

剖析2022-2023第一季印尼緊固工具貿易數據

# Fastening Tool Trade Statistics of Indonesia in 2022 and Q1 2023



## Introduction

An overview of the fastening tool consumption industry provides insights into the trends and factors shaping the market.

## The Car Market

The car market in Indonesia has undergone significant growth and transformation in recent years. Here is an analysis of the car market in Indonesia.

- **Market Size:** The car market in Indonesia is one of the largest in Southeast Asia and has experienced robust growth in the past decade. The increasing middle-class population, rising income levels, and urbanization have contributed to the growing demand for cars. The market has been expanding both in terms of sales volume and revenue. The Indonesian automobile market was expected to recover to around 1.028 million units in 2022. On the other hand, the Indonesia Used Car Market size is estimated at USD 56.34 billion in 2023, and is expected to reach USD 74.47 billion by 2028, growing at a CAGR of 5.74% during the forecast period (2023-2028).
- **Domestic Production and Manufacturing:** Indonesia has a well-established automotive manufacturing sector. Several international automakers have established production facilities in the country to cater to the domestic market and for export purposes. The presence of these manufacturing plants has stimulated job creation, technology transfer, and

local component manufacturing. Car production in Indonesia reached an all-time high of 1,214,250 units in 2022.

- **Government Policies and Incentives:** The Indonesian government has implemented policies and incentives to support the growth of the automotive industry. These include tax breaks, import duty reductions, and investment incentives aimed at attracting foreign automakers and encouraging domestic production.

The car market in Indonesia has witnessed robust growth, driven by increasing purchasing power, urbanization, and government support. The market offers opportunities for both domestic and international automakers, with a strong demand for small and compact cars, as well as a growing interest in electric vehicles. However, challenges related to infrastructure and urban mobility need to be addressed for sustainable growth in the industry.

## The Construction Market

The construction market in Indonesia has shown significant growth and potential in recent years.

- **Growing Construction Industry:** The construction industry in Indonesia has experienced robust growth due to various factors, including infrastructure development, urbanization, and government initiatives to promote construction projects. The demand for residential, commercial, and infrastructure projects has been steadily increasing, creating opportunities for construction companies and related industries. Indonesian construction market size was US\$243.2 billion in 2022. The market is projected to achieve an AAGR of more than 5% during 2024-2027.

- Infrastructure Development:** Indonesia has prioritized infrastructure development as a key driver of economic growth. The government has launched large-scale infrastructure projects, such as roads, bridges, ports, airports, railways, and power plants, to improve connectivity, logistics, and public services. These projects create a significant demand for construction activities, including engineering, procurement, and construction services. The government is allocating an infrastructure budget of USD 26.3 billion in 2023, which increased by 7.8% from the infrastructure budget in 2022 that reached USD 24.2 billion.
- Urbanization and Housing Demand:** Rapid urbanization and a growing middle class in Indonesia have led to increased demand for housing, commercial buildings, and urban infrastructure. The need for affordable housing, mixed-use developments, and modern facilities in urban areas has fuelled construction activities and attracted investments in the real estate sector. **The Indonesian Real Estate market size is expected to grow from USD 61.22 billion in 2023 to USD 81.24 billion by 2028, at a CAGR of 5.82% during the forecast period (2023-2028).**



Indonesia's exports remained relatively stable in 2018 and 2019, with a slight increase in 2019. However, the COVID-19 pandemic in 2020 likely had an impact on exports, leading to a decline in export values. Nonetheless, there was a significant recovery in 2021, indicating a rebound in export activities. In 2022, there was a decrease in exports, potentially influenced by various factors such as global economic conditions or specific industry dynamics.

## Key Players

In the fastening tool sector in Indonesia, several countries play a significant role as main players. These countries are mentioned in the following paragraphs.

### Indonesia's Fastening Tool Export Destinations in 2022

- World:** The total fastening tool export from Indonesia to the world in 2022 amounted to 9,429 thousand USD.
- USA:** The United States imported 2,791 thousand USD worth of fastening tools, accounting for approximately 30% of the total import.
- Singapore:** Singapore imported 2,529 thousand USD worth of fastening tools, representing around 27% of the total import.
- Hong Kong:** Hong Kong imported 1,571 thousand USD worth of fastening tools, accounting for approximately 17% of the total import.

