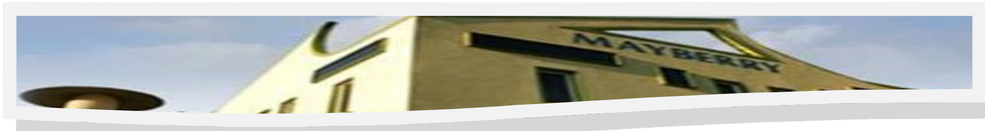

MAYBERRY
INVESTMENTS LIMITED

VOLUME
JUNE 2019

ECONOMIC SUMMARY

UNITED STATES

Monthly Economic Review: US

After a rocky month in May, stocks rallied as government bond yields continued to sag amidst speculation that the Federal Reserve (Fed) will soon cut rates. The S&P 500 moved up 7.19% in June and 2.60% in the 2nd quarter. It is up 17.35% for the year. The NASDAQ Index also recovered nicely in June after a down month in May, from 7,453.15 at the May close to 8,006.24 at the end of June – a 7.62% gain. Year to date the year, the NASDAQ is up 21.19%.

Retail sales for May were up 0.4% from the previous month; however, after strong corporate earnings growth throughout 2018, projected earnings growth has slowed down in 2019.

The yield on 10-year U.S. Treasuries fell in June to the lowest level since September 2017, ending the month at 2.00%. The declines in yields are mainly due to expectations that the Fed would soon cut interest rates.

Through the first six months of 2019, the dollar has declined versus the Yen and strengthened versus the Euro. The dollar is up 1.83% versus the Euro and down versus the Yen through the end of June.

Monthly Highlights

The economy has added jobs for 104 consecutive months. Average hourly earnings increased by $0.06 for the month to $27.90 Over the past 12 months, wages have increased by 3.1%. U.S. employers added just 72,000 new jobs in May, and the unemployment rate remained at 3.7%,

After a steep drop in prices in May, oil reversed course in June, with prices moving up 9.29%. The price per barrel of West Texas Intermediate (WTI) crude climbed from $53.50 at the end of May to $58.47 at the June close.

Inflation was 1.6 percent for the 12 months ended June 2019 compared to 1.8% in the previous month

Analyst Summary

The U.S. economy is now in the most prolonged period of economic expansion in the modern financial era. But while economic growth has continued throughout this period, the growth has been modest versus previous recoveries. Second-quarter GDP is on track to grow 1.8 percent for 2019, a reduction from the prior quarter, primarily due to trade concerns and the tit for tat tariff war between US and China. These issues appear to be having an impact on business confidence and behaviors, as uncertainty manifests itself in lower capital investment and fewer hiring's. A prolonged trade war will eventually impact the US domestic economy.

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GROSS DOMESTIC PRODUCT

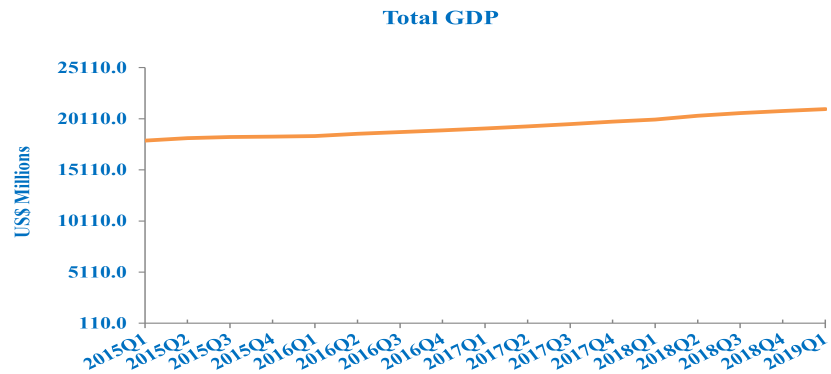
First quarter real gross domestic product (GDP) increased at an annual rate of 3.1% in the first quarter of 2019. For the fourth quarter of 2018, real GDP had a 2.2% growth according to the advanced estimate released by the Bureau of Economic. This report is based on incomplete source data that.

