

Mexico Sectoral-Regional Outlook

Second Half 2025

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1. Summary

This edition of the Mexico 25H2 Regional Sectoral Outlook is characterized by a slowing economic environment and the incorporation of updated figures from the 2024 Economic Census. During the second half of 2025, the Mexican economy faces a generalized slowdown, with annual growth of just 0.4% in 2Q25, affected by the industrial contraction (-1.3%), while primary (+4.5%) and tertiary (+1.1%) activities act as shock absorbers. The economic environment combines international uncertainty, caused by bilateral tariffs between Mexico and the United States, with reduced public spending on infrastructure and a moderate domestic investment environment. Despite this, MSMEs are consolidating as a strategic pillar for sustaining the domestic market, representing 99.8% of economic units and more than 70% of national employment. Consolidating this segment is essential to offset the slower external momentum and diversify sources of growth in a context of weak manufacturing dynamism and cautious consumption.

Regional performance in 2025 maintains a pattern of asymmetric growth among states driven by the services sector (CDMX 1.8%, BCS 1.3%), while Tabasco (-4.3%) and Campeche (-3.2%) were already feeling the impact of the civil works outflow; by 2025, the driving force will be the services sector, such as tourism and retail and wholesale trade, which cushions industrial weakness and sustains national growth. The 2024 Economic Census reveals that at the regional level, only 25% of firms use some form of information technology and 26% have internet access, with significant gaps by size and territory: CDMX, Nuevo León, and Querétaro have computer use above 39–45%, compared to less than 15% in Chiapas, Oaxaca, or Guerrero. Regarding access to financing, only 10.7% of units obtained credit, with a concentration in the north/center (Nuevo León 22%, Querétaro 19%) and a minimum in the south.

The automotive sector, accounting for 23.6% of manufacturing GDP, has seen a limited contraction in the first half of the year, with GDP falling 2.1% and exports declining 3.8%. The new US tariffs are already impacting production, albeit only partially until Q2 2025. The domestic market, however, continues to show resilience, driven by automotive credit (up 14.8%) and lower interest rates, albeit with a shift toward more economical, hybrid, and electric vehicles. Automotive foreign direct investment fell 27.8%, reflecting trade uncertainty, while tariffs on imports from Asia are beginning to pressure domestic prices.

Manufacturing faces a sluggish environment in 2025, driven by the appreciation of the peso and a weak external cycle. Our second research article analyzes the effect of the real exchange rate on manufacturing exports and confirms a low real exchange rate elasticity (0.04), with divergences across sectors with different levels of regional integration and orientation toward the domestic and international markets. This suggests that the country's competitiveness depends increasingly less on the depreciation of the peso and more on its productive integration with North America, logistical efficiency, and technological sophistication.

The strong share of imported inputs (more than 40% of the content in manufacturing exports) mitigates the benefits of a competitive exchange rate. Thus, the true driving force of industry lies in the strengthening of regional value chains, market diversification, and cost optimization and production localization, all of which are key factors in sustaining manufacturing growth in the medium term.

In our last research article, we analyzed how the combination of near-universal connectivity, mobile banking, and instant payment rails (SPEI, CoDi, DiMo) has shifted the financial touchpoint to the mobile phone and enabled banking apps to function as two-sided platforms: identity and native payments upfront, and a growing catalog of financial/non-financial services behind them. Competition in these apps is organized around high-frequency "anchor services" such as airtime sales that capture attention and trigger other tasks. We warn of potential bottleneck risks (ranking/default, data portability/beneficiaries, interoperability) and potential gatekeeper behavior (auto-preference, bundling, API/NFC access); but we also point to pro-competition remedies: truly usable APIs, full interoperability, practical portability, and verifiable non-discrimination criteria. In short, the move toward multi-product financial apps has generated efficiency gains, enabling more providers to reach the public through apps and allowing users to retain control over their data..

2. Sectoral and Regional Analysis

2.a Sectoral Outlook

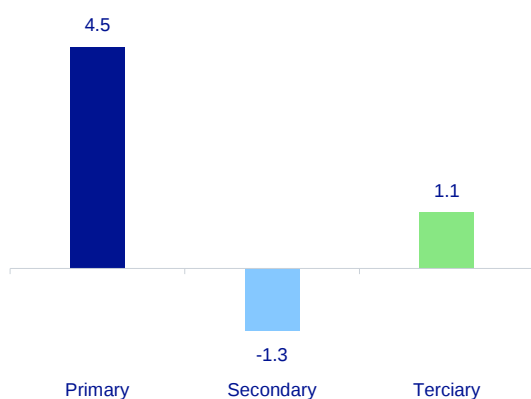
In the current scenario, MSMEs could become the domestic engine

The Mexican economy faces various challenges. The most notable so far are the impact of the tariffs the United States has imposed on Mexican exports and the judicial reform that de facto eliminates the independence of that branch of government. In addition, the tariffs that Mexico will now impose on imports from countries with which it does not have a free trade agreement could affect the economy's competitiveness. Furthermore, the level of public debt is even more significant because its negative impact on the economy is much greater. The uncertainty generated by these economic policies inhibits investment, but opportunities also arise that, if exploited, would stimulate economic activity. Among many others, developing the domestic market by strengthening micro, small, and medium-sized enterprises is key.

The industrial sector is the only one with negative performance.

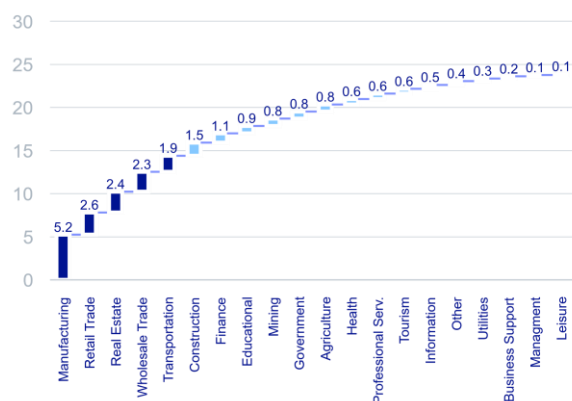
In cumulative figures for the second quarter of 2025 (2Q25), the Mexican economy's GDP grew only 0.4%. The result is a combination of significant growth in primary activities (4.5%), a contraction in secondary activities (1.3%), and a growth in services (1.1%). Tertiary activities continue to contribute the largest share of GDP, accounting for 59.9% during this semester. Thus, when calculating the marginal contribution to growth, services led with 0.7 percentage points, to which the primary sector added 0.1 points, but 0.4 points had to be subtracted due to the contraction in the industrial sector.

ACCUMULATED GDP 2Q25
(GROWTH % YoY)



Source: BBVA Research with data from SCNM, Inegi

ACCUMULATED GDP 2Q25
(TRILLION CONSTANT MXN)



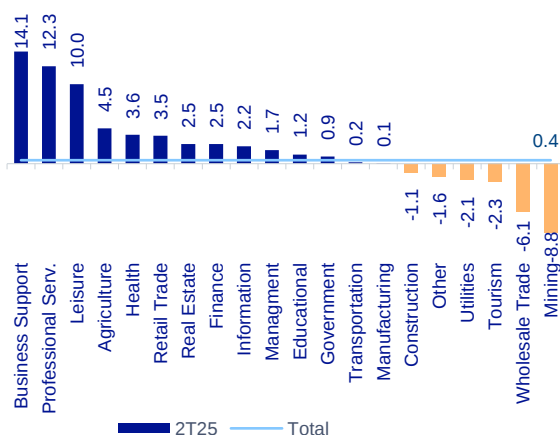
Source: BBVA Research with data from SCNM, Inegi

The agricultural sector's growth is primarily due to a 6.1% increase in agricultural GDP, followed by services associated with this sector with 5.4%, and a 2.2% increase in agricultural contribution. The fishing and hunting subsector remained stagnant, while forestry activity decreased by 2.5%. According to figures and analysis from the General Directorate of the Agri-Food and Fisheries Information Service (SIAP), the real value of agricultural production did indeed increase in the first quarter of 2025, particularly in products such as corn, sugar, and avocado, as well as poultry and pork production.

However, for the second quarter of 2025, there is an inconsistency between the figures from the SIAP and the INEGI (National Institute of Statistics and Geography). According to the SIAP, agricultural production decreased 7.9% in real terms, mainly due to lower production of corn, oats, sorghum, sugar, oranges, and lemons; contrary to the 1.6% growth reported by the INEGI (National Institute of Statistics and Geography) for this subsector. The figures do coincide in the livestock sector. The SIAP reported a 4% increase due to higher production of beef, poultry, and pork.¹

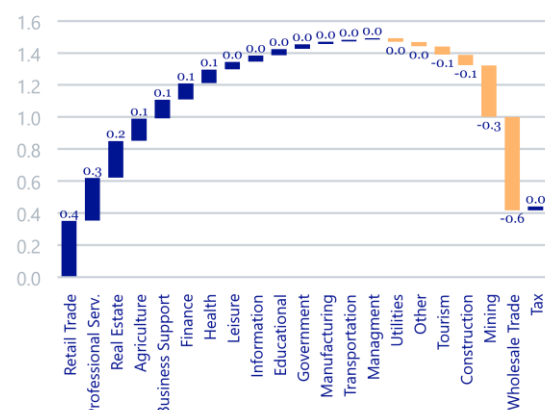
Each of the secondary activities reported GDP contractions for both quarters, with the exception of Manufacturing in the first quarter of 2025 compared to the previous year. Mining has maintained its negative trend since 2023. The greatest negative impact comes from the oil sector, whose platform has been declining in recent years; while the decline in Minerals is surprising in 2025, given that it had been growing steadily. Some of the minerals experiencing declines in production include silver, molybdenum, coal, manganese, silica sand, gypsum, and phosphorite, among others. In the case of minerals related to the steel sector, these could be experiencing the effect of lower demand due to the tariffs imposed on steel exports.

SECTORAL ACCUMULATED GDP 2Q25
(GROWTH % YoY)



Source: BBVA Research with data from SCNM, Inegi

GROWTH CONTRIBUTION 2Q25
(PERCENTAGE POINTS)



Source: BBVA Research with data from SCNM, Inegi

1: See DGSIPA. [Análisis del Producto Interno Bruto Agroalimentario](#) 2025

On the other hand, with the exception of Tourism and Wholesale Trade, services GDP maintains its pace, some even growing above 10%. Among the latter, Recreation stands out, where we expected a sharp downward adjustment, but in 2Q25 it shows an annual rate of 10.0%. Business Support Services led the growth, but it must be acknowledged that this is a statistical adjustment or rebound after contracting starting in 2021 with the labor law reform. Just to put it in perspective, in 2019 the GDP of this sector was 820 billion pesos (mdp), but by mid-2025 it will be only 242 billion mdp. Professional Services maintains its strong performance, which we attribute to increased demand for consulting services, both tax and legal, but even more so for IT-related engineering services given the increased penetration of digital technologies.

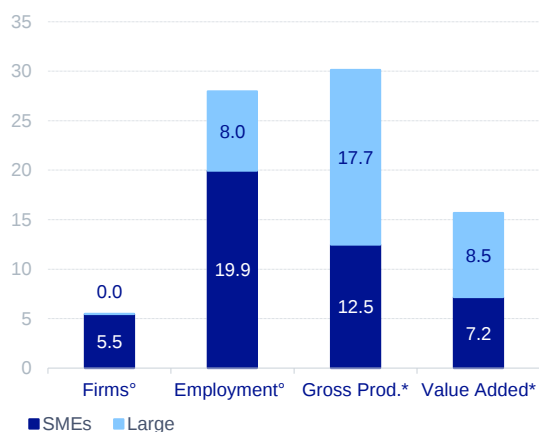
SMEs remain the backbone of the Mexican economy

In 2025, the National Institute of Statistics and Geography (INEGI) published the results of the 2024 Economic Census. Based on these data, we briefly review the participation of MSMEs in the Mexican economy. In our assessment, we believe that, given an international environment that is unfavorable to economic activity, domestic market development will be key, primarily through strengthening MSMEs.

The weight of MSMEs, measured as all economic units with up to 250 employees, increased in four main indicators: number of economic units, employed workers, gross production value, and value added. MSMEs represent 99.8% of the total economic units, just over 5.4 million. In terms of employment, they occupy 71.3% of the total captured by this census, 19.9 million workers. Regarding gross production value and value added, their weight is lower but still significant, at 41.3% and 45.7%, respectively, of the total.

The role of MSMEs is structural for the Mexican economy. These shares are not specific to this particular census, but they have remained relatively stable over the five most recent editions of this count. For example, since at least 2004, these firms represented more than 99% of total economic units. Similarly, they also contributed more than 70% of employment, with the exception of 2019, when it decreased to 67.9%. Regarding the gross value of production and value added, their share has increased compared to 2019 and since 2004. In the latter year, their contribution was equivalent to 39.3% and 39.1%, respectively; but now it is more than 40% in each sector.

Retail Trade is where the main breeding ground for MSMEs is found, in each of the aforementioned variables. MSMEs account for 2.4 million economic units, almost 100% of the total, in the Retail Trade sector, which represents 44.4% of the total. When we add Others, Tourism, and Manufacturing, we have 84.3% of these units. Both Retail Trade and Manufacturing are two of the five sectors with the greatest weight in total GDP. In each of the economic sectors, MSMEs contribute at least 93.5%. Regarding jobs, the sectoral distribution is very similar. Once again, Retail Trade, Manufacturing, and Tourism occupy the top three positions, totaling 12.3 million employees, representing 61.8% of the total.

ECONOMIC CENSUS 2024
 (MILLIONS AND TRILLIONS MXN)


Source: BBVA Research with data from Inegi.
 Note: Units and Employed in Millions; Production and Value Added in Trillions of Pesos

ECONOMIC UNITS CENSUS 2024
 (MILLIONS)

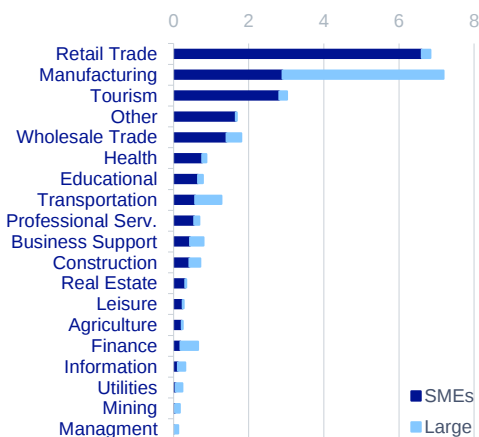

Source: BBVA Research with data from Inegi

However, there is a significant difference, particularly in Manufacturing, where MSMEs contribute 40.3% of the total employed population in the sector. With this exception, more are Financial Services, Mass Media, as well as Electricity, Water and Gas, Mining, and Corporate Services, which are the sectors where MSMEs contribute less than half of the employed population. A characteristic of each of these sectors is that they are capital-intensive rather than labor-intensive, which could explain this distribution.

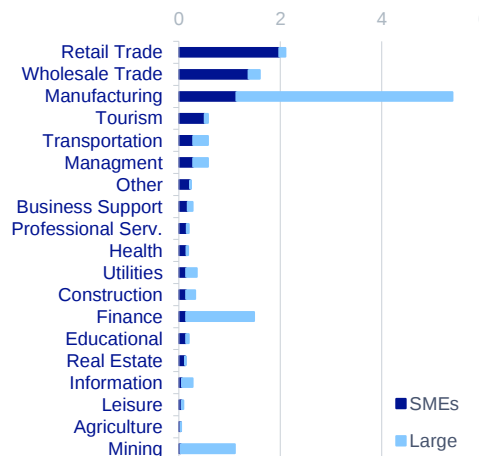
In this regard, Tourism and Transportation Services are where the number of MSME employees has grown the most, from 2019 to 2024 by 17.0% and 14.7% respectively, i.e., an average annual growth rate of 3.2% and 2.8%. Historically, from 2004 to 2024, the largest increase in the number of employees was seen in MSMEs in Financial Services (175.4%) and Tourism (152.0%), although the former had a very small impact on the total, only 0.9%.

The gross production value and value added of MSMEs exhibit very similar behaviors across different sectors. Retail and Wholesale Trade, along with Manufacturing, are the sectors that lead the list in these variables. These same sectors are the three with the highest gross production and GDP in the Mexican economy, so this result is expected.

However, unlike the other pair of indicators, the participation of these firms is lower. In both cases, they contribute less than half. In the sectors with the least impact on MSMEs, Manufacturing (21.1%), Financial Services (9.6%), and Mining (3.2%) stand out. Although the last two tend to have less activity as we have already shown, in Manufacturing their contribution is more relevant in terms of personnel and economic units, which reveals a significant difference in terms of productivity.

EMPLOYED PERSONNEL CENSUS 2024
 (MILLIONS)


Source: BBVA Research with data from Inegi

VALUE ADDED CENSUS 2024
 (TRILLIONS MXN)


Source: BBVA Research with data from Inegi

The 2024 Economic Census confirms the important role of MSMEs in the Mexican economy. Now, with an uncertain outlook for international trade, the domestic market is gaining greater importance. In this scenario, MSMEs can be the way to compensate for the economic sluggishness. Given the increasing absence of favorable public policies, the reduction in fiscal space, and the uncertainty generated by the various reforms regarding investment, entrepreneurship by this business segment and the design of commercial strategies by large firms that strengthen MSMEs in their supply networks have greater potential for a favorable impact. Added to this is a better offering of financial products and services to increase these firms' capacity to invest and remain in the market. Finally, the formalization of these firms will help improve their access to many services, particularly financial ones, which can make the difference in their continued market presence.

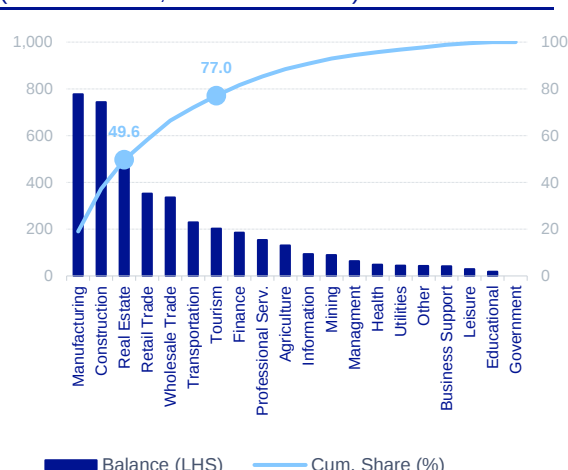
Lower demand for credit despite the lower reference rate

Monetary policy has continued to lower the reference rate. At the end of 2024, the reference rate had fallen to 10.00%; now, as of June 2025, it has fallen another 200 basis points to 8.00%. This should have stimulated demand for financing, but the total balance of bank loans to firms decreased from 4.2 bpd to 4.1 bpd, or -0.4% at an annual rate in constant terms. This is explained by the overall lower economic activity, although primary, secondary, and tertiary activities all saw their balances decrease as of June 2025.

At the economic sector level, as has been the case in recent years, the credit balance remains highly concentrated. Half of this portfolio's balance is concentrated in manufacturing, construction, and real estate services. Similarly, 77.0% of the credit balance is captured by just seven sectors. Based on what was explained in the previous section, it should be noted that these sectors are precisely those where MSMEs are most active.

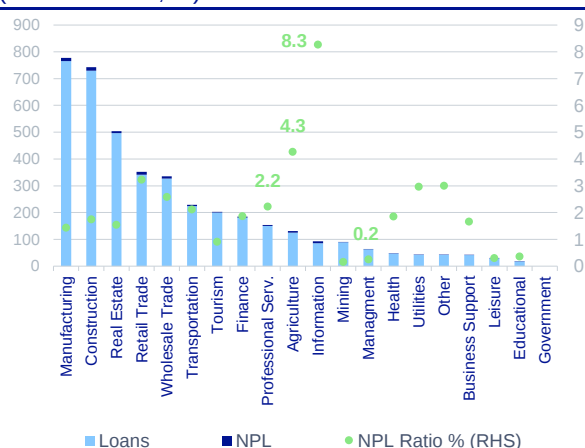
Despite the lower credit origination, the delinquency rate remains quite low at 2.0%, unchanged since December 2024. At the individual level, none of the sectors show any notable credit deterioration. The highest delinquency rate is in Mass Media, at 8.3%, but we consider it low and entirely manageable, given that the total balance is less than 100 billion pesos. In the remaining sectors, the non-performing loan portfolio represents less than 5% of the specific balance, even hovering around zero percent in some cases. The three sectors with the highest balances—Manufacturing, Construction, and Real Estate Services—all have delinquency rates below 2.0%.

FIRMS CREDIT BALANCE 2Q25
(BILLION MXN, CUM. SHARE %)



Source: BBVA Research with data from Banco de México

FIRMS CREDIT BALANCE 2Q25
(BILLION MXN, %)

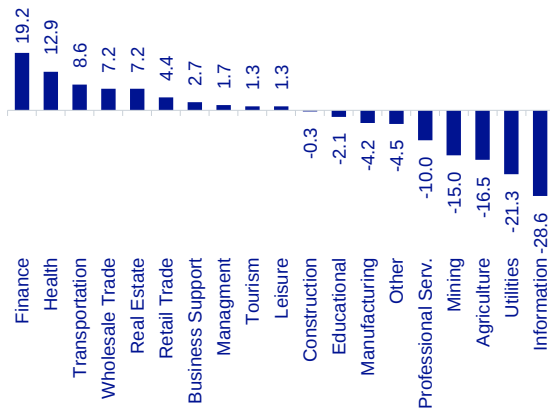


Source: BBVA Research with data from Banco de México

Of the 20 sectors, only seven requested increased financing, including Wholesale and Retail Trade, Transportation Services, Real Estate, Healthcare, Recreation, and Tourism. While there is a correlation with those sectors with the greatest GDP growth, two of these sectors, such as Wholesale Trade and Tourism, saw their balance increase despite a contraction in their respective GDP. On the other hand, despite the agricultural sector's strong performance, its financing requirement has decreased by 16.5% at an annual rate; a similar result to that reported by Mass Media, which, despite GDP growth, saw its credit balance decrease.

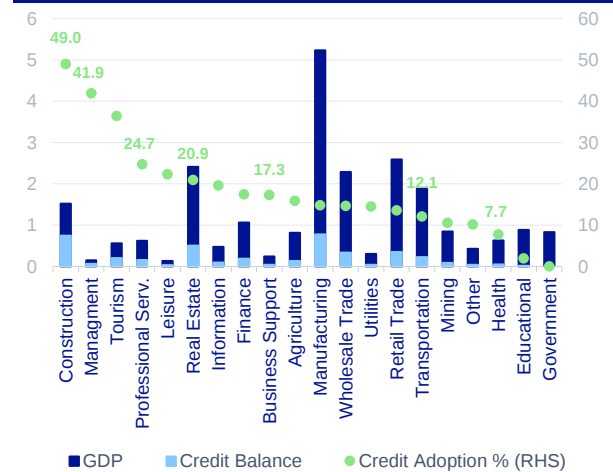
Credit penetration increased when comparing the June 2025 balance with that of December 2024, from 16.7% to 17.1%. However, this increase is biased because, as already noted, the corporate credit portfolio balance decreased, so this increased credit penetration is due to the contraction in GDP in several sectors. The most obvious example is Construction, where penetration increased from 43.1% in 2Q24 to 46.2% in 4Q24 and now to 49.0% in 2Q25; although these figures are biased, as the increase is due to the fall in GDP in this sector and not to the increase in the credit balance, which decreased 0.3% in constant terms compared to the previous year. Given the lower interest rates, the reduced demand for credit among firms reveals that the main factor is economic activity, not the price of financing. The uncertainty surrounding the international and domestic economic environment has delayed investment decisions, despite the fact that monetary policy now allows for the use of credit.

FIRMS CREDIT BALANCE 2Q25 (GROWTH % YoY)



Source: BBVA Research with data from Banco de México

FIRMS CREDIT BALANCE 2Q25 (BILLION MXN, %)

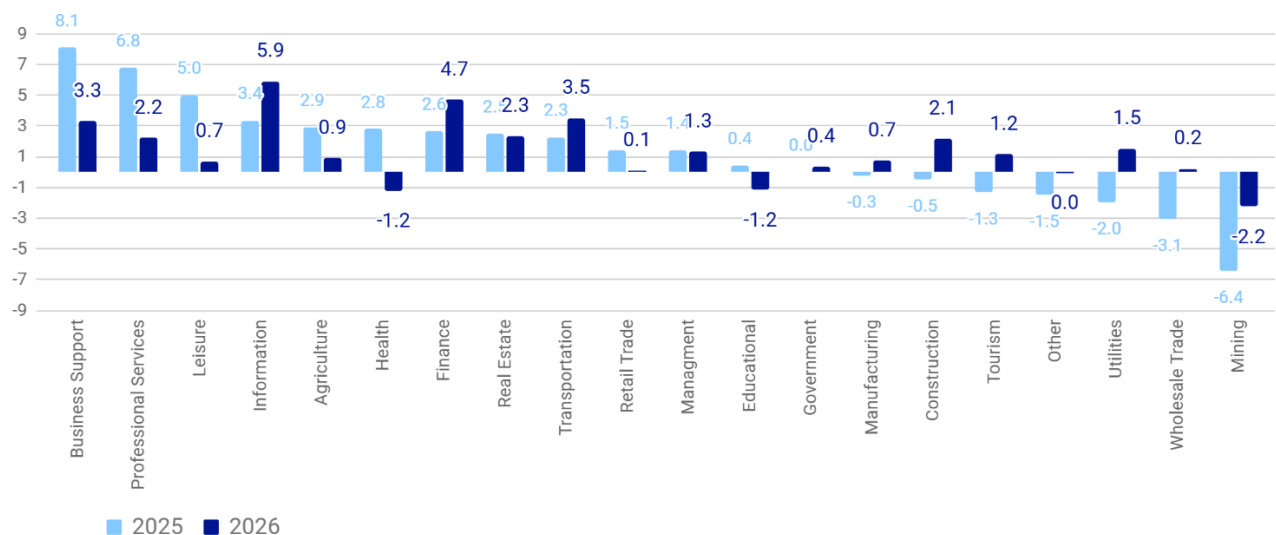


Source: BBVA Research with data from Banco de México

Growth will be sustained by services

Our outlook for the remainder of the year and into 2026 shows no significant changes. Growth will continue to be driven by the service sectors, albeit at a very modest pace. Furthermore, the most important services, with the exception of transportation, will not lead the growth. The slower pace of international trade will limit manufacturing, the sector that contributes the most to total GDP; while the stagnation in employment will impact the wholesale and retail trade sectors.

SECTOR GDP FORECAST (GROWTH % YoY)



Source: BBVA Research with data from Inegi

2.b Sector forecasts

Table 1. SECTORAL FORECASTS MEXICO
 (GROWTH % YOY; GDP BY SECTOR NAICS CLASSIFICATION)

	Growth % YoY											
	2023	2024	2025	2026	3T24	4T24	1T25	2T25	3T25	4T25	1T26	2T26
Total GDP	3.4	1.4	0.7	1.0	1.6	0.4	0.9	0.0	0.4	0.7	0.7	0.5
Primary Sector	-1.1	-3.3	2.9	0.9	2.5	-5.5	7.2	2.0	1.7	1.3	1.4	1.0
Secondary Sector	3.5	0.3	-1.1	0.7	0.6	-2.1	-0.8	-1.7	-1.4	-0.3	0.2	0.0
Mining, Oil and Gas Extraction	0.1	-4.2	-6.4	-2.2	-3.2	-5.8	-9.3	-8.2	-4.8	-3.3	-2.3	-2.8
Utilities	-2.4	1.6	-2.0	1.5	2.0	1.9	-0.9	-3.1	-0.9	-2.9	-1.5	2.0
Construction	15.6	2.7	-0.5	2.1	0.8	-6.8	-0.4	-1.7	-1.0	1.2	2.4	2.4
Manufacturing	1.4	0.3	-0.3	0.7	1.1	-0.1	0.6	-0.5	-1.0	-0.1	0.1	-0.3
Tertiary Sector	3.5	2.3	1.2	1.5	2.2	2.0	1.4	0.9	1.1	1.4	1.4	1.4
Wholesale Trade	4.1	1.3	-3.1	0.2	-0.5	-1.3	-4.6	-7.5	-0.9	0.6	-0.2	1.2
Retail Trade	4.8	2.7	1.5	0.1	2.8	3.8	3.8	3.3	0.4	-1.5	0.5	-1.0
Transportation and Warehousing	3.5	4.0	2.3	3.5	4.7	4.0	-0.4	0.8	3.2	5.5	2.7	3.5
Information	7.4	2.1	3.4	5.9	0.7	0.8	1.4	3.0	4.1	4.9	5.4	5.8
Finance and Insurance	7.8	3.5	2.6	4.7	2.8	2.5	2.5	2.5	2.6	3.0	3.6	4.4
Real Estate and Rental and Leasing	2.4	0.8	2.5	2.3	1.4	1.3	2.7	2.3	2.5	2.5	2.3	2.3
Professional, Scientific Services	5.6	15.1	6.8	2.2	13.6	11.6	15.0	10.0	2.5	1.4	2.5	1.8
Management of Companies and Enterprises	-4.2	-0.3	1.4	1.3	0.4	6.2	0.1	3.2	0.6	1.8	2.3	1.2
Administrative and Support Management	-4.2	-4.6	8.1	3.3	-2.7	-3.1	14.4	13.9	2.1	3.1	1.9	2.9
Educational Services	1.3	0.8	0.4	-1.2	2.1	1.1	1.3	1.1	-0.4	-0.2	-0.2	-1.1
Health Care and Social Assistance	1.1	4.0	2.8	-1.2	4.1	4.9	3.8	3.5	1.5	2.4	0.6	-3.0
Arts, Entertainment, and Recreation	4.7	2.9	5.0	0.7	3.9	2.5	11.3	9.0	1.6	-0.3	1.9	0.1
Accommodation and Food Services	3.0	-1.8	-1.3	1.2	-3.3	-1.9	-1.9	-2.7	0.0	-0.7	0.0	1.2
Other Services (except Public Administration)	3.3	2.1	-1.5	0.0	2.3	-0.2	-2.7	-0.5	-3.1	0.4	0.8	1.3
Public Administration	0.3	1.3	0.0	0.4	2.2	0.6	1.8	0.0	-0.4	-1.3	0.3	0.6

	Share, %				Growth Contribution., pp			
	2023	2024	2025	2026	2023	2024	2025	2026
Total GDP	100	100.0	100.0	100.0	3.4	1.4	0.7	1.0
Primary Sector	3.3	3.2	3.2	3.2	0.0	-0.1	0.1	0.0
Secondary Sector	31.9	31.5	31.0	31.0	1.1	0.1	-0.3	0.2
Mining, Oil and Gas Extraction	3.8	3.6	3.3	3.2	0.0	-0.2	-0.2	-0.1
Utilities	1.3	1.3	1.2	1.2	0.0	0.0	0.0	0.0
Construction	6.0	6.1	6.1	6.1	0.9	0.2	0.0	0.1
Manufacturing	20.8	20.6	20.4	20.4	0.3	0.1	-0.1	0.2
Tertiary Sector	59.2	59.8	60.2	60.5	2.0	1.4	0.7	0.9
Wholesale Trade	9.7	9.7	9.4	9.3	0.4	0.1	-0.3	0.0
Retail Trade	9.9	10.0	10.1	10.0	0.5	0.3	0.1	0.0
Transportation and Warehousing	7.2	7.4	7.6	7.7	0.3	0.3	0.2	0.3
Information	1.8	1.8	1.9	2.0	0.1	0.0	0.1	0.1
Finance and Insurance	3.9	4.0	4.1	4.3	0.3	0.1	0.1	0.2
Real Estate and Rental and Leasing	9.4	9.4	9.6	9.7	0.2	0.1	0.2	0.2
Professional, Scientific Services	2.0	2.3	2.5	2.5	0.1	0.3	0.2	0.1
Management of Companies and Enterprises	0.6	0.6	0.6	0.6	0.0	0.0	0.0	0.0
Administrative and Support Management	0.9	0.9	0.9	1.0	0.0	0.0	0.1	0.0
Educational Services	3.5	3.5	3.5	3.4	0.0	0.0	0.0	0.0
Health Care and Social Assistance	2.3	2.4	2.4	2.4	0.0	0.1	0.1	0.0
Arts, Entertainment, and Recreation	0.5	0.5	0.5	0.5	0.0	0.0	0.0	0.0
Accommodation and Food Services	2.3	2.2	2.2	2.2	0.1	0.0	0.0	0.0
Other Services (except Public Administration)	1.7	1.7	1.7	1.7	0.1	0.0	0.0	0.0
Public Administration	3.3	3.3	3.3	3.2	0.0	0.0	0.0	0.0

Note: Forecast in bold. All figures are subject to revision by INEGI.
 GDP = GVA + Taxes. Taxes not included.; pp: Percentage points
 Source: BBVA Research with data from INEGI

Table 2. SECTORAL MANUFACTURING FORECASTS MEXICO

(GROWTH % YoY; GDP MANUFACTURING BY SUBSECTOR)

	Growth % YoY											
	2023	2024	2025	2026	3T24	4T24	1T25	2T25	3T25	4T25	1T26	2T26
Manufacturing	1.4	0.3	-0.3	0.7	1.1	-0.1	0.6	-0.5	-1.0	-0.1	0.1	-0.3
Food	-0.4	-0.3	-0.3	-0.2	0.2	-0.5	0.4	0.1	-0.9	-0.9	-0.3	-0.5
Beverages and Tobacco	-3.9	1.0	-0.3	2.3	1.1	-0.9	-0.9	-1.0	-0.8	1.3	2.4	2.3
Textile Mills	-8.6	-6.0	-8.0	-4.4	-3.1	-3.3	-2.0	-7.6	-13.4	-8.8	-8.0	-3.1
Textile Product Mills	-2.3	-5.6	-0.7	3.5	-5.8	-4.6	-1.3	-0.2	-4.3	3.0	5.5	-1.0
Apparel	-6.5	-9.3	-6.7	-6.3	-7.3	-10.8	-3.7	-8.5	-7.5	-6.9	-7.5	-5.6
Leather and Allied	-2.2	-13.5	-9.0	6.6	-15.2	-8.7	-4.0	-8.2	-15.0	-8.4	7.2	3.5
Wood Product	-10.2	-4.8	-10.4	-8.4	-3.1	0.2	-2.7	-11.3	-12.8	-14.8	-4.3	-7.6
Paper	-4.9	-2.7	0.7	2.4	-1.7	1.1	3.5	-1.6	0.1	0.9	0.9	3.4
Printing and Related	-2.4	-1.2	-1.9	-2.5	-2.4	1.9	5.4	-1.4	-9.5	-1.1	-2.0	-4.1
Petroleum and Coal	-2.6	11.5	3.8	-5.2	15.6	7.0	-9.0	12.9	6.1	7.1	-3.6	-8.0
Chemical	-2.8	2.1	-2.7	-1.3	2.2	-0.3	-1.4	-5.7	-3.9	0.5	-1.8	-0.7
Plastics and Rubber	-3.2	0.0	-0.4	1.5	3.1	0.2	3.4	-2.6	-4.2	2.1	0.5	1.4
Nonmetallic Mineral	-2.5	-1.9	-5.2	0.7	0.5	-2.1	-5.0	-5.9	-6.4	-3.5	-0.7	1.0
Primary Metal	0.0	-5.1	0.2	0.9	-8.3	-2.9	-0.9	-0.3	2.0	0.1	0.6	1.6
Fabricated Metal	1.6	-2.1	-3.0	0.9	-2.5	-3.8	1.1	-4.6	-6.3	-1.9	-1.5	-0.9
Machinery	2.1	-4.7	-3.2	-2.0	-3.6	-4.2	-1.9	0.5	-5.2	-6.7	-4.2	-6.2
Computer and Electronic	5.1	-0.4	-0.4	1.6	-1.6	-3.0	2.4	3.4	-4.8	-2.7	0.8	-4.0
Electrical Equipment and Component	2.2	0.7	2.0	-0.4	3.5	2.6	5.2	1.8	0.3	0.9	-0.7	-0.8
Transportation Equipment	8.7	1.3	-0.2	3.1	3.0	0.1	0.1	-4.1	1.7	1.6	2.0	2.5
Furniture and Related	-8.5	-3.1	-4.9	5.1	-0.5	-1.7	-1.6	-2.9	-8.9	-6.2	2.3	5.5
Miscellaneous	-1.0	14.0	16.6	1.1	13.5	24.5	30.2	25.0	10.0	4.1	1.9	0.4

	Share, %				Growth Contribution., pp			
	2023	2024	2025	2026	2023	2024	2025	2026
Manufacturing	100	100.0	100.0	100.0	1.4	0.3	-0.3	0.7
Food	18.9	18.8	18.8	18.6	-0.1	-0.1	-0.1	0.0
Beverages and Tobacco	4.8	4.8	4.8	4.9	-0.2	0.0	0.0	0.1
Textile Mills	0.5	0.5	0.5	0.4	0.0	0.0	0.0	0.0
Textile Product Mills	0.3	0.3	0.3	0.3	0.0	0.0	0.0	0.0
Apparel	1.1	1.0	0.9	0.9	-0.1	-0.1	-0.1	-0.1
Leather and Allied	0.6	0.5	0.4	0.5	0.0	-0.1	0.0	0.0
Wood Product	0.7	0.7	0.6	0.5	-0.1	0.0	-0.1	0.0
Paper	2.0	1.9	2.0	2.0	-0.1	-0.1	0.0	0.0
Printing and Related	0.5	0.5	0.4	0.4	0.0	0.0	0.0	0.0
Petroleum and Coal	3.9	4.3	4.5	4.2	-0.1	0.4	0.2	-0.2
Chemical	6.6	6.7	6.6	6.4	-0.2	0.1	-0.2	-0.1
Plastics and Rubber	3.1	3.1	3.1	3.1	-0.1	0.0	0.0	0.0
Nonmetallic Mineral	3.0	3.0	2.8	2.8	-0.1	-0.1	-0.2	0.0
Primary Metal	5.2	4.9	4.9	4.9	0.0	-0.3	0.0	0.0
Fabricated Metal	3.2	3.2	3.1	3.1	0.1	-0.1	-0.1	0.0
Machinery	4.3	4.1	4.0	3.9	0.1	-0.2	-0.1	-0.1
Computer and Electronic	9.4	9.4	9.4	9.4	0.5	0.0	0.0	0.2
Electrical Equipment and Component	4.1	4.1	4.2	4.1	0.1	0.0	0.1	0.0
Transportation Equipment	24.1	24.3	24.3	24.9	2.1	0.3	-0.1	0.8
Furniture and Related	1.0	1.0	0.9	1.0	-0.1	0.0	0.0	0.0
Miscellaneous	2.6	3.0	3.5	3.5	0.0	0.4	0.5	0.0

Note: Forecast in bold. All figures are subject to revision by INEGI.

pp: Percentage points

Source: BBVA Research with data from INEGI.

2.c Regional Outlook

South at two speeds

Mexico's regional economic performance in 2025 confirms a slowdown with marked regional differences. While some states are consolidating the momentum of trade resilience or industrial relocation, others face a slowdown following the completion of flagship public works projects and the adjustment of federal spending on physical investment. Overall, the national economy maintains moderate growth, albeit with significant dispersion in regional growth rates.

In the south of the country, we observed a two-speed performance: Guerrero grew 6.8% at an annual rate for the first quarter of 2025, and Oaxaca grew 5.6% in the same period, according to the State Quarterly Indicator of Economic Activity (ITAE). In Guerrero, the momentum comes from the post-Otis reconstruction and the normalization of tourism; SEDATU reported approximately 90% progress in the rehabilitation of public spaces by July 2025, and President Claudia Sheinbaum announced an additional investment of 7 billion pesos to strengthen water, housing, and risk mitigation in the state². For Oaxaca, the second fastest-growing state, progress is supported by the inertia of the logistics-industrial projects of the Isthmus of Tehuantepec Interoceanic Corridor and the agricultural recovery, with knock-on effects in construction, transportation and services.

