MAYBERRY INVESTMENTS LIMITED

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ECONOMIC SUMMARY

UNITED STATES

GROSS DOMESTIC PRODUCT

Real gross domestic product (GDP) rose at an annual rate of 2.0% for the third quarter of 2021 according to the advance estimate released by the Bureau of Economic Analysis (BEA). This follows an increase of 6.7% in the second quarter.

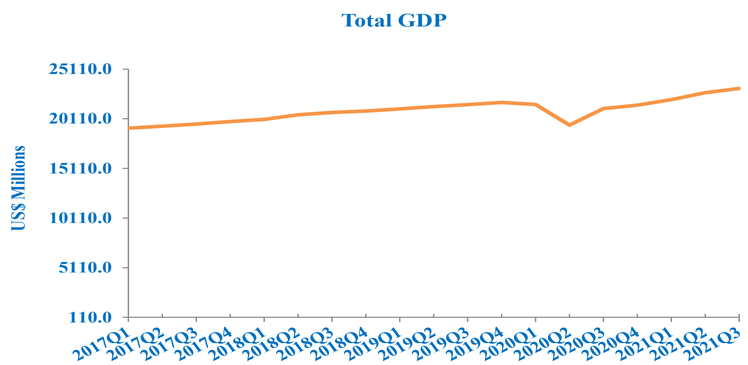
The third quarter GDP increase reflected continued economic impact of the COVID-19 pandemic. BLS noted, "a resurgence of COVID-19 cases resulted in new restrictions and delays in the reopening of establishments in some parts of the country. Government assistance payments in the form of forgivable loans to businesses, grants to state and local governments, and social benefits to households all decreased."

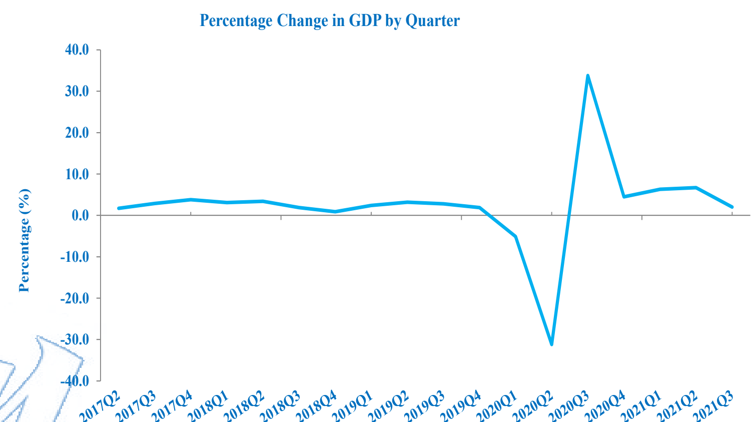
The upward movement in real GDP for the third quarter was mainly attributed to increases in private inventory investment, personal consumption expenditures (PCE), state and local government spending, and nonresidential fixed investment but was partly offset by declines in residential fixed investment, federal government spending, and exports. Moreover, imports increased.

Notably, rises in wholesale trade, led by nondurable goods industries, and retail trade, driven by motor vehicles and parts dealers, accounted for the growth in private inventory investment. The rise in PCE was due to a rise in services, which was somewhat offset by a drop in goods. Within services, gains were widespread, with "other" services (mostly international travel), transportation services, and health care contributing the most. The decline in goods was mostly due to lower spending on motor vehicles and parts. Employee compensation drove the increase in state and local government spending (notably, education). Increases in intellectual property products (headed by software) somewhat offset declines in structures and equipment, resulting in a rise in nonresidential fixed investment.

Furthermore, the drop in residential fixed investment was mostly due to fewer upgrades and new single-family homes. "After the processing and administration of Paycheck Protection Program loan applications by banks on behalf of the federal government ended in the second quarter, the decrease in federal government spending primarily reflected a decrease in nondefense spending on intermediate goods and services. The drop in exports was due to a drop in goods, which was partially offset by a rise in services. Imports increased mostly due to an increase in services (headed by travel and transport)."

