

P R E S S R E L E A S E

For immediate release

CONTACT: ANA MARÍA GREGORIO

Tel. (787) 728-9200 • (787) 722-2525 exts. 15310 and 15311
Cel. (787) 415-1231 • ana.m.gregorio@bgfpr.com • www.gdbpr.com



August 9, 2012

ECONOMIC ACTIVITY INDEX REMAINS ON A POSITIVE PATH FOR MORE THAN SIX MONTHS

June 2012 ends with a 0.3% growth compared to June 2011

SAN JUAN, P.R.- The Government Development Bank presented today the Economic Activity Index (GDB-EAI) for the months of May and June 2012. In May the Index stayed the same when compared with May 2011, and in June it reflected 0.3% growth when compared with June 2011.

“We are pleased that the Economic Activity Index has stayed in positive terrain since December 2011, which had not happened since the recession began in 2006. Together with other indicators that are also reflecting increases—such as, retail sales, auto sales, new home sales and sale of existing homes— this reaffirms that we got out of the recession and we continue to gain ground. We have to carry on the efforts we’ve deployed so far in order to continue the upward course and we must continue a rigorous management of government finances to stay on the right path,” GDB President Juan Carlos Batlle pointed out. “Continuity is one of the key elements in achieving the goal of sustained economic growth,” Batlle added.

GDB-EAI for June 2012

The EAI for June 2012 registered 128.1, a 0.3% year-over-year increase.

Cement sales continued on an upward trend in June 2012 with 1.74 million bags sold, a 17.2% year-over-year increase. Total cement sales for FY2012 ended 7.3% above sales for FY2011.

Total non-farm payroll employment totaled 929,300, a 0.1% year-over-year reduction. The unemployment rate decreased to 13.8% (s.a.), compared to 15.7% (s.a.) in June 2011. This rate reflects the lowest unemployment level since January 2009.

Gasoline consumption totaled 79.1 million gallons, a 20.3% year-over-year reduction.

The fourth GDB-EAI component, electric power generation, registered 1,977.7 million kWh in June 2012, a 2.0% year-over-year increase. Total electricity generation for FY2012 ended 1.9% below generation for FY2011.

GDB-EAI for May 2012

The EAI for May 2012 registered 127.9, the same level as in May 2011.

Cement sales continued reflecting a marked increase. In May 2012, 1.846 million bags were sold, a 21.3% year-over-year increment. Total cement sales for FY2012 are 6.4% above sales for FY2011.

Electric power generation totaled 1,903.4 million kWh, reflecting a year-over-year increase of 0.7%.

Non-farm payroll employment in May totaled 919,500, a 0.3% year-over-year reduction. The unemployment rate decreased to 14.2% (s.a.), compared to 15.9% (s.a.) in May 2011.

Gasoline consumption in May 2012 registered 86.5 million gallons, reflecting a 15.2% year-over-year reduction.

The Economic Activity Index is an economic indicator that summarizes the current trend and dynamics of the Puerto Rico economy. The GDB-EAI was formulated following a similar methodology as that used by the Conference Board in its coincident index. The GDB-EAI has a high correlation with Puerto Rico's real Gross National Product (GNP). The 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.

###