

## MEXICO

### 2. Economic policy

In 2023, Mexico's GDP, measured using the original series without seasonal adjustment, grew by 3.2% in real terms. The slowdown compared to 2022 (3.7%, with a change in the base year to 2018) was mainly due to the less dynamic performance of exports to the United States by value. Despite persistently high inflation and rising interest rates, however, investment and consumption grew more strongly than initially expected.

Year-on-year inflation was 4.7% at the end of 2023 (compared to 7.8% in December 2022), still outside the Banco de México target range of 2% to 4%, owing to persistently high prices for some foodstuffs and commodities and to bottlenecks in value chains. The average unemployment rate fell to 2.8% from 3.3% in 2022, in line with the positive trend in economic activity. The fiscal deficit of the non-financial public sector was 3.5% of GDP (compared to 3.2% in 2022), with a primary surplus of 0.1% of GDP (compared to a deficit of 0.4% of GDP in 2022), and was mainly attributable to increased social spending and especially higher pensions for older persons. The balance-of-payments current account deficit was 0.3% of GDP (compared to a deficit of 1.2% of GDP in 2022), owing to export growth and a slight fall in imports.

For 2024, the Economic Commission for Latin America and the Caribbean (ECLAC) projects that economic activity in Mexico will increase by only 1.9 % in real terms, owing mainly to the economic slowdown in the United States, especially its manufacturing sector, and to slackening consumption and investment in Mexico itself. Factors that could modify this figure in either direction include the pace of global economic activity, the amount of domestic and foreign investment attracted and the international availability of inputs for production. The Ministry of Finance and Public Credit has indicated in its 2024 General Criteria for Economic Policy that the fiscal deficit of the non-financial public sector will rise to 5.0% of GDP, with a public sector financing requirement of 5.9% of GDP (and a primary deficit of 1.2% of GDP), the largest since 1990, mainly because of the funding required for the incumbent government's flagship public works programme, which it intends to complete in 2024. The balance-of-payments current account deficit is expected to amount to 1.0% of GDP if expectations of lower exports and higher imports are borne out.

Year-on-year inflation is expected to be about 4.5% at the end of 2024, owing to continuing increases in some consumer goods prices and utility charges. By putting upward pressure on inflation, furthermore, the large budget deficit in 2024 could require interest rates to be kept high for longer as monetary policy easing is put on hold. The average unemployment rate is expected at about 3.5%, reflecting the economic slowdown.

Presidential elections were held in June 2024, with the ruling party's candidate winning the largest number of votes in the country's recent history. The Senate, the Chamber of Deputies and other federal and local authorities were renewed.

For 2025, ECLAC estimates that Mexico's GDP will increase by only 1.4% in real terms, owing mainly to the economic slowdown in the United States and the uncertain international environment.

**(a) Fiscal policy**

Non-financial public sector budgetary income increased by 1.0% in real terms in 2023 compared to 2022 as a result of a rise in non-oil income (10.3%), partially offset by a sharp fall in oil revenues (31.0%). Receipts from the special tax on production and services were up by 258.9% by year-end because of the withdrawal of the fuel subsidy. There were also real increases of 6.0% in value added tax receipts and 4.6% in income tax receipts. As a result, tax revenues (equivalent to 15.0% of GDP) climbed by 12.4% in real terms, the largest rise since 2012.

Net budgetary expenditure by the non-financial public sector grew by 1.9% in real terms. The rise was mainly due to increases in debt financing costs (21.5%), financial transfers to the Mexican States (2.5%) and current spending (2.4%). There was also a sharp decline in capital spending (14.3%), since its share of total expenditure was small (14.1%) and there was an underspend equivalent to 20.5% of the budget. The result was real annual growth of 5.0% in the public deficit.

Thus, public sector budgetary income represented 23.4% of GDP in 2023, while net budgetary spending was 27.0% of GDP, resulting in a public deficit of 3.5% of GDP.

