

An Overlook to the German Market

In the 3rd quarter of 2018, the total value of exported and imported tools (HS codes 820720, 820730 and 820740) in the German market was 529,159 million USD, 64.9% of which is for exported tools from Germany to the world and the remaining 35.1% is for imported tools by German users. In a simple calculation, it reveals that Germany is an independent country in terms of tools because the ratio of its export to import is 185%.

The following graph shows that the growth trend of tools business in the German market. The base period is the 4th quarter of 2016.

According to the graph, the market of Germany did not show a huge growth, between Q4 2016 to Q3 2018 (only 2.2% accumulative growth for this market). The middle of 2017 was the summit of the tools business in Germany, but after that, it dropped sharply. In the 3rd quarter of 2017 the tools business value passed 616.5 million USD, and it doesn't seem to be repeated in 2019.

| | 2016-Q4 | 2017-Q1 | 2017-Q2 | 2017-Q3 |
|-------------|---------|---------|---------|---------|
| Total value | 536,135 | 471,558 | 537,448 | 616,981 |
| Growth rate | | -12.0% | 14.0% | 14.8% |
| | 2017-Q4 | 2018-Q1 | 2018-Q2 | 2018-Q3 |
| Total value | 615,032 | 558,173 | 517,957 | 529,159 |
| Growth rate | -0.3% | -9.2% | -7.2% | 2.2% |

The right graph gives us more detail about German tools situation.

Although both import and export have made the total amount numbers, the right graph shows that the fluctuations of total numbers look like those of the exported tools numbers, which means the German market is an independent market in the tools sectors.

The numbers of exported and imported tools are mentioned in the following table.

| | | 2016-Q4 | 2017-Q1 | 2017-Q2 | 2017-Q3 |
|-------|-------------|---------|---------|---------|---------|
| Total | Import | 185,738 | 172,922 | 223,789 | 224,634 |
| | Growth rate | | -6.9% | 29.4% | 0.4% |
| | Export | 350,397 | 298,636 | 313,659 | 392,347 |
| | Growth rate | | -14.8% | 5.0% | 25.1% |
| | Exp/Imp | 189% | 173% | 140% | 175% |
| | | 2017-Q4 | 2018-Q1 | 2018-Q2 | 2018-Q3 |
| | Import | 223,988 | 204,442 | 193,553 | 185,838 |
| | Growth rate | -0.3% | -8.7% | -5.3% | -4.0% |
| | Export | 391,044 | 353,731 | 324,404 | 343,321 |
| | Growth rate | -0.3% | -9.5% | -8.3% | 5.8% |
| | Exp/Imp | 175% | 173% | 168% | 185% |

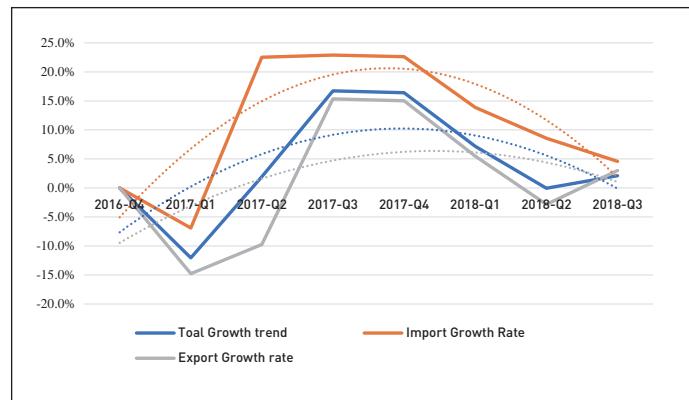


German Tools Trade Statistics in Q1-3 2018

2018前三季德國手工具進出口貿易統計概況

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*Values are in 1,000 USD



Which HS Code Plays the Main Role?

The mentioned numbers in this article came through the following HS Codes and their shares are calculated on the 3rd quarter of 2018:

Imported Tools

- 1- HS code 820720 representing 6.8% of the total imported tools by Germany
- 2- HS code 820730 representing 80.2% of the total imported tools by Germany
- 3- Hs code 820740 representing 12.9% of the total imported tools by Germany

Exported Tools

- 1- HS code 820720 representing 4.4% of the total exported tools through Germany
- 2- HS code 820730 representing 73.6% of the total exported tools through Germany
- 3- Hs code 820740 representing 22.0% of the total exported tools through Germany

Therefore, in Total Amount

- 1- HS code 820720 representing 5.2% of the total tools business in Germany
- 2- HS code 820730 representing 76.0% of the total tools business in Germany
- 3- Hs code 820740 representing 18.8% of the total tools business in Germany

This article studied the main partners of Germany in HS Code 820730 because 76% of the German tools business happened in this product category.

HS Code 820730, Interchangeable Tools for Pressing, Stamping or Punching

The right graph shows the situation of Germany as an exporter in this sector: the notable items in the graph are mentioned as below:

- 1- Germany supplies 4% of the world needs.
- 2- The share of China in Germany's exported tools is 12.71% and the statistics show 2% decline in China's import through Germany annually, and China's import growth from the world is lower than Germany's export growth to China, which means more business between China and Germany.
- 3- The share of USA in Germany's export is 9.8% and US market shows 3% growth annually. US import growth from the world is faster than Germany's export growth to USA, which means the share of Germany get smaller annually in US customers.
- 4- The share of Mexico in Germany's export is 8.24% and the Mexican market shows 6% growth annually. Germany's export growth to Mexico is faster than Mexico's import growth from the world, which means the Mexican market gets bigger annually.
- 5- The 4th and 5th biggest tools importer countries from Germany are Austria and Spain.

In the import section,

- 1- Germany has bought 3% of the world's tools export.
- 2- China is the main supplier of the Germany's required tools and China's share in Germany's import is 20.99%.
- 3- The 2nd biggest supplier is Italy with 9.79% share in Germany's import.
- 4- The 3rd biggest country is South Korea, and its share in Germany's import is 8.78%
- 5- The 4th and 5th are Switzerland and Turkey.

See the right graph:

