

Taiwan Business Indicators in November 2020

Press Release

National Development Council (NDC)

December 28, 2020



In November 2020, the overall monitoring indicator continued to flash the “green” signal, as the total score increased two points to 30. The trend-adjusted leading index increased for seven consecutive months and the coincident index increased for six consecutive months, the government will be closely monitoring the economic situation.

The Monitoring Indicators

- The total score in November 2020 was 30, flashing the “green” signal, which increased 2 points from 28 last month.

Leading Indicators

- The trend-adjusted leading index increased by 1.41% in November 2020 to 107.45, rising for seven consecutive months.

Coincident Indicators

- The trend-adjusted coincident index increased by 1.16% in November 2020 to 104.21, rising for six consecutive months.

Lagging Indicators

- The trend-adjusted lagging index decreased by 0.15% in November 2020 to 97.75, falling for twenty-two consecutive months.

~~ Next publication date: January 27 2021 ~~

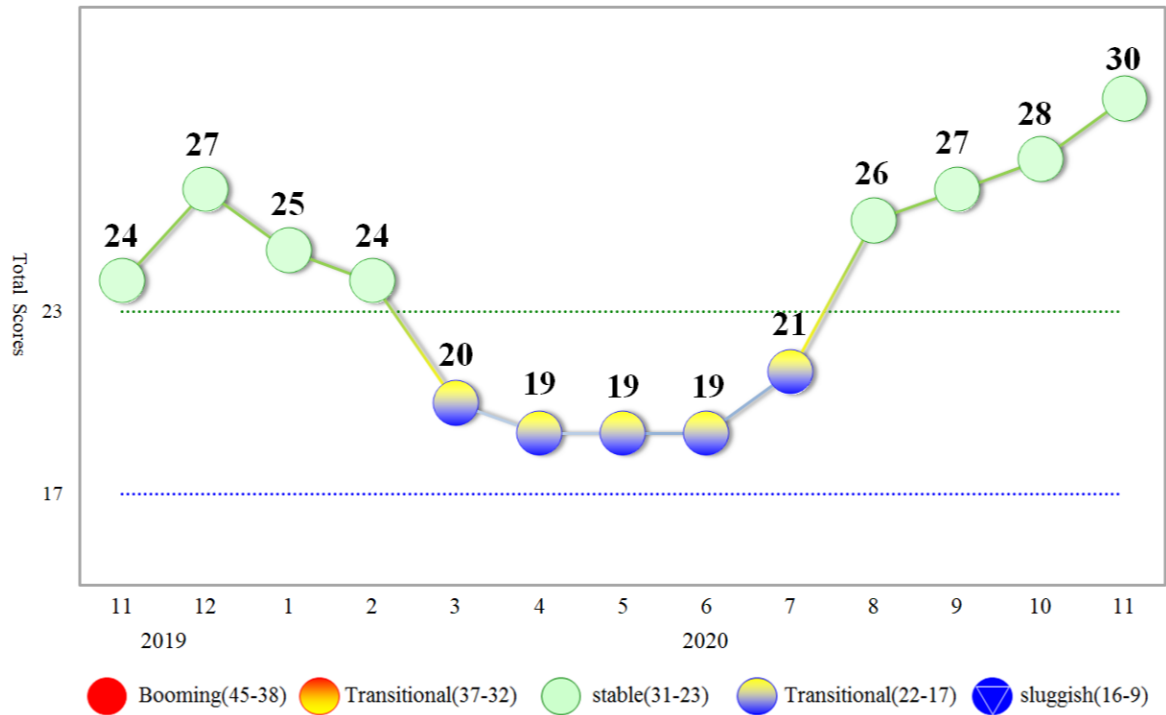


Figure 1 Total Scores in the Past Year

		2019		2020												
		11	12	1	2	3	4	5	6	7	8	9	10		11	
		light	%	light	%	light	%	light	%	light	%	light	%	light	%	
Total	Light Score	24	27	25	24	20	19	19	19	21	26	27	28		30	
		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Monetary Aggregates M1B		●	●	●	●	●	●	●	●	●	●	●	●	12.8	●	14.3
TAIEX Average Closing Price		●	●	●	●	●	●	●	●	●	●	●	●	15.1	●	15.9
Industrial Production Index		●	●	●	●	●	●	●	●	●	●	●	●	7.0 _r	●	6.8
Nonagricultural Employment		●	●	●	●	●	●	●	●	●	●	●	●	0.00	●	0.01
Customs-Cleared Exports		●	●	●	●	●	●	●	●	●	●	●	●	8.9	●	4.7
Imports of Machineries and Electrical Equipments		●	●	●	●	●	●	●	●	●	●	●	●	4.7	●	6.5
Index of producer's shipment for manufacturing		●	●	●	●	●	●	●	●	●	●	●	●	5.2 _r	●	8.8
Sales of Trade and Food Services		●	●	●	●	●	●	●	●	●	●	●	●	0.6	●	5.6
The TIER Manufacturing Sector Composite Indicator		●	●	●	●	●	●	●	●	●	●	●	●	101.2 _r	●	103.1

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.

