

Mexico Market Transportation Update

November 19, 2021



SCHNEIDER

Transportation Market Update

Schneider's goal is to provide the latest market insights to help you navigate the ongoing market volatility.

Whether moving a critical load, keeping your supply chain going or long-term planning, Schneider remains committed to safely and securely delivering your freight.

Schneider leverages data and analytics from multiple sources to provide the most up-to-date insights available including, but not limited to, FTR, DAT, FreightWaves SONAR, Cass Information Systems, Inc., FleetOwner, FMCSA, The New York Times, ATRI and Transport Topics. For the latest information and updates, visit [Schneider's Trending Topics page](#).

Join the December 9 Virtual Event: Optimize your food and beverage supply chain strategy

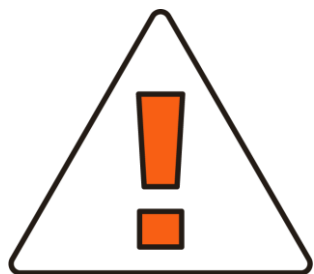
The past two years have changed how people consume food and beverage products. Combined with long-term or permanent lifestyle changes, all research indicates that CPG demand will remain high long-term.

Join the expert team at Schneider, along with customer, General Mills, to learn what you can do to navigate the challenges you face every day, from the beginning to end of your supply chain. We will discuss:

- The factors to consider when choosing a food and beverage carrier.
- How to optimize your supply chain by utilizing a carrier that provides multiple services.
- How to use technology to move your freight faster and more efficiently – while increasing visibility.
- The importance of carrier sustainability in your CPG supply chain.
- How Schneider's shippers, like General Mills, have been solving to their supply chain challenges.

[Register now](#)





CUSTOMER ADVISORY UPDATE: Mexico new Bill of Lading requirements deadlines pushed back. Now mandatory on January 1st, 2022

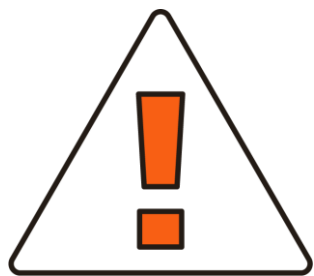
Complemento Carta Porte al CFDI / Bill of Lading Complement to a CFDI

We have been informed that after several consultation sessions with the business community and transportation chambers, the Mexican government is extending the deadline to December 1, 2021, after which the requirement will become mandatory on January 1st, 2022 and penalties will be effective.
Complemento Carta Porte

The Mexican government has recently issued a new fiscal control that will directly impact all commercial transportation moves in Mexico. As a means to have greater control over the transportation sector, the Mexican government through the Secretariat of Finance (Hacienda) has issued a new requirement that will tie all cargo moves digitally to a formal digital invoice, referred to in Mexico as a CFDI, by obligating the carrier to add certain information to this electronic document in order to create a digital version of a Bill of Lading. The Bill of Lading will now be a “complement” of the digital invoice that was issued for the shipment by the Mexican carrier.

[Bill of Lading Complement >](#)

[Complemento Carta Porte >](#)



CUSTOMER ADVISORY, CONT.

Schneider is ready. Are you?

The first thing you need to do is to make sure that you are working with carriers that have procedures, policies, controls and correct tax compliance in place that guarantee that these types of changes are considered and complied with.

Schneider Customer Service Representatives have been working with our shippers to proactively determine any additional data needs prior to implementation. Due to the additional data needed to schedule a pick-up, it will be important to provide the information early and accurately. Working under a pre-dispatch scenario or using a consolidated Pedimento for your outbound needs will also drive efficiencies.

[Need help with your cross-border freight? Contact us.](#)

In the news: Mexico's automotive production hits 9-year low

In October, there was a 25% automotive production decline year-over-year. This is the result of various pandemic issues, mostly a shortage of semiconductors.

There are 26 assembly plants across Mexico, employing almost 1 million people. More than 80% of Mexico's auto production is for export – 94% of it to the United States.

The ports of entry in Laredo, Texas, and Otay Mesa, California, just south of San Diego, are the two busiest U.S.-Mexico border crossings for imports of assembled vehicles and auto parts.



