

# Economic Outlook Report

## Inside this Issue...

Port Laredo's rise as America's top trade Gateway .....	1
Laredo Demographic Outlook .....	5
Laredo Trade Outlook .....	6
Laredo International Bridge Outlook .....	8

## Introduction

The Texas A&M International University (TAMIU), A.R. Sanchez School of Business, Texas Center for Border Economic and Enterprise Development (TCBEED), presents the Vision 2024 edition of the Economic Outlook Report. This report presents the TCBEED's visual data analysis of local socioeconomic indicators. Its different sections give an overview of indicators on international trade, local demographics, and Port Laredo's international bridges.

### **Crossing borders, connecting economies: Port Laredo's rise as America's top trade Gateway:**

by Daniel Covarrubias, Ph.D., Director, Texas Center for Border Economic and Enterprise Development, A.R. Sanchez Jr., School of Business, Texas A&M International University

The port of Laredo, strategically nestled at the heart of the U.S.-Mexico border, is the most important U.S. port of entry and a key hub facilitating North American trade.

Port Laredo boasts a robust infrastructure designed to efficiently manage its substantial volume of cross-border trade. This includes extensive truck lots and rail yards that accommodate the heavy flow of vehicles and goods. The port is equipped with cutting-edge technology for thorough inspections of both rail and truck shipments, ensuring security and compliance. Additionally, comprehensive customs facilities are in place for both U.S. and Mexican authorities.

*(Continued on page 2)*



The World Trade Bridge, the Colombia Solidarity Bridge, and the Laredo International Railway Bridge facilitate a seamless exchange of commerce. The World Trade Bridge is particularly noteworthy, as it alone processes nearly 40% of all trade between the U.S. and Mexico, underscoring its critical role in international trade.

In 2023, this booming land port of entry overtook Chicago O’Hare airport and the seaport of Los Angeles to become the United States’ number one port of entry by total trade, underscoring its critical importance to U.S.-Mexico trade relations and the broader North American economy (Figure 1).

The numbers behind Port Laredo’s rise to the number 1 U.S. port of entry are staggering. In 2023, it processed 2,936,130 inbound truck crossings – almost two times that of the next busiest truck crossing in Detroit, MI. On average, Port Laredo handles over 18,500 truck crossings daily between north and southbound traffic, with over 15,000 crossing through the World Trade Bridge and about 3,500 via the Colombia Solidarity Bridge.

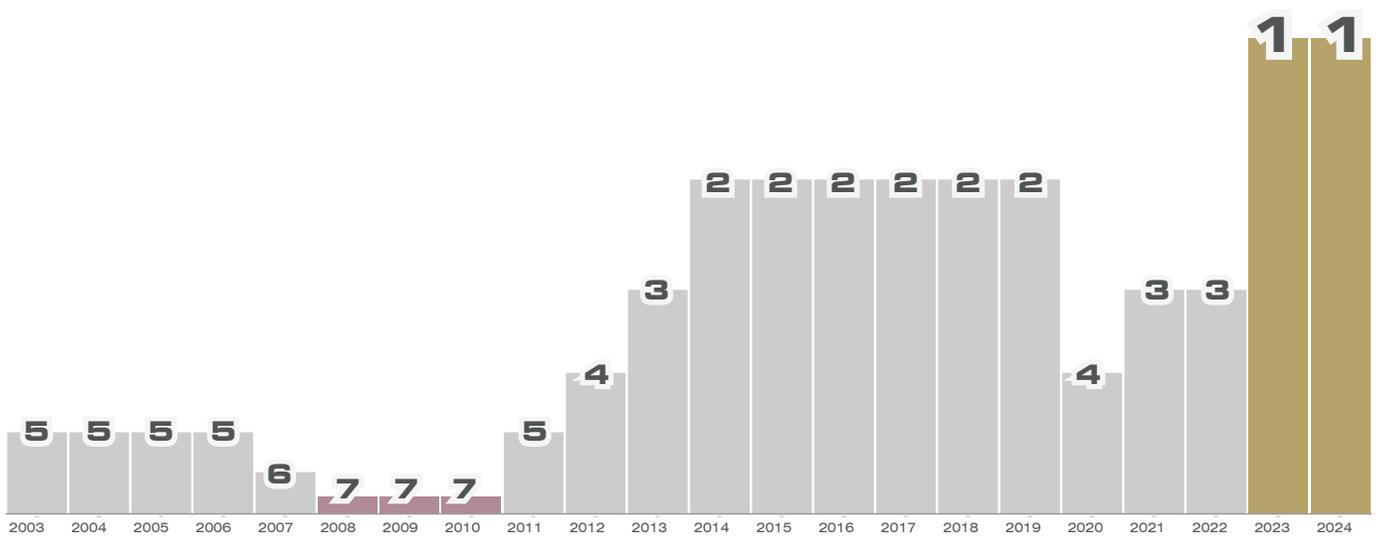
Port Laredo is also the top U.S. port by number of inbound trains, with 4,415 trains entering in 2023 – 15% above the next closest port at International Falls, MN. Each day, an average of 12 trains cross into Port Laredo, transporting approximately 1,456 containers. Port Laredo ranks 2nd on inbound loaded rail containers, its 305,447 annual crossings outpace most other ports which typically process under 200,000 loaded rail containers per year.

