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POLICY

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## Mexico

### Sugar Annual

### Production Sufficient to Meet U.S. Quota Demand

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**Report Highlights:**

Mexican sugar prices have stabilized after significantly low levels in January and February. Low international sugar prices and the importation of high fructose corn syrup resulted in an oversupply on the domestic market. Unrest between sugar cane growers and mills has subsided after export commitments restarted. To date, there are remaining supplies of domestic sugar destined for international markets, delayed due to logistical difficulties and low international sugar prices. However, domestic wholesale sugar prices have increased almost 30 percent (standard) and 16 percent (refined) from January to February 2019. Mexican sugar production for marketing year 2019/20 is forecast to be 6.57 million metric tons raw-value (MMT-RV), with exports forecast at 1.9 MMT-RV. However, this will depend greatly on U.S. needs as dictated in the U.S./Mexico Sugar Agreement, which is likely to be reviewed in the beginning of 2020.

**Commodities:**

Sugar, Centrifugal

**EXECUTIVE SUMMARY**

Sugar is produced in 15 states, with 51 active sugar mills. A very important labor commodity for Mexico, as there are approximately 150,000 sugarcane growers, 100,000 seasonal cutters, and the industry generates about 450,000 direct jobs. Growers are organized within two major unions, and represent over 95 percent of all cane growers. Initial MY2019/20 sugar production estimates are 6.57 MMT-RV. International uncertainties, the fluctuation of the Peso against the Dollar, and international price fluctuations discourage production area expansion. Sugar production estimates for MY 2018/19 are revised higher to 6.56 MMT-RV, but sources indicate that a slow start at the mills could decrease sugar production further by the end of the marketing year.

Initial MY2019/20 exports estimates are 1.9 MMT-RV, dependent upon production and needs under the 2017 U.S./Mexico Sugar Agreement. Exports are forecast for MY2018/19 at 2.4 MMT-RV. This estimate includes the sugar surplus under export certificates (CEDES) from MY 2017/18. If Mexico encounters problems exporting to the world markets, as it did the previous marketing year, then export estimates could decrease. The 2017 Sugar Agreement between the United States and Mexico posed challenges to the Mexican industry, as it had to produce more raw sugar versus refined sugar to export to the United States. This Agreement is expected to be reviewed in the beginning of 2020.

**PRODUCTION**

**Sugar**

There is not yet an official forecast for sugar production for MY 2019/20 (October/September); however, sources believe weather has been beneficial for sugar production. The Post forecast for production is 6.57 MMT-RV, as good yields are expected. Final production will depend on cultivation practices, such as application of fertilizers, pesticides, crop rotation, and pruning, as well as timely maintenance of sugar mills, weather throughout the growing season, and harvest conditions.

The National Committee for the Sustainable Development of Sugar Cane (CONADESUCA) production estimates (February 2019) for MY2018/19 remains at 6.6 MMT-RV. However, production could end up between 6.52 and 6.56 due to mills beginning to process late. The [Advance Report # 20](#) from March 16, 2019 indicates that there is an accumulated production deficit of 369,277 MT-Actual Weight (391,433 MT-RV) compared to the first estimate. (See Table 1).

| Table 1. Mexico -Sugar Production – Week 24 |                      |                  |                                     |                       |            |
|---|----------------------|------------------|-------------------------------------|-----------------------|------------|
| MY 2018/19                                  |                      |                  |                                     |                       |            |
|   | Area Harvested (Has) | Milled cane (MT) | Sugar production (MT-Actual Weight) | Sugar w/> 99.2 pol. * | Mill Yield |

|  |         |            |           |         | %     |
|--|---------|------------|-----------|---------|-------|
| Current MY<br>2018/2019  | 447,759 | 34,844,792 | 3,760,207 | 455,905 | 10.79 |
| 1st. Estimate<br>2018/19   | 539,131 | 37,635,381 | 4,129,484 | 476,883 | 10.97 |
| Difference   | -91,372 | -2,790,589 | -369,277  | -20,978 | -0.18 |
| Source: CONADESUCA Report # 20 for 2018/19   |         |            |           |         |       |
| * Sugar with a polarization of less than 99.2 mainly to export to the U.S. under the suspension agreement rules. |         |            |           |         |       |

Fifty-one sugar mills will be operational during the harvest season. According to official sources, Mexico is not producing organic sugar on a commercial basis. There are approximately 150,000 sugarcane growers and 100,000 seasonal cutters generating about 450,000 direct jobs.

