

Migration

Mexico | Remittances reached historical record in 2019: 36,049 million dollars

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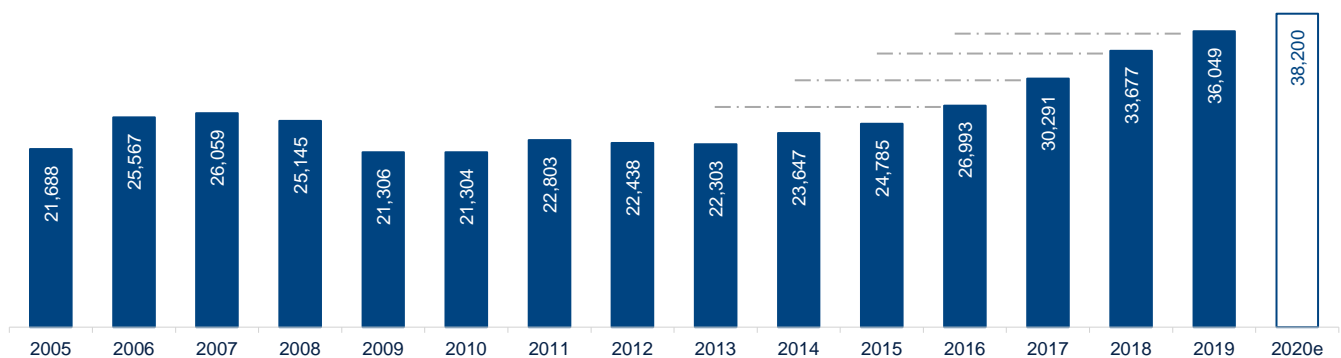
- For the 4th consecutive year remittances exceeded their historical peak.
- 94.6% of remittances come from the United States, 98.5% are sent by electronic transfer and 74.9% are paid in non-banks.
- Michoacán (3,584 million dollars), Jalisco (3,499 million dollars) and Guanajuato (3,286 million dollars) were the main recipients of remittances in 2019.
- Remittances could grow 6.0% and reach 38.2 billion dollars in 2020.

1. For the fourth consecutive year, remittances exceeded their historical maximum

Banco de México announced that 3,083 million dollars were sent to Mexico in the form of family remittances last December, up 3.1% compared to the same period last year. Thus, remittances to Mexico amounted to 36,049 million pesos in 2019, representing an increase of 7.0% on the amount received in 2018, making it four consecutive years in which it has surpassed the all-time high, since 2016.

Remittances to Mexico **could grow 6.0% and reach an amount close to 38.2 billion dollars in 2020**, again setting a record.

Figure 1. **Family remittances to Mexico, 2005 - 2020e**
(Million USD)



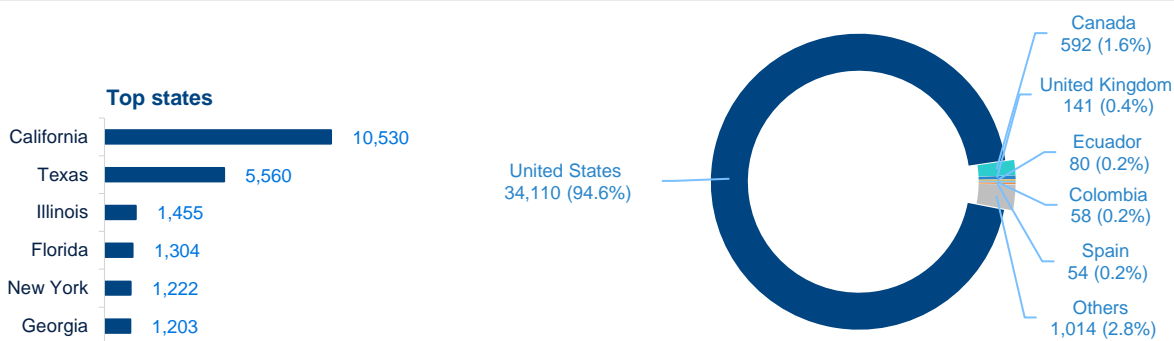
Source: BBVA Research based on Banco de México data.
e/ BBVA Research estimate.

2. 94.6% of remittances come from the United States, 98.5% are sent by electronic transfer and 74.9% are paid in non-banks

The United States is the main country of origin of remittances to Mexico, having transferred 34,110 million dollars to Mexico in 2019, which accounts for 94.6% of the total. This is because a large part of the Mexican diaspora, both migrants and descendants, reside in our northern neighbor. California alone sent 10,530 million dollars in remittances to Mexico in 2019, in second place is Texas with 5,560 million dollars, followed by the states of Illinois, Florida, New York and Georgia, with amounts of between 1,200 and 1,500 million dollars each.

