



2015 World Ceramic Tiles Forum

MEXICO
2014



National Context – MEXICO



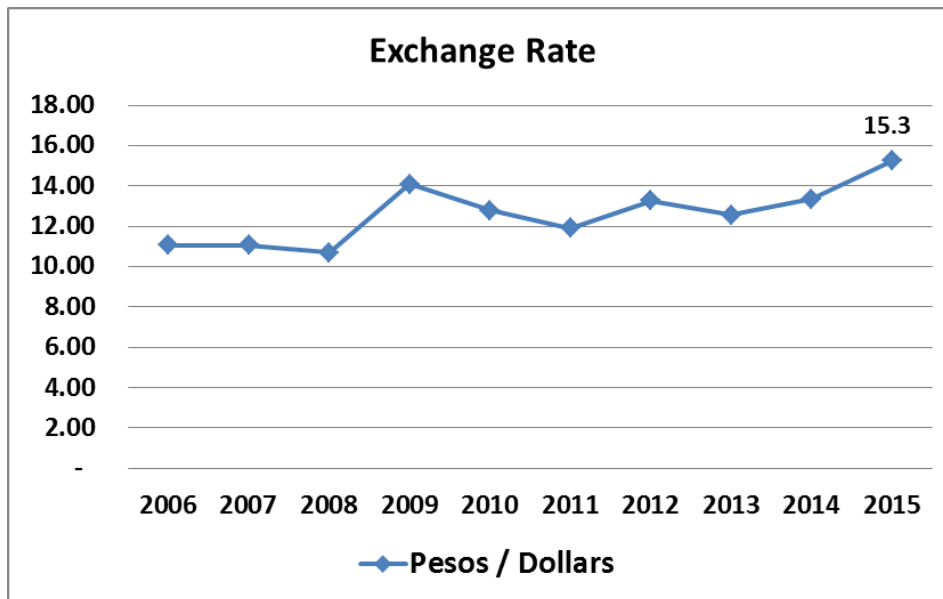
- I. General economic situation and trend in the construction sector/demand
- II. Trend in production, consumption and trade in ceramic tiles
- III. Latest developments at national level in energy supply regulation and taxation
- IV. Development in standardisation or regulation at national level affecting ceramic tiles
- V. Other national developments

I. General economic situation, trend in the construction sector/demand

	2013	2014
GDP	1.4	2.2
INFLATION RATE	3.8	4.0
OFFICIAL BANK RATE	3.5	3.0
NOMINAL WAGE INCREASE	3.9	3.9
UNEMPLOYMENT	4.9	5.1

3.99 dollars

15th largest economy in the world



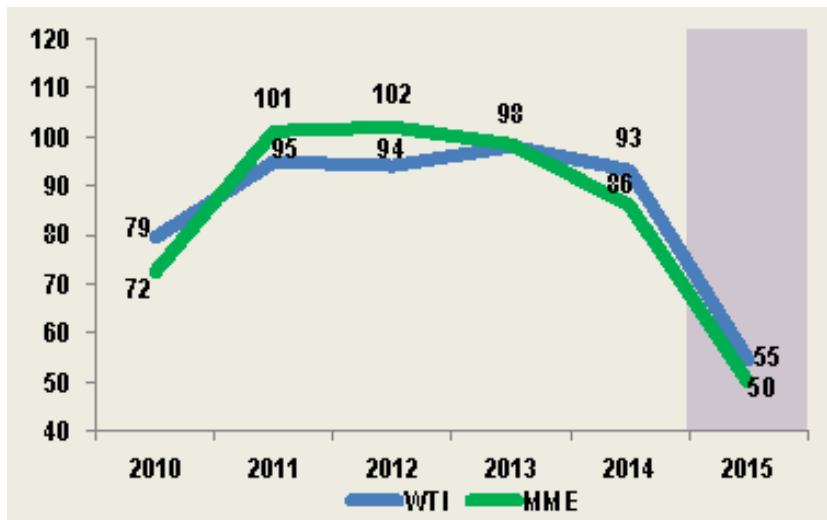
- GDP = USD \$1,280 bill.
- GDP on world share = 2.07%
- Population = 123 mill.
- GDP Per Capita = USD \$10,407

