

SRE

CONSULADO GENERAL DE
MÉXICO EN EL PASO



Mexico's Strengths

Economic relation Mexico-United States-Canada



Canada
↑
United States

\$266 billions
of dollars in
2016

United States
↑
↓
Mexico

\$525 billions of
dollars in 2016

NAFTA

Mexico- United States Economic relationship

- US exports have been increased by **454%**. Raising taxes could trigger a commercial warfare as well as wreak havoc on the production chains.
 - Leaving NAFTA could paralyze trade and cause recession in border communities.
- Mexico has cut production costs down **4%** than china and japan.
- NAFTA paved the way for the current economic ecosystem in border cities by allowing US companies to send material to production plants in Mexico for assembly and return, usually without paying taxes as final products with lower prices.

Economic relationship Mexico-USA

- **Mexico is the third most important trade partner for the U.S**

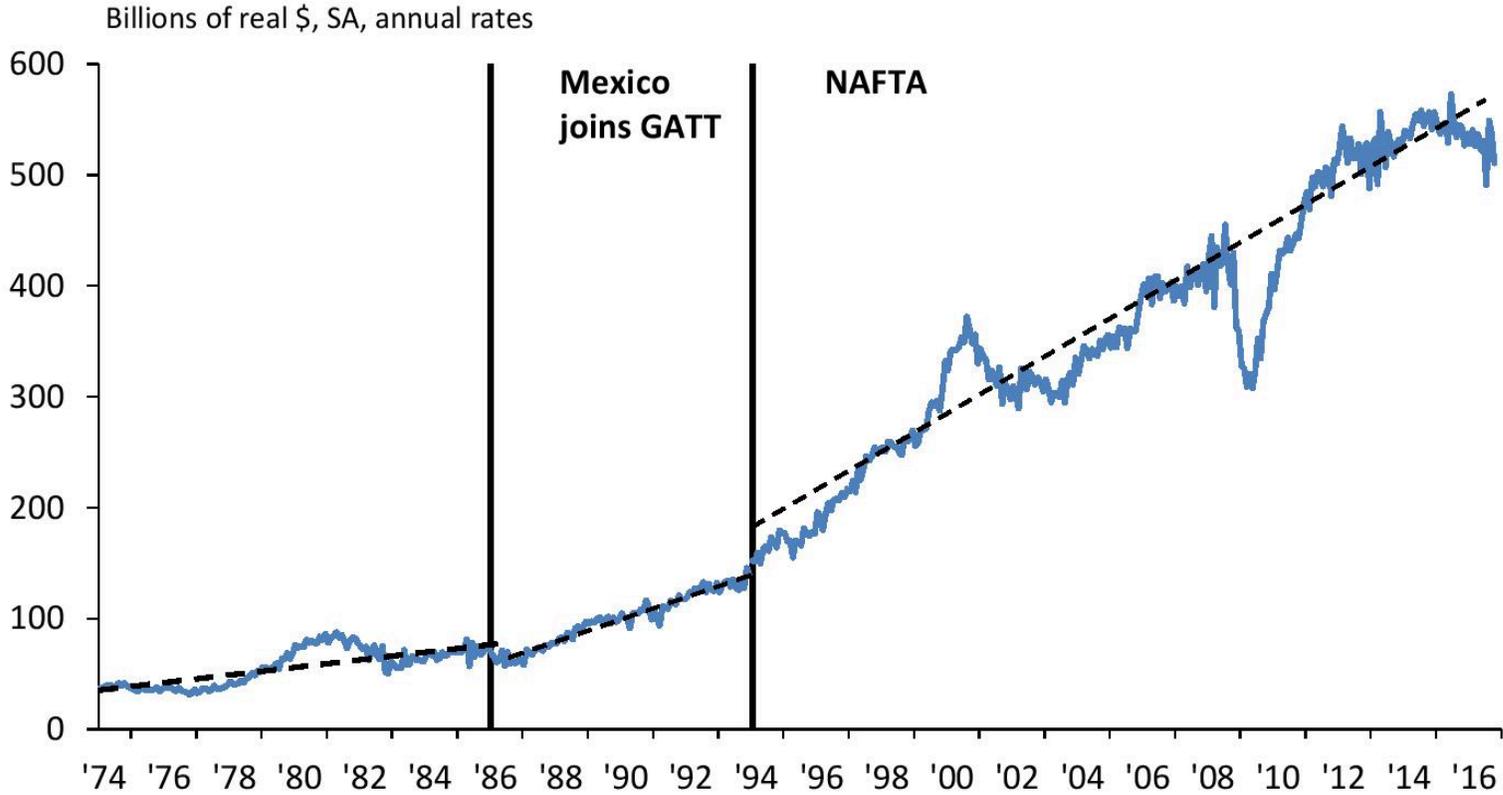
-Mexico is the first or second market for 29 out of 50 US states.

