

# Taiwan Business Indicators in September 2020

Press Release

National Development Council (NDC)

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In September 2020, the overall monitoring indicator continued to flash the “green” signal, as the total score increased one point to 27. The trend-adjusted leading index increased for six consecutive months and the coincident index increased for four consecutive months, the government will be closely monitoring the economic situation.

## The Monitoring Indicators

- The total score in September 2020 was 27, flashing the “green” signal, which increased 1 point from 26 last month.

## Leading Indicators

- The trend-adjusted leading index increased by 1.63% in September 2020 to 105.77, rising for six consecutive months.

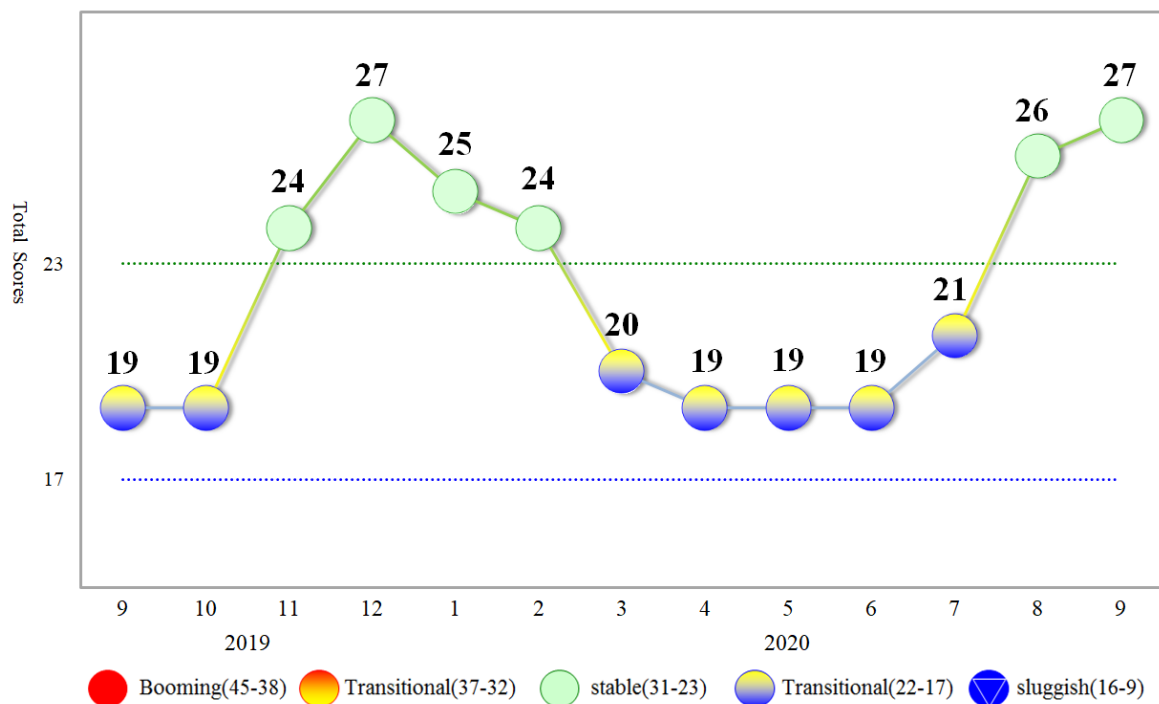
## Coincident Indicators

- The trend-adjusted coincident index increased by 1.12% in September 2020 to 102.39, rising for four consecutive months.

## Lagging Indicators

- The trend-adjusted lagging index decreased by 0.16% in September 2020 to 97.56, falling for twentieth consecutive months.

