



MEXICO – MARKET OVERVIEW

FACT PACK

Swedish Trade Council in Mexico

2011

THE SWEDISH TRADE COUNCIL MAKES IT EASIER FOR SWEDISH COMPANIES TO GROW INTERNATIONALLY

Sweden:

- Headquarters in Stockholm, 100 employees
- 19 regional export advisers
- All Trade Commissioners regularly visit different parts of Sweden

Abroad:

- 66 offices, 500 employees in 57 countries
- Through partners and networks we cover more than 100 countries

Mexico:

- Office in Mexico City
- Covers Central America & the Caribbean



STC makes it easier for Swedish companies to make business in Mexico

MEXICO IN BRIEF

Area: 1 964 375 km²

Inhabitants: 113.72 million

Constitution: Federal Republic

Head of State: Sr. Felipe Calderón

Languages: Spanish (official)

Inhabitants per km²: 57.18 /km²

Currency: Mexican peso (MXN)

GDP 2010: 1.567 Trillion USD

GDP per capita 2010: 13,900 USD

Inflation 2010 : 4.40 %

Main exports: Manufactured goods, oil & oil products, silver, fruits, vegetables, coffee and cotton.

Main imports: Metal working machines, electrical equipment, steel mill products, agriculture machinery.

2010 Swedish exports to Mexico: 939 MUSD

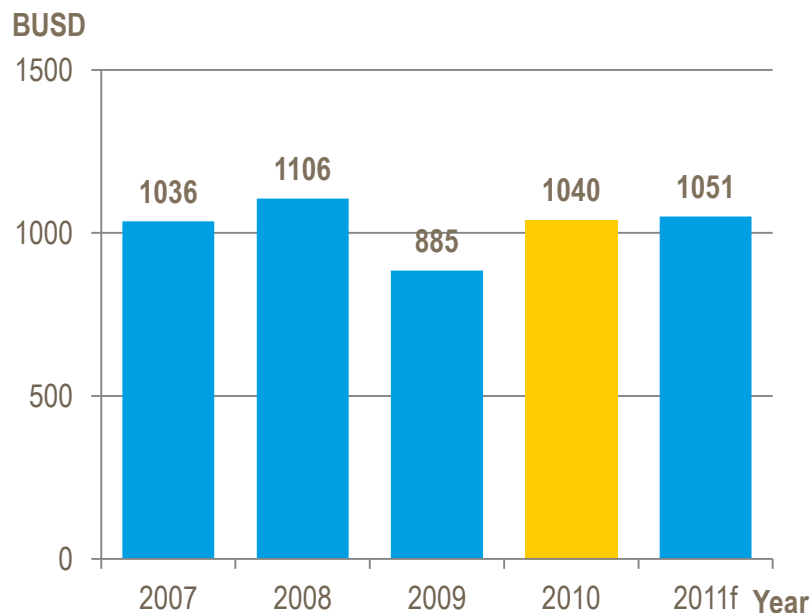
2010 Swedish imports from Mexico: 108 MUSD



MEXICO HAS THE 12TH LARGEST GDP IN THE WORLD

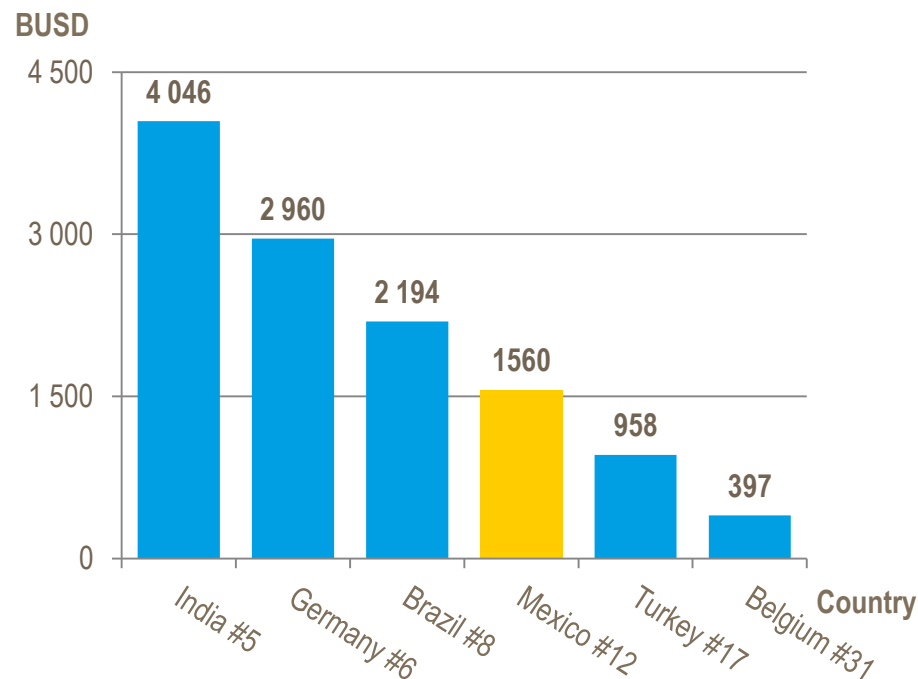
Mexican GDP current prices

Billions of dollars



Comparison GDP (2010)

