

## Last Word

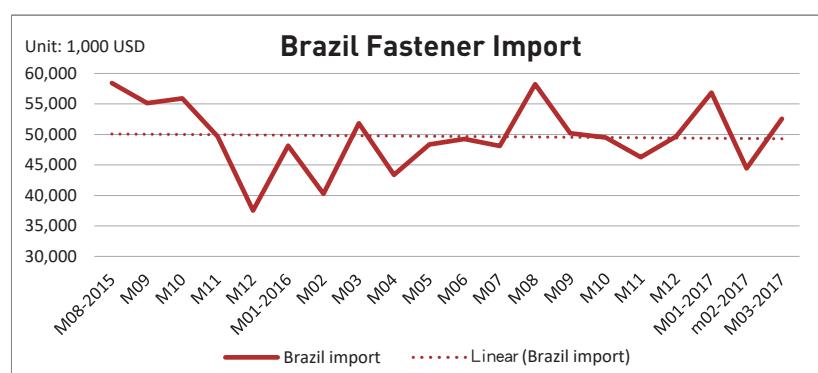
Business analysts predict that investing in the Brazilian automobile industry will yield great profits for investors in the near future, as Brazil is touted as being a great market for automobiles. The auto industry in Brazil is anticipated to do well

in the near future as several events of great importance are about to take place. And, it means the growth in the fastener business in Brazil.

It can be an opportunity for fastener exporters and fastener equipment producers to re-manage their business in Brazil. Mexican car producers should be worried. Their business is under threat, and affected workers should take concrete steps now to secure their economic future.

On the other hand, the auto industry sits on the precipice of potentially monumental change. Ride-share technology is rapidly diffusing around the world, and the push toward autonomous vehicles is accelerating. Consumers will soon be able to commute in driverless, cheaply financed automobiles, and they're nothing like the cars currently being manufactured in Mexico.

We're going to see what happens in Latin America and also in the fastener industry. ■



# The Analysis of

2016年東盟緊固工具進出口分析 (海關編碼820411, 820412, 820420, 820540, 820790)

# Fastening Tools Export/Import in ASEAN in 2016

(within HS Code: 820411, 820412, 820420, 820540, 820790)

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This article will study the situation of fastening tools in the ASEAN region.

## HS Code 820411 Imports in ASEAN:

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Import	1,324,523	1,322,140	1,377,516	1,287,305	1,273,016
ASEAN Import	43,848	43,084	44,266	43,885	60,624
ASEAN Market Size for Exporters	3.3%	3.3%	3.2%	3.4%	4.8%

Although during 2012 to 2015 the import value of this type of tools was constant, in 2016 it increased by more than 38%.

Values in (1,000 USD)	2012	2013	2014	2015	2016
Vietnam	3,850	2,701	3,259	5,261	16,707
Thailand	16,481	15,002	14,219	14,020	14,299
Indonesia	11,838	10,375	10,327	8,216	10,507
Singapore	5,252	7,196	8,190	6,938	6,500
Malaysia	4,070	3,626	3,562	4,485	4,958
Philippines	696	736	1,103	2,108	3,938
Myanmar	1,216	2,749	2,759	2,226	2,752
Cambodia	7	70	246	213	419
Brunei Darussalam	296	441	494	341	330
Lao People's Democratic Republic	142	188	107	77	214

Vietnam is the main reason for the increasing import value in ASEAN region! It imported by more than 300% in 2016 in comparison with the value in 2015!

### HS Code 820411 Exports in ASEAN:

The export values of HS Code 820411 in ASEAN region show that although in 2016 the export increased by 22% in comparison with 2015, the main point is that it didn't hit the record of 2014.

