

# Fastener Trade Condition Between Taiwan & ASEAN

Reuters reported on 30th Apr 2014 that Taiwan's export-dependent economy grew at its quickest pace in over a year in the first quarter, according to data showed previously, suggesting rising momentum in developed economies and an improving outlook for the global tech sector. Therefore a booming market in fastener business will be expected.

Based on statistics by Directorate General of Customs, Ministry of Finance, ROC, Taiwan's export on steel and iron fastener (CCC Code 7318) category was more than US\$1.6 billion during the first 5 months of 2014. The details are shown in the below table:

Month	2013/01-2013/05	2014/01-2014/05	Growth Rate (%)
Total	US\$1,468,249,188	US\$1,636,149,977	11.4%

It is clear that export of a country is related to their partners' economic development. An 11.4% increase in export during the first 5 months of 2014 in comparison with the same period in 2013, depended on the globally improving automotive industry and EU's and U.S. antidumping rules, etc.

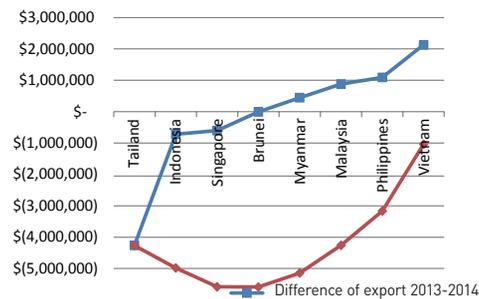
Fastener business in ASEAN region is totally different. There was a 1.2% decrease in Taiwan's export in ASEAN region and 0.66% decrease in Taiwan market share in ASEAN at the same period, which was an evidence of some problems (see the table below).

	2013/01-2013/05	2014/01-2014/05	Growth Rate (%)
Total Export	US\$85,557,613	US\$84,520,330	-1.2%
ASEAN market share of Taiwan fastener export	5.83%	5.17%	-0.66%

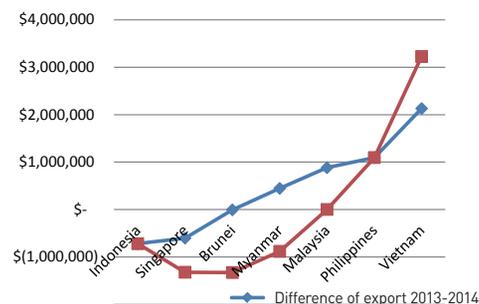
For better analysis the following table shows Taiwan's export to ASEAN region in the first 5 months of 2013 and 2014.

	2013/01-2013/05	2014/01-2014/05	Growth Rate (%)
Thailand	US\$26,704,636	US\$22,441,884	-16.0%
Singapore	US\$18,174,217	US\$17,572,662	-3.3%
Vietnam	US\$14,211,143	US\$16,340,380	15.0%
Indonesia	US\$10,574,017	US\$9,855,354	-6.8%
Philippines	US\$7,800,808	US\$8,893,877	14.0%
Malaysia	US\$7,743,970	US\$8,626,469	11.4%
Myanmar	US\$341,227	US\$788,115	131.0%
Brunei	US\$7,595	US\$1,589	-79.1%
Total Export	US\$ 85,557,613	US\$84,520,330	-1.2%

Taiwan's Export to ASEAN Including Thailand



Taiwan's Export to ASEAN Excluding Thailand



The diagrams above show that if Thailand is eliminated from the region, Taiwan's export to ASEAN region will have 5.5% growth.

Thailand as the big partner of Taiwan in the ASEAN region has been engaged with a serious political problem since 2013 and it is the main cause to decrease their import from Taiwan.

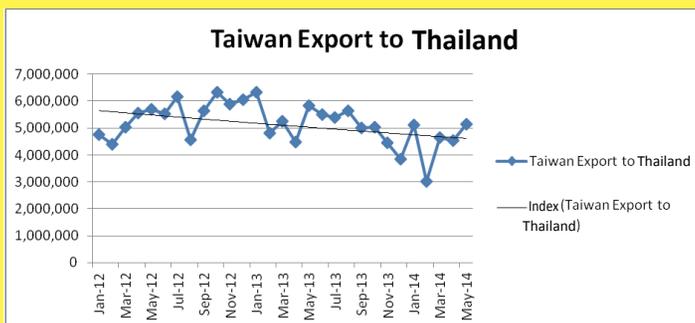
Taiwan Global Export



## Monthly Analysis Based on Export to ASEAN

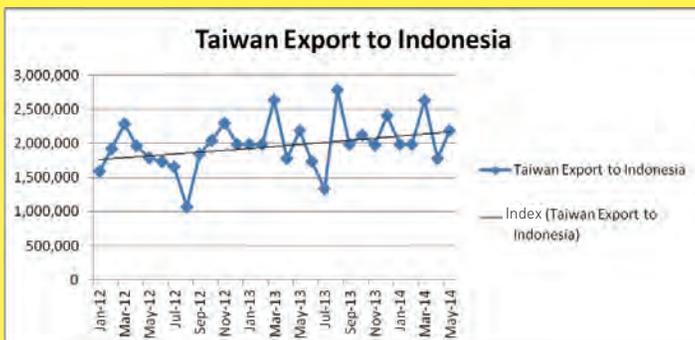
### • Thailand

The following graph shows that Taiwan's fastener export to Thailand has a negative slop; however, the negative slop is not sharp; therefore it should be noted that the positive point is that Taiwan's export to Thailand is between 4 million to 6 million till the end of 2014 and we reach to conclusion that Thailand can remain the biggest market of Taiwan in the ASEAN region.



