



**Hacienda**  
Secretaría de Hacienda  
y Crédito Público



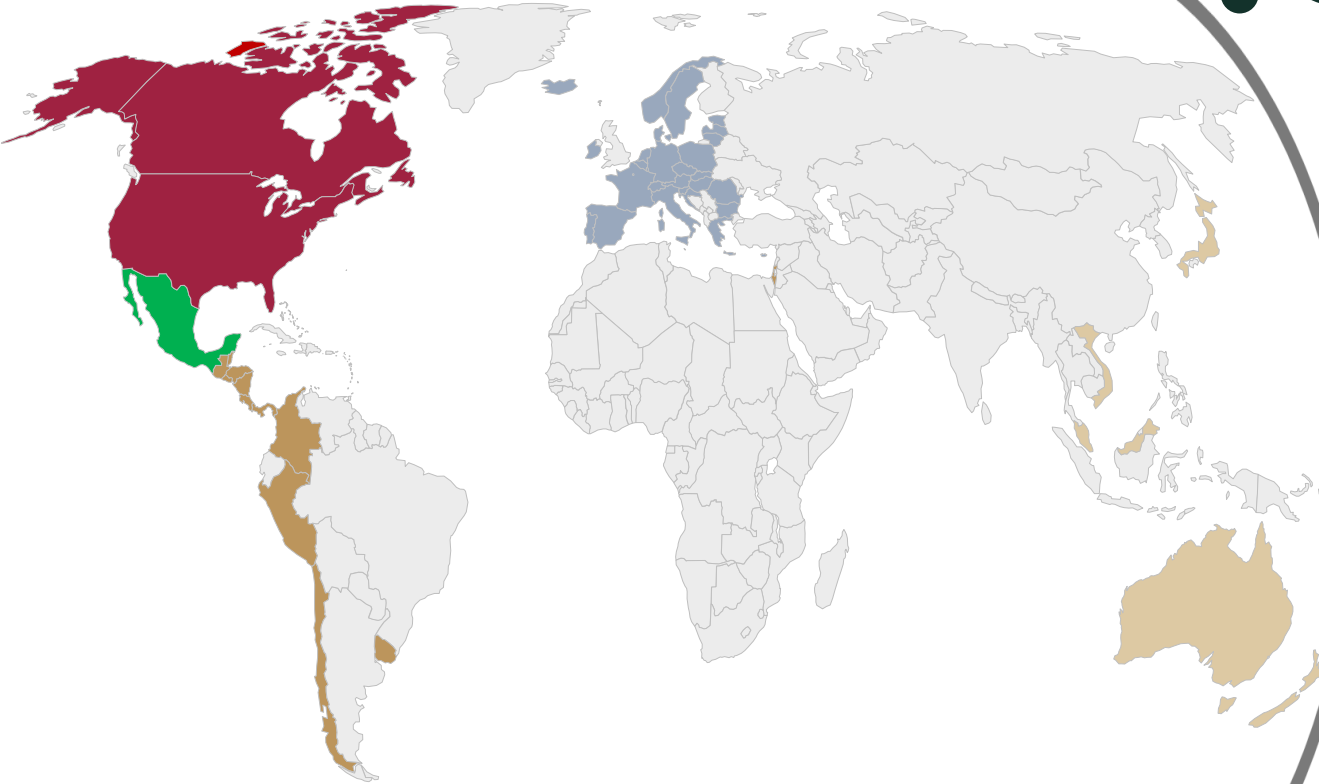
# Mexico's Economic Outlook

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Last update: February 1<sup>st</sup>, 2025



# Our Place in the World



## Main global partners with Mexico:

- **UMSCA:** 776 bn
- **Europe:** 94 bn
- **LATAM:** 26 bn
- **Asia & Oceania:** 57 bn

Note: The figures are in American dollars, and only consider countries that have a trade agreement with Mexico.



14 agreements with 50 countries, totaling 52% of the world's GDP.



Two million km<sup>2</sup> of land and plenty natural resources.



3,000 km border with the U.S. and 19 world-class customs offices.



11,100 km of coastline with 17 customs offices.



World-class infrastructure with projects to increase connectivity.



52 million people in its prime age [25-54] and an avg. of 10.5 years of schooling.

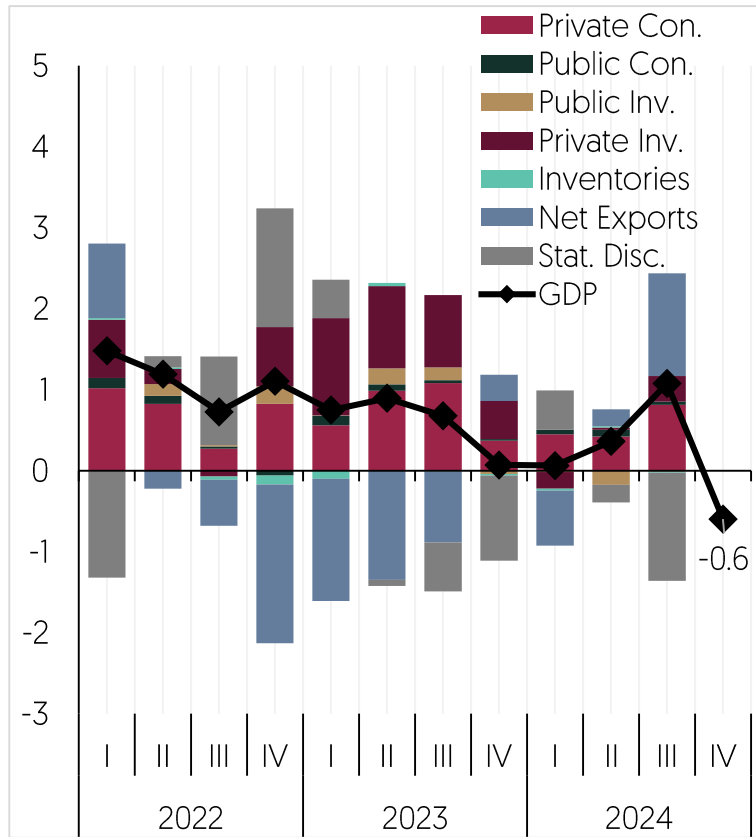
## Economic Activity

## Public Finances

# Economic Activity

## GDP

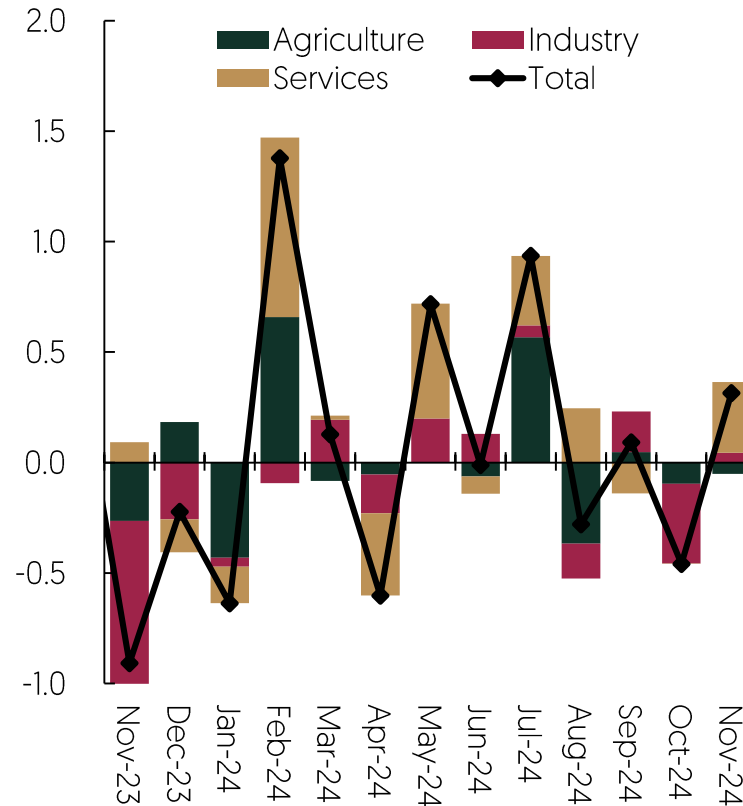
QoQ % change, percentage points



Note: Seasonally adjusted data.  
Source: INEGI.

## IGAE Activity Sectors

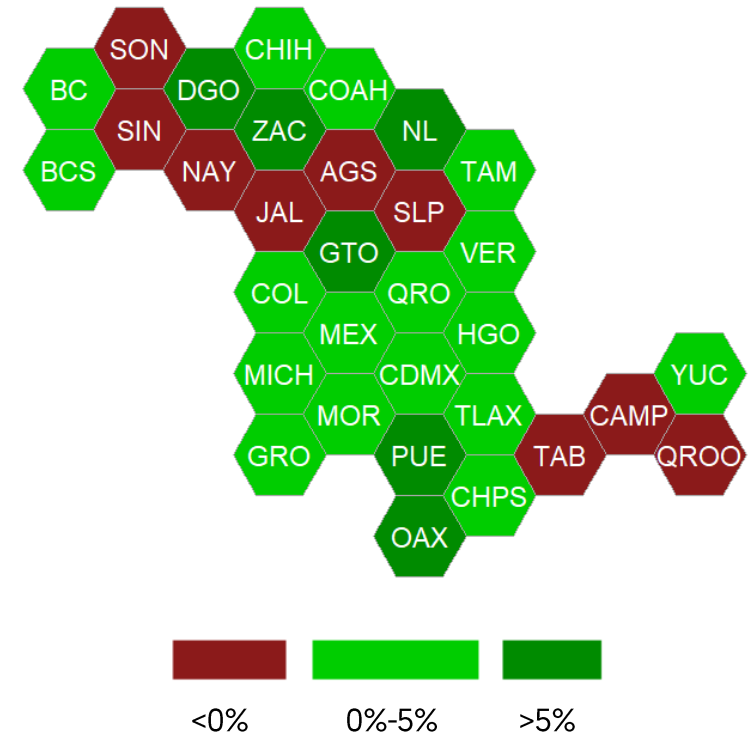
MoM % change, percentage points



Note: Seasonally adjusted data.  
Source: INEGI.

