

- Industry Update -

China's Total Export in April Takes an Unexpected Upturn of 3.5%



The pandemic is raging across the globe and strict quarantine is enforced in major economic entities. Enormous pressure is expected to cast on China's trade. However, the country took an unexpected upturn as General Administration of Customs of China released April trade statistics on its official website in May. China's total trading value (import plus export) in April declined 5% to USD 355.22 billion. The total export increased 3.5% to USD 200.28 billion; the total import decreased 14.2% to USD 154.94 billion. The April trade surplus increased to USD 45.34 billion.

According to General Administration of Customs of China, for the January-to-April period, China's total trading value (import plus export) was USD 1.3 trillion, down 7.5%. The export value dropped by 9% to USD 678.2 billion; the import value dropped by 5.9% to 620.05 billion. The April trade surplus decreased 32.6% to USD 58.23 billion. The total trading value between the U.S. and China dropped by 12.8%. China exported a total value of RMB 702.28 billion to the U.S., down 15.9%, and imported a total value of RMB 256.18 billion from the U.S., down 3%. The trade surplus with the U.S. was RMB446.1 billion.

Car Sales in China Ends 21 Months of Drop in a Row

According to the statistics of China Association of Automobile Manufacturers (CAAM), in April 2020, 2.102 million units of vehicles were produced and

2.07 million units were sold in China, respectively up 46.6% and 43.5% from this March and up 2.3% and 4.4% from the same period last year. This also shows the end of the consecutive drop in sales over the past 21 months. CAAM said, as the pandemic curve in China has been gradually flattened since this April and Chinese government has also announced some stimulus plans for boosting local car production and sales, the performance of Chinese automotive market in April was improved. However, due to the pandemic in other countries, China only exported around 70,000 units of vehicles this April, down 22.9% from this March and down 15.7% from the same period last year.

In the first 4 months of 2020, 5.596 million units of cars were produced and 5.761 million units of cars were sold in China, respectively down 33.4% and 31.1% from the same period last year. In terms of new energy vehicles, the production and sales in China were both roughly 0.205 million units, a significant drop of 44.8% and 43.4% from the same period last year. Beijing announced in March to extend the subsidies and tax exemption policies pertaining to new energy vehicles (EVs or plug-in Hybrids, for example) for 2 years, in order to deal with the recent low car sales result.

China Stops Imposing Extra Tariff on U.S. Fasteners at a Tensile Strength Over 800MPa

The Tariffs & Regulations Committee of PR China's State Council has recently announced the second wave of "exemption" list of products imported from the U.S. subject to extra tariffs. Screws and bolts at a tensile strength equal to and over 800MPa (product code 73181510), whether they are assembled with nuts or washers, are also in the "exemption" list. This



announcement will be effective from May 19 this year through May 18, 2021. Those tariffs already collected by the Chinese Customs before May 19 will, as a result, be reimbursed, and the importing companies involved can submit their applications to the Chinese Customs for the reimbursement within 6 months after the announcement of the "exemption" list.

Turkey Announces Additional Tariffs Against Imported Fasteners



According to the official journal no. 31103 (2424) of the Turkish Government released on April 18, certain fasteners imported to Turkey will be subject to additional tariffs, effective on the release date of the official journal.

From April 18 to September 30 this year, certain fasteners imported from countries falling within Cat. 5-9 to Turkey will be subject to a 30% additional tariff, and the countries falling within Cat. 9 (including China, Taiwan, Japan) will, as a result, face a 33.7% tariff rate in total.

After October 1, 2020, certain fasteners imported from countries falling within Cat. 5-9 to Turkey will be subject to a 10% additional tariff, and the countries falling within Cat. 9 (including China, Taiwan, Japan) will, as a result, face a 13.7% tariff rate in total.

Fastener categories involved in this case are shown as below,

7318.11.00.00.00 / 7318.12.10.00.00 /
7318.12.90.00.00 / 7318.13.00.00.00 /
7318.14.10.00.00 / 7318.14.91.00.00 /
7318.14.99.00.00 / 7318.15.20.00.00 /
7318.15.35.00.11 / 7318.15.35.00.12 /
7318.15.42.00.11 / 7318.15.42.00.12 /
7318.15.48.00.11 / 7318.15.48.00.12 /
7318.15.52.00.00 / 7318.15.58.00.00 /
7318.15.62.00.00 / 7318.15.68.00.00 /
7318.15.75.00.00 / 7318.15.82.00.00 /
7318.15.88.00.00 / 7318.15.95.00.11 /
7318.15.95.00.12 / 7318.16.31.00.00 /



