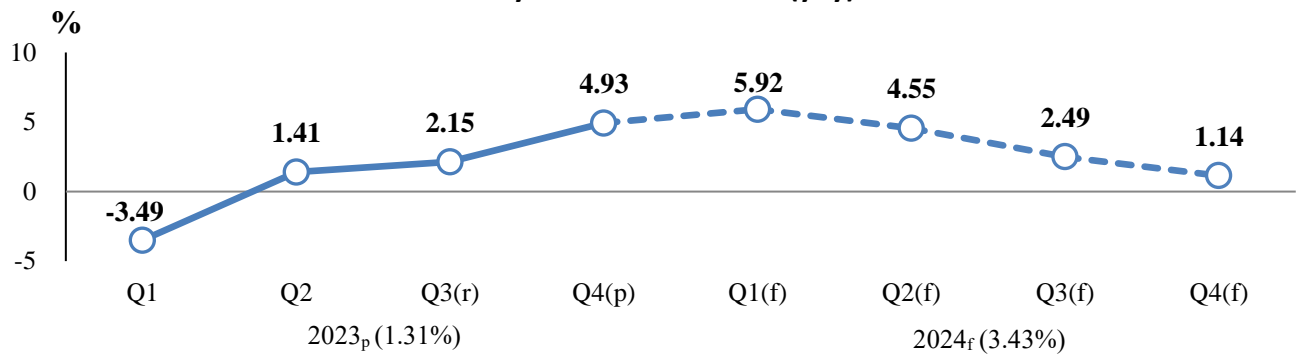




## Taiwan's Economic Situation and Outlook

- According to DGBAS latest forecast, the real GDP is projected to grow by 3.43% in 2024, mainly due to the world trade volume is projected to grow, driving export momentum to rebound, as well as the strong private consumption, increased digital investment and the net-zero transition, which will all boost economic growth.
- The government proposed the Asia Silicon Valley Development Plan 3.0, focusing on the development of technologies including artificial intelligence, 5G and satellite networks in order to accelerate both the digital and net-zero carbon transition of Taiwan's industries, and aiming to enlarge the amount of funding raised by startups to US\$5 billion over the next four years.

Quarterly GDP Growth Rates (yoy)

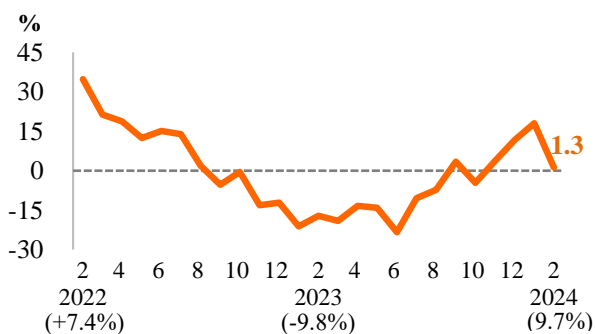


Note: (r) represents revised version, (p) indicates preliminary version, (f) indicates forecasts.

Source: DGBAS.

## Main economic indicators

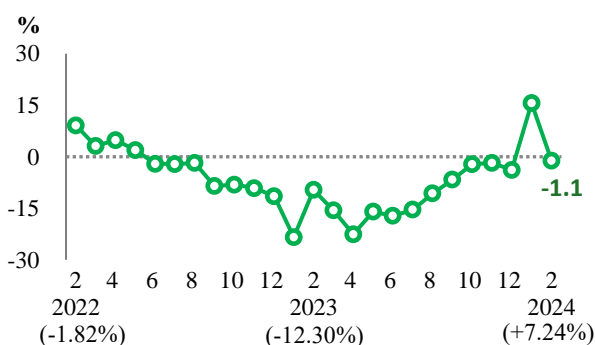
### Exports



### Exports Continue to Increase

- In February 2024, Taiwan's total exports increased by 1.3% year-on-year, 4<sup>th</sup> consecutive month of growth, due to bolstered demand for emerging applications such as artificial intelligence.
- Exports of the parts of electronic product and information, communication and audio-video products grew -10.4% and 104.6%, respectively.

