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**President Calderon's Fourth State of the Union Address**

Mexican President Felipe Calderon submitted his fourth State of the Union Address to Congress on September 1, 2010. The report presents the actions taken and results obtained by his administration in the previous year. Of special importance were the relevant measures taken for the fostering of economic competitiveness and job creation along with economic and regulatory reforms.

With regards to improving the regulatory framework, several measures have been implemented to ease trade, making it simpler and encouraging a various range of imports. Likewise, agricultural, livestock, and the use of other norms have also been modified to simplify the authorization of certificates of origin as well as the electronic validation of authorizations for the exporting of goods. These measures are aimed at enhancing the productivity and competitiveness of the Mexican economy.

Similarly, infrastructure improvement has showed a strong progress in the areas of communication, transportation, energy, water, the environment and tourism because they are crucial for the reinforcement of national economic competitiveness. Mexico has vowed to persevere in its infrastructure program which is the largest plan in its history thus far. Thereby, a 24% increase in public and private investment for the communications and transportation sectors is expected for the current year. The ultimate goal is to guarantee the access, efficiency and coverage of these sectors so that they contribute to the seizure of comparative advantages that Mexico has to offer. Mexico has invested heavily in expanding and upgrading ports, airports, rails, highways and border infrastructure. In the energy sector, Mexico continues to enhance both renewable alternatives and hydrocarbon capabilities to reassure the reliability, quality and competitive pricing of energy.



The Mexican government has also provided record-high credit support to Small and Medium Enterprises (SMEs) in the past four years. Moreover, a package of federal government purchases has been implemented solely for the benefit of SMEs due to their great job creation potential.

As a result of the sound economic policies implemented by Mexico in particularly difficult times, the report highlights a quarterly GDP growth of 4.3%

**Trade Highlights**

Continues on page 2

**NAFTA Trade**

**US imports from Mexico. Selected Products**

	Jul 2010		Jan-Jul 2010			
	Value	Share	Annual	Value	Share	Annual
<b>US imports from</b>			change			change
<b>Mexico</b>	18.4	11.2	31.0	128.8	12.0	37.2
<b>Canada</b>	21.1	12.9	12.5	159.9	15.0	29.3
<b>Mexico's imports from</b>						
<b>US</b>	11.2	46.2	22.5	80.2	48.6	34.1
<b>Canada</b>	0.7	2.9	8.9	4.74	2.9	22.4
<b>Canada's imports from</b>						
<b>Mexico</b>	1.5	4.8	28.1	11.7	5.3	60.5
<b>US</b>	15.6	49.0	20.0	113.7	51.5	25.6
<b>Trilateral Trade</b>	<b>68.6</b>	<b>31.1</b>	<b>20.7</b>	<b>499.2</b>	<b>34.3</b>	<b>31.6</b>

	Jul 2010			Jan-Jul 2010		
	Value	Share	Annual	Value	Share	Annual
			change			change
<b>Crude Oil</b>	2.6	11.8	48.2	16.6	11.3	44.7
<b>Autos</b>	1.0	11.3	33.9	7.9	12.5	80.5
<b>Auto parts</b>	2.2	29.4	55.9	16.7	31.6	79.8
<b>A T P*</b>	4.2	13.6	20.8	26.6	13.7	24.7
<b>Opto-Electronics</b>	1.1	51.4	-3.5	7.3	55.6	8.1
<b>Information &amp; Communications</b>	2.5	14.1	35.7	16.0	14.1	35.8
<b>Life Science</b>	0.3	7.5	11.3	1.8	7.6	13.0

Source: US Census Bureau, Statistics Canada and BANXICO

Value = US billion dollar

\*Advanced Technology Products, US Census Bureau, Foreign Trade Division



and 7.6% in the first two quarters of 2010, an increase of 36% in exports and a total of \$12 billion received through Foreign Direct Investment (FDI) for the first half of the year. Furthermore, Mexico's market share on U.S. imports rose to 12.3%, which is the most significant increase in over a decade.

