



Economic Activity Index (“GDB-EAI”)
For the month of June 2013

General Commentary - June 2013

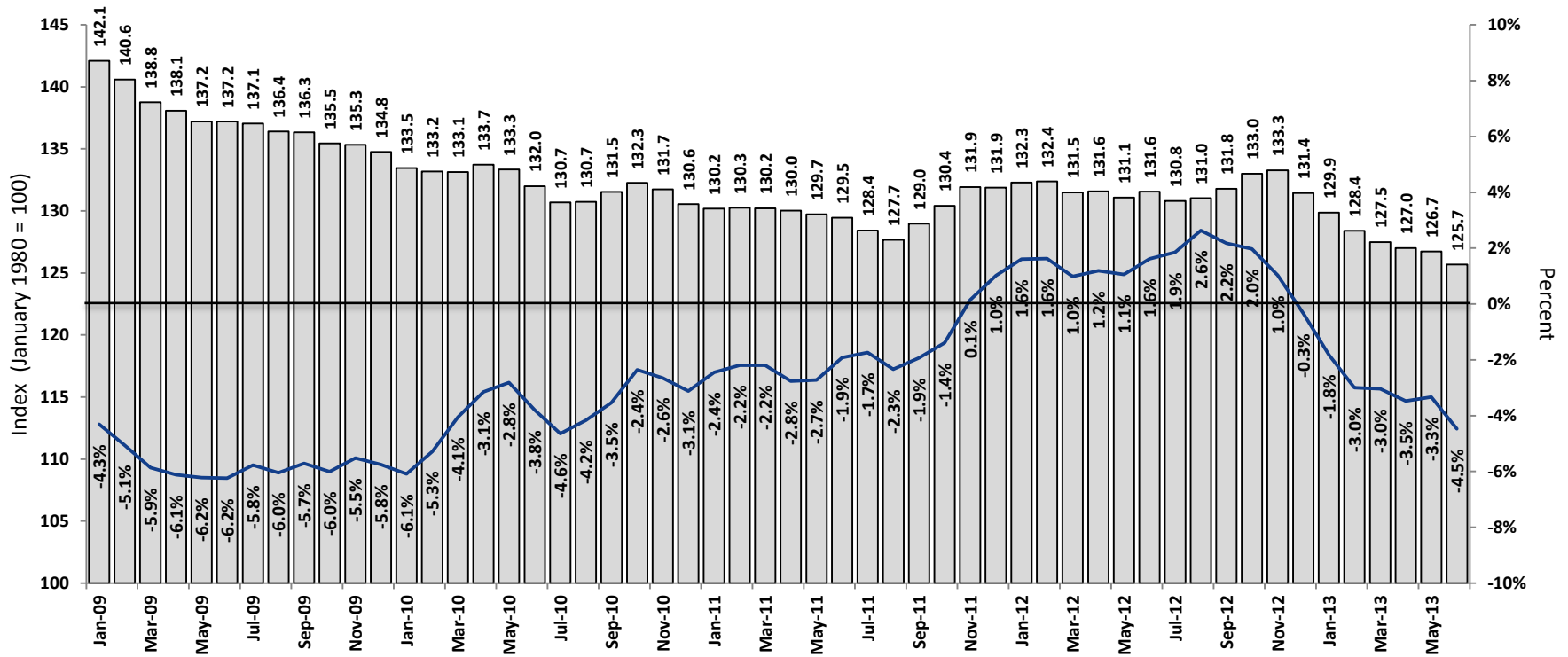
GDB-EAI for the month of June registered a 4.5% year-over-year (“YOY”) reduction

- June 2013 EAI was 125.7, a 4.5% reduction compared to June 2012. Moreover, the average value for FY2013 showed a reduction of 0.9% with respect the corresponding figure of FY2012.
- The preliminary number of gasoline consumption* was 79.0 million gallons. The total value for FY2013 was 1,048.8 million, 1.6% above the respective amount of FY2012.
- Total non-farm payroll employment for June 2013 averaged 909,600, an annual reduction of 3.4%. Furthermore, the average for FY2013 showed a decrease of 0.6%.
- Electric power generation totaled 1,797.3 million kWh, an annual decrease of 9.1%. The average quantity for FY2013 was 1.1% less than the value of FY2012.
- Cement sales totaled 1.21 million bags, registering an annual reduction of 30.5%. For FY2013 cement sales were below 12.0% with respect the figure of FY2012.

* Estimated monthly gasoline consumption is derived from the Treasury Department’s monthly gasoline excise tax collections and the Highways and Transportation Authority reports. The irregularity in the monthly collections comes from the inventory and purchases fluctuations from major gasoline importers. As a result, the estimate used by GDB does not necessarily reflect actual monthly consumption by individuals.

