

Migration

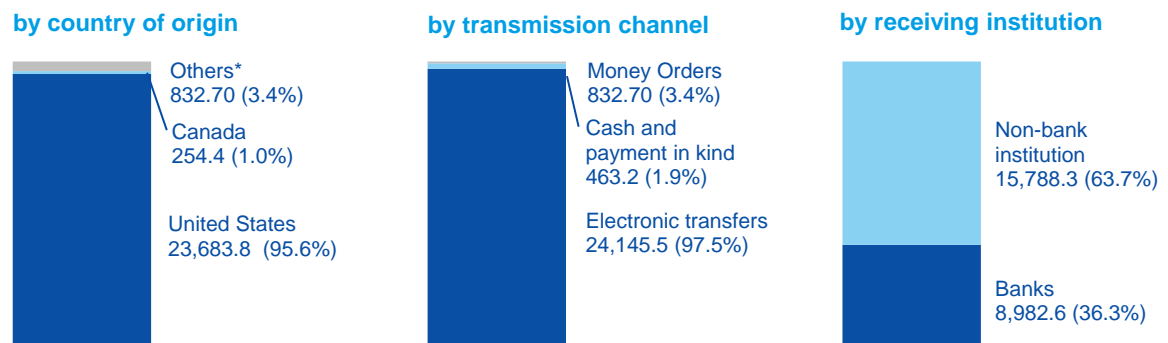
Remittances reached US\$24.77 billion in 2015, 4.8% up on the previous year

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- The total inflow of remittances to Mexico grew by 4.8% in 2015 to US\$24.77 billion
- In December 2015 remittances fell by 2.1% compared with the same month of 2014, with a inflow of US\$2.19 billion, bringing an end to a period of ten consecutive months of growth
- The states with the biggest increases in remittances in 2015 were Chiapas (18.1%), Chihuahua (16.1%) and Querétaro (15.5%), while Michoacán, Guanajuato and Jalisco were the leading recipients at state level
- Tijuana, Puebla and Guadalajara were the leading recipients of remittances at a municipal level, with US\$387.4, US\$340.7 and US\$325.1 million respectively in 2015

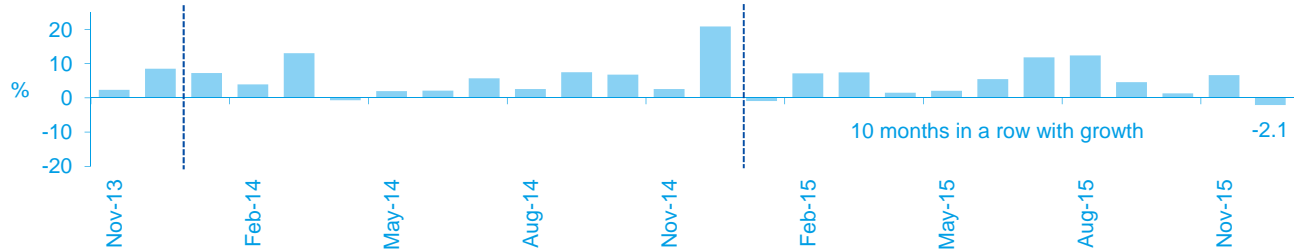
Banco de México figures show that 95.6% of all remittances received by Mexico in 2015 came from the United States, that nearly all this worldwide inflow to Mexico were send by electronic transfers (97.5%), and that 36.3% of remittances were paid through a bank. In 2015, family remittances to Mexico reached a total of US\$24.77 billion, a 4.8% increase on the previous year. There were a total of 7.55 million transactions in December 2015, 2.15% more than in December 2014. This increase in the frequency of remittances largely offset the decline seen in their average amount, which at US\$290 was down by 4% on the previous year.

Figure 1
Remittances to Mexico, 2015 (US\$ millions and % of total)



Source: BBVA Research with Banxico data.
Note.* Others and unspecified

Figure 2
Family remittances to Mexico (% change in year in dollars)

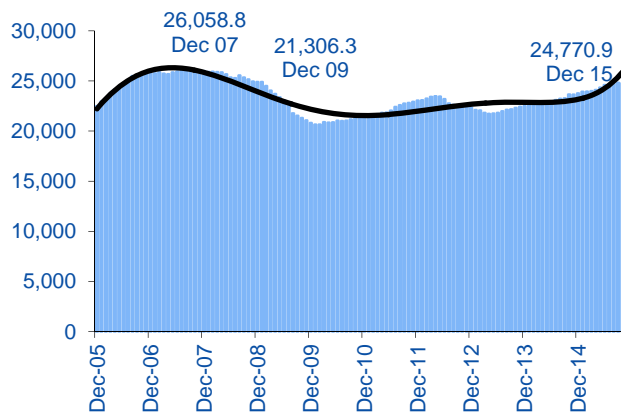


Source: BBVA Research with Banxico data.

