

An Analysis of U.S. Fastening Hand Tools Trade in Q1-Q3 2017

2017 前三季美國緊固手工具貿易分析

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Note: Values are in thousand USD

In this article the following HS Codes have been studied in the US market.

- HS Code 820411: Hand-operated spanners and wrenches, incl. torque meter wrenches, of base metal, non-adjustable
- HS Code 820412: Hand-operated spanners and wrenches, incl. torque meter wrenches, of base metal, adjustable (excluding tap wrenches)
- HS Code 820420: Interchangeable spanner sockets, with or without handles, of base metal
- HS Code 820540: Hand-operated screwdrivers
- HS Code 820790: Interchangeable tools for hand tools, whether or not power-operated, or for machine tools

HS Code 820790

U.S. Export Values

This HS Code is the most valuable code among the mentioned codes. The main exporters in this code were, Germany, USA and Italy. On the other hand, USA, Germany and Thailand were the main importers of this code in the world. The following table shows the export values of these countries.

Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Germany	107,908	113,665	126,946	123,948	117,802	126,051	133,459	142,415
USA	43,520	51,447	43,099	40,525	44,255	44,865	44,740	47,653
Italy	50,503	45,250	54,053	43,665	50,330	48,742	45,647	45,198

Germany was the strongest exporter in the whole world (above 130 million USD per quarter). Statistics show that since the 4th quarter of 2015 Germany's export has been in a growing trend in this sector.

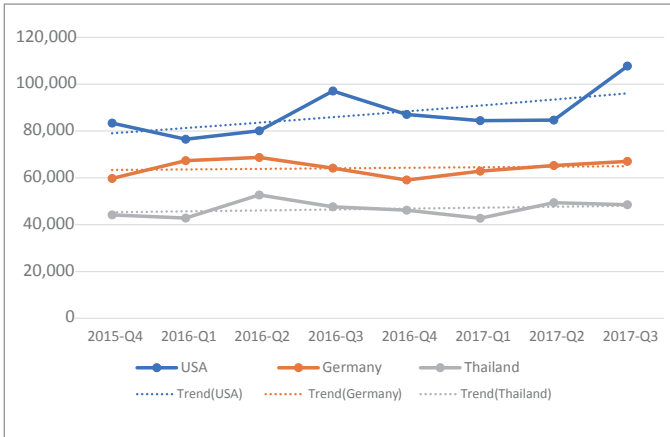
USA and Italy were the 2nd and the 3rd biggest exporters in this sector. The above table shows that in most of the quarters, Italy was a better exporter than the U.S. was. However, in the 3rd quarter of 2017, U.S. export exceeded Italy's export.

The main countries U.S. producers sold their products in this category were as follows:

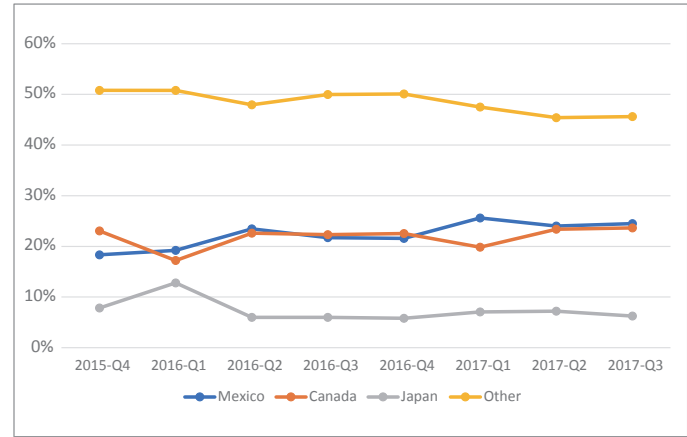
Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	43,520	51,447	43,099	40,525	44,255	44,865	44,740	47,653
Mexico	7,979	9,885	10,117	8,808	9,543	11,491	10,745	11,674
	18%	19%	23%	22%	22%	26%	24%	24%
Canada	10,024	8,850	9,744	9,041	9,970	8,896	10,455	11,267
	23%	17%	23%	22%	23%	20%	23%	24%
Japan	3,407	6,584	2,580	2,426	2,568	3,167	3,222	2,968
	8%	13%	6%	6%	6%	7%	7%	6%
Others	22,110	26,128	20,658	20,250	22,174	21,311	20,318	21,744
	51%	51%	48%	50%	50%	48%	45%	46%

Mexico, Canada and Japan bought about 50% of U.S. products and their share was augmented quarterly. In 2017- Q3 their share was more than 55%.

