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## Mexico

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### **2012 National Survey of Mexican Household Income and Expenditures**

**Report Categories:**

Agriculture in the News

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**Report Highlights:**

The National Institute of Statistics and Geography (INEGI) recently announced the results of the 2012 National Survey of Mexican Household Income and Expenditures. The report includes information such as the number of households in the country: 31,559,379, located in towns with over 2,500 people (78 percent) and in towns with less than 2,500 people (12 percent), which makes up to a total population of 117,284,429 people; according to population projections updated in April 2013 by CONAPO (National Population Council).

Additionally, the survey shows that each household has 3.7 persons on average, being the head of the household 48.6 years old on average. Total annual household income is about 370.5 billion USD, total annual expenditures are 327.4 billion USD, as a reference, Mexico's GDP in 2010 was \$963.1 billion USD. Annual per capita income is USD\$3,156, vs. annual per capita expenditures which total USD\$2,808.

**Source:** [INEGI \(The National Institute of Statistics and Geography\)](#) – 2012 National Survey of Mexican Household Income and Expenditures

## **General Information:**

### **SURVEY BACKGROUND**

The National Survey of Mexican Household Expenditure has evolved from surveys that were made by different government entities dating back to 1956 and 1958 and initiated INEGI's predecessor, the General Direction of Statistics (DGE). Their survey focused on income and expenditure of the Mexican population. The Bank of Mexico conducted a survey in 1963 and 1968 focusing on income and expenditures of households, and then in 1975 the Secretariat of Labor did the same. In 1977, the DGE developed the National Survey of Mexican Household Income and Expenditure, which is the earliest precedent to the surveys carried on by the DGE-INEGI in 1984, 1989, 1994, 1998, 2000, 2002, 2004, 2005, 2006, and 2008. (In 1984 there was a trend to broaden objectives and to harmonize methodologies, taking into account international recommendations and information requirements from several end users of the survey, making sure they would have historical traceability.) Additionally, new products were incorporated with the objective to adapt to economic changes of the country and to obtain results that would be reflective of reality.

### **PURPOSE**

The purpose is to provide a statistical overview of household income and spending trends regarding amounts, origin, and distribution; additionally, the survey offers information about occupational and socio-demographic characteristics of household members, as well as infrastructure and equipment characteristics of such households.

### **FREQUENCY**

Since 1992, it has been conducted biannually with the exception of 2005, when an extraordinary data collection was conducted.

### **CONCEPTUAL DESIGN**

Target Population: Consists of households of national or foreign origin that currently reside in private homes within Mexico's national territory.

#### Subject coverage:

- Total household income (monetary and non monetary)

- Total household expenditures
- Financial and capital perceptions of household and household members
- Financial and capital expenditures
- Household characteristics
- Household members and identification of households within homes
- Socio-demographic characteristics of household members
- Condition of activities and occupational characteristics of household members over 12 years old
- Household equipment, services

#### Used Classifications

- Mexican Occupation Classification (CMO), 2005.
- North America Industrial Classification System (SCIAN), home version.

#### Geographical Coverage

National

#### Geographical breakdown

Urban areas: Towns with over 2,500 people

Rural areas: Towns with less than 2,500 people

#### Data Collection

From August 21<sup>st</sup> to November 28<sup>th</sup> on the years that survey takes place

Courtesy Translation, source: [Background – 2012 National Survey of Mexican Household Income and Expenditures](#)

### **NOTE ON RESULTS OF THE NATIONAL SURVEY OF MEXICAN HOUSEHOLD EXPENDITURE**

The responsibility to make demographic projections falls to The National Population Council (CONAPO). They published their results on November 2012 and then updated them in April 2013, causing INEGI to adjust their population estimates with CONAPO's demographic projections.

Courtesy Translation, source: [Note about results – 2012 National Survey of Mexican Household Income and Expenditures](#)

### **RELEVANT SURVEY INFORMATION**

#### **1. Demographics**

The report includes information such as the number of households in the country: 31,559,379, located in towns with over 2,500 people (78 percent) and in towns with less than 2,500 people (12 percent), which makes up to a total population of 117,284,429 people; according to population projections updated in April 2013 by CONAPO.

