



Economic Activity Index

For the month of December 2011



GDB-EAI for December 2011 registered 127.7, the first year-over-year (“YOY”) growth since March 2006

Unemployment rate fell to 13.2% in December 2011 vs. 14.7% in December 2010, the lowest since January 2009.

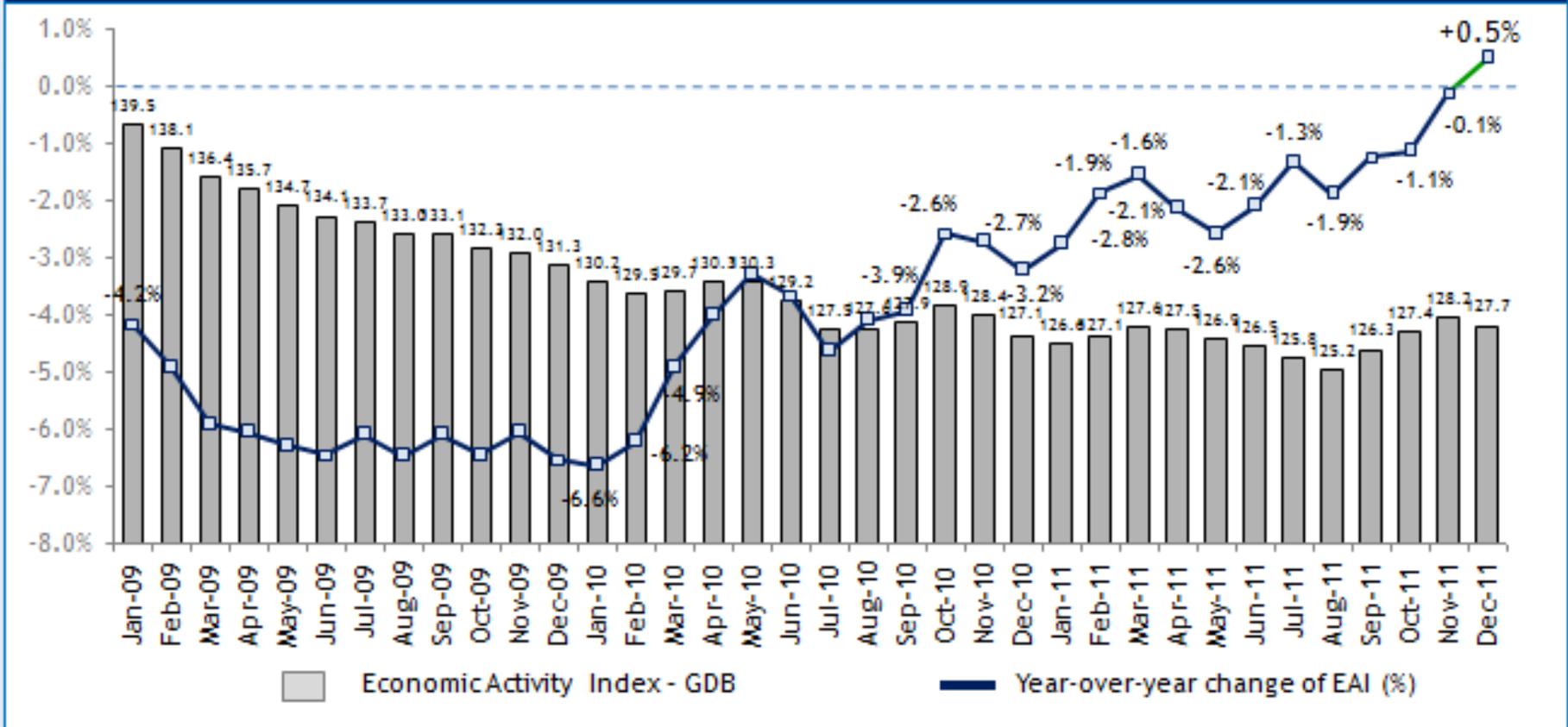
- EAI registered a **YOY growth of 0.5%**, the first positive growth reflected by the index since March 2006 when the current economic recession began. Most economic indicators composing the GDB-EAI continued to reflect YOY improvements.
- Total payroll employment totaled 934,600, a YOY improvement of 0.2% and the third month reflecting positive growth since early 2006.
- Cement sales totaled 1.618 million bags, registering a YOY increase of 13.9%. Total cement sales for calendar year (“CY”) 2011 ended 5.2% above 2010.
- Gasoline consumption* was 95.3 million gallons. Monthly average gasoline consumption during CY 2011 was 87.1 million gallons.
- Electric power consumption totaled 1,448.0 million kWh, reflecting a slight YOY decline of 1.7%.

