



Mexico Intelligence Report – 23rd October 2015

Mexico Intelligence Report – 23rd October 2015

This briefing was produced for Canning House and published on 23rd October 2015 by:



GRUPO ATALAYA

Economic update

After a seemingly endless barrage of bad news regarding the Mexican economy, this week its domestic market showed solid signs of strength once again. Retail sales of goods and services in August increased by 6.3 per cent year on year, slightly below 6.5 per cent growth in the wholesale sector.

In line with these findings, employment in retail grew by 1.5 per cent year on year in retail and 1.2 per cent for wholesale, coupled with gains in salary growth of 0.2 and 3.7 per cent year on year according to figures published by Mexico’s National Institute for Statistics and Geography.

Although the macro perspective in this regard is encouraging and more granular view offers even more interesting findings. In this sense, retail sales for goods in services in the state of Campeche, a state that is highly to exposed to the fall in oil prices, saw sales of goods and services grow by 21.8 per cent year on year in the retail sector and 20.5 per cent in the wholesale sector, its second consecutive month of double digit growth across both sectors.

Another interesting case is that of the state of Guerrero, which has been in the spotlight during the past months for all the wrong reasons, yet saw retail sales grow by 18 per cent compared to August 2014. Even though employment in the sector decreased by sharply (9.7 per cent), salaries increased by 11.8 per cent.

These figures are a reminder that when looking at Mexico, investors should remember to look past the headlines and closer at the local level to find the real opportunities.

Energy update

Mexico’s Ministry of Energy announced its 5-year plan for the country’s gas pipeline infrastructure. The increased capacity will be driven by 12 new gas pipelines spanning across 5.2 thousand km, which will require a total investment of \$9.1 billion USD.

Although two of the projects have already been awarded, the pipeline infrastructure plan offers plenty of opportunities for foreign investors looking to capitalize on Mexico’s recently liberalized energy sector. It should be noted that one of the main stated goals of the 2013 Energy Reform was to shift the country’s energy mix from relying on fuel oil to gas, so as to bring down electricity prices.

Member Menu

[Membership Details](#)

Pages

- ▶ Home
- ▶ About
- ▶ Corporate Membership
- ▶ Upcoming events
- ▶ Reports and analysis
- ▶ Education
- ▶ News
- ▶ Contact us

Events

- ▶ Argentina - Elections and reflections with UK Ambassador, John Freeman
 - ▶ 18/11/2015
 - ▶ London
- ▶ Sport as a Power for Good in the International Community
 - ▶ 23/11/2015
 - ▶ London
- ▶ [View More Events](#)

From Twitter

- Tickets still available for tomorrow's (5th Nov) launch of @Jimmy_Burns' biography of #PopeFrancis. More info here canninghouse.org/events/francis...
2 weeks ago
- 5th Nov - less than a week to go til @Jimmy_Burns launch of biography of #PopeFrancis. Get your tickets here canninghouse.org/events/francis... #Pope
2 weeks ago



Contact Us

Registered address:
Canning House
14/15 Belgrave Square
London SW1X 8PS
England

Phone: +44 (0)20 7811 5600
Fax: +44 (0)20 7811 5623
Email: enquiries@canninghouse.org
Web: www.canninghouse.org
Company number: 383775.
Registered Charity No: 314210