## State Economic Activity, 3Q24

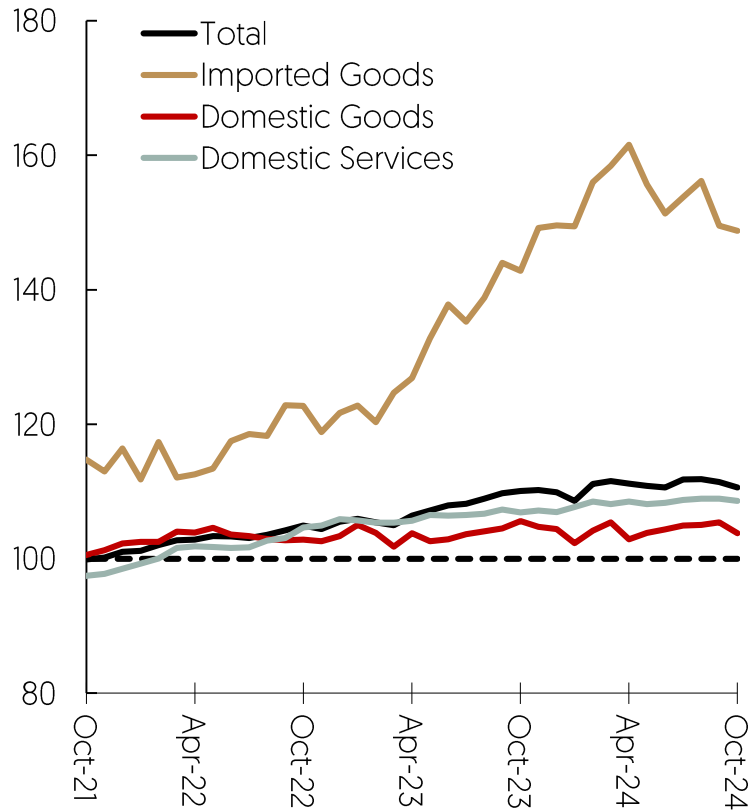
YoY % change



Note: Seasonally adjusted data.  
Source: INEGI.

## Private Consumption

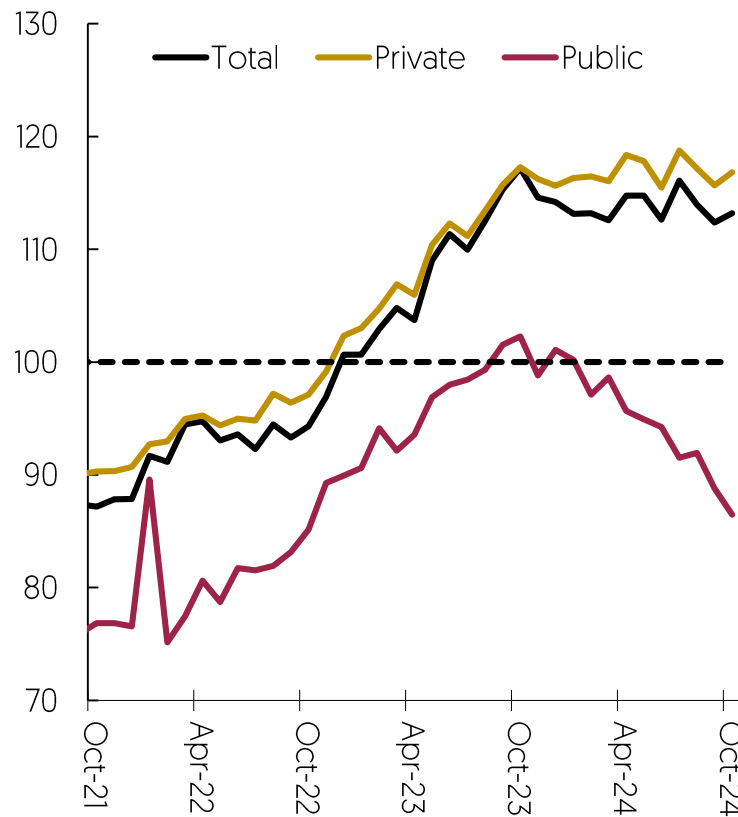
Index, 2018=100



Note: Seasonally adjusted data.  
Source: INEGI.

## Gross Fixed Capital Formation

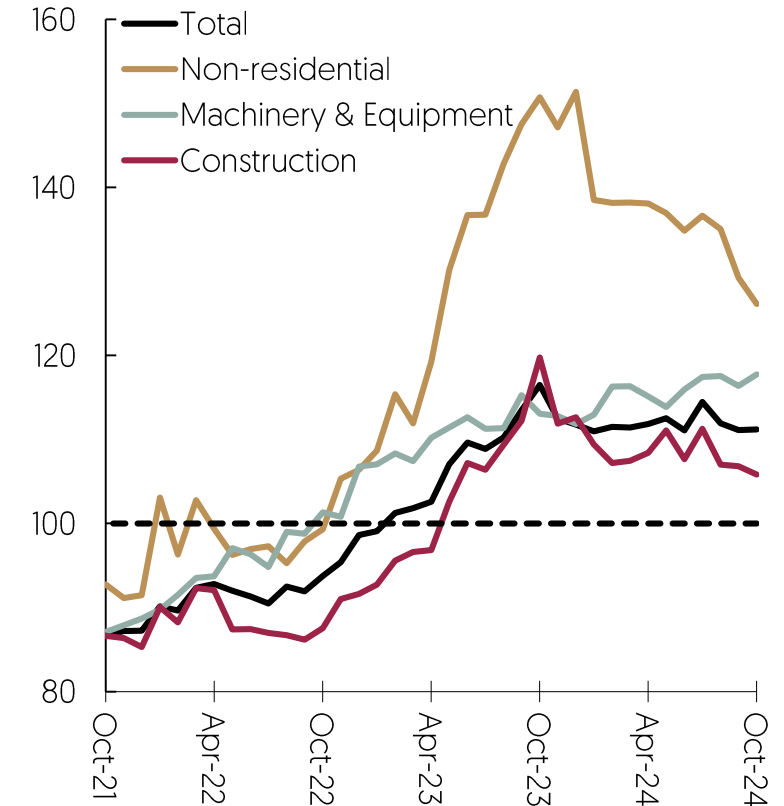
Index, 2018=100



Note: Seasonally adjusted data.  
Source: INEGI.

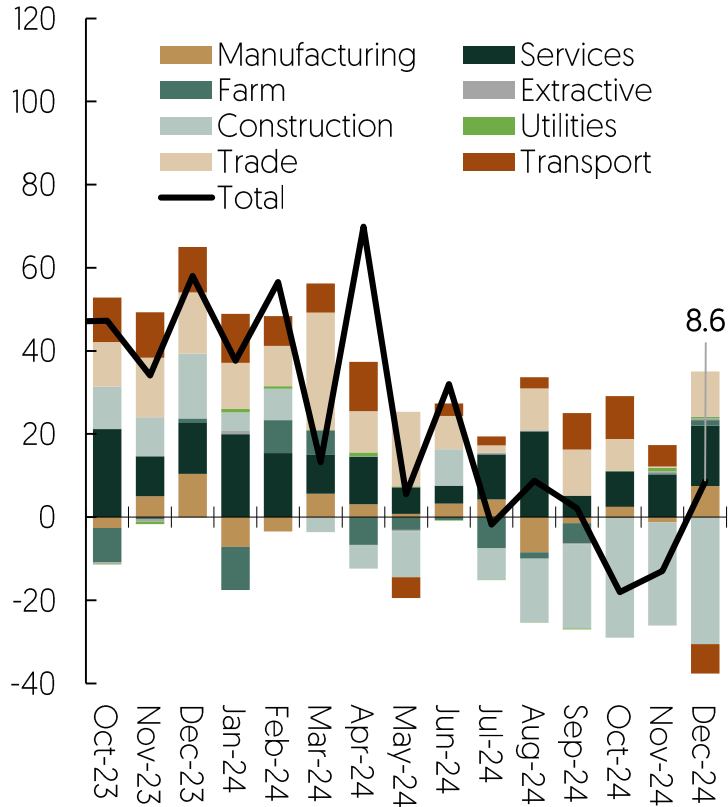
## Total Gross Fixed Capital Formation

Index, 2018=100



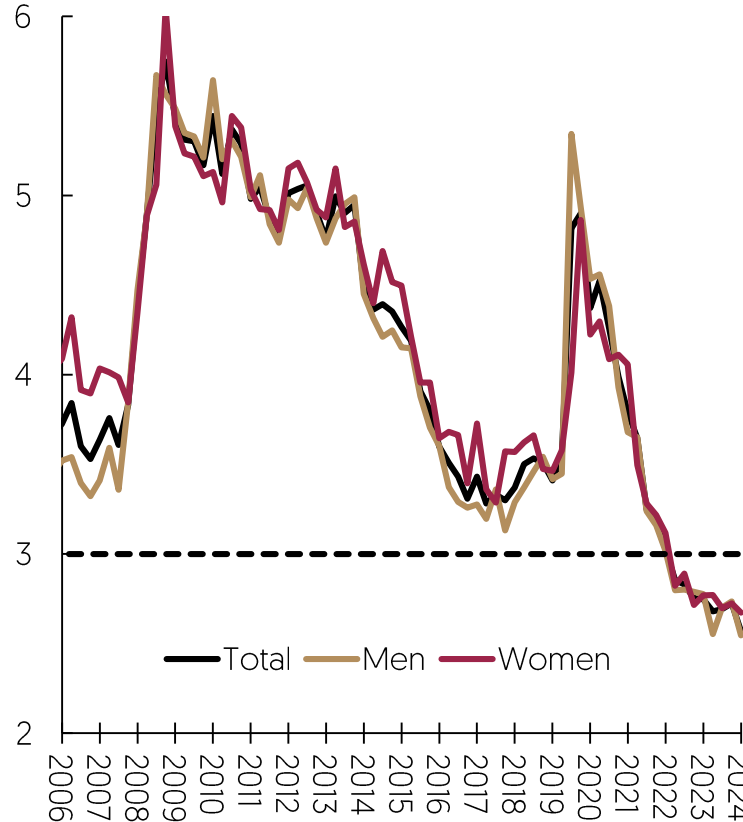
Note: Seasonally adjusted data.  
Source: INEGI.

