

Taiwan Business Indicators in October 2020

Press Release

National Development Council (NDC)

November 27, 2020



In October 2020, the overall monitoring indicator continued to flash the “green” signal, as the total score increased one point to 28. The trend-adjusted leading index increased for seven consecutive months and the coincident index increased for five consecutive months, the government will be closely monitoring the economic situation.

The Monitoring Indicators

- The total score in October 2020 was 28, flashing the “green” signal, which increased 1 point from 27 last month.

Leading Indicators

- The trend-adjusted leading index increased by 1.62% in October 2020 to 106.92, rising for seven consecutive months.

Coincident Indicators

- The trend-adjusted coincident index increased by 1.10% in October 2020 to 103.27, rising for five consecutive months.

Lagging Indicators

- The trend-adjusted lagging index decreased by 0.11% in October 2020 to 97.80, falling for twenty-one consecutive months.

~~ Next publication date: December 28 2020 ~~

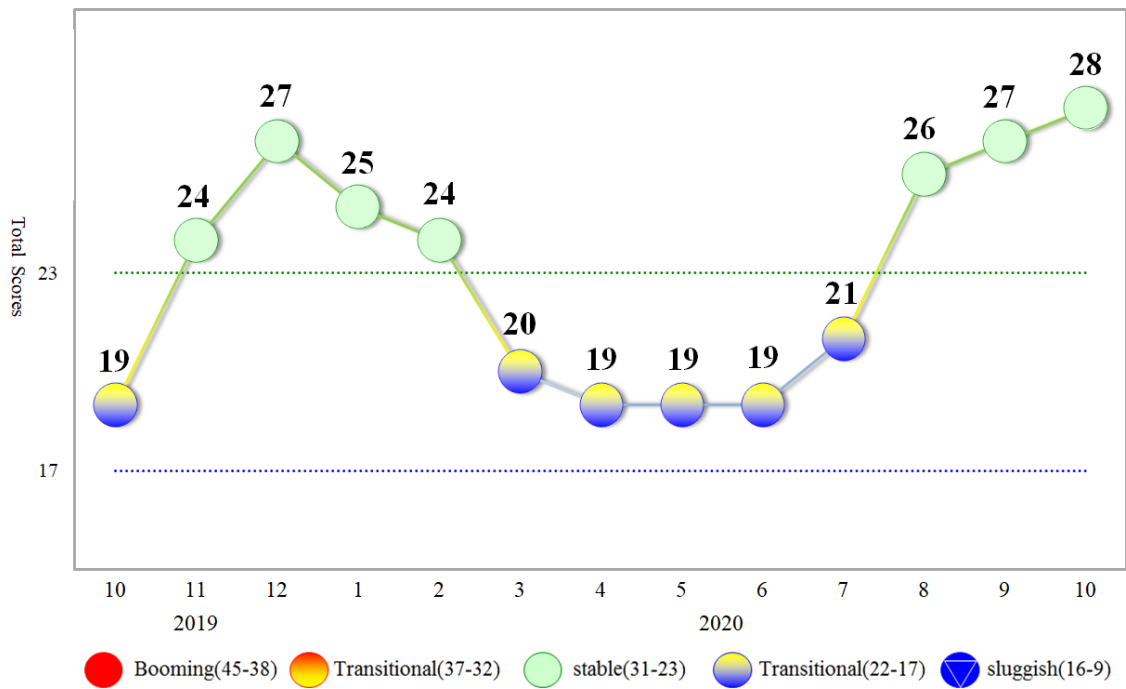


Figure 1 Total Scores in the Past Year

| | 2019 | | | 2020 | | | | | | | | | | | | |
|---|-------------|----|----|------|----|----|----|----|----|----|----|-------|----|-------|---|--|
| | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | 10 | | |
| | | | | | | | | | | | | light | % | light | % | |
| Total | Light Score | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 19 | 21 | 26 | 27 | 28 | | |
| Monetary Aggregates M1B | | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 19 | 21 | 26 | 27 | 28 | | |
| TAIEX Average Closing Price | | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 21 | 26 | 27 | 28 | | | |
| Industrial Production Index | | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 21 | 26 | 27 | 28 | | | |
| Nonagricultural Employment | | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 21 | 26 | 27 | 28 | | | |
| Customs-Cleared Exports | | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 21 | 26 | 27 | 28 | | | |
| Imports of Machineries and Electrical Equipments | | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 21 | 26 | 27 | 28 | | | |
| Index of producer's shipment for manufacturing | | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 21 | 26 | 27 | 28 | | | |
| Sales of Trade and Food Services | | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 21 | 26 | 27 | 28 | | | |
| The TIER Manufacturing Sector Composite Indicator | | 19 | 24 | 27 | 25 | 24 | 20 | 19 | 19 | 21 | 26 | 27 | 28 | | | |

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.

