

Appendix

Table 1 Taiwan's Inflation and Inflation Outlook

Unit: %

Forecast institutions		Inflation	Inflation outlook	
		Jan.-May 2018	2018 (f)	
Domestic institutions	Yuanta-Polaris (2018/3/28)	1.66 (CPI)	1.30	Median: 1.40% (domestic institutions)
	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)	1.40 (Core CPI**)	1.10	Median: 1.50% (foreign institutions)
	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	
	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	

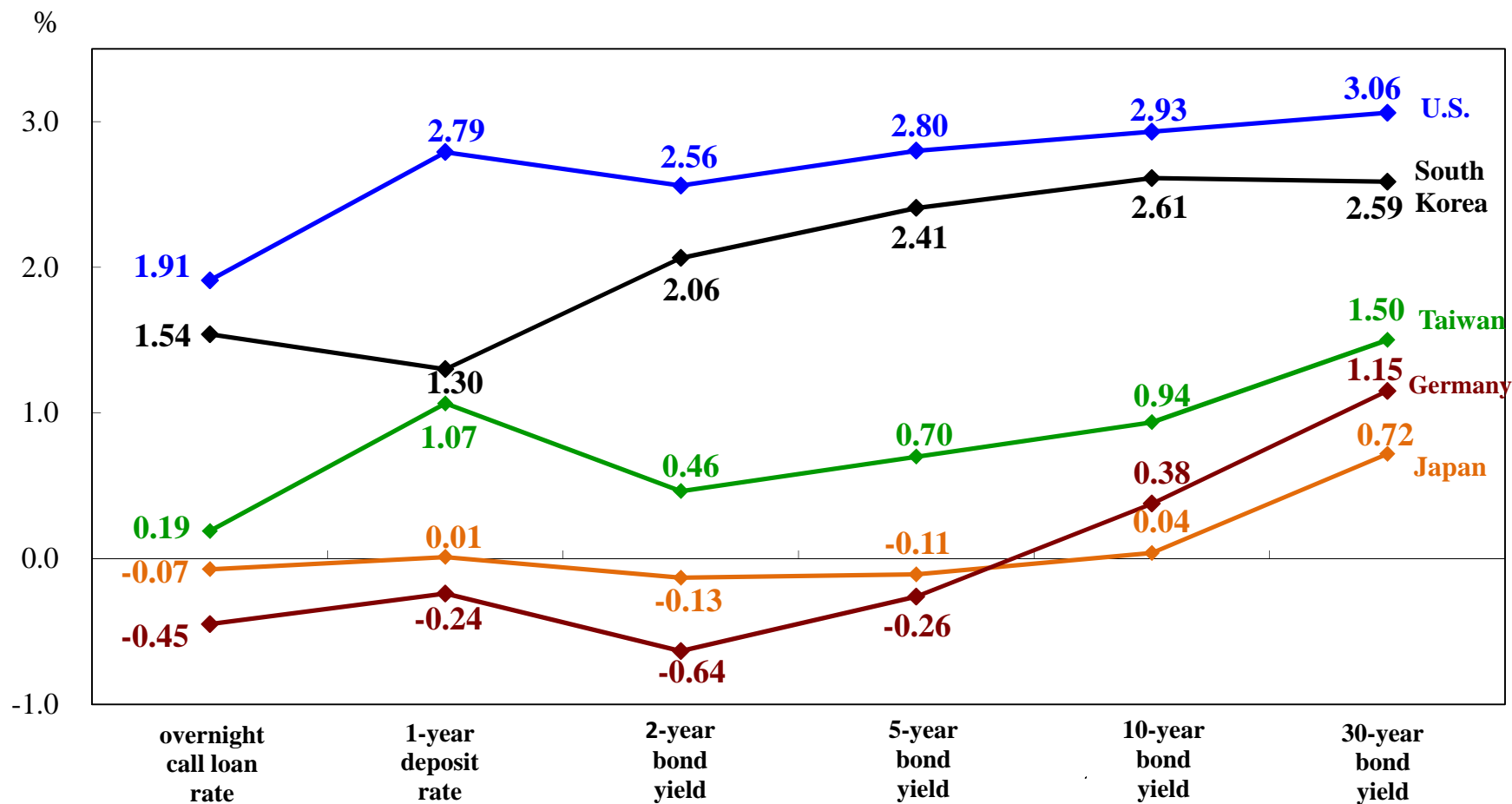
* The CBC's forecast for 2018 CPI inflation is 1.40%, with a lower projection of 1.00% if excluding the cigarette tax hike effect.

**Excluding vegetables, fruit, and energy.

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

Figure 1

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



Sources: Bloomberg; CBC; Taipei Exchange; Bank of Japan; US Federal Reserve; US Treasury Department.

Table 2
Real Interest Rates and Economic Growth of Selected Economies

Unit: %

Economies	(1) 1-year time deposit rate* (As of 2018/6/21)	(2) CPI annual growth rate** (2018 forecast)	(3)=(1)-(2) Real interest rate	Real GDP growth rate** (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.