

June 2025 Taiwan Manufacturing PMI

PMI at 49.6%

New Orders, Production and Employment Contracting
Supplier Deliveries Slowing;
Inventories Growing

MANUFACTURING AT A GLANCE

June 2025

Unit : %							Industries					
Index	Series Index June	Series Index May	Percentage Point Change	Direction	Rate of Change	Trend (Months)	C&M	Elec	F&T	Mt'ls	Trans	Mach
Taiwan Manufacturing PMI	49.6	51.0	-1.4	Contracting	From Growing	1	49.7	55.5	46.5	41.2	43.8	53.2
New Orders	47.1	49.1	-2.0	Contracting	Faster	3	50.0	55.8	43.5	29.1	31.0	50.0
Production	47.0	50.8	-3.8	Contracting	From Growing	1	47.4	57.7	47.8	37.2	45.2	57.3
Employment	48.2	49.3	-1.1	Contracting	Faster	3	48.7	53.4	45.7	43.0	38.1	50.0
Supplier Deliveries	55.1	52.4	+2.7	Slowing	Faster	7	56.4	57.7	50.0	47.7	59.5	57.3
Inventories	50.4	53.6	-3.2	Growing	Slower	5	46.2	52.9	45.7	48.8	45.2	51.2
Customers' Inventories	47.8	45.9	+1.9	Too Low	Slower	32	47.4	47.6	45.7	50.0	47.6	46.3
Prices	55.1	56.1	-1.0	Increasing	Slower	9	52.6	64.4	47.8	36.0	54.8	52.4
Backlog of Orders	45.2	48.5	-3.3	Contracting	Faster	3	42.3	49.0	37.0	39.5	33.3	52.4
New Export Orders	46.2	50.0	-3.8	Contracting	From Unchanged	1	48.7	53.4	37.0	32.6	33.3	46.3
Imports	47.8	48.6	-0.8	Contracting	Faster	3	52.6	50.5	54.3	36.0	40.5	50.0
Future Outlooks	39.8	40.9	-1.1	Contracting	Faster	3	44.9	43.8	41.3	29.1	26.2	40.2
Production Materials	37	36					31	41	49	37	24	31
MRO Supplies	33	34					28	35	33	37	29	29
Capital Expenditures	62	60					54	73	76	41	80	47

Chart 1: Time Series of Taiwan Manufacturing PMI

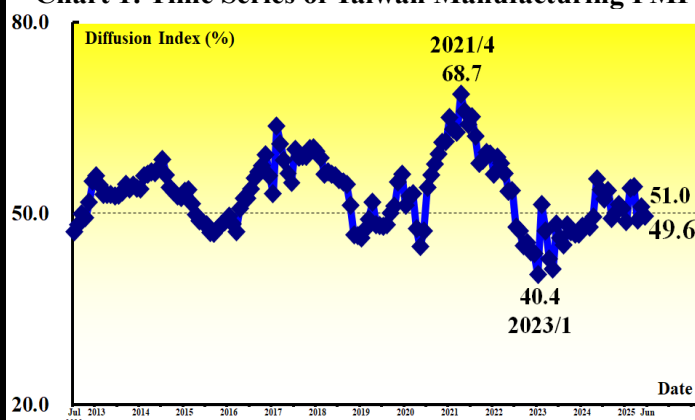
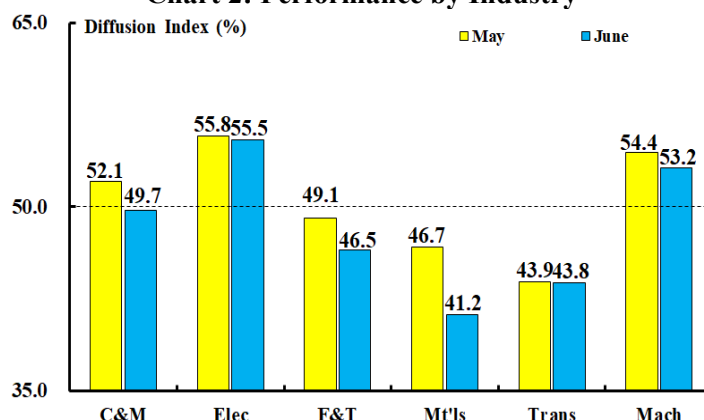


