

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (July 2017)

The total value of machine tool orders in July was 133.66 billion yen. This was a decrease of 6.5% compared to June 2017 and marked the first month of month-on-month decline in two months. However, this figure represented an increase of 28.0% compared to the same month of the previous year and marked the eight consecutive months of year-on-year growth.

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

Although market conditions are showing signs of recovery both domestic and overseas, we will keep a close watch on future trends such as continuity of overseas market recovery and prolonged delivery.

Domestic orders rose by 1.0% over June, amounting to 55.22 billion yen. This marked the three consecutive month of month-on-month growth. Moreover, this figure was a growth of 7.6% over the same month of the previous year and marked the six consecutive months of year-on-year increase.

Looking at major industries, orders compared to June fell by 3.2% in industrial machinery, rose by 16.7% in motor vehicles, fell by 3.0% in electrical & precision machinery, and by 19.5% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 11.1% from June to 78.44 billion yen. This marked the first month of month-on-month decline in two month. However, foreign orders showed an increase of 47.7% over the same month of the previous year, this marked the eight consecutive months of year-on-year growth.

By region, orders from Asia fell by 24.0% from June to 35.63 billion yen. This was an increase of 68.7% over the same month of the previous year. Orders from Europe rose by 1.9% over June to 18.33 billion yen. Moreover, this was an increase of 27.1% over the same month of the previous year. Orders from North America fell by 0.9% from June, amounting to 22.18 billion yen. This figure was an increase of 35.4% over 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.	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	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	25,826	100.0	
	2016	1,250,003	84.4	530,545	90.5	719,458	80.4	1,280,584	522,527	67,991	374,124	1,012,810	80.5	73,443	1,058,471	9,321	35,371	666,519	71.5	78,249	85.4	26,252	100.5	
F.Y.	2012	1,139,843	86.9	362,870	86.6	776,973	87.1	1,273,978	476,008	84,944	395,437	1,072,866	91.0	88,477	1,106,765	7,218	27,839	896,302	98.7	50,467	109.9	25,501	101.9	
	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	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	25,347	105.2	
	2015	1,398,968	88.6	579,295	109.9	819,673	77.9	1,471,868	548,277	90,060	453,903	1,185,130	94.0	94,378	1,233,552	9,761	34,724	844,991	82.4	87,710	111.1	26,036	100.4	
	2016	1,289,310	92.2	531,575	91.8	757,735	92.4	1,251,224	531,962	67,037	366,238	988,568	83.4	70,947	1,027,976	9,212	32,928	649,014	76.8	75,937	86.6	26,196	100.2	
	2014	7-9	391,554	135.9	133,851	121.2	257,703	145.0	399,149	588,102	27,684	123,131	321,907	138.9	29,031	339,587	9,270	32,322	275,255	140.2	17,617	103.6	25,333	105.1
		10-12	416,994	133.8	142,115	121.5	274,879	141.2	353,336	652,213	27,184	114,941	300,941	136.7	27,787	304,241	9,924	34,308	246,049	126.1	19,024	105.7	25,383	105.5
	2015	1-3	399,977	120.9	136,664	128.7	263,313	117.2	438,320	613,854	30,789	139,700	361,897	125.7	32,095	387,954	9,758	32,083	269,814	130.7	24,078	103.6	25,411	98.9
		4-6	409,273	110.6	161,606	141.5	247,667	96.8	358,474	665,037	29,234	122,618	307,664	111.7	30,479	311,380	9,582	35,663	253,302	108.2	22,009	120.9	25,874	99.3
		7-9	346,692	88.5	155,456	116.1	191,236	74.2	374,540	641,420	22,017	117,800	300,099	93.2	22,740	308,293	9,933	38,809	221,571	80.5	22,934	130.2	25,925	101.1
		10-12	324,650	77.9	132,514	93.2	192,136	69.9	361,269	607,499	20,061	109,135	288,427	95.8	19,833	302,655	11,274	38,620	187,436	76.2	22,558	118.6	26,096	100.7
	2016	1-3	318,353	79.6	129,719	94.9	188,634	71.6	377,585	548,277	18,748	104,350	288,940	79.8	21,326	311,224	9,761	34,724	182,682	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	17,078	87,540	232,375	75.5	17,454	330,929	10,207	38,629	164,216	64.8	18,240	82.9	26,420	100.5
		7-9	305,303	88.1	139,942	90.0	165,361	86.5	312,748	578,484	15,940	90,376	245,412	81.8	17,284	256,945	9,577	37,195	168,544	76.1	17,203	75.0	26,272	100.9
		10-12	313,694	96.6	132,295	99.8	181,399	94.4	313,964	522,527	16,225	91,858	246,083	85.3	17,379	259,373	9,321	35,371	151,077	80.6	22,598	100.2	26,066	100.2
	2017	1-3	357,660	112.3	130,749	100.8	226,911	120.3	348,225	531,962	17,794	96,464	264,698	91.6	18,830	280,729	9,212	32,928	165,177	90.4	17,896	88.6	26,024	99.1
		4-6	406,555	130.0	156,212	121.5	250,343	136.0	317,028	620,525	22,265	101,705	265,447	114.2	22,573	268,822	9,920	35,641	188,698	114.9	16,072	88.1	26,255	99.1
	2016	2	101,910	77.5	38,887	91.3	63,023	70.9	111,037	601,149	6,072	32,482	88,644	77.4	7,398	95,707	10,693	39,325	58,810	73.9	6,577	78.3	26,185	100.3
		3	116,185	78.8	51,260	92.2	64,925	70.7	168,609	548,277	6,609	40,225	118,166	81.9	7,923	132,557	9,761	34,724	77,527	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	5,521	28,747	74,585	74.6	5,262	73,016	10,274	37,380	51,702	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	5,522	27,901	73,541	75.6	5,273	69,627	10,824	39,972	50,621	68.4	6,356	88.6	26,357	100.3
		6	109,057	80.1	50,755	84.2	58,302	76.9	109,563	586,107	6,035	30,892	84,249	76.3	6,919	88,286	10,207	38,629	61,894	69.5	6,820	74.6	26,394	100.7
		7	104,394	80.3	51,302	85.7	53,092	75.7	97,189	593,197	5,124	27,283	76,495	74.8	5,807	79,697	9,805	37,878	62,667	73.0	4,738	64.0	26,331	101.4
		8	98,058	91.6	43,119	90.3	54,939	92.6	88,598	602,651	5,266	28,719	75,565	81.2	5,179	74,333	9,971	39,882	48,346	72.7	5,852	74.7	26,248	101.3
		9	102,851	93.7	45,521	95.1	57																	