By the end of 2023, total net non-financial public sector debt had increased to 49.5% of GDP from 47.6% in 2022. Rising GDP, high inflation and exchange-rate appreciation partially offset the high level of interest rates and the resultant high cost of debt servicing. In the event, interest payments rose by 20.9% (as against 6.5% in 2022) to 3.3% of GDP (as against 2.6% a year earlier). In December 2023, the country's sovereign debt ratings from Fitch Ratings and S&P Global Ratings were unchanged (mostly investment grade). The balance of the various stabilization funds totalled Mex\$ 72.202 billion in December 2023, 3.2% more in nominal terms than at the end of 2022.

On 20 April 2023, the federal government issued the largest bond linked to the Sustainable Development Goals in Mexico's history; worth US\$ 2.9 billion, the bond had a maturity of 30 years and a coupon rate of 6.338%.

In September 2023, the Ministry of Finance and Public Credit presented Congress with the 2024 economic package, which did not include substantive tax changes. However, it mandated an increase in the debt ceiling and projected the largest budget deficit since 1988 to complete the current government's flagship public works programme: the deficit was increased by one tenth of a percentage point in the 2025 General Pre-Criteria for Economic Policy and estimated at 5.0% of GDP for 2024, which would bring the public sector financing requirement to 5.9% of GDP for the year.

Petróleos Mexicanos (PEMEX) is the world's most indebted oil company, with liabilities of some US\$ 106 billion (equivalent to 5.9% of GDP). In early 2024, Moody's downgraded the credit rating of PEMEX from B1 to B3 (indicating poorer credit quality and leaving the company's debt just one notch above high-risk "speculative" grade), owing to the rising cost of capital and the large repayments falling due for the company in the next three years. To confront this situation, the government has supported the company's operations with a variety of financial mechanisms. Prior to 2018, PEMEX paid a profit-sharing tax of 65%, but this was gradually reduced to a planned 35% for 2024. In February 2024, a presidential decree waived payment of the tax from the last quarter of 2023 and for at least the duration of 2024. This measure will mean that the parastatal enterprise's cash flow is zero rather than negative, and that it will be able to meet its obligations to its debt holders without having to resort to borrowing on the international financial market at high interest rates.

Public sector budgetary income for January to June 2024 was 5.3% higher in real terms than in the same period of 2023 because of slight increases in oil income (8.5%) and non-oil revenues (4.8%). Meanwhile, net public sector budgetary spending increased by 12.1% in real terms, owing mainly to higher current spending (8.8%) and capital spending (40.3%). The public sector deficit thus rose to Mex\$ 693.236 billion in the period, up from Mex\$ 394.693 billion in the same period of 2023. Total net public debt is expected to be about 50% of GDP by the end of 2024, owing to the increased spending needed to complete public works projects. In March 2024, the Ministry of Finance and Public Credit presented Congress with the 2025 economic package (the 2025 General Pre-Criteria for Economic Policy), which contained no substantive tax changes but projected a reduction of the budget deficit to 2.5% of GDP for 2025. The balance of the different budget stabilization funds totalled Mex\$ 85.747 billion in June 2024, 18.8% more than at the end of 2023.

### **(b) Monetary and financial policy**

In response to persistent inflationary pressure, Banco de México raised the interbank interest rate by 50 basis points in February 2023 and by a further 25 basis points in March, bringing it to 11.25%, its highest ever level since the adoption of inflation-targeting as a monetary policy instrument in 2001. This level was maintained for the remainder of 2023.

In December 2023, real lending and deposit rates were 26.9% and 4.9%, respectively, following an uptrend relative to 2022 that can be attributed to the slowdown in inflation. At year-end 2023, foreign residents' holdings of government securities had increased by US\$ 4.614 billion, or 4.8%, on year-end 2022. Also in December, the commercial banking sector's portfolio of performing loans to the private sector had grown by 5.6% year-on-year in real terms. This was on account of increases in loans to companies and individuals with business activities (3.0%), in mortgages (4.1%) and in consumer loans (12.3%).

