



Fastener Business in the Middle East

by Sharareh Shahidi Hamedani

Introduction

The Middle East is the most strategic region in the world, as 85% of world energy comes from this region, which is always the top news and headline of so many agencies.

This article will study if the Middle Eastern countries are also famous in fastener industries and whether this region is worth having a special focus on it or not.

In this article, Turkey, Egypt and Israel will be also added as Middle Eastern countries for better analyses.

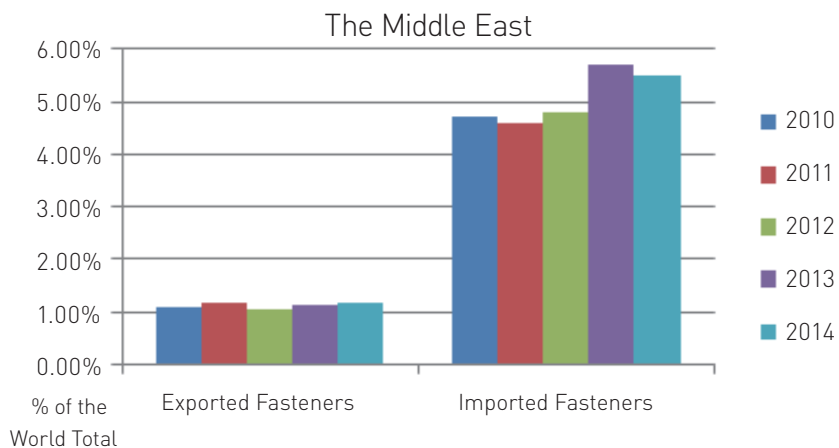
The Middle East vs. the Whole World

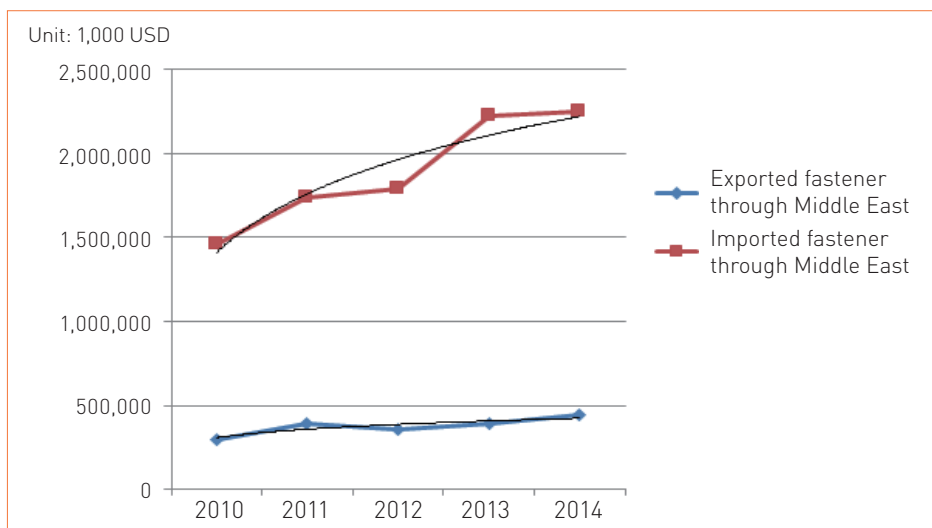
*Values = 1,000 USD

Exporters	Export Value in 2010	Export Value in 2011	Export Value in 2012	Export Value in 2013	Export Value in 2014
World	27,292,479	33,785,629	33,059,498	34,626,968	36,998,370
Middle East Aggregation	299,876	393,555	354,555	393,704	441,645
Middle East's Market Share in the World	1.1%	1.16%	1.07%	1.13%	1.2%
Importers	Import Value in 2010	Import Value in 2011	Import Value in 2012	Import Value in 2013	Import Value in 2014
World	31,143,297	37,589,061	37,107,884	38,755,456	40,649,220
Middle East Aggregation	1,461,556	1,741,095	1,788,316	2,223,779	2,250,020
Middle East's Market Share in the World	4.7%	4.6%	4.8%	5.7%	5.5%

Statistics show that less than 2% of the world fasteners were exported from the Middle Eastern region! Fasteners imported to the Middle Eastern region in 2013 and 2014 were a business with the value of more than USD 2.2 billion, and the Middle Eastern consumers used more than 5% of the whole fasteners produced in the world.