**Formal Employment**  
*MoM change, thousand jobs*



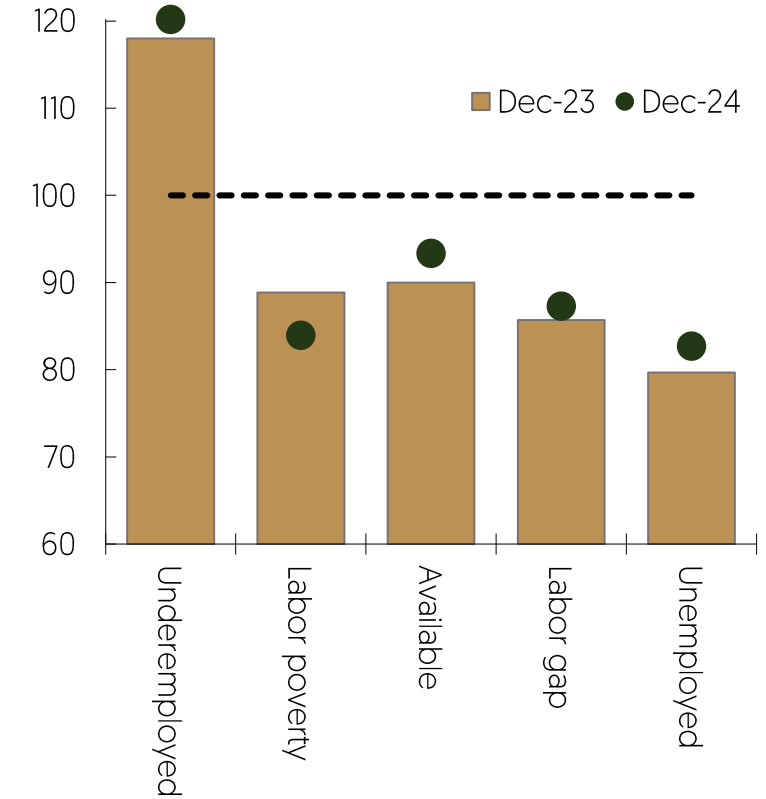
Note: Seasonally adjusted data.  
Source: IMSS.

**Unemployment Rate**  
%



Notes: Seasonally adjusted data. The dotted line represents the historical minimum of the quarterly rate  
Source: INEGI.

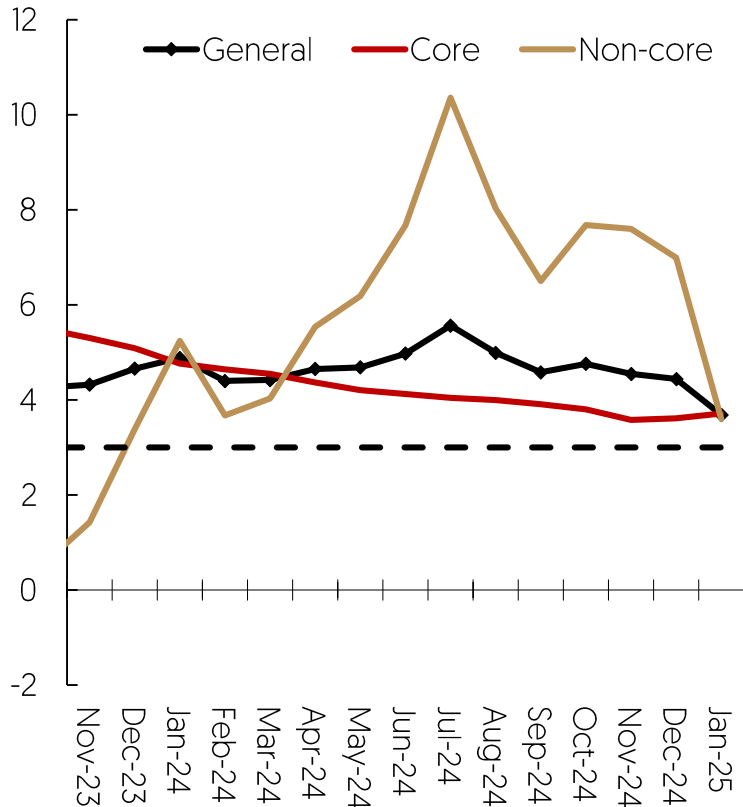
**Labor Market Indicators**  
*Index, hist. avg. = 100*



Note: The historical average considers data from 2011 to 2019. Labor poverty data as of 4Q22. The labor gap is defined as the percentage of unemployed, available, and underemployed persons with respect to the economically active and available population  
Source: INEGI and CONEVAL.

### Inflation

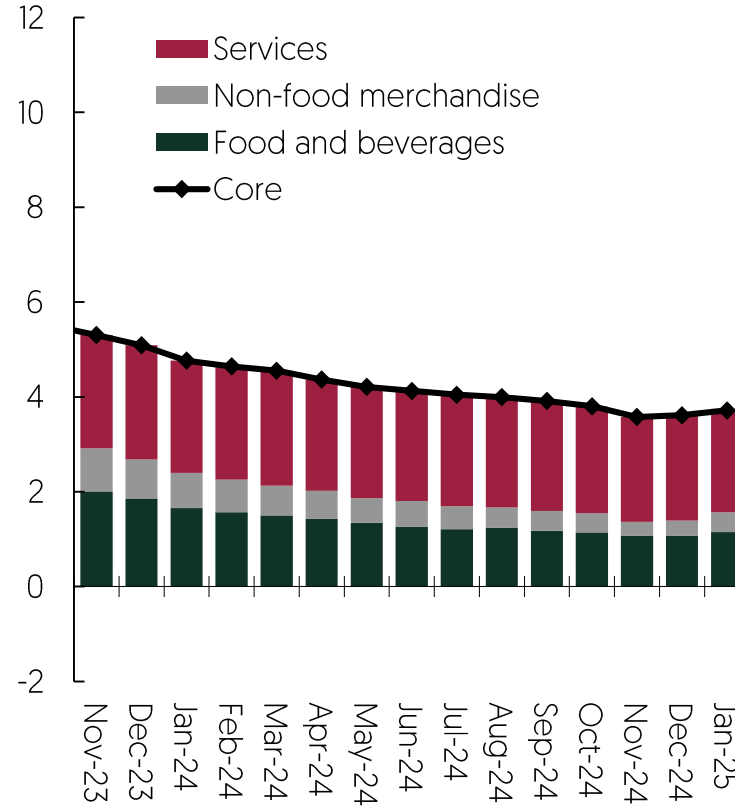
YoY % change



Note: The dotted line represents the target of the Central Bank.  
Source: INEGI.

### Core Inflation

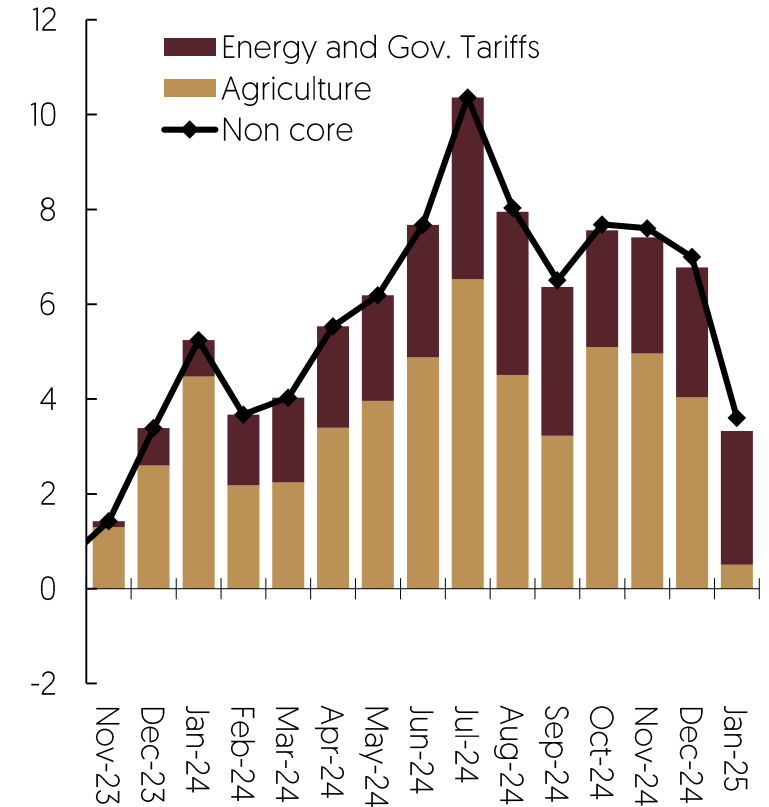
YoY % change



Source: INEGI.

