# ‘

|  |  |
| --- | --- |
|  | VCC_logo_tree_icon.jpg |

**The double uncertainty of Mexican multinationals. Between the USMCA and the new Mexican government project**

**Report dated February 26, 2020**

**Mexico City and New York, Nov. 26, 2019**

The Institute for Economic Research (IIEc) of the National Autonomous University of Mexico (UNAM) and the Columbia Center on Sustainable Investment (CCSI), a joint center of Columbia Law School and the Earth Institute at Columbia University in New York, are releasing the results of their ninth survey of Mexican multinationals today.**[[1]](#footnote-1)** The survey, conducted in 2019, is part of a long-term study of the rapid global expansion of multinational enterprises (MNEs) from emerging markets. The present report focuses on data for the year 2017.

**Highlights**

In 2017, the 20 largest Mexican MNEs had foreign assets of US$ 153 billion (Table 1), foreign revenue of US$ 100 billion, and 408,231 foreign employees (Annex I, Table 1). The two largest companies (América Móvil and CEMEX) together controlled US$ 74 billion, equivalent to 48% of the total foreign assets of the companies on the list. The four largest MNEs (also including FEMSA and Grupo Mexico) together controlled US$ 104 billion, equivalent to 68% of the total. Companies in the food and beverage sectors (seven) dominate the list, followed by companies in the non-metallic (three) and diversified (three) sectors. Only two companies are not listed on any stock market: PEMEX, the 100% government-owned oil company and XIGNUX, a privately-held conglomerate.

The 20 listed MNEs have 328 foreign subsidiaries, most of them in Latin America (154) followed by those located in North America (79), primarily in the United States (Annex I, Figure 2). In third place is Western Europe (registered as "Other Europe") followed by Eastern Europe and Central Asia in fourth, East Asia and the Pacific in fifth, the Middle East and North Africa in sixth, South Asia in seventh, and Developed Asia Pacific, with the fewest existing subsidiaries. None of the companies on the list has a presence in sub-Saharan Africa.

**Table 1. Mexico: The top 20 non-financiala multinationals, by foreign assets, 2017** (US$ million) b

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Rank** | **Company** | **Industry** | **Status** | **Foreign Assets** |
| 1 | America Movil | Telecommunications | Listed-(Nil) | 48,586 |
| 2 | CEMEX | Non-metallic Minerals | Listed-(Nil) | 25,066 |
| 3 | Grupo FEMSA | Beverages | Listed-(Nil) | 17,249 |
| 4 | Grupo Mexico | Mining | Listed-(Nil) | 13,460 |
| 5 | Grupo BIMBO | Food Products | Listed-(Nil) | 10,036 |
| 6 | Grupo ALFA | Diversified | Listed-(Nil) | 9,976 |
| 7 | ARCA Continental | Beverages | Listed-(Nil) | 8,011 |
| 8 | MEXICHEM | Chemical & Petrochemicals | Listed-(Nil) | 7,807 |
| 9 | PEMEX | Oil & Gas | Unlisted-(100) | 2,253 |
| 10 | GRUMA | Food Products | Listed-(Nil) | 2,013 |
| 11 | Casa Cuervo | Beverages | Listed-(Nil) | 1,542 |
| 12 | Cementos Chihuahua | Non-metallic Minerals | Listed-(Nil) | 1,469 |
| 13 | Grupo VITRO | Non-metallic Minerals | Listed-(Nil) | 844 |
| 14 | Grupo ELEKTRA | Retail Trade | Listed-(Nil) | 803 |
| 15 | XIGNUX | Diversified | Unlisted-(Nil) | 720 |
| 16 | Industria CH | Steel & Metal Products | Listed-(Nil) | 688 |
| 17 | ALSEA | Food Products | Listed-(Nil) | 614 |
| 18 | ELEMENTIA | Cooper & Platic Pipes, Electric Conduits | Listed-(Nil) | 595 |
| 19 | BACHOCO | Food Products | Listed-(Nil) | 557 |
| 20 | Grupo CARSO | Diversified | Listed-(Nil) | 490 |
| **Total** | 152,779 |

***Source***: Basave and Gutiérrez Haces, consolidated company reports and websites.

a Financial firms are excluded from the ranking by the methodology of the Emerging Market Global Players project.

b The exchange rate used is the IMF rate of December 30, 2017: USD 1= Pesos 19.79.

c The percentage in parentheses is the percentage of shares controlled by the state.

**Profile of the top 20 MNEs**

**Changes to the list**

Between 2016 and 2017, several significant changes ocurred in the ranking of the top 20 MNEs (Annex I, Table 1). First, Grupo FEMSA (beverages) rose from 4th to 3rd place, surpassing Grupo Mexico (mining) (now in 4th place) by almost USD 4 billion; and second, Casa Cuervo (beverages) appeared, jumping into 11th place. The latter is due to newly available information regarding foreign assets of Casa Cuervo that had not yet been released in 2016 (when its financial statements were made public for the first time). In addition, ARCA Continental (beverages) rose to 7th place, changing places with MEXICHEM (Chemical & Petrochemicals), now ranked 8th. Industrias CH (steel & metal products) fell from 13th to 16th place and Grupo CARSO (diversified) fell from 16th to 20th place. Meanwhile, ALSEA (food products) climbed from 18th to 17th place. Four new MNEs entered the Runners Up list: Grupo Comercial Chedraui (retail) in 3rd place, Genomma Lab (Pharmaceutical) in 5th place, Rotoplas (construction) in 8th place and Grupo Gigante (retail) in 10th place. ICA (engineering & construction services), after facing critical financial problems in 2017, was declared bankrupt and thus dropped from our list.

**Driving factors of Mexican FDI**

In 2017 the listed Mexican MNEs expanded through an increase in M&A transactions following a three year decrease in the pace of M&As. The top 10 outward M&A transactions in 2017 totalled US$ 7.7 billion of which the most significant acquisition was that of USA-based Florida East Coast Holdings (transport) by Grupo Mexico (mining) for US$ 2.1 billion. The Beverages and Food industries engaged in the largest number of M&As (6), and the United States, host of 7 acquisitions, was the primary target country (Annex I Table 4a). These expantions by companies in the Beverages and Food industries are reflected in the changes in our rankings of the 20 largest Mexican MNEs list (as explained in the Changes to the list section). These acquisitions in the US market continue a trend also witnessed in 2016 (6 acquisitions), reflecting the aim of Mexican MNEs to participate in the recovering US market.

**Main industries**

Annex I, Figure 1, shows the distribution of the foreign assets of the ranked MNEs per investment sector. The telecommunications industry (31.8%) continues to be dominant but its percentage distribution has decreased (35.0% in 2016) for the second year in a row. The dominance of this sector reflects the weight of América Movil, which has been at the top of the 20 ranked Mexican MNEs since 2010. The telecommunications industry is followed by the non-metallic minerals industry (17.9%) including three companies: CEMEX (2nd in our Table 1 list), Cementos Chihuahua and Grupo VITRO. This percentage distribution of this sector also decreased (20.7% in 2016) for the second year in a row. It was the Beverage sector, including three companies, Grupo FEMSA (3rd in our Table 1 list), ARCA-Continental and Casa Cuervo) that increased in the foreign assets breakdown. While the industry remained third with 17.5%, its percentage distribution was up from 11.6% in 2016. Mining (8.8%) is 4th, based on the performance of only one company, Minera México (4th in our Table 1 list). The food industry (8.7%) including four companies: BIMBO, GRUMA, BACHOCO and ALSEA is fifth. Diversified companies, including Grupo ALFA, XIGNUX and Grupo CARSO, rank 6th (7.3%). Filling out the ranking are the chemicals and petrochemicals industry (5.1%), retail trade (1.5%), oil & gas (1.5%), steel & metal products (0.45%), and copper & plastic pipes (0.39%).

**Geographical distribution of subsidiaries**

The total number of foreign subsidiaries in 2017 was 351 as shown in Annex I, Table 1. Latin America & the Caribbean, with 156 subsidiaries, was the top investment destination for Mexican FDI, followed by North America (primarily the United States) with 80 subsidiaries. Overall, 67% of the ranked MNEs’ subsidiaries are located in the Americas. Only two of the MNEs on the list do not have subsidiaries in North America: FEMSA (beverages) and ALSEA (food products), while four MNEs do not have subsidiaries in Latin America: PEMEX (oil & gas), Cementos Chihuahua (non-metallic minerals), BACHOCO (food products) and Casa Cuervo (beverages) (Annex I, Table 2).

Other Europe hosts 57 Mexican subsidiaries representing 16% of the total, followed by East Europe & Central Asia with 35 subsidiaries (10%), East Asia & the Pacific with 8 subsidiaries (2%), Middle East & North Africa with 7 subsidiaries (2%) and South Asia and Developed Asia Pacific with less than 1% each.

MEXICHEM (chemical & petrochemical) continues to maintain the largest number of subsidiaries (56) distributed in seven of the regions: Other Europe (16), Latin America & the Caribbean (13), East Europe & Central Asia (12), North America (8), East Asia & the Pacific (3), Middle East & North Africa (3) and South Asia (1). Three of the Mexican MNEs are present in seven of the eight regions: CEMEX (non-metallic minerals) with 42 subsidiaries distributed in all the regions except Developed Asia Pacific, MEXICHEM (chemical & petrochemicals) with 56 subsidiaries distributed in all regions except Developed Asia Pacific and GRUMA (food products) with 29 subsidiaries distributed in all regions except Middle East & North Africa.

Twelve of the 20 MNEs were global, defined as those companies that have a presence in at least one region in addition to the Americas. The remaining eight were regional, with a presence only in the Americas. The global MNEs were América Móvil, CEMEX, Grupo FEMSA, Grupo Mexico, Grupo BIMBO, Grupo ALFA, ARCA-Continental, MEXICHEM, GRUMA, Casa Cuervo, ALSEA and Grupo CARSO. No Mexican MNE had a presence in sub-Saharan Africa.