In contrast, the completion of the major projects on Dos Bocas, the Maya Train, and the Tulum airport has removed civil works and temporary personnel from the second half of 2024, leaving a gap that the operational phase has not yet compensated for, especially in Tabasco and Campeche, but with a lesser impact in Quintana Roo, which is supported by tourism. Added to this hangover from the completion of megaprojects was the drop in federal physical investment (falling 33.5% at an annual real rate in 1Q25, excluding investment related to hydrocarbons³), which deepened the contraction in states more dependent on infrastructure spending. In addition, the Dos Bocas refinery operated below capacity at the beginning of 2025, with frequent operating problems and power outages that limited the local multiplier effect, and the non-payment of Pemex suppliers affected Tabasco's economy.

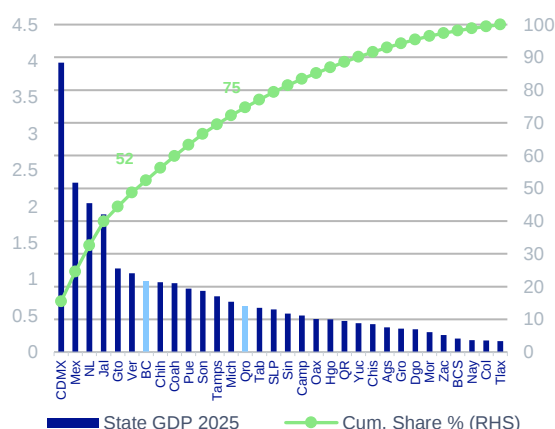
In the center and north of the country, growth has moderated, although it remains on a stable trajectory, supported by manufacturing, formal services, and residential activity. Clusters such as Nuevo León, Jalisco, and Querétaro maintain a resilient performance despite the slower external momentum, reflecting the strength of their industrial and services base. According to our estimates for State GDP in 2025, the ranking of the states shows little change: Tabasco drops from 14th to 15th place, and Querétaro rises one position, consolidating its role as an emerging hub in the Bajío manufacturing corridor.

2: Secretariat of Agrarian, Territorial, and Urban Development (Sedatu, June 2024). Sedatu reports 90% progress in the reconstruction of public spaces damaged by Otis in Acapulco and Coyuca de Benítez. Available [here](#).

3: IMCO (May 2025). Public infrastructure spending falls 33.5% in the first quarter of 2025. Available [here](#).

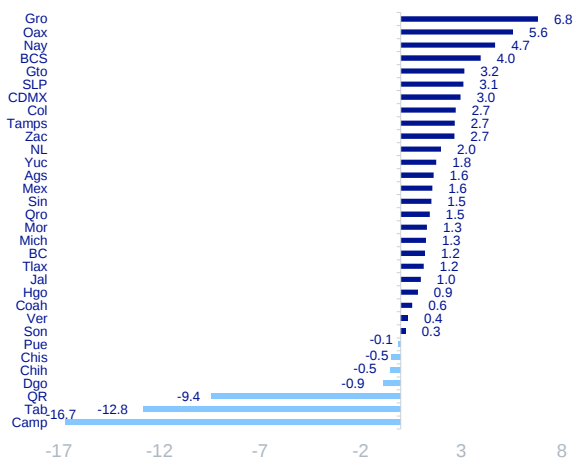
Mexico City is valued at 3.9 trillion pesos (close to 16% of the national GDP) and the State of Mexico at nearly 2.3 trillion pesos (9%), meaning both states account for approximately a quarter of the national economy. Together with Nuevo León and Jalisco, the four main state economies contribute 40% of the country's GDP. Tabasco's recent adjustment is consistent with the conclusion of the public works investment cycle; however, its economy remains well above pre-contingency levels in 2019, with an activity index of 143 (2019 = 100) in 2024..

STATE GDP FORECAST 2025
(TRILLION CONST. MXN AND CUM. SHARE %)



Source: BBVA Research with data from Inegi

STATE ECONOMIC ACTIVITY 1Q25
(GROWTH % YoY)



Source: BBVA Research with data from Inegi

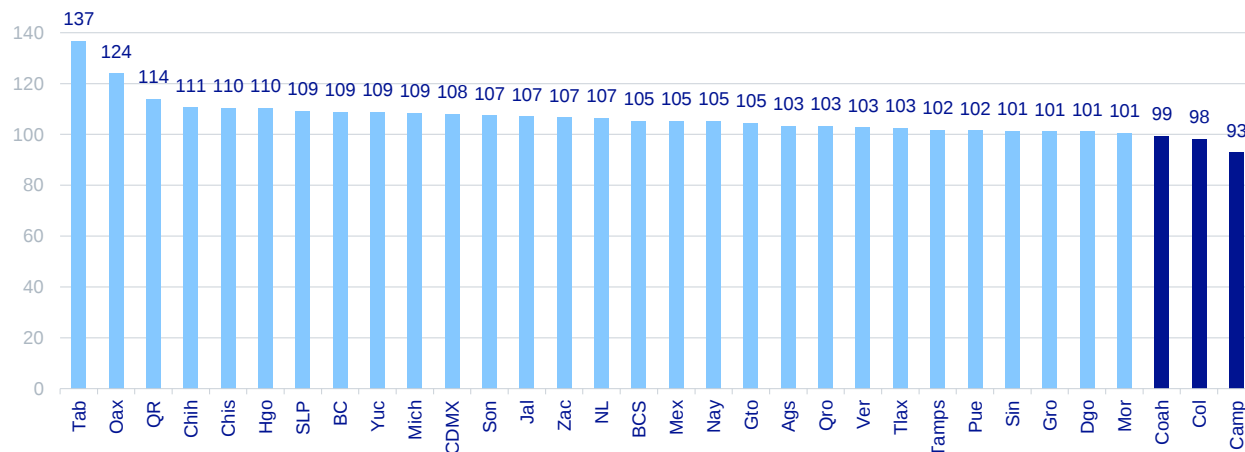
State recovery remains asynchronous. Based on 2019 activity levels = 100, the national median is 105, indicating that half of the states already exceed their pre-COVID-19 levels by at least 5%. Even so, aggregate progress remains gradual and uneven.

In the upper quartile (≥ 109), Tabasco (137) stands out, a clear outlier due to the momentum of the flagship projects of the previous six-year term; Oaxaca (124), sustained by the knock-on effect of the Interoceanic Corridor; and a block comprised of Quintana Roo (114), Chihuahua (111), Chiapas (110), and Hidalgo (110), where construction has been the main driver. In the middle range (103–109) are the large industrial economies that completed a more gradual recovery, supported by manufacturing, formal services, and housing: Mexico City (108), Nuevo León (107), Jalisco (107), Baja California (109), San Luis Potosí (109), Yucatán (109), and Guanajuato (105), among others.

As we have documented in previous editions, the recovery sequence followed a clear pattern: first, the normalization of services and employment, then the leveraging of automotive and electronics nearshoring, and more recently, the boost from housing and logistics. The lag is concentrated in the states that are still around 2019 levels or remain below: Coahuila (99) and Colima (98) remain practically at the 2019 baseline, while Campeche (93) continues to lag behind due to the prolonged weakness in oil production. In short, the states that took off first (supported by tourism, construction, and logistics) have now made more progress; industrial entities are making steady progress, and a small group has yet to close the gap with 2019.

STATE GDP FORECAST 2025

(2019 = 100)



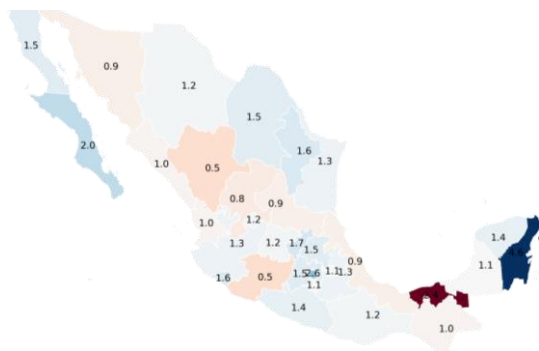
Source: BBVA Research with data from Inegi

For 2025, we expect moderate and more heterogeneous growth than in 2024, in line with the normalization of post-pandemic drivers. Leading the growth are Mexico City (1.8%), Zacatecas (1.6%), and Baja California Sur (1.3%), supported by Corporate Services, Agribusiness, and Tourism. At the other end of the spectrum, Tabasco (-4.3%) and Campeche (-3.1%) are losing traction due to the hangover from the completion of megaprojects and the constant declines in oil rigs. Quintana Roo (growing moderately by 1%) is slowing after the tourism rebound, and the northern manufacturing corridor (Coahuila, Chihuahua, Nuevo León, Tamaulipas) is advancing at a slower pace (0.3–0.9%) due to the slowdown in the external cycle and the normalization of nearshoring, awaiting the final balance in trade with the US.

By 2026, we anticipate a slight reacceleration and less dispersion among states: the start of new flows of private investment linked to relocation and the gradual improvement of the external manufacturing cycle should drive a more even recovery in the north and the Bajío region. The major economies—CDMX, the State of Mexico, Jalisco, and Nuevo León—will continue to grow at a pace close to or above the national average, with tourism services and consumer spending as anchors and driven by the influx of tourists who visited these states following the 2026 World Cup. In the southeast, Tabasco and Campeche should stabilize as the operational phase of investments in the energy sector gains traction. In Morelos, the impact of the closure of the Nissan plant in CIVAC would be less in 2025 (a phased process), with a greater effect in 2026 if the relocation of production to Aguascalientes progresses as announced.

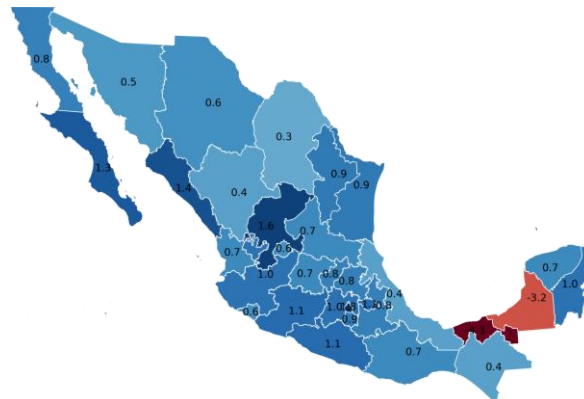
By the first half of 2025, formal employment registered annual growth in 17 of the 32 states, demonstrating a partial recovery of the labor market. Significant progress was seen in the State of Mexico (3.7%), Nuevo León (2.9%), Colima (2.7%), Hidalgo (2.6%), and Chiapas (2.1%), driven by manufacturing, services, and construction. In contrast, the largest contractions were concentrated in the energy-intensive south and in states with industrial adjustments: Tabasco (-8.8%), Campeche (-7.3%), and Zacatecas (-3.3%).

STATE GDP 2024 (GROWTH % YoY)



Source: BBVA Research with data from Inegi

STATE GDP 2025 (GROWTH % YoY)

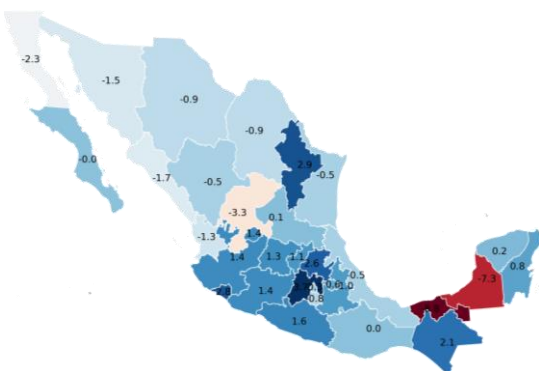


Source: BBVA Research with data from Inegi

In terms of exports, performance was more mixed. Fourteen states reported increases, with strong expansions in Chihuahua (35.7%), Jalisco (33.2%), Zacatecas (31.9%), Colima (25.1%), and Yucatán (23.8%). At the other extreme, the largest declines were observed in Campeche (-28.3%), Tabasco (-25.5%), Guerrero (-22.3%), Puebla (-18.8%), and Quintana Roo (-17.6%).

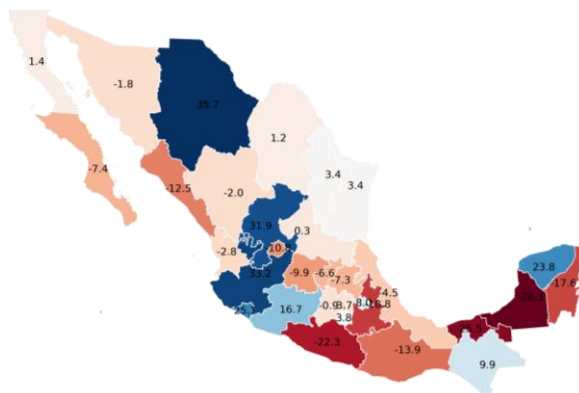
Overall, a slight disconnect between export and labor dynamism is observed: some states accelerated their external sales without a proportional expansion in employment (e.g., Chihuahua and Zacatecas), while others increased jobs despite weak external demand, such as the State of Mexico, whose exports declined 0.9% YoY.

FORMAL EMPLOYMENT IMSS 1H25 (GROWTH % YoY)



Source: BBVA Research with data from IMSS

EXPORT OF GOODS 1H25 (GROWTH % YoY)



Source: BBVA Research with data from Inegi

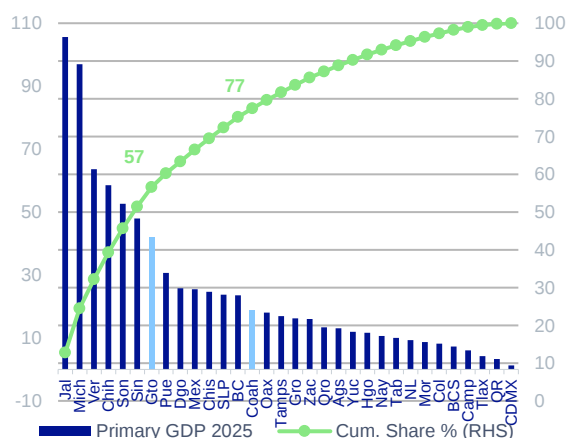
Sectoral contrast in 2025. The agricultural industry sets the pace

The primary sector remains concentrated: Jalisco (13%) and Michoacán (12%) account for nearly a quarter of the national agricultural GDP, and together with Veracruz, Chihuahua, Sonora, and Sinaloa, they account for more than half of the total. A mixed performance is

expected for 2025, with notable growth in Zacatecas (8.0%), Tlaxcala (6.2%), the State of Mexico (5.9%), and Sinaloa (5.6%), while Coahuila (-1.5%) and Mexico City (-2.7%) are lagging. A positive factor will be water recovery: according to CONAGUA, the fill level of the 210 main dams increased from 44% to 50% between June and August.⁴ This improvement reinforces water availability during the spring-summer cycle, especially in the central and southern regions, which favors the production of grains, cereals, legumes, and vegetables in these agricultural belts.

Regarding foreign trade of Mexican agricultural products, tomato exports have been affected by the end of the 2019 suspension agreement (TSA) with the US, which imposed an anti-dumping tariff of 17% on most Mexican fresh tomatoes instead of a minimum price, which will pressure margins and could shift volumes to the domestic market, affecting producers in Jalisco, Sonora and Sinaloa.

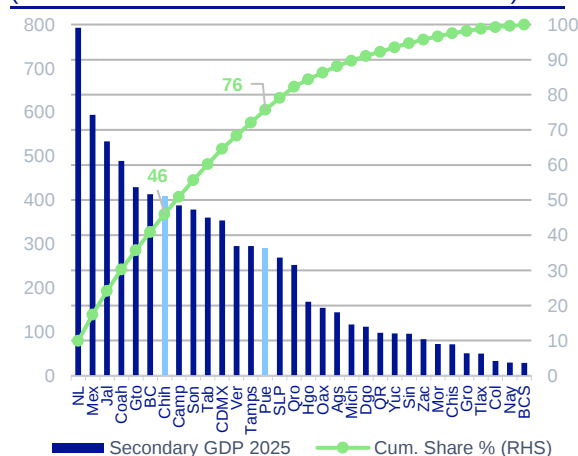
PRIMARY GDP FORECAST 2025
(BILLION CONST. MXN AND CUM. SHARE %)



completion of major projects in the southeast. Furthermore, Morelos overtakes Chiapas, and Guerrero surpasses Tlaxcala, driven by the reconstruction of tourism and urban infrastructure in Acapulco.

By 2025, a weak year is expected for the secondary sector, with slight contractions in the main manufacturing hubs: Nuevo León (-0.5%), Coahuila (-1.0%), Chihuahua (-0.4%), Baja California (-0.6%), Guanajuato (-0.4%), and Jalisco (-0.4%). Lower automotive demand and still-high interest rates are tempering the sector's expansion. At the same time, hydrocarbons will continue to lose traction, with declines in Tabasco (-8.1%) and Campeche (-4.6%). In contrast, positive growth will be concentrated in Zacatecas (0.7%) and Guerrero (0.7%), thanks to the mining and local public works sectors.

SECONDARY GDP FORECAST 2025
(BILLION CONST. MXN AND CUM. SHARE %)



Source: BBVA Research with data from Inegi

SECONDARY GDP FORECAST 2025
(GROWTH. % YoY)



Source: BBVA Research with data from Inegi

By 2025, the bias in the construction sector is negative and practically widespread, following the end of the push for federal megaprojects and the reduction in public investment spending. The declines in Campeche (-2.7%) and Quintana Roo (-2.6%) are notable, along with moderate setbacks in Yucatán (-0.6%), Hidalgo (-0.6%), Chiapas (-0.6%), Mexico City (-0.6%), Sonora (-0.6%), Tabasco (-0.5%), and Michoacán (-0.5%). Although some construction fronts persist in the south, such as the Nichupté Bridge in Quintana Roo, complementary projects in Campeche, and projects adjacent to the Mayan Train and the Interoceanic Corridor, their impact is limited. In the northern industrial centers, the adjustment is milder (Nuevo León -0.3%, Chihuahua -0.4%), in line with more cautious private investment and still-high interest rates. Even so, residential and commercial construction are partially cushioning the contraction, unlike civil engineering, which remains on a downward trajectory, as we discussed in our latest Mexico Real Estate Outlook for the second half of the year.⁵

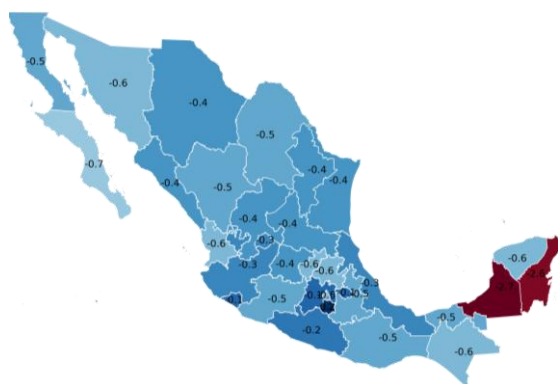
In manufacturing, a slight but widespread decline is anticipated, reflecting the slowdown in the automotive and metalworking sectors, although with pockets of resilience in electronics and food. Declines are recorded in Coahuila (-0.9%), Puebla (-0.5%), Aguascalientes (-0.5%), Baja

5: BBVA Research (2025). Mexico Real Estate Outlook. Second half of 2025. Available [here](#).

California (-0.5%), Querétaro (-0.4%), Sonora (-0.4%), Chihuahua (-0.4%), Nuevo León (-0.4%), State of Mexico (-0.4%), and Jalisco (-0.3%). The oil-rich southeast shows a virtually flat performance (Tabasco +0.03%, Campeche -0.01%). Overall, the year is characterized by slight declines offset by local buffers, pending new industrial projects associated with the energy sector entering the production phase.

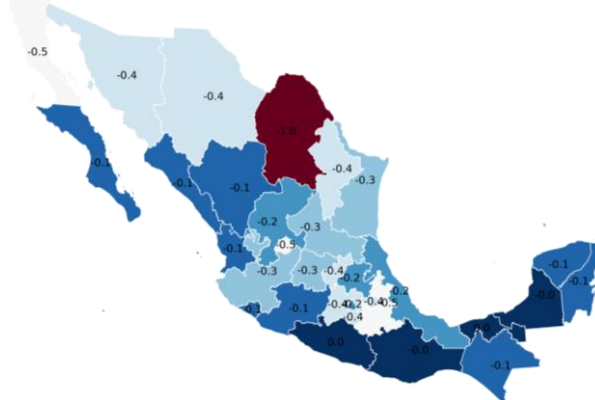
The tertiary sector maintains a high geographic concentration: Mexico City contributes 22% of GDP from services and, together with the State of Mexico, Jalisco, and Nuevo León, accounts for 47% of the national total. Urban-metropolitan specialization in corporate and financial services, government, ICT, and logistics explains why these hubs drive the national aggregate. Meanwhile, tourism hubs such as Quintana Roo and Baja California Sur, although of lesser structural importance, are emerging as the main marginal drivers of services growth in 2025.

CONSTRUCTION GDP FORECAST 2025
(GROWTH. % YoY)



Source: BBVA Research with data from Inegi

MANUFACTURING GDP FORECAST 2025
(GROWTH. % YoY)



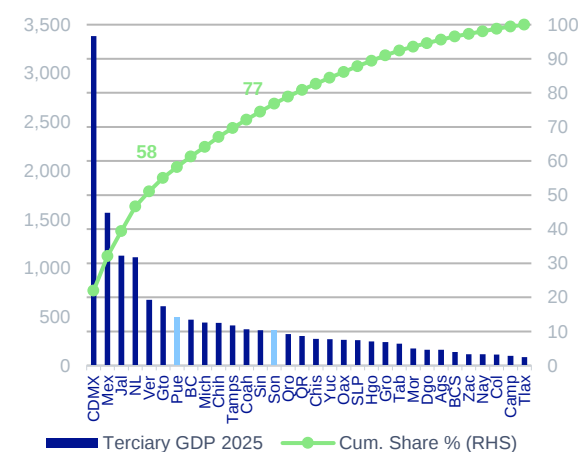
Source: BBVA Research with data from Inegi

By 2025, the services sector's bias will be positive, albeit moderate, with the best performances in Quintana Roo (1.9%), Mexico City (1.8%), Baja California (1.5%), Nuevo León (1.3%), and Baja California Sur (1.3%). In addition, the oil-rich south will contribute growth through related services in Campeche (1.6%) and Tabasco (1.4%). The tourism sector continues to sustain major destinations, driven by the recovery in hotel occupancy and airport traffic; however, the sector faces higher operating costs and security issues that limit hours and traffic in some parts of the country.

As we discussed in our [1H25 Mexico Outlook](#), the slowdown in consumption resulting from the slower dynamism of formal employment and the real wage bill has slowed the growth of trade and personal services. However, disinflation in services and the gradual decline in interest rates have cushioned the loss of purchasing power, sustaining spending on essential items. This environment favors states such as Jalisco (0.8%), Puebla (1.2%), and Querétaro (1.1%), driven by business and government services. The border region, particularly Baja California (1.5%) and Chihuahua (0.8%), continues to benefit from cross-border flows and services linked to foreign trade, while Morelos (1.0%) and Guerrero (1.0%) maintain momentum due to urban and tourism reconstruction. Overall, the tertiary sector acts as a buffer against industrial weakness in 2025:

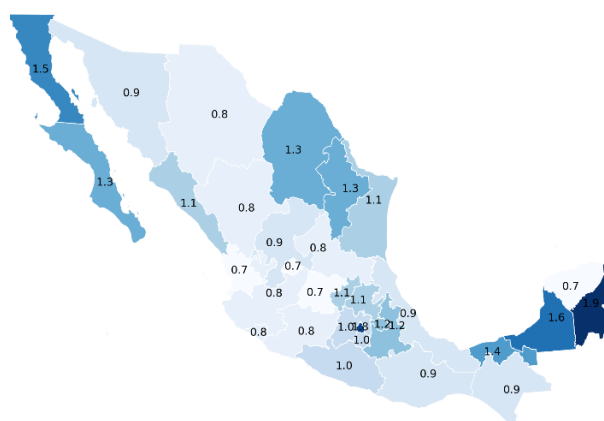
with interest rates falling and services inflation moderating, the sector's outlook improves toward the end of the year, consolidating its position as the main pillar of national growth.

TERCIARY GDP FORECAST 2025
(BILLION CONST. MXN AND CUM. SHARE %)



Source: BBVA Research with data from Inegi

TERCIARY GDP FORECAST 2025
(GROWTH. % YOY)



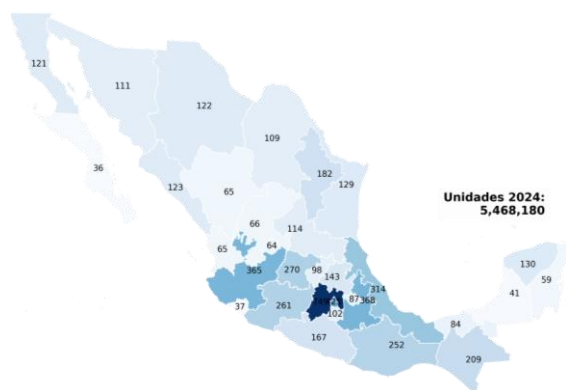
Source: BBVA Research with data from Inegi

Regional Outlook of the 2024 Economic Census

In this edition, we incorporate new structural evidence from the [2024 Economic Census](#), published in July 2025, into our regional analysis. This information provides a deeper understanding of the country's productive and business composition, as well as regional differences in productivity, inclusion, and digitalization. Using this data, we examine four key dimensions that define sectoral and territorial competitiveness: gender participation and levels of formality, access to financing, use of information and communication technologies (ICTs), and online sales.

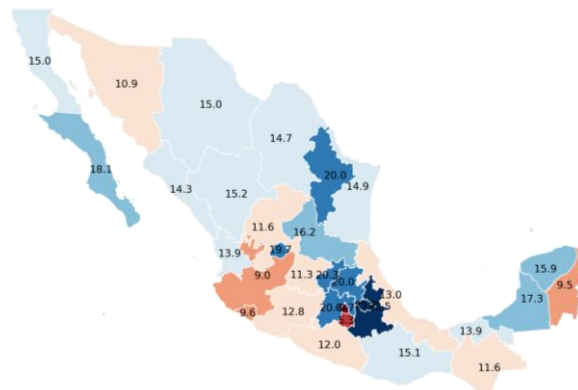
Between 2018 and 2024, the total number of economic units in the country grew 13.9%, reaching 5.47 million establishments, reflecting a widespread process of business expansion, albeit with marked regional differences. The center and north of the country led the creation of new businesses, with Puebla (+23.5%), Querétaro (+20.3%), the State of Mexico (+20.0%), and Hidalgo (+19.9%) standing out, driven by their integration into industrial and logistics corridors. In contrast, Mexico City showed a slight contraction (-0.7%), reflecting the shift of activities to metropolitan peripheries and the impact of digitalization on traditional commerce. In the south-southeast, states such as Oaxaca (+15.1%), Chiapas (+14.6%), and Campeche (+13.4%) also grew, albeit from a smaller business base, confirming a slower recovery dynamic dependent on the services sector. This behavior reaffirms that, while the Mexican economy shows signs of productive expansion, territorial asymmetries in density and type of economic units continue to mark the country's business geography.

ECONOMIC UNITS CENSUS 2024 (THOUSANDS OF FIRMS)



Source: BBVA Research with data from Inegi, CE 2024.

ECONOMIC UNITS CENSUS 2024 VS 2018 (GROWTH. % YOY)



Source: BBVA Research with data from Inegi, CE 2024.

The business model shows strong geographic disparities in terms of sectors. Industrial chains are concentrated in the northern and central states (Nuevo León, Coahuila, Querétaro, Guanajuato, and the State of Mexico), while the south-southeast is oriented toward services and retail trade. The manufacturing industry comprises 634,000 establishments and 7.2 million employed people, of whom 60.5% are men. The leading states in manufacturing employment are Chihuahua (9.1%), Nuevo León (7.7%), Baja California (7.1%), and Guanajuato (7.7%). Automotive, auto parts, and beverage manufacturing activities account for almost 34% of industrial value added. However, manufacturing presents a duality: high productivity in large plants in the north, versus labor-intensive and low-technology segments in the center and south. Forty-seven percent of the manufacturing workforce has basic education, compared to only 16.6% with higher education, underscoring the human capital challenge in the south-southeast region.

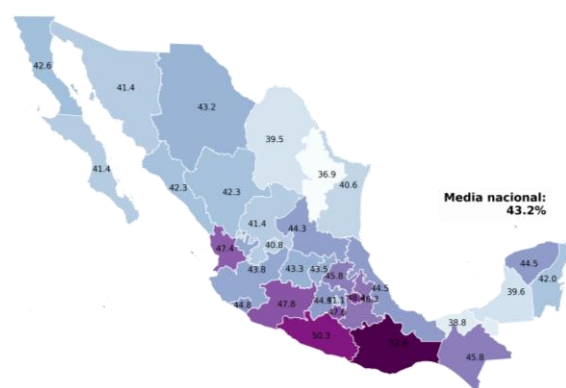
Commerce, with 2.58 million establishments (47% of the national total), is the main generator of employment, with 8.6 million people employed. However, only 12% of businesses in the sector reported financing, reflecting the high level of informality in credit and operations. The highest wages are recorded in the wholesale trade of machinery and equipment (more than 200,000 pesos per person per year), while retail trade (groceries and food) maintains low margins and high turnover. The contrast between the formalized north and the fragmented south explains part of the regional productivity gap.

Gender and formality

The 2024 Economic Census confirms gradual progress in female participation in the labor market, although gaps persist at the regional level. Nationally, women represent 43.2% of the employed workforce, compared to 41.3% in 2018, reflecting a 4.6% increase in the post-pandemic period, particularly in activities related to social, educational, and health services. Oaxaca (52.6%) and Guerrero (50.3%) stand out, where female participation even exceeds labor market parity, driven by the high proportion of employment in education, health, and social assistance, traditionally feminized sectors. Between 2018 and 2024, Coahuila, Baja California,

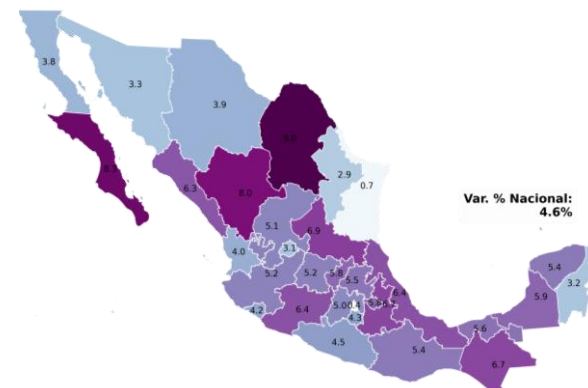
and Durango increased their female participation to rates above 8%. In the services sector, the sectors with the largest number of establishments (Food and Beverage Preparation, Automotive Repair, and Personal Services) account for more than 3.5 million jobs, with a nearly even gender distribution (48% women, 52% men). This trend shows progress toward parity in employment-intensive segments, although there are still high levels of informality and low productivity.

FEMALE PARTICIPATION, 2024
(% WOMEN IN EMPLOYED PERSONNEL)



Source: BBVA Research with data from Inegi, CE 2024.

FEMALE PARTICIPATION, 2024 VS 2018
(GROWTH. % YOY)



Source: BBVA Research with data from Inegi, CE 2024.

Regarding formality, census data reveal a profound structural duality: 64% of economic units operate informally, yet generate only 3.6% of national value added. In contrast, formal firms (although they represent just over a third of the total) account for 96% of the value generated, with productivity almost 30 times higher than that of informal firms. This differential reflects a critical structural barrier for public policy: while informality acts as an employment buffer in low-growth contexts, it also restricts aggregate productivity and limits the country's ability to scale toward more technologically sophisticated sectors.

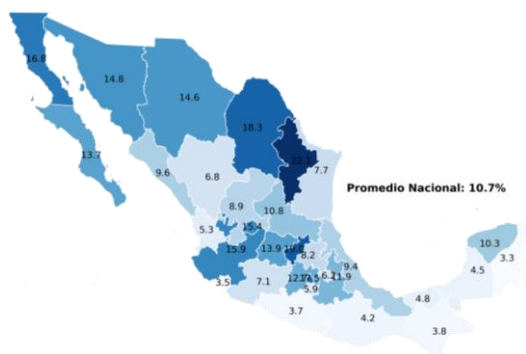
The policy challenge is, therefore, twofold: to advance labor and business formalization through regulatory and fiscal incentives, and to promote greater female inclusion in high-productivity sectors. The convergence between both processes—inclusion and formalization—will be crucial to closing the income, productivity, and well-being gaps among regions, genders, and business sizes.

Access to financing

Access to formal financing remains one of the main differentiators of competitiveness among regions and business sizes in Mexico. According to the 2024 Economic Census, only one in nine economic units (10.7%) obtained some type of credit or financing, representing approximately 588,000 firms out of a total of 5.47 million. 32.8% of large firms (more than 250 employees) obtained financing, compared to only 10% of SMEs and 6% of micro-enterprises. This size bias translates into an asymmetry in investment capacity: firms with credit generate 25% more added value per worker and pay 12% higher wages on average. Most businesses (particularly micro-businesses in commerce and services) continue to operate with their own capital or informal loans, which limits their ability to invest, grow, and formalize.

Formal credit is concentrated in the northern and central industrial regions. The states with the greatest access to financing are Nuevo León (22%), Querétaro (19%), Coahuila (18%), and Mexico City (17%), driven by more formal business structures and integrated production chains. In contrast, in Chiapas, Oaxaca, Guerrero, and Tabasco, less than 5% of economic units reported having received credit, evidencing a north-south structural gap. Regarding the source of financing, banks remain predominant, but with a growing role for suppliers. Nationally, 43.5% of financed establishments turned to banks, 24% to suppliers, and 18.2% to family or friends as their primary source. In the northern region of the country, bank credit predominates, while in the south, there is a greater dependence on informal or commercial financing, which restricts capital productivity.

ACCESS TO CREDIT OR FINANCING (% ECONOMIC UNITS PER STATE)



Source: BBVA Research with data from Inegi, CE 2024.

MAIN SOURCE OF FINANCING (% BY COMPANY SIZE, NON-EXCLUSIVE)

Source of financing	Total (%)	Micro	Small	Medium	Large
Banks	43.5	24.3	51.2	72.8	80.5
Suppliers	23.9	25.3	20.8	18.1	12.6
Friends & Family	18.2	29	14.5	4.9	2.2
Financial institutions / SOFOMES	7.4	6.3	8	10.1	4.5
Government (public programs)	4.1	3.6	3.7	3.9	4.7
Other sources	2.9	1.5	1.8	2.3	5.5

Source: BBVA Research with data from Inegi, CE 2024

Of course, credit is a metric closely related to higher productivity and profitability indicators. Financing units report 23% higher added value per employed person than those without financing. Financing systematically increases labor productivity by 15% to 25%, confirming its role as a structural lever for regional competitiveness.

VALUE ADDED PER WORKER (PRODUCTIVITY) (THOUSANDS OF PESOS OF 2024 AND DIFFERENCE %)

Región	Firms with access to credit/financing. Value added (\$) per worker	Firms without access to credit/financing. Value added (\$) per worker	Difference (%)
Bajío (Midwest)	589.76	478.41	23.3%
Northwest	632.30	511.85	23.5%
Southeast	520.70	431.16	20.8%
Northeast	611.20	497.92	22.8%
West	538.12	443.52	21.3%
Metropolitan (Center)	636.01	509.03	24.9%
South	502.89	413.60	21.6%

Source: BBVA Research with data from Inegi, CE 2024. Note: Northwest: BC, BCS, Chih, Sin, Son. Northeast: Coah, Dgo, NL, Tamps. Bajío: Ags, Gto, Hgo, Qro, SLP, Zac. West: Col, Jal, Mich, Nay. South: Gro, Mor, Oax, Pue, Tlax, Ver. Southeast: Camp, Chis, QR, Tab, Yuc. Metropolitan: CDMX, Mex. Siguiendo la clasificación regional de BBVA.

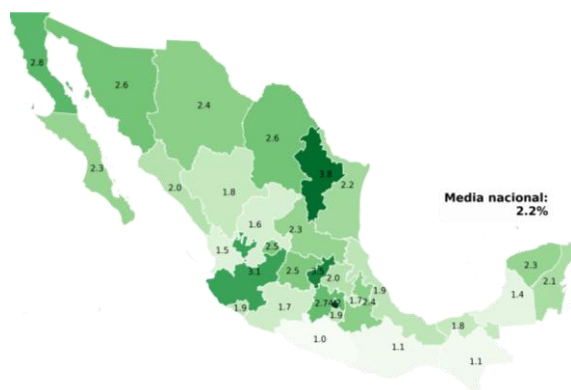
Formal financing in Mexico continues to be a pain point for the business structure, particularly in the microenterprise sector in the south and in the service sector. Census results confirm that credit not only expands investment capacity but also increases productivity, profitability, and wages, generating a virtuous cycle that is difficult to replicate without access to the financial system. Reducing the regional gap will require territorial financial inclusion policies, credit education, and greater banking competition, aimed at democratizing access to productive capital.

Use of Information Technology (ICT) in Businesses

Access to and use of digital technologies has established itself as a structural determinant of regional productivity and competitiveness. The 2024 Economic Census confirms that business digitalization is advancing, but with profound territorial and business size asymmetries. Nationally, only one in four economic units (25%) reported using some technological tool (either computers, tablets, or internet connection), representing approximately 1.38 million establishments. However, this average masks a dual pattern: while the north and center of the country are converging toward digitalized production models, the south and southeast continue to operate with low technological adoption and dependence on manual processes.

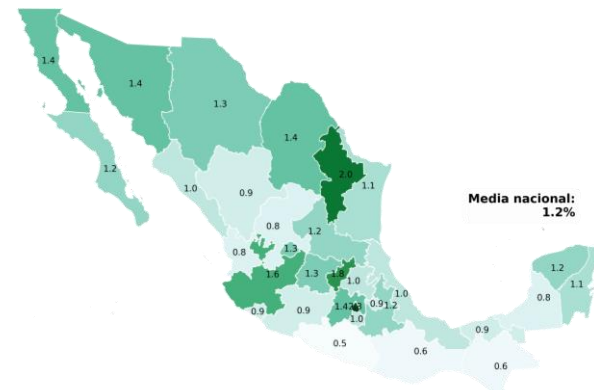
The use of computers or tablets is highest in states such as Mexico City (45%), Nuevo León (42%), Querétaro (39%), Jalisco (37%), and Baja California (35%), while in Chiapas, Oaxaca, and Guerrero it does not exceed 15%. Regarding connectivity, 1.44 million firms reported having internet access, equivalent to 26% of the national total, with a high concentration in the urban and industrial corridors of the center and north. Ninety-one percent of large firms use the internet and digital tools, compared to only 23% of microenterprises. In contrast, Oaxaca, Chiapas, Campeche, and Guerrero show low business internet penetration (10–14%), a high proportion of microenterprises, and limited network coverage. Digitalization continues to be a phenomenon associated with scale, formalization, and access to financing, which amplifies productivity gaps between regions.

USE OF BIG DATA TOOLS
(% ECONOMIC UNITS PER STATE)



Source: BBVA Research with data from Inegi, CE 2024.

USE OF ARTIFICIAL INTELLIGENCE
(% ECONOMIC UNITS PER STATE)



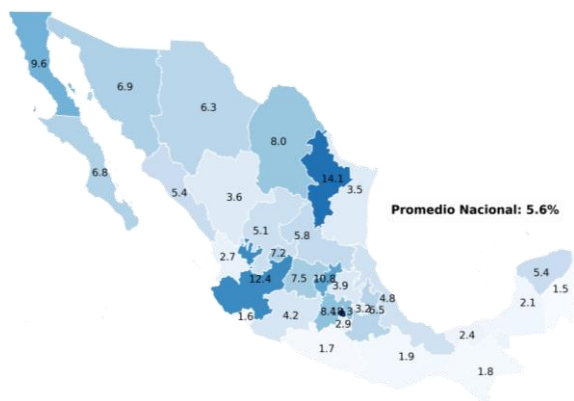
Source: BBVA Research with data from Inegi, CE 2024.

We identified progress in the use of cloud-based services and data analysis. Of the units that employ digital technology, 42.5% use cloud services, 40.5% use online stores, and 23.7% use repositories or storage platforms. However, only 2.2% apply big data analysis techniques, and 1.2% use artificial intelligence systems, revealing a still-incipient adoption of advanced technologies. Mexico City, Nuevo León, and Querétaro lead technological adoption with levels above 3.5% in big data and 2% in AI, driven by the financial, advanced manufacturing, and corporate services sectors. In the south-southeast (Chiapas, Oaxaca, Guerrero, Campeche), usage does not exceed 1%, evidencing a structural lag in digital capabilities. Large and medium-sized firms account for the greatest adoption, while microenterprises (more than 90% of the national total) are just beginning to incorporate analytical tools or automation.

Internet sales

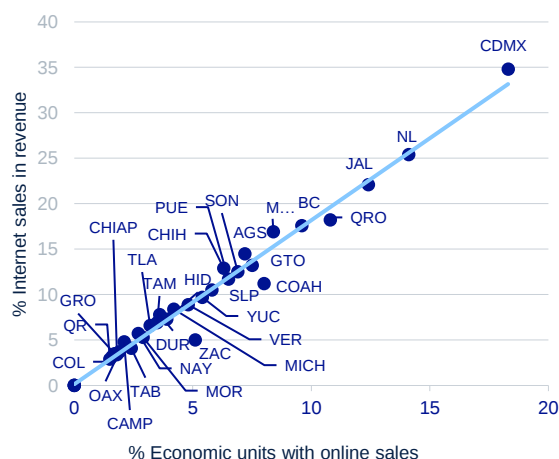
The 2024 Economic Census data marks a milestone by capturing, for the first time, the intensity and regionalization of e-commerce on a national scale. In an environment where digitalization is consolidating as a fundamental pillar of competitiveness, the figures show that the growth of online sales is highly asymmetrical across regions, sectors, and business sizes. Of the 5.47 million economic units surveyed, only 5.6% reported making online sales. However, these firms accounted for more than 20% of national revenue from the supply of goods and services, demonstrating that digital adoption, although a minority in number, is associated with larger, more formal, and more productive firms.

INTERNET SALES
(% ECONOMIC UNITS PER STATE)



Source: BBVA Research with data from Inegi, CE 2024.

ADOPTION OF ONLINE SALES AND REVENUE
(CORRELATION)



Source: BBVA Research with data from Inegi, CE 2024.

E-commerce is heavily concentrated in states with logistics infrastructure and high connectivity. The leading states: Mexico City, Nuevo León, Jalisco, and the State of Mexico account for more than 60% of national revenue generated from online sales. In contrast, southeastern states such as Chiapas, Oaxaca, Guerrero, and Campeche record marginal participation (<1%), reflecting structural gaps in connectivity, banking penetration, and business scale. We observe a near-linear correlation between e-commerce adoption and its share of online sales revenue,

suggesting that greater digital penetration leads to greater economic value generation. Leading states demonstrate how digitalization amplifies profitability, while states with low adoption remain trapped in a low-profitability trap.

By delving deeper into the predominant channels for these online sales, we identified divergent patterns: while the north and center of the country (led by Mexico City, Nuevo León, and Querétaro) use their own websites and structured platforms, the south and southeast rely on social media as their primary sales channel, reflecting an informal, mobile, and low-cost digitalization model. While only 4% of microenterprises sell online, large businesses exceed 30% and account for almost half of national digital revenue. This supports the hypothesis that the degree of digital formalization grows with infrastructure, business size, and financial access, leaving the south with a more informal, flexible, but smaller-scale and value-added model.

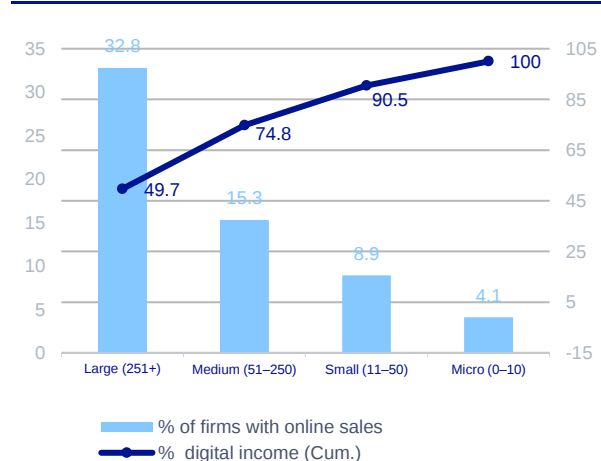
Digital commerce in Mexico is not yet a mass phenomenon, but it is highly transformative. The most digitally sophisticated entities are already experiencing profits and revenues, while lagging regions face the risk of a new type of inequality: the corporate digital divide. The challenge going forward will be to build infrastructure, digital education and financing that will allow the rise of e-commerce to become an equitable engine of regional growth.

ONLINE SALES BY MODALITY
(PREDOMINANT CHANNEL AND % ECONOMIC UNITS)

State	Main Channel	% firms in channel
Ciudad de México	Own web pages	46.2
Nuevo León	Own web pages	41.8
Jalisco	Marketplaces / Third-Party Platforms	39.7
Querétaro	Own web pages	38.5
Estado de México	Marketplaces / Third-Party Platforms	37.2
Baja California	Marketplaces / Third-Party Platforms	36.9
Sonora	Marketplaces / Third-Party Platforms	35.4
Coahuila	Own web pages	33.8
Guanajuato	Marketplaces / Third-Party Platforms	32.9
Aguascalientes	Own web pages	31.7
Puebla	Social networks	30.2
Yucatán	Social networks	28.4
Veracruz	Social networks	27.9
Chiapas	Social networks	27.5
Oaxaca	Social networks	26.7
Guerrero	Social networks	25.1
Resto de entidades	Mixed	25–35

Source: BBVA Research with data from Inegi, CE 2024.

ADOPTION OF ONLINE SALES AND REVENUE
(%)



Source: BBVA Research with data from Inegi, CE 2024.

South facing a structural transition

The contrast between regions revealed by the 2024 Economic Census is stark:

- The north and Bajío region are consolidating their export-oriented industrial profile, with more qualified human capital, better financial access, and a higher proportion of medium- and large-sized firms.

- The center region holds its leadership in advanced services and diversified manufacturing, led by Mexico City, the State of Mexico, and Querétaro..
- The south-southeast is moving toward a service, trade, and construction economy, with high female participation, a predominance of microenterprises, and incipient integration into the new Isthmus logistics corridor.

Recapitulating the argument from the first section, the south is moving at two speeds: the southern region is experiencing a transition from economies of labor and extraction to economies of service and local consumption, still lagging in productivity and formalization. The census results reinforce the narrative of a multi-speed Mexican economy, where regional competitiveness will depend on the ability to link investment, human capital, and local productivity. Evidence suggests that, while the industrial north and the urban center consolidate their specialization, the south is still building its productive base. In this context, inclusive financing policies, technical training, and business digitalization will be crucial to translating population growth and the infrastructure push into sustainable economic development.

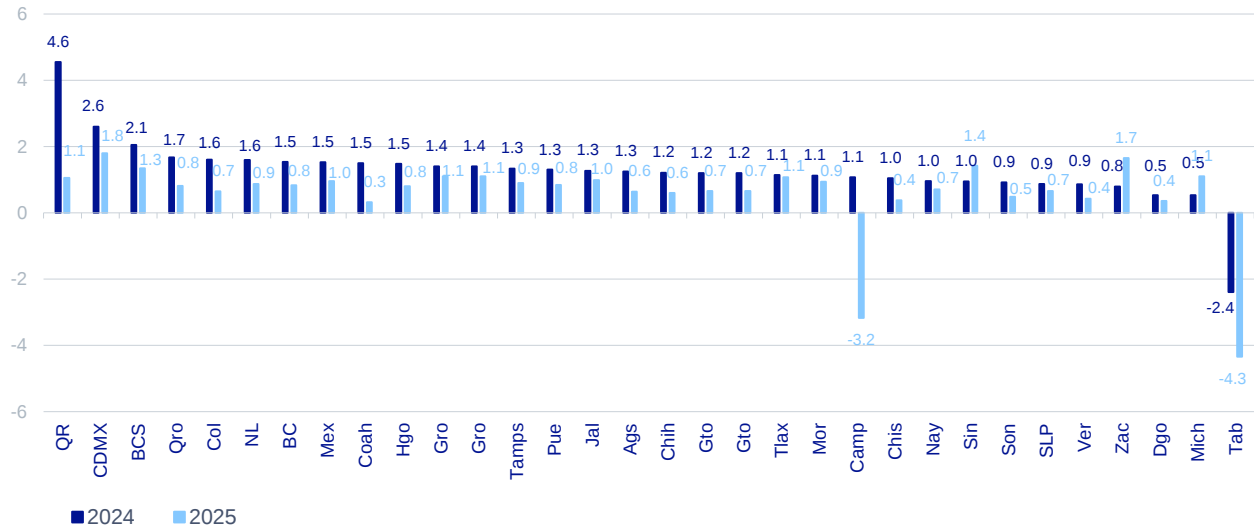
Services as a pillar of regional resilience in 2025

In 2024, the recovery continued to be asynchronous, with Quintana Roo (4.6%), Mexico City (2.6%), and Baja California Sur (2.1%) standing out. At the other end of the spectrum, Tabasco (-2.4%) was already feeling the impact of the civil works output linked to megaprojects, reflecting that the public push of previous years had run dry and given way to normalization.

For 2025, we forecast moderate and more heterogeneous growth: the tertiary sector cushions the weakness of the secondary sector and sustains its progress, with Mexico City (1.8%), Zacatecas (1.7%), and Baja California Sur (1.3%) standing out. On the other hand, Tabasco (-4.3%) and Campeche (-3.2%) remain underdeveloped due to the aftermath of the end of megaprojects and an energy operation still in the adjustment phase. In the northern manufacturing corridor (Coahuila, Chihuahua, and Nuevo León), growth will be soft (0.3–0.9%), in line with a less vigorous external cycle, still restrictive rates, and weaker construction; even so, gradual disinflation and the gradual decline in rates are helping to sustain spending on services.

Looking ahead to 2025, we forecast moderate and heterogeneous growth, led by services and tourism (CDMX, BCS, Zacatecas) and declines in oil firms. By 2026, we forecast a re-acceleration with less dispersion at the state level, supported by relocation, the improving manufacturing cycle, and the 2026 World Cup in major cities. Key risks remain the normalization of public spending and energy operations. Finally, security concerns in certain states and idiosyncratic shocks (automotive plant closures, as in Morelos) may limit the performance of some states.

STATE GDP FORECAST
(GROWTH % YoY)



Source: BBVA Research with data from Inegi

2.d Regional Forecasts

Table 6. GDP FORECASTS BY STATE
 (CONSTANT BILLIONS OF PESOS IN 2018 AND GROWTH % YoY)

State	GDP 2024 (Billion Const. MXN)	Growth % YoY 2024	GDP 2025 (Billion Const. MXN)	Growth % YoY 2025
Aguascalientes	338.5	1.2	340.7	0.6
Baja California	965.7	1.5	973.7	0.8
Baja California Sur	184.8	2.0	187.3	1.3
Campeche	520.4	1.1	503.9	-3.2
Coahuila	943.8	1.5	946.8	0.3
Colima	157.1	1.6	158.1	0.6
Chiapas	383.7	1.0	385.2	0.4
Chihuahua	952.8	1.2	958.5	0.6
Ciudad de México	3,905.1	2.6	3,975.3	1.8
Durango	311.9	0.5	313.0	0.4
Guanajuato	1,142.0	1.2	1,149.5	0.7
Guerrero	317.5	1.4	321.0	1.1
Hidalgo	448.0	1.5	451.5	0.8
Jalisco	1,872.9	1.3	1,891.4	1.0
México	2,304.1	1.5	2,326.3	1.0
Michoacán	682.2	0.5	689.6	1.1
Morelos	268.8	1.1	271.3	0.9
Nayarit	164.3	1.0	165.5	0.7
Nuevo León	2,027.6	1.6	2,045.2	0.9
Oaxaca	452.2	1.2	455.2	0.7
Puebla	862.7	1.3	869.9	0.8
Querétaro	624.0	1.7	629.1	0.8
Quintana Roo	424.7	4.6	429.2	1.1
San Luis Potosí	580.1	0.9	584.0	0.7
Sinaloa	522.5	0.9	529.9	1.4
Sonora	837.2	0.9	841.2	0.5
Tabasco	637.5	-2.4	609.8	-4.3
Tamaulipas	759.2	1.3	766.0	0.9
Tlaxcala	150.2	1.1	151.8	1.1
Veracruz	1,078.4	0.9	1,083.1	0.4
Yucatán	395.0	1.4	397.7	0.7
Zacatecas	230.7	0.8	234.5	1.6
National	25,445.2	1.4	25,574.4	0.7

Source: BBVA Research, own estimates based on data from Inegi

3. Analytical Topics

3.a Automotive Outlook

The sector shifts direction

The automotive industry ⁶ remains the main manufacturing sector in the Mexican economy. While the imposition of tariffs on automotive exports is already having an impact on this subsector, the negative impact is limited until the first half of 2025 (1H25). In cumulative figures through the second quarter of 2025 (2Q25), the sector's share of manufacturing GDP (23.6%) and the national total (4.9%) remains virtually stable compared to 2024, when it contributed 24.3% and 5.0%, respectively. Halfway through the current year, the impact of tariffs has only been felt for a couple of months, so much remains to be seen. However, we estimate that the impact will remain limited for the remainder of the year, although undoubtedly negative.

Key Points



Production: Limited Contraction

The Mexican automotive industry is projected to experience limited contraction in 2025, with declines in autos and auto parts due to the new tariffs, although the effect remains contained in the short term.



External Sector in Decline

External sales decreased 2.8% in units and 3.8% in value, reflecting the impact of restrictive US trade policy and the adjustment in profit margins.



Resilient Domestic Demand

The domestic market continues to grow, driven by automotive credit and lower interest rates, albeit with a shift toward more economical vehicles, with the hybrid segment growing but still maintaining a low share.



Risks in the Value Network

Tariffs on imports from Asia affect supply chains and could raise domestic prices, putting pressure on the National Consumer Price Index (INPC) due to the rising cost of cars and fuel.

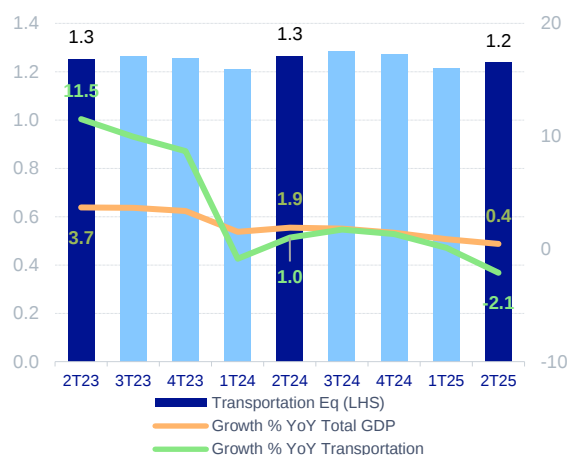
Automotive production reflects the effects of trade policy

By Q2 2025, the sector's cumulative GDP contracted 2.1%, reflecting a marginal increase of just 0.1% in Q1 2025 and a sharp decline of 4.1% in Q2 2025. Although the economy as a whole has slowed further, it remains in positive territory. At the component level, this negative result is due to the fall in GDP in Cars and Trucks and Auto Parts, which together contribute an average of 48.0% and 45.2%, more than 90% of the total. In the former case, GDP decreased 2.9%, and in the latter, 0.9%, cumulatively in Q2 2025. With the exception of Body Shops, the remaining

6: We use interchangeably the terms automotive industry, automotive sector, or transportation equipment subsector.

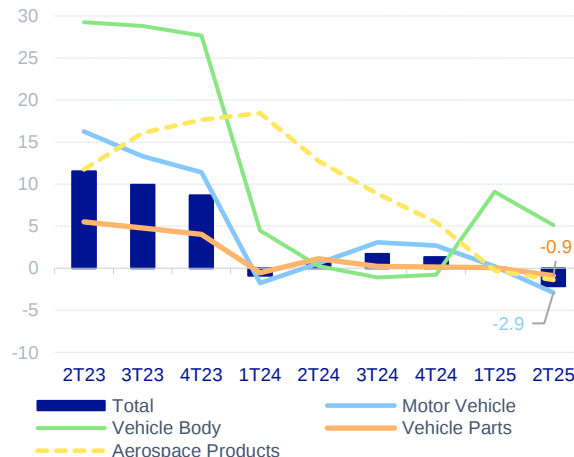
components also posted negative rates. The direction of the variations was predictable, as noted in the previous report, given the environment of trade restrictions with the United States of America (US) and the importance of that market for the Mexican automotive industry.

TOTAL GDP AND TRANSPORTATION EQ
(CONSTANT TRILL MXN, GROWTH % YoY)



Source: BBVA Research with data from Inegi

TRANSPORTATION EQUIPMENT GDP
(GROWTH % YOY)



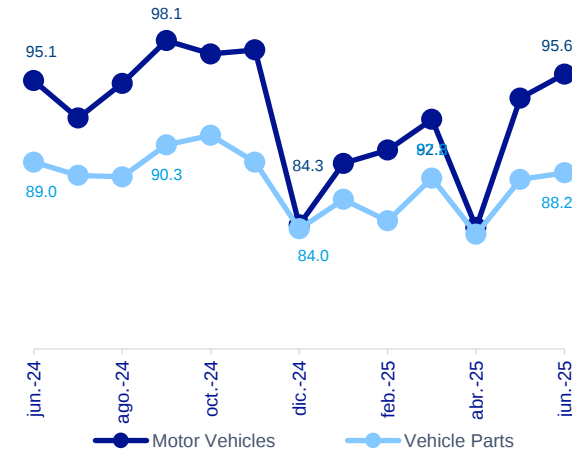
Source: BBVA Research with data from Inegi

2024 ended with a clear sign of lower activity in the automotive sector. Capacity utilization plummeted to 84.3%, after remaining above 90% for most of the year. The case of Auto and Truck production is particularly striking, given that it went from a level above 95% to less than 85%, a drop of more than 10 points. Auto Parts also saw lower utilization of installed capacity, but the adjustment was smaller. In 2Q25, Transportation Equipment averaged 88.3% plant utilization, down from 89.1% a year earlier.

Similarly, the average of this indicator for Auto and Trucks, as well as for Auto Parts, is not very different in 1H25 compared to 1H24; in the former, it went from 90.1% to 90.8%, and in the latter, from 88.0% to 86.4%. Given that the intensity of installed capacity utilization has not shown significant changes, we attribute the adjustment in GDP for these components to lower production, but also to their narrowing margins, for example, due to higher costs and/or reduced revenue from absorbing part of the tariffs.

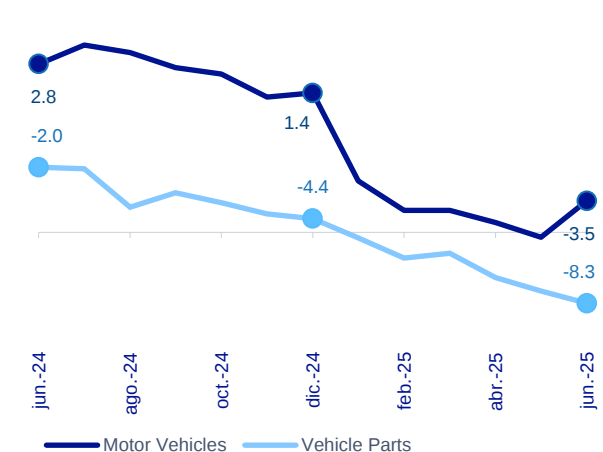
Where a clear downward trend is evident is in the demand for labor in this industry. According to the Monthly Survey of the Manufacturing Industry (EMIM) conducted by INEGI (National Institute of Statistics and Census), the average number of workers during 2024 was 909.7 thousand; and during the first half of 2024, 920.8 thousand workers. However, in the first half of 2025, the average was 860.2 thousand employed. The truth is that starting mid-2024, fewer jobs are being reported each month, and the trend continued until June 2025. This is even more relevant in the case of Auto Parts, which employs 3 out of 4 workers in the automotive sector, followed by Cars and Trucks with just over 10%. In contrast, average wages increased in constant terms. The monthly average during the first half of 2024 was 32.9 thousand pesos, and in the first half of 2025, it was 33.4 thousand pesos.

CAPACITY UTILIZATION (PERCENTAGE)



Source: BBVA Research with data from Inegi

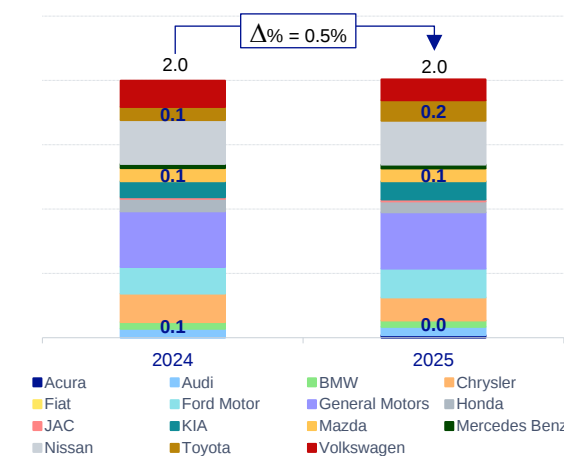
EMPLOYMENT (GROWTH % YOY)



Source: BBVA Research with data from Inegi

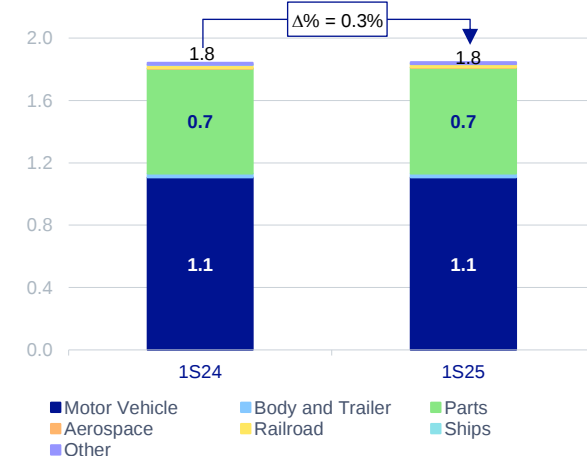
According to administrative records from INEGI (National Institute of Statistics and Census), cumulative production during the first half of 2025 was 0.5% higher, a marginal increase of only 9.3 thousand vehicles. This demonstrates the slowdown in automotive production. In the first half of 2024, the annual percentage increase was 5.3%. This trend is confirmed by the production value reported by EMIM (National Institute of Statistics and Census). In constant terms, the increase from the first half of 2024 to the first half of 2025 was only 0.3%, very similar to the increase in unit values. Both car and truck production and auto parts production remained virtually unchanged.

AUTOMOTIVE PRODUCTION 1H24 & 1H25 (MILLIONS OF UNITS)



Note: Cumulative figures from Jan to June of each year
 Source: BBVA Research with data from Inegi

VALUE OF AUTOMOTIVE PRODUCTION (CONSTANT BILLIONS OF PESOS)



Note: Cumulative figures from Jan to June of each year
 Source: BBVA Research with data from Inegi

Production continues to increase, albeit marginally, in the first six months of the year. Tariffs were in effect only in two, and the negative effect has been marginal so far. A negative change is likely for the remainder of the year. The increase in production, both in terms of the number of

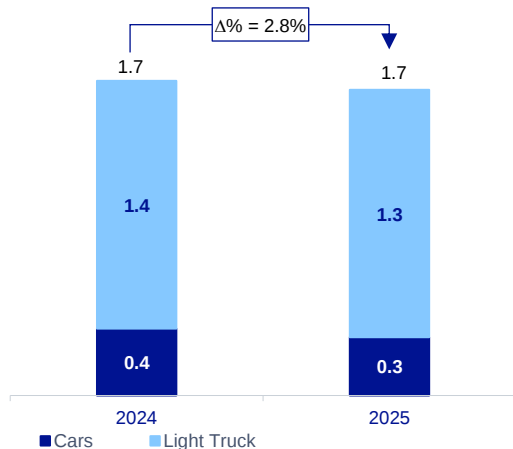
vehicles and the value of production in constant terms, suggests, as we noted above, that the negative GDP result must be based on lower margins.

Mexican exports are already on the decline

Without a doubt, the tariff issue has the greatest impact on the Mexican automotive sector. The international market, primarily the US, is the reason this industry has grown so much in Mexico. Any US trade measure targeting this economic activity has a significant impact, as we can see in Mexico's vehicle exports, which are already suffering from the US's restrictive trade policy. The total number of units exported during the first six months of 2025 was 1.7 million, 48,000 fewer than in the first half of 2024; a 2.8% decrease. The contraction is seen in both cars and light trucks or SUVs.

This lower export is due to the fact that the US imported nearly 40,000 fewer vehicles from Mexico during the period analyzed. While other countries such as Germany, Puerto Rico, Chile, the United Kingdom, and Brazil also demanded fewer Mexican cars, the impact is attributable to the US, given that 80% of exports are directed there. On the other hand, Mexican automobile exports increased to destinations such as Canada and Colombia, by 27.2% and 11.2% respectively. However, their combined share is only 12%, so it cannot offset the decline in the US and the other countries mentioned. Even though Canada imported nearly 40,000 more vehicles from Mexico, which could partially offset the decline in US demand, the total is barely one-eighth of what the US market represents for Mexico.

AUTOMOTIVE EXPORT
(MILLIONS OF UNITS, GROWTH. % YoY)



Note: Cumulative figures from Jan to June of each year
Source: BBVA Research with data from Inegi

AUTOMOTIVE EXPORT
(UNITS, % Y GROWTH % YOY)

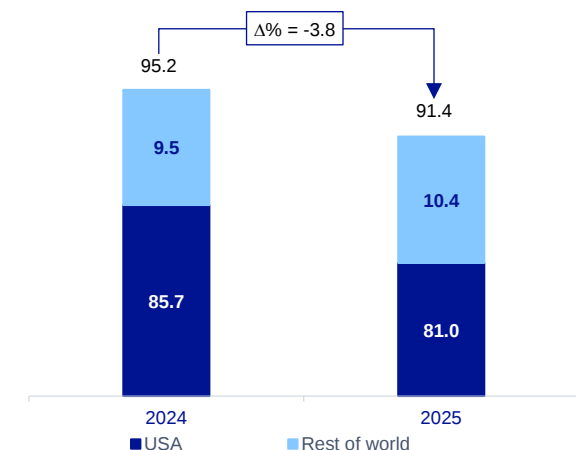
País	2024	2025	Participación	Δ %
United States	1,366,997	1,327,892	79.7	-2.9
Canada	142,324	181,060	10.9	27.2
Germany	56,185	43,566	2.6	-22.5
Colombia	14,524	16,154	1.0	11.2
Puerto Rico	8,749	3,804	0.2	-56.5
Chile	7,152	3,713	0.2	-48.1
UK	10,015	7,084	0.4	-29.3
Brazil	18,314	12,802	0.8	-30.1
Argentina	4,962	8,694	0.5	75.2
Australia	4,487	6,289	0.4	40.2
Rest of world	81,085	55,126	3.3	-32.0
Total	1,714,794	1,666,184	100.0	-2.8

Note: Cumulative figures from Jan to June of each year
Source: BBVA Research with data from Inegi

The downward trend is even more pronounced in monetary terms. After exporting US\$95.2 billion in the first half of 2024, one year later, exports reached US\$91.4 billion (-3.8%). Once again, the fact that the drop in value is greater than that of units indicates a narrowing of margins, which could be due to the absorption of part of the tariff burden or a reconfiguration of Mexican

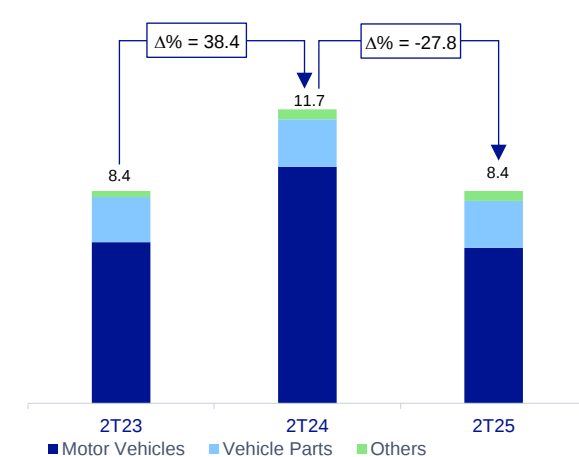
supply internationally toward lower-value vehicles, or even both, as they are not mutually exclusive. The latter must be particularly true in the case of the US market, given that this is where the decline in automotive exports in current dollar terms is occurring.

AUTOMOTIVE EXPORT (BILLIONS OF CURRENT DOLLARS)



Note: Cumulative figures from Jan to June of each year
Source: BBVA Research with data from Inegi y Censur

FDI IN TRANSPORT EQUIPMENT (BILLIONS OF CURRENT DOLLARS)



Note: Cumulative figures from Jan to June of each year
Source: BBVA Research with data from SE

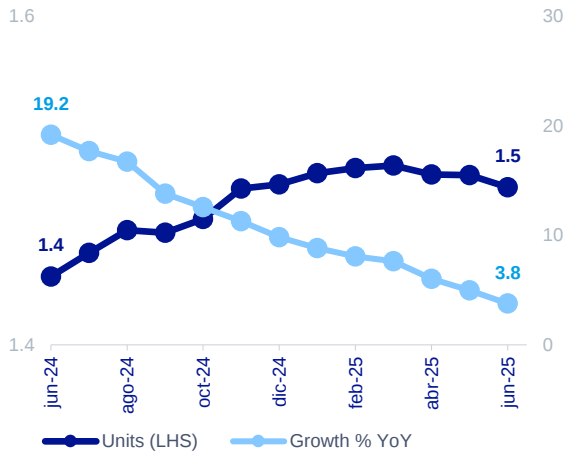
On the other hand, and not surprisingly, accumulated foreign direct investment (FDI) through 2Q25 fell 27.8%, to over \$3 billion. Total FDI is still growing, marginally, but advancing; therefore, this figure is specific to the industry. As can be expected, we attribute Mexico's diminished attractiveness to foreign investors to the uncertainty caused by the tariff policy. However, we estimate that this trend could be reversed, given that, to date, Mexico's relative position relative to its competitors in the US market is more competitive, given that the weighted average tariff on Mexican exports is lower than that of any other competitor.⁷

Demand will continue in the domestic market, but in the lower tier

Unlike the international market, the domestic market continues to grow, albeit at a slower pace. In annualized figures through June 2025, vehicle sales increased 3.8%; a pace higher than the economy's growth rate, but lower than the previous year. We used annualized figures to avoid seasonal bias in this market, whose demand increases markedly at the end of the year. This slowdown is due to lower sales of imported units, and although there was an upturn in the sales of locally produced vehicles, this did not compensate. In cumulative figures for the first half of 2025, sales totaled 709.3 thousand units, down from 711.1 thousand a year earlier, a drop of just 0.2%, due to the fact that 20,000 fewer imported vehicles were purchased during this period, which could not be offset by the increase of 18,000 locally produced units.

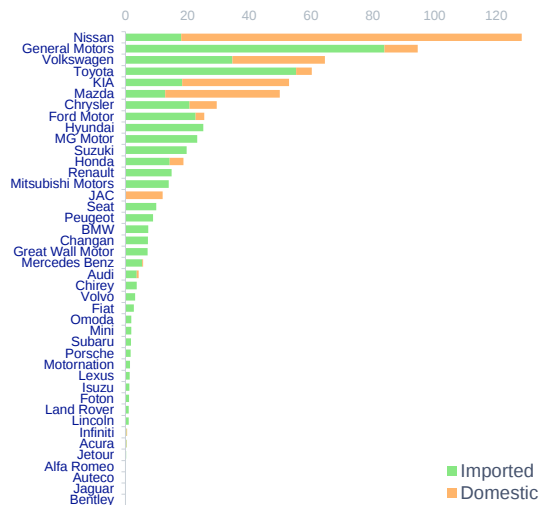
7: For an updated overview of Mexico's trade landscape, with an emphasis on foreign direct investment and the bilateral relationship with the U.S. on tariffs, see: "Mexico | Trade & FDI Outlook 1H 2025." [Available here.](#)

DOMESTIC AUTOMOTIVE SALES (MILLIONS, GROWTH % YoY)



Note: Cumulative figures from Jan to June of each year
Source: BBVA Research with data from Inegi

DOMESTIC AUTOMOTIVE SALES 1H25 (THOUSANDS)

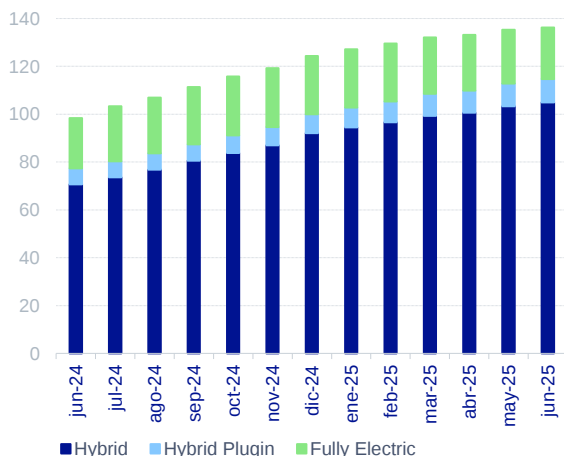


Note: Cumulative figures from Jan to June of each year
Source: BBVA Research with data from Inegi

In the domestic market, Nissan and General Motors remain the market leaders, followed by Volkswagen and Toyota. However, the profiles of these firms are diametrically opposed with respect to the origin of their vehicles. On the one hand, Nissan and Volkswagen sell more domestically produced vehicles in Mexico, while almost 90% of General Motors and Toyota's sales are imported.

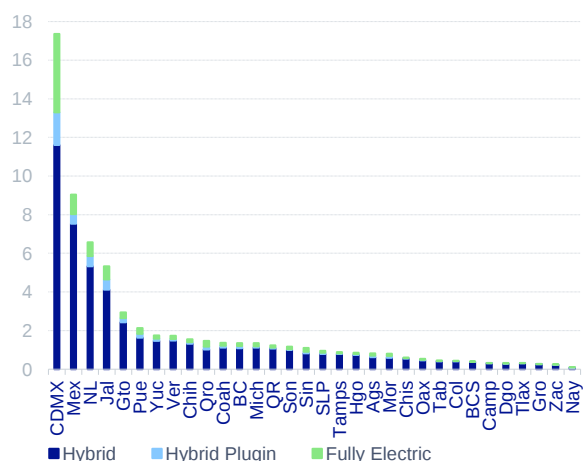
This profile will be relevant once tariffs on automotive imports from countries with which Mexico does not have free trade agreements go into effect. At this point, compliance with the Automotive Agreement will be crucial to determine whether these imports will be affected.

DOMESTIC SALES OF HYBRID CARS (THOUSANDS)



Note: annualized figures
Source: BBVA Research with data from Inegi

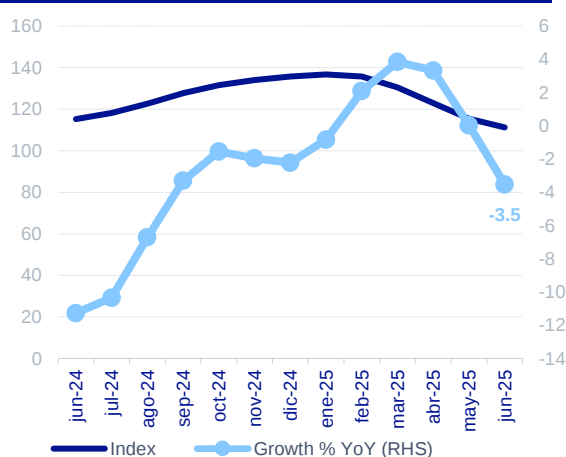
DOMESTIC SALES OF HYBRID CARS 1H25 (THOUSANDS)



Note: Cumulative figures from Jan to June of each year
Source: BBVA Research with data from Inegi

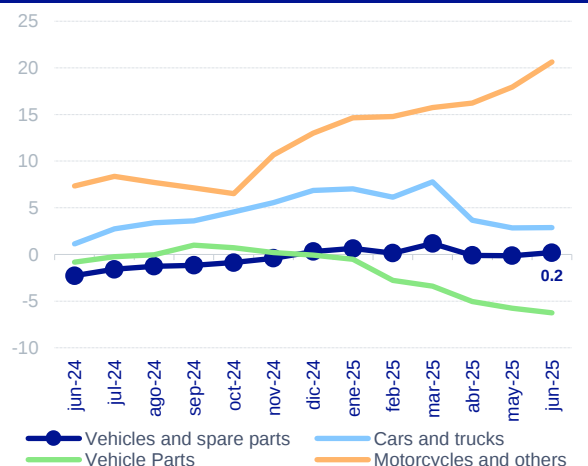
Domestic sales of hybrid and electric vehicles are following a similar trend to the overall market, increasing but slowing. Annualized sales continue to grow, but at a slower rate. As of June 2025, 38.5% more vehicles of this type were sold, but in June 2024, the increase was 69.4%. Considering only sales in the first half of 2025, these totaled 793.4 thousand units; while in the first half of 2024, they totaled 529.9 thousand vehicles. Of course, most demand remains highly concentrated in states with greater purchasing power, which also have the most populated cities, creating a greater incentive for their use. In addition to the high price, access to charging stations remains one of the barriers to their penetration, even in private homes.

SALES INCOME TRUCKS AND PARTS
 (INDEX 2018 = 100, GROWTH % YoY)



Source: BBVA Research with data from Inegi

AUTOMOTIVE SALES INCOME
 (GROWTH % YoY)

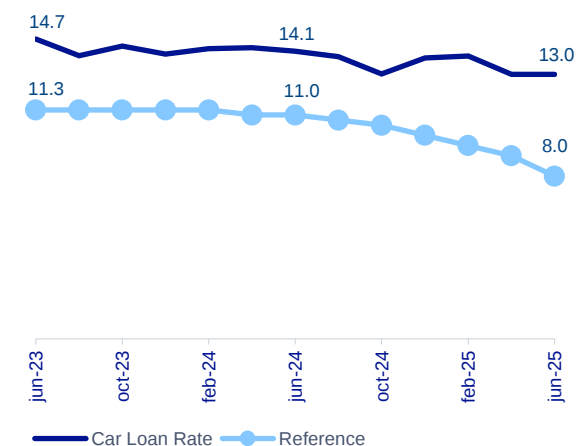


Source: BBVA Research with data from Inegi

The slowdown in the domestic market coincides with the revenue reported by the wholesale trade of Trucks and Parts. In terms of the revenue index, this shows a contraction of 3.5% by June 2025, after starting the year with positive variations. On the other hand, the Retail Trade revenue index for automotive sales is stagnant, although positive. As of June 2025, the increase was just 0.2% for Vehicles and Spare Parts, and for Parts and Spare Parts, the result is even negative. Revenue from Automobiles and Trucks, as well as from Motorcycle sales, continues to grow at a rate above 2%. These latest figures indicate that the secondary market remains dynamic. However, Mexico's imposition of tariffs on automotive imports, including motorcycles, could affect these indicators at the end of the year and early next year.

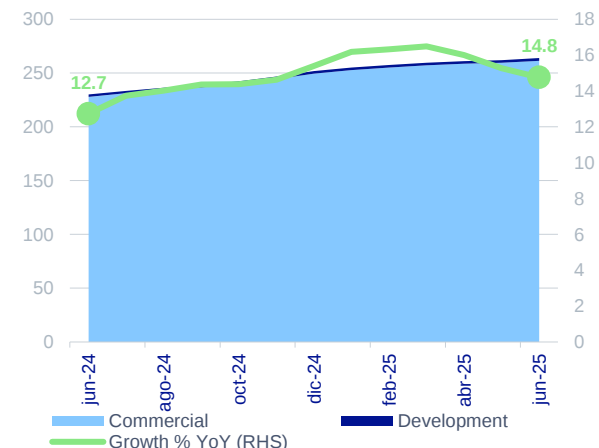
As we anticipated, given a more relaxed monetary policy with continued decreases in the reference rate, the weighted average interest rate on auto loans has also declined. This has stimulated demand for auto loans, increasing the balance of this portfolio by 14.8% in 1H25 in constant terms. An additional factor that has led to the increased demand for loans is the rise in vehicle prices, which increasingly requires the use of financing to acquire a new or used vehicle. We estimate that given trade restrictions, both on Mexican exports and now on imports into Mexico, we could begin to see more aggressive commercial financing strategies. For example, lower rates or more favorable credit terms, even interest-free promotions. However, macroeconomic conditions could also lead lending institutions to be more cautious in granting credit in order to comply with local regulations.