With regards to the North American competitiveness agenda, in the framework of the Free Trade Commission meeting held in Dallas, Texas, on October 19, 2009 the three NAFTA partners reached a commitment to promote regulatory cooperation in order to facilitate the free flow of goods, services and capital by means of modern and efficient borders. Moreover, during President Calderon's state visit to the U.S. last May agreements were drawn with regard to regulatory cooperation, customs cooperation and 21st Century border management, among other important issues in the bilateral trade relationship concerning the full implementation and enforcement of each country's commitments under NAFTA.

The report also underlined achievements reached by the export sector. In the first semester of 2010, Mexican textiles exported to global markets grew 8%, the automotive industry experienced an impressive growth of 79% in production and 83% in exports, and electronic equipment registered an 18% increase in its exports. Meanwhile, exports in Mexico's electric sector grew by 34%; whereas of aerospace exports rose by 68% - the highest figure in 10 years. The mining industry in Mexico became the fourth in the world to attract FDI.

Overall, President Calderon's Fourth State of the Union Address highlighted the most crucial progress in Mexico's trade sectors with a special emphasis on the areas of improvement. It is expected that the same tendencies carry out throughout the rest of the year in order for the Mexican economy to continue evolving into a stronger and more competitive force in the international markets.

### Mexico's Timeless Textiles Conquering the World

As a result of the world's textile industry experiencing a substantial increase in competition throughout the last decade, Mexico has been strongly determined to fight back for the global markets. In order to achieve classic status and redesign the pattern of the industry, Mexico has taken advantage of its creativity. It has many significant advantages that it has fully benefited from, such as its geographic proximity to the United States, the largest textile market in the world. Mexico's moment of opportunity is here, now is the time when the industry can redesign itself to become a classic staple in everyone's wardrobe.

Mexico is "dressed to impress" with a full package production approach. The first approach is to produce a timeless industry, which is where the new full package production design comes into play. A contractor is then able to carry out all the steps necessary for the production of a design and the distribution of finished products by coordinating purchases with design firms. Redesigning the structure of the industry will ensure and enhance Mexican businesses ability to create an industry movement to use Mexican textiles.

What sets Mexico apart from other country's textiles is the comparative advantage in full package production. The geographic proximity to the United States makes Mexico capable of having a rapid response to demands and a timely delivery which other countries cannot compete with. Additionally, Mexico has invested on a much more skilled work force, thus increasing the appeal for companies to invest in the country. The textile industry currently employees around 130,000 people and the apparel industry generates approximately 400,000 direct jobs.

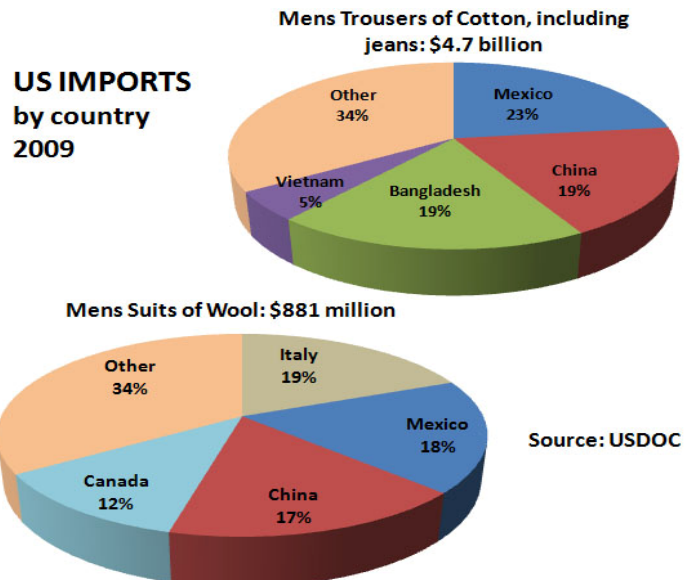
There is also the advantage of having the textile industry organized in clusters, which makes it easier to find a wider variety of inputs, skilled labor force, homogenous infrastructure, better logistics, cheaper transportation, and more customers. These clusters are mainly located in the states of Aguascalientes, Puebla, Estado de Mexico, Guanajuato, Yucatán, Sonora, Chihuahua, Coahuila, Durango, Tamaulipas, and Baja California.