Growers are organized within two major unions, representing over 95 percent of all cane growers. These unions are the National Sugar Cane Growers (affiliated with the Confederacion Nacional Campesina- a strong organization of peasants/small-agricultural producers (that used to be close to the former-ruling Partido Revolucionario Institucional Party), and the National Association of Sugar Cane Growers. All growers operate under contracts to deliver cane to contracting mills. In exchange, they receive technical support and agrochemicals from the mills to grow cane. The industry has been fostering better working relationships between mills and sugar cane grower associations to better integrate overall sugar production.

### **Sugar Cane Production**

The official forecast of sugar cane production for MY2019/20 has not yet been released. The Post forecast of cane to be processed is 55 MMT. International uncertainties, the fluctuation of the Peso against the Dollar, and international price fluctuations discourage large expansion of production areas in some regions. Post area planted for MY2019/20 is forecast at 843,000 hectares.

Post estimates for area planted for MY2018/19 are revised higher to 843,440 hectares, based on official data, and overall cane yields are expected at 68 metric tons /hectare (MT/Ha). Area harvested is estimated at 800,000 hectares and milled cane estimates remain at 53.8 MMT, reflecting less processed sugar cane. The recent Advance Report # 20 indicates a slowdown of about 2,790,589 MT of sugar cane compared to the first estimate.

Virtually all sugar cane goes to the production of centrifugal sugar, and mills operate between November and May to coincide with the cane harvest. According to the Secretariat of Agriculture's (SEDAR) Agri-food and Fishery Information Service (SIAP), area planted data also includes area planted in the previous marketing year, since the growing season is approximately 18 months. In addition to sugar prices, area expansion will depend on weather conditions, production cost changes, and the level of continued investment by sugar mills.

### **Sugar Cane Reference Price**

Cane growers receive payment for their cane from sugar mills. The price is negotiated each year, and is based on a complex formula involving sugar prices and other domestic and international market conditions. These factors are used to determine the Sugar Cane Reference Price. According to Article 58 of the [Law of Sustainable Development for Sugar Cane](#), approximately 57 percent of the Reference Price is paid to growers for their sugar cane. Throughout the year, depending on how high or low prices are, two additional payments can be made to growers. The first opportunity is during the summer after mills have made significant sales. At the end of the cycle, a final adjustment is made, resulting in the next marketing year's Sugar Cane Reference Price and a potential final payment to growers.

As announced by the Secretariat of Economy (SE) on October 31, 2018, the standard sugar reference price to calculate sugar cane payments for the MY2018/19 crop is \$12,711.52 pesos per MT (\$627.11 dollars/MT at \$20.27 pesos per dollar exchange rate). This price is lower compared to MY 2017/18 of \$13,283.64 pesos per MT (\$707.70 dollars/MT at \$18.77 pesos per dollar exchange rate). The following reference prices are announced at the beginning of each marketing year.

**Table 2. Mexico: Reference Price for Sugar Cane  
MY2013/14-MY2018/19**

| Sugar cane MY Oct./Sept. | Standard Sugar Price in MT/Peso | Standard Sugar Price in MT/Dollar | 57 % Payment for Growers in Dollars | Exchange Rate in Pesos per Dollar |
|--------------------------|---------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| 2013/14                  | 6,697.00                        | \$511.22                          | \$291.39                            | 13.10                             |
| 2014/15                  | 7,099.93                        | \$517.10                          | \$294.74                            | 13.73                             |
| 2015/16                  | 8,130.65                        | \$486.86                          | \$277.51                            | 16.70                             |
| 2016/17                  | 11,077.76                       | \$591.44                          | \$337.12                            | 18.73                             |
| 2017/18                  | 13,283.64                       | \$707.70                          | \$403.38                            | 18.77                             |
| 2018/19                  | 12,711.52                       | \$627.11                          | \$357.45                            | 20.27                             |

Source: Diario Oficial (Official Gazette)

### Sugar Wholesale Prices

The Secretariat of Economy, through the National Market Information Service ([SNIIM](#)), reports sugar prices on a monthly basis delivered to various cities in Mexico from different mills. Sugar prices have a tendency to go down in November, reflecting a new cycle. Sugar prices now respond to multiple factors: lower/higher sugar supplies, demand, prices in sugar Contract 11 and 16 (futures), and to the exchange rate fluctuations. Prices reflect the policy of sugar mills to sell based on their needs, and as they fulfill international contracts. The prices below in Table 5 and 6 are for sugar delivered to the wholesale market in Mexico City (on a 50-kilogram bag basis).

