

# January 2025 Taiwan Manufacturing PMI

## PMI at 48.7%

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

### MANUFACTURING AT A GLANCE

January 2025

Index	Series Index Jan	Series Index Dec	Percentage Point Change	Direction	Rate of Change	Trend (Months)	Industries					
							C&M	Elec	F&T	Mt'ls	Trans	Mach
Taiwan Manufacturing PMI	48.7	50.8	-2.1	Contracting	From Growing	1	50.5	46.4	54.3	46.6	44.2	50.2
New Orders	49.7	50.9	-1.2	Contracting	From Growing	1	47.5	43.5	63.0	46.6	50.0	50.0
Production	45.0	52.1	-7.1	Contracting	From Growing	1	47.5	44.9	50.0	39.8	44.7	46.4
Employment	50.8	51.1	-0.3	Growing	Slower	9	51.3	47.2	50.0	51.1	44.7	50.0
Supplier Deliveries	51.7	52.5	-0.8	Slowing	Slower	2	55.0	51.9	54.3	48.9	52.6	50.0
Inventories	46.5	47.4	-0.9	Contracting	Faster	23	51.3	44.4	54.3	46.6	28.9	54.8
Customers' Inventories	45.3	44.5	+0.8	Too Low	Slower	27	46.3	44.4	54.3	47.7	26.3	45.2
Prices	54.1	50.4	+3.7	Increasing	Faster	4	60.0	52.8	71.7	48.9	50.0	53.6
Backlog of Orders	45.1	49.2	-4.1	Contracting	Faster	8	41.3	43.5	50.0	47.7	47.4	47.6
New Export Orders	47.3	50.0	-2.7	Contracting	From Unchanged	1	55.0	46.8	45.7	43.2	52.6	48.8
Imports	47.2	51.8	-4.6	Contracting	From Growing	1	48.8	45.8	54.3	48.9	39.5	47.6
Future Outlooks	51.7	46.1	+5.6	Growing	From Contracting	1	55.0	50.9	56.5	53.4	50.0	45.2
Production Materials	38	40	-	-	-	-	31	42	45	47	20	31
MRO Supplies	31	35	-	-	-	-	29	31	39	37	24	28
Capital Expenditures	57	60	-	-	-	-	52	64	71	61	71	26

Chart 1: Time Series of Taiwan Manufacturing PMI

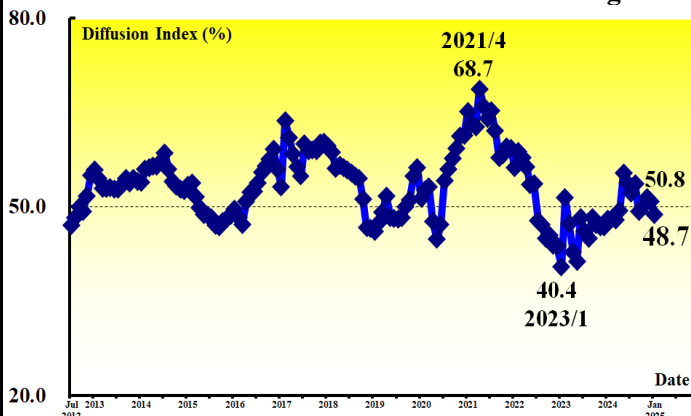
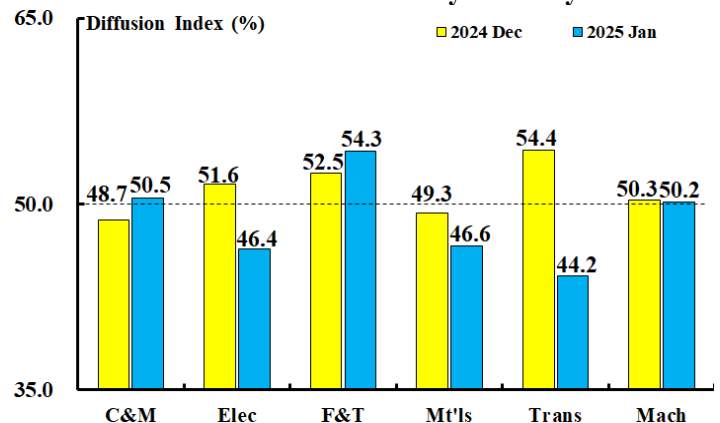


Chart 2: Performance by Industry



### Summary

- The Manufacturing sector turned to contraction following two months of growth in January 2025, as the seasonally adjusted Taiwan Manufacturing PMI decreased 2.1 percentage points to 48.7 percent.
- The seasonally adjusted New Orders Index went down 1.2 percentage points to 49.7 percent and reported contraction following three months of growth.
- Manufacturers' production contracted for the first time following three months of growth as the Production Index dropped 7.1 percentage points to 45.0 percent.
- The Employment Index slightly decreased 0.3 percentage point to 50.8 percent, indicating growing for nine consecutive months.
- Manufacturers reported slower deliveries for two consecutive months, as the Supplier Deliveries Index decreased 0.8 percentage point to 51.7 percent.
- The Inventories Index contracted for twenty-three consecutive months and decreased 0.9 percentage point to 46.5 percent.
- Manufacturers reported their customers had insufficient inventories on hand for twenty-seven consecutive months, as the Customers' Inventories Index increased 0.8 percentage point to 45.3 percent.
- Manufacturers are experiencing higher prices in their purchases for four consecutive months as the Prices Index increased 3.7 percentage points to 54.1 percent.
- The Backlog of Orders Index contracted for the eighth consecutive month and decreased 4.1 percentage points to 45.1 percent.
- The Future Outlooks Index turned to growth following four months of contraction and increased 5.6 percentage points to 51.7 percent.
- Three of the six manufacturing industries reported contraction in the following order: Transportation Equipment (44.2%), Electronic & Optical (46.4%) and Basic Materials (46.6%). While Foods & Textiles (54.3%), Chemical, Biological & Medical (50.5%) and Electrical & Machinery Equipment (50.2%) reported growth in January 2025.

## 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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