

# Taiwan Business Indicators in August 2019

Press Release

National Development Council (NDC)

September 27, 2019



In August 2019, the overall monitoring indicator continued to flash the “yellow-blue” signal, as the total score decreased to 20. The trend-adjusted leading index declined for two consecutive months and the coincident index increased for four consecutive months, the government will be closely monitoring the economic situation.

## The Monitoring Indicators

- The total score in August 2019 was 20, flashing the “yellow-blue” signal, which decreased 2 points from 22 last month.

## Leading Indicators

- The trend-adjusted leading index declined by 0.05% in August 2019 to 101.67, falling for two consecutive months.

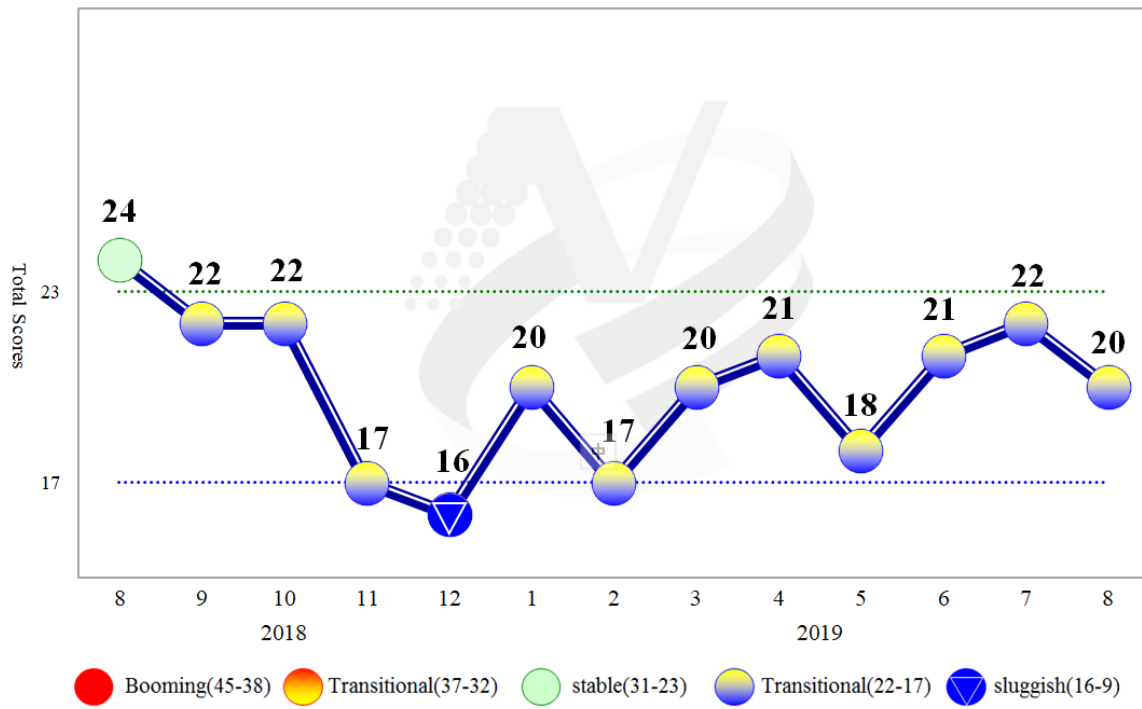
## Coincident Indicators

- The trend-adjusted coincident index increased by 0.57% in August 2019 to 100.21, rising for four consecutive months.

## Lagging Indicators

- The trend-adjusted lagging index declined by 0.49% in August 2019 to 98.64, falling for eight consecutive months.

~~ **Next publication date: October 28 2019** ~~



**Figure 1 Total Scores in the Past Year**

	2018					2019									
	8	9	10	11	12	1	2	3	4	5	6	7		8	
												light	%	light	%
<b>Total</b>	24	22	22	17	16	20	17	20	21	18	21	22 <sub>r</sub>		20	
Monetary Aggregates M1B													7.2		7.4
TAIEX Average Closing Price													0.1		-4.0
Industrial Production Index													2.7 <sub>r</sub>		2.3
Nonagricultural Employment													0.65		0.64
Customs-Cleared Exports													1.2 <sub>r</sub>		6.5
Imports of Machineries and Electrical Equipments													9.4 <sub>r</sub>		9.2
Index of producer's shipment for manufacturing													-2.2 <sub>r</sub>		-3.7
Sales of Trade and Food Services													2.0		-2.5
The TIER Manufacturing Sector Composite Indicator													95.0 <sub>r</sub>		96.1

Notes : 1. Individual Components and check points are in terms of percentage changes over a one-year span, except the TIER Manufacturing Composite  
 2. All components, except TAIEX average closing price, have been seasonally adjusted.  
 3. r = Revised.

