



Mexico: Open for Business

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Briefing for California Economic Development Offices
August 23, 2019



The U.S. Commercial Service: Who We Are

- An Agency of the U.S. Department of Commerce
- Mission
 - Help U.S. exporters sell in Mexico
 - Attract investment to the United States
 - Protect U.S. business interests abroad
- Offices
 - Three in Mexico
 - 100+ offices in the U.S.
 - 75 world-wide



What We Do:

Opening Markets for U.S. Business in Mexico



- **Trade and Investment Promotion**
Matching U.S. sellers and foreign buyers
- **Commercial Diplomacy**
Breaking down regulatory barriers
- **Advocacy**
Fighting for U.S. success
in foreign government procurement
- **Market Access**
Keeping trade agreements working for U.S. business
- **Protecting Intellectual Property**
Enforcing trademarks, patents, copyrights, and more
- **Enforcement and Compliance**
Striking back at unfair dumping and subsidies
- **Safeguarding Technology**
Verifying proper end-use of sensitive technology



Mexico Snapshot (2018)

Population: 125 million

3.4% unemployment

Inflation: 4.7%

Remittances: \$30.3 billion

FDI into U.S.: \$35.4 billion

GDP per capita (PPP):

\$18,123 / 2.2% real growth (est. 2018)

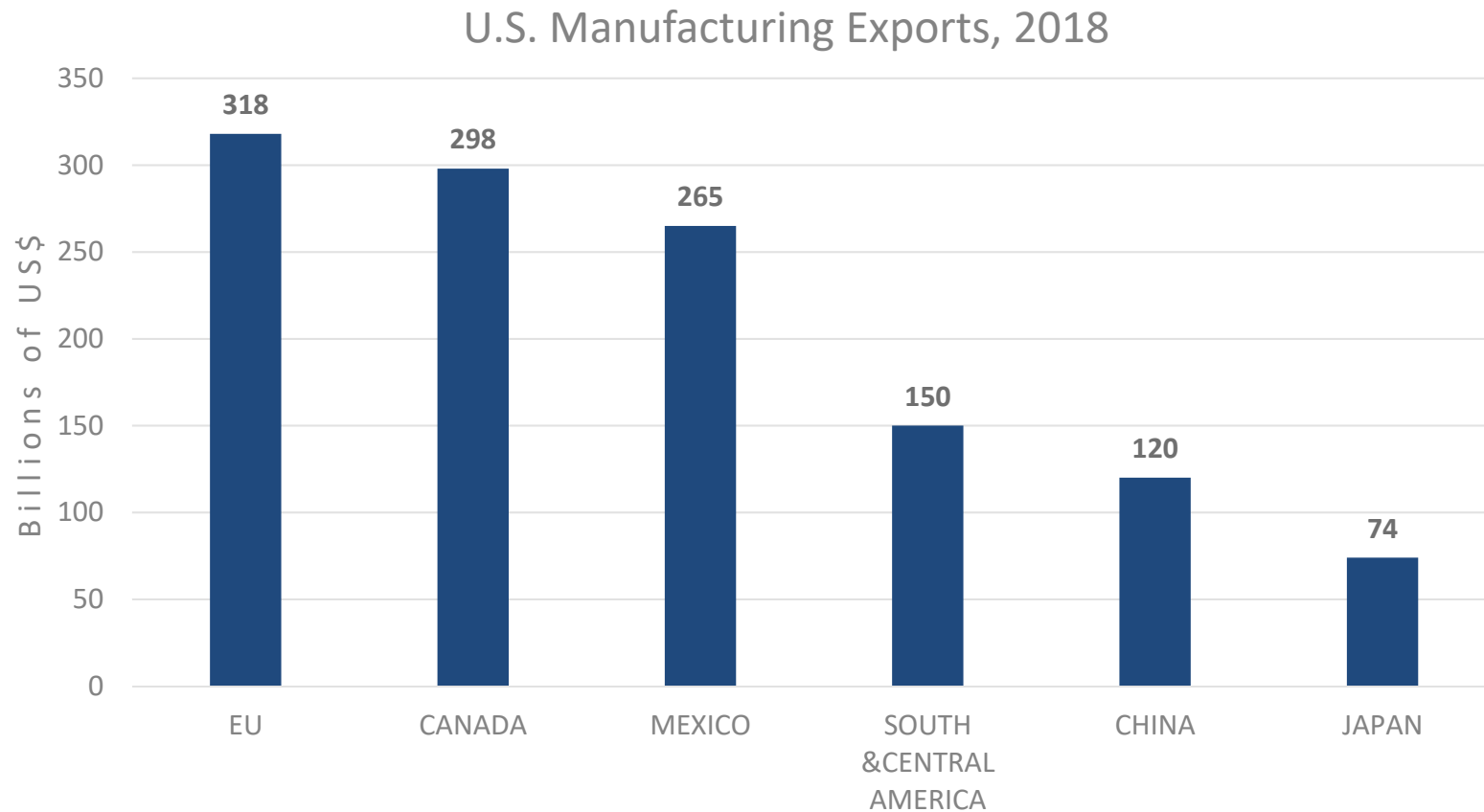


Key facts

- 15th largest world economy
- 80% urban population
- 44% population under 25
- Poor/ Extreme Poor: 44%
(under USD \$10 per day)
- 2018 World Competitiveness: 46th (WEF)
- 2018 Corruption Perceptions Index: 138/180 in world (TI)
- AMLO's administration focuses on diversification



A Top Destination for U.S. Goods' Exports



Source: U.S. Dept. of Commerce, U.S. Census Bureau



The \$678 Billion U.S.-Mexico Trade Relationship

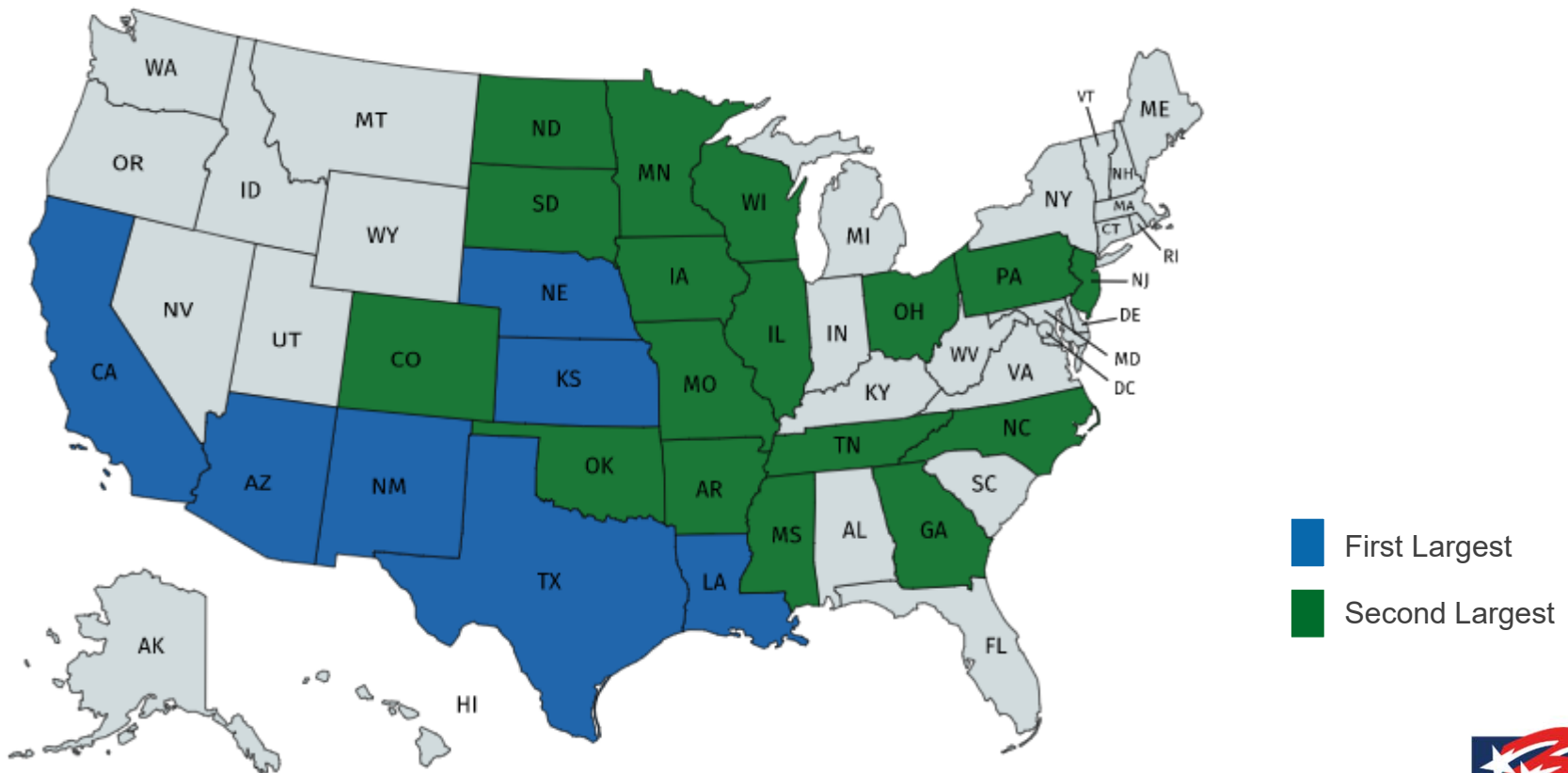
Exports 2018 (USD billions)	U.S. to Mex	Mex to U.S.	Total
Goods	266	353	619
Services**	34	26	60
Totals*	300	378	678

