

U.S. Fastener Trade with the World in 2015



by Cori Rogers

Screws, and bolts, and washers, oh my! The U.S. fastener trade is a monster industry, and analyzing the history and current trade of fastener products is tremendously important. Why? Because fasteners are in everything around us. They can provide a good glimpse at how country's economy is doing. The imports and exports of fasteners offer insights into how many

new buildings, cars, machines, or even toys, are built. More stuff being built means more growth for nations and more flourishing industries. This article covers the major increases and declines of the U.S. fastener industry in 2015 (January-July), and countries traded with, outlying factors that may have impacted the trade this year.

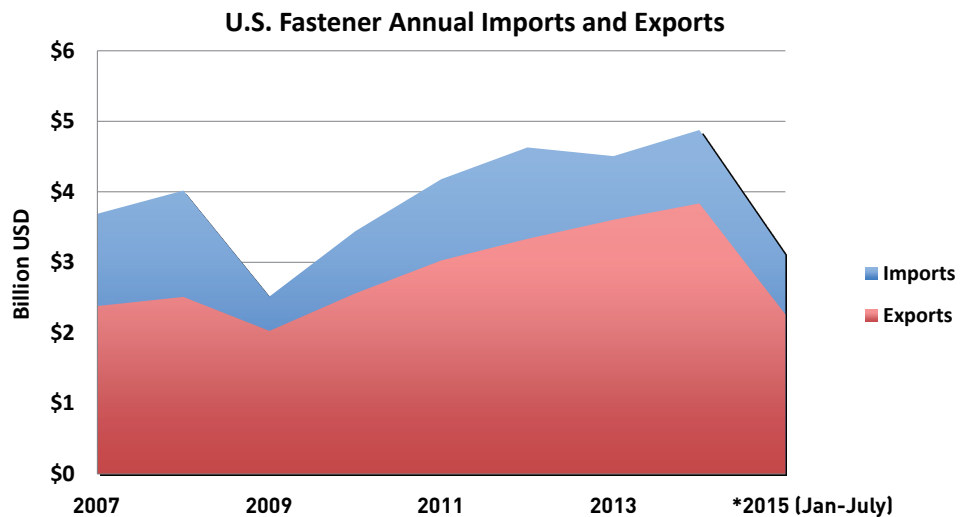
Broad Look at the U.S. Fastener Trade in 2015

U.S. imports of fasteners have steadily grown in total value since 2009. Last year at this time, U.S. fastener imports were up 7 percent, but this year (January-July) fastener imports are up more than 10 percent. So far in 2015, the United States has imported over \$3.1 billion in fasteners from 83 countries across the globe.

Not only does the United States purchase a lot of fasteners, but it also manufactures and sells a significant amount, too. This year (January-July), the United States has exported \$2.26 billion worth of fasteners to 174 countries. This is a great deal of screws, nuts, and bolts, but compared to the same time in 2014, it's only a 1 percent increase.

Year	Imports	Exports
2007	\$3,687,757,757	\$2,379,243,930
2008	\$4,019,084,512	\$2,510,540,673
2009	\$2,515,843,977	\$2,027,389,455
2010	\$3,443,027,993	\$2,559,145,714
2011	\$4,180,888,770	\$3,027,769,626
2012	\$4,628,842,493	\$3,333,534,759
2013	\$4,505,115,300	\$3,603,549,908
2014	\$4,877,054,666	\$3,835,260,538
*2015(Jan-July)	\$3,104,118,619	\$2,264,331,901

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Made-In-USA

The U.S. push for more local manufacturing, instead of outsourcing production overseas, has many professionals in the fastener industry wondering if there's been any impact on the fastener trade this year. Looking at total U.S. export and import changes, it doesn't seem like it. But digging deeper into certain markets, some could be affected.

Increased wages in China coupled with the country's affirmative view of the Made-in-USA sticker might be a big reason why U.S. fastener exports to China increased 21 percent already this year. That is more than \$17 million more fasteners exported to China already in 2015 (January-July).

Mexico, the leading importer of U.S. fasteners, also boosted its imports of U.S. fasteners by 6 percent this year, an increase of over \$41 million. This may be due to the fact that United States is producing more fasteners, but it could also be based on proximity and the fact that Mexico's demand has increased.

But has the United States purchased more locally made fasteners?

It's hard to say based on imports alone, since the majority of fastener imports has increased so far this year, though some specific products have declined in 2015 YTD vs. YTD in 2014 including: cotters and cotter pins, spring washers, and wood screws.

