

# Mexico's truck capacity update

WW Solutions  
Automotive Logistics  
Nov 2022

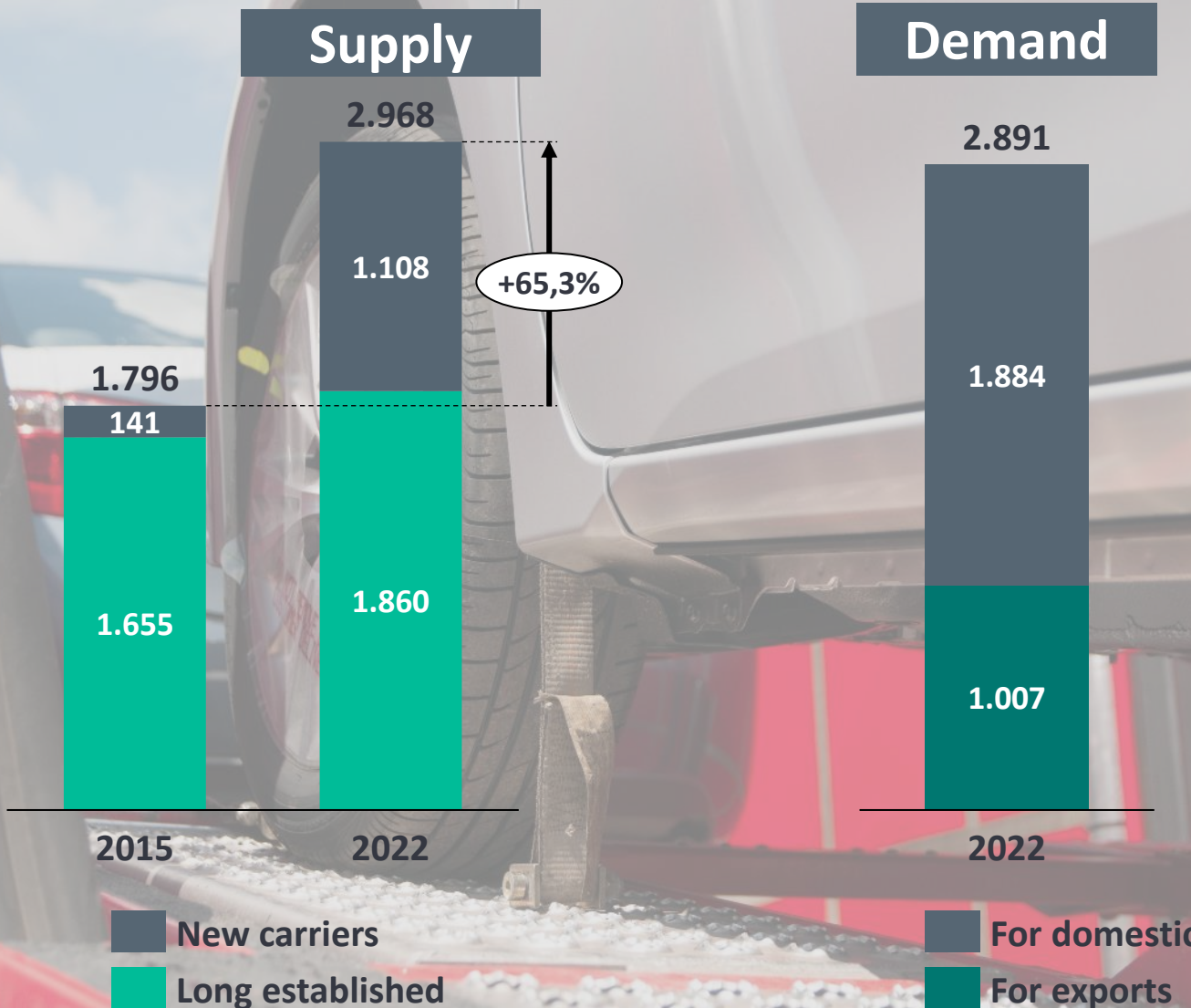




# Carriers invested and even if tight, there is capacity in the market



## So, what is driving the shortage?



- ✓ Port congestion = longer cycle times
- ✓ Shortage of licensed drivers
- ✓ Capacity on other transportation modes
- ✓ Insecurity and vandalism
- ✓ Long term vs short term contracts



# What to look for within the auto transportation market in 2023?



## Limited addition of trucks

- Market uncertainty
- Costs to buy new trucks and delivery times have gone up
- Lack of long-term contracts



## Seller's market

- Rates already went up significantly as trucks are scarce



## Increased synergies

- Co-loading will continue to increase
- More offsite yards nearby port locations
- Further optimization of truck space



## Perfect storm coming?

- Compared to 2019, production and domestic sales combined are 1M vehicles down
- A sudden volume addition will add further stress to the network

