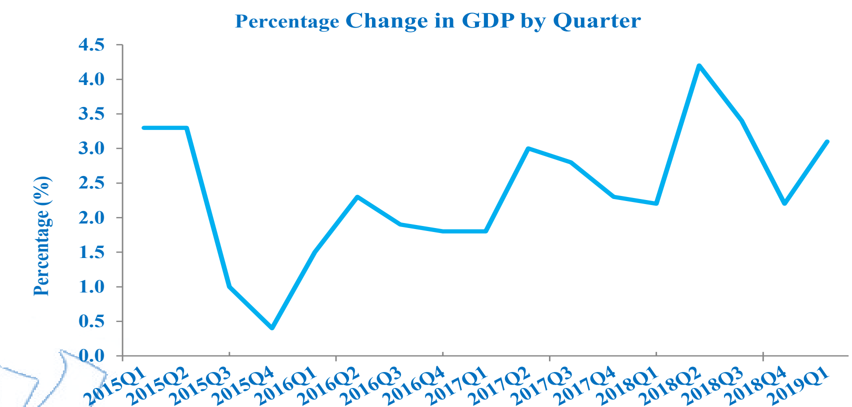
The upward movement in real GDP for the first quarter reflected positive contributions from PCE, private inventory investment, non-residential fixed investment, exports, state and local government spending. This movement was partly offset by a negative contribution from residential fixed investment.

Real GDP growth acceleration in the first quarter reflected upturn in private inventory investment, exports and a slight decline in residential investment. These movements were partly tempered by an decrease in PCE and non-residential fixed investment, and a deceleration in federal government spending. Imports as a contributor of GDP, decreased.

"Current–dollar GDP increased 3.8 %, or $195.0 billion, in the first quarter to a level of $21.06 trillion. In the fourth quarter, current-dollar GDP increased 4.1 %, or $206.9 billion."

In the first quarter, the gross domestic purchases price index went up 0.8% when compared to rising 1.7% in the fourth quarter. In addition, the PCE price index increased 0.5% relative to an increase of 1.5%. With the exception of the food and energy prices, the PCE price index climbed 1.2% versus an increase of 1.8%.





UNEMPLOYMENT

Total nonfarm payroll employment rose by 75,000 in May, with the rate of unemployment declining at 3.6%, as stated by the U.S. Bureau of Labor Statistics. Employment rose in professional and business services and in health care.

In May, the unemployment rate remained at 3.6% with a little change to the number of unemployed persons at 5.9 million. According to the Bureau of Labor Statistics, "In May, the number of persons unemployed less than 5 weeks increased by 243,000 to 2.1 million, following a decline in April. The number of long-term unemployed (those jobless for 27 weeks or more), at 1.3 million, changed little over the month and accounted for 22.4% of the unemployed."

Labour force participation rate was 62.8% for May. In addition, the employment-population ratio remained the same at 60.6%, unchanged from March 2019.

Involuntary part-time workers or the number of persons employed part time for economic reasons declined by 299,000 in May to 4.4 million. based on BLS assessment, "these individuals, who would have preferred full-time employment, were working part time because their hours had been reduced or they were unable to find full-time jobs." over the prior twelve months, the number of involuntary part-time workers fell by 565,000.

There were 1.4 million individuals marginally attached to the labour force, slightly different relative 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, 338,000 persons were classified as discouraged workers in May a slight change than a year ago. These persons are not currently seeking for work as they believe no jobs are available for them. There are still 1.1 million persons marginally attached to the labour force in May who had not sought 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
2015	422,400	424,510	426,425	428,580
2016	430,343	431,988	434,115	435,729
2017	437,494	439,013	440,603	442,220
2018	444,143	446,227	448,227	450,175
2019	452,026			

CONSUMER PRICE INDEX

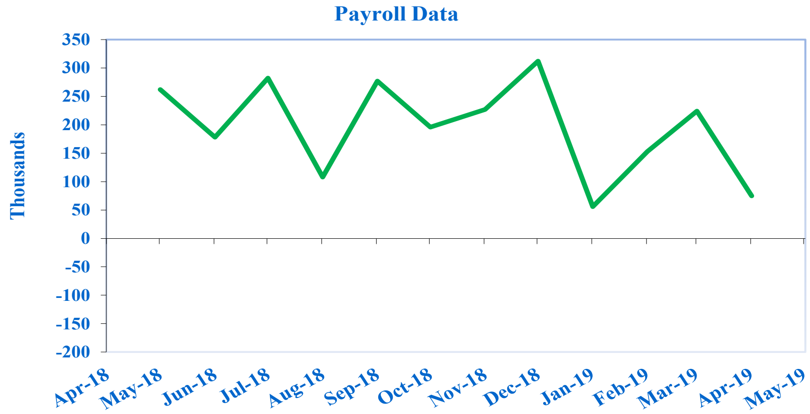
The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.1% in May subsequent to increasing to 0.3% in April on a seasonally adjusted basis," the U.S. Bureau of Labor Statistics indicated. The all items index increased 1.8% before seasonal adjustment over the last year.

