



The Economy

The main sectors of the Mexican economy are services, manufacturing, commerce, agriculture, mining, energy production, and the financial industry. In recent years, Mexico has begun using modern technologies in both industry and agriculture. At the same time, many traditional methods are still used in rural farming.

Today, aerospace and automotive industries have gained importance in Mexico.



World Trade Center,
Mexico City

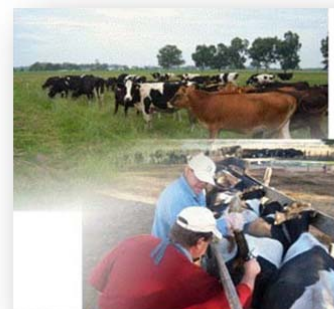
Agriculture

Mexico produces large quantities of maize (corn), coffee, sugar cane, beans, tomatoes and avocados. Mexico also produces tropical products such as sugarcane, bananas, pineapples, papayas, mangoes, coffee and cacao. Rice, cotton, wheat, peanuts and strawberries are also grown, and Mexico is a leading world producer of vanilla, used for food flavouring.



Mexico produces two crops which are hardly grown in any other part of the world. First, the *henequén*, grown in Yucatán, produces a fibre used in the making of furniture and cords. Second, the *maguey* is used to produce three typical Mexican drinks: *pulque*, *tequila* and *mezcal*.

Mexico is one of the most important world producers of meat, particularly beef from the northern regions. Mexico's meat is both for national consumption and export.



Natural Resources

Mexico is among the world's largest producers of oil, silver, copper, gold, lead, zinc, natural gas and wood.

Other minerals, such as mercury, cadmium, antimony, manganese, iron and coal are also found.

Mexico borders the Pacific Ocean, the Caribbean Sea, and the Gulf of Mexico. As a result, Mexico has an abundance of marine resources including shrimp, tuna, sardines, anchovies, lobster, and abalone.



Oil is one of the most important natural resources in Mexico, and very important for its economy. This industry first began before the Mexican Revolution in 1910. Britain was one of the first nations to invest in developing the oil industry in Mexico.



In the 1930s Mexico nationalised the oil industry and **PEMEX** (Petróleos Mexicanos) was created, so that all the oil profits would go to Mexico.

There are many oil fields in the Gulf of Mexico and oil wells in coastal states such as Campeche, Tabasco and Veracruz. Oil towns grew up

around the sites where oil was being extracted, refined and processed. New oil and gas reserves are still being discovered today.



During the 1980s oil formed the basis of the Mexican economy. Today manufactured goods account for 80% of total exports and oil, only about 14%.

Trade

Mexico trades products such as machinery, textiles, leather goods, chemicals and metals with many other countries, especially the **USA, Spain, Germany, the UK, France and Japan**. During the 90's, Mexico's economy has undergone some major changes - it has become more "open" to foreign investors and a free-market economy.



Mexico has a network of 11 Free Trade Agreements covering 43 countries. Also has 6 Economic Complementation Agreements and has signed Investment

Promotion and Protection Agreements with 2 countries as well as negotiated Double Taxation treaties with more than 31 countries.



Two of our most important agreements are **North American Free Trade Agreement** (NAFTA), signed with the United States and Canada and **Free Trade Agreement with the European Union** (TLCUE)

Tourism



Tourism is one of the main industries in Mexico, with people visiting from all around the world. They come to see the archaeological sites, the colonial architecture, the dramatic scenery and our beautiful beaches.

Tourism during 2012

- 23 million international tourists
- 178 million national tourists

Currency

The unit of currency in Mexico is the *peso*. Currently (April 2013) the rate change is about **18.65 Mexican pesos to £1 pound sterling**.

