MEXICO

1. General trends

Mexico's economy recorded real growth of 2.3% in 2016 (2.6% in 2015), driven by domestic demand, especially private consumption, which offset the negative performance of the external sector. The slowdown was driven mainly by negative performance of manufacturing in the United States (strongly linked to Mexican exports), global economic and financial instability, and lower investment and public revenues (mostly from oil).

Year-on-year inflation reached 3.4% in December 2016 (2.1% in 2015); within the central bank's target range of 2%-4%. The national unemployment rate came in at 3.9% on average (4.3% in 2015), while the public sector fiscal deficit stood at 2.6% of gross domestic product (GDP), lower than in 2015 (3.5% of GDP), thanks to the federal government's efforts to consolidate spending and strengthen tax collection. The balance-of-payments current account deficit narrowed to 2.1% of GDP, from 2.5% in 2015.

For 2017, ECLAC estimates an economic growth of 2.2%, owing to higher interest rates and uncertain international investment and trade flows given potential protectionist policies on the part of the United States, although at mid-2017 expectations have improved in comparison to the end of the previous year.

Inflation is expected to reach 5.9% in 2017 owing to peso depreciation pass-through and higher gasoline prices. Unemployment should remain flat compared with 2016, the public sector fiscal deficit should fall to around 2.4% of GDP —thanks to the expectation of a small primary surplus (0.4% of GDP)— while the balance-of-payments current account deficit should be close to 2.5% of GDP at year-end.

2. Economic policy

In 2016, economic policy remained focused on preserving the country's macroeconomic stability in an adverse economic climate mainly attributable to the global economic slowdown and steep fall in international oil prices, which hurt the country's public finances.

(a) Fiscal policy

Despite the sharp decline in oil revenues in 2016, the public sector fiscal deficit fell by almost one percentage point of GDP. Public sector revenues grew 10.4% year-on-year in real terms boosted by higher income from non-oil sectors (up 15.2%), while tax collection jumped 11.9% owing to the combined effect of 2013 tax reforms and more stringent enforcement. Income tax revenues grew the most (13.5%), followed by revenues from the special tax on production and services —partially linked to the price of fuel— (12.9%), import tax (11.5%) and value added tax (8.9%). Federal government non-tax revenues expanded 31.6% in real terms, which included a Bank of Mexico operating surplus equivalent to 1.5% of GDP.

Mexico exceeded its 2013 tax reform target for non-oil tax revenues; the jump from 9.7 (2013) to 13.9 (2016) percentage points of GDP represented an increase of 4.2 percentage points compared with the target of 3.5 percentage points.

Increased tax collection offset the 9% contraction in oil revenues of the public sector, which in 2016 represented 16.3% of total revenues (compared with 35.4% in 2013). The federal government benefited from oil price hedges (insurance against falling oil prices), which generated US$ 2.65 billion in non-tax revenues and offset the loss of income from lower crude oil sales.

Net spending by the public sector grew 6.3% in real terms, which included non-recurring spending stemming from capital injections into Petróleos Mexicanos (PEMEX) and the Federal Electricity Commission (CFE), as well as transfers to the Budgetary Revenue Stabilization Fund (FEIP), for a combined total of 394.811 billion pesos (equivalent to US$ 21.158 billion). The 5.7% increase in budgeted spending, to cover increased pension and retirement benefit payments (7.2%), was partially offset by the decline in physical investment (8.3%) as a result of budget cuts (equivalent to 0.9% of GDP).

At December 2016, public sector net debt stood at 46.7% of GDP, more than double the percentage reported in 2006 (18.2% of GDP) and the highest reading in three decades. The expansion was mainly driven by net external debt, which went from 14.4% of GDP in 2015 to 17.6% in 2016, while domestic net debt edged up from 28.2% of GDP in 2015 to 29.0% in 2016.