* Estimated monthly gasoline consumption is derived from the Treasury Department’s monthly gasoline excise tax collections. These monthly collections tend to have irregular patterns as major gasoline importers have significant fluctuations in their inventories and purchases. As a result, the estimate used by GDB does not necessarily reflect actual monthly consumption by individuals.



GDB Economic Activity Index For the month of December 2011

GDB Economic Activity Index



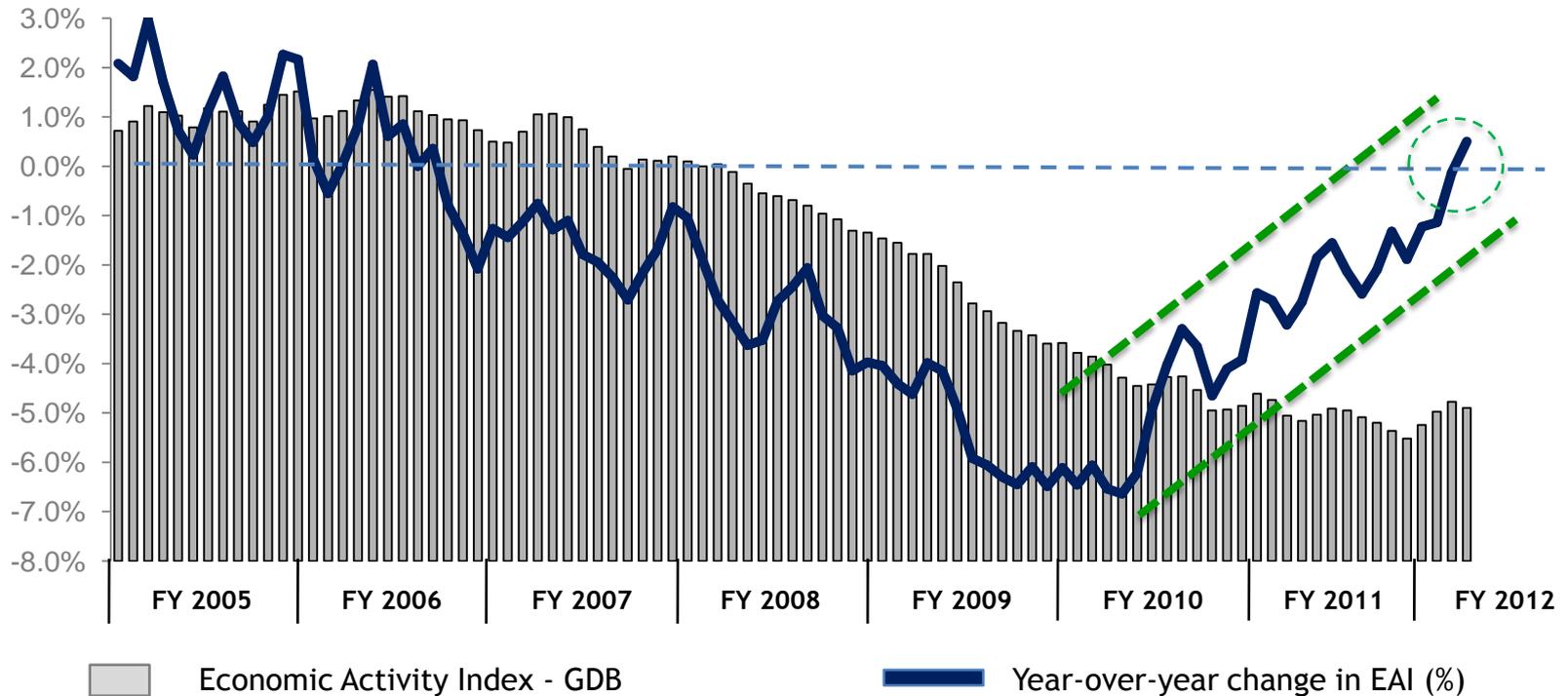
Data used for GDB-EAI is adjusted for seasonality and volatility.

