

An Analysis of US. Fastener Trade in Q1-Q3 2017

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What is the situation of USA?

In terms of imported fasteners, the following table shows the situation of USA from the 4th quarter of 2015 to the 3rd quarter of 2017.

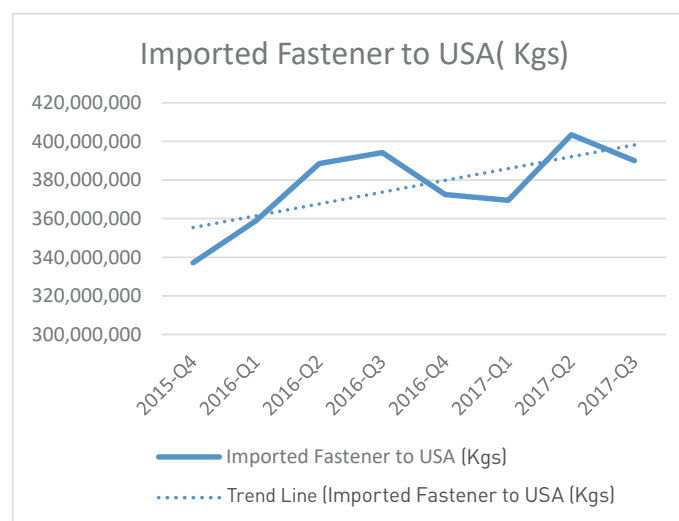
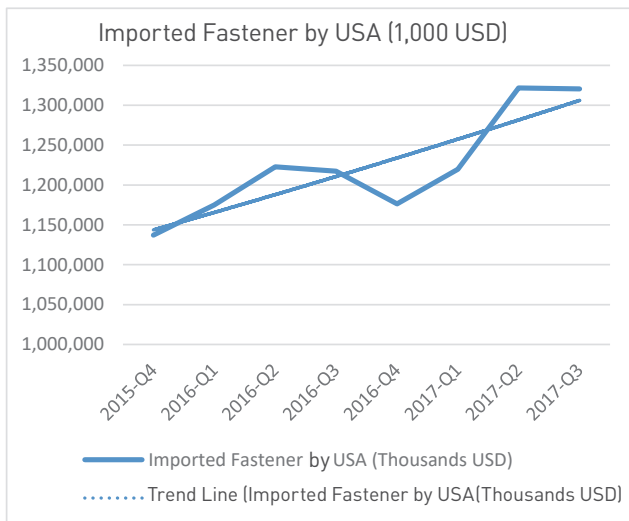
Introduction

USA is the world's biggest importer in the 3rd quarter of 2017, its imported fastener value in HS Code 7318 was 1.320 billion USD, and the quantity of imported fasteners was 389,964 tons, so the value of any kilogram of imported fasteners to USA is about 3.4 USD. On the other hand, USA is the 2nd biggest exporter of fasteners in the field of HS code 7318 in the world in the 3rd quarter of 2017. Taiwan is the biggest exporter to USA in the world. USA's exported value was 1.060 billion USD and its quantity was 187,674 tons, and therefore, the value of any kilogram of exported fasteners from USA is about 5.6 USD.

These statistics show that USA needs the cheapest fasteners and its fastener producers are able to make cheap fasteners.

Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World USD (000)	1,137,100	1,174,786	1,222,696	1,217,296	1,176,342	1,219,820	1,321,688	1,320,332
World Kgs	337,140,608	359,012,288	388,489,856	394,270,816	372,427,968	369,548,736	403,466,336	389,963,701
Unit Prices USD/Kg	3.37	3.27	3.15	3.09	3.16	3.30	3.28	3.39

The following graphs show that the trend of imported fasteners to USA has increased from the 4th quarter of 2015 to the 3rd quarter of 2017, in both value and quantity.

