



Press Review Taiwan

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Switzerland in the local press

Swiss super-rich are getting richer, annual report says (Taipei Times, 29.11.2015)

Morose economic growth and a turbulent stock market have not stopped Switzerland's super-rich from getting richer this year. In its annual analysis of the fortunes of Switzerland's 300 richest people, Bilan magazine said that the exclusive club, including the likes of rock and soul legend Tina Turner, have swelled their combined wealth by 6 billion Swiss francs (US\$5.8 billion) to reach a record SF595 billion.

Swiss Alternative Bank breaks negative rates taboo (Taipei Times, 23.11.2015)

The Alternative Bank Schweiz (ABS) caused shockwaves with a letter sent to all clients last month informing them that it would begin imposing interest charges on deposits next year. For current accounts, the bank said it would impose a -0.125 % rate, while slapping a -0.75 % rate on client deposits higher than 100,000 Swiss francs (US\$98,173). Some of ABS' clients had voiced fears the bank's move "would open the door for big banks to start applying negative rates on individuals."

Swiss watch exports see biggest drop in six years (Taipei Times, 20.11.2015)

Swiss watch exports had their biggest decline in six years last month, led by a 39 % slump in shipments to Hong Kong, the industry's largest market. Shipments declined 12 % to 2 billion Swiss francs (US\$2 billion), the Swiss customs office. Adjusted for fewer working days, the drop was 7.6 %. Exports to the US dropped 12 %. Watch shipments, which make up about one-tenth of Switzerland's total exports, have declined 3.2 % in the first 10 months of the year.

Chailease Holding has diverse expansion plans, Switzerland included (Taipei Times, 12.11.2015)

Chailease Holding Co Ltd, Taiwan's top leasing services provider, plans to tap the solar energy and airplane engine leasing markets in Europe, while pressing ahead with expansion plans in China and Southeast Asia. Moreover, impressed by the degree of advancement in the biotechnology business in Switzerland, the group has a strong interest in expanding into that area in Europe.

Police probing deaths of Swiss in Taiwan airport (Focus Taiwan, 08.11.2015)

The citizen of Switzerland, 44 years old, found dead at the Taoyuan Airport on 7 Nov. morning. At his side, police found an empty wine bottle. According to police, the Swiss citizen's wife said that she worked outside Taiwan and flew to Taiwan to meet with her husband, but she failed to see him as planned and also lost contact with him. An investigation into the death of the cause of the Swiss national is still under way.

UBS net profit nearly triples, boosted by tax benefit (The China Post, 04.11.2015)

Swiss banking giant UBS said its third quarter net profit nearly tripled, beating analyst expectations, even as it acknowledged it too had been questioned over a FIFA corruption scandal. For the June to September quarter, UBS saw net profit swell to 2.07 billion Swiss francs (US\$2.1 billion), soaring 171 % compared to the same period a year earlier. But the dramatic rise was largely attributable to a 1.2-billion-franc net tax benefit, mainly related to an "upward revaluation of our deferred tax assets," UBS said.

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Foreign Policy

Foreign ministry to demand ICLEI correct placing of Taiwan cities (Focus Taiwan, 29.11.2015)

The Ministry of Foreign Affairs said that it will lodge a protest against the International Council for Local Environmental Initiatives (ICLEI) over a name issue after it listed five Taiwanese cities as being in China and will demand a correction. This act has undermined Taiwan's national dignity and the ministry will ask its representative office overseas to assist the five cities in protesting against the name issue and demand a correction.

Taiwan, Japan sign agreement on avoidance of double taxation (Taiwan Today, 27.11.2015)

The 40th annual economic and trade consultation meeting between Taiwan and Japan concluded Nov. 26 in Tokyo, with the two countries making significant progress on key issues of mutual interest. Taiwan and Japan signed a bilateral agreement on the avoidance of double taxation during the meeting. The agreement represented another significant milestone in the bilateral relationship between the two nations following the signing of an investment promotion and protection accord in October 2011.

