

THE PLASTICS INDUSTRY IN MEXICO AND DEMAND FOR
PLASTIC RESINS AND PLASTIC PRODUCTION
MACHINERY AND EQUIPMENT

I BACKGROUND

The Mexican Chemical Industry, (and from which plastics derive) developed rapidly from 1960 to the 1980's. In 1960 plant production matched domestic demand in then a protected market. Growth rates averaged 15% annually. As part of the Chemicals Sector Petrochemicals grew five and a half times between 1961 and 1975. In 1964 there were only 68 petrochemical products made in Mexico. By 1978 this had increased to 200. The number of products deriving from petrochemicals has continued to expand in relation to domestic requirements and export demand on the international market.

In Mexico, as elsewhere, synthetic fibers have continued to grow, replacing natural fibers. Synthetics grew at an average annual rate of 21.9% in the decade of the 1970's. This growth however slowed in the early 1980's due to a shortage of raw materials and low-priced imports.

However as the majority of synthetic fibers, and plastics in general, derive from oil of which Mexico is one of the major world producers, this has permitted the National Industry to continue its development in diversified areas. Currently the Plastics Industry in Mexico is made up of 3340 manufacturer-producers. Half of these companies use as raw materials the POLYOLEFINES and resins made up of low and high-density polyethylene. Participation of the Plastics Industry within the Manufacturing Sector increased 4.4% in 1986 and 5.5% in 1987.

Currently (1988) of the manufacturers within the Mexican Plastics Industry 70% provide products for the domestic and international markets as well as for the all important Mexican In-Bond Assembly Industry Program, in areas such as Food lines, chemicals, petrochemicals, automotive, construction industry, agriculture, electronic, telecommunications and domestic home products etc. The Mexican Plastics Industry (1987) employed 134,000 personnel.