ITESO, Universidad Jesuita de Guadalajara
SCHOOL OF BUSINESS

ECONOMIC ANALYSIS BULLETIN

Year 1 – Nº21 – November 2025

Biweekly bulletin

Department of Economics, Administration and Marketing, DEAM

Contents

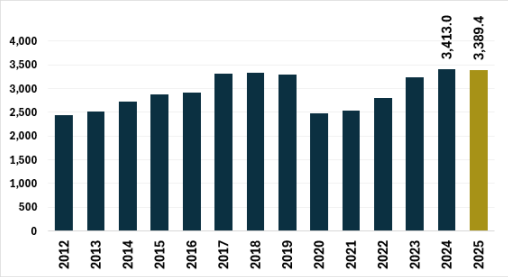
SUMMARY

Relevant information:

- **Remittances fall for the first time in a decade:** Mexico recorded six consecutive months of annual declines, while Jalisco experienced a -9.9% annual contraction in the third quarter, reflecting the impact of the cooling labor market in the U.S. and stricter migration enforcement.
- **Labor market with limited resilience and a weakened business base:** National formal employment reached a new high, but registered employers have posted sixteen consecutive months of annual declines. In Jalisco, the reduction is concentrated among micro and small employers, indicating structural vulnerability.
- **Industry in a contraction phase and persistent inflationary pressures:** National industrial activity has been falling for seven straight months, while Jalisco grew 2.9% in July, though manufacturing remained stagnant. Inflation is stable, but services and housing continue to resist downward adjustments at both the national and state levels.

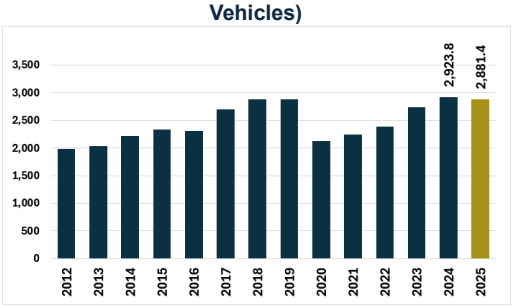
Mexico's economy is moving toward the end of 2025 with increasingly clear signs of structural slowdown. The simultaneous decline in the automotive industry, the sustained contraction in remittances, and the reduction in the number of registered employers at the IMSS reveal an environment of weaker productive dynamism, subdued consumption, and greater business fragility. Although formal employment remains at historically high levels, its growth is slower and relies on an increasingly smaller pool of employers, exacerbating the concentration of economic activity and limiting the capacity to generate new jobs. The national industrial sector—affected by tariff uncertainty, weaker global demand, and declines in manufacturing and construction—has consolidated as one of the main drags on growth, while the automotive sector faces its most significant challenge since the pandemic. Taken together, the data suggest that Mexico will close 2025 with low economic growth, supported by a narrower and more vulnerable productive base, in a context where external risks—tariff, migratory, and global-slowdown related—will be decisive for economic performance in the coming months.

Chart 1. Light-Vehicle Production in Mexico, Cumulative January–October, 2012–2025 (Thousands of Vehicles)



Source: Own elaboration using data from the Administrative Registry of the Light-Vehicle Automotive Industry (RAIAVL), INEGI.

Chart 2. Light-Vehicle Exports, Cumulative January–October, 2021–2025 (Thousands of Vehicles)



Source: Own elaboration using data from the Administrative Registry of the Light-Vehicle Automotive Industry (RAIAVL), INEGI.

Table 1. Light-Vehicle Exports by Destination Country, Cumulative January–October 2024 and 2025 (Units)

	Jan– Oct 2024	Jan– Oct 2025	Share % 2025	Abs. Var	% Var.
Total	2,923,823	2,881,399	100.0%	-42,424	-1.5%
United States	2,321,364	2,268,779	78.7%	-52,585	-2.3%
Canada	250,222	317,885	11.0%	67,663	27.0%
Alemania	107,358	86,819	3.0%	-20,539	-19.1%
Colombia	26,011	30,853	1.1%	4,842	18.6%
Brazil	32,824	24,311	0.8%	- 8,513	-25.9%
Rest of the world	186,044	152,752	5.3%	-33,292	-17.9%

Source: Own elaboration using data from the Administrative Registry of the Light-Vehicle Automotive Industry (RAIAVL), INEGI.

Table 2. Light-Vehicle Exports by Destination Country, October 2024 and 2025 (Units)

	Oct 2024	Oct 2025	Share % 2025	Abs. Var	% Var.
Total	332,356	314,227	100.0%	-18,129	-5.5%
United States	255,910	245,912	78.3%	- 9,998	-3.9%
Canada	34,458	28,719	9.1%	- 5,739	-16.7%
Germany	14,316	11,104	3.5%	- 3,212	-22.4%
Argentina	901	4,973	1.6%	4,072	451.9%
Colombia	4,131	3,676	1.2%	- 455	-11.0%
Rest of the world	22,640	19,843	6.3%	- 2,797	-12.4%

Source: Own elaboration using data from the Administrative Registry of the Light-Vehicle Automotive Industry (RAIAVL), INEGI.

NATIONAL ECONOMY

Vehicle Exports as of October

Between January and October 2025, Mexico's automotive industry maintained a high pace of light-vehicle production, nearing pre-pandemic levels, although it began to show signs of moderation after two years of strong expansion. Over this period, 3.39 million units were manufactured, representing an annual variation of -0.7% (Chart 1). Following growth of 15.9% in 2023 and 5.5% in 2024, the mild contraction in 2025 suggests a natural adjustment in the production cycle, influenced by the slowdown in global demand and by a more uncertain international environment. Stricter verification procedures under the USMCA have increased administrative and logistical costs, affecting the planning processes of automakers and adding complexity to regional value chains.

The export sector also felt the effects of this less favorable environment. From January to October, Mexico exported 2.88 million light vehicles, a figure 1.5% lower than that observed in the same period of 2024 (Chart 2). Although production remains at historically high levels, rising logistical costs, stricter USMCA verification processes, and uncertainty surrounding U.S. trade policy have limited export momentum. These conditions have led some firms to adjust their delivery schedules and begin gradually diversifying export destinations.

The United States remained the main destination, with 2.27 million units and a 78.7% share, although it experienced an annual decline of -2.3% (Table 1). In contrast, Canada strengthened its role as the second-largest destination, with growth of 27.0% and a record 11.0% share. Exports to Colombia also increased (18.6%), while shipments to Germany, Brazil, and other markets showed double-digit declines. Overall, the export structure shows progress toward regional diversification but remains highly concentrated in North America.

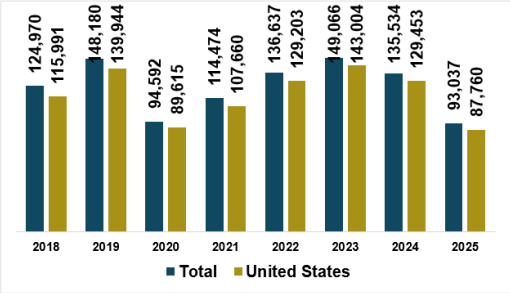
In October, exports totaled 314,227 units, a monthly decrease of 5.5% compared to October 2024 (Table 2). The decline was concentrated in shipments to the United States (-3.9%) and Canada (-16.7%), while Germany (-22.4%) also recorded a significant drop. In contrast, Argentina posted a sharp surge (451.9%), although its absolute volume remains small. The overall pattern suggests a loss of momentum in major markets and an incipient expansion toward emerging destinations.

Table 3. Light-Vehicle Exports by Brand, Units, January–October

Brand	October			January-October		
	2024	2025	Var. %	2024	2025	Var. %
Total	332,356	314,227	-5.5%	2,923,823	2,881,399	-1.5%
Acura		2,621			29,171	
Audi	17,388	15,711	-9.6%	123,008	118,075	-4.0%
BMW Group	9,722	11,992	23.3%	82,980	74,416	-10.3%
Ford Motor	34,865	35,696	2.4%	332,040	357,081	7.5%
General Motor	78,580	82,684	5.2%	687,807	697,060	1.3%
Honda	22,611	17,300	-23.5%	192,590	167,382	-13.1%
KIA	21,901	21,999	0.4%	171,132	183,194	7.0%
Mazda	13,793	6,891	-50.0%	118,102	82,262	-30.3%
Mercedes Ben	5,050	5,389	6.7%	55,580	45,501	-18.1%
Nissan	44,907	21,264	-52.6%	384,017	359,692	-6.3%
Stellantis	25,666	35,939	40.0%	295,484	279,059	-5.6%
Toyota	27,132	28,290	4.3%	197,686	260,473	31.8%
Volkswagen	30,741	28,451	-7.4%	283,397	228,033	-19.5%

Source: Own elaboration using data from the Administrative Registry of the Light-Vehicle Automotive Industry (RAIAVL), INEGI. Note: Acura reports export data starting in January 2025 and therefore has no comparable information for 2024. Stellantis includes the Chrysler and Fiat brands.