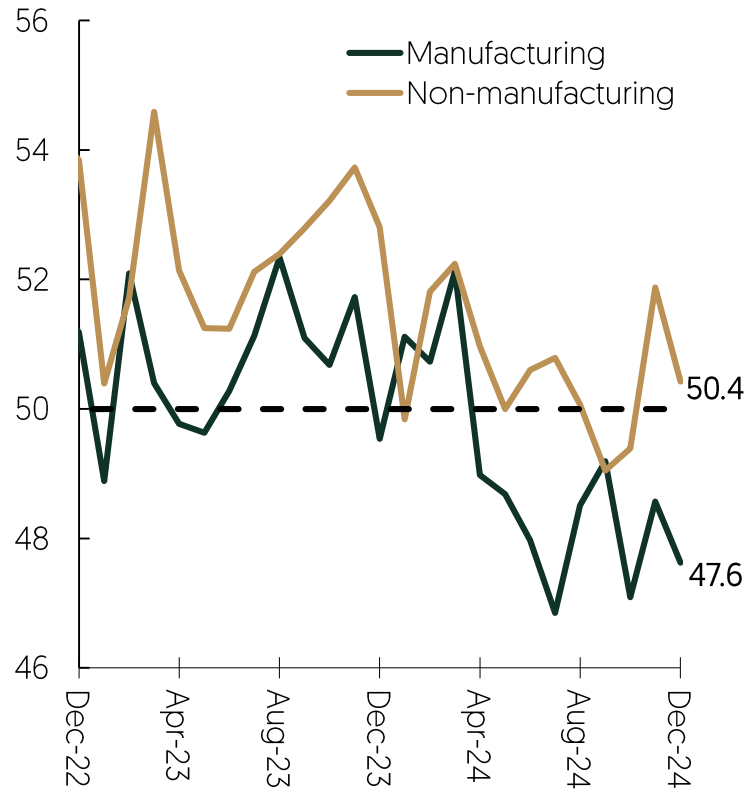
### Non-core Inflation

YoY % change



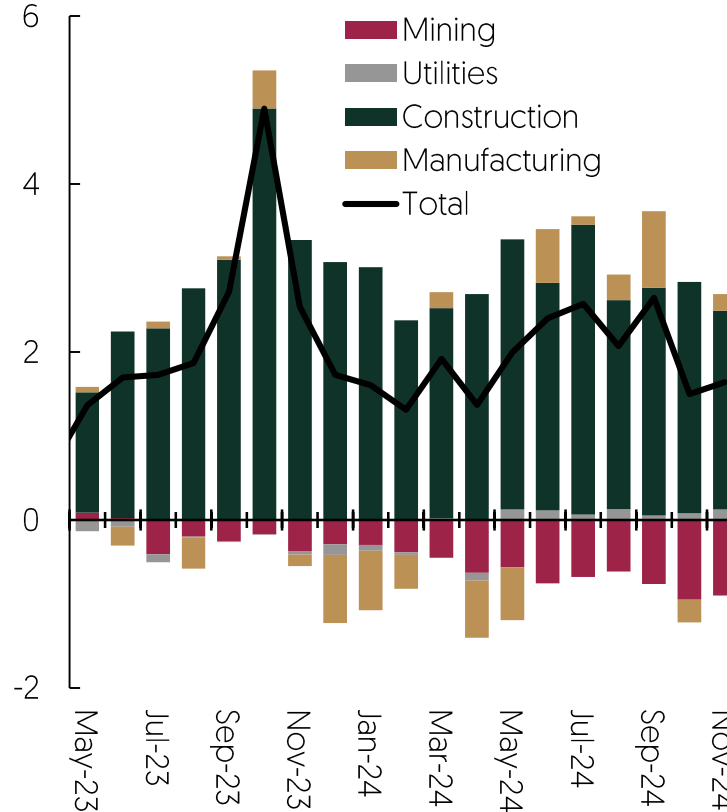
Source: INEGI.

### PMI Survey Index



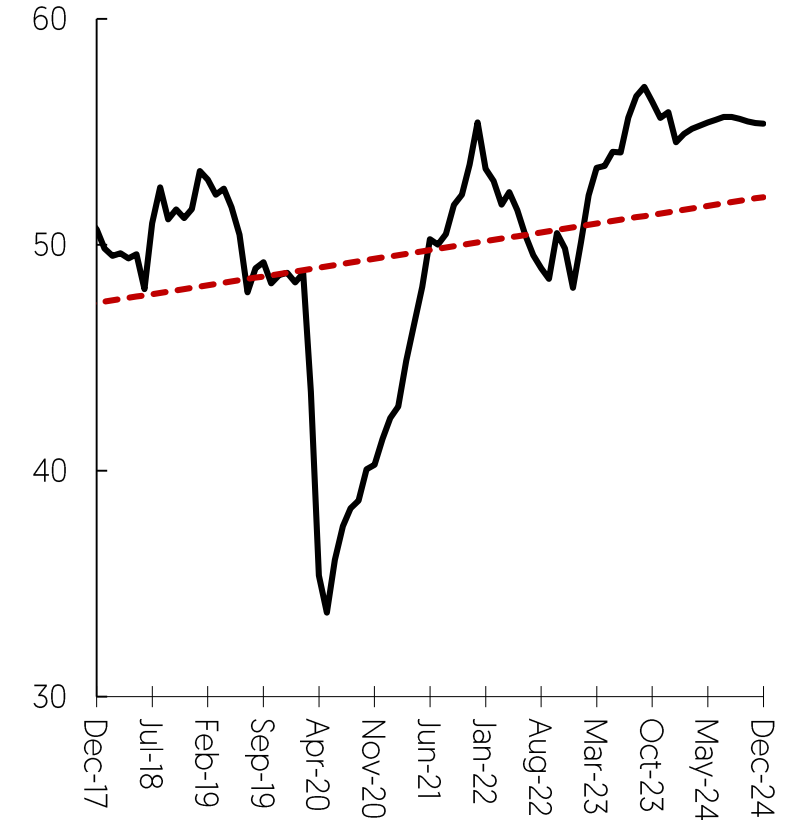
Note: Above 50 points is expansion.  
Source: IMEF.

### Industrial Production % change vs. Feb-22, percentage points



Note: Seasonally adjusted data.  
Source: INEGI.

### Business Confidence Points

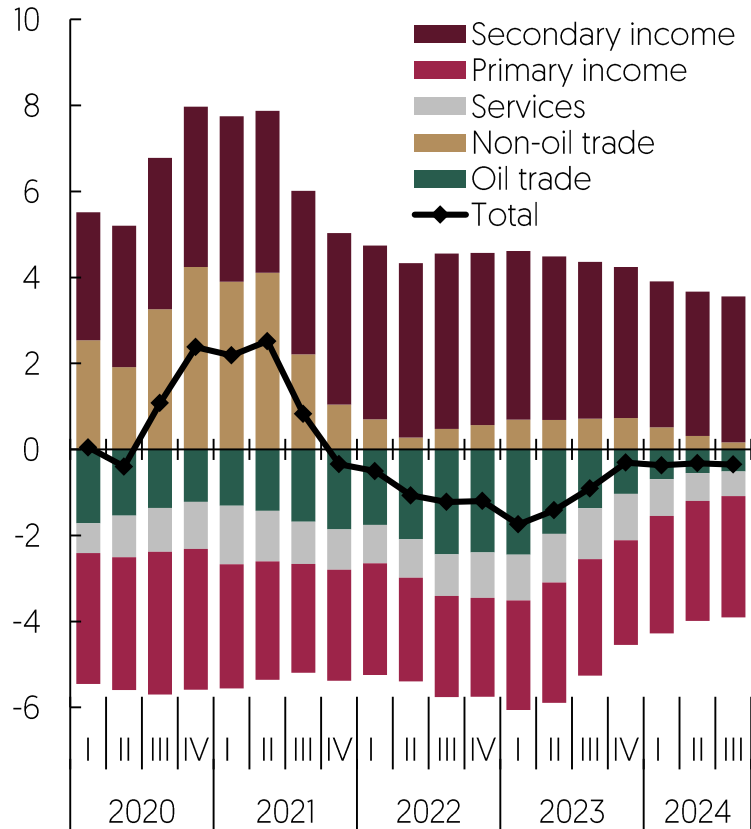


Note: Seasonally adjusted data. The dotted line represents the 2017-2019 trend.  
Source: INEGI.



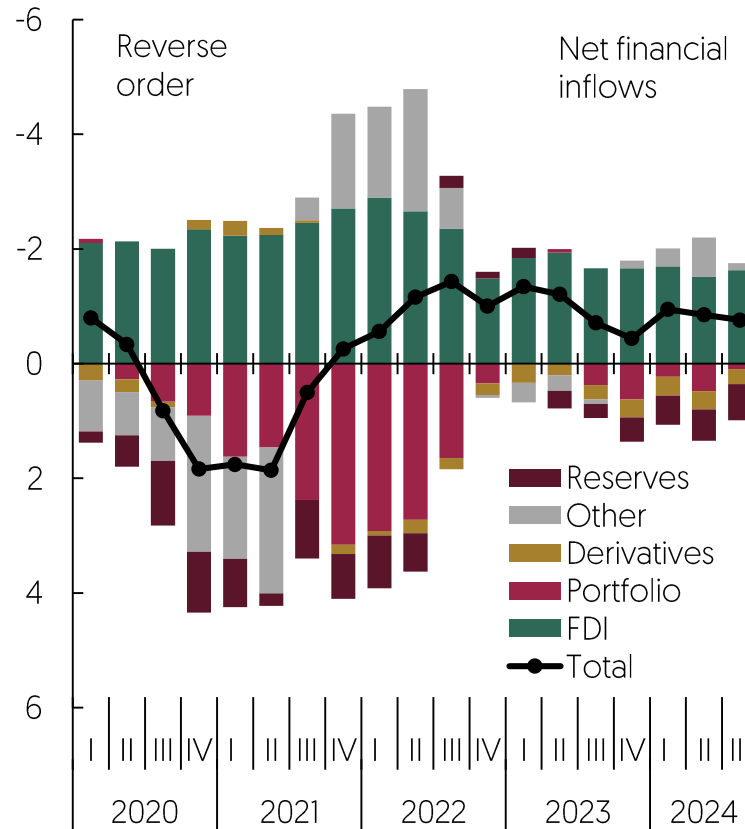
### Current Account Balance

% of GDP, 4Q rolling



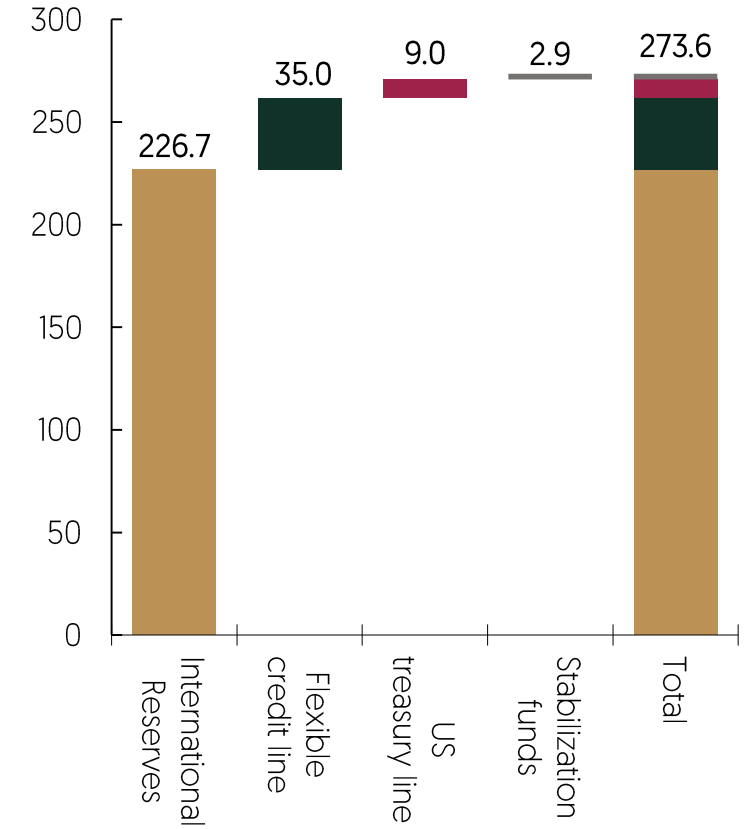
### Financial Account Balance

% of GDP, 4Q rolling



### Mexico's Financial Buffers

Billion dollars



Source: INEGI and Banxico.