In March 2024, with price rises moderating, Banco de México decided to lower the interbank interest rate by 25 basis points, leaving it at 11.0%. Meanwhile, real-term lending and deposit rates reached 27.2% and 5.2%, respectively. By June 2024, the commercial banking sector's portfolio of performing loans to the private sector had grown by 7.5% year-on-year in real terms, on account of increases in loans to companies and individuals with business activities (7.0%), in mortgages (2.9%) and in consumer loans (13.1%). In August 2024, the country's sovereign debt ratings from Moody's, Fitch Ratings and S&P Global Ratings remained unchanged.

### **(c) Exchange-rate policy**

In 2023, the average exchange rate of the Mexican currency was Mex\$ 17.8 to the dollar (FIX exchange rate), a nominal appreciation of 11.7%. The exchange rate was boosted, among other factors, by a record increase in remittance flows, the hike in Banco de México's target interest rate (a spread of 600 basis points over the United States federal funds rate was maintained) and foreign direct investment (FDI) inflows. Although currency appreciation limits domestic price rises and favours foreign tourism and imports, it also reduces the appeal of exporting goods and services and affects the purchasing power of family remittances. Net international reserves totalled US\$ 212.762 billion at the end of 2023, a rise of 6.9% from the end of 2022.

The average exchange rate as at 6 August 2024 was Mex\$ 17.28 to the dollar, representing a nominal appreciation of 2.7% relative to the end of 2023. On that day, however, the exchange rate was Mex\$ 19.04 to the dollar, owing to uncertainty resulting from the possible constitutional changes proposed by the government and international conflicts. On 26 July 2024, international reserves totalled US\$ 221.725

billion, slightly more (4.2%) than in December 2023. In November 2023, the Flexible Credit Line arrangement with the International Monetary Fund was renewed for the amount of US\$ 35 billion (previously US\$ 50 billion), valid until November 2025. As a result, the central bank has more than US\$ 256 billion at its disposal to deal with exchange-rate and financial turbulence.

**(d) Other policies**

In 2022 and 2023, the Office of the United States Trade Representative announced a request for consultations to settle disputes over energy and genetically modified products under chapter 31 of the Agreement between the United States of America, the United Mexican States, and Canada. The issue is important, since in 2023 alone the value of binational trade exceeded US\$ 779.308 billion, a record figure, according to the United States Census Bureau. The consultation process and, if necessary, the settlement of the dispute could be concluded by the end of 2024.

In April 2024, the government imposed temporary tariffs of between 5% and 50% on imports of 544 tariff items, applicable to products from countries with which it does not have trade agreements, including China. The items taxed include base metals and articles thereof, which account for 50.0% of the amended tariff items, textiles and articles thereof, with 14.2% of the amendments, and footwear and artificial flowers, with 8.6%.

The updated Global Agreement between Mexico and the European Union is expected to be signed by the end of 2024, replacing the agreement in force since July 2000. The accord is considered state-of-the-art and covers new areas of trade such as energy and raw materials, sustainable development, small and medium-sized enterprises, good regulatory practices, transparency and anti-corruption.

### **3. The main variables**

**(a) The external sector**

In 2023, the current account of the balance of payments showed a deficit of US\$ 5.426 billion, or 0.3% of GDP, compared to a deficit of 1.2% of GDP in 2022. The country ran a goods trade deficit of US\$ 5.549 billion, which was smaller than the deficit of US\$ 27.116 billion in 2022. Total exports increased in value by 2.7% and total imports declined by 1.0%; these figures were influenced by exchange-rate appreciation and the demand slowdown in the United States, and both were much lower than the year before. In the reference year, non-oil exports to the United States, which accounted for 86.4% of total worldwide exports, rose at an annual rate of 4.8%, while shipments to the rest of the world declined by 0.3%. The services deficit was US\$ 19.285 billion (equivalent to 1.1% of GDP), an increase on the deficit of US\$ 15.452 billion in 2022. Remittances totalled US\$ 63.32 billion (equivalent to 3.5% of GDP), a 7.6% increase on 2022. Currency inflows from international tourism totalled US\$ 30.809 billion, an annual rise of 10.0%.

