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# Economic Bulletin

## The Green Book: Current Economic Trends

# The Green Book

## Current Economic Trends

### Overview

While the Korean economy has stayed on an upward track, prices have surged recently affected by unusual cold spells, the outbreak of foot-and-mouth disease, and rising oil prices.

Both mining and manufacturing production, and service output accelerated an increase in January, boosted by the Lunar New Year holiday, while exports and domestic demand continued to improve.

Consumer goods sales, despite rising consumer prices, jumped month-on-month in line with the release of new cars and the Lunar New Year holiday, with durable and non-durable goods sales leading the trend.

Facilities investment climbed month-on-month for the third consecutive month in January, backed by rising producer demand. The value of construction completion fell from the previous month, as both building construction and civil engineering works declined.

Both the coincident and leading composite indices recovered month-on-month in January from a recent decline, as the indices' components improved and a high base effect removed.

Although imports soared due to rising oil prices, the trade balance stayed in the black in February helped by the recovering global economy.

Employment in January, although bad weather conditions and the outbreak of foot-and-mouth disease disturbed agricultural, forestry & fishery industries, continued to improve backed by increasing demand in mining and manufacturing industries and the service sector.

The consumer price in February rose 4.5 percent, led by increases in livestock and oil product prices, and those of dining out. Core consumer prices, which had been stable at the 2.0 percent-range, went up into the 3.0 percent range, as service fees increased.

In February stock prices fell and foreign exchange rates rose, affected by political unrest in the Middle East countries.

Rent soared in February in line with increasing seasonal demand, while housing prices in the Seoul metropolitan area, which had shifted to a rise at the end of 2010, climbed at a faster rate.

To sum up, although the global economy has recovered at a faster pace, there are growing uncertainties as political unrest in the Middle East lingers on, emerging economies may take austerity measures, and the European fiscal crisis may prolong.

The Korean government will closely examine the effects of internal and external changes, and flexibly respond to them, so that the Korean economy can stand in the way of solid recovery. On the other hand, to curb inflation expectations, it will more actively respond to price instability, while thoroughly following up the implementation of anti-inflation measures announced on January 13.

# 1. Global economy

The global economy has continued a recovering track, backed by solid economic growth in the US and China. However, there are growing uncertainties, with the Middle East unrest leading to a rise in international commodity prices and global inflation spreading throughout the world.

## US

US real GDP in the fourth quarter of 2010 has been revised down to 2.8 percent *(preliminary)* from 3.2 percent *(advanced, annualized q-o-q)*.

In January, although retail sales slowed down an increase month-on-month, going up 0.3 percent, and industrial production shifted to a decline of 0.1 percent, consumer confidence and the ISM manufacturing index maintained an upward momentum.

**Thomson Reuters/University of Michigan Surveys of Consumers** (base=100)
67.7 (Oct 2010) → 71.6 (Nov) → 74.5 (Dec) → 74.2 (Jan 2011) → 77.5 (Feb)

**ISM manufacturing index** (base=50)
55.2 (Aug 2010) → 55.3 (Sep) → 56.9 (Oct) → 58.2 (Nov) → 58.5 (Dec) → 60.8 (Jan 2011) → 61.4 (Feb)

In January 2011, new home sales fell 12.6 percent month-on-month, while existing home sales slowed down with a 2.7 percent rise. The S&P/Case-Shiller Home Price Index fell for the fifth consecutive month in December 2010.

Employment went on with moderate recovery in February, with the unemployment rate dropping 0.1 percentage point month-on-month to 8.9 percent and non-farm workers on the payroll growing fast.

The Federal Open Market Committee revised up the 2011 growth prospect from between 3.0 and 3.6 percent to 3.4 and 3.9 percent in January, while changing the unemployment rate downward from between 8.9 and 9.1 percent to 8.8 and 9.0 percent. The Beige Book said in March that the US labor market improved throughout the country early this year.

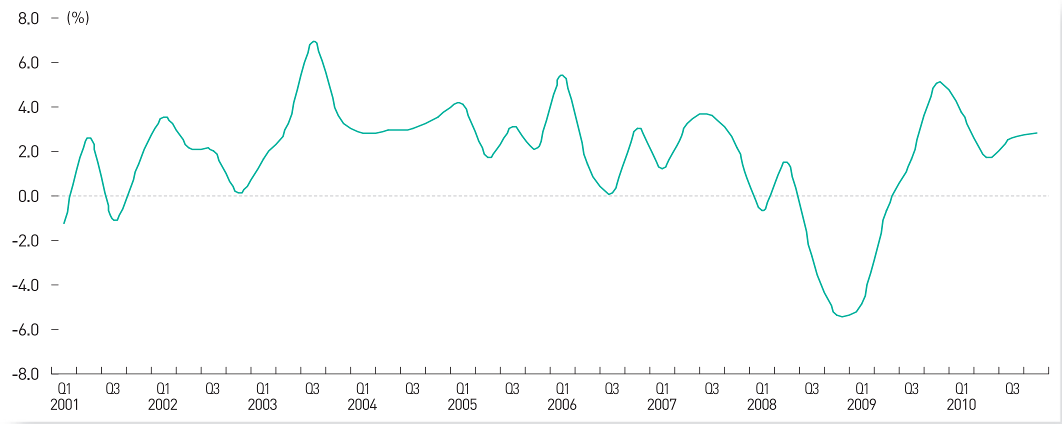
*(Percentage change from previous period)*

| | 2009 | | | 2010[1] | | | | | 2011[1] | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Jan | Feb |
| Real GDP[2] | -2.6 | 1.6 | 5.0 | 2.9 | 3.7 | 1.7 | 2.6 | 2.8 | - | - |
| - Personal consumption expenditure | -1.2 | 2.0 | 0.9 | 1.8 | 1.9 | 2.2 | 2.4 | 4.1 | - | - |
| - Corporate fixed investment | -17.1 | -1.7 | -1.4 | 5.5 | 7.8 | 17.2 | 10.0 | 5.3 | - | - |
| - Construction investment for housing | -22.9 | 10.6 | -0.8 | -3.0 | -12.3 | 25.7 | -27.3 | 2.8 | - | - |
| Industrial production | -9.3 | 2.0 | 1.7 | 5.7 | 1.8 | 1.7 | 1.6 | 0.6 | -0.1 | - |
| Retail sales | -6.4 | 1.9 | 1.5 | 6.6 | 2.3 | 1.1 | 0.8 | 3.3 | 0.3 | - |
| Existing home sales | 5.2 | 10.6 | 11.9 | -4.5 | -12.3 | 7.5 | -25.1 | 13.8 | 2.7 | - |
| New non-farm payroll employment (thousand)[3] | -422 | -256 | -135 | 78 | 39 | 181 | -46 | 139 | 63 | 192 |
| Consumer prices | -0.3 | 0.8 | 0.5 | 1.6 | 0.3 | -0.1 | 0.4 | 0.7 | 0.4 | - |

*1. Preliminary*
*2. Annualized rate (%)*
*3. Monthly average*
*Source: US Department of Commerce*

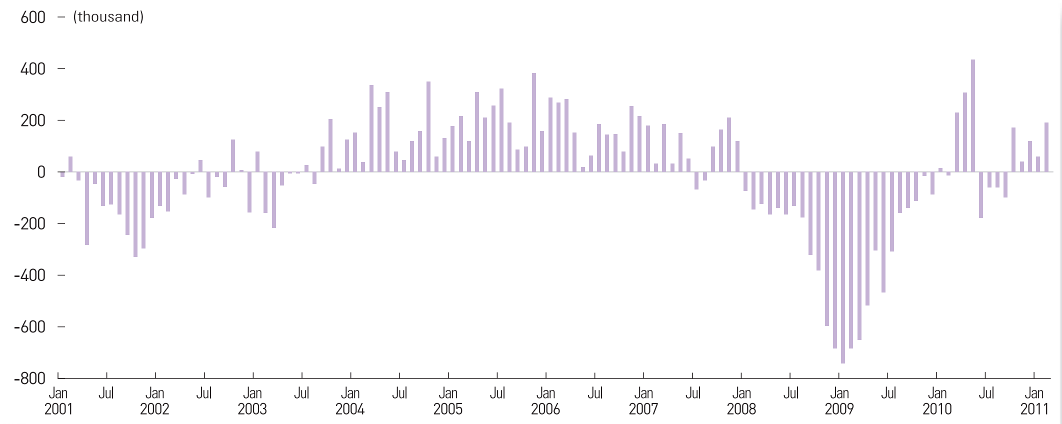
**1-1** **US GDP** (q-o-q, annualized rate)

Source: US Department of Commerce



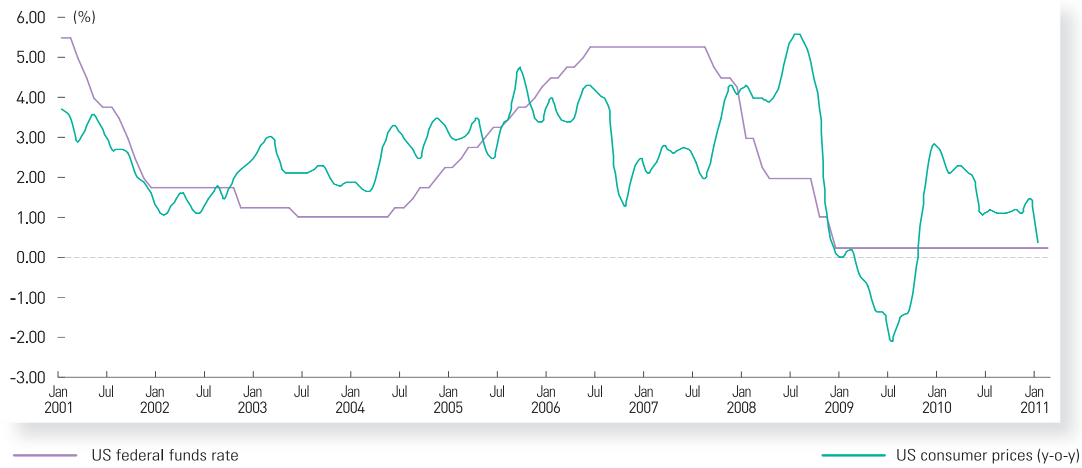

**1-2** **US non-farm payroll employment** (m-o-m change)

Source: US Department of Labor




**1-3** **US federal funds rate and consumer prices**

Source: US Federal Reserve Board & Department of Labor



## China

China's economy, while domestic demand and exports steadily grew, had been under inflationary pressure, due to rising grain and commodity prices, and strong demand. The People's Bank of China raised the base rate by 25 basis points and banks' reserve requirement ratio by 50 basis points on February 8 and 18, respectively, in line with soaring food and non-food prices.

**Food price increase** (y-o-y, %)
8.0 (Sep 2010) → 10.1 (Oct) → 11.7 (Nov) → 9.6 (Dec) → 10.3 (Jan 2011)

**Non-food price increase** (y-o-y, %)
1.4 (Sep 2010) → 1.6 (Oct) → 1.9 (Nov) → 2.1 (Dec) → 2.6 (Jan 2011)*
**The highest in five years*

*(Percentage change from same period in previous year)*

| | 2009 | | | 2010[1] | | | | | 2011[1] |
|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Dec |
| Real GDP | 9.1 | 9.1 | 10.7 | 10.3 | 11.9 | 10.3 | 9.6 | 9.8 | - |
| Fixed asset investment (accumulated) | 30.5 | 33.3 | 30.5 | 24.5 | 26.4 | 25.5 | 24.5 | 24.5 | - |
| Retail sales | 15.5 | 15.4 | 16.9 | 18.4 | 17.9 | 18.5 | 18.4 | 18.8 | - |
| Industrial production | 11.0 | 12.4 | 18.0 | 15.7 | 19.6 | 16.0 | 13.5 | 13.3 | - |
| Exports | -16.0 | -20.3 | 0.2 | 31.3 | 28.7 | 40.9 | 32.5 | 25.2 | 37.7 |
| Consumer prices | -0.7 | -1.3 | 0.7 | 3.3 | 2.2 | 2.9 | 3.5 | 4.7 | 4.9 |
| Producer prices | -5.4 | -7.7 | -2.1 | 5.5 | 5.2 | 6.8 | 4.5 | 5.7 | 6.6 |

*1. Preliminary* *Source: China National Bureau of Statistics*

## Japan

Although Japan's real GDP, affected by the end of green-car subsidy, fell 0.3 percent quarter-on-quarter in the fourth quarter of 2010, the economy showed signs of gradual recovery, with industrial production on the rise since November and retail sales rebounding. The Bank of Japan revised up the economic assessment on February 15 for the first time in nine months, and the Cabinet Office upgraded it for two months in a row on February 21.

*(Percentage change from previous period)*

| | 2009 | | | 2010[1] | | | | | 2011[1] |
|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Jan |
| Real GDP | -6.3 | -0.5 | 1.8 | 4.0 | 1.5 | 0.5 | 0.8 | -0.3 | - |
| Industrial and mining production | -21.8 | 5.3 | 5.9 | 16.0 | 7.0 | 1.5 | -1.8 | -1.6 | 2.4 |
| Retail sales (y-o-y, %) | -2.3 | -1.9 | -0.7 | 2.5 | 3.8 | 3.7 | 3.2 | -0.4 | 0.1 |
| Exports (y-o-y, %) | -34.2 | -35.5 | -8.7 | 25.7 | 44.8 | 35.2 | 18.8 | 10.8 | - |
| Consumer prices (y-o-y, %) | -1.4 | -2.2 | -2.0 | -0.7 | -1.2 | -0.9 | -0.8 | 0.1 | 0.0 |

*1. Preliminary* *Source: Japan's Statistics Bureau and Statistics Centre*

## Eurozone

Eurozone's economy continued steady recovery with Germany leading the trend, while inflationary pressure grew and concerns resurfaced that Portugal may need bailout.

**Portugal's sovereign bond yield** (10-year, %)
6.60 (Dec 31, 2010) → 7.05 (Jan 30, 2011) → 7.54 (Feb 25) → 7.48 (Mar 4)

The European Central Bank, while freezing the base rate at 1.0 percent, revised up the 2011 inflation forecast from 1.8 percent to 2.3 percent on March 3, as prices hovered above the target of 2.0 percent for two months in a row.

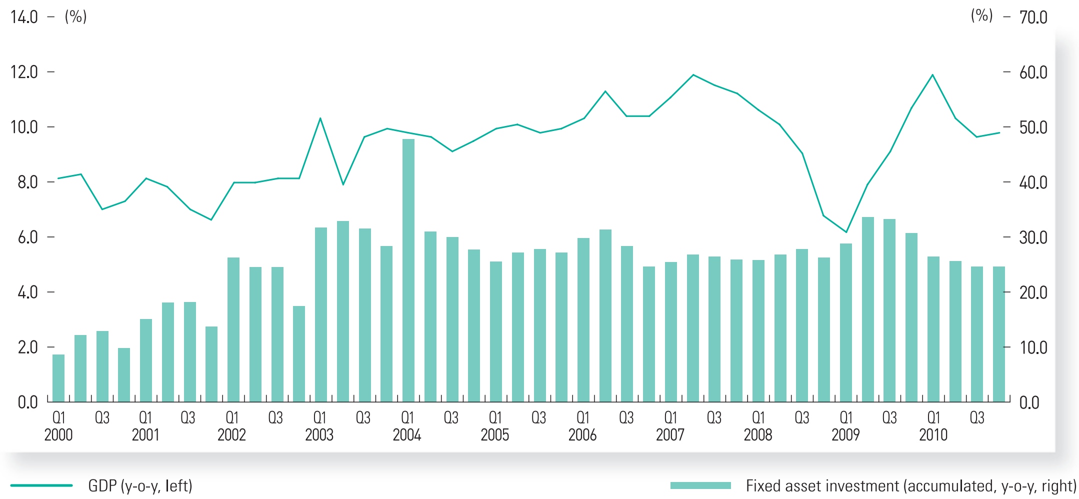
*(Percentage change from previous period)*

| | 2009 | | | 2010[1] | | | | | 2011[1] |
|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Jan |
| Real GDP | -4.0 | 0.4 | 0.2 | 1.7 | 0.4 | 1.0 | 0.3 | 0.3 | - |
| Industrial production | -14.9 | 2.8 | 1.1 | 7.1 | 2.4 | 2.4 | 1.0 | 1.7 | - |
| Retail sales | -2.2 | -0.3 | 0.4 | 0.7 | 0.4 | 0.1 | 0.4 | 0.3 | 0.5 |
| Exports (y-o-y, %) | -18.1 | -18.7 | -9.4 | 20.1 | 12.9 | 22.3 | 22.8 | 21.8 | - |
| Consumer prices (y-o-y, %) | 0.3 | -0.4 | 0.4 | 1.6 | 1.1 | 1.5 | 1.7 | 2.0 | 2.3 |

*1. Preliminary* *Source: Eurostat*

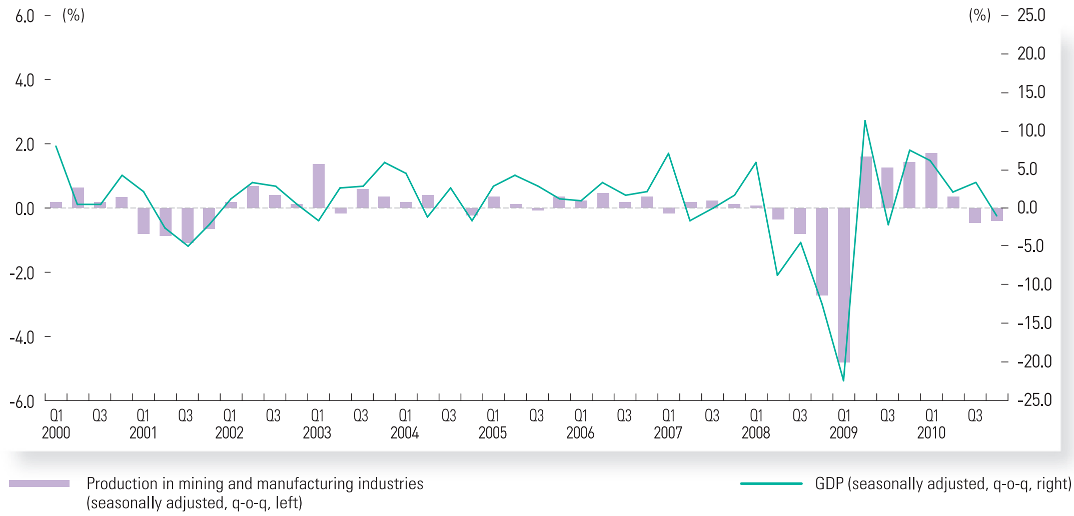
## 1-4 China's GDP and fixed asset investment

Source: National Bureau of Statistics of China



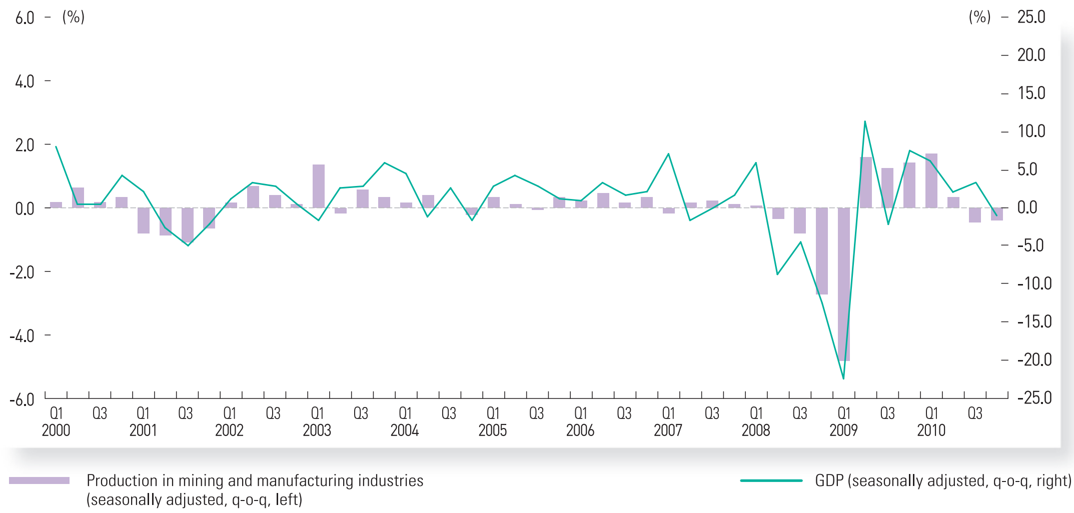

## 1-5 Japan's GDP growth

Source: Cabinet Office & Ministry of Economy, Trade and Industry, Japan




## 1-6 Eurozone GDP growth and industrial production

Source: Eurostat



## 2. Private consumption

Private consumption *(advanced estimates of GDP)* increased 0.3 percent quarter-on-quarter and 3.2 percent year-on-year in the fourth quarter of 2010.

*(Percentage change from same period in previous year)*

| | 2009 | | | | | 2010[1] | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 |
| Private consumption[2] | 0.2 | -4.4 | -1.0 | 0.7 | 5.8 | 4.1 | 6.3 | 3.7 | 3.3 | 3.2 |
| (Seasonally adjusted)[3] | - | 0.3 | 3.3 | 1.7 | 0.4 | - | 0.7 | 0.8 | 1.3 | 0.3 |

*1. Preliminary 2. National accounts 3. Percentage change from previous period*
*Source: The Bank of Korea*

Consumer goods sales in January grew 4.3 percent month-on-month and 10.8 percent year-on-year, as the sales of durable, non-durable, and semi-durable goods all improved.

On a month-on-month basis, consumer goods sales climbed 4.3 percent, as durable goods sales *(up 6.1%)* such as those of automobiles soared, and the sales of non-durable *(up 4.5%)* and semi-durable *(up 1.9%)* goods increased thanks to holiday demand.

On a year-on-year basis, durable *(up 14.1%)*, semi-durable *(up 11.9%)*, and non-durable *(up 9.1%)* goods sales all jumped.

*(Percentage change from same period in previous year)*

| | 2009 | | 2010[1] | | | | | | | 2011[1] |
|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q4 | Annual[1] | Q1 | Q2 | Q3 | Q4[1] | Nov | Dec[1] | Jan[1] |
| Consumer goods sales | 2.7 | 10.9 | 6.6 | 9.7 | 4.9 | 7.5 | 5.1 | 6.9 | 4.3 | 10.8 |
| (Seasonally adjusted)[2] | - | 3.8 | - | 0.6 | -0.1 | 3.3 | 0.8 | 1.5 | -0.4 | 4.3 |
| - Durable goods[3] | 8.2 | 34.1 | 14.9 | 29.6 | 5.6 | 17.0 | 10.6 | 12.1 | 6.2 | 14.1 |
| · Automobiles | 21.8 | 77.0 | 11.1 | 48.9 | -2.1 | 12.0 | 0.1 | 4.6 | -8.6 | 7.7 |
| - Semi-durable goods[4] | 1.3 | 4.5 | 6.8 | 2.5 | 6.2 | 6.6 | 11.1 | 9.5 | 12.0 | 11.9 |
| - Non-durable goods[5] | 1.2 | 4.0 | 2.2 | 3.2 | 3.3 | 3.0 | -0.7 | 2.5 | 0.2 | 9.1 |

*1. Preliminary*
*2. Percentage change from previous period*
*3. Durable goods: Automobiles, electronic appliances, furniture, telecommunications devices, etc.*
*4. Semi-durable goods: Clothing, footwear, etc.*
*5. Non-durable goods: Food, medicine, cosmetics, fuel, tobaccos, etc.*
*Source: Statistics Korea*

Sales at department stores *(up 9.0%)*, large discounters *(up 10.0%)* and specialized retailers *(up 2.1%)* increased, while those at convenience stores *(down 2.0%)* and supermarkets *(down 0.8%)* edged down. On a year-on-year basis, sales at department stores *(up 20.6%)*, large discounters *(up 20.4%)* and specialized retailers *(up 6.4%)* all greatly improved.

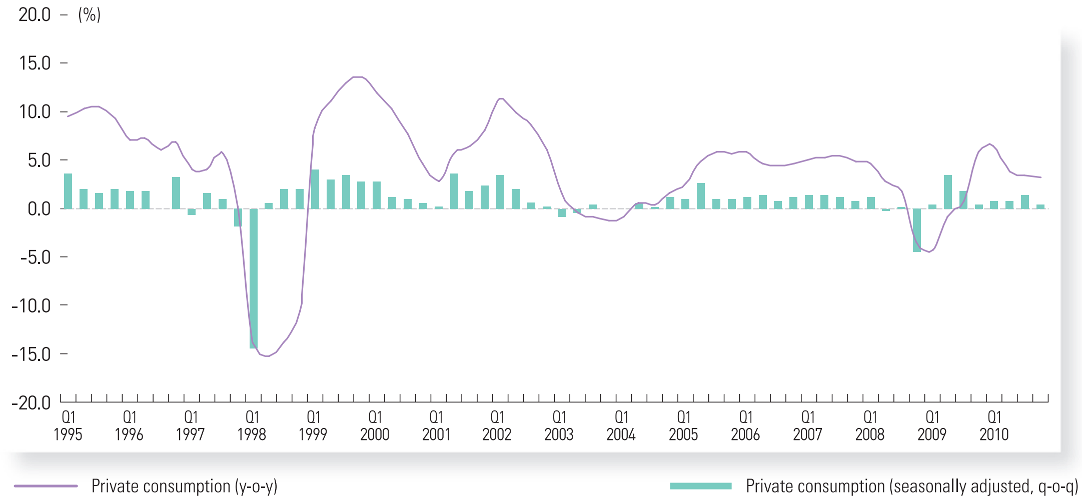
*(Percentage change from same period in previous year)*

| | 2009 | | 2010 | | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q4 | Annual[1] | Q1 | Q2 | Q3 | Q4[1] | Nov | Dec[1] | Jan[1] |
| - Department stores | 4.3 | 9.7 | 8.8 | 7.5 | 9.2 | 7.4 | 10.5 | 10.2 | 10.0 | 20.6 |
| - Large discounters | -2.2 | 2.7 | 4.4 | 5.4 | 4.1 | 7.6 | 0.8 | 0.9 | 2.6 | 20.4 |
| - Specialized retailers[2] | 3.0 | 12.7 | 5.6 | 9.7 | 1.8 | 7.3 | 4.2 | 6.9 | 2.4 | 6.4 |

*1. Preliminary*
*2. Specialized retailers are defined as stores carrying a few (1 to 3) specialized items.*
*Source: Statistics Korea*

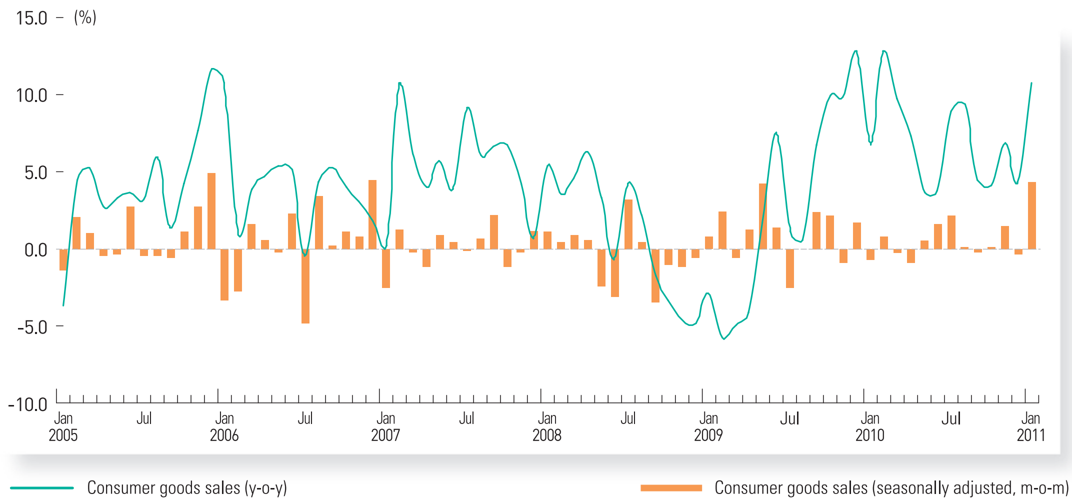
## 2-1 Private consumption

Source: The Bank of Korea (national accounts)



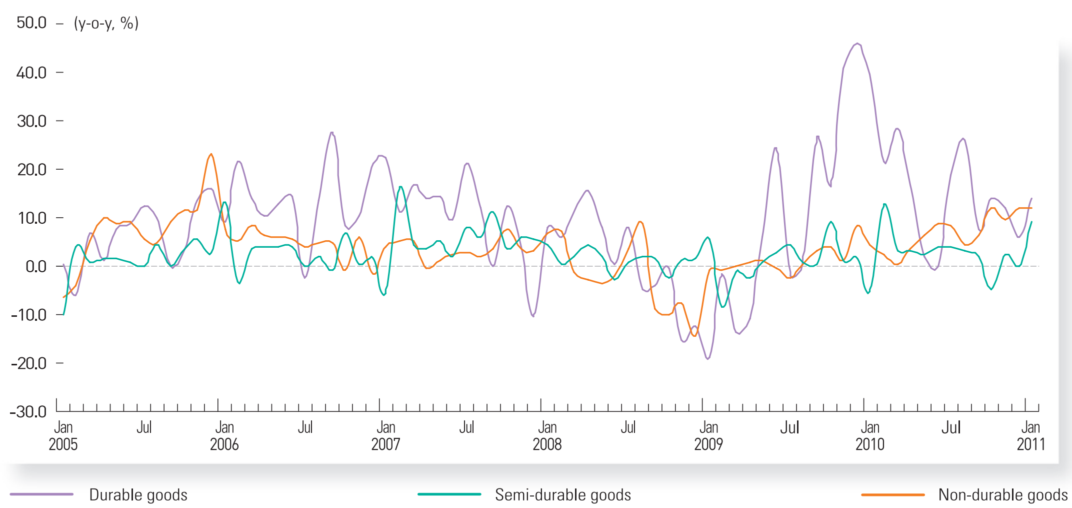

## 2-2 Consumer goods sales

Source: Statistics Korea (industrial activity trend)




## 2-3 Consumer goods sales by type

Source: Statistics Korea (industrial activity trend)



Consumer goods sales is projected to continue an upward trend, given an increase in income in line with the rising number of workers hired.

The number of workers hired has continued to go up with wage increases, leading to strong real purchasing power.

**Household income** (y-o-y, %)
4.9 (Q4 2009) ➜ 7.4 (Q1, 2010) ➜ 7.6 (Q2) ➜ 6.1 (Q3) ➜ 2.4 (Q4)

**Employment** (y-o-y, thousand)
386 (Aug 2010) ➜ 249 (Sep) ➜ 316 (Oct) ➜ 303 (Nov) ➜ 455 (Dec) ➜ 331 (Jan 2011)

Sales at department stores and large discounters temporarily slowed down after the Lunar New Year holiday, while domestic credit card spending posted a solid increase.

Gasoline sales, despite rising oil prices, registered steady growth.

**Value of credit card use** (y-o-y, %)
10.6 (Sep 2010) ➜ 19.5 (Oct) ➜ 16.0 (Nov) ➜ 14.5 (Dec) ➜ 16.9 (Jan 2011) ➜ 10.8 (Feb[1])

**Department store sales** (y-o-y, %)
6.4 (Sep 2010) ➜ 13.3 (Oct) ➜ 10.1 (Nov) ➜ 11.6 (Dec) ➜ 24.0 (Jan 2011) ➜ 4.9 (Feb[1])

**Large discounter sales** (y-o-y, %)
18.0 (Sep 2010) ➜ 0.0 (Oct) ➜ 1.7 (Nov) ➜ 2.9 (Dec) ➜ 21.4 (Jan 2011) ➜ -10.5 (Feb[1])

**Domestic sales of gasoline** (y-o-y, %)
10.5 (Sep 2010) ➜ -0.7 (Oct) ➜ 11.6 (Nov) ➜ -0.5 (Dec) ➜ 5.6 (Jan 2011) ➜ 5.7 (Feb[1])

**Consumer goods imports** (y-o-y, %)
17.4 (Sep 2010) ➜ 34.0 (Oct) ➜ 37.2 (Nov) ➜ 17.6 (Dec) ➜ 44.0 (Jan 2011) ➜ 20.2 (Feb[1])

*1. Preliminary*
*Source: Ministry of Knowledge Economy*
*The Credit Finance Association*
*Korea National Oil Corporation*
*The Korea Customs Service*
*Ministry of Strategy and Finance (for February data)*

It is likely that consumer spending will slow down, judging from the falling consumer sentiment and growing uncertainties.

The consumer sentiment index, although hovering above 100, the base, has declined for three consecutive months, and prices have continued to rise.

