

Mexico
Monthly Report
October 2023

Market Overview

The report provides a monthly analysis of the Mexican landscape which shows the market's dynamic. It also presents an overall inform relating the Agro-industrial most relevant news, as well as the most updated information regarding Mexican economy. Agriculture, food, and beverages companies remain attractive for investors.

Economy

Mexico's Economic Landscape 2023

Mexico's economy grew at a slightly slower pace than the preliminary estimate in the second quarter, even as the country benefited from the strength of its trade with the US and its own robust consumption.

Gross domestic product expanded 0.8% from the previous three months, below the 1% median estimate by economists in a Bloomberg survey and the 0.9% preliminary reading reported last month. From the same period a year ago, GDP grew 3.6%, less than the preliminary 3.7% print, according to final data released by Mexico's national statistics institute Tuesday.

INDICATOR	PERIOD	RESULT	PERIOD	RESULT
GROSS DOMESTIC PRODUCT	August 2023	3.6%	August 2023	3.5%
INFLATION	September 2023	4.45%	October 2023	4.5%
TRADE BALANCE MEXICO	August 2023	0.1377 B	September 2023	0.881\$ B

Exchange Rate
20/09/23

Level	MXN per USD
Average	\$18.2253
Maximum	\$18.2266
Minimum	\$18.2088



If we consider the data of the last seven days, the US dollar registers an increase of 0.99% although, on the contrary, in the last year it still maintains a decrease of 3.31%. Regarding previous days, it adds three sessions in fall. The volatility of the last seven days is subtly lower than that accumulated in the last year, which shows that its price is showing less alterations than the general trend lately indicates.

Retail

In the supermarket, advertising strategies are crucial in influencing our purchasing choices. From the strategic placement of products in the aisles to the design of the shelves, everything is designed to guide our decisions. In recent years, we have seen an increase in the search for healthier options at the supermarket. Collaboration with nutrition professionals, clear nutrition labeling and promotion of fresh and local foods are key strategies.

The omnichannel experience plays a key role in customer satisfaction and retail growth, especially in the consumer electronics segment. Consumers expect a seamless and consistent experience across all shopping channels, both in stores and on online platforms. Online, about 42% of consumers expect fast delivery, while 34% want free shipping. As for the face-to-face experience, 28% of respondents want to have contact with the product before making the purchase and 22% want to ask questions about the purchase to someone qualified.

Ecommerce

In 2022, the number of e-commerce users in Mexico was estimated at around 64 million, an increase of more than 10% over the number of digital buyers calculated the previous year. By 2027, it is estimated that this figure could reach 88 million. Likewise, the penetration rate of digital commerce in Mexico is expected to continue growing in the coming years.

Quality, low price and promotions are the three attributes that consumers seek in food and beverages in Mexico. These three characteristics are those that evaluate when buying, while quality monopolizes 86% of purchases, the price is located in 83% of elections and promotions were valued at 72.