CHART 1: Mexican Demographics

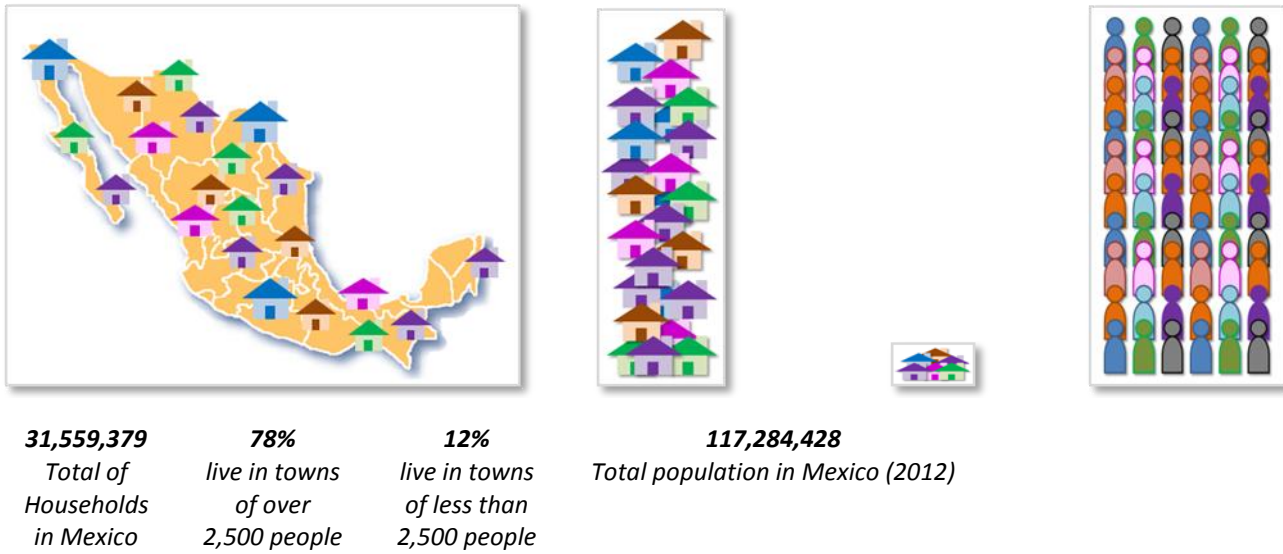


CHART 2: Composition of average Mexican households



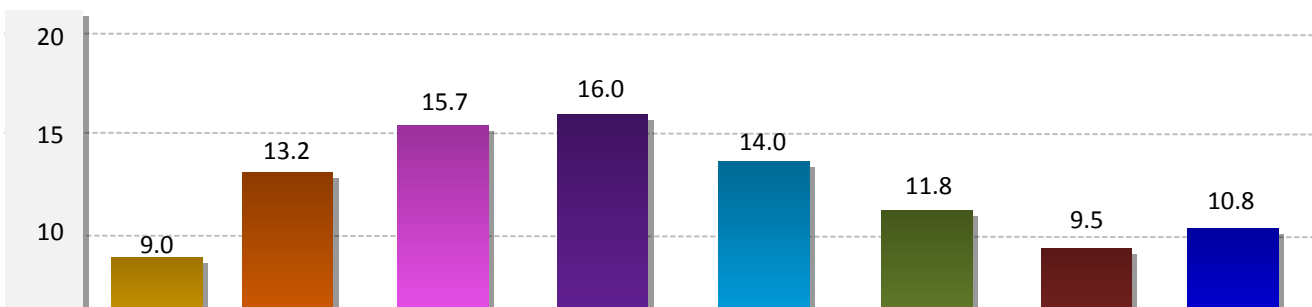
Additionally, the survey shows that each household has an average of 3.7 people, with the head of the household 48.6 years old on average.

An average household is composed as follows: 1 member is less than 14 years old, 2.5 are between 14 and 65 years old and 0.3 are over 65 years old.

Also, all households have an average of 2.4 bread winners; in towns with over 2,500 people, that number is 2.3, in towns with less than 2,500 people the number of bread winner increases to 2.7.

The survey also shows total population age groups, resulting as follows:

CHART 3: Percentage of Mexican population by age group



*Total population in Mexico in 2012:*  
**117,284,428 people**  
*(Women: 51.3 percent - Men: 48.7 percent)*

## 2. Income

Figures below show total per capita income as well as income by household; total income is defined as the monetary income that comes from the person's main employment plus additional income (Non-Monetary) that comes from independent work, financial, and or capital gains and or revenues.

