

Mexico Migration Flash

Accumulated remittances closed 2013 with a fall of 3.8%

- In December remittances grew 5.5% year-over-year; they accumulate 5 consecutive months of growth
- The fall of accumulated remittances in 2013 is explained by reductions in remittances received in Mexico during the first seven months of the year
- Tamaulipas (+20.5%) and Baja California (+16.7%) were the states with the greatest growth in remittances in 2013
- The U.S. unemployment figures and the positive trends in remittances for most of the 2nd half of 2013 indicate that 2014 will be a good year for remittances

Today's statistics from Banco de México reported that in December 2013 entered to Mexico 1,798.5 million dollars remittances, up from 1,690.8 million reported in the previous month. So, they represent a positive trend because they increased 5.5% year-over-year, achieving 5 months in a row of growth. Moreover, it is observed that the number of transactions for remittances increased 8.6% year-over-year in December 2013 stood at 6.36 million operations, and the average send remittance decreased -2.8% compared to December 2012.

In December 2013 Mexico received about 23.397 billion Mexican pesos remittances, in real terms they grew 2.6% year-over-year compared with December 2012.

Thus, accumulated inflows throughout the year 2013 recorded a decrease of -3.8%, to settle at 21,596.6 million dollars. This fall in 2013 is explained by reductions in remittances received in Mexico during the first seven months of the year. In March (-15.2%) and May 2013 (-13.2%) the biggest losses were presented, while in September the highest growth was observed, 8.1%.

U.S. Bureau of Labor Statistics confirmed that the seasonally adjusted unemployment rate in December stood at 6.7%, a figure not seen since 2008. The above data and the positive trend in remittances during most of the second half of 2013 indicate that 2014 will be a good year for remittances in Mexico.

Remittances by state

In 2013, the top five remittance receiving states maintain their positions from the previous year.

Michoacán remains in the first place of remittance receiving states in México with 2,158.3 million dollars, equivalent to almost 10% of domestic remittances in 2013, Guanajuato places second (2,049.3), third is Jalisco (1,800.7), fourth place is the state of Mexico (1,446.1) and fifth place correspond to Puebla (1,393.8). The first three positions are states with strong migratory tradition.

Regarding performance, the states that had the highest growth in the amount of remittances received during 2013 compared to 2012 were: Tamaulipas (+20.5%), Baja California (+16.7%), Quintana Roo (+6.5%), Yucatán (+3.3%) and Aguascalientes (+2.9%).

The states that registered the largest declines year-over-year were: Distrito Federal (-26.0%), Tlaxcala (-10.2%), Veracruz (-9.5%), Oaxaca (-8.1%) and the state of Mexico (-7.5%).

In general, it is observed that the behavior of remittances in 2013 presented a contraction of the flow to most of the states of central, west and south of the country; while there was a growth of remittances in several northern border states and in Yucatan Peninsula.

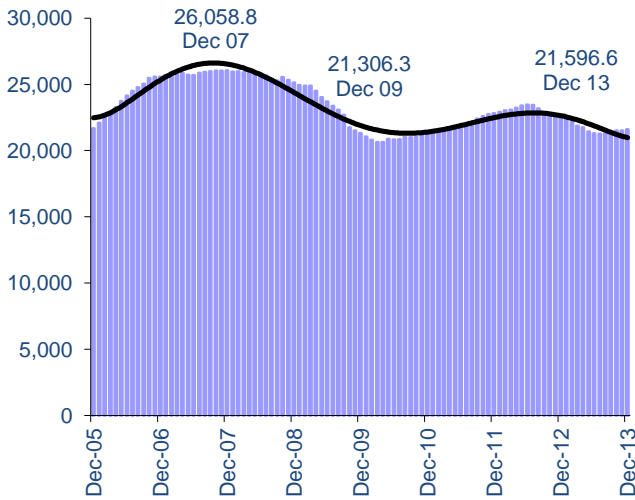
The figures also suggest that in 2013 remittances were more dispersed among different states, in relation to previous years.

Table 1
Remittances by state, 2013
(Million dollars & annual % change)