The historical balance of public sector financing requirements, the most comprehensive measure of the country's debt, rose to 50.2% of GDP as a result of the significant effect of the peso's depreciation against the dollar (which contributed the equivalent of 1 percentage point of GDP to the increase) and the pension reforms of the Social Security and Social Services Institute for State Workers (ISSSTE), PEMEX and the Federal Electricity Commission (CFE) (which contributed the equivalent of 1.8 percentage points of GDP). This debt is 13 GDP points higher than when the current government took office at the end of 2012, but despite the significant upward trend the authorities believe it has peaked and should fall in 2017, reaching 48% of GDP by year-end.

In April 2016, the Mexican Congress approved the Federal and Municipal Authorities' Financial Discipline Act, whose aim is to generate sustainable fiscal balances, and in October 2016, it approved the Federal Revenue Act for the 2017 fiscal year, which forecasts a primary surplus of about 0.4% of GDP, to be achieved through savings and budget cuts equivalent to 1.2% of GDP.

Public sector budgetary revenues grew 8.2% in real terms in the first four months of 2017 compared with the year-earlier period, or 5.0% excluding the operating surplus of the Bank of Mexico (321.653 billion pesos, equivalent to 1.6% of GDP), which will be used for payment of federal government public debt as first priority.

Oil revenues jumped 21% in the first four months of 2017, while non-oil tax revenues barely grew (0.3%) in real terms compared with the year-earlier period. Income tax collection grew 3.1% in the same period, as a result of the deadline extension until April for tax filings from legal persons (self-employed). Also up were revenues from VAT (1.0%) and import taxes (4.6%), but collection from the special production and services tax fell (14.7%).

Primary spending, which excludes the financial cost of debt, fell 4.7% year-on-year in real terms in the first four months of 2017. Total public sector net spending fell 2.3%, driven mainly by a 7.4% drop in current spending. However, financial costs were up 37.4% and disbursements to states and municipalities grew 9.5%. The public balance recorded a surplus of 367.553 billion pesos in the first four months of 2017, in contrast with the deficit of 177.089 billion pesos in the year-earlier period.

(b) Monetary policy

Monetary policy remained tight throughout 2016. The Governing Council of the Bank of Mexico raised its interbank overnight target rate by 50 basis points in each of its policy meetings in February, June, September, November and December, leaving it at 5.75% at year-end, as a response to the volatility in global financial markets caused by the drop in oil prices, the Brexit majority decision in the United Kingdom, the election result in the United States and the need to anchor inflation expectations.

In February, March, May and June 2017, the interbank overnight rate was raised by 50, 25, 25 and 25 basis points, respectively, to stand at 7.0%, mainly in response to the significant jump in inflation that resulted from rising domestic fuel prices and the exchange-rate pass-through. Rates are expected to rise again in 2017 in response to rate hikes in the United States and in order to anchor inflation expectations.

The nominal lending interest rate —an average of credit card and mortgage rates— stood at 27.4% in 2016 (23.9% in real terms, one percentage point lower than in 2015), while the nominal deposit rate —defined as the cost of deposit-taking for multiple-service banks— was 3.8% (0.9% in real terms, 0.6 percentage points higher than a year earlier).

Total current loans provided by commercial banks to the private sector grew 10.4% year-on-year in real terms in December 2016, owing to lower real interest rates, a greater supply of credit (thanks in part to the financial reform) and higher real disposable income (as a result of low inflation, higher levels of formal employment and large remittance inflows). The main lending categories —housing (6.6%), consumption (8.5%) and companies (13.1%)— rose significantly in real terms, although more slowly than the year before.

In April 2017, the current loan portfolio held by commercial banks for the private sector grew 9.6% year-on-year in real terms, thanks to rising lending in the consumer (5.0%), housing (4.5%), and company and self-employed (12.6%) categories.

In 2016, credit rating agencies Fitch, S&P and Moody’s maintained Mexico’s sovereign debt investment grade rating. However, in April and August, Moody’s and S&P, respectively, changed their outlook on Mexico’s sovereign bonds from stable to negative, because of the country’s increased indebtedness and subdued economic growth.

(c) Exchange-rate policy

At 30 December 2016, the Mexican peso had depreciated 18.7% against the dollar in nominal terms (16.0% in real terms) from its end-2015 level, principally owing to the uncertainty before the elections and unclear direction of trade policies —especially regarding the North-American Free Trade Agreement (NAFTA)— in the United States, and to falling international oil prices, global financial uncertainty and the weak performance of the global economy.

