

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (April 2015)

The total value of machine tool orders in April was 134.62 billion yen. This was a decline of 8.7% compared to March and marked the first month of decrease in three months. However, this figure represented an increase of 10.5% compared to the same month of the previous year, with April posting the nineteenth consecutive month of year-on-year growth. The total amount of orders topped 130 billion yen for the three consecutive months and it marked the record high amount in April. This has also passed 100 billion yen for twentieth consecutive months, thus remained strong.

Both domestic and foreign demands are expected to be driven by a recovery trend in the future. However, we will keep a close watch on the trend of North American market and special demand of electrical and precision machinery from Asia.

Domestic orders fell by 12.8% from March, amounting to 48.77 billion yen. This marked the first month of decline in three months. However, this figure was an increase of 39.0% over the same month of the previous year and marked the twenty-second consecutive month of year-on-year growth.

Looking at major industries, orders compared to March fell by 14.5% in industrial machinery, by 1.7% in motor vehicles, by 19.4% in electrical & precision machinery, and by 27.4% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 6.1% from March to 86.16 billion yen. This marked the first month of decline in three months. At the same time, foreign orders showed a decline of 1.0% from the same month of the previous year, with April posting the first month of decrease in eighteen months.

By region, orders from Asia fell by 4.1% from March to 48.66 billion yen. However, this was an increase of 7.4% over the same month of the previous year. Orders from Europe fell by 3.8% from March to 15.48 billion yen. This was a decline of 8.0% from the same month of the previous year. Orders from North America fell by 10.8% from March, amounting to 20.95 billion yen. This figure was also a decrease of 9.7% from the same month of the previous year.

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry \ Period		Total 2014	14/13 (%)	14/10-14/12	15/1-15/3	Previous Quarter (%)	year-to-year (%)	15/01-15/04	year-to-year (%)	April '15	Apr. 15/Mar. 15 (%)	Apr. 15/Apr. 14 (%)
1. Primary Metals		11,584	101.0	3,380	3,644	107.8	119.3	4,811	129.4	1,167	98.0	176.0
2. Fabricated Metal Products		23,280	127.4	6,252	6,719	107.5	129.3	8,128	124.0	1,409	52.7	103.7
機械 製 造 業	3. Industrial Machinery	199,946	122.7	56,533	52,434	92.7	124.4	69,339	122.7	16,905	85.5	117.8
	(of which construction machinery)	-	-	-	1,179	-	-	1,699	-	520	126.8	-
	(of which dies and molds)	26,589	103.3	7,495	6,908	92.2	114.0	9,221	122.5	2,313	102.6	157.1
	4. Motor Vehicles	167,660	135.7	47,164	47,685	101.1	129.8	68,903	141.7	21,218	98.3	178.4
	(of which auto parts)	117,474	142.8	33,986	35,284	103.8	144.0	51,095	151.5	15,811	98.1	171.5
	5. Electrical Machinery	27,412	137.4	8,376	6,117	73.0	114.1	8,076	112.7	1,959	81.8	108.6
	6. Precision Machinery	17,151	121.4	4,221	4,900	116.1	142.9	6,451	130.0	1,551	79.1	101.0
	5-6. Electrical & Precision Machinery (Sub Total)	44,563	130.8	12,597	11,017	87.5	125.4	14,527	119.8	3,510	80.6	105.1
	7. Aircraft, Shipbuilding & Transport equipment	20,558	91.2	7,187	7,962	110.8	174.0	10,252	179.1	2,290	72.6	199.5
	(of which aircraft)	-	-	-	3,157	-	-	4,576	-	1,419	106.6	-
3-7. Sub total		432,727	126.1	123,481	119,098	96.5	129.1	163,021	132.5	43,923	89.9	142.9
8. Other Machinery & Equipment		13,012	106.6	3,674	3,169	86.3	126.9	4,180	114.3	1,011	82.2	87.2
9. Government, Public Agencies & Schools		4,110	80.1	2,153	334	15.5	61.3	363	57.9	29	39.2	35.4
10. Others		6,400	115.1	1,644	2,081	126.6	134.1	2,460	128.3	379	45.3	103.6
11. Trading Companies		5,278	104.5	1,531	1,619	105.7	152.3	2,166	138.8	547	73.9	109.8
1-11. Domestic Total		496,391	123.8	142,115	136,664	96.2	128.7	185,129	131.3	48,465	87.2	139.0
12. Foreign		1,013,006	141.4	274,879	263,313	95.8	117.2	349,469	112.1	86,156	93.9	99.0
1-12. Grand Total		1,509,397	135.1	416,994	399,977	95.9	120.9	534,598	118.1	134,621	91.3	110.5
(of which: NC machines)		1,474,239	135.7	408,280	392,600	96.2	122.6	524,267	119.3	131,667	91.1	110.3
Sales		1,422,184	129.9	353,336	438,320	124.1	120.0	549,902	123.1	111,582	57.9	136.7
(of which: NC machines)		1,388,366	130.1	345,248	430,625	124.7	121.3	540,476	124.4	109,851	58.0	138.1
Order Backlog		652,213	115.2	652,213	613,854	94.1	115.8	637,273	111.7	637,273	103.8	111.7
(of which: NC machines)		624,303	115.8	624,303	586,281	93.9	116.6	609,049	112.2	609,049	103.9	112.2

NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2015		Jan.		Feb.		Mar.		Apr.		May		Jun.		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total			
			%		%		%		%		%		%		%		%		%		%		%		%	2015	%		
Asia	East Asia	Korea	3,609	138.5	3,542	109.9	4,075	173.8	3,849	93.3																	15,075	122.6	
		Taiwan	2,887	189.3	2,554	163.4	3,371	176.4	2,987	211.8																		11,799	184.1
		China	17,927	103.7	22,565	125.1	28,770	76.9	30,111	92.1																		99,373	94.2
		Other	16	-	12	120.0	248	1127.3	205	135.8																		481	481.0
		East Asia Total	24,439	114.5	28,673	125.6	36,464	87.4	37,152	96.8																		126,728	102.0
	Other Asia	Thailand	1,534	46.1	2,420	62.8	2,352	75.2	2,403	101.0																		8,709	68.6
		Malaysia	1,333	650.2	567	196.9	333	53.5	220	48.5																		2,453	156.2
		Singapore	141	42.9	377	68.1	683	71.1	338	53.5																		1,539	62.2
		Philippine	294	-	552	-	325	-	355	-																		1,526	-
		Indonesia	1,175	-	401	-	553	-	563	-																		2,692	-
Vietnam		17,268	-	16,971	-	7,774	-	5,871	-																		47,884	-	
India	1,603	92.0	1,788	130.8	2,232	114.4	1,731	129.3																		7,354	114.9		
Other	5	-	17	-	-2	-	24	-																		44	-		
Other Asia Total	23,353	347.4	23,093	285.1	14,250	179.1	11,505	165.8																		72,201	242.9		
Sub Total	47,792	170.3	51,766	167.3	50,714	102.1	48,657	107.4																			198,929	129.2	
Europe	EU	Germany	2,983	70.7	4,673	99.6	4,756	97.4	5,031	94.4																	17,443	91.2	
		U. K.	1,909	110.7	2,079	91.8	2,004	81.1	1,902	77.4																	7,894	88.5	
		Italy	1,890	133.9	2,035	88.9	2,036	120.8	1,960	101.1																	7,921	108.1	
		France	1,107	94.7	2,617	239.0	2,329	193.6	1,719	97.1																	7,772	148.4	
		Central Europe	1,261	111.0	1,731	167.4	1,098	83.2	1,391	85.9																	5,481	107.3	
		Other	1,799	-	1,818	-	1,659	-	1,290	-																		6,566	-
	Sub Total	10,949	96.9	14,953	117.6	13,882	106.1	13,293	92.9																		53,077	103.3	
	Other West Europe	1,848	114.5	1,552	91.3	1,259	86.3	1,376	83.9																		6,035	94.1	
	Turkey	1,227	-	838	-	810	-	890	-																		3,765	-	
	Switzerland	533	-	563	-	374	-	426	-																		1,896	-	
East Europe	71	21.8	75	15.0	130	79.3	129	153.6																		405	37.7		
Russia - Other	664	107.1	412	91.6	822	163.1	681	84.6																		2,579	108.4		
Sub Total	13,532	97.7	16,992	110.6	16,093	105.8	15,479	92.0																		62,096	101.4		
North America	U. S. A.	17,309	102.0	17,845	92.4	20,826	101.4	18,181	85.8																	74,161	95.1		
	Canada	975	42.8	1,138	168.3	1,063	78.5	1,455	284.2																	4,631	96.1		
	Mexico	2,275	67.3	657	84.4	1,607	71.2	1,315	87.4																	5,854	73.9		
	Sub Total	20,559	90.8	19,640	94.6	23,496	97.3	20,951	90.3																		84,646	93.3	
South America	Brazil	68	7.4	208	57.3	368	50.0	357	62.6																	1,001	38.7		
	Other	388	113.1	38	34.5	582	218.8	56	329.4																	1,064	144.6		
	Sub Total	456	36.1	246	52.0	950	94.8	413	70.4																	2,065	62.1		
Oceania	Australia	151	55.9	170	89.9	122	63.5	182	31.7																	625	51.0		
	Other	-2	-	11	-	30	-	17	-																	56	-		
Sub Total	149	-	181	-	152	-	199	-																		681	-		
Middle East	134	-	92	-	153	-	280	-																		659	-		
Africa	4	-	0	-	212	-	177	-																		393	-		
Grand Total	82,626	124.7	88,917	130.8	91,770	101.5	86,156	99.0																		349,469	112.1		
Of which NC	82,165	125.3	87,631	130.2	90,681	105.2	85,361	98.9																		345,838	113.3		

(Note) 1. "Other East Europe" until April 2014 is the division of before the integration of EU. The countries which joined EU from 04-07 is divided as "Central Europe".

Japan Machine Tool Builders' Association

2. Middle East and Africa until July, 2014 are included in "Other" in Oceania.

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