

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (November 2012)

The total value of machine tool orders in November was 88.2 billion yen. This was a decrease of 6.5% compared to October and marked the second consecutive month-on-month decline. In addition, this figure represented a decrease of 21.3% compared to the same month of the previous year, with November posting the seventh consecutive month of year-on-year decline.

Total orders fell below 90 billion yen for the first time in 25 months and marked the smallest monthly order volume of this year for two consecutive months. Meanwhile, we continue to keep a close watch on risk factors caused by instability in the European economy and concerns related to the fiscal cliff issue in the U.S. economy.

Domestic orders rose by 8.5% over October, amounting to 29.9 billion yen. This marked the first month-on-month increase in two months. However, this figure was a decrease of 20.9% from the same month of the previous year and marked six consecutive months of year-on-year decline.

Looking at major industries, orders compared to October rose by 17.0% in industrial machinery and 9.3% in motor vehicles but fell by 12.2% in electrical and precision machinery and 13.9% in aircraft, shipbuilding and transport equipment.

Foreign orders fell by 12.7% from October to 58.31 billion yen. This marked the second consecutive month-on-month decline. At the same time, foreign orders showed a decrease of 21.5% from the same month of the previous year, with November posting the second consecutive year-on-year decline.

By region, orders from Asia fell by 14.4% from the previous month to 31.51 billion yen. This was a decrease of 26.4% from the same month of the previous year. Orders from Europe rose by 22.2% over October to 10.50 billion yen. This was a decrease of 23.6% from the same month of the previous year. Orders from North America fell to 15.30 billion yen, a decrease of 25.2% from October. This was also a decrease of 5.5% from the same month of the previous year.

NET NEW ORDERS—METAL CUTTING MACHINE TOOLS IN JAPAN

(Value in Millions of Yen)

Period		Total 2011	11/10 (%)	12/04-12/06	12/07-12/09	Previous Quarter (%)	year-to-year (%)	12/01-12/11	year-to-year (%)	Nov. '12	Nov. 12/Oct. 12 (%)	Nov. 12/Nov. 11 (%)
Industry												
S	Primary Metals	8,766	144.6	1,917	1,756	91.6	99.4	6,766	89.5	979	173.9	162.6
2.	Fabricated Metal Products	16,595	147.9	3,250	4,180	128.6	104.3	12,979	84.9	1,313	136.8	133.0
Machinery & Equipment Industries	3. Industrial Machinery	188,942	150.5	45,152	40,229	89.1	84.4	150,257	86.2	11,986	117.0	77.3
	(of which dies and molds)	21,803	133.3	5,792	5,633	97.3	90.9	20,465	104.1	1,864	124.8	87.4
	4. Motor Vehicles	122,256	136.8	31,801	26,613	83.7	79.8	108,165	97.0	9,936	109.3	81.9
	(of which auto parts)	83,748	140.2	19,654	16,102	81.9	70.0	67,234	88.4	5,557	88.6	70.0
	5. Electrical Machinery	23,613	122.8	5,690	5,232	92.0	90.4	18,732	85.9	1,302	70.0	68.5
	6. Precision Machinery	22,858	106.5	4,171	4,110	98.5	69.2	15,192	72.0	1,257	119.1	41.7
	5-6. Electrical & Precision Machinery (Sub Total)	46,471	114.2	9,861	9,342	94.7	79.6	33,924	79.1	2,559	87.8	52.1
	7. Aircraft, Shipbuilding & Transport equipment	13,662	97.2	4,786	4,060	84.8	109.2	17,183	138.3	1,526	86.1	134.8
3-7 Machinery & Equipment Industries (Sub Total)	371,331	137.7	91,600	80,244	87.6	83.2	309,529	90.8	26,007	108.2	77.2	
8.	Other Machinery & Equipment	13,969	133.2	2,672	3,063	114.6	79.9	9,419	73.1	609	75.0	45.8
9.	Government, Public Agencies & Schools	3,247	98.6	203	1,372	675.9	348.2	2,734	103.8	320	90.4	64.6
10.	Others	5,287	106.7	1,426	1,492	104.6	103.5	5,480	118.8	309	52.2	69.4
11.	Trading Companies	2,404	132.0	678	778	114.7	83.4	3,013	137.0	326	151.6	181.1
1-11.	Domestic Total	421,599	137.1	101,746	92,885	91.3	85.3	349,920	90.6	29,863	108.5	79.1
12.	Foreign	904,589	134.8	219,067	216,527	98.8	101.2	778,412	94.5	58,307	87.3	78.5
1-12.	Grand Total	1,326,188	135.5	320,813	309,412	96.4	95.9	1,128,332	93.2	88,170	93.5	78.7
	(of which: NC machines)	1,290,606	138.1	313,492	302,844	96.6	96.4	1,100,744	93.4	85,904	93.5	79.1

