

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (December 2023)

The total value of machine tool orders in December was 127.09 billion yen. This was an increase of 9.7% compared to November 2023 and marked the second consecutive month of month-on-month increase. However, this figure represented a decrease of 9.6% compared to the same month of the previous year and marked the twelfth consecutive month of year-on-year decline.

Total orders topped 120 billion yen for the first time in three months and exceeded 100 billion yen for 35th consecutive months.

Orders received in December increased month-on-month due to domestic and foreign demand, but we do not expect there to be any major changes in the order situation, and we will closely monitor trends, including the timing of a pick-up in the future.

Domestic orders rose by 17.0% over November, amounting to 38.25 billion yen. This marked the first month of month-on-month growth in three months. Nevertheless, this figure was a decrease of 9.5% from the same month of the previous year and marked the sixteenth consecutive month of year-on-year decline. Looking at major industries, orders compared to November rose by 11.1% in industrial machinery, by 21.7% in motor vehicles, by 70.0% in electrical & precision machinery, and by 24.8% in aircraft, shipbuilding & transport equipment.

Foreign orders rose by 6.8% over November to 88.84 billion yen, marked the two consecutive month of month-on-month growth. Nonetheless, foreign orders showed a decrease of 9.6% from the same month of the previous year, and this marked the twelfth consecutive month of year-on-year decline. By region, orders from Asia rose by 15.4% over November to 38.87 billion yen. This was a decrease of 17.5% from the same month of the previous year. Orders from Europe fell by 3.2% from November to 19.54 billion yen. This was an increase of 1.3% from the same month of the previous year. Orders from North America rose by 4.4% over November, amounting to 27.87 billion yen. This figure was a decrease of 6.6% 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 (%)	23/07-23/09	23/10-23/12	Previous Quarter (%)	year-to-year (%)	23/01-23/12	year-to-year (%)	Dec. '23	Dec. 23/Nov. 23 (%)	Dec. 23/Dec. 22 (%)
1. Primary Metals		19,675	109.4	4,587	2,776	60.5	53.7	16,345	83.1	856	94.8	43.0
2. Fabricated Metal Products		50,565	125.6	9,920	7,010	70.7	61.1	36,813	72.8	2,360	95.5	87.4
Machinery & Equipment Industries	3. Industrial Machinery	243,465	121.4	49,489	41,036	82.9	78.4	203,557	83.6	14,170	111.1	89.7
	(of which construction machinery)	13,655	122.3	2,820	2,523	89.5	86.4	12,442	91.1	651	153.5	58.6
	(of which dies and molds)	34,462	128.7	6,023	5,116	84.9	81.1	28,189	81.8	2,092	122.3	124.3
	4. Motor Vehicles	134,719	117.0	26,680	26,103	97.8	91.0	100,588	74.7	9,951	121.7	98.2
	(of which auto parts)	92,957	110.6	19,750	19,047	96.4	92.4	73,519	79.1	7,772	124.4	112.1
	5. Electrical Machinery	56,982	126.6	10,110	5,618	55.6	48.7	36,272	63.7	1,459	77.4	35.4
	6. Precision Machinery	29,525	120.9	4,315	5,793	134.3	92.8	21,430	72.6	3,572	332.3	160.5
	5 – 6. Electrical & Precision Machinery (Sub Total)	86,507	124.6	14,425	11,411	79.1	64.2	57,702	66.7	5,031	170.0	79.3
	7. Aircraft, Shipbuilding & Transport equipment	18,856	117.7	4,068	6,030	148.2	106.3	20,172	107.0	2,665	124.8	181.3
	(of which aircraft)	5,792	120.9	1,535	2,631	171.4	134.1	8,509	146.9	1,749	299.5	369.0
3 – 7. Sub total		483,547	120.6	94,662	84,580	89.3	81.0	382,019	79.0	31,817	122.3	94.3
8. Other Machinery & Equipment		26,245	98.0	5,941	5,607	94.4	100.9	22,867	87.1	1,806	98.9	107.6
9. Government, Public Agencies & Schools		2,205	30.0	801	536	66.9	93.5	1,977	89.7	121	130.1	60.2
10. Others		14,094	133.2	2,722	2,751	101.1	76.4	12,165	86.3	813	84.7	65.0
11. Trading Companies		6,900	109.8	1,514	1,331	87.9	80.6	4,635	67.2	478	113.0	68.0
1-11. Domestic Total		603,231	118.2	120,147	104,591	87.1	78.9	476,821	79.0	38,251	117.0	90.5
12. Foreign		1,156,370	112.1	242,895	250,449	103.1	88.4	1,009,698	87.3	88,837	106.8	90.4
1-12. Grand Total		1,759,601	114.2	363,042	355,040	97.8	85.4	1,486,519	84.5	127,088	109.7	90.4
(of which: NC machines)		1,727,473	114.0	355,639	349,641	98.3	85.6	1,463,024	84.7	125,372	110.3	90.7
Sales		1,568,350	122.2	388,329	405,723	104.5	98.5	1,616,581	103.1	158,104	123.3	102.7
(of which: NC machines)		1,544,745	122.4	381,608	399,214	104.6	98.3	1,591,253	103.0	155,078	122.6	102.2
Order Backlog		896,813	127.9	816,786	785,775	96.2	87.6	785,775	87.6	785,775	98.6	87.6
(of which: NC machines)		869,611	127.6	790,245	760,531	96.2	87.5	760,531	87.5	760,531	98.7	87.5