Chart 3. Heavy-Vehicle Exports, Total and to the United States, Cumulative January–October, 2018–2025 (Units)



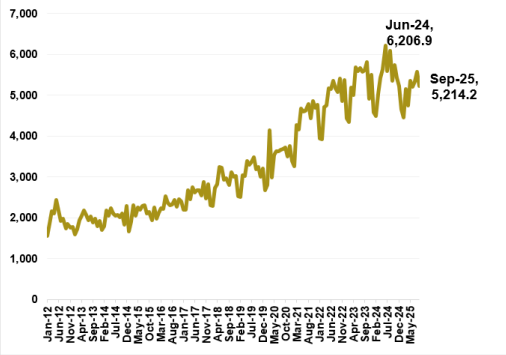
Source: Own elaboration using data from the Administrative Registry of the Heavy-Vehicle Automotive Industry (RAIAVP), INEGI.

By brand, performance was mixed (Table 3). Toyota led growth with an annual increase of 31.8%, driven by the installation of new hybrid and electric production lines in the country. Exports also increased for Ford (7.5%) and KIA (7.0%), while General Motors consolidated its position as the top exporter with 697 thousand units, growing 1.3%. On the opposite end, Mazda (-30.3%), Volkswagen (-19.5%), Mercedes-Benz (-18.1%), and BMW Group (-10.3%) recorded significant declines, reflecting adjustments in the demand for specific models and operational constraints stemming from USMCA compliance. Nissan, for its part, reduced its shipments by 6.3% amid an internal reconfiguration of production lines.

The outlook is particularly adverse in the heavy-vehicle segment, where exports fell by 31.4% year over year, decreasing from 135,534 units in January–October 2024 to 93,037 units in the same period of 2025 (Chart 3). The decline is mainly the result of stricter tariff policies and commercial measures implemented by the United States, which have raised the effective costs of market access and slowed orders. The U.S. accounts for 94.3% of shipments and posted a 32.2% interannual drop, dragging down the overall result. This is compounded by a more cautious environment in North American freight transport, which amplifies the impact of tariff measures. With this performance, heavy-vehicle exports have reached their lowest level in eight years—below even 2020—highlighting the segment's high vulnerability to changes in U.S. trade policy.

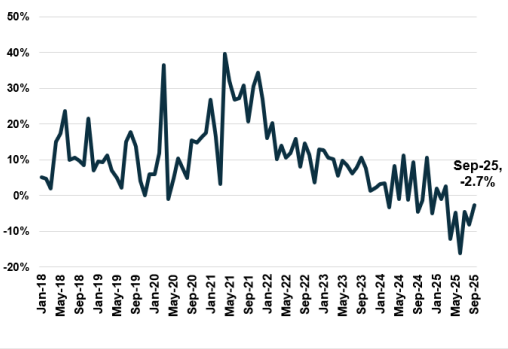
The results through October show that the Mexican automotive sector is undergoing a mild contraction after two years of sustained expansion. The recent decline is primarily due to the tightening of tariff and rules-of-origin verification policies in the United States, which have increased costs and uncertainty across supply chains. Although production and exports remain at historically high levels, the more restrictive external environment is beginning to reshape automakers' strategies and slow trade flows within the North American region.

Chart 4. Monthly Remittances at the National Level, Millions of Dollars, January 2012–September 2025



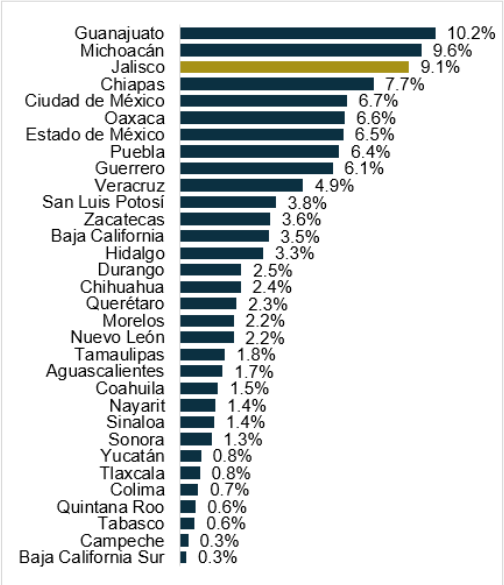
Source: Own elaboration using data from Banco de México.

Chart 5. Annual Variation in National Remittances, January 2018–September 2025 (Percent)



Source: Own elaboration using data from Banco de México.

Chart 6. Percentage Share of Remittances by State, Third Quarter 2025



Source: Own elaboration using data from Banco de México.

Remittances as of September

In September 2025, remittance inflows to Mexico totaled 5.214 billion dollars, an annual variation of -2.7% (Chart 4). With this result, the country has now accumulated six consecutive months of annual declines—a streak not seen at any point in the historical series since Banco de México began publishing the indicator. Although the September contraction was smaller than that of June (-16.2%), it confirms that family remittance flows continue a weakening trend that began in 2022. The recent downturn is driven both by the cooling of the U.S. labor market and the tightening of migration and enforcement policies, factors that have reduced the frequency and average amount of transfers. This is compounded by a less favorable exchange rate for recipients in Mexico, which reduces incentives to increase the size of remittances.

In September, the number of operations fell by -4.7% year over year, reaching 13.1 million transfers, while the average amount per transaction was 396 dollars, 2.1% higher than a year earlier. This contrast reflects a partial offset: although there are fewer transfers, each one is of higher value. One possible explanation is that fear of raids and increased migration enforcement has led many workers to reduce the frequency of their transfers while increasing their size as a precautionary measure in a more hostile environment. Thus, the increase in the average amount does not compensate for the lower number of operations, confirming that the cumulative decline in recent months (Chart 5) reflects a structural adjustment rather than a temporary shift in transfer patterns.

At the state level, the distribution of remittances remains highly concentrated. In the third quarter of 2025, Guanajuato (10.2%), Michoacán (9.6%), and Jalisco (9.1%) accounted for nearly three out of every ten dollars received nationwide (Chart 6). They were followed by Chiapas (7.7%), Mexico City (6.7%), Oaxaca (6.6%), Estado de México (6.5%), Puebla (6.4%), and Guerrero (6.1%). This unchanged structure reflects the persistence of long-standing migratory patterns, where remittances serve as an economic anchor for communities with limited productive diversification. In these states, any shock to migratory flows or U.S. tariff policy has an immediate impact on domestic consumption and local stability.

At the municipal level, the largest absolute amounts continue to be concentrated in major remittance-receiving cities: Tijuana (Baja California) ranked first with 275.4 million dollars, followed by San Cristóbal de las Casas (Chiapas, 248.4 million), Monterrey (Nuevo León, 191.8 million), and León (Guanajuato, 164 million). Morelia, Puebla, Guadalajara, and Cuauhtémoc (Mexico City) also stand out, each receiving more than 149 million dollars (Table 4). The presence of medium-sized municipalities such as Tlapa de Comonfort (Guerrero, 138.6 million) confirms that migratory flows remain rooted in rural and semi-urban areas with long-standing remittance traditions.

Table 4. The 20 Municipalities with the Highest Remittance Inflows, Third Quarter 2025

Municipality	Total (Millions of Dollars)	Per Capita (Dollars)	Population
Baja California-Tijuana	275.4	143.3	1,922,523
Chiapas-San Cristóbal de las Casas	248.4	1,150.8	215,874
Nuevo León-Monterrey	191.8	167.8	1,142,994
Guanajuato-León	164.0	95.3	1,721,215
Michoacán-Morelia	161.4	190.1	849,053
Puebla-Puebla	160.2	94.7	1,692,181
Jalisco-Guadalajara	152.4	110.0	1,385,629
Ciudad de México-Cuauhtémoc	149.1	273.2	545,884
Oaxaca-Oaxaca de Juárez	145.0	535.2	270,955
Chiapas-Comitán de Domínguez	143.7	864.7	166,178
Aguascalientes-Aguascalientes	143.6	151.3	948,990
Guerrero-Tlapa de Comonfort	138.6	1,442.3	96,125
San Luis Potosí-San Luis Potosí	118.9	130.4	911,908
Durango-Durango	117.6	170.8	688,697
Ciudad de México-Coyoacán	116.1	189.0	614,447
Ciudad de México-Miguel Hidalgo	112.0	270.2	414,470
Querétaro-Querétaro	106.7	101.6	1,049,777
Jalisco-Zapopan	96.9	65.6	1,476,491
Baja California-Mexicali	93.8	91.1	1,029,472
Ciudad de México-Benito Juárez	93.4	215.1	434,153

Source: Own elaboration using data from Banco de México and the 2020 Population and Housing Census.

