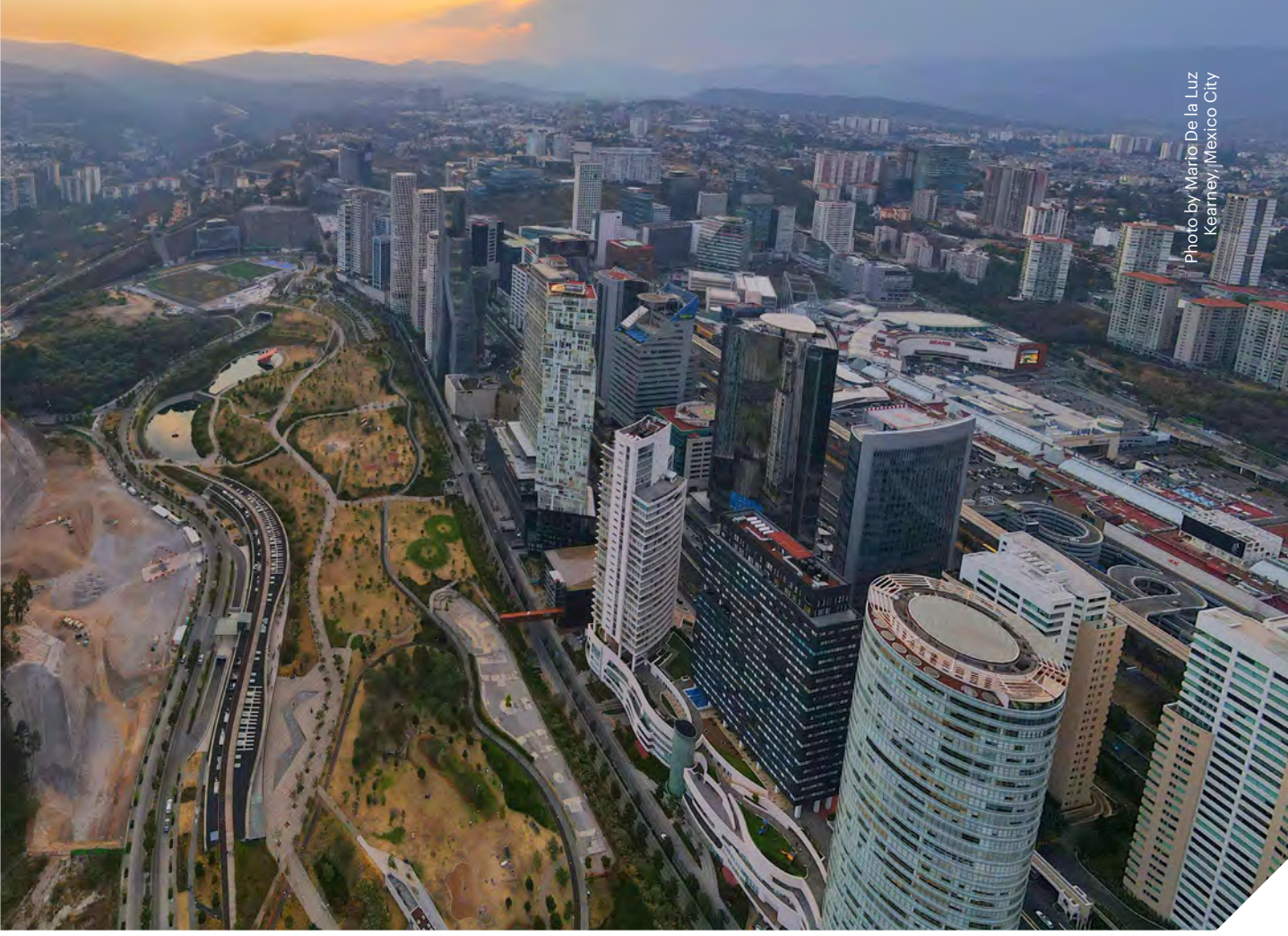


Photo by Mario De la Luz
Kearney, Mexico City

Mexico's State of Logistics

Annual update

KEARNEY

100 Years of **Impact**

Introduction

This is the first edition of Mexico's State of Logistics report, intended to be an annual analysis of the logistics industry and its subsectors—the health of the industry, the outstanding trends, and the challenges and opportunities—providing a domestic and cross-border perspective and outlook for the years to come.

Mexico's logistics system is at an inflection point. Growth has slowed (about 1.5 percent in 2024 and less than 1 percent expected for 2025). Inflation has eased. But fuel, labor, equipment, and security costs continue to pose a challenge. At the same time, nearshoring and record trade flows—Mexico is now the United States's number one trading partner with more than $800 billion in bilateral goods trade—are lifting demand across corridors faster than capacity is coming online.

Public and private investment appetite in the sector is sizable, but difficult to execute. The federal plan to modernize six strategic ports, together with the Interoceanic Corridor and freight-enabled Tren Maya links, aims to diversify gateways and optionality to transport goods between coasts. Real impact will hinge on speed of delivery, customs efficiency, and security.

The evolution of market sizes has been disparate across subsectors. **Road (motor carriers)** remains the backbone of the industry (moving about 572 million tons in 2024), but it is highly fragmented and faces a large driver shortage and aging fleets. **Rail** volumes edged up (approximately 133 million tons) amid rising theft and pinch points on concession networks. **Ports/water** set a container volume record (9.375 million TEUs) despite a fall in total tonnage, but the sector is challenged by extended customs dwell. **Air cargo** has remained flat, with volumes constrained by limited growth capacity and recent airport network reconfiguration. **Warehousing** demand remains tight in nearshoring nodes. **Parcel/last-mile** continues double-digit growth on e-commerce momentum, and **3PL/freight forwarding** has become a core enabler for cross-border orchestration.

2025 rewarded operational excellence and execution. Shippers and carriers that secured capacity on critical lanes, digitized operations, diversified nodes and modes, and invested in talent and security outperformed their competitors. The opportunity is still significant; realizing it requires shifting from planning to delivering capabilities across ports, rail, roads, and people.

Executive summary

Macroeconomics

Mexico's growth slowed materially in 2024 after a strong 2023 and is projected to remain weak in 2025. Real GDP grew about 1.5 percent in 2024, down from approximately 3.2 percent in 2023; the IMF projects about 1.0 percent for 2025. Inflation has eased through 2025, and Banxico lowered its policy rate to 7.50 percent in September 2025 and 7.25 percent in November 2025. Companies will benefit from lower carrying costs, but demand signals remain mixed.

Meanwhile, in 2024 Mexico surpassed China as the top trading partner of the United States, with bilateral goods trade of more than $800 billion, reinforcing nearshoring-driven logistics demand. FDI in Mexico reached a record $36.9 billion, a 1.1 percent increase over 2023. However, the share of new investment dropped from 50 percent in 2022 to 9 percent in 2024, with most activity focused on reinvesting margin in existing operations.

Infrastructure investment represents a growth catalyst through large projects such as the Interoceanic Corridor of the Isthmus of Tehuantepec (CIIT), the expansion of ports' capacity, and the Tren Maya (with freight capacity). These multibillion-dollar commitments are aimed at repositioning Mexico's logistics systems.

Road (motor carriers)

Total road transportation demand in weight in Mexico grew by around 1.1 percent in 2024 vs. 2023, while GDP from freight transport (excluding passenger transportation) increased by 1.2 percent, accounting for about 3.8 percent of total GDP.

Cross-border trucking led US–Mexico trade in 2024, carrying approximately 72.5 percent of trade value and setting new records in industries such as high-tech, auto, and machinery flows, reflecting the country's positioning as the US's largest trading partner. More recently, nearshoring and tariff impact can be seen in the export mix, as the value of northbound goods has grown 10 percent (H1 2025, year over year), driven by an increase in other industries, including computer components, while seeing a decrease in vehicles and crops.

Total freighted weight reached about 572 million tons in 2024, representing nearly 60 percent of total freight weight in the country, with general vs. specialized cargo showing diverging trends as inventories normalized. Demand slowdown has created a buyer's market, pushing margins further down as carriers compete to utilize idle assets.

In terms of supply, total freight fleet grew by 6 percent in 2024, driven by heavy tractors, usually focused on long-haul loads. The carrier market remains highly fragmented, with 80 percent of trucking companies owning five or fewer trucks, causing persisting structural capacity constraints.

Carriers face ongoing operational and market challenges, including fuel cost increase, driver shortages, security concerns, and roads in need of maintenance, while competition increases as domestic demand falls. As they face these current challenges, there are still trends with longer-term impact developing in Mexico, including early-stage fleet electrification and increasing use of technology and innovation across the value chain.

Shippers are looking for stronger and enduring partnerships to secure freight capacity and are showing willingness to co-invest in efficiency initiatives that could help stabilize their distribution costs.

Looking forward, border capacity and security, combined with productivity levers, will determine cost trajectories for carriers and shippers amid this sector's inflection point.

Parcel/last-mile

In 2024, parcel/last-mile delivery continued to be the fastest-growing sector in Mexico, with a projected CAGR of roughly 12 percent through 2030, driven by a 20 percent growth of e-commerce.

The demand ecosystem is dominated by the largest players—Amazon and Mercado Libre—which together represent around a third of total e-commerce sales (total sales considered includes those from omnichannel retailers like Walmart, Liverpool, and Coppel). The largest competitors are strengthening their logistics networks by investing in fulfillment centers.

Cross-border shipping is also expected to increase by up to 6 percent in 2025, behind sales growth at US- and China-based marketplaces focused on low-cost products, for which consumers have lower delivery speed expectations.

Supply is highly fragmented and facing pressure to increase capacity, expand networks, and optimize delivery models and service levels, while integrating new technologies to handle accelerated volume growth and rising consumer expectations. E-commerce and omnichannel giants are challenged to secure last-mile capacity by combining asset-light and asset-heavy model providers.

The supplier base is composed of a mix of global couriers (FedEx, DHL, and UPS), national carriers (Estafeta, Traxión, Paquetexpress, and Tresguerras, among others), and local operators, complemented by asset-light delivery platforms and tech-driven start-ups and SMEs offering dedicated fleets to meet demand and convenience standards. Shippers are looking for innovative delivery models that enable flexibility and scale, while also testing service innovation, such as new pick-up networks partnering with local businesses, and intelligent lockers, which can provide cost efficiency and enhanced customer experience.

The key challenges in the sector in Mexico are limited infrastructure with deteriorating roads and urban congestion, labor shortages, and high seasonality requiring considerable additional capacity.

The companies that succeed will be those that digitize operations, manage cost without compromising service, and leverage innovation as a key competitive advantage. Carriers will need to redefine their networks and service models to offer agility and reliability to their clients.

Rail

In 2024, total volume moved by rail grew by about 0.9 percent, mainly behind a roughly 2 percent increase of international loads, as nearshoring continues to drive volume using rail as preferred mode for industries including automotive, agriculture, energy, and mining. Rail tonnage is concentrated on major cross-border corridor links with maritime ports and focused on long-distance shipments. However, during the first quarter of 2025, tonnage transported by rail fell by about 10 percent as compared to the same period from the previous year.

Supply is highly concentrated on two main players: Ferromex from Grupo Mexico, and CPKC (formerly Kansas City Southern de Mexico), which together move more than 85 percent of rail volume in the country under a concession model from the government. During 2024, Tren Maya in the southeast increased total track kilometers available in the country by roughly 4 percent. Going forward, the Interoceanic Corridor of the Isthmus of Tehuantepec (CIIT) is being positioned as an alternative to the Panama Canal, connecting the Gulf of Mexico with the Pacific Ocean.

A current challenge for both shippers and rail operators is capacity constraints, which have been most visible for the agricultural and automotive industries. Additional daily operational considerations include labor shortages and security, which represent risks of disruptions in the network.

While Mexico is entering one of its most important cycles for investment in the rail sector in recent years, driven by public policy and private capital, network expansion projects are focused on the southeast of the country. The recent volume decrease could be a combined result of uncertainty from global trade policy shifts and nearshoring-related demand. As the sector adjusts to new demand trends, rail remains an indispensable mode for long lanes, and further investment to maintain, modernize, and optimize current infrastructure could further increase use of intermodal for domestic loads and overall growth of rail volume.

Warehousing

Warehousing demand grew in 2024 by an estimated 2.5 million m², driven by nearshoring and the accelerated expansion of e-commerce in Mexico.

Nearshoring and cross-border volumes have led to low vacancy rates, with the national average reaching about 2.6 percent by Q2 2024. Simultaneously, the country's online retail sector has grown at approximately 20 to 30 percent annually for the past five years, requiring increasing warehouse capacity to ensure logistics infrastructure can meet expected service levels for online shopping.

A key trend reshaping the sector is 3PL-operated multitenant warehouses, where logistics operators invest speculatively to offer readily available storage space, with short-term contractual terms available and enhanced flexibility to address demand changes and seasonality. Also, labor shortages and upcoming regulatory risks are accelerating the evaluation of automation solutions for end users.

The supply of warehousing space is fueled by large investment in industrial parks, mainly focused on areas near the US border, and channeled through real estate investment trusts (REIT) or FIBRAS, which are actively building new industrial space behind saturation of current available sites.

Key challenges in the warehousing sector include labor shortages; potential upcoming reform reducing working hours per week; infrastructure availability, including electricity; and industrial space saturation.

Warehousing in Mexico is a crucial logistics hub for both domestic and cross-border operations, and major players are increasingly focused on digitization and automation to minimize labor risks and optimize efficiency.

As we look into 2026 and beyond, the market has been maturing rapidly and is now entering into an adjustment period after rapid growth in demand for industrial real estate. Landlords and warehouse logistics operators that offer facilities with advanced features, such as automation and green development, will have an advantage compared to other operators.

3PL/freight forwarding

Mexico's 3PL market was projected to grow by about 6 percent in 2025, behind an increasing number of clients outsourcing logistics as their volume needs increase and operations require more specialization. The main factor driving volume growth is cross-border and overseas freight from some of the largest trading industries in the country, including automotive, consumer goods, and electronics.

The 3PL market is integrated by three key elements based on service offering: cross-border and freight forwarding, domestic logistics and fulfillment, and warehousing services.

The providers' competitive landscape across the three main elements of this sector is composed of a mix of major global logistics companies, including DHL Supply Chain and Global Forwarding, Kuehne+Nagel, FedEx, and DSV, among others, and consolidated national players, such as Estafeta and Traxión, which completed acquisition of Solística in 2025.

The main services demanded by clients are evolving toward one-stop logistics partnerships, where 3PLs expand their current offering beyond basic transportation into value added-services, including warehouse and inventory management, customs brokerage, trade compliance, and last-mile delivery. In parallel, digitization is enabling enhanced visibility, automation, and predictive analytics to strengthen offerings from service providers, and these are becoming requirements to serve multinational shippers.

This evolution in the 3PL market in Mexico presents opportunities and challenges for the immediate future. As nearshoring and cross-border demand expands through higher volumes and new customers, service providers need to navigate a complex landscape formed by infrastructure constraints, border congestion, labor shortages, stricter regulatory demands, and limited talent for management positions in logistics. Operational excellence and adaptability are key to success.

Ports/water

In 2024, maritime cargo volume contracted by about 7 percent in Mexico, behind large export volume declines from oil and derivatives (-25 percent) and minerals (-20 percent) and impacted by global trade uncertainties from tariffs. Ocean represents about 28 percent of total cargo flows in the country, making it the second-largest mode behind road transportation. Total volume is primarily outbound and inbound international trade.

Mexico has more than 100 ports and terminals across the Pacific and the Gulf of Mexico. The Pacific ports currently handle roughly 45 percent of volume, led by Manzanillo and Lázaro Cárdenas, focused on containerized import loads from Asia, while the Gulf handles approximately 55 percent with Veracruz and Altamira as leading ports in terms of volume for US and European lanes, focused on oil, gas, and bulk commodities. The country's port infrastructure is tied to the industrial hubs they serve, where Manzanillo and Lázaro Cárdenas link Bajío and Central Mexico to international trade lanes, while the Gulf ports connect Mexico City and State of Mexico to US and European lanes.

Despite total volume decline, in 2024 TEUs handled rose by 12 percent, reaching an all-time high of more than 9.3 million. Across both coasts, containerized cargo is the base for Mexico's trade flows, supporting nearshoring supply chains and explaining why container volumes continue to rise even as overall tonnage contracts.

The main challenges are security-related impacts to maritime cargo operations, as cargo theft and smuggling require stricter inspections. Shippers also face capacity constraints (with main container hubs, including Manzanillo, operating near their limits, generating bottlenecks that cause increase in dwell times) and weather-related disruptions from hurricane exposure at both coasts.

To address capacity constraints, Mexico's maritime sector is entering one of its largest investment cycles in recent history, combining optimization and modernization plans for current infrastructure with flagship projects, including the expansion of the Manzanillo port to position it as Latin America's largest container hub, with a handling capacity of up to 10 million TEUs, and the Interoceanic Corridor (CIIT), integrating port and rail infrastructure to link the Pacific with the Gulf of Mexico.

While cargo volumes continued decreasing by almost 9 percent through the first half of 2025, the outlook for 2026 is more positive, as capacity imbalances could be addressed by port modernization and expansion investments. Overall, 2026 is expected to see a transition time for the maritime sector, where execution will be key to unlock bottlenecks.

Air cargo

Total cargo volume transported by air in Mexico fell by around 2 percent in 2024 vs. the previous year, continuing a flat tendency since 2021, caused by limited expansion opportunities, which have led to a redistribution of volume flows across airports rather than an overall growth in the sector.

Demand is driven by time-sensitive imports, mainly from automotive components, electronics, and pharmaceutical industries, while domestic volume has increased with e-commerce operations.

Capacity and infrastructure have been evolving more rapidly for the past four years. The roles of Mexico City's airports were reconfigured as all dedicated cargo flights were relocated from the Benito Juárez International Airport (AICM) to the new Felipe Angeles International Airport (AIFA) in Santa Lucia, generating a 140 percent increase in tonnage over the previous year.

In parallel, Guadalajara (GDL) has consolidated as the main gateway to US cargo flights, while Monterrey (MTY), Queretaro (AIQ), and Toluca (TOL) serve both cross-border and domestic supply chains, driven by e-commerce growth.

The supply base is divided by freighter operators and belly capacity. Freighters are mainly represented by global integrators, including FedEx, UPS, and DHL, and cargo airlines, moving about 64 percent of total air cargo volume. The transborder belly hold segment is led by Aeromexico, as Mexico City's AICM can now only handle belly cargo.

During the first five months of 2025, air cargo decreased by more than 6 percent as compared to the same period from the previous year, mainly caused by a drop of more than 16 percent of volume handled at AIFA.

