Snap | 9 September 2026 TAIWAN

Taiwan's trade surplus hits record high as tech boom continues

August s trade surplus surged to US$22.3bn, a record high, as both export and import growth beat market forecasts again. Taiwan remains a key beneficiary of the ongoing tech investment boom

Taiwan is one of the biggest beneficiaries of the world's tech investment boom

US$22.3bn

Taiwan's August trade surplus

A record high

Higher than expected

Exports continue to surge amid insatiable tech demand

Taiwan's August exports grew by 41.0% YoY, up from 32.9% YoY in July and comfortably beating expectations (market: 34.7%, ING: 32.7%). Year-to-date, Taiwan's exports have totalled US$523.5bn, 44.2% higher than in the same period last year.

Unsurprisingly, most of this activity continues to be concentrated in Taiwan's key tech exports.

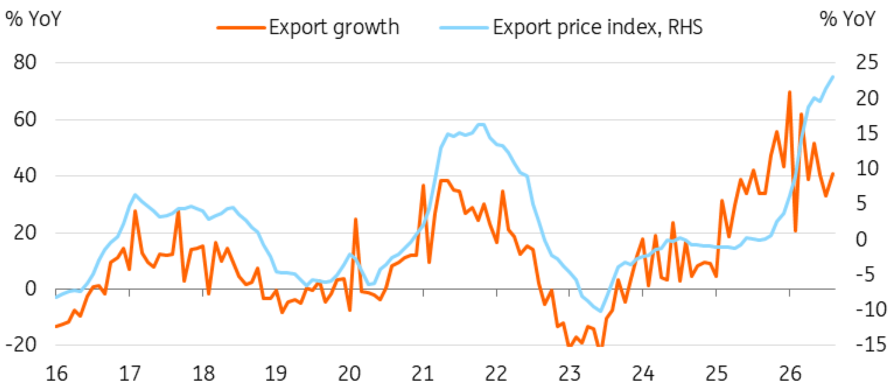
Machinery and electrical equipment represented 84.6% of all of Taiwan's exports in August, and this category grew by 46.9% YoY. Within this broader category, electronic parts saw a 58.0% growth, and information, communication, and audio-video products grew by 41.8% YoY. Semiconductor exports grew 60.0% YoY in August, the highest month since January, while DRAM exports saw a tenth consecutive month of triple-digit growth at 211.7% YoY.

By export destination, several countries saw triple-digit year-on-year growth in August. Mexico (287.5%), Australia (239.8%), the Philippines (115.7%), and India (110.8%) all saw incredible growth on the month. In contrast, exports to Taiwan's largest destinations – Mainland China & Hong Kong (41.0%) and the US (20.7%) – saw lower but still strong export growth.

Taiwan's exports continue to benefit from surging export prices. The export price index hit a new high of 23.1% YoY in August, helping to offset higher import prices.

Nonetheless, demand for Taiwan's tech exports remains insatiable as the global tech investment cycle continues. We have seen months of strong export order data, and our recent visit to Taiwan corporates confirmed that AI beneficiaries continued to have full order books, which should keep growth strong into 2027.

Export price growth continues to reach new highs



Sources: CEIC, ING

Imports are also getting more expensive

On the other side of the equation, import growth also accelerated in August, rising to 44.3% YoY from 37.4% YoY in July. This data also came in stronger than expected (market: 40.1%, ING: 33.5%).

The import picture was quite unbalanced. Semiconductor imports remained strong at 65.2% YoY, but semiconductor equipment imports surprisingly snapped a five-month streak of double-digit growth, falling sharply to 7.3% YoY, from 39.0% YoY in July.

Crude oil imports rebounded sharply in August amid higher prices, rising to 55.8% YoY from

15.5% YoY in July.

Import price pressures also hit new highs in August, rising to 20.5% YoY. Taiwan's heavy dependence on food and energy imports keeps it vulnerable to further price shocks, and tech companies also have little choice but to pay up for intermediate goods.

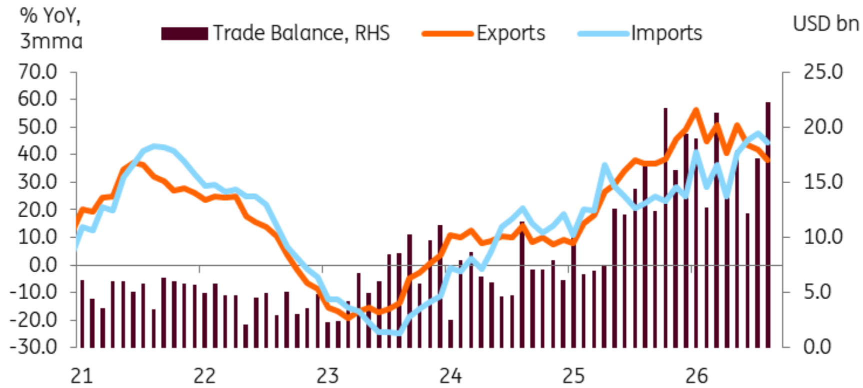
Trade surplus will continue to drive growth

In sum, Taiwan's trade surplus also managed to beat expectations in August, rising to a record high of US$22.3bn (market: $19.9bn, ING: $21.9bn).

External demand will likely be the driving force behind another quarter of strong growth in 3Q26. Insights from our recent trip to Taiwan suggest this momentum is unlikely to fade anytime soon.

We previously upgraded our Taiwan 2026 GDP forecast to 11.1% YoY, and our 2027 forecast to 7.2% YoY, both comfortably above current consensus forecasts of 10.2% and 4.4%. We believe risks are still balanced to the upside.

Taiwan's trade balance hit a record high in August



Sources: CEIC, ING

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