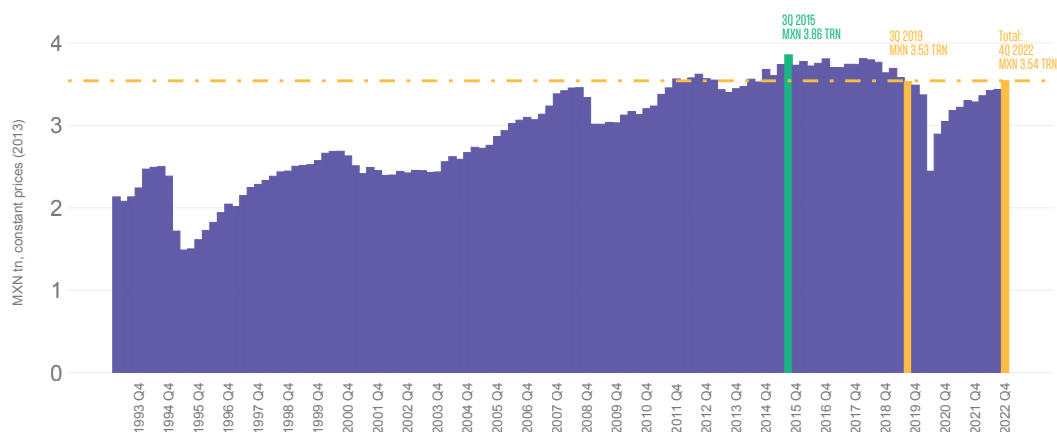


Investment in Mexico shrank as a proportion of GDP in 4Q2022, despite nearshoring

- Investment grew by 3.0% during the fourth quarter of 2022, but as a percentage of GDP, it decreased from 21.4% to 21.1% compared to the third quarter of the year. Gross fixed capital formation (investment) was at a similar level to pre-pandemic, but it is lagging behind by 8.3% compared to its highest level observed in 3Q2015.

Gross fixed investment

Seasonally adjusted index, base 2013 = 100



Made by México, ¿cómo vamos? with data from INEGI

- Gross fixed capital formation (investment) in Mexico closed the fourth quarter of 2022 (4Q2022) with a growth of 3.0% compared to the third quarter of the year. This quarterly variation is the result of an 8.9% increase in public investment and a 2.2% increase in private investment.

Quarterly variation

Seasonally adjusted series at constant 2013 prices.

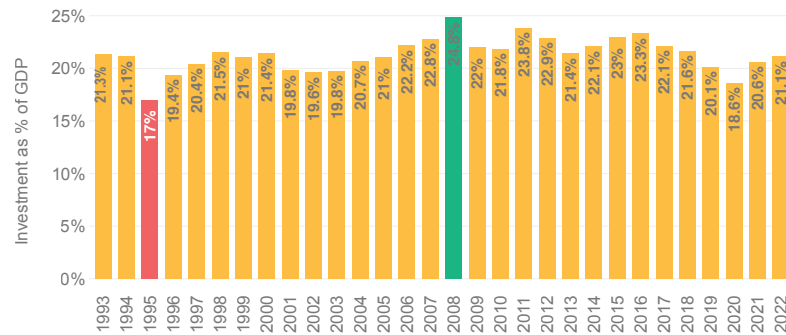
	2021				2022			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
GDP	0.4%	0.7%	-1.1%	1.2%	1.2%	1.1%	0.9%	0.5%
Investment	4.3%	1.2%	2.6%	-0.6%	2.4%	1.8%	0.5%	3.0%
Public	0.8%	1.8%	3.7%	-2.7%	-1.1%	3.1%	0.0%	8.9%
Private	4.9%	1.2%	2.3%	-0.2%	2.8%	1.7%	0.4%	2.2%

Source: INEGI

- Investment in Mexico in 4Q2022 accounted for 21.1% of the national GDP. The Investment Economic Traffic Light is in yellow.

Gross fixed investment

% of GDP in the fourth quarter of each year

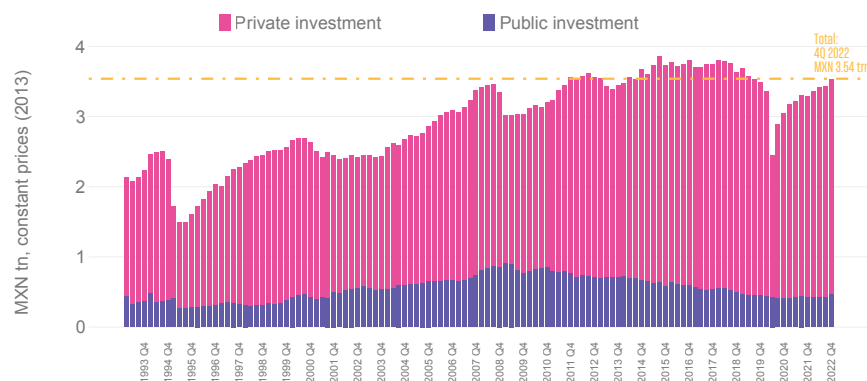


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- Private investment represents 17.7% of GDP and public investment represents 3.5%. Public investment as a percentage of GDP shows a quarterly increase of 0.6pp, while in private investment there is a decrease compared to 3Q2022, when it was 18.6% and 2.9%, respectively.
- However, investment in Mexico has been affected since before the Covid-19 pandemic crisis, compromising the quality of jobs and the competitiveness of the Mexican economy in the medium and long term.

Gross fixed investment

Seasonally adjusted (base 2013)



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- Investment levels are similar to those observed in the third quarter of 2019, meaning there is a three-year delay.
- Investment allows companies and economic activity to grow, become more productive, and generate more jobs for the population. Encouraging higher levels of investment in a country is the main driver of economic growth.

For more information, see the Investment Economic Traffic Light by México, ¿Cómo Vamos?