



Taiwan Fastener Industry's Future Markets: The "BRICS+10"

Part 1: Starting with the BRICS

On August 7, 2025, U.S. President Trump proposed the "reciprocal tariff" policy with its core idea: if other countries impose high tariffs on U.S. goods, America will respond with equal or higher rates. This "tit-for-tat" approach aims to force trading partners to lower their tariff barriers and push companies to relocate factories to the U.S., rebuilding domestic supply chains under the "Make America Great Again" (MAGA) banner.

The policy rollout triggered immediate market reactions. The U.S. dollar strengthened in the short-term due to the need for hedging, but emerging market currencies faced pressure amid accelerating capital outflows. Global stock markets tumbled on fears of escalating trade friction, especially hitting export-dependent sectors like high tech, autos, and agriculture. Taiwan's traditional industries—such as machine tools and fasteners—took a major hit under the high-tariff squeeze. U.S. importers demanded Taiwanese manufacturers absorb part of the costs, sometimes up to half the tariffs. For Taiwan's fastener sector already in a three-year slump since 2022, shrinking profits go beyond "adding insult to injury"—the word "disastrous" captures it best.

Taiwan's other key export market, Europe, is grappling with soaring energy costs from the Russia-Ukraine war, driving up inflation and tipping the economy into recession. **With demand from both the U.S. and Europe declining, Taiwan's fastener industry must tap into new emerging markets to fill the production gap. The author sees bright prospects in the "BRICS" nations' infrastructure needs, which could bring a ray of hope for the sector's future.**

The "BRICS" has emerged as a key player in global politics and economics, reflecting the shifting balance of global economic powers and the rise of emerging markets. From the initial "BRIC" to the "BRICS" and now expanded to "BRICS+10", this bloc has become a major driver of global growth.

In 2001, Goldman Sachs Chief Economist Terence Jim O'Neill coined the "BRIC" concept referring to Brazil, Russia, India, and China. The acronym mimics the English word "brick," symbolizing solidity and foundation as a potent future economic force.

In 2002, the four nations signed a trade and cooperation agreement. O'Neill's 2003 report, "Dreaming with BRICs," predicted that by 2050, they would surpass Western developed economies like the UK, France, Germany, and Italy, joining the U.S. and Japan as the world's top six economies. The report propelled the BRIC idea to global fame.

On December 23, 2010, China's then-Foreign Minister Mr. Yang Jiechi spoke with South Africa's Minister of International Relations and Cooperation, Ms. Maite Nkoana-Mashabane, confirming South Africa's entry. It officially joined on January 1, 2011, expanding the bloc to "BRICS" South Africa's addition boosted geographic diversity and gave the bloc a strategic foothold in Africa. Since then, BRICS has symbolized emerging market collaboration, wielding growing influence on the world stage.



By late 2024, the BRICS had cemented their global economic clout, forming an important pillar of the world economy in GDP, population, land area, commerce, and exports. See **Table 1** for details.

Table 1: BRICS Basic Data (2024)

Country	Area (sq km)	Nominal GDP (USD)	Population	GDP per Capita (USD)	Total Exports (USD)	Main Industries/Products
Brazil	8,515,770	~2.3 trillion	~210 million	~10,800	~300 billion	Agriculture (soybeans, coffee, iron ore, oil)
Russia	17,098,242	~2.5 trillion	~144 million	~17,000	~490 billion	Oil, natural gas, metals, military
India	3,287,263	~4.1 trillion	~1.469 billion	~2,870	~820.9 billion	IT services, pharmaceuticals, textiles, agriculture
China	9,596,961	~19.5 trillion	~1.416 billion	~13,810	~3.42 trillion	Manufacturing (electronics, machinery, autos), rare earths
S. Africa	1,221,037	~0.4 trillion	~60 million	~6,650	~120 billion	Minerals (platinum, gold), agriculture, autos

In terms of the overall economy, the BRICS combined GDP reached about USD 28 trillion, accounting for roughly 25% of the global total. China led with about USD 19.5 trillion as the world's largest economy, while India grew rapidly at about USD 4.1 trillion, showing powerful growth. Russia and Brazil clocked in at about USD 2.5 trillion and ~USD 2.3 trillion respectively, relying on energy and agriculture exports. South Africa, at ~USD 0.4 trillion, is the smallest but holds major regional influence in Africa.