**Consumer prices** (y-o-y, %)
3.6 (Sep 2010) ➜ 4.1 (Oct) ➜ 3.3 (Nov) ➜ 3.5 (Dec) ➜ 4.1 (Jan 2011) ➜ 4.5 (Feb)

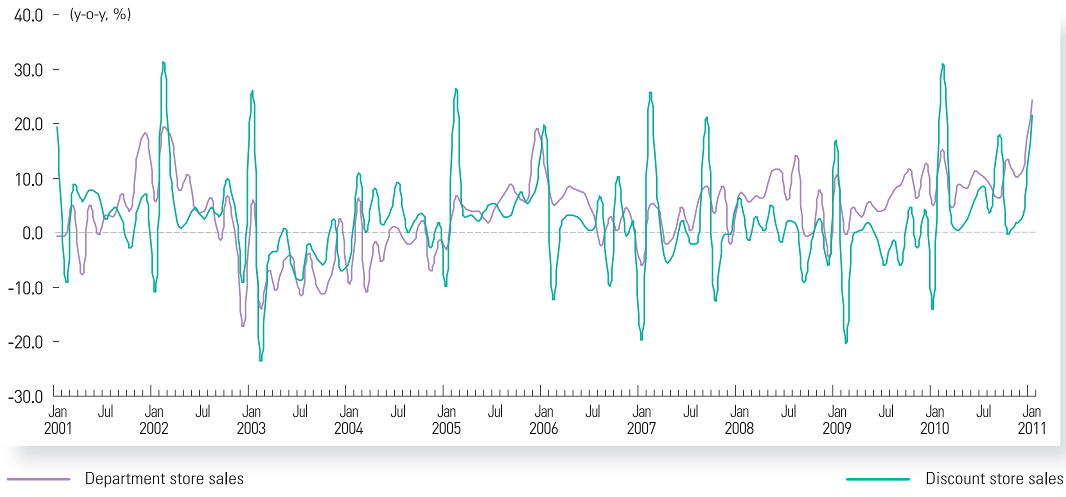
**Consumer Sentiment Index** (CSI, base=100)
109 (Sep 2010) ➜ 108 (Oct) ➜ 110 (Nov) ➜ 109 (Dec) ➜ 108 (Jan 2011) ➜ 105 (Feb)

There are uncertainties working against consumer sentiment, such as an oil price rise stirred by the unrest in Libya and additional tightening measures possibly taken by China.

**Dubai crude** (US$/barrel)
75.2 (Sep 2010) ➜ 80.3 (Oct) ➜ 83.6 (Nov) ➜ 88.9 (Dec) ➜ 92.4 (Jan 2011) ➜ 100.2 (Feb)

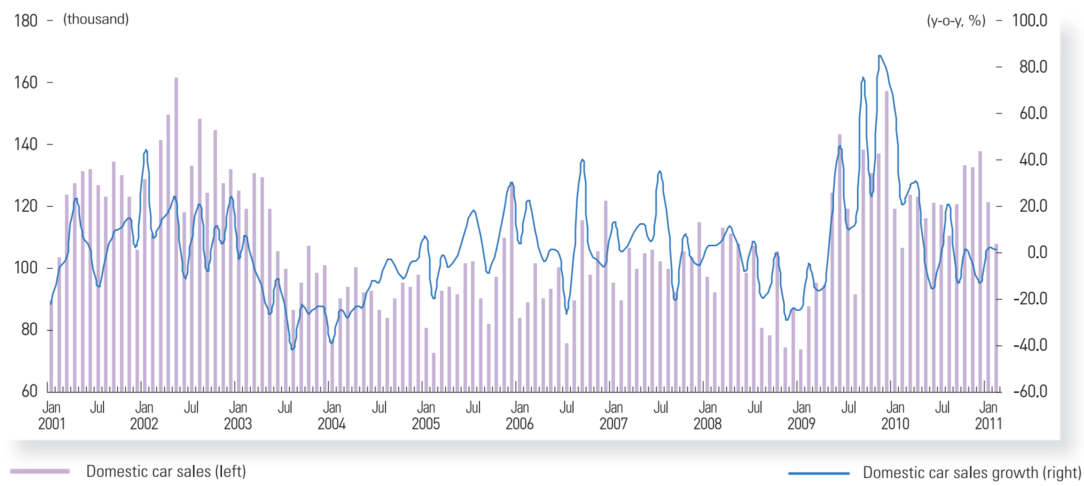
## 2-4 Department store and discount store sales (current value)

Source: Ministry of Knowledge Economy (monthly retail sales)



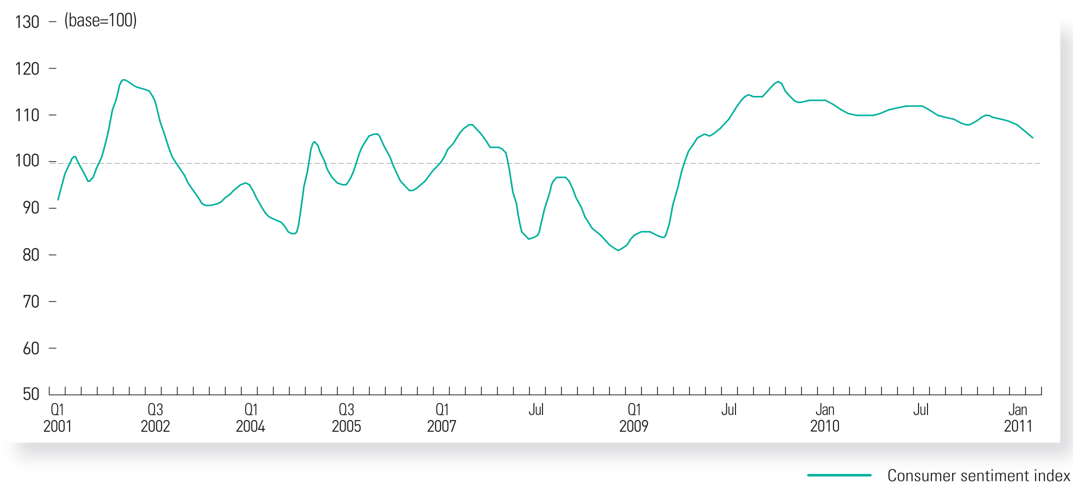

## 2-5 Domestic automobile sales

Source: Korea Automobile Manufacturers Association (monthly automobile industry trend)




## 2-6 Consumer sentiment index

Source: The Bank of Korea



## 3. Facility investment

Facility investment *(advanced estimates of GDP)* in the fourth quarter of 2010 posted a quarter-on-quarter decrease of 1.6 percent and a year-on-year gain of 16.0 percent.

*(Percentage change from same period in previous year)*

| | 2008 | 2009 | | | 2010[1] | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 |
| Facility investment[2] | -1.0 | -9.1 | -7.0 | 13.3 | 24.5 | 29.9 | 30.2 | 24.3 | 16.0 |
| (Seasonally adjusted)[3] | - | - | 10.8 | 5.3 | - | 2.4 | 9.1 | 5.5 | -1.6 |
| - Machinery | -1.8 | -13.0 | -14.8 | 10.0 | - | 32.5 | 38.7 | 36.6 | - |
| - Transportation equipment | 1.8 | 4.7 | 22.9 | 24.2 | - | 19.4 | 4.8 | -11.2 | - |

*1. Preliminary  2. National accounts  3. Percentage change from previous period*
*Source: The Bank of Korea*

Facility investment in January 2011, with machinery investment improving for two straight months, rose 4.5 percent month-on-month and 22.3 percent year-on-year. Despite growing uncertainties at home and abroad, facility investment is projected to sustain upward momentum considering brisk exports of automobiles and other major products, strong investment sentiment and high manufacturing operation ratio.

*(Percentage change from same period in previous year)*

| | 2008 | 2009 | 2010 | | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Annual[1] | Q1 | Q2 | Q3 | Q4[1] | Nov | Dec[1] | Jan[1] |
| Facility investment | -2.3 | -9.4 | 25.1 | 30.0 | 29.5 | 29.3 | 13.5 | 13.1 | 7.3 | 22.3 |
| (Seasonally adjusted)[2] | - | - | - | 4.0 | 6.7 | 7.2 | -5.4 | 1.3 | 1.2 | 4.5 |
| - Machinery | -2.4 | -12.6 | 30.5 | 32.5 | 37.1 | 37.4 | 17.1 | 15.8 | 9.4 | 28.0 |
| - Transportation equipment | -1.7 | 4.6 | 4.3 | 19.3 | 2.8 | -0.1 | -1.2 | 2.6 | -1.8 | -1.3 |
| Domestic machinery orders | -14.1 | -10.3 | 11.2 | 10.3 | 24.7 | -0.2 | 11.3 | -9.2 | 34.9 | 20.2 |
| (Seasonally adjusted)[2] | - | - | - | -4.0 | 15.2 | -3.6 | 4.1 | 13.5 | 29.1 | -15.2 |
| - Public | 5.0 | 62.4 | -37.9 | -43.7 | -42.2 | -71.7 | 31.4 | -76.5 | 213.9 | -31.5 |
| - Private | -15.8 | -18.2 | 21.8 | 22.6 | 35.5 | 22.0 | 7.8 | 10.0 | 4.3 | 25.7 |
| - Machinery imports | 6.4 | -16.6 | 40.4 | 48.3 | 51.3 | 40.0 | 26.3 | 21.4 | 25.4 | 22.2 |
| Manufacturing operation ratio | -3.2 | -3.5 | 8.8 | 19.2 | 10.8 | 1.8 | 5.3 | 4.9 | 3.6 | 5.6 |
| Facility investment adjustment pressure[3] | -1.7 | -3.7 | 9.5 | 20.4 | 12.1 | 3.4 | 4.5 | 3.9 | 3.5 | 7.1 |

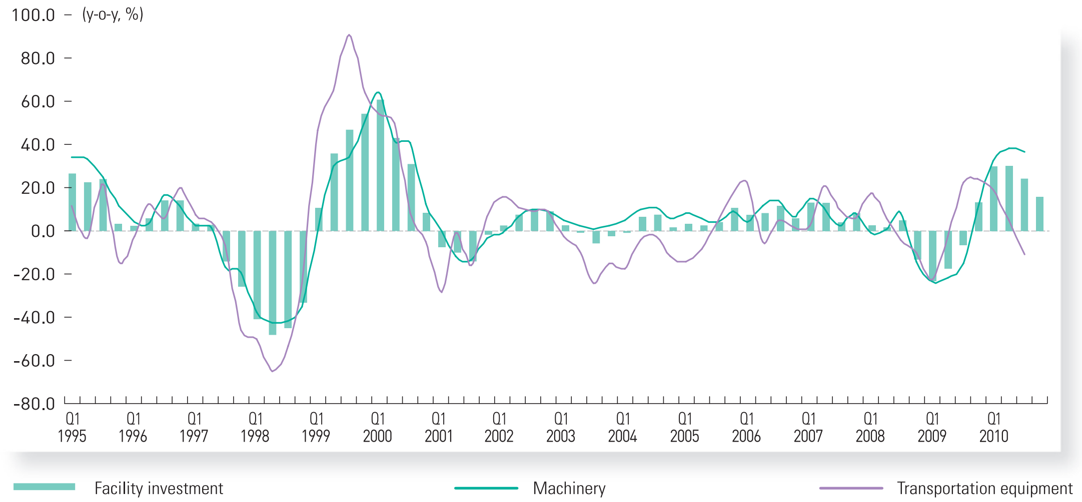
*1. Preliminary*
*2. Percentage change from previous period*
*3. Production growth rate minus production capacity growth rate in the manufacturing sector (%p)*
*Sources: Statistics Korea, the Korea International Trade Association (machinery imports data)*

| | 2010 | | 2011 | | |
|---|---|---|---|---|---|
| | Nov | Dec | Jan | Feb | Mar |
| Business survey indices (base=100) for manufacturing facility investment projections | 102 | 103 | 103 | 104 | 104 |

*Source: The Bank of Korea*

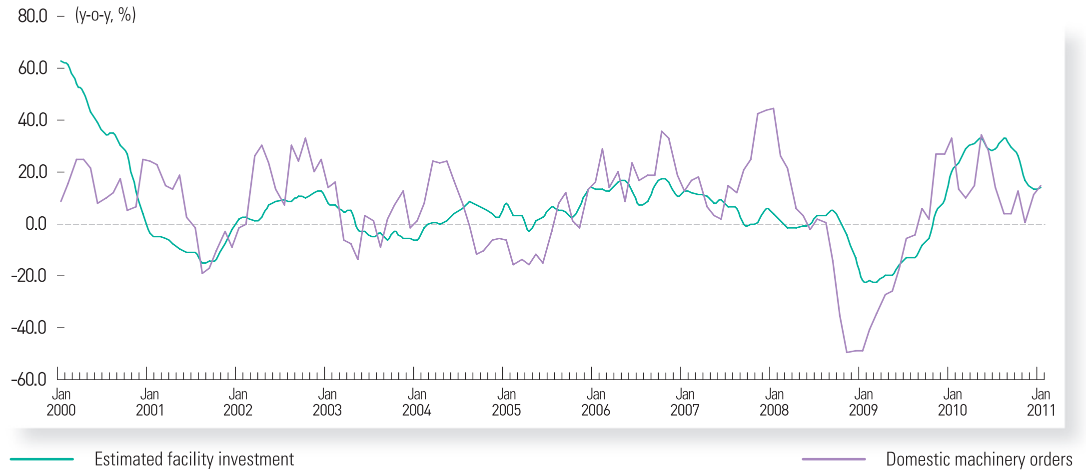
**3-1** **Facility investment by type**

Source: The Bank of Korea (national accounts)



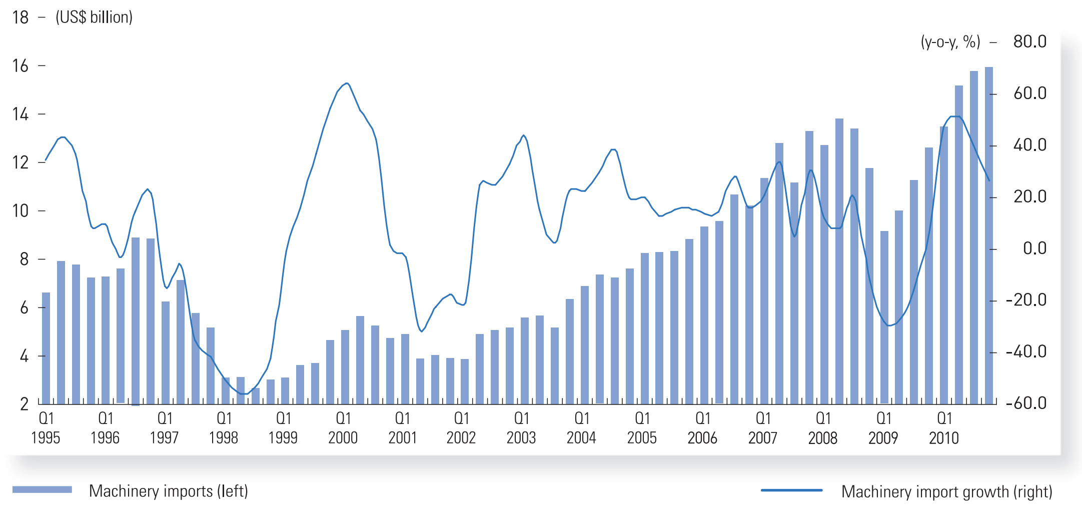

**3-2** **Machinery orders and estimated facility investment** (3-month average)

Source: Statistics Korea (industrial activity trend)




**3-3** **Machinery imports**

Source: Korea International Trade Association (KITA)



## 4. Construction investment

Construction investment *(advanced estimates of GDP)* in the fourth quarter of 2010 fell 4.5 percent quarter-on-quarter and 4.7 percent year-on-year.

*(Percentage change from same period in previous year)*

| | 2008 | 2009 | | | 2010[1] | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 |
| Construction investment[2] | -2.8 | 4.4 | 4.4 | 5.0 | -2.3 | 2.3 | -2.9 | -2.3 | -4.7 |
| (Seasonally adjusted)[3] | - | - | -0.7 | -0.1 | - | 1.3 | -3.6 | 1.3 | -4.5 |
| - Building construction | -4.6 | -1.8 | 1.2 | 2.5 | - | 1.7 | -6.3 | -9.7 | - |
| - Civil engineering works | -0.2 | 13.3 | 9.7 | 7.5 | - | 3.1 | 1.1 | 8.5 | - |

*1. Preliminary*
*2. National accounts*
*3. Percentage change from previous period*
*Source: The Bank of Korea*

The value of construction completion in January 2011 dropped 5.6 percent month-on-month and 8.0 percent year-on-year, as both building construction and civil engineering works fell.

*(Percentage change from same period in previous year)*

| | 2008 | 2009 | 2010 | | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Annual[1] | Q1 | Q2 | Q3 | Q4[1] | Nov | Dec[1] | Jan[1] |
| Construction completed(constant value) | -8.1 | 1.6 | -3.3 | 3.4 | -4.3 | -6.8 | -4.4 | -7.7 | -0.2 | -8.0 |
| (Seasonally adjusted)[2] | - | - | - | 2.6 | -3.1 | -4.3 | -1.7 | 2.6 | 8.7 | -5.6 |
| - Building construction | -10.3 | -6.4 | -7.2 | 1.5 | -7.7 | -12.3 | -8.6 | -11.7 | -3.9 | -9.6 |
| - Civil engineering works | -4.0 | 16.1 | 2.2 | 6.0 | 0.6 | 1.9 | 1.1 | -2.1 | 4.1 | -5.8 |
| Construction orders (current value) | -7.6 | 5.0 | -18.7 | -1.6 | -6.7 | -3.6 | -40.2 | -48.7 | -22.5 | -33.9 |
| (Seasonally adjusted)[2] | - | - | - | -31.4 | 0.2 | -1.4 | -22.9 | 39.5 | 15.3 | -11.3 |
| - Building construction | -15.4 | -14.2 | -9.9 | 8.3 | 55.3 | -1.3 | -46.4 | -48.5 | -48.5 | -46.8 |
| - Civil engineering works | 13.5 | 44.3 | -29.5 | -12.4 | -49.7 | -7.0 | -29.9 | -49.0 | 29.2 | -1.1 |
| Building permit area | -20.1 | -12.9 | 19.3 | 12.1 | 47.4 | -14.3 | 18.1 | 25.6 | 15.3 | 59.5 |

*1. Preliminary*
*2. Percentage change from previous period*
*Source: Statistics Korea, the Ministry of Land, Transport and Maritime Affairs*

It is unlikely that construction investment will rebound soon considering construction orders, a leading indicator, staying in a negative territory, but recovery signs are detected such as increasing building permit areas and improving construction projections.

| | 2010 | | | 2011 | |
|---|---|---|---|---|---|
| | Oct | Nov | Dec | Jan | Feb |
| Business survey indices (base=100) for construction projections | 67.6 | 75.6 | 81.3 | 77.5 | 87.0 |

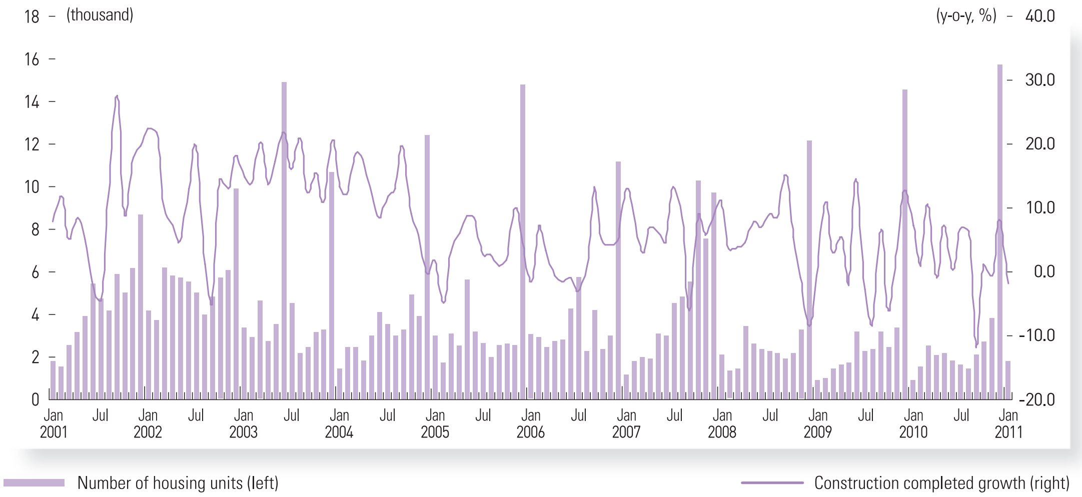
*Source: The Construction and Economy Research Institute of Korea*

## 4-1 Construction investment

Source: The Bank of Korea (national accounts)

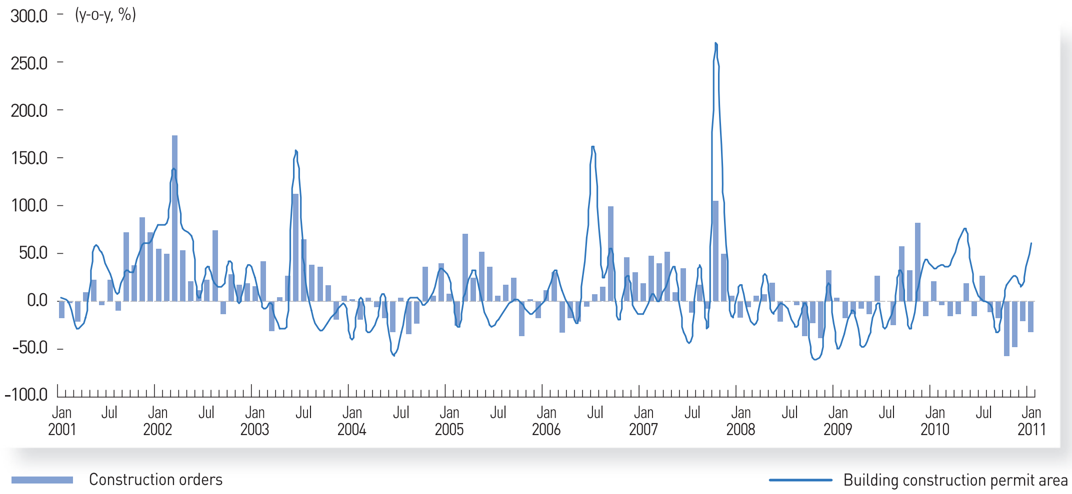

## 4-2 Construction completed and housing construction

Source: Statistics Korea (construction completed)
Kookmin Bank (housing construction)




## 4-3 Leading indicators of construction investment

Source: Statistics Korea (construction orders)
Ministry of Land, Transport and Maritime Affairs (building construction permit area)



## 5. Exports and imports

Exports in February increased 17.9 percent *(preliminary)* year on year to US$38.96 billion.

Although exports in February declined from the previous month in line with working day reduction due to the Lunar New Year holiday and falling vessel exports, the index continued an upward march with average daily exports exceeding US$2 billion for the first time.

As the global economy stayed on a recovery track, exports surged to major economies, such as the US *(up 32.9%)*, China *(up 20.8%)* and Japan *(up 41.0%)*.

By export category, petroleum products *(up 60.1%)*, steel *(up 27.1%)*, automobiles *(up 22.7%)*, and mobile phones *(up 23.3%)* surged, while vessels *(down 10.1%)* fell.

*(US$ billion)*

| | 2009 | 2010 | | | | | | 2011 | |
|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Q1 | Q2 | Q3 | Q4 | Dec | Jan | Feb[1] |
| Exports | 365.53 | 466.38 | 101.08 | 120.24 | 116.32 | 128.75 | 44.15 | 44.68 | 38.96 |
| (y-o-y, %) | -13.9 | 28.3 | 35.8 | 33.1 | 22.7 | 23.8 | 22.6 | 45.4 | 17.9 |
| Average daily exports | 1.30 | 1.70 | 1.51 | 1.76 | 1.72 | 1.79 | 1.80 | 1.94 | 2.05 |
| Imports | 323.08 | 425.21 | 98.16 | 105.63 | 105.70 | 115.73 | 40.06 | 41.76 | 36.11 |
| (y-o-y, %) | -25.8 | 31.6 | 37.4 | 42.8 | 24.6 | 24.6 | 21.7 | 32.4 | 16.3 |
| Average daily imports | 13.16 | 1.46 | 0.47 | 1.54 | 1.57 | 1.61 | 1.64 | 1.82 | 1.90 |

*1. Preliminary*
*Source: Korea Customs Service*

Imports in February increased 16.3 percent *(preliminary)* year on year to US$36.11 billion.

The imports of raw materials *(up 22.0%)* and consumer goods *(up 20.2%)* soared in line with rising international commodity prices and recovering domestic demand, while those of capital goods *(up 3.9%)* slowed down, as the imports of semiconductor manufacturing equipment fell.

The current account balance in February posted a surplus of US$2.85 billion *(preliminary)*, staying at the level similar to the previous month.

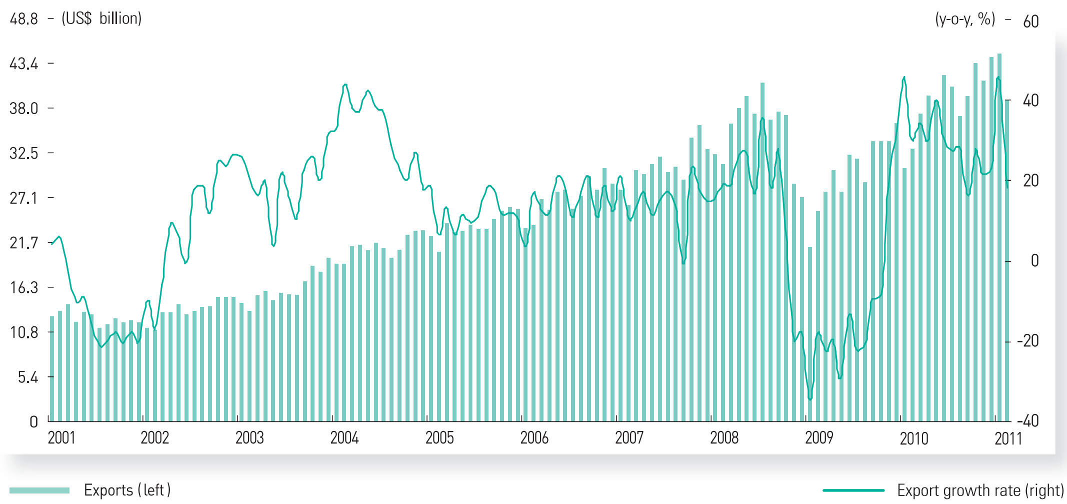
*(US$ billion)*

| | 2009 | 2010 | | | | | | 2011 | |
|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Q1 | Q2 | Q3 | Q4 | Dec | Jan | Feb[1] |
| Trade Balance | 40.45 | 41.17 | 2.93 | 14.61 | 10.62 | 13.02 | 4.09 | 2.92 | 2.85 |

*1. Preliminary*
*Source: Korea Customs Service*

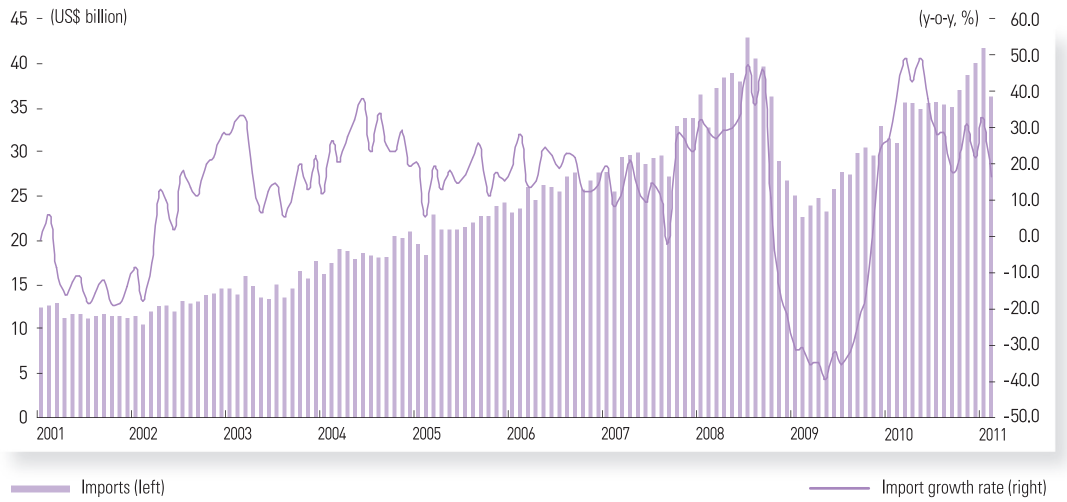
**5-1** **Exports** (customs clearance basis)

Source: Korea Customs Service & Ministry of Knowledge Economy (export and import trend)



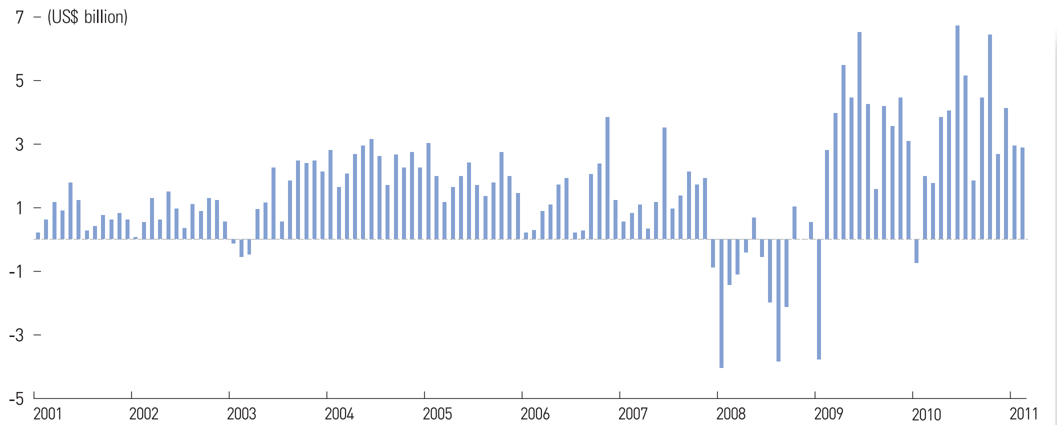

**5-2** **Imports** (customs clearance basis)

Source: Korea Customs Service & Ministry of Knowledge Economy (export and import trend)




**5-3** **Trade balance**

Source: Korea Customs Service & Ministry of Knowledge Economy (export and import trend)



# 6. Mining and manufacturing production

Mining and manufacturing production in January 2011 rose 4.6 percent month-on-month and 13.7 percent year-on-year, helped by strong exports and domestic demand, and Lunar New Year holiday effects.

By business category, most manufacturing production climbed month-on-month, in particular automobiles *(up 16.8%)* and machinery equipment *(up 7.4%)*, while computers *(down 9.8%)* and electrical equipment *(down 2.5%)* went down.

Shipments posted a month-on-month gain of 4.4 percent while inventories lost 3.7 percent, which pulled down the manufacturing inventory-shipment ratio for three consecutive months.

By business category, the shipments of automobiles *(up 15.2%)* and other transportation equipment *(up 12.8%)* increased month-on-month, while those of electrical equipment (down 4.8%) and audio-visual communications equipment *(down 2.8%)* declined. The inventories of audio-visual communications equipment *(up 6.5%)* and electrical equipment *(up 5.5%)* climbed month-on-month, while those of machinery *(down 12.9%)* and semiconductors and parts *(down 9.5%)* fell.

The average operation ratio of the manufacturing sector rose 2.7 percentage points from the previous month to 84.8 percent, which is the highest since the record began in January 1980.

*(Percentage change from same period in previous year)*

| | | 2009 | 2010[1] | | | | | | 2011[1] |
|---|---|---|---|---|---|---|---|---|---|
| | | Annual | Annual[1] | Q3 | Q4[1] | Jan | Nov | Dec[1] | Jan[1] |
| Mining and manufacturing activity[2] | Production (q-o-q, m-o-m) | - | - | 1.1 | -0.5 | 0.5 | 1.7 | 3.1 | 4.6 |
| | (y-o-y) | -0.1 | 16.2 | 10.9 | 11.7 | 37.0 | 11.2 | 10.6 | 13.7 |
| | - Manufacturing | -0.2 | 16.7 | 11.2 | 11.9 | 38.7 | 11.4 | 10.8 | 14.1 |
| | · ICT[3] | 9.3 | 25.2 | 19.1 | 15.2 | 63.5 | 13.3 | 19.0 | 17.3 |
| | · Automobiles | -6.4 | 23.1 | 11.3 | 10.1 | 81.5 | 6.9 | 8.3 | 23.1 |
| | Shipment | -1.4 | 14.4 | 9.9 | 11.9 | 31.4 | 11.7 | 10.5 | 14.4 |
| | - Domestic demand | -1.6 | 11.5 | 6.6 | 8.3 | 29.0 | 9.7 | 4.4 | 9.5 |
| | - Exports | -0.9 | 18.2 | 14.5 | 16.9 | 34.6 | 14.5 | 19.3 | 21.3 |
| | Inventory[4] | -7.8 | 17.4 | 19.1 | 17.4 | -3.3 | 16.9 | 17.4 | 12.9 |
| Manufacturing activity | Average operation ratio (%) | 74.4 | 81.2 | 81.2 | 80.8 | 79.3 | 80.5 | 82.1 | 84.8 |
| | Production capacity | 3.5 | 7.2 | 7.8 | 7.4 | 5.7 | 7.5 | 7.3 | 7.0 |

*1. Preliminary*
*2. Including mining, manufacturing, electricity and gas industry*
*3. Information and Communications Technology*
*4. End-period*
*Source: Statistics Korea*

Mining and manufacturing production is expected to stay on an upward track backed by brisk exports, but may slow down month-on-month in February, since part of the Lunar New Year holiday effects were already reflected in January.

