

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (December 2024)

The total value of machine tool orders in December was 143.09 billion yen. This increased 19.9% compared to November 2024 and marked the first month of month-on-month growth in three months. Moreover, this figure represented an increase of 12.6% compared to the same month of the previous year and marked the third consecutive year-on-year growth.

Total orders exceeded 140 billion yen for the first time in 21 months, due to large orders from overseas, the highest amount this year, but the situation was uneven by region.

Although orders in December reached a high level of over 140 billion yen, we will need to keep a close eye on future developments to see if this is a sign of a recovery.

Domestic orders rose by 16.3% over November to 39.92 billion yen. This marked the second consecutive months of month-on-month. Furthermore, this figure was an increase of 4.4% over the same month of the previous year and marked year-on-year growth for two consecutive months. Looking at major industries, orders compared to November fell by 6.5% in industrial machinery, rose by 55.5% in motor vehicles, by 19.4% in electrical & precision machinery, and by 172.2% in aircraft, shipbuilding & transport equipment.

Foreign orders rose by 21.4% over November to 103.17 billion yen, marked the first month of month-on-month growth in two months. Additionally, foreign orders showed an increase of 16.1% 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 rose by 20.9% over November to 51.31 billion yen. This increased 32.0% over the same month of the previous year. Orders from Europe rose by 13.5% over November to 16.37 billion yen. This was a decrease of 16.3% from the same month of the previous year. Orders from North America rose by 21.9% over November, amounting to 31.98 billion yen. This figure was an increase of 14.7% over the same month of the previous year.

Machine Tool Orders for 2024 totaled 1,485.11 billion yen, which was a decrease of 0.1% from the previous year. As a result, the calendar year 2024 posted a year-on-year decline for two consecutive years and fell below 1.5 trillion yen for two consecutive years. Total domestic orders fell by 7.4 % from the previous year to 441.54 billion yen, and total foreign orders rose by 3.4% over the previous year to 1,043.57 billion yen.

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry	Period	Total 2023	23/22 (%)	24/07–24/09	24/10–24/12	Previous Quarter (%)	year-to-year (%)	24/01–24/12	year-to-year (%)	Dec. '24	Dec24/Nov. 24 (%)	Dec. 24/Dec. 23 (%)
1. Primary Metals		16,345	83.1	3,265	4,254	130.3	153.2	15,172	92.8	2,197	133.7	256.7
2. Fabricated Metal Products		36,813	72.8	10,721	9,411	87.8	134.3	37,200	101.1	3,051	108.1	129.3
Machinery & Equipment Industries	3. Industrial Machinery	203,557	83.6	46,676	44,717	95.8	109.0	181,041	88.9	15,074	93.5	106.4
	(of which construction machinery)	12,442	91.1	1,608	1,688	105.0	66.9	8,449	67.9	271	28.5	41.6
	(of which dies and molds)	28,189	81.8	3,358	3,037	90.4	59.4	15,761	55.9	836	79.6	40.0
	4. Motor Vehicles	100,588	74.7	20,978	21,034	100.3	80.6	91,025	90.5	8,647	155.5	86.9
	(of which auto parts)	73,519	79.1	14,600	13,255	90.8	69.6	62,400	84.9	5,256	149.7	67.6
	5. Electrical Machinery	36,272	63.7	8,853	7,011	79.2	124.8	31,506	86.9	2,719	127.1	186.4
	6. Precision Machinery	21,430	72.6	4,937	6,103	123.6	105.4	23,227	108.4	2,132	110.8	59.7
	5 – 6. Electrical & Precision Machinery (Sub Total)	57,702	66.7	13,790	13,114	95.1	114.9	54,733	94.9	4,851	119.4	96.4
	7. Aircraft, Shipbuilding & Transport equipment	20,172	107.0	5,364	6,433	119.9	106.7	24,218	120.1	2,902	272.2	108.9
	(of which aircraft)	8,509	146.9	2,399	4,106	171.2	156.1	13,183	154.9	1,829	272.6	104.6
3 – 7. Sub total	382,019	79.0	86,808	85,298	98.3	100.8	351,017	91.9	31,474	117.4	98.9	
8. Other Machinery & Equipment		22,867	87.1	4,234	4,733	111.8	84.4	18,793	82.2	1,813	110.1	100.4
9. Government, Public Agencies & Schools		1,977	89.7	1,119	418	37.4	78.0	2,532	128.1	129	83.2	106.6
10. Others		12,165	86.3	2,591	2,738	105.7	99.5	11,917	98.0	904	96.9	111.2
11. Trading Companies		4,635	67.2	686	840	122.4	63.1	4,907	105.9	355	111.6	74.3
1-11. Domestic Total		476,821	79.0	109,424	107,692	98.4	103.0	441,538	92.6	39,923	116.3	104.4
12. Foreign		1,009,698	87.3	250,648	277,279	110.6	110.7	1,043,571	103.4	103,171	121.4	116.1
1-12. Grand Total		1,486,519	84.5	360,072	384,971	106.9	108.4	1,485,109	99.9	143,094	119.9	112.6
(of which: NC machines)		1,463,024	84.7	354,947	378,755	106.7	108.3	1,461,592	99.9	140,785	119.9	112.3
Sales		1,616,581	103.1	399,490	407,990	102.1	100.6	1,526,187	94.4	168,399	135.2	106.5
(of which: NC machines)		1,591,253	103.0	393,475	402,999	102.4	100.9	1,503,335	94.5	166,597	135.7	107.4
Order Backlog		785,775	87.6	767,716	767,825	100.0	97.7	767,825	97.7	767,825	99.7	97.7
(of which: NC machines)		760,531	87.5	743,032	746,270	100.4	98.1	746,270	98.1	746,270	100.2	98.1

