



Mexico's Fastener Imports – Will the Industry Continue to Grow?

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*Note: all values in the data presented in the article are FOB value in USD and the 2016 period only represents data through the months of January and February. The total value information represents Mexico's trade with the world of fasteners under the HS heading 7318.

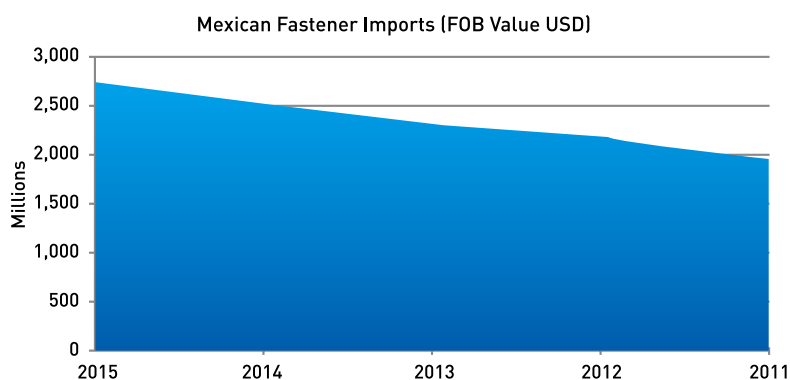
The recent direction towards auto manufacturing in Mexico has many in the fastener industry curious if it's correlated with an influx demand for fasteners to the country. This article will explore the rising fastener import industry in Mexico, historical trends, and the latest data from 2016 (January-February). It will also touch on some recent statistics on Mexico's exports of passenger motor vehicles. Does one affect another?

Mexico Imports of Fasteners in 2011 to 2015

Mexican fastener imports have grown exponentially since 2011 by over \$752 million (see left chart). From 2014 to 2015, Mexican fastener imports grew by nearly 8.4 percent, a shift from \$2.5 billion to \$2.7 billion (FOB value USD).

Fastener Varieties by HTS Code

The top 3 fastener varieties Mexico imported in 2015 (by HTS code) were threaded screws and bolts of iron or steel (HTS 7318.15.03), non-threaded fasteners of iron or steel (HTS 7318.29.99) and nuts of iron or steel (HTS 7318.16.03). Mexican imports of non-threaded fasteners have grown immensely from 2014 to 2015, by 87.8 percent and totaled \$344.1 million.



MEXICO - IMPORT

HS Code 7318 - screws, bolts, nuts, coach screws, screw hooks, rivets, cotter pins, etc.

Mexico Imports of Fasteners	2015		2014		2013		2012		2011	
	JAN to DEC		JAN to DEC		JAN to DEC		JAN to DEC		JAN to DEC	
	FOB Value US\$	%	FOB Value US\$	%	FOB Value US\$	%	FOB Value US\$	%	FOB Value US\$	%
73181503 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	460,598,519	17.01	430,861,057	17.24	361,879,377	15.78	370,479,073	17.08	316,687,973	16.19
73182999 - OTHER NON-THREADED ARTICLES (FASTENERS) IRON/STEEL NESOI	344,102,841	12.70	183,248,922	7.33	187,749,112	8.19	166,988,402	7.70	142,770,747	7.30
73181603 - NUTS OF IRON OR STEEL	244,294,719	9.02	243,552,244	9.74	212,818,066	9.28	200,734,787	9.25	178,975,620	9.15
73181599 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	226,243,992	8.35	232,322,566	9.29	220,374,227	9.61	197,452,951	9.10	190,444,868	9.74
73181504 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	203,455,249	7.51	195,110,769	7.81	192,478,960	8.39	172,017,532	7.93	174,099,740	8.90
73182299 - WASHERS OTHER THAN LOCK WASHERS, IRON OR STEEL	169,064,578	6.24	164,933,675	6.60	149,696,776	6.53	141,762,624	6.53	127,946,879	6.54
73181500 - THREADED SCREWS AND BOLTS NESOI, WITH OR WITHOUT THEIR NUTS	155,294,702	5.73	160,763,009	6.43	155,952,165	6.80	146,452,402	6.75	135,659,123	6.94
73181506 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	126,296,028	4.66	147,840,554	5.91	113,504,115	4.95	115,061,250	5.30	104,462,762	5.34
73182401 - COTTERS AND COTTER PINS, OF IRON OR STEEL	91,091,673	3.36	92,553,283	3.70	80,290,224	3.50	76,109,017	3.51	68,837,556	3.52
73182399 - RIVETS OF IRON OR STEEL	89,301,121	3.30	84,577,094	3.38	80,191,376	3.50	84,467,783	3.89	73,679,075	3.77



