MEXICO

1. General trends

In 2020, Mexico's GDP shrank by 8.3% in real terms and using original series (compared to a drop of 0.2% in 2019), mainly on account of the coronavirus disease (COVID-19) pandemic. This was the largest decline in the country's economic activity since 1932. The contraction in domestic demand and supply was compounded by reduced global economic activity, especially in the United States. Inflation stood at 3.2% at the close of 2020 (compared to 2.8% in 2019) and the unemployment rate was 4.4% (against 3.5% in 2019). The non-financial public sector fiscal deficit was equal to 2.9% of GDP (compared to 1.6% in 2019), which meant abandoning the original 2020 target of a primary surplus of 0.7% of GDP for an actual surplus result of 0.1% of GDP. The balance of payments current account recorded a surplus equal to 2.4% of GDP (compared to a deficit of 0.3% in 2019), owing to a sharp decline in foreign trade, mainly in imports of goods and services.

On 30 March 2020, the Board of Health (CSG) declared a health emergency in Mexico. On 21 April, the federal Health Secretariat announced the start of phase 3 of the country's COVID-19 response, ordering the temporary closure of parks, stadiums, bars, beaches and places of worship and restricting mobility, with the *Quédate en casa* ("Stay at Home") campaign suggesting confinement. To counteract the negative impact of the health crisis, the government launched a series of economic and social instruments. Fiscal support —mainly focused on strengthening the health system and on subsidies and direct transfers to households— amounted to 1.1% of GDP and was financed by redirecting fiscal resources from budgeted non-health spending. On 1 June 2020, the gradual reopening of economic activity in the country began, although contagion rates remained high.

On 6 June 2021, elections were held for the Chamber of Deputies, 15 governorships and 30 local congresses, as well as city councils, municipal boards, borough mayors and other local authorities. The political movement led by the president and the parties that support it won most of the governorships; they also maintained an absolute majority in the Chamber of Deputies but lost their qualified majority (66% of the votes).

For 2021, ECLAC forecasts that Mexico's GDP will increase by 6.2%, mainly on account of a rise in exports to the United States and, to a lesser extent, the gradual recovery of the domestic market. Downside and upside risks exist, however, relating to the pace of recovery of global economic growth and to how the conclusion of the health crisis evolves, based on the availability of COVID-19 vaccines and the deployment of the vaccination programme. Inflation is expected to stand at around 6.0%, mainly because of increased demand fuelled by the economic recovery and higher prices for energy products and utilities. The unemployment rate will be around 4.0%, in line with slow job creation and a rise in job-seeker numbers in the aftermath of the pandemic. The non-financial public sector fiscal deficit is expected to reach about 3.2% of GDP (with a primary balance of -0.2% of GDP), with a balance of payments current account deficit of 0.2% of GDP, following the trend of recovery in trade flows, especially imports.

2. Economic policy

(a) Fiscal policy

In 2020, total budgetary revenues of the non-financial public sector decreased by 4.1% in real terms compared to 2019, due to a slump in oil revenues (-38.7%) that was partially offset by an increase in non-oil revenues (3.4%). A portion of these resources came from different public revenue stabilization funds and from various trusts that were cancelled. Income tax receipts rose by 0.9% and those of value added tax by 2.3%, bringing tax revenues up by 0.8% in real terms and accounting for 14.5% of GDP. Meanwhile, net public sector budgetary spending rose by 0.1% in real terms, as a result of higher capital (4.8%) and current (1.1%) expenditure, mainly for the health sector, since the public sector financial cost fell slightly (-0.4%), although interest, fees and expenses rose by 1.1%.

On 18 March 2020, the Chamber of Deputies approved the creation of the Emergency Prevention and Response Fund, totalling 180.733 billion pesos (0.7% of GDP). To achieve this, the government was authorized to eliminate 100% of the primary surplus, equal to 0.7% of GDP, which had initially been set as a target in the 2020 General Economic Policy Criteria (CGPE).

