Mexico

Introduction

Mexico is a country located in North America with a North Pacific Ocean, Gulf of Mexico, and Caribbean Sea coastline. Neighboring countries include Belize, United States, and Guatemala. Mexico is crossed by two mountain ranges known as Sierra Madre Oriental and Sierra Madre Occidental, which are the extension of the Rocky Mountains from northern North America. The government system is a federal republic. The chief of state and head of government is the President. Mexico has a free market economy in which the prices of goods and services are determined in a free price system. Mexico is a member of Asia Pacific Economic Cooperation (APEC), Latin American Integration Association (LAIA), and North American Free Trade Agreement (NAFTA).

Location: Central America
Capital City: Mexico City (-6 GMT)
Chief of State: President Enrique Peña Nieto
Head of Govt.: President Enrique Peña Nieto
Currency: Mexican peso (MXN)
Major Languages: Spanish only 92.7%, Spanish and indigenous languages 5.7%, indigenous only 0.8%, unspecified 0.8%
Primary Religions: Roman Catholic 76.5%, Protestant 5.2% (Pentecostal 1.4%, other 3.8%), Jehovah's Witnesses 1.1%, other 0.3%, unspecified 13.8%, none 3.1%
Calling Code: 52
Voltage: 127

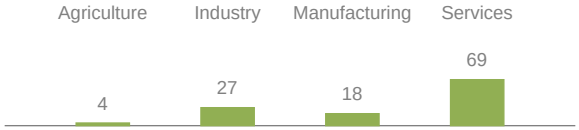
Key Websites

Main Government Page:	portal2.edomex.gob.mx
Commerce Ministry:	economia.gob.mx
Export Promotion Agency:	bancomext.com
Investment Promotion Agency:	promexico.gob.mx

Key Economic Facts

Budget Expenditures:	$.29 trillion (2011)
Budget revenues:	$.00 trillion (2011)
Debt - external:	$.21 trillion (2011)
Distribution Of Family Income - GINI Index:	51.70% (2008)
Exports:	$349.40 billion (2011)
GDP per capita, PPP:	$15,269.90 (2011)
GDP, PPP:	$1.75 trillion (2011)
Imports:	$350.80 billion (2011)
Industrial production growth rate:	3.90% (2011)
Inflation rate (consumer prices):	3.40% (2011)
Labor force:	50.01 million (2012)
Population:	114.98 million (2012)
Unemployment rate:	5.20% (2011)

GDP Composition %



Rankings

Index	Rank
Freedom of the Press	139/197
Global Competitiveness Report	53/144
Global Enabling Trade Report	65/132
Global Manufacturing Competitiveness Index (GMCI)	12/38
Global Services Location Index	6/50
Index of Economic Freedom	50/177
International Logistics Performance Index (LPI)	47/155
Inward FDI Potential Index	57/141
KOF Index of Globalization	74/187
Networked Readiness Index (NRI)	76/142
Open Budget Index	22/100

Risk Assessment (Provided by Coface)

Country rating: A4 - A somewhat shaky political and economic outlook and a relatively volatile business environment can affect corporate payment behaviour. Corporate default probability is still acceptable on average.
Business Climate rating: A4 - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

Strengths

- Manufacturing sector sustained by the North American Free Trade Agreement
- Moderate foreign debt
- Relatively healthy banking sector
- Favorable demographics

Weaknesses

- Dependence on the USA for exports, investments and transfers from emigrant workers
- Vulnerability of public finances to the decline of oil reserves
- Socio-political obstacles to structural reforms (energy, telecoms, education, labor, legal system)
- Business environment undermined by bureaucracy, inadequate infrastructures and insecurity

U.S. Embassy

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