Though handling less loaded rail containers than International Falls, MN, Laredo’s impressive tally of over 300,000 inbound shipments in 2023 surpassed that of any other U.S. rail port of entry. It processed 33% more loaded containers by rail than the 3rd-ranked Port Huron, MI, and 68% more than 4th-place Portal, ND., and remarkably, it handled nearly twice as many as 5th-ranked Eagle Pass, TX. This formidable rail infrastructure not only offers shippers a reliable alternative to trucking but also effectively alleviates congestion by redistributing freight traffic from the roads.

Port Laredo’s preeminence in U.S.-Mexico cross-border trade is highlighted by the substantial volumes of cargo transported by truck and train. The port’s effectiveness in seamlessly handling the daily influx of thousands of trucks and rail containers speaks volumes about the expertise of its workforce, the quality of service providers, and the capacity of its extensive customs infrastructure. The impressive throughput of truck and rail cargo at Port Laredo stands out not only among other U.S. entry points but also on a global scale.

The nearly 5.84 million truck crossings Port Laredo handled in 2023 would rank it 9th globally in Twenty-Foot Equivalent Units (TEUs) between the seaports of Guanzhou and Los Angeles/Long Beach, according to Marine Insight (Figure 2).

Port Laredo’s truck volumes are notably higher than those at the busiest European border crossings like Dover-Calais between the U.K. and France, Brenner



Source: U.S. Census Bureau Economic Indicators Division

**Port of Laredo Yearly Ranking vs Other U.S. POE**

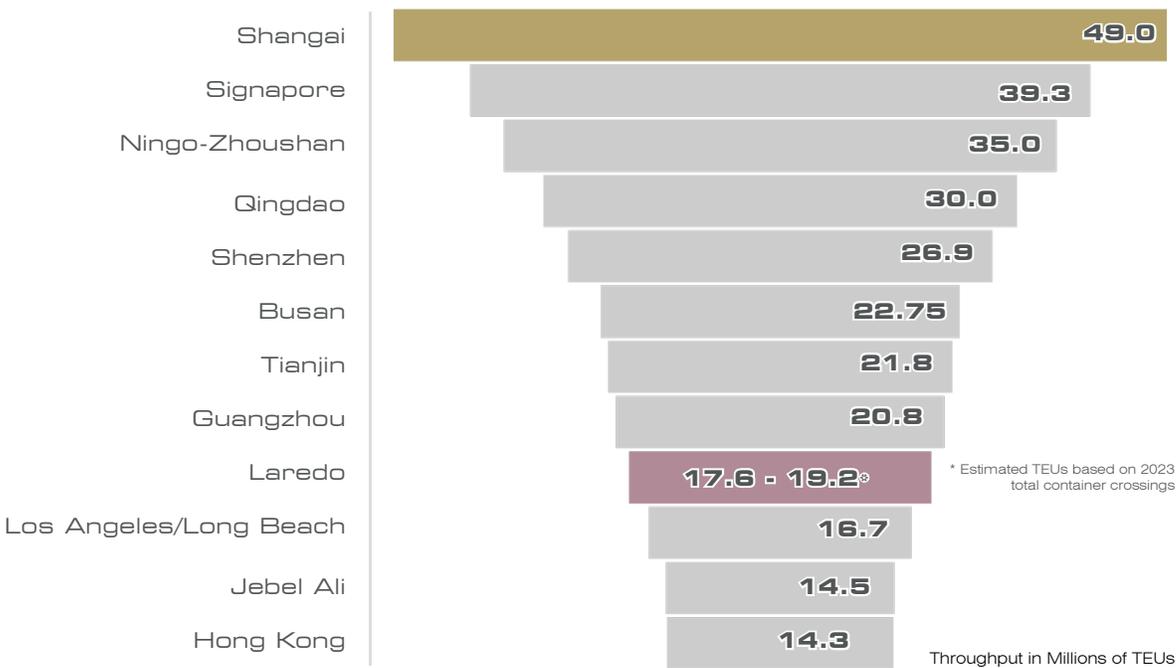
Figure 1

Pass connecting Italy and Austria, and the Öresund Bridge from Denmark to Sweden – with Laredo processing millions more trucks annually than any of them.

In 2023, over \$320 billion worth of merchandise traversed through this hub, underscoring its critical importance to global trade. That year was a historic turning point for Port Laredo, as it outperformed traditional frontrunners like Chicago O’Hare and the Port of Los Angeles, ascending to the rank of the premier U.S. port of entry by total trade value. Port Laredo orchestrated a remarkable \$321 billion in

imports and exports, marking a 7.1% growth from the previous year, thereby cementing its status as a cornerstone of international commerce.

This increase in Laredo’s trade value can be attributed to significant gains in key sectors such as vehicles (+\$11.5 billion) and electric machinery (+\$6.3 billion), emphasizing the growing importance of automotive and tech industries in the region. In contrast, the next four largest ports saw declines, with Chicago O’Hare down 5.8% to \$311 billion, partly due to substantial decreases in machinery and electric machinery trade sectors. The Port of



Source: Marine Insight - <https://www.marineinsight.com/ports/top-10-busiest-ports-in-the-world/>  
 U.S. Bureau of Transportation Statistics, City of Laredo Bridge System, Port of Long Beach, Port of Los Angeles,

**2023 Port of Laredo Placement Within the Largest Ports in the World Based on Throughput**  
 Figure 2

Los Angeles fell 6.1% to \$293 billion, impacted by significant drops in footwear and furniture/bedding, which may be attributed to shifting consumer preferences and supply chain diversifications. JFK International Airport declined 3.9% to \$248 billion, and Newark dropped 7.7% to \$239 billion, highlighting broader trade fluctuations affecting diverse sectors.

