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Mexico's industrial output rises.



April 12th, 2013. Mexican industrial production rose less than expected in February, but the manufacturing component picked up the pace to notch its fastest growth in three months.

Industrial output rose 0.5 percent in February compared to the previous month, missing expectations in a Reuters poll for a 0.7 percent increase, said the National Statistics Agency on Thursday. The figure came in below January's upwardly revised 1.26 percent expansion.

The figures showed stronger manufacturing after a recent slowdown in the United States, Mexico's chief trading partner.

Manufacturing, which provides the bulk of Mexico's exports and is a component of the industrial output figures rose 0.71 percent compared to January, its fastest month-on-month rise since November. Among the other components in the in-

dex, mining rose 0.2 percent compared with January, utilities fell 0.09 percent

and construction expanded 0.32 percent versus the prior month.

Solid U.S. demand supported Mexican factories amid sluggish global growth last year, allowing Latin America's No. 2 economy to notch 3.9 percent growth last year, but the pace of expansion is seen slowing to 3.5 percent this year.

Higher taxes in the United States and the \$85 billion in across-the-board U.S. government spending cuts that took effect March 1 may weigh on American demand for Mexican goods. Compared with February 2012, industrial output fell 1.2 percent.

Source: The news

Automakers spur \$3 billion boom for Made-in-Mexico steel.

April 17th, 2013. Mexico's auto production has almost doubled since 2009. Now its steel industry is trying to catch up by spending almost \$3 billion on new and improved factories.

"Auto exports are going to be the new oil for the Mexican economy," Marco

Oviedo, chief economist of Barclays in Mexico, said in a telephone interview from Mexico City.

Steelmaker Altos Hornos de Mexico, known as Ahmsa, has almost completed a \$2.3 billion expansion designed partly to supply automakers. Ternium and Nippon Steel & Sumitomo Metal Corp. are teaming up on a \$330 million investment to finish rust-resistant steel, and South Korea's Posco is spending \$300 million to more than double capacity for similar products.

Further growth is likely: The Mexican Automobile Industry Association predicts output will climb almost 40 percent to 4 million vehicles in 2017 as Nissan Motor Co. (7201), Honda Motor Co. (7267), Mazda Motor Corp. (7261) and Volkswagen AG (VOW)'s Audi unit build factories that join long-standing plants for U.S. carmakers General Motors Co. and Ford Motor Co.

Mexico has become a magnet for automakers seeking low labor-cost output with access to North and South American markets and other regions through the nation's trade agreements with more than 40 countries. In some cases, Japanese automakers were taking advantage of the yen's strength against the dollar at the time they announced their investments.

"The automotive sector in Mexico is one of the stronger ones around the world," Paul Robinson, senior economist at researcher IHS, said in a telephone interview from Washington. "Because the expansion on the automotive side has come so fast and so recently, the steel industry is a little behind."

While Mexico is the world's 13th-largest maker of steel overall, its production of automotive-grade metal that has been galvanized, or coated in zinc to prevent rust, remains low, said Oscar Albin, president of the National Autoparts Industry in Mexico City. That has been largely imported from the U.S. and other countries, Albin said.

Source: Bloomberg

Government Expects Mexico's Economy to Grow 4% in 2014.



April 17th, 2013. The government is maintaining its forecast for 4 percent gross domestic product (GDP) growth in 2014, based on the assumption that tax reforms are not implemented in Mexico, the Finance Secretariat said in a report to Congress. The figures confirm the economic package submitted for 2013, maintaining the GDP growth projection at 3.5 percent.

"The economic activity and public finance estimates for 2013 and 2014 included in the document are based on the existing legal framework in our country at the time of its presentation," the secretariat said. The estimates in the report do not factor in the economic reforms proposed by President Enrique Peña Nieto or included in the Pact for Mexico, a series of goals laid out by the administration and the country's political parties.

All the budget estimates in the report are based on an average export price for Mexican crude oil of \$82.90 per barrel, as well as a balanced budget, and they exclude investment in state-owned oil giant *Petroleos Mexicanos*, or *Pemex* (world's No. 4 oil producer).

Tax revenues are projected at 3.77 trillion pesos (about \$306 billion) in 2014, down about 4.9 percent from the 2013

budget, with 33.4% of revenues coming from petroleum, the secretariat said.

