

# Fastening Tools Trade Statistics of Thailand

## in 2022 and Q1 2023

### 泰國2022-2023第一季 緊固工具進出口分析

### Introduction

Thailand's fastening tool industry plays a crucial role in supporting various sectors such as construction, manufacturing, and automobile. Fastening tools are essential for secure joining or connecting different components, ensuring structural integrity and reliability. This article aims to delve into the trade statistics of fastening tools in Thailand, highlighting the industry's growth, major players, export-import trends, and future prospects.

First, I will take a look at Thailand's industry situation. Thailand's industry and infrastructure sector in 2022 experienced significant advancements and developments, contributing to the country's overall economic growth. Here are some detailed insights into Thailand's industry and infrastructure during the period.

#### • The Manufacturing Sector

Thailand's manufacturing sector continued to play a vital role in the country's economy in 2022. The sector witnessed steady growth, fuelled by both domestic and foreign investments. Industries such as automotive, electronics, food processing, chemicals, and textiles remained key contributors to Thailand's manufacturing output.

The automotive industry, in particular, experienced robust growth, driven by increased domestic and international demand. **Thailand has emerged as one of the major automotive manufacturing hubs in Southeast Asia, attracting leading global automotive manufacturers to establish production facilities in the country. This growth was supported by the government's promotion of electric vehicles (EVs) and the development of the Eastern Economic Corridor (EEC) project, which aimed to create a specialized automobile cluster.** According to the Federation of Thai Industries (FTI), May vehicle sales in Thailand increased 0.5% year over year (YoY) to 65,088 units from the same period in 2022. Sales in January-May 2023 reached 341,691 units, sliding 4.9% from the same period in 2022.

#### • Infrastructure Development

Thailand made significant progress in infrastructure development during 2022. The government continued to invest heavily in transportation networks, energy projects, and digital infrastructure, aiming to enhance connectivity and support sustainable economic growth. Some notable infrastructure projects and initiatives include:

**a. Eastern Economic Corridor (EEC):** The EEC project is a flagship initiative aimed at transforming the eastern provinces of Thailand into a leading economic zone. The project focuses on developing high-value industries such as automobile, electronics, aviation, robotics, and biotechnology. It includes the expansion and modernization of ports, airports, highways, and railways to improve connectivity and attract foreign direct investments. In 2022, the Thai and the EEC economies grew 2.7% and 3.0% respectively. They are forecast to be up 3.1% and 4.0% in 2023.

**b. Mass Rapid Transit (MRT) System:** Bangkok, the capital city, witnessed significant progress in its mass transit systems in 2022. The construction of new MRT lines, such as the Pink Line and Yellow Line, expanded the reach of the city's public transportation network, alleviating traffic congestion and improving mobility for residents and visitors, (2023 current service: 242.34 km; 2021 service: 96.8 km; 2029 planned total: 540 km).

**c. High-Speed Rail Projects:** Thailand embarked on high-speed rail projects to enhance connectivity with neighbouring countries and promote regional integration. The Bangkok-Nong Khai high-speed rail project, connecting Thailand and Laos, and the Bangkok-Rayong high-speed rail project, connecting the capital with the Eastern Seaboard region, were among the key initiatives. Carminati pointed to how the project is going in Laos, which he said is "going well". The Laos section of the railway successfully opened in December 2021, and the country's economy is expected to expand. With upgrades to major connectivity infrastructure complete as well as reopening of borders including those with China, international tourist arrivals are projected to double to 2.6 million in 2023 from a year earlier. Transit freight is expected to continue its steady expansion, with 1.3 million passengers and 1.9 million tons of cargo transported through the Laos-China railway in 2022.

### Overview of the Fastening Tool Industry in Thailand

The fastening tool industry in Thailand has experienced significant growth over the years, driven by the country's robust



manufacturing and construction sectors. Local production of fastening tools has expanded, with a growing number of domestic manufacturers catering to the rising demand. Additionally, Thailand's strategic geographic location has positioned it as a regional hub for trade, attracting international players to establish their operations in the country.