* The Economic Activity Index and its indicators are subject to monthly revisions. IR: Initial Revision, RT: Revised To



At +0.5%, the GDB-Economic Activity Index reflected the first year-over-year growth since March 2006

GDB Economic Activity Index (EAI): 98% correlation with GNP

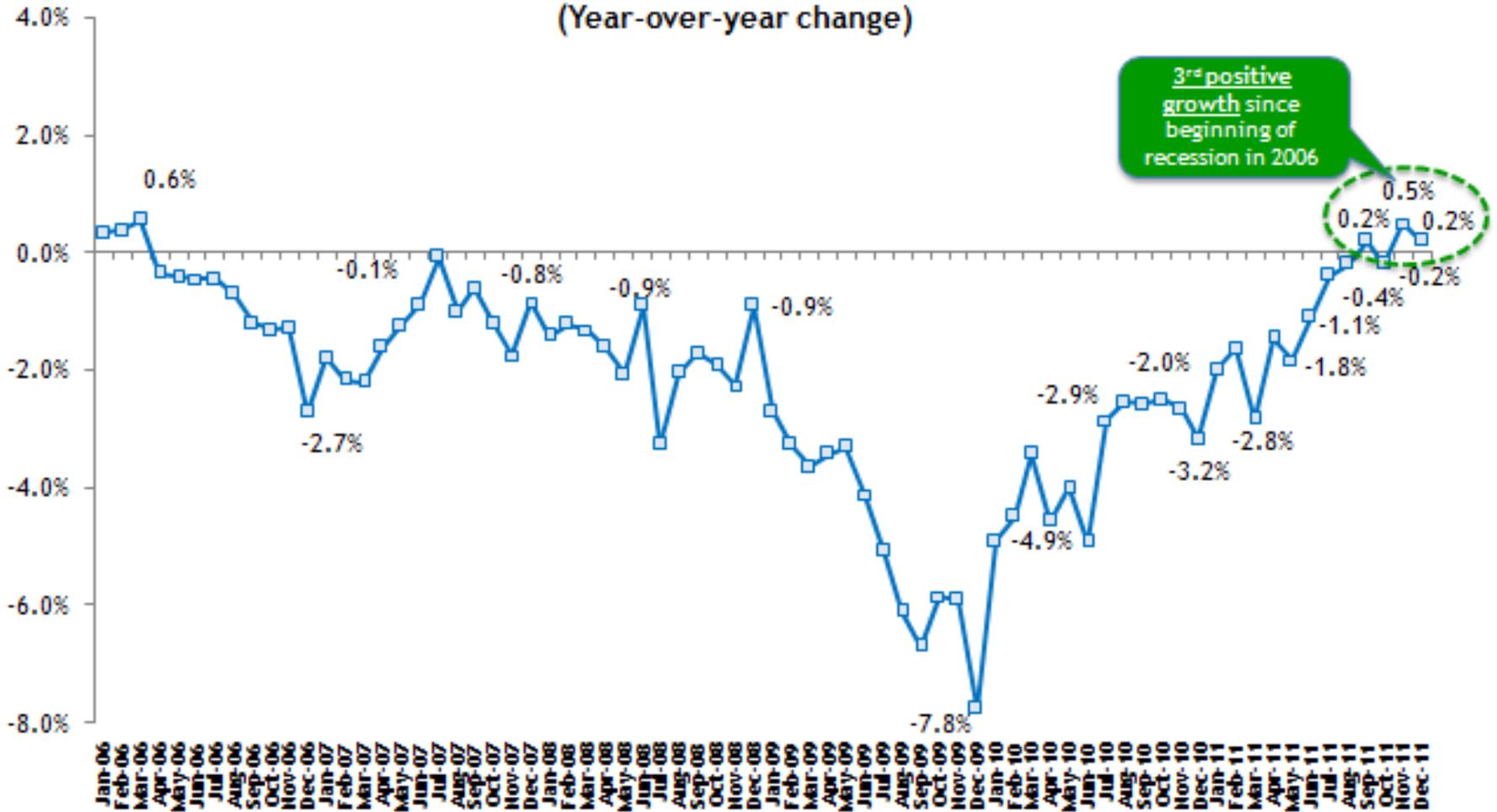




Recent positive trend in total employment is confirmed with third positive YOY growth since March 2006 when economic recession began...

