

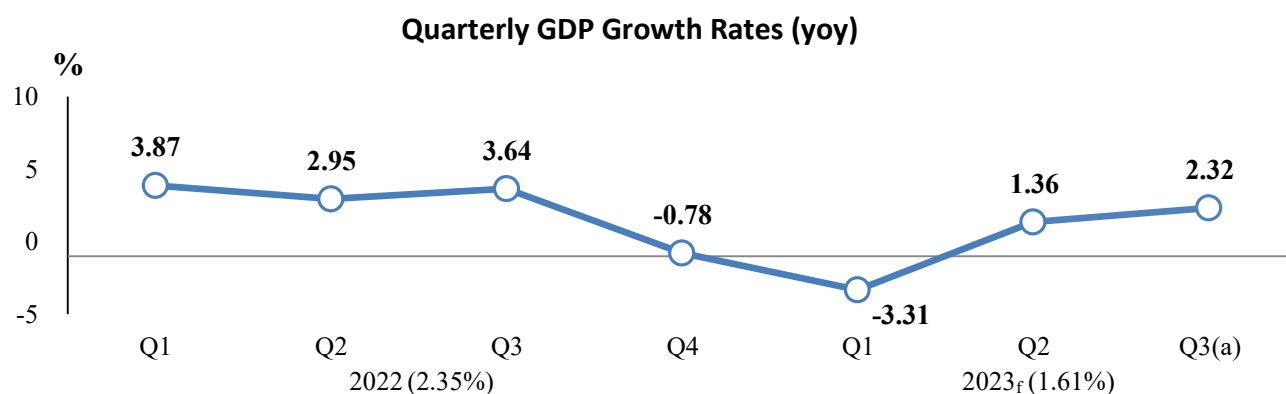


2023.11.3

Taiwan Economy in a Snapshot

Taiwan's Economic Situation and Outlook

- For the third quarter of 2023, the real GDP grew by 2.32% (advance estimate), revised downward 0.22 percentage points from the previous forecast, as lethargic capital formation offset strong consumer spending.
- On October 24, 2023, Taiwan and Canada have completed negotiations on a bilateral foreign investment promotion and protection arrangement (FIPA). This highly significant development represents yet another pivotal step in the strengthening of ties between the two countries since the signing of the Arrangement for the Avoidance of Double Taxation in 2016, and will be sure to provide invaluable support to Taiwanese businesses seeking to expand their presence in the global market.

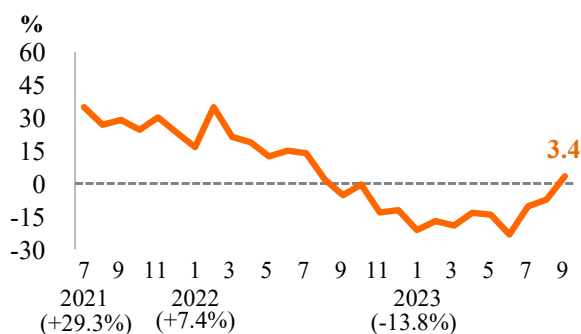


Note: (a) represents advance estimate; (f) represents forecast.

Source: DGBAS.

Main economic indicators

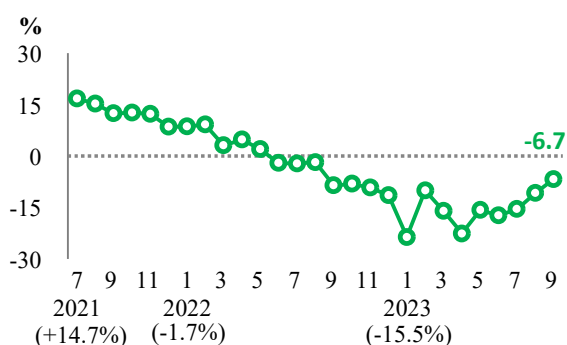
• Exports



Exports Rebound in September

- In September 2023, Taiwan's total exports increased by 3.4% year-on-year, reversing twelve months of declines, due to higher exports of ICT products.
- Exports of the parts of electronic product and information, communication and audio-video products decreased by 4.2% and grew by 59.7%, respectively.

