

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (March 2016)

The total value of machine tool orders in March was 116.19 billion yen. This was an increase of 14.0% compared to February 2016 and marked the second consecutive month of month-on-month growth. However, this figure represented a decrease of 21.2% compared to the same month of the previous year, with posting the eighth consecutive month of year-on-year decline. The total amount of orders topped 110 billion yen for the first time in four months. This has also passed 100 billion yen for thirty-one consecutive months.

We look forward to seeing the policy effect on domestic orders in the second half of this year. On the other hand, we will keep a close watch on the trends of economy and EMS special demand in the domestic and foreign market.

Domestic orders rose by 31.8% over February, amounting to 51.26 billion yen. This marked the fourth consecutive month-on-month increase. However, this figure was a decline of 7.8% from the same month of the previous year and marked the second consecutive year-on-year decrease.

Looking at major industries, orders compared to February rose by 51.5% in industrial machinery, by 7.4% in motor vehicles, by 59.8% in electrical & precision machinery, and by 11.0% in aircraft, shipbuilding & transport equipment.

Foreign orders rose by 3.0% over February to 64.93 billion yen. This marked the second consecutive month-on-month increase. However, foreign orders showed a decrease of 29.3% from the same month of the previous year, with March posting the tenth consecutive month of decline.

By region, orders from Asia fell by 0.6% from February to 25.37 billion yen. This was a decrease of 50.0% from the same month of the previous year. Orders from Europe fell by 5.2% from February to 15.91 billion yen. This was a decrease of 1.1% from the same month of the previous year. Orders from North America rose by 14.6% over February, amounting to 22.93 billion yen. However, this figure was a decrease of 2.4% 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 No. of Persons	WHOLE-SALE PRICE INDEX
	Total	%	Domestic	%	Foreign	%	Sales	Order Backlog	Unites	Weight	Value	%	Unites	Value	Unites	Weight	Value	%	Value	%		
	Value		Value		Value		Value	Value		ton						ton						
C.Y. 1990	1,412,123	111.2	1,038,791	111.5	373,332	110.5	1,323,494	612,728	196,131	459,814	1,303,442	114.4	196,966	1,336,812	9,723	25,170	455,809	106.4	68,645	135.9	36,849	100.0
1991	1,141,209	80.8	848,219	81.7	292,990	78.5	1,257,208	489,427	172,034	428,691	1,265,587	97.1	169,496	1,288,204	15,122	31,239	411,948	90.4	58,496	85.2	37,965	101.8
1992	710,221	62.2	474,561	55.9	235,660	80.4	826,975	354,933	116,649	283,840	831,087	65.7	118,591	850,528	14,408	28,126	330,291	80.2	41,027	70.1	38,265	101.2
1993	531,783	74.9	322,570	68.0	209,213	88.8	594,359	266,959	88,930	213,731	592,727	71.3	92,321	619,656	12,252	24,718	306,094	92.7	25,230	61.5	34,512	97.7
1994	573,083	107.8	315,493	97.8	257,590	123.1	562,809	273,172	88,109	215,620	554,080	93.5	89,860	575,984	11,016	20,842	328,786	107.4	25,226	100.0	29,340	96.2
1995	775,538	135.3	407,238	129.1	368,300	143.0	716,330	330,125	100,293	278,759	699,351	126.2	101,019	710,628	10,831	19,606	478,054	145.4	41,032	162.7	28,394	100.0
1996	938,194	121.0	509,777	125.2	428,417	116.3	866,418	400,399	106,813	316,732	837,453	119.7	108,124	850,630	10,378	21,546	591,653	123.8	64,384	156.9	27,678	98.4
1997	1,130,609	120.5	635,136	124.6	495,473	115.7	1,062,001	470,117	115,149	410,045	1,017,129	121.5	116,160	1,070,158	11,125	19,657	649,395	109.8	71,443	111.0	27,487	100.1
1998	989,200	87.5	457,214	72.0	531,986	107.4	1,093,216	381,690	96,805	397,333	1,010,541	99.4	96,649	1,060,603	11,296	24,964	657,055	101.2	65,843	92.2	28,354	99.3