### High Fructose Corn Syrup (HFCS)

The Mexican HFCS industry indicates that it will maintain previous MY levels for MY2018/19, as prices continue to be profitable. CONADESUCA's estimate of HFCS production for MY 2018/19 is at 520,000 dry basis, nearly the industry's maximum capacity. Industry members indicate that there is no

additional HFCS manufacturing capacity being built or expanded in Mexico. Sources report that as long as HFCS prices remain competitive, it is easier and more financially prudent to import the remainder of HFCS demand.

The Mexican HFCS industry produces fructose and other products with domestic and imported U.S. yellow corn. According to IDAQUIM (Industria de Derivados Alimenticios y Químicos del Maíz), the industry group that represents starch/HFCS producers, this industry consumed in MY 2017/18 about 2.83 MMT of yellow corn, of which 80 to 90 percent was imported. It is estimated that for MY 2018/19 the HFCS and starch industry will consume 2.9 MMT of yellow corn. The Government of Mexico continues to encourage forward contract purchases between Mexican farmers and yellow corn buyers in an attempt to increase domestic production of yellow corn. The main producers of yellow corn are the states of Chihuahua and Jalisco. According to SIAP data, domestic production of yellow corn for MY 2017/18 was about 3.1 MMT whereas livestock consumption was at about 14.9 MMT and HFCS and starch industry was 2.8 MMT. Therefore, imports of yellow corn were at about 15.2 MMT. The United States is the main supplier of yellow corn to Mexico.

## **CONSUMPTION**

### **Sugar and HFCS**

The sugar industry believes that sugar consumption in Mexico has decreased due to health concerns (that the industry does not share), and less caloric content of food products. Industry reports that soda-drink companies, which are large sugar consumers, are reformulating their products to decrease sugar content and use more non-caloric products. Therefore, the Post sugar consumption forecast for MY 2019/20 is expected to have marginal growth to 4.4 MMT, up from MY 2018/19 levels at 4.38 MMT. Post consumption estimates for MY2017/18 and 2018/19 are revised lower from previous estimates according to official data. The sugar industry believes that the food industry reformulated food products to reduce sugar content, and that health campaigns lowered consumption in MY 2017/18 by 200,000 MT. However, consumption was also affected by a relative deterioration of consumer income due to high inflation. According to the Bank of Mexico, 2017 inflation rate was of 6.7 percent. Inflation rate for 2018 was about 4.8 percent. Consumption in general will also depend on the substitution of sugar with HFCS and other sweeteners.

Substitution between HFCS and sugar has been slowly increasing. While soda bottlers continue to use stable amounts of HFCS in their products, there are new products in the market -like juice combinations and bakery products- using HFCS. Fructose consumption for MY2018/19 is forecast to grow to 1.604 MMT dry basis according to CONADESUCA. According to CONADESUCA, the volume of HFCS represents about 27 percent of total domestic sweeteners consumption in MY 2017/18. HFCS consumption depends on domestic sugar prices, imported corn and HFCS prices, and exchange rates.

## **TRADE**

### **Sugar and HFCS**

There is not yet an official forecast for sugar exports for MY2019/20, as this will depend on sugar production, sugar consumption and supply needed under accordance of the 2017 U.S./Mexico Sugar Agreement. Therefore, the initial forecast is 1.9 MMT-RV. However, if Mexico is unable to export

sugar supplies destined for world markets via the certificates program during MY2018/19, the forecast may change.

The Post sugar export forecast for MY2018/19 is revised higher to 2.4 MMT-RV to include sugar exported to world markets before December 2018. Much of this supply was meant to be exported in MY2017/18, but was delayed due to low international prices. The forecast will depend on production, consumption, U.S. and international sugar and sweeteners (HFCS) prices, and exchange rates. The peso's continued fluctuation against the U.S. dollar remains a concern to traders. This forecast includes the sugar surplus under export certificates (CEDES) of MY 2017/18. CONADESUCA indicates that the amount exported under CEDES to the world market by the end of December 2018 was about 273,387 MT-RV. Since Mexico was unable to fulfill export obligations to the world market in MY2017/18, the supply was converted to CEDES. The CEDES program is managed through the Master Trust for the Exportation of Sugar Surpluses (FIMAE in Spanish).

