

Appendix 1

Real Interest Rates and Economic Growth of Selected Economies

Unit: %

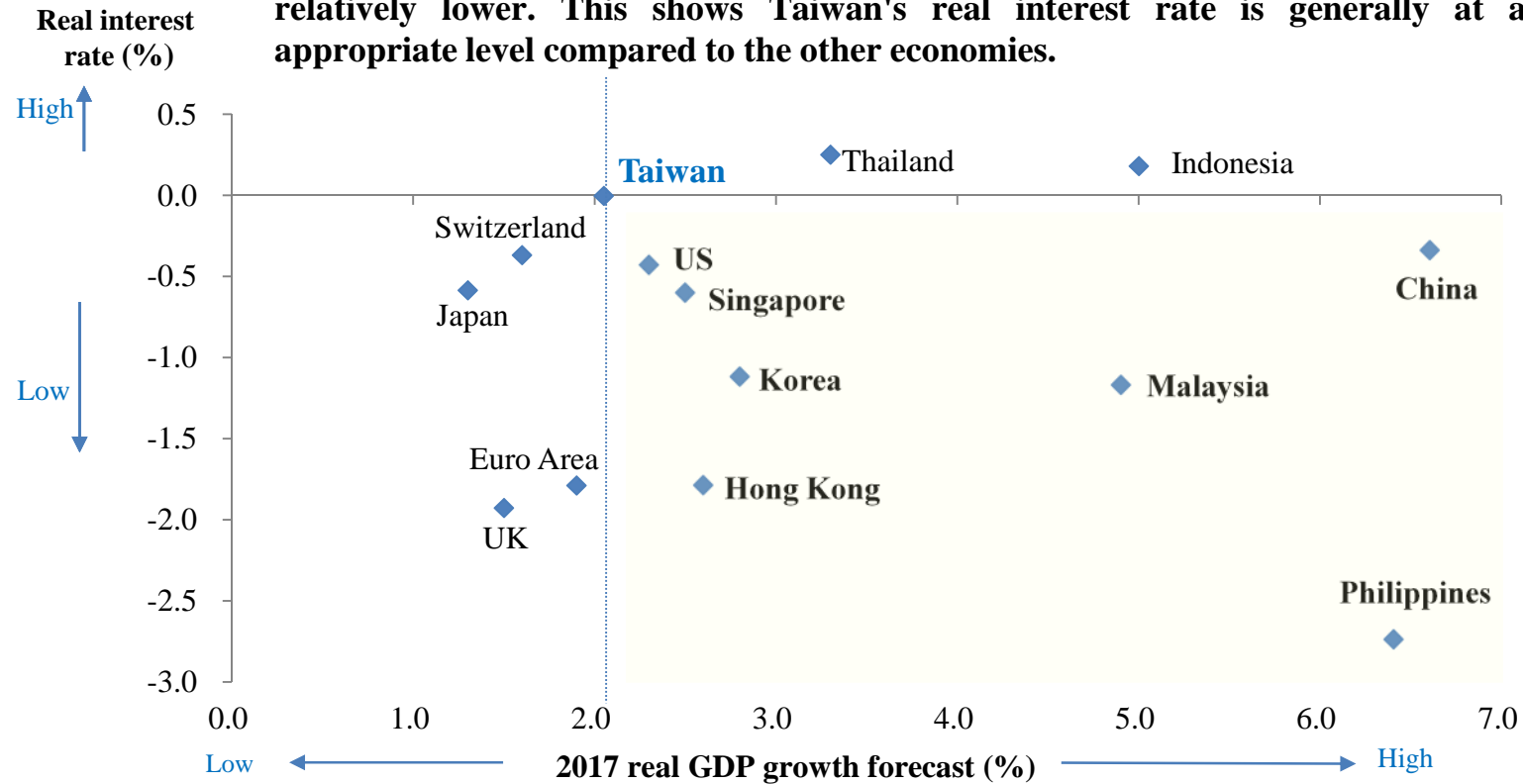
Economies	(1) 1-year time deposit rate (As of 2017/6/22)	(2) CPI annual growth rate ** (2017 forecast)	(3)=(1)-(2) Real interest rate	Real GDP growth rate (2017 forecast) **
Thailand	1.500	1.25	0.250	3.3
Indonesia	4.750	4.57	0.180	5.0
Taiwan	1.065*	1.07	-0.005	2.05
China	1.500	1.84	-0.340	6.6
Switzerland	0.160	0.53	-0.370	1.6
US	1.760	2.19	-0.430	2.3
Japan	0.014	0.60	-0.586	1.3
Singapore	0.250	0.85	-0.600	2.5
Korea	1.000	2.12	-1.120	2.8
Malaysia	2.850	4.02	-1.170	4.9
Hong Kong	0.050	1.84	-1.790	2.6
Euro Area	-0.100	1.69	-1.790	1.9
UK	0.800	2.73	-1.930	1.5
The Philippines	0.500	3.24	-2.740	6.4

* 1-year time-deposit floating rate of the five major domestic banks.

** IHS Global Insight projections, as of June 15, 2017. Forecasts for Taiwan are: CBC's projection for the CPI annual growth rate and DGBAS's projection for the real GDP growth rate.

Appendix 2 Real Interest Rates and Economic Growth of Selected Economies

Most countries in the graph here register negative real interest rates. Although some enjoy higher economic growth than Taiwan, their real interest rates are relatively lower. This shows Taiwan's real interest rate is generally at an appropriate level compared to the other economies.



- Notes: 1. Real interest rates are 1-year time-deposit rates (as of June 22, 2017; Taiwan uses 1-year time-deposit floating rate of the five major domestic banks) minus the CPI annual growth rates (2017 forecast).
 2. Taiwan's CPI and GDP growth projections are forecasts by the CBC and the DGBAS, respectively. Forecast figures for the other economies are IHS Global Insight projections, as of June 15, 2017.