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## PRESS RELEASE

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### **Index stands with Mexico of tariff concerns**

The National Council of the Export Manufacturing Industry (Index) is closely monitoring recent remarks by U.S. President-elect Donald Trump regarding potential tariffs on goods from Mexico, Canada, and China

The economic ties between Mexico and the United States are deeply interconnected. Index represents over 1,200 multinational companies that manufacture in Mexico and contribute 60% of the country's exports. With more than 50 years of experience in this field, we understand that imposing tariffs would have severe repercussions—not only for Mexico but also for the U.S. economy. These measures would likely increase costs for American consumers.

Economic analysts in the U.S. warn that these tariffs could lead to a 3.6% to 7% reduction in the country's GDP, driving up prices for essentials like gasoline and food. Mexico plays a key role in the U.S. supply chain, especially for products like fruits and vegetables, meaning consumers would feel the impact almost immediately.

According to Mexico's Ministry of Economy, the country's primary exports to the U.S. include auto parts, light vehicles, trucks, tractors, and semiconductors, which together make up over 30% of Mexico's shipments to the U.S. This figure doesn't even account for significant contributions from industries like textiles, food, beverages, and footwear, all of which generate substantial revenue.

It's important to note that the U.S. remains Mexico's largest foreign investor and a vital partner in integrated manufacturing processes. Many raw materials used in Mexican factories come from the U.S., meaning that tariffs could disrupt supply chains and even contribute to inflation in the U.S.

Through its 18 associations, Index stands with the Mexican government and President Claudia Sheinbaum in emphasizing the importance of cooperation and mutual understanding to overcome challenges in the bilateral relationship. Working together will strengthen regional competitiveness and ensure both nations can benefit from their interconnected economies.

Index is actively collaborating with authorities such as the Ministry of Economy to assess potential impacts on exports and manufacturing. At the same time, we're exploring strategies to enhance domestic supply chains and replace imports with competitive local suppliers where possible.

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