

# News Release

Embargoed until 0830 CST (0030 UTC) 2nd January 2025

## S&P Global Taiwan Manufacturing PMI

### Stronger growth of manufacturing economy in December

#### Key findings

Positive demand trend supports faster rise in production

Focus on efficiency leads to another drop in employment

Costs rise markedly, whilst output charges up to greater degree

Taiwan's manufacturing economy ended 2024 on a positive note, with growth of the sector accelerating to its strongest in five months. Faster increases in both output and orders were recorded, whilst firms raised their buying activity amid a positive production outlook. That said, a continued focus on productivity led to another marginal decline in staffing levels. Prices pressures also persisted, with input costs rising strongly and output charge inflation picking up to a four-month high.

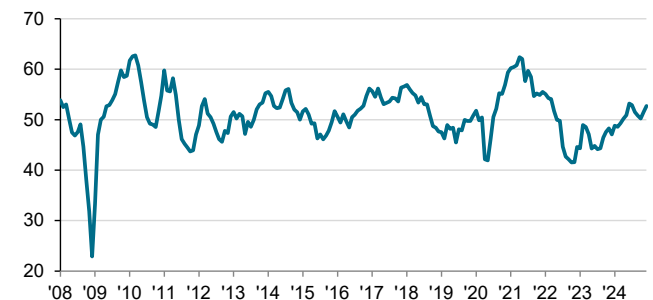
The S&P Global Taiwan Manufacturing Purchasing Managers' Index™ (PMI®), which is adjusted for seasonal influences, posted above the crucial 50.0 no-change mark in December for a ninth successive month. Moreover, the PMI improved to 52.7, from 51.5 in November, to signal an acceleration in the rate of growth to its strongest since July.

December's survey revealed concurrent increases in both production and new orders. Growth rates also improved to five- and six-month highs respectively. Panellists indicated the demand environment remained highly positive, with gains in new work recorded across both domestic and international markets. Indeed, exports rose to the greatest degree since February 2022 with higher sales seen across Asia, Europe and North America.

Productivity enhancements again remained in focus for manufacturers during December and was seen as a factor helping to bolster output at the end of 2024. Companies noted that production growth had been achieved with fewer staff overall, with a fourth successive (albeit marginal) drop in employment signalled. Panellists noted the non-replacement of leavers at their plants.

Firms were more positive when it came to buying activity, with an increase in purchasing recorded for an eighth successive month. Growth was the sharpest since February 2022 as panellists sought to satisfy higher production and order requirements. Stock building was also a consideration,

S&P Global Taiwan Manufacturing PMI  
sa, >50 = improvement since previous month



Source: S&P Global PMI.  
Data were collected 5-12 December 2024.

#### Comment

Paul Smith, Economics Director at S&P Global Market Intelligence, said:

"Taiwan's manufacturing economy finished last year in solid fashion, expanding at the fastest pace in nearly half-a-year amid reports of a positive demand environment which helped to drive output and new orders higher. Manufacturers also signalled a broadness to their client bases, with domestic and international customers from across the world all cited as sources of growth in December.

"Panellists signalled an ongoing focus on productivity, generally choosing not to replace any leavers at their plants. Whilst that did little to prevent further output growth over the month, it did come at the cost of rising backlogs of work (the strongest since March 2022). This suggests that employment growth will return soon, which is even more likely should the recent upward trends in new orders and output be sustained. And in this regard, firms remain optimistic with a majority forecasting further growth in output in 2025."

PMI®

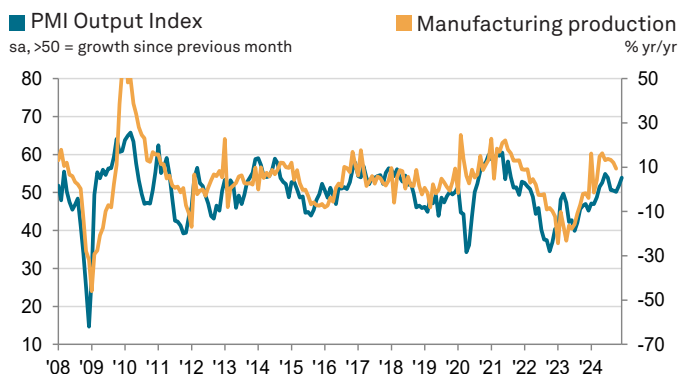
by S&P Global

with inventories of purchases rising marginally for a second month in a row.

Higher demand for inputs placed some pressure on suppliers, with average lead times lengthening for an eighth month in a row. Shipping schedules were reported to be disrupted, whilst labour shortages added to vendor challenges.

Price pressures meanwhile remained apparent. Although rising at the slowest rate in three months, input price inflation remained marked in December. Bought-in inputs and goods were generally reported to be higher in cost, and firms sought to pass these onto clients wherever possible. Output charges increased for an eighth month in a row, with the latest inflation solid and the highest since August 2024.

Finally, looking ahead to the coming year, confidence in the outlook remained positive, reaching a five-month high and maintaining its recent recovery from September's low. Firms are hopeful of further improvements in new orders and productivity in the 12 months ahead.



Sources: S&P Global PMI, National Statistics via S&P Global Market Intelligence

## Contact

Paul Smith  
Economics Director  
S&P Global Market Intelligence  
T: +44-1491-461-038  
[paul.smith2@spglobal.com](mailto:paul.smith2@spglobal.com)

SungHa Park  
Corporate Communications  
S&P Global Market Intelligence  
T: +81 3 6262 1757  
[sungha.park@spglobal.com](mailto:sungha.park@spglobal.com)

If you prefer not to receive news releases from S&P Global, please email [katherine.smith@spglobal.com](mailto:katherine.smith@spglobal.com). To read our privacy policy, click [here](#).

### Survey methodology

The S&P Global Taiwan Manufacturing PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 400 manufacturers. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in April 2004.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI®). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact [economics@spglobal.com](mailto:economics@spglobal.com).

### Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index™ and PMI® are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.

### About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today.

### About PMI

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. [www.spglobal.com/marketintelligence/en/mi/products/pmi](http://www.spglobal.com/marketintelligence/en/mi/products/pmi)