

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (August 2015)

The total value of machine tool orders in August was 107.04 billion yen. This was a decrease of 17.6% compared to July and marked the third consecutive month-on-month decline. Moreover, this figure represented a decrease of 16.5% compared to the same month of the previous year, with August posting the first year-on-year decline in twenty-three months. The total amount of orders fell below 120 billion yen for the first time in eighteen months. However, this has still passed 100 billion yen for twenty-fourth consecutive months. Reflecting the influence of ending of policy effects and special demand, August orders were decreased. It is difficult to make an overall assessment at the moment, thus we will keep a close watch on the trend.

Domestic orders fell by 20.2% from July, amounting to 47.73 billion yen. This marked the the second consecutive month of month-on-month decline. However, this figure was an increase of 13.8% over the same month of the previous year and marked the twenty-sixth consecutive month of year-on-year growth.

Looking at major industries, orders compared to July fell by 23.2% in industrial machinery, by 16.1% in motor vehicles, by 41.7% in electrical & precision machinery, and rose by 56.9% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 15.4% from July to 59.31 billion yen. This marked the five consecutive months of month-on-month decline. Foreign orders also showed a decrease of 31.2% from the same month of the previous year, with August posting the third consecutive month of decline. By region, orders from Asia fell by 12.7% from July to 26.49 billion yen. This was also a decrease of 45.6% from the same month of the previous year. Orders from Europe fell by 24.1% from July to 13.27 billion yen. This was also a decrease of 5.8% from the same month of the previous year. Orders from North America fell by 13.1% from July, amounting to 18.66 billion yen. This figure was also a decrease of 16.7% from the same month of the previous year.

