

'DESPITE CURRENCY DEVALUATION AND LOW OIL PRICES, MEXICO IS A GREAT PLACE TO INVEST'

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New Year's Resolutions, a conversation with ... Daniel del Rio, senior partner, Basham

Mexico in 2016

"One of the biggest challenges for the Mexican legal market in 2016 will be to maintain the level of growth we have had over the last two years. Looking back, 2014 was a great year, and while 2015 had had its challenges, it was also good. Unfortunately, during 2015 we saw a slowdown in big ticket M&A and the energy reform didn't bring the expected boost to the economy, partially due to low oil prices. However, the level of work was good, balanced, with a great volume of midmarket deals and expansion in new manufacturing facilities. The economy overall received a lift from the growth of internal demand, which was an unexpected surprise.

The global economic slowdown, the Mexican peso devaluation during the last year, and low oil prices have impacted the economy and in 2016 the country will work on overcoming those challenges. Mexico will remain a great country to invest in, with drivers such as tourism, exports and remittances on the up or at least maintained. The costs are low and competitiveness remains high.

Internal demand is expected to be maintained or even grow. The government finances are affected by a fall in oil revenue so infrastructure investment by the state might remain low."

The Mexican legal market in 2016

"Law firms will capitalise on new and existing opportunities, the energy reform might be slower than planned but it is happening and that keeps generating work. Other areas such as anticorruption and corporate compliance will keep growing. The reforms in other areas such as tax and labour law will also create more opportunities. We have a very open legal market and competition is very strong, which is a great thing.

There is some debate in the market regarding the mandatory licensing for lawyers in Mexico. However it is not clear if it will be implemented during 2016

Law firms need to keep up the quality, and grow stronger as institutions, so you can adapt to the market and the ever-growing demands from clients. Clients are no longer for life – you need to keep up the hard work to keep the clients."

Basham in 2016

"Basham has grown strategically over the years, as a solid institution, foreseeing changes on the horizon and adapting to a fluid and competitive market, with quality always at the top of the agenda. For 2016, Basham will maintain that line and strengthen certain key areas where we see demand – including arbitration, compliance, finance, energy, and environment law. The north of Mexico is now attracting more investment activity than ever so we expect our Monterrey office to grow and meet that demand. Elsewhere, our Querétaro team is also growing and gearing up for an uptick in work in the central area of the country, particularly in the automotive and aeronautical industries. We are also looking at opening other offices throughout the country.