**Transnationality Index**

The transnationality index (TNI) aims to represent the extent of a firm’s international activities and presence as compared to its domestic activities and presence. It is calculated as the average of the following three ratios: foreign assets to total assets, foreign sales to total sales, and foreign employees to total employees. It is expressed as a percentage (that is, 41% instead of 0.41). In 2017, MEXICHEM had the highest TNI at 83% (Annex I, Table 1). In addition to MEXICHEM, five other MNEs posted a TNI above 50%: CEMEX (79%), GRUMA (66%), Grupo BIMBO (64%), América Móvil (63%) and ARCA-Continental (52%). This year it was not possible to fully calculate the TNI of three MNEs, Cementos Chihuahua, XIGNUX, and Grupo CARSO, due to lack of information on the number of their foreign employees.

**Ownership status**

PEMEX (oil & gas) is the only MNE that is 100% owned by the Mexican State. It is not listed on any stock exchange. The only other MNE included in the ranking that is not listed on a stock Exchange is XIGNUX (diversified) which is controlled (78.95%) by the Garza Herrera family. The remaining 18 MNEs are listed on the Mexican Stock Market (BMV). Seven of them are also listed on the NY Stock Exchange and/or on Latibex, the Spanish stock Exchange for Latin American securities (Annex I, Table 3).

**Employment in 2017**

Foreign employment during 2017 (408,231) increased by 24,231 new jobs when compared to 2016 employment levels. The companies with the greatest number of new overseas employees in 2017 were ARCA-Continental (beverages) with 8,000 new jobs, Grupo FEMSA (beverages) with 4,221 new positions, ALSEA (food) with 3,246 new positions, América Movil (telecommunications) with 3,142 new positions and BIMBO (food) with 3,000 new positions.

**The ten largest mergers and acquisitions (M&A), 2015-2017**

The largest 10 outward M&As during 2017 totalled US$ 7.7 billion, almost doubling the 2016 total (US$ 3.9 billion). The largest M&A in 2017 was the acquisition of US-based Florida East Coast Holdings (transport) by Grupo Mexico (mining) (US$ 2.1 billion). The region where the largest number of acquisitions was made was the United States (which was also true for 2016), with seven M&As for a total of almost US$ 5.7 billion, primarily (in five of the cases) in the food and beverages industries.

The companies that invested in the United States during 2017 were Grupo Mexico (mining), ARCA-Continental (beverages), Grupo BIMBO (food), VITRO (non-metallic minerals) and BACHOCO (food). (Annex I, Table 4a).

Four of the 2017 top 20 MNEs were involved in at least one of the top 10 M&As during the 2015-2017 period: Grupo Mexico acquired 100% of Florida East Coast Holdings (transport), ARCA-Continental (beverages) acquired 100% of US-based Coca-Cola Southwest Beverages (beverages), Grupo Lala (food) acquired 100% of Brazil-based Vigor Alimentos (food) and BIMBO (food) acquired 100% of East Balt Bakeries (food) (Annex I, Table 4).

**The ten largest Greenfield investments 2015-2017**

América Móvil made four of the ten largest greenfield investments during the 2015-2017 period, involving a total of almost US$ 1.81 billion. All were in Latin America in telecommunications and internet infrastructure. The combined value of the top ten greenfield investments was US$ 3.2 billion, with six in Latin America, three in the United States and one in Europe.

The largest greenfield investment in 2016 was for a US$ 914 million investment in internet infrastructure undertaken by América Movil (telecommunications) in Brazil. There were five greenfield investments made in 2017 that were added to the list of the top 10 for the 2015-2017 period: GRUMA’s (food) investment of US$ 490 million in the United States; América Movil’s (Telecommunications) investment of US$ 670 million in Latin American Communications and Internet Infrastructure; Grupo Posadas’ (tourism) US$ 130 million investment in the Dominican Republic; and Bocar’s (auto parts) US$ 115 million auto parts investment in the United States.

**Location of head office and official languages**

In 2017, eight of the MNEs in our ranking had their main corporate headquarters in Mexico City, seven in the northern state of Nuevo León, two in the State of Mexico, one in Chihuahua, one in Jalisco and one in Guanajuato. The official language of all companies was Spanish.

**Changes in the amount of assets, sales, and number of employees**

Foreign assets of the 20 largest Mexican MNEs in 2017 increased by 8.4% in relation to 2015 and 13% in relation to 2016 (Table 2). In this category as well as in the amount of total assets, foreign sales and total sales, 2017 showed increases with respect to the previous year (2016), and reversed decreases seen from 2015 to 2016. Over the 2015-2017 period, total assets increased by 7.1%, foreign sales by 12.4%, total sales by 6.9%, and foreign employment by 7.61%. Only total employment decreased, dropping -1.3% from 2015 through 2017.

The ratio of foreign assets to total assets in 2017 was 59.3%, slightly over 2015 levels (58.6%). The ratio of foreign sales to total sales in 2017 was 58.9%, almost three points above the figure for 2015 (56.0%). The ratio of foreign employees to total employees in 2017 was 37.8%, more than three points higher than the figure in 2015 (34.7%).

**Snapshot of the ranked MNEs in relation to the USMCA [[2]](#footnote-2)**

Since 2016, the multiple declarations made by the candidate for the presidency of the United States, Donald Trump ended the comfort zone within which the three countries that formed the most important commercial alliance in North America: NAFTA .

From that year on, Trump continually harassed the governments of Mexico and Canada and along with them the most prominent companies in these countries arguing that NAFTA had meant the worst agreement the United States had made and that this, among other aspects, had contributed to the tremendous trade deficit.

Unquestionably this situation destabilized not only the economy of Mexico, but also the operations of Mexican companies inside and outside the country.

The USMCA (T-MEC for Mexico) was signed in December 2018 and as of 2019 the governments of each country began the process of legislative approval of the USMCA. Mexico hastened its time and approved it shortly after, due to the start of the presidential campaign that finally gave the victory to Lopez Obrador and his MORENA party.

During the negotiation process, Mexican companies got together and started an intense lobbying work, with clear chiaroscuro due to the differences that were evidenced between the three countries. Mexican businessmen had to construct two clearly differentiated strategies in the negotiation, since Canada decided to act separately from Mexico in many of the negotiation stages.

Mexico adhered to a negotiation that did not seek to suppress but improve the NAFTA clauses, while Canada had decided to dissociate itself from some clauses such as those referring to chapter 11 on the protection of business investment and its right to resort to the mechanism for the solution of disputes.

Analyzing the results of the renegotiation, we could assert that the oil sector was one of the greatest winners in USMCA as the Sunset Clause proposed by the US negotiators was not included.

USMCA contains at least three very powerful provisions that will definitely disrupt the feeble balance of North American relations. The first is the direct involvement of Mexico and Canada in the commercial war of the US against China since clause 32.10 of Chapter 32 on Exceptions and General Provisions sets forth that none of the three countries may enter into economic agreements with non-market countries.[[3]](#footnote-3) Perhaps the Mexican and Canadian negotiators thought the clause had a very constrained scope since it only addresses the action of negotiating a free trade agreement, not trading as such. However, this clause limits Mexico and Canada’s commercial future, dooming them to import and export to China, without the preferential conditions that a free trade agreement with this Asian country would offer them.

The second provision is contained in chapter 33, clause 33.4 of the chapter on Macroeconomic Policies and Exchange Rate Matters, where the countries entrust a Trilateral Macroeconomic Committee composed by representatives of the three countries some of the major decisions on national exchange rate policy, setting forth that “each Party should achieve and maintain a market-determined exchange rate regime.” This provision erodes the autonomy of the Central Bank, which will stop intervening in the exchange rate regime according to the economic circumstances, and will stop employing part of its international reserves to rebalance the highs and lows of the exchange rate; in addition, it also loses its capacity to induce moderate devaluations to rebalance foreign trade. In the opinion of Stephanie Segal: “USMCA currency provisions set a new precedent. The trilateral Macroeconomic Committee aims to prevent any USMCA members from pursuing a competitive devaluation.”[[4]](#footnote-4)

Thirdly, USMCA has two much differentiated approaches with respect to ISDS. It has been totally eliminated for the US and Canada[[5]](#footnote-5), but its disappearance will take time, and therefore companies will be able to continue suing the Canadian government;[[6]](#footnote-6) in the case of Mexico and the US, although the mechanism remained, it contains significant changes. The arbitration mechanism will disappear gradually; it no longer covers the entire economic universe and limits the protection to investment of companies in certain activities. Damages may be claimed due to harming investment under two scenarios: violating the obligations of National Treatment, Most Favored Nation, and Direct Expropriation, or breaching a contract in the sectors of: hydrocarbons and gas, telecommunications, energy generation, transport, and infrastructure projects. Finally, the arbitration mechanism was updated by incorporating new elements: transparency of the arbitral procedure in both written and oral performances is favored; acceptance of new rules established by UNCITRAL is allowed; the incorporation of ethical rules that arbitrators will have to observe; swifter procedures to settle jurisdiction matters are contemplated as well as rules for the participation of non-contesting parties, and termination of arbitration due to procedural inactivity.[[7]](#footnote-7)

Taking into account the changes in the dispute resolution mechanism agreed between Mexico and the United States, the multinationals of both countries will have greater protection than during the NAFTA implementation.

Mexican companies, as well as those from Canada and the United States, had to adapt to important changes, such as the one referring to the rules of origin, thanks to which the automotive industry must guarantee that 75% of the manufactured components come from the three countries, aspect that will affect Mexico given the structure of its automotive industry. In addition to the above, between 40% and 45% of auto parts must be produced by workers in Mexico, the United States and Canada who earn at least US $ 16 an hour, in 2023. Additionally, Mexico agreed to pass new labor laws that protect workers, including women and migrants. These laws should support free unionization.

