

External Trade Report in the First Half of 2025

STATISTICS DEPT., MOF
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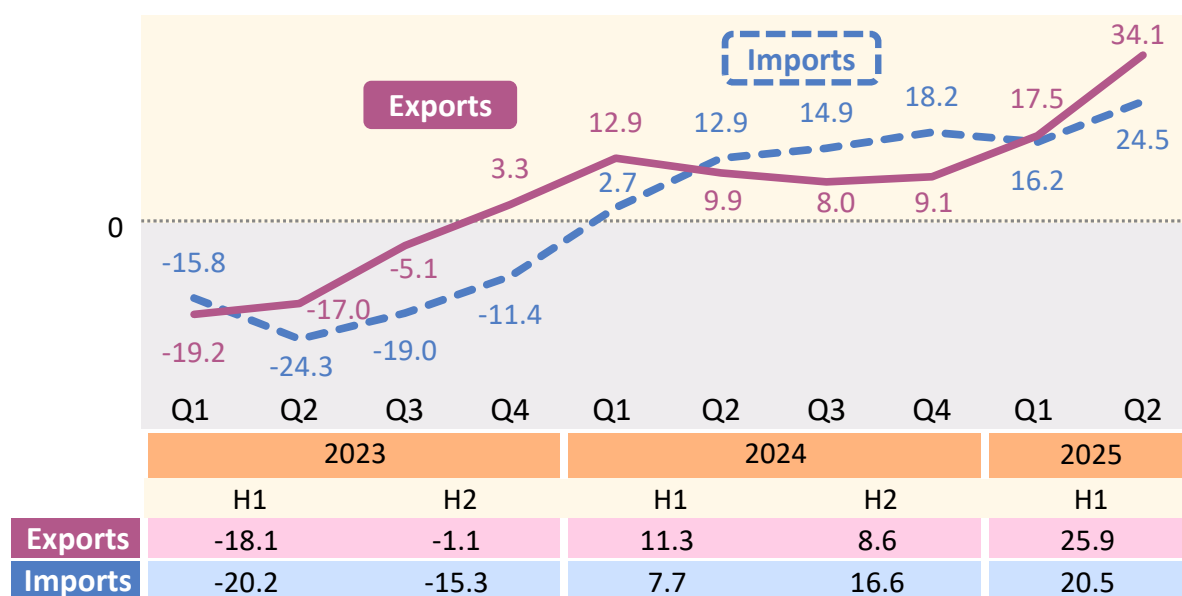
1. Introduction

The booming development of innovative applications such as artificial intelligence (AI) has continued to boost demand for Taiwan's semiconductor and information & communication products, driving domestic related supply chain manufacturers to expand their investment. In addition, the United States' temporary suspension of high reciprocal tariffs has prompted clients to actively stock up. These factors have led to Taiwan's export and import values in the first half of this year (2025), both achieving record highs for the same period, up 25.9% and 20.5%, respectively. The following is a summary of the changing trends and implications.

2. In the first half of 2025, exports increased by 25.9% year-on-year, while imports grew by 20.5%

Since the beginning of this year, the value of Taiwan's exports has generally increased month by month. The scale from March to June ranked among the top four highest monthly records in history, with May and June surpassing the unprecedented level of US\$50 billion. On a quarterly basis, the annual change rate of exports increased by

Figure 1 Annual Growth Rate of Imports and Exports in recent years (%)



(Contents on this site have been translated using artificial intelligence (AI) or machine translation technology)

17.5% in the first quarter and expanded to 34.1% in the second quarter. Benefiting from the international division of labor in the technology industry chain and the export-derived demand, coupled with strong capital equipment purchases, imports rose by 16.2% and 24.5% in the first and second quarters, respectively. The total value of exports in the first half of the year was US\$283.3 billion and imports were US\$227.5 billion, both setting record highs for the same period, with annual growth rates of 25.9% and 20.5%, respectively. Compared with major countries/regions in Asia, Taiwan's annual export growth rate was better than for Hong Kong (16.1%, Jan.-May), Singapore (9.4%), Mainland China (5.9%), Japan (4.8%), and South Korea (-0.03%).

