

# Mexico Will Press Obama to Offer New Trucking Plan: Week Ahead

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Mexican President Felipe Calderon will urge President Barack Obama at a meeting this week to resolve a trade dispute by pushing Congress to allow Mexican trucks to deliver goods inside the U.S.

Mexico's government will ask Obama to allow all of the country's 18-wheelers to operate across the border, Deputy Transportation Minister Humberto Trevino said in an interview. U.S. lawmakers ended a pilot program last month that allowed some trucks to cross into the U.S., and Mexico retaliated by imposing \$2.4 billion in import tariffs on U.S. goods.

"We don't simply want to re-establish the pilot project we had, but to have a project with a lot more reach," Trevino said. "We're very optimistic that this will move forward."

Mexico's government sees an opportunity for opening access for its trucks because the Obama administration has shown a willingness to work on the issue, Trevino said. The government is also encouraged by a letter written last week by 140 U.S. business, food and agricultural organizations, including the U.S. Chamber of Commerce, urging Obama to resolve the dispute, he said.

"As they say colloquially, we feel a good vibe with respect to the issue," Trevino said. Calderon and Obama are scheduled to meet in Mexico City on April 16 and 17.

The 2007 pilot program, which let as many as 100 Mexican trucking companies haul cargo into the U.S. after meeting safety rules, was canceled last month under a provision in a \$410 billion government spending bill passed by Congress. Mexico responded by slapping import tariffs on U.S. goods including fruits, toothpaste and coffee.

## Nafta Provision

The dispute dates from 1995, when the U.S. refused to implement a cross-border trucking plan agreed to under the North American Free Trade Agreement amid opposition from U.S. labor groups. The rules would have let Mexican trucks haul goods to a U.S. destination and pick up cargo to return to Mexico.

“We’re looking for a complete opening in freight transportation,” Beatriz Leycegui, the Mexican economy ministry’s undersecretary for foreign commerce, said in an interview. “That’s what is in the treaty.”

U.S. Transportation Secretary Ray LaHood said March 24 he would work to resolve the trucking dispute. Trade between the two countries totaled \$368 billion in 2008, making Mexico the third-largest U.S. trading partner after Canada and China, according to Commerce Department data.

#### Stocks, Peso, Bonds

Mexico’s benchmark Bolsa stock index fell 1.9 percent last week to close at 20,530.63 on April 8. Grupo Mexico SAB, the country’s largest miner, gained for three straight days, adding 5.3 percent to 10.61 pesos. Grupo Iusacell SA, Mexico’s third- largest wireless service provider, more than doubled to 41.01 pesos. The market was closed on April 9 and 10.

Yields on Mexico’s benchmark 10 percent bond due December 2024 rose 2 basis points, or 0.02 percentage point, to 7.94 percent on April 8. The bond’s price fell 0.23 centavos to 118.39 centavos per peso, according to Banco Santander SA.

Mexico’s currency strengthened 1.5 percent to 13.3632 per U.S. dollar on April 8, compared with 13.56 on April 3.