

# P R E S S   R E L E A S E

*For immediate release*

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## **GDB-EAI INCREASES TO 128.9 DURING THE MONTH OF MARCH 2010 -- ALL THE GDB-EAI COMPONENTS REFLECTED A MONTH-OVER-MONTH INCREASE**

**SAN JUAN, PUERTO RICO,**– The Government Development Bank for Puerto Rico (“GDB”) released today its monthly Economic Activity Index (“GDB-EAI”) for the month of March 2010. The GDB-EAI increased to 128.9. All the GDB-EAI components reflected a month-over-month increase. Compared to February 2010, significant improvements among all components have allowed contraction in the index to improve to 5.5% on a year-over-year basis. The month of March 2010 also reflected job growth of 1,300 payroll employments. The GDB-EAI is available on the GDB website, at [www.gdbpr.com](http://www.gdbpr.com).

On a month-over-month comparison, all of the GDB-EAI components recorded positive increases: payroll employment increased by 0.1%, cement sales increased by 14.6%, gasoline consumption increased by 20.0%, and electric power consumption increased by 18.7%

Cement sales during the month of March 2010 totaled 1,812,900 bags, representing a 14.6% increase on a month-over-month basis. For the first time in 12 months, cement sales have recorded two consecutive month-over-month increases. Total payroll employment increased 1,300 jobs compared to February 2010. Increase in payroll employment is mainly due as a result of 6,400 jobs created by the Federal Government to assist in the U.S. Census efforts, among other initiatives. Manufacturing jobs increased 400 jobs on a month-over-month basis.

Consumption of gasoline increased to 89.4 million gallons, or 20.0% on a month-over-month basis. For the first 9 month period of FY 2010, consumption is 2.7% below the same period in FY 2009 in spite of recent spike in gasoline prices. Electric power consumption recorded a jump of 11.6% to 1.621 million kW/h compared to March 2009. For the first 9 month period of FY 2010, electric power consumption is 3.0% over the same period in FY 2009, signaling a strong improvement in energy sales.

The GDB-EAI was 128.9 for the month of March 2010. In comparison to March 2009, the GDB-EAI showed a reduction of 5.5%, mainly due to continuous contraction in the construction industry. On a month-over-month basis, the GDB-EAI increased 0.1%.

The Economic Activity Index is an economic tool that summarizes the current trend and dynamics of the Puerto Rican economy. The GDB-EAI was formulated following a similar methodology as the Conference Board in its coincident index. The GDB-EAI has a high correlation with Puerto Rico’s real Gross National Product (GNP). GDB publishes the EAI on a monthly basis along with a qualitative economic comment in order to provide a clear understanding of the trend and current state of the local economy.

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