

Mexico Migration Flash

Hispanic jobs in the U.S. increase, as do remittances to Mexico

- Record high job figure for Hispanics in the U.S. (21.97 million)
- Jobs for Mexican immigrants continue to rise, but have still not reached historical highs
- As a result, remittances to Mexico continue their upward trend. June marked the 21st consecutive month of growth, with annual growth in the first half of the year of 6%.
- For the rest of the year, Mexican immigrants should continue to recover jobs and thus remittances will continue to rise.

The US Census Bureau reported that the American economy created 163,000 nonfarm payroll jobs in July, and that the rate of unemployment remained practically unchanged at 8.3%. The number of Hispanics with jobs continued to increase, by 81,000 in that month, to a historical high of 21.97 million.

As we reported in the July issue of **Mexico Migration Outlook**, the job figures for Mexican migrants have been growing since the second half of 2011, and this trend continued in July, when the figure was close to 7 million jobs, though still under the historical high of over 7.4 million before the economic crisis. The number of unemployed Mexican immigrants has continued to fall. It now stands at slightly above 720,000.

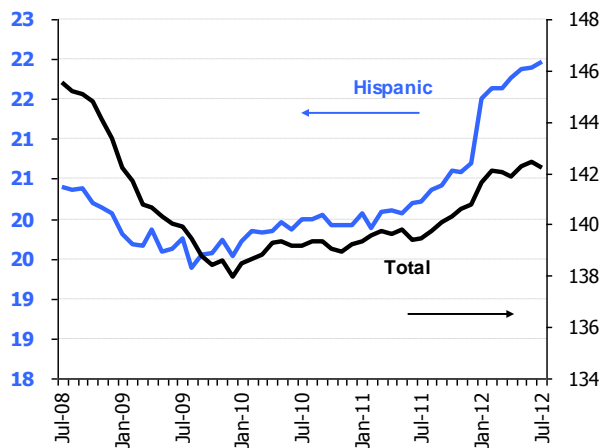
The recovery in jobs for Hispanics in general and Mexican migrants in particular has been a very important factor in the recovery of remittances to Mexico. June marked the 21st consecutive month of their positive growth in dollar terms, at an annual 3.5%. In real pesos (discounting inflation) growth was over 17%.

Accumulated flows of remittances over 12 months amounted to USD 23,395.4 million in June, 13% up on the lowest pre-crisis level, but still 11% down on its high in December 2007.

In the first half of the year income from remittances totaled USD 11,827 million, 6% up on the figure for the same period in 2011.

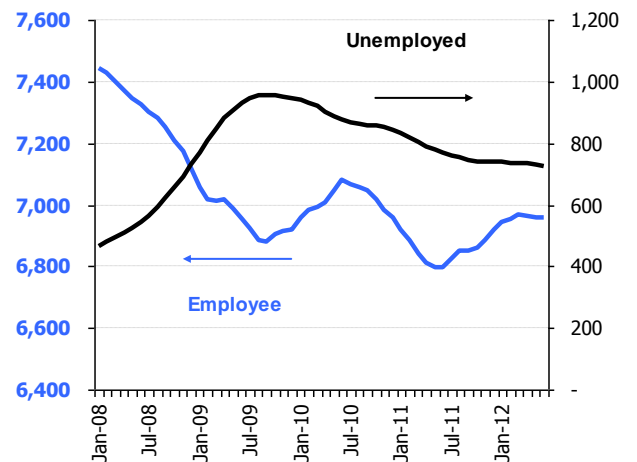
If jobs for Mexicans in the United States continue to recover, remittances to Mexico will rise further, and growth in 2012 will exceed that of 2011. An all-time high could be reached toward the end of 2013.

Chart 1
United States: Total and Hispanic employment (Millions)



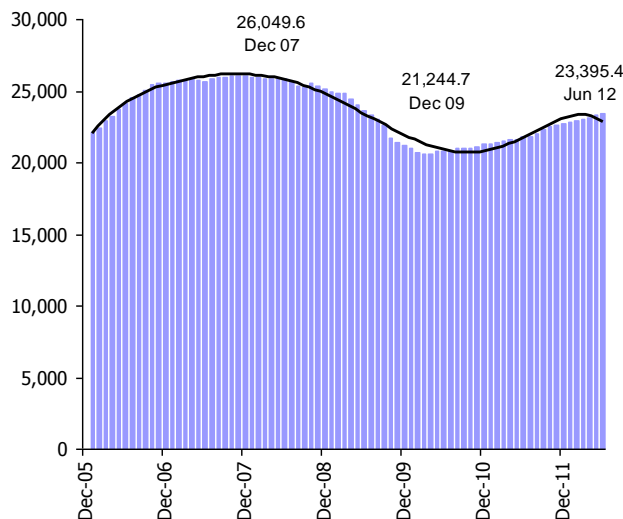
Source: BBVA Research with Bureau of Labor Statistics data

Chart 2
United States: Migrant Mexicans, employed and unemployed (Millions)



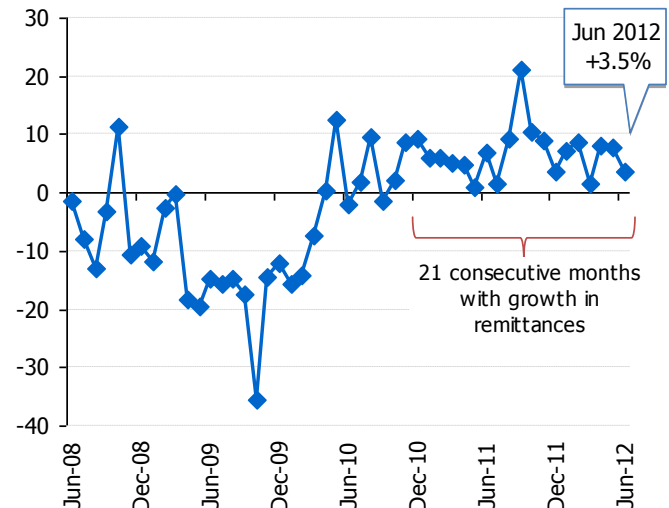
Source: BBVA Research with Bureau of Labor Statistics data

Chart 3
Accumulated 12-month remittance flows to Mexico (Million dollars)



Source: BBVA Research with Banxico figures

Chart 4
Family remittances to Mexico (Annual % change in dollars)



Source: BBVA Research with Banxico figures

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