Current dollar GDP rose 7.8% at an annual rate, or $432.5 billion, in the third quarter to a level of $23.17 trillion. In the third quarter of 2021, the price index for gross domestic purchases went up 5.4%. In addition, the PCE price index rose 5.3%. With the exception of the food and energy prices, the PCE price index climbed 4.5%.





UNEMPLOYMENT

In October, total nonfarm payroll employment increased by 531,000. Since a recent dip in April 2020, the rate has increased by 18.2 million, but is still down by 2.8% from its pre-pandemic level in February 2020. The unemployment rate ticked down to 4.6 percent in October. The job growth was spread across various industries, with notable gains in leisure and hospitality, professional and business services, and manufacturing.

Professional and business services added 100,000 jobs in October 2021. Leisure and hospitality rose 164,000 while retail trade increased by 35,000 over the month. Transportation and warehousing added 54,000, wholesale trade (+14,000) and information (+10,000). Additionally, employment in mining added 5,000, other services added 33,000, manufacturing added 60,000 and construction increased by 44,000 jobs. Employment in health care increased in October by 37,000 jobs and employment in financial activities increased by 21,000 jobs. According to BLS, "in October, employment decreased by 43,000 in local government education and by 22,000 in state government education."

Notably, the number of persons on temporary layoff stood at 1.1 million in October. The number of permanent job losers changed slightly to 2.1 million. While the number of long-term unemployed (those jobless for 27 weeks or more) declined by 357,000 to 2.3 million. Moreover, the number of unemployed persons who were jobless less than 5 weeks in October stood at 2.1 million.

The labour force participation rate for October stood at 61.6%, while the employment population ratio rose to 58.8%. Nonetheless, persons employed part-time for economic reasons stood at 4.4 million in October. 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."

In October, a total of 1.7 million individuals were slightly attached to the labour force. These persons were not in the labour force, wanted and were available for work, and had looked for a job in the last year. Of the marginally attached, 455,000 persons were classified as discouraged workers in October, little changed over the month. These persons are not currently seeking work as they believe no jobs are available for them.

Labour Force in Thousands	Jan-Mar	Apr-Jun	Jul-Sep	Oct - Dec
Year	Q1	Q2	Q3	Q4
2016	430,276	431,893	434,138	435,687
2017	437,341	438,955	440,624	442,216
2018	443,964	445,945	447,653	449,152
2019	450,503	451,747	453,350	455,201
2020	455,597	400,995	422,580	427,857
2021	430,065	435,168	442,257	

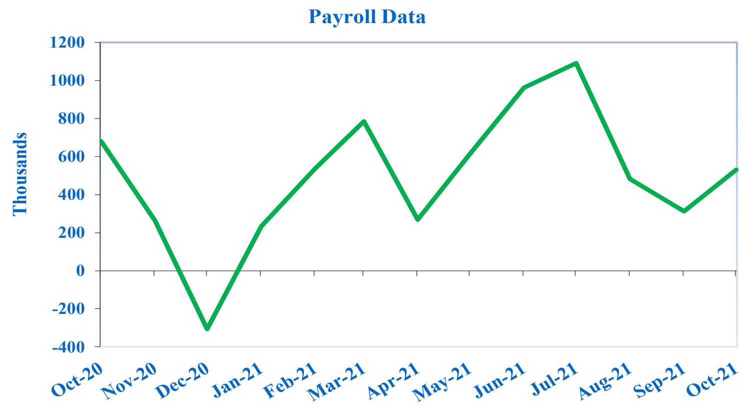
CONSUMER PRICE INDEX

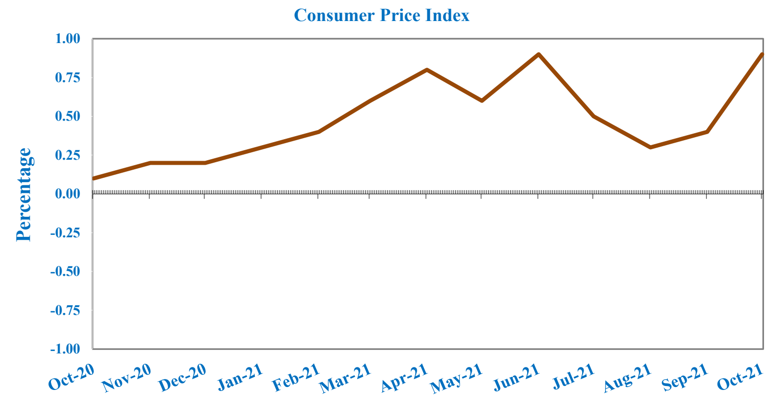
The Consumer Price Index for All Urban Consumers (CPI-U) rose 0.9% for October 2021, on a seasonally adjusted basis, according to U.S. Bureau of Labour Statistics (BLS). The all-items index rose 6.2% before seasonal adjustment over the last year.

