Taiwan Market Report 2025

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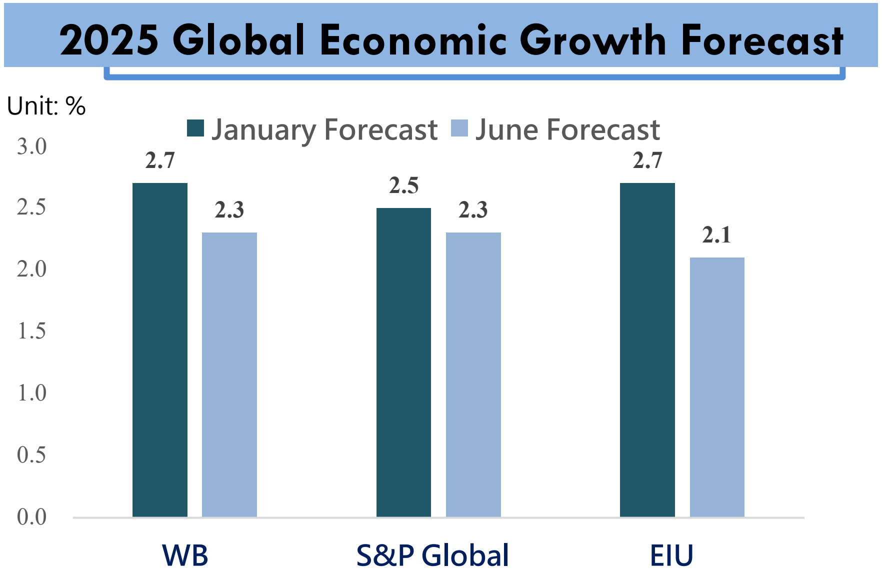
Contents

Global Economic Overview

The global economy faces growing trade barriers, policy uncertainty, and geopolitical risks. The World Bank has lowered its 2025 growth forecast to 2.3%, with trade growth expected at just 1.8%.



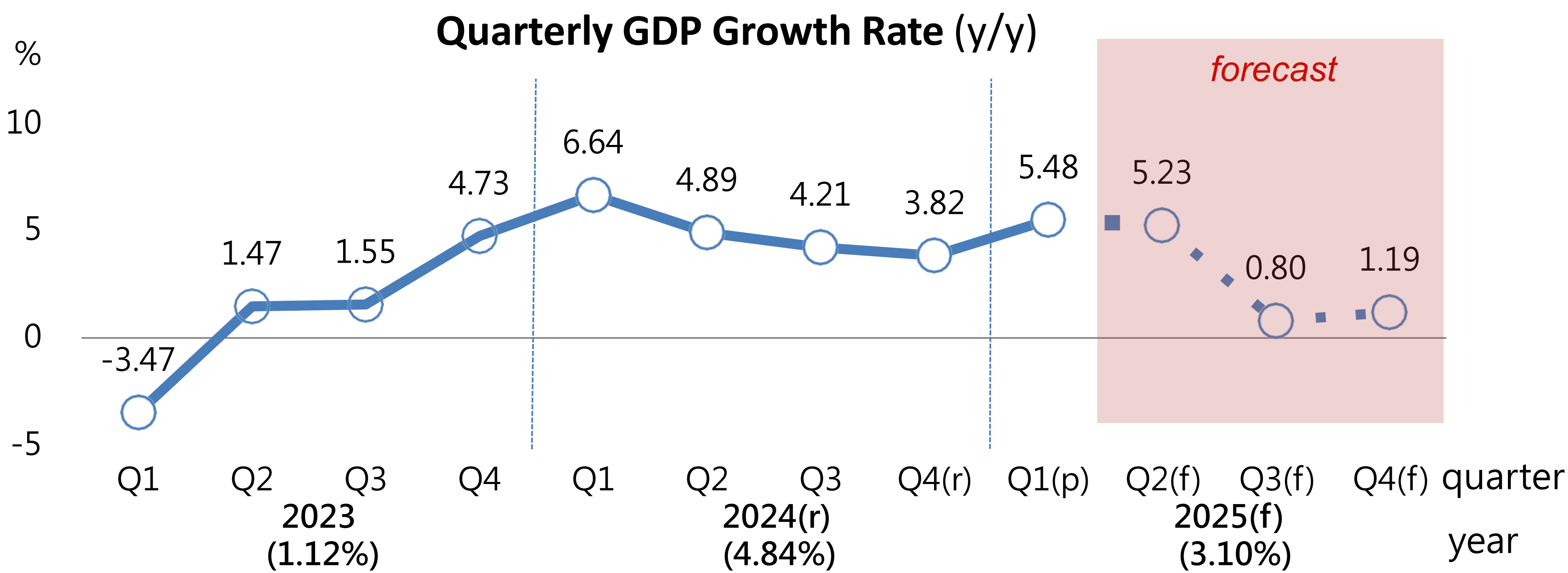
Source: World Bank, Global Economic Prospects, Jun. 10, 2025.
S&P Global, *World Overview*, Jun. 15, 2025. EIU,
One-click report : World, Jun. 19, 2025.

