



FAST FACTS on U.S.-Korea Trade

Trade Volume

Korea is the United States' seventh-largest trading partner and its seventh-largest export market. In 2006, U.S. exports to Korea reached \$32.5 billion, and bilateral trade reached \$78.3 billion.

U.S. Exports

U.S. exports have increased 46% since 2001. Major U.S. exports to Korea include electrical machinery (24.9%), non-electrical machinery (14.1%), organic chemicals (9.1%), and optics (7.1%).

Trade Balance

Korea had trade surpluses with the United States of \$14.1 billion, \$10.7 billion, and \$13.4 billion in 2004, 2005, and 2006 respectively.

Investment

The U.S. is the single largest country invested in Korea, with \$36.6 billion in aggregate investment.

Tariffs

Only 5.7% of the current Korean tariff schedule is duty-free.

Korea's average applied tariff rate on all products is 11.2% (as compared to 3.7% for the United States), and its average applied tariff rate on agricultural goods is 52% (as compared to 12% for the United States).

Small and Medium Enterprises (SMEs)

18,339 U.S. businesses exported a total of \$26.4 billion in goods and services to Korea in 2004, of which 16,237 businesses (88.5%) were SMEs whose exports accounted for \$7.7 billion (32.3%) of total U.S. exports to Korea.

Agriculture

Korea is the United States' sixth-largest market for agricultural goods. U.S. exporters shipped \$2.85 billion in agricultural products to Korea in 2006.

Services

Korea is the second-largest market for U.S. services in Asia, with trade in cross-border services totaling \$10.2 billion in 2005.

High-Tech Goods

Trade in high-tech goods accounted for 32.7% of all U.S.-Korea trade in 2006. The U.S. exported \$10.6 billion in high-tech products to Korea last year. Semiconductors (\$5 billion) and industrial electronics (\$2.6 billion) make up the majority of these exports.

Tourism and Travel

Korea is the fifth-largest source of overseas visitors to the United States, and is the largest source of foreign students studying in the U.S. with nearly 93,000 in 2006 (13.5% of the total).

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