**Average daily exports** (US$ billion)

1.88 (Sep 2010) → 1.84 (Oct) → 1.72 (Nov) → 1.80 (Dec) → 1.94 (Jan 2011) → 2.05 (Feb[1])

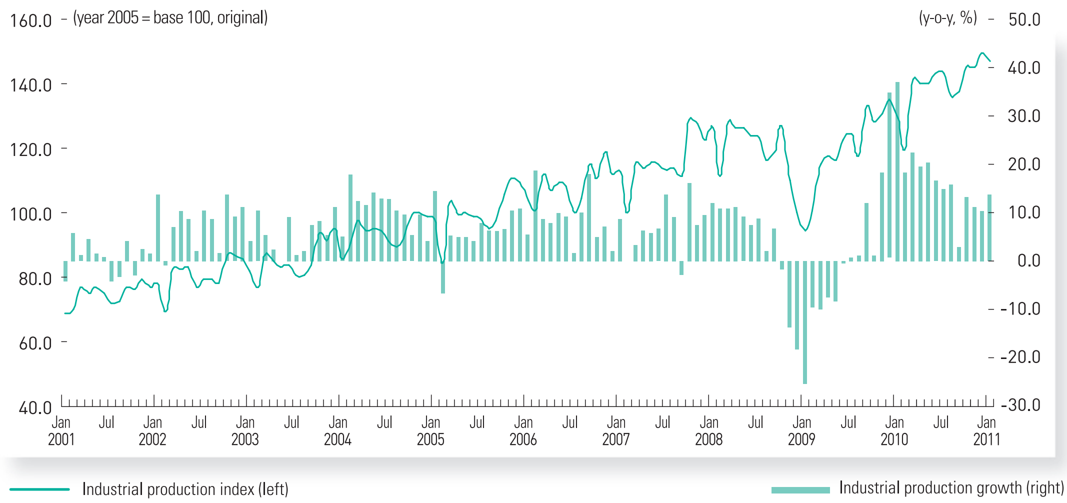
**Automobile production** (thousand)

339 (Sep 2010) → 387 (Oct) → 389 (Nov) → 397 (Dec) → 388 (Jan 2011) → 297 (Feb[1])

*1. Preliminary*

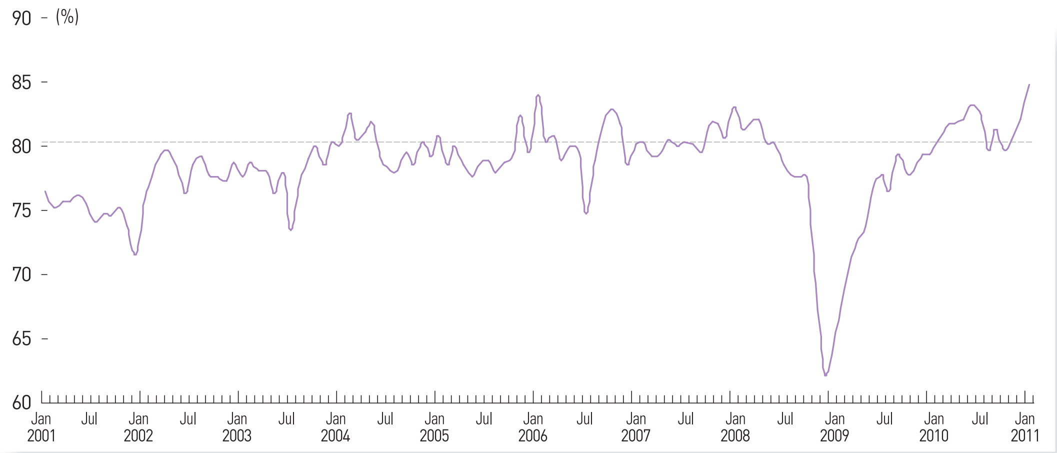
**6-1** **Industrial production**

Source: Statistics Korea (industrial activity trend)



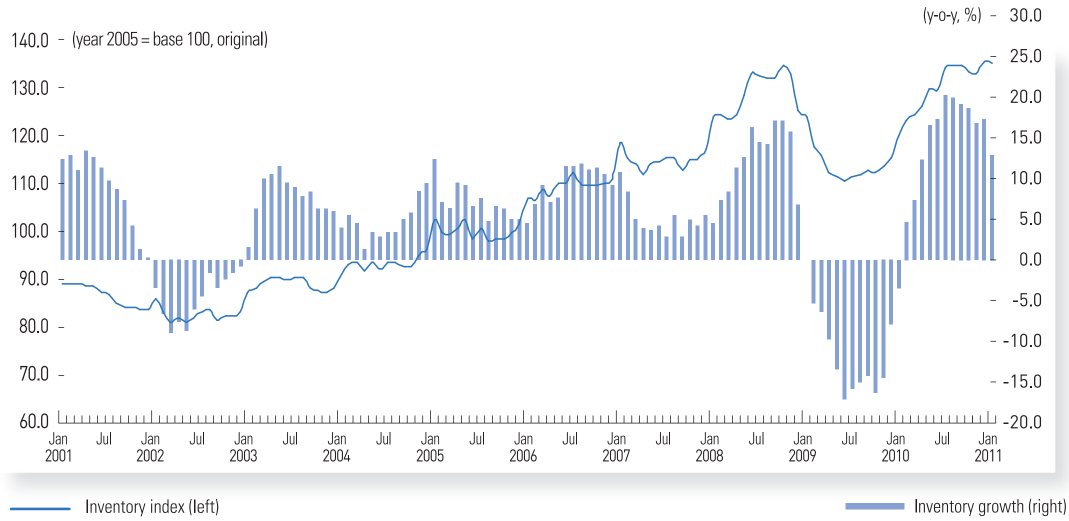

**6-2** **Average manufacturing operation ratio**

Source: Statistics Korea (industrial activity trend)




**6-3** **Inventory**

Source: Statistics Korea (industrial activity trend)



# 7. Service sector activity

Although service activity has slowed in professional, scientific & technical services and transportation services, the index increased 1.5 percent month-on-month in January as stock market rally and demand around the Lunar New Year holiday season boosted financial & insurance services and wholesale & retail sales.

Despite sluggish real estate & renting and hotels & restaurants, service activity in January rose 4.6 percent year-on-year as wholesale & retail sales and financial & insurance services showed solid growth.

*(Percentage change from same period in previous year)*

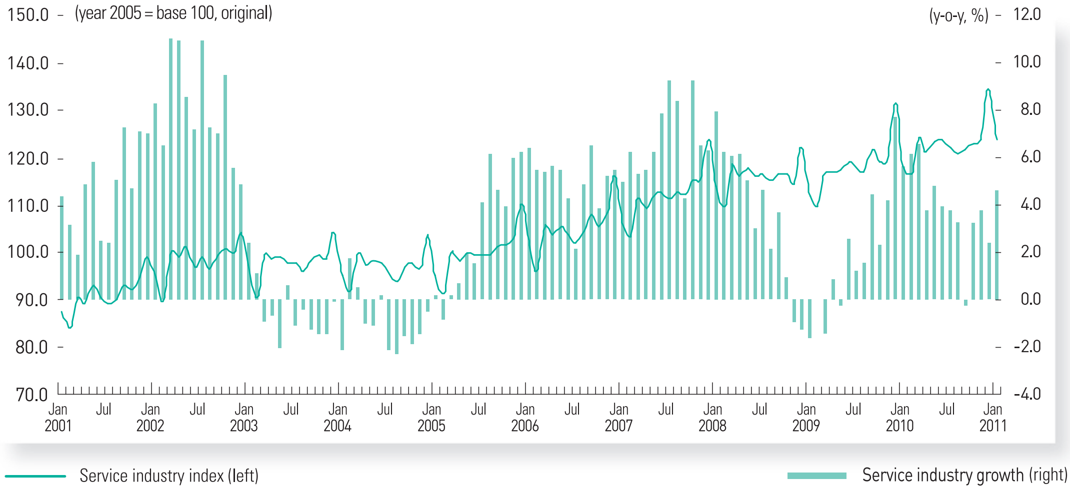
| | Weight | 2009 | | 2010[1] | | | | | | | 2011[1] |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Annual | Q4 | Annual[1] | Q1 | Q2 | Q3 | Q4[1] | Nov | Dec[1] | Jan[1] |
| Service activity index | 100.0 | 1.8 | 4.8 | 3.9 | 6.2 | 4.2 | 2.3 | 3.1 | 3.8 | 2.4 | 4.6 |
| - Wholesale & retail sales | 21.8 | -0.4 | 5.4 | 5.7 | 7.4 | 5.6 | 5.0 | 4.7 | 6.3 | 4.2 | 8.0 |
| - Transportation services | 9.0 | -6.6 | 1.4 | 12.0 | 14.1 | 14.3 | 10.1 | 10.0 | 7.7 | 12.0 | 9.4 |
| - Hotels & restaurants | 7.7 | -1.4 | -0.2 | 1.2 | 1.2 | 0.7 | 1.3 | 1.7 | 1.4 | 0.0 | -0.7 |
| - Information & communication services | 8.4 | 0.9 | 1.6 | 1.9 | 1.0 | 0.4 | 2.2 | 3.6 | 3.4 | 5.4 | 7.5 |
| - Financial & insurance services | 15.3 | 7.8 | 5.6 | 4.6 | 6.7 | 2.5 | 1.4 | 8.2 | 9.6 | 7.9 | 7.8 |
| - Real estate & renting | 6.3 | 5.3 | 21.3 | -8.6 | 11.5 | -2.4 | -15.9 | -24.3 | -24.1 | -25.4 | -19.0 |
| - Professional, scientific & technical services | 4.8 | 1.2 | 1.6 | -0.7 | 0.8 | 2.1 | -3.9 | -1.9 | -0.1 | -4.4 | 0.4 |
| - Business services | 2.9 | -3.0 | 0.0 | 7.4 | 5.3 | 8.1 | 7.6 | 8.4 | 9.6 | 8.2 | 8.0 |
| - Educational services | 10.8 | 2.1 | 2.8 | 2.0 | 3.2 | 1.4 | 0.5 | 3.1 | 3.9 | 4.4 | 5.1 |
| - Healthcare & social welfare services | 6.0 | 10.4 | 13.2 | 8.8 | 11.7 | 11.0 | 8.6 | 4.6 | 5.4 | 2.5 | 5.9 |
| - Entertainment, cultural & sports services | 2.9 | -0.5 | -3.8 | -0.4 | -3.9 | -0.1 | -0.4 | 2.7 | 0.0 | -4.4 | 0.5 |
| - Membership organizations | 3.8 | -2.1 | 1.0 | 4.3 | 1.6 | 6.0 | 5.0 | 4.5 | 5.8 | 2.5 | 6.3 |
| - Sewerage & waste management | 0.4 | 3.7 | -0.2 | 5.1 | 6.7 | 6.0 | 1.7 | 6.4 | 4.4 | 7.3 | 5.4 |

*1. Preliminary*
*Source: Statistics Korea*

Service activity led by wholesale & retail sales and hotels & restaurants is expected to show a temporary slowdown in February, affected by continuing price increases, diminishing holiday effects and concerns over financial market.

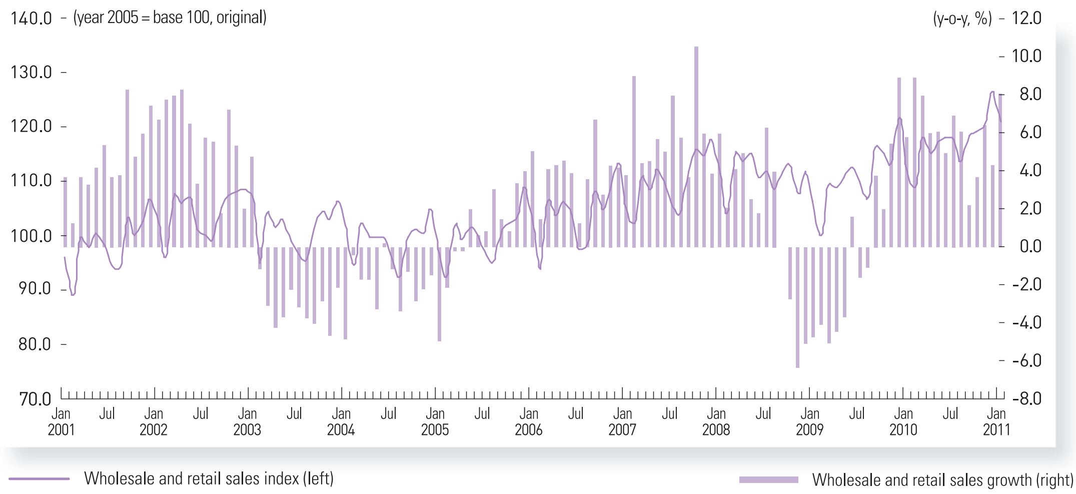
**7-1** **Service industry**

Source: Statistics Korea (service industry activity trend)



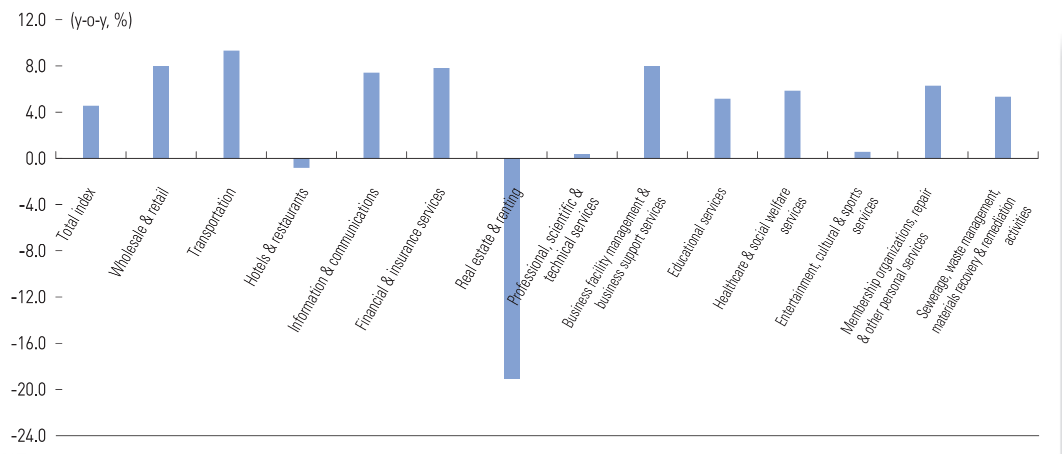

**7-2** **Wholesale and retail sales**

Source: Statistics Korea (service industry activity trend)




**7-3** **January 2011 service industry by business**

Source: Statistics Korea (service industry activity trend)



# 8. Employment

The number of workers on payroll in January increased by 331,000 from a year earlier, while the employment rate *(seasonally adjusted)* rose by 0.2 percentage points to 56.8 percent.

By industry, employment in manufacturing *(up 224,000)*, services *(up 203,000)* and construction *(up 15,000)* climbed while that in agriculture, forestry & fishery *(down 104,000)* declined.

Hiring in manufacturing maintained a high growth rate, rising by more than 0.2 million for the seventh consecutive month.

The service sector continued to expand employment with increasing health & welfare *(up 189,000)*, professional, scientific & technical services *(up 78,000)*, and business assistance *(up 59,000)*.

Employment in agriculture, forestry & fishery plunged due to a cold spell, heavy snow and the outbreak of foot-and-mouth disease.

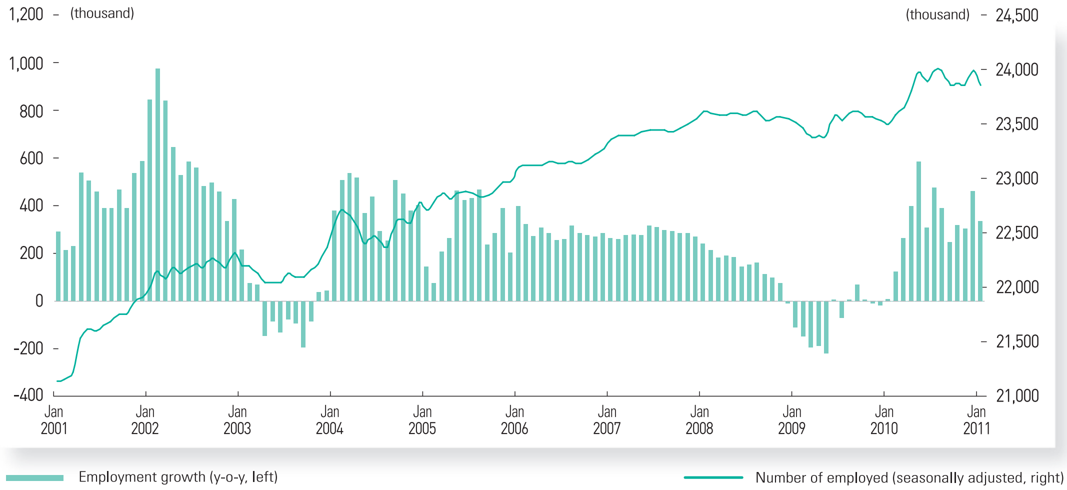
By status of workers, wage workers *(up 593,000)* continued to grow as the number of regular workers increased and the decrease in temporary workers *(down 13,000)* decelerated the decrease. Non-wage workers *(down 204,000)* including daily workers *(down 45,000)* and self-employed workers *(down 191,000)* continued to decline.

| | 2009 | | | | | 2010 | | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Jan | Q1 | Q2 | Q3 | Q4 | Dec | Jan |
| Number of employed (million) | 23.51 | 22.90 | 23.74 | 23.75 | 23.63 | 23.83 | 22.87 | 23.04 | 24.17 | 24.12 | 23.99 | 23.68 | 23.20 |
| Employment rate (%) | 58.6 | 57.4 | 59.3 | 59.1 | 58.7 | 58.7 | 56.6 | 57.0 | 59.6 | 59.3 | 58.9 | 58.0 | 56.8 |
| (seasonally adjusted) | 58.6 | 58.8 | 58.6 | 58.7 | 58.5 | 58.7 | 58.2 | 58.3 | 58.9 | 58.9 | 58.6 | 58.8 | 58.4 |
| Employment growth (y-o-y, thousand) | -72 | -146 | -134 | -1 | -6 | 323 | 5 | 132 | 433 | 369 | 358 | 455 | 331 |
| (Excluding agriculture, forestry & fishery) | -34 | -160 | -109 | 24 | 110 | 405 | 165 | 296 | 518 | 414 | 393 | 454 | 435 |
| - Manufacturing | -126 | -163 | -151 | -143 | -49 | 191 | 29 | 61 | 172 | 262 | 269 | 284 | 224 |
| - Construction | -91 | -43 | -113 | -103 | -107 | 33 | -81 | -61 | 44 | 92 | 57 | 25 | 15 |
| - Services | 179 | 38 | 154 | 261 | 261 | 200 | 224 | 313 | 325 | 83 | 80 | 154 | 203 |
| - Agriculture, forestry & fishery | -38 | 14 | -25 | -25 | -116 | -82 | -160 | -164 | -85 | -45 | -35 | 1 | -104 |
| - Wage workers | 247 | 73 | 175 | 356 | 385 | 517 | 244 | 371 | 623 | 541 | 532 | 599 | 535 |
| · Regular workers | 383 | 318 | 313 | 386 | 515 | 697 | 609 | 651 | 766 | 671 | 699 | 715 | 593 |
| · Temporary workers | 22 | -136 | -5 | 125 | 105 | -34 | -121 | -37 | 42 | -26 | -114 | -75 | -13 |
| · Daily workers | -158 | -108 | -133 | -155 | -235 | -146 | -244 | -243 | -185 | -104 | -53 | -41 | -45 |
| - Non-wage workers | -319 | -220 | -309 | -357 | -391 | -194 | -240 | -239 | -189 | -172 | -174 | -144 | -204 |
| · Self-employed workers | -259 | -197 | -286 | -276 | -279 | -118 | -113 | -106 | -91 | -130 | -146 | -127 | -191 |
| - Male | 31 | -23 | 24 | 34 | 89 | 181 | 271 | 117 | 188 | 207 | 212 | 227 | 181 |
| - Female | -103 | -124 | -158 | -34 | -94 | 142 | 251 | 15 | 245 | 163 | 146 | 228 | 150 |
| - 15 to 29 | -127 | -212 | -99 | -123 | -77 | -43 | 14 | -12 | -58 | -44 | -57 | -76 | -72 |
| - 30 to 39 | -173 | -159 | -213 | -169 | -149 | -4 | -81 | -42 | -13 | 21 | 17 | 15 | -29 |
| - 40 to 49 | -24 | 8 | -27 | -30 | -46 | 29 | -56 | -21 | 48 | 40 | 50 | 78 | 82 |
| - 50 to 59 | 198 | 193 | 156 | 211 | 230 | 294 | 233 | 251 | 342 | 295 | 287 | 299 | 247 |
| - 60 or more | 54 | 23 | 49 | 109 | 37 | 47 | -105 | -44 | 114 | 57 | 60 | 139 | 102 |

*Source: Statistics Korea*

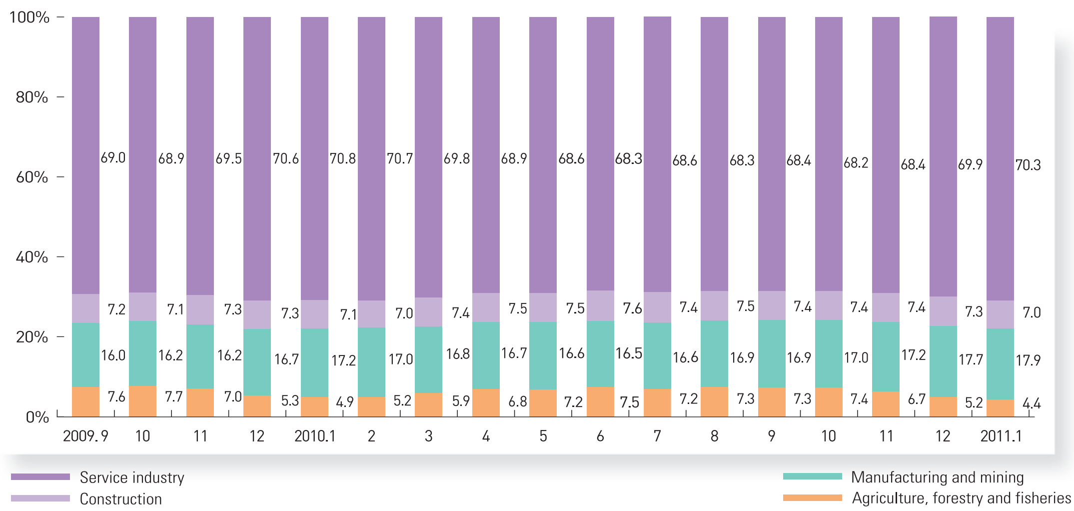
## 8-1 Number of employed and employment growth

Source: Statistics Korea (employment trend)



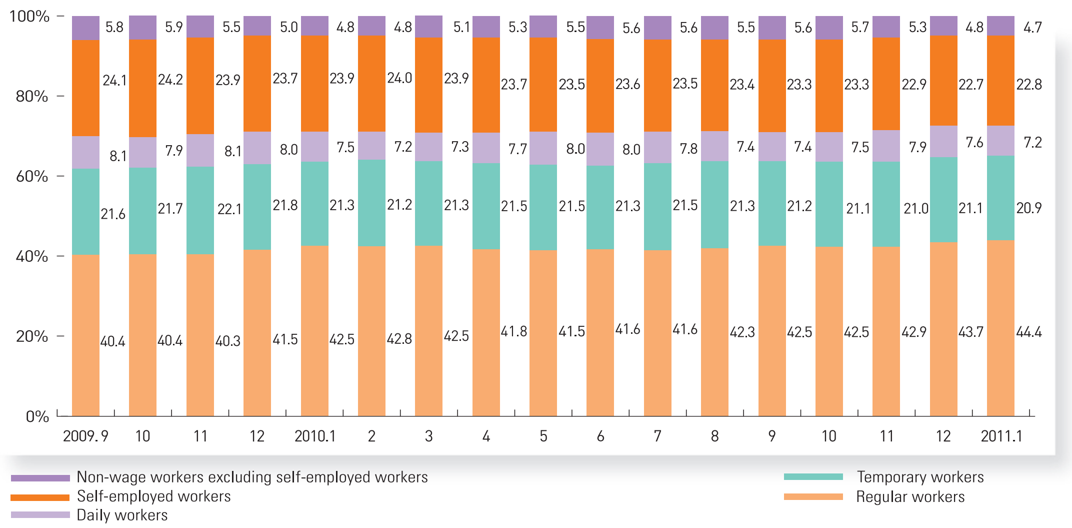

## 8-2 Share of employed by industry

Source: Statistics Korea (employment trend)




## 8-3 Share of employed by status of workers

Source: Statistics Korea (employment trend)



The number of unemployed persons in January decreased by 298,000 year-on-year to 918,000. The unemployment rate *(seasonally adjusted)* dropped by 1.2 percentage points to 3.8 percent.

By gender, both male unemployment *(down 160,000)* and female unemployment *(down 139,000)* decreased. By age, unemployment decreased in all age brackets. The youth unemployment rate fell 0.8 percentage points year-on-year to 8.5 percent.

| | 2009 | | | | | 2010 | | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Jan | Q1 | Q2 | Q3 | Q4 | Dec | Jan |
| Number of unemployed (thousand) | 889 | 908 | 943 | 886 | 817 | 920 | 1,216 | 1,130 | 868 | 873 | 808 | 853 | 918 |
| Unemployment growth (y-o-y, thousand) | 119 | 107 | 176 | 134 | 60 | 31 | 368 | 222 | -75 | -13 | -10 | 19 | -298 |
| - Male | 80 | 83 | 116 | 95 | 25 | -7 | 154 | 83 | -47 | -48 | -16 | 8 | -160 |
| - Female | 40 | 24 | 60 | 39 | 36 | 38 | 214 | 139 | -29 | 35 | 6 | 11 | -139 |
| Unemployment rate (%) | 3.6 | 3.8 | 3.8 | 3.6 | 3.3 | 3.7 | 5.0 | 4.7 | 3.5 | 3.5 | 3.3 | 3.5 | 3.8 |
| (Seasonally adjusted) | 3.6 | 3.5 | 3.9 | 3.7 | 3.5 | 3.7 | 4.8 | 4.3 | 3.5 | 3.6 | 3.4 | 3.5 | 3.6 |
| - 15 to 29 | 8.1 | 8.6 | 8.0 | 8.1 | 7.6 | 8.0 | 9.3 | 9.5 | 7.7 | 7.6 | 7.1 | 8.0 | 8.5 |
| - 30 to 39 | 3.6 | 3.7 | 3.9 | 3.5 | 3.3 | 3.5 | 3.9 | 3.9 | 3.6 | 3.5 | 3.2 | 3.2 | 3.6 |
| - 40 to 49 | 2.4 | 2.5 | 2.6 | 2.4 | 2.3 | 2.5 | 2.9 | 2.9 | 2.3 | 2.5 | 2.2 | 2.2 | 2.2 |
| - 50 to 59 | 2.5 | 2.4 | 2.7 | 2.5 | 2.2 | 2.5 | 3.7 | 3.2 | 2.1 | 2.3 | 2.3 | 2.4 | 2.5 |
| - 60 or more | 1.6 | 1.6 | 1.9 | 1.6 | 1.5 | 2.8 | 8.8 | 5.8 | 2.1 | 2.0 | 1.9 | 2.2 | 3.3 |

*Source: Statistics Korea*

The economically inactive population in January was up 424,000 from a year earlier to 16,730,000. Meanwhile, the labor force participation rate *(seasonally adjusted)* fell 0.6 percentage points to 59.0 percent.

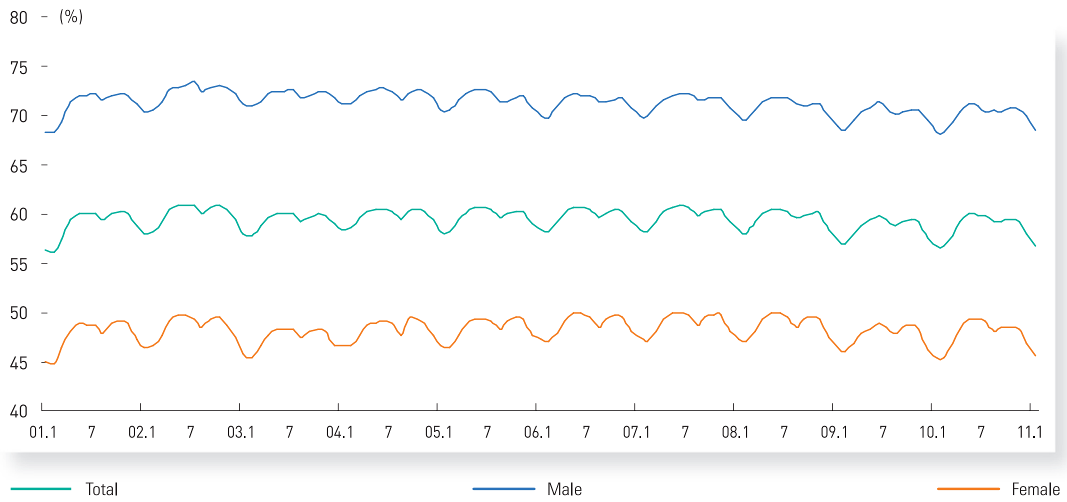
The number of workers quitting jobs due to rest, time-off and leisure *(up 337,000)*, housework *(up 270,000)* and education *(up 51,000)* increased, while those who quit jobs due to old age *(down 76,000)* and childcare *(down 66,000)* decreased.

| | 2009 | | | | | 2010 | | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Jan | Q1 | Q2 | Q3 | Q4 | Dec | Jan |
| Economically inactive population (million) | 15.70 | 16.09 | 15.35 | 15.53 | 15.83 | 15.84 | 16.31 | 16.25 | 15.49 | 15.66 | 15.96 | 16.27 | 16.73 |
| Labor force participation rate (%) | 60.6 | 59.7 | 61.7 | 61.3 | 60.7 | 61.0 | 59.6 | 59.8 | 61.8 | 61.5 | 60.8 | 60.1 | 59.0 |
| (seasonally adjusted) | 60.6 | 60.9 | 60.9 | 61.0 | 60.6 | 61.0 | 61.1 | 61.0 | 61.0 | 61.1 | 60.7 | 61.0 | 60.6 |
| Growth in economically inactive population (y-o-y, thousand) | 447 | 514 | 445 | 374 | 456 | 143 | 150 | 166 | 146 | 128 | 133 | 12 | 424 |
| - Childcare | 40 | 78 | 48 | 19 | 15 | -125 | -89 | -118 | -126 | -149 | -107 | -93 | -66 |
| - Housework | 148 | 131 | 125 | 100 | 235 | 201 | 279 | 237 | 175 | 303 | 189 | 118 | 270 |
| - Education | 31 | 90 | 58 | 11 | -36 | 12 | -113 | -74 | 23 | 46 | 55 | 38 | 51 |
| - Old age | 88 | 52 | 102 | 105 | 92 | 80 | 190 | 193 | 59 | 43 | 25 | 24 | -76 |
| - Rest, time-off and leisure | 123 | 162 | 112 | 94 | 123 | -56 | -23.1 | -187 | -27 | 15 | -27 | -58 | 337 |

*Source: Statistics Korea*

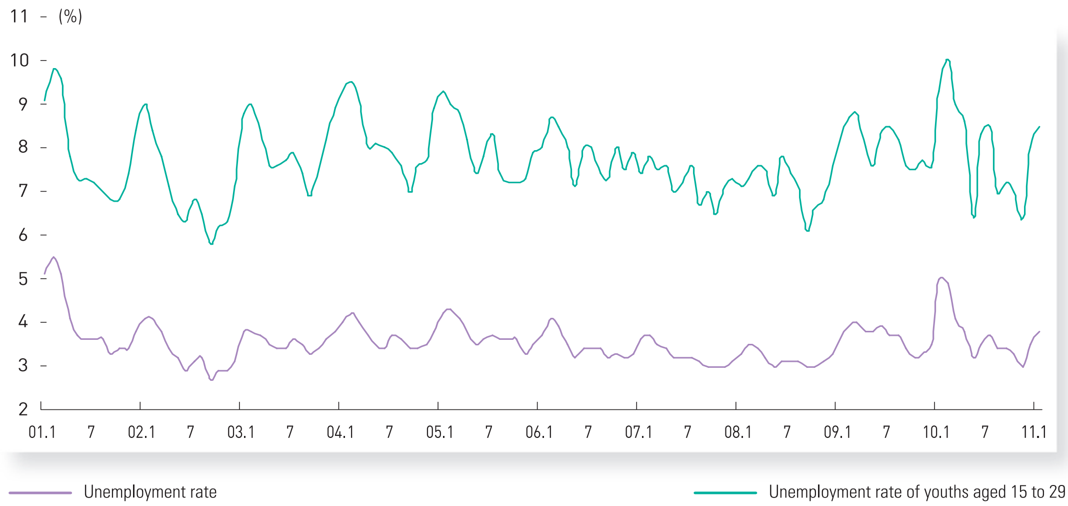
## 8-4 Employment rate

Source: Statistics Korea (employment trend)



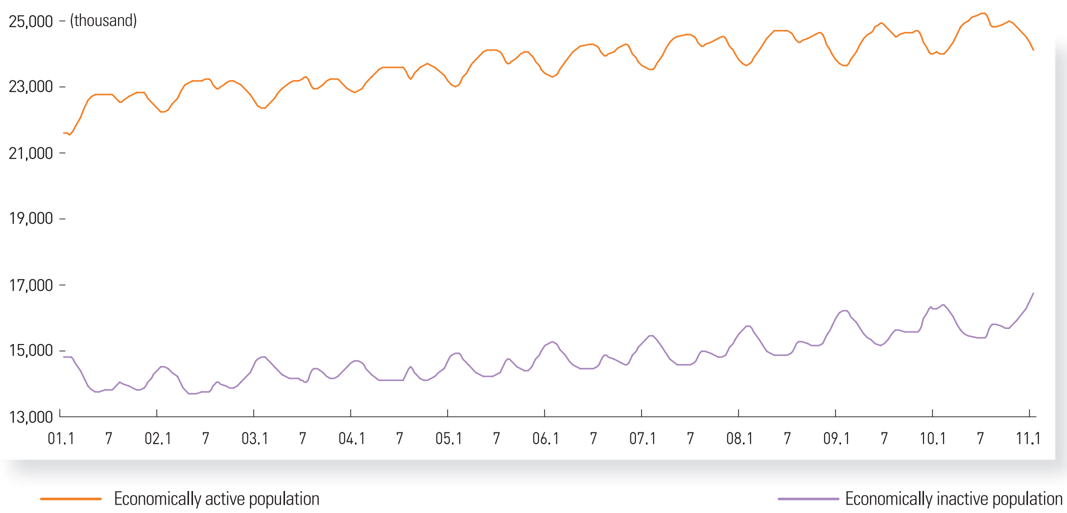

## 8-5 Unemployment rate and youth unemployment rate

Source: Statistics Korea (employment trend)




## 8-6 Economically active population

Source: Statistics Korea (employment trend)



# 9. Financial market

## 9.1 Stock market

The Korean stock market in February plunged amid worries over global economic slowdown affected by political unrest in the Middle East and North Africa.

