

Taiwan Business Indicators in February 2020

Press Release

National Development Council (NDC)

March 27, 2020



In February 2020, the overall monitoring indicator continued to flash the “green” signal, as the total score decreased one point to 24. The trend-adjusted leading index decreased for four consecutive months and the coincident index increased for eleven consecutive months, the government will be closely monitoring the economic situation.

The Monitoring Indicators

- The total score in February 2020 was 24, flashing the “green” signal, which decreased 1 point from 25 last month.

Leading Indicators

- The trend-adjusted leading index decreased by 0.16% in February 2020 to 101.33, falling for four consecutive months.

Coincident Indicators

- The trend-adjusted coincident index increased by 0.21% in February 2020 to 101.20, rising for eleven consecutive months.

Lagging Indicators

- The trend-adjusted lagging index declined by 0.55% in February 2020 to 97.23, falling for thirteen consecutive months.

~~ Next publication date: April 27 2020 ~~

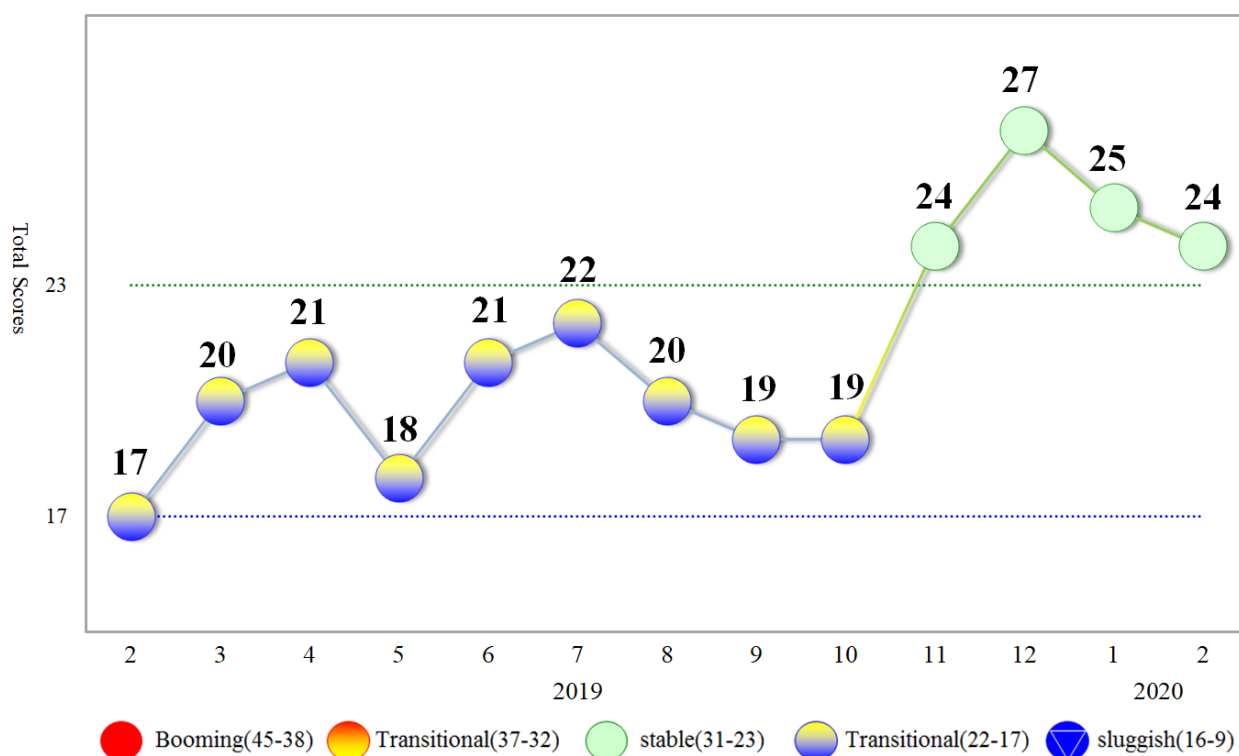


Figure 1 Total Scores in the Past Year

		2019										2020				
		2	3	4	5	6	7	8	9	10	11	12	1		2	
													light	%	light	%
Total	Light Score															
		17	20	21	18	21	22	20	19	19	24	27	25		24	
Monetary Aggregates M1B														6.9		7.8
TAIEX Average Closing Price														22.5		13.8
Industrial Production Index														10.0 _r		5.5
Nonagricultural Employment														0.55		0.57
Customs-Cleared Exports														-0.6 _r		3.8
Imports of Machineries and Electrical Equipments														11.2		14.5
Index of producer's shipment for manufacturing														1.6 _r		2.6
Sales of Trade and Food Services														-6.7 _r		0.5
The TIER Manufacturing Sector Composite Indicator														94.0 _r		88.7