AUTO CREDIT INTEREST RATES (AVERAGE ANNUAL NOMINAL RATE)



Source: BBVA Research with data from Banco de México

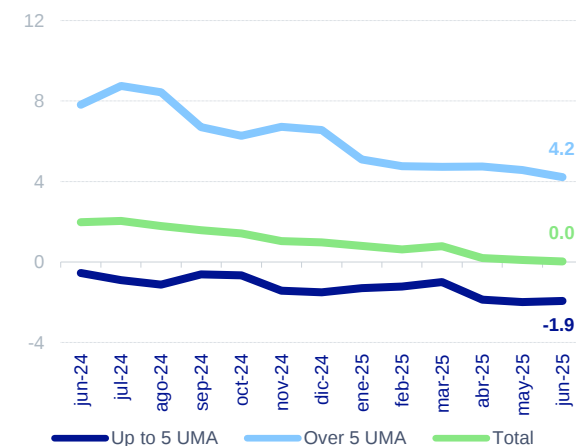
AUTO CREDIT BALANCE (BILLIONS MXN, GROWTH % YoY)



Source: BBVA Research with data from Banco de México

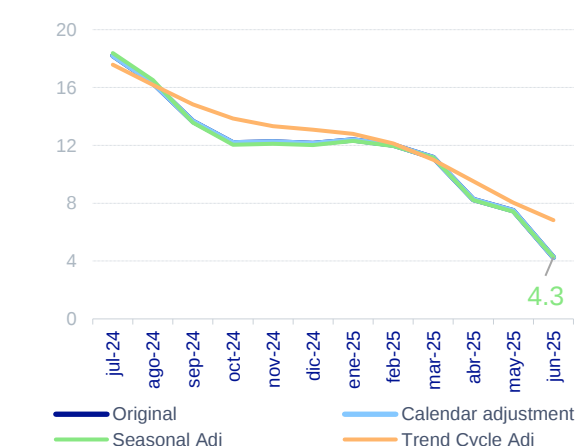
At this juncture, we find signs that the local automotive market is in favor, but also some obstacles along the way. We maintain positive expectations for this market, based primarily on the fact that job creation in more than 5 UMAs continues to rise.

IMSS FORMAL EMPLOYMENT (GROWTH % YoY)



Source: BBVA Research with data from IMSS

AUTOMOTIVE CONFIDENCE INDEX (GROWTH % YoY)



Source: BBVA Research with data from Inegi

While the job creation rate at this income level is also lower than previously observed, it is still above the growth of the economy, domestic sales, and several economic indicators for this sector. Furthermore, the cost of automotive financing remains low and could continue this trend for the remainder of the year.

However, a slowdown in sales and lower consumer confidence in this durable good must be acknowledged. Therefore, we estimate that sales will continue to perform well toward the end of the year, but we are likely to see a shift in demand toward lower-priced vehicles; that is, high-end vehicles will lose share in the total domestic sales mix.

Import tariffs will impact Mexico's economy

Background

The [2026 Economic Package](#), presented by the Ministry of Finance and Public Credit to the Federal Congress on September 8, 2025, was released amid a context of economic slowdown, uncertainty in international trade, and reduced fiscal space. Its components included a report on the Executive's powers over tariff matters, which was used as input for the publication of an initiative reforming various tariff sections of the General Tax Law in the [Parliamentary Gazette of the Chamber of Deputies](#)⁸ on Tuesday, September 9.

Among other issues, the proposal contemplates the imposition of tariffs of between 10% and 50% on imports from countries with which Mexico does not have trade agreements, such as China, South Korea, India, Indonesia, Thailand, the Philippines, and Turkey. This measure affects imports made through 1,463 tariff lines. Among other goods are chemicals, plastics, glass, leather goods, paper and cardboard, motorcycles, textiles, clothing, footwear, furniture, toys, aluminum, steel, household appliances, and automotive products. The official argument is based on three axes:

1. Protect the national industry, particularly the automotive sector;
2. Correct the growing imbalances in the trade balance with countries such as China and India; and
3. Align tariff policy with the industrial strategy of tax incentives,⁹ productive relocation (nearshoring), and innovation promotion.

In the context of this measure, it is important to keep in mind that on March 14, 2016, the Mexican government published the [Automotive Decree](#), which allows the importation of vehicles from countries with which this country does not have free trade agreements to automotive firms that:

- have facilities in the country and produce more than 50 thousand vehicles per year;
- assemble or armor under license from the original manufacturer; and
- have invested 100 million dollars in a plant for the manufacture of light vehicles and that they would produce 50 thousand units in the third year.

Intermediate goods market

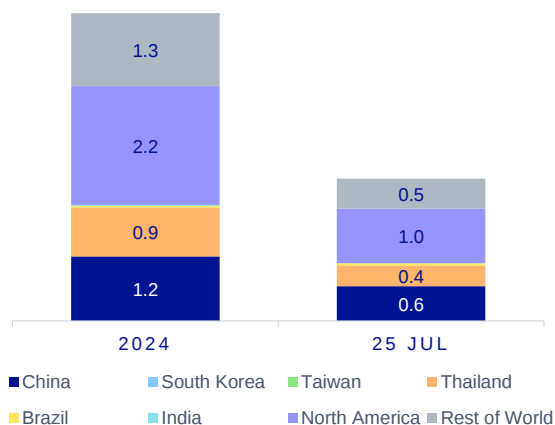
Regarding auto parts and accessories, North America remains the most important region for Mexico, accounting for 56.9% of imports during this same period, while China accounts for 15.4% of imports. This indicates that the US and Canada lead our automotive industry supply

8: Gaceta Parlamentaria, año XXVIII, número 6872, martes 9 de septiembre de 2025

9: For an analysis of the Nearshoring Decree see ["México | Estímulos fiscales a sectores exportadores clave" \(BBVA Research, 2023\)](#).

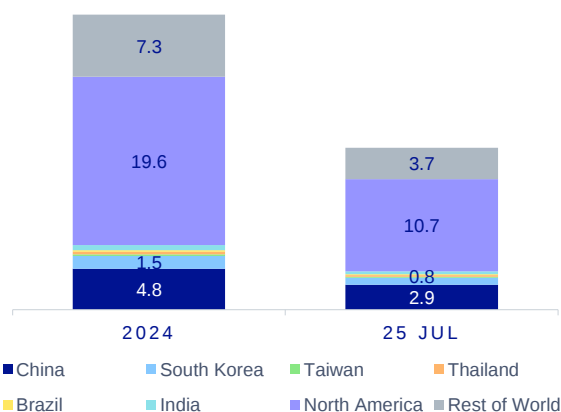
networks, but China's contribution is by no means negligible. A review of these two items does not show that China dominates Mexico's international supply of finished passenger vehicles, and it has a lower weight compared to auto parts, even considering the other affected countries.

IMPORTATION OF VEHICLES FOR FREIGHT (BILLION CURRENT MXN)



Source: BBVA Research with data from Banco de México
Note: Abbreviation for heading 8704

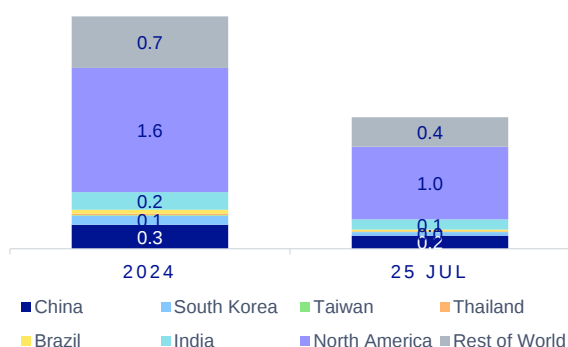
IMPORT OF AUTO PARTS AND ACCESSORIES (BILLION CURRENT MXN)



Source: BBVA Research with data from Banco de México
Note: Abbreviation for Heading 8708

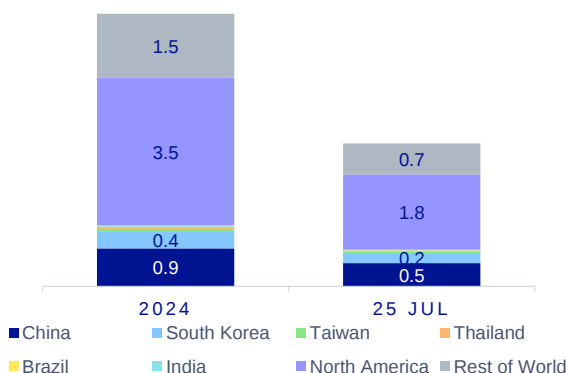
Taking our analysis to the subheading level (6 digits),¹⁰ we can confirm that North America leads Mexico's imports (tariff-free under the USMCA) in Transmission Lines. Of the \$3.1 billion imported by Mexico, North America supplied 53.4%; while so far in 2025 it contributes 55.2% of the \$1.7 billion. China, India, and South Korea occupy the next positions, but even adding the rest of the countries considered, they do not account for a quarter of total imports.

IMPORT OF TRANSMISSION SHAFTS (BILLION CURRENT MXN)



Source: BBVA Research with data from Banco de México
Nota: abreviatura de la Partida 870850

IMPORTATION OF BODY PARTS (BILLION CURRENT MXN)



Source: BBVA Research with data from Banco de México
Nota: abreviatura de la Partida 870829

10: [Banxico's Foreign Trade Information Cube](#), the main source of information for our analysis, reports information down to the subheading level (6 digits). While taxable items are reported at the 8-digit level, this may mean we are overestimating the exposure of imports subject to tariffs.

The story is similar for body parts. In 2024, Mexico imported \$6.5 billion, and from January to July 2025, it purchased \$3.4 billion internationally. As in the previous case, North America dominates this item with just over 50%, while China's share ranges between 14.0% and 16.1%. Once again, the combined share of the affected countries is significant, reaching 25.6%. For this reason, the impact could be significant on the automotive industry's supply network, affecting its competitiveness.

Network effects of the Mexican automotive industry

We estimate the Transportation Equipment Manufacturing network through Inegi's 2018 Input-Output Table (IO).¹¹ As we discussed in our previous review of the [1H25 Regional Sectoral Outlook](#), these IO tables allow us to quantify the interrelationships between sectors, showing how intermediate goods and services flow from one industry to another and how a disruption in a specific sector can generate network effects.

This analysis reveals that the Transportation Equipment subsector acts as the node with the highest degree of intermediation: shocks affecting it quickly propagate to other branches, amplifying their systemic effect. The main suppliers of Transportation Equipment (in order, Basic Metals, Plastics and Rubber, Computers and Electronics, and Machinery and Equipment) account for more than 60% of intermediate demand; on the client side, the most notable are the Freight and Passenger Motor Transport and Wholesale and Retail Trade sectors.

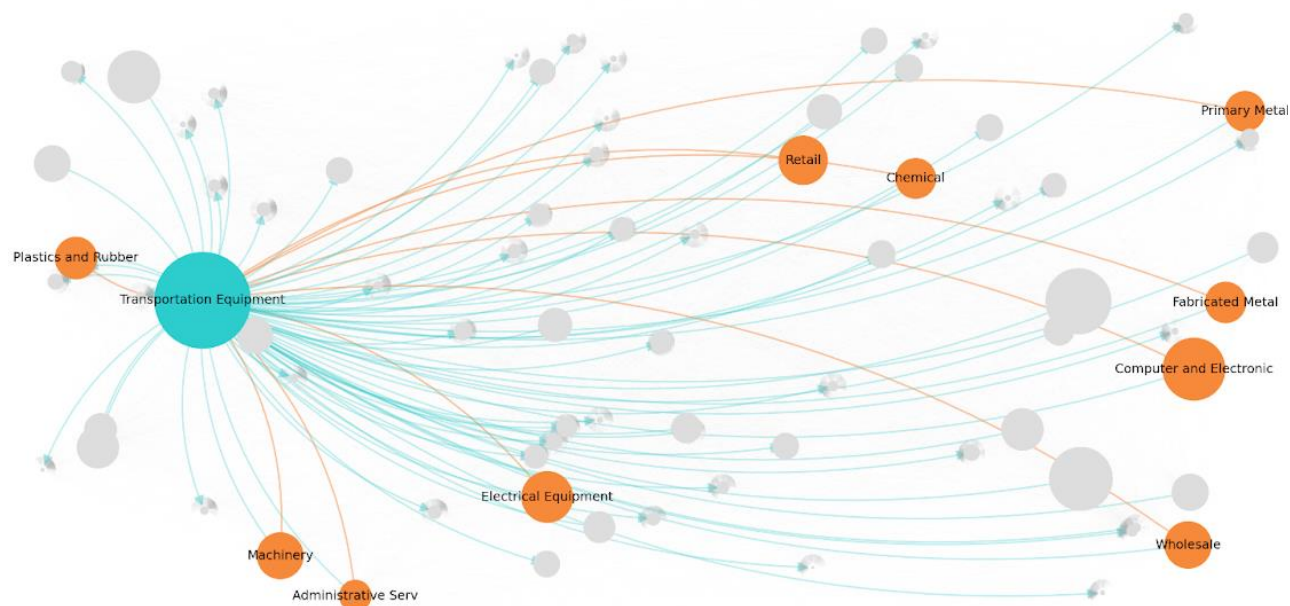
In practical terms, every peso of cost overruns on cars, trucks, and auto parts is redistributed as margin pressure throughout the entire network. For large buyers (freight, passenger, and commercial transport), these increases lead to higher logistics costs and, ultimately, higher consumer prices. This means that every disruption in transportation equipment manufacturing, whether due to cost overruns or loss of competitiveness resulting from tariffs, rapidly spreads throughout the value network, amplifying its economic and contractionary effects in adjacent sectors. In other words, tariffs on these products can cause significant inefficiencies in other economic activities beyond the automotive sector.

The role of transportation equipment manufacturing within Mexico's productive network far transcends its weight in the National Accounts (4.9% of national GDP, just over 1.2 trillion pesos at constant 1H25). Its relevance lies in its function as a critical transversal infrastructure, acting as a high-intermediation node that connects logistics, transportation, and retail chains. One metric provided by network analysis is centrality, which allows us to measure the influence of a sector as a hub for intermediate demand (supplier and buyer). In the case of transportation services, centrality in the production network is notable: it ranks first out of 77 sectors in terms of modified PageRank centrality.¹²

11: MIP (IO Table) 2018. Product by product / Total economy / Domestic and imported origin / SCIAN subsector

12: Modified PageRank centrality measures the relevance of a sector within an economic network, considering not only the number of connections it has, but also the importance of the sectors with which it is linked. It is an adaptation of Google's algorithm applied to productive networks, which allows for the identification of sectors with systemic knock-on effects, even if they are not the largest in terms of added value.

TRANSPORTATION EQUIPMENT MANUFACTURING NETWORK



Source: BBVA Research with data from Inegi. Orange nodes are the main providers.

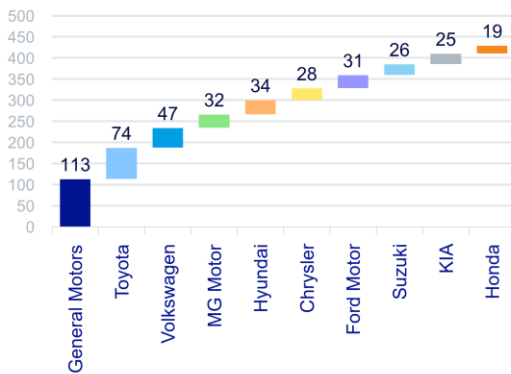
The two main automobile manufacturers in the country show a diametrically opposed mix in the composition of their domestic sales. On the one hand, from 2005 to 2025, Nissan averaged 13.5% of imported vehicles annually and the remainder domestic. However, General Motors sold 61.6% of imported units annually during the same period. This proportion has also shown different dynamics over the last 20 years for the two main producers in the country. Nissan began with a mix of imported vehicles hovering around 20%, but then dropped to 10%, despite the entry of its luxury segment, Infiniti. In contrast, General Motors went from a mix of 60% imported units to exceeding 80% in recent years.

Final Consumer Market

Although Mexico is a vehicle exporting powerhouse, car imports are significant for the domestic market. From 2005 to 2025, the share of imported units in new vehicle sales in Mexico grew from 50.8% to 67.4%; that is, over the last 20 years, more imported vehicles have been sold than locally produced ones. From 2018 to the present, this proportion exceeded 60% and has remained above this threshold ever since. The rise of hybrid and electric vehicles has not led to a substantial increase in imports, given that, although they are growing, they do not yet represent a significant share of the local market.

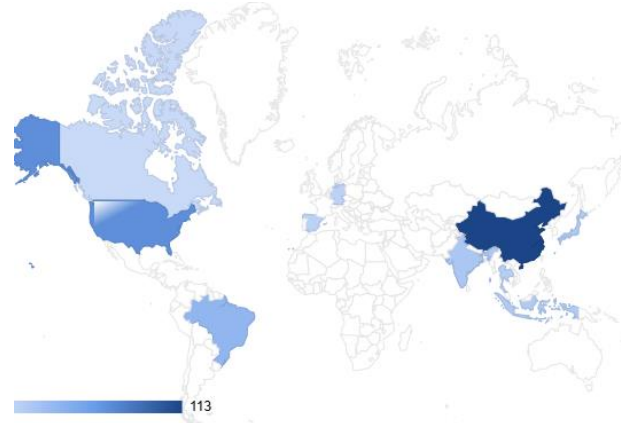
In the first six months of this year, the proportion of imported units is 63.8% of the total. This ratio has not changed much despite the entry of Chinese firms, whose units are all imported. It should be noted that the data we use is from the Administrative Records of the Light Vehicle Automotive Industry published by INEGI, which includes most Chinese firms. However, information on BYD, the country's largest player in electric vehicles, is not reported.

DOMESTIC SALES OF IMPORTED CARS 2024 (MILLION UNITS)



Source: BBVA Research with data from Inegi

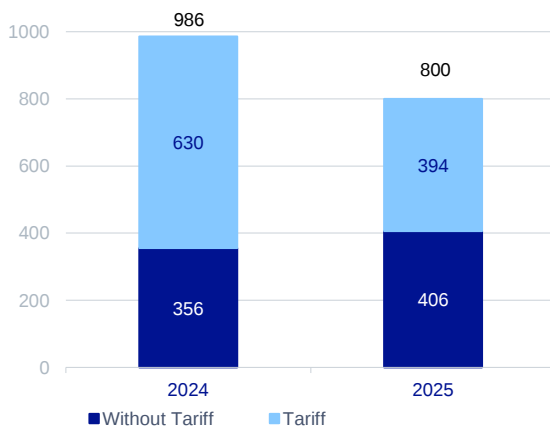
DOMESTIC SALES OF IMPORTED CARS 2024 (MILLION UNITS)



Source: BBVA Research with data from Inegi

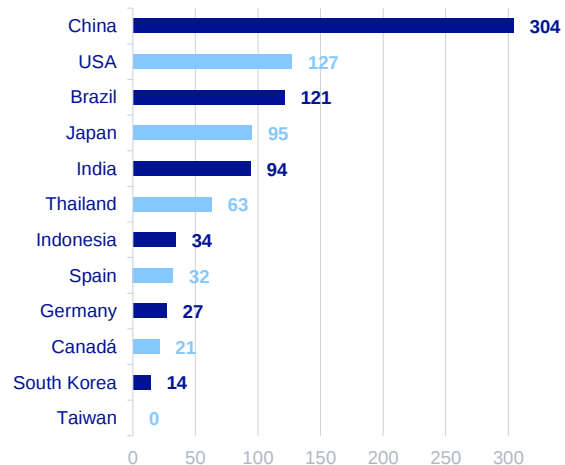
Furthermore, only one Chinese firm is among the top 10 motor vehicle importers: MG Motor. What is notable is that, starting in 2022, China will displace the US as the largest vehicle supplier to Mexico. This is due to the introduction of electric vehicles from the Chirey and Omoda brands, among others, as well as the considerable increase in imports by MG Motor, which went from 16.3 thousand vehicles to more than 48 thousand from 2021 to 2022. In 2024, this firm imported just over 60 thousand units, all from China. However, the main importer of Chinese vehicles to Mexico is General Motors, with more than double that number, 131.8 thousand vehicles.

IMPORTED VEHICLES (THOUSAND)



Source: BBVA Research with data from Inegi

IMPORTED VEHICLES, 2024 (THOUSAND)



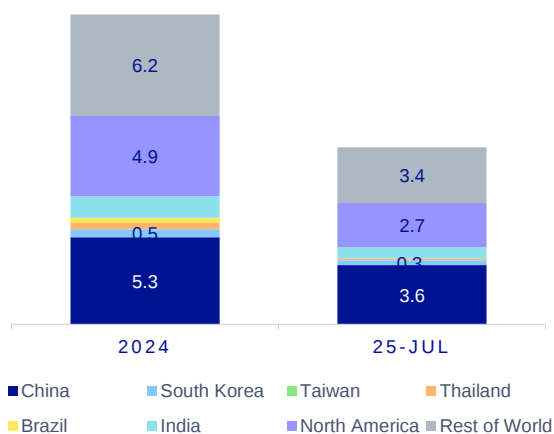
Source: BBVA Research with data from Inegi.

Note: Countries without a free trade agreement in deep blue.

Mexican imports of passenger vehicles totaled \$18.9 billion in 2024 and \$10.8 million by July 2025, with China accounting for 28.2% and 33.6% of those periods, respectively. North America is in second place with 25.1%, while India represents 6.5% of imports in this category by July 2025. In this particular category, China has the largest share, even more so if we add the rest of

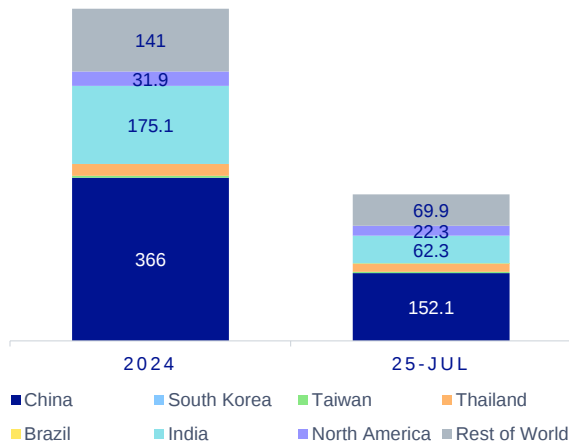
the countries affected by this tariff measure. In this case, it is the second most significant category within Chapter 87, referring to the automotive sector.

IMPORTATION OF PASSENGER CARS (BILLION CURRENT MXN)



Source: BBVA Research with data from Banco de México
Nota: abreviatura de la partida 8703

MOTORCYCLE IMPORTATION (BILLION CURRENT MXN)



Source: BBVA Research with data from Banco de México
Nota: abreviatura de la partida 8711

Finally, motorcycle imports are the region's lowest share in North America, with Mexico importing primarily from non-FTA partners such as China. Total Mexican imports in this category during 2024 were \$745.1 million, and by July 2025, \$328.3 million. China's share is 49.1% and 46.3%, respectively, followed by India and Thailand. Together, imports subject to tariffs could exceed 75% of the total. This type of vehicle has been particularly important for the provision of services in the domestic market, as well as providing a more affordable vehicle for a significant portion of the population that lacks the means to purchase automobiles.

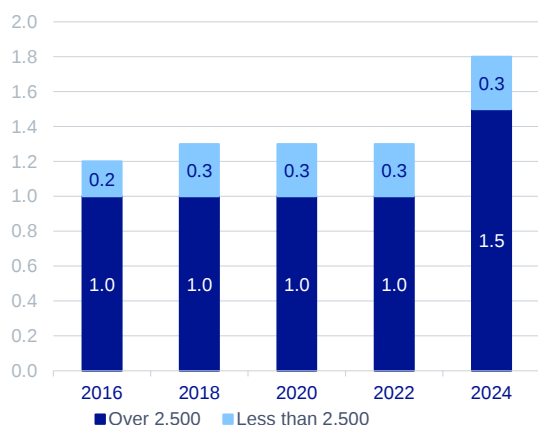
From 2018 to 2022, the number of households that chose to purchase a vehicle remained relatively stable at 1.3 million, according to the National Household Income and Expenditure Survey (ENIGH). In 2024, this number increased markedly by almost half a million households. The increase in demand for passenger vehicles is occurring almost entirely in urban areas, measured by populations over 2,500.

We attribute this to the following factors. First, lower interest rates, which allowed for a decrease in the cost of auto credit. This had a favorable impact on both the new and secondary market. Also, precisely due to the sharp increase in imported units, from 2022 to 2023, which increased from 738,000 to 995,000, a 34.9% change, which significantly increased supply. In 2024, the number was very similar, 986,000 units, and in just seven months of 2025, the total number reached 800,000, again without considering BYD vehicles. This is explained by the lower price of imported units from Asia, compared to domestic prices, which had increased significantly.

At the same time, there is a greater preference for hybrid and electric vehicles. In 2024, 124.3 thousand vehicles were sold in Mexico, while in 2023, 74.3 thousand of this type were sold, an increase of 67.3%. In these seven months of 2025, 88.3 thousand vehicles of this type have

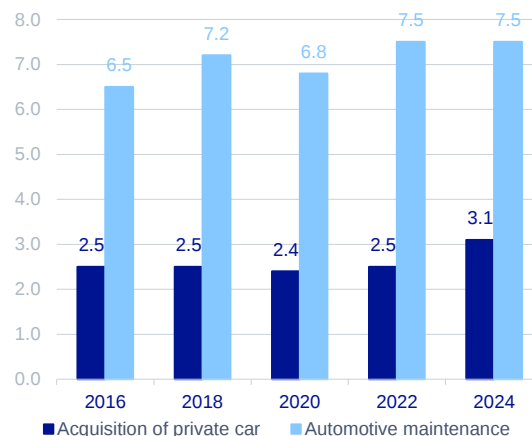
already been sold. Special mention should be made of the acquisition of motorcycles, whose demand in Mexico has grown steadily due to their accessibility to many population groups, as well as their use for paid economic activities, such as various delivery services.

HOUSEHOLDS WITH CAR PURCHASE SPENDING (THOUSAND)



Source: BBVA Research with data from Inegi

AVERAGE SPENDING PER PERSON ON CARS (THOUSANDS OF CONSTANT PESOS)

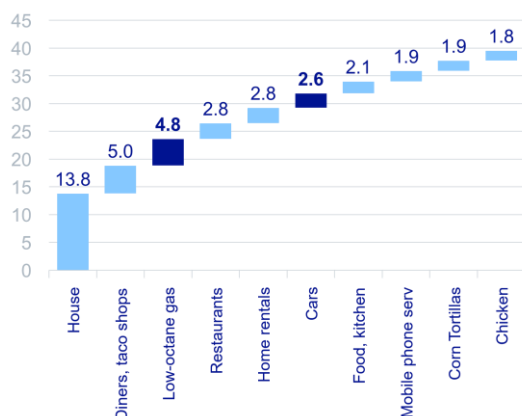


Source: BBVA Research with data from Inegi

Similarly, average spending per person on vehicle purchases increased 22.2% in constant terms from 2022 to 2024, according to the National Institute of Statistics and Census (ENIGH). This also increased their share of total household current spending.

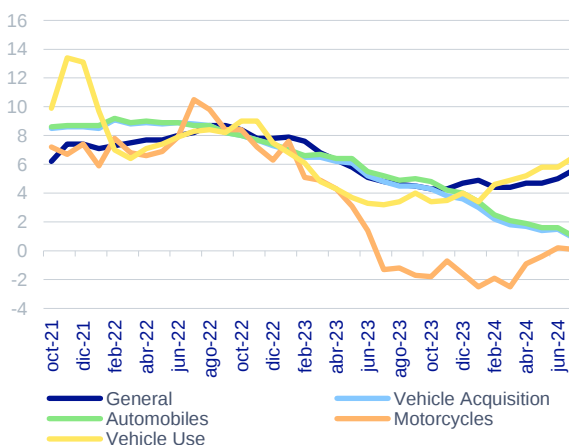
In contrast, spending on car maintenance did not show any significant change during the same period analyzed. We address the issue of car maintenance, given that hybrid and electric vehicles require lower maintenance costs. This, once again, is more prevalent among lower-income households.

INPC PRICE INDEX WEIGHTERS (PERCENTAGE)



Source: BBVA Research with data from Inegi

INPC AND AUTOMOTIVE SUB-INDICES (GROWTH % YoY)



Source: BBVA Research with data from Inegi

The impact of the tariff initiative in question is not limited to the purchase of new vehicles imported from countries subject to the tariff. Since this significantly reduces the competitive pressure they exerted in the market, we should expect an increase in prices for the rest of the vehicles sold domestically, both domestic and imported. In addition to an impact on demand, this will be reflected in inflation given the high weight of this item within the CPI. According to the weighting factors for this index, vehicle purchases account for 2.6%, more than important foods such as corn tortillas or chicken.

At the same time, given that hybrid and electric vehicles will be the most affected, the higher spending on gasoline and its high weight in the CPI could put pressure on this index; even more so given the sharp increases in gasoline prices observed recently. Until July 2024, the last date the INPC Transportation sub-indexes were published, inflation measured by the Vehicle Purchase sub-index, whether automobiles or motorcycles, showed a decelerating trend. In contrast, the Vehicle Use sub-index was the only one that actually accelerated, again due to the high cost of gasoline.

3.b Effects of the Real Exchange Rate on Mexican Manufacturing Exports

Exchange rate dynamics are crucial for Mexico, as more than 80% of manufacturing exports go to the United States. In a context of volatility and reconfiguration of value chains, understanding the sensitivity of Mexican exports to exchange rate fluctuations is strategic for anticipating risks, designing policies, and guiding business decisions. This study analyzes the impact of the real exchange rate on Mexico's manufacturing exports, considering its regional integration and sectoral heterogeneity.

Key points



Literature Review: Exchange Rate and Exports

Under the conventional view, a peso depreciation would reduce relative external prices and increase external demand for Mexican goods. However, recent empirical literature reveals that the exchange rate elasticity of exports is heterogeneous and is conditioned by the depth of sectoral integration in global value chains.



Methodology, Model, and Data Processing

A DOLS econometric model was applied with public data (INEGI, BIS, FRED) to estimate the elasticity of the real exchange rate on total manufacturing exports and for specific industries, considering control variables such as production, costs, and external demand.



Main Results: Low Elasticity

The real depreciation of the peso marginally favors exports, but the estimated elasticity is low in all sectors, particularly in highly regionally integrated ones such as the automotive industry, confirming the weak sensitivity of export activity to exchange rate fluctuations.



Regional integration as a key factor

Mexico's high degree of integration with North America mitigates the effect of the exchange rate, so export competitiveness depends more on logistical efficiency, production location, and trade agreements than on relative prices.

Introduction

Exchange rate dynamics constitute a strategic axis for understanding Mexico's external competitiveness, particularly in a context where more than 80% of manufacturing exports are directed to the United States. In a global environment characterized by the reconfiguration of value chains, productive relocation, and financial market volatility, analyzing the sensitivity of the export sector to variations in the peso-dollar exchange rate becomes essential. This study seeks to quantitatively estimate this relationship, considering sectoral heterogeneity and the degree of integration of Mexican manufacturing with North American production chains.

The analysis employs a time-series econometric approach under a Dynamic Ordinary Least Squares (DOLS) model to identify the effect of the real exchange rate on total manufacturing exports and on sectors with different levels of integration (Food Manufacturing and Transportation Equipment), incorporating control variables that capture the evolution of domestic production, costs, and external demand.

The results confirm that, while peso depreciations tend to boost exports, the magnitude of the response is limited. This reflects that Mexico's competitiveness depends increasingly less on exchange rate movements and more on structural factors, such as regional productive integration, market diversification, and the technological sophistication of its manufacturing base.

Literature Review

The impact of the exchange rate on export competitiveness has been one of the central topics in the international economics literature. A depreciation of the peso (all other things being equal) tends to make the economy's goods cheaper in the foreign market and, in principle, improve its relative competitiveness against producers in other countries; while an appreciation makes exports more expensive and can erode profit margins and market share. However, the magnitude of this effect depends on multiple factors: the price elasticity of external demand, the degree of integration into global value chains, the intensity of use of imported inputs, and the sector's cost structure. In this sense, the exchange rate does not act as an isolated mechanism, but as a determinant conditioned by the productive complexity and market dynamics of each industry.

International empirical evidence shows significant contrasts. Thorbecke (2018) analyzes how exchange rate fluctuations affect different manufacturing sectors in the United States, evaluating the volume of international trade and the stock market performance of firms. Their approach focuses on sectoral sensitivity to dollar appreciation, with special attention to industries exposed to competition from countries such as China. Methodologically, they employ an imperfect substitutes model estimated using dynamic ordinary least squares (DOLS), complemented by a sectoral stock market sensitivity analysis. The results show that a dollar appreciation negatively affects export-oriented sectors such as automotive, aluminum, and iron, while favoring consumer-oriented import sectors such as clothing and toys. In contrast, highly technologically complex industries, such as pharmaceuticals, show lower sensitivity.

Continuing with previous work, Thorbecke et al. (2022) study the Japanese chemical sector and confirm that more complex products—those whose manufacturing requires specialized know-how and whose production is concentrated in a few countries—show less vulnerability to yen appreciation. However, they identify that chemical firms that supply industries highly exposed to international competition tend to experience declines in their stock market values when the Japanese currency strengthens. To reach these conclusions, the authors combine bilateral trade regressions with macroeconomic data, a disaggregated analysis of 93 chemical products

classified according to the Product Complexity Index (PCI), and the application of Fama-French models that capture the reaction of chemical firm stocks.

Rodríguez et al. (2020) analyze the relationship between exchange rate volatility and exchange rate pass-through in Mexico using a vector autoregressive error correction (VECM) approach. Their methodology consists of segmenting the sample into two periods: low volatility (2000-2008) and high volatility (2009-2017). The results show that in highly volatile scenarios, the pass-through to prices (known in the literature as Exchange Rate Pass-Through or ERPT) is significantly greater: the cumulative response of importer prices (IPI) is 4.1 times higher, that of producer prices (INPP) 4.7 times higher, and that of consumer prices (INPC) up to seven times higher compared to periods of lower volatility.

In the Colombian case, Casas (2020) examines how the exchange rate pass-through to prices and quantities of international trade varies at the sectoral level, using data on trade and manufacturing production between 2004 and 2015. His findings show that the sectors most intensive in imported inputs are the most sensitive to the depreciation of the Colombian peso, as they face an increase in their costs that translates into higher export prices. Import prices also rise, although with a comparatively smaller effect.

In Asia, Baek and Nam (2021) study bilateral trade between South Korea and China between 2000 and 2019, using a nonlinear autoregressive distributed lag (NARDL) model. The authors conclude that exchange rate variations exert asymmetric effects: the appreciation and depreciation of the Korean won do not impact trade volumes uniformly. Of the 33 industries analyzed, statistically significant asymmetries are detected in 15 importing and 15 exporting sectors in the long term, while in the short term, these asymmetries persist in 17 importing and 11 exporting sectors.

For their part, Osbat, Sun, and Wagner (2021) investigate exchange rate pass-through in the eurozone using sectoral VAR-X models applied to monthly data from 28 industries. Their results show that the ERPT is incomplete across all sectors, with heterogeneous intensities: the highest pass-through is observed in commodity-related sectors, such as mining, and the lowest in sectors such as beverages, tobacco, and non-traded services. Furthermore, they highlight that strong market concentration and deep backward integration (backward linkage) in global supply chains reduce the magnitude of pass-through, while trade openness and forward participation amplify it (forward linkage)¹³.

In the Mexican case, Solórzano (2023) identifies heterogeneous dynamics of the ERPT based on microdata from the National Consumer Price Index (NCPI). Their analysis reveals that the 12-month cumulative response in low-pass-through regions is barely a quarter of what is observed in high-pass-through regions. Regional classification is based on factors such as proximity to the United States, market density, import intensity, local volatility, and household spending profile.

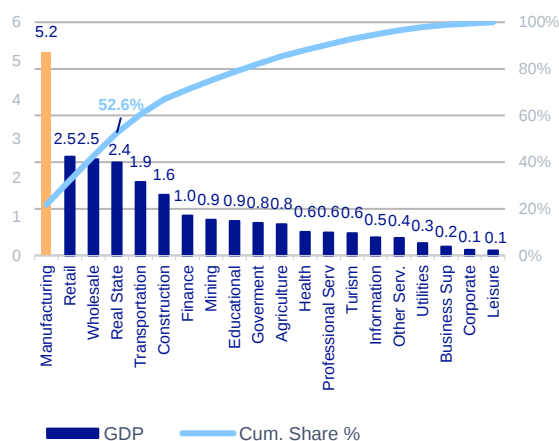
13: For a detailed explanation of these linkage indicators and an estimate for Mexico, see the article "Export diversification in nearshoring" available in [Situación Sectorial Regional México 24S1](#).

Finally, a Capital Economics report (2023) warns that the appreciation of the peso against the dollar in recent years has deteriorated the competitiveness of Mexican exports, incentivizing imports. This dynamic was reflected in a trade deficit of \$5.4 billion at the end of 2023, accompanied by an improvement in the terms of trade¹⁴ in the same year.

Manufacturing and Exchange Rate Dynamics

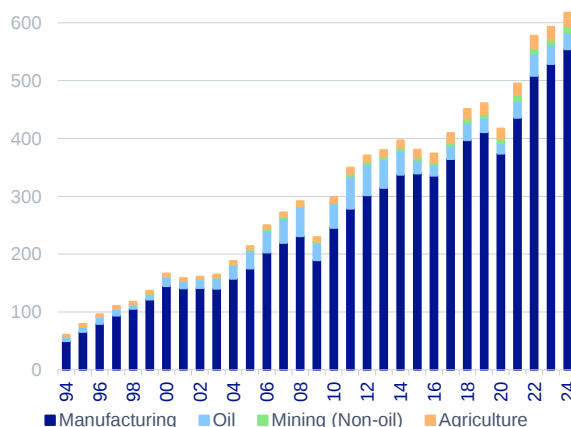
Manufacturing has established itself as the backbone of the Mexican economy, contributing 21.8% of total GDP in 2024, far exceeding other sectors, with a production value reaching 5.2 trillion pesos in constant currency. This structural importance is largely explained by its close connection with export dynamics. From the entry into force of the North American Free Trade Agreement (NAFTA) in 1994 until the end of 2024, Mexican exports registered an average annual growth rate (AAGR) of 8%, which allowed their value to increase to 617.7 billion current dollars by the end of 2024, representing 36.5% of Mexico's GDP.

