

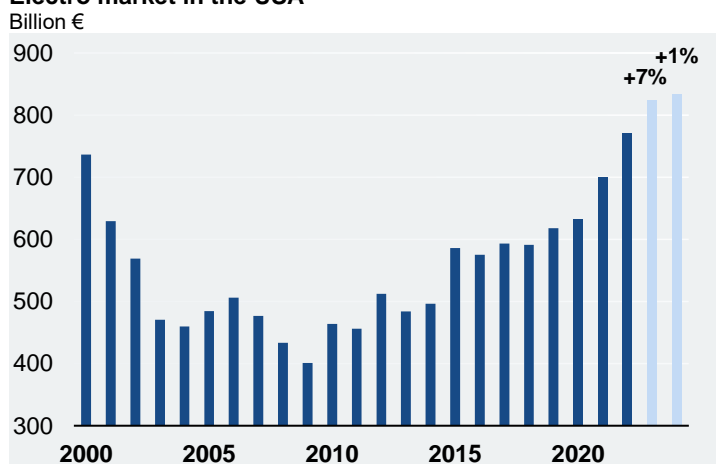
February 2024

ZVEI Foreign Trade Report Special

USA

With a gross domestic product of 25.3 billion euro (2023), the USA is the world's largest economy – ahead of China (€16.4bn). As regards the volume of the corresponding electro markets, the two positions are reversed. Here, the US electro market accounted – according to preliminary calculations – for 771 billion euro in 2022. In comparison, China's market had a volume of 2,307 billion euro and therefore was three times bigger. Since 2000 and after the bursting of the dotcom bubble, the US market had come down sharply until 2009. Despite the growth of the second decade, it took until 2022 that the US market reached – or surpassed – its level from 2000 again. However, the development of the dollar influences the calculation of the market in euro terms. Thus, the euro had appreciated towards the dollar from 2000 until 2009 by about 50 percent. Then it depreciated by nearly 25 percent until 2022. For 2023, the ZVEI estimates a (nominal) growth rate of seven percent, followed by a moderate increase of one percent in 2024.

Electro market in the USA



Source: US-Department of Commerce and ZVEI's own calculations, 2023 and 2024 according to ZVEI forecast

Among the top ten customer countries of the German electro and digital industry the United States is also ranked second (again behind China). The German electro exports to the USA amounted to 24.9 billion euro in 2023, surpassing their pre-year level by 5.4 percent. The exports to the USA have developed quite like the overall electro exports since 2000. In fact, the sector's deliveries to the country nearly tripled. The share of German exports in the US market grew significantly from 1.2 percent in 2000 to 3.0 percent in 2023.

Especially the deliveries of the sub-branches automation (€6.8bn), medical engineering (€3.9bn), ICT (€2.4bn), electronic components (€1.8bn) as well as power engineering (€1.6bn) contributed strongly to the domestic electro exports to the USA in 2023.

The imports of electrical and electronic products from the USA play an important role for the German electro market. They summed up to 14.1 billion euro in 2023. The share of the deliveries to the United States in the total electro imports (€268.7bn) was at 5.2 percent. Consequently, the USA was the fourth biggest supplier of the German electro market.

According to statistics from the German Bundesbank, the German electro industry holds FDI stocks of 7.5 billion euro in the USA (2021). With a share of 15.4 percent – or more than a seventh – in the total FDI stock abroad, the United States is the sector's largest investment location of the domestic electro industry outside Germany.

German electro exports



Source: Destatis and ZVEI's own calculations