

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (January 2020)

The total value of machine tool orders in January was 80.78 billion yen. This was a decrease of 10.4% compared to December 2019 and marked the first month of month-on-month decline in two months. Moreover, this figure represented a decrease of 35.6% compared to the same month of the previous year and marked the sixteenth consecutive month of year-on-year decline. The total amount of orders fell below 100 billion yen for six consecutive months. Domestic and foreign demand will continue to weaken capital investment due to trade friction between United States and China, etc. We will continue to closely monitor trade issues and the effects of infectious diseases on economic activities.

Domestic orders fell by 20.7% from December, amounting to 29.59 billion yen. This marked the first month of month-on-month decline in two months. Likewise, this figure was a decline of 36.7% from the same month of the previous year and marked the fourteenth consecutive months of year-on-year decline. Looking at major industries, orders compared to December fell by 31.3% in industrial machinery, by 1.9% in motor vehicles, rose by 4.5% in electrical & precision machinery, and fell by 43.0% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 3.1% from December to 51.19 billion yen, marked the first month of month-on-month decline in two months. Furthermore, foreign orders showed a decrease of 34.9% from the same month of the previous year, and this marked the sixteenth consecutive month of year-on-year decline. By region, orders from Asia fell by 1.4% from December to 19.51 billion yen. This was a decrease of 40.7% from the same month of the previous year. Orders from Europe rose by 1.9% over December to 12.37 billion yen. This was a decrease of 36.2% from the same month of the previous year. Orders from North America fell by 7.1% from December, amounting to 18.17 billion yen. This figure was a decline of 26.1% 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.	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	25,826	100.0	
	2016	1,250,003	84.4	530,545	90.5	719,458	80.4	1,280,584	522,527	67,991	374,124	1,012,810	80.5	73,443	1,058,471	9,321	35,371	666,519	71.5	78,249	85.4	26,252	100.5	
	2017	1,645,554	131.6	629,369	118.6	1,016,185	141.2	1,467,285	694,231	88,644	426,841	1,129,823	111.6	92,174	1,181,505	9,936	33,453	786,221	118.0	72,276	92.4	26,161	99.3	
	2018	1,815,771	110.3	750,343	119.2	1,065,428	104.8	1,684,768	826,197	84,803	454,619	1,236,790	109.5	90,160	1,297,087	9,167	31,553	881,700	112.1	90,574	125.3	27,348	101.1	
	2019	1,229,900	67.7	493,188	65.7	736,712	69.1	1,501,633	561,265	62,220	380,214	1,071,910	86.7	66,250	1,118,606	9,494	33,828	735,532	83.4	85,989	94.9	27,470	103.7	
F.Y.	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	25,347	105.2	
	2015	1,398,968	88.6	579,295	109.9	819,673	77.9	1,471,868	548,277	90,060	453,903	1,185,130	94.0	94,378	1,233,552	9,761	34,724	844,991	82.4	87,710	111.1	26,036	100.4	
	2016	1,289,310	92.2	531,575	91.8	757,735	92.4	1,251,224	531,962	67,060	366,470	989,202	83.5	70,973	1,028,610	9,212	32,928	649,014	76.8	75,944	86.6	26,196	100.2	
	2017	1,780,339	138.1	687,975	129.4	1,092,364	144.2	1,578,249	727,486	97,915	457,502	1,203,453	121.7	102,009	1,259,109	9,532	30,607	867,434	133.7	74,455	98.0	26,436	99.5	
	2018	1,689,133	94.9	703,366	102.2	985,767	90.2	1,666,400	751,183	76,122	438,155	1,209,598	100.5	81,140	1,272,059	9,171	29,803	841,164	97.0	94,726	127.2	27,415	101.8	
	2017	1-3	357,660	112.3	130,749	100.8	226,911	120.3	348,225	153,962	17,817	96,696	265,332	91.8	18,856	281,363	9,212	32,928	165,177	90.4	17,903	88.6	26,024	99.1
		4-6	406,555	130.0	156,212	121.5	250,343	136.0	317,028	620,525	22,260	101,610	265,123	114.1	22,567	268,381	9,920	35,641	188,702	114.9	16,072	88.1	26,256	99.1
		7-9	416,280	136.3	168,011	120.1	248,269	150.1	408,029	628,824	24,416	113,136	298,176	121.5	25,917	318,685	9,514	32,076	211,049	125.2	19,215	111.7	26,194	99.7
		10-12	465,059	148.3	174,397	131.8	290,662	160.2	394,003	694,231	24,151	115,399	301,192	122.4	24,834	313,076	9,936	33,453	221,293	146.5	19,086	84.5	26,169	99.3
	2018	1-3	492,445	137.7	189,355	144.8	303,090	133.6	459,189	727,486	27,088	127,357	338,962	127.8	28,691	358,967	9,532	30,607	246,390	149.2	20,081	112.2	27,123	99.8
		4-6	471,600	116.0	194,388	124.4	277,212	110.7	390,124	808,962	20,437	108,721	294,341	111.0	21,449	298,271	9,559	34,290	219,335	116.2	19,814	123.3	27,400	101.5
		7-9	444,980	106.9	194,217	115.6	250,763	101.0	419,902	834,040	19,155	111,159	305,640	102.5	20,678	322,923	9,193	32,470	219,327	103.9	22,039	114.7	27,448	101.5
		10-12	406,746	87.5	172,383	98.8	234,363	80.6	415,553	826,197	18,123	107,382	297,847	98.9	19,342	316,926	9,167	31,553	196,648	88.9	28,640	150.1	27,421	101.5
	2019	1-3	365,807	74.3	142,378	75.2	223,429	73.7	440,821	751,183	18,407	110,893	311,770	92.0	19,671	333,939	9,171	29,803	205,854	83.5	24,233	120.7	27,391	102.9
		4-6	316,119	67.0	123,934	63.8	192,185	69.3	351,564	715,738	15,597	94,090	263,920	89.7	16,494	265,575	9,518	33,984	187,340	85.4	21,169	106.8	27,596	103.1
		7-9	288,738	64.9	124,777	64.2	163,961	65.4	375,809	628,667	14,957	92,884	262,844	86.0	16,263	278,378	9,247	32,609	178,295	81.3	20,598	93.5	27,505	103.4
		10-12	259,236	63.7	102,099	59.2	157,137	67.0	333,439	561,265	13,259	82,347	233,376	78.4	13,822	240,714	9,494	33,828	164,043	83.4	19,989	69.8	27,387	105.6
	2018	8	140,391	105.1	62,372	120.5	78,019	95.4	127,304	848,604	5,968	34,298	92,791	97.6	6,458	96,481	9,401	35,099	69,290	97.1	6,967	103.2	27,462	101.2
		9	153,454	102.9	64,412	105.6	89,042	101.1	168,018	834,040	6,725	39,615	109,326	102.3	7,366	121,017	9,193	32,470	75,962	111.8	7,733	115.8	27,435	101.9
		10	139,619	99.3	57,655	101.7	81,964	97.6	123,462	850,197	6,016	34,284	93,143	102.8	6,155	96,349	9,419	33,427	62,730	94.4	10,883	171.6	27,435	99.6
		11	131,605	83.0	57,576	106.0	74,029	71.1	140,074	841,728	6,164	37,171	104,411	105.3	6,488	110,827	9,505	33,215	64,994	91.0	9,440	145.6	27,438	103.2
		12	135,522	81.7	57,152	90.2	78,370	76.4	150,071	826,197	5,943	35,927	100,293	90.0	6,699	109,750	9,167	31,553	68,923	82.6	8,318	132.9	27,389	101.7
	2019	1	125,401	81.2	46,772	84.1	78,629	79.6	115,549	836,049	5,525	32,383	89,319	95.1	5,515	91,191	9,611	33,443	51,287	80.0	9,086	130.7	27,388	103.4
		2	109,742	70.7	41,668	71.6	68,074	70.2	130,770	815,021	5,937	35,550	96,602	89.9	6,173	97,982	9,767	34,216	69,271	92.0	7,620	121.3	27,355	103.2

