

# Brazilian News



## Brazil and Its Dilemma

On July 16, 2025, Mr. Mário Cezar de Aguiar, president of FIESC (the Federation of Industries of the State of Santa Catarina, Brazil), led a delegation of metalworking industry executives to a meeting with Mr. Geraldo Alckmin, the Brazilian Vice President and Minister of Development, Industry, Commerce, and Services (MDIC). The discussion focused on ways to counteract the effects of tariffs imposed by the United States under President Donald Trump.

“Retaliation would be the worst course of action, as it would only increase losses for Brazilian industry. Besides working to reduce tariffs, we need alternatives—such as extending the deadlines for their implementation—to give companies time to reorganize and explore new markets,” said Aguiar.

“Even if tariffs don’t return to previous levels, we must reach a rate that keeps the U.S. market relevant for Brazilian exports,” the FIESC president emphasized. He added, “Industries in Santa Catarina intend to collaborate closely with their North American customers, who can exert pressure on their government by highlighting the impact these tariffs have on consumers. The vice president understands the numbers and fully recognizes the importance of this issue.”

Accompanied by executives from Brazilian fastener manufacturers, Aguiar also stressed the need to include semi-finished steel and aluminum products in trade defense strategies, aiming for tax equality. “At present, we face an influx of Chinese products, with fasteners arriving in Brazil at prices so low they nearly match the raw material costs paid by Brazilian manufacturers,” he said. Aguiar concluded by noting the significance of the sector in Santa Catarina, which provides many jobs.

Source: [www.fiesc.com.br](http://www.fiesc.com.br)



◀ Left to right: Rafael Arnold (Rex), Ricardo Fey (Fey), Barbara Boewing (Metalbo), Mário C. Aguiar, Geraldo Alckmin, Carlos R. Schneider and Hugo Schneider (Ciser), Ricardo S. Castelhana and Fernando Suarez (Jomarca), Rodrigo Zerbone (Camex)



## Brazilian Steel Production in the First Half of 2025

The local production is practically the same as in the year 2024; however, now we have the factor of Trump.

Brazilian crude steel production (million tons)	January > December		January > June	
	2023	2024	2024	2025
	32.03	33.8	16.419	16.498

Over the past decade, Brazil has produced an average of about 33 million tons of steel annually, with roughly 28% of that amount exported to overseas markets. Meanwhile, steel imports into Brazil have remained steady at around 6 million tons per year.

In 2024, the United States was Brazil’s second-largest steel customer, importing about 4 million tons of Brazilian steel. Iron and steel products ranked as Brazil’s second most exported category to the U.S., with total sales reaching approximately US\$ 2.8 billion that year. The tariffs imposed during President Trump’s administration have created complete uncertainty about the future—both for Brazil and internationally. What’s especially troubling is that the United States, which has a trade surplus with Brazil, is applying tariffs as high as 50% on steel and other products, including orange juice and coffee. So, “good morning,” Mr. Trump—Brazil is still waiting for a clearer path forward.

Sources: [www.mdic.gov.br](http://www.mdic.gov.br); [www.acobrasil.org.br](http://www.acobrasil.org.br); [www.bbc.com/portuguese](http://www.bbc.com/portuguese)







## Here Comes a New Fastener Import Record

Brazil's purchase of fasteners can exceed US\$ 1.3 billion in 2025.

Fasteners	Export	Import
First Half 2024	US\$ 91,73 million (↓ 9.1%)	US\$ 533,85 million (↑ 7.1%)
	13,944.86 tons (↓ 20.5%)	114,581.2 tons (↑ 23.7%)
First Half 2025	US\$ 82,64 million (↑ 8.7%)	US\$ 609,52 million (↑ 14.2%)
	13,403.92 tons (↑ 18.1%)	135,065.5 tons (↑ 17.9%)

Based on the 14.2% increase in Brazilian fastener imports during the first half of 2025, it is possible that total imports for the year will reach a record high of US\$ 1.291 billion. In terms of volume, imports have risen by 17.9% (in 2024, Brazil imported 255,868.6 tons).

However, this growth could be even higher.

Economic activity in Brazil during January to June is usually slower compared to the warmer second half of the year. This suggests that import volumes and values could increase further in the coming months, potentially pushing 2025's fastener imports beyond US\$ 1.3 billion and close to 300,000 tons—setting a new record.

