

2021-2022

Vietnamese Fastener Market Analysis

2021-2022越南扣件市场分析

Vietnamese Economic Situation

Vietnam's industrial production has rebounded well. By the middle of 2022, industrial production was more than 25% higher than the pre-pandemic (the 2019 average) level. Manufacturers in Vietnam have struggled over the past two years with COVID-19 wreaking havoc on their operations. During the worst of the COVID-19 outbreak in Vietnam, thousands of workers left major manufacturing hubs, particularly Hanoi and Ho Chi Minh City, and returned to their home provinces. Convincing those workers to return as the pandemic subsided and Vietnam reopened was somewhat of a challenge. Still, a 13 percent rise in industrial production, year-on-year, in September of 2022, was reported by the General Statistics Office of Vietnam (GSO). This suggests that challenge may have now been somewhat overcome. This is also reflected in the number of people currently employed. A total of 51.9 million people were employed in the third quarter of 2022, up from 51.6 million people in the second quarter of the same year.

Vietnam's Exports will Continue to Grow

Despite the pandemic Vietnam still managed to maintain a significant export growth of 19 percent in 2019. This is expected to continue moving forward with the export growth projected to reach 14.5 percent this year, according to the statistics. Vietnam also maintained an average inflow of foreign direct investment (FDI) of 4.5 percent over the 2019-2021 period. This is likely to continue with FDI in 2022 predicted to hit 4 percent of GDP. AMRO (The ASEAN+3 Macroeconomic Research Office) also suggests there may even be an uptick in FDI because of "supply chain dislocations". Notably, China's zero-COVID policy has seen several manufacturers adopt a China plus one policy in which part of their supply chains are diversified out of China and into neighbouring countries. There is, however, room for improvement, with the report noting that: "Overall, employment and labour force participation rates have not reverted to pre-pandemic levels, and underemployment persists."



The Vietnamese Economy Has Potential

With industrial production up, employment numbers continuing to improve, and a growth forecast of 7 percent, it's fair to say that the AMRO consultation report has an overall relatively positive outlook for Vietnam. Yet, the country faces risks to its economic rebound in the short term – in particular, the lagging recovery of its tourism sector and supply chain blockages at its northern border because of China's COVID-zero policy. By managing these challenges carefully, Vietnam may very well make a full recovery from the COVID-19 pandemic.



Vietnamese Fasteners Situation

Vietnam's traded fastener value was USD 1293.516 million in 2021. The share of imported fasteners was 58.4% and the share of exported fasteners was 41.6% in 2021.

The 5 main partners of Vietnam in 2021 in the export sector were listed below which represented 62.2% of the whole export of Vietnam:

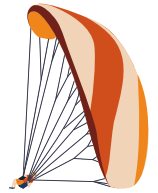
- The value of **US** imported fasteners from Vietnam was USD 92.747 million, equal to 17.2% of the whole export of Vietnam. The value of the total imported fasteners of USA was USD 6,587.396 million and the share of Vietnam was 1.4%.
- The value of **German** imported fasteners from Vietnam was USD 86.090 million, equal to 16.0% of the whole export of Vietnam. The value of the total imported fasteners of Germany was USD 4,509.393 million and the share of Vietnam was 1.9%.
- The value of **Japanese** imported fasteners from Vietnam was USD 71.729 million, equal to 13.3% of the whole export of Vietnam. The value of the total imported fasteners of Japan was USD 893.949 million and the share of Vietnam was 8.0%.
- The value of the **Netherlands'** imported fasteners from Vietnam was USD 56.177 million, equal to 10.4% of the whole export of Vietnam. The value of the total imported fasteners of the Netherlands was USD 1,137.311 million and the share of Vietnam was 4.9%.
- The value of **Canadian** imported fasteners from Vietnam was USD 27.746 million, equal to 5.2% of the whole export of Vietnam. The value of the total imported fasteners of Canada was USD 1,640.940 million and the share of Vietnam was 1.7%.
- The value of **Others Countries'** imported fasteners from Sweden Vietnam was USD 203.441 million, equal to 37.8% of the whole export of Vietnam.

The 4 main partners of Vietnam in 2021 in the import sector were listed below which satisfied 86.8% of Vietnam's fastener needs:

- The fastener value **China** exported to Vietnam was USD 381.263 million, equal to 50.5% of the whole import of Vietnam. The value of the total exported fasteners from China was USD 9,304.668 million and 4.1% was to Vietnamese customers.
- The fastener value **Japan** exported to Vietnam was USD

125.625 million, equal to 16.6% of the whole import of Vietnam. The value of the total exported fasteners from Japan was USD 2,925.109 million and 4.3% was to Vietnamese customers.

- The fastener value **South Korea** exported to Vietnam was USD 91.253 million, equal to 12.1% of the whole import of Vietnam. The value of the total exported fasteners from South Korea was USD 909.726 million and 10.0% was to Vietnamese customers.
- The fastener value **Taiwan** exported to Vietnam was USD 57.541 million, equal to 7.6% of the whole import of Vietnam. The value of the total exported fasteners from Taiwan was USD 5,333.746 million and 1.1% was to Vietnamese customers.
- The fastener value **Other Countries** exported to Vietnam was USD 99.904 million, equal to 13.2% of the whole import of Vietnam.



Last Word

H1 2022 fastener import statistics from Vietnam are shown below:

- **Germany** imported USD 81.179 million fasteners from Vietnam in the 1st half of 2022, which increased 1.9 times in comparison with 2021.
- **USA** imported USD 58.903 million fasteners from Vietnam in the 1st half of 2022, which means 1.27 times higher than 2021.
- **The Netherlands** imported USD 30.121 million fasteners from Vietnam in the 1st half of 2022, which increased 1.07 times in comparison with 2021.
- **Canada** imported USD 18.967 million fasteners from Vietnam in the 1st half of 2022, which means 1.37 times higher than 2021.
- **Japan** imported USD 18.688 million fasteners from Vietnam in the 1st half of 2022, which decreased 48% in comparison with 2021.
- **Poland** is a new buyer of Vietnamese fasteners. Polish consumers bought USD 21.291 million in the 1st half of 2022, which was higher than the purchases Canada and Japan.

On the other hand, in terms of imported fasteners by Vietnam in H1 2022:

- **China** exported USD 95.236 million fasteners to Vietnam in the 1st quarter of 2022, which means it was almost the same amount in comparison with 2021.
- **South Korea** exported USD 33.951 million fasteners to Vietnam in the 1st half of 2022, which decreased 25.6% in comparison with 2021.
- **Taiwan** exported USD 20.925 million fasteners to Vietnam in the 1st half of 2022, which decreased 27.3% in comparison with 2021.
- **Japan** exported USD 21.236 million fasteners to Vietnam in the 1st half of 2022, which decreased 66.2% in comparison with 2021. ■