Source: EFE

Mexican auto industry strong



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Culture Traditional Mexican Clothing

"Vivid, comfortable, and beautifully crafted"



A wonderful blend of Native American and European styles, these costumes are distinct and attractive. There is also evidence of a strong influence of Mayan and Spanish culture in them.

Traditional Mexican clothing is available in many attractive varieties, and major items of Mexican clothes and costumes are quechquémitl, huipils, rebozo, sombrero, and folklore dresses. These costumes are made from a variety of fibers, including cotton, agave, wool, silk and bark. Cotton, agave and bark were specifically used by the pre-Hispanic civilizations. Later on, the Spanish introduced silk and wool. Native Mexicans usually prefer earth colors such as dark red or brown.

However, they also like vivid green or bright yellow in their clothes. In the past, Mexicans dyed clothes with natural components present in local plants. With the discovery of aniline dyes in Europe, the Mexicans adopted their dyeing technique. Mexican clothes are known for their use of bright colors and intricate craftsmanship. Traditional women's clothing includes huipile, rebozo, skirt and quechquémitl.

"The automotive sector in Mexico is one of the stronger ones around the world," Paul Robinson, senior economist at researcher IHS, said in an interview from Washington. "Because the expansion on the automotive side has come so fast and so recently, the steel industry is a little behind."

While Mexico is the world's 13th-largest maker of steel overall, its production of automotive-grade metal that has been galvanized, or coated in zinc to prevent rust, remains low, said Oscar Albín, president of the National Autoparts Industry in Mexico City. That has been largely imported from the U.S. and other countries, Albín said.

Mexico's steel imports climbed 36 percent to a record 9.6 million tons last year, according to trade group National Iron and Steel Industry Chamber.

Among the larger exporters of steel to Mexico are the U.S. plants of ArcelorMittal, AK Steel Holding and U.S. Steel, said Kenneth Hoffman, head of metals and mining research at Bloomberg Industries. Local producers will be able to compete with those imports by offering a shorter supply line and lower transportation costs.

"Carmakers often demand that the suppliers be nearby with the promise of big demand," Hoffman said.

Ford would consider buying more Mexican-made steel for its factories in Hermosillo and Cuautitlán as long as it met the automaker's quality standards, said Leo Torres, supply chain director for the company's Mexico unit.

The Mexican steel industry will invest \$11 billion in the next four years, Alonso Ancira, president of the iron and steel chamber and chairman of Ahmsa, said last month. The industry directly employed 53,000 workers at the end of 2011.

Source: *The news*

New Precision Machining Aerospace Center in Baja California, Mexico's Aerospace Manufacturing Hub.

April 29th, 2013.

In April, the Baja California Aerospace industry opened its Precision Machining Center (CADTE) located in Tijuana to meet the requirements of the region's aerospace industry. The ribbon-cutting ceremony included representatives from State Government, Baja's Aerospace Cluster, Academia and Private Sector.

The CADTE will join another three Aerospace Centers within the state, with a total investment in equipment of nearly half a million dollars. Tijuana Technological University (UTT) will be home to the second of the aerospace centers planned to open in late June.

The center was sponsored in part by Zodiac Aerospace who supported the facility equipping, as well as being involved in the development of the training programs. The Center offers strong technical content and is designed to meet AS9100 standards and regulations.

Aerospace and defense industry thrives in Baja California; currently this state is Mexico's aerospace capital, is home of 50% of country's employment in the sector with 16,000 jobs and over 50 companies, from leading firms such as Eaton, Zodiac, Lockheed Martin, and Gulfstream. Additionally the region offers a wide array of contract manufacturers and certified suppliers.

Aerospace is a key part for the future growth of Baja California's industry. The Aerospace Industry Association (Aero-Cluster) seeks to foster growth and stability by creating initiatives to help the local supplier base become more competitive.

With this purpose the cluster will showcase business opportunities at the 4th edition of the Baja Aerospace Forum, on August 29th at the recently opened Metropolitan Convention Center. This premier event will provide attendees with an overview of business opportunities within Baja California aerospace and defense industry, and will gather buyers and suppliers at a B2B matchmaking event, additionally Tijuana EDC will host an industrial tour visiting world-class operations of leading industries of the sector.

Source: *PR Web*



In tropical regions of Mexico, many men prefer a light, comfortable button-up shirt called the Guayabera. It is the perfect attire for casual or formal occasions. These shirts are available in a variety of colors and styles and are decorated with beautiful embroidery. However, the most traditional pieces of clothing for the males in Mexico are the sarape, the charro suit and the sombrero.