While trade uncertainty, bilateral policy frictions with the US, and economic headwinds pose a challenge for growing demand in the sector, new investment to modernize and expand capacity; e-commerce; and long-term nearshoring impact can turn around the air cargo sector in Mexico.

Macroeconomics

Mexico's logistics sector is operating against a macroeconomic backdrop of slowing growth, persistent cost pressures, and volatile trade dynamics. After expanding by 3.1 percent in 2023, GDP growth slowed to an estimated 1.4 percent in 2024 and is projected to fall below 1 percent in 2025, reflecting tighter financial conditions and weaker domestic demand (see figure 1 on page 7). Inflation has eased from its 2022–2023 peaks, yet transport-critical inputs such as fuel, labor, and equipment remain elevated, straining operators' margins. At the same time, trade flows are rewriting Mexico's logistics map. The country has overtaken China as the top trading partner of the United States, with bilateral goods trade surpassing $800 billion in 2024. Nearshoring continues to drive industrial investment, while new US tariffs and heightened border inspections add unpredictability to cross-border flows.

2024–2025 landscape

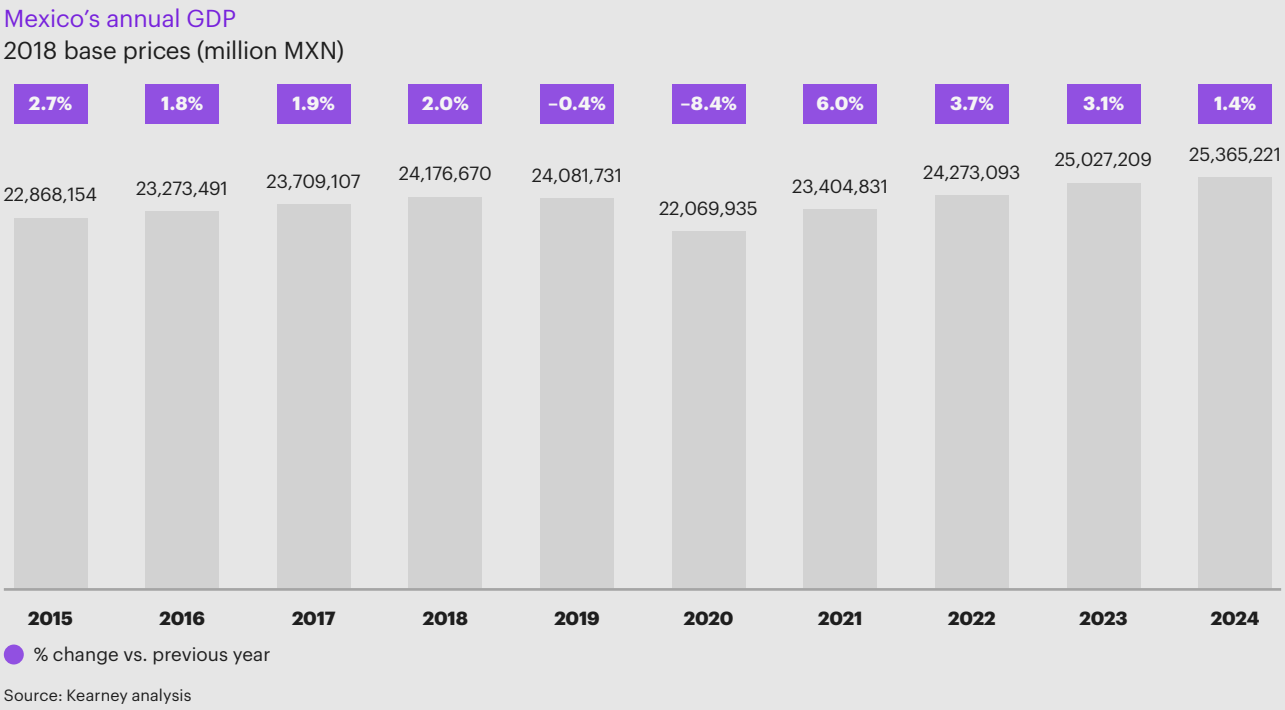
Mexico's economic trajectory

Mexico's broader economic context is shaping logistics demand and costs in equal measure. Throughout 2024 and 2025 economic growth has remained subdued. GDP contracted by approximately 0.6 percent quarter on quarter in Q4 2024 followed by modest expansions of around 0.6 percent in both Q1 and Q2 of 2025. Analysts currently project annual growth of roughly 0.8 percent for 2025. Consumer inflation, which had peaked above 8 percent in 2022, has moderated to mid-single digits, reaching about 4.5 percent in mid-June 2025, and easing to approximately 3.6 percent by October 2025. In line with inflationary pressures, Banica has adjusted monetary policy, reducing the policy rate from 11.25 percent in early 2024 to 7.25 percent by November 2025.

Currency dynamics are also critical. The peso has remained one of the world's best-performing currencies through 2024 and 2025, supported by record remittances and FDI inflows. While this strength helps moderate import costs, it has eroded export margins for some manufacturers, pressuring logistics providers to cut costs and optimize operations. Looking ahead, logistics demand is expected to continue outpacing GDP growth as structural drivers (nearshoring, e-commerce, FDI) outweigh cyclical headwinds. However, profitability across the sector will remain under strain from elevated input costs and currency effects.

Figure 1

Tight financial conditions and weak domestic demand have led to falling GDP in Mexico



Source: Kearney analysis

Infrastructure modernization

Infrastructure investment has become both a growth catalyst and a political lever. On the public side, projects such as the Interoceanic Corridor of the Isthmus of Tehuantepec (CIIT), the expansion of Lázaro Cárdenas and Manzanillo, and the Tren Maya (with freight capacity) represent multibillion-dollar commitments aimed at repositioning Mexico's logistics system. In July 2025, the government announced MXN$55 billion (roughly $3.2 billion) to modernize six strategic ports, while rail and highway expansion continue under mixed public–private schemes.

Private developers are also expanding aggressively: AMPIP projects an investment of $5.6 billion across 116 industrial parks by 2030, with foreign investors from the United States, China, and Europe targeting nearshoring hubs. Yet, governance challenges persist. Energy bottlenecks, customs inefficiencies, and uneven project execution create uncertainty. For instance, despite progress, Mexico's electricity transmission grid is still operating at near capacity in industrial zones, threatening uptime for manufacturing and logistics operations. Recent discussions between the private sector and SENER (Mexico's Department of Energy) finalized with the promise of strengthening Mexico's electrical grid over the next two years.

The outlook for 2026 is cautiously optimistic: infrastructure spending is rising, but until execution accelerates, congestion and cost pressures will remain a drag on logistics competitiveness. Still, from a public investment perspective, the picture is less encouraging—the federal budget for the transport sector in 2026 is expected to be $10.6 billion, a shortfall of $4.6 billion against the requirements for the Mexico 2030 plan, further limiting highway and railway expansion and raising concerns over the government's ability to sustain long-term maintenance and capacity upgrades.

Nearshoring and industrial investment

Reshoring momentum reversed in 2024, as imports from Asian low-cost countries and regions surpassed domestic manufacturing growth for the first time in three years. With United States and nearshore capacity nearing their limits, manufacturers turned again to offshore suppliers to meet demand for critical goods.

Within North America, performance was uneven. Mexico's exports continued to grow but were outpaced by Asia, while Canada's import volumes declined, revealing cracks among nearshoring partners. Mexico remains essential to regional supply chains, yet its growth is narrowly concentrated, and new investment is slowing due to infrastructure and labor challenges.

Despite the loss of momentum, reshoring sentiment remains strong. Most manufacturing leaders continue to view domestic and nearshore production favorably, though motivations are shifting.

Nearshoring is not just a trade trend—it is a structural transformation of Mexico's economy, with logistics at its core. Between 2020 and 2025, Mexico attracted historically high levels of foreign direct investment (FDI), much of it linked to the relocation of manufacturing from Asia to North America. By mid-2025, announced FDI exceeded $36 billion, driven by nearshoring and concentrated in automotive (including EVs and components), electronics, aerospace, and home appliances. However, the share of new investment declined from roughly 50 percent in 2022 to about 9 percent in 2024, as capital increasingly focused on expanding existing operations. This investment cycle has reinforced Mexico's position as the largest trading partner of the United States, with bilateral trade surpassing $800 billion in goods in 2024, and growing 4 percent year over year in the first half of 2025.

For logistics, nearshoring means a rapid increase in demand for cross-border trucking, rail capacity, warehousing, and intermodal connectivity. Automotive exports, for example, already account for nearly one-third of Mexico's rail volumes, and expansions by companies like Tesla suppliers in Nuevo León and Asian electronics firms in Guanajuato are reinforcing reliance on northbound corridors. The implications go beyond volume: nearshoring is also shifting cargo composition toward higher-value, time-sensitive goods, increasing pressure on customs, warehousing technology, and multimodal coordination.

The economic implication is twofold. First, logistics has become a bottleneck risk: if roads, ports, and warehouses cannot scale at the same pace as industrial investment, nearshoring's competitive advantage erodes. Already, congestion at Nuevo Laredo and long lead times at border crossings are testing resilience. Second, logistics is becoming a strategic differentiator for attracting new investment. Regions that can guarantee reliable transport links, modern industrial parks, and skilled labor are more likely to capture the next wave of relocations.

Nearshoring is also reshaping Mexico's logistics market unevenly across sectors. Cross-border flows are surging as automotive and electronics clusters expand their northbound trade, driving higher tariffs but also reinforcing Mexico's position as the US's preferred sourcing partner. At the same time, domestic distribution has slowed in some consumer goods categories, as weaker retail sell-out offsets the export boom, creating divergence between international and internal freight demand. Sectors such as aerospace and appliances are generating new warehousing and intermodal requirements, while food and beverage logistics face capacity strains tied to refrigerated transport. The challenge moving forward is balancing these dynamics: while cross-border and export-oriented segments are benefitting from nearshoring momentum, uneven internal consumption and infrastructure bottlenecks risk leaving parts of the domestic logistics system underutilized or increasingly fragmented.

Looking into 2026, the pipeline of announced projects suggests momentum will persist, but the pressure on logistics networks will intensify. Without accelerated infrastructure and labor development, companies may face higher costs-to-serve, fragmented supply chains, and operational inefficiencies. The sector's ability to absorb this demand will determine whether Mexico consolidates its role as North America's nearshoring hub or cedes ground to emerging competitors in Asia and Latin America.

Mexico's ability to sustain its role as a nearshoring hub will depend on addressing infrastructure, energy, and workforce constraints as regional manufacturing continues to expand.

Tariffs and trade policy

Trade policy dynamics in 2024 and 2025 are reshaping how Mexico's logistics system functions. US tariff discussions—especially around Chinese EVs and indirect imports transiting through Mexico—have injected volatility into trade flows. In early 2025, the US administration announced new duties on selected steel, aluminum, and EV components, raising concerns about rules-of-origin enforcement under USMCA. For logistics operators, this translates into more complex compliance requirements, tighter documentation scrutiny at border crossings, and longer customs dwell times.

The implications for Mexico's logistics sector are strategic. First, tariffs could alter trade lanes and modal choices: shippers may reroute flows from road to rail or shift ports of entry to optimize clearance times and reduce exposure to congested crossings. Second, tariff volatility adds to the uncertainty in capacity planning. Freight forwarders and 3PLs are being asked to design contingency strategies—secondary warehouses, diversified carriers, and alternate port gateways—to insulate supply chains from abrupt policy shocks.

At the same time, tariff headwinds are not slowing down Mexico's role as the primary US trade partner. In fact, they have amplified the urgency for companies to deepen North American integration and shorten supply chains. Logistics providers that can offer proactive compliance management, digital visibility tools, and cross-border expertise are becoming indispensable to shippers seeking resilience.

The outlook for 2026 is mixed. Tariffs and US political cycles add uncertainty, but they also reinforce Mexico's position as the indispensable "bridge" in North American supply chains. Logistics players must prepare for a regime where resilience and compliance are as important as cost and speed.

Labor markets and migration dynamics

Labor is an acute macroeconomic constraint in logistics. Mexico faces a shortage of more than 50,000 certified truck drivers, with younger workers increasingly unwilling to enter the profession due to long hours, safety risks, and low wages relative to other sectors. Warehouse and forklift operators are also in short supply, especially in high-demand hubs like Monterrey, Guanajuato, and Ciudad Juárez. In this context, it is important to distinguish between categories of drivers. The broader pool of "drivers" includes anyone licensed to operate a motor vehicle, but only a fraction of these transition into heavy-duty "truck drivers" responsible for freight transport. Within that subset, "certified drivers" hold specialized licenses and training required for hazardous materials, oversized cargo, or cross-border operations—credentials that are critical for compliance and safety. The gap lies precisely here: while Mexico has a large base of general drivers, the logistics sector struggles to attract and retain the smaller cohort of certified professionals who ensure regulatory alignment and operational reliability.

The debate over a proposed reduction of the maximum working week from 48 to 40 hours, ongoing through 2024 and 2025, has added further uncertainty for employers, who warn it could exacerbate shortages and raise labor costs. Meanwhile, migration inflows from Central America are providing some relief for low-wage roles but are not filling skill-intensive gaps.

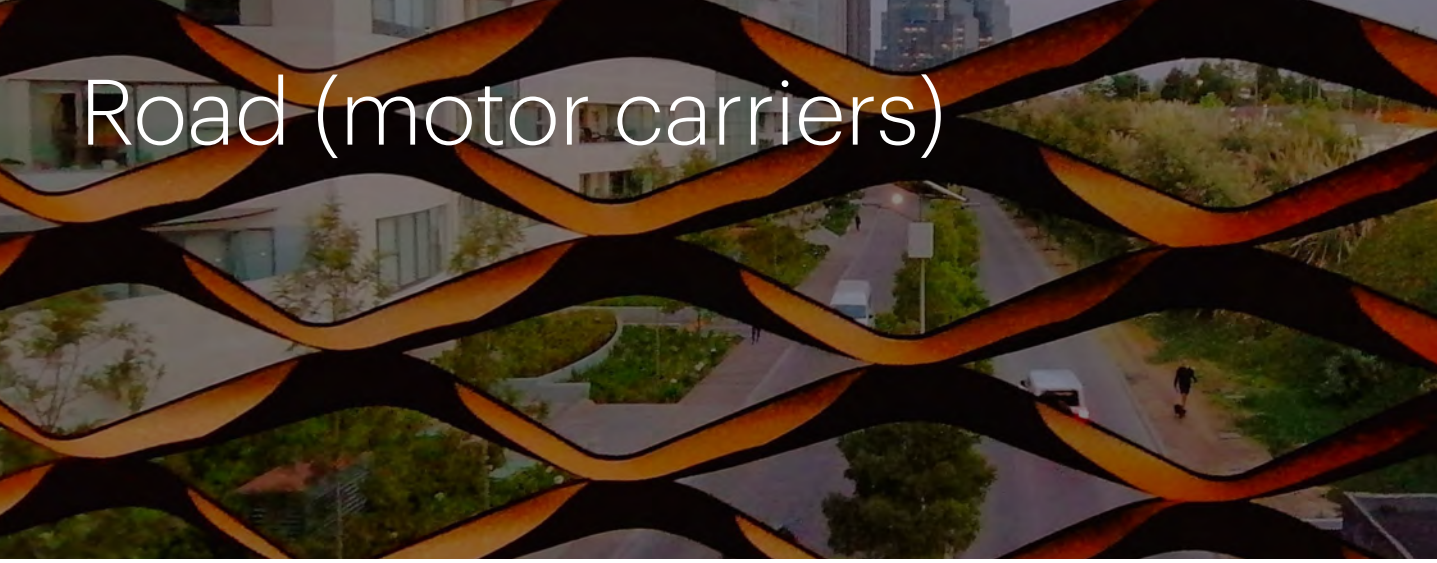
For logistics providers, this means rising reliance on automation, workforce training, and retention incentives. By the end of 2025, labor is expected to remain a defining bottleneck, shaping cost structures and forcing structural shifts in operating models. Although recent regulatory trends may help alleviate the domestic market labor shortage through repatriation of Mexican nationals with driving experience, they could hamper the cross-border labor shortage due to English-speaking requirements for drivers in the US.

Conclusion

Macroeconomic forces are reshaping Mexico's logistics sector at an unprecedented pace. Nearshoring, tariff shifts, and record trade flows are cementing Mexico's role as the anchor of North American supply chains. Yet, these tailwinds are offset by persistent structural headwinds: slowing GDP growth, labor shortages, infrastructure gaps, and rising input costs. As of late 2025, the country's logistics system is operating at full stretch, with capacity, labor, and governance risks threatening to undermine the competitiveness gains generated by nearshoring.

The defining challenge for 2026 and beyond will be execution. Mexico has the demand, the capital inflows, and the geopolitical tailwinds to redefine its logistics role. But unless infrastructure projects are delivered on time, labor supply expanded, and compliance managed efficiently, the promise of nearshoring may fall short. For logistics players, the message is clear: the opportunity is extraordinary, but capturing it will require long-term investments in resilience, technology, and workforce development.

The defining challenge for 2026 and beyond will be execution.



Road (motor carriers)

Mexico's road transport sector is a strategic pillar of the nation's freight movement, carrying most domestic goods and serving as the backbone of cross-border trade with the US. Mexico's extensive trucking network now faces mounting pressure from surging demand fueled by nearshoring-driven manufacturing growth, expanding trade flows, and e-commerce. A traditionally fragmented carrier market, dominated by small operators, must adapt to rising volumes while navigating persistent driver shortages, evolving regulations, and security threats. At the same time, persistent cost inflation in fuel, labor, and fleet operations is straining margins, even as carriers invest in fleet renewal, double trailers, and electrification. These pressures underscore the need for closer collaboration between shippers and carriers, as the sector's ability to modernize, consolidate, and balance risks with opportunities will be decisive for Mexico's logistics competitiveness in 2026 and beyond.

2024 market review

Demand

Trucking is the dominant mode for domestic transportation in Mexico, moving a total of 572 million tons in 2024, only about 1.1 percent more than 2023 but still accounting for about 58 percent of total cargo weight transported in Mexico (see figure 2 on page 12).

However, for 2025, specialists estimate a reduction of at least 10 percent in total transported volume, as mounting pressures from economic slowdown and northbound tariffs impact road logistics demand.

The GDP for the total road transport sector in Mexico, (excluding passenger transportation), was estimated at approximately MXN$956 billion for 2024 by INEGI, a 1.2 percent growth vs. 2023 and representing approximately 3.8 percent of total GDP in Mexico. The latest estimations updated to the first half of 2025 show a decrease of -0.5 percent for GDP from road freight transport.