Importers (820790)



Importers (820790)



US Import Values

The following table shows three main importers of this category:

Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
USA	83,432	76,510	80,100	97,093	87,101	84,403	84,703	107,740
Germany	59,713	67,328	68,744	64,150	59,058	62,846	65,245	67,068
Thailand	44,168	42,833	52,706	47,654	46,193	42,744	49,379	48,486

The following graph shows that the trends of imported tools in this category

- U.S. market became bigger and its growth trend was positive.
- German market also became bigger but its growth speed was lower than that of the U.S.
- The growth of Thai market was almost 0 during the 8 previous quarters

The main exporters to U.S. market in this category were as below:

Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	83,432	76,510	80,100	97,093	87,101	84,403	84,703	107,740
China	42,716	38,066	38,844	56,612	42,291	35,668	38,822	60,921
	51%	50%	48%	58%	49%	42%	46%	57%
Taiwan	8,292	7,548	9,038	10,212	9,925	9,942	10,721	13,743
	10%	10%	11%	11%	11%	12%	13%	13%
Germany	8,571	7,034	7,469	7,312	8,367	9,279	8,351	8,526
	10%	9%	9%	8%	10%	11%	10%	8%
Others	23,853	23,862	24,749	22,957	26,518	29,514	26,809	24,550
	29%	31%	31%	24%	30%	35%	32%	23%

China satisfied more than 50% of U.S. tools demand in this section. Taiwan and Germany were the 2nd and the 3rd biggest exporters in this category.

Asia plays the main role in U.S. market, more than 70% of US market is in the hand of ASEAN producers.

China's and Taiwan's export values increased during the last 8 quarters because U.S. market demand was amplified.

HS Code 820420

US exporters and importers were the biggest traders in the category of HS Code 820420.

US Export Values

The trade values put HS code 820420 in the 2nd place of tools category and USA was the 3rd biggest exporter in this category.

The export value of Taiwan in this category was 5 times higher than USA and Germany as the 2nd biggest exporter has the export value 20% higher than USA.

The following table shows that an unusual increase in US export in the first quarter of 2016 could be assumed as an error in putting information.

Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Taiwan	78,294	73,410	77,515	79,822	77,467	76,878	84,174	91,040
Germany	23,765	20,559	23,167	20,744	25,389	21,678	23,199	23,321
USA	18,656	40,053	17,077	17,051	14,725	16,314	18,117	18,164

Main markets for U.S. producers were as follows:

Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	18,656	40,053	17,077	17,051	14,725	16,314	18,117	18,164
Canada	4,534	4,141	4,322	4,078	4,055	4,618	4,757	5,195
	24%	10%	25%	24%	28%	28%	26%	29%
UK	2,485	7,163	1,801	1,445	1,608	2,264	2,967	2,190
	13%	18%	11%	8%	11%	14%	16%	12%
Mexico	2,078	2,107	1,921	1,558	1,199	1,213	1,271	1,427
	11%	5%	11%	9%	8%	7%	7%	8%
Others	9,559	26,642	9,033	9,970	7,863	8,219	9,122	9,352
	51%	67%	53%	58%	53%	50%	50%	51%

Nearly 50% of U.S. export went to Canada, UK and Mexico markets and North American countries bought nearly 40% of U.S. products.

As the above table depicted, a part of the strange statistics in the first quarter of 2016 came from UK market (The UK import value increased by 3 times in the 1st quarter of 2016 and dropped by 3 times in the 2nd quarter of 2016).

Comparing the 2nd quarter and the 3rd quarter of 2017, we can reach to a conclusion that, UK market converted to 4% smaller for U.S. exporters, whereas, North American market became 4% bigger (Canada share was 3% and Mexico share was 1%).