West Coast Slowdowns

Besides the push for USA-made goods, another influence that could shake up fastener trade is West Coast port delays. Earlier this year, many companies' supply chains were set back 1-5 weeks due to the slowdowns. Businesses are now starting to consider sourcing locally, or completely diversifying trade lanes and avoiding the costly risk of recurrence at the West Coast ports.

This was the case for the Port of Long Beach, which saw a 14 percent decline in fastener imports so far this year, by total value, but the Port of Savannah may have benefitted from the West Coast hiccup. The port increased in fastener imports this year by an incredible 32 percent YTD (January-July).

Trending Fastener Products in 2015

Out of the top 10 U.S. fastener imports this year, three products with the largest increases are: self-tapping screws (HTS 7318.14.1060), other screws of iron or steel (HTS 7318.15.8085), and other stainless steel threaded nuts (HTS 7318.16.0060). Self-tapping screws are the second-largest U.S. fastener import and had total value (January-July) of over \$391 million, which was 31 percent higher than 2014 (January-July). Screws of iron or steel had a value of over \$100

million this year and increased from last year by 30 percent. Stainless steel threaded nuts were valued at \$90 million so far this year and increased 22 percent.

U.S. Major Fastener Imports YTD (Jan-July) by HTS Code			
	01/2015 - 07/2015	01/2014 - 07/2014	% Change
HTS Code 10-digit	Total Value	Total Value	Total Change
7318160085 - Other Threaded Nuts Of Iron Or Steel, Nesoi	\$513,190,289	\$497,171,189	3%
7318141060 - Self-tapping Screws Having Shanks Or Threads With A Diameter Of Less Than 6 mm, Of Iron Or Steel	\$391,791,447	\$298,810,483	31%
7318290000 - Other Non-threaded Articles (Fasteners) Of Iron Or Steel, Nesoi	\$198,954,906	\$201,803,800	-1%
7318158066 - Cap Screws Of Iron Or Steel, With Hexagonal Heads, Having Shanks Or Threads With A Diameter Of 6 mm Or More	\$183,289,054	\$180,907,078	1%
7318152095 - Bolts And Bolts And Their Nuts Or Washers Entered Or Exported In The Same Shipment, Of Iron Or Steel, Having Shanks Or Threads With A Diameter of 6mm Or More Nesoi	\$171,436,777	\$160,272,946	7%
7318220000 - Washers Other Than Lock Washers, Iron Or Steel	\$159,263,156	\$159,683,385	-0%
7318152065 - Bolts Of Iron Or Steel With Hexagonal Heads, Having Shanks Or Threads With A Diameter Of 6mm Or More, Nesoi	\$123,211,074	\$109,493,096	13%
7318158085 - Other Screws Of Iron Or Steel, Having Shanks Or Threads With A Diameter Of 6mm Or More, Nesoi	\$113,175,865	\$86,739,631	30%
7318158069 - Screws Of Iron Or Steel, With Hexagonal Heads, Having Shanks Or Threads With A Diameter Of 6 mm Or More, Nesoi	\$100,915,665	\$96,618,109	4%
7318160060 - Other Threaded Nuts Of Stainless Steel	\$90,183,652	\$73,649,025	22%
TOTAL	\$3,104,118,619	\$2,822,657,317	10%

Countries Traded With

U.S. Imports

The top three countries the United States imports fasteners from (by total value) are Taiwan, China, and Japan, respectively. Taiwan holds 32 percent of the market share for U.S. fastener imports. So far this year (January-July), Taiwan has exported close to \$1 billion fasteners to the United States, which is 14 percent higher than 2014 YTD. China accounts for 24 percent of the market share, exporting \$729 million fasteners to the U.S., and increasing from 2014 by 13 percent. Japan has steadily declined in fastener exports to the United States since 2012. So far this year is no different. Japan's market share dropped from 13.8 percent to 12 percent YTD and declined fastener exports by 4 percent, though Japan has still exported over \$374 million to the United States so far this year.

U.S. Exports

The top three countries the United States exports fasteners to are Mexico, Canada, and China, respectively. So far this year, the United States has exported over 34 percent of its fastener exports to Mexico, which totaled \$775 million, a 6 percent increase from last year (January-July). Another 26 percent of U.S. fastener exports go to Canada. U.S. fastener exports to Canada totaled \$604 million so far in 2015, which declined 6 percent from last year. Noted previously, China imported 21 percent more fasteners from the United States already this year, which totaled \$101 million.