## Market Size and Trends of Fastening Tools Before 2023

The data of fastening tools shows fluctuations in Indonesia's total trade values during the given period (Table 1). The slight increase in the total trade from 2018 to 2019 indicates a relatively stable trade environment. However, the COVID-19 pandemic in 2020 likely had a significant impact, leading to a decrease in total trade values. The subsequent rebound in the total trade in 2021 suggests a recovery as economic activities resumed. The decrease in the total trade in 2022 might be influenced by various factors such as global economic conditions, changes in trade policies, or industry-specific dynamics.

After a decrease in 2019, imports increased significantly in 2020, possibly indicating increased demand for imported goods. However, there was a slight decrease in imports in 2022, suggesting a potential stabilization or adjustment in import activities.

| HS Code 8467          | 2018    | 2019    | 2020    | 2021    | 2022    |
|-----------------------|---------|---------|---------|---------|---------|
| Import from the World | 2,023   | 1,571   | 11,209  | 13,115  | 9,429   |
| Growth                | ---     | -22%    | 613%    | 17%     | -28%    |
| Export to the World   | 193,665 | 194,697 | 177,002 | 245,476 | 210,576 |
| Growth                | ---     | 1%      | -9%     | 39%     | -14%    |
| Total                 | 195,688 | 196,268 | 188,211 | 258,591 | 220,005 |
| Growth                | ---     | 0%      | -4%     | 37%     | -15%    |

Note: Numbers are in thousand USD

- Malaysia:** Malaysia imported 1,155 thousand USD worth of fastening tools, representing around 12% of the total import.
- Others:** Other importers collectively accounted for 1,383 thousand USD, which represents approximately 15% of the total import.

The USA and Singapore appear to be the two major importers of Indonesian fastening tools, collectively accounting for more than half of the total import (57%) that makes them the leading importers.

### Indonesia's Fastening Tool Import Sources in 2022

- World:** The total fastening tool import into Indonesia from the world in 2022 amounted to 210,576 thousand USD.
- China:** China is the leading exporter, with fastening tool exports reaching 143,957 thousand USD, representing approximately 68% of the total export.
- Singapore:** Singapore exported 20,089 thousand USD worth of fastening tools, accounting for around 10% of the total export.
- Others:** Other exporters collectively accounted for 46,530 thousand USD, representing approximately 22% of the total export.



## Future of the Fastening Tool Industry and Conclusion

The quarterly analysis between 2022 to 2023 (Table 2) suggests a mixed performance in the total trade values over the given quarters. The initial growth in the total trade in Q2 2022 indicates a positive economic activity. However, the subsequent decline in the total trade in the following quarters raises concerns about the economic performance. The consecutive decreases in the total trade from Q3 2022 to Q1 2023 reflect a contraction in trade activities.

**Table 2. Indonesia's Trade Value for Fastening Tools in 2022 to Q1 2023**

| HS Code 8467 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 |
|--------------|---------|---------|---------|---------|---------|
| Import       | 52,674  | 55,913  | 54,123  | 47,866  | 40,998  |
| Growth       | ---     | 6%      | -3%     | -12%    | -14%    |
| Export       | 2,978   | 3,407   | 962     | 2,082   | 1,509   |
| Growth       | ---     | 14%     | -72%    | 116%    | -28%    |
| Total        | 55,652  | 59,320  | 55,085  | 49,948  | 42,507  |
| Growth       | ---     | 7%      | -7%     | -9%     | -15%    |

Note: Numbers are in thousand USD

Despite the challenges and recent negative numbers in the industry, the fastening tool trade in Indonesia presents several potential growth opportunities:

**• Infrastructure Development:**

Indonesia's ambitious infrastructure development plans create a significant demand for fastening tools. Construction projects including roads, bridges, airports, and power plants will require a substantial supply of fasteners, providing opportunities for industry players.

**• Industrial Expansion:**

The continuous growth of manufacturing sectors, such as automobile, electronics, and machinery, offers a promising market for fastening tools. Increasing investments in these industries and the development of industrial clusters provide revenues for growth. ■

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