73181510 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	68,955,373	2.55	66,386,131	2.66	60,692,730	2.65	52,582,974	2.42	50,507,135	2.58
73181604 - NUTS OF IRON OR STEEL	60,618,587	2.24	56,572,644	2.26	47,874,752	2.09	50,288,893	2.32	47,803,822	2.44
73181401 - SELF-TAPPING SCREWS OF IRON OR STEEL	59,609,431	2.20	56,347,173	2.25	48,558,263	2.12	42,399,102	1.95	39,259,320	2.01
73181602 - NUTS OF IRON OR STEEL	57,978,136	2.14	49,101,316	1.96	69,894,792	3.05	45,067,765	2.08	40,745,774	2.08
73181999 - THREADED ARTICLES OF IRON OR STEEL, NESOI	52,364,377	1.93	52,578,227	2.10	44,030,711	1.92	41,888,883	1.93	37,076,376	1.90
73182199 - SPRING WASHERS AND OTHER LOCK WASHERS, IRON OR STEEL	41,878,847	1.55	40,261,478	1.61	35,469,177	1.55	32,168,498	1.48	28,986,977	1.48
73182499 - COTTERS AND COTTER PINS, OF IRON OR STEEL	40,207,003	1.48	39,265,241	1.57	35,645,186	1.55	44,032,026	2.03	30,660,162	1.57
73181600 - NUTS, THREADED, OF IRON OR STEEL	37,643,436	1.39	37,097,675	1.48	40,899,283	1.78	39,091,045	1.80	35,404,197	1.81
73181601 - NUTS OF IRON OR STEEL	23,805,002	0.88	14,323,300	0.57	7,082,161	0.31	5,922,224	0.27	5,159,214	0.26
73181508 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	21,843,576	0.81	18,572,485	0.74	18,703,184	0.82	20,051,680	0.92	17,101,917	0.87
73181605 - NUTS OF IRON OR STEEL	20,940,191	0.77	18,009,223	0.72	13,621,769	0.59	14,590,430	0.67	12,833,721	0.66
73181201 - OTHER WOOD SCREWS OF IRON OR STEEL, THREADED	13,937,641	0.51	13,604,278	0.54	12,504,429	0.55	14,247,869	0.66	13,077,524	0.67
73181505 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	12,728,867	0.47	13,277,978	0.53	16,038,575	0.70	14,673,750	0.68	13,646,605	0.70
73181502 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	11,592,154	0.43	13,386,039	0.54	16,544,286	0.72	11,228,945	0.52	10,748,725	0.55
73181509 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	11,393,154	0.42	13,169,761	0.53	11,578,141	0.50	13,880,092	0.64	10,363,284	0.53
73181501 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	10,126,076	0.37	9,328,965	0.37	5,830,484	0.25	4,975,062	0.23	4,915,212	0.25
73182200 - WASHERS, OTHER THAN LOCK WASHERS, OF IRON OR STEEL	9,640,221	0.36	9,881,645	0.40	9,415,841	0.41	9,815,278	0.45	7,277,746	0.37
73181507 - THREADED SCREWS AND BOLTS NESOI OF IRON OR STEEL	8,339,829	0.31	8,062,385	0.32	7,043,899	0.31	7,992,582	0.37	8,073,360	0.41
73182300 - RIVETS OF IRON OR STEEL	5,305,958	0.20	4,203,931	0.17	5,006,686	0.22	3,538,079	0.16	2,415,669	0.12
73182400 - COTTERS AND COTTER PINS, OF IRON OR STEEL	4,728,291	0.17	4,640,957	0.19	7,490,529	0.33	4,746,290	0.22	3,535,523	0.18
73181902 - THREADED ARTICLES OF IRON OR STEEL, NESOI	4,441,301	0.16	3,681,367	0.15	4,472,775	0.20	4,156,861	0.19	3,778,169	0.19
73181301 - SCREW HOOKS AND SCREW RINGS OF IRON OR STEEL	3,766,189	0.14	3,502,745	0.14	2,735,883	0.12	2,414,886	0.11	2,541,342	0.13
73182900 - NONTHREADED ARTICLES (FASTENERS) NESOI, OF IRON OR STEEL	3,705,741	0.14	4,158,977	0.17	3,813,284	0.17	4,305,720	0.20	4,034,684	0.21
73181400 - SELF-TAPPING SCREWS, THREADED, OF IRON OR STEEL	3,379,486	0.12	5,239,074	0.21	5,681,849	0.25	5,896,285	0.27	5,173,586	0.26
73182201 - WASHERS OTHER THAN LOCK WASHERS, IRON OR STEEL	2,401,653	0.09	1,962,574	0.08	1,673,828	0.07	2,307,983	0.11	1,880,741	0.10
73181101 - COACH SCREWS, THREADED, OF IRON OR STEEL	2,184,093	0.08	1,832,927	0.07	1,587,411	0.07	996,251	0.05	1,358,178	0.07
73182301 - RIVETS OF IRON OR STEEL	1,342,704	0.05	1,020,868	0.04	949,246	0.04	916,822	0.04	634,606	0.03
73182100 - SPRING WASHERS AND OTHER LOCK WASHERS, OF IRON OR STEEL	1,276,171	0.05	1,372,232	0.05	1,181,131	0.05	1,196,909	0.06	678,097	0.03
73182901 - OTH NON-THREADED ARTICLES (FASTENERS) OF IRON/STEEL, NESOI	1,108,033	0.04	963,608	0.04	662,284	0.03	489,856	0.02	413,682	0.02
73181900 - THREADED ARTICLES OF IRON OR STEEL, NESOI	586,174	0.02	855,943	0.03	904,350	0.04	1,108,201	0.05	1,184,418	0.06
73182402 - COTTERS AND COTTER PINS, OF IRON OR STEEL	394,624	0.01	523,042	0.02	257,071	0.01	197,160	0.01	257,295	0.01
73181901 - THREADED ARTICLES OF IRON OR STEEL, NESOI	314,940	0.01	310,788	0.01	222,304	0.01	324,907	0.01	196,659	0.01
73182101 - SPRING WASHERS AND OTHER LOCK WASHERS, IRON OR STEEL	298,633	0.01	477,453	0.02	350,950	0.02	546,339	0.03	522,050	0.03
73181299 - OTHER WOOD SCREWS OF IRON OR STEEL, THREADED	4,381	0.00	0	0.00	0	0.00	0	0.00	0	0.00
73181300 - SCREW HOOKS AND SCREW RINGS OF IRON OR STEEL	0	0.00	8	0.00	0	0.00	0	0.00	0	0.00
General Total:	2,708,583,695	100.00	2,499,735,611	100.00	2,293,351,642	100.00	2,169,565,468	100.00	1,955,810,113	100.00