Total Non-Farm Payroll Employment

(Year-over-year change)

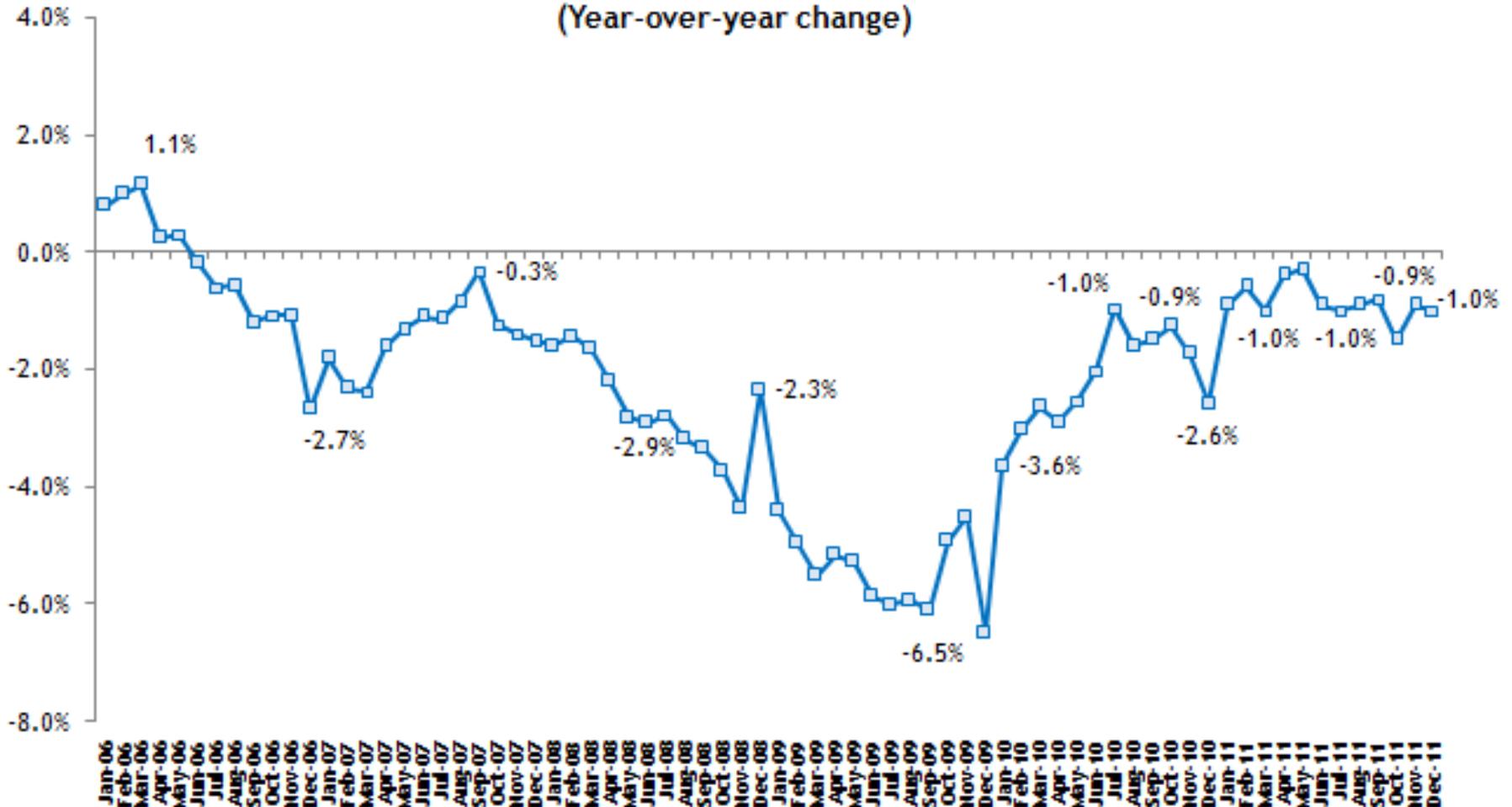




Private sector employment continues to show overall improving trend since early 2010...