Main Statistics of Metal Cutting Machine Tools

Value in Millions of Yen

Period	ORDERS								PRODUCTION				SALES		INVENTORY		EXPORTS		IMPORTS		EMPLOYEES	WHOLE-SALE
	Total	%	Domestic	%	Foreign	%	Sales	Order Backlog	Unites	Weight	Value	%	Unites	Value	Unites	Weight	Value	%	Value	%	No. of	PRICE
	Value		Value		Value		Value	Value		ton						ton					Persons	INDEX
C.Y. 1990	1,412,123	111.2	1,038,791	111.5	373,332	110.5	1,323,494	612,728	196,131	459,814	1,303,442	114.4	196,966	1,336,812	9,723	25,170	455,809	106.4	68,645	135.9	36,849	100.0
1991	1,141,209	80.8	848,219	81.7	292,990	78.5	1,257,208	489,427	172,034	428,691	1,265,587	97.1	169,496	1,288,204	15,122	31,239	411,948	90.4	58,496	85.2	37,965	101.8
1992	710,221	62.2	474,561	55.9	235,660	80.4	826,975	354,933	116,649	283,840	831,087	65.7	118,591	850,528	14,408	28,126	330,291	80.2	41,027	70.1	38,265	101.2
1993	531,783	74.9	322,570	68.0	209,213	88.8	594,359	266,959	88,930	213,731	592,727	71.3	92,321	619,656	12,252	24,718	306,094	92.7	25,230	61.5	34,512	97.7
1994	573,083	107.8	315,493	97.8	257,590	123.1	562,809	273,172	88,109	215,620	554,080	93.5	89,860	575,984	11,016	20,842	328,786	107.4	25,226	100.0	29,340	96.2
1995	775,538	135.3	407,238	129.1	368,300	143.0	716,330	330,125	100,293	278,759	699,351	126.2	101,019	710,628	10,831	19,606	478,054	145.4	41,032	162.7	28,394	100.0
1996	938,194	121.0	509,777	125.2	428,417	116.3	866,418	400,399	106,813	316,732	837,453	119.7	108,124	850,630	10,378	21,546	591,653	123.8	64,384	156.9	27,678	98.4
1997	1,130,609	120.5	635,136	124.6	495,473	115.7	1,062,001	470,117	115,149	410,045	1,017,129	121.5	116,160	1,070,158	11,125	19,657	649,395	109.8	71,443	111.0	27,487	100.1
1998	989,200	87.5	457,214	72.0	531,986	107.4	1,093,216	381,690	96,805	397,333	1,010,541	99.4	96,649	1,060,603	11,296	24,964	657,055	101.2	65,843	92.2	28,354	99.3
1999	756,616	76.5	361,922	79.2	394,694	74.2	814,406	322,337	71,710	280,409	739,461	73.2	73,659	775,298	7,215	19,025	529,222	80.5	63,711	96.8	27,793	95.8
2000	975,046	128.9	521,686	144.1	453,360	114.9	887,942	402,721	90,916	313,842	814,636	110.2	91,797	816,123	7,004	17,697	620,056	117.2	85,572	134.3	24,962	100.0
2001	788,898	80.9	411,125	78.8	377,773	83.3	874,107	313,370	74,572	300,527	776,453	95.3	74,911	781,440	6,922	18,320	558,403	90.1	69,619	81.4	23,848	100.3
2002	675,837	85.7	350,322	85.2	325,515	86.2	670,714	308,372	55,807	227,217	585,098	75.4	58,144	594,957	4,483	16,083	484,668	86.8	50,904	73.1	22,545	98.8
2003	851,101	125.9	441,587	126.1	409,514	125.8	792,356	348,947	65,673	272,171	690,205	118.0	64,013	692,463	3,851	14,687	564,105	116.4	53,163	104.4	22,130	99.2
2004	1,236,192	145.2	672,839	152.4	563,353	137.6	1,025,726	555,840	79,500	361,935	878,082	127.2	76,091	879,589	4,092	17,384	683,066	121.1	88,245	166.0	22,141	101.6
2005	1,363,203	110.3	746,709	111.0	616,494	109.4	1,275,637	644,180	92,385	453,038	1,110,257	126.4	88,719	1,125,758	5,049	23,025	815,110	119.3	107,453	121.8	22,907	100.0
2006	1,436,970	105.4	733,009	98.2	703,961	114.2	1,407,258	684,266	100,171	492,096	1,211,230	109.1	94,383	1,232,261	6,963	26,930	921,456	113.0	135,649	126.2	23,503	101.1
2007	1,589,991	110.6	726,424	99.1	863,567	122.7	1,522,632	758,815	106,282	515,268	1,303,164	107.6	98,752	1,317,226	9,662	32,006	892,032	96.8	72,601	53.5	24,624	100.6
2008	1,301,147	81.8	566,820	78.0	734,327	85.0	1,472,029	574,383	95,310	492,188	1,249,184	95.9	88,319	1,267,372	11,436	31,685	874,723	98.1	60,226	83.0	25,323	101.5
2009	411,809	31.6	159,648	28.2	252,161	34.3	596,920	382,592	28,281	180,025	486,283	38.9	29,894	514,793	9,547	22,656	321,399	36.7	28,717	47.7	24,542	100.2
2010	978,622	237.6	307,527	192.6	671,095	266.1	851,272	508,446	67,607	302,376	813,002	167.2	67,954	820,517	10,464	24,489	608,551	189.3	30,579	106.5	23,380	100.0
2011	1,326,188	135.5	421,599	137.1	904,589	134.8	1,179,316	653,138	85,483	432,693	1,149,394	141.4	87,452	1,170,069	10,437	28,720	855,195	140.5	43,442	142.1	24,348	102.5
