

UK and Mexico lead on logistics FDI

RANKING

THE TRANSPORTATION AND WAREHOUSING AND STORAGE SECTORS FORM THE BACKBONE OF THE LOGISTICS INDUSTRY, AND IT IS THE UK AND MEXICO THAT ARE ATTRACTING THE MOST FDI IN THIS FIELD, ALTHOUGH THE US AND CHINA ALSO SCORE WELL ON A COUNTRY BASIS, WHILE ON A CITY LEVEL DUBAI AND SINGAPORE HAVE PROVED POPULAR

In assessing greenfield investment in the transportation and warehousing and storage sectors – the main planks of the logistics industry – between January 2013 and September 2015 using the fDi Markets crossborder investment database, the UK has emerged as the most popular destination for logistics projects, attracting 140 during this time period, more than even the US (121) and China (106).

But in terms of sheer capital investment, Mexico came out on top, with an estimated \$11.7bn spent on capital expenditure for logistics projects in the country by foreign companies, ahead of China at \$11bn. Other popular destination countries by this measure were Germany, Spain and India.

Dubai on top

The UK's capital, London, came out in third position among cities globally for number of projects and seventh for volume of capital invested in these projects. It was bested on project numbers by top-ranked Dubai and Singapore in second. But again, Mexico came out trumps for volume, with its city of ▶



In the thick of it: the Mexican logistics sector (pictured) witnessed the largest inflow of FDI capital expenditure of any country globally between January 2013 and September 2015

TOP COUNTRIES FOR LOGISTICS INVESTMENT 2013-15

DESTINATION COUNTRY	PROJECTS	CAPEX (\$BN)*	COMPANIES
UK	140	7.4	71
US	121	3.5	73
China	106	11.0	62
Mexico	104	11.7	53
Germany	88	3.6	66
Spain	84	4.0	51
India	75	6.4	49
Australia	59	2.9	46
Brazil	55	3.0	30
Vietnam	51	2.4	39
UAE	49	1.5	38
Canada	44	1.4	29
Belgium	39	1.3	36
Poland	38	1.1	29
Netherlands	37	1.0	30
Indonesia	35	2.6	25
France	34	.5	31
Singapore	33	2.0	26
Myanmar	31	2.1	26
Malaysia	30	1.9	28

Source: fDi Markets

TOP EUROPEAN REGIONS FOR LOGISTICS INVESTMENT 2013-15, CAPEX

DESTINATION REGION	COUNTRY	CAPEX (\$BN)*
South East England	UK	2.1
North West England	UK	1.8
Catalonia	Spain	1.6
Vlaams Gewest	Belgium	1.0
North Rhine-Westphalia	Germany	.8
East Midlands	UK	.8
Lombardy	Italy	.7
Bayern	Germany	.7
Berlin	Germany	.6
Comunidad de Madrid	Spain	.6

Source: fDi Markets
*Includes estimates

TOP CITIES FOR LOGISTICS INVESTMENT 2013-15, PROJECTS

DESTINATION CITY	COUNTRY	PROJECTS
Dubai	United Arab Emirates	35
Singapore	Singapore	33
London	UK	29
Mexico City	Mexico	27
Shanghai	China	24
Hong Kong	China	22
Yangon	Myanmar	21
Ho Chi Minh City	Vietnam	20
Barcelona	Spain	16
Melbourne	Australia	13
Sydney	Australia	13
São Paulo	Brazil	12
Jakarta	Indonesia	12
Istanbul	Turkey	12
Johannesburg	South Africa	11
Amsterdam	Netherlands	11
Mumbai	India	11
Nairobi	Kenya	10
New Delhi	India	10
Brisbane	Australia	10
Hanoi	Vietnam	10

Source: fDi Markets

TOP CITIES FOR LOGISTICS INVESTMENT 2013-15, CAPEX

DESTINATION CITY	COUNTRY	CAPEX (\$BN)*
Veracruz	Mexico	4.1
Shanghai	China	2.5
Singapore	Singapore	2.0
Hong Kong	China	1.5
Yangon	Myanmar	1.5
Mexico City	Mexico	1.3
London	UK	1.1
Barcelona	Spain	1.1
Dubai	UAE	1.0
Tema	Ghana	1.0
Kuantan	Malaysia	1.0
Ho Chi Minh City	Vietnam	1.0
Jakarta	Indonesia	1.0
Melbourne	Australia	.9
São Paulo	Brazil	.9
Cartagena	Colombia	.9
Northwich	UK	.8
Mumbai	India	.6
Hanoi	Vienam	.6
Hambantota	Sri Lanka	.6

