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Mexico

Agricultural Situation

Mexico's Weekly Highlights and Hot Bites Report, July/4 2000

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Report Highlights: Summaries of recent Mexican press articles and other developments including:

-MAJOR CORN FLOUR FIRM FACES FLAT SALES

-GDP ESTIMATES

-MEXICO CITY TAXI SECURITY MEASURES TO INTO EFFECT

-REMINDER FOR PUBLIC COMMENTS ON PENDING PROPOSED REGULATIONS

and recent FAS/Mexico reports.

Includes PSD changes: No

Includes Trade Matrix: No

Welcome to Hot Bites from Mexico, a weekly review of issues of interest to the US agricultural community. The topics covered in this report reflect developments in Mexico that have been garnered during travel around the country, reported in the media, or offered by host country officials and agricultural analysts. Readers should understand that press articles are included in this report to provide insights into the Mexican "mood" facing US agricultural exporters. Significant issues will be expanded upon in subsequent reports from this office.

DISCLAIMER: Any press summary contained herein does NOT reflect USDA's, the US Embassy's, or any other US Government agency's point of view or official policy.

MAJOR CORN FLOUR FIRM FACES FLAT SALES

A local newspaper reported that Grupo Industrial Maseca (GIMSA), a giant corn flour company, expected its sales volume in 2000 to be flat compared with 1999 and is considering shutting down more plants. The financial officer of holding company Gruma, Javier Valdez, indicated on Tuesday, July 25, 2000, that Maseca's sales volume of corn flour in the second quarter declined 6 percent year-on-year. In the first half, Maseca's volume was down 1 percent. "We are not expecting today to report any (volume) growth over 1999, Velez said in a conference call. "We are expecting GIMSA's volume to be flat this year." At the start of the year, Gruma said volumes would expand in 2000. (Source: The News, 07/26/2000)

GDP ESTIMATES

On Tuesday 25, July, 2000, Mexico's Central Bank, Banco de Mexico, said that it estimates second-quarter gross domestic product (GDP) grew "near" 6 percent year-on-year. It also said 2000 GDP could grow around 6 percent if the first-quarter trend continues. GDP grew 7.9 percent in the first quarter, much higher than expected. Banco de Mexico gave the figures in its second-quarter inflation report published Tuesday. Banco de Mexico Governor, Guillermo Ortiz, recently said that he expected GDP for this year to grow around 6 percent. GDP grew 3.7 percent in 1999. (Source: The News; 07/26/2000)

MEXICO CITY TAXI SECURITY MEASURES TO INTO EFFECT

For those who may travel to Mexico, according to a local newspaper article, the Transport Secretariat announced new measures to go into effect next month to boost public safety aboard taxis. Authorities said the move is aimed at eliminating unauthorized taxis (called "piratas" locally) which are blamed for most of the crime. The "ecological" taxi will keep its green and gray colors while other taxis will be painted according to the service they give and the organizations they represent. Taxis operating out of fixed bases, radio taxis and tourism taxis will be allowed to select their own colors. (Source: The News, 7/ 26/2000)

REMINDER FOR PUBLIC COMMENTS ON PENDING PROPOSED REGULATIONS

The table below summarizes proposed new regulations that the Government of Mexico (GOM) has published in recent weeks that could impact agricultural exporters. As part of the regulatory process, the GOM accepts comments from interested parties, including those from the United States, for 60 calendar days. Any such comments **must** be submitted in Spanish. See the cited FAS Report # for additional information.

Published	End Comment Period	Description	FAS Report#
5/24/2000	7/23/2000	Health Provisions and Specifications for Cocoa and Cocoa Based Products (PROY-NOM-186-SSA1-2000)	MX0084
6/16/2000	8/14/2000	Health Provisions and Specifications for Milk (PROY-NOM-184-SSA1-2000)	MX0100
6/14/2000	8/13/2000	Proposed Regulations to Control Aflatoxin in Cereals (PROY-NOM-188-SSA1-2000)	MX0101
7/12/2000	9/10/2000	Proposed Specifications for Wooden Railroad Ties ("sleepers") PROY-NOM-056-SCT2-2000	n/a

RECENT REPORTS SUBMITTED BY FAS/MEXICO

Report#	Title	Date Sent
MX0113	Mexico's Weekly Highlights and Hot Bites, Jul/3	7/20/2000

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USEFUL MEXICAN WEB SITES

Mexico's equivalent of the Department of Agriculture (SAGAR) can be found at www.sagar.gob.mx and Mexico's equivalent of the Department of Commerce (SECOFI) can be found at

www.secofi.gob.mx These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information contained on the mentioned sites.