
Rays of recovery - Japan September core machinery orders up MoM

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The Star reported that Japan's core machinery orders jumped 10.5% in September, outperforming forecasts and rising for the second month in a row.

The data show that companies are gradually becoming more willing to spend as the global economy recovers.

The Cabinet Office said that orders received by 280 core manufacturers it polls totalled JPY 738 billion for the month versus JPY 668.1 billion in August. The figures exclude orders from shipbuilders and electric power companies, which tend to fluctuate more.

The large jump in September was much higher than predicted, beating the 3.1% rise predicted in a Kyodo News survey. Just two months ago machinery orders fell 9.3% to their lowest level since the government started compiling data in 1987.

The Cabinet Office predicted that in the current October to December 2009 quarter, orders will increase 1% from the previous quarter. Overall machinery orders in September rose 6%, with overseas orders jumping 26% and government orders falling 17%.

(Sourced from www.thestar.com.my)

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