

TRADE PROFILE AND EXPORT POTENTIAL FOR MEXICO IN

Florida



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UNIDAD DE INTELIGENCIA
ECONÓMICA GLOBAL



2022 *Ricardo Flores*
Año de Magón
PRECURSOR DE LA REVOLUCIÓN MEXICANA

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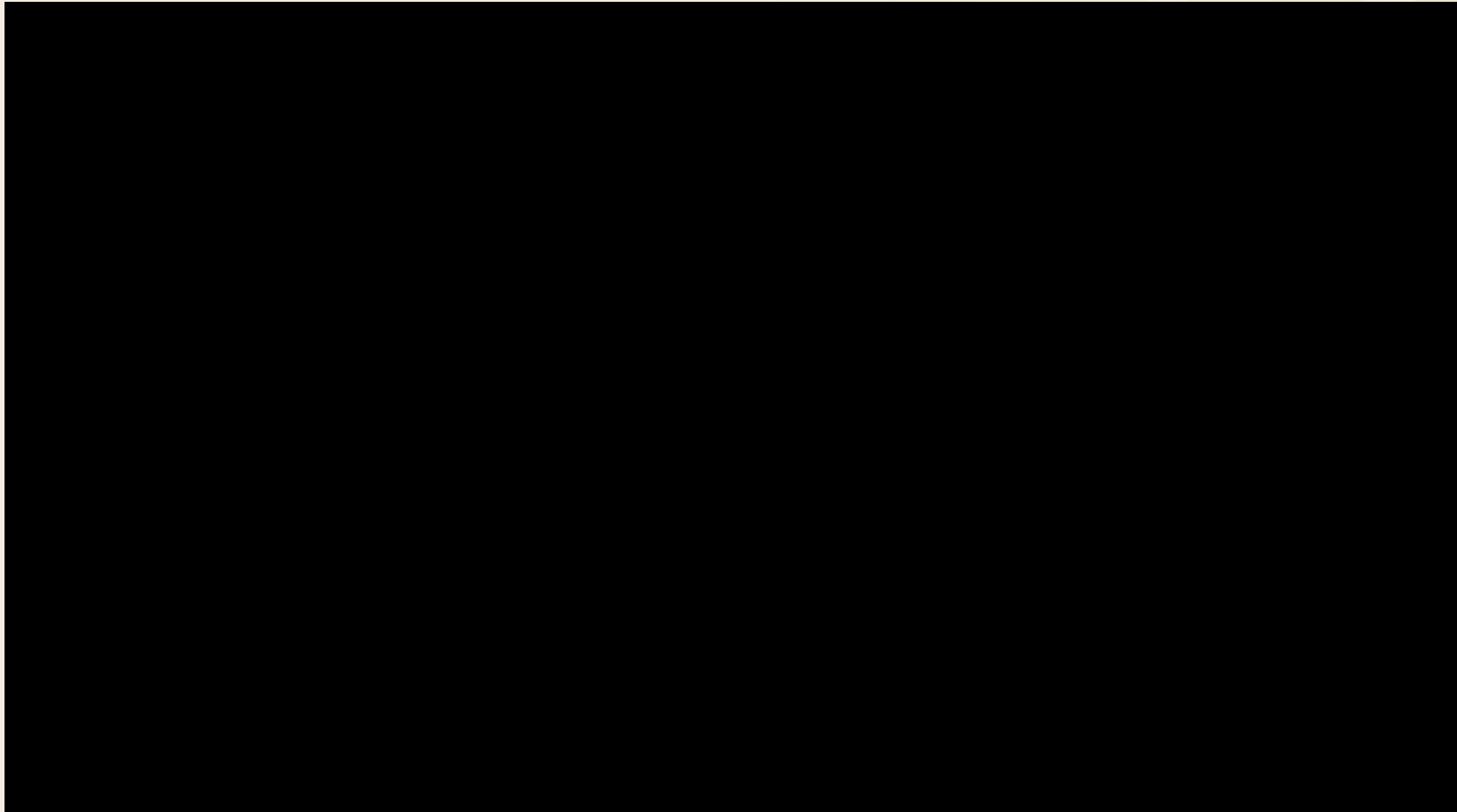
1

MEXICO'S STRATEGY AND FDI FROM US

Let me show you what Mexico has to offer



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<https://www.economia.gob.mx/invest-in-mx/>

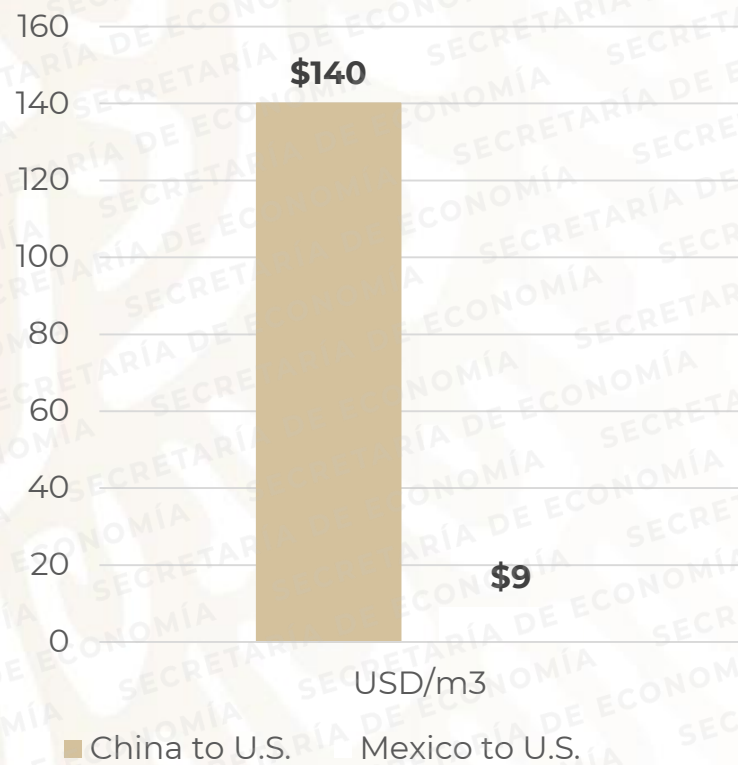


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1. Strategic location and competitive logistic costs

- Mexico offers a strategic location with access to North and Latin America.

