

# Statistical Analysis

## I. Domestic economic situation

In 2019, the US-China trade dispute and technological war continually affected the international economy, however, benefited from the reorganization of the global industrial supply chain and the fermentation of emerging technology applications, the manufacturers continued to expand domestic production capacity, the annual economic growth rate was 2.96% , higher than 2.79% in 2018. And the annual growth rate of gross domestic product (GDP) at current prices was 3.03%, also higher than 2.18% in 2018; the gross capital formation was NT\$4.46 trillion, increased 9.25%; the fixed capital consumption was NT\$3.05 trillion, increased 5.07%. In 2019, consumer prices rose 0.56% compared to 2018, and wholesale and import prices fell 2.26% and 1.47% respectively. At the end of 2019, the price-weighted stock index in centralized securities exchange market was 11,997 points, increased 23.33% from 9,727 points at the end of 2018.

## II. Gross and net national wealth

**(gross/net national wealth= gross/net non-financial assets+ net financial assets)**

**(A)Gross national wealth was NT\$268.02 trillion at the end of 2019, increased NT\$6.24 trillion**

Gross national wealth was NT\$268.02 trillion at the end of 2019, increased NT\$6.24 trillion or 2.38% from the end of 2018, wherein gross non-financial assets NT\$225.82 trillion, increased NT\$5.42 trillion or 2.46%, mainly due to the continuous expansion of high-end production capacity in the semiconductor industry and accelerated investment in green energy power generation, which led to an increase of NT\$2.61 trillion in buildings and constructions, and an increase of NT\$1.63 trillion in machinery equipment. And land ( at announced current value ) increased NT\$0.84 trillion due to the increase of the announced current value; net financial assets NT\$42.21 trillion, increased NT\$0.82 trillion or 1.97%.

After deducting depreciation, net national wealth was NT\$214.18 trillion at the end of 2019, increased NT\$3.54 trillion or 1.68% from the end of 2018, mainly due to the increase in net non-financial assets of NT\$2.73 trillion or 1.61%, wherein building and constructions increased NT\$1.40 trillion or 4.22%, machinery equipment increased NT\$0.48 trillion or 5.80%.

In the past 5 years, the gross and net national wealth has increased year by year, and since 2016, due to the significant increase in building and constructions, machinery equipment, and the associated depreciation has risen, the growth rate of gross national wealth is higher than net national wealth, especially in 2019.

**(B) Gross national wealth by types of asset, land accounted for 43.01%**

Gross national wealth by type of assets at the end of 2019, gross non-financial assets accounted for 84.25%, wherein land (at announced current value) accounted for 43.01%, decreased 0.70 percentage points from the end of 2018; buildings and constructions accounted for 20.81%, increased 0.50 percentage points; machinery equipment increased by 0.36 percentage points to 10.90%; net financial assets accounted for 15.75%, decreased 0.06 percentage points. Regarding the types of asset, in the gross non-financial assets, non-produced assets accounted for 43.28%, produced assets accounted for 40.97%.

As for the asset structure of net national wealth (depreciation excluded in land and inventories), net non-financial assets accounted for 80.29%, of which land accounted for 53.82%, buildings and constructions 16.19%; net financial assets 19.71%.

**(C) The structure of produced assets in net national wealth has gradually increased from 2015-2019**

From the data in the past 5 years, net financial assets has continually increased due to the rise in overseas investment in the life insurance industry, its composition ratio increased from 14.27% at the end of 2015 to 15.81% at the end of 2018. While in 2019, due to the increase in the foreign financial liabilities, the increase of net financial assets was lower than non-financial assets, which caused its composition ratio dropped to 15.75%. In addition, gross non-produced assets, due to the slowdown in the increase of the announced current value, its composition ratio decreased 3.53 percentage points over the past 5 years, which resulting in the composition ratio of gross non-financial assets decreased year by year from the end of 2015 to 84.19% at the end of 2018, and slightly increased to 84.25% at the end of 2019.

In terms of net value, net national wealth increased 7.12%, of which net financial assets increased the most by 20.74%, its composition ratio increased from 17.49% at the end of 2015 to 19.71% at the end of 2019; while the ratio of non-financial assets continued to decline, mainly due to the impact of non-produced assets, its ratio fell from 57.38% to 54.16%, decreased 3.22 percentage points. The produced assets, with the continuous investment in

buildings and constructions and machinery equipment, has gradually increased over the past 5 years.

**(D) In gross produced assets, the enterprise sector accounts for NT\$65.52 trillion or 59.66%**

Gross produced assets by using sector could be divided into households, enterprises, and government and non-profit institutions sectors (for supporting the productive activities of enterprises and elevating the living quality of households.)

Regarding gross produced assets by sectors at the end of 2019, owing to the continuous promotion by the government of domestic investment by enterprises, driving the increase of inputs in machinery equipment and constructions, the gross produced assets in enterprises sector was NT\$65.52 trillion or 59.66%, increased 0.32 percentage points compared to 2018; government and non-profit institutions NT\$20.56 trillion or 18.72%, increased 0.05 percentage points; family continued to drop to 21.62%.

