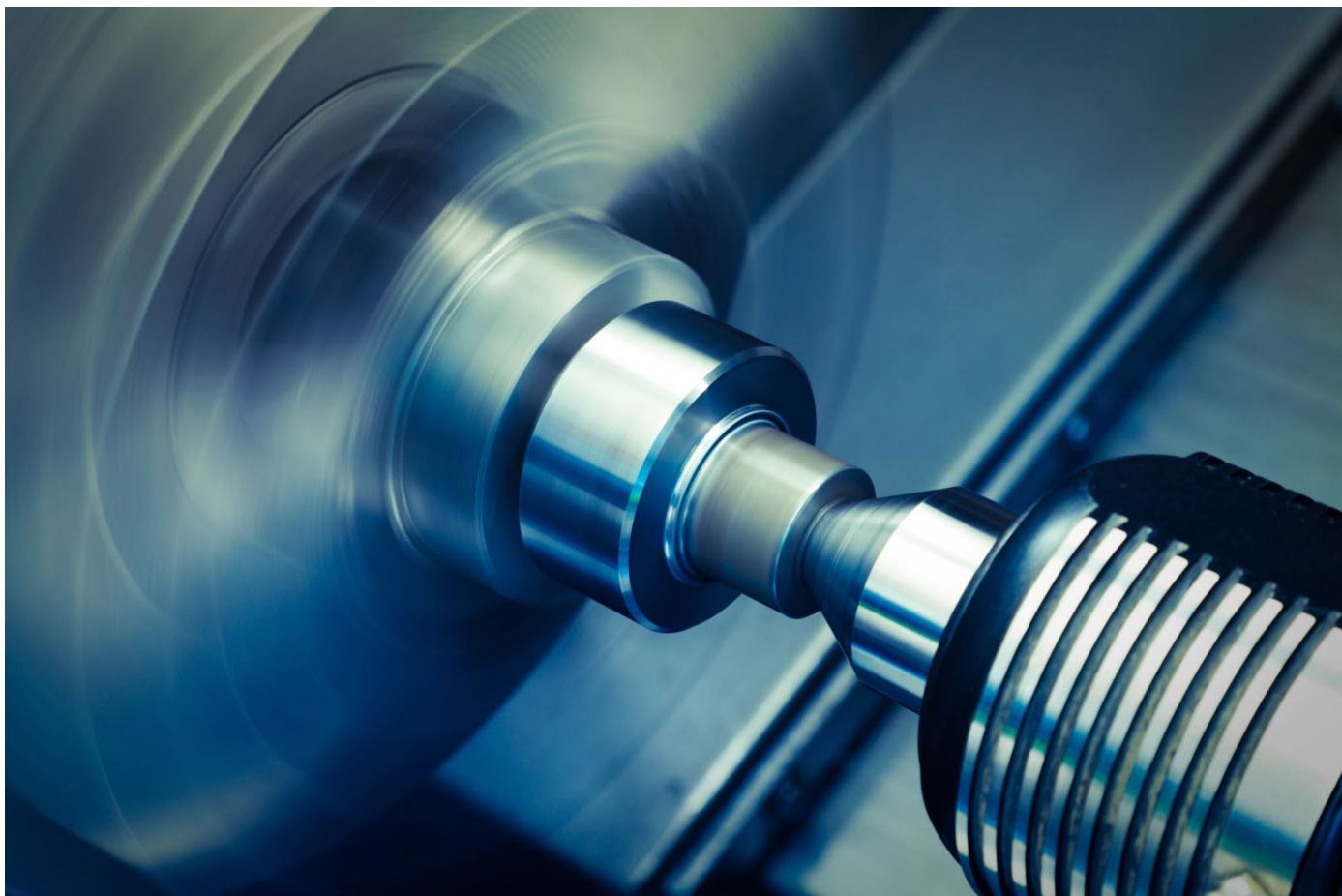




FDI Trends in U.S. Manufacturing Sectors

2025

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INTRODUCTION

Over the past decade, U.S. manufacturing has consistently attracted significant Foreign Direct Investment (FDI), making it one of the largest recipient sectors of foreign investment in the country. From 2014 to 2024, there have been **4,031 FDI projects** announced and completed in U.S. manufacturing, with **\$826 billion** in capital expenditure (Capex), and more than **667,000 jobs** created.

The purpose of this study is to analyse FDI trends across the U.S. manufacturing sector through a 10-year period between January 1, 2014, to December 31, 2024. This study aims to provide a high-level overview of investment patterns, key milestones, and sectoral shifts at a macro level.