The export estimate also includes the maximum sugar export quota of 811,513 MT-RV to be exported to the United States from October 1, 2018 to September 30, 2019 under the Sugar Suspension Agreement. This allocation is based on the U.S. sugar needs as published in the December World Agricultural Supply and Demand Estimates (WASDE) report and CONADESUCA data. Based on the 2017 U.S./Mexico Sugar Agreement amendments, Mexico ships 70 percent of 99.2 polarity or less, and 30 percent is covered with refined sugar. In addition, the export estimate includes 1.28 MMT-RV to the world market. As of March 10, 2019, Mexico has exported 273,893 MT-RV to the U.S. out of a total of 802,496 MT-RV, including IMMEX (Mexican Sugar Re-export Program) sugar, world market supplies, and MY2017/18 certificates.

In January and February, a significant fall in domestic sugar prices led Mexican sugar cane growers to take to a number of sugar mills (in 15 states) in order to verify and pressure the mills to fulfill their export agreements. The usual arrangement is for equal shares of sugar production to be sold in the domestic and international markets in order to avoid market distortions, and prevent domestic oversupply and corresponding low prices. Growers believed that current low international sugar prices and the importation of high fructose corn syrup had resulted in an oversupply of sugar on the domestic market. The sugar mill industry responded by obligating sugar into export certificates through FIMAE. According to CONADESUCA, about 391,411 MT-RV are now obligated into certificates. If these certificates are not totally exported during the marketing year, total export data could decrease, with an increase in ending stocks. Domestic wholesale sugar prices have since increased almost 30 percent (standard) and 16 percent (refined) from January to February 2019 (See sugar price table).

The Post export forecast for MY 2017/18 is revised higher to 1.19 MMT-RV. Exports to the United States under the suspension agreement, according to the October 2018 Sugar [Export](#) balance report, are at 1.137 MMT-RV. Since Mexico did not export the expected amount to world markets during MY2017/18, sugar mills guaranteed the exports of unsold sugar by obligating it into export certificates under FIMAE, with an exportation deadline of December 31, 2018.

The Post MY2019/20 import sugar forecast is 20,000 MT-RV, similar to previous marketing year levels, as industry believes there is enough domestic sugar to cover their needs. The estimate for sugar imports for MY2018/19 is revised lower, as the industry believes domestic market prices might not be as attractive for traders. Most imports come from the United States, although Nicaragua also exports a

small supply. Sugar imports for MY2017/18 are revised lower on official data. CONADESUCA believes that most sugar imports were to take advantage of higher domestic prices in Mexico.

Sugar use under the “other disappearance” category is mainly for the Mexican Sugar Re-Export Program industries (IMMEX). The Post forecast for MY 2019/20 sugar use under IMMEX is 350,000 MT-RV, similar to MY2018/19.. The Post MY2018/19 estimates for sugar use under IMMEX are revised lower from previous estimates based on CONADESUCA data.

Imported HFCS has been increasing in Mexico due to demand from the food industry. According to CONADESUCA, imports for MY 2018/19 are forecast to be 1.115 MMT dry basis. HFCS imports for MY 2017/18 are estimated at 1.066 MMT dry basis. Although a negative impact was expected due to the depreciation of the Mexican peso versus the U.S. dollar, the industry has been importing HFCS steadily in the last two marketing years. Most of the HFCS is imported from the United States under contracts, which help with exchange rate fluctuations.

## **STOCKS**

The Post ending stock forecast for MY 2019/20 is 863,000 MMT-RV. However, production, sugar prices, and exports will determine final stocks. Ending stocks for MY 2018/19 are revised lower from previous estimates to 923,000 MMT-RV, contingent upon compliance with export commitments to world markets. These stocks are approximately two-and-a-half months of domestic consumption plus some IMMEX sugar according to CONADESUCA. Mills and traders hold sugar stocks in Mexico.

## **POLICY**

The United States and Mexico signed the final amendments to the Sugar Suspension Agreements on July 3, 2017. The amendments apply from October 1, 2017 through September 30, 2018, and onward. The initial fiscal year Export Limit calculation will now be 50 percent of U.S. Needs Calculation based on the July WASDE (World Agricultural Supply and Demand Estimates). For additional information, see <https://www.commerce.gov/news/press-releases/2017/07/us-mexico-sign-final-amendments-sugar-suspension-agreements>. A review of this agreement is expected at the beginning of next year.