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**Taiwan, Panama to cooperate on combating terrorism financing (Focus Taiwan, 25.11.2015)**

An agreement on joint efforts to combat the financing of terrorism was signed by the Investigation Bureau Director-general Wang Chung-I and Alexis Bethancourt Yau, chairperson of the international anti-money laundering committee of the President Office of the Republic of Panama in Taipei. It was also aimed at preventing money laundering and proliferation of weapons of mass destruction.

China Relation**Cross-strait trade in goods talks will continue in Dec. (The China Post, 24.11.2015)**

Differences still exist in the trade in goods negotiations, and the cross-strait talks will resume in December, the Ministry of Economic Affairs (MOEA) said. Taipei and Beijing will strive for major breakthroughs before the end of the year. Both sides of the Taiwan Strait understand the importance of open markets to trade liberalization, and are willing to create an environment suitable for industrial development, MOEA noted.

Approved China investments in Taiwan down over 50% in 10 months (The China Post, 22.11.2015)

Approved mainland Chinese investments in Taiwan for the first 10 months of this year fell by more than 50 % y-o-y largely due to a relatively high comparison base recorded a year earlier, according to the Investment Commission. The commission said that during the same period last year, Chinese firms got approval from Taiwanese authorities to pour more than US\$60 million in property development and textile production in the local market, bringing total Chinese investments last year to about US\$316 million. As a result, in the 10-month period of this year, the amount of approved China investments in Taiwan, which totaled some US\$134 million, was down 57.58 % from a year earlier, the data showed.

Taiwan, China e-commerce operators ink four cooperation deals (Focus Taiwan, 05.11.2015)

Taiwanese e-commerce operators and their Chinese counterparts signed four cooperation agreements to strengthen industry exchanges between the two sides of the Taiwan Strait. The four letters of intent signed at the Cross-strait E-Commerce Forum in Taipei involve cooperation in reselling systems for cross-border e-commerce and "online-to-offline" marketing--a business strategy aimed at attracting potential customers from online channels to physical stores.

Taiwan included in China's marine-rail cargo transport service (Taiwan News, 03.11.2015)

A cargo transport service between Fujian Province in China and Europe has been extended to Taiwan, with the first trial run launched from central Taiwan to Germany, according to the state-owned China News Service. The Taiwan-Pingtang-Europe transport route takes 16-20 days, which is 15-30 days less than by sea, and the cost is one fifth that of air transport. The new cargo service, called the Taiwan-Pingtang-Europe Marine-Rail Joint Transport Train, will run on several different routes through 20 Chinese provinces, 10 countries in Central and West Asia, and 28 in Europe.

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Domestic Policy**Stock gains tax abolition welcomed (Focus Taiwan, 17.11.2015)**

Lawmakers passed an amendment to the Income Tax Act that brought an end to Taiwan's yet-to-be implemented capital gains tax on stock gains, which had been heavily opposed by business interests and investors. The long-existing 0.3 % transaction tax will remain the main tax imposed on stock market investors in Taiwan.

Ma touts NT\$36billion economic stimulus plan (ICRT News, 12.11.2015)

President Ma Ying-jeou said the government is planning to spend NT\$36 billion over the next nine years under the Productivity 4.0 Project. The project was introduced in July and aimed at improving the island's economy. According to Ma, economic development project centers on transforming Taiwan's economy from the current efficiency-driven model into an innovation-driven model.

Economy/Finance**Taiwan cuts 2015 GDP growth forecast to 1.06% (Focus Taiwan, 27.11.2015)**

The Directorate General of Budget, Accounting and Statistics (DGBAS) said that it has cut its forecast for Taiwan's gross domestic product (GDP) growth for 2015 to 1.06 % from an earlier estimate of a 1.56 % increase, in reflection of weakening global demand. The DGBAS said that affected by poor export performance, Taiwan's GDP for the third quarter contracted 0.63 % from a year earlier, worse than an earlier forecast of a 0.10 % increase made in August but better than an estimate of a 1.01 % decline made in October.