US Import Values

USA was the biggest market for this type of tools and its import value was 2.5 times higher than Germany as the 2nd biggest market. France is considered as the 3rd biggest market for exporters of HS code 820420.

Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
USA	66,848	59,587	53,875	63,241	51,673	52,250	55,473	62,711
Germany	23,193	20,078	23,023	23,926	20,375	20,898	21,153	25,893
France	11,823	11,916	15,152	10,267	10,968	11,510	13,083	14,112

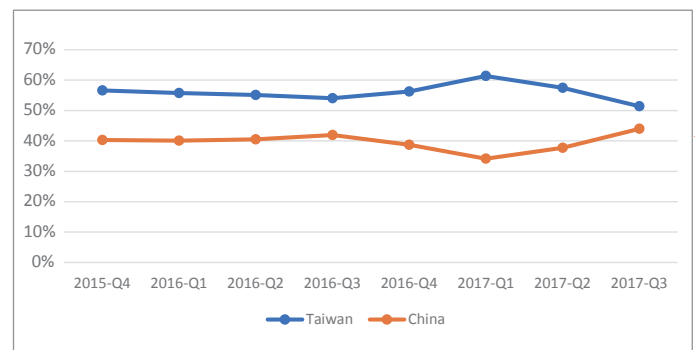
Meanwhile, the main exporters to the U.S. were:

Taiwan and China supplied more than 95% of U.S. demand, and Germany as the 3rd biggest exporter to U.S. market represented 1% of U.S. market.

Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	66,848	59,587	53,875	63,241	51,673	52,250	55,473	62,711
Taiwan	37,830	33,209	29,705	34,164	29,081	32,061	31,894	32,231
	57%	56%	55%	54%	56%	61%	57%	51%
China	26,938	23,877	21,811	26,514	20,006	17,836	20,941	27,571
	40%	40%	40%	42%	39%	34%	38%	44%
Germany	443	319	434	410	395	442	555	675
	1%	1%	1%	1%	1%	1%	1%	1%
Others	1,637	2,182	1,925	2,153	2,191	1,911	2,083	2,234
	2%	4%	4%	3%	4%	4%	4%	4%

The above graph illustrates that after the first quarter of 2017, China's growth speed became positive and Taiwan's was negative, it is predictable that China's export value to U.S. market would surpass Taiwan's export value.

Exporters (820420)



HS Code 820411

This HS Code is the 3rd most valuable sector in the tools business.

US Export Values

The following table shows that USA was the biggest exporter in this section in the 1st quarter of 2016 but it lost its rank in the 2nd quarter of 2016 and its export value fell about 10% in this quarter and it was ranked the 3rd biggest country. The negative trend continued during 2016 and the first quarter of 2017 but it showed increased export value in the 2nd quarter of 2017 and also had a positive growth in the 3rd quarter of 2017 in comparison with the 2nd quarter of 2017.

Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Taiwan	33,123	36,356	37,080	38,482	36,982	35,954	42,181	44,785
Germany	33,311	36,933	38,091	37,171	35,869	39,907	40,776	40,556
USA	35,615	40,538	35,493	32,225	30,772	30,826	35,849	37,141

Main importers for USA in this sector were as below:

Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	35,615	40,538	35,493	32,225	30,772	30,826	35,849	37,141
Canada	7,490	7,309	8,063	6,949	7,727	7,470	8,439	7,984
	21%	18%	23%	22%	25%	24%	24%	21%
Germany	2,151	1,908	2,104	2,656	1,837	2,139	2,119	3,597
	6%	5%	6%	8%	6%	7%	6%	10%
UK	2,857	2,594	2,912	2,320	2,441	2,593	3,048	3,217
	8%	6%	8%	7%	8%	8%	9%	9%
Others	23,117	28,727	22,414	20,300	18,767	18,624	22,243	22,343
	65%	71%	63%	63%	61%	60%	62%	60%

The three biggest importers bought about 40% of produced tools in USA. Canada’s market was the biggest market for U.S. producers as it bought more than 20% of U.S. produced tools. Germany and UK were in the next levels.