Several factors propelled Port Laredo’s rise to number one, chief among them the trend toward nearshoring. Amidst global supply chain disruptions, many U.S. companies have shifted production from Asia to Mexico to shorten transit times and reduce logistics costs. This has driven a surge in imports from Mexico, with the country now ranking as the United States’ top trading partner. Most of this

growing trade crosses the U.S.-Mexico border by truck or train, funneling it straight through Laredo. As depicted in Figure 3, Port Laredo stands out as a pivotal hub for international commerce, thanks to its strategic location, cutting-edge infrastructure, and robust logistics network. This network organically developed within a 40-mile radius spanning the border, comprises over 500 customs brokerage firms, in excess of 500 freight carriers, and more than 300 warehousing and storage facilities. This dynamic ecosystem supports the livelihoods of over 30,000 individuals employed across the border, reinforcing the economic synergy of the region.

The collective expertise, seasoned proficiency, and substantial workforce within this cluster are invaluable, significantly bolstering the region’s

economic vitality and solidifying Port Laredo's indispensable role in the global logistics and supply chain industries. Laredo's unparalleled ability to handle immense volumes of truck and rail freight elevates it as arguably the most significant land port of entry on both national and international scales.

Port Laredo has capitalized on its strategic location, offering direct connectivity to Mexico's highway and rail networks. This proximity and ability to rapidly move goods across the border has attracted significant new business to Laredo.

Major companies have established distribution centers near Port Laredo to optimize shipping from their Mexican factories to U.S. markets and from U.S. suppliers to Mexican consumers. Prominent national and local industrial real estate developers are expanding the area's warehouse capacity to accommodate this bi-directional growth in trade. Port Laredo's ascent to the nation's top port of entry is just the beginning of a long growth trajectory. As more companies nearshore production to Mexico

and embrace the Port as a speedy conduit to U.S. markets, trade volumes seem poised to expand further. This will require significant investments to scale Laredo's infrastructure and keep up with demand.

Plans are currently underway to add more truck lanes and inspection booths at Laredo's bridges, build a new commercial international bridge, expand rail capacity, and modernize customs processes through new technology. Beyond the Port, the region needs new roads, highways, and transportation links to accommodate the growing logistics activity.

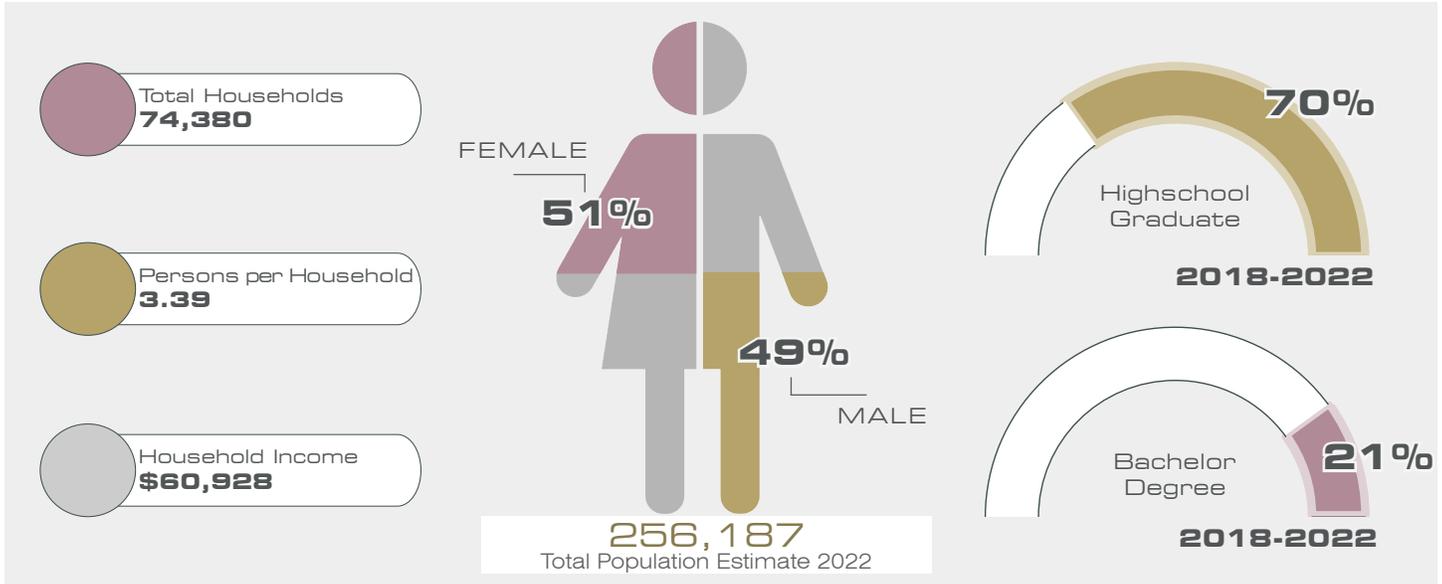
If Port Laredo can continue building its trade infrastructure, it will be positioned to remain the nation's predominant port of entry for years to come. Few locations can rival its unique proximity to major Mexican manufacturing centers, multimodal transportation connectivity, organic logistics cluster, and long history as a hub of binational commerce. These assets will sustain Port Laredo's status as the prime gateway for U.S.-Mexico trade.



