



# 26-14 How did Trump's 2025 trade war affect the decoupling of US-China supply chains?

Chad P. Bown

July 2026

---

## ABSTRACT

Are foreign supply chains that service the US market still decoupling from China? If so, where are the new chains forming, how quickly is the process happening, and why is it unfolding the way it is? This paper provides an initial empirical assessment of the changing nature of product-level sourcing of US imports in the wake of the tariffs President Donald J. Trump imposed in 2018–19 and 2025. It establishes numerous stylized facts. For example, US imports of many consumer electronics—including smartphones, laptops, monitors, and video game consoles—did not decline sharply in 2025 despite US tariffs hitting Chinese production for the first time. Multinational firms had established alternative supply chains in India and Vietnam which they quickly sourced from instead. In contrast, US importers of clothing and footwear did not reorient their supply chains, in part perhaps because the resulting difference between US tariff increases on China and on third countries for those products was too small to motivate them to do so. Finally, much of the longer-term shift of US import sourcing toward Taiwan and Mexico reflected the increasing economic importance of imported inputs for the data center buildout for artificial intelligence, and not strictly decoupling supply chains with China.

**JEL code:** F13

**Keywords:** Tariffs, supply chains, United States, China

**Chad P. Bown** is the Reginald Jones Senior Fellow at the Peterson Institute for International Economics.

**Note:** A revised version of this paper is forthcoming in *Asian Economic Policy Review*. For helpful comments and conversations, the author thanks Davin Chor, Hal Hill, Soumaya Keynes, Cassey Lee, Mary Lovely, Colin McKenzie, Marcus Noland, Ayako Obashi, Shujiro Urata, Yong Wang, and participants at the 43rd Asian Economic Policy Review (AEPR) Conference. Ashley Singh provided outstanding research assistance. Any remaining errors are the author's own.

## 1. INTRODUCTION

The reemergence of Donald J. Trump as president in 2025 was enormously consequential for US trade policy. Early in the year, his administration announced tariff increases to levels not seen in the United States since the 1930s.

President Trump suggested many motives for those tariffs, including reducing the trade deficit and bringing more manufacturing back to the United States.<sup>1</sup> He promised that the tariffs would create jobs and produce enough revenue to help reduce the US fiscal deficit. Tariffs would also be used as leverage to encourage other countries to open their markets to US exports. Tariff threats could even further non-trade objectives, such as addressing his professed concerns over fentanyl trafficking, illegal immigration, and border insecurity.

This paper investigates another motivation prioritized during both the first Trump administration and the subsequent intervening Biden administration: the desire to push the foreign sourcing of US imports away from China, decoupling the trade relationship between the two economies.

The tariffs of 2018–19 targeted China. In contrast, the policies adopted in 2025—including tariffs on Canada and Mexico, “Liberation Day,” sector-specific actions, and the sanctioning of countries like India and Brazil—risked the possibility of having a greater impact on imports from other trading partners than on imports from China.

Some of the president’s verbal cues also seemed different in 2025. Consider, for example, his rhetoric toward the iPhone, a product Trump had exempted from his first-term tariffs on China. In the period since, Apple had invested in strengthening an alternative supply chain for iPhone assembly in India (McGee 2026). Roughly a month after imposing his April 2 Liberation Day tariffs, Trump recounted a conversation he had with Apple CEO Tim Cook, in which he said, “I don’t want you building in India. . . . India can take care of themselves. They’re doing very well. We want you to

---

1 See Bown and Irwin (2025).

build here.”<sup>2</sup> This stance was in sharp contrast to that of his first administration, when Trump sometimes encouraged firms to set up new facilities in other countries, as long as they left China. In May 2019, for example, as Trump was raising tariffs on China, he posted on Twitter that “the Tariffs can be. . . completely avoided if you [buy] from a non-Tariffed Country or you buy the product inside the USA (the best idea). That’s Zero Tariffs. Many Tariffed companies will be leaving China for Vietnam and other such countries in Asia.”<sup>3</sup>

When its Chinese iPhone production was hit with US tariffs for the first time, in early 2025, Apple responded quickly by sourcing from India. The evidence reveals this shift even though later in the year Trump further increased US tariffs toward India overall for purchasing Russian oil, as smartphones were quietly exempted. Laptops, computer monitors, and video game consoles also quickly found new sources of supply when Trump imposed tariffs on China for the first time in 2025, often in Vietnam. Yet, this speedy swing was not ubiquitous: US imports of products like clothing and footwear did not quickly reorient to new foreign sources, for reasons discussed below.

This paper helps assess US decoupling from China as a direct source of imports. It relies on product-level details about US tariffs imposed in 2018–19 and in 2025, in order to update earlier evidence of trade diversion toward new foreign sources (Bown 2022). It also identifies puzzles worthy of additional scrutiny, especially given research documenting the much smaller impact of the 2018–19 trade war on the amount of Chinese content embedded in US imports from the world when compared with the larger decline in US import flows from China directly (Alfaro and Chor forthcoming; Lovely and Wan 2026).

For other economically important products, the 2025 evidence suggests that it may also be inaccurate to characterize sourcing as

---

2 Donald J. Trump, “Remarks: Donald Trump Attends a Business Roundtable in Doha, Qatar. Roll Call, May 15, 2025. <https://rollcall.com/factbase/trump/transcript/donald-trump-remarks-business-roundtable-doha-qatar-may-15-2025>.

3 Donald J. Trump, Twitter, May 13, 2019, <https://www.presidency.ucsb.edu/documents/tweets-may-13-2019>.

having “moved out” of China or Chinese content having “continued” to flow through third countries. US imports from Taiwan and Mexico of the inputs going into the buildout of data centers for artificial intelligence (AI) boomed following the 2018–19 trade war, including in 2025, for example. Yet, as new products, many of their underlying supply chains as well as their content were likely never “in” China in the first place.

Another important purpose of these results is to provide a bridge between the now substantial body of research documenting the reorientation of supply chains following the first Trump trade war and a new literature that will ultimately emerge assessing the impact of the second one.<sup>4</sup> Nevertheless, this paper makes no claims of causality; it merely documents early trends on certain supply chain movements to help further future research that would seek to estimate the impacts of policy, uncertainty, and more.

The rest of this paper is organized as follows. [Section 2](#) reviews US trade policy actions and presents country-level stylized facts on US imports through 2025. The following three sections document changes in the foreign source of final assembly for numerous product-level US imports, organized based on three categories of imports from China: products not hit with any additional US tariffs in 2018–19 ([section 3](#)), products hit with tariffs on China of 25 percent in 2018–19 ([section 4](#)), and products hit with 7.5 percent tariffs ([section 5](#)). [Section 6](#) motivates future research in light of the paper’s results.

---

4 For a survey of the literature on the economic impacts of the 2018–19 trade war, see Fajgelbaum and Khandelwal (2022).

## 2. US TRADE POLICY IN 2018-19, IN 2025, AND SHIFTING US IMPORTS

The first Trump administration increased average tariffs on imports from China by 18 percentage points over a 15-month period covering 2018-19.<sup>5</sup> That jump—from 3 percent to 21 percent—was large in recent historical terms, but application of the tariff was diffuse across both products and time.<sup>6</sup> Tariffs were applied to four lists of products (each covering \$16-\$188 billion of imports), with five actions spaced out over 15 months (Bown 2021). Roughly one third of US imports from China at the time were untouched by any duties imposed in 2018-19. By the end of 2024, that figure had increased to over 45 percent, partially because of a compositional shift induced by the tariffs.

Exporters in the rest of the world faced a US average tariff increase from 2 percent to 3 percent over 2018-19. This minor uptick resulted from new tariffs on imported steel and aluminum and to a lesser extent on imports of solar panels and washing machines.

### 2.1. The 2025 versus the 2018-19 Tariffs

The second Trump administration began to impose tariffs shortly after the president's inauguration, on January 20, 2025 ([figure 1](#)). These tariffs were characterized by speed, opacity, legal complexity, and details that frequently changed, as described in Bown (2026c). The 2025 tariffs fell into three broad categories: tariffs on all imports from China alone, tariffs on most imports from China and the rest of the world, and sector-specific tariffs on China and the rest of the world.

---

5 For a review, see Bown (2021) and Bown and Kolb (2025). The average US tariffs described in this section are trade-weighted by China's product-level exports to the world in 2017. The average US tariffs described in later sections are constructed differently and are trade-weighted by imports. A description of all of the [data sources](#) is provided in the appendix.

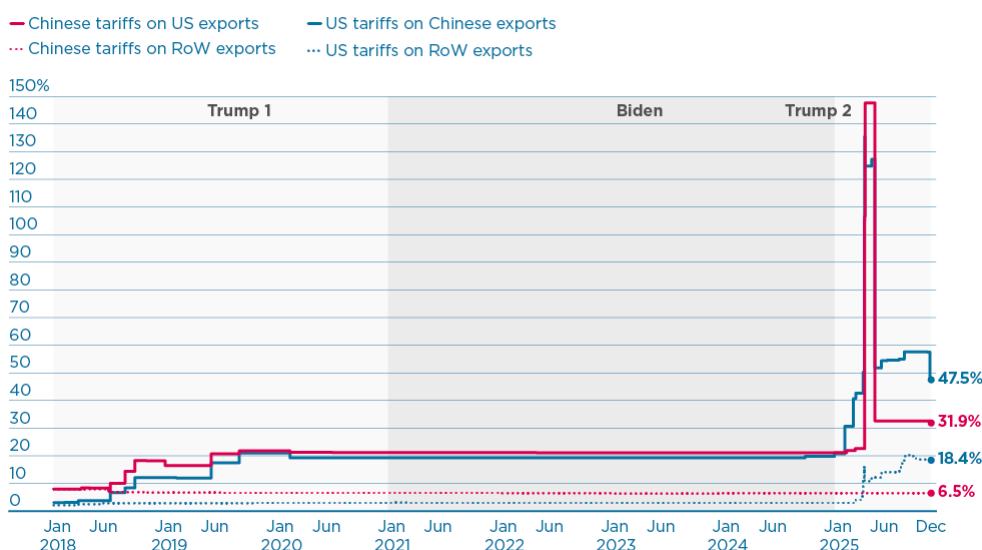
6 The China-specific tariffs were imposed under Section 301 of the Trade Act of 1974.

The first tranche of tariffs was imposed on all imports from China shortly after the inauguration. In February, the United States imposed 10 percent tariffs. The following month, it imposed an additional 10 percent tariff. These duties were imposed under the International Emergency Economic Powers Act (IEEPA), allegedly motivated by the threat to national security posed by imports of fentanyl from China. The tariffs remained in place until November, at which point they were cut from 20 percent to 10 percent, following a meeting in South Korea between Presidents Trump and Xi Jinping.

Figure 1

### US-China tariffs spiked and remained elevated in 2025

US-China tariff rates toward each other and rest of world (RoW), 2018–25



Note: Trade-weighted average tariffs computed from product-level (six-digit, 2017 version of the Harmonized System) tariff and trade data, weighted by export country's exports to the world in 2017. March 4, 2025 US tariffs imposed on Canada and Mexico are not included in the estimate.

