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# Regrouping for Growth: Decoding Taiwan's 2025 Fastener Export Shifts

## 1. Introduction

As the global manufacturing landscape for fasteners quietly shifts toward Türkiye, India, and Vietnam, these seemingly insignificant "fasteners" in manufacturing modules are becoming a litmus test of geo-economic trends. Who can transform manufacturing into a strategic advantage? The answer lies in Taiwan's speed of transformation.

After several rounds of tariff battles in the US-China trade war, the relocation of Asian manufacturing bases has evolved from a short-term response to a long-term strategic deployment. Stimulated by both interest rate cuts and efforts to rebuild supply chains, the US and Europe are accelerating local supply chain construction. For example, Türkiye has become a new hub for European fasteners due to its proximity to the EU market and low labor costs; Vietnam has absorbed production capacity relocating from China's coastal areas and become the largest export base in Southeast Asia; India has rapidly increased capacity driven by a large domestic market and policy subsidies.

Therefore, this article first reviews the top 10 global export markets data for the first half of 2025, then examines the export unit prices of Taiwan and potential competitors such as China, Türkiye, and Vietnam, to compare their performance differences. Taiwan's fastener export weight and value have not significantly declined, yet the Taiwanese industry is widely permeated by anxiety about difficulty in securing orders and thinner profits. Taiwanese media has termed this status quo as a "wave of outbound relocation" along with "factory closures."

This discrepancy suggests that the real problem likely does not lie in market demand but in cost structure, exchange rate fluctuations, and implicit changes in business fundamentals. In other words, the industry's challenge is not market disappearance but the rapid iteration of production conditions and business logic. Only by resorting to data and competitive landscapes analysis can we clarify the mystery of Taiwan's fastener industry appearing stable on the surface yet turbulent underneath.



## 2. Changes in Global Market Trends

Starting with import-export analysis to assess market strength: **Table 1** lists the top 10 countries by fastener export value in the first half of 2025. China ranked first, reaching a three-year high of USD 183.2 billion in the first half of 2025, an 8.2% increase compared to the same period in 2024 and a 3.3% increase compared to the same period in 2023. Other countries in the top ten list maintaining three years of positive growth include Japan, France, and the UK. Japan ranked 6th globally with USD 35 billion in exports but had only slight growth compared to the previous two years. France ranked 7th, also marking a three-year high with USD 35 billion, showing 9.8% growth compared to the first half of 2024 and 17.7% compared to the first half of 2023. The UK was 9th with USD 21.2 billion, growing 7.3% compared to the first half of 2024 and 19.4% compared to the first half of 2023.



Table 1. Top 10 Countries by Fastener Export Value, H1 2023 to H1 2025  
Unit: USD 100 Million

Ranking	Country	H1 2023	H2 2023	H1 2024	H2 2024	H1 2025	VS. H1 2024 Growth	VS. H1 2023 Growth
1	China	1,773	1,631	1,694	1,842	1,832	8.2%	3.3%
2	Germany	1,329	1,197	1,292	1,134	1,256	-2.8%	-5.5%
3	USA	882	931	957	910	952	-0.6%	7.9%
4	Taiwan	761	675	672	690	675	0.4%	-11.3%
5	Italy	427	374	417	364	414	-0.7%	-3.0%
6	Japan	342	387	342	368	350	2.1%	2.1%
7	France	298	289	319	324	350	9.8%	17.7%
8	Netherlands	237	215	213	202	217	1.9%	-8.4%
9	UK	178	179	198	200	212	7.3%	19.4%
10	Switzerland	181	164	176	163	169	-3.5%	-6.5%

Data source: ITC/Compiled by Kristy Chi (Oct., 2025)