**Figure 2 Monitoring Indicators**

### Table 1 Leading Indicators

Index

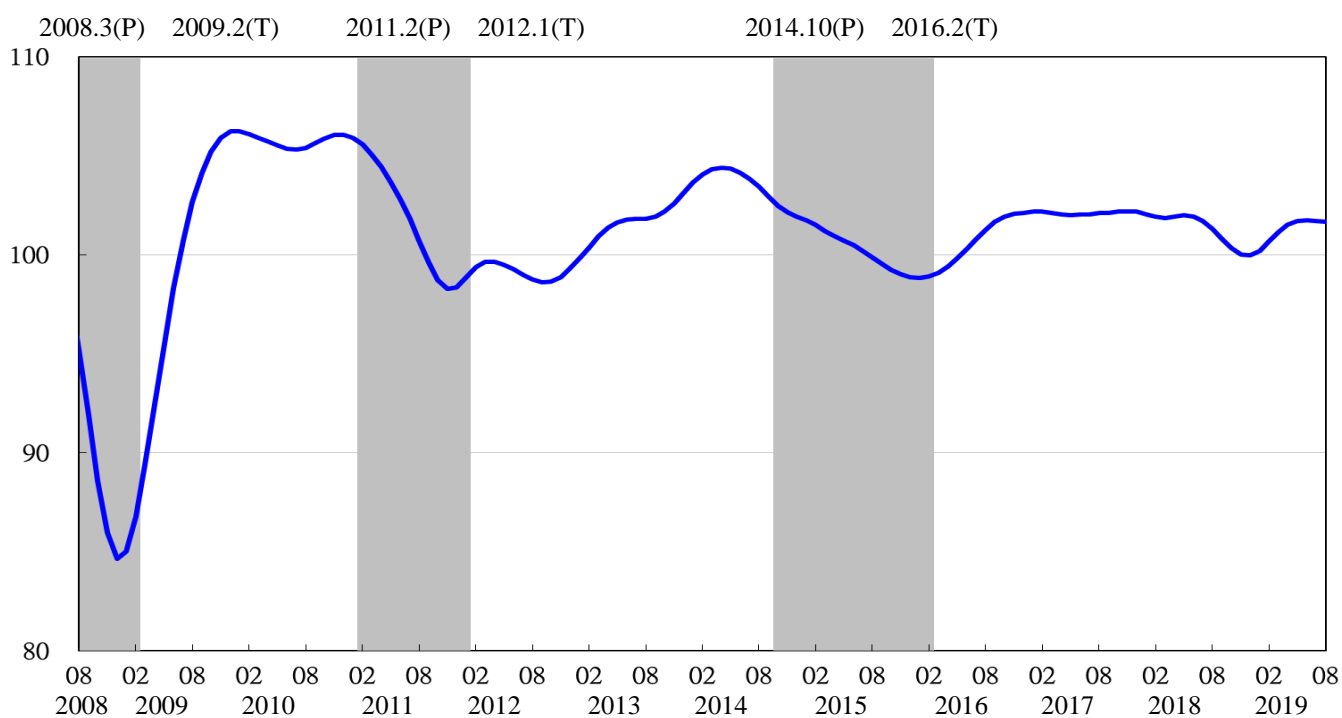
	2019						
	Feb	Mar	Apr	May	Jun	Jul	Aug
<b>Trend adjusted index</b>	100.67	101.16	101.51	101.69	101.74	101.72	101.67
Change from preceding month (%)	0.48	0.49	0.35	0.17	0.05	-0.02	-0.05
<b>Components<sup>1</sup></b>							
Diffusion Index of export orders <sup>2</sup>	99.50	99.70	99.81	99.84	99.84	99.83	99.82
Real monetary aggregates M1B	100.04	100.13	100.22	100.30	100.36	100.42	100.47
TAIEX average closing price	99.62	99.71	99.79	99.85	99.88	99.898	99.900
Net accession rate of employees on payrolls of industry and services <sup>3</sup>	100.01	100.01	100.00	99.99	99.97	99.96	99.95
New housing construction started <sup>4</sup>	100.30	100.27	100.20	100.08	99.92	99.70	99.44
Real imports of semiconductor equipment	100.22	100.44	100.57	100.60	100.56	100.49	100.42
The TIER manufacturing sector composite indicator	99.08	99.39	99.67	99.91	100.12	100.33	100.55

Note : 1. All components are passed through seasonal adjustment, trend-removal, smoothing and normalization.

