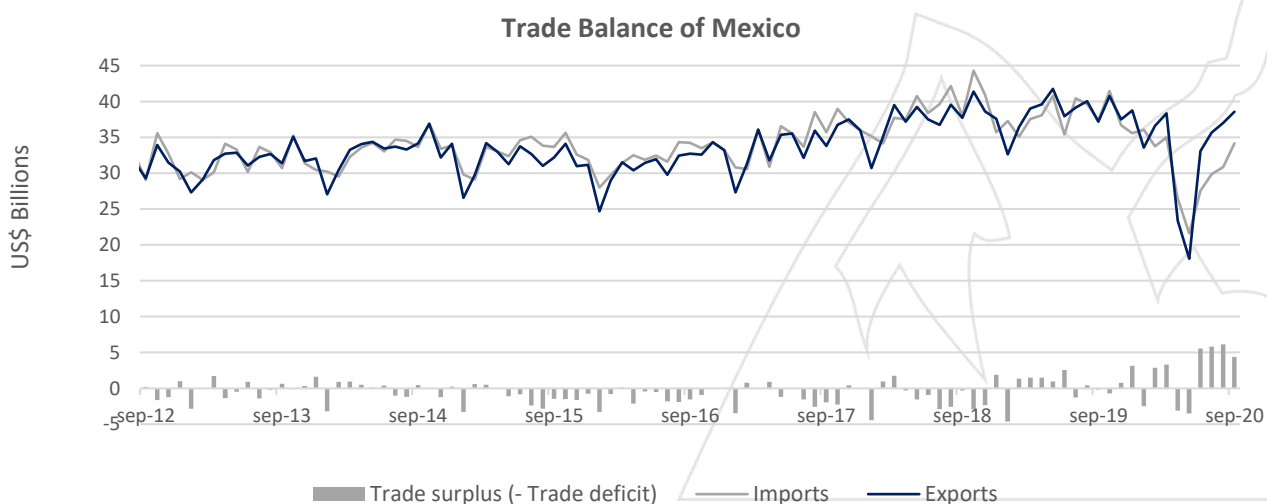


MACROECONOMIC ANALYSIS MEXICO: Trade Balance

The INEGI published this Tuesday the report of the timely information on the Trade Balance for the month of September.

During September, exports from Mexico increased by 3.7% compared to the previous year, showing an improvement compared to the decreases shown in previous months: April (40.9%), May (56.7%), June (12.8%), July (8.9 %), August (7.7%).

Imports had a decrease with 8.5% compared to the previous year, with this there have been 16 consecutive months negative annual variations.



The Trade Balance of merchandise registered a new surplus of US\$4,384.7 million in September, although less than the one seen the previous month. (US\$6,115.7 million in August).

We observe a gradual improvement in Mexico's trade balance after an economic reactivation plan of the "new normal" began on June 1 and in July the new Agreement between Mexico, the United States and Canada (T-MEC) became effective.

The level of the Trade Balance for the last five months reflects the effects of COVID-19, as both the annual volume of exports and imports decreased. In our opinion, we see a significant weakness in imports since before the pandemic derived from lower purchasing power in Mexico compared to external demand for domestic goods, so we expect the Trade Balance to continue to show a surplus in the following months.

Source: https://www.inegi.org.mx/contenidos/saladeprensa/boletines/2020/balcom_o/balcom_o2020_10.pdf