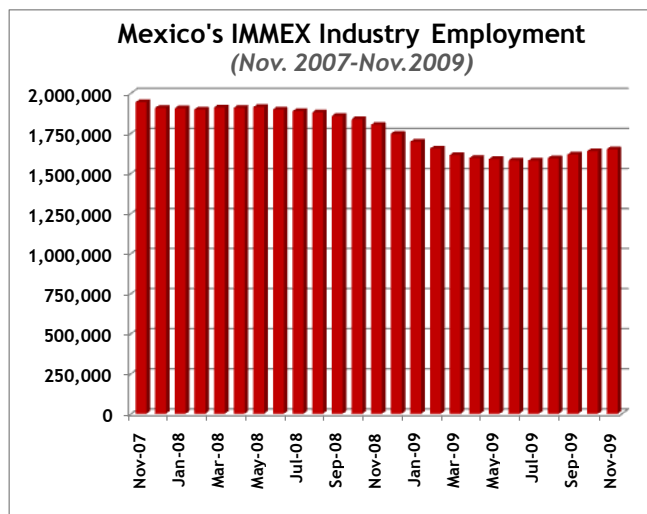




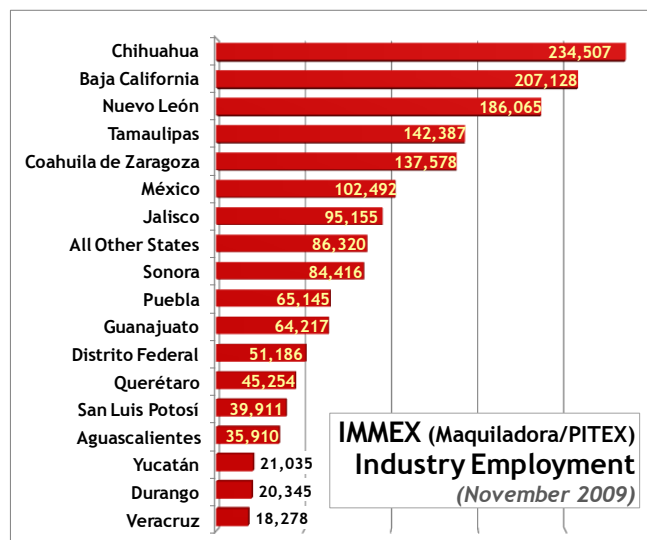
Mexico's IMMEX Industry (Maquiladora/PITEX): On the Rebound?

New data released in mid-February shows Mexico's IMMEX ("maquiladora") industry employment was on the increase, adding an average of *just over 14,000 jobs each month since July 2009*. The IMMEX industry (the new, regulatory term for what is widely considered the "maquiladora industry", covering both former "maquiladora" operations and "PITEX" companies) has been hard hit by the U.S. economic downturn, losing nearly 365,000 jobs in this sector from a near peak in November 2007 to its low-point of 1.58 million employees in July, 2009. A few key findings from this data:

- Since July, the IMMEX industry has seen an *increase* in employment of 4.5% -- adding a total of 71,000 jobs through November. This brought the total IMMEX employment up to 1.65 million workers - still 15% under what it was two years previous (November 2007), but at least positive. As additional data comes in, it will be easier to assess if this late-2009 workforce growth was a result of seasonal production increases, or if it represents an actual industry rebound.



- Employment increases were being seen on a broad, national basis - however, all border States - Chihuahua, Baja California, Nuevo León, Tamaulipas, Coahuila, and Sonora - were enjoying growth too, posting higher IMMEX employment between July and November of 2009. In fact, nearly every city with IMMEX-registered operations throughout Mexico posted gains (and those few that lost IMMEX jobs, with the exception of Torreón, Zapopan, and DF, were relatively minor).
- Notably, as seen at right, Mexico's border States still make up the majority of employment under the new IMMEX regime - around 60% of the national total. However, with the revised definition of the industry (beyond the former "maquiladora" classification) areas of Central Mexico and the Bajío now stand out as significant destinations for manufacturing investment.



For more information about Mexico's industries and business opportunities, contact the binational staff of Crossborder Group at Answers@CrossborderBusiness.com