

Taiwan Business Indicators in July 2021

Press Release

National Development Council (NDC)

August 27, 2021



In July 2021, the overall monitoring indicator continued to flash the “red” signal, the total score decreased two points to 38. The trend-adjusted leading index decreased for six consecutive months and the coincident index decreased for four consecutive months, the government will be closely monitoring the economic situation.

The Monitoring Indicators

- The total score in July 2021 was 38, flashing the “red” signal, which decreased 2 points from 40 last month.

Leading Indicators

- The trend-adjusted leading index decreased by 0.66% in July 2021 to 100.47, falling for six consecutive months.

Coincident Indicators

- The trend-adjusted coincident index decreased by 0.89% in July 2021 to 101.51, falling for four consecutive months.

Lagging Indicators

- The trend-adjusted lagging index increased by 0.02% in July 2021 to 100.52, rising for one consecutive month.

~~ Next publication date: September 27 2021 ~~

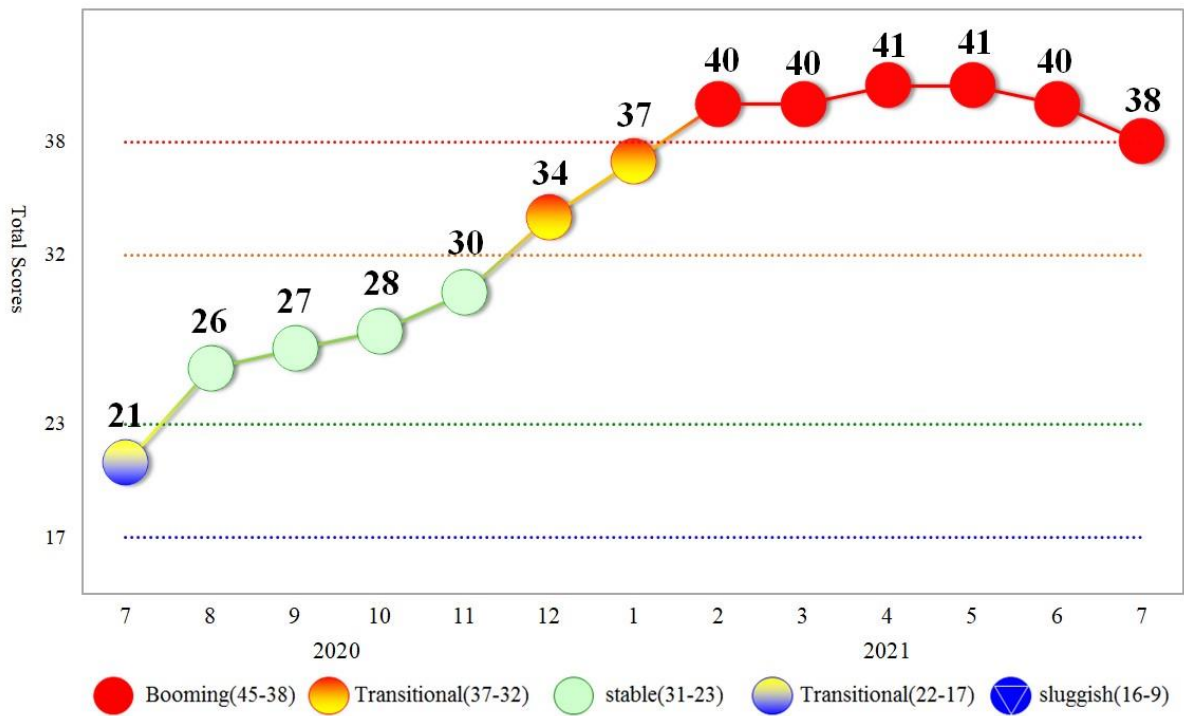


Figure 1 Total Scores in the Past Year

	Light Score	2020						2021											
		7	8	9	10	11	12	1	2	3	4	5	6		7				
													light	%	light	%			
Total		21	26	27	28	30	34	37	40	40	41	41	40		38				
Monetary Aggregates M1B													17.3		16.6				
TAIEX Average Closing Price													50.4		44.1				
Industrial Production Index													17.4 _r		15.3				
Nonagricultural Employment													-1.55		-1.18				
Customs-Cleared Exports													23.0		27.9				
Imports of Machineries and Electrical Equipments													25.1		34.0				
Index of producer's shipment for manufacturing													16.7 _r		14.2				
Sales of Trade and Food Services													8.6		3.1				
The TIER Manufacturing Sector Composite Indicator													103.8		103.3				

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.