Since Trump announced on June 3, 2025, that tariffs on imports of steel, aluminum, and related products under Section 232 would be adjusted to 50%, the UK has performed strongly in the fastener industry due to its Economic Prosperity Deal with the U.S., which caps the tariff on UK fasteners at just 25%. However, most countries are subject to the U.S. 232 tariffs at rates above 50% (Note: the fastener industry is not subject to reciprocal tariffs but to Section 232 tariffs, and existing base tariffs or specific anti-dumping duties are cumulative rather than included in the 50% figure). Observing **Table 1**, the high U.S. tariffs on steel and aluminum products appear to have no effect on the fastener industries in China, Japan, and France. According to industry insiders, during Fastener Fair Global held in Stuttgart (Germany) in March 2025, Chinese exhibitors displayed banners outside the venue declaring their commitment to participating in the show despite facing punitive tariffs as high as 85%, thereby demonstrating their industry's resilience and determination toward the international market. Market data show that China's fastener industry has maintained relatively stable competitiveness during this round of US-China trade conflict centered on tariffs, with export momentum and market share not significantly impacted.



Japan's latest October economic report from its Central Bank showed manufacturing confidence hitting a three-year high, with steady and positive growth starting from Q1 2023. However, the Bank of Japan's survey of medium and large manufacturers also reflected poor order situations outside of semiconductor and transportation equipment sectors. Orders in textiles and precision machinery have declined, a situation similar to Taiwan's industry, where different sectors show mixed performance depending on their competitiveness.

French's manufacturing sector officially exited a two-and-a-half-year contraction in August 2025, with the PMI index rising to 50.4, signaling a return to expansion. Recovery was mainly driven by the transport equipment sector, especially the strong rebound in aerospace, combined with easing supply chain pressures. This trend has also boosted downstream fastener demand, helping French related companies regain momentum in the European market.

In contrast, Germany, Taiwan, the Netherlands, and Switzerland are facing slight export declines. **Table 1** shows a global manufacturing trend of "regional warming but structural divergence." The stable export momentum of the US, China, and France is supported by their strong domestic demand and advanced manufacturing bases. Germany and Taiwan face minor export declines due to economic cycles and industrial transformation periods. It is worth noting that Taiwan's fastener industry maintained roughly the same performance in the first half of 2025 as the previous year. Despite excessive inventory levels and weakening purchasing power in Europe and the US, export value held steady, but negative industry news abounds, such as factory closures, layoffs, and unpaid leaves. The real reason lies in the lack of a clear gap in cost structure and product quality compared to competitors. Overall, the global focus of the fastener industry is reshuffling. Observing related end-market drivers like automotive and aerospace sectors, the "red supply chain" still holds scale advantages, while non-red supply chains are rising rapidly.



### 3. Does Taiwan's Advantage Still Exist?

In the first half of 2025, Taiwan showed a record of four wins and six losses among its top 10 export markets. As shown in **Table 2**, the overall pattern reflects stable export prices and flat export weight but structural changes. The U.S. remains the largest market, accounting for over 40% of exports, but export value declined by 1.9% year-on-year, reflecting ongoing effects of U.S. inventory reduction and local procurement strategies. It is also worth noting that the U.S. Tier-1 automotive supply chain is now adopting a multi-sourcing strategy, spreading orders across Mexico, Thailand, and India. Demand for high-strength, traceable fasteners remains strong. Taiwan's capabilities in automotive and aerospace certification as well as dies precision currently maintain competitiveness within the American supply chains. Close monitoring of customer order changes is necessary.

Table.2. Taiwan's Fastener Export, H1 2023-H1 2025

Unit: USD 100 Million

Ranking	Country	H1 2023	H2 2023	H1 2024	H2 2024	H1 2025	VS. H1 2024 Growth	VS. H1 2023 Growth
1	USA	329.1	308.2	303.5	306.4	297.9	-1.9%	-9.5%
2	Germany	66.6	52.9	50.3	59.6	56.0	11.4%	-15.9%
3	Netherlands	51.5	37.4	37.2	37.4	35.4	-4.8%	-31.2%
4	Japan	34.1	31.9	31.6	28.9	32.8	3.9%	-3.7%
5	Canada	21.9	20.6	25.0	24.8	27.0	8.3%	23.3%
6	Mexico	19.5	21.3	22.6	20.3	20.6	-8.7%	5.9%
7	UK	25.5	23.5	22.3	23.3	21.0	-5.9%	-17.8%
8	China	21.0	21.7	20.4	22.9	19.1	-6.4%	-9.2%
9	Poland	10.4	9.6	12.2	11.0	12.0	-2.0%	15.5%
10	Sweden	13.5	10.4	11.7	13.2	12.6	7.4%	-6.7%