In addition to public spending cuts and monetary policy rate hikes, in February 2016 the foreign-exchange commission of the Bank of Mexico suspended dollar auctions, opting to intervene discretionally in the market. At 30 December 2016, Mexico's reserves stood at US$ 176.542 billion (slightly below end-2015 levels), complemented by a flexible credit line held with the International Monetary Fund (which on 27 May 2016 was extended to May 2018) of some US$ 86 billion.

To combat volatility in the currency market, in February 2017 the foreign-exchange commission of the Bank of Mexico and the Ministry of Finance and Public Credit announced a new programme of foreign-exchange hedges, payable in pesos upon maturity and capped at US$ 20 billion. The measure avoided reserve drawdowns and helped to stabilize exchange-rate fluctuations by providing greater liquidity to the foreign-exchange market and reducing incentives for currency speculation.

At 22 June 2017, the peso had appreciated 12.3% in nominal terms against the dollar (17.5% in real terms) compared with year-end 2016, mainly because of the small price gains in Mexico's crude oil mix, foreign-exchange measures and interest rate hikes by the Bank of Mexico, and the easing of perceived risks linked to United States trade policies. On 16 June, the Bank of Mexico reported reserves totalling US$ 174.504 billion.

(d) Other policies

The fourth phase of the first round of bidding for Gulf of Mexico deep water oil exploration and extraction licences took place on 5 December 2016. Eight of the ten blocks auctioned by the National Hydrocarbon Commission (CNH) were allocated, exceeding expectations. This could translate into investments of some US$ 41 billion over 35 to 50 years and additional output of about 900,000 barrels per day, equivalent to 40% of current production.

In April 2016, the Mexican Congress approved the Special Economic Zone Act, with the aim of increasing productivity at the regional level through the creation of new industrial development zones in less economically developed regions using fiscal support. Initially, the special economic zones comprise the regions of Puerto de Lázaro Cárdenas (Michoacán and Guerrero municipalities), the Tehuantepec isthmus (ports of Salina Cruz in Oaxaca and Coatzacoalcos in Veracruz), and Puerto Chiapas, in Chiapas.

In February 2016, Mexico and another 11 countries (Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, New Zealand, Peru, Singapore, Viet Nam and the United States) signed the Trans-Pacific Partnership (TPP). TPP has yet to come into force and negotiations continue despite the decision by the United States to opt out in January 2017.

In March 2017, PEMEX and Australian company BHP Billiton signed the first partnership for the development of Mexican oil resources in the Trión field, part of the Perdido Folded Belt in the deep waters of the Gulf of Mexico. The government aims to secure investments of up to US$ 11 billion throughout the life of the contract, ranging from 35 to 50 years.

In June 2017, the National Hydrocarbon Commission allocated 67.0% of the blocks auctioned in Round 2.1 for shallow water oil exploration and extraction in the Gulf of Mexico, assigning 10 oil blocks to domestic and foreign companies, who will invest close to US$ 8.0 billion in the next 35 years.

The renegotiation of NAFTA, which Mexico hopes will lead to its strengthening, is expected to begin in August 2017. Mexico initiated consultations with its productive sectors in April 2017 to lay the foundations for negotiations.

3. The main variables

(a) The external sector

In 2016, total exports of goods fell 1.8% year-on-year as a result of a drop of 0.6% in non-oil exports and 19.1% in oil exports. Regarding the destination of non-oil exports, shipments to the United States (80.9% of total exports) fell 2% (given that country's negative industrial performance), while those to the rest of the world fell 0.6%, in annual terms. Total imported goods were down 2.1% in value terms as a result of declines in non-oil (1.8%) and oil imports (5.2%). Imports of consumer, intermediate and capital goods fell for the year by 7.7%, 0.8% and 3.8%, respectively. The goods trade balance showed a cumulative deficit of around US$ 13.10 billion (10.1% lower than the deficit in 2015), while the terms of trade fell 6.1% in 2016, compared with the 13.5% drop in 2015.

