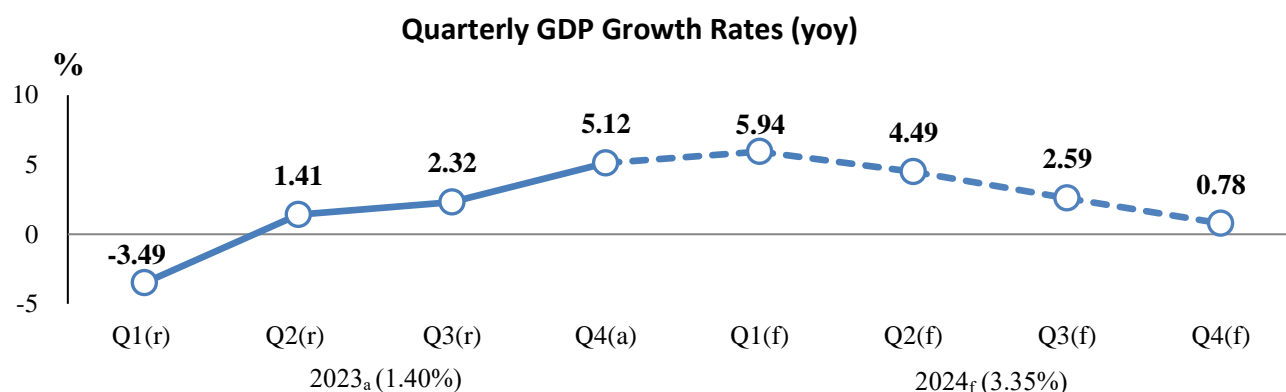




Taiwan Economy in a Snapshot

Taiwan's Economic Situation and Outlook

- Based on advance estimates by DGBAS, the real GDP increased by 5.12% in 2023Q4, revised downward 0.01 percentage points from the previous forecast, mainly due to lower than expected capital formation (including fixed investment and inventory changes). For the whole of 2023, the real GDP is estimated to grow by 1.40%, revised downward by 0.02 percentage points from the previous forecast.
- In order to accelerate post-pandemic recovery and promote economic growth, while expanding digital transformation, environmental sustainability, and building a resilient country, the government will implement the 2024 special budget of NT\$64 billion for strengthening economic and social resilience after the epidemic. Besides, the special budget for the Forward-looking Infrastructure in 2024 is NT\$105.5 billion.

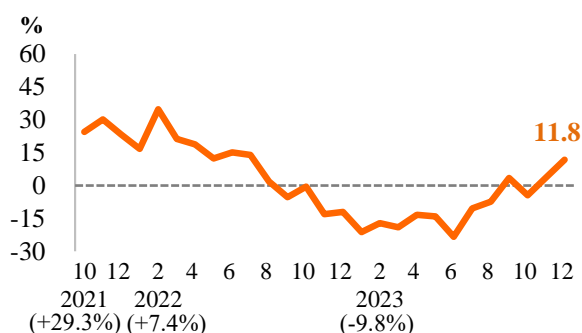


Note: (a) indicates advance estimate, (f) indicates forecasts.

Source: DGBAS.

Main economic indicators

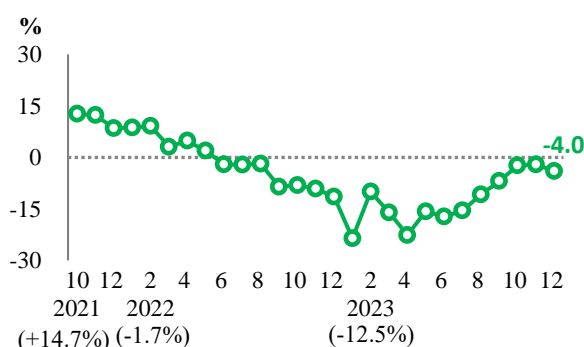
Exports



Exports Continue to Increase

- In December 2023, Taiwan's total exports increased by 11.8% year-on-year, due to higher exports of ICT products and low base.
- Exports of the parts of electronic product and information, communication and audio-video products decreased by 1.2% and grew by 94.7%, respectively.

