



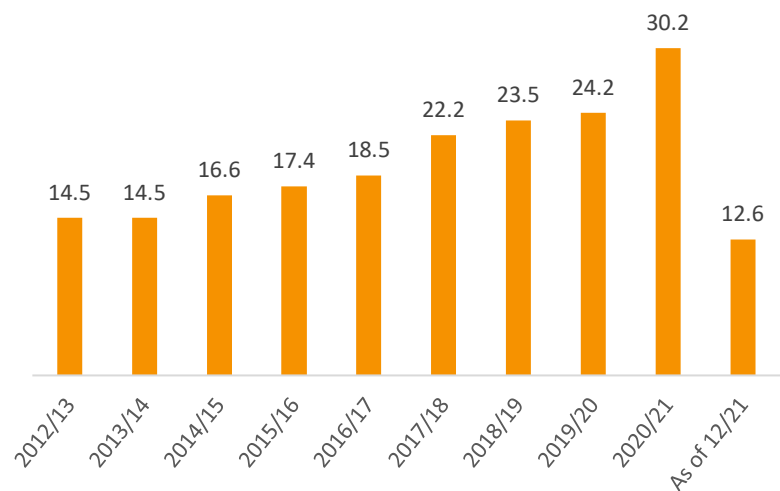
Market Profile: Mexico

Trade

- Following several years of steady growth, almond exports jumped by 25% year-over-year in FY 20/21 (August-July) to reach 30.2 million pounds.
- Shelled almonds account for 86% of whole almond exports to Mexico, followed by roasted almonds (17%) and inshell almonds (1%).

U.S. Almond Exports to Mexico

(Aug/July Crop Year - Million LBS)
Source: Almond Board of California



Market Overview

- Mexico is largest market for almonds among Latin American countries.
- Growth in the Mexican market has accelerated upon the activation of ABC-funded marketing campaigns that began in April 2018.
- Mexico was the third-largest destination for all U.S. agricultural products in 2020 at \$18.1 billion in total value.
- With over 130 million people, Mexico's population skews young: about 44% of the population is under the age of 25, with an additional 41% in the 25-54 age range.
- ABC has invested \$2.4 million in marketing activities for FY 2021/22.

Key Issues

- Almonds enjoyed 0% duty status under NAFTA, which continued under USMCA, which came into force in July 2020.
- Mexico imposes an 8% Special Tax over Production and Services (IEPS) for high calorie food (defined as 275 kcal per 100 grams). The IEPS, also known as the "junk food tax" or "sugar tax," affects roasted almonds (not raw).
- ABC closely monitored a proposed Mexican regulation which mandated front-of-pack labeling with "warning signs" for foods high in sugar, sodium, and/or saturated fats.