



Department of Commerce

MEXICO

MONTHLY ECONOMY AND POLITICS BRIEF

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ECONOMY AND INDUSTRY

- Mexico exported over US\$3 billion in beer during 2017, making the country the world's largest beer exporter by value, according to Economy Minister Ildefonso Guajardo. Mexico's beer exports have grown by 16 times over the past 24 years, Guajardo said. *(Mexico News Daily, March 21, 2018)*
- Mexico produced a record number of vehicles for the month of February this year, with year-on-year production for the month rising 6.2% over the same month last year, the Mexican Automotive Industry Association (AMIA) reported. Automotive exports jumped 11.2% for the same period. *(Expansión, March 6, 2018)*
- Remittances to Mexico from abroad exceeded US\$2.2 billion in January, setting a new record high since record keeping began in 1995, central bank Banco de México (Banxico) reported. The total represents a 7.4% increase over the same month the previous year. *(Milenio, March 1, 2018)*

ECONOMIC ACTIVITY OF NOTE

- Ports: The Mexican subsidiary of U.S. port operator SSA Marine is investing approximately US\$48 million to construct an automobile roll-on roll-off terminal at the Pacific port of Lázaro Cárdenas in the state of Michoacán. The first phase of the site will have projected capacity to handle 700,000 vehicles per year. *(El Financiero, March 28, 2018)*
- Chemicals: Mexican chemicals producer Cydsa reported plans to invest US\$300 million this year in new business development. Key projects will include processing, storage and transportation of fuels, and a new plant to produce chlorine and caustic soda. *(Reforma, March 23, 2018)*
- Tanks: Mexican industrial tank manufacturer Trailers y Tanques de Aluminio (Tytal) plans investment of US\$30 million in two plants in the northern state of Nuevo León, the company reported. Upgrades are slated to increase output capacity for tank retrofitting for tanker trucks. *(Reforma, March 21, 2018)*
- Industrial: Mexican corporate group Grupo Industrial Saltillo reported plans to invest approximately US\$67 million this year across various industrial divisions in Mexico. Earmarked for upgrades are automotive foundry and machining operations and technology and environmental compliance in construction activities. *(Reforma, March 21, 2018)*
- Gas stations: Spanish energy giant Repsol reported plans to invest approximately US\$428 million to open gas stations in Mexico over the next five years. The company is targeting a nationwide market share of 8 – 10% via the effort. *(La Razón, March 13, 2018)*
- Beer: U.S. drinks giant Constellation Brands announced projected investment of US\$900 million to expand production capacity at its beer brewery in the northern state of Sonora. The upgrade is planned to boost output from 3.5 million to 8.5 million hectoliters per year. *(El Economista, March 20, 2018)*

- Automotive: French automotive components maker Faurecia inaugurated a new production plant in the central state of Guanajuato. The site is planned to produce automotive emissions control systems. (*Forbes, March 15, 2018*)
- Solar power: Italian renewable energy developer Enel Green Power is constructing what is planned to become the largest solar electricity generation plant in the Americas, in the northern state of Chihuahua. Total investment has not been specified for the site, which is expected to include 2.3 million solar panels. (*Reforma, March 15, 2018*)
- Construction materials: U.S. ceramic construction materials Daltilo inaugurated an expansion to its production plant in the central state of Guanajuato, the company reported. The US\$85 million upgrade will produce the company's Dalgres XL line of large-format floor tiles. (*Reforma, March 5, 2018*)
- Retail: U.S. grocery and general merchandise retailer Walmart, Mexico's largest retailer, reported plans to invest approximately US\$1.1 billion in Mexico and Central America operations in 2018. Major projects will include new store openings, store remodeling and maintenance. (*El Financiero, March 7, 2018*)
- Hardware: Chilean department store operator Falabella plans to open the first Mexico sales location of its Sodimac DIY store chain during the second quarter of 2018, the company's Mexican partner Soriana reported. The US\$12 million hardware and home goods store will be located in Cuautitlán in the greater Mexico City metropolitan area. (*Reforma, March 1, 2018*)
- Gasoline: Mexican lubricants manufacturer Akron plans to enter the domestic gasoline market via investment of approximately US\$54 million. The company will offer logistics services, storage and distribution of gasoline to points of sale. (*Reforma, March 15, 2018*)
- Gas stations: U.S. oil company Exxon Mobil reported plans to open 35 gas stations in the northeastern state of San Luis Potosí in 2018. The US\$9 million investment will establish the stations in partnership with Mexican filling station operator Combured. (*El Financiero, March 22, 2018*)
- Transport: Brazil-based ride hailing application EasyTaxi reported it will invest approximately US\$12 million in Mexico this year to extend its services to the central cities of Toluca and San Juan del Río. The service currently operates in Mexico City and six other Mexican cities. (*El Financiero, March 2, 2018*)
- Solar power: IEnova, the Mexican subsidiary of U.S. natural gas utility Sempra Energy, plans investment of US\$130 million to establish a solar energy generation plant in the northwestern state of Sonora, according to Mexican Stock Exchange (BMV) documents. The site is planned to provide electricity to leading upscale department store chain Liverpool. (*El Financiero, March 1, 2018*)

POLITICS AND SOCIETY

- Mexico and 10 other countries signed the Trans-Pacific Partnership (TPP) trade facilitation agreement without participation by the United States. The new pact is planned to enter into effect 60 days after it is ratified by a majority of the signing countries' domestic legislatures. *(NPR, March 8, 2018)*
- U.S. Ambassador to Mexico Roberta Jacobson announced she will resign from her post in May. The departure of Jacobson, one of the U.S. State Department's most experienced Latin America experts, will leave a critical vacancy at the U.S. embassy in Mexico at a time of strained relations between the two countries. *(New York Times, March 1, 2018)*