

MEXICO: ECONOMIC FORECASTS

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FORECASTS FOR 2018, 2019 & 2020 FOR MEXICO (1)

Forecasts for 2018, 2019 & 2020:	2018	2019	2020
GDP growth rate for Mexico	2.14%	2.16%	2.36%
Inflation rate (annual)	4.41%	3.74%	3.69%
TIIE (interbank) rate (Dec)	7.88%	7.30%	N/A
Cetes (T'Bills) rate (Dec)	7.89%	7.42%	7.05%
Average unemployment rate	3.41%	3.51%	N/A
Exchange rate (Dec) USD/MXN	18.92	18.98	18.87

(1) Based on the September 3, 2018 report from Banxico (Mexico's central bank)
about the surveys among private firms and some actual figures

TRENDS TO KEEP AN EYE ON FOR 2018 FOR MEXICO (2)

Forecasts for 2018:	Forecast 6 months ago	Forecast 3 month ago	Last forecast
GDP growth rate for Mexico	2.28%	2.26%	2.14%
Inflation rate (annual)	4.09%	3.92%	4.41%
TIIE (interbank) rate (Dec)	7.51%	7.50%	7.88%
Cetes (T'Bills) rate (Dec)	7.42%	7.50%	7.89%
Average unemployment rate	3.50%	3.43%	3.41%
Exchange rate (Dec) USD/MXN	18.86	19.02	18.92

(2) Base on the monthly surveys from Banxico (Mexico's central bank)
among private firms Feb, May & Aug 2018

About Acus Consulting. This firm supports companies, organizations and government agencies in financial and strategic analysis, investment project evaluations, financial modeling, valuation of ongoing companies, financial planning, risk analysis and decision making. Acus Consulting works in consulting projects and offers workshops of finance for executive training. It is based in Toronto.

About Alberto Calva. His expertise field is finance and economy. He has been a business consultant for more than 20 years. He has given executive workshops in 8 different countries having trained with this around 10,000 executives and entrepreneurs from 20 different countries. He has a unique mix of academic, practical, entrepreneurial, hands on experience and board member background. He holds a Bachelor degree of Industrial Engineering, a Master degree of Economics and an MBA with a major of Finance.

About this report. We prepare several reports every month regarding financial, economic and business issues. These reports are sent free of any charge to our database of clients and friends. We have been preparing and sending our reports for 20 years. We send each report to around 16,000 people.

Neither Acus Consulting nor Alberto Calva are responsible for any decisions taken based on the information or comments here presented, neither for the accuracy of the figures or information.

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Based on the monthly surveys from Banxico among private firms. Last survey took place between October 20 to 30, 2017		Average this month in survey	Average last month in survey	Average two months ago in survey
Inflation	(2017)	6.25%	6.30%	6.24%
	(2018)	3.85%	3.84%	3.85%
	(2019)	3.59%	3.55%	3.58%
Exchange rate	(close 2017)	18.70	18.14	18.23
	(close 2018)	18.61	18.21	18.21
	(close 2019)	18.29	18.01	18.15
Cetes 28 days	(close 2017)	7.07%	7.04%	7.06%
	(close 2018)	6.72%	6.65%	6.71%
	(close 2019)	6.29%	6.19%	6.18%
TIIE (interbank rate)	(close 2017)	7.03%	7.02%	7.04%
	(close 2018)	6.63%	6.53%	6.57%
Unemployment rate (annual average)	(2017)	3.52%	3.53%	3.54%
	(2018)	3.59%	3.66%	3.62%
GDP Mexico (growth rate)	(2017)	2.10%	2.10%	2.16%
	(2018)	2.25%	2.22%	2.27%
	(2019)	2.42%	2.38%	2.42%
GDP U.S.A. (growth rate)	(2017)	2.18%	2.14%	2.14%
	(2018)	2.35%	2.30%	2.32%

FUTURES MARKET (MexDer & CME Group) as of November 3, 2017

Dec. 2017	Jun. 2018	Dec. 2018	Dec. 2019	Dec. 2020
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USD/MXN CME	19.34	19.87	20.42	N/A	N/A
USD/MXN MexDer	19.28	19.87	20.43	21.47	22.50
EUR/MXN MexDer	22.45	23.35	N/A	N/A	N/A
EUR/USD CME	1.162	1.177	1.191	1.222	1.251
USD/CAD CME	1.278	1.274	1.272	1.270	1.269
TIIE 28 days MexDer	7.48%	7.60%	7.40%	7.13%	7.18%
Cetes 91 days MexDer	7.14%	6.98%	N/A	N/A	N/A
Mexican Stock Exchange MexDer (index)	48,644	50,376	N/A	N/A	N/A
Mexican Stock Exchange MexDer (% increase)	+6.58% versus Dec.2016	+10.37% versus Dec.2016	N/A	N/A	N/A

CME: CME Group / Chicago Mercantile Exchange, MexDer: Mercado Mexicano de Derivados (Mexican Derivatives Market), MXN: Mexican Peso, USD: US Dollar, CAD: Canadian Dollar, EUR: Euro, TIIE: Mexican interbank rate
Cetes: Mexican treasury bills