This is also a critical time for North American integration. As Mexico is changing its approach to textiles, there is opportunity to further integrate and the United States is a vital component of the region's success. An example of a regional action to increase competitiveness was the implementation of the DR-CAFTA textile accumulation provisions of 2008. The agreement allows textile products originating in Mexico to be used to manufacture woven apparel in Central America and the Dominican Republic, and then export it to the US duty-free. The CAFTA agreement has boosted sales of Mexican denim, certain cotton, and wool apparel to the region.

Mexico has successfully upgraded its blue jeans industry from maquiladora to full package production, making manufacturers responsible for final assembly of blue jeans in addition to the upstream of logistics function and procurement of necessary inputs. Mexican companies are already designing their success, especially since Mexico became the second provider of wool suits in the United States, which shows the quality of Mexican wool. The US is the largest market for Mexican wool suits for men, accounting for nearly 90%, but also other demanding markets such as Canada and Italy are buying more of these suits from Mexico. This is exciting for Mexico as Italian brands which are known internationally for their suits would only buy the best quality. The wool used by prestigious brands showcases how the new design of the industry is helping Mexican companies to access these markets.

By weaving a stronger North American textile industry, Mexico will be able to enter new international showrooms because the industry encourages diversification, upgrading and innovating. US firms have an incentive to invest more in Mexico's textile industry to reduce the manufacturing operations in their business plan to focus on design and marketing.

The Mexican textile industry is not about only redesigning trendy garments but also classic ones. This is more important because they never go out of style. Thus, Mexico will never be out of style as the textile industry has sewn itself into the most vital fashion markets in the world.





**MÉXICO  
2010**

Bicentenario  
Independencia Centenario  
Revolución

**GOBIERNO  
FEDERAL**



Throughout 2010, Mexico will be celebrating both the Bicentennial of its Independence and the Centennial of its Revolution with a series of exciting events in several cities around the U.S. Through this celebration, Mexico will share its heritage and vibrant contemporary culture.

To find out more about these upcoming events in some of the main U.S. cities, please visit:

Washington DC: <http://portal.sre.gob.mx/imw/>

Chicago: [www.mexico2010inchicago.com](http://www.mexico2010inchicago.com)

Dallas: <http://portal.sre.gob.mx/dallas/>

Denver: <http://portal.sre.gob.mx/denver/>

Houston: <http://portal.sre.gob.mx/houston/>

Los Angeles: <http://sre.gob.mx/losangeles/>

Miami: <http://portal.sre.gob.mx/miami/>

San Antonio: <http://portal.sre.gob.mx/sanantonio/>

San Francisco: [www.mexico2010sf.com/](http://www.mexico2010sf.com/)

## NAFTA Related Events

### Semana Nacional PYME 2010

November 1<sup>st</sup> – 5<sup>th</sup>, 2010

Event designed for entrepreneurs and SME's, offering solutions to enhance their productivity.

**Location:** Centro Banamex, Mexico City

**Phone:** 52 (55) 5268 2000

**Email:** [servicio@institutopyme.org](mailto:servicio@institutopyme.org)

**Website:** <http://www.semanapyme.gob.mx/2010/web/home.html>

### Expo En Verde Ser 2010

November 5<sup>th</sup> – 7<sup>th</sup>, 2010

Event related to ecologically friendly products and services.

**Location:** World Trade Center, Mexico City

**Phone:** 52 (55) 9157 1164

**Email:** [marcela.altamirano@gcu.com.mx](mailto:marcela.altamirano@gcu.com.mx)

**Website:** [www.expoenverdeser.com.mx](http://www.expoenverdeser.com.mx)

### ANPIC Edición Bicentenario

November 11<sup>th</sup> - 14<sup>th</sup>, 2010

International trade show featuring suppliers for the footwear and leather goods industries.

