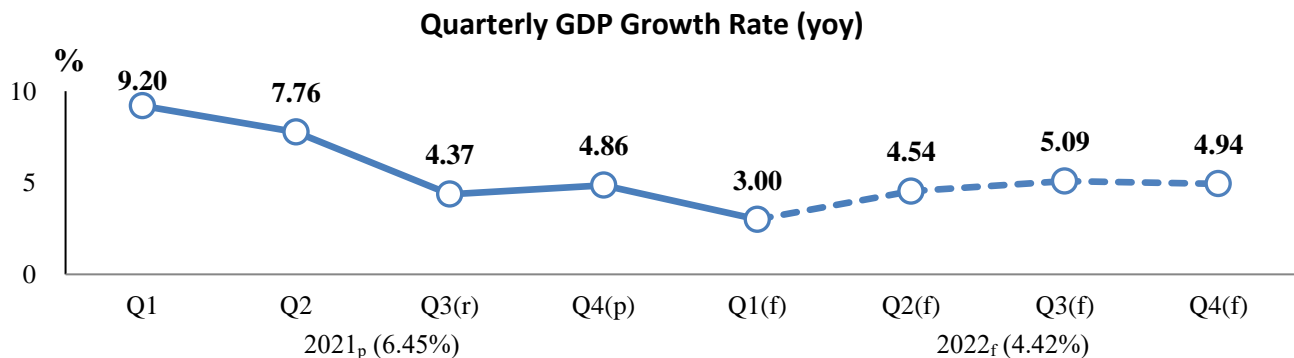




Taiwan Economy in a Snapshot

Taiwan's Economic Situation and Outlook

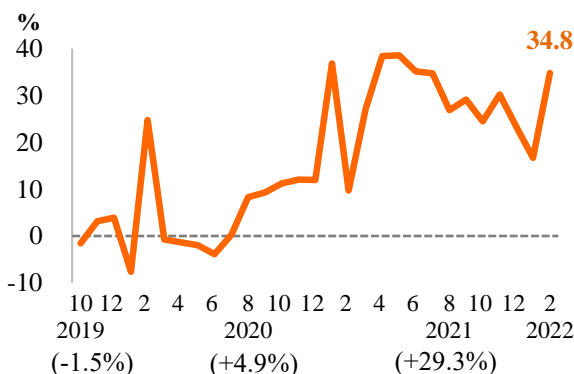
- According to the IHS Markit latest forecast, the global economic grew by 3.27%, revised downward 0.79 percentage points from the previous forecast, mainly due to constant uncertainties such as geopolitical risks and inflation expectation.
- Recently forecasts show Taiwan economic will grow at a modest pace for 2022, standing between 3.0%~4.4%. However, ongoing geopolitical tensions, and surging international raw material prices may contribute to an increase in uncertainty.
- In response to continuing changes in the global market and investment environments, the Executive Yuan has greenlighted a three-year extension of the Three Major Programs for investing in Taiwan, which is forecast to attract close to NT\$1 trillion (US\$35.6 billion) of additional investment.



Note: (p) indicates preliminary version, (f) indicates forecast.
Source: DGBAS.

Main economic indicators

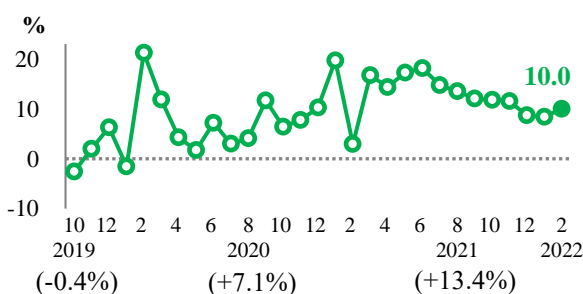
Exports



Exports Seen Up for 20th Straight Month

- In February 2022, Taiwan's total exports increased by 34.8% year-on-year as a global economic recovery bolstered demand for emerging technology applications and digital transformation-related products.
- Exports of the parts of electronic product and Base Metals and Articles of Base Metal grew 46.5% and 41.3%, respectively.