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Export	1,292,937	1,326,003	1,446,251	1,266,499	1,243,257
ASEAN Export	6,585	8,190	9,780	7,420	9,099
ASEAN Market Share in the World	0.5%	0.6%	0.7%	0.6%	0.7%

### The Detail of Export:

Values in (1,000 USD)	2012	2013	2014	2015	2016
Thailand	675	1,824	1,368	1,106	1,247
Vietnam	1,279	903	881	829	1,094
Indonesia	171	145	71	222	1,075
Malaysia	2,097	1,295	1,716	1,090	434
Brunei Darussalam	23	26	40	30	43
Myanmar	--	--	--	2	6
Lao People's Democratic Republic	--	--	--	--	2
Cambodia	0	0	0	0	1
Philippines	11	43	10	4	

In this case the exports of Indonesia were notable! It increased by more than 450%! It means Indonesia invested in this field a lot. On the other hand, Malaysia lost its power and credit in this field, as its export value dropped by nearly 60%!

### HS Code 820412 Imports in ASEAN

The import value of this type of tools is 2 times lower than HS code 820412, and more than 8% of these tools were imported to ASEAN region and the interesting point is that although the size of imported HS code 820412 dropped by 4% in 2016 in comparison with 2015, the size of ASEAN market became bigger by more than 35%!

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Import	522,053	506,100	524,476	510,418	494,237
ASEAN Import	31,098	28,365	30,157	29,804	40,357
ASEAN Market Size for Exporters	6.0%	5.6%	5.7%	5.8%	8.2%

The detailed statistics show the same trend between HS code 820411 and 820412. Vietnam's import increased very sharply by more than 350% and the other countries' imports also increased except for Singapore and Thailand.

Values in (1,000 USD)	2012	2013	2014	2015	2016
Vietnam	3,331	2,835	3,347	4,175	11,618
Indonesia	8,851	8,552	9,887	6,727	7,294
Thailand	7,897	7,328	6,330	6,741	6,565
Singapore	5,807	5,087	5,173	5,842	6,332
Malaysia	3,189	2,845	3,194	3,221	3,455
Philippines	656	711	765	1,761	2,208
Myanmar	466	255	492	529	1,344
Cambodia	51	57	251	52	845
Brunei Darussalam	729	636	679	694	601
Lao People's Democratic Republic	121	59	39	62	95

## HS Code 820412 Exports in ASEAN:

In this sector, the export value decreased by 8% in the world, but ASEAN exporters could sell 38% more hand tools in the world in 2016 in comparison with the record in 2015. It is a record for ASEAN exporters, as they almost sold 9 million USD hand tools in the world, which shared 1.9% of the world's hand tool export in the category of HS code 820412.

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Export	521,957	499,470	522,972	521,371	477,724
ASEAN Export	6,113	7,164	6,504	6,521	8,985
ASEAN Market Share	1.2%	1.4%	1.2%	1.3%	1.9%

The detailed statistics show that Vietnam's improving power of export. Its export increased by 70% and Singapore's and Thailand's export growths are notable as well. Like the previous category, Malaysia's export dropped. It seems that something went wrong in Malaysia!!

Values in (1,000 USD)	2012	2013	2014	2015	2016
Singapore	3,297	4,030	3,925	3,691	4,447
Vietnam	1,513	1,495	1,640	2,022	3,505
Thailand	201	501	310	238	643
Malaysia	735	392	422	426	290
Indonesia	156	683	144	55	60
Brunei Darussalam	70	39	53	70	34
Philippines	135	17	5	1	3
Lao People's Democratic Republic	1	1	1	1	2
Myanmar	5	6	4	17	1

## HS Code 820420 Imports in ASEAN:

The statistics show that the orders of consumers in this field dropped annually from 2012 to 2015. Such a negative import stopped in 2016. In 2016, in this sector ASEAN importers imported 23% more than it imported in 2015. ASEAN is a market that exporters can send 3% of their tools to this region, and this market grew 0.6% in 2016 in comparison with 2015. 28.6 million USD is a new import record for ASEAN consumers.

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Import	1,009,175	1,038,923	1,085,305	985,217	989,446
ASEAN Import	24,741	24,149	23,377	23,183	28,564
ASEAN Market Size for Exporters	2.5%	2.3%	2.2%	2.4%	2.9%

In the detail, like the previous statistics, Vietnam's import increased like a rocket. Indonesia's import growth was 22% and Thailand as the biggest market in this region increased by 11%.

