



Upturn in foreign trade flows in June

- In June, the Trade Balance recorded a deficit of (-) 206 million dollars. This result was due to the combination of an increase in exports driven by oil product exports (15.2% mom) and a 6% mom increase in imports, which was common to all of the components.
- Oil exports were driven by the higher price of Mexican crude oil, which rose by 8 USD, averaging a price of \$63.7 dollars per barrel. However, with regard to this positive result we must take its annual rate into account because this is negative (-49.5%) due to high energy prices in 2008.
- Non-oil exports tended to stabilize in June, recording monthly growth of 1.3% (ae). Even though the annual rate is negative (-20.4%) it is lower than the year's average (-24.3%). Although the levels of these exports are still very low, insofar as the US starts to recover we can expect higher growth rates, although this process will be gradual.
- All of the import components recorded significant increases compared to May (Consumer Goods 6.8%, Intermediate Goods 6.2%, Capital Goods 7.1%). This increase could be due to the rescheduling of activities caused by the health emergency, which mainly took its toll during May. In terms of annual rates, imports fell by (-) 25.1% and, similarly, the recovery in their growth rates will depend on whether the international crisis dissipates and foreign trade is reactivated.
- Appraisal: Although in June there was a significant increase in trading, domestic trade will take a bit longer to recover. If this recovery is confirmed in the coming months we will see a notable improvement in domestic activity.

Trade Balance, 2009

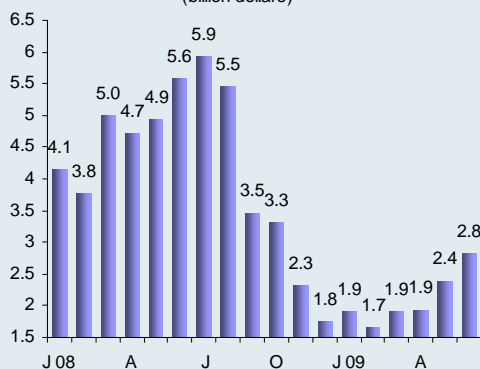
	J-june 09	June 09	J-june 09	June 09
	(Million dollars)	(Million dollars)	(Annual % chge)	(Annual % chge)
Total exports	104,312.6	19,364.2	-30.2	-26.6
Oil	12,619.1	2,824.7	-55.6	-49.5
Crude oil	10,492.5	2,363.3	-57.7	-51.2
Other	2,126.6	461.5	-40.5	-38.0
Non-oil	91,693.5	16,539.5	-24.3	-20.4
Agriculture	4,598.4	718.1	0.4	0.2
Mining	657.9	112.5	-31.9	-43.2
Manufacturing	86,437.3	15,708.9	-25.2	-20.9
Total imports	105,519.1	19,570.0	-30.6	-25.1
Consumer goods	14,188.4	2,603.2	-38.8	-31.9
Intermediate goods	76,952.9	14,360.1	-30.4	-23.8
Capital goods	14,377.8	2,606.7	-21.3	-24.7
Trade Balance	-1,206.5	-205.8	-52.0	n.s.

Non-Oil Exports

(Millions dls, sa, last jun, 3ma)



Oil Exports
(billion dollars)



Imports

(Monthly % change)



Source: BBVA BANCOMER with INEGI data