3. Major export commodities

Compared with the same period last year, the performance of the 11 major export commodities in the first half of this year was mixed. Information, Communication and Audio-video Products, as well as Parts of Electronic Product, grew significantly driven by the booming AI business opportunities. The growth rates of Electrical Machinery Products, Optical & Precision Instruments, Machinery, Base Metals & Articles of Base Metal ranged from 2.2% to 12.2%. Although the remaining five categories showed a decline, the decreases were less than 6%.

Table 1 Exports of Leading Export Commodities in H1 2025

Unit: US\$ billion, %

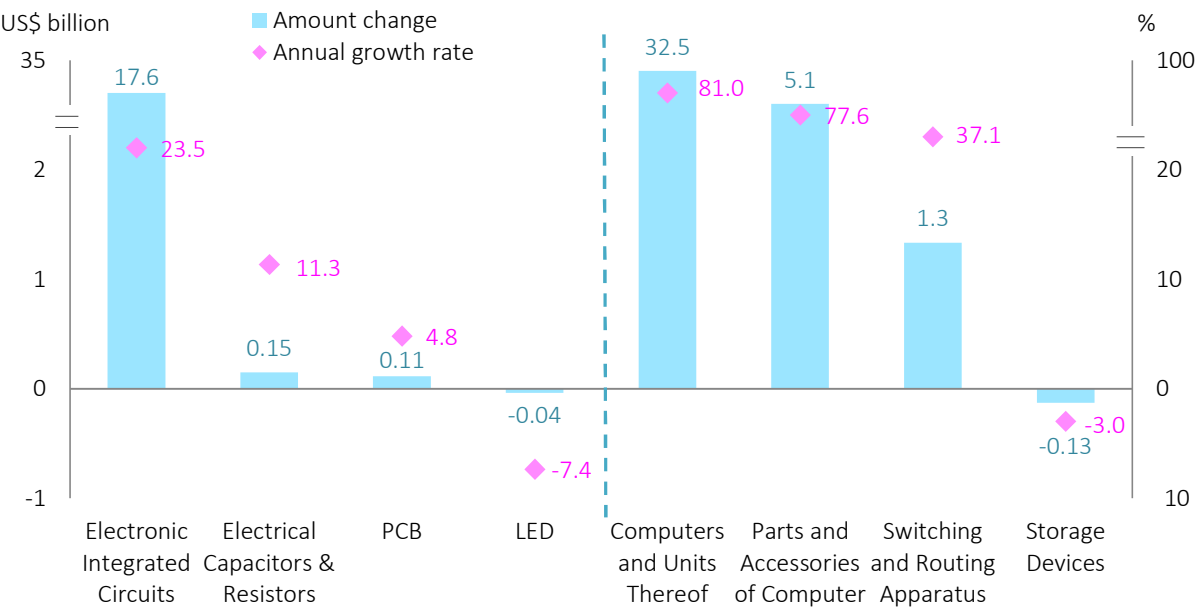
Item	Total	Information, Communication and Audio- video Products	Parts of Electronic Product	Base Metals and Articles of Base Metal	Machinery	Plastics & Rubber and Articles Thereof
Amount	283.3	101.9	98.7	14.5	12.1	9.2
As % of All Exports	100.0	36.0	34.8	5.1	4.3	3.3
YoY Growth Rate	25.9	63.0	22.2	2.2	4.3	-6.0
Q1	17.5	42.3	15.3	-0.8	2.8	-4.8
Q2	34.1	82.9	28.9	4.9	5.6	-7.1
Item	Chemicals	Electrical Machinery Products	Mineral Products	Optical and Precision Instruments	Transport ¹ Equipments	Textiles and Textile Articles
Amount	9.2	7.2	7.0	5.9	5.3	3.2
As % of All Exports	3.2	2.5	2.5	2.1	1.9	1.1
YoY Growth Rate	-0.4	12.2	-1.4	10.9	-2.2	-5.9
Q1	-1.8	13.0	-0.3	11.1	-1.8	-2.8
Q2	0.9	11.5	-2.6	10.7	-2.6	-8.9

Note:(1) Transport Equipments refers to Vehicles, Aircraft, Vessels and Associated Transport Equipments.

