

“Hard January” A martyrdom for Mexican people in 2021

The economic crisis caused by the COVID-19 pandemic will affect the beginning of the year

“Hard January” will hit the family economy of Mexican people. For that reason, it will be important to develop saving habits to be able to face situations like the one we currently live. Congregación Mariana Trinitaria may be with you during this process.

The beginning of the year will be complicated, as it is predicted that Mexico will have the worst “Hard January” over the last years due to the economic impact that the COVID-19 left on us. This forecast is not far from reality, and the World Bank estimates that Mexican economy contracted eight per cent during 2020, and it will barely recover one per cent in 2021.

Therefore, the economic perspectives for Mexico are uncertain and there is a risk that it becomes worse as there is a possibility that the pandemic may last longer. In this case, it is a matter of time to observe a new economic turmoil around the world, which implies a withdrawal in international commerce.

What is “Hard January”?

It is the period of economic difficulties that occurs in this month as a consequence of all the expenses made in the Christmas holidays.

If we add to “Hard January” the forecast made by the International Labour Organization (ILO), which predicts that the unemployment rate in Mexico by the end of 2020 will be 11.7% of the Economically Active Population (EAP), the situation of the country will definitely be more complicated.

Nevertheless, the unemployment rates are still uncertain. In the first trimester of 2020, it was estimated that 12 million people stopped working or looking for a job due to pandemic, as expressed by the first telephonic survey about occupations and employment (ETOE) developed by the National Institute of Statistics and Geography (INEGI).

According to the National Commission for the Protection and Defense of Financial Users (CONDUSEF), in Mexico 40% of the population do not save money, even if the number may seem encouraging, 43.7% of people save money by using informal ways like: informal loan clubs, under the mattress, family loans, among others.

If we analyze “Hard January” and we observe the fact that in this country people do not have saving habits that may help to face a crisis, the situation is even more complicated because if they do not have any money saved, they will not be able to face economic situations like the ones we are facing now. As a consequence, the family assets will be at risk.

That is the reason why it is important to have saving habits, and it is fundamental for development. Mexican people who start saving money, tend to save it in local saving banks that in many cases may not be formal and their assets may be in danger.



The National Institute of Statistics and Geography (INEGI), reports that:

- Five out of ten Mexican people have some saving habits, but only 20% of them use the formal resources offered by the financial system.
- Seven out of ten people save money to face emergencies, and only 7.2% saves money for their retirement.
- 49.0% mentions that they do not save at all because they need to use all their money.

Fortunately, Congregación Mariana Trinitaria (CMT) through a network related to Productive and Financial Exclusion, which is part of the Welfare Ecosystem, offers a program called “Saving Groups CMT”. This program helped people in communities in Oaxaca and Mexico to get benefits from their savings.

Some institutions that got benefits in 2020

- Caja Popular Cristóbal Colón, in Jalisco
- Caja “La Guadalupeana”, in Morelos.



This program fosters saving habits through the Mexican Financial System. Community groups save for 11 months, and after that, they may improve their life quality by using these options:

- Programs to combat poverty
- Productive projects
- Just because they wanted to save money

In this program, the users who accomplish the goal of saving are given several rewards like: construction materials, water containers, household appliances, ecotechnologies; and other actions that improve and strengthen their welfare and assets. Therefore, support is provided to open businesses like: stationery stores, beauty parlors, stores to sell tortillas, sewing workshops, bakeries, community gardens, greenhouses, among others.

It is important to identify the purposes for saving in order to have an impact on:

- Indicators related to social deprivation
- Providing educational equipment for students and teachers
- Waterproofing houses
- Remodeling rooms
- Improving the food for the family
- Getting household appliances
- Developing economic activities



As part of this program, CMT has worked with recognized Financial Institutions in the country with the objective of providing support to the families that need assistance. It is expected to benefit thousands of people through actions to improve their housing and water supply systems.

Institutions that will get benefits in 2021

- Caja Popular Atemajac, in Jalisco
- Cooperativa Yolomécatl, in Oaxaca
- Caja Inmaculada Concepción de La Huerta, in Querétaro
- Caja Solidaria Dos Ríos, in Nayarit
- Caja Solidaria San Dionisio Ocotepec, in Oaxaca
- Unión de Esfuerzo para el Campo, in Querétaro
- Caja Solidaria de Teocaltiche, in Jalisco
- Caja Solidaria Ejidos de Xalisco, in Nayarit
- Esperanza Indígena Zapoteca, in Oaxaca
- Caja Solidaria de Teocaltiche, in Jalisco
- Caja Inmaculada Concepción de La Huerta, in Querétaro
- Campesino de Zacapoaxtla, in Puebla
- Caja Popular Rosario, in Sonora

The prestige and background of Congregación Mariana Trinitaria provide certainty, trust, and security to make sure that by the end of the year the users will get their money to buy supplies or to invest in productive projects.

Get to know CMT through social media, Facebook, and Twitter with the user @CongregacionMT or access the webpage www.cmt-global.org to find further information about this program and many other programs.

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