UK was the 2nd biggest market for U.S. tools till the 3rd quarter of 2017 and at this time, Germany has outperformed UK.

US Import Values

For this type of tools, USA was the biggest market. Germany and France were in the 2nd and the 3rd places. U.S. market was 2.5 times bigger than Germany and 4 times bigger than France.

Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
USA	61,154	55,011	56,675	68,883	57,473	57,340	58,926	68,348
Germany	22,359	23,503	24,712	23,631	21,127	23,420	23,242	27,543
France	12,942	14,580	14,973	12,981	12,882	15,137	15,621	17,264

Furthermore, the main exporters to USA were China and Taiwan (together representing more than 80% of the market). India was the 3rd and the biggest exporter to USA and represented 7% of U.S. market.

Meanwhile, the following graph displays China’s sharp growth in the 3rd quarter of 2017 and increased its gap with Taiwan. India’s share was almost constant during the previous 8 quarters.

If we follow the graph it is predictable that Taiwanese companies’ export will be amplified in the 4th quarter and the 1st quarter of 2018.

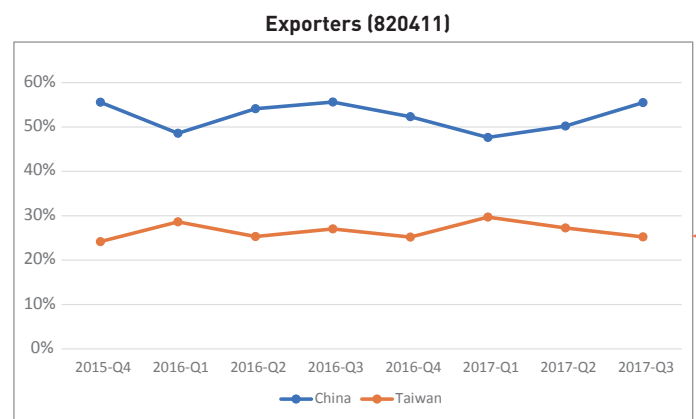
Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	61,154	55,011	56,675	68,883	57,473	57,340	58,926	68,348
China	33,995	26,729	30,673	38,317	30,070	27,325	29,591	37,942
	56%	49%	54%	56%	52%	48%	50%	56%
Taiwan	14,787	15,753	14,347	18,616	14,484	17,028	16,065	17,258
	24%	29%	25%	27%	25%	30%	27%	25%
India	4,860	4,986	4,182	4,133	4,870	4,591	4,435	4,774
	8%	9%	7%	6%	8%	8%	8%	7%
Others	7,512	7,543	7,473	7,817	8,049	8,396	8,835	8,374
	12%	14%	13%	11%	14%	15%	15%	12%

HS Code 820540

U.S. Export Values

It should be mentioned that USA was the 4th biggest exporters to the world. The value of its exported tools was about 25% of the export value of Germany, which was considered the first exporter. Additionally, Taiwan was the 2nd biggest exporter and Czech Rep. was the 3rd biggest exporter in the world.

Moreover, U.S. export reduced during the past 8 quarters in this sector.



Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Germany	24,168	23,818	25,860	24,244	24,688	26,909	27,906	29,031
Taiwan	13,029	14,066	12,983	16,013	14,589	14,181	16,565	17,953
Czech Rep.	5,621	5,482	5,608	6,260	6,532	7,352	6,505	8,037
USA	9,022	14,739	7,436	6,812	8,471	6,379	7,016	7,709

