

# May 2025 Taiwan Non-Manufacturing Index

NMI at 51.9%

Business Activity Index at 50.6%

New Orders Index at 51.0%

Employment Index at 51.2%

## NON-MANUFACTURING AT A GLANCE

May 2025

Unit : %							Industries							
Index	Series Index May	Series Index Apr	Percentage Point Change	Direction	Rate of Change	Trend (Months)	Acc & Food	Con & RE	Ed/ Pro/ ST	Fin & Ins	Inf/ Com/ BC	Ret	Trans & Stor	WS
Taiwan NMI	51.9	51.0	+0.9	Growing	Faster	3	44.3	53.8	58.7	44.9	54.0	53.1	50.9	49.5
Business Activity	50.6	48.7	+1.9	Growing	From Contracting	1	50.0	42.4	60.3	44.9	59.1	60.0	46.6	47.1
New Orders	51.0	48.5	+2.5	Growing	From Contracting	1	40.9	48.5	66.7	37.2	52.3	50.0	51.7	50.0
Employment	51.2	51.2	+0.0	Growing	Same	27	36.4	59.1	55.1	44.9	50.0	52.5	60.3	47.1
Supplier Deliveries	54.6	55.7	-1.1	Slowing	Slower	24	50.0	65.2	52.6	52.6	54.5	50.0	44.8	53.9
Inventories	52.0	53.0	-1.0	Growing	Slower	2	40.9	57.6	48.7	50.0	52.3	65.0	50.0	48.0
Prices	60.4	60.4	+0.0	Increasing	Same	113	59.1	54.5	66.7	47.4	61.4	70.0	62.1	58.8
Backlog of Orders	45.2	43.8	+1.4	Contracting	Slower	2	27.3	43.9	53.8	41.0	43.2	42.5	51.7	48.0
New Export Orders	58.5	52.5	+6.0	Growing	Faster	3	50.0	90.0	50.0	69.2	27.8	50.0	50.0	39.7
Imports	53.8	52.1	+1.7	Growing	Faster	3	45.5	42.1	52.9	68.8	62.5	68.8	43.8	44.7
Service Charge	54.8	51.0	+3.8	Increasing	Faster	60	59.1	54.7	58.8	44.9	54.5	52.5	60.3	53.9
Inventory Sentiment	50.9	50.6	+0.3	Too High	Faster	8	50.0	53.0	46.2	46.2	56.8	60.0	48.3	50.0
Future Outlooks	40.0	29.1	+10.9	Contracting	Slower	3	50.0	40.9	57.7	39.7	40.9	30.0	41.4	31.4

Chart 1: Time Series of Taiwan NMI

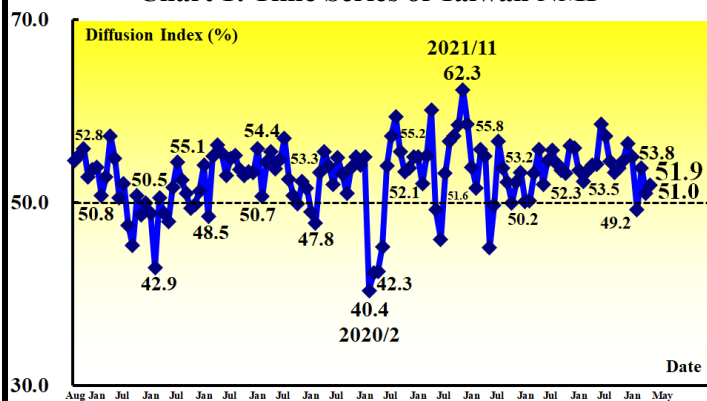
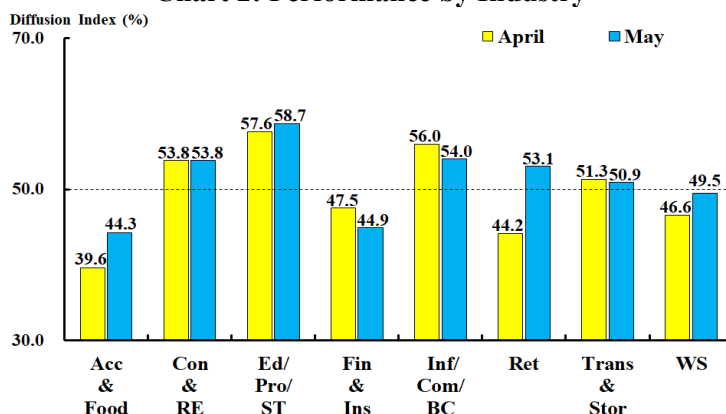


