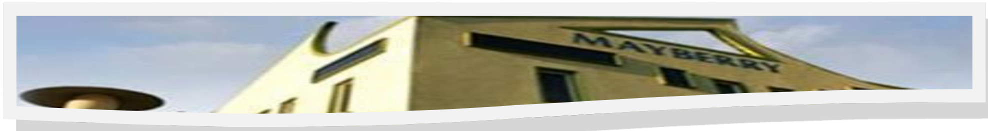


MAYBERRY
INVESTMENTS LIMITED

VOLUME
JULY 2019

ECONOMIC SUMMARY

UNITED STATES

Monthly Economic Review: US

With the economy showing signs of a slowdown, the Federal Reserve (Fed) cut interest rates by 0.25% on July 31, the first rate-cut since 2008, to a target range of 2.00% to 2.25%.

The S&P 500 Index was up 1.31% in July, from 2,941.76 at the end of June to 2,980.38 at the July close through the first seven months of 2019, the S&P 500 is up 18.89%. The NASDAQ Index also moved up in July, from 8,006.24 at the end of June to 8,175.42 at the July close – a 2.11% gain. For the year, the NASDAQ is up 23.21%.

Retail sales for June were up 0.4% from the previous month; sales were up 3.4% from a year earlier.

Monthly Highlights

US employers added 164,000 new jobs in July after adding 224,000 jobs in June; the unemployment rate remained unchanged at 3.7%. The economy has added jobs for 106 consecutive months.

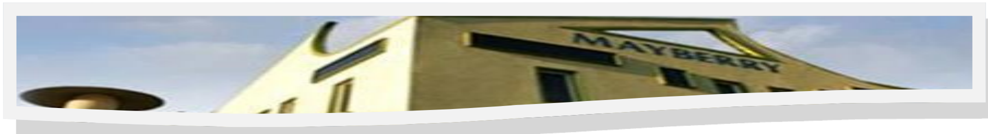
The yield on 10-year US Treasuries barely moved in July, ending the month at 2.02% compared with 2.00% at the end of June. For the year, the rate is down 0.66% from the 2.68% rate at the end of 2018.

Oil prices were little changed in July, as the price of a barrel of West Texas Intermediate, inched up just $0.23, from $58.40 at the June close to $58.63 at the end of July.

Analyst Summary

For July US stocks are up slightly with both the S&P and the NASDAQ both increasing month, and year to date, Retail sales remain strong, primarily due to increasing online retail sales as well as increasing motor vehicle sales. Employment is still on the rise; however, the economy added marginally fewer jobs in July.

S&P Sectors were mixed, as 11 sectors posted gains while the remaining four were down in July. Treasury yields flat as tensions in international trade between in the US and China are reflected in bond yields. Oil prices hold steady, while international equities slip amid fears of a global recession.



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GROSS DOMESTIC PRODUCT

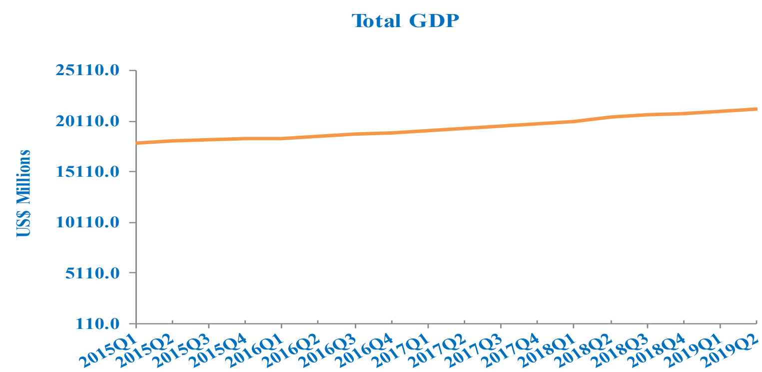
Second quarter real gross domestic product (GDP) increased at an annual rate of 2.1% in the second quarter of 2019. For the first quarter of 2019, real GDP had a 3.1% growth according to the advanced estimate released by the Bureau of Economic. This report is based on incomplete source data that.

