



COUNTRY STATS

POPULATION (2022):

126.70 million (Urbanization 79%)

POPULATION (2050):

~ 148.75 million (Urbanization 78%)

GDP (2022):

USD 1,27 trillion

AVG. ECONOMIC GROWTH

(2016-2021): -4.7%

PER CAPITA INCOME (2022):

USD 10,045.70

COUNTRY SNAPSHOT: MEXICO

Mexico ranked was the third largest among U.S. agricultural export markets in 2020, with exports totaling \$18.4 billion. It is the 15th largest economy in the world, and second largest in Latin America. Mexico is the 2nd largest whole soybean market for the U.S., as well as a major market for soybean meal and oil. Soy market dynamics have shifted somewhat, moving Mexico toward greater crush capacity and increasing the emphasis on whole bean imports.

U.S. Soy has collaborated with Mexico since the 1980s.

MARKET STATS

Soy usage market size by Volume, 2020

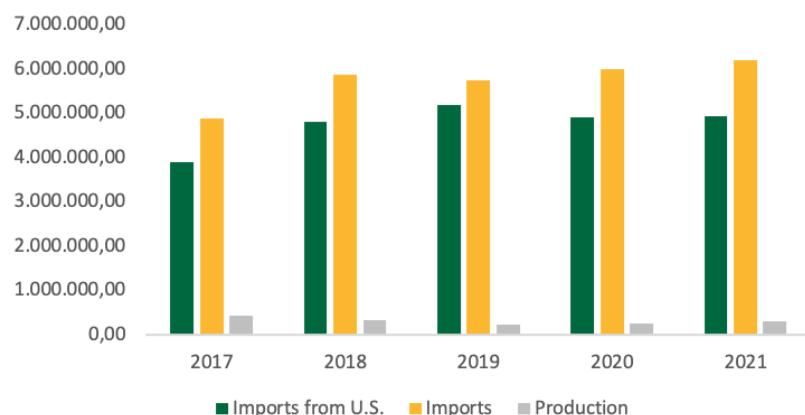
Animal Protein (total)	6,770,000 MT	Aquaculture, Cattle, other species	270,800 MT
Pork	1,827,900 MT	Poultry	4,671,300 MT

Soy market size volume and U.S. Soy volume (MY2021/22)

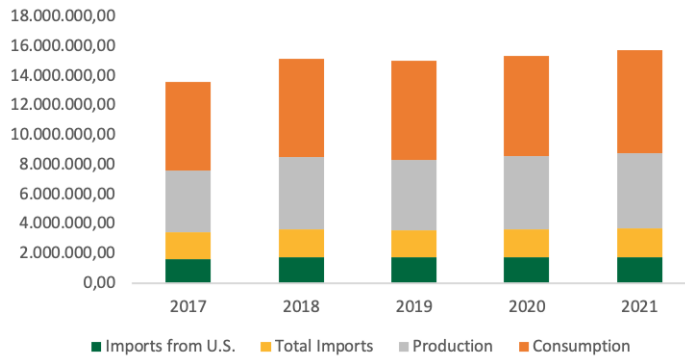
- Soy complex (whole soybean, meal, oil) 11 MMT.
- Whole bean imports: 7,7 MMT. U.S. Soy 6,9 MMT.
- Soybean meal imports: 3,69 MMT. U.S. Soy 3,68 MMT .
- Soybean oil imports: 151,439 MT. U.S. Soy 94,259 MT.

Production, consumption, import and export of Soybeans (1000 MT)

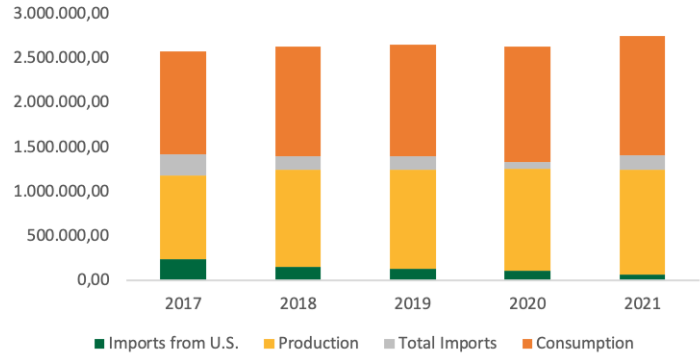
Mexico: Soybeans 2017-21



Mexico: Soybean Meal 2017-21



Mexico: Soybean Oil



STRENGTHS

- U.S. soybeans have the largest market share in Mexico, providing around 85% of imports. Soybean meal supply mainly comes from domestic crushers and imports. The core share of soybean oil is also from domestic crushers, with imports primarily from the U.S.
- With the United States–Mexico–Canada Agreement (USMCA) replacing NAFTA, customers are aware of the quality and consistency of U.S. Soy.
- Understanding and valuing of sustainability varies among sectors, with aquaculture leading; three licenses of the Sustainable U.S. Soy (SUSS) Label are in place, including Mexico’s largest crusher.
- Geographical location and FTA in place leverages Mexican exports to the U.S. and Canada, including consumer soy related products.

OPPORTUNITIES

- Growth in domestic demand for poultry and eggs, combined with growing pork production for export adds to a sustained need for soybean meal. There is some interest in full fat soybean meal (FFSBM) which could enhance soybean exports.
- Growing aquaculture production, especially in shrimp and tilapia, drive a need for more feed. In-Pond Raceway System (IPRS) technology has been implemented by some firms and more producers are interested.
- Pet food continues as a feed sub-sector with the largest growth rate and margin for producers seeking more sustainable ingredients.
- Interest exists in high oleic soybeans among crushers, refiners and users, but more favorable U.S. export economics and availability is needed. The cost dynamics have slowed interest and long-term contracts are needed.
- Marketing of U.S. Soy sustainability increases understanding by customers. Brand awareness will support differentiation from other origins (Brazil) and competing products (palm, canola).

CHALLENGES

- Continued expansion of domestic crushing capacity results in a large increase of domestic soybean meal, which dampens import demand. There is an increased need for understanding of U.S. Soy advantages.
- Competition for U.S. soybean oil from other vegetable oils (palm, canola, safflower, sunflower).
- Increased palm oil domestic production by domestic producers and foreign investors.
- Soybean imports from South America, primarily Brazil, had ~15% market share in CY21.
- New government regulations are being enforced related to the use and imports of glyphosate; and new GMO events approvals have been delayed by relevant agencies.
- In aquaculture, increased costs of production, as well as depressed domestic product prices, have prevented a larger growth in Tilapia. The shrimp industry has responded by increasing its output.

Sources:

- Statista
- INEGI
- CEIC
- World Bank
- World in Figures
- USDA/FAS
- Estimations from industry