**The adaptation process and the formulation of new corporate strategies in Mexico looking at the changes produced by the USMCA and the arrival of a new government.**

**América Móvil**

América Móvil again topped the ranking of the 20 Mexican multinationals, explained in large part by the firm’s sustained financial growth. This company is established in 25 countries, and in Latin America occupies the foremost position in the telecommunications service sector.[[8]](#footnote-8) One of its greatest strengths is undoubtedly its network of points of sale. During 2017, the company reported a total of 420,000 points of sale with 57,400 total employees.[[9]](#footnote-9)

The company's operating income during 2017 increased in relation to the figures obtained for 2016, amounting to a total of US$ 51,632 million.[[10]](#footnote-10) Its net income increased from US$ 582 million in 2016 to US$ 1,627 million in 2017. The total of the company's 2017 investments was US$ 571.45 million.[[11]](#footnote-11)

One of the most complex situations that América Móvil faced during 2017 was the NAFTA (US-Mexico-Canada Trade Agreement (USMCA)) renegotiation process and the potential inclusion of new regulations that would impact the operations of the company. In particular, certain Mexican telecommunications reforms were likely to be incorporated into the USMCA.

The most concerning provision for the company thay may be included in the USMCA would prohibit it from retaliating against its sector competitors for terminating calls hosted on its[[12]](#footnote-12).

**CEMEX**

CEMEX again appeared second in the top 20 ranking of Mexican MNEs. In 2017, CEMEX had a presence in more than 50 countries, including production plants and distribution centers, where it had more than 40,000 employees.[[13]](#footnote-13)

The company's net sales during 2017 increased by 2% compared to 2016, from US$ 13.352 million to US$ 13.672 million.[[14]](#footnote-14)

By region, sales in Mexico increased 8%, while in Central, South America and the Caribbean, sales grew by 9%. In the United States and Europe sales increased by 3% and 5% respectively.[[15]](#footnote-15) These percentages contrast with CEMEX's Middle East operations where the saless decreased by 9%.[[16]](#footnote-16) The main driver of this decrease was the prevailing political situation resulting in a decrease in the purchasing power of this region.

The US marketplace has been a cardinal component of CEMEX's international operations. During 2017, the United States represented 27% of CEMEX's total revenues. In the same year CEMEX also invested in a freight train depot located in Los Angeles, California.

**Grupo FEMSA**

Grupo FEMSA remained in third place of the top 20 Mexican ranking. During 2017 the company established itself as the largest operator of self-service stores under the OXXO brand. In addition, FEMSA had a majority stake in Coca-Cola FEMSA and a 14.8% stake in the Heineken brewing group. As of December 2017 Grupo FEMSA had a presence in 12 countries, including Argentina, Brazil, Chile, Colombia, Costa Rica, the Philippines, Guatemala, Mexico, Nicaragua, Panama and Venezuela.[[17]](#footnote-17)

Grupo FEMSA’s total revenues in 2017 were higher than in 2016, increasing from US$ 20.187 million US$ 23.232 million.[[18]](#footnote-18) EBITDA increased by 11% over 2016, touching US$ 3,127 million.[[19]](#footnote-19)

One of the primary problems that Grupo FEMSA faced during 2017, which was expected to continue during 2018, was the uncertainty surrounding USMCA negotiations. While Grupo FEMSA has benefitted from sustained growth under NAFTA, the outlook suggests that such expansion could be restrained.[[20]](#footnote-20)

**Grupo Mexico**

Grupo Mexico remained in the fourth spot in the ranking of Mexican multinationals. It occupies the 1th place in mining production in Mexico and Peru. It is the 3th largest producer in the United States and the 4th largest copper producer in the world The company's consolidated sales were US$ 9,786 million, a figure 20% higher than in 2016.[[21]](#footnote-21) The company's EBITDA[[22]](#footnote-22) also increased by 35%, up to US$ 4,531 million.[[23]](#footnote-23)

With respect to the amount of investment driven by Grupo Mexico’s different divisions, investments made by its mining companies (Americas Mining Corporation) reached US$ 1,187 million and its transportation division US$ 2,386 million, the latter directly related to the acquisition of shares of US-based Florida East Coast Railway.[[24]](#footnote-24)

Grupo Mexico’s extractive activities rely heavily on copper, which is the source of 65% of its income.[[25]](#footnote-25)Among the most important subsidiaries of the mining division of Grupo Mexico, are: Southern Cooper Corporation that includes Minera Mexico located in Mexico. Within this, Buenavista del Cobre stands out in the state of Sonora, the third largest copper mine in the world and the Southern Cooper in Peru. Grupo México also owns ASARCO in the United States and Minera Los Frailes in Spain. The mining division of Grupo México also operates in Argentina, Chile and Ecuador. Mexico’s energy division saw a record year in 2017 due to increased demand of other Grupo Mexico companies. The growth in production compared to 2016 was 17.8, achieving an EBITDA of US$ 108 million.[[26]](#footnote-26)

The Group's mining division has been repeatedly accused of contaminating the natural resources surrounding its mines. The Buenavista copper mine poured 40 million liters of acid sulphate solution in the Sonora River and the Bacanuchi River, producing one of the worst disasters in the mining industry. Recently, one of the Grupo Mexico mines poured sulfuric acid into the Mar de Cortes in Baja California. It is expected that the environmental protection measures included in the USMCA modify the predatory trajectory of this group.

With respect to the potential impact of the USMCA on Grupo Mexico’s operations, it is worth highlighting that Germán Larrea, CEO of the group, has been one of the most active Mexican business lobbyists in USMCA negotiations, and has likely made efforts to attempt to ensure that any changes have a minimal impact on the group.

In this respect, one of the group’s primary concerns has been its shareholding in the US company Unión Pacífico, the largest railroad in the United States.[[27]](#footnote-27)}

**Grupo BIMBO**

The world’s largest bakery company retained its fifth place in the top 20 ranking. Company sales during 2017 were US$ 14,164 million. As of December 2017 Bimbo had a presence in 32 countries.[[28]](#footnote-28)

During 2017 Grupo BIMBO products entered 10 new countries, reaching 3 million points of sale worldwide.

Company highlights during 2017 include the acquisition of Ready Roti (India), Grupo Adghal (Morocco), Stonemill Bakehouse (Canada), East Balt Bakeries (United States) and Bays English Muffins (United States).[[29]](#footnote-29)

In figures, Bimbo's net sales during 2017 increased by 6.1% compared to 2016, while profits increased 3.4%.

With respect to the impact of a renegotiated NAFTA agreement on the group, the US market has always been central with respect to the percentage of its total annual sales. Additionally, as of the third quarter of 2017, thirty-three production plants were located in the country. It is the largest bakery company in the United States. Uncertainty around the potential implications of a revised USMCA has raised concerns for BIMBO, but given Trump preferences for US-based manufacturing, Bimbo might benefit. [[30]](#footnote-30)

**Grupo ALFA**

Grupo ALFA retained its sixth place in the ranking of the top 20 Mexican multinationals, thanksits divisions that includes Alpek, Nemak, Axtel and Newpek. During 2017 group sales increased 7% over the previous year from US$ 15,756 million to US$ 16,804 million dollars.[[31]](#footnote-31)

In 2017 the company faced several challenges, including volatile exchange flows, increased prices of raw materials and, of course, the uncertainty generated by the NAFTA renegotiation. Despite these challenges, the automotive parts market presented favorable conditions, allowing the group to maintain a consistent value of sales.[[32]](#footnote-32)

In 2017, a Grupo ALFA company, Sigma, acquired Supemsa, a Peruvian meat producer, allowing it to become the leading company in the Peruvian market.[[33]](#footnote-33)

With respect to NAFTA renegotiations and potential impacts of a USMCA on Grupo ALFA operations, the strategy of the group has been to seek a market in Latin America. For example, in Brazil it has invested more extensively in the petrochemical business, and has also sought to position itself in Colombian and Peruvian markets. Grupo ALFA recognizes that it would be unfavorable to its operations if the United States decides to tighten its tariff policy, particularly under conditions imposed by provisions on rules of origin.

**ARCA Continental**

ARCA Continental, a company engaged in the production and distribution of non-alcoholic beverages and salty snacks, is ranked 7th in the top 20.

ARCA acquiring 100% of the shares of Great Plains Coca-Cola Bottling Company and with this investment became the second-largest Coca Cola bottling company in Latin America,.[[34]](#footnote-34) During 2017, it also became the first Mexican bottler of Coca-Cola, and acquiring Southwest Beverages in Texas. During 2017, it also buy the snack company Deep River Snack.[[35]](#footnote-35)

2017 sales volumes increased by 19.8% over 2016 resulting in a total of US$ 7,048 million. EBITDA increased from US$ 1,016 million dollars during 2016 to US$ 1,314 million dollars in 2017.[[36]](#footnote-36)

Among the principal risks fased by ARCA Continental in 2017 was the increase in US protectionism, and the potential impacts on ARCA Continental’s operations that may arise out of changes to NAFTA under a potential USMCA.[[37]](#footnote-37)

**MEXICHEM**

MEXICHEM produces in various sectors including petrochemicals, construction, infrastructure, agriculture, health, transportation, telecommunications and energy.[[38]](#footnote-38) The company has a presence in more than 41 countries and has 137 production plants.[[39]](#footnote-39)

Total sales of the company during 2017 amounted to US$ 5,828 million, which entailed an increase of 9% over 2016.[[40]](#footnote-40)

In August 2017, MEXICHEM SOLUCIONES INTEGRALES, a subsidiary of MEXICHEM, acquired shares in Netafim, an Israel-based company that provides irrigation services and solutions related to agriculture, greenhouses and mining.[[41]](#footnote-41)

In February 2017 MEXICHEM, in a joint-venture with Occidental Chemical Corporation OxyChem, commenced operations in Texas.