**(E) Industry accounts for 64.09% of the gross produced fixed assets of all enterprises of all industries**

Gross produced fixed assets for enterprises of all industries was NT\$60.86 trillion at the end of 2019, increased NT\$3.23 trillion or 5.61% from the end of 2018. By kind of activity, industry accounted for 64.09%, services 32.67%, and agriculture, forestry, fishing and animal husbandry 3.24%.

In the past 5 years, industry accounts around the most at the end of every year, and which exceeded 64% at the end of 2019, whereof the gross produced fixed assets of the manufacturing industry accounted for more than 50% of the overall enterprises.

### **III. Assets and liabilities by sector**

#### **(A) Sectors analysis**

**1. In net worth (net non-financial assets and net financial assets) by sector at the end of 2019, households was NT\$133.94 trillion and accounted for 62.53%**

At the end of 2019, net worth (net national wealth) by sector, the households sector was NT\$133.94 trillion, accounted for 62.53%; the government sector NT\$54.74 trillion, 25.56%; the enterprises sector although continued to increase investment, the increase in the market value of the stock market led to an increase of the equity liabilities, resulting in a decrease of NT\$5.73 trillion

in its net worth to NT\$16.84 trillion, or 7.86%; while the households sector, benefited from the stock market, and life insurance reserves expanded, its net value increased, and the composition ratio increased 2.79 percentage points.

**2. Land increased NT\$2.47 trillion at the end of 2019 after reevaluation with the urban land market price**

At the end of 2019, land on the announced current value was NT\$115.27 trillion, and after re-evaluating the residential, commercial and industrial land — having more market circulation and transaction values — at the urban land market price (data came from the Ministry of The Interior), the value was NT\$117.74 trillion, increased NT\$2.47 trillion, wherein the households sector increased NT\$1.33 trillion, accounted for 53.73%; the government sector increased NT\$0.66 trillion, 26.49%; the enterprises sector increased NT\$0.41 trillion, 16.56%; non-profit institutions increased NT\$0.08 trillion, 3.22%.

**3. Based on final ownership, the net worth of the households sector was NT\$148.30 trillion and accounted for 68.45% with land re-evaluated on market value**

With land re-evaluated on the market price and the net worth of enterprises redistributed by final ownership, the net worth of the households sector was NT\$148.30 trillion, accounted for 68.45% of national net worth; the government sector NT\$58.65 trillion, 27.07%; non-profit institutions NT\$9.71 trillion, 4.48%.

**(B) Asset and liabilities per household / per capita for the household sector**

**1. Real estate accounted for 34.68% of the households assets at the end of 2019**

At the end of 2019, the net worth of the households sector was NT\$133.94 trillion, increased NT\$8.11 trillion or 6.44% from the end of 2018. By asset, real estate was NT\$46.45 trillion, accounted for 34.68%; life insurance and pension fund reserves NT\$28.82 trillion, 21.52%; securities NT\$21.18 trillion, 15.81%. The liabilities of the households sector was NT\$16.94 trillion, wherein loan was NT\$16.46 trillion. After the land being re-evaluated on the market price, households net worth increased to NT\$135.27 trillion, wherein real estate was NT\$47.78 trillion, accounted for 35.32%.

**2. Net worth per household at the end of 2019 was NT\$12.05 million, increased NT\$0.53 million**

Net worth per household (the registered household; land re-evaluated on market price) at the end of 2019, excluding life insurance reserves and pension fund reserves, was NT\$12.05 million, increased NT\$0.53 million or 4.61% from the end of 2018, wherein real estate NT\$5.41 million, increased NT\$0.01 million; securities, benefited from the rise in stock market, increased NT\$0.37 million; cash and demand deposits were NT\$1.91 million, increased NT\$0.12 million. Domestic financial liabilities per household was NT\$1.92 million, increased NT\$0.07 million or 3.67% from the end of 2018, mainly due to the increase in loan to NT\$1.86 million.

Besides, due to the popularization of insurance and financial management these years, life insurance reserves and pension fund reserves keep increasing, after calculating combined, net worth per households to be NT\$15.32 million, increased NT\$0.77 million or 5.26% from the end of 2018.

**3. Net worth per capita for household sector at the end of 2019 was NT\$4.51 million, increased NT\$0.24 million from the end of 2018**

Net worth per capita (after land re-evaluated on market price) at the end of 2019, excluding life insurance reserves and pension fund reserves, was NT\$4.51 million, increased NT\$0.24 million or 5.73% from the end of 2018.

If life insurance reserves and pension fund reserves included, it was NT\$5.73 million, increased NT\$0.34 million or 6.38%, wherein domestic financial assets was NT\$3.90 million, increased NT\$0.34 million or 9.60% from the end of 2018; domestic financial liabilities was NT\$0.72 million, increased NT\$0.03 million or 4.77%.

**4. In the past five years, net worth per household and per capita in the household sector, securities and cash deposits increased the most**

In the past five years, excluding life insurance reserves and pension fund reserves, net worth per household at the end of 2019 increased NT\$ 0.69 million from the end of 2015, mainly due to the increase in securities, cash and deposits. Net worth per capita increased NT\$0.41million or 10.14%, from NT\$4.10 million to NT\$4.51 million, with the increase of NT\$0.20 million in securities the most, then the increase of NT\$0.15 million in cash and demand deposits.