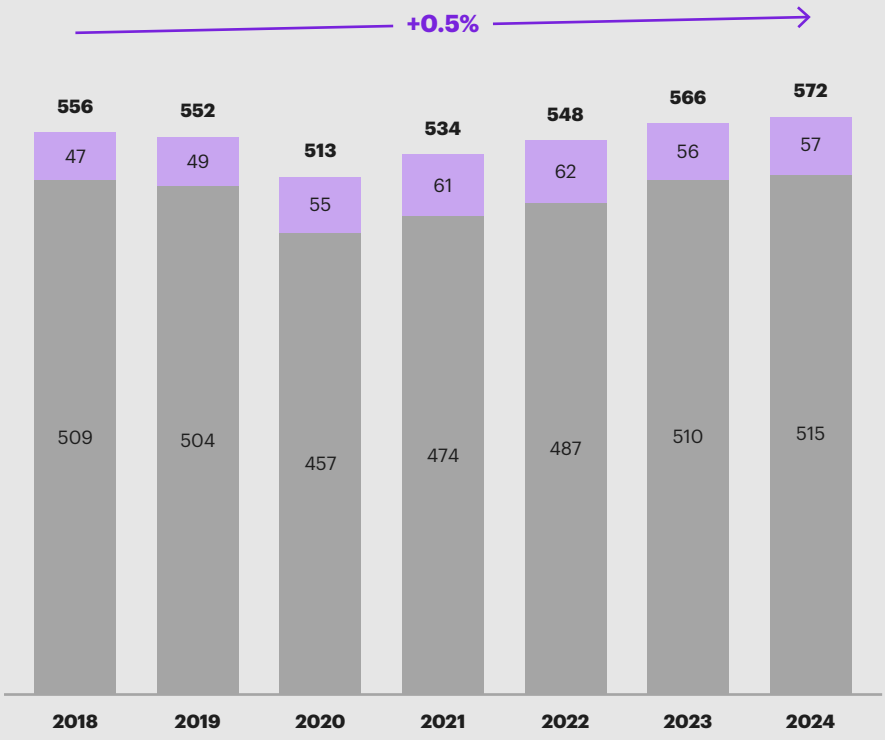
Total cross-border weight from Mexico to the US grew by about 2.1 percent vs. 2023 to reach 57 million metric tons, outpacing domestic growth in weight, which grew 1.0 percent, from 510 million tons to 515 million tons.

Through July 2025, northbound value of exports totaled $58.7 billion in freight—a significant increase of 10 percent over the same months from 2024, while volume is now showing a de-acceleration through the first half of 2025.

Figure 2

Trucking accounted for about 58 percent of total cargo weight transported in Mexico in 2024

Mexico's total weight transported, in millions of tons (demand, 2019–2024)



	CAGR 2018–2024
Cross-border	3.2%
Domestic (estimated)	0.2%

Note: Estimation based on total freight transport from SICT (Dirección General de Autotransporte Federal), and total cross-border from the US Department of Transportation (Bureau of Transportation Statistics)

Source: Kearney analysis

Turnaround could be propelled by a shift in the export mix as Mexico has leveraged nearshoring efforts to increase its computer and electronics exports. Although a staple of US–Mexico commerce, the automotive sector has been significantly slashed due to concerns around USMCA rules of origin and their related tariffs. The nearshoring trend helped Mexico overtake China as the largest source of US imports, cementing Mexico as the country's priority trade partner.

Supply

Unlike the US, the trucking sector in Mexico operates under informality, different cost structures, and different levels of government involvement. While the capacity of Mexico's trucking sector has expanded in response to surging demand (6.0 percent increase in total national fleet vs. 2024), it remains constrained by cultural challenges. Domestic demand is expected to outstrip supply, with the continuous shift among large suppliers toward the export–import business further constraining transportation capacity for shippers with in-country operations.

Capacity and supplier landscape. The total freight fleet (federal cargo trucks and trailers) grew 6.0 percent in 2024 over the past year, reaching 1.44 million vehicles. Notably, the count of heavy tractors climbed by 7.2 percent as carriers invested in new rigs to handle more long-haul loads. Despite this growth, the carrier market remains highly fragmented. Large carriers with 100 or more trucks represent only 0.7 percent of trucking companies and control approximately 31 percent of total fleet capacity. In contrast, micro firms—those operating fleets of five or fewer trucks and operating under a "one driver per truck" model (the so-called *hombre-camión* or owner-operators)—account for roughly 80 percent of trucking companies and more than 220,000 authorized carriers, yet collectively manage just 22 percent of fleet units, with limited capacity to scale in response to demand.

The imbalance between rising demand and a fragmented supply base means that even as the fleet grows, structural capacity constraints persist, shaping both cost dynamics and service reliability across the industry. Larger shippers have responded by forming strategic partnerships with the handful of large carriers or by dedicating private fleets, to ensure service quality amid the fragmented spot market. There is a nascent consolidation trend: big logistics groups like Traxión have been acquiring smaller rivals and even foreign operations (for example, Traxión's purchase of FEMSA's logistics arm Solística in 2025 for $205 million, and a US brokerage in 2023 to expand cross-border service). Even so, concentration remains low. Combined with driver scarcity, this fragmented supply base continues to push rates upward and restrict the sector's ability to scale with demand.

Challenges

At the same time, Mexico's road freight sector is grappling with mounting cost pressures that have reshaped pricing dynamics. Between Q2 2023 and Q2 2025, diesel surged 10.1 percent, while equipment and spare parts continue to face inflationary pressures amid global supply chain disruptions. Smaller carriers—already constrained by limited bargaining power—were hit hardest given limited capital and aging fleets. Larger players, in contrast, have managed to offset costs through scale advantages, fuel discounts, and contract renegotiations. Yet, Mexico's fragmented carrier landscape has kept pricing competition intense, preventing freight rates from fully catching up with soaring operating costs.

Fuel. Fuel remains the most volatile input, directly influencing freight rates across the industry. Fuel prices have increased substantially, and projections indicate a continuation of rising pump prices in the near term (see figure 3).

Figure 3
Fuel is road freight's most volatile input

Annual average diesel prices in Mexico
(in MXN)

— Average diesel price per liter (including taxes, in Mexican pesos)

Source: Kearney analysis

Labor. Labor remains one of the industry's deepest bottlenecks. Mexico faced a shortage of about 50,000 drivers in 2023, and up to approximately 99,000 in 2024, threatening carriers and shippers alike to meet rising freight demand. The challenge is twofold. First, the sector faces demographic headwinds with younger generations increasingly reluctant to pursue trucking careers (average age is 41), deterred by long hours (47.2 hours per week), safety risks, informality (36 percent of truckers are informal drivers), and relatively low pay (average monthly salary of MXN$7,760 or $420, barely 20 percent over minimum wage and an 8 percent reduction over the past year). Second, the industry suffers from a structural gap in training and certification capacity. While Mexico had more than 770,000 registered freight transport permit holders in August 2025, the issuance of new licenses has lagged behind sector growth.

Equipment and maintenance. Mounting regulatory pressure and fleet aging are pushing compliance costs upward. Mexico's cargo fleet averages 19.7 years of age, among the oldest in Latin America, making upkeep increasingly expensive. Inflation and global supply disruptions have pushed prices sharply higher—from tractors to tires and spare parts—making fleet renewal a growing challenge, particularly for micro-carriers with limited capital, further widening the gap between them and larger players that can invest in efficiency and compliance. An example of this is that truck sales have contracted by 45 percent through October 2025 vs. the same months in 2024.

Public investment. During the past decade, public investment in highways has fluctuated between $0.8 and $1.2 billion per year, creating multiple challenges in highway upkeep and expansion. Between 2019 and 2024, the total length of the National Highway Network had only grown by 2 percent, from 397,300 to 405,300 total kilometers.

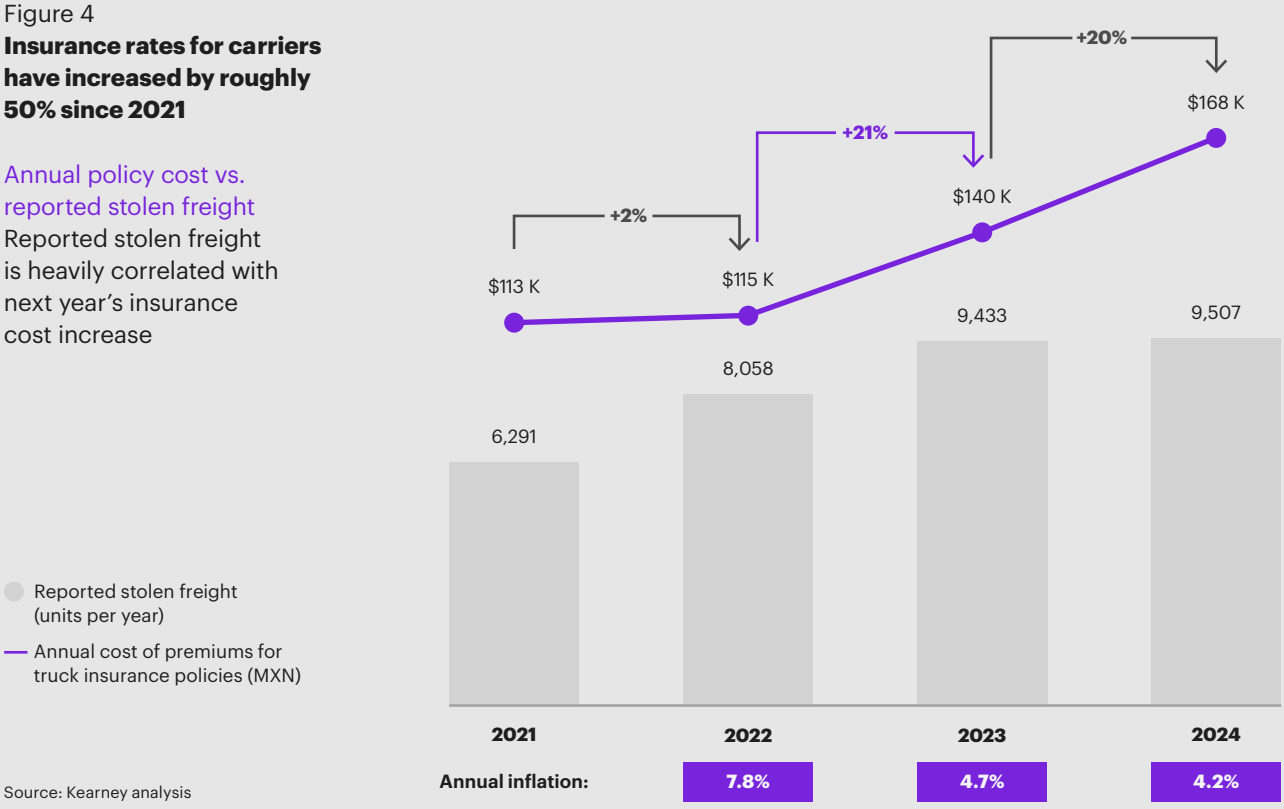
Current government policy is focused on the following initiatives through 2030: 1) modernizing and developing 16 key routes focused mostly on the South and Bajío regions; 2) developing secondary routes to connect isolated towns and cities (*Caminos Artesanales*); and 3) rehabilitating more than 4,000 km of public highways.

To tackle these ambitious goals, the budget for highway work through 2030 was set at $20 billion, however the government has fallen short of this compromise and only $3 billion was destined for highways in 2025, with roughly 80 percent being public investment and the rest from the private sector. It is required that both the public and private sectors work in conjunction to ensure that Mexico's highway network can meet its growing financial resource needs.

Security concerns. Cargo theft remains among Mexico's top logistics risks, forcing carriers to invest in GPS, onboard cameras, armed escorts in high-risk areas, and soaring insurance premiums. Although highway theft has subsided in the past year (-4 percent year over year), insurance rates have been driven steeply upward (around 50 percent in the past three years) due to a large increase in thefts since 2021 (+22 percent), to the point some smaller carriers forego full coverage, furthering risk (see figure 4 on page 15). At the same time, the military's expanding role in managing highways and freight terminals introduces new uncertainties, both for operational planning and for investor confidence.

Figure 4
Insurance rates for carriers have increased by roughly 50% since 2021

Annual policy cost vs. reported stolen freight
Reported stolen freight is heavily correlated with next year's insurance cost increase



Source: Kearney analysis

Emerging trends

Despite the challenges, several emerging trends are shaping the future of Mexico's road transport sector going into 2026. These developments point toward a gradual transformation—one of modernization, greater integration, and innovation—even as the industry struggles with its legacy constraints. Key trends include fleet electrification and alternative fuels, technological upgrades for security and efficiency, the continued use of high-capacity vehicles, industry consolidation, and foreign investment in Mexican logistics.

Fleet electrification and decarbonization efforts. Although at an early stage, electric truck adoption is accelerating. While still small, momentum is building in short-haul and urban routes as CPG companies increase their electric fleets to meet sustainability goals. However, for heavy long-haul trucking, full battery-electric rigs remain in the development phase and are not expected to have a significant footprint in Mexico in the near term (see figure 5 on page 16).

Cleaner diesel and natural gas vehicles are more prominent, with several large carriers already investing in compressed natural gas (CNG) trucks: Trayecto has acquired units with EPA 10 technology to cut emissions and fuel costs. Another example is FEMSA's logistics fleet, which is continuing to incorporate electric vehicles. Overall, while diesel will dominate trucking for years, the seeds of an energy transition are planted—a trend to follow as infrastructure slowly improves.

Figure 5
Full battery-electric rigs remain in the development phase for long-haul trucking

Top Mexican freight corridors: distance vs. current electric truck range

Route	Approximate distance	Estimated electric truck range
Monterrey → Laredo	~230 km	~250 km (urban / short-haul BEV models)
Guadalajara → Manzanillo	~300 km	~250 km (urban / short-haul BEV models)
Querétaro → León / Bajío	~140 km	~250 km (urban / short-haul BEV models)
Puebla → Veracruz	~230 km	~250 km (urban / short-haul BEV models)
Mexico City → Querétaro	~210 km	~250 km (urban / short-haul BEV models)

Source: Kearney analysis

Technology. As nearshoring fuels cross-border flows, technology adoption is becoming a critical differentiator. Yet, much of Mexico's trucking sector still operates with limited digitalization. Industry experts point out that most transport management and visibility systems are designed for the US, leaving Mexican carriers at a disadvantage. To fill this gap, brokers are starting to require carriers to share GPS data and permitted stops, setting a new baseline for transparency. Carriers are also highlighting inefficiencies from delayed freight uploads and missing tracking history on Mexico-origin shipments. These challenges underline both the urgency and the opportunity: investing in telematics, real-time visibility, and integrated cross-border platforms is no longer optional—it is key to maintaining competitiveness in a more demanding and interconnected North American trade corridor.

2026 outlook

As Mexico moves toward 2026, its road transport sector will continue to operate at the intersection of opportunity and constraint. On the demand side, nearshoring-driven industrial expansion remains in full force. Key manufacturing sectors such as automotive, electronics, and consumer goods are growing as companies relocate production to Mexico despite global trade tensions. Cross-border trade with the US—already exceeding $800 billion annually—will remain the lifeblood of the sector, with trucking carrying more than 70 percent of total bilateral flows and over 85 percent of ground-based bilateral flows. Domestically, the continued rise of e-commerce is adding new layers of demand. Major online retailers are investing heavily in logistics capacity to support booming online sales. This is driving growth not just in long-haul trucking but also in regional and last-mile distribution, with retail and e-commerce already accounting for about 20 percent of last-mile deliveries in the country.

Yet headwinds are gathering on multiple fronts. Mexico's economy slowed sharply in 2025 (consensus forecasts peg GDP growth at roughly 0.8 percent, a significant downshift from 2024), and geopolitical uncertainty—including tariff tensions and US electoral dynamics—creates risks for investment and trade flows. Notably, tariff tensions have resurfaced: in mid-2025 the US expanded import tariffs on metals and manufactured components (including auto parts and electronics), a move that directly hit Mexico's heavy-duty truck production, with exports in units plunging by more than 50 percent year over year in July 2025. Such developments underscore the sector's exposure to policy shocks and global economic swings. Due to these economic and geopolitical trends, freight in Mexico is expected to contract in 2025, with experts estimating the impact above a 10 percent reduction in volume shipped.

At the same time, the sector's structural weaknesses remain pronounced: the average fleet age hovers around 20 years, far older than in many peer countries, reflecting years of underinvestment in new equipment. Nearly 29,800 used heavy vehicles were imported in 2024 from the US, flooding the market with older, high-polluting units. Meanwhile, infrastructure bottlenecks continue. Congestion on highways and at border crossings constrains efficiency, with many border facilities not designed for today's record trade volumes, leading to routine multi-hour (and at times multi-day) waits for truckers. Security threats also continue to drive up operating costs and risks. Cargo theft and highway robbery remain at alarming levels despite some recent improvement. The human capital side of the industry is under strain as well: labor shortages are intensifying as fewer young workers enter the profession, deterred by difficult working conditions and security concerns.

Carriers face a difficult balancing act in this environment. Input costs—diesel, equipment, insurance, and compliance—are rising faster than general inflation. Freight rates are increasing but not enough to fully offset cost escalation, particularly in the fragmented spot market where price competition remains fierce. This creates greater financial stress for small operators, which often lack the capital to modernize equipment or adopt new technologies. Larger carriers, however, are moving forward, investing in fleet renewal, piloting alternative fuels, implementing telematics and advanced security systems, and expanding into integrated logistics services. Some are pursuing consolidation as a strategy, with groups like Traxión and Femsa Logistics setting the pace.

Shippers that lock in long-term partnerships, guarantee steady volumes, and co-invest in efficiency will be best positioned to secure scarce capacity and stabilize costs. Distribution strategies will also need to adapt, with greater emphasis on multimodal solutions, cross-docking, and network optimization to overcome infrastructure bottlenecks. In short, 2026 is likely to be a year where resilience depends less on riding market cycles and more on proactive adaptation by both carriers and shippers.

Conclusion

Mexico's road freight sector is at an inflection point. It remains a strategic pillar of the economy, moving nearly 60 percent of domestic freight by weight and enabling the country's position as the top trading partner of the United States. But the sector's structural issues—fragmented supply, driver shortages, aging fleets, and security vulnerabilities—cannot be ignored. Rising costs, political uncertainty, and relentless demand growth are amplifying the urgency for change.