The financial account ended 2023 with a net inflow of US\$ 7.418 billion, a decline on the US\$ 14.716 billion of 2022. Inward FDI totalled US\$ 30.196 billion, 22.8% less than in 2022. Omitting the exceptional inflow in 2022 due to the merger between two television companies, Televisa and Univision, and the restructuring of Aeroméxico, FDI would have been down 6.3% on that year. The drop in 2023 can mainly be attributed to the decrease in inflows in the form of capital contributions, which fell by 73% to their lowest level since 2012. Nearshoring of companies and investments from other countries to Mexico owing to its proximity to the United States and the predictability of the investment environment are among the factors that will attract FDI in the short and medium term. With this in view, on 11 October 2023 the

government issued a decree authorizing fiscal stimuli for 10 key sectors of the export industry. Effective until 31 December 2024, the decree establishes tax incentives for companies wishing to invest in new fixed assets anywhere in Mexico.

Mexico's merchandise trade recorded a cumulative deficit of US\$ 5.498 billion for the period from January to June 2024, a slight improvement on the US\$ 6.505 billion deficit in the same period of 2023. Total exports increased by 2.6% and total imports by 2.2%. Non-oil exports to the United States, which accounted for 83.8% of total worldwide exports, grew at a year-on-year rate of 3.8%. Non-oil exports to the rest of the world fell by 0.7%. FDI inflows totalled US\$ 19.636 billion in the first quarter of 2024, a drop of 13.3% on the first quarter of 2023. Remittances were a cumulative US\$ 31.343 billion in the first half of 2024, up 3.6% year-on-year (as compared to growth of 9.4% in the same period of 2023). In April 2024, foreign exchange income from international tourism was down by 8.1% year-on-year.

### **(b) Economic activity**

In 2023, primary activities declined by 1.5% while secondary activities expanded by 3.5% and tertiary activities by 3.2%. Per capita GDP grew by 3.2% in 2023 after increasing by 2.8% in 2022. The disaster caused by Hurricane Otis in the State of Guerrero had had a moderate negative effect on the country's GDP by year-end, affecting tourism, supply chains and consumption in the southern region.

On the demand side (taking unadjusted figures), private consumption grew by an average of 4.3% in 2023 (compared to an average of 5.2% in 2022) and gross fixed investment by 19.5% (compared to a rise of 7.7% in 2022). Private consumption contributed 3.0 percentage points to GDP growth, but public consumption contributed just 0.2 points; the contributions of gross domestic investment and exports were 4.2 points and negative 3.0 points, respectively. On the supply side, imports deducted 2.5 percentage points from GDP growth.

GDP grew by 1.5% in the first half of 2024 (taking seasonally adjusted figures and the advance estimate) compared to the same half of 2023. Primary activities are estimated to have expanded by 0.9% year-on-year, secondary activities by 1.0% and tertiary activities by 2.0%. Private consumption grew by an average of 3.7% year-on-year between January and May 2024 (compared to 5.2% in the same period of 2023), supported by wage growth and an increase, albeit a slowing one, in family remittance flows. Gross fixed investment grew by an average of 10.2% between January and May 2024 (compared to 13.3% in the same period of 2023), influenced by public investment and strengthened supply chain investment that was partly due to investment nearshoring.

### **(c) Prices, wages and employment**

In 2023, the year-on-year change in the consumer price index was 4.7%, a high figure but 3.1 percentage points lower than at the end of 2022. Producer prices rose by 0.8% (compared with 5.7% in 2022). In the last month of the year, core inflation stood at 5.1%.

In December 2023, the employed population stood at 59.1 million people, 1.2 million more than in the same month of 2022. A total of 4.5 million were underemployed (7.6% of the employed population), 309,000 more than in December 2022. The unemployment rate was 2.6%, 0.1 percentage points lower than in the same month of 2022. The unemployment rates for men and women were the same, i.e. 2.6%. The labour informality rate was 53.6%, which was slightly lower than the 54.9% recorded at the end of 2022.