Countries Traded With

Nearly a third of this growing fastener import (non-threaded fasteners HTS 7318.29.99) came from the United States, which is the top supplier of fasteners to Mexico. In fact, the United States accounts for over 50 percent of the fasteners that Mexico imports. Since 2008, the demand for fasteners in Mexico from the United States has grown annually. From 2014 to 2015, exports of fasteners from the United States to Mexico increased by 2.5 percent and totaled nearly \$1.4 billion compared to \$1.3 billion in 2014.

The second-largest supplier of fasteners to Mexico is Taiwan. Taiwan makes up for nearly 12 percent of Mexico's fastener imports. In 2015, Taiwan exported over \$322 million in fasteners to Mexico, which was 9 percent higher than exports in 2014.

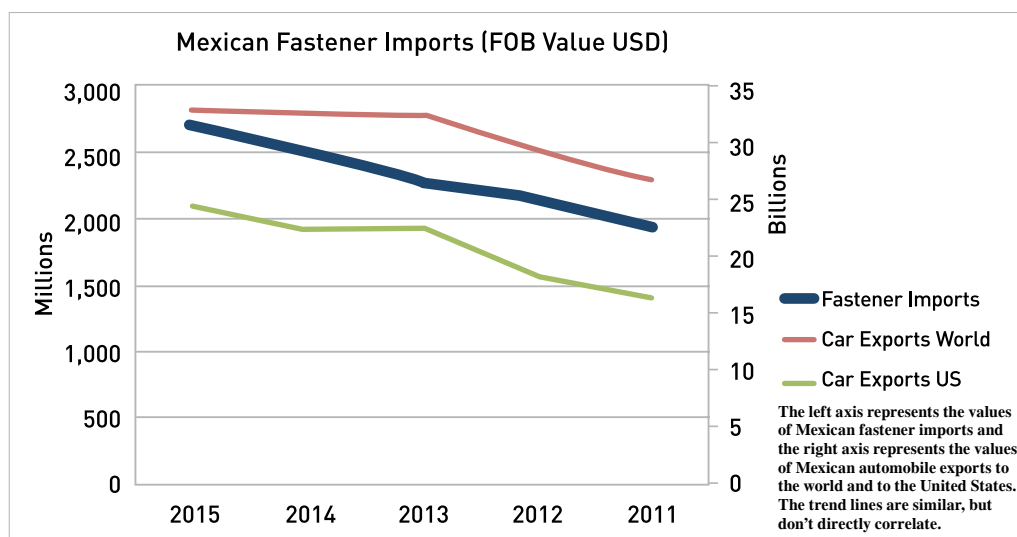
China is the third-largest exporter of fasteners to Mexico and makes up for nearly 10 percent of the market. In 2015, China exported \$269.5 million in fasteners to Mexico, which actually declined by 0.44 percent.