2012	1,212,445	91.4	375,822	89.1	836,623	92.5	1,329,650	543,736	93,649	429,207	1,151,980	100.2	95,824	1,173,114	9,894	34,483	945,594	110.6	51,080	117.6	25,524	102.7
2013	1,117,049	92.1	400,803	106.6	716,246	85.6	1,094,673	566,113	56,780	320,904	886,372	76.9	62,518	911,286	7,890	31,779	766,495	81.1	63,016	123.4	24,716	101.2
2014	1,509,397	135.1	496,391	123.8	1,013,006	141.4	1,422,184	652,213	99,407	454,866	1,186,293	133.8	102,231	1,221,172	9,924	34,308	961,862	125.5	78,087	123.9	25,188	104.0
F.Y. 2012	1,139,843	86.9	362,870	86.6	776,973	87.1	1,273,978	476,008	84,944	395,437	1,072,866	91.0	88,477	1,106,765	7,218	27,839	896,302	98.7	50,467	109.9	25,501	101.9
2013	1,204,852	105.7	422,029	116.3	782,823	100.8	1,149,078	529,922	61,311	344,586	936,303	87.3	65,329	958,064	7,938	27,939	771,524	86.1	72,839	144.3	24,650	101.2
2014	1,578,546	131.0	526,876	124.8	1,051,670	134.3	1,495,341	613,854	109,753	480,495	1,257,093	134.3	112,892	1,297,720	9,535	31,084	1,025,237	132.9	78,930	108.4	25,401	105.2
2014 7-9	391,554	135.9	133,851	121.2	257,703	145.0	399,149	588,102	27,684	123,131	321,907	138.9	29,031	339,587	9,270	32,322	275,255	140.2	17,617	103.6	25,333	105.1
10-12	416,994	133.8	142,115	121.5	274,879	141.2	353,336	652,213	27,184	114,941	300,941	136.7	27,787	304,241	9,924	34,308	246,049	126.1	19,024	105.7	25,383	105.5
2015 1-3	399,977	120.9	136,664	128.7	263,313	117.2	438,320	613,854	30,167	134,907	358,757	124.6	31,609	384,789	9,535	31,084	269,799	130.7	24,078	103.6	25,626	105.3
4-6	409,273	110.6	161,606	141.5	247,667	96.8	358,474	665,037	29,303	119,156	306,457	111.2	30,516	309,511	9,619	34,534	253,354	108.2	22,004	120.8	26,028	106.0
2014 3	128,299	141.8	37,878	112.7	90,421	158.9	173,290	529,922	8,271	47,251	123,963	132.3	9,248	142,152	7,938	27,939	82,552	102.0	9,226	182.8	24,861	100.7
4	121,884	148.7	34,858	127.9	87,026	159.0	81,647	570,448	7,406	33,671	85,801	145.6	7,293	83,933	8,456	31,420	69,045	125.3	6,476	164.9	25,234	104.5
5	120,497	124.1	36,728	125.9	83,769	123.3	98,380	592,565	8,251	34,523	88,999	140.1	7,781	82,775	9,298	34,968	74,565	131.6	6,454	119.9	25,290	105.4
6	127,640	134.1	42,660	133.1	84,980	134.6	124,509	595,696	9,061	39,322	100,688	136.0	9,391	102,395	9,342	35,008	90,525	146.5	5,281	99.9	25,261	104.1
7	127,821	137.7	42,774	130.6	85,047	141.5	115,607	607,912	9,349	38,763	100,716	139.6	9,397	100,335	9,711	36,305	89,616	141.7	6,045	110.8	25,352	105.0
8	128,185	135.5	41,937	118.5	86,248	145.7	123,335	612,762	8,535	37,104	97,542	134.1	9,123	101,488	9,524	35,772	87,812	129.2	5,288	102.9	25,306	105.1
9	135,548	134.7	49,140	116.3	86,408	148.0	160,207	588,102	9,800	47,264	123,649	142.4	10,511	137,764	9,270	32,322	97,827	150.1	6,284	98.0	25,340	105.2
10	133,696	130.8	44,909	116.2	88,787	139.7	107,425	614,825	8,925	37,147	96,205	135.0	8,976	93,043	9,626	34,355	81,305	136.9	6,225	116.1	25,327	105.0
11	139,050	136.6	49,061	117.9	89,989	149.6	107,114	646,760	8,917	37,351	97,916	141.5	8,904	96,343	10,045	35,993	74,777	122.2	6,101	102.4	25,297	106.2
12	144,248	133.9	48,145	131.1	96,103	135.3	138,797	652,213	9,342	40,443	106,820	134.0	9,907	114,855	9,924	34,308	89,966	120.6	6,697	100.3	25,524	105.4
2015 1	121,103	120.4	38,477	112.2	82,626	124.7	120,249	653,067	9,046	38,896	102,917	134.1	9,730	106,988	9,608	34,703	78,957	139.0	7,343	102.2	25,567	105.6
2	131,494	128.9	42,577	125.2	88,917	130.8	125,281	659,280	9,694	43,200	112,908	129.4	9,700	113,541	9,908	36,935	79,620	118.7	8,402	123.2	25,607	105.9
3	147,380	114.9	55,610	146.8	91,770	101.5	192,790	613,854	11,427	52,811	142,932	115.3	12,179	164,260	9,535	31,084	111,222	134.7	8,333	90.3	25,704	104.5
4	134,621	110.5	48,465	139.0	86,156	99.0	111,582	637,273	9,640	38,821	99,349	115.8	10,429	102,807	9,320	32,073	90,279	130.8	5,689	87.8	26,088	105.4
5	138,545	115.0	52,840	143.9	85,705	102.3	114,072															

