



TRADE LINKS

LAZOS COMERCIALES

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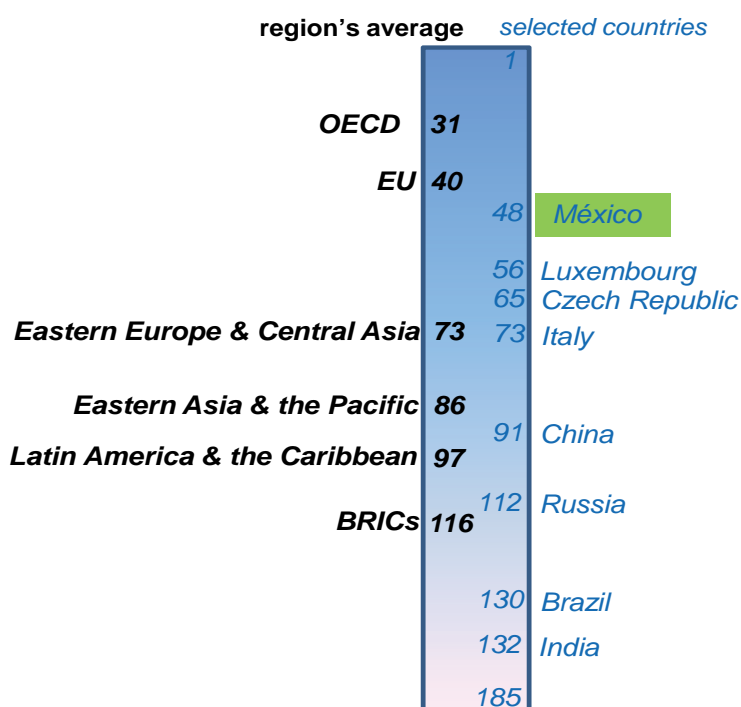
Mexico moves forward in the Ease of Doing Business Index ranking

For the fourth consecutive year, Mexico has improved its position in the Ease of Doing Business Index, conducted annually by the World Bank and the International Finance Corporation (IFC) since 2003.

In the 2013 edition of this index, Mexico improved five positions, from the 53rd to the 48th from a total of 185 countries being evaluated, which places it above various European Union (EU) countries, such as Hungary (54), Poland (55), Luxembourg (56), Czech Republic (65), Bulgaria (66), Romania (72), Italy (73), Greece (78) and Malta (102), and all of the BRIC countries, China (91), Russia (112), Brazil (130) and India (132).

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Doing Business 2013: Global Ranking



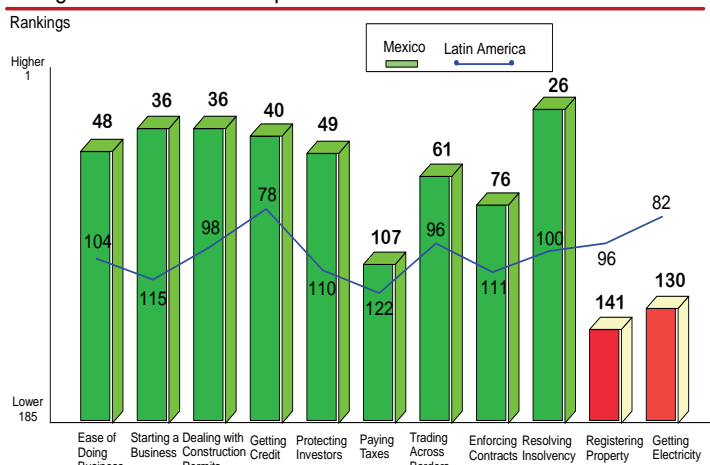
Mexico moves forward in the Ease of Doing Business

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The Ease of Doing Business Index measures ten indicators that have a direct impact on a country's business environment: Starting a Business, Dealing with Construction Permits, Getting Electricity, Registering Property, Getting Credit, Protecting Investors, Paying Taxes, Trading Across Borders, Enforcing Contracts and Resolving Insolvency. For each indicator, three variables were measured: number of procedures, costs and time required. Therefore, it is considered that this index uses factual information about the efficiency of the laws and regulations that allow a better functioning of the business environment in a country.