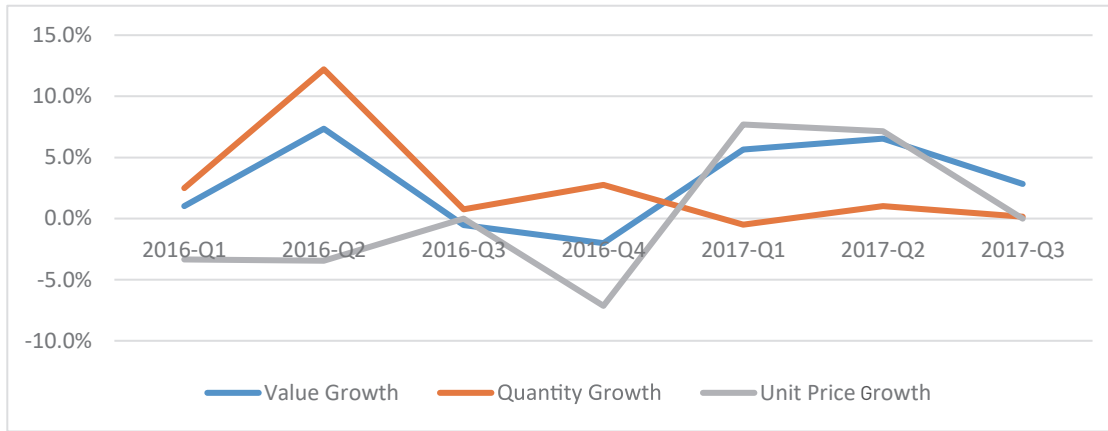


The main partners of USA in the imported fasteners are:

Taiwan

Taiwan is the biggest exporter to USA in terms of value and its unit price dropped between the 4th quarter of 2015 (3.0 USD/Kg) to the 4th quarter of 2016 (2.6 USD/kg), but it has returned to 3.0 USD in 2017.

Exporter		2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Taiwan	USD (000)	357,777	361,402	387,959	385,871	378,098	399,466	425,557	437,567
	Kgs	120,521,856	123,514,072	138,592,544	139,632,992	143,479,984	142,762,816	144,207,024	144,407,366
	USD/Kg	3.0	2.9	2.8	2.8	2.6	2.8	3.0	3.0
	Value Growth	-----	1.0%	7.3%	-0.5%	-2.0%	5.7%	6.5%	2.8%
	Quantity Growth	-----	2.5%	12.2%	0.8%	2.8%	-0.5%	1.0%	0.1%
	Unit Price growth	-----	-3.3%	-3.4%	0.0%	-7.1%	7.7%	7.1%	0.0%



Graph Note:

Although the value of exported fasteners to USA from Taiwan shows positive growth but the chart shows that there is no significant relation between the unit price of fasteners and the speed of growth.

China

China is the 2nd biggest exporter to USA and the following table shows that the value of exported fasteners to USA from China has increased.

Exporters		2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
China	USD (000)	246,624	247,406	283,916	286,883	273,133	275,575	323,773	317,263
	Kgs	115,688,096	119,239,368	145,327,248	150,886,720	137,486,352	128,218,744	156,025,104	147,673,837
	USD/Kg	2.1	2.1	2.0	1.9	2.0	2.1	2.1	2.1
	Value Growth	-----	0.3%	14.8%	1.0%	-4.8%	0.9%	17.5%	-2.0%
	Quantity Growth	-----	3.1%	21.9%	3.8%	-8.9%	-6.7%	21.7%	-5.4%
	Unit Price growth	-----	0.0%	-4.8%	-5.0%	5.3%	5.0%	0.0%	0.0%



Graph Note:

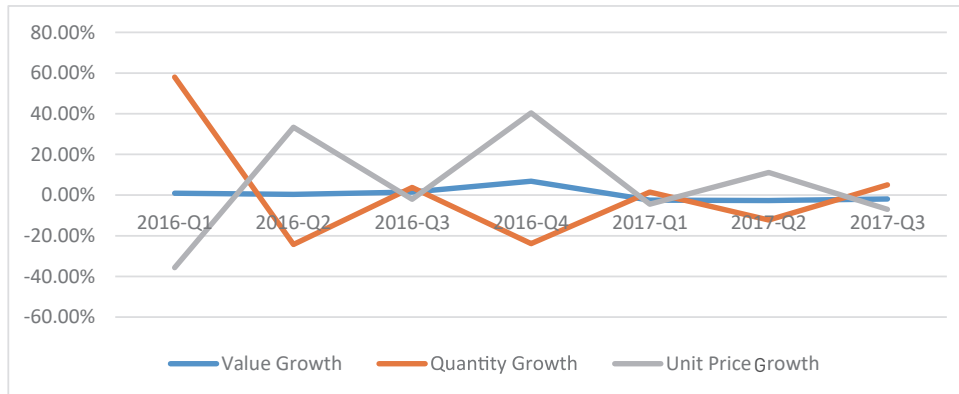
Similar to the statistics of Taiwan, China's graph shows that there is no significant relation between the unit price of fasteners and the speed of growth.