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry \ Period		Total 2014	14/13 (%)	15/01–15/03	15/04–15/06	Previous Quarter (%)	year-to-year (%)	15/01–15/08	year-to-year (%)	Aug. '15	Aug. 15/Jul. 15 (%)	Aug. 15/Aug. 14 (%)
1. Primary Metals		11,584	101.0	3,644	4,105	112.7	142.9	11,430	166.0	1,031	38.9	66.2
2. Fabricated Metal Products		23,280	127.4	6,719	8,891	132.3	188.7	20,208	142.5	1,870	68.5	102.5
Machinery & Equipment Industries	3. Industrial Machinery	199,946	122.7	52,434	62,599	119.4	139.0	156,873	126.9	18,172	76.8	103.4
	(of which construction machinery)	–	–	1,179	1,918	162.7	–	4,114	–	619	155.5	–
	(of which dies and molds)	26,589	103.3	6,908	9,036	130.8	157.8	22,627	138.1	3,295	97.3	161.6
	4. Motor Vehicles	167,660	135.7	47,685	56,618	118.7	135.8	141,512	133.3	16,981	83.9	119.6
	(of which auto parts)	117,474	142.8	35,284	42,116	119.4	144.4	100,723	137.7	9,029	63.2	83.5
	5. Electrical Machinery	27,412	137.4	6,117	7,870	128.7	149.4	19,642	126.9	1,998	54.6	110.2
	6. Precision Machinery	17,151	121.4	4,900	6,054	123.6	129.7	14,114	126.0	1,248	65.3	83.9
	5 – 6. Electrical & Precision Machinery (Sub Total)	44,563	130.8	11,017	13,924	126.4	140.1	33,756	126.5	3,246	58.3	98.3
	7. Aircraft, Shipbuilding & Transport equipment	20,558	91.2	7,962	7,692	96.6	202.3	21,159	193.4	3,362	156.9	369.9
	(of which aircraft)	–	–	3,157	3,917	124.1	–	9,713	–	2,000	313.0	–
3 – 7. Sub total		432,727	126.1	119,098	140,833	118.2	140.2	353,300	132.1	41,761	80.9	116.1
8. Other Machinery & Equipment		13,012	106.6	3,169	3,698	116.7	112.6	9,698	120.2	1,378	94.8	110.0
9. Government, Public Agencies & Schools		4,110	80.1	334	538	161.1	116.2	1,424	94.2	322	140.0	148.4
10. Others		6,400	115.1	2,081	2,324	111.7	177.7	5,854	142.1	857	144.8	109.7
11. Trading Companies		5,278	104.5	1,619	1,217	75.2	106.7	3,930	132.2	512	88.0	159.0
1–11. Domestic Total		496,391	123.8	136,664	161,606	118.3	141.5	405,844	133.0	47,731	79.8	113.8
12. Foreign		1,013,006	141.4	263,313	247,667	94.1	96.8	640,383	98.3	59,307	84.6	68.8
1–12. Grand Total		1,509,397	135.1	399,977	409,273	102.3	110.6	1,046,227	109.3	107,038	82.4	83.5
(of which: NC machines)		1,474,239	135.7	392,600	400,932	102.1	110.6	1,025,635	109.9	104,538	81.9	83.4
Sales		1,422,184	129.9	438,320	358,474	81.8	117.7	1,024,797	112.8	110,177	93.5	89.3
(of which: NC machines)		1,388,366	130.1	430,625	351,984	81.7	118.5	1,006,199	113.5	107,746	93.0	89.0
Order Backlog		652,213	115.2	613,854	665,037	108.3	111.6	676,364	110.4	676,364	99.9	110.4
(of which: NC machines)		624,303	115.8	586,281	636,175	108.5	111.9	647,039	110.7	647,039	99.9	110.7

NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2015		Jan.		Feb.		Mar.		Apr.		May		Jun.		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total				
			%		%		%		%		%		%		%		%		%		%		%		%	2015	%			
Asia	East Asia	Korea	3,609	138.5	3,542	109.9	4,075	173.8	3,849	93.3	3,706	94.8	4,141	138.4	3,315	107.9	3,371	69.5										29,608	109.2	
		Taiwan	2,887	189.3	2,554	163.4	3,371	176.4	2,987	211.8	2,262	109.8	2,724	142.2	2,140	88.1	1,446	74.3										20,371	138.0	
		China	17,927	103.7	22,565	125.1	28,770	76.9	30,111	92.1	35,018	104.8	23,047	77.3	18,966	67.9	14,946	44.1										191,350	83.0	
		Other	16	-	12	120.0	248	1127.3	205	135.8	16	-	-	-	54	45.4	7	-										556	-	
		East Asia Total	24,439	114.5	28,673	125.6	36,464	87.4	37,152	96.8	41,002	105.0	29,910	85.9	24,475	72.9	19,770	48.6										241,885	88.8	
	Other Asia	Thailand	1,534	46.1	2,420	62.8	2,352	75.2	2,403	101.0	2,220	121.9	1,396	66.7	1,923	57.9	1,225	55.4										15,473	69.9	
		Malaysia	1,333	650.2	567	196.9	333	53.5	220	48.5	488	134.1	941	220.4	422	33.7	1,036	215.8										5,340	130.5	
		Singapore	141	42.9	377	68.1	683	71.1	338	53.5	94	18.0	237	51.6	301	53.9	194	52.2										2,365	53.9	
		Philippine	294	-	552	-	325	-	355	-	164	-	280	-	148	-	96	-											2,214	-
		Indonesia	1,175	-	401	-	553	-	563	-	758	-	985	-	592	-	657	-											5,684	-
Vietnam		17,268	-	16,971	-	7,774	-	5,871	-	525	-	502	-	499	-	420	-											49,830	-	
India		1,603	92.0	1,788	130.8	2,232	114.4	1,731	129.3	2,086	144.3	1,196	50.0	1,957	80.7	3,054	220.5										15,647	111.4		
Other	5	-	17	-	-2	-	24	-	18	-	38	-	24	-	42	-											166	-		
Other Asia Total	23,353	347.4	23,093	285.1	14,250	179.1	11,505	165.8	6,353	118.5	5,575	70.5	5,866	50.2	6,724	83.6										96,719	154.2			
Sub Total	47,792	170.3	51,766	167.3	50,714	102.1	48,657	107.4	47,355	106.6	35,485	83.1	30,341	67.1	26,494	54.4											338,604	101.1		
Europe	EU	Germany	2,983	70.7	4,673	99.6	4,756	97.4	5,031	94.4	4,941	129.4	3,768	82.2	4,859	91.1	4,176	82.6										35,187	92.8	
		U.K.	1,909	110.7	2,079	91.8	2,004	81.1	1,902	77.4	1,740	63.9	1,879	106.2	2,295	90.4	1,885	66.9										15,693	83.6	
		Italy	1,890	133.9	2,035	88.9	2,036	120.8	1,960	101.1	1,585	76.3	2,051	102.8	1,588	71.7	1,340	107.6										14,485	97.5	
		France	1,107	94.7	2,617	239.0	2,329	193.6	1,719	97.1	1,156	62.8	3,057	178.3	2,465	275.1	1,239	130.1										15,689	147.4	
		Central Europe	1,261	111.0	1,731	167.4	1,098	83.2	1,391	85.9	1,220	52.2	1,682	118.3	1,689	107.7	766	54.4										10,838	91.5	
		Other	1,799	-	1,818	-	1,659	-	1,290	-	1,240	-	1,773	-	2,000	-	1,463	-											13,042	-