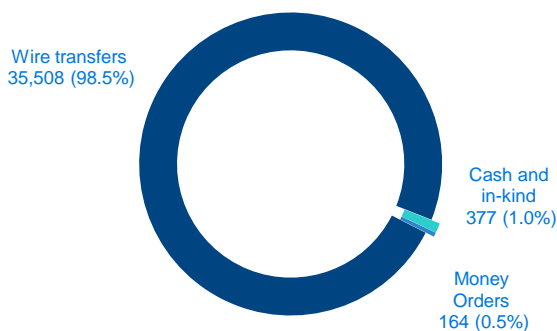
Almost all remittances received in the Mexican Republic in 2019 were sent by electronic transfer (98.5%), only 377 million dollars (1.0%) were sent in cash or in kind and 164 million dollars (0.5%) by money orders. In Mexico, 74.9% of remittances were collected at non-banking institutions and 25.1% at banks.

Figure 2. **Family remittances to Mexico by country of origin and main U.S. states of origin, 2019**
(Million USD and %)



Source: BBVA Research based on Banco de México data.

Figure 3. **Family remittances to Mexico sent by transfer method, 2019**
(Million USD and %)



Source: BBVA Research based on Banco de México data.

Figure 4. **Family remittances to Mexico by payment institution, 2019**
(Million USD and %)



Source: BBVA Research based on Banco de México data.

3. Michoacán, Jalisco and Guanajuato were the states with the most remittances in 2019

In general, the states that receive most remittances are those that have seen the most migrants depart over the last 50 years. For at least 15 years, Michoacán, Jalisco and Guanajuato have been the country's top three recipients of remittances. In 2019, the state of Michoacán received 3,586 million dollars in remittances, up 5.2% on the previous year, while Jalisco received 3,499 million dollars and Guanajuato 3,286 million dollars. Other states with significant levels of remittances in Mexico were: State of Mexico, Oaxaca, Puebla, Guerrero and Mexico City.

The states with the highest growth in remittances received in 2019 were: Chiapas (21.4%), Tabasco (19.6%), Mexico City (18.6%), Chihuahua (13.2%) and Sinaloa (13.1%).

Table 1. **Family remittances to Mexico by destination state, 2018 vs. 2019**
 (Million USD and %)

State	2018	2019	Chg. %	State	2018	2019	Chg %
Michoacán	3.406	3.586	5.2	Sinaloa	0.807	0.913	13.1
Jalisco	3.305	3.499	5.9	Durango	0.809	0.870	7.6
Guanajuato	3.058	3.286	7.5	Tamaulipas	0.804	0.864	7.4
State of Mexico	1.912	2.033	6.3	Querétaro	0.663	0.703	6.1
Oaxaca	1.737	1.804	3.9	Morelos	0.676	0.703	3.9
Puebla	1.706	1.763	3.4	Coahuila	0.589	0.633	7.5
Guerrero	1.620	1.738	7.3	Sonora	0.530	0.587	10.6
Mexico City	1.437	1.705	18.6	Nayarit	0.548	0.578	5.6
Veracruz	1.384	1.495	8.1	Aguascalientes	0.473	0.5	5.7
San Luis Potosí	1.240	1.331	7.3	Colima	0.322	0.301	-6.6
Chihuahua	0.992	1.122	13.2	Tlaxcala	0.256	0.254	-0.7
Zacatecas	1.096	1.117	1.9	Tabasco	0.208	0.249	19.6
Chiapas	0.821	0.996	21.4	Yucatán	0.206	0.219	6.6
Hidalgo	0.905	0.952	5.2	Quintana Roo	0.166	0.185	11
Nuevo León	0.954	0.950	-0.4	Campeche	0.79	0.88	10.7
Baja California	0.891	0.939	5.3	Baja California Sur	0.78	0.87	11.4
				Total	33.677	36.049	7.0

Source: BBVA Research based on Banco de México data.

4. Tijuana, Puebla, Morelia and Guadalajara were the municipalities that received the most remittances in 2019

The following table shows the 50 main municipalities that received the most remittances during 2019 in the Mexican Republic. Tijuana tops the list with 476.2 million dollars, followed by Puebla (458.7 million dollars), Morelia (440.8 million dollars) and Guadalajara (432.9 million dollars). These 50 municipalities accounted for 30.7% of all remittances sent to Mexico during 2019.