U.S. main markets in this category were,

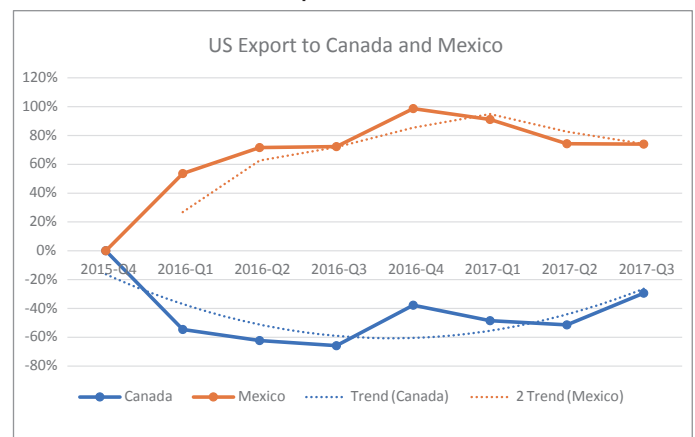
Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	9,022	14,739	7,436	6,812	8,471	6,379	7,016	7,709
Canada	4,305	1,957	1,807	1,742	2,230	1,993	1,934	2,358
	48%	13%	24%	26%	26%	31%	28%	31%
Mexico	550	845	997	1,003	1,268	1,172	975	975
	6%	6%	13%	15%	15%	18%	14%	13%
Australia	186	255	196	152	97	122	289	960
	2%	2%	3%	2%	1%	2%	4%	12%
Others	3,981	11,682	4,436	3,915	4,876	3,092	3,818	3,416
	44%	79%	60%	57%	58%	48%	54%	44%

After the 1st quarter of 2016, U.S. suppliers and exporters started to expand their tools export geographically; therefore, at the beginning Canada's share was near 50% (the last quarter of 2015) but it sharply dropped in the 1st quarter of 2016. The following graph shows that U.S. suppliers attempted to modify their export value in Canada's market, and it is predictable to reach the record of the 4th quarter of 2015 at the end of 2018.

On the other hand, Mexico's imported tools growth became negative in 2017.

It should be mentioned that Australia had a great jump in the 3rd quarter of 2017 and its tools import was augmented by 3 times, which could be considered an error in information or even it could be a real growth which future statistics might clarify.

Importers (820540)



US Import Values

USA was the biggest importer of this type of tools, while Germany and France were at the 2nd and 3rd places. Although U.S. import showed fluctuations, its trend was positive.

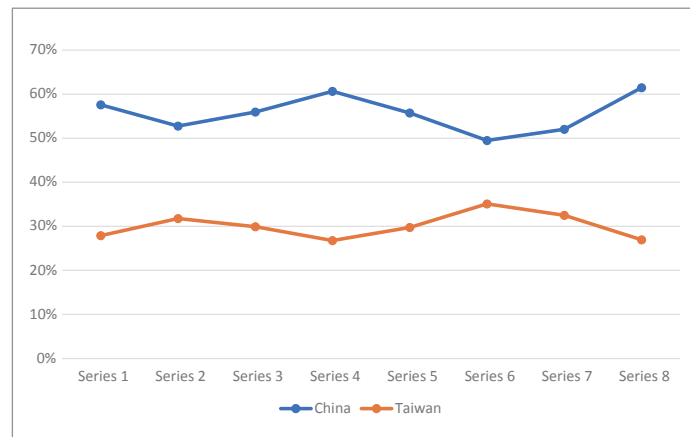
Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
USA	27,665	27,897	30,045	40,975	30,009	27,520	30,579	34,138
Germany	15,524	17,235	17,719	15,935	17,914	18,603	18,902	21,647
France	7,563	7,422	7,349	8,101	7,568	8,172	7,839	8,978

Additionally, the main exporters to U.S. market were China and Taiwan, which altogether represented more than 85% of U.S. market. Germany, representing 6% of U.S. market was the 3rd biggest exporter in this region.

Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	27,665	27,897	30,045	40,975	30,009	27,520	30,579	34,138
China	15,936	14,721	16,809	24,851	16,725	13,623	15,916	20,989
	58%	53%	56%	61%	56%	50%	52%	61%
Taiwan	7,716	8,864	8,991	10,975	8,926	9,662	9,942	9,197
	28%	32%	30%	27%	30%	35%	33%	27%
Germany	1,517	1,519	2,224	2,473	1,734	1,729	2,021	2,019
	5%	5%	7%	6%	6%	6%	7%	6%
Others	2,496	2,793	2,021	2,676	2,624	2,506	2,700	1,933
	9%	10%	7%	7%	9%	9%	9%	6%



Exporters (820540)



HS Code 820412

US Export Value

Taiwan, USA and Spain were the main players in this category. Taiwan's export value was almost 2 times higher than that of USA and U.S. export value was 20% more than that of Spain.

