



News

American Industries®



May, 2020



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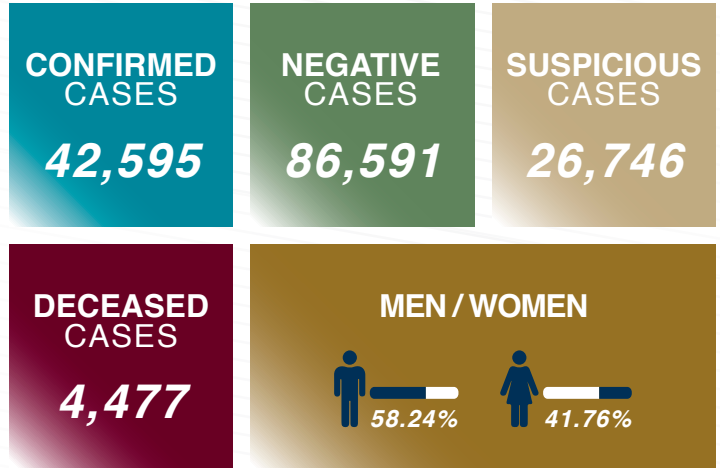
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Mexico STATS

Confirmed Cases

Map



RESUME OF OPERATIONS ACCORDING TO MEXICO HEALTH DEPARTMENT

In a press conference hosted on Wednesday afternoon, May 13, by the Undersecretary of Health, Hugo López Gatell, the government clarified that the definition of essential business would be expanded to include mining, construction and the manufacture of vehicles, meaning they will be allowed to resume operations as of June 1, clarification which was made official with its publication in the Official Gazette of the Federation.

In regard to the manufacture of vehicles, we understand that aerospace is included in this group of activities listed with the INEGI. <https://www.inegi.org.mx/app/scian/#>, information which we will confirm today. (Aerospace Code 3364), which also includes automotive activities (Codes 3361 and 3363)

The restarting of operations will be subject to regional criteria based on contagion rates and the availability of medical attention, and upon confirmation that certain activities under the jurisdiction of state governments will be allowed (for non-essential activities).

Please refer to attached color-coded guideline for levels of precautions to be taken for different types of essential and non-essential activities.

ACTIVITIES	Red (4 dots)	Orange (3 dots)	Yellow (2 dots)	Green (1 dot)
Public and workplace health mesures	Icon: Person with hand sanitizer	Icon: Person with hand sanitizer	Icon: Person with hand sanitizer	Icon: Person with hand sanitizer
Work Essential / Non-Essential	Icon: Hard hat	Icon: Hard hat + Reduced	Icon: Hard hat + Reduced	Icon: Hard hat + Reduced
Open / Closed Public Spaces	Icon: Open space	Icon: Open space + Reduced	Icon: Open space + Reduced	Icon: Closed space
Vulnerable individuals	Icon: Vulnerable person	Icon: Vulnerable person + Maximum Care	Icon: Vulnerable person + Medium Care	Icon: Vulnerable person + Control Care
Academic	Icon: Academic setting	Icon: Academic setting	Icon: Academic setting	Icon: Academic setting

RELEVANT industry information

MEXICO CITY Reuters

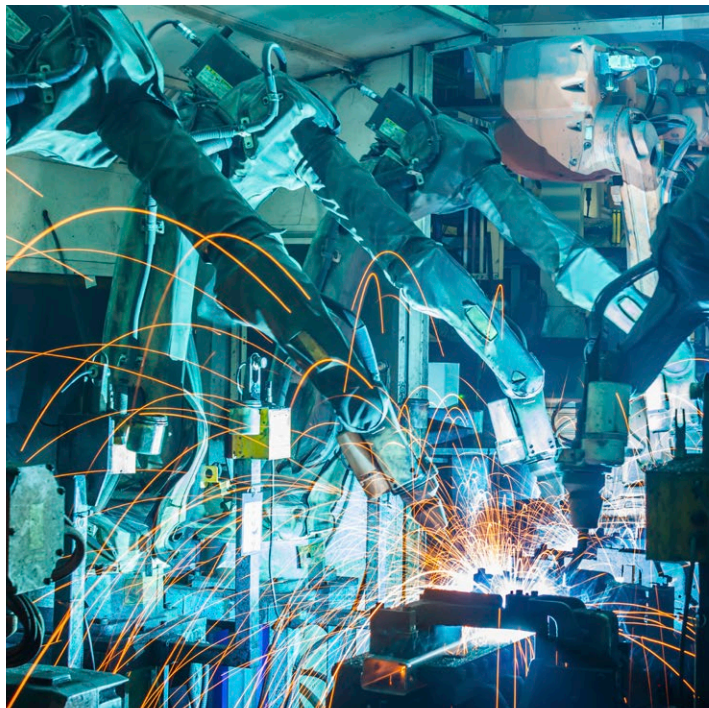
Mexican President Andres Manuel Lopez Obrador said on Friday 8th he aims to present plans next week to reopen the economy, as key sectors like carmaking look to begin business again after over a month of quarantine measures to curb the coronavirus outbreak.