1999	756,616	76.5	361,922	79.2	394,694	74.2	814,406	322,337	71,710	280,409	739,461	73.2	73,659	775,298	7,215	19,025	529,222	80.5	63,711	96.8	27,793	95.8
2000	975,046	128.9	521,686	144.1	453,360	114.9	887,942	402,721	90,916	313,842	814,636	110.2	91,797	816,123	7,004	17,697	620,056	117.2	85,572	134.3	24,962	100.0
2001	788,898	80.9	411,125	78.8	377,773	83.3	874,107	313,370	74,572	300,527	776,453	95.3	74,911	781,440	6,922	18,320	558,403	90.1	69,619	81.4	23,848	100.3
2002	675,837	85.7	350,322	85.2	325,515	86.2	670,714	308,372	55,807	227,217	585,098	75.4	58,144	594,957	4,483	16,083	484,668	86.8	50,904	73.1	22,545	98.8
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	101,566	481,810	1,252,975	105.6	104,666	1,304,581	11,274	38,620	932,284	96.9	91,570	117.3	25,943	106.4
F.Y. 2013	1,204,852	105.7	422,029	116.3	782,823	100.8	1,149,078	529,922	61,311	344,586	936,303	87.3	65,329	958,064	7,938	27,939	771,524	86.1	72,839	144.3	24,650	101.2
2014	1,578,546	131.0	526,876	124.8	1,051,670	134.3	1,495,341	613,854	109,753	480,495	1,257,093	134.3	112,892	1,297,720	9,535	31,084	1,025,237	132.9	78,930	108.4	25,401	105.2
2015	1,398,968	88.6	579,295	109.9	819,673	77.9	1,471,868	548,277														106.7
2015 4-6	409,273	110.6	161,606	141.5	247,667	96.8	358,474	665,037	29,303	119,156	306,457	111.2	30,516	309,511	9,619	34,534	253,354	108.2	22,004	120.8	26,028	106.0
7-9	346,692	88.5	155,456	116.1	191,236	74.2	374,540	641,420	22,071	118,061	300,049	93.2	22,731	308,109	9,997	38,400	221,696	80.5	22,930	130.2	25,996	107.2
10-12	324,650	77.9	132,514	93.2	192,136	69.9	361,269	607,499	20,025	109,686	287,712	95.6	19,810	302,172	11,274	38,620	187,436	76.2	22,558	118.6	26,123	107.0
2016 1-3	318,353	79.6	129,719	94.9	188,634	71.6	377,585	548,277														106.7
2014 11	139,050	136.6	49,061	117.9	89,989	149.6	107,114	646,760	8,917	37,351	97,916	141.5	8,904	96,343	10,045	35,993	74,777	122.2	6,101	102.4	25,297	106.2
12	144,248	133.9	48,145	131.1	96,103	135.3	138,797	652,213	9,342	40,443	106,820	134.0	9,907	114,855	9,924	34,308	89,966	120.6	6,697	100.3	25,524	105.4
2015 1	121,103	120.4	38,477	112.2	82,626	124.7	120,249	653,067	9,046	38,896	102,917	134.1	9,730	106,988	9,608	34,703	78,957	139.0	7,343	102.2	25,567	105.6
2	131,494	128.9	42,577	125.2	88,917	130.8	125,281	659,280	9,694	43,200	112,908	129.4	9,700	113,541	9,908	36,935	79,620	118.7	8,402	123.2	25,607	105.9
3	147,380	114.9	55,610	146.8	91,770	101.5	192,790	613,854	11,427	52,811	142,932	115.3	12,179	164,260	9,535	31,084	111,222	134.7	8,333	90.3	25,704	104.5
4	134,621	110.5	48,465	139.0	86,156	99.0	111,582	637,273	9,640	38,821	99,349	115.8	10,429	102,807	9,320	32,073	90,279	130.8	5,689	87.8	26,088	105.4
5	138,545	115.0	52,840	143.9	85,705	102.3	114,072	661,753	9,506	38,392	97,228	109.2	9,459	94,881	9,692	33,550	74,013	99.3	7,173	111.1	25,957	105.5
6	136,107	106.6	60,301	141.4	75,806	89.2	132,820	665,037	10,157	41,943	109,880	109.1	10,628	111,823	9,619	34,534	89,062	98.4	9,142	173.1	26,040	107.0
7	129,939	101.7	59,843	139.9	70,096	82.4	117,826	677,148	8,462	41,051	102,375	101.6	8,572	102,614	9,831	36,848	85,903	95.9	7,403	122.5	26,062	107.6
8	107,038	83.5	47,731	113.8	59,307	68.8	110,177	676,364	6,703	36,289	92,957	95.3	6,928	92,776	9,933	39,971	66,459	75.7	7,833	148.1	26,007	107.4
9	109,715	80.9	47,882	97.4	61,833	71.6	146,537	641,420	6,906	40,721	104,717	84.7	7,231	112,719	9,997	38,400	69,334	70.9	7,694	122.4	25,920	106.6
10	103,080	77.1	44,485	99.1	58,595	66.0	107,223	635,509	6,176	35,464	89,675	93.2	6,150	91,748	10,365	40,869	68,818	84.6	8,180	131.4	26,185	107.0
11	114,392	82.3	45,464	92.7	68,928	76.6	119,274	630,627	6,471	35,945	94,990	97.0	6,420	99,268	10,769	40,760	55,235	73.9	8,143	133.5	26,104	107.1
12	107,178	74.3	42,565	88.4	64,613	67.2	134,772	607,499	7,378	38,277	103,047	96.5	7,240	111,156	11,274	38,620	63,383	70.5	6,235	93.1	26,080	106.9
2016 1	100,258	82.8	39,572																			