At the close of 2020, public debt represented 52.1% of GDP (compared to 45.1% in 2019), mainly due to the falling exchange rate and the contraction of economic activity, even though no more public debt was issued than had been planned before the start of the pandemic. Significantly, in September 2020, Mexico was the first country in the world to issue a bond linked to the United Nations Sustainable Development Goals (SDGs), in the amount of 750 million euros.

In December 2020, the government had 63.383 billion pesos (equivalent to US$ 3.169 billion) in its public finance stabilization funds: the Budgetary Revenue Stabilization Fund (FEIP), the Federal States' Revenue Stabilization Fund (FEIEF) and the Mexican Petroleum Fund for Stabilization and Development (FMP). The funds' balance was 73.6% lower than at the end of 2019. In 2020, resources from these funds and resources in various trusts (accounted for in non-tax non-oil revenues) were used to offset the drop in federal government revenues caused by the reduction in economic activity as a result of the pandemic. The government has announced its intention to propose a tax reform for 2022 that will prioritize administrative simplification for the payment of taxes.

In the first six months of 2021, public sector budget revenues rose by 7.3% in real terms compared to the same period in 2020, as a result of an increase in both non-oil (1.4%) and oil revenues (62.9%). At the same time, net public sector budgetary spending increased by 4.1% in real terms. This brought the public deficit for the period to 231.197 billion pesos, compared to the deficit of 293.251 billion pesos recorded in the corresponding period in 2020. Debt is expected to reach 49.7% by the end of 2021, due to an increase in GDP, stable interest rates and higher inflation. In July 2021, Mexico issued its second SDG-linked bond, with the lowest coupon rate in history for a 15-year euro-denominated bond.

(b) Monetary and financial policy

In February 2020, the overnight interbank interest rate, which is the Bank of Mexico's benchmark rate, fell by 25 basis points to 7.0%, marking the launch of an expansionary monetary policy. In light of the sharp fall in international oil prices at the start of the year and the spread of the COVID-19 pandemic, the Bank of Mexico Board of Governors decided to lower this rate by 50 basis points on five separate occasions (March, April, May, June and August 2020) and by 25 basis points in September, bringing it down to 4.25%. In addition, in 2020, the Bank of Mexico earmarked 750 billion pesos (equivalent to 3.3% of GDP) for a series of measures to promote the orderly functioning of financial markets during the pandemic, to strengthen lending channels and to provide liquidity to what is a very sound financial system.

In December 2020, the commercial banks' outstanding private sector credit portfolio fell by 4.6% in year-on-year real terms, on account of the reduction in consumer credit (-11.5%) and in loans to companies and to individuals with business activities (-4.5%). In contrast, mortgage lending rose by 5.3%.

Also in December 2020, the active lending rate for credit cards and mortgage loans stood at a nominal 29.5% (25.5% in real terms, 1.7 percentage points lower than in December 2019). The deposit rate —defined as the average cost of term deposits to the commercial banks— reached a nominal 4.0% (equivalent to 0.9% in real terms, 3.0 percentage points lower than in December 2019).

In 2020, Standard & Poor's, Fitch Ratings and Moody's Investors Service downgraded the credit ratings of Petróleos Mexicanos (PEMEX) and the country's sovereign debt. This adjustment was due to the fact that the spread of COVID-19 in Mexico and in the United States (the country's main trading partner), coupled with the fall in international oil prices, was expected to have a pronounced negative impact on the economy.

In February 2021, the Bank of Mexico further reduced its benchmark rate by 25 basis points to 4.00%, the lowest level since June 2016. In June, however, because of inflationary pressures, it increased it by 25 basis points to 4.25%. That month, the commercial banks' outstanding private sector credit portfolio fell by 11.8% in year-on-year real terms, a result that was related to the drop in consumer credit (-8.5%) and in loans to companies and to individuals with business activities (-16.9%). In turn, home lending rose slightly (2.9%) and the real-term lending and deposit rates stood at 23.0% and -2.1%, respectively. In July 2021, in light of PEMEX's high liquidity risk and its increasing commercial risk, Moody's downgraded the company's rating from Ba2 to Ba3 —three notches below investment grade— and maintained its negative forecast.