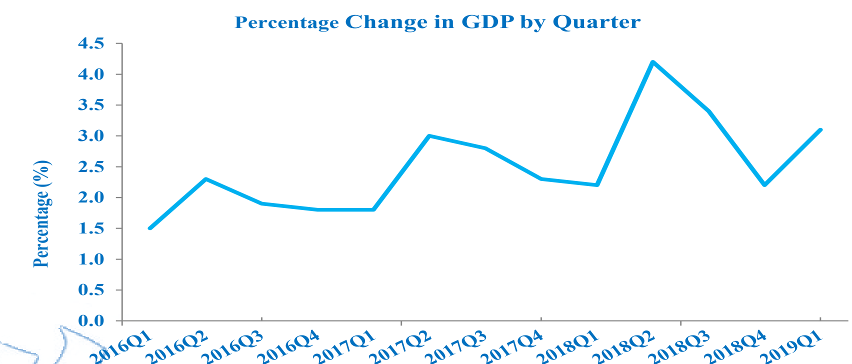
The upward movement in real GDP for the first quarter reflected positive contributions from PCE, private inventory investment, non-residential fixed investment, exports, state and local government spending. This movement was partly offset by a negative contribution from residential fixed investment.

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 224,000 in June, with the rate of unemployment increasing at 3.7%, as stated by the U.S. Bureau of Labor Statistics. Employment rose in professional and business services, in health care, and in transportation and warehousing.

In June, the unemployment rate was little changed at 3.7% with a little change to the number of unemployed persons at 6 million. According to the Bureau of Labor Statistics, "In June, the number of persons unemployed less than 5 weeks decreased by 186,000 to 1.96 million, following an increase in May. The number of long-term unemployed (those jobless for 27 weeks or more), at 1.41 million, changed little over the month and accounted for 23.7% of the unemployed."

Labour force participation rate was 62.9% for June. 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 was unchanged in June at 4.3 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 8000.

There were 1.6 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, 425,000 persons were classified as discouraged workers in June 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	453,404		

CONSUMER PRICE INDEX

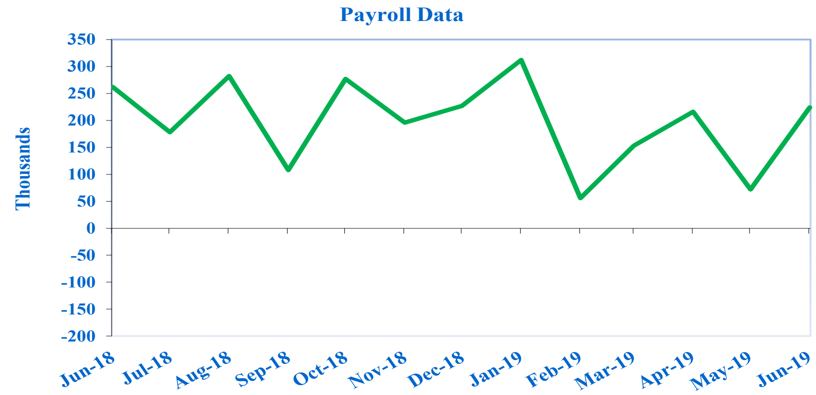
The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.1% in June, the same increase as in May, on a seasonally adjusted basis," the U.S. Bureau of Labor Statistics indicated. The all items index increased 1.6% before seasonal adjustment over the last year.

