

## The Current Condition of the Japanese Machine Tool Industry

### Monthly Machine Tool Orders (August 2021)

The total value of machine tool orders in August was 125.90 billion yen. This was a decrease of 6.7% compared to July 2021 and marked the first month of month-on-month decline in three months. However, this figure represented an increase of 85.2% compared to the same month of the previous year and marked the tenth consecutive month of year-on-year growth.

The total amount of orders fell below 130 billion yen for the first time in three months but exceeded 120 billion yen for the sixth consecutive month.

Although it temporarily settled down in August due to the influence of summer vacation, recovery continues in all regions. On the other hand, we would like to continue to pay close attention to the infection status of COVID-19 and the shortage of materials.

Domestic orders fell by 1.8% from July, amounting to 44.58 billion yen. This marked the first month of month-on-month decline in three months. While this figure was an increase of 93.2% over the same month of the previous year and marked the year-on-year growth in six consecutive months. Looking at major industries, orders compared to July rose by 2.8% in industrial machinery, by 4.9% in motor vehicles, fell by 37.4% in electrical & precision machinery, and rose by 28.1% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 9.2% from July to 81.33 billion yen, marked the first month of month-on-month decline in two months. In contrast, foreign orders showed an increase of 81.1% over the same month of the previous year, and this marked the tenth consecutive month of year-on-year growth. By region, orders from Asia fell by 14.7% from July to 35.94 billion yen. This was an increase of 55.7% over the same month of the previous year. Orders from Europe fell by 17.8% from July to 17.98 billion yen. This was an increase of 196.5% over the same month of the previous year. Orders from North America rose by 2.0% over July, amounting to 24.39 billion yen. This figure was an increase of 63.6% over the same month of the previous year.



## NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Period		Total 2020	20/19 (%)	21/01–21/03	21/04–21/06	Previous Quarter (%)	year-to-year (%)	21/01–21/08	year-to-year (%)	Aug. '21	Aug. 21/July 21 (%)	Aug. 21/Aug. 20 (%)
1. Primary Metals		11,265	74.7	3,905	3,671	94.0	152.6	11,368	150.2	1,444	61.5	277.2
2. Fabricated Metal Products		23,498	73.4	6,945	8,328	119.9	210.7	23,529	167.1	4,692	131.6	266.0
Machinery & Equipment Industries	3. Industrial Machinery	133,112	65.8	36,952	44,072	119.3	165.0	116,130	133.3	17,796	102.8	173.5
	(of which construction machinery)	7,013	60.8	1,508	2,157	143.0	258.0	6,190	127.2	1,079	74.6	176.0
	(of which dies and molds )	13,283	63.3	4,240	5,060	119.3	151.9	14,097	154.7	3,303	221.1	330.6
	4. Motor Vehicles	83,437	59.7	27,354	29,052	106.2	209.3	74,298	149.5	9,160	104.9	177.9
	(of which auto parts)	55,580	54.9	19,639	21,831	111.2	224.3	55,334	173.7	6,475	87.6	197.5
	5. Electrical Machinery	21,239	90.2	7,026	8,470	120.6	166.0	24,402	169.8	3,514	65.2	200.9
	6. Precision Machinery	13,076	67.1	3,648	6,496	178.1	212.4	14,306	164.3	1,515	57.2	216.7
	5 – 6. Electrical & Precision Machinery (Sub Total)	34,315	79.8	10,674	14,966	140.2	183.4	38,708	167.7	5,029	62.6	205.4
	7. Aircraft, Shipbuilding & Transport equipment	11,089	45.4	3,214	2,630	81.8	132.1	7,920	107.9	1,166	128.1	190.2
	(of which aircraft)	3,598	30.0	1,140	619	54.3	178.4	2,267	79.7	316	164.6	177.5
3 – 7. Sub total		261,953	64.0	78,194	90,720	116.0	178.8	237,056	141.8	33,151	94.7	179.5
8. Other Machinery & Equipment		12,185	77.2	4,871	5,992	123.0	210.9	16,508	225.8	2,986	112.3	374.2
9. Government, Public Agencies & Schools		2,975	118.5	275	1,072	389.8	536.0	3,102	185.5	1,221	228.7	256.0
10. Others		8,444	70.1	2,197	2,327	105.9	133.0	5,969	104.6	742	105.5	96.5
11. Trading Companies		4,135	65.4	975	1,847	189.4	225.5	3,747	131.7	339	57.8	123.3
1-11. Domestic Total		324,455	65.8	97,362	113,957	117.0	181.7	301,279	146.0	44,575	98.2	193.2
12. Foreign		577,380	78.4	224,734	266,034	118.4	237.8	661,694	193.8	81,328	90.8	181.1
1-12. Grand Total		901,835	73.3	322,096	379,991	118.0	217.7	962,973	175.8	125,903	93.3	185.2
(of which: NC machines)		884,770	73.3	317,186	374,264	118.0	218.8	948,305	176.7	124,105	93.5	186.1
Sales		1,033,616	68.8	306,035	308,866	100.9	141.6	820,310	122.0	101,111	96.9	142.1
(of which: NC machines)		1,010,596	68.5	300,273	303,691	101.1	142.7	806,097	122.6	99,588	97.1	142.7
Order Backlog		430,794	76.8	446,582	517,707	115.9	115.8	573,184	130.9	573,184	104.5	130.9
(of which: NC machines)		415,568	76.6	432,481	503,054	116.3	116.5	557,776	132.0	557,776	104.6	132.0

# NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2021		Jan.		Feb.		Mar.		Apr.		May		June		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total			
			%		%		%		%		%		%		%		%		%		%		%		%	2021	%		
Asia	East Asia	Korea	2,804	140.2	3,692	208.9	2,314	161.6	2,340	152.2	2,190	233.7	3,327	250.5	2,492	166.8	2,932	343.7									22,091	194.7	
		Taiwan	2,230	123.8	2,462	198.1	2,923	206.3	3,089	305.5	2,392	145.3	3,302	319.0	2,139	179.3	3,023	224.3									21,560	201.6	
		China	25,705	239.3	30,212	409.4	37,384	330.9	37,795	326.9	38,751	273.4	28,056	181.5	30,308	164.0	23,903	140.4									252,114	237.6	
		Other	0	-	1	4.3	0	-	368	-	0	-	0	-	0	-	0	-									369	946.2	
	East Asia Total	30,739	211.4	36,367	349.2	42,621	301.0	43,592	309.0	43,333	258.6	34,685	194.7	34,939	165.0	29,858	155.3									296,134	231.0		
	Other Asia	Thailand	1,022	103.5	1,116	54.2	1,552	105.2	1,380	147.0	1,858	605.2	1,680	304.3	2,383	240.5	1,624	224.9									12,615	157.1	
		Malaysia	764	457.5	517	74.1	542	43.7	831	244.4	740	229.1	1,321	250.2	866	211.2	691	59.1									6,272	128.6	
		Singapore	483	187.9	361	214.9	529	111.4	1,468	308.4	621	149.6	873	395.0	376	257.5	499	243.4									5,210	220.5	
		Philippine	23	13.1	60	46.5	259	99.2	120	117.6	74	224.2	161	251.6	204	510.0	132	134.7									1,033	114.4	
		Indonesia	202	24.9	313	60.7	564	153.3	544	290.9	684	670.6	601	326.6	466	575.3	332	214.2									3,706	154.1	
Vietnam		614	85.5	253	29.2	370	144.0	654	145.0	930	332.1	1,052	305.8	1,221	533.2	456	86.4									5,550	151.1		
India		1,750	94.7	4,810	359.5	4,020	467.4	3,033	393.4	2,190	489.9	2,703	180.0	1,613	172.7	2,052	208.3									22,171	255.3		
Other	4	133.3	25	2500.0	14	466.7	9	3.0	7	700.0	4	400.0	81	1157.1	296	14800.0									440	137.9			
Other Asia Total	4,862	97.9	7,455	129.1	7,850	158.9	8,039	225.4	7,104	372.3	8,395	247.2	7,210	254.1	6,082	157.4									56,997	182.4			
Sub Total	35,601	182.5	43,822	270.7	50,471	264.3	51,631	292.1	50,437	270.2	43,080	203.1	42,149	175.5	35,940	155.7										353,131	221.5		
Europe	EU	Germany	2,514	80.0	3,005	128.0	3,223	238.9	2,933	364.3	3,747	447.7	3,506	325.8	3,558	218.4	3,699	319.4									26,185	212.1	
		Italy	1,770	105.3	2,106	275.7	2,866	550.1	2,991	1137.3	3,266	781.3	3,460	415.9	4,430	564.3	3,316	431.2									24,205	401.2	
		France	874	87.1	1,046	131.6	1,134	266.8	1,294	416.1	1,366	379.4	1,443	347.7	2,169	215.4	2,156	453.9									11,482	239.6	
		Central Europe	865	67.8	635	36.8	1,015	129.0	1,378	181.3	1,337	352.8	1,416	292.6	1,318	135.7	1,167	224.9									9,131	132.3	
		Other	2,110	99.9	1,815	78.7	2,305	122.2	2,530	265.5	2,880	220.4	3,499	231.3	5,287	516.8	3,258	374.5									23,684	197.8	
