

## Migration

## Remittances show modest growth in April 2015, at 1.8% (YoY)

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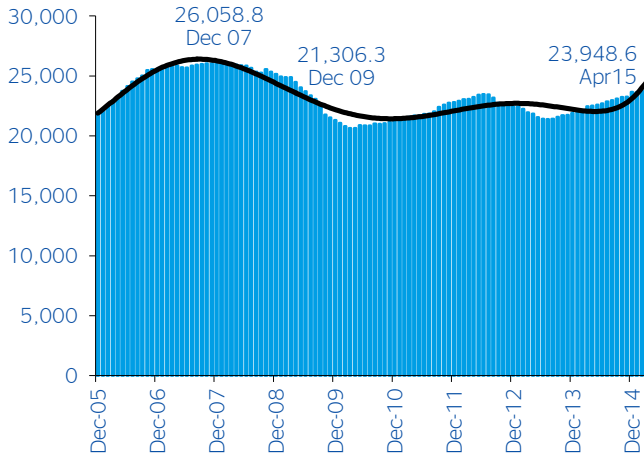
- Remittances were received in April 2015 worth USD2,012.1mn, which implies an increase of 1.8% relative to the same month in 2014
- The flow of remittances has thus shown three successive months of positive growth in 2015, even though the April increase was slight
- The April figure does not seem to correlate with the fine performance by employment in the United States, where unemployment rates are below 2014 levels
- Full-time job creation was observed in April and in the main sectors where Mexican immigrants in United States are hired, which implies that the remittance figure ought not to point to an acute slowdown in remittance flow

According to the central bank of Mexico (Banco de México) report, the flow of family remittances to Mexico reached USD2,012.1mn in April 2015, which was up by 1.8% on the same month in 2014 and meant three successive months of positive growth. This also took the cumulative inflow of remittances over the first four months of this year to USD7,739.4mn, implying growth of 4.1% (YoY), which was considerably smaller than the growth level of 8.9% (YoY) in the same period of 2014. The number of transactions reached 6.766 million, with growth of 2.3% (YoY). The April figure is primarily accounted for by the drop in the average remittance, which was USD297, –a reduction of 0.6% compared to the same month in 2014. Furthermore, the flow of family remittances to Mexico in real terms, and converted into constant MXN, rose by 15.1% YoY in April 2015, although this was accompanied by a small slowdown in the rise in the value of the USD with respect to March 2015.

Despite all of this, the April flow does not seem to provide sufficient evidence of a serious slowdown in remittances in 2015, as the figure does not appear to correlate with the performance of employment in the United States. The overall unemployment rate in the United States is 5.4% in seasonally adjusted terms (sa), showing that unemployment has had a good run in the first four months of 2015 in the United States. By the same token, employment among the Latin American population and Mexican immigrants in the United States also seems to be trending positively. According to data from the US Bureau of Labor Statistics, the unemployment rate among Hispanics in the United States was 6.9% (sa) in April 2015, at a lower level than was observed in the same month in 2014 of 7.5% (sa).

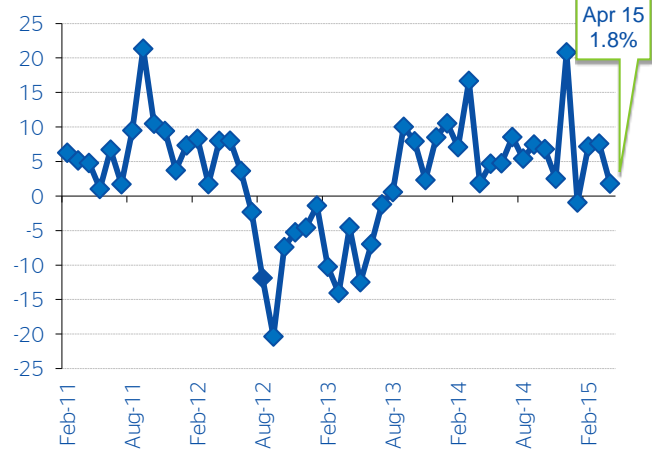
On the other hand, according to our own estimates by BBVA Research based on the Current Population Survey (CPS), the unemployment rate of Mexican immigrants in the United States in April 2015 stood at 5.3% in seasonally unadjusted terms (su), which was below the rate of 5.8% (su) observed in the same month in 2014. Likewise, there was an increase in full-time employment among immigrants of Mexican origin in April (+122,107 su, MoM, and +599,497 su, YoY), as well as in the key sectors which hire Mexican immigrants, such as construction (+136,934 su, YoY), leisure and hospitality (111,346 su, YoY) and agriculture (+52,083 su, YoY), as well as wholesale and retail trade (+45,816 su, YoY).

**Figure 1**  
**12-month cumulative flows of remittances to Mexico (USD mn)**



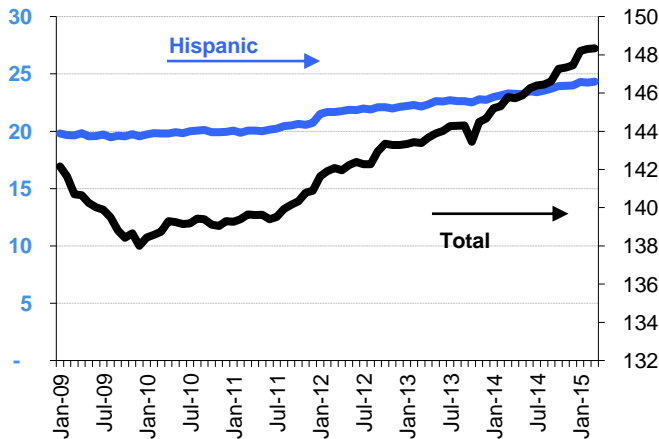
Source: BBVA Research with Ban data

**Figure 2**  
**Family remittances to Mexico (YoY % change, USD)**



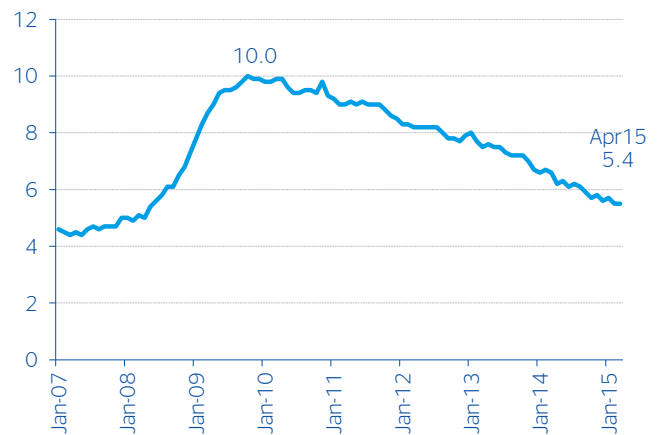
Source: BBVA Research with central bank data

**Figure 3**  
**United States: total employment and among Hispanics (million)**



Source: BBVA Research with US Bureau of Labor Statistics data.  
Note: Seasonally-adjusted

**Figure 4**  
**United States: national unemployment rate (%)**



Source: BBVA Research with US Bureau of Labor Statistics data.  
Note: Seasonally-adjusted

**Disclaimer**

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