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Chart 1

Mexico: Exports and Imports



Sources: Scotiabank Economics, INEGI.

Latam Daily: Mexico's Strong Export Performance Alongside October Trade Balance Surplus

- **Mexico: October trade balance surplus surpasses expectations with strong export performance**

INEGI released October's trade balance, showing a surplus. In the tenth month of the year, it stood at \$370 million USD, higher than the anticipated -\$748 million USD and -\$578.9 million USD recorded in September. Details highlight an annual increase in exports of 11.2% y/y and a 9.7% rise in imports. Exports totaled \$57.671 billion USD, of which \$55.288 billion USD were non-oil exports (+13.5% y/y), with manufacturing exports amounting to \$52.495 billion USD (+13.2%), and automotive exports show an increase of 6.1% annually. On the other hand, imports totaled \$57.300 billion USD, with \$54.058 billion USD being non-oil imports (+12.0%). Within these, intermediate goods rose by 11.6%, while imports of capital goods and consumer goods increased by 5.8% and 3.1%, respectively. On a year-to-date cumulative basis, the trade balance holds a \$10.645 billion USD deficit as exports stood at \$513.4 billion USD while imports accounted for \$524.0 billion USD, representing both cumulative YTD increases of 4.0%.

Towards the end of the year, the strength in automotive exports is expected to continue, at least until Trump's threats of imposing tariffs materialize. On the other hand, the recent MXN depreciation and weaker economic activity could also slow imports in the coming months amid higher uncertainties. Furthermore, the anticipated global economic slowdown and fluctuations in commodity prices could also impact the growth rate of Mexican trade, affecting both imports and exports.

—Rodolfo Mitchell, Brian Pérez & Miguel Saldaña

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