Table 5. The 20 Municipalities with the Highest Remittances per Capita, Third Quarter 2025

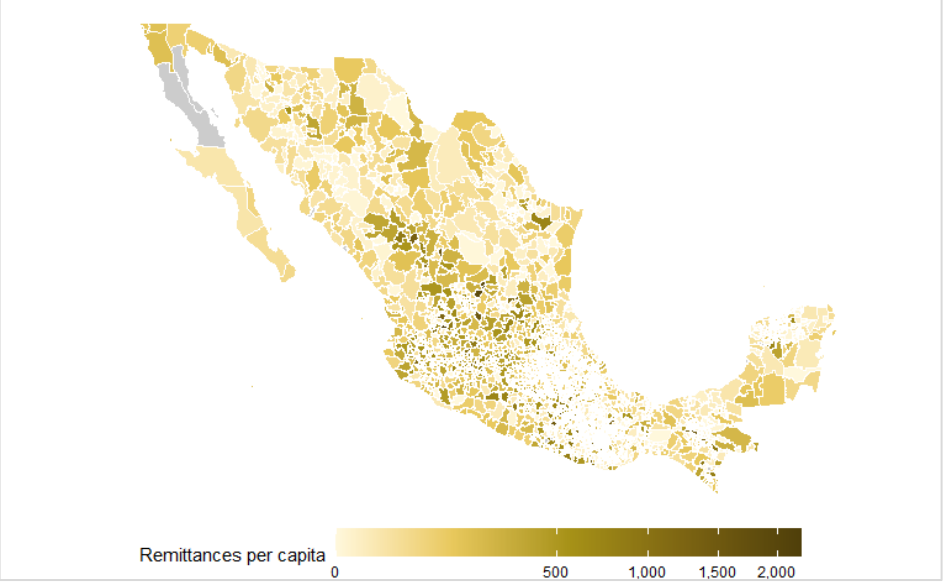
Municipality	Total (Millions of Dollars)	Per Capita (Dollars)	Population
Puebla-Tulcingo	21.8	2,211.9	9,871
Zacatecas-Juchipila	26.0	2,119.6	12,251
San Luis Potosí-Salinas	58.1	1,868.4	31,107
Oaxaca-Mariscala de Juárez	6.9	1,836.2	3,739
Oaxaca-Magdalena Mixtepec	2.5	1,778.8	1,433
Zacatecas-Juan Aldama	31.6	1,601.9	19,749
Jalisco-Ojuelos de Jalisco	51.1	1,520.1	33,588
Chiapas-Bochil	54.5	1,462.1	37,263
Oaxaca-Santos Reyes Nopala	24.3	1,457.1	16,688
Guerrero-Tlapa de Comonfort	138.6	1,442.3	96,125
Oaxaca-Zimatlán de Álvarez	31.4	1,420.3	22,093
Michoacán-Huandacareo	16.0	1,372.7	11,644
Oaxaca-Tlacolula de Matamoros	41.5	1,370.8	30,254
Oaxaca-Ixtlán de Juárez	11.2	1,331.7	8,385
Durango-San Juan del Río	15.9	1,323.4	12,013
Chiapas-Copainalá	28.8	1,298.0	22,192
Michoacán-Purépero	19.3	1,245.8	15,503
Oaxaca-Villa de Etla	12.8	1,232.1	10,361
Zacatecas-Tlaltenango de Sánchez Román	33.4	1,222.1	27,302
Guanajuato-Coroneo	13.4	1,208.0	11,083

Source: Own elaboration using data from Banco de México and the 2020 Population and Housing Census.

The per-capita analysis reveals a different dimension of the phenomenon. Small localities such as Tulcingo (Puebla) and Juchipila (Zacatecas) recorded more than 2,100 dollars per inhabitant in the quarter, followed by Salinas (San Luis Potosí, 1,868 dollars) and Mariscala de Juárez (Oaxaca, 1,836 dollars) (Table 5). These levels—far above the national average—reflect a structural dependence on income from abroad in contexts where local economic activity is limited. Even municipalities with some degree of regional centrality, such as Ojuelos (Jalisco) or Bochil (Chiapas), show a high concentration of income derived from remittances, illustrating that these flows not only complement but partially replace labor income in the absence of sustainable productive alternatives.

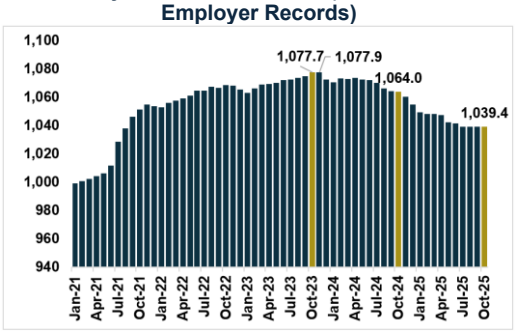
The municipal map of remittances per capita (Figure 1) reinforces this pattern: the areas with the highest relative inflows are concentrated along the central-western and southern migratory corridor of the country, particularly in Zacatecas, Michoacán, Oaxaca, Guerrero, Chiapas, and Puebla. In many of these regions, remittances constitute the main source of household consumption, cushioning the effects of inflation or labor precarization but also deepening structural vulnerability in the face of sustained declines in inflows. The assessment at the close of the third quarter of 2025 shows that remittances are undergoing a phase of sustained contraction, following six consecutive months of annual declines. This trend reflects the combined impact of stricter migration policies and the loss of momentum in U.S. employment, particularly in sectors where the Mexican population is concentrated. If this pattern persists, the vulnerability of millions of households that depend on these resources to cover basic consumption amid inflationary pressures and weakening labor markets could intensify.

Figure 1. Municipal Map of Remittances per Capita, Third Quarter 2025



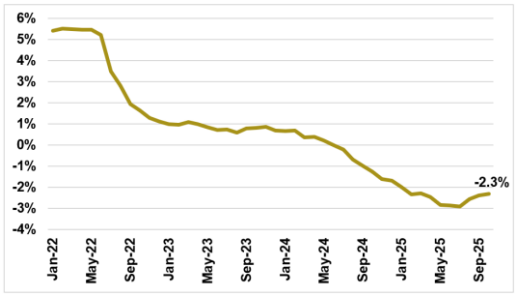
Source: Own elaboration using data from Banco de México, the 2020 Population and Housing Census, and INEGI's municipal vector layer.

Chart 7. Registered Employers in the IMSS, January 2021–October 2025 (Thousands of Employer Records)



Source: Own elaboration using data from the IMSS.

Chart 8. Annual Percentage Variation of Employers Registered with the IMSS, January 2022–October 2025



Source: Own elaboration using data from the IMSS.

Table 6. Patrones registrados en el IMSS por división económica, octubre 2024 y octubre 2025

Sector	October 2024	October 2025	Abs. Var.	% Var.
Agriculture, livestock, forestry, fishing, and hunting	32,791	31,210	- 1,581	-4.8%
Commerce	293,314	283,352	- 9,962	-3.4%
Electricity, water supply, and potable water services	2,618	2,708	90	3.4%
Construction industry	154,486	154,307	- 179	-0.1%
Manufacturing industry	135,525	131,731	- 3,794	-2.8%
Extractive industries	2,550	2,492	- 58	-2.3%
Business, personal, and household services	298,943	291,998	- 6,945	-2.3%
Social and community services	73,546	72,364	- 1,182	-1.6%
Transportation and communications	70,255	69,246	- 1,009	-1.4%
Total	1,064,028	1,039,408	- 24,620	-2.3%

Source: Own elaboration using data from the IMSS.

Labor Market

Registered Employers in the IMSS in October

In October 2025, a total of 1,039,408 employers were registered with the IMSS (Mexican Social Security Institution), a slight monthly increase of 181 units but an annual contraction of -2.3%, marking 16 consecutive months of year-over-year declines (Chart 7). Despite the modest uptick in the month, the overall trend confirms a sustained weakening of employer registrations that began in mid-2024, following the peak of 1.077 million registered employers reached in 2023. The cumulative loss from that point amounts to more than 38,000 records, reflecting a cooling in formal business activity.

Between October 2024 and October 2025, 24,620 employer registrations were eliminated, with declines across all sectors (Table 6). Commerce recorded the largest reduction (-9,962), followed by business, personal, and household services (-6,945), and manufacturing (-3,794). In relative terms, the sharpest drops occurred in agriculture, livestock, and fishing (-4.8%) and in commerce (-3.4%), while only the electricity and water industry posted growth (3.4%). This pattern suggests a loss of dynamism in activities that rely heavily on microenterprises and local services.

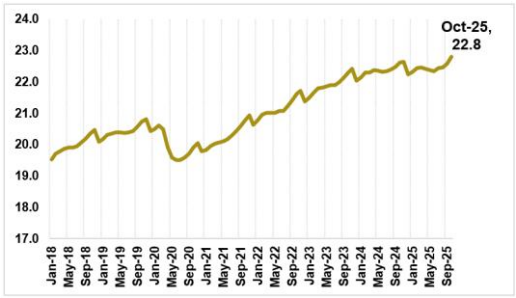
By employer size, the adjustment continues to be concentrated among micro and small units (Table 7). Employers with 2 to 5 workers declined by 13,322 registrations (-3.4%), followed by single-worker employers (-6,930; -2.4%) and those with 6 to 50 workers (-4,349; -1.4%). In contrast, medium and large firms remained stable, with no significant changes in employers with more than 50 workers. This confirms that the contraction in employer registrations is not driven by the closure of large firms, but rather by the erosion of the formal microenterprise sector—an issue that directly affects job creation, the IMSS contribution base, and the labor market's capacity for recovery in the coming months.