In 2016, family remittances rose to US$ 26.972 billion, climbing 8.8% compared with 2015. Foreign-exchange inflows from tourism reached US$ 19.571 billion, with almost 35 million international visitors, representing increases of 10.4% and 8.9%, respectively. These results partially offset the goods trade deficit, and the balance-of-payments current account deficit stood at US$ 22.420 billion, equivalent to 2.1% of GDP.

Financial account inflows were a cumulative US$ 35.873 billion, 1.8% down on 2015. Foreign direct investment (FDI) stood at US$ 26.739 billion, 19.4% less than in 2015. Net capital outflows were recorded for the fourth year running —linked to withdrawals under the "other investment" category totalling US$ 24.438 billion (90.1% up on 2015)— and included repatriation of capital by foreign banks for a total of US$ 25.061 billion.

From January to April 2017, total exports of goods grew at an annual rate of 9.2%, thanks to a 7.5% increase in non-oil exports and a 49.2% jump in oil exports. Total goods imports climbed 5.5% in value terms, thanks to a 2.2% increase in non-oil imports and a 49.9% jump in oil imports. The trade balance recorded a deficit of US$ 2.158 billion in the first four months of 2017, a 64.6% decline from the year-earlier period.

FDI flows stood at around US$ 7.90 billion in the first quarter of 2017, 26.1% down on the year-earlier period. In year-on-year terms, foreign-exchange revenues from inbound tourism were up by 4% in the first quarter of 2017, to US$ 5.778 billion, and family remittances climbed 6.8%, to US$ 8.964 billion, in the first four months of the year.

(b) Economic activity

In 2016, the economy grew 2.3% on the back of solid domestic performance in a context of moderate global growth. The output of primary activities grew 3.6% and that of tertiary activities by 3.4%, while that of secondary activities remained flat. The three main drivers of growth were mass media information (10.1%), financial and insurance services (7.7%) and computer, communication and electronic equipment manufacturing (6.2%). The main detractors were oil and coal derivatives (down 11.2%), timber (down 4.8%) and furniture manufacturing (down 3.2%).

On the demand side, total consumption grew at an annual rate of 2.6% —with private consumption rising 2.8%— owing to higher levels of disposable income, low inflation, improvements in the labour market, consumer credit expansion and higher income levels boosted by family remittances. Fixed domestic gross investment was almost flat (0.1%), as the increase in private investment in machinery and equipment was offset by weak contributions from construction and, especially, public investment.

GDP grew 2.8% year-on-year in the first quarter of 2017. Primary activities expanded 6.6% in annual terms and tertiary activities did so by 3.7%, while secondary activities edged up 0.5%. The coincident and leading indicators for manufacturing, consumption and investment point to a slowdown in the coming months.

(c) Prices, wages and employment

In December 2016, year-on-year headline inflation was 3.4% as a result of increases in energy prices and public goods and services rates. Core inflation was also 3.4%. The producer price index (including the services sector, but excluding oil) recorded a year-on-year upward variation of 7.2%, compared with 4.2% in the same month in 2015. There was limited exchange-rate pass-through to consumer prices, owing mainly to the existence of inventories and to the fact that suppliers and producers absorbed the price shocks.

In 2016, the average unemployment rate came in at 3.9% of the economically active population, the lowest reading since 2008, while the underemployment rate stood at 7.6% of the employed population, a lower participation than the year before (8.3%). The rate of informal employment fell 0.6 percentage points to 57.3% on average, thanks to the implementation of an employment formalization programme. As from 1 January 2016, the minimum wage was increased 5.5% in nominal terms (2.6% in real terms thanks to subdued inflation) to 73.04 pesos per day.

In May 2017, year-on-year inflation stood at 6.2% —its highest level since April 2009— as a result of increases in fuel prices (especially gasoline), electricity rates and certain agricultural products. There was a notable rise in producer prices (8.1%) which could translate into higher consumer prices by the end of the year. The jobless rate came in at 3.6% in April, while the underemployment rate stood at 7.2% of the employed population.

