

Analysis of EU's Import and Export of Fastening Tools in Q1 2021 by Behrooz Lotfian

市場回溫下歐盟緊固工具貿易分析

The fastening tools market is classified by product type, technology, sales mode, end-use applications, and region. The value of global export of fastening tools was 20.45 billion USD, and the value of global import of fastening tools was 19.85 billion USD in 2020. (Table 1)

(in USD 1,000)

Table 1. Global Fastening Tools Import & Export					
Global Export Value	2016	2017	2018	2019	2020
	20,124,353	22,624,345	24,422,124	23,101,595	20,448,979
Global Import Value	2016	2017	2018	2019	2020
	19,682,992	22,003,600	23,903,930	22,732,583	19,849,477

The fastening power tools market peaked in 2018 and after 2018 the trade in this category declined.

- 2018 to 2019 (export): a 5.4% decline
- 2019 to 2020 (export): an 11.5% decline
- 2018 to 2019 (import): a 4.9% decline
- 2019 to 2020 (import): a 12.7% decline

The pandemic's impact worsened the situation in 2020.

In 2020, Europe's fastening tools export value was 8.9 billion USD, taking up 44% of the world's export, and the import value was 8.5 billion USD, taking up 43% of the world's import. (Table 2)

(in USD 1,000)

Table 2. Europe's Fastening Tools Import & Export					
Europe's Export Value	2016	2017	2018	2019	2020
	9,144,317	10,331,215	10,968,398	10,189,122	8,933,653
Share	45%	46%	45%	44%	44%
Europe's Import Value	2016	2017	2018	2019	2020
	8,004,219	9,013,811	9,835,589	9,356,269	8,457,262
Share	41%	41%	41%	41%	43%

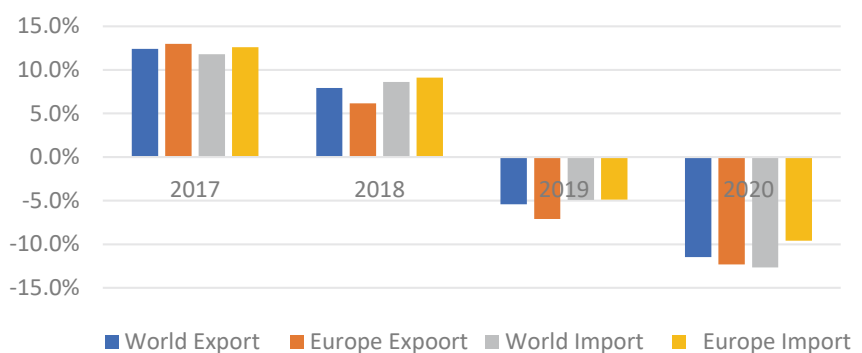
Graph 1 shows the world's YoY ratio in comparison to Europe's YoY ratio in the fastening tools category. This chart reveals that Europe is more dependent on its imported fastening tools than the world is dependent on fastening tools exported from Europe.

In 2017, Europe's export growth was larger than the average growth of the world, but after that the situation changed.

In 2018, Europe's export growth was lower than the average growth of the world, which means the consumers preferred non-European fastening tools to European ones. The same thing happened in 2019 and 2020. Although the market demand declined in 2019, Europe's decline was larger than the average decline of the world.

In terms of imported fastening tools, Europe's YoY ratio was higher than the average rate of the world in 2017 and 2018. In 2019 and 2020, Europe's rate of market decline was lower than the average rate of the world. That means the consumers preferred European fastening tools to non-European tools.

Graph 1. Fastening Tools YoY Ratio



Parameters Influencing the Growth of the European Fastening Tools Market

Increasing sales & production of automobiles (The pandemic's negative effect on the whole fastening tool market)

Fastening tools are widely used to manufacture and assemble automobiles. After a year that saw the sharpest drop ever in EU car sales due to the COVID-19 pandemic, the European Automobile Manufacturers' Association (ACEA) forecasts that 2021 will mark a first step on the path to recovery, with sales rising by about 10% compared to 2020. The fallout of COVID is expected to persist into the first quarter of 2021, but the car market should pick up in the second half of the year as vaccination programmes progress¹.



Increase in preference for DIY in developed and developing regions. (The pandemic's positive effect on the whole fastening tool market)

People in developed regions such as North America and Europe consider home improvement and small maintenance activities as favourable pastimes. To leverage the benefit of changing consumer preference toward DIY ethics, manufacturers are focusing on providing compact, portable, and cost-efficient tool solutions to household users. This trend is also growing significantly in developing markets².

The COVID-19 pandemic has caused people to spend more time at home. Many looked to making their living spaces more comfortable and suitable for remote working, with loss of income and worries over the economy. DIY became more of a necessity for those who would normally hire professionals. With 76% to 81% of Europeans valuing their home more than before the pandemic, many will continue to improve areas of their homes³.