Latest Data for 2016 Fastener Imports (January-February)

In January through February of 2016 vs. the same time in 2015, Mexican imports of fasteners have declined by a total of 3.2 percent. Mexico imported \$386.4 million fasteners in 2016 compared to \$399.3 million in 2015 (Jan-Feb).

Major declines in fastener exports to Mexico were seen this year from both leading suppliers: the United States and Taiwan (by FOB value USD).

Mexico	2015	2014	2013	2012	2011
Fastener Imports	2,708,583,695	2,499,735,611	2,293,351,642	2,169,565,468	1,955,810,113
Car Exports to World	32,843,704,287	32,391,314,141	32,389,396,403	29,169,291,915	26,844,138,257
Car Exports to US	24,154,815,033	22,538,017,416	22,318,099,792	18,168,579,775	16,257,882,830



Source: I.N.E.G.I.

MEXICO - IMPORT

HS Code 7318 - screws, bolts, nuts, coach screws, screw hooks, rivets, cotter pins, etc.

Country of Origin	2015		2014		Volume Change	
	JAN to DEC		JAN to DEC		FOB Value US\$	
	FOB Value US\$	%	FOB Value US\$	%	FOB Value US\$	%
USA	1,355,983,939	50.06	1,323,180,972	52.93	32,802,967	2.48
TAIWAN	322,778,669	11.92	295,995,151	11.84	26,783,518	9.05
CHINA	269,501,082	9.95	270,703,380	10.83	-1,202,298	-0.44
JAPAN	220,611,229	8.14	202,746,538	8.11	17,864,691	8.81
CANADA	205,729,548	7.60	58,635,462	2.35	147,094,086	250.86
GERMANY	103,336,907	3.82	114,161,095	4.57	-10,824,188	-9.48
S. KOREA	56,363,246	2.08	54,382,410	2.18	1,980,836	3.64
ITALY	36,804,044	1.36	42,250,743	1.69	-5,446,699	-12.89
FRANCE	21,811,385	0.81	24,064,669	0.96	-2,253,284	-9.36
INDIA	19,433,581	0.72	15,277,546	0.61	4,156,035	27.20
SPAIN	17,577,257	0.65	17,566,307	0.70	10,950	0.06
SWITZERLAND	11,957,048	0.44	12,799,578	0.51	-842,530	-6.58
UK	9,511,956	0.35	9,780,549	0.39	-268,593	-2.75
THAILAND	6,795,300	0.25	6,050,431	0.24	744,869	12.31
CZECH REP.	6,583,105	0.24	8,639,850	0.35	-2,056,745	-23.81
BRAZIL	5,959,518	0.22	5,038,384	0.20	921,134	18.28
MALAYSIA	5,415,644	0.20	4,707,415	0.19	708,229	15.04
SWEDEN	3,413,287	0.13	4,542,156	0.18	-1,128,869	-24.85
AUSTRIA	2,708,410	0.10	2,812,260	0.11	-103,850	-3.69
NETHERLANDS	2,703,694	0.10	2,321,918	0.09	381,776	16.44
Total:	2,684,978,849	99.13	2,475,656,814	99.04	209,322,035	7.80
General Total:	2,708,583,695	100.00	2,499,735,611	100.00	208,848,084	8.36

Source: I.N.E.G.I.



MEXICO - IMPORT

HS Code 7318 - screws, bolts, nuts, coach screws, screw hooks, rivets, cotter pins, etc.