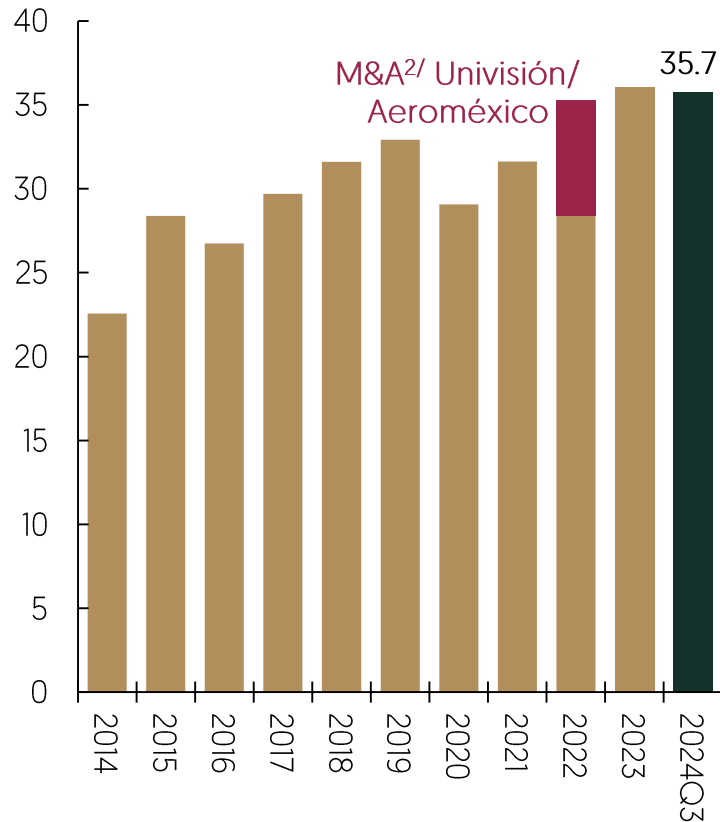
Source: INEGI and Banxico.

Note: Data as of 3Q2024.

Source: Banco de México, Mexico's Ministry of Finance, IMF, FED and US Department of the Treasury.

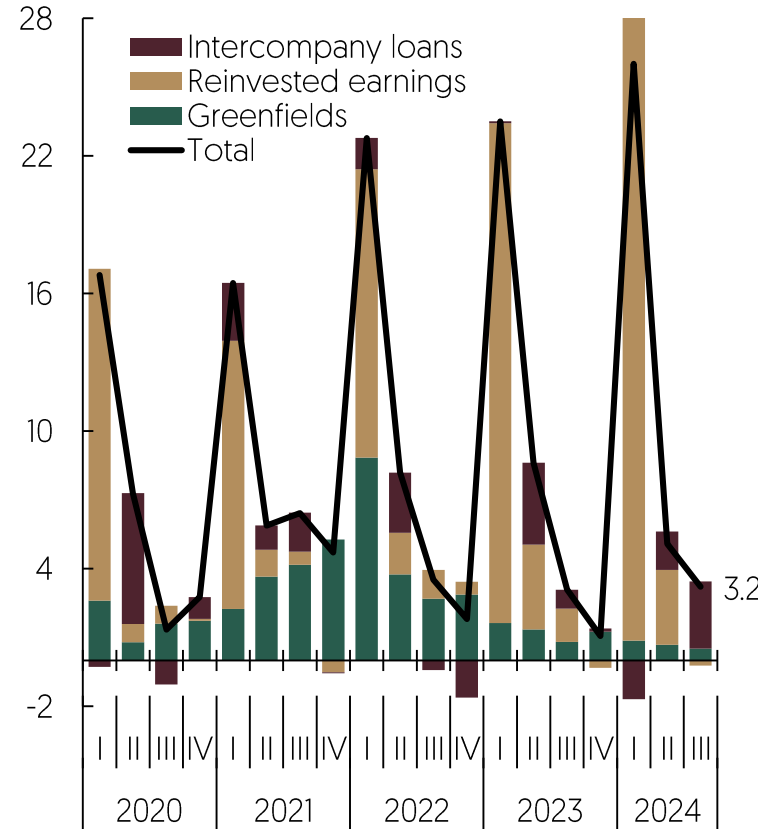
# Foreign Direct Investment

FDI in Mexico  
Billion dollars <sup>1/</sup>



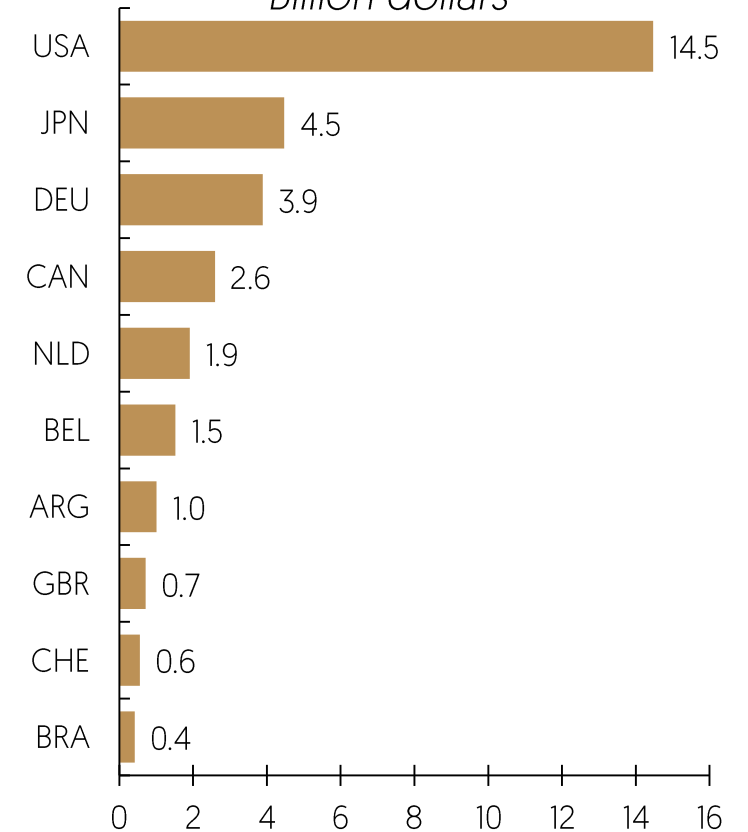
<sup>1/</sup> Preliminary figures.  
<sup>2/</sup> Mergers and Acquisitions.  
Source: Mexico's Ministry of Economy.

FDI in Mexico  
Billion dollars <sup>1/</sup>



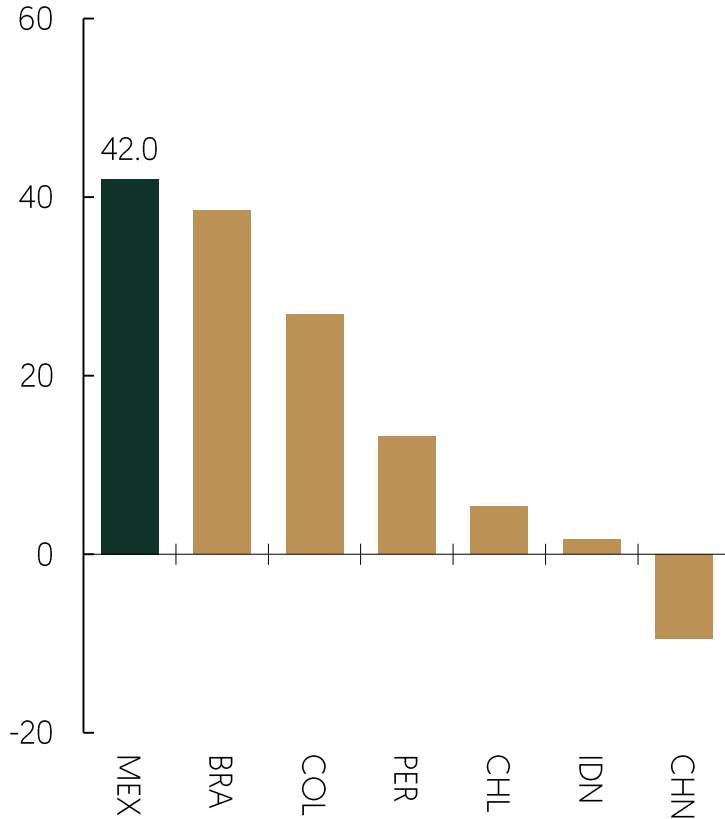
<sup>1/</sup> Preliminary figures.  
Source: Mexico's Ministry of Economy.

FDI in Mexico by Main Investing Countries, 3Q-2024  
Billion dollars



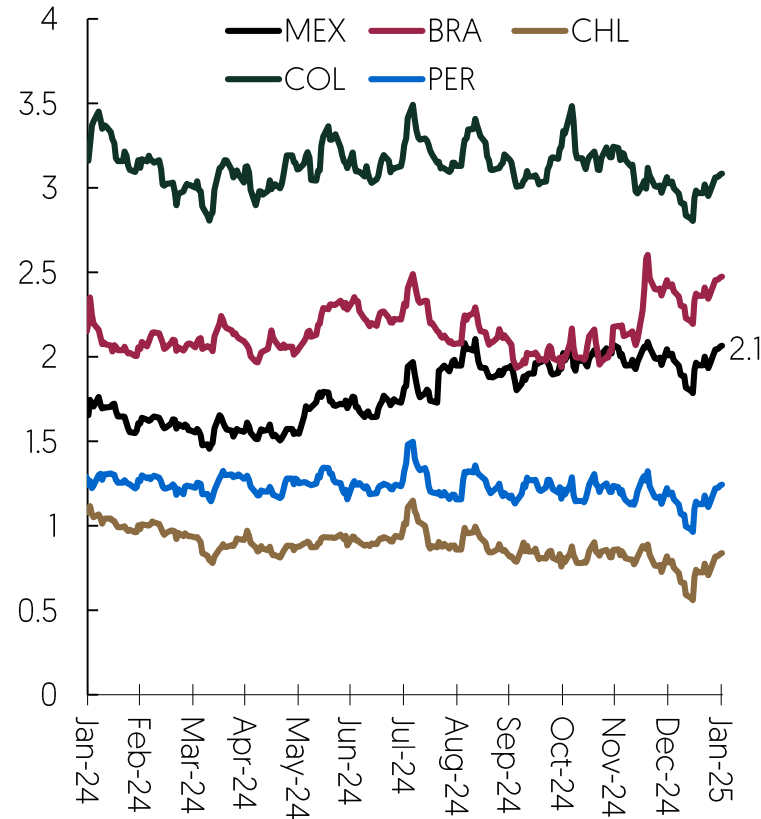
Source: Mexico's Ministry of Economy.

