

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Mexico

Post: Mexico

Broad and Deep Mexico and U.S. Ag Trade Relationship

Report Categories:

Agricultural Situation

Agriculture in the Economy

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Market Development Reports

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Promotion Opportunities

Approved By:

Daniel K. Berman

Prepared By:

Adam Branson

Report Highlights:

At U.S. \$36.6 billion in bilateral trade, the United States and Mexico food and agricultural trade relationship is broad and deep. In 2012, using the 36 agricultural BICO commodity classifications Mexico was the number 1 market by value for 8 commodities, number 2 for 13 commodities, and number 3 for 9 commodities. Mexican per capita purchases of U.S. agricultural, fishery, and forestry products were \$170. United States exports to Mexico were distributed generally along the value chain.

General Information:

All information compiled in the following report is based on calendar year (CY) 2012 value data as recorded by the U.S. Bureau of the Census Trade Data and is available, publicly, from the USDA Foreign Agricultural Service [Global Agricultural Trade System \(GATS\) Bulk, Intermediate, and Consumer Oriented \(BICO\) Reports](#). The information in this report does not look at volumes.

U.S. and Mexican Bilateral BICO Agricultural, Fishery, and Forestry (AgFF) Trade

- The U.S. \$36.6 billion in bilateral AgFF trade in CY2012 amounted to U.S. \$100 million per day in AgFF items crossing the border in either direction.
- United States AgFF CY2012 exports to Mexico reached a record high of U.S. \$ 19.5 billion, a 3.2 percent increase over CY2011. The total export value makes Mexico the third most important U.S. AgFF export destination by value (behind China and Canada at U.S. \$28.7 and \$23.9 billion, respectively) and it represented approximately 13 percent of U.S. exports. The next closest market was Japan at U.S. \$15 billion.
- United States AgFF CY2012 imports from Mexico reached a record high of U.S. \$17.1 billion, a 3.6 percent increase over CY2011. The total import value makes Mexico the second most important AgFF supplier by value (behind Canada at U.S. \$28.9 billion) and it represented approximately 13 percent of U.S. imports, as well. The next closest supplier was China at U.S. \$10.1 billion.

U.S. AgFF Exports to Mexico

- New U.S. to Mexico export value records were achieved in: wheat (\$1.1 billion), rice (\$367 million), soybeans (\$1.8 billion), peanuts (\$77 million), soybean meal (\$654 million), sugar/sweeteners (\$888 million), snack foods (\$441 million), breakfast cereals (\$112 million), fresh/chilled/frozen red meats (\$1.9 billion), poultry meat (\$1 billion), dairy products (\$1.2 billion), eggs and products (\$70 million), fresh fruit (\$557 million), processed fruit and vegetables (\$582 million), tree nuts (\$208 million), wine and beer (\$119 million), nursery products (\$51 million), other consumer oriented products (\$675 million), value added wood products (\$170 million), and canned salmon (\$2 million).
- Among the top ten export markets for United States AgFF items, Mexican per capita purchases were U.S. \$170. In descending order by total U.S. export value per capita purchases were: China (\$21.38); Canada (\$695.64); Mexico (\$170.00); Japan (\$117.68); South Korea (\$135.16); Hong Kong (\$502.46); Taiwan (\$143.55); Indonesia (\$10.34); Germany (\$23.66); and Philippines (\$23.04).

How Important is Mexico to U.S. Farmers, Ranchers, Food and Beverage Manufacturers and Processors, Foresters, and Fishermen (i.e., Where Does Mexico Rank by Value in Importing U.S. Items)

- Mexico was the number 2 bulk (behind China) food and agricultural market, number 1 intermediate food and agricultural market, number 2 consumer oriented (behind Canada) market, number 4 forest products (behind Canada, China, and Japan) market, and number 16 fishery products market for the United States in CY2012.
- In CY2012, by distribution, 37 percent of U.S. AgFF exports to Mexico were bulk items, 22 percent were intermediate, 37 percent were consumer oriented, 3 percent were forestry, and about 1 percent were fishery goods. In comparison to the United States top 1 and 2 markets (China and Canada) distribution, respectively, for bulk was 70 and 4 percent, intermediate was 12 and 16 percent, consumer oriented was 8 and 67 percent, forestry was 6 and 10 percent, and fishery was 4 and 3 percent. As such, generally all sectors of the U.S. food and agricultural supply chain are benefitting by exporting to Mexico.
- Mexico was the number 1 market for U.S. wheat (exceeding Japan by about \$50 million) and

represented 13 percent of exports.

