

Taiwan Business Indicators in April 2020

Press Release

National Development Council (NDC)

May 27, 2020



In April 2020, the overall monitoring indicator continued to flash the “yellow-blue” signal, as the total score decreased one point to 19. The trend-adjusted leading index decreased for six consecutive months and the coincident index decreased for five consecutive months, the government will be closely monitoring the economic situation.

The Monitoring Indicators

- The total score in April 2020 was 19, flashing the “yellow-blue” signal, which decreased 1 point from 20 last month.

Leading Indicators

- The trend-adjusted leading index decreased by 1.94% in April 2020 to 96.07, falling for six consecutive months.

Coincident Indicators

- The trend-adjusted coincident index decreased by 0.87% in April 2020 to 98.62, falling for five consecutive months.

Lagging Indicators

- The trend-adjusted lagging index decreased by 0.61% in April 2020 to 97.29, falling for fifteen consecutive months.

~~ Next publication date: June 29 2020 ~~

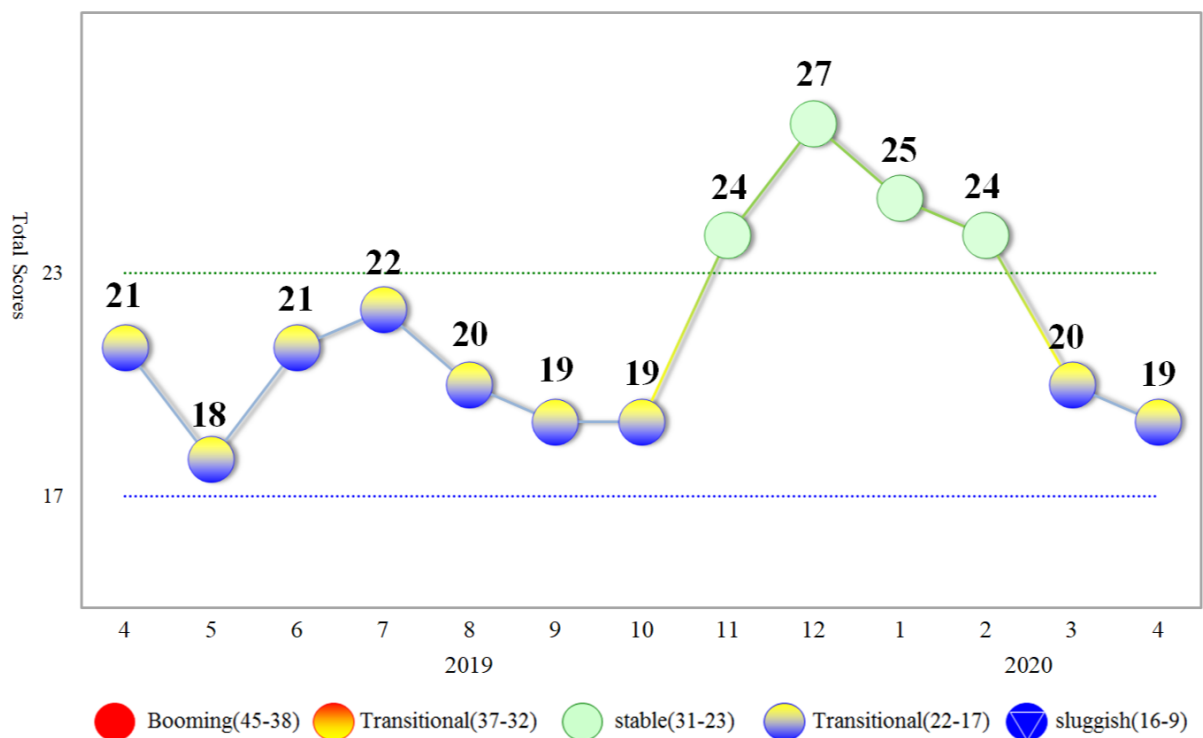


Figure 1 Total Scores in the Past Year

	Light Score	2019										2020				
		4	5	6	7	8	9	10	11	12	1	2	3		4	
		light	%	light	%											
Total		21	18	21	22	20	19	19	24	27	25	24	20	19		
Monetary Aggregates MIB		7.2	7.5													
TAIEX Average Closing Price		-2.9	-5.2													
Industrial Production Index		10.6 _r	4.3													
Nonagricultural Employment		0.44	0.04													
Customs-Cleared Exports		-6.3 _r	-3.6													
Imports of Machineries and Electrical Equipments		-1.5	18.2													
Index of producer's shipment for manufacturing		4.9 _r	-1.6													
Sales of Trade and Food Services		3.3 _r	-4.0													
The TIER Manufacturing Sector Composite Indicator		82.6 _r	81.8													