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry \ Period		Total 2019	19/18 (%)	19/07–19/09	19/10–19/12	Previous Quarter (%)	year-to-year (%)	20/01–20/01	year-to-year (%)	Jan. '20	Jan. 20/Dec. 19 (%)	Jan. 20/Jan. 19 (%)
1. Primary Metals		15,087	60.4	3,451	3,071	89.0	56.8	1,529	97.1	1,529	130.1	97.1
2. Fabricated Metal Products		32,024	89.9	10,265	6,852	66.8	76.2	1,536	64.1	1,536	62.5	64.1
Machinery & Equipment Industries	3. Industrial Machinery	202,203	68.0	54,173	39,355	72.6	59.5	10,622	55.1	10,622	68.7	55.1
	(of which construction machinery)	11,535	89.9	2,621	2,200	83.9	52.4	584	41.0	584	72.3	41.0
	(of which dies and molds)	20,987	74.2	5,712	3,769	66.0	58.2	1,043	53.2	1,043	93.1	53.2
	4. Motor Vehicles	139,762	56.3	31,318	29,803	95.2	51.0	9,033	62.8	9,033	98.1	62.8
	(of which auto parts)	101,224	61.2	23,242	21,495	92.5	53.9	5,256	53.1	5,256	76.4	53.1
	5. Electrical Machinery	23,549	51.6	6,355	4,424	69.6	45.8	1,887	80.7	1,887	96.0	80.7
	6. Precision Machinery	19,476	66.2	4,635	3,533	76.2	49.3	1,209	60.4	1,209	121.3	60.4
	5 – 6. Electrical & Precision Machinery (Sub Total)	43,025	57.3	10,990	7,957	72.4	47.3	3,096	71.4	3,096	104.5	71.4
	7. Aircraft, Shipbuilding & Transport equipment	24,425	91.3	4,970	7,043	141.7	96.2	1,673	87.0	1,673	57.0	87.0
	(of which aircraft)	11,980	82.2	1,794	3,353	186.9	82.1	1,318	115.7	1,318	60.7	115.7
3 – 7. Sub total		409,415	63.2	101,451	84,158	83.0	56.6	24,424	61.2	24,424	79.9	61.2
8. Other Machinery & Equipment		15,777	79.5	3,815	3,067	80.4	78.5	801	58.5	801	56.6	58.5
9. Government, Public Agencies & Schools		2,510	84.6	968	887	91.6	136.3	239	91.2	239	107.2	91.2
10. Others		12,051	101.1	3,145	2,890	91.9	100.1	645	90.7	645	55.7	90.7
11. Trading Companies		6,324	83.0	1,682	1,174	69.8	63.6	412	76.9	412	129.2	76.9
1–11. Domestic Total		493,188	65.7	124,777	102,099	81.8	59.2	29,586	63.3	29,586	79.3	63.3
12. Foreign		736,712	69.1	163,961	157,137	95.8	67.0	51,191	65.1	51,191	96.9	65.1
1–12. Grand Total		1,229,900	67.7	288,738	259,236	89.8	63.7	80,777	64.4	80,777	89.6	64.4
(of which: NC machines)		1,206,231	67.6	282,851	254,596	90.0	63.8	79,082	64.4	79,082	89.1	64.4
Sales		1,501,633	89.1	375,809	333,439	88.7	80.2	88,094	76.2	88,094	66.8	76.2
(of which: NC machines)		1,474,295	89.0	369,320	327,228	88.6	80.2	86,479	76.1	86,479	66.7	76.1
Order Backlog		561,265	67.9	628,667	561,265	89.3	67.9	553,948	66.3	553,948	98.7	66.3
(of which: NC machines)		542,212	67.8	604,079	542,212	89.8	67.8	534,815	66.1	534,815	98.6	66.1

NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2020		Jan.		Feb.		Mar.		Apr.		May		June		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total 2020					
				%		%		%		%		%		%		%		%		%		%		%		%		%			
Asia	East Asia	Korea	2,000	128.7																							2,000	128.7			
		Taiwan	1,801	97.9																								1,801	97.9		
		China	10,742	64.6																									10,742	64.6	
		Other	1	-																									1	-	
		East Asia Total	14,544	72.7																									14,544	72.7	
	Other Asia	Thailand	987	46.6																									987	46.6	
		Malaysia	167	16.3																									167	16.3	
		Singapore	257	59.4																									257	59.4	
		Philippine	176	33.1																									176	33.1	
		Indonesia	812	116.5																									812	116.5	
Vietnam		718	49.1																									718	49.1		
India		1,847	31.3																									1,847	31.3		
Other		3	0.4																									3	0.4		
Other Asia Total	4,967	38.5																									4,967	38.5			
Sub Total	19,511	59.3																										19,511	59.3		
Europe	EU	Germany	3,141	79.2																								3,141	79.2		
		U.K.	1,555	88.2																									1,555	88.2	
		Italy	1,681	67.1																										1,681	67.1
		France	1,004	38.7																										1,004	38.7
		Central Europe	1,276	106.0																										1,276	106.0
		Other	2,113	48.4																										2,113	48.4
		Sub Total	10,770	65.7																										10,770	65.7
	Other West Europe	Turkey	357	57.5																										357	57.5
		Switzerland	559	45.4																										559	45.4
		East Europe	51	16.6																										51	16.6
		Russia - Other	543	70.9																										543	70.9
		Sub Total	12,367	63.8																										12,367	63.8
		Sub Total	10,003	52.7																										10,003	52.7
North America	U.S.A.	16,147	80.6																									16,147	80.6		
	Canada	1,111	63.4																										1,111	63.4	
	Mexico	915	32.5																										915	32.5	
	Sub Total	18,173	73.9																										18,173	73.9	
South & Central America	Brazil	377	105.0																										377	105.0	
	Other	59	368.8																										59	368.8	
	Sub Total	436	116.3																										436	116.3	
Oceania	Australia	324	59.2																										324	59.2	
	Other	2	1.8																										2	1.8	
Sub Total	326	49.7																											326	49.7	
Middle East	336	81.2																											336	81.2	
Africa	42	14.7																											42	14.7	
Grand Total	51,191	65.1																										51,191	65.1		
Of which NC	50,721	65.5																											50,721	65.5	

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

Japan Machine Tool Builders' Association