*CHART 4: Per capita and household income of 2012*

INCOME TYPE	2012 PER CAPITA INCOME		2012 PER HOUSEHOLD INCOME	
<i>FREQUENCY/CURRENCY</i>	<i>MX PESOS</i>	<i>USD</i>	<i>MX PESOS</i>	<i>USD</i>
<b>MONTHLY</b>	3,420	263	12,708	978
<b>QUARTERLY</b>	10,259	790	38,125	2,935
<b>ANNUAL</b>	41,036	3,156	152,500	11,736

**TOTAL ANNUAL HOUSEHOLD INCOME**  
4,812,810,392,000 MX Pesos = 370.5 Billion USD

*Calculations made using exchange rate of: Dec 31 2012 = 12.9880*

*Source: [SAT – Exchange Rate of December 2012](#)*

The data in the table below reflects the impact of the global economic slowdown on the average Mexican. As you can see, per capita income fell in 2008 and 2010, but rebounded in 2012, although not to income levels in 2006:

*CHART 5: Historical per capita income*

INCOME TYPE	2006 PER CAPITA INCOME	2008 PER CAPITA INCOME	2010 PER CAPITA INCOME	2012 PER CAPITA INCOME
<b>FREQUENCY/CURRENCY</b>	<i>USD</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>
<b>MONTHLY</b>	284	275	249	263
<b>QUARTERLY</b>	852	825	747	789
<b>ANNUAL</b>	3,408	3,300	2,988	3,156

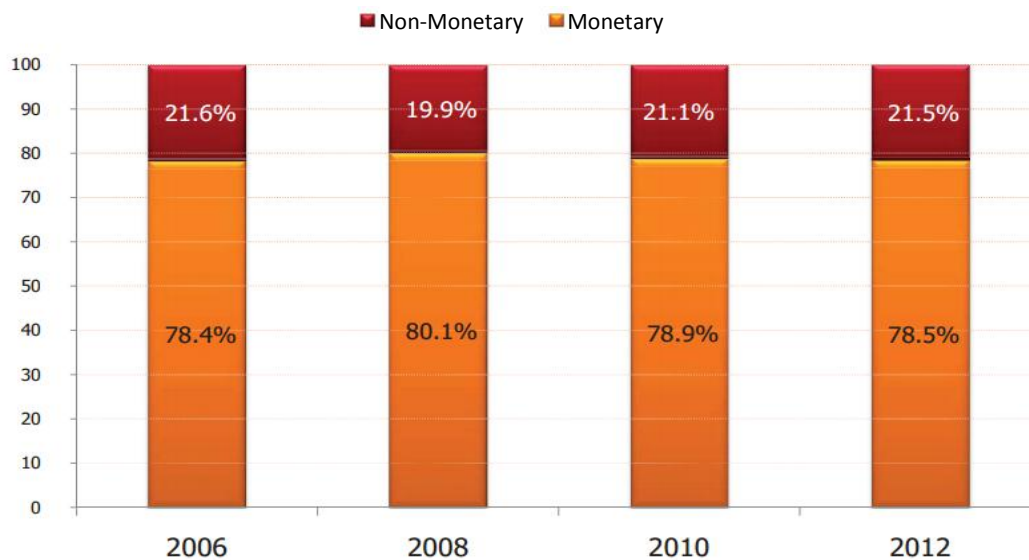
CHART 6: Historical per household income

INCOME TYPE	2006 HOUSEHOLD INCOME	2008 HOUSEHOLD INCOME	2010 HOUSEHOLD INCOME	2012 HOUSEHOLD INCOME
<b>FREQUENCY/CURRENCY</b>	<i>USD</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>
<b>MONTHLY</b>	1,122	1,100	964	978
<b>QUARTERLY</b>	3,366	3,300	2,982	2,934
<b>ANNUAL</b>	13,464	13,200	11,568	11,736

Calculations made using exchange rate of: Dec 31 2012 = 12.9880

Source: [SAT – Exchange Rate of December 2012](#)

