

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (July 2024)

The total value of machine tool orders in July was 123.94 billion yen. This was a decrease of 7.4% compared to June 2024 and marked the first month of month-on-month decline in three months. However, this figure represented an increase of 8.4% compared to the same month of the previous year and marked the third consecutive month of year-on-year growth.

Total orders fell below 130 billion yen for the first time in two months but topped 120 billion yen for five consecutive months.

Orders in July were slightly calmer than in the previous month, but there have been no major changes in business conditions. We will continue to closely monitor future developments to see when a full-scale recovery in orders will occur.

Domestic orders fell by 12.5% from June, amounting to 35.70 billion yen. This marked the first month of month-on-month decline in two months. Moreover, this figure was a decrease of 9.3% from the same month of the previous year and marked the twenty-third consecutive month of year-on-year decline. Looking at major industries, orders compared to June fell by 5.9% in industrial machinery, by 31.1% in motor vehicles, rose by 31.4% in electrical & precision machinery, and fell by 49.7% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 5.1% from June to 88.24 billion yen, marked the first month of month-on-month decline in three months. However, foreign orders showed an increase of 17.7% over the same month of the previous year, and this marked the third consecutive month of year-on-year growth. By region, orders from Asia fell by 6.9% from June to 43.77 billion yen. This was an increase of 50.3% over the same month of the previous year. Orders from Europe fell by 15.0% from June to 14.71 billion yen. This was a decrease of 23.2% from the same month of the previous year. Orders from North America rose by 14.2% over June, amounting to 26.94 billion yen. This figure was an increase of 9.6% over 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 (%)	23/01–24/03	24/04–24/06	Previous Quarter (%)	year-to-year (%)	24/01–24/07	year-to-year (%)	July ' 24	July 24/June 24 (%)	July 24/July 23 (%)
Industry												
1. Primary Metals		16,345	83.1	3,748	3,905	104.2	96.1	8,526	84.0	873	54.0	75.1
2. Fabricated Metal Products		36,813	72.8	9,444	7,624	80.7	89.5	20,136	88.7	3,068	108.3	108.7
Machinery & Equipment Industries	3. Industrial Machinery	203,557	83.6	45,992	43,656	94.9	77.4	105,141	80.7	15,493	94.1	89.6
	(of which construction machinery)	12,442	91.1	2,915	2,238	76.8	55.5	5,518	70.4	365	73.0	49.7
	(of which dies and molds)	28,189	81.8	5,321	4,045	76.0	47.1	10,426	55.8	1,060	56.9	64.3
	4. Motor Vehicles	100,588	74.7	23,208	25,805	111.2	111.3	55,383	98.4	6,370	68.9	75.2
	(of which auto parts)	73,519	79.1	17,098	17,447	102.0	103.9	38,644	94.4	4,099	76.4	65.8
	5. Electrical Machinery	36,272	63.7	9,582	6,060	63.2	75.8	19,197	84.3	3,555	201.0	160.1
	6. Precision Machinery	21,430	72.6	5,506	6,681	121.3	138.8	13,850	109.0	1,663	75.5	119.7
	5 – 6. Electrical & Precision Machinery (Sub Total)	57,702	66.7	15,088	12,741	84.4	99.5	33,047	93.2	5,218	131.4	144.6
	7. Aircraft, Shipbuilding & Transport equipment	20,172	107.0	4,974	7,447	149.7	147.8	13,796	121.3	1,375	50.3	105.7
	(of which aircraft)	8,509	146.9	2,310	4,368	189.1	205.6	7,347	163.4	669	40.2	440.1
3 – 7. Sub total	382,019	79.0	89,262	89,649	100.4	92.0	207,367	88.8	28,456	87.8	92.8	
8. Other Machinery & Equipment	22,867	87.1	5,070	4,756	93.8	74.6	11,619	82.4	1,793	117.4	64.4	
9. Government, Public Agencies & Schools	1,977	89.7	419	576	137.5	138.8	1,370	129.4	375	147.6	89.5	
10. Others	12,165	86.3	3,212	3,376	105.1	132.3	7,530	98.5	942	95.2	99.3	
11. Trading Companies	4,635	67.2	1,248	2,133	170.9	215.0	3,577	151.4	196	16.7	34.3	
1–11. Domestic Total	476,821	79.0	112,403	112,019	99.7	93.1	260,125	89.2	35,703	87.5	90.7	
12. Foreign	1,009,698	87.3	248,415	267,229	107.6	105.3	603,883	102.1	88,239	94.9	117.7	
1–12. Grand Total	1,486,519	84.5	360,818	379,248	105.1	101.3	864,008	97.9	123,942	92.6	108.4	
(of which: NC machines)	1,463,024	84.7	355,691	372,199	104.6	100.8	849,883	97.7	121,993	92.6	109.2	
Sales		1,616,581	103.1	389,590	329,117	84.5	86.5	836,068	88.9	117,361	98.3	99.1
(of which: NC machines)		1,591,253	103.0	382,228	324,633	84.9	86.6	822,827	88.8	115,966	98.6	99.7
Order Backlog		785,775	87.6	757,003	807,134	106.6	95.8	813,715	97.0	813,715	100.8	97.0
(of which: NC machines)		760,531	87.5	733,994	781,560	106.5	95.7	787,587	97.0	787,587	100.8	97.0