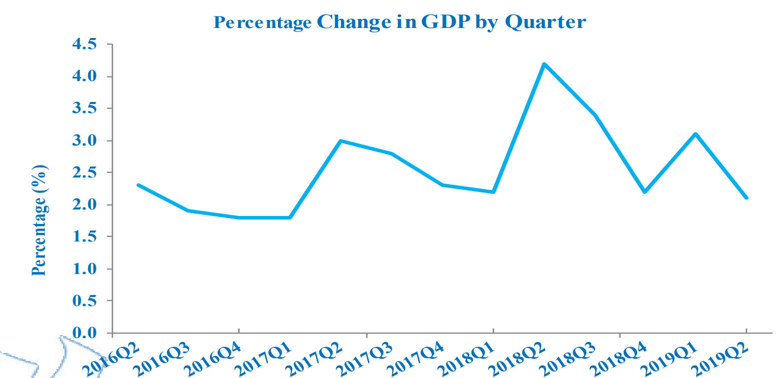
The upward movement in real GDP for the second quarter reflected positive contributions from (PCE), federal government spending, and state and local government spending. This movement was partly offset by a negative contribution from private inventory investment, exports, non-residential fixed investment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

Real GDP growth deceleration in the second quarter reflected downturns in inventory investment, exports, and non-residential fixed investment. These movements were partly tempered by an increase in PCE and federal government spending.

"Current–dollar GDP increased 4.6%, or $239.1 billion, in the second quarter to a level of $21.34 trillion. In the first quarter, current-dollar GDP increased 3.9%, or $201.0 billion."

In the second quarter, the index for gross domestic purchases price index went up 2.2% when compared to rising 0.8% in the first quarter. In addition, the PCE price index increased 2.3% relative to an increase of 0.4%. With the exception of the food and energy prices, the PCE price index climbed 1.8% versus an increase of 1.1%.





UNEMPLOYMENT

Total nonfarm payroll employment rose by 164,000 in July, with the rate of unemployment unchanged at 3.7%, as stated by the U.S. Bureau of Labor Statistics. Employment rose in professional and technical services, health care, social assistance and financial activities.

In July, the unemployment rate was unchanged at 3.7% with a little change to the number of unemployed persons at 6.1 million. According to the Bureau of Labor Statistics, "In July, the number of persons unemployed less than 5 weeks increased by 240,000 to 2.2 million while the number of long-term unemployed (those jobless for 27 weeks or more), declined by 248,000 to 1.2 million, changed little over the month and accounted for 19.2% of the unemployed."

Labour force participation rate was 63% for July. In addition, the employment-population ratio was at 60.7%, little changed over the month and year.

Involuntary part-time workers or the number of persons employed part time for economic reasons decreased by 363,000 in July to 4.0 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 604,000.

There were 1.5 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, 368,000 persons were classified as discouraged workers in July, 144,000 less 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 July 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

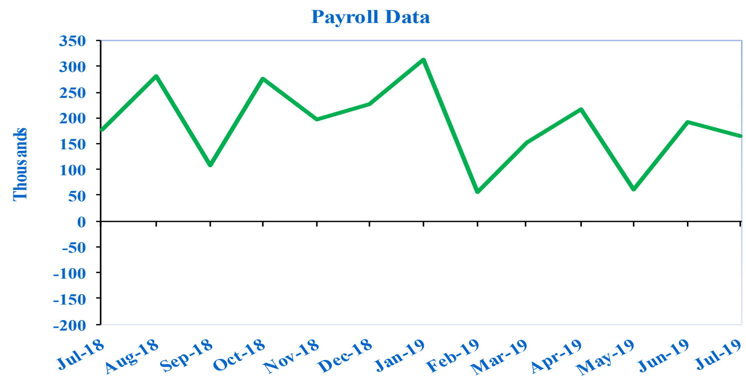
The Consumer Price Index for All Urban Consumers (CPI-U) rose 0.3% in July, after increasing by 0.1% in June, on a seasonally adjusted basis, the U.S. Bureau of Labor Statistics indicated. The all items index increased 1.8% before seasonal adjustment over the last year.