Concerns over deteriorating performance of companies were raised due to oil price hikes amid continuing political upheaval in the Middle East and North Africa, followed by intensified conflicts in Libya.

China's rate hike, downgrading of Japan's soverign credit rating and geopolitical uncertainty in the Korean peninsula have taken their toll on the investment sentiment, pulling down the Korean stock price index.

Foreign investors shifted to a net-selling position on Korean shares to dispose of 3.5 trillion won in February, as increasing uncertainty in the global economy and North Korean risks revived investors' appetite for safe assets.

*(End-period, point, trillion won)*

| | KOSPI | | | KOSDAQ | | |
|---|---|---|---|---|---|---|
| | Jan 2011 | Feb 2011 | Change[1] | Jan 2011 | Feb 2011 | Change[1] |
| Stock price index | 2,069.7 | 1,939.3 | -130.4 (-6.3%) | 521.4 | 504.5 | -16.9 (-3.2%) |
| Market capitalization | 1,156.7 | 1,086.2 | -70.5 (-6.1%) | 102.1 | 99.0 | -3.1 (-3.0%) |
| Average daily trade value | 7.7 | 6.2 | -1.5 (-19.5%) | 2.3 | 2.1 | -0.2 (-10.5%) |
| Foreign stock ownership | 32.5 | 32.4 | -0.1 (-0.3%) | 10.4 | 10.5 | +0.1 (+1.0%) |

*1. Change from the end of the previous month*

## 9.2 Exchange rate

The won/dollar exchange rate in February increased 7.2 won from 1,121.5 won at the end of January to wrap up the month at 1,128.7 won. The won/dollar exchange rate rose due to the falling Kospi index and worries over oil prices affected by political unrest in the Middle East and North Africa.

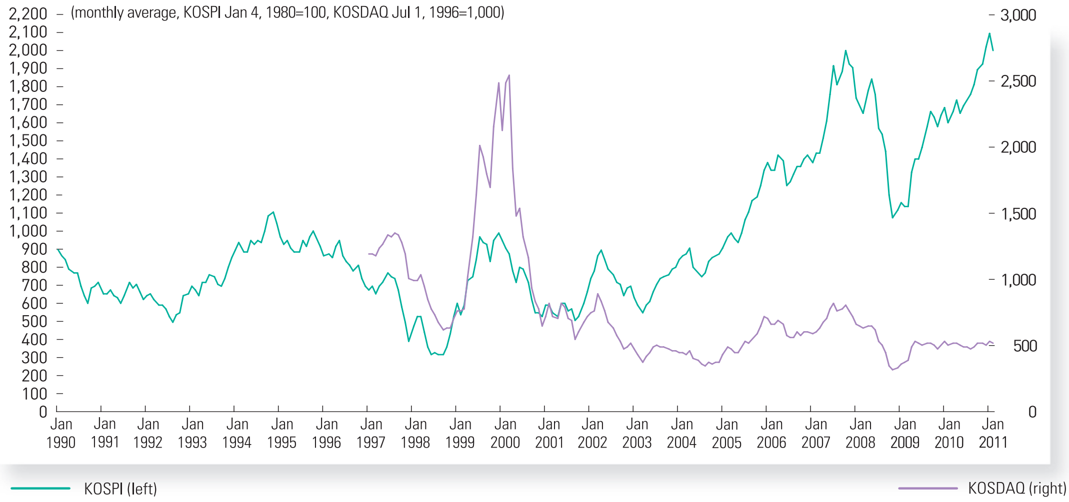
The won/yen exchange rate was up 14.3 won month-on-month as investors' appetite for safe assets increased due to the tensions in the Middle East and North Africa.

*(End-period)*

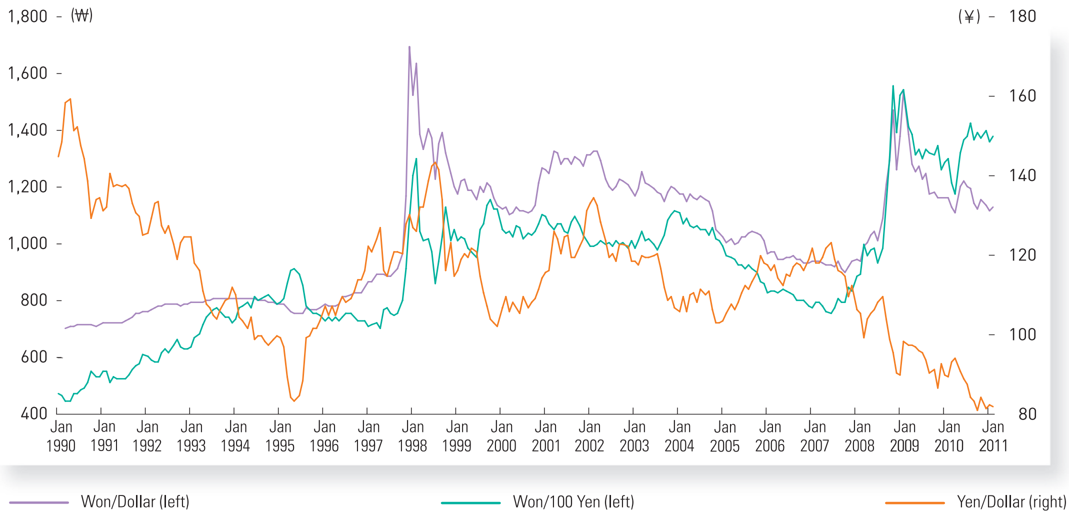
| | 2007 | 2008 | 2009 | 2010 | 2011 | | |
|---|---|---|---|---|---|---|---|
| | Dec | Dec | Dec | Dec | Jan | Feb | Change[1] |
| Won/Dollar | 936.1 | 1,259.5 | 1,164.5 | 1,134.8 | 1,121.5 | 1,128.7 | 0.5 |
| Won/100Yen | 828.6 | 1,396.8 | 1,264.5 | 1,393.6 | 1,367.9 | 1,382.2 | 0.8 |

*1. Appreciation from the end of the previous year (%); the exchange rate is based on the closing price at 3:00 p.m., local time.*

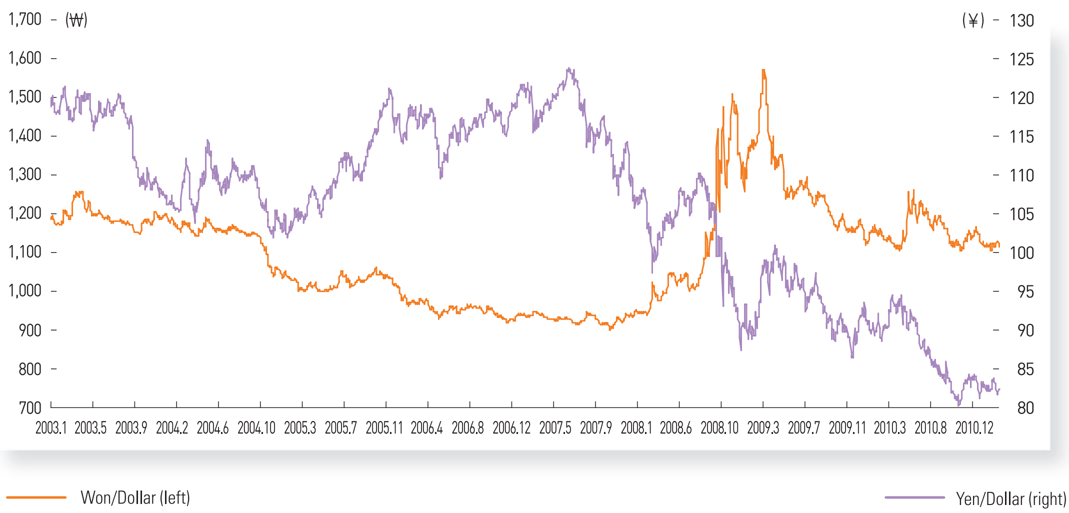
## 9-1 Stock prices




## 9-2 Foreign exchange rate (month-end)




## 9-3 Recent foreign exchange rate



## 9.3 Bond market

Treasury bond yields dipped in February as the Bank of Korea kept the base rate unchanged despite concerns over inflation. In addition, rising demand for safe assets due to political unrest in the Middle East contributed to the fall.

*(End-period)*

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | | |
|---|---|---|---|---|---|---|---|---|
| | Dec | Dec | Dec | Dec | Dec | Jan | Feb | Change[1] |
| Call rate (1 day) | 4.60 | 5.02 | 3.02 | 2.01 | 2.51 | 2.75 | 2.76 | +1 |
| CD (91 days) | 4.86 | 5.82 | 3.93 | 2.88 | 2.80 | 3.05 | 3.17 | +12 |
| Treasury bonds (3 yrs) | 4.92 | 5.74 | 3.41 | 4.44 | 3.38 | 3.96 | 3.84 | -12 |
| Corporate bonds (3 yrs) | 5.29 | 6.77 | 7.72 | 5.56 | 4.27 | 4.75 | 4.63 | -12 |
| Treasury bonds (5 yrs) | 5.00 | 5.78 | 3.77 | 4.98 | 4.08 | 4.41 | 4.28 | -13 |

*1. Basis point, changes in February 2011 from the previous month*

## 9.4 Money supply & money market

The M2 (monthly average) in December expanded 7.2 percent from a year earlier excluding cash management accounts (CMAs), which were included in M2 since July 2009. The year-on-year M2 growth fell due to decelerating money supply from overseas sectors, affected by the outflows of foreign portfolio investment.

*(Percentage change from same period in previous year, average)*

| | 2008 | 2009 | | | | | 2010[4] | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Dec | Dec[1] |
| M1[2] | -1.8 | 16.3 | 10.8 | 17.6 | 18.9 | 17.8 | 11.8 | 14.5 | 10.7 | 10.8 | 11.2 | 12.9 | 426 |
| M2 | 14.3 | 10.3 | 11.5 | 10.1 | 9.9 | 9.8 | 8.7 | 9.4 | 9.5 | 8.6 | 7.4 | 7.2 | 1,683 |
| Lf[3] | 11.9 | 7.9 | 8.8 | 7.3 | 7.8 | 7.8 | 8.2 | 8.5 | 9.1 | 8.2 | 7.1 | 6.9 | 2,155 |

*1. Balance at end December 2010, trillion won*
*2. M1 excluding corporate MMFs and individual MMFs while including CMAs*
*3. Liquidity aggregates of financial institutions (mostly identical with M3)*
*4. Preliminary*

In January 2011, bank deposits shifted to a slight increase while asset management company (AMC) deposits continued to decrease.

Bank deposits rose affected by higher interest rates for time deposits. The increase, however, was limited by payment of the value added tax (VAT).

Asset management company (AMC) deposits declined due to concerns over negative returns of fixed-income funds and money withdrawal by some banks.

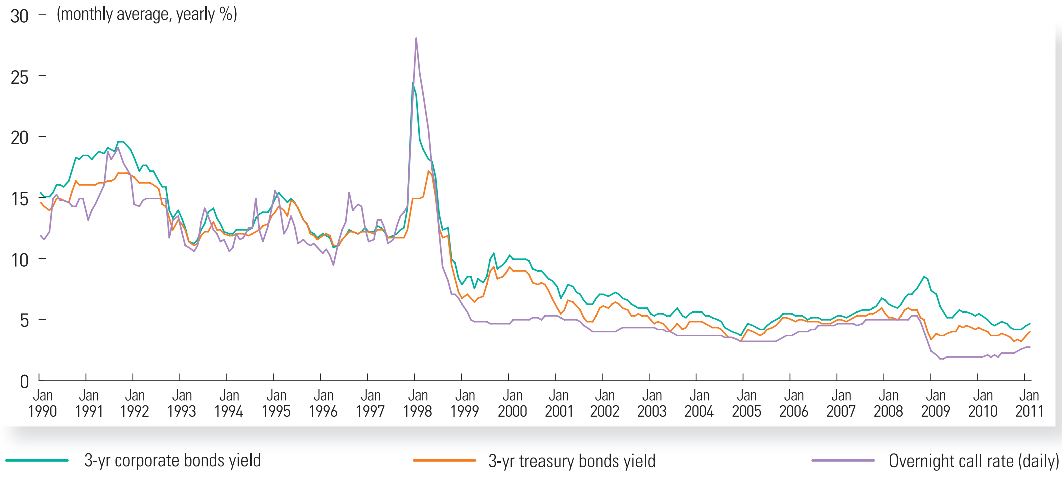
*(Monthly change, end-period, trillion won)*

| | 2009 | | 2010 | | | | 2011 | |
|---|---|---|---|---|---|---|---|---|
| | Annual | Jan | Annual | Jan | Nov | Dec | Jan | Jan[1] |
| Bank deposits | 54.8 | -5.2 | 54.8 | 15.7 | -1.9 | -8.7 | 2.1 | 1,047 |
| AMC deposits | -27.6 | 17.7 | -27.6 | -5.1 | 0.0 | -11.2 | -5.2 | 310 |

*1. Balance at end January, trillion won*

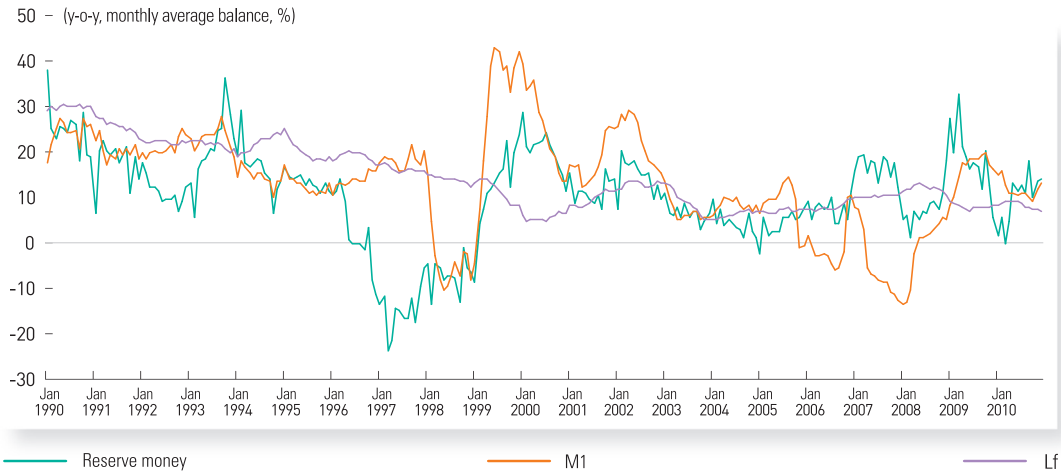
## 9-4 Interest rates

Source: The Bank of Korea




## 9-5 Total money supply

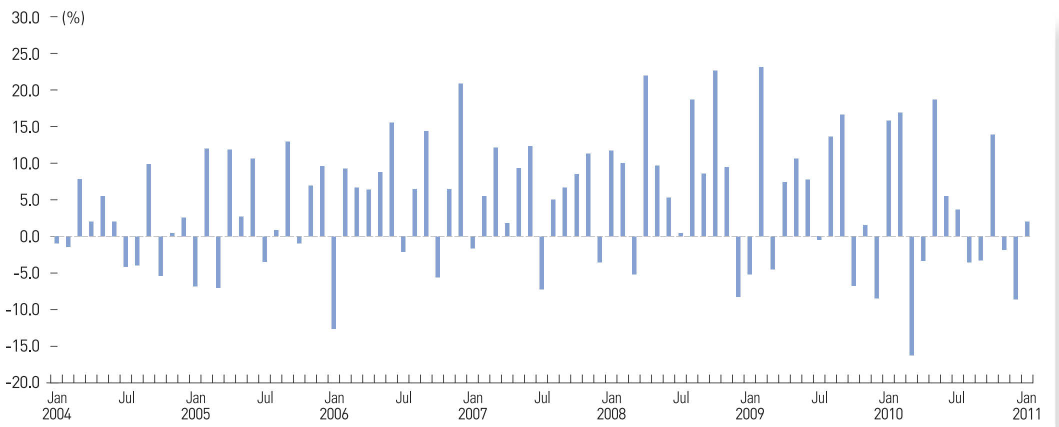
Source: The Bank of Korea




## 9-6 Share of deposits by financial sector (M3 as of year-end)

Source: The Bank of Korea

** Retail finance: Mutual savings banks & National Credit Union Federation of Korea, Others: Investment banks, post office savings, etc.*



# 10. Balance of payments

Korea's current account surplus *(preliminary)* in January narrowed from the previous month's US$2.11 billion to US$230 million. In general, the current account tends to weaken in January due to seasonal factors and it is the first time since 2008 that the January reading has posted a surplus.

The goods account surplus slashed to US$1.63 billion from the previous month's US$3.68 billion affected by rising international commodity prices and high energy demand.

The service account deficit considerably expanded to US$1.64 billion from the previous month's deficit of US$1.15 billion due to increasing overseas travel during the winter vacation period.

The primary income account turned to a surplus of US$700 million from the previous month's deficit of US$30 million. Meanwhile, the secondary income account deficit increased to US$470 million from US$390 million a month earlier.

*(US$ billion)*

| | 2009 | 2010 | | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Q1 | Q2 | Q3 | Q4 | Nov | Dec | Jan |
| Current account | 32.79 | 28.21 | 0.26 | 8.86 | 9.93 | 9.16 | 1.93 | 2.11 | 0.23 |
| - Goods balance | 37.87 | 41.90 | 4.79 | 12.24 | 12.54 | 12.34 | 3.17 | 3.68 | 1.63 |
| - Service balance | -6.64 | -11.23 | -4.20 | -1.87 | -2.96 | -2.20 | -0.30 | -1.15 | -1.64 |
| - Income balance | 2.28 | 0.77 | 0.55 | -1.01 | 1.30 | -0.07 | -0.69 | -0.03 | 0.70 |
| - Current transfers | -0.71 | -3.23 | -0.87 | -0.50 | -0.95 | -0.91 | -0.24 | -0.39 | -0.47 |

*Source: The Bank of Korea*

The capital and financial account *(preliminary)* in January expanded the outflow to US$1.65 billion from the previous month's outflow of US$340 million.

**Capital & financial account balance** (US$ billion)
-5.87 (Oct 2010) → -2.19 (Nov) → -0.34 (Dec) → -1.65 (Jan 2011)

The direct investment account slightly accelerated the outflow to US$1.73 billion from the previous month's outflow of US$1.61 billion as locals' overseas investment increased.

The portfolio investment account shifted to an inflow of US$900 million from the previous month's outflow of US$2.41 billion as foreign investors turned to a net-buying position of Korean bonds.

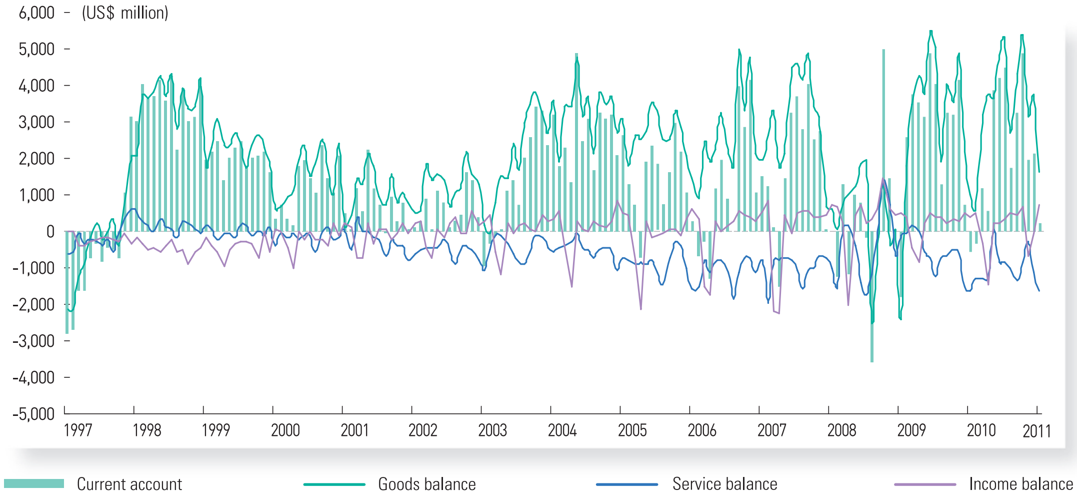
The financial derivatives account surplus remained at the similar level to the previous month, slightly up from US$510 million to US$570 million.

The other investment account expanded the net inflow to US$1.49 billion from the previous month's net inflow of US$1.27 billion as financial institutions' borrowing increased.

The current account surplus in February is expected to expand from the previous month due to strong exports and narrowed deficit in the travel account.

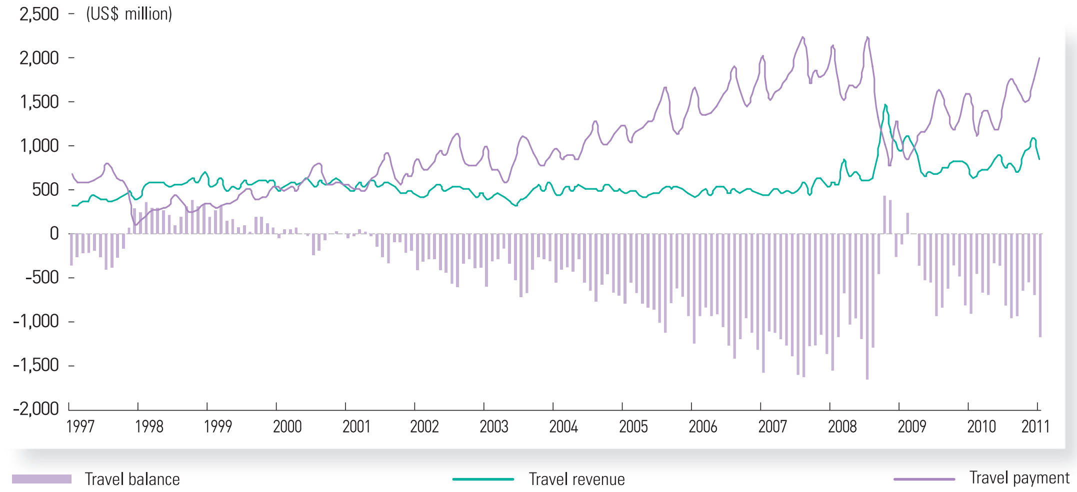
## 10-1 Current account balance

Source: The Bank of Korea (balance of payments trend)



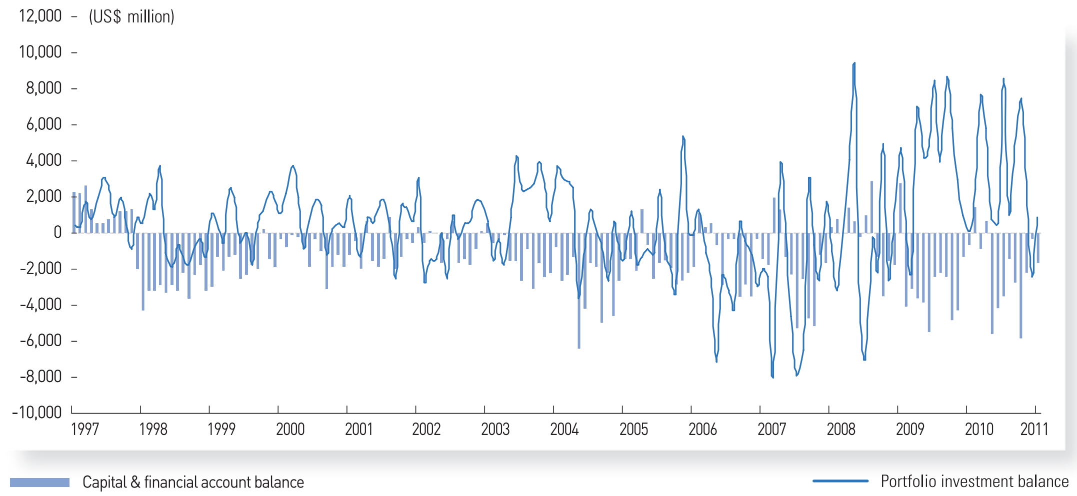

## 10-2 Travel balance

Source: The Bank of Korea (balance of payments trend)




## 10-3 Capital & financial account balance

Source: The Bank of Korea (balance of payments trend)



# 11. Prices and international commodity prices

## 11.1 Prices

Consumer prices in February rose 4.5 percent year-on-year and 0.8 percent month-on-month. The prices of livestock products surged due to the spread of foot-and-mouth disease, and those of processed food and oil products affected by high oil and international commodity prices.

Core consumer prices, which exclude oil and agricultural products, rose 3.1 percent year-on-year and 0.7 percent month-on-month in January due to a low base effect. Consumer prices of basic necessities, a barometer of perceived consumer prices, were up 5.2 percent compared to the same month of the previous year.

### Consumer price inflation

| | 2010 | | | | | | | | | | | 2011 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jan | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| Month-on-Month (%) | 0.4 | 0.3 | 0.5 | 0.1 | -0.2 | 0.3 | 0.3 | 1.1 | 0.2 | -0.6 | 0.6 | 0.9 | 0.8 |
| Year-on-Year (%) | 3.1 | 2.3 | 2.6 | 2.7 | 2.6 | 2.6 | 2.6 | 3.6 | 4.1 | 3.3 | 3.5 | 4.1 | 4.5 |
| Core consumer prices (y-o-y) | 2.1 | 1.5 | 1.5 | 1.6 | 1.7 | 1.7 | 1.8 | 1.9 | 1.9 | 1.8 | 2.0 | 2.6 | 3.1 |
| (m-o-m) | 0.1 | 0.1 | 0.2 | 0.3 | 0.2 | 0.2 | 0.2 | 0.3 | 0.0 | 0.1 | 0.3 | 0.6 | 0.7 |
| Consumer prices for basic necessities (y-o-y) | 3.8 | 2.9 | 3.2 | 3.0 | 2.8 | 2.7 | 2.6 | 4.1 | 4.8 | 3.6 | 3.9 | 4.7 | 5.2 |

*Source: Statistics Korea*

Prices of agricultural, livestock & fishery products rose 2.8 percent month-on-month, as prices of vegetables and livestock products increased due to a cold spell, heavy snow, and widespread damage from foot-and-mouth disease.

**Prices of agricultural, livestock & fishery products in Feb** (m-o-m, %)
Pork (18.8), Chinese cabbage (12.9), onion (16.7), mackerel (-3.4), leek (18.6), chicken (11.0), tomato (-13.3), radish (-10.8), Korean beef (-0.8)

Prices of industrial products such as processed food, durable goods and oil products rose 0.5 percent month-on-month, affected by a rise in the prices of international commodities such as oil.

Due to the price stabilization measures, public utility charges generally showed a stable increase rate of around 1 percent year-on-year. In certain regions, however, public utility charges increased 0.1 percent. Personal service charges, in particular the cost of dining out, went up 0.8 percent month-on-month, affected by high commodity prices, rising income levels and inflation expectations.

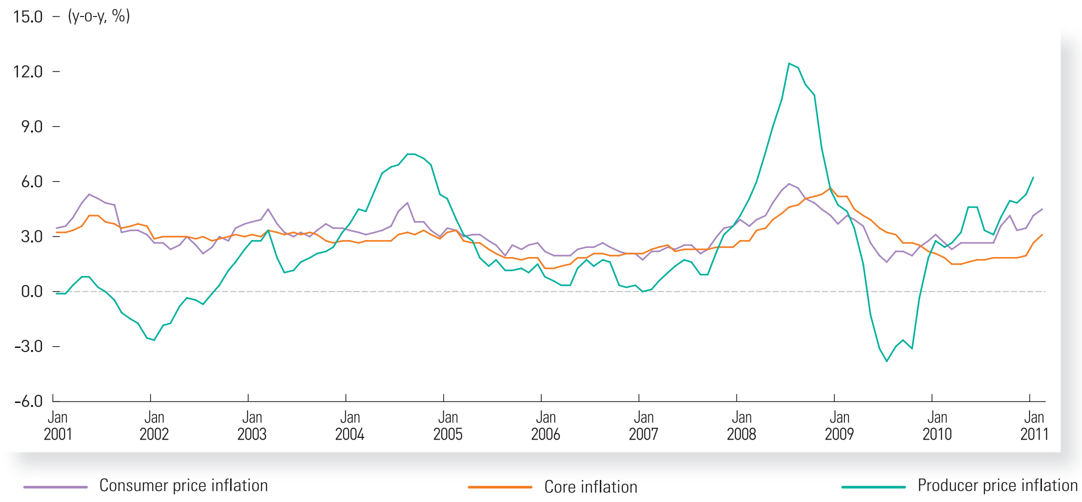
### Consumer price inflation in major sectors

| | Total | Agricultural, livestock & fishery products | Industrial products | Oil products | Housing rents | Public utility | Personal services |
|---|---|---|---|---|---|---|---|
| Month-on-Month (%) | 0.8 | 2.8 | 0.5 | 1.5 | 0.3 | 0.1 | 0.8 |
| Contribution (%p) | 0.76 | 0.27 | 0.16 | 0.10 | 0.02 | 0.01 | 0.26 |
| Year-on-Year (%) | 4.5 | 17.7 | 5.0 | 12.8 | 2.7 | 1.2 | 3.0 |
| Contribution (%p) | 4.54 | 1.55 | 1.56 | 0.75 | 0.25 | 0.19 | 1.05 |

*Source: Statistics Korea*

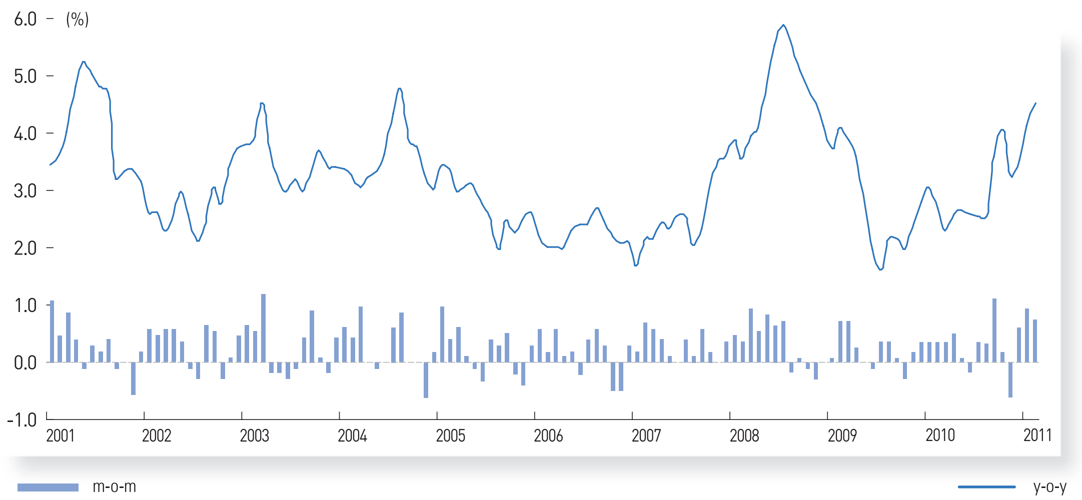
## 11-1 Prices

Source: Statistics Korea (consumer prices, core inflation) & The Bank of Korea (producer prices)



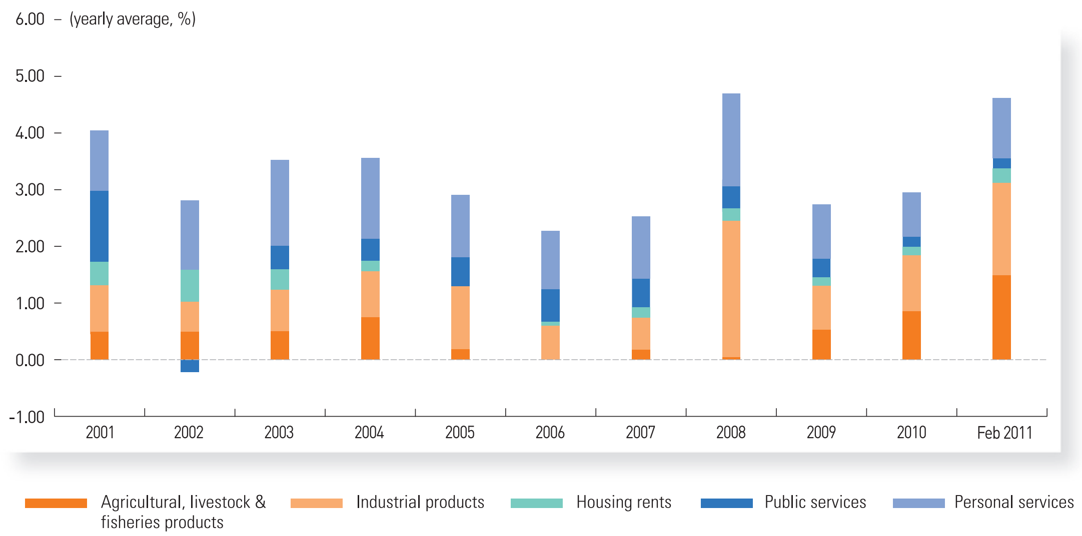

## 11-2 Consumer price inflation

Source: Statistics Korea (consumer price trend)




## 11-3 Contribution to consumer price inflation

Source: Statistics Korea (consumer price trend)



## 11.2. International oil and commodity prices

International oil and domestic oil product prices rose in February.

