Global Automotive Production to Break 100 Million Units by 2021 Benefiting Asian Auto Fastener Suppliers

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German automotive manufacturers once predicted that Asia would be the next heartland of the car manufacturing industry. The prediction turned into a reality as Toyota, Ford, Volkswagen, Volvo, Skoda, and other international carmakers went one after another to Asian countries like China, India, Thailand, Malaysia, and Indonesia. Up to 2013, statistics for the global automotive capacity confirmed the authenticity of the prediction. Statistics in 2013 indicated that Chinese automotive capacity landed at 22.11 million units with sales at 21.98 million units. This is a record higher than expected by analysts, and is also a milestone for Asia (especially China) to surpass Europe (EU plus Turkey and Russia) in automotive capacity for the first time. These figures show that the successful relocations of manufacturing bases have placed a crown onto Asia's leading position in car manufacturing.

In an article published in Fastener World Magazine March 2014 issue, titled "Global Car Production and Sales During 2010-2013," it pointed out that top 10 automotive manufacturing countries were China, US, Japan, Germany, S. Korea, India, Brazil, Mexico, Thailand, and Canada, among which 5 countries were in Asia. This is further confirmed by the following **Table 1**, "Global Major Carmakers Sales", in which the considerable sales growth in Asia indicates that these major manufacturing countries not only possess impervious capacity but also have a tremendous demand to buy.

If you know how many fasteners are demanded for each assembled car, it won't be difficult for you to understand why I spent such a long time in briefing the automotive production and sales, as well as see why the most recent issues of Fastener World publications included the status updates on global carmakers. This is because automotive fasteners have a high added value, and the world is demanding them in increasing volumes. IHS Automotive (France) predicted that the global automotive capacity would break 100 million units by 2021. If, say, a car uses 6,000 fasteners, that will mean at least 600 billion fasteners will be demanded by 2021.

Accordingly, we conjecture that this tremendous demand will directly benefit fastener suppliers in Asia. However, are Asian countries ready for this business opportunity? Is Taiwan ready while it is en route to seeking the high added value of products? Are Taiwan and its neighboring countries globally competitive? I will have more elaboration in the article "A Look at Taiwan's Strategic Significance Among Neighboring Countries in Fastener trade" in this issue.

Table 1. 2013 Global Major Carmakers Sales (Not all market regions are listed)

No.	Car Maker / Brand	Global Automotive Sales in 2013 (in Units)	Annual Growth	Regional Sales Figures
1	Toyota	9,980,000	2%	1. Overseas market up 5% to 7.685 million units. 2. Japan down 5% to 2.295 million units.
2	Volkswagen (VW)	9,731,000	4.9%	1. Asia up 14.7% to 3.64 million units. 2. N. America up 5.6% to 888.8 thousand units. 3. Europe down 0.5% to 3.65 million units. (Regional sales figures do not include commercial vehicles by Man Group and Scania)
3	GM	9,715,000	4.5%	China up 11% to 3.16 million units.
	-Chevrolet	4,984,126	0.7%	---
	-Cadillac	250,830	28.2%	---
	-Buick	1,032,056	15.4%	---
4	The Renault-Nissan Alliance	8,266,000	2.1%	---
	-Nissan	5,100,000	3%	1. China up 17% to 1.27 million units. 2. U.S. up 9% to 1.25 million units.
	-Renault	2,630,000	3%	Europe up 2.4% to 1.30 million units.
5	Hyundai Kia Automotive Group	7,560,000	6%	---
	-Hyundai	4,721,156	7.3%	1. Korea down 4.0% to 640,865 units. 2. Overseas market up 9.3% to 4,080,291 units.
	-Kia	2,827,321	3.9%	1. Korea down 5.0% to 458,000 units. 2. Overseas market up 5.8% to 2,369,321 units.
6	Ford	6,330,000	11.7%	1. Asia-Pacific (incl. Africa) up 30.1% to 1.344 million units. 2. N. America up 10.9% to 308.8 million units. 3. Europe up 0.5% to 1.366 million units.
7	Fiat Chrysler Automobiles, FCA	4,423,800	3.5%	Asia up 72.8% to 199.5 thousand units.
8	Honda	4,279,000	12.1%	1. Asia (excl. China) up 32.7% to 573 thousand units. 2. China up 26.6% to 764 thousand units. 3. Japan up 2.4% to 763 thousand units. 4. N. America up 7.6% to 1.764 million units.
9	PSA Peugeot Citroën	2,819,000	-4.9%	---
	-Peugeot (incl. CKD)	1,553,000	-8.6%	---
	-Citroën	1,266,000	0.8%	---
10	BMW	1,960,000	6.4%	1. Asia up 17.3% to 576,616 units. 2. Europe down 0.7% to 858,990 units.
	-BMW	1,655,138	7.5%	---
	-Rolls-Royce	3,630	1.5%	---
	-MINI	305030	1.2%	---
11	Audi	1,575,500	8.3%	1. Europe down 0.9% to 732,300 units. 2. China (incl. Hong Kong) up 21.2% to 491,989 units. 3. U.S. up 13.5% to 158,061 units.
12	Mercedes-Benz	1,562,472	9.7%	---
	-Mercedes	1,461,680	10.7%	1. Asia up 15.9% to 390,835 units. 2. N. America Free Trade Zone up 13.3% to 352,778 units. 3. Europe up 5.9% to 660,566 units.
	-SMART	100,792	-2.8%	---

Source: compiled by Tanya Shih
Note: The above figures only relate to the demand for automotive fasteners, and do not include others used in construction, machinery, electronics, green energy, etc.