U.S. Major Fastener Exports YTD (Jan-July) by HTS Code

HTS Code 10-digit	01/2015 - 07/2015		01/2014 - 07/2014		% Change
	Total Value	% of Total Value	Total Value	% of Total Value	
7318159000 - Threaded Fasteners Nesoi Of Iron Or Steel	\$603,181,495	26.64%	\$608,339,852	27.25%	-1%
7318160000 - Nuts Of Iron Or Steel	\$450,109,252	19.88%	\$432,984,880	19.39%	4%
7318152000 - Bolts And Bolts And Their Nuts Or Washers Exported In The Same Shipment	\$365,139,465	16.13%	\$340,896,917	15.27%	7%
7318290000 - Other Non-threaded Articles (Fasteners) Of Iron Or Steel, Nesoi	\$259,892,477	11.48%	\$270,490,719	12.11%	-4%
7318220000 - Washers Other Than Lock Washers, Iron Or Steel	\$127,357,234	5.62%	\$115,714,921	5.18%	10%
7318155000 - Studs Of Iron Or Steel, Threaded	\$113,704,586	5.02%	\$115,482,606	5.17%	-2%
7318190000 - Threaded Articles Of Iron Or Steel Nesoi (Not Bolts, Nuts Or Screws)	\$97,523,698	4.31%	\$101,942,937	4.57%	-4%
7318240000 - Cotters And Cotter Pins, Of Iron Or Steel	\$84,582,370	3.74%	\$86,500,743	3.87%	-2%
7318230000 - Rivets Of Iron Or Steel	\$57,776,610	2.55%	\$58,192,362	2.61%	-1%
7318140000 - Self-tapping Screws Of Iron Or Steel	\$53,187,305	2.35%	\$50,205,039	2.25%	6%
7318210000 - Spring Washers And Other Lock Washers, Iron Or Steel	\$27,365,679	1.21%	\$28,311,028	1.27%	-3%
7318130000 - Screw Hooks And Screw Rings Of Iron Or Steel	\$9,774,674	0.43%	\$8,042,314	0.36%	22%
7318110000 - Coach Screws, Threaded, Of Iron Or Steel	\$8,665,628	0.38%	\$9,901,700	0.44%	-12%
7318120000 - Wood Screws Other Than Coach Screws, Iron Or Steel, Threaded	\$6,071,428	0.27%	\$5,722,489	0.26%	6%
TOTAL	\$2,264,331,901	100.00%	\$2,232,728,507	100.00%	1%

Top 10 Countries							
of Origin for U.S. Fastener Imports				of Destination for U.S. Fastener Exports			
	01/2015 - 07/2015	01/2014 - 07/2014	% Change		01/2015 - 07/2015	01/2014 - 07/2014	% Change
Country	Total Value	Total Value	Total Change	Country	Total Value	Total Value	Total Change
Taiwan	\$992,791,183	\$873,656,224	14%	Mexico	\$775,306,518	\$733,484,277	6%
China	\$729,724,021	\$645,066,402	13%	Canada	\$604,317,863	\$645,034,477	-6%
Japan	\$374,480,912	\$391,599,205	-4%	China	\$101,653,351	\$84,253,485	21%
Germany	\$214,016,722	\$191,329,874	12%	UK	\$99,364,939	\$96,055,918	3%
Canada	\$186,612,778	\$170,997,438	9%	Germany	\$66,619,942	\$65,786,541	1%
South Korea	\$154,407,048	\$125,490,201	23%	Brazil	\$56,643,359	\$58,624,590	-3%
Italy	\$71,193,299	\$69,409,064	3%	France	\$55,933,804	\$53,355,674	5%
India	\$63,703,985	\$43,726,911	46%	Japan	\$48,008,747	\$51,184,927	-6%
Mexico	\$54,157,219	\$49,794,709	9%	Singapore	\$42,177,929	\$48,704,429	-13%
France	\$40,598,427	\$40,834,832	-1%	South Korea	\$40,892,126	\$39,663,185	3%
All Others	\$222,433,025	\$220,752,457	1%	All Others	\$373,413,323	\$356,581,004	5%
TOTAL	\$3,104,118,619	\$2,822,657,317	10%	TOTAL	\$2,264,331,901	\$2,232,728,507	1%

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Summary

The U.S. fastener trade continues to grow in 2015. Although U.S. exports of fasteners have only increased 1 percent, U.S. imports of fasteners endures a more fast-paced incline of 10 percent. The push for American made products in the United States does not look to have slowed imports, but perhaps contributed to China's increase in imports of American fasteners. The hot-topic for U.S. trade this year was the dramatic slowdown of trade at West Coast ports and how that impacted companies' supply chains. Due to the disruption, it looks like less fasteners were imported through the Port of Long Beach this year and more were imported along the East Coast, especially through Savannah, GA. We'll see if the shift in supply chains sticks and if China can continue to consume fasteners at an above average rate next year. It should make for an interesting 2016.

