

TODAY'S MEDIA TRENDS

TTV

FEBRUARY 25, 2026

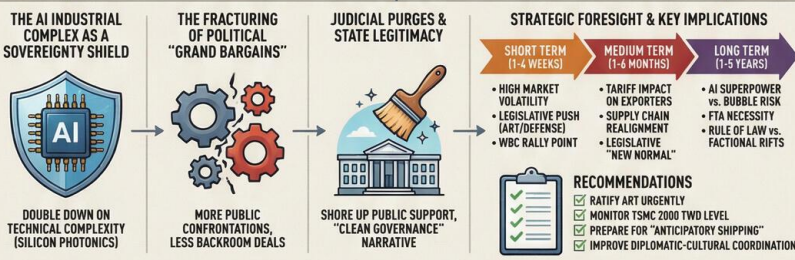
THE GDELT PROJECT

TAIWAN NAVIGATES A HIGH-STAKES CONVERGENCE: RECORD FINANCIAL GROWTH, LEGISLATIVE TRANSITION, & GLOBAL TRADE VOLATILITY

FEBRUARY 2026: A HISTORIC INFLECTION POINT AT THE INTERSECTION OF AI DOMINANCE, POLITICAL CHANGE, AND TARIFF PRESSURES



DEEP DIVE: EMERGING TRENDS, THEMES & STRATEGIC FORESIGHT



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DAY-AT-A-GLANCE

February 25, 2026, marked a historic inflection point for Taiwan, characterized by unprecedented domestic financial milestones and seismic shifts in its legislative landscape, all occurring against the backdrop of a volatile new era in global trade. The Taiwan Stock Exchange (TAIEX) shattered records, breaching the 35,000-point threshold, driven by the "护国神山" (Guardian Mountain) TSMC, which officially entered the ["2,000 TWD club"](#) following a surge in AI-related hardware demand. This economic euphoria, however, is tempered by the immediate implementation of a 10% global tariff by the Trump administration, which [officially took effect](#) at 1:01 PM Taiwan time on February 24. While markets have shown initial resilience, the looming threat of an increase to 15% and the potential use of Section 301 investigations signal a period of prolonged economic

uncertainty for Taiwan's export-oriented sectors.

Domestically, the political order is undergoing a generational transition. Ker Chien-ming, the "eternal whip" who has led the Democratic Progressive Party (DPP) legislative caucus for 25 years, has [officially stepped down](#), handing over leadership to Tsai Chi-chang. This transition occurs at a critical juncture as the Legislative Yuan grapples with a massive 1.25 trillion TWD arms procurement budget and a controversial National Defense Special Statute. The legislative gridlock is further complicated by the emergence of high-profile corruption and misconduct cases involving judicial officers and local government leaders, including the ongoing investigation into Hsinchu County Magistrate Yang Wen-ke and the [arrest of a prosecutor](#) allegedly involved in usury and extortion. These developments suggest a period of intense internal friction as Taiwan seeks to project stability to both its citizens and international partners during a period of heightened regional tension.

MAJOR DEVELOPMENTS

• US Global Tariff Activation and State of the Union Impacts

- US President Trump delivered a record-breaking 108-minute State of the Union address, reaffirming his commitment to [aggressive tariff policies](#) despite domestic and international pushback.
- A 10% global tariff is now in force, with the administration [working to escalate](#) the rate to 15% under the Trade Act of 1974.
- Market analysts suggest that while the initial shock has been absorbed, the long-term pressure on the [Taiwanese export model](#) remains a critical risk factor.

• Financial Record Breaches and AI Dominance

- The TAIEX hit an all-time high of 35,521 points during intraday trading, eventually closing at [35,413 points](#).
- TSMC shares reached a historic peak of 2,015 TWD, solidifying its role as the primary driver of [capital inflows](#) into the Taiwan market.
- The "Old AI" sector, including Hon Hai (Foxconn) and Quanta, has seen a resurgence as global firms like Amazon and Meta [expand AI infrastructure](#) investments.

• Political Succession in the Legislative Yuan

- Ker Chien-ming's 25-year tenure as DPP caucus leader ended with a [symbolic handover](#) to Tsai Chi-chang.
- The transition is viewed as a "changing of the guard" that may alter the [negotiation dynamics](#) between the DPP, KMT, and TPP.
- The KMT leadership is reportedly pushing for a revised 350 billion TWD [defense procurement limit](#), while internal factions call for higher figures.

