

Taiwan Business Indicators in March 2020

Press Release

National Development Council (NDC)

April 27, 2020



In March 2020, the overall monitoring indicator changed to the “yellow-blue” signal from the “green” signal last month, as the total score decreased four points to 20. The trend-adjusted leading index decreased for six consecutive months and the coincident index decreased for two consecutive months, the government will be closely monitoring the economic situation.

The Monitoring Indicators

- The total score in March 2020 was 20, flashing the “yellow-blue” signal, which decreased 4 points from 24 last month.

Leading Indicators

- The trend-adjusted leading index decreased by 1.73% in March 2020 to 97.61, falling for six consecutive months.

Coincident Indicators

- The trend-adjusted coincident index decreased by 0.08% in March 2020 to 100.63, falling for two consecutive months.

Lagging Indicators

- The trend-adjusted lagging index decreased by 0.32% in March 2020 to 97.96, falling for fourteen consecutive months.

~~ Next publication date: May 27 2020 ~~

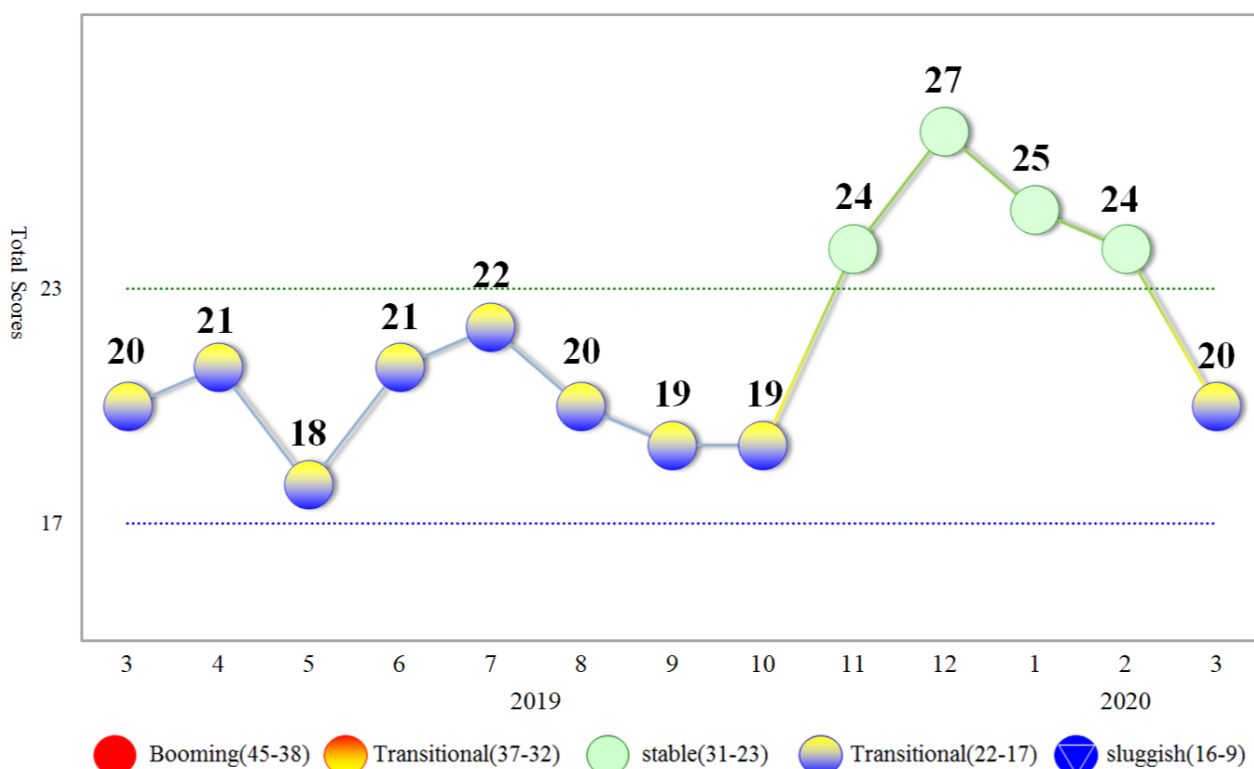


Figure 1 Total Scores in the Past Year

	2019											2020				
	3	4	5	6	7	8	9	10	11	12	1	2		3		
												light	%	light	%	
Total	Light Score	20	21	18	21	22	20	19	19	24	27	25	24		20	
Monetary Aggregates M1B		○	○	○	○	○	○	○	○	○	○	○	7.8	○	7.2	○
TAIEX Average Closing Price		○	○	○	○	○	○	○	○	○	○	○	13.8	○	-2.9	○