Data source: ITC/Compiled by Kristy Chi (Oct., 2025)

In contrast, Germany's recovery is more structurally significant. Taiwan's exports to Germany increased by 11.4% year-on-year in the first half of 2025, reflecting the gradual recovery of the European automotive and machinery manufacturing sectors since Q4 2024. Especially in lightweight, corrosion-resistant, and electric vehicle-specific fasteners, Taiwan offers stable delivery schedules and consistent craftsmanship that align with the strict European quality management and certification systems. Germany's rebound also suggests that Taiwan's position in the high-value end of the fastener supply chain remains solid.

In the same European market, the Netherlands and the UK saw declines of 4.8% and 5.9% respectively, indicating weaker growth momentum. This is due in part to some European importers adjusting inventory cycles and searching for lower-cost supply sources after logistics costs decreased. However, since the Netherlands and the UK mainly serve as transshipment and distribution centers, their declines do not necessarily indicate a drop in final demand; it may also reflect optimized supply allocation.

Canada and Japan grew by 8.3% and 3.9% respectively, mainly benefiting from nearshoring procurement trends. Canada, in particular, showed 8.3% growth compared to the same period last year, and 23.3% growth compared to the previous year. Canada is the second-largest purchasing base within the U.S. supply chain, and with expansions in new energy vehicles, heavy machinery, and infrastructure construction, demand for fasteners is steadily increasing. This suggests Canada could become Taiwan's next strategic key market.

Overall, Taiwan's fastener exports have not experienced significant decline, and the market structure remains stable, but structural pressures such as high material costs, currency appreciation, and labor shortages have led to actual profit declines.

Additionally, Mexico, a gateway to Latin America, saw an 8.7% year-on-year decrease, reflecting the improvement of local manufacturing and local supply chain self-sufficiency. In the mid-to-long term, Mexico will become a competitor rather than just a market, so collaboration or local setup strategies should be considered.



Table 3. Taiwan's and Other Competitors' Fastener Export Prices  
Unit: USD per Kg

Competitors	2024		2025	
	Q1	Q2	Q1	Q2
China	2.1	2.0	1.9	2.0
India	3.4	2.6	2.5	2.6
Thailand	2.8	3.1	2.9	2.9
Türkiye	3.8	3.9	3.9	4.1
Vietnam	2.8	2.6	2.5	2.4
Taiwan	3.5	3.5	3.4	3.6

Data source: ITC/Compiled by Kristy Chi (Oct., 2025)

According to **Table 3**, the export unit prices of fasteners in various countries for Q2 2025 range between USD 2.0 and USD 4.1 per kilogram. Overall, Taiwan maintains the second-highest price among the listed competitors at USD 3.6 per kilogram, just behind Türkiye's USD 4.1, and significantly higher than Vietnam's USD 2.4 and China's USD 2.0. This indicates that **Taiwan's fasteners still have a clear market positioning based on precision, stability, and supply trustworthiness. Its competitive advantage has not been weakened by the regional supply chain shifts.**

Taking Türkiye as an example, its export unit price is slightly higher, and this is mainly due to its geographic proximity to the EU, shorter logistics cycles, and lower certification thresholds. Its supply structure is mostly concentrated in engineering construction and basic machinery fasteners, which do not fully overlap with Taiwan's main markets in automotive, electronics, and advanced fasteners for electric vehicles. Therefore, it reflects more of a regional division of labor than direct substitution.