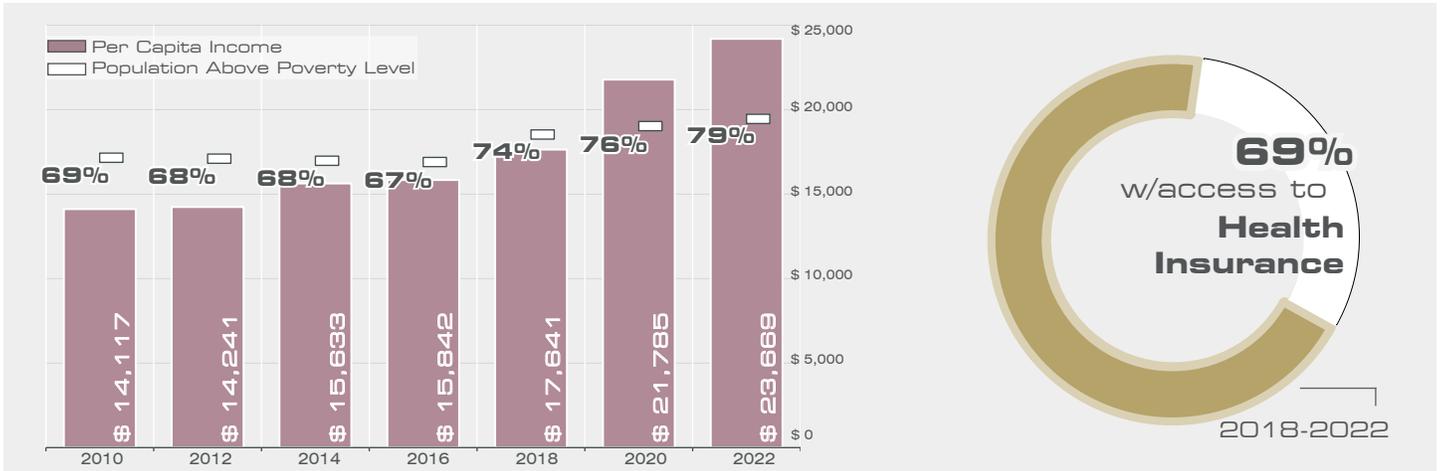
**Port Laredo's Geographical Advantage and State of the Art Facilities**