-Mexico is the second US exports buyer

-The Bilateral relationship with Texas is greater than the relationship between the US with any european country



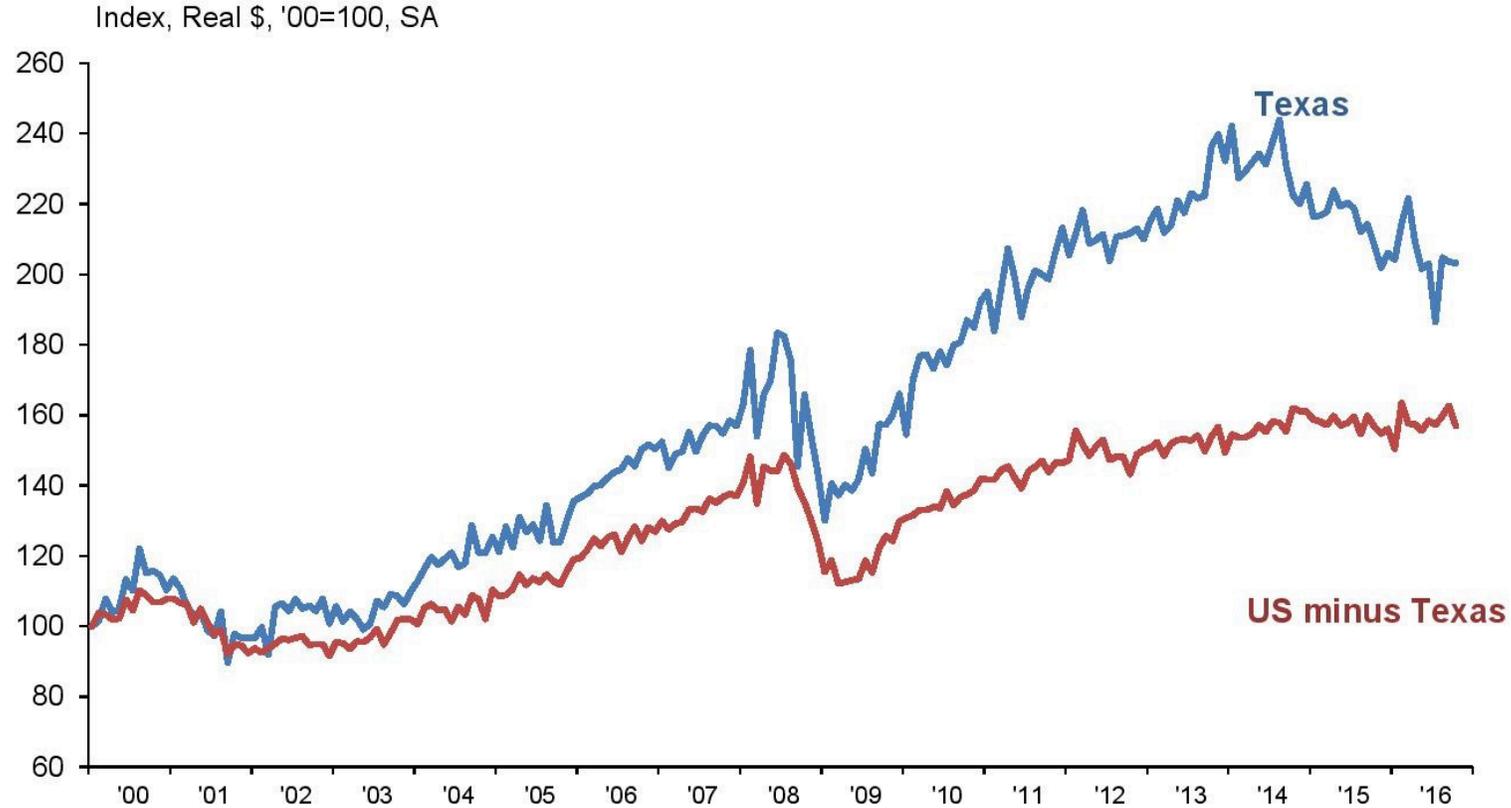
NAFTA brought strong economic integration



Source: U.S. Census Bureau, Bureau of Labor Statistics



Texas grew faster than the national average even before the recession of 2008



Source: U.S. Census Bureau; Wisertrade.