The trend of export values from Taiwan and US were positive.

Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Taiwan	18,213	16,510	17,921	18,163	20,059	17,728	19,421	24,440
USA	8,881	10,880	10,107	8,649	8,136	8,611	9,695	10,332
Spain	8,021	7,903	6,521	7,551	7,892	8,151	8,063	8,254

The main markets of US tools were,

Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	8,881	10,880	10,107	8,649	8,136	8,611	9,695	10,332
Canada	3,109	2,616	3,235	2,791	2,967	3,078	3,285	3,803
	35%	24%	32%	32%	36%	36%	34%	37%
Mexico	892	725	761	712	846	763	897	794
	10%	7%	8%	8%	10%	9%	9%	8%
Belgium	493	497	627	555	536	589	636	685
	6%	5%	6%	6%	7%	7%	7%	7%
Others	4,387	7,042	5,484	4,591	3,787	4,181	4,877	5,050
	49%	65%	54%	53%	47%	49%	50%	49%

In this sector, the fluctuations were not sharp and for these 8 quarters the values were almost constant.

US Import Values

USA was the biggest importer in this sector and its import value was about 4 times higher than that of Germany as the 2nd biggest importer in the world. Canada, with about 20% of U.S. import value was ranked 3rd.

Importers	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
USA	25,869	25,866	23,840	30,293	27,716	26,832	27,819	27,769
Germany	6,689	5,432	5,731	5,948	6,915	6,327	6,883	7,078
Canada	4,396	3,937	4,443	3,903	4,419	4,422	4,487	5,456

The main exporters to USA were China and Taiwan, which altogether represented more than 80% of U.S. market. Germany was at the 3rd place representing 8% of the whole tools sold to U.S. market.

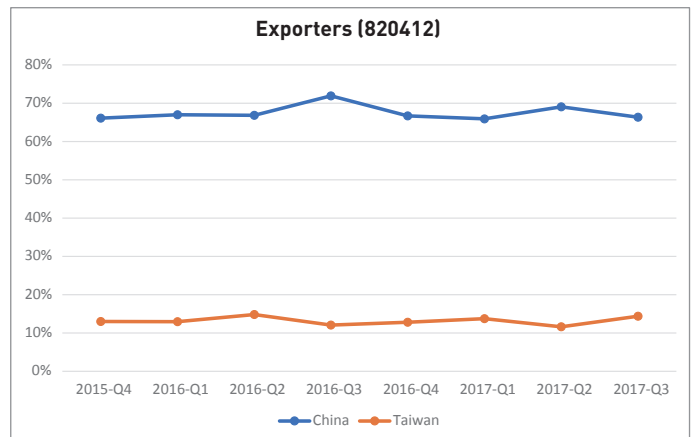
Exporters	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
World	25,869	25,866	23,840	30,293	27,716	26,832	27,819	27,769
China	17,096	17,327	15,929	21,787	18,488	17,686	19,204	18,423
	66%	67%	67%	72%	67%	66%	69%	66%
Taiwan	3,359	3,354	3,533	3,654	3,555	3,686	3,232	3,993
	13%	13%	15%	12%	13%	14%	12%	14%
Germany	2,058	2,097	1,784	2,261	2,612	1,941	2,193	2,267
	8%	8%	7%	7%	9%	7%	8%	8%
Others	3,356	3,088	2,594	2,591	3,061	3,519	3,190	3,086
	13%	12%	11%	9%	11%	13%	11%	11%

The right graph compares the situation of China and Taiwan. The graph shows that China was the main supplier and Taiwan could not compete with China in this category.

Summary

To sum up, USA was one of the main players in the tools categories in both imported tools and exported tools sectors. In the import sector, USA was ranked the biggest in most categories and in the export sector, USA was ranked 1st to 4th.

China and Taiwan were the main U.S. suppliers in the tools sector, whereas Canada and Mexico were the main markets for U.S. tools.



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