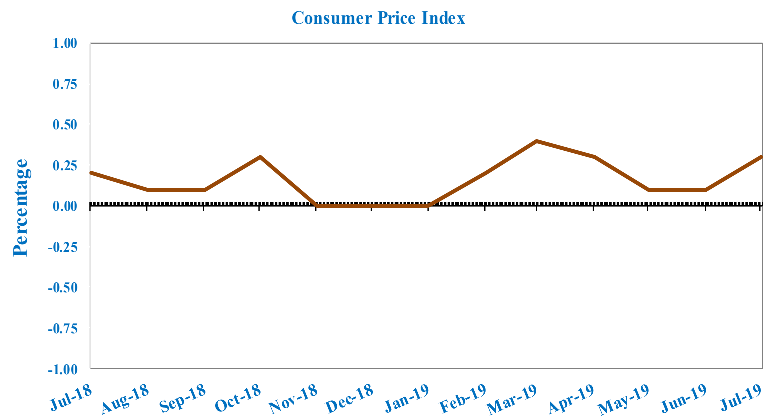
The index for all items less food and energy increased 0.3% in July, the same increase as in June. The indexes for shelter, medical care, airline fares, household furnishings and operations, apparel, and personal careall rose in July. The indexes for new vehicles was one of the few that declined over the month.

"The all items index increased 1.8% for the 12 months ending June. The index for all items less food and energy rose 2.2 % over the last 12 months, and the food index also rose 1.8 %. The energy index decreased 2.0 % over the past year."

"The index for food was unchanged in July, while the index for food at home, fell 0.1% in July after falling 0.2% in June. "The indexes for cereals and bakery products rose 0.3% in July while index for meats, poultry, fish, and eggs increased 0.1% in July as the index for beef fell 1.3%. Furthermore, the index for non-alcoholic beverages fell 0.4% in July after also falling by 0.4% in June. The index for fruits and vegetables rose 0.3 % in July. The index for dairy and related products decreased 0.3% over the same period."

"The energy index fell 1.3% in July. The gasoline index increased 2.5% in July following a 3.6% decline in June. The index for natural gas fell 1.8 % in July. The electricity index, however, rose by 0.6% in July."





PRODUCER PRICE INDEX

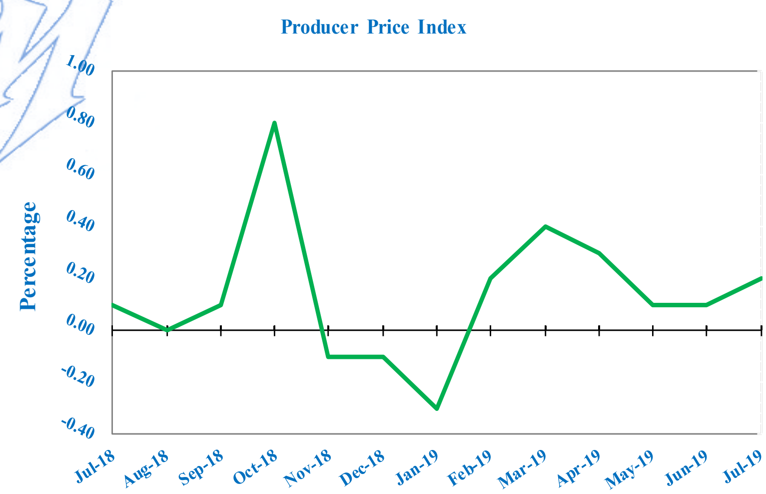
Final demand for the Producer Price Index inched up 0.2% in July 2019, seasonally adjusted. Final demand prices recorded advances 0.1% in June and May. On an unadjusted basis, the final demand index increased 1.7% for the 12 months ended in July.

The rise observed in July was linked to a 0.4% increase in the final demand goods index. According to Bureau of Labor Statistics, "prices for final demand services fell 0.1%."

The index for final demand less foods, energy, and trade services declined 0.1% in July. For the 12 months ended in July, prices for final demand less foods, energy and trade services rose 1.7%.