Low shipping costs



Source: GBM. Global Value Chains Disruptions

Maritime days to selected destinations

Destination	Mexico	China	India	Brasil	South Korea
New York	5	32	25	15	21
Los Angeles	4	18	31	23	17
Rotterdam	16	32	20	17	33
Yokohama	19	4	17	35	3



**More than 50 ports of entry
between the U.S. and Mexico**

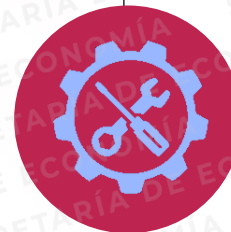
Source: The Boston Consulting Group in De la Madrid (2014)

Mexico's Economic Recovery Program: 2021



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- 01** Internal market, employment, regions and sectors
- 02** Investment promotion
- 03** International trade
- 04** Increased competitiveness

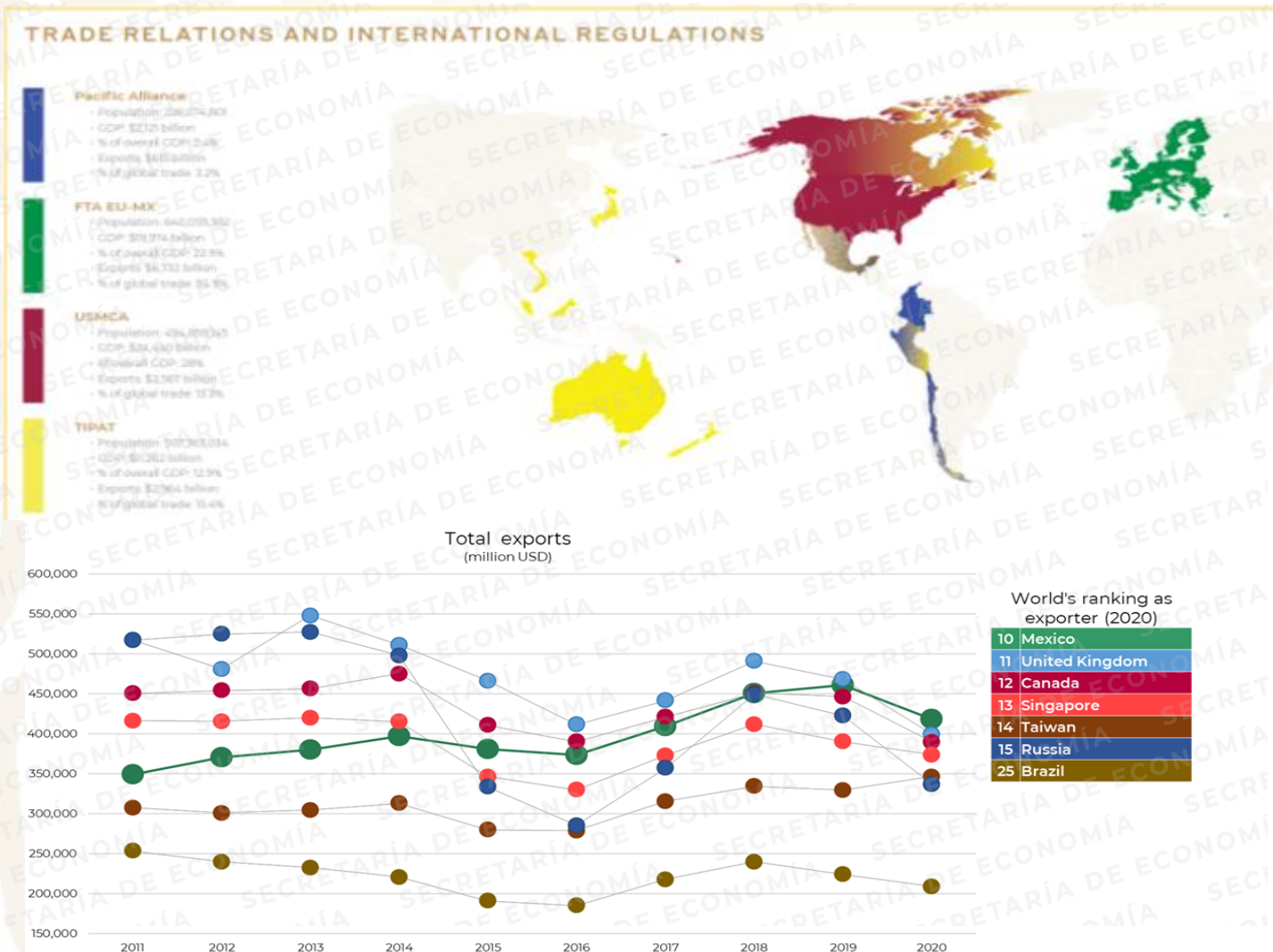


2022: Economic Package to address inflation

- Subsidies to stabilize prices of gasoline and diesel.
- Tariff elimination to food, agriculture products, staples and commodities.