Table 7. Patrones registrados en el IMSS por tamaño según el número de trabajadores, octubre 2024 y octubre 2025

Size	October 2024	October 2025	Abs. Var.	% Var.
1 job position (JP)	291,223	284,293	- 6,930	-2.38%
From 2 to 5 JP	395,665	382,343	- 13,322	-3.37%
From 6 to 50 JP	314,930	310,581	- 4,349	-1.38%
From 51 to 250 JP	49,506	49,497	- 9	-0.02%
From 251 to 500 JP	6,934	6,932	- 2	-0.03%
From 501 to 1,000 JP	3,338	3,329	- 9	-0.27%
More than 1,000 JP	2,432	2,433	1	0.04%
Total	1,064,028	1,039,408	- 24,620	-2.31%

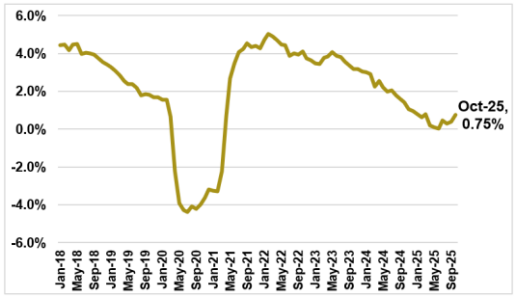
Source: Own elaboration using data from the IMSS.

Chart 9. Workers Insured in the IMSS at the National Level, Millions of People, January 2018–October 2025



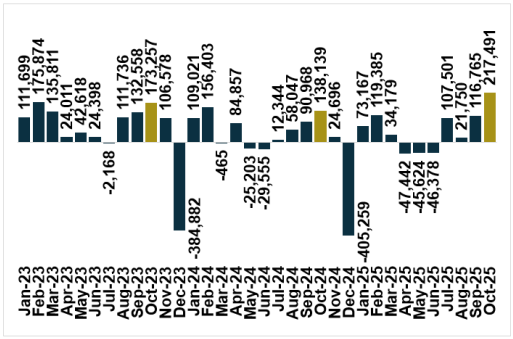
Source: Own elaboration using data from the IMSS.

Chart 10. Annual Percentage Variation of Workers Insured in the IMSS, January 2018–October 2025



Source: Own elaboration using data from the IMSS.

Chart 11. New Formal Jobs at the National Level, January 2023–October 2025



Source: Own elaboration using data from the IMSS.

Formal Employment in October

Formal job creation in Mexico, measured through workers registered with the IMSS, showed a significant recovery in October, although within a broader context of moderate growth. The number of insured workers reached 22,789,173 people, representing a monthly increase of 217,491 positions (0.96%) and an annual variation of 0.75% (Charts 9 and 10). This result marks the best performance of the year and partially offsets the weakness observed during the first half, when job creation was nearly stagnant. However, the October increase does not alter the underlying trend: the labor market continues to expand at a much slower pace than in 2022 and 2023, when employment grew at rates above 3% annually.

Between January and October 2025, a total of 550,794 formal jobs were created, a decrease of -7.4% compared with the same period of 2024, when 594,556 positions were added. This trend confirms the sustained slowdown in formal job creation observed in recent years: during the same period in 2023, 929,794 workers had been incorporated, and in 2022 the figure was 997,178. In other words, in three years the pace of formal employment growth has been cut by nearly half. This trajectory reflects an environment of weaker productive dynamism, investment uncertainty, rising labor costs, and the continued decline in registered employers at the IMSS. The formal labor market continues to expand, but on a business base that is increasingly concentrated and less dynamic, limiting the recovery capacity of employment in micro and small economic units.

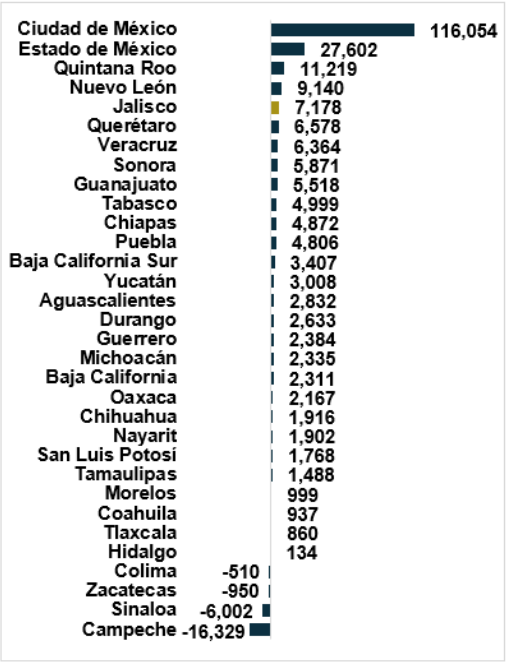
By sector, job creation in October was concentrated in service activities and domestic consumption (Table 8). Commerce led the expansion with 64,187 new positions, driven by the early start of the year-end season. It was followed by business, personal, and household services (57,146) and construction (31,392). Transport and communications also recorded gains (34,446), as did manufacturing (13,627), which returned to positive territory after several months of stagnation. The agricultural sector saw marginal growth (2,999), and the electricity and water industry added just 887 jobs, although with stable performance. This pattern reinforces the view of a labor market supported more by consumption and service-sector momentum than by manufacturing activity, which limits the average productivity of the jobs being created.

Table 8. Workers Insured by Economic Sector, September and October 2025

Sector	September 2025	October 2025	New in October
Agriculture, livestock, forestry, fishing, and hunting	690,039	693,038	2,999
Extractive industries	124,225	124,301	76
Manufacturing industry	5,958,887	5,972,514	13,627
Construction industry	1,763,366	1,794,758	31,392
Electricity, water supply, and potable water services	159,812	160,699	887
Commerce	4,833,158	4,897,345	64,187
Transportation and communications	1,720,043	1,754,489	34,446
Business, personal, and household services	4,883,620	4,940,766	57,146
Social and community services	2,438,532	2,451,263	12,731
Total	22,571,682	22,789,173	217,491

Source: Own elaboration using data from the IMSS.

Chart 12. New Formal Jobs by State, October 2025



Source: Own elaboration using data from the IMSS.

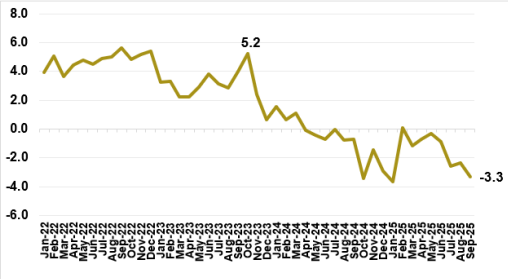
The territorial analysis shows highly uneven performance across states (Chart 12). Mexico City accounted for more than half of the national total, with 116,054 new formal jobs, driven by the strengthening of the services sector—particularly professional, administrative, and business-support activities. It was followed by Estado de México (27,602), Quintana Roo (11,219), Nuevo León (9,140), and Jalisco (7,178), states that combine logistical platforms, tourism, and advanced manufacturing. Querétaro, Veracruz, and Sonora also posted notable increases, each adding between 5,000 and 6,500 jobs. In contrast, Campeche (-16,329), Sinaloa (-6,002), Zacatecas (-950), and Colima (-510) recorded losses.

From an annual perspective, the formal employment growth rate remains at 0.75%, confirming the structural slowdown of the Mexican labor market. Although the total number of insured workers continues at record highs, employment expansion is increasingly limited and depends on a small set of drivers: specialized services, commerce, and construction. The dynamism of the manufacturing industry remains below potential, partly due to adjustments in regional integration under the USMCA and higher costs stemming from trade uncertainty with the United States.

Finally, linking these figures to the evolution of employer registrations reveals a structural divergence. While formal employment remains at record levels, the number of employers registered with the IMSS has accumulated 15 months of annual declines and seventeen consecutive months of monthly decreases, reaching just 1,039,408 registrations in October. In other words, more workers are being supported by fewer employers, implying a concentration of employment in larger firms and an erosion of the micro- and small-enterprise fabric. This phenomenon not only reduces competition and productive diversification but also limits the labor market's capacity to absorb new workers or improve job quality.

Toward the close of 2025, the sustainability of formal employment will depend on performance in the final two months, traditionally marked by seasonal hiring in December, and on a recovery in the number of employers. Without a broader and more dynamic business base, formal employment growth may remain positive but weak and highly concentrated, limiting its effects on well-being and labor inclusion.

Chart 13. Monthly Indicator of Industrial Activity (IMAI), Annual % Variation, January 2022–September 2025, Seasonally Adjusted Figures



Source: Own elaboration using data from INEGI. Note: Preliminary figures.

