

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (January 2023)

The total value of machine tool orders in January was 129.09 billion yen. This was a decrease of 8.2% compared to December 2022 and marked the first month-on-month decline in two months. Moreover, this figure represented a decrease of 9.7% compared to the same month of the previous year and marked the first month of year-on-year decline in two months.

The total amount of orders fell below 130 billion yen for the first time in 17 months since August 2021 (125.9 billion yen), but exceeded 100 billion yen for 24 consecutive months.

Orders in January continued to be at a high level. We will continue to pay close attention to financial trends and the outlook for the global economy.

Domestic orders rose by 2.7% over December, amounting to 43.40 billion yen. This marked the first month of month-on-month growth in two months. However, this figure was a decrease of 1.7% from the same month of the previous year and marked the fifth consecutive month of year-on-year decline. Looking at major industries, orders compared to December rose by 14.5% in industrial machinery, fell by 22.0% in motor vehicles, rose by 24.0% in electrical & precision machinery, and by 22.3% in aircraft, shipbuilding & transport equipment.

Foreign orders fell by 12.8% from December to 85.69 billion yen, marked the first month of month-on-month decline in two months. In addition, foreign orders showed a decrease of 13.2% from the same month of the previous year, and this marked the first month of year-on-year decline in two months. By region, orders from Asia fell by 21.3% from December to 37.09 billion yen. This was a decrease of 22.0% from the same month of the previous year. Orders from Europe rose by 8.1% over December to 20.85 billion yen. This was an increase of 2.1% over the same month of the previous year. Orders from North America fell by 14.7% from January, amounting to 25.47 billion yen. This figure was a decrease of 13.4% from the same month of the previous year.

NET NEW ORDERS – METAL CUTTING MACHINE TOOLS IN JAPAN

(Value: in Millions of Yen)

Period		Total 2022	22/21 (%)	22/07-22/09	22/10-22/12	Previous Quarter (%)	year-to-year (%)	23/01-23/01	year-to-year (%)	Jan. '23	Jan. 23/Dec. 22 (%)	Jan. 23/Jan. 22 (%)
1. Primary Metals		19,675	109.4	4,327	5,172	119.5	130.8	2,437	142.3	2,437	122.5	142.3
2. Fabricated Metal Products		50,565	125.6	13,337	11,474	86.0	103.8	2,620	69.8	2,620	97.1	69.8
Machinery & Equipment Industries	3. Industrial Machinery	243,465	121.4	61,626	52,327	84.9	86.2	18,085	92.6	18,085	114.5	92.6
	(of which construction machinery)	13,655	122.3	2,749	2,919	106.2	77.3	1,077	164.4	1,077	96.9	164.4
	(of which dies and molds)	34,462	128.7	9,286	6,309	67.9	70.6	2,454	80.0	2,454	145.8	80.0
	4. Motor Vehicles	134,719	117.0	38,949	28,683	73.6	94.7	7,900	98.5	7,900	78.0	98.5
	(of which auto parts)	92,957	110.6	26,651	20,616	77.4	96.5	6,156	100.0	6,156	88.8	100.0
	5. Electrical Machinery	56,982	126.6	13,490	11,532	85.5	75.8	5,317	121.7	5,317	129.1	121.7
	6. Precision Machinery	29,525	120.9	7,048	6,241	88.5	78.8	2,547	107.7	2,547	114.5	107.7
	5 – 6. Electrical & Precision Machinery (Sub Total)	86,507	124.6	20,538	17,773	86.5	76.9	7,864	116.8	7,864	124.0	116.8
	7. Aircraft, Shipbuilding & Transport equipment	18,856	117.7	3,742	5,672	151.6	90.5	1,798	123.4	1,798	122.3	123.4
	(of which aircraft)	5,792	120.9	1,434	1,962	136.8	113.3	774	168.6	774	163.3	168.6
3 – 7. Sub total		483,547	120.6	124,855	104,455	83.7	86.8	35,647	99.7	35,647	105.7	99.7
8. Other Machinery & Equipment		26,245	98.0	6,885	5,558	80.7	74.6	1,622	120.3	1,622	96.6	120.3
9. Government, Public Agencies & Schools		2,205	30.0	878	573	65.3	18.0	104	41.9	104	51.7	41.9
10. Others		14,094	133.2	3,900	3,603	92.4	105.7	830	96.1	830	66.4	96.1
11. Trading Companies		6,900	109.8	1,982	1,652	83.4	80.8	142	28.3	142	20.2	28.3
1-11. Domestic Total		603,231	118.2	156,164	132,487	84.8	87.5	43,402	98.3	43,402	102.7	98.3
12. Foreign		1,156,370	112.1	276,423	283,305	102.5	100.3	85,685	86.8	85,685	87.2	86.8
1-12. Grand Total		1,759,601	114.2	432,587	415,792	96.1	95.8	129,087	90.3	129,087	91.8	90.3
(of which: NC machines)		1,727,473	114.0	424,103	408,638	96.4	96.3	127,203	90.4	127,203	92.0	90.4
Sales		1,568,350	122.2	402,230	411,901	102.4	122.3	112,262	112.9	112,262	72.9	112.9
(of which: NC machines)		1,544,745	122.4	395,524	406,116	102.7	122.6	110,905	112.9	110,905	73.1	112.9
Order Backlog		896,813	127.9	888,365	896,813	101.0	127.9	913,638	122.7	913,638	101.9	122.7
(of which: NC machines)		869,611	127.6	861,959	869,611	100.9	127.6	885,909	122.3	885,909	101.9	122.3