The outlook is not without promise. Investment in modernization, digitalization, and greener fleets is already under way, signaling an industry intent on adaptation. Global players and local champions alike are betting on Mexico's logistics potential, bringing capital, technology, and management expertise. The path forward will hinge on collaboration: shippers willing to forge strategic partnerships and carriers able to professionalize and scale will define the sector's competitive future. Ultimately, the story of Mexican road transport in 2026 and beyond is one of transformation under pressure. Those that see turbulence as a catalyst—rather than a threat—will not only endure but shape the next chapter of the industry. The winners will be carriers and shippers that build enduring partnerships, embrace innovation, and ensure that Mexico's trucking system continues to serve as both the backbone of domestic commerce and the indispensable bridge for North American trade.

Global players and local champions alike are betting on Mexico's logistics potential, bringing capital, technology, and management expertise.

Parcel/last-mile

The parcel/last-mile market in Mexico is expanding rapidly in the aftermath of the pandemic, fueled largely by the steady growth of e-commerce and evolving consumer expectations, as shoppers expect faster deliveries and seamless online shopping experiences. While this momentum will continue as international platforms deepen their presence and cross-border flows intensify, the sector faces persistent supply-side constraints. An increasingly fragmented delivery landscape, rising logistics costs, and aging infrastructure strain delivery efficiency, forcing adaptation across the industry. Shippers and carriers are introducing new service, pricing, and contracting models; adopting technology such as electric fleets and advanced tracking; and forming partnerships to enhance service quality and secure capacity to meet demand growth. Such innovation and resilience will be crucial for navigating an increasingly competitive and operationally complex market in the near term.

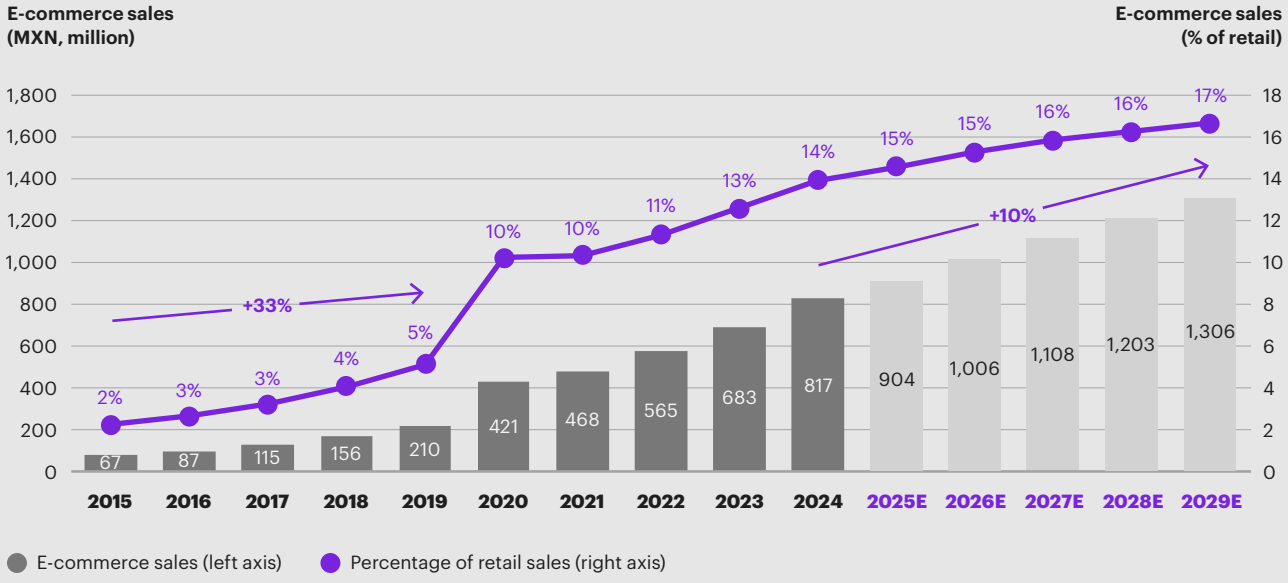
Parcel/last-mile market review (2024)

Demand: expanding e-commerce

The last-mile delivery segment is the fastest growing part of Mexico's logistics market, with an estimated value of MXN$817 billion and projected CAGR of 11.8 percent through 2030. This growth is fueled by the continued expansion of e-commerce, which grew 20 percent year over year in 2024, and by the rapid digital adoption that has expanded the online shopper base from 51 million in 2019 to 67 million in 2024 according to AMVO (see figure 6 on page 20). This dynamism in consumer purchasing behaviors has led large retailers and even smaller mom and pops to expand their services to omnichannel experiences, as shoppers' priorities shift toward convenience and speed. While the market remains dominated by international e-commerce and omnichannel retailers—including Amazon, Mercado Libre, Coppel, Liverpool, and Walmart, which together account for more than half of e-commerce sales—the demand market in Mexico continues to fragment, as new entrants and cross-border platforms gain ground, reshaping expectations for pricing, delivery times, and service quality.

Figure 6
E-commerce grew 20 percent year over year in 2024

E-commerce sales and e-commerce as a percentage of retail in Mexico



Source: Kearney analysis

Competitive landscape. Mexico's parcel and last-mile demand ecosystem is increasingly dynamic and competitive. Mercado Libre and Amazon continue to dominate the market by leveraging vast logistics networks, together accounting for 33 percent of e-commerce market share (inclusive of omnichannel players) and growing 35 percent and 32 percent in e-commerce sales year over year, respectively. Omnichannel retailers such as Walmart, Liverpool, and Coppel are parallelly rapidly scaling their online-offline models, such as their click-and-collect offering, and strengthening their digital and logistics infrastructure. In response to this dynamic competition, and the penetration of other international players, marketplaces and retailers alike are investing significant resources to attract and retain consumers: with 29 fulfillment centers already in place, Mercado Libre has committed MXN$3.4 billion toward logistic expansion and the hiring of 10,000 more employees in 2025, while Amazon, similarly, is scaling its largest Latin American hub in Mexico City to power next-day delivery services and has pledged to invest around MXN$6.0 billion in 2025 and 2026.

Cross-border. Cross-border shopping trends add another layer of complexity to last-mile delivery demand, with cross-border e-commerce revenue projected to expand to 5.9 percent of the market in 2025. Most of these sales come from US and Chinese marketplaces, with giant marketplaces like Temu, Shein, TikTok Shop, and AliExpress gaining market share among Mexican consumers with their low-cost goods propositions in apparel, accessories, household goods, and toys. As trade and economic frictions continue between China and the US, Mexico has emerged as a viable high-growth opportunity for these e-commerce giants to rethink their global supply chains. Targeting consumers who prioritize affordability over delivery speed, these platforms often rely on direct shipping from Chinese factories with last-mile logistics handled entirely within Mexico. However, companies such as Shein and Temu are leveraging the country's traditional catalog sales market to allow direct Mexican sellers to integrate their catalogs into their sales mix, further expanding the footprint of these marketplaces into last-mile channels. Moreover, these companies are putting increasing pressure on other retail companies with their "local-to-local" strategy, whereby Chinese retailers have begun incorporating Mexican sellers and inventory to reduce shipping times and reliance on imports. This is coupled with the fact that the companies' increasing demand has led to more saturation of delivery networks and last-mile delivery partners in the country.

Supply: fragmented and constrained service

Mexico's parcel and last-mile supply side is being reshaped by rising delivery volumes, fragmented market structures, and the need for greater efficiency. Unlike demand, which has grown in a relatively coordinated manner through large platforms, supply remains constrained by aging infrastructure, limited logistics capacity, and high operational costs. Delivery providers—from large integrators to local players—face mounting pressure to expand networks, optimize delivery models, and integrate new technologies to handle escalating volumes and rising consumer expectations. This fragmentation, combined with rising fuel, labor, and real estate costs, is driving e-commerce giants and omnichannel retailers to diversify how they secure last-mile capacity, blending asset-heavy and asset-light approaches to balance scalability, service reliability, and cost efficiency.

Carrier and provider landscape. The supply base for parcel and last-mile delivery in Mexico remains highly fragmented, shaped by the interplay between international couriers, national networks, and a growing pool of local operators. While international couriers such as FedEx, UPS, DHL, and Estafeta leverage their extensive networks, advanced technology, and strong cross-border capabilities to capture premium and international flows, national providers like Paquetexpress, Tresguerras, and Grupo Traxión compete through cost-effective models and nationwide coverage. Local operators form the most heterogeneous segment. On one hand, asset-light delivery platforms such as Rappi, iVoy, Borzo, and Mensajeros Urbanos leverage digital platforms to enable on-demand, flexible, and customer-centric solutions, reshaping consumer expectations for speed and convenience. 99 Minutos similarly leverages gig-economy drivers, but the bulk of its business relies on its own fleet to provide similar delivery promises. On the other hand, smaller traditional locals focus on regional presence, niche markets, and cost-driven services, but might lack standardized processes and scalable technology.

This fragmentation creates both opportunity and complexity: e-commerce platforms can tailor their delivery mix to balance cost, speed, and coverage, but must also manage a broader supplier base compared to the US. As competition intensifies, differentiation will increasingly hinge on technology adoption, customer service, and the ability to scale beyond regional strongholds.

Delivery models. To navigate this fragmentation, retailers and marketplaces are increasingly adopting a portfolio of operating models that balance scale, flexibility, and cost. Owned fleets and rentals provide control and brand consistency but are capital-intensive and difficult to scale. Transport providers offer cost efficiency and faster scalability with their vans and smaller truck options, but dilute control over service quality and customer experience, often risking SLAs and reducing flexibility. Major e-commerce players tend to make between 20 and 50 percent of their deliveries in owned and rental vans, with the share skewing more heavily toward third-party-owned vans rather than their own. Meanwhile, crowdsourced models are gaining traction for their ability to flex with demand surges at low cost, though execution risk and limited customer experience control remain structural constraints. This share of deliveries can reach up to 80 percent of their volume and includes hatchbacks, sedans, and motorcycles.

Service innovations. In their efforts to cater to evolving consumer expectations and overcome delivery challenges, parcel and last-mile players in Mexico are actively testing alternative models. Intelligent lockers deployed by retailers such as Walmart and Amazon provide secure and efficient delivery options while reducing logistics costs. Drone delivery pilots promise faster, autonomous transport in hard-to-reach or congested areas. Collaborative "places" models leverage local businesses as pick-up points, enhancing community connectivity and expanding coverage at lower cost, with players like Mercado Libre and Amazon leading the way. Traditional retailers such as Walmart and Liverpool are also scaling in-store pick-up networks, optimizing existing infrastructure to improve convenience and reduce wait times. Collectively, these innovations highlight a push toward cost efficiency, greater flexibility, and improved customer experience in a fragmented delivery landscape.

Overcoming challenges

Infrastructure. Mexico's last-mile delivery network faces persistent infrastructure bottlenecks that slow service and raise costs. Roads are deteriorating, with only a quarter rated in good condition, causing delays and higher maintenance expenses for fleets. Urban congestion compounds the problem, with Mexico City among the most gridlocked cities globally, forcing carriers to contend with hours lost in traffic and restricted delivery windows. At the same time, warehouse and cross-docking space is scarce, with vacancy rates in major logistics hubs near historic lows and rents climbing rapidly. This shortage makes it harder to position inventory closer to customers, limiting network flexibility. Together, these issues create a costly and inefficient operating environment for last-mile logistics providers.

Labor. Labor shortages represent one of the most pressing challenges in Mexico's last-mile ecosystem. The Mexican Chamber of Transport has estimated a deficit of more than 50,000 truck drivers nationwide, and while long-haul shortages get more attention, last-mile delivery is increasingly affected by high turnover, long hours, and limited wage competitiveness. This scarcity of reliable drivers creates significant service risks, especially as demand spikes during peak e-commerce seasons. To address this, some companies have begun experimenting with structured retention practices: DHL, iMile, and Estafeta are offering productivity bonuses, vouchers, and digital training programs to build loyalty and reduce attrition. However, driver "blocking" practices on e-commerce platforms—where drivers with histories of cargo theft or misconduct are restricted from future work—further shrink the available labor pool. This problem is compounded with the fact that companies struggle to maintain a high degree of supplier retention. Due to the labor shortage, companies are being forced to work with small providers that have minimal process maturity and technology. Their lack of formality often results in these suppliers constantly changing clients in search of a better price as opposed to building a relationship with major retailers. Nevertheless, the increasingly competitive landscape retailers face forces them to rely on these smaller suppliers. Unless systematically addressed, labor shortages will remain a bottleneck for capacity growth, making workforce strategies a crucial differentiator for carriers.

Seasonality. Another critical challenge companies face in planning their last-mile operations is peak management. Retailers face increases in volume in sale events like "Hot Sale" or "Buen Fin" that can represent up to double what they usually ship. This represents a challenge for two main reasons. The first is that the Mexican market currently lacks sufficient drivers and vehicles to satisfy the demand surge of these events. Companies struggle to secure capacity and often face hefty premiums to their usual suppliers as the demand increase raises prices across the board, and companies compete to keep up short delivery promises. The second is that Mexican labor laws limit their ability to deploy other levers peers in other nations use. Most notably, the use of temporary labor augmentation is subject to stringent regulation. To combat this issue, companies look at ways to improve other facets of their operation, such as shift expansions or in rare cases shared fleets, or opt for finding efficiencies in their transport network like increasing their truck utilization with shipments per route rising up to 30 percent.

Road to sustainability

Sustainability is becoming an increasingly visible theme on the supply side of parcel logistics. Retailers and global platforms are piloting EV fleets and exploring carbon-neutral delivery models to meet consumer expectations and regulatory pressure. However, adoption is uneven, as smaller carriers often lack access to financing and infrastructure (for example, charging networks) required for electrification. The transition will require partnerships, government incentives, and long-term investment to scale sustainably.

2026 outlook

While e-commerce demand is set to continue growing, albeit at a decelerated pace compared to the pandemic boom, the ability of carriers and platforms to meet rising service expectations will remain constrained by structural labor shortages, infrastructure bottlenecks, and increasing competitive pressures. The dual push from global giants like Amazon and Mercado Libre and the expansion of Chinese platforms (for instance, Shein, Temu, AliExpress) is raising the bar for service levels, creating a market where delivery speed, reliability, and cost efficiency are simultaneously non-negotiable.

On the demand side, e-commerce penetration is stabilizing but deepening across demographics. Mercado Libre has continued its expansion with new fulfillment capacity in Querétaro and Monterrey, while Amazon has scaled operations in Mexico City to support next-day delivery across a broader share of the urban population. Meanwhile, Shein and Temu have reinforced their cross-border logistics models by leveraging direct shipping from Asia and gradually integrating Mexican sellers into their platforms, strengthening their foothold in last-mile networks. All of this is in spite of new Mexican regulations that increased tariffs on Chinese minimis (goods under $50 in value) from 19 percent to 33.5 percent as of August 15. Together, these developments underscore a market where volume growth is moderating, but consumer expectations for rapid and low-cost delivery continue to rise.

On the supply side, however, the market will remain highly fragmented, with global integrators, national parcel carriers, and a diverse pool of local providers all competing for share. This creates a delivery ecosystem that lacks consistency, particularly in suburban and rural markets, and forces shippers to manage multiple suppliers to ensure coverage. Labor shortages, rising real estate and fuel costs, and infrastructure bottlenecks will further constrain scalability.

Looking ahead to 2026, parcel growth will likely continue in the high single digits, supported by e-commerce momentum and cross-border flows, but constrained by these structural bottlenecks. The defining trend will not be raw volume expansion but the ability of carriers and platforms to adapt. Players that succeed will be those that digitize operations, orchestrate multi-carrier networks, and adopt innovative delivery models while balancing cost-to-serve discipline.

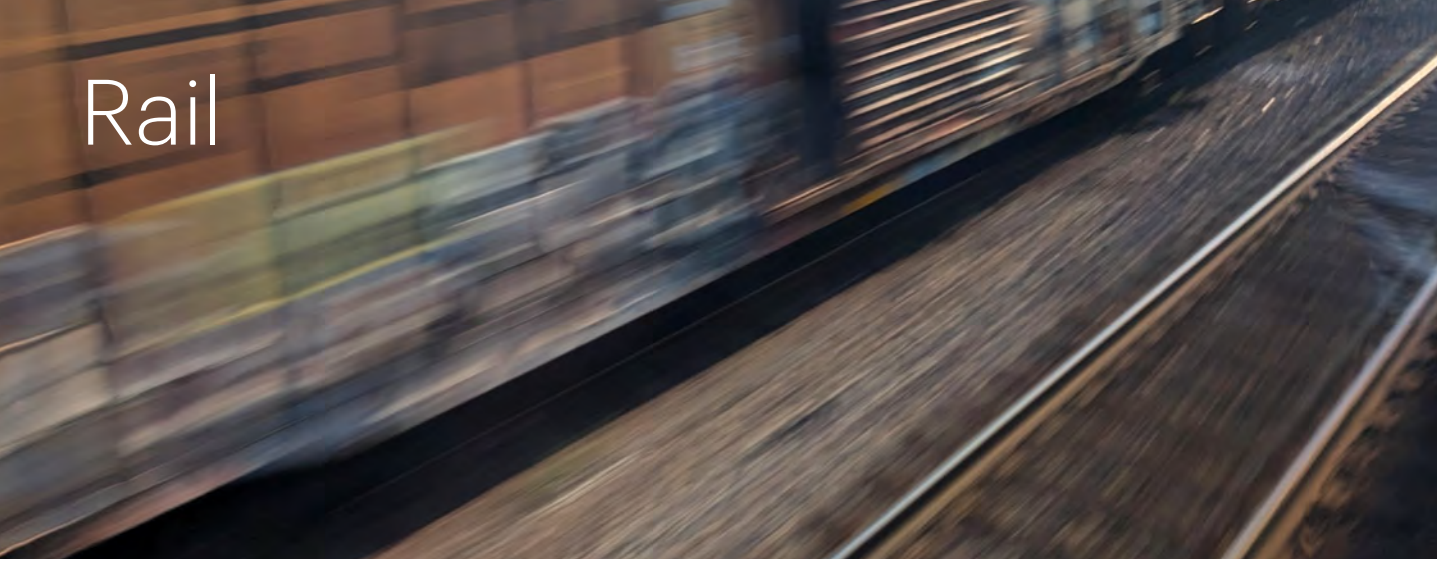
Conclusion

Mexico's parcel and last-mile delivery market is entering a decisive stage. The pandemic-driven boom established a much larger e-commerce base and accelerated digital adoption, but the years ahead will be less about raw growth and more about resolving structural imbalances that threaten profitability and service reliability. On the demand side, consumers and retailers will continue to push for faster, cheaper, and more transparent deliveries, reinforced by the competitive influence of international platforms and the rise of cross-border commerce. On the supply side, however, persistent fragmentation, infrastructure bottlenecks, and a shortage of more than 50,000 drivers create hard limits on scalability.