Agreeing to the Fitch rating evaluator, the impact on MEXICHEM of a revised NAFTA will be limited given the company generates 17% of gross revenue from the United States, whereas a larger amount of its revenue derives from Europe, Mexico, Central America, and Latin America, in that order.”

**PEMEX**

PEMEX ontinues to be the largest Mexican company in the energy sector, ranked 9th in the Mexican top 20. During 2017 PEMEX made important advances in exploration and production, prioritizing shallow water oil exploration.[[42]](#footnote-42)

The company’s total gross revenue during 2017 was US$ 70,593 million. [[43]](#footnote-43)

A complicated issue for PEMEX during 2017 was the renegotiation of the NAFTA as potential new rules and regulations under a USMCA could impact the value of PEMEX, In particular, changes to tariff rates on products exported to the United States would increase costs for the company.But more important than the regulations contained in the USMCA on energy, will be the changes driven by the government of President Lopez Obrador. Especially the construction of the Dos Bocas refinery in Tabasco, which seeks to achieve self-sufficiency in the production of gasoline, and diesel in the medium term. Mexico imports almost 80 percent of the fuels it consumes. The Mexican government's plan is to modernize the six refineries[[44]](#footnote-44) that already exist and build a new one to reduce the price of fuels.The Dos Bocas refinery will have a production capacity of 340 thousand barrels per day. With this project, Mexico is expected to depend less on the refineries located in Texas, including the one that PEMEX has in Texas. Dos Bocas refinery, has been a particularly controversial project due to the environmental impact that its construction is already producing.

Three major aspects have seriously affected the efficient operation of PEMEX, until now. The first has been the tremendous corruption that has prevailed within the company and the relationship with its union, which over the years acquired an unusual power that translated into canoeies and hindered the decision making of the company regarding to its modernization. The second aspect that has played against the company has been the use of PEMEX's earnings as part of the public expenditure that the Mexican government has historically used to sustain its bureaucracy and the Institutional Revolutionary Party, finally the decision of the Mexican government in not invest seriously in the modernization of its refineries and prefer to carry out oil refining in the United States.

With the arrival of López Obrador to the presidency, some aspects of the aforementioned are being served by the new government. The construction of the Dos Bocas refinery is one of them, although experts in the field consider it a mistake to build it at sea level due to the high costs involved in avoiding flooding. Another aspect that has complicated the arrival of investment in the energy sector is the emergence of a kind of nationalism that affects decision-making regarding the implementation of contracts in the hands of foreign investment. All tenders related to oil exploration and extraction are being reviewed and permission to obtain new mining concessions is practically stopped.

**GRUMA**

GRUMA, a producer of cornmeal and tortillas, is ranked 10th in the top 20. Its main markets are the United States, Mexico, Central America, Europe and Asia.

Sales in 2017 increased over 2016 to reach US$ 3,566 million. During 2017, GRUMA acquired 100% of the shares of GIMSA, (Grupo Industrial Maseca), also a Mexican cornmeal producer. In addition, it opened a tortilla plant in Russia and begins the construction of another in Dallas, Texas in the United States.[[45]](#footnote-45)

Regarding the subject of the renegotiation of NAFTA, GRUMA does not anticipate negative impacts from a potential USMCA ruled out possible effects because: approximately 84% of the company's debt is denominated in dollars, and the company's leverage level is really depressed. Additionally, 60 percent of EBITDA is generated in the United States. Another strength of GRUMA is that it has 26 production plants installed in the United States, which are furnished with local inputs[[46]](#footnote-46)

**Casa Cuervo**

Is a largest tequila manufacturer in Mexico, in this report ranked 11th in the top 20. Casa Cuervo has a presence in thirty different countries.

The company's net sales increased by 6.4% during 2017, reaching US$ 1,312 million. Gross profit reached a figure of US$ 815 million eport, in 2017, up 11.5% compared to 2016.

In 2017 Casa Cuervo acquired assets of the Pendleton whiskey brand. Pendleton Whiskey purchase includes Pendleton Midnight, Pendleton and Pendleton Director´s Reserva brands Crow house paid 205 million dollars to the American Hood River Distillers.

Despite the United States being Casa Cuervo’s primary market for tequila sales, the company anticipates minimal impacts of a potential USMCA on its operations.

**Cementos Chihuahua**

Cementos Chihuahua (GCC), a company engaged in the production, distribution and sale of cement, concrete and other construction materials, is ranked 12th in the 2017 ranking. In the United States, Cementos Chihuahua has 78 concrete producing plants, 2 asphalt plants and 6 aggregates (means sand, gravel, gravel, ballast, calcium dust and crushed base). [[47]](#footnote-47) In Mexico, it has 40 ready-mix concrete plants, 6 concrete block plants, 4 aggregate plants, 1 plaster plant and 2 pre-cast concrete products plants.[[48]](#footnote-48)

In the United States., Grupo Cementos Chihuahua participates successfully in the cement and concrete markets. It has, floors of cement with an annual production capacity of 2.73 million tons, located in Pueblo, Colorado; Rapid City, South Dakota; Scissors, New Mexico and Odessa, Texas. It also has 19 distribution centers of cement and transfer stations located in the states of Colorado, North Dakota, South Dakota, Iowa, Minnesota, Nebraska, New Mexico, Texas, Utah and Wyoming.

Grupo Cementos Chihuahua, is one of the leading ready-mix concrete producers with participation in the states of Arkansas, Dakota North, South Dakota, Iowa, Minnesota, Missouri, Nebraska, New Mexico, Oklahoma and Texas. On the whole, these operations have 78 concrete producing plants and a fleet of 476 revolving trucks of concrete and 236 trucks for the transport of cement and aggregates. In addition, GCC has 2 asphalt plantsand 6 aggregates, with presence in the states of New Mexico and Texas.

Cementos Chihuahua 2017 sales amounted to US$ 876 million, of which more than 70% were in the US market and 24% in the Mexican market.[[49]](#footnote-49)

During 2017 various media outlets reported that Cementos Chihuahua was willing to build the wall at the southern boundary of the United States that had been proposed by President Trump. According to the statements of Enrique Escalante, director of Grupo Cementos Chihuahua, the society cannot be selective, “we are an important producer in that area and we have to respect our customers on both sides of the border”.[[50]](#footnote-50)

**Grupo VITRO**

Grupo Vitro is a glass manufacturing company ranked 13th in the 2017 ranking. It has twenty subsidiaries in America and Europe and thirty-six primary export destinations, including Colombia, Hungary, South Korea, Egypt, Cuba, Panama, Singapore and Japan.[[51]](#footnote-51)

The group’s consolidated net sales increased by 97.5% in 2017, from US$ 1,051 million in 2016 to US$ 2,075 million.

Notable events in 2017 include Vitro’s US$ 310 million acquisition of the automotive glass manufacturer, PITTSBURGH GLASS WORKS EQUIPMENT .[[52]](#footnote-52)

According to the company, one of the most complex situations faced in 2017 was the renegotiation of NAFTA. Nevertheless, due to its location in the NAFTA countries, the president of the panel of directors stated that "[w]e are prepared and possess the flexibility to respond favourably to such eventuality"[[53]](#footnote-53)

**Grupo ELEKTRA**

Grupo ELEKTRA is a specialized financial, electrical and commercial inspection and repair company ranked 14th in the 2017 top 20. It operates 7,139 contact points through its different branches, of which 5,091 are in Latin America and 2,048 in the United States.[[54]](#footnote-54)

Its annual income has consistently increased, in 2017 reaching US$ 4,799 million[[55]](#footnote-55). EBITDA increased from US$ 708 million in 2016 to US$ 847 million dollars in 2017.

**XIGNUX**

XIGNUX, a diversified company producing wire, electric cable, food products, electrical transformers, and which also engages in construction, inspection and repair of electrical installations, ranks 15th on the 2017 list.[[56]](#footnote-56) XIGNUX has 2,733 distribution routes and more than 15 thousand different products sold in more than 40 countries.[[57]](#footnote-57)

The company's net sales amounted to US$ 2,332 million in 2017. EBITDA increased from US$ 148.13 million in 2016 to US$ 164.99 million dollars in 2017In the 2017 company highlights include the August 2, 2017 acquisition of Pralgo S.A de C.V. in order to increase its presence in the red meat business.[[58]](#footnote-58)

**Industrias CH**

Industrias CH, a steel producing and processing company, ranked 16th in 2017. Industrias CH has 26 steel production and processing plants, which are located in Mexico, the United States, Canada and Brazil.[[59]](#footnote-59)

Industrias CH’s total sales in 2017 increased by 8% over 2016, up to US$ 1,678 million. According to the company’s annual report, profit increases primarily result from improved efficiency of its production lines as well as to certain acquisitions.[[60]](#footnote-60)

Relevant 2017 activities include the share acquisition of Signals of the North, S.A de C.V by Grupo Simec (a subsidiary of Industries CH).

A problem that the company faced during 2017 and beyond, was the decision of the president of the United States, Donald Trump to define steel as a basic input for home security, requesting an investigation under NAFTA assessing economic risks. "Steel is not an area in which we can afford to depend on other lands," Trump said.[[61]](#footnote-61)

**ALSEA**

ALSEA, which operates restaurants and coffee shops, is ranked 17th in the top 20. ALSEA has a presence in six countries: Mexico, Spain, Argentina and Colombia, Chile and Brazil. Notable brands include: Chili’s, Burger King, VIPs, El Porton and Domino’s Pizza.