The remittances figure for December 2015 showed a slight fall of 2.1% compared with the same month of 2014, with a monthly flow of US\$2.19 billion. Remittances thus brought an end to the period of growth that had lasted for ten consecutive months from February to November. However, the December figure should not be interpreted negatively, despite representing a slight fall, since the monthly flow performed above market expectations at more than two billion dollars for the second year in succession to become the second highest figure ever posted for December.

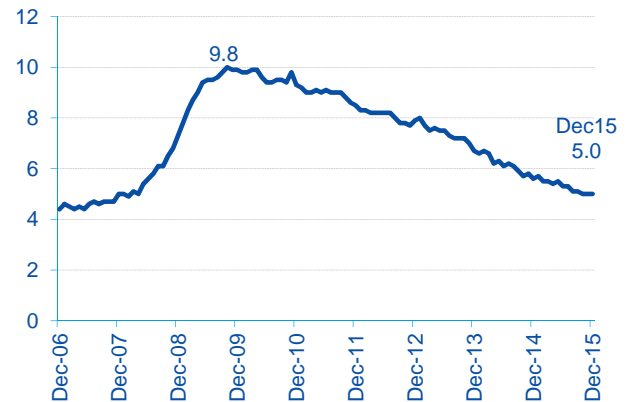
The growth in remittances over the course of 2015 is largely explained by three main factors. Firstly, the performance of the U.S. economy, which according to the U.S. Bureau of Economic Analysis' advance estimate showed GDP growth at an annual rate of 2.0% in the fourth quarter of 2015; secondly, the low U.S. unemployment rate, which is at its lowest point since the crisis of 2007; and thirdly, the strong appreciation of the dollar seen throughout the past year, which boosts the purchasing power of the households receiving remittances from the U.S. During December these households saw an increase of 13.0% in real terms in their remittance income compared with the same month the previous year.

Figure 3
Cumulative flows of remittances to Mexico over 12 months (US\$ millions)



Source: BBVA Research with Banxico data.

Figure 4
U.S.: National unemployment rate (%)



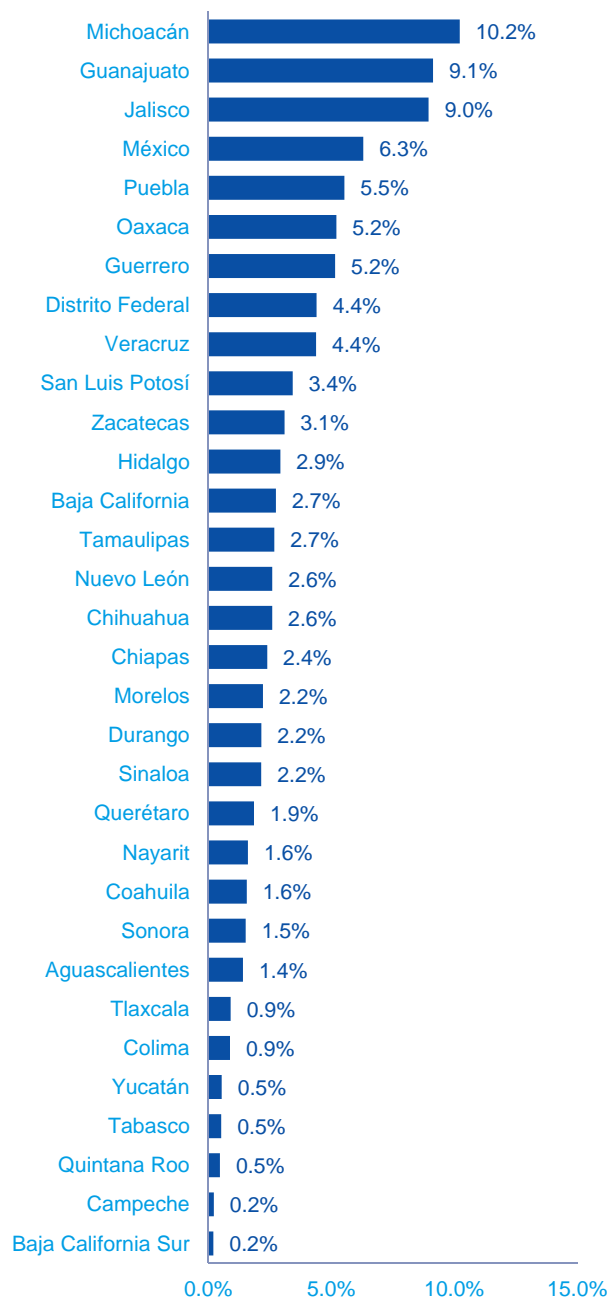
Source: BBVA Research with US Bureau of Labor Statistics data.
Note: Seasonally adjusted.

