

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (January 2017)

The total value of machine tool orders in January was 103.74 billion yen. This was a decrease of 7.3% compared to December 2016 and marked the first month of month-on-month decline in three months. However, this figure represented an increase of 3.5% compared to the same month of the previous year for two consecutive months.

The total amount of orders topped 100 billion yen for three consecutive months.

Due to the uncertainty of overseas economies, cautious movement will continue in both domestic and overseas market. We will keep a close watch on the trends of the exchange rate and various government policies.

Domestic orders fell by 17.9% from December, amounting to 37.75 billion yen. This marked the first month of month-on-month decline in three months. This figure was also a decline of 4.6% from the same month of the previous year and marked the first month of year-on-year decrease in two months.

Looking at major industries, orders compared to December fell by 21.7% in industrial machinery, by 16.2% in motor vehicles, by 28.1% in electrical & precision machinery, and rose by 24.0% in aircraft, shipbuilding & transport equipment.

Foreign orders rose by 0.1% over December to 65.99 billion yen. This marked the three consecutive month of month-on-month growth. Furthermore, foreign orders showed an increase of 8.7% over the same month of the previous year for two consecutive months.

By region, orders from Asia rose by 21.5% over December to 32.70 billion yen. This was an increase of 30.8% over the same month of the previous year. Orders from Europe fell by 18.9% from December to 14.52 billion yen. However, this was an increase of 2.5% over the same month of the previous year. Orders from North America fell by 15.8% from December, amounting to 16.81 billion yen. This figure was also a decrease of 18.0% 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. 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	716,339	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	978,627	232.6	671,095	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	25,943	100.0
2016	1,250,003	84.4	530,545	90.5	719,458	80.4	1,280,584	522,527	68,065	374,737	1,015,179	80.7	73,516	1,060,434	9,321	35,371	666,564	71.5	78,237	85.4	26,252	100.5
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	958,066	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	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	25,401	105.2
2015	1,398,968	88.6	579,295	109.9	819,673	77.9	1,471,868	548,277	90,082	454,195	1,185,470	94.1	94,398	1,233,482	9,762	34,758	844,962	82.4	87,710	111.1	26,099	100.4
2016 1-3	318,353	79.6	129,719	94.9	188,634	71.6	377,585	548,277	18,770	104,642	289,280	79.9	21,346	311,154	9,762	34,758	182,653	67.7	20,208	83.9	26,250	100.4
4-6	312,653	76.4	128,589	79.6	184,064	74.3	276,287	586,107	17,111	87,596	233,705	76.0	17,488	232,263	10,207	38,631	164,296	64.9	18,240	82.9	26,418	100.5
7-9	305,303	88.1	139,942	90.0	165,361	86.5	312,748	578,484	15,939	90,474	245,378	81.8	17,283	256,911	9,577	37,195	168,541	76.1	17,191	75.0	26,273	100.9
10-12	313,694	96.6	132,295	99.8	181,399	94.4	313,964	522,527	16,245	92,025	246,816	85.6	17,399	260,106	9,321	35,371	151,073	80.6	22,598	100.2	26,066	100.2
2015 9	109,715	80.9	47,882	97.4	61,833	71.6	146,537	641,420	6,882	40,329	104,750	84.7	7,246	112,838	9,933	38,809	69,210	70.7	7,698	122.5	25,920	100.4
10	103,080	77.1	44,485	99.1	58,595	66.0	107,223	635,509	6,206	34,909	90,156	93.7	6,155	91,969	10,338	40,648	68,818	84.6	8,180	131.4	26,185	100.9
11	114,392	82.3	45,464	92.7	68,928	76.6	119,274	630,627	6,478	35,957	95,295	97.3	6,439	99,601	10,767	40,759	55,235	73.9	8,143	133.5	26,104	100.5
12	107,178	74.3	42,565	88.4	64,613	67.2	134,772	607,499	7,377	38,269	102,976	96.4	7,239	111,085	11,274	38,620	63,383	70.5	6,235	93.1	26,080	100.8
2016 1	100,258	82.8	39,572	102.8	60,686	73.4	97,939	610,277	6,084	31,855	82,908	80.4	6,021	83,419	11,686	41,057	46,318	58.7	7,014	95.5	26,257	99.7
2	101,910	77.5	38,887	91.3	63,023	70.9	111,037	601,149	6,077	32,562	88,207	77.0	7,403	95,270	10,693	39,322	58,810	73.9	6,577	78.3	26,186	100.3
3	116,185	78.8	51,260	92.2	64,925	70.7	168,609	548,277	6,609	40,225	118,165	81.9	7,922	132,465	9,762	34,758	77,525	69.7	6,618	79.4	26,306	101.2
4	99,237	73.7	38,974	80.4	60,263	69.9	79,793	567,753	5,551	28,798	75,859	75.9	5,293	74,294	10,274	37,259	51,705	57.3	5,063	88.9	26,509	100.5
5	104,359	75.3	38,860	73.5	65,499	76.4	86,931	586,921	5,525	27,905	73,592	75.7	5,276	69,678	10,824	39,973	50,706	68.6	6,356	88.6	26,351	100.3
6	109,057	80.1	50,755	84.2	58,302	76.9	109,563	586,107	6,035	30,893	84,254	76.3	6,919	88,291	10,207	38,631	61,885	69.5	6,820	74.6	26,395	100.7
7	104,394	80.3	51,302	85.7	53,092	75.7	97,189	593,197	5,123	27,281	76,461	74.8	5,806	79,663	9,805	37,878	62,665	72.9	4,738	64.0	26,332	101.4
8	98,058	91.6	43,119	90.3	54,939	92.6	88,598	602,651	5,266	28,819	75,565	81.2	5,179	74,333	9,971	39,882	48,345	72.7	5,852	74.7	26,248	101.3
9	102,851	93.7	45,521	95.1	57,330	92.7	126,961	578,484	5,550	34,374	93,352	89.1	6,298	102,915								