[Read article](#)

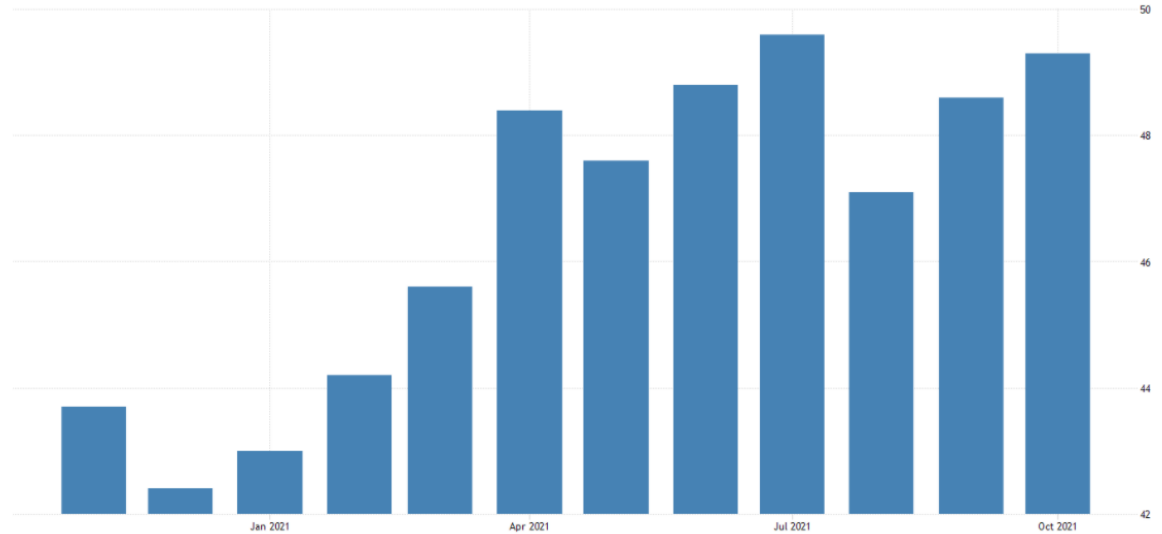
Source: [FreightWaves](#); November 2021

In the news: Mexico Manufacturing Sector Continues to Contract

The IHS Markit Mexico Manufacturing PMI rose to 49.3 in October 2021, from 48.6 in the previous month, reflecting a softer contraction in the country's manufacturing sector.

Output decreased for the 20th month in a row, amid reports of a lack of raw material availability, business closures and subdued sales, while new orders continued to fall due to shutdowns, weak demand and shortages of goods for sale.

Though, business sentiment hit a 42-month high in October, reflecting expectations that the pandemic will recede and raw material availability will improve.