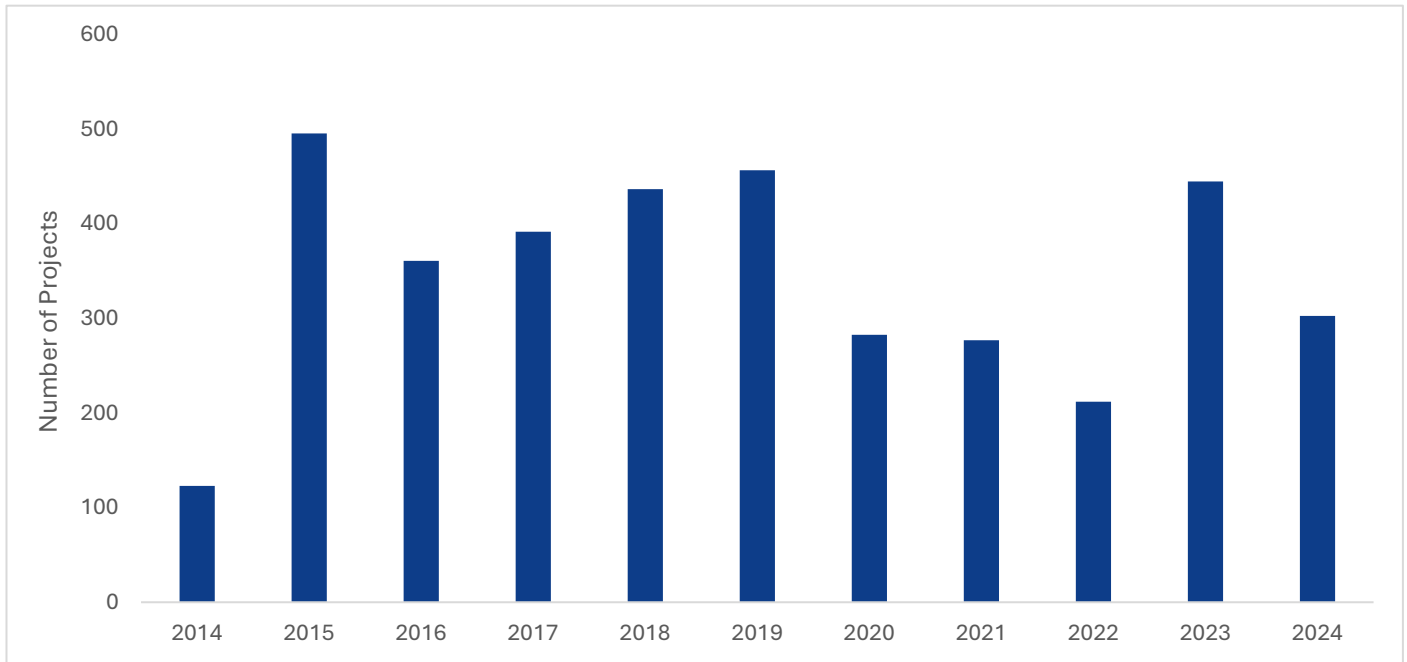
This study uses data from Moody's Orbis Crossborder Investment Database, a platform designed to provide detailed insights into global FDI. The database tracks and analyzes thousands of greenfield FDI projects and cross-border mergers and acquisitions (M&A), offering near real-time data at the company level. This enables an in-depth examination of global investment trends, risk profiles, and growth opportunities.

To further enhance analytical capabilities, the Moody's Orbis Crossborder Investment Database integrated data from IBM Plant Location International. This augmentation allows for more granular insights and advanced analytics, improving the accuracy of investment pattern assessments and strategic evaluations. The combination of these datasets supports a robust and multidimensional analysis of both greenfield and brownfield investments worldwide.

KEY OBSERVATIONS AND TRENDS

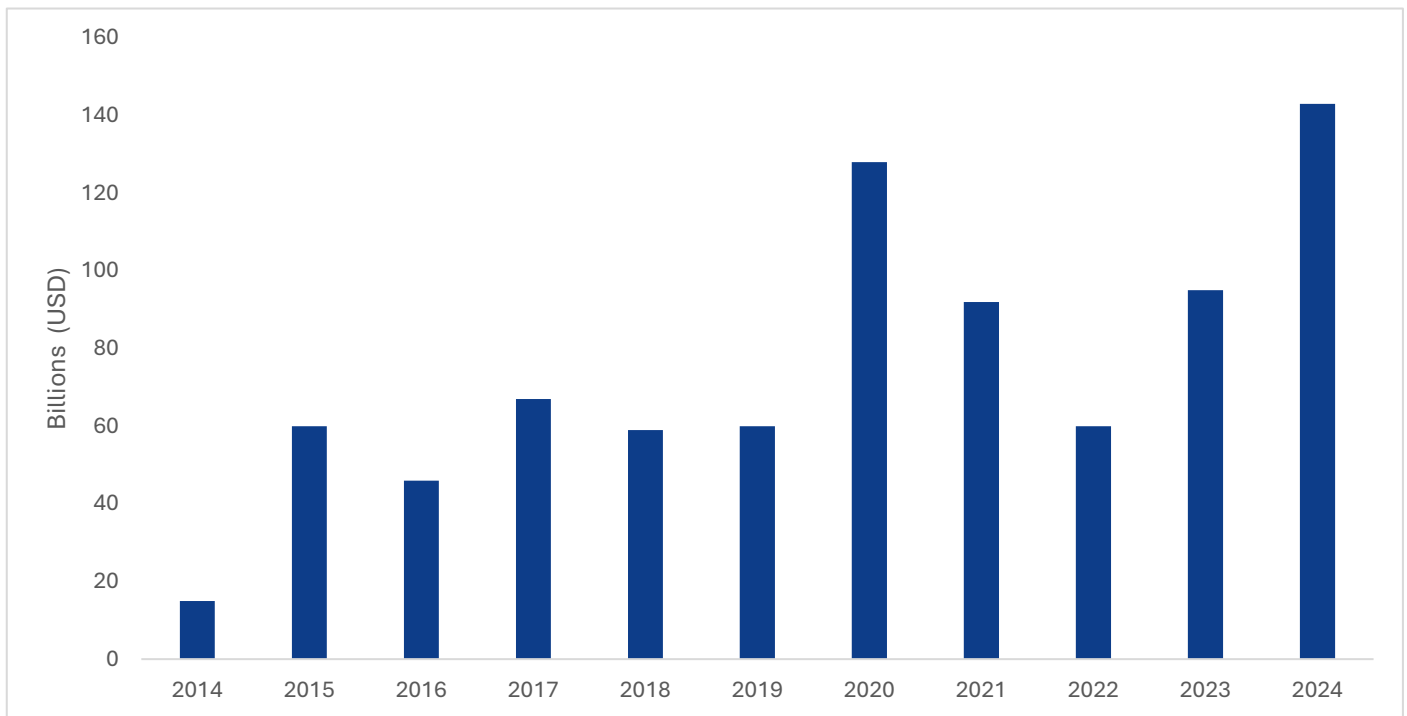
- The highest investment annual Capex was observed in 2024, reaching approximately \$145 billion, followed by 2020 (\$131.8 billion) and 2021 (\$131.7 billion).
- In 2023, the United States saw a significant surge in labor-intensive projects, resulting in the creation of approximately 100,984 new jobs, the highest number recorded for the 10-year period analysed.
- The number of FDI projects peaked in 2019 (507 projects), reflecting high activity in terms of project announcements.
- There was a rebound in investment levels in 2023, possibly due to recovery and stimulus measures post-pandemic.
- The last three years of Capex growth was 23% on average, signalling a future trend towards larger or capital-intensive projects.

