TRAFFIX Data Reveals Impact of Ongoing USMCA Review on Cross-Border Freight

Freight data shows tightening capacity and rising costs as the agreement's first joint review continues without resolution

CHICAGO, IL, UNITED STATES, July 30, 2026 /EINPresswire.com/ -- U.S. and Mexican negotiators wrapped up a third round of bilateral talks in Mexico City on July 21, part of the USMCA's first joint review. The agreement was not renewed, and no date has been set for when the review will conclude. TRAFFIX, a full-service North American transportation provider, said the outcome is significant for companies that nearshored to Mexico over the past five years. Milton Magos, TRAFFIX Vice President, Mexico, said the review will separate companies that built genuine production in Mexico from those that used the country for limited assembly work, and that the company's freight data already shows that pattern taking hold.

The three-day round covered steel and aluminum, automobiles, economic security, labor, agriculture and electronic payments. With the USMCA not renewed on July 1, the U.S. and Mexico are now working through annual negotiations that could stretch on for up to 10 years, under an agreement that runs through 2036. Reviews are scheduled every year until then, and either government can walk away with six months' notice. Magos put the stakes in context: roughly $1.8 trillion in annual North American trade rides on a negotiation that has no announced end date and, for now, no seat at the table for Canada.

TRAFFIX' own data backs this up. The company's July 2026 NAX Index, which tracks how freely freight is moving across North American borders, found truck availability still tight enough that shippers need extra lead time to plan cross-border shipments, and that squeeze is worse in Canada than in Mexico. The index also picked up a slight uptick in tariff and trade activity, plus an early surge in drayage demand as shippers rushed freight ahead of expected tariff changes.

That tightness shows up in the numbers, too. TRAFFIX' July 7 bi-weekly market update put spot rates at $3.80 per mile even as diesel eased to about $4.67 a gallon, while tender rejections held at 16.6 percent, another sign that capacity is still limited. Shipping volumes dropped 5.7 percent year over year the week after the Fourth of July, which TRAFFIX chalks up to the usual holiday lull rather than any real loosening in the market. The broader picture in TRAFFIX Trends Q3 2026 tells the same story: carriers are holding more negotiating leverage than shippers again, and spot rates have climbed above contract rates, something not seen since the pandemic-era freight cycle, a shift that has historically pushed contract rates higher in the months that follow.

With the review still open, Magos is telling shippers to plan for three different outcomes: the regional value content threshold staying where it is, that threshold tightening past the current 75 percent mark on automotive goods, or the talks simply stalling out before the next annual review.

“A tougher regional value content threshold may look like a threat to nearshoring. For companies that actually invested in Mexico, it may turn out to be the opposite," said Milton Magos, Vice President, Mexico, TRAFFIX. "This review isn't aimed at manufacturers with real operations. It's aimed at products that receive only minimal assembly before crossing the border. Companies using Mexico as a mailbox have the most to lose. Companies that built real North American production are likely to see that investment become even more valuable."

His advice in the meantime: audit country of origin documentation this quarter, make sure Mexico operations show real, substantive transformation rather than just final assembly, and build reclassification clauses into new supplier agreements from the start.

Put it all together, and the picture is one of tight capacity, carriers with the upper hand, and a USMCA outcome likely to add more cost pressure to freight rates that are already elevated. Companies that built their sourcing plans around one fixed regional value content threshold now have to rethink that assumption, in either direction.

About TRAFFIX
TRAFFIX is a third-party logistics provider serving the North American transportation industry since 1979. The company offers services including truckload, flatbed, intermodal, drayage, expedited, LTL, specialized government services, and managed transportation. Headquartered in Chicago, TRAFFIX employs more than 840 logistics professionals across the United States, Canada, and Mexico.

Michaela Dildine
LeadCoverage
michaela.d@leadcoverage.com