Remittances by federal state

As regards the distribution of remittances by federal state, we see that in 2015 the states with the biggest shares of remittances nationwide were: Michoacán (10.2%), Guanajuato (9.1%), Jalisco (9.0%), México (6.3%) and Puebla (5.6%), while Quintana Roo (0.5%), Campeche (0.2%) and Baja California Sur (0.2%) were the states with the smallest shares in the national total.



Figure 5
Family remittances by federal state, 2015
(% share of national total)



Source: BBVA Research with Banxico data.

We can also see that the states with the most growth in remittances in 2015 relative to 2014 were Chiapas (18.1%), Chihuahua (16.1%) and Querétaro (15.5%); while only four federal states posted falls: Distrito Federal (-28.0%), Tamaulipas (-20.2%), Coahuila (-1.4%) and Tabasco (-0.7%).

Table 1
Remittances to Mexico by federal state, 2014-2015
(US\$ millions)

State	2014	2015	Inc. %
Aguascalientes	323.9	349.7	8.0%
Baja California	619.9	680.9	9.8%
Baja California Sur	46.6	51.2	9.9%
Campeche	55.8	56.4	1.2%
Coahuila	392.3	386.9	-1.4%
Colima	216.8	219.1	1.1%
Chiapas	502.1	593.2	18.1%
Chihuahua	554.2	643.2	16.1%
Distrito Federal	1,513.9	1,089.6	-28.0%
Durango	491.0	533.3	8.6%
México	1,462.1	1,560.3	6.7%
Guanajuato	2,096.5	2,262.2	7.9%
Guerrero	1,203.5	1,277.0	6.1%
Hidalgo	720.5	725.2	0.6%
Jalisco	1,959.9	2,217.3	13.1%
Michoacán	2,244.0	2,530.5	12.8%
Morelos	527.7	550.8	4.4%
Nayarit	361.8	399.5	10.4%
Nuevo León	614.5	644.1	4.8%
Oaxaca	1,214.8	1,288.7	6.1%
Puebla	1,338.6	1,370.5	2.4%
Querétaro	398.2	459.9	15.5%
Quintana Roo	105.0	117.4	11.7%
San Luis Potosí	769.9	849.0	10.3%
Sinaloa	517.0	533.0	3.1%
Sonora	337.1	375.6	11.4%
Tabasco	131.0	130.1	-0.7%
Tamaulipas	833.2	664.6	-20.2%
Tlaxcala	218.9	224.8	2.7%
Veracruz	1,047.4	1,085.6	3.6%
Yucatán	129.3	134.6	4.1%
Zacatecas	700.2	766.8	9.5%
Total national	23,647.3	24,770.9	4.8%

Source: BBVA Research with Banxico data.

Remittances at municipal level

Table 2 shows a list of the top 20 recipients of remittances at municipal level in 2015. We should highlight the fact that these 20 municipalities together received an amount of US\$4.39 billion by way of remittances, equivalent to 17.7% of the national total. In 2015 the municipality of Tijuana, in the state of Baja California, was the leading recipient of remittances, with US\$387 million, overtaking the Mexico City borough of Miguel Hidalgo, which had been the leading recipient of remittances in 2014. The municipalities of Puebla (US\$340.7 million), Guadalajara (US\$325.1 million), Morelia (US\$295.1 million) and Oaxaca de Juárez (US\$275.5 million) complete the list of the five main recipients of remittances at a municipal level in 2015.

Table 2
The 20 leading municipalities by receipt of remittances, 2015
(US\$ millions and % increase)

State	Municipality	2014	2015	% change
Baja California	Tijuana	366.2	387.4	5.8%
Puebla	Puebla	324.4	340.7	5.0%
Jalisco	Guadalajara	295.8	325.1	9.9%
Michoacán	Morelia	264.8	295.1	11.4%
Oaxaca	Oaxaca de Juárez	263.7	275.5	4.5%
Nuevo León	Monterrey	185.7	222.5	19.8%
Distrito Federal	Miguel Hidalgo	444.6	222.3	-50.0%
Guanajuato	León	199.2	219.4	10.1%
San Luis Potosí	San Luis Potosí	211.5	203.5	-3.8%
Sinaloa	Culiacán	191.3	201.8	5.5%
Aguascalientes	Aguascalientes	184.1	197.9	7.5%
Guerrero	Acapulco de Juárez	169.9	188.9	11.2%
Chihuahua	Juárez	152.4	181.9	19.3%
Durango	Durango	161.4	173.8	7.7%
Michoacán	Uruapan	142.3	166.4	17.0%
Jalisco	Zapopan	151.9	162.0	6.7%
México	Ecatepec de Morelos	157.1	161.0	2.5%
Guanajuato	Irapuato	137.7	157.7	14.5%
Chihuahua	Chihuahua	132.0	156.4	18.4%
Querétaro	Querétaro	136.2	154.1	13.1%
Total 20 leading municipalities		4,272.3	4,393.2	2.8%
Total National		23,647.3	24,770.9	4.8%
Share of total national		18.1%	17.7%	