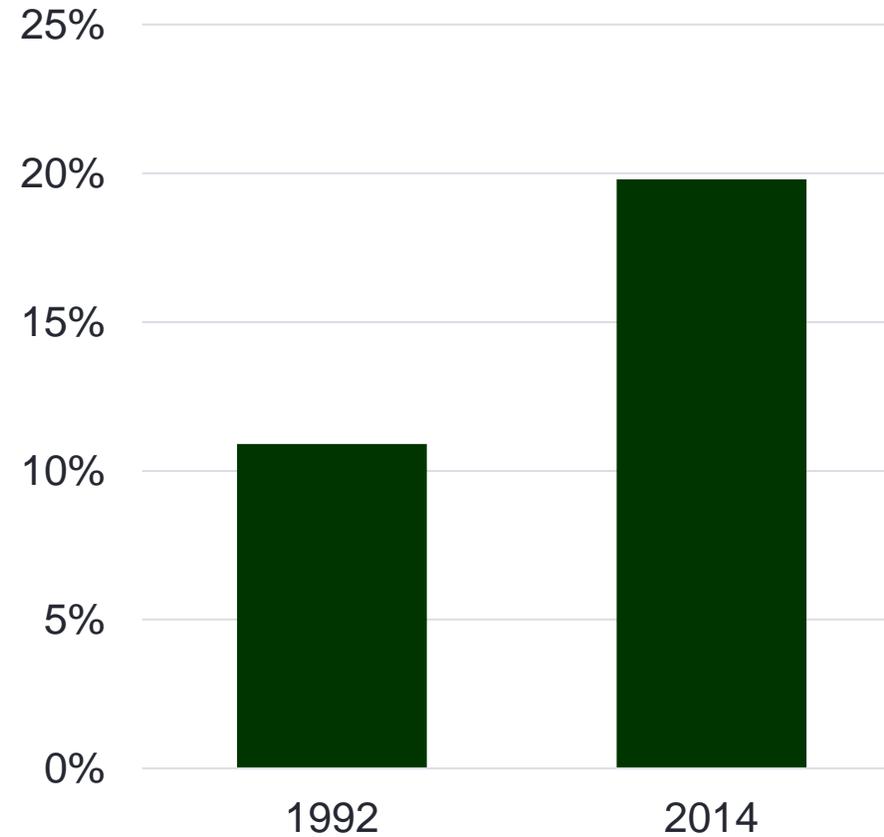
Texas is Mexico's main trade partner

- 2016 Mexico-Texas trade:
\$173.7 billion USD
- Since the beginning of NAFTA,
exports from Texas to Mexico grew **355%**
(1994-2016)

Job creation from 1992 to 2014 has increased 82%

The number of jobs that depend on trade in Texas:

3,150,600



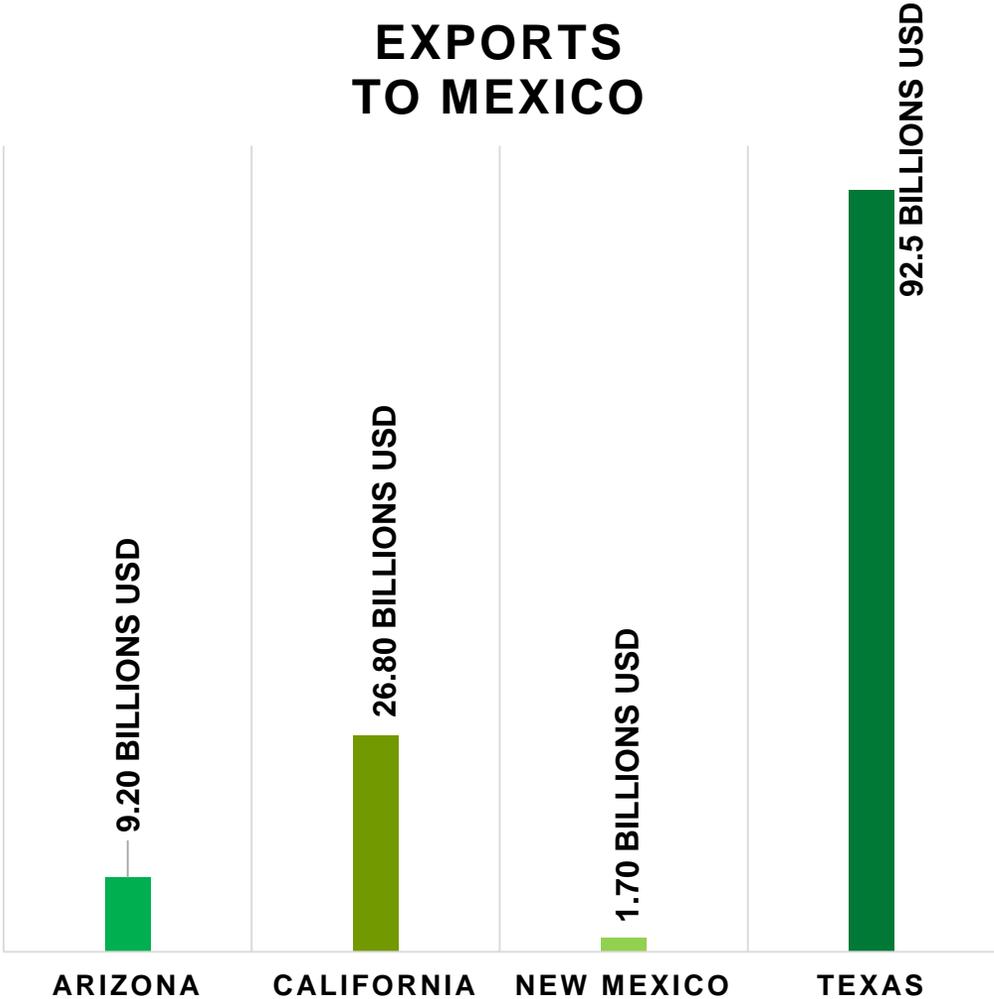
These jobs related to trade grew 1.5 times faster than other economic activities

BORDERPLEX : JUAREZ-EL PASO-LAS CRUCES



Importance of Mexico in the Border States

- Mexico is the **3rd** most important trade partner for the U.S
- Mexico is vital for the border bilateral trade.