Source: Chad P. Bown, US-China Trade War Tariffs: An Up-to-Date Chart. *PIIE Chart*, July 15, 2026, <https://www.piie.com/research/piie-charts/2019/us-china-trade-war-tariffs-date-chart>.

The second tranche of US tariffs was imposed on China and the rest of the world on April 2, 2025—a day President Trump referred to as “Liberation Day.” These tariffs, also imposed under the IEEPA, had three features. First, unlike the tariffs on China imposed earlier in the year, they were not comprehensive: A long list of products

was exempt under Annex II (the scope of exempted products would be adjusted over time). Second, the level of the US tariffs varied across trading partners. Third, the country-level tariff rate changed over the course of the year. For China, the change was partially the result of Beijing's retaliation, which led to counter-retaliation by Washington. The US tariff announcements stemming from the Liberation Day actions alone reached 125 percent before eventually being reduced. For other countries, Trump put the country-specific element on hold on April 9, implementing a baseline 10 percent tariff (on nonexempted products), with each country given 90 days to negotiate. A common outcome was an adjustment above the 10 percent level but below the Liberation Day announcement rate. (Trump hit India and Brazil with additional tariffs later in the year under separate IEEPA actions, motivated by other factors.)

A third set of US tariffs affecting China and the rest of the world involved sector-specific actions under Section 232 of the Trade Expansion Act of 1962. Examples from 2025 included new tariffs on steel, aluminum, and derivative products; automobiles and automobile parts, large trucks, and buses; copper; and lumber products. In some cases, the US applied the same tariff rate to all countries; in others, the rate varied across countries. For example, the United Kingdom, the European Union, Japan, and South Korea negotiated a lower tariff rate than others for their automobile exports to the United States.

Taken together, the United States increased average tariffs on imports from China from 21 percent on January 20 to above 50 percent for much of 2025. Even accounting for product exemptions, the average tariff imposed on China temporarily jumped to over 125 percent in April, remaining in place for a month. After US and Chinese officials met in Geneva in May, the United States significantly reduced its tariffs, but they remained much higher than before Trump took office the second time. Average US tariffs on imports from China also inched higher in 2025 every time the administration implemented a sector-specific action under Section 232. Even after the more durable truce negotiated between Presidents Trump and Xi after an October meeting in South Korea—at which one of the across-the-board IEEPA 10 percent

tariffs was eliminated—the average US import tariff on China was nearly 50 percent.

For the rest of the world, after accounting for product exemptions, the average US tariff imposed on imports increased by 15 percentage points in 2025, from 3 percent to 18 percent, as a result of the country-specific IEEPA tariffs and sector-specific actions under Section 232.

On February 20, 2026, the US Supreme Court ruled that the actions applied at the country level under the IEEPA were illegal. (The sector-specific tariffs imposed under Section 232, as well as the pre-2025 tariffs imposed on China under Section 301, were not part of the case and remained in place.) In response, the US administration removed those tariffs but began implementing new ones under different legal authorities. Nevertheless, the outcome of the US Supreme Court challenge had been uncertain throughout 2025, and the 2025 tariffs likely impacted US trade flows.

## 2.2. Aggregate US Import Trends through 2025

Despite the US tariff actions, US real goods imports from the world in 2025 increased by 4 percent over 2024 levels ([figure 2, panel a](#)). Given Trump's 2024 campaign promises to impose new tariffs, some of the increase was associated with the buildup of inventories (“front-running of imports”) following his election in November 2024. By the end of 2025, US imports from the world remained above the pre-Trump 1.0 trade war linear trend.

In contrast, US imports from China fell by 28 percent in 2025. (US imports from the rest of the world increased by 9 percent). This decline was much steeper than during the first Trump trade war, when US real imports from China fell by only 3 percent in the year following the initial tariff actions. Even at the one-year mark following the final tariff action of Trump 1.0, US imports from China had fallen by only 20 percent from their pre-trade war levels.

China's share of US imports fell from nearly 22 percent in the 12 months before June 2018 to only 9 percent in 2025 ([figure 2, panel b](#)), dropping by 4 percentage points in 2025 alone. Over

that longer period, other economies significantly increased their shares of US imports—Taiwan by 4.1 percentage points, Vietnam by 3.7 points, and Mexico by 2.3 points. (The share of US imports from both Japan and Canada fell by 1.6 points).

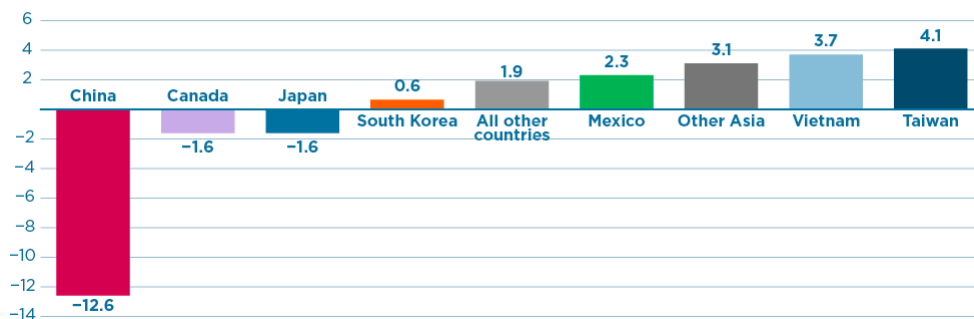
Figure 2

### Trump's trade wars hit US imports from China harder than imports from other economies

a. US monthly real imports by partner, 2017-25 (index, June 2018 = 100)



b. Change in trading partner share of US annual goods imports between 2017 and 2025 (percentage points)



Note: In panel a, 1.0 indicates Trump's first trade war; 2.0 indicates Trump's second trade war. Indexed value of US real monthly goods imports, 12-month trailing sums. Trend is based on US imports from world from January 2011 through June 2018.

Source: Constructed by the author with US import data from the US Census. The price deflator is from the Bureau of Labor Statistics.

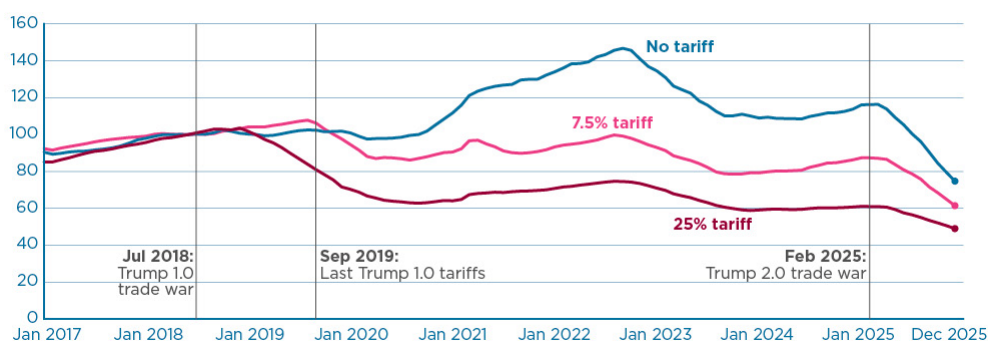
## 2.3. Motivation: The 2018–19 US tariffs and US import trends through 2025

The story behind these changes is much more nuanced than a simple move of supply chains out of China and into these economies, however, as analysis of the product-level sources of these changes in the following sections reveals. Consider the trends in US imports from China characterized by the three levels of additional US tariffs in place by the end of the 2018–19 trade war (figure 3).

Figure 3

### The US imports from China hit hardest in Trump’s second trade war were those that were omitted from his first

US monthly real imports from China by Trump 1.0 tariff rates, 2017–25 (index, June 2018 = 100)



Note: 1.0 indicates Trump’s first trade war; 2.0 indicates Trump’s second trade war. Indexed value of US real monthly goods imports, 12-month trailing sums. Trump 1.0 tariffs (25%, 7.5%, No tariff) refer to the lists of products subject to different US tariff rates, as of February 2020, imposed on imports from China under Section 301 of the Trade Act of 1974 over 2018–19. The September 2019 list of products was originally subject to a 15% tariff that was reduced to 7.5% in February 2020.

Source: Constructed by the author with US import data from US Census. The price deflator is from the Bureau of Labor Statistics.

At the beginning of 2025, imports of products that had been omitted from tariffs during the first Trump administration were greater than they were before the Trump 1.0 trade war. The imposition of a 20 percent tariff on these goods by March 2025 led to a sharp decline in their exports to the United States. At the other extreme, US imports of Chinese goods that had been hit with 25 percent tariffs in 2018–19 had already dropped by roughly 40 percent by the January 2025 inauguration; they fell by only

11 percentage points more over the course of 2025. Products already facing the 7.5 percent tariffs at the beginning of Trump 2.0 fell in between those two extremes in 2025.

### 3. US IMPORTS OF PRODUCTS OMITTED FROM TRUMP'S 2018-19 TARIFFS

Consumer goods were mostly omitted from Trump's first-term tariffs. Their omission was not random, as most were on what was referred to as "List 4B" at the time. Just before tariffs were scheduled to be imposed in September 2019, the president delayed them until December 15, stating, "We're doing this for Christmas season, just in case some of the tariffs would have an impact on US customers."<sup>7</sup> There were few, if any, other public admissions by the president during his first term that US consumers might bear some of the incidence of US tariffs.<sup>8</sup> The first Trump administration never imposed tariffs on those List 4B products, permanently delaying them when the Phase One agreement was reached with China in early December.<sup>9</sup>

In the absence of tariffs, US imports from China of those products continued to grow (figure 4, panel a). When COVID-19 hit and Americans were forced into lockdowns, demand for consumer

- 
- 7 Damian Paletta and Heather Long, "Trump Delays Some China Tariffs to Limit Impact on Holiday Shopping," *Washington Post*, August 13, 2019, [https://www.washingtonpost.com/business/economy/white-house-delays-some-new-china-tariffs-until-dec-15/2019/08/13/be21e812-bdd1-11e9-b873-63ace636af08\\_story.html](https://www.washingtonpost.com/business/economy/white-house-delays-some-new-china-tariffs-until-dec-15/2019/08/13/be21e812-bdd1-11e9-b873-63ace636af08_story.html).
  - 8 This stance was much different from the one adopted in the second Trump term. Before a Cabinet meeting on April 30, 2025, for example, the president warned the American public that his tariffs might result in both price increases and reductions of quantities or varieties available to consumers by saying, "Well, maybe the children will have two dolls instead of 30 dolls. And maybe the two dolls will cost a couple of bucks more than they would normally" (Donald J. Trump, White House Cabinet Meeting, April 30, 2025, <https://www.rev.com/transcripts/white-house-cabinet-meeting-4-30-25>).
  - 9 The Phase One agreement halted the US-China tariff escalation and contained commitments that China would undertake with regard to treatment of US exports, including an agreement to purchase an additional \$200 billion of US exports over 2020-21 (Bown 2021).

electronics (for work, school, and entertainment) surged. Many of these goods were imported from China and on List 4B. Even after the pandemic subsided, US imports from China of these products remained strong. As of January 2025, they were 16 percent higher than pre-trade war 1.0 levels in real terms.