Mexico in the international market



- Mexico has **14** free trade agreements (**FTA**) with **50** countries, **30** reciprocal investment promotion and protection agreements (**IPPA's**) and **9** agreements with **ALADI**.
- **Mexico also is an export power**, historically is the first economy with the **most exports** made in **Latin America**. In 2020, Mexico exported 418 billion USD (44% of LATAM market share), almost **double the amount made by Brazil** (our closest competitor in the region), and **above** world powers such as the **UK** (399B\$), **Canada** (390B\$), **Singapore** (374B\$), **Taiwan**(346B\$) and **Russia**(337B\$) in this year.

US's FDI in Mexico

Net FDI to Mexico
(1999-2022*)

306
billion USD

Share of FDI received
(1999-2022*)

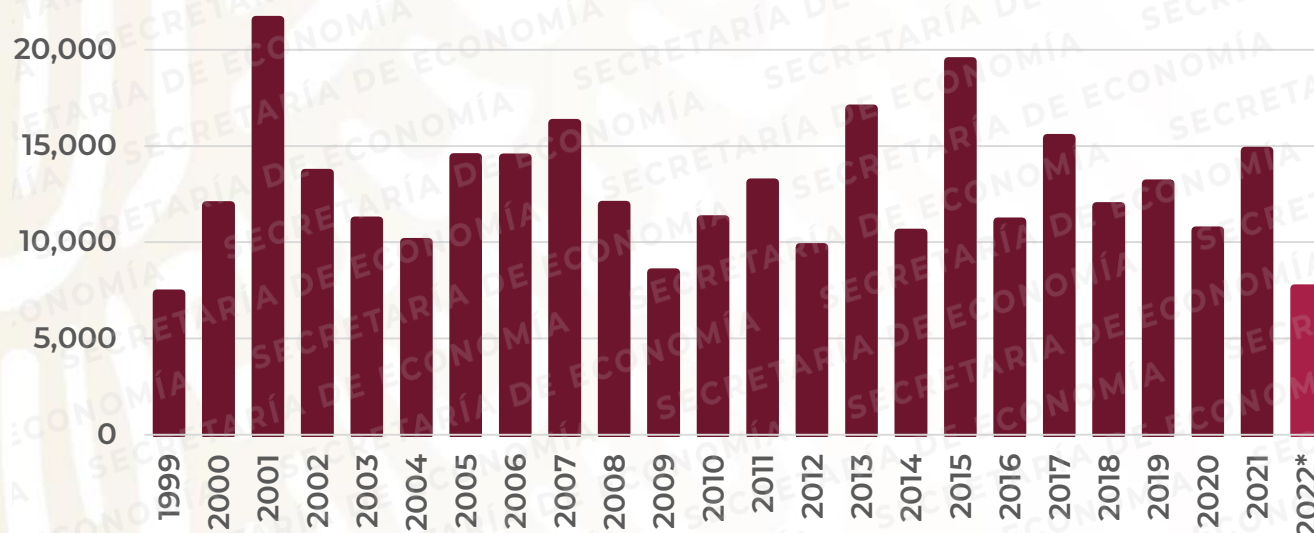
46.5%



TOP STATES OF INVESTMENT 2012-2022* (billion US dollars)

1°	Mexico City	26.7
2°	Nuevo Leon	14.5
3°	Estado de Mexico	12.1
4°	Baja California	10.8
5°	Chihuahua	10.0

FDI from United States to Mexico (US million dollars)



TOP SUBSECTORS OF INVESTMENT 2012-2022* (billion US dollars)

1°	Manufacture of transport equipment	25.9
2°	Non-stock market credit and financial intermediation institutions	8.2
3°	Temporary accommodation services	7.9
4°	Beverage and tobacco industry	7.6
5°	Chemical industry	7.5