Table 2. **50 main destination municipalities for family remittances in Mexico, 2019**
 (Million USD)

Position	Municipality	Million USD	Position	Municipality	Million USD
1	Tijuana, BC	476.2	26	Iztapalapa, CDMX	187.1
2	Puebla, Pue.	458.7	27	Ensenada, BC	185.6
3	Morelia, Mich.	440.8	28	Dolores Hidalgo, Gto.	181.2
4	Guadalajara, Jal.	432.9	29	Miguel Hidalgo, CDMX	172.3
5	Culiacán, Sin.	373.8	30	Zamora, Mich.	165.6
6	Álvaro Obregón, CDMX	360.1	31	Hermosillo, Son.	165.2
7	León, Gto.	330.9	32	Mexico, Ecatepec, Mex.	160.3
8	Juárez, Chih.	328.9	33	Torreón, Coah.	158.3
9	Oaxaca de Juárez, Oax.	321.6	34	Apatzingan, Mich.	153.8
10	Zapopan, Jal.	313.6	35	Gustavo A. Madero, CDMX	145.7
11	San Luis Potosí, SLP	309.3	36	Rioverde, SLP	144.3
12	Chihuahua, Chih.	298.3	37	San Miguel de Allende, Gto.	142.5
13	Durango, Dur.	298.0	38	Iguala, Gro.	139.1
14	Aguascalientes, Ags.	290.3	39	San Luis de la Paz, Gto.	137.0
15	Monterrey, NL	276.8	40	Matamoros, Tamps.	135.3
16	Cuauhtémoc, CDMX	267.4	41	Toluca, Mex.	134.0
17	Querétaro, Qro.	226.0	42	Coyoacán, CDMX	133.0
18	Mexicali, BC	203.8	43	Atlixco, Pue.	131.9
19	Tepic, Nay.	199.4	44	Cuatla, Mor.	131.9
20	Irapuato, Gto.	198.8	45	Guadeloupe, NL	131.4
21	Acapulco de Juárez, Gro.	198.1	46	San Cristóbal de las Casas, Chis.	131.2
22	La Piedad, Mich.	197.9	47	Nezahualcóyotl, Mex.	130.0
23	Tlapa de Comonfort, Gro.	197.2	48	Sahuayo, Mich.	129.5
24	Celaya, Gto.	193.9	49	Reynosa, Tamps.	129.2
25	Uruapan, Mich.	189.6	50	Huajuapán de León, Oax.	128.0

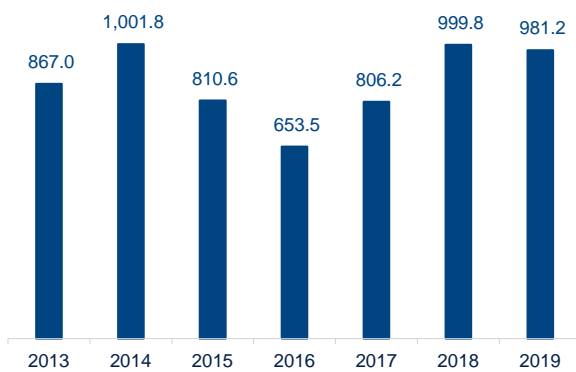
Source: BBVA Research based on Banco de México data.

5. Remittances from Mexico decreased by 1.9%

Remittance outflows, or remittances sent from Mexico to another country, decreased by 1.9% to 981.2 million dollars in 2019. Over the last seven years, from 2013 to 2019, Mexico's remittance outflows have remained relatively stable, ranging from 800 million to 1 billion dollars, with the exception of 2016 when 653.5 million dollars of remittances were sent.

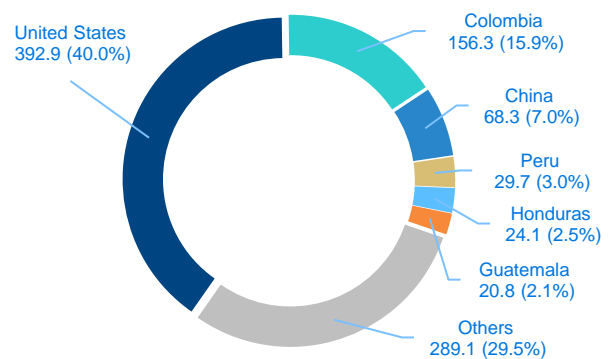
The United States is the main destination for remittances from Mexico, with 40.0% of the total, followed by Colombia, China, Peru, Honduras and Guatemala.

Figure 5. **Remittances from Mexico, 2013 – 2019**
(Million USD)



Source: BBVA Research based on Banco de México data.

Figure 6. **Remittance outflows from Mexico, 2019**
(Million USD and %)



Source: BBVA Research based on Banco de México data.

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