ALSEA's net sales were US$ 2,149 million in 2017. EBITDA increased from US$ 260.62 million in 2016 to US$ 326.91 million in 2017.[[62]](#footnote-62)

A complex situation that impacted ALSEA during 2017 was the 9% decrease in revenue of Mexican Starbucks locations, operated by ALSEA, resulting thought to be due at least in part to statements made by the United States president that referred to Mexican people in a negative and contemptuous way. [[63]](#footnote-63)

**ELEMENTIA**

ELEMENTIA, a construction solutions company, ranks 18th in the top 20. ELEMENTIA has a presence in nine countries and has 38 production plants located in Mexico, the United States, Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Honduras and Peru.[[64]](#footnote-64)

ELEMENTIA’s net sales in 2017 achieved remarkable growth, reaching US$ 1.299 million with a gross profit US$ 361.93 million in 2017.[[65]](#footnote-65)

With respect to the renegotiation of NAFTA, ELEMENTIA issued the following statement: “The Mexican government could implement actions in retaliation. The numbers reported above by any of the governments (shortage of raw materials, the imposition of tariffs and cancellation of contracts) could significantly affect the natural processes of the company, such as its fiscal position, results of operations, cash flows, as considerably as the market price of its shares”.[[66]](#footnote-66)

**BACHOCO**

The BACHOCO company, ranked 19th in the 2017 top 20, is a leader in the poultry industry in Mexico and is among the ten most important poultry producers worldwide. It has more than 1000 farms, 10 processing plants, 9 packing plants, 22 feed plants, and more than 80 distribution centers.[[67]](#footnote-67)

The company achieved significant sales growth in 2017 reaching US$ 2,933 million. The company's net profit reached US$ 250.47 million, a considerable increase over US$ 199.75 million in 2016.[[68]](#footnote-68)

During 2017, BACHOCO acquired Albertville Quality Foods (AQF), a poultry production company located in Alabama.[[69]](#footnote-69)

Risks for the company stem from NAFTA renegotiations, particularly to the extent Canada seeks to protect its own domestic poultry production. Rodolfo Ramos Arvizú, general director of Industrias BACHOCO stated that: “the bad part (of the renegotiated NAFTA) is the dependence of certain imported inputs. In terms of grains, which is the main factor of feed for breeding birds, 50% are national and 50% is imported and 100% of the latter adds up from the United States. In the case of having a disruption, we would have an impact on the price, although the national industry would benefit”.[[70]](#footnote-70)

**Grupo CARSO**

Grupo CARSO is the largest diversified conglomerate in Latin America, ranking 20th on the top 20 list. It holds several business divisions, including Sanborns, Sears, Mix Up, Carso Energy, among others.

Total sales in 2017 decreased 1.7%, from US$ 4,809 million in 2016 to US$ 4,729 million in 2017.[[71]](#footnote-71) EBITDA decreased from US$ 737 million in 2016 to US$ 701.26 million in 2017. This reduction was explained, in the Director General's report, as resulting from the completion of a project by Carso Infraestructura y Construcciones (CICSA) with a lack of tenders in infrastructure.[[72]](#footnote-72)

The NAFTA renegotiations are also on the radar of Grupo CARSO. During October 2017 the chairman of the company's board of directors, Carlos Slim, participated in a business summit with other notable business people, the aim of which was to discuss how to limit the impacts of a USMCA on the private sector.[[73]](#footnote-73)

**Table 2. Mexico: A snapshot of the top 20 multinationals, 2015-2017** (US$ million) a

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Variable** | **2015** | **2016** | **2017** | **% change, 2015-2017** |
| **Assets** |  |  |  |  |
| Foreign | 138,823 | 132,779 | 150,526 | 8.43 |
| Total | 236,955 | 231,813 | 253,843 | 7.13 |
| Share of foreign in total (%) | 58.58 | 57.28 | 59.30 |  |
| **Sales** |  |  |  |  |
| Foreign | 87,861 | 86,753 | 98,781 | 12.43 |
| Total | 156,936 | 147,808 | 167,771 | 6.90 |
| Share of foreign in total (%) | 55.98 | 58.69 | 58.88 |  |
| Employment |  |  |  |  |
| Foreign | 377,781 | 382,903 | 406,531 | 7.61 |
| Total | 1,090,299 | 1,084,344 | 1,076,500 | -1.28 |
| Share of foreign in total (%) | 34.65 | 35.31 | 37.76 |  |

***Source*:** Basave and Gutiérrez Haces, consolidated company reports and websites.

a PEMEX is excluded from all three variables to avoid distortions due to the considerable weight that it represents in the aggregate data. If it were included, the share of foreign assets in total would be 41% in 2015, 39% in 2016 and 43% in 2017. In the case of employment, Cementos Chihuahua, Xignux and Grupo Carso are excluded in 2017, Cementos Chihuahua, XIGNUX and Grupo Carso are also excluded in 2016, and XIGNUX, Cementos Chihuahua, ICA, Grupo Carso, Altos Hornos and Grupo KUO in 2015 because information on their foreign employment was unavailable.

**Annex I. Tables and Figures**

**Table 1: Mexico: The top 20 multinationals: Key variables, 2017** (US$ a million and number of employees)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Rank** | **Name** | **Industry** | **Assets** | **Sales** | **Employment TNI** | **TNI (%)** | **Number of foreign affiliates** | **Number of host countries** |
| **Foreign** | **Total** | **Foreign** | **Total** | **Foreign** | **Total** |
| 1 | America Movil | Telecommunications | 48,586 | 75,099 | 36,199 | 51,624 | 107,029 | 195,475 | 63 | 25 | 25 |
| 2 | CEMEX | Non-metallic Minerals | 25,066 | 28,680 | 10,145 | 13,044 | 29,765 | 40,878 | 79 | 42 | 30 |
| 3 | Grupo FEMSA | Beverages | 17,249 | 29,739 | 8,675 | 23,232 | 70,000 | 295,027 | 40 | 12 | 12 |
| 4 | Grupo Mexico | Mining | 13,460 | 26,553 | 5,690 | 9,786 | 8,284 | 30,475 | 45 | 5 | 3 |
| 5 | Grupo BIMBO | Food Products | 10,036 | 13,100 | 8,951 | 13,518 | 66,000 | 138,171 | 64 | 32 | 32 |
| 6 | Grupo ALFA | Diversified | 9,976 | 18,139 | 9,108 | 16,050 | 26,750(b) | 81,330(b) | 48 | 39 | 27 |
| 7 | ARCA Continental | Beverages | 8,011 | 12,142 | 3,749 | 7,048 | 20,000(b) | 53,484 | 52 | 17 | 4 |
| 8 | MEXICHEM | Chemical & Petrochemicals | 7,807 | 9,759 | 4,619 | 5,828 | 15,000(b) | 16,671 | 83 | 56 | 43 |
| 9 | PEMEX | Oil & Gas | 2,253(d) | 102,678 | 873 | 70,593 | 1,700(b) | 131,822 | 2 | 2 | 1 |
| 10 | GRUMA | Food Products | 2,013 | 3,073 | 2,606 | 3,566 | 12,300 | 20,584 | 66 | 29 | 19 |
| 11 | Casa Cuervo | Beverages | 1,542 | 3,281 | 1,019(c) | 1,312 | 750(b) | 6,008 | 46 | 5 | 2 |
| 12 | Cementos Chihuahua | Non-metallic Minerals | 1,469 | 1,908 | 666 | 876 | na | 3,025 | (77) | 6 | 1 |
| 13 | Grupo VITRO | Non-metallic Minerals | 844(b) | 2,658 | 1,093 | 1,968 | 2,000(b) | 14,817 | 34 | 5 | 3 |
| 14 | Grupo ELEKTRA | Retail Trade | 803(b)(e) | 11,895 | 1,173 | 4,799 | 14,642 | 72,087 | 17 | 6 | 6 |
| 15 | XIGNUX | Diversified | 720 | 1,903 | 1,003 | 2,332 |   na | 20,194 | (40)  | 6 | 6 |
| 16 | Industria CH | Steel & Metal Products | 688 | 2,643 | 684(c) | 1,678 | 1,205 | 4,843 | 31 | 8 | 4 |
| 17 | ALSEA | Food Products | 614 | 2,004 | 953 | 2,149 | 26,142 | 72,474 | 37 | 17 | 5 |
| 18 | ELEMENTIA | Cooper & Platic Pipes, Electric Conduits | 595(b) | 2,705 | 654 | 1,299 | 2,572 | 6,779 | 37 | 9 | 9 |
| 19 | BACHOCO | Food Products | 557 | 2,555 | 821 | 2,933 | 4,092 | 27,397 | 22 | 2 | 1 |
| 20 | Grupo CARSO | Diversified | 490(b) | 6,005 | 974(c) | 4,729 | na  | 70,791 |  (14) | 28 | 16 |
| Total (average for the TNI percentage) | 152,779 | 356,521 | 99,654 | 238,364 | 408,231 | 1,302,332 | 45 | 351 |   |

***Source*:** Basave and Gutiérrez Haces, company reports and websites.

a The Exchange rate used is the IMF rate of December 30, 2017: USD 1 = 19.79

b Estimated.

c Exports included.

d Represents 50% of the 50-50 joint venture with Shell Oil Co. in Deer Park Refining Ltd. of Texas and 50% of Sierrita Gas Pipeline LLC

e Financial assets excluded.

f The TNI is calculated as the average of the following three ratios: foreign assets to total assets, foreign sales to total sales and foreign employment to total employment. It is expressed as a percentage (i.e., “41” rather than “0.41”). When the TNI appears in parentheses, it has been calculated without the employment data.

