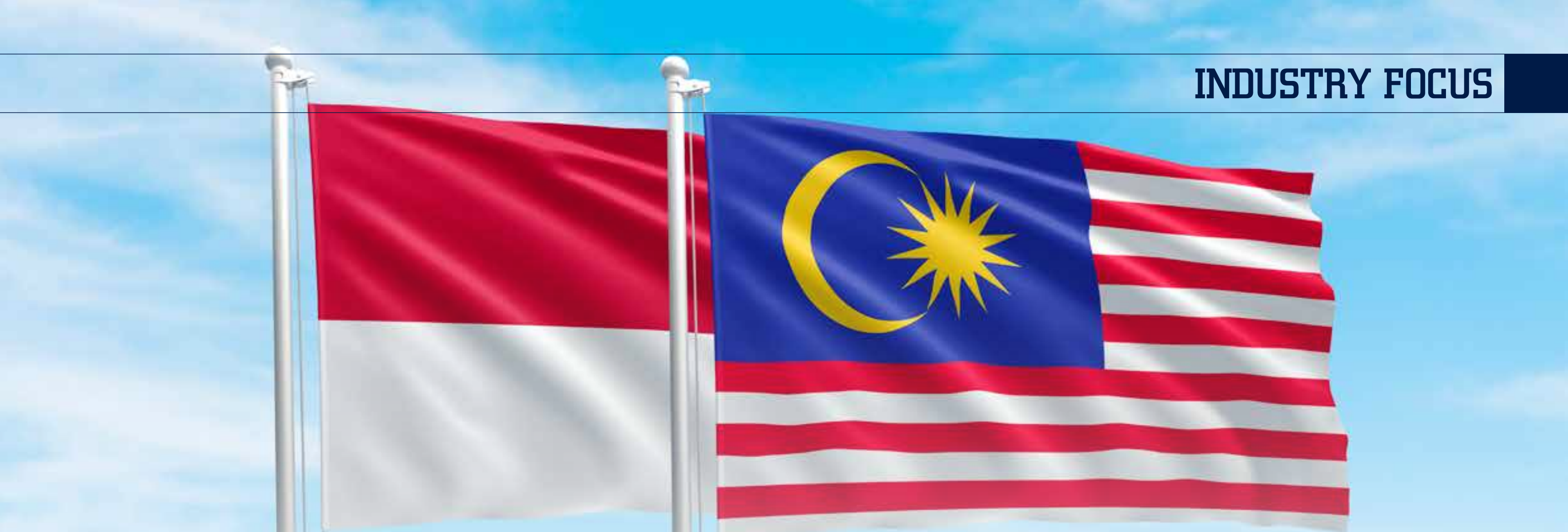

Fastener Trade Statistics of Indonesia and Malaysia in 2026

Copyright owned by Fastener World / Article by Behrooz Lotfian

Indonesia and Malaysia are two of Southeast Asia's most important markets for industrial fasteners, but they offer fundamentally different commercial opportunities.

Demand-oriented, localisation and import-substitution strategy

US$537 million import | **US$102** million export

Becoming a manufacturing, distribution and regional-export platform

US$587 million import | **US$285** million export

Indonesia is primarily a large, import-dependent consumption market. Its construction industry, automotive assembly operations, mining sector, machinery producers, shipyards, energy projects and general manufacturing base generate substantial demand for screws, bolts, nuts, washers, rivets and engineered fastening systems. In the latest fully comparable annual HS 7318 dataset, Indonesia imported approximately US$537 million of iron and steel fasteners while exporting only about US$102 million. This produced a fastener trade deficit of roughly US$435 million and an import-to-export ratio of more than five to one.

Malaysia is also a net importer, but its position is more balanced. It combines domestic consumption with contract manufacturing, electronics production, automotive assembly, aerospace activities, oil and gas services, export-oriented engineering and regional distribution. Malaysia imported approximately US$587 million of HS 7318 products and exported around US$285 million, producing a trade deficit of approximately US$302 million. Its export base was therefore almost three times the size of Indonesia's despite Malaysia's considerably smaller population and domestic economy.

