

## **Requirement 4**



***Government of Puerto Rico***

*Macroeconomic Indicators*

*June 2021*

## Disclaimer

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), the Government of Puerto Rico (the “Government”), and each of their respective officers, directors, employees, agents, attorneys, advisors, members, partners or affiliates (collectively, with AAFAF and the Government the “Parties”) make no representation or warranty, express or implied, to any third party with respect to the information contained herein and all Parties expressly disclaim any such representations or warranties.

The Parties do not owe or accept any duty or responsibility to any reader or recipient of this presentation, whether in contract or tort, and shall not be liable for or in respect of any loss, damage (including without limitation consequential damages or lost profits) or expense of whatsoever nature of such third party that may be caused by, or alleged to be caused by, the use of this presentation or that is otherwise consequent upon the gaining of access to this document by such third party.

This document does not constitute an audit conducted in accordance with generally accepted auditing standards, an examination of internal controls or other attestation or review services in accordance with standards established by the American Institute of Certified Public Accountants or any other organization. Accordingly, the Parties do not express an opinion or any other form of assurance on the financial statements or any financial or other information or the internal controls of the Government and the information contained herein.

Any statements and assumptions contained in this document, whether forward-looking or historical, are not guarantees of future performance and involve certain risks, uncertainties, estimates and other assumptions made in this document. The economic and financial condition of the Government and its 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 Government and its agencies and instrumentalities, but also by entities such as the government of the United States. Because of the uncertainty and unpredictability of these factors, their impact cannot be included in the assumptions contained in this document. Future events and actual results may differ materially from any estimates, projections, or statements contained herein. Nothing in this document should be considered as an express or implied commitment to do or take, or to refrain from taking, any action by AAFAF, the Government, or any government instrumentality in the Government or an admission of any fact or future event. Nothing in this document shall be considered a solicitation, recommendation or advice to any person to participate, pursue or support a particular course of action or transaction, to purchase or sell any security, or to make any investment decision.

This document does not constitute an audit of compliance with any federal law, rule or regulation.

By receiving this document, the recipient shall be deemed to have acknowledged and agreed to the terms of these limitations.

This document may contain capitalized terms that are not defined herein, or may contain terms that are discussed in other documents or that are commonly understood. You should make no assumptions about the meaning of capitalized terms that are not defined, and you should consult with advisors of AAFAF should clarification be required.

Category	Indicator	Units	Date	Latest data	Previous year	Change	Goal	US average <sup>1</sup>	
Economic activity	Coincident Economic Activity Index	index	2021Q1	119.2	121.4	-1.8%	↓	↑	
	Payroll employment	thousands of people	2021Q1	849.3	884.2	-4.0%	↓	↑	
	Gasoline consumption <sup>2</sup>	millions of gallons	2021Q1	211.2	243.2	-13.2%	↓	↑	
	Cement sales <sup>2</sup>	thousands of 94 kg bags	2021Q1	4,131	2,453	68.4%	↑	↑	
	Electricity generation	millions of kWh	2021Q1	4,259	4,122	3.3%	↑	↑	
	CPI inflation	%	2021Q1	0.5%	0.6%		↓	↔	
	Sales and use tax	thousands of \$	2021Q1	741,508	582,560	27.3%	↑	↑	
	Retail sales	millions of \$	2021Q1	8,553	7,253	17.9%	↑	↑	
	Auto sales <sup>2</sup>	number	2021Q1	32,322	18,200	77.6%	↑	↑	
Employment and wages	Unemployment rate <sup>2</sup>	%	2021Q1	9.1	9.0		↔	↓	5.9
	Labor force participation rate	%	2021Q1	40.5	39.7	1.9%	↑	↑	61.6
	Initial claims for unemployment insurance	#, weekly average	2021Q2	3,020	20,301	-85.1%	↓	↓	
	Per capita personal income	\$/person	2019	21,341	21,524	-0.9%	↓	↑	56,623
	Average weekly earnings	\$	2020Q4	621.00	575.00	8.0%	↑	↑	881.00
	Income tax from individuals	thousands of \$	2021Q1	556,674	546,190	1.9%	↑	↑	
Exports and emigration	Exports	millions of \$	2020Q4	15,321	15,868	-3.4%	↓	↑	
	Imports	millions of \$	2020Q4	10,871	11,466	-5.2%	↓	↑	
	Air passenger traffic, net balance <sup>2</sup>	thousands of people	2021Q1	15.1	-57.7		↑	↑	
	Regional air cargo, net balance <sup>2</sup>	thousands of pounds	2021Q1	3418.7	6396.7	-46.6%	↓	↑	

<sup>1</sup>Where comparable data exists.