Figure 2 Monitoring Indicators

Table 1 Leading Indicators

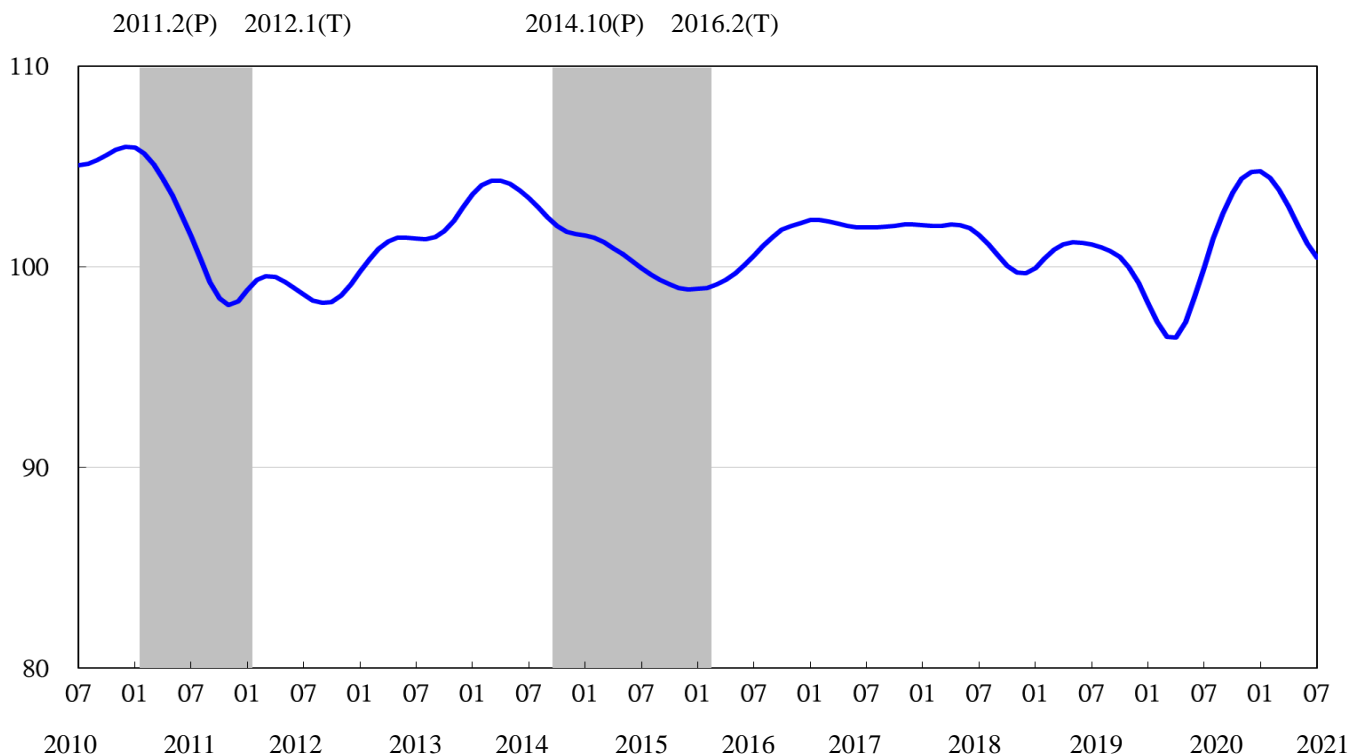
	Index						
	2021						
	Jan	Feb	Mar	Apr	May	Jun	Jul
Trend adjusted index	104.75	104.44	103.83	102.98	102.01	101.13	100.47
Change from preceding month (%)	0.01	-0.30	-0.58	-0.82	-0.94	-0.86	-0.66
Components¹							
Diffusion Index of export orders ²	101.60	101.40	101.22	101.07	100.94	100.85	100.78
Real monetary aggregates M1B	100.78	100.86	100.90	100.91	100.92	100.92	100.91
TAIEX average closing price	100.53	100.73	100.88	100.98	101.05	101.10	101.14
Net accession rate of employees on payrolls of industry and services ³	101.60	101.22	100.55	99.63	98.59	97.73	97.18
New housing construction started ⁴	100.12	99.79	99.46	99.17	98.95	98.75	98.62
Real imports of semiconductor equipment	100.25	100.35	100.36	100.29	100.14	99.96	99.78
The TIER manufacturing sector composite indicator	101.41	101.42	101.33	101.16	100.93	100.68	100.41