**Location:** Poliforum, Leon. Guanajuato, Mexico.

**Phone:** 52 (47) 7710 7200

**Email:** [kdiaz@anpic.com](mailto:kdiaz@anpic.com)

**Website:** [http://www.anpic.com/sitio/esp/eventos\\_anpic2010bc\\_evento.html](http://www.anpic.com/sitio/esp/eventos_anpic2010bc_evento.html)

### Expo Licensing Latinoamérica

November 17<sup>th</sup> – 18<sup>th</sup>, 2010

Fair to showcase the latest trends in licensing and trademarks.

**Location:** Centro Banamex, Mexico City.

**Phone:** 52 (55) 5557 7734

**Email:** [palvarado@comunicacionintegral.com.mx](mailto:palvarado@comunicacionintegral.com.mx)

**Website:** <http://www.licensingmexico.com>

### Expo Transporte 2010

November 17<sup>th</sup> – 19<sup>th</sup>, 2010

Exhibition of heavy vehicles' manufacturers and suppliers

**Location:** Expo Guadalajara. Guadalajara, Jalisco.

**Phone:** 52 (55) 5254-1654

**Email:** [info@barreraynoqueira.com.mx](mailto:info@barreraynoqueira.com.mx)

**Website:** <http://www.expotransporteanpact.com.mx/>

### Salón de Franquicia

November 18<sup>th</sup> – 20<sup>th</sup>, 2010

Exposition to develop future business in the franchising market

**Location:** Centro Banamex, Mexico City

**Phone:** 52 (55) 5559 8202

**Email:** [info@elsalondelasfranquicias.com](mailto:info@elsalondelasfranquicias.com)

**Website:** <http://www.elsalondelasfranquicias.com/>

### Feria Óptica Internacional

November 19<sup>th</sup> - 21<sup>st</sup>, 2010

Business expo and conference regarding the optical sector

**Location:** Centro Banamex, Mexico City

**Phone:** (52) 55 5341 8184

**Email:** [asoptico@prodivy.net.mx](mailto:asoptico@prodivy.net.mx)

**Website:** [www.feriaopticamexico.com](http://www.feriaopticamexico.com)

## DIARIO OFICIAL NOTICES

- Resolution that accepts and declares the initiation of the antidumping investigation on imports of graphite electrodes for electric arc furnace originating from China, regardless of the shipping country (Mexican tariff item 8545.11.01). September 1<sup>st</sup>.
- Clarification of the preliminary resolution of the anti-dumping investigation on imports of seamless steel line pipe, originating from China, regardless of the shipping country (Mexican tariff items 7304.19.02, 7304.19.99, 7304.39.06 7304.39.99). September 2<sup>nd</sup>.
- Notice of ex officio initiation of the sunset review and the countervailing duty order review imposed on imports of hydraulic bottle jacks, from 1.5 to 20 tons load capacity, originating from China, regardless of the shipping country (Mexican tariff item 8425.42.02). September 3<sup>rd</sup>.
- Notice establishing the Ministry of Health's guidelines to recognize the equivalence of foreign requirements, conformity assessment procedures or other measures with the procedures issued by the Mexican Health Law and regulations in order to obtain the sanitary registration for health related drugs and materials. September 3<sup>rd</sup>.
- Catalog of tariff items classifying equipment and appliances subject to energy consumption labeling requirements. September 10<sup>th</sup>.
- Supplement to the National Standardization Program 2010. September 13<sup>th</sup>.
- Decree enacting the amendments to the FTA between Mexico and Nicaragua, signed on June 30, 2009. September 23<sup>rd</sup>.
- Amendments to the Mexican Tariff Schedule, the decree that establishes several sectoral promotion programs, the duty rates applicable at the border zone, and the preferential duty rates for originating goods from some FTA's members. September 23<sup>rd</sup>.
- Resolution amending the General Rules and Criteria for Foreign Trade issued by the Ministry of Economy. September 23<sup>rd</sup>.
- Decree modifying procedures applied by the Ministry of Economy. September 28<sup>th</sup>.
- Notice that formally declares the municipalities of Apodaca and General Escobedo in the State of Nuevo León as Anastrepha fruit fly free territories. September 28<sup>th</sup>.

