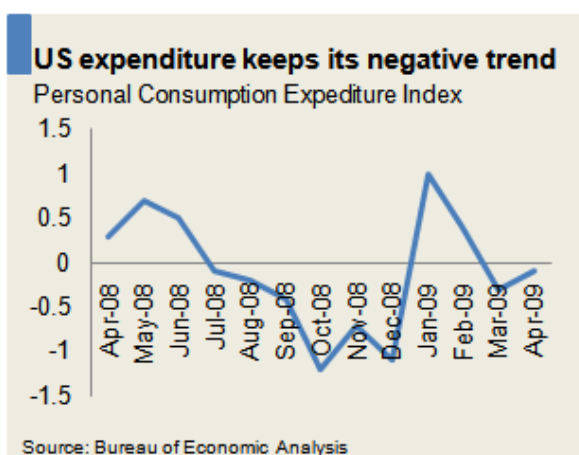


Harbor Alert: US personal consumption expenditure keeps on falling

US personal consumption expenditure Index conformed by durable goods, non durable goods and services expenditure registered its second fall in this year. Since July 2008, the index published by the Bureau of Economic Analysis (BEA) presents a negative trend that just seemed to be discontinued in the first two months in the recent year. However, the index has returned to its negative trend in March (-0.3%) and April (-0.1%).



Consumption is decreasing again
PCEI*

Fecha	Variación
Jan-09	1
Feb-09	0.4
Mar-09	-0.3
Apr-09	-0.1

*Personal Consumption Expenditure Index

HARBOR perspective: A lower consumption expenditure usually means a lessen economic activity. Because of the recent aversion to expend by the American consumers, the US government administration in order to improve personal income and consumption expenditure has implemented some fiscal incentives. However, this measure hasn't been enough to mitigate the actual uncertainty caused by the historical unemployment levels (8.4% in April). Additionally the unrecovered consumer confidence (40.8 points in April 2009 vs 87.3 points in January 2008) and the rising personal saving rate (5.7% in April 2009 vs .1% in January 2008) are deterring the consumption expenditure. Although several US economic indicators have seen a better evolution than expected, the economic activity will have a slower recovery than predicted. This confirms our forecast for a negative 3 percent growing in US GDP in 2009