After March 2025, when US tariffs on all Chinese products rose by 20 percent, Chinese imports fell by more than a third from their 2024 levels. US imports of these products from the world increased by nearly 8 percent in 2025, as imports from other countries rose quickly to make up the difference.

Smartphones made up nearly 10 percent of US imports from China in 2024 (see [appendix table](#)), and roughly 80 percent of all US smartphone imports were from China ([figure 4, panel b](#)). More than half of US smartphone purchases in 2024-25 were from Apple, peaking at 65 percent or more in the fourth quarter each year, thanks to holiday sales.<sup>10</sup> Apple and its contract manufacturers like Foxconn and Tata Electronics had been working for several years to build out a new hub for final assembly in India, in part to diversify in case the United States imposed new tariffs on China (McGee 2026).<sup>11</sup>

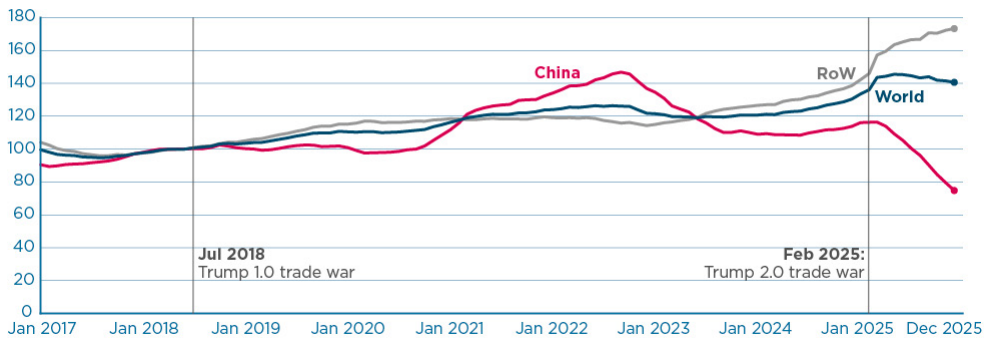
10 The sudden shift in iPhone sourcing in 2025 is not the entire story depicted in [figure 4, panel b](#). More than a quarter of US smartphone sales in 2025 were from Samsung, which had moved assembly to Vietnam and India from China years earlier, reportedly after facing difficulties competing for sales in the Chinese market (Park Ju-Min, “Samsung Ends Mobile Phone Production in China,” Reuters, October 2, 2019, <https://www.reuters.com/article/technology/samsung-ends-mobile-phone-production-in-china-idUSKBN1WHOLR/>). For statistics, see Counterpoint Research, “US Smartphone Market Share: Quarterly,” December 1, 2025, <https://counterpointresearch.com/en/insights/us-smartphone-market-share>; “Q4 2025: Apple Share Grows to Historic Levels as US Smartphone Market Up 1% YoY,” February 2, 2026, <https://counterpointresearch.com/en/insights/q4-2025-apple-share-grows-to-historic-levels-as-us-smartphone-market-up-1-yoy>.

11 See also Michael Acton and John Reed, “Apple’s Quiet Pivot to India,” *Financial Times*, February 18, 2025, <https://www.ft.com/content/d46e0faa-33f2-41a5-9c09-3957b0deac6f?syn-25a6b1a6=1>.

Figure 4

## The sourcing of US imports of products omitted from Trump's first trade war changed during his second trade war

a. US monthly real imports by partner, 2017–25 (index, June 2018 = 100, 12-month trailing sums)



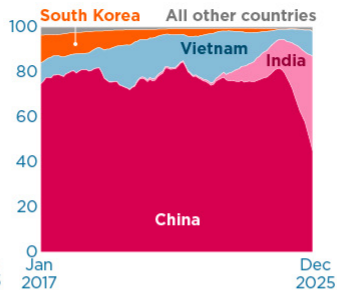
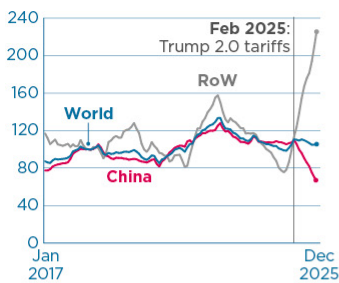
b. Product-specific examples

Imports, by product (June 2018 = 100)

Trading partner share of imports by product (percent)

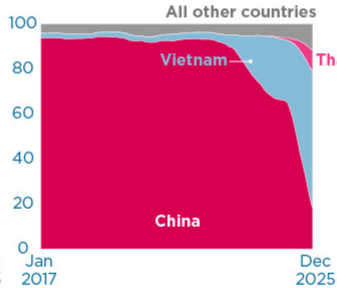
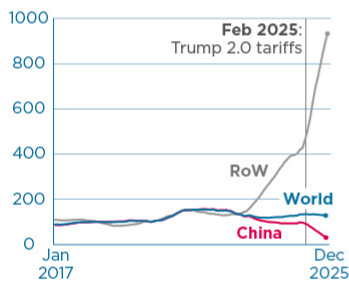
2025 tariff change, by partner

Smartphones



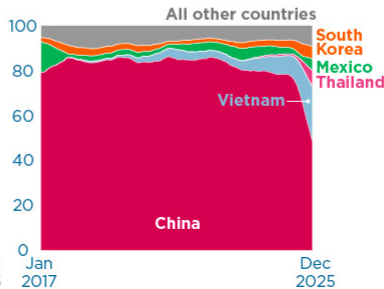
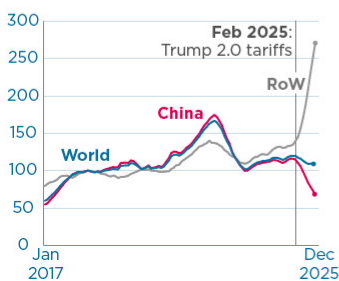
|             |     |
|-------------|-----|
| AOC         | 2%  |
| South Korea | 0%  |
| Vietnam     | 0%  |
| India       | 0%  |
| China       | 20% |

Laptops



|          |     |
|----------|-----|
| AOC      | 0%  |
| Thailand | 0%  |
| Vietnam  | 0%  |
| China    | 17% |

Monitors

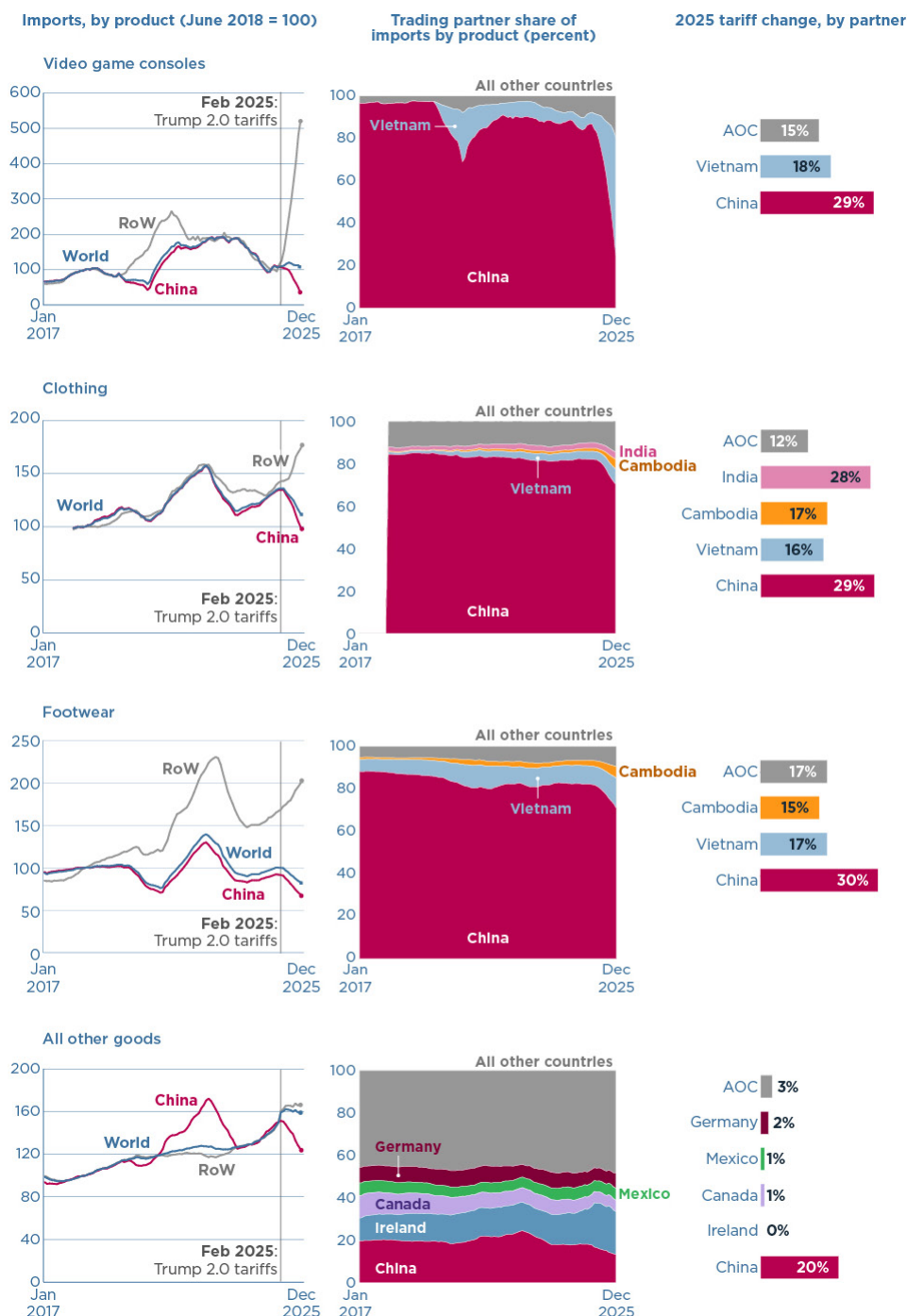


|             |     |
|-------------|-----|
| AOC         | 0%  |
| South Korea | 0%  |
| Mexico      | 0%  |
| Thailand    | 0%  |
| Vietnam     | 0%  |
| China       | 20% |

figure continues

Figure 4 (continues)

## b. Product-specific examples (cont.)



Note: 1.0 indicates Trump's first trade war; 2.0 indicates Trump's second trade war. Indexed value of US real monthly goods imports, 12-month trailing sums. Trump 1.0 tariffs (25%, 7.5%, No tariff) refer to the lists of products subject to different US tariff rates, as of February 2020, imposed on imports from China under Section 301 of the Trade Act of 1974 over 2018-19. Products in this figure were not subject to any Trump 1.0 tariffs. Product definitions found in the appendix. 2025 tariff change defined as the difference in the US tariff between October 2025 and January 2025, constructed from data on three-month averages.

Source: Constructed by the author with US import data from US Census. The price deflator is from the Bureau of Labor Statistics.