Figure 1: Number of FDI projects, 2014 -2024



Source: Orbis Crossborder Investment Database, Moody's Solutions

Figure 2: Total FDI CapEx Billions USD, 2014-2024



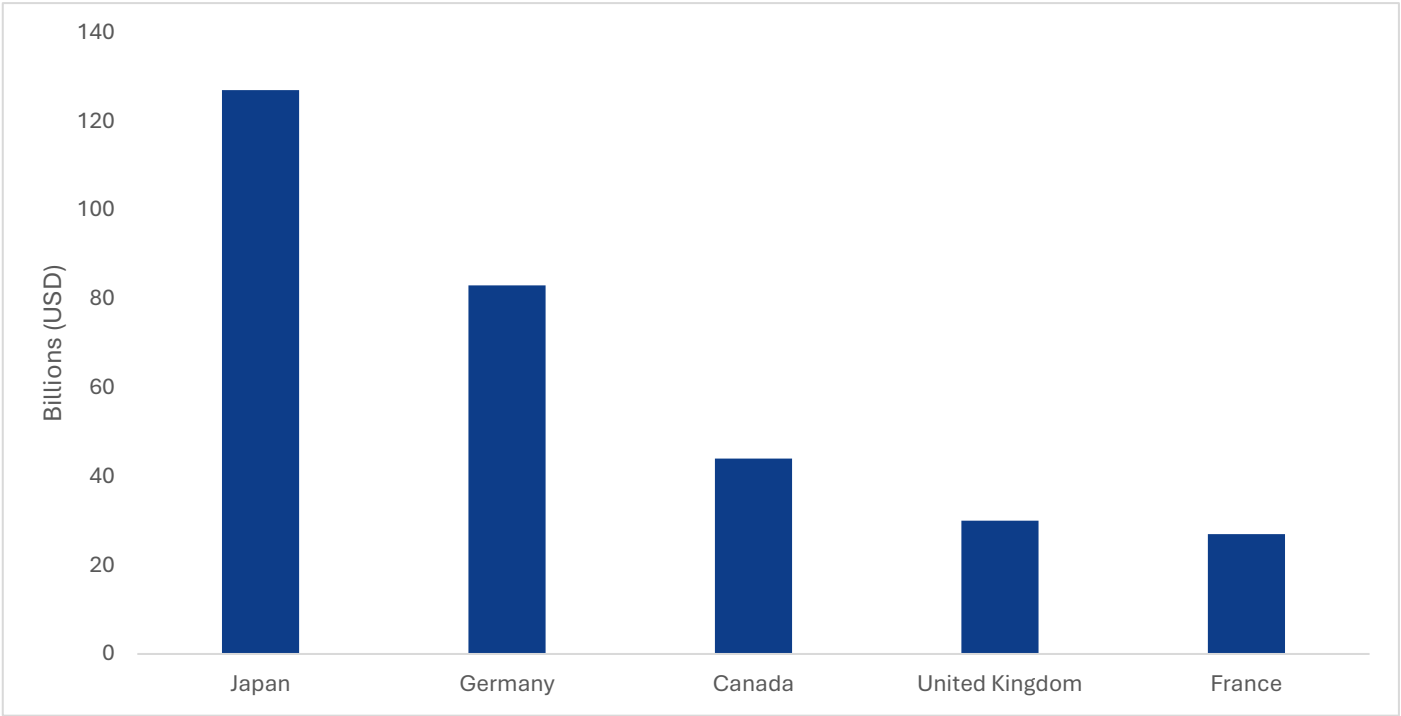
Source: Orbis Crossborder Investment Database, Moody's Solutions