7318.16.39.00.00 / 7318.16.40.00.00 /
 7318.16.60.00.00 / 7318.16.92.00.00 /
 7318.16.99.00.00 / 7318.19.00.00.00 /
 7318.21.00.00.00 / 7318.22.00.00.00 /
 7318.23.00.00.00 / 7318.24.00.00.00 /
 7318.29.00.00.00

Note: Categories of Countries

Cat. 1: The EU, EFTA, Israel, North Macedonia, Bosnia & Herzegovina, Morocco, Palestine, Tunisia, Egypt, Georgia, Albania, Kosovo, Serbia, Montenegro, Chile, Mauritius, Moldova, Faroe Islands

Cat. 2: South Korea

Cat. 3: Malaysia

Cat. 4: Singapore

Cat. 5: Countries enjoying favorable tariffs

Cat. 6: Least developed countries

Cat. 7: Countries applicable to special incentive measures

Cat. 8: Developing countries

Cat. 9: Others (such as China, Japan, Taiwan)

COVID-19 Pounds on American Car Market and Local Japanese Carmakers



According to Nikkan Kogyo Shimbun (The Daily Industrial News), COVID-19 is quickly freezing the American market. The U.S. GDP in March to June is estimated to decline 30%. Meanwhile, the American car demand is dwindling. Local Japanese carmakers are forced to shut down car plants for an extended period to May. The report reads that profits in the American market are one of the financial pillars for Japanese carmakers, and that their financial performance could take a huge blow. A market survey indicates the American new car sales in March declined 40% compared to last March. (Ever recall that appalling 80% car sales drop in China back in February? The American car sales in March already dropped half the margin of China's unprecedented free fall.) Nomura Securities adjusted the American

full-year car sales forecast down to 14.1 million vehicles. That is a 17% drop which translates to a loss of 2.8 million vehicles.

The declining demand is affecting car production in Japan. According to Japan Automobile Manufacturers Association, Japan exported 1.73 million vehicles to the U.S. in 2019 which took up 40% of all the country's automotive export. The pandemic is making Japanese carmakers re-adjust production of cars for export to the U.S.

Ningbo Fastener Industry Seeks to Turn Crisis into a Way out of Pandemic

In April, workers at Ningbo Zhongbin Fastener Mfg (China) have their hands full with orders to machine products that the company has developed for clients in China. "We made a quick change to turn our focus to the domestic market, and we got lucky. My company is not winding up in a hiatus," says President Bin Sung.

The company used to have most of its business targeting the U.S. and Europe, but the pandemic put a halt to the businesses in the U.S. and UK which are the main destinations of product export for Ningbo Zhongbin Fastener. That renders the company unable to deliver products outside China or manufacture products for overseas orders.

"There is no end in sight to the status quo before businesses in the U.S. and UK resume production. Our clients told us in their emails that they would have to make a decision 60 days later." To cope with the drastic changes in the market, the company went on a different path starting this February. It quickly shifted its focus to the domestic market and gained orders from large state-owned enterprises. Ningbo Jinding Fastening Piece is the largest fastener company in Zhenhai District. It planned to invest RMB50 million to build an intelligent inventory system wholly controlled by computers and robots starting April 15.



- Companies Development -

EFC International Announces Expansion with New Warehouse and Office in Chicago



EFC International, a supplier of engineered fasteners, continues to expand. They are moving their Chicago branch office and warehouse to a new 64,000 square foot facility at 4150 Chandler Drive, Hanover Park, Illinois. Thomas Mansholt, vice president of operations states, "Our move enables EFC to enhance our service level by providing additional stocking programs with increased inventory space to meet both customer and supplier needs. With 4,200 pallet locations, 26-foot clear height ceilings, and a circular flow from receiving to inventory to shipping, we can ship product more efficiently and the facility allows for growth. The increased number of dock doors provides efficient flow for containers to be loaded for export, supporting customers for all EFC Global locations. This is another sign of our commitment to Redefine The World Of Distribution."

EFC International is a global supplier of engineered components with locations in the United States, Mexico, Canada, China, Germany and South Korea.





Hunan (China)-based FINEWORK New Project (Phase Two) Launching Ceremony

Hunan (China)-based FINEWORK has recently given a launching ceremony for the construction of its new project (phase two). FINEWORK President Chang and more than 200 employees of FINEWORK attended the ceremony.