**~~ Next publication date: November 27 2020 ~~**



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

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

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**

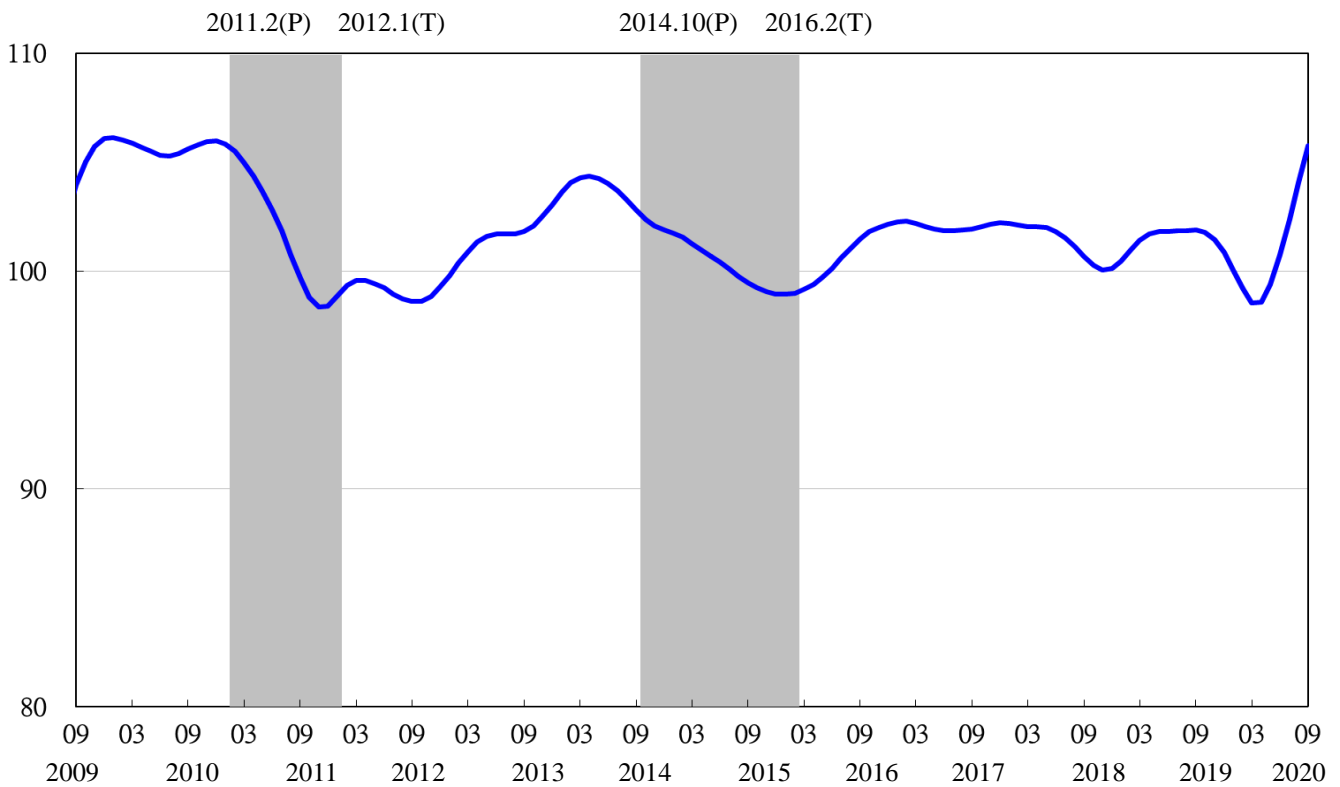
	Index						
	2020						
	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>Trend adjusted index</b>	98.53	98.56	99.39	100.76	102.37	104.08	105.77
Change from preceding month (%)	-0.67	0.04	0.84	1.38	1.60	1.66	1.63
<b>Components<sup>1</sup></b>							
Diffusion Index of export orders <sup>2</sup>	96.70	97.11	98.16	99.47	100.79	102.04	103.23
Real monetary aggregates M1B	100.03	100.24	100.46	100.67	100.87	101.05	101.24
TAIEX average closing price	99.74	99.70	99.78	99.96	100.20	100.46	100.71
Net accession rate of employees on payrolls of industry and services <sup>3</sup>	99.11	99.04	99.21	99.58	100.01	100.48	100.97
New housing construction started <sup>4</sup>	99.84	99.88	99.96	100.10	100.30	100.53	100.76
Real imports of semiconductor equipment	100.75	100.25	99.81	99.49	99.28	99.15	99.05
The TIER manufacturing sector composite indicator	98.85	98.86	99.17	99.73	100.44	101.21	101.98

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.