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

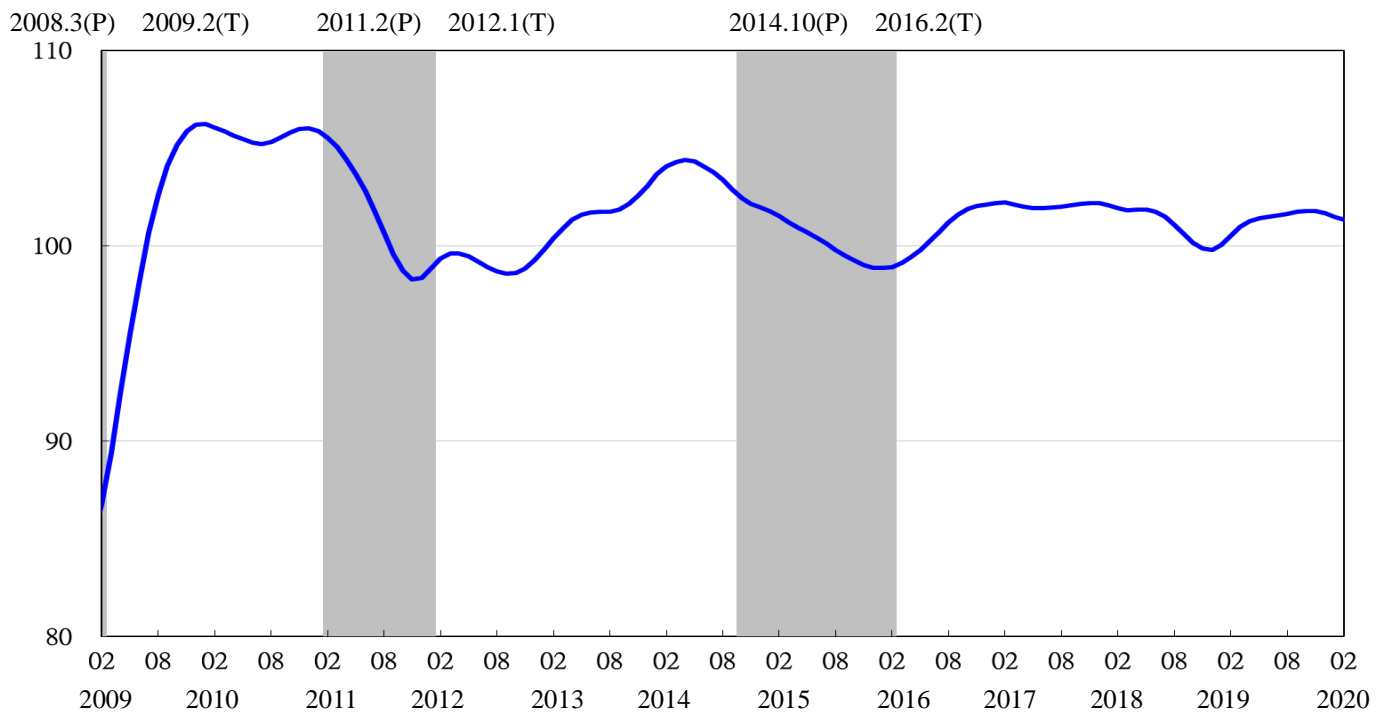
	Index						
	2019					2020	
	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Trend adjusted index	101.62	101.73	101.79	101.78	101.66	101.49	101.33
Change from preceding month (%)	0.08	0.10	0.06	-0.01	-0.12	-0.16	-0.16
Components¹							
Diffusion Index of export orders ²	100.33	100.15	99.83	99.35	98.72	98.17	97.71
Real monetary aggregates M1B	100.19	100.18	100.18	100.20	100.22	100.25	100.29
TAIEX average closing price	99.83	99.92	100.03	100.15	100.26	100.34	100.42
Net accession rate of employees on payrolls of industry and services ³	100.10	100.10	100.06	99.99	99.89	99.80	99.74
New housing construction started ⁴	99.91	99.95	99.99	100.05	100.12	100.167	100.175
Real imports of semiconductor equipment	99.90	100.16	100.51	100.90	101.29	101.63	101.94
The TIER manufacturing sector composite indicator	100.25	100.26	100.23	100.18	100.09	99.93	99.72