“Established in 2012, FINEWORK is a local enterprise located in Taoyuan County (Hunan Province, China). We started the business from scratch. After 8 years of hard work and effort, FINEWORK has now successfully become an industry-leading enterprise in China. In the future, we’ll continue to go toward the goal of

establishing a 10 billion RMB worth of fastener business in the next 30 years,” said President Chang.

FINEWORK is a privately-owned enterprise specialized in the R&D and production of high-strength fasteners and related fastening systems. Since the inception in 2012, it has been specifically focusing on high-tech innovation, expanding manufacturing scale, and increasing market share, making it quickly become one of the leading enterprises of intelligent manufacturing in Taoyuan County and one of the exemplary plants of intelligent manufacturing in China. FINEWORK’s products have been successfully sold to Spain, Poland, India, and the U.S. The total investment cost of the phase two construction is 0.5 billion RMB and the land required for the phase two project measures 200 acres.

lisi The LISI Group Generated Sales of €397.9 Million in Q1 2020, Down 10.6% from 2019

The COVID-19 global pandemic significantly weighed on the Group’s activity in the second half of March, resulting in a fall in Q1 sales, with contrasting impacts on the divisions:

- LISI AEROSPACE : Sales down 10.3%. The Structural Components activity was the most affected.
- LISI AUTOMOTIVE : Sales down 12.6%, with nearly three quarters of the decrease attributable to Threaded Fasteners, partially offset by the sound performance of Safety Mechanical Components.
- LISI MEDICAL : Sales down 4.2%. Notable growth at LISI MEDICAL Remmele (United States) helped mitigate the impact of lower activity levels in other sites.

At €397.9 million, consolidated sales for the first quarter of 2020 fell by 10.6%, down 27.4% for March alone.



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Established in 1993, YUYAO BIAOER is a manufacturing and trading company specializing in EYEBOLT (GB789, DIN444) and HINGE.

Material: 4.6/ 8.8/ 10.9/ 12.9/ A2-70/ A4-70)

Standards: M6 - M100 (1/4" ~ 2")

The machined spherical part will remain cleaned and bright after a hot/cold forging and a complete cut process.

We’ve cooperated with big customers such as ...

- (1) SIEMENS, ABB, GE..., etc.
- (2) WUERTH, BOSSARD, FABORY, GRAINGER, S+P, LEDERER, WASI, FASCO..., etc.

We would like to take this opportunity to welcome you as our new customers.

If you are interested, please contact us.

Attn: Mrs. Lao / Mr. Ruan



NITTOSEIKO Japanese Nitto Seiko Acquires All Shares of Mitsubishi Chemical

Nitto Seiko acquired all shares of Mitsubishi Chemical Analytech on April 1 and renamed the company to Nittoseiko Analytech Co., Ltd. Nittoseiko Analytech has a complete line of analytic machines and will provide Nitto Seiko with synergy in sales, R&D and manufacture of parts inspection devices. Nitto Seiko is an international manufacturer of automatic fastening devices and inspection devices for industrial fasteners with bases established in Taiwan, Hong Kong, China, Thailand, Indonesia, Malaysia, South Korea, and the U.S.

- Acquisitions -

Gillis *Böllhoff and Gillis Aerospace Work Together to Create Connections*

With the acquisition of shares in Gillis Aerospace, a French manufacturer of aerospace fasteners, Böllhoff further expands its presence in the aerospace market sector. "We have for nearly 70 years supplied proven products and reliability to fulfil the demands of the aerospace industry. This includes certifications as well as special material and surface coating know-how, along with international access to our customers," says Michael Böllhoff. "We are pleased that with Gillis Aerospace we now have an experienced and established production partner at our side, with whom we can advance our activities in the aerospace market sector."

The cooperation with Gillis Aerospace is based on a significant participation of Böllhoff in the French manufacturer of fasteners. A cooperation contract was signed in January 2020 and the transaction was completed in early March. The cooperation is intended to create synergies, thus offering joint aerospace customers a wider product range and a broad service portfolio. Both companies will contribute their respective strengths to the cooperation.

"Böllhoff's global presence allows us to provide customers all over the world with our special fasteners," states Serge Dumas, Managing Director of Gillis Aerospace. "In return, Gillis is contributing its comprehensive manufacturing know-how regarding fasteners for the aerospace sector to this cooperation. Thanks to an agile and flexible manufacturing concept, we are able to meet specific customer requirements, even in small and medium size production batches." Over time, the cooperation will be continuously expanded – with the joint development of products.