Japan

Japan is the 3rd biggest exporter to US market and its unit price is almost 2 times higher than Taiwanese unit price and 3 times higher than Chinese unit price.

The following table shows that Japanese exporters have decided strategically in the 4th quarter of 2016 to increase their prices by 40% and have started to stabilize the price during 2017, through playing with prices.

Exporters		2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Japan	USD (000)	155,773	157,105	157,791	160,136	170,992	166,645	162,168	158,999
	Kgs	27,619,790	43,644,280	33,056,948	34,275,064	26,081,734	26,436,690	23,196,258	24,352,190
	USD/Kg	5.6	3.6	4.8	4.7	6.6	6.3	7.0	6.5
	Value Growth	-----	0.9%	0.4%	1.5%	6.8%	-2.5%	-2.7%	-2.0%
	Quantity Growth	-----	58.0%	-24.3%	3.7%	-23.9%	1.4%	-12.3%	5.0%
	Unit Price Growth	-----	-35.7%	33.3%	-2.1%	40.4%	-4.5%	11.1%	-7.1%



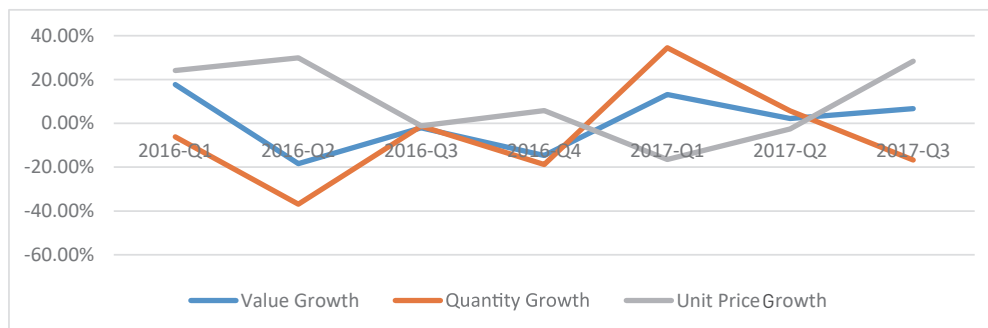
Graph Note:

The above graph shows that the price is important for Japanese fasteners, when Japanese companies increased their prices, their quantity dropped and vice versa. The graph shows that the value growth is constant between the 1st quarter of 2016 and the 3rd quarter of 2017. It seems that this strategic decision helps Japanese fastener producers guarantee their profit in US market, and introduce them as a high-tech country.

Germany

Germany is the 4th biggest exporter to USA. The unit price offered by German fastener producers is the highest among the main exporters to US market. However, their prices does not follow a specific graph.

Exporters		2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Germany	USD (000)	78,621	92,551	75,512	73,909	63,049	71,339	72,894	77,810
	Kgs	14,639,475	13,735,738	8,663,088	8,554,103	6,948,609	9,348,512	9,878,450	8,226,533
	USD/Kg	5.4	6.7	8.7	8.6	9.1	7.6	7.4	9.5
	Value Growth	-----	17.7%	-18.4%	-2.1%	-14.7%	13.1%	2.2%	6.7%
	Quantity Growth	-----	-6.2%	-36.9%	-1.3%	-18.8%	34.5%	5.7%	-16.7%
	Unit Price Growth	-----	24.1%	29.9%	-1.1%	5.8%	-16.5%	-2.6%	28.4%



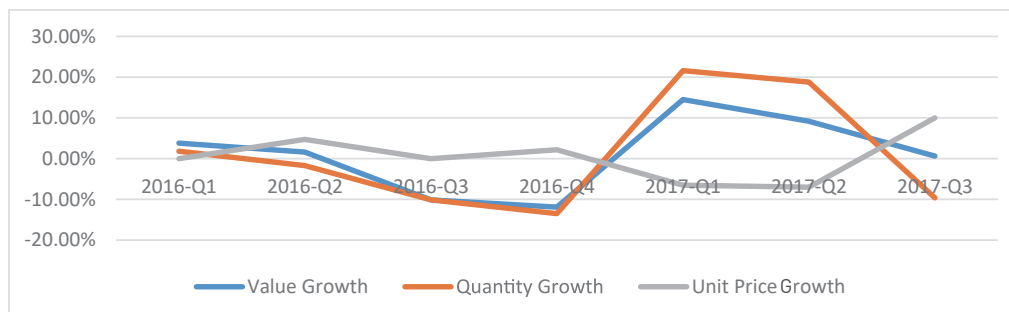
Graph Note:

Similar to Japan, the above graph shows that the price is important for German exporting fasteners to US market. When their unit price increased their quantity dropped and vice versa. However, German suppliers did not follow the trend in their unit price.

Canada

The unit price of Canadian exported fasteners as the 5th biggest exporters to US market is in the middle of the other 4 biggest exporters.

Exporters		2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Canada	USD (000)	67,906	70,469	71,619	64,410	56,729	64,931	70,875	71,321
	Kgs	15,938,530	16,222,565	15,948,156	14,337,814	12,397,927	15,071,491	17,904,654	16,178,802
	USD/Kg	4.3	4.3	4.5	4.5	4.6	4.3	4.0	4.4
	Value Growth	-----	3.8%	1.6%	-10.1%	-11.9%	14.5%	9.2%	0.6%
	Quantity Growth	-----	1.8%	-1.7%	-10.1%	-13.5%	21.6%	18.8%	-9.6%
	Unit Price growth	-----	0.0%	4.7%	0.0%	2.2%	-6.5%	-7.0%	10.0%



Graph Note:

It seems that the political relationship between USA and Canada has effects on their fastener business. When USA left NAFTA, the business between these two country became unpredictable.

Statistics of US Exported Fasteners:

The following table shows that US producers are able to make a wide range of fastener products. Their unit price in each country is very interesting.

The unit prices tell everything about the countries. UK, Brazil and even China buy high-tech fasteners; in other words, high-tech fastener consumers usually buy fasteners from other countries except China.

Mexican industry needs medium-tech fasteners while Canada imports few high-tech fasteners.

Importers		2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	USD (000)	927,989	969,422	1,074,721	1,016,402	1,004,965	1,091,674	1,119,168	1,060,086
	Kgs	170,277,280	178,835,040	181,913,056	171,444,128	181,765,024	197,464,880	198,024,944	187,674,464
	USD/Kg	5.4	5.4	5.9	5.9	5.5	5.5	5.7	5.6
Mexico	USD (000)	325,374	337,368	328,859	336,804	313,519	347,355	351,697	363,512
	Kgs	50,733,840	51,011,120	51,727,944	51,460,996	49,825,940	56,510,016	55,052,512	56,034,117
	USD/Kg	6.4	6.6	6.4	6.5	6.3	6.1	6.4	6.5
Canada	USD (000)	243,332	248,127	260,579	246,651	241,495	261,496	275,786	256,027
	Kgs	92,152,576	98,887,552	99,794,848	91,923,688	105,221,064	110,856,016	111,725,680	103,574,613
	USD/Kg	2.6	2.5	2.6	2.7	2.3	2.4	2.5	2.5
Brazil	USD (000)	24,270	24,940	116,040	84,718	73,697	92,154	88,728	63,249
	Kgs	2,290,879	1,673,884	2,007,971	2,070,982	1,615,824	2,180,720	2,804,027	2,127,858
	USD/Kg	10.6	14.9	57.8	40.9	45.6	42.3	31.6	29.7
China	USD (000)	41,684	48,728	44,135	46,217	48,284	55,522	57,280	48,566
	Kgs	4,600,262	6,362,643	4,999,448	6,034,806	5,409,264	6,744,336	7,350,973	5,501,601
	USD/Kg	9.1	7.7	8.8	7.7	8.9	8.2	7.8	8.8
United Kingdom	USD (000)	38,056	39,499	41,782	36,803	45,558	42,213	41,067	40,286
	Kgs	2,446,274	2,603,179	2,635,839	2,321,219	2,584,145	2,747,489	2,561,961	2,571,761
	USD/Kg	15.6	15.2	15.9	15.9	17.6	15.4	16.0	15.7

Last Word

US market is a good market for cheap fasteners, and it means that Asian producers can use this opportunity for growing their market. □



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