TOP SOURCE MARKETS AND DESTINATION STATES

The top source markets for FDI projects in U.S. manufacturing are (by capex and by number of investment projects):

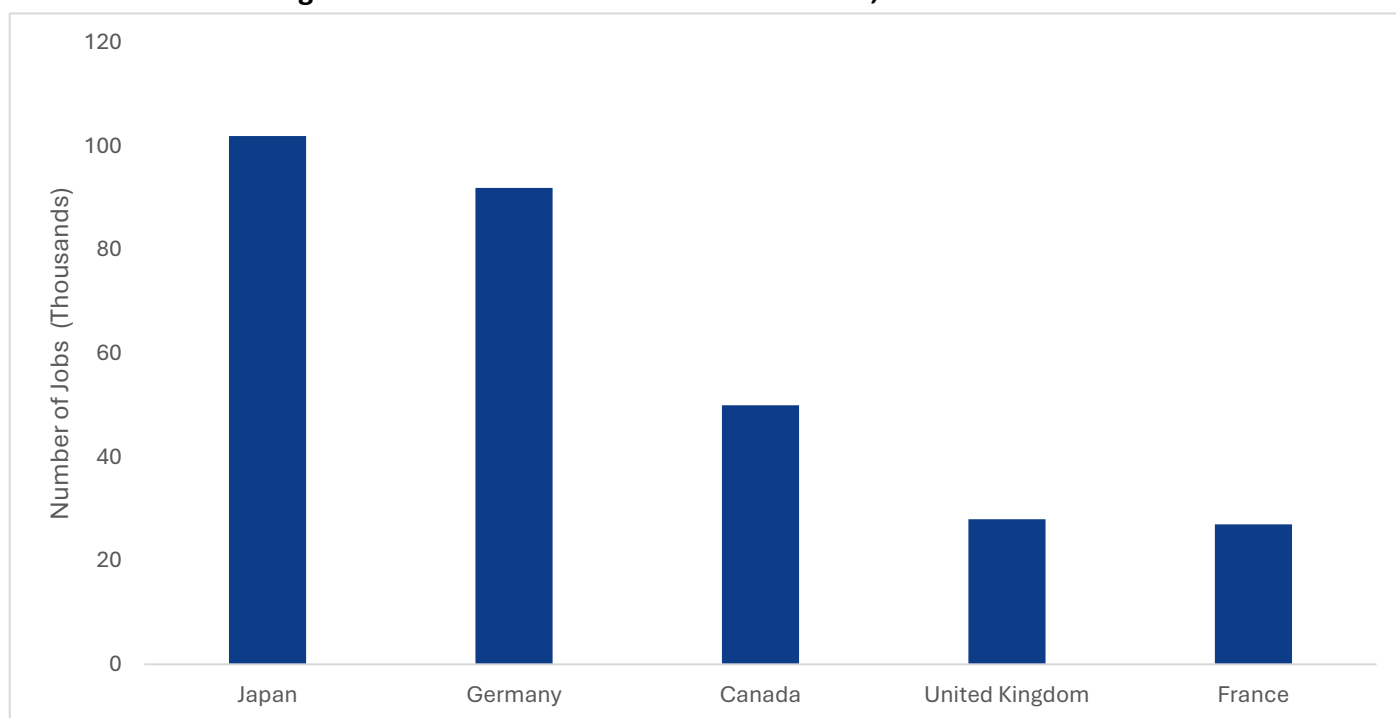
- 1. **Japan**
- 2. **Germany**
- 3. **Canada**
- 4. **United Kingdom**
- 5. **France**

Figure 3: Total FDI CapEx Billions USD, 2014-2024



Source: Orbis Crossborder Investment Database, Moody's Solutions

Figure 4: Total FDI Jobs Created in Thousands, 2014-2024



Source: Orbis Crossborder Investment Database, Moody's Solutions

Japan leads FDI into the U.S. manufacturing sector over the covered period, focusing on the automotive and electronics industries. The country's top 10 companies investing into the United States (by number of investment projects) include multinationals like Toyota, Mitsubishi Electric, and Denso. These multinationals expanded their U.S. operations to enhance supply chain resilience and leverage advanced manufacturing technologies. Germany is the second biggest source of FDI into manufacturing, with significant investments in the automotive and industrial machinery sectors, driven by companies such as Klockner, Pfisterer, and Siemens which are some of their top 10 investors by number of projects. These investments aim to support the growing demand for high-quality automotive components and advanced industrial machinery.