(c) Exchange-rate policy

The peso was hit hard by the global health crisis during the first months of 2020. The dollar exchange rate rose from 18.9 to 25.1 pesos between the end of 2019 and the end of March 2020: a nominal depreciation of 33.2%. Although there were other periods of volatility, since then there has been an appreciation of the exchange rate, with which the peso closed 2020 at a rate of 20 to the dollar. To address these pressures, in March 2020 the Foreign Exchange Commission announced that the peso hedge programme would be increased from US$ 20 billion to US$ 30 billion. That same month, the Bank of Mexico and the Federal Reserve announced the establishment of a foreign exchange swap mechanism for up to US$ 60 billion, intended to support the provision of dollar liquidity in the domestic interbank market. This mechanism will remain in force until 31 December 2021.

At the end of 2020, Mexico's international reserves stood at US$ 195.667 billion, 8.3% up from the end of 2019 and the highest figure since May 2015, which was mainly on account of the re-evaluation of the central bank's assets. Using a part of those resources, the Bank of Mexico held several dollar auctions to shore up the peso-dollar exchange rate.

In July 2021, the peso recorded an average exchange rate of 20.1 to the dollar. On 30 July 2021, international reserves stood at US$ 193.424 billion, slightly down (-1.2%) from the close of 2020. In addition, the flexible credit line with the International Monetary Fund (IMF) for US$ 61 billion remains in force. Thus, the central bank has more than US$ 315 billion at its disposal to deal with currency and financial turbulence.

(d) Other policies

The United States-Mexico-Canada Agreement (USMCA) came into force on 1 July 2020, replacing the North American Free Trade Agreement (NAFTA) that had been in effect for 26 years. In April 2020, Mexico and the European Union concluded negotiations to modernize the free trade agreement in force since July 2000.

In April 2021, a comprehensive reform to the labour subcontracting regime was approved to prevent fake contracts, tax evasion and practices that do not accrue seniority or generate contributions to social security or the National Workers' Housing Fund Institute (INFONAVIT) and that restrict maternity leave, disability pay, severance pay, profit sharing and other benefits enshrined in law. These amendments will benefit more than 4.6 million workers subject to that regime in the country.

Similarly, in early 2021, legislators adopted amendments to the laws of the Mexican Social Security Institute (IMSS) and the Retirement Savings System (SAR), which will affect the financial and labour sectors, mainly through increased social security contributions (which will rise from 6.5% to 15.0% of the base salary for contributions over a period of eight years starting in 2023), a cap on the fees charged by Retirement Fund Administrators (AFORES) and the amount of the Minimum Guaranteed Pension.

In mid-2021, the Trade Continuity Agreement between the United Mexican States and the United Kingdom of Great Britain and Northern Ireland —signed by the two nations in December 2020— came into force. The agreement maintains preferential trading conditions after the United Kingdom's exit from the European Union and also provides certainty for Mexican and British companies trading in goods and services. The agreement establishes a three-year period for Mexico and the United Kingdom to negotiate a new, more ambitious and modern free trade agreement.

3. The main variables

(a) The external sector

In 2020, the balance of payments current account posted a surplus of US$ 25.953 billion, equivalent to 2.4% of GDP. The goods trade balance, meanwhile, showed a surplus of US$ 34.013 billion, up from the result of US$ 5.362 billion recorded in 2019. Total exports fell by 9.5%, while total imports dropped by 15.9%. One of the economic sectors most severely affected by the COVID-19 pandemic has been tourism: 2020 foreign exchange earnings from international tourism fell by 55.1% compared to the 2019 figure.