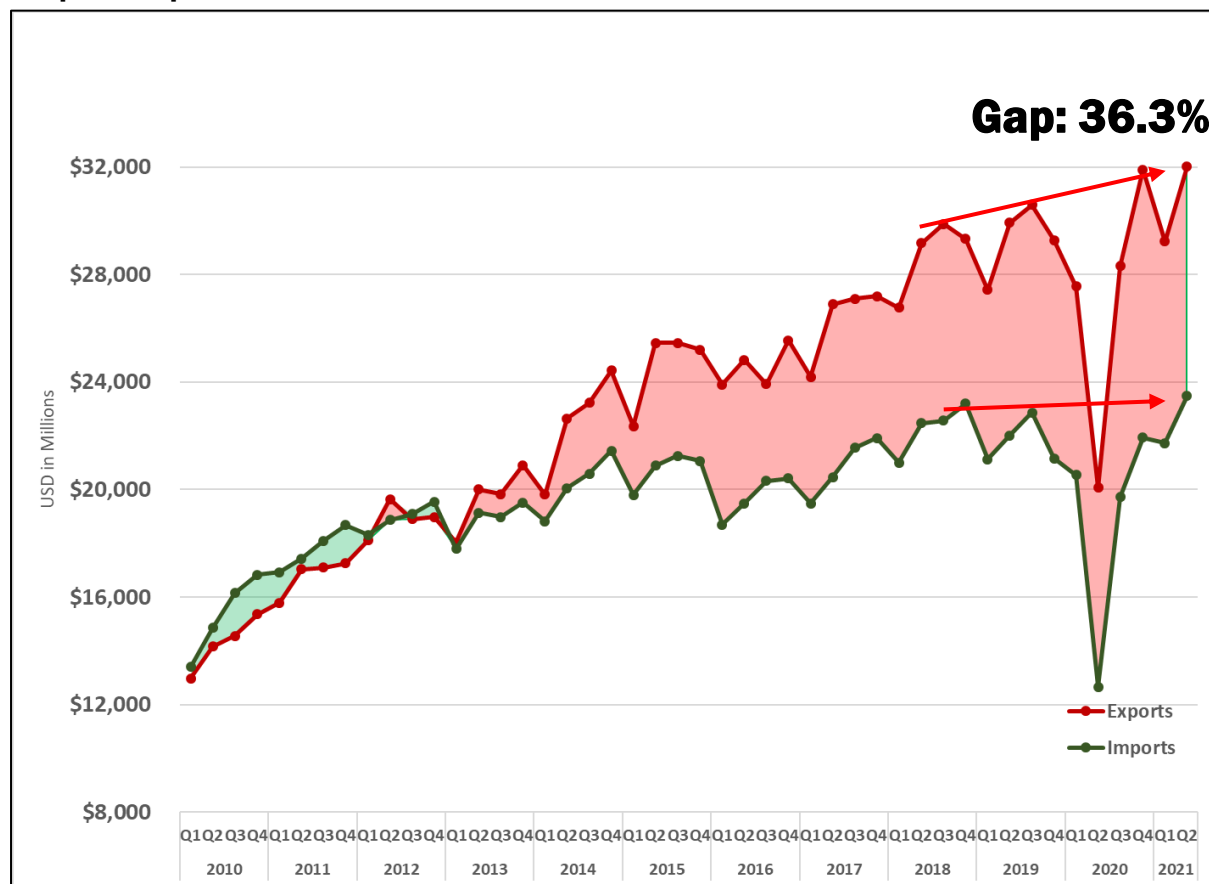


[Read article](#)

Source: [Trading Economics](#); November 2021

Plan ahead for your cross-border capacity needs

Import/Export Over the Road Values – Port of Laredo



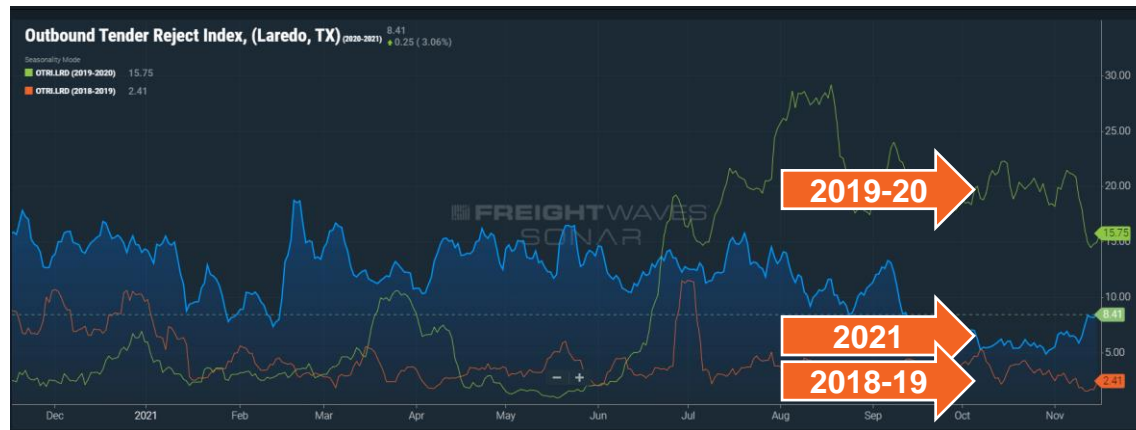
Mexican Northbound exports grew by 7% compared to the first half of 2019. While certain sectors (such as auto) have not fully recovered, others (retail & home improvement) continue to see significant strength.

Northbound demand will continue to be strong. With continued supply chain disruptions and the new Bill of Lading requirements coming, plan now for your capacity needs coming over the next few months.

Need help with your cross-border freight? Contact us.

Source: INEGI; Updated August 2021

Laredo Outbound Tender Volume and Reject Index's declining in second half of the year – possibly a reflection of the capacity imbalance?



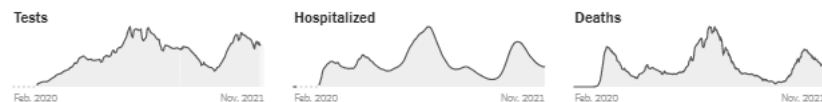
During the first half of the year Laredo's outbound tender volume — a measure of shipper requests for truckload capacity — as well as tender rejects — have both been consistently higher in 2021 than 2020, though are lower right now vs. the same time last year, when they spiked during Peak Season. This may be an indication of the growing northbound/southbound imbalance.

Sources: FreightWaves SONAR; Updated 11/16/2021

COVID-19 cases begin to rise again. Hot spots remain in the Upper Midwest and Western parts of the U.S.

New reported cases

All time Last 90 days



	DAILY AVG. ON NOV. 14	14-DAY CHANGE	TOTAL REPORTED
Cases	80,885	+11%	47,036,751
Tests	1,326,272	+10%	—
Hospitalized	46,098	-8%	—
Deaths	1,133	-16%	761,980