The GDB-EAI for the month of June 2013 reflected a year-over-year reduction of 4.5%

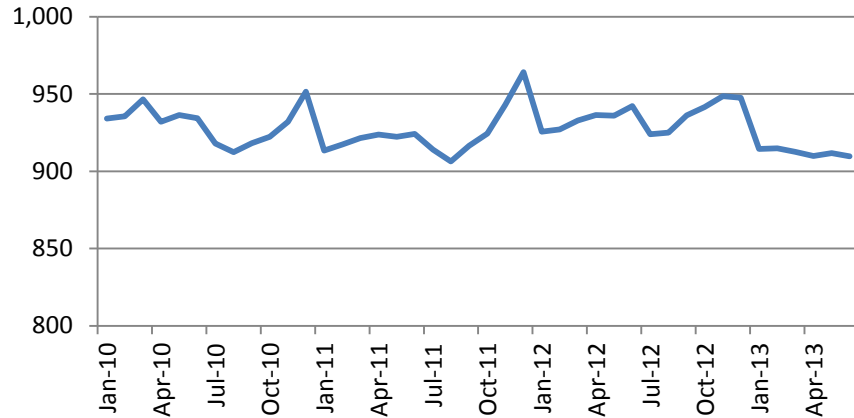
GDB Economic Activity Index



GDB Economic Activity Index Components

Total Non-Farm Payroll Employment*

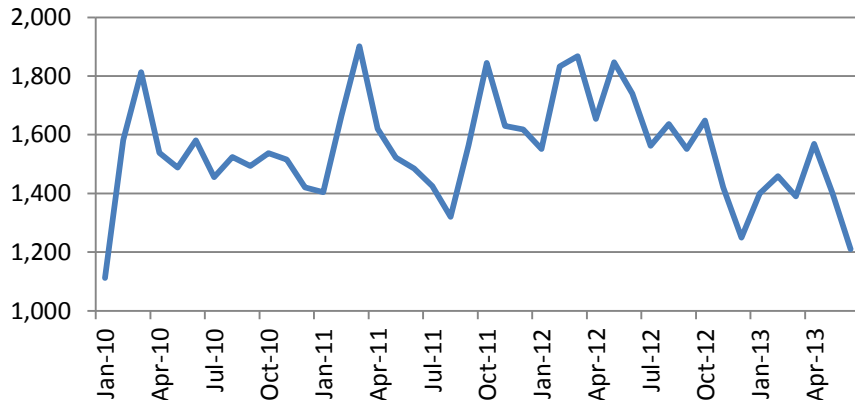
(Thousands of jobs)



- Total non-farm payroll employment for June 2013 averaged 909,600, an annual reduction of 3.4%.

Cement Sales

(Cement Bags sold, in thousands)



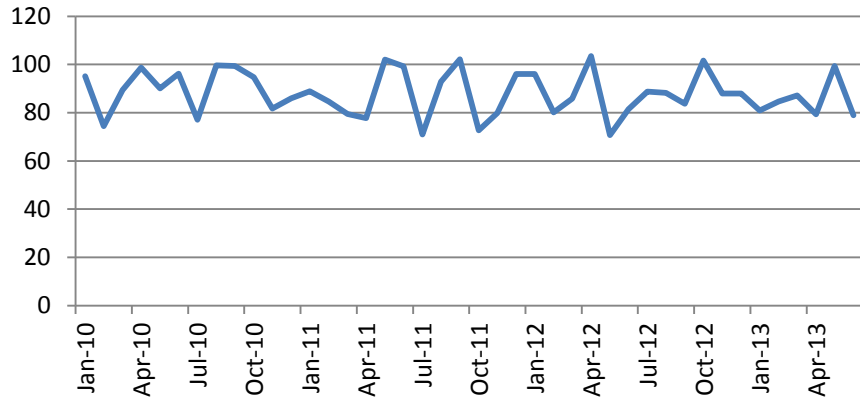
- Cement sales totaled 1.21 million bags, registering an annual reduction of 30.5%, again, **partially** explained by another extraordinary pluvial precipitation during June 2013, when compared to June 2012.
- Cement sales for FY2013 were below by 12.0% with respect to FY2012.

Sources: BLS and GDB
* Not seasonally adjusted.

GDB Economic Activity Index Components

Gasoline Consumption

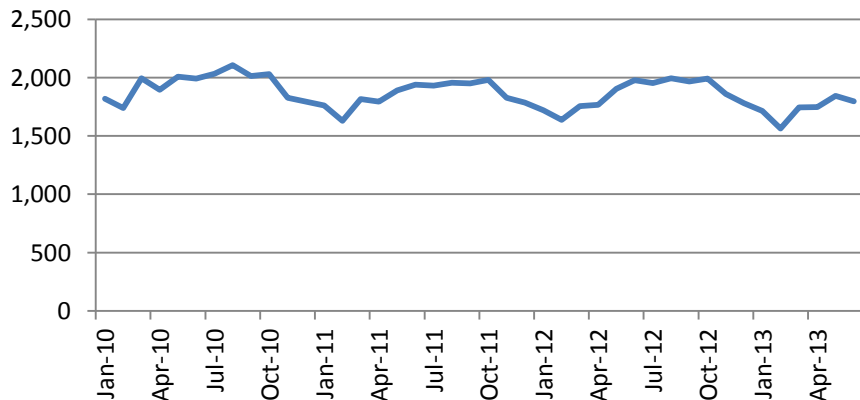
(Millions of gallons)



- The preliminary estimate of gasoline consumption* was 79.0 million gallons, for a monthly decrease of 3.1%.
- The total value for FY2013 was 1,048.8 million (total cumulative was 969.8 million gallons), 1.6% above the amount of FY2012.