In the months immediately following the first US tariffs on smartphones from China in 2025, roughly 97 percent of Foxconn's iPhones (March–May) and 86 percent of iPhones from Tata Electronics (March–April) were exported from Indian facilities to the United States, up from roughly 50 percent in 2024.<sup>12</sup> Tata Electronics had begun exporting iPhones only in July 2024. Apple reportedly chartered airplanes to ship \$2 billion worth of iPhones from India to the United States in March 2025, in response to the sudden imposition of tariffs on China. Over the last nine months of 2025, only 40 percent of US smartphone imports came from China; 46 percent arrived from India.

US tariff policy in 2025 likely helped incentivize Apple and its smartphone suppliers to shift and sustain their sourcing for the US market outside of China. The Liberation Day tariffs, imposed in April on all US trading partners, exempted smartphones—despite Trump's earlier statement that he wanted Apple to manufacture its products in the United States, not India. Even in August—when the US president got into a spat with Prime Minister Narendra Modi over India's refusal to stop purchasing Russian oil that caused Trump to raise tariffs on India by another 25 points under a different IEEPA action—the US again exempted smartphones.

The data confirm that US importers experienced a roughly 20 percentage point tariff increase on smartphones from China in 2025 (figure 4, panel b). (Here, the 2025 change in the product-level US tariff by country is constructed from data on duties collected relative to the value of imports.) The figure also confirms that smartphone imports from India and other major sources faced no additional tariffs.

The remarkable speed with which multinationals were able to switch foreign sources in 2025, so that total US imports of the product remained steady, was not limited to smartphones. For many products, Vietnam became the new location of final assembly for export to the United States (see figure 4, panel b). Laptops

---

12 Aditya Kalra and Munsif Vengattil, "Exclusive: Foxconn Sends 97% of India iPhone Exports to US as Apple Tackles Trump's Tariffs," Reuters, June 13, 2025, <https://www.reuters.com/world/china/foxconn-sends-97-india-iphone-exports-us-apple-tackles-trumps-tariffs-2025-06-13/>.

were another economically important product, making up more than 7 percent of total US imports from China in 2024. Yet, Dell and Apple had reportedly established laptop manufacturing in Vietnam and were able to start shipping quickly from the country in the face of tariffs on China.<sup>13</sup> Sony, Nintendo, and Microsoft set up contractors in the country to assemble their PlayStation, Switch, and Xbox video game consoles, respectively.<sup>14</sup> Production and assembly of computer monitors also moved out of China.

Not all firms changed their sources, however. Switching to new foreign suppliers of clothing and footwear products did not occur at sufficient speed or magnitude to prevent total US product-level imports from falling.

These results identify several important questions for research. What factors drove only some firms and industries to invest in capacity outside of China before 2025 to be able to respond quickly to the new tariffs? Did firm size, degree of globalization, type of product, or inventory holdings matter? And when deciding whether to switch sources, how important were the product-level US tariff differentials across trading partners (e.g., China versus India) relative to the uncertainty generated by the Trump administration's application of trade policy in 2025?

#### **4. US IMPORTS OF PRODUCTS HIT WITH 25 PERCENT TARIFFS IN 2018-19**

Some products were hit by US tariffs of 25 percent on imports from China in 2018-19. By January 2025, US imports of these products from China were nearly 40 percent lower than they had been before the first trade war, and US imports from the world of these products

---

13 Rolfe Winkler, "Apple Says Most of Its Devices Shipped into US Will Be from India, Vietnam," *Wall Street Journal*, May 1, 2025, <https://www.wsj.com/tech/apple-aapl-q2-earnings-report-2025-stock-e17b2247>; Trendforce, "Why Laptops Are Speeding Up the Rise of Vietnam," April 20, 2023, <https://www.trendforce.com/news/2023/04/20/why-laptops-are-speeding-up-the-rise-of-vietnam>.

14 Andre Tartar, Hayley Warren, Raeeedah Wahid, and Andy Lin, "Made in Vietnam: Trump Tariffs Ended China's Monopoly on US Video Game Consoles," Bloomberg, December 10, 2025, <https://www.bloomberg.com/graphics/2025-trump-tariffs-vietnam-china-video-game-trade/>.

had increased by 20 percent (figure 5, panel a). US imports from the world of these products also increased in 2025, despite the new tariffs.

In 2018–19, the tariffs were applied on products grouped according to “List 1,” “List 2,” and “List 3.”<sup>15</sup> Most of the products in the first two lists were intermediate inputs, which were tied to the original Section 301 investigation into unfair Chinese trade practices, including forcing American companies to transfer their technology to China in strategic industries. For some products on these lists, China was not a dominant source country at the time (relative to the List 4B products in figure 4, panel b).

Inputs needed for AI-computing—including certain semiconductors, printed circuit boards, servers, and other hardware used in data centers—made up roughly 14 percent of US imports in 2025.<sup>16</sup> US imports of these products increased by 65 percent in 2025 (figure 5, panel b). This \$183 billion increase was larger than the entire (\$144 billion) change in annual US goods imports from the world. (Put differently, US imports of all other goods fell in 2025.)

---

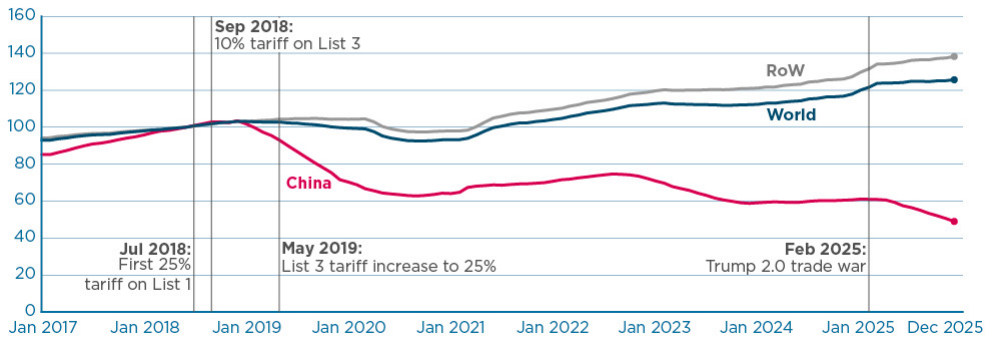
15 These lists of products were set by the US government. The US imposed 25 percent tariffs on List 1 products in July 2018 and List 2 products in August 2018. For List 3, the US tariff started at 10 percent in September 2018 and was increased to 25 percent in May 2019, where it remained.

16 There is not yet a standardized definition of such products. The approach here was to generate a list by scraping Harmonized System product codes from the website of Nvidia (2026), the most important AI chip design company in 2025. Nvidia reports such codes in part to assist downstream companies that purchase and embed its chips into AI-computing products that require reporting under US export control laws. An independent analysis, produced simultaneously by Waugh (2026), uses a large language model to classify AI-related products. It comes up with a longer list, covering 23 percent of US imports in 2025.

Figure 5

## US imports from China of products hit with 25 percent tariffs in 2018-19 fell the least in 2025

a. US monthly real imports by partner, 2017-25 (index, June 2018 = 100, 12-month trailing sums)



b. Product-specific examples

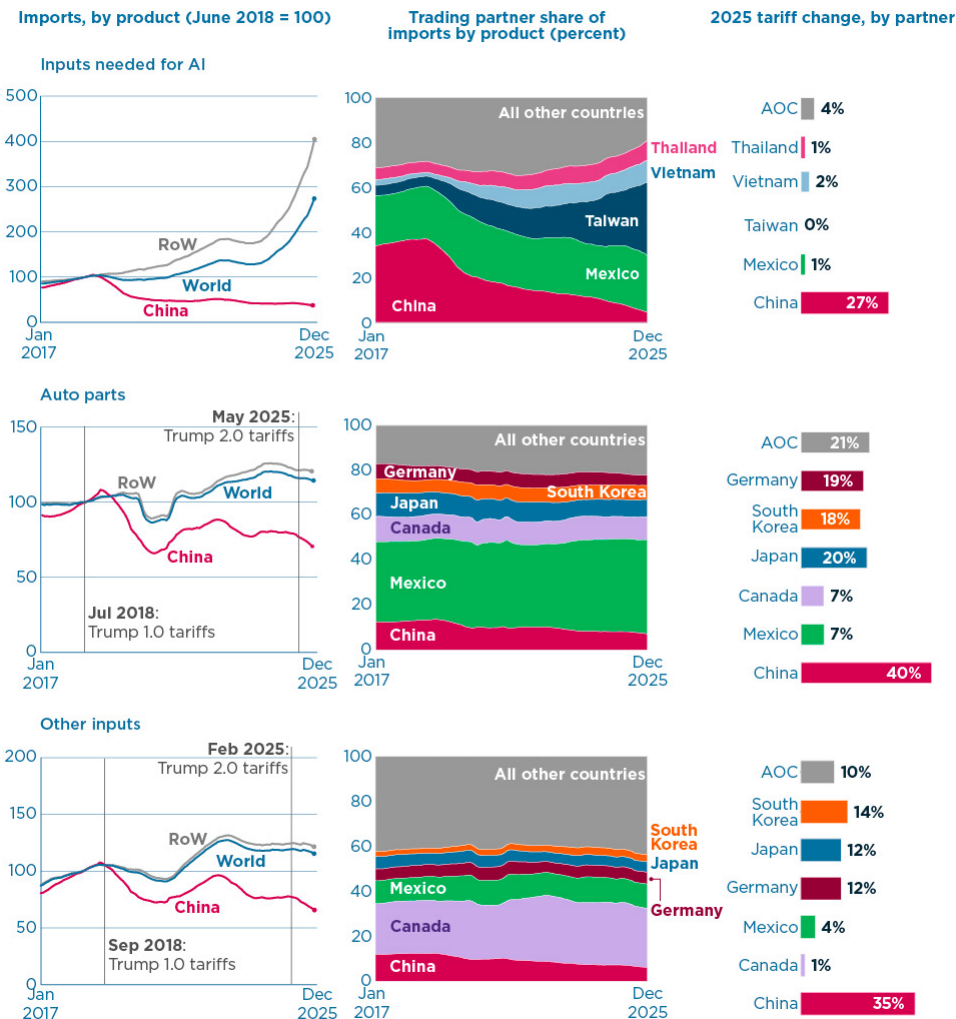
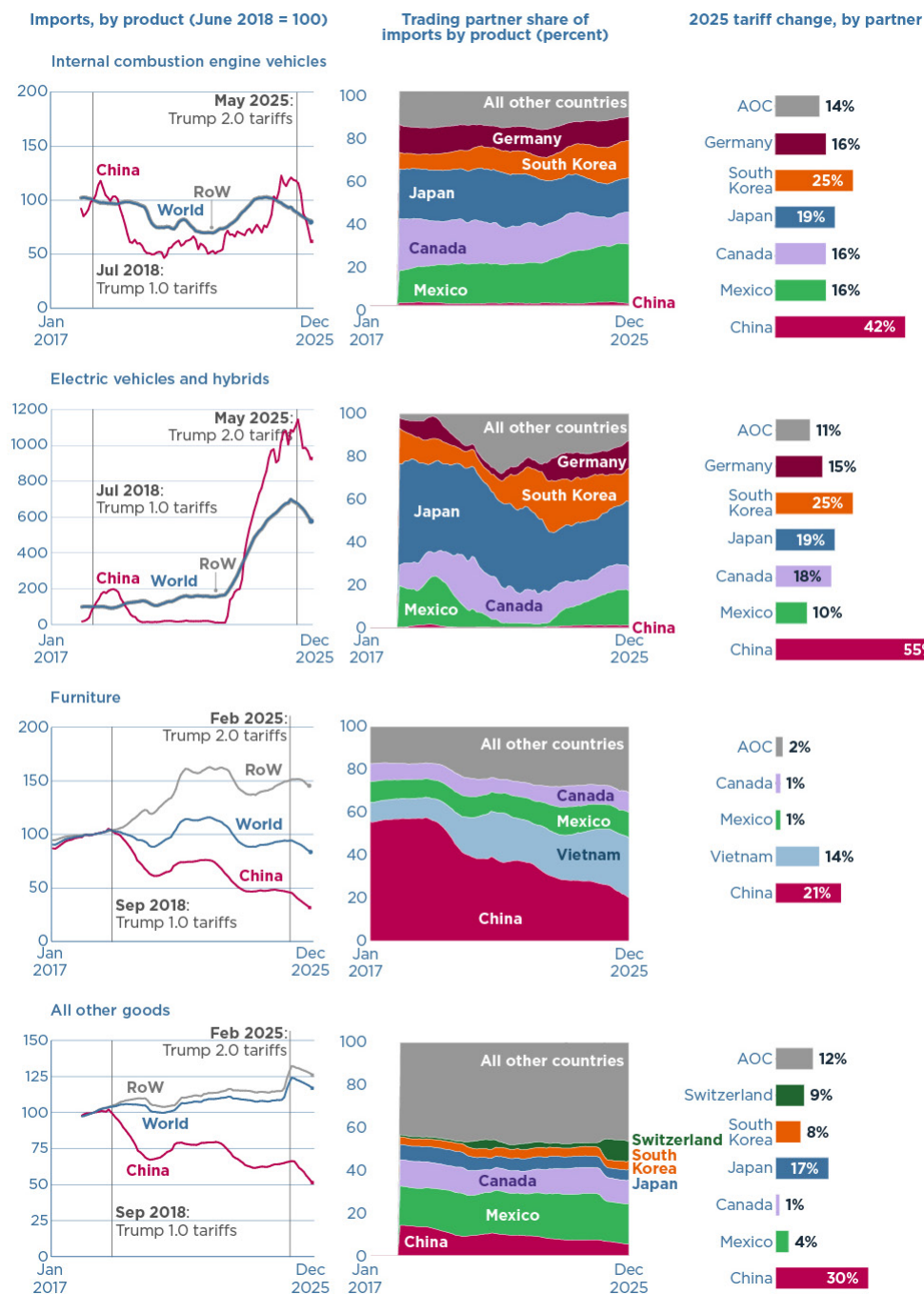