3.1 Driven by strong AI demand, exports of Information, Communication and Audio-video Products exceeded US\$ 100 billion in the first half of 2025

Benefiting from the boom in AI technology and applications, increasing capital expenditures by U.S. cloud service providers and institutions in Asia, Europe, and the Middle East, along with the impact of the 90-day grace period for the U.S. reciprocal tariffs, Taiwan's exports of Information, Communication and Audio-video Products exceeded US\$100 billion in the first half of 2025, reaching US\$101.9 billion, surpassing Parts of Electronic Product to become the largest export category, with an annual increase of US\$39.4 billion (+63.0%), contributing 17.5 percentage points to the total export growth (+25.9%), of which Computers and Units Thereof increased by US\$32.5 billion (+81.0%).

Figure 2 Changes in exports of various electronic and information technology products in H1 2025



3.2 AI drives demand for advanced process chips, Parts of Electronic Product up over 20% year-on-year

With rapid advancements in AI applications driving the demand for semiconductor chips, exports of Parts of Electronic Product in the first half of 2025 reached US\$98.7 billion, up US\$17.9 billion (+22.2%) year-on-year. Among them, Electronic Integrated Circuits strongly increased by US\$17.6 billion (+23.5%), as electronic products increasingly adopted AI functions, accelerating the shift toward smaller technology nodes and driving the demand for advanced process chips. Electronic Capacitors and Resistors benefited from AI-driven demand for high-end products, while customer

inventories gradually returned to healthy levels and capacity utilization continued to rise, increasing by US\$0.2 billion (+11.3%). Printed Circuits also benefited from AI server upgrades and rising shipments, with exports increasing by US\$0.1 billion (+4.8%). The combined export value of Information, Communication & Audio-video Products and Parts of Electronic Product exceeded US\$ 200 billion in the first half, increasing by US\$57.3 billion (+40.0%) and accounting for 70.8% of total exports.

3.3 Due to persistent oversupply, exports of Mineral, Plastic and Chemical Products declined by 2.8%

Affected by geopolitical fluctuations, weak global economic trends, and OPEC+'s supply increases, international crude oil prices continued to fluctuate and fall in the first half of the year. Taiwan's exports of Mineral Products (mainly Petroleum Refined Products) in the first half of 2025 were US\$7 billion, with a 1.4% decrease year-on-year. As Mainland China continued to export its excess production capacity, Taiwan's exports of Chemicals as well as Plastics & Rubber and Articles Thereof declined by 0.4% and 6.0%, respectively.

3.4 Machinery exports to the United States surged, rising by 4.3% in the first half of 2025

Amid the slowing global economic growth, exchange rate fluctuations, tariff issues, and the interactive influence of the U.S. tariff exemption period, Taiwan's Machinery exports totaled US\$12.1 billion in the first half of the year, an increase of US\$0.5 billion (+4.3%) year-on-year, with the United States and Japan contributing the most, increasing by 17.5% and 16.6%, respectively. By machinery subcategory, exports of Machinery, Factory or Laboratory Equipment increased by US\$0.3 billion (+206.1%) year-on-year; Plastic & Rubber Processing Machinery increased by US\$0.03 billion (+8.0%).