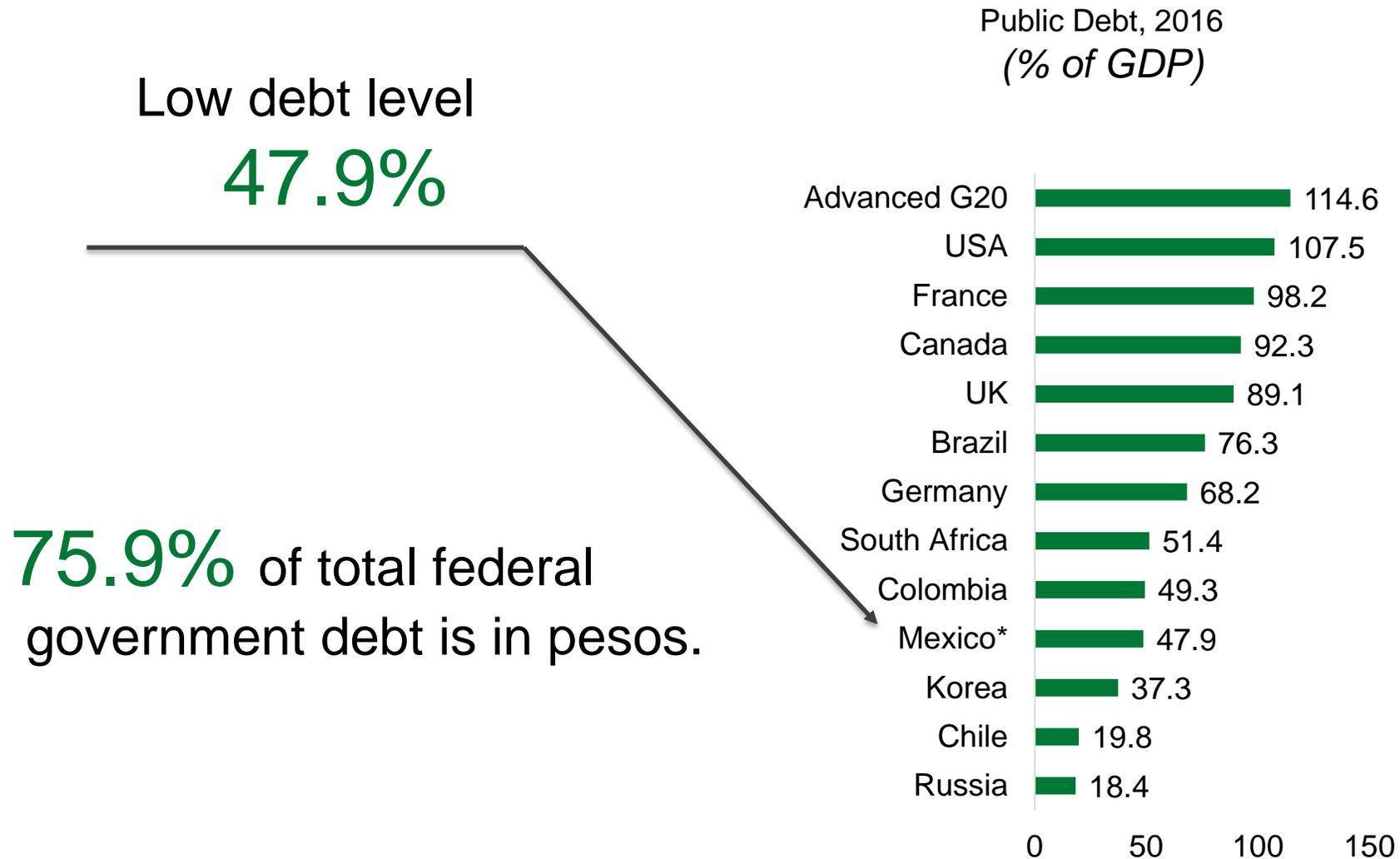


Source: census.gov

How's Mexico doing today?

- It is the world's **14th** economy
- Receives **35 million** tourists a year
- **15 million** Americans visit Mexico
- 1st place in the aerospace industry
- 4th place as automotive producer

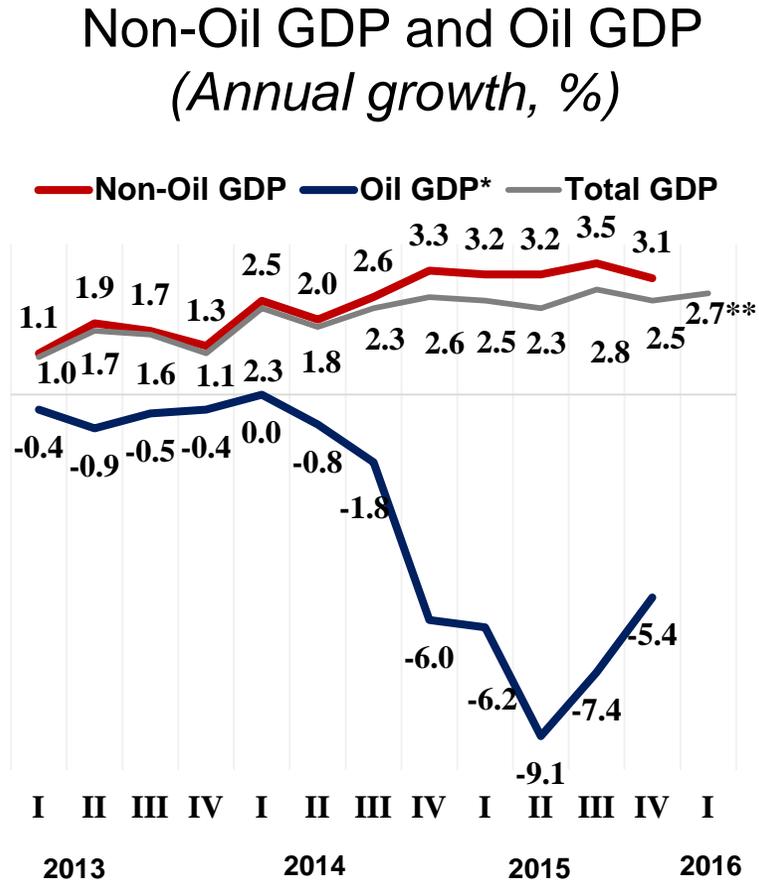
Strong and prudent public debt management



Source: Fiscal Monitor, April 2016.

*For Mexico HBPSBR *Preclerios 2017*, SHCP.

