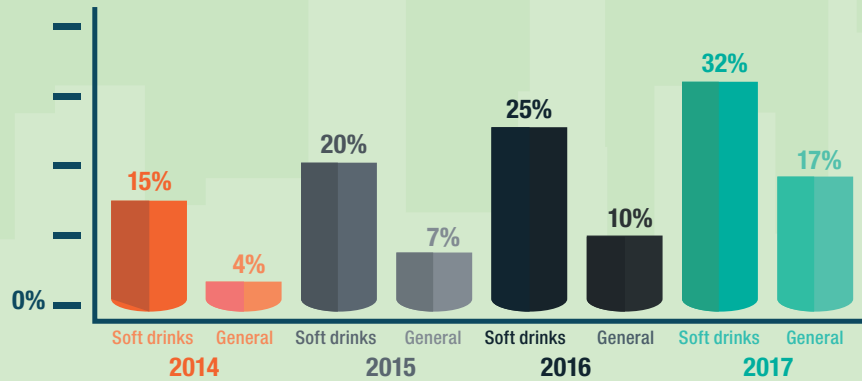


1. The increase in prices for soft drinks due to the STPS was two times the country's inflation.

INPC* accumulated variation *

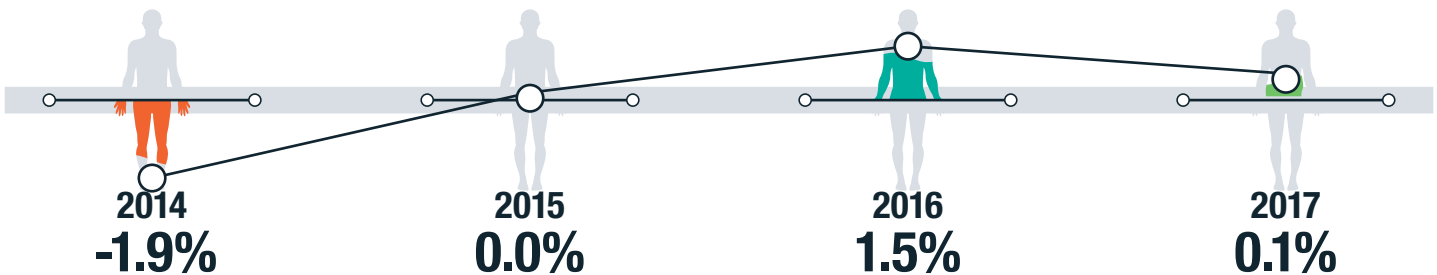


Source: INEGI. *National Consumer Price Index (INPC)

2. Inefficient to reduce long-term consumption

The consumer reacted to price changes in the short term but has resumed usual consumption over time. The impact on long-term consumption was minimal.

Sales volume variations vs. previous year

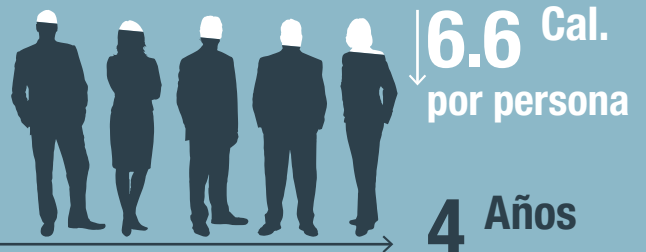


Source: INEGI, Monthly Survey of the Manufacturing Industry. KPMG, Annual Report of the soft drink industry.

3. Ineffective to reduce caloric intake

from the **3,072 calories** Mexicans consume, it reduced less than **7 calories** coming from soft drinks,

that is **0.21%** of total daily calories per inhabitant.



Source: Estimation with data from INEGI and FAO

4. Effective collection tool

Since its implementation (January 2014) to December 2017,

more than
100 billion (MXN)
have been collected by the STPS
and VAT on flavored drinks



\$86,221 from STPS
\$13,795 from VAT on STPS
Total: \$100,017

Source: INEGI, Monthly Survey of the Manufacturing Industry

5. THE MOST AFFECTED ARE THE POOREST.



62% of the amount
collected by the STPS
comes from the lowest income
households.

Source: CONEVAL and INEGI, Survey of Income and Expenses of Households 2014

6. The increase in soft drinks represents a greater expense for the poorest

For the poorest population in the country, spending on soft drinks
represents 19% of their income, without transfers,
which equals 39 times more than for the population with the highest income.

Source: INEGI, Survey of Income and Expenses of Households 2014.

