

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (February 2022)

The total value of machine tool orders in February was 139.00 billion yen. This was a decrease of 2.7% compared to January 2022 and marked the first month of month-on-month decline in two months. However, this figure represented an increase of 31.6% compared to the same month of the previous year and marked the sixteenth consecutive month of year-on-year growth.

The total amount of orders fell below 140 billion yen for the first time in two months, while topped 100 billion yen for thirteen consecutive months.

From now on, we would like to pay close attention to the impact of geopolitical risks on domestic and foreign orders, in addition to the shortage of materials and soaring materials and transportation costs.

Domestic orders rose by 10.6% over January, amounting to 48.86 billion yen. This marked the first month of month-on-month growth in two months. Moreover, this figure was an increase of 60.4% over the same month of the previous year and marked the year-on-year growth in twelve consecutive months. Looking at major industries, orders compared to January fell by 8.4% in industrial machinery, rose by 24.2% in motor vehicles, by 59.5% in electrical & precision machinery, and fell by 35.4% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 8.7% from January to 90.14 billion yen, marked the first month of month-on-month decline in two months. However, foreign orders showed an increase of 20.0% over the same month of the previous year, and this marked the sixteenth consecutive month of year-on-year growth. By region, orders from Asia fell by 11.1% from January to 42.28 billion yen. This was a decrease of 3.5% from the same month of the previous year. Orders from Europe rose by 1.2% over January to 20.65 billion yen. This was an increase of 69.8% over the same month of the previous year. Orders from North America fell by 13.7% from January, amounting to 25.39 billion yen. This figure was an increase of 41.6% 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 (%)	21/07-21/09	21/10-21/12	Previous Quarter (%)	year-to-year (%)	22/01-22/02	year-to-year (%)	Feb. '22	Feb. 22/Jan. 22 (%)	Feb. 22/Feb. 21 (%)
1. Primary Metals		17,981	159.6	6,450	3,955	61.3	133.8	3,358	162.0	1,645	96.0	122.2
2. Fabricated Metal Products		40,274	171.4	13,951	11,050	79.2	153.9	7,461	183.2	3,709	98.9	144.3
Machinery & Equipment Industries	3. Industrial Machinery	200,489	150.6	58,763	60,702	103.3	178.5	37,428	180.9	17,894	91.6	163.7
	(of which construction machinery)	11,166	159.2	3,727	3,774	101.3	288.8	2,036	249.5	1,381	210.8	284.2
	(of which dies and molds)	26,785	201.6	8,553	8,932	104.4	289.2	6,018	235.9	2,952	96.3	241.8
	4. Motor Vehicles	115,123	138.0	28,417	30,300	106.6	114.8	17,976	104.0	9,959	124.2	114.1
	(of which auto parts)	84,015	151.2	21,173	21,372	100.9	113.8	12,886	99.9	6,729	109.3	100.9
	5. Electrical Machinery	45,020	212.0	14,318	15,206	106.2	308.4	12,507	330.3	8,137	186.2	365.2
	6. Precision Machinery	24,423	186.8	6,359	7,920	124.5	277.4	4,971	252.6	2,606	110.2	320.5
	5 – 6. Electrical & Precision Machinery (Sub Total)	69,443	202.4	20,677	23,126	111.8	297.1	17,478	303.7	10,743	159.5	353.3
	7. Aircraft, Shipbuilding & Transport equipment	16,026	144.5	3,918	6,264	159.9	280.6	2,398	120.5	941	64.6	67.7
	(of which aircraft)	4,791	133.2	1,301	1,731	133.1	374.7	1,003	131.1	544	118.5	81.9
3 – 7. Sub total		401,081	153.1	111,775	120,392	107.7	171.0	75,280	164.7	39,537	110.6	164.1
8. Other Machinery & Equipment		26,774	219.7	8,462	7,449	88.0	201.4	3,704	123.4	2,356	174.8	184.6
9. Government, Public Agencies & Schools		7,349	247.0	2,817	3,185	113.1	402.1	401	233.1	153	61.7	188.9
10. Others		10,582	125.3	2,649	3,409	128.7	173.9	1,859	154.1	995	115.2	162.6
11. Trading Companies		6,283	151.9	1,416	2,045	144.4	267.0	965	153.2	464	92.6	93.5
1-11. Domestic Total		510,324	157.3	147,520	151,485	102.7	172.6	93,028	163.6	48,859	110.6	160.4
12. Foreign		1,031,095	178.6	257,962	282,365	109.5	155.0	188,888	137.5	90,139	91.3	120.0
1-12. Grand Total		1,541,419	170.9	405,482	433,850	107.0	160.7	281,916	145.2	138,998	97.3	131.6
(of which: NC machines)		1,514,935	171.2	398,939	424,546	106.4	159.9	276,876	144.8	136,191	96.8	130.9
Sales		1,283,499	124.2	331,779	336,819	101.5	130.1	215,715	135.7	116,243	116.9	135.8
(of which: NC machines)		1,261,733	124.9	326,517	331,252	101.5	130.9	212,822	136.3	114,577	116.6	136.4
Order Backlog		701,005	162.7	591,410	701,005	118.5	162.7	767,206	164.7	767,206	103.1	164.7
(of which: NC machines)		681,753	164.1	575,476	681,753	118.5	164.1	745,807	165.5	745,807	103.0	165.5

