

March 2026:Stainless Steel Inventory Falls as Demand Recover

On March 5, 2026, the domestic stainless steel market received a significant positive signal. The latest industry monitoring data shows that the total social inventory across 89 mainstream stainless steel warehouses nationwide stood at 1.15 million tons, a week-on-week decrease of 1.94%. This marks the end of weeks of inventory fluctuations and presents a clear trend of destocking. This data not only reflects positive changes in the current supply-demand relationship of the stainless steel market but also highlights a robust recovery in downstream end-market demand. In particular, for the fastener industry—a key downstream application sector—the demand logic behind this destocking will directly influence the industry's development pace and market layout.

Looking at the inventory structure, different categories of stainless steel showed varying changes, with a notable divergence between hot-rolled and cold-rolled stainless steel. Specifically, the total inventory of cold-rolled stainless steel was 714,100 tons, down 0.16% week-on-week. This relatively mild decline is mainly attributed to the wide application scenarios of cold-rolled stainless steel and the steady recovery of downstream industries, resulting in a gradual and stable release of demand and a steady pace of destocking. In sharp contrast, the total inventory of hot-rolled stainless steel was 435,900 tons, plunging 4.72% week-on-week, making it the core driver of this destocking trend. This substantial inventory drop fully demonstrates the concentrated release of demand for hot-rolled stainless steel in high-end industrial sectors, providing stable support for the raw material supply of mid-to-high-end fastener products.

It is worth noting that this destocking was not a uniform decline across the board but exhibited distinct structural characteristics. Among them, 300-series and 400-series stainless steel resources saw particularly significant drops, becoming the key force driving the overall inventory decline. According to industry analysts, the inventory of 300-series stainless steel dropped by over 3% this week, while that of 400-series stainless steel fell by nearly 5%. The concentrated destocking of these two product lines directly reflects a strong recovery momentum in downstream high-end manufacturing. For the fastener industry, 304 and 316L stainless steels in the 300-series, along with 400-series stainless steel, are core raw materials for mid-to-high-end fastener products. They are widely used in new energy equipment, high-end chemicals, and nuclear power sectors. The rapid decline in their inventory implies that downstream end-market orders are being continuously released, which will directly drive order growth and capacity utilization in the fastener industry.

According to industry experts, the core driving force behind this decline in stainless steel inventory mainly comes from the concentrated fulfillment of orders in new energy equipment manufacturing and high-end industrial sectors. This trend aligns highly with the current macro direction of domestic industrial upgrading. With the full arrival of the spring construction peak season, various

domestic industrial projects are accelerating. Coupled with the continuous increase in national policy support for strategic emerging industries such as hydrogen energy, nuclear power, and new energy vehicles (NEVs), the production pace of related enterprises has comprehensively accelerated. This has led to explosive growth in the demand for high-quality stainless steel plates, thereby driving the rapid destocking of stainless steel. As of now, orders for domestic hydrogen energy equipment manufacturers have increased by over 40% year-on-year, and the number of newly started nuclear power projects has risen by 25% compared to the same period last year. The advancement of these projects has not only directly stimulated stainless steel demand but also indirectly driven the demand for supporting fastener products.

Specifically, transactions for 304, 316L, and duplex stainless steel resources used in manufacturing power battery casings, hydrogen storage tanks, and chemical equipment have been exceptionally active recently, becoming the core growth point for destocking. Among them, 304 stainless steel, with its excellent corrosion resistance and mechanical properties, is widely used in NEV fasteners and chemical equipment connectors. 316L stainless steel, relying on its superior acid, alkali, and high-temperature resistance, has become the preferred raw material for fasteners in high-end fields such as nuclear power and hydrogen energy equipment. Duplex stainless steel, characterized by high strength and high toughness, is widely used in fasteners for large-scale industrial equipment. According to feedback from relevant enterprises, the procurement volume of these high-end stainless steel raw materials has increased by more than 35% year-on-year recently. The strong demand for raw materials also indicates that the market demand for mid-to-high-end products in the fastener industry will continue to rise.

From the perspective of the futures market, as of 14:42 on March 9, the price of the main continuous stainless steel futures contract was 14,114 yuan/ton. Although it dropped by 70 yuan from the previous trading day, a decline of 0.49%, the overall price remains in a reasonable range. Combined with the current destocking trend, the slight fluctuation in futures prices has not affected market confidence. Instead, it reflects a relative balance of supply and demand in the current market, providing a stable price environment for fastener enterprises' raw material procurement, which helps enterprises control production costs and expand profit margins.

Market insiders point out that the structural characteristics presented by this inventory change reflect a profound transformation in the demand pattern of the stainless steel industry. Although the inventory of 200-series stainless steel saw a slight increase due to weak traditional architectural decoration demand, this category is mainly used in low-end fasteners and ordinary decorative parts. Its weak demand has a limited impact on the overall market. Conversely, the demand from emerging industries, represented by new energy and high-end

manufacturing, has become a new engine driving the growth of the stainless steel market. This change has not only promoted the rational destocking of stainless steel inventory but also led the Chinese stainless steel industry to accelerate its transformation from traditional extensive growth to high-quality, high-value-added development. This transformation trend will also profoundly affect the development landscape of the fastener industry.

As the "teeth of industry," fasteners are core basic components connecting high-end equipment, infrastructure projects, and livelihood products. Their industry development is deeply bound to manufacturing upgrading and strategic industrial expansion. Currently, the transformation of the stainless steel industry is pushing the fastener industry to upgrade simultaneously. More and more fastener enterprises are beginning to focus on the mid-to-high-end market, increasing R&D and production investments in high-end stainless steel fastener products such as 304 and 316L to meet the needs of high-end fields like new energy and nuclear power. Data shows that the domestic stainless steel standard fastener market size is expected to exceed 85 billion yuan in 2026, maintaining an average annual compound growth rate of about 9.3% over the next five years. The surge in demand in high-end segments has become the core driving force, bringing broad market opportunities for fastener enterprises.

Combining the continuous advancement of the spring construction peak season and the sustained efforts of relevant national policies, the industry is generally optimistic about future prospects. It is expected that as more major engineering projects are implemented, the demand in the stainless steel market will continue to improve in the second quarter. In particular, high-end special stainless steel products, driven by continuous demand from new energy and nuclear power sectors, are expected to face a situation of supply shortage. For the fastener industry, this trend will directly drive the demand growth of mid-to-high-end stainless steel fastener products. Enterprises should seize this opportunity, optimize their product structures, improve product quality, and strengthen cooperation with downstream high-end manufacturing enterprises to achieve high-quality development.

In addition, the seasonal characteristics of spring construction have also injected new vitality into the stainless steel and fastener markets. Statistics show that during the spring season (March to May), the construction and industrial start-up rate increased by 18.7% year-on-year, and fastener sales have also entered a seasonal peak. For some enterprises, April sales can grow by more than 40% month-on-month. Currently, with the full-scale spring construction underway, both new energy project construction and high-end industrial equipment installation have put forward higher demands for fastener products. This will further drive the release of demand for stainless steel raw materials and promote the continued rational destocking of inventory.