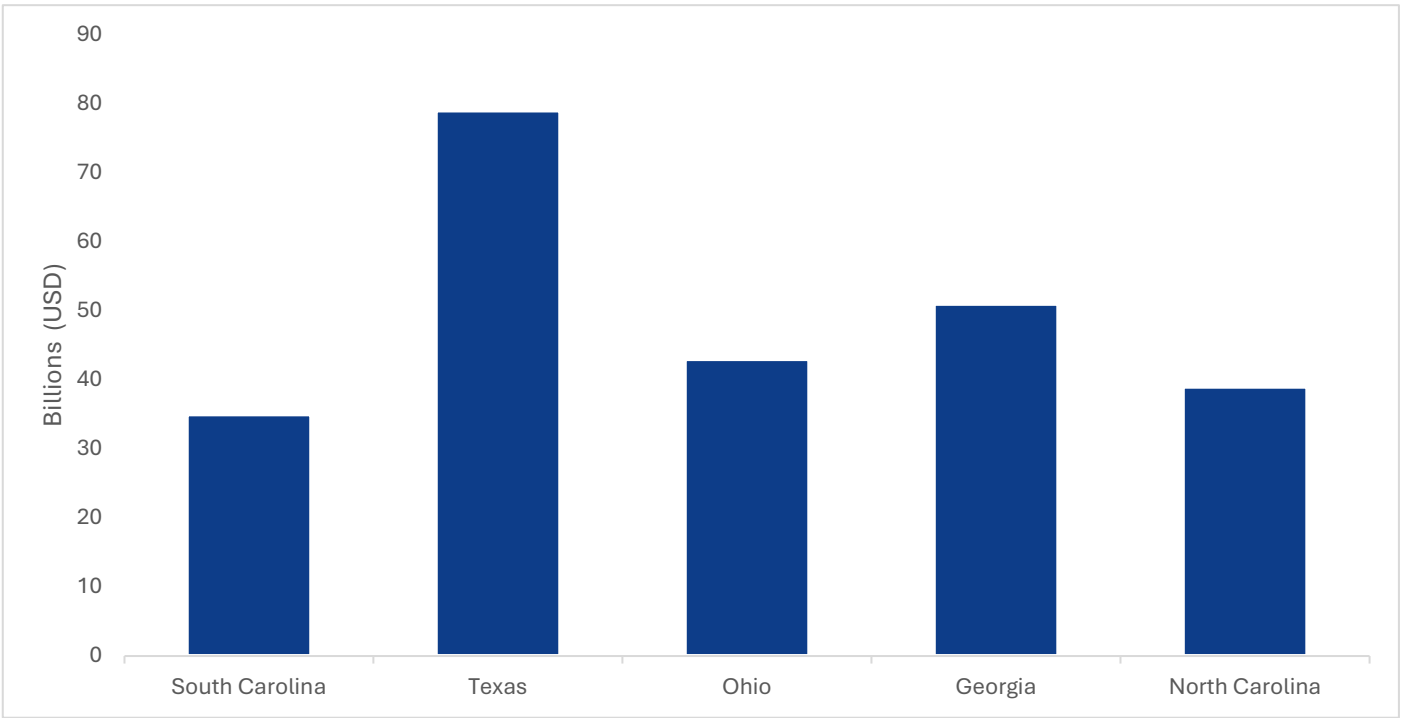
Meanwhile, Canada, the United Kingdom, and France also play crucial roles in the U.S. manufacturing landscape. Canadian investments are diverse, spanning tissue manufacturing, battery energy storage systems, and fruit juice production. The UK's investments are notable in the pharmaceutical and food industries, with top investor companies (by number of investment projects) including GlaxoSmithKline and Unilever. French investments are similarly diverse, with a strong presence in the food, pharmaceutical, and automotive sectors, highlighted by top 10 investor companies (by number of investment projects) like Arkema and Schneider Electric. These investments underscore the strategic importance of the U.S. market for these countries and their efforts to enhance global competitiveness through manufacturing excellence.

The top destination states for FDI projects in manufacturing (by number of investment projects) are:

- 1. **South Carolina**
- 2. **Texas**
- 3. **Ohio**
- 4. **Georgia**
- 5. **North Carolina**

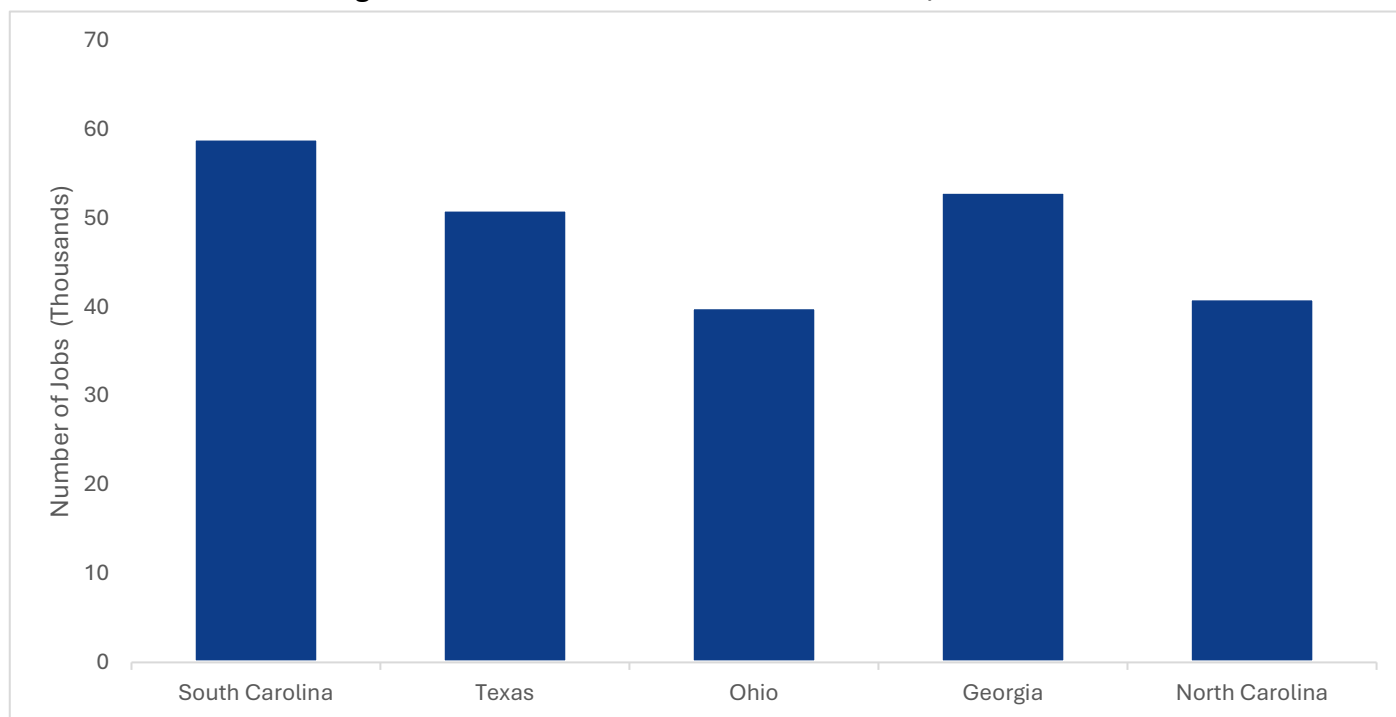
The top destination states for manufacturing FDI projects, when ranked by CapEx, differ from the ranking based on the number of investment projects.