Table 9. Monthly Indicator of Industrial Activity (IMAI), Annual % Variation, June–September 2025, Selected Sectors and Subsectors, Seasonally Adjusted Figures

Sector/subsector	Jun-25	Jul-25	Aug-25	Sep-25
TOTAL	**-0.9**	**-2.6**	**-2.3**	**-3.3**
Mining	**-8.3**	**-6.0**	**-6.3**	**-3.2**
Oil and gas extraction	-7.2	-5.9	-5.4	-4.1
Metallic and non-metallic mineral mining	-1.4	2.5	-4.0	-0.6
Construction	**0.9**	**-4.1**	**-2.5**	**-7.2**
Building construction	7.8	0.9	4.5	-4.9
Civil engineering works construction	-25.6	-24.9	-28.8	-26.6
Manufacturing industries	**-0.1**	**-1.6**	**-1.7**	**-2.3**
Food industry	1.0	0.8	1.6	1.0
Beverage and tobacco industry	-0.7	-1.4	-1.0	-3.8
Textile inputs and textile finishing manufacturing	-7.2	-9.6	-9.8	-8.4
Apparel manufacturing	-10.6	-9.8	-10.2	-10.6
Chemical industry	-4.4	-2.8	-3.3	-3.8
Plastics and rubber industry	-3.6	-1.5	-0.7	-1.1
Non-metallic mineral products manufacturing	0.4	0.7	-3.6	-0.5
Basic metals industries	7.0	2.9	3.4	1.6
Fabricated metal products manufacturing	-5.8	-4.7	-6.6	-7.3
Machinery and equipment	-2.5	0.8	-0.7	2.4
Computer, communication, measurement, and other equipment, components, and electronic accessories	3.2	-0.8	4.6	3.6
Electrical accessories, devices, and power generation equipment manufacturing	3.3	-2.6	-4.4	-5.1
Transportation equipment	-5.3	-8.0	-8.4	-11.7

Source: Own elaboration using data from INEGI. Note: Preliminary figures. Refers to year-over-year variations using seasonally adjusted data.

Industrial Activity in September

In September 2025, national industrial activity registered an annual decline of -3.3%, accumulating seven consecutive months in negative territory and confirming the sector's entry into a recessionary phase (Chart 13). So far this year, only February has recorded a slightly positive annual variation of 0.1%, while the remaining months have shown sustained contractions. This trajectory confirms that the industrial sector has moved from a prolonged slowdown to a generalized contraction, consolidating its role as one of the main drags on national economic growth.

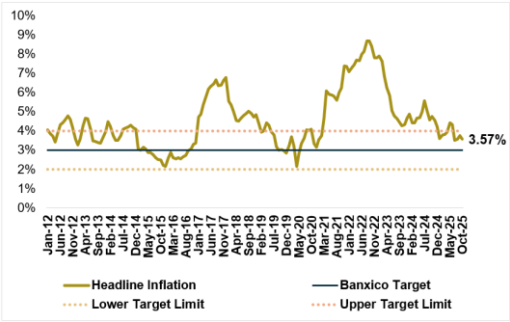
By sector, mining reduced its rate of decline to -3.2% annually, driven mainly by oil and gas extraction (-4.1%), which remains at low production levels and faces a constrained investment environment. Metallic and non-metallic mining (-0.6%) posted a smaller contraction than in the previous month. Nonetheless, the mining sector remains weak and shows no clear signs of recovery, amid low investment and limited demand for industrial inputs.

Construction recorded an even sharper contraction of -7.2% annually, the steepest drop of the year. The performance was particularly adverse in civil engineering works (-26.6%), which continue to suffer from the absence of new large-scale public and private projects. Building construction (-4.9%) also lost momentum after several months of positive results, reflecting weakness in private investment in housing and productive spaces. Overall, the construction sector continues to display an unbalanced structure, supported mainly by small-scale works while infrastructure projects remain stagnant.

Manufacturing industries decreased -2.3% annually, with declines across multiple strategic branches. Notable contractions occurred in apparel manufacturing (-10.6%), textile inputs (-8.4%), metal products (-7.3%), and transportation equipment (-11.7%), all associated with slower consumption, higher input costs, and weaker export demand. In contrast, some subsectors remained in positive territory, such as the food industry (1.0%), basic metals (1.6%), machinery and equipment manufacturing (2.4%), and electronic component production (3.6%), which continue to benefit from the relocation of technological supply chains.

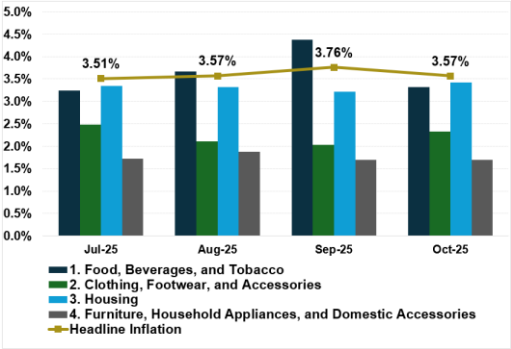
The external environment has become especially adverse. The U.S. tariff policy—including duties on copper and the possible extension of tariffs to heavy vehicles—has increased uncertainty for metalworking and automotive supply chains. Added to this are weaker global manufacturing demand and rising production costs, factors that constrain competitiveness and investment in the export-oriented sector. If these conditions persist, the industrial sector will struggle to regain its role as a driver of the national economy and will likely remain a contracting component toward the end of the year.

Chart 14. Annual Headline Inflation, January 2012–October 2025



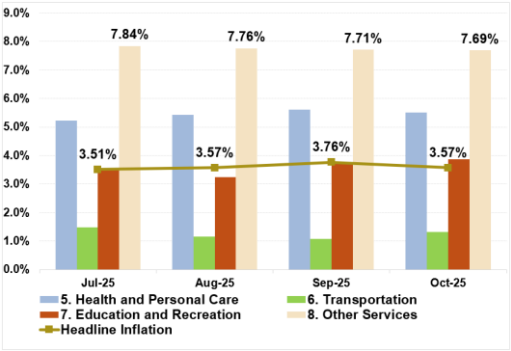
Source: Own elaboration using data from INEGI. Note: Banco de México's inflation target is 3%, ±1%.

Chart 15. Annual Headline Inflation and Inflation by Spending Category (Items 1 to 4), July–October 2025



Source: Own elaboration using data from INEGI.

Chart 16. Annual Headline Inflation and Inflation by Spending Category (Items 5 to 8), July–October 2025



Source: Own elaboration using data from INEGI.

Inflation in October

In October 2025, annual headline inflation stood at **3.57%**, identical to the August reading and 0.19 points below September's figure (3.76%) (Chart 14). With this result, the consumer price index remained within Banco de México's target range (3% ±1%) for the fourth consecutive month, confirming the period of stability that has characterized the second half of the year. Compared with October 2024 (4.76%), inflation declined by 1.20 percentage points, consolidating the disinflationary process that began in late 2023, although with a less pronounced slowdown toward the end of the year.

By component, goods showed stable behavior, with moderate declines in various consumption categories. Prices for food, beverages, and tobacco fell from 4.38% in September to 3.32% in October, while clothing and footwear remained low (2.32%) and housing registered a slight increase to 3.43% (Chart 15). Overall, these indicators point to containing inflation in the goods component, supported by lower imported cost pressures and a more moderate level of domestic demand.

In contrast, the services sector continues to be the main source of inflationary persistence (Chart 16). Prices for health and personal care reached 5.52%, while education and recreation services rose to 3.88%. Other services remained elevated at 7.69%, more than four percentage points above the general average. Transportation, however, remained stable at 1.32%, partially offsetting the increases observed in other services. This rigidity in the core-services component reflects structural pressures associated with labor costs and the rising prices of certain professional and recreational services.

Overall, inflation in Mexico continues to show signs of stability, though still without full convergence to the 3% target. The moderation in goods prices and stability in housing contrast with the persistence of service-sector inflation, maintaining a mixed risk environment. Toward the close of 2025, the trajectory suggests that monetary policy may maintain a cautious stance, with room for a few additional rate cuts but increasingly limited scope for further reductions in the policy rate. The combination of weak industrial growth and external cost pressures—linked to new tariffs and a more uncertain international environment—requires maintaining prudence to preserve the price stability achieved throughout the year.

ECONOMY OF JALISCO

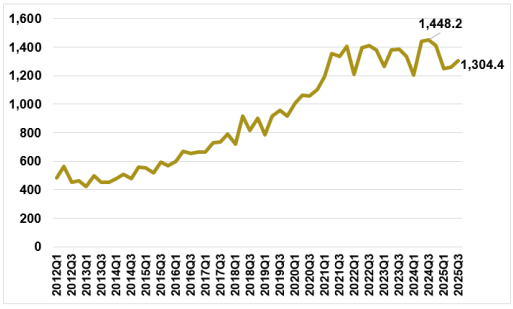
Remittances in the Third Quarter

In the third quarter of 2025, Jalisco received 1,304.4 million dollars in remittances, an annual decline of -9.9% compared with the same period in 2024 (Charts 17 and 18). This result reflects the impact of six consecutive months of national declines and marks the first significant contraction since 2013. Even with this drop, Jalisco remains the third-largest recipient of remittances in the country—after Michoacán and Guanajuato—accounting for 9.1% of the national total. Although the quarterly level remains high in historical terms, it is below the average recorded between 2021 and 2024, when the state consistently exceeded 1.4 billion dollars per quarter.

This recent trend contrasts with the continuous growth observed between 2019 and 2024, a period in which Jalisco reached historical highs driven by post-pandemic migratory recovery and increased labor demand in the United States. Since 2023, transfers began to show signs of stabilization, linked to the U.S. economic slowdown and weakening employment in sectors with high concentrations of Mexican workers (such as construction, manufacturing, and personal services). However, the contraction observed in 2025 is more closely tied to an adverse migratory environment resulting from stricter border control policies and intensified enforcement operations promoted by the new U.S. administration. This has generated an atmosphere of fear among migrant communities and reduced the frequency of remittances.