The all-items less food and energy index climbed 0.6% in October. The index shelter index increased by 0.5%. The indexes for new vehicles and used cars and trucks rose 1.4% and 2.5%, respectively. The prices for medical care rose 0.5%, household furnishings and operations rose 0.8% and recreation rose 0.7%. The indexes for personal care (0.6%), tobacco (1.9%), education (0.2%), and communication (0.1%) all increased in October. Whereas the motor vehicle insurance index and the apparel index stood unchanged in October. One of the few indexes to fall was airline fares, which fell 0.7%; the index for alcoholic beverages down 0.2%.

The index for food rose 0.9% in October, while the index for food at home increased 1.0%. The index for meats, poultry, fish, and eggs rose 1.7% in October as the beef index rose 3.1%. The non-alcoholic beverages index increased 0.8% in October. The food away from home index rose 0.8% while the index for other food at home increased by 1.2% over the month. The index for fruits and vegetables climbed 0.1% in October. The index for dairy and related products climbed 0.2% and the index for cereals and bakery products rose 1.0% in October.

The index for energy rose 4.8% in October. A 6.1% increase was recorded in the gasoline index. Meanwhile, the index for natural gas increased 6.6% and the electricity index increased 1.8% in October.





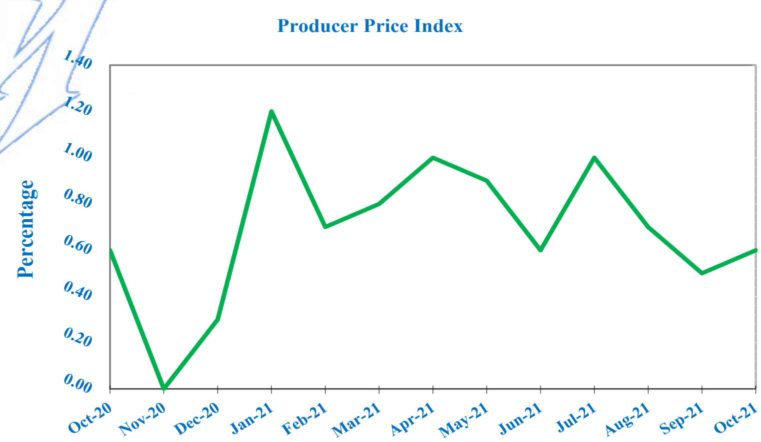
PRODUCER PRICE INDEX

In October, the seasonally adjusted Producer Price Index for final demand climbed by 0.6%. Final demand prices increased by 0.5% in September and 0.7% in August, respectively. A 1.2% increase in prices for final demand items accounted for more than 60% of the increase in the index for final demand in October. The final demand services index increased by 0.2%, while final demand construction prices increased 6.6%.

Prices for final demand less foods, energy, and trade services climbed 0.4% in the month of October after increasing 0.1% in September. For the 12 months ended in October, the index for final demand less foods, energy, and trade services rose 6.2%.

In October, prices for final demand services increased by 0.2%, marking the tenth consecutive increase. The index for final demand trade services, which gained 0.4% in October, accounts for about two-thirds of the increase. Final demand transportation and warehousing services saw a 1.7% increase in price. The index for final demand services less trade, transportation, and warehousing, on the other hand, declined 0.1%.

