

## The Current Condition of the Japanese Machine Tool Industry

### Monthly Machine Tool Orders (March 2022)

The total value of machine tool orders in March was 166.26 billion yen. This was an increase of 19.6% compared to February 2022 and marked the first month of month-on-month growth in two months. Moreover, this figure represented an increase of 30.0% compared to the same month of the previous year and marked the seventeenth consecutive month of year-on-year growth.

The total amount of orders has exceeded 160 billion yen for the first time in 47 months since April 2018 (163.06 billion yen), which is the second highest order in the past for a single month. It topped 100 billion yen for 14 consecutive months.

As of March, the effects of risk factors such as parts shortages, geopolitical risks, and lockdown in China have not become apparent, but we would like to keep an eye on future trends.

Domestic orders rose by 23.3% over March, amounting to 60.24 billion yen. This marked the second consecutive month of month-on-month growth. Moreover, this figure was an increase of 48.8% over the same month of the previous year and marked the year-on-year growth in thirteen consecutive months. Looking at major industries, orders compared to February rose by 39.5% in industrial machinery, by 25.1% in motor vehicles, fell by 7.7% in electrical & precision machinery, and rose by 170.1% in aircraft, shipbuilding & transport equipment.

Foreign orders rose by 17.6% over February to 106.02 billion yen, marked the first month of month-on-month growth in two months. Furthermore, foreign orders showed an increase of 21.3% over the same month of the previous year, and this marked the seventeenth consecutive month of year-on-year growth. By region, orders from Asia rose by 22.7% over February to 51.87 billion yen. This was an increase of 2.8% over the same month of the previous year. Orders from Europe fell by 5.4% from February to 19.53 billion yen. This was an increase of 38.9% over the same month of the previous year. Orders from North America rose by 29.3% over February, amounting to 32.83 billion yen. This figure was an increase of 53.7% over the same month of the previous year.



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

(Value: in Millions of Yen)

Period		Total 2021	21/20 (%)	21/10-21/12	22/01-22/03	Previous Quarter (%)	year-to-year (%)	22/01-22/03	year-to-year (%)	March ' 22	Mar. 22/Feb. 22 (%)	Mar. 22/Mar. 21 (%)
1. Primary Metals		17,981	159.6	3,955	5,043	127.5	129.1	5,043	129.1	1,685	102.4	92.0
2. Fabricated Metal Products		40,274	171.4	11,050	12,157	110.0	175.0	12,157	175.0	4,696	126.6	163.5
Machinery & Equipment Industries	3. Industrial Machinery	200,489	150.6	60,702	62,389	102.8	168.8	62,389	168.8	24,961	139.5	153.5
	(of which construction machinery)	11,166	159.2	3,774	3,470	91.9	230.1	3,470	230.1	1,434	103.8	207.2
	(of which dies and molds )	26,785	201.6	8,932	9,268	103.8	218.6	9,268	218.6	3,250	110.1	192.4
	4. Motor Vehicles	115,123	138.0	30,300	30,432	100.4	111.3	30,432	111.3	12,456	125.1	123.7
	(of which auto parts)	84,015	151.2	21,372	20,645	96.6	105.1	20,645	105.1	7,759	115.3	115.1
	5. Electrical Machinery	45,020	212.0	15,206	18,360	120.7	261.3	18,360	261.3	5,853	71.9	180.7
	6. Precision Machinery	24,423	186.8	7,920	9,035	114.1	247.7	9,035	247.7	4,064	155.9	241.9
	5 – 6. Electrical & Precision Machinery (Sub Total)	69,443	202.4	23,126	27,395	118.5	256.7	27,395	256.7	9,917	92.3	201.6
	7. Aircraft, Shipbuilding & Transport equipment	16,026	144.5	6,264	4,940	78.9	153.7	4,940	153.7	2,542	270.1	207.7
	(of which aircraft)	4,791	133.2	1,731	1,216	70.2	106.7	1,216	106.7	213	39.2	56.8
3 – 7. Sub total		401,081	153.1	120,392	125,156	104.0	160.1	125,156	160.1	49,876	126.2	153.6
8. Other Machinery & Equipment		26,774	219.7	7,449	5,744	77.1	117.9	5,744	117.9	2,040	86.6	109.1
9. Government, Public Agencies & Schools		7,349	247.0	3,185	484	15.2	176.0	484	176.0	83	54.2	80.6
10. Others		10,582	125.3	3,409	3,259	95.6	148.3	3,259	148.3	1,400	140.7	141.3
11. Trading Companies		6,283	151.9	2,045	1,424	69.6	146.1	1,424	146.1	459	98.9	133.0
1-11. Domestic Total		510,324	157.3	151,485	153,267	101.2	157.4	153,267	157.4	60,239	123.3	148.8
12. Foreign		1,031,095	178.6	282,365	294,912	104.4	131.2	294,912	131.2	106,024	117.6	121.3
1-12. Grand Total		1,541,419	170.9	433,850	448,179	103.3	139.1	448,179	139.1	166,263	119.6	130.0
(of which: NC machines)		1,514,935	171.2	424,546	439,808	103.6	138.7	439,808	138.7	162,932	119.6	129.3
Sales		1,283,499	124.2	336,819	391,490	116.2	127.9	391,490	127.9	175,775	151.2	119.5
(of which: NC machines)		1,261,733	124.9	331,252	385,388	116.3	128.3	385,388	128.3	172,566	150.6	119.7
Order Backlog		701,005	162.7	701,005	757,694	108.1	169.7	757,694	169.7	757,694	98.8	169.7
(of which: NC machines)		681,753	164.1	681,753	736,173	108.0	170.2	736,173	170.2	736,173	98.7	170.2

# NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2022		Jan.		Feb.		Mar.		Apr.		May		June		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total 2022			
			%		%		%		%		%		%		%		%		%		%		%		%		%		
Asia	East Asia	Korea	2,641	94.2	2,078	56.3	2,730	118.0																			7,449	84.6	
		Taiwan	4,815	215.9	2,137	86.8	4,005	137.0																				10,957	143.9
		China	32,598	126.8	29,942	99.1	33,370	89.3																				95,910	102.8
		Other	0	-	8	800.0	13	-																				21	2100.0
		East Asia Total	40,054	130.3	34,165	93.9	40,118	94.1																				114,337	104.2
	Other Asia	Thailand	1,647	161.2	1,365	122.3	1,686	108.6																				4,698	127.3
		Malaysia	999	130.8	1,183	228.8	1,314	242.4																				3,496	191.8
		Singapore	465	96.3	315	87.3	3,690	697.5																				4,470	325.6
		Philippine	58	252.2	182	303.3	935	361.0																				1,175	343.6
		Indonesia	1,163	575.7	607	193.9	292	51.8																				2,062	191.1
Vietnam		640	104.2	998	394.5	1,034	279.5																				2,672	216.0	
India		2,499	142.8	3,454	71.8	2,760	68.7																				8,713	82.4	
Other	6	150.0	8	32.0	42	300.0																				56	130.2		
Other Asia Total	7,477	153.8	8,112	108.8	11,753	149.7																					27,342	135.6	
Sub Total	47,531	133.5	42,277	96.5	51,871	102.8																					141,679	109.1	
Europe	EU	Germany	4,459	177.4	4,784	159.2	4,298	133.4																				13,541	154.9
		Italy	4,574	258.4	3,870	183.8	4,698	163.9																				13,142	194.9
		France	1,738	198.9	2,111	201.8	1,959	172.8																				5,808	190.2
		Central Europe	1,469	169.8	1,444	227.4	1,428	140.7																				4,341	172.6
		Other	3,383	160.3	3,880	213.8	3,251	141.0																				10,514	168.8
	Sub Total	15,623	192.1	16,089	186.9	15,634	148.3																					47,346	173.5
	Other West Europe	U.K.	1,749	172.8	2,241	199.6	2,728	213.3																				6,718	196.8
		Turkey	1,396	125.0	901	65.5	914	96.4																				3,211	93.3
		Switzerland	745	280.1	784	161.3	743	115.6																				2,272	162.9
		East Europe	81	337.5	78	73.6	81	71.7																				240	98.8
		Russia - Other	400	275.9	180	92.8	-625	-																					-45
Sub Total		20,412	189.4	20,647	169.8	19,528	138.9																					60,587	163.8
North America & Oceania	U.S.A.	26,887	227.0	22,965	152.5	30,070	160.0																				79,922	174.9	
	Canada	1,121	90.3	1,855	199.2	1,455	96.2																				4,431	120.2	
	Mexico	1,403	140.7	572	29.4	1,305	124.0																				3,280	82.1	
	Sub Total	29,411	208.8	25,392	141.6	32,830	153.7																					87,633	164.2
South America	Brazil	614	129.0	569	139.1	578	94.0																				1,761	117.4	
	Other	85	197.7	112	215.4	119	95.2																				316	143.6	
	Sub Total	699	134.7	681	147.7	697	94.2																				2,077	120.8	
Oceania	Australia	380	50.7	594	126.4	818	188.0																				1,792	108.3	
	Other	86	245.7	259	1126.1	21	16.7																				366	198.9	
Sub Total	466	59.4	853	173.0	839	149.6																					2,158	117.4	
Middle East	176	71.8	269	103.9	252	162.6																					697	105.8	
Africa	54	25.5	20	-	7	15.9																					81	32.1	
Grand Total	98,749	158.7	90,139	120.0	106,024	121.3																					294,912	131.2	
Of which NC	97,408	157.8	89,315	119.9	104,242	120.1																					290,965	130.5	

(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”.