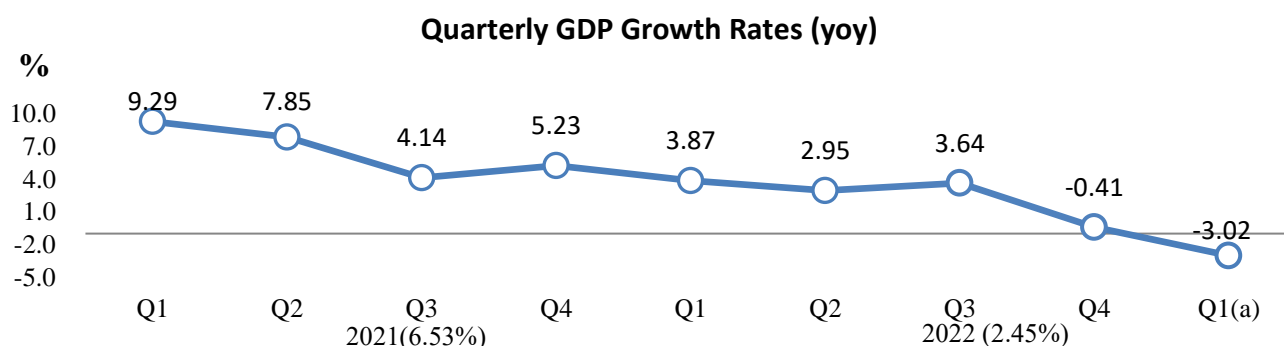




Taiwan Economy in a Snapshot

Taiwan's Economic Situation and Outlook

- According to the advance estimate by DGBAS, the real GDP contracted by 3.02% in 2023Q1, downward revised by 1.82 percentage points from the previous forecast. Exports were heavily affected by weak global demand and the impact of inventory adjustments across the supply chain. However, with the weakening of the pandemic, traveling, shopping and dining returned significantly.
- Facing global inflationary pressure and the risk of economic recession this year, Taiwan has passed the "Special Act for Enhancing Post-pandemic Economic and Social Resilience and National Sharing Economy Achievement" to ensure the sustained and steady development of Taiwan's economy.

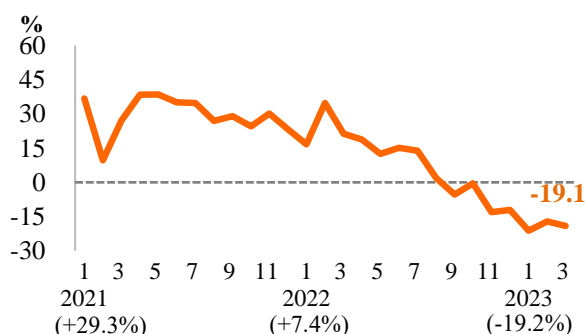


Note: (a) represents advance estimate.

Source: DGBAS.

Main economic indicators

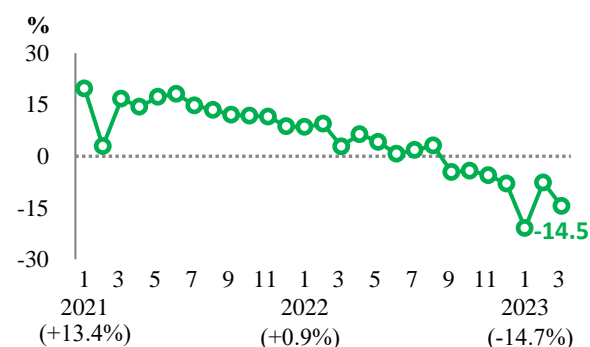
Exports



Exports Continue to Negative Growth

- In March 2023, Taiwan's total exports decreased by 19.1% year-on-year, 7th consecutive month of negative growth, as global demand slow down and the industry chain continues to adjust inventory.
- Exports of the parts of electronic product and information, communication and audio-video products decreased by 14.6% and 15.8%, respectively.