The minimum wage increased by 20% in nominal terms in 2023. The basic wage rose from Mex\$ 260.3 to Mex\$ 312.4 a day in the northern border region, while in the rest of the country it was Mex\$ 207.4 a day from 1 January.

Year-on-year inflation in the first half of July 2024 was 4.98%, which was similar to the rate at end-2023 (compared with 5.06% in the same month of 2023). Inflationary pressures were mainly associated with increases in food and energy prices and the tariffs authorized by the government.

In June 2024, the employed population (within the economically active population) stood at 58.9 million people, 273,000 more than in June 2023. The total number of underemployed was 4.4 million (7.5% of the employed population), down by 190,000 on June of the previous year. The unemployment rate was 2.8%, 0.1 percentage points more than in the same month of 2023. The labour informality rate was 53.8%, down on June 2023 (55.5%).

The minimum wage has increased by 20% in nominal terms since the beginning of 2024. The basic wage has risen from Mex\$ 312.4 to Mex\$ 374.9 per day in the northern border region; in the rest of the country, it has been Mex\$ 248.9 since 1 January.

Table 1  
MEXICO: MAIN ECONOMIC INDICATORS

	2015	2016	2017	2018	2019	2020	2021	2022	2023 a/
	<b>Annual growth rates b/</b>								
Gross domestic product	2.7	1.8	1.9	2.0	-0.4	-8.4	6.0	3.7	3.2
Per capita gross domestic product	1.5	0.6	0.8	1.0	-1.2	-9.0	5.5	3.0	2.4
Gross domestic product, by sector									
Agriculture, livestock, hunting, forestry and fishing	1.9	2.9	3.3	2.5	0.3	1.1	2.3	1.6	-1.5
Mining and quarrying	-4.7	-3.7	-8.0	-6.5	-5.4	-0.4	2.6	4.1	1.4
Manufacturing	3.4	0.9	2.6	1.4	0.0	-8.2	8.8	5.6	0.9
Electricity, gas and water	1.1	-0.8	4.6	1.9	-5.3	-4.5	-22.3	0.3	3.1
Construction	2.4	1.8	-0.2	0.3	-3.9	-17.7	10.4	2.8	15.6
Wholesale and retail commerce, restaurants and hotels	2.8	1.4	2.1	3.7	-1.1	-11.9	10.4	7.5	3.9
Transport, storage and communications	6.5	4.9	4.7	3.4	0.6	-16.2	14.0	12.2	3.9
Financial institutions, insurance, real estate and business services	3.4	3.6	3.5	2.6	1.8	-2.0	-0.3	-5.2	2.9
Community, social and personal services	0.8	1.3	0.1	1.7	-0.1	-5.0	2.2	1.8	1.9
Gross domestic product, by type of expenditure									
Final consumption expenditure	2.5	1.9	1.5	1.7	0.8	-9.3	6.8	4.6	4.0
Government consumption	1.7	1.9	0.4	3.1	-1.7	-0.7	-0.5	1.2	2.1
Private consumption	2.7	1.9	1.7	1.5	1.2	-10.6	8.1	5.2	4.3
Gross capital formation	4.1	1.0	-0.2	-0.5	-4.2	-18.5	10.6	7.4	19.4
Exports (goods and services)	7.0	3.1	3.2	6.5	1.2	-7.0	7.2	8.7	-6.9
Imports (goods and services)	4.9	2.5	5.6	5.6	-1.1	-12.0	15.0	8.3	5.7
Investment and saving c/	<b>Percentages of GDP</b>								
Gross capital formation	23.7	24.3	23.9	23.5	22.1	20.2	21.6	22.7	24.8
National saving	21.1	22.1	22.1	21.4	21.8	22.6	21.2	21.5	24.5
External saving	2.6	2.3	1.8	2.1	0.3	-2.4	0.3	1.2	0.3
Balance of payments	<b>Millions of dollars</b>								
Current account balance	-31 536	-25 282	-21 404	-25 932	-3 871	26 905	-4 494	-17 599	-5 426
Goods balance	-14 612	-13 082	-10 984	-13 768	5 168	34 151	-10 730	-27 116	-5 549
Exports, f.o.b.	380 982	374 311	409 806	451 082	460 940	417 323	495 274	578 185	593 574
Imports, f.o.b.	395 595	387 392	420 790	464 850	455 772	383 172	506 005	605 302	599 122
Services trade balance	-11 195	-10 586	-11 686	-13 843	-9 433	-12 439	-12 398	-15 452	-19 285
Income balance	-30 794	-29 457	-29 701	-32 588	-36 749	-36 959	-33 944	-33 820	-43 697
Net current transfers	25 067	27 842	30 967	34 267	37 144	42 152	52 578	58 788	63 104
Capital and financial balance d/	15 869	25 147	16 639	26 415	6 509	-14 915	14 782	15 907	13 008
Net foreign direct investment	25 272	31 030	30 069	25 612	23 862	26 490	35 612	21 784	29 437
Other capital movements	-9 403	-5 883	-13 431	803	-17 353	-41 405	-20 830	-5 877	-16 430
Overall balance	-15 667	-136	-4 765	483	2 638	11 990	10 288	-1 692	7 582
Variation in reserve assets e/	15 667	136	4 765	-483	-2 638	-11 990	-10 288	1 692	-7 582
Other external-sector indicators									
Real effective exchange rate (index: 2015=100) c/	100.0	115.4	112.4	110.9	108.6	118.0	110.0	107.9	92.4
Terms of trade for goods f.o.b./f.o.b. (Annual growth rates)	-3.9	0.9	3.4	-1.4	2.3	0.8	-1.8	-2.2	17.2
Net resource transfer (millions of dollars)	-14 925	-4 310	-13 062	-6 173	-30 240	-51 874	-19 162	-17 912	-30 689
Total gross external debt (millions of dollars)	538 015	543 012	578 618	592 606	621 607	628 510	602 086	582 239	593 996
Employment g/	<b>Average annual rates</b>								
Labour force participation rate	59.8	59.7	59.3	59.6	60.1	55.6	58.8	59.8	60.4
Unemployment rate	4.3	3.9	3.4	3.3	3.5	4.4	4.1	3.3	2.8
Visible underemployment rate	8.3	7.6	7.0	6.9	7.4	16.3	12.6	8.3	7.7

