

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (March 2017)

The total value of machine tool orders in March was 142.70 billion yen. This was an increase of 28.3% compared to February 2017 and marked the two consecutive month of month-on-month growth. Moreover, this figure represented an increase of 22.8% compared to the same month of the previous year and marked the four consecutive months of year-on-year growth.

The total amount of orders topped 140 billion yen for the first time in 24 months, due to the fiscal year end effect and spot orders from Asia.

Although cautiousness can be seen partly both domestic and overseas market, recovery movement is continuing. We will keep a close watch on the trends of EMS special demand and various government policies.

Domestic orders rose by 29.4% over February, amounting to 52.46 billion yen. This marked the two consecutive month of month-on-month growth. This figure was also a growth of 2.3% over the same month of the previous year and marked the two consecutive month of year-on-year increase.

Looking at major industries, orders compared to February rose by 20.7% in industrial machinery, by 61.4% in motor vehicles, by 15.6% in electrical & precision machinery, and by 30.5% in aircraft, shipbuilding & transport equipment.

Foreign orders rose by 27.7% over February to 90.24 billion yen. This marked the five consecutive month of month-on-month growth. Furthermore, foreign orders showed an increase of 39.0% over the same month of the previous year, this marked the four consecutive months of year-on-year growth.

By region, orders from Asia rose by 50.7% over February to 50.44 billion yen. This was an increase of 98.9% over the same month of the previous year. Orders from Europe rose by 1.0% over February to 15.55 billion yen. However, this was a decrease of 2.2% from the same month of the previous year. Orders from North America rose by 7.8% over February, amounting to 22.38 billion yen. This figure was a decrease of 2.4% 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	%	Value	%	No. of Persons	PRICE INDEX
C.Y.	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	
	2015	1,480,592	98.1	586,240	118.1	894,352	88.3	1,532,603	607,499	102,101	489,253	1,258,087	106.1	105,147	1,310,282	11,274	38,620	932,123	96.9	91,580	117.3	25,943	100.0	
	2016	1,250,003	84.4	530,545	90.5	719,458	80.4	1,280,584	522,527	68,065	374,737	1,015,179	80.7	73,516	1,060,434	9,321	35,371	666,519	71.5	78,249	85.4	26,252	100.5	
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	110,375	485,288	1,260,233	134.6	113,378	1,300,885	9,758	32,083	1,025,252	132.9	78,930	108.4	25,401	105.2	
	2015	1,398,968	88.6	579,295	109.9	819,673	77.9	1,471,868	548,277	90,082	454,195	1,185,470	94.1	94,398	1,233,482	9,762	34,758	844,991	82.4	87,710	111.1	26,099	100.4	
	2016	1,289,310	92.2	531,575	91.8	757,735	92.4	1,251,224	531,962														100.2	
	2014	4-6	370,021	134.9	114,246	129.1	255,775	137.7	304,536	595,696	24,718	107,516	275,488	140.2	24,465	269,103	9,342	35,008	234,134	134.9	18,211	124.7	25,262	104.7