figure continues

Figure 5 (continued)

## b. Product-specific examples (cont.)



Note: 1.0 indicates Trump's first trade war; 2.0 indicates Trump's second trade war. Indexed value of US real monthly goods imports, 12-month trailing sums. Trump 1.0 tariffs (25%, 7.5%, No tariff) refer to the lists of products subject to different US tariff rates, as of February 2020, imposed on imports from China under Section 301 of the Trade Act of 1974 over 2018–19. Products in this figure were subject to 25 percent Trump 1.0 tariffs. Product definitions found in the [appendix](#). 2025 tariff change defined as the difference in the US tariff between October 2025 and January 2025, constructed from data on 3-month averages.

Source: Constructed by the author with US import data from US Census. The price deflator is from the Bureau of Labor Statistics.

Taiwan—and to a lesser extent Mexico—dominate US direct imports of these products. US companies such as Nvidia and AMD designed the chips, which were manufactured by TSMC at its plants in Taiwan during this period.<sup>17</sup> The wafers coming out of TSMC were then assembled, tested, and packaged (ATP) before a contractor fit the chips and other components into the servers destined for use in data centers being built in the United States by hyperscalers (massive cloud service providers that offer on-demand computing infrastructure and software services), such as Alphabet, Amazon, Microsoft, and Meta.

Taiwanese companies such as Foxconn, Quanta, and Wistron have become major suppliers of those contract assembly services.<sup>18</sup> In 2024, Foxconn built its largest factory for AI server assembly in Guadalajara,<sup>19</sup> significantly increasing US imports of these products from Mexico, in addition to Taiwan.

Given the essential role of companies like Nvidia, AMD, and TSMC, many of the most valuable investments in AI-related products destined for the US market would clearly not have been made in China for reasons unrelated to the US tariffs imposed on China since 2018–19.<sup>20</sup> Nevertheless, some new investments might have taken

---

17 Reuters, “Nvidia Unveils First Blackwell Chip Wafer Made with TSMC in US,” October 17, 2025, <https://www.reuters.com/technology/nvidia-tsmc-unveil-first-blackwell-chip-wafer-made-us-axios-reports-2025-10-17/>.

18 Kathrin Hille, “Nvidia Supplier Foxconn Signals Sustained Data Centre Boom,” *Financial Times*, November 12, 2025, <https://www.ft.com/content/9a2c573c-a194-4b6b-8796-55abbf604155?syn-25a6b1a6=1>; Dashveenjit Kaur, “How AI Servers Are Transforming Taiwan’s Electronics Manufacturing Giants,” *AI News*, August 21, 2025, <https://www.artificialintelligence-news.com/news/ai-servers-transform-taiwan-manufacturing-giants/>.

19 Yimou Lee, “Foxconn Building Nvidia Superchip Facility in Mexico, Executives Say,” Reuters, October 8, 2024, <https://www.reuters.com/technology/foxconn-says-it-is-building-worlds-largest-manufacturing-facility-for-nvidias-2024-10-08/>.

20 Other policies were also at play. In addition to technological factors and tariffs, US policies that influenced the decision to locate these investments outside of China included the foreign entity of concern provisions in the CHIPS and Science Act of 2022, US export controls, and new US rules on outbound foreign investment.

place in China but for the tariffs. For example, China had 28 percent of world ATP capacity in 2024;<sup>21</sup> alternatively, it could potentially have been the location for contract work for data server assembly.

Auto parts are a second example of an important set of inputs hit by US tariffs of 25 percent in 2018–19. At the time, 13 percent of US auto parts imports came from China (figure 5, panel b). These imports declined initially in 2019, before leveling off in 2021. The imposition of additional tariffs in 2025 led to further declines, not only from China but from the rest of the world as well. US tariffs on auto parts from all major foreign sources increased, but the increases on imports from Germany, Japan and South Korea were larger than the increases on Canada and Mexico. Overall, between 2018 and 2025, Mexico increased its share of US imports of auto parts by more than 6 percentage points.<sup>22</sup> (Other inputs hit with the 25 percent tariffs in 2018–19 illustrate similar trends, with Mexico and Canada gaining US import market share at the expense of China.)

Internal combustion engine (ICE) vehicles as well as electric vehicles (EVs) and hybrids were also hit with 25 percent tariffs in 2018–19. At the time, China was not a large source of either, accounting for roughly 1 percent of US imports. In 2024, the Biden administration raised tariffs on EVs from China to 100 percent (under the legal authority of the 2018 Section 301 action); in April 2025, the Trump administration raised tariffs on all vehicles (under

---

21 Semiconductor Industry Association, *State of the US Semiconductor Industry 2025*, <https://www.semiconductors.org/wp-content/uploads/2025/07/SIA-State-of-the-Industry-Report-2025.pdf>.

22 The US government's concern is that those auto parts may contain increasing amounts of Chinese content, via either Chinese investment in Mexico or Chinese exports to Mexico that are then re-routed into the United States. In December 2025, Mexico increased its applied Most Favored Nation tariffs on autos and parts, including from China (Reuters, "Mexico's Senate Approves Tariff Hikes on Chinese, Other Asian Imports," December 11, 2025, <https://www.reuters.com/business/retail-consumer/mexicos-senate-approves-tariff-hikes-chinese-other-asian-imports-2025-12-11/>).

a new Section 232 action).<sup>23</sup> US imports of all types of vehicles from China remain negligible, even though Chinese exporters accounted for 40 percent of world exports of EVs in 2024 (IEA 2025). Beyond the new tariffs imposed in 2025, another contributor to the decline in US imports of EVs from all sources was the termination of the consumer tax credits that had been in place since 2022 under the Inflation Reduction Act, after the One Big Beautiful Bill (OBBB) Act was signed into law in July 2025.<sup>24</sup>

These results suggest several new stylized facts and motivate several questions for research. First, US imports of inputs from Taiwan and Mexico needed for the data center buildout were largely responsible for the overall increase in US imports from the world in 2025. Determining the share of US, Taiwanese, Mexican, and other countries' value-added content embedded in these AI-related products is increasingly important, especially given their huge share in the value of direct US imports from these economies.

Second, for relatively new products such as inputs for AI or even EVs—which were not being produced at scale for export from China to the United States when the first trade war began in 2018—the story is less about supply chains moving out of China (or Chinese content continuing to reach the United States through third countries) and more about the effect of the rupture in US-China trade relations as a barrier to investment in China for new products destined for the United States.<sup>25</sup>

---

23 The United States also banned vehicles from using Chinese software or hardware (Chris R. Mullen et al., “BIS Connected Vehicles Rule Effective as of March 17, 2025,” Gibson Dunn Client Alert, March 17, 2025. <https://www.gibsondunn.com/bis-connected-vehicles-rule-effective-as-of-march-17-2025/>).

24 N. Hunter Johnston, Lisa M. Zarlenga, John Cobb, and Nick Sutter, “The One Big Beautiful Bill: Impact on the IRA’s Clean Energy Tax Credits,” Steptoe Client Alert, July 23, 2025, <https://www.steptoelaw.com/en/news-publications/the-one-big-beautiful-bill-impact-on-the-iras-clean-energy-tax-credits.html>.

25 Although not a point of empirical examination here, the reverse is likely occurring as well. For the decline in US exports to China over this period, see Bown (2026a).

Third, a significant contributor to Mexico's increased share of the total US import market between 2018 and 2025 involved its gains in the automotive sector, a massive industry which accounted for 12 percent of total US imports from the world in 2024. Mexico's share of the US import market for ICE vehicles, for example, increased by 11 percentage points between 2018 and 2025, mostly at the expense of declines in Japan (8 percentage points) and Canada (7 percentage points), not China.

## 5. US IMPORTS OF PRODUCTS HIT WITH 7.5 PERCENT TARIFFS IN 2019-20

The September 2019 list of products ("List 4A") was originally subject to a 15 percent tariff. That tariff was reduced to 7.5 percent in February 2020 upon implementation of the Phase One agreement.

At the end of 2024, US imports from China of these products were 14 percent below pre-trade war levels ([figure 6, panel a](#)). (US imports from the world increased by 13 percent, as imports from other countries rose by 20 percent.) Over the course of 2025, US imports from China of these products fell by 29 percent, and US imports from the rest of the world of these products fell by 4 percent.