## **Ethanol Production**

Mexico’s Biofuels Law from February 1, 2008, contains a comprehensive biofuels policy that is intended to promote ethanol production from different agricultural commodities. Also, there are provisions within the Sugar Law that specify production goals. However, ten years later, Mexico has not formally introduced ethanol into its commercial gasoline mix. Regulatory issues and the lack of an established supply chain has prevented the country from fully establishing its “clean-fuel” strategy. Mexico’s state-run oil company, Petroleos Mexicanos (PEMEX) has made no apparent progress in response to the 2015’s bidding process (GAIN Report [MX5041](#)) to begin changes on its distribution and storage infrastructure to be able to receive ethanol. The companies that won bids are not currently producing ethanol, so no immediate ethanol deliveries are expected in the short term.

## **STATISTICAL TABLES**

**Table 3. Mexico: Centrifugal Sugar PS&D**

| Sugar, Centrifugal<br>Market Begin Year | 2017/2018     |          | 2018/2019     |          | 2019/2020     |          |
|---|---------------|----------|---------------|----------|---------------|----------|
|   | Oct 2017      |          | Oct 2018      |          | Oct 2019      |          |
|   | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Mexico                                  |               |          |               |          |               |          |
| Beginning Stocks                        | 1062          | 1062     | 1479          | 1478     | 0             | 923      |
| Beet Sugar Production                   | 0             | 0        | 0             | 0        | 0             | 0        |
| Cane Sugar Production                   | 6371          | 6370     | 6386          | 6560     | 0             | 6570     |
| Total Sugar Production                  | 6371          | 6370     | 6386          | 6560     | 0             | 6570     |
| Raw Imports                             | 0             | 0        | 0             | 0        | 0             | 0        |
| Refined Imp.(Raw Val)                   | 233           | 140      | 122           | 20       | 0             | 20       |
| Total Imports                           | 233           | 140      | 122           | 20       | 0             | 20       |
| Total Supply                            | 7666          | 7572     | 7987          | 8058     | 0             | 7513     |
| Raw Exports                             | 880           | 855      | 840           | 600      | 0             | 600      |
| Refined Exp.(Raw Val)                   | 266           | 340      | 250           | 1800     | 0             | 1300     |
| Total Exports                           | 1146          | 1195     | 1090          | 2400     | 0             | 1900     |
| Human Dom. Consumption                  | 4512          | 4482     | 4678          | 4385     | 0             | 4400     |
| Other Disappearance                     | 529           | 417      | 509           | 350      | 0             | 350      |
| Total Use                               | 5041          | 4899     | 5187          | 4735     | 0             | 4750     |
| Ending Stocks                           | 1479          | 1478     | 1710          | 923      | 0             | 863      |
| Total Distribution                      | 7666          | 7572     | 7987          | 8058     | 0             | 7513     |
|   |               |          |               |          |               |          |

(1000 MT)

**Table 4. Mexico: Sugar Cane for Centrifugal PS&D**

| Sugar Cane for Centrifugal<br>Market Begin Year | 2017/2018     |          | 2018/2019     |          | 2019/2020     |          |
|---|---------------|----------|---------------|----------|---------------|----------|
|   | Nov 2017      |          | Nov 2018      |          | Nov 2019      |          |
|   | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Mexico  |               |          |               |          |               |          |
| Area Planted                                    | 840           | 840      | 840           | 843      | 0             | 843      |
| Area Harvested                                  | 785           | 780      | 780           | 800      | 0             | 800      |
| Production                                      | 53336         | 53336    | 53800         | 53800    | 0             | 55000    |
| Total Supply                                    | 53336         | 53336    | 53800         | 53800    | 0             | 55000    |
| Utilization for Sugar                           | 53336         | 53336    | 53800         | 53800    | 0             | 55000    |
| Utilizatn for Alcohol                           | 0             | 0        | 0             | 0        | 0             | 0        |
| Total Utilization                               | 53336         | 53336    | 53800         | 53800    | 0             | 55000    |
|   |               |          |               |          |               |          |

(1000 HA) ,(1000 MT)