Mexicans that follow this tradition like to use elaborate accessories with garments. The choice of accessories is distinct to every region. Women like to wear ribbons like a necklace around the neck, bracelets, and beaded rings. Other Mexicans like to use unusual material like fish-bones or seashells in their accessories. These kinds of ornaments are believed to act as amulets or medallions to ward off evil.

Men in the northern states of Mexico, like Chihuahua, use cowboy hats and boots. Most Mexicans use straw and palm hats to cope with the extreme heat. Sombreros are popular Mexican round hats, made from straw, felt, or other material.

Traditional embroidered Mexican dresses have been re-invented and used as inspiration to create designs of modern Mexican fashion. These new designs for the "actual women" use traditional techniques applied to modern textures following global trends like season colors, lengths and patterns.

Today we can find women wearing Mexican dresses and giving a traditional and modern style to their clothing using them for casual gathers and also formal business meetings.

Business Opportunities

Mexican companies looking for distributors / importers

AGENCIA DE LOGÍSTICA DEL GOLFO, S.A. DE C.V.

Product: Trade company.

Tel. +52 22 91 00 38 56
Fax. +52 22 91 00 38 57

B&S GRUPO EXPORTADOR

Product: Persian lemon.

Tel. +52 23 23 24 09 20
Fax. N/A

Website:
www.bsgrupoexportador.com.mx

BEDACOM, S.A. DE C.V.

Product: Milk products.

Tel. +52 46 11 61 39 57
Fax. +52 46 11 61 38 46

Website: www.bedacom.com.mx

BEST GROUND INTERNATIONAL S.A. DE C.V.

Product: Organic Agave Syrup.

Tel. +52 33 36 48 99 01
Fax +52 33 36 48 99 00

Website: www.bestground.com.mx

CONDUCTORES MEXICANOS ELÉCTRICOS Y DE TELECOMUNICACIONES, S.A. DE C.V.

Product: Construction company.

Tel. +52 55 53 28 33 40
Fax. +52 55 53 28 33 46

Website: www.condumex.com

COMERCIALIZADORA INTEGRAL DE BELLEZA, S.A. DE C.V.

Products: Natural base cosmetic products.

Tel. +52 55 56 96 37 43
Fax. + 52 55 56 96 18 74

Website:
www.cosmetobellezaim.com

COSMOCEL, S.A.

Products: Production and marketing of special chemicals for the agriculture industry.

Tel. +52 81 86 25 31 00
Fax. N/A

DERIVADOS DE AGAVE, S.A. DE C.V.

Products: Non based alcohol agave products.

Tel. +52 33 36 47 33 96
Fax. +52 33 31 22 61 22

Website: <http://dagosa.com.mx>

ELECTROMETER DE LAS AMERICAS, S.A. DE C.V.

Product: Components and parts for watt-hour meters.

Tel. +52 55 50 78 04 30
Fax. +52 55 50 78 04 02

E-mail:
electrometer@prodigy.net.mx

EQUIPOS Y ASESORÍA AGROINDUSTRIAL, S.A. DE C.V.

Product: Edible products.

Tel. +52 77 11 48 31 13
Fax: N/A

INTERNACIONAL FARMACÉUTICA, S.A. DE C.V.

Products: Pharmaceutical products.

Tel. +52 55 55 44 87 60
Fax +52 55 55 49 42 34

Website: www.ifsa.com.mx

LABORATORIOS AVI-MEX, S.A. DE C.V.

Product: Pharmaceutical.

Tel. +52 55 54 45 04 60
Fax. +52 55 54 45 04 62

Website: www.avimex.com.mx

LEMERY, S.A. DE C.V.

Product: Pharmaceutical products.

Tel. +52 55 59 50 02 00
Fax. N/A

Website: www.lemery.com.mx

OCULUS TECHNOLOGIES OF MEXICO, S.A. DE C.V.

Products: Pharmaceutical products.

Tel. +52 33 38 33 67 22
Fax. N/A

Website: www.oculus.com.mx

PERSONNA INTERNATIONAL, S.A. DE C.V.

Products: Razors.

Tel. +52 55 57 52 47 19
Fax. +52 55 57 52 47 19

Website: www.personna.com

If you need further information about Mexican companies do not hesitate in contact the Arab-Mexican Chamber of Industry & Commerce

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