

Mexico in Brief

J.A. TREVIÑO ABOGADOS
your bright corporate legal team®

50

July 06, 2010

Business Summary for June 2010

MEXICO AND ITS GROWING TOURISTIC MARKET.

Spanish-based *Grupo Grand Coral* recently announced its investment of approximately U.S.\$5 billion in the next ten years in the Mexican States of Quintana Roo and Baja California Sur, focusing in luxury and smart living. The upcoming residence area in Playa del Carmen will include apartment complexes, hotels, beach clubs, and a golf course designed by Nick Price. The group has initiated work in the construction of a residence complex in Los Cabos.

AUTOMOBILE MANUFACTURERS FOCUS IN MEXICO.

Several global automobile manufacturers have announced their plans to assemble certain of their products in Mexican soil, as global demand increases. *General Motors* will manufacture the *Spark* in the Ramos Arizpe plant; *Nissan* will manufacture the *Micra* in its Aguascalientes plant, *Volkswagen* will manufacture the new *Polo* in its Puebla plant, while *Ford* will assemble the *Fiesta* in its Cuautitlan plant. *Nissan* further announced an additional investment of approximately U.S.\$600 million for the manufacturing of two additional global models. The automobile industries plans involving Mexico will double its automobile production to approximately 3 million vehicles within the next three years.

KCSM REACTIVATES RAILROAD TERMINAL PROJECT.

Kansas City Southern Mexico, a subsidiary of U.S.-based *Kansas City Southern*, recently announced the reactivation of its railroad terminal project in the Mexican State of Michoacan, where it plans to invest approximately U.S.\$80 million. The railroad terminal will complement the services that are currently offered in the port of Isla de la Palma.

GRUPO GIGANTE CONTINUES TO BET ON DEVELOPMENT.

Mexican-based retailer *Grupo Gigante* recently announced that it plans to invest approximately U.S.\$140 million to complete or expand its ongoing real-estate developments and the construction of three new stores of its *The Home Store* brand, and 100 *Super Precio* retail shops. The Mexican group plans to diversify its real-estate investment in the Dos Patios Corporativo development, the construction of malls in Lomas Verdes and San Esteban; and the construction of two small residence complexes, all of them in the Mexican States of Mexico and Guerrero.

NUEVO LEON CONTINUES EXPERIENCING GROWTH.

The Mexican State of Nuevo Leon experienced a 136% increase in foreign investment during the first semester of 2010. The growth is mainly attributed to the arrival of new manufacturing companies and the expansion of previously installed companies. Moreover, the State is currently awaiting the arrival of ten new companies from different manufacturing sectors and other companies are planning expansions, involving an overall additional investment exceeding approximately U.S.\$340 million.

CESSNA AIRCRAFT TO INVEST IN MEXICAN STATE OF CHIHUAHUA.

Cessna Aircraft Company recently announced that it will invest approximately U.S.\$67 million in the establishment of its fourth plant in the Mexican State of Chihuahua. The plant will provide labor in the structure metal assembly for *Cessna* aircraft, generating approximately 150 new job positions.

Stock Exchange Index (BMV)

31,156.97

4.68% ▼

Exchange Rate (Fix)

MxP 12.8441-U.S.\$1

0.55% ▼

Inflation-April / Cummulative / 12 Months

-0.63% / 1.42% / 3.92%

TIIE 28 / 91

4.94% / 5.01%

0.00% / 0.60% ▼

CETE 28 / 91 / 364

4.59% / 4.66% / 4.87%

1.55% ▲ / 0.43% ▲ / 1.62% ▼

UDI

MxP 4.413205

0.35% ▼

J.A. TREVIÑO ABOGADOS

WWW.JATABOGADOS.COM

info@jatabogados.com

J.A. TREVIÑO ABOGADOS S.A. DE C.V. distributes MEXICO IN BRIEF for information purposes only, and it should not be construed as legal advice on any subject matter. The referenced economic indicators are based on information from *Banco de Mexico* and, (unless otherwise noted) are as of the last business day of the preceding calendar month; variations reflected are referenced to our prior Brief. Information appearing herein does not necessarily represent our Firm's opinion or position, and is based on information available through public sources which we consider to be reasonably reliable. Accuracy or completeness of the information cannot be assured. If you wish to be removed from our distribution list, please email mexico.in.brief@jatabogados.com.