I. General economic situation, trend in the construction sector/demand

2014 Mexico Economy

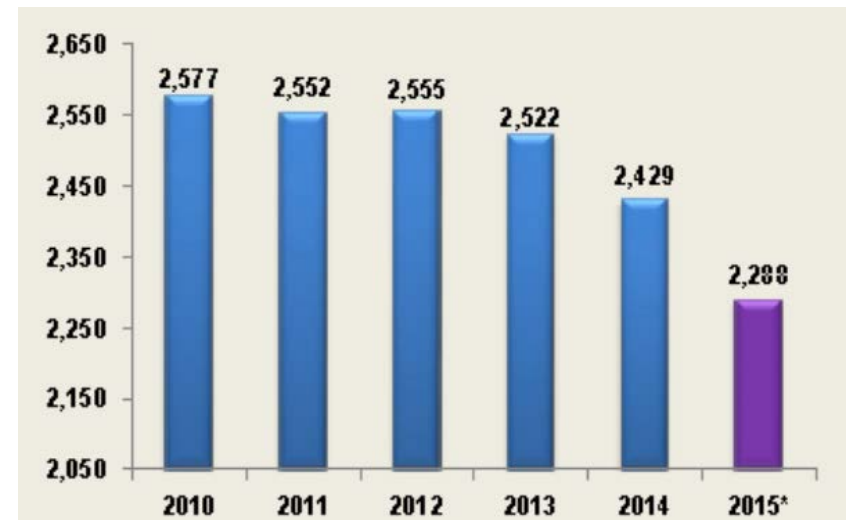
- Highly based on oil production affecting future economic situation
- 13 years of production downtrend
- Accidents in oil facilities lowered the production to minimum in 20 years