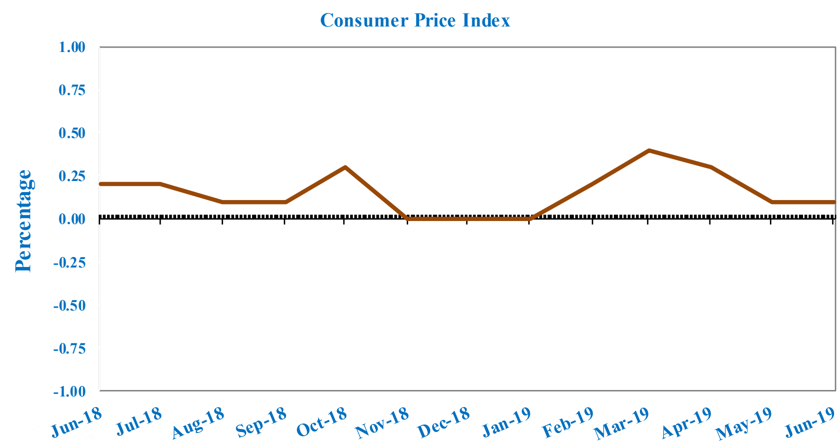
"The index for all items less food and energy increased 0.3% in June, its largest monthly increase since January 2018. The indexes for shelter, used cars and trucks, apparel, household furnishings and operations, medical care, and motor vehicle insurance all rose in June. The indexes for recreation, airline fares, and personal care were among those that declined over the month."

"The all items index increased 1.6% for the 12 months ending June. The index for all items less food and energy rose 2.1 % over the last 12 months, and the food index also rose 1.9 %. The energy index decreased 3.4 % over the past year."

"The food index was unchanged in June. The index for food at home, fell 0.3% in May, but rose 0.2% in June. The indexes for cereals and bakery products and for non-alcoholic beverages both fell 0.6 % in June after rising in May, while index for meats, poultry, fish, and eggs fell 0.7% in June as the index for beef fell 1.3%. The index for fruits and vegetables fell 0.5 % in June, its third consecutive decline. The index for dairy and related products increased 0.3% over the same period."

"The energy index fell 2.3% in June. The gasoline index declined 3.6% in June following a 0.5% decline in May. The index for natural gas fell 0.3 % in June, its fifth consecutive monthly decline. The electricity index also fell, decreasing 0.8% in June."





PRODUCER PRICE INDEX

According to Bureau of Labor Statistics ,"The Producer Price Index for final demand rose 0.1% in June, seasonally adjusted. Final demand prices advanced 0.1% in May and 0.2% percent in April. On an unadjusted basis, the final demand index increased 1.7% for the 12 months ended in June."

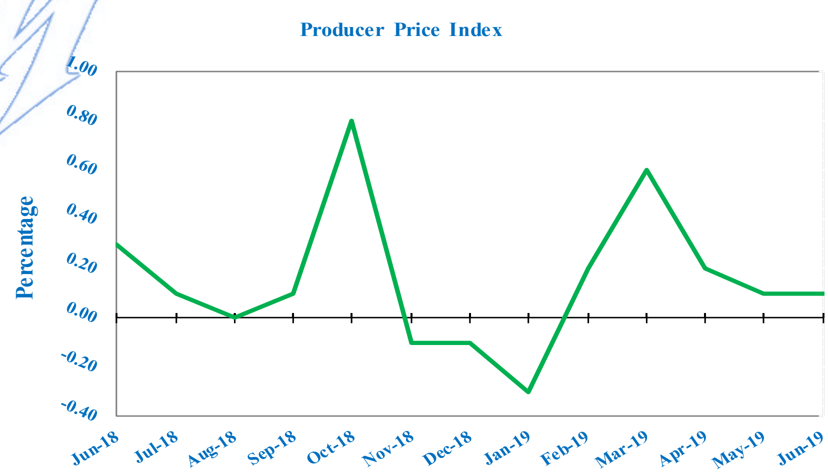
The rise observed in June was linked to a 0.4% increase in the final demand services index. According to Bureau of Labor Statistics, "prices for final demand goods fell 0.4%."

The index for final demand less foods, energy, and trade services was unchanged in June, following increases of 0.4% in both April and May. June's prices for final demand less foods, energy and trade services rose 2.1%.

For the 12 months ended in June, prices for final demand less foods, energy, and trade services advanced 2.1%.