	Sub Total	10,949	96.9	14,953	117.6	13,882	106.1	13,293	92.9	11,882	86.9	14,210	106.3	14,896	103.2	10,869	88.4										104,934	99.8		
	Other West Europe	1,848	114.5	1,552	91.3	1,259	86.3	1,376	83.9	970	53.5	1,270	84.2	1,547	116.8	1,903	183.0											11,725	96.9	
	Turkey	1,227	-	838	-	810	-	890	-	415	-	623	-	1,098	-	827	-											6,728	-	
	Switzerland	533	-	563	-	374	-	426	-	478	-	568	-	372	-	1,050	-											4,364	-	
East Europe	71	21.8	75	15.0	130	79.3	129	153.6	425	262.3	89	26.6	24	8.8	20	24.7											963	50.0		
Russia - Other	664	107.1	412	91.6	822	163.1	681	84.6	836	92.2	706	73.8	1,006	102.4	478	71.6											5,605	95.1		
Sub Total	13,532	97.7	16,992	110.6	16,093	105.8	15,479	92.0	14,113	85.3	16,275	100.6	17,473	102.7	13,270	94.2											123,227	98.5		
North America & Oceania	U.S.A.	17,309	102.0	17,845	92.4	20,826	101.4	18,181	85.8	20,121	104.8	20,194	98.3	18,022	96.8	17,027	88.5											149,525	96.1	
	Canada	975	42.8	1,138	168.3	1,063	78.5	1,455	284.2	1,187	143.9	974	77.6	1,811	190.0	645	83.5											9,248	107.2	
	Mexico	2,275	67.3	657	84.4	1,607	71.2	1,315	87.4	1,727	242.6	1,062	68.6	1,649	80.2	991	41.5											11,283	77.1	
	Sub Total	20,559	90.8	19,640	94.6	23,496	97.3	20,951	90.3	23,035	111.1	22,230	95.2	21,482	99.3	18,663	83.3											170,056	95.1	
South & Central America	Brazil	68	7.4	208	57.3	368	50.0	357	62.6	328	16.8	581	34.2	132	34.8	125	36.7											2,167	31.2	
	Other	388	113.1	38	34.5	582	218.8	56	329.4	182	-	596	448.1	172	64.2	166	976.5											2,180	190.4	
	Sub Total	456	36.1	246	52.0	950	94.8	413	70.4	510	26.3	1,177	64.3	304	47.0	291	81.3											4,347	53.7	
Oceania	Australia	151	55.9	170	89.9	122	63.5	182	31.7	540	323.4	296	72.0	241	94.9	252	120.6											1,954	86.2	
	Other	-2	-	11	-	30	-	17	-	33	-	-2	-	73	-	49	-											209	-	
Sub Total	149	-	181	-	152	-	199	-	573	-	294	-	314	-	301	-												2,163	-	
Middle East	134	-	92	-	153	-	280	-	77	-	243	-	130	-	253	-												1,362	-	
Africa	4	-	0	-	212	-	177	-	42	-	102	-	52	-	35	-												624	-	
Grand Total	82,626	124.7	88,917	130.8	91,770	101.5	86,156	99.0	85,705	102.3	75,806	89.2	70,096	82.4	59,307	68.8												640,383	98.3	
Of which NC	82,165	125.3	87,631	130.2	90,681	105.2	85,361	98.9	84,995	102.9	74,832	88.9	69,426	82.2	58,723	68.7												633,814	98.7	

(Note) 1. "Other East Europe" until April 2014 is the division of before the integration of EU. The countries which joined EU from 04-07 is divided as "Central Europe".

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2. Middle East and Africa until July, 2014 are included in "Other" in Oceania.

3. It will be described as "-", if the actual value is "negative" or "0" or no actual value.