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.

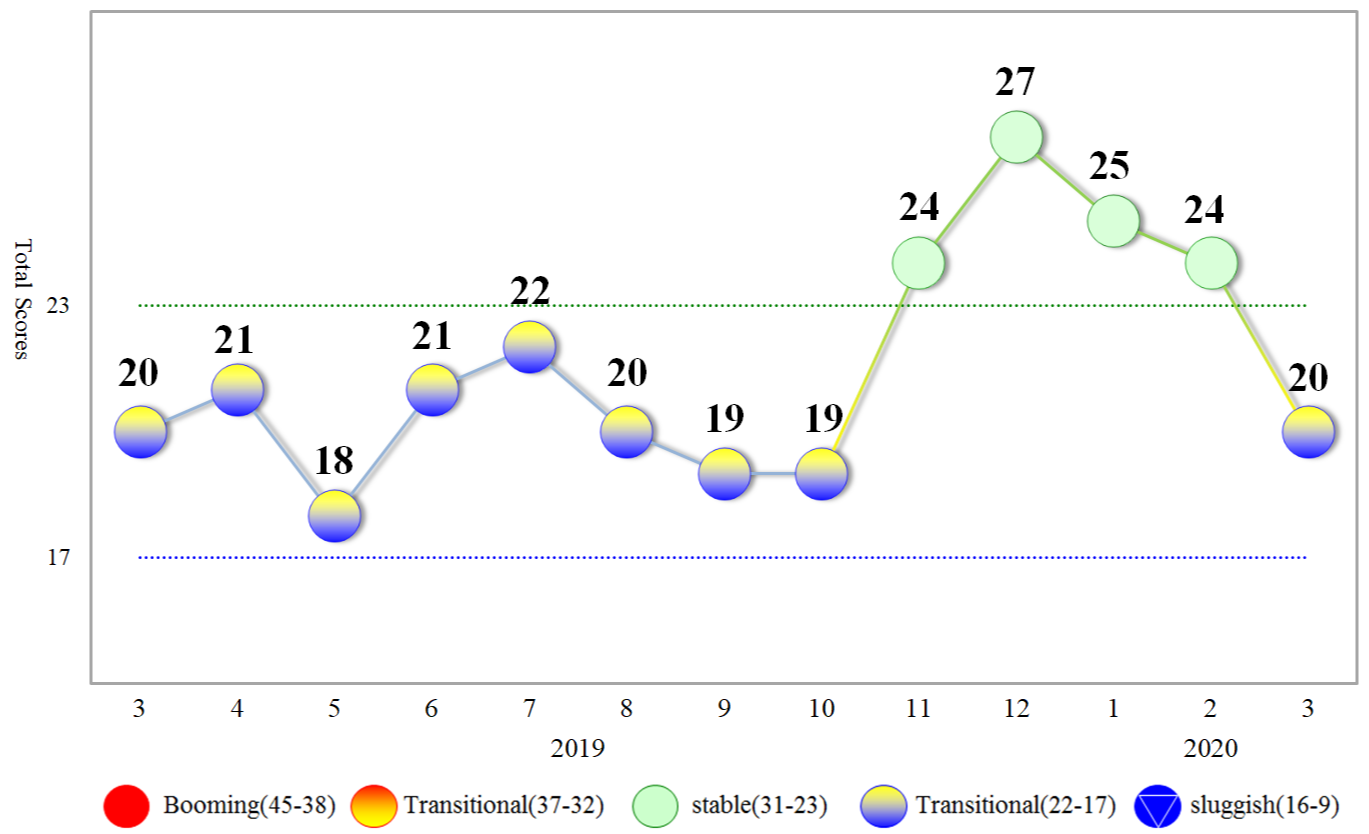
Coincident Indicators

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

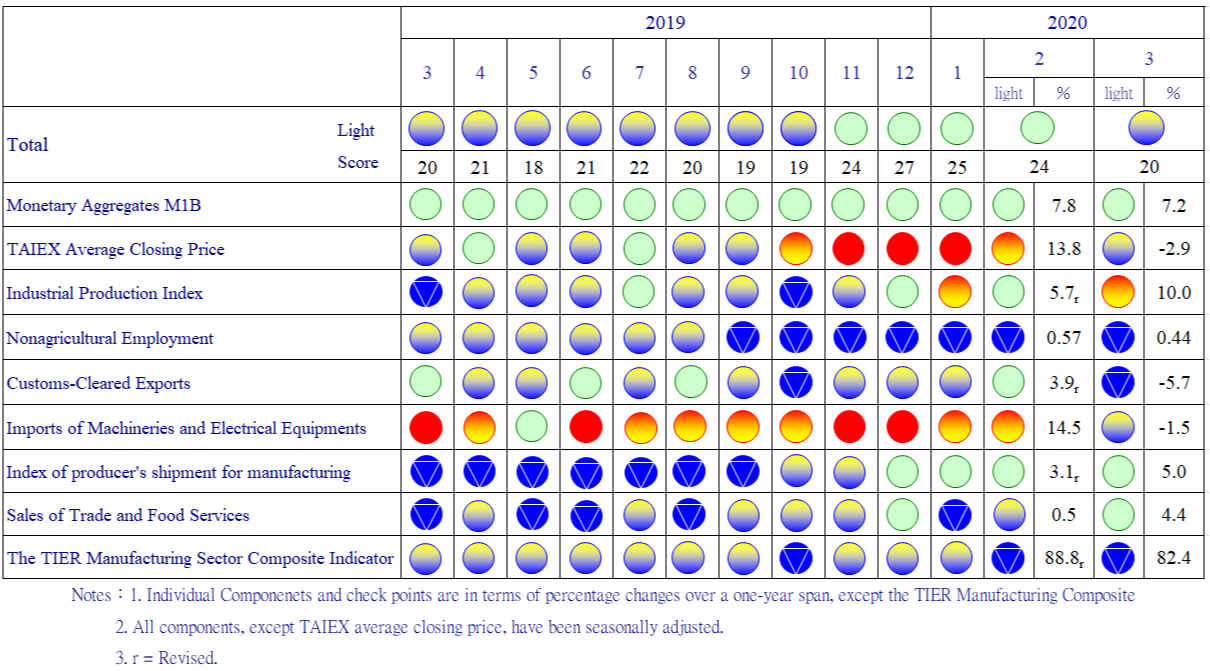
Lagging Indicators

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