3.5 Copper and articles thereof supported a slight growth in Base Metal and Articles exports in the first half of 2025

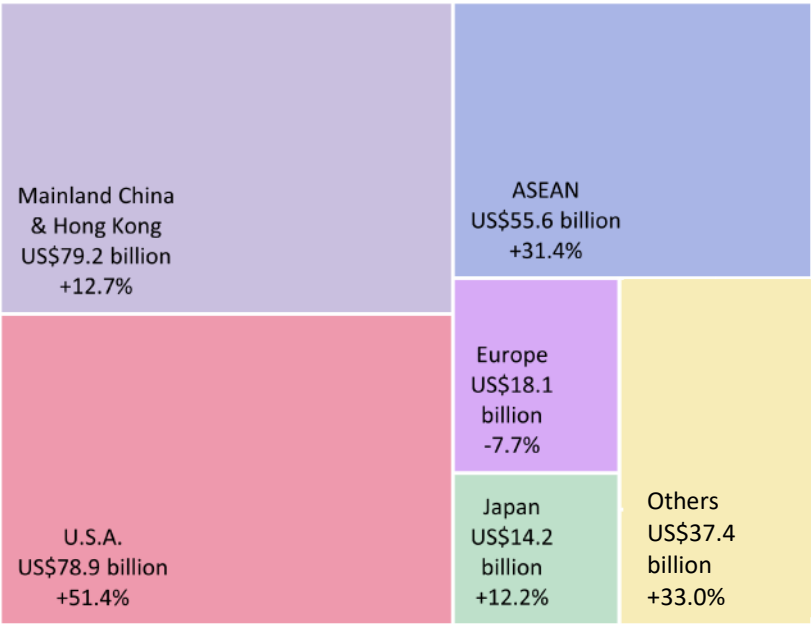
A large amount of excess steel from Mainland China continues to be sold overseas at low prices, disrupting the international production and sales order. In the first half of this year, Taiwan's exports of Base Metals and Articles were US\$14.5 billion, a slight year-on-year increase of 2.2%, mainly driven by an increase of US\$1.0 billion (+47.2%) in Copper and Articles Thereof, offsetting the impact of a decrease of US\$0.7 billion (-8.3%) in Iron & Steel and Articles Thereof.

4. Major export markets

4.1 Exports to the U.S.A. and ASEAN reached a new high

With the rising demand for high-tech products such as semiconductors, exports to Mainland China and Hong Kong in the first half of 2025 reached US\$79.2 billion, up 12.7% from the same period last year. Exports to the United States reached US\$78.9 billion, a record high for the same period, up 51.4% year-on-year, mainly due to the strong momentum of Information, Communication and Audio-video Products exports. Exports to ASEAN also benefited from the expansion of Information, Communication & Audio-video Products and Parts of Electronic Product, with exports valued at US\$55.6 billion, a record high for the same period, up 31.4% year-on-year. Meanwhile, exports to Europe reached US\$18.1 billion, down 7.7% year-on-year, while exports to Japan reached US\$14.2 billion, up 12.2% year-on-year.

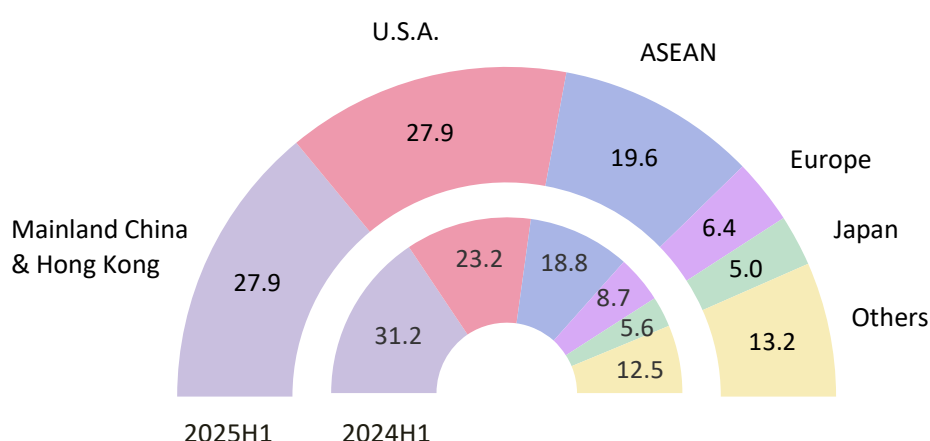
Figure 3 Export Value and Growth Rate of Major Markets in H1 2025