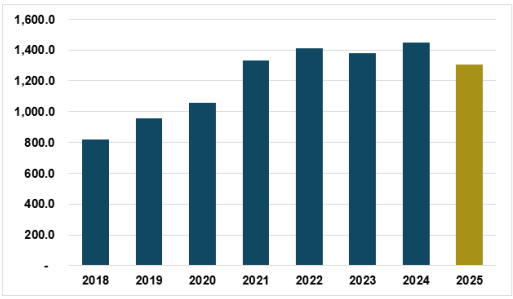
At the municipal level, Guadalajara remained the top recipient in absolute terms, with 152.4 million dollars, followed by Zapopan (96.9 million), Ojuelos de Jalisco (51.1 million), Tepatitlán de Morelos (45.8 million), and Lagos de Moreno (38.9 million) (Table 10). Together, these five municipalities accounted for one-fourth of the state's total remittances for the quarter. However, the per-capita analysis reveals a quite different structure: Ojuelos de Jalisco leads with 1,520 dollars per inhabitant, followed by Unión de Tula (1,134 dollars), Degollado (1,015.5 dollars), and Tizapán el Alto (894.8 dollars) (Table 11). This contrast shows that while metropolitan areas receive large volumes due to their population size, economic dependence on remittances is far greater in small municipalities in the Altos Norte, Sur, and Norte regions of Jalisco, where migration to the United States constitutes a structural component of household income. In several of these municipalities, remittances partially replace local labor income, cushioning the effects of agricultural seasonality or limited productive diversification.

Chart 17. Remesas trimestrales enviadas a Jalisco, millones de dólares, primer trimestre 2012 - tercer trimestre 2025



Source: Own elaboration using data from Banco de México.

Chart 18. Remesas de Jalisco, tercer trimestre 2018-2025, millones de dólares



Source: Own elaboration using data from Banco de México.

Table 10. The 20 Municipalities with the Highest Remittances in Jalisco, Third Quarter 2025

Municipality	Total (Millions of Dollars)	Per Capita (Dollars)	Population
Guadalajara	152.4	110.0	1,385,629
Zapopan	96.9	65.6	1,476,491
Ojuelos de Jalisco	51.1	1,520.1	33,588
Tepatitlán de Morelos	45.8	305.1	150,190
Lagos de Moreno	38.9	225.8	172,403
Tonalá	36.9	64.7	569,913
San Pedro Tlaquepaque	35.7	122.4	291,839
Puerto Vallarta	34.7	50.4	687,127
Ameca	34.3	567.3	60,386
Zapotlanejo	30.1	373.3	80,609
Arandas	30.0	463.6	64,806
La Barca	25.2	371.3	67,937
Tlajomulco de Zúñiga	23.8	32.8	727,750
Encarnación de Díaz	22.5	424.6	53,039
Degollado	21.6	1,015.5	21,226
Atotonilco el Alto	20.9	326.7	64,009
Tizapán el Alto	20.4	894.8	22,758
El Grullo	19.1	165.8	115,141
Zapotlán el Grande	18.6	175.6	106,050
Ocotlán	18.3	601.4	30,472

Source: Own elaboration using data from Banco de México and the 2020 Population and Housing Census.

Table 11. The 20 Municipalities with the Highest Remittances per Capita in Jalisco, Second Quarter 2025

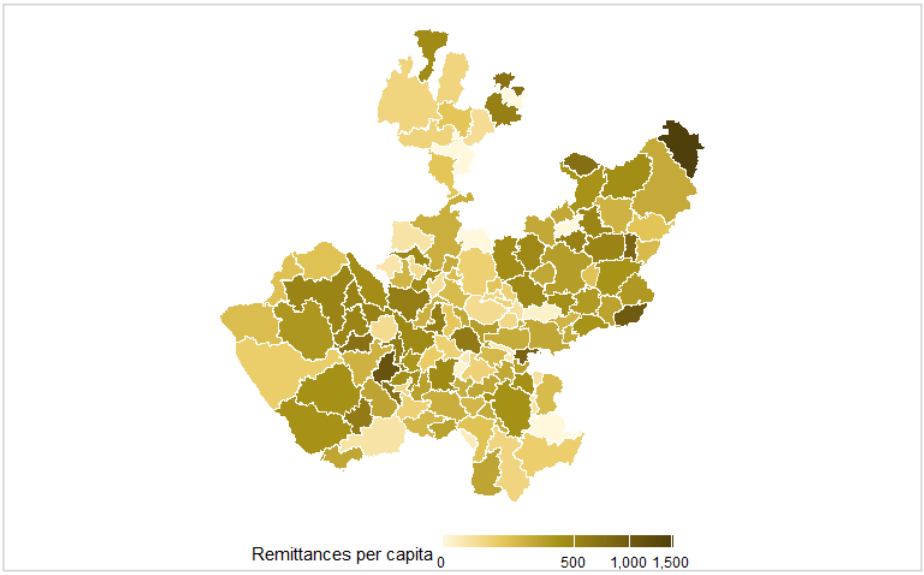
Municipality	Total (Millions of Dollars)	Per Capita (Dollars)	Population
Ojuelos de Jalisco	51.1	1,520.1	33,588
Unión de Tula	15.6	1,134.0	13,799
Degollado	21.6	1,015.5	21,226
Tizapán el Alto	20.4	894.8	22,758
San Julián	14.1	839.4	16,792
Villa Hidalgo	14.7	733.2	20,088
Cuautla	1.5	705.3	2,166
El Grullo	18.2	700.7	25,920
Huejúcar	4.1	694.0	5,920
Zacoalco de Torres	18.3	601.4	30,472
Casimiro Castillo	12.1	588.0	20,548
Tenamaxtlán	4.3	587.0	7,302
Ameca	34.3	567.3	60,386
Cocula	16.1	549.9	29,267
Colotlán	10.8	547.0	19,689
Valle de Guadalupe	3.5	531.4	6,627
Mixtlán	1.9	516.9	3,638
Mascota	7.3	504.7	14,451
San Miguel el Alto	16.0	501.1	31,965
Jalostotitlán	16.2	494.4	32,678

Source: Own elaboration using data from Banco de México and the 2020 Population and Housing Census.

The municipal map (Figure 2) reinforces this territorial pattern: the areas with the highest per-capita inflows are primarily located along traditional migratory corridors, stretching from the northern strip—Colotlán, Mezquitic, Huejúcar, and Ojuelos—to municipalities in the Altos and southern regions such as Degollado, San Julián, and Unión de Tula. In high-receiving areas, remittances directly support household consumption stability and stimulate commercial and service-sector activity. However, this concentration also implies greater structural vulnerability to changes in the international context, since a sustained decline in remittance flows affects not only disposable income but also the demand base that sustains much of the local economic fabric.

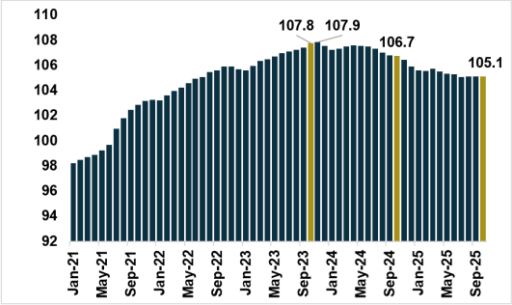
Taken together, the data for the third quarter of 2025 confirm that remittances remain an essential pillar of household income in Jalisco, even as their momentum has been undermined by external factors. If the observed trend continues, the state could close the year at levels similar to those of 2020, representing a five-year setback in real terms. This scenario poses challenges for income stability and territorial cohesion, particularly in municipalities with high dependence on migratory flows. In this context, strengthening local economic opportunities and diversifying income sources will be key to reducing the exposure of these communities to external fluctuations and ensuring a more sustainable development base.

Figure 2. Municipal Map of Remittances per Capita, Jalisco, Third Quarter 2025



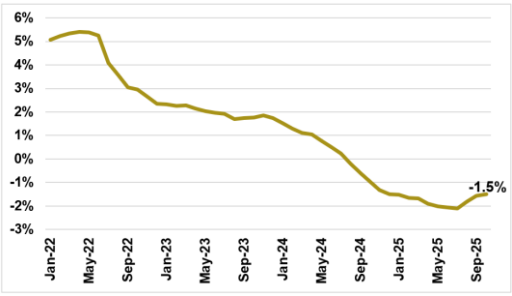
Source: Own elaboration using data from Banco de México, the 2020 Population and Housing Census, and INEGI's municipal vector layer.

Chart 19. Registered Employers in the IMSS in Jalisco, January 2021–October 2025 (Thousands of Employer Records)



Source: Own elaboration using data from the IMSS.

Chart 20. Annual Percentage Variation of Employers Registered in the IMSS in Jalisco, January 2022–October 2025



Source: Own elaboration using data from the IMSS.