Source: BBVA Research with Banxico data.

Outward remittances from Mexico

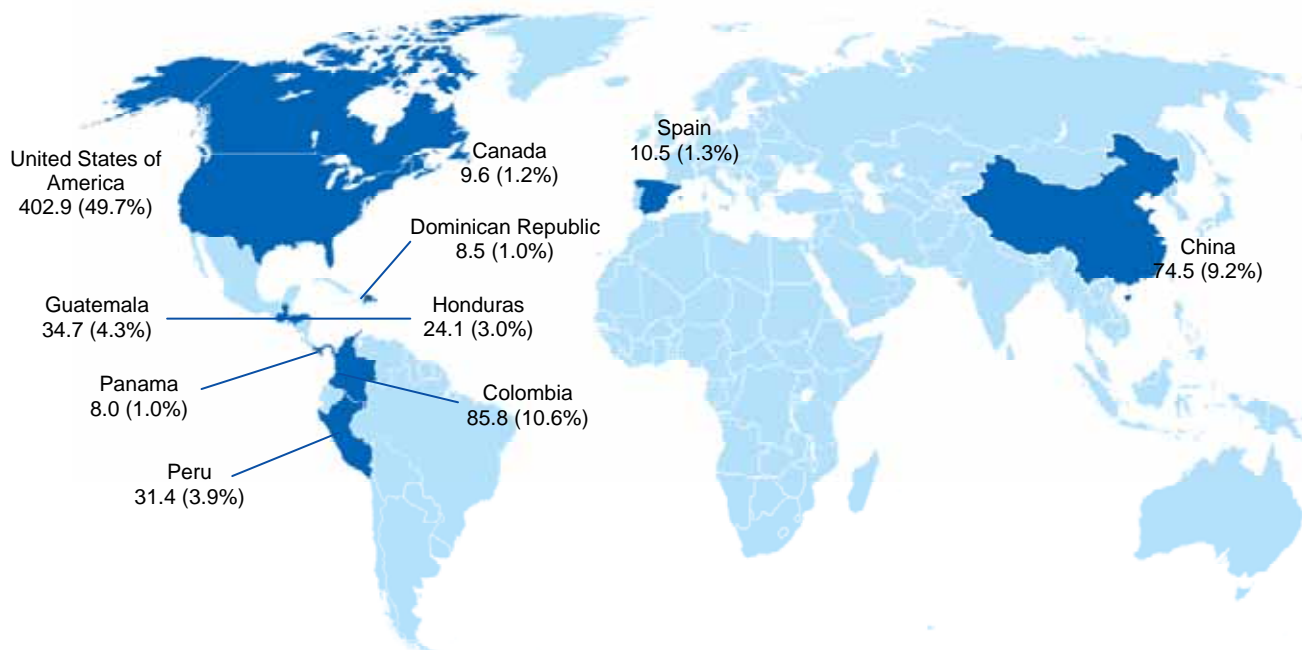
In 2015 outward remittances from Mexico to other countries totalled US\$810.6 million, representing a reduction of 19.1% relative to 2014. This reduction was due mainly to the appreciation of the dollar against the peso seen over the course of the year, given that nearly half the remittances sent from Mexico are to the United States. The average amount of outward remittances from Mexico in 2015 was US\$526.5 and the total number of transactions was 1.5 million. The five main destinations of Mexican remittances were: United States (US\$402.9 million), Colombia (US\$85.8 million), China (US\$74.5 million), Guatemala (US\$34.7 million) and Peru (US\$31.4 million).

Table 3
Outward remittances from Mexico, 2014-2015

Year	Outward remittances (US\$ millions)	Number of transactions	Average amount of remittance
2014	1,001.8	1,489.7	676.8
2015	810.6	1,546.3	526.5
% change	-19.1%	3.8%	-22.2%

Source: BBVA Research with Banxico data.

Map 1
Outward remittances from Mexico, 2015 (US\$ millions and % of total)



Source: BBVA Research with Banxico data.

Disclaimer

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