Billions of dollars



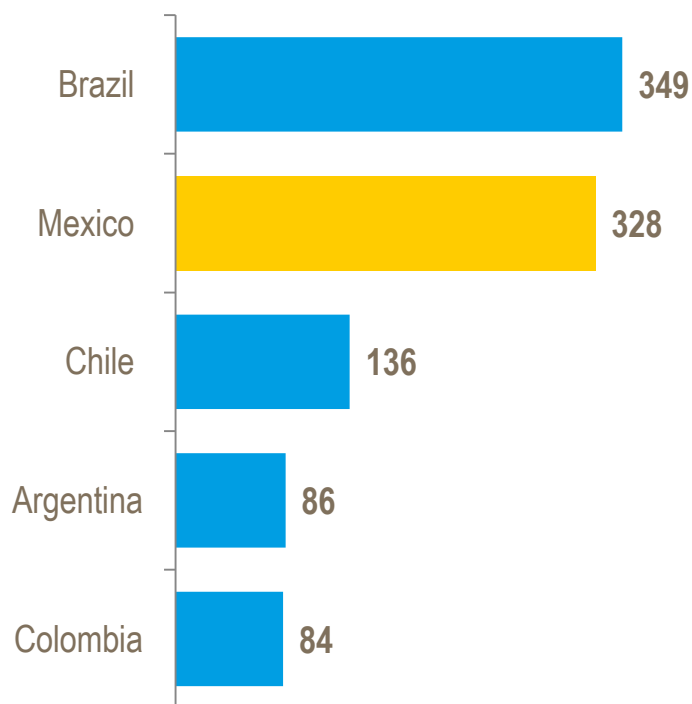
By 2050 Mexico will be one of the world's five largest economies

Source: INEGI; International Monetary Fund; World Bank Group 2010; Goldman Sachs

MEXICO IS A KEY COUNTRY FOR FOREIGN INVESTORS IN LATIN AMERICA

Foreign direct investment (2010)

BUSD



Foreign Investment (2010)

Percentage and total stock of foreign investment BUSD

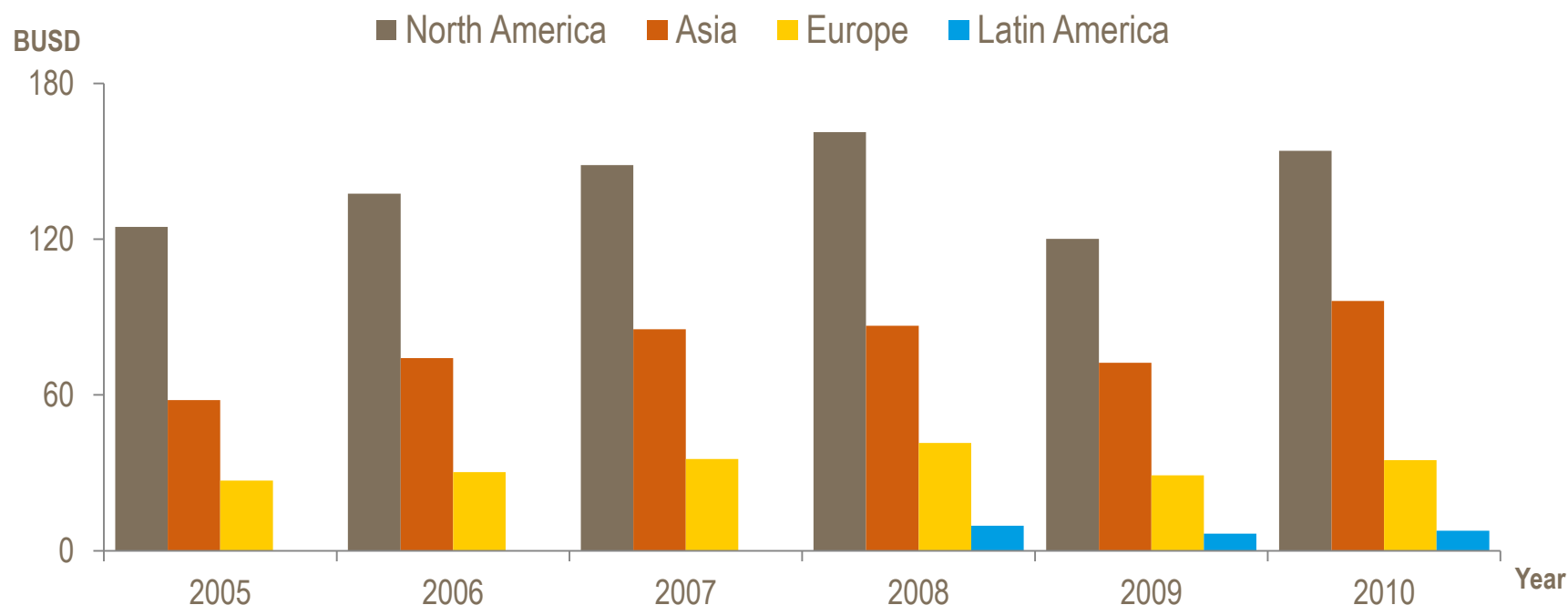
Country	Investment percentage of GDP	Total investment
1. Brazil	15.9%	349.25
2. Mexico	21.05%	328.40
3. Argentina	15.56%	86.80
4. Colombia	32.5%	84.60
5. Chile	31.5%	136.3
Average	23.12%	197.06

