

The Analysis of Canada's Fastener Trade in 2019

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Introduction

Canada is the world's second largest country in terms of territory and has the 10th largest economy in the world. In 2019, Canada reached a population of about 36.7 million. It has the 17th largest GDP (1.8 trillion USD) in the world. Its GDP per capita is 48,265 USD, mainly contributed by the service sector (70.2%), the industry sector (28.2%), and the agriculture sector (1.6%). Canada's economic freedom score is 77.7, making its economy the 8th freest in the 2019 Index.

Based on the GDP segmentation, Canada generated the amount of 488 billion USD from the industry section.

Canada's Fastener Statistics

Canada imported 1.643 billion USD worth of fasteners in 2018 and the figure increased about 0.9% in 2019 to about 1.66 billion USD. Its exported fastener value was 583 million USD in 2018 and this value was augmented by 4.5% in 2019.

Canada's Fastener Import

The following Graph 1 and Table 1 indicate "the quarterly fluctuations of Canada's imported fastener values." The base period is Q1 2018.

Table 1. Quarterly Fluctuations of Canada's Imported Fastener Values in 2018-2019

Import from the World	2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Unit: 1,000 USD	397,475	440,408	407,495	398,101	415,286	437,256	418,441	387,115
Fluctuation	0%	10.8%	-7.5%	-2.3%	4.3%	5.3%	-4.3%	-7.5%
Acc. fluctuation	0%	10.8%	3.3%	1.0%	5.3%	10.6%	6.3%	-1.2%

The right-hand graph depicts that the positively rising trend of the imported fasteners market in Canada, can be interpreted in a way that although in year 2019, Canada's market evolved 0.9% bigger than its previous year (2018) but the trend unveils that this expansion can be unstable and volatile in year 2020, in other word, to the best of the author's knowledge Canada may possess a smaller market.

USA- the Main Fastener Import Origin to Canada

- Graph 2 demonstrates the market share of U.S. fasteners in Canada's market. Its percentage in the 1st quarter of 2018 was the highest (reaching 51.6%) and its percentage in the 4th quarter of 2018 is the lowest (reaching 48.1%).

Graph 1. Quarterly Fluctuations of Canada's Imported Fastener Values in 2018-2019

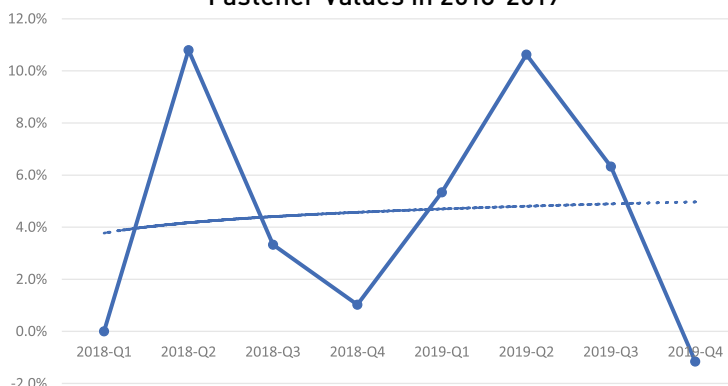


Table 2. Quarterly Fluctuations of Canada's Imported Fastener Values from USA in 2018-2019

Exporter		2018				2019			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
USA	Unit: 1000 USD	204,963	213,225	197,254	191,623	210,200	217,702	212,666	198,388
	% in Canada's total import	51.6%	48.4%	48.4%	48.1%	50.6%	49.8%	50.8%	51.2%
	Fluctuation	0%	-6.1%	0.0%	-0.6%	5.2%	-1.6%	2.1%	0.8%
	Acc. fluctuation	0%	-6.1%	-6.1%	-6.7%	-1.5%	-3.2%	-1.1%	-0.3%



- U.S. export to Canada in the 2nd quarter of 2019 reached the highest record at 217.7 million USD.
- The 4th quarter of 2018 shows the lowest value of imported fasteners from USA and the value was around 191.6 million USD.
- In the 4th quarter of 2019, the U.S. had lost its market share by 0.3% since the 1st quarter of 2018.

The trend of U.S. market share was almost stable for about 50%, hence, it can be estimated that the import of fasteners will be diminished in the 1st quarter of 2020.

Taiwan- the 2nd Biggest Fastener Import Origin to Canada

- Graph 3 shows the market share of Taiwanese fasteners in Canada's market. Its percentages in the 2nd and 3rd quarters of 2018 were both the highest (reaching 15.7%) and the percentage in the 4th quarter of 2019 was the lowest, reaching 13.2%.
- Taiwanese export to Canada in the 2nd quarter of 2018 reached the highest record at 69.3 million USD.
- The 4th quarter of 2019 shows the lowest value of imported fasteners from Taiwan and the value was 50.9 million USD.
- In the 4th quarter of 2019, Taiwan had lost its market share by 1.4% since the 1st quarter of 2018.