**Totals may not precisely sum due to rounding. **Services data lag merchandise data by one year.
Sources: Goods figures U.S. Census Bureau, Services figures U.S. Bureau of Economic Analysis*

- **2nd largest** U.S. supplier of imports (12.1% of total imports)
- **1st largest** U.S. trading partner
- Our **2nd largest** export market (12% of all U.S. exports)
- **1st or 2nd export destination** for 24 American states
- **\$1.86 billion a day** in two-way goods and services trade
- **469% growth** in bilateral trade in goods between 1993-2018
- **Over 50,000** U.S. small and medium-sized enterprises export to Mexico



U.S. States for which Mexico was #1 or #2 Merchandise Export Destination, 2019

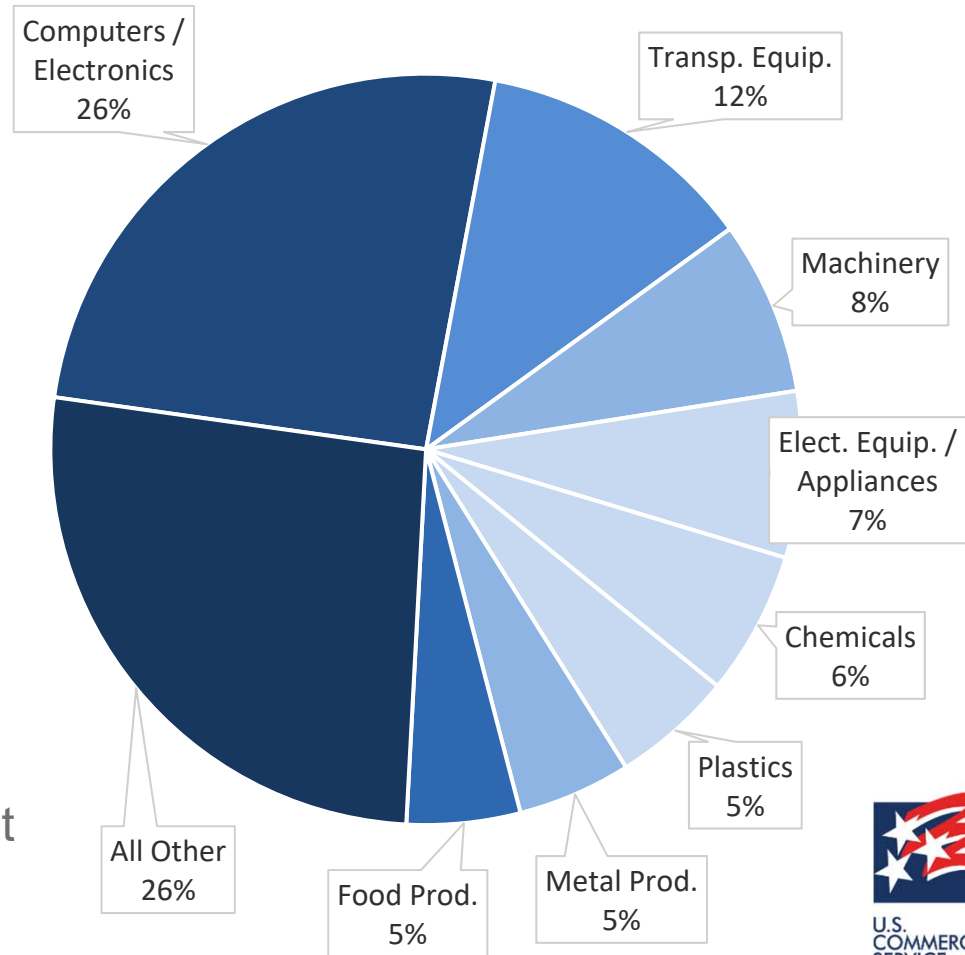


Source: U.S. Dept. of Commerce, U.S. Census Bureau



California Exports to Mexico (2018)

- #1 export market
- Merchandise exports USD 30.7 billion
- Up from USD 26.7 billion in 2017
- 17% of all California merchandise exports
- USD 5.7 billion in service exports in 2017
- USD 726 million of agricultural, seafood, and forestry product exports
- California is U.S. second-largest product exporter behind Texas



Best Prospects for U.S. Exporters

Aerospace

Agricultural Products

Agribusiness

Automotive Parts & Supplies

Construction Prod. & Services

Cosmetics

Education & Training Services

Electricity

Enviro Technologies + Water

Health Care Prod. & Services

Internet & IT Services

Mining & Minerals

Oil & Gas Equip. & Services

Packaging Equipment

Plastic Materials/Resins

Renewable Energy

Security and Safety

Telecom Equipment

Textiles

Trans. Infrastructure Equip./Svcs.

Travel and Tourism Services



Foreign Direct Investment (FDI) From Mexico

\$35.4 Billion

Total 2017 stock of FDI from
Mexico
to the United States

(by UBO)

Mexican FDI in the USA (in USD millions)

	2013	2014	2015	2016	2017
Position (UBO)	\$31,820	\$33,302	\$34,390	\$34,783	\$35,408
Flow	\$3,157	\$1,742	\$1,116	\$2,372	\$702

U.S. FDI in Mexico (in USD millions)

	2013	2014	2015	2016	2017
Position	\$86,433	\$94,482	\$101,326	\$100,734	\$109,671
Flow	\$6,078	\$8,218	\$7,255	\$5,212	\$6,334



Supporting U.S. Jobs
79,200

Number of U.S. workers employed by
U.S. affiliates of majority
Mexican-owned firms in 2016.