Values in (1,000 USD)	2012	2013	2014	2015	2016
Thailand	10,306	10,508	9,806	8,028	8,976
Indonesia	5,928	4,115	4,672	4,928	6,052
Vietnam	613	487	496	846	4,066
Malaysia	3,142	3,655	2,949	3,093	3,421
Singapore	3,386	3,544	2,896	2,830	3,323
Philippines	469	544	900	1,270	1,450
Myanmar	316	625	639	976	767
Lao People's Democratic Republic	110	112	202	491	200
Brunei Darussalam	327	318	324	337	169
Cambodia	144	241	493	384	140

## HS Code 820420 Exports in ASEAN:

Like the previous statistics, it is predictable that the market share of ASEAN tool producers are not notable in this sector, too.

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Export	796,937	816,495	857,558	826,171	854,677
ASEAN Export	2,819	2,398	3,467	6,157	6,788
ASEAN Market Share	0.4%	0.3%	0.4%	0.7%	0.8%

The following table shows the main ASEAN producers in this sector.

Values in (1,000 USD)	2012	2013	2014	2015	2016
Singapore	1,464	1,698	2,139	2,589	3,039
Indonesia	175	93	535	2,484	2,933
Thailand	315	439	518	716	547
Malaysia	839	143	231	336	205
Vietnam	12	7	3	21	33
Brunei Darussalam	7	17	37	8	30
Philippines	0	0	1	1	1
Myanmar	--	--	1	2	--
Lao People's Democratic Republic	7	1	2	--	--

Singapore and Indonesia improved their export by between 17 and 18%; As for Thailand and Malaysia, they lost their power of export by 23% and 39% respectively.

### HS Code 820540 Imports in ASEAN:

In this sector, ASEAN market size for exporters grew sharply by nearly 2% in comparison with 2015. The value of ASEAN import in this sector increased by 59% in 2015-2016 and the world market increased by 8% in the same period of time.

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Import	624,759	630,152	673,577	662,078	718,788
ASEAN Import	23,614	22,792	23,650	26,114	41,617
ASEAN Market Size for Exporters	3.8%	3.6%	3.5%	3.9%	5.8%

Like the previous categories, Vietnam was the leading country in the import sector and its value increased sharply by 500%. Other countries except for Singapore and Thailand increased their imports.

Values in (1,000 USD)	2012	2013	2014	2015	2016
Vietnam	1,551	1,855	2,947	3,517	17,924
Indonesia	5,967	6,764	5,518	5,002	6,418
Thailand	7,614	6,959	6,441	6,674	6,333
Malaysia	2,795	2,098	2,073	3,312	4,026
Singapore	4,531	3,856	4,797	5,556	3,392
Philippines	438	515	806	1,404	1,837
Cambodia	32	16	58	65	800
Myanmar	361	484	496	338	594
Lao People's Democratic Republic	100	63	311	89	154
Brunei Darussalam	225	182	203	157	139

### HS Code 820540 Exports in ASEAN:

Some unusual phenomena happened in this sector. ASEAN had 2.5% of the world market in 2015 but suddenly it dropped to 0.7% in 2016! Their export value dropped by more than 70%!

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Export	675,860	648,771	719,827	721,018	777,080
ASEAN Export	5,578	7,365	12,939	17,797	5,585
ASEAN Market Share	0.8%	1.1%	1.8%	2.5%	0.7%

The following table shows that the problem was caused by Vietnam. Vietnam was the biggest exporter in this sector in ASEAN region with 10 million USD, but in 2016 its export value dropped very sharply to 335 thousand USD!!

Another strange item is the improving export power of Thailand and Malaysia in this field. If you check previous data, Malaysia's and Thailand's exports were both negative.