Table 12. Employers Registered in the IMSS in Jalisco by Economic Division, October 2024 and October 2025

Sector	October 2024	October 2025	Abs. Var.	% Var.
Agriculture, livestock, forestry, fishing, and hunting	3,872	3,796	- 76	-2.0%
Commerce	31,743	30,959	- 784	-2.5%
Electricity, water supply, and potable water services	218	225	7	3.2%
Construction industry	13,841	14,051	210	1.5%
Manufacturing industry	15,878	15,459	- 419	-2.6%
Extractive industries	122	127	5	4.1%
Business, personal, and household services	28,233	27,947	- 286	-1.0%
Social and community services	6,481	6,393	- 88	-1.4%
Transportation and communications	6,341	6,175	- 166	-2.6%
Total	106,729	105,132	- 1,597	-1.5%

Source: Own elaboration using data from the IMSS.

Labor Market

Registered Employers in the IMSS in October

In Jalisco, employer registrations with the IMSS continue on a weakening trajectory, consistent with the national trend. In October, a total of 105,132 employers were registered (Chart 19), representing a marginal increase of twelve registrations compared with September. However, this slight variation does not alter the downward trend: the state has now accumulated fifteen consecutive months of annual declines (-1.5% in October), confirming a prolonged period of stagnation on the formal business base. The current level is 2,730 employers below the peak recorded in November 2023 (107,862), reflecting a gradual deterioration of the formal productive structure following the post-pandemic rebound (Chart 20).

By sector, the contraction remains widespread and is concentrated in divisions dominated by micro-enterprises (Table 12). Between October 2024 and October 2025, Jalisco lost 1,597 employer registrations, mainly in commerce (-784), manufacturing (-419), business services (-286), and transport and communications (-166). In contrast, only a few sectors showed growth, such as construction (1.5%), extractive industries (4.1%), and the electricity and water industry (3.2%), which exhibit more stable behavior linked to public investment and energy infrastructure projects.

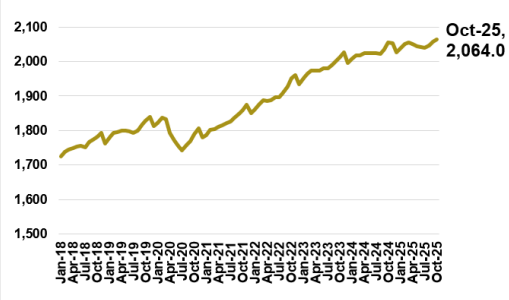
By employer size, the adjustment was concentrated among small units (Table 13). Employers with 2 to 5 workers recorded the largest decline (-956), followed by single-worker employers (-407) and those with 6 to 50 employees (-274). Although medium-sized firms (51 to 500 workers) showed slight gains, these were not enough to offset the losses among microenterprises, which account for more than 60% of employer registrations in the state. This pattern suggests an ongoing process of business concentration, in which fewer employers support labor formality. If this trend persists, Jalisco's productive structure could face reduced capacity to generate formal employment and sustain the IMSS contribution base.

Table 13. Employers Registered in the IMSS in Jalisco by Employer Size, Based on Number of Workers, October 2024 and October 2025

Size	October 2024	October 2025	Abs. Var.	% Var.
1 job position (JP)	26,819	26,412	- 407	-1.5%
From 2 to 5 JP	41,273	40,317	- 956	-2.3%
From 6 to 50 JP	33,135	32,861	- 274	-0.8%
From 51 to 250 JP	4,429	4,448	19	0.4%
From 251 to 500 JP	616	640	24	3.9%
From 501 to 1,000 JP	276	282	6	2.2%
More than 1,000 JP	181	172	- 9	-5.0%
Total	106,729	105,132	- 1,597	-1.5%

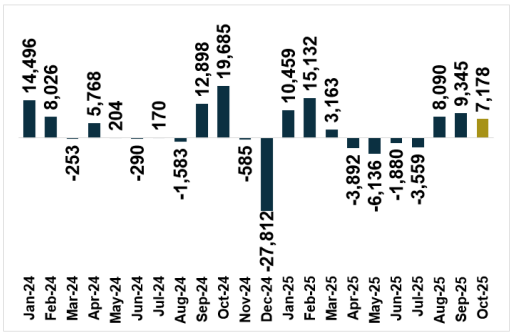
Source: Own elaboration using data from the IMSS.

Chart 21. Workers Insured in the IMSS in Jalisco, Thousands of People, January 2018–October 2025



Source: Own elaboration using data from the IMSS.

Chart 22. New Formal Jobs in Jalisco, January 2024–October 2025



Source: Own elaboration using data from the IMSS.

Table 14. Workers Insured by Economic Sector in September–October and New Jobs in October 2025

Sector	September 2025	October 2025	New in October
Agriculture, livestock, forestry, fishing, and hunting	106,975	108,146	1,171
Extractive industries	2,991	3,028	37
Manufacturing industry	522,387	523,894	1,507
Construction industry	154,379	155,038	659
Electricity, water supply, and potable water services	10,587	10,723	136
Commerce	436,198	440,479	4,281
Transportation and communications	120,581	121,292	711
Business, personal, and household services	406,916	403,835	- 3,081
Social and community services	295,789	297,566	1,777
Total	2,056,803	2,064,001	7,198

Source: Own elaboration using data from the IMSS.

Formal Employment in October

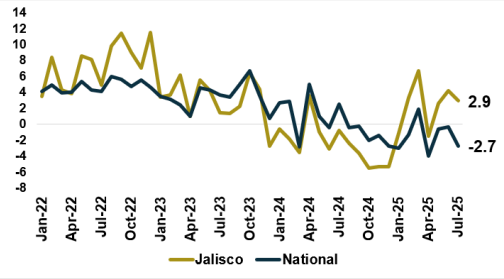
In October 2025, Jalisco generated 7,178 formal jobs, bringing the total number of workers insured through the IMSS to 2,063,981 people (Chart 21). This marks the third consecutive month of positive job creation, although the increase was smaller than that observed in September. On an annual basis, formal employment grew 0.5%, its slowest pace since the post-pandemic recovery, confirming the structural cooling of the state's labor market. Despite the moderate increase, Jalisco continues on a path of formal-employment stagnation, far from the dynamism seen in 2022 and 2023.

Between January and October, 37,900 jobs were created—35.9% fewer than in the same period of 2024 (59,121 positions)—reflecting a deeper slowdown in the employment cycle. On a monthly basis, October performed as expected for the final stretch of the year, a period typically characterized by adjustments linked to temporary hiring ahead of year-end activities. However, the annual balance will depend heavily on November's performance, since December usually sees a loss of 25,000 to 30,000 formal jobs due to seasonal effects.

By sector, commerce led job creation with 4,281 new positions, followed by manufacturing (1,507) and agriculture (1,171) (Table 14). Construction (659) and social and community services (1,777) also contributed positively, while business, personal, and household services recorded a loss of 3,081 positions, reflecting a decline in demand for administrative and professional services. This pattern underscores the state's reliance on commerce and service activities, with a manufacturing base that is only beginning to stabilize after several months of weakness.

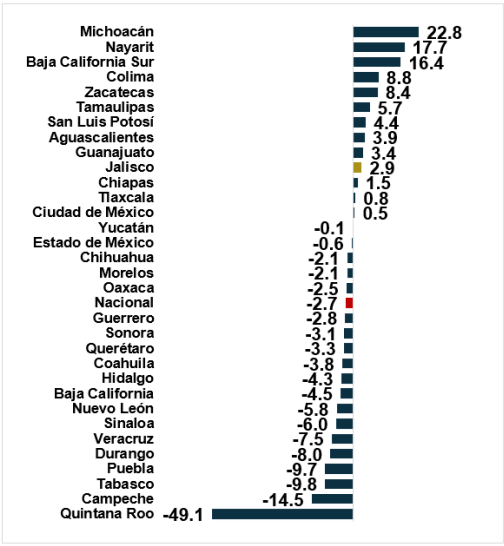
Overall, October's results suggest a labor market in a phase of containment—avoiding further declines yet still lacking sustained productive momentum. Unless a significant improvement is observed in November, the year may close with modest employment growth shaped largely by seasonal year-end adjustments, confirming that Jalisco is experiencing a prolonged slowdown rather than a full recovery.

Chart 23. Monthly Indicator of Industrial Activity by State (IMAIEF), Annual % Variation, January 2022–July 2025



Source: Own elaboration using data from INEGI. Note: Preliminary figures, original (non-seasonally adjusted) data.

Chart 24. Comparison of Annual Percentage Variation in the IMAIEF by State, July 2025



Source: Own elaboration using data from INEGI. Note: Preliminary figures, original (non-seasonally adjusted) data.

Table 15. Annual % Variation of Jalisco's Industrial Activity, April–July 2025, by Subsectors, Original Figures

	Apr 2025	May 2025	Jun 2025	Jul 2025
Total Industrial Activity	**-1.5**	**2.6**	**4.2**	**2.9**
Mining	-20.0	-4.8	24.8	68.3
Generation, transmission, and distribution of electricity, water, and gas	-2.4	-4.4	-4.2	-4.6
Construction	3.1	4.9	23.7	11.9
Manufacturing industries	-2.4	2.4	0.2	0.3

Source: Own elaboration using data from INEGI. Note: Preliminary figures, original (non-seasonally adjusted) data.

