



Migration Flash Mexico

Remittances achieved 17 consecutive months growing

- In February 2012 remittances to Mexico grew by an annual 8.5% in dollar terms; in pesos, growth in real terms was over 10%.
- From October 2010 to February this year, remittances posted 17 consecutive months of rises in dollar terms.
- Hispanics continued to find jobs in the United States in February, when the total stood at 21.6 million jobs, an all-time high.
- For March we estimate that remittances may hit or exceed 2 billion dollars, and throughout the year we expect that remittances will continue to rise, with an accumulated growth in dollar terms higher than that in 2011.

Banco de México has published the volume of remittances to Mexico in February, at 1,788 million dollars, an annual increase of 8.5%, compared with the rise of 6.0% in the same month in 2011.

This increase can be explained by the annual rise of 11.1% in the number of individual remittance transactions, which numbered close to 5.6 million; at the same time, there was a fall in the average amount sent (down 2.3%) to 320.3 dollars.

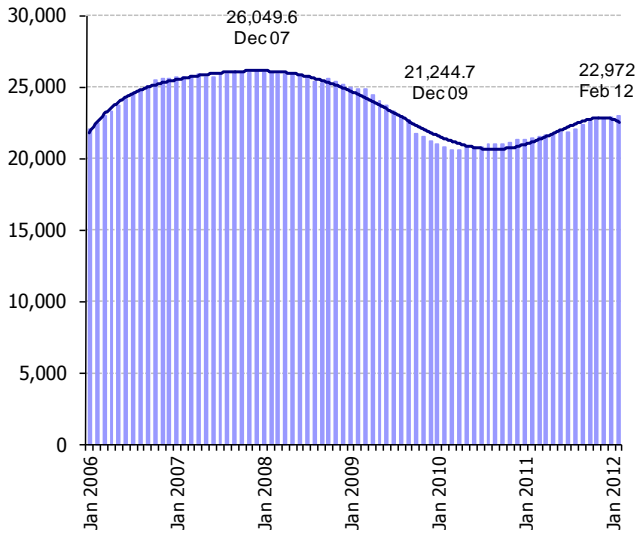
The accumulated 12-month flow to February this year was 22,972 million dollars, still below the figures for the same month from 2007 to 2009, but higher than those posted in 2010 and 2011. This indicates that remittances are continuing to recover, though they remain far from their all-time highs.

In real peso terms (discounting inflation) remittances were up by over 10%.

The continued growth in remittances since October 2010 has been largely linked to the recovery of economic activity in the United States. Hispanic workers have managed to recover all the jobs lost in the wake of the economic crisis and in February this year their job total was at its highest ever level. Jobs for Mexican migrants have also shown a rising trend, and they are among the groups with the highest job growth in 2011.

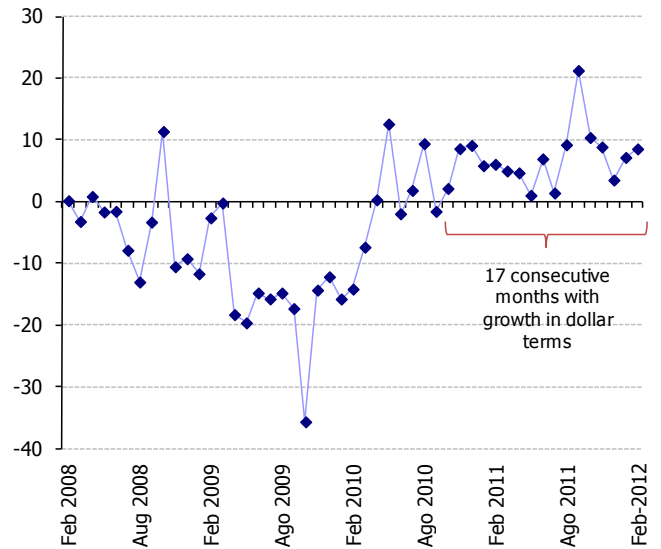
We expect employment for Mexican migrants in the United States to continue its upward trend in 2012. As a result remittances will continue to recover. For March this year we estimate that remittances could reach or exceed 2 billion dollars, and at the close of 2012 cumulative growth could be greater than that in 2011.

Chart 1
**Accumulated 12-month remittance flows to Mexico
(Million dollars)**



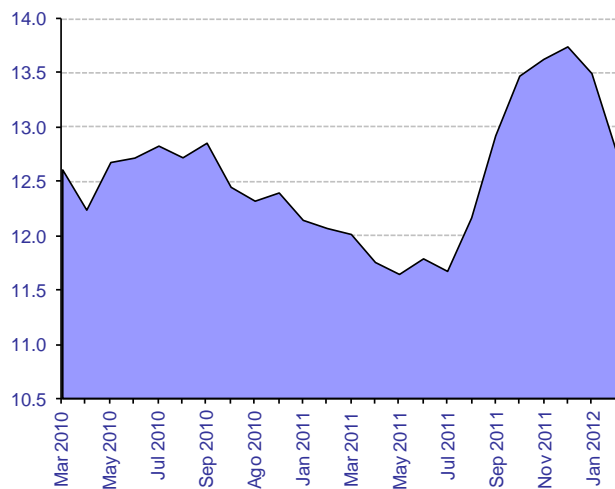
Source: BBVA Research with Banxico figures

Chart 2
**Family remittances to Mexico
(Annual % change in dollars)**



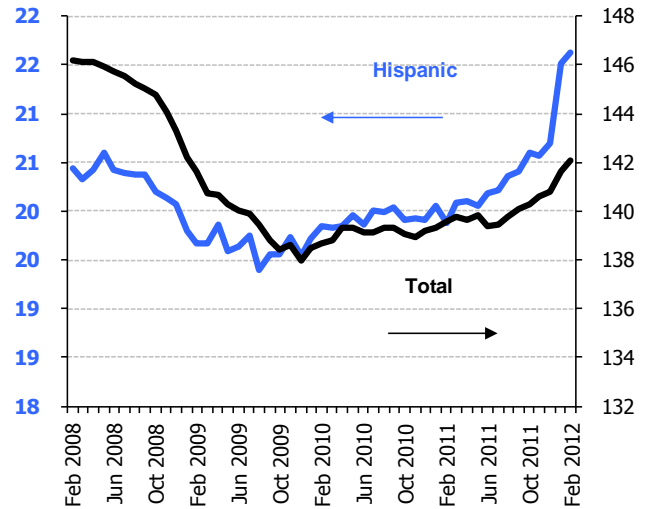
Source: BBVA Research with Banxico figures

Chart 3
Peso-US dollar exchange rate to meet foreign currency obligations



Source: BBVA Research with Banxico figures

Chart 4
**United States: Total and Hispanic employment
(Millions)**



Source: BBVA Research with Bureau of Labor Statistics data

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Notice

This publication is a joint initiative between the BBVA Bancomer Foundation and BBVA Research's Economic Research Department, Mexico. It aims to make new contributions in the field of Migration studies that add to knowledge of this important social movement.