1 <https://www.acea.auto/press-release/eu-car-sales-covid-recovery-expected-to-start-in-2021-auto-industry-says/>

2 <https://www.persistencemarketresearch.com/market-research/fastening-power-tools-market.asp>

3 <https://store.mintel.com/report/europe-diy-retailing-market-report>

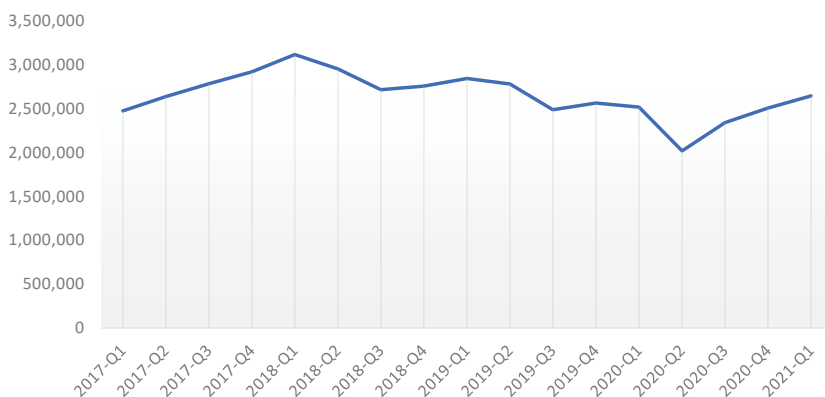
Europe's Fastening Tool Export in 2021

(in USD 1,000)

Table 3. Europe's Quarterly Export Value of Fastening Tools

2017-Q1	2017-Q2	2017-Q3	2017-Q4	2018-Q1	2018-Q2	2018-Q3	2018-Q4	2019-Q1
2,474,841	2,638,739	2,785,116	2,919,483	3,117,499	2,953,933	2,715,918	2,757,069	2,844,920
2019-Q2	2019-Q3	2019-Q4	2020-Q1	2020-Q2	2020-Q3	2020-Q4	2021-Q1	-
2,781,534	2,488,173	2,565,025	2,517,326	2,019,164	2,340,986	2,506,676	2,645,786	-

Graph 2. Europe's Quarterly Export of Fastening Tools (in Thousand USD)



Europe's export value has declined since 2018. The 2nd quarter of 2020 was the period when the pandemic beat their businesses. Three quarters later they have recovered and the 1st quarter of 2021 resulted in 2.646 billion USD as the highest sales since the 2nd quarter of 2019.

Based on this trend it is predictable that the export of fastening tools will be around 9.5 billion USD in 2021.

Europe's Fastening Tool Import in 2021

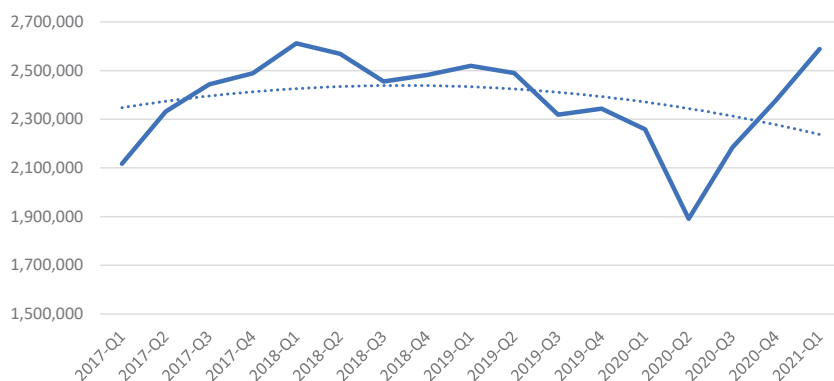
(in USD 1,000)

Table 4. Europe's Quarterly Import Value of Fastening Tools								
2017-Q1	2017-Q2	2017-Q3	2017-Q4	2018-Q1	2018-Q2	2018-Q3	2018-Q4	2019-Q1
2,117,399	2,331,687	2,442,721	2,488,435	2,611,707	2,568,317	2,454,780	2,482,135	2,519,184
2019-Q2	2019-Q3	2019-Q4	2020-Q1	2020-Q2	2020-Q3	2020-Q4	2021-Q1	-
2,490,131	2,318,469	2,343,325	2,258,247	1,890,970	2,184,317	2,377,500	2,588,448	-

- Europe's import value has declined since 2018.
- The import value of the 1st quarter of 2021 is the highest since the 2nd quarter of 2018.
- The import growth of fastening tools after the 2nd quarter of 2020 was very sharp, which could be interpreted as an emotional reaction to the pandemic rather than a logical purchase.
- It is predictable that the decline will occur after the 2nd quarter of 2021 and later.

Based on this trend it is predictable that the import value of fastening tools will be around 9.5 billion USD in 2021. ■

Graph 3. Europe's Quarterly Import of Fastening Tools (in Thousand USD)



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