### Mexican Official Standards

- NOM-007-SCT2/2010, marking of packaging and containers used for the transport of substances and hazardous wastes. September 6<sup>th</sup>.
- Draft PROY-NOM-028-ENER-2010, energy efficiency of lamps for general use. Limits and test methods. September 9<sup>th</sup>.
- NOM-243-SSA1-2010, provisions, sanitary specifications and test methods for milk, dairy formula, and dairy products. September 27<sup>th</sup>.
- Abolishment of NOM-018-ZOO-1994, veterinarians approved as verification units authorized to offer official zoosanitary services. September 28<sup>th</sup>.
- Abolishment of NOM-018-SCT4-1995, specifications for the transportation of acids and alkalis in specialized cargo vessels and NOM-015-SCT4-1994, water and hydrocarbon separators. Requirements and specifications. September 29<sup>th</sup>.
- NOM-035-SCT-2-2010, trailers and semi-trailers. Security specifications and test methods. September 30<sup>th</sup>.





## Success Stories

### Volkswagen will Build a Engine Plant in Mexico

Volkswagen, Europe's largest carmaker, will build a \$550-million engine plant in Silao, Guanajuato as part of its plan for long-term expansion in North America. The plant will produce 330,000 engines a year for cars built in Puebla, Mexico and Chattanooga, TN, beginning operations in 2013. Volkswagen plans to sell 1 million automobiles annually in the U.S. by 2018. The company chose Silao, where General Motors builds vehicles, because the area has suppliers and a workforce experienced in autos, which fits well into its strategy for acquiring the most of the parts to build the motors from providers in the region.

### Mexico's Chedraui Buys Fiesta Foods in Los Angeles

Grupo Comercial Chedraui, the fourth supermarket chain in Mexico based in Veracruz, acquired 11 Fiesta Foods stores from the companies Fiesta Mexicana Market and Fiesta Warehouse in California, to continue its expansion in southwestern United States. The operation included the equipment operation, lease rights of the eleven stores, as well as a distribution center. Chedraui will finance the purchase with debt and transaction flows of its US subsidiary, Bodega Latina. Chedraui, which has 142 stores in central and southern Mexico, has already exceeded its goal of operating 26 additional stores at the end of the year; it was on track to add 34 stores by the end of 2010.

### Nestlé Announces Investment in Coffee Projects

Nestlé announced an investment for \$486 million in several coffee-related projects by 2020 in Mexico. This project entitled El Plan Nescafe encompasses several commitments related to coffee crop growing, production and consumption. Within the next five years, Nestlé will double the amount of coffee purchased for their Nescafe brand from Mexican farmers and associations, aiming to purchase 180,000 tons of coffee from around 170,000 farmers every year.

### Mubea Invests in a Second Manufacturing Plant in Mexico

With a \$20 million investment, the German company Mubea Group, inaugurated the industrial building in Ramos Arizpe, Coahuila, where by the end of 2010 they will begin producing suspension coil springs for the automotive industry, thus employing 50 workers, in addition to the 200 jobs they already generate in their plant located in the same city. This building is located in an 80,000 m<sup>2</sup> surface, where they are planning to build a third plant by 2015. In their first plant, Mubea produces 90 million valve springs and 150 million hose clamps in five production lines.

## Selected Readings

### Handbook on Trade and Environment

Author: various, edited by Kevin P. Gallagher, GDAE's Tufts University.

The related crises associated with global finance, energy, climate change, and food have brought new urgency to debates over international trade and sustainable development. Increasingly, policy-makers, advocates and academics are looking for solutions to these crises that allow the economy to prosper without triggering undue environmental degradation.