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																					4,719	72.6				
		Taiwan	4,815	215.9	2,137	86.8																						6,952	148.2			
		China	32,598	126.8	29,942	99.1																							62,540	111.8		
		Other	0	-	8	800.0																							8	800.0		
		East Asia Total	40,054	130.3	34,165	93.9																							74,219	110.6		
	Other Asia	Thailand	1,647	161.2	1,365	122.3																							3,012	140.9		
		Malaysia	999	130.8	1,183	228.8																							2,182	170.3		
		Singapore	465	96.3	315	87.3																							780	92.4		
		Philippine	58	252.2	182	303.3																							240	289.2		
		Indonesia	1,163	575.7	607	193.9																							1,770	343.7		
Vietnam		640	104.2	998	394.5																							1,638	188.9			
India		2,499	142.8	3,454	71.8																							5,953	90.7			
Other	6	150.0	8	32.0																							14	48.3				
Other Asia Total	7,477	153.8	8,112	108.8																								15,589	126.6			
Sub Total	47,531	133.5	42,277	96.5																								89,808	113.1			
Europe	EU	Germany	4,459	177.4	4,784	159.2																							9,243	167.5		
		Italy	4,574	258.4	3,870	183.8																							8,444	217.9		
		France	1,738	198.9	2,111	201.8																							3,849	200.5		
		Central Europe	1,469	169.8	1,444	227.4																							2,913	194.2		
		Other	3,383	160.3	3,880	213.8																								7,263	185.0	
		Sub Total	15,623	192.1	16,089	186.9																								31,712	189.4	
	Other West Europe	U.K.	1,749	172.8	2,241	199.6																								3,990	186.9	
		Turkey	1,396	125.0	901	65.5																								2,297	92.1	
		Switzerland	745	280.1	784	161.3																								1,529	203.3	
		East Europe	81	337.5	78	73.6																								159	122.3	
		Russia - Other	400	275.9	180	92.8																								580	171.1	
		Sub Total	20,412	189.4	20,647	169.8																									41,059	179.0
		North America & Oceania	U.S.A.	26,887	227.0	22,965	152.5																								49,852	185.3
Canada	1,121		90.3	1,855	199.2																								2,976	137.0		
Mexico	1,403		140.7	572	29.4																								1,975	67.1		
Sub Total	29,411		208.8	25,392	141.6																									54,803	171.2	
South & Central America	Brazil	614	129.0	569	139.1																								1,183	133.7		
	Other	85	197.7	112	215.4																								197	207.4		
	Sub Total	699	134.7	681	147.7																								1,380	140.8		
Oceania	Australia	380	50.7	594	126.4																								974	79.9		
	Other	86	245.7	259	1126.1																								345	594.8		
Sub Total	466	59.4	853	173.0																									1,319	103.3		
Middle East	176	71.8	269	103.9																									445	88.3		
Africa	54	25.5	20	-																									74	35.6		
Grand Total	98,749	158.7	90,139	120.0																									188,888	137.5		
Of which NC	97,408	157.8	89,315	119.9																									186,723	137.1		

(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”.