2. Diffusion Index of export orders by number of firms.

3. Net accession rate is equal to accession rate minus separation rate.

4. Including only housing, mercantile, business and service, industry warehousing.

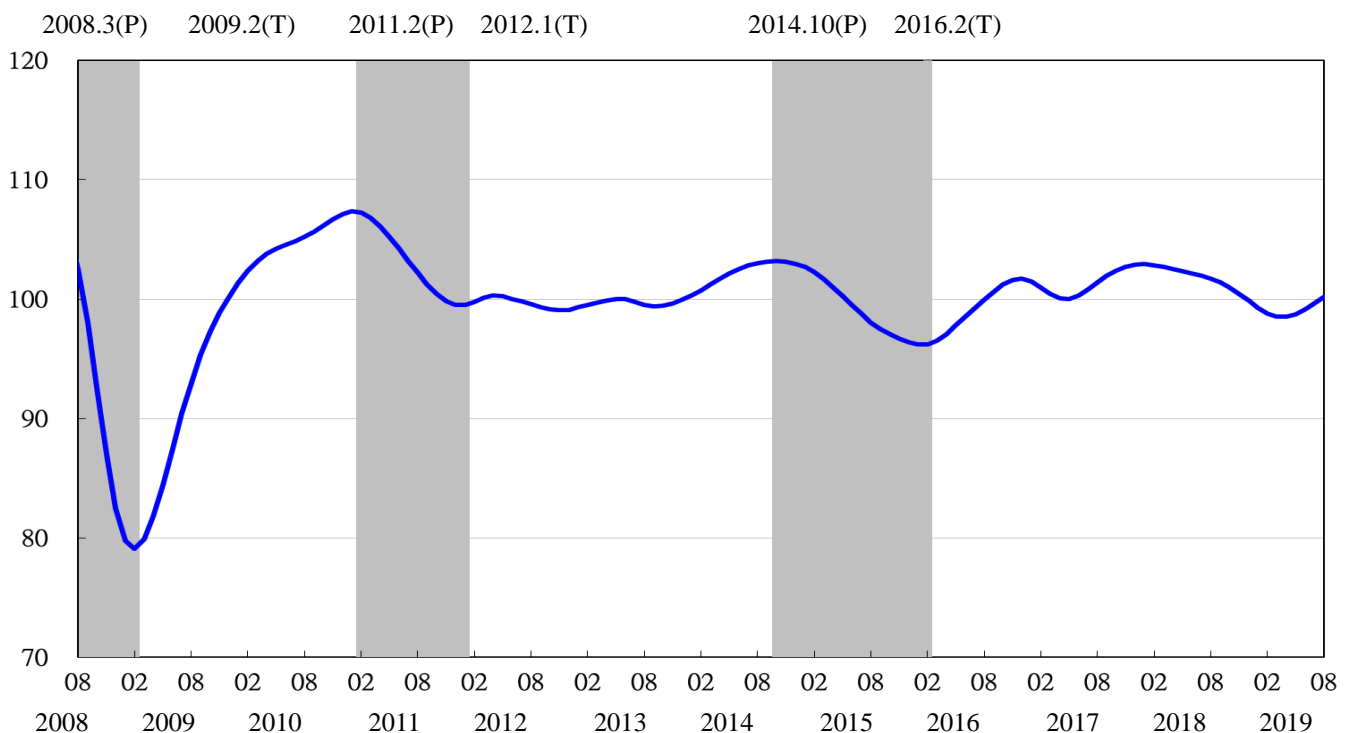


Note: Shaded areas represent recessions.