<http://www.ase.tufts.edu/gdae/Pubs/rp/TradeEnviron.html>

### Infrastructure Projects in Mexico

#### Benlesa IV Biogas Power Plant

**Sponsor:** SEISA

**Location:** Monterrey, Nuevo Leon

**Project Value:** \$5 million

Benlesa is the first large-scale waste-to-energy plant in Mexico and Latin America. It generates enough power to meet the energy demands of Monterrey's subway system, as well as 40% of the public lighting in the metro area of Mexico's third largest city. The project will increase Benlesa generation capacity by 3 MW, reaching a total of 20 MW. The power plant processes waste accumulated in a 23 million ton landfill, in order to produce biogas from organic solid waste, which is then captured and used to generate electricity.

**Business opportunities:** engines, transformers, landfill gas collecting systems, electrical installation, civil and mechanical work.

#### Morelia-Salamanca Highway

**Sponsor:** Ministry of Communications and Transport (SCT)

**Location:** States of Michoacan and Guanajuato

**Project Value:** \$135 million

The project consists in the construction of a two-lane toll highway along 83 km, that includes six interchanges and two toll plazas. The expressway contributes to improve passenger and freight transportation in central Mexico and facilitates north-south connections between dynamic regions in the states of Michoacan and Guanajuato. The road will also improve access from this region to the port of Lazaro Cardenas on the Pacific Coast as well as to the west-east highway corridor Manzanillo-Tampico. The concession was granted to the Mexican construction company Hermes Infraestructura through a bidding process under a public-private partnership (PPP) model.

**Business opportunities:** construction materials, engineering, and signaling equipment.

## Mexico Economic Update

	Aug 2010		Jan-Aug 2010		Financial Indicators	Aug 2009	Aug 2010		Economic Growth	Jul 2009	Jul 2010
	Value (US bd)	Annual Change %	Value (US bd)	Annual Change %							
<b>Foreign Trade</b>											
Exports	26.9	37.6 ↑	191.5	35.6 ↑	Inflation Rate	5.1	3.7	↓	Global Economic Activity Index (IGAE)	-6.7%	5.1% ↑
Manufacturing	22.9	39.8 ↑	157.8	35.2 ↑	Interest Rate (CETES 28)	4.49	4.52	↑	<b>Industrial Activity</b>		
Oil	3.4	28.0 ↑	26.2	42.8 ↑	Stock Market Index (IPC)	28,129	31,679	↑		Industrial Production	-6.0%
Imports	27.6	36.5 ↑	192.9	33.0 ↑	Exchange Rate (pesos/dollar)	13.4	13.3	↓	Manufacturing	-9.3%	8.8% ↑
Trade Balance	-0.7	4.6 ↑	-1.4		International Reserves (US bd)	76.3	106.8	↑	Mining	1.4%	5.3% ↑
					<b>Employment</b>				Construction	-5.2%	-2.8% ↑
					Open Unemployment	6.28	5.44	↓			

Source: Ministry of the Economy with Banxico and INEGI data.

US bd= US billion dollar



# Montana

In 2009, Montana's exports to Mexico reached \$30 million, up \$17 million from their level in 1993.

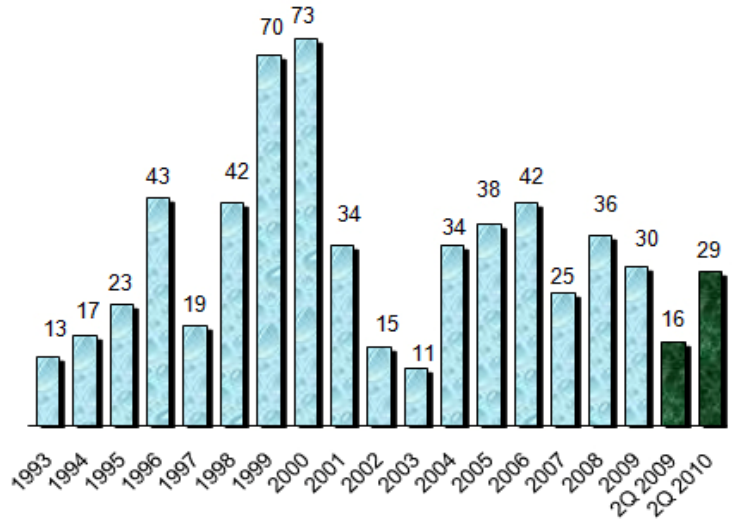
In the first half of 2010, Montana exported \$29 million worth of products to Mexico, an increase of 84% in comparison with the same period last year.