Table 1 (concluded)

	2015	2016	2017	2018	2019	2020	2021	2022	2023 a/
<b>Prices</b>	<b>Annual percentages</b>								
Variation in consumer prices (December-December)	2.1	3.4	6.8	4.8	2.8	3.2	7.4	7.8	4.7
Variation in industrial producer prices (December-December)	9.1	4.7	5.7	1.7	3.7	9.2	5.5	5.3	2.1
Variation in nominal exchange rate (annual average)	19.2	17.7	1.2	1.7	0.1	11.6	-5.6	-0.8	-11.8
Variation in average real wage	...	0.9	-1.2	0.8	2.9	3.8	1.4	2.6	5.1
Nominal deposit rate h/	3.0	3.8	3.8	6.7	7.2	5.2	4.0	6.2	9.4
Nominal lending rate i/	28.4	26.8	26.8	28.3	30.3	30.2	29.4	30.7	32.2
<b>Federal government</b>	<b>Percentages of GDP</b>								
Total revenue	22.2	23.3	22.0	21.2	21.4	22.2	22.4	22.4	22.2
Tax revenue	12.3	13.1	12.6	12.7	12.7	13.9	13.4	12.9	14.2
Total expenditure	25.4	25.8	23.0	23.1	23.0	24.9	25.3	25.6	25.6
Current expenditure	20.6	20.1	19.5	20.1	20.1	21.6	20.9	21.3	21.9
Interest	2.1	2.3	2.4	2.5	2.7	2.8	2.6	2.8	3.3
Capital expenditure	4.9	5.7	3.5	3.0	2.9	3.3	4.4	4.3	3.6
Primary balance j/	-1.2	-0.1	1.3	0.5	1.1	0.0	-0.2	-0.5	0.0
Overall balance j/	-3.3	-2.4	-1.1	-2.0	-1.6	-2.8	-2.8	-3.2	-3.3
<b>Federal government public debt</b>	34.1	37.0	35.2	35.4	36.1	41.4	40.2	39.5	39.9
Domestic	27.3	27.9	27.0	27.4	28.4	31.8	31.3	31.9	33.6
External	7.4	9.1	8.2	8.0	7.7	9.6	8.9	7.6	6.3
<b>Money and credit</b>	<b>Percentages of GDP, end-of-year stocks</b>								
Domestic credit	50.7	53.1	53.3	52.9	56.7	61.6	60.5	58.9	58.8
To the public sector	19.9	20.1	19.0	19.3	21.1	24.7	25.5	24.6	25.5
To the private sector	30.8	33.0	34.3	33.6	35.6	36.9	35.1	34.3	33.3
Monetary base	6.5	6.8	6.9	6.9	6.9	8.8	9.1	9.2	9.3
Money (M1)	15.6	16.2	16.4	16.3	16.7	20.9	21.2	21.0	21.3
M2	23.0	23.6	23.6	24.0	24.5	29.4	29.2	29.1	29.7
Foreign-currency deposits	2.2	3.0	3.5	2.9	2.5	3.0	3.0	2.9	2.5