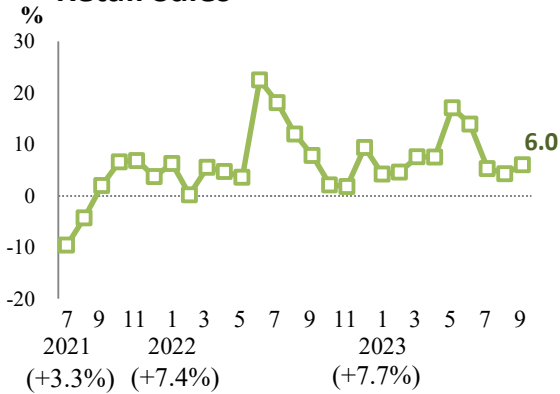
• Industrial Production



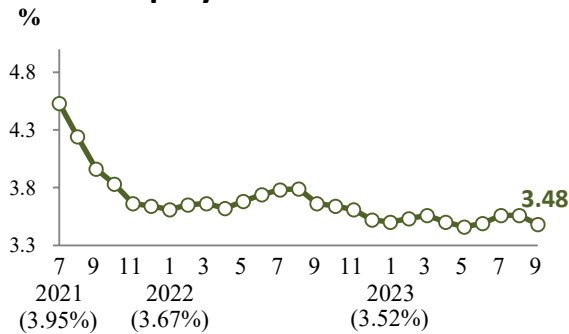
Industrial Production Slows

- The industrial production index decreased 6.7% year-on-year in September 2023, due to the global economy remained weak and persistently depressed terminal demand.
- By sector, the index for the electronic parts & components and the computers, electronic & optical products decreased by 9.4% and rose by 3.9%, respectively.

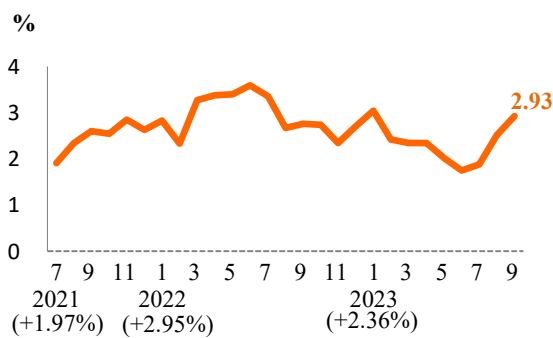
• **Retail Sales**



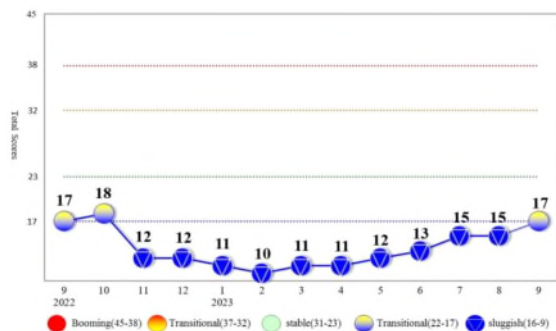
• **Unemployment Rate**



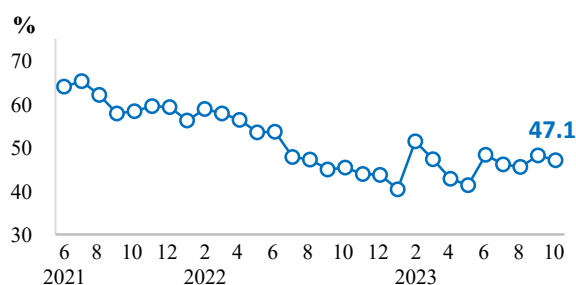
• **Inflation**



• **Business Indicators**



• **Manufacturing PMI**



Retail Sales Continue to Increase

- Retail sales rose 6.0% year-on-year in September 2023 to post the 25th consecutive month of growth, as people spent more during the Mid-Autumn Festival and retailers enhanced anniversary promotions.
- The sector of department stores and motor vehicles and motorcycles grew 9.8% and 4.4%, respectively.

Labor Market Remains Stable

- The unemployment rate fell 0.08 percentage points from a month earlier to 3.48% in September 2023, the lowest for the same month in 23 years, as the number of first-time jobseekers declined.
- The overall labor market has recently remained stable.

CPI Rises Moderately

- The CPI rose by 2.93% year-on-year in September 2023, the highest growth rate since February 2023, driven by spikes in food costs as bad weather hurt fruit and vegetable supply.
- The core CPI expanded 2.48%.

The Monitoring Indicator Flashes Yellow-Blue Signal

- In September 2023, the overall monitoring indicator turned to flash the “yellow-blue” signal, the total score increased 2 points to 17. The trend-adjusted leading index decreased for six consecutive months while the coincident index increased for six consecutive months.

Manufacturing PMI Remains in Contraction Zone

- The Taiwan manufacturing sector still remained in contraction for the eighth consecutive month as the seasonally adjusted Taiwan Manufacturing PMI decreased 1.1 percentage points to 47.1 percent in October.