“They’re going to present me with an initial proposal on Monday,” Lopez Obrador told reporters during a regular news conference. “And we want to announce it to you and to the Mexican public on Wednesday or Thursday.”

The government has been under pressure at home and abroad to set out plans for a return to normal as it battles the pandemic that has killed nearly 3,000 people in Mexico.

One sector facing heavy pressure is the automotive industry, which is the backbone of Mexico’s manufacturing sector and closely integrated with the rest of North America.

• <https://reut.rs/2zH4kzy>



MEXICO CITY NY Times

On a day Mexico saw its worst daily increase yet in coronavirus cases, foreign-owned auto plants began setting dates for reopening.

Volkswagen de Mexico said late Thursday it is planning to reopen its assembly plant in Puebla state and its engine factory in Guanajuato state on June 1.

General Motors said it hadn’t fixed “an exact date” for reopening its plant, also in the Guanajuato city of Silao, but some workers there reported getting notices to report for work on May 18.

Ford de Mexico said, “We are working very closely with the Mexican government, complying with the health and security protocols. We hope to receive their approval to operate in Mexico.”

• <https://nyti.ms/2AtmPbm>

GOVERNORS PREPARE PROTOCOLS FOR ECONOMIC REVIVAL // El Economista

The governors in the northeast area of the country and the state of Michoacán agreed that before United States automotive industry, manufacturing and assembly entities return to work, they must implement protocols to ensure that workers will not be at risk and employers have the proper conditions in place to resume activities.

“We have to work to be ahead of (the forecasts) for dates set by the Ministry of Health marks for reducing infections; we have been an example, we have made more progress than any other region,” commented the governor of Nuevo León, Jaime Rodríguez Calderón.

In the meeting scheduled for Friday, May 15 in Michoacán, leaders will share a proposal to restart activities; consequently, they are going to request an urgent virtual meeting with the head of the Ministry of Health, Jorge Alcocer Varela.

- <https://bit.ly/35YB2IZ>
- <https://bit.ly/2zzdHBw>



RELEVANT regional information

JALISCO	
Date	May 14
Confirmed Cases	747
Discarded Cases	6,985
Suspected Cases	477
Recovered Cases	457
Deceased Cases	66

JALISCO // El Occidental

The Federal Undersecretariat for Prevention and Health Promotion warns of a possible increase in the epidemic curve for Covid-19 in the city of Guadalajara on June 13 when the Government of Jalisco plans to start gradually resuming nonessential activities.

- <https://bit.ly/2T2eVMj>

GUANAJUATO // Milenio - El Sol de Leon

Guanajuato International Film Festival postponed until September due to coronavirus.

- <https://bit.ly/3brYaAB>

GUANAJUATO	
Date	May 14
Confirmed Cases	793
Discarded Cases	7,127
Suspected Cases	577
Recovered Cases	226
Deceased Cases	69

CHIHUAHUA

Date	May 14
Confirmed Cases	943
Discarded Cases	1,516
Suspected Cases	568
Recovered Cases	195
Deceased Cases	169

CHIHUAHUA

El Diario de Chihuahua //

The municipal president, María Eugenia Campos Galván, participated in the regional roundtable discussion for Peacebuilding, in which civil and authorities in the region made up of Chihuahua, Aldama and Aquiles Serdán reviewed progress regarding measures to stop the spread of infections in the area.

The meeting reviewed actions for Coronavirus prevention (COVID-19) that have been implemented so far and alternatives to strengthen them and reduce the risk of contagion were discussed.

• <https://bit.ly/2AnT3od>

NUEVO LEON

El Occidental //

There are currently 63 locations where the COVID-19 RT-PCR test can be performed. These can be consulted on the official government website at:

• <https://bit.ly/2Z4MwZR>

There is currently no date set for resuming activities in Nuevo León.

If anyone is showing symptoms including fever, dry cough, fatigue, mucus production, loss of smell, shortness of breath, muscle pain, sore throat, headache, chills, nausea, stuffy nose, diarrhea they can contact state authorities at **070**

NUEVO LEON

Date	May 14
Confirmed Cases	1,248
Discarded Cases	7,073
Suspected Cases	239
Recovered Cases	690
Deceased Cases	46

QUERETARO

Diario de Queretaro //

In the epidemiological panorama published the state government's contagion profile showed that 60% of cases have occurred in individual between 20 and 50 years old, and that the fatality rate for 60 to 80-year-olds is high.