In 16 years of NAFTA, Montana's exports to Mexico have increased by 132%.

Since NAFTA was implemented, Montana's sales to Mexico have grown at an annual average rate of 5.4%. Among all U.S. states, Montana was ranked 47th as an exporter of goods to Mexico in the first half of 2010.

Mexico is an important trading partner to Montana. It was ranked as the 6th largest export market for goods from Montana in the first half of 2010, illustrating the impact of NAFTA for Montana's growing businesses. Mexico accounted for 4.4% of Montana's exports worldwide in the January-June period of 2010.

## Exports to Mexico 1993-2Q 2010 (Millions of US Dollars)



Source: US Census with adjustments made by the World Institute for Strategic Economic Research (Wiser), and SE-NAFTA. 1993-1999 by SIC AND 2000-2010 by NAICS.

## Mexico is a large market for products from Montana

Sorted by 2Q 2010 Exports to Mexico, total value in millions of US dollars

NAICS	Description	Exports to Mexico	Exports to the World	Mexico's Share	Rank among state Exports to Mexico	Rank among state Exports to the World
	Total	29.0	660.1	4.4%		
212	Minerals and ores	12.7	75.3	16.8%	1	3
333	Machinery, except electrical	5.5	96.3	5.7%	2	2
111	Agricultural products	4.5	12.8	35.2%	3	11
311	Food and kindred products	1.4	17.2	8.3%	4	9
321	Wood products	1.1	12.9	8.8%	5	10
335	Electrical equipment, appliances and components	0.9	8.3	10.5%	6	14
336	Transportation equipment	0.8	62.1	1.4%	7	5
327	Nonmetallic mineral products	0.4	26.9	1.6%	8	6
325	Chemicals	0.4	198.9	0.2%	9	1
339	Miscellaneous manufactured products	0.2	8.6	2.8%	10	13

*These 10 sectors account for 96.3% of the state's total exports to Mexico, and account for 78.7% of the state's total exports to the World*

Source : US Census with adjustments made by the World Institute for Strategic Economic Research (WISER), and SE-NAFTA.





# Jalisco

Jalisco is one of the best options for foreign and national investors. Its strategic geographic location and abundant natural resources along with its world-class infrastructure and large pool of highly educated workers allow Jalisco to offer great business opportunities, making it a leader in multiple economic sectors. With 6.5% of the national population, Jalisco accounts for 6.7% of Mexico's GDP and 8.5% of the agricultural GDP which illustrates the importance of Jalisco's economy.



**Main cities:** Guadalajara (pop. 4.1M, the capital), Puerto Vallarta (pop. 205K), Ocotlan (pop. 141K), Guzman (pop. 94K)

**Population:** 7.1 million inhabitants (est. 2010)  
86% in the urban area

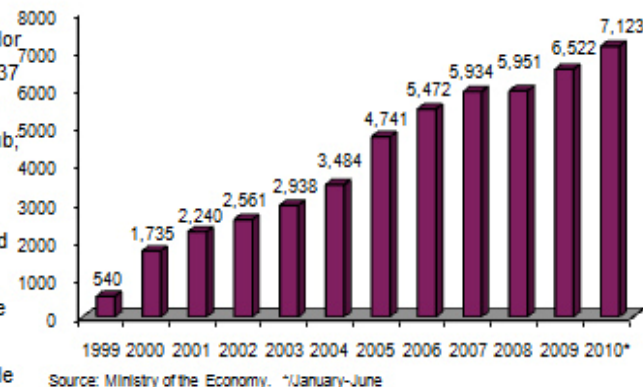
**Education:** 171K Undergraduate students; 25% studying engineering and science  
271 Universities and technological institutes  
220K Students in high schools and technical schools

