

The Fastener Market of 2019-2023 哥伦比亚扣件市场剖析



Introduction

Colombia, a country with a population of 51.3 million, has shown a resilient economic performance in recent years. With a Gross Domestic Product (GDP) based on Purchasing Power Parity (PPP) of US\$966.2 billion, the nation experienced a robust 7.3% growth in 2022, well above its five-year average growth rate of 3.4%. This translates to an income per capita of US\$18,720, reflecting steady economic progress.

However, the country faces significant challenges, including a high unemployment rate of 14.3% and inflation reaching 10.2% as measured by the Consumer Price Index (CPI). Despite these hurdles, Colombia continues to attract foreign investment, with Foreign Direct Investment (FDI) inflows totalling US\$17.0 billion. Meanwhile, public debt stands at 60.4% of GDP, highlighting the balancing act between fostering growth and managing fiscal responsibilities.

Analyzing the fastener market in Colombia from 2019 to 2023 involves examining several key factors, including market trends, economic conditions, major players, and regulatory impacts. Below is an overview of these elements during the specified period:

Market Overview (2019-2023)

Growth Trends: The Colombian fastener market, encompassing various types of screws, bolts, nuts, and other fastening components, experienced fluctuating growth during 2019-2023. The market was influenced by both domestic demand and global supply chain dynamics.

Import

Colombia's Imported Fasteners (Note: Numbers in Thousand USD)

Import Origin	2019	2020	2021	2022	2023
World	120,626	97,035	147,241	186,211	131,640
China	46,458	41,603	76,712	97,270	55,769
USA	31,941	21,894	28,166	36,447	33,879

The above table illustrates the trends in Colombia's imported fastener market from 2019 to 2023, highlighting the value of imports from key exporters such as **China (42% of the whole exported fasteners to Colombia)**, **the USA (26% of the whole exported fasteners to Colombia)**, and other regions (32% of the whole exported fasteners to Colombia). The total global imports of Colombia fluctuated significantly over these years, starting at US\$120.6 million in 2019, dropping by 20% in 2020, and then seeing a robust recovery with a 52% increase in 2021. The upward trend continued in 2022 with a 26% growth, but the market faced a sharp decline in 2023, falling by 29% to US\$131.6 million.

China remained the dominant supplier throughout the period, although its market share was marked by volatility. After a 10% decline in 2020, **imports from China surged by 84% in 2021 and 27% in 2022, before plummeting by 43% in 2023.** The USA, as the second-largest supplier, also experienced fluctuations, with a 31% drop in 2020, followed by steady growth in 2021 and 2022 at 29% each year. However, in 2023, **imports from the USA decreased slightly by 7%.** Imports from other countries followed a similar pattern, with a notable decline in 2023 after moderate growth in the preceding years.

Export

The table below provides insights into Colombia's fastener exports from 2019 to 2023, showing significant variations in export values across different markets. The total global exports started at US\$4.3 million in 2019 but experienced a decline of 12% in 2020 due to the economic disruptions caused by the pandemic. However, the market bounced back in 2021 with a strong 42% growth, reaching US\$5.4 million. **Despite a 16% drop in 2022, the export market rebounded again in 2023 with a 19% increase, indicating a volatile yet recovering market.**

Among the primary importers, **Ecuador consistently remained a top destination, with exports growing by 25% in 2021 and an impressive 49% in 2023 after a dip in 2022.** Other key markets, like Panama, saw dramatic shifts, such as a 106% surge in 2022 followed by an 8% decline in 2023. Similarly, the Dominican Republic showed remarkable growth, especially in 2021 with a 249% increase, though it experienced fluctuations in subsequent years. These patterns reflect both the challenges and opportunities in the global fastener trade, with markets responding dynamically to various economic factors.



Colombia's Exported Fasteners

(Note: Numbers in Thousand USD)

Export Destination	2019			2020			2021			2022			2023		Share
	Value	Value	Growth	Value	Growth	Value	Growth	Value	Growth	Value	Growth	Value	Growth		
World	4,284	3,779	-12%	5,382	42%	4,544	-16%	5,401	19%						
Ecuador	1,242	1,484	19%	1,858	25%	1,251	-33%	1,865	49%	34.5%					
Panama	433	240	-45%	250	4%	514	106%	472	-8%	8.7%					
Guatemala	324	217	-33%	425	96%	373	-12%	386	3%	7.1%					
Dominican Republic	165	112	-32%	391	249%	139	-64%	358	158%	6.6%					
Honduras	348	145	-58%	157	8%	194	24%	352	81%	6.5%					
Peru	525	361	-31%	761	111%	406	-47%	325	-20%	6.0%					
Others	1,247	1,220	-2%	1,540	26%	1,667	8%	1,643	-1%	30.4%					

Future of the Fastener Industry in Colombia

The fastener demand in Colombia was predominantly driven by the construction and automotive industries, both of which played crucial roles in shaping the market dynamics.

The Construction Industry: The construction industry, buoyed by substantial government and private sector investments, emerged as a major consumer of fasteners. **Infrastructure projects, including:**

- Road expansions, bridge constructions, and urban development initiatives, significantly increased the demand for various types of fasteners. A new Colombian road project is commencing. **Construction of a new highway in Colombia is expected to cost US\$773 million. The road will link Barrancabermeja in Santander Department with Puerto Salgar in Cundinamarca Department. Although the project won final approval in late 2022, construction will commence in 2024.**
- Railway: The Colombian government has identified **at least six key rail projects, involving total investments of around 32tn pesos (US\$7.6 bn)**, which are considered strategic for the reactivation of the country's rail network.
- Airports: Colombia **plans to invest US\$2.7 bn in five airports.**

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- Additionally, the residential and commercial building segments also contributed to the demand, **Colombia's Commercial Real Estate market is anticipated to achieve a significant milestone by 2024, with a projected value of US\$0.41 tn.** This market segment is expected to maintain a steady growth trajectory, with an estimated annual growth rate (CAGR 2024-2029) of 0.96%. This growth will ultimately lead to a substantial market volume of US\$0.43 tn by 2029.



The Automotive Industry: On the other hand, the automotive sector, traditionally a significant consumer of fasteners for vehicle assembly and manufacturing, faced a more turbulent period. **In Latin America, 5.5 million vehicles were manufactured in 2021, and Colombia remained the fourth-largest producer, with 44,140 units manufactured.** In 2021, 250,497 vehicles were sold in Colombia, a 33% increase compared to 2020, and sales are expected to grow an average of 4% annually between 2022 and 2025.

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Last Word

Looking ahead, the future of Colombia's fastener industry appears promising, driven by the ongoing and upcoming developments in the construction and automotive sectors. The construction industry, bolstered by substantial investments in infrastructure projects, will continue to be a major driver of fastener demand.

In the automotive sector, despite recent challenges, the outlook remains positive. Colombia's position as a key vehicle producer in Latin America and the expected growth in vehicle sales at an average rate of 4% annually between 2022 and 2025 indicate a sustained need for specialized fasteners. As the industry adapts to evolving trends, such as the shift towards electric vehicles and stricter safety standards, the demand for advanced fasteners tailored to these new applications is likely to increase. Overall, the convergence of robust construction activity and a resilient automotive industry positions Colombia's fastener market for sustained growth in the coming years. ■

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