**Credit Default Swap**  
Jan-24 vs. Jan-25 <sup>1/</sup>, basis points



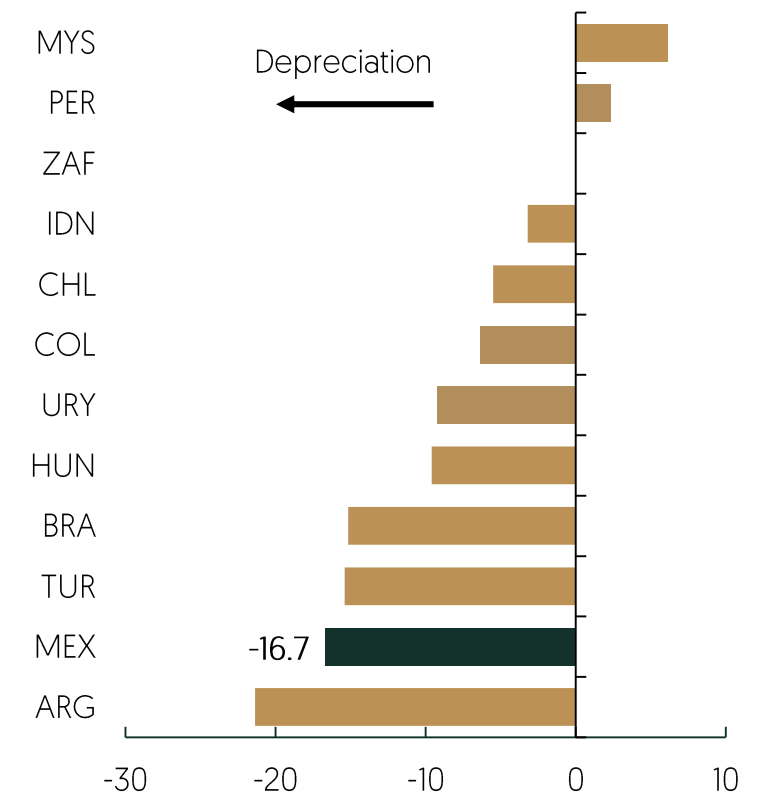
<sup>1/</sup>Last data as of January 31<sup>st</sup>, 2025.  
Source: Bloomberg.

**Spread in Emerging Bonds <sup>1/</sup>**  
Deviation in percentage points



<sup>1/</sup>Against USD 10-year bond.  
Last data as of January 31<sup>st</sup>, 2025.  
Source: Bloomberg.

**Exchange Rate**  
Jan-24 vs. Jan-25 <sup>1/</sup>











<sup>1/</sup>Last data as of January 31<sup>st</sup>, 2025.  
Source: Bloomberg.

## Credit Highlights

- ✓ Mexico holds an investment grade with all eight credit rating agencies that evaluate its debt.
  - ✓ As of December 2024, during the current rating review cycle, eight credit rating agencies have affirmed Mexico's rating.
  - ✓ Mexico holds a **stable outlook** with six out of eight credit rating agencies.
- 4** LATAM countries maintain an investment grade rating with all three major rating agencies<sup>1/</sup>.

<sup>1/</sup> Chile, Peru, Uruguay and Mexico. Big 3: Moody's, Fitch and S&P.  
Source: Rating Agencies.

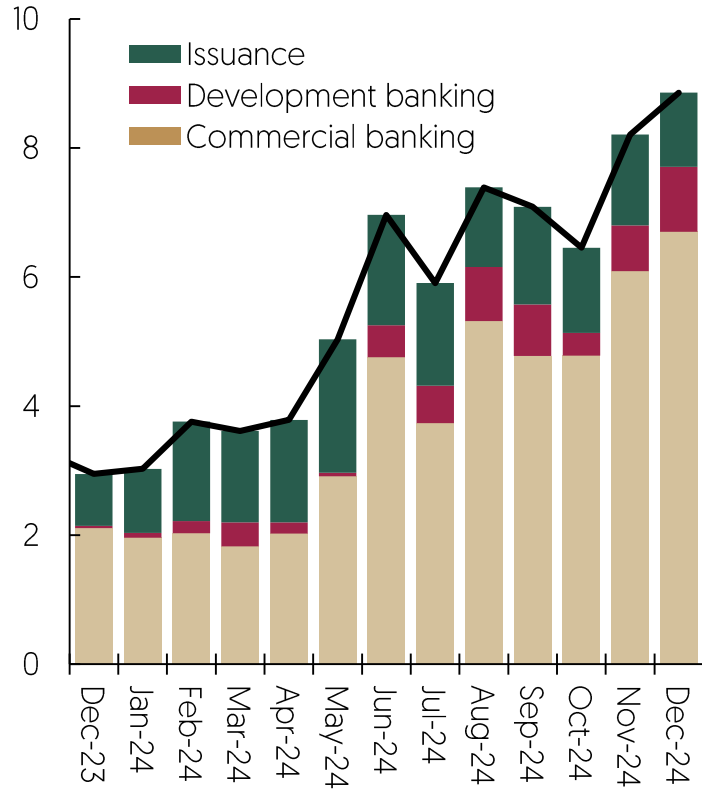
## Mexico's Foreign Currency Long-Term Debt

Agency	Foreign Currency	Outlook	Last Review
	Long Term		
	A-	Stable	29-May-24
	BBB+	Stable	18-Apr-24
	BBB+	Negative	25-Nov-24
	Baa2	Negative	14-Nov-24
	BBB	Stable	13-Dec-24
	BBB	Stable	07-May-24
	BBB	Stable	03-May-24
	BBB-	Stable	18-Jul-24

Source: Credit Rating Agencies.

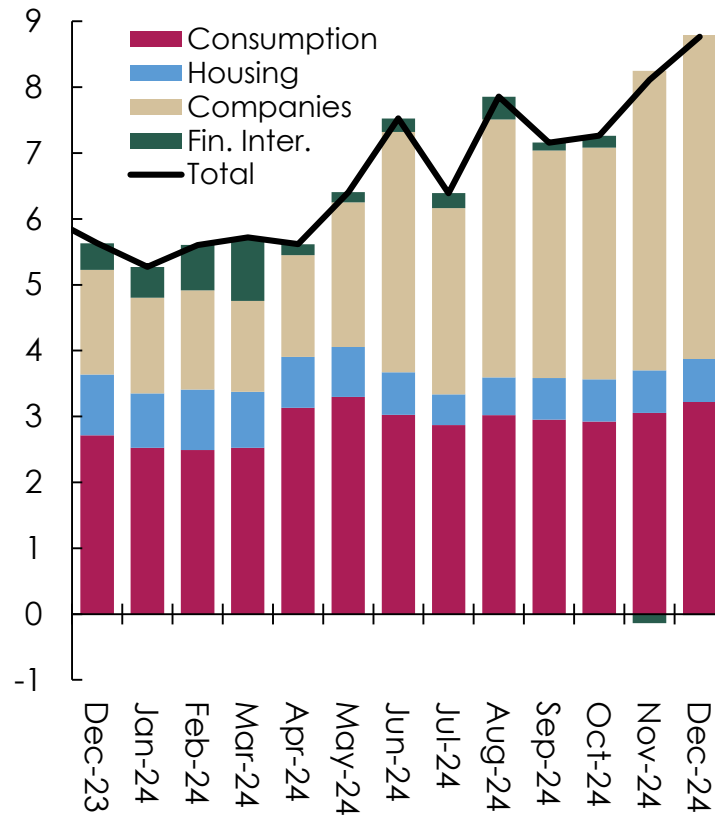
# Banking Sector

**Domestic Credit to Private Sector**  
Real YoY % change, percentage points



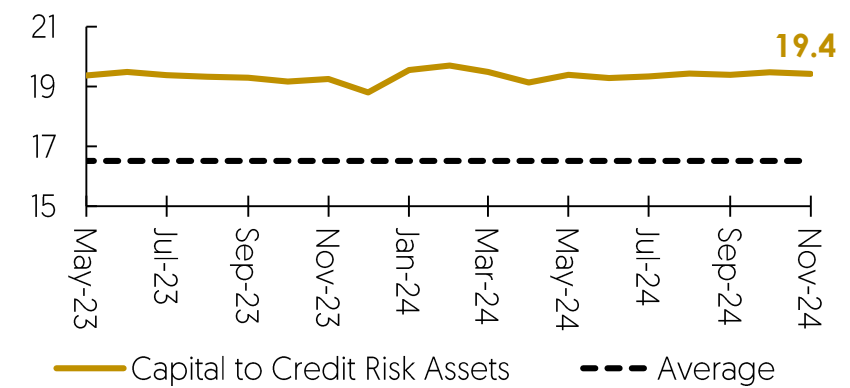
Source: Banxico.