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	2,993	99.2	2,375	83.6	2,235	124.2											16,977	109.6	
		Taiwan	1,671	81.6	1,405	87.2	2,004	108.3	2,176	96.3	2,223	156.2	2,865	144.3	2,178	133.2											14,522	113.3	
		China	22,686	94.5	22,819	77.6	25,373	84.3	26,560	102.6	27,987	119.0	31,695	166.0	29,495	165.9											186,615	109.9	
		Other	0	-	0	-	260	742.9	35	3500.0	0	-	0	-	0	-											295	88.3	
		East Asia Total	26,827	95.6	25,993	78.4	29,610	86.7	31,933	106.5	33,203	118.8	36,935	154.4	33,908	159.8											218,409	110.1	
	Other Asia	Thailand	2,247	170.6	1,666	119.7	1,518	129.3	1,102	90.2	2,185	135.1	2,561	144.2	1,585	73.6											12,864	120.8	
		Malaysia	987	66.3	844	136.6	983	86.4	1,151	107.2	1,087	144.9	933	85.6	1,118	366.6											7,103	109.9	
		Singapore	909	236.1	364	49.5	476	56.4	270	37.7	628	66.7	337	47.3	306	58.2											3,290	67.7	
		Philippine	83	58.0	345	110.9	238	137.6	149	119.2	113	297.4	307	102.7	61	115.1											1,296	113.5	
		Indonesia	512	83.7	396	112.8	217	35.9	488	66.5	188	57.3	503	103.9	625	117.0											2,929	80.3	
Vietnam		1,014	80.7	1,655	270.4	1,182	183.3	1,312	210.6	955	90.1	764	74.4	1,180	145.7											8,062	133.6		
India		4,234	110.7	5,159	193.5	4,317	146.8	5,547	83.5	4,198	126.3	4,654	116.4	4,988	143.8											33,097	123.2		
Other	2	66.7	3	100.0	13	185.7	3	60.0	58	2900.0	3	150.0	3	4.6											85	97.7			
Other Asia Total	9,988	110.6	10,432	156.0	8,944	118.8	10,022	89.9	9,412	116.8	10,062	107.2	9,866	124.7												68,726	115.0		
Sub Total	36,815	99.3	36,425	91.5	38,554	92.5	41,955	102.0	42,615	118.3	46,997	141.1	43,774	150.3												287,135	111.2		
Europe	EU	Germany	3,667	79.4	4,140	81.1	4,095	85.1	3,436	78.0	3,519	83.0	4,468	86.1	3,682	85.4											27,007	82.6	
		Italy	2,480	66.4	1,694	70.0	2,012	63.5	2,770	88.9	2,407	76.2	2,125	74.1	1,920	63.7											15,408	71.7	
		France	1,338	77.3	2,351	139.4	1,606	78.3	1,715	94.3	1,913	114.5	2,616	106.4	2,168	87.4											13,707	98.6	
		Central Europe	1,312	151.3	1,985	119.2	1,720	100.1	1,241	101.9	1,560	107.3	1,006	73.1	1,303	163.3											10,127	111.3	
		Other	4,070	115.6	3,013	89.7	3,510	100.2	3,334	91.6	3,570	119.9	3,644	115.2	2,386	59.6											23,527	97.4	
	Sub Total	12,867	88.9	13,183	92.6	12,943	84.8	12,496	88.0	12,969	96.0	13,859	92.1	11,459	78.4												89,776	88.6	