Mexico is better positioned than the Latin American average in eight of the ten indicators.

Doing Business 2011: Components



Source: Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises

For example, Mexico achieved its best position (26) in the indicator of Insolvency Proceedings, which includes the time, cost and outcome of insolvency proceedings involving domestic firms. In this indicator, Mexico surpasses Italy (31), France (43), Switzerland (45) and Luxembourg (52), as well as the average for the OECD (30) and the EU (36).

It is also noteworthy that Mexico showed the biggest gain in the indicator for Opening a Company, moving from the 75th position to 36th, largely due to the elimination of minimum capital requirements needed to start a business.

The report also mentions important improvements in some processes for Obtaining Electricity, such as the utilization of geo-referenced networks for the location of the lines and the optimization in the handling of inventories. This optimization process has decreased by 19 the average number of days required for the installation of electrical energy.

The Paying Taxes indicator also showed an improvement of two places from the previous year, from the 109th to the 107th. The study mentions that in the past five years, Mexico has reduced by 78% the average number of times in which taxes are paid in one year, moving from 27 times in 2007 to only 6 in 2012. The study emphasizes that in this same period, the annual time spent on paying taxes decreased from 549 to 337 hours, which means an annual average savings of 39% in time and resources for businesses.

Final Remarks

The results of the Doing Business 2013 are added to those of other renowned studies published this year by prestigious international institutions such as the Global Competitiveness Report of the World Economic Forum and the Global Competitiveness Yearbook of the Institute for Management Development, where Mexico has improved its position in the assessments, demonstrating a continued progress in economic and social fields.

In fact, the good performance of Mexico in every indicator is a reflection of the impact that public policies have had on the country's business climate and competitiveness, where in the last twelve months, more than one million jobs were created in the formal sector of the economy.

Mexico's Total Trade in August (billion US\$)

	2011	2012	%
Total	60.1	64.3	6.9
Exports	27.8	31.7	13.7
Exports (excluding oil)	26.6	26.8	1.1
Imports	32.3	32.6	1.1

Source: Banco de México

Mexico's Trade with EU and EFTA (million US\$)

	2011	2012	%
January - August			
Exports to the EU	10,825.8	14,671.3	35.5
Imports from the EU	25,074.4	27,513.3	9.7
Exports to the EFTA	772.8	732.5	-5.2
Imports from the EFTA	1,104.4	1,136.1	2.9

Source: Banco de México

Mexico's Food and Agriculture Sector

Excerpts from the magazine "Negocios" published by ProMéxico*

A policy of economic deregulation in the food and agriculture sector, coupled with the blessings of Mother Nature, has positioned Mexico as a leading actor and an attractive destination for investment in agribusiness.

In fact, Mexico has an enormous diversity and abundance of natural resources, which represent a major source of potential revenue and that can be utilized to meet increasing demand by the primary sector.

Boasting 197.8 million hectares of territory –16% of which is arable land, 61% pastureland and 23% forest and jungle– and 11,500 kilometers of coastline, Mexico not only has ideal conditions for a wide range of agricultural, livestock, forestry and fishing activities, but also enjoys an unparalleled geographical location, making investment in this sector highly appealing.

Also, its weather conditions are as diverse as its soil systems –28.3% of the country is dry, 27.7% warm and 23.2% temperate.

Aside from its undeniable social importance, the food and agriculture sector accounts for 10.9% of Mexico's Gross Domestic Product (GDP), divided among the primary sector (52.3%) and the food and beverage industry (47.7%).

This economic sector is highly globalized, with multinationals investing in equipment and production processes, particularly in the food industry, and the larger Mexican companies purchasing new technologies on the international market, resulting in stronger ties with foreign suppliers.

The food, beverage and tobacco industry alone accounts for 28.3% of the country's manufacturing GDP and agricultural related activities are extremely diversified, although bread and tortilla production (32%) and

meat processing (23%) are the heavyweights in terms of the sector's contribution to GDP.

Nine of the world's 10 leading multinationals have operations in Mexico, which is the second most important supplier of processed food to the US and the third largest producer of processed food in America.