Source: [www.gov.br/en](http://www.gov.br/en)



## ABTS Held a Fastener Surface Treatment Conference

The event was titled "Fasteners and Coatings: Industry Innovations and Challenges"



▲ Patricia Neumann



▲ Dr. Roberto Garcia

In 2024, Brazil imported a total of US\$ 1.132 billion worth of fasteners, with US\$ 111 million (9.8%) delivered to the state of Santa Catarina. São Paulo led with US\$ 528 million (46.6%) in imports, while neighboring Paraná received US\$ 45.7 million (9%). This highlights the strong industrial presence not only in Santa Catarina but also in the surrounding region. In May, Blumenau, Santa Catarina, a fastener coatings conference was hosted by ABTS, the Brazilian Surface Treatment Association. The event brought together local experts, professionals from automakers, suppliers, and general users.

The conference, held by the Micro and Small Business Association (AMPE), located near the famous Blumenau pavilion at Oktoberfest, was titled "ABTS: Fasteners and Coatings: Innovations and Challenges in the Sector." Its main speaker was Dr. Roberto Garcia, a physicist and chemist known for his extensive expertise and passion for advancing knowledge about fasteners. The event also featured a special presentation by Patricia Neumann, Supplier Quality Engineer at Volvo do Brazil.



## Raw Material Prices Help, but Not Enough to Solve the Local Production Troubles



◀ Mr. Ricardo Castelhana, CEO of Jomarca Industrial de Parafusos

In the USA and Europe, none of the ten largest companies are banks; in Brazil, five of the top ten are. A strong banking sector isn't necessarily bad, but it can indicate that domestic manufacturing has not been prioritized. What does this mean for domestic fastener manufacturing?

Top Ten Global Economy 2024		
GDP in trillion US\$		
Country	Annual GDP	Annual Interest Rate
USA	29,16	4.5%
China	18,27	3.0%
Germany	4,71	2.15%
Japan	4,07	0.5%
India	3,88	5.5%
UK	3,33	4.25%
France	3,04	2.4%
Italy	2,18	2.15%
Canada	2,179	2.75%
Brazil	2,179	15.0%

One reflection of this is how companies finance capital investments. In Brazil, 59–74% of machinery and equipment purchases are financed with companies' own funds; in the USA, only 18% is self-financed. This shows that financing is costly for Brazilian businesses—annual interest rates have been around 15%. The COVID-19 pandemic that broke out in 2020 served as a laboratory for dealing with shortages: steel and other inputs became scarce and very expensive. Fortunately, steel—which accounts for roughly 40% of a fastener's cost—has been recovering since the end of 2020. As of July 7, 2025, prices have fallen in four of the last five months. Nevertheless, a large volume of finished fasteners from China has arrived in Brazil, often priced about 30% below the local manufacturing cost. Over the past 12 months, this has contributed to a 25% decline in domestic production, hurting local jobs and effectively turning Brazil into a net exporter of jobs in this sector.







## Böllhoff in the Fight Against Bone Marrow Cancer



▲ Böllhoff Brazil Team: Tayssa Prezotto, Simone Lazarotti (Ana Teresinha Jesus, Rotary Club of Jundiaí Conexão), Edna Murakava and the Doctors of Joy group

On July 23, 2025, Böllhoff Brazil held the 11th edition of its donor recruitment campaign to support

people suffering from bone marrow cancer. With the help of the Rotary Club of Jundiaí, SP, and the Blood Center of Unicamp (State University of Campinas, SP), the entire program took place at the Böllhoff Bone Marrow Institute, located in the company's Jundiaí unit.

“Supporting the bone marrow registry is vital to saving lives. Bone marrow produces blood cells, and a transplant can be the only hope for patients with serious illnesses like leukemia. Each new registration increases the chance of finding a compatible donor, giving patients a fresh chance at life,” said Simone Lazarotti, Böllhoff’s executive secretary, campaign coordinator, and Rotarian. She added, “In addition to our supporting organizations, we were delighted to have the ‘Doctors of Joy’—a fun, animated group. The campaign will continue on November 19, 2025. Participating is easy but can make a huge difference for those in need and deeply touch the hearts of donors. We invite everyone to join us!” ■

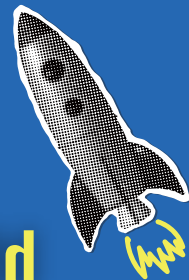
by Sergio Milatias, ‘Revista do Parafuso’  
(The Fastener Brazilian Magazine)

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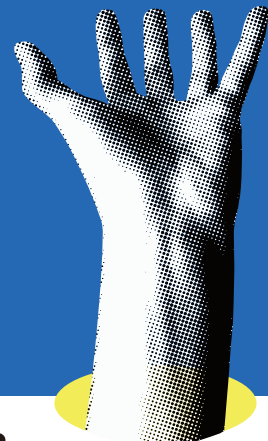
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