*Data for the 1st quarter of the year
NA: Not Available



2

MEXICO'S TRADE PROFILE WITH UNITED STATES

United States's trade regime with Mexico



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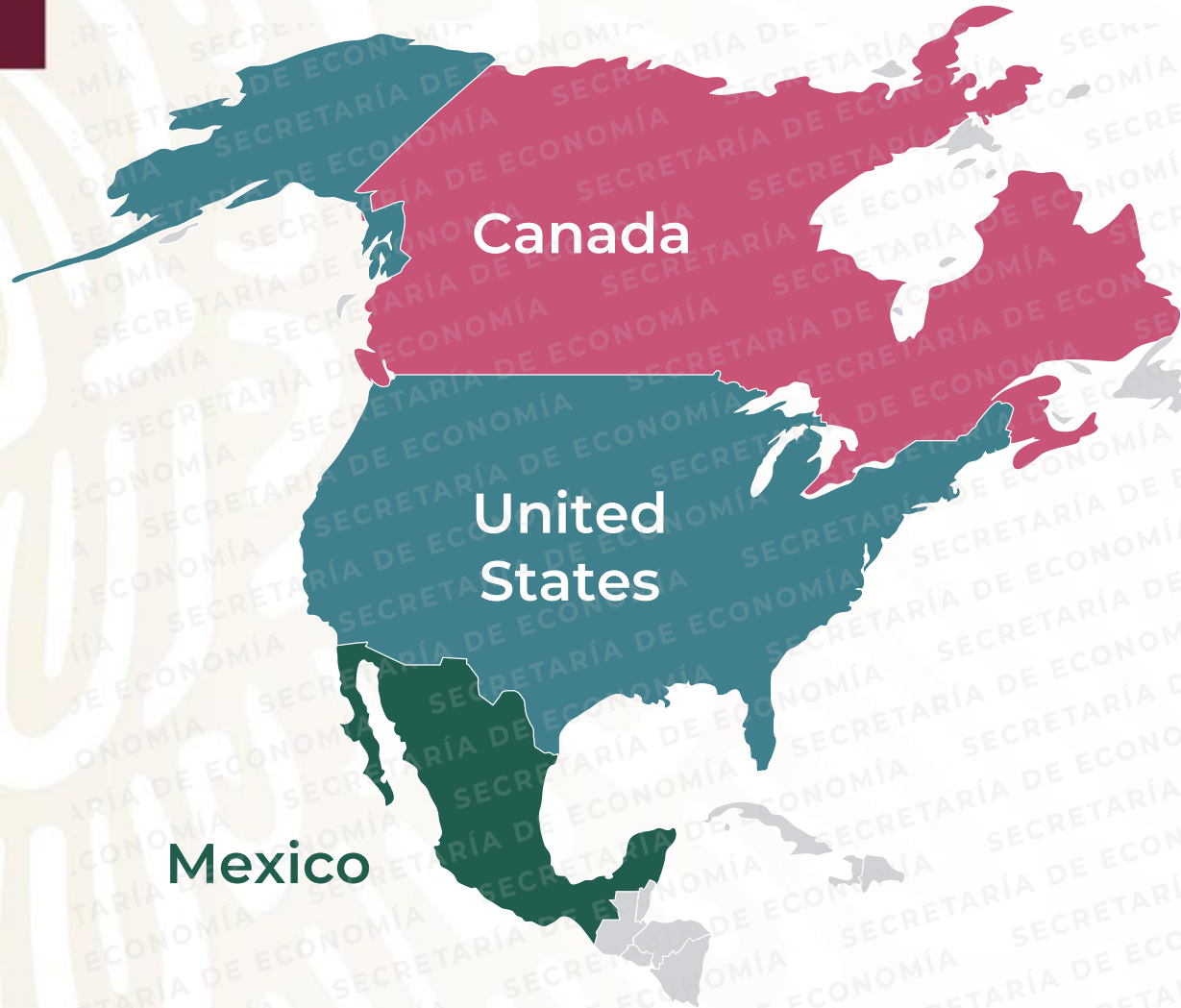
USMCA

**United States
Mexico and
Canada
Agreement**

Entry in force:

1st
julio

2020



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Mexican exports to United States



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Exports from
Mexico to
United States
(2021)

399

Billion USD

Market Share
(2021)

80.7%

Growth rate
(2020-2021)

17.8%

Trade Balance
Mexico-United
States (2021)

SURPLUS

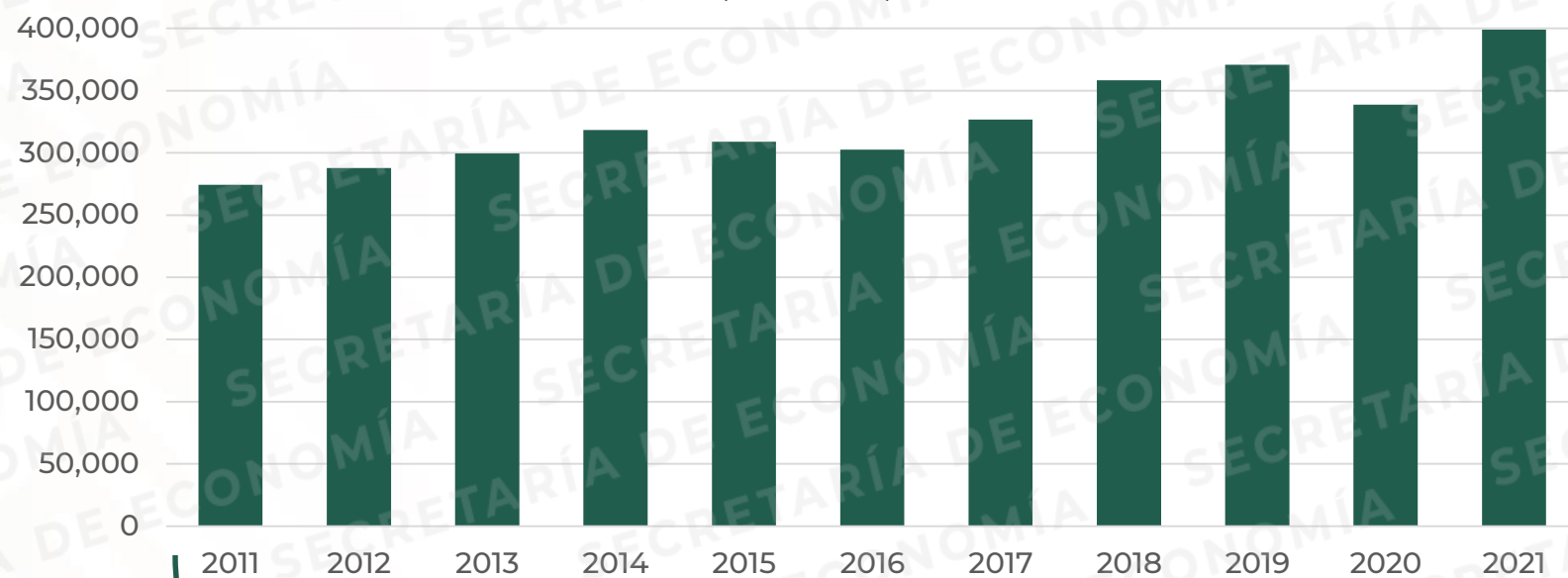
178

Billion USD

United States's
ranking as
mexican destiny
(2021)

1st

Mexican exports to United States
(million USD)



Average Annual Growth Rate (2012-2021)

6.6%



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Mexican exports to United States (2021)



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SECTORS (HS-2D)



- Vehicles other than railway or tramway rolling stock, and parts and accessories thereof
- Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ...
- Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof
- Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ...
- Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; ...
- Glass and glassware
- Plastics and articles thereof
- Beverages, spirits and vinegar
- Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad ...
- Articles of iron or steel
- Others

¹ Exports of crude petroleum oils or bituminous mineral oils are not included.