Source: fDi Markets
*Includes estimates

TOP EUROPEAN REGIONS FOR LOGISTICS INVESTMENT 2013-15, PROJECTS

DESTINATION REGION	COUNTRY	PROJECTS
South East England	UK	46
Vlaams Gewest	Belgium	28
Catalonia	Spain	28
North Rhine-Westphalia	Germany	21
North West England	UK	21
West-Nederland	Netherlands	20
Bayern	Germany	17
Comunidad de Madrid	Spain	14
East Midlands	UK	13
Southern Finland	Finland	13
Île-de-France	France	13

Source: fDi Markets

THE UK HAS EMERGED AS THE MOST POPULAR DESTINATION FOR LOGISTICS PROJECTS





THE MORE
TRADITIONAL MARKET
OF EUROPE HAS
CONTINUED TO BE A
DRAW FOR COMPANIES
MOVING GOODS
AROUND THE WORLD



Veracruz attracting the highest level of capital investment during the period studied, at an estimated \$4.1bn.

Europe's stronghold

While a number of emerging market destinations have performed strongly in the logistics arena, the more traditional market of Europe has continued to be a draw for companies moving goods around the world. According to fDi Markets, western Europe was the top destination world region for logistics projects, attracting 601 between January 2013 and September 2015. That is in addition to the 233 projects sited in the 'rest of Europe' region. All told, Europe as a whole attracted \$42.8bn during this time period. Within Europe, popular destinations are found in Belgium (Vlaams Gewest ranked number two among European regions for number of projects and fourth for capital investment); Germany (with three regions in the top 10 for capital expenditure and two for number of projects); and the UK (with South East England ranking first for projects and East Midlands also in the top 10, and three UK regions coming in the top 10 for capital expenditure).

The most prolific companies in the sector have also originated in Europe. Deutsche Post, the world's largest logistics company, ranked as the top global investor among logistics companies, with fDi Markets having tracked 166 projects created by the company during the period studied. DHL Express, a division of Deutsche Post, ranked second with 62 projects. ■

TOP COMPANIES FOR LOGISTICS INVESTMENT 2013-15, PROJECTS

COMPANY NAME	COUNTRY	PROJECTS
Deutsche Post	Germany	166
DHL Express	Germany	62
United Parcel Services (UPS)	US	58
Deutsche Bahn	Germany	46
Federal Express (FedEx)	US	41
CEVA Logistics	UK	37
CEVA Group	UK	37
DHL	Germany	35
AP Moller-Maersk	Denmark	34
Nippon Yusen Kabushiki Kaisha (NYK Line)	Japan	34
DB Schenker	Germany	32
La Poste	France	30
DHL Global Forwarding	Germany	28
Russian Railways (Russkiye Zheleznye Dorogi)	Russia	27
Kuehne + Nagel International	Switzerland	26
FedEx Express	US	26
Direct Parcel Distribution (DPD)	France	24
DSV	Denmark	22
Dachser	Germany	19
GAC Group	UAE	19
Damco	Denmark	19
Nippon Express	Japan	18
Ryanair	Ireland	17
Gebrüder Weiss	Austria	17
Remondis (Rethmann)	Germany	16
TNT Express	Netherlands	16
Mitsui OSK Lines (MOL)	Japan	16
The Emirates Group	UAE	15
Kintetsu World Express (KWE)	Japan	15
CMA CGM	France	15
DHL Supply Chain	Germany	15
Wilh Wilhelmsen Limited	Norway	14
General Logistics Systems Holding (GLS Holding)	Netherlands	14
Gefco	Russia	14
Norbert Dentressangle	France	13
Yusen Logistics	Japan	13
Latam Airlines (Lan Airlines)	Chile	12
John Swire & Sons	UK	12
Marken	UK	12
Logwin AG (Thiel Logistik)	Luxembourg	11
Whistl (TNT Post)	Netherlands	11
Schulte Group	Germany	11
PostNL (TNT)	Netherlands	11
Uti Worldwide	US	11
Gulf Air	Bahrain	11
International Airlines Group	UK	10
IAG Cargo	UK	10
TAM Cargo	Chile	10
OPDR Iberia	Germany	10
John Menzies	UK	10

Source: fDi Markets