

Product	1992	1993	1994
Sausages and similar products	0	289	536,342
Meat of swine bellies, including bacon	1,005,679	869,172	1,283,219
Offal, fresh	10,360	0	4,118
Offal, frozen	5,774,889	7,204,333	10,877,106
Other pork meat, fresh	293,076	313,677	537,111
Other pork meat, frozen	6,160,607	4,285,843	5,238,333
Other pork meat, preserved	7,518,683	6,779,652	3,212,588
Other pork meat, prepared	77	48,714	2,542
<b>Total</b>	<b>31,594,498</b>	<b>33,799,827</b>	<b>36,034,965</b>

Source: Prepared from the *Secretaría de Comercio y Fomento Industrial (SECOFI)*, Secretariat of Commerce and Industrial Development, data.

## CUSTOMERS

*Pork consumption is likely to increase in some income groups as families respond to the economic crisis by substituting pork for beef. Low-income groups will reduce all meat consumption.*

Although a large proportion of Mexicans have very low incomes by Canadian standards, the absolute numbers of people in the higher-income brackets is still relatively large. Prior to the devaluation, the minimum wage was the equivalent of approximately US \$1,690 per year. In 1992, 57 percent of all Mexicans were members of families with an income of five times the minimum wage or less, roughly US \$8,500.00. On the other hand, there are more than a million people with an annual family income of at least US \$85,000 and three million who receive more than US \$40,000. One estimate puts the proportion of Mexicans who receive ten times the minimum wage or more at about 15 percent. This group, which numbers more than 13 million, constitutes the most important market for imported foods.

These statistics are based on pre-devaluation exchange rates. The devaluation of the peso in December 1994 cut deeply into the spending power of most Mexicans at least as far as imports are concerned. One estimate is that real incomes declined by almost 10 percent in the first five months of 1995. Many observers believe that the situation will stabilize by 1996 and that incomes will gradually rise after that.

In some income groups, declining income has a positive influence on pork demand, because it encourages its substitution for beef. In the lower income groups, the consumption of all meats is likely to decline.