Table 3. Quarterly Fluctuations of Canada's Imported Fastener Values from Taiwan in 2018-2019

Exporter		2018				2019			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Taiwan	Unit: 1000 USD	54,021	69,295	64,139	60,602	59,671	63,872	60,880	50,911
	% in Canada's total import	13.6%	15.7%	15.7%	15.2%	14.4%	14.6%	14.5%	13.2%
	Fluctuation	0%	15.8%	0.0%	-3.3%	-5.6%	1.7%	-0.4%	-9.6%
	Acc. fluctuation	0%	15.8%	15.8%	12.5%	6.9%	8.6%	8.2%	-1.4%

The trend of Taiwan's market share was around 14.5%, so it is predicted that the import of fasteners from Taiwan will be enhanced in the 1st quarter of 2020.

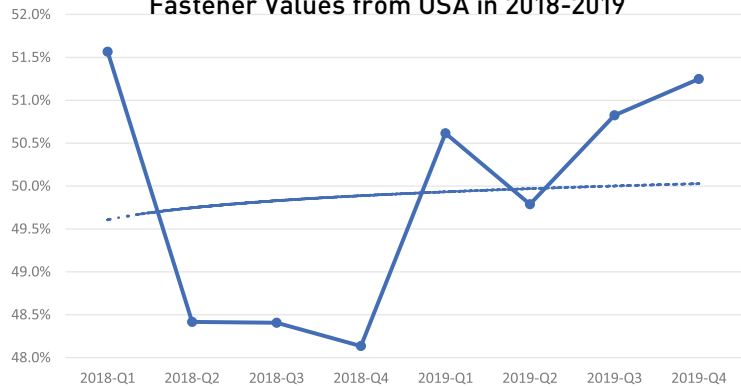
China- The 3rd Biggest Fastener Import Origin to Canada

- Graph 4 demonstrates the market share of Chinese fasteners in Canada's market. Its percentage in the 4th quarter of 2018 was the highest, reaching 14.1% and the percentage in the 1st quarter of 2018 was the lowest, reaching 11.9%.
- China's export to Canada in the 2nd quarter of 2019 reached the highest record at 58.9 million USD.
- The 1st quarter of 2018 shows the lowest value of imported fasteners from China and the value was 47.1 million USD.
- In the 4th quarter of 2019, China had expanded its market share by 5.9% since the 1st quarter of 2018.

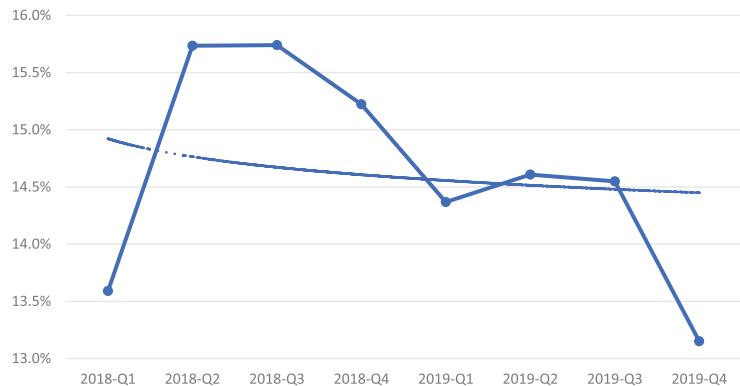
Table 4. Quarterly Fluctuations of Canada's Imported Fastener Values from China in 2018-2019

Exporter		2018				2019			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
China	Unit: 1000 USD	47,132	57,424	55,271	56,039	53,083	58,863	52,741	48,026
	% in Canada's total import	11.9%	13.0%	13.6%	14.1%	12.8%	13.5%	12.6%	12.4%
	Fluctuation	0%	10.0%	4.0%	3.8%	-9.2%	5.3%	-6.4%	-1.6%
	Acc. fluctuation	0%	10.0%	14.0%	17.8%	8.6%	13.9%	7.5%	5.9%

Graph 2. Quarterly Fluctuations of Canada's Imported Fastener Values from USA in 2018-2019



Graph 3. Quarterly Fluctuations of Canada's Imported Fastener Values from Taiwan in 2018-2019



The trend of Chinese market share can be stable to 13.5%, so it is predicted that the import of fasteners will increase in the 1st quarter of 2020.