Figure 5: Total FDI CapEx Billions USD, 2014-2024



Source: Orbis Crossborder Investment Database, Moody's Solutions

Figure 6: Total FDI Jobs Created in Thousands, 2014-2024



Source: Orbis Crossborder Investment Database, Moody's Solutions

South Carolina is a leading FDI destination for the U.S. manufacturing sector by number of projects, with the automotive and aerospace industries leading its sectoral FDI profile. The state's strategic location, business-friendly environment, and robust infrastructure have attracted significant investments from companies like BMW, and Volvo. These investments have not only boosted the state's economy but also created numerous job opportunities and enhanced its manufacturing capabilities. South Carolina's commitment to workforce development and its strong network of suppliers and partners further strengthen its position as a top destination for manufacturing investments.¹

Texas follows narrowly behind, with its diverse economy and favorable business climate attracting investments across various manufacturing sectors, including electronics, energy, and automotive. Companies like Samsung, and Toyota have established or expanded their manufacturing operations in Texas, leveraging the state's skilled workforce, advanced infrastructure, and access to key markets.

Among the other high-ranking destinations for manufacturing investments are Ohio, Georgia, and North Carolina. Ohio's strong industrial base and focus on innovation have attracted investments in the automotive and aerospace sectors. Georgia's strategic location and robust logistics network make it an attractive destination for companies in the food, logistics, and automotive industries.² North Carolina's investments are driven by its strengths in the pharmaceutical, biotechnology, and automotive sectors, with companies like Honda Motors and Novo Nordisk expanding their operations in the state. These states' strategic advantages and commitment to fostering a business-friendly environment make them key players in the U.S. manufacturing landscape.

¹Moody's Orbis Crossborder Investment Database captures motives for investments

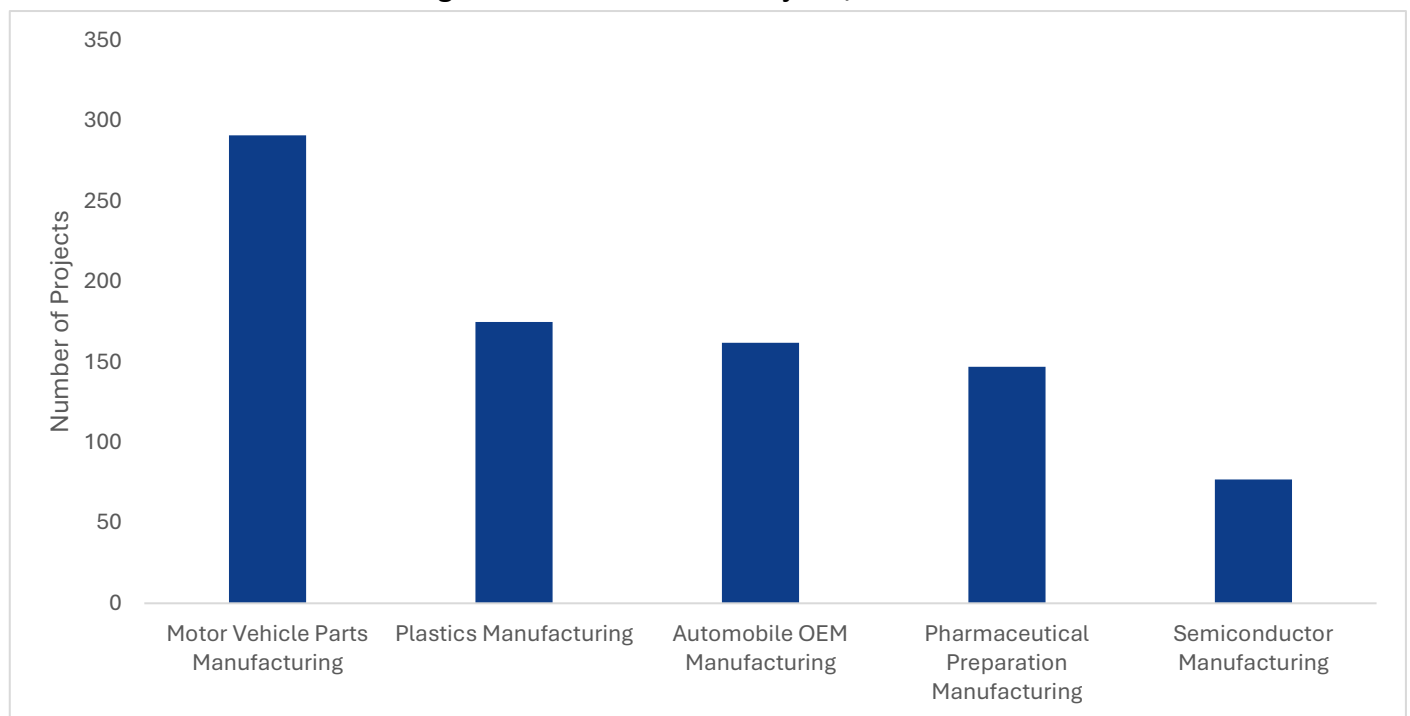
² <https://www.trade.gov/data-visualization/fdi-database>