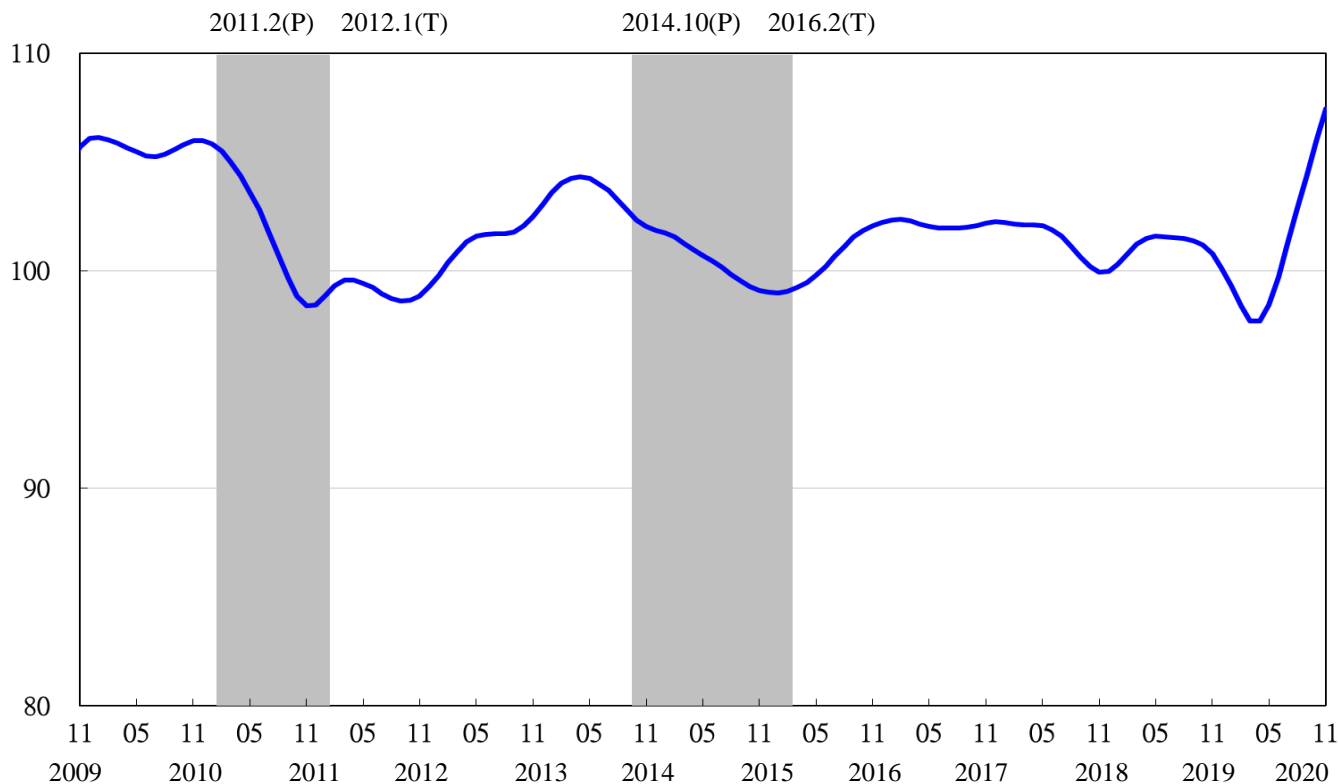
Figure 2 Monitoring Indicators

Table 1 Leading Indicators

Index

	2020						
	May	Jun	Jul	Aug	Sep	Oct	Nov
Trend adjusted index	98.44	99.73	101.26	102.86	104.43	105.95	107.45
Change from preceding month (%)	0.77	1.31	1.53	1.58	1.52	1.46	1.41
Components¹							
Diffusion Index of export orders ²	97.56	98.81	100.04	101.18	102.25	103.27	104.26
Real monetary aggregates M1B	100.22	100.41	100.59	100.77	100.95	101.14	101.33
TAIEX average closing price	99.65	99.81	100.03	100.25	100.46	100.66	100.87
Net accession rate of employees on payrolls of industry and services ³	99.11	99.43	99.81	100.18	100.50	100.78	101.02
New housing construction started ⁴	99.75	99.90	100.12	100.39	100.67	100.96	101.25
Real imports of semiconductor equipment	99.79	99.50	99.37	99.37	99.46	99.59	99.73
The TIER manufacturing sector composite indicator	98.81	99.31	99.96	100.63	101.27	101.88	102.48