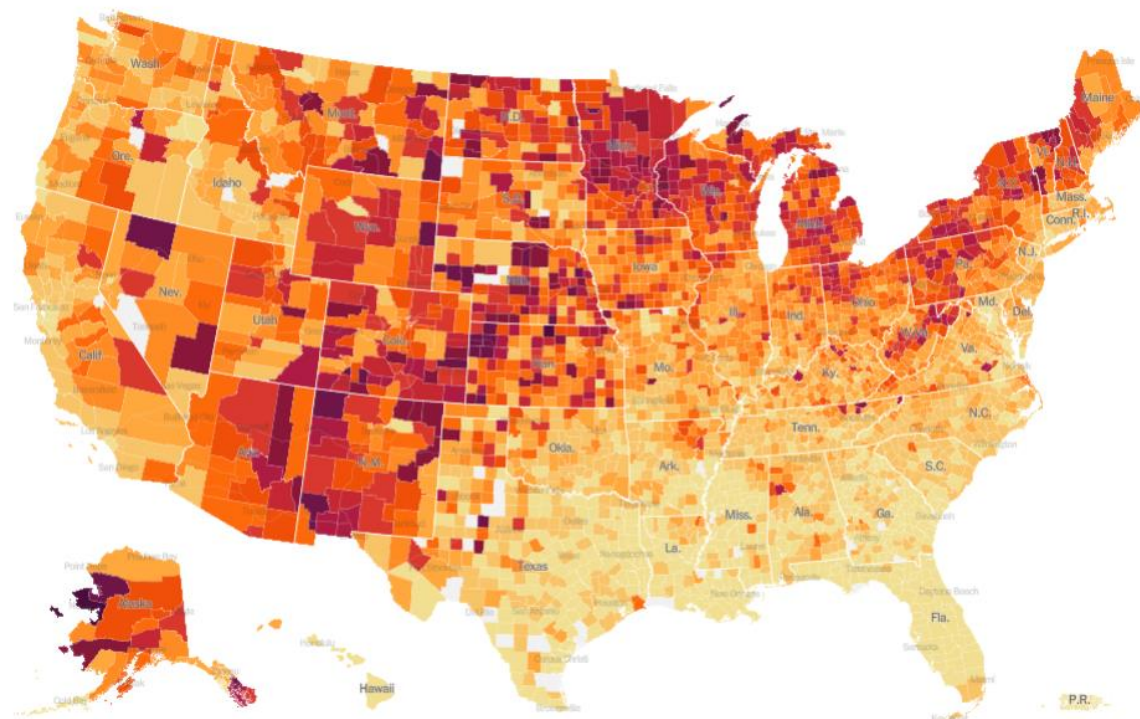
About this data:

Sources: State and local health agencies (cases, deaths); U.S. Department of Health and Human Services (tests, hospitalizations). Tests, hospitalizations and deaths show seven-day averages. Hospitalization data may not yet be available for yesterday. The number of average tests is for the most recent day for which all states have reported data. 14-day change is hidden if not enough data is available to make a comparison. Figures shown are the most recent data available.

Hot spots

AVERAGE DAILY CASES PER 100,000 PEOPLE IN PAST WEEK

10 30 50 70 100 200 FEW OR NO CASES



mapbox

About this data:

The hot spots map shows the share of population with a new reported case over the last week.

Source: [nytimes.com](https://www.nytimes.com); Updated 11/15/2021

In contrast to the U.S., Mexico COVID-19 cases continue to decrease, likely due to increased restrictions and vaccinations

New reported cases



[About this data:](#)

Source: Center for Systems Science and Engineering (CSSE) at Johns Hopkins University. Daily cases are the number of new cases reported each day. The seven-day average is the average of a day and the previous six days of data.



[About this data:](#)

The hot spots map shows the share of population with a new reported case over the last week.

Source: [nytimes.com](https://www.nytimes.com); Updated 11/15/2021

More than half of Mexico's population has at least one COVID-19 vaccination

Percent of population vaccinated (10/18/21)		
	Vaccinated	Fully vaccinated
United States	68%	59%
Canada	80%	76%
Mexico	59%	50%

More than 4.1 billion people worldwide have received a dose of a Covid-19 vaccine, equal to about 53.5 percent of the world population.

Source: [nytimes.com](https://www.nytimes.com), apnews.com, directrelief.org; Updated 11/15/2021

Most Mexico states have fully relaxed restrictions

Mexico's federal government has fully relaxed restrictions on social and business activities in all but 3 of the nation's 32 states—the most states operating at green traffic light status since the government instituted its pandemic traffic light monitoring system in June 2020.

While most states are open, local orders may maintain certain restrictions for those areas.

Transportation is an essential business – we continue operations in all geographies in accordance with state and local orders.



Source: [nytimes.com](https://www.nytimes.com), [jdsupra.com](https://www.jdsupra.com); Updated 11/15/2021

Struggling to get the capacity you need? Lacking supply chain visibility? Looking to improve your freight procurement process?



Schneider's supply chain experts are here to help you solve your supply chain challenges beyond U.S. borders.

Learn from our experts where more opportunity exists in your supply chain. Just take this quick survey for your free consultation.

[Get your free consultation](#)

Not sure how you could benefit? [Read this case study](#) to learn how one manufacturer gained reliable, consistent cross-border capacity.



Cross borders as if there are none

[Learn more about Schneider's reliable, expert Mexico/U.S. cross-border freight shipping solutions.](#)