

Update 35: Mexico - Economy Contracts by 8.6% YoY in Q3 2020 Amid COVID-19 Pandemic

- Mexico's economy bounced back strongly in Q3 2020, driven by a strong recovery in secondary activities
- Gross Domestic Product (GDP) grew 12.1% QoQ between July and September from the previous three-month period
- The QoQ increase was the biggest since current records began at the start of the 1980s, and benefited from stimulus spending in the United States of America (USA)
- The recovery was driven by a 21.7% surge in secondary industrial activity, which includes mining, energy, and manufacturing
- However, Mexico's economy was still 8.6% behind the same period of 2019
- Mexico's Central Bank forecasts the economy will shrink between 8.7% and 9.3% in 2020, its deepest annual contraction since the Great Depression
- On Thursday, November 26th, Mexico reported 10,335 new COVID-19 cases and 858 deaths related to it
- Reportedly, COVID-19 vaccine distribution could start by mid-December in Mexico
- As of now, the country reported 1,078,594 confirmed COVID-19 cases with 104,242 deaths (9.7% of total reported cases), and 803,581 recovered (74.5% of the total reported cases)
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments
- Please consult National Institute of Public Health (<https://www.insp.mx/>) for latest information on COVID-19 in Mexico

Source(s)

<https://in.reuters.com/article/mexico-economy/update-1-mexicos-economy-rebounds-in-q3-but-gdp-down-86-on-year-idINL8N2IC3OR>
<https://fronterasdesk.org/content/1638716/covid-19-vaccine-distribution-could-start-mid-december-mexico>
<https://tradingeconomics.com/mexico/gdp-growth-annual>
<https://www.worldometers.info/coronavirus/country/mexico/>

Targets Affected:

Mexico

Category(s):

Macro-Economic Risk - Geo-Political Risk

Event:

Coronavirus (COVID-19) Incident(s)

Guidance

Actions to consider:

- Consider implementing suggested actions related to 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

Related Alerts

Nov. 19, 2020

Medium

Update 34: Mexico - Extends Border Closure for Non-Essential Services with United States of America and Canada Until December 21, 2020

Nov. 15, 2020

Medium

Update 33: Mexico - Confirmed COVID-19 Cases Surpass One Million with 98,259 Related Deaths

Nov. 14, 2020

Medium

Update 32: Mexico, Mexico City - Closes Bars and Eateries Due to Surge in COVID-19 Infections

Nov. 8, 2020

Medium

Update 31: Mexico - Reports 6,810 New COVID-19 Cases in Last 24 hours, Raising National Total to 961,938

Nov. 4, 2020

Medium

Update 30: Mexico - Multiple States Impose Lockdown Amid Rise in COVID-19 Infections

Oct. 20, 2020

Medium

Update 29: Mexico - Extends Border Closure for Non-Essential Services with United States of America and Canada Until November 21, 2020

Sept. 23, 2020

Medium

Update 28: Mexico - Extends Border Closure for Non-Essential Services with United States Until October 21, 2020

Aug. 17, 2020

Medium

Update 27: Mexico - Extends Border Closure for Non-Essential Services with United States Until September 21, 2020

Aug. 8, 2020

High

Update 26: Mexico City, Mexico -
Extends COVID-19 Orange Alert
Warning Until August 16, 2020

July 25, 2020

Medium

Update 25: Mexico - Economy
Contracts by 2.6% in May 2020 Amid
COVID-19 Pandemic

July 17, 2020

Medium

Update 24: Mexico - Extends Border
Closure for Non-Essential Services with
United States Until August 21, 2020

July 13, 2020

Medium

Update 23: Mexico - Reports Fourth-
Highest COVID-19 Death Toll Globally,
Surpassing 35,000

July 11, 2020

Medium

Update 22: Mexico - Confirms 6,891
New COVID-19 Cases, Raising
National Total to ~289,174

June 21, 2020

High

Update 21: Mexico - Delays Economic
Reopening Plans as New COVID-19
Cases Increase

June 17, 2020

Medium

Update 20: Mexico - United States of
America Extends Border Closure Until
July 21

June 14, 2020

Medium

Update 19: Mexico - Plans to Begin
Gradual Exit from COVID-19 Lockdown
on June 15, 2020

May 27, 2020

High

Update 18: Mexico - Economy
Contracts by 1.4% in Q1 2020, Largest
Decline Since 2009 Amid COVID-19
Pandemic

May 21, 2020

High

Update 17: Mexico City - Businesses to Resume Starting June 1 Despite Increase in COVID-19 Infections

May 14, 2020

High

Update 16: Mexico - Plans to Reopen Businesses from May 18 to Aid Economy amid COVID-19 Pandemic

May 8, 2020

High

Update 15: Mexico City - Plans to Gradually Resume Businesses from June 2020 Amid COVID-19 Pandemic

May 1, 2020

High

Update 14: Mexico - Economy Shrinks Amid COVID-19 Pandemic

April 28, 2020

Immediate

Update 13: Mexico - Confirms 852 New COVID-19 Cases, Totaling 15,529

April 24, 2020

Immediate

Update 12: Mexico City - New Restrictions Imposed Amid Phase 3 Transmission of COVID-19 Pandemic

April 22, 2020

Immediate

Update 11: Mexico - Declares 'Phase 3' of COVID-19 Pandemic as Confirmed Cases Increase to 8,772

April 21, 2020

Immediate

Update 10: Mexico - Extends COVID-19 Border Restrictions with United States Until May 19, 2020

April 17, 2020

Immediate

Update 9: Mexico - COVID-19 Restrictions Extended Until May 30, 2020

April 10, 2020

Immediate

Update 8: Mexico - 3,441 Confirmed COVID-19 Cases; Authorities Expect Cases to be Eight Times Higher

April 2, 2020

High

Update 7: Mexico - Economy Expected to Contract by 3.9% Amid COVID-19 Pandemic

April 1, 2020

Immediate

Update 6: Mexico City, Mexico - Announces Closure of 90% Non-Essential Businesses, Effective from April 1, 2020 to April 30, 2020

March 31, 2020

Immediate

Update 5: Mexico - Declares Health Emergency as More Than 1,000 Confirmed COVID-19 Cases Reported

March 28, 2020

Immediate

Update 4: Mexico - COVID-19 Cases Rise to 717

March 25, 2020

Immediate

Update 3: Mexico - Suspends Public and Private Gatherings for a Month Amid Local Transmission Phase of COVID-19

March 24, 2020

High

Update 2: Mexico - Losses in Micro and Small Businesses Amount to ~US\$1.3 B Due to Coronavirus Pandemic

March 17, 2020

Immediate

Update 1: Mexico - Steep Rise in Coronavirus Infection Cases

March 2, 2020

Low

Mexico - Coronavirus Infection Cases

Impact level Definitions

Impact Level	Definitions
Immediate	Certain - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	Highly likely to occur in the near term (within 3 months) - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	Likely to occur in the mid-term (within 3 to 6 months) - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	Possible in the long-term (after 6 months) - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.