MEXICO IS AN OPEN MARKET FOR FOREIGN PRODUCTS

- In 2010 Mexico imported in total more than 301 BUSD in goods and services

Mexico's imports by region

Comparison in BUSD



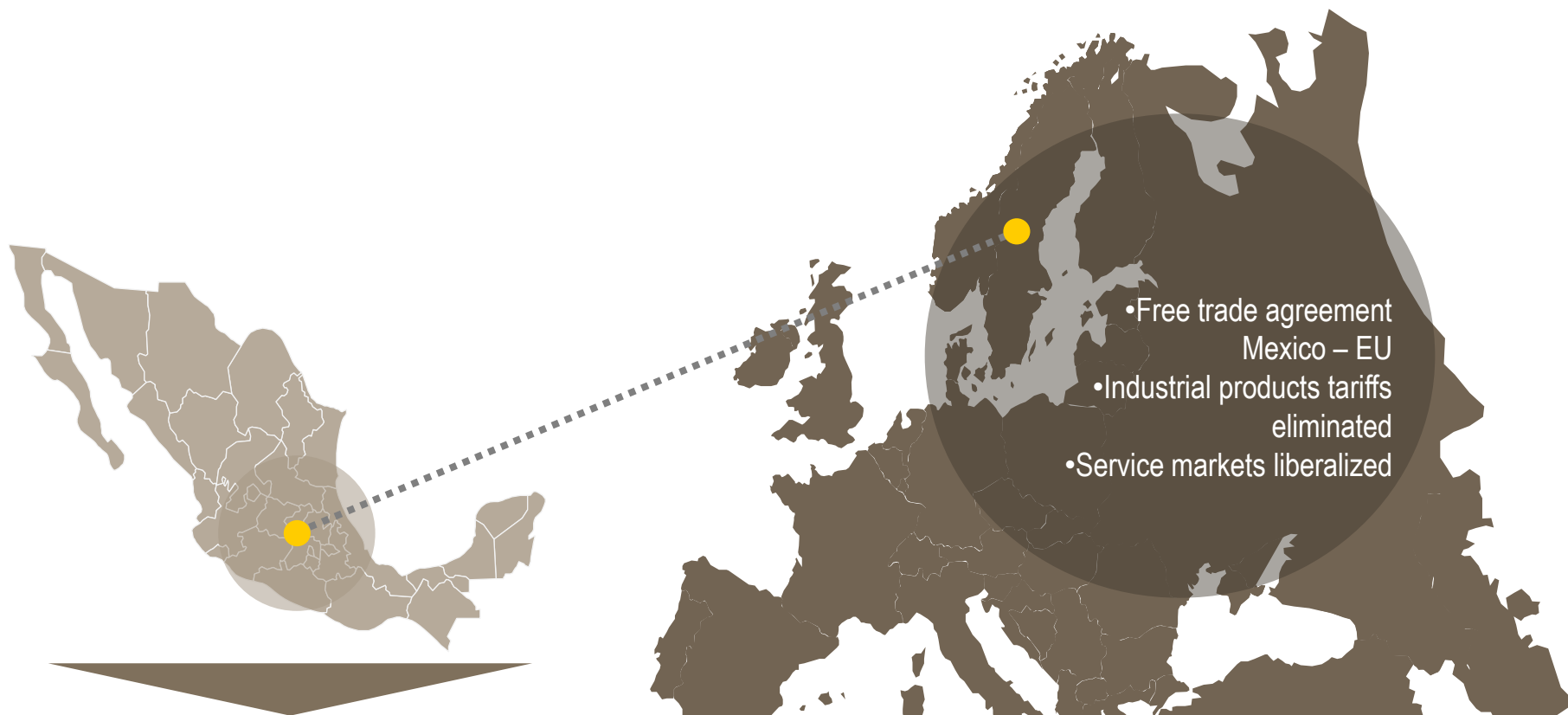
Mexico is the second largest destination after Brazil for European exports to Latin America