### Figure 3 Trend-adjusted Leading Index

**Table 2 Coincident Indicators**

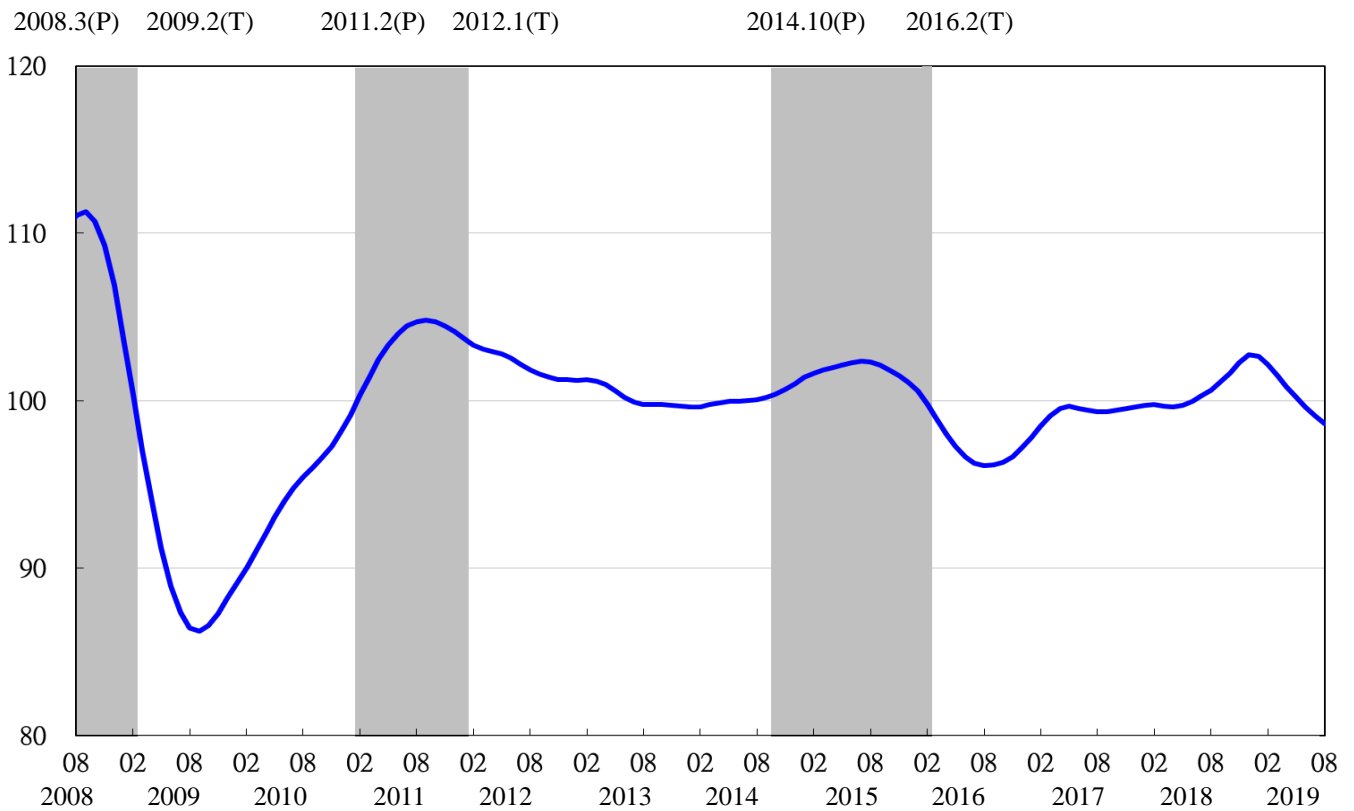
	Index						
	2019						
	Feb	Mar	Apr	May	Jun	Jul	Aug
<b>Trend adjusted index</b>	98.80	98.53	98.50	98.70	99.12	99.65	100.21
Change from preceding month (%)	-0.50	-0.27	-0.03	0.21	0.42	0.53	0.57
<b>Components</b>							
Industrial production index	99.20	99.04	99.07	99.25	99.53	99.87	100.22
Electric power consumption	99.59	99.51	99.42	99.34	99.29	99.29	99.35
Index of producer's shipment for manufacturing	98.98	98.83	98.83	98.97	99.20	99.49	99.78
Sales of trade and food services	99.17	99.06	99.11	99.23	99.41	99.62	99.79
Nonagricultural employment	99.97	99.95	99.93	99.91	99.90	99.89	99.88
Real customs-cleared exports	99.66	99.66	99.68	99.81	100.00	100.21	100.44
Real machineries and electrical equipments imports	99.93	99.89	99.83	99.80	99.84	99.92	100.01



**Figure 4 Trend-adjusted Coincident Index**

**Table 3 Lagging Indicators**

	Index						
	2019						
	Feb	Mar	Apr	May	Jun	Jul	Aug
<b>Trend adjusted index</b>	102.18	101.51	100.81	100.19	99.63	99.12	98.64
Change from preceding month (%)	-0.47	-0.65	-0.69	-0.62	-0.56	-0.51	-0.49
<b>Components</b>							
Unemployment rate	99.96	99.92	99.88	99.85	99.82	99.81	99.80
The manufacturing unit output labor cost index	101.53	101.00	100.42	99.92	99.49	99.10	98.74
Interbank overnight call-loan rate	100.03	100.03	100.04	100.04	100.05	100.047	100.046
Loans and investments of financial institutions	100.33	100.39	100.43	100.45	100.46	100.468	100.480
Inventory value for manufacturing	100.41	100.23	100.07	99.93	99.79	99.65	99.51



**Figure 5 Trend-adjusted Lagging Index**