SECTORAL ANALYSIS AT A MACRO LEVEL

The U.S. manufacturing sector encompasses various industries, each contributing differently to the overall FDI landscape. The top North American Industry Classification System (NAICS) sectors for FDI projects in U.S. manufacturing are (ranked by number of investment projects):

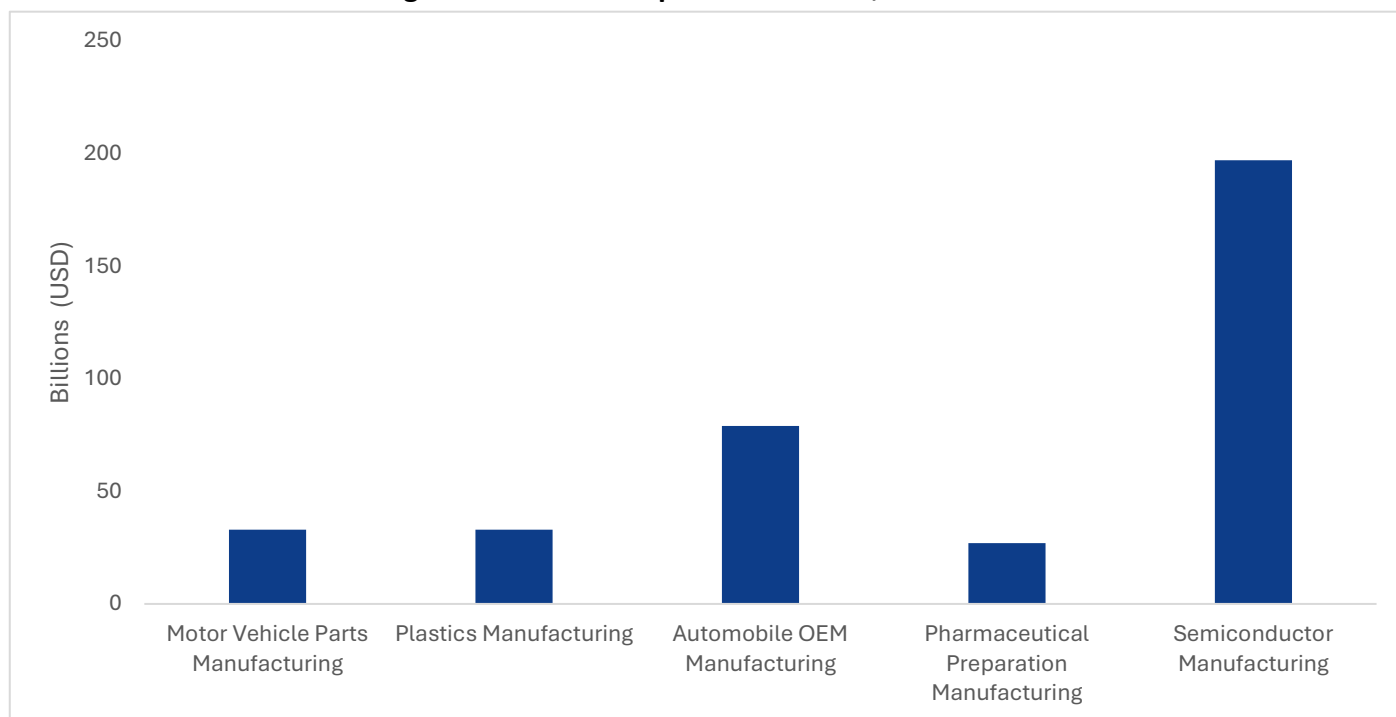
1. **Auto Parts**
2. **Plastics**
3. **Auto OEM**
4. **Pharmaceuticals**
5. **Semiconductors**

Figure 7: Number of FDI Projects, 2014-2024



Source: Orbis Crossborder Investment Database, Moody's Solutions

Figure 8: Total FDI CapEx Billions USD, 2014 -2024



Source: Orbis Crossborder Investment Database, Moody's Solutions

AUTO PARTS AND AUTO OEM

The automotive sector, including both auto parts and original equipment manufacturers (OEMs), has seen significant investment driven by the strategic importance of the U.S. market and the availability of a skilled workforce. The auto parts sector has created an estimated 58,000 jobs, while the OEMs projects created approximately 86,000 jobs in the United States during the 10-year period analyzed. Some of the top investing companies (by number of investment projects) in these sectors include Magna, Denso, TG Kentucky LLC and Bosch. These multinationals have expanded their manufacturing capabilities to meet the growing demand for automotive components, particularly for hybrid and electric vehicles. These investments not only enhance production capacity but also create numerous job opportunities, contributing to local economies. The focus on advanced manufacturing technologies and innovation is evident, as companies aim to stay competitive in a rapidly evolving industry.

