

Financial Conditions

March 2024

Monetary Aggregates For the month of March 2024, the monthly growth rates of the monetary aggregates M1B and M2 (measured on a daily average basis) were 0.82% and 0.85%, respectively. The annual growth rates of M1B and M2 increased to 5.38% and 6.15%, respectively, mainly because of net foreign capital inflows. For the first three months of this year, the average annual growth rates of M1B and M2 were 4.47% and 5.73%, respectively.

Deposits and Loans & Investments At the end of March, the monthly growth rate of total deposits in monetary financial institutions was 0.93%, higher than that at the end of the previous month; the annual growth rate increased from 5.79% at the end of the previous month to 6.54%. The monthly growth rate of total outstanding loans and investments (measured on a cost basis) of monetary financial institutions was 0.85%. Meanwhile, the annual growth rate decreased from 7.43% at the end of the previous month to 7.30% mainly because of slower growth in bank claims on the government. If loans and investments extended by life insurance companies and loans reclassified and written off by monetary financial institutions were all taken into account, the total outstanding loans and investments of financial institutions would show an annual growth rate of 6.41%, higher than the 6.40% registered at the end of the previous month.

Reserve Money The daily average reserve money in March was NT\$6,397.4 billion, a decrease of NT\$117.6 billion from the previous month. Of the components, currency in circulation decreased by NT\$215.3 billion, whereas reserves deposited with the Bank increased by NT\$97.7 billion. The annual growth rate of the daily average reserve money decreased by 1.8 percentage points from 7.28% of the previous month to 5.48%. For the first three months of this year, the average annual growth rate of the daily average reserve money was 4.96%.

Reserve Conditions and Call Loan Rate For the month of March, the daily average net excess reserves of financial institutions were NT\$45.2 billion. The average overnight call loan rate increased from 0.693% of the previous month to 0.739%.

Foreign Exchange Reserves At the end of March, foreign exchange reserves amounted to US\$568.10 billion, decreasing by US\$1.32 billion from the end of the previous month.