To compete in this environment, carriers and shippers alike must prioritize adaptation over expansion. This means institutionalizing workforce retention, embedding technology into core delivery operations, and forming strategic partnerships to unlock flexibility and coverage. At the same time, the industry must confront rising sustainability expectations, balancing the capital intensity of electrification with cost pressures.

Ultimately, the winners in Mexico's last-mile delivery market will be those that shift from tactical fixes to structural solutions: those that can build resilient delivery ecosystems, manage costs without compromising service, and leverage innovation to differentiate in an increasingly contested and interconnected market. For shippers, this means sharpening cost-to-serve discipline while continuing to promise convenience. For carriers, success will depend on redesigning networks and service models to compete in a market where agility, reliability, and efficiency matter more than scale alone

Ultimately, the winners in Mexico's last-mile delivery market will be those that shift from tactical fixes to structural solutions.



Rail

Mexico's freight rail sector plays a pivotal role in the country's trade and industrial activity, serving as a backbone for the movement of bulk commodities, manufactured goods, and cross-border flows with the United States. Unlike road transport, which dominates domestic logistics, rail is particularly vital for industries such as automotive, agriculture, energy, and mining that rely on high-volume, long-distance shipments. Its relevance has grown in tandem with nearshoring trends, which continue to redirect supply chains toward North America, making rail an indispensable mode for both imports of raw materials and exports of finished goods (for example, 80 percent of Mexico's auto exports to the US move by rail). Over the past decade, Mexico has invested in modernizing key rail corridors, expanding terminal capacity, and integrating with US networks through players like Canadian Pacific Kansas City (CPKC) and Grupo México Transportes (Ferromex). Yet, challenges remain, including capacity constraints at critical crossings and infrastructure bottlenecks in ports and industrial hubs, all of which will shape rail's ability to capture nearshoring upside in 2026.

2024 market review

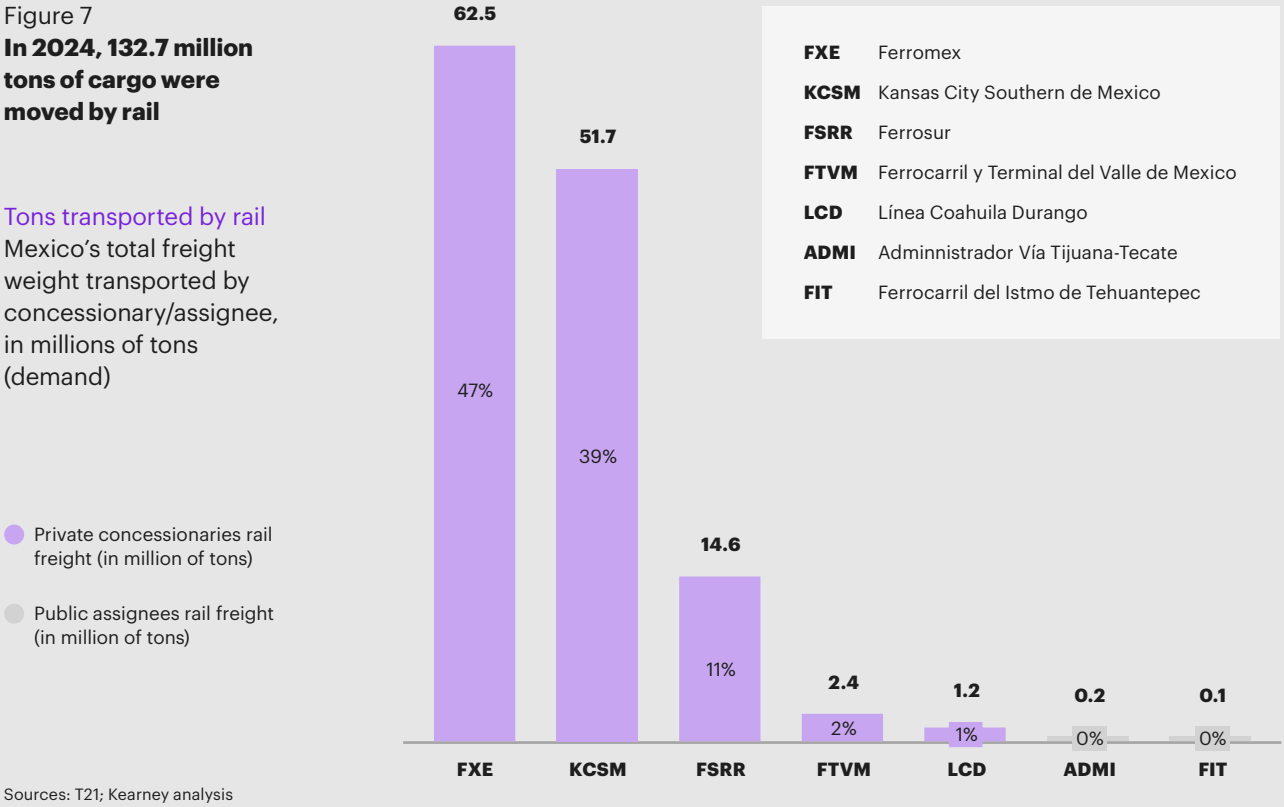
Demand

Mexico's freight rail network is a critical backbone of the country's supply chain, especially for heavy and bulk cargo. Although trucks carry the majority of Mexican freight, rail is indispensable for long-distance shipments of industrial goods, automobiles, energy and agricultural products and minerals. In 2024, 132.7 million tons of cargo were moved through this mode (a 0.9 percent rise over 2023), with 96.0 million tons corresponding to international traffic (up by 2.2 percent) and 36.7 to domestic traffic, which decreased 2.3 percent (see figure 7 on page 26).

That same year, freight rail concessionaires generated total revenues of MXN$89.3 billion (a real increase of 4.1 percent and a nominal increase of around 9.0 percent compared to 2023), while total operating costs rose by 5.5 percent in real terms (or 10.34 percent nominally) to MXN$52.5 billion. The ratio of operating costs and expenses to total revenue increased from 58.1 percent in 2023 to 58.8 percent in 2024, compared to 57.9 percent in 2019.

Figure 7
In 2024, 132.7 million tons of cargo were moved by rail

Tons transported by rail
Mexico's total freight weight transported by concessionary/assignee, in millions of tons (demand)



Sources: T21; Kearney analysis

Rail represented around 14 percent of total tonnage moved across all modes in 2024. It is concentrated on a few major corridors linking US border ports (notably Laredo/Nuevo Laredo, Eagle Pass/Piedras Negras, and El Paso/Juárez) and maritime ports with inland industrial and port facilities. The industry's modest growth in recent years reflects expanding trade and increased nearshoring of manufacturing, particularly in automotive, electronics, and food processing, with some Asian imports entering through Pacific ports (Lázaro Cárdenas, Manzanillo) and moving inland via rail.

During the first half of 2025, 64.1 million tons were transported by rail, representing a decrease of 6.7 percent compared to the same period in 2024, driven by a 22.6 percent drop in domestic traffic and a slight 1.0 percent growth in international traffic.

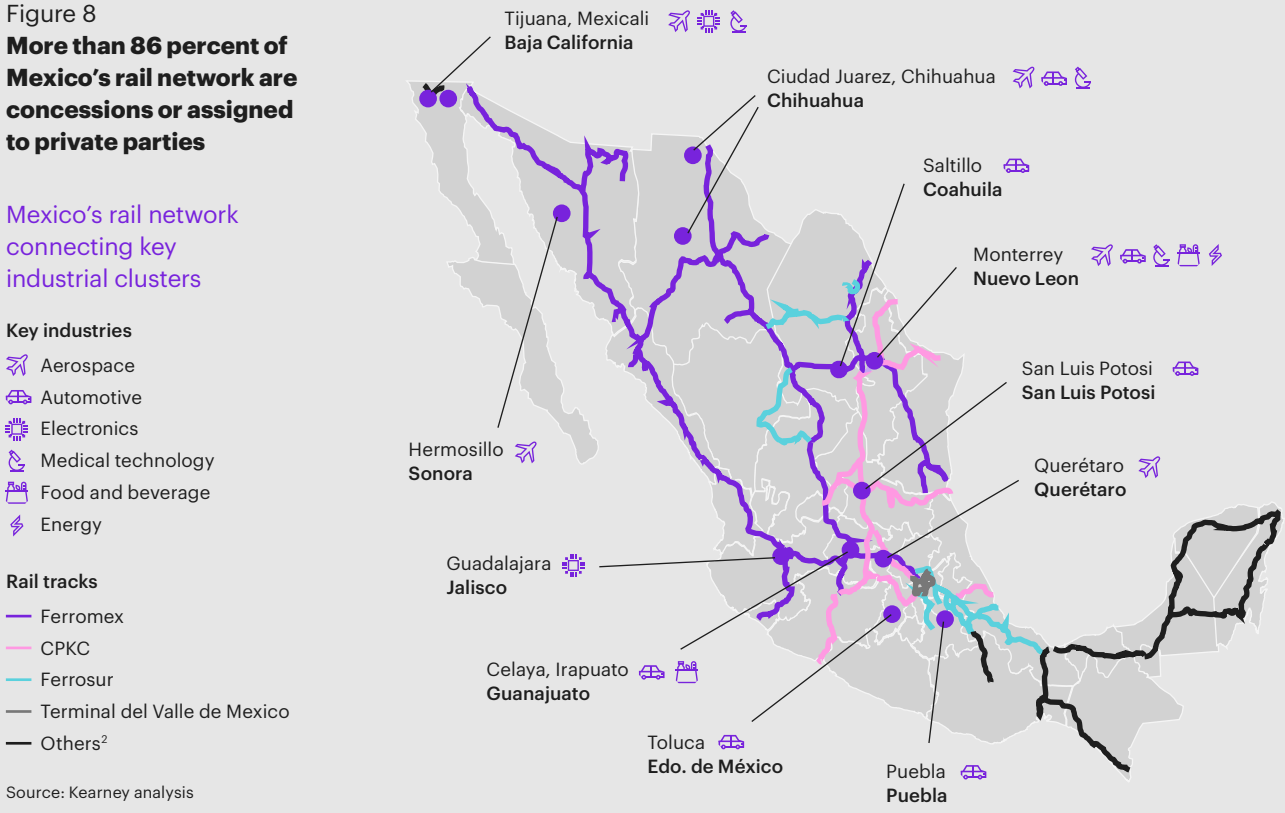
Network capacity and infrastructure

Mexico's rail network spans about 28,864 km of track, of which 86.1 percent (24,851 km) are concessions or assigned to private parties (see figure 8). From 2023 to the end of 2024, 1,132 km were added, mainly through the construction of the Tren Maya in the south. The system operates under a framework of concessions and assignees, where concessions are awarded via public bidding processes to authorize entities to build, operate, and commercially exploit railways, with ownership remaining under federal control. Assignees, meanwhile, are issued by the Secretariat of Infrastructure, Communications, and Transportation (SICT) to state governments, municipalities, and parastatal entities. This structure reflects Mexico's approach of retaining strategic control while enabling both private and public actors to expand services.

The network is largely privately run under long-term concessions and dominated by CPKC (formerly Kansas City Southern de México) and Ferromex, which together handle more than 85 percent of rail freight. Ferromex operates the largest share, connecting northern and central Mexico with US markets. CPKC's 2023 merger created the first single-line rail operator across Canada, the US, and Mexico, a structural shift in cross-border logistics with particular benefits for automotive and intermodal flows.

Figure 8
More than 86 percent of Mexico's rail network are concessions or assigned to private parties

Mexico's rail network connecting key industrial clusters



Source: Kearney analysis

Beyond private operators, the federal government continues to push large rail projects. The Tren Maya, though primarily passenger-oriented, includes freight capability that may open new lanes for agricultural and energy cargo in the southeast. However, most analysts see limited freight viability due to routing, demand, and political drivers. Similarly, the Interoceanic Corridor of the Isthmus of Tehuantepec (CIIT) is positioned as an alternative to the Panama Canal, with investments such as Line K (Ixtepec–Hidalgo, Chiapas) and a new Dos Bocas refinery connection. If integrated effectively, these projects could reconfigure trade by strengthening east–west corridors and creating capacity for containerized freight from Pacific and Gulf ports.

Challenges. Capacity constraints are the defining operational challenge in 2024, notably for the agricultural and automotive industry. In 2024, Mexican carrier Ferromex imposed repeated embargoes on grain cars as demand surged, forcing Union Pacific and BNSF to halt US grain exports to Mexico until congestion eased. Capacity constraints in the rail sector have been visible in the automotive industry as well, which is one of the largest rail-dependent exporters in Mexico. Other issues include security and labor. Mexico saw a rise in rail freight theft in 2024 (4 percent year-over-year increase) with hotspots in Puebla and Guanajuato, prompting carriers to invest more in secure facilities and screening.

Investments

Mexico's rail sector is entering one of its largest investment cycles in decades, driven by both public policy and private capital. Beyond cross-border bridges and industrial park developments, several strategic projects are explicitly designed to incorporate freight flows into broader national infrastructure:

Tren Maya. The new presidential administration committed MXN$157 billion (about $7.6 billion)—35 percent of Mexico's annual infrastructure budget—to expand the current rail network in 2025. While this plan is focused on construction of new passenger train routes, the Mayan Train (1,554 km across the Yucatán Peninsula) will be adapted to accommodate cargo transport as well starting in 2026. The move could help connect Yucatán's agricultural, manufacturing, and port sectors (Progreso, Coatzacoalcos) to national and cross-border markets.

Interoceanic Corridor of the Isthmus of Tehuantepec (CIIT) Network. A new connector between the Dos Bocas refinery and the Roberto Ayala station will integrate one of Mexico's flagship energy projects into the freight network, allowing outbound refined fuels and inbound inputs to move by rail. At the same time, the planned completion of Line K (Ixtepec–Ciudad Hidalgo) will extend the CIIT southward to the Guatemalan border, positioning Mexico to capture future Central America–Mexico–US trade flows.

Private investment. Main concessionaries have also announced large investments in the sector. For example, Grupo Mexico Transportes, controlling Ferromex and Ferrosur concessions, confirmed a 15 percent increase in their annual investment plan, from about $410 million in 2025 to approximately $472 million for 2026. Around 85 percent of the announced investment will be focused on their rail network optimization, across track and equipment, yards and terminals, and special projects including a bypass for Celaya and Monterrey and a safety program. The remaining 15 percent is planned to be allocated for locomotive acquisition.

2026 outlook

Looking ahead, Mexico's freight rail sector enters 2026 with both opportunities and structural constraints. On the demand side, the drop in transported volumes during the first quarter of 2025 showcases that nearshoring continues to generate upside for automotive, steel, and intermodal volumes, though execution risks remain tied to global trade policy shifts, particularly US tariff actions. E-commerce growth also suggests further reliance on inland hubs such as Querétaro, Monterrey, and Guadalajara, which will require additional intermodal and last-mile connectivity.

Overall, 2025 was to be a year of adjustment rather than acceleration, with persistent friction. Rail will remain indispensable for automotive and bulk industries, but its ability to fully capture nearshoring gains will hinge on investment discipline, improved security, and regulatory clarity.

Conclusion

Mexico's freight rail sector is being reshaped by powerful forces. Elevated trade and nearshoring are rapidly increasing demand, while historic underinvestment is being addressed by a slew of new projects and policies. Moreover, bottlenecks in rolling stock, security risks, and competing attention on large new projects have reduced focus on efficiency and optimization of the current network. This lack of alignment poses a risk to the automotive and steel industries, as these depend on rail to function at scale. As 2026 begins, rail will remain strategically critical but operationally challenged. Success will depend on the ability to align state-backed investments such as Tren Maya and CIIT with private-sector capacity enhancements, ensuring that rail continues to anchor Mexico's competitiveness in an increasingly complex trade environment.

Rail's ability to fully capture nearshoring gains will hinge on investment discipline, improved security, and regulatory clarity.

Warehousing

Warehousing has emerged as one of the most dynamic components of Mexico's logistics system, reflecting both the country's role in global supply chains and its evolving domestic consumption patterns. Demand has surged on two fronts: the expansion of e-commerce, which has required large-scale fulfillment and last-mile hubs, and nearshoring, which is driving industrial space absorption in northern border cities and the Bajío corridor. By 2024, vacancy rates in major logistics hubs such as Monterrey, Tijuana, and Ciudad Juárez dropped to historic lows, while rental prices rose at double-digit rates, underscoring the imbalance between demand and available space. Developers, including global and national players (sometimes through FIBRAs, Mexican real-estate investment trusts—REITs—financing income-producing properties), have accelerated construction, often pre-leasing projects before completion. Warehousing is no longer just a storage function; it is becoming a strategic enabler of resilience, network optimization, and customer experience.

2024 market review

Drivers and trends

Mexico's warehousing market continues to be propelled by e-commerce momentum and nearshoring tailwinds. Analysts estimate that between 2023 and 2024, incremental warehousing demand rose by 2.5 million m², with expectations for the creation of 1.1 million warehouse-related jobs this year—a strong indication of the market's ongoing expansion and its economic multiplier effect, tied to both nearshoring and e-commerce growth.

Nearshoring and cross-border

Nearshoring and cross-border remain a potent driver, with national vacancy rates reaching about 2.6 by Q2, 2024, impacted by high occupancy from regions such as Bajío and northern industrial corridors. In 2024, the Bajío region's net absorption was 51 percent higher than in 2023, pushing vacancy rates down to just 3.6 percent—levels not seen before. This nearshoring wave is largely driven by industries like automotive, electronics, appliances, and medical devices, which require extensive logistics space for manufacturing support and cross-dock operations. The cross-border trade dynamic further amplifies demand. With Mexico now the United States's top trading partner, logistics activity along the US–Mexico border is surging. Nearshoring-related investments from 2020–2024 brought more than 1,200 new companies into Mexico's industrial real estate market (about half of them foreign).

Growing e-commerce

The e-commerce boom in Mexico is the second major force reshaping warehouse demand. Mexico's online retail sector has grown at about 20 to 30 percent annually in recent years, and with that growth comes an urgent need for modern fulfillment centers, sortation hubs, and last-mile delivery stations. By 2025, the Mexican market for e-commerce warehousing was valued at $1.01 billion and is projected to reach $1.31 billion by 2030, underscoring confidence in the long-term need for logistics infrastructure to support online shopping. Major e-commerce players are investing heavily in expanding their supply chain networks:

— **Mercado Libre.** Latin America's largest e-commerce platform emerged as Mexico's single largest warehouse tenant in 2024, accounting for about 11 percent of all rented industrial square meters nationwide. In 2025, it committed $3.4 billion in investments (a 38 percent increase from the previous year) to expanding fulfillment networks and supporting high-volume ordering peaks in Mexico.