Figure 3

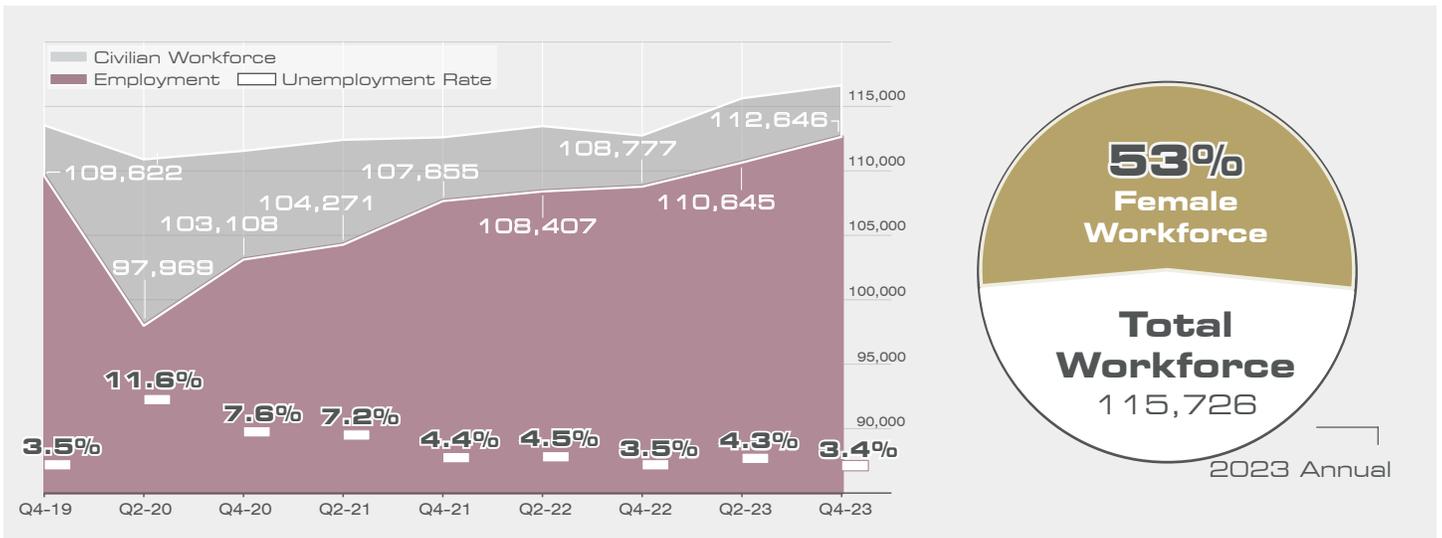
## Population



## Income and Health

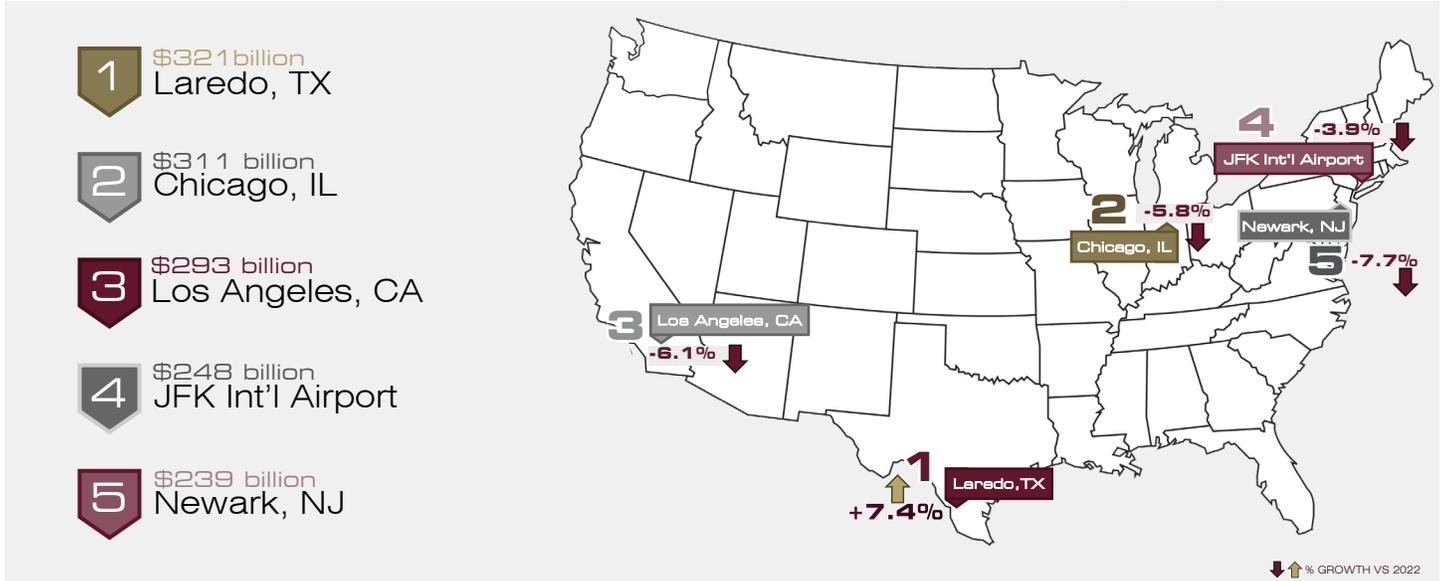


## Workforce 2023



## Top 5 U.S. Ports of Entry

2023 Total Import/Export Trade Value



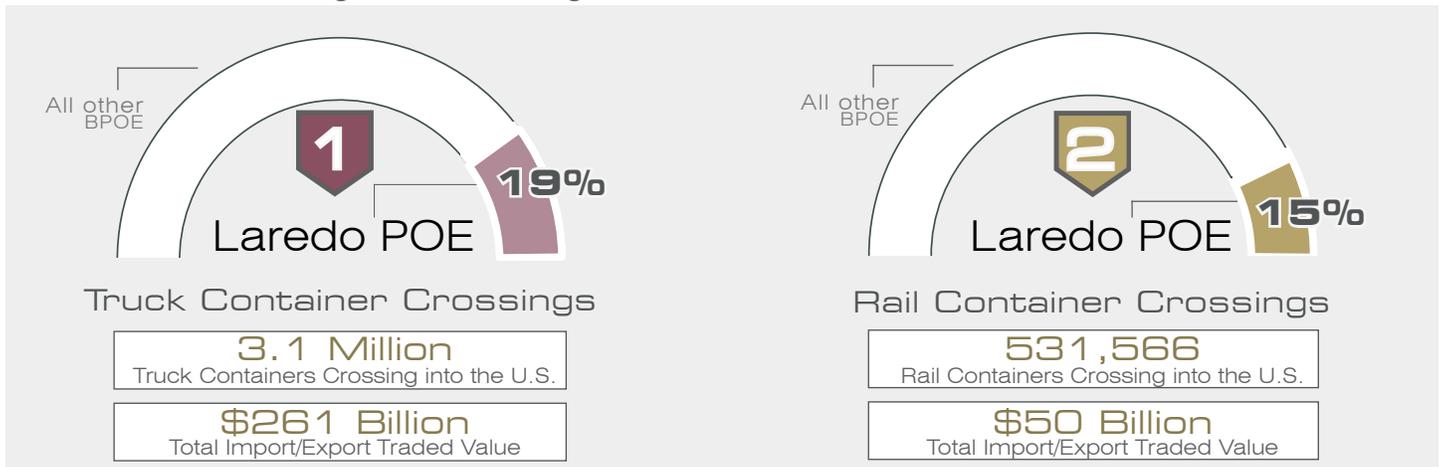
## Share of Total U.S. Trade

2023 Top 5 Ports of Entry (POE)