Country of Origin	2013		2012		2011	
	JAN to DEC		JAN to DEC		JAN to DEC	
	FOB Value US\$	%	FOB Value US\$	%	FOB Value US\$	%
USA	1,262,472,880	55.05	1,193,875,485	55.03	1,068,237,475	54.62
TAIWAN	244,386,366	10.66	248,819,850	11.47	217,925,307	11.14
CHINA	237,437,480	10.35	213,335,643	9.83	184,266,409	9.42
JAPAN	122,709,639	5.35	139,918,802	6.45	125,628,849	6.42
CANADA	46,027,280	2.01	54,585,375	2.52	50,763,914	2.60
GERMANY	118,666,164	5.17	132,191,065	6.09	126,922,739	6.49
S. KOREA	53,570,978	2.34	50,652,959	2.33	49,835,678	2.55
ITALY	38,717,883	1.69	24,751,846	1.14	29,391,558	1.50
FRANCE	19,899,269	0.87	18,167,488	0.84	16,858,593	0.86
INDIA	12,857,689	0.56	10,076,420	0.46	8,603,349	0.44
SPAIN	17,070,933	0.74	15,488,812	0.71	14,210,403	0.73
SWITZERLAND	10,148,224	0.44	8,391,025	0.39	7,921,615	0.41
UK	10,071,388	0.44	9,932,593	0.46	8,926,292	0.46
THAILAND	6,550,465	0.29	6,288,664	0.29	4,873,129	0.25
CZECH REP.	6,656,730	0.29	5,547,023	0.26	5,447,733	0.28
BRAZIL	5,501,622	0.24	6,625,109	0.31	5,191,605	0.27
MALAYSIA	4,605,192	0.20	3,944,636	0.18	4,399,889	0.22
SWEDEN	3,763,008	0.16	3,687,300	0.17	3,036,469	0.16
AUSTRIA	2,550,252	0.11	1,455,483	0.07	1,053,800	0.05
NETHERLANDS	1,313,464	0.06	1,507,766	0.07	2,166,786	0.11
Total:	2,224,976,906	97.02	2,149,243,344	99.06	1,935,661,592	98.97
General Total:	2,293,351,642	100.00	2,169,565,468	100.00	1,955,810,113	100.00

Source: I.N.E.G.I.

MEXICO - IMPORT

HS Code 7318 - screws, bolts, nuts, coach screws, screw hooks, rivets, cotter pins, etc.

The United States fastener exports to Mexico dropped 5.7 percent and Taiwanese exports declined by 6.3 percent (Jan-Feb).

Opposite was true for fastener exports from China to Mexico in 2016, which increased a half percentage in value for the first two months of the year and totaled \$44.2 million.

An unexpected surge in fastener exports to Mexico was also seen from Canada this year, which increased in value by 24 percent (Jan-Feb). Canada's fasteners exports to Mexico went from \$2.1 million in 2015 to \$10.8 million in 2016 in the months of January and February.

Country of Origin	2016		2015		Volume Change	
	JAN to FEB		JAN to FEB			
	FOB Value US\$	%	FOB Value US\$	%	FOB Value US\$	%
USA	197,880,686	51.21	210,022,956	52.60	-12,142,270	-5.78
TAIWAN	49,155,477	12.72	52,485,070	13.15	-3,329,593	-6.34
CHINA	44,299,977	11.46	44,060,145	11.04	239,832	0.54
JAPAN	32,429,456	8.39	34,182,384	8.56	-1,752,928	-5.13
GERMANY	17,415,318	4.51	15,377,598	3.85	2,037,720	13.25
CANADA	10,782,065	2.79	8,692,196	2.18	2,089,869	24.04
S. KOREA	8,534,395	2.21	7,137,120	1.79	1,397,275	19.58
ITALY	5,847,246	1.51	5,718,536	1.43	128,710	2.25
INDIA	3,490,121	0.90	3,014,048	0.75	476,073	15.80
FRANCE	3,279,253	0.85	3,505,248	0.88	-225,995	-6.45
SPAIN	2,060,478	0.53	2,325,715	0.58	-265,237	-11.40
SWITZERLAND	1,657,924	0.43	1,705,719	0.43	-47,795	-2.80
UK	1,343,427	0.35	1,472,301	0.37	-128,874	-8.75
BRAZIL	1,160,989	0.30	809,788	0.20	351,201	43.37
THAILAND	1,009,375	0.26	965,298	0.24	44,077	4.57
CZECH REP.	744,204	0.19	1,277,458	0.32	-533,254	-41.74
AUSTRIA	540,191	0.14	474,822	0.12	65,369	13.77
MALAYSIA	486,664	0.13	871,517	0.22	-384,853	-44.16
SWEDEN	485,006	0.13	697,287	0.17	-212,281	-30.44
NETHERLANDS	345,895	0.09	371,198	0.09	-25,303	-6.82
Total:	382,948,147	99.11	395,166,404	98.97	-12,218,257	-3.09
General Total:	386,399,621	100.00	399,262,352	100.00	-12,862,731	-3.22

Source: I.N.E.G.I.