Chart 2: Performance by Industry



### Summary

- The non-manufacturing sector expanded for three consecutive months, as the seasonally unadjusted Taiwan NMI slightly increased 0.9 percentage point to 51.9 percent in May 2025.
- The Business Activity Index turned to growth following only one month of contraction and went up 1.9 percentage points to 50.6 percent.
- The New orders Index returned to growth following a sharp 6.3 percentage points decrease in April, rising by 2.5 percentage points to 51.0 percent in May.
- The Inventories Index remained in growth for the second consecutive month but decreased 1.0 percentage point to 52.0 percent.
- Non-manufacturers continued to experience upward pressures on their purchasing costs for 113 consecutive months as the Prices Index registered 60.4 percent in May.
- Non-manufacturers' backlogs contracted for the second consecutive month. The Backlog of Orders Index increased 1.4 percentage points to 45.2 percent, up from slowest contraction rate (43.8 percent) since November 2022.
- Non-manufacturers continued to charge higher service prices for sixty consecutive months, as the index went up 3.8 percentage points to 54.8 percent.
- Following a plunge of 19.7 percentage points in April, the Future Outlook Index increased 10.9 percentage points to 40.0 percent in May, marking the third consecutive month of contraction.
- Five of the eight non-manufacturing industries categories reported growing in the following order: Ed/Pro/ST (58.7%), Inf/Com/BC (54.0%), Con & RE (53.8%), Ret (53.1%) and Trans & Stor (50.9%). While Acc & Food (44.3%), Fin & Ins (44.9%) and WS (49.5%) reported contraction in May.

## About this Report

This report is jointly issued by the National Development Council (NDC) – a cabinet-level ministry, the Chung-Hua Institution for Economic Research (CIER), and the Supply Management Institute, Taiwan (SMIT). CIER makes no representation, other than that stated within this release, regarding the individual company data collection procedures.

## Data and Method of Presentation

The Survey is based on data compiled from monthly replies to questionnaires sent to non-manufacturing executives in about 300 representative non-manufacturing companies. The panel has been carefully selected to accurately replicate the actual structure of the non-manufacturing economy, based on each industry's contribution to gross domestic product (GDP). The diffusion index includes the percent of positive responses plus one-half of those responding the same (considered positive). The NMI (Non-Manufacturing Index) is a composite index based on the diffusion indexes for four of the indicators with equal weights: Business Activity, New Orders, Employment and Supplier Deliveries. Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change and the scope of change. An index reading above 50 percent indicates that the non-manufacturing economy in that index is generally expanding; below 50 percent indicates that it is generally declining. Supplier Deliveries is an exception. A Supplier Deliveries Index above 50 percent indicates slower deliveries and below 50 percent indicates faster deliveries. Survey responses reflect the change, if any, in the current month compared to the previous month. For each of the indicators measured, this report shows the percentage reporting each response, and the diffusion index. Responses represent raw data and are never changed.

We re-categorize the non-manufacturing subsectors listed in the Standard Industrial Classification System of the Republic of China (Rev.9, 2011) into nine broad categories. **The Accommodation & Food Service industry (Acc & Food)** which includes Accommodation and Food and Beverage Service Activities; **The Construction and Real Estate industry (Con & RE)** which comprises Construction of Buildings, Civil Engineering, Specialized Construction Activities, Real Estate Development Activities, Real Estate Operation Activities and Related Activities; **The Education, Professional, Scientific & Technical Activities (Ed/Pro/ST)** which includes Education, Legal and Accounting Activities, Activities of Head Offices and Management Consultancy Activities, Architecture and Engineering Activities, Technical Testing and Analysis, Scientific Research and Development, Advertising and Market Research, Specialized Design Activities and Veterinary Activities and Other Professional, Scientific and Technical Activities; **The Financial & Insurance Industry (Fin & Ins)** which comprises Financial Intermediation, Insurance, Securities, Futures and Other Financing; **The Information, Communication and Broadcasting industry (Inf/Com/BC)** which comprises Publishing Activities, Motion Picture, Video and Television Programme Production, Sound Recording and Music Publishing Activities, Programming and Broadcasting Activities, Telecommunications, Computer Systems Design Services and Information Service Activities; **The Transportation and Storage (Trans & Stor)** which includes Land Transportation, Water Transportation, Air Transport, Support Activities for Transportation, Warehousing and Storage and Postal and Courier Activities; **Other Industries (Others):** Electricity and Gas Supply, Water Supply and Remediation Activities, Human Health and Social Work Activities and Support Service Activities; **The Wholesale Trade industry (WS)** and **The Retail Trade industry (Ret)**. These industries together account for an estimated 82% of Taiwan non-manufacturing sector output. CIER provides industrial diffusion indexes for each industrial category except Other Industries category.

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