According to figures from Mexico's Ministry of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA), food and agriculture exports were valued at over 12.5 billion dollars in the first half of 2012, which translates into an increase of 4.31% compared to the same period of 2011.

Affordable production costs constitute yet another competitive edge, since they allow companies to stick to their strategies without sacrificing quality.

Additionally, Mexico has the capacity to supply products like mangos, strawberries and other berries all year round to markets where these are only available seasonally.

Mexico is also well positioned to meet growing demand for organic products. Not only is it the world's leading exporter of organic coffee and a major exporter of similar crops but also, according to data furnished by ProMéxico, in 2011 Mexico was rated among the top 20 countries in the world in terms of sales of organic food products.

As a competitive manufacturer capable of supplying a wide range of products to global markets, Mexico's food and agriculture sector has attracted substantial foreign direct investment and looks set to harvest the fruits of economic liberalization well into the future.

For more information, please visit :

<http://negocios.promexico.gob.mx/>

Mexico's Economic Indicators

Inflation rate: 0.44% (September, 2012); 4.77% (2012, annual)
Industrial Production: 3.6% (August 2012 / August 2011) Manufacturing: 4.5%; Construction: 2.7%, Mining: -1.9%
Global Index of Economic Activity: 3.5% (August 2012 / Aug. 2011)
Consumer Confidence Index: 94 pts. (September 2012) 1.6 percentage points (September 2012 / September 2011)
Open unemployment rate: 5.0 % (September 2012) <i>Source: INEGI</i>

Mexico's Financial Indicators

Foreign exchange rate: 12.97 peso/dollar (October 25, 2012)
International reserves: \$161,098 million dollars (Sep. 19, 2012)
Mexican stock market index (IPC): 41,877 (October 25, 2012)
Interest rate treasury bonds CETES 28 days: 4.22 % (October 25, 2012)

Source: Banco de Mexico

Mexico's Official Gazette Notices

- **3/09/2012** Agreement establishing goods subject to import regulations by the Ministry of Agriculture
- **5/09/2012** Decree amending the Mexican Tariff Schedule and the Decree establishing Sectoral Promotion Programs
- **11/09/2012** Final determination of the antidumping investigation on imports of monobutyl ethers of ethylene glycol, originating from United States of America, regardless of the shipping country. (Mexican tariff item 2909.43.01)
- **13/09/2012** Decree amending the Mexican Tariff Schedule
- **26/09/2012** Agreement amending the Agreement that discloses the import tariff-rate quota of toys

EU Official Journal

- **3/09/2012 L237** Regulation (EU) No 765/2012 of the European Parliament and of the Council of 13 June 2012 amending Council Regulation (EC) No 1225/2009 on protection against dumped imports from countries not members of the European Community
- **4/09/2012 L238** Council Implementing Regulation (EU) No 796/2012 of 30 August 2012 imposing a definitive anti-dumping duty on imports of lever arch mechanisms originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EC) No 1225/2009
- **6/09/2012 L240** Council Decision of 23 March 2012 authorising the opening of negotiations for an international agreement on the creation of the EU-LAC Foundation as an international organisation
- **8/09/2012 L244** Commission Decision of 7 September 2012 amending Decision 2008/899/EC accepting the undertakings offered in connection with the anti-dumping proceeding concerning imports of citric acid originating in the People's Republic of China
- **18/09/2012 L251** Commission Regulation (EU) No 833/2012 of 17 September 2012 imposing a provisional anti-dumping duty on imports of certain aluminium foils in rolls originating in the People's Republic of China
- **19/09/2012 L252** Commission Regulation (EU) No 845/2012 of 18 September 2012 imposing a provisional anti-dumping duty on imports of certain organic coated steel products originating in the People's Republic of China
- **26/09/2012 L258** Commission Regulation (EU) No 875/2012 of 25 September 2012 initiating an investigation concerning the possible circumvention of anti-dumping measures imposed by Council Implementing Regulation (EU) No 990/2011 on imports of bicycles originating in the People's Republic of China by imports of bicycles consigned from Indonesia, Malaysia, Sri Lanka and Tunisia, whether declared as originating in Indonesia, Malaysia, Sri Lanka and Tunisia or not, and making such imports subject to registration

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