**Jan 2026 auto market stable; NEV output and sales grow**

On February 28, 2026, China Quality News reported that the China Association of Automobile Manufacturers (CAAM) officially released the automotive production and sales data for January 2026. The data indicates that the domestic automotive industry operated steadily overall. Despite a month-on-month decline in production and sales due to seasonal factors and policy transitions, the industry maintained a progressive development trend characterized by "stability with progress." Notably, the production and sales of new energy vehicles (NEVs) achieved year-on-year growth, while auto exports continued their strong upward momentum. As indispensable core basic components in automotive manufacturing, the fastener industry is deeply integrated with the auto market. The performance of the auto market in January directly correlates with the demand landscape and development direction of the fastener industry, providing crucial references for fastener enterprises to plan their annual market strategies.

01 Overview of the January Auto Market

Specifically, the January auto production and sales data exhibited the characteristics of "month-on-month decline and year-on-year divergence." During the month, auto production and sales reached 2.45 million and 2.346 million units, respectively, representing month-on-month declines of 25.7% and 28.3%. Production saw a marginal year-on-year increase of 0.01%, while sales dropped by 3.2% year-on-year. Relevant officials from CAAM analyzed that the year-on-year decline in sales was primarily driven by policy and demand factors. First, the transition and adjustment of NEV purchase tax policies, combined with the annual turnover of local vehicle purchase subsidies, created uncertainties during the policy transition period, prompting some consumer demand to be released ahead of schedule at the end of 2025. Second, January fell right before the Spring Festival holiday, leading to reduced foot traffic at terminal auto dealerships and delayed purchasing intentions among consumers, further dragging down the monthly sales volume.

From a market structure perspective, domestic sales and exports presented a stark contrast of "one down, one up," a pattern that directly impacts the demand distribution of different types of fasteners. In January, domestic auto sales totaled 1.665 million units, down 14.8% year-on-year and 33.9% month-on-month. Among them, domestic sales of traditional fuel vehicles reached 1.022 million units, down 11.9% year-on-year and 7.9% month-on-month. As the "basic foundation" for fastener demand, traditional fuel vehicles require 4,000 to 7,500 fasteners per vehicle, covering various types such as bolts, nuts, and rivets. The stable fluctuation in their sales volume provides steady demand support for conventional fastener products. In sharp contrast, auto exports performed brilliantly, reaching 681,000 units in January, a year-on-year surge of 44.9% (despite a 9.5% month-on-month decline). Among these, pure electric vehicle (EV) exports hit 202,000 units, doubling year-on-year and rising 16.9% month-on-month; plug-in hybrid vehicle (PHEV) exports reached 99,000 units, up 97.3% year-on-year but down 21.8% month-on-month. The explosive growth in NEV exports has driven up the demand for high-strength and lightweight fasteners, which are primarily used in core components such as battery packs and electric drive systems, ensuring the safety and performance of exported NEVs.

As the mainstay of the auto market, passenger vehicle sales declined in January, but Chinese brands maintained their dominant position, and their market performance directly influences the market layout of the fastener industry. In January, passenger vehicle production and sales reached 2.062 million and 1.988 million units, respectively, dropping 28.4% and 30.2% month-on-month, and 4.1% and 6.8% year-on-year. Chinese passenger vehicle brands sold a total of 1.329 million units, down 32.1% month-on-month and 8.9% year-on-year, accounting for 66.9% of total passenger vehicle sales, a 1.5 percentage point decrease in market share compared to the same period last year. Among major foreign brands, sales of the top five brands saw double-digit declines compared to the previous month; compared to the same period last year, American brands achieved double-digit growth, while the other four major brands experienced varying degrees of decline.

Looking at the segmented models of Chinese brands, the market shares of Chinese sedans, SUVs, and MPVs in January were 54.4%, 74.1%, and 71.7%, respectively. Compared to the previous month, the market share of Chinese sedans dropped significantly, while that of SUVs and MPVs saw slight growth. Compared to the same period last year, the market share of Chinese sedans declined, whereas SUVs and MPVs grew to varying extents. The sales fluctuations of different models correspond to varying demands for fasteners: SUVs, due to their complex chassis structures, have greater demand for high-strength flange bolts and wheel bolts; MPVs focus more on interior assembly, resulting in higher usage of plastic clips and countersunk screws; sedans, on the other hand, have a more prominent demand for lightweight fasteners, with an increasing proportion of aluminum alloy bolts.