According to state authorities, between two and three cases of the disease were previously recorded daily, while in recent days they have increased to more than ten cases per day.

• <https://bit.ly/3fPuhOc>

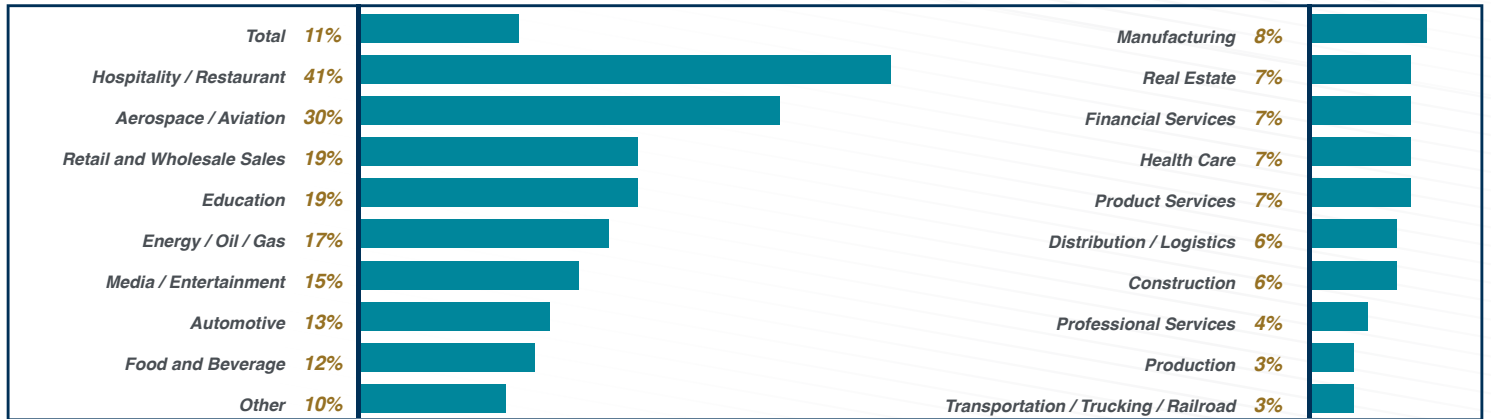
QUERETARO

Date	May 14
Confirmed Cases	341
Discarded Cases	876
Suspected Cases	144
Recovered Cases	160
Deceased Cases	27

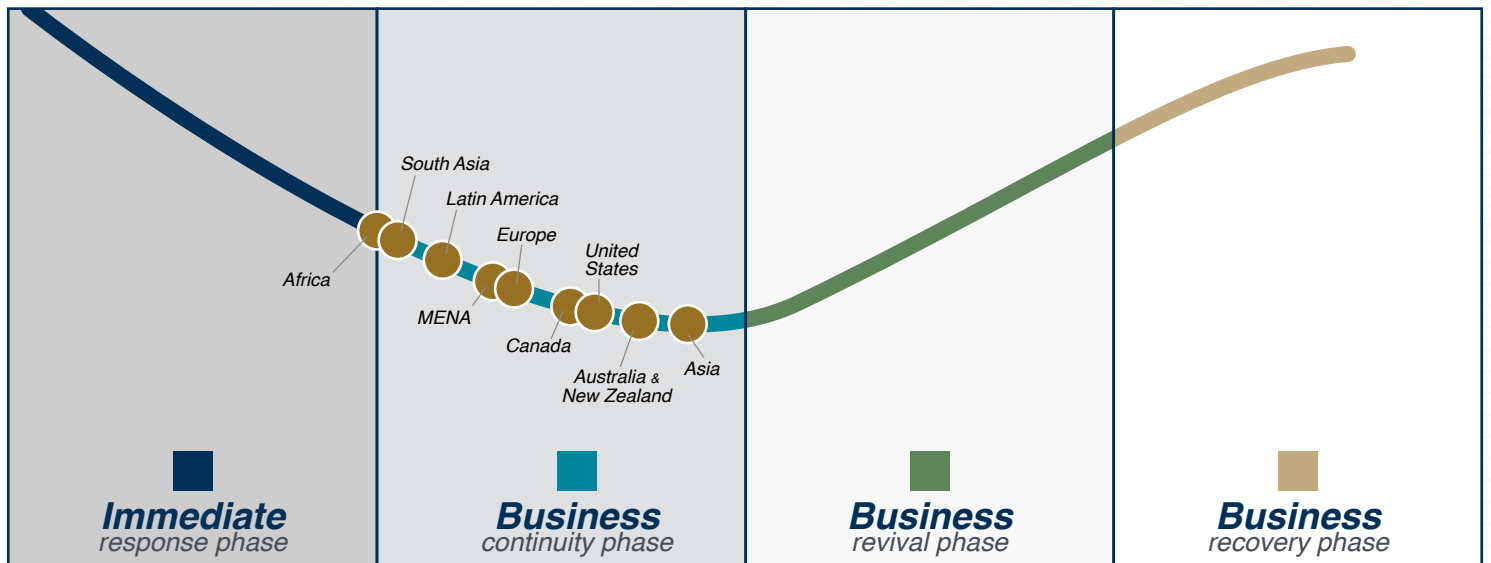
BUSINESSES AROUND THE GLOBE ARE STRUGGLING WITH THE EFFECTS OF THE PANDEMIC

A recent poll of more than 3,500 chief executives from more than 100 countries finds that:

- 51% see the current crisis as a large or severe risk to their businesses
- 11% feel their businesses are at risk of not surviving

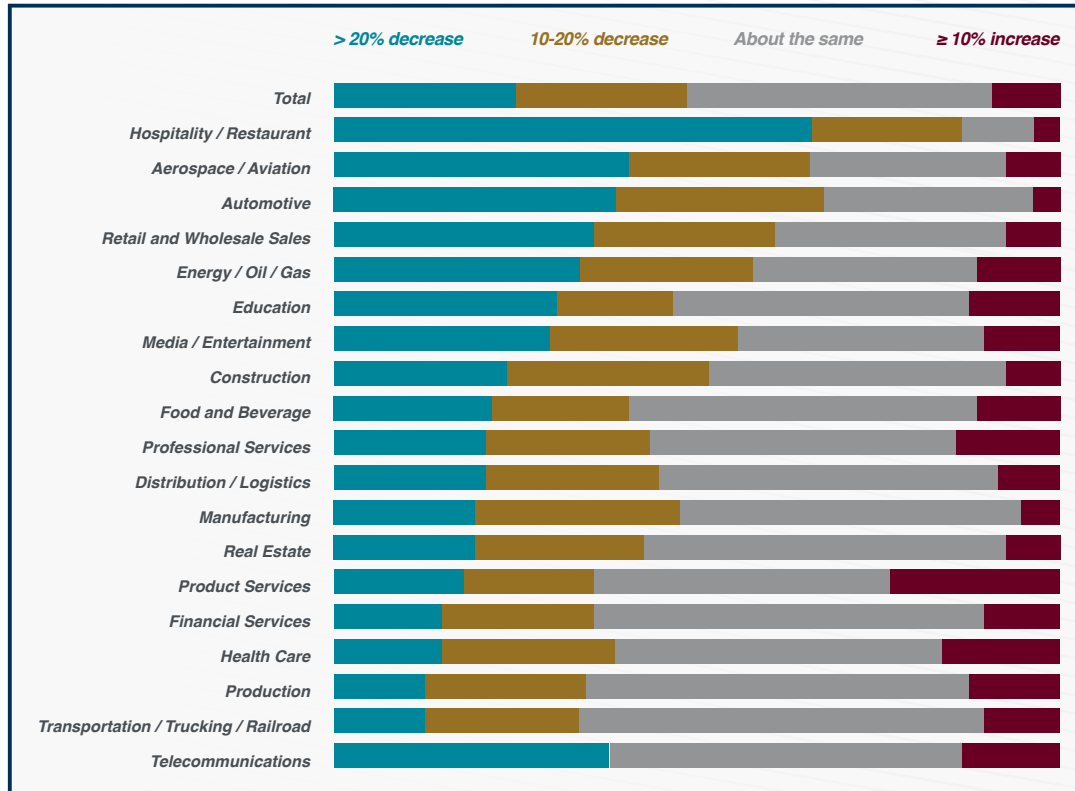


- 61% are preparing for a U-shaped recovery (the economy does not immediately recover from a recession)



Business outlooks vary by region and industry, but one year from now, general expectations are that:

- 43% expect to see revenues decline by more than 20%
- 25% feel their total number of employees will decrease by more than 20%
- 35% expect their total fixed investment to decrease by more than 20%



Supply chains will be impacted in the long term (next 12+ months) due to the time it takes for reopening to begin and testing and monitoring systems for the disease to become well established.

Impact on general business:

- More than 20% of the workforce is expected to be out sick at some point during the next year
- Multiple markets will shut down again
- Financial pressure will be ongoing
- Customer preferences will shift

Implications on procurement

- Suppliers' operations will run below standard efficiency
- Supply disruptions will occur
- Smart procurement will need to be optimized
- Businesses will need to increase adaptability to meet rapid changes in demand

Is your company prepared for when the crisis ends?

- Innovation drives businesses
- Innovate by positioning your company to gain market share
- Increase your company's productivity and competitiveness by being in Mexico
- Meet your Pivotal Business Partner who is aligned with your purpose and ready to help you achieve your goals



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