Based on data of some industrial countries like Turkey, Egypt, Iran, etc., the main reason for the less contribution





of the Middle Eastern countries in the fastener business is that each country has been involved in political problems or war.

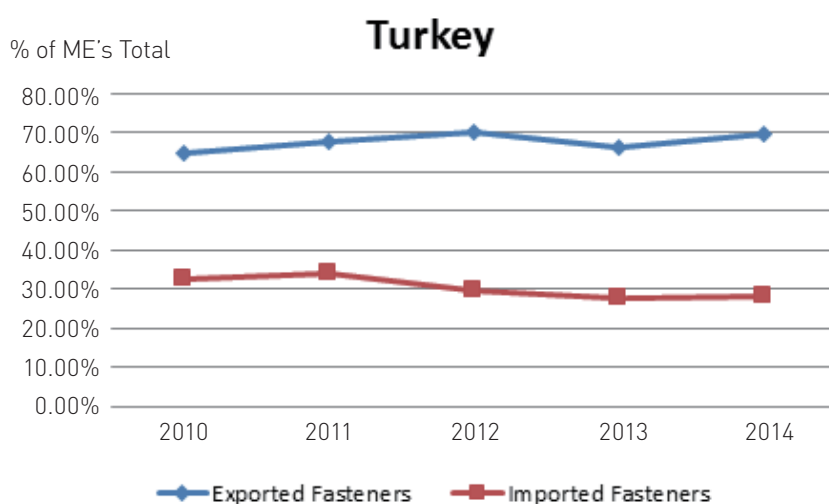
Although the Middle Eastern countries are involved in many problems, fasteners exported/imported from/to this region show mild growth, and therefore, we suggest suppliers monitor and have long term plans to enter this region.

Main Players

Turkey

*Values = 1,000 USD

Exporters	Export Value in 2010	Export Value in 2011	Export Value in 2012	Export Value in 2013	Export Value in 2014
Middle East Aggregation	299,876	393,555	354,555	393,704	441,645
Turkish Export	193,766	266,299	248,124	260,935	307,874
Turkish Market Share in ME	64.6%	67.7%	70.0%	66.3%	69.7%
Importers	Import Value in 2010	Import Value in 2011	Import Value in 2012	Import Value in 2013	Import Value in 2014
Middle East Aggregation	1,461,556	1,741,095	1,788,316	2,223,779	2,250,020
Turkish Import	478,762	595,568	526,671	617,139	626,208
Turkish Market Share in ME	32.8%	34.2%	29.5%	27.7%	28.0%



Turkey is the leader of fastener business in the Middle East. It also has started to invest in its fastener industry and the growth in export proves this claim. On the other hand, its fastener import shows growth but the growth trend slowed down from 2011 through 2014. Turkish fastener consumer market share in total Middle Eastern fastener import has decreased 6% and this should be another evidence of improved fastener producers in Turkey. It means the equipment, machinery, and material suppliers may focus on Turkey.

United Arab Emirates

The following statistics show that UAE is the 2nd largest player in the fastener field in the Middle East.

*Values = 1,000 USD

Exporters	Export Value in 2010	Export Value in 2011	Export Value in 2012	Export Value in 2013	Export Value in 2014
Middle East Aggregation	299,876	393,555	354,555	393,704	441,645
United Arab Emirates Export	73,969	88,195	64,669	84,342	80,423
UAE Market Share in ME	24.7%	22.4%	18.2%	21.4%	18.2%
Importers	Import Value in 2010	Import Value in 2011	Import Value in 2012	Import Value in 2013	Import Value in 2014
Middle East Aggregation	1,461,556	1,741,095	1,788,316	2,223,779	2,250,020
United Arab Emirates Import	200,483	273,132	327,023	471,871	623,637
UAE Market Share in ME	13.7%	15.7%	18.3%	21.2%	27.7%

Emirate is a dealer country. It means countries send their products to UAE and they re-export those goods to the third countries. Analyzing UAE's exported-imported fastener statistics shows 14% in imported fasteners through 2010 – 2014 and decreasing 6% in exported fasteners in the same period. These fluctuations tell

a reality about UAE; UAE has started to invest in their industries, they may want to change their role from an importer-exporter country to an industrial country. It means it is a profitable country for suppliers of the fasteners, equipment, machines and materials.