The combined recorded trade of the two countries—imports plus exports—was approximately US$1.51 billion in the latest fully comparable dataset. Combined imports reached around US$1.12 billion, while combined exports approached US$388 million.

Indonesia: A Large Import-Dependent Fastener Market

Indonesia imported approximately US$537 million of HS 7318 fasteners in the latest fully comparable annual dataset. Imports had declined by around 8.7% from approximately US$589 million in the previous year, but they still represented about 0.24% of Indonesia's total merchandise imports. Indonesia exported approximately US$102 million of HS 7318 products, down about 11.9% year on year. Fasteners accounted for only around 0.04% of the country's total merchandise exports.

The difference between US$537 million of imports and US$102 million of exports demonstrates that Indonesia's domestic fastener industry has not yet satisfied the full technical range, certification level, quality consistency or production volume required by its industrial economy. The country's approximate import-to-export ratio was 5.3 to one. Its estimated fastener trade deficit of US$435 million was about 44% larger than Malaysia's fastener deficit.

Indonesia's Major Fastener Import Sources Include:

Japan	China	Thailand	Australia	Germany	Singapore	S. Korea	USA	Italy
US$212 million (39%)	US$86 million (16.1%)	US$40 million	US$30 million	US$26 million	US$24 million	US$23 million	US$20 million	US$16 million

This supplier structure is unusual and strategically important. In many emerging markets, China dominates standard fastener imports by a wide margin. Indonesia's dependence on Japan indicates that a significant portion of its demand is connected to Japanese automotive, machinery and industrial supply chains.

Japanese vehicle manufacturers and component suppliers have operated in Indonesia for decades. Their supply systems tend to require approved materials, precise tolerances, controlled heat treatment, documented processes, reliable coatings and long-term quality consistency. These requirements favour established suppliers over unknown low-cost entrants.

China's position is still substantial and is likely stronger in general-purpose screws, construction fasteners, standard nuts and bolts, retail hardware and price-sensitive industrial applications. Thailand's role reflects its automotive and engineering integration with other ASEAN economies.

For exporters, Indonesia should therefore not be treated as one homogeneous market. It contains at least three major competitive arenas:

1. Price-driven standard fasteners, where Chinese suppliers are extremely difficult to beat.
2. Japanese-linked automotive and machinery supply chains, where approvals and reliability matter more than the lowest price.
3. Project and maintenance demand from mining, energy, infrastructure, marine and heavy industry, where availability, corrosion resistance and technical support can create higher margins.

Indonesia's Export Structure:

HS 731815—Other threaded screws and bolts | US$68 million (66%)

HS 731816 Nuts | US$20 million (19.8%)

HS 731829 Other non-threaded articles | US$7 million

HS 731822 Washers | US$3.2 million

Indonesia's major export destinations included:

Philippines	Germany	Thailand	Japan	Netherlands	India	Malaysia	Singapore
21%	18%	11.3%	6.1%	6%	5.5%	5.3%	3.9%

The Philippines, Thailand, Malaysia and Singapore demonstrate Indonesia's regional ASEAN role. Germany and the Netherlands indicate participation in European industrial and distribution channels, although the exact amount of genuine Indonesian value added must be assessed carefully. Some exports may involve foreign-owned manufacturers, contract production or re-exporting.

Indonesia's fastener exports fell faster than its imports during the reference year. That is not a positive competitive signal. It suggests that Indonesia's domestic producers were not yet gaining enough international market share to offset weaker global conditions.

Evidence from 2024 Product-Level Trade

More recent subcategory data reinforce China's position in price-sensitive product segments. Indonesia imported approximately US$17.55 million of self-tapping iron or steel screws under HS 731814 in 2024. China supplied roughly US$10.11 million, or close to 58% of the subcategory's import value.

Japan supplied about US$1.96 million, while the United States, Singapore and Italy were also meaningful suppliers. The unit-value differences between origins are likely to reflect product specifications, coating systems, materials, tolerances, certification and shipment mix—not merely supplier margins. For 2025, one commercial trade-data source estimated Indonesian imports under the more specific national code 73181590 at approximately US$96 million. That figure should not be confused with total HS 7318 trade, because it covers only one national tariff line. It nevertheless confirms that general screws and bolts remain a major import category for Indonesia.