Vietnam has become a major alternative foreign source of US imports of both clothing and footwear products on this list ([figure 6, panel b](#)). Indonesia has increased its share of US imports of footwear, and India and Bangladesh have increased their share of clothing. (Other clothing and footwear products were omitted from the Trump 1.0 tariffs, as shown in [figure 4, panel b](#)). Some of these shifts likely occurred for reasons unrelated to US policy, including the standard product-cycle explanation for labor-intensive industries, in which supply chains move as a country develops, as its workers became more expensive than those with similar levels of productivity elsewhere (Hanson 2020).<sup>26</sup>

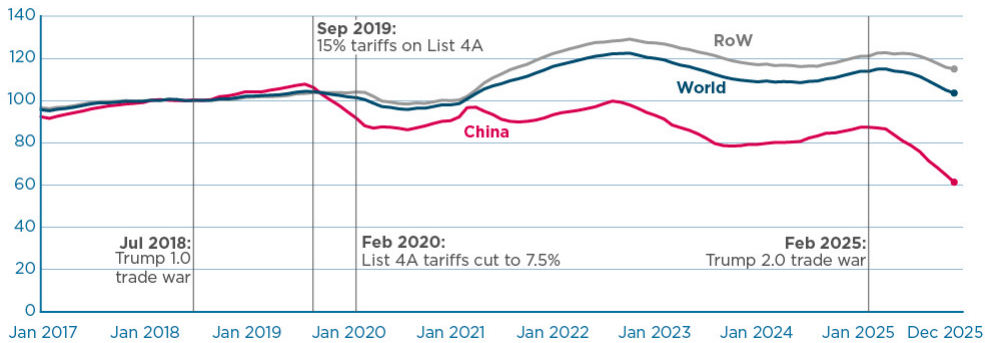
---

26 Chatterjee and Subramanian (2026) argue that because of China's undervalued exchange rate, surprisingly little of this industrial activity has left China for other emerging economies.

Figure 6

## US imports of products hit by 7.5 percent tariffs on China in 2019–20 fell from the world in 2025

a. US monthly real imports by partner, 2017–25 (index, June 2018 = 100, 12-month trailing sums)



b. Product-specific examples

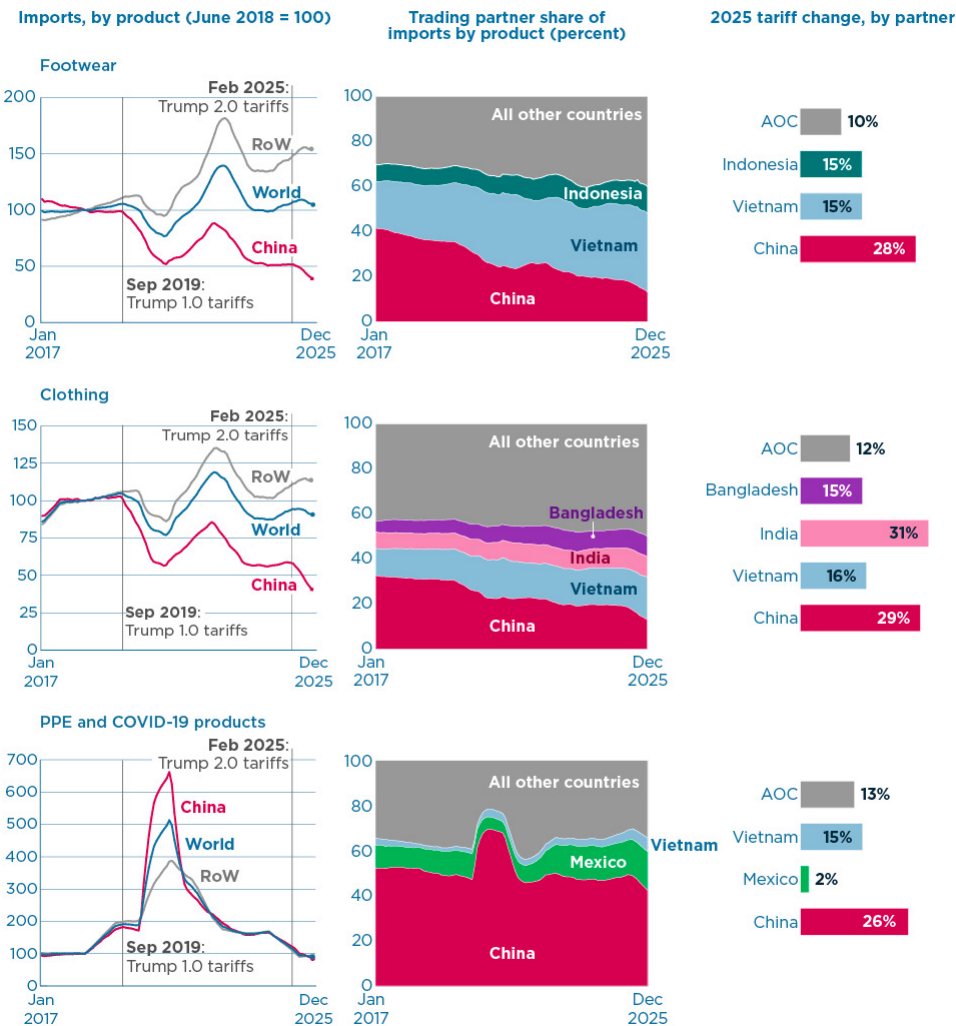
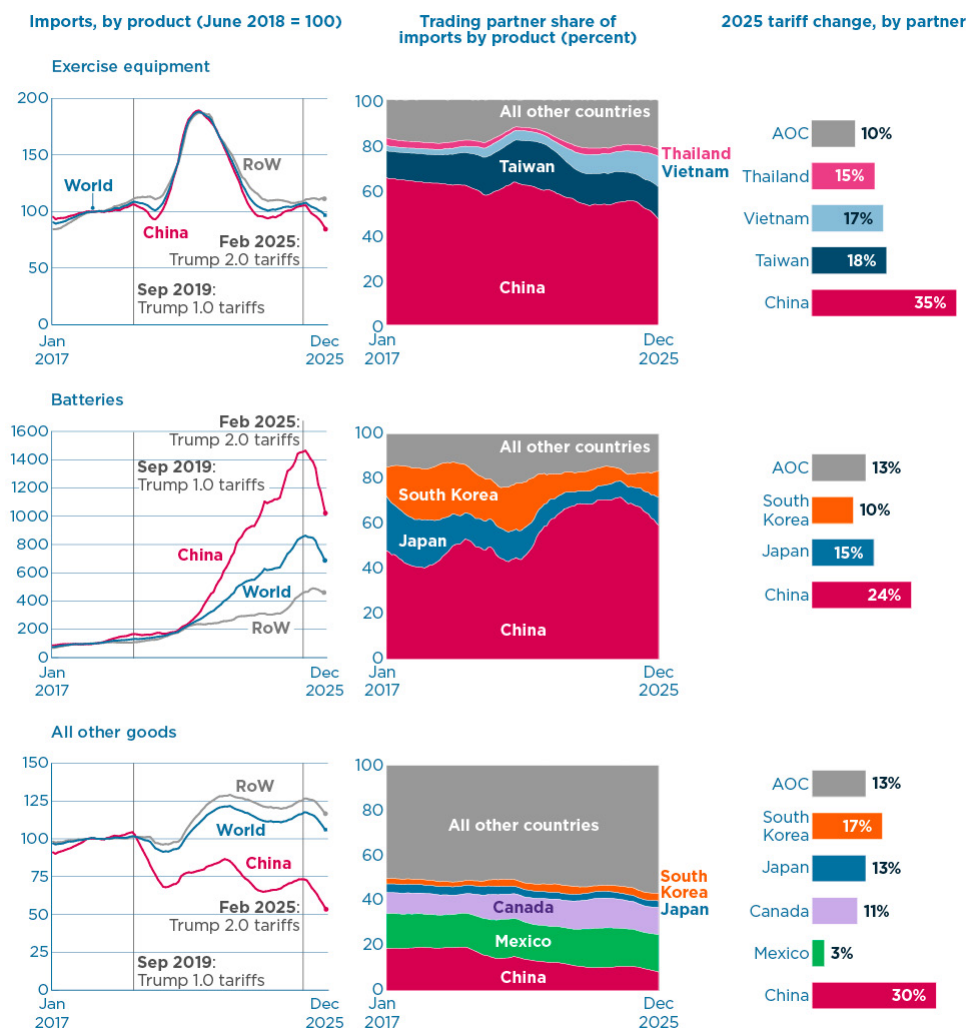


figure continues

Figure 6 (continued)

## b. Product-specific examples (cont.)



Note: 1.0 indicates Trump's first trade war; 2.0 indicates Trump's second trade war. Indexed value of US real monthly goods imports, 12-month trailing sums. Trump 1.0 tariffs (25%, 7.5%, No tariff) refer to the lists of products subject to different US tariff rates, as of February 2020, imposed on imports from China under Section 301 of the Trade Act of 1974 over 2018-19. Products in this figure were subject to 7.5 percent Trump 1.0 tariffs. Product definitions found in the [appendix](#). 2025 tariff change defined as the difference in the US tariff between October 2025 and January 2025, constructed from data on 3-month averages.

Source: Constructed by the author with US import data from US Census. The price deflator is from the Bureau of Labor Statistics.

However, when China was hit with new tariffs in 2025, US imports of clothing and footwear did not reorient as quickly to new foreign sources as consumer electronics, possibly because clothing and footwear were not exempted from the Liberation Day tariffs. Many alternative sources faced sizable tariff increases on these products, leaving a much smaller tariff differential than for consumer electronics, as panel b in figures 6 and 4 reveal (India, for example, was hit with a larger tariff increase on clothing than China, once the August 2025 IEEPA action was taken into account).

Tariff differentials also help explain why many countries in China's neighborhood were so eager to negotiate early deals with the US administration after the Liberation Day announcement.<sup>27</sup> The initially announced rates for Cambodia (49 percent), Laos (48 percent), Vietnam (46 percent), Myanmar (44 percent), and Bangladesh (37 percent) were higher than the rate on China (34 percent). The rates on Malaysia (24 percent) and the Philippines (17 percent) were much lower. Each country thus had to worry about how the US tariff it negotiated compared not only to China but also to other countries in the region, that might become even more attractive destinations for investments in new supply chains exiting China. This concern may have made it difficult for member countries of the Association of Southeast Asian Nations (ASEAN) to negotiate as a group, despite early signals that they would attempt to do so.<sup>28</sup>

Finally, future researchers will need to account for factors other than the Trump tariffs that affected trade flows. For example, demand for personal protective equipment, products to treat COVID-19, and exercise equipment increased during the pandemic before falling off as the health risks and mobility restrictions subsided. (US imports of these products—from China and the world—declined in 2025 in the face of higher tariffs.) Furthermore, China has also become the dominant supplier of batteries for EVs, with CATL and BYD producing over half of all batteries

---

27 See Annex I of White House (2025).

28 Chairith Yonpiam, "Thai PM backs Asean United Front on Tariffs," *Bangkok Post*, April 17, 2025, <https://www.bangkokpost.com/thailand/general/3005307/thai-pm-backs-asean-united-front-on-tariffs>.

worldwide.<sup>29</sup> As EV production and sales in the United States after 2022 increased following the generous consumer tax credits in the Inflation Reduction Act, imports of batteries from China surged. The decline in 2025 reflected the likely effect of both the new US tariffs and the withdrawal of consumer tax credits for EVs.