**Annex I, Table 1a. Mexico: Key variables for runners-up, 2017** (US$ million and number of employees)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Rank** | **Name** | **Industry** | **Assets** | **Sales** | **Employment TNI** | **TNI (%)** | **Number of foreign affiliates** | **Number of host countries** |
| **Foreign** | **Total** | **Foreign** | **Total** | **Foreign** | **Total** |
| 1 | Grupo Industrial Saltillo | Diversified | 396(b) | 1,359 | 631(c) | 984 | 1,600(b) | 8,549 | 37 | 20 | 6 |
| 2 | Altos Hornos de México | Steel & Metal Products |  330(b) | 3,193 | 360(c) | 2,766 | na  |  19,190 |  (8)  | 8 | 3 |
| 3 | Grupo Comercial Chedraui | Retail | 290 | 2,779 | 1,350 | 4,779 |  6,038 | 44,184 | 17 | 1 | 1 |
| 4 | KUO | Diversified | 262(b) | 1,615 | 530(c) | 1,984 |  na | 21,087 |  (14) | 8 | 5 |
| 5 | Genomma Lab |  Pharmaceutical | 250 | 803 | 369 | 610 | 300 | 781 | 43 | 5 | 3 |
| 6 | Rassini | Autoparts | 212(b) | 721 | 663(c) | 915 | 1,120 | 6,323 | 40 | 6 | 2 |
| 7 | Accel | Food products | 170 | 248 | 299 | 345 | 400 | 3,591 | 55 | 2 | 1 |
| 8 | Rotoplas |  Construction | 164(b) | 545 | 120 | 337 | na  | 2,851 | (22)  | 14 | 13 |
| 9 | Bio Pappel | Paper & Paper products | 138 | 1,426 | 192 | 1,208 | 284 |  10,944 | 9 | 3 | 2 |
| 10 | Grupo Gigante |  Retail | 123 | 2,050 | 357 | 1,625 |  na | 10,700 |   (9) | 10 | 4 |
| 11 | Interceramic | Non-Metallic minerals | 120 | 421 | 141 | 502 |  639(e) |  4,874 | 23 | 3 | 1 |
| 12 | Tv Azteca | Telecommunications | 16 | 1,582 | 34 | 699 |  na  | 6,095 | (2)  | 9 | 3 |
| Total (average for TNI percentage) | 2,471 | 16,741 | 5,046 | 16,753 | 10,381 | 139,169 | 32 | 89 |   |

***Source:*** Basave and Gutiérrez Haces, company reports and websites.

a  The Exchange rate used is the IMF rate of December 30, 2017: USD 1 =Pesos 19.79.

b Estimated

c Exports included.

d The TNI is calculated as the average of the following three ratios: foreign assets to total assets, foreign sales to total sales and foreign employment to total employment. It is expressed as a percentage (i.e,”41” rather than “0.41”). When the TNI appears in parenthesis, it has been calculated without the employment data.

e As of 2016

**Annex I, Table 2. Mexico: The top 20 multinationals: Regionality Index, 2017** (percentages, except for the last column)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Company** | **The Middle East & North Africa** | **East Asia & the Pacific** | **South Asia** | **Developed Asia Pacific** | **East Europe & Central** | **Other Europe** | **Latin American & the Caribbean** | **North America** | **Number of foreign affiliates** |
| America Movil |   |   |   | 4  | 24 | 4 | 64 | 4 | 25 |
| CEMEX | 7 | 5 | 5 |   | 12 | 31 | 33 | 7 | 42 |
| Grupo FEMSA |   |   |   | 25 |   |   | 75 |   | 12 |
| Grupo Mexico |   |   |   |   |   | 20 | 20 | 60 | 5 |
| Grupo BIMBO | 3  | 3 | 3  |   |   | 9 | 44 | 38 | 32 |
| Grupo ALFA |   | 2 |   |   | 23 | 26 | 26 | 23 | 39 |
| ARCA-Continental |   |   |   |   |   | 6 | 65 | 29 | 17 |
| MEXICHEM | 5  | 5 | 2  |   | 21 | 30 | 23 | 14 | 56 |
| PEMEX |   |   |   |   |   |   |   | 100 | 2 |
| GRUMA |   | 3 | 3 | 3 | 11 | 14 | 28 | 38 | 29 |
| Casa Cuervo |   |   |   |   |   | 20 |   | 80 | 5 |
| Cementos Chihuahua |   |   |   |   |   |   |   | 100 | 6 |
| Grupo VITRO  |   |   |   |   |   |   | 20 | 80 | 5 |
| Grupo ELEKTRA |   |   |   |   |   |   | 83 | 17 | 6 |
| XIGNUX |   |   |   |   |   |   | 83 | 17 | 6 |
| Industria CH |   |   |   |   |   |   | 37 | 63 | 8 |
| ALSEA |   |   |   |   |   | 35 | 65 |   | 17 |
| ELEMENTIA  |   |   |   |   |   |   | 78 | 22 | 9 |
| BACHOCO |   |   |   |   |   |   |   | 100 | 2 |
| Grupo CARSO |   |   |   |   |   | 4 | 92 | 4 | 28 |

***Source*:** Basave and Gutiérrez Haces,consolidated company reports and websites.

a The regionality index is calculated by dividing the number of a firm’s foreign affiliates in a particular region of the word by its total number of foreign affiliates and multiplying the result by 100. Sub-Saharan Africa is not included among the regions as there is no Mexican presence there.

**Annex I, Table 3. Mexico: The top 20 multinationals: Stock exchange listings, 2017**

|  |  |  |
| --- | --- | --- |
| **Company** | **Domestic** | **Foreign** |
| America Movil | Mexican Stock Exchange | New York Stock Exchange,  |
| Latibex in the Madrid Stock Exchange |
| CEMEX | Mexican Stock Exchange | New York Stock Exchange |
| Grupo FEMSA | Mexican Stock Exchange | New York Stock Exchange |
| Grupo Mexico | Mexican Stock Exchange | None |
| Grupo BIMBO | Mexican Stock Exchange | None |
| Grupo ALFA | Mexican Stock Exchange | Latibex in the Madrid Stock Exchange |
| ARCA-Continental | Mexican Stock Exchange | None |
| MEXICHEM | Mexican Stock Exchange | None |
| PEMEX | None | None |
| GRUMA | Mexican Stock Exchange | New York Stock Exchange |
| Casa Cuervo | Mexican Stock Exchange | None |
| Cementos de Chihuahua | Mexican Stock Exchange | None |
| Grupo VITRO | Mexican Stock Exchange | None |
| Grupo ELEKTRA | Mexican Stock Exchange | Latibex in the Madrid Stock Exchange |
| XIGNUX | None | None |
| Industrias CH | Mexican Stock Exchange | None |
| ALSEA | Mexican Stock Exchange | None |
| ELEMENTIA  | Mexican Stock Exchange | None |
| Industrias BACHOCO | Mexican Stock Exchange | New York Stock Exchange |
| Grupo CARSO | Mexican Stock Exchange | None |

***Source****:* Basave and Gutiérrez Haces, consolidated company reports and websites.

**Annex I, Table 4. Mexico: Top 10 outward M&A transactions, 2015-2017** (US$ million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Date** | **Acquirer’s name** | **Target company** | **Target Industry** | **Target country** | **%of shares acquired** | **Value of transaction** |
| 06/2017 | Grupo Mexico | Florida East Coast Holdings | Transports | USA | 100 | 2,100 |
| 04/2017 | ARCA-Continental | Coca-Cola Southwest Beverages | Beverages | USA | 100 | 1,978 |
| 06/2017 | Grupo Lala | Vigor Alimentos | Food | Brazil | 100 | 1,873 |
| 05/2014 | BIMBO | Canada Bread | Food | Canada | 100 | 1,370 |
| 12/2016 | FEMSA | Vonpar | Beverages | Brazil | 100 | 1,029 |
| 09/2015 | ARCA-Continental | Corp. Lindley | Beverages | Peru | 50 | 892 |
| 07/2014 | América Móvil | Telecom Austria A.G. | Telecommunications | Austria | 23 | 881 |
| 07/2016 | VITRO | PPG Industries | Non-metallic minerals | USA | 100 | 750 |
| 07/2017 | BIMBO | East Balt Bakeries | Food | USA | 100 | 650 |
| 11/2016 | ELEMENTIA | Giant Cement Holding Inc | Non-metallic minerals | USA | 100 | 525 |
| **Total** |  |  |  |  |  | **12,048** |

***Source*:** Basave and Gutiérrez Haces,consolidated company reports and websites.

**Annex I, Table 4a. Mexico: Top 10 outward M&A transactions, 2017** (US$ million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Date** | **Acquirer’s name** | **Target company** | **Target Industry** | **Target country** | **%of shares acquired** | **Value of transaction** |
| 06/2017 | Grupo Mexico | Florida East Coast Holdings | Transports | USA | 100 | 2,100 |
| 04/2017 | ARCA-Continental | Coca-Cola Southwest Beverages | Beverages | USA | 100 | 1,978 |
| 06/2017 | Grupo Lala | Vigor Alimentos | Food | Brasil | 100 | 1,837 |
| 07/2017 | Grupo BIMBO | East Balt Bakeries | Food | USA | 100 | 650 |
| 06/2017 | Grupo VITRO | Pittsburg Glass Works (PGW) | Non-metallic minerals | USA | 100 | 513 |
| 08/2017 | ARCA- Continental | Great Plains Coca-Cola Bottling Co. | Beverages | USA | 100 | 216 |
| 07/2017 | BACHOCO | Albertville Quality Foods (AQF) | Food | USA | 100 | 138 |
| 11/2017 | ARCA- Continental | Deep River Snacks | Food | USA | 100 | 99 |
| 08/2017 | MEXICHEM | Netafin | Micro-irrigation | Israel | 80 | 96 |
| 01/2017 | CEMEX | TLC | Non-metallic minerals | Trinidad y Tobago | 69.83 | 86 |
| **Total** |  |  |  |  |  | **7,713** |