SECTORAL GDP 2024
(TRILLION CONST. MXN & CUM. SHARE)



Source: BBVA Research with data from Inegi

MEXICAN EXPORTS
(BILLION CURRENT USD)



Source: BBVA Research with data from Inegi

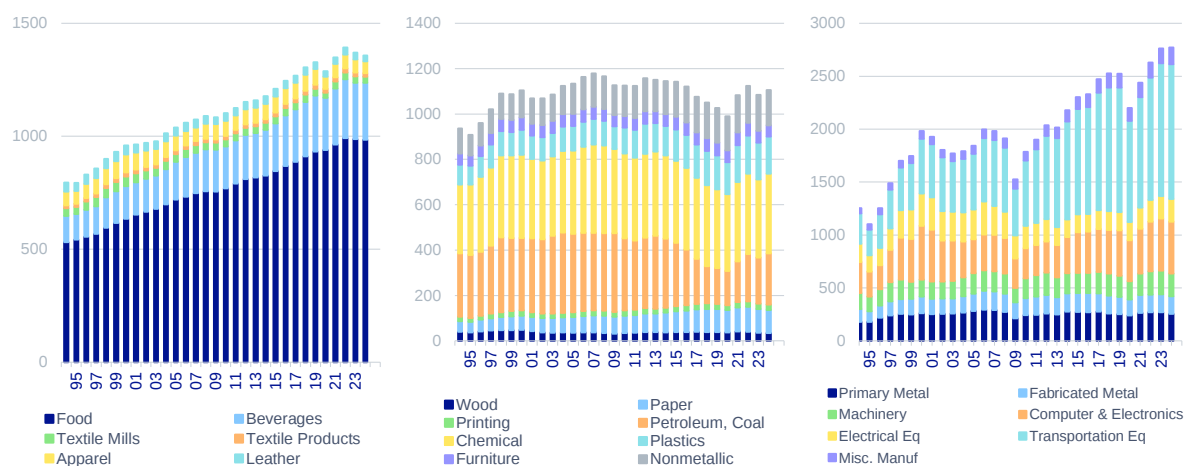
The composition of exports confirms the centrality of the manufacturing sector: while in 1994, manufacturing represented 82% of total exports, three decades later its share rose to 90%, consolidating above other products such as oil and mining. This transformation reflects not only the country's ability to integrate into regional and global value chains, but also the process of productive modernization driven by trade liberalization, growing demand from the United States, Mexico's main trading partner, and the integration of complex value chains in North America in key export manufacturing industries.

Manufacturing performance in Mexico shows a differentiated evolution by subsector. Traditional sectors such as Food, Beverages, and Tobacco have maintained modest but steady growth from 1994 to 2024, consolidating themselves as a stable base for manufacturing GDP with a CAGR

14: Los términos de intercambio miden la relación entre los precios de exportación y los precios de importación de un país, indicando cuántas importaciones puede adquirir con una unidad de exportación.

of 2.2%. In contrast, sectors such as textiles, clothing, leather, and petroleum products reflect a loss of dynamism associated with international competition and the relocation of chains to Asia.

GDP MANUFACTURING SUBSECTORS (TRILLION CONSTANT PESOS)

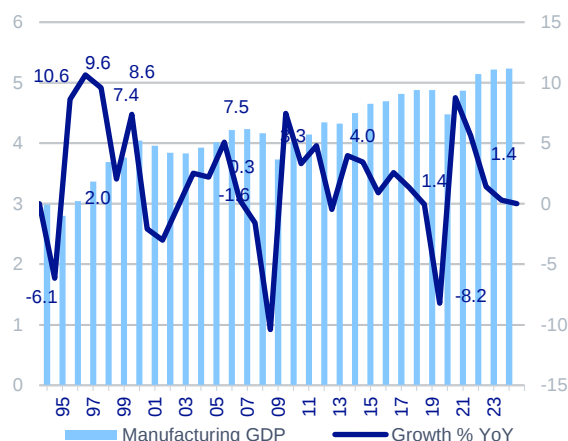


Source: BBVA Research with data from Inegi

On the other hand, the dynamism of Transportation Equipment Manufacturing stands out, having become the main manufacturing engine, growing at a CAGR of 5.1% over the last 30 years, followed by sectors linked to the productive network such as Electronics, Plastics, and Machinery and Equipment. These sectors have not only gained share in manufacturing value added but have also been instrumental in the country's integration into global value chains. Finally, industries such as Non-metallic Minerals, Basic Metals, Furniture, and Paper have shown relative stagnation or even decline in certain periods, reflecting competitiveness limitations and lesser international integration. This disparity highlights how trade integration has not impacted all sectors evenly, most clearly benefiting those linked to domestic and foreign mass consumption and reflecting Mexico's growing specialization in industries with greater productive complexity. This long-term evolution of the manufacturing sector confirms a process of productive modernization biased toward technology-intensive sectors focused on foreign trade, which strengthens competitiveness.

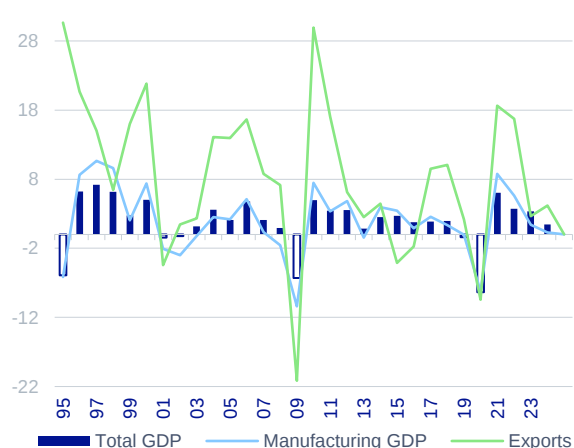
The performance of manufacturing GDP reveals its structural role and high exposure to the economic cycle. While the level of production has maintained an upward trend since 1994, the annual rate of change shows marked volatility, with sharp declines during periods of crisis (2009 and 2020) and subsequent rebounds. This dynamic confirms that the manufacturing sector is particularly sensitive to external and financial shocks, reflecting its close connection with global demand and international supply chains. Analyzing the dynamics of total GDP in annual percentage terms, Manufacturing and Exports reinforces this interpretation. While aggregate GDP presents a more stable trajectory, manufacturing and, to a greater extent, exports, exhibit much more pronounced fluctuations. In years of expanding global trade, Mexican exports have served as an engine of growth, driving manufacturing GDP. In contrast, during episodes of currency appreciation or external recessions, the fall in exports quickly translates into sectoral contractions.

GDP MANUFACTURING (TRILLION CONSTANT MXN, GROWTH. % YoY)



Source: BBVA Research with data from Inegi

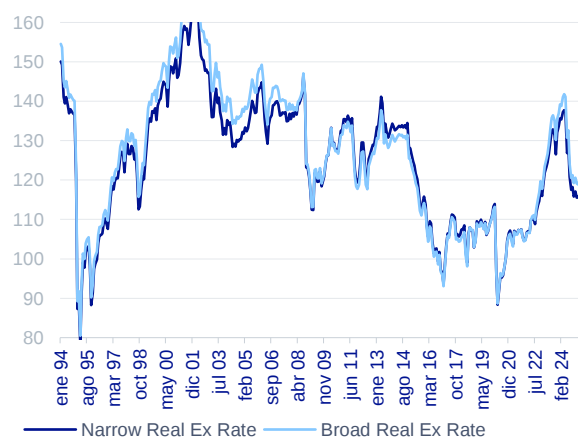
TOTAL GDP, MANUFACTURING AND EXPORTS (GROWTH. % YoY)



Source: BBVA Research with data from Inegi

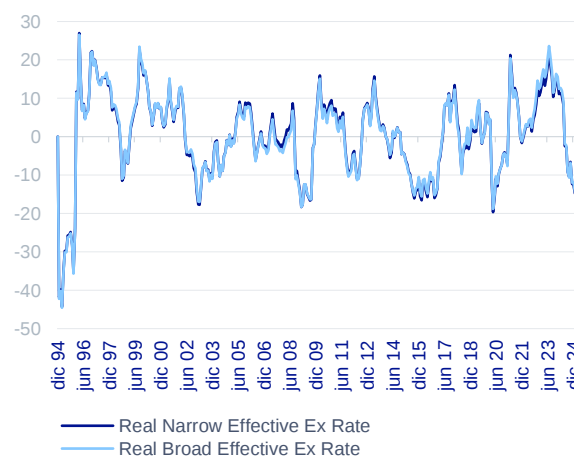
The real effective exchange rate (REER) in its narrow version (focused on main trading partners such as the United States) and broad version (with a broader basket) shows that the Mexican peso has gone through different cycles of appreciation and depreciation since 1994. A key reading of this index, published by the Bank for International Settlements (BIS) is that increasing values in the index imply a real appreciation of the peso, that is, it reflects the dynamics of the dollar-peso and the variations in the price level in both countries. After episodes of sharp depreciation, such as in 1995 and 2008-2009, the peso tended to regain ground, appreciating significantly in recent periods, particularly between 2020 and 2023, when the index surpassed the 2020 base level of 100. This pattern is explained by both domestic macroeconomic fundamentals (inflationary stability, interest rate differentials) and capital flows to emerging economies.

REAL EFFECTIVE EXCHANGE RATE (INDEX 2020 = 100)



Source: BBVA Research with data from BIS

REAL EFFECTIVE EXCHANGE RATE (GROWTH. % YOY)



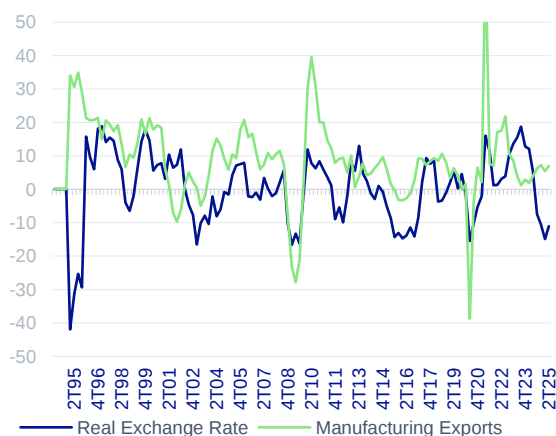
Source: BBVA Research with data from BIS

The annual variation confirms that the REER has been highly volatile, with year-on-year changes exceeding 20% in both directions in some episodes. These jumps reflect external shocks such as financial crises, monetary policy adjustments in the US, or abrupt fluctuations in oil prices. The central hypothesis of this study is that Mexico's high level of integration into cross-border supply chains (especially in sectors such as Transportation Equipment) reduces the sensitivity of exports to peso-dollar fluctuations. In contrast, industries with a lower degree of international integration, such as the food sector, show a more pronounced response to currency fluctuations, reflecting their greater dependence on relative prices compared to external competitors.

The data support this hypothesis by showing that Mexican export competitiveness does not respond linearly or immediately to exchange rate fluctuations. Rather, it is conditioned by underlying structural factors, including the diversification of destination markets, the sectoral composition of exports, and the degree of productive integration with the United States. In this sense, the strength of Mexican exports lies less in their exchange rate advantage and more in their ability to strategically integrate into global value chains.

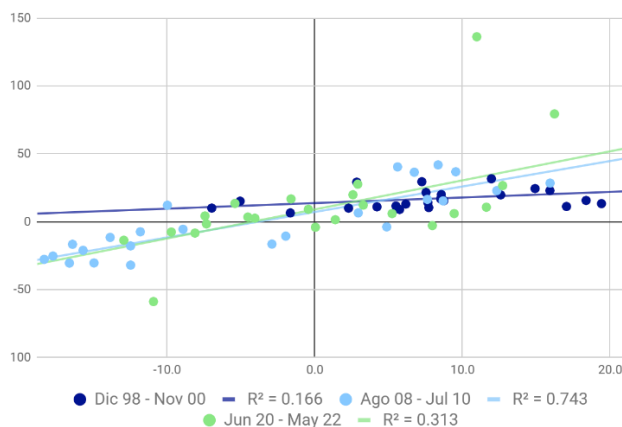
The results preliminarily confirm that exchange rate volatility has a limited and uneven impact on Mexican manufacturing exports. Although in certain episodes of high uncertainty (such as the 2008-2010 global financial crisis, where the correlation reached 0.86) a close relationship is observed between the real exchange rate and export dynamism, in other periods such as the tequila crisis (0.41) or the Covid-19 pandemic (0.56) the link was more moderate. Overall, the overall correlation coefficient of 0.22 for 1994-2025 reflects that, while there is some association, it is weak and highly dependent on the macroeconomic and trade context. In other words, peso depreciations do not automatically guarantee a rebound in exports, as their effect is conditioned by structural factors such as external demand, integration into value chains, and domestic productive capacity.

REAL EXCHANGE RATE, MANUFACTURING EXPORTS (GROWTH % YoY)



Source: BBVA Research with data from BIS e Inegi

REAL EXCHANGE RATE AND EXPORTS IN PERIODS OF VOLATILITY (GROWTH % YoY)



Source: BBVA Research with data from BIS e Inegi

Model selection and data processing

To analyze the effect of the exchange rate on manufacturing exports in Mexico, a time-series econometric approach was used. This section details the source and nature of the data, the model specification, and the estimation technique applied.

The analysis uses quarterly data from the first quarter of 1994 to the first quarter of 2024. The exercise was conducted for the following aggregation levels:

- Total manufacturing exports (Sectors 31-33 of the SCIAN classification)
- Food Industry (Sector 311). This industry allocates 8.2% of its production to exports, considered a domestic-focused industry.
- Transportation Equipment Manufacturing (Sector 336). This industry allocates 62.1% of its production to exports, considered a linked industry (mainly with North America).

In this way, it was possible to identify both general patterns and sectoral specificities in industries with little or high exposure to international trade. For the analysis, all variables were transformed into annual real growth rates. The variables included in the model are:

- **Exports:** variable dependiente que refleja el crecimiento de las ventas externas del sector analizado.
- **Real Exchange Rate (RER):** The central variable of the study, which measures the change in relative purchasing power between the peso and the dollar. An increase in the RER indicates a decrease in the price of Mexican goods for foreign buyers. For our baseline estimate, we used the narrow version of the real effective exchange rate (REER) (focused on major trading partners such as the United States) published by the Bank for International Settlements (BIS).
- **Domestic Production:** Change in the Gross Domestic Product of the corresponding sector, used as a control for domestic supply capacity. Change in the Value of Production and Employment in Manufacturing and selected subsectors.
- **External demand:** Measured through US GDP growth and the US ISM¹⁵ manufacturing index, to capture the economic cycle of Mexico's main trading partner.
- **Procution costs:** Evolution of the sector's Producer Price Index (PPI), used as a proxy for the costs faced by firms.

15: The Manufacturing PMI is a monthly indicator of economic activity in the United States, prepared by the Institute for Supply Management (ISM).

Information processing

Data were primarily used from the Monthly Survey of the Manufacturing Industry (EMIM) prepared by INEGI. From this source, monthly series were extracted for each subsector and its corresponding branches for the period January 2018–May 2025, providing a total of 87 observations per series. The variables considered include:

- Capacity utilization.
- Total employed staff.
- Wages and salaries paid to personnel.
- Total value of production of finished goods.
- Total sales value of finished goods.

To assess the presence of seasonality in the time series analyzed, the nonparametric Friedman test was applied. This statistical tool allows the values of a variable to be compared across different groups—in this case, across months of the year—to identify whether certain patterns tend to repeat consistently over time. Its implementation is fully justified in this study, given the small sample size. In such contexts, parametric tests are less appropriate due to the potential violation of assumptions such as normality or homoscedasticity. The Friedman test, on the other hand, does not depend on these assumptions and also remains robust to the presence of outliers, a particularly valuable feature when working with economic series.

The analysis was carried out considering different significance levels (1%, 5%, and 10%) for all series corresponding to each subsector and its specific branches. The results obtained indicate that, in the case of the series of salaries paid to employed personnel, the null hypothesis of non-seasonality is systematically rejected, confirming the existence of clear seasonal patterns. In contrast, for the series of utilized capacity and total employed personnel, the null hypothesis is not rejected in most cases, suggesting an absence of statistically significant seasonality. Finally, with regard to the series of total production value and total sales value, the results were heterogeneous, showing differences according to the branch and subsector analyzed. In those cases where the existence of statistically significant seasonality was confirmed, the series were deseasonalized. For this purpose, a decomposition model methodology was used, selecting between additive or multiplicative schemes according to the relationship between the trend and variability of each series. The criterion employed consisted of calculating the correlation between the mean and the monthly standard deviation:

- A correlation greater than 0.5 suggests that seasonal variability increases as the series level increases, justifying the use of a multiplicative model.
- A correlation less than 0.5 indicates that seasonal fluctuations remain relatively constant, making the application of an additive model more appropriate.

For our baseline estimate, we used the narrow version of the real effective exchange rate (REER) (focused on major trading partners such as the United States) published by the Bank for International Settlements (BIS). Additionally, the bilateral real exchange rate between Mexico and the United States was incorporated into the analysis. Price index data from both countries were used, as well as figures from the Bank of Mexico for the nominal exchange rate with a daily frequency (Spot). As was done with the manufacturing series, the nonparametric Friedman test was applied to this data set, under the three established significance levels (1%, 5%, and 10%). The results were consistent: none of the tests found statistical evidence of seasonality.

The Dynamic Ordinary Least Squares (DOLS) econometric model was used, following Chinn (2010) and Thorbecke (2018), whose main virtue lies in its ability to isolate the long-term equilibrium relationship between variables while explicitly incorporating short-term dynamics. This characteristic makes it a robust tool for analyzing economic phenomena where immediate effects and structural trends coexist. The central objective of DOLS is to estimate the relationship at long-term levels, correcting for short-term transitory adjustments.

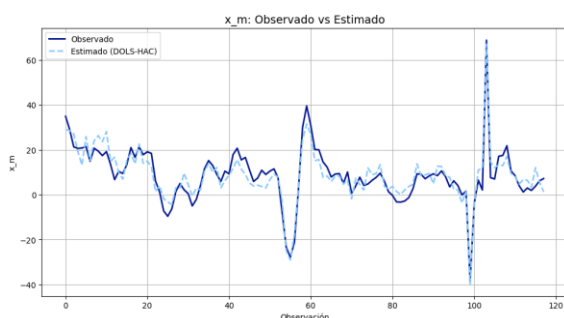
For further details on the methodology, treatment of controls and model specification see the [Annex](#).

Main Results

Model 1: Total Manufacturing Exports

The main results of the DOLS model estimation for Mexico's manufacturing exports are presented below. For further details (standard errors, p-values, and benchmark statistical tests, see the [Annex](#)).

MODEL 1: OBSERVED AND ESTIMATED VALUES



Source: BBVA Research with data from Inegi, BIS, FRED

MODEL 1: MAIN RESULTS

Statistic	Value
Elasticity	0.0445
R^2	0.884
R^2 Adj	0.871
F-Stat	114.5
Observations	118

Source: BBVA Research with data from Inegi, BIS, FRED

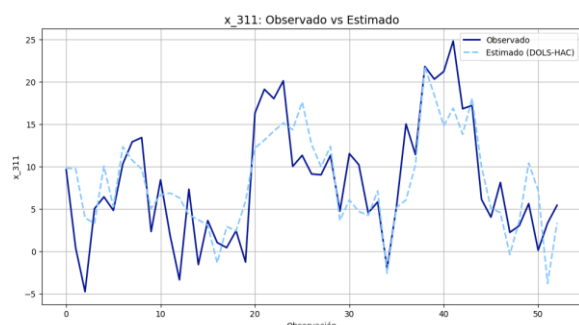
Model 1 shows excellent goodness of fit, with an adjusted R-squared of 0.884. This indicates that the selected variables explain 87.1% of the variance in the export growth rate. Our model captures not only the general trend but also the turning points and volatility characteristic of

Mexican export growth. The results suggest that real exchange rate depreciations stimulate export growth; however, the calculated elasticity is relatively low. An elasticity of 0.0445¹⁶ implies that a 1% change in the Real Effective Exchange Rate (REER) is associated with a 0.0445% change in manufacturing exports in the current period. This reflects the relatively low sensitivity of aggregate manufacturing exports to exchange rate fluctuations.

Model 2: Food Industry Exports (domestic oriented)

To have insights on whether different sectors of the economy react differently, a DOLS model similar to Model 1 for food manufacturing exports (SCIAN 311) was also estimated. The model for this food sector replicates the trend and major cycles of the historical series, although the fit is not as precise as in the aggregate model, especially during peaks of volatility. The line of estimated values follows the general direction of the actual data.

MODEL 2: OBSERVED AND ESTIMATED VALUES



Source: BBVA Research with data from Inegi, BIS, FRED

MODEL 2: MAIN RESULTS

Statistic	Value
Elasticity	0.0181
R ²	0.615
R ² Adj	0.459
F-Stat	42.43
Observations	118

Source: BBVA Research with data from Inegi, BIS, FRED

The results reveal specific dynamics for the food industry and offer a valuable point of comparison with the manufacturing aggregate. The real exchange rate maintains its positive and significant effect, confirming that depreciations benefit the sector's exports. However, the estimated elasticity of 0.018 reveals a highly inelastic response to exchange rate variations. Similar to the previous example, a 1% change in the real effective exchange rate is associated with a 0.018% change in food industry manufacturing exports in the current period.

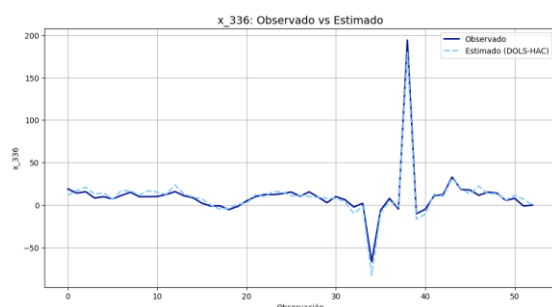
Model 3: Exports of Transportation Equipment (export oriented)

To assess the sensitivity of the Transportation Equipment sector to macroeconomic variations, a DOLS model equivalent to that used for the manufacturing aggregate was estimated. In this case, the model fit is remarkably robust: it explains 95.6% of the variance in the export growth rate, accurately replicating both the trend and the main cycles of the historical series. The stability of the fit is reflected in the low dispersion between the observed and estimated values, even in scenarios of more marked volatility.

16: Dado que el DOLS es un modelo lineal, estimamos la elasticidad con el coeficiente b_1 siguiendo la fórmula: $(b_1 \cdot X) / (b_0 + b_1 \cdot X)$

The results highlight the structural nature of the Transportation Equipment industry as a sector highly integrated into global value chains. The real exchange rate maintains a positive effect on exports; however, the estimated elasticity of 0.0145 confirms that this is an extremely inelastic response to exchange rate variations. In other words, the competitiveness of this industry does not depend on currency fluctuations, but on the efficiency of its international integration and strict cost control within its productive structure.

MODEL 3: OBSERVED AND ESTIMATED VALUES



Source: BBVA Research with data from Inegi, BIS, FRED

MODEL 3: MAIN RESULTS

Statistic	Value
Elasticity	0.0145
R ²	0.969
R ² Adj	0.956
F-Stat	26.35
Observations	118

Source: BBVA Research with data from Inegi, BIS, FRED

The role of Global Value Chains (GVC)

The current context of trade uncertainty following the imposition of tariffs forces us to rethink traditional analysis. Under the classic paradigm, where a depreciation of the peso improved external competitiveness by reducing relative prices, evidence shows that the high density of imported inputs and the regional specialization of production have considerably attenuated the exchange rate elasticity of Mexican exports.

Mexico's insertion into Global Value Chains (GVCs) has been one of the main drivers of its international economic integration since the entry into force of NAFTA in 1994. The signing of the USMCA in 2020 has deepened this interdependence, consolidating North America as one of the most integrated productive regions in the world. In this context, Mexican manufacturing is positioned as a critical link in cross-border production flows, articulating design, assembly, and supply processes in an ecosystem that transcends national borders. An example of this is the automotive industry. Sectors such as Transportation Equipment, Computing, Basic Metals, and Electrical Equipment account for the majority of exports and industrial value added, operating in integrated production ecosystems with the United States and Canada. This interdependence creates a "currency buffer": peso-dollar fluctuations marginally alter trade flows, as prices and costs are determined by bilateral contracts and shared cost structures.

According to our previous study examining Mexico's role in GVCs the average domestic content in Mexican exports fell from 63.1% to 58.3% between 2018 and 2022, while foreign value added (mainly from the US and China) increased to over 40% of the total. This structural change explains why the elasticity of exports to the real effective exchange rate is so low. Nominal

depreciations only marginally benefit integrated sectors, where imported components become more expensive simultaneously, largely offsetting the net effect.

At the sectoral level, electronics and transportation equipment account for more than 70% of the total imported content in Mexican exports, while the food and chemical industries show a higher proportion of domestic inputs. This asymmetry explains the differences in elasticity found in the econometric model: sectors with low international linkages (food) respond more to the exchange rate, while highly integrated sectors (automotive, electronics) are insensitive to exchange rate fluctuations.

In summary, the interaction between the exchange rate and Mexican manufacturing exports is mediated by the country's position in the GVC. In deeply integrated industries, the RER has a marginal effect due to the intensive use of foreign inputs, cross-border production coordination, and dollar pricing. In contrast, in industries with higher domestic content, export competitiveness continues to respond to exchange rate fluctuations, albeit in a limited way. Thus, Mexico's main driver of competitiveness no longer lies in the relative price of the peso, but in its ability to move up the value chain, increase the domestic content of its exports, and strengthen forward linkages that generate greater domestic added value.

Conclusions and lines of work

The analysis confirms that the competitiveness of the Mexican manufacturing sector is only slightly dependent on exchange rate fluctuations and is more influenced by the degree of integration in global value chains (GVCs). While depreciation of the peso against the dollar tends to stimulate exports, the effect is quantitatively small. In all the estimated models, exchange rate elasticities are positive but below 1%, indicating a marginal response of export volume to exchange rate fluctuations.

SUMMARY OF RESULTS: ELASTICITY OF EXPORTS TO THE REAL EXCHANGE RATE

DOLS model estimation with Inegi data	Elasticity of exports to the RER
Model 1 Total Manufacturing (Sector 31-33)	0.0445
Model 2 Food Industry (Sector 311)	0.0181
Model 3 Transportation Equipment (Sector 336)	0.0145

Source: BBVA Research with data from Inegi y BBVA Big Data

Sectoral evidence reinforces this conclusion. Aggregate manufacturing shows a low elasticity (0.04), reflecting limited structural sensitivity to the exchange rate. In the case of the food industry, with less exposure to international trade, the response is somewhat more noticeable, although it remains inelastic. In contrast, sectors more integrated into North American value

chains (such as Transportation Equipment) show an even more attenuated relationship, as their competitiveness is based primarily on production location, logistical efficiency, and binational coordination.

It is important to recognize that there are limitations to the analysis. The official data from INEGI, although nationally representative, have a quarterly frequency that can obscure short-term reactions. Despite these details, the main message is quite clear: the exchange rate is and has been an important variable for the competitiveness of a country's exports, but its effect is somewhat tempered by Mexico's economic integration with its main trading partners, primarily the United States. Based on this analysis, we cannot forget that the driving force behind the competitiveness of sectors that are so closely integrated into GVCs is cost optimization, logistical efficiency, and strategic integration into global production chains. Under this principle, structural factors (market diversification, technological modernization, strengthening of logistics infrastructure, and regional integration policies) play a decisive role in consolidating external competitiveness, which can lead Mexico to consolidate its position within one of the most competitive regions globally: North America.

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Annex

Methodology and formulation of the DOLS model

The implementation of the model was carried out following the methodological steps as follow:

1. **Variable selection:** Let (y) be the dependent variable (Manufacturing exports) along with the explanatory variables in levels (x_levels).
2. **First differences:** (dx) of explanatory variables , which capture transient effects and allow for the incorporation of short-term dynamics.
3. **Lags and Leads:** `lagmat` function generate the lags ($lagged_dx$) and leads ($lead_dx$) of the estimated differences. These components constitute the "dynamic" dimension of the model, correcting for endogeneity and autocorrelation problems.
4. **Time alignment:** All data series are adjusted and trimmed to ensure uniform temporal correspondence, avoiding loss of consistency in the estimates.
5. **Formación de la matriz de regresores:** The variables in levels, along with the lags and leads of the differences, are integrated into a single matrix (x_dols). A constant is also added to this structure, completing the final specification of the model.

This procedure allows DOLS to simultaneously capture long-term stability and short-term adjustments, providing more reliable results in the face of the empirical challenges inherent in economic series. Generally speaking, the estimated models follow the formula:

$$\Delta EXP_t = \alpha + \beta TCR_t + \gamma PROD_t + \delta DEMEXT_t + \theta COST_t + \sum_{-q}^{+p} \rho_k \Delta X_{t+k} + \varepsilon_t$$

Where:

- Dependent variable (ΔEXP_t): Growth in sector exports (total manufacturing, food and transport equipment).
- Explanatory Variables (ΔX_{t+k}):

- TCR: Real Effective Exchange Rate.
- PROD: Domestic sector production: Sectoral GDP + EMIM Controls.
- DEMEXT: Foreign demand: US GDP + ISM Manufacturing
- COST: Sectoral Producer Price Index (PPI)
- Dynamic component ρ_k : Including $-q$ lags and $+p$ leads of the first differences of the explanatory variables (X_{t+k}), , which corrects endogeneity problems and ensures consistency in finite samples.

OLS Regression Results of Model 1¹⁷

OLS Regression Results						
=====						
Dep. Variable:	x_m	R-squared:	0.884			
Model:	OLS	Adj. R-squared:	0.871			
Method:	Least Squares	F-statistic:	114.5			
Date:	Thu, 18 Sep 2025	Prob (F-statistic):	1.52e-54			
Time:	21:34:31	Log-Likelihood:	-337.31			
No. Observations:	118	AIC:	700.6			
Df Residuals:	105	BIC:	736.6			
Df Model:	12					
Covariance Type:	HAC					
=====						
	coef	std err	z	P> z	[0.025	0.975]

const	3.2795	0.651	5.039	0.000	2.004	4.555
pib_31_33	0.9030	0.128	7.032	0.000	0.651	1.155
e1	0.3979	0.070	5.705	0.000	0.261	0.535
inpp_31_33	0.4180	0.052	7.973	0.000	0.315	0.521
ism_m	0.1570	0.069	2.274	0.023	0.022	0.292
d_pib_31_33_lag1	0.2318	0.100	2.319	0.020	0.036	0.428
d_e1_lag1	0.3213	0.074	4.345	0.000	0.176	0.466
d_inpp_31_33_lag1	0.7883	0.204	3.858	0.000	0.388	1.189
d_ism_m_lag1	-0.2987	0.069	-4.335	0.000	-0.434	-0.164
d_pib_31_33_lead1	0.5698	0.126	4.512	0.000	0.322	0.817
d_e1_lead1	0.1872	0.073	2.563	0.010	0.044	0.330
d_inpp_31_33_lead1	1.0251	0.153	6.687	0.000	0.725	1.325
d_ism_m_lead1	-0.2177	0.082	-2.652	0.008	-0.379	-0.057
=====						
Omnibus:	6.651	Durbin-Watson:	1.122			
Prob(Omnibus):	0.036	Jarque-Bera (JB):	3.874			
Skew:	-0.249	Prob(JB):	0.144			
Kurtosis:	2.266	Cond. No.	20.8			

Notes:

[1] Standard Errors are heteroscedasticity and autocorrelation robust (HAC) using 1 lags and without small sample correction

Source: BBVA Research with data from Inegi, BIS, FRED

17: Dado que el DOLS es un modelo lineal, estimamos la elasticidad con el coeficiente b_1 siguiendo la fórmula: $(b_1 \cdot X) / (b_0 + b_1 \cdot X)$

OLS Regression Results of Model 2

OLS Regression Results						
=====						
Dep. Variable:	x_m	R-squared:	0.884			
Model:	OLS	Adj. R-squared:	0.871			
Method:	Least Squares	F-statistic:	114.5			
Date:	Thu, 18 Sep 2025	Prob (F-statistic):	1.52e-54			
Time:	21:34:31	Log-Likelihood:	-337.31			
No. Observations:	118	AIC:	700.6			
Df Residuals:	105	BIC:	736.6			
Df Model:	12					
Covariance Type:	HAC					
=====						
	coef	std err	z	P> z	[0.025	0.975]

const	3.2795	0.651	5.039	0.000	2.004	4.555
pib_31_33	0.9030	0.128	7.032	0.000	0.651	1.155
e1	0.3979	0.070	5.705	0.000	0.261	0.535
inpp_31_33	0.4180	0.052	7.973	0.000	0.315	0.521
ism_m	0.1570	0.069	2.274	0.023	0.022	0.292
d_pib_31_33_lag1	0.2318	0.100	2.319	0.020	0.036	0.428
d_e1_lag1	0.3213	0.074	4.345	0.000	0.176	0.466
d_inpp_31_33_lag1	0.7883	0.204	3.858	0.000	0.388	1.189
d_ism_m_lag1	-0.2987	0.069	-4.335	0.000	-0.434	-0.164
d_pib_31_33_lead1	0.5698	0.126	4.512	0.000	0.322	0.817
d_e1_lead1	0.1872	0.073	2.563	0.010	0.044	0.330
d_inpp_31_33_lead1	1.0251	0.153	6.687	0.000	0.725	1.325
d_ism_m_lead1	-0.2177	0.082	-2.652	0.008	-0.379	-0.057
=====						
Omnibus:	6.651	Durbin-Watson:	1.122			
Prob(Omnibus):	0.036	Jarque-Bera (JB):	3.874			
Skew:	-0.249	Prob(JB):	0.144			
Kurtosis:	2.266	Cond. No.	20.8			

Notes:

[1] Standard Errors are heteroscedasticity and autocorrelation robust (HAC) using 1 lags and without small sample correction

Source: BBVA Research with data from Inegi

OLS Regression Results of Model 3

OLS Regression Results						
Dep. Variable:	x_336	R-squared:	0.969			
Model:	OLS	Adj. R-squared:	0.956			
Method:	Least Squares	F-statistic:	26.35			
Date:	Thu, 18 Sep 2025	Prob (F-statistic):	3.06e-15			
Time:	21:34:45	Log-Likelihood:	-161.04			
No. Observations:	53	AIC:	354.1			
Df Residuals:	37	BIC:	385.6			
Df Model:	15					
Covariance Type:	HAC					
	coef	std err	z	P> z	[0.025	0.975]
const	2.9677	3.213	0.924	0.356	-3.329	9.264
pib_336	1.1357	0.171	6.657	0.000	0.801	1.470
gdp	0.8321	1.093	0.761	0.447	-1.310	2.974
e1	0.0970	0.232	0.419	0.675	-0.357	0.551
inpp_336	-0.6255	0.528	-1.185	0.236	-1.660	0.409
ism_m	0.1053	0.120	0.874	0.382	-0.131	0.341
d_pib_336_lag1	0.1021	0.066	1.543	0.123	-0.028	0.232
d_gdp_lag1	-0.3944	0.647	-0.609	0.542	-1.663	0.874
d_e1_lag1	0.0495	0.237	0.209	0.834	-0.414	0.513
d_inpp_336_lag1	0.2700	0.588	0.459	0.646	-0.883	1.423
d_ism_m_lag1	-0.1522	0.165	-0.924	0.356	-0.475	0.171
d_pib_336_lead1	0.2051	0.084	2.448	0.014	0.041	0.369
d_gdp_lead1	-0.8439	0.783	-1.078	0.281	-2.378	0.690
d_e1_lead1	0.1801	0.404	0.445	0.656	-0.612	0.973
d_inpp_336_lead1	1.2018	0.700	1.716	0.086	-0.171	2.574
d_ism_m_lead1	0.0214	0.179	0.119	0.905	-0.330	0.373
Omnibus:	9.639	Durbin-Watson:	1.564			
Prob(Omnibus):	0.008	Jarque-Bera (JB):	9.680			
Skew:	0.790	Prob(JB):	0.00791			
Kurtosis:	4.374	Cond. No.	140.			

Notes:

[1] Standard Errors are heteroscedasticity and autocorrelation robust (HAC) using 1 lags and without small sample correction

Source: BBVA Research with data from Inegi

3.c From mobile banking to multi-product financial apps: the new gatekeepers of the digital marketplace

Multi-product banking apps can significantly increase financial inclusion by integrating payment methods and everyday services into a single platform, maintaining a competitive market if they operate under rules of interoperability, API access portability, and non-discriminatory ordering criteria, among others. Without these guarantees, the aggregation of services and products could block the entry of providers, increase switching costs, and restrict user options, limiting the channel's inclusive potential.

Key Points

	Theoretical Framework: Financial Apps as Two-Sided Platforms	Multi-product financial apps act as intermediaries that balance adoption and usage between users and providers through pricing structures and access rules (subsidies or free for the user, commission for the provider, default positions, APIs, and ordering criteria). Cross-network effects mean that each new integrated service increases value for both sides, while catalog governance defines the contestability of the channel. High-frequency services (top-ups, utility payments, P2P) increase recurrence, deepen the financial relationship, and enable the distribution of formal products, with a direct impact on inclusion and competition.
	Evidence of Demand (2017–2024): Increasing User and Transaction Base	Mobile internet access per 100 inhabitants increased from 64 to 99, and mobile-linked bank accounts increased from 13.6 million to 95.6 million. In payments, SPEI transactions grew from 0.7 to 5.0 billion, and CoDi showed sustained adoption: enrolled devices increased from 1.5 to 28.2 million. In terms of habits, users who make online purchases/sales from mobile devices increased from 22.1 to 28.5 million between 2022 and 2024 (+29%). The data confirms the shift of everyday transactions to the mobile channel and the potential for multi-product financial apps to deepen financial inclusion.
	Anchor Services and Mass Prepaid: Traction for Inclusion	Prepaid dominates the mobile market (84% of the total), making top-ups an accessible, everyday use case. By 2024, mobile accounts will reach 72 per 100 inhabitants, and top-ups are among the most used digital functions by financial services users, making it easier for prepaid segments to enter the formal ecosystem through banking apps. Competition in the sale of airtime on digital channels is intense, and user experience and reduced friction define the competitive advantage in attracting new users.
	Channel Openness and Competitive Conditions	Non-bank acquirers and aggregators operate 77% of POS terminals (4.7 million vs. 1.4 million for banks) and cover 94% of municipalities, expanding the acceptance of digital payments. At the same time, the mobile phone price index fell 11.5% between 2017 and 2024, while fintech firms have 27.5 million active accounts compared to 109.4 million in commercial banks. This environment reduces barriers to entry and allows multi-product apps to expand coverage and formal use in previously underserved segments.
	Competing with Efficiency	To preserve efficiencies, it is necessary to ensure truly usable APIs, full payment interoperability (SPEI/DiMo/CoDi), practical portability of user history, and verifiable non-discrimination rules for integrations and catalog ordering. For institutions, the winning strategy combines low-friction anchor services with a selective and transparent marketplace. With this balance, the ecosystem scales in innovation and accountability, while more providers reach the public through the app, and users maintain control over their data and their choice of digital channel.

Theoretical framework: From two-sided mobile banking platforms to “multi-product financial apps”

The transformation of banking apps from being simply a means of checking balances and making transfers to multifunctional or multi-product financial platforms (apps) is a case that fits neatly into the literature of two-sided platform economics, where the platform distributes fees and subsidies between two groups that need each other (customers and merchants) to internalize the valuation of the app that users on both sides place on it as more people use it, something known as network effects. This logic explains why an app can offer free services on one side and charge fees on the other, maximizing volume and the overall value of the network.

Since Rochet and Tirole's (2002)¹⁸ seminal contribution on two-sided markets, which separated price level and structure and showed that a platform must “bring both sides of the market on board” with cross-subsidies and that, in competition, transaction steering intensifies with multiple platforms operating simultaneously, the analysis has evolved toward denser and more complex app ecosystems. Today, many environments are multi-sided (users, developers, and advertising), and platforms combine prices (percentage fees, quotas, in-app purchases) and rules (ranking, review, programming interfaces, no-redirect clauses) to balance adoption and usage. Jullien, Pavan, and Rysman's (2021)¹⁹ synthesis incorporates platform openness, portability costs, and intra-platform contestability (multiple stores and distribution channels), showing that these elements reconfigure both the price structure and the incentives to innovate.

In short, the analysis shifted from “How do I allocate the price between two parties?” to “How do I optimize prices and rules to maximize adoption, innovation, and well-being in a broad ecosystem of apps, with multi-affiliation and hybrid monetization (shopping and advertising) under regulatory constraints?” That is, the innovation and complexity of platforms has provided a natural extension of Rochet-Tirole's original intuition.

Platform competition also depends on whether participants are multi-homing (using multiple apps, multi-homing) or single-homing (staying with a single app, single-homing)²⁰. Armstrong (2006) shows that when one side is multi-homing (e.g., merchants on multiple platforms) and the other tends to be single-homing (users who stick with a single app), “competitive bottlenecks” arise: strategic bidding focuses on capturing the single-homing side and charging rents to the multi-homing side²¹. This asymmetry is frequently observed in mobile banking: users tend to stick to their bank's app (convenience, trust, authentication), while providers seek to maximize reach across multiple gateways and marketplaces.

