



MORRISON EXPRESS

THE POWER TO MOVE. THE PASSION TO DELIVER.

GAP – Latin America Focus Presentation
Morrison Express in Mexico

■ ■ ■ About us

Founded in 1972, Morrison Express is a best-in-class global supply chain management provider.



450MM

ANNUAL
REVENUE



250k

ANNUAL TONS



70/3

70 STATIONS ON
3 CONTINENTS



1,300+

EMPLOYEES
WORLDWIDE

Morrison Express is comprised of over 1,300 professionals worldwide and is both fully capable and well-positioned to support our global clients' transportation and logistics needs.

Morrison Express provides a single source for all freight and logistics needs - spanning air and ocean consolidations, customs brokerage, cargo insurance, IT solutions, warehousing, distribution, charters and other customized programs to address the unique needs of our clients.



Our services

The Morrison Express product portfolio delivers an end-to-end supply chain solution



Air freight

Local expertise at every major gateway around the world



Ocean freight

LCL, FCL, and consolidation solutions from port to port



Customs brokerage

Regionally licensed customs brokers with local security and compliance knowledge



Warehousing

Dedicated and shared warehousing complete with WMS and inventory management



Distribution

From DC management to LTL/FTL dedicated and brokered trucking



Supply Chain Solutions

Order management, VMI, value-added services, and customized IT

Our global footprint

The Morrison Express network of 70+ offices and 300+ agents keeps our clients covered—anywhere in the world

AMERICAS

Atlanta
Boston
Chicago
Cleveland
Columbus
Dallas
El Paso
Los Angeles
Miami
New York
San Francisco
Seattle

EMEA

Amsterdam
Frankfurt
Dusseldorf
Hamburg
London
Luxembourg
Maastricht
Prague
Rotterdam

APAC

Bangkok
Beijing
Chengdu
Chongqing

Dalian
Dongguan
Guangzhou
Hanoi
Ho Chi Minh City
Hong Kong
Hsinchu
Jakarta
Kaohsiung
Kuala Lumpur
Manila
Nanjing
Ningbo
Penang
Phnom Penh
Pusan

Qingdao
Seoul
Shanghai
Shenzhen
Shenyang
Singapore
Suzhou
Taichung
Tainan
Taipei
Taoyuan
Tianjin
Tokyo
Wuhan
Xiamen
Zhengzhou
Zhongshan



Mexico macro economically

2017 outlook

- GDP contraction slowed down. However expected GDP growth is 1 to 2% in 2017, **restrictive monetary policy given rising inflation and further depreciation in exchange rate facing USD.**
- Trump shock might have been overstated, Q1 shows strong growth in service sector.
- **Better dynamics on industrial and automotive sector.** Low unemployment 3.5% (2017)

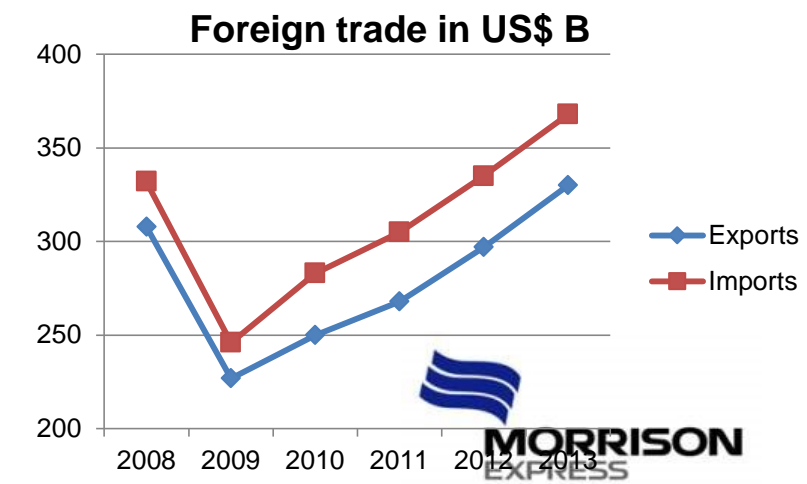
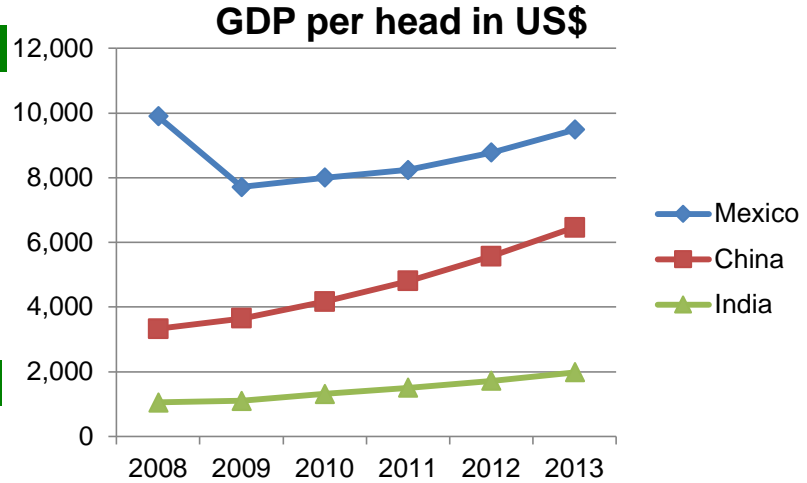
Strengths

- **Mexico's geographical proximity to the US** and the NAFTA give advantage for automotive industry , just in time deliverables.
- **Young and growing middle class** will support rapid growth of the consumer market in the medium term.
- **Fifth largest emerging market (after BRIC)** with per head income levels to be close to those of Brazil.

