

Family remittances – *Holy Week* behind April's 6.2% yoy growth

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- **Remittances (April): US\$2,306 mn; Banorte-Ixe: US\$2,233.7 mn; consensus: US\$2,250 mn (range of estimates: US\$224.1 mn to US\$2,315 mn); previous: US\$2,520.4 mn**
- **Family remittances increased 6.2% yoy in April, below the 15.1% observed in March**
- **We believe that the lower growth in family remittances was explained by an artificial base of comparison, as a result of the *Holy Week***
- **Looking ahead, we continue to believe that the flow of remittances will be influenced by Trump's anti-immigration policy**

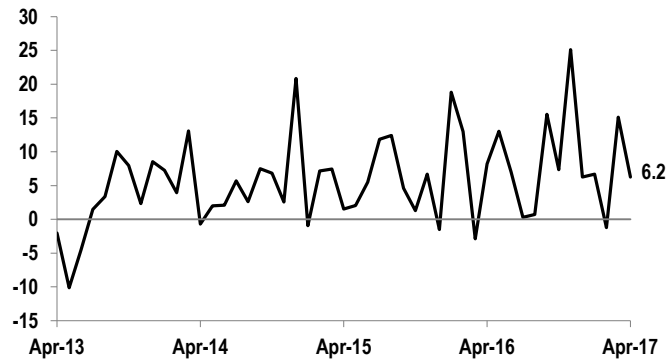
Lower growth in April. According to Banxico, the flow of remittances sent during the fourth month of the year amounted to US\$2,306 million (Banorte-Ixe: US\$ 2,233.7 million), which implies a 6.2% yoy expansion. In addition, the number of operations stood at 7.5 million (1.8% yoy) with an average amount of US\$306.6 (+4.4% yoy). Year-to-date, the amount remitted stands as the highest flow since Banxico started to measure these inflows (+6.8% yoy refer to the charts on the next page).

We believe that the lower growth in remittances during April was influenced by a seasonal effect associated with the *Holy Week* that was present in April 2017. During this holiday, there is a significant flow of Mexican migrants with citizenship who visit their relatives in Mexico and make expenditures in our country, which significantly reduces the amount remitted.

Looking ahead, we believe that the flow of remittances will continue to be influenced by Trump's anti-immigration policy, which has accentuated, particularly after the Department of Homeland Security released the memos regarding the procedures to expedite deportations. In this context, we believe that Mexican migrant workers without citizenship are probably discounting a higher probability of being deported, which will translate in a higher growth of remittances inflows during the second quarter of the year.

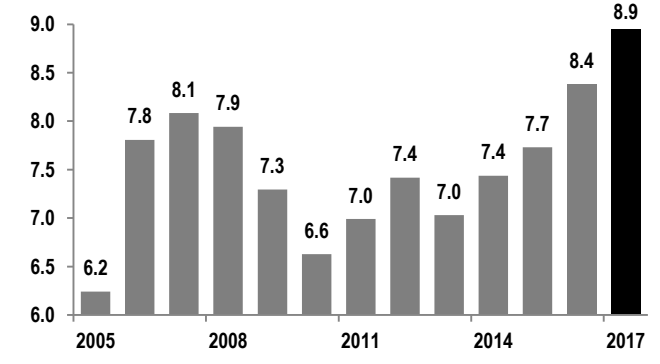
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Family remittances
% yoy



Source: Banorte-ixe

Family remittances sent in 1Q17
US\$ billions



Source: Banorte-ixe

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