Today, apps must make platform governance decisions: how far to open the app (APIs, mini-apps, marketplace) to grow the ecosystem and how far to close it to preserve intermediary power (fee

18: Rochet, J.-C., & Tirole, J. (2002). Platform competition in two-sided markets. Available [aquí](#).

19: Jullien, B., Pavan, A., y Rysman, M. (2021) Two-Sided Markets, Pricing, and Network Effects Available [aquí](#).

20: *Single-homing*: situación en la que un usuario participa en una sola plataforma dentro de un mercado de dos lados. *Multi-homing*: ocurre cuando un usuario mantiene relaciones con varias plataformas al mismo tiempo, lo que incrementa la competencia por atraer a ese lado del mercado. Armstrong, M. (2006) Competition in two-sided markets. Available [aquí](#).

21: Armstrong, M. (2006) Competition in two-sided markets. Available [aquí](#).

control, default sorting, data). Eisenmann, Parker, and Van Alstyne (2006) summarize this as the tension between openness (which reduces friction and switching costs) and closure (which reinforces user capture)²². In banking, this governance translates into third-party access rules, transparency, and customer data portability.

This approach helps us understand modern mobile banking, which has evolved from being merely an intermediary between savers and investors to a digital ecosystem that aggregates payments, transfers, and third-party services (top-ups, transportation, utility payments, etc.). Modern banking apps optimize access and usage prices on each side and decide on cross-subsidies, for example, offering cashback to users on top-ups and monetizing fees on the provider side. Ultimately, the platform adjusts the pricing structure to drive adoption and frequency, not just to increase transaction margins.

Beyond their financial function, banking apps have also become gateways to the mass market for service providers (airtime, utilities, transportation, entertainment). For banks, this additional catalog of services increases usage frequency and enables commission revenue; for providers, access opens up distribution without building their own app, lowers customer acquisition costs (CAC), reduces the risk of fraud, and generates almost immediate revenue settlement and consolidation. Top-ups or airtime sales (ATS) are the emblematic example: a high-frequency product that drives traffic to the app and, at the same time, anchors the integration of the "long tail" of services in a secure and frictionless marketplace for the user.

However, the aforementioned services can also be offered today not only by financial agents but also by large technology firms ("big techs"). Even the Bank for International Settlements (BIS) has noted that big techs, through super apps²³, have rapidly expanded into financial services (payments, credit), leveraging data already collected from their core businesses (e-commerce, social media) and the inherent network effects²⁴. They can evade regulations if they are regulated only by activity.

In the financial sector, this super app architecture is typically based on four layers: (i) service catalog (payments, top-ups, mobility, insurance, credit, investments), (ii) identity and consent (KYC, strong authentication), (iii) native payments (digital account, wallet, QR code, phone alias), and (iv) third-party marketplace (mini-apps, APIs).²⁵ The BIS adds that, in many cases, super apps, driven by Big Tech, consolidate financial and non-financial services into a single digital environment that allows for the orchestration of a modular platform of mini-apps.

The global experience that best illustrates the concept is WeChat (Tencent), which was born in 2011 as a messaging app and, over time, evolved into an integrated services environment: in 2013 it added WeChat Pay; between 2014 and 2015, digital "red packets" that boosted the adoption of payments; in 2017 it launched Mini Programs (nested mini-apps) that allow for

22: Eisenmann, T., Parker, G., & Van Alstyne, M. (2006). Strategies for two-sided markets. Available [aquí](#).

23: Super app: aplicación que combina funciones núcleo con un ecosistema de mini-apps independientes, integradas en una plataforma que ofrece experiencias consistentes y personalizadas. Gartner. (2021). What is a superapp? Gartner. Available [aquí](#).

24: Bank for International Settlements. (2021). *Regulating big techs in finance* (BIS Bulletin No. 45). Bank for International Settlements. Available [aquí](#).

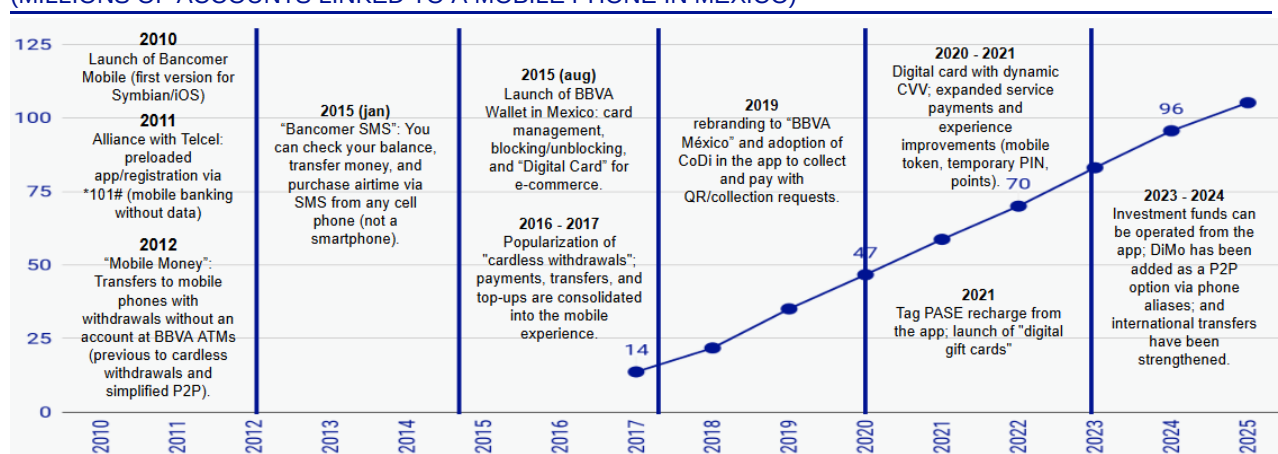
25: Gartner. (2021). What is a superapp? Gartner. Available [aquí](#).

shopping, food delivery, grocery shopping, messaging, and booking, paying, and accessing services without leaving WeChat. Today, its scale illustrates the platform model: in Q2 2025, it reported 1.411 billion monthly active users. In financial services, WeChat operates under the Tenpay payment institution, offers online/offline QR payments and cross-border payments for international visitors; distributes investments and savings (money funds, bonds, index, gold, etc.); enables insurance (quotes, purchases, and claims reporting within WeChat); channels consumer credit through WeBank (microloans).

The result is that WeChat is a platform where identity, native payments, and mini-apps reinforce use and monetization, and whose pattern has been partially replicated: for example, Grab in Southeast Asia (a super mobility/delivery app with payments, credit, and insurance) and Rappi in Latin America (consumer verticals with a formal financial arm via RappiPay in Colombia and RappiCard in Mexico).

Other examples of the increase in services offered by traditional bank apps can be found in Europe: imagin/CaixaBank integrated a cashback program with more than 100 brands through its app (a marketplace of merchants within the bank); while Revolut sells gift cards within the app and offers "Stays/Experiences" to book accommodation and activities with cashback. In the US, consumer banking has integrated non-financial catalogs into its apps/cards, such as SoFi Travel (an in-app travel portal built with Expedia) and Capital One Travel (booking flights, hotels, and cars within the bank's ecosystem). More specifically in Mexico, traditional banking apps are now going beyond just "payments and transfers," integrating everyday and third-party services that bring them closer to the "super app" standard in functionality.

BBVA MÉXICO APP EVOLUTION: ADDED FEATURES AND SERVICES (MILLIONS OF ACCOUNTS LINKED TO A MOBILE PHONE IN MEXICO)



Source: BBVA Research with data from the CNBV and a compilation of milestones from public BBVA México materials (website and press releases), as well as references from Banxico for CoDi/DiMo dates.

Note: Milestones are shown by year of public deployment and are approximate; the list is not exhaustive.

At BBVA Mexico, the app has evolved from a basic consultation and payment channel to a multi-product financial hub. After incorporating mobile transfers with cardless pickup, card controls and secure purchases with digital cards and dynamic CVV were added. Then came QR code collections and payments via CoDi, a unified catalog for paying services and taxes, and everyday

features such as TAG PASE refills, digital gift cards, and parking meter payments in Mexico City. For savings, the app introduced Partados (Separados), and, on the investment side, enabled the creation and operation of funds directly from the mobile device. More recently, it expanded person-to-person payments with DiMo via mobile number, consolidated in-app airtime sales, and strengthened the transactional experience with cardless QR code pickup. This adds the ability to use BBVA Points as a payment method at compatible stores and services, integrating the rewards program into everyday life. Together, the app brings together identity, payments, and a growing menu of financial and non-financial products into a single entry point.

In short, the two-sided markets framework epitomizes why the next phase of banking app evolution will be financial super apps: the app organizes a marketplace where native identity and payments reduce friction, and high-frequency services (e.g., airtime top-ups or utility payments) increase retention and everyday user metrics. The challenge is not only technological, but also one of access governance and incentive design to balance efficiencies with the risks of concentration in digital intermediation.

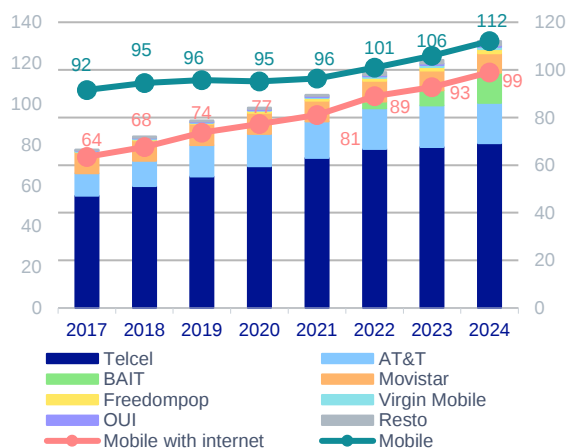
Transformation of digital consumption and payments in Mexico

The adoption of mobile applications and digital financial services in Mexico is based on three pillars that reinforce each other: (i) mobile connectivity and widespread mobile use; (ii) instant payment infrastructure that reduces friction (SPEI, CoDi, and, more recently, DiMo); and (iii) banking apps that consolidate everyday tasks (paying for services, recharging airtime, sending/receiving money) and that compete de facto as two-way platforms.

Regarding the first pillar, we can see that mobile internet access increased from 77.8 million in 2017 to 130.9 million in 2024, an increase of 53.1 million and a compound annual growth rate (CAGR) of 7.7%. Over the same period, the number of internet-enabled lines per 100 inhabitants increased from 64 to 99, while the total number of mobile lines per 100 inhabitants increased from 92 to 112, crossing the threshold of 100 in 2022. The gap between total and internet-enabled lines narrowed from 28 to 13 points, a sign of convergence in data access toward full mobile coverage. The market continues to be led by Telcel (61.6% of lines in 2024), followed by AT&T (15.2%), and notable dynamism from MVNOs, particularly BAIT (14.6 million; 11.1% of the total), while Movistar represents 7.3% and other operators around 4.6%.

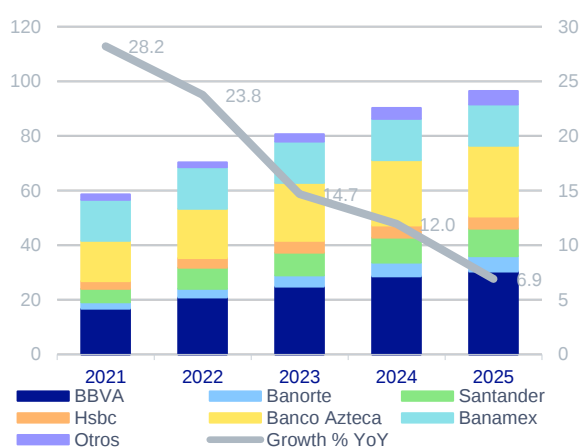
Meanwhile, on the financial front, the number of accounts that make banking transactions via mobile grew from 56.7 million in 2021 to 90.2 million in 2024, with BBVA leading the list with around 30 million customers using their mobile phones to make online transactions. Together, these two vectors—a near-universal mobile network and mobile banking—form a robust first pillar that enables the daily use of banking apps, and the integration of services within the digital mobile ecosystem continues to grow steadily.

MOBILE LINES WITH INTERNET (MILLIONS & LINES / 100 INHABITANTS RHS)



Source: BBVA Research with data from IFT

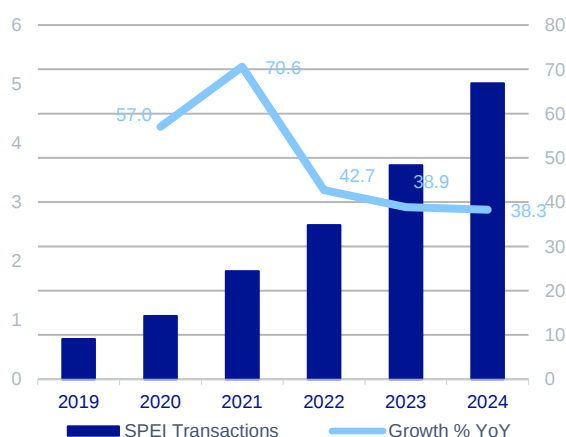
CONTRACTS FOR MOBILE TRANSACTIONS (MILLIONS, GROWTH % YoY RHS)



Source: BBVA Research with data from CNBV

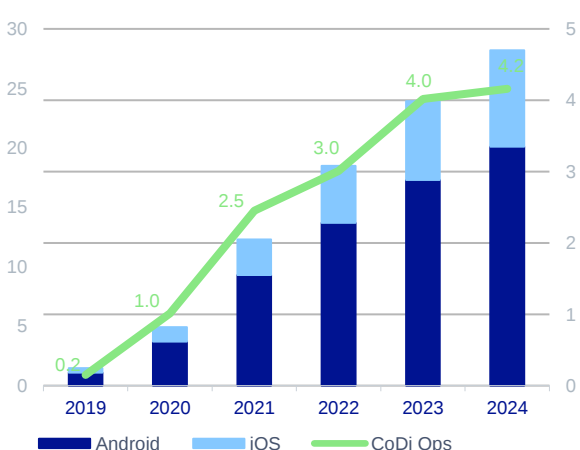
The second pillar explains the increase in online transactions due to a more robust digital banking infrastructure. Currently, Mexican banking has promoted methods such as: SPEI, which allows for immediate transfers; CoDi introduced QR payments and collections; and DiMo, which simplifies transfers using the recipient's cell phone number.

THIRD-PARTY OPERATIONS IN SPEI (BILLIONS, GROWTH % YOY RHS)



Source: BBVA Research with data from Banxico

DEVICES AND OPERATIONS WITH CODI (LHS ENROLLED DEVICES AND RHS OPERATIONS IN MILLIONS)



Source: BBVA Research with data from Banxico

At CoDi, the number of enrolled mobile devices increased from 1.1 million on Android and 0.4 million on iOS in 2019 to 20.1 million on Android and 8.1 million on iOS in 2024. In parallel, sent transactions grew from 0.15 million in 2019 to 4.2 million in 2024, more than 27-fold, with a very accelerated pace in the first years and a recent normalization, consistent with evidence of low

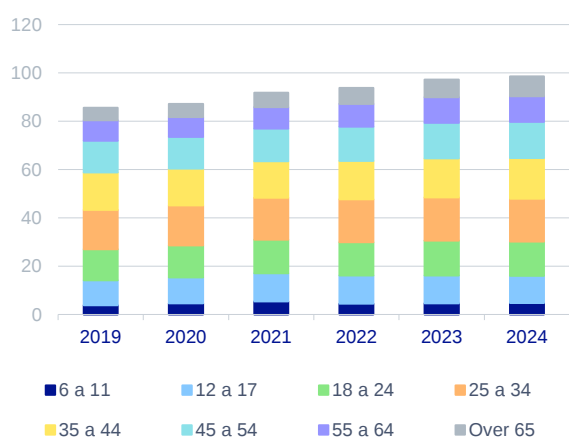
public awareness and integration frictions.²⁶

On the SPEI side, the number of transactions increased from 683 million in 2019 to 5.015 billion in 2024, a CAGR of 48% between 2019 and 2024, driven primarily by transactions under 8 thousand pesos, which increased from 512 million to 4.57 billion over the same period. SPEI became the dominant service for frequent, small-ticket payments, consistent with the migration of everyday tasks to the mobile channel and the logic of in-app services. Studies indicate that the rise in low-value transactions is consistent with the fact that these platforms were created for low-value P2P payments and that adoption by businesses tends to lag behind that of individuals.

On the demand side, app banking adoption is not homogeneous. It tends to accelerate among young people, urban users, and segments more prone to mobile use, while progressing more slowly in groups with lower digital literacy or coverage. These differences matter because they determine where banking apps can scale network effects more quickly, in markets with higher mobile density, and where it is appropriate to strengthen interface design and financial education to reduce friction.

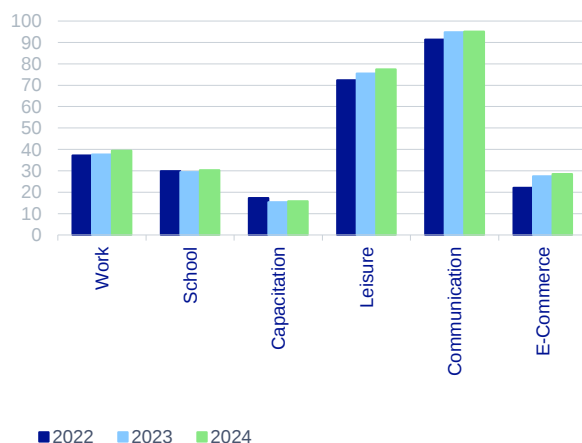
Based on the National Survey on the Availability and Use of Information Technologies in Households (ENDUTIH), between 2019 and 2024, the mobile phone user base grew especially strongly among people aged 65 and over (5.2 million → 8.2 million; +58%) and, to a lesser extent, among the 6–11 age group (3.8 million → 4.7 million; +24%). In the highest-density groups, the progress was more moderate: 25–34 (16.3→17.8; +9%) and 35–44 (15.6→16.8; +7.7%). This pattern expands the addressable market for banking apps to historically lagging cohorts, particularly older adults, and suggests that some of the recent progress in financial inclusion is coming from those segments that previously participated less in the digital channel.

PHONE USERS BY AGE
(MILLIONS)



Source: BBVA Research with data from Inegi

TELEPHONY USERS BY USE
(MILLIONS)



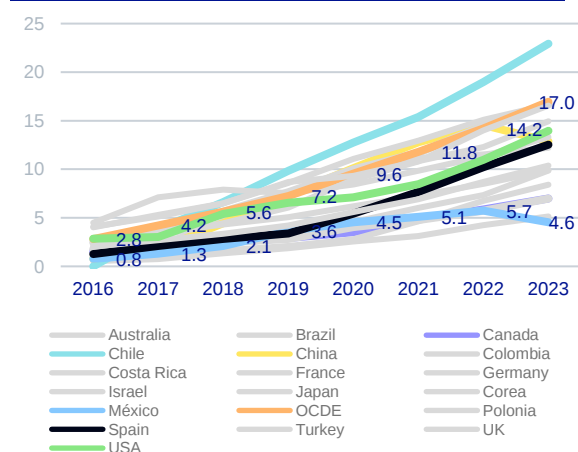
Source: BBVA Research with data from Inegi

26: Argente, D., Gonzalez Alvarez, P., Méndez, E., & Van Patten, D. (2025). Drivers of digital payment adoption: Lessons from Brazil, Costa Rica, and Mexico (NBER Working Paper No. 34280). National Bureau of Economic Research.

By primary use between 2022 and 2024, communication remains dominant (91.3→95.0 million; +4.1%), work progresses gradually (37.1→39.4; +6.2%), and school practically stagnates (29.8→30.3; +1.7%). The growth in online purchases and sales (22.1→28.5; +29%) is notable, indicating a greater willingness to conduct transactions from mobile devices. These results reinforce the paper's hypothesis: multi-product banking apps act as gateways to formal services and can accelerate financial inclusion by capturing everyday use cases on the phone.

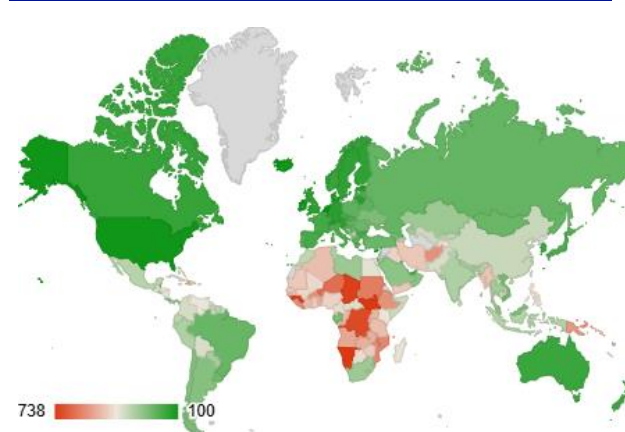
En el contexto regional y global, dos indicadores ubican con mayor precisión la posición de México. En consumo de datos móviles por suscripción, México promedia 4.55 GB por mes en 2023 (tras 5.74 en 2022, -21%), muy por debajo del promedio de la OCDE (16.95) y de economías pares como Estados Unidos (13.96) o España (12.53), e incluso por debajo de varios vecinos regionales como Chile (22.93) y Colombia (8.41); se encuentra más cercano a Brasil (5.14). Esta brecha sugiere que, aunque la penetración de líneas ya roza la universalidad, el uso intensivo de datos, insumo natural para experiencias intensivas in-app, aún tiene margen de expansión en México, lo que condiciona la velocidad a la que se consolidan los hábitos de pago y consumo digital desde el móvil.

MONTHLY MOBILE DATA USAGE
(GB/MONTH)



Source: BBVA Research with data from OCDE

LOCALLY DEVELOPED APPLICATIONS
(INDEX 0-100)



Source: BBVA Research with data from GSMA (Mobile Connectivity Index)

A second angle is the local offering of content and services. In the GSMA Mobile Connectivity Index, the "locally developed applications" variable assigns Mexico 67.3 points in 2024, below Brazil (82.8), Chile (77.1), Argentina (77.0), and Uruguay (81.1), and above Colombia (61.7) or Guatemala (57.5). For the purposes of this chapter, this implies that the local app ecosystem has not yet reached the density of leading countries; therefore, banking apps that act as front-ends and marketplaces may play a distribution role for local providers, but they also concentrate access to the same services.

Together, the convergence of three vectors—near-universal mobile connectivity, mobile-linked banking, and instant payment rails—has resulted in banking apps becoming a de facto two-

sided platform that aggregates authenticated user demand and provider supply (telecom, services, merchants) on native identity and payments, with clear efficiencies in search and reconciliation costs and fraud reduction. At the same time, the lower data usage relative to benchmark economies and the lower density of local apps suggest room for further adoption of richer mobile experiences and increased financial inclusion.

Multi-product FinApps in Mexico: Airtime as an anchor service

The ecosystem of apps operating as multi-product hubs in Mexico is organized into five types: banking apps, wallets/neobanks, mobile operator apps, aggregators/portals, and consumer super apps. The table "Multi-product ecosystem by main app in Mexico" summarizes the features each offers.

MULTIPRODUCT ECOSYSTEM BY MAJOR APPS IN MEXICO (FUNCTIONS AND USAGE ANCHORS)

Type	App	Service Payment (Utilities)	Air time	P2P (SPEI/DiMo)	QR	TAG / Parking	Gift cards	Insurance	Credit	Investments / Savings	Remittances	Cardless Withdrawal	Cashback	Third-Party APIs / Mini-Apps	Cryptocurrencies	Frequency Anchor
Banking apps	BBVA México	✓	✓	✓	●	●	✓	✓	✓	✓	✓	✓	●	●	—	Air time, utility payments, transfers
	Banorte Móvil	✓	✓	✓	●	●	—	✓	✓	●	●	✓	●	●	—	Air time, utility payments, SPEI/DiMo transfers
	Banco Azteca	✓	✓	✓	✓	—	—	✓	✓	●	●	✓	●	—	—	Air time, utility payments, payments in the Elektra ecosystem
Wallets / neobanks	Mercado Pago	✓	✓	●	✓	✓	✓	●	✓	✓	●	—	✓	●	✓	QR in stores, Air time, utility payments, crypto
	Spin by OXXO	✓	✓	✓	✓	—	●	●	●	—	—	●	✓	—	—	Cash-in/cash-out at OXXO, Air time, QR payments
	Nu (México)	✓	✓	✓	●	—	—	●	✓	✓	—	✓	✓	✓	—	Card and P2P SPEI, utility payments (subject to availability)
Operator apps	Mi Telcel	●	✓	—	—	—	—	●	●	—	—	—	✓	—	—	Air time and packages, line management
	Mi AT&T	●	✓	—	—	—	—	●	●	—	—	—	✓	—	—	Air time and packages, line management
Aggregators	UnDosTres	✓	✓	—	—	●	✓	—	—	—	—	—	●	●	—	Air time and utility payments
	RecargaPay	✓	✓	—	—	—	●	●	●	—	—	—	✓	●	—	Air time with promotions, utility payments
Super consumer apps	Rappi	●	●	—	●	—	●	●	●	—	—	—	✓	●	●	Delivery/restaurants, in-app payments, Air time/services (subject to location)
	Mercado Libre	●	●	●	✓	—	●	●	✓	●	●	—	✓	●	●	E-commerce, QR, services/Air time via Mercado Pago
Symbol		✓			●					—						
Meaning		Typical presence		Partial presence/depending on app or location			Not typical									

Source: Prepared by BBVA Research based on a functional review of apps and public documentation from operators and platforms.

Note: Functional availability refers to Mexico and as of September 2025; it may vary by app version, customer type, location, alliances, and pilots. Column definitions: P2P (SPEI/DiMo): account-to-account transfers; includes DiMo mobile alias when applicable; QR: payment/collection with QR codes (CoDi and other schemes); TAG/Parking Meter: toll/highway recharges and urban parking payments via integrations; Remittances: international sending/receiving from the app; API/Third-Party Mini-Apps: integrations or embedded marketplaces for third-party services; Cryptocurrencies: buying/selling and, when applicable, in-app crypto transfers.

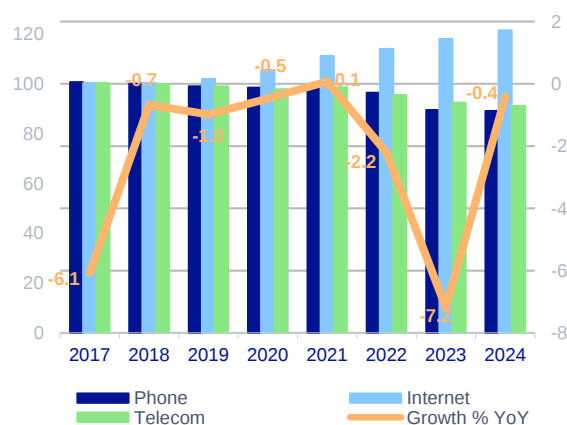
In banking apps, the combination of a broad customer base, trust, and accounting reconciliation makes it easier to set up frequently used tasks; their challenge is to maintain an experience as fast and with few steps as that of purely digital players. Wallets/neobanks compete on speed and incentives; operator apps prioritize self-service lines and the sale of packages/top-ups; aggregators compile extensive catalogs with flexible payment methods; and consumer super

apps add payments/top-ups as a support feature. Whether or not a multi-product app offers each service depends on two factors: i) the regulatory environment (e.g., commercial banking vs. Electronic Payment Fund Institutions - IFPE), which we discuss in detail in the next chapter, and ii) market conditions, such as supplier agreements, merchant acceptance, access to device features, and the economics of fees and incentives.

In terms of a two-sided platform, these hubs mediate between demand (authenticated users) and supply (telecom, utilities, retailers, digital services) with rules for access, ranking, and monetization. Some monetize via a supplier commission (ex post discount rate); others apply visible surcharges when using proprietary financing; several combine both schemes depending on the payment method. In practice, the app that manages to become the first choice for quick transactions concentrates more interaction and data, making it less attractive for users to migrate to another app.

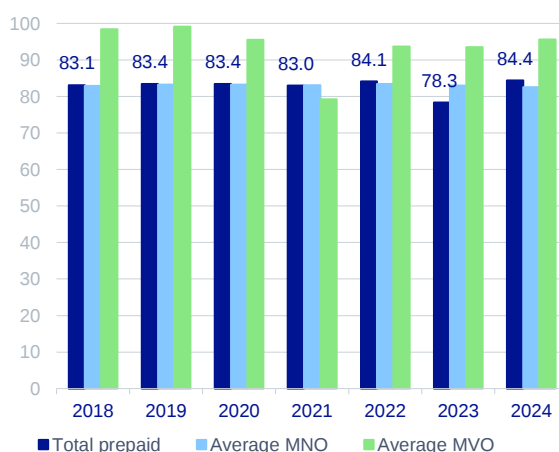
Within this ecosystem, Airtime Sales (ATS) is the most transversal anchor: it has a high frequency, low ticket prices, and almost universal prepaid coverage. On the user side, refills are a familiar and recurring task; on the provider side, integrating with the hub with ready-made identity and payments increases conversion and reduces Customer Acquisition Cost (CAC). Therefore, when banking apps, wallets, or aggregators offer one-touch refills, they don't just capture that transaction: they capture the session and open the door to the rest of the marketplace (payments for services, QR codes, P2P, credit/insurance), reinforcing their role as a two-way platform.

INPC PRICES TELECOMMUNICATIONS SERVICE
 (INDEX, GROWTH % YoY RHS.)



Source: BBVA Research with data from IFT

LINES IN PREPAID SCHEME
 (SHARE %)



Source: BBVA Research with data from IFT

Mobile services marketing in Mexico is fundamentally organized into two schemes: prepaid and postpaid. The market has shown a clear predominance of prepaid, where ATS is the transaction that enables consumption and, on average, represented more than 83% of the total active lines. This pattern coexists with a favorable price trajectory for mobile users: between 2018 and 2024, mobile phone prices fell by a cumulative 10.9%, close to -1.9% annually on average, with a particularly marked decline in 2023 (-7.2%). The combination of falling mobile

prices and a high proportion of prepaid offers suggests that cellular service affordability has continued to improve for the typical top-up user, reinforcing the centrality of the VTA as a daily access point to the service.

We observe that prepaid plans from MNOs (Telcel, AT&T, Movistar) remain at around 82–83% of their lines, while MVNOs (e.g., Walmart's BAIT, OXXO Cel, Freedompop, Virgin Mobile, and Elektra's Oui) operate virtually all of their lines as prepaid, close to 100%. Price trends contribute to understanding this stability: in an environment where mobile telephony has seen sustained price declines and competition emphasizes value per package, prepaid retains its appeal due to flexibility and cost control, without the relative price reductions having led to a massive migration to postpaid.

The preference for the prepaid model in Mexico is primarily due to factors such as flexibility, spending control, and structural barriers to accessing credit. This scheme allows users to top up their accounts only when needed, without committing to fixed monthly payments or contracts, which is especially convenient for informal workers, young people, or people with irregular incomes. Furthermore, prepaid eliminates requirements such as proof of address, credit history, or official identification, making it more accessible and anonymous for populations with low bank access. The rise of digital top-ups through banking apps or fintech has also facilitated the adoption of prepaid as an immediate solution.

On the other hand, postpaid offers advantages associated with convenience and stability: access to financed devices, unlimited data offers, additional services (streaming, roaming, device protection), and preferential service. This model is more attractive for users with fixed incomes or businesses, as it allows for centralized expenses and minimizes service interruptions. In this sense, while postpaid responds to a logic of loyalty and added value, prepaid better meets the needs of autonomy, simplicity, and budget control.

Multi-Channel Competition in Airtime Sales: Players, User Preferences, Regulation, and Monetization

The IFT has determined that prepaid and postpaid plans are part of the same relevant market for the provision of mobile services, considering that users access telephone, SMS, and mobile broadband services under either of these modalities, with no substantive differences in terms of quality, switching costs, or contract terms²⁷. Regarding the Available offer for consumers, the IFT itself notes that there is a wide and diversified range of plans in both schemes: in prepaid, users can choose from multiple combinations of price, validity, and data volume (small, short-term top-ups up to 30-day plans); in postpaid, it highlights that the proportion of plans with unlimited data grew from 41% to 53% between 2023 and 2024.²⁸

27: Federal Telecommunications Institute (IFT). Agreement by which the Plenary Session of the Federal Telecommunications Institute resolves the closure proposal submitted by the Investigating Authority within file AI/DC-001-2021. Available [aquí](#).

28: Federal Telecommunications Institute (IFT). Comparable Information Report on Mobile Telecommunications Service Plans and Rates 2024. Available [aquí](#).

This evolution in plan offerings is also reflected in the growing diversity of distribution channels through which users access mobile service and, in particular, airtime top-up. According to a study on distribution channels, current schemes are classified as physical channels and digital processors; however, these can be operated directly by the mobile operator or through third parties. The coexistence of digital and physical channels generates a complex competitive dynamic, where the efficiency and immediacy of online platforms pressure traditional points of sale, while the latter maintain crucial relevance due to their coverage and accessibility for a wide range of users, including those with less access to digitalization or who prefer cash transactions.

In this sense, proprietary physical channels include customer service centers, distribution centers, or branded stores operated directly by the operator; On the other hand, outsourced physical channels include retail chains such as OXXO, Elektra, Walmart, Soriana, or 7-Eleven, which act as points of sale and recharge through commercial agreements. These channels can also be owned by the merchant if the merchant owns an MVNO, such as OXXO Móvil and Bait. Owned digital channels include mobile operators' official websites and apps, while Third-Party Digital Processors (TDPs) are comprised of independent platforms such as BBVA Móvil, Mercado Pago, or other digital apps that allow recharges to be made from outside the provider's operating ecosystem.

DISTRIBUTION CHANNELS BY TYPE OF OPERATOR

	Physical		Digital	
Own	Own physical channels	Customer service centers	Own digital channels	Webpage
				Mobile App
				By telephone
		Distribution centers		E-Mail
				WhatsApp
Third Party	Outsourced physical channels	ATM	Outsourced digital channels	BBVA Móvil*
		Walmart* stores		UnDosTres
		Elektra stores		Santander
		Soriana* stores		Banco Azteca App*
		7-Eleven		Mercado Pago*
		OXXO*		Nu Bank
		Circle K		Spin by OXXO*

Source: BBVA Research with data from IFT.

Nota: Los canales marcados con asterisco incluyen información complementaria actualizada a junio de 2025; el resto proviene del Reporte IFT 2024 con corte al segundo trimestre.

This distinction is not insignificant from a competitive perspective. For MNOs, the deployment of owned channels is part of an integrated brand, loyalty, and experience control strategy. Their scale allows them to operate robust physical infrastructures and digital platforms while

negotiating preferential terms with third-party channels. In contrast, for MVNOs, which operate with tighter margins and lack their own infrastructure, outsourced channels (physical and digital) are essential for their survival and expansion, allowing them to access massive distribution networks without incurring high fixed costs. Some MVNOs, such as Bait or Oui, leverage pre-existing proprietary channels, such as Walmart or Elektra, respectively, while others rely almost entirely on banking apps, fintechs, or convenience stores to reach users.

The IFT has indicated that 94.3% of mobile operators' airtime revenue comes from third-party distribution channels, and the remaining 5.8% comes from their own distribution channels. Appendix 1 provides a comparative summary of airtime sales by channel type, revealing that this is a constantly evolving market, where convenience and immediacy increasingly drive the preference for digital solutions. While physical channels maintain irreplaceable coverage and serve specific segments of the population, digital processors, both direct and outsourced, are positioned as the drivers of innovation and transformation.

Within this dynamic, the outsourced digital processor channel (banks, digital wallets, aggregators) emerges with particular relevance. Its ability to integrate the airtime top-up service into everyday platforms, leveraging the trust and infrastructure of pre-existing financial services, makes it a key player in the expansion of the digital top-up market. It's precisely in this segment where banking apps are actively participating, offering their users the ease and security of directly recharging airtime, allowing providers to avoid acquisition costs and consolidate revenue almost immediately.

Competition in Outsourced Digital Processors for VTA

The Third-Party Digital Processors (TDP) segment for the VTA encompasses a multitude of digital platforms operated by entities other than mobile phone operators, such as banks, neobanks, digital wallets, and service aggregators, which facilitate the purchase of prepaid top-ups. This growth cannot be understood without considering the transformation of the acquiring infrastructure in Mexico. According to the CNBV's 2024 Annual Financial Inclusion Outlook, non-bank aggregators and acquirers²⁹, which are the key technological and commercial enablers that provide operational support to a large part of the TDP ecosystem, already operate more than 77% of point-of-sale terminals (POS) in the country, with a share exceeding 4.7 million of these devices, compared to the 1.4 million operated directly by banks, and have achieved coverage of 94% of the country's municipalities.

This dynamism is also driven by the maturation of the Fintech ecosystem. The 2024 Fintech Mexico Report³⁰ highlights how emerging technologies, such as Artificial Intelligence, are

29: Aggregators are technological intermediaries that allow small businesses or digital platforms to accept electronic payments without directly contracting with an acquiring bank, acting as an operational and commercial bridge. Non-bank acquirers, on the other hand, are entities authorized by the CNBV (National Banking and Securities Commission) to operate POS terminals and perform functions similar to bank acquirers, but without a commercial banking license. Both types of actors comprise a key infrastructure that allows third parties (apps, fintechs, retail chains) to offer digital financial services such as the sale of airtime, payments, or transfers. National Banking and Securities Commission (CNBV, 2024), Annual Overview of Financial Inclusion 2024. Available [aquí](#).

30: NTT Data y Lexia (2024). Reporte Fintech México 2024. Available [aquí](#).

optimizing the user experience and security of digital services. For Fintech firms, VTA is a fundamental strategy for customer engagement and loyalty, driving repeat use of their applications and facilitating cross-selling of other products.

It is important to note that there is no standardized, universally recognized division within the general concept of Third-Party Digital Processors. However, considering the sources consulted and to facilitate the competitive analysis of VTA, we propose the following classification of the main players in the market, each with its own strengths and target consumer profiles:

- **Traditional Bank Apps:** Commercial bank apps offer the VTA service as a secondary feature within a broader banking ecosystem. Top-ups operate as a recurring point of contact for banked customers, reinforcing loyalty through interface familiarity and linking to debit accounts. However, their value proposition tends to focus on the stability of the banking ecosystem rather than the personalization of minor transactional services.
- **Neobanks:** These players (Stori, Nu, Klar, etc.) target a young, partially or recently banked audience who value a streamlined, transparent user experience with low or no fees. VTA is presented as an essential feature in their strategy to increase the frequency of use of their platforms, capitalizing on the daily and urgent nature of the service.
- **Digital Wallets:** This group, comprised of platforms such as Mercado Pago, Spin by OXXO, Clip, and Cashi, plays a crucial role as a lightweight transactional channel. In many cases, they do not require an associated bank account and allow users to make service payments, transfers, or mobile top-ups by simply linking a phone number, a prepaid card, or cash at physical locations. This segment is particularly relevant in areas with low banking access and among users with variable or informal incomes.
- **Service Aggregators and Platforms:** portals such as UnDosTres, RecargaPay, or Ding that consolidate multiple services (top-ups, service payments, tickets, raffles) into a single interface. They function as digital convenience hubs where users can perform various tasks without having to switch apps or provide multiple payment methods. Their model does not depend on a deep financial relationship, but rather on fast, centralized transactions, and, in some cases, driven by promotions or rewards.

Each player in the ecosystem can adopt different monetization strategies for Airtime Sales, which have key implications for their competitive positioning, regulatory exposure, and financial viability. Based on the analysis of the Mexican market, we identified two predominant models, differentiated primarily by the timing and method of revenue capture.

Furthermore, to understand the competitive specifics and profiles of the main players in the Outsourced Digital Processors for VTA ecosystem, Appendix 2 presents a comparative analysis of their key characteristics.

The comparative analysis of the different Outsourced Digital Processors for VTA reveals notable heterogeneity and profound functional disaggregation in the market, where various players compete with clearly differentiated value propositions, operating models, user profiles, and loyalty mechanisms. This spectrum ranges from intensely regulated entities such as traditional banks to leaner, low-friction platforms such as digital wallets or digital service aggregators.