The Council of Representatives of the National Commission for Minimum Wages (CONASAMI) unanimously agreed to raise wages 9.6% in nominal terms, increasing the general minimum wage that came into force on 1 January 2017 from 73.04 to 80.04 pesos per day, equivalent to a 4.6% rise in real terms.

Table 1
MÉXICO: MAIN ECONOMIC INDICATORS

	2008	2009	2010	2011	2012	2013	2014	2015	2016 a/
	Annual growth rates b/								
Gross domestic product	1.4	-4.7	5.2	3.9	4.0	1.4	2.2	2.6	2.3
Per capita gross domestic product	-0.3	-6.3	3.6	2.4	2.6	0.0	0.9	1.3	1.0
Gross domestic product, by sector									
Agriculture, livestock, hunting, forestry and fishing	0.7	-3.9	3.4	-6.1	8.3	2.6	3.5	1.7	4.6
Mining and quarrying	-3.7	-4.0	0.9	-0.4	0.9	-0.1	-1.4	-4.6	-6.4
Manufacturing	-1.0	-8.4	8.5	4.6	4.1	1.2	4.2	2.6	1.3
Electricity, gas and water	1.3	1.3	4.5	6.9	2.1	0.5	8.2	2.3	3.3
Construction	3.8	-6.1	0.8	4.1	2.5	-4.8	2.0	2.5	1.8
Wholesale and retail commerce, restaurants and hotels	0.1	-12.1	10.5	8.7	4.8	2.2	3.1	4.9	2.6
Transport, storage and communications	1.8	-2.3	5.3	4.2	8.2	3.4	2.1	5.5	5.5
Financial institutions, insurance, real estate and business services	5.6	-0.7	5.1	4.3	3.7	3.2	1.2	2.9	3.9
Community, social and personal services	1.4	0.8	1.1	0.7	2.9	0.7	0.7	1.0	1.8
Gross domestic product, by type of expenditure									
Final consumption expenditure	2.1	-5.2	5.1	4.5	4.7	2.0	1.9	2.3	2.5
Government consumption	3.0	2.2	1.7	2.4	3.5	1.0	2.1	2.3	1.2
Private consumption	1.9	-6.5	5.7	4.8	4.9	2.1	1.8	2.3	2.7
Gross capital formation	6.2	-13.3	4.5	5.4	5.9	-2.0	3.3	3.1	-0.3
Exports (goods and services)	-1.3	-11.8	20.5	8.2	5.8	2.4	7.0	10.4	1.2
Imports (goods and services)	4.4	-17.6	20.5	8.0	5.5	2.6	6.0	8.6	1.1
Investment and saving c/	**Percentajes of GDP**								
Gross capital formation	24.4	22.9	22.1	22.3	23.1	21.7	21.7	23.0	23.3
National saving	22.9	22.0	21.5	21.2	21.8	19.3	19.9	20.5	21.1
External saving	1.5	1.0	0.5	1.1	1.3	2.4	1.7	2.5	2.1
Balance of payments	**Millions of dollars**								
Current account balance	-16 834	-8 625	-5 611	-12 855	-15 463	-30 517	-22 451	-28 201	-22 420
Goods balance	-17 615	-4 926	-2 943	-1 205	291	-909	-2 790	-14 597	-13 073
Exports, f.o.b.	291 886	229 975	298 860	350 004	371 442	380 729	397 650	380 976	374 296
Imports, f.o.b.	309 501	234 901	301 803	351 209	371 151	381 638	400 440	395 573	387 369
Services trade balance	-8 621	-10 041	-11 432	-15 602	-14 916	-14 056	-13 285	-9 755	-8 941
Income balance	-15 931	-15 139	-12 670	-18 910	-23 268	-37 076	-29 147	-27 980	-26 911
Net current transfers	25 333	21 480	21 434	22 862	22 430	21 525	22 772	24 131	26 505
Capital and financial balance d/	24 912	13 154	26 226	41 035	32 987	48 306	38 780	12 535	22 285
Net foreign direct investment	28 237	8 523	12 124	11 936	-1 808	34 989	20 765	22 578	28 455
Other capital movements	-3 324	4 631	14 102	29 099	34 795	13 317	18 014	-10 043	-6 171
Overall balance	8 079	4 528	20 615	28 180	17 524	17 789	16 329	-15 667	-136
Variation in reserve assets e/	-8 079	-4 528	-20 615	-28 180	-17 524	-17 789	-16 329	15 667	136
Other external-sector indicators									
Real effective exchange rate (index: 2005=100) f/	103.4	117.9	109.1	109.1	112.6	106.8	108.2	122.2	140.8
Terms of trade for goods (index: 2010=100)	104.6	92.9	100.0	106.8	102.9	102.8	97.6	93.3	89.0
Net resource transfer (millions of dollars)	8 982	-1 985	13 556	22 125	9 719	11 229	9 632	-15 445	-4 627
Total gross external debt (millions of dollars)	123 626	160 427	193 971	209 766	225 973	259 535	285 754	298 016	313 605
Employment	**Average annual rates**								
Labour force participation rate g/	58.7	58.6	58.4	58.6	59.2	60.3	59.8	59.8	59.7
Open unemployment rate h/	4.9	5.9	5.9	5.6	5.4	5.4	5.3	4.7	4.3
Visible underemployment rate i/	6.8	8.8	8.7	8.6	8.5	8.3	8.1	8.4	7.7