Regarding India, its average fastener export unit price globally was USD 2.49 per kilogram in Q1 2025 and slightly rose to USD 2.57 in Q2. This represents a slight decline compared to USD 3.37 and USD 2.62 in the same periods of 2024, showing a downward price trend. The main reason is not weak demand but changes in product and customer structure. India has actively taken over the redirection of orders from Europe and the US in recent years, with an increasing share of mid- to low-grade standard parts in automotive and machinery. These products are priced lower than aerospace or energy-grade fasteners, diluting the overall average export price.

Moreover, India is in a manufacturing expansion phase, where policy subsidies and strategic low-price market entry cause short-term volume increases but price declines, which is typical of "expansionary growth." **The Indian government promotes "Make in India" and export-oriented industrial**

**polices, including tax rebates, subsidies, and infrastructure investment. Many new factories adopt strategic pricing to secure long-term contracts by offering lower prices, resulting in short-term unit price decline but increased orders. This is a growth strategy prioritizing market penetration. Thailand's export prices show a similar trend.**

For China, the average export unit price of its fasteners globally was USD 1.94 per kilogram in Q1 2025 and slightly rose to USD 1.98 in Q2. This is a mild decline compared to USD 2.11 and USD 1.99 in the same periods of 2024, displaying a price downtrend. However, **China's price decline follows a different logic: through industrial cluster subsidies and financing support to cope with tariffs, its competitiveness is not purely market-driven. This allows companies to remain resilient despite weak global demand and high tariffs, but such policy-intensive interventions are not easily replicable.**

Facing Vietnam's rise, Taiwanese fastener companies' anxiety is understandable: moving production there means facing higher capital pressures and policy risks, while staying in Taiwan means dealing with rising material and labor costs. However, **Vietnam's rise reflects a geopolitical supply chain reshuffle rather than pure price substitution.** Vietnam, benefiting from multinational supply chain shifts and tariff advantages under EVFTA and CPTPP, is suited as a production base considering both cost and customs clearance efficiency. Taiwan still controls high value-added aspects such as dies precision, process control, rapid prototyping, quality verification, and carbon footprint data. Thus, their relationship is better seen as cooperation through division of labor rather than market competition.

Overall, Taiwanese manufacturers maintain a high-quality positioning in the global supply chain and enjoy strong trust from customers. The key going forward is whether they can further improve bargaining power by enhancing technical services and move toward a new stage of value-added price premium.



## 4. Conclusion

From the overall global fastener import-export situation in the first half of 2025, Taiwanese fastener market is not facing an "industry-wide wave of factory closures" described by the media but rather entering a phase of global structural redivision of labor. The United States and Germany remain Taiwan's two most critical markets. Compared to emerging competitors, Taiwan's fastener export unit price remains high, indicating that the market is still willing to pay for Taiwan's technology, stability, and yield rates. China's competitiveness is supported by protective policies; India and Thailand compete mostly through volume, while Vietnam's rise reflects a geographic shift in supply chains rather than technological replacement.

Therefore, aside from cost concerns, the real key for Taiwan lies in its positioning within the global supply chain. For example, a fastener manufacturer that originally focused on construction and automotive sectors have successfully entered the stainless steel bolt market for semiconductor

equipment over the past five years around the COVID-19. Some companies have penetrated the wind power and solar panel mounting sectors with high corrosion-resistant surface treatments, or entered the US home renovation distribution channel through customized packaging and product integration, demonstrating Taiwan's flexible advantage in high precision and rapid application change.

To sustain competitiveness in the future, **Taiwan's fastener industry should shift from "manufacturing" toward "system collaboration/modularization," focusing on dies manufacturing capability, testing and verification, carbon footprint management, traceable data, and co-design with customers as its core value, thereby increasing its market importance.** When Taiwan can provide safety, controllability, and proven quality, the market will no longer define Taiwan by price but by trust and irreplaceability. This is the true strategic position for Taiwan fasteners in the next phase. ■

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