NET NEW ORDERS BY DESTINATION

(Value in Millions of yen)

2023		Jan.		Feb.		Mar.		Apr.		May		June		July		Aug.		Sep.		Oct.		Nov.		Dec.		Total				
			%		%		%		%		%		%		%		%		%		%		%		%	2023	%			
Asia	East Asia	Korea	1,996	75.6																							1,996	75.6		
		Taiwan	2,047	42.5																								2,047	42.5	
		China	24,012	73.7																									24,012	73.7
		Other	0	-																									0	-
		East Asia Total	28,055	70.0																									28,055	70.0
	Other Asia	Thailand	1,317	80.0																									1,317	80.0
		Malaysia	1,489	149.0																									1,489	149.0
		Singapore	385	82.8																									385	82.8
		Philippine	143	246.6																									143	246.6
		Indonesia	612	52.6																									612	52.6
Vietnam		1,257	196.4																									1,257	196.4	
India		3,824	153.0																									3,824	153.0	
Other	3	50.0																									3	50.0		
Other Asia Total	9,030	120.8																									9,030	120.8		
Sub Total	37,085	78.0																										37,085	78.0	
Europe	EU	Germany	4,616	103.5																								4,616	103.5	
		Italy	3,735	81.7																									3,735	81.7
		France	1,730	99.5																									1,730	99.5
		Central Europe	867	59.0																									867	59.0
		Other	3,521	104.1																									3,521	104.1
		Sub Total	14,469	92.6																									14,469	92.6
	Other West Europe	U.K.	1,707	97.6																									1,707	97.6
		Turkey	3,029	217.0																									3,029	217.0
		Switzerland	1,516	203.5																									1,516	203.5
		East Europe	84	103.7																									84	103.7
		Russia - Other	-32	-																									-32	-
Sub Total	20,845	102.1																									20,845	102.1		
North America	U.S.A.	22,733	84.6																									22,733	84.6	
	Canada	1,239	110.5																									1,239	110.5	
	Mexico	1,494	106.5																									1,494	106.5	
	Sub Total	25,466	86.6																									25,466	86.6	
South & Central America	Brazil	866	141.0																									866	141.0	
	Other	38	44.7																									38	44.7	
	Sub Total	904	129.3																									904	129.3	
Oceania	Australia	769	202.4																									769	202.4	
	Other	101	117.4																									101	117.4	
Sub Total	870	186.7																										870	186.7	
Middle East	435	247.2																										435	247.2	
Africa	80	148.1																										80	148.1	
Grand Total	85,685	86.8																										85,685	86.8	
Of which NC	85,093	86.9																										85,093	86.9	

(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”.