Oil Prices



Dollars per barrel

Oil Production

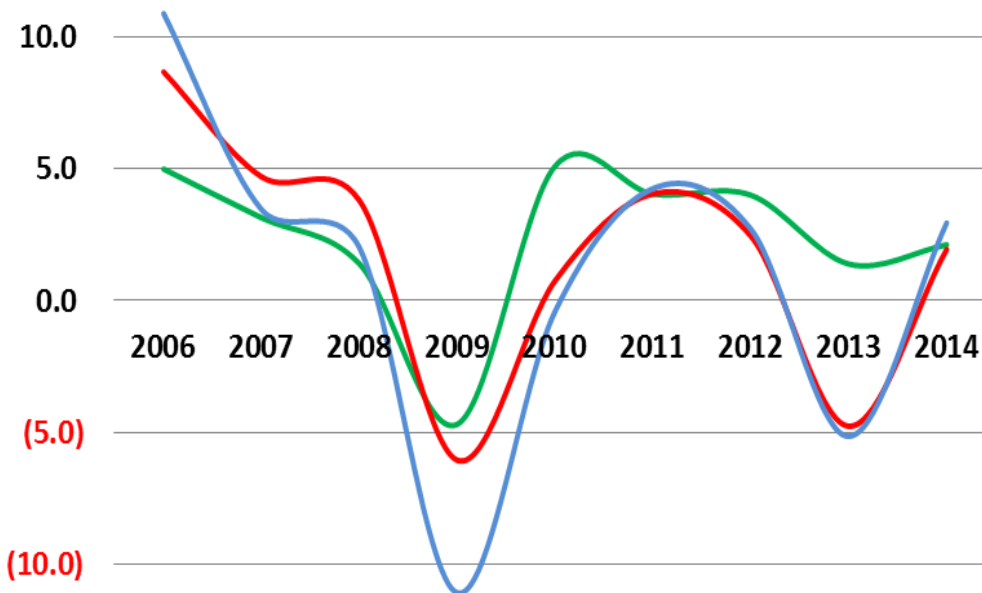


Ave. mill. barrels

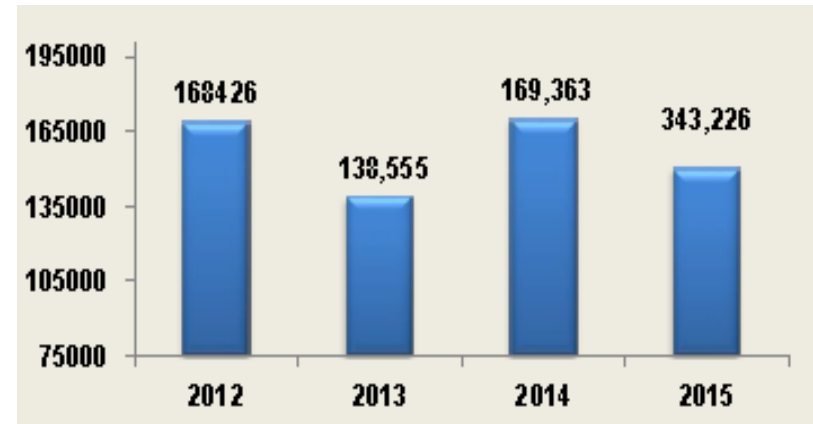
I. General economic situation, trend in the construction sector/demand

2014 Construction Sector

- Construction GDP +1.9%,
- Building GDP +3.0%
- Economy recession in 2009
- Gov. expenditure decreased in 2013



Verified Construction Starts



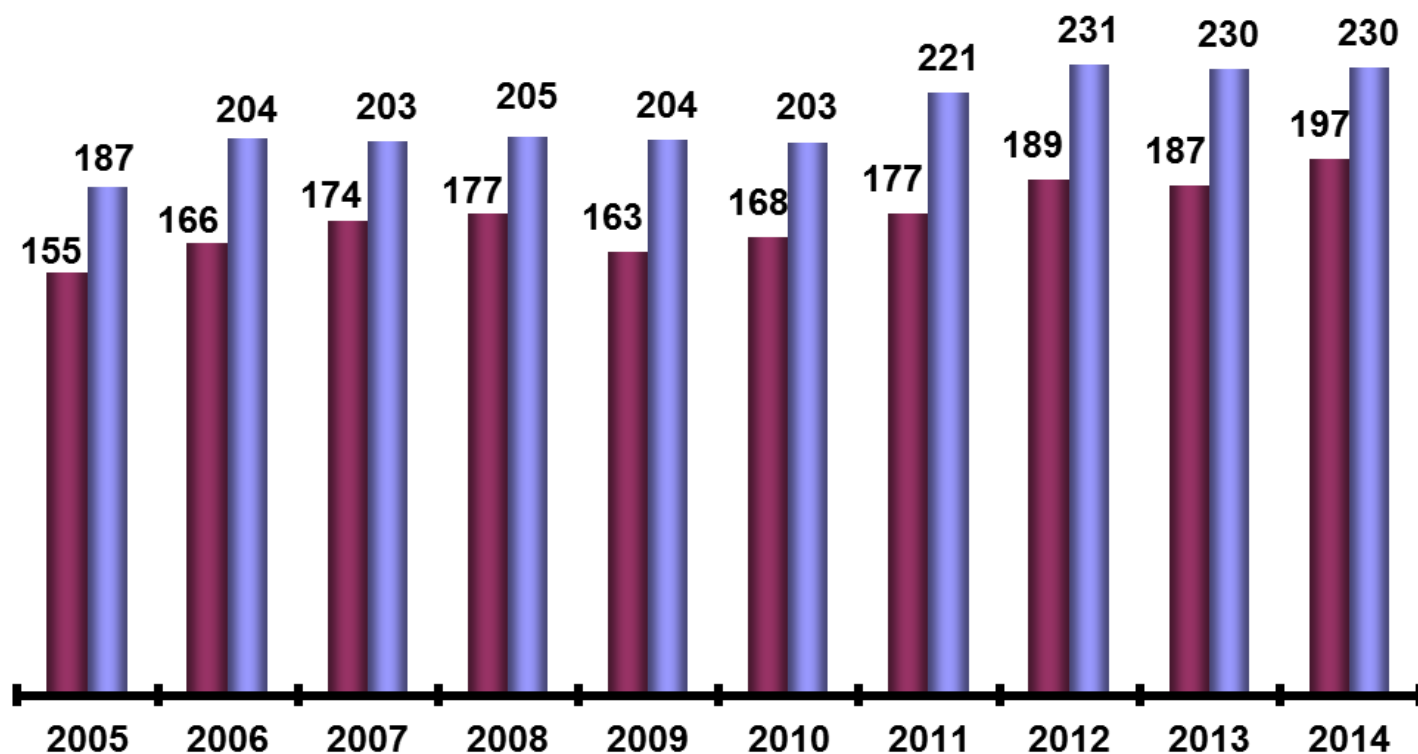
(RUV)