Sales	1,179,316	138.5	303,000	362,495	119.6	114.5	1,217,899	114.8	95,487	105.5	93.0
(of which: NC machines)	1,143,920	140.4	296,485	354,050	119.4	115.0	1,185,371	115.2	92,303	104.5	92.3
Order Backlog	653,138	128.5	621,623	574,865	92.5	91.3	571,375	87.2	571,375	98.7	87.2
(of which: NC machines)	623,263	130.2	593,940	549,009	92.4	91.5	546,114	87.3	546,114	98.8	87.3

NET NEW ORDERS BY DESTINATION

(Value in Millions of Yen)

2012		Jan.		Feb.		Mar.		Apr.		May		Jun.		Jul.		Aug.		Sep.		Oct.		Nov.		Dec.		Total		
			%		%		%		%		%		%		%		%		%		%		%		%	2012	%	
Asia	East Asia	Korea	1,381	49.1	1,573	41.8	1,796	28.2	1,599	50.7	1,954	59.0	2,012	68.8	1,863	67.5	2,682	105.7	1,585	59.8	4,958	243.9	1,874	92.5			23,277	67.8
		Taiwan	1,818	150.1	1,294	91.2	1,460	81.0	1,111	71.4	826	60.7	854	61.0	1,093	98.2	1,127	152.5	1,497	186.4	1,685	182.6	855	80.1			13,620	101.7
		China	22,956	69.8	28,065	87.8	27,443	103.2	29,432	104.2	28,919	109.1	29,207	81.5	30,377	105.8	23,640	119.5	27,064	107.8	23,036	109.4	19,793	85.8			289,932	96.7
		Other	493	594.0	526	26300.0	137	119.1	73	1042.9	7	21.2	-2	-	1	8.3	34	425.0	-2	-	6	46.2	126	6300.0			1,399	427.8
		East Asia Total	26,648	72.0	31,458	84.7	30,836	88.4	32,215	97.7	31,706	101.6	32,071	79.8	33,334	102.3	27,483	119.1	30,144	105.5	29,685	123.5	22,648	86.6			328,228	94.4
	Other Asia	Thailand	7,766	225.8	5,189	117.0	5,496	121.9	5,756	281.5	3,903	89.2	4,038	104.4	3,099	84.7	4,623	244.7	4,602	167.8	2,419	40.1	3,543	32.8			50,434	105.5
		Malaysia	400	92.0	1,976	1197.6	548	192.3	394	102.6	250	22.2	491	99.8	630	157.1	142	50.7	98	77.8	94	7.3	-205	-			4,818	89.0
		Singapore	1,576	374.3	1,028	211.5	379	86.1	804	167.5	335	73.8	384	50.5	378	60.4	247	45.2	364	78.6	272	85.8	590	299.5			6,357	122.5
		India	3,832	189.6	3,356	189.9	2,332	80.3	2,349	101.1	882	23.7	1,806	36.3	3,471	153.2	2,484	55.0	1,795	108.5	990	21.9	1,864	105.3			25,161	77.6
		Other	2,363	148.4	2,291	157.7	3,530	229.5	1,574	124.0	3,257	213.4	3,538	172.2	3,527	117.6	1,916	114.7	3,209	297.1	3,333	236.2	3,071	89.1			31,609	157.7
	Other Asia Total	15,937	201.5	13,840	166.6	12,285	127.0	10,877	167.3	8,627	77.0	10,257	84.4	11,105	111.6	9,412	105.7	10,068	166.0	7,108	52.4	8,863	53.2			118,379	106.8	
Sub Total	42,585	94.9	45,298	99.6	43,121	96.8	43,092	109.2	40,333	95.1	42,328	80.8	44,439	104.4	36,895	115.4	40,212	116.1	36,793	97.9	31,511	73.6			446,607	97.4		
Europe	E	7,539	76.6	7,158	71.9	10,553	85.9	8,964	75.9	7,193	68.1	8,303	68.0	7,300	62.2	6,429	57.0	7,698	75.1	6,685	60.8	7,703	66.4			85,525	69.8	
	Germany	3,587	88.4	2,559	59.4	4,945	98.4	3,579	85.3	3,128	67.4	3,591	69.7	2,988	58.7	2,864	57.9	3,055	86.7	2,428	54.4	2,797	66.9			35,521	71.6	
	U. Kingdom	1,292	89.0	1,879	159.2	1,682	131.7	1,503	127.8	1,133	94.1	799	60.3	1,076	84.7	663	39.2	738	60.1	1,262	106.0	1,489	94.6			13,516	92.8	
