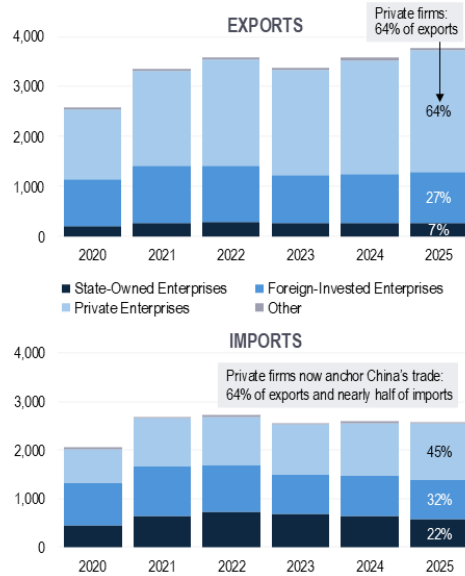


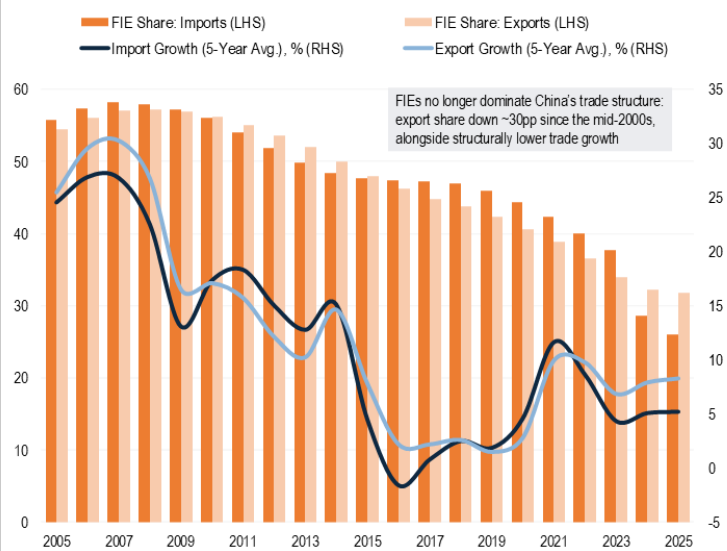
China's Trade Engine Has Shifted to Domestic Firms

From the dominance of foreign-invested enterprises in earlier decades, private firms now dominate China's exports, while trade growth has structurally moderated.

China Trade by Enterprise Type, USD bn (2020-2025)



China Imports and Exports 5-Year Moving Average Growth, % and Share of Foreign-Invested Enterprises in Imports/Exports, % (2005-2025)



Note: FIE – Foreign-Invested Enterprises. Source: China Customs, ANDAMAN PARTNERS Analysis

China's trade structure has undergone a fundamental shift over the past two decades. In the mid-2000s, foreign-invested enterprises (FIEs) dominated both exports and imports, accounting for over half of total trade. Today, their role has declined markedly: FIE export share has fallen by roughly 30 percentage points, alongside a clear moderation in trade growth.

In their place, private domestic firms have emerged as the core of China's export engine. By 2025, they accounted for around 64% of exports and nearly half of imports, far exceeding both FIEs and state-owned enterprises. This marks a structural reorientation from an externally anchored, FIE-led model to a domestically-driven one.

The implication is significant: China's trade is now less dependent on foreign firms and global production networks, and it is operating in a lower-growth environment, reflecting a more mature and internally anchored economic model.



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- [Microchips, Oil and Soybeans: The Global Impact of China's Imports](#)
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April 2026



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