Mexico Car Export Recap of Auto Manufacturing in Mexico

Automobiles are classified under HS code 8703 in this article (motor cars and other motor vehicles designed to transport people)

Shifting to the state of automobile exports from Mexico, latest Census data shows that from 2014 to 2015, Mexican exports of automobiles increased by 1.4 percent and totaled \$32.8 billion in 2015 (by total FOB value USD). The United States imported 73.5 percent of Mexico's automotive exports in 2015, which increased 7.17 percent from 2014.

MEXICO - EXPORT HS Code 8703 - motor cars and other motor vehicles

Country of Destination	2015		2014		Volume Change	
	JAN to DEC		JAN to DEC			
	FOB Value US\$	%	FOB Value US\$	%	FOB Value US\$	%
USA	24,155,935,354	73.55	22,538,899,891	69.58	1,617,035,463	7.17
CANADA	2,142,857,721	6.52	2,113,465,440	6.52	29,392,281	1.39
GERMANY	1,512,812,493	4.61	1,565,260,041	4.83	-52,447,548	-3.35
CHINA	955,425,090	2.91	1,640,665,380	5.07	-685,240,290	-41.77
BRAZIL	899,538,396	2.74	1,609,851,700	4.97	-710,313,304	-44.12
COLOMBIA	648,534,935	1.97	791,799,603	2.44	-143,264,668	-18.09
ARGENTINA	465,309,376	1.42	334,119,440	1.03	131,189,936	39.26
UK	264,918,086	0.81	108,390	0.00	264,809,696	2443.12
ITALY	161,203,590	0.49	184,965,685	0.57	-23,762,095	-12.85
CHILE	145,128,318	0.44	190,272,164	0.59	-45,143,846	-23.73
Total:	31,351,663,359	95.46	30,969,407,734	95.61	382,255,625	1.22
General Total:	32,843,704,287	100.00	32,391,314,141	100.00	452,390,146	1.40

MEXICO - EXPORT HS Code 8703 - motor cars and other motor vehicles

Country of Destination	2016		2015		Volume Change	
	JAN to FEB		JAN to FEB			
	FOB Value US\$	%	FOB Value US\$	%	FOB Value US\$	%
USA	1,761,957,404	82.14	3,211,227,973	69.96	-1,449,270,569	-45.13
CANADA	143,343,240	6.68	349,433,803	7.61	-206,090,563	-58.98
GERMANY	62,321,511	2.91	242,616,975	5.29	-180,295,464	-74.31
CHINA	35,394,004	1.65	143,654,627	3.13	-108,260,623	-75.36
COLOMBIA	22,782,710	1.06	125,455,629	2.73	-102,672,919	-81.84
ARGENTINA	18,364,486	0.86	18,654,661	0.41	-290,175	-1.56
CHILE	13,782,274	0.64	24,040,313	0.52	-10,258,039	-42.67
PERU	7,478,357	0.35	21,331,336	0.46	-13,852,979	-64.94
BRAZIL	7,337,676	0.34	172,921,415	3.77	-165,583,739	-95.76
AUSTRIA	7,049,272	0.33	20,838,226	0.45	-13,788,954	-66.17
Total:	2,079,810,934	96.95	4,330,174,958	94.34	-2,250,364,024	-51.97
General Total:	2,145,158,426	100.00	4,589,873,861	100.00	-2,444,715,435	-53.26

This Year

In January through February of 2016, automobile exports from Mexico declined by a large 53.3 percent. In that period, exports to the United States declined 45.1 percent and made up for 82.1 percent of the total exports. This large decline may have contributed to the 3.2 percent decline in Mexican fastener imports for 2016 mentioned previously in the article (Jan-Feb) but it isn't certain.

Recap

It may be too soon to tell if Mexican imports of fasteners will decline this year. January and February statistics may not paint the best picture. From 2011 to 2015, we saw that fastener imports to Mexico have been on the up and up. Although looking at the lack of automotive exports so far this year (again very early), it is not likely helping the growth of Mexican consumption in fasteners this year. As more data presents itself we will be able to see if the exponential growth in Mexican fastener imports actually comes to a halt in 2016.