- Mexico GDP
- Construction GDP
- Building GDP

II. Trend in production, consumption and trade in ceramic tiles



Production and Consumption Mill. Meters Sq.



2013 - 2014

**Production
+ 0.0%**

**Consumption
+ 5.3%**

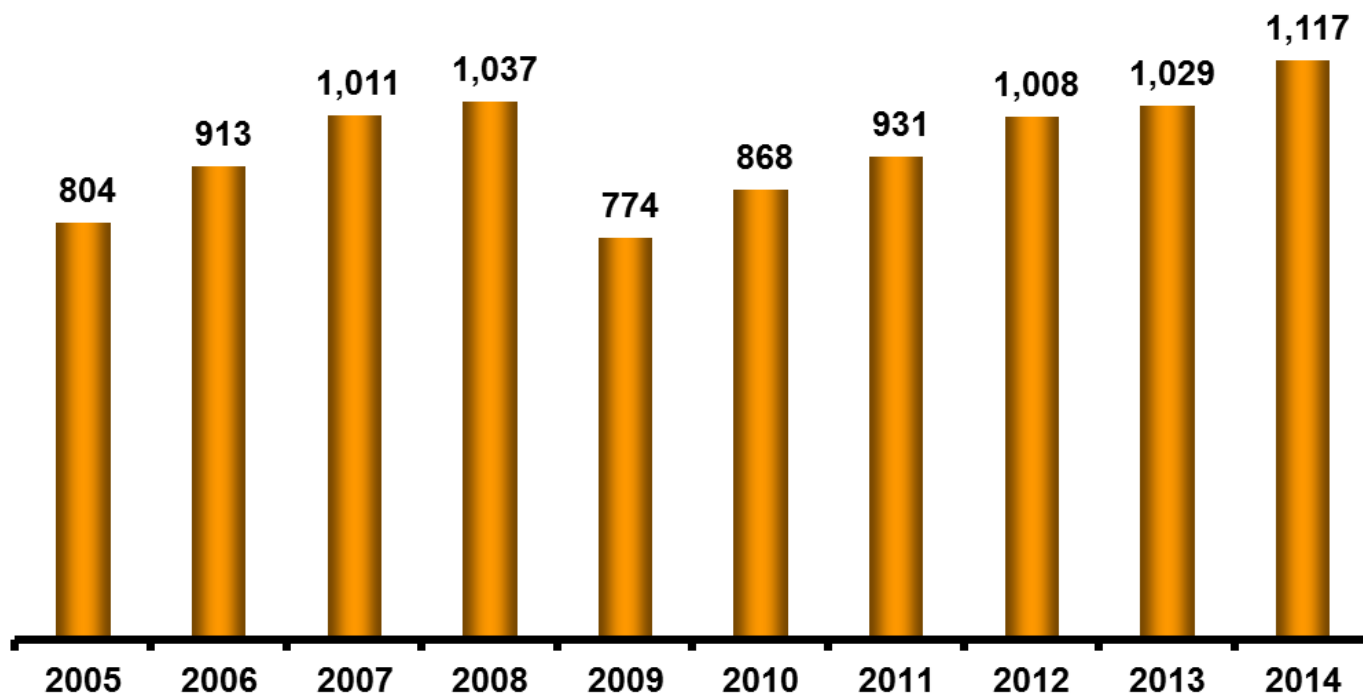
2015

**Consumption
Forecast
