



**MEXICO**  
Americas Region

## COUNTRY STATS

### POPULATION (2023):

131 million (Urbanization 80.0%)

### POPULATION (2050):

149.5 million (Urbanization 85.5%)

### GDP (2023):

\$1.81 trillion

### ECONOMIC GROWTH (2023): 3.18%

From a 2% growth in 2018, Mexico had negative growth rates of (0.3%) in 2019, (8.7%) in 2020, turning to positives of 5.8% in 2021 and 3.9% in 2022

### PER CAPITA INCOME (2023):

\$13,803

# MARKET SNAPSHOT: MEXICO

Mexico ranked as the 3rd-largest U.S. agricultural export market in 2022, with exports totaling USD \$29.64 billion and a three-year average of USD \$25.03 billion. It is the 15th-largest economy in the world and the 2nd-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.

Mexico is the world's 10th and Latin America's 2nd most populous country. Mexico is the 3rd-largest soy customer of U.S. Soy in the world (after China and the EU), which enables significant production of poultry, eggs, pork and edible oil.

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

## MARKET STATS

### Soy Usage by Sector 2022

Animal Protein (total)	6.57 MMT	Aquaculture	86.5 TMT
Pork	1.11 MMT	Cattle (Dairy)	941.9 TMT
Poultry (includes Broilers, Eggs)	3.41 MMT	Cattle (Beef)	555.5 TMT
Oils & Fats	1.4 MMT	Pet Food	148.5 TMT
Others	309.4 TMT		

TMT=thousand metric tons, MMT=million metric tons

## SOY MARKET SIZE MY 2022/23

Product	Total Volume	U.S. Soy Volume	U.S. Soy % Share
Soy Complex (whole soybean, meal, oil)	8.191 MMT	7.48 MMT	91%
Whole Bean	6.42 MMT	5.7 MMT	89%
Soybean Meal	1.685 MMT	1.650 MMT	98%
Soybean Oil	121.0 TMT	93.8 TMT	78%

TMT=thousand metric tons, MMT=million metric tons

## STRENGTHS

- U.S. soybeans have the largest market share in Mexico, providing more than 88% of total imports. Soybean meal supply comes from domestic crushers and then from 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), customers are aware of the quality and consistency of U.S. Soy, as well as trade and logistical advantages.
- The understanding and in turn, the value placed on sustainability, varies among sectors, with aquaculture leading in emphasis. Three Sustainable U.S. Soy (SUSS) license agreements are in place, including two of the three largest crushers. Ongoing efforts continue to promote additional adoption in other sectors.
- The geographical location and the Free Trade Agreement in place leverage Mexican exports to the U.S. and Canada, including consumer soy-related products.
- Soy Excellence Center programs are gaining more traction in the country, with the number of participants growing.

## OPPORTUNITIES

- As domestic demand for poultry and eggs and demand for pork for export continue to grow, they leverage demand for soybean meal. Use of full-fat soybean meal is growing for poultry and could support U.S. soybean exports.
- Increasing shrimp and tilapia production drives a need for more aquaculture feed. In-Pond Raceway System technology has been implemented by some farms, with more producers interested.
- Pet food as a feed sub-sector continues to record the largest growth rate and margin for producers seeking more sustainable ingredients.
- Interest in high-oleic soybeans exists among crushers, refiners and users, but more favorable U.S. export economics and availability are needed. Cost dynamics have slowed interest, and long-term contracts are needed.
- U.S. Soy sustainability marketing efforts will continue to increase customer understanding.
- As costs, freight and traffic increase, ongoing efforts encourage customers to consider alternate U.S. origination points, particularly the Pacific Northwest.

## CHALLENGES

- Domestic crushing capacity continues to expand, which increases domestic soybean meal supply and dampens demand for imports. Efforts should target an increased need for understanding of U.S. Soy's advantages.
- Competition from other vegetable oils (palm, canola, safflower, sunflower) and Argentina and Brazil continues to present challenges.
- The country continues to see more domestic palm plantations and increased palm oil production by both domestic producers and foreign investors in Central America.
- Soybean imports from South America, primarily Brazil, had ~15% market share in 2021 and are expected to grow.
- Government regulations related to the use and import of glyphosate continue, as do decrees related to imports of genetically modified corn.
- In the aquaculture sector, increased production costs and unstable domestic product prices have prevented more growth in tilapia. The shrimp industry has been affected by market scenarios for both prices of inputs and their product.

### Sources:

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|----------------------|---|
| - USDA FAS           | - INEGI   |
| - U.S. Census Bureau | - WorldOil  |
| - The World Bank     | - Focus Economics   |
| - Statista           | - Banco de Mexico   |
| - Trading Economics  | - The Global Economy (sourced on WB)                                  |
| - UN-HABITAT         | - Consejo Nacional de Fabricantes de Alimentos Balanceados            |
| - URBANET            | - Asociación Nacional de Fabricantes de Alimentos para Consumo Animal |
| - Population Pyramid |   |