In 2020, family remittances to Mexico accrued to a total of US$ 40.601 billion, 11.4% higher than in 2019. This performance was on account of a variety of factors, including migrants' solidarity vis-à-vis the health and economic crisis, the family transfer programme in the United States, the increased use of electronic channels to send remittances and the weaker exchange rate. Remittances are very important to Mexico's economy: in 2020, (i) 5.0% of Mexican households received them, (ii) they accounted for 3.8% of national GDP, (iii) they outstripped foreign exchange earnings from foreign direct investment (FDI), tourism and crude oil exports, and (iv) in Michoacán, Guerrero, Oaxaca, Zacatecas and Nayarit, remittances accounted for more than 10% of those States' GDP.

FDI inflows in 2020 totalled US$ 27.786 billion, down 18.9% from the 2019 figure. While this result was related to the pandemic, it was also linked to the uncertainty caused by the cancellation of projects in the energy, airports, beverage processing and other sectors. Net FDI amounted to US$ 25.128 billion, 7.2% more in year-on-year terms.

In the first half of 2021, Mexico's trade balance posted a deficit of US$ 1.095 billion, lower than the deficit of US$ 2.39 billion recorded over the same months in 2020. Total exports increased by 29.2% over the period (and will be one of the main drivers of the country's economic growth in 2021) and total imports rose by 30.3%. From January to May 2021, foreign exchange earnings from international tourism fell by 7.3% in year-on-year terms.

Between January and June 2021, remittances increased by 21.4% compared to the corresponding period in 2020, which will bolster private consumption. In the first quarter of 2021, FDI inflows posted a preliminary result of US$ 11.864 billion, down 29.2% from January–March 2020. Meanwhile, net FDI amounted to US$ 10.468 billion, down 35.2% from the same period in 2020.

(b) Economic activity

In 2020, Mexico's GDP fell by 8.5% in seasonally adjusted real terms compared to the 2019 result. The GDP of the tertiary and secondary sectors decreased by 7.9% and 10.2%, respectively, while the primary sector posted a 2.3% increase over 2019.

On the demand side, private consumption fell by 10.5% in 2020 (compared with an increase of 0.4% in 2019) and gross fixed investment shrank by 18.3% (against -4.7% in 2019), mainly due to the weak performance of the machinery and equipment components and residential construction. Exports of goods and services fell by 7.3%, on account of the global economic slowdown, while on the supply side, imports of goods and services were down by 14.6%.

In the first half of 2021, seasonally adjusted GDP rose by 7.4% compared to the same period in 2020. Primary activities expanded by 4.5% in annual terms, tertiary activities by 6.0% and secondary activities by 11.0%.

Economic activity began a gradual recovery as of the third quarter of 2020. However, full recovery, with a real level similar to that of 2018, is not expected to be reached until 2023 (although in terms of per capita GDP it will not be achieved until 2029). This will also gradually improve the employment and poverty situation in Mexico.

(c) Prices, wages and employment

In December 2020, year-on-year inflation reached 3.2% —up from 2.8% over December 2019— due to increased prices of certain agricultural products, medical supplies, medicines, gasoline and utilities, as well as the falling exchange rate. Despite the economic crisis, inflation remained relatively stable as demand effects offset supply effects and there was no significant exchange rate pass-through impact on domestic prices.

The havoc that the pandemic and containment measures wreaked on economic activity led to a total of 12.5 million job losses in Mexico in April 2020, with no improvements until the end of the year. Thus, the national unemployment rate stood at 4.4% of the economically active population (EAP), up from the figure of 3.5% posted in 2019. Although the result was negative, it was not higher because a large part of the EAP did not seek employment or worked fewer hours over a prolonged period, and so they were not recorded as unemployed. For the same reason, the underemployment rate reached 16.4% (against 7.5% in 2019) and the labour informality rate reached 54.5%, slightly lower than the 2019 figure of 56.5%.

In 2020, the general minimum wage rose by 20.0% across the board, from 102.68 to 123.22 pesos a day, which was the largest annual increase in 44 years. The minimum wage was set by adding, to the previous minimum wage, 14.67 pesos through the Independent Recovery Amount (MIR) mechanism, plus a 5.0% percentage increase. The minimum wage on the northern border rose by 5.0%.