***Source*:** Basave and Gutiérrez Haces.,Consolidated company reports and websites.

**Annex I, Table 5. Mexico: Top 10 outward greenfield transactions announced, 2015-2017** (US$ million)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Company** | **Destination** | **Industry** | **Value of transaction** |
| 06/2016  | América Móvil  | Brazil  | ICT & Internet infrastructure  | 914.0  |
| 11/2017 | GRUMA | United States | Food | 490.0 |
| 09/2017 | América Movil | Ecuador | ICT & Internet infrastructure | 450.0 |
| 06/2015 | Grupo Posadas | United States | Tourism | 360.0 |
| 10/2015 | América Móvil | Nicaragua | ICT & Internet infrastructure | 220.6 |
| 12/2017 | América Móvil | Costa Rica | Communications | 220.6 |
| 09/2015  | Arca-Continental | Peru | Beverages | 200.0 |
| 10/2017 | Grupo Posadas | Dominican Republic | Tourism | 130.0 |
| 06/2016 | CEMEX | France | Non-metallic minerals | 115.0 |
| 11/2017 | Bocar | United States | Auto parts | 115.0 |
| **Total** | **3,215.2** |

***Source***: Adapted from fDi Intelligence, a service from the Financial Times Ltd.

**Annex I, Figure 1. Mexico: Breakdown of the foreign assets of the top 20 multinational, by main industry, 2017** (percentages)

|  |  |  |  |
| --- | --- | --- | --- |
| **Industry**  | **Foreign assets (US$ million)** | **Number of companies** | **Companies** |
| Telecommunications | 48,586 | 1 | America Movil |
| Non-metallic Minerals | 27,379 | 3 | CEMEX, Cementos Chihuahua, VITRO |
| Beverage | 26,802 | 3 | Grupo FEMSA, ARCA Continental, Grupo Cuervo |
| Mining | 13,460 | 1 | Grupo Mexico |
| Foods  | 13,219 | 4 | GRUMA, Bimbo, BACHOCO, ALSEA |
| Diversified | 11,186 | 3 | Grupo ALFA, Xignux, Grupo CARSO |
| Oil & Gas | 2,253 | 1 | PEMEX |
| Chemicals & Petrochemicals | 7,807 | 1 | MEXICHEM |
| Steel & Metal Products | 688 | 1 | Industrias CH |
| Retail Trade | 803 | 1 | Grupo ELEKTRA |
| Cooper & Plastic Pipes | 595 | 1 | ELEMENTIA |
| **Total** | **152,779** | **20** |   |

***Source***: Basave and Gutiérrez Haces, consolidated company reports and website

**Annex I, Figure 2. Mexico: Foreign affiliates of the top 20 multinationals, by region 2017**

****

***Source*:** Basave and Gutiérrez Haces,consolidated company reports and websites.

**Annex I, Figure 3. Mexico: Headquarters locations of the top 20 multinationals, 2017**

****

***Source***: Basave and Gutiérrez Haces, consolidated company reports and websites.

**Annex I, Figure 4. Mexico: Inward and outward FDI flows, 1980-2017 (US$ million)**

***Note:*** From 1980 to 2013 the information was taken from United Nations Conference on Trade and Development (UNCTAD), FDI STAT On-line database, (Geneva: United Nations Conference on Trade and Development), http://unctadstat.unctad.org, accessed. From 2013 to 2017, the authors preferred to use the database published by the Bank of Mexico, considering that it reflects more accurately the macroeconomic situation in Mexico.

The balance of payments of the Bank of Mexico incorporates revisions of figures of some lines of this balance. Such adjustments are originated by the continuous process of incorporation of additional information to the statistics. The main revisions are made in the items of direct investment, profits, net acquisition of portfolio assets and net liabilities of other commercial banking investment; a process that UNCTAD does not carry out.

**Annex I, Figure 5. Mexico: Inward and outward FDI stock, 1980-2017 (US$ millions)**

***Source***: United Nations Conference on Trade and Development (UNCTAD), FDI STAT On-line database, (Geneva: United Nations Conference on Trade and Development), http://unctadstat.unctad.org, accessed.

**Note:** Until June 2018, UNCTAD had not published the data corresponding to 2017, for this reason, the present graph arrives until 2017.

