

Taiwan's Economic Situation

Summary

In May 2011, Taiwan's exports and imports soared by 9.5% and 19.3% year on year, lifted by the steady improvement of global economic conditions. Consumer prices (as measured by the CPI) increased by 1.66%, and the unemployment rate fell to 4.27% from 4.29% in April. On the financial side, May's M2 monetary aggregate grew by 6.14%, and the stock price index averaged 8,911 points. The overall light signal of the monitoring indicators remained "green" through May, in continuing indication of stable economic recovery.

In 2011, the government will work actively to bolster domestic economic growth momentum and improve the investment environment, particularly in respect of heightening incentives for private investment and attracting investment of private capital in public works. At the same time, the government will vigorously push forward implementation of the i-Taiwan 12 Projects, step up efforts to promote the development of six major rising industries, ten key service industries, and four main emerging intelligent industries, and start to carry out the "Homes for Industries, Industries for Homes" plan, to achieve the most advantageous reshaping of Taiwan's industrial structure. These initiatives, backed by an array of employment-promotion measures, should ensure that sound progress is kept up toward endowing Taiwan with a vigorous and sustainable new economy.

% change on previous year	Historical Data				Current Data (2011)				
	2007	2008	2009	2010	Feb.	Mar.	Apr.	May.	Jan.-May.
GDP	5.70	0.12	-1.93	10.88	-	6.55*	-	-	-
CPI	1.80	3.53	-0.87	0.96	1.33	1.41	1.32	1.66	1.36
Unemployment rate	3.91	4.14	5.85	5.21	4.69	4.48	4.29	4.27	4.48
Exports	10.1	3.6	-20.3	34.8	27.2	16.7	24.6	9.5	18.1
Imports	8.2	9.7	-27.5	44.2	28.7	16.7	25.7	19.3	22.0
Export orders	15.5	1.7	-8.33	20.56	-3.7	4.99	1.27	11.5	10.9
Industrial production	7.8	-1.8	-8.1	26.9	12.9	13.7	6.9	7.8	11.7
Monetary aggregate (M2)	4.3	2.7	7.2	4.59	6.12	5.97	5.88	6.14	5.94
Stock market**	8,510	7,024	6,460	7,950	8,743	8,575	8,861	8,911	8,810

Note: * The DGBAS forecasts that Taiwan's real GDP will grow 5.06% in 2011.

** Stock index (monthly average).

Sources: The Central Bank of China (CBC), Directorate-General of Budget, Accounting and Statistics (DGBAS), Ministry of Economic Affairs (MOEA), and Ministry of Finance (MOF)