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						
	2021						
	Jan	Feb	Mar	Apr	May	Jun	Jul
Trend adjusted index	103.36	103.90	104.08	103.88	103.29	102.43	101.51
Change from preceding month (%)	0.77	0.52	0.18	-0.19	-0.57	-0.84	-0.89
Components							
Industrial production index	100.72	101.03	101.23	101.36	101.47	101.55	101.60
Electric power consumption	100.57	100.80	101.00	101.16	101.23	101.17	101.11
Index of producer's shipment for manufacturing	100.95	101.22	101.45	101.65	101.80	101.91	101.99
Sales of trade and food services	101.76	102.07	102.13	101.88	101.28	100.45	99.53
Nonagricultural employment	100.75	100.58	100.16	99.43	98.42	97.30	96.18
Real customs-cleared exports	100.79	100.72	100.69	100.70	100.71	100.69	100.66
Real machineries and electrical equipments imports	100.52	100.76	100.90	100.97	101.00	101.05	101.13

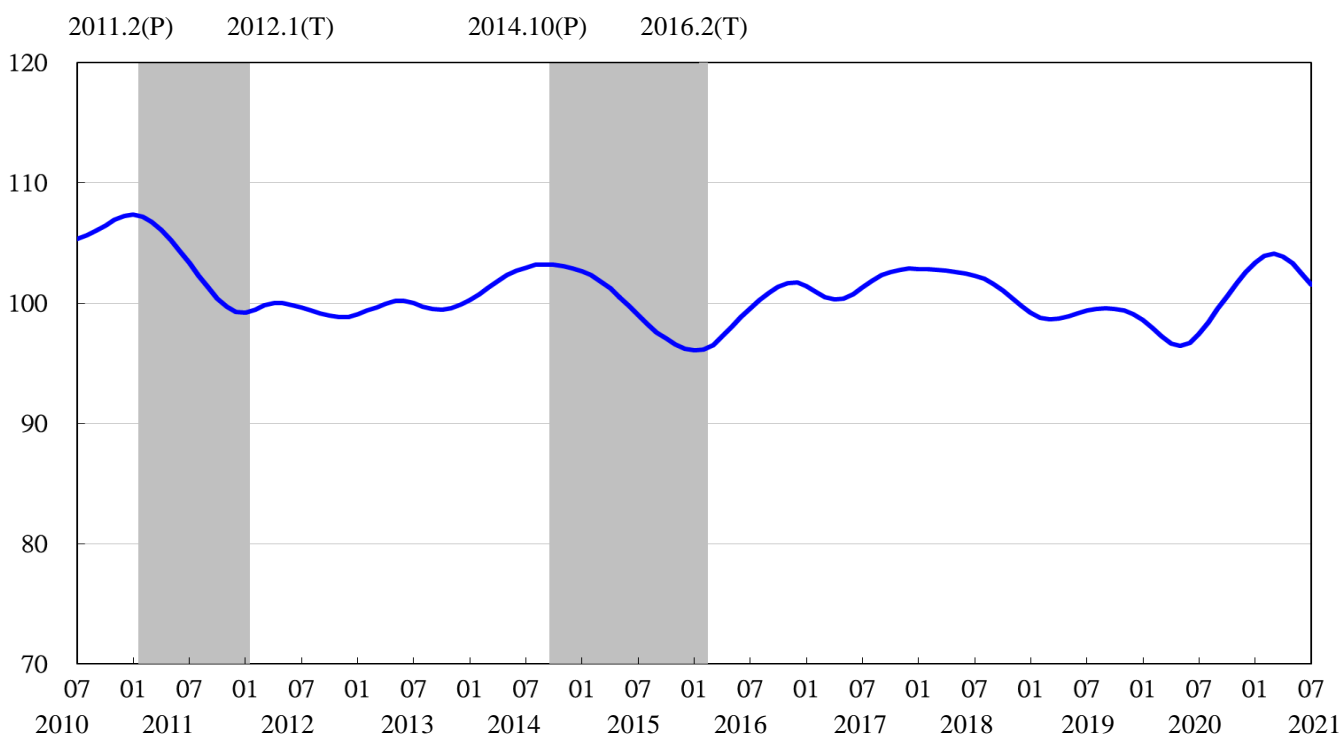


Figure 4 Trend-adjusted Coincident Index

Table 3 Lagging Indicators

	Index						
	2021						
	Jan	Feb	Mar	Apr	May	Jun	Jul
Trend adjusted index	99.33	99.81	100.20	100.44	100.50	100.50	100.52
Change from preceding month (%)	0.48	0.48	0.39	0.24	0.06	-0.01	0.02
Components							
Unemployment rate	101.04	100.88	100.52	99.93	99.13	98.27	97.47
The manufacturing unit output labor cost index	99.50	99.37	99.16	98.92	98.64	98.35	98.07
Interbank overnight call-loan rate	99.96	99.97	99.98	99.99	100.00	100.02	100.03
Loans and investments of financial institutions	100.26	100.38	100.52	100.67	100.85	101.04	101.21
Inventory value for manufacturing	98.55	99.19	100.02	100.95	101.91	102.87	103.83

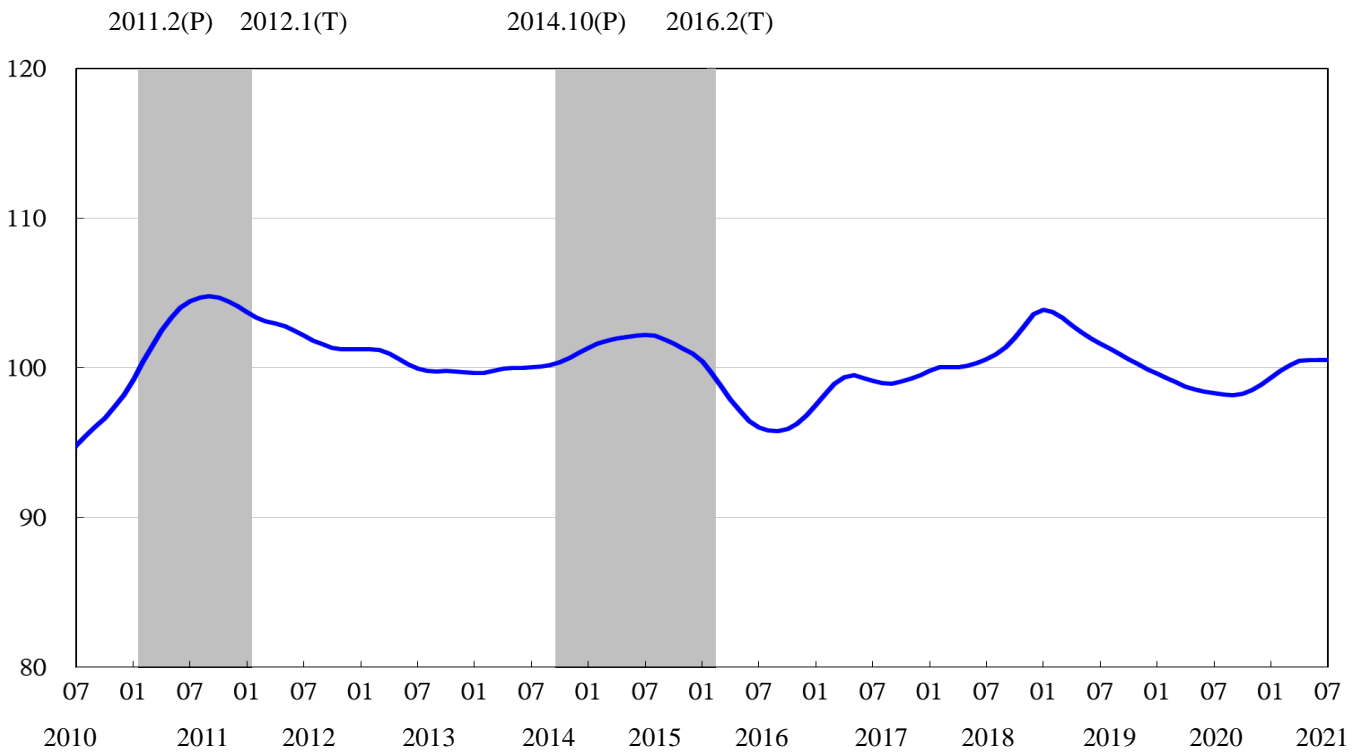


Figure 5 Trend-adjusted Lagging Index