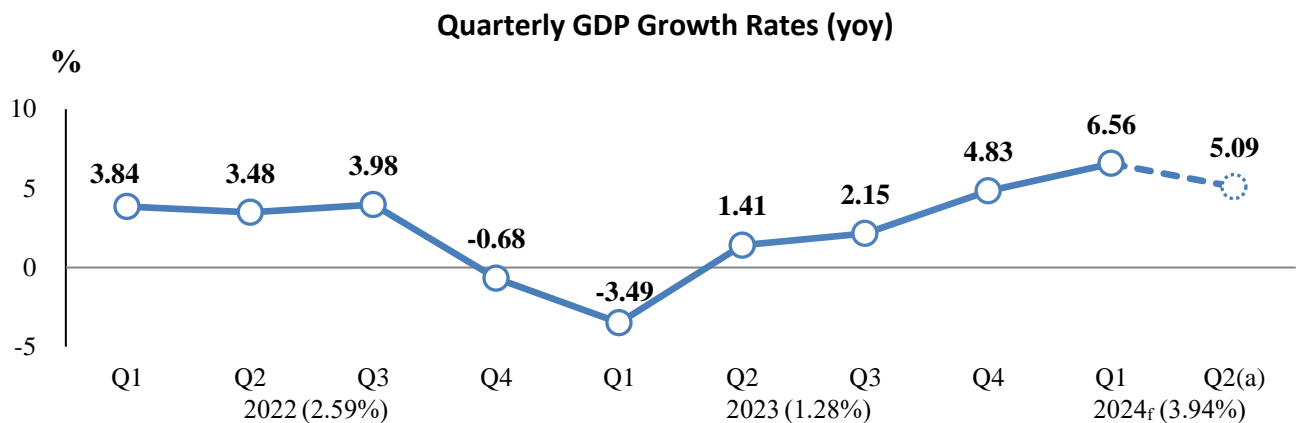


Taiwan's Economic Situation and Outlook

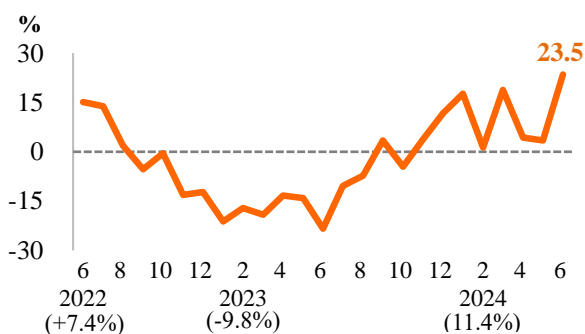
- For the second quarter of 2024, the real GDP grew by 5.09%, revised downward 0.09 percentage points from the previous forecast, as exports did not fare as well as expected.
- On July 18, 2024, The Executive Yuan's Economic Development Commission convened its first meeting, which yielded several concrete resolutions, including the approval of the national development plan funded with trillions of NT dollars in domestic and foreign investment. The plan's initial objective is to attract NT\$3 to 4 trillion (US\$92 to 122.7 billion) of domestic and foreign capital to invest in major infrastructure and important industries in Taiwan.



Note: (a) advance estimate; (f) indicates forecast.
Source: DGBAS.

Main economic indicators

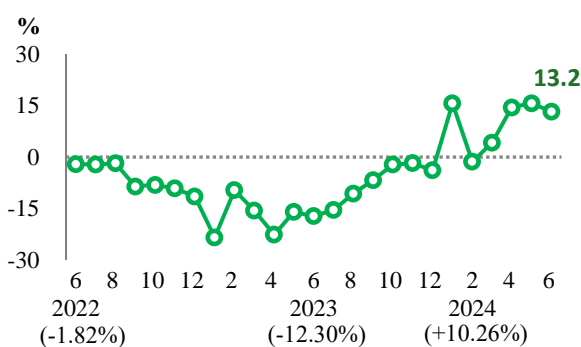
Exports



Exports Up for Eighth Month

- In June 2024, Taiwan's total exports increased by 23.5% year-on-year, the highest growth in 28 months, on the back of robust AI and HPC demand.
- Exports of the parts of electronic product and information, communication and audio-video products grew 7.3% and 114.1%, respectively.