Mexican exports to United States (2021)



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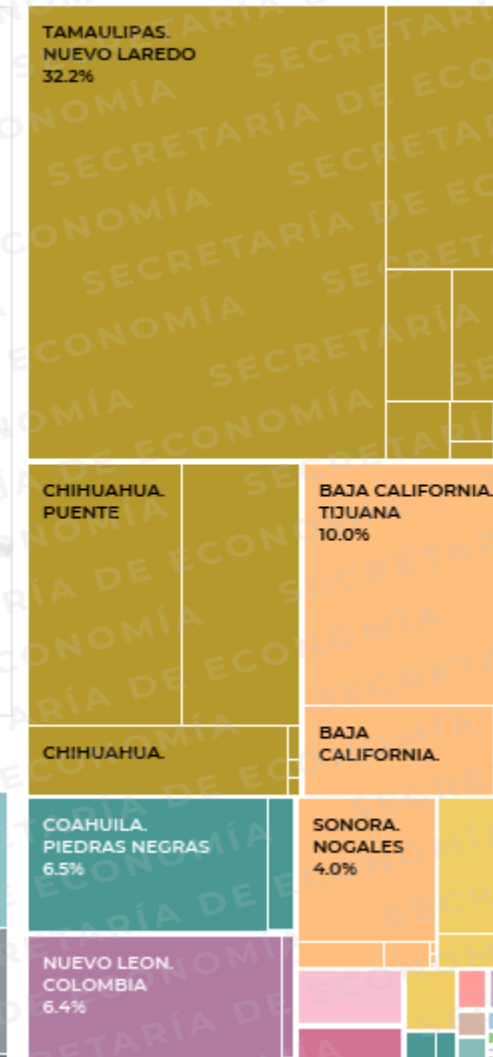
Map of ports of departure and modes of transport