On population, the five countries totaled around 3.2 billion people, or 39% of the global figure. India topped the list at 1.469 billion, closely followed by China at 1.416 billion. Brazil has 210 million, Russia 144 million, and South Africa 60 million. This vast base provides expansive markets and labor resources.

Geographically, their combined land area spans 39,746,220 sq km, or about 26.7% of the world's land surface. Russia dominates at 17,098,242 sq km, followed by China (9,596,961 sq km), Brazil (8,515,770 sq km), India (3,287,263 sq km), and South Africa (1,221,037 sq km). This expanse supports diverse resource extraction and industrial layouts.

For main industries and exports, China focused on manufacturing like electronics, machinery, and autos. India emphasizes IT services, pharmaceuticals, textiles, and agriculture. Russia leaned on oil, natural gas, metals, and military goods. Brazil highlighted soybeans, coffee, iron ore, and oil. South Africa highlighted platinum, gold, agriculture, and autos.

Export value reveals a highly uneven structure but considerable in scale. The five nations together exported about USD 5.3 trillion, or 23% of global trade, underscoring their weight in the world trading system.



China dominated with about USD 3.42 trillion—66% of the BRICS' total—thanks to its "world factory" manufacturing edge and robust supply chains. Its exports centered on electronics, machinery, autos, and high-tech manufacturing, shifting toward higher value-added areas.



India's export value has surged lately to around USD 820.9 billion, fueled by IT services, pharmaceuticals, biotech, and textiles. Unlike China, it plays a global role in services and niche manufacturing.



Russia's export value at around USD 490 billion hinged on energy and raw materials like oil, gas, and metals. Sanctions have hit, but its energy export retained its scale and continues shifting to Asia.



Brazil at around USD 300 billion stemmed from agriculture and minerals such as soybeans, coffee, beef, and iron ore, positioning it as a key global food and resource supplier.



South Africa at around USD 120 billion, though smaller, focused on platinum, gold, minerals, and auto parts, making it vital in Africa's supply chains.

Overall, **the BRICS export mix forms a complementary yet dependency-imbalanced system: "China-led manufacturing, rising Indian services, Russian energy backbone, stable Brazilian agricultural and minerals supply, and South Africa's regional resources supply."**

Taiwan's fastener industry has historically exported low weights to the BRICS, constrained by market structures, industry positioning, and local competition. Taiwan has long targeted Europe and the U.S., especially for high-strength, precision fasteners in autos, machinery, and construction—leading to concentrated export layouts. In contrast, BRICS massive populations and growing domestic demand favor mid-to-low-end products, backed by mature local supply chains. China, India, and Brazil boast large-scale fastener production with price advantages, limiting Taiwan's penetration. See **Table 2** for Taiwan's steel fastener exports to the BRICS by weight and value in 2024.

Table 2. Taiwan's Steel Fastener Exports (HS 7318) to BRICS in 2024

Country	Total Value (USD thousands)	Total Weight (kg)	Price Per Kg (USD)	Difference from Taiwan Avg. Price (USD)
Brazil	16,680	4,866,164	3.43	-0.07
Russia	20,086	6,651,303	3.02	-0.48
India	34,662	10,859,736	3.19	-0.31
China	139,246	26,142,661	5.33	+1.83
South Africa	14,755	3,106,914	4.75	+1.25
Taiwan's Export Total	4,373,848	1,250,321,770	3.50	



China stood out as the top export market, with USD 139,246 thousand in value and 26,142,661 kg in weight—far surpassing the others. More importantly, its price per kg hit USD 5.33, USD 1.83 above Taiwan's average of USD 3.50. This signals not just large demand but willingness to pay higher prices for quality, high-value products, giving Taiwan's fasteners a strong edge in added value and competitiveness.