Chart 2: Performance by Industry



Summary

- The manufacturing sector returned to contraction following only one month of growth as the seasonally adjusted Taiwan manufacturing PMI decreased 1.4 percentage points to 49.6 percent in June.
- Manufacturers' new orders contracted for the third consecutive month as the New Orders Index went down 2.0 percentage points to 47.1 percent, recording the fastest contraction rate since April 2024.
- The Production Index returned to contraction following only one month of growth and fell 3.8 percentage points to 47.0 percent.
- The Employment Index remained in contraction for the third consecutive month and went down 1.1 percentage points to 48.2 percent.
- The Supplier Deliveries Index increased 2.7 percentage points to 55.1 percent, the highest reading since June 2022, indicating the delivery performance of suppliers to the manufacturing sector was slower for seven consecutive months.
- Manufacturers reported that their customers had insufficient inventories on hand for thirty-two consecutive months, while the Customers' Inventories Index increased 1.9 percentage points to 47.8 percent.
- Manufacturers have been experiencing higher prices in their purchases for the ninth consecutive month as the Prices Index further fell 1.0 percentage point to 55.1 percent.
- The Backlog of Orders Index went down 3.3 percentage points to 45.2 percent, indicating contraction for three consecutive months.
- The Future Outlook Index decreased 1.1 percentage points to 39.8 percent, marking the third consecutive month of contraction.
- Of the six manufacturing industries, four reported contracting in the following order: Basic Materials (41.2%), Transportation Equipment (43.8%), Foods & Textiles (46.5%) and Chemical, Biological & Medical (49.7%). While Electronic & Optical (55.5%) and Electrical & Machinery Equipment (53.2%) reported growing in June.

About this Report

This report is jointly issued by the National Development Council (NDC) – a cabinet-level ministry, the Chung-Hua Institution for Economic Research (CIER), and the Supply Management Institute, Taiwan (SMIT). CIER makes no representation, other than that stated within this release, regarding the individual company data collection procedures.

Data and Method of Presentation

The Survey is based on data compiled from monthly replies to questionnaires sent to manufacturing purchasing and supply executives in about 300 manufacturing companies. The panel has been carefully selected to accurately replicate the actual structure of the manufacturing economy, based on each industry's contribution to gross domestic product (GDP). The diffusion index includes the percent of positive responses plus one-half of those responding the same (considered positive). A PMI reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally decline. Responses to Buying Policy reflect the percent reporting the current month's lead time, the approximate weighted number of days ahead for which commitments are made for Production Materials; Capital Expenditures; and Maintenance, Repair and Operating (MRO) Supplies, expressed as hand-to-mouth (five days), 30 days, 60 days, 90 days, six months (180 days), a year or more (360 days), and the weighted average number of days.

We re-categorize the manufacturing subsectors listed in the Standard Industrial Classification System of the Republic of China (Rev.9, 2011) into six broad categories. **The Chemical, Biological & Medical industry (C&M)** which includes Manufacture of Chemical Material, Manufacture of Chemical Products, Manufacture of Pharmaceuticals and Medicinal Chemical Products and Manufacture of Medical Instruments and Supplies. **The Electronic & Optical industry (Elec)** which comprises Manufacture of Electronic Parts and Components and Manufacture of Computers Electronic and Optical Products. **The Foods & Textiles industry (F&T)** which comprises Manufacture of Food Products, Manufacture of Beverages, Manufacture of Tobacco Products, Manufacture of Textiles, Manufacture of Wearing Apparel and Clothing Accessories, Manufacture of Leather, Fur and Related Products. **The Basic Materials industry (Mt'ls)** which includes Manufacture of Wood and of Products of Wood and Bamboo, Manufacture of Pulp, Paper and Paperboard, Printing and Service Activities Related to Printing, Manufacture of Rubber Products, Manufacture of Plastics Products, Manufacture of Other Non-metallic Mineral Products, Manufacture of Basic Metals and Manufacture of Fabricated Metal Products. **The Transportation Equipment industry (Trans)** which comprises Manufacture of Motor Vehicles and Parts and Manufacture of Other Transport Equipment and Parts. The last category is **Electrical & Machinery Equipment industry (Mach)** which includes Manufacture of Electrical Equipment and Manufacture of Machinery and Equipment.

Starting from each release of the Month of April 2018, the index numbers for Manufacturing PMI, New Orders, Production and Employment are seasonally adjusted to remove those seasonal components and calendar effects such as trading day, leap year and other moving holiday effects. Averaging the seasonally adjusted component series (the New Orders, Production, and Employment indexes) and the seasonally unadjusted components (Supplier Delivers and Inventories indexes) will give rise to the indirect seasonally adjusted Manufacturing PMI. As the direct seasonally adjusted PMI is more stable than the indirect seasonally adjusted PMI, CIER assumes the difference between these two indexes to three seasonally adjusted component series using the variance of each irregular component as weights. Therefore, the equality of seasonally adjusted PMI and its component series is maintained. The diffusion indexes other than the PMI component series and the industrial data are raw data and not seasonally adjusted.

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