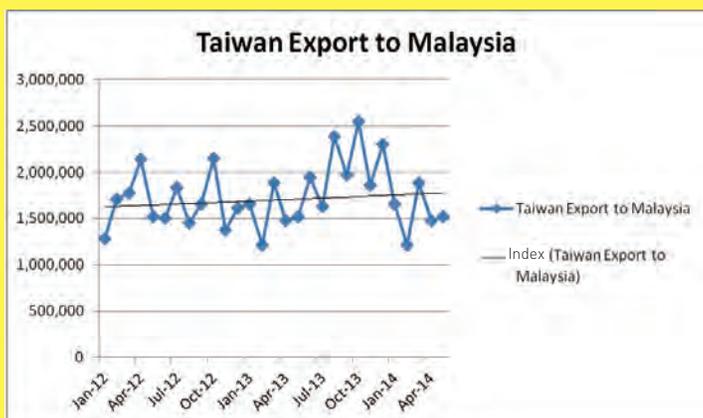
### • Indonesia

Indonesia has a mild positive trend; hence, it can be expected to be a 2.5 million USD monthly.



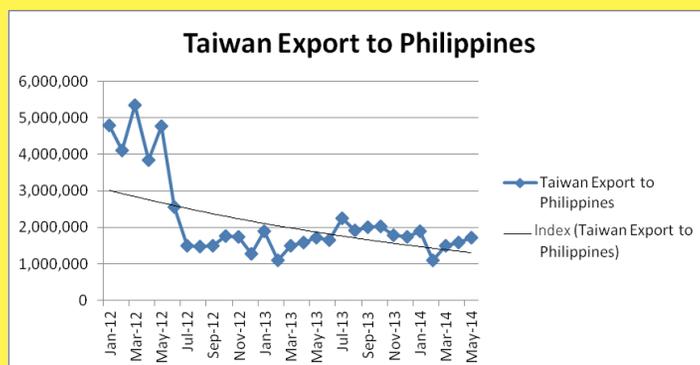
### • Malaysia

Malaysia has a stable market for Taiwanese fastener exporter. The slop of the import of the fastener from Taiwan to Malaysia is almost zero. It is an uncontested market.



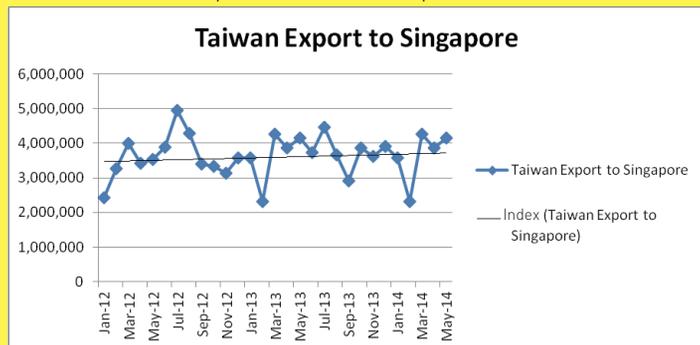
### • Philippines

Philippines market became weak sharply in the 2nd quarter of 2012 and it seems after that period it has been remaining stable. The positive point in the Philippines market is that Philippines problems had been solved and Taiwanese manufacturers can count on this market as a stable market.



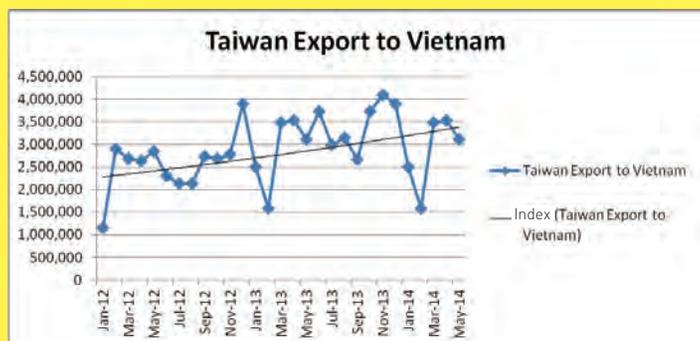
### • Singapore

Singaporean market is also considered as a stable market for Taiwanese manufacturers. However, it is expected that this market will boom after ASTEP agreement which has been implemented since April 2014.



### • Vietnam

It seems that the Vietnamese market is a booming market. The positive slop shows that this market is growing up sharply, and it can be a good replacement for the market of Thailand.



### • Myanmar & Brunei

These two countries are not serious markets for Taiwanese fastener manufacturers.

At the end, statistics show that Taiwanese manufacturers can expect a booming market for this year and also for next year.