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**Key indicators show economic sluggishness in October (Focus Taiwan, 27.11.2015)**

Taiwan's economic indicators flashed a blue light for the fifth consecutive month in October, indicating a sluggish economy, the National Development Council (NDC) said. The overall composite score of the business monitoring indicators was 15 points, one point up from the previous month. The NDC estimated that Taiwan's economy next year is likely to perform better than this year, and that the economy in the fourth quarter will be better than in the third quarter, although it added that it is difficult to tell when a bottoming-out might occur.

Gold reserves drop nearly NT\$380 billion in line with global gold trend (The China Post, 24.11.2015)

The face value of the gold reserves held by the central bank has dropped by nearly NT\$380 billion (US\$11.68 billion) amid falling global gold prices, but the nation's foreign exchange reserves remain at a record high. Meanwhile, Taiwan's foreign exchange reserves at the end of the October were US\$426.774 billion, up US\$449 million from September, according to the CBC.

Production falls six months in a row: ministry (The China Post, 24.11.2015)

The nation's industrial production index fell 6.15 % in October, marking the sixth month of consecutive decline, the MOEA reported. Manufacturing has slowed on the back of weak demand. Production of consumer electronics, optical instrument, panels, base metal and machinery all suffered double-digit decline. Only the chemical material industry reported growth as petro companies stepped up plant utilization.

Unemployment at 3.9%, lowest for October in 15 years (Taiwan News, 23.11.2015)

Unemployment in Taiwan rose by 0.01 percentage points in October to 3.9 %, the lowest level for the month in 15 years. The number of total unemployed persons was 455,000 in October, an increase of 1,000 from the previous month but a decrease by 2,000 from the same month of last year, the DGBAS said.

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Nation records net financial outflow for 21st consecutive quarter (The China Post, 22.11.2015)

Taiwan registered a net outflow in its financial account for the 21st consecutive quarter in the third quarter of this year, further raising concerns about a fund exodus from the country at a time when the US Federal Reserve is likely to launch an interest rate hike later in the year, a move which could prompt more fund outflows. According to Central Bank, Taiwan's financial account, which measures the flow of direct investment and portfolio investments, showed a net outflow of US\$16.15 billion during the July-September period. It was the 21st consecutive quarter in which a net outflow was recorded, the longest streak in Taiwan's history.

Nation ranked fourth in Asia in IMD World Talent Ranking for 2015 (The China Post, 21.11.2015)

Taiwan advanced four notches in the annual International Institute for Management and Development (IMD) World Talent Ranking for 2015, moving from 27th place last year to 23rd and ranking fourth in Asia. The National Development Council attributed the progress in the global talent ranking to efforts by the government to promote vocational education and industry-academic cooperation. In Asia, Taiwan was behind Singapore (10th), Hong Kong (12th) and Malaysia (15th). Among the 61 countries or areas included, Switzerland, Denmark and Luxembourg claimed the top three places.

Export orders down 5.3% in October, 7th consecutive monthly drop (Taiwan News, 20.11.2015)

Taiwan's export orders were valued at US\$42.55 billion in October, representing a decline of 5.3 % from the same month of last year, according to the MOEA. It marked the seventh consecutive monthly drop. With the American and European markets entering the Christmas season, the MOEA said it expects that the traditional high demand during the season will help increase orders for the OEM assembly and related industrial sectors of Taiwan.

Number of workers on unpaid leave reaches highest in three years (Focus Taiwan, 16.11.2015)

Forty-five companies have given a total of 5,292 employees' unpaid leave so far this month, the highest number in three years, according to the Ministry of Labor (MOL). It was the most people on unpaid leave since the end of December 2012, when 4,450 were on unpaid leave. According to the MOL, the number of workers in Taiwan on unpaid leave has remained above 1,000 since Sept. 30, reflecting the country's sluggish economy amid slumping global trade demand.

