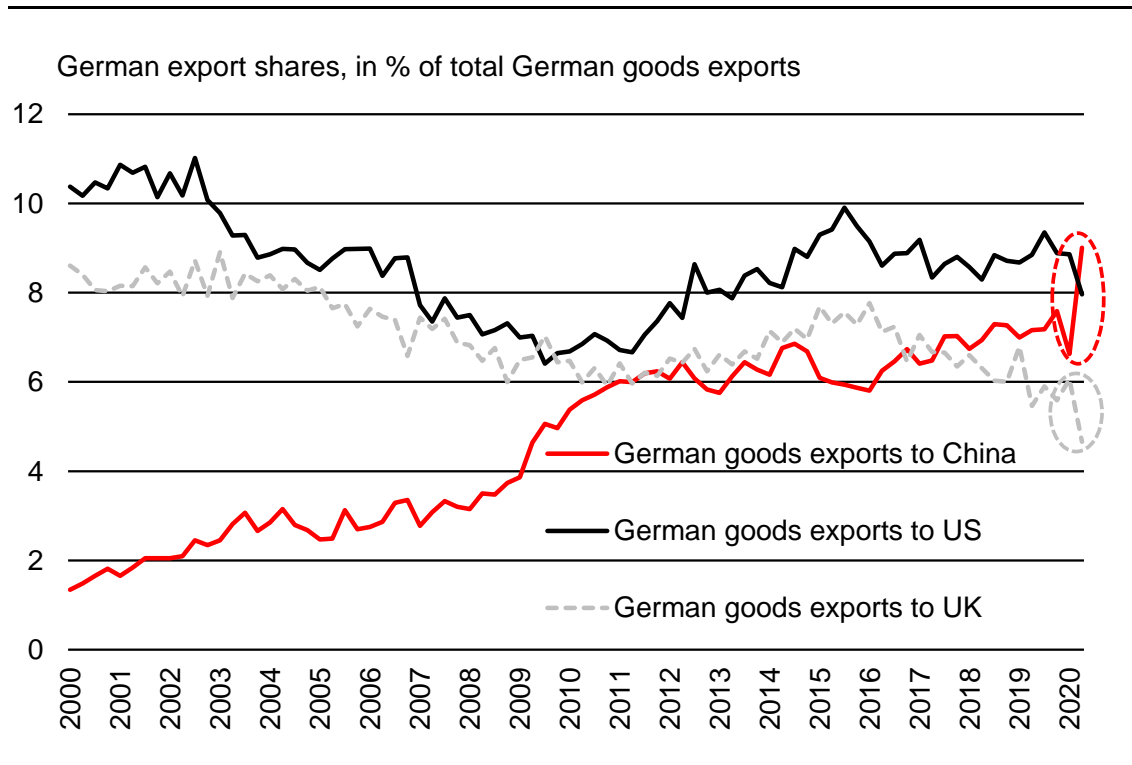


China overtaking the US as most important German export market



Source: destatis, UniCredit Research

- German companies have recently been experiencing seismic shifts in terms of export destination by country. With an export share of 9%, China has become the single most important export market in the second quarter of 2020 before the US with 8%.
- The major driver behind the latest changes has been, of course, the COVID-19 shock. Given the earlier rebound in the Chinese economy, German companies already increased their exports to China in 2Q20. Going forward, China is likely to remain the number one for some time, given the headwinds in the US caused by the coronavirus.
- The exact antipode was the UK recently. With an export share of only about 4½%, the UK became only the ninth most important export market after being ranked fifth in 2019 with about 6%. It was even the lowest export share since the mid-1970s.

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E 20/1

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MR 20/2

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