		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	30,789	139,700	361,897	125.7	32,095	387,954	9,758	32,083	269,814	130.7	24,078	103.6	25,626	98.9
		4-6	409,273	110.6	161,606	141.5	247,667	96.8	358,474	665,037	29,234	122,618	307,664	111.7	30,479	311,380	9,582	35,663	253,302	108.2	22,009	120.9	26,028	99.3
		7-9	346,692	88.5	155,456	116.1	191,236	74.2	374,540	641,420	22,017	117,800	300,099	93.2	22,740	308,293	9,933	38,809	221,571	80.5	22,934	130.2	25,996	101.1
		10-12	324,650	77.9	132,514	93.2	192,136	69.9	361,569	607,499	20,061	109,135	288,427	95.8	19,833	302,655	11,274	38,620	187,436	76.2	22,558	118.6	26,123	100.7
	2016	1-3	318,353	79.6	129,719	94.9	188,634	71.6	377,585	548,277	18,770	104,642	289,280	79.9	21,346	311,154	9,762	34,758	182,682	67.7	20,208	83.9	26,250	100.4
		4-6	312,653	76.4	128,589	79.6	184,064	74.3	276,287	586,107	17,111	87,596	233,705	76.0	17,488	232,263	10,207	38,631	164,216	64.8	18,240	82.9	26,418	100.5
		7-9	305,303	88.1	139,942	90.0	165,361	86.5	312,748	578,484	15,939	90,474	245,378	81.8	17,283	256,911	9,577	37,195	168,544	76.1	17,203	75.0	26,273	100.9
		10-12	313,694	96.6	132,295	99.8	181,399	94.4	313,964	522,527	16,245	92,025	246,816	85.6	17,399	260,106	9,321	35,371	151,077	80.6	22,598	100.2	26,066	100.2
	2017	1-3	357,660	112.3	130,749	100.8	226,911	120.3	348,225	531,962														99.2
	2015	10	103,080	77.1	44,485	99.1	58,595	66.0	107,223	635,509	6,206	34,909	90,156	93.7	6,155	91,969	10,338	40,648	68,818	84.6	8,180	131.4	26,185	100.9
		11	114,392	82.3	45,464	92.7	68,928	76.6	119,274	630,627	6,478	35,957	95,295	97.3	6,439	99,601	10,767	40,759	55,235	73.9	8,143	133.5	26,104	100.5
		12	107,178	74.3	42,565	88.4	64,613	67.2	134,772	607,499	7,377	38,269	102,976	96.4	7,239	111,085	11,274	38,620	63,383	70.5	6,235	93.1	26,080	100.8
	2016	1	100,258	82.8	39,572	102.8	60,686	73.4	97,939	610,277	6,084	31,855	82,908	80.4	6,021	83,419	11,686	41,057	46,345	58.7	7,014	95.5	26,257	99.7
		2	101,910	77.5	38,887	91.3	63,023	70.9	111,037	601,149	6,077	32,562	88,207	77.0	7,403	95,270	10,693	39,322	58,810	73.9	6,577	78.3	26,186	100.3
		3	116,185	78.8	51,260	92.2	64,925	70.7	168,609	548,277	6,609	40,225	118,165	81.9	7,922	132,465	9,762	34,758	77,527	69.7	6,618	79.4	26,306	101.2
		4	99,237	73.7	38,974	80.4	60,263	69.9	79,793	567,753	5,551	28,798	75,859	75.9	5,293	74,294	10,274	37,259	51,702	57.3	5,063	88.9	26,509	100.5
		5	104,359	75.3	38,860	73.5	65,499	76.4	86,931	586,921	5,525	27,905	73,592	75.7	5,276	69,678	10,824	39,973	50,621	68.4	6,356	88.6	26,351	100.3
		6	109,057	80.1	50,755	84.2	58,302	76.9	109,563	586,107	6,035	30,893	84,254	76.3	6,919	88,291	10,207	38,631	61,894	69.5	6,820	74.6	26,395	100.7
		7	104,394	80.3	51,302	85.7	53,092	75.7	97,189	593,197	5,123	27,281	76,461	74.8	5,806	79,663	9,805	37,878	62,667	73.0	4,738	64.0	26,332	101.4
		8	98,058	91.6	43,119	90.3	54,939	92.6	88,598	602,651	5,266	28,819	75,565	81.2	5,179	74,333	9,971	39,882	48,346	72.7	5,852	74.7	26,248	101.3
		9	102,851	93.7	45,521	95.1	57,330	92.7	126,961	578,484	5,550	34,374	93,352	89.1	6,298	102,915	9,577	37,195	57,532	83.1	6,613	85.9	26,238	100.0
		10	93,884	91.1																				