4.2 The export proportion to the U.S.A. and Mainland China & Hong Kong is the highest and the lowest in the past 33 and 24 years, respectively

In the first half of this year, the proportion of exports to the United States climbed 4.7 percentage points from the same period last year to 27.9%, the highest level in the past 33 years. Exports to ASEAN accounted for 19.6%, reaching a new high for the same period. The proportion of exports to Mainland China and Hong Kong fell to 27.9%, a drop of 3.3 percentage points, the lowest in the past 24 years. Exports to Europe and Japan accounted for 6.4% and 5.0%, both falling to historical lows.

Figure 4 The proportion of Major Export Markets (%)



5. Major import commodities and markets

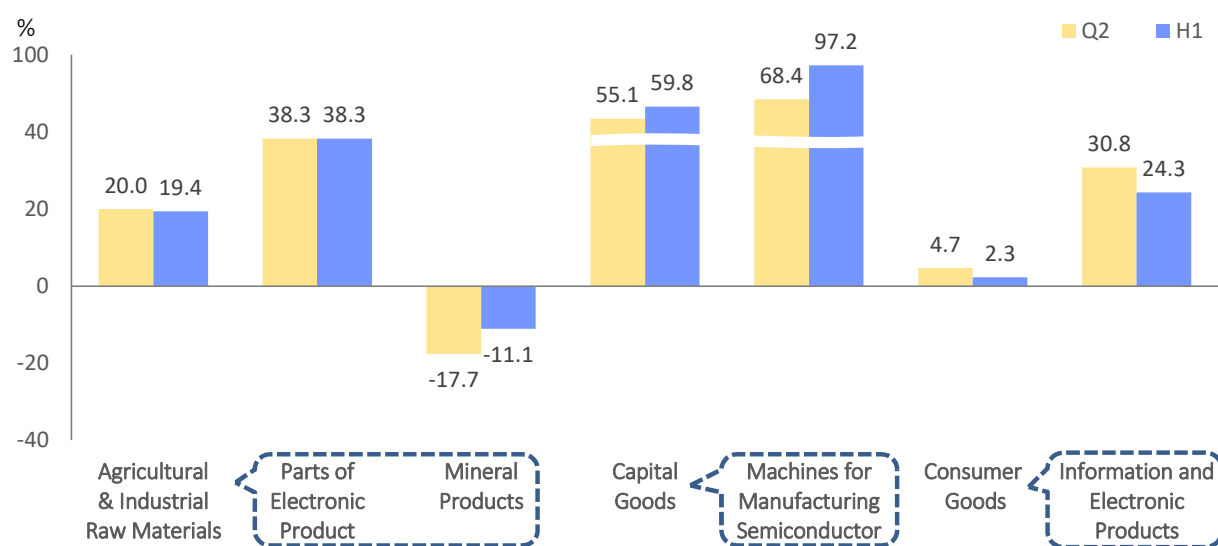
5.1 Sharp increase in Parts of Electronic Product imports drives 19.4% growth in imports of Agricultural and Industrial Raw Materials

Although international market conditions for some raw materials remained weak, driven by the international division of labor in the AI industry chain, imports of Agricultural and Industrial Raw Materials in the first half of this year were US\$151.7 billion, a year-on-year increase of US\$24.7 billion (+19.4%). Among them, Parts of Electronic Product increased by US\$18 billion (+38.3%), and Parts and Accessories of Computer increased by US\$7.1 billion (+225.3%). In addition, Mineral Products, Plastic & Chemical Raw Materials and Basic Metals decreased by 11.1%, 1.4%, and 0.9%, respectively.