## 6. IMPLICATIONS FOR FUTURE RESEARCH

A large body of research has focused on the reallocations of supply chains following the US-China tariff escalation of 2018-19. There is evidence of trade diversion, or more US imports coming in from new source countries not subject to US tariffs (Bown 2022), as well as some of those new source countries importing more parts and components from China (Freund et al. 2024). Chinese firms hit with higher US tariffs increased their outbound foreign direct investments in key countries newly supplying to the United States (Dai 2025). There is also some evidence of transshipment of Chinese goods through Vietnam, although the estimated amount is relatively small (Iyoha et al. 2025).

One insight from this research is that data on the bilateral gross trade flows are necessary but not sufficient to fully characterize how supply chains change in response to a new policy. An important question for future research is how the acceleration of US import sourcing of final assembly away from China in 2025 documented here has affected that trajectory. As a result of the first trade war, the change in Chinese value-added content embedded in US imports was much smaller than the reduction in direct US imports from China, including that documented here. (Using different [data sources](#), Alfaro and Chor [2026] find that it fell by 0.4 percentage points over 2017-22, whereas Lovely and Wan

---

29 Teo Lombardo, Leonardo Paoli, Araceli Fernandez Pales, and Timur Gül, “Global Battery Markets Are Growing Strongly—and So Are the Supply Risks,” IEA commentary, February 13, 2026, <https://www.iea.org/commentaries/global-battery-markets-are-growing-strongly-and-so-are-the-supply-risks>; Electrive, “SNE Research: CATL Continues to Dominate Global Battery Market,” February 4, 2026, <https://www.electrive.com/2026/02/04/sne-research-catl-continues-to-dominate-global-battery-market/>.

[2026] find a 2-point reduction over 2017–24.<sup>30</sup>) Yet, the relatively high levels of industry aggregation demanded by such studies may not reveal much about what is happening at the product level for critical goods—often the concern of policymakers worried about specific technologies or national security.

Another question is whether the differences in the changes in the speed and scale of product-level sourcing documented here may help explain the pass-through of the US tariff actions in 2025 to consumer prices (Cavallo, Llamas, and Vazquez 2025).

An important caveat to the results presented here is that they do not formally incorporate reshoring. The only loose inference that can be drawn comes from the change in total real imports in 2025, as US production data for 2025 were not yet available.<sup>31</sup>

This paper also does not consider many extremely important products for which the United States was unable to find alternative foreign suppliers outside of China in 2025. In April 2025, China weaponized its 90 percent share of global production of rare earths and permanent magnets by restricting exports of these essential inputs—a move that nearly caused the global automotive industry to shut down (Bown 2026b). Later in the year, it limited exports of legacy semiconductors manufactured by Nexperia, cutting off another essential input for global automakers. China has other areas of market dominance over which it has threatened to restrict exports, including graphite needed for battery production and a host of other critical minerals. Another important area for future research involves understanding the lack of responsiveness of these supply chains to US (and other countries’) tariff and nontariff policies (Keynes and Bown 2026).

---

30 See also Baldwin, Freeman, and Theodorakopoulos (2023).

31 For an industry-level analysis from 2018–19, see Flaaen and Pierce (forthcoming).

## REFERENCES

- Alfaro, Laura, and Davin Chor. Forthcoming. An Anatomy of the Great Reallocation in US Supply Chain Trade. *IMF Economic Review*.
- Baldwin, Richard, Rebecca Freeman, and Angelos Theodorakopoulos. 2023. *Hidden Exposure: Measuring US Supply Chain Reliance*. Brookings Papers on Economic Activity 2023, no. 2: 79–167.
- Bown, Chad P. 2021. The US–China Trade War and Phase One Agreement. *Journal of Policy Modeling* 43: 805–43. <https://www.chadpbown.com/wp-content/uploads/2023/01/Bown-JPM-2021.pdf>.
- Bown, Chad P. 2022. *Four Years into the Trade War, Are the US and China Decoupling?* PIIE Realtime Economics, October 20. Washington: Peterson Institute for International Economics. <https://www.piie.com/blogs/realtime-economics/four-years-trade-war-are-us-and-china-decoupling>.
- Bown, Chad P. 2026a. *China No Longer Buys US Exports: Drawing the Right Lessons for the Next Trump-Xi Deal*. PIIE Realtime Economics, March 3. Washington: Peterson Institute for International Economics. <https://www.piie.com/blogs/realtime-economics/2026/china-no-longer-buys-us-exports-drawing-right-lessons-next-trump-xi>.
- Bown, Chad P. 2026b. Negotiating a Win-Win End to the Lose-Lose US–China Trade War over Technology and Critical Minerals. *Journal of World Trade* 60, no. 3: 373–400.
- Bown, Chad P. 2026c. *Trump’s Trade War Timeline 2.0: An Up-to-Date Guide*. PIIE Realtime Economics, June 2. Washington: Peterson Institute for International Economics. <https://www.piie.com/blogs/realtime-economics/2025/trumps-trade-war-timeline-20-date-guide>.
- Bown, Chad P., and Douglas A. Irwin. 2025. The Incoherent Case for Tariffs. Trump’s Fixation on Economic Coercion Will Subvert His Economic Goals. *Foreign Affairs*, March 11.
- Bown, Chad P., and Melina Kolb. 2025. *Trump’s Trade War Timeline: An Up-to-Date Guide*. PIIE Trade and Investment Policy Watch, January 20. <https://www.piie.com/blogs/trade-and-investment-policy-watch/2018/trumps-trade-war-timeline-date-guide>.
- Cavallo, Alberto, Paola Llamas, and Franco M. Vazquez. 2025. *Tracking the Short-Run Price Impact of U.S. Tariffs*. NBER Working Paper 34496. Cambridge, MA: National Bureau of Economic Research.

- Chatterjee, Shoumitro, and Arvind Subramanian. 2026. *China's Mercantilist Squeeze on Developing Countries*. PIIE Working Paper 26-7. Washington: Peterson Institute for International Economics. <https://www.piie.com/publications/working-papers/2026/chinas-mercantilist-squeeze-developing-countries>.
- Dai, Mi. 2025. *The Impact of the China-US Trade War on China's Outward Foreign Direct Investment*. IDE-JETRO Discussion Paper 955. Chiba, Japan: Institute of Developing Economies.
- Fajgelbaum, Pablo D., and Amit K. Khandelwal. 2022. The Economic Impacts of the US-China Trade War. *Annual Review of Economics* 14, no. 1: 205–28.
- Flaaen, Aaron, and Justin Pierce. Forthcoming. Disentangling the Effects of the 2018–2019 Tariffs on a Globally Connected US Manufacturing Sector. *Review of Economics and Statistics*.
- Freund, Caroline, Aaditya Mattoo, Alen Mulabdic, and Michele Ruta. 2024. Is US Trade Policy Reshaping Global Supply Chains? *Journal of International Economics* 152 (November): 104011.
- Hanson, Gordon. 2020. Who Will Fill China's Shoes? The Global Evolution of Labor-Intensive Manufacturing. *East Asian Economic Review* 24, no. 4: 313–36.
- IEA (International Energy Agency). 2025. *Global EV Outlook 2025*. Paris. <https://www.iea.org/reports/global-ev-outlook-2025>.
- Iyoha, Ebehi, Edmund Malesky, Jaya Wen, and Sung-Ju Wu. 2025. *Exports in Disguise? Trade Rerouting During the US-China Trade War*. Harvard Business School Working Paper, No. 24-072.
- Keynes, Soumaya, and Chad P. Bown. 2026. *How to Win a Trade War*. New York: Simon & Schuster.
- Lovely, Mary E., and Christine Y. Wan. 2026 (forthcoming). *Made with China: Global Supply Chains and the Limits of US Decoupling*. PIIE Policy Brief. Washington: Peterson Institute for International Economics.
- McGee, Patrick. 2026. *Apple in China: The Capture of the World's Greatest Company*. New York: Simon & Schuster.
- Nvidia. 2026. *NVIDIA Export Regulation Compliance*. *NVIDIA Parts Classification*, available at <https://www.nvidia.com/en-us/about-nvidia/company-policies/export-regulations/>, accessed March 1.

Waugh, Michael E. 2026. *Trade in AI-Related Products*. NBER Working Paper 35053. Cambridge, MA: National Bureau of Economic Research.

White House. 2025. Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits. *Federal Register* 90, no. 65, April 7: 15041–60. <https://www.federalregister.gov/d/2025-06063>.

Appendix Table 1

**Selected products used to analyze changes in US imports from China**

| Product                | China                                    |                                      | World                                    |                                      |
|------------------------|------------------------------------------|--------------------------------------|------------------------------------------|--------------------------------------|
|                        | Share of US imports within product group | Share of total US imports from China | Share of US imports within product group | Share of total US imports from World |
| <i>2017</i>            |                                          |                                      |                                          |                                      |
| <i>0% tariff group</i> |                                          |                                      |                                          |                                      |
| Smartphones            | 26.4                                     | 8.8                                  | 12.7                                     | 2.4                                  |
| Laptops                | 22.1                                     | 7.4                                  | 9.0                                      | 1.7                                  |
| Monitors               | 2.7                                      | 0.9                                  | 1.2                                      | 0.2                                  |
| Video game consoles    | 2.7                                      | 0.9                                  | 1.1                                      | 0.2                                  |
| Clothing               | 2.8                                      | 0.9                                  | 1.3                                      | 0.2                                  |
| Footwear               | 4.9                                      | 1.6                                  | 2.1                                      | 0.4                                  |
| All other goods        | 38.5                                     | 12.9                                 | 72.6                                     | 13.7                                 |
| <b>Subtotal</b>        | <b>100.0</b>                             | <b>33.4</b>                          | <b>100.0</b>                             | <b>18.8</b>                          |
| <i>2024</i>            |                                          |                                      |                                          |                                      |
| Smartphones            | 21.0                                     | 9.5                                  | 7.6                                      | 1.6                                  |
| Laptops                | 16.4                                     | 7.4                                  | 7.3                                      | 1.5                                  |
| Monitors               | 2.5                                      | 1.1                                  | 0.9                                      | 0.2                                  |
| Video game consoles    | 2.8                                      | 1.3                                  | 1.0                                      | 0.2                                  |
| Clothing               | 3.3                                      | 1.5                                  | 1.2                                      | 0.2                                  |
| Footwear               | 4.1                                      | 1.8                                  | 1.5                                      | 0.3                                  |
| All other goods        | 49.9                                     | 22.5                                 | 80.6                                     | 16.7                                 |
| <b>Subtotal</b>        | <b>100.0</b>                             | <b>45.1</b>                          | <b>100.0</b>                             | <b>20.7</b>                          |
| <i>2025</i>            |                                          |                                      |                                          |                                      |
| Smartphones            | 18.5                                     | 7.6                                  | 7.1                                      | 1.5                                  |
| Laptops                | 6.8                                      | 2.8                                  | 6.6                                      | 1.4                                  |
| Monitors               | 2.2                                      | 0.9                                  | 0.8                                      | 0.2                                  |
| Video game consoles    | 1.3                                      | 0.5                                  | 0.9                                      | 0.2                                  |
| Clothing               | 3.6                                      | 1.5                                  | 0.9                                      | 0.2                                  |
| Footwear               | 4.5                                      | 1.8                                  | 1.1                                      | 0.2                                  |
| All other goods        | 63.2                                     | 26.1                                 | 82.6                                     | 17.7                                 |
| <b>Subtotal</b>        | <b>100.0</b>                             | <b>41.2</b>                          | <b>100.0</b>                             | <b>21.4</b>                          |

