If California were a country, it would stand among the ten largest economies in the world, with a 2018 state GDP of $2.9 trillion (5th largest in the world).\textsuperscript{1} In 2018, California imports and exports totaled $620 billion in products, representing 15.7% of total U.S. imports and exports.\textsuperscript{ii}

**California and World Markets**

- In 2018, California GDP grew from $2.7 trillion to **$2.9 trillion**, ranking the state's economy as the 5\textsuperscript{th} largest in the world, as compared to national economies. Only the economies of the U.S., China, Japan, and Germany are larger.\textsuperscript{iii}

- **Exports** out of California were valued at **$178.4 billion** in 2018, representing 10.7% ($1.6 trillion) of total U.S. exports and rendering the state the 28\textsuperscript{th} largest exporter in the world.\textsuperscript{iv} For comparison of growth over time, California exported $168 billion in 2013.\textsuperscript{v}

- California's **largest export market** is Mexico, where the value of exports totaled $30.7 billion in 2018. After Mexico, California's top export markets in 2018 were: China and Hong Kong ($26.2 billion), Canada ($17.7 billion), Japan ($13.0 billion), South Korea ($9.9 billion), Taiwan ($6.8 billion), Germany ($6.5 billion), the Netherlands ($6.4 billion), India ($6.1 billion), and the United Kingdom ($5.2 billion).\textsuperscript{vi}

- California's **top seven exports** in 2018 were: computer and electronic products ($45.1 billion); transportation equipment ($19.1 billion); machinery, except electrical ($17.7 billion); miscellaneous manufactured commodities ($15.7 billion); chemicals ($13.7 billion), agricultural products ($13.5 billion); and food manufactures ($9.1 billion).\textsuperscript{vii}

- California exported **$30.7 billion in products to Mexico** in 2018. The top five exports to Mexico were: computer and electronic products ($7.9 billion); transportation equipment ($3.7 billion); machinery, except electrical ($2.2 billion); electrical equipment, appliances, and components ($2.2 billion); and chemicals ($1.9 billion).\textsuperscript{viii}

- California exported **$26.2 billion in products to China** ($16.3 billion), including Hong Kong ($9.9 billion). The top five exports to China (only) were: computer and electronic products ($4.1 billion); machinery, except electrical ($2.5 billion); transportation equipment ($2.0 billion); chemicals ($1.4 billion); and waste and scrap ($1.3 billion).\textsuperscript{ix}

- California’s **third largest export market** is Canada, with exports totaling $17.7 billion in 2018. The top four exports to Canada were: computer and electronic products ($5.7 billion); agricultural products ($2.4 billion); transportation equipment ($1.5 billion); and food manufactures ($1.3 billion).\textsuperscript{x}

- **Imports into California** were valued at $441.1 billion in 2018, representing 17.3% of total U.S. imports and ranking the state the 13\textsuperscript{th} largest importer in the world.\textsuperscript{xi}

- China is the **largest source of imports to California**, valued at $441.1 billion in 2018. Chinese imports totaled $161.1 billion, followed by Mexico ($44.0 billion), Japan ($33.6 billion), and Canada ($27.0 billion).\textsuperscript{xii}

- The **largest amount of products imported** in 2018 by dollar: computer and electronic products ($1.2 billion); transportation equipment ($69.4 billion); electrical equipment, appliances and components ($24.8 billion); oil and gas ($24.4 billion); miscellaneous manufactured commodities ($22.1 billion); apparel manufacturing products ($22.0 billion); and machinery, except electrical ($21.2 billion).\textsuperscript{xiii}
Trade and Jobs

- In 2016, California's **751,982 businesses** (firms) employed 14.6 million employees and had payrolls totaling $886 billion (largest payroll in the nation). Of those companies, 72,665 exported products from California in 2016 (latest year available) and 69,387 (96%) were small and medium size enterprises with fewer than 500 employees.

- **California goods exports** in 2016 (most recent) supported an estimated **684 thousand jobs**. In 2016, 92% of California export-related jobs were in manufacturing.

- **Goods exports from Texas, California, and Washington** supported the most jobs in the nation in 2016 (910,000; 684,000; and 333,000 jobs respectively). Total exports from Texas and California combined accounted for nearly 30% of U.S. jobs supported.

California and Foreign Direct Investment

- **Foreign Direct Investment** (FDI) contributes significantly to the U.S. economy, including higher employment, higher wages than national standards, higher competitiveness among firms and boost exports, stronger manufacturing base, greater research and development, and higher overall productivity for the economy.

- In 2017, **global foreign direct investment** (FDI) reached $1.4 trillion, with the U.S. receiving the second largest amount of FDI in the world, totaling $259.6 billion (18.4% of global FDI).

- The **largest investing country** was Canada, with expenditures of $66.2 billion, followed by the United Kingdom ($40.9 billion), Japan ($34.0 billion), and France ($23.1 billion). By region, Europe contributed 40 percent of the new investment in 2017.

- By industry, expenditures in manufacturing were the largest sector at **$103.7 billion**, accounting for 40% of total expenditures in the U.S.

- **By state**, the largest FDI expenditures were in **California** ($41.6 billion), **Texas** ($39.7 billion), and **Illinois** ($26 billion).

- In 2017, **employment at newly acquired, established, or expanded foreign-owned businesses** in the U.S. was 554,300 employees. Current employment of acquired enterprises was 549,700.

- **California has the 2nd highest number** of employees of foreign affiliates numbered at **55,700**, comprising over 10% of total U.S. employment by foreign-owned firms. The state with the **largest employment** by foreign-owned firms is **Missouri** with 63,000 employees.

- Foreign-owned enterprises that support the **largest number of workers** in California include: Japan (19.3%), the U.K. (14.5%), Switzerland (10.5%), France (10.4%), Germany (10.2%), Canada (6.25), and the Netherlands (4.0%).

- The **top five cities** with the **highest concentrations of foreign-owned and affiliated businesses** are Los Angeles (1591 establishments), Torrance (310), Long Beach (212), Santa Monica (134), and Pasadena (127).