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry	Period	Total 2016	16/15 (%)	16/07-16/09	16/10-16/12	Previous Quarter (%)	year-to-year (%)	17/01-17/01	year-to-year (%)	Jan. '17	Jan. 17/Dec. 16 (%)	Jan. 17/Jan. 16 (%)
1. Primary Metals		18,154	98.0	4,286	4,823	112.5	87.9	1,154	118.6	1,154	83.3	118.6
2. Fabricated Metal Products		22,804	79.8	8,010	4,890	61.0	78.5	1,294	106.9	1,294	75.4	106.9
Machinery & Equipment Industries	3. Industrial Machinery	207,113	93.4	57,250	48,886	85.4	104.9	13,560	101.3	13,560	78.3	101.3
	(of which construction machinery)	5,433	93.1	1,071	1,185	110.6	89.2	256	433.9	256	52.1	433.9
	(of which dies and molds)	30,778	95.6	7,813	6,825	87.4	101.9	1,546	57.6	1,546	56.7	57.6
	4. Motor Vehicles	174,853	85.7	42,858	48,444	113.0	104.4	13,475	93.1	13,475	83.8	93.1
	(of which auto parts)	115,986	80.7	28,637	30,791	107.5	96.8	9,398	106.1	9,398	87.6	106.1
	5. Electrical Machinery	26,282	97.6	6,523	7,656	117.4	141.9	2,219	139.5	2,219	65.5	139.5
	6. Precision Machinery	19,600	92.8	5,132	5,008	97.6	94.9	1,612	106.3	1,612	83.0	106.3
	5-6. Electrical & Precision Machinery (Sub Total)	45,882	95.5	11,655	12,664	108.7	118.7	3,831	123.3	3,831	71.9	123.3
	7. Aircraft, Shipbuilding & Transport equipment	30,076	96.6	7,962	5,253	66.0	73.3	1,672	38.7	1,672	124.0	38.7
	(of which aircraft)	16,412	100.9	4,328	2,436	56.3	52.3	963	49.7	963	150.0	49.7
3-7. Sub total	457,924	90.7	119,725	115,247	96.3	104.0	32,538	92.2	32,538	81.2	92.2	
8. Other Machinery & Equipment	12,292	84.8	3,154	2,445	77.5	75.1	1,073	128.2	1,073	117.1	128.2	
9. Government, Public Agencies & Schools	2,762	81.5	719	1,417	197.1	79.4	299	151.0	299	40.7	151.0	
10. Others	9,524	98.0	2,724	2,076	76.2	74.3	937	170.1	937	134.2	170.1	
11. Trading Companies	7,085	107.4	1,324	1,397	105.5	66.1	455	88.3	455	102.0	88.3	
1-11. Domestic Total	530,545	90.5	139,942	132,295	94.5	99.8	37,750	95.4	37,750	82.1	95.4	
12. Foreign	719,458	80.4	165,361	181,399	109.7	94.4	65,994	108.7	65,994	100.1	108.7	
1-12. Grand Total	1,250,003	84.4	305,303	313,694	102.7	96.6	103,744	103.5	103,744	92.7	103.5	
(of which: NC machines)	1,224,657	84.5	298,899	305,846	102.3	96.5	101,705	101.8	101,705	94.6	101.8	
Sales	1,280,584	83.6	312,748	313,964	100.4	86.9	88,075	89.9	88,075	76.6	89.9	
(of which: NC machines)	1,254,652	83.5	307,298	308,750	100.5	87.3	86,674	90.5	86,674	76.6	90.5	
Order Backlog	522,527	86.0	578,484	522,527	90.3	86.0	538,196	88.2	538,196	103.0	88.2	
(of which: NC machines)	505,184	87.3	552,820	505,184	91.4	87.3	520,215	89.2	520,215	103.0	89.2	

