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## **Business Opportunities**

# Special Report

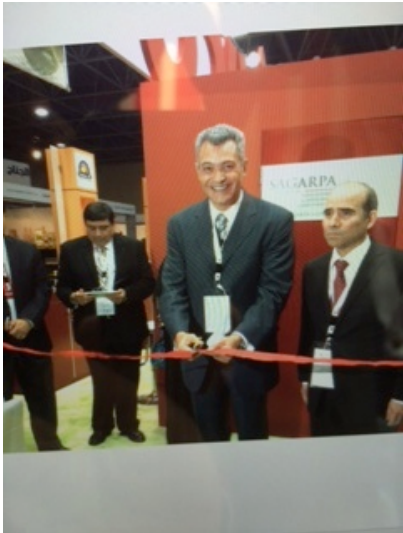
## Saudi Arabia, a market with big opportunities for Mexican food products

*By: Arturo Trejo, Ambassador of Mexico in Saudi Arabia*

On November 17, I had the honor to inaugurate the successful Mexican Pavilion at the Agro Food Fair Foodex Saudi, which was celebrating its second consecutive edition in the city of Jeddah, Saudi Arabia. This fair is the most important one in its type in the Kingdom and one of the most relevant organized in the Cooperation Council for the Countries of the Arab Gulf (GCC), since Saudi Arabia represents nearly 64% of the food market in this group. The region has a population of 50 million habitants and one of the highest incomes per capita in the world. It is remarkable that Saudi Arabia and the Gulf countries are top importers of food, since they import over 80% of what they consume.

With the purpose of promoting the Gulf market as a destination for Mexican exports, the Secretariat of Agriculture, Livestock, Rural Development, Fishing and Food (SAGARPA), along with the Mexican Embassy, supported the participation of 10 small and medium Mexican enterprises involved in food production, so they could exhibit their products, all of them having a great demand in the Saudi market. The Mexican pavilion was one on the largest and innovative regarding its presentation and food products. The participants exhibited a great variety of products that included agave syrup, avocado oil, seeds and legumes, mainly beans, chickpeas and sesame seed: coffee, sugar syrup, chills and sauces, as well as organic honey from different Mexican regions.

During the exhibition, which concurrence reached 15 thousand visitors, the Mexican Pavilion received the attendance of representatives form the main importers, as well as representatives from the most important self service stores in the Saudi Kingdom, such as Danube, Carrefour Saudi, Manuel and Tamimi Market among others



# Special Report

I wish to declare that by the closure of the commercial exhibition and according to SAGARPA, in general, all exhibited products raised great interest and acceptance, allowing in some cases the closure of commercial operations and purchase agreements, especially with honey, coffee, agave honey and hot sauces. Also, different producers were invited in order to exhibit their products in special shelves dedicated to Mexico in some supermarket through 2015. After all, the participation in the Fair was positive, as well as an excellent opportunity to establish new contacts and expand the access of Mexican products to the Saudi market.



According to information in the business section in the Saudi Gazette, the volume of the food products market in Saudi Arabia will have an annual increase of 5% in 2014. Being the main food consumer in the Gulf region, agro food imports in Saudi Arabia represent 15% of the total imports, which represent a total amount of 17,500 million dollars each year. In this context, Saudi Arabia is a very attractive country for Mexican companies looking to expand the presence of their products in this region of the world, so I urge Mexican producers to visit and participate in future edition of this and other trade events in Saudi Arabia and the remaining Gulf countries.



*Photos courtesy of the Embassy of Mexico in Saudi Arabia.*

# Automobile production increases 11.4%

*December 8, 2014.* The national automobile industry reported new numbers for production and exports, where manufacturing of light vehicles surpassed 3 million units and the national sales improved from the 2008 crisis, reaching one million units. According to the President of the Mexican Association of the Automobile Industry, Eduardo Solís Sánchez, the manufacturing of vehicles in November grew 11.4% compared to the same period of 2013. Also, exports grew 5.8%, with a total amount of 237,923 units.



He detailed that the sales of SUV automobiles is increasing, with 17% more. On the other hand, sales of light trucks were less than in previous months, going from 4% to 1.8%.

The increase was a result of a stronger local market, a larger utility margin for distributors and manufacturers. The manager highlighted the favorable conditions for the Mexican market.

*Source: El Economista*

## Santander announces investment of 15 billion dollars in Mexico

*December 9, 2014.* Santander Group announced an additional investment of 15 billion dollars for the next four years in México, from which 10 billion dollars will be designated for modernizing infrastructure and the rest to increase the funding of medium and small enterprises.

