

Analysis of Taiwanese Fastener Export in the First 5 Months of 2016

by Konnor Lee, Fastener World

Year	Month	Weight (KG)			Value (USD)			Average Value (USD/KG)		
		Weight	Compared to last year's same corresponding period	Compared to the previous period	Value	Compared to last year's same corresponding period	Compared to the previous period	Avg. Unit Price	Compared to last year's same corresponding period	Compared to the previous period
2016	Jan.	125,005,102	-12.28%	-4.21%	309,496,582	-17.82%	-6.42%	2.476	-6.32%	-2.31%
	Feb.	102,236,503	-9.41%	-18.21%	251,256,855	-16.13%	-18.82%	2.458	-7.42%	-0.74%
	Mar.	134,827,601	-5.82%	31.88%	335,147,070	-8.92%	33.39%	2.486	-3.29%	1.15%
	Apr.	126,331,424	-5.52%	-6.30%	310,613,506	-10.35%	-7.32%	2.459	-5.11%	-1.09%
	May	135,123,807	-5.27%	6.96%	330,769,257	-12.12%	6.49%	2.448	-7.22%	-0.44%
Total		623,524,437	-7.61%	0.60%	153,728,3271	-13.00%	-3.34%	2.465	-5.83%	-3.92%

Source: TIFI Monthly Fastener Newsletter # 352

According to the data in the above table, the total fastener export volume of Taiwan dropped by about 7% from last year's record and the total export value also declined by 13%. In fact, not only Taiwanese fastener industry is in its gloomy days, but also the global fastener market continues to show weak demand. Influenced by the global economic recession in 2016, fastener orders made out to Taiwan have shown a rather mild development trend for several months. The European market is especially an uncertain factor (e.g., BREXIT); however, the U.S. market is relatively stable. In the long term, the global fastener industry will still show many niches and the current problems will not last for too long.

When the EU announced the antidumping measure against certain iron and steel fasteners imported from China in 2009, China's fasteners exported to the EU faced a sharp decline of 0.829 million tons (about 71% down from its original record), and suppliers in Taiwan, India, and other ASEAN countries began to enjoy the benefits brought by the orders switched from China, helping them generate significant export. This scenario did not last too long, however, as after 8 years, the EU terminated the antidumping measure against China and it is estimated that about 120-123 thousand tons of fasteners made in Taiwan may be influenced. The above table also reveals that Taiwan's fastener export seems to have been at the edge of a turning point since this past May. President Chen of Chu Hua Industrial Co., Ltd. said in a TIFI monthly newsletter, "Taiwan's CSC will stand with Taiwanese customers together and will be pleased to provide superior materials at prices quite close to the pricing level of Chinese counterparts, in order to create a highly collaborating supply chain from upstream to downstream and provide support for the sustainability of Taiwanese fastener industry. No matter how the market changes, all SMEs should try really hard to survive the adversity and create profit. The most important key factor is being dedicated to business management including technical upgrade of products and continuous study of various business running and financial tools to reduce the influence from market risks that happened to the minimum level." ■