DISTRIBUTION CHANNELS BY TYPE OF OPERATOR

Type of monetization	Description	Pros	Cons
Final Price with Margin Incorporated for Financing	The user chooses credit from the channel itself. The commission is incorporated ex ante into the final visible amount. Example: \$100 → \$118.60.	• Immediate and liquid income for the channel. • Does not depend on negotiation with the operator. • Clear and straightforward accounting model.	• Lower perceived value for the customer: The user perceives they are paying more for the same product without receiving a clear additional benefit. • Potential reputational risk: If the overcharge is not explicitly disclosed, it can be perceived as abuse and undermine user trust.
Ex Post Discount Rate or Commission	The user pays the nominal value (e.g., \$100). The platform earns a commission negotiated with the operator, applied and settled at the end of the month.	• High perception of fairness: Customers pay exactly what they expect, which reinforces the perception of transparency. • Commercial flexibility without impacting the user. • Lower regulatory risk due to non-discriminatory treatment.	• Deferred revenue dependent on the agreement with each operator. • Low visibility of revenue for the user: By not seeing explicit benefits such as promotions, cashback, or deferrals, the customer may not perceive the channel's advantage. • May require higher volume to be profitable.
Hybrid Model (Commission Segmented by Payment Method)	Both models apply depending on the payment method. For example, if the user pays with a credit card from the channel (such as Mercado Pago Créditos), an ex ante surcharge is applied. If they use an external card (e.g., BBVA), the nominal amount is charged, and monetization occurs through an ex post discount rate.	• Maximizes profitability based on the payment channel used. • Makes sales strategies more flexible with operators and users. • Can encourage the use of proprietary payment methods.	• Operational and accounting complexity: This involves managing multiple revenue schemes per user. • Risk of unequal perception: Users may find it unfair if the price varies depending on the payment method. • Increased regulatory risk if visible fees are not uniform and certain operators or payment methods are indirectly favored.

Fuente: BBVA Research

In this competitive environment, commercial banks compete from an inherently strong yet demanding position. Their strength lies in their vast base of banked customers, deep direct integration with the user's entire financial ecosystem, and their perceived ability to offer a safe and reliable experience. However, they face increasing pressure from more agile platforms that, by operating with a lower regulatory burden, can focus more aggressively on user experience (UX), gamified incentives, and microtransactions. Digital wallets and aggregators, in particular, are gaining significant traction among younger, less banked customer segments, or those whose loyalty is not intrinsically tied to a traditional financial institution, but rather to the convenience, immediacy, and personalization of the digital experience.

Taken together, the expansion of mobile connectivity, increased mobile banking penetration, and the availability of real-time payments have shifted the primary touchpoint to the banking app. In this environment, the application integrates frequently used services and acts as an

intermediary between users and providers, with cost efficiencies in search, reconciliation, and fraud prevention, but also with concentration risks associated with access control, catalog ordering, and commissions.

Competition and access in multi-product financial apps: data, AI, and the rules of the game

Multi-product architecture in banking brings clear efficiencies: it reduces search costs by concentrating tasks in a single entry point, reuses authentication to increase security and trust, and enables integrated payments with less friction. At the same time, this concentration of functions and user traffic can create bottlenecks: defaults and ranking, data-portability-interoperability, and the data loop. Therefore, banking platforms cease to be just another channel and become a control point with potential risks of self-preference, bundling, and friction from using multiple apps at once.

Since these apps function as a link between two sides: users and service providers, the theories of harm developed for two-sided markets/platforms are applicable. The intermediary position allows the app to influence what the user sees, how payments are routed, and under what conditions third parties access them, so competitive risks must be interpreted from this perspective.³¹

- **Self-preference:** The platform favors its own services or those with preferential commercial agreements in rankings, panels, or flows, for example, ranking first or preselecting mobile operators for top-up.
 - An illustrative case: Google Search (Shopping) in the European Union (EU). Google's preferential treatment of Google Shopping over rivals was sanctioned; research and engagements on marketplaces (e.g., Amazon/Buy Box) follow the same logic.
- **Tied sales or bundling:** Conditioning access to a service or user base on the purchase of another (bundling that displaces alternatives)
 - An illustrative case: The most emblematic cases are software bundling, historically with Microsoft (Windows Media Player) and recently the investigation into Microsoft's bundling of Microsoft Teams..
- **Interoperability and access to essential functionalities:** Denying or limiting third-party access to key interfaces, hardware, or APIs, for example, NFC for tap-and-go payments.
- Illustrative case: The CMA has documented that, in mobile ecosystems, control of

31: Publications Office of the European Union. (2019). Competition policy for the digital era. Available [aquí](#).

these functions and app stores acts as a "point of control," suggesting non-discriminatory access obligations when there is intermediary power.³²

- **Portability and switching costs:** Artificial frictions in transferring history, beneficiaries, payment methods, or configurations increase the cost of switching to another provider. Frameworks such as open banking/open finance seek to mitigate this problem.
- **Gatekeeper behavior:** When the app, due to its scale and control, sets rules and fees that condition the visibility and viability of third parties, with measures such as no-redirection clauses or channeling traffic to its own services.

In Mexico, competition policy is supported by a robust framework: the Federal Economic Competition Law (LFCE) establishes how to define the relevant market, determine the existence of substantial power, and identify and sanction monopolistic practices (absolute and relative). Likewise, the Mexican Commission for Economic Cooperation and Development (Cofece) has conducted various studies on digital markets that are relevant to multi-product financial apps and that detail the various risks that exist in the digital environment:

- **Data and Competition in the Digital Environment:**³³ Analyzes data as a competitive input, its economies of scope, and the risks of exclusion, and proposes coordination between competition authorities, data protection, and sector regulators.
- **Algorithms and Competition in the Digital Environment:**³⁴ Discusses the benefits and risks of algorithms (dynamic fixing, algorithmic collusion, dark patterns, discrimination) and tools to mitigate anticompetitive behavior in digital environments.
- **Artificial Intelligence and Competition in the Digital Environment:**³⁵ Evaluates the impact of AI on efficiency and innovation, and the risks of closure or discriminatory treatment, with regulatory and governance alternatives.
- **Digital Financial Services and Competition:**³⁶ Examines the impact of DFS on competition and inclusion, identifies structural, behavioral, and regulatory barriers (entry/expansion of fintech companies in savings, credit, and payments), and makes recommendations for opening up access: usable APIs, interoperability, and portability to improve user well-being.

This means that banking apps that act as a link between users and providers can be analyzed using the same tools: access rules, non-discriminatory treatment, interoperability and portability,

32: Competition and Markets Authority. (2022). Mobile ecosystems market study: Final report. Available [aquí](#).

33: Comisión Federal de Competencia Económica. (2024). Datos y competencia económica en el entorno digital. Available [aquí](#).

34: Comisión Federal de Competencia Económica. (2024). Algoritmos y competencia económica en el entorno digital. Available [aquí](#).

35: Comisión Federal de Competencia Económica. (2024). Inteligencia artificial y competencia económica en el entorno digital. Available [aquí](#).

36: Comisión Federal de Competencia Económica. (2023). Estudio de Competencia y Libre Concurrencia en los Servicios Financieros Digitales. Available [aquí](#).

and, where appropriate, potential exclusivity or tying sales are assessed.

Likewise, in Mexico, the Law to Regulate Financial Technology Institutions (LRITF) or Fintech Law already provides standardized interfaces for open, aggregated, and, with consent, transactional data. This requires financial institutions, credit reporting agencies, and clearinghouses to establish APIs for sharing open, aggregated, and, with consent, transactional data. The OECD emphasizes that well-designed data portability and interoperability reduce switching costs for users and providers and can discipline the power of platforms that operate as access points³⁷. The goal is to reduce information friction and facilitate integrations that make digital financial markets contestable.

Another point to analyze is how the growth of fintech firms, led in Mexico by cases such as Nu Bank, Mercado Pago, Spin by OXXO, among others³⁸, has energized the financial system with a technological proposal more focused on the digital user. Legally, these agents are recognized as Electronic Payment Fund Institutions (IFPE), in accordance with the provisions of the Fintech Law.

IFPEs are entities authorized by the CNBV (National Commission for the Promotion of Financial Services) that can issue electronic prepaid fund accounts, make transfers between their users, and offer features such as utility payments, mobile top-ups, QR code payments, and interbank transfers through SPEI (Interbank Electronic System of Banking). Their main regulatory characteristic is that they do not collect public savings, which excludes them from IPAB support and exempts them from many of the prudential regulations that apply to commercial banks. The graph on the Regulatory Burden of Financial Institutions in Mexico shows how fintechs face a lower regulatory burden compared to institutions like BBVA. They are subject to the Fintech Law, anti-money laundering (AML/CFT) controls, among others.

This less demanding regulatory threshold has allowed them to enter the Mexican financial market. According to Cofece, in 2023, fintechs held more than 27.5 million active accounts, representing 15% of total transactional accounts, compared to commercial banks, which held 109.4 million, representing 59.5%, albeit with a marginal proportion of 22.6 million pesos of the total balance (barely 0.4%), demonstrating that their use is heavily oriented toward transactional flow rather than safeguarding savings.

The sustained growth of fintech services in Mexico responds to a combination of structural and technological factors that have lowered barriers to entry for new users. The accelerated digitalization of the economy, the massive penetration of smartphones, the expansion of 4G and 5G networks, and the change in financial consumption habits have created a favorable environment for the adoption of these technologies. Fintechs have positioned themselves as functional, fast, and secure alternatives for basic transactions such as payments, transfers, savings, and top-ups, standing out in efficiency compared to traditional institutions, particularly in high-frequency services such as VTA. It is no coincidence that, according to the IFT 2024,

37: OCDE (2021). Data portability, interoperability and digital platform competition. Available [aquí](#).

38: En total se tienen registrados 36 IFPE en el mercado financiero mexicano. Comisión Nacional Bancaria y de Valores (CNBV, 2025). Instituciones de Fondos de Pago Electrónico. Available [aquí](#).

telephone top-ups are the third most used function by users of digital financial services (57.3%), behind money transfers (78.5%) and balance and transaction verification (74.3%).

Although IFPEs and other fintechs compete with banks and Sofipo (Sofipo) in the Mexican financial ecosystem, they do not do so for the same user segments. The Mexican Fintech Association has noted that fintechs are primarily positioned in the middle and lower-middle socioeconomic levels (incomes between \$9,000 and \$18,000 MXN per month), with a strong presence in mixed-income populations, meaning those who combine formal and informal activities. In contrast, traditional banking maintains its dominance in higher-income formal sectors, with consolidated relationships with salaried clients and deeper financial products. However, the point of intersection between both groups is basic banked users and Fintech users with formal incomes. This is the key segment for which both compete directly in high-frequency services such as VTA. This group represents a considerable and growing volume of users who are not necessarily seeking credit or investment, but do value everyday features such as mobile top-ups, where the digital experience and multiplatform availability are decisive in their choice of channel.

A final factor to analyze is the interaction with telecommunications. The sale and distribution of mobile services depends on networks and agreements involving network operators, MVNOs, and distributors. Coordination between financial authorities and the telecommunications authority is key to ensuring that restrictions or exclusivity in one link do not end up affecting competition within financial apps that offer the same service.

In this context, the power of data is paramount. The larger the user base, the greater the volume and variety of data; fraud detection, recommendation, and pricing models improve, increasing usage and retention, fueling the cycle once again. In a financial super app, payment, top-up, and service data are combined with identity and habits, which can translate into a sustained advantage for the one that concentrates the traffic. This advantage can be positive (less fraud, better experience) or lead to "walled gardens"³⁹ if the data and recommendation algorithms are not portable or if the platform limits third-party visibility.

The use of big data and artificial intelligence can generate lock-in effects⁴⁰ in two ways. On the user side, the app personalizes the flow based on user history, favorites, calendars, and reminders; rebuilding these settings in another app entails a cost, which discourages switching. On the provider side, the discovery engine rewards offers with better past performance, so newcomers face an initial disadvantage (cold-start problem) and depend on the exposure granted by the platform. Without portability mechanisms and clear ranking criteria, this informational asymmetry becomes a soft but effective barrier to entry.

39: Walled garden: A closed digital platform or ecosystem in which its owner centrally controls third-party access (apps, content, payment methods), user data, and/or key functionalities (e.g., APIs, hardware such as NFC, app stores), restricting interoperability and increasing exit costs. In mobile, this typically takes the form of controlling app distribution and in-app billing within a proprietary environment. Competition and Markets Authority. (2022). Mobile ecosystems market study: Final report. Available [aquí](#).

40: Lock-in effects: A situation in which users become locked into a provider or ecosystem because they face switching barriers or costs: financial, learning, loss of data or functionality, or contact networks, which reduces competitive pressure and can grant ex post market power to the intermediary. Competition and Markets Authority. (2022). Mobile ecosystems market study: Final report. Available [aquí](#).

Comparative experience suggests several pro-competition remedies adaptable to the financial context: non-discrimination obligations in ranking and access; functional interoperability (telephone aliases and QR codes that operate between apps); practical portability of user history (beneficiaries, direct debits, favorites); limits on vertical exclusivity that blocks access to rivals; and minimal transparency regarding ranking criteria and significant changes to the service catalog.

In short, the move toward multi-product financial apps has generated efficiency and convenience gains, but also a new competitive landscape where user prices, access rules, catalog ordering, and data governance are as important. Regulatory asymmetries between banks, IFIPes, and aggregators limit the services each type of player can offer, while the intensive use of data and AI can reinforce user loyalty and increase third-party entry costs if there is no effective portability or non-discriminatory treatment criteria. This confirms our hypothesis: if the banking app serves as access to third-party services, then effective visibility and the ability to compete within the catalog are as crucial as the mere existence of the channel.

Conclusion: The multi-product app as a universal channel for everyday services that opens the door to financial inclusion

The expansion of mobile lines with internet access, the growth of bank accounts linked to cell phones, and the availability of immediate payments via SPEI, CoDi, and DiMo have shifted the financial touchpoint to mobile devices. Based on this, multi-product financial apps act as two-sided platforms: they connect authenticated users with native identities and payment methods to a growing range of financial and non-financial services. This reduces friction, improves reconciliation, and increases perceived security, while creating new control points in the catalog, ordering, and access rules for third parties.

In the case of airtime sales, it serves as an anchor service: it is high-frequency and low-ticket, capturing the user's attention and triggering other transactions within the app. These services are complemented by service payments, P2P via phone aliases, QR codes in commerce, and, through partnerships, insurance, credit, and investment. The competition is played out to determine who can be the "first stop" of the day to complete quick tasks, which concentrates interaction and data and makes switching between apps less attractive.

Regulatory differences explain much of what each digital processor can offer. Commercial banks operate the broadest perimeter and can integrate third-party marketplaces under prudential and AML/CFT regulations. FIPes enable payments, transfers, and non-financial marketplaces; financial products are offered through third parties or additional licenses. Aggregators organize the storefront and shopping experience, but depend on financial institutions to process and safeguard funds. These asymmetries, along with market conditions, determine the functional depth of each app and its role as a distribution channel.

BANKING APPS

Faculties

Capture deposits (IPAB coverage), payments and transfers (SPEI/DiMo), QR/CoDi, cards, credit, investments, insurance, remittances; integrate third-party (non-financial) marketplaces and distribute third-party financial products as an agent/distributor.

Limitations

Conducting reserved activities outside their license (e.g., operating as an IFPE without specific authorization), when distributing third-party products (insurance/funds/credit), they must disclose their roles and commissions and comply with applicable rules.

NEOBANKS AND DIGITAL WALLETS

Faculties (If they operate as IFPE)

Issuing electronic funds, payments/transfers (SPEI/DiMo), QR/CoDi, top-ups, utility payments, and collection via links/QRs; setting up a non-financial marketplace.

Limitations

Collect public savings or pay interest on the balance; mediate savings/investments on their own account; IPAB coverage does not apply to the portfolio balance. For "own" credit, insurance, or investments, they require an additional license (e.g., SOFIPO/bank) or through alliances (SOFOM, insurance company, or fund operator).

AGGREGATORS AND SERVICE PLATFORMS

Faculties

Act as a horizontal marketplace (top-ups, service payments, tickets, TAGs, etc.); collect payments through PSPs/IFPEs/banks; contracts/APIs with multiple providers.

Limitations

Custody user funds or intermediate financial products on their own behalf; if they sell/place financial products, they require a license or act as an agent for a licensed third party. They depend on the Terms and Conditions and the payment APIs/partners they consume; they have consumer transparency obligations.

As Cofece emphasizes, to preserve the model's efficiencies without sacrificing competition, it is key to ensure usable APIs, functional interoperability in payments, practical portability of user history, and verifiable non-discrimination criteria in integrations and catalog ordering. For institutions, the winning strategy combines anchor services that reduce steps, a selective and transparent marketplace, and a superior user experience and security. With this balance, the ecosystem can scale in innovation and responsiveness at the same time, enabling more providers to reach the public through the app and allowing users to retain control over their data and channel choices.

Annex 1

COMPARATIVE OF SALE CHANNELS AND AIRTIME

Dimension	Direct Digital Processors (operator apps)	Third Party Digital Processors (banks, digital wallets, aggregators)	Own Physical Channels (operator stores)	Third Party Physical Channels (convenience stores, retailers, ATMs)
Consumer Preference	Convenience, immediacy, online promotions, self-service, 24/7 access.	Security (banks), integration with financial services, exclusive offers (wallets), ease of use with existing services.	Expert advice, exclusive offers, bundles, personalized attention, and technical support.	Ease of access, omnipresence, speed of transaction, convenience in combined purchases.
Coverage	Universal with internet and smartphone access; growth potential with digitalization.	High, depends on the provider's digital infrastructure and digital banking/wallet penetration.	Variable, depending on the operator's branch network; generally concentrated in urban areas and, within these areas, mainly in shopping centers.	Extremely high, thanks to the large presence of convenience stores and retailers; essential for market capillarity (IFT).
Barriers to Entry (for New Competitors)	Lows in app development, but highs in marketing, visibility, positioning, and building user trust.	Very high: banking/SFD regulation, technological infrastructure, user trust, integration with multiple systems.	Additions: investment in premises, personnel, brand agreements with the operator, IT infrastructure.	Moderate to High: Requires establishing a broad network, establishing trade agreements, managing inventory, and staffing. According to the IFT, these barriers can limit the entry and growth of competitors (IFT).
Relevant Regulation	Regulation of e-commerce, data protection, cybersecurity.	Banking and SFD (Fintech Law) regulations, transfer and payment regulations, data protection.	General trade regulations, consumer protection, and specific regulations for telecommunications agents.	General trade regulations, consumer protection rules. The IFT has identified potential limitations to accessing these channels.
Profit Margins / Profitability	Potentially higher due to lower operating costs, but with strong competition and a need for investment in user experience.	Variables; the strategic value lies in attracting and retaining financial clients to use the platform and in the discount rate charged to the operator.	They may be higher due to the sale of exclusive recharge offers or value-added packages, but with high operating costs.	Generally low in volume, but they contribute significantly to traffic and cross-selling. Large retailers may be uninterested in incoming MVNOs with small customer bases, as they require large volumes to make offering the top-up service profitable (IFT).
Innovation and Technology	Core: Continuous app development, UX/UI, AI for personalized offers, contactless payments.	Integration with mobile banking, digital wallets, NFC payments, and data analytics for financial offerings.	Use of point-to-point sales systems, customer management tools, and improved in-store experience.	Adoption of modern points of sale, integration with inventory and payment systems.

Vertical Relationships (Operator-Distributor)	Full integration; the operator directly controls the channel and the user experience.	Strategic partnerships; the operator integrates with the third party's existing platform. The relationship is that of an airtime service provider to the processor.	Complete integration; the operator directly manages and controls its points of sale and staff.	Distribution or agency contracts. Distributors act as intermediaries. The attractiveness of the distributor (in terms of profits) can influence the relationship and access to new entrants (IFT).
Forms of Contracting (between Operator and Channel)	Internal (operator part).	Collaboration agreements, APIs, service integration agreements.	Employment contracts with own staff, premises leasing agreements.	Commercial distribution, consignment, or agency contracts. The IFT notes that these contracts can be complex, and the negotiated terms may limit access or profits for certain market participants (IFT).
Target Consumer	Digitally savvy consumers who seek immediacy and self-service, with a preference for exclusive operator offers and promotions.	A consumer with banking services or access to digital financial services who values security and the integration of services on a single platform.	Consumers seeking expert advice, detailed information on plans and equipment, and personalized attention, or those requiring technical support.	Consumers who value convenience and proximity, looking to top up quickly and efficiently during their daily activities or basic purchases.

Source: BBVA Research based on the "Market Study on Distribution Channels for Services and Products Related to Mobile Telecommunications Services" by the IFT (January 2024).

Note: Key aspects marked with "(IFT)" are based directly on findings and observations from the aforementioned IFT study. The remaining information and channel analyses incorporate BBVA Research's own considerations and insights.

Annex 2

COMPARATIVE OF SALES CHANNELS AND AIRTIME

Dimension	Traditional Bank Mobile Apps	Neobanks and Banking Fintechs	Digital Wallets and Payment Apps	Aggregators and Service Platforms	Assessment
Relevant Regulation	Regulation under the LIC, supervision by the CNBV, and protection by the IPAB. Subject to general banking regulations (CNBV, SHCP).	They operate under the guise of Sofipo or niche banks. Some also operate as IFPE They are supervised by the CNBV (National Bank of Spain), although with a lesser regulatory burden than commercial banks (CNBV, LRITF).	Law to Regulate Financial Technology Institutions (Fintech Law - IFPE/IFC), CNBV, Banxico. Supervision focused on custody of funds and electronic payments.	Without direct financial regulation, they operate as commercial companies or with intermediation contracts (IFT).	Greater regulatory burden on traditional banks due to their central role in the financial system; fintechs under a specific framework of increasing complexity; aggregators with less direct financial scrutiny. (Cofece)
Barriers to Entry	Very high: banking licenses, massive capital, physical and digital infrastructure, historical brand trust, vast customer base (CNBV).	Additions: obtaining a Fintech license (IFPE/IFC), scalable technological development, user acquisition, and building trust in a new model.	Highs: need for a critical mass of users, partnerships with retailers and operators, investment in security and technology, and regulatory compliance with funds (CNBV, Cofece).	Low: No financial license required. Technical integration and commercial agreements with multiple service providers and operators (VTA), visibility, and marketing.	Higher barriers to entry in traditional banking due to capital and regulation; Fintechs and wallets require trust and a user base; aggregators have lower barriers due to less financial regulation.
Switching Costs (for the user)	Medium-high. VTA users typically have other linked functionalities (payroll, payments, direct debits), which reduces the incentive to switch platforms.	Medium. Although users can easily download other apps, customization, digital savings, or microcredits linked to the app limit immediate switching.	Means: ease of use, convenience for specific payments, connection to contacts or recurring services. Prepaid balances or cashback may be a slight deterrent (Cofece).	Lows: VTA is an additional feature; users can use other aggregators without major impact on their core financial ecosystem.	For VTA users, switching costs are higher for banks (service integration) and neobanks (UX/benefits), and lower for Wallets and Aggregators (more specific functionality).
Loyalty Mechanisms	Integration with the rest of your financial portfolio, personalized notifications, automatic top-ups, ease of use (NTT, CNBV).	Superior user experience (UX), agility, low or no commissions, personalization, innovative services, digital community building (Cofece).	Cashback, user levels, cross-discounts (e.g. Spin at OXXO), user-friendly interface and speed (NTT, CNBV).	Coupons, seasonal promotions, lightweight app, balance accumulation, operational simplicity (NTT, Cofece).	Bank and neobank loyalty is based on complete ecosystems and trust; wallets on frequency of use; and aggregators on the convenience of centralization.
Customer Profile (who values this type of PDT for VTA)	Banked and digital consumers, who seek the convenience of integrating their top-ups into their core financial management, value the bank's security and trust. (CNBV)	Young, digitally native consumers seeking efficiency, agility, lower costs, and a 100% mobile experience; willing to try new solutions. (NTT DATA/Lexia)	Active consumers of digital payments seek immediacy and ease for everyday and consumer transactions. They may or may not be banked, and they focus on specific payment ecosystems. (NTT DATA/Lexia)	Transactional, occasional, multi-service users. Medium-low socioeconomic status (SES), mobile, urban, or digital migrants (CNBV, NTT).	Traditional banks attract more established users; wallets and aggregators target more flexible profiles.
Financial Link (Nature of the associated account)	Traditional bank account (debit, credit, or both). Full integration with the banking system (Banxico, CNBV).	Digital deposit account (level 2 or 3) or electronic payment fund account (IFPE). Specific regulations for fund management. (Fintech Law)	Electronic payment funds account (IFPE), or linking to bank cards/accounts from other banks. It can operate with or without an underlying bank account. (Fintech Law)	It may be solely a payment intermediary (without custody of user funds) or linked to debit/credit cards. In some cases, there is little or no direct financial connection.	The financial link ranges from the most comprehensive traditional banking offerings to specific digital models (Fintech/Wallets) to non-custodial fund intermediation in aggregators.

Margins on VTA	Low. VTA is a value-added service, an engagement booster, and a gateway for cross-selling financial products (loans, investments).	Low. VTA as a strategy to attract and retain young, digital users, with potential for monetization with other products.	Low. VTA as a driver of wallet volume and usage frequency, monetization through commissions from other services, or aggregate volume.	Low. VTA is another service in their extensive catalog; the goal is convenience and overall payment transaction volume.	Low direct margins across all PDTs; value is focused on engagement and cross-selling opportunities for other services.
User Requirements	Be a bank customer with an active account (CURP, RFC), usually a debit card, biometric data capture, mobile app access, and identity validation (INE).	Digital registration with personal data, CURP, validation via selfie or INE, and in some cases, a virtual or physical card.	Registration with email or phone number, simple validation, cash or SPEI funding, and mobile app access.	No strict financial requirements. Access via app or web, various payment methods (card, SPEI, OXXO), immediate use without extensive registration.	The complexity of the requirements varies directly with the level of financial connection and regulation; aggregators have the lowest entry friction.
Representative Firms	BBVA (VTA en BBVA Móvil), Citibanamex Móvil, Santander Móvil, Banorte Móvil.	Nu México, Hey Banco, Klar, Stori.	Mercado Pago, Spin by OXXO, Cashi (CNBV, NTT).	UnDosTres, RecargaPay, Ding (Cofece, NTT).	Fragmented leadership, with banks dominating by customer base, and Fintechs/Wallets gaining ground through innovation and UX.

Source: BBVA Research based on the "Competition and Free Competition Study in Digital Financial Services" by Cofece (2024), the "Fintech Mexico 2024 Report" by NTT DATA and Lexia, the "Evolution of Digital Financial Services in Mexico 2025" by the FinTech Mexico Association, the "Annual Panorama of Financial Inclusion 2024" by the CNBV, and the "Market Study on Distribution Channels for Services and Products Related to Mobile Telecommunications Services" by the IFT (2024).

Note: Items that include the indication "(CNBV)", "(Cofece)", "(IFT)", or "(NTT)" are derived directly from the findings and observations contained in these studies. The rest of the content corresponds to BBVA Research's own analytical developments, based on the aforementioned documents and the observed behavior of the Airtime Sales ecosystem in Mexico.

Legal Clarification: The laws cited in the relevant regulation section correspond to the following regulatory frameworks: LIC: Credit Institutions Law; LRITF: Law to Regulate Financial Technology Institutions; LACP: Popular Savings and Credit Law; FPE: Electronic Payment Fund Institution

4. Statistical Annex

4.a State-level General Economic Performance Indicators

Table 10. SELECTED ECONOMIC INDICATORS

	1/ Real GDP 2024	2/ Population 2024	3/ GDP/cápita 2024	4/ CAGR % 2020 - 2024			Position								
				Real GDP	Population	GDP/cápita	5/ Real GDP 2024	6/ GDP/cápita 2024	7/ FDI 2024	8/ Job Creation 2024	9/ Real Wages 2024	10/ Exports 2024	11/ Credit Bal. 2024	12/ Federal Budget 2024	13/ Public Debt 2024
National	25,445.1	132.3	192.3	3.6	0.9	2.7									
Aguascalientes	338.5	1.5	224.5	2.5	1.2	1.2	24	11	13	19	19	13	20	27	28
Baja California	965.7	3.8	250.9	3.6	1.4	2.1	7	7	3	6	5	4	8	10	10
Baja California Sur	184.8	0.9	212.8	5.0	1.9	3.0	29	13	11	24	22	30	21	31	31
Campeche	520.4	1.1	488.6	1.0	1.6	-0.6	18	1	22	31	28	14	30	30	30
Coahuila	943.8	3.4	278.8	2.8	1.3	1.6	9	4	15	8	8	2	10	18	6
Colima	157.1	0.8	188.8	1.5	1.5	0.0	31	16	21	30	30	27	25	32	25
Chiapas	383.7	6.1	63.4	3.3	1.4	1.9	23	32	28	21	21	29	26	8	12
Chihuahua	952.8	3.9	242.1	4.2	0.9	3.3	8	8	6	7	6	1	7	11	4
Ciudad de México	3,905.1	8.9	436.5	4.3	-0.2	4.6	1	2	1	1	1	18	1	2	1
Durango	311.9	1.9	161.7	2.2	0.8	1.4	26	19	23	22	23	23	19	25	17
Guanajuato	1,142.0	6.4	177.7	2.9	0.8	2.1	5	17	5	5	7	6	5	6	14
Guerrero	317.5	3.7	85.8	2.3	0.3	2.0	25	31	32	29	31	26	31	17	27
Hidalgo	448.0	3.2	139.0	5.3	1.1	4.1	20	21	19	20	20	22	22	19	26
Jalisco	1,872.9	8.7	214.8	3.6	0.9	2.7	4	12	7	2	3	7	3	3	8
Estado de México	2,304.1	18.1	127.4	3.1	0.9	2.2	2	24	2	4	4	10	4	1	3
Michoacán	682.2	4.9	137.9	3.2	0.6	2.6	13	22	25	17	17	17	16	9	9
Morelos	268.8	2.1	126.5	2.3	1.0	1.4	27	25	27	25	25	20	29	24	23
Nayarit	164.3	1.4	121.1	3.6	1.3	2.3	30	28	20	28	29	31	24	29	20
Nuevo León	2,027.6	5.9	343.3	3.9	1.3	2.5	3	3	4	3	2	3	2	5	2
Oaxaca	452.2	4.2	107.0	6.5	0.5	6.0	19	29	31	23	26	28	27	13	15
Puebla	862.7	6.8	126.2	3.0	0.9	2.1	10	26	8	13	13	11	13	7	16
Querétaro	624.0	2.4	256.3	3.0	1.7	1.4	15	6	10	10	9	12	15	20	29
Quintana Roo	424.7	1.9	226.9	9.7	2.1	7.5	21	10	12	15	16	32	9	23	11
San Luis Potosí	580.1	2.9	197.3	3.8	0.6	3.1	16	15	9	16	14	9	18	21	21
Sinaloa	522.5	3.3	160.7	1.9	0.7	1.2	17	20	18	14	15	21	6	16	19
Sonora	837.2	3.2	260.3	3.4	1.1	2.3	11	5	24	12	12	8	11	15	7
Tabasco	637.5	2.7	238.0	8.2	1.0	7.1	14	9	17	26	24	15	23	14	24
Tamaulipas	759.2	3.8	201.8	2.4	0.8	1.6	12	14	16	11	10	5	17	12	13
Tlaxcala	150.2	1.4	104.3	2.7	1.1	1.6	32	30	29	32	32	25	32	28	32
Veracruz	1,078.4	8.7	123.7	2.7	0.5	2.1	6	27	14	9	11	16	12	4	5
Yucatán	395.0	2.4	167.7	4.3	1.1	3.2	22	18	26	18	18	24	14	22	18
Zacatecas	230.7	1.7	134.9	2.3	0.7	1.6	28	23	30	27	27	19	28	26	22

1/ Estimates. Figures in billions of 2018 pesos. The sum of state GDP does not coincide with the national GDP, since the latter, in addition to gross value added, includes taxes net of subsidies.

2/ Indicators, estimates, and projections of the population by state. 2010-2050. Conapo. Figures in millions of people 3/Thousands of pesos

4/ Average annual growth rate (%) 5/ Position based on estimates of real GDP for 2024 6/ Position based on estimates of real GDP per capita for 2024 7/

Position based on foreign direct investment raised by the entity in 2024 8/ Position based on the change in the number of workers insured by the IMSS in 2024 9/

Position based on the average real payroll of IMSS insured during 2024

10/ Position based on Exports by State (INEGI)

11/ Position based on 040-14A-R1 Portfolio to states and municipalities: aggregate balance (CNBV)

12/ Position based on federal contributions included in branch 28 of the PEF in 2023

13/ Position based on public debt and obligations such as Proportion of unrestricted income as of 3Q24

Source: BBVA Research with data from Inegi, Conapo, Banxico, STPS, SE, and SHCP

4.b State-level Specific Performance Indicators

SELECTED ECONOMIC INDICATORS

	National					
	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (IGAE**) Total	3.4	1.4	2.2	1.6	0.2	0.7
Primary Sector	-0.5	-3.3	-4.7	2.0	-5.8	7.7
Secondary Sector	3.5	0.3	1.9	0.6	-2.1	-0.8
Tertiary Sector	3.6	2.3	2.9	2.1	1.8	1.2
Industrial Activity	3.5	0.3	1.8	0.6	-2.1	-0.8
Mining Production	0.1	-4.2	-5.5	-3.2	-5.8	-9.3
Manufacturing Production	1.4	0.3	1.1	1.1	-0.1	0.6
Construction	83.6	-12.8	4.9	-27.4	-37.0	-30.0
Private Construction	52.9	-1.1	12.9	-10.5	-20.2	-11.7
Public Construction	136.5	-25.9	-4.8	-44.1	-54.1	-52.7
Retail Sales	3.9	-0.6	-0.6	-1.1	-1.3	1.1
Wholesale Sales	0.1	-5.5	-4.6	-8.8	-6.4	-7.8
Exports	2.6	4.2	3.6	4.1	7.0	3.7
Credit Balance	10.8	10.6	-7.9	0.0	0.0	0.0
Employed Population (ENOE)1	2.7	0.8	1.4	0.6	0.1	-0.2
Insured Workers (IMSS)	3.6	2.0	2.2	1.8	1.1	0.7
Real Wage Mass (IMSS)	8.9	6.8	7.0	6.3	5.8	4.5
Public Debt2	6.4	13.6	12.4	16.0	16.3	14.7
Foreign Direct Investment (Mill. USD)	37	38	6	3	1	23
Oil Platform (mbpd)	1653	1554	1565	1565	1486	1615

	Aguascalientes						Baja California					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAEE**)	5.9	0.0	1.7	-1.4	-1.3	1.6	3.3	1.0	3.2	1.6	-1.2	1.2
Primary Sector	0.6	0.7	-0.5	-3.1	5.2	-0.6	2.2	-10.4	7.8	4.8	-27.9	23.0
Secondary Sector	9.8	-2.4	-0.7	-4.7	-4.9	1.3	4.7	0.0	1.6	1.2	-0.8	2.5
Tertiary Sector	3.0	2.2	4.1	1.9	1.3	2.1	2.0	2.7	4.3	1.9	0.4	-0.6
Mining Production	11.2	-6.3	-6.0	-9.2	-16.1	-5.4	26.3	-4.8	0.0	-23.3	-26.9	-35.6
Manufacturing Production	7.5	-2.3	-0.7	-5.7	-3.2	1.1	2.4	-1.8	-1.1	0.9	0.7	6.4
Construction	86.0	-26.6	-25.0	-28.0	-45.0	-26.5	90.8	6.8	28.0	-13.2	-29.6	-41.3
Personnel Employed in Construction	-17.0	-2.5	4.1	-4.4	2.3	-2.9	6.0	-11.6	-15.7	-12.3	-8.6	5.5
Retail Sales	2.2	3.8	4.6	3.3	2.7	0.4	3.5	0.3	0.2	-0.1	-0.9	0.3
Wholesale Sales	1.4	-7.2	-6.8	-9.3	-7.2	-6.7	0.0	-3.8	-3.3	-6.0	-4.2	-6.4
Exports	15.4	11.7	5.2	5.6	5.8	-16.9	3.2	2.6	4.5	2.3	7.1	9.4
Credit Balance	-4.5	5.9	16.7	-0.2	-8.3	-17.9	-5.5	4.4	3.8	7.9	9.8	8.6
Employed Population (ENOE)1	2.4	4.5	4.4	3.4	6.0	4.7	0.9	-0.5	-0.7	-0.6	-2.0	-1.2
Insured Workers (IMSS)	3.4	1.9	2.2	1.1	0.8	1.1	2.8	-0.4	0.0	-1.0	-1.3	-2.2
Real Wage Mass (IMSS)	8.5	4.2	4.1	1.0	3.1	3.1	10.2	6.6	6.8	6.1	5.6	3.4
Federal Budget (Ramo 28)	-4.1	9.1	10.2	7.7	2.4	3.7	1.3	6.3	5.2	1.6	1.9	0.8
Public Debt***	-14.9	-8.2	-9.0	-9.4	-9.1	-8.6	4.0	-4.3	-4.6	-2.5	-0.2	3.9
FDI (Mill. USD)	4187.1	2022.5	394.1	724.9	993.1	109.9	4911.5	7368.5	1809.1	1998.3	2478.5	857.1

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SELECTED ECONOMIC INDICATORS (cont)

	Baja California Sur						Campeche					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAEE**)	1.7	3.6	4.8	2.9	3.4	4.0	8.8	-7.3	-8.4	-11.8	-15.4	-16.7
Primary Sector	0.3	-2.1	-17.2	16.0	4.2	8.8	2.1	0.0	-12.8	4.2	15.7	-2.9
Secondary Sector	0.8	3.7	3.9	2.7	9.3	6.9	10.2	-8.7	-10.0	-14.5	-19.0	-21.0
Tertiary Sector	2.0	4.0	6.3	2.2	2.2	3.2	3.5	-1.5	-0.6	-1.4	-2.1	1.1
Mining Production	-3.8	-2.5	1.9	-2.2	-2.9	-7.9	-8.9	-6.2	-7.3	-4.1	-7.3	-10.7
Manufacturing Production	2.1	2.7	2.5	3.8	1.0	3.2	-0.5	-2.2	3.1	-0.3	-4.2	-8.4
Construction	44.8	-3.7	5.6	-16.9	-16.6	3.5	381.1	-33.9	-23.7	-60.2	-59.2	-68.8
Personnel Employed in Construction	-11.0	1.1	3.6	11.7	23.5	13.1	-9.2	-7.1	-5.4	-6.3	-12.3	-34.5
Retail Sales	4.0	0.2	0.3	-0.7	-0.9	0.5	3.7	0.0	0.0	-0.8	-1.0	0.5
Wholesale Sales	0.3	-1.7	-0.4	-5.1	-2.7	-7.1	0.2	-14.1	-13.6	-16.8	-14.9	-8.0
Exports	5.2	8.0	-0.1	37.1	5.7	3.8	-17.7	-21.3	-19.2	-35.4	-22.2	-23.5
Credit Balance	-7.7	2.6	3.8	4.3	7.2	16.5	-8.5	2.8	2.3	3.3	5.3	-5.3
Employed Population (ENOE)1	5.9	7.1	6.0	9.6	5.9	5.2	1.5	2.6	2.3	0.0	1.9	1.0
Insured Workers (IMSS)	7.2	0.8	1.3	-0.3	-0.1	-0.2	5.0	-0.1	0.6	0.2	-3.6	-7.7
Real Wage Mass (IMSS)	12.2	5.0	5.1	3.9	4.0	4.6	10.7	3.8	5.3	2.5	-1.9	-10.7
Federal Budget (Ramo 28)	13.3	-3.8	-11.6	-0.7	2.8	12.2	16.5	-9.5	-16.7	-7.6	-3.5	7.2
Public Debt***	-18.3	-8.2	-17.1	-14.8	8.2	3.6	-10.6	-5.9	-7.7	-8.0	-7.7	-7.1
FDI (Mill. USD)	2630.6	2714.1	366.9	819.7	1353.2	83.7	99.7	811.4	126.6	136.2	536.0	-2.9