- Mexico was the number 2 market for U.S. coarse grains (trailing Japan by about \$70 million) and represented 30 percent of exports.
- Mexico was the number 1 market for U.S. rice (exceeding Japan by \$120 million) and represented 18 percent of exports.
- Mexico was the number 2 market for U.S. soybeans (trailing far behind China, but ~ \$730 million more than Japan) and represented 7 percent of exports.
- Mexico was the number 3 market for U.S. cotton (trailing China and Turkey, but ahead of Vietnam and Indonesia) and represented 6 percent of exports.
- Mexico was the number 1 market for U.S. pulses (exceeding India by more than \$100 million) and represented 25 percent of exports.
- Mexico was the number 2 market for U.S. peanuts (trailing Canada by \$40 million) and represented 22 percent of exports.
- Mexico was the number 2 market for U.S. wheat flour (trailing Canada by \$25 million) and represented 20 percent of exports.
- Mexico was the number 1 market for U.S. soy meal (exceeding the Philippines by \$55 million) and represented 13 percent of exports.
- Mexico was the number 2 market for U.S. soy oil (trailing China by \$55 million) and represented 18 percent of exports.
- Mexico was the number 3 market for non-soy vegetable oils (trailing Canada and Spain but ahead of Saudi Arabia and the Netherlands) and represented 7 percent of exports.
- Mexico was the number 3 market for feeds and fodders (trailing China and Japan, but ahead of Canada and South Korea) and represented 10 percent of exports.
- Mexico was the number 3 market for live animals (trailing Russia and China) and represented 10 percent of exports.
- Mexico was the number 1 market for animal fats (quintupling the next closest market, Turkey) and represented 53 percent of exports.
- Mexico was the number 2 market for planting seeds (trailing Canada by almost \$66 million, but more than two times the number 3 market) and represented 15 percent of exports.
- Mexico was the number 1 market for sugars/sweeteners (more than doubling Canada) and represented 49 percent of exports.
- Mexico was the number 2 market for other intermediate products (trailing Canada by \$230 million but \$274 million more than China) and represented 15 percent of exports.
- Mexico was the number 2 market for snack foods (far behind Canada but more than 2.5 times Japan or South Korea) and represented 12 percent of exports.
- Mexico was the number 2 market for breakfast cereals and represented 10 percent of exports.
- Mexico was the number 2 market for fresh/chilled/frozen red meats (trailing Japan by \$1.1 billion, but exceeding Canada by \$300 million and South Korea by \$900 million) and represented 16 percent of exports.
- Mexico was the number 3 market for prepared and preserved red meats and represented 8 percent of exports.
- Mexico was the number 1 market for U.S. poultry meat (almost 1.8 times the value sold to Canada and over 3 times the value sold to Russia) and represented 21 percent of exports. Mexico is also the first \$1 billion poultry market for the United States.
- Mexico was the number 1 market for U.S. dairy products (more than 2 times Canada) and represented 23 percent of exports. This is the second time the U.S. dairy industry has sold more than \$1 billion to any market. Last year's sales to Mexico were the first.
- Mexico was the number 2 market for U.S. eggs and egg products (trailing Canada by 13 million) and

represented 14 percent of exports.