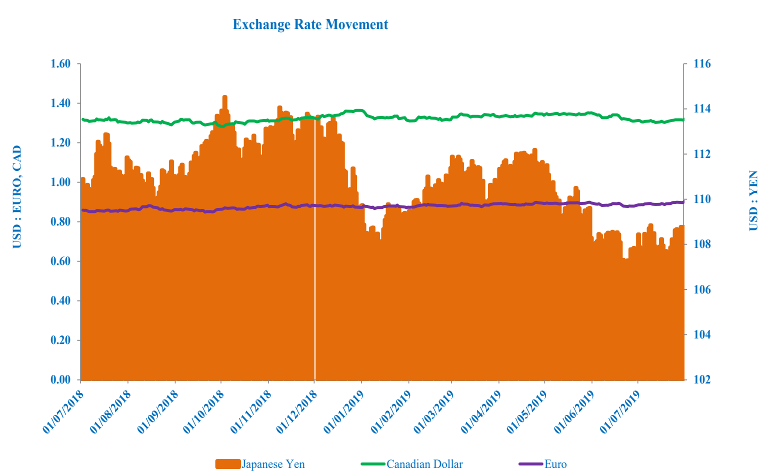
The index for final demand services fell 0.1% in July. According to BLS, "The decrease is attributable to prices for final demand services less trade, transportation, and warehousing, which moved down 0.3%. In contrast, the indexes for final demand trade services and for final demand transportation and warehousing services both advanced 0.2%."

"The index for final demand goods moved up 0.4% in July, the largest decrease since increasing 1.0% in March. The July's increase is attributable to a 2.3% rise in the index for final demand energy. The index for final demand foods rose 0.2%, while prices for final demand goods less foods and energy increased 0.1%."



U.S. Dollar

For the month of June 2019 the EURUSD pair closed at $1.13 versus $1.11 a 1.80% movement. The movement was as a result of "the U.S. Federal Reserve Chairman Jerome Powell ruling out a lengthy easing cycle after the Federal Open Market Committee delivered its first rate cut since the financial crisis in 2008," according to FX Empire. FX Empire also indicated, "the Fed cut its benchmark rate by 25 basis points to tighten up the economy against risks including the trade dispute." Furthermore, FX Empire noted that, "the EUR/USD should continue to weaken because the Fed was somewhat hawkish and the European Central Bank is going to implement more stimulus in September."



FEDERAL RESERVE MINUTES

On July 31, 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 remain low; survey-based measures of longer-term inflation expectations are little changed."

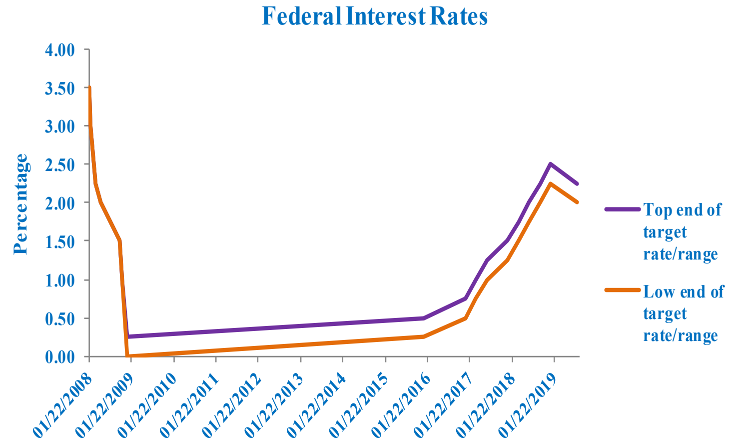
The FOMC decided to lower the target range for the federal funds rate to 2% to 2.25%. According to the FOMC, "the Committee's view that sustained expansion of economic activity, strong labor market conditions, and inflation near the Committee's symmetric 2% objective are the most likely outcomes, but uncertainties about this outlook remain. As the Committee contemplates the future path of the target range for the federal funds rate, it will continue to 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."