		Sub Total	8,133	-	8,607	-	10,543	-	11,126	-	12,596	-	13,324	-	16,762	-	13,596	-										94,687	-
	Other West Europe	U. K.	1,012	65.1	1,123	83.9	1,279	160.7	1,516	207.4	1,664	545.6	1,996	263.0	1,666	249.0	2,090	260.6									12,346	177.5	
		Turkey	1,117	312.9	1,376	204.5	948	224.6	1,103	302.2	1,409	401.4	1,286	240.4	1,899	251.9	1,140	193.9									10,278	254.1	
		Switzerland	266	47.6	486	97.2	643	200.9	483	468.9	485	310.9	638	261.5	727	667.0	445	108.0									4,173	173.7	
		East Europe	24	47.1	106	60.6	113	-	25	3.1	133	211.1	95	3166.7	243	121.5	40	-									779	60.7	
		Russia - Other	145	26.7	194	109.6	210	36.8	225	101.8	358	246.9	668	289.2	357	113.7	272	111.5									2,429	99.3	
		Sub Total	10,776	87.1	12,158	111.4	14,054	195.1	14,964	279.7	17,057	381.4	18,157	292.4	21,873	280.1	17,981	296.5										127,020	210.3
		North America & Oceania	U. S. A.	11,846	73.4	15,057	99.0	18,799	154.1	17,881	165.5	19,168	228.9	21,350	152.7	22,193	200.9	22,274	204.7									148,568	150.6
Canada	1,242		111.8	931	72.9	1,513	234.9	1,110	385.4	1,216	440.6	1,252	370.4	1,499	205.1	1,416	181.8									10,179	187.0		
Mexico	997		109.0	1,946	225.8	1,052	31.5	877	128.4	1,648	219.4	1,860	519.6	217	42.1	702	21.6									9,299	87.1		
Sub Total	14,085		77.5	17,934	103.4	21,364	132.0	19,868	168.7	22,032	234.4	24,462	166.7	23,909	194.5	24,392	163.6										168,046	146.4	
South America	Brazil	476	126.3	409	130.7	615	292.9	521	-	383	364.8	722	357.4	792	3443.5	1,754	640.1									5,672	401.4		
	Other	43	72.9	52	152.9	125	595.2	40	-	80	190.5	88	146.7	115	169.1	155	246.0									698	201.2		
	Sub Total	519	119.0	461	132.9	740	320.3	561	-	463	315.0	810	309.2	907	996.7	1,909	566.5									6,370	361.9		
Oceania	Australia	749	231.2	470	200.9	435	145.0	226	209.3	615	184.1	587	140.1	486	92.2	611	140.1									4,179	155.8		
	Other	35	1750.0	23	230.0	126	-	158	117.0	67	-	169	-	86	-	109	-									773	525.9		
Sub Total	784	240.5	493	202.0	561	187.0	384	158.0	682	204.2	756	180.4	572	108.5	720	165.1										4,952	175.0		
Middle East	245	72.9	259	140.0	155	119.2	380	3800.0	41	136.7	151	15.4	180	80.0	313	763.4										1,724	89.3		
Africa	212	504.8	-4	-	44	75.9	108	284.2	1	-	9	14.1	8	36.4	73	208.6										451	168.9		
Grand Total	62,222	121.5	75,123	166.1	87,389	202.3	87,896	251.2	90,713	274.5	87,425	199.5	89,598	199.2	81,328	181.1										661,694	193.8		
Of which NC	61,740	121.7	74,462	165.2	86,832	203.2	87,321	253.3	90,104	276.6	86,925	200.5	89,182	200.7	80,545	180.9										657,111	194.5		

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

Japan Machine Tool Builders' Association

From January 2021, the UK was moved from the "EU" to "other Western Europe".