Private Sector Employment

(Year-over-year change)

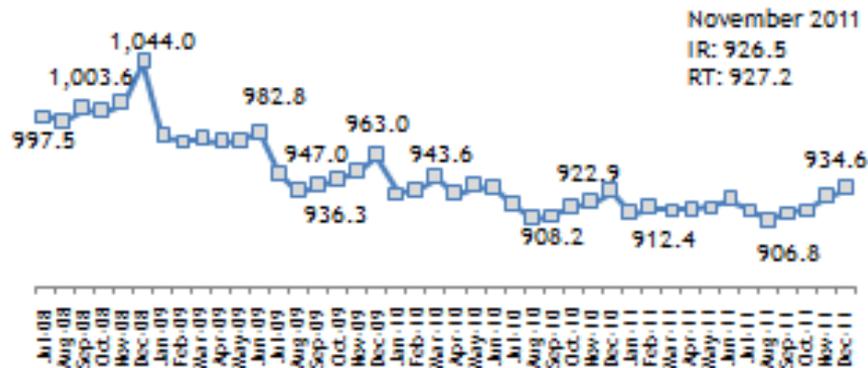




GDB Economic Activity Index Components

Total Payroll Employment

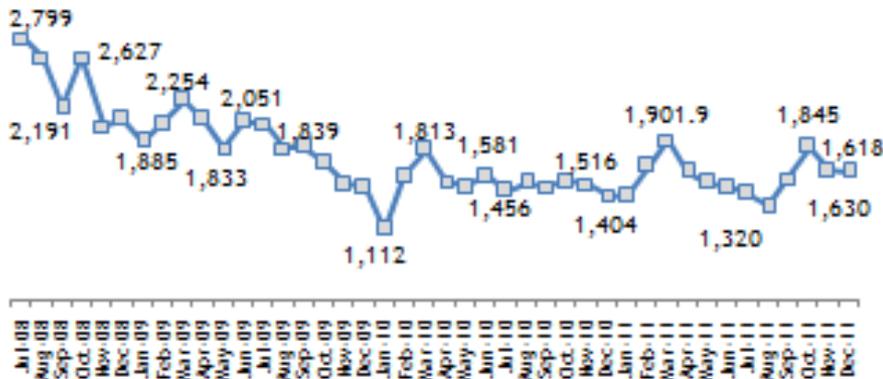
(Thousands of jobs)



- Total payroll employment totaled 934,600, a YOY improvement of 0.2%.
- Employment in service sector continues to support overall positive trend. When compared to December 2009, employment in the service sector has increased by 1.8% or 5,600 jobs.
- Private sector employment declined by 1.0% on a YOY basis.

Cement Sales

(Cement Bags sold, in thousands)



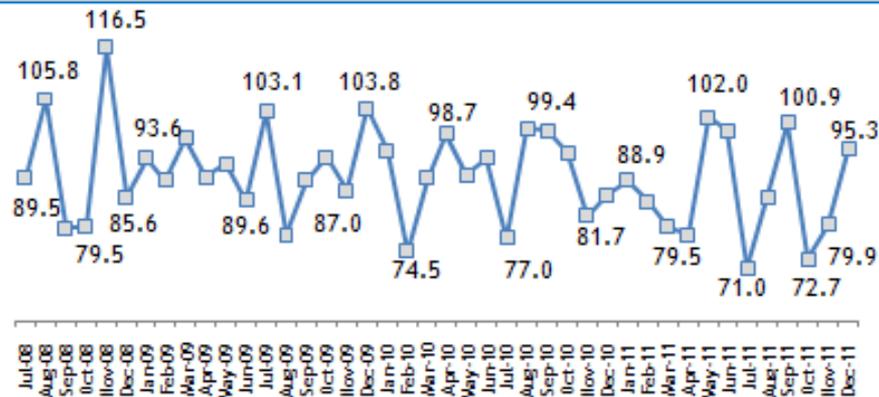
- Cement sales totaled 1.618 million bags; a year-over-year growth of 13.9%.
- Total cement sales for calendar year ("CY") 2011 ended 5.2% above year 2010.



