



January 30, 2015

GDB RELEASES DECEMBER 2014 ECONOMIC ACTIVITY INDEX

San Juan, P.R. – The Economic Activity Index of the Government Development Bank for Puerto Rico (GDB-EAI) was 125.3 in December 2014, a 0.3% decrease compared to the previous month. On a year-over-year basis, the December reading presented a 1.4% reduction.

Highlights include:

- Two of the four GDB-EAI indicators posted month-over-month increases (gasoline consumption and cement sales, not seasonally adjusted).
- The preliminary number for gasoline consumption was 86.3 million gallons, 5.1% higher than in December 2013.
- Cement sales for December 2014 totaled 1.12 million bags, an increase of 9.7% compared to December 2013.
- Total non-farm payroll employment averaged 945,100, a decrease of 0.9% compared to December 2013. Total private employment decreased by 0.4% in December 2014, its first year-over-year decline in the past twelve months. Employment in the public sector continues to contract. In December 2014, employment in construction rose 1.9%, its ninth consecutive increase. Cumulatively for the current fiscal year (July to December) value continues to reflect growth, which had not been seen since the first half of fiscal 2013.
- Electric power generation for December 2014 totaled 1,670.8 million kWh, an annual decrease of 1.5%.

The GDB-EAI is published monthly together with a brief qualitative commentary to highlight trends and the current state of the economy. The index has a high positive correlation to Puerto Rico's real Gross National Product (GNP) both in levels and growth rates.

* * *

Not an Offering of Securities

This statement does not constitute, nor does it form part of, an offer to sell or purchase, or the solicitation of an offer to sell or purchase, any securities or an offer or recommendation to enter into any transaction. This presentation has been prepared for informational purposes only. Any offer or sale of any security may only be made pursuant to the relevant offering documents and binding transaction document and is subject to the detailed provisions therein, including risk considerations. Prospective purchasers should obtain a copy of the relevant offering materials prior to making any investment decisions.

Forward-Looking Statements

The information included in this statement contains certain forward-looking statements. These forward looking statements may relate to the fiscal and economic condition, economic performance, plans and objectives of the Commonwealth of Puerto Rico or its agencies or instrumentalities. All statements contained herein that are not clearly historical in nature are forward looking.

This statement is not a guarantee of future performance and involves certain risks, uncertainties, estimates, and assumptions by the Commonwealth and/or its agencies or instrumentalities that are difficult to predict. The economic and financial condition of the Commonwealth and its agencies or instrumentalities is affected by various financial, social, economic, environmental, and political factors. These factors can be very complex, may vary from one fiscal year to the next, and are frequently the result of actions taken or not taken, not only by the Commonwealth and/or its agencies or instrumentalities, but also by entities such as the government of the United States of America or other nations that are not under the control of the Commonwealth. Because of the uncertainty and unpredictability of these factors, their impact cannot, as a practical matter, be included in the assumptions underlying the Commonwealth's or its agencies or instrumentalities' projections.