U.S. EMBASSY BERLIN

FACT SHEET ON U.S. - GERMAN ECONOMIC RELATIONS

- Updated in December 2004 -

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I. Trade

1. US trading partners

- 2003 figures [1] -

Exports	Imports	total trade
1. Canada	1. Canada	1. Canada
2. Mexico	2. China	2. Mexico
3. Japan	3. Mexico	3. China
4. UK	4. Japan	4. Japan
5. Germany	5. Germany	5. Germany

2. German trading partners

- 2003 figures [2] -

Exports (% share of total German exports)	Imports (% share of total German imports)
1. France (10.6%)	1. France (9.2%)
2. US (9.3%)	2. Netherlands (8.3%)
3. UK (8.4%)	3. US (7.3%)
4. Italy (7.4%)	4. Italy (6.3%)
5. Netherlands (6.2)	5. UK (6.0%)

[1] USITC: http://dataweb.usitc.gov/scripts/cy_m3_run.asp
[2] German Federal Statistical Office: http://www.destatis.de/presse/deutsch/pm2004/p2200181.htm

3. German - US trade as % share of total German trade [3]

	German goods exports to US as % share of total exports	German goods imports from US as % share of total imports
1950[4]	5.1	15.3
.		
.		
1991	6.3	6.6
.		
.		
1999	10.1	8.3
2000	10.3	8.8
2001	10.6	8.3
2002	10.3	7.7
2003	9.3	8.3

4. Annual bilateral goods trade flows [5]

- billion euros -

	German exports to U.S.	German imports from U.S.	trade balance (goods exports - goods imports)
1950[6]	0.22	0.89	-
.			
.			
1991	21.3	21.6	-
.			
.			
1995	27.9	23.2	-
1996	30.7	25.3	-
1997	39.2	30.2	-
1998	45.9	34.9	-
1999	51.4	36.8	-

[3] AmCham Germany: http://www.amcham.de/fileadmin/templates/main/pdf/Trade_Import_Export.pdf; as of 2003: German Federal Statistical Office: http://www.destatis.de/presse/deutsch/pm2004/p2200181.htm

[4] West Germany; German Council of Economic Experts: http://www.sachverstaendigenrat-wirtschaft.de/gutacht/Tabellen/Tab63jg.pdf

[5] German Council of Economic Experts: http://www.sachverstaendigenrat-wirtschaft.de/gutacht/Tabellen/Tab63jg.pdf; trade balance and exports/imports as of 2001: Bundesbank: http://www.bundesbank.de/vo/download/stat_beihefte/zahlungsbilanzstatistik032004.pdf

[6] euro values for West Germany

2000	61.8	47.1	-
2001	67.8	46.0	21.8
2002	63.3	40.4	27.9
2003	61.7	39.1	22.6

5. German current account with U.S.

Bilateral current account: Net flow of current transactions, including goods, services, and interest payments, between Germany and US.

- billion euros [7] -

1999	10.2
2000	10.4
2001	5.8
2002	22.4
2003	20.3

6. U.S. exports to Germany

- 2003 goods exports at customs values in $ million [8] -

all categories	$26,806.1
1. machinery and mechanical appliances	$5,611.1
2. vehicles, other than railway rolling stock	$4,703.3
3. electrical machinery and equipment	$3,228.3
4. optical, photographic, measuring, medical instruments and apparatus	$3,114.2
5. aircraft, spacecraft, and parts thereof	$1,337.7
6. special classification provisions, nesoi	$1,020.8
7. organic chemicals	$923.3

[7] Bundesbank: http://www.bundesbank.de/download/volkswirtschaft/stat_beihefte/zahlungsbilanzstatistik042004.pdf, p. 11

[8] USITC: http://dataweb.usitc.gov/scripts/cy_m3_run.asp?Fl=m&Phase=HTS2&cc=4280&cn=Germany

8. miscellaneous chemical products	$765.9
9. pharmaceutical products	$662.6
10. plastics and articles thereof	$592.

