



U.S. Embassy—Mexico City NAFTA Factsheet

Important Facts:

- Since NAFTA was signed, trade flows among the three countries have grown, investment flows have increased significantly, and the vast majority of trade and investment relations among the three partners occur without disputes.
- In 2012, U.S.-Mexico trade represented almost 70% of total NAFTA trade. From 1993 to 2012, total U.S. trade with Mexico increased by 506%; trade with Canada increased by 191%; and trade with non-NAFTA countries increased by 225%.
- In 1994, Mexican exports to the United States were almost 85% of its total exports; in 2012, they were 78%. U.S. exports to Mexico have risen from 10% of total exports to 14% during the same time.

Total goods trade between the United States and its NAFTA partners grew 279% from 1993 to 2012.

The North American Free Trade Agreement (NAFTA) between the United States, Canada, and Mexico entered into force on January 1, 1994, and created the world’s largest free trade area. NAFTA links more than 461 million people producing \$17 trillion worth of goods and services annually (2011). The dismantling of trade barriers and the opening of markets has led to economic growth and rising prosperity in all three countries.

U.S. Top Trading Partners 2012, USD Million

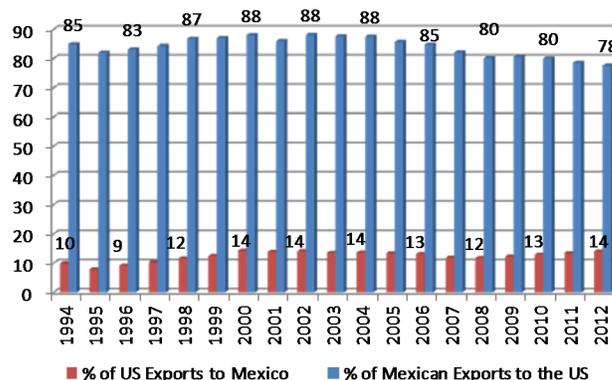
	Exports	Imports	Total Trade	%
North America (Canada & Mexico)	508,773.9	601,899.0	1,110,672.9	29%
European Union	265,359.6	381,207.6	646,567.2	16.9%
Canada	292,443.0	324,246.3	616,689.3	16.1%
China	110,590.1	425,643.6	536,233.7	14%
Mexico	216,330.9	277,652.7	493,983.6	12.9%
Japan	69,955.0	146,392.2	216,347.2	5.7%
Germany	48,797.1	108,708.1	157,505.2	4.1%
World	1,547,283.3	2,275,150.0	3,822,433.3	

Source: U.S. Census Bureau

Total goods trade between the United States and its NAFTA partners grew from \$293.1 billion in 1993 to more than \$1.2 trillion in 2012, an increase of 279%. Trade in private services between the United States and Mexico (exports and imports) totaled an estimated \$42 billion in 2012. Services exports were \$27 billion; Services imports were \$15 billion.

U.S. top export categories to Mexico in 2012 were: Machinery (\$36 billion), Electrical Machinery (\$34 billion), Mineral Fuel and Oil (\$23.8 billion), Vehicles (\$20.4 billion), and Plastic (\$13.9 billion). U.S. exports of agricultural products to Mexico totaled \$18.9 billion in 2012, the third largest U.S. agricultural export market. Leading categories include: coarse grains (\$3 billion), red meats, fresh/chilled/frozen (\$1.9 billion), and soybeans (\$1.9 billion), dairy products (\$1.2 billion), and wheat (\$1.1 billion).

U.S. and Mexico Exports (%)



Source: U.S. Census Bureau and Mexico’s Secretariat of Economy.

NAFTA has increased Mexico’s overall trade as well as ushered in increased foreign direct investment; it has improved the competitiveness of Mexican industry; boosted unionization in Mexico (90% of the workers in Mexico’s export manufacturing industry are unionized); helped improve Mexico’s regional development, particularly along our shared border; and helped U.S. economic growth (Mexico tends to buy more U.S. exports as its GDP grows.).

Mexico is the second largest destination for U.S. exports and third largest source of imports (excluding the European Union). The United States and Mexico have transformed the nature of their bilateral relationship from one of competition to one of partnership. For the United States and Mexico, cross-border trade often occurs in the context of production sharing. People in each nation work together to create goods, and regional supply chains crisscross the U.S.-Mexico border.

U.S. Trade with NAFTA Partners and China, 2012 (USD Million)

	Exports	Imports	Total Trade	%
Canada	292,443.0	324,246.3	616,689.3	16.1%
China	110,590.1	425,643.6	536,233.7	14.0%
Mexico	216,330.9	277,652.7	493,983.6	12.9%
World	1,547,283.3	2,275,150.0	3,822,433.3	

U.S. total goods and services trade balance with NAFTA countries shifted from a surplus of \$1.8 billion in 1993 to a deficit of \$49.3 billion in 2012. However, U.S. services trade surplus with NAFTA countries increased by 301% from a surplus of \$10.9 billion in 1993 to \$43.7 billion in 2012.

U.S. Exports to NAFTA Members (USD Billion)



U.S. Trade with Canada and Mexico Under NAFTA

U.S. EXPORTS	1993	2000	2011	% Change 1993-2011
To Canada - merchandise	100,444	178,941	280,891	179.6%
To Canada - services	17,016	24,613	56,000	229.1%
To Canada - total	117,460	203,554	336,891	186.8%
To Mexico - merchandise	41,581	111,349	197,544	375.1%
To Mexico - services	10,394	15,532	26,000	150.1%
To Mexico - total	51,975	126,881	223,544	330.1%
To both - merchandise	142,025	290,290	478,435	236.9%
To both - services	27,410	40,145	82,000	199.2%
Grand total exports	169,435	330,435	560,435	230.8%
U.S. IMPORTS				
From Canada - merchandise	111,216	230,838	316,510	184.6%
From Canada - services	9,106	17,875	28,000	207.5%
From Canada - total	120,323	248,713	344,510	186.3%
From Mexico - merchandise	39,918	135,926	263,106	559.1%
From Mexico - services	7,428	10,780	14,000	88.5%
From Mexico - total	47,345	146,706	277,106	485.3%
From both - merchandise	151,134	366,765	579,616	283.5%
From both - services	16,534	28,655	42,000	154.0%
Grand total imports	167,668	395,420	621,616	270.7%
TOTAL TRADE				
With both - merchandise	293,159	657,055	1,058,051	260.9%
With both - services	43,944	68,800	124,000	182.2%
With Canada	237,783	452,267	681,401	186.6%
With Mexico	99,320	273,587	500,649	404.1%
Grand total	337,103	725,855	1,182,051	250.6%

Source: U.S. Census Bureau, Foreign Trade Division, and U.S. Department of Commerce, Bureau of Economic Analysis.

Millions of U.S. dollars

Trade with Canada and Mexico supports nearly 14 million U.S. jobs, and nearly 5 million of these net jobs are supported by the increase in trade generated by NAFTA, according to the U.S. Chamber of Commerce.