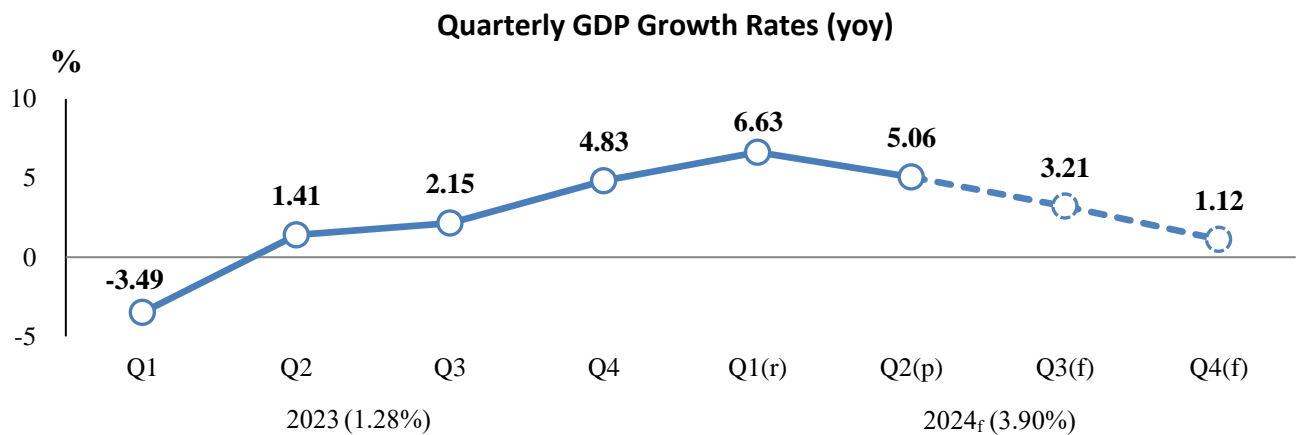


Taiwan's Economic Situation and Outlook

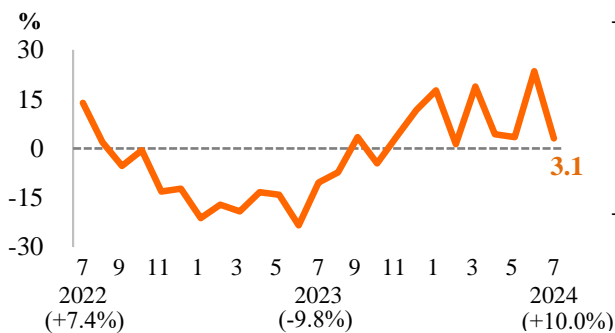
- According to DGBAS latest forecast, the real GDP is projected to grow by 3.90% in 2024, a slight downward from a previous forecast of 3.94% made in May 2024, owing to slower export growth. However, robust private investment, stable job market, higher willingness of companies to raise wages, and the wealth effect from rising stock markets contribute to the current steady economic expansion.
- The Executive Yuan approved a proposed central government budget plan of NT\$3 trillion on August 22, which is expected submitted to the Legislative Yuan for review by the end of August. The general budget proposal, setting a new record, includes an annual revenue of NT\$3.15 trillion, expenditure of NT\$3.13 trillion, and surplus of NT\$20.9 billion.



Note: (r) represents revised version; (p) represents preliminary version; (f) represents forecast.
Source: DGBAS.

Main economic indicators

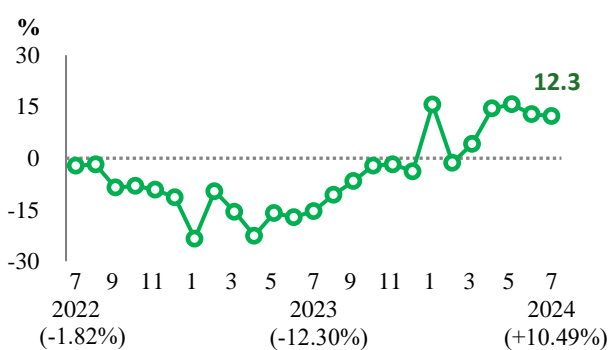
Exports



Exports Continue to Grow

- In July 2024, Taiwan's total exports increased by 3.1% year-on-year, marking the 9th consecutive month of positive growth, on the back of robust AI and HPC demand.
- Exports of the parts of electronic product and information, communication and audio-video products grew -12.0% and 42.4%, respectively.