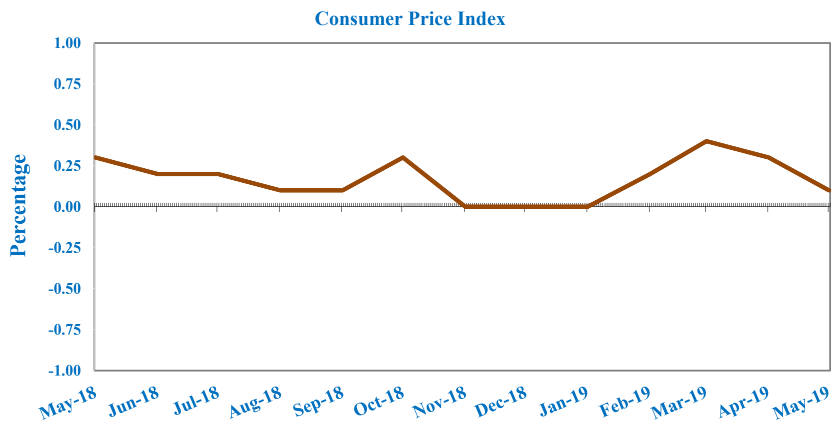
"The index for all items less food and energy increased 0.1% for the fourth consecutive month. The indexes for shelter, medical care, airline fares, education, household furnishings and operations, and new vehicles all rose in May. The indexes for used cars and trucks, recreation, and motor vehicle insurance were among those that declined over the month."

"The all items index increased 1.8% for the 12 months ending May. The index for all items less food and energy rose 2.0 % over the last 12 months, and the food index also rose 2.0 %. The energy index decreased 0.5 % over the past year."

"The food index increased 0.3% in May after falling 0.1% in April. The index for food at home, which fell 0.5 % in April, also rose 0.3% in May. The index for non-alcoholic beverages rose 1.2% over the month of May, while the index for meats, poultry, fish, and eggs increased 0.8 %. The index for dairy and related products increased 0.7% in May, and the index for cereals and bakery products rose 0.4% over the same period."

"The energy index fell 0.6% in May. The gasoline index declined 0.5% in May following a 5.7% increase in April. The index for natural gas fell 1.0 % in May, its fifth consecutive monthly decline. The electricity index also fell, decreasing 0.8% in May."





PRODUCER PRICE INDEX

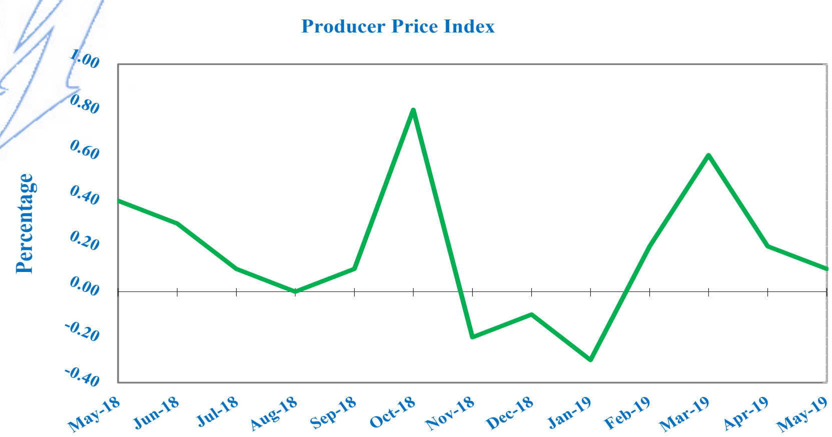
According to Bureau of Labor Statistics "The Producer Price Index for final demand rose 0.1% in May, seasonally adjusted, the U.S. Bureau of Labor Statistics reported today. Final demand prices advanced 0.2% in April and 0.6 percent in March. On an unadjusted basis, the final demand index increased 1.8% for the 12 months ended in May."

The rise observed in May was linked to a 0.3% increase in the final demand services index. According to Bureau of Labor Statistics, "prices for final demand goods fell 0.2%."