7. U.S. imports from Germany

- 2003 goods imports at customs values in $ million -

all categories	$66,531.8
1. vehicles, other than railway rolling stock	$22,539.6
2. machinery and mechanical appliances	$12,439.3
3. optical, photographic, measuring, medical instruments and apparatus	$4,489.8
4. electrical machinery and equipment	$4,453.8
5. pharmaceutical products	$3,267.0
6. organic chemicals	$2,116.9
7. special classification provisions, nesoi	$1,980.8
8. plastics and articles thereof	$1,395.5
9. special import reporting provisions, nesoi	$1,312.5
10. aircraft, spacecraft, and parts thereof	$1,091.5

II. Investment

1. German FDI in US

German investment position in the US (end of 2002): 157 bn euros = 27% of all German FDI.[9]

- FDI flows in billion euros [10] -

	total German net FDI outflows	German net FDI transfer to US
1999	98.5	29.8
2000	61.4	30
2001	41.2	43.8
2002	9.1	-8.4
2003	2.3	4.8

2. US FDI in Germany

US investment position in Germany (end of 2002): 74 billion euros = 15% of all FDI invested in Germany.[11]

- FDI flows in billion euros [12] -

	total foreign net FDI transfers to Germany	US net FDI transfer to Germany
1999	57.8	9.3
2000	215	3.8
2001	23.6	5.4
2002	38.3	2.1
2003	11.4	5

[9] Bundesbank: Kapitalverflechtung mit dem Ausland (page 18); http://www.bundesbank.de/stat/download/stat_sonder/statso10.pdf

[10] Ministry of Economics and Labor: Deutsche Direktinvestitionen im Ausland nach Laendergruppen und Laendern: http://www.bmwi.de/Redaktion/Inhalte/Downloads/deutsche-direktinvestitionen-im-ausland-nach-laendergruppen-1999-2002,property=pdf.pdf

[11] Bundesbank: Kapitalverflechtung mit dem Ausland (page 56); http://www.bundesbank.de/stat/download/stat_sonder/statso10.pdf

[12] Ministry of Economics and Labor: http://www.bmwi.de/Redaktion/Inhalte/Downloads/auslaendische-direktinvestitionen-im-inland-nach-laendergruppen-1999-2003,property=pdf.pdf

III. Companies

1. German companies/jobs/turnover in US

In 2002, 3,375 German companies (15% of all German firms established abroad) accounted for 767,000 jobs in the US (17% of all jobs provided by German firms established abroad)and yielded a turnover of 388 bn euros in the US (28% of total turnover yielded by German firms established abroad). [13]

2. US companies/jobs/turnover in Germany

In 2002, 1,397 US companies (almost 15% of all foreign firms established in Germany) accounted for 475,000 jobs in Germany (23% of all jobs provided by foreign firms in Germany) and yielded a turnover of 148 bn euros (19% of turnover yielded by foreign companies established in Germany).[14]

3. Largest German manufacturing companies in 2002 [15]

Ranking	Company	turnover in bn euros	employees in '000
1	DaimlerChrysler	149.6	365.6
2	Volkswagen	86.9	324.9
	(Volkswagen AG)	(43.1)	(108.2)
3	Siemens	84	445.1
	(Siemens AG)	(27.8)	111.1
4	RWE AG	43.5	131.8
5	E.ON AG	36.1	107.9
6	BMW Group	42.3	101.4
	(BMW AG)	(36.9)	(76.0)
7	ThyssenKrupp	36.7	191.3
8	Bosch	35	224.3
9	BASF Gruppe	32.2	89.4
10	Bayer	29.6	122.6

[13] Bundesbank: Kapitalverflechtung mit dem Ausland (page 18); http://www.bundesbank.de/stat/download/stat_sonder/statso10.pdf
[14] Bundesbank: Kapitalverflechtung mit dem Ausland, p.56
[15] FAZ: http://www.faz.net/s/RubEC1ACFE1EE274C81BCD3621EF555C83C/Doc~EA34FEC92602C4138875DB5CCD11916B0~ATpl~Ecommon~Sspezial.html

4. Major US firms in Germany

- turnover in '000 euros -

Name	2002 [16]	2003 [17]
1. Ford	15,924	14,042
2. Opel	14,875	13,940
3. Exxon Mobil	12.600	11,900
4. IBM	7,600	7,800
5. Philip Morris	6,923	6,844
6. GE	4,500	5,900
7. Hewlett-Packard	4,100	5,300
8. ConocoPhilipsContinental	4,973	5,253
9. Ingram Micro Holding		3,095
10. Dow	3,700	3,000