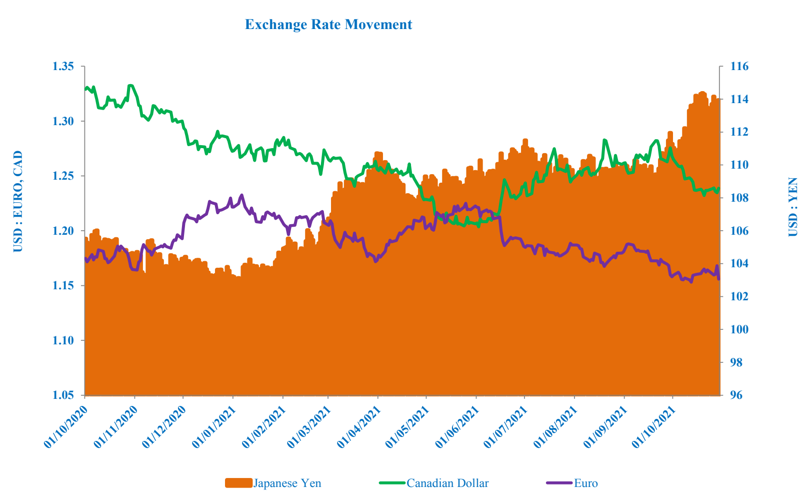
Following a 1.3% in September, the final demand goods index increased by 1.2% in October. Three-quarters of the gain in October was due to a 4.8% increase in final demand energy prices, while the index for final demand products less food and energy rose 0.5%. Prices for final demand foods, on the other hand, fell by 0.1%.



U.S. Dollar

For October 2021, the EUR/USD pair closed at $1.1558 versus $1.1596 at the start of the month, a 0.33% decrease. According to FX empire, "traders reassessed their responses to the dovish European Central Bank (ECB) monetary policy decisions as President Christine Lagarde's" failed "to push back against market expectations of higher interest rates."

Looking ahead, "the Federal Reserve is looking much more hawkish, as they have started to taper bond purchases, driving rates higher over the longer term. That makes the US dollar much more attractive," as per FX Empire.



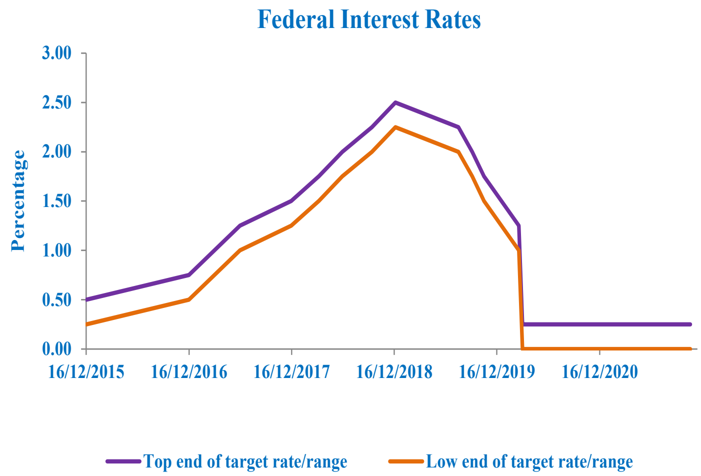
FEDERAL RESERVE MINUTES

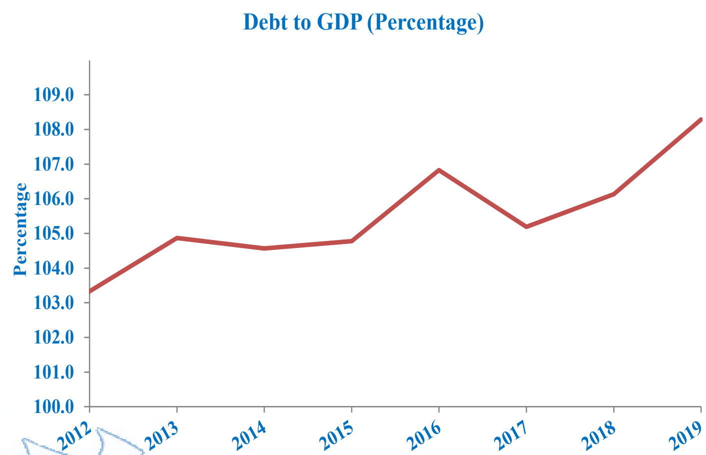
On November 03 2021, the Federal Reserve decided to maintain its benchmark interest rate at 0 and 0.25% after the Federal Open Market Committee concluded its two-day meeting. This target range is expected to be maintained until labor market conditions have reached levels consistent with the Committee's assessments.