Table 1 (concluded)

	2008	2009	2010	2011	2012	2013	2014	2015	2016 a/
Prices	**Annual percentages**								
Variation in consumer prices (December-December)	6.5	3.6	4.4	3.8	3.6	4.0	4.1	2.1	3.4
Variation in industrial producer prices (December-December)	7.8	4.1	4.7	8.8	0.4	1.5	1.8	3.0	9.1
Variation in nominal exchange rate (annual average)	2.1	21.1	-6.5	-1.5	5.7	-3.0	4.3	19.2	17.6
Variation in average real wage	0.2	-1.0	-0.9	1.1	0.0	0.1	0.4	1.4	0.9
Nominal deposit rate j/	6.7	5.1	4.2	4.2	4.2	3.9	3.2	3.0	3.8
Nominal lending rate k/	...	...	...	29.9	28.6	27.9	28.6	28.5	26.8
Federal government	**Percentajes of GDP**								
Total revenue	23.3	23.3	22.3	22.5	22.5	23.6	23.1	23.5	25.5
Tax revenue	8.1	9.4	9.5	8.9	8.4	9.7	10.5	13.0	14.3
Total expenditure	23.4	25.6	25.1	25.0	25.1	26.0	26.3	26.9	28.1
Current expenditure	19.1	20.6	20.2	20.2	20.4	20.5	21.1	21.7	21.9
Interest	1.6	1.9	1.8	1.8	1.9	1.9	1.9	2.2	2.4
Capital expenditure	4.3	5.0	5.0	4.8	4.8	5.4	5.2	5.1	6.2
Primary balance	1.5	-0.3	-1.0	-0.7	-0.7	-0.5	-1.2	-1.3	-0.3
Overall balance	-0.1	-2.3	-2.8	-2.4	-2.6	-2.3	-3.2	-3.5	-2.7
Federal government public debt	24.0	27.2	27.2	27.5	28.2	29.8	31.7	34.1	35.9
Domestic	19.4	22.0	21.8	21.7	22.7	24.2	25.3	27.9	27.1
External	4.6	5.2	5.3	5.8	5.6	5.6	6.4	7.4	8.8
Money and credit	**Percentages of GDP, end-of-year stocks**								
Domestic credit	37.0	43.2	44.0	44.5	46.3	49.1	49.8	53.5	56.4
To the public sector	16.2	20.4	20.5	19.7	19.9	19.7	20.1	21.0	21.4
To the private sector	20.8	22.8	23.5	24.8	26.4	29.4	29.7	32.5	35.0
Monetary base	4.7	0.2	5.2	5.3	5.4	5.7	6.2	6.8	7.3
Money (M1)	11.1	12.2	12.8	13.4	13.6	14.4	15.3	16.5	17.4
M2	21.1	22.3	22.1	22.3	22.5	23.7	24.6	26.2	27.0
Foreign-currency deposits	1.2	1.4	1.2	1.2	1.3	1.4	1.8	2.3	3.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
a/ Preliminary figures.
b/ Based on figures in local currency at constant 2008 prices.
c/ Based on values calculated in national currency and expressed in current dollars.
d/ Includes errors and omissions.
e/ A minus sign (-) indicates an increase in reserve assets.
f/ Annual average, weighted by the value of goods exports and imports.
g/ Nationwide total. New measurements have been used since 2013; the data are not comparable with the previous series.
h/ Urban total.
i/ Nationwide total.
j/ Cost of term deposits in the multibanking system.
k/ Weighted average rate of private debt issues of up to 1 year, expressed as a 28-day curve.
Includes only stock certificates.