In June 2021, inflation was up 0.5% over the previous month, and annual inflation stood at 5.9%. Inflationary pressures are present on account of rising prices for vehicle fuels, utilities and some food items.

During the first quarter of 2021, the economically active population fell by 1.6 million people compared to the same period in 2020 (55.4 million people, down from 57.0 million). The employed population totalled 53 million people; 2.1 million fewer than in the first quarter of 2020. The national unemployment rate rose by 0.9 percentage points, from 3.4% to 4.3%. The pandemic's impact on the labour market has disproportionately affected women: 83.6% of the 1.6 million people who exited the labour force were women, as were 70% of the 2.1 million who were no longer employed.

In 2021, the general minimum wage increased by 15.0%, from 123.22 pesos to 141.71 pesos per day. The new minimum wage was set by adding 10.46 pesos to the current amount through the MIR mechanism and then applying an increase of 6.0%. Meanwhile, the minimum wage in the Northern Border Free Zone will rise from 185.56 to 213.39 pesos per day in 2021, an increase of 15.0%, after adding 15.75 pesos under the MIR mechanism and applying a percentage increase of 6.0%.

Table 1
MEXICO: MAIN ECONOMIC INDICATORS

	2012	2013	2014	2015	2016	2017	2018	2019	2020 a/
	Annual growth rates b/								
Gross domestic product	3.6	1.4	2.8	3.3	2.6	2.1	2.2	-0.2	-8.3
Per capita gross domestic product	2.2	0.0	1.5	2.0	1.4	0.9	1.1	-1.3	-9.3
Gross domestic product, by sector									
Agriculture, livestock, hunting, forestry and fishing	6.4	2.3	3.7	2.1	3.5	3.4	2.6	-0.3	-0.5
Mining and quarrying	1.1	-0.6	-1.9	-4.4	-4.3	-8.3	-5.5	-4.6	-1.1
Manufacturing	3.9	0.5	4.0	2.9	1.6	2.8	1.8	0.3	-9.9
Electricity, gas and water	2.0	0.6	8.1	1.7	0.1	-0.4	7.5	-0.6	-5.3
Construction	2.4	-1.6	2.6	2.1	1.6	-0.4	0.2	-4.9	-17.4
Wholesale and retail commerce, restaurants and hotels	3.8	1.7	3.4	4.6	2.8	3.5	3.0	-0.6	-13.2
Transport, storage and communications	5.9	3.0	4.0	8.0	6.8	5.5	3.9	1.1	-14.6
Financial institutions, insurance, real estate and business services	4.5	3.3	3.6	5.4	4.4	2.2	2.7	1.3	-1.9
Community, social and personal services	3.1	1.2	0.4	1.0	1.4	2.2	2.5	0.9	-3.5
Gross domestic product, by type of expenditure									
Final consumption expenditure	2.5	1.6	2.2	2.6	3.5	2.8	2.6	0.1	-8.6
Government consumption	3.4	0.5	2.6	1.9	2.6	0.7	2.9	-1.3	2.3
Private consumption	2.3	1.8	2.1	2.7	3.7	3.2	2.6	0.4	-10.5
Gross capital formation	5.3	-2.1	1.5	4.5	0.5	-1.2	0.4	-5.3	-18.1
Exports (goods and services)	6.5	1.4	7.0	8.4	3.6	4.2	6.0	1.5	-7.3
Imports (goods and services)	5.4	2.1	5.9	5.9	2.9	6.4	6.4	-0.7	-14.6
Investment and saving c/	**Percentages of GDP**								
Gross capital formation	23.9	22.5	21.9	23.3	23.6	22.9	22.7	21.2	19.3
National saving	22.3	20.0	19.9	20.7	21.4	21.1	20.7	20.9	21.7
External saving	1.6	2.5	1.9	2.7	2.3	1.8	2.1	0.3	-2.4
Balance of payments	**Millions of dollars**								
Current account balance	-18 637	-31 517	-25 427	-31 075	-24 361	-20 423	-25 110	-3 777	25 953
Goods balance	291	-909	-2 795	-14 612	-13 082	-10 984	-13 768	5 167	33 979
Exports, f.o.b.	371 442	380 729	397 651	380 983	374 311	409 806	451 082	460 939	417 151
Imports, f.o.b.	371 151	381 638	400 447	395 595	387 392	420 790	464 850	455 772	383 172
Services trade balance	-14 906	-14 058	-13 292	-9 779	-8 958	-9 761	-11 479	-8 281	-11 202
Income balance	-26 660	-38 491	-32 686	-30 974	-29 401	-29 808	-33 269	-36 864	-36 894
Net current transfers	22 638	21 942	23 345	24 290	27 079	30 129	33 406	36 200	40 069
Capital and financial balance d/	36 161	49 306	41 756	15 409	24 225	15 658	25 593	6 416	-13 963
Net foreign direct investment	-571	32 758	22 955	24 815	30 956	30 245	25 557	23 433	25 128
Other capital movements	36 732	16 548	18 801	-9 407	-6 731	-14 587	36	-17 018	-39 091
Overall balance	17 524	17 789	16 329	-15 667	-136	-4 765	483	2 638	11 990
Variation in reserve assets e/	-17 524	-17 789	-16 329	15 667	136	4 765	-483	-2 638	-11 990
Other external-sector indicators									
Real effective exchange rate (index: 2005=100) f/	112.6	106.8	107.8	121.5	139.8	136.7	135.8	131.7	143.4
Terms of trade for goods (index: 2010=100)	97.3	97.8	97.1	93.0	93.6	96.5	96.1	98.3	96.2
Net resource transfer (millions of dollars)	9 501	10 815	9 070	-15 565	-5 176	-14 150	-7 676	-30 448	-50 857
Total gross external debt (millions of dollars)	226 492	259 977	286 624	296 399	314 202	333 398	342 711	355 795	373 079
Employment g/	**Average annual rates**								
Labour force participation rate	59.2	60.3	59.8	59.8	59.7	59.3	59.6	60.1	55.3
Open unemployment rate	5.0	4.9	4.8	4.4	3.9	3.4	3.3	3.5	4.4
Visible underemployment rate	8.5	8.3	8.1	8.3	7.6	7.1	6.9	7.5	16.4

