**Appendix 1**

**Taiwan's Inflationary Pressures and Inflation Outlook**

|  |  |  |
| --- | --- | --- |
| **Forecast institutions** | **Inflationary pressures** | **Inflation** **outlook** |
| Jan.-Feb. 2018 | 2018 (f) |
| **Domestic institutions** | TIER (2018/1/25) | **1.54(CPI)****1.61(Core CPI\*)** | 1.03 |
| Yuanta-Polaris (2017/12/27) | 1.10 |
| Academia Sinica (2017/12/22) | 1.18 |
| DGBAS (2018/2/13) | 1.21 |
| **CBC (2018/3/8)** | **1.27(CPI)****1.26(Core CPI\*)** |
| **Foreign institutions** | HSBC (2018/3/19) | 1.20 |
| Credit Suisse (2018/3/15) | 1.20 |
| Citi (2018/3/8) | 1.20 |
| Goldman Sachs (2018/3/19) | 1.30 |
| BoA Merrill Lynch (2018/3/19) | 1.30 |
| Barclays Capital (2018/3/16) | 1.30 |
| EIU (2018/3/1) | 1.30 |
| Standard Chartered (2018/2/2) | 1.30 |
| IHS Markit (2018/3/15) | 1.32 |
| Nomura (2018/3/16) | 1.50 |
| Deutsche Bank (2018/3/19) | 1.70 |

Unit: %

**Median:**

**1.18%**

(domestic institutions)

**Median:**

**1.30%**

(foreign institutions)

\*Excluding vegetables, fruit, and energy.

Sources: DGBAS, Executive Yuan; forecasts by respective institutions.

\*Excluding vegetables, fruit, and energy.

Sources: DGBAS, Executive Yuan; forecasts by respective institutions.

**Appendix 2**

**Real Interest Rates and Economic Growth of Selected Economies**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  | Unit: % |
| Economies | (1) | (2) | (3)=(1)-(2) | **Real GDP** **growth rate** **(2018 forecast)** \*\* |
| 1-year time deposit rate  | CPI annual growth rate \*\* | **Real interest rate** |
| (As of 2018/3/22) | (2018 forecast) |
| Indonesia | 4.750 | 3.48 | 1.270 | 5.1 |
| Malaysia | 2.950 | 1.94 | 1.010 | 5.5 |
| US | 2.710 | 2.23 | 0.480 | 2.7 |
| Thailand | 1.500 | 1.16 | 0.340 | 3.8 |
| South Korea | 1.300 | 1.28 | 0.020 | 2.8 |
| **Taiwan** | **1.065**\* | **1.27** | **-0.205** | **2.58** |
| Singapore | 0.250 | 0.66 | -0.410 | 2.7 |
| Switzerland | 0.160 | 0.73 | -0.570 | 2.5 |
| China | 1.500 | 2.15 | -0.650 | 6.7 |
| Japan | 0.011 | 1.06 | -1.049 | 1.4 |
| UK | 1.030 | 2.87 | -1.840 | 1.4 |
| Euro Area | -0.250 | 1.68 | -1.930 | 2.4 |
| Hong Kong | 0.050 | 2.18 | -2.130 | 2.9 |
| The Philippines | 0.500 | 3.94 | -3.440 | 6.6 |

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

\*\* IHS Markit projections, as of Mar. 15, 2018. Forecasts for Taiwan's CPI annual growth rate and the real GDP growth rate are CBC's projections.