+ 9.5%**

II. Trend in production, consumption and trade in ceramic tiles



Market Consumption Million USD

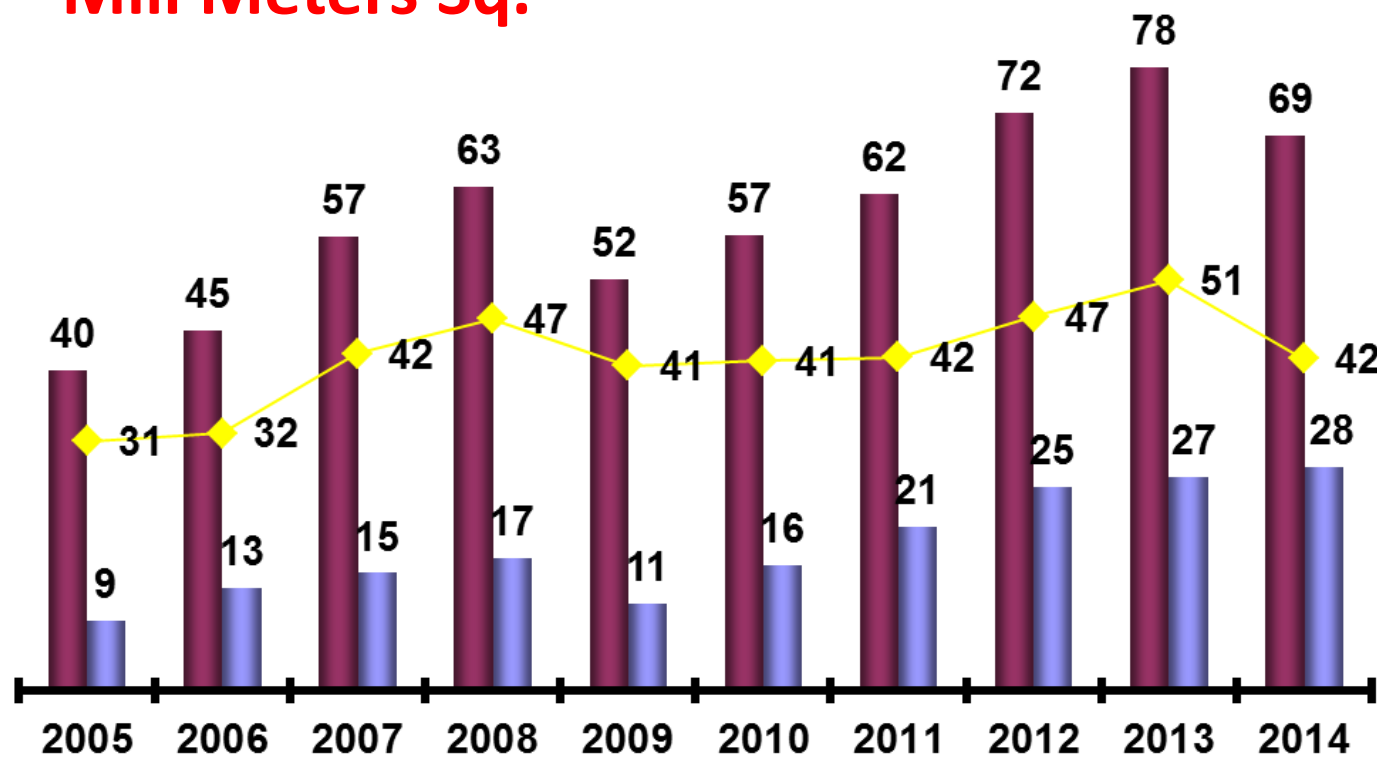


2013 - 2014

**Consumption
+ 8.5%**

II. Trend in production, consumption and trade in ceramic tiles

International Trade Mill Meters Sq.