- Mexico was the number 2 market for U.S. fresh fruit (trailing Canada but exceeding Japan, South Korea, Hong Kong and Taiwan) and represented 11 percent of exports.
- Mexico was the number 3 market for U.S. fresh vegetables (trailing Canada and Japan) and represented 6 percent of exports.
- Mexico was the number 3 market for U.S. processed fruit and vegetables (trailing Canada and Japan, but ahead of China) and represented 12 percent of exports.
- Mexico was the number 3 market for U.S. wine and beer (trailing Canada and the United Kingdom but surpassing Japan, Hong Kong, China and Germany) and represented 6 percent of exports.
- Mexico was the number 3 market for U.S. nursery products (trailing Canada and the Netherlands) and represented 14 percent of exports.
- Mexico was the number 2 market for other consumer-oriented commodities (trailing Canada, but almost double that of Japan and more than double that of South Korea) and represented 9 percent of exports.

U.S. AgFF Imports from Mexico

- In CY2012, new U.S. from Mexico import value records were achieved in: coarse grains (\$24 million), rubber (\$5 million), other bulk commodities (\$105 million), tropical oils (\$3 million), other vegetable oils (\$112 million), live animals (\$720 million), planting seeds (\$31 million), other intermediate products (\$172 million), snack foods (\$1.5 billion), fresh/chilled/frozen red meats (\$547 million), other dairy products (\$88 million), other fresh fruit (\$2.7 billion), processed fruit and vegetables (\$1.2 billion), wine and beer (\$1.8 billion), spices (\$70 million), other edible fish and seafood (\$194 million).
- By distribution, U.S. imports from Mexico of BICO AgFF items were 4 percent bulk, 11 percent intermediate, 81 percent consumer oriented, 1 percent forestry, and 3 percent fishery. In relationship to what the U.S. imports from the world, 13 percent is bulk, 19 percent is intermediate, 47 percent is consumer oriented, 9 percent is forestry, and 12 percent is fishery.

Mexico is a Horticultural Heavyweight Supplier to the United States, but also a Steady Provider of Other AgFF Items

- Mexico was the number 3 supplier of wheat to the United States, mostly durum, and ranks behind Canada and the United Kingdom.
- Mexico was the number 2 supplier of live animals to the United States, ranking behind Canada, and represented 29 percent of imports.
- Mexico was the number 1 supplier of sugars/sweeteners to the United States, more than doubling the import value from Canada, and represented 46 percent of imports.
- Mexico was the number 2 supplier of snack foods to the United States (nearly one-half the value of Canada, but 5 times the value from Germany) and represented 22 percent of U.S. imports.
- Mexico was the number 1 supplier of other fresh fruits to the United States and more than doubled the value of sales over Chile. Other fresh fruit imports from Mexico represented 49 percent of U.S. imports.
- Mexico was the number 1 supplier of fresh vegetables to the United States, quadrupling the value from Canada, and represented 68 percent of U.S. imports.
- Mexico was the number 2 supplier of processed fruit and vegetables to the United States (barely trailing Canada but steadily ahead of China) and represented 17 percents of U.S. imports.
- Mexico was the number 2 supplier of tree nuts to the United States (behind Vietnam, but ahead of India) and represented 17 percent of U.S. imports.
- Mexico was the number 1 supplier of wine and beer to the United States (surpassing Italy, France, the Netherlands, Australia, Argentina, Chile, Spain, New Zealand, and Germany) and represented 20 percent

of U.S. imports. Imports from Mexico actually equaled the combined imports of the 4th, 5th, and 6th, greatest suppliers by value.

- Mexico was the number 3 supplier of roasted and instant coffee to the United States (trailing Canada and Colombia, but beating Brazil and Italy) and represented 12 percent of imports.
- Mexico was the number 2 supplier of other consumer oriented items (behind Canada, but ahead of China) and represented 11 percent of imports.

Author Defined:

Additional Information

FAS/Mexico Web Site: We are available at www.mexico-usda.com or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

Other Relevant Reports Submitted by FAS/Mexico:

Report Number	Subject	Date Submitted
MX3021	What is Mexico Buying and Selling	3/8/2013

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx, equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx and equivalent to the U.S. Food and Drug Administration (SALUD) can be found at www.salud.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.