CHART 7: Percentage of total monetary and non-monetary household income



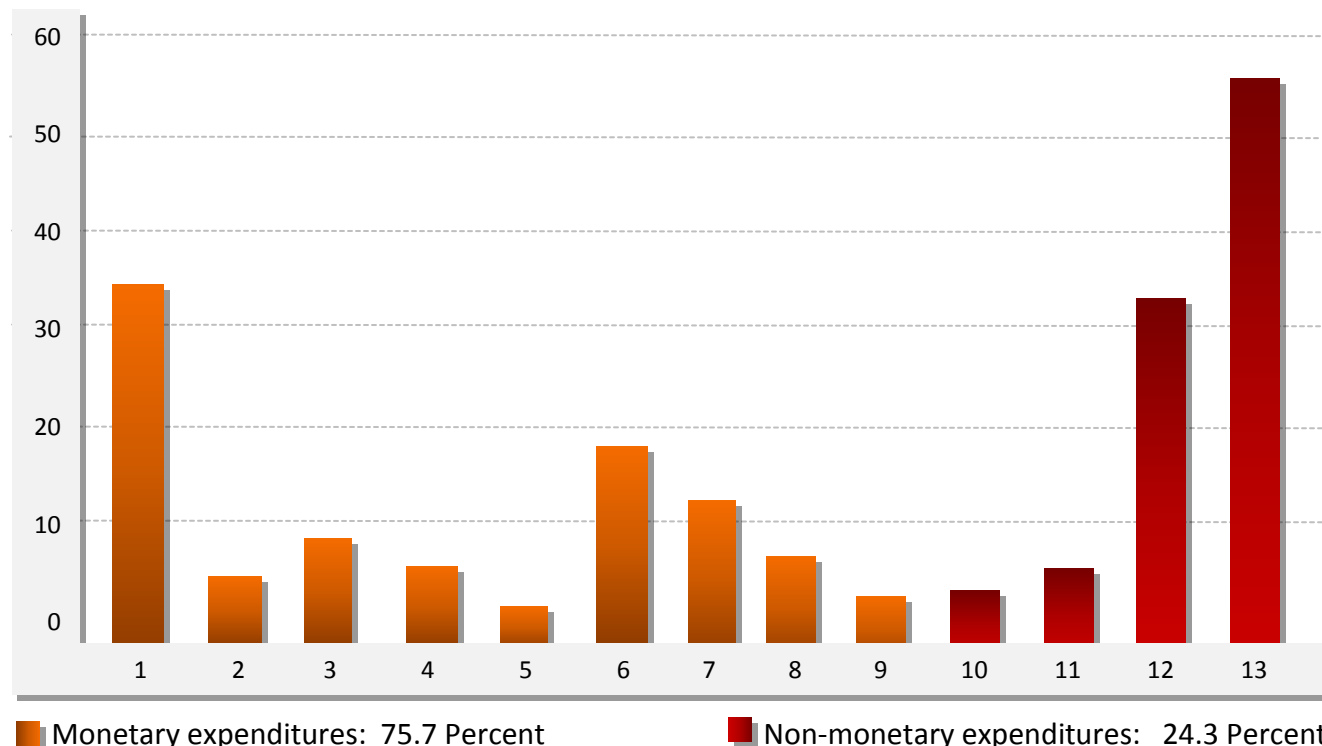
Source: [INEGI - 2012 National Survey of Mexican Household Income and Expenditures - Results](#)

## 1. Expenditures

Household expenditures include several categories, and they are classified in two types: “monetary”, which refers to cash expenses, and “non-monetary” which refers

to in-kind and/or financial expenditures; see below classifications and percentage of expenditure structure where food, beverages, and tobacco are the leading categories under monetary expenditures:

CHART 8: Percentage of total household expenditures in 2012



**EXPENDITURE CATEGORIES**

- |  |                     |                                    |
|--|---------------------|------------------------------------|
| 1-Food, beverages, and tobacco           | 2-Clothes and shoes | 3-Mortgage and utilities           |
| 4-Household equipment and services       | 5-Health care       | 6-Transportation and communication |
| 7-Education and leisure                  | 8-Personal Care     | 9-Expenditure transference         |
| 10-General expenses for self-consumption | 11-In-kind payments | 12-In-kind transferences           |
| 13-Rents                                 |                     |                                    |

**TOTAL ANNUAL HOUSEHOLD EXPENDITURES**  
 4,252,049,858,616 MX Pesos = 327.4 Billion USD

Calculations made using exchange rate of: Dec 31 2012 = 12.9880  
 Source: [SAT – Exchange Rate of December 2012](#)

CHART 9: Historical Percentage of total household expenditures

<b>MONETARY EXPENDITURES</b>	2006	2008	2010	2012
1. Food, beverages, and tobacco	29.5	33.7	32.8	<b>34</b>
2. Clothes and shoes	5.9	5.3	5.6	<b>5.1</b>