Source: ProMexico; CIA World Factbook

INCREASED TRADE WITH EUROPE IS AN IMPORTANT PART OF MEXICO'S POLITICAL AGENDA

- The free trade agreement between Mexico and the EU (MEUFTA) entered into force on July 1st, 2001.
- Tariffs on industrial products were fully eliminated as of Jan 1st, 2007.
- Service markets will be liberalized in 2011.
- MEUFTA introduced a single administrative document for customs called EUR.1, to simplify import procedures.
- In 2010 the Mexican imports reached 274 BUSD.
- Foreign direct investment in Mexico in 2009 was 11.6 BUSD, 36% of which came from the European Union.
- In the last 10 years the European exports to Mexico grew at an average annual rate of 14%.

INCREASED TRADE WITH EUROPE IS AN IMPORTANT PART OF MEXICO'S POLITICAL AGENDA

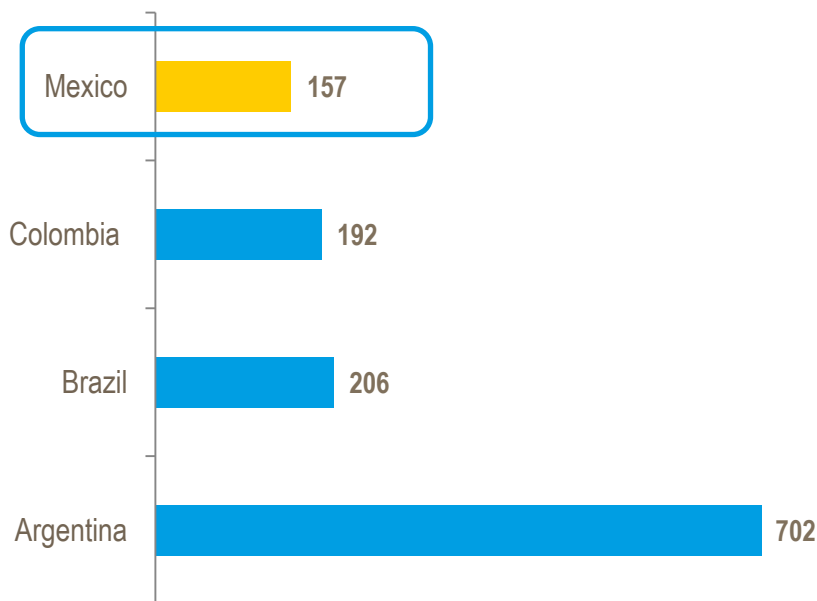


- 2010 Mexican Imports: 274 BUSD
- Approximately 36% of FDI in Mexico comes from Europe
- European exports to Mexico grew 14% in the past 10 years

Source: Goodrich, Riquelme y Asociados; Mexico EFTA Free Trade Agreement; ProMexico

MEXICO PROVIDES LOW RISK AND PROFITABLE BUSINESS OPPORTUNITIES

JP Morgan country risk rate (2010)



- **Strategic geographic location**

- Mexico is the link between North and South America.

- **Competitive labor force**

- Mexico has more than 47 million economically active population. Mexico has highly specialized labor force at low wages.

- **A market of 112 million consumers**

- 20 million of them in Mexico City

- **Politically and economically stable**

- Mexico has a well established plural democracy

- **Free trade agreements with 52 countries**

- Mexico is a strategic access door to a market of over one billion consumers

- **Mexico is a world-class logistical platform for investment and trade**

- Mexico has the most developed airport infrastructure in Latin America
- 59 international and 26 domestic airports

USEFUL CONTACTS

Secretaría de Gobernación

Ministry of the Interior

Tel: +52 55 5728 7400

<http://www.gobernacion.gob.mx>

Secretaría de Economía

Ministry of Economy

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Servicio de Administración Tributaria

Tax Administration Service

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