• 2026 World Baseball Classic (WBC) Preparations and Friction

- The "Taiwan Night" event in Tokyo was abruptly canceled, leading to [widespread fan disappointment](#) and logistical questions for the 2026 WBC organizers.
- Key players, including Taiwanese-American Ronny Mauricio, are facing [injury concerns](#) but remain committed to joining the national squad.
- MLB stars like Shohei Ohtani are signaling a strong desire to [pitch in the tournament](#), despite potential club restrictions, heightening global interest in the event.

• Judicial Integrity and Corruption Scandals

- Keelung prosecutor Lin Yu-chun was targeted in a [large-scale search](#) over allegations of operating a usury ring and using his office to extort contractors.
- Hsinchu County Magistrate Yang Wen-ke faces a 10-year prison sentence demand in the [Feng Cai 520](#) corruption case.
- Yung Fung Bank is embroiled in a "mole" case involving a senior manager allegedly facilitating [fraudulent solar energy loans](#) totaling 40 million TWD.

KEY GOVERNANCE TOPICS

AI and Technology Policy The global surge in AI infrastructure has become the primary pillar of Taiwan's economic security. Corporate leaders are transitioning their firms into "AI-core" entities, with Inventec projecting significant growth in [AI server revenue](#) by 2026. However, the concentration of wealth in AI-related equities has led to warnings about [market overheating](#) and the "bubble risk" of software applications versus the "hard demand" for 算力 (computational power) hardware.

Economic Security and Trade The implementation of US tariffs is forcing a strategic re-evaluation of Taiwan's trade posture. While Taiwan currently lacks an FTA with the US, the [ART \(Agreement on Regulatory Transparency\)](#) is being promoted as a vital mechanism to protect Taiwanese exports from being disadvantaged compared to zero-tariff competitors like Japan and South Korea. Failure to pass the ART through the Legislative Yuan could result in [punitive tax rates](#) as high as 150 days of implementation delays.

National Security and Diplomacy Defense procurement remains the most contentious issue in the legislature. Defense Minister Wellington Koo is urging the legislature to authorize [arms purchase agreements](#) before a critical March 15 deadline. Meanwhile, AIT Director Raymond Greene has used the phrase "[paper talk](#)" (指上谈兵) to characterize the ongoing debate over Taiwan's defense budget, suggesting frustration with the gap between legislative discussion and actual procurement readiness.

Domestic Stability and Rule of Law A series of high-profile arrests and sentencing demands has highlighted systemic issues in

local governance and the judiciary. The "African Swine Fever" negligence case in Taichung, where a farm owner [illegally sold infected pigs](#), underscores the ongoing challenge of biosecurity and state capacity in managing public health risks. Additionally, the arrest of a senior prosecutor for [usury and extortion](#) has severely damaged public trust in legal institutions.

LEGISLATIVE ROUNDUP

The current legislative session is dominated by the fallout from leadership changes and the urgent need to address multi-billion dollar defense and trade agreements. The transition from Ker Chien-ming to Tsai Chi-chang marks a significant shift in the DPP's "floor management" strategy, as the party navigates a minority position in several key committees. The primary focus is on the National Defense Special Statute and the US-Taiwan Trade Initiative (ART).

BILLS DISCUSSED/DEBATED:

- **National Defense Special Statute:** A massive [1.25 trillion TWD](#) procurement package currently stalled. Factions are debating the split between foreign purchases and domestic production, with some calling for a [reduced 350 billion TWD](#) special budget.
- **US-Taiwan Trade Initiative (ART):** Legislation aimed at aligning regulatory standards with the US to [mitigate tariff impacts](#) and secure FTA-like advantages.
- **Childcare Leave Amendment:** A proposal by Taipei Mayor Chiang Wan-an to allow parents of children under 12 to [reduce work hours](#) by one hour per day with government subsidies, currently facing "too many applicants, too little budget" concerns.

HEARINGS & PRESS EVENTS:

- **DPP Caucus Leadership Handover:** A symbolic event where Ker Chien-ming [officially passed the gavel](#) to Tsai Chi-chang, attended by high-ranking officials including Legislative Speaker Han Kuo-yu.
- **WBC Preparation Presser:** Officials and coaches provided updates on the [national team roster](#) and player injury status ahead of the March tournament.
- **AIT Public Address:** Director Raymond Greene commented on [Taiwan's defense budget](#) and US-Taiwan relations during the opening of a lantern festival exhibit.

