



Negocios Promexico
February 2013



Everything you need to know about Mexico's Mining and MetalMechanic Industry

Opportunities in the Mining Sector

In 2012, Mining Industry was Mexico's fourth largest income source after automotive, electronic and oil industries. In the last four years the share of GDP in this sector grew 1% to contribute nowadays a total of 4.9% of GDP.

With over 500-year old mining tradition, Mexico is the fifth country for safest mining and fourth in exploration investment. This has translated into a 40% foreign participation and over 25 billion USD investment to the mining industry in the last 6 years.

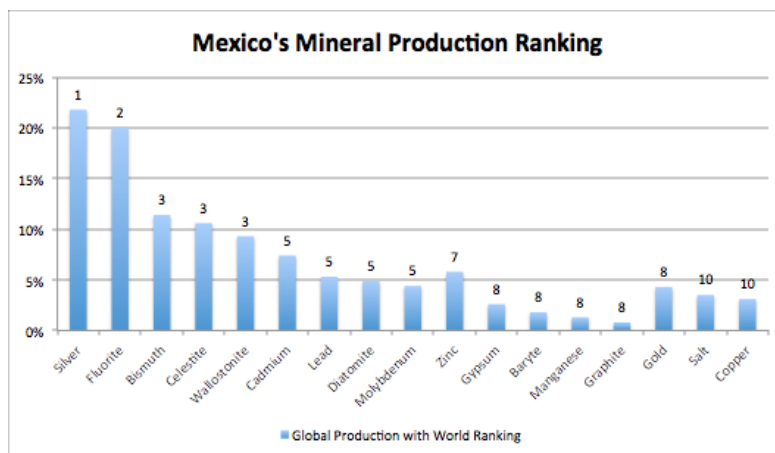
References

- [U.S.G.S. Mineral Commodity 2012](#)

- [UK Trade and Investment](#)

- [NY Times. - How Mexico Got Back in the Game](#)

- [World Steel Association](#)



Source: Negocios Proméxico February 2013

In accordance with Mexico's Mining Development Trust (FIFOMI), only 30% of the country has been explored, leaving 70% available for the development of projects of exploration and exploitation of new deposits.

The Ministry of Economy issues Mining concessions valid up to 50 years with the possibility of renewal with no limit to the number of concessions granted. Foreign businesses can be incorporated with 100% foreign capital and there is no duty on mineral products.

Sources: Negocio Promexico February 2013

Sweden's reliance on Mexico

With over 50,000 employees worldwide in 29 countries, Sweden's Autoliv, the world's largest automotive safety supplier, continues to invest in their five production plants in Mexico. During 2012 and the first trimester of 2013 they have invested in the following:

- 20 million dollars and 400 jobs for Seat-belts Manufacturing
- 6 million dollars and 500 jobs to produce Steering Wheels
- 11.3 million dollars and 559 jobs to produce Airbags

Mexico is the world's fifth largest auto-parts supplier and the leader in exports from this sector in Latin America.

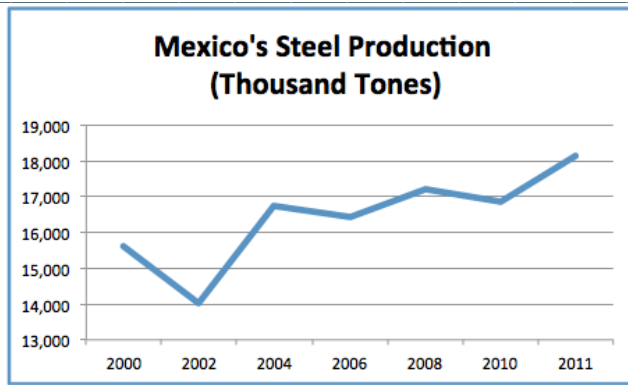
As a result of this 19 of the leading assemblers and 84 of the top 100 auto-parts companies in the world are established in Mexico .

Sources: Proméxico Press Release 03/13

Economic Recovery and Investment Opportunities through Steel.

Another example noted by the UK Trade & Investment Office is the Steel Sector. Mexico is the second largest steel producer in Latin America and 13 largest in the world. With an investment of US\$11.5 billion by the iron, the actual capacity is expected to grow by 36% in the next four years.

This growth has been attributed to key opportunities like the automotive and construction sector that increased 79% and 16% respectively compared to last year as well as the forecast of electric equipment growth of 10% to previous years.



Source: World Steel Association

Sources: Negocio Promexico February 2013
Uk Trade & Investment

Success stories in the Salt Industry

Mexico is considered the tenth largest salt producer globally and the largest in Latin America. Having over 14,000 know uses, Chemical Industry, Highway Deicing, Human Consumption and Water Treatment are the most common uses of Salt.

A success story is Exportadora de Sal (ESSA) a Mexican company in Guerrero Negro that produces and exports marine salt from the worlds largest open salt works.

ESSA handles an annual production of 7.5 million tons of salt and a 36% share of the international salt market.

According to Thomas L. Friedman on The New York Times, Mexico will become a more dominant economic power than China and India in the 21st century. In general Mexico is a country where trade and investment should be directed to become more profitable and competitive.

Sources: Negocio Promexico February 2013
New York Times - How Mexico Got Back in the Game

World Salt Production (Thousand Metric Tones)	2011	%
China	65,000	22%
United_States	44,000	15%
Germany	20,000	7%
India	18,000	6%
Australia	13,000	4%
Canada	11,000	4%
Pakistan	11,000	4%
Bahamas_The	10,000	3%
Chile	9,000	3%
Mexico	8,800	3%
Brazil	7,000	2%
France	6,000	2%
United_Kingdom	5,800	2%
Ukraine	5,500	2%
Netherlands	5,000	2%
Total	290,000	100%

Source: U.S. Geological Survey, Mineral Commodity Summaries 2012



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