

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (February 2019)

The total value of machine tool orders in February was 109.74 billion yen. This was a decrease of 12.5% compared to January 2019 and marked the second consecutive month of month-on-month decline. Moreover, this figure represented a decrease of 29.3% compared to the same month of the previous year and marked the fifth consecutive month of year-on-year decline.

The total amount of orders fell below 110 billion yen for the first time in twenty-five months. However, they topped 100 billion yen for twenty-eighth consecutive months.

The downward trend is continuing due to uncertainty over the future, such as the slowing of the Chinese economy. We continue to pay attention to the impact of trade issues and global economic trends.

Domestic orders fell by 10.9% from January, amounting to 41.67 billion yen. This marked the fifth consecutive month-on-month decline. Moreover, this figure was a decline of 28.4% from the same month of the previous year and marked the third consecutive month of year-on-year decline.

Looking at major industries, orders compared to January fell by 6.4% in industrial machinery, by 24.2% in motor vehicles, by 1.6% in electrical & precision machinery, and by 8.3% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 13.4% from January to 68.07 billion yen, marked the first month of month-on-month decline in three month. Moreover, foreign orders showed a decrease of 29.8% from the same month of the previous year, and this marked the fifth consecutive year of year-on-year decline.

By region, orders from Asia fell by 17.9% from January to 27.05 billion yen. This was a decrease of 42.7% from the same month of the previous year. Orders from Europe fell by 6.7% from January to 18.09 billion yen. This was a decrease of 18.2% from the same month of the previous year. Orders from North America fell by 13.4% from January, amounting to 21.31 billion yen. This figure was a decline of 18.6% from the same month of the previous year.

JAPAN MACHINE TOOL BUILDERS' ASSOCIATION

Kikai Shinko Kaikan, 3-5-8, Shibakoen, Minato-ku Tokyo 105-0011, Japan
Tel : (03)3434-3961, Fax : (03)3434-3763, URL : <http://www.jmtba.or.jp>

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry \ Period		Total 2018	18/17 (%)	18/07–18/09	18/10–18/12	Previous Quarter (%)	year-to-year (%)	19/01–19/02	year-to-year (%)	Feb. '19	Feb. 19/Jan. 19 (%)	Feb. 19/Feb. 19 (%)
1. Primary Metals		24,984	140.5	6,381	5,402	84.7	108.4	2,467	66.4	893	56.7	41.0
2. Fabricated Metal Products		35,632	134.3	10,727	8,990	83.8	130.3	5,209	115.1	2,813	117.4	110.7
Machinery & Equipment Industries	3. Industrial Machinery	297,290	114.7	81,968	66,146	80.7	88.3	37,342	82.5	18,055	93.6	79.4
	(of which construction machinery)	12,833	170.9	3,472	4,195	120.8	187.8	3,015	182.4	1,589	111.4	243.3
	(of which dies and molds)	28,302	102.6	8,002	6,476	80.9	93.6	3,525	89.9	1,566	79.9	79.5
	4. Motor Vehicles	248,296	123.5	60,588	58,412	96.4	108.2	25,272	69.4	10,898	75.8	56.6
	(of which auto parts)	165,265	118.1	40,145	39,876	99.3	104.5	17,293	68.7	7,391	74.6	60.4
	5. Electrical Machinery	45,630	123.1	9,365	9,657	103.1	83.7	4,358	65.1	2,021	86.5	62.1
	6. Precision Machinery	29,403	116.4	7,546	7,171	95.0	114.7	4,248	97.5	2,247	112.3	109.3
	5 – 6. Electrical & Precision Machinery (Sub Total)	75,033	120.3	16,911	16,828	99.5	94.6	8,606	77.9	4,268	98.4	80.4
	7. Aircraft, Shipbuilding & Transport equipment	26,763	112.3	5,934	7,318	123.3	136.6	3,688	61.4	1,764	91.7	68.3
	(of which aircraft)	14,579	125.6	3,074	4,086	132.9	178.6	2,188	57.6	1,049	92.1	69.3
3 – 7. Sub total		647,382	118.5	165,401	148,704	89.9	97.8	74,908	75.9	34,985	87.6	70.1
8. Other Machinery & Equipment		19,836	121.0	5,551	3,905	70.3	93.9	2,657	86.4	1,287	93.9	81.7
9. Government, Public Agencies & Schools		2,966	96.2	1,646	651	39.6	38.7	355	151.1	93	35.5	117.7
10. Others		11,922	108.2	2,795	2,886	103.3	104.7	1,726	83.7	1,015	142.8	82.6
11. Trading Companies		7,621	94.1	1,716	1,845	107.5	99.0	1,118	76.9	582	108.6	81.9
1-11. Domestic Total		750,343	119.2	194,217	172,383	88.8	98.8	88,440	77.7	41,668	89.1	71.6
12. Foreign		1,065,428	104.8	250,763	234,363	93.5	80.6	146,703	74.9	68,074	86.6	70.2
1-12. Grand Total		1,815,771	110.3	444,980	406,746	91.4	87.5	235,143	76.0	109,742	87.5	70.7
(of which: NC machines)		1,783,287	110.3	436,014	399,320	91.6	87.5	230,297	75.5	107,511	87.6	70.2
Sales		1,684,768	114.8	419,902	415,553	99.0	105.5	246,319	96.8	130,770	113.2	94.9
(of which: NC machines)		1,657,024	114.8	412,605	407,857	98.8	105.2	241,952	96.6	128,355	113.0	94.9
Order Backlog		826,197	119.0	834,040	826,197	99.1	119.0	815,021	108.8	815,021	97.5	108.8
(of which: NC machines)		799,511	119.2	805,607	799,511	99.2	119.2	787,856	108.6	787,856	97.4	108.6

NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2019		Jan.		Feb.		Mar.		Apr.		May		Jun.		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total					
					%		%		%		%		%		%		%		%		%		%		%	2019	%				
Asia	East Asia	Korea	1,554	41.5	2,397	52.8																					3,951	47.7			
		Taiwan	1,839	63.2	1,581	79.6																						3,420	69.9		
		China	16,617	47.7	14,081	49.6																							30,698	48.5	
		Other	0	-	0	-																							0	-	
		East Asia Total	20,010	48.2	18,059	51.7																							38,069	49.8	
	Other Asia	Thailand	2,116	80.2	2,103	93.2																							4,219	86.2	
		Malaysia	1,022	130.9	416	44.9																							1,438	84.2	
		Singapore	433	41.3	481	64.7																							914	51.0	
		Philippine	531	199.6	432	85.5																							963	124.9	
		Indonesia	697	131.0	631	126.2																							1,328	128.7	
Vietnam		1,463	140.4	1,089	65.0																							2,552	93.9		
India		5,897	155.1	3,833	67.7																							9,730	102.8		
Other	756	1181.3	3	300.0																							759	1167.7			
Other Asia Total	12,915	126.9	8,988	73.3																							21,903	97.6			
Sub Total	32,925	63.7	27,047	57.3																								59,972	60.7		
Europe	EU	Germany	3,966	88.9	4,674	80.3																							8,640	84.0	
		U. K.	1,764	91.6	2,894	124.7																							4,658	109.7	
		Italy	2,506	77.2	2,341	76.3																							4,847	76.8	
		France	2,595	91.1	1,334	93.5																								3,929	91.9
		Central Europe	1,204	39.2	2,318	101.7																								3,522	65.8
		Other	4,367	129.6	2,669	66.3																								7,036	95.2
		Sub Total	16,402	86.7	16,230	85.7																								32,632	86.2
	Other West Europe	1,904	97.5	1,306	62.6																								3,210	79.5	
	Turkey	621	72.0	309	29.8																								930	48.9	
	Switzerland	1,231	136.2	830	96.8																								2,061	117.0	
	East Europe	307	548.2	215	71.2																								522	145.8	
	Russia - Other	766	118.6	338	43.5																								1,104	77.6	
	Sub Total	19,379	89.8	18,089	81.8																								37,468	85.8	
North America	U. S. A.	20,032	94.1	18,000	78.9																								38,032	86.2	
	Canada	1,751	153.1	1,863	145.1																								3,614	148.8	
	Mexico	2,812	270.6	1,444	69.2																								4,256	136.1	
	Sub Total	24,595	104.7	21,307	81.4																								45,902	92.4	
S & C America	Brazil	359	44.8	456	68.0																								815	55.4	
	Other	16	4.2	136	100.7																								152	29.2	
	Sub Total	375	31.6	592	73.4																								967	48.5	
Oceania	Australia	547	133.1	472	112.1																								1,019	122.5	
	Other	109	173.0	105	147.9																								214	159.7	
	Sub Total	656	138.4	577	117.3																								1,233	127.6	
Middle East	414	141.3	318	171.0																								732	152.8		
Africa	285	287.9	144	306.4																								429	293.8		
Grand Total	78,629	79.6	68,074	70.2																								146,703	74.9		
Of which NC	77,452	79.6	67,159	70.1																								144,611	74.9		

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

Japan Machine Tool Builders' Association