table continues

Appendix Table 1 (continued)

| Product                                          | China                                    |                                      | World                                    |                                      |
|--------------------------------------------------|------------------------------------------|--------------------------------------|------------------------------------------|--------------------------------------|
|                                                  | Share of US imports within product group | Share of total US imports from China | Share of US imports within product group | Share of total US imports from World |
| <i>2017</i>                                      |                                          |                                      |                                          |                                      |
| <i>25% tariff group (List 1, List 2, List 3)</i> |                                          |                                      |                                          |                                      |
| Inputs needed for AI                             | 25.6                                     | 11.9                                 | 11.2                                     | 7.1                                  |
| Auto parts                                       | 7.3                                      | 3.4                                  | 9.2                                      | 5.8                                  |
| Other inputs                                     | 27.8                                     | 12.9                                 | 35.9                                     | 22.7                                 |
| ICE vehicles                                     | 0.7                                      | 0.3                                  | 10.2                                     | 6.5                                  |
| Electric vehicles and hybrids                    | 0.0                                      | 0.0                                  | 0.5                                      | 0.3                                  |
| Furniture                                        | 12.1                                     | 5.6                                  | 3.4                                      | 2.1                                  |
| All other goods                                  | 26.5                                     | 12.3                                 | 29.6                                     | 18.7                                 |
| <b>Subtotal</b>                                  | <b>100.0</b>                             | <b>46.4</b>                          | <b>100.0</b>                             | <b>63.2</b>                          |
| <i>2024</i>                                      |                                          |                                      |                                          |                                      |
| Inputs needed for AI                             | 16.4                                     | 5.7                                  | 13.8                                     | 8.6                                  |
| Auto parts                                       | 9.5                                      | 3.3                                  | 8.8                                      | 5.5                                  |
| Other inputs                                     | 35.2                                     | 12.2                                 | 36.4                                     | 22.8                                 |
| ICE vehicles                                     | 1.4                                      | 0.5                                  | 7.6                                      | 4.7                                  |
| Electric vehicles and hybrids                    | 0.4                                      | 0.1                                  | 2.9                                      | 1.8                                  |
| Furniture                                        | 9.4                                      | 3.3                                  | 2.6                                      | 1.6                                  |
| All other goods                                  | 27.7                                     | 9.6                                  | 28.0                                     | 17.5                                 |
| <b>Subtotal</b>                                  | <b>100.0</b>                             | <b>34.7</b>                          | <b>100.0</b>                             | <b>62.5</b>                          |
| <i>2025</i>                                      |                                          |                                      |                                          |                                      |
| Inputs needed for AI                             | 17.2                                     | 6.7                                  | 21.1                                     | 13.5                                 |
| Auto parts                                       | 10.3                                     | 4.0                                  | 7.9                                      | 5.1                                  |
| Other inputs                                     | 36.9                                     | 14.2                                 | 33.1                                     | 21.2                                 |
| ICE vehicles                                     | 0.9                                      | 0.3                                  | 5.9                                      | 3.8                                  |
| Electric vehicles and hybrids                    | 0.4                                      | 0.2                                  | 2.4                                      | 1.5                                  |
| Furniture                                        | 7.9                                      | 3.0                                  | 2.2                                      | 1.4                                  |
| All other goods                                  | 26.4                                     | 10.2                                 | 27.4                                     | 17.5                                 |
| <b>Subtotal</b>                                  | <b>100.0</b>                             | <b>38.6</b>                          | <b>100.0</b>                             | <b>64.0</b>                          |

table continues

Appendix Table 1 (continued)

| Product                            | China                                    |                                      | World                                    |                                      |
|------------------------------------|------------------------------------------|--------------------------------------|------------------------------------------|--------------------------------------|
|                                    | Share of US imports within product group | Share of total US imports from China | Share of US imports within product group | Share of total US imports from World |
| <i>2017</i>                        |                                          |                                      |                                          |                                      |
| <i>7.5% tariff group (List 4A)</i> |                                          |                                      |                                          |                                      |
| Clothing                           | 27.5                                     | 5.5                                  | 20.6                                     | 3.7                                  |
| Footwear                           | 8.3                                      | 1.7                                  | 4.6                                      | 0.8                                  |
| PPE & COVID-19 products            | 3.8                                      | 0.8                                  | 1.7                                      | 0.3                                  |
| Exercise equipment                 | 3.6                                      | 0.7                                  | 1.4                                      | 0.2                                  |
| Batteries                          | 1.0                                      | 0.2                                  | 0.6                                      | 0.1                                  |
| All other goods                    | 55.8                                     | 11.2                                 | 71.1                                     | 12.7                                 |
| <b>Subtotal</b>                    | <b>100.0</b>                             | <b>20.1</b>                          | <b>100.0</b>                             | <b>17.8</b>                          |
| <i>2024</i>                        |                                          |                                      |                                          |                                      |
| Clothing                           | 19.0                                     | 3.8                                  | 15.6                                     | 2.6                                  |
| Footwear                           | 5.0                                      | 1.0                                  | 3.9                                      | 0.6                                  |
| PPE & COVID-19 products            | 6.0                                      | 1.2                                  | 2.0                                      | 0.3                                  |
| Exercise equipment                 | 4.4                                      | 0.9                                  | 1.3                                      | 0.2                                  |
| Batteries                          | 18.3                                     | 3.7                                  | 4.4                                      | 0.7                                  |
| All other goods                    | 47.4                                     | 9.6                                  | 72.8                                     | 12.1                                 |
| <b>Subtotal</b>                    | <b>100.0</b>                             | <b>20.2</b>                          | <b>100.0</b>                             | <b>16.5</b>                          |
| <i>2025</i>                        |                                          |                                      |                                          |                                      |
| Clothing                           | 17.9                                     | 3.6                                  | 16.6                                     | 2.4                                  |
| Footwear                           | 5.1                                      | 1.0                                  | 4.2                                      | 0.6                                  |
| PPE & COVID-19 products            | 5.0                                      | 1.0                                  | 1.5                                      | 0.2                                  |
| Exercise equipment                 | 5.0                                      | 1.0                                  | 1.3                                      | 0.2                                  |
| Batteries                          | 18.9                                     | 3.8                                  | 4.0                                      | 0.6                                  |
| All other goods                    | 48.2                                     | 9.7                                  | 72.4                                     | 10.6                                 |
| <b>Subtotal</b>                    | <b>100.0</b>                             | <b>20.1</b>                          | <b>100.0</b>                             | <b>14.6</b>                          |

ICE = internal combustion engine

Note: Numbers may not sum to total due to rounding.

## DATA SOURCES

- **US import data by trading partner:** US International Trade Commission (USITC) DataWeb, General Customs Value.  
Link: <https://dataweb.usitc.gov/>
- **Tariff changes:** USITC DataWeb, using Imports for Consumption and Calculated Duties. Tariff rates are calculated as Calculated Duties divided by Imports for Consumption.  
Link: <https://dataweb.usitc.gov/>
- **Harmonized Tariff Schedule (HTS) 10-digit US import data for China and World:** US Census Bureau, USA Trade Online.  
Link: <https://usatrade.census.gov/>
- **Section 301 tariff lists:** US Trade Representative (USTR) original Lists 1-4A, plus updated USITC HTS releases.  
USTR link: <https://ustr.gov/issue-areas/enforcement/section-301-investigations/tariff-actions>  
USITC HTS link: <https://hts.usitc.gov/>
- **HTS10 code universe / annual HTS codes:** US Census Bureau Foreign Trade reference/concordance files.  
Link: <https://www.census.gov/foreign-trade/reference/>
- **HTS code concordance across years:** Peter Schott's HTS concordance, supplemented with USITC HTS change records.  
Schott link: [https://sompks4.github.io/sub\\_data.html](https://sompks4.github.io/sub_data.html)  
USITC HTS archive link: <https://hts.usitc.gov/download/archive>
- **Auto parts definition:** US Census Bureau HTS-End Use concordance, which maps HTS10 import codes to Census end-use categories. Auto parts were identified using EndUse3 = 302, then limited to Section 301 List 1-3 products and cleaned to avoid overlap with other groups.  
Link: <https://www.census.gov/foreign-trade/reference/>
- **Intermediate inputs / "Other inputs":** UNSD/WITS Harmonized System (HS) 2022 Product Code to BEC Rev.4 concordance. This maps HS6 product codes into Broad Economic Categories (BEC) based on use. HTS10 codes truncated to HS6, merged to BEC, and intermediate-use categories such as industrial supplies, fuels/lubricants, parts of capital goods, and parts of transport equipment are kept.  
Link: <https://wits.worldbank.org/referencedata.html>

- **NVIDIA AI products:** NVIDIA export regulation/classification page, using NVIDIA's listed HTS codes and expanding them to HS10.  
Link: <https://www.nvidia.com/en-us/about-nvidia/company-policies/export-regulations/>
- **ICE and EV and hybrid passenger vehicles:** Selected from HTS10 lines.  
Link: <https://hts.usitc.gov/>
- **Price deflators:** US Bureau of Labor Statistics (BLS) Import/Export Price Indexes, using BLS-based monthly deflators listed in Deflators.xlsx.  
Link: <https://www.bls.gov/mxp/>

---

© 2026 Peterson Institute for International Economics. All rights reserved.

This publication has been subjected to a prepublication peer review intended to ensure analytical quality. The views expressed are those of the author. This publication is part of the overall program of the Peterson Institute for International Economics, as endorsed by its Board of Directors, but it does not necessarily reflect the views of individual members of the Board or of the Institute's staff or management.

The Peterson Institute for International Economics (PIIE) is an independent nonprofit, nonpartisan research organization dedicated to strengthening prosperity and human welfare in the global economy through expert analysis and practical policy solutions. Its work is funded by a highly diverse group of philanthropic foundations, private corporations, and interested individuals, as well as income on its capital fund. About 16 percent of the Institute's resources in 2025 were provided by contributors from outside the United States.

A list of all financial supporters is posted at:  
<https://www.piie.com/about/transparency-policy>.

PIIE is committed to ensuring pdf accessibility for people with disabilities. We are continually improving the user experience for everyone and applying the relevant accessibility standards to comply with the Americans with Disabilities Act.