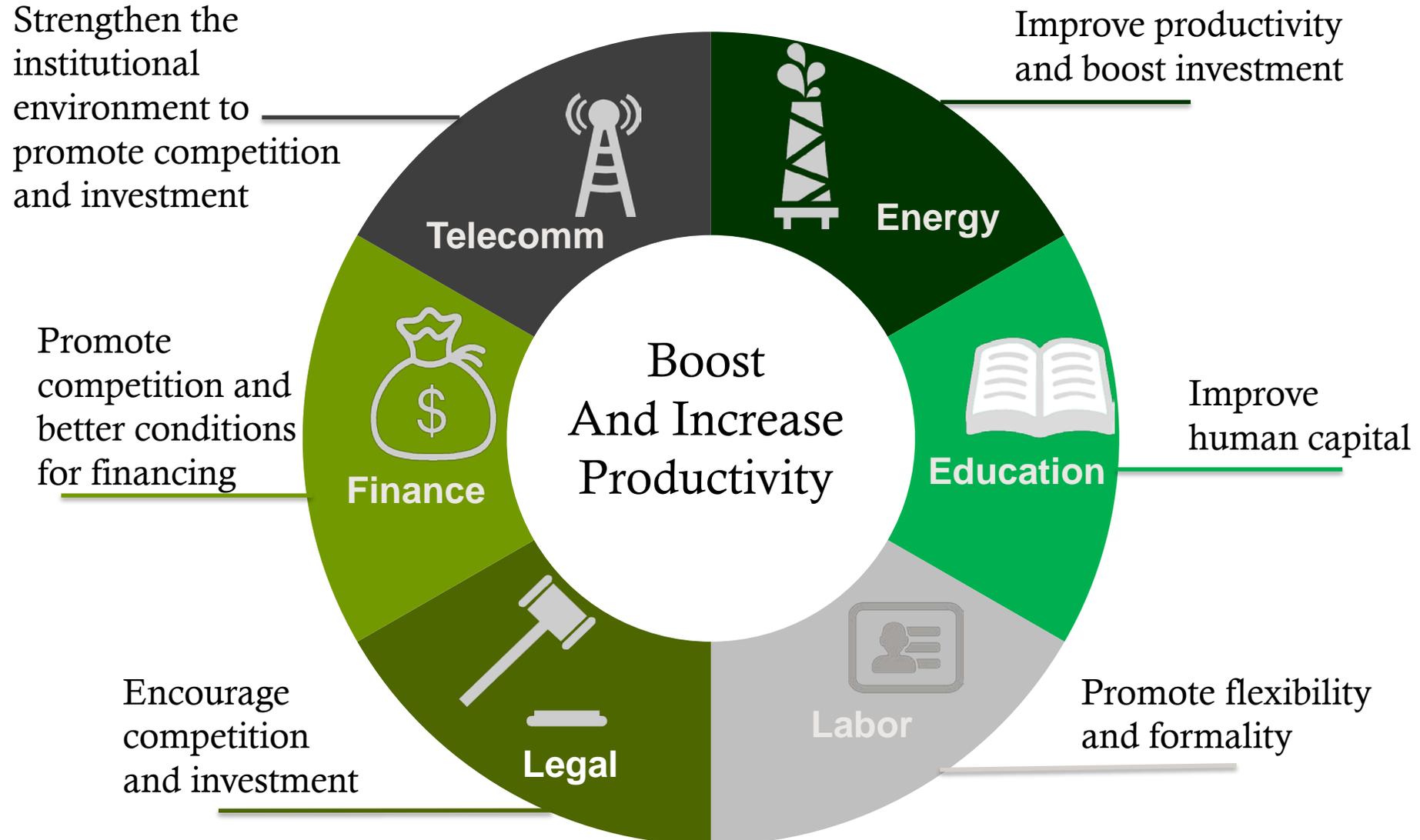
Excluding the Oil Sector, the Mexican economy has grown at a rate of over 3% since the end of 2014.



- Over the last years the Mexican economy reduced its exposure to the oil industry.
- Oil activities account for only **6.3%** of GDP.

Source: INEGI.
*Extraction of oil and gas, mining-related services and oil and coal byproducts.
** INEGI 1Q16 Flash GDP Estimate. Oil and Non-Oil breakdown not available.

Structural Reforms have contributed to the strengthening of
Of the performance of key sectors in the Mexican economy.



Immigration and Border

Immigration

Immigration from Mexico to the US has provided the workforce needed to support economic growth of key sectors in the US over the last two decades: Construction, Agricultural and Services, among others.

- However, migration from Mexico to the US has declined since 2005. In fact, since 2009, more Mexicans have returned to Mexico than migrated to the US.

Border

- Nearly 1,000,000 people and 370,000 vehicles legally cross the border daily.
- More than \$1 billion worth of goods pass through the 42 border crossings every day (\$ 52 million an hour).

Janet Yellen: Immigration

“...curbing immigration could hurt the growth of the world's largest economy.”

Chair of the Federal Reserve Bank





THANK YOU