

21 January 2025 (No. of pages:3)

Japanese report: 20 Jan 2025

# November 2024 Machinery Orders

**Private-sector demand (excluding ships and electric power) grows for the second consecutive month; government revises assessment upwards**

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## Summary

- According to statistics for machinery orders in November 2024, private-sector orders (excluding ships and electric power) grew for the second consecutive month by +3.4% m/m, exceeding market consensus (Bloomberg survey: -0.8%). Orders for both manufacturing and non-manufacturing (excluding ships and electric power) registered growth in the amount of orders. The Cabinet Office has revised its assessment for machinery orders upwards to “showing signs of picking up.”
- Manufacturing orders grew for the second consecutive month. Chemical and chemical products, and other manufacturing registered growth in orders. Meanwhile, non-manufacturing orders grew for the first time in two months. Industries such as information services and finance & insurance recorded growth.
- As for the future of private sector demand (excluding ships and electric power), moderate growth is expected. Amid a strong corporate appetite for capex spending, labor saving investment, which had been postponed for some time, is expected to increase. On the other hand, it should be noted that the implementation of capex spending could be delayed due to construction projects falling behind schedule as a result of the labor shortage, and the high price of capital goods.

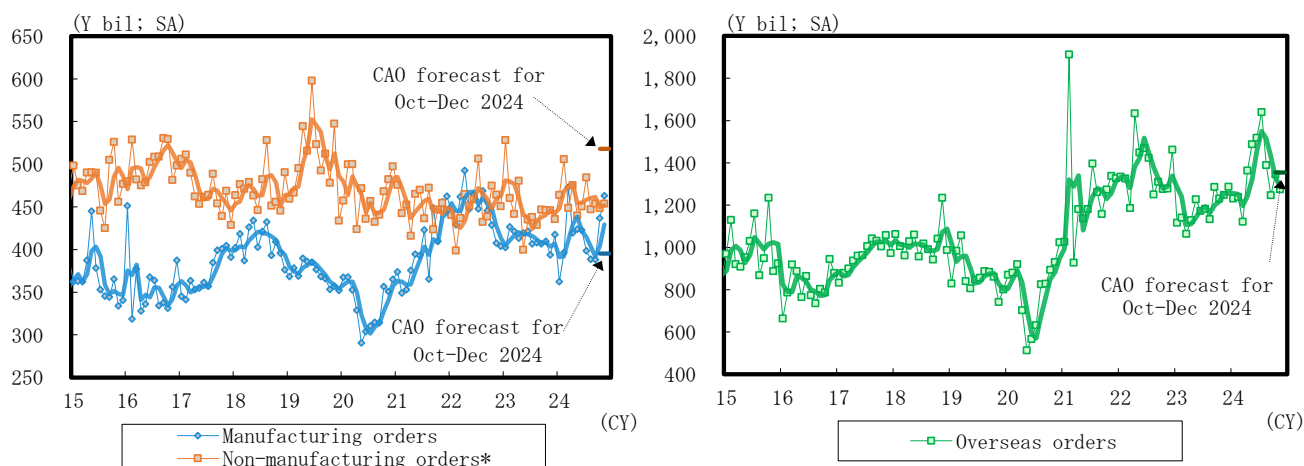
**Machinery Orders (m/m %; SA)****Chart 1**

	2023 2024												
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
Machinery orders (private sector)*	1.9	-1.7	7.7	2.9	-2.9	-3.2	2.1	-0.1	-1.9	-0.7	2.1	3.4	
Market consensus												▲0.8	
DIR Economist estimate												2.2	
Manufacturing orders	6.0	-13.2	9.4	19.4	-11.3	1.0	-0.3	-5.7	-2.5	-0.0	12.5	6.0	
Non-manufacturing orders*	-2.3	6.5	9.1	-11.3	5.9	-7.5	2.4	7.5	-7.7	1.5	-1.2	1.2	
Overseas orders	3.1	-4.4	0.7	-9.4	21.6	9.1	2.0	8.0	-15.3	-10.3	7.9	-5.3	

Source: Cabinet Office (CAO), Bloomberg; compiled by DIR.

\* excluding ships and electric power.

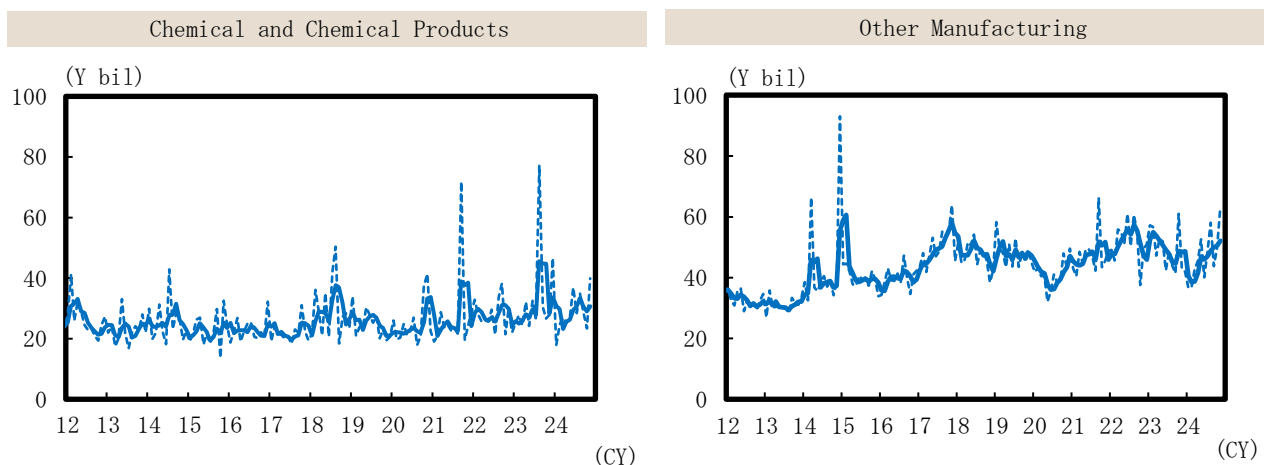
Note: Figures on market consensus from Bloomberg.