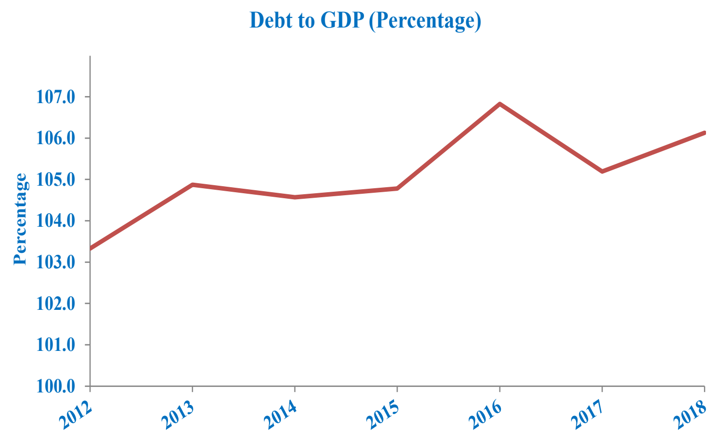
In addition to the policy decision, the FOMC voted for the Open Market Desk at the Federal Reserve Bank of New York until instructed otherwise, to execute transactions in the System Open Market Account in accordance with the following domestic policy directive:

"Effective August 1, 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 to 2.25 %, 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 2.00 %, 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."

"Effective August 1, 2019, the Committee directs the Desk to roll over at auction all principal payments from the Federal Reserve's holdings of Treasury securities and to reinvest all principal payments from the Federal Reserve's holdings of agency debt and agency mortgage-backed securities received during each calendar month. Principal payments from agency debt and agency mortgage-backed securities up to $20 billion per month will be reinvested in Treasury securities to roughly match the maturity composition of Treasury securities outstanding; principal payments in excess of $20 billion per month will continue to be reinvested in agency mortgage-backed securities. Small deviations from these amounts for operational reasons are acceptable."

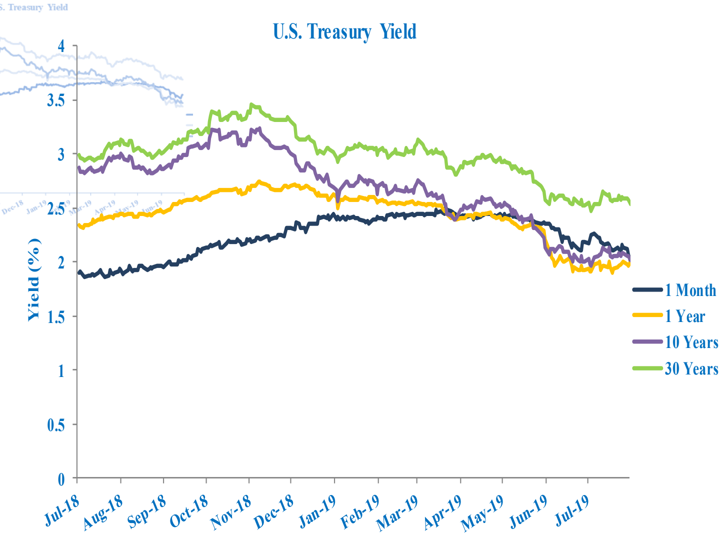
"The Committee also directs the Desk to engage in dollar roll and coupon swap transactions as necessary to facilitate settlement of the Federal Reserve's agency mortgage-backed securities transactions."





U.S. TREASURY YIELD CURVE

The 3-month (constant maturity) Treasury bill rate inched down to 2.08% down from June's 2.12% as well as May's 2.35%. The 5-year rate registered a increased to close July at 1.84% from 1.76% a month earlier. The 10-year rate (also constant maturity) increased slightly to 2.02%, up from June's 2.00% and below May's 2.14%.



GOVERNMENT DEBT/ DEFICIT

For the period of October 2018 to July 2019, the Congressional Budget Office (CBO) indicated, "The federal budget deficit was $867 billion for the first ten months of fiscal year 2019, the Congressional Budget Office estimates, $184 billion more than the deficit recorded during the same period last year. Revenues were $92 billion higher in the same period in fiscal year 2018."

Receipts totaled $2,858 billion during the first ten months of fiscal year 2019. The Congressional Budget Office (CBO), estimates— $92billion (or 3%) more than during the same period last year.

According to CBO, "Outlays for the first ten months of fiscal year 2019 were $3,726 billion, $276 billion more than during the same period last year, CBO estimates."

Budget Totals, October 2018 – July 2019

Billions of Dollars

	Actual, FY 2018	Preliminary, FY 2019	Estimated Change
Receipts	2,766	2,858	92
Outlays	3,450	3,726	276
Deficit (-)	-684	-867	-184