DEEP DIVE: TRENDS AND THEMES

The AI Industrial Complex as a Sovereignty Shield Taiwan's economic narrative has shifted from "semiconductor hub" to the "essential node of the AI era." The market's refusal to pull back despite the [global tariff implementation](#) suggests that investors believe Taiwan's high-end hardware is currently "tariff-proof" due to lack of viable alternatives. However, the rise of [advanced packaging and silicon photonics](#) as the next frontier indicates that Taiwan is doubling down on technical complexity to maintain its strategic "silicon shield."

The Fracturing of Political "Grand Bargains" The departure of Ker Chien-ming, known for his ability to bridge gaps between opposing parties over three decades, creates a [power vacuum](#) in the legislature's informal negotiation channels. The current friction over the defense budget—where the KMT leadership and its "hardline" members are at odds over [procurement figures](#)—suggests that legislative deal-making will become more

fragmented and less predictable under the new leadership.

Judicial Purges and State Legitimacy The simultaneous targeting of a prosecutor, a county magistrate, and senior banking executives indicates an [internal cleansing](#) phase within the Taiwanese state apparatus. This may be an effort by the current administration to shore up public support and demonstrate "clean governance" as a counter-narrative to the external pressures of trade wars and regional instability. The [harsh sentencing demands](#) (10+ years for Yang Wen-ke) signal a zero-tolerance policy intended to deter further elite corruption.

STRATEGIC FORESIGHT

Short Term (1-4 Weeks): Market volatility is expected to increase as the "March 15 deadline" for [arms procurement](#) approaches. Expect intense legislative sessions as the DPP tries to push through the ART and defense bills. On the cultural front, the WBC tournament will serve as a [nationalistic rally point](#), potentially distracting from domestic political scandals.

Medium Term (1-6 Months): The implementation of US tariffs will begin to show in the quarterly earnings of middle-market exporters who lack the "essentiality" of TSMC. We may see a [realignment of supply chains](#) as Taiwanese firms accelerate investments in Southeast Asia or the US to bypass the 10-15% tax. The legislative "new normal" under Tsai Chi-chang will stabilize, likely characterized by [more public confrontations](#) and fewer backroom deals.

Long Term (1-5 Years): The structural shift toward AI-based industry will either cement Taiwan's position as a global tech superpower or leave it [vulnerable to an AI bubble burst](#). If

the US-Taiwan trade relationship does not formalize into an FTA, Taiwan risks being [permanently disadvantaged](#) in the North American market. Domestic political stability will depend on whether the current "purging" of corrupt elites leads to a more robust rule of law or merely creates new factional rifts.

RECOMMENDATIONS & IMPLICATIONS

For International Policy:

- Taiwan must prioritize the [ratification of the ART](#) to provide a legal framework for trade resilience against US protectionism.
- The cancellation of "Taiwan Night" in Tokyo suggests a need for [better diplomatic-cultural coordination](#) to prevent public relations failures on the global stage.
- Allies should monitor the [March 15 defense deadline](#) as a litmus test for Taiwan's ability to execute its national security strategy under a divided legislature.

For Private Sector/Investors:

- Investors should monitor the ["2,000 TWD" level](#) for TSMC as a psychological support/resistance point; any break below could trigger broader market corrections.
- Firms in the solar energy and infrastructure sectors should expect [increased regulatory scrutiny](#) following the Yung Fung Bank lending scandal.
- Supply chain managers should prepare for "anticipatory shipping" cycles as [further tariff hikes](#) are signaled by the US administration.

ABOUT THIS REPORT

Today's Media Trends is a public interest experiment in applying deep thematic trend analysis to television news coverage from around the world to explore how responsibly applied advanced AI can help journalists and scholars better understand the overarching trends, themes and patterns of our global world.

No data is used to train or tune any AI model.

Each morning, in collaboration with the Internet Archive's TV News Archive, we apply Google's Gemini 3 to deeply examine yesterday's coverage from each television news channel to tease out the overarching themes and trends of its news coverage into a richly annotated thematic analysis. Each high-level insight is connected back to the original broadcast, allowing journalists and scholars to understand the dominate themes and trends and instantly click out to the underlying sources for details.

By helping journalists and scholars see the broader trends and patterns of global news coverage, this analysis helps them identify relevant stories and coverage they might not otherwise have encountered and uncover connections, emphases and narrative shifts that enable more comprehensive reporting and deeper, evidence-based research.

This report is entirely machine generated using Gemini 3 and may include errors and omissions. Please verify all findings. No data is used to train or tune any AI model.

For questions or suggestions, please contact kalev.leetaru5@gmail.com. You can also learn more about the GDELT Project at <https://blog.gdeltproject.org/> and the Internet

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