**Total Banking Sector Outstanding Credit**  
Real YoY % change, percentage points

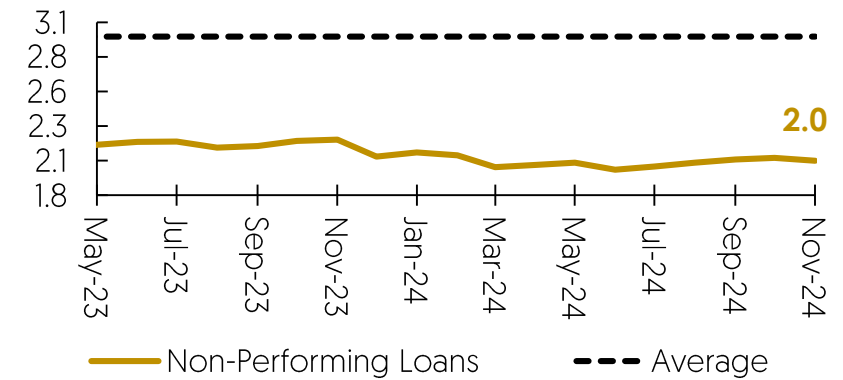


Source: Banxico

**Capital to Credit Risk Assets <sup>1/</sup>**  
%



**Non-Performing Loans <sup>2/</sup>**  
%

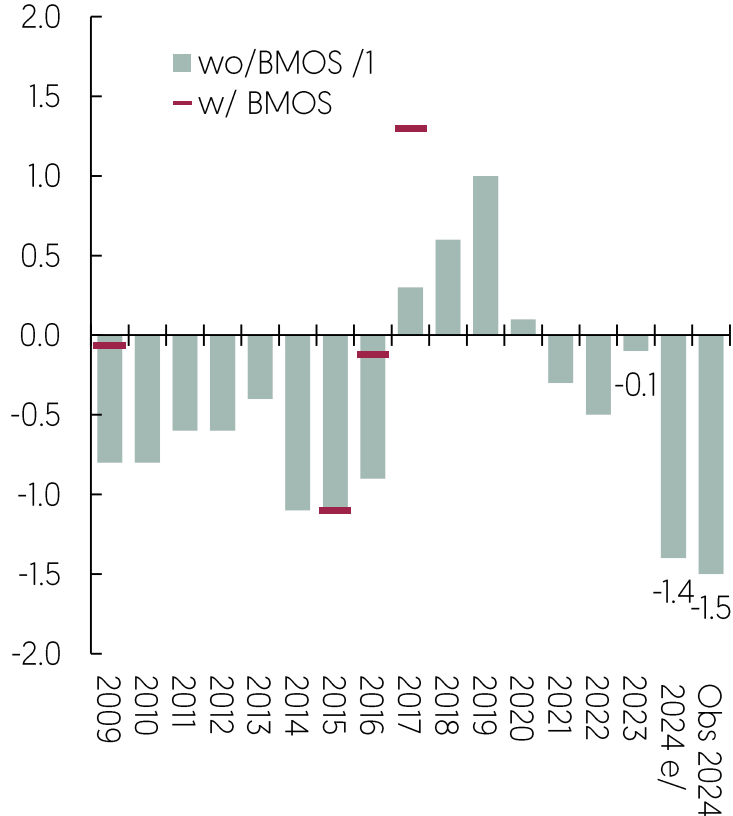


<sup>1/</sup> Historical average from Jan-06 to Oct-24.  
<sup>2/</sup> Historical average from Dec-00 to Oct-24.  
Source: CNBV.

## Economic Activity

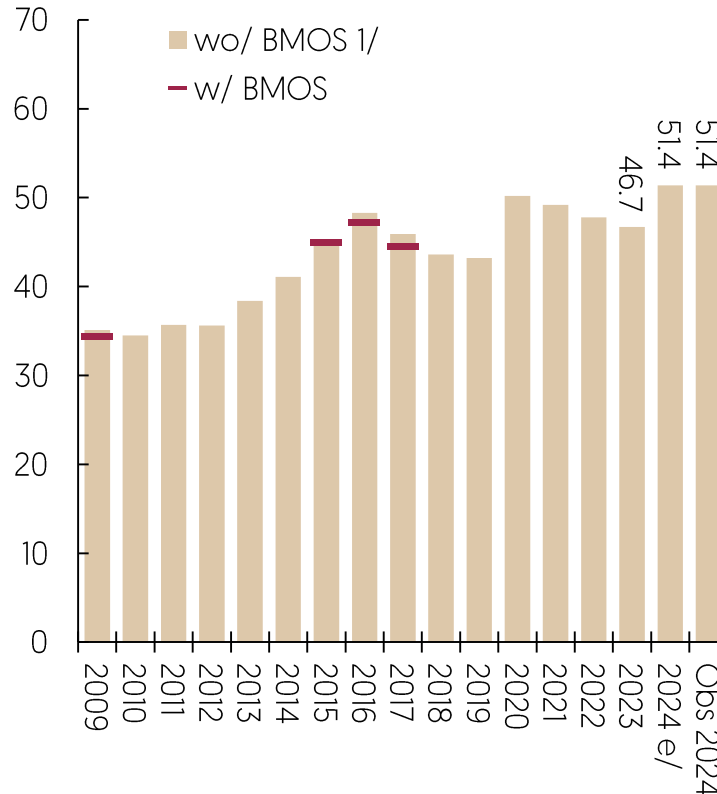
## Public Finances

### Primary Balance % of GDP



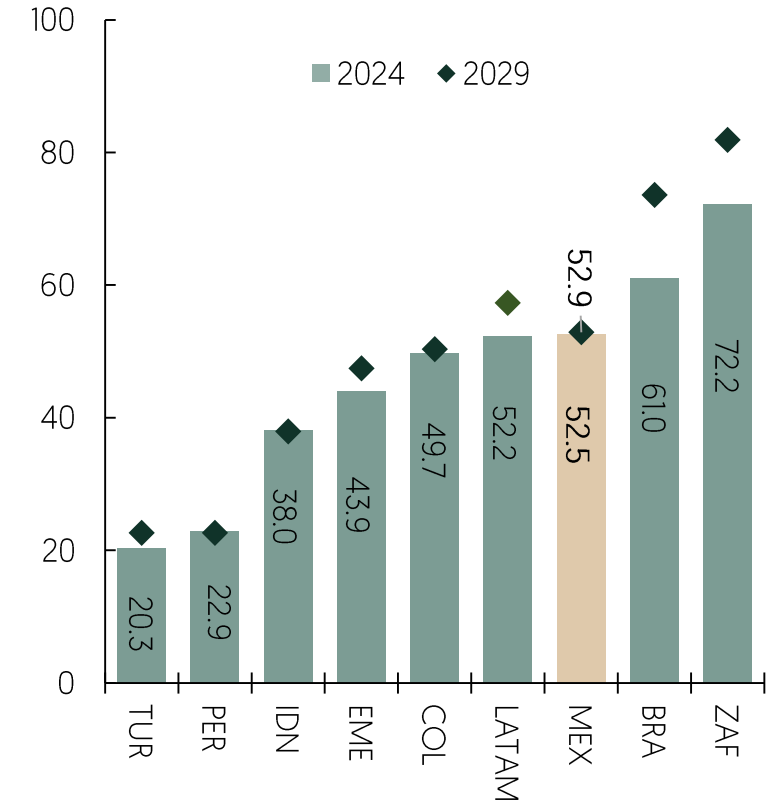
e/ Estimates from 4Q24 SHCP Public Finance Report.  
1/ BMOS: Banxico's Operating Surplus.  
Source: Mexico's Ministry of Finance.