**T~~ Next publication date: May 27 2020 ~~**



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



**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 orders2 | 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 |

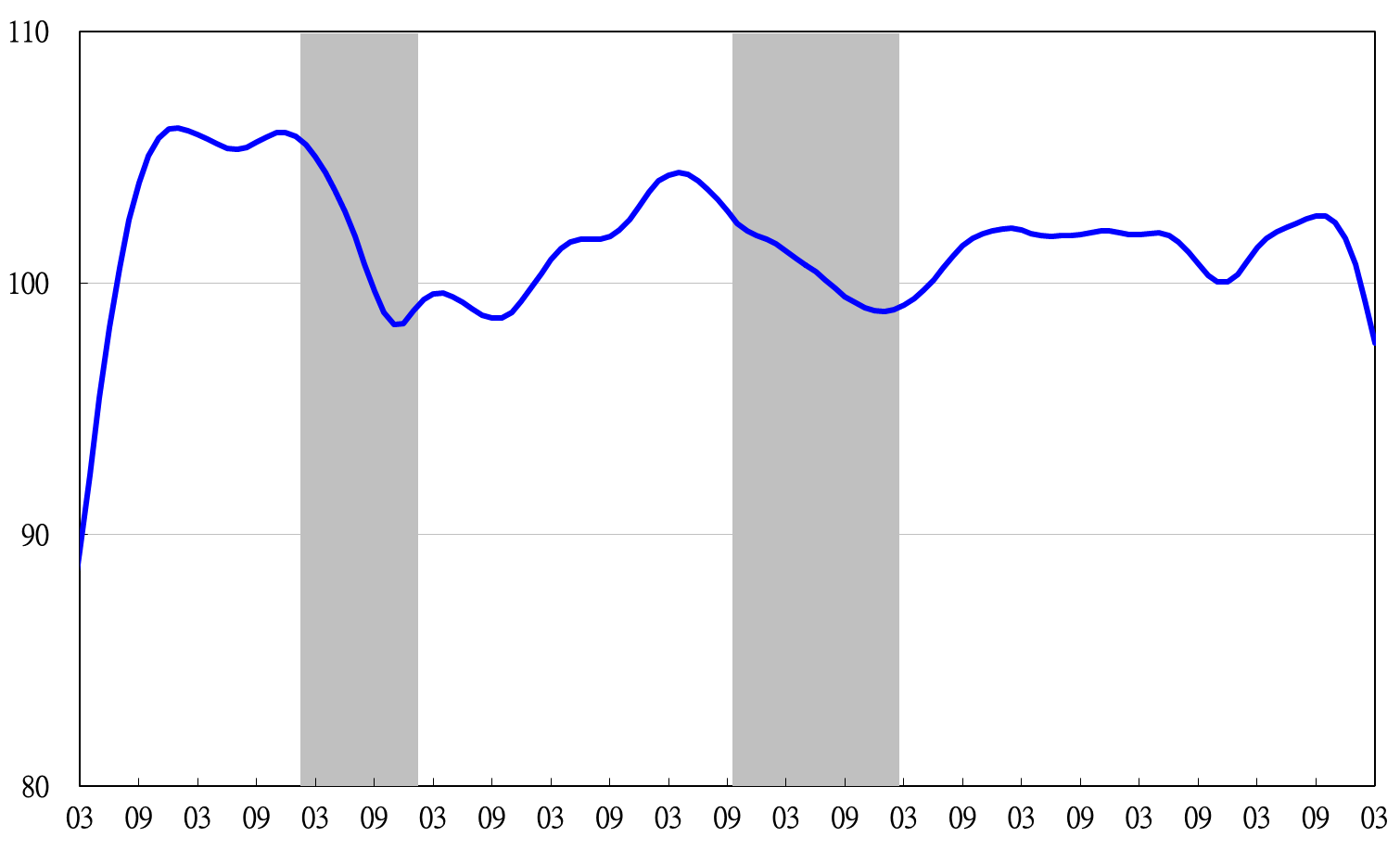
Note：1. All components are passed through seasonal adjustment, trend-removal, smoothing and normalization.