Modes of transport



Ports of departure



**PORTS AND
TRANSPORT
MODES
OF MEXICO'S
EXPORTS
TO USA
(2021)**





3 **FLORIDA'S TRADE PROFILE**

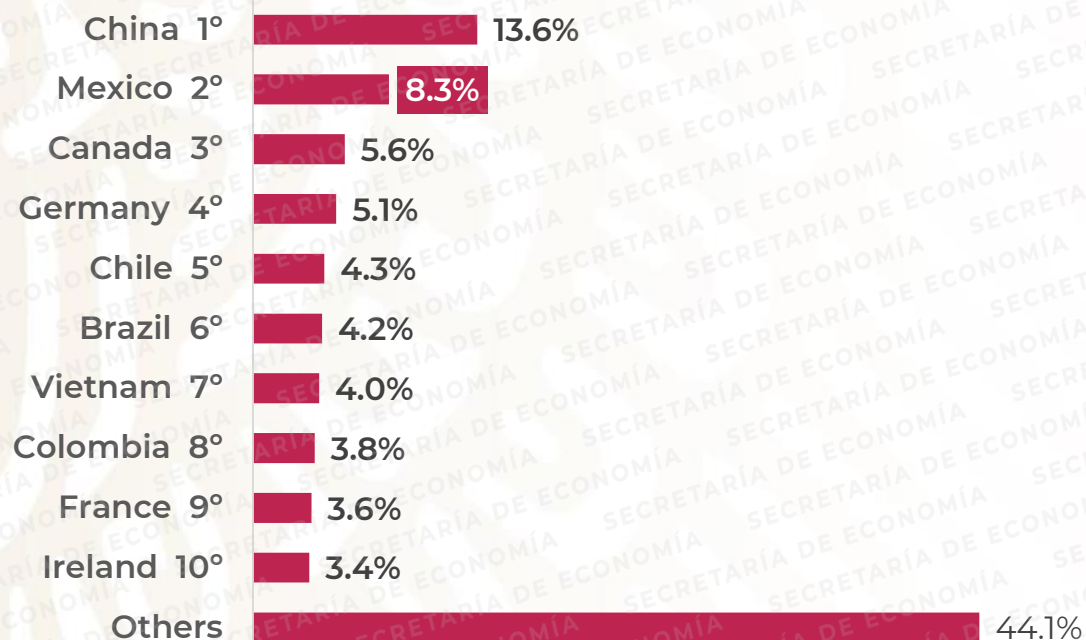


Florida's trade indicators

\$93

Billion USD

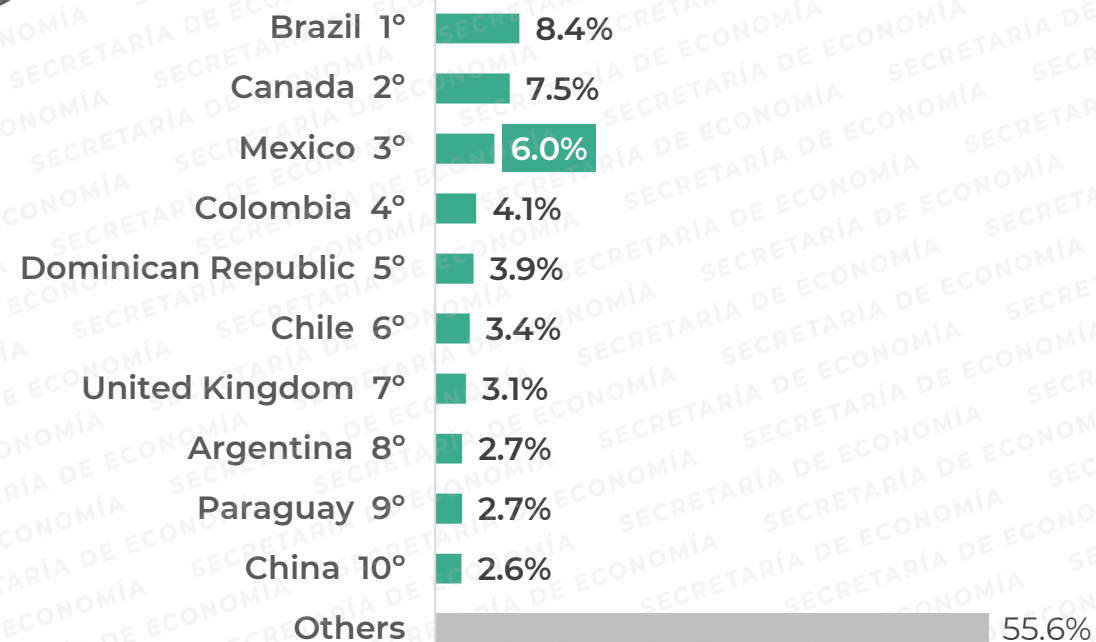
WORLD'S IMPORTS (2021) TOP ORIGINS



WORLD'S EXPORTS (2021) TOP DESTINATIONS

\$55

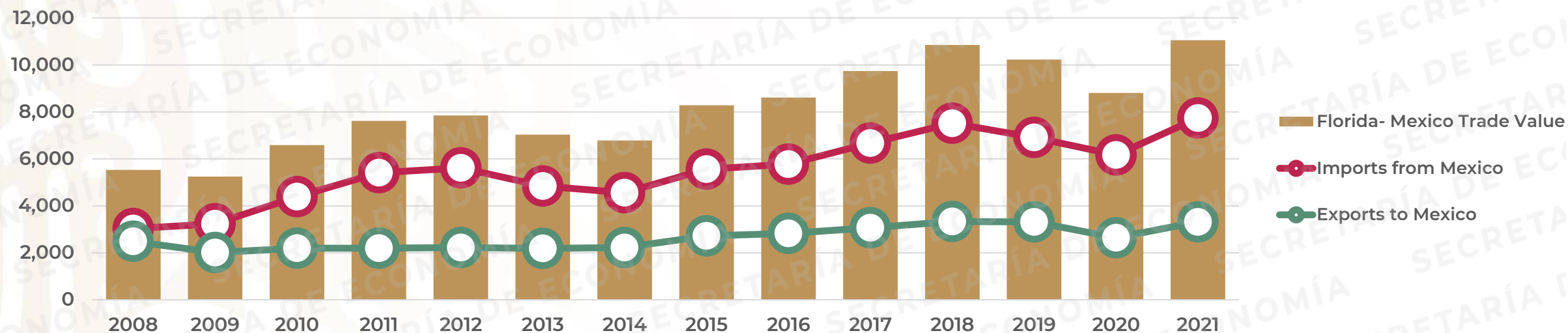
Billion USD





Florida's trade with Mexico

Florida-Mexico trade balance (US million dollars)



Imports from
Mexico
(2021)

7.7

Billion USD

Growth rate
(2020-2021)

25.5%

Mexican Market
Share
(2021)

8.3%

Mexico's
ranking as
supplier
(2021)