Supply chain risks

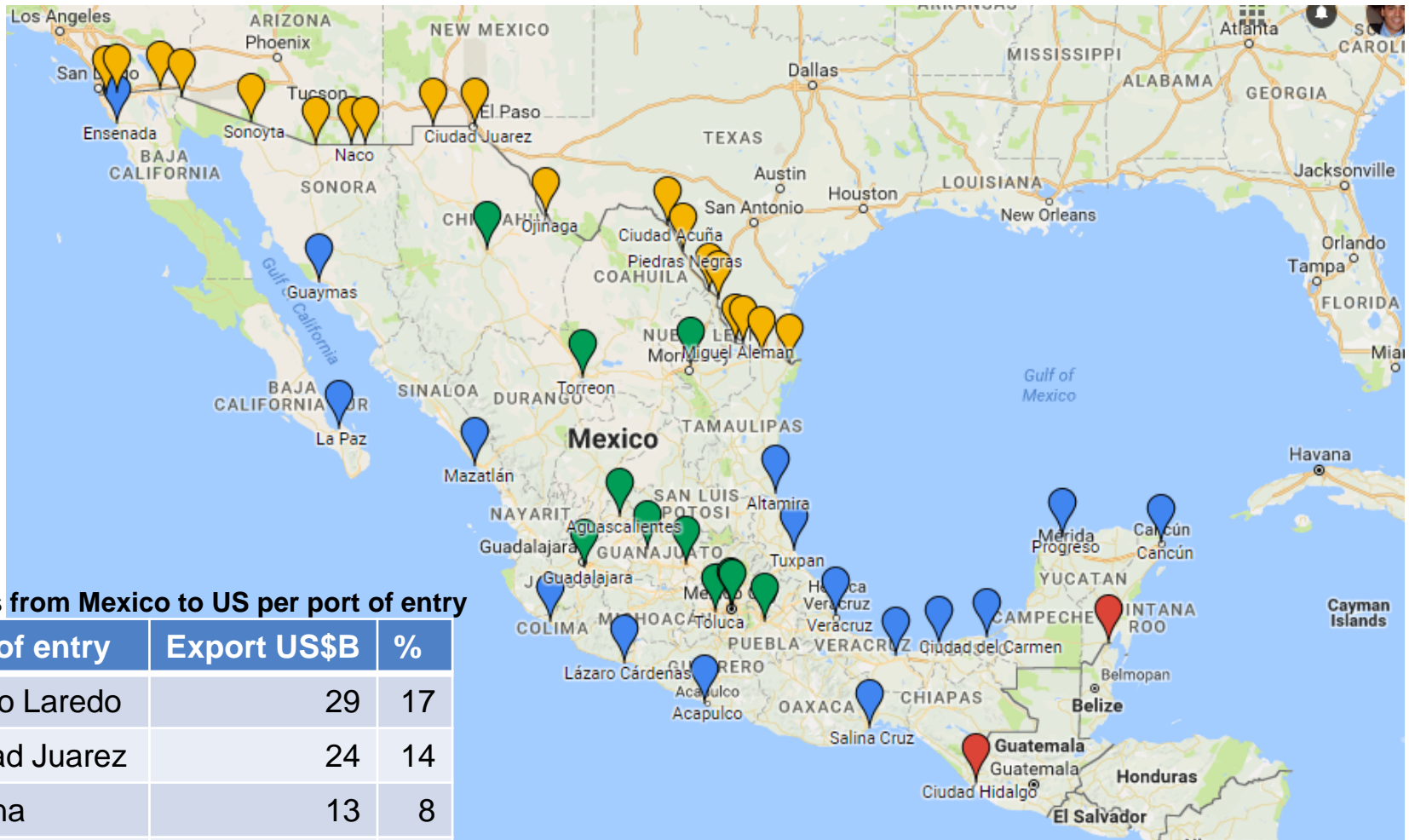
- **High rate of violent crime**, weak enforcement of competition and poor infrastructure inhibit streamlined logistics.
- **Mexico has a "weak" rating in the Global Integrity Index** (effectiveness of anti-corruption mechanisms).
- **Dependence on the US** affects exports and investment attraction. Strong integration with US manufacturing supply chains.

Leading export targets	% of total	Leading import sources	% of total
US	80.1	US	49.6
Canada	2.4	China	5.8
Germany	1.7	South Korea	10.5
Spain	1.5	Japan	4.5



Mexico ports/sites of entry

48 ports/sites of entry to Mexico. 18 entries within the Mexico/US border



Exports from Mexico to US per port of entry

Port of entry	Export US\$B	%
Nuevo Laredo	29	17
Ciudad Juarez	24	14
Tijuana	13	8
Nogales	13	8
Reynosa	10	6

SAN-TIJ is border crossing point with most vehicles in the world with 25 million vehicles/year (3000/hour)