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

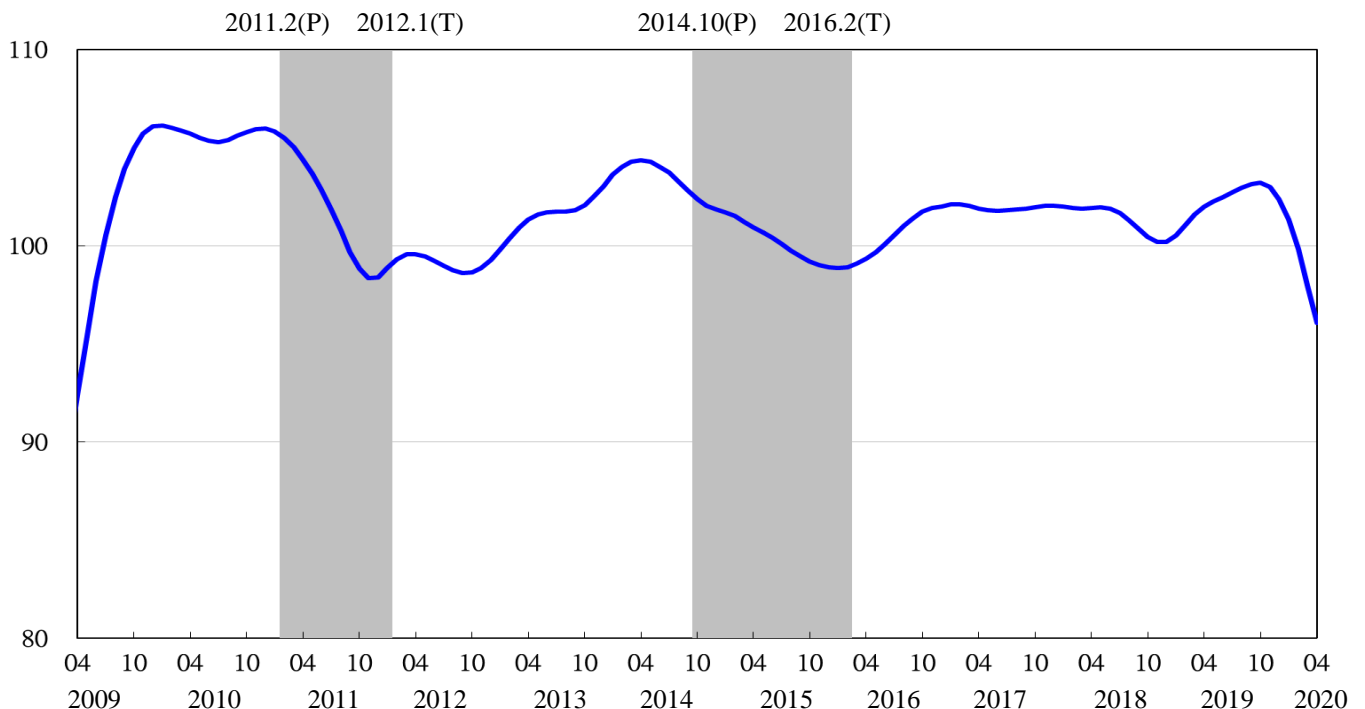
	Index						
	2019			2020			
	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Trend adjusted index	103.21	103.00	102.38	101.33	99.84	97.97	96.07
Change from preceding month (%)	0.05	-0.20	-0.60	-1.03	-1.47	-1.87	-1.94
Components¹							
Diffusion Index of export orders ²	101.32	100.73	99.76	98.58	97.16	95.50	93.85
Real monetary aggregates M1B	100.02	100.04	100.09	100.18	100.32	100.51	100.71
TAIEX average closing price	100.22	100.29	100.30	100.21	100.02	99.76	99.49
Net accession rate of employees on payrolls of industry and services ³	100.38	100.26	100.06	99.78	99.44	98.98	98.52
New housing construction started ⁴	100.04	100.08	100.12	100.10	100.03	99.94	99.86
Real imports of semiconductor equipment	100.72	101.02	101.20	101.16	100.91	100.48	99.99
The TIER manufacturing sector composite indicator	100.64	100.55	100.35	99.99	99.48	98.87	98.26