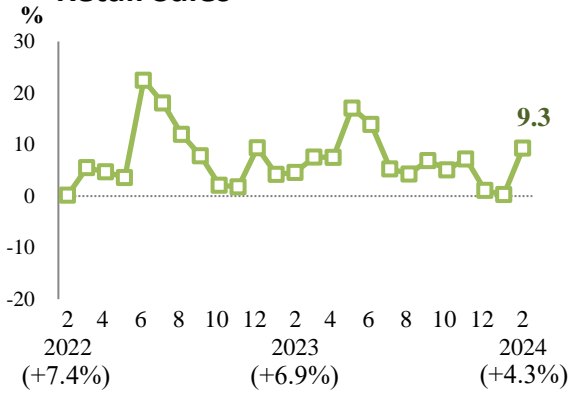
### Industrial Production



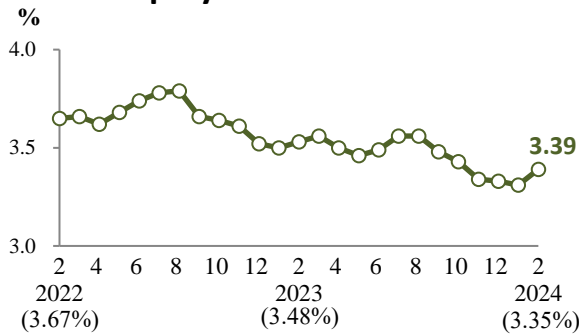
### Industrial Production Turn to Negative Growth

- The industrial production index decreased by 1.1% year-on-year in February 2024, mainly due to the different timings of the Lunar New Year, resulting in fewer working days.
- By sector, the index for the electronic parts & components and the computers, electronic & optical products increased by 9.80% and 3.86%, respectively.

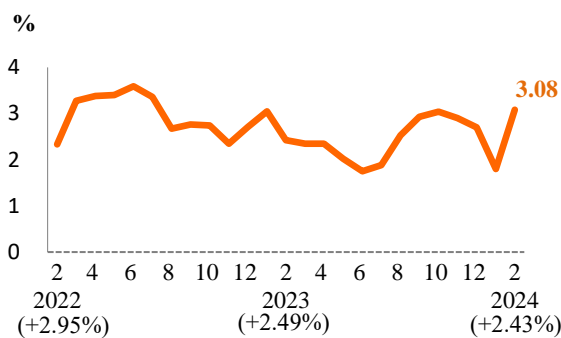
• **Retail Sales**



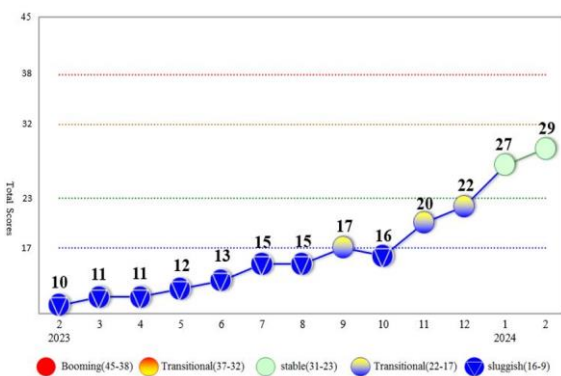
• **Unemployment Rate**



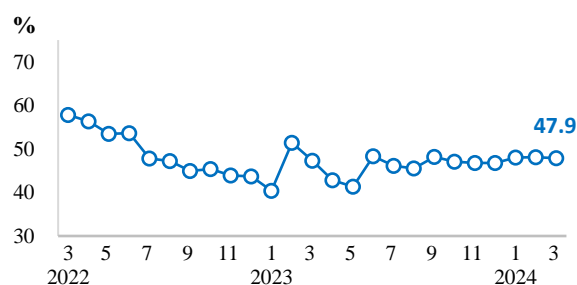
• **Inflation**



• **Business Indicators**



• **Manufacturing PMI**



**Retail Sales Continue to Increase**

- Retail sales rose by 9.3% year-on-year in February 2024 to post the 30<sup>th</sup> consecutive month of growth, due to the different timing of the Lunar New Year, driving a purchasing and tourism boom.
- The sector of department stores and textiles and clothing grew 27.4% and 24.2%, respectively.

**Labor Market Remains Stable**

- The unemployment rate increased by 0.08 percentage points from a month earlier to 3.39% in February 2024, as more people are dissatisfied with their jobs and unemployed, or lost work to business downsizing and closures.
- The overall labor market remains stable recently.

**CPI Rises Moderately**

- The CPI rose by 3.08% year-on-year in February 2024, mainly due to the Lunar New Year, some service fees had been increased, and the indices for fruits and meats rose 20.71% and 5.45%, respectively.
- The core CPI expanded 2.90%.

**The Monitoring Indicator Flashes Green Signal**

- In February 2024, the overall monitoring indicator continued to flash the “green” signal, the total score increased two points to 29. The trend-adjusted leading index increased for five consecutive months and the coincident index increased for eleven consecutive months.

**Manufacturing PMI Remains in Contraction Zone**

- The Taiwan manufacturing sector still remain in contraction for the thirteenth consecutive month while the seasonally adjusted Taiwan Manufacturing PMI decreased 0.2 percentage points to 47.9 percent in February.