

Taiwan Business Indicators in April 2009

Press Release

Council for Economic Planning and Development

May 27, 2009

In April 2009, although Taiwan's business cyclical indicators still showed a slowdown in economic conditions, the pace of decline in most components markedly moderated. Among the indicators compiled by the Cabinet's Council for Economic Planning and Development (CEPD), the annualized six-month rate of change of leading index rose 6.6 point, the trend-adjusted coincident index also rose by 3.6% from the previous month, and the overall monitoring indicator flashed the "blue" signal for the eighth consecutive month.

1. **Leading Indicators:** The composite leading index stood at 92.2, up by 2.6% from March. Its annualized six-month rate of change rose by 6.6 point to -5.3%. The increasing leading index mainly came from the positive cyclical movements in the index of export orders, SEMI book-to-bill ratio, real monetary aggregates M1B*, and stock price index.

(Note: components marked with an asterisk indicate real terms)

2. **Coincident Indicators:** With revised data, the coincident index stood at 87.5, up by 3.7% from March. Its trend-adjusted index rose by 3.6% to 85.6. The increasing coincident index largely came from the positive cyclical movements in industrial production index, electronic power consumption, real manufacturing sales*, and the sales index of wholesale, retail, and food services.
3. **The Monitoring Indicators:** The total score in April increased 1 point to 11, flashing the signal of "blue" for the eighth consecutive month. Among the nine components, money supply M1B gained one point and changed its individual light signal from "yellow-blue" to "green". The light signals for the rest of eight components remained unchanged.

~~ The next release is scheduled for June 26, 2009 ~~

Leading Indicators

	Seasonally adjusted						
	2008			2009			
	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Composite Index	93.8	90.3	87.7	85.7	87.4	89.9	92.2
Change from preceding month (%)	-1.9	-3.7	-2.9	-2.2	1.9	2.8	2.6
Annualized 6-month rate of change (%)	-16.5	-20.6	-22.9	-24.0	-18.7	-11.9	-5.3
Change from preceding month (point)	-1.7	-4.1	-2.3	-1.1	5.3	6.8	6.6
Components							
Index of export orders (2006=100)	109.2	94.4	89.1	85.8	101.9	104.8	107.8
Real monetary aggregates M1B (NT\$ billion)	7,567	7,614	7,660	7,771	7,989	8,206	8,514
Stock price index(1966=100)	5,043	4,510	4,496	4,475	4,477	4,926	5,724
Index of producer's Inventory (2006=100)	119.7	119.7	114.3	112.1	104.3	103.7	103.4 _p
Average monthly overtime in industry and services (hours/month)	7.7	6.1	4.6	4.7	4.6	4.7	4.8 _p
Building Permits * (1000m2)	1,577	1,530	1,269	1,250	1,154	1,128	1,214
SEMI Book-to-Bill Ratio	0.96	0.97	0.86	0.47	0.49	0.56	0.65

Note : 1.p=Preliminary.

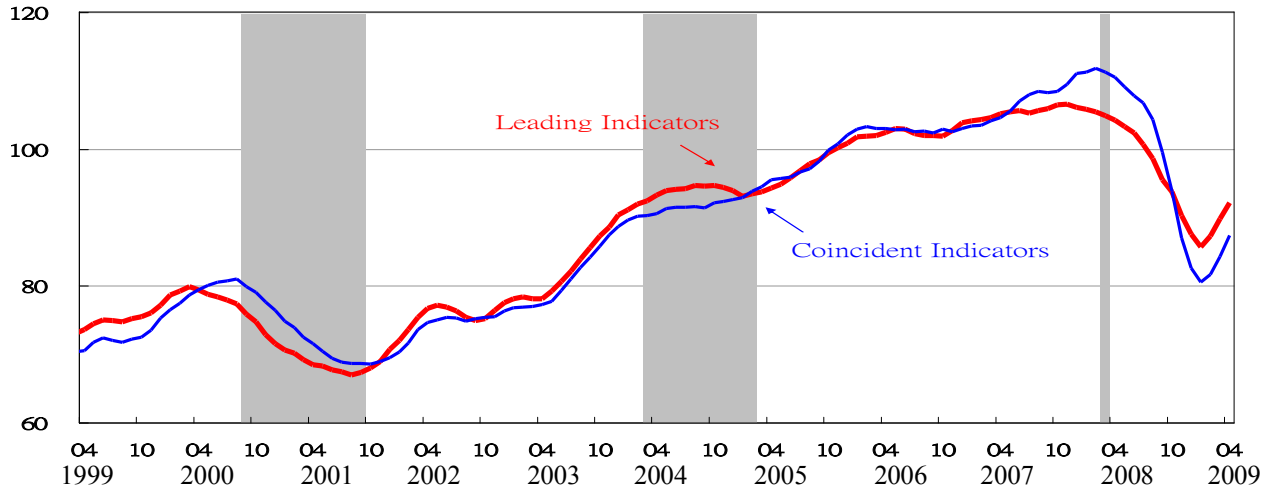
2.* Including only housing, mercantile, business and service, industry warehousing.