3°

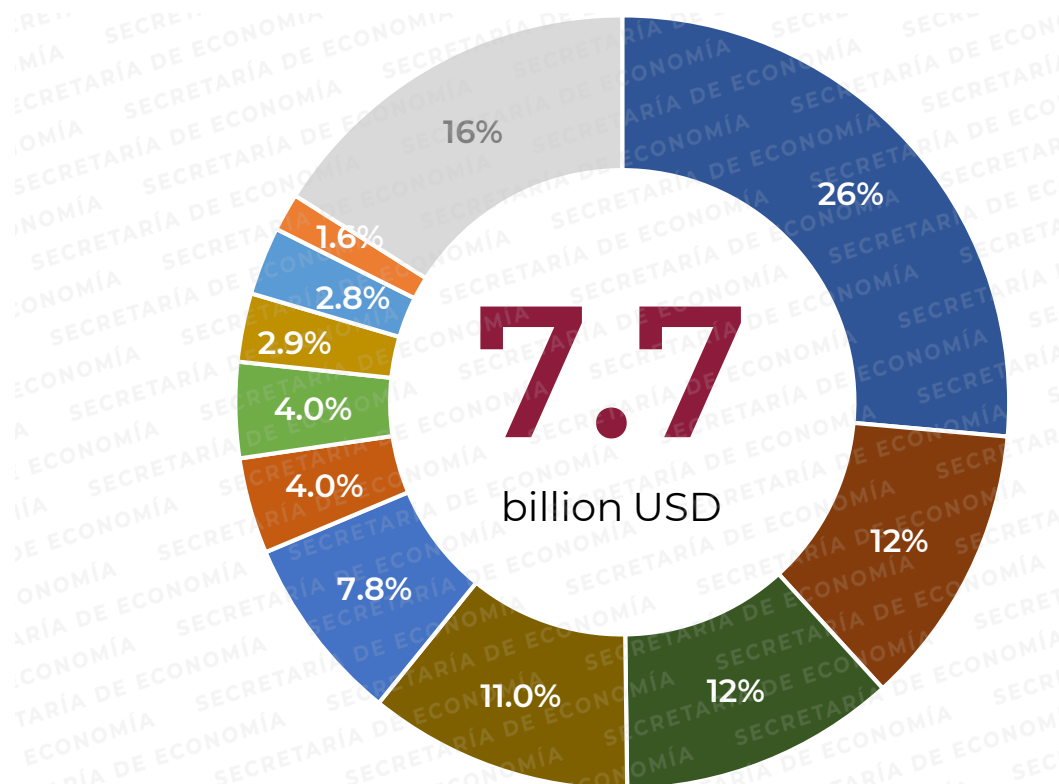


2022 Flores
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Florida's trade with Mexico

Florida's sectoral imports from **Mexico** (2021)

SECTOR	Million USD
Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	2,044
Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	915
Beverages, spirits and vinegar	894
Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television	854
Edible fruit and nuts; peel of citrus fruit or melons	606
Edible vegetables and certain roots and tubers	311
Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ...	309
Preparations of vegetables, fruit, nuts or other parts of plants	222
Commodities not elsewhere specified	221
Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings	122
Others	1,240





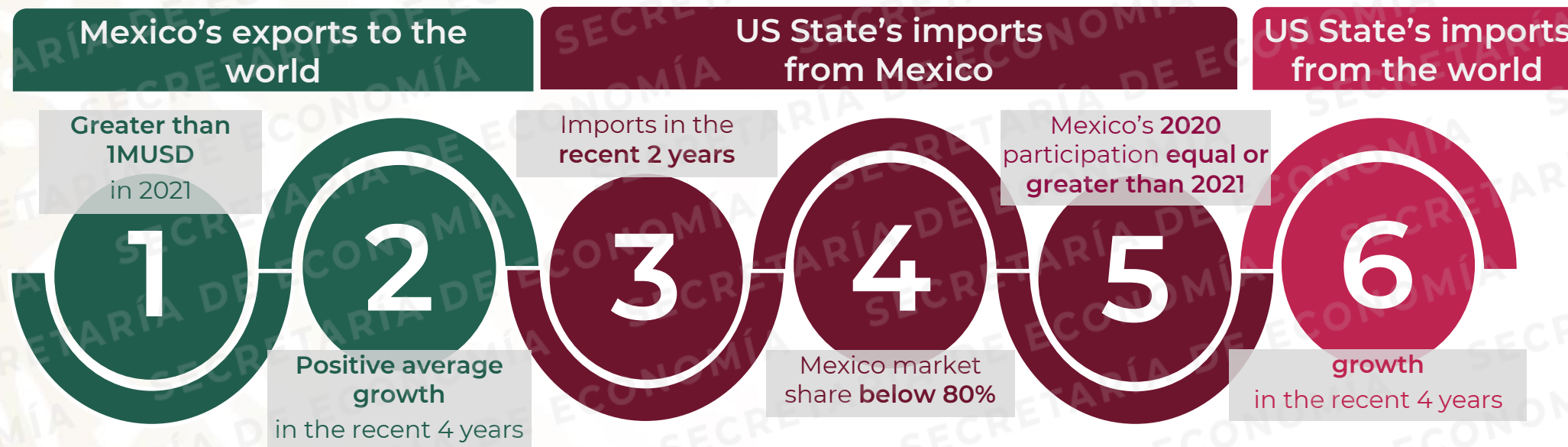
4

MEXICO'S EXPORT POTENTIAL IN FLORIDA

Mexican export potential in Florida*

The basis of **products** are those in a **subheading level** (6 igits of the Harmonized Commodity Description and Coding System), that the **Texas imported from Mexico** in the last 5 years, with the exception of some " sensitive " merchandise; for example, from the mining sector or those related to oil.

After defining the list, **6 filters** are added to ensure that the selected products are constant over time and comply with factors that guarantee the export potential from Mexico:



Additional information will be included*:



Potential Market^{1/}



Avarage tariffs
Applied from US to Mexico and the world



Product Complexity Index



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^{1/}Difference between imports made from the worl and from Mexico

Mexican export potential in Florida*



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Main sectors with Mexican export potential in Florida

SECTOR

PRODUCTS

Agricultural, Food and Beverages



- Frozen shrimps and prawns, even smoked, whether in shell or not
- Fresh cut roses and buds, of a kind suitable for bouquets or for ornamental purposes
- Fresh cranberries, bilberries and other fruits of the genus Vaccinium
- Fresh cut flowers and buds, of a kind suitable for bouquets or for ornamental
- Wine of fresh grapes

Electrical machinery and parts thereof



- Electronic integrated circuits as processors and controllers, whether or not combined with memories, converters, logic circuits, amplifiers, clock and timing circuits, or other circuits
- Machines for the reception, conversion and transmission or regeneration of voice, images or other data
- Boards, cabinets and similar combinations of apparatus for electric control or the
- Electronic integrated circuits (excluding such as processors, controllers, memories and amplifiers)

Mechanical appliances; parts thereof



- Parts of non-electrical engines and motors
- Parts of turbojets or turbopropellers, n.e.s.
- Combined refrigerator-freezers, with separate external doors
- Parts of gas turbines
- Parts of air conditioning