IV. German economy

1. Key data [18]

	2000	2001	2002	2003
GDP (current, EUR bn)	2,030.0	2,071.2	2,108.2	2,110.4
GDP (current, $ bn)	1,875.72	1,855.8	1,990.1	2,386.8
real GDP growth rate	2.9%	0.6%	0.2%	(0.1)
GDP per capita ($)	24,699.1	22,534.4	24,109.7	-
Fed Govt expenditure(% GDP)	13.5	13.1	13.7	13.2
public expenditure(% GDP)	48.6	49.1	49.8	49.5
inflation/cost of Living (%)	1.4	2.0	1.4	1
unemployment (%)[19]	9.7	9.4	9.8	10.5

[16] AmCham Germany
[17] AmCham Germany: Commerce Germany October 2004, Vol 2, Issue 4
[18] Bundesbank figures respectively calculations based on Bundesbank figures if not specified otherwise

exchange Rate ($/EUR)	0.924	0.896	0.944	1.131

2. Forecasts for 2004

	2004	2005 Forecast Government [20]	2005 Forecast (think tanks) [21]
real GDP (% change)	1.7	1.5	1.5
consumption (% change)			0.6
- private	(0.3)	0.7	0.8
- government	0.4	(0.2)	0.0
investment (% change)	(0.7)	2.2	1.5
- equipment	1.2	4.8	4.2
- construction	(2.5)	0	(0.8)
dom. demand (% change)	0.5	1	1
exports (% change)	8.2	6.4	5.9
imports (% change)	5.7	5.7	5.4
balance of payments (EUR bn)	116.8	131.4	-
consumer prices (% change)	1.5	1	1.5
unit labor costs (% change)	(1.3)	0.1	(0.3)
unemployed (in '000)	4,381	4,530	4,332
productivity			1.3
unemployment rate	10.5	10.7	10.1
Employment (% change)	0.3	0.8	0.5

[19] according to the national definition
[20] Ministry of Labor and Economics: Annual Economic Report 2005
[21] Working Group of German Research Institutes - Joint Autumn Forecast from October 2004 http://www.diw.de/deutsch/produkte/publikationen/wochenberichte/docs/04-43.pdf

Public financial balance in % of GDP	(3.9)	(2.9)	(3.5)

3. Sectors

Size of main sectors
(% share of gross value added [22])

- Germany -

(next update: Spring 2005)

	Agriculture	Producing Sector			Services
		total	Manufacturing [23]	Construct.	
1991	1.4	36.4	27.4	5.9	62.2
2003	1.1	28.6	24.4	4.2	70.1
- USA -					
2004 est. [24]	1.4	26.2	-	-	72.5

[22] Institute of German Business (IW): Deutschland in Zahlen 2004
[23] manufacturing, mining, energy, water
[24] CIA World Factbook: http://www.cia.gov/cia/publications/factbook/geos/us.html#Econ

Main industry sectors in 2003

(next update: Spring 2005)

Producing sector	Companies	Employment (in '000)	Turnover (bn euros)
Construction [25]	77,232	814	83
Machinery building[26]	6,051 (2002)	885	132
Automobiles [27]	1,022 (2001)	772	208
Electronics [28]	3,254 (2002)[29]	841,9	154
Chemicals [30]	ca. 1,700	464	136,2
Food [31]	5,880	525,3	127

V. US - German economic comparison

1. Basic structural data[32]

	Germany	USA
population	82 millions	290 million
GDP (purchasing power parity)	$2.256 trillion	$11.17 trillion
GDP per capita (purchasing power parity)	$27,351	$36,518
labor force [33]	42.63 million (2004 est.)	146.5 million (2004 est.)