**Orders by Demand Source (seasonally adjusted figures)****Chart 2**

Source: Cabinet Office (CAO); compiled by DIR.

\* excluding ships and electric power.

Note: Thick lines 3M/MA basis.

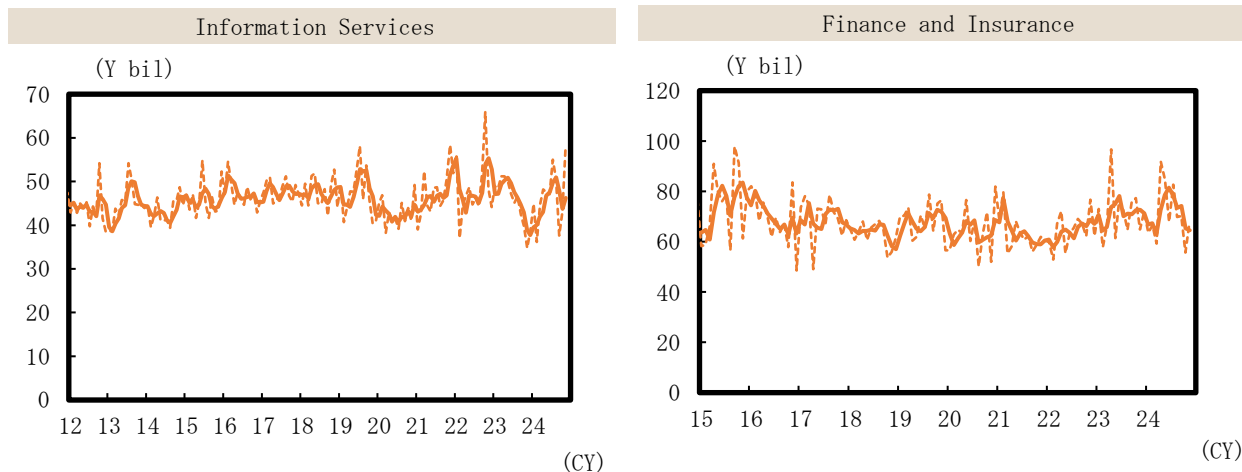
**Order Amounts by Industry (Manufacturing)****Chart 3**

Source: Cabinet Office (CAO); compiled by DIR.

Note: Thick lines 3M/MA basis.

## Order Amounts by Industry (Non-Manufacturing)

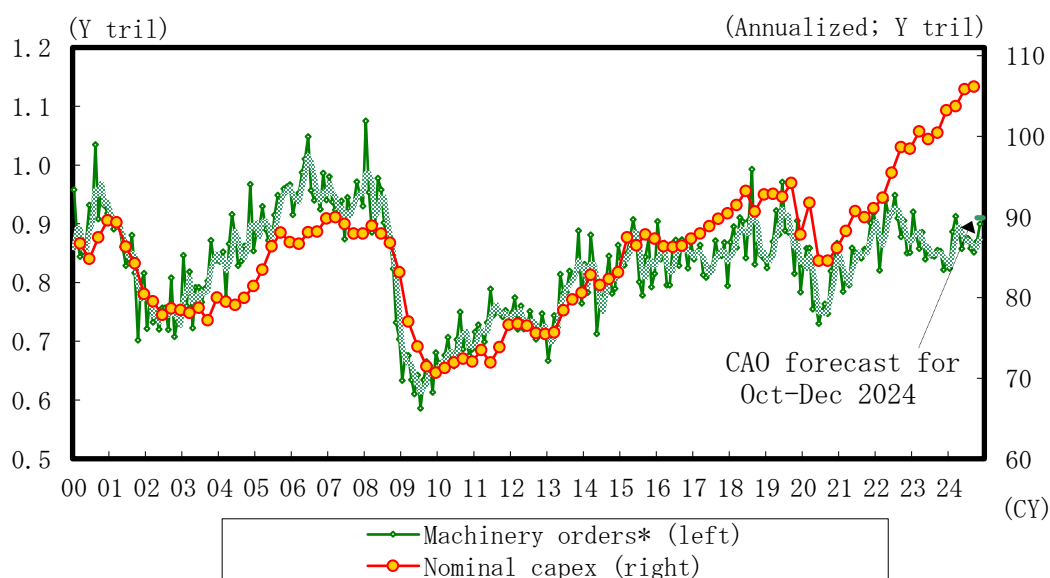
Chart 4



Source: Cabinet Office (CAO); compiled by DIR.  
 Note: Thick lines 3M/MA basis.

## Domestic Demand and Nominal Capex (seasonally adjusted figures)

Chart 5



Source: Cabinet Office (CAO); compiled by DIR.

\* excluding ships and electric power.

Note: Thick lines 3M/MA basis.