Metals and articles thereof



- Doors, windows and their frames and thresholds for door, of aluminium
- Structures and parts of structures, of aluminium
- Flat products of iron or non-alloy steel, of a width of ≥ 600 mm,
- Base metal mountings and fittings suitable for buildings
- Appliances for baking, frying, grilling and cooking and plate warmers, for domestic use

Textile and clothing



- T-shirts, singlets and other vests of cotton, knitted or crocheted
- Jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted or crocheted
- T-shirts, singlets and other vests of textile materials, knitted or crocheted
- Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted
- Men's or boys' shirts of man-made fibres, knitted or crocheted



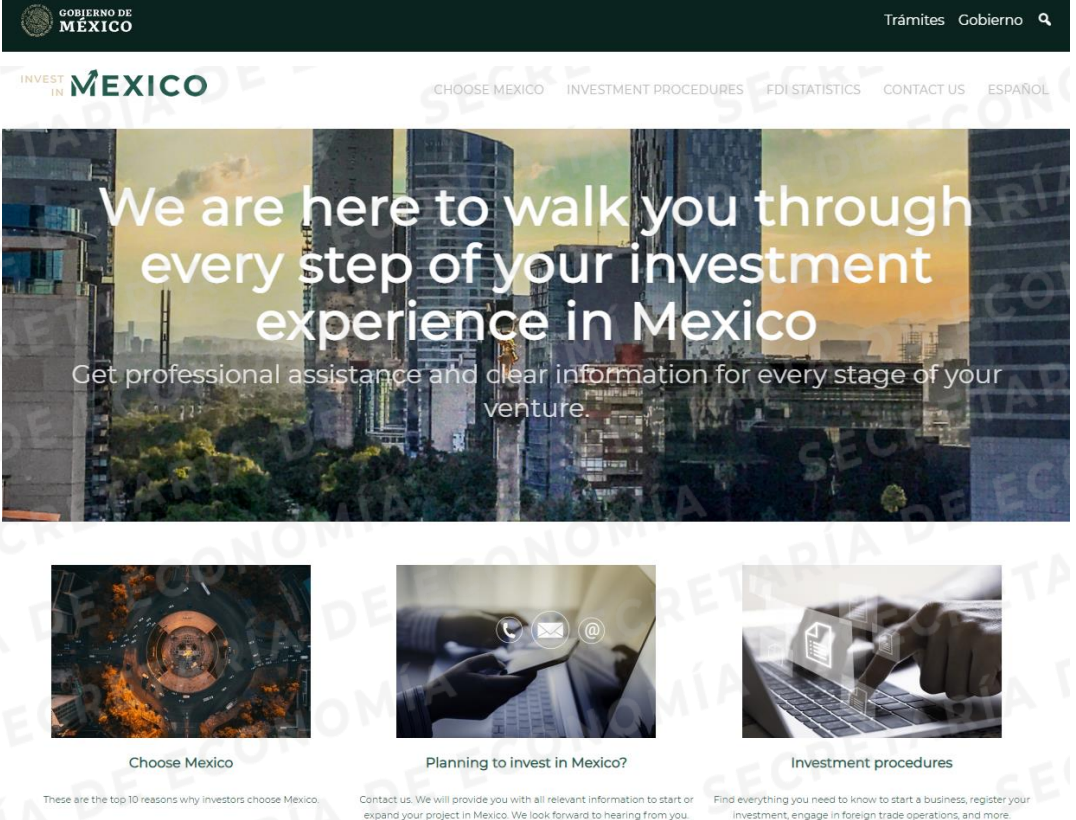
4 **DIGITAL PLATFORMS**

Invest in Mexico

INVEST
IN **MEXICO**
INMX

“Invest in Mexico” is a digital platform with the objective to:

- Provide strategic information for investors;
- Link relevant actors in the investment process;
- Simplify processes and procedures;
- Diagnose problems that hinder the process of investing in our country.



The screenshot shows the official website for 'Invest in Mexico' (INMX). At the top, there is a dark green header with the 'GOBIERNO DE MÉXICO' logo on the left and 'Trámites Gobierno' with a search icon on the right. Below the header, a navigation bar includes 'INVEST IN MEXICO' and links for 'CHOOSE MEXICO', 'INVESTMENT PROCEDURES', 'FDI STATISTICS', 'CONTACT US', and 'ESPAÑOL'. The main banner features a cityscape at sunset with the text: 'We are here to walk you through every step of your investment experience in Mexico. Get professional assistance and clear information for every stage of your venture.' Below the banner are three featured sections: 'Choose Mexico' (with an image of a globe and the text 'These are the top 10 reasons why investors choose Mexico.'), 'Planning to invest in Mexico?' (with an image of a hand holding a card and the text 'Contact us. We will provide you with all relevant information to start or expand your project in Mexico. We look forward to hearing from you.'), and 'Investment procedures' (with an image of a hand typing on a laptop and the text 'Find everything you need to know to start a business, register your investment, engage in foreign trade operations, and more.').

<https://www.economia.gob.mx/invest-in-mx/>

The new GLOBAL and DIGITAL network aimed to promotes SMEs



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COMERCIA MX



Business Directory

Access an international network with clients, suppliers, partners, and investors information contact.



Business opportunities

Direct interaction with potential clients all around the world.



Business support services

Join specialized webinars, workshops, and get information on procedures and services for exporting.



Business Communities

Get in touch and share opportunities with verified businesses in Mexico and around the world.

THANK YOU

June 2022



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