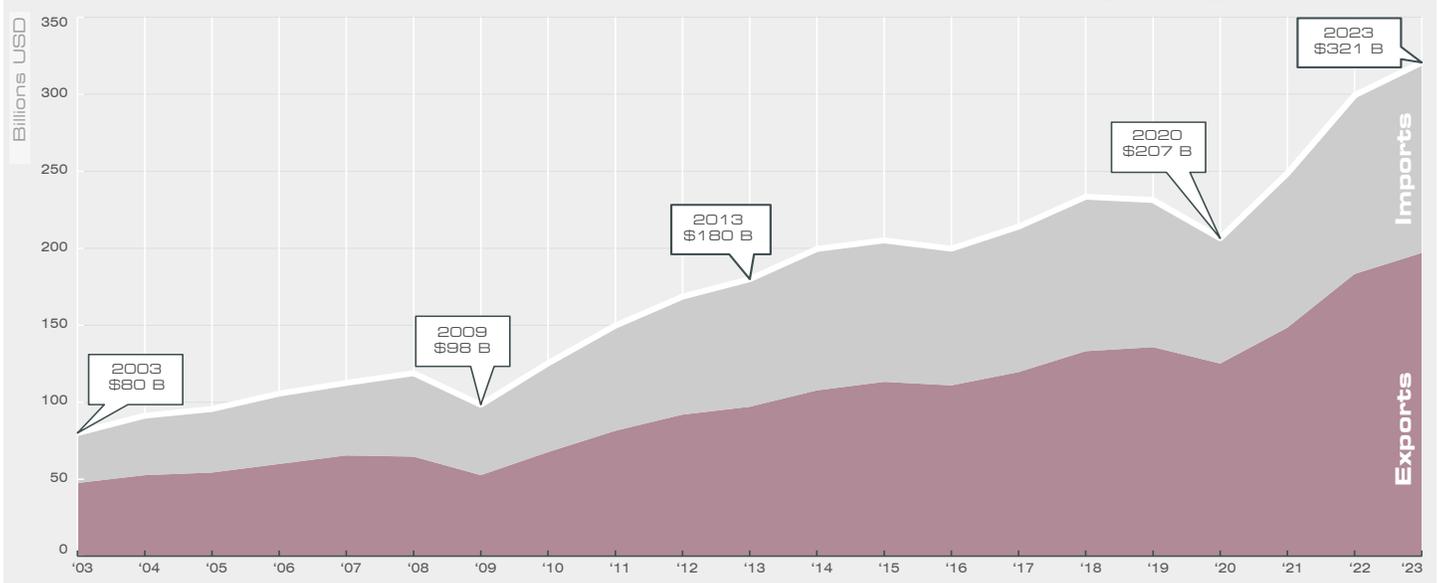
## Commodity Transportation

2023 Container Crossings into U.S. through Border POE



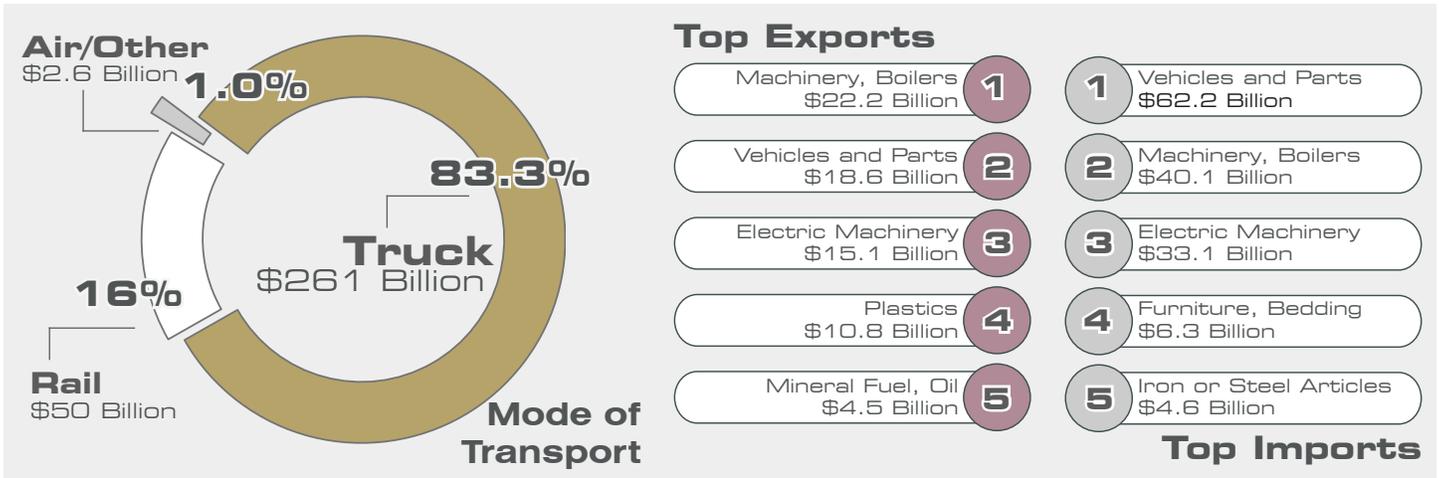
## Laredo POE Trade Trend

2003 - 2023 Total World Import / Export Trade Value



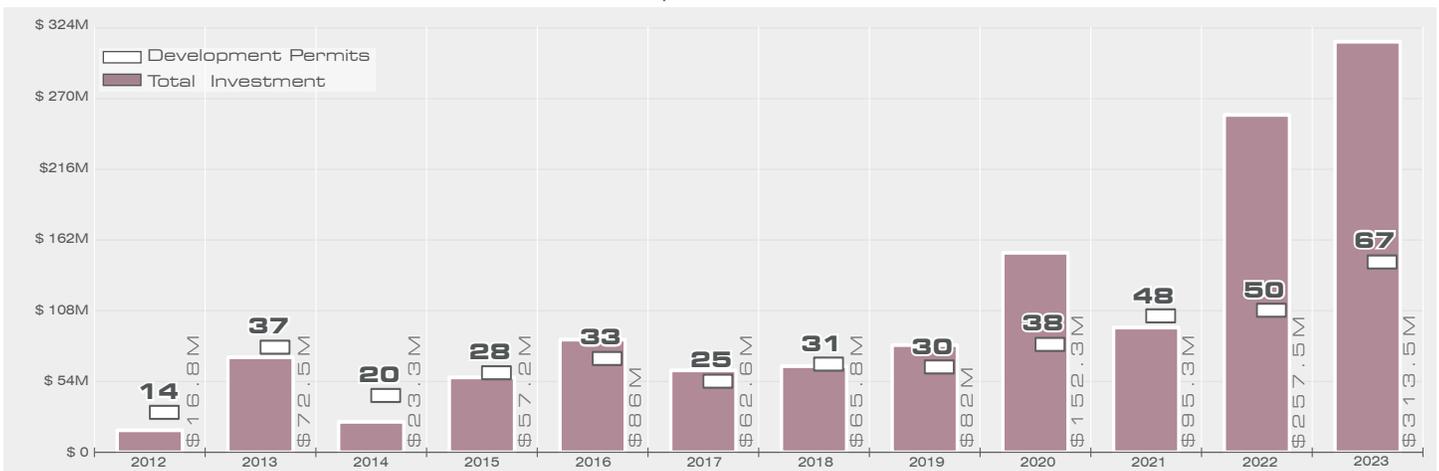
## Total World Import / Export Trade

2023 Laredo POE