International oil prices (Dubai crude) reached the US$100 per barrel level due to political unrest in the Middle East.

*(US$/barrel, period average)*

| | 2007 | 2008 | 2009 | 2010 | | | | | 2011 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Annual | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| Dubai crude | 68.4 | 94.3 | 61.9 | 74.2 | 75.2 | 80.3 | 83.6 | 88.9 | 92.5 | 100.5 |
| Brent crude | 72.8 | 97.5 | 61.7 | 77.2 | 77.9 | 83.2 | 85.8 | 91.8 | 96.8 | 104.1 |
| WTI crude | 72.3 | 99.9 | 61.9 | 76.6 | 75.3 | 81.9 | 84.4 | 89.2 | 89.5 | 89.6 |

*Source: Korea National Oil Corporation*

**Record high oil prices** (spot prices, US$/barrel)
Dubai crude: 141 (Jul 4, 2008), Brent crude: 145 (Jul 3, 2008), WTI crude: 146 (Jul 14, 2008)

High international oil prices caused the prices of domestic oil products to continuosly rise despite stable exchange rates.

**Won/dollar exchange rate** (average)
1,126 (Nov 2010) → 1,148 (Dec) → 1,120 (Jan 2011) → 1,118 (Feb)

*(Won/liter, period average)*

| | 2007 | 2008 | 2009 | 2010 | | | | | 2011 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Annual | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| Gasoline prices | 1,526 | 1,692 | 1,601 | 1,716 | 1,700 | 1,700 | 1,716 | 1,771 | 1,825 | 1,850 |
| Diesel prices | 1,273 | 1,614 | 1,397 | 1,513 | 1,499 | 1,500 | 1,518 | 1,570 | 1,621 | 1,652 |

*Source: Korea National Oil Corporation*

International commodity prices continued to rise in February as bad weather conditions affected decreased production and economic recovery contributed to a pickup in demand.

Non-ferrous metal prices increased with rising supply concerns amid China's strong demand for nickel and copper.

International grain prices continued to increase with concerns that supply will be disrupted as a result of bad weather conditions such as La Niña in major grain-producing countries including Argentina and Australia.

**Prices of non-ferrous metals and grain in Feb** (m-o-m, %)
Corn (9.1), wheat (4.1), soybean (-0.1), raw sugar (-2.8), electrolytic copper (3.4), aluminum (3.1), nickel (10.2), zinc (4.4), tin (15.1)

### Reuters index*

*(Period average)*

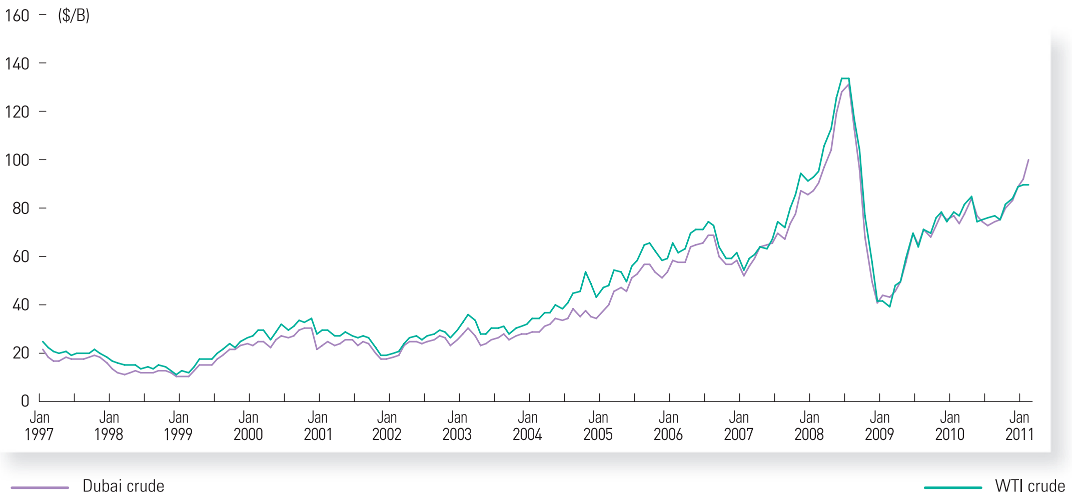
| 2007 | 2008 | 2009 | 2010 | | | | | 2011 | |
|---|---|---|---|---|---|---|---|---|---|
| Annual | Annual | Annual | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| 2,400 | 2,536 | 2,079 | 2,687 | 2,765 | 2,824 | 2,952 | 3,119 | 3,228 | 3,322.8 |

** A weighted average index of 17 major commodities*

*Source: KOREAPDS*

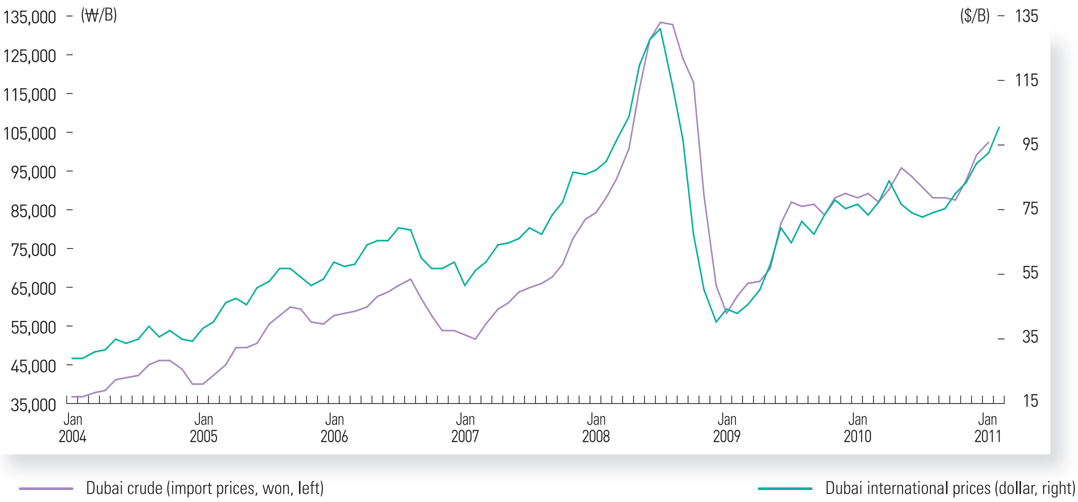
**11-4** **International oil prices**

Source: Korea National Oil Corporation




**11-5** **International oil prices** (Dubai crude) **and import prices**

Source: Korea National Oil Corporation & Korea Customs Service




**11-6** **International commodity prices**

Source: Bloomberg (CRB) & The Bank of Korea (Reuters index)

** CRB demonstrates futures price index of 21 commodities listed on the US Commodity Transaction Market, including beans and other crops, crude oil and jewelry.*

# 12. Real estate market

## 12.1 Housing market

The upward trend of nationwide apartment sales prices accelerated in February, with prices rising 1.1 percent month-on-month.

Apartment sales prices in the Seoul metropolitan area increased for the third straight month, up 0.3 percent month-on-month.

Apartment sales prices in areas excluding the Seoul metropolitan area showed a persistent upward trend, led by South Gyeongsang Province *(up 2.9%, m-o-m)*, Busan *(up 2.6%, m-o-m)* and Daejeon *(up 2.5%, m-o-m)*. Apartment prices in 5 metropolitan cities and other cities climbed 2 percent and 1.6 percent, respectively.

### Nationwide apartment sales prices

*(Percentage change from previous period)*

| | 2006 | 2007 | 2008 | 2009 | 2010 | | | | | 2011 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Annual | Annual | Annual | Feb | Oct | Nov | Dec | Jan | Feb | Feb 7[1] | Feb 14[1] | Feb 21[1] | Feb 28[1] |
| Nationwide | 13.8 | 2.1 | 2.3 | 1.6 | 2.5 | 0.4 | 0.3 | 0.5 | 0.6 | 0.6 | 1.1 | 0.27 | 0.35 | 0.33 | 0.27 |
| Seoul | 24.1 | 3.6 | 3.2 | 2.6 | -2.2 | 0.3 | -0.2 | -0.1 | 0.1 | 0.2 | 0.3 | 0.07 | 0.09 | 0.05 | 0.04 |
| Gangnam[2] | 27.6 | 0.5 | -1.9 | 3.9 | -1.8 | 0.4 | -0.2 | -0.1 | 0.1 | 0.2 | 0.4 | 0.08 | 0.11 | 0.06 | 0.04 |
| Gangbuk[3] | 19.0 | 8.3 | 9.4 | 0.9 | -2.7 | 0.1 | -0.2 | -0.1 | 0.0 | 0.1 | 0.2 | 0.07 | 0.06 | 0.05 | 0.05 |
| Seoul metropolitan area | 24.6 | 4.0 | 2.9 | 0.7 | -2.9 | 0.1 | -0.2 | -0.1 | 0.1 | 0.1 | 0.3 | 0.08 | 0.13 | 0.09 | 0.08 |
| 5 metropolitan cities | 2.1 | -0.6 | 1.0 | 2.8 | 8.7 | 0.8 | 0.4 | 1.2 | 1.2 | 1.2 | 2.0 | 0.53 | 0.61 | 0.57 | 0.47 |

*1. Weekly trends 2. Upscale area of Southern Seoul 3. Northern Seoul Source: Kookmin Bank*

Nationwide apartment rental prices in February were up 2 percent from the previous month's 1.1 percent. The price hikes were noticeable in Seoul *(up 2.1%, m-o-m)*, the Seoul metropolitan area *(up 2.1%, m-o-m)*, and bed towns in the periphery of Seoul.

**Apartment rental price increase in major districts in Seoul** (m-o-m, %)

Gangnam (1.7), Seocho (2.3), Songpa (2.4), Sungdong (3.4)

### Nationwide apartment rental prices

*(Percentage change from previous period)*

| | 2006 | 2007 | 2008 | 2009 | 2010 | | | | | 2011 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Annual | Annual | Annual | Jan | Oct | Nov | Dec | Jan | Feb | Feb 7[1] | Feb 14[1] | Feb 21[1] | Feb 28[1] |
| Nationwide | 7.6 | 1.9 | 0.8 | 4.5 | 8.8 | 0.4 | 1.0 | 1.4 | 1.0 | 1.1 | 2.0 | 0.52 | 0.64 | 0.63 | 0.48 |
| Seoul | 11.5 | 2.2 | -1.8 | 8.1 | 7.4 | 0.6 | 1.2 | 1.1 | 0.8 | 1.1 | 2.1 | 0.52 | 0.64 | 0.47 | 0.47 |
| Gangnam[2] | 11.3 | 0.5 | -3.6 | 10.4 | 8.8 | 0.9 | 1.2 | 1.4 | 1.0 | 1.3 | 1.9 | 0.42 | 0.58 | 0.43 | 0.37 |
| Gangbuk[3] | 11.8 | 4.6 | 0.5 | 5.4 | 5.6 | 0.1 | 1.1 | 0.8 | 0.5 | 1.0 | 2.4 | 0.65 | 0.73 | 0.53 | 0.59 |
| Seoul metropolitan area | 11.7 | 2.1 | -0.4 | 5.6 | 7.2 | 0.3 | 1.1 | 1.3 | 0.7 | 1.0 | 2.1 | 0.55 | 0.69 | 0.63 | 0.51 |
| 5 metropolitan cities | 3.0 | 1.1 | 1.6 | 3.9 | 12.0 | 0.7 | 0.9 | 1.5 | 1.4 | 1.1 | 2.1 | 0.54 | 0.67 | 0.63 | 0.48 |

*1. Weekly trends 2. Upscale area of Southern Seoul 3. Northern Seoul Source: Kookmin Bank*

Apartment sales transactions in January 2011 fell 25.1 percent from the previous month's 106,411 to 79,724. However, the transactions were up 28.6 percent from a year earlier.

### Apartment sales transactions

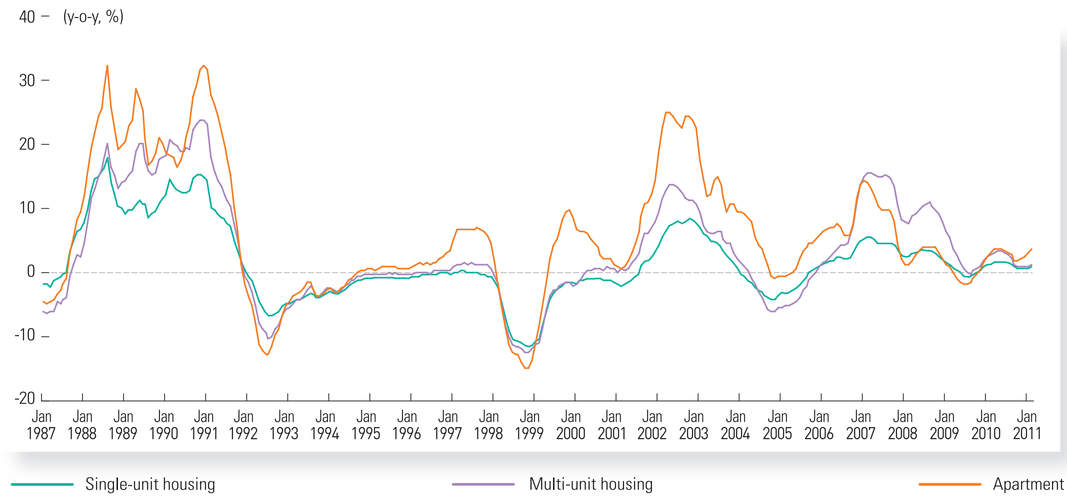
*(Monthly average, thousand)*

| | 2007 | 2008 | 2009 | | | | | 2010 | | | | | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Annual | Sep | Oct | Nov | Dec | Annual | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan |
| Nationwide | 84 | 74 | 77 | 90 | 87 | 82 | 82 | 71 | 73 | 62 | 65 | 62 | 57 | 57 | 73 | 86 | 106 | 80 |

*Source: Korea Land & Housing Corporation*

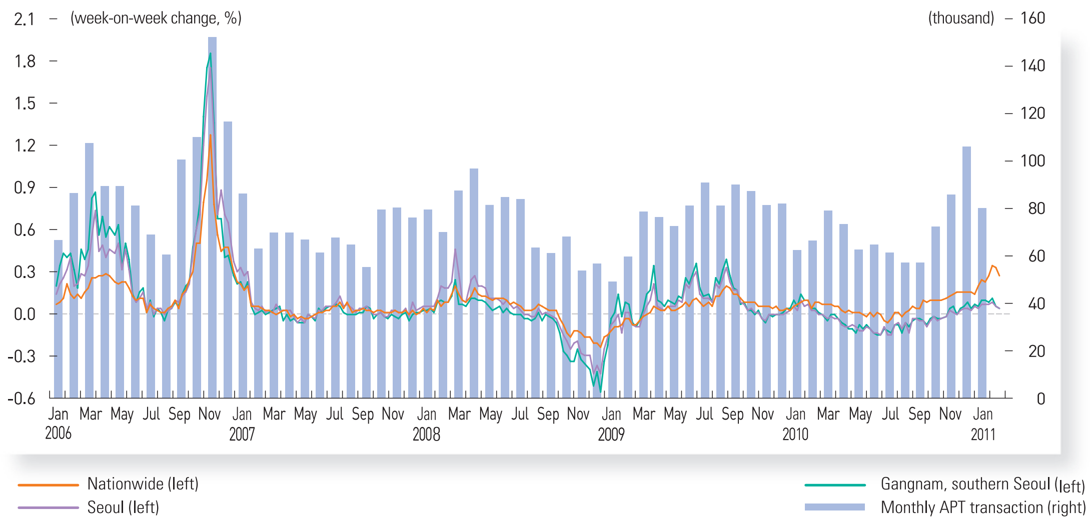
**12-1** **Real estate prices**

Source: Kookmin Bank (national housing price trend)



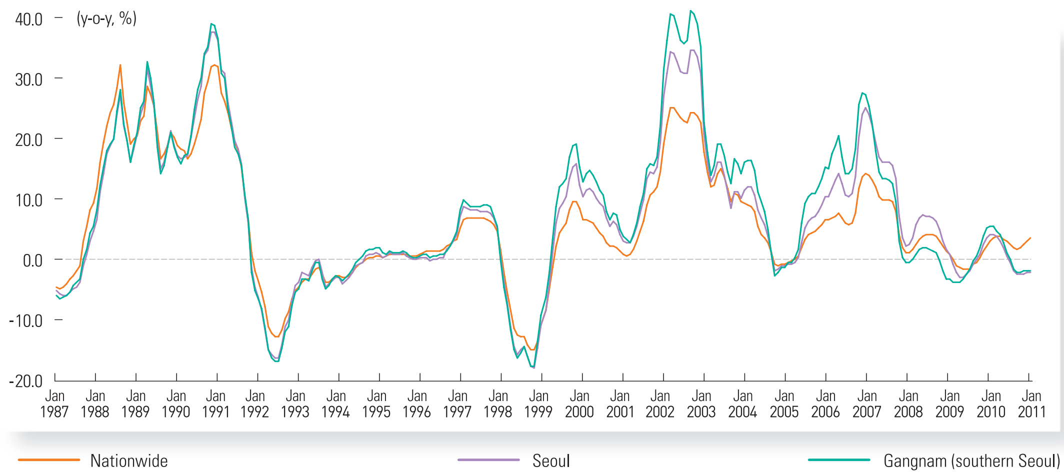

**12-2** **Weekly apartment sales prices and monthly transaction volume**

Source: Kookmin Bank (weekly APT price trend) & Korea Land Corporation (monthly land trade trend)




**12-3** **Apartment prices by region**

Source: Kookmin Bank (national housing price trend)



## 12.2 Land market

Nationwide land prices in January 2011 rose for the third consecutive month, up 0.09 percent, but still 2.11 percent lower than the pre-crisis peak reached in October 2008. Land prices increases slowed down compared to the previous year, with the increase pace shown to be decelerating in most areas nationwide.

Land prices in the Seoul metropolitan area rose 0.1 percent from the previous month, with Seoul *(up 0.12%)*, Gyeonggi Province *(up 0.08%)* and Incheon *(up 0.06%)* all slowing down the pace of increase.

**Land price increases in Seoul metropolitan area** (m-o-m, %)
-0.08 (Oct 2010) ➡ 0.01 (Nov) ➡ 0.12 (Dec) ➡ 0.10 (Jan 2011)

Land prices in areas excluding the Seoul metropolitan area rose 0.07 percent month-on-month in January, cooling down the upward trend that had expanded since October 2010.

**Land price increases in areas excluding Seoul metropolitan area** (m-o-m, %)
0.05 (Oct 2010) ➡ 0.06 (Nov) ➡ 0.10 (Dec) ➡ 0.07 (Jan 2011)

### Land prices by region

*(Percentage change from previous period)*

| | 2007 | 2008 | | 2009 | | | | | 2010 | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual | Annual | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Dec | Jan |
| Nationwide | 3.88 | -0.31 | -4.09 | 0.96 | -1.20 | 0.35 | 0.88 | 0.94 | 1.05 | 0.70 | 0.29 | -0.05 | 0.11 | 0.11 | 0.09 |
| Seoul | 5.88 | -1.00 | -6.34 | 1.40 | -1.38 | 0.68 | 1.30 | 0.81 | 0.53 | 0.72 | 0.02 | -0.25 | 0.39 | 0.15 | 0.12 |
| Gyeonggi | 4.22 | -0.26 | -4.29 | 1.22 | -1.62 | 0.37 | 1.13 | 1.36 | 1.49 | 0.96 | 0.53 | -0.08 | 0.07 | 0.10 | 0.08 |
| Incheon | 4.86 | 1.37 | -3.57 | 1.99 | -1.39 | 0.53 | 1.16 | 1.70 | 1.43 | 1.08 | 0.43 | -0.10 | 0.02 | 0.07 | 0.06 |

*Source: Korea Land & Housing Corporation*

Nationwide land transactions in January 2011 recorded 191,000 land lots, down 26.1 percent from the previous month but up 12.2 percent from 170,000 a year earlier. Land transactions were 4.2% more than the five-year January average of 183,000 land lots.

Land transactions significantly decreased in areas such as Seoul *(down 23.2%, m-o-m)*, Busan *(down 25.8%, m-o-m)*, Daegu *(down 29.6%, m-o-m)*, and Ulsan *(down 27.8%, m-o-m)*.

### Land sales transactions

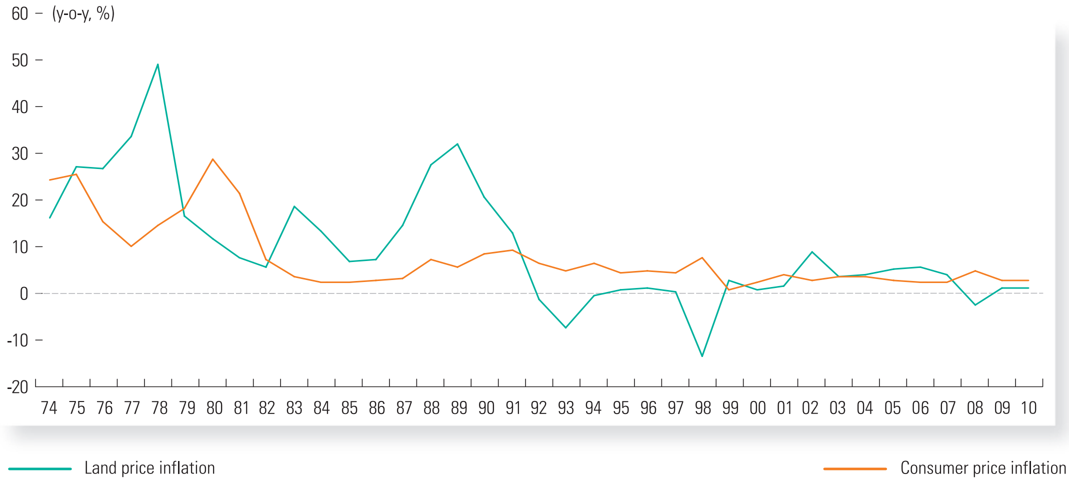
*(Land lot, thousand)*

| | 2007 | 2008 | 2009 | | | | | 2010 | | | | | | | | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual[1] | Annual[1] | Annual[1] | Sep | Oct | Nov | Dec | Annual[1] | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan |
| Nationwide | 208 | 208 | 203 | 226 | 212 | 207 | 241 | 187 | 170 | 171 | 163 | 145 | 181 | 208 | 257 | 191 |
| Seoul | 33 | 26 | 22 | 28 | 25 | 19 | 21 | 16 | 16 | 10 | 12 | 11 | 14 | 18 | 24 | 18 |
| Gyeonggi | 49 | 45 | 46 | 56 | 52 | 48 | 58 | 41 | 39 | 38 | 36 | 32 | 40 | 45 | 58 | 46 |
| Incheon | 13 | 13 | 10 | 13 | 14 | 11 | 12 | 8 | 8 | 8 | 7 | 7 | 8 | 9 | 11 | 8 |

*1. Monthly average*
*Source: Korea Land & Housing Corporation*

## 12-4 Land and consumer prices since 1970s

Source: Korea Land Corporation (land prices) & Statistics Korea (consumer prices)

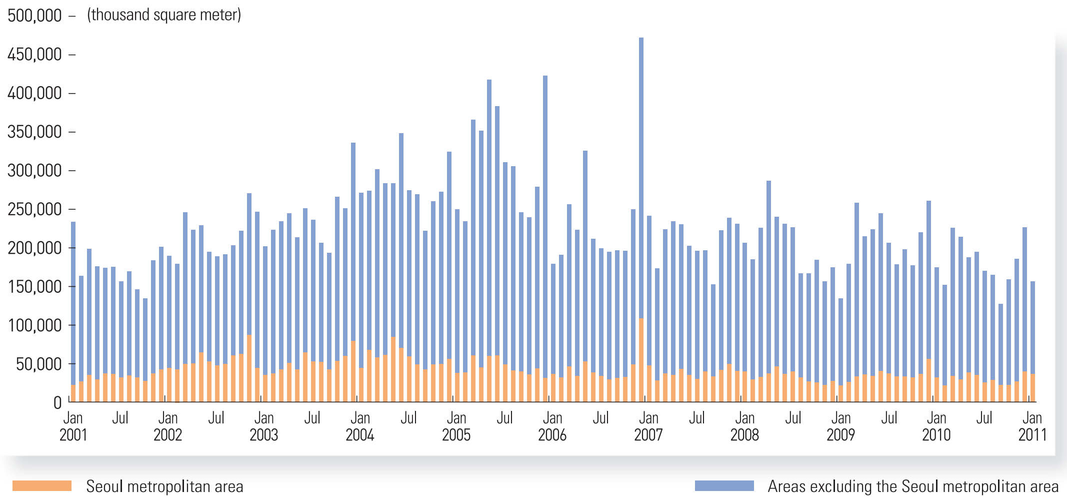



## 12-5 Land prices by region

Source: Korea Land Corporation (land price trend)


## 12-6 Land trade volume

Source: Korea Land Corporation (land trade trend)



# 13. Composite indices of business cycle indicators

The cyclical indicator of the coincident composite index rose for the second consecutive month in January 2011, rising 1.1 points month-on-month.

All eight components of the coincident composite index rose from the previous month.

**Components of coincident composite index in January** (m-o-m)
Volume of imports (2.0%), domestic shipment index (2.3%), service activity index (1.0%), wholesale & retail sales index (2.0%), manufacturing operation ratio index (2.1%), value of construction completion (1.7%), number of non-farm payroll employment (0.1%), mining & manufacturing production index (3.1%)

The year-on-year leading composite index in January 2011 rose 0.7 percent from the previous month, posting an increase for the first time in 13 months since December 2009 as the high base effect diminished.

Among the components of the leading composite index, factors such as the value of construction orders received and the value of machinery orders received rose, while the consumer expectations index, the net terms of trade index and liquidity in the financial institutions fell month-on-month.

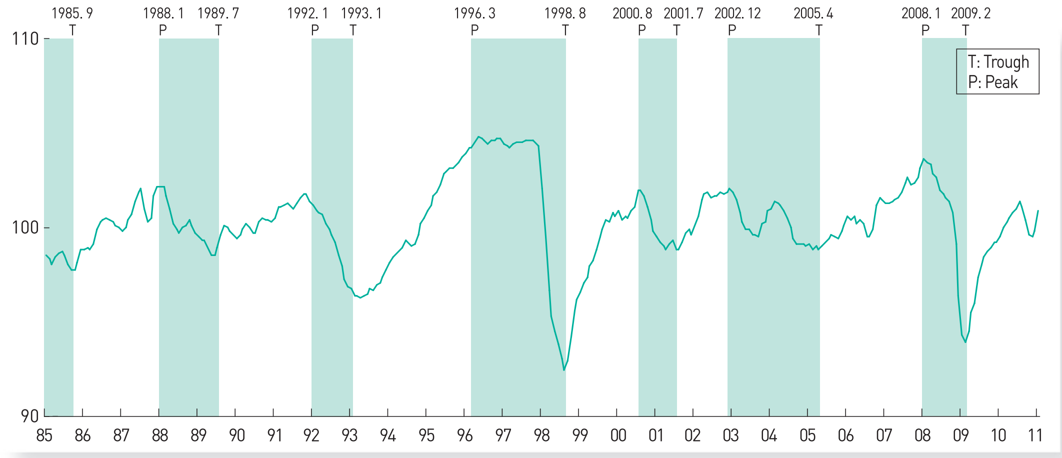
**Components of the leading composite index in January** (m-o-m)
Ratio of job openings to job seekers (5.1%p), value of machinery orders received (6.8%), composite stock price index (3.2%), value of capital goods imports (1.4%), consumer expectations index (-1.5p), indicator of inventory cycle (4.1%p), value of construction orders received (9.8%), net terms of trade index (-1.9%), liquidity in the financial institutions (-0.6%), spreads between long & short term interest rates (0.0%p)

| | 2010 | | | | | | 2011 |
|---|---|---|---|---|---|---|---|
| | Jul | Aug | Sep | Oct[1] | Nov[1] | Dec[1] | Jan[1] |
| Coincident composite index (m-o-m, %) | 0.8 | 0.2 | -0.3 | -0.3 | 0.2 | 0.8 | 1.5 |
| Cyclical indicator of coincident composite index | 101.4 | 101.1 | 100.4 | 99.6 | 99.5 | 99.8 | 100.9 |
| (m-o-m, p) | 0.4 | -0.3 | -0.7 | -0.8 | -0.1 | 0.3 | 1.1 |
| Leading composite index (m-o-m, %) | 0.5 | 0.3 | 0.0 | -0.3 | 0.2 | 0.5 | 0.7 |
| 12 month smoothed change in leading composite index (%) | 6.2 | 5.4 | 4.5 | 3.3 | 2.8 | 2.8 | 3.0 |
| (m-o-m, %p) | -0.6 | -0.8 | -0.9 | -1.2 | -0.5 | 0.0 | 0.2 |

*1. Preliminary*

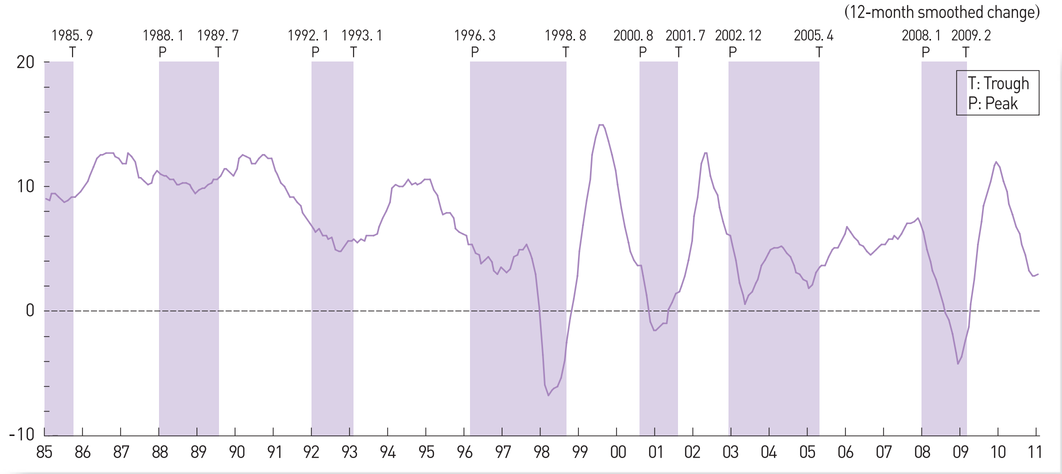
## 13-1 Cyclical indicator of coincident composite index

Source: Statistics Korea



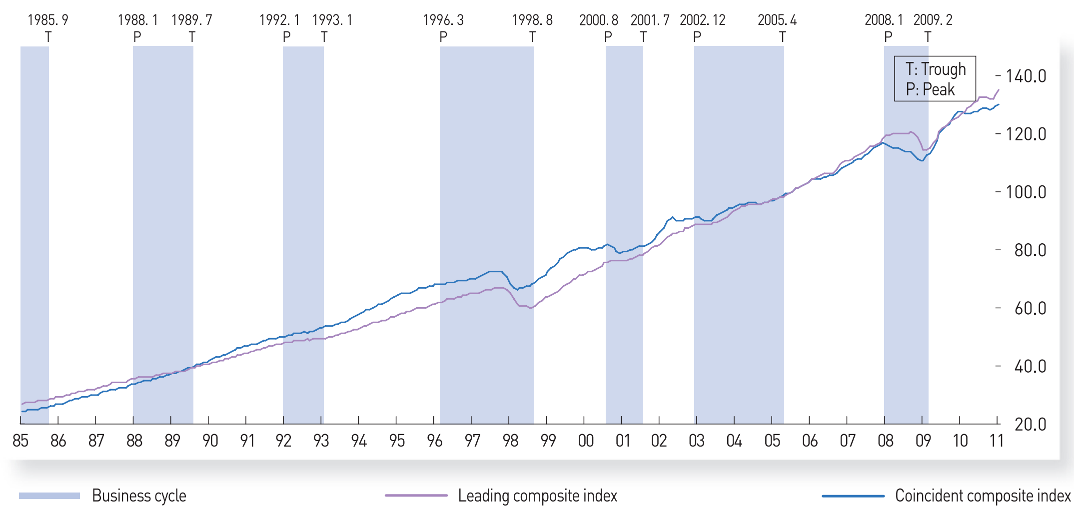

## 13-2 Leading composite index

Source: Statistics Korea




## 13-3 Coincident and leading composite indices

Source: Statistics Korea



# Economic News Briefing

## Korea hikes key interest rate to 3 percent

The Monetary Policy Committee of the Bank of Korea decided on March 10 to raise the base rate by 25 basis points to 3.00 percent, resuming its monetary tightening polity to rein in inflation. Korea's consumer price inflation rose to 4.5 percent in February, due mainly to the rising prices of oil products, agricultural, livestock & fishery products, and personal services fees. The central bank forecasted that the inflation trend may persist in the coming months, driven by increased demand pressure, unstable international commodity prices, and rising inflation expectations.

