

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (April 2024)

The total value of machine tool orders in April was 120.90 billion yen. This was a decrease of 10.9% compared to March 2024 and marked the first month of month-on-month decline in three months. Moreover, this figure represented a decrease of 8.9% compared to the same month of the previous year and marked the sixteenth consecutive month of year-on-year decline.

Total orders topped 120 billion yen for the two consecutive months. Despite the cautious situation, it is one -stage higher level from the beginning of the year.

While domestic orders have a sign of bottoming out, Developments in Europe and the US are somewhat lacking in strength. We would like to pay close attention to future trends regarding the recovery of orders.

Domestic orders fell by 26.2% from March, amounting to 36.37 billion yen. This marked the first month of month-on-month decline in three months. Furthermore, this figure was a decrease of 12.8% from the same month of the previous year and marked the twentieth consecutive month of year-on-year decline. Looking at major industries, orders compared to March fell by 35.1% in industrial machinery, by 7.2% in motor vehicles, by 38.5% in electrical & precision machinery, and rose by 51.4% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 2.2% from March to 84.53 billion yen, marked the first month of month-on-month decline in three months. Additionally, foreign orders showed a decrease of 7.1% from the same month of the previous year, and this marked the sixteenth consecutive month of year-on-year decline. By region, orders from Asia rose by 8.8% over March to 41.96 billion yen. This was an increase of 2.0% over the same month of the previous year. Orders from Europe fell by 1.8% from March to 16.95 billion yen. This was a decrease of 18.4% from the same month of the previous year. Orders from North America fell by 19.6% from March, amounting to 22.70 billion yen. This figure was a decrease of 14.8% from the same month of the previous year.

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NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Period		Total 2023	23/22 (%)	23/10–23/12	24/1–24/03	Previous Quarter (%)	year-to-year (%)	24/01–24/04	year-to-year (%)	April '24	Apr. 24/Mar. 24 (%)	Apr. 24/Apr. 23 (%)
Industry												
1. Primary Metals		16,345	83.1	2,776	3,748	135.0	76.2	5,118	82.7	1,370	61.8	107.8
2. Fabricated Metal Products		36,813	72.8	7,010	9,444	134.7	83.1	12,185	86.9	2,741	57.7	103.4
Machinery & Equipment Industries	3. Industrial Machinery	203,557	83.6	41,036	45,992	112.1	81.2	58,820	77.3	12,828	64.9	65.8
	(of which construction machinery)	12,442	91.1	2,523	2,915	115.5	95.0	3,917	93.8	1,002	98.3	90.4
	(of which dies and molds)	28,189	81.8	5,116	5,321	104.0	62.9	6,458	52.8	1,137	77.0	30.0
	4. Motor Vehicles	100,588	74.7	26,103	23,208	88.9	94.3	32,052	98.0	8,844	92.8	109.4
	(of which auto parts)	73,519	79.1	19,047	17,098	89.8	95.4	23,557	98.7	6,459	90.4	108.6
	5. Electrical Machinery	36,272	63.7	5,618	9,582	170.6	76.3	11,706	76.4	2,124	44.3	76.8
	6. Precision Machinery	21,430	72.6	5,793	5,506	95.0	84.6	7,779	96.2	2,273	96.9	144.2
	5–6. Electrical & Precision Machinery (Sub Total)	57,702	66.7	11,411	15,088	132.2	79.2	19,485	83.3	4,397	61.5	101.3
	7. Aircraft, Shipbuilding & Transport equipment	20,172	107.0	6,030	4,974	82.5	98.8	7,651	109.2	2,677	151.4	135.7
	(of which aircraft)	8,509	146.9	2,631	2,310	87.8	104.1	3,689	145.1	1,379	167.4	425.6
3–7. Sub total	382,019	79.0	84,580	89,262	105.5	84.8	118,008	84.8	28,746	75.2	84.8	
8. Other Machinery & Equipment		22,867	87.1	5,607	5,070	90.4	102.6	6,814	90.4	1,744	80.9	67.1
9. Government, Public Agencies & Schools		1,977	89.7	536	419	78.2	186.2	687	218.8	268	169.6	301.1
10. Others		12,165	86.3	2,751	3,212	116.8	77.6	4,318	85.5	1,106	90.4	121.5
11. Trading Companies		4,635	67.2	1,331	1,248	93.8	156.4	1,645	150.0	397	74.6	132.8
1–11. Domestic Total		476,821	79.0	104,591	112,403	107.5	85.3	148,775	85.8	36,372	73.8	87.2
12. Foreign		1,009,698	87.3	250,449	248,415	99.2	94.6	332,945	94.2	84,530	97.8	92.9
1–12. Grand Total		1,486,519	84.5	355,040	360,818	101.6	91.5	481,720	91.4	120,902	89.1	91.1
(of which: NC machines)		1,463,024	84.7	349,641	355,691	101.7	91.6	473,556	91.2	117,865	87.9	89.9
Sales		1,616,581	103.1	405,723	389,590	96.0	88.2	486,202	87.6	96,612	59.0	85.4
(of which: NC machines)		1,591,253	103.0	399,214	382,228	95.7	87.7	477,538	87.3	95,310	59.3	85.4
Order Backlog		785,775	87.6	785,775	757,003	96.3	89.2	781,293	90.0	781,293	103.2	90.0
(of which: NC machines)		760,531	87.5	760,531	733,994	96.5	89.3	756,549	89.9	756,549	103.1	89.9

NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2024		Jan.		Feb.		Mar.		Apr.		May		June		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total			
			%		%		%		%		%		%		%		%		%		%		%		%	2024	%		
Asia	East Asia	Korea	2,470	123.7	1,769	97.7	1,973	89.8	3,162	172.3																	9,374	119.6	
		Taiwan	1,671	81.6	1,405	87.2	2,004	108.3	2,176	96.3																		7,256	93.4
		China	22,686	94.5	22,819	77.6	25,373	84.3	26,560	102.6																		97,438	89.1
		Other	0	-	0	-	260	742.9	35	3500.0																		295	88.3
		East Asia Total	26,827	95.6	25,993	78.4	29,610	86.7	31,933	106.5																		114,363	91.3
	Other Asia	Thailand	2,247	170.6	1,666	119.7	1,518	129.3	1,102	90.2																		6,533	128.0
		Malaysia	987	66.3	844	136.6	983	86.4	1,151	107.2																		3,965	91.8
		Singapore	909	236.1	364	49.5	476	56.4	270	37.7																		2,019	75.3
		Philippine	83	58.0	345	110.9	238	137.6	149	119.2																		815	108.4
		Indonesia	512	83.7	396	112.8	217	35.9	488	66.5																		1,613	70.1
Vietnam		1,014	80.7	1,655	270.4	1,182	183.3	1,312	210.6																		5,163	164.6	
India		4,234	110.7	5,159	193.5	4,317	146.8	5,547	83.5																		19,257	119.8	
Other	2	66.7	3	100.0	13	185.7	3	60.0																		21	116.7		
Other Asia Total	9,988	110.6	10,432	156.0	8,944	118.8	10,022	89.9																			39,386	114.5	
Sub Total	36,815	99.3	36,425	91.5	38,554	92.5	41,955	102.0																			153,749	96.3	
Europe	EU	Germany	3,667	79.4	4,140	81.1	4,095	85.1	3,436	78.0																	15,338	81.0	
		Italy	2,480	66.4	1,694	70.0	2,012	63.5	2,770	88.9																		8,956	72.0
		France	1,338	77.3	2,351	139.4	1,606	78.3	1,715	94.3																		7,010	96.2
		Central Europe	1,312	151.3	1,985	119.2	1,720	100.1	1,241	101.9																		6,258	114.4
		Other	4,070	115.6	3,013	89.7	3,510	100.2	3,334	91.6																		13,927	99.3
	Sub Total	12,867	88.9	13,183	92.6	12,943	84.8	12,496	88.0																			51,489	88.5
	Other West Europe	U.K.	3,800	60.1	3,749	75.1	4,177	96.5	4,437	70.3																		16,163	73.6
		Turkey	1,291	75.6	1,617	115.2	1,555	82.2	1,699	64.1																		6,162	80.5
		Turkey	1,697	56.0	1,446	60.6	1,612	208.3	2,086	89.7																		6,841	80.3
		Switzerland	812	53.6	653	66.6	741	49.5	396	33.2																		2,602	50.1
		East Europe	70	83.3	200	107.5	131	76.6	10	3.8																		411	58.3
Russia - Other		4	-	8	160.0	6	35.3	7	175.0																		25	-	
Sub Total	16,741	80.3	17,140	88.2	17,257	87.3	16,950	81.6																			68,088	84.3	
North America	U.S.A.	21,052	92.6	22,585	106.0	24,191	94.8	18,899	76.6																		86,727	92.0	
	Canada	1,748	141.1	1,403	127.4	1,447	92.9	2,169	191.8																		6,767	134.6	
	Mexico	1,525	102.1	1,657	190.2	2,582	298.2	1,632	193.4																		7,396	181.5	
	Sub Total	24,325	95.5	25,645	110.1	28,220	101.0	22,700	85.2																			100,890	97.6
S & C America	Brazil	455	52.5	1,094	128.7	1,241	142.0	1,705	203.9																		4,495	131.2	
	Other	213	560.5	20	2000.0	27	61.4	33	33.3																		293	161.0	
	Sub Total	668	73.9	1,114	130.9	1,268	138.1	1,738	185.9																			4,788	132.7
Oceania	Australia	611	79.5	595	70.4	531	111.3	318	46.8																		2,055	74.2	
	Other	138	136.6	89	49.7	37	185.0	67	94.4																		331	89.2	
Sub Total	749	86.1	684	66.8	568	114.3	385	51.3																			2,386	76.0	
Middle East	1,004	230.8	540	102.3	334	70.2	741	194.5																			2,619	143.9	
Africa	55	68.8	117	51.8	192	56.0	61	16.9																			425	42.1	
Grand Total	80,357	93.8	81,665	95.9	86,393	94.3	84,530	92.9																			332,945	94.2	
Of which NC	79,444	93.4	81,326	96.2	85,896	94.2	84,189	93.1																			330,855	94.2	

(Note) It will be described as “-”, if the actual value is “negative” or “0” or no actual value.

From January 2021, the UK was moved from the “EU” to “other Western Europe”.

Japan Machine Tool Builders' Association