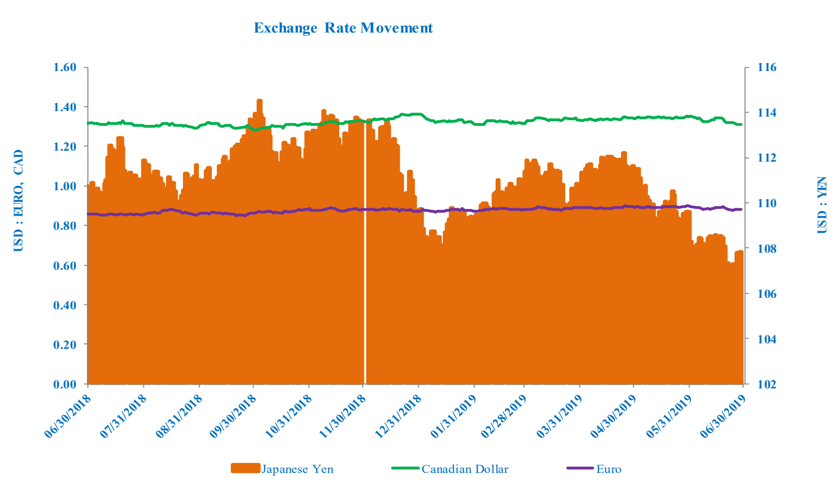
The index for final demand services moved up 0.4% in June. According to BLS, "Most of the June advance is attributable to margins for final demand trade services, which moved up 1.3 percent. (Trade indexes measure changes in margins received by wholesalers and retailers.) Prices for final demand transportation and warehousing services rose 0.3 percent, while the index for final demand services less trade, transportation, and warehousing was unchanged."

"The index for final demand goods moved down 0.4% in June, the largest decrease since falling 0.6 percent in January. The June decline is attributable to a 3.1-percent drop in the index for final demand energy. The index for final demand foods rose 0.6%, while prices for final demand goods less foods



U.S. Dollar

For the month of June 2019 the EURUSD pair closed at $1.14 versus $1.12 a 1.14% movement. The movement was as a result of news circulating regarding a trade truce between China and the United States towards the end of June according to FX Empire. FX Empire also indicated. "the Fed speeches have taken the wind out of the earlier rally in EUR/USD that we saw in the second half of June." Furthermore, the European Central Bank (ECB) will be speaking on the July 25, 2019. FX Empire noted that this, "of course is going to move the markets in general, as we wait to see whether or not they are going to be overly dovish. It's very likely they will be, but at this point we also have to worry about whether or not the Federal Reserve is going to cut interest rates, or perhaps even suggest that they are going to cut them more than once."



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%. Market-based measures of inflation compensation have declined; survey-based measures of longer-term inflation expectations are little changed."

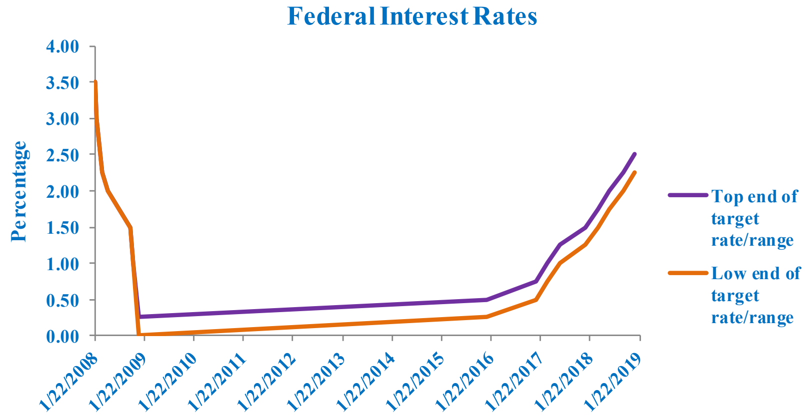
The FOMC decided to maintain the federal funds rate at 2.25% - 2.50%. According to the FOMC, "The Committee continues to view sustained expansion of economic activity, strong labor market conditions, and inflation near the Committee's symmetric 2% objective as the most likely outcomes, but uncertainties 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."