Ana Patricia Botín, President of Santander Group, explained that the Bank is confident about Mexico's stability, so they will continue investing, since the country has the necessary conditions for national and foreign investments to keep flowing. Also, she announced a fund of 945 million dollars, in order to support young entrepreneurs still studying their university degree. The money will be used in education projects for the next four years: 40% for scholarships, 30% for investigation and 30% for academic projects related to new technologies. She declared that the money is not enough, since supporting young talent is everybody's task. This will assure the economic and social development of the country, she concluded.

*Source: El Universal*



# GM will invest 5 billion dollars in Mexico

*December 11, 2014.* The American vehicle manufacturer, General Motors will invest more than 5 billion dollars in Mexico in order to double its production capacity in the country for 2018, said authorities. General Motors is the biggest exporter of vehicles in the country and already has 4 manufacturing plants.

In 2013, the company produced in Mexico 645,823 units. Between January and November of 2014, the production reached 635,252 light vehicles, most of them exported to the United States. In recent years, Mexico has strengthened its position as manufacturing hub for the automobile sector.

Mexico has received more than 19 billion dollars in investments in the automobile sector, since the beginning of President Peña Nieto administration, in 2012.



*Source: Excélsior*

## PWC sees positive factors for investments in Mexico for 2015

*December 16, 2014.* Despite the low oil prices and the exchange rate, specialists affirm that there is a good forecast for investments in 2015. This in the sense that they are defined in the long term, considering positive factors such as the young population, geographic location, capacity and capacitation in manufacturing, and incentives for investments in sectors such as manufacturing and automobile.

There are appealing factors for foreign countries, mainly for energy and automobile industries, in order to supply the American market. Countries such as Norway and Sweden have shown its interest in the country, declared Carlos Montemayor, leader partner in Global Human Resources, while presenting the report *Doing Business in Mexico 2015*.

In some areas that have improved, Pedro Carreón, leader partner in Analysis and Strategy for Fiscal Policy, highlighted the low rate of company taxes, especially were rates were lower than 5%. For long term investments, negative factors wont be an obstacle. Montemayor highlighted that the effects of reforms have started to be perceived in some regions and sectors in the country.

While presenting the report "Information guide for doing business in Mexico 2015", PwC forecasted that if in 4 or 5 years the country reaches high growth rates in a sustainable fashion, Mexico could become one of the main economies in the world.

*Source: El Economista*

# CULTURE

## *Tree of life*



A Tree of Life is a sculpture made for clay commonly manufactured by artisans in the center part of Mexico, mainly in Metepec, Mexico. The images represented in the sculpture were mainly used in the colonial age in order to speak about the creation according to the Catholic religion. The elaboration of clay sculptures with tree forms began in Puebla. It is believed that the tradition dictates trees must represent certain biblical passages, such as the history of Adam and Eve, but nowadays some trees are elaborated with topics not related to the Bible.



The most traditional Tree contains a series of important images. In the superior part, there is an image of God, below the tree there are things related to the creation of the universe. Some characteristic images are the moon and the sun, Adam and Eve, animals, flowers and fruits. Also, the snake is represented in the lower part, as well as Angels. In general, the sculpture looks like a chandelier.

The festival will highlight not only the food, music and dance of both countries, but also dishes of mixed influence. In addition to promote the culture of Lebanon, the festival will celebrate the gastronomy and traditions of Mexico. The state of Puebla was invited as the national guest of honor, and its local traditions and dishes will be exhibited in the festival. Trees are mostly made with decorative purposes.

They are made from cooked clay in gas ovens on low temperatures and its making can last up to 3 months. The biggest one can take years of making. Most of the craftsmen that do them, have learned the process from their grandparents, turning this into a tradition passed from generation to generation.

In recent years, there have appeared variations of this craft. Most of them have only one subject but it is common to find those related to life and death, and the relation of the men with the natural world. Some trees even represent the history of a place or a historic event.

Mexican Trees of Life have been exhibited in countries such as the United States, Canada or the United Kingdom. Craftsmen receive orders from people from China, Japan, France, Italy or Germany interested in buying one.

Each year, an award to the best Tree of Life is given to the best craftsman, in order to preserve and promote this tradition.



# Mexico registers the largest export increase in Latin America

*December 16, 2014.* According to a study by the Inter American Development Bank (IDB) Mexico's exports registered the highest growth in dollars, compared to any other country in Latin America during 2014. Also, it grew more than the world's average.



Mexico exported 397 billion dollars, which represented an increase of 5% or 17.8 billion dollars more than in 2013, according to the Trade Tendencies in Latin America from the IDB. The increase in Mexico's exports was the most relevant, since this economy represent 40% of the region's total sales.

