



# Trade Means Growth for Kentucky

**International trade—exports and imports of goods and services—supports 480,000 jobs in Kentucky, or about 1 in 5 total jobs in the state.**

Key facts about trade and jobs:

- The share of Kentucky jobs supported by trade has nearly doubled since the early 1990s.
- Jobs in export-intensive industries offer compensation that averages about 16 percent higher than other jobs.
- Imports let American families stretch their budgets and help U.S. manufacturers keep costs down and competitiveness up.
- Over 4,700 Kentucky companies exported in 2022. Nationally, 97% of trading firms are small-and medium sized enterprises.
- Since 2008, companies that import or export goods have accounted for 3 out of 5 new American jobs.

**Kentucky companies exported \$46 billion in goods and services in 2023 to more than 190 markets around the world.**

Top Markets for Kentucky Exports, 2023 (millions of dollars)

Country	Goods	Services	Total
Canada	\$9,115	\$504	\$9,619
United Kingdom	\$3,840	\$391	\$4,230
Mexico	\$3,777	\$346	\$4,124
France	\$3,675	\$108	\$3,783
China	\$3,258	\$287	\$3,545
Other	\$17,264	\$3,171	\$20,435

America's FTA partners account for just 6% of the world's population but purchased 39% of Kentucky's goods exports in 2023.

Kentucky's goods exports to Malaysia were \$1.1 billion in 2023, an increase of over 500% since 2014.

Canada was the top export market for services exports in 2023 at \$504 million.

Kentucky Exports, 2014-2023 (billions of dollars)



Kentucky's total goods and services exports increased by \$13 billion (41%) between 2014 and 2023.

In 2023, Kentucky exported \$41 billion in goods and \$4.8 billion in services — a 10-year high for each.

Most services export growth has been driven by digital trade, which is allowing more Kentucky companies to reach customers abroad more easily.



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## Top Goods and Services Exports from Kentucky, 2023 (millions of dollars)

Sector	Exports
Transportation Equipment	19,234
Chemicals	7,106
Computers & Electronic Products	3,058
Machinery	2,356
Travel Services	1,840
Miscellaneous Manufacturing	1,409
Other	10,732

Kentucky's top transportation equipment exports in 2023 were aircrafts and parts (\$13.3 billion) and passenger vehicles (\$2.2 billion).

Kentucky's top food and agricultural exports in 2023 were alcohol (\$504 million) and soybeans (\$503 million).

Kentucky's exports of digitally tradable services reached \$2.2 billion in 2023.

## Foreign-headquartered companies directly employ 140,200 Kentucky workers.

## Kentucky Workers Employed at Foreign-Owned Companies by Sector, 2021

Sector	Jobs
Manufacturing	86,300
Retail Trade	9,100
Wholesale Trade	6,200
Professional, Scientific, and Technical Services	2,100
Information	1,900
Finance and Insurance	1,200
Other	33,400

Japanese-owned companies employ the most Kentucky workers (44,000), followed by German-owned companies (16,800).

Each job at a foreign-owned company typically supports three other U.S. jobs indirectly.

In 2021, U.S. affiliates of foreign-owned companies employed 8 million Americans, exported \$412 billion in goods, and spent \$78 billion on R&D.

### Data Sources

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**Kentucky exporting companies:** U.S. Census Bureau, "Profile of U.S. Importing and Exporting Companies," <https://www.census.gov/foreign-trade/Press-Release/edb/edbrel2022.pdf>.

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**Kentucky goods and services export data:** Trade Partnership Worldwide's *CDExports* database, <https://tradepartnership.com/data/cdxports-and-cdxjobs/>.

**Kentucky FDI data:** U.S. Bureau of Economic Analysis, "Activities of U.S. Affiliates of Foreign Multinational Enterprises"; <https://www.bea.gov/international/di1fdiop>.