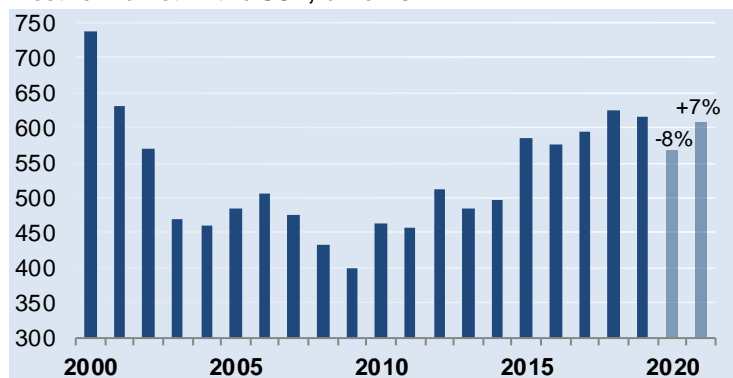


ZVEI Foreign Trade Report Special: USA

The US electric market accounts – according to preliminary calculations – for a volume of €568,0bn in 2020. That makes it the 2nd biggest country market worldwide (behind China). However, the relative position of the US market has continued to decrease within the last twenty years: its share in the global electric market came down from 29.5 percent in the year 2000 to 13.5 percent in 2020. There are two reasons for this development. While other regions – and especially China – have grown rapidly, the US market lost even in absolute figures. On average the market volume has receded annually by 1.3 percent since 2000. Depreciating by nearly 24 percent in this time span, a weaker dollar is another reason for the reduction in euro terms. For 2021 the ZVEI projects a growth rate of 7 percent for the US market, i.e. a dynamic recovery after a loss of 8 percent in the last year.

Electric market in the USA, billion €



Source: US-Department of Commerce and ZVEI's own calculations, 2020/21 ZVEI-Forecast

Among the top ten customer countries of the German electric industry the United States are ranked 2nd (again behind China). In 2020 the domestic electric sector's deliveries to the world's largest economy amounted to €17.3bn, missing their pre-year level by 9.8 percent. Of course, the decline was driven by the corona pandemic. But in comparison to the overall development of the German electric exports, which decreased by 5.7 percent to €202.7bn last year, the deliveries to the US market fell more markedly. Nevertheless, since 2000 the electric exports to the USA more than doubled. With the volume of the US electric market receding, the share of

German exports in the US market grew significantly from 1.2 percent in 2000 to 3.0 percent in 2020.

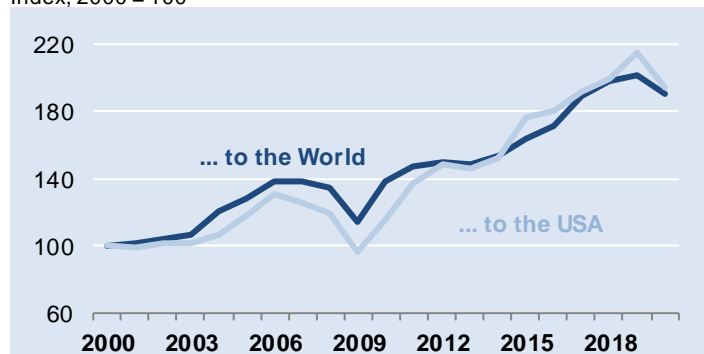
At the beginning of this year (January - February) the deliveries to the United States sagged by 12.4 percent (year over year), i.e. once again stronger than the electric exports in total with minus 1.2 percent.

In 2020 especially the deliveries of the subbranches automation (€4.4bn), medical engineering (€3.2bn), power engineering (€1.3bn) as well as electronic components (€1.0bn) contributed strongly to the domestic electric exports to the USA.

The imports of electrical and electronic products from the USA play an important role for the German electric market. Despite a decline of 13.0 percent in the last year, they accumulated to €10.9bn in 2020. This corresponds to a share of 5.8 percent in Germany's total electric imports. With it, the United States are still the 2nd biggest supplying country. Once again, China is in 1st position.

German electric exports ...

Index, 2000 = 100



Source: Destatis and ZVEI's own calculations

According to statistics from the German Bundesbank, the German electric industry holds FDI stocks of €7.0bn in the USA (2018). With a share of 13.1 percent – or more than one eighth – in the total FDI stock abroad the United States are the sector's largest investment location of the

domestic electric industry outside Germany – once more exceeded only by China.