Coincident Indicators

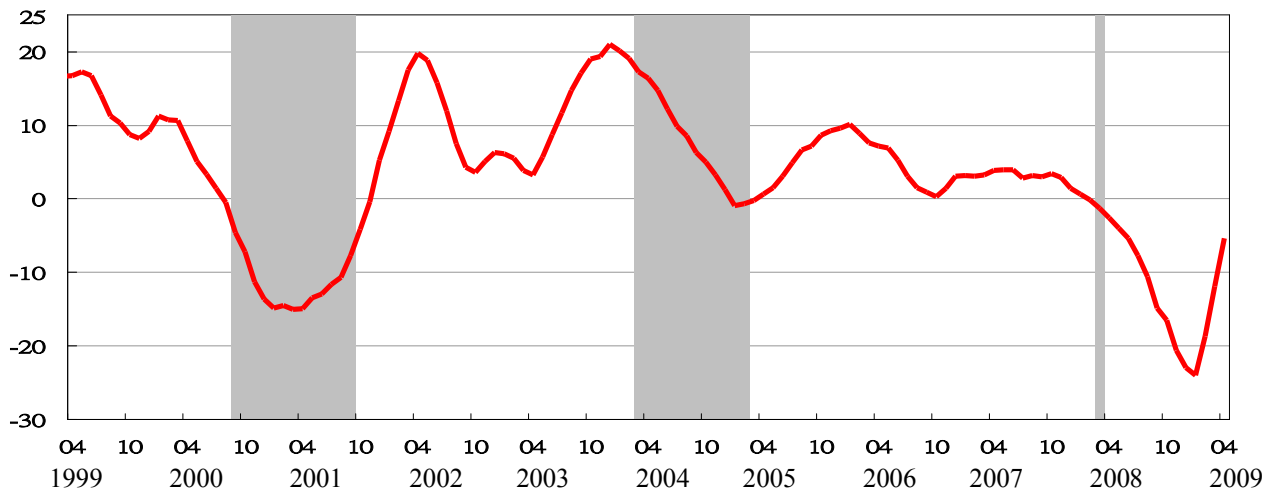
	Seasonally adjusted						
	2008			2009			
	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Composite Index	93.9	87.1	82.7	80.6	81.7	84.4	87.5
Change from preceding month (%)	-5.7	-7.3	-5.1	-2.5	1.4	3.2	3.7
Trend adjusted index	92.0	85.3	81.0	78.9	80.0	82.6	85.6
Change from preceding month (%)	-5.7	-7.3	-5.1	-2.5	1.4	3.2	3.6
Components							
Industrial production index(2006=100)	96.6	84.5	77.8	75.4	77.8	85.0	90.8
Electric power consumption (billion kWh)	10.22	8.95	9.37	7.89	10.75	9.57	9.66
Real manufacturing sales (NT\$ billion)	676.6	600.3	589.2	586.1	605.2	634.1	644.3 _p
Sales index of wholesale, retail, and food services (2006=100)	98.0	94.5	92.8	94.4	96.2	96.5	99.3
Nonagricultural employment (1,000)	9,875	9,851	9,792	9,761	9,724	9,714	9,714
Real customs-cleared exports (NT\$ billion)	644.1	533.5	464.5	497.4	481.2	543.7	523.9
Real machineries and electrical equipments imports (NT\$ billion)	190.9	172.6	147.7	154.6	144.0	148.2	155.4

Note : p: Preliminary.

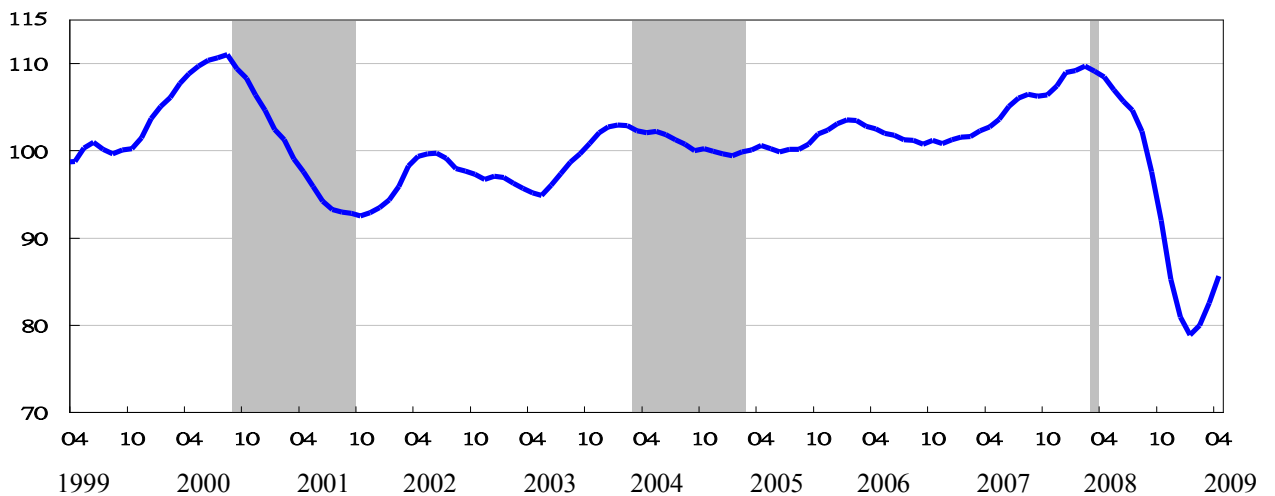
Composite Indices of Cyclical Indicators



Annualized 6-month rate of change of composite leading index



Trend-adjusted composite coincident index



Shaded areas represent recessions.

Monitoring Indications

	2008										2009			
	4	5	6	7	8	9	10	11	12	1	2	3	4	
Total	Light													
	Score	27	22	20	16	18	12	12	11	9	9	10	10	11
Monetary Aggregates M1B														9.3
Direct and Indirect Finance														1.0
Stock Price Index														-35.5
Industrial Production Index														-20.8
Nonagricultural Employment														-1.7
Exports														-26.0
Imports of Machinery and Electrical Equipment														-27.5
Manufacturing Sales														-34.2 _p
Wholesale, Retail and Food Services Sales														-1.9

Booming
 Transitional
 Stable
 Transitional
 Sluggish

*Components are in terms of percentage changes over 1-year span. All components, except stock price index, have been seasonally adjusted.