

Journal of Commerce

MSC adds to growing Asia-Mexico service launches



MSC's sixth service to Mexico's West Coast will join other new services from Cosco, CMA CGM and the Gemini Cooperation. Port of Manzanillo pictured. Photo credit: ambient_pix / Shutterstock.com.

Michael Angell, Associate Editor | Jun 20, 2024, 3:22 PM EDT

Mediterranean Shipping Co. is launching its sixth container service between Asia and Mexico, joining other new loops aimed at capturing growing volumes to and from Mexico amid increased nearshoring by Chinese manufacturers.

MSC said Thursday its new Dhalia premium shuttle service will "provide extra capacity for Asia to Mexico West Coast cargoes." The new service will start with the first sailing of the 5,652-TEU *MSC Floriana VI* on Aug. 3 from China's Shekou port. Dhalia's rotation includes the Asian ports of Xiamen, Shanghai and Busan and the ports of Manzanillo and Lazaro Cardenas in Mexico.

Dhalia will join five other MSC services connecting Asia with Mexico's West Coast—the Andes, Aztec, Inca, Mexicas and Santana. The Mexicas shuttle service, launched in

April, will also add a call at China's Tianjin Xingang port with the sailing of the 9,113-TEU *MSC Ines* in August, MSC said in its announcement.

Other ocean carriers have also been chasing growing trade between Asia and Mexico. In May, Cosco Shipping and OOCL commenced their TLP5 shuttle service between northern China and Mexico, while CMA CGM began its M2X-Mexico Express, which also begins in northern China.

Starting next year, the Gemini Cooperation of Maersk and Hapag-Lloyd will also offer calls to Lazaro Cardenas on two of its trans-Pacific all-water services to the US East Coast.

Mexico's West Coast ports saw strong growth last year, partly from <u>cargo diversions</u> <u>due to the Panama Canal's draft restrictions</u> and the <u>introduction of new north-south</u> <u>intermodal services</u>. Manzanillo became the fifth-busiest import gateway in North America in 2023, while Lazaro Cardenas surpassed Oakland to reach No. 11 on <u>the Journal of Commerce's Top 25 North American Ports rankings</u>.

In addition, Mexico is becoming a major hub for Chinese manufacturers with some \$2.24 billion in foreign direct investment from China since 1999, according to Mexican government statistics. Some \$570 million of that was invested in 2022 to develop electronics, auto parts and computer manufacturing plants.

Contact Michael Angell at michael.angell@spglobal.com.

© 2024 S&P Global. All rights reserved. Reproduction in whole or in part without permission is prohibited.

You are permitted to print or download extracts from this material for your personal use only. None of this material may be used for any commercial or public use. For more information on reprints/eprints, please visit https://subscribe.joc.com/mediasolutions/.