3. Mortgage and utilities	8.9	10	9.3	<b>8.9</b>
4. Household equipment and services	6.4	6	6.2	<b>6.1</b>
5. Health care	4.1	3.1	2.7	<b>2.5</b>
6. Transportation and communication	18.9	18.4	18.5	<b>18.5</b>
7. Education and leisure	15.5	13.4	13.6	<b>13.8</b>
8. Personal Care	6.6	7	8.2	<b>7.3</b>
9. Expenditure transference	4.3	3.1	3.2	<b>3.9</b>

*TOTAL MONETARY EXPENDITURES IN 2012: 75.7 Percent*

<b>NON MONETARY EXPENDITURES</b>	<b>2006</b>	<b>2008</b>	<b>2010</b>	<b>2012</b>
10. General expenses for self-consumption	3.8	4.3	3.6	<b>4.1</b>
11. In-kind payments	7.2	7.4	4.5	<b>6.5</b>
12. In-kind transferences	37.2	32.4	29	<b>33.3</b>
13. Rents	51.8	55.39	62.8	<b>56.1</b>

*TOTAL NON-MONETARY EXPENDITURES IN 2012: 24.3 Percent*

*CHART 10: Historical per capita expenditures*

INCOME TYPE	2006 HOUSEHOLD EXPENDITURE	2008 HOUSEHOLD EXPENDITURE	2010 HOUSEHOLD EXPENDITURE	2012 HOUSEHOLD EXPENDITURE
<i>FREQUENCY/CURRENCY</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>
<b>MONTHLY</b>	270	237	233	234
<b>QUARTERLY</b>	810	711	699	702
<b>ANNUAL</b>	3,240	2,844	2,796	2,808

*CHART 11: Historical per household expenditures*

INCOME TYPE	2006 HOUSEHOLD EXPENDITURE	2008 HOUSEHOLD EXPENDITURE	2010 HOUSEHOLD EXPENDITURE	2012 HOUSEHOLD EXPENDITURE
<i>FREQUENCY/CURRENCY</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>
<b>MONTHLY</b>	1,000	878	863	866
<b>QUARTERLY</b>	3,000	2,634	2,589	2,598
<b>ANNUAL</b>	12,000	10,536	10,356	10,392

*Calculations made using exchange rate of: Dec 31 2012 = 12.9880*

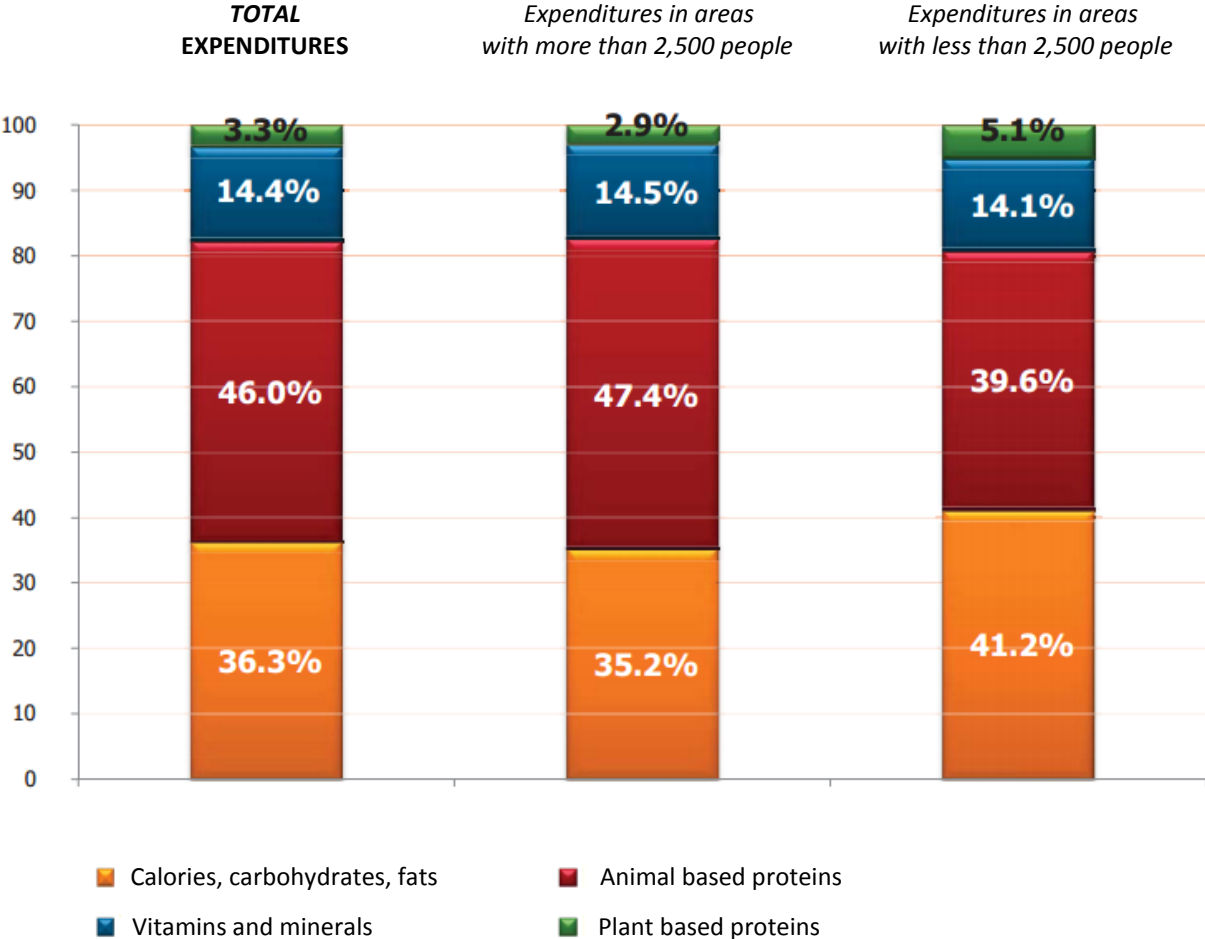
*Source: [SAT – Exchange Rate of December 2012](#)*