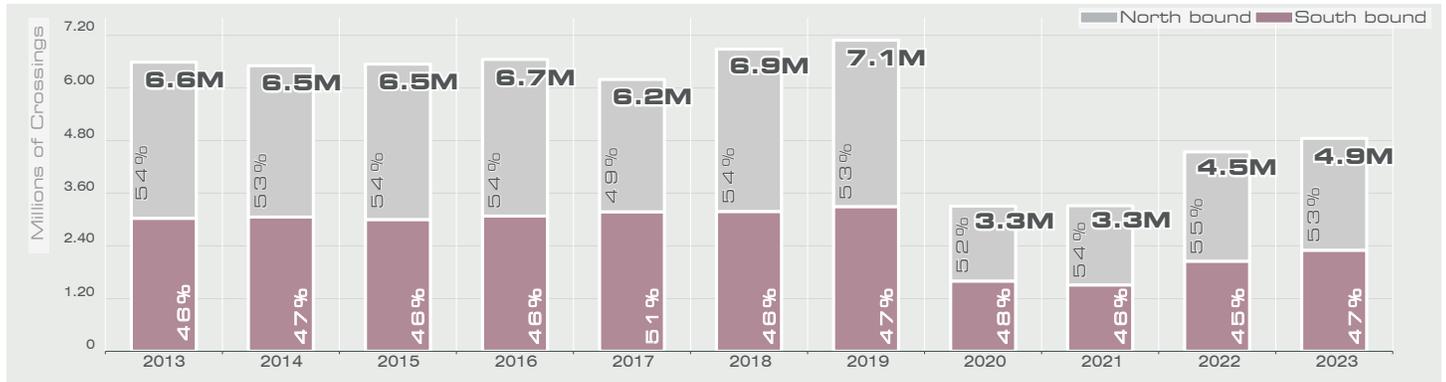
## Logistics Facilities

Laredo POE Warehouse & Industrial Park Development

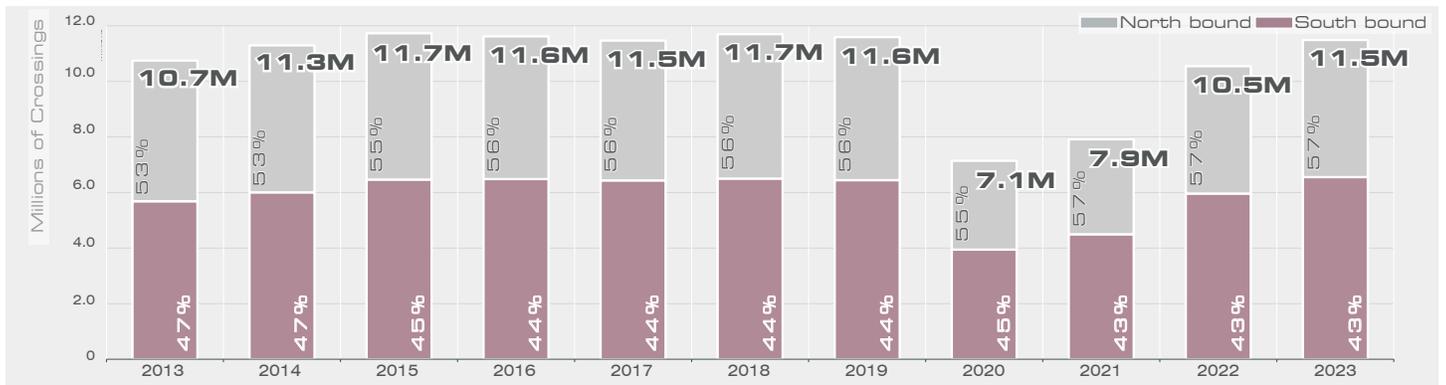


Source: U.S. Census Bureau Economic Indicators Division, U.S. Bureau of Transportation Statistics, City of Laredo Building Development Services