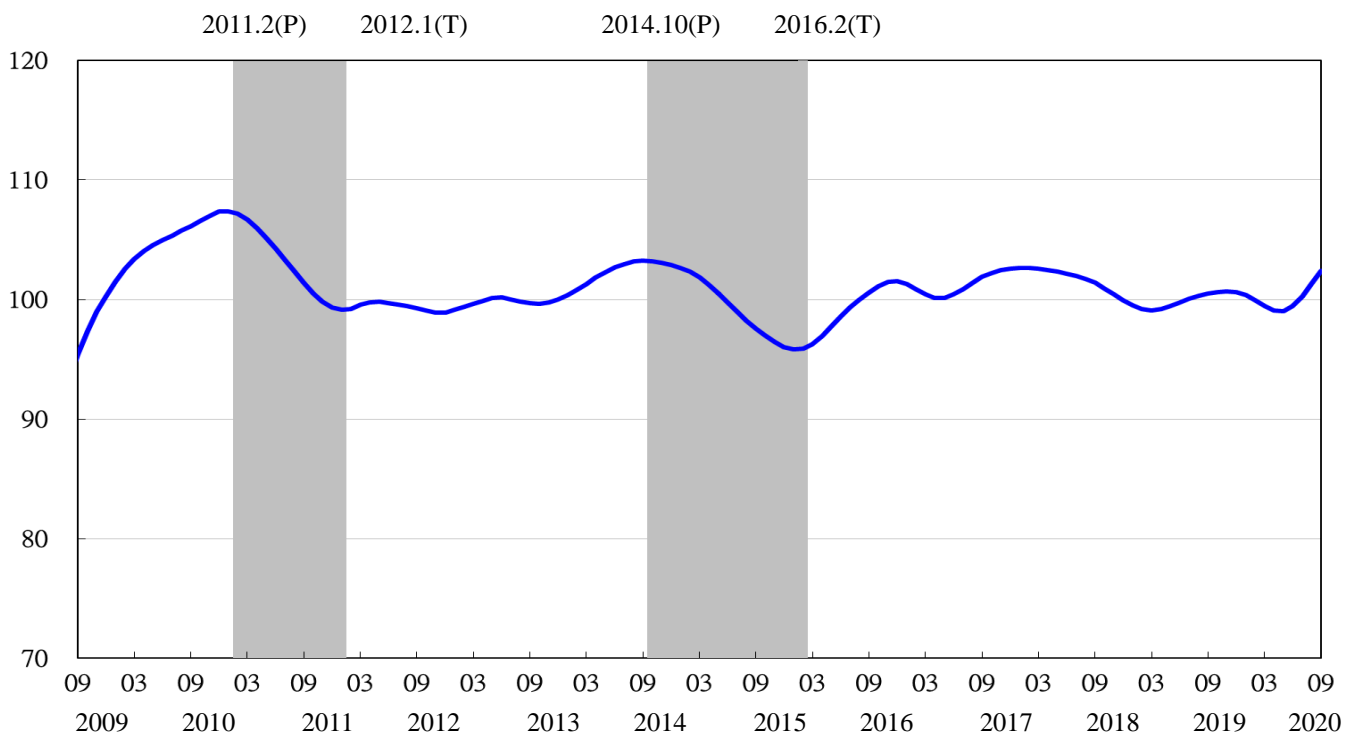


Note: Shaded areas represent recessions.