The index for final demand less foods, energy, and trade services rose 0.4% in May, the same as reported for April. For the 12 months ended in May, prices for final demand less foods, energy, and trade services advanced 2.3%.

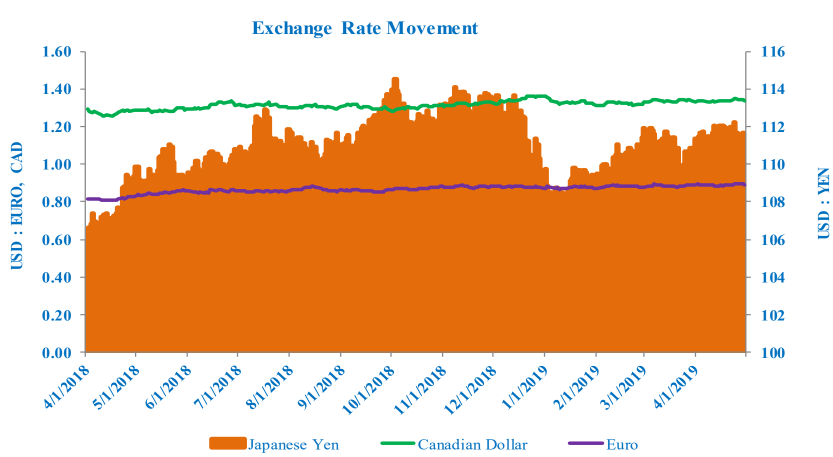
The index for final demand services moved up 0.3% in May, the fourth consecutive increase. According to BLS, "Most of the May advance can be traced to the index for final demand services less trade, transportation, and warehousing, which rose 0.5%. Prices for final demand transportation and warehousing services climbed 0.7%. Conversely, margins for final demand trade services fell 0.5%."

"The index for final demand goods moved down 0.2% in May following three consecutive increases. About three-quarters of the decrease can be traced to prices for final demand energy, which fell 1.0%. The index for final demand foods declined 0.3%, while prices for final demand goods less foods and energy were unchanged."



U.S. Dollar

According to FX Empire, "BP/ USD was lifted higher after finding some support on Friday. The pair shows upward momentum on the smaller time frames after a sharp earlier fall. I think there may be some potential for further upside over the near-term, at least in the early week. Friday's price action across the majors was mostly as a result of a broadly weaker dollar. The US dollar index (DX) gained for four consecutive days last week until Friday's turn wiped out most of the weekly gain. On a daily chart, this has led to a bearish engulfing candle for DX. I consider it quite significant considering how much of the prior rally it wiped out. GBP/USD stands to recover some earlier losses, but bear in mind, Sterling was the weakest among the majors in May. Perhaps there may be some better pairs to trade in order to take advantage of the current down momentum in the greenback."



FEDERAL RESERVE MINUTES

On June 19, 2019, The Federal Open Market Committee indicated that the labor market remained strong as economic activity continued to rise at a moderate rate. Job gains have been solid, on average over past months while the unemployment rate has remained low.

Household spending has picked up, while business fixed investment has been soft. According to the Fed, "On a 12-month basis, overall inflation and inflation for items other than food and energy are running below 2 percent. Market-based measures of inflation compensation have declined; survey-based measures of longer-term inflation expectations are little changed."

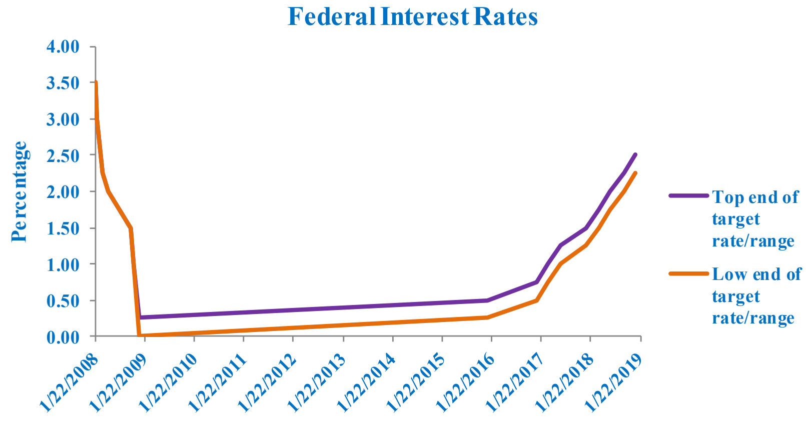
The FOMC decided to maintain the federal funds rate at 2.25% - 2.50%. According to the FOMC, "The Committee continues to view sustained expansion of economic activity, strong labor market conditions, and inflation near the Committee's symmetric 2% objective as the most likely outcomes, but uncertainties about this outlook have increased. In light of these uncertainties and muted inflation pressures, the Committee will closely monitor the implications of incoming information for the economic outlook and will act as appropriate to sustain the expansion, with a strong labor market and inflation near its symmetric 2% objective."