Canada's Fastener Export

USA- The Main Market for Canada's Fastener Export

- Graph 5 shows the share of USA in Canada's fastener export. Its percentage in the 4th quarter of 2018 was the highest, reaching 82.3% and the percentage in the 4th quarter of 2019 was the lowest, reaching 79.6%.
- Canada's export to the U.S. in the 2nd quarter of 2019 reached the highest record at 107.9 million USD.
- The 4th quarter of 2019 shows the lowest value of exported fasteners to USA and the value was 94.4 million USD.
- In the 4th quarter of 2019, Canada had lost its share in its fastener export to USA by 0.7% since the 1st quarter of 2018.

Table 5. Quarterly Fluctuations of Canada's Exported Fastener Values to USA in 2018-2019

Importer		2018				2019			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
USA	Unit: 1000 USD	99,077	97,522	95,084	99,669	106,127	107,862	99,765	94,437
	% in Canada's total export	80.2%	80.8%	80.8%	82.3%	80.6%	82.0%	81.0%	79.6%
	Fluctuation	0%	0.7%	0.0%	1.9%	-2.0%	1.7%	-1.2%	-1.8%
	Acc. fluctuation	0%	0.7%	0.8%	2.6%	0.6%	2.3%	1.1%	-0.7%

The trend of U.S. share in Canada's fastener export can be stable at 81.0%, so it is anticipated that the export of fasteners to USA will increase in the 1st quarter of 2020.

Summary

Export to Canada

Table 6 reveals that Canada has imported over 50% of its fastener requirement from USA. Taiwan as the 2nd biggest fastener import origin to Canada has gained a 14.2% share in Canada's fastener import, and China, considered as the 3rd biggest fastener import origin, gained a 12.8% share.

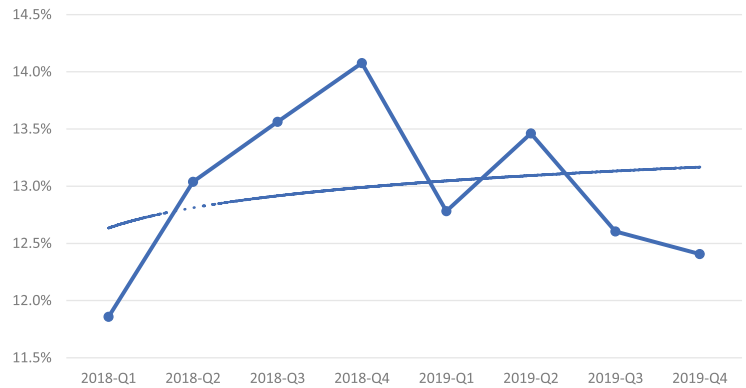
Table 6. Top 3 Countries Exporting Fasteners to Canada in 2018-2019

Exporters	2018	2019
USA	807,065	838,956
Average Share of USA	49.10%	50.60%
Taiwan	248,057	235,334
Average Share of Taiwan	15.10%	14.20%
China	215,866	212,713
Average Share of China	13.10%	12.80%

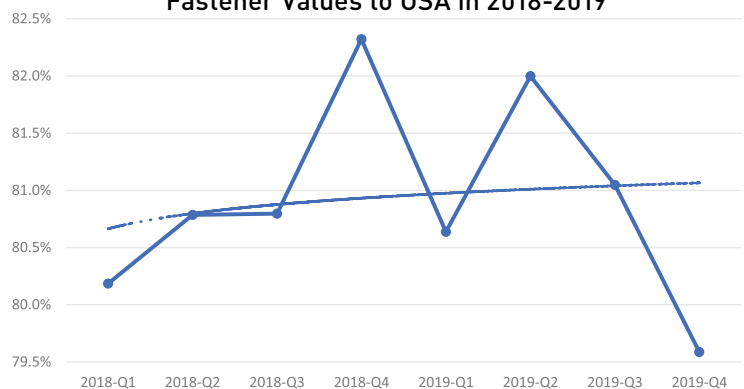
Table 7. Top 2 Countries Importing Fasteners from Canada in 2018-2019

Importer	2018	2019
USA	391,352	408,191
Average Share of USA	81.0%	80.8%
Mexico	17,766	22,134
Average Share of Mexico	3.7%	4.4%

Graph 4. Quarterly Fluctuations of Canada's Imported Fastener Values from China in 2018-2019



Graph 5. Quarterly Fluctuations of Canada's Exported Fastener Values to USA in 2018-2019



Import from Canada

USA is involved in trading with Canada and it is considered as the main market for Canada's fastener industry. It should be highlighted that 81% of Canada's export has been taken by U.S. consumers in 2018; however, this share decreased about 0.2% in 2019.

Mexico's share as the 2nd largest market for Canada's fastener export, was 3.7% in 2018 and increased by 0.7% in 2019.

Meanwhile, the import statistics depict that U.S. market is placed as the major market for Canada's fasteners; the other countries only purchase about 20% of Canada's exported fasteners.

(Unit: 1,000 USD)

