

# CPA Domestic Market Share Index

Data Release

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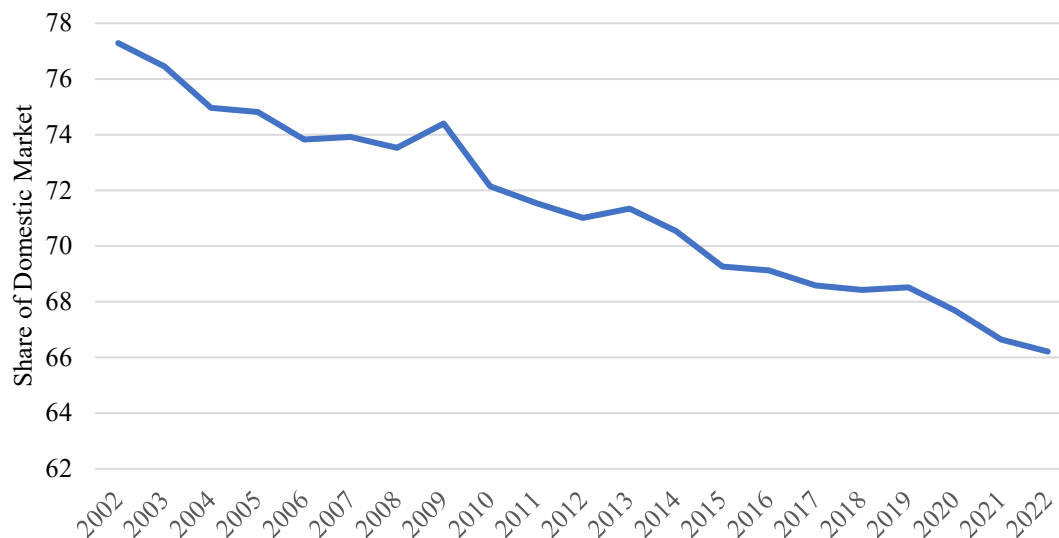
## DMSI Falls to All-Time Low in Q2 2022 As U.S. Manufacturing Loses Home Market Share

The CPA Domestic Market Share Index (DMSI) fell to 66.2 in Q2 2022, down from 67.2 in the previous quarter, indicating that domestic producers lost a full percentage point of market share while importers increased their share of the U.S. market for manufactured goods by one point to 33.8%. The Q2 DMSI of 66.2 matches the DMSI for Q4 2021 as the lowest quarterly DMSI and correspondingly highest import share since the beginning of available data in 2002. The loss of domestic share in Q2 2022 was driven by notable declines in the U.S. share of machinery, plastics/rubber, and electrical equipment manufacturing industries.

The CPA Domestic Market Share Index (DMSI) measures the success of U.S. manufacturing producers in the U.S. home market. The U.S. market for manufactured goods is the world’s largest, worth over \$7 trillion last year. Over the past two decades, imports have gained a larger share in the U.S. market, leading to millions of lost jobs and industrial decline in many regions and many sectors.

Looking at full-year data, the annual DMSI fell by 1.1 percentage points from 67.7 in 2020 to 66.6 in 2021, the all-time lowest annual reading since data sources became available in 2002. The 2021 decline in domestic share was due to rising import share in most sectors of manufacturing, including sectors where imports were already dominant such as computers and electronics.

**Figure 1: U.S. Share of Domestic Manufacturing Market**



Source: U.S. BLS, U.S. Census; CPA Calculations, 2022 data is for Quarter 2

The U.S. DMSI has consistently declined since 2002 when the government data series became available. In 2002, U.S. producers had 77.3% of the U.S. market for manufactured goods. Based on data for Q2 2022, the annual value of the U.S. market for manufactured goods is \$7.3 trillion. Figure 1 above shows the decline in U.S. producers' share of the manufactured goods market by 11 percentage points over those 20 years, equivalent to the loss of \$811 billion of potential U.S.

### DMSI by Manufacturing Sub-Sectors

On a sectoral basis, several sub-sectors lost considerable share to imports in Q2 2022. The U.S. share of Machinery lost 3.1 percentage points in the market to importers--who took 45% of the U.S. market. U.S. producers' share of the Plastics and Rubber sector fell by 2.2 points to 71.9.

**Table 1: U.S. Domestic Market Share by Sector, Change**

Sector	Latest Quarter	Previous Quarter	Full Year	Previous Year
	2022 Q2	2022 Q1	2021	2020
Manufacturing	66.2	67.2	66.6	67.7
Apparel and leather	9.0	9.2	9.7	8.5
Chemical	62.3	63.0	65.5	67.8
Computer/electronics	28.9	29.3	27.9	31.1
Electrical equipment	33.4	35.4	35.2	36.7
Fabricated metals	78.6	79.6	79.8	81.5
Food and beverage and tobacco	87.3	88.6	89.1	90.3
Furniture	55.6	57.5	58.6	61.7
Machinery	54.9	58.1	56.3	58.1
Miscellaneous manufacturing	37.7	39.6	38.7	45.0
Motor Vehicles	67.6	67.5	66.7	66.0
Nonmetallic minerals	80.8	82.9	82.7	85.0
Other transportation equipment	78.6	79.9	78.3	75.7
Paper	85.9	87.6	88.0	89.0
Petroleum and coal	88.9	90.9	88.6	88.7
Plastics and rubber	71.9	74.1	74.2	77.4
Primary metals	56.6	56.4	57.8	52.4
Printing/related activities	91.6	92.7	92.5	93.6
Textiles	49.4	50.6	49.9	44.3
Wood	78.2	79.9	80.7	84.4

*Source: U.S. BLS, U.S. Census; CPA Calculations*

## DMSI by Sources of Imports

On an import source basis, many major nations and regions exporting manufactured goods to the U.S. increased their share of the U.S. market last in Q2 of 2022 as U.S. businesses and consumers increased spending on industrial and consumer goods and Asian exporters overcame some of the supply chain snafus to land more goods at U.S. ports. China continued to rank first as the leading source of U.S. manufacturing imports, with a 6.8% share of the U.S. market in Q2. Mexico and Canada increased their share of the U.S. market by 0.3 percentage points each with share gains concentrated in the metals, wood, and electrical equipment manufacturing markets.

**Table 2: Sources of U.S. Manufactured Imports with Largest U.S. Market Share**

Location	Latest Quarter 2022 Q2	Previous Quarter 2022 Q1	Full Year 2021	Previous Year 2020
European Union	6.9	6.3	6.7	6.7
China	6.8	7.3	7.4	7.3
Mexico	5.5	5.2	5.3	5.2
Canada	3.9	3.6	3.7	3.4
Japan	1.9	2.0	2.0	2.1
Vietnam	1.8	1.6	1.5	1.4
Germany	1.8	1.7	2.0	1.9
Korea	1.6	1.5	1.5	1.3
India	1.2	1.1	1.1	0.9
Taiwan	1.2	1.2	1.2	1.1

*Source: U.S. BLS, U.S. Census; CPA Calculations*

The CPA DMSI is based on the value of production, imports, and exports in U.S. manufactured goods. It is calculated as the inverse of the import share:  $DMSI = 100 * (1 - (\text{imports} / (\text{output} + \text{imports} - \text{exports})))$ . For more detailed information on the U.S. DMSI including downloadable data please see <https://prosperousamerica.org/domestic-market-share-index/>. Changes in the reported annual and quarterly DMSI reflect revisions in government data.

*Note: This report includes correction to a previous report published to the CPA website earlier on October 17, 2022.*