With progress on vaccinations and strong policy support, indicators of economic activity and employment have continued to strengthen. The sectors most adversely affected by the pandemic have improved in recent months, but the summer's rise in COVID-19 cases has slowed their recovery. Inflation is elevated, largely reflecting factors that are expected to be transitory. Supply and demand imbalances related to the pandemic and the reopening of the economy have contributed to sizable price increases in some sectors. Overall financial conditions remain accommodative, in part reflecting policy measures to support the economy and the flow of credit to U.S. households and businesses.

The Federal Reserve cites, "the path of the economy will depend on the course of the virus. Progress on vaccinations will likely continue to reduce the effects of the public health crisis on the economy but risks to the economic outlook remain." The Committee's long-term aim is to maintain maximum employment and inflation at 2%, and it aims to keep monetary policy accommodative until these goals are reached.

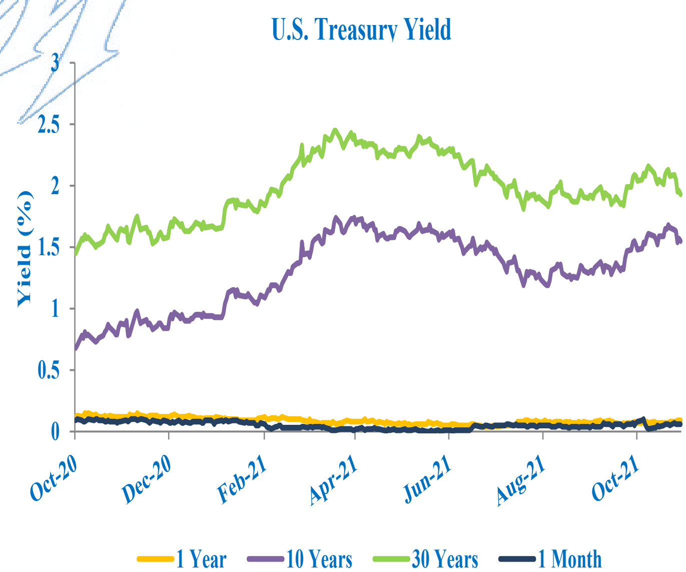
Furthermore, the Federal Reserve intends to increase its holdings of Treasury securities by at least $70 billion this month and agency mortgage-backed securities by at least $35 billion per month. FOMC reported that, "beginning in December, the Committee will increase its holdings of Treasury securities by at least $60 billion per month and of agency mortgage-backed securities by at least $30 billion per month. The Committee judges that similar reductions in the pace of net asset purchases will likely be appropriate each month, but it is prepared to adjust the pace of purchases if warranted by changes in the economic outlook. The Federal Reserve's ongoing purchases and holdings of securities will continue to foster smooth market functioning and accommodative financial conditions, thereby supporting the flow of credit to households and businesses. until significant additional progress is made toward the Committee's maximum employment and price stability goals."





U.S. TREASURY YIELD CURVE

The 3-month Treasury bill rate stood at 0.05% from September's 0.04%. The 5-year rate rose to 1.18% in October 2021 relative to 0.98%, a month earlier. The 10-year rate (also constant maturity) increased to 1.55%, from September's 1.52% and August's 1.30%.



GOVERNMENT DEBT/ DEFICIT

The Congressional Budget Office (CBO) indicated that the federal budget deficit amounted to $2.8 trillion for the fiscal year 2021.

Furthermore, for the fiscal year 2021, CBO estimates receipts to amount to $4,046 billion, $626 billion more than in the similar period in 2020.

However, based on CBO estimates for the fiscal year 2021, outlays are estimated to total $6,818 billion, a $266 billion increase relative to the same period last year.

Fiscal Year Totals -Billions of Dollars				
	Actual, FY 2019	Actual, FY 2020	Actual, FY 2021	Estimated Change
Receipts	3,463	3,420	4,046	626
Outlays	4,447	6,552	6,818	266
Deficit (-)	-984	-3,132	-2,772	360