Trimas Closes On Acquisition Of RSA Engineered Products

TriMas Mar. 2nd announced that it has closed the acquisition of RSA Engineered Products (RSA), a provider of highly-engineered and proprietary components for air management systems used in critical flight applications. TriMas previously announced that it had signed an

Yushung Metal Products Co., Ltd. 宇声金属制品有限公司

● 100% raw materials purchased from ISO certified manufacturers ● 360 days shelf life of the products ● All logistics services provided

Bronze Fastener Manufacturing Expert



Material: Cu5, Silicon Bronze, Phosphor Bronze, Aluminium Bronze, Brass, Monel, Copper, etc.



Main Products: Wood Screw, Machine Screw, Nail, Bolt, Stud, Washer, Nut, Threaded Rod.

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Metal 1995

Address: Pingsheng Industrial Zone, Nanhai, Foshan, Guangdong, 528251, China

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agreement to acquire RSA on January 30, 2020. “We are excited to welcome the talented and experienced RSA Engineered Products team to TriMas Aerospace, and look forward to working together to serve our existing and new customers,” said John Schaefer, TriMas Aerospace President. “This acquisition demonstrates our ongoing commitment to grow our aerospace business and enhance the breadth of TriMas Aerospace’s product offerings. RSA also enhances our position in the defense and business jet markets, as well as increases our participation in the aftermarket.”

RSA designs, engineers and manufactures highly-engineered components, including air ducting products, connectors and flexible joints, predominantly used in aerospace and defense engine bleed air, anti-icing and environmental control system applications. “This acquisition is a meaningful step toward building out our TriMas aerospace platform,” said Thomas Amato, TriMas President and Chief Executive Officer. “We look forward to all of the contributions RSA will make to TriMas.”

MiddleGround Capital Acquires EDSCO Fasteners

MiddleGround Capital (“Middle Ground”), a private equity firm that makes control investments in North American middle market B2B industrial and specialty distribution companies, is pleased to announce that it has completed its acquisition of EDSCO Fasteners (“EDSCO”), a leading manufacturer of mission-critical anchoring systems for power transmission poles and other large steel structures. EDSCO’s anchoring systems are predominantly embedded in concrete foundations and custom engineered to allow structures to be securely placed on top of them. Each anchoring system is specifically designed for its location and usage, factoring in soil, weather conditions, temperature, and angle. Predominantly serving utility transmission and distribution (T&D) structure manufacturers, EDSCO’s product offering includes anchor cages, 18J rebar bolts, smooth bar bolts, bolt hardware, plates, and other fabricated products.

Unique to EDSCO is its national geographic presence, industry-leading quality protocols, and flexible production capabilities. EDSCO is well-positioned to benefit from continued

robust spending on infrastructure projects across T&D, telecommunications, transportation, and wind power.

Elgin Fastener Group (EFG) Acquires Rockford Fastener

Elgin Fastener Group (EFG) is pleased to announce it has acquired Rockford Fastener, a manufacturer of specialty fasteners known for offering excellent turnaround times, quality and customer responsiveness. Rockford Fastener is well-known for delivering quality products across several product categories over their 40-year history. Product diameters range from #4 to 1/2” and lengths up to 5”. Markets served include agriculture, transportation, commercial construction, and general industrial end-markets. Unique to Rockford is their ability to rapidly quote fasteners and even begin production within a 24-hour window for rush jobs.

Rockford Fastener joins a group of well-known product brands under EFG including Holbrook Manufacturing, Leland Powell, Northern Wire, Quality Bolt, Chandler Products, Telefast, Ohio Rod Products and Best Metal.





GRAND METAL
Clinching Fastener Specialist

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2020 Taiwan International
Fastener Show
台灣國際扣件展 **Oct. 14-16**
Booth No.: **G2304**



Main Products:

- ▶ Self-Clinching Studs, Nuts, Standoffs
- ▶ Rivet Bushes
- ▶ Welding Studs and Standoffs
- ▶ Brass Inserts for Plastics
- ▶ Cage Nuts
- ▶ Rivet Nuts
- ▶ Customized Parts via Cold Forging, CNC, Turned

Strengths:

- ✓ Producer in China
- ✓ ISO 9001:2015 and IATF16949 certified
- ✓ PPAP package and IMDS for automotive industry
- ✓ Automatic Optical Sorting 100%
- ✓ Full range for sheet metal fasteners and 200 million stocks

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