Table 2
MÉXICO: MAIN QUARTERLY INDICATORS

	2015				2016				2017	
	Q.1	Q.2	Q.3	Q.4	Q.1	Q.2	Q.3	Q.4	Q.1	Q.2 a/
Gross domestic product (variation from same quarter of preceding year) b/	2.8	2.5	2.8	2.5	2.2	2.6	2.0	2.3	2.8	…
Gross international reserves (millions of dollars)	198 383	196 360	187 476	175 800	178 146	180 100	179 329	176 929	178 379	176 432 c/
Real effective exchange rate (index: 2005=100) d/	115.1	119.4	127.2	127.1	134.8	138.2	143.0	147.1	147.8	136.7 c/
Open unemployment rate e/	4.6	4.8	5.0	4.5	4.4	4.4	4.4	3.9	3.7	…
Employment rate f/	56.7	57.1	57.2	57.9	56.8	57.3	57.8	57.6	57.2	…
Consumer prices (12-month percentage variation)	3.1	2.9	2.5	2.1	2.6	2.5	3.0	3.4	5.4	6.2 c/
Wholesale prices (12-month percentage variation)	1.7	2.4	2.9	3.03	4.0	5.8	6.4	9.06	8.7	7.3 c/
Average nominal exchange rate (pesos per dollar)	15.0	15.3	16.5	16.8	18.0	18.1	18.8	19.7	20.3	18.6
Nominal interest rates (average annualized percentages)										
Deposit rate g/	3.0	3.0	3.0	3.0	3.2	3.5	3.9	4.4	5.2	5.7
Lending rate h/	28.6	28.6	28.5	28.3	27.6	26.7	26.5	26.4	27.3	27.6 i/
Interbank rate	3.3	3.3	3.3	3.4	3.8	4.1	4.6	5.4	6.4	6.9 c/
Monetary policy rates	3.0	3.0	3.0	3.1	3.6	3.8	4.3	5.3	6.2	6.8
Sovereign bond spread, Embi + (basis points to end of period) j/	192	194	247	232	227	213	221	232	196	201 c/
Risk premiia on five-year credit default swap (basis points to end of period)	126	131	176	170	162	159	167	156	130	113
International bond issues (millions of dollars)	13 945	11 589	825	4 016	16 291	4 180	12 498	8 570	8 166	1 520 c/
Stock price index (national index to end of period, 31 December 2005 = 100)	246	253	239	241	258	258	265	256	273	280
Domestic credit (variation from same quarter of preceding year)	11.8	11.6	13.0	13.9	15.5	13.9	13.6	13.5	10.6	…
Non-performing loans as a percentage of total credit	3.1	3.0	2.9	2.8	2.6	2.5	2.4	2.2	2.2	2.2 i/

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
a/ Preliminary figures.
b/ Based on figures in local currency at constant 2008 prices.
c/ Figures as of May.
d/ Quarterly average, weighted by the value of goods exports and imports.
e/ Urban total.
f/ Nationwide total.
g/ Cost of term deposits in the multibanking system.
h/ Weighted average rate of private debt issues of up to 1 year, expressed as a 28-day curve. Includes only stock certificates.
i/ Figures as of April.
j/ Measured by J.P.Morgan.

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