

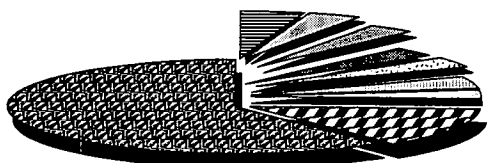
FOREIGN TRADE

Official trade statistics do not clearly identify mining equipment. Some estimates show the import market growing by 12 percent annually.

There are no reliable statistics regarding Mexican imports of mining equipment and services. The Harmonized System (HS) of commodity classifications used for international trade data does not separate most mining equipment from similar products used in other industries. Moreover, trade data excludes services. Canada's exports of mining technology are heavily weighted towards consulting and other services.

The U.S. Department of Commerce has produced estimates based on HS categories that include the major types of mining equipment. According to this data, Mexico's imports of mining-type equipment increased by 16 percent to reach US \$135 million in 1993. Imports for 1994 were projected to increase by 12 percent and this pace of growth was expected to continue for the medium term. The United States claimed 62 percent of the market for these products in 1993. Recently, Japanese and Canadian companies have been investing in Mexican mining operations by importing equipment from their own countries. Canada had a 4 percent import market share in 1993.

IMPORT MARKET SHARES, 1993
PERCENTAGE



US 62%	GERMANY 4%	ITALY 3.70%
JAPAN 7%	CANADA 4%	SPAIN 2.50%
BRAZIL 5%	UK 3.90%	OTHERS 11.90%

Source: United States Department of Commerce.

MINING INDUSTRY EQUIPMENT MARKET US \$ MILLIONS

	1991	1992	1993
Import market	98.3	116.1	134.0
Local production	89.6	85.3	86.4
Exports	4.7	6.2	8.4
Total market	192.6	207.6	228.8

Source: United States Department of Commerce.