The report highlighted that the growth was promoted by a 6% increase in the sales to United States, which represent 80% of the market of Mexican exports. Mexico's non oil exports grew 7%, pushed by manufactures, especially of the automobile sector.

*Source: El Financiero*

## SCT highlights investment of 1.5 billion dollars in ports

*December 25, 2014.* For the last two years, Mexican government has invested 1.6 billion dollars in infrastructure for sea ports. According to the Secretariat of Communications and Transportation (SCT), of the total of the applied resources for this subject, 45% came from the public sector and 55% from the private one.

The main objective of this is to take advantage of Mexico's geographical position in order to become an modern logistic hub and a main actor in world trade. In order to reach these goals, SCT declared that diverse tasks have been undertakes, such as developing projects in ports in Veracruz, Manzanillo, Tuxpan, Topolobampo, Guaymas and Progreso. They highlighted that due to its relevance and relation with the energy reform, ports in Matamoros, Ciudad del Carmen, Seybaplaya and Altamira are also of main importance.



In each port, some measures are being applied in order to promote, innovate and build bigger and better terminals in order to reach the capacity goal of 500 million tons in installed load.

*Source: Excelsior*

# Foreign currencies in Mexico grow 17% due to tourism

*December 29, 2014.* The foreign exchange earnings from tourists grew 16.7% from January to October in 2014 compared to the same period in 2013, representing an uptake of 13%, 134 million dollars, said the Secretariat of Tourism (SECTUR).

The agency noted that according to the latest report from the Bank of Mexico (Banxico), the flow of international tourists reached 23.2 million people, higher by 18.6% compared to the same period of 2013. In a statement explained that visitor arrivals by air, increased 10 %, from 9.9 to 10.9 million tourists.

Meanwhile, average spending by tourists stood at \$ 949.1, a figure 10.1% higher than that achieved in the same period last year. SECTUR declared that the flow of border tourism increased 31.7%.

Finally, it added that in the first ten months of this year the flow of arrivals on cruises increased 27.3%, from 3.5 million in 2013 to 4,500,000 this year.

*Source: Notimex*

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# Mexico improves its global classification for doing business

*December 30, 2014.* The Confederation of Customs Brokers Associations of Mexico (CAAAREM) estimated an approximate 7% growth in the value of foreign trade of Mexico 2015. In a statement, the agency reported that during the first 10 months of 2014 the value of foreign trade of Mexico was 663.803 million dollars and is expected to increase 5% at the end of the year, compared to 2013. For 2015 and 2016 the growth rate will be 7%.

The council president, Victor Ranges Luna, noted that in this scenario CAAAREM union members will be challenged to maintain a high quality control in the management and distribution of goods entering and leaving the country. He said that according to the National Institute of Geography and Statistics (INEGI), in the first nine months of 2014 total Mexican exports reached an amount of 294,000 million, of which 261,600 million dollars went to countries in America, and the rest went to Europe, Asia, Africa and Oceania. Ranges Luna said that every year, customs agents collaborate in conducting eight million Mexican customs operations, and while the national foreign trade remains at this rate, it will have to implement schemes works to help level trade growth.

He also declared that imports to Mexico, from January to September 2014, had a value of \$ 295 billion dollars of which 164.350 million came from American nations. Meanwhile, does which arrived from Europe and Asia reached 92 million dollars and 36 million dollars.

*Source: Notimex*



# Business Opportunities

## Mexican companies looking for distributors / importers

If you need further information about Mexican companies do not hesitate contacting the  
**Arab-Mexican Chamber of Industry & Commerce**

Dante 36-901, Col. Anzures, Mexico City, Tel. +52 (55) 52 55 46 22 / 52 55 07 23, Fax +52 (55) 52 55 04 29

E-mail: [info@camic.org](mailto:info@camic.org) Website: [www.camic.org](http://www.camic.org)

### **COMERCIALIZADORA INTEGRAL DE BELLEZA S.A. DE C.V.**

Product: Personal care products, make up

Tel. +52 55 55 84 68 58  
Fax. +52 55 55 25 76 46

Website: [www.cosmetobellezaim.com](http://www.cosmetobellezaim.com)  
Email: [exportaa\\_mx@yahoo.com.mx](mailto:exportaa_mx@yahoo.com.mx)

### **COMSA SEGURIDAD INTEGRAL S.A. DE C.V.**

Products: Emergency cars

Tel. +52 55 33 30 83 33  
Fax. +52 55 33 30 75 00

Website: [www.comsa.com.mx](http://www.comsa.com.mx)  
Email: [jmendez@comsa.com.mx](mailto:jmendez@comsa.com.mx)

