

MANGANESE

Mexico ranks eighth worldwide in manganese production and is one of two nations in the western hemisphere with major deposits of this mineral. The country's proven reserves are about ten million tonnes. Production in 1994 was 91,272 tonnes, a 21 percent reduction from the year before. According to the *Cámara Minera de México (CAMIMEX)*, Mexican Mining Chamber, the drop was the result of inventory adjustments. As Mexico's steel industry expands, the demand for manganese will increase because it is an essential ingredient for the production of high-grade steel.

Minera Autlán is the leading producer. This is a former state-owned enterprise that was privatized in 1991. The company has extensive mining operations and also refines manganese oxide nodules and manganese dioxide for battery use. The company's operations are located mainly in the state of Hidalgo.

CUSTOMERS

Large Mexican-owned mining groups dominate the industry, increasingly in partnership with foreign companies.

Private mining companies have gradually replaced government-owned enterprises as the most important customers for mining equipment and services. The Government of Mexico has now sold most of its holdings in the mining and metalworking sector to private-sector operators.

In early 1994 there were a total of 15,000 mines in Mexico operated by 800 companies. The bulk of mining activity is controlled by a small number of corporate groups. The number of mining companies in the *Expansión 500* list of Mexico's largest companies grew from seven in 1994 to 12 in 1995.

The largest mining group in Mexico is *Grupo Industrial Minera México*, which has about 14,000 employees and almost \$4 billion pesos in annual sales. According to media reports, the company exports 55 percent of its sales, and is 100 percent Mexican owned. Sales increased by 31 percent in 1994. *Grupo Industrial Minera México* owns *Mexicana de Cobre*, *Mexicana de Cananea*, *Grupo Industrial Minera México, S.A.* and *Zinc de México*. It also has holdings in *Minerales Metálicos del Norte* and *México Desarrollo Industrial Minero*.