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Latin America Internet and Retail

LatAm Retail Headline Monitor: MELI Logistics Expansion, Amazon DC Launch, E-Commerce Growth & Tax Changes

CITI'S TAKE

In this note, we summarize headlines/news with implications for our coverage. We hope you find this useful.

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Mercado Libre Expands Argentina Logistics Footprint 73% and Ends 2025 With 45 Facilities (09/11/2026, Diario Financiero)

Mercado Libre increased its logistics footprint in Argentina by 73% during 2025, adding more than 135,000 square meters and ending the year with 45 logistics facilities after extending its network to additional municipalities and provinces.

Amazon Opens 31,000 m^2 Distribution Center in Espírito Santo With Same-Day Delivery (09/11/2026, Mercado & Consumo)

Amazon and DHL Supply Chain opened their first distribution center in Espírito Santo, located in Cariacica. The 31,000 m^2 facility has initial capacity to process more than 420,000 packages per week and can employ more than 500 direct and indirect workers during peak periods. The center operates under Amazon's FBA model and enables same-day deliveries in the state. Amazon currently operates more than 300 logistics facilities in Brazil, including more than 100 in the Southeast and five in Espírito Santo, and said it invested more than R$100 million in the state in 2025.

ABVTEX Says 200 Textile Companies Have Moved to Paraguay as Import-Tax Rules Change (09/11/2026, NeoFeed)

ABVTEX executive director Edmundo Lima said approximately 200 textile companies have already opened operations in Paraguay, where operating costs can be up to 30% lower than in Brazil. Brazilian apparel-sector economic activity declined 8.2% year over year in July, according to data cited in the report. Lima said additional companies, particularly from Brazil's South and Southeast, are considering moving operations, while ABVTEX said planned retail investments of R$100 billion are currently frozen.

See Appendix A-1 for Analyst Certification, Important Disclosures and Research Analyst Affiliations

Brazil E-Commerce Revenue Grows 5.1% in August as Overall Retail Falls 2% in Real Terms (09/11/2026, E-Commerce Brasil)

Brazilian e-commerce revenue increased 5.1% year over year in August, according to the Cielo Expanded Retail Index, while total retail sales declined 2% in real terms. The overall retail decline followed a 1.4% contraction in July and marked the 15th consecutive month of negative real growth in the index.

Brazil Tax Reform Changes Tax-Credit Treatment for Outsourced Logistics Services (09/14/2026, Valor Econômico)

Brazil's tax reform will change the treatment of tax credits associated with outsourced logistics services. An Ilos survey of 110 companies with average revenue of R$22 billion found that 85% use transportation companies, while 8% operate their own fleets and 7% use independent truck drivers. Under the new rules, companies will only be able to claim credits after the logistics provider has effectively paid the tax, and the credit will correspond to the amount actually paid. Ilos said 55% of surveyed companies expect transportation costs to increase under the new framework, while 45% expect a reduction.

