Taiwan Business Indicators in February 2023

Press Release

National Development Council (NDC)

March 27, 2023

In February 2023, the overall monitoring indicator continued to flash the “blue” signal, the total score decreased 1 point to 10. The trend-adjusted leading index increased for four consecutive months and the coincident index decreased for thirteen consecutive months, the government will be closely monitoring the economic situation.

The Monitoring Indicators

* The total score in February 2023 was 10, flashing the “blue” signal, same as the last month.

Leading Indicators

* The trend-adjusted leading index increased by 1.17% in February 2023 to 100.95, rising for four consecutive months.

Coincident Indicators

* The trend-adjusted coincident index decreased by 1.92% in February 2023 to 90.13, falling for thirteen consecutive months.

Lagging Indicators

* The trend-adjusted lagging index increased by 0.42% in February 2023 to 103.73, rising for twenty-seven consecutive months.

**T~~ Next publication date: April 27 2023 ~~**



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



**Figure 2 Monitoring Indicators**

 **Table 1 Leading Indicators**

Index

|  |  |  |
| --- | --- | --- |
| 　 | 2022 | 2023 |
| Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| **Trend adjusted index** | 98.18 | 97.72 | 97.61 | 97.94 | 98.70 | 99.79 | 100.95 |
| Change from preceding month (%) | -0.71 | -0.46 | -0.11 | 0.34 | 0.77 | 1.10  | 1.17  |
| **Components1** |  |  |  |  |  |  |  |
| Diffusion Index of export orders2 | 97.64 | 97.46 | 97.61 | 98.22 | 99.34 | 100.92  | 102.58  |
| Real monetary aggregates M1B  | 99.65 | 99.47 | 99.27 | 99.04 | 98.80 | 98.53  | 98.27  |
| TAIEX average closing price  | 99.19 | 98.97 | 98.83 | 98.80 | 98.86 | 98.98  | 99.12  |
| Net accession rate of employees on payrolls of industry and services 3  | 99.91 | 99.87 | 99.85 | 99.88 | 99.93 | 99.97  | 99.99  |
| New housing construction started 4 | 99.87 | 99.75 | 99.69 | 99.69 | 99.79 | 99.98  | 100.21  |
| Real imports of semiconductor equipment  | 100.12 | 100.22 | 100.28 | 100.28 | 100.21 | 100.07  | 99.89  |
| The TIER manufacturing sector composite indicator  | 98.43 | 98.30 | 98.33 | 98.50 | 98.78 | 99.15  | 99.55  |

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.



 2014.10(P) 2016.2(T) 2022.1(P)

 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

**Figure 3 Trend-adjusted Leading Index**

Note: Shaded areas represent recessions.

**Table 2 Coincident Indicators**

Index

|  |  |  |
| --- | --- | --- |
|  | 2022 | 2023 |
| Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| **Trend adjusted index** | 100.84  | 99.26  | 97.53  | 95.65  | 93.76  | 91.89  | 90.13  |
| Change from preceding month (%) | -1.34  | -1.56  | -1.74  | -1.93  | -1.98  | -1.99  | -1.92  |
| **Components** |  |  |  |  |  |  |  |
| Industrial production index | 100.10  | 99.56  | 98.96  | 98.29  | 97.53  | 96.69  | 95.79  |
| Electric power consumption  | 100.65  | 100.09  | 99.39  | 98.59  | 97.82  | 97.17  | 96.76  |
| Index of producer’s shipment for manufacturing  | 99.84  | 99.19  | 98.48  | 97.72  | 96.94  | 96.15  | 95.36  |
| Sales of trade and food services | 100.51  | 100.03  | 99.49  | 98.88  | 98.27  | 97.66  | 97.06  |
| Nonagricultural employment  | 99.47  | 99.60  | 99.80  | 100.07  | 100.40  | 100.76  | 101.14  |
| Real customs-cleared exports | 100.09  | 99.47  | 98.81  | 98.09  | 97.39  | 96.70  | 95.98  |
| Real machineries and electrical equipments imports  | 100.15  | 99.69  | 99.21  | 98.69  | 98.16  | 97.64  | 97.12  |

 2014.10(P) 2016.2(T) 2022.1(P)

****

2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

**Figure 4 Trend-adjusted Coincident Index**

**Table 3 Lagging Indicators**

 Index

|  |  |  |
| --- | --- | --- |
|  | 2022 | 2023 |
| Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| **Trend adjusted index** | 102.33  | 102.33  | 102.39  | 102.60  | 102.92  | 103.30  | 103.73  |
| Change from preceding month (%) | 0.08  | 0.00  | 0.05  | 0.21  | 0.31  | 0.37  | 0.42  |
| **Components** |  |  |  |  |  |  |  |
| Unemployment rate  | 100.38  | 100.39  | 100.40  | 100.42  | 100.44  | 100.46  | 100.48  |
| The manufacturing unit output labor cost index | 100.54  | 100.91  | 101.37  | 102.00  | 102.75  | 103.61  | 104.53  |
| Interbank overnight call-loan rate | 100.10  | 100.18  | 100.27  | 100.35  | 100.43  | 100.50  | 100.58  |
| Loans and investments of financial institutions | 99.32  | 99.04  | 98.84  | 98.74  | 98.71  | 98.72  | 98.74  |
| Inventory value for manufacturing | 102.05  | 101.88  | 101.58  | 101.17  | 100.68  | 100.11  | 99.51  |

 2014.10(P) 2016.2(T) 2022.1(P)

 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

****

**Figure 5 Trend-adjusted Lagging Index**