The Committee expected the global economy to sustain its pace of recovery although there are downward risk factors such as political unrest in the Middle East and North Africa, rising international commodity prices, and sovereign debt concerns in some European countries. On the other hand, the Committee expects the domestic economy to maintain an upward trend, helped by strong exports, robust consumption, and improving labor markets.

## European Parliament approves Korea-EU FTA

The European Parliament approved the Korea-EU free trade agreement (FTA) on February 17, 2011. The EU is the world's biggest trading bloc with GDP of US$16.4 trillion in 2009 and Korea's second largest trading partner following China. The pact will help increase Korea's gross domestic product (GDP) by as much as 5.6 percentage points over 10 years and create as many as 253,000 jobs in Korea. In addition, Korea's average annual trade surplus of US$360 million is expected for the next 15 years.

Meanwhile, the Korean government has approved a revised Korean-language version of the Korea-EU FTA on February 28, 2011, while withdrawing the previous version submitted in October 2010. The previous version was found to have translation errors regarding the country-of-origin regulations and so on. Accordingly, the National Assembly Committee on Foreign Affairs, Trade and Unification passed the trade agreement on March 3, 2011. On March 8, however, the Committee decided to postpone the ratification of the trade pact until April as opposition members of the committee called for a full examination of the trade pact and correction of additional translation errors.

## Korea steps up price stabilization efforts

On February 25, 2011, Korea convened a meeting to examine the actions that have been taken since comprehensive price stabilization measures were announced on January 13, 2011, and also to discuss further measures. The officials acknowledged that prices are under pressure due to factors such as the foot-and-mouth disease outbreak, rising commodity prices, and political unrest in the Middle East. Since most of Korea's oil imports are from the relatively stable countries in the Middle East, domestic oil supply will not be affected much. Still, the government will prepare for worst case scenarios by securing crude oil supplies and building up oil reserves.

To stabilize pork prices, which have surged after the outbreak of foot-and-mouth disease, tariff-free pork imports will be increased from the current 50,000 tons. In order to prevent price spikes in agricultural products, government officials agreed to step up efforts to stabilize supply, such as controlling supplies in advance by estimating crop yields based on climate situations. Although university tuition rate hikes have been limited in recent years, tuitions are still heavy burden to middle-income families. With government's effort to stabilize tuition fees, 170 out of 346 universities have decided to either freeze the rates or minimize rate hikes. Regarding home rent prices, officials agreed to work more on the stabilization measures that the government had previously introduced on January 13 and February 11, 2011.

Meanwhile, at a follow-up meeting held on March 4, the government unveiled short-term and long-term measures to control prices. In the short run, the government will place priority on curbing vegetable price hikes, stabilizing service fees, and stepping up surveillance on price-fixing practices. Long-term measures include securing the supply of agricultural products by increasing contract farming, improving agricultural and manufactured product distribution systems, stabilizing food supply, and others.

## Government plans overhaul of KTB supply and demand policy

The Ministry of Strategy and Finance announced on February 25 that the Korean government is planning an overhaul of the Korea Treasury Bond (KTB) supply and demand policy, in order to ensure flexibility in coping with the unstable secondary market conditions. As the KTB market expanded, concerns have grown over the possibility of market disruptions, but the use of current adjustment policies is limited due to the lack of specific regulations. Reflecting such circumstances, the government is planning to relax requirements for RP issuance, identify requirements and procedures for re-opening, and actively use conversion offers to balance the supply and demand of KTBs.

Meanwhile, the Ministry of Strategy and Finance also announced a plan to reform the primary dealer policy, aiming to promote competition among primary dealers and to establish a system that corresponds with those of developed treasury markets. The Ministry will establish a preliminary primary dealer system, improve evaluation standards for primary dealers, and reduce or eliminate incentives that are currently being handed out to primary dealers. In a separate announcement, the Ministry revealed that the credit ceiling for inflation-indexed government bonds will be raised in order to diversify the KTB market and to broaden the demand base. The credit limit for inflation-indexed government bonds per primary dealer, which is currently 20 percent of that for 10-year KTBs, will be increased to 25 percent.

## Korea overseas investment surges 8.5 percent in 2010

In the wake of the global economic recovery, Korea's overseas direct investment in 2010 stood at US$32.53 billion, up 8.5 percent from the previous year. By region, investments in Asia and Latin America rose 14.8 percent and 137.8 percent, respectively, while that in North America decreased 27.0 percent. The top investment destination in 2010 was the United States, with investments amounting to US$4.98 billion. In addition, investments in emerging countries such as China, Brazil, Vietnam and Indonesia significantly increased. By category, investments in manufacturing, finance and insurance surged 49.5 percent and 168.2 percent, respectively, whereas that in mining shrank 14.1 percent.

## Korea's IMF Quota rises to 1.41 percent

Korea's IMF quota increased from 1.35 percent to 1.41 percent in line with the IMF's 2008 Quota and Voice Reforms, which entered into force on March 3, 2011 with the consent from 117 member countries, representing 85 percent of the Fund's total voting power. The reform resulted in a shift in the representation of dynamic economies through quota increases for 54 member countries. As a result, Korea's ranking in terms of quota was up one spot to 18th among 187 member countries.

The current move in the IMF quota is expected to positively affect the country's next move to gain 1.8 percent in the IMF quota, proposed in the 2010 Amendment on the Reform of the Executive Board, which will lead to a further shift of more than 6 percent of quota shares to dynamic emerging markets and developing countries.

## Korea wins UAE oil-field contract

Korea secured access to more crude oil reserves by signing a deal with Abu Dhabi to develop oil fields in the United Arab Emirates (UAE). The agreement came during Korean President Lee Myung Bak's visit to the UAE. President Lee and President Sheikh Khalifa bin Zayed Al Nahyan of the UAE finalized the deal and attended a signing ceremony in Abu Dhabi on March 13 2011.

The contract will guarantee Korea's right to participate in the development of one or more oil fields in Abu Dhabi with more than 1 billion barrels of reserves. Based on the current oil prices, the deal is worth about 110 trillion won. The deal will raise Korea's oil and gas self-sufficient rate to 15 percent of domestic demand, and help lift the ratio to 20 percent by 2013.

# Statistical Appendices

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10. Balance of payments (II)
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13. Financial indicators
14. Monetary indicators
15. Exchange rates

# 1. National accounts

*(year-on-year change, %, chained 2005 year prices)*

| Period | | Real GDP | | | Final consumption expenditure | Gross fixed capital formation | | |
|---|---|---|---|---|---|---|---|---|
| | | | Agri., fores. & fisheries | Manufacturing | | | Construction | Facilities |
| 2003 | | 2.8 | -5.4 | 5.4 | 0.5 | 4.4 | 8.5 | -1.5 |
| 2004 | | 4.6 | 9.1 | 10.0 | 1.0 | 2.1 | 1.3 | 3.8 |
| 2005 | | 4.0 | 1.3 | 6.2 | 4.6 | 1.9 | -0.4 | 5.3 |
| 2006 | | 5.2 | 1.5 | 8.1 | 5.1 | 3.4 | 0.5 | 8.2 |
| 2007 | | 5.1 | 4.0 | 7.2 | 5.1 | 4.2 | 1.4 | 9.3 |
| 2008 | | 2.3 | 5.6 | 2.9 | 2.0 | -1.9 | -2.8 | -1.0 |
| 2009P | | 0.2 | 1.6 | -1.6 | 1.3 | -0.2 | 4.4 | -9.1 |
| 2010P | | 6.1 | -4.9 | 14.6 | 3.9 | 6.2 | -2.3 | 24.5 |
| 2003 | I | 3.5 | 0.7 | 5.4 | 2.0 | 5.1 | 8.2 | 2.9 |
| | II | 1.8 | -1.6 | 3.1 | 0.3 | 4.7 | 8.4 | -0.7 |
| | III | 2.0 | -9.6 | 4.3 | 0.0 | 2.8 | 8.3 | -5.8 |
| | IV | 3.9 | -8.0 | 8.5 | -0.4 | 5.0 | 9.0 | -2.2 |
| 2004 | I | 5.2 | 8.2 | 10.9 | -0.1 | 2.3 | 5.3 | -0.6 |
| | II | 5.9 | 7.6 | 12.9 | 1.3 | 4.9 | 4.2 | 6.4 |
| | III | 4.8 | 8.3 | 10.4 | 1.0 | 3.1 | 1.2 | 7.7 |
| | IV | 2.7 | 11.6 | 6.2 | 1.8 | -1.4 | -3.5 | 1.8 |
| 2005 | I | 2.7 | 0.4 | 4.8 | 2.7 | -0.3 | -3.1 | 3.4 |
| | II | 3.4 | 4.8 | 3.9 | 4.7 | 1.8 | 0.9 | 2.8 |
| | III | 4.5 | 3.8 | 6.7 | 5.9 | 1.5 | -0.3 | 4.1 |
| | IV | 5.1 | -3.1 | 9.3 | 4.9 | 3.9 | 0.3 | 10.8 |
| 2006 | I | 6.1 | 3.9 | 9.4 | 5.8 | 3.8 | 1.9 | 7.2 |
| | II | 5.1 | -0.3 | 9.1 | 4.9 | 0.1 | -4.2 | 8.0 |
| | III | 5.0 | -1.4 | 8.7 | 4.6 | 4.0 | -0.5 | 12.0 |
| | IV | 4.6 | 4.2 | 5.4 | 5.1 | 5.7 | 5.1 | 5.7 |
| 2007 | I | 4.5 | 1.6 | 4.5 | 5.1 | 7.3 | 4.4 | 12.6 |
| | II | 5.3 | 7.0 | 7.2 | 5.4 | 5.7 | 2.0 | 13.0 |
| | III | 4.9 | 8.2 | 6.3 | 5.3 | 1.5 | -0.2 | 4.0 |
| | IV | 5.7 | -0.7 | 10.2 | 4.7 | 3.1 | 0.4 | 8.0 |
| 2008 | I | 5.5 | 7.8 | 8.9 | 4.3 | -0.6 | -2.5 | 2.8 |
| | II | 4.4 | 4.6 | 8.3 | 3.0 | 0.6 | -0.5 | 2.0 |
| | III | 3.3 | 4.3 | 5.3 | 2.4 | 2.1 | 0.4 | 5.3 |
| | IV | -3.3 | 6.5 | -9.4 | -1.7 | -8.7 | -7.7 | -13.3 |
| 2009P | I | -4.3 | 1.5 | -13.6 | -2.0 | -7.4 | 2.8 | -23.1 |
| | II | -2.2 | -1.3 | -7.2 | 0.7 | -2.3 | 5.1 | -17.3 |
| | III | 1.0 | 3.3 | 1.7 | 1.7 | 0.4 | 4.4 | -7.0 |
| | IV | 6.0 | 2.8 | 13.0 | 4.7 | 7.1 | 5.0 | 13.3 |
| 2010P | I | 8.1 | -1.9 | 20.7 | 5.7 | 11.4 | 2.3 | 29.9 |
| | II | 7.2 | -2.2 | 18.0 | 3.6 | 6.4 | -2.9 | 30.2 |
| | III | 4.4 | -7.5 | 10.1 | 3.2 | 6.6 | -2.3 | 24.3 |
| | IV | 4.8 | -6.6 | 11.2 | 3.3 | 2.1 | -4.7 | 16.0 |

P: Preliminary
Source: The Bank of Korea

### Growth rate by economic activity


### Growth rate by expenditure on GDP

## 2. Production, shipment and inventory See graphs 6-1, 6-3, 7-1, 7-2 & 7-3

(constant prices, 2005 = 100)

| Period | | Production index | Y-o-Y change (%) | Shipment index | Y-o-Y change (%) | Inventory index | Y-o-Y change (%) | Service production index | Y-o-Y change (%) |
|---|---|---|---|---|---|---|---|---|---|
| 2008 | | 119.8 | 3.4 | 118.3 | 2.6 | 125.5 | 7.1 | 116.2 | 3.6 |
| 2009 | | 119.7 | -0.1 | 116.7 | -1.4 | 115.5 | -7.8 | 118.3 | 1.8 |
| 2010P | | 139.1 | 16.2 | 133.5 | 14.4 | 135.6 | 17.4 | 122.9 | 3.9 |
| 2008 | I | 121.9 | 11.2 | 119.8 | 9.3 | 123.6 | 8.4 | 114.1 | 6.8 |
| | II | 125.5 | 9.2 | 123.0 | 6.8 | 133.2 | 16.3 | 116.7 | 4.8 |
| | III | 119.6 | 5.9 | 118.0 | 5.5 | 132.0 | 17.1 | 116.1 | 3.6 |
| | IV | 112.4 | -11.0 | 112.4 | -9.9 | 125.5 | 7.1 | 117.8 | -0.4 |
| 2009 | I | 103.5 | -15.1 | 102.6 | -14.4 | 115.9 | -6.2 | 112.9 | -1.1 |
| | II | 118.7 | -5.4 | 116.6 | -5.2 | 110.4 | -17.0 | 118.0 | 1.1 |
| | III | 125.3 | 4.9 | 120.7 | 2.3 | 113.0 | -14.3 | 118.9 | 2.4 |
| | IV | 131.2 | 16.8 | 126.9 | 12.9 | 115.5 | -7.8 | 123.4 | 4.8 |
| 2010 | I | 129.8 | 25.4 | 124.0 | 20.9 | 124.6 | 7.5 | 119.9 | 6.2 |
| | II | 141.0 | 18.8 | 135.1 | 15.9 | 127.7 | 17.5 | 122.9 | 4.2 |
| | III | 139.0 | 10.9 | 132.7 | 9.9 | 134.6 | 19.1 | 121.6 | 2.3 |
| | IVP | 146.6 | 11.7 | 142.0 | 11.9 | 135.6 | 17.4 | 127.2 | 3.1 |
| 2008 | 1 | 126.3 | 12.0 | 121.9 | 10.5 | 123.9 | 4.5 | 113.9 | 8.0 |
| | 2 | 111.1 | 10.9 | 109.9 | 8.1 | 124.3 | 7.5 | 109.9 | 6.3 |
| | 3 | 128.3 | 10.9 | 127.6 | 9.2 | 123.6 | 8.4 | 118.4 | 6.1 |
| | 4 | 126.5 | 11.2 | 124.8 | 8.9 | 124.6 | 11.4 | 116.1 | 6.2 |
| | 5 | 126.5 | 9.2 | 123.7 | 6.6 | 128.7 | 12.7 | 117.8 | 5.1 |
| | 6 | 123.5 | 7.3 | 120.5 | 4.9 | 133.1 | 16.2 | 116.2 | 3.0 |
| | 7 | 123.4 | 8.9 | 121.6 | 8.0 | 132.4 | 14.5 | 116.5 | 4.6 |
| | 8 | 116.2 | 2.2 | 114.7 | 2.0 | 132.1 | 14.3 | 115.2 | 2.2 |
| | 9 | 119.1 | 6.7 | 117.6 | 6.3 | 132.0 | 17.1 | 116.5 | 3.7 |
| | 10 | 126.7 | -1.5 | 124.2 | -1.7 | 134.7 | 17.1 | 116.6 | 1.0 |
| | 11 | 110.3 | -13.6 | 109.8 | -12.9 | 133.2 | 15.9 | 114.4 | -0.9 |
| | 12 | 100.0 | -18.4 | 103.2 | -15.1 | 125.5 | 7.1 | 122.2 | -1.3 |
| 2009 | 1 | 94.4 | -25.3 | 93.7 | -23.1 | 123.9 | 0.1 | 112.1 | -1.6 |
| | 2 | 100.7 | -9.4 | 100.3 | -8.7 | 117.7 | -5.2 | 109.9 | 0.0 |
| | 3 | 115.3 | -10.1 | 113.8 | -10.7 | 115.9 | -6.2 | 116.7 | -1.4 |
| | 4 | 117.2 | -7.4 | 115.6 | -7.4 | 112.3 | -9.8 | 117.1 | 0.9 |
| | 5 | 116.1 | -8.2 | 113.8 | -7.9 | 111.5 | -13.3 | 117.6 | -0.2 |
| | 6 | 122.7 | -0.6 | 120.5 | 0.0 | 110.4 | -17.0 | 119.2 | 2.6 |
| | 7 | 124.6 | 1.0 | 120.1 | -1.2 | 111.5 | -15.7 | 117.9 | 1.2 |
| | 8 | 117.8 | 1.4 | 113.6 | -1.0 | 112.0 | -15.1 | 117.0 | 1.6 |
| | 9 | 133.4 | 12.1 | 128.3 | 9.1 | 113.0 | -14.3 | 121.8 | 4.5 |
| | 10 | 128.1 | 1.2 | 124.0 | -0.2 | 112.4 | -16.4 | 119.3 | 2.3 |
| | 11 | 130.7 | 18.5 | 126.6 | 15.3 | 113.6 | -14.6 | 119.3 | 4.2 |
| | 12 | 134.8 | 34.8 | 130.1 | 26.2 | 115.5 | -7.8 | 131.6 | 7.7 |
| 2010 | 1 | 129.3 | 37.0 | 123.1 | 31.4 | 119.8 | -3.3 | 118.5 | 5.7 |
| | 2 | 119.1 | 18.3 | 113.6 | 13.3 | 123.3 | 4.8 | 116.7 | 6.2 |
| | 3 | 141.1 | 22.4 | 135.2 | 18.8 | 124.6 | 7.5 | 124.4 | 6.6 |
| | 4 | 140.0 | 19.5 | 134.7 | 16.5 | 126.3 | 12.5 | 121.5 | 3.8 |
| | 5 | 140.0 | 20.6 | 133.4 | 17.2 | 129.9 | 16.5 | 123.3 | 4.8 |
| | 6 | 142.9 | 16.5 | 137.3 | 13.9 | 129.7 | 17.5 | 124.0 | 4.0 |
| | 7 | 143.1 | 14.8 | 135.7 | 13.0 | 134.1 | 20.3 | 122.4 | 3.8 |
| | 8 | 136.5 | 15.9 | 131.0 | 15.3 | 134.5 | 20.1 | 120.9 | 3.3 |
| | 9 | 137.3 | 2.9 | 131.4 | 2.4 | 134.6 | 19.1 | 121.6 | -0.2 |
| | 10 | 145.3 | 13.4 | 140.8 | 13.5 | 133.5 | 18.8 | 123.2 | 3.3 |
| | 11 | 145.3 | 11.2 | 141.4 | 11.7 | 132.8 | 16.9 | 123.8 | 3.8 |
| | 12P | 149.1 | 10.6 | 143.8 | 10.5 | 135.6 | 17.4 | 134.7 | 2.4 |
| 2011 | 1P | 147.0 | 13.7 | 140.8 | 14.4 | 135.2 | 12.9 | 123.9 | 4.6 |

P: Preliminary
Source: Statistics Korea

## 3. Production capacity and operation ratio See graph 6-2

| Period | | Production capacity index (2005=100) | Y-o-Y change (%) | Operation ratio index (2005=100) | Y-o-Y change (%) | Average operation ratio (%) |
|---|---|---|---|---|---|---|
| 2008 | | 115.3 | 5.1 | 97.2 | -3.2 | 77.6 |
| 2009 | | 119.3 | 3.5 | 93.8 | -3.5 | 74.4 |
| 2010P | | 127.9 | 7.2 | 102.1 | 8.8 | 81.2 |
| 2008 | I | 113.8 | 5.9 | 99.3 | 2.2 | 82.0 |
| | II | 115.1 | 6.3 | 103.1 | 0.5 | 80.8 |
| | III | 116.0 | 5.3 | 95.5 | -0.7 | 77.9 |
| | IV | 116.4 | 3.4 | 91.1 | -13.6 | 69.7 |
| 2009 | I | 117.0 | 2.8 | 81.7 | -17.7 | 67.0 |
| | II | 118.0 | 2.5 | 95.3 | -7.6 | 74.3 |
| | III | 120.1 | 3.5 | 97.8 | 2.4 | 77.8 |
| | IV | 122.2 | 5.0 | 100.3 | 10.1 | 78.4 |
| 2010 | I | 124.3 | 6.2 | 97.4 | 19.2 | 80.4 |
| | II | 126.5 | 7.2 | 105.6 | 10.8 | 82.3 |
| | III | 129.5 | 7.8 | 99.6 | 1.8 | 81.2 |
| | IVP | 131.3 | 7.4 | 105.6 | 5.3 | 80.8 |
| 2008 | 1 | 113.8 | 6.2 | 103.2 | 3.4 | 83.0 |
| | 2 | 113.8 | 5.9 | 89.5 | 1.5 | 81.3 |
| | 3 | 113.9 | 5.8 | 105.1 | 1.4 | 81.7 |
| | 4 | 114.3 | 5.9 | 104.7 | 3.2 | 82.0 |
| | 5 | 115.4 | 6.7 | 103.3 | -0.6 | 80.2 |
| | 6 | 115.7 | 6.2 | 101.2 | -1.3 | 80.1 |
| | 7 | 115.7 | 5.5 | 99.8 | 1.5 | 78.5 |
| | 8 | 116.0 | 5.3 | 92.2 | -4.6 | 77.7 |
| | 9 | 116.2 | 4.9 | 94.5 | 0.7 | 77.6 |
| | 10 | 116.3 | 3.6 | 104.1 | -4.8 | 77.6 |
| | 11 | 116.3 | 3.4 | 89.4 | -16.8 | 69.3 |
| | 12 | 116.7 | 3.3 | 79.7 | -20.1 | 62.3 |
| 2009 | 1 | 116.9 | 2.7 | 73.7 | -28.6 | 63.7 |
| | 2 | 116.9 | 2.7 | 79.8 | -10.8 | 67.3 |
| | 3 | 117.1 | 2.8 | 91.6 | -12.8 | 70.0 |
| | 4 | 117.7 | 3.0 | 94.1 | -10.1 | 72.5 |
| | 5 | 117.7 | 2.0 | 93.3 | -9.7 | 73.7 |
| | 6 | 118.5 | 2.4 | 98.4 | -2.8 | 76.6 |
| | 7 | 119.3 | 3.1 | 98.8 | -1.0 | 77.7 |
| | 8 | 119.8 | 3.3 | 91.0 | -1.3 | 76.4 |
| | 9 | 121.1 | 4.2 | 103.6 | 9.6 | 79.3 |
| | 10 | 121.6 | 4.6 | 99.1 | -4.8 | 77.8 |
| | 11 | 121.9 | 4.8 | 100.5 | 12.4 | 78.0 |
| | 12 | 123.1 | 5.5 | 101.2 | 27.0 | 79.3 |
| 2010 | 1 | 123.6 | 5.7 | 97.1 | 31.8 | 79.3 |
| | 2 | 123.9 | 6.0 | 88.4 | 10.8 | 80.5 |
| | 3 | 125.3 | 7.0 | 106.7 | 16.5 | 81.5 |
| | 4 | 125.5 | 6.6 | 106.1 | 12.8 | 81.7 |
| | 5 | 126.5 | 7.5 | 103.8 | 11.3 | 82.1 |
| | 6 | 127.4 | 7.5 | 107.0 | 8.7 | 83.1 |
| | 7 | 128.6 | 7.8 | 105.3 | 6.6 | 82.7 |
| | 8 | 129.7 | 8.3 | 96.2 | 5.7 | 79.7 |
| | 9 | 130.1 | 7.4 | 97.2 | -6.2 | 81.2 |
| | 10 | 130.8 | 7.6 | 106.6 | 7.6 | 79.7 |
| | 11 | 131.1 | 7.5 | 105.4 | 4.9 | 80.5 |
| | 12P | 132.1 | 7.3 | 104.8 | 3.6 | 82.1 |
| 2011 | 1P | 132.2 | 7.0 | 102.5 | 5.6 | 84.8 |

P: Preliminary
Source: Statistics Korea

# 4. Consumer goods sales index See graphs 2-2, 2-3, 2-4 & 2-5

*(constant prices, 2005 = 100)*

| Period | | Consumer goods sales index | Y-o-Y change (%) | Durable goods | Y-o-Y change (%) | Semi-durable goods | Y-o-Y change (%) | Non-durable goods | Y-o-Y change (%) |
|---|---|---|---|---|---|---|---|---|---|
| 2008 | | 110.6 | 1.1 | 126.4 | 1.6 | 104.9 | -3.0 | 110.0 | 1.4 |
| 2009 | | 113.6 | 2.7 | 136.8 | 8.2 | 106.3 | 1.3 | 111.3 | 1.2 |
| 2010P | | 121.1 | 6.6 | 157.2 | 14.9 | 113.5 | 6.8 | 113.7 | 2.2 |
| 2008 | I | 111.5 | 4.5 | 129.9 | 8.7 | 103.6 | 4.0 | 109.2 | 2.3 |
| | II | 111.7 | 2.9 | 134.1 | 8.0 | 107.2 | -2.7 | 108.8 | 1.3 |
| | III | 108.8 | 1.4 | 125.8 | -0.1 | 94.0 | 0.3 | 112.3 | 1.5 |
| | IV | 110.4 | -4.2 | 115.7 | -9.6 | 115.0 | -10.7 | 109.5 | 0.2 |
| 2009 | I | 106.5 | -4.5 | 114.7 | -11.7 | 103.1 | -0.5 | 107.7 | -1.4 |
| | II | 113.4 | 1.5 | 142.0 | 5.9 | 107.7 | 0.5 | 109.2 | 0.4 |
| | III | 111.9 | 2.8 | 135.5 | 7.7 | 94.3 | 0.3 | 114.3 | 1.8 |
| | IV | 122.4 | 10.9 | 155.1 | 34.1 | 120.2 | 4.5 | 113.9 | 4.0 |
| 2010 | I | 116.8 | 9.7 | 148.7 | 29.6 | 105.7 | 2.5 | 111.1 | 3.2 |
| | II | 118.9 | 4.9 | 149.9 | 5.6 | 114.4 | 6.2 | 112.8 | 3.3 |
| | III | 120.3 | 7.5 | 158.5 | 17.0 | 100.5 | 6.6 | 117.7 | 3.0 |
| | IVP | 128.6 | 5.1 | 171.6 | 10.6 | 133.6 | 11.1 | 113.1 | -0.7 |
| 2008 | 1 | 111.7 | 5.4 | 128.3 | 8.1 | 104.4 | 6.7 | 108.8 | 4.3 |
| | 2 | 107.3 | 3.5 | 117.8 | 6.1 | 97.8 | 7.2 | 108.4 | 0.6 |
| | 3 | 115.4 | 4.6 | 143.6 | 11.4 | 108.5 | -1.3 | 110.5 | 2.2 |
| | 4 | 113.4 | 6.3 | 139.1 | 15.6 | 108.5 | -2.8 | 109.5 | 4.5 |
| | 5 | 115.1 | 3.3 | 136.0 | 7.9 | 112.1 | -3.7 | 112.3 | 2.0 |
| | 6 | 106.5 | -0.7 | 127.1 | 0.6 | 100.9 | -1.8 | 104.5 | -2.7 |
| | 7 | 109.6 | 4.2 | 140.7 | 7.9 | 97.6 | 3.5 | 106.1 | 1.0 |
| | 8 | 106.2 | 2.2 | 121.5 | -4.7 | 86.2 | 8.8 | 112.0 | 2.0 |
| | 9 | 110.7 | -1.8 | 115.2 | -3.8 | 98.1 | -8.9 | 118.8 | 1.6 |
| | 10 | 109.7 | -3.3 | 123.9 | -0.5 | 111.6 | -10.1 | 106.6 | -2.2 |
| | 11 | 108.9 | -4.6 | 108.9 | -15.3 | 120.3 | -7.7 | 107.7 | 1.2 |
| | 12 | 112.7 | -4.8 | 114.4 | -12.5 | 113.1 | -14.3 | 114.3 | 1.5 |
| 2009 | 1 | 108.5 | -2.9 | 104.1 | -18.9 | 103.6 | -0.8 | 114.8 | 5.5 |
| | 2 | 101.2 | -5.7 | 116.0 | -1.5 | 97.1 | -0.7 | 99.2 | -8.5 |
| | 3 | 109.7 | -4.9 | 124.0 | -13.6 | 108.5 | 0.0 | 109.2 | -1.2 |
| | 4 | 108.6 | -4.2 | 123.9 | -10.9 | 109.3 | 0.7 | 106.8 | -2.5 |
| | 5 | 117.0 | 1.7 | 144.0 | 5.9 | 113.3 | 1.1 | 113.1 | 0.7 |
| | 6 | 114.6 | 7.6 | 158.0 | 24.3 | 100.4 | -0.5 | 107.6 | 3.0 |
| | 7 | 110.8 | 1.1 | 138.2 | -1.8 | 95.4 | -2.3 | 110.8 | 4.4 |
| | 8 | 106.7 | 0.5 | 122.5 | 0.8 | 86.5 | 0.3 | 112.9 | 0.8 |
| | 9 | 118.2 | 6.8 | 145.9 | 26.6 | 101.1 | 3.1 | 119.3 | 0.4 |
| | 10 | 120.6 | 9.9 | 144.8 | 16.9 | 116.1 | 4.0 | 116.6 | 9.4 |
| | 11 | 119.6 | 9.8 | 153.5 | 41.0 | 121.8 | 1.2 | 109.2 | 1.4 |
| | 12 | 127.1 | 12.8 | 167.1 | 46.1 | 122.6 | 8.4 | 116.0 | 1.5 |
| 2010 | 1 | 115.8 | 6.7 | 145.5 | 39.8 | 108.4 | 4.6 | 108.7 | -5.3 |
| | 2 | 114.2 | 12.8 | 141.3 | 21.8 | 99.6 | 2.6 | 112.1 | 13.0 |
| | 3 | 120.3 | 9.7 | 159.2 | 28.4 | 109.1 | 0.6 | 112.6 | 3.1 |
| | 4 | 116.5 | 7.3 | 144.6 | 16.7 | 113.1 | 3.5 | 110.4 | 3.4 |
| | 5 | 121.2 | 3.6 | 147.0 | 2.1 | 120.7 | 6.5 | 116.0 | 2.6 |
| | 6 | 118.9 | 3.8 | 158.1 | 0.1 | 109.3 | 8.9 | 112.1 | 4.2 |
| | 7 | 120.7 | 8.9 | 164.0 | 18.7 | 103.5 | 8.5 | 115.1 | 3.9 |
| | 8 | 116.7 | 9.4 | 154.4 | 26.0 | 90.2 | 4.3 | 116.4 | 3.1 |
| | 9 | 123.5 | 4.5 | 157.0 | 7.6 | 107.7 | 6.5 | 121.6 | 1.9 |
| | 10 | 125.5 | 4.1 | 165.2 | 14.1 | 130.0 | 12.0 | 111.1 | -4.7 |
| | 11 | 127.8 | 6.9 | 172.1 | 12.1 | 133.4 | 9.5 | 111.9 | 2.5 |
| | 12P | 132.6 | 4.3 | 177.4 | 6.2 | 137.3 | 12.0 | 116.2 | 0.2 |
| 2011 | 1P | 128.3 | 10.8 | 166.0 | 14.1 | 121.3 | 11.9 | 118.6 | 9.1 |