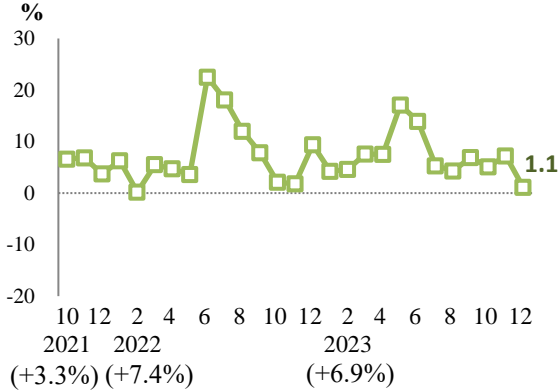
Industrial Production



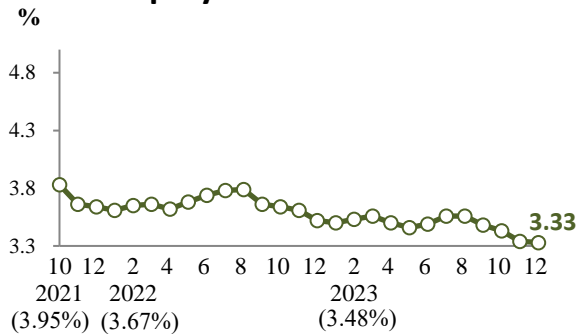
Industrial Production Slows

- The industrial production index decreased by 4.0% year-on-year in December 2023. Due to the sluggish demand for terminal products and supply chain inventory adjustments.
- By sector, the index for the electronic parts & components and the computers, electronic & optical products decreased by 4.3% and 1.9%, respectively.

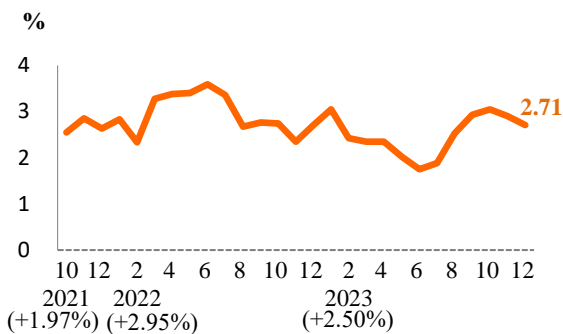
• **Retail Sales**



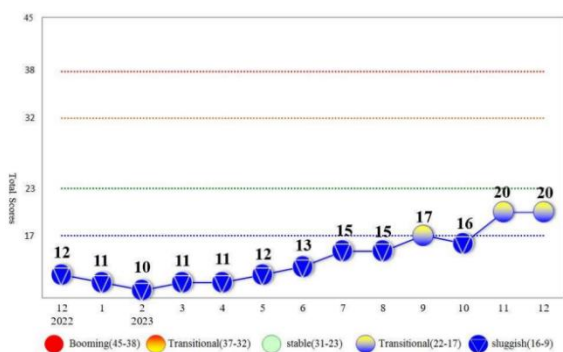
• **Unemployment Rate**



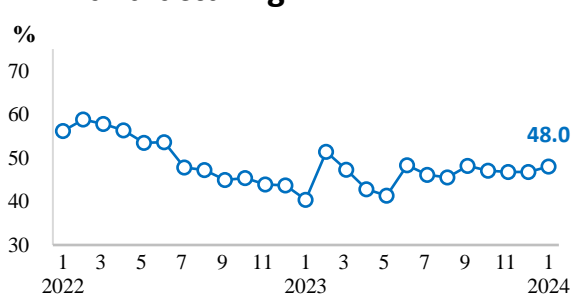
• **Inflation**



• **Business Indicators**



• **Manufacturing PMI**



Retail Sales Continue to Increase

- Retail sales rose by 1.1% year-on-year in December 2023 to post the 28th consecutive month of growth, due to the hot sales of new car models, the department store’s anniversary sales, and the Christmas and New Year’s Eve promotions.
- The sector of department stores and motor vehicles and motorcycles decreased 0.36% and grew 6.36%, respectively.

Labor Market Remains Stable

- The unemployment rate fell 0.01 percentage points from a month earlier to 3.33% in December 2023, as fewer people are dissatisfied with their jobs and unemployed.
- The overall labor market remains stable recently.

CPI Rises Moderately

- The CPI rose by 2.71% year-on-year in December 2023, mainly because the indices for fruits and meats rose 20.86% and 6.09%, respectively. However, communication equipment and household durable equipment fell 3.10% and 1.62%, respectively, offsetting part of the increase.
- The core CPI expanded 2.43%.

The Monitoring Indicator Flashes Yellow-Blue Signal

- In December 2023, the overall monitoring indicator turned to flash the “yellow-blue” signal, the total score same as the last month is 20. The trend-adjusted leading index increased for three consecutive months while the coincident index increased for nine consecutive months.

Manufacturing PMI Remains in Contraction Zone

- The Taiwan manufacturing sector still remained in contraction for the eleventh consecutive month while the seasonally adjusted Taiwan Manufacturing PMI increased 1.2 percentage points to 48.0 percent in January.