	Italy	506	45.5	452	35.5	433	26.1	1,088	79.7	729	74.3	613	45.2	601	37.8	277	24.7	472	34.1	573	48.5	578	55.2			6,322	44.9	
	France	961	102.1	984	98.0	1,318	76.3	1,070	96.1	702	50.7	1,140	83.1	902	69.9	692	84.8	817	95.0	777	65.9	803	57.6			10,166	77.7	
	Central Europe	202	22.4	402	42.3	875	77.8	636	54.6	623	89.0	925	72.2	804	78.1	1,165	79.2	1,074	89.1	571	60.0	945	66.7			8,222	67.4	
	Other West Europe	794	78.9	993	90.5	1,694	128.1	862	46.3	1,041	74.5	1,118	111.8	1,015	79.2	607	70.9	867	43.4	1,318	148.1	1,832	148.1			12,141	87.1	
	Other East Europe	178	147.1	140	127.3	204	313.8	161	110.3	202	102.5	133	45.2	116	64.1	357	266.4	575	164.8	41	58.6	109	119.8			2,216	126.1	
	Russia	425	77.7	753	133.3	200	208.3	123	30.8	441	47.3	680	138.2	354	51.6	448	-	395	32.4	552	101.7	858	105.4			5,229	83.5	
	Sub Total	8,936	77.6	9,044	77.1	12,651	91.9	10,110	71.1	8,877	67.8	10,234	73.1	8,785	63.3	7,841	64.1	9,535	69.0	8,596	68.8	10,502	76.4			105,111	72.7	
North America	USA	15,577	121.3	14,918	98.4	16,621	90.3	16,498	101.7	18,326	123.4	16,551	101.7	16,391	94.2	18,005	125.6	23,171	101.9	16,842	107.3	13,278	96.5			186,178	104.8	
	Canada	980	158.3	822	79.7	935	83.3	851	71.9	714	61.2	1,208	110.0	682	88.9	490	100.8	1,154	141.9	474	45.5	734	57.4			9,044	85.3	
	Mexico	673	39.3	791	59.2	1,506	73.5	1,414	185.1	2,614	152.4	2,026	177.6	1,762	128.1	2,797	428.3	1,507	136.9	3,128	433.2	1,285	112.4			19,503	142.2	
	Sub Total	17,230	113.5	16,531	94.3	19,062	88.3	18,763	103.2	21,654	122.1	19,785	106.9	18,835	96.4	21,292	137.6	25,832	104.7	20,444	117.1	15,297	94.5			214,725	106.3	
S.&C. America	Brazil	465	63.0	822	107.2	446	49.5	570	77.2	599	87.8	458	32.6	630	61.8	393	31.9	398	33.6	495	50.9	298	36.6			5,574	53.3	
	Other	3	2.7	13	108.3	48	77.4	10	21.7	61	30.2	0	-	0	-	29	30.2	16	44.4	103	321.9	61	62.9			344	37.5	
	Sub Total	468	55.1	835	107.2	494	51.3	580	74.0	660	74.7	458	30.7	630	54.6	422	31.8	414	34.0	598	59.5	359	39.4			5,918	52.1	
Other	Australia	83	18.9	272	264.1	382	105.8	307	39.0	369	23.1	461	113.3	434	136.1	192	114.3	300	58.4	271	52.0	395	116.9			3,466	62.4	
	Other	206	228.9	39	63.9	485	218.5	142	82.1	341	1002.9	573	458.4	172	113.9	177	93.7	120	74.1	87	25.8	243	91.7			2,585	142.9	
	Sub Total	289	54.7	311	189.6	867	148.7	449	46.8	710	43.5	1,034	194.4	606	128.9	369	103.4	420	62.1	358	41.7	638	105.8			6,051	82.2	
Grand Total	69,508	95.3	72,019	95.2	76,195	93.5	72,994	99.2	72,234	95.3	73,839	85.0	73,295	94.5	66,819	108.9	76,413	101.9	66,789	96.2	58,307	78.5			778,412	94.5		
Of which:NC Machines	68,479	94.8	70,828	95.3	75,098	94.8	72,412	100.7	72,027	96.9	73,074	86.0	72,589	95.6	66,328	110.3	75,818	102.4	65,854	95.5	57,364	78.4			769,871	95.1		

(Note) 1. The countries newly joined EU are included in "Central Europe" since May, 2004. 2. Oceania, Middle East and Africa are included in "Other" region. 3. % previous year

Japan Machine Tool Builders' Association