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						
	May	Jun	Jul	Aug	Sep	Oct	Nov
Trend adjusted index	98.42	98.80	99.60	100.67	101.84	103.01	104.21
Change from preceding month (%)	-0.07	0.39	0.81	1.07	1.16	1.15	1.16
Components							
Industrial production index	99.74	99.83	100.01	100.29	100.59	100.89	101.18
Electric power consumption	99.31	99.37	99.65	100.04	100.48	100.94	101.40
Index of producer's shipment for manufacturing	99.37	99.65	100.05	100.52	101.02	101.50	102.01
Sales of trade and food services	98.45	98.76	99.32	99.98	100.66	101.28	101.91
Nonagricultural employment	99.53	99.40	99.33	99.29	99.281	99.280	99.283
Real customs-cleared exports	99.42	99.68	100.02	100.46	100.90	101.37	101.83
Real machineries and electrical equipments imports	99.82	99.77	99.78	99.86	99.99	100.17	100.37

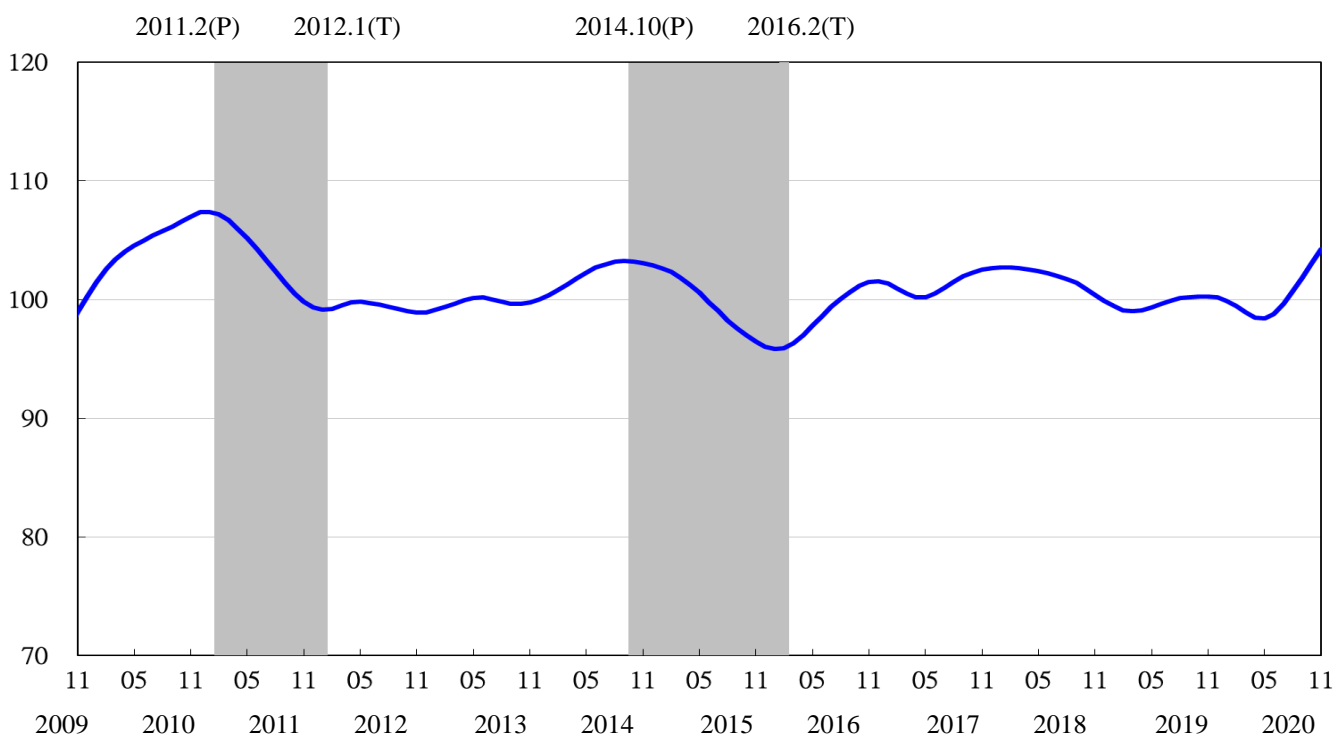


Figure 4 Trend-adjusted Coincident Index

Table 3 Lagging Indicators

	Index						
	2020						
	May	Jun	Jul	Aug	Sep	Oct	Nov
Trend adjusted index	98.64	98.46	98.32	98.18	98.03	97.89	97.75
Change from preceding month (%)	-0.31	-0.19	-0.14	-0.14	-0.16	-0.15	-0.15
Components							
Unemployment rate	99.24	99.28	99.45	99.68	99.94	100.20	100.45
The manufacturing unit output labor cost index	99.33	99.08	98.82	98.59	98.40	98.24	98.10
Interbank overnight call-loan rate	99.94	99.924	99.916	99.916	99.919	99.925	99.932
Loans and investments of financial institutions	100.50	100.59	100.67	100.70	100.70	100.69	100.68
Inventory value for manufacturing	99.56	99.49	99.37	99.19	98.96	98.71	98.45

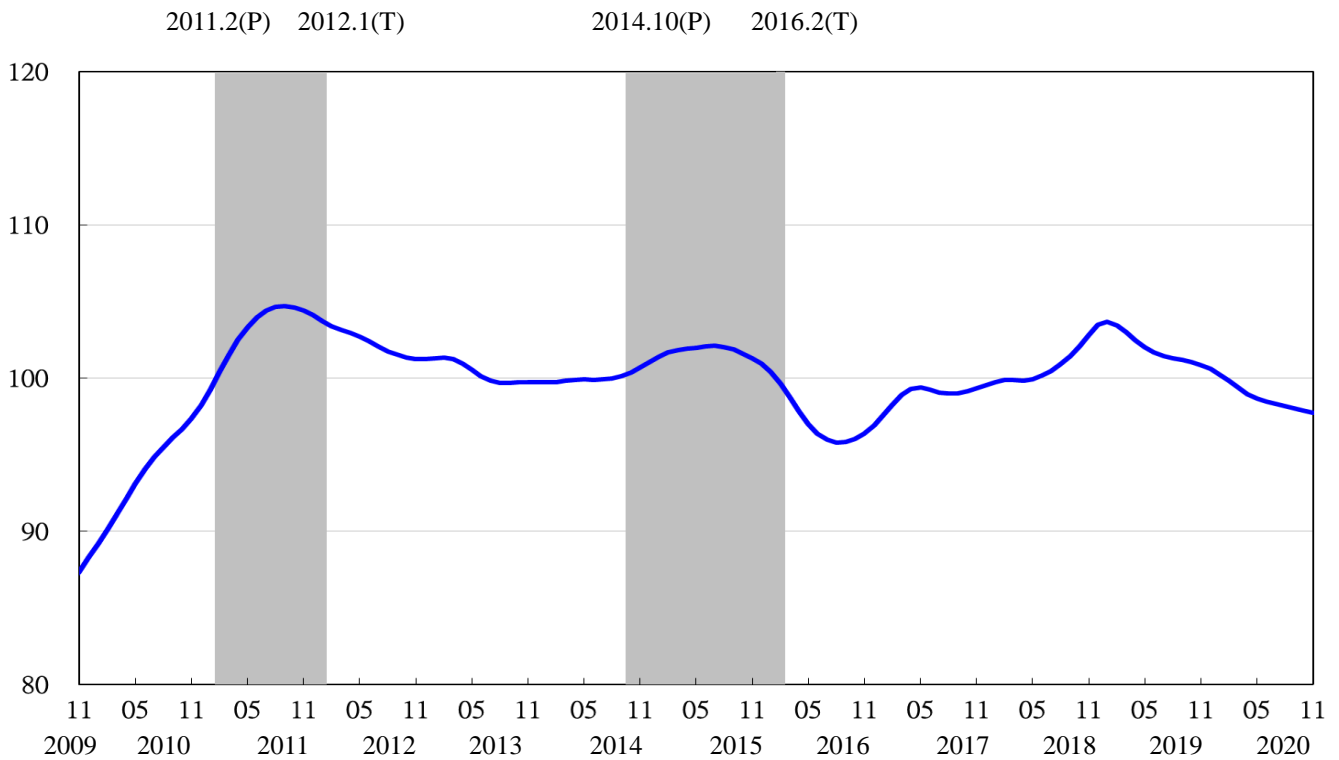


Figure 5 Trend-adjusted Lagging Index