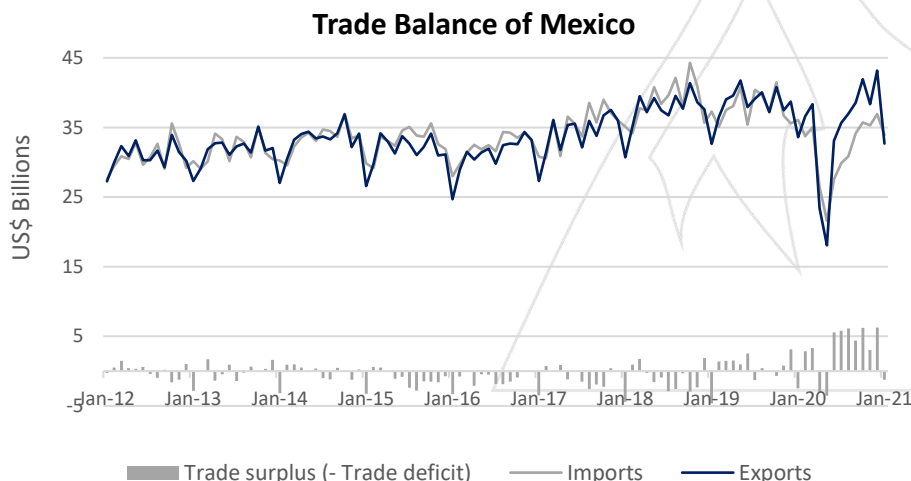


MACROECONOMIC ANALYSIS MEXICO: Trade Balance

The INEGI published this Friday the report of the timely information on the Trade Balance for the month of January.

During January, exports from Mexico decreased by 2.6% compared to the previous year, showing a slowdown from the growth of previous months (+11.5% in December, +2.3% in November, +2.9% in October and +3.7% in September). Exports to the United States, which are more than 80% of Mexican sales abroad, fell 1.4% at an annual rate and those channeled to the rest of the world fell 1.6%

Imports decreased by 5.9% compared to the previous year, this figure originated from a 3.1% decrease in non-oil imports and a severe contraction of 27.9% in oil companies.



The Trade Balance of merchandise registered a deficit in January of US\$1,236 million, thus slowing down with the growth shown in previous months. (US\$6,262 million in December, US\$3,032.5 million in November, US\$6,223.8 million in October and US\$4,384.7 million in September).

Mexico had a trade surplus of \$ 34,476.4 million in 2020, in a year in which both exports and imports fell due to the covid-19 pandemic.

In our opinion, we see a significant weakness in imports before the pandemic derived from lower purchasing power in Mexico compared to external demand for domestic goods, so we expect the Trade Balance to show a surplus in the following months.

Source: https://www.inegi.org.mx/contenidos/saladeprensa/boletines/2021/balcom_o/balcom_o2021_02.pdf