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According to the Finance Secretariat (SHCP), Mexico attained a trade surplus of US$1.34 billion in January-April, a sharp turnaround from a deficit of US$5.7 billion incurred during the same four-month period in 1994. The positive trade balance for January-April was the result of consecutive trade surpluses for the months of February, March, and April. The SCHP said these surpluses were linked directly to the higher costs for imports and reduced costs for exports due to the devaluation of the peso.

For April, Mexico's trade surplus reached US$801 million, compared with a deficit of US$1.42 billion in April of last year. Exports during the month surpassed US$5.77 billion, an increase of 24% relative to April of last year. According to the SHCP, exports of manufactured products increased by 24.3%, and those for extractive and agricultural products grew by 69.3% and 35.2%, respectively. On the other hand, imports in April totaled US$4.97 billion, a decline of 18.2% from last year.

For January-April, exports reached US$24.5 billion, an increase of almost 33% relative to the same four-month period in 1994. Exports by the manufacturing sector totaled US$19.48 billion, an increase of 30.6% relative to a year ago. Among the manufacturing sectors reporting greatest increases during the four-month period were food, beverages, and tobacco; textiles and clothing; paper and printing products; and chemicals and steel. Imports during January-April totaled US$23.16 billion, a decline of 4.1% from the same period last year.

According to the SHCP, imports of all three major categories intermediate goods, consumption, and capital all declined in the same month for the first time in eight years. According to the data, imports of raw materials used for manufacturing (and not intended for use in maquiladora plants) during January-April declined by 42% from last year, while imports of capital goods fell by 28.4%. As for specific categories, significant declines were reported for imports of automobiles, electrical equipment, fresh meat, and textiles.

Meantime, the Banco de Mexico (central bank) reported in early June that the appearance of monthly trade surpluses has contributed to a sharp drop in Mexico's current account deficit for the first quarter of the year. The current account deficit a broad measure of trade which includes export-import statistics for goods and services as well as services and financing was reported at US$1.2 billion in January-March, compared with almost US$6.7 billion in the first quarter of 1994. Mexico reported a trade surplus of US$540 million for January-March, compared with a trade deficit of US $4.3 billion for the same period in 1994.

On a related matter, Gilberto Marin, president of the private sector foreign trade council (Consejo Nacional de Comercio Exterior, Conacex), projected Mexico will attain a total trade surplus of

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between US$4 billion and US$5 billion during 1995. Marin said exports of non-petroleum products have increased by 33% this year. On the other hand, he acknowledged that the increase in exports has tended to benefit mostly 300 large companies in Mexico, many of which already have operations overseas. As a remedy to resolve this problem, Marin called on the government to increase export assistance to small- and medium-sized companies. He described recent efforts by the Zedillo administration to provide such support as "lukewarm."

Marin also expressed concern about the implications of a decline in imports of machinery, equipment, and other capital goods, which in recent years has averaged between US$11 billion and US$13 billion, but will decline to half that amount this year. Marin said this was a sign that many Mexican companies were not able to expand, which would translate into lower production. (Sources: Agence France- Presse, Reuter, 06/06/95; El Norte, El Financiero, El Economista, Excelsior, Inter Press Service, 06/07/95; La Jornada, 06/07/95, 06/08/95)

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