

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (September 2015)

The total value of machine tool orders in September was 109.72 billion yen. This was an increase of 2.5% compared to August and marked the first month of month-on-month growth in four months. However, this figure represented a decrease of 19.1% compared to the same month of the previous year, with September posting the two consecutive month of year-on-year decline. The total amount of orders fell below 110 billion yen for second consecutive months. However, this has still passed 100 billion yen for twenty-fifth consecutive months.

We expect the future improvement for domestic demand as they were at the time of the valley of policy effect. With regard to the foreign demand, we will keep a close watch on the effect of world economy and VW issue.

Domestic orders rose by 0.3% over August, amounting to 47.88 billion yen. This marked the first month-on-month growth in three months. However, this figure was a decline of 2.6% from the same month of the previous year and marked first year-on-year decrease in twenty-seven month.

Looking at major industries, orders compared to August rose by 1.1% in industrial machinery, fell by 5.9% in motor vehicles, rose by 12.2% in electrical & precision machinery, and fell by 16.1% in aircraft, shipbuilding & transport equipment.

Foreign orders rose by 4.3% over August to 61.83 billion yen. This marked the first month of month-on-month increase in six months. Nonetheless, foreign showed a decrease of 28.4% from the same month of the previous year, with September posting the fourth consecutive month of decline.

By region, orders from Asia rose by 7.8% over August to 28.57 billion yen. This was a decrease of 33.1% from the same month of the previous year. Orders from Europe rose by 3.0% over August to 13.67 billion yen. This was a decrease of 7.1% from the same month of the previous year. Orders from North America fell by 2.9% from August, amounting to 18.11 billion yen. This figure was also a decrease of 34.5% from the same month of the previous year.

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Period		Total 2014	14/13 (%)	15/04–15/06	15/07–15/09	Previous Quarter (%)	year-to-year (%)	15/01–15/09	year-to-year (%)	Sept. '15	Sept. 15/Aug. 15 (%)	Sept. 15/Sept. '14 (%)
1. Primary Metals		11,584	101.0	4,105	5,290	128.9	232.3	13,039	158.9	1,609	156.1	122.0
2. Fabricated Metal Products		23,280	127.4	8,891	6,719	75.6	94.4	22,329	131.1	2,121	113.4	74.4
Machinery & Equipment Industries	3. Industrial Machinery	199,946	122.7	62,599	60,207	96.2	107.1	175,240	122.2	18,367	101.1	92.8
	(of which construction machinery)	–	–	1,918	1,408	73.4	–	4,505	–	391	63.2	–
	(of which dies and molds)	26,589	103.3	9,036	9,559	105.8	130.7	25,503	133.6	2,876	87.3	106.4
	4. Motor Vehicles	167,660	135.7	56,618	53,191	93.9	126.5	157,494	130.7	15,982	94.1	111.5
	(of which auto parts)	117,474	142.8	42,116	34,533	82.0	115.8	111,933	134.1	11,210	124.2	108.5
	5. Electrical Machinery	27,412	137.4	7,870	7,560	96.1	89.9	21,547	113.2	1,905	95.3	53.6
	6. Precision Machinery	17,151	121.4	6,054	4,896	80.9	101.3	15,850	122.6	1,736	139.1	100.7
	5 – 6. Electrical & Precision Machinery (Sub Total)	44,563	130.8	13,924	12,456	89.5	94.1	37,397	117.0	3,641	112.2	69.0
	7. Aircraft, Shipbuilding & Transport equipment	20,558	91.2	7,692	8,326	108.2	166.7	23,980	179.3	2,821	83.9	115.9
	(of which aircraft)	–	–	3,917	4,544	116.0	–	11,618	–	1,905	95.3	–
3 – 7. Sub total		432,727	126.1	140,833	134,180	95.3	115.2	394,111	127.4	40,811	97.7	97.5
8. Other Machinery & Equipment		13,012	106.6	3,698	4,366	118.1	122.8	11,233	120.3	1,535	111.4	121.1
9. Government, Public Agencies & Schools		4,110	80.1	538	732	136.1	77.1	1,604	82.0	180	55.9	40.4
10. Others		6,400	115.1	2,324	2,520	108.4	132.9	6,925	145.6	1,071	125.0	168.1
11. Trading Companies		5,278	104.5	1,217	1,649	135.5	106.9	4,485	119.7	555	108.4	71.6
1–11. Domestic Total		496,391	123.8	161,606	155,456	96.2	116.1	453,726	128.1	47,882	100.3	97.4
12. Foreign		1,013,006	141.4	247,667	191,236	77.2	74.2	702,216	95.1	61,833	104.3	71.6
1–12. Grand Total		1,509,397	135.1	409,273	346,692	84.7	88.5	1,155,942	105.8	109,715	102.5	80.9
(of which: NC machines)		1,474,239	135.7	400,932	339,607	84.7	88.6	1,133,139	106.3	107,504	102.8	80.8
Sales		1,422,184	129.9	358,474	374,540	104.5	93.8	1,171,334	109.6	146,537	133.0	91.5
(of which: NC machines)		1,388,366	130.1	351,984	366,792	104.2	93.8	1,149,401	110.2	143,202	132.9	91.2
Order Backlog		652,213	115.2	665,037	641,420	96.4	109.1	641,420	109.1	641,420	94.8	109.1
(of which: NC machines)		624,303	115.8	636,175	613,223	96.4	109.3	613,223	109.3	613,223	94.8	109.3