— **Amazon.** Mexico is now viewed as a regional logistics model for Latin America, with large investments allocated toward fulfillment capacity and faster Prime delivery services. Since its entry into the Mexican market, it has invested more than MXN$110,000 million ($6.3 billion) in its Mexico operations.

— **Shein**. Continuing its aggressive expansion, Shein has been scouting 35,000 m² of warehouse space north of Mexico City—on par with facility size typically used by Amazon and Mercado Libre. This facility is intended to support its marketplace model and improve delivery speed across Mexico.

Emerging operational models

There are two notable trends in Mexico's warehousing: 3PL flexible multi-tenant warehouses and automation. Logistics providers and large 3PL (third-party logistics) operators are increasingly offering "multi-client" warehouse solutions that can serve multiple e-commerce platforms and retail channels under one roof. Flex warehousing solutions that accommodate both Amazon Prime and Mercado Libre from a single location (in this case the same industrial park) are becoming increasingly common. This reflects a push toward omnichannel logistics models that deliver speed and flexibility. Automation is no longer a marginal add-on, it helps improving operational efficiency and minimizing labor risks, including potential and current labor reforms such as transitioning to a five-day work week.

Infrastructure and expansion

Warehouse capacity in Mexico is rapidly evolving, fueled by public incentives, private investments, and strategic infrastructure enhancements. In 2024–2025, industrial park investments surpassed $5 billion, with expectations to reach $6 billion in 2025 alone, reflecting sustained strong demand from nearshoring and e-commerce growth. Mexico's proximity enables faster, cheaper logistics for North American supply chains. Shorter delivery times and reduced reliance on trans-oceanic shipping have made border cities key staging grounds. By late 2024, the eight major manufacturing and logistics metros in northern Mexico accounted for 40 percent of all industrial warehouse leasing activity nationwide.

Northern border and Bajío. These regions are seeing the most aggressive expansion. For instance, a $911 million industrial park project, Natura Park, broke ground in late 2024 in Tijuana (Baja California) to add 24 warehouses over 180 hectares, aimed at cross-border manufacturers. In total, as of late 2024, more than 50 industrial parks were under construction, adding up to 8 million m² of new industrial space across Northern Mexico, Central Mexico, and Bajío regions this year. One initiative (Plan México) even targets the development of 100 new industrial parks with a combined $5 billion investment, focused on key sectors like automotive, aerospace, and logistics. Such initiatives highlight expectation that nearshoring and e-commerce will continue to fuel demand well into 2026.

Developers and FIBRAs. Major developers like Prologis, Vesta, Fibra Uno, Terrafina, and other FIBRAs have accelerated construction pipelines. Fibra Prologis (the largest industrial REIT in Mexico) reported 98 to 99 percent occupancy in its 4.4 million m² portfolio by mid-2024 and has been actively building new space. By late 2024 there were signs of a slight easing: national vacancy nudged up to about 6 percent as a wave of buildings initiated in 2023–2024 were delivered and some leasing cycles slowed. Still, much of the new inventory was snapped up—for example, in Monterrey about 5.7 percent vacancy appeared by early 2025, but this was largely due to new supply and much of it had tenants lined up or in negotiation.

Despite the rapid expansion, infrastructure challenges remain a concern. Many prime regions face power grid constraints, as the surge in industrial facilities has stretched electricity transmission capacity thin. Mexico's aging power grid, especially in fast-growing industrial zones, has become a bottleneck: in one instance, electricity demand nearly exceeded generation capacity, prompting emergency measures by the grid operator CENACE, which stated that more than 60 percent of the national transmission network operates near its maximum capacity, particularly affecting nearshoring-relevant high-demand regions such as Bajío, Nuevo Leon, and northern border states, with outages and voltage instability affecting production schedules and warehouse operations. These issues are being addressed through public–private collaboration (for example, Mexico's state utility CFE announced multibillion-dollar plans to reinforce transmission lines to industrial hubs).

Going into 2026

As of mid-2025, that initial surge in industrial space demand has tempered. The market is entering an adjustment period, partially influenced by current US trade policies and cautious investment behavior. Despite a cooling in vacancy, demand remains fundamentally robust. Nearshoring continues to drive demand in primary hubs like Monterrey and the Bajío. Investments from Mercado Libre and Amazon indicate sustained need for distribution capacity. However, infrastructure limitations—especially in power and connectivity—pose execution risks. The industrial real estate sector will likely stabilize, with moderate rent growth and increasing availability across secondary corridors as supply catches up.

Automation and green development will become key differentiators for logistics providers. Warehouse tenants are increasingly seeking facilities with advanced features—higher clear heights for more racking, modern fire safety, ample loading docks, and energy-efficient designs—while playing a crucial role in reducing labor risks considering current and potential labor reforms. For the Mexican e-commerce warehouse market, fully automated facilities are projected to expand at an 11.80 percent CAGR through 2030, outpacing other technology categories. Automation and sustainability have become key differentiators: developers that offer buildings pre-fitted for automation (with leveled floors, higher floor load capacity, and so on) or that integrate green building elements (solar panels, LED lighting, water recycling) are more likely to attract top-tier clients. Many logistics operators are investing in automation like AS/RS systems, conveyor sorters, and robotics to boost throughput and reduce labor dependence.

Conclusion

Mexico's warehousing market is maturing rapidly, evolving from ad hoc expansion toward a more strategic and sustainable growth phase. The frenetic rush of 2021–2023—driven by e-commerce spikes and nearshoring relocations—is giving way to consolidation, technological modernization, and an emphasis on resilience. The groundwork in terms of physical infrastructure has been laid through billions in investment: modern industrial parks, new highways, and expanded border facilities are coming online to support the logistics ecosystem. Now the focus is shifting to aligning capacity with efficiency. This means ensuring warehouses have the power, connectivity, and skilled workforce needed to operate at full potential, and that new developments are sited where logistics flows can be optimized (for example, near intermodal transport or population centers).

Crucially, the next few years will likely sort out the leaders from the laggards in the logistics industry. Operators that innovate, digitize, and scale up now will outpace those clinging to short-term fixes. Companies that invest in automation, green building practices, and workforce training will reap benefits in cost and service levels, making them more competitive as the market stabilizes. Similarly, developers that build energy resilience (through private power generation or redundant systems) and incorporate smart designs will attract high-quality tenants wary of infrastructure risks. Mexico's government is actively courting further foreign investment, and initiatives like industrial park incentives and trade facilitation will continue to bolster the sector's long-term fundamentals.

Mexican warehousing has transformed into a critical logistics hub—not just for domestic distribution but as a linchpin of North American supply chains. The year 2024 showed that demand can indeed outstrip supply, but 2025 and beyond will be about balancing that equation. With ample opportunities still on the horizon (from new nearshoring projects and growing consumer markets), the sector is poised for steady growth. The coming phase will be characterized by strategic reshaping: right-sizing capacity, upgrading technology, and improving sustainability. Those players that seize this moment to future-proof their logistics networks will solidify their position in Mexico's burgeoning, modern supply chain landscape. The warehouse is no longer a mere storage box in Mexico—it is a cornerstone of economic growth and a key to delivering the next level of customer experience in the region.

Mexican warehousing has transformed into a critical logistics hub—not just for domestic distribution but as a linchpin of North American supply chains.

3PL/freight forwarding

Mexico's third-party logistics (3PL) and freight forwarding sector has become a cornerstone of the country's booming supply chain ecosystem. A powerful nearshoring wave, exemplified by Mexico surpassing China as the United States's top trading partner in 2023, is driving unprecedented cross-border freight flows and manufacturing activity. At the same time, e-commerce is surging domestically. These trends have vastly expanded the role of 3PL providers and forwarders in Mexico's logistics landscape. Today, they are not just movers of goods but strategic partners enabling companies to shorten supply chains, navigate customs hurdles, and fulfill last-mile delivery for a growing consumer market. In an environment of rising demand and complexity, the 3PL/freight forwarding sector is pivotal to keeping Mexico's nearshoring and digital commerce ambitions on track.

2024 market review

The Mexico 3PL market was estimated at $24.14 billion in 2025 (5.7 percent growth vs. the previous year) and is expected to continue this growth trend and reach $31.9 billion in 2030. 3PL providers in Mexico are seeing robust demand both in the international arena (cross-border and overseas freight) and domestically, as clients large and small outsource logistics to handle growing volumes and specialized requirements.

Domestic and international demand

Robust trade and sectoral demand. The nearshoring boom has translated into surging demand for cross-border logistics services. Major industries like automotive, consumer goods, and electronics—all investing heavily in Mexican production—rely on 3PLs to move parts and finished products efficiently. For example, automotive manufacturers (from US, European, and increasingly Asian firms) have doubled down on Mexican plants, contributing to record export volumes. These firms depend on freight forwarders for just-in-time delivery of components and cross-border distribution of vehicles and parts. Likewise, electronics and technology companies clustered in Baja California and beyond are scaling up shipments, requiring sophisticated handling and customs brokerage for high-value goods. On the consumer side, big retail and FMCG brands are driving up domestic 3PL demand as they expand regional distribution centers and e-commerce fulfillment networks.

Domestic logistics upswing. Within Mexico, freight activity is buoyant thanks to economic recovery and e-commerce expansion. Retail e-commerce sales jumped roughly 20 percent in 2024, meaning more inventory to store and more packages to deliver nationwide. 3PLs report strong growth in domestic transport and last-mile deliveries for sectors such as retail, groceries, and even construction supplies. Some online sellers and small- to mid-sized omnichannel retailers are leaning on logistics partners for warehousing, pick-and-pack, and final delivery to consumers. Even traditionally B2B industries (construction, pharmaceuticals, and so on) are adopting advanced 3PL solutions for timely deliveries.

Competitive landscape

Mexico's 3PL and freight forwarding sector is a mix of major global logistics firms and strong local players, all scaling up to seize opportunities from nearshoring and e-commerce. Some of the key competitors in the market include:

DHL Supply Chain. As the contract logistics arm of DHL, it is one of the largest 3PLs in Mexico. DHL Supply Chain has aggressively expanded capacity in response to nearshoring, opening a new logistics campus of more than 200,000 m² in the State of Mexico, adapted to cater to multiple operations, including interplant services, manufacturing, packaging, and just-in-time operations.

Kuehne+Nagel. The Swiss-based logistics giant has a significant presence in Mexico, focusing on international forwarding and integrated logistics. In the nearshoring context, Kuehne+Nagel has intensified its cross-border strategy, opening and expanding facilities at key transit points. It recently doubled its cross-dock capacity in Laredo, Texas, and opened a new 363,000-square-foot logistics facility in El Paso to support US–Mexico trade.

Traxión. A homegrown success, Traxión has become Mexico's largest logistics and mobility company, known for consolidating several trucking, busing, and 3PL brands (for example, Grupo SID, and most recently Solística in July 2025). Traxión's strategy is to leverage nearshoring by providing end-to-end domestic logistics for new entrants, from shuttling components between border factories and interior plants, to managing distribution centers and final delivery. The company's expansion into the US is notable: it opened a cross-dock center in San Diego in late 2024 to facilitate cross-border flows to California.

Estafeta. Estafeta has long been a leading Mexican parcel and logistics company, operating a nationwide package delivery network (with hubs, ground fleet, and a cargo airline). Recognizing the growing parcel market and nearshoring needs, UPS announced in mid-2024 an agreement to acquire Estafeta. UPS's intention to acquire Estafeta is a vote of confidence in Mexico's role as a logistics hub, leveraging Estafeta's capabilities on B2C parcel delivery, contract logistics, and LTL shipping. However, in September of 2025 it was announced that UPS and Estafeta did not manage to reach an agreement, and the acquisition fell through.

Other key players. DP World (a global ports operator) is a newer entrant in Mexican logistics but is expanding fast—beyond its port terminal in Baja California, it's now building the freight forwarding footprint as seen with the Mexico City hub launch. DSV (Danish 3PL) has grown in Mexico via acquisitions globally (UTi, Panalpina, and most recently DB Schenker) as well as partnerships—for instance, in 2024 DSV partnered with a local firm (Integrated 3PL) to bolster cross-border services. On the parcel side, FedEx operates a sizable domestic and cross-border network (FedEx acquired multiple Mexican courier firms in past years) and remains a strong rival in express shipping.

The competitive dynamics are thus characterized by consolidation and investment. Global 3PLs are investing heavily to capitalize on Mexico's growth (for example, DHL building new sites, UPS looking at M&A opportunities with local players), while local champions like Traxión are consolidating to achieve scale and technological prowess. This is generally benefiting customers, who now have access to world-class logistics capabilities domestically. At the same time, competition is pushing providers to innovate (in services and IT) and to operate efficiently to manage costs.

Evolving services and offerings

In response to client needs, 3PL providers in Mexico have broadened their scope of value-added services beyond basic transportation. Modern 3PLs function as one-stop logistics partners, offering integrated solutions such as warehousing, customs clearance, order fulfillment, and last-mile delivery—all tailored to improve supply chain efficiency.

Warehousing and inventory management. Leading 3PLs now operate extensive warehouse networks for clients, managing everything from raw material storage to finished goods distribution. Warehouses often include value-add operations such as packaging, kitting, and quality inspections. Many are strategically located in industrial clusters (Monterrey, State of México, Guadalajara, Tijuana, and so on) to enable just-in-time deliveries to factories or fast fulfillment to consumers. Multi-client distribution centers (such as DHL's new sites) allow companies arriving via nearshoring to quickly establish local inventory without heavy capex.

Customs brokerage and trade compliance. Cross-border trade growth has made customs clearance services a core offering of Mexican 3PLs. Providers employ in-house customs brokers or partner with agents to handle import/export documentation, duties, and regulatory compliance for their clients. This includes managing USMCA certificates of origin (critical for automotive and electronics exports to qualify for tariff-free entry) and ensuring goods clear Mexico's customs efficiently. The new DP World logistics hub, for instance, offers dedicated customs brokerage alongside freight forwarding—a reflection that shippers value end-to-end handling of border formalities.

Fulfillment and last-mile integration. The e-commerce boom has pushed 3PLs into offering order fulfillment and last-mile delivery solutions. Companies that lack their own e-commerce logistics can outsource to 3PLs that will pick, pack, and ship online orders from fulfillment centers, and even manage returns (reverse logistics). Many 3PLs now run omnichannel distribution operations, syncing inventory for both retail and online channels. Some have deployed technology for warehouse automation and fast parcel sortation to handle the spike in B2C volumes. On the last-mile front, providers either partner with courier networks or, in some cases, operate their own delivery fleets.

Digital transformation of 3PLs

Digitalization is emerging as a defining lever for Mexico's logistics sector, with 3PLs and freight forwarders increasingly investing in visibility platforms, automation, and predictive analytics to orchestrate fragmented supply chains. Players like Ryder are expanding the use of RyderShare™, a digital control tower platform that allows shippers on both sides of the border to track cargo in real time, optimize routes, and reduce dwell times—particularly relevant along congested crossings such as Laredo. Similarly, Traxión has introduced telematics and IoT-enabled fleet management tools across its trucking and warehousing operations, integrating predictive maintenance and real-time driver performance monitoring.

These upgrades are not simply technological add-ons: they are becoming prerequisites for meeting the growing expectations of multinational shippers that require transparency, service reliability, and end-to-end traceability in Mexico's increasingly complex logistics environment.

Outlook for 2026 and beyond

As of mid-2025, Mexico's 3PL and freight forwarding sector is balancing strong demand with intensifying structural constraints. Nearshoring continues to drive high volumes in automotive, electronics, and consumer goods, and cross-border trade with the US remains the core growth engine, leading shippers to rely more heavily on integrated 3PL networks to secure reliable and agile service. The outlook for the years ahead can be summarized as a mix of high opportunity and execution pressure.

On the demand side, the pipeline of nearshoring investments announced in late 2024 is translating into new freight flows, particularly in the automotive and electronics sectors, while double-digit e-commerce growth sustains the need for fulfillment centers, last-mile support, and parcel forwarding.

At the same time, costs and constraints are becoming more pronounced. Border congestion, tight warehousing capacity in hotspots like Monterrey and Tijuana, and persistent labor shortages are already shaping 2025 operations. Rising wages and security costs are squeezing smaller providers, accelerating consolidation as only larger players have the scale to absorb or pass on these pressures.

Geopolitics is emerging as the sector's biggest wild card. Ongoing US scrutiny of Chinese goods routed through Mexico has sparked talk of adjustments to USMCA rules and stricter origin verification, which could complicate compliance for freight forwarders. New security protocols introduced at border crossings in response to fentanyl smuggling concerns have also extended dwell times.

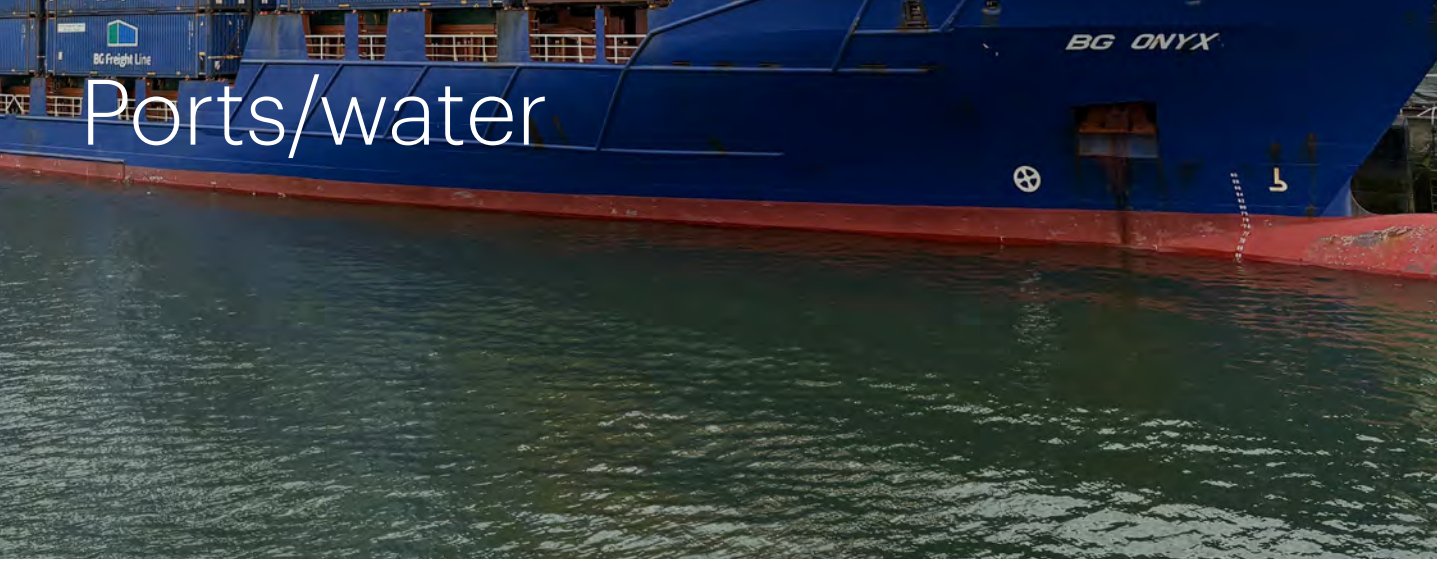
Overall, the outlook for Mexico's 3PL and freight forwarding industry is optimistic in terms of demand growth. There is a broad consensus that Mexico will play an expanding role in regional and global supply chains in the coming years, given the structural shifts under way. Those that can scale up quickly, invest wisely in technology and facilities, and manage the operational challenges will capture outsized opportunities in a market that is becoming more sophisticated and geopolitically sensitive. Those that lag in service quality or fail to adapt risk being sidelined in an increasingly competitive environment.

