

Macro Roundup Article

Headline: [Europe Can't Decide How to Unplug from China](#)

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Tweet: According to an @TheEconomist analysis, Europe has significantly more economic exposure to China than the US. 8% of public European firms' revenues are from China relative to 4% for American firms.

Summary: Europe is more economically exposed to China than America is. Some 8% of publicly-listed European firms' revenues are from China, compared with 4% for American ones, according to Morgan Stanley. Europe and America send a similar share of goods exports to China (7-9%), but because Europe is a more trade-intensive economy its sensitivity is higher. Multinational investments in China are worth 2% of Europe's GDP compared with 1% for America. We have come up with a yardstick of "total China exposure". We measure each country's exposure as a share of its own economy. The European big six's total China exposure has hit 5.6% of their combined GDP, up from 3.9% in 2011. That is higher than America's at 4.2%. There is a big range: Italy and Spain are at just 1-2%, France and Britain are at 4-5%. Germany is a huge outlier at 9.9%.

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Primary Topic: China

Topics: China, Data, Database, GDP, News article, Security, Trade (not deficits)

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