It is worth noting that the commercial vehicle market maintained its positive momentum in January, becoming a significant driving force for the auto industry's growth and bringing robust demand for commercial vehicle fasteners. In January, commercial vehicle production and sales reached 388,000 and 359,000 units, respectively, down 6.8% and 15.6% month-on-month, but up 29.9% and 23.5% year-on-year. As production materials, the sales growth of commercial vehicles directly reflects the recovery of domestic logistics, infrastructure, and other industries. Commercial vehicles have distinct requirements for fasteners, emphasizing "high strength and high durability." For instance, the chassis and frames of heavy-duty trucks require a massive amount of high-strength bolts of Grade 8.8 or above, while the wheel hubs need specialized wheel bolts and nuts to withstand high loads and frequent vibrations. The positive trend in the commercial vehicle market provides broad market space for high-end industrial fastener enterprises.

02 Details of Sub-Market Production and Sales and Their Correlation with Fastener Demand

The steady operation of the NEV market was the biggest highlight of the January auto market, also propelling the fastener industry toward high-end and lightweight transformation. In January, NEV production and sales reached 1.041 million and 945,000 units, respectively, down 39.4% and 44.8% month-on-month, but up 2.5% and 0.1% year-on-year. NEV sales accounted for 40.3% of total auto sales, maintaining a high market penetration rate. Among major NEV categories, production and sales of all three types declined to varying extents compared to the previous month; compared to the same period last year, EV production and sales saw slight growth, PHEV production grew marginally while sales dipped slightly, and fuel cell vehicles experienced varying degrees of decline in both production and sales.

The continued growth of NEVs has imposed higher performance requirements on fasteners. Compared to traditional fuel vehicles, NEVs require 15%-20% more fasteners per vehicle, with greater emphasis on lightweight, anti-corrosion, and insulation properties. For example, battery pack fixing bolts must possess three performances: shock resistance, anti-corrosion, and electrical insulation; motor components require high-strength bolts with anti-loosening structures; and new fasteners like self-piercing rivets are widely used in NEV body assembly due to their compatibility with joining dissimilar materials. Data shows that the domestic NEV fastener market scale exceeded 33 billion RMB in 2025. With the continuous growth of NEV production and sales, this market scale will continue to expand, presenting significant opportunities for enterprises focused on the R&D and production of high-end fasteners.

The performance of key enterprises (groups) directly impacts the supply chain landscape of the fastener industry. In January, the top 10 auto enterprises (groups) by sales volume sold a combined 1.962 million units, accounting for 83.6% of total auto sales, indicating high industry concentration. Among the top 10, SAIC Motor, Geely Holding, Dongfeng Motor, GAC Group, and Great Wall Motor saw varying degrees of year-on-year sales growth, while the others experienced declines. Most of these leading automakers have stable fastener supply chain systems. Their sales growth will directly drive order growth for supporting fastener enterprises, while also pushing fastener companies to accelerate technological innovation to meet automakers' demands for high-end fasteners, achieving coordinated development with OEMs.

03 Future Market Outlook and Implications for the Fastener Industry

Looking ahead, CAAM maintains an optimistic outlook on the development of the auto industry, providing strong support for the sustained development of the fastener industry. CAAM stated that since the beginning of 2026, the government has intensively rolled out a series of policies benefiting both the public and enterprises to boost people's livelihoods and economic development. The "Two New" policies (large-scale equipment renewal and consumer goods trade-in) have been smoothly connected, with local authorities successively following up and releasing detailed implementation rules. The "Work Plan for Accelerating the Cultivation of New Growth Points in Service Consumption" focuses on key areas such as auto aftermarket services to stimulate market vitality. As these policies are refined and implemented, they will help stabilize and rebound auto market demand, supporting the steady operation of the industry.