

Country Report USA

Chemical industry data and facts

September 2024

US-chemical industry - number two in the world

In 2023, the chemical-pharmaceutical industry in the United States generated a turnover of almost 855 billion euros. This made the USA the world's second-largest chemical producer after China. Compared to the previous year, sales only declined slightly.

The industry's production continued its positive growth trend, rising by 1.5 per cent in 2023 compared to the previous year. However, pharmaceuticals were the drivers of growth. Chemical production stagnated. The weak global industrial economy also had a dampening effect in the USA.

In 2023, the USA was not only the second-largest chemical producer, but also the second-largest chemical consumer after China. Demand for chemicals was around 938 billion euros. This represented a good 13 per cent of global chemical consumption. The healthcare market stands out in particular. Around 20 per cent of global pharmaceutical consumption is accounted for by the USA.

Companies in the chemical and pharmaceutical industry continued to expand their investments in fixed assets. Almost 33 billion euros were invested in 2023. Here, too, the USA ranked second after China.

LARGEST IMPORTER OF CHEMICALS

The US chemical industry specialises in the production of pharmaceuticals. In 2023, 31.5 per cent of chemicals and pharmaceutical sales were generated in this sector. However, the share of pharmaceuticals in sales was lower than in the years 2015 to 2021, when pharmaceuticals accounted for up to 38 per cent of sales at its peak. By contrast, the remaining chemical sectors expanded their share of sales.

In 2023, the United States was once again the world's largest importer of chemical-pharmaceutical products, followed by China and Germany. In particular, large quantities of pharmaceuticals were imported. The trade balance of the chemical-pharmaceutical industry in the United States was also significantly negative in 2023, at minus 83.3 billion euros. However, this was due solely to the strongly negative balance for pharmaceuticals. By contrast, the balance for chemical products alone was positive, as polymers, fine and speciality chemicals, and petrochemicals were in demand from abroad and showed a positive foreign trade balance.

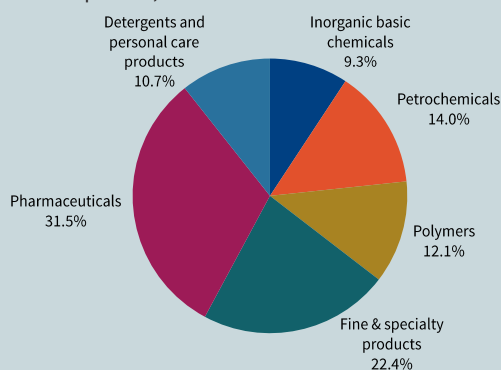
GERMANY'S MOST IMPORTANT TRADING PARTNER

In 2023, Germany exported chemical and pharmaceutical products worth 36.4 billion euros to the United States. This represented 14.3 per cent of Germany's chemical and pharmaceutical exports worldwide. Conversely, imports from the United States to Germany amounted to around 20.3 billion euros. The trade balance was thus positive again. The United States is the most important trading partner of the German chemical and pharmaceutical industry.

But the United States is also the most important foreign location for the German chemical and pharmaceutical industry. The industry's direct investments in the United States totalled around 44.6 billion euros in 2022. There were 170 subsidiaries of German chemical and pharmaceutical companies operating in the United States. Together, they generated a turnover of 70.8 billion euros and employed 73,000 people.

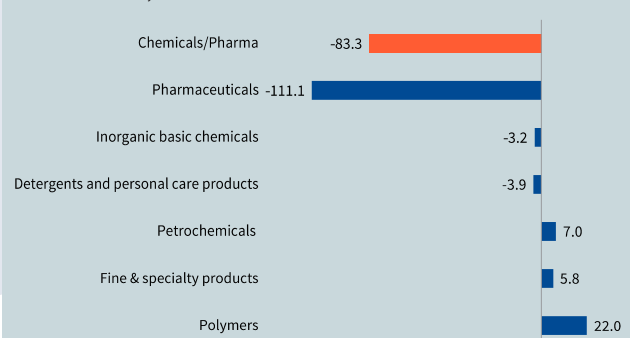
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Structure of the US chemical industry
shares in percent, 2023



Sources: Chemdata International, VCI

US trade balance for chemicals
in billion euro, 2023



Sources: Chemdata International, VCI