

GDP: Advance Estimate of 2015Q2

July 31, 2015 The seasonally adjusted real gross domestic product (GDP) decreased by 7.65% on a quarter-on-quarter annualized basis(saar) in 2015Q2, and the year-on-year(yoy) growth rate of unadjusted GDP was 0.64%, according to the advance estimate by DGBAS.

Economic Growth Rate

Units:%

	2014				2015			
		Q1	Q2	Q3	Q4		Q2	Q2
	<u>at Chained (2011) Dollars</u>							
yoy	3.77	3.41	3.87	4.32	3.47	—	3.37	0.64
	<u>at Chained (2011) Dollars, Seasonally Adjusted</u>							
saqr	—	0.43	0.71	1.50	0.46	—	0.68	-1.97
saar	—	1.71	2.86	6.15	1.86	—	2.74	-7.65

Explanation: yoy, saqr, and saar are abbreviated from “year-on-year”, “seasonally adjusted quarterly rates”, and “seasonally adjusted annualized rates”, respectively.

On the demand side, private final consumption grew by 2.81% on a year-on-year(yoy) basis in 2015Q2, due to surge of traveling and tourist spending abroad as well as stable growth of communication and recreation-and-culture expenditures.

Real gross capital formation expanded by 5.42%(yoy) with sharp increasing in inventory and moderate growth in machinery and equipment investment.

However, real exports of goods and services contracted by 1.30%(yoy), reflecting the downturns in foreign demand for electronic components and machinery. Meanwhile, imports grew by 1.93%(yoy).

Growth Rates and Contributions by Expenditure

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Units:%; percentage points								
<u>Growth Rates at Chained (2011) Dollars</u>								
GDP	3.77	3.41	3.87	4.32	3.47	—	3.37	0.64
Domestic Demand	3.46	2.35	3.50	5.06	2.90	—	0.88	3.03
Private Final Consumption	2.95	2.37	3.30	3.76	2.38	—	2.52	2.81
Government Final Consumption	3.69	4.17	2.35	3.89	4.29	—	-2.19	0.17
Gross Capital Formation	4.55	1.14	4.76	9.00	3.19	—	-1.29	5.42
Net Demand of Rest of the World	--	--	--	--	--	—	--	--
Exports of Goods and Services	5.90	4.26	5.03	7.62	6.50	—	5.93	-1.30
Imports of Goods and Services	5.75	2.91	4.70	9.21	6.09	—	2.48	1.93
<u>Contributions to Economic Growth Rate (yoy)</u>								
GDP	3.77	3.41	3.87	4.32	3.47	—	3.37	0.64
Domestic Demand	3.14	2.16	3.18	4.57	2.60	—	0.78	2.71
Private Final Consumption	1.60	1.32	1.79	2.03	1.26	—	1.38	1.50
Government Final Consumption	0.54	0.60	0.34	0.56	0.64	—	-0.31	0.03
Gross Capital Formation	1.00	0.23	1.05	1.98	0.70	—	-0.29	1.19
Net Demand of Rest of the World	0.63	1.25	0.69	-0.25	0.86	—	2.59	-2.07
Exports of Goods and Services	4.10	2.95	3.52	5.27	4.53	—	4.07	-0.93
Imports of Goods and Services	3.47	1.70	2.83	5.52	3.67	—	1.48	1.15

On the production side, the finance and insurance sector was the main driver, growing by 5.80%(yoy) in 2015Q2, supported by strong increasing of service charges.

The manufacturing sector decreased by 0.19%, mainly due to the fall in output of computers, electronic and optical products and the slowdown of electronic parts and components production.

The wholesale and retail trade sector and electricity and gas supply sector decreased by 1.54% and 9.65% respectively.

Growth Rates and Contributions by Kind of Activity

	2014					2015		
	Q1	Q2	Q3	Q4	Q1	Q2		
Units: % percentage points								
Growth Rates at Chained (2011) Dollars								
GDP	3.77	3.41	3.87	4.32	3.47	—	3.37	0.64
Manufacturing	6.30	3.38	6.26	7.86	7.26	—	7.06	-0.19
Electricity and Gas Supply	1.19	9.70	18.29	0.12	-10.52	—	-1.83	-9.65
Construction	1.71	0.36	3.35	1.25	2.01	—	0.42	-1.87
Wholesale and Retail Trade	2.64	1.96	4.07	2.88	1.78	—	1.34	-1.54
Transportation and Storage	2.10	2.69	3.90	1.43	0.52	—	3.15	0.78
Accommodation and Food Services	1.71	4.07	2.49	1.11	-0.76	—	0.33	0.89
Finance and Insurance	6.62	6.80	6.85	11.40	1.18	—	2.56	5.80
Real Estate and Ownership of Dwellings	0.72	0.54	0.90	0.55	0.86	—	1.02	0.88
Public Administration and Defence ; Compulsory Social Security	0.03	-0.10	-0.42	0.21	0.44	—	1.14	0.54
Contributions to Economic Growth Rate (yoy)								
GDP	3.77	3.41	3.87	4.32	3.47	—	3.37	0.64
Manufacturing	1.79	0.90	1.77	2.35	2.07	—	1.91	-0.06
Electricity and Gas Supply	0.03	0.06	0.06	-0.01	-0.01	—	-0.04	-0.13
Construction	0.05	0.02	0.10	0.04	0.04	—	0.02	-0.05
Wholesale and Retail Trade	0.45	0.36	0.68	0.44	0.32	—	0.22	-0.25
Transportation and Storage	0.06	0.07	0.11	0.05	0.01	—	0.10	0.02
Accommodation and Food Services	0.04	0.11	0.06	0.03	-0.02	—	0.01	0.02
Finance and Insurance	0.43	0.43	0.47	0.74	0.08	—	0.17	0.41
Real Estate and Ownership of Dwellings	0.06	0.05	0.08	0.05	0.07	—	0.09	0.07
Public Administration and Defence ; Compulsory Social Security	0.00	-0.01	-0.04	0.01	0.04	—	0.08	0.04

For further information:

Statistics Database:

<http://statdb.dgbas.gov.tw/pxweb/dialog/statfile1L.asp>

DGBAS news releases on the Internet:

<http://eng.stat.gov.tw/>

Ming-Chun Yu

miriam@dgbas.gov.tw

Tel: +886-2-23803504

Fax: +886-2-23803520

**Next release –Aug 14, 2015, for
Gross Domestic Products for 2015Q2 (Preliminary)**