Japan Machine Tool Builders' Association

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	3,348	92.3																							3,348	92.3			
		Taiwan	3,004	164.1																								3,004	164.1		
		China	20,695	143.3																									20,695	143.3	
		Other	-30	-																									-30	-	
		East Asia Total	27,017	135.8																									27,017	135.8	
	Other Asia	Thailand	1,489	166.6																									1,489	166.6	
		Malaysia	258	81.1																									258	81.1	
		Singapore	414	285.5																									414	285.5	
		Philippine	165	166.7																									165	166.7	
		Indonesia	616	66.2																									616	66.2	
Vietnam		937	129.1																									937	129.1		
India		1,805	92.2																									1,805	92.2		
Other	1	2.9																									1	2.9			
Other Asia Total	5,685	111.4																									5,685	111.4			
Sub Total	32,702	130.8																									32,702	130.8			
Europe	U	E	Germany	2,515	61.2																							2,515	61.2		
			U.K.	1,835	115.0																								1,835	115.0	
			Italy	2,468	109.4																									2,468	109.4
			France	1,371	166.6																									1,371	166.6
			Central Europe	1,646	137.2																									1,646	137.2
			Other	2,923	135.1																									2,923	135.1
			Sub Total	12,758	105.0																									12,758	105.0
	Other West Europe	Turkey	630	116.5																									630	116.5	
		Switzerland	508	85.7																									508	85.7	
		East Europe	119	111.2																									119	111.2	
		Russia - Other	453	98.3																									453	98.3	
		Sub Total	14,519	102.5																									14,519	102.5	
		North America	U.S. A.	14,575	88.0																								14,575	88.0	
Canada	706	91.7																									706	91.7			
Mexico	1,533	48.3																									1,533	48.3			
Sub Total	16,814	82.0																									16,814	82.0			
South & Central America	Brazil	909	483.5																									909	483.5		
	Other	58	62.4																									58	62.4		
	Sub Total	967	344.1																									967	344.1		
Oceania	Australia	398	153.7																									398	153.7		
	Other	20	57.1																									20	57.1		
Sub Total	418	142.2																									418	142.2			
Middle East	529	146.5																									529	146.5			
Africa	45	60.8																									45	60.8			
Grand Total	65,994	108.7																									65,994	108.7			
Of which NC	65,441	106.3																									65,441	106.3			

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

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