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			
	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Trend adjusted index	100.83	100.98	100.97	100.73	100.23	99.49	98.62
Change from preceding month (%)	0.22	0.15	-0.01	-0.24	-0.49	-0.74	-0.87
Components							
Industrial production index	100.13	100.30	100.41	100.44	100.35	100.22	100.07
Electric power consumption	99.36	99.60	99.85	100.09	100.16	99.98	99.68
Index of producer's shipment for manufacturing	100.21	100.25	100.24	100.15	99.98	99.74	99.45
Sales of trade and food services	100.07	99.95	99.78	99.57	99.35	99.02	98.61
Nonagricultural employment	100.10	100.03	99.94	99.81	99.63	99.38	99.10
Real customs-cleared exports	100.37	100.28	100.12	99.90	99.68	99.46	99.23
Real machineries and electrical equipments imports	100.52	100.69	100.72	100.58	100.34	100.12	99.93

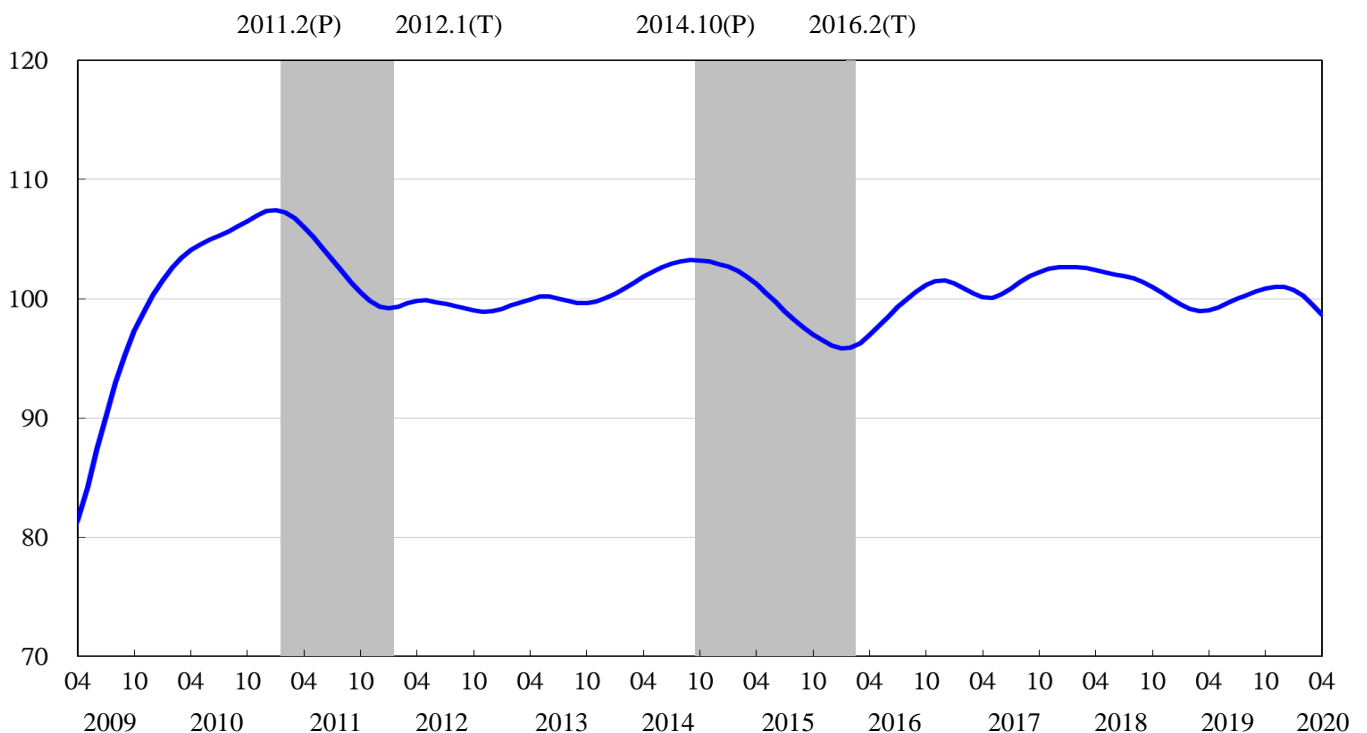


Figure 4 Trend-adjusted Coincident Index

Table 3 Lagging Indicators

	Index						
	2019			2020			
	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Trend adjusted index	99.73	99.48	99.21	98.82	98.40	97.88	97.29
Change from preceding month (%)	-0.26	-0.25	-0.27	-0.40	-0.42	-0.53	-0.61
Components							
Unemployment rate	100.13	100.13	100.09	99.97	99.76	99.45	99.07
The manufacturing unit output labor cost index	99.54	99.36	99.18	98.96	98.87	98.83	98.80
Interbank overnight call-loan rate	100.05	100.04	100.03	100.01	99.98	99.94	99.89
Loans and investments of financial institutions	100.16	100.32	100.49	100.66	100.80	100.89	100.98
Inventory value for manufacturing	99.82	99.60	99.38	99.15	98.91	98.66	98.41

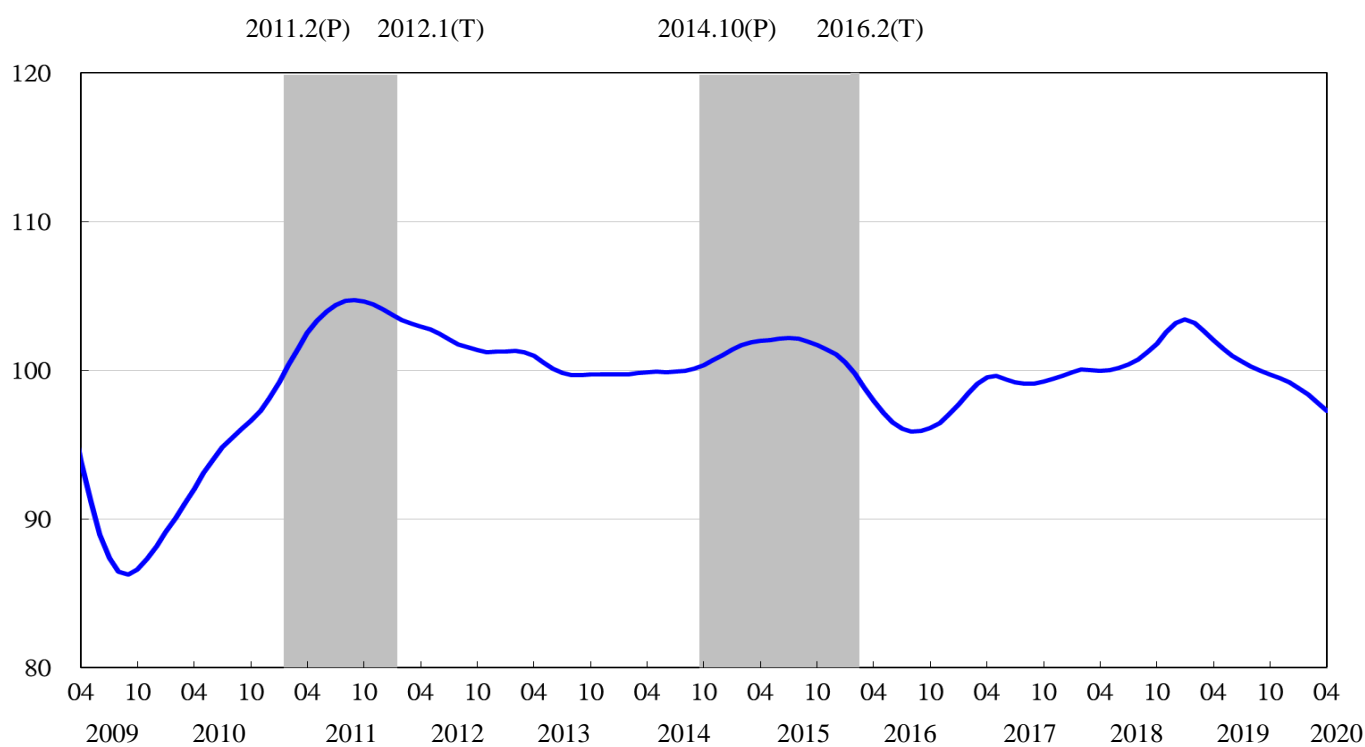


Figure 5 Trend-adjusted Lagging Index