P: Preliminary
Source: Statistics Korea

# 5. Consumer goods shipment index and consumer sentiment index

See graph 2-6

| Period | Domestic consumer goods shipment index (2005=100) | | | | | | Consumer sentiment index |
|---|---|---|---|---|---|---|---|
| | | Y-o-Y change (%) | Durable goods | Y-o-Y change (%) | Non-durable goods | Y-o-Y change (%) | |
| 2008 | 114.8 | 1.6 | 126.8 | 1.8 | 109.9 | 1.4 | - |
| 2009 | 116.4 | 1.4 | 135.1 | 6.5 | 108.9 | -0.9 | - |
| 2010 | 122.0 | 4.8 | 139.6 | 3.3 | 115.0 | 5.6 | - |
| 2008 I | 117.5 | 5.8 | 133.3 | 11.3 | 111.1 | 3.3 | - |
| II | 115.7 | 4.2 | 136.5 | 11.4 | 107.4 | 0.9 | - |
| III | 113.8 | 2.2 | 123.0 | 0.1 | 110.1 | 3.2 | - |
| IV | 111.9 | -5.7 | 114.4 | -13.9 | 111.0 | -1.8 | - |
| 2009 I | 107.7 | -8.3 | 113.4 | -14.9 | 105.3 | -5.2 | - |
| II | 114.8 | -0.8 | 139.9 | 2.5 | 104.7 | -2.5 | - |
| III | 119.9 | 5.4 | 139.4 | 13.3 | 112.0 | 1.7 | - |
| IV | 123.3 | 10.2 | 147.8 | 29.2 | 113.4 | 2.2 | - |
| 2010 I | 118.5 | 10.0 | 136.7 | 20.5 | 111.2 | 5.6 | - |
| II | 119.9 | 4.4 | 139.5 | -0.3 | 112.1 | 7.1 | - |
| III | 122.0 | 1.8 | 139.2 | -0.1 | 115.1 | 2.8 | - |
| IV | 127.7 | 3.6 | 143.0 | -3.2 | 121.6 | 7.2 | - |
| 2008 1 | 125.4 | 9.1 | 132.6 | 12.4 | 122.5 | 7.8 | - |
| 2 | 106.5 | 2.1 | 123.1 | 8.3 | 99.8 | -0.7 | - |
| 3 | 120.6 | 5.7 | 144.2 | 12.8 | 111.1 | 2.3 | - |
| 4 | 119.8 | 7.3 | 144.2 | 20.3 | 110.1 | 1.7 | - |
| 5 | 115.7 | 2.4 | 136.9 | 9.3 | 107.2 | -0.7 | - |
| 6 | 111.7 | 2.9 | 128.5 | 5.0 | 105.0 | 2.0 | - |
| 7 | 117.8 | 7.4 | 134.3 | 8.0 | 111.1 | 6.9 | 84 |
| 8 | 111.7 | -1.1 | 118.6 | -5.1 | 108.9 | 0.7 | 96 |
| 9 | 112.0 | 0.6 | 116.1 | -2.8 | 110.3 | 2.1 | 96 |
| 10 | 119.7 | -1.6 | 127.7 | -6.4 | 116.6 | 0.8 | 88 |
| 11 | 107.0 | -9.3 | 111.0 | -15.8 | 105.4 | -6.2 | 84 |
| 12 | 109.1 | -6.3 | 104.4 | -19.8 | 111.0 | 0.1 | 81 |
| 2009 1 | 107.6 | -14.2 | 99.0 | -25.3 | 111.0 | -9.4 | 84 |
| 2 | 103.8 | -2.5 | 115.5 | -6.2 | 99.0 | -0.8 | 85 |
| 3 | 111.7 | -7.4 | 125.7 | -12.8 | 106.0 | -4.6 | 84 |
| 4 | 112.6 | -6.0 | 120.6 | -16.4 | 109.3 | -0.7 | 98 |
| 5 | 113.5 | -1.9 | 140.7 | 2.8 | 102.6 | -4.3 | 105 |
| 6 | 118.4 | 6.0 | 158.4 | 23.3 | 102.3 | -2.6 | 106 |
| 7 | 119.0 | 1.0 | 146.3 | 8.9 | 108.0 | -2.8 | 109 |
| 8 | 110.9 | -0.7 | 125.8 | 6.1 | 104.9 | -3.7 | 114 |
| 9 | 129.7 | 15.8 | 146.1 | 25.8 | 123.1 | 11.6 | 114 |
| 10 | 121.7 | 1.7 | 139.5 | 9.2 | 114.5 | -1.8 | 117 |
| 11 | 118.5 | 10.7 | 146.7 | 32.2 | 107.2 | 1.7 | 113 |
| 12 | 129.6 | 18.8 | 157.1 | 50.5 | 118.6 | 6.8 | 113 |
| 2010 1 | 123.7 | 15.0 | 136.0 | 37.4 | 118.8 | 7.0 | 113 |
| 2 | 110.3 | 6.3 | 129.7 | 12.3 | 102.6 | 3.6 | 111 |
| 3 | 121.6 | 8.9 | 144.5 | 15.0 | 112.3 | 5.9 | 110 |
| 4 | 120.5 | 7.0 | 135.4 | 12.3 | 114.6 | 4.8 | 110 |
| 5 | 117.5 | 3.5 | 135.3 | -3.8 | 110.4 | 7.6 | 111 |
| 6 | 121.8 | 2.9 | 147.7 | -6.8 | 111.4 | 8.9 | 112 |
| 7 | 121.9 | 2.4 | 145.6 | -0.5 | 112.4 | 4.1 | 112 |
| 8 | 120.5 | 8.7 | 133.9 | 6.4 | 115.2 | 9.8 | 110 |
| 9 | 123.6 | -4.7 | 138.0 | -5.5 | 117.8 | -4.3 | 109 |
| 10 | 129.3 | 6.2 | 145.7 | 4.4 | 122.8 | 7.2 | 108 |
| 11 | 128.3 | 8.3 | 144.7 | -1.4 | 121.8 | 13.6 | 110 |
| 12 | 125.4 | -3.2 | 138.6 | -11.8 | 120.1 | 1.3 | 109 |
| 2011 1 | 128.3 | 3.7 | 133.3 | -2.0 | 126.3 | 6.3 | 108 |
| 2 | - | - | - | - | - | - | 105 |

Source: Statistics Korea & The Bank of Korea

# 6. Machinery orders received, domestic machinery shipment and estimated facility investment index See graph 3-2

| Period | Domestic machinery orders received excluding ship (billion won, constant prices) | | | | Estimated facility investment index (2005=100) | Domestic machinery shipment excluding ship (2005=100) |
|---|---|---|---|---|---|---|
| | Total | Public | Private | Manufacturing | | |
| 2009 | 21,017 | 3,750 | 17,267 | 9,281 | 106.5 | 110.2 |
| 2010$^{P}$ | 23,360 | 2,330 | 21,030 | 12,279 | 133.2 | 135.0 |
| 2009 I | 5,025 | 932 | 4,094 | 1,998 | 92.7 | 98.8 |
| II | 5,009 | 696 | 4,313 | 2,248 | 106.2 | 114.7 |
| III | 5,675 | 1,345 | 4,330 | 2,376 | 107.6 | 106.9 |
| IV | 5,307 | 778 | 4,530 | 2,659 | 119.4 | 120.6 |
| 2010 I | 5,544 | 525 | 5,019 | 2,910 | 120.5 | 116.7 |
| II | 6,247 | 402 | 5,845 | 3,564 | 137.5 | 144.2 |
| III | 5,662 | 380 | 5,282 | 3,026 | 139.1 | 136.2 |
| IV$^{P}$ | 5,908 | 1,023 | 4,885 | 2,779 | 135.5 | 143.1 |
| 2009 7 | 2,506 | 1,073 | 1,432 | 753 | 105.8 | 108.2 |
| 8 | 1,351 | 71 | 1,280 | 654 | 99.7 | 97.0 |
| 9 | 1,818 | 200 | 1,619 | 968 | 117.4 | 115.4 |
| 10 | 1,565 | 84 | 1,481 | 851 | 107.6 | 107.8 |
| 11 | 1,950 | 433 | 1,517 | 941 | 119.1 | 114.4 |
| 12 | 1,793 | 246 | 1,532 | 866 | 131.5 | 139.6 |
| 2010 1 | 1,767 | 169 | 1,598 | 1,008 | 103.7 | 108.3 |
| 2 | 1,641 | 107 | 1,534 | 880 | 112.8 | 102.7 |
| 3 | 2,135 | 249 | 1,886 | 1,022 | 145.1 | 139.1 |
| 4 | 1,843 | 127 | 1,716 | 1,054 | 132.9 | 139.4 |
| 5 | 2,189 | 115 | 2,074 | 1,329 | 132.4 | 140.9 |
| 6 | 2,214 | 160 | 2,055 | 1,180 | 147.2 | 152.2 |
| 7 | 2,092 | 105 | 1,987 | 1,068 | 139.1 | 138.6 |
| 8 | 1,710 | 106 | 1,604 | 897 | 140.8 | 132.8 |
| 9 | 1,860 | 169 | 1,691 | 1,061 | 137.5 | 137.1 |
| 10 | 1,719 | 101 | 1,618 | 964 | 130.8 | 134.8 |
| 11 | 1,770 | 102 | 1,668 | 981 | 134.7 | 136.7 |
| 12$^{P}$ | 2,418 | 820 | 1,599 | 834 | 141.1 | 157.9 |
| 2011 1$^{P}$ | 2,125 | 116 | 2,009 | 1,169 | 126.8 | 132.6 |
| | *Y-o-Y change (%)* | | | | | |
| 2009 | -10.3 | 62.4 | -18.2 | -25.8 | -9.4 | -5.3 |
| 2010$^{P}$ | 11.2 | -37.9 | 21.8 | 32.3 | 25.1 | 22.5 |
| 2009 I | -35.4 | 150.8 | -44.7 | -59.0 | -22.1 | -12.6 |
| II | -16.3 | 29.9 | -20.8 | -26.4 | -15.2 | -6.4 |
| III | 5.4 | 280.2 | -13.9 | -17.5 | -8.3 | -7 |
| IV | 24.0 | -25.8 | 40.2 | 55.7 | 9.6 | 4.7 |
| 2010 I | 10.3 | -43.7 | 22.6 | 45.6 | 30.0 | 18.1 |
| II | 24.7 | -42.2 | 35.5 | 58.5 | 29.5 | 25.7 |
| III | -0.2 | -71.7 | 22.0 | 27.4 | 29.3 | 27.4 |
| IV$^{P}$ | 11.3 | 31.4 | 7.8 | 4.5 | 13.5 | 18.7 |
| 2009 7 | 6.9 | 498.5 | -33.8 | -38.2 | -14.8 | -10.4 |
| 8 | -18.6 | -17.4 | -18.7 | -30.6 | -15.2 | -11 |
| 9 | 31.4 | 127.5 | 24.9 | 34.8 | 6.2 | 0.3 |
| 10 | -6.2 | -79.0 | 16.7 | 18.7 | -6.1 | -6.4 |
| 11 | 57.5 | 110.1 | 46.9 | 74.7 | 14.6 | 2.3 |
| 12 | 30.6 | -41.1 | 64.8 | 92.0 | 21.5 | 17.8 |
| 2010 1 | 11.8 | -27.1 | 18.5 | 39.4 | 26.3 | 27.6 |
| 2 | -2.0 | -79.4 | 32.8 | 66.8 | 23.7 | 5.2 |
| 3 | 20.6 | 37.2 | 18.7 | 36.7 | 38.3 | 22.1 |
| 4 | 27.2 | 39.0 | 26.4 | 57.1 | 32.5 | 24 |
| 5 | 56.3 | 19.6 | 59.1 | 101.1 | 28.4 | 32.1 |
| 6 | 2.6 | -68.6 | 24.4 | 28.8 | 27.7 | 21.8 |
| 7 | -16.5 | -90.2 | 38.7 | 41.8 | 31.5 | 28.1 |
| 8 | 26.6 | 48.9 | 25.3 | 37.1 | 41.2 | 36.9 |
| 9 | 2.3 | -15.5 | 4.5 | 9.6 | 17.1 | 18.8 |
| 10 | 9.9 | 20.8 | 9.3 | 13.2 | 21.6 | 25 |
| 11 | -9.2 | -76.5 | 10.0 | 4.2 | 13.1 | 19.5 |
| 12$^{P}$ | 34.9 | 213.9 | 4.3 | -3.7 | 7.3 | 13.1 |
| 2011 1$^{P}$ | 20.2 | -31.5 | 25.7 | 15.9 | 22.3 | 22.4 |

P: Preliminary
Source: Statistics Korea

# 7. Value of construction completed and domestic construction orders received See graphs 4-2 & 4-3

*(current prices, billion won)*

| Period | Value of construction completion (total) | Type of order | | Domestic construction orders received (total) | Type of order | |
|---|---|---|---|---|---|---|
| | | Public | Private | | Public | Private |
| 2009 | 89,819 | 32,394 | 52,533 | 109,088 | 51,488 | 53,159 |
| 2010P | 92,238 | 35,163 | 52,777 | 88,675 | 29,013 | 54,628 |
| 2009 I | 19,116 | 6,564 | 11,538 | 18,400 | 9,343 | 8,410 |
| II | 23,611 | 8,655 | 13,574 | 27,105 | 18,062 | 8,147 |
| III | 22,089 | 7,873 | 13,024 | 19,808 | 8,733 | 10,072 |
| IV | 25,003 | 9,303 | 14,397 | 43,776 | 15,350 | 26,530 |
| 2010 I | 20,329 | 7,467 | 11,977 | 18,110 | 7,955 | 9,087 |
| II | 24,082 | 9,129 | 13,931 | 25,295 | 6,890 | 16,737 |
| III | 22,005 | 7,784 | 13,160 | 19,095 | 6,814 | 11,406 |
| IVP | 25,823 | 10,784 | 13,708 | 26,175 | 7,355 | 17,399 |
| 2009 7 | 6,985 | 2,361 | 4,251 | 5,950 | 3,161 | 2,424 |
| 8 | 6,715 | 2,427 | 3,929 | 4,735 | 1,798 | 2,840 |
| 9 | 8,389 | 3,085 | 4,844 | 9,123 | 3,774 | 4,808 |
| 10 | 7,289 | 2,585 | 4,341 | 10,724 | 4,737 | 5,732 |
| 11 | 8,081 | 2,798 | 4,858 | 14,706 | 5,243 | 8,879 |
| 12 | 9,632 | 3,919 | 5,198 | 18,346 | 5,369 | 11,919 |
| 2010 1 | 6,496 | 2,257 | 3,972 | 7,043 | 2,410 | 4,274 |
| 2 | 6,145 | 2,303 | 3,614 | 4,752 | 2,170 | 2,232 |
| 3 | 7,687 | 2,908 | 4,391 | 6,314 | 3,375 | 2,582 |
| 4 | 7,354 | 2,628 | 4,460 | 6,636 | 1,829 | 4,456 |
| 5 | 7,741 | 2,841 | 4,537 | 8,717 | 1,672 | 6,652 |
| 6 | 8,986 | 3,660 | 4,934 | 9,941 | 3,388 | 5,629 |
| 7 | 7,453 | 2,690 | 4,419 | 7,475 | 3,903 | 3,351 |
| 8 | 7,150 | 2,460 | 4,370 | 4,145 | 1,327 | 2,698 |
| 9 | 7,401 | 2,634 | 4,371 | 7,475 | 1,584 | 5,355 |
| 10 | 7,356 | 2,856 | 4,135 | 4,415 | 1,185 | 3,111 |
| 11 | 8,041 | 3,278 | 4,401 | 7,551 | 2,023 | 5,217 |
| 12P | 10,426 | 4,650 | 5,173 | 14,209 | 4,146 | 9,071 |
| 2011 1P | 6,371 | 2,529 | 3,565 | 4,658 | 1,295 | 2,697 |
| *Y-o-Y change (%)* | | | | | | |
| 2009 | 3.2 | 21.2 | -5.8 | 5.0 | 63.1 | -20.0 |
| 2010P | 2.7 | 8.5 | 0.5 | -18.7 | -43.7 | 2.8 |
| 2009 I | 4.3 | 24.4 | -5.4 | -10.5 | 34.9 | -36.2 |
| II | 6.3 | 31.8 | -5.9 | 1.6 | 187.9 | -58.3 |
| III | -1.3 | 21.3 | -11.9 | 8.1 | 77.0 | -13.5 |
| IV | 3.7 | 11.0 | 0.3 | 14.2 | 14.3 | 20.1 |
| 2010 I | 6.3 | 13.8 | 3.8 | -1.6 | -14.9 | 8.0 |
| II | 2.0 | 5.5 | 2.6 | -6.7 | -61.9 | 105.4 |
| III | -0.4 | -1.1 | 1.0 | -3.6 | -22.0 | 13.2 |
| IVP | 3.3 | 15.9 | -4.8 | -40.2 | -52.1 | 34.4 |
| 2009 7 | -2.8 | 16.6 | -11.6 | -2.7 | 124.9 | -42.1 |
| 8 | -8.3 | 14.1 | -18.9 | -25.8 | 9.2 | -35.9 |
| 9 | 6.7 | 31.9 | -5.5 | 56.6 | 100.6 | 58.8 |
| 10 | -6.1 | 3.5 | -10.3 | 30.7 | 92.3 | 18.6 |
| 11 | 3.5 | 8.8 | 1.8 | 80.9 | 67.8 | 93.1 |
| 12 | 12.8 | 18.3 | 9.7 | -16.6 | -31.5 | -5.9 |
| 2010 1 | 7.2 | 5.1 | 9.6 | 20.2 | -11.5 | 49.2 |
| 2 | 0.8 | 12.9 | -3.5 | -4.6 | -22.2 | 8.0 |
| 3 | 10.5 | 22.2 | 5.3 | -16.5 | -11.9 | -25.8 |
| 4 | -1.0 | -0.1 | 1.0 | -14.1 | -68.7 | 178.8 |
| 5 | 7.3 | 9.6 | 7.8 | 17.4 | -62.9 | 138.3 |
| 6 | 0.2 | 6.7 | -0.3 | -16.9 | -56.0 | 49.8 |
| 7 | 6.7 | 14.0 | 3.9 | 25.6 | 23.5 | 38.3 |
| 8 | 6.5 | 1.4 | 11.2 | -12.5 | -26.2 | -5.0 |
| 9 | -11.8 | -14.6 | -9.8 | -18.1 | -58.0 | 11.4 |
| 10 | 0.9 | 10.5 | -4.8 | -58.8 | -75.0 | -45.7 |
| 11 | -0.5 | 17.1 | -9.4 | -48.7 | -61.4 | -41.2 |
| 12P | 8.2 | 18.6 | -0.5 | -22.5 | -22.8 | -23.9 |
| 2011 1P | -1.9 | 12.1 | -10.3 | -33.9 | -46.3 | -36.9 |

P: Preliminary
Source: Statistics Korea

# 8. Composite indices of business cycle indicators and BSI

See graphs 13-1, 13-2 & 13-3

| Period | | Leading index (2005=100) | Y-o-Y change (%) | Coincident index (2005=100) | Cycle of coincident index (2005=100) | BSI (results) | BSI (prospects) |
|---|---|---|---|---|---|---|---|
| 2007 | 1 | 109.1 | 5.4 | 110.9 | 101.4 | 85.6 | 96.5 |
| | 2 | 110.0 | 5.8 | 111.3 | 101.4 | 87.5 | 93.4 |
| | 3 | 110.4 | 5.8 | 111.9 | 101.4 | 109.4 | 112.3 |
| | 4 | 111.0 | 5.9 | 112.4 | 101.5 | 105.8 | 107.7 |
| | 5 | 111.2 | 5.7 | 113.0 | 101.6 | 104.1 | 110.9 |
| | 6 | 112.0 | 6.1 | 113.8 | 101.9 | 100.2 | 105.6 |
| | 7 | 112.8 | 6.4 | 114.6 | 102.2 | 95.8 | 99.3 |
| | 8 | 113.6 | 6.7 | 115.3 | 102.4 | 94.4 | 102.5 |
| | 9 | 114.2 | 6.7 | 115.6 | 102.2 | 101.5 | 111.8 |
| | 10 | 115.2 | 7.1 | 116.4 | 102.5 | 108.3 | 116.3 |
| | 11 | 116.1 | 7.5 | 117.2 | 102.7 | 106.0 | 112.4 |
| | 12 | 116.7 | 7.4 | 118.3 | 103.2 | 98.9 | 103.4 |
| 2008 | 1 | 116.3 | 6.5 | 119.3 | 103.7 | 95.2 | 103.0 |
| | 2 | 115.6 | 5.1 | 119.6 | 103.5 | 95.6 | 94.8 |
| | 3 | 115.1 | 4.0 | 119.9 | 103.4 | 101.1 | 102.1 |
| | 4 | 114.9 | 3.2 | 119.9 | 102.9 | 101.7 | 98.1 |
| | 5 | 114.8 | 2.5 | 120.0 | 102.6 | 98.1 | 104.7 |
| | 6 | 114.2 | 1.4 | 119.8 | 102.0 | 79.1 | 95.3 |
| | 7 | 113.5 | 0.2 | 119.8 | 101.5 | 80.8 | 83.2 |
| | 8 | 113.3 | -0.4 | 120.0 | 101.3 | 83.1 | 80.8 |
| | 9 | 113.1 | -0.9 | 120.3 | 101.1 | 76.8 | 98.3 |
| | 10 | 112.5 | -1.7 | 120.3 | 100.6 | 64.6 | 84.9 |
| | 11 | 111.3 | -3.1 | 118.8 | 99.0 | 53.7 | 63.7 |
| | 12 | 110.5 | -3.9 | 116.1 | 96.4 | 52.4 | 55.0 |
| 2009 | 1 | 110.8 | -3.6 | 114.1 | 94.3 | 58.1 | 52.0 |
| | 2 | 112.2 | -2.4 | 114.1 | 93.9 | 62.4 | 66.0 |
| | 3 | 113.4 | -1.3 | 115.3 | 94.5 | 89.0 | 76.1 |
| | 4 | 115.3 | 0.5 | 117.1 | 95.5 | 93.7 | 86.7 |
| | 5 | 117.3 | 2.6 | 118.1 | 96.0 | 100.9 | 103.8 |
| | 6 | 119.9 | 5.4 | 120.4 | 97.4 | 96.6 | 100.2 |
| | 7 | 121.5 | 7.2 | 121.7 | 98.0 | 98.5 | 98.7 |
| | 8 | 122.5 | 8.4 | 122.7 | 98.4 | 96.0 | 99.8 |
| | 9 | 123.4 | 9.4 | 123.5 | 98.7 | 110.5 | 117.0 |
| | 10 | 124.6 | 10.4 | 124.4 | 98.9 | 107.5 | 116.5 |
| | 11 | 126.4 | 11.7 | 125.2 | 99.2 | 103.8 | 109.0 |
| | 12 | 127.2 | 12.0 | 125.8 | 99.2 | 104.8 | 105.9 |
| 2010 | 1 | 127.5 | 11.6 | 126.6 | 99.5 | 99.2 | 103.1 |
| | 2 | 127.0 | 10.4 | 127.8 | 100.0 | 98.7 | 102.3 |
| | 3 | 127.1 | 9.6 | 128.8 | 100.3 | 113.1 | 116.2 |
| | 4 | 126.9 | 8.6 | 129.6 | 100.5 | 108.9 | 111.2 |
| | 5 | 127.3 | 7.7 | 130.5 | 100.8 | 111.9 | 113.4 |
| | 6 | 127.7 | 6.8 | 131.4 | 101.0 | 109.4 | 108.9 |
| | 7 | 128.4 | 6.2 | 132.4 | 101.4 | 105.0 | 107.3 |
| | 8 | 128.8 | 5.4 | 132.6 | 101.1 | 98.6 | 100.7 |
| | 9 | 128.8 | 4.5 | 132.2 | 100.4 | 104.1 | 111.1 |
| | 10 | 128.4 | 3.3 | 131.8 | 99.6 | 104.3 | 113.1 |
| | 11 | 128.7 | 2.8 | 132.1 | 99.5 | 103.5 | 107.1 |
| | 12 | 129.3 | 2.8 | 133.1 | 99.8 | 102.1 | 104.2 |
| 2011 | 1 | 130.2 | 3.0 | 135.1 | 100.9 | 99.1 | 101.8 |
| | 2 | - | - | - | - | 92.2 | 98.0 |
| | 3 | - | - | - | - | - | 113.5 |

Source: Statistics Korea & The Federation of Korean Industries

# 9. Balance of payments (I) See graphs 5-1, 5-2, 5-3, 10-1 & 10-2

(million US$)

| Period | | Current balance | Goods trade balance | Exports | Imports | Services trade balance | Income trade balance | Current transfers |
|---|---|---|---|---|---|---|---|---|
| 2008 | | 3,197.5 | 5,170.1 | 434,651.5 | 429,481.4 | -5,734.1 | 4,435.4 | -673.9 |
| 2009 | | 32,790.5 | 37,866.0 | 358,189.7 | 320,323.7 | -6,640.5 | 2,276.7 | -711.7 |
| 2010P | | 28,213.6 | 41,904.0 | 464,286.9 | 422,383.1 | -11,229.4 | 768.4 | -3.229.4 |
| 2008 | I | 86.3 | 1,365.8 | 106,227.0 | 104,861.2 | -2,358.8 | 1,613.1 | -533.8 |
| | II | 595.6 | 4,095.7 | 117,184.4 | 113,088.7 | -1,656.7 | -887.1 | -956.3 |
| | III | -3,981.0 | -1,208.3 | 119,540.5 | 120,748.8 | -3,145.3 | 1,137.3 | -764.7 |
| | IV | 6,496.6 | 916.9 | 91,699.6 | 90,782.7 | 1,426.7 | 2,572.1 | 1,580.9 |
| 2009 | I | 4,543.3 | 2,819.2 | 73,334.9 | 70,515.7 | -26.0 | 393.9 | 1,356.2 |
| | II | 11,557.4 | 13,553.3 | 87,038.0 | 73,484.7 | -1,291.4 | -151.1 | -553.4 |
| | III | 8,613.2 | 10,914.6 | 95,485.2 | 84,570.6 | -2,663.3 | 948.6 | -586.7 |
| | IV | 8,076.6 | 10,578.9 | 102,331.6 | 91,752.7 | -2,659.8 | 1,085.3 | -927.8 |
| 2010P | I | 263.3 | 4,785.4 | 101,354.5 | 96,569.1 | -4,201.1 | 546.5 | -867.4 |
| | II | 8,857.9 | 12,240.4 | 117,585.0 | 105,344.7 | -1,873.1 | -1,006.5 | -502.9 |
| | III | 9,931.1 | 12,542.3 | 118,257.3 | 105,715.1 | -2,954.6 | 1,296.1 | -952.7 |
| | IV | 9,161.3 | 12,335.9 | 127,090.1 | 114,754.2 | -2,200.6 | -67.6 | -906.4 |
| 2008 | 1 | 19.2 | 588.5 | 36,167.2 | 35,578.7 | -996.1 | 718.3 | -291.5 |
| | 2 | -1,230.5 | 30.8 | 32,263.4 | 32,232.6 | -1,497.2 | 670.3 | -434.4 |
| | 3 | 1,297.6 | 746.5 | 37,796.4 | 37,049.9 | 134.5 | 224.5 | 192.1 |
| | 4 | -1,205.1 | 1,018.4 | 38,594.7 | 37,576.3 | 137.5 | -2,036.2 | -324.8 |
| | 5 | 1,002.8 | 1,234.9 | 39,428.7 | 38,193.8 | -391.7 | 441.5 | -281.9 |
| | 6 | 797.9 | 1,842.4 | 39,161.0 | 37,318.6 | -1,402.5 | 707.6 | -349.6 |
| | 7 | -192.6 | 1,900.0 | 43,842.5 | 41,942.5 | -1,769.1 | 228.0 | -551.5 |
| | 8 | -3,587.6 | -2,467.7 | 37,121.5 | 39,589.2 | -1,211.4 | 305.4 | -213.9 |
| | 9 | -200.8 | -640.6 | 38,576.5 | 39,217.1 | -164.8 | 603.9 | 0.7 |
| | 10 | 4,984.2 | 1,327.3 | 37,504.4 | 36,177.1 | 1,416.8 | 1,468.6 | 771.5 |
| | 11 | 1,453.1 | -388.9 | 28,046.2 | 28,435.1 | 716.2 | 635.4 | 490.4 |
| | 12 | 59.3 | -21.5 | 26,149.0 | 26,170.5 | -706.3 | 468.1 | 319.0 |
| 2009 | 1 | -1,800.2 | -2,441.3 | 21,910.3 | 24,351.6 | -98.9 | 502.7 | 237.3 |
| | 2 | 2,579.8 | 1,766.2 | 24,179.6 | 22,413.4 | -64.1 | 366.2 | 511.5 |
| | 3 | 3,763.7 | 3,494.3 | 27,245.0 | 23,750.7 | 137.0 | -475.0 | 607.4 |
| | 4 | 3,511.2 | 4,255.5 | 28,832.5 | 24,577.0 | -15.8 | -835.1 | 106.6 |
| | 5 | 3,153.8 | 3,822.6 | 27,228.8 | 23,406.2 | -555.6 | 205.0 | -318.2 |
| | 6 | 4,892.4 | 5,475.2 | 30,976.7 | 25,501.5 | -720.0 | 479.0 | -341.8 |
| | 7 | 4,054.8 | 5,021.2 | 32,688.5 | 27,667.3 | -1,241.2 | 366.3 | -91.5 |
| | 8 | 1,300.2 | 1,920.5 | 29,001.4 | 27,080.9 | -761.3 | 367.9 | -226.9 |
| | 9 | 3,258.2 | 3,972.9 | 33,795.3 | 29,822.4 | -660.8 | 214.4 | -268.3 |
| | 10 | 3,202.9 | 3,546.1 | 33,474.6 | 29,928.5 | -505.9 | 336.2 | -173.5 |
| | 11 | 4,165.0 | 4,851.1 | 34,055.5 | 29,204.4 | -643.6 | 272.5 | -315.0 |
| | 12 | 708.7 | 2,181.7 | 34,801.5 | 32,619.8 | -1,510.3 | 476.6 | -439.3 |
| 2010P | 1 | -571.8 | 996.7 | 31,806.6 | 30,809.9 | -1,651.8 | 414.6 | -331.3 |
| | 2 | -363.1 | 586.3 | 31,119.7 | 30,533.4 | -1,270.7 | 497.4 | -176.1 |
| | 3 | 1,198.2 | 3,202.4 | 38,428.2 | 35,225.8 | -1,278.6 | -365.6 | -360.0 |
| | 4 | 529.0 | 3,740.1 | 39,186.7 | 35,446.7 | -1,268.9 | -1,452.5 | -489.7 |
| | 5 | 3,998.9 | 3,658.4 | 38,250.1 | 34,591.7 | 147.4 | 219.8 | -26.7 |
| | 6 | 4,330.0 | 4,841.9 | 40,148.2 | 35,306.3 | -751.6 | 226.2 | 13.5 |
| | 7 | 4,457.9 | 5,268.9 | 41,130.1 | 35,861.3 | -859.3 | 352.3 | -304.0 |
| | 8 | 1,975.7 | 2,826.0 | 37,903.4 | 35,077.4 | -902.5 | 518.7 | -466.5 |
| | 9 | 3,497.5 | 4,447.4 | 39,223.8 | 34,776.4 | -1,192.8 | 425.1 | -182.2 |
| | 10 | 5,112.5 | 5,484.9 | 42,012.2 | 36,527.3 | -749.9 | 657.1 | -279.6 |
| | 11 | 1,934.4 | 3,170.8 | 41,939.6 | 38,768.8 | -304.5 | -690.2 | -241.7 |
| | 12 | 2,114.4 | 3,680.2 | 43,138.3 | 39,458.1 | -1,146.2 | -34.5 | -385.1 |
| 2011P | 1 | 229.0 | 1,632.2 | 42,738.3 | 41,106.1 | -1,640.9 | 703.7 | -466.0 |