	Coahuila						Colima					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAEE**)	-1.0	0.0	2.7	0.9	-0.1	0.6	4.5	3.5	5.7	3.0	2.7	2.7
Primary Sector	-1.5	-0.9	-4.2	-2.1	2.7	0.8	0.2	-1.3	-0.8	2.8	-6.0	17.2
Secondary Sector	-4.5	-2.3	2.0	-1.1	-2.0	-0.6	10.3	6.9	12.3	4.1	8.8	5.8
Tertiary Sector	4.1	3.2	4.1	4.0	2.2	2.1	3.4	2.9	4.1	2.7	1.5	0.6
Mining Production	-41.3	-1.3	5.3	-1.3	-5.7	-7.7	6.1	-4.7	-7.9	9.7	9.0	27.2
Manufacturing Production	-3.7	-4.5	-0.3	-4.5	-3.9	-2.7	-2.1	1.2	3.5	0.8	-2.0	1.4
Construction	50.3	16.4	31.6	20.4	-4.1	0.6	91.4	5.5	41.9	-5.0	-30.7	-32.3
Personnel Employed in Construction	2.7	6.9	6.1	12.4	19.1	14.7	-17.6	2.8	14.4	16.3	-7.5	-23.6
Retail Sales	3.6	-2.7	-2.4	-3.3	-4.2	0.5	2.9	1.7	2.0	1.3	0.5	0.6
Wholesale Sales	1.7	-4.8	-4.6	-7.0	-5.0	-6.1	-0.9	-5.8	-4.7	-9.1	-6.9	-8.6
Exports	9.0	3.3	9.4	0.7	5.1	2.2	19.7	11.6	22.5	10.7	1.7	26.9
Credit Balance	-7.1	-1.1	-0.3	-3.4	1.5	0.6	-1.8	-1.1	2.2	-7.0	-3.7	-9.4
Employed Population (ENOE)1	2.4	3.9	3.7	4.1	6.3	4.5	-1.3	-2.9	-4.3	-2.1	-6.5	-5.0
Insured Workers (IMSS)	4.3	2.1	2.9	1.3	0.8	-0.1	4.1	2.3	2.5	2.6	1.7	3.0
Real Wage Mass (IMSS)	9.7	7.1	7.2	7.1	5.9	4.5	8.5	8.1	8.4	9.0	6.9	7.5
Federal Budget (Ramo 28)	4.3	1.3	-6.6	2.8	4.1	9.6	-7.1	4.7	10.8	-1.1	-0.5	0.2
Public Debt***	-7.8	-4.0	-3.6	-3.3	-4.5	-3.8	-8.3	-7.9	-7.8	-6.9	-7.0	-5.9
FDI (Mill. USD)	3098.2	1276.5	392.0	481.5	396.7	538.4	143.2	832.9	245.4	261.4	261.0	3.9

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SELECTED ECONOMIC INDICATORS (cont)

	Chiapas						Chihuahua					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAEE**)	1.2	2.6	3.8	3.1	1.7	-0.5	3.2	0.3	1.0	0.4	-0.1	-0.5
Primary Sector	-0.2	-0.9	0.1	2.5	-3.5	3.6	4.3	-10.5	-9.6	-3.2	-3.8	-5.0
Secondary Sector	-1.8	1.0	7.9	0.0	-5.0	3.4	4.1	0.8	1.4	-0.3	0.5	-1.7
Tertiary Sector	2.3	3.4	3.0	4.0	4.3	-1.9	2.7	0.9	2.0	1.9	0.1	0.8
Mining Production	-14.9	0.7	-10.3	2.8	15.9	16.1	15.7	-2.3	-6.6	-3.5	-0.4	-5.2
Manufacturing Production	-2.7	-6.0	-7.6	-7.4	-5.5	-1.3	-0.1	-1.3	-0.7	-1.6	0.2	0.0
Construction	99.8	-22.9	13.9	-36.7	-43.3	-44.9	122.0	-8.7	1.9	-24.4	-31.6	-27.7
Personnel Employed in Construction	-27.3	-10.9	3.2	-4.6	-16.6	-0.7	0.2	9.4	14.4	6.3	5.2	-13.2
Retail Sales	3.6	1.1	1.2	0.6	0.3	0.7	2.8	-2.3	-1.9	-2.9	-3.4	0.7
Wholesale Sales	-0.5	-2.1	-1.5	-5.0	-2.5	-6.4	0.0	-4.5	-4.3	-6.5	-4.2	-6.5
Exports	-13.2	-7.5	-0.9	-24.2	-6.6	-3.9	-8.7	7.8	-2.1	23.7	11.6	27.5
Credit Balance	-7.5	-6.1	-7.7	-5.9	-2.7	0.0	-2.7	1.3	1.4	1.4	4.1	1.4
Employed Population (ENOE)1	0.9	2.9	2.7	0.4	3.9	3.4	2.0	2.5	1.8	1.9	4.7	0.3
Insured Workers (IMSS)	4.1	5.3	5.4	6.4	3.7	3.1	2.2	-0.7	-0.7	-1.0	-0.9	-0.7
Real Wage Mass (IMSS)	9.8	11.2	10.3	11.4	9.1	6.5	9.4	5.3	5.1	4.7	5.5	4.4
Federal Budget (Ramo 28)	-5.7	7.1	-4.8	7.0	7.8	-8.7	4.1	4.2	5.1	1.9	-5.2	0.0
Public Debt***	-6.6	-6.7	-6.5	-7.1	-6.8	-6.5	-7.1	-1.5	-1.9	-2.0	2.1	-0.3
FDI (Mill. USD)	199.8	322.8	101.2	107.4	104.7	2.0	5152.1	4506.3	1076.3	1250.2	1496.7	440.5

	Ciudad de México						Durango					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAEE**)	4.3	1.9	1.3	1.6	3.6	3.0	3.4	5.0	8.2	5.3	2.0	-0.9
Primary Sector	-5.9	5.4	-2.2	21.0	15.0	10.1	-1.4	0.8	-5.2	9.0	-0.8	6.8
Secondary Sector	-0.8	0.1	4.8	-0.3	2.0	8.9	5.6	8.9	16.5	8.1	3.9	-4.5
Tertiary Sector	4.9	2.1	1.0	1.8	3.8	2.4	2.7	2.8	4.0	2.6	1.3	0.9
Mining Production	-0.4	4.6	13.4	9.2	9.2	23.3	-8.7	-4.7	-2.7	-6.8	-6.7	-6.7
Manufacturing Production	-1.4	0.0	1.1	0.2	0.5	-2.2	0.6	0.5	1.8	2.0	-0.1	-3.0
Construction	8.1	-9.5	7.6	-13.9	-6.5	5.3	116.9	35.9	97.0	8.4	-21.6	-36.8
Personnel Employed in Construction	56.8	8.0	21.2	3.5	-28.3	-37.5	0.7	-7.6	1.2	-6.8	-13.5	-0.2
Retail Sales	4.5	-0.8	-0.4	-0.7	-1.5	1.7	3.0	2.7	2.9	2.2	1.4	0.3
Wholesale Sales	1.1	-5.8	-3.8	-10.1	-8.2	-8.3	0.4	-5.4	-4.5	-8.4	-5.8	-7.3
Exports	10.1	4.1	7.4	6.6	6.7	0.7	1.2	-3.9	-6.7	2.9	-1.8	2.2
Credit Balance	-5.5	-2.5	-0.2	-4.5	-0.2	1.8	-3.9	-8.4	-9.3	-8.8	-6.2	-5.3
Employed Population (ENOE)1	3.3	7.1	6.6	7.7	10.5	7.6	1.5	3.6	2.6	2.2	5.6	1.9
Insured Workers (IMSS)	2.6	1.6	2.1	2.0	0.6	0.2	0.7	-0.2	0.3	-0.7	-0.2	-0.3
Real Wage Mass (IMSS)	6.7	5.1	5.5	4.8	4.0	3.4	6.9	5.4	5.1	4.3	5.7	4.5
Federal Budget (Ramo 28)	2.5	4.1	5.3	3.0	-0.4	3.8	18.1	-7.0	-22.3	1.5	3.6	9.7
Public Debt***	-1.7	-1.6	-2.0	-1.9	-2.4	-1.5	-8.1	0.0	5.7	9.1	-7.0	-4.9
FDI (Mill. USD)	39040.5	56432.1	14184.4	15778.2	14426.5	11805.8	1044.6	698.2	134.9	226.4	230.2	-13.9

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SELECTED ECONOMIC INDICATORS (cont)

	Guanajuato						Guerrero					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAE**)	1.4	4.0	4.7	5.4	3.5	3.2	0.9	3.2	2.6	1.2	10.2	6.8
Primary Sector	-3.2	-1.5	3.0	-3.7	-2.8	9.5	-3.9	-1.3	-9.8	0.1	10.2	0.5
Secondary Sector	-0.1	6.1	6.9	9.9	5.7	6.0	0.2	3.8	6.5	3.2	6.1	-0.5
Tertiary Sector	2.8	2.8	3.3	2.8	2.4	0.8	1.4	3.3	2.5	0.8	11.1	8.8
Mining Production	-3.7	12.0	5.4	16.6	14.7	14.1	18.3	1.0	1.5	-5.4	-6.1	8.0
Manufacturing Production	0.9	4.4	6.8	8.4	2.6	0.5	-2.3	-1.4	-0.7	0.4	0.3	0.4
Construction	24.4	3.7	-3.3	-4.5	-8.8	17.5	97.7	17.9	104.6	-14.2	-24.1	-27.0
Personnel Employed in Construction	-14.1	16.5	17.8	31.7	21.6	1.8	-22.0	-5.2	-11.1	11.4	21.7	7.8
Retail Sales	2.7	0.1	0.5	-0.3	-0.8	0.7	-3.2	-2.4	-10.6	-9.5	30.3	22.2
Wholesale Sales	-0.4	-6.3	-6.3	-8.5	-6.3	-7.4	-7.1	-10.8	-17.9	-19.5	25.5	17.1
Exports	5.1	8.8	11.0	15.0	-2.5	-15.9	6.5	29.5	19.5	78.5	28.3	-13.4
Credit Balance	-3.1	2.2	4.5	6.6	4.6	5.3	-6.9	-5.9	-5.7	-6.1	-3.0	1.2
Employed Population (ENOE)¹	2.6	3.1	3.2	2.8	3.2	1.9	8.0	5.7	5.3	1.3	4.5	-0.7
Insured Workers (IMSS)	3.8	2.8	2.9	2.6	2.0	1.8	4.1	2.5	3.0	1.8	3.4	3.9
Real Wage Mass (IMSS)	10.0	8.6	8.8	8.4	7.8	6.6	9.7	9.0	8.4	6.9	9.8	5.9
Federal Budget (Ramo 28)	-1.1	5.1	0.8	10.6	2.5	-1.9	-1.6	7.1	8.7	0.2	2.7	-4.6
Public Debt^{***}	-10.0	7.2	5.0	-0.7	-4.0	-10.1	-6.0	7.5	21.7	-1.1	-18.0	-19.9
FDI (Mill. USD)	3154.1	5061.4	1351.0	1671.2	1442.4	700.5	-30.9	123.3	42.3	18.4	50.4	-15.6

	Hidalgo						Jalisco					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAE**)	2.5	2.1	1.5	3.4	0.6	0.9	2.9	0.5	2.7	0.2	-1.6	1.0
Primary Sector	-1.9	1.0	-19.4	29.2	-2.9	6.0	-0.8	-0.3	-3.5	3.0	1.7	1.7
Secondary Sector	2.4	2.9	1.2	3.8	0.7	-0.6	3.1	-2.5	-0.2	-2.3	-5.4	3.1
Tertiary Sector	2.7	1.6	2.6	1.7	0.7	1.7	3.1	2.1	4.7	1.1	-0.1	0.0
Mining Production	-2.8	-1.3	-0.6	0.7	3.1	4.7	-56.6	5.5	5.2	11.4	15.0	5.8
Manufacturing Production	2.4	-4.7	-5.3	-4.2	-10.2	-7.4	5.3	-0.8	0.9	-2.2	-2.6	1.2
Construction	93.8	8.1	15.9	1.5	-20.1	-15.7	30.4	-16.3	-5.9	-12.9	-34.8	-7.6
Personnel Employed in Construction	-2.2	-14.7	-3.3	-17.1	-15.3	42.1	-1.6	-0.5	-0.5	-6.1	-1.8	-1.4
Retail Sales	2.7	5.1	5.5	4.7	4.4	0.8	3.3	-0.4	0.0	-0.7	-1.2	0.9
Wholesale Sales	-0.3	-5.4	-4.3	-8.5	-6.3	-7.4	0.9	-6.5	-6.2	-8.7	-6.7	-7.3
Exports	15.2	-7.1	-21.4	3.6	4.1	-15.3	1.3	11.9	3.7	2.8	37.0	25.0
Credit Balance	-5.5	-2.2	3.2	-4.7	-6.6	3.1	-1.3	-3.1	-5.8	-1.0	0.7	2.3
Employed Population (ENOE)¹	4.6	3.5	4.4	1.7	5.9	4.2	1.1	-1.2	-0.1	-2.8	-2.0	-2.5
Insured Workers (IMSS)	5.0	5.3	5.2	5.3	4.5	2.6	4.2	2.1	2.4	1.9	1.6	1.6
Real Wage Mass (IMSS)	10.9	11.9	11.8	11.8	10.6	6.0	9.6	6.1	7.1	5.3	4.3	4.1
Federal Budget (Ramo 28)	4.5	9.9	12.6	5.7	1.7	-7.5	3.0	5.5	3.9	2.4	4.1	-1.7
Public Debt^{***}	-14.2	-14.6	-14.6	-15.0	-14.4	-14.3	0.8	-11.5	-7.0	-7.5	-7.2	-6.2
FDI (Mill. USD)	877.5	926.1	210.9	282.9	296.0	68.9	5952.5	3747.6	893.0	1161.0	1100.3	606.9

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SELECTED ECONOMIC INDICATORS (cont)

	Estado de México						Michoacán					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAE**)	2.3	2.0	1.6	2.6	1.1	1.6	4.0	-0.2	0.6	1.6	-2.1	1.3
Primary Sector	-1.8	-1.6	-2.8	0.0	-3.8	6.1	9.6	-5.9	-4.0	15.6	-21.0	8.1
Secondary Sector	-1.3	3.4	1.5	5.3	1.7	1.7	4.7	-6.4	-9.8	-15.1	-2.4	-3.2
Tertiary Sector	3.9	1.5	1.7	1.6	1.0	1.5	2.7	3.3	4.6	3.8	3.7	1.2
Mining Production	-3.9	3.3	0.4	10.1	1.0	-34.0	-3.1	2.4	-10.6	6.2	4.3	-8.6
Manufacturing Production	0.1	2.2	0.6	3.3	1.7	1.0	8.4	-7.3	-8.8	-20.9	-3.1	0.2
Construction	1.6	8.5	15.7	6.8	-23.6	-18.5	54.4	-26.3	-25.6	-30.6	-44.8	-51.5
Personnel Employed in Construction	-34.8	0.3	0.9	4.1	-0.1	5.2	-7.6	-6.3	-9.8	-8.3	4.4	1.9
Retail Sales	3.7	-3.7	-3.2	-3.9	-5.2	1.0	2.9	0.7	0.9	0.4	0.0	0.9
Wholesale Sales	2.1	-8.7	-8.2	-11.3	-9.3	-6.4	-0.9	-4.6	-4.4	-6.6	-4.2	-7.0
Exports	11.7	0.0	-1.2	-8.2	1.8	11.3	-7.6	4.1	-6.4	3.1	15.1	11.8
Credit Balance	-6.6	-2.9	-2.3	-1.1	0.2	1.0	-7.0	-5.5	-3.3	-5.2	-4.3	-5.5
Employed Population (ENOE)1	2.9	4.8	5.1	4.1	4.8	2.8	0.0	1.6	2.3	-0.8	1.0	1.0
Insured Workers (IMSS)	4.3	4.7	4.6	4.8	4.8	3.9	2.7	1.3	1.2	0.7	1.1	0.8
Real Wage Mass (IMSS)	9.0	9.2	8.9	8.9	9.2	7.3	7.1	6.3	5.4	5.4	6.8	5.7
Federal Budget (Ramo 28)	0.7	4.7	6.3	-4.6	4.2	-0.7	0.8	7.5	12.9	0.9	-9.3	-11.7
Public Debt***	-0.8	-1.1	0.3	1.5	0.5	0.2	9.5	-2.6	-3.9	-6.8	4.7	-4.1
FDI (Mill. USD)	5623.2	7620.3	1709.3	2594.5	2641.7	1888.3	822.2	654.0	201.3	174.6	110.6	106.3

	Morelos						Nayarit					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAE**)	2.0	1.9	3.5	2.7	0.8	1.3	-0.3	-1.4	-0.2	-1.5	-1.5	4.7
Primary Sector	-4.9	3.8	6.4	9.8	1.3	0.0	-9.6	0.2	5.6	-3.6	-6.0	18.7
Secondary Sector	-1.8	2.0	3.8	5.2	4.1	3.6	-1.9	-11.3	-12.2	-7.7	-6.7	12.6
Tertiary Sector	4.0	1.8	3.2	1.3	-0.5	0.4	1.4	1.0	2.3	0.5	0.3	1.9
Mining Production	-5.8	8.0	10.1	10.6	8.8	-10.0	8.9	-19.5	-16.8	-23.4	-15.3	2.3
Manufacturing Production	4.5	4.1	7.1	6.3	4.5	8.6	-1.7	-5.1	-6.7	-3.9	-0.9	7.5
Construction	-0.1	0.1	-1.5	3.5	-9.4	-27.2	59.9	-34.8	-14.9	-42.7	-43.2	-1.0
Personnel Employed in Construction	-2.3	-12.1	-16.1	-9.5	-4.7	-4.2	-2.9	-34.5	-33.6	-23.6	-35.5	5.0
Retail Sales	3.3	0.5	0.9	0.1	-0.5	1.0	2.8	0.6	0.7	0.0	-0.2	0.6
Wholesale Sales	-0.1	-4.9	-4.3	-7.4	-5.3	-5.8	0.3	-3.9	-3.6	-6.4	-4.1	-7.4
Exports	10.6	21.5	13.0	29.6	27.3	16.3	16.7	19.6	27.9	15.0	16.9	-3.8
Credit Balance	-6.0	8.8	-2.2	4.2	48.0	56.5	12.6	9.7	14.2	9.7	14.8	11.7
Employed Population (ENOE)1	4.2	4.3	6.0	4.6	4.4	3.6	3.1	4.3	4.9	2.5	3.0	4.0
Insured Workers (IMSS)	2.1	1.4	2.4	0.8	-0.6	-1.0	6.7	3.0	3.8	2.5	0.4	-0.2
Real Wage Mass (IMSS)	5.9	7.1	6.9	6.5	6.3	4.5	12.1	10.3	11.2	9.3	7.9	5.1
Federal Budget (Ramo 28)	1.1	5.2	2.4	1.9	9.4	-0.3	7.6	-3.1	-8.8	-3.0	-5.6	-4.1
Public Debt***	-11.0	-6.6	-7.3	-7.4	-6.8	-5.1	0.0	-0.4	2.7	-4.5	-6.3	-6.8
FDI (Mill. USD)	661.1	419.1	148.4	152.3	160.5	5.4	750.1	875.5	183.3	317.4	363.5	45.9

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SELECTED ECONOMIC INDICATORS (cont)

	Nuevo León						Oaxaca					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAE**)	3.5	4.0	3.9	6.1	3.5	2.0	7.9	5.7	8.1	7.2	5.3	5.6
Primary Sector	-0.2	0.6	-7.8	12.9	-2.2	15.1	-1.2	-1.8	-0.6	0.0	-0.9	8.9
Secondary Sector	3.1	4.2	2.8	9.2	3.6	3.2	16.9	12.7	17.6	16.5	13.6	15.0
Tertiary Sector	3.8	3.9	4.7	3.7	3.5	1.1	4.1	2.1	3.2	1.8	0.9	-0.4
Mining Production	12.7	-4.3	1.1	-7.8	-10.6	-10.3	12.5	-3.7	-1.9	-5.4	-9.1	-2.0
Manufacturing Production	2.9	1.2	-2.0	7.3	2.0	2.7	-1.9	9.6	16.8	8.7	4.0	10.3
Construction	83.0	16.8	40.7	6.4	-16.3	-12.3	245.8	15.6	53.4	13.5	-14.3	-27.5
Personnel Employed in Construction	21.1	4.2	1.4	-2.2	-2.8	8.3	-29.4	-16.3	-19.7	17.3	11.9	57.1
Retail Sales	3.3	1.2	1.4	0.8	0.1	0.8	3.2	0.8	1.0	0.4	-0.1	0.7
Wholesale Sales	1.9	-5.1	-4.1	-8.1	-6.3	-7.5	-0.5	-2.8	-2.0	-5.9	-3.5	-7.3
Exports	5.6	2.3	-2.8	7.4	6.6	1.6	-4.8	16.0	44.6	5.6	-3.3	-1.6
Credit Balance	-1.1	-1.6	1.4	-3.5	-2.2	-2.0	-6.4	-5.5	-5.5	-7.6	-3.7	-3.8
Employed Population (ENOE)1	2.3	5.1	5.4	4.6	5.8	2.6	0.1	-1.9	-0.9	1.5	-6.4	-5.0
Insured Workers (IMSS)	4.6	3.9	3.8	3.9	3.8	3.4	3.7	3.5	4.2	4.1	2.8	1.0
Real Wage Mass (IMSS)	10.2	8.4	8.2	8.0	8.0	7.5	9.9	10.7	10.2	10.6	10.6	6.1
Federal Budget (Ramo 28)	7.6	5.3	-0.1	4.3	4.2	-4.7	-7.7	13.5	17.5	6.9	8.7	-4.7
Public Debt***	15.8	-5.7	5.5	5.5	3.9	-2.7	-3.1	-9.3	-6.0	-6.5	-5.8	-4.9
FDI (Mill. USD)	10492.1	7335.6	2304.2	1582.4	2098.2	2674.2	186.5	231.9	63.5	79.6	82.0	-0.6

	Puebla						Querétaro					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAE**)	2.9	3.7	6.2	5.5	-0.2	-0.1	4.0	2.3	5.1	2.5	-0.7	1.5
Primary Sector	3.6	3.5	4.4	2.4	-1.6	-1.5	2.5	-2.5	-0.2	-0.3	-7.0	5.0
Secondary Sector	2.3	4.0	9.8	8.1	-4.2	-4.1	3.0	3.1	7.2	4.3	-0.9	3.2
Tertiary Sector	3.3	3.5	4.1	4.0	2.4	2.2	4.9	2.0	3.7	1.0	-0.3	0.0
Mining Production	-5.8	-2.8	1.8	-4.3	-7.3	-5.4	9.2	8.3	14.5	9.4	-2.5	-0.3
Manufacturing Production	2.1	0.7	4.7	4.4	-5.9	-6.4	-1.4	1.0	3.9	0.8	0.6	1.1
Construction	81.5	40.0	96.9	29.4	-1.8	-6.6	135.4	3.1	17.4	1.8	-25.5	-6.4
Personnel Employed in Construction	-1.9	10.2	10.1	17.4	19.3	13.2	-1.1	9.6	8.7	12.5	12.7	13.4
Retail Sales	3.2	1.3	1.9	0.9	0.2	1.1	3.3	3.4	3.8	2.8	2.6	0.4
Wholesale Sales	-0.1	-2.6	-2.3	-4.7	-2.4	-5.8	3.0	-7.7	-7.4	-9.9	-8.2	-8.3
Exports	-0.7	-4.2	6.8	-9.4	-2.6	-19.0	9.1	-3.2	0.2	-6.8	-10.2	-10.7
Credit Balance	-4.6	4.9	4.4	10.4	7.4	3.3	-7.1	1.0	1.0	6.0	7.1	8.5
Employed Population (ENOE)1	2.0	2.4	-0.5	6.1	0.7	3.4	10.0	15.0	17.3	16.2	23.2	16.3
Insured Workers (IMSS)	3.6	2.5	2.7	2.5	1.9	1.3	5.3	3.1	3.4	2.7	1.9	1.3
Real Wage Mass (IMSS)	8.9	7.7	8.1	6.9	6.6	4.7	10.7	7.5	8.0	6.8	6.0	5.4
Federal Budget (Ramo 28)	7.4	1.9	-3.9	-2.8	-1.4	-1.8	11.5	5.3	3.1	-0.6	5.6	-4.5
Public Debt***	-26.3	2.5	-13.2	-13.7	-14.3	-13.7	-	541.0	-	-	52.9	2.6
FDI (Mill. USD)	3213.8	3577.4	933.4	1113.2	1168.4	384.4	2603.7	3417.6	878.6	994.5	1055.1	302.0

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SELECTED ECONOMIC INDICATORS (cont)

	Quintana Roo						San Luis Potosí					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAEE**)	14.8	-2.5	6.1	-14.5	-17.7	-9.4	7.6	0.4	2.4	-1.4	-0.7	3.1
Primary Sector	-8.1	-16.0	-25.4	3.9	-24.4	-16.9	-3.6	-3.6	-14.0	0.9	16.7	12.1
Secondary Sector	178.3	7.2	20.5	-49.3	-57.9	-51.4	14.0	-0.1	4.2	-4.2	-3.0	5.4
Tertiary Sector	-2.1	1.1	3.0	-1.0	-0.7	2.6	2.6	1.6	2.5	1.4	0.3	0.0
Mining Production	-50.0	7.9	16.0	5.5	-15.3	-49.4	0.4	-1.1	-6.9	5.7	-1.8	5.5
Manufacturing Production	7.3	4.6	3.9	5.7	-0.5	-1.6	17.3	1.3	5.0	-4.0	-0.7	7.9
Construction	907.1	-41.5	-3.3	-73.3	-72.6	-75.8	65.5	-10.4	30.7	-26.2	-42.2	-45.9
Personnel Employed in Construction	-7.1	53.9	66.8	76.7	55.4	35.2	-9.2	-9.0	-5.2	-3.2	-8.9	-10.4
Retail Sales	4.8	-0.6	-0.9	-1.0	-1.5	0.4	2.7	1.2	1.7	0.7	0.2	0.8
Wholesale Sales	0.7	-1.0	-0.1	-4.3	-2.1	-6.6	0.4	-4.7	-4.6	-6.7	-4.7	-6.7
Exports	-43.4	-2.1	82.7	25.3	-47.4	-53.8	28.8	2.0	12.2	-11.8	-2.3	-0.8
Credit Balance	-15.9	1.9	-7.4	7.4	15.1	22.6	-1.7	-2.2	-4.2	-1.9	3.0	0.4
Employed Population (ENOE)1	3.2	3.3	2.8	4.6	4.5	4.0	3.6	3.9	5.4	5.5	2.8	0.4
Insured Workers (IMSS)	8.3	4.4	4.9	3.5	1.8	0.6	3.3	2.4	2.8	2.0	0.6	0.6
Real Wage Mass (IMSS)	16.6	10.7	11.3	9.5	7.5	4.9	7.7	8.1	8.4	7.3	5.4	4.1
Federal Budget (Ramo 28)	22.7	-2.5	-16.1	1.7	6.4	13.1	-2.9	6.0	15.6	3.2	-5.3	9.0
Public Debt***	-5.3	-5.8	-4.5	-2.2	-1.3	-0.6	-12.6	27.4	18.1	12.5	24.5	-8.8
FDI (Mill. USD)	2347.3	2424.4	579.0	841.2	921.3	289.6	4110.5	3556.0	1064.2	984.5	843.7	125.7

	Sinaloa						Sonora					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAEE**)	0.5	-0.8	-1.7	0.3	-3.5	1.5	4.7	0.8	2.0	-0.4	-0.5	0.2
Primary Sector	-0.9	-13.1	-20.0	-25.7	-24.6	16.7	-2.9	-9.1	-9.6	-4.7	-15.2	-2.8
Secondary Sector	0.0	-7.2	-11.9	-0.5	-6.5	-4.4	6.3	1.2	3.3	-1.5	0.9	0.8
Tertiary Sector	2.3	2.3	3.8	2.8	0.4	-0.1	4.0	2.0	3.1	1.4	0.2	0.0
Mining Production	0.2	-14.6	-20.4	-6.3	-14.3	-12.1	-4.2	2.7	2.6	2.1	1.6	-1.1
Manufacturing Production	0.2	0.2	-1.3	2.0	-1.0	-3.4	7.1	2.3	6.5	-0.5	-0.6	0.2
Construction	49.1	-29.4	-20.5	-33.9	-48.8	-29.9	100.6	-30.1	-20.0	-47.1	-37.1	1.2
Personnel Employed in Construction	-12.0	-16.4	-16.0	-12.3	-16.0	-0.5	7.0	-4.4	1.7	-11.3	-11.5	-11.3
Retail Sales	2.9	-0.9	-0.6	-1.6	-1.7	0.7	2.9	-3.6	-3.3	-4.2	-4.8	0.2
Wholesale Sales	-1.6	-0.7	-0.6	-2.0	0.2	-7.8	0.2	-4.4	-4.0	-6.5	-4.2	-7.0
Exports	10.5	11.0	8.5	13.1	17.1	-9.6	12.1	6.5	15.2	5.7	-0.6	2.2
Credit Balance	-7.2	-4.1	-7.7	0.4	4.1	3.4	12.6	-20.9	-26.4	-24.8	-20.2	-13.6
Employed Population (ENOE)1	5.3	4.8	5.9	3.3	4.4	5.4	2.9	0.9	1.0	0.8	-0.6	0.7
Insured Workers (IMSS)	2.4	0.1	0.1	-0.3	-0.4	-1.1	1.8	0.3	0.3	-0.3	-0.8	-1.3
Real Wage Mass (IMSS)	9.5	6.8	6.7	5.9	6.7	4.2	8.1	6.1	4.7	5.7	5.2	3.2
Federal Budget (Ramo 28)	3.9	1.6	1.7	1.7	-5.0	-10.9	-2.8	1.9	-0.7	1.2	5.3	2.1
Public Debt***	23.9	13.3	39.4	-17.4	-10.6	-24.9	-1.3	2.5	2.6	10.7	-4.9	-8.1
FDI (Mill. USD)	1123.8	1003.8	262.8	283.1	316.1	17.4	6123.2	687.5	105.0	213.2	305.4	3.9

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SELECTED ECONOMIC INDICATORS (cont)

	Tabasco						Tamaulipas					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAE**)	2.6	-7.4	-9.7	-6.5	-10.3	-12.8	0.0	2.4	2.9	2.7	4.4	2.7
Primary Sector	-0.7	2.5	3.0	2.2	2.9	-5.1	-14.1	-3.7	-20.6	-7.1	28.5	24.3
Secondary Sector	2.4	-12.8	-16.3	-10.8	-17.5	-20.3	-3.3	3.3	4.6	1.7	7.3	3.4
Tertiary Sector	3.3	2.3	3.1	1.0	1.5	0.7	3.2	2.3	2.7	3.7	1.8	0.7
Mining Production	14.8	-9.8	-12.4	-10.3	-15.0	-21.8	37.6	9.5	16.1	14.6	7.5	43.5
Manufacturing Production	-11.1	8.6	-3.7	22.4	20.9	12.1	-7.7	4.2	4.0	1.4	8.8	0.3
Construction	-10.9	-45.7	-46.1	-39.9	-68.3	-66.4	55.8	-10.5	11.2	-8.9	-31.1	-18.1
Personnel Employed in Construction	-8.7	-18.6	-12.2	-18.6	-25.3	-16.4	-0.4	-14.3	-14.3	-17.0	-12.9	-16.5
Retail Sales	4.5	-1.0	-0.9	-1.6	-2.4	0.7	3.1	-3.1	-3.0	-3.6	-4.3	0.4
Wholesale Sales	0.7	-11.0	-10.9	-12.8	-10.9	-6.7	0.2	-5.0	-4.5	-7.6	-5.4	-7.0
Exports	-2.0	-20.2	-17.5	-35.2	-21.1	-15.9	-3.2	7.7	6.8	7.8	10.8	0.9
Credit Balance	-2.2	-13.9	-4.2	-22.2	-11.6	-10.0	-5.6	-3.0	-3.8	-2.0	-0.6	0.1
Employed Population (ENOE)1	6.4	8.2	9.5	7.2	13.6	7.3	2.2	1.6	-0.4	3.8	0.6	2.3
Insured Workers (IMSS)	6.9	-9.9	-10.2	-11.1	-11.8	-9.6	0.2	0.1	0.2	0.2	-0.3	-0.3
Real Wage Mass (IMSS)	13.9	-10.4	-11.1	-12.9	-13.4	-10.4	6.6	7.5	7.5	7.5	7.1	5.0
Federal Budget (Ramo 28)	2.8	0.6	2.8	1.3	-6.5	-4.5	0.8	4.3	5.9	2.6	-1.9	-1.3
Public Debt***	-29.5	-18.5	-23.7	-12.9	-12.7	-12.4	-8.1	-9.9	-8.3	-15.0	-13.7	-11.5
FDI (Mill. USD)	484.2	1186.8	390.9	363.6	384.2	-49.5	1414.6	1226.1	341.7	317.3	463.0	232.3

	Tlaxcala						Veracruz					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAE**)	1.1	1.3	3.4	2.1	-1.5	1.1	2.6	3.2	3.8	4.8	1.2	0.4
Primary Sector	-1.8	-0.3	3.9	-3.7	2.7	1.3	-1.3	1.0	4.8	4.4	0.1	11.3
Secondary Sector	0.3	-0.7	1.4	2.1	-6.6	0.4	3.7	5.8	7.6	8.9	2.0	-2.6
Tertiary Sector	1.8	2.5	4.6	2.3	1.4	1.5	2.4	2.3	1.9	3.1	0.9	0.4
Mining Production	-10.2	6.3	2.4	8.1	6.6	4.5	-2.8	12.7	17.2	13.7	17.9	14.6
Manufacturing Production	0.1	-0.2	-0.4	2.4	-3.5	4.3	1.2	0.2	-3.4	2.3	-0.5	-5.4
Construction	19.2	-8.9	16.6	-25.0	-18.3	-19.6	92.6	8.8	40.4	8.6	-26.6	-24.1
Personnel Employed in Construction	-0.9	6.8	8.1	18.1	19.2	-2.3	-10.8	-13.5	-13.0	-9.1	-11.6	4.5
Retail Sales	3.0	-1.0	-0.5	-1.5	-2.0	0.9	3.6	-1.2	-0.9	-1.7	-2.3	0.8
Wholesale Sales	-2.1	-8.5	-8.3	-10.7	-8.1	-7.3	-0.5	-2.9	-2.4	-5.5	-3.2	-6.9
Exports	-11.1	-0.4	-5.4	8.4	9.8	8.2	-13.9	-2.3	3.9	-11.9	2.5	-1.8
Credit Balance	2.7	-6.8	-11.0	0.2	-7.9	-1.9	-12.4	-2.6	-4.4	0.2	4.9	3.0
Employed Population (ENOE)1	5.2	8.9	10.3	8.8	10.6	9.6	4.3	5.4	1.0	10.1	1.6	6.4
Insured Workers (IMSS)	5.4	2.7	3.3	2.4	1.7	1.5	2.5	2.0	3.1	1.9	0.3	-0.1
Real Wage Mass (IMSS)	11.0	8.4	8.7	7.6	8.2	7.4	6.8	7.8	8.6	6.8	7.0	4.2
Federal Budget (Ramo 28)	10.0	5.0	1.1	3.7	8.4	4.9	3.4	2.2	2.3	1.8	-3.6	4.8
Public Debt***	-	-	-	-	-	-	-2.2	-5.4	-6.1	-5.9	-4.9	-4.3
FDI (Mill. USD)	941.9	274.2	69.7	77.0	94.2	34.2	3157.9	1985.8	361.3	519.7	419.9	99.9

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SELECTED ECONOMIC INDICATORS (cont)

	Yucatán						Zacatecas					
	2023	2024	2T24	3T24	4T24	1T25	2023	2024	2T24	3T24	4T24	1T25
Economic Activity (ITAEE**)	5.5	3.0	4.7	2.3	1.5	1.8	2.6	3.0	2.3	6.6	4.9	2.7
Primary Sector	1.6	2.8	2.9	3.8	4.4	7.8	-2.2	4.0	-8.9	21.9	20.9	23.0
Secondary Sector	6.0	2.5	4.8	-1.8	-0.7	-1.4	6.0	0.9	-1.1	5.1	6.7	4.0
Tertiary Sector	5.6	3.3	4.8	3.7	2.2	2.7	2.0	4.1	6.5	4.2	1.5	0.6
Mining Production	4.8	8.9	13.2	5.7	8.7	-1.7	25.5	11.7	6.5	27.1	23.5	11.8
Manufacturing Production	-4.0	0.0	1.0	0.2	0.0	-0.5	-5.8	-3.8	-6.4	-5.0	-2.6	-5.6
Construction	53.3	-3.9	18.8	-27.3	-24.3	-27.2	27.0	-7.2	-39.7	24.2	16.8	-20.9
Personnel Employed in Construction	1.0	-4.8	6.1	2.3	-12.6	-20.9	-20.9	-19.6	-19.6	-11.8	-4.8	0.0
Retail Sales	3.3	1.3	1.7	0.7	0.1	0.7	2.3	3.3	3.6	2.8	2.2	0.3
Wholesale Sales	0.3	-4.1	-2.8	-7.6	-5.5	-7.3	0.4	-0.5	-0.4	-2.6	0.3	-6.1
Exports	2.1	25.1	21.6	32.2	31.6	29.3	-21.0	39.5	14.9	61.1	92.1	25.8
Credit Balance	-2.5	13.0	12.6	16.8	23.3	21.8	-6.1	-5.1	-4.9	-4.9	-0.6	-1.2
Employed Population (ENOE)¹	0.1	1.1	0.4	2.2	0.5	1.8	-0.5	0.1	-0.7	1.5	-2.4	-4.3
Insured Workers (IMSS)	5.1	2.7	3.4	2.7	0.7	0.2	1.0	-1.2	-0.8	-1.7	-3.0	-3.0
Real Wage Mass (IMSS)	10.3	8.2	9.0	7.8	5.4	3.3	6.8	4.7	5.2	4.9	0.9	1.4
Federal Budget (Ramo 28)	3.7	2.9	1.9	0.4	-0.1	-3.8	-12.4	3.5	4.5	0.4	1.2	-2.6
Public Debt^{***}	0.2	-3.9	-11.2	-11.3	8.1	12.7	-7.4	-6.6	-7.0	-7.5	-7.3	-6.3
FDI (Mill. USD)	619.6	425.8	98.8	130.7	147.8	16.5	1524.8	273.6	72.9	81.2	131.0	12.1

* All indicators, except Foreign Direct Investment, are shown as annual percentage changes in real amounts.

** Global Economic Activity Indicator

1 The employed population (over 15 years of age) includes, as a subset, workers insured by the Mexican Social Security Institute (IMSS) and is a more representative indicator of national employment.

2 Historical Balance of Public Sector Financial Requirements

*** Debt note backed by the Fed. Gov.

Source: INEGI, SE, SHCP and STPS, CNH.

5. Analytical Topics in previous editions

First Half 2025

- Is 2024 the last year of growth for the automotive industry?
- 5G as an industrial and digital competitive advantage in Mexico

Second Half 2024

- Automotive exports slow down
- México in global value chains (GVCs) during nearshoring

First Half 2024

- Transportation Equipment, the most dynamic manufacturing sector
- What comes first: Manufacturing or FDI in the energy sector?
- Export diversification during the nearshoring period

Second Half 2023

- Foreign and domestic automotive market at a faster pace
- Municipal GDP estimation
- Nearshoring Recap: Key industries and regional opportunities

First Half 2023

- The foreign market drives the automotive sector
- Is nearshoring noticeable yet?
- Savings and credit dynamics within the economic cycle

Second Half 2022

- A rough road again for the automotive industry
- Regional investment opportunities
- México's tech and capacity constraints in the face of nearshoring

First Half 2022

- A winding road to recovery for the automotive industry
- Repatriation of value chains, a unique opportunity for Mexico
- Electricity cost dissemination in the Mexican economy



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