Table 1 (concluded)

	2012	2013	2014	2015	2016	2017	2018	2019	2020 a/
Prices	**Annual percentages**								
Variation in consumer prices									
(December-December)	3.6	4.0	4.1	2.1	3.4	6.8	4.8	2.8	3.2
Variation in industrial producer prices									
(December-December)	1.0	1.5	1.8	3.0	9.1	4.7	5.7	1.7	3.7
Variation in nominal exchange rate									
(annual average)	5.7	-3.0	4.3	19.2	17.6	1.4	1.7	0.1	11.6
Variation in average real wage	0.0	0.1	0.4	1.4	0.9	-1.2	0.8	2.9	3.8
Nominal deposit rate h/	4.2	3.9	3.2	3.0	3.8	3.8	6.7	7.2	5.2
Nominal lending rate i/	28.6	27.9	28.6	28.4	26.8	26.8	28.3	30.3	30.2
Federal government	**Percentages of GDP**								
Total revenue	22.2	23.3	22.8	23.0	24.1	22.6	21.7	22.0	23.1
Tax revenue	8.3	9.6	10.3	12.7	13.5	13.0	13.0	13.1	14.5
Total expenditure	24.8	25.7	25.9	26.3	26.6	23.6	23.8	23.7	26.0
Current expenditure	20.1	20.3	20.8	21.3	20.7	20.0	20.7	20.7	22.6
Interest	1.9	1.9	2.0	2.2	2.3	2.4	2.6	2.7	3.0
Capital expenditure	4.7	5.4	5.1	5.0	5.9	3.6	3.1	3.0	3.4
Primary balance j/	-0.6	-0.4	-1.1	-1.2	-0.1	1.4	0.6	1.1	0.1
Overall balance j/	-2.6	-2.3	-3.1	-3.4	-2.5	-1.1	-2.0	-1.7	-2.8
Federal government public debt	27.8	29.8	31.7	34.1	37.0	35.2	35.4	36.1	42.0
Domestic	22.4	24.2	25.3	27.4	27.9	27.0	27.4	28.4	32.3
External	5.5	5.6	6.4	7.4	9.1	8.2	8.0	7.7	9.7
Money and credit	**Percentages of GDP, end-of-year stocks**								
Domestic credit	45.6	48.5	49.0	52.5	54.7	54.8	54.4	58.3	64.3
To the public sector	19.6	19.5	19.8	20.6	20.7	19.5	19.9	21.7	25.6
To the private sector	26.0	29.0	29.2	31.9	34.0	35.3	34.5	36.6	38.7
Monetary base	5.3	5.6	6.1	6.7	7.1	7.0	7.1	7.1	9.2
Money (M1)	13.3	14.2	15.0	16.1	16.7	16.8	16.8	17.2	21.8
M2	20.9	22.1	22.4	23.8	24.4	24.3	24.7	25.2	30.7
Foreign-currency deposits	1.3	1.4	1.8	2.3	3.1	3.5	3.0	2.5	3.1