State	Millions (US\$)	Annual % change ('12-'13)
Aguascalientes	342.5	2.9% ▲
Baja California	542.6	16.7% ▲
Baja California Sur	41.2	-0.3% ▼
Campeche	55.1	-1.0% ▼
Chiapas	535.0	-6.6% ▼
Chihuahua	457.0	-2.1% ▼
Coahuila	281.7	-0.6% ▼
Colima	175.3	-2.7% ▼
Distrito Federal	750.4	-26.0% ▼
Durango	432.4	0.3% ▲
Edo. de México	1,446.1	-7.5% ▼
Guanajuato	2,049.3	-4.2% ▼
Guerrero	1,217.2	-1.1% ▼
Hidalgo	674.7	-6.5% ▼
Jalisco	1,800.7	-4.4% ▼
Michoacán	2,158.3	-2.3% ▼
Morelos	529.7	-5.6% ▼
Nayarit	330.6	-2.6% ▼
Nuevo León	345.2	1.5% ▲
Oaxaca	1,255.5	-8.1% ▼
Puebla	1,393.8	-0.7% ▼
Querétaro	363.2	-4.1% ▼
Quintana Roo	99.4	6.5% ▲
San Luis Potosí	733.1	-0.8% ▼
Sinaloa	479.8	-4.3% ▼
Sonora	324.7	-0.6% ▼
Tabasco	110.9	-0.3% ▼
Tamaulipas	585.0	20.5% ▲
Tlaxcala	227.5	-10.2% ▼
Veracruz	1,064.1	-9.5% ▼
Yucatán	123.1	3.3% ▲
Zacatecas	671.4	2.6% ▲
TOTAL	21,596.6	-3.8%

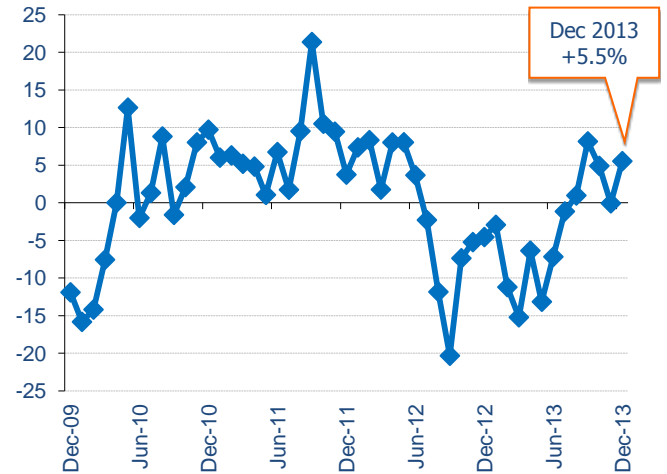
Source: BBVA Research with Banxico figures.

Chart 1
Accumulated 12-month Remittance Inflows to Mexico (Million dollars)



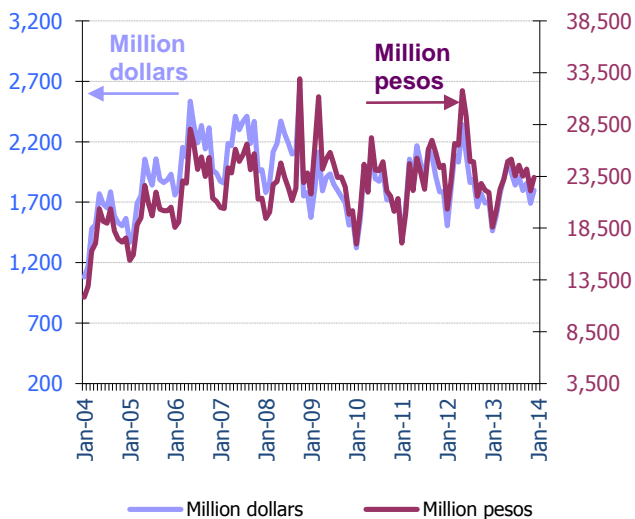
Source: BBVA Research with Banxico figures.

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



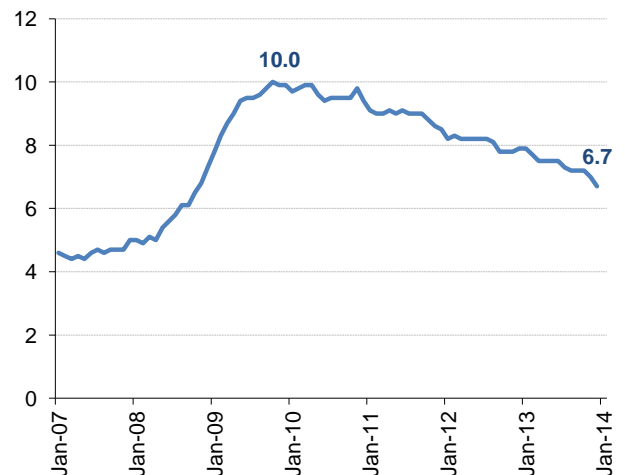
Source: BBVA Research with Banxico figures.

Chart 3
Monthly remittances inflow to Mexico (Dollars and pesos)



Source: BBVA Research with Banxico and INEGI figures.

Chart 4
U.S.: Average unemployment rate (%)



Source: BBVA Research with US Bureau of Labor Statistics data.
 Note: Seasonally Adjusted

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