Electric Power Generation

(Millions of kWh)



- Electric power generation averaged 1,797.3 million kWh, an annual decrease of 9.1%, **partially** influenced by the relatively low temperatures of June 2013 with respect to June 2012.
- The average for FY2013 was 1,829.6 million kWh, a reduction of 1.1% with respect the average of FY2012.

Sources: GDB, HTA and Treasury, and PREPA

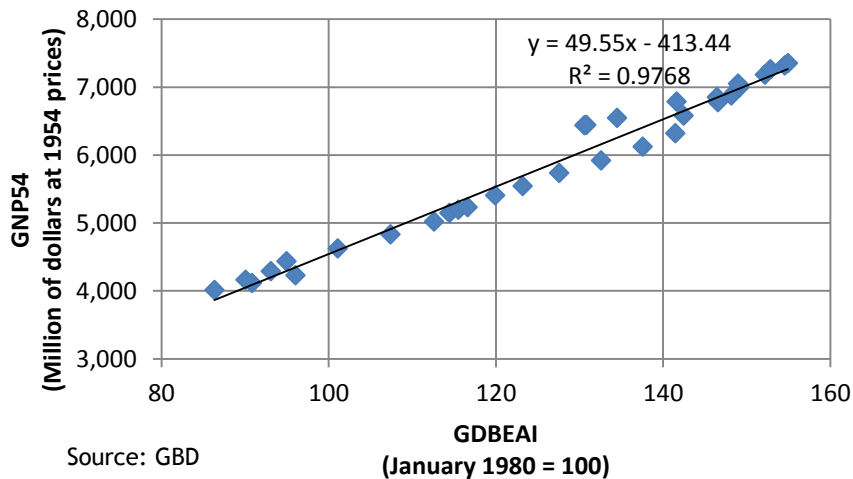
*Estimated monthly gasoline consumption is derived from the Treasury Department's monthly gasoline excise tax collections and the Highways and Transportation Authority reports.

Description of the GDB-Economic Activity Index

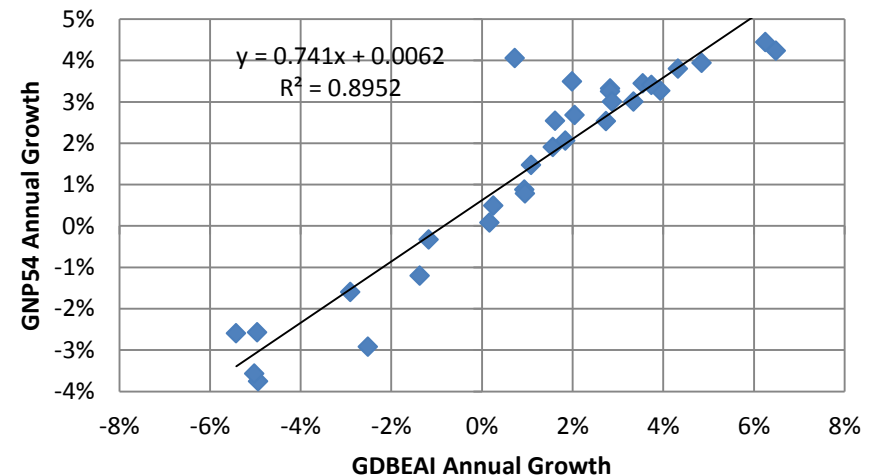
Description of the GDB-EAI

- The GDB-EAI is a coincident index for the economic activity of Puerto Rico. It is highly correlated to the Puerto Rico's real GNP not only on the levels, but also on the annual growth rates.
- This index was developed following the methodology similar to that used by *The Conference Board* in their coincident index. This methodology follows a standard procedure to adjust the data for seasonality and volatility factors.

**Real Gross National Product as a function of the
GDB Economic Activity Index**
(Relationship on the levels)



**Real Gross National Product as a function of the
GDB Economic Activity Index**
(Relationship on the growth rates)



GDB-EAI Highlights and Composition

GDB Economic Activity Index Highlights

Advantages of the GDB-EAI:

- Readily available
- Highly correlated to Puerto Rico's real GNP
- Reliable tool to monitor actual trend of Puerto Rico economy

The GDB-EAI is made up of 4 indicators:

- Total Payroll Employment (Establishment Survey/ Thousand of employees)
- Total Electric Power Generation (Millions of KWH)
- Cement Sales (Millions of bags)
- Gas Consumption (Millions of gallons)

Disclaimer

The GDB-EAI and its indicators are subject to revisions. While the information comprising the GDB EAI has been obtained from sources GDB believes to be reliable, GDB is not responsible for any errors or omissions, or for the results obtained from the use of this information.