[25] Association of the German Construction Industry: http://hvb.epgmbh.de/seiten/downloads/baudatenkarte_2004.pdf
[26] Association of the German Mechanical Engineering Industry (VDMA): http://www.vdma.org/wps/portal/Home/en/Investitionsgueterindustrie/Wirtschaft_und_Recht/VwS_20040924_Kbs_Artikel_DerdtMaBauengl?New_WCM_Context=http://www.vdma.org/ilwwcm/connect/Home/en/Investitionsgueterindustrie/Wirtschaft_und_Recht/VwS_20040924_Kbs_Artikel_DerdtMaBauengl
[27] Association of the German Car Industry (VDA): http://www.vda.de/de/aktuell/statistik/jahreszahlen/allgemeines/index.html
[28] Association of the German Electronics Industry (ZVEI): http://www.zvei.org/fileadmin/user_upload/Wirtschft_Recht/Konjunktur_Markt/Kennzahlen/Kennzahlen_zur_Elektrokonjunktur_III_2004.pdf
[29] Association of the German Mechanical Engineering Industry (VDMA): http://www.vdma.org/wps/portal/Home/en/Investitionsgueterindustrie/Wirtschaft_und_Recht/VwS_20040924_Kbs_Artikel_DerdtMaBauengl?New_WCM_Context=http://www.vdma.org/ilwwcm/connect/Home/en/Investitionsgueterindustrie/Wirtschaft_und_Recht/VwS_20040924_Kbs_Artikel_DerdtMaBauengl
[30] Association of the German Chemical Industry (VCI): http://www.vci.de/template_downloads/tmp_0/Branche_DE.pdf?DokNr=65348&p=101
[31] BVE: http://www.bve-online.de/
[32] IMF: http://www.imf.org/external/pubs/ft/weo/2004/02/data/dbginim.cfm
[33] CIA World Factbook

2. Economic performance [34]

(next update: Spring 2005)

	2001	2002	2003	2004 (IMF est.)	2005 (IMF est.)
Real GDP growth:					
Ger	0.8	0.1	-0.1	2.0	1.8
USA	0.8	1.9	3.0	4.3	3.5
Unempl. rate:					
Ger	7.9	8.6	9.6	9.7	9.5
USA	4.8	5.8	6	5.5	5.4
Employment growth:					
Ger	0.4	(0.6)	(1.1)	(0.4)	0.3
USA	0	(0.3)	0.9	1.2	1.8
Growth in real per capita GDP:					
Ger	0.7	0	(0.1)	2.0	1.8
USA	(0.5)	1.2	2.0	3.3	2.5
Hourly earnings:					
Ger	3.6	3.4	1.7	2.0	2.5
USA	2.5	4	8.5	5.3	4.0
Productivity					
Ger	0	2.8	2.9	2.8	2.8
USA	2.4	7.2	5.1	3.9	3.0
Government gross debt in % of GDP					
Ger	59.4	60.9	63.8	65.7	67.1
USA	56.6	58.6	60.5	61.5	62.2
Fiscal balance [35]					
Ger	(2.8)	(3.5)	(3.8)	(3.9)	(3.3)
USA	(0.2)	(3.3)	(4.6)	(4.9)	(4.3)
Current account balance in % of GDP					
Ger	0.1	2.2	2.2	4.4	4.8
USA	(3.8)	(4.5)	(4.8)	(5.4)	(5.1)
Inflation					
Ger	1.9	1.3	1.0	1.8	1.3
USA	2.8	1.6	2.3	3.0	3.0

[34] IMF World Economic Outlook September 2004
[35] all government levels

3. Labor cost comparison

Position in international labor cost ranking: Ranking position "1" means highest cost of OECD countries considered. [36]

	Labor costs per hour			Unit labor costs
	labor costs	wage	non-wage labor costs	
Germany				1
West Germany	3 (euro 27.09)	4 (euro 15.13)	1 (euro 11.96)	
East Germany	16 (euro 16.86)	17 (euro 10.17)	15 (euro 6.68)	
USA	12 (euro 19.91)	6 (19.91)	16 (euro 5.99)	10

[36] Institut der Deutschen Wirtschaft (IW): Standort Deutschland 2005, p. 5 Basis of the ranking are manufacturing labor costs in euros. The ranking compares the cost in 24 OECD countries (Norway, Denmark, Germany, Switzerland, Finland, Belgium, Netherlands, Sweden, Austria, Luxemburg, France, USA, UK, Japan, Ireland, Canada, Italy, Spain, Greece, Portugal, Czech Rep., Hungary, Poland, Slovak Rep.)