**Table 5. Mexico: Average Wholesale Sugar Prices in Mexico City  
MX Pesos per 50 Kilograms – Bulk (CIF Basis)**

| Month   | Standard |        |                | Refined |        |                |
|---------|----------|--------|----------------|---------|--------|----------------|
|         | 2017     | 2018   | Percent Change | 2017    | 2018   | Percent Change |
| January | 650.40   | 752.00 | 15.62          | 751.40  | 807.67 | 7.94           |

|  |        |        |         |        |        |         |
|--|--------|--------|---------|--------|--------|---------|
| February   | 640.75 | 679.25 | 6.00    | 770.00 | 788.58 | 2.41    |
| March  | 637.00 | 639.00 | 0.31    | 780.00 | 778.50 | (0.19)  |
| April  | 647.00 | 698.75 | 7.99    | 768.33 | 777.25 | 1.16    |
| May  | 748.00 | 666.50 | (10.89) | 829.73 | 746.25 | (10.06) |
| June   | 807.25 | 691.25 | (14.36) | 848.17 | 779.84 | (8.05)  |
| July   | 790.25 | 668.40 | (15.41) | 841.67 | 757.80 | (9.96)  |
| August   | 785.20 | 667.25 | (15.02) | 833.47 | 742.42 | (10.92) |
| September  | 815.75 | 645.00 | (20.93) | 845.17 | 730.83 | (13.52) |
| October  | 790.40 | 594.00 | (24.84) | 836.00 | 722.93 | (13.52) |
| November   | 798.25 | 581.00 | (27.21) | 829.42 | 716.42 | (13.62) |
| December   | 782.25 | 534.33 | (31.69) | 819.59 | 702.44 | (14.29) |
| Source: Servicio Nacional de Información de Mercados SNIIM-ECONOMIA<br><a href="http://www.economia-sniim.gob.mx/Sniim-anANT/e_SelAzu.asp">http://www.economia-sniim.gob.mx/Sniim-anANT/e_SelAzu.asp</a> |        |        |         |        |        |         |

| Month  | Standard |         |                | Refined |         |                |
|--|----------|---------|----------------|---------|---------|----------------|
|  | 2018     | 2019    | Percent Change | 2018    | 2019    | Percent Change |
| January  | 752.00   | 579.50  | (22.93)        | 807.67  | 687.83  | (14.83)        |
| February   | 679.25   | 740.50  | 9.01           | 788.58  | 796.25  | 0.97           |
| March  | 639.00   | 702.50  | 8.40           | 778.50  | 788.34* | 1.26           |
| April  | 698.75   | 757.50* |                | 777.25  |         |                |
| May  | 666.50   |         |                | 746.25  |         |                |
| June   | 691.25   |         |                | 779.84  |         |                |
| July   | 668.40   |         |                | 757.80  |         |                |
| August   | 667.25   |         |                | 742.42  |         |                |
| September  | 645.00   |         |                | 730.83  |         |                |
| October  | 594.00   |         |                | 722.93  |         |                |
| November   | 581.00   |         |                | 716.42  |         |                |
| December   | 534.33   |         |                | 702.44  |         |                |
| Source: Servicio Nacional de Información de Mercados SNIIM-ECONOMIA<br><a href="http://www.economia-sniim.gob.mx/Sniim-anANT/e_SelAzu.asp">http://www.economia-sniim.gob.mx/Sniim-anANT/e_SelAzu.asp</a><br>* As of 2nd week of April 2019 |          |         |                |         |         |                |

**Table 7. Mexico: Monthly Exchange Rate  
Averages for 2016-2019**  
MX Pesos per U.S. \$1.00

|                   | <b>2016</b>  | <b>2017</b>  | <b>2018</b>  | <b>2019</b> |
|-------------------|--------------|--------------|--------------|-------------|
| January           | 18.02        | 21.37        | 18.95        | 19.19       |
| February          | 18.47        | 18.47        | 18.63        | 19.19       |
| March             | 17.69        | 17.69        | 18.66        | 19.24       |
| April             | 17.49        | 18.77        | 18.36        | 19.05*      |
| May               | 18.09        | 18.76        | 19.57        |             |
| June              | 18.12        | 18.16        | 20.31        |             |
| July              | 18.58        | 17.83        | 19.05        |             |
| August            | 18.47        | 17.80        | 18.83        |             |
| September         | 19.16        | 17.81        | 19.03        |             |
| October           | 18.91        | 18.77        | 19.11        |             |
| November          | 20.03        | 18.94        | 20.25        |             |
| December          | 20.51        | 19.12        | 20.14        |             |
| <b>Annual Avg</b> | <b>18.62</b> | <b>18.91</b> | <b>19.24</b> |             |

Source: Mexican Federal Register

Note: Monthly rates are averages of daily exchange rates from the Banco de Mexico

\*As of 3<sup>rd</sup> week of April 2019