	Other West Europe	U.K.	3,800	60.1	3,749	75.1	4,177	96.5	4,437	70.3	4,261	103.0	3,329	82.2	3,005	68.1												26,758	77.4
		Turkey	1,291	75.6	1,617	115.2	1,555	82.2	1,699	64.1	1,854	111.4	1,527	105.3	1,174	67.9												10,717	85.8
		Turkey	1,697	56.0	1,446	60.6	1,612	208.3	2,086	89.7	1,888	263.7	1,399	112.8	1,148	76.0												11,276	94.1
		Switzerland	812	53.6	653	66.6	741	49.5	396	33.2	382	22.6	256	20.2	478	57.0												3,718	41.4
East Europe		70	83.3	200	107.5	131	76.6	10	3.8	26	10.8	107	46.9	239	771.0												783	65.0	
Russia - Other	4	-	8	160.0	6	35.3	7	175.0	7	29.2	7	21.2	7	7.4												46	31.7		
Sub Total	16,741	80.3	17,140	88.2	17,257	87.3	16,950	81.6	17,263	96.4	17,302	89.3	14,710	76.8												117,363	85.5		
North America	U.S.A.	21,052	92.6	22,585	106.0	24,191	94.8	18,899	76.6	23,600	106.3	21,393	96.0	22,966	117.9												154,686	97.8	
	Canada	1,748	141.1	1,403	127.4	1,447	92.9	2,169	191.8	1,666	102.8	1,333	83.5	1,508	64.2												11,274	106.4	
	Mexico	1,525	102.1	1,657	190.2	2,582	298.2	1,632	193.4	2,366	156.3	876	37.1	2,469	89.9												13,107	122.5	
	Sub Total	24,325	95.5	25,645	110.1	28,220	101.0	22,700	85.2	27,632	109.0	23,602	90.0	26,943	109.6												179,067	99.8	
S & C America	Brazil	455	52.5	1,094	128.7	1,241	142.0	1,705	203.9	693	60.7	642	45.4	1,013	183.5												6,843	104.7	
	Other	213	560.5	20	2000.0	27	61.4	33	33.3	128	119.6	3,465	17325.0	72	135.8												3,958	1093.4	
	Sub Total	668	73.9	1,114	130.9	1,268	138.1	1,738	185.9	821	65.7	4,107	286.2	1,085	179.3												10,801	156.6	
Oceania	Australia	611	79.5	595	70.4	531	111.3	318	46.8	868	113.6	842	160.7	685	106.5												4,450	94.7	
	Other	138	136.6	89	49.7	37	185.0	67	94.4	83	8300.0	25	24.3	58	-											497	104.9		
	Sub Total	749	86.1	684	66.8	568	114.3	385	51.3	951	124.3	867	138.3	743	115.7												4,947	95.6	
Middle East	1,004	230.8	540	102.3	334	70.2	741	194.5	384	109.4	131	74.0	902	138.3												4,036	134.5		
Africa	55	68.8	117	51.8	192	56.0	61	16.9	27	27.6	0	-	82	40.6												534	40.0		
Grand Total	80,357	93.8	81,665	95.9	86,393	94.3	84,530	92.9	89,693	109.8	93,006	114.6	88,239	117.7												603,883	102.1		
Of which NC	79,444	93.4	81,326	96.2	85,896	94.2	84,189	93.1	89,232	109.9	92,569	114.9	87,740	117.9													600,396	102.2	

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

Japan Machine Tool Builders' Association

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