Industrial Production Index		▽	○	○	○	○	○	○	○	○	○	○	5.7 _r	○	10.0	○
Nonagricultural Employment		○	○	○	○	○	○	○	○	○	○	○	0.57	○	0.44	○
Customs-Cleared Exports		○	○	○	○	○	○	○	○	○	○	○	3.9 _r	○	-5.7	○
Imports of Machineries and Electrical Equipments		○	○	○	○	○	○	○	○	○	○	○	14.5	○	-1.5	○
Index of producer's shipment for manufacturing		▽	▽	▽	▽	▽	▽	○	○	○	○	○	3.1 _r	○	5.0	○
Sales of Trade and Food Services		▽	○	○	○	○	○	○	○	○	○	○	0.5	○	4.4	○
The TIER Manufacturing Sector Composite Indicator		○	○	○	○	○	○	○	○	○	○	○	88.8 _r	○	82.4	○

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

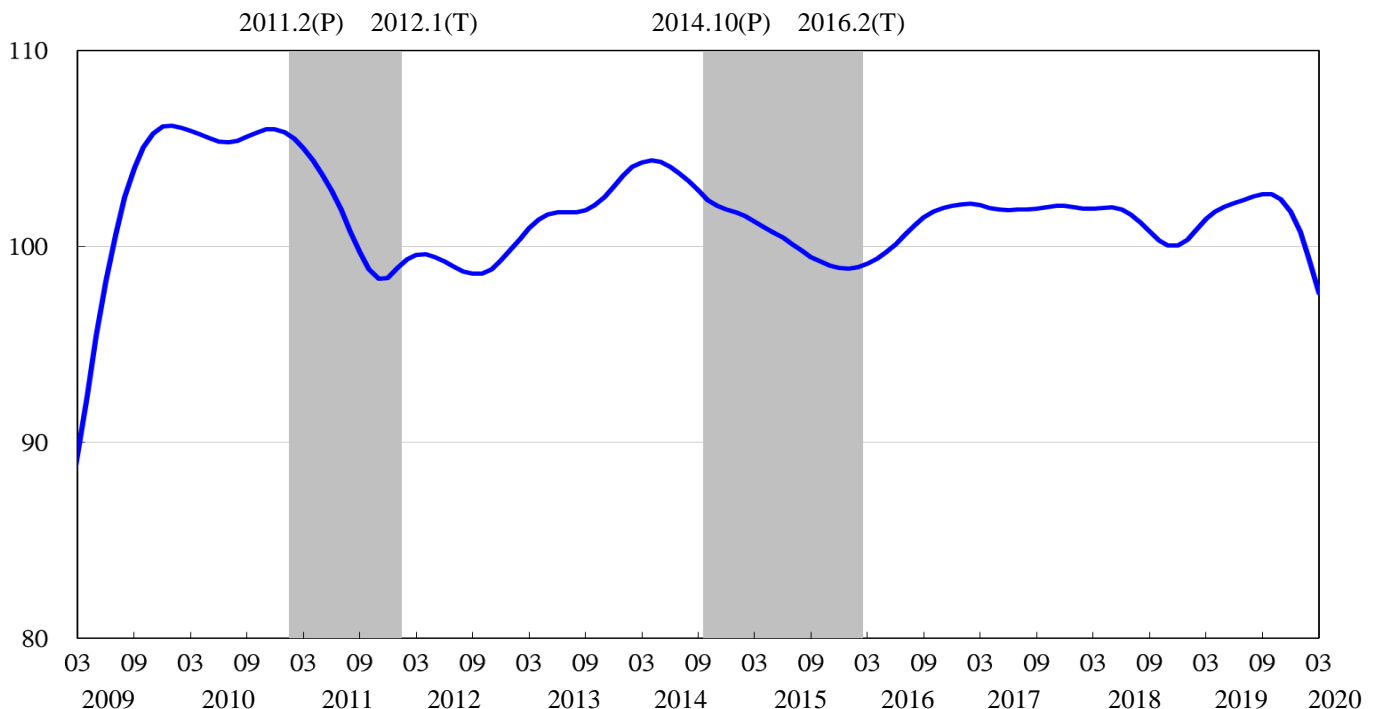
	Index						
	2019				2020		
	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Trend adjusted index	102.68	102.66	102.40	101.76	100.73	99.33	97.61
Change from preceding month (%)	0.13	-0.01	-0.26	-0.63	-1.01	-1.39	-1.73
Components¹							
Diffusion Index of export orders ²	101.18	100.84	100.17	99.12	97.83	96.29	94.49
Real monetary aggregates M1B	100.12	100.13	100.14	100.18	100.24	100.33	100.43
TAIEX average closing price	100.05	100.14	100.22	100.23	100.16	100.01	99.81
Net accession rate of employees on payrolls of industry and services ³	100.27	100.18	100.03	99.84	99.60	99.34	98.99
New housing construction started ⁴	100.00	100.03	100.07	100.10	100.08	100.00	99.91
Real imports of semiconductor equipment	100.26	100.58	100.90	101.12	101.20	101.13	100.98
The TIER manufacturing sector composite indicator	100.50	100.46	100.36	100.16	99.81	99.33	98.78