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**Exports decline for 9th month in a row, says Finance Ministry (The China Post, 10.11.2015)**

Taiwan's exports plunged for the ninth consecutive month in October, by 11 % to US\$23.9 billion compared to a year earlier, according to the MOF. Also, exports have seen monthly double-digit drops for five months straight. The trend shows a weakening demand for products manufactured in Taiwan, and analysts claimed the latest figures are a record-low since the 2008 financial meltdown. In the first 10 months this year, exports dropped 9.6 % year on year to US\$236.3 billion, while imports dipped 16.8 % to US\$191.6 billion. Overall, shipments of top merchandise items have slumped — Minerals, basic metals and products of metal, electronics, optical instruments and machinery have significantly shrunk.

Nation's CPI for October up for second consecutive month (The China Post, 06.11.2015)

Taiwan's consumer price index (CPI) for October continued to grow, marking the second consecutive month in which the local CPI made a y-o-y increase, according to the Directorate General of Budget, Accounting and Statistics (DGBAS). The CPI rose 0.31 percent from a year earlier, largely on the back of higher food prices, while weakness in fuel prices offset the impact of more expensive food on the index.

ECCT advocacy group releases annual policy paper (The China Post, 04.11.2015)

The European Chamber of Commerce Taiwan (ECCT) submitted its annual position paper to the National Development Council (NDC). Titled "Decision Time: Taking Courageous Action in Uncertain Times," the publication brought up 130 issues for the Taiwan government to address. Taiwan's most immediate challenge is economic uncertainty in the face of a global economic slowdown, while energy security continues to be a concern for Taiwan, where the electricity reserve ratio fell below 5 % this summer.

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Technology/Innovation**New technology developed to cut time for test results, vaccines (Focus Taiwan, 24.11.2015)**

National Taiwan Normal University unveiled a new technology that is expected to reduce the time required to prepare vaccines, target drugs and tests for pesticides and toxic substances. The technology, developed by a team led by Wang Yu-chie, an associate professor at the university's Department of Life Science, focuses on building antigens from haptens--small molecules that do not trigger immune reactions on their own--in a simpler and less costly way.

Taipei to set up IoT experimental platform (Focus Taiwan, 08.11.2015)

The Taipei City government is planning to complete an infrastructure network for the Internet of Things (IoT)--the concept of connecting household devices to the Internet--by the end of this year, the city's Department of Information Technology said. The project will turn Taipei into an experimental field for IoT services, the department said, adding that this will be Asia's first city-scale IoT platform promoted by a local government.

Taiwan bags 56 medals at iENA Nuremberg (Focus Taiwan, 02.11.2015)

Inventors from Taiwan have won 56 medals, including 12 gold, at this year's iENA Nuremberg--a leading international trade fair that showcases innovation. Among the gold-medal inventions were a low-cost copper conductive ink with anti-oxidant properties, invented by the Institute of Nuclear Energy Research, and an environmental sensor and alarm system by the National Chip Implementation Center.

Special Focus**Ma puts forth five-point proposal in meeting with Xi (Focus Taiwan, 07.11.2015)**

President Ma Ying-jeou put forth a five-point proposal during his historic meeting with Chinese counterpart Xi Jinping in Singapore on 7 November. These five points are consolidating the "1992 consensus," lowering the state of hostility across the Taiwan Strait, expanding cross-strait exchanges, setting up a cross-strait hotline and cooperating to revitalize the Chinese nation.

EU calls Ma-Xi meeting 'encouraging step' in Taiwan-China ties (Focus Taiwan, 08.11.2015)

Maja Kocijancic, spokesperson for the EU's European External Action Service said that the meeting between Taiwan's and China's top leaders in Singapore on 7 Nov. was a promising step in the right direction. "We believe it is a promising step and we look forward to receiving further information regarding the issues to be discussed," she said. "The EU looks forward to the continuation of the peaceful development of cross-Strait relations, to the benefit of the people on both sides of the Strait," Kocijancic said.

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