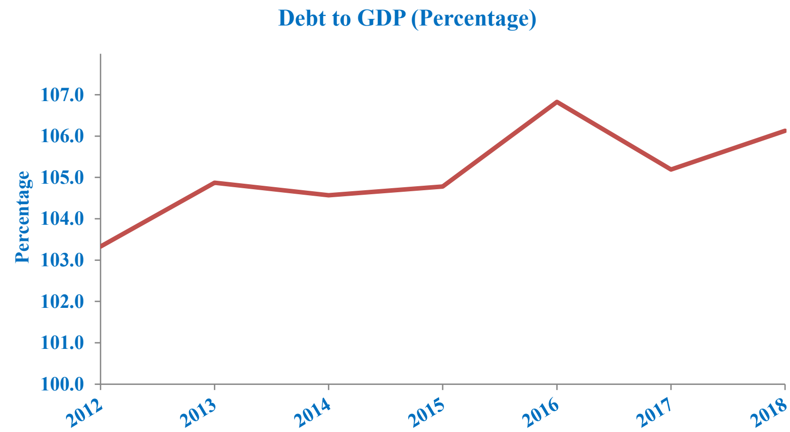
In addition to the policy decision, the FOMC voted for the Open Market Desk at the Federal Reserve Bank of New York until instructed otherwise, to execute transactions in the System Open Market Account in accordance with the following domestic policy directive:

"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."

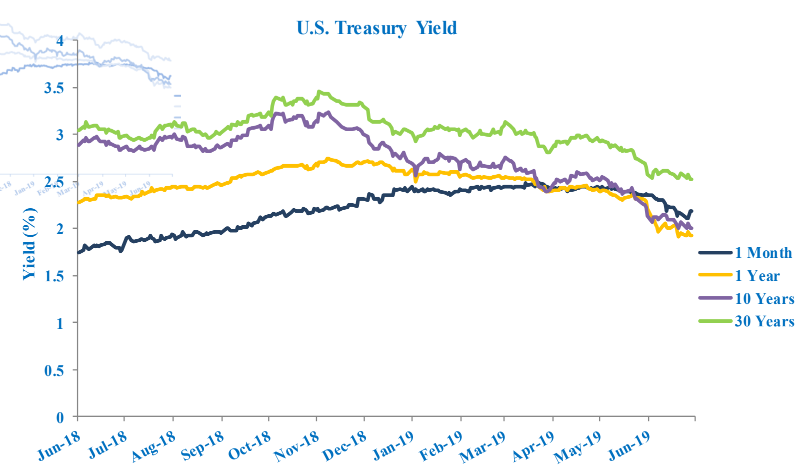
"The Committee also directs the Desk to engage in dollar roll and coupon swap transactions as necessary to facilitate settlement of the Federal Reserve's agency mortgage-backed securities transactions."





U.S. TREASURY YIELD CURVE

The 3-month (constant maturity) Treasury bill rate inched down to 2.12% down from May's 2.35% as well as April's 2.43%. The 5-year rate registered a decline to close June at 1.76% from 1.93% a month earlier. The 10-year rate (also constant maturity) slipped to 2.00%, down from May's 2.14% and below April's 2.51%.



GOVERNMENT DEBT/ DEFICIT

For the period of October 2018 to June 2019, the Congressional Budget Office (CBO) indicated, "The federal budget deficit was $746 billion for the first nine months of fiscal year 2019, the Congressional Budget Office estimates, $139 billion more than the deficit recorded during the same period last year. Revenues were $69 billion higher and outlays were $208 billion higher than during first nine months of 2018."

Receipts totaled $2,609 billion for the first nine months of fiscal year 2019. The Congressional Budget Office (CBO), estimates— $69 billion (or 3%) more than during the same period last year.

According to CBO, "Outlays for the first nine months of fiscal year 2019 were $3,356 billion, $208 billion more than during the same period last year, CBO estimates."

Budget Totals, October 2018 – June 2019

Billions of Dollars

	Actual, FY 2018	Preliminary, FY 2019	Estimated Change
Receipts	2,541	2,609	69
Outlays	3,148	3,356	208
Deficit (-)	-607	-746	-139