2013 - 2014

Exports
- 11.0%

Imports
+ 4.3%

“Exports 1/3 of production”

III. Latest developments at national level in energy supply regulation and taxation

- **Gas and electricity prices are expected to decrease starting in 2016 due to the results of the recently national energy reform on energy laws**
- **Prospecting of new natural gas reserves (Shale Oil) is now in process and research on sustainable technologies for its exploitation will allow Mexican economy to be more competitive**
- **No latest developments regarding taxation (Value Added Tax 16%; Progressive Income Tax up to 35%)**

IV. Any development in standardization or regulation at national level affecting ceramic tiles

Industry Standards

- Update of Mexico standards based on ANSI and ISO

NMX-C-422-ONNCCE-2002

Ceramic Tile



NMX-C-420-ONNCCE-2003

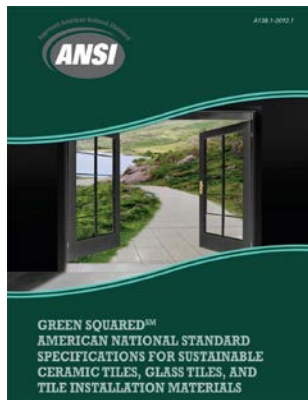
Adhesives



IV. Any development in standardization or regulation at national level affecting ceramic tiles

Industry Standards

- Creation of Mexican Standard NMX for sustainability
- Certification of Sustainable Ceramic Tile (ANSI 138.1)



IV. Any development in standardization or regulation at national level affecting ceramic tiles

Porcelain tiles

- Certification of all Mexican porcelain tile starting in 2013
- PTCA certified meeting ASTM C373
- Consumer Agency vs. products falsely labelled as porcelain



V. Other national developments

Industry Standards

- **Environmental Product Declaration (EPD)**

Established for tile in North America (including Mexico), and currently in development for installation materials.



Environmental Facts	
Functional unit: 1 m ² of Ceramic Tile (Porcelain) Floor Covering	
Reference Service Life (RSL): 50 Years	
60 Year Inventory Analysis	
Energy Demand [MJ x (60 / RSL)]	
Primary Renewable [MJ x (60 / RSL)]	
Primary Non-Renewable [MJ x (60 / RSL)]	
Secondary [MJ x (60 / RSL)]	
Non-Renewable Material Sources [kg x (60 / RSL)]	
Waste Output [kg x (60 / RSL)]	
Non-Hazardous [kg x (60 / RSL)]	
Hazardous [kg x (60 / RSL)]	
60 Year Impact Assessment	
Global Warming Potential [lb CO ₂ eq x (60 / RSL)]	
Acidification Potential [lb H ⁺ eq x (60 / RSL)]	
Ozone Depletion Potential [lb CFC-11 eq x (60 / RSL)]	
Smog Potential [lb O ₃ eq x (60 / RSL)]	
Eutrophication Potential [lb N eq x (60 / RSL)]	
Boundaries: Cradle to Grave	Clay: 50%
Company:	Quartz: 10%
Product Name:	Feldspar: 40%
Total Recycled Content %:	Misc. Minerals: <0.1%
Green Squared Certified (Y or N):	
Other Attributes:	

Certification of installers

- National tile installation standard (EC)
- Training centres (4)
- Installer certification program



Workshop



Credentials

Questions?



Thanks for your attention!

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