**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 2018 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.

h/ Cost of term deposits in the multibanking system.

i/ Average interest rate for credit cards from commercial banks and the TAC rate (Total Annual Cost).

j/ Includes the non-budgetary balance.

Table 2  
MEXICO: MAIN QUARTERLY INDICATORS

	2022				2023				2024	
	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/	2.7	3.0	4.7	4.4	3.6	3.5	3.4	2.3	1.6	...
Gross international reserves (millions of dollars)	198 576	195 145	193 230	192 308	197 112	201 268	200 960	205 574	209 567	...
Real effective exchange rate (index: 2005=100) c/	96.0	95.3	94.8	93.8	92.0	91.8	91.4	90.7	90.1	90.2 d/
Unemployment rate	3.5	3.2	3.4	3.0	2.7	2.8	3.0	2.7	2.5	...
Employment rate	56.7	58.0	57.9	58.6	58.6	58.5	58.8	58.9	58.5	...
Consumer prices (12-month percentage variation)	7.5	8.0	8.7	7.8	6.8	5.1	4.5	4.7	4.4	5.0
Wholesale prices (12-month percentage variation)	9.0	9.2	8.2	5.35	3.0	0.7	2.3	2.09	2.4	2.8 d/
Average nominal exchange rate (pesos per dollar)	20.5	20.0	20.2	19.7	18.7	17.7	17.1	17.5	17.0	16.8 d/
Nominal interest rates (average annualized percentages)										
Deposit rate e/	4.9	5.6	6.6	7.8	8.9	9.5	9.6	9.7	9.8	...
Lending rate f/	29.7	30.6	30.9	31.8	31.8	32.4	32.4	...	...	... g/
Interbank rate	6.0	7.1	8.5	10.0	11.1	11.5	11.5	11.5	11.5	...
Monetary policy rates	6.0	7.1	8.5	9.9	10.9	11.3	11.3	11.3	11.2	...
Sovereign bond spread, Embi + (basis points to end of period) h/	349	473	483	386	393	376	378	340	314	...
International bond issues (millions of dollars)	11 069	1 788	3 507	-	7 627	5 121	1 373	1 000	15 156	-
Domestic credit (variation from same quarter of preceding year)	8.8	8.1	7.6	7.7	7.8	7.4	8.6	8.8	8.4	...

**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 2018 prices.

c/ Quarterly average, weighted by the value of goods exports and imports.

d/ Figures as of April.

e/ Cost of term deposits in the multibanking system.

f/ Average interest rate for credit cards from commercial banks and the TAC rate (Total Annual Cost).

g/ Figures as of April.

h/ Measured by J.P.Morgan.