Conclusion

The evolution of Mexico's 3PL and freight forwarding sector since 2024 underscores both tremendous opportunities and important execution challenges. On one hand, nearshoring and e-commerce have opened a golden window for logistics providers: volumes are growing, new customers are arriving, and the value of integrated supply chain services has never been higher. 3PLs and forwarders are stepping up—expanding infrastructure, broadening services, and digitizing operations—to solidify Mexico's status as a logistics powerhouse in North America. This sector is increasingly a critical enabler of Mexico's economic trajectory, ensuring that factories run on schedule and consumers get their goods on time.

Capitalizing on this momentum requires navigating a landscape with many moving parts. Companies must manage constraints in infrastructure, meet stricter regulatory demands, and invest in talent and technology—all while keeping costs competitive. The competition is intense, between global giants and agile local firms, which drives continuous improvement but can squeeze margins. Furthermore, external factors like trade policy shifts or macroeconomic conditions can rapidly influence the business environment.

3PLs and freight forwarders in Mexico will need to focus on execution excellence: employing data-driven decision-making, forging strong partnerships (with carriers, tech providers, government), and maintaining flexibility to adjust routes or services as conditions evolve. If they do so, the prize is substantial—a central role in North American supply chains and sustained growth as Mexico's economy and trade reach new heights.



Ports/water

Mexico's maritime sector is a cornerstone of its trade and logistics system, handling nearly a third of the country's total freight volumes and serving as the principal gateway for international commerce. With more than 100 ports and terminals distributed across the Pacific and Gulf coasts, the system underpins the movement of manufactured exports, agricultural products, energy commodities, and inbound raw materials that sustain the economy. The Pacific coast, anchored by Manzanillo and Lázaro Cárdenas, connects Mexico to Asia and supplies critical inputs for industrial clusters in the Bajío and northern regions. The Gulf coast, led by Veracruz and Altamira, supports automotive exports, energy flows, and trade with the US and Europe. Despite this centrality, Mexico's port system faces persistent pressures: rising container flows, capacity bottlenecks, and governance challenges. How effectively the country modernizes its maritime infrastructure and integrates it with inland logistics will be decisive for leveraging nearshoring and sustaining competitiveness in 2026 and beyond.

2024 market review

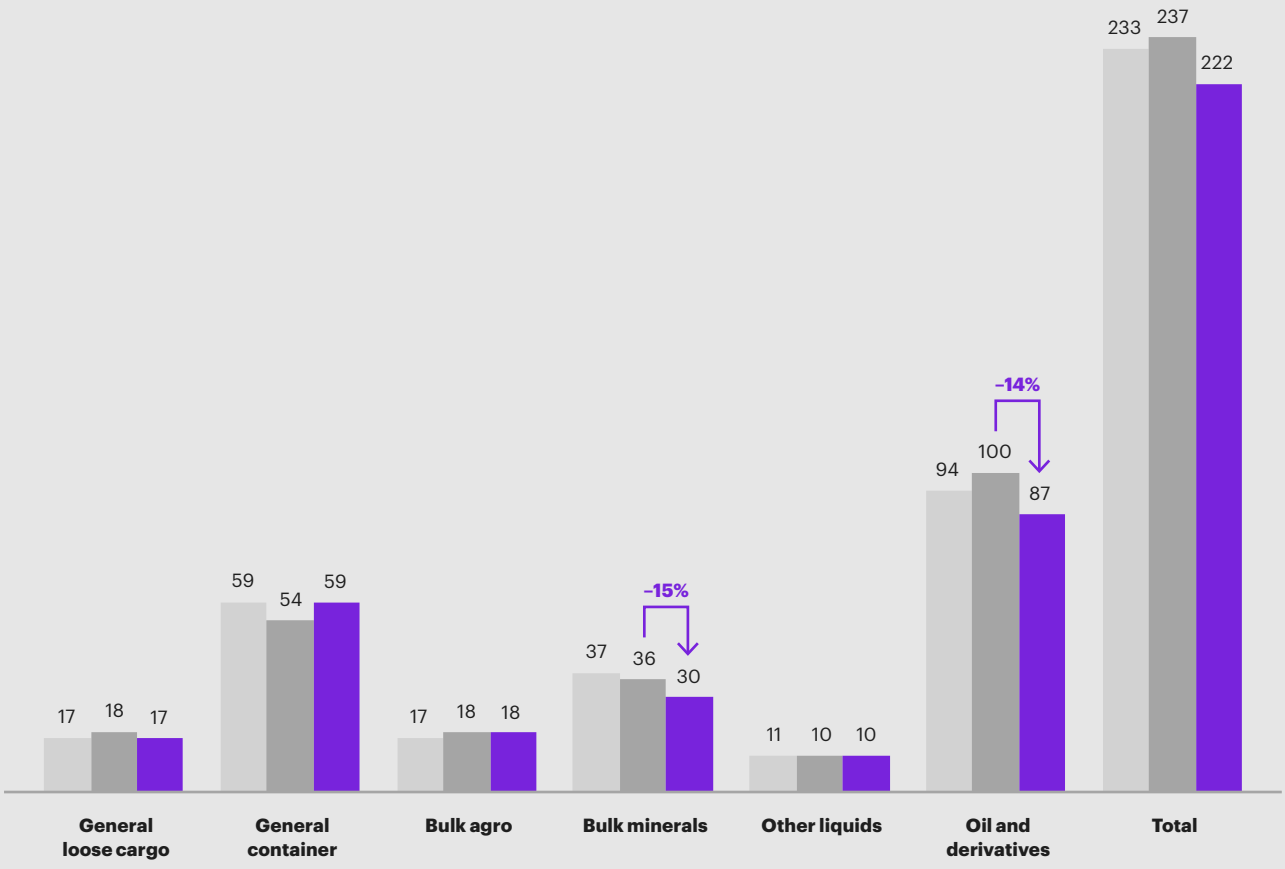
Demand

With 272.6 million tons handled in 2024 (a 7.3 percent decline vs. 2023), maritime transport accounted for 28 percent of Mexico's total cargo flows, making it the second-most important mode after road transport (see figure 9 on page 39).

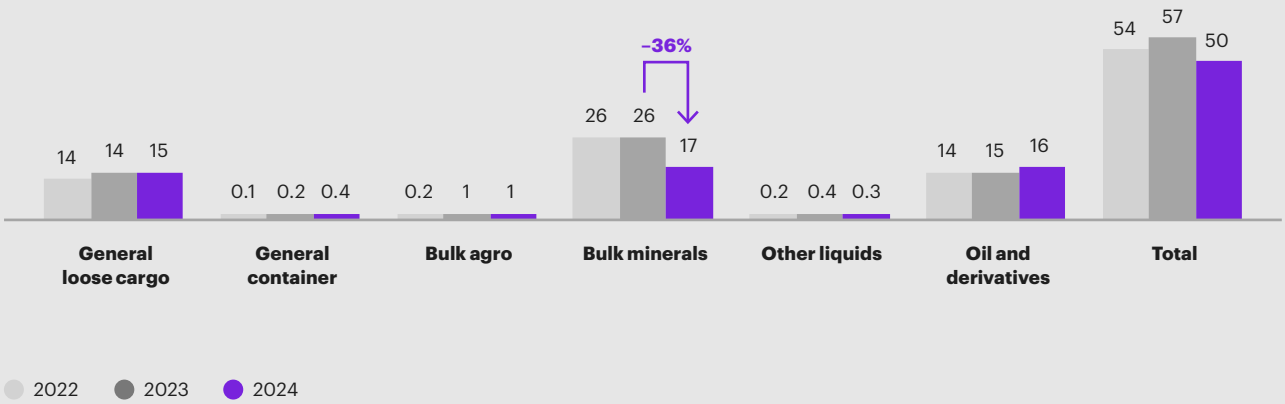
The contraction was concentrated in seaborne trade, which represents more than 80 percent of maritime demand, reflecting Mexico's structural dependence on ocean gateways for international commerce. Importantly, this volume is primarily outbound and inbound international trade, rather than domestic cabotage. The Pacific and Gulf coasts play complementary roles: Pacific ports handled 45 percent of volumes, led by Manzanillo and Lázaro Cárdenas, which anchor containerized imports from Asia and distribute inputs into Mexico's industrial corridors. The Gulf coast accounted for 55 percent, with Veracruz and Altamira serving as key gateways for US, European, and energy-related trade, particularly oil, gas, and bulk commodities.

Figure 9
Maritime transport was Mexico's second-largest mode in 2024

Mexico's total deep-sea weight transported by load type, in millions of tons



Mexico's total cabotage weight transported by load type, in millions of tons



Source: Kearney analysis

The decline in volumes continued into 2025 with reductions of total volume by 7.9 percent (YTD, year over year), driven primarily by bulk cargos, especially exports of minerals (-13 percent) and petroleum and derivatives (-14 percent), which together represent about 50 percent of Mexico's seaborne exports. For example, lower shipments of iron ore through Pacific ports and reduced oil derivatives on the Gulf (Veracruz, Dos Bocas) weighed heavily on total tonnage. This reflects both external demand headwinds, such as slower Chinese steel production curbing iron ore demand and global energy price adjustments lowering crude export flows, as well as domestic supply constraints from PEMEX output declines. This divergence underscores how ocean freight is sensitive to commodity cycles—volatile mineral and oil markets led the downturn, while the manufacturing-led containerized trade stayed resilient, supported by steady nearshoring and consumer demand.

Infrastructure

Mexico's port system is the backbone of its maritime logistics, structured along the Pacific and Gulf coasts to serve distinct industrial and trade needs. Manzanillo, Lázaro Cárdenas, and Veracruz are the country's strategic anchors for containerized cargo, linking Asian inputs and automotive supply chains with US and European demand. Ensenada, Acapulco, and Veracruz are central to the roll-on/roll-off (RoRo) market, facilitating automobile exports from Mexico's auto belt. Meanwhile, Tuxpan, Tampico, Salina Cruz, and Coatzacoalcos remain crucial oil and petroleum hubs, handling refined products and crude flows essential for both domestic energy supply and export markets. This segmentation highlights how infrastructure is not only about volumes but about aligning port specializations with Mexico's evolving trade profile: container gateways for nearshoring, car carriers for the auto industry, and bulk terminals for energy (see figure 10).

Figure 10
Mexico's port system is the backbone of its maritime logistics

Major Mexican ports by segment

Note: RoRo is roll-on/roll-off.
Source: Kearney analysis

Capacity

Despite overall volume declines, number of TEUs handled reached an all-time high of 9.375 million TEUs (12 percent increase) in 2024 and has grown an additional 2.6 YTD, out of which 99.02 percent (9.28 million TEUs) corresponded to international traffic (exports and imports), equivalent to 59.1 million tons of containerized cargo, a 10.8 percent year-on-year increase. The main ports (Manzanillo, Lazaro Cardenas, Altamira, and Veracruz) handled 91.2 percent of all international container traffic, reflecting high dependence on a few logistical nodes and the growing threat of saturation.

Beyond throughput figures, Mexico's port capacity is closely tied to the industrial geographies it supports. The Pacific gateways—chiefly Manzanillo and Lázaro Cárdenas—anchor supply chains for the Bajío and central Mexico, handling electronics, auto parts, steel, and containerized imports from Asia, while also serving as key outlets for vehicle and metals exports. On the Gulf side, Veracruz and Altamira cater to a different mix: automotive exports, petrochemicals, agricultural bulk, and European/US trade flows. Veracruz continues to be the principal hub for the auto industry's northbound logistics, while Altamira has consolidated its role in energy and heavy industry shipments. Across both coasts, containerized cargo is increasingly prioritized as the backbone of Mexico's trade flows, reflecting its central role in supporting nearshoring supply chains and explaining why container volumes continue to rise even as overall tonnage contracts. This division of roles underscores how the port system is functionally segmented: the Pacific coast feeds Mexico's manufacturing clusters with inputs and exports finished goods to Asia, whereas the Gulf coast connects Mexico's industrial and energy economy to North America and Europe.

Challenges

Security. Cargo theft and smuggling continue to strain operations. Ports like Manzanillo are high-risk zones, compromising both cargo security and port governance. Compounding this, a UN anti-fentanyl precursor screening program at Manzanillo was stalled due to aid freezes, creating vulnerabilities in cargo inspection.

Capacity constraints. Mexico's main container hubs are already operating near their limits, with Manzanillo especially strained by rising traffic. Although capacity expansions are planned and construction is progressing, improvements are uneven and the distribution of volumes between Pacific and Gulf ports remains lopsided. Beyond physical capacity, lengthy customs procedures add more friction. Container dwell times could potentially increase, driven by limited staffing, regulatory backlogs, and frequent inspections. For shippers, these procedural delays often outweigh handling constraints in their impact on service reliability and inventory costs.

Weather conditions. While episodic, weather remains a disruptive risk. The Gulf ports of Veracruz and Altamira face recurring storm-related closures, while Pacific terminals like Manzanillo are exposed to hurricanes that have historically damaged infrastructure and halted operations. With climate volatility rising, weather resilience will be an increasingly critical factor in sustaining throughput.

Investments

Mexico's maritime sector is entering one of its most significant investment cycles in decades, combining national modernization plans with flagship port expansions and the transformative CIIT corridor.

Governments Port Modernization Plan. On July 23, 2025, the Government of Mexico, through the Ministry of the Navy, announced a federal investment of 55,179 million pesos (MXN) for the modernization and expansion of six strategic ports: Ensenada; Manzanillo and Nuevo Manzanillo; Lázaro Cárdenas; Acapulco; Veracruz; and Progreso. The program is designed to increase container throughput and cruise capacity, while enhancing overall competitiveness. For Puerto Progreso, the objective is to position it as the leading hub of the Yucatán Peninsula, boosting its role in both regional trade and tourism.

Manzanillo strategic expansion. The Navy-led enhancement of Manzanillo stands out as the centerpiece of Mexico's port strategy. The plan seeks to more than double current throughput and elevate the port into Latin America's busiest container hub, with capacity for 10 million TEUs per year. This initiative is closely aligned with the government's *Plan México* industrial revitalization strategy, linking port expansion directly to the growth of domestic manufacturing and nearshoring.

Interoceanic Corridor (CIIT) project. At the same time, the CIIT is being positioned as one of Mexico's most transformative port–rail integration projects, reshaping east–west maritime trade. By linking the Pacific port of Salina Cruz with Coatzacoalcos on the Gulf via a rehabilitated rail corridor, and extending connections to Dos Bocas and Puerto Chiapas, CIIT offers an alternative to the Panama Canal for certain container and bulk flows. Its scope extends beyond infrastructure: the project incorporates 10 *Polos de Desarrollo para el Bienestar* (PODEBIS), industrial parks averaging 300 hectares each, supported by fiscal incentives and more than $4.5 billion in committed investment. These industrial anchors are designed to stimulate new export flows and tie port activity directly to nearshoring-related production.

The CIIT thus represents a structural pivot in Mexico's maritime strategy. If executed effectively, it could diversify traffic away from saturated northern ports, shorten east–west shipping times, and unlock economic development in underutilized southern regions. Its success will depend not only on the completion of rail and port works but also on the integration of industrial parks and sustained collaboration with private operators and local communities.

Mexico's maritime sector is entering one of its most significant investment cycles in decades.

2026 outlook

Mexico's ocean freight sector enters 2026 at a critical juncture: demand is contracting, while structural pressures around port capacity, governance, and hinterland connectivity persist. On the demand side, global trade headwinds are expected to keep growth muted in the near term. After cargo volumes fell in 2024 and early 2025, the short-term trajectory for seaborne trade remains uncertain, particularly given tariff tensions between the US and China and their indirect effects on Mexico's role as a re-export platform. Container flows, however, are likely to remain more resilient, supported by e-commerce imports from Asia and sustained export activity in automotive, petrochemicals, and consumer goods.

On the supply side, 2026 will be marked by an attempt to rebalance capacity. Investments in port modernization and the CIIT corridor signal Mexico's intent to expand throughput and reduce dependence on a handful of overburdened gateways like Manzanillo and Veracruz. Yet, these projects will take years to materialize, and in the interim, congestion risks will remain elevated. The May 2025 disruption in Manzanillo exposed the fragility of current operations, underscoring how quickly localized bottlenecks can ripple through national and cross-border supply chains.