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Industry \ Period		Total 2016	16/15 (%)	17/01-17/03	17/04-17/06	Previous Quarter (%)	year-to-year (%)	17/01-17/07	year-to-year (%)	July ' 17	July 17/June 17 (%)	July 17/July 16 (%)
1. Primary Metals		18,154	98.0	3,982	4,812	120.8	101.8	9,765	92.2	971	61.1	62.9
2. Fabricated Metal Products		22,804	79.8	5,140	6,619	128.8	124.4	13,871	102.0	2,112	111.7	57.1
Machinery & Equipment Industries	3. Industrial Machinery	207,113	93.4	51,096	63,920	125.1	120.7	137,584	113.2	22,568	96.8	109.6
	(of which construction machinery)	5,433	93.1	956	1,999	209.1	113.1	3,445	96.1	490	59.3	120.4
	(of which dies and molds)	30,778	95.6	6,333	7,318	115.6	91.9	15,680	81.6	2,029	69.4	66.1
	4. Motor Vehicles	174,853	85.7	42,542	49,040	115.3	123.8	110,746	110.6	19,164	116.7	115.8
	(of which auto parts)	115,986	80.7	30,883	34,775	112.6	128.0	78,001	114.1	12,343	108.6	104.7
	5. Electrical Machinery	26,282	97.6	6,912	9,330	135.0	179.5	19,539	133.2	3,297	123.9	128.5
	6. Precision Machinery	19,600	92.8	5,466	7,268	133.0	146.7	14,739	132.7	2,005	71.4	122.0
	5 – 6. Electrical & Precision Machinery (Sub Total)	45,882	95.5	12,378	16,598	134.1	163.5	34,278	133.0	5,302	97.0	125.9
	7. Aircraft, Shipbuilding & Transport equipment	30,076	96.6	5,861	6,080	103.7	84.7	14,002	74.6	2,061	80.5	107.5
	(of which aircraft)	16,412	100.9	3,465	2,348	67.8	52.4	6,773	65.0	960	102.6	125.3
3 – 7. Sub total		457,924	90.7	111,877	135,638	121.2	123.4	296,610	111.4	49,095	102.8	113.5
8. Other Machinery & Equipment		12,292	84.8	3,765	4,479	119.0	116.2	9,585	124.7	1,341	83.6	134.8
9. Government, Public Agencies & Schools		2,762	81.5	481	223	46.4	85.4	824	97.4	120	115.4	54.5
10. Others		9,524	98.0	2,852	2,722	95.4	104.8	6,549	112.4	975	90.5	88.4
11. Trading Companies		7,085	107.4	2,652	1,719	64.8	88.0	4,975	102.9	604	92.6	128.0
1-11. Domestic Total		530,545	90.5	130,749	156,212	119.5	121.5	342,179	110.5	55,218	101.0	107.6
12. Foreign		719,458	80.4	226,911	250,343	110.3	136.0	555,692	130.5	78,438	88.9	147.7
1-12. Grand Total		1,250,003	84.4	357,660	406,555	113.7	130.0	897,871	122.1	133,656	93.5	128.0
(of which: NC machines)		1,225,768	84.5	351,008	399,582	113.8	130.4	881,850	122.2	131,260	93.6	128.9
Sales		1,280,584	83.6	348,225	317,028	91.0	114.7	781,369	104.0	116,116	93.4	119.5
(of which: NC machines)		1,254,652	83.5	341,625	311,902	91.3	115.7	767,757	104.5	114,230	93.2	119.3
Order Backlog		522,527	86.0	531,962	620,525	116.6	105.9	638,113	107.6	638,113	102.8	107.6
(of which: NC machines)		505,184	87.3	514,567	601,283	116.9	107.1	618,361	109.0	618,361	102.8	109.0

NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2017		Jan.		Feb.		Mar.		Apr.		May		Jun.		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total				
			%		%		%		%		%		%		%		%		%		%		%		%	2017	%			
Asia	East Asia	Korea	3,348	92.3	2,928	108.0	3,353	97.4	3,163	109.8	2,434	75.2	3,162	99.7	3,269	143.6												21,657	101.4	
		Taiwan	3,004	164.1	1,306	71.4	2,021	102.3	2,577	137.4	2,043	175.4	2,191	146.8	2,399	151.6													15,541	132.3
		China	20,695	143.3	23,736	155.5	36,695	270.8	31,177	240.5	27,290	163.9	30,930	197.3	22,439	196.1													192,962	193.0
		Other	-30	-	0	-	14	66.7	14	35.9	3	300.0	0	-	-7	-													-6	-
		East Asia Total	27,017	135.8	27,970	141.2	42,083	221.6	36,931	207.9	31,770	150.9	36,283	178.4	28,100	182.2													230,154	172.7
	Other Asia	Thailand	1,489	166.6	1,535	111.3	2,379	121.5	1,451	89.6	2,503	165.2	1,788	98.6	1,743	123.2													12,888	121.7
		Malaysia	258	81.1	366	113.3	1,002	439.5	284	81.1	743	157.4	802	189.6	486	265.6													3,941	171.6
		Singapore	414	285.5	530	232.5	663	285.8	389	128.0	602	154.0	306	97.8	558	367.1													3,462	196.1
		Philippine	165	166.7	189	72.7	242	120.4	241	207.8	321	121.1	438	141.7	311	59.6													1,907	107.6
		Indonesia	616	66.2	407	107.4	686	91.0	612	105.3	374	59.9	414	60.4	124	17.9													3,233	69.6
Vietnam		937	129.1	790	145.0	1,075	99.1	800	184.8	666	187.6	844	126.0	841	129.6													5,953	133.4	
India	1,805	92.2	1,683	67.1	2,312	124.0	5,433	317.5	2,483	139.8	5,943	586.1	3,393	168.5													23,052	179.4		
Other	1	2.9	2	2.1	2	3.8	50	61.7	8	32.0	52	-	70	106.1													185	52.6		
Other Asia Total	5,685	111.4	5,502	96.2	8,361	131.2	9,260	178.2	7,700	142.0	10,587	202.5	7,526	132.2														54,621	141.0	
Sub Total	32,702	130.8	33,472	131.1	50,444	198.9	46,191	201.2	39,470	149.0	46,870	183.3	35,626	168.7														284,775	165.6	
Europe	U	Germany	2,515	61.2	4,164	108.4	4,287	113.9	3,196	67.6	4,179	93.0	3,672	107.5	4,143	127.4													26,156	94.8
		U.K.	1,835	115.0	1,831	76.5	1,592	89.0	1,735	65.1	1,269	81.6	1,739	106.1	2,059	83.0													12,060	85.4
		Italy	2,468	109.4	2,617	142.4	2,328	96.5	2,339	152.5	3,580	165.9	3,501	165.3	3,224	165.5													20,057	140.6
		France	1,371	166.6	1,344	77.8	1,914	93.5	2,324	131.2	1,625	122.6	2,119	179.7	1,102	78.9													11,799	114.9
		Central Europe	1,646	137.2	1,586	69.6	1,259	86.6	1,403	147.1	1,423	67.2	1,633	98.1	1,778	121.8													10,728	96.4