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		
	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Trend adjusted index	100.10	100.31	100.53	100.68	100.73	100.71	100.63
Change from preceding month (%)	0.24	0.22	0.21	0.15	0.05	-0.02	-0.08
Components							
Industrial production index	99.94	100.12	100.29	100.41	100.44	100.37	100.26
Electric power consumption	98.96	99.09	99.36	99.72	100.17	100.61	100.97
Index of producer's shipment for manufacturing	99.93	100.01	100.09	100.15	100.17	100.18	100.17
Sales of trade and food services	99.79	99.72	99.63	99.56	99.54	99.64	99.75
Nonagricultural employment	99.95	99.91	99.87	99.83	99.80	99.76	99.72
Real customs-cleared exports	100.29	100.25	100.17	100.05	99.89	99.74	99.63
Real machineries and electrical equipments imports	100.33	100.57	100.72	100.72	100.53	100.20	99.83

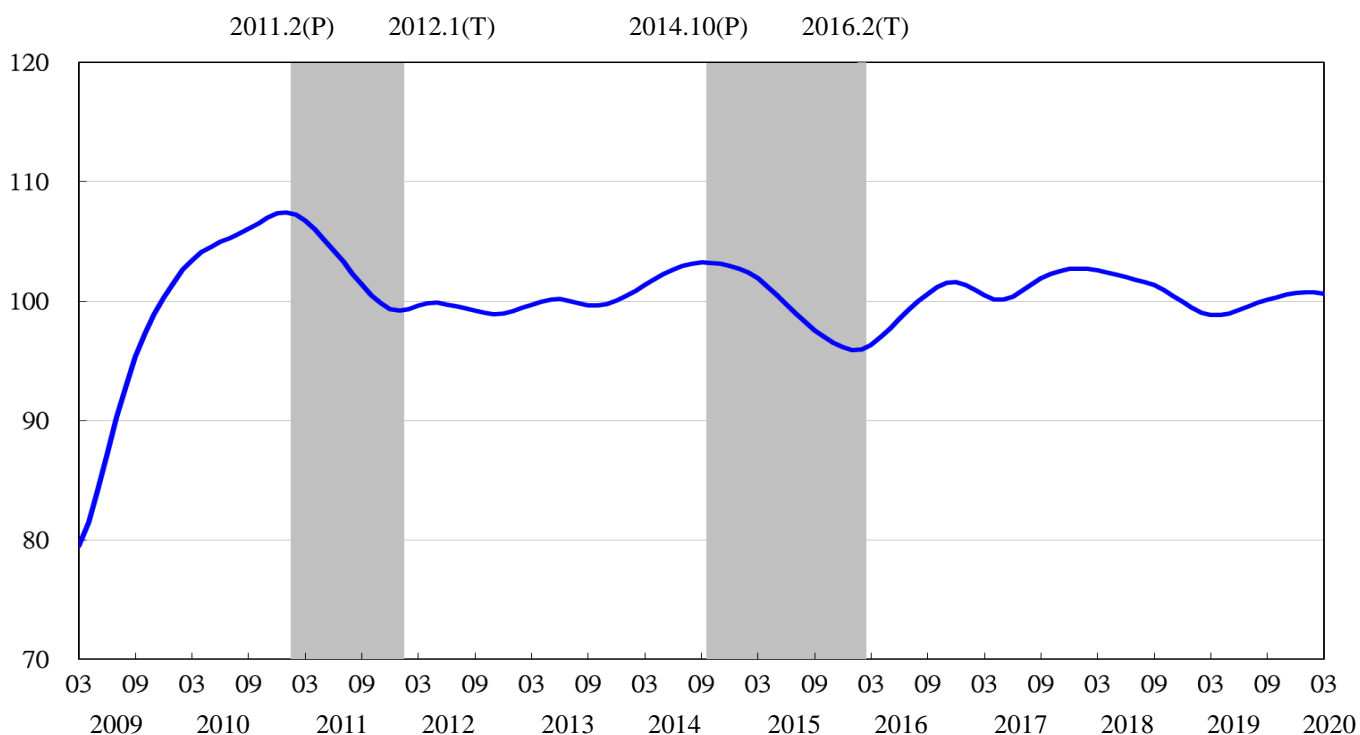


Figure 4 Trend-adjusted Coincident Index

Table 3 Lagging Indicators

	Index						
	2019				2020		
	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Trend adjusted index	99.67	99.38	99.13	98.88	98.55	98.27	97.96
Change from preceding month (%)	-0.30	-0.29	-0.26	-0.25	-0.33	-0.29	-0.32
Components							
Unemployment rate	99.90	99.91	99.92	99.93	99.92	99.91	99.88
The manufacturing unit output labor cost index	99.71	99.51	99.31	99.08	98.79	98.58	98.39
Interbank overnight call-loan rate	100.03	100.03	100.02	100.01	100.01	99.99	99.98
Loans and investments of financial institutions	100.09	100.22	100.38	100.57	100.77	100.96	101.12
Inventory value for manufacturing	99.93	99.69	99.45	99.22	98.99	98.74	98.48

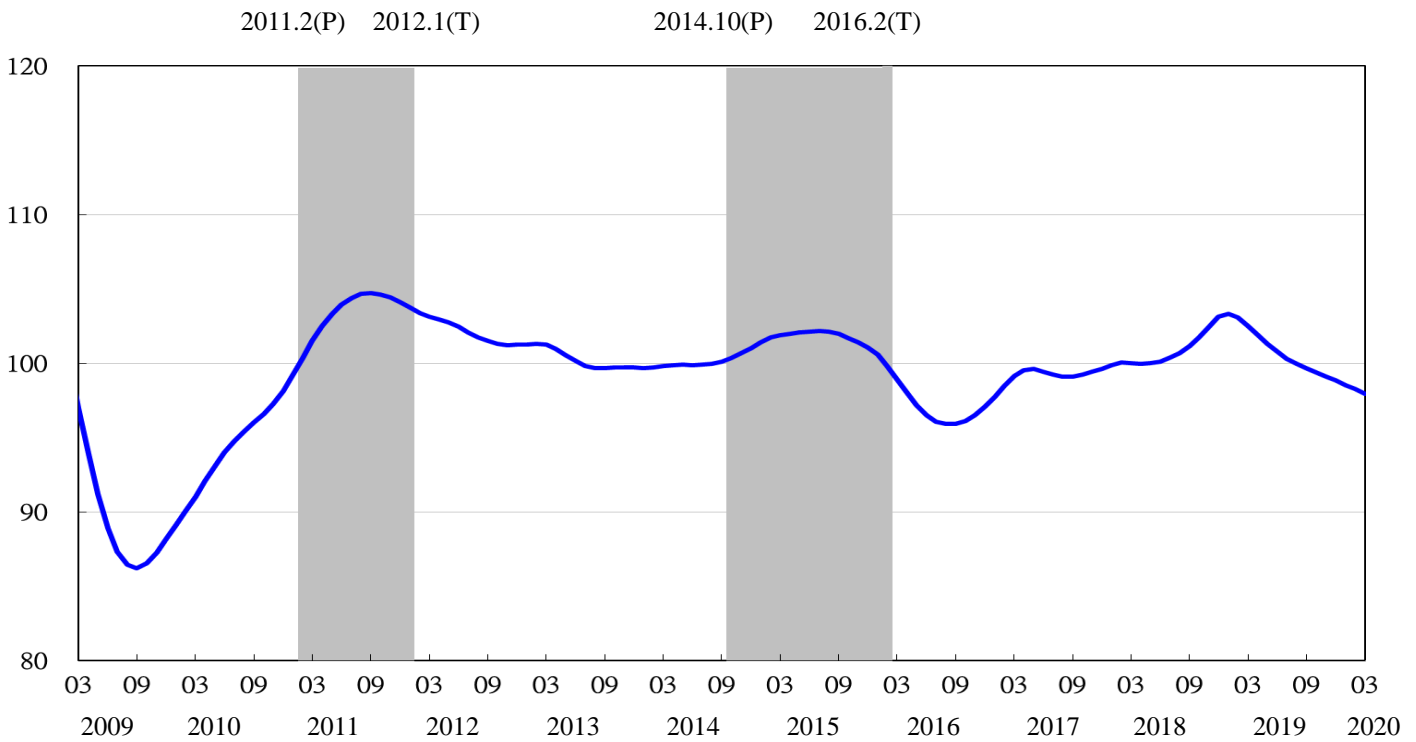


Figure 5 Trend-adjusted Lagging Index