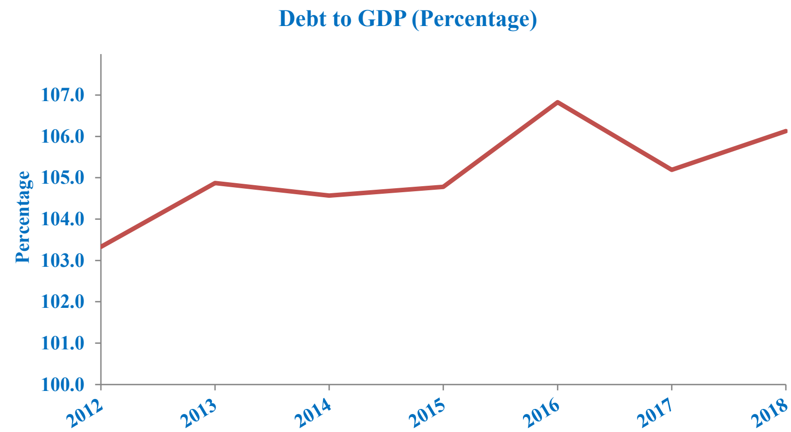
In addition to the policy decision, the FOMC voted for the Open Market Desk at the Federal Reserve Bank of New York until instructed otherwise, to execute transactions in the System Open Market Account in accordance with the following domestic policy directive:

"Effective June 20, 2019, 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 2-1/4 to 2-1/2 percent, 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 2.25 percent, 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 $15 billion, and to continue reinvesting 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 $20 billion. Small deviations from these amounts for operational reasons are acceptable."

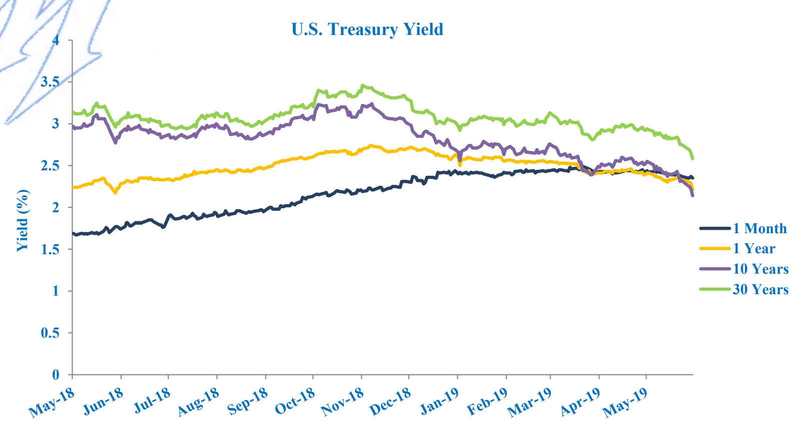
"The Committee also directs the Desk to engage in dollar roll and coupon swap transactions as necessary to facilitate settlement of the Federal Reserve's agency mortgage-backed securities transactions."





U.S. TREASURY YIELD CURVE

The 3-month (constant maturity) Treasury bill rate inched down to 2.35% down from April's 2.43% as well as March's 2.40%. The 10-year rate (also constant maturity) slipped to 2.14%, up from April's 2.51% and below March's 2.41%.



GOVERNMENT DEBT/ DEFICIT

According to the Congressional Budget Office (CBO), "The federal budget deficit was $738 billion for the first eight months of fiscal year 2019, the Congressional Budget Office estimates, $206 billion more than the deficit recorded during the same period last year. Revenues were $49 billion higher and outlays were $255 billion higher than during first eight months of 2018."

According to CBO, "Receipts totaled $2,274 billion during the first eight months of fiscal year 2019, CBO estimates $49 billion (or 2 percent) more than during the same period last year."

"Outlays for the first eight months of fiscal year 2019 were $3,011 billion, $255 billion more than during the same period last year, CBO estimates. If not for the shift of certain payments this year and last year, that year-to-year increase would be smaller—$161 billion (or 6 percent). The discussion below reflects adjustments to exclude the effects of those timing shifts."

Budget Totals, October–May

Billions of Dollars

	Actual, FY 2018	Preliminary, FY 2019	Estimated Change
Receipts	2,225	2,274	49
Outlays	2,757	3,011	255
Deficit (-)	-532	-738	-206