GDB Economic Activity Index Components

Gasoline Consumption

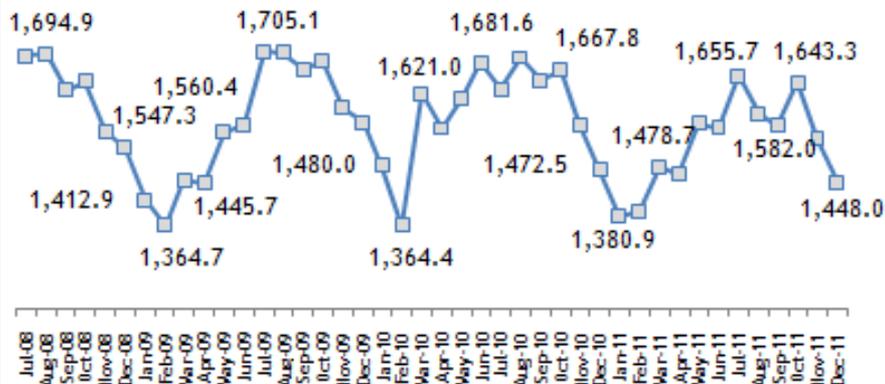
(Millions of gallons)



- Gasoline consumption during the month of December 2011 totaled 95.3 million gallons.
- Estimated monthly gasoline consumption is derived from the Treasury Department's monthly gasoline excise tax collections. These monthly collections tend to have irregular patterns as major gasoline importers have significant fluctuations in their inventories and purchases. As a result, the estimate used by GDB does not necessarily reflect actual monthly consumption by individuals.

Electric Power Consumption

(Millions of kWh)



- Electric power consumption registered 1,448.0 million kWh during the month of December 2011.
- Electric power consumption was 1.7% below same period in FY 2011.



Description of the GDB-Economic Activity Index

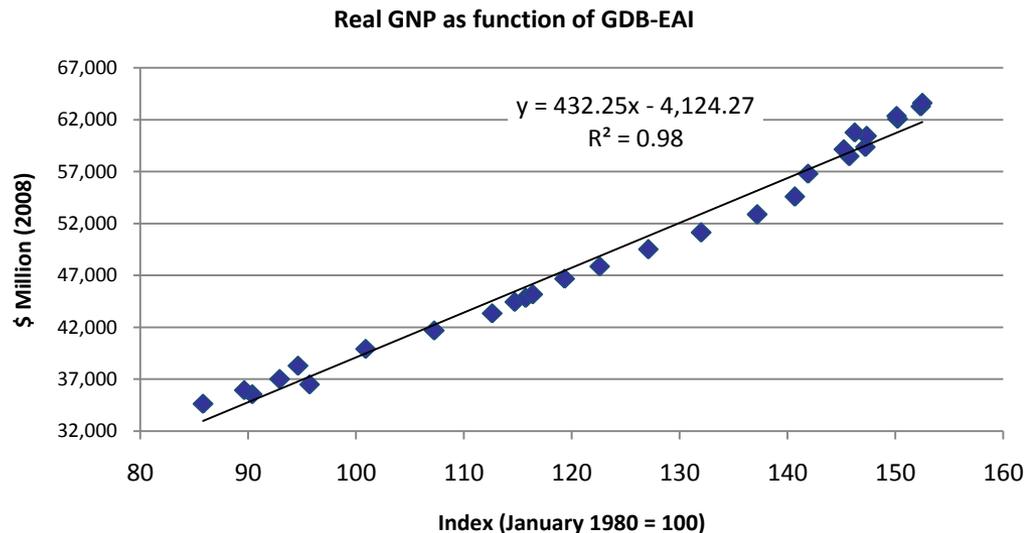


Description of the GDB-Economic Activity Index (GDB-EAI)

- The GDB-EAI is a coincident index for the economy of Puerto Rico. It is a valuable tool that summarizes the behavior of four major monthly economic indicators.
- 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.

High Correlation with Puerto Rico Real GNP

The GDB-EAI levels show a high degree of correlation (R^2 of 0.98) with respect to Real GNP levels





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 Consumption (Millions of KWH)
- Cement Sales (Millions of bags)
- Gas Consumption (Millions of gallons)



Disclaimer

The GDB Economic Activity Index and its indicators are subject to monthly revisions. While the information comprising the GDB Economic Activity Index 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.