South Africa's export weight, though smaller at 3,106,914 kg, reached USD 4.75 per kg, higher than the average price of USD 1.25. It's a high-value market: limited scale but high margins, ideal for sustained efforts in branding and positioning to secure high price exports.



Brazil's export weight was approximately 4,866,164 kg, with a unit price of USD 3.43 per kg, close to Taiwan's average of USD 3.5 and indicates a stable market. This shows that Brazil's price structure is similar to Taiwan's global average unit price, making it suitable to maintain the current scale as a foundational support for exports.



India and Russia exhibit characteristics of low-price markets. India's export weight reached 10,859,736 kg, with a value of USD 34,662 thousand, but the unit price was only USD 3.19 per kg, which is USD 0.31 below Taiwan's average. Russia's export weight was 6,651,303 kg, with an even lower unit price of USD 3.02 per kg, USD 0.48 less than Taiwan's average. This indicates that while both countries have substantial demand, market prices are low, limiting profit margins and likely emphasizing price competition; to improve profitability, enhancements through product differentiation or cost control are necessary.

Taiwan's fastener industry has long played a key role in the global market, leveraging mature technology and quality advantages to build international competitiveness. The BRICS (Brazil, Russia, India, China, and South Africa), as emerging economies, offer vast and diverse markets with strategic potential for Taiwan's future fastener exports. By analyzing each country's export weight, unit price, and market characteristics, distinct strategies can be formulated to create a balanced deployment combining stability and growth.

China and India serve as core growth markets for Taiwan's fastener exports. Although China is a major global producer, it still relies on imports for high-end precision fasteners and specialized applications; Taiwanese firms can seize opportunities in China's new energy vehicles, aerospace, and advanced manufacturing by enhancing technological upgrades and low-carbon processes. India,

driven by rapid infrastructure and automotive growth, sees sustained fastener demand, where Taiwan can expand through partnerships with local manufacturers to build supply chain relationships and further expand markets.

Russia and Brazil face geopolitical and economic volatility; yet their energy, agriculture, and heavy industry sectors require substantial fasteners, with post-Russia-Ukraine war reconstruction offering strong potential. Taiwanese firms can enter via third countries or regional trade platforms, providing high-quality products meeting international standards to capture niches. South Africa, as Africa's industrial gateway, has massive demand from auto assembly and mining equipment; Taiwan's fasteners combining sustainability and high-strength tech can establish brand influence in Africa.

Taiwan's fastener export strategies in BRICS can be summarized into: high-added value, stable support, and low-price.

Table 3. Taiwan's Fastener Export Strategies in BRICS

Markets	Countries	Strategy Approach
High-Added Value	China, S. Africa	Promote high-value-added products, build brand and tech advantages.
Stable Support	Brazil	Maintain scale of current export.
Low-Price with Profitability	India, Russia	Implement cost control and differentiation to avoid low-profit margins.

Through market segmentation management, brand and technology enhancement, and risk diversification, Taiwan's fastener industry can establish a stable and growth-oriented export deployment in the BRICS, further elevating its global competitiveness.

Future challenges lie in the BRICS' gradual strengthening of local manufacturing capabilities and carbon emission controls. Taiwanese fastener companies must accelerate low-carbon transformation, introduce green processes and digital management, to comply with international regulations like CBAM and boost competitiveness. Meanwhile, through high-end and differentiated strategies, Taiwan's fastener industry can not only maintain its advantages in the US and Europe, but also find new growth momentum in the BRICS markets. The future of Taiwan's fastener industry in the BRICS will be full of "challenges and opportunities." By leveraging technological upgrades, low-carbon transformation, and strategic collaboration, Taiwan can not only sustain their fastener export share in the BRICS but also become a key partner in high-end manufacturing and sustainable supply chains for the BRICS.