		Other	2,923	135.1	2,343	117.7	2,752	106.3	2,223	98.4	3,038	125.4	2,929	111.9	2,589	124.2													18,797	116.5
		Sub Total	12,758	105.0	13,885	98.7	14,132	100.5	13,220	95.0	15,114	107.4	15,593	123.4	14,895	118.0														99,597
	Other West Europe	1,189	81.9	759	62.5	1,020	71.3	2,037	188.1	1,369	112.0	1,958	208.7	1,742	123.8														10,074	115.2
	Turkey	630	116.5	193	55.3	290	26.6	1,352	193.1	614	96.2	1,373	321.5	909	99.3														5,361	115.0
	Switzerland	508	85.7	566	94.5	618	203.3	647	194.3	627	109.2	512	111.1	700	176.3														4,178	128.1
East Europe	119	111.2	44	293.3	209	302.9	49	67.1	220	2200.0	65	2166.7	920	1164.6														1,626	456.7	
Russia - Other	453	98.3	706	47.5	193	55.0	320	40.3	307	49.0	360	71.9	769	251.3														3,108	68.7	
Sub Total	14,519	102.5	15,394	91.7	15,554	97.8	15,626	98.5	17,010	106.8	17,976	127.7	18,326	127.1														114,405	106.8	
North America & Oceania	U.S.A.	14,575	88.0	18,047	102.9	20,275	101.3	18,527	109.2	18,115	105.7	18,317	119.9	19,112	142.3														126,968	108.6
	Canada	706	91.7	1,131	106.6	856	73.4	754	93.3	1,429	267.6	2,128	328.4	1,453	193.5														8,457	147.4
	Mexico	1,533	48.3	1,583	111.8	1,249	71.8	1,401	45.1	1,195	25.8	1,931	105.6	1,615	73.4														10,507	58.1
	Sub Total	16,814	82.0	20,761	103.8	22,380	97.6	20,682	99.0	20,739	93.0	22,376	126.0	22,180	135.4														145,932	103.7
South America	Brazil	909	483.5	507	641.8	556	441.3	246	523.4	266	121.5	382	172.9	1,407	617.1														4,273	385.6
	Other	58	62.4	14	19.4	129	586.4	151	218.8	59	61.5	116	173.1	292	3244.4														819	191.4
	Sub Total	967	344.1	521	345.0	685	462.8	397	342.2	325	103.2	498	172.9	1,699	716.9														5,092	331.5
Oceania	Australia	398	153.7	258	86.0	513	155.0	203	75.2	524	204.7	332	73.5	262	34.8														2,490	95.0
	Other	20	57.1	0	-	17	89.5	0	-	201	2512.5	1	12.5	56	193.1														295	142.5
Sub Total	418	142.2	258	63.2	530	151.4	203	75.2	725	274.6	333	72.4	318	40.7														2,785	98.5	
Middle East	529	146.5	200	181.8	551	744.6	89	44.9	524	361.4	219	137.7	250	158.2														2,362	196.0	
Africa	45	60.8	73	187.2	94	62.3	54	-	35	57.4	1	-	39	780.0														341	112.2	
Grand Total	65,994	108.7	70,679	112.1	90,238	139.0	83,242	138.1	78,828	120.3	88,273	151.4	78,438	147.7														555,692	130.5	
Of which NC	65,441	106.3	70,086	113.1	88,952	138.4	82,724	138.3	78,282	120.3	86,610	150.7	77,510	149.5															549,605	130.3

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

Japan Machine Tool Builders' Association