**Figure 3 Trend-adjusted Leading Index**

**Table 2 Coincident Indicators**

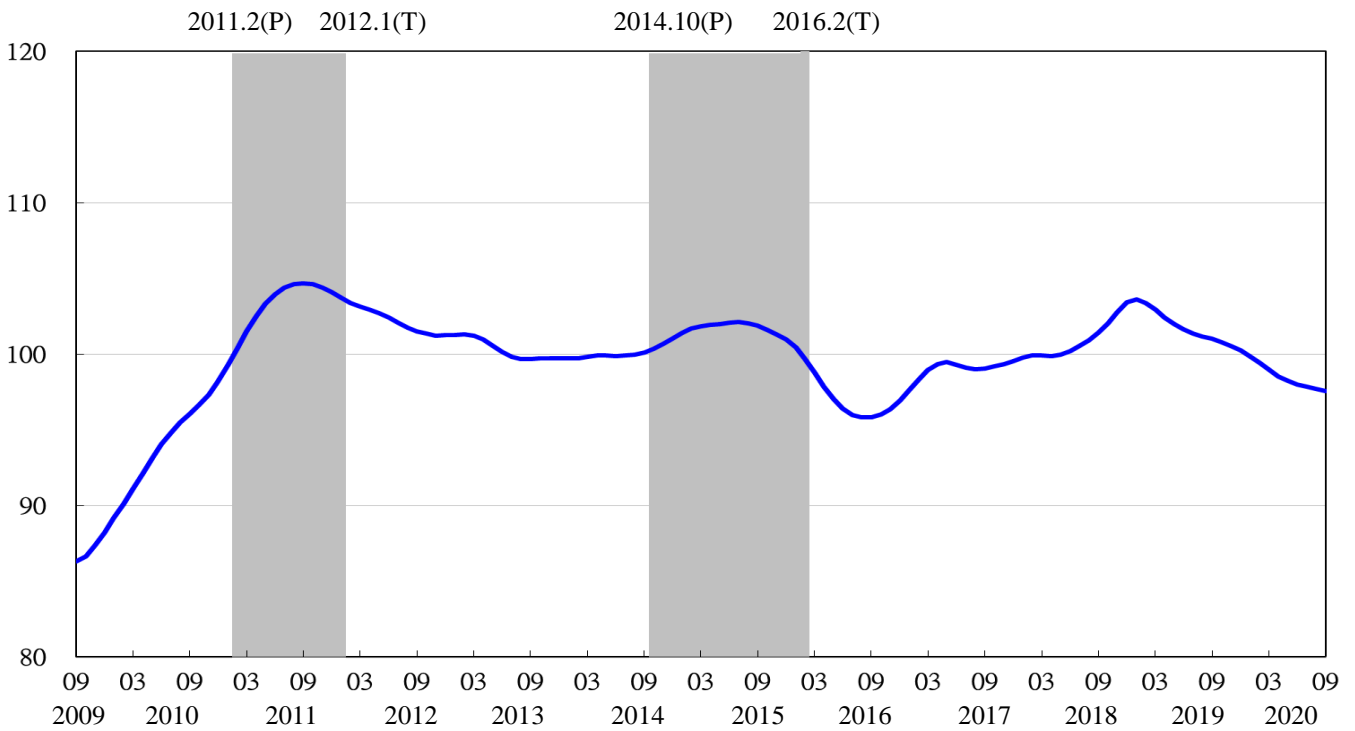
	Index						
	2020						
	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>Trend adjusted index</b>	99.47	99.08	99.03	99.42	100.22	101.26	102.39
Change from preceding month (%)	-0.50	-0.39	-0.05	0.40	0.80	1.04	1.12
<b>Components</b>							
Industrial production index	100.01	99.94	99.94	100.03	100.23	100.51	100.83
Electric power consumption	99.88	99.64	99.53	99.59	99.85	100.22	100.61
Index of producer's shipment for manufacturing	99.48	99.50	99.65	99.96	100.41	100.97	101.59
Sales of trade and food services	98.89	98.65	98.66	99.03	99.69	100.50	101.40
Nonagricultural employment	99.84	99.61	99.42	99.27	99.18	99.11	99.06
Real customs-cleared exports	99.51	99.60	99.79	100.03	100.34	100.69	101.00
Real machineries and electrical equipments imports	100.25	100.10	99.96	99.85	99.77	99.69	99.62



**Figure 4 Trend-adjusted Coincident Index**

**Table 3 Lagging Indicators**

	Index						
	2020						
	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>Trend adjusted index</b>	98.99	98.55	98.23	98.02	97.87	97.72	97.56
Change from preceding month (%)	-0.46	-0.45	-0.33	-0.21	-0.16	-0.15	-0.16
<b>Components</b>							
Unemployment rate	99.65	99.42	99.30	99.35	99.51	99.75	100.01
The manufacturing unit output labor cost index	99.48	99.28	99.03	98.75	98.43	98.12	97.83
Interbank overnight call-loan rate	100.00	99.96	99.93	99.91	99.90	99.893	99.888
Loans and investments of financial institutions	100.41	100.50	100.60	100.72	100.83	100.90	100.96
Inventory value for manufacturing	99.39	99.31	99.26	99.18	99.07	98.92	98.74



**Figure 5 Trend-adjusted Lagging Index**