Malaysia: A Manufacturing and Regional Trade Platform

Malaysia imported approximately US$587 million of HS 7318 fasteners in the latest fully comparable dataset. Imports declined by only about 2.6% from approximately US$603 million in the previous year. Malaysia exported approximately US$285 million, down around 19.4% from US$354 million. Despite this decline, Malaysia remained a much stronger fastener exporter than Indonesia.

Malaysia's import-to-export ratio was approximately 2.1 to one, compared with Indonesia's 5.3 to one. Exports covered almost 49% of imports, while Indonesia's exports covered only around 19% of its import bill.

This difference reflects Malaysia's position as an export-oriented manufacturing economy. Its fastener demand is connected not only to domestic construction but also to electrical and electronics production, semiconductor equipment, automotive manufacturing, precision engineering, aerospace, medical devices, oil and gas, fabricated metal products and machinery.

More recent market data indicate that Malaysia imported approximately US$673 million of iron fasteners in 2025. Currency conversion, revisions and differences in data methodology mean this figure should not be inserted directly into the historical US-dollar series without adjustment. It does, however, confirm that Malaysia remains a major fastener-importing economy.

Malaysia's Major Fastener (HS 7318) Import Sources Include:

China	Singapore	Japan	USA	Taiwan	Thailand	Germany	Indonesia	Hong Kong
US$196 million (33%)	US$121 million (20%)	US$71 million (12.1%)	US$45 million	US$23 million	US$20 million	US$19.5 million	US$16 million	US$15.5 million

Singapore's 20% share requires careful interpretation. Singapore is a major logistics, warehousing, trading and regional-headquarters centre. A portion of Malaysia's imports recorded as originating from or dispatched through Singapore may be manufactured elsewhere. China's leadership points to a more price-competitive sourcing structure than Indonesia's. However, Japan, the United States and Germany remain significant, indicating continuing demand for high-specification products.

Malaysia's Export Destinations Include:

Singapore	Thailand	USA	Germany	Turkey	China	Netherlands	Poland	Italy	Japan
19% (US$54 million)	13%	10.2%	7.9%	6.3%	4.4%	3.9%	3.6%	3.1%	2.7%

This is a geographically diversified export portfolio. Malaysia is not limited to ASEAN; it sells meaningful volumes into North America and Europe. HS 731815 represented approximately 60% of Malaysian fastener exports, worth around US$174 million. Nuts contributed roughly US$33 million, and other threaded articles under HS 731819 generated approximately US$25 million.

Nevertheless, the 19.4% decline in Malaysian fastener exports should not be ignored. A strong historical export position does not guarantee future competitiveness. Commodity producers face pressure from China, Vietnam, India, Thailand and Taiwan. Malaysian companies need to move toward precision, certification, engineering collaboration and shorter regional lead times.

"FASTENERS" Trade Statistics of Indonesia and Malaysia in 2026

Indonesia: strong imports and continued dependence on foreign supply. Indonesia imported approximately US$130.98 million of fasteners during the first four months of 2026 (**Table 1**). Average monthly imports were approximately US$32.75 million. April recorded the strongest monthly result at US$36.29 million, approximately 24% above March and 19% above January. The recovery in April suggests that the March decline was not necessarily evidence of a structural weakening in demand. It may instead reflect shipment timing, inventory cycles, project schedules or customs-clearance patterns. Indonesia exported approximately US$32.83 million of fasteners during the same four-month period (**Table 2**).