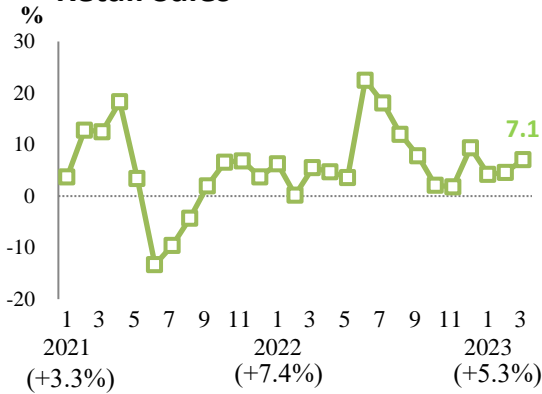
Industrial Production



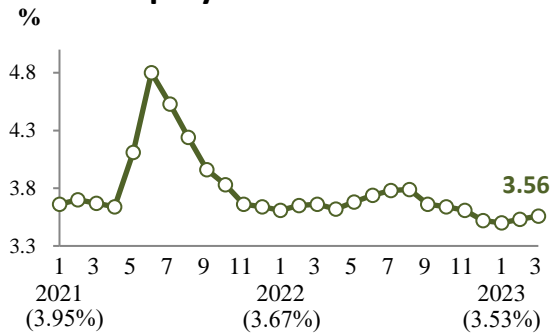
Industrial Production Slows

- The industrial production index decreased 14.52% year-on-year in March 2023, mainly due to the demand for consumer electronics products stayed weak with inventory adjustments in the supply chain underway.
- By sector, the index for the electronic parts & components decreased by 22% and the computers, electronic & optical products and increased by 0.15%.

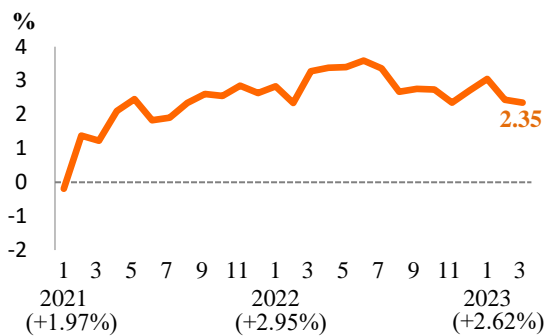
• Retail Sales



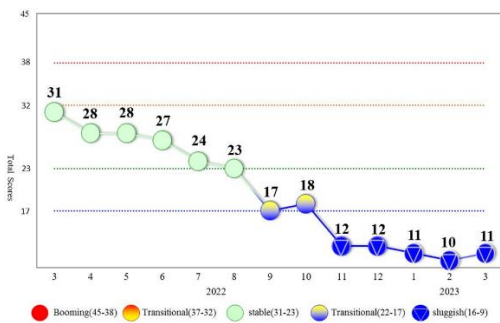
• Unemployment Rate



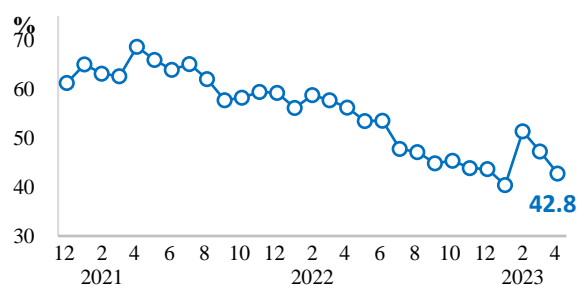
• Inflation



• Business Indicators



• Manufacturing PMI



Retail Sales Continue to Increase

- Retail sales rose 7.1 % year-on-year in March 2023 to post the 19th consecutive month of growth, mainly driven by sales of vehicles, motorcycles and related parts.
- Other growth drivers were rising consumption of food, beverage and tobacco products and higher demand for pharmaceuticals, cosmetic and skincare products.

Labor Market Remains Stable

- The unemployment rate rose by 0.03 percentage points from a month earlier to 3.56% in March 2023, mainly because of the continuing trend of people making career transitions and seeking new jobs after the Lunar New Year holiday.
- The overall labor market has recently remained stable.

CPI Rises Moderately

- The CPI rose by 2.35% year-on-year in February 2023, mainly because the indices for eggs and fruits rose 25.05% and 11.80%, respectively. The index for services for entertainment also rose 6.46% due to the increase in demand.
- The core CPI expanded 2.55%.

The Monitoring Indicator Flashes Blue Signal

- In March 2023, the overall monitoring indicator continued to flash the “blue” signal, the total score increased 1 point to 11. The trend-adjusted leading index increased for five consecutive months and the coincident index decreased for fourteen consecutive months.

Manufacturing PMI Continues to Contract

- Taiwan's manufacturing sector contracted for the second consecutive month while the seasonally adjusted Taiwan Manufacturing PMI fell by 4.5 percentage points to 42.8 percent in April.