

# MEXICO: TOURISM SUFFERS A DECREASE



Tourism GDP in Mexico registered a 0.25% drop in the first semester of the year, its first fall after a decade, caused by the decline in domestic tourism, according to seasonally adjusted figures of the National Institute of Statistics and Geography (INEGI). The agency report highlights that in the first semester of the year its two main activities showed negative figures.

Tourism value added of goods decreased by 0.56% annually in the first half of the year, after increasing by 2.3% over the same period of 2018, while value-added services dropped 0.19%.

For Francisco Madrid, director of the School of Tourism of the Anáhuac University, **these results are explained by the threat of economic recession looming at the international level.**

“It is not good what this industry is experiencing, [...] there is a worldwide recession that cannot be ruled out in Mexico, [...] it is time to recognize that the industry is affected,” said the tourism expert.

Madrid pointed out that the poor results seen in the first quarter of the year, with a domestic market consumption drop of 2.8%, explain the fall of the semester. Although there was a slight recovery in the second quarter of the year, it was minimal.

In the second quarter of the year, tourism GDP rose by 0.26% over the same period of 2018 after falling by 0.76% from January to March, which was caused by a 0.47% variation in annual tourist services and a decrease of 0.81% in goods.

“There is a lot of concern on the part of businessmen and entrepreneurs because of the general conditions and lack of means to offset the fall, such as resources for the tourism promotion,” Madrid said.

At the same time, Fernando Mohedano, a researcher at the School of Higher Education in Tourism of the National Polytechnic Institute of Mexico (IPN), attributed the fall in domestic tourism (a 3 to 4% all the way until June), to the issues of general uncertainty and insecurity in the country.

**The INEGI data show that domestic tourism consumption registered a slight increase of 0.10% over the semester.** Despite this, it suffered a setback of 1.15% per year in the semester, thus setting an end to four consecutive periods of record highs. On the other hand, inbound

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