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.

2011.2(P) 2012.1(T)　　　　 2014.10(P) 2016.2(T)



2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

**Figure 3 Trend-adjusted Leading Index**

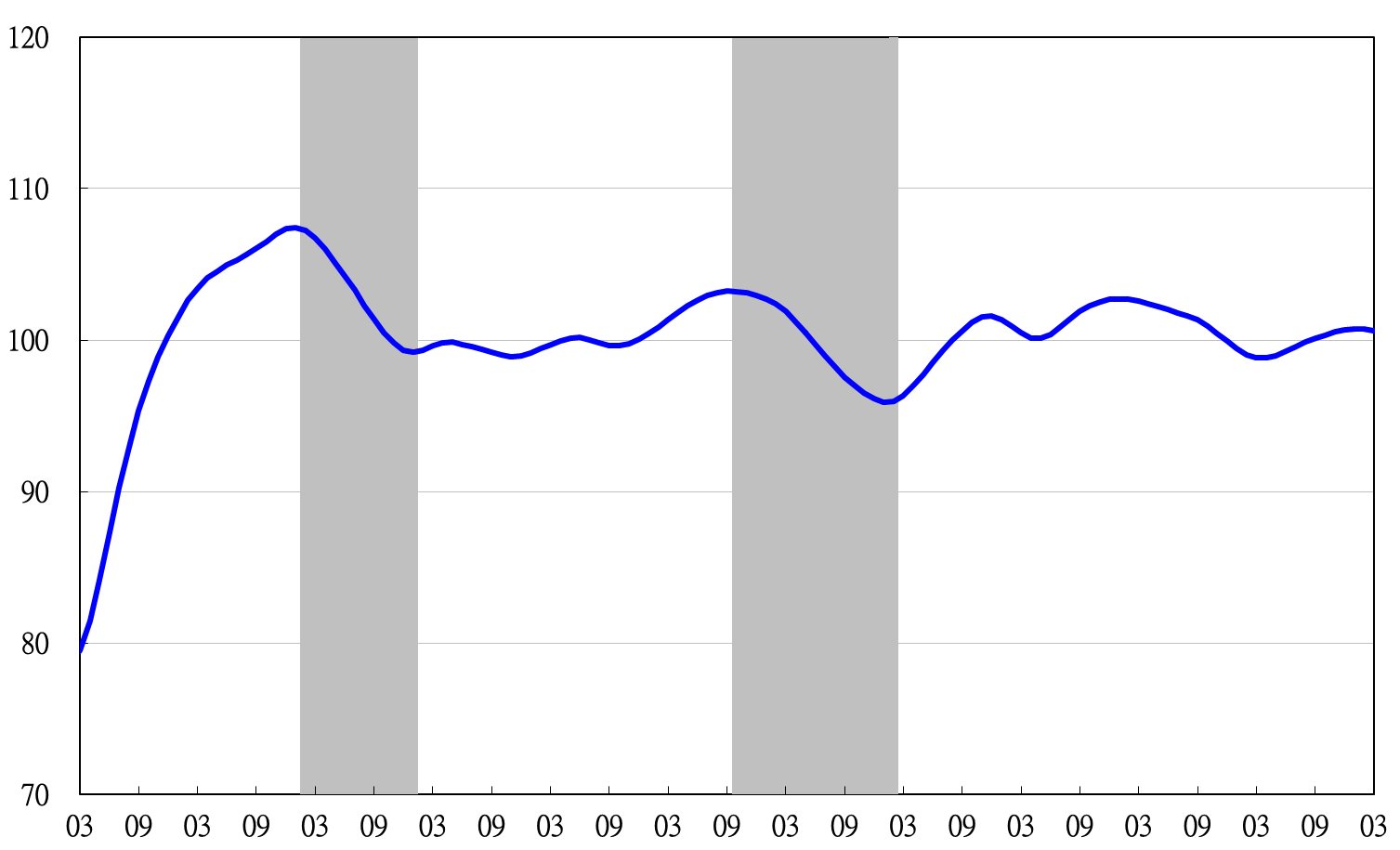
Note: Shaded areas represent recessions.