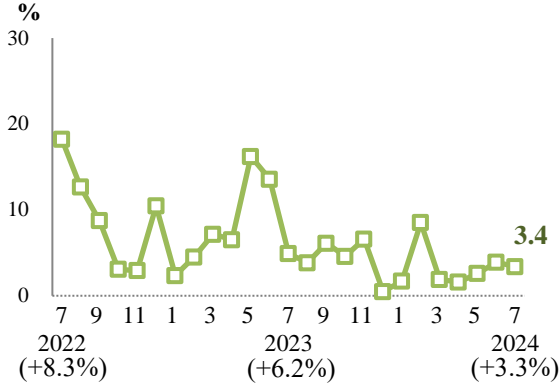
Industrial Production



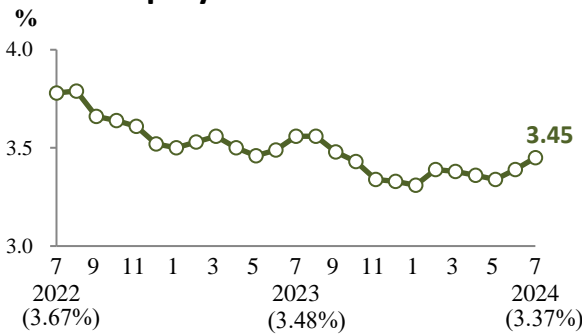
Industrial Production Increase Continually

- The industrial production index increased by 12.3% year-on-year in July 2024, marking the 5th 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 20.1% and 32.2%, respectively.

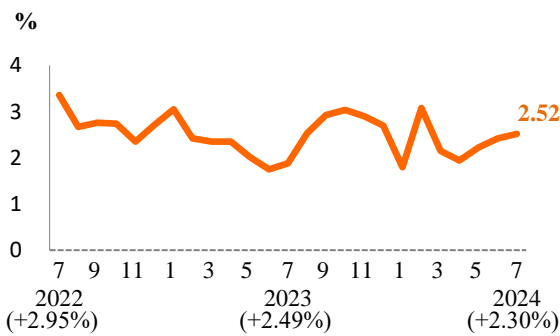
• **Retail Sales**



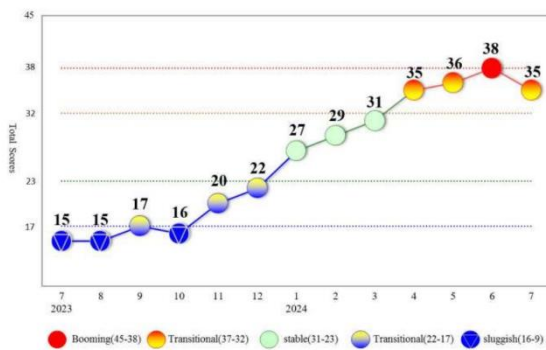
• **Unemployment Rate**



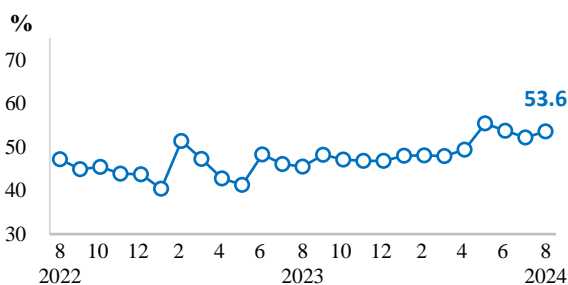
• **Inflation**



• **Business Indicators**



• **Manufacturing PMI**



Retail Sales Continue to Positive Growth

- Retail sales rose by 3.4% year-on-year in July 2024 to post the 35th consecutive month of growth, due to brisk sales in the automotive and motorcycle retail sector, coupled with summer travel, business expansion, and diverse marketing activities.
- The sector of department stores decreased 4.9% and motor vehicles & motorcycles grew 14.6%, respectively.

Labor Market Remains Stable

- The unemployment rate increased by 0.06 percentage points from a month earlier to 3.45% in July 2024, due to an increase in first time jobseekers and unemployed dissatisfied with their original jobs.
- 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 Yellow-Red Signal

- In July 2024, the overall monitoring indicator changed to flash the “yellow-red” signal, the total score decreased 3 points to 35. The trend-adjusted leading index increased for nine consecutive months and the coincident index increased for fifteen consecutive months.

Manufacturing PMI Keeps Expansionary Pace

- The Taiwan manufacturing sector has expanded for the fourth consecutive month while the seasonally adjusted Taiwan Manufacturing PMI increased 1.4 percentage points to 53.6 percent in August.