Surce: 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 2013 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/ 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

	2019				2020				2021	
	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/	1.3	-1.0	-0.2	-0.7	-1.3	-18.7	-8.7	-4.5	-3.6	…
Gross international reserves (millions of dollars)	181 143	185 429	186 740	184 012	189 114	196 866	198 783	199 688	200 902	200 491
Real effective exchange rate (index: 2005=100) c/	131.3	131.7	133.2	130.5	133.8	155.2	147.5	137.3	135.1	133.4 d/
Open unemployment rate e/	3.4	3.5	3.7	3.4	3.4	4.8	5.2	4.3	4.3	…
Employment rate e/	57.5	58.1	58.1	58.4	57.8	47.0	52.6	54.9	54.6	…
Consumer prices (12-month percentage variation)	4.0	3.9	3.0	2.8	3.2	3.3	4.0	3.2	4.7	5.9
Wholesale prices (12-month percentage variation)	4.4	2.1	2.7	1.70	3.6	3.9	4.3	3.71	5.1	3.4 f/
Average nominal exchange rate (pesos per dollar)	19.2	19.1	19.4	19.2	20.0	23.3	22.1	20.5	20.3	20.0
Nominal interest rates (average annualized percentages)										
Deposit rate g/	7.2	7.3	7.3	6.9	6.5	5.6	4.6	4.1	3.9	3.8 d/
Lending rate h/	29.7	30.1	30.5	30.9	31.1	30.5	29.8	29.5	29.6	29.8 f/
Interbank rate	8.6	8.5	8.4	7.9	7.3	6.1	5.0	4.5	4.4	4.3 d/
Monetary policy rates	8.3	8.3	8.0	7.5	6.9	5.5	4.6	4.3	4.1	4.1
Sovereign bond spread, Embi + (basis points to end of period) i/	308	329	317	292	653	526	501	361	351	348
Risk premiia on five-year credit default swap (basis points to end of period)	125	112	116	79	241	158	152	81	114	93
International bond issues (millions of dollars)	3 101	11 044	16 872	2 530	14 826	10 950	6 494	9 632	14 047	8 118
Stock price index (national index to end of period, 31 December 2005 = 100)	243	242	242	245	194	212	210	248	265	282
Domestic credit (variation from same quarter of preceding year)	5.6	8.6	12.2	11.2	12.3	7.7	9.1	4.6	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 2013 prices.
c/ Quarterly average, weighted by the value of goods exports and imports.
d/ Figures as of May.
e/ Nationwide total.
f/ Figures as of April.
g/ Cost of term deposits in the multibanking system.
h/ Average interest rate for credit cards from commercial banks and the TAC rate (Total Annual Cost).
i/ Measured by J.P.Morgan.

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