TOP 6 INDUSTRY SECTORS

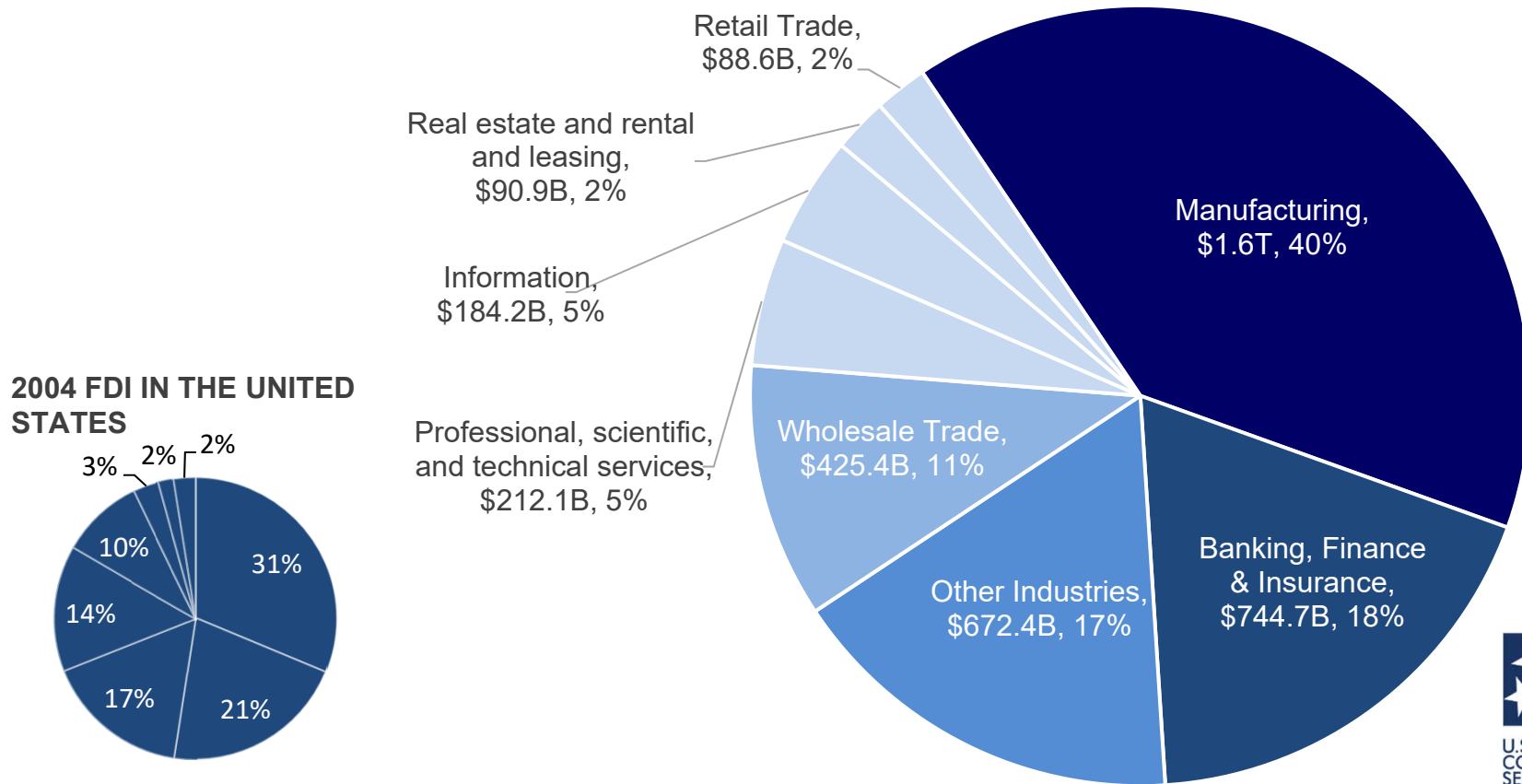
By # of announced Mexican
FDI projects in the USA

- #1 Food & Tobacco
- #2 Communications
- #3 Auto Components
- #4 Plastics
- #5 Metals
- #6 Business Services

FDI in the United States by Industry

2017 FDI IN THE UNITED STATES

Breakout of \$4.0 Trillion Inward Position



Mexican Foreign Direct Investment in California

- State-specific data for Mexican FDI is limited
- Southern California appears to capture more Mexican FDI than Northern California
- Mexican FDI makes the country the 14th largest investor in Southern California and a major investor in the state overall:
 - 735 commercial establishments*
 - 13,296 jobs*
- Top sectors: Financial activities, Professional and business services, Wholesale and retail trade, Manufacturing
- Key companies: Sigma, Bimbo, Chedraui, Gruma, MINSA, IUSA, Pounce Consulting, Softtek, BBG Wireless, Grupo Deco, FAMSA, Deacero, SuKarne, Omnilife, Interceramic, Helvex, Cemex, and Xignux
- Contact California GO-Biz for more California-specific information



*Source: Mexican Secretariat of Economy, as reported in *opportimes.com*, February 19, 2018

Investment Support: Select USA

- **Mission**

Promote and facilitate business investment in the United States

- **Clients**

U.S. States, Regions, Cities, and Foreign Investors

- **Services**

- For Companies: We help find information to make decisions, connect to local officials, and navigate the federal regulatory system
- For Economic Development Organizations: We help U.S. locations compete globally for investment by providing information, a platform for international marketing, and high-level advocacy



Resources

- **Visit the U.S. Commercial Service Mexico Website**
 - Contact information, upcoming events, and more
 - <http://www.export.gov/mexico/>
- **Download the CS Mexico Country Commercial Guide**
 - Guide to exporting to Mexico
 - Detailed best prospect industry profiles, economic indicators, statistics
 - Contact information for the appropriate sector specialist
 - Web search on “CS Mexico Country Commercial Guide 2018”
 - Or go to <https://www.export.gov/article?id=Mexico-Market-Overview>





Contact us today
to connect with a world of opportunity.

export.gov/mexico

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Connecting You to Global Markets