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry \ Period		Total 2015	15/14 (%)	15/10-15/12	16/01-16/03	Previous Quarter (%)	year-to-year (%)	16/01-16/03	year-to-year (%)	March ' 16	Mar. 16/Feb. 16 (%)	Mar. 16/Mar. 15 (%)
1. Primary Metals		18,528	159.9	5,489	4,320	78.7	118.6	4,320	118.6	2,082	164.6	174.8
2. Fabricated Metal Products		28,562	122.7	6,233	4,583	73.5	68.2	4,583	68.2	2,133	172.2	79.7
Machinery & Equipment Industries	3. Industrial Machinery	221,825	110.9	46,585	48,038	103.1	91.6	48,038	91.6	20,876	151.5	105.6
	(of which construction machinery)	5,833	130.9	1,328	1,409	106.1	119.5	1,409	119.5	1,087	413.3	265.1
	(of which dies and molds)	32,198	121.1	6,695	8,177	122.1	118.4	8,177	118.4	3,429	166.0	152.1
	4. Motor Vehicles	203,918	121.6	46,424	43,943	94.7	92.2	43,943	92.2	15,262	107.4	70.7
	(of which auto parts)	143,739	122.4	31,806	29,383	92.4	83.3	29,383	83.3	10,206	98.9	63.3
	5. Electrical Machinery	26,942	98.3	5,395	6,905	128.0	112.9	6,905	112.9	3,442	183.9	143.8
	6. Precision Machinery	21,125	123.2	5,275	4,504	85.4	91.9	4,504	91.9	1,664	125.7	84.9
	5 – 6. Electrical & Precision Machinery (Sub Total)	48,067	107.9	10,670	11,409	106.9	103.6	11,409	103.6	5,106	159.8	117.3
	7. Aircraft, Shipbuilding & Transport equipment	31,150	151.5	7,170	9,686	135.1	121.7	9,686	121.7	2,821	111.0	89.5
	(of which aircraft)	16,272	304.1	4,654	5,165	111.0	163.6	5,165	163.6	1,647	104.2	123.7
3 – 7. Sub total		504,960	116.7	110,849	113,076	102.0	94.9	113,076	94.9	44,065	130.7	90.2
8. Other Machinery & Equipment		14,487	111.3	3,254	2,838	87.2	89.6	2,838	89.6	1,198	149.2	97.4
9. Government, Public Agencies & Schools		3,388	82.4	1,784	365	20.5	109.3	365	109.3	79	89.8	106.8
10. Others		9,718	151.8	2,793	2,127	76.2	102.2	2,127	102.2	905	134.9	108.3
11. Trading Companies		6,597	125.0	2,112	2,410	114.1	148.9	2,410	148.9	798	72.7	107.8
1-11. Domestic Total		586,240	118.1	132,514	129,719	97.9	94.9	129,719	94.9	51,260	131.8	92.2
12. Foreign		894,352	88.3	192,136	188,634	98.2	71.6	188,634	71.6	64,925	103.0	70.7
1-12. Grand Total		1,480,592	98.1	324,650	318,353	98.1	79.6	318,353	79.6	116,185	114.0	78.8
(of which: NC machines)		1,450,004	98.4	316,865	313,557	99.0	79.9	313,557	79.9	114,073	114.6	78.9
Sales		1,532,603	107.8	361,269	377,585	104.5	86.1	377,585	86.1	168,609	151.8	87.5
(of which: NC machines)		1,503,064	108.3	353,663	368,921	104.3	85.7	368,921	85.7	164,582	151.6	86.8
Order Backlog		607,499	93.1	607,499	548,277	90.3	89.3	548,277	89.3	548,277	91.2	89.3
(of which: NC machines)		578,962	92.7	578,962	523,792	90.5	89.3	523,792	89.3	523,792	91.2	89.3

NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2016		Jan.		Feb.		Mar.		Apr.		May		Jun.		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total						
					%		%		%		%		%		%		%		%		%		%		%	2016	%					
Asia	East Asia	Korea	3,629	100.6	2,712	76.6	3,444	84.5																			9,785	87.2				
		Taiwan	1,831	63.4	1,829	71.6	1,976	58.6																				5,636	64.0			
		China	14,439	80.5	15,263	67.6	13,550	47.1																					43,252	62.4		
		Other	0	-	0	-	21	8.5																					21	7.6		
		East Asia Total	19,899	81.4	19,804	69.1	18,991	52.1																					58,694	65.5		
	Other Asia	Thailand	894	58.3	1,379	57.0	1,958	83.2																					4,231	67.1		
		Malaysia	318	23.9	323	57.0	228	68.5																					869	38.9		
		Singapore	145	102.8	228	60.5	232	34.0																					605	50.4		
		Philippine	99	33.7	260	47.1	201	61.8																					560	47.8		
		Indonesia	930	79.1	379	94.5	754	136.3																						2,063	96.9	
Vietnam		726	4.2	545	3.2	1,085	14.0																						2,356	5.6		
India		1,957	122.1	2,510	140.4	1,865	83.6																						6,332	112.6		
Other		34	680.0	94	552.9	52	-																						180	900.0		
Other Asia Total	5,103	21.9	5,718	24.8	6,375	44.7																						17,196	28.3			
Sub Total	25,002	52.3	25,522	49.3	25,366	50.0																						75,890	50.5			
Europe	U	Germany	4,107	137.7	3,843	82.2	3,764	79.1																					11,714	94.4		
		U.K.	1,596	83.6	2,392	115.1	1,789	89.3																					5,777	96.4		
		Italy	2,256	119.4	1,838	90.3	2,413	118.5																						6,507	109.2	
		France	823	74.3	1,727	66.0	2,048	87.9																						4,598	76.0	
		Central Europe	1,200	95.2	2,280	131.7	1,453	132.3																						4,933	120.6	
		Other	2,163	120.2	1,991	109.5	2,590	156.1																							6,744	127.8
		Sub Total	12,145	110.9	14,071	94.1	14,057	101.3																						40,273	101.2	
	Other West Europe	Turkey	541	44.1	349	41.6	1,092	134.8																						1,982	68.9	
		Switzerland	593	111.3	599	106.4	304	81.3																						1,496	101.8	
		East Europe	107	150.7	15	20.0	69	53.1																						191	69.2	
		Russia - Other	461	69.4	1,485	360.4	351	42.7																						2,297	121.0	
		Sub Total	14,165	104.7	16,785	98.8	15,908	98.9																						46,858	100.5	
		North America & Oceania	U.S.A.	16,563	95.7	17,531	98.2	20,022	96.1																						54,116	96.7
Canada	770		79.0	1,061	93.2	1,166	109.7																						2,997	94.4		
Mexico	3,176		139.6	1,416	215.5	1,740	108.3																						6,332	139.5		
Sub Total	20,509		99.8	20,008	101.9	22,928	97.6																						63,445	99.6		
South America	Brazil	188	276.5	79	38.0	126	34.2																						393	61.0		
	Other	93	24.0	72	189.5	22	3.8																						187	18.6		
	Sub Total	281	61.6	151	61.4	148	15.6																						580	35.1		
Oceania	Australia	259	171.5	300	176.5	331	271.3																						890	200.9		
	Other	35	-	108	981.8	19	63.3																						162	415.4		
Sub Total	294	197.3	408	225.4	350	230.3																							1,052	218.3		
Middle East	361	269.4	110	119.6	74	48.4																							545	143.8		
Africa	74	1850.0	39	-	151	71.2																							264	122.2		
Grand Total	60,686	73.4	63,023	70.9	64,925	70.7																						188,634	71.6			
Of which NC	61,547	74.9	61,961	70.7	64,272	70.9																							187,780	72.1		

(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".

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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.