Table 1. Thailand's HS Code 8467 Trade Value					
HS Code: 8467	2018	2019	2020	2021	2022
Export	74,059	74,384	88,213	122,398	149,716
Growth	---	0.4%	18.6%	38.8%	22.3%
Import	184,438	168,029	167,133	224,642	191,718
Growth	---	-8.9%	-0.5%	34.4%	-14.7%
Total	258,497	242,413	255,346	347,040	341,434
Growth	---	-6.2%	5.3%	35.9%	-1.6%

Note: Numbers are in thousand USD.

Based on the data provided in Table 1, the HS Code 8467 industry experienced fluctuations in exports, imports, and the total value over the analysed period. Export figures showed consistent growth each year, with significant increases in 2020 and 2021. Imports had a more varied trend, with a decline in 2019, stability in 2020, and substantial growth in 2021. The total value experienced fluctuations, with a decline in 2019, growth in 2020 and 2021, and a slight decrease in 2022. In a simple word, it can be inferred that the fastening tool industry in Thailand has shown signs of improvement. The increased exports indicate a rising international demand for Thai fastening tools, possibly due to their competitive pricing or product quality. The decrease in imports in 2019 and subsequent growth in 2021 suggest that the domestic market has become more self-sufficient in fulfilling its fastening tool needs.

## Major Players in Thai Fastening Tool Market

Thailand exported to different countries in 2022, along with their respective shares. The total export value to the world was 149,716 thousand USD.

- **USA:** Thailand's exports to the USA in 2022 amounted to 39,440 thousand USD. The share of Thailand's exports to the USA was 26%.
- **Japan:** Thailand's exports to Japan in 2022 amounted to 17,619 thousand USD. The share of Thailand's exports to Japan was 12%.
- **Indonesia:** Thailand's exports to Indonesia in 2022 amounted to 17,381 thousand USD. The share of Thailand's exports to Indonesia was 12%.
- **Vietnam:** Thailand's exports to Vietnam in 2022 amounted to 14,824 thousand USD. The share of Thailand's exports to Vietnam was 10%.

Thailand imported from different countries in 2022, along with their respective shares. The total import value from the world was 191,718 thousand USD.

- **China:** Thailand's imports from China in 2022 amounted to 144,629 thousand USD. The share of Thailand's imports from China was 75%. China is the dominant source of imports for Thailand, representing a significant majority of their total imports.
- **Japan:** Thailand's imports from Japan in 2022 amounted to 18,073 thousand USD. The share of Thailand's imports from Japan was 9%.
- **Other Countries:** The remaining imports from other countries amounted to 29,016 thousand USD. The "Other countries" accounted for 15% of Thailand's total imports in 2022.

## Future Prospects and Challenges

The data of 1st quarter of 2022 to 1st quarter of 2023 shows fluctuations in exports, imports, and total trade values throughout the different quarters. Notably, there was a significant decline in exports, imports, and total trade in Q4 2022. However, in Q1 2023, there was a slight recovery with increased exports and a smaller decrease in imports, leading to a relatively stable total trade value. The growth rates provided in the table indicate the percentage change in value from one quarter to the next for exports, imports, and total trade. The growth rates can help identify the rate of expansion or contraction in trade during specific periods.

Table 2. Thailand's HS Code 8467 Trade Value 2022-2023 Q1					
Thailand	2022-Q1	2022-Q2	2022-Q3	2022-Q4	2023-Q1
Export to the World	52,660	49,287	54,072	35,948	38,599
Growth	---	-6%	10%	-34%	7%
Import from the World	42,071	40,909	33,843	33,044	29,872
Growth	---	-3%	-17%	-2%	-10%
Total	94,731	90,196	87,915	68,992	68,471
Growth	---	-5%	-3%	-22%	-1%

Note: Numbers are in thousand USD.

The future of Thailand's fastening tool trade appears promising. The country's commitment to infrastructure development, coupled with a growing manufacturing sector, ensures a sustained demand for fastening tools. Furthermore, on export growth, despite the fluctuations in export values throughout the quarters, there was an overall increase in exports from Q1 2022 to Q1 2023. This indicates a potential upward trend in the export of fastening tools from Thailand. If this trend continues, it suggests a positive outlook for the industry, with the possibility of further growth in the coming quarters. On import decline, the data show a general decline in imports from Q1 2022 to Q1 2023. This could suggest reduced reliance on imported fastening tools and an increased focus on domestic production or sourcing from other markets. If this trend persists, it might create opportunities for local manufacturers to expand their market share and meet domestic demand. ■

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