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					2020	
	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Trend adjusted index	99.82	100.06	100.29	100.54	100.78	100.99	101.20
Change from preceding month (%)	0.30	0.24	0.23	0.25	0.24	0.21	0.21
Components							
Industrial production index	99.72	99.90	100.09	100.28	100.45	100.58	100.63
Electric power consumption	98.93	98.95	99.10	99.44	99.98	100.73	101.59
Index of producer's shipment for manufacturing	99.89	99.96	100.02	100.08	100.13	100.16	100.17
Sales of trade and food services	99.87	99.85	99.78	99.67	99.55	99.46	99.45
Nonagricultural employment	99.94	99.91	99.88	99.85	99.83	99.82	99.81
Real customs-cleared exports	100.30	100.31	100.26	100.16	99.99	99.76	99.50
Real machineries and electrical equipments imports	100.00	100.27	100.51	100.68	100.73	100.61	100.41

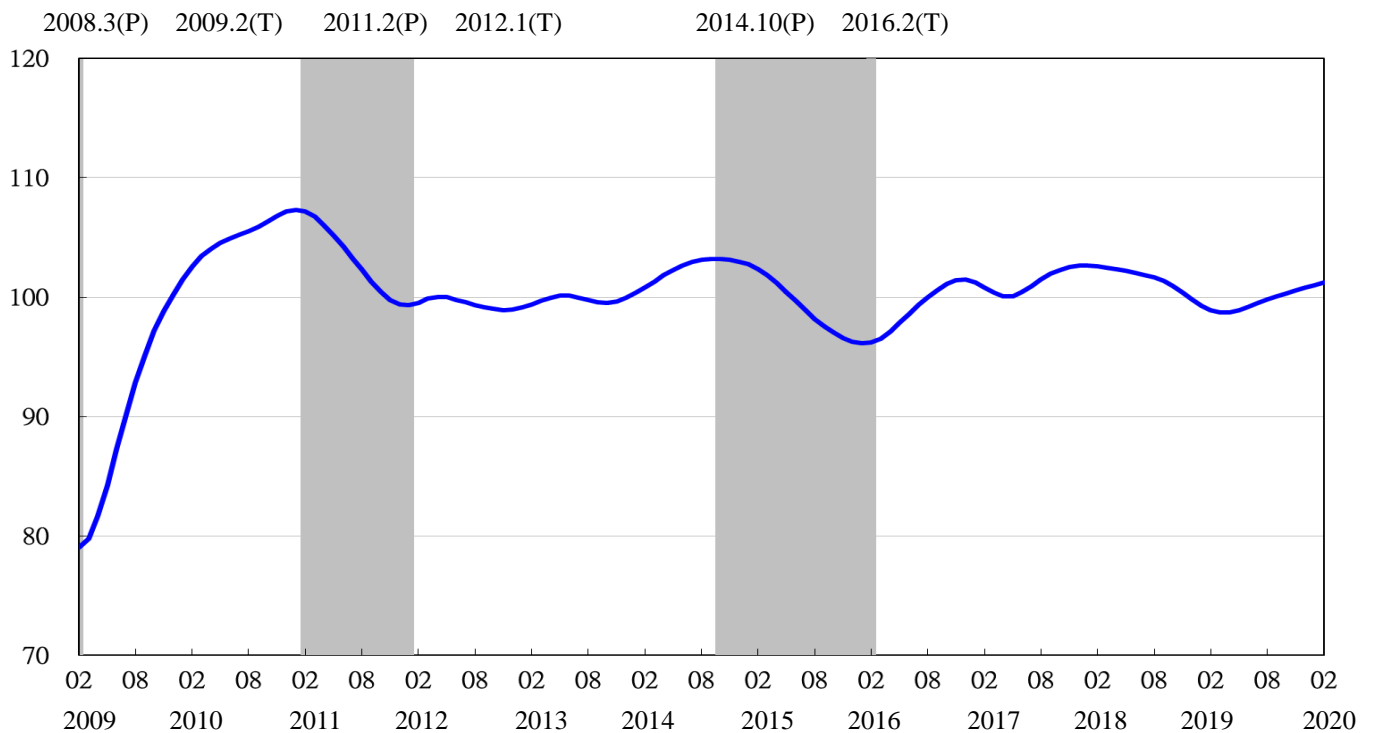