### **CONDUMEX S.A. DE C.V.**

Products: electric conductors

Tel. +52 55 53 28 33 40  
Fax. +52 55 53 28 33 46

Website: [www.condumex.com.mx](http://www.condumex.com.mx)  
Email: [rtena@condumex.com.mx](mailto:rtena@condumex.com.mx)

### **CONSORCIO DE EXPORTACION VETERINARIO VETMEX S.A. DE C.V.**

Products: Medicines for veterinary use

Tel. +52 33 38 13 05 19

Website: [www.vetmex.com.mx](http://www.vetmex.com.mx)  
Email: [exportmanager@vetmex.com.mx](mailto:exportmanager@vetmex.com.mx)

### **FOMENTO COMERCIAL RDY S.A. DE C.V.**

Products: Confectionery

Tel. +52 777 320 22 15  
Fax.

Email. [rodot@rdygroup.com](mailto:rodot@rdygroup.com)

### **GRUPO GYLSA S.A. DE C.V.**

Product: Pharmaceutical products

Tel. +52 55 56 11 45 65  
Fax. +52 55 53 84 21 93

Website: [www.gylsa.com.mx](http://www.gylsa.com.mx)  
Email. [marcotulio@gylsa.com.mx](mailto:marcotulio@gylsa.com.mx)

### **JR INVENT S.A. DE C.V.**

Products: Electrical appliances

Tel. +52 55 52 71 73 56

Website: [www.grupoadapta.com.mx](http://www.grupoadapta.com.mx)  
Email. [juan@grupoadapta.com.mx](mailto:juan@grupoadapta.com.mx)

### **LABORATORIOS CARNOT S.A. DE C.V.**

Product: Pharmaceutical products

Tel. +52 55 54 88 70 00  
Fax. +52 55 55 75 76 98

Website: [www.carnot.com](http://www.carnot.com)  
Email. [iclastra@carnot.com](mailto:iclastra@carnot.com)

### **LABORATORIOS GRIFFITH DE MÉXICO S.A. DE C.V.**

Product: Processed food

Tel. +52 81 83 80 44 23  
Fax. +52 81 83 80 40 44

Website: [www.griffithlaboratories.com](http://www.griffithlaboratories.com)  
Email. [adelacruz@griffithlaboratories.com](mailto:adelacruz@griffithlaboratories.com)

### **LABORATORIOS LE ROY S.A DE C.V.**

Products: Pharmaceutical goods

Tel. +52 55 50 10 91 00  
Fax. +52 55 50 10 91 89

Website: [www.leroy.com.mx](http://www.leroy.com.mx)  
Email. [jigarcia@leroy.com.mx](mailto:jigarcia@leroy.com.mx)

### **MOSAICOS VENECIANOS S.A DE C.V.**

Products: Decorative tiles

Tel. +52 777 3 20 21 60  
Fax. +52 777 3 20 19 26

Website: [www.mosaicosvenecianos.com](http://www.mosaicosvenecianos.com)  
Email. [guajardo@kolorines.com.mx](mailto:guajardo@kolorines.com.mx)

### **NH MERCADO GLOBAL S.A DE C.V.**

Products: Pepper

Tel. +52 228 8 18 20 09  
Fax. +52 228 8 18 20 09

Website: [www.nhmercado.com](http://www.nhmercado.com)  
Email. [mercext@xal.megared.net.mx](mailto:mercext@xal.megared.net.mx)

### **OCULUS TECHNOLOGIES OF MEXICO S.A DE C.V.**

Products: Pharmaceutical goods

Tel. +52 33 38 33 67 22  
Fax. +52 33 38 33 67 22

Website: [www.oculus.com.mx](http://www.oculus.com.mx)  
Email. [egaribay@oculus.com.mx](mailto:egaribay@oculus.com.mx)

### **PERSONNA INTERNATIONAL DE MEXICO S.A DE C.V.**

Products: Pharmaceutical goods

Tel. +52 55 50 10 91 00  
Fax. +52 55 50 10 91 89

Website: [www.leroy.com.mx](http://www.leroy.com.mx)  
Email. [jigarcia@leroy.com.mx](mailto:jigarcia@leroy.com.mx)

### **PLANTAS MEXICANAS DE EXPORTACION S.A DE C.V.**

Products: Fruits, plants and seeds

Tel. +52 244 4 44 19 38

Website: [www.plantamex.com.mx](http://www.plantamex.com.mx)  
Email: [luzma@plantamex.mx](mailto:luzma@plantamex.mx)