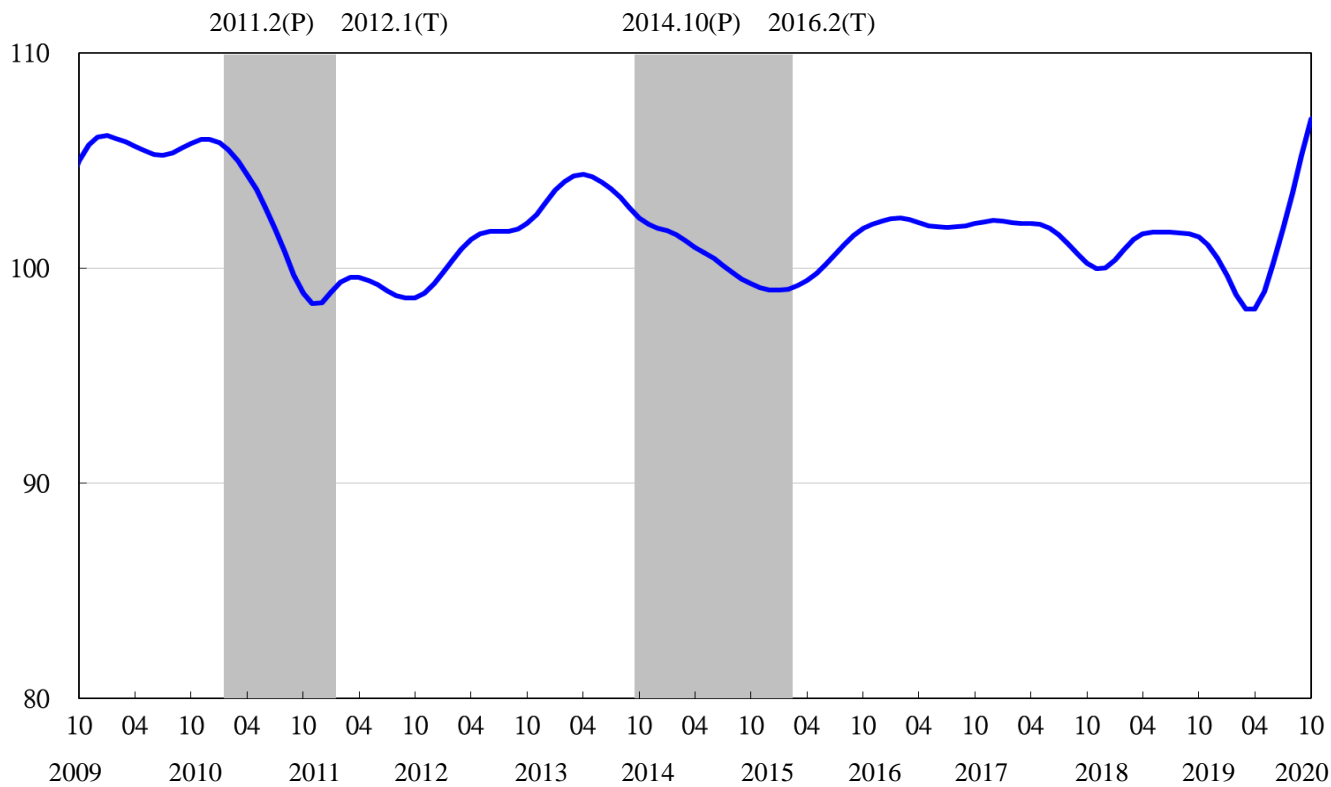
Figure 2 Monitoring Indicators

Table 1 Leading Indicators

Index

| | 2020 | | | | | | |
|---|--------|--------|--------|--------|--------|--------|--------|
| | Apr | May | Jun | Jul | Aug | Sep | Oct |
| Trend adjusted index | 98.09 | 98.89 | 100.22 | 101.83 | 103.52 | 105.22 | 106.92 |
| Change from preceding month (%) | 0.01 | 0.81 | 1.35 | 1.60 | 1.67 | 1.64 | 1.62 |
| Components¹ | | | | | | | |
| Diffusion Index of export orders ² | 96.80 | 97.81 | 99.10 | 100.41 | 101.67 | 102.89 | 104.12 |
| Real monetary aggregates M1B | 100.14 | 100.34 | 100.55 | 100.73 | 100.91 | 101.08 | 101.25 |
| TAIEX average closing price | 99.65 | 99.73 | 99.90 | 100.11 | 100.34 | 100.55 | 100.76 |
| Net accession rate of employees on payrolls of industry and services ³ | 98.97 | 99.14 | 99.48 | 99.88 | 100.31 | 100.72 | 101.12 |
| New housing construction started ⁴ | 99.78 | 99.87 | 100.02 | 100.23 | 100.48 | 100.73 | 100.98 |
| Real imports of semiconductor equipment | 100.23 | 99.80 | 99.51 | 99.36 | 99.34 | 99.38 | 99.45 |
| The TIER manufacturing sector composite indicator | 98.69 | 98.98 | 99.51 | 100.19 | 100.91 | 101.62 | 102.32 |