Overview of Middle Eastern Fastener Export & Import

*Values = 1,000 USD

Exporters	Export Value in 2010	Export Value in 2011	Export Value in 2012	Export Value in 2013	Export Value in 2014
World	27,292,479	33,785,629	33,059,498	34,626,968	36,998,370
Middle East Aggregation	299,876	393,555	354,555	393,704	441,645
Turkey	193,766	266,299	248,124	260,935	307,874
UAE	73,969	88,195	64,669	84,342	80,423
Israel	11,705	13,452	15,028	23,556	33,538
Egypt	3,022	5,522	4,575	6,276	7,461
Saudi Arabia	9,369	10,336	11,162	8,466	3,798
Jordan	2,026	2,384	3,203	5,690	2,698
Bahrain	543	641	941	723	2,635
Iran	2,160	2,397	2,255	1,313	1,304
Lebanon	677	890	742	877	954
Kuwait	436	456	612	507	641
Oman	387	1,294	1,201	722	127
Palestine	13	1	136	85	88
Syria	1,061	603	216	142	57
Yemen	692	1,068	1,410	0	32
Iraq	50	17	281	70	15

Importers	Import Value in 2010	Import Value in 2011	Import Value in 2012	Import Value in 2013	Import Value in 2014
World	31,143,297	37,589,061	37,107,884	38,755,456	40,649,220
Middle East Aggregation	1,461,556	1,741,095	1,788,316	2,223,779	2,250,020
Turkey	478,762	595,568	526,671	617,139	626,208
UAE	200,483	273,132	327,023	471,871	623,637
Saudi Arabia	237,623	329,952	372,628	472,151	270,296
Iran	87,700	100,618	108,767	92,381	177,084
Egypt	149,172	123,595	120,372	170,746	130,123
Israel	96,801	125,293	118,548	114,398	114,205
Oman	26,527	52,507	64,278	61,633	75,772
Qatar	53,391	--	--	54,606	73,130
Iraq	28,660	31,098	39,397	59,362	52,752
Kuwait	34,673	35,080	47,144	45,544	49,764
Lebanon	11,746	14,235	13,696	16,628	15,180
Bahrain	7,635	14,162	11,822	15,361	13,646
Jordan	8,863	9,285	10,760	10,430	11,169
Syria	14,395	18,161	15,550	3,091	8,272
Yemen	23,970	16,830	10,397	16,784	8,248
Palestine	1,155	1,579	1,263	1,654	534

Other Players

The 3rd biggest fastener producer in the Middle East is Israel representing about 4% of the total market share in the Middle East. It grew sharply during 2010–2014 and the growth was about 300%! In terms of fastener import, Israel is the 6th biggest country in this region with a 117% growth during the same period.

Egypt as the 4th biggest fastener exporting country in the Middle East had a 250% growth from 2010 through 2014. It is also the 5th biggest importer in the fastener field. Its fastener import shows huge fluctuations in the same period. By the way, Egypt has been recently involved in internal political challenges, but it seems that fastener producers have been trying to isolate themselves from these problems.

Iran due to international sanctions since 10 years ago, Yemen, Syria, and Saudi Arabia due to war, all do not play a main role in the fastener business.

Last Word

Suppliers should focus on the Middle East as the main market because if the mentioned problems of countries in this region could be solved, then the winners will be suppliers who have already invested in these countries during the hard days (as we all know that the situation is not stable and safe). For example, we have said for many times that Asian companies should focus on Iranian market during the sanction period. At present, USA, UK, Russia, China, France, Germany and Iran have agreed about their problems and Western and American companies have already commenced to enter and penetrate in Iranian market. It seems that Asian suppliers will face a harder situation to re-enter this market.