

about this growth: Mexican economic and trade policies, as undelined in Section 2, and an increase in capital investments made by the largest end user sectors. The present administration's commitment to Mexico's modernization is based on trade liberaliaztion, the curbing of inflation, the reduction in interest rates and the stability of the peso-dollar exchange rate. These policies have translated already into a greater availability of investment capital, both national and foreign, and will continue to do so. In conjunction with this, the need for improved efficiency by the local industry in order to compete both in the domestic and international markets in response to the NAFTA negotiations, has also encouraged investments in new equipment and instruments to modernize existing operations. Total apparent consumption is therefore expected to grow at an average annual rate of 8% between 1991 and 1995 to reach a total of \$641.4 million in 1995. Table 1 shows total apparent consumption of instruments andf equipment.

TABLE 1
APPARENT CONSUMPTION OF INSTRUMENTS
(US\$million)

	1989	1990	1991	1992e	1995p
Production	35.8	41.2	50.6	58.9	68.2
+ Imports	188.1	229.9	368.6	475.3	615.5
- Exports	7.7	11.0	27.1	35.5	42.3
TOTAL	216.2	260.1	392.1	498.7	641.4

Source: Import-export data by SECOFI; author's estimates

3.1 IMPORTS

Imports have traditionally played a major role in apparent consumption of laboratory instruments and equipment. In many segments of the market, imports actually cover total demand, since there is no domestic production. This is the case particularly with state-of-the-art technology and highly sophisticated instruments, such as chromatographers, spectrophotometers, spectrometers and the like. In 1992, imports represented 95% of total supply. The following table shows total imports of laboratory instruments and equipment by category.