**Appendix**

**Table 1 Taiwan's Inflation and Inflation Outlook**

|  |  |  |  |
| --- | --- | --- | --- |
| **Forecast institutions** | | **Inflation** | **Inflation**  **outlook** |
| Jan.-May 2018 | 2018 (f) |
| **Domestic institutions** | Yuanta-Polaris (2018/3/28) | **1.66**  **(CPI)**  **1.40**  **(Core CPI\*\*)** | 1.30 |
| TIER (2018/4/25) | 1.34 |
| **CBC (2018/6/8)** | **1.40\***  **(CPI)**  **1.16**  **(Core CPI\*\*)** |
| DGBAS (2018/5/25) | 1.49 |
| CIER (2018/4/18) | 1.63 |
| **Foreign institutions** | ADB (2018/4/11) | 1.10 |
| Credit Suisse (2018/6/14) | 1.20 |
| Citi (2018/5/15) | 1.20 |
| Goldman Sachs (2018/6/19) | 1.30 |
| IMF (2018/5/9) | 1.30  **Median:**  **1.50%**  (foreign institutions) |
| BoA Merrill Lynch (2018/6/19) | 1.50 |
| Barclays Capital (2018/6/18) | 1.50 |
| Nomura (2018/6/15) | 1.50 |
| EIU (2018/6/1) | 1.50 |
| Morgan Stanley (2018/4/16) | 1.50 |
| IHS Markit (2018/6/15) | 1.53 |
| UBS (2018/6/18) | 1.55 |
| HSBC (2018/6/18) | 1.60 |
| Deutsche Bank (2018/6/7) | 1.60 |
| Standard Chartered (2018/6/19) | 1.80 |

Unit: %

**Median:**

**1.40%**

(domestic institutions)

\* The CBC's forecast for 2018 CPI inflation is 1.40%, with a lower projection of 1.00% if excluding the cigarette tax hike effect.

\*\*Excluding vegetables, fruit, and energy.

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

**Figure 1**

**Nominal Interest Rates of Selected Economies (2018/6/21)**

**Table 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 2018/6/21) | (2018 forecast) |
| Malaysia | 2.950 | 1.29 | 1.660 | 5.1 |
| Indonesia | 4.750 | 3.60 | 1.150 | 5.1 |
| **US** | **2.790** | **2.52** | **0.270** | **3.0** |
| Thailand | 1.500 | 1.32 | 0.180 | 4.1 |
| South Korea | 1.300 | 1.49 | -0.190 | 3.0 |
| **Taiwan** | **1.065** | **1.40** | **-0.335** | **2.68** |
| China | 1.500 | 2.06 | -0.560 | 6.7 |
| Singapore | 0.250 | 1.03 | -0.780 | 3.0 |
| Switzerland | 0.160 | 1.03 | -0.870 | 2.2 |
| **Japan** | **0.011** | **0.96** | **-0.949** | **1.1** |
| UK | 1.030 | 2.78 | -1.750 | 1.1 |
| **Euro Area** | **-0.240** | **1.76** | **-2.000** | **2.1** |
| Hong Kong | 0.050 | 2.33 | -2.280 | 3.5 |
| The Philippines | 0.500 | 4.27 | -3.770 | 6.6 |

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

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