5.2 Imports of Information & Communication Equipment and Machines for Manufacturing Semiconductor doubled, contributing nearly 90% to the growth in capital goods

To seize the strong business opportunities in AI, domestic companies have actively invested in expanding production, stimulating demand for the purchase of related equipment and items. In the first half of the year, Capital Equipment imports amounted to US\$49.8 billion, a record high for the same period, representing an increase of US\$18.6 billion (+59.8%), of which Machines for Manufacturing Semiconductor increased by US\$9.7 billion (+97.2%) and Information & Communication Equipment increased by US\$6.3 billion (+98.6%).

Figure 5 Growth Rate of Import Commodities in H1 2025



5.3 Passenger Car imports fell by 22%, offsetting the growth in Consumer Goods imports

In the first half of 2025, imports of Consumer Goods amounted to US\$23 billion, up US\$0.5 billion (+2.3%) year-on-year, of which Storage Devices increased by US\$0.6 billion (+62.6%), Laptops increased by US\$0.2 billion (+25.1%), Food increased by US\$0.3 billion (+6.4%), and Passenger Cars decreased by US\$1.0 billion (-22.2%).

5.4 Imports from South Korea surge, surpassing Japan to become Taiwan's third-largest source of imports

In the first half of 2025, imports from Mainland China and Hong Kong reached US\$43.2 billion, up 13.8% year-on-year, making them Taiwan's largest source of imports. Among them, imports of Parts of Electronic Product, Information, Communication & Audio-Video Products, Electrical Machinery Products, and Machinery all showed significant growth. Imports from ASEAN reached US\$28.2 billion, up 18.6% year-on-year. South Korea became Taiwan's third largest import market, reaching a new high of US\$28 billion, up 56.4% year-on-year, mainly due to the sharp increase in Parts of Electronic Product. Imports from Japan rose 19.0% to US\$26.4 billion, and imports from Europe increased by 12.0% to US\$24.8 billion. In contrast, imports from the United States fell 9.7% to US\$23.7 billion, due to the reduction in Mineral Product imports. Among these markets, South Korea saw the most notable increase in import share, rising by 2.8 percentage points compared to the same period last year, while shares of other regions declined.

Table 2 Overview of Imports from Major Markets in H1 2025

Unit: US\$ billion, %

		Mainland China & Hong Kong	ASEAN	Japan	Korea	U.S.A.	Europe
Amount		43.2	28.2	26.4	28.0	23.7	24.8
	Q1	19.9	13.2	12.8	13.0	10.9	11.5
	Q2	23.3	15.0	13.6	14.9	12.8	13.3
YoY Growth Rate		13.8	18.6	19.0	56.4	-9.7	12.0
	Q1	11.6	18.5	20.4	65.6	-28.2	10.3
	Q2	15.7	18.8	17.8	49.1	15.8	13.6
As % of All Imports		19.0	12.4	11.6	12.3	10.4	10.9
	Percentage Points Change	-1.1	-0.2	-0.1	+2.8	-3.5	-0.8

6. Conclusion

Due to the rising demand for AI technology in various application fields, and the U.S. suspension of reciprocal tariffs, which promoted customers to place advance orders, Taiwan's total exports in the first half of 2025 hit a record high for the same period, an increase of 25.9% year-on-year, and imports also increased by 20.5%. Among major export categories, Information, Communication and Audio-video Products performed the strongest with an annual increase of 63.0%, and the scale value exceeded Parts of Electronic Product to become the largest export category. The United States was the leading growth market, with exports increasing 51.4% and the proportion rising to 28%, the highest level for the same period in the past 33 years.

Looking ahead, the boom in AI application, the peak stocking season for international brand's new products, and continued demand from Parts of Electronic Product and Machines for Manufacturing Semiconductor are expected to sustain Taiwan's export momentum. However, uncertainty in U.S. trade policy, ongoing geopolitical risks, and persistent overcapacity in traditional industries may weigh on exports in the second half of the year. These developments must be closely monitored going forward.