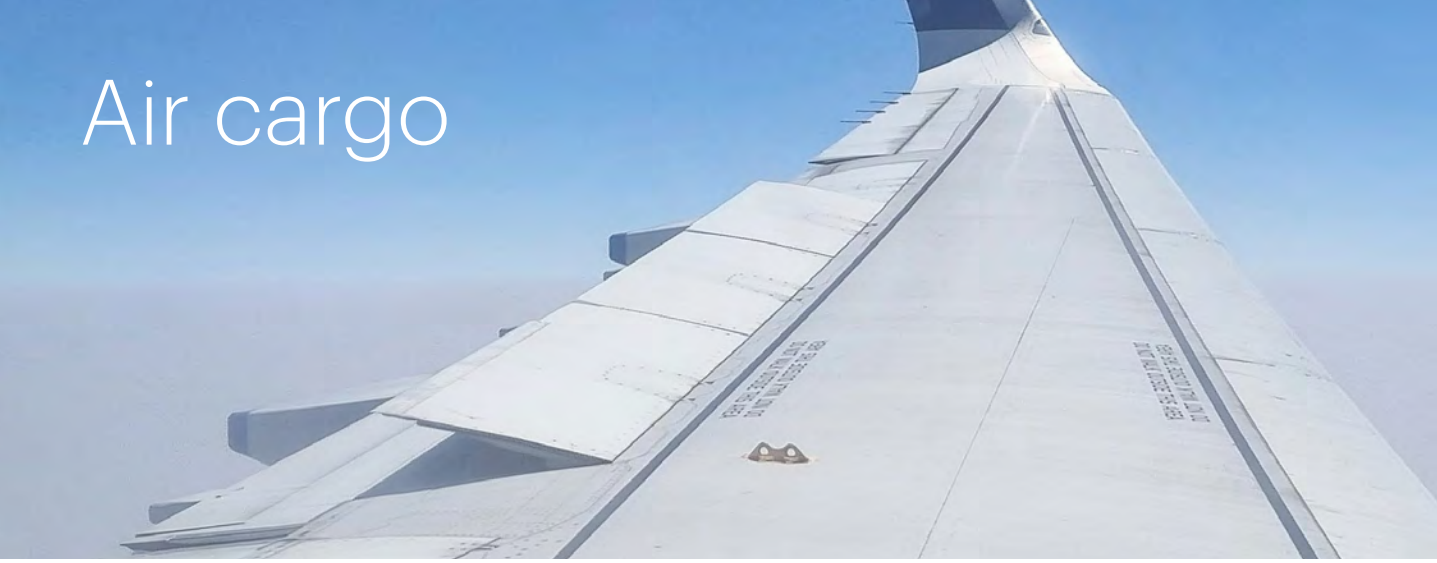
Security and governance challenges will continue to weigh on performance. Cartel-linked cargo theft and smuggling remain endemic in high-volume ports, raising both insurance and operational costs. Meanwhile, tighter US customs protocols—particularly around fentanyl precursor screening—are slowing clearance and adding uncertainty to bilateral flows. These risks amplify the importance of hinterland infrastructure: without significant improvement in road and rail connectivity from ports to industrial hubs, Mexico will struggle to translate new port capacity into real logistics resilience.

Overall, 2026 will be a year of transition for Mexico's maritime sector. Volumes are unlikely to fully recover to 2023 levels, but a bottoming-out of the current decline and incremental gains in containerized trade are expected. The key test will be execution: whether federal port investments, CIIT integration, and industrial park development can move beyond announcements and begin to relieve systemic bottlenecks. For shippers, the environment will demand diversification—using both Pacific and Gulf gateways, building redundancy into supply chains, and forming closer partnerships with carriers and port operators. For Mexico, success in 2026 will be less about growth rates and more about demonstrating progress toward a modernized, secure, and resilient maritime network capable of supporting the country's nearshoring ambitions.

Conclusion

Mexico's ocean freight sector remains a cornerstone of its trade competitiveness, carrying nearly a third of all cargo flows and serving as the primary gateway for international commerce. Yet the events of 2025 exposed the fragility of this system: volumes declined despite nearshoring momentum, bottlenecks at Manzanillo underscored the risks of concentration, and security incidents continued to raise operational costs. These vulnerabilities have amplified the urgency of investment. Port modernization projects, the expansion of Manzanillo, and the CIIT corridor's integration of east–west maritime trade represent ambitious attempts to rebalance flows and create redundancy in the system.

Air cargo



Mexico's air cargo sector is in the midst of a strategic realignment, shaped by regulatory shifts and the reconfiguration of trade flows. The government's 2023 decision to ban freighter operations at Mexico City's AICM displaced a large share of volumes to alternative hubs such as Felipe Ángeles (AIFA), Guadalajara, and Querétaro, accelerating their role as primary cargo gateways. This redistribution coincides with the surge in cross-border e-commerce and the growing import of manufacturing components tied to nearshoring, which are transforming the mix of commodities moving by air. At the same time, tighter US customs scrutiny and tariff uncertainty are altering Mexico–Asia flows, while infrastructure investments at secondary airports are laying the groundwork for long-term growth. Together, these dynamics reflect an air freight market under both strain and opportunity—forced to adapt quickly but well positioned to capture new demand if capacity and connectivity keep pace.

2024 market review

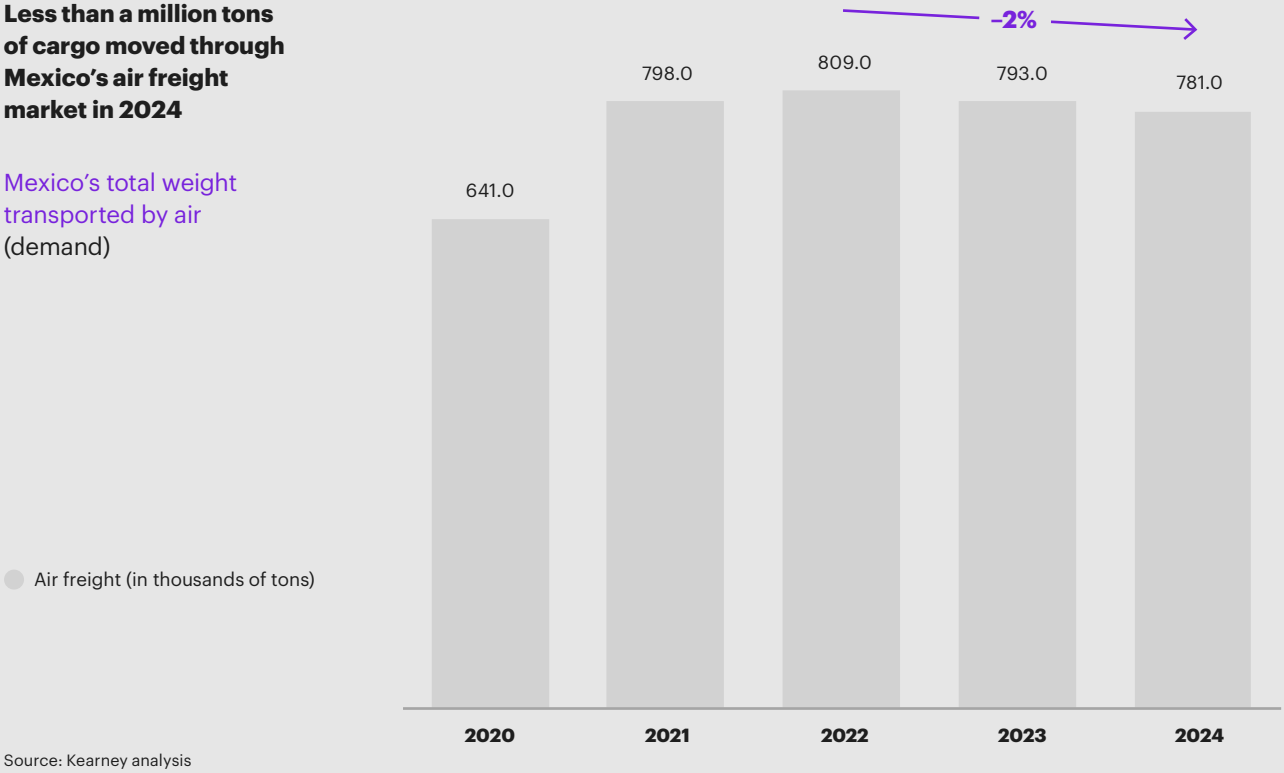
Demand

Mexico's air freight market has shown little momentum in recent years, with throughput largely stagnant after the volatility of the pandemic, with less than a million tons of cargo moved through this mode in 2024, representing approximately 1 to 3 percent of total cargo across all modes (see figure 11 on page 45). This flat trend underscores the limits of Mexico's air cargo expansion. While nearshoring and e-commerce have generated new flows, aggregate tonnage has not accelerated. The sector remains concentrated in time-sensitive imports, particularly automotive components, electronics, and pharmaceuticals, alongside fast-rising volumes of cross-border e-commerce parcels. Overall, air cargo volumes have simply regained their 2019 levels without breaking out into sustained growth. Even so, structural developments are reshaping the landscape. New infrastructure (like the Felipe Ángeles airport) and policy shifts are redistributing cargo flows, and stakeholders are positioning for potential future gains.

Figure 11

Less than a million tons of cargo moved through Mexico's air freight market in 2024

Mexico's total weight transported by air (demand)



Source: Kearney analysis

Capacity and infrastructure

Mexico's air cargo infrastructure underwent several changes from 2020 through 2024, with a mixed impact on volumes and efficiency. A major development was the reconfiguration of airport roles in the Mexico City region. In 2023, a presidential decree banned dedicated cargo flights at Mexico City's Benito Juárez International Airport (AICM)—the country's busiest airport—forcing freighter operators to relocate, predominantly to the new Felipe Ángeles International Airport (AIFA) at Santa Lucía. This policy shift dramatically reshaped cargo flows. AIFA, which opened in 2022, suddenly became the nation's leading cargo airport in 2024, handling about 447,000 tons (domestic + international)—a 140 percent increase over the previous year. While this alleviated capacity constraints at AICM, it did not create new cargo demand—it simply relocated it. In the short term, the transition caused some inefficiencies, with combination carriers like Lufthansa having to split operations between airports.

Beyond the capital, other airports have expanded their cargo capacity and infrastructure, responding to both the Mexico City shift and regional demand. Guadalajara (GDL)—the leading hub for transborder freighter flights—invested in upgrades to maintain competitiveness. These investments aim to support the high-value industries around Guadalajara (electronics, automotive, perishables) and help GDL capture future growth, especially with nearshoring bringing new production lines to Jalisco.

Meanwhile, Querétaro International Airport (AIQ) has emerged as a strategic cargo hub, particularly for integrators and domestic distribution. In 2024, DHL opened a new domestic parcel hub at Querétaro's cargo terminal, leveraging the airport's central location for e-commerce fulfillment. Other regional airports like Monterrey (MTY) and Toluca (TLC) have also carved out roles: Guadalajara remains the top gateway for US–Mexico freighter flights, but MTY, Querétaro, and Toluca all handle relevant all-cargo operations serving domestic and cross-border supply chains.

The balance between belly capacity and freighter capacity is a crucial aspect of Mexico's air freight infrastructure. Mexico relies heavily on dedicated freighter aircraft for much of its cargo traffic, especially in servicing the United States. Freighters (operated by integrators like FedEx, UPS, DHL, and cargo airlines) carry about 64 percent of the total US–Mexico air freight tonnage, with Aeromexico leading the transborder belly hold segment. With the post-pandemic recovery of passenger flights, belly cargo capacity increased, helping overall capacity, albeit unevenly distributed: Mexico City's AICM now handles only belly cargo and saw a sharp drop in total volume. The current infrastructure strategy is somewhat fragmented, with multiple airports sharing the cargo load. This has ensured there is no acute lack of capacity—in fact, new facilities like AIFA are underutilized after absorbing the shifted traffic—but it also means logistics providers must navigate a more complex network of hubs.

A turbulent 2025

Mexico's air cargo sector faced a real and measurable setback in early 2025, which is unlikely to resolve quickly. During the first five months of 2025, air cargo volumes dropped 6.3 percent year on year, driven largely by a decline in international freight and a 3.1 percent decline in domestic cargo. This downturn has been particularly evident at Felipe Ángeles International Airport (AIFA), which, despite its recent emergence as Mexico's leading cargo hub, registered a 16.5 percent drop in throughput in the first quarter. In contrast, Mexico City International Airport (AICM) saw a 7.1 percent increase, suggesting that the split of operations following the government's 2023 ban on freighters at AICM continues to create inefficiencies and volatility in distribution across gateways.

While economic headwinds and trade uncertainty (especially regarding US tariffs) are still suppressing demand in the near term, multiple strategic initiatives and investments are under way that could pave the way for a recovery and modest growth, if broader conditions improve. Industry stakeholders are focusing on enhancing infrastructure, tapping into e-commerce, and positioning Mexico in regional logistics networks, which provides a forward-looking silver lining.

Key factors shaping the outlook include:

— **Operational improvements and investments.** Air cargo players are working to boost efficiency and capacity in anticipation of future demand. Airlines are adding capacity with additional freighter aircraft and investments toward expansion and modernization of airports and cargo facilities.

— **E-commerce growth.** The e-commerce boom in Mexico is expected to persist beyond 2025 and into 2026, providing a tailwind for air freight demand. With online retailers scaling up operations, we may see dedicated e-commerce air corridors emerging—for example, more direct all-cargo flights from Asia Pacific fulfillment centers into Mexico—to satisfy the rapid delivery market.

— **Nearshoring.** The longer-term prospect of nearshoring still bodes well for air cargo, albeit with some uncertainty. Many multinational manufacturers are continuing to shift production to Mexico or expand existing plants (especially in automotive and electronics), which will require air logistics for high-value components. If the US–China trade tensions stabilize or if companies gain confidence that indirect imports via Mexico can proceed, air trade of intermediate goods could pick up.

The outlook for Mexican air cargo is one of cautious optimism. The current data suggests any recovery will be gradual—there is no sign of a sudden surge in volumes—but the pieces are being put in place for improvement. Stakeholders are investing in capacity and technology, e-commerce continues to buoy demand, and Mexico's strategic location still offers a compelling opportunity in a nearshoring-focused world. Much will depend on external factors like global economic conditions and trade policy developments. A realistic expectation is that based on 2025's marginal growth and stabilization in air freight volumes, there is potential for a stronger pickup in early 2026 if confidence returns.

The outlook for Mexican air cargo is one of cautious optimism.

Conclusion

Mexico's air freight sector enters 2026 confronting a mix of persistent challenges and latent opportunities. On the challenges side, the reality is that cargo volumes remain flat and the country's air logistics strategy appears fragmented. The redistribution of traffic between multiple airports (AICM, AIFA, and various regional hubs) has alleviated chokepoints but also created inefficiencies and a lack of unified direction. For instance, the forced shift of freighters to AIFA lifted that new airport's numbers but did not add overall volume, while Mexico City's capacity went underutilized. This kind of fragmentation—driven by policy more than market forces—highlights a broader strategic gap.

Infrastructure bottlenecks further compound the issue. Poor connectivity between modes is evident when something as basic as highway access to a cargo airport becomes problematic: the main highway to AIFA has been called a "mortal trap" due to its disrepair, undermining the new hub's competitiveness. Such logistical snags at the interface of air and ground transport make it harder for Mexico to fully leverage its air infrastructure. In addition, the air cargo market has been held back by external pressures—trade policy uncertainty, stricter border security, and an overall economic slowdown—which have collectively kept growth in check.

Mexico's air freight industry finds itself at a crossroads: volumes are stable but static, indicating that simply returning to the status quo post-pandemic is not enough to spark growth. Tackling the challenges of flat volumes, dispersed strategy, and modal bottlenecks will be critical. The groundwork being laid—new airports, upgraded cargo terminals, policy adjustments—provides a platform for improvement. If Mexico can execute a more integrated, future-focused game plan, it stands to benefit from its inherent strengths (location, manufacturing growth, e-commerce uptake). The coming years will determine whether Mexico's air cargo sector can break out of stagnation and realize its potential as a key logistics hub in the region.

Outlook

In light of the complex global economic and trade situation, and ongoing domestic operational challenges, the logistics industry across its different sectors is facing a crucial era.

There is, however, a positive forward outlook, as several upside scenarios could favor Mexico's logistics market. Three key levers may turn around demand trends and economic factors impacting shippers and carriers in the country: domestic consumption regaining momentum; a positive outcome for Mexico from renegotiations of T-MEC/USMCA, in which talks land on a predictable, pro-investment footing; and US tariff uncertainty receding. In any scenario where one or more of these levers is truth, the logistics cycle can pivot from "stretched capacity" to "scaled growth," as demand rises across all modes, translating the country's structural advantages—including nearshoring, positioning as number-one US trade partner, and port and rail infrastructure upgrades and extensions—into sustained throughput and healthier margins.

Upside across all modes

Road carriers see northbound strength from increasing demand of cross-border volume complemented by a revival of in-country distribution as retail sell out improves; multiyear shipper–carrier agreements and targeted fleet renewal will lift utilization and reliability.

Parcel and last-mile can further accelerate its growth if tariff uncertainty is eased, benefiting e-commerce with even stronger growth, and more investment is focused on more reliable infrastructure and optimization of warehouses to increase efficiency.

Rail benefits from stronger auto, steel, grain, and intermodal flows; when paired with security measures and incremental rolling stock additions, CIIT connectivity and selected southeastern links start to relieve corridor pinch points.

Warehousing shifts from scarcity to specialization: vacancy inches up where new space delivers higher investment in multiclient facilities with readily available storage space; automation-enabled, power-resilient facilities command premiums as omnichannel and nearshoring tenants scale.

3PLs deepen their role as orchestrators—bundling customs, fulfillment, and visibility into end-to-end offers that compress cycle times and lower total landed cost.

Ports translate modernization into shorter dwell and more even coastal splits; Manzanillo's expansion and Gulf gateways absorb growth in containerized imports and auto exports with fewer bottlenecks.

Air cargo stabilizes and then expands in high-value components and cross-border e-commerce; AIFA, GDL, and AIQ operate as a complementary system, improving time-definite service.

How to capture the opportunity

Leaders will be those that successfully secure capacity, through close, long-term partnerships enabled by multiyear, performance-based contracts, focused on fulfilling required volume and aligning price with performance and service levels.

They will also invest in digitization to provide real-time, end-to-end visibility and predictive ETAs; exception playbooks strongly integrated and adopted by operators and control towers can unlock benefits across planning and distribution.

Also, a risk management culture embedded into daily operations, through enhanced security tech, diversified gateways, and modal redundancy, can protect service levels and build in resilient supply chains.

Finally, those companies that focus and invest in people will come out on top, as they develop a driver pipeline to prevent impacts to asset utilization, develop programs to upskill warehouse workforce, and most importantly, enable an organizational design that simultaneously develops strong management internally and attracts top logistics talent for leadership positions.

Together, these moves will define the conversion of cyclical tailwinds into structural advantage. With consumption improving, a constructive T-MEC outcome, and clearer trade rules, Mexico's logistics system is positioned not only to move more, but to move better, with improved service and reliability, to consolidate Mexico's role as a dependable platform for manufacturing and trade.

This first edition of the Mexico's State of Logistics report closes with a confident outlook into 2026, and a clear mandate to focus on execution.

Mexico's logistics system is positioned not only to move more, but to move better, with improved service and reliability.

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Appendix

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