**Infrastructure:** 3,612 miles of paved roads  
405 miles of four lane highways  
9,430 Truck companies; 43,398 total trucks, the country's 3rd largest fleet  
689 miles of railroads link Guadalajara to the Manzanillo-Laredo branch of the NAFTA Corridor  
2 International airports: Guadalajara serves 48,937 flights, connecting to 32 domestic destinations and 32 cities worldwide and is also a cargo hub, Puerto Vallarta serves 13,655 flights to 37 international and domestic destinations  
2 Seaports: Puerto Vallarta and Barra de Navidad  
50 Industrial parks  
1,662K Fixed telephone lines, 3rd in density nationwide  
79 Mobile telephone users per 100 inhabitants  
669K Cable TV subscribers, 3rd in density nationwide  
934 Bank branches  
2,561 ATMs

**Exports:** \$28.3 billion (2008)  
**Imports:** \$37.1 billion (2008)  
**Major exports:** vehicles, autoparts, electronic devices, aerospace components, precision instruments, electrical machinery, beverages, photographic equipment, medical equipment, processed food, plastics  
**Foreign Direct Investment (FDI):** \$7.1 billion (1999-June 2010)  
**FDI Companies:** 2,380  
**Countries with major investments:** U.S., the Netherlands, Singapore, Germany, Sweden, Canada, Switzerland, Spain, Japan

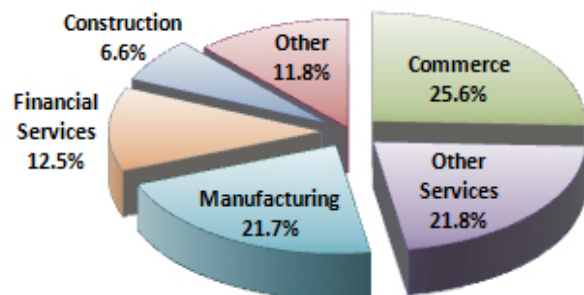
## Foreign Direct Investment

(Accumulated in millions of US dollars)

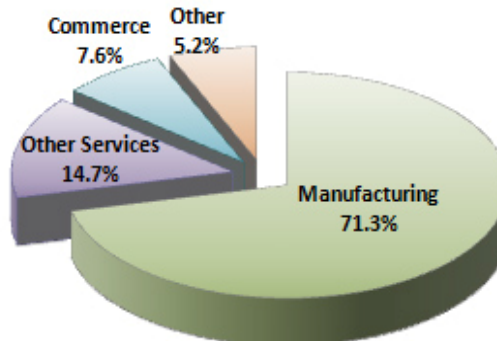


Jalisco's key industrial sectors are: computers, electronics and IT (the state is known as Mexico's Silicon Valley), automotive, machinery, chemical, footwear, processed food, beverages, jewelry and tourism

## Gross Domestic Product (NAICS) 2008



## Foreign Direct Investment by Sector (1999-June 2010)



Companies with the largest operations in the State:

IBM, Hewlett Packard, Jabil Circuit, Flextronics, Siemens, Intel, Kodak, Technicolor, Foxconn, Hitachi, Sanmina, SKF, Takata, Benchmark, Boeinger Ingelheim, Emerson, Simec, Honda, Eureka, Celanese, Bayer, Praxair, Omnilife, Cemex, Smurfit, Modelo, Purina, Herdez, La Costeña, Nestle, Yakult, Sigma, Sabritas, Bimbo, Sauza, Cuervo, Walmart, Liverpool

**Web-site:** [www.jalisco.gob.mx](http://www.jalisco.gob.mx)  
[www.seproe.jalisco.gob.mx](http://www.seproe.jalisco.gob.mx)  
[www.seijal.jalisco.gob.mx](http://www.seijal.jalisco.gob.mx)

**Tel:** (011 52 33) 3678 2000 Ext. 55030