

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (September 2017)

The total value of machine tool orders in September was 149.09 billion yen. This was an increase of 11.6% compared to August 2017 and marked the first month of month-on-month growth in three months. Moreover, this figure represented an increase of 45.0% compared to the same month of the previous year and marked the ten consecutive months of year-on-year growth.

The total amount of orders topped 100 billion yen for eleven consecutive months and marked a record high as a single month.

Although market conditions are generally continuing the favorable trend both domestic and overseas, we will keep a close watch on future trends such as various risks in overseas and prolonged delivery due to parts procurement difficulties.

Domestic orders rose by 17.8% over August, amounting to 61.01 billion yen. This marked the first month of month-on-month increase in two months. Likewise, this figure was a growth of 34.0% over the same month of the previous year and marked the eight consecutive months of year-on-year increase.

Looking at major industries, orders compared to August rose by 7.1% in industrial machinery, by 18.4% in motor vehicles, fell by 24.2% in electrical & precision machinery, and rose by 140.3% in aircraft, shipbuilding & transport equipment.

Foreign orders rose by 7.7% over August to 88.07 billion yen. This marked the two consecutive month of month-on-month growth. Moreover, foreign orders showed an increase of 53.6% over the same month of the previous year, this marked the ten consecutive months of year-on-year growth.

By region, orders from Asia fell by 10.6% from August to 38.34 billion yen. However, this was an increase of 68.4% over the same month of the previous year. Orders from Europe rose by 49.5% over August to 22.47 billion yen. Moreover, this was an increase of 70.8% over the same month of the previous year. Orders from North America rose by 13.0% over August, amounting to 25.90 billion yen. This figure was an increase of 24.5% over the same month of the previous year.

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry \ Period		Total 2016	16/15 (%)	17/04-17/06	17/07-17/09	Previous Quarter (%)	year-to-year (%)	17/01-17/09	year-to-year (%)	Sep. '17	Sep. 17/Aug. 17 (%)	Sep. 17/Sep. 16 (%)
1. Primary Metals		18,154	98.0	4,812	3,999	83.1	93.3	12,793	96.0	2,091	223.2	193.4
2. Fabricated Metal Products		22,804	79.8	6,619	7,879	119.0	98.4	19,638	109.6	4,140	254.5	153.4
Machinery & Equipment Industries	3. Industrial Machinery	207,113	93.4	63,920	69,196	108.3	120.9	184,212	116.4	24,113	107.1	127.4
	(of which construction machinery)	5,433	93.1	1,999	2,321	116.1	216.7	5,276	124.2	642	54.0	162.1
	(of which dies and molds)	30,778	95.6	7,318	7,001	95.7	89.6	20,652	86.2	2,054	70.4	82.5
	4. Motor Vehicles	174,853	85.7	49,040	55,561	113.3	129.6	147,143	116.4	19,733	118.4	139.8
	(of which auto parts)	115,986	80.7	34,775	36,109	103.8	126.1	101,767	119.5	11,722	97.3	128.2
	5. Electrical Machinery	26,282	97.6	9,330	9,304	99.7	142.6	25,546	137.2	2,024	50.8	94.2
	6. Precision Machinery	19,600	92.8	7,268	6,282	86.4	122.4	19,016	130.3	2,409	129.0	140.0
	5-6. Electrical & Precision Machinery (Sub Total)	45,882	95.5	16,598	15,586	93.9	133.7	44,562	134.2	4,433	75.8	114.5
	7. Aircraft, Shipbuilding & Transport equipment	30,076	96.6	6,080	6,543	107.6	82.2	18,484	74.5	3,165	240.3	127.1
	(of which aircraft)	16,412	100.9	2,348	3,509	149.4	81.1	9,322	66.7	1,805	242.6	153.0
3-7. Sub total		457,924	90.7	135,638	146,886	108.3	122.7	394,401	115.1	51,444	111.0	130.6
8. Other Machinery & Equipment		12,292	84.8	4,479	3,993	89.1	126.6	12,237	124.3	1,439	118.6	135.2
9. Government, Public Agencies & Schools		2,762	81.5	223	697	312.6	96.9	1,401	104.2	323	127.2	336.5
10. Others		9,524	98.0	2,722	2,689	98.8	98.7	8,263	110.9	846	97.5	105.1
11. Trading Companies		7,085	107.4	1,719	1,868	108.7	141.1	6,239	109.7	731	137.1	192.9
1-11. Domestic Total		530,545	90.5	156,212	168,011	107.6	120.1	454,972	114.2	61,014	117.8	134.0
12. Foreign		719,458	80.4	250,343	248,269	99.2	150.1	725,523	134.8	88,074	107.7	153.6
1-12. Grand Total		1,250,003	84.4	406,555	416,280	102.4	136.3	1,180,495	126.1	149,088	111.6	145.0
(of which: NC machines)		1,225,768	84.5	399,582	409,032	102.4	136.8	1,159,622	126.2	146,442	111.5	144.8
Sales		1,280,584	83.6	317,028	408,029	128.7	130.5	1,073,282	111.0	166,792	133.3	131.4
(of which: NC machines)		1,254,652	83.5	311,902	401,510	128.7	130.7	1,055,037	111.5	164,106	133.2	131.7
Order Backlog		522,527	86.0	620,525	628,824	101.3	108.7	628,824	108.7	628,824	97.3	108.7
(of which: NC machines)		505,184	87.3	601,283	608,853	101.3	110.1	608,853	110.1	608,853	97.2	110.1

