

Mexico
Monthly Report
December

Market Overview

Economy

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Private sector raises Mexico's economy growth forecast to 2.79% for 2022. These data from specialists are adjusted after revealing last Friday that GDP advanced 0.9% quarterly and 4.3% year-on-year in the period from July to September, with which accumulates a growth of 2.9% in the first three quarters of 2022.

In addition, the experts reduced their outlook for general inflation to 8.36% at the end of 2022, while the previous month they projected that it would close the year at 8.54%.

How much will the Mexican economy grow?

	2022	2023
Mediana <i>Median</i>	2.5	1.0
Promedio <i>Average</i>	2.4	1.1
Máximo <i>Maximum</i>	3.0	3.0
Mínimo <i>Minimum</i>	1.5	-0.5

Regarding the exchange rate, analysts estimated that the Mexican peso will close 2022 at 20 units per dollar.

As for the external sector, for 2022, the expectations on the trade balance were revised from a deficit of 23,958 million dollars to one greater than 25,847 million dollars, while by the end of 2023 they expected it to be reduced to 20,596 million of dollars.

INDICATOR	PERIOD	RESULT	PERIOD	RESULT
GROSS DOMESTIC PRODUCT	Oct 2022	0.9%	Nov 2022 forecast	1%
INFLATION	Nov 2022	8.41%	Dic 2022 forecast	7.49%
TRADE BALANCE MEXICO	Nov 2022	-\$2.012B USD	Dec 2022 forecast	-\$2.2 B USD

Exchange Rate

Level	MXN per USD
Average	\$19,6036
Maximum	\$19,7565
Minimum	\$19,5134



US Trade

Mexico is positioned three months in a row as the first trading partner of the US. In October, Mexico exported products to the United States for 40,377.1 million dollars and its imports from the United States were 28,007.4 million, which represents growth of 17.6 and 15%, respectively.

With these results, Mexico achieved a 14.8% share in the total merchandise trade of the United States in October, surpassing Canada (14.1%) and China (13 percent).

However, in the accumulated from January to October of the current year, Canada reached a coverage of 15%, ahead of Mexico (14.7%) and China (13.2 percent).

Canada's trade with the United States has a greater composition of raw materials and energy products, which have registered a higher growth in their prices compared to the rest of the products worldwide.

Retail (new consumer demand)

An important change is that 59% of consumers would be willing to buy elsewhere if there is no possibility of having the shopping experience in both channels; that is, the physical and digital. On the other hand, 51% of consumers would select another retailer if the company does not adapt to the return of products with a flexible returns system.

Unified shopping experiences that also have payment facilities and fast deliveries are the experiences that generate consumer loyalty.

Own Brands



They estimate growth of 30% in own brands at the end of 2022. Own brands have been a helpful option for consumers, who have seen their incomes diminish as a result of high inflationary levels, internationally. The most common tactic to save money is to stop buying certain categories and look for private label products, since they are considered to offer favorable prices,” NielsenIQ noted.

In Latam 48 Percent purchase own brands for home care; the categories of unprepared food, home care and packaged food are those with the greatest possibility of purchase.

2022 projects

M22GXLAPMR	Recipe development	June-October	Claim and final report submitted.
M22GXLAPIS	Mexico In-Store Promotions	May - August	Claim and final report submitted.
	Oregon Groundfish Promotion	TBD	Define dates and action plan. Follow up call to be programmed.
ATP	Onion program	Sep – March	Sampling activities will be executed with Alsuper and trade servicing is on-going. Calimax is registering Owyhee Produce in their system to introduce their onions.
ATP	Mega Mission MX & LATAM	December 5 th -9 th	Executed, 192 total meetings with quality leads (15 meetings per company in average). Pending final report and claim.
M22GXLAPM2	Latin America Consumer Oriented Research	Oct 31- Feb 15	On-going.

2023 projects

M23GXLAPT3	Mexican Healthy Product Summit	Jan 26 - 28	Pending payment confirmation.
M23GXLAPT2	ANTAD (OR/WA/CA)	March 7-9	Booth location reserved, booking hotels. Confirm booth design
M23GXLAPIB	Mexico: Food Service Inbound Mission	July	Define & discuss dates in winter meeting



	Oregon Groundfish Promotion	TBD	Define dates and action plan. Follow up call to be programmed.
M23GXLAPMP	Taste of the West retail promotion	August -November	
M23GXLAPTS	2023 Latin America Trade Show to Espacio Foods, Santiago, Chile (WA/NV)	September	
M23GXLAPOB	Panama & Colombia Consumer Oriented and Food Service Outbound	October or November	Define dates in winter meeting.
A19GXLAPOB	Latin Amerca Category-Specific Trade Meetings/Outbound (OR/CA)	TBD	
A19GXMXBMP	Mexico Beer promotion	TBD	