Table 1. Indonesia's Fastener Import (Jan-Apr, 2026), in US$ Million

2026	Imports
Jan	**30.51**
Feb	**34.95**
Mar	**29.23**
Apr	**36.29**
January–April Total	**130.98**

Table 2. Indonesia's Fastener Export (Jan-Apr, 2026), in US$ Million

2026	Exports
Jan	**9.07**
Feb	**10.08**
Mar	**7.67**
Apr	**6.01**
January–April Total	**32.83**

Unlike imports, Indonesian exports weakened during the period. Exports declined from US$10.08 million in February to US$6.01 million in April—a reduction of approximately 40% in two months. April exports were also around 34% below January's level. Consequently, Indonesia recorded an estimated fastener trade deficit of approximately US$98.15 million between January and April 2026. Exports covered only around 25% of imports, meaning that Indonesia imported roughly four dollars of fasteners for every dollar it exported.

**This confirms the central argument of the broader market analysis:
Indonesia remains primarily a large consumption and import-substitution opportunity,
rather than a major fastener export platform.**

If the average pace of the first four months continued unchanged, Indonesia's 2026 imports would approach approximately US$393 million, while exports would reach around US$98 million. However, this simple annualization should be treated cautiously. Fastener trade can be affected by automotive production schedules, major infrastructure projects, mining investment, inventory replenishment and irregular industrial shipments.

Malaysia: Higher Trade Intensity and a Stronger Export Base

Malaysia imported approximately US$184.80 million of fasteners during the first three months of 2026 (**Table 3**). Malaysia's average monthly imports were approximately US$61.60 million, nearly twice Indonesia's monthly average during the reported period. January was the strongest month, followed by a decline of around 12% in February. Imports then stabilized in March, rising slightly to US$59.16 million. This pattern indicates a large and relatively consistent industrial demand base rather than an isolated increase caused by one exceptional month. Malaysia exported approximately US$91.30 million of fasteners during the first quarter (**Table 4**).

Table 3. Malaysia's Fastener Import (Jan-Apr, 2026), in US$ Million

2026	Imports
Jan	**66.90**
Feb	**58.74**
Mar	**59.16**
January–March Total	**184.80**

Table 4. Malaysia's Fastener Export (Jan-Apr, 2026), in US$ Million

2026	Exports
Jan	**33.50**
Feb	**27.06**
Mar	**30.74**
January–March Total	**91.30**

Conclusion

The fastener markets of Indonesia and Malaysia are both commercially significant, but their structures and opportunities are clearly different. Indonesia is primarily a large, import-dependent market, supported by construction, automotive production, mining, infrastructure and general manufacturing. Its persistent trade deficit shows that domestic production still does not fully meet the country's demand in terms of volume, quality, certification and technical range. This creates opportunities for import substitution, local warehousing, technical distribution and specialised products.

Malaysia, by contrast, has a more balanced trade position and a much stronger export base. Its role in electronics, automotive manufacturing, precision engineering, oil and gas, aerospace and regional logistics makes it a more suitable platform for specialised production, regional distribution and higher-value exports.

The partial 2026 data reinforce this distinction. Indonesia continues to import far more than it exports, while Malaysia demonstrates stronger trade intensity and export capability. However, neither market offers easy growth. Competition from China remains severe in standard fasteners, while Japanese, European, American and Taiwanese suppliers maintain strong positions in high-specification segments.

Success will therefore depend on more than low prices. Companies need reliable quality, recognised certification, local inventory, rapid delivery, technical support and a clear market specialisation. Indonesia should be approached mainly as a demand, localisation and import-substitution opportunity, while Malaysia should be treated as a manufacturing, distribution and regional-export platform. ■

References

1. *Fastener World Magazine, "ASEAN Fastener Trade Statistics Insights," Issue No. 216, 2026; statistics based on HS 7318 and international trade records.*
2. *United Nations Statistics Division, UN Comtrade Database, annual merchandise-trade statistics.*
3. *World Bank, World Integrated Trade Solution, UN Comtrade-based product and partner statistics.*
4. *Department of Statistics Malaysia, External Trade Statistics, Malaysia, 2024 and monthly external-trade releases for 2025.*
5. *Statistics Indonesia, BPS, Exports and Imports of Indonesia in December 2025.*
6. *Observatory of Economic Complexity, HS 7318 world and bilateral product profiles.*
7. *UNCTAD, Key Statistics and Trends in International Trade 2024.*
8. *WTO, Tariff and Trade Data: Malaysia country profile.*