### Public Debt (HBPSBR) % of GDP



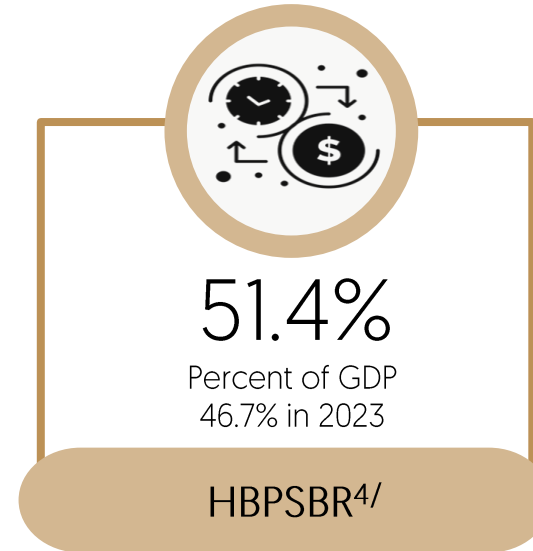
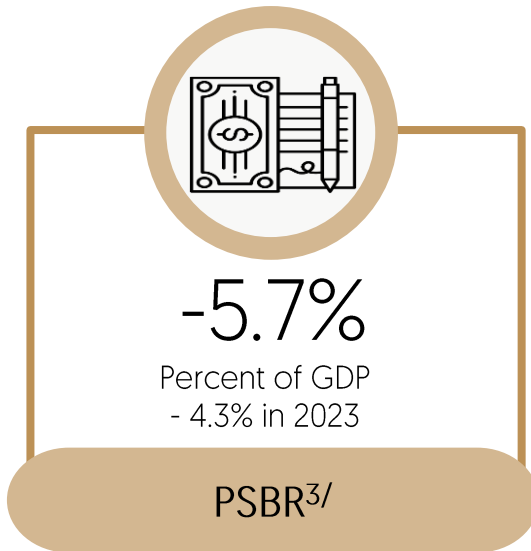
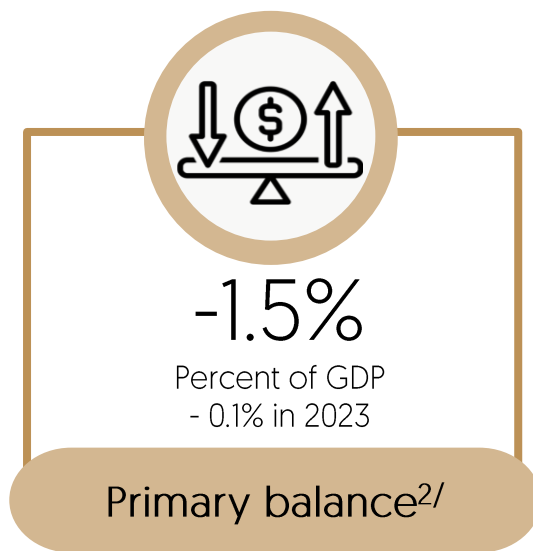
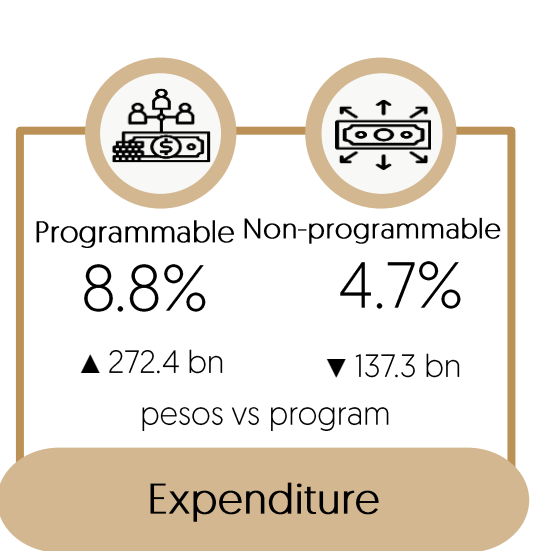
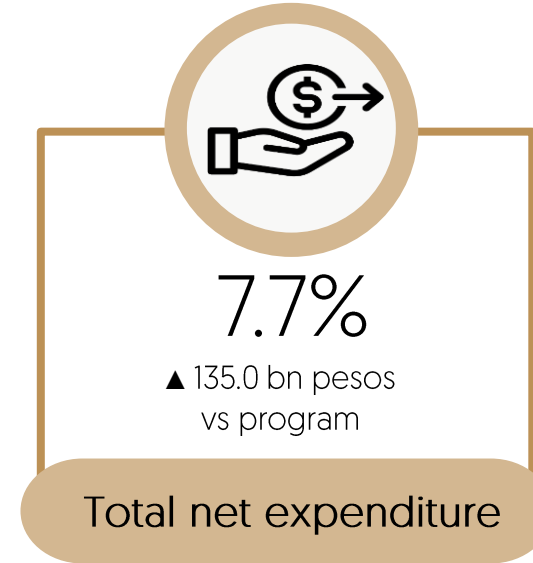
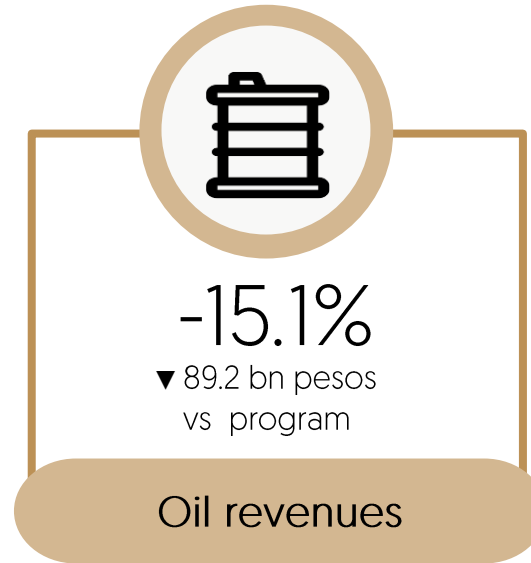
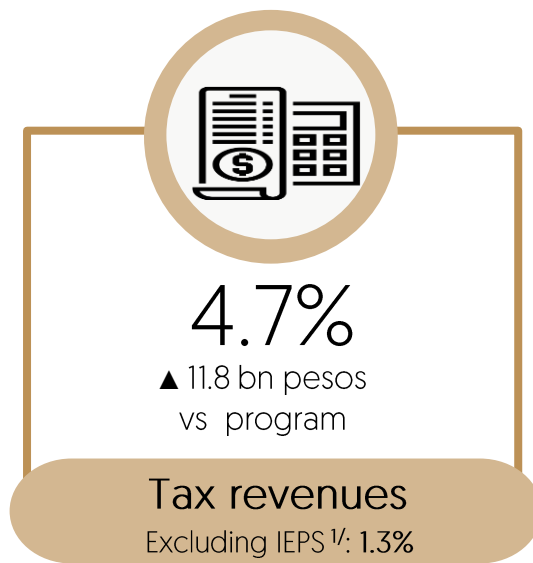
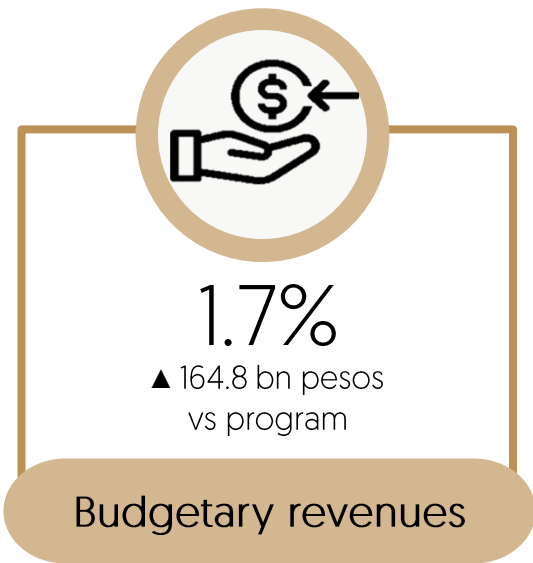
e/ Estimates from 4Q24 SHCP Public Finance Report.  
1/ BMOS: Banxico's Operating Surplus.  
Source: Mexico's Ministry of Finance.

### General Government Net Debt % of GDP, Oct-24



Source: IMF, Fiscal Monitor.

# Public Finance | Dec-2024 YoY % Real Change



<sup>1/</sup> It includes only fossil fuels excise tax (gasoline and diesel).

<sup>2/</sup> The primary balance is the difference between net revenues and expenditures, excluding the financing cost of the public debt.

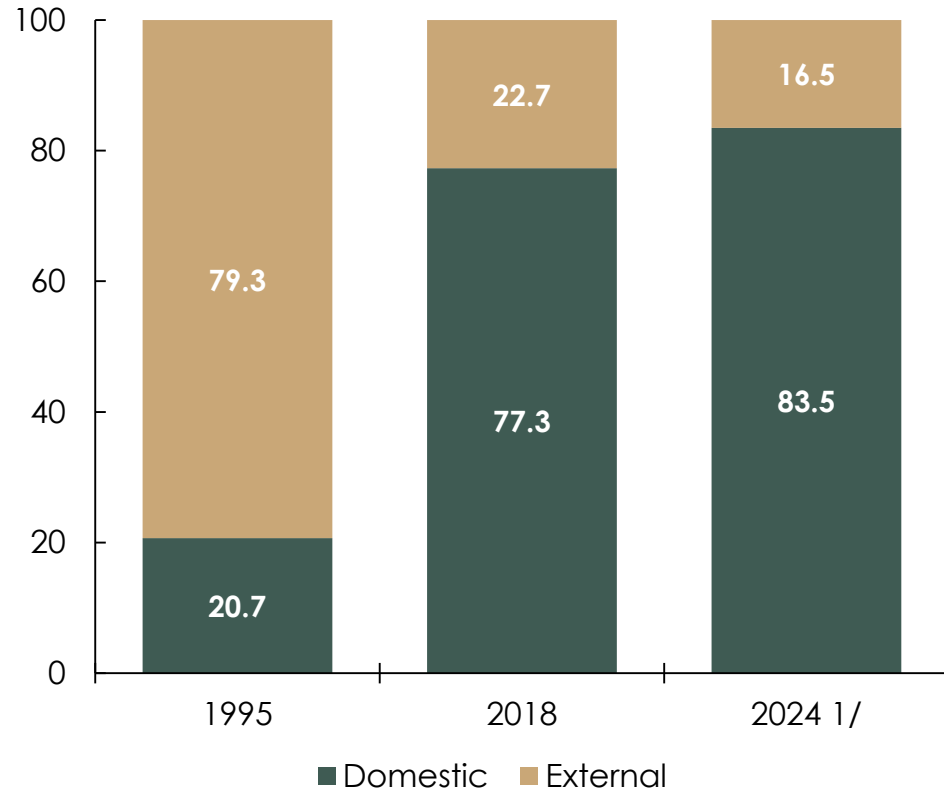
<sup>3/</sup> The Public Sector Borrowing Requirement (PSBR) are the financing needs including in the budgetary balance of Public Sector and out-of-budget financing needs.

<sup>4/</sup> The Historical Balance of the Public Sector Borrowing Requirements (HBPSBR) refers to the total liabilities of the Public Sector excluding financial assets; it is the broadest measure of net debt.



# Federal Government Debt

## Federal Government Debt Statistics, 4Q24



### External Debt

**7.5%**  
of GDP  
as of 4Q24

**18.7**  
years  
average maturity

**100%**  
at a fixed rate

### Domestic Debt

**38.0%**  
of GDP  
as of 4Q24

**7.8**  
years  
average maturity

**77.3%**  
at a fixed rate

<sup>1/</sup> As of 4Q24.  
Source: Mexico's Ministry of Finance.

Source: Mexico's Ministry of Finance.

# Sustainable finance policy

- Some of the Strategy's lines of action that are internationally recognized are as follow:



Mexico's Sustainable Taxonomy<sup>2</sup> unveiled in March 2023 as the first of its kind, since it considers social objectives and defines gender equality as a key priority.

**SDG Bonds<sup>3</sup>:** In September 2020, Mexico became the first country to issue a sustainable sovereign bond and began building a sustainable yield curve by issuing thematic bonds in four national and international markets.

- 16 bonds have been issued to date for a total amount of 20.4 billion USD.



By 2024, 83.8% of budget programs<sup>4</sup> are aligned, directly or indirectly, with at least one SDG.

<sup>1/</sup> [Mobilization Strategy: Consultation Document](#)

<sup>2/</sup> [Mexico's Sustainable Taxonomy](#)

<sup>3/</sup> The SHCP released the report: [Mexico's SDG Bond: Allocation and Impact Report 2022](#).

<sup>4/</sup> [Linking the budget to the SDGs](#)

Source: Mexico's Ministry of Finance, 2023.

## Mexico's SDGs Sovereign Bonds

Issue	Currency	Amount [million]	Rate	Term
1 <sup>st</sup>	EUR	750	1.35%	7 years
2 <sup>nd</sup>	EUR	1,250	2.25%	15 years
3 <sup>rd</sup>	MXN	20,000	TIIIE + Spread	2, 6 years
4 <sup>th</sup>	MXN	15,000	TIIIE + Spread	3, 6 years
5 <sup>th</sup>	USD	2,203	4.88%	10 years
6 <sup>th</sup>	JPY	75,600	1.0 - 2.52%	3, 5, 10, 15, 20 years
7 <sup>th</sup>	MXN	10,000	TIIIE + Spread	1, 2, 3 years
8 <sup>th</sup>	USD	2,941	6.338%	30 years
9 <sup>th</sup>	MXN	15,000	TIIIE + Spread	2, 3, 5 years
10 <sup>th</sup>	MXN	23,000	8.0%	12 years
11 <sup>th</sup>	MXN	15,000	TIIIE + Spread	1.7, 2.4, 4.4 years
12 <sup>th</sup>	EUR	2,000	4.9%	8 years
13 <sup>th</sup>	MXN	20,000	TIIIE + Spread	1,3, 3.2, 6 years
14 <sup>th</sup>	MXN	25,000	TIIIE + Spread	2, 3, 6 years
15 <sup>th</sup>	MXN	23,000	TIIIE + Spread	2, 4, 6 years
16 <sup>th</sup>	JPY	152,200	1.43 - 2.93%	3, 5, 7, 10, 20 years

Source: Mexico's Ministry of Finance.