

GDP: Advance Estimate of 2020Q2

July 31, 2020. Based on the advance estimate by DGBAS, the real gross domestic product (GDP) decreased by 8.82% on a quarter-on-quarter seasonally-adjusted annualized basis (saar) and contracted by 0.73% on a year-on-year basis (yoy) in 2020Q2.

Economic Growth Rate

Units: %

| | 2019 | | | | 2020 Q1-Q2(a) | | | |
|---|------|------|------|------|---------------|------|-------|-------|
| | | Q1 | Q2 | Q3 | Q4 | | Q1 | Q2(a) |
| <u>at Chained (2016) Dollars</u> | | | | | | | | |
| yoy | 2.71 | 1.84 | 2.60 | 3.03 | 3.29 | 0.41 | 1.59 | -0.73 |
| <u>at Chained (2016) Dollars, Seasonally Adjusted</u> | | | | | | | | |
| saqr | — | 0.82 | 0.45 | 0.71 | 1.60 | — | -0.91 | -2.28 |
| saar | — | 3.33 | 1.81 | 2.86 | 6.56 | — | -3.57 | -8.82 |

Note:(a)advance estimate

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

Real private final consumption contracted by 5.13%(yoy) in 2020Q2, lower than the 1.58% decline in the previous quarter, mainly reflecting a slump in consumption expenditure of residents abroad caused by COVID-19.

Real gross capital formation expanded by 9.56%(yoy), primarily owing to the growth of the investment in construction as well as machinery and equipment.

In addition, real exports and imports of goods and services dropped by 3.68%(yoy) and 4.24%(yoy) respectively, derived by the 2.42% and 4.00% decreases in custom merchandise exports and imports to be adjusted on the changes of ownership basis according to BPM6, as well as the contracted services trade mainly due to sharp reduction in travel.

Growth Rates and Contributions by Expenditure

| | Units:%; percentage points | | | | | | | |
|--|----------------------------|--------------|-------------|-------------|--------------|----------------|-------------|--------------|
| | 2019 | | | | | 2020 Q1-Q2 (a) | | |
| | | Q1 | Q2 | Q3 | Q4 | | Q1 | Q2(a) |
| <u>Growth Rates at Chained (2016) Dollars</u> | | | | | | | | |
| GDP | 2.71 | 1.84 | 2.60 | 3.03 | 3.29 | 0.41 | 1.59 | -0.73 |
| Domestic Demand | 2.63 | 2.02 | 2.04 | 1.83 | 4.56 | 0.13 | 0.97 | -0.70 |
| Private Final Consumption | 2.21 | 1.75 | 1.61 | 2.52 | 2.95 | -3.35 | -1.58 | -5.13 |
| Government Final Consumption | 0.06 | -3.06 | -2.58 | 3.77 | 1.78 | 1.11 | 3.32 | -0.92 |
| Gross Capital Formation | 5.27 | 5.93 | 6.17 | -0.85 | 10.15 | 7.66 | 5.70 | 9.56 |
| Net Demand of Rest of the World | -- | -- | -- | -- | -- | -- | -- | -- |
| Exports of Goods and Services | 1.19 | 0.88 | 1.42 | -0.03 | 2.42 | -3.04 | -2.37 | -3.68 |
| Imports of Goods and Services | 0.76 | 1.02 | 0.31 | -2.57 | 4.31 | -4.10 | -3.95 | -4.24 |
| <u>Contributions to Economic Growth Rate (yoy)</u> | | | | | | | | |
| GDP | 2.71 | 1.84 | 2.60 | 3.03 | 3.29 | 0.41 | 1.59 | -0.73 |
| Domestic Demand | 2.34 | 1.86 | 1.82 | 1.63 | 3.96 | 0.12 | 0.90 | -0.63 |
| Private Final Consumption | 1.16 | 1.00 | 0.86 | 1.29 | 1.46 | -1.79 | -0.86 | -2.69 |
| Government Final Consumption | 0.01 | -0.43 | -0.37 | 0.51 | 0.28 | 0.15 | 0.44 | -0.13 |
| Gross Capital Formation | 1.17 | 1.29 | 1.33 | -0.18 | 2.22 | 1.77 | 1.32 | 2.19 |
| Net Demand of Rest of the World | 0.37 | -0.01 | 0.78 | 1.40 | -0.67 | 0.29 | 0.69 | -0.10 |
| Exports of Goods and Services | 0.79 | 0.56 | 0.93 | 0.00 | 1.64 | -1.90 | -1.46 | -2.33 |
| Imports of Goods and Services | 0.42 | 0.57 | 0.15 | -1.40 | 2.31 | -2.19 | -2.15 | -2.23 |

Note:(a)advance estimate

For further information:

Statistics Database:

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

DGBAS news releases on the Internet:

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

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**Next release –Aug. 14, 2020, for
Gross Domestic Products for 2020Q2 (Preliminary)**