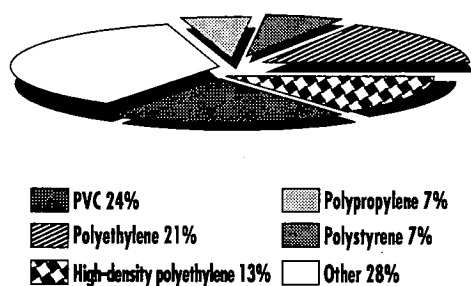


The United States is by far the most important supplier of plastic resins to Mexico, enjoying an 85 percent import market share in 1992, followed by Germany with 7.6 percent. Japan accounts for 2.3 percent of imports, and Brazil and France one percent each. Canada supplied 0.6 percent of imported resins in 1992. Several countries are aggressively competing with the U.S. for market share. Germany, in particular, has actively promoted its products and some users have begun to respond.

MEXICAN PRODUCTION OF PLASTIC RESINS, 1992



Source: C. Verut, *Market Study for the Mexican Market for Plastics Production, Machinery, Equipment and Resins*, Canadian Embassy in Mexico, 1993.

CANADIAN EXPORTS OF PLASTIC RESINS TO MEXICO (\$ 000s)

	1988	1989	1990	1991	1992
Low density polyethylene	1,068	511	197	564	120
High density polyethylene	453	274	364	209	203
Polypropylene	0	369	92	23	21
Polyisobutylene	0	9	5	17	0
Polyurethanes	0	10	0	0	0
PVC	0	0	0	4	0
Acrylic polymers	2	0	0	0	0
Polyethers	8	0	0	0	0
Silicones	0	125	75	48	0
Phenolic resins	6	0	0	0	0
Natural polymers	3	0	0	0	0
Waste and scrap	0	5	8	0	0
TOTAL	\$ 1,550	\$ 1,303	\$ 741	\$ 865	\$ 344

Source: C. Verut, *Market Study for the Mexican Market for Plastics Production, Machinery, Equipment and Resins*, Canadian Embassy in Mexico, 1993.

Canadian exports to Mexico have been a small and generally decreasing market over the past several years. Exports fell from \$1.6 million in 1988 to \$344,000 in 1992. The products involved were mostly low and high-density polyethylene, polypropylene and some silicones.

DOMESTIC PRODUCTION

Mexico's production of plastic resins and materials has grown consistently at a rate faster than the GDP. Domestic suppliers provided about 69 percent of consumption by volume in 1992. Mexico is close to self-sufficient in several resins and is a net exporter of some. In 1992, for example, Mexico exported more than 200,000 tons of polyvinyl chloride, while it imported only 26,000 tons.

In 1980, total installed capacity for producing plastic resins stood at 525,000 tons. During the 1980s, capacity tripled to 1.6 million tons and increased again to 2.1 million tons by 1992. The highest growth products were polypropylene, acrylic resins, polyesters, polystyrenes, PET and polyurethanes.

Domestic production has also increased steadily. Until 1987, PVC was the predominant resin produced in Mexico, representing 27 percent of total production. In the following years, low density polypropylene became increasingly more important.