Industrial Activity in July

In July 2025, Jalisco's industrial activity grew 2.9% year over year, moderating its pace after the rebound in June (4.2%) and contrasting with the national contraction (-2.7%) (Chart 23). Although the state maintained a positive balance, the expansion was more limited than in the previous quarter. Compared with the rest of the country, Jalisco ranked tenth among the states with the strongest annual industrial growth, performing above the national average and above industrial economies such as Estado de México and Nuevo León, reaffirming its role as one of the most stable manufacturing hubs in the center-west region (Chart 24). The states with the highest annual industrial growth in July were Michoacán (22.8%), Nayarit (17.7%), and Baja California Sur (16.4%). Those with the sharpest declines were Quintana Roo (-49.1%), Campeche (-14.5%), Tabasco (-9.8%), and Puebla (-9.7%).

In Jalisco, July's result was driven mainly by a strong rebound in the mining sector, which grew 68.3% annually, due to base effects and the reactivation of specific extraction operations, although its share of total output remains small (Table 15). Construction also contributed to growth, expanding 11.9%, supported by public infrastructure projects and the progress of private real estate developments, though with less intensity than in June. In contrast, electricity generation, transmission, and distribution—along with water and gas supply—declined -4.6%, extending the structural weakness in key industrial services.

Manufacturing industries, the core of the state's productive structure, increased by only 0.3% year over year, consolidating the stagnation trend observed since early 2025. This weak performance reflects the loss of momentum in export-oriented sectors—such as automotive, metalworking, and electronics—affected by trade uncertainty with the United States and slowing external demand. The weakening of these subsectors limits spillover effects to the rest of the economy, despite solid construction activity.

Overall, July's data confirm a period of moderate and uneven industrial growth in Jalisco. While the mining rebound and construction expansion provide temporary support, the lack of manufacturing momentum and the contraction in energy services indicate that the industrial recovery remains dependent on short-term factors. If this trend persists, Jalisco is likely to close the third quarter with growth but with a productive structure still exposed to external risks and progressing at a slower pace than in 2024.

Inflation in October

In October 2025, annual headline inflation in Jalisco stood at 3.85%, slightly above the national average of 3.57%, marking thirty-six consecutive months in which the state's inflation rate has exceeded the national mean (Chart 25). Although the figure reflects a slight decrease from September's 3.97%, it confirms that the disinflation process is advancing, but with more persistence than at the national level. The gap between the two rates, though narrower than in 2022 and 2023, continues to indicate that regional inflationary pressures have not fully dissipated and that Jalisco still faces structural price rigidities that hinder convergence toward Banco de México's 3% target.

Across states, Jalisco ranked ninth nationwide in October (Chart 26), placing it in the upper half of the inflation distribution. This represents a moderate improvement compared with the inflationary surge of previous years, yet it still reflects a significant distance from the states with the lowest inflation, such as Tlaxcala (1.83%), Baja California Sur (2.32%), or Puebla (2.67%). At the same time, it is far below those with the highest pressures, including San Luis Potosí (4.48%), Oaxaca (4.40%), and Durango (4.11%). Overall, these results confirm that although Jalisco is no longer among the states with the highest price increases, it has not yet joined the group with the lowest inflation levels.

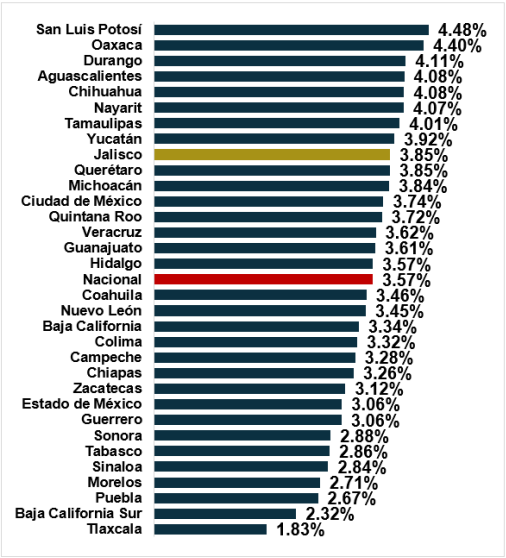
The analysis by spending category shows that the main pressures stem from both food and services, mirroring national patterns (Charts 27 and 28). In October, the "food, beverages, and tobacco" category recorded an annual variation of 4.80%, moderating from September's 5.84% but still above the general average and with a strong impact on lower-income households. Housing inflation also remained stubborn at 4.50%, reflecting continued increases in rents, home maintenance, and basic services. Other goods showed milder behavior: clothing and footwear rose slightly to 2.68%, while furniture and household appliances remained low (0.83%), suggesting subdued demand and limited cost passthrough.

In the services component, persistence is even more pronounced. The category of "other services"—including personal services, restaurants, and domestic care—reached 7.66%, maintaining its position as the most inflationary component in the state and nearly doubling the headline rate. Health and personal care inflation stood at 4.05%, with a slightly upward trend in recent months, while education and recreation registered 2.99%. In contrast, transportation continued to show minimal increases (0.10%), helping prevent a steeper rise in the overall index, supported by moderation in service fees and fuel prices.

Chart 25. Annual Headline Inflation, National and Jalisco, July 2019–October 2025

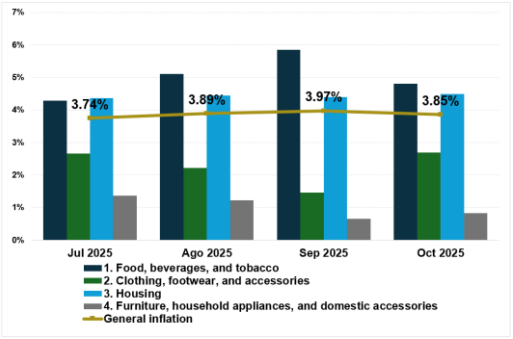
Source: Own elaboration using data from INEGI.

Chart 26. Annual Headline Inflation by State, October 2025



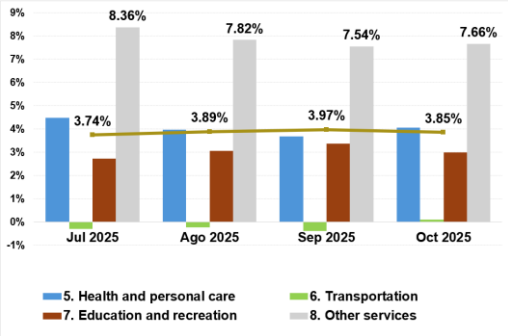
Source: Own elaboration using data from INEGI.

Chart 27. Annual Headline Inflation and Inflation by Spending Category (Items 1 to 4), July–October 2025



Source: Own elaboration using data from INEGI.

Chart 28. Annual Headline Inflation and Inflation by Spending Category (Items 5 to 8), July–October 2025



Source: Own elaboration using data from INEGI.

While the slowdown in durable goods and the relative stability in transportation offer some relief, persistent pressures in food, housing, and services reveal that inflation in Jalisco continues to face structural obstacles. These internal factors are compounded by growing external risks, such as rising costs of imported inputs and the U.S. tariff policy, which could pass through to local prices toward the end of the year—particularly in manufactured goods and processed foods. Additionally, industrial weakness and reduced labor-market dynamism limit the state economy's ability to absorb cost shocks.

In this context, inflation in Jalisco shows clear signs of stabilization, but still without full convergence toward national levels. The state has moved past the peaks seen in 2022, yet it maintains a persistent core inflation that constrains the recovery of purchasing power and conditions the rebound of domestic consumption. Toward the close of 2025, the main challenge will be to contain pressures in services, particularly housing and other service categories, and to monitor potential price increases linked to external conditions, in order to prevent an upswing that could compromise the state's economic recovery and labor-market performance.

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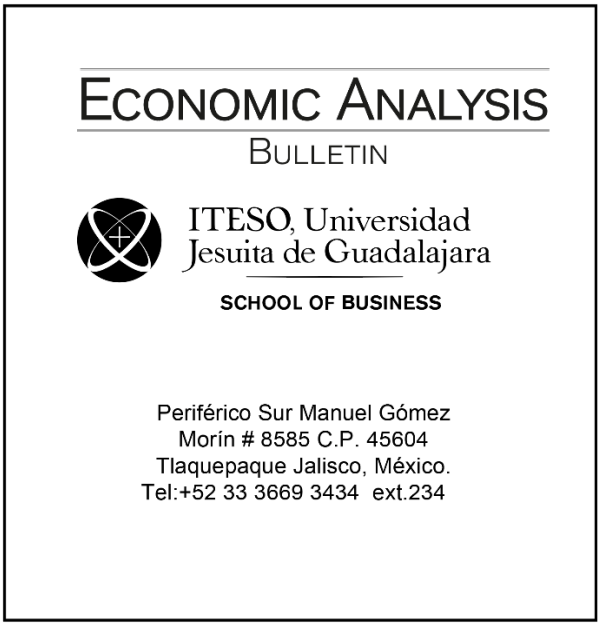

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