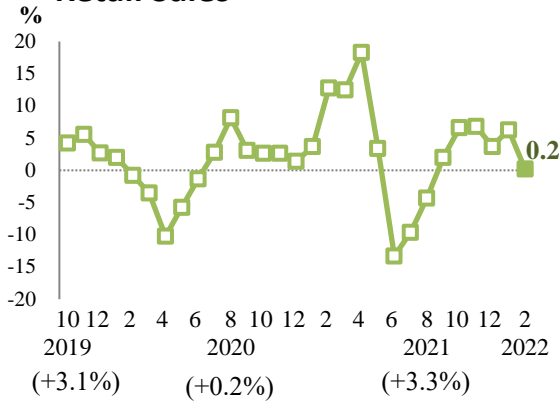
Industrial Production



Industrial Production Increases Continually

- The industrial production index increased 10.0% year-on-year in February 2022, marking the 25th consecutive month of annual growth, mainly driven by strong demand for emerging technologies and applications, such as HPC devices, IoT, and applications in the automotive sector.
- By sector, the index for the electronic parts & Machinery & Equipment rose by 17.1% and 11.4%, respectively.

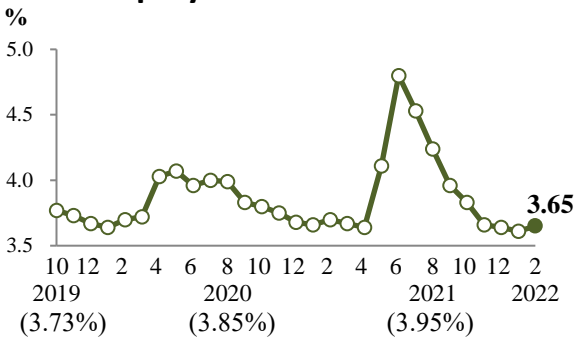
• **Retail Sales**



Retail Sales Continue to Increase

- Retail sales rose 0.2% year-on-year in February 2022 to post a 6th consecutive month of growth in retail activity, mainly driven by e-commerce promotions and new vehicle launches.
- The sector of Electronic Shopping and Motor Vehicles, Motorcycles and Related Parts grew 13.3% and 5.4%, respectively.

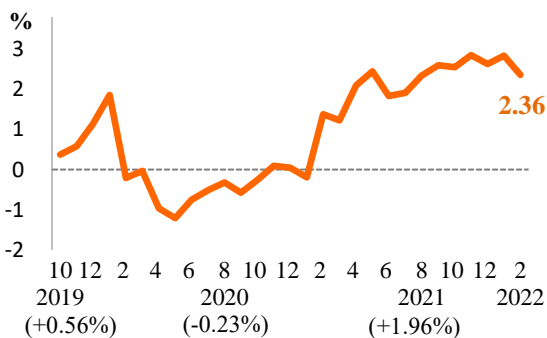
• **Unemployment Rate**



Labor Market Remains Stable

- The unemployment rate rose by 0.04 percentage points from a month earlier to 3.65% in February 2022, as some temporary jobs related to the Chinese Lunar New Year holiday came to an end and job changes in the post-holiday period increased.

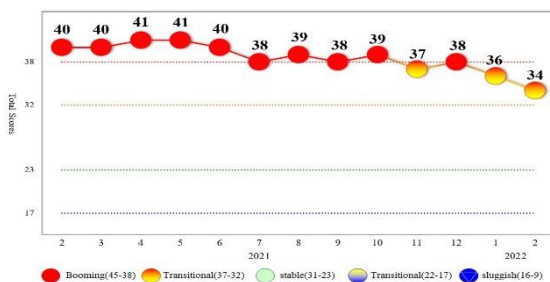
• **Inflation**



CPI Continues to Rise

- The CPI rose 2.36% year-on-year in February 2022, led primarily by higher prices for food and fuel. The core CPI expanded 1.65%.
- Indices for fuels rose 16.88% as the international oil prices went up, the transportation fees rose 5.86% due to the increase in airfares, and the cost of eating out or takeout was up 4.80%.

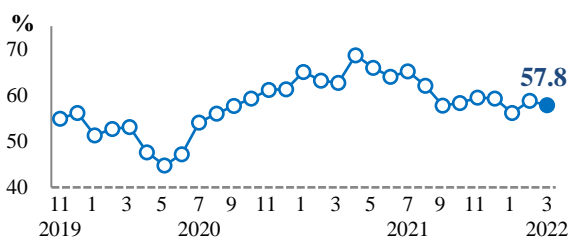
• **Business Indicators**



The Monitoring Indicator continued to flash the Yellow-Red Signal

- In February 2022, the overall monitoring indicator continued to flash the “yellow-red” signal, the total score decreased two points to 34.
- The trend-adjusted leading index decreased for four consecutive months and the coincident index increased for seven consecutive months.

• **Manufacturing PMI**



Manufacturing PMI Keeps Expansionary Pace

- The Taiwan manufacturing sector expanded for twenty-one consecutive months but decelerated as the seasonally adjusted Taiwan Manufacturing PMI decreased 1.0 percentage point and registered 57.8 percent in March 2022.