

# Mexico Monthly Economy and Politics Brief

*April 2023*

## ECONOMY AND INDUSTRY

- Same-store retail sales for members of the National Retailers Association (ANTAD) rose 4.1% in March year-on-year, the association reported. Overall sales were up 6.9% for the same period. (*Retailers.mx, April 13, 2023*)
- U.S.-owned Mexican financial services group Citibanamex raised its estimate of 2023 GDP growth to 1.6%, from its prior projection of 1.4%. Banamex is projecting inflation of 5.2% for the current year and 4.1% for 2024. (*Banamex Estudios Económicos, April 18, 2023*)
- Remittances to Mexico from abroad continued their strong performance in February, jumping 11.2% over the same month the previous year, central bank Banco de México (Banxico) reported. The figure represents 34 straight months of annualized monthly increases in the category. (*Reforma, April 4, 2023*)

## ECONOMIC ACTIVITY OF NOTE

- Graphics: U.S. industrial and commercial printing company Taylor inaugurated a new plant in the northeastern state of Nuevo León, the company reported. The US\$50 million site will provide graphics processes such as flexography, silk screening, laser and digital for regional industries, particularly automotive. (*Mexico Industry, April 27, 2023*)
- Personal care: British consumer goods multinational Reckitt announced plans to invest approximately US\$27 million in its production plant in Mexico City. Resources will support upgrades to packing and packaging technology and sanitary systems at the site, which is a leading producer of OTC medicines. (*Mexico Industry, April 25, 2023*)
- Manufacturing: German industrial belt drive maker Arntz Optibelt is currently constructing a new manufacturing plant in the central state of Querétaro, the state government reported. Total investment was not specified for the site, which is expected to produce belts for mechanical

engineering and agricultural machinery applications in its initial phase. (*AM Querétaro, April 14, 2023*)

- **Automotive**: U.S.-owned Lear Seating Structures inaugurated a new US\$34 million manufacturing plant in the northern state of Coahuila, local media reported. The site is expected to produce electrical harnesses for electric vehicles. (*El Economista, April 13, 2023*)
- **Industrial parks**: Mexican industrial real estate developer American Industries initiated construction of a new industrial park in the northern state of Chihuahua, the company reported. The US\$142 million site is expected to include 13 industrial buildings on 54.5 HA (135 acres) in its initial phase. (*Cluster Industrial, April 19, 2023*)
- **Lift equipment**: U.S. lift equipment maker JLG inaugurated a new warehouse complex in the central state of Guanajuato, the company reported. Investment was not specified for the site, which will house 20 of the company's product models such as aerial lifts, boom lifts, scissor lifts, telehandlers and low-level access lifts for regional distribution. (*Somos Industria, April 2023*)
- **Automotive**: German auto parts maker ZF Group reported plans to construct its 19th Mexican manufacturing plant in the central State of Mexico. The US\$41 million complex is expected to produce components for electric passenger vehicles. (*Vanguardia, April 11, 2023*)
- **Manufacturing**: German metal cutting products manufacturer WIKUS announced it will construct a new plant in the central state of Querétaro. Investment was not specified for the site, which is expected to produce blades for circular and band saws for industries such as steel, aerospace, automotive and construction, among others. (*AM Querétaro, April 19, 2023*)
- **Refrigeration**: Chinese refrigeration components manufacturer Jiaxipera inaugurated a new manufacturing plant in the northern state of Coahuila, the company reported. The US\$60 million facility is planned to produce high efficiency refrigeration compressors. (*The Logistics World, April 18, 2023*)
- **Automation**: French Industrial engineering firm Fives Group reported plans to establish a new plant in the northern state of Coahuila. The US\$10 million site is expected to provide industrial automation systems for the region's automotive and logistics industries. (*Somos Industria, April 2023*)

- **Automotive:** French automotive components manufacturer Walor announced plans to upgrade its plant in the central state of Guanajuato via US\$9 million in investment. The improvements are expected to support production of magnet housing units for luxury vehicle suspension systems. *(Somos Industria, April 2023)*
- **Manufacturing:** Spanish security systems company Bull Safe will establish a manufacturing plant in the central state of Querétaro, the state government reported. The US\$9.5 million facility is expected to produce safes for residential and commercial use as well as professional weapons storage containers. *(Líder Empresarial, April 18, 2023)*
- **Automotive:** French automotive technology group Forvia inaugurated a new manufacturing plant in the northeastern state of Nuevo León, the state government reported. The US\$147 million site is expected to produce seats and interior components for regional vehicle OEMs. *(Mexico Now, April 3, 2023)*
- **Packing:** Mexican diversified industrial conglomerate Grupo Xignux reported plans to construct a US\$6 million production plant for its subsidiary Multipack. The facility is expected to produce Multipack's wooden reels, skids and other components used in heavy duty packing and shipping. *(Somos Industria, April 2023)*

## POLITICS AND SOCIETY

- Mexican President Andrés Manuel López Obrador (AMLO) announced April 4 that the federal government had reached agreement to purchase 13 electricity generation plants in the country from Spanish energy multinational Iberdrola. The president called the deal a “new nationalization of the electricity industry.” *(Reforma, April 4, 2023)*