1. The authors of this report, Dr. Jorge Basave Kunhardt and Dra. Maria Teresa Gutiérrez Haces are senior researchers at the Economics Research Institute of National University of Mexico (UNAM). The authors kindly ask that this work be cited properly. Technical support was provided by Vanessa Mora and Iris Velasco. [↑](#footnote-ref-1)
2. The analysis of the most relevant aspects of the USMCA and its relationship with the main Mexican multinationals comes from: Gutiérrez Haces. María Teresa (2019), ”Mexico-Canada Relations and the Impact of NAFTA Renegotiations on Growing Cooperation between Canadian and Mexican Governments and Corporations”, in Laura Mac Donald, Canada Past and Future in the Americas, Toronto University press, Canada; and Gutiérrez Haces. [↑](#footnote-ref-2)
3. Clause 32.10 provides that entering into a free trade agreement by any of the Parties with non-market economies will allow the other Parties to terminate this agreement [USMCA], and replace it with a bilateral agreement. In practical terms, this clause broadly speaking refers to China, Cuba and perhaps North Korea, considering these countries already belong to WTO. With regard to Mexico, it has a Bilateral Foreign Investment Protection Agreement with the People’s Republic of China. The definition of a non-free-market country is set forth in accordance with the antidumping laws (price discrimination) of a Party, and if upon the execution of USMCA a Party does not have an FTA with that country. [↑](#footnote-ref-3)
4. Source: <https://www.csis.org/analysis/usmca-currency-provisions-set-new-precedent> [↑](#footnote-ref-4)
5. Chrystia Freeland stated that the elimination of NAFTA’s Chapter 11 had been one of her priorities during the renegotiation since Canada had lost the most after having faced the largest number of lawsuits in comparison to Mexico and the US, for over US$ 300 million. Freeland asserted that she had received over 35,000 letters from citizen Canadians asking her to abandon investment arbitration. [↑](#footnote-ref-5)
6. Sinclair Scott., “USMCA strikes a welcome blow against investor-state dispute settlement”, Behind the Numbers, October 10, 2018, Canada [↑](#footnote-ref-6)
7. Secretariat of Economy, “Resultados de la modernización del acuerdo entre México, Estados Unidos y Canadá”, 1º de octubre de 2018, Gobierno de la República Mexicana. [↑](#footnote-ref-7)
8. Informe Anual América Móvil 2017, pág. 5, [en línea], Dirección URL: <https://s22.q4cdn.com/604986553/files/doc_financials/annual/es/2017/reporte-annual-2017.pdf> [↑](#footnote-ref-8)
9. *Ibíd*., p. 14. [↑](#footnote-ref-9)
10. *Ibíd*., p. 2. [↑](#footnote-ref-10)
11. *Ibíd*., p. 11. [↑](#footnote-ref-11)
12. Expansión, “EU quiere en el TLCAN reglas que afectan a América Móvil y México la rechaza”, [en línea], Dirección URL: <https://expansion.mx/economia/2017/11/27/eu-quiere-en-el-tlcan-reglas-que-afectan-a-america-movil-y-mexico-las-rechaza> [↑](#footnote-ref-12)
13. Reporte Integrado 2017 CEMEX. [en línea], Dirección URL: [https://www.CEMEX.com/documents/20143/0/ReporteIntegrado2017.pdf/fe97c8e5-9bc8-a8f5-ebb5-209f49ff0dd7](https://www.cemex.com/documents/20143/0/ReporteIntegrado2017.pdf/fe97c8e5-9bc8-a8f5-ebb5-209f49ff0dd7) [↑](#footnote-ref-13)
14. *Ibíd*., p. 35. [↑](#footnote-ref-14)
15. *Ibídem.* [↑](#footnote-ref-15)
16. *Ibíd*., p. 37. [↑](#footnote-ref-16)
17. Informe Anual 2017 FEMSA, pág. 2, [ en línea], Dirección URL: <http://www.informeanual.femsa.com/informe-anual-femsa-2017.pdf> [↑](#footnote-ref-17)
18. *Ibíd*., p. 4 [↑](#footnote-ref-18)
19. *Ibídem.* [↑](#footnote-ref-19)
20. El Economista, “FEMSA moderaría su expansión en 2018”[ en línea], Dirección URL: <https://www.eleconomista.com.mx/empresas/FEMSA-moderaria-su-expansion-en-2018-20171027-0086.html> [↑](#footnote-ref-20)
21. Informe Anual 2017 Grupo Mexico, [ en línea], Dirección URL: <http://www.gmexico.com/site/images/documentos/Informe_Anual_Grupo_M%C3%A9xico_2017_espa%C3%B1ol.pdf>, pág. 4 [↑](#footnote-ref-21)
22. El EBITDA es un indicador financiero (acrónimo de los términos en inglés Earnings Before Interest Taxes Depreciation and Amortization) que muestra el beneficio de tu empresa antes de restar los intereses que tienes que pagar por la deuda contraída, los impuestos propios de tu negocio, las depreciaciones por deterioro de este, y la amortización de las inversiones realizadas. El propósito del EBITDA es obtener una imagen fiel de lo que la empresa está ganando o perdiendo en el núcleo del negocio. <https://www.bancosantander.es/es/diccionario-financiero/ebitda> [↑](#footnote-ref-22)
23. *Ibídem* [↑](#footnote-ref-23)
24. *Ibíd*., p. 5 [↑](#footnote-ref-24)
25. *Ibíd*., p. 34 [↑](#footnote-ref-25)
26. *Ibíd*., p. 93. [↑](#footnote-ref-26)
27. El Universal, “Larrea, Ferromex y el TLCAN”, [en línea], México, 03-11-17, Dirección URL: <https://www.eluniversal.com.mx/columna/mario-maldonado/cartera/larrea-ferromex-y-el-tlcan> [↑](#footnote-ref-27)
28. Informe Anual 2017 Bimbo, [en línea], Dirección URL: <https://grupobimbo.com/sites/default/files/Informe-Anual-Integrado-Grupo-Bimbo-2017_1.pdf> , pág.77. [↑](#footnote-ref-28)
29. *Ibíd*., p. 14 [↑](#footnote-ref-29)
30. Alto Nivel, “5 empresas mexicanas que se benefician del TLCAN y de EU”, *Óp. Cit.*  [↑](#footnote-ref-30)
31. Informe Anual 2017 Grupo ALFA, [en línea], Dirección URL: <https://www.alfa.com.mx/down/informes/InformeAnual17.pdf> pág. 3 [↑](#footnote-ref-31)
32. *Ibíd*., p. 5. [↑](#footnote-ref-32)
33. *Ibíd*., p. 9. [↑](#footnote-ref-33)
34. El Economista, “Arca compra embotelladora de Coca-Cola en Oklahoma” <https://www.eleconomista.com.mx/empresas/Arca-compra-embotelladora-de-Coca-Cola-en-Oklahoma-20170825-0044.html> [↑](#footnote-ref-34)
35. Expansión, [en línea], Dirección URL: <https://expansion.mx/empresas/2018/02/15/la-estrategia-de-arca-continental-para-conquistar-a-the-coca-cola-company> [↑](#footnote-ref-35)
36. Informe Anual 2017 Arca-Continental, [en línea], Dirección URL: <http://www.arcacontal.com/media/319992/informe_anual_2017_bmv_ac.pdf> p.16. [↑](#footnote-ref-36)
37. El Economista, “Proteccionismo de Trump golpea corporativo”, [en línea], Dirección URL: <https://www.eleconomista.com.mx/empresas/Proteccionismo-de-Trump-golpea-a-los-corporativos--20161115-0342.html> [↑](#footnote-ref-37)
38. Informe Anual 2017, MEXICHEM, [en línea], Dirección URL: [https://www.MEXICHEM.com/wp-content/uploads/2018/05/Reporte-anual-2017-FINAL.pdf](https://www.mexichem.com/wp-content/uploads/2018/05/Reporte-anual-2017-FINAL.pdf), pág. 15 [↑](#footnote-ref-38)
39. *Ibíd*., p. 16. [↑](#footnote-ref-39)
40. *Ibídem* [↑](#footnote-ref-40)
41. *Ibíd*., p. 20 [↑](#footnote-ref-41)
42. Informe Anual 2017 PEMEX, [en línea], Dirección URL: [https://www.PEMEX.com/acerca/informes\_publicaciones/Documents/Informe-Anual/Informe\_Anual\_2017.pdf](https://www.pemex.com/acerca/informes_publicaciones/Documents/Informe-Anual/Informe_Anual_2017.pdf) pág. 5 [↑](#footnote-ref-42)
43. Ibidem, PEMEX Annual Report 2017. [↑](#footnote-ref-43)
44. The location and date of construction of the Mexican refineries is: Ciudad Madero, Tamaulipas (1941); Salamanca, Guanajuato (1950); Minatitlán, Veracruz (1956); Tula, Hidalgo (1976); Cadereyta, Nuevo León(1979); Salina Cruz, Oaxaca(1979). [↑](#footnote-ref-44)
45. *Ibíd*., p. 23. [↑](#footnote-ref-45)
46. [↑](#footnote-ref-46)
47. Informe Anual 2017, Grupo Cementos Chihuahua, [en línea], Dirección URL:<http://www.gcc.com/wp-content/uploads/2018/05/GCC-Reporte_anual2017.pdf> pág.8 [↑](#footnote-ref-47)
48. *Ibídem* [↑](#footnote-ref-48)
49. [↑](#footnote-ref-49)
50. El Universal, “Cementos Chihuahua no descarta vender material para muro de Trump”, [en línea], México, 22/11/2016, Dirección URL: <https://www.eluniversal.com.mx/articulo/cartera/negocios/2016/11/22/cementos-chihuahua-no-descarta-vender-material-para-muro-de> [↑](#footnote-ref-50)
51. Informe Anual Grupo VITRO 2017, [EN LÍNEA], Dirección URL<https://www.vitro.com/media/160526/vitro_informe_anual_2017.pdf> pág.3. [↑](#footnote-ref-51)
52. *Ibíd*., p. 15. [↑](#footnote-ref-52)
53. *Ibídem* [↑](#footnote-ref-53)
54. Informe Anual Elektra 2017, <http://www.grupoelektra.com.mx/Documents/ES/Downloads/Grupo-Elektra-Informe-Anual-2017.pdf> pág. 16 [↑](#footnote-ref-54)
55. Informe Anual Elektra 2017, <http://www.grupoelektra.com.mx/Documents/ES/Downloads/Grupo-Elektra-Informe-Anual-2017.pdf> pág. 18 [↑](#footnote-ref-55)
56. Informe Anual XIGNUX 2017, pág. 12 <http://www.xignux.com/Site/ES/wp-content/uploads/2012/03/Reporte-Anual-del-Ejercicio-2017.pdf> [↑](#footnote-ref-56)
57. *Ibíd*., p. 3. [↑](#footnote-ref-57)
58. *Ibíd*., p. 11 [↑](#footnote-ref-58)
59. Reporte Anual Industrias CH, [en línea], Dirección URL: <https://industriasch.com.mx/reporte-anual.php> pág. 9 [↑](#footnote-ref-59)
60. Ibidem anual report 2017 [↑](#footnote-ref-60)
61. Dario Celis, “Acero, otro rubro del TLCAN que preocupa”, [en línea], Grupo Imagen, México, 7 junio 2017, Dirección URL: <https://www.dineroenimagen.com/2017-06-07/87492> [↑](#footnote-ref-61)
62. Informe anual 2017 ALSEA, [https://www.ALSEA.net/uploads/es/documents/annual\_reports/ALSEA\_informe\_anual\_2017.pdf](https://www.alsea.net/uploads/es/documents/annual_reports/alsea_informe_anual_2017.pdf) , pág. 13 [↑](#footnote-ref-62)
63. El Financiero, “Ánimo anti-trump afecta ventas de Starbucks en México”, [en línea], México, 28-04-17, Dirección URL: <https://www.elfinanciero.com.mx/empresas/animo-anti-trump-afecta-ventas-de-starbucks-en-mexico> [↑](#footnote-ref-63)
64. Informe anual 2017 ELEMENTIA, , dirección URL: [https://www.ELEMENTIA.com/documents/76715/7098943/2017.pdf/74a6621f-4ec1-4484-b5fa-b4e3de8adeef](https://www.elementia.com/documents/76715/7098943/2017.pdf/74a6621f-4ec1-4484-b5fa-b4e3de8adeef) pág. 10 [↑](#footnote-ref-64)
65. *Ibíd*., p. 32. [↑](#footnote-ref-65)
66. Reforma,. “Alertan por riesgos al negociar mal TLC”, [en línea], Dirección URL: <https://www.reforma.com/aplicacioneslibre/articulo/default.aspx?id=1109951&md5=45f256051f5a8655aa4aa6f1f2329832&ta=0dfdbac11765226904c16cb9ad1b2efe> [↑](#footnote-ref-66)
67. Informe Anual 2017 BACHOCO, [https://corporativo.BACHOCO.com.mx/wp-content/uploads/2018/03/Informe-Anual-2017.pdf](https://corporativo.bachoco.com.mx/wp-content/uploads/2018/03/Informe-Anual-2017.pdf) pág. x [↑](#footnote-ref-67)
68. Informe Anual 2017 BACHOCO, [https://corporativo.BACHOCO.com.mx/wp-content/uploads/2018/03/Informe-Anual-2017.pdf](https://corporativo.bachoco.com.mx/wp-content/uploads/2018/03/Informe-Anual-2017.pdf) pág. 1 [↑](#footnote-ref-68)
69. Milenio, “BACHOCO acuerda compra estadounidense AQF”, [en línea], URL: [https://www.milenio.com/negocios/BACHOCO-acuerda-compra-de-estadunidense-aqf](https://www.milenio.com/negocios/bachoco-acuerda-compra-de-estadunidense-aqf) [↑](#footnote-ref-69)
70. Sheila Sánchez Fermín, “La tensión por el TLCA, el mayor reto de BACHOCO para el 2018”, [en línea], Expansión México, 15-11-2017, Dirección URL: [https://expansion.mx/empresas/2017/11/15/la-tension-por-el-tlcan-el-mayor-reto-de-BACHOCO-para-2018](https://expansion.mx/empresas/2017/11/15/la-tension-por-el-tlcan-el-mayor-reto-de-bachoco-para-2018) [↑](#footnote-ref-70)
71. Forbes, “Ganancias de Grupo CARSO se desploman 22% en el tercer trimestre”, México, 16-10-2017, Dirección URL: <https://www.forbes.com.mx/ganancias-de-grupo-carso-se-desploman-22-en-el-tercer-trimestre/> [↑](#footnote-ref-71)
72. Informe Anual Grupo CARSO, <http://www.carso.com.mx/ES/inversionistas/informacion-financiera/Informes%20anuales/2017.pdf> pág. 9 [↑](#footnote-ref-72)
73. Axel Sánchez, Empresarios discutirán rumbo del TLCAN en Cumbre de Negocios, [en línea], El financiero México, 22-10-2017, Dirección URL: <https://www.elfinanciero.com.mx/empresas/empresarios-discutiran-rumbo-del-tlcan-en-cumbre-de-negocios> [↑](#footnote-ref-73)