

# The Middle East Fastener Trade Analysis for the First 3 Quarters of 2018

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## Middle East Fastener Market Overview

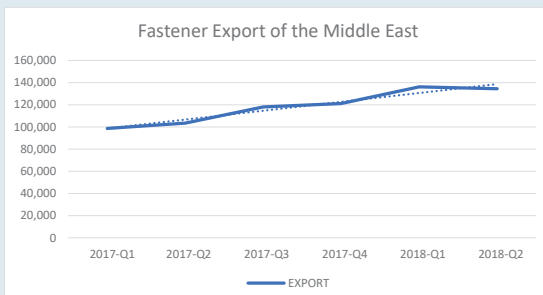
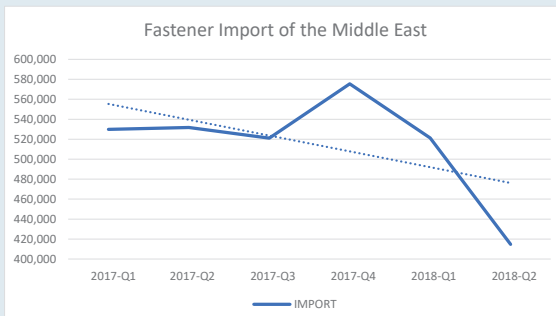
The size of Middle East fastener market is about 650 million USD quarterly. About 80% of this market belongs to imported fasteners and the remaining 20% belongs to exported fasteners.

Value in Thousand USD	2017-Q1	2017-Q2	2017-Q3	2017-Q4	2018-Q1	2018-Q2
Import	529,925	531,854	521,155	575,467	521,328	414,649
Export	98,640	103,455	118,044	121,199	136,256	134,477
Total	628,565	635,309	639,199	696,666	657,584	549,126
Import Share	84.3%	83.7%	81.5%	82.6%	79.3%	75.5%
Export Share	15.7%	16.3%	18.5%	17.4%	20.7%	24.5%

East made the value of fastener imports dropped. The third reason could be the improving production capacity of fastener producers in the Middle East.

The value of fastener exports shows the fact that the reduction of fastener imports was partly influenced by the better performance of fastener producers. However, the speed of the increasing export didn't compensate for the reduction of import; and therefore, the political problems in this region also have resulted in the decreasing size of the market.

The value of fastener imports has decreased quarterly since 2017 and the speed of reduction became fast in the first and second quarter of 2018. One of the reasons could be too much import in the 4<sup>th</sup> quarter of 2017. The second reason could be that the political situation in the Middle



(Unit: 1,000 USD)

## KSA

Saudi Arabia representing 16.5% of the Middle East fastener business is ranked the 2<sup>nd</sup> biggest fastener business in the Middle East. Its fastener market size reaches about 90.9 million USD. KSA is a market depending upon import. The independency ratio is 0.6%, which means that it is almost zero. Since last year the market size of KSA has dropped by about 50%, which can be interpreted as a bad economic situation in the KSA.

Although the share of imported fasteners has decreased in comparison with the whole market size, it is not good news for the Middle East fastener producers, as the statistics reveal that the whole numbers have dropped in 2018 and the negative trend of imported fasteners is sharper than that of exported fasteners.

## Below are Detailed Statistics Country by Country:

### Turkey



Turkey is the biggest fastener market in the Middle East. Its total fastener market size (Imp. + Exp.) is more than 250 million USD, which is more than 46% of the whole Middle East market size. The following table shows that the value of imported fasteners has decreased in the 1st half of 2018, which was caused by the U.S. sanction against Turkey.

The export to import ratio shows that the independency ratio of each country. If the ratio is equal to 100%, it means that the industry is in balance. With an 84.5% export to import ratio in the 2<sup>nd</sup> quarter of 2018, it is clear that Turkish fastener suppliers could close their business to the balance in 2018. They have changed the sanction threat in to opportunities for themselves.

Turkey	2017-Q1	2017-Q2	2017-Q3	2017-Q4	2018-Q1	2018-Q2
Total	249,448	269,864	284,735	314,950	295,579	254,731
Import	168,910	183,107	190,750	210,592	173,390	138,096
Export	80,538	86,757	93,985	104,358	122,189	116,635
Exp./Imp.	47.7%	47.4%	49.3%	49.6%	70.5%	84.5%

Values are in thousand USD

KSA	2017-Q1	2017-Q2	2017-Q3	2017-Q4	2018-Q1	2018-Q2
Total	135,189	102,701	90,827	111,467	96,292	90,892
Import	133,740	101,321	88,958	109,926	95,535	90,365
Export	1,449	1,380	1,869	1,541	757	527
Exp./Imp.	1.1%	1.4%	2.1%	1.4%	0.8%	0.6%

Values are in thousand USD

**UAE** 

The size of UAE fastener market is about 45.8 million USD, which is about 8.3% of the Middle East market share and ranked in the 3rd place. It seems, the market size of UAE is about 75 million USD, and the independency ratio of UAE is low at about 10%.

Their exported value has decreased constantly since the first quarter of 2017, and however, their import value had fluctuation but the trend is negative, too. These statistics can be interpreted as a bad economic situation in the UAE.

**Egypt** 

The market size of Egypt is 45.6 million USD, which is about 8.3% of the Middle East fastener market share. Egypt is ranked the 4th biggest market in this region.

The following statistics show that the values in import and export both show a positive trend and growth in the past 1.5 years. The growth speed of export and import was almost the same and the independency ratio has fluctuation but the trend was positive. In a simple word, Egypt market is growing during 2018.

**Other Countries**

Other countries in this region represent about 20% of the whole fastener business in the Middle East. Some points about other countries are:

- 1- The market size of Iran was more than 43 million USD in the last quarter of 2017, which was 6.3% of the whole Middle East fastener market (bigger than Egypt's market share in the same

UAE	2017-Q1	2017-Q2	2017-Q3	2017-Q4	2018-Q1	2018-Q2
Total	75,899	90,596	73,966	77,321	73,557	45,755
Import	68,286	85,061	67,202	71,913	68,668	41,830
Export	7,613	5,535	6,764	5,408	4,889	3,925
Exp./Imp.	11.1%	6.5%	10.1%	7.5%	7.1%	9.4%

Values are in thousand USD

Egypt	2017-Q1	2017-Q2	2017-Q3	2017-Q4	2018-Q1	2018-Q2
Total	30,382	35,961	32,644	34,610	37,272	45,563
Import	28,925	34,717	31,336	32,829	35,534	42,767
Export	1,457	1,244	1,308	1,781	1,738	2,796
Exp./Imp.	5.0%	3.6%	4.2%	5.4%	4.9%	6.5%

Values are in thousand USD

period) but the political problems with the USA has caused Iran's market to drop sharply and its market size was about 11 million USD in the 2<sup>nd</sup> quarter of 2018 (about 2% of the whole Middle East fastener market).

- 2- The independence ratio of Israel as the 5th biggest fastener market in the Middle East was 27%, ranked behind Turkey in the 3<sup>rd</sup> place. Yemen with 39.5% independency ratio was ranked in the 2<sup>nd</sup> place; however, because of the war in Yemen, the size of its market was very small and was not notable.

**Last Word**

The situation of the Middle East is not stable in the 2018 because of political challenges that have increased since 2018. This market is nice for fastener producers and it seems that it is not a huge market for fastener equipment producers.

**SCREWS & NAILS**

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