Figure 4 Trend-adjusted Coincident Index

Table 3 Lagging Indicators

	Index						
	2019					2020	
	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Trend adjusted index	99.99	99.60	99.19	98.78	98.33	97.76	97.23
Change from preceding month (%)	-0.42	-0.39	-0.41	-0.41	-0.46	-0.58	-0.55
Components	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unemployment rate	99.86	99.86	99.88	99.90	99.92	99.96	99.99
The manufacturing unit output labor cost index	100.06	99.79	99.46	99.05	98.52	97.81	97.11
Interbank overnight call-loan rate	100.03	100.02	100.02	100.02	100.01	100.0134	100.0130
Loans and investments of financial institutions	100.04	100.14	100.28	100.47	100.71	100.99	101.29
Inventory value for manufacturing	100.00	99.76	99.52	99.29	99.08	98.88	98.69

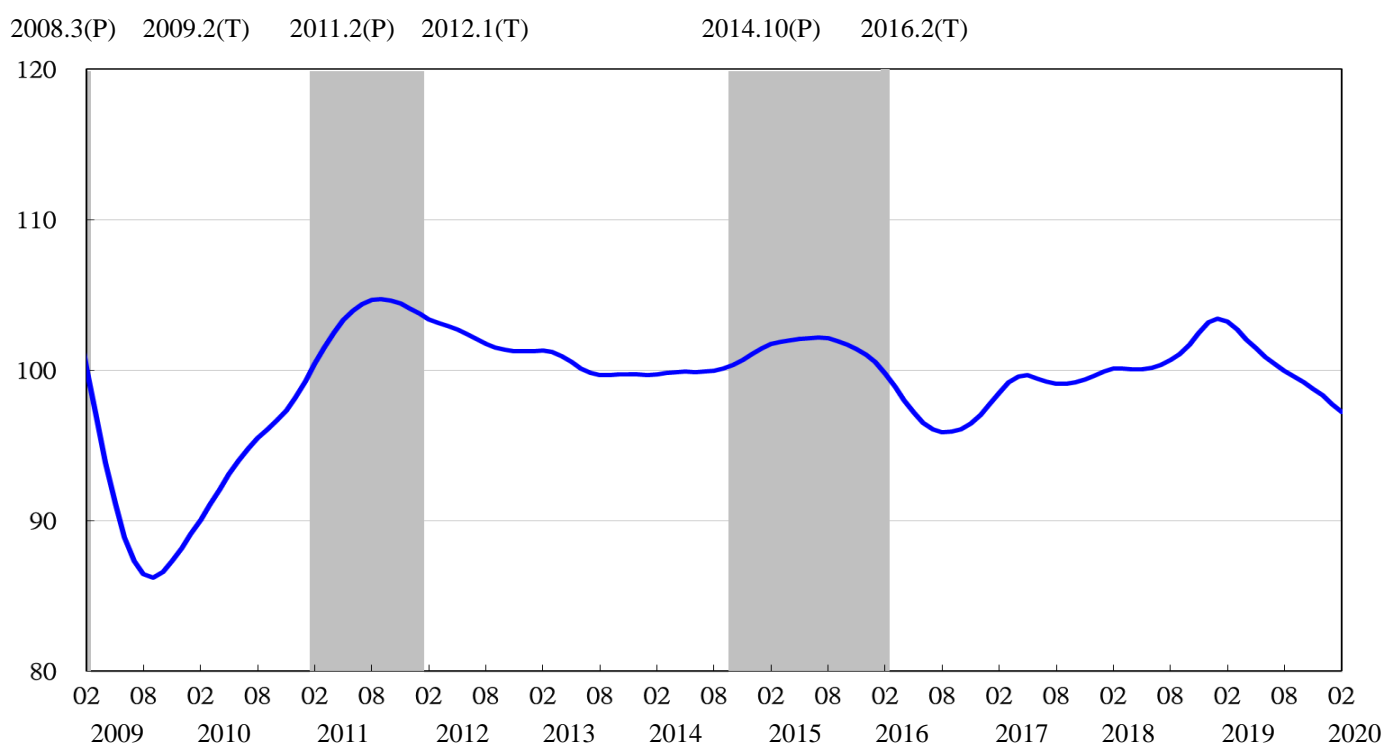


Figure 5 Trend-adjusted Lagging Index