<sup>2</sup>Published by: Economic Development Bank for Puerto Rico, July 2021. Data compilation: Economic Development Bank, Office of Economic Studies.

Category	Indicator	Units	Date	Latest data	Previous year	Change	Goal	US average <sup>1</sup>	
Business growth	Commercial, industrial, and agricultural loan activity	millions of \$	2021Q1	4,515	3,917	15.3%	↑	↑	
	SBA loan guaranty program - total loan amount	millions of \$	2019Q4	23.07	14.03	64.4%	↑	↑	
	Bankruptcies	number	2021Q1	1,058	1,572	-32.7%	↓	↓	
	Doing Business - Overall	DTF (100=max)	2020	70.1	70	0.1%	↑	↑	84
	Doing Business - Starting a Business	DTF (100=max)	2020	91.2	91.2	0.0%	↔	↑	91.6
	Doing Business - Getting Credit	DTF (100=max)	2020	95	95	0.0%	↔	↑	95
	Income tax from corporations	thousands of \$	2021Q1	281,839	261,195	7.9%	↑	↑	
Manufacturing	Manufacturing purchasing managers' index	index score	2021Q1	58.8	48.8	20.3%	↑	↑	
	New orders	index score	2021Q1	61.2	45.9	33.3%	↑	↑	
	Employment in manufacturing sector	thousands of people	2021Q1	77.2	75.7	2.0%	↑	↑	
	Average weekly hours in manufacturing	number of hours	2021Q1	38.5	39.7	-2.9%	↓	↑	39.9
Tourism	Hotel and paradores registrations	thousands	2021Q1	417,097	467,037	-10.7%	↓	↑	
	Cruise passengers	number	2021Q1	0	490,176		↓	↑	
Housing and real estate	House price index	index (1995Q1=100)	2021Q1	186.0	149.5	24.4%	↑	↑	286.3
	Mortgage originations	number of loans	2021Q1	2,711	1,373	97.5%	↑	↑	
	Total housing units sold	number	2021Q1	3,285	2,011	63.4%	↑	↑	
	Foreclosures	number	2021Q1	416	701	-40.7%	↓	↓	

<sup>1</sup>Where comparable data exists.

Category	Indicator	Units	Date	Latest data	Previous year	Change	Goal	US average <sup>1</sup>	
Poverty and state and federal programs	PAN participants	number	2018	1,236,746	1,357,536	-8.9%	↓	↓	
	TANF participants	number	2018	55,013	56,526	-2.7%	↓	↓	
	Section 8 vouchers	number	2018Q2	28,551	29,581	-3.5%	↓	↓	
	WIC participants	number	2021Q1	98,494	92,540	6.4%	↑	↓	
	Pell grant recipients	number	2017-18	815	862	-5.5%	↓	↓	
	Pell grant awards	millions of \$	2017-18	192,523	244,863	-21.4%	↓	↓	
	National school lunch program participants	number	2021Q1	3,032	209,499	-98.6%	↓	↓	
	Medicare enrollment	number	2021Q1	753,487	752,909	0.1%	↑	↓	
	PODES participants	number	2017	953	1,137	-16.2%	↓	↓	
Human capital	High school graduates	% of persons aged 25+	2018	75.5%	74.7%	1.1%	↑	↑	88.3%
	Bachelor's degree or higher	% of persons aged 25+	2018	25.3%	24.9%	1.6%	↑	↑	32.6%
	Graduate or professional degree	%	2018	7.9%	7.4%	6.4%	↑	↑	12.6%
	Primary school enrollment	number	2018	289,314	307,128	-5.8%	↓	↑	
Macroeconomic growth factors	Population change, annual	#	2019	0.0%	-4.3%		↑	↑	0.5%
	Disaster relief spend, public	\$ millions	2020Q4	780	395	97.5%	↑	↑	

<sup>1</sup>Where comparable data exists.