Values in (1,000 USD)	2012	2013	2014	2015	2016
Thailand	1,318	2,230	2,955	2,640	2,735
Singapore	3,066	2,772	4,226	4,992	2,210
Vietnam	1,019	2,183	5,395	10,013	335
Malaysia	72	134	167	98	245
Philippines	23	11	113	9	40
Indonesia	78	31	67	35	15
Brunei Darussalam	2	3	6	5	5
Myanmar	--	1	--	5	--
Lao People's Democratic Republic	--	--	10	--	--

## HS Code 820790 Imports in ASEAN:

The world market of HS Code 820790 was the biggest in comparison with the other 4 previously mentioned markets. It was a 3 billion USD market. ASEAN consumers represented 15.6% share in this category, and their total import value was about 467 million USD.

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Import	3,710,988	3,456,580	3,353,950	2,995,903	2,995,445
ASEAN Import	689,675	542,673	494,311	439,008	466,816
ASEAN Market Size for Exporters	18.6%	15.7%	14.7%	14.7%	15.6%

Thailand, representing more than 40% of ASEAN import, was the biggest market for this type of tools, while Malaysia and Singapore were respectively ranked in the 2nd and 3rd places in this region.

Values in (1,000 USD)	2012	2013	2014	2015	2016
Thailand	233,717	207,708	207,575	182,421	189,374
Malaysia	163,016	119,771	104,483	99,064	84,241
Singapore	224,090	167,109	123,690	93,546	76,049
Philippines	3,282	3,493	3,595	11,169	40,018
Vietnam	8,264	8,108	10,082	14,413	38,263
Indonesia	47,748	28,045	34,228	28,339	26,427
Myanmar	2,474	3,804	4,059	2,649	9,113
Brunei Darussalam	5,987	4,005	5,989	6,277	2,090
Lao People's Democratic Republic	1,007	566	489	1,075	697
Cambodia	90	64	121	55	544

## HS Code 820790 Exports in ASEAN:

In this category, ASEAN producers were more active than they were in the other categories. They exported 10% of the world's need in this type of tools. Studying the statistics shows that the market share of ASEAN dropped in comparison with 2012. (They provided 25% of the world's need in 2012!) So, the negative trend notified people of a strong competitor.

Values in (1,000 USD)	2012	2013	2014	2015	2016
World Import	3,260,518	3,243,330	3,025,285	2,575,416	2,613,901
ASEAN Import	816,638	638,937	370,547	250,884	267,868
ASEAN Market Share	25.0%	19.7%	12.2%	9.7%	10.2%

Singapore was the biggest loser in this market, as it lost 80% of its market. Malaysia was the 2nd loser, as it lost 71% of its market in comparison with the record in 2012.

Philippines and Vietnam were the biggest winners. Philippines improved its market sharply starting from 2012 and now it was 21 times bigger than that time. Vietnam also controlled its market professionally (Its market dropped in 2012-2015 and suddenly it improved sharply in 2016).

Values in (1,000 USD)	2012	2013	2014	2015	2016
Singapore	642,528	489,376	238,898	147,157	127,584
Thailand	37,724	36,409	38,931	37,082	53,603
Malaysia	128,051	102,005	84,231	40,876	36,126
Philippines	1,361	717	3,953	19,932	31,184
Vietnam	3,279	2,714	1,307	684	13,912
Indonesia	2,869	4,975	2,398	2,698	4,463
Brunei Darussalam	814	2,713	369	2,344	817
Myanmar	10	27	440	76	154
Cambodia	0	0	0	34	21
Lao People's Democratic Republic	2	1	20	1	4

## Last Word

It seems that ASEAN countries acted normally in these sectors (sometimes dropped their market and sometimes increased), but the fluctuations were not very strange except for Vietnam.

What happened in Vietnam?

Industry is about 40% of Vietnam's GDP. Vietnam's GDP grew 6.1% in 2016 and its import increased like a rocket.

Vietnam is expected to be the new paradise in ASEAN region for exporters and investors at least in the next 10 years. □