Taiwan Economic Overview

- Taiwan’s economy grew solidly in 2024, with real GDP increasing by 4.84%—the strongest in three years—driven by strong global demand for AI and high-performance computing, which boosted tech exports and private investment.
- Growth continued in early 2025, supported by inventory stocking ahead of potential U.S. tariff changes and expanding tech applications. GDP rose by 5.48% in the first quarter, beating expectations.
- Growth may slow in the second half of 2025 due to rising trade tensions and uncertainty over U.S. tariffs. Full-year GDP growth is forecast at 3.10%.

2025 GDP Growth Forecast

- According to the latest DGBAS forecast, Taiwan's real GDP is projected to grow 3.10% in 2025, slightly revised down by 0.04 percentage points.



Note: (r) represents revised version; (p) represents preliminary version; (f) represents forecast.
Source: DGBAS, May 2025.

Comparison of Stock Market Indices

The TAIEX (Taiwan Stock Exchange Capitalization Weighted Stock Index) rose 5,104 points, or 30%, from the beginning of 2024 to the end of December.

Date Range: July 2020 - July 2025

Stock Market

- Taiwan’s stock market performed strongly in 2024, with the TAIEX rising 30% to a record 23,035 points. Market capitalization grew from USD 2.1 trillion to USD 2.7 trillion, while average daily trading value rose 46.2% to USD 17.9 billion.
- By May 2025, the market had 1,896 listed companies, a total capitalization of USD 2.56 trillion, and an average daily trading value of USD 15.1 billion.
- Taiwan has 126 securities firms with 854 branches, employing over 45,000 people. Retail investors accounted for 50.6% of trading, local institutions 12.7%, and foreign investors 36.7%.
- The ETF market expanded rapidly, growing from USD 25.5 billion in 2018 to USD 218.6 billion by April 2025—more than an eightfold increase.

Bond Market

- The global bond market is evolving amid new technologies and higher long-term interest rates. Taiwan's bond issuance reached USD 342.7 billion in 2024 and rose to USD 349.8 billion by May 2025, with trading volume at USD 433.7 billion.
- Since 2017, Taiwan has actively promoted green, social, sustainability, and sustainability-linked bonds. In 2024, sustainable bond issuance hit a record high, with 53 deals totaling approximately USD 5.1 billion.
- In Q1 2025, green bond issuance reached USD 1.6 billion—nearly half of 2024's total. By June 2025, Taiwan had issued 232 sustainable bonds totaling USD 23.8 billion, reflecting steady growth in green finance.

2050 Net-Zero Emissions

Taiwan's 2050 Net-Zero Transition

12 Key Strategies

ESG Development

- ESG is a growing global investment focus, and Taiwan is actively advancing this trend. The government has set 12 strategies to reach net-zero emissions by 2050, directing capital to green and sustainable sectors.
- In October 2024, the FSC launched its Green Finance Action Plan. By year-end, 169 companies had completed carbon inventories, and from 2025, all listed firms must publish sustainability reports.
- As of May 2025, ESG fund assets in Taiwan reached USD 32.7 billion, up 33% year-on-year, reflecting strong investor demand and supporting businesses with environmental and social value.


After a generally challenging year in 2025, will the economy improve next year？

Conclusion

- In 2024, Taiwan's capital market was buoyed by strong liquidity and record-high stock prices, boosting investor confidence and driving growth in retail trading accounts.
- In 2025, global markets face challenges from U.S. tariff policy uncertainty, diverging monetary policies, rising trade tensions, and questions over the AI boom.
- From the second half of 2025 through 2026, both global and domestic economies may encounter heightened risks. These developments warrant close monitoring and a prudent, risk-aware approach.


Thank You