

WMC Consulting LLC

SE Asia Trade is Not Just about China Anymore

Not too long ago, discussion about SE Asia sourcing was essentially a one-country focus – China. The story has changed radically over the last ten years. In 2015, China accounted for 61% of total U.S. imports from SE Asia (for this paper, SE Asia = thirteen countries listed below). By 2024, China’s share fell to less than 40% of the SE Asia total. China does remain the dominant country source, while its imports to the U.S. fell 9.2% over the period.

There are multiple reasons for this rebalancing. The most significant has been the improvement in the industrial bases of the twelve other countries. Except for the advanced economies of South Korea, Taiwan, Hong Kong (plus Japan and Singapore not listed), the other countries in the table have surged in capabilities and supply chains but remain less developed generally than China, limiting their practical use as sources of more sophisticated products. Geopolitical and tariff factors have added urgency to the diversification trend, but local industrial development toward Western demands has been the main factor. All indications are that this trend will continue into the foreseeable future. SE Asia is no longer a “one-country play.”

Country	2015 U.S. Imports		2024 U.S. Imports		2015-24 Growth
	\$ Billions	% Total SE Asia	\$ Billions	% Total SE Asia	
China	\$ 483.20	61.1%	\$ 438.70	39.9%	-9.2%
Vietnam	\$ 38.00	4.8%	\$ 136.50	12.4%	259.2%
S Korea	\$ 71.80	9.1%	\$ 131.60	12.0%	83.3%
Taiwan	\$ 40.90	5.2%	\$ 116.30	10.6%	184.4%
India	\$ 44.80	5.7%	\$ 87.30	7.9%	94.9%
Thailand	\$ 28.60	3.6%	\$ 63.30	5.8%	121.3%
Malaysia	\$ 34.00	4.3%	\$ 52.50	4.8%	54.4%
Indonesia	\$ 19.60	2.5%	\$ 28.10	2.6%	43.4%
Philippines	\$ 10.20	1.3%	\$ 14.20	1.3%	39.2%
Cambodia	\$ 3.00	0.4%	\$ 12.60	1.1%	320.0%
Bangladesh	\$ 6.00	0.8%	\$ 8.40	0.8%	40.0%
Hong Kong	\$ 6.80	0.9%	\$ 5.90	0.5%	-13.2%
Pakistan	\$ 3.70	0.5%	\$ 5.10	0.5%	37.8%
Subtotal (non-China)	\$ 307.40	38.9%	\$ 661.80	60.1%	115.3%
Total SE Asia	\$ 790.60	100.0%	\$ 1,100.50	100.0%	39.2%

Source: United States Census Service: www.census.gov

WMC Consulting is a project management and advisory firm assisting North American companies and private equity firms to solve business challenges primarily in SE Asia. Over the past 22 years, the WMC team has worked on 400+ international projects for 250+ North American companies and 50+ private equity firms.

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