PHARMACEUTICALS

The pharmaceutical sector has attracted substantial FDI and has created an estimated 20,000 jobs in the United States for the 2014-2024 period, including multinational companies like Merck, Novo Nordisk, GSK, and Novartis AG as some of the top investing companies (by number of investment projects). These multinationals expanded their manufacturing plants to increase production capacity and meet market demands and are often driven by the need for advanced manufacturing technologies. The availability of a skilled workforce and robust infrastructure further supports these expansions. Additionally, the emphasis on innovation and technological advancements highlights the sector's commitment to improving healthcare outcomes and maintaining a competitive edge.

PLASTICS

Investments in the plastics sector reflect the industry's focus on sustainability and innovation. Top investing companies (by number of investment projects) include Solvay, Borealis, Formosa plastic corporation, and Carclo Plc. These companies have opened and expanded manufacturing facilities to produce high-quality plastic products. These projects are often motivated by the need to meet domestic market potential and enhance supply chain efficiency. The sector's growth is supported by government incentives and the availability of skilled labor, which are critical factors in attracting FDI. The emphasis on advanced manufacturing technologies underscores the industry's commitment to long-term growth in the United States. The plastics sector has created an estimated 20,000 jobs in the 10-year period analyzed.

SEMICONDUCTORS

The semiconductor sector has seen significant investments driven by the increasing demand for advanced manufacturing technologies, incentives and the strategic importance of the U.S. market. This sector has created an estimated 35,000 jobs locally in the 10-year period analyzed in this study. Top investing companies (by number of investment projects) include companies like Global Foundries, NXP Semiconductors, and EMD Performance Materials Corporation. These companies have established new manufacturing plants to produce high-tech components essential for various industries, including automotive and electronics. These investments are supported by incentives and the availability of a skilled workforce, which are crucial for maintaining a competitive edge in the global market. The focus on innovation and technological advancements highlights the sector's role in driving economic growth and supporting the broader manufacturing ecosystem.

FDI into the U.S. manufacturing sector has positively impacted economic output, job creation, and technological advancements. The strategic importance of the U.S. market, coupled with government support and the availability of a skilled workforce, continues to attract significant FDI across various manufacturing sectors.

U.S. FEDERAL RESOURCES AND TOOLS TO FACILITATE FDI IN U.S. MANUFACTURING

The United States has now remained the leading FDI destination in the world for 13 consecutive years.³ The United States also offers programs at the federal and state level designed to attract FDI in U.S. manufacturing. The SelectUSA program in the U.S. Department of Commerce offers a geographically neutral single point of contact to access resources across over 20 U.S. government (USG) agencies. SelectUSA offers no-cost online tools such as [Cluster Mapping](#), [FDI Database](#), and [workforce data](#) to help investors understand the U.S. landscape. The [U.S. State Business Incentives](#) database, which is linked to the SelectUSA website, offers insights into publicly available state incentives programs. Additionally, there are more non-public incentives available at the state and sub-state level relating to potential innovative investments that may be accessed through direct conversations with U.S. State Economic Development Organizations (EDOs). The SelectUSA program conducts one-on-one client counselling, provides data and research products, and organizes investment promotion events overseas, domestically, and virtually to demonstrate the United States' competitiveness and value proposition for high-impact international business investment as well as offer resources for potential investors to understand the U.S. market and its EDO architecture. To access these resources, investors are invited to contact SelectUSA by emailing SelectUSA@trade.gov and visiting [the SelectUSA website](#).⁴

SUMMARY

In conclusion, analysis of FDI into the U.S. manufacturing sector from 2014 to 2024 highlights the significant role that international investments play in driving economic growth, job creation, and technological advancements. Companies from the top source countries for FDI into the United States, which includes Japan, Germany, Canada, the United Kingdom, and France, have strategically invested in various manufacturing sectors, leveraging the U.S. market's potential and its skilled workforce. These investments have not only enhanced production capacities but also fostered innovation and competitiveness across industries such as automotive, electronics, pharmaceuticals, and food manufacturing. The top destination states, including South Carolina, Texas, Ohio, Georgia, and North Carolina, have benefited immensely from these investments, creating robust manufacturing ecosystems that support local economies and provide numerous job opportunities.

This report was produced and authored by SelectUSA, U.S. Department of Commerce and Moody's Analytics.

³ Kearney FDI Confidence Index <https://www.kearney.com/service/global-business-policy-council/foreign-direct-investment-confidence-index/2025-full-report>

⁴ <https://www.trade.gov/selectusa>

ABOUT SELECTUSA

SelectUSA is a U.S. government-wide program housed in the International Trade Administration at the United States Department of Commerce. Our mission is to facilitate job-creating business investment into the United States and raise awareness of the critical role that economic development plays in the U.S. economy.



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