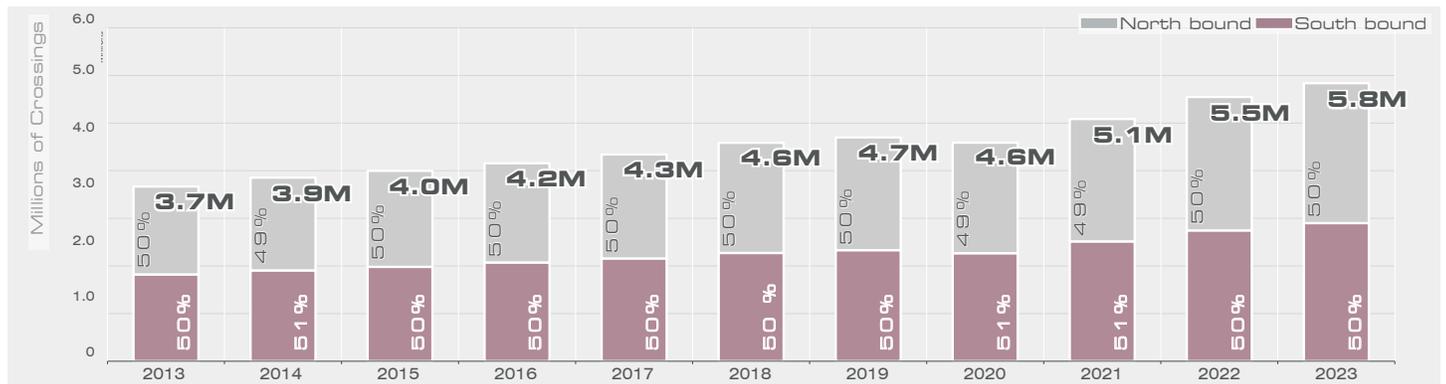
## Pedestrian Crossings



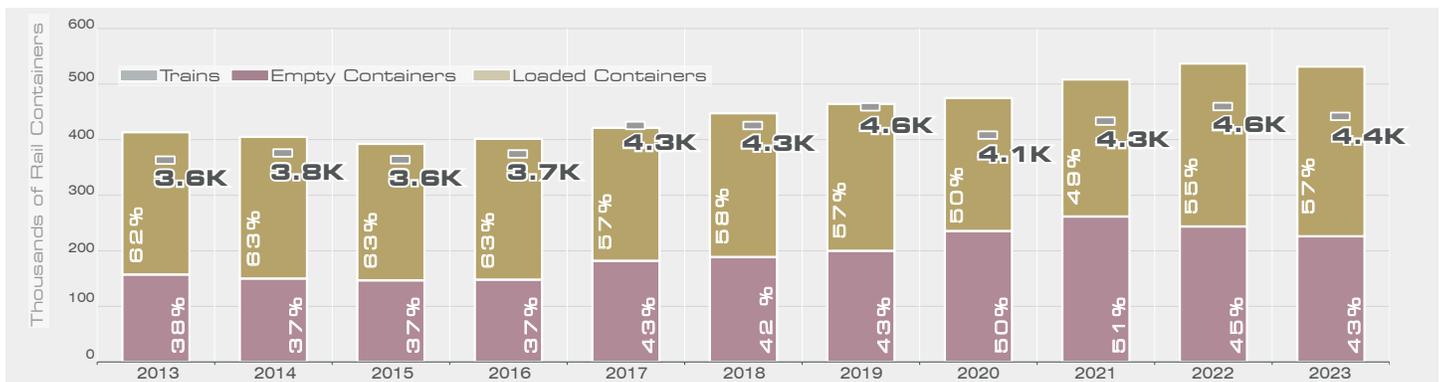
## Passenger Vehicle Crossings



## Commercial Truck Crossings



## Northbound Rail Crossings







# TEXAS CENTER

FOR BORDER ECONOMIC & ENTERPRISE DEVELOPMENT  
TEXAS A&M INTERNATIONAL UNIVERSITY



## BACKGROUND

Since 1989 the Texas Center for Border Economic and Enterprise Development of Texas A&M International University, provides leadership and support to Texas border communities in their socio-economic development efforts, including activities in the areas of business, education, health care, public administration and the environment.

## ABOUT

### MISSION

Provide support to private and public entities with research, knowledge, information, assistance and expertise in border and binational socio-economic

### VISION

Contribute to the socio-economic development of the greater Laredo area with research and datanalysis that allows a better understanding of the U.S.-Mexico border.

## CONTACT

**Daniel Covarrubias, Ph.D.**  
Director

**in** @jdcova

**✉** dcova@tamiu.edu

**texascenter.tamiu.edu**



## SERVICES

### DATA

We maintain a U.S.-Mexico border database (statistical, text and bibliographic) on development issues and trends, including social/demographic, business, economic, public finance, health, education, and the environment. We provide on-line access to the database via the Texas Center home page.



## RESEARCH

We work closely with university colleges and departments to involve faculty and students in specific community based activities designed to foster economic development and improved standards of living in the border region. We support interdisciplinary border development related research and planning activities focused on meeting specific community needs and concerns. We publish and disseminate research results through special reports.



Economic Development



Business Competitiveness



International Trade



Logistechs



Energy

## MEET THE TEAM



**Daniel Covarrubias, Ph.D.**  
Director



**Leo Lozano**  
Program Manager



**Karyme Castillo**  
Program Coordinator



**Andrea Vazquez**  
Research Specialist  
TTI



**Enrique Alba**  
Student Data &  
Information Assistant





# VISION24

LaredoChamber  
of Commerce



TEXAS CENTER  
FOR BORDER ECONOMIC & ENTERPRISE DEVELOPMENT  
TEXAS A&M INTERNATIONAL UNIVERSITY



LaredoChamber  
of Commerce



TEXAS A&M  
INTERNATIONAL  
UNIVERSITY

[texascenter.tamiu.edu](http://texascenter.tamiu.edu)