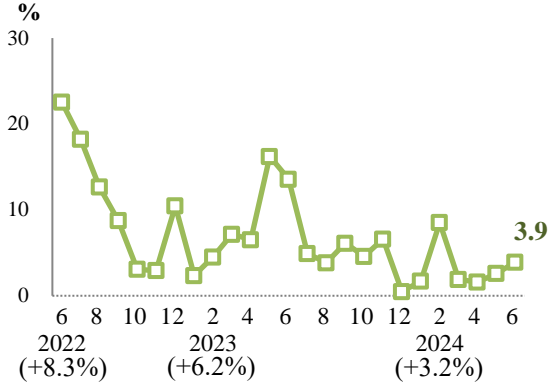
Industrial Production



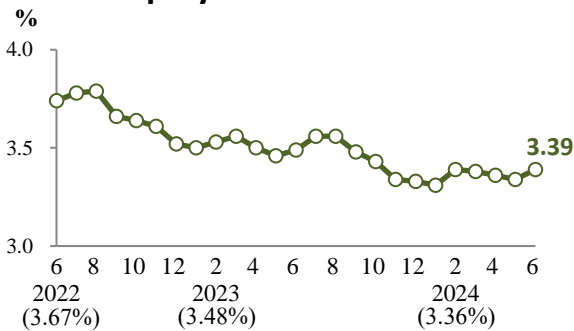
Industrial Production Increase Continually

- The industrial production index increased by 13.2% year-on-year in June 2024, marking the fourth consecutive month of annual growth, mainly driven by strong demand for emerging technologies such as AI applications, HPC devices and cloud services.
- By sector, the index for the electronic parts & components and the computers, electronic & optical products increased by 23.05% and 36.07%, respectively.

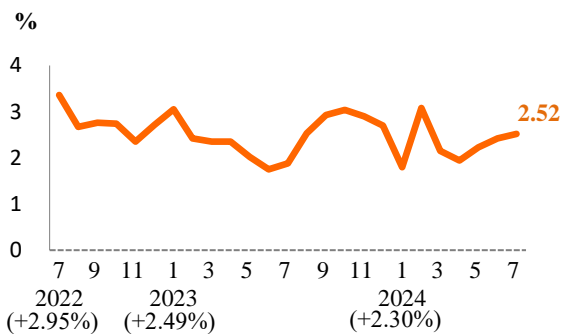
• **Retail Sales**



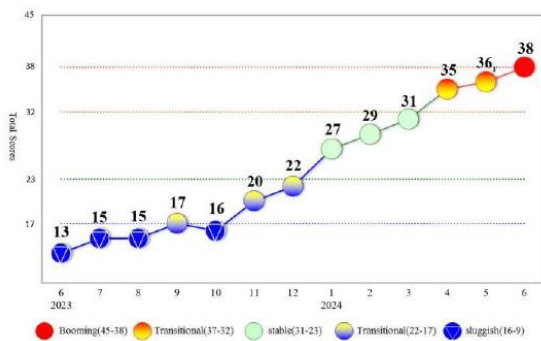
• **Unemployment Rate**



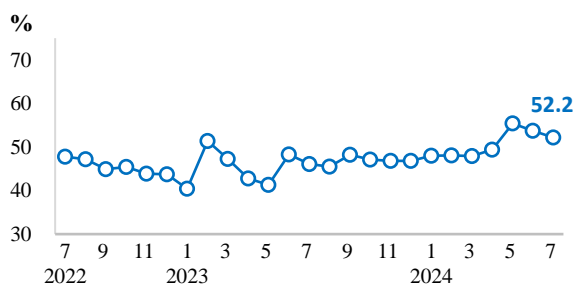
• **Inflation**



• **Business Indicators**



• **Manufacturing PMI**



Retail Sales Continue to Increase

- Retail sales rose by 3.9% year-on-year in June 2024 to post the 34th consecutive month of growth, due to the hot sales of new electric vehicles, as well as department store mid-year celebration and the long Dragon Boat Festival holiday weekend.
- The sector of department stores and motor vehicles and motorcycles grew 6.3% and 4.4%, respectively.

Labor Market Remains Stable

- The unemployment rate increased by 0.05 percentage points from a month earlier to 3.39% in June 2024, due to an increase in first time jobseekers after they graduated from high school or college.
- The overall labor market remains stable recently.

CPI Rises Moderately

- The CPI rose by 2.52% year-on-year in July 2024, as Typhoon Gaemi destroyed fruit and vegetable crops, driving up food prices, coupled with higher medical cost.
- The core CPI expanded 1.84%.

The Monitoring Indicator Flashes Red Signal

- In June 2024, the overall monitoring indicator changed to flash the “red” signal, the total score increased 2 points to 38. The trend-adjusted leading index increased for nine consecutive months and the coincident index increased for fourteen consecutive months.

Manufacturing PMI Keeps Expansionary Pace

- The Taiwan manufacturing sector grew for three consecutive months but decelerated as the seasonally adjusted Taiwan Manufacturing PMI decreased 1.5 percentage points to 52.2 percent in July.