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MEXICO

Market Overview for Foreign Companies Selling in Mexico

July 2026

Demand, routes to market and partners — what exporters and suppliers need to know

CAPITAL **Mexico City**	POPULATION **131.9 M**	CURRENCY **Peso (MXN)**	FX (USD/MXN) **~17.4**
GDP (NOMINAL) **~US$1.83 T**	GDP / CAPITA **~US$13,900**	GDP GROWTH '26F **~1.1%**	INFLATION '26F **~4.4%**
POLICY RATE **6.5%**	UNEMPLOYMENT **~2.7%**	SOVEREIGN RATING **BBB / Baa2**	IMD COMPETITIVENESS **62nd of 70 (−7)**
IMPORT VAT (IVA) **16%**	TARIFFS **0% on most USMCA goods**	FTA NETWORK **USMCA · EU · CPTPP**	MAIN PORTS **Manzanillo · Veracruz**

POLITICS

- **Sheinbaum administration.** President Claudia Sheinbaum (Morena) holds a strong mandate with a term running to 2030 — policy continuity is the base case.
- **Plan México.** Expanded in February 2026, the industrial policy targets specialized manufacturing jobs and a 15% lift in domestic content across strategic supply chains.
- **USMCA review.** The 2026 review is the dominant variable: expect stricter rules of origin and tighter controls on Chinese-origin content.
- **Rule-of-law variance.** Security and judicial predictability differ sharply by state — partner and location choice matter more than elsewhere in the region.

ECONOMY

- **Slow year.** Growth cut repeatedly to ~1.1% for 2026 on weak investment and a soft first quarter — the region's notable underperformer.
- **Inflation above target.** ~4.4% expected at year-end, above Banxico's 3% target band; the policy rate is on hold at 6.5% after May's cut.
- **Strong peso.** The peso was among the world's best performers in 2025, appreciating almost 16% against the US dollar — a tailwind for importers.

MOST ATTRACTIVE SECTORS

- **Automotive & auto parts.** The deepest supply chain in the region; retooling around USMCA content rules.
- **Nearshoring & industrial.** Plants, automation, tooling and industrial real estate across the Bajío and the north.
- **Energy.** Transmission, renewables and gas infrastructure.
- **Healthcare & medical devices.** A large, growing market with substantial public procurement.
- **Consumer & retail.** ~132 million consumers and the most developed modern retail in the region.

SELLING INTO MEXICO

- **Market access.** Most US and Canadian goods enter duty-free under USMCA, but rules of origin are exacting — and the 2026 review may tighten them. Imports carry 16% IVA.
- **Route to market.** Distinct regional markets: the north and Bajío are industrial, Mexico City is corporate and retail. National coverage rarely comes from one partner.
- **Certification.** NOM standards are mandatory for many products and are a genuine gate — verify before quoting.
- **Scale and competition.** The largest Spanish-speaking market in the region, and the most contested — differentiation and after-sales support decide outcomes.

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