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 | | | | | | |
|--|--------|-------|-------|--------|--------|--------|--------|
| | 2020 | | | | | | |
| | Apr | May | Jun | Jul | Aug | Sep | Oct |
| Trend adjusted index | 98.82 | 98.77 | 99.16 | 99.96 | 101.01 | 102.15 | 103.27 |
| Change from preceding month (%) | -0.41 | -0.06 | 0.39 | 0.81 | 1.05 | 1.13 | 1.10 |
| Components | | | | | | | |
| Industrial production index | 99.82 | 99.82 | 99.92 | 100.13 | 100.43 | 100.78 | 101.12 |
| Electric power consumption | 99.57 | 99.45 | 99.51 | 99.78 | 100.15 | 100.56 | 100.96 |
| Index of producer's shipment for manufacturing | 99.42 | 99.55 | 99.82 | 100.20 | 100.66 | 101.14 | 101.59 |
| Sales of trade and food services | 98.64 | 98.64 | 98.96 | 99.52 | 100.17 | 100.83 | 101.40 |
| Nonagricultural employment | 99.68 | 99.48 | 99.34 | 99.25 | 99.20 | 99.18 | 99.16 |
| Real customs-cleared exports | 99.36 | 99.55 | 99.82 | 100.19 | 100.66 | 101.16 | 101.71 |
| Real machineries and electrical equipments imports | 100.00 | 99.89 | 99.83 | 99.83 | 99.87 | 99.95 | 100.05 |

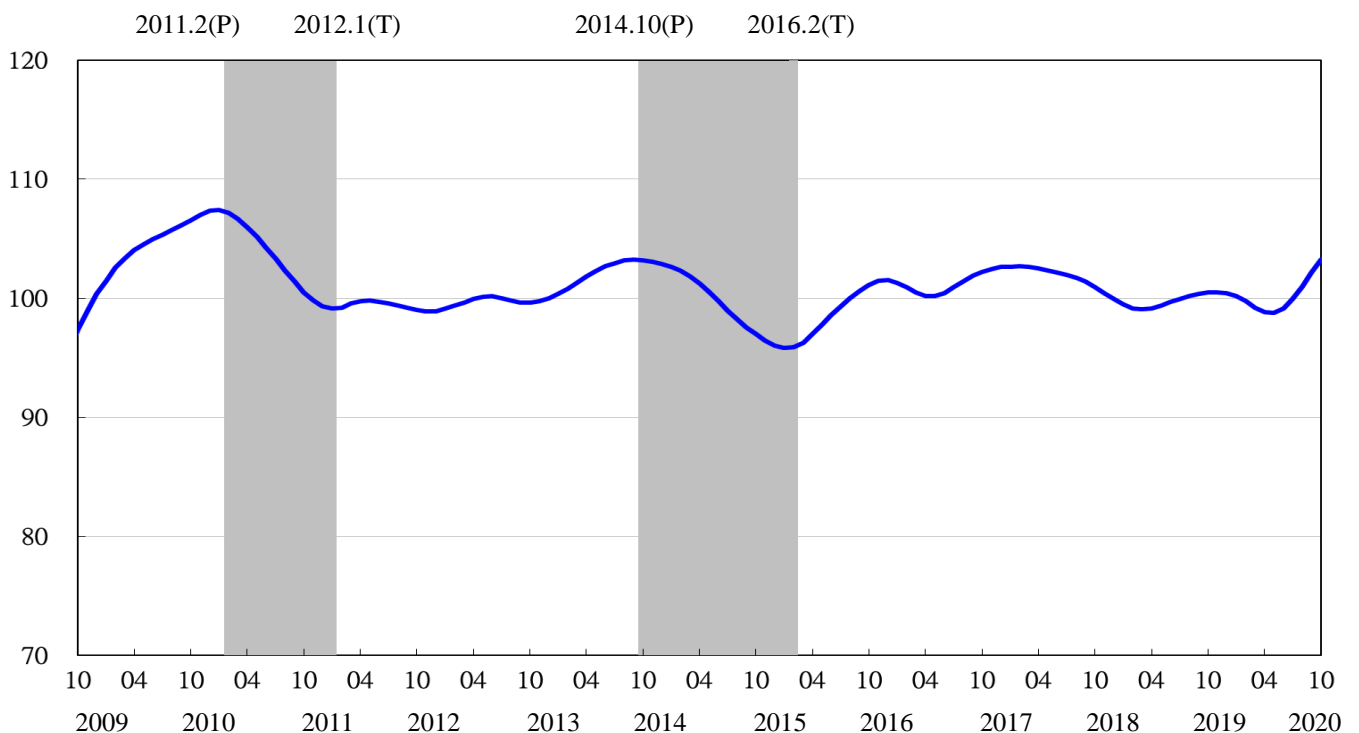


Figure 4 Trend-adjusted Coincident Index