**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 |

2011.2(P) 2012.1(T) 2014.10(P) 2016.2(T)

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2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

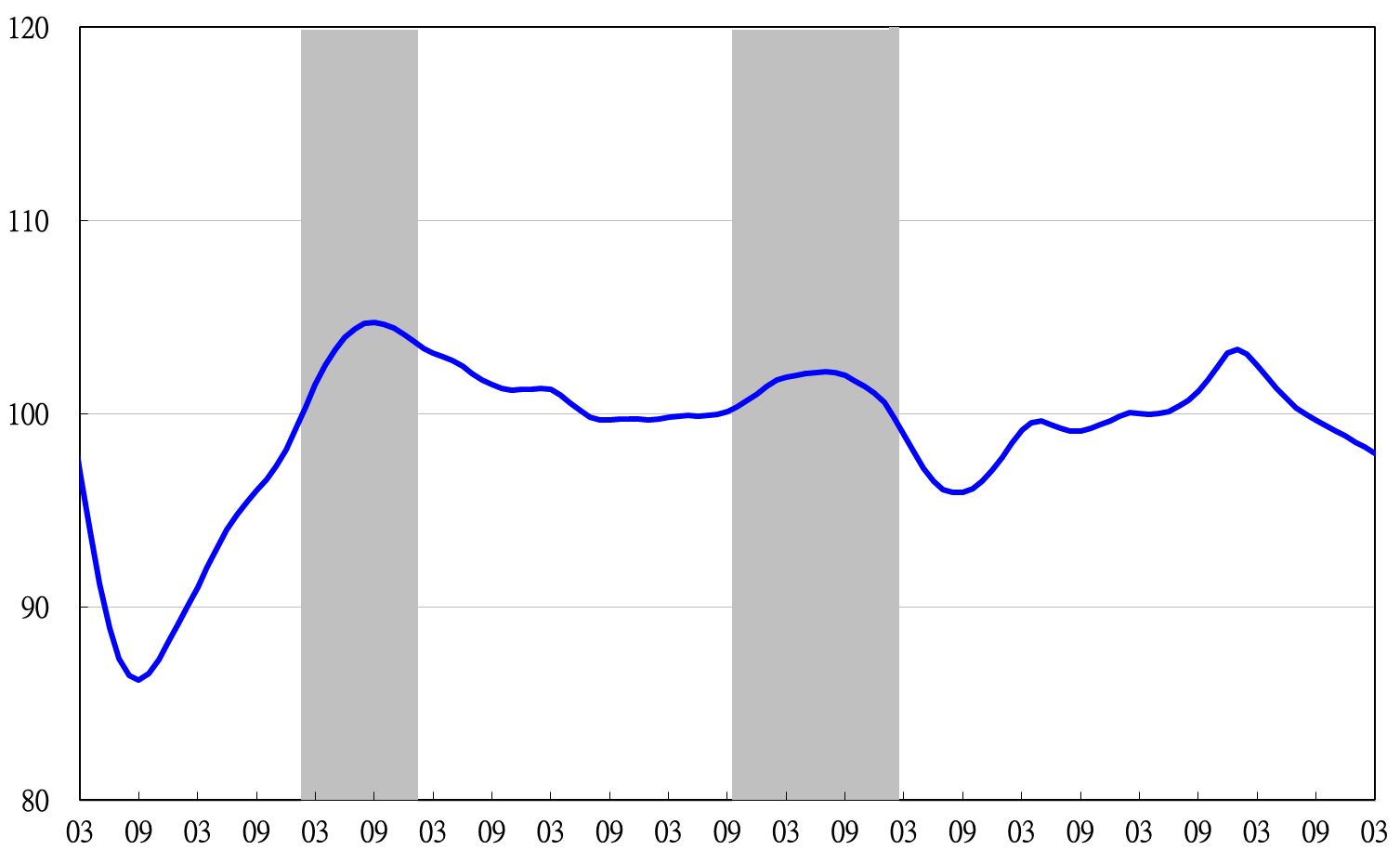
**Figure 4 Trend-adjusted Coincident Index**

**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** | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 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 | |

2011.2(P) 2012.1(T) 2014.10(P) 2016.2(T)

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2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

**Figure 5 Trend-adjusted Lagging Index**