## **FOOD, BEVERAGE AND TOBACCO EXPENDITURES**



Food expenditures are broken down by type of nutrients; INEGI’s report even provides a subdivision by size of town, which allows us to see current food preference trends:

CHART 12: Percentage of food nutrient expenditures



Source: [INEGI - 2012 National Survey of Mexican Household Income and Expenditures - Results](#)

The chart above shows that people in larger towns or cities spend more of their income on animal-based proteins than their rural counterparts.

Additionally, expenditures under the food category include a broad classification; in 2012, 77.6 percent of products were consumed within the household, 21.5 percent were consumed outside of household, and 0.9 percent of expenditures were spent on tobacco.

CHART 13: Percentage of food products consumed within and outside the household, plus tobacco

Food Products/Year	2006	2008	2010	2012
<b>Percentage of food Products consumed within the household</b>	<b>75.8</b>	<b>80.34</b>	<b>79</b>	<b>77.6</b>
Cereals	17.7	19.4	18.7	19.2
Meats	22.2	21.7	22.2	22.6
Fish and seafood	2.6	2.4	2.6	2.3
Dairy products	12.5	12.6	12.3	11.4
Table eggs	2.9	3.7	3.4	4.2
Oils and fats	1.4	2.2	1.7	1.7
Potatoes	1.5	1.4	1.6	1.4
Vegetables, grains and beans	11.9	11.7	12.0	11.1
Fruits	4.5	4.2	4.2	4.4
Sugar and syrups	1.4	1.0	1.3	1.1
Coffee, tea, and chocolate	0.9	0.9	1.1	1.1
Spices and dressings	0.9	0.9	1.0	1.0
Other food products	9.0	8.3	8.6	8.9
Alcoholic and non-alcoholic beverages	10.6	9.5	9.4	9.7
<b>Percentage of food products consumed outside the household</b>	<b>23.4</b>	<b>18.9</b>	<b>20.3</b>	<b>21.5</b>
Tobacco	0.8	0.7	0.7	0.9

Source: [INEGI - 2012 National Survey of Mexican Household Income and Expenditures - Charts](#)

## CONCLUSIONS

The INIEGI survey affirms that the Mexican economy is recovering from the economic downturn and that the Mexican population is increasingly more urban, which bides well for U.S. agricultural exporters. As income rises in Mexico, per capita and household spending on food and beverage products goes up as well, making many imported products more accessible to the average Mexican consumer. Better understanding income distribution among Mexican consumers can help guide U.S. exporters as to the best way to package and promote their products in Mexico.

In 2012, there were 2.4 bread winners in average per household (an increase of 0.3 since 2006), meaning that 65 percent of the Mexican population is economically active and making decisions on how to spend household income.

Additionally, as the Mexican economy is recovering and economically active household members are increasing, people are decreasing their food consumption within the

household, favoring food products consumed outside, which may provide growing opportunities for the restaurant sector and ready-to-eat products.

Total annual household expenditures are about 328 billion USD vs. total annual income which is about 370.5 billion USD.