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry \ Period		Total 2016	16/15 (%)	16/10-16/12	17/01-17/03	Previous Quarter (%)	year-to-year (%)	17/01-17/03	year-to-year (%)	March ' 17	Mar. 17/Feb. 17 (%)	Mar. 17/Mar. 16 (%)
1. Primary Metals		18,154	98.0	4,823	3,982	82.6	92.2	3,982	92.2	1,559	122.9	74.9
2. Fabricated Metal Products		22,804	79.8	4,890	5,140	105.1	112.2	5,140	112.2	2,142	125.7	100.4
Machinery & Equipment Industries	3. Industrial Machinery	207,113	93.4	48,886	51,096	104.5	106.4	51,096	106.4	20,532	120.7	98.4
	(of which construction machinery)	5,433	93.1	1,185	956	80.7	67.8	956	67.8	514	276.3	47.3
	(of which dies and molds)	30,778	95.6	6,825	6,333	92.8	77.4	6,333	77.4	2,446	104.5	71.3
	4. Motor Vehicles	174,853	85.7	48,444	42,542	87.8	96.8	42,542	96.8	17,947	161.4	117.6
	(of which auto parts)	115,986	80.7	30,791	30,883	100.3	105.1	30,883	105.1	13,011	153.5	127.5
	5. Electrical Machinery	26,282	97.6	7,656	6,912	90.3	100.1	6,912	100.1	2,023	75.8	58.8
	6. Precision Machinery	19,600	92.8	5,008	5,466	109.1	121.4	5,466	121.4	2,559	197.6	153.8
	5 – 6. Electrical & Precision Machinery (Sub Total)	45,882	95.5	12,664	12,378	97.7	108.5	12,378	108.5	4,582	115.6	89.7
	7. Aircraft, Shipbuilding & Transport equipment	30,076	96.6	5,253	5,861	111.6	60.5	5,861	60.5	2,372	130.5	84.1
	(of which aircraft)	16,412	100.9	2,436	3,465	142.2	67.1	3,465	67.1	1,277	104.2	77.5
3 – 7. Sub total		457,924	90.7	115,247	111,877	97.1	98.9	111,877	98.9	45,433	134.0	103.1
8. Other Machinery & Equipment		12,292	84.8	2,445	3,765	154.0	132.7	3,765	132.7	1,251	86.8	104.4
9. Government, Public Agencies & Schools		2,762	81.5	1,417	481	33.9	131.8	481	131.8	49	36.8	62.0
10. Others		9,524	98.0	2,076	2,852	137.4	134.1	2,852	134.1	944	97.2	104.3
11. Trading Companies		7,085	107.4	1,397	2,652	189.8	110.0	2,652	110.0	1,082	97.0	135.6
1-11. Domestic Total		530,545	90.5	132,295	130,749	98.8	100.8	130,749	100.8	52,460	129.4	102.3
12. Foreign		719,458	80.4	181,399	226,911	125.1	120.3	226,911	120.3	90,238	127.7	139.0
1-12. Grand Total		1,250,003	84.4	313,694	357,660	114.0	112.3	357,660	112.3	142,698	128.3	122.8
(of which: NC machines)		1,225,768	84.5	306,957	351,008	114.4	111.9	351,008	111.9	139,757	127.6	122.5
Sales		1,280,584	83.6	313,964	348,225	110.9	92.2	348,225	92.2	160,834	161.9	95.4
(of which: NC machines)		1,254,652	83.5	308,750	341,625	110.6	92.6	341,625	92.6	157,543	161.7	95.7
Order Backlog		522,527	86.0	522,527	531,962	101.8	97.0	531,962	97.0	531,962	96.7	97.0
(of which: NC machines)		505,184	87.3	505,184	514,567	101.9	98.2	514,567	98.2	514,567	96.7	98.2

NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2017		Jan.		Feb.		Mar.		Apr.		May		Jun.		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total						
					%		%		%		%		%		%		%		%		%		%		%	2017	%					
Asia	East Asia	Korea	3,348	92.3	2,928	108.0	3,353	97.4																			9,629	98.4				
		Taiwan	3,004	164.1	1,306	71.4	2,021	102.3																				6,331	112.3			
		China	20,695	143.3	23,736	155.5	36,695	270.8																					81,126	187.6		
		Other	-30	-	0	-	14	66.7																					-16	-		
		East Asia Total	27,017	135.8	27,970	141.2	42,083	221.6																					97,070	165.4		
	Other Asia	Thailand	1,489	166.6	1,535	111.3	2,379	121.5																					5,403	127.7		
		Malaysia	258	81.1	366	113.3	1,002	439.5																					1,626	187.1		
		Singapore	414	285.5	530	232.5	663	285.8																					1,607	265.6		
		Philippine	165	166.7	189	72.7	242	120.4																						596	106.4	
		Indonesia	616	66.2	407	107.4	686	91.0																					1,709	82.8		
Vietnam		937	129.1	790	145.0	1,075	99.1																						2,802	118.9		
India		1,805	92.2	1,683	67.1	2,312	124.0																						5,800	91.6		
Other	1	2.9	2	2.1	2	3.8																						5	2.8			
Other Asia Total	5,685	111.4	5,502	96.2	8,361	131.2																						19,548	113.7			
Sub Total	32,702	130.8	33,472	131.1	50,444	198.9																							116,618	153.7		
Europe	EU	Germany	2,515	61.2	4,164	108.4	4,287	113.9																					10,966	93.6		
		U.K.	1,835	115.0	1,831	76.5	1,592	89.0																					5,258	91.0		
		Italy	2,468	109.4	2,617	142.4	2,328	96.5																						7,413	113.9	
		France	1,371	166.6	1,344	77.8	1,914	93.5																						4,629	100.7	
		Central Europe	1,646	137.2	1,586	69.6	1,259	86.6																						4,491	91.0	
		Other	2,923	135.1	2,343	117.7	2,752	106.3																							8,018	118.9
		Sub Total	12,758	105.0	13,885	98.7	14,132	100.5																							40,775	101.2
	Other West Europe	Turkey	630	116.5	193	55.3	290	26.6																						1,113	56.2	
		Switzerland	508	85.7	566	94.5	618	203.3																						1,692	113.1	
		East Europe	119	111.2	44	293.3	209	302.9																						372	194.8	
		Russia - Other	453	98.3	706	47.5	193	55.0																							1,352	58.9
		Sub Total	14,519	102.5	15,394	91.7	15,554	97.8																							45,467	97.0
		North America & Oceania	U.S.A.	14,575	88.0	18,047	102.9	20,275	101.3																						52,897	97.7
Canada	706		91.7	1,131	106.6	856	73.4																						2,693	89.9		
Mexico	1,533		48.3	1,583	111.8	1,249	71.8																						4,365	68.9		
Sub Total	16,814		82.0	20,761	103.8	22,380	97.6																							59,955	94.5	
South America	Brazil	909	483.5	507	641.8	556	441.3																						1,972	501.8		
	Other	58	62.4	14	19.4	129	586.4																						201	107.5		
	Sub Total	967	344.1	521	345.0	685	462.8																						2,173	374.7		
Oceania	Australia	398	153.7	258	86.0	513	155.0																						1,169	131.3		
	Other	20	57.1	0	-	17	89.5																						37	22.8		
Sub Total	418	142.2	258	63.2	530	151.4																							1,206	114.6		
Middle East	529	146.5	200	181.8	551	744.6																							1,280	234.9		
Africa	45	60.8	73	187.2	94	62.3																							212	80.3		
Grand Total	65,994	108.7	70,679	112.1	90,238	139.0																							226,911	120.3		
Of which NC	65,441	106.3	70,086	113.1	88,952	138.4																							224,479	119.5		

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

Japan Machine Tool Builders' Association