P: Preliminary
Source: The Bank of Korea & Korea Customs Service

# 10. Balance of payments (II) See graph 10-3

(million US$)

| Period | Capital & financial account | Direct investment | Portfolio investment | Financial derivative | Other investment | Capital transfers & acquisition of non-financial assets | Changes in reserve assets | Errors and omissions |
|---|---|---|---|---|---|---|---|---|
| 2008 | -1,154.0 | -16,940.6 | -2,405.6 | -14,769.9 | -23,593.2 | 109.3 | 56,446.0 | -2,043.5 |
| 2009 | -34,651.2 | -14,948.0 | 49,727.7 | -3,093.0 | 2,038.9 | 289.6 | -68,666.4 | 1,860.7 |
| 2010P | -25,331.5 | -19,379.7 | 38,552.4 | -7.4 | -17,228.1 | -174.2 | -27,094.5 | -2,882.1 |
| 2008 I | 1,193.5 | -6,108.5 | -4,401.5 | -1,249.5 | 9,213.4 | -110.4 | 3,850.0 | -1,279.8 |
| II | 1,939.6 | -4,467.0 | 8,356.7 | -1,240.7 | -6,200.3 | -226.8 | 5,717.7 | -2,535.2 |
| III | 2,595.0 | -3,988.1 | -9,421.3 | -3,550.4 | 6,889.4 | -217.7 | 12,883.1 | 1,386.0 |
| IV | -6,882.1 | -2,377.0 | 3,060.5 | -8,729.3 | -33,495.7 | 664.2 | 33,995.2 | 385.5 |
| 2009 I | -4,368.3 | -2,777.9 | 2,784.6 | -2,656.9 | 6,917.1 | 382.3 | -9,017.4 | -175.0 |
| II | -12,936.8 | -2,032.0 | 15,927.2 | 599.0 | -7,914.9 | 25.8 | -19,541.8 | 1,379.4 |
| III | -6,977.2 | -3,305.7 | 21,226.9 | -1,050.9 | -251.1 | -103.9 | -23,492.6 | -1,636.0 |
| IV | -10,368.9 | -6,832.4 | 9,789.0 | 15.8 | 3,287.8 | -14.6 | -16,614.6 | 2,292.3 |
| 2010P I | -155.3 | -2,307.5 | 10,159.6 | 746.6 | 16.7 | -175.6 | -8,595.1 | -108.0 |
| II | -9,099.0 | -2,564.1 | 7,098.4 | -983.9 | -7,076.3 | 27.1 | -5,600.2 | 241.1 |
| III | -7,679.6 | -6,217.4 | 14,032.1 | -388.6 | -4,725.3 | 31.1 | -10,411.5 | -2,251.5 |
| IV | -8,397.6 | -8,290.7 | 7,262.3 | 618.5 | -5,443.2 | -56.8 | -2,487.7 | -763.7 |
| 2008 1 | 386.7 | -3,111.7 | -949.8 | -130.4 | 3,201.2 | -58.7 | 1,436.1 | -405.9 |
| 2 | 808.3 | -199.9 | -3,144.5 | -298.1 | 2,762.6 | -14.9 | 1,703.1 | 422.2 |
| 3 | -1.5 | -2,796.9 | -307.2 | -821.0 | 3,249.6 | -36.8 | 710.8 | -1,296.1 |
| 4 | 1,442.8 | -2,670.0 | 4,093.1 | -560.3 | -1,744.6 | -86.7 | 2,411.3 | -237.7 |
| 5 | 670.4 | -792.4 | 9,168.1 | -627.6 | -9,293.2 | -49.1 | 2,264.6 | -1,673.2 |
| 6 | -173.6 | -1,004.6 | -4,904.5 | -52.8 | 4,837.5 | -91.0 | 1,041.8 | -624.3 |
| 7 | 1,052.9 | -1,574.4 | -7,025.3 | -551.2 | 1,209.3 | -176.9 | 9,171.4 | -860.3 |
| 8 | 2,866.3 | -1,537.7 | -343.4 | -69.3 | 6,139.7 | -107.8 | -1,215.2 | 721.3 |
| 9 | -1,324.2 | -876.0 | -2,052.6 | -2,929.9 | -459.6 | 67.0 | 4,926.9 | 1,525.0 |
| 10 | -3,562.9 | -1,087.9 | 5,004.0 | -3,888.3 | -23,932.3 | 353.5 | 19,988.1 | -1,421.3 |
| 11 | -1,557.3 | -724.2 | -2,524.0 | -1,347.1 | -8,079.7 | 213.5 | 10,904.2 | 104.2 |
| 12 | -1,761.9 | -564.9 | 580.5 | -3,493.9 | -1,483.7 | 97.2 | 3,102.9 | 1,702.6 |
| 2009 1 | 2,763.4 | -643.0 | 4,715.2 | 473.2 | 2,644.7 | 61.9 | -4,488.6 | -963.2 |
| 2 | -4,063.6 | -1,095.1 | 122.8 | -771.2 | -1,255.7 | 195.6 | -1,260.0 | 1,483.8 |
| 3 | -3,068.1 | -1,039.8 | -2,053.4 | -2,358.9 | 5,528.1 | 124.8 | -3,268.8 | -695.6 |
| 4 | -3,595.1 | -695.3 | 6,879.7 | 274.1 | -4,669.7 | 60.3 | -5,444.1 | 83.9 |
| 5 | -3,865.7 | -855.9 | 4,157.3 | 1,279.7 | 1,818.3 | -16.5 | -10,248.6 | 711.9 |
| 6 | -5,476.0 | -480.8 | 4,890.2 | -954.8 | -5,063.5 | -18.0 | -3,849.1 | 583.6 |
| 7 | -2,438.2 | -1,644.2 | 8,470.1 | -155.1 | -3,538.9 | 3.4 | -5,573.6 | -1,616.6 |
| 8 | -2,160.3 | -865.9 | 4,004.4 | -870.3 | 2,696.1 | -29.4 | -7,095.2 | 860.1 |
| 9 | -2,378.7 | -795.6 | 8,752.4 | -25.5 | 591.7 | -77.9 | -10,823.8 | -879.5 |
| 10 | -4,817.0 | -749.1 | 5,829.4 | -509.1 | -1,429.4 | 6.9 | -7,965.8 | 1,614.1 |
| 11 | -4,229.2 | -2,855.1 | 2,992.6 | 614.2 | 712.9 | -56.4 | -5,637.4 | 64.2 |
| 12 | -1,322.7 | -3,228.2 | 967.0 | -89.3 | 4,004.3 | 34.9 | -3,011.4 | 614.0 |
| 2010P 1 | -686.4 | -1,070.2 | 118.0 | 241.8 | 7,076.7 | -70.0 | -6,982.7 | 1,258.2 |
| 2 | 1,398.3 | -613.7 | 2,484.0 | 549.3 | -1,692.8 | -43.2 | 714.7 | -1,035.2 |
| 3 | -867.2 | -623.6 | 7,557.6 | -44.5 | -5,367.2 | -62.4 | -2,327.1 | -331.0 |
| 4 | 641.8 | -1,163.6 | 5,792.1 | 80.6 | 5,343.4 | -120.5 | -9,290.2 | -1,170.8 |
| 5 | -5,611.5 | -571.7 | 747.2 | -854.8 | -12,116.8 | 101.3 | 7083.3 | 1,612.6 |
| 6 | -4,129.3 | -828.8 | 559.1 | -209.7 | -302.9 | 46.3 | -3393.3 | -200.7 |
| 7 | -3,528.4 | -1,773.0 | 8,592.4 | -297.3 | -4,029.4 | -0.2 | -6020.9 | -929.5 |
| 8 | -1,421.7 | -1,184.2 | 1,061.0 | 61.3 | 93.3 | 57.9 | -1,511.00 | -554.0 |
| 9 | -2,729.5 | -3,260.2 | 4,378.7 | -152.6 | -789.2 | -26.6 | -2,879.60 | -768.2 |
| 10 | -5,869.7 | -5,393.9 | 7,447.3 | 0.4 | -5,216.8 | -48.1 | -2,658.60 | 757.2 |
| 11 | -2,191.7 | -1,286.8 | 2,227.2 | 106.9 | -1,494.4 | -25.3 | -1,719.30 | 257.3 |
| 12 | -336.2 | -1,610.0 | -2,412.2 | 511.2 | 1,268.0 | 16.6 | 1,890.20 | -1,778.2 |
| 2011P 1 | -1,650.4 | -1,725.4 | 904.6 | 569.3 | 1,404.9 | -120.7 | -2,683.10 | 1,421.4 |

P: Preliminary
Source: The Bank of Korea

## 11. Prices See graphs 11-1, 11-2 & 11-3

*(2005 = 100)*

| Period | | Consumer prices | | | | Producer prices (2005=100) | | Export & import prices | |
|---|---|---|---|---|---|---|---|---|---|
| | | All Items | Commodity | Service | Core | All items | Commodity | Export | Import |
| 2009 | | 112.8 | 113.6 | 112.2 | 112.5 | 110.9 | 111.9 | 109.2 | 137.7 |
| 2010 | | 116.1 | 118.8 | 114.3 | 114.5 | 115.1 | 117.0 | 106.4 | 145.0 |
| 2009 | 1 | 110.8 | 110.4 | 111.1 | 111.1 | 109.6 | 110.4 | 111.1 | 138.1 |
| | 2 | 111.6 | 112.1 | 111.2 | 111.5 | 110.3 | 111.5 | 116.5 | 143.5 |
| | 3 | 112.4 | 113.3 | 111.8 | 112.0 | 110.8 | 112.1 | 118.4 | 145.4 |
| | 4 | 112.7 | 113.8 | 112.0 | 112.2 | 111.0 | 112.1 | 112.2 | 134.1 |
| | 5 | 112.7 | 113.6 | 112.0 | 112.4 | 110.1 | 111.0 | 106.3 | 130.0 |
| | 6 | 112.6 | 113.3 | 112.1 | 112.5 | 109.8 | 110.5 | 108.3 | 136.7 |
| | 7 | 113.0 | 113.9 | 112.5 | 112.7 | 111.1 | 112.1 | 109.0 | 136.6 |
| | 8 | 113.4 | 114.5 | 112.7 | 112.8 | 111.7 | 112.9 | 109.3 | 139.5 |
| | 9 | 113.5 | 114.6 | 112.7 | 112.9 | 111.8 | 113.0 | 107.3 | 136.8 |
| | 10 | 113.2 | 113.9 | 112.8 | 113.0 | 110.9 | 111.8 | 104.0 | 135.3 |
| | 11 | 113.4 | 114.2 | 112.9 | 113.2 | 111.3 | 112.5 | 104.3 | 137.9 |
| | 12 | 113.8 | 115.0 | 113.0 | 113.3 | 111.9 | 113.1 | 105.1 | 138.6 |
| 2010 | 1 | 114.2 | 115.6 | 113.3 | 113.4 | 112.7 | 113.9 | 103.5 | 136.9 |
| | 2 | 114.6 | 116.1 | 113.6 | 113.6 | 113.0 | 114.5 | 104.7 | 137.6 |
| | 3 | 115.0 | 116.9 | 113.8 | 113.7 | 113.7 | 115.3 | 104.0 | 139.2 |
| | 4 | 115.6 | 118.1 | 114.0 | 113.9 | 114.6 | 116.4 | 103.8 | 140.9 |
| | 5 | 115.7 | 118.1 | 114.1 | 114.2 | 115.2 | 117.1 | 106.7 | 144.7 |
| | 6 | 115.5 | 117.6 | 114.2 | 114.4 | 114.8 | 116.6 | 109.9 | 147.6 |
| | 7 | 115.9 | 118.3 | 114.4 | 114.6 | 114.9 | 116.7 | 109.4 | 147.0 |
| | 8 | 116.3 | 119.0 | 114.6 | 114.8 | 115.2 | 117.1 | 107.4 | 147.4 |
| | 9 | 117.6 | 121.8 | 114.9 | 115.1 | 116.3 | 118.6 | 106.9 | 147.4 |
| | 10 | 117.8 | 122.1 | 115.0 | 115.1 | 116.4 | 118.6 | 105.0 | 146.1 |
| | 11 | 117.1 | 120.4 | 114.9 | 115.2 | 116.7 | 118.9 | 106.3 | 149.2 |
| | 12 | 117.8 | 121.9 | 115.0 | 115.6 | 117.8 | 120.5 | 109.6 | 156.1 |
| 2011 | 1 | 118.9 | 123.8 | 115.8 | 116.3 | 119.7 | 122.7 | 108.6 | 156.1 |
| | 2 | 119.8 | 125.1 | 116.4 | 117.1 | 120.5 | 123.9 | - | - |
| | | *Y-o-Y change (%)* | | | | | | | |
| 2009 | | 2.8 | 3.4 | 2.4 | 3.6 | -0.2 | -0.5 | -0.2 | -4.1 |
| 2010 | | 2.9 | 4.6 | 4.2 | 1.8 | 3.8 | 4.6 | -2.6 | 5.3 |
| 2009 | 1 | 3.7 | 3.9 | 3.7 | 5.2 | 4.7 | 5.7 | 18.6 | 16.7 |
| | 2 | 4.1 | 5.2 | 3.4 | 5.2 | 4.4 | 5.5 | 22.9 | 18.0 |
| | 3 | 3.9 | 5.8 | 2.7 | 4.5 | 3.5 | 4.3 | 17.4 | 10.6 |
| | 4 | 3.6 | 5.2 | 2.6 | 4.2 | 1.5 | 1.6 | 7.7 | -1.8 |
| | 5 | 2.7 | 3.3 | 2.3 | 3.9 | -1.3 | -1.9 | -4.1 | -13.9 |
| | 6 | 2.0 | 1.6 | 2.2 | 3.5 | -3.1 | -4.3 | -3.3 | -11.9 |
| | 7 | 1.6 | 0.9 | 2.2 | 3.2 | 3.8 | -5.1 | -2.7 | -12.9 |
| | 8 | 2.2 | 2.0 | 2.2 | 3.1 | -3.0 | -4.0 | -1.1 | -7.0 |
| | 9 | 2.2 | 2.2 | 2.1 | 2.7 | -2.6 | -3.4 | -7.2 | -10.8 |
| | 10 | 2.0 | 2.0 | 2.0 | 2.6 | -3.1 | -4.2 | -16.5 | -15.3 |
| | 11 | 2.4 | 3.5 | 1.8 | 2.5 | -0.4 | -0.7 | -13.4 | -7.5 |
| | 12 | 2.8 | 4.4 | 1.8 | 2.2 | 1.8 | 2.0 | -8.6 | -1.4 |
| 2010 | 1 | 3.1 | 4.7 | 2.0 | 2.1 | 2.8 | 3.2 | -6.9 | -0.9 |
| | 2 | 2.7 | 3.6 | 2.2 | 1.9 | 2.4 | 2.7 | -10.2 | -4.1 |
| | 3 | 2.3 | 3.2 | 1.8 | 1.5 | 2.6 | 2.9 | -12.2 | -4.3 |
| | 4 | 2.6 | 3.8 | 1.8 | 1.5 | 3.2 | 3.8 | -6.7 | 5.1 |
| | 5 | 2.7 | 4.0 | 1.9 | 1.6 | 4.6 | 5.5 | 0.4 | 11.3 |
| | 6 | 2.6 | 3.8 | 1.9 | 1.7 | 4.6 | 5.5 | 1.5 | 8.0 |
| | 7 | 2.6 | 3.9 | 1.7 | 1.7 | 3.4 | 4.1 | 0.3 | 7.5 |
| | 8 | 2.6 | 3.9 | 1.7 | 1.8 | 3.1 | 3.7 | -1.7 | 5.7 |
| | 9 | 3.6 | 6.3 | 2.0 | 1.9 | 4.0 | 5.0 | -0.4 | 7.8 |
| | 10 | 4.1 | 7.2 | 2.0 | 1.9 | 5.0 | 6.1 | 1.0 | 8.1 |
| | 11 | 3.3 | 5.4 | 1.8 | 1.8 | 4.9 | 5.7 | 1.9 | 8.2 |
| | 12 | 3.5 | 6.0 | 1.8 | 2.0 | 5.3 | 6.5 | 4.3 | 12.7 |
| 2011 | 1 | 4.1 | 7.1 | 2.2 | 2.6 | 6.2 | 7.7 | 4.9 | 14.1 |
| | 2 | 4.5 | 7.8 | 2.5 | 3.1 | 6.6 | 8.2 | - | - |

Source: The Bank of Korea

# 12. Employment See graphs 8-1, 8-2 & 8-3

| Period | Economically active persons (thous.) | Employed persons (thous.) | | | Unemployment (%) | Wage workers (thous.) | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | All industry | Manufacturing | S.O.C&service | | | Regular | Temporary | Daily |
| 2009 | 24,394 | 23,506 | 3,836 | 17,998 | 3.6 | 16,454 | 9,390 | 5,101 | 1,963 |
| 2010 | 24,748 | 23,829 | 4,028 | 18,214 | 3.7 | 16,971 | 10,086 | 5,068 | 1,817 |
| 2009 1 | 23,709 | 22,861 | 3,895 | 17,663 | 3.6 | 16,053 | 9,102 | 4,982 | 1,969 |
| 2 | 23,667 | 22,742 | 3,842 | 17,539 | 3.9 | 15,953 | 9,194 | 4,862 | 1,897 |
| 3 | 24,062 | 23,110 | 3,813 | 17,701 | 4.0 | 16,076 | 9,174 | 4,941 | 1,961 |
| 4 | 24,456 | 23,524 | 3,846 | 17,899 | 3.8 | 16,353 | 9,227 | 5,051 | 2,076 |
| 5 | 24,658 | 23,720 | 3,846 | 18,016 | 3.8 | 16,484 | 9,316 | 5,076 | 2,092 |
| 6 | 24,927 | 23,967 | 3,836 | 18,251 | 3.9 | 16,736 | 9,340 | 5,281 | 2,115 |
| 7 | 24,756 | 23,828 | 3,802 | 18,210 | 3.7 | 16,589 | 9,383 | 5,255 | 1,952 |
| 8 | 24,525 | 23,620 | 3,761 | 18,048 | 3.7 | 16,479 | 9,472 | 5,117 | 1,890 |
| 9 | 24,630 | 23,805 | 3,810 | 18,155 | 3.4 | 16,687 | 9,606 | 5,151 | 1,931 |
| 10 | 24,655 | 23,856 | 3,858 | 18,130 | 3.2 | 16,690 | 9,628 | 5,170 | 1,892 |
| 11 | 24,625 | 23,806 | 3,855 | 18,267 | 3.3 | 16,790 | 9,603 | 5,256 | 1,931 |
| 12 | 24,063 | 23,229 | 3,872 | 18,104 | 3.5 | 16,555 | 9,632 | 5,074 | 4,860 |
| 2010 1 | 24,082 | 22,865 | 3,924 | 17,796 | 5.0 | 16,297 | 9,712 | 4,860 | 1,725 |
| 2 | 24,035 | 22,867 | 3,886 | 17,762 | 4.9 | 16,282 | 9,786 | 4,838 | 1,657 |
| 3 | 24,382 | 23,377 | 3,924 | 18,047 | 4.1 | 16,617 | 9,926 | 4,976 | 1,714 |
| 4 | 24,858 | 23,924 | 3,991 | 18,285 | 3.8 | 16,994 | 10,011 | 5,147 | 1,836 |
| 5 | 25,099 | 24,306 | 4,036 | 18,499 | 3.2 | 17,255 | 10,078 | 5,223 | 1,953 |
| 6 | 25,158 | 24,280 | 4,017 | 18,422 | 3.5 | 17,193 | 10,089 | 5,165 | 1,938 |
| 7 | 25,232 | 24,301 | 4,040 | 18,489 | 3.7 | 17,228 | 10,107 | 5,215 | 1,905 |
| 8 | 24,863 | 24,005 | 4,058 | 18,175 | 3.3 | 17,048 | 10,151 | 5,122 | 1,775 |
| 9 | 24,911 | 24,054 | 4,062 | 18,216 | 3.4 | 17,103 | 10,217 | 5,106 | 1,780 |
| 10 | 25,004 | 24,172 | 4,098 | 18,264 | 3.3 | 17,178 | 10,280 | 5,089 | 1,809 |
| 11 | 24,847 | 24,109 | 4,139 | 18,340 | 3.0 | 17,300 | 10,334 | 5,069 | 1,898 |
| 12 | 24,538 | 23,684 | 4,156 | 18,272 | 3.5 | 17,154 | 10,347 | 4,999 | 1,808 |
| 2011 1 | 24,114 | 23,196 | 4,148 | 18,007 | 3.8 | 16,832 | 10,305 | 4,848 | 1,680 |
| | | | | *Y-o-Y change (%)* | | | | | |
| 2009 | 0.2 | -0.3 | -3.2 | 0.5 | - | 1.5 | 4.3 | 0.4 | -7.4 |
| 2010 | 1.5 | 1.4 | 5.0 | 1.2 | - | 3.1 | 7.4 | -0.7 | -7.4 |
| 2009 1 | -0.1 | -0.4 | -3.2 | 0.1 | - | 0.1 | 3.3 | -2.6 | -6.3 |
| 2 | -0.2 | -0.6 | -4.4 | 0.2 | - | 0.7 | 4.4 | -3.8 | -4.1 |
| 3 | -0.2 | -0.8 | -4.7 | -0.2 | - | 0.5 | 3.1 | -1.6 | -5.4 |
| 4 | -0.2 | -0.8 | -3.9 | -0.2 | - | 0.6 | 3.7 | -1.5 | -7.2 |
| 5 | -0.1 | -0.9 | -3.5 | -0.2 | - | 0.5 | 3.4 | -1.7 | -6.2 |
| 6 | 0.8 | 0.0 | -3.9 | 1.0 | - | 2.1 | 3.3 | 2.9 | -4.5 |
| 7 | 0.3 | -0.3 | -4.3 | 0.7 | - | 1.4 | 3.6 | 1.8 | -9.1 |
| 8 | 0.6 | 0.0 | -3.5 | 1.0 | - | 2.3 | 4.0 | 3.0 | -6.7 |
| 9 | 0.7 | 0.3 | -3.0 | 1.1 | - | 2.9 | 5.1 | 2.7 | -6.5 |
| 10 | 0.3 | 0.0 | -2.2 | 0.7 | - | 2.3 | 5.4 | 2.7 | -11.7 |
| 11 | 0.2 | 0.0 | -1.1 | 1.0 | - | 2.5 | 5.4 | 3.7 | -12.0 |
| 12 | 0.1 | -0.1 | -0.4 | 0.9 | - | 2.3 | 6.2 | -0.2 | -9.3 |
| 2010 1 | 1.6 | 0.0 | 0.8 | 0.8 | - | 1.5 | 6.7 | -2.4 | -12.4 |
| 2 | 1.6 | 0.5 | 1.2 | 1.3 | - | 2.1 | 6.4 | -0.5 | -12.6 |
| 3 | 1.3 | 1.2 | 2.9 | 2.0 | - | 3.4 | 8.2 | 0.7 | -12.6 |
| 4 | 1.6 | 1.7 | 3.8 | 2.2 | - | 3.9 | 8.5 | 1.9 | -11.5 |
| 5 | 1.8 | 2.5 | 4.9 | 2.7 | - | 4.7 | 8.2 | 2.9 | -6.6 |
| 6 | 0.9 | 1.3 | 4.7 | 0.9 | - | 2.7 | 8.0 | -2.2 | -8.4 |
| 7 | 1.9 | 2.0 | 6.2 | 1.5 | - | 3.9 | 7.7 | -0.8 | -2.4 |
| 8 | 1.3 | 1.6 | 7.9 | 0.7 | - | 3.5 | 7.2 | 0.1 | -6.1 |
| 9 | 1.1 | 1.0 | 6.6 | 0.3 | - | 2.5 | 6.4 | -0.9 | -7.8 |
| 10 | 1.4 | 1.3 | 6.2 | 0.7 | - | 2.9 | 6.8 | -1.6 | -4.4 |
| 11 | 0.9 | 1.3 | 7.4 | 0.4 | - | 3.0 | 7.6 | -3.6 | -1.7 |
| 12 | 2.0 | 2.0 | 7.3 | 0.9 | - | 3.6 | 7.4 | -1.5 | -2.2 |
| 2011 1 | 0.1 | 1.4 | 5.7 | 1.2 | - | 3.3 | 6.1 | -0.3 | -2.6 |

Source: Statistics Korea

## 13. Financial indicators See graphs 9-1 & 9-4

*(period average)*

| Period | | Yields (%) | | | | | Stock |
|---|---|---|---|---|---|---|---|
| | | Call rate (1 day) | CD (91 days) | Corporate bonds (3 years, AA-) | Treasury bonds (3 years) | Treasury bonds (5 years) | KOSPI (end-period) |
| 2007 | 1 | 4.6 | 4.9 | 5.3 | 5.0 | 5.0 | 1,360.20 |
| | 2 | 4.6 | 5.0 | 5.3 | 4.9 | 4.9 | 1,417.30 |
| | 3 | 4.6 | 4.9 | 5.2 | 4.8 | 4.8 | 1,452.60 |
| | 4 | 4.7 | 5.0 | 5.3 | 4.9 | 5.0 | 1,542.24 |
| | 5 | 4.6 | 5.0 | 5.5 | 5.1 | 5.1 | 1,700.91 |
| | 6 | 4.5 | 5.0 | 5.6 | 5.2 | 5.4 | 1,743.60 |
| | 7 | 4.7 | 5.1 | 5.8 | 5.4 | 5.4 | 1,933.27 |
| | 8 | 4.9 | 5.2 | 5.7 | 5.3 | 5.3 | 1,873.24 |
| | 9 | 5.0 | 5.3 | 5.9 | 5.4 | 5.4 | 1,946.48 |
| | 10 | 5.0 | 5.3 | 6.0 | 5.4 | 5.5 | 2,064.95 |
| | 11 | 5.0 | 5.4 | 6.2 | 5.5 | 5.6 | 1,906.00 |
| | 12 | 5.0 | 5.7 | 6.7 | 5.9 | 5.9 | 1,897.10 |
| 2008 | 1 | 5.0 | 5.8 | 6.6 | 5.4 | 5.5 | 1,624.68 |
| | 2 | 5.0 | 5.3 | 6.3 | 5.1 | 5.1 | 1,711.62 |
| | 3 | 5.0 | 5.3 | 6.1 | 5.2 | 5.2 | 1,703.99 |
| | 4 | 5.0 | 5.4 | 5.9 | 5.0 | 5.0 | 1,825.47 |
| | 5 | 5.0 | 5.4 | 6.2 | 5.3 | 5.4 | 1,852.02 |
| | 6 | 5.0 | 5.4 | 6.7 | 5.7 | 5.8 | 1,674.92 |
| | 7 | 5.0 | 5.5 | 7.0 | 6.0 | 6.0 | 1,594.67 |
| | 8 | 5.2 | 5.8 | 7.1 | 5.8 | 5.8 | 1,474.24 |
| | 9 | 5.2 | 5.8 | 7.5 | 5.8 | 5.8 | 1,448.06 |
| | 10 | 4.9 | 6.0 | 8.0 | 5.1 | 5.2 | 1,113.06 |
| | 11 | 4.0 | 5.6 | 8.6 | 5.0 | 5.2 | 1,076.07 |
| | 12 | 3.3 | 4.7 | 8.4 | 4.0 | 4.3 | 1,124.47 |
| 2009 | 1 | 2.4 | 3.2 | 7.3 | 3.4 | 4.0 | 1,162.11 |
| | 2 | 2.1 | 2.7 | 7.1 | 3.8 | 4.6 | 1,063.03 |
| | 3 | 1.8 | 2.5 | 6.1 | 3.7 | 4.5 | 1,206.26 |
| | 4 | 1.8 | 2.4 | 5.7 | 3.8 | 4.4 | 1,369.40 |
| | 5 | 1.9 | 2.4 | 5.2 | 3.8 | 4.5 | 1,395.89 |
| | 6 | 1.9 | 2.4 | 5.2 | 4.1 | 4.7 | 1,390.07 |
| | 7 | 1.9 | 2.4 | 5.5 | 4.1 | 4.6 | 1,577.29 |
| | 8 | 2.0 | 2.5 | 5.7 | 4.4 | 4.9 | 1,591.85 |
| | 9 | 2.0 | 2.6 | 5.6 | 4.4 | 4.9 | 1,673.14 |
| | 10 | 2.0 | 2.8 | 5.6 | 4.5 | 4.9 | 1,580.69 |
| | 11 | 2.0 | 2.8 | 5.4 | 4.3 | 4.8 | 1,555.60 |
| | 12 | 2.0 | 2.8 | 5.4 | 4.2 | 4.8 | 1,682.77 |
| 2010 | 1 | 2.0 | 2.9 | 5.4 | 4.3 | 4.8 | 1,602.43 |
| | 2 | 2.0 | 2.9 | 5.3 | 4.2 | 4.8 | 1,594.58 |
| | 3 | 2.0 | 2.8 | 5.0 | 3.9 | 4.5 | 1,692.85 |
| | 4 | 2.0 | 2.5 | 4.7 | 3.8 | 4.4 | 1,741.56 |
| | 5 | 2.0 | 2.5 | 4.5 | 3.7 | 4.4 | 1,641.25 |
| | 6 | 2.0 | 2.5 | 4.7 | 3.8 | 4.4 | 1,698.29 |
| | 7 | 2.2 | 2.6 | 4.8 | 3.9 | 4.5 | 1,759.33 |
| | 8 | 2.3 | 2.6 | 4.7 | 3.7 | 4.3 | 1,742.75 |
| | 9 | 2.3 | 2.7 | 4.4 | 3.5 | 3.9 | 1,872.81 |
| | 10 | 2.3 | 2.7 | 4.1 | 3.2 | 3.7 | 1,882.95 |
| | 11 | 2.4 | 2.7 | 4.2 | 3.4 | 4.0 | 1,904.63 |
| | 12 | 2.5 | 2.8 | 4.2 | 3.3 | 4.0 | 2,051.00 |
| 2011 | 1 | 2.7 | 2.9 | 4.5 | 3.7 | 4.3 | 2,069.73 |
| | 2 | 2.8 | 3.1 | 4.7 | 3.9 | 4.4 | 1,939.30 |

Source: The Bank of Korea

# 14. Monetary indicators See graph 9-5

(period average) (billion won)

| Period | | Reserve money | M1 | M2 | Lf |
|---|---|---|---|---|---|
| 2008 | | 52,272.8 | 307,273.6 | 1,367,713.4 | 1,794,841.2 |
| 2009 | | 61,739.6 | 357,344.1 | 1,508,550.4 | 1,937,336.0 |
| 2010 | | 67,585.1 | 399,412.3 | 1,639,675.1 | 2,096,534.8 |
| 2009 | 1 | 64,040.6 | 331,358.0 | 1,440,275.8 | 1,868,843.3 |
| | 2 | 63,061.7 | 334,521.7 | 1,457,931.3 | 1,879,102.7 |
| | 3 | 65,669.5 | 342,777.0 | 1,470,443.1 | 1,889,071.5 |
| | 4 | 61,379.9 | 350,446.0 | 1,482,009.7 | 1,897,923.7 |
| | 5 | 60,082.5 | 355,922.0 | 1,491,542.7 | 1,913,084.5 |
| | 6 | 59,530.3 | 362,111.3 | 1,501,898.3 | 1,925,418.1 |
| | 7 | 59,420.2 | 363,421.4 | 1,512,822.5 | 1,940,223.0 |
| | 8 | 60,570.3 | 361,012.4 | 1,524,879.7 | 1,956,130.6 |
| | 9 | 59,650.3 | 367,070.3 | 1,535,279.8 | 1,972,408.5 |
| | 10 | 63,681.7 | 371,531.7 | 1,551,319.5 | 1,990,372.5 |
| | 11 | 61,154.5 | 370,979.7 | 1,564,175.8 | 2,000,503.6 |
| | 12 | 62,633.2 | 376,977.3 | 1,570,027.1 | 2,014,950.4 |
| 2010 | 1 | 65,054.7 | 381,218.2 | 1,574,215.8 | 2,019,563.5 |
| | 2 | 66,563.8 | 387,858.6 | 1,595,403.8 | 2,041,164.1 |
| | 3 | 65,643.6 | 386,015.4 | 1,607,896.1 | 2,056,233.7 |
| | 4 | 64,274.7 | 388,174.7 | 1,621,176.9 | 2,069,616.1 |
| | 5 | 67,835.1 | 394,880.2 | 1,630,904.7 | 2,084,007.4 |
| | 6 | 66,250.8 | 400,132.8 | 1,647,981.2 | 2,104,724.0 |
| | 7 | 66,958.2 | 403,785.1 | 1,653,057.5 | 2,111,672.2 |
| | 8 | 67,318.7 | 400,882.5 | 1,653,907.2 | 2,113.052.7 |
| | 9 | 70,266.5 | 403,413.5 | 1,659,400.1 | 2,123.558.2 |
| | 10 | 69,905.0 | 405,000.1 | 1,669,376.6 | 2,134,385.4 |
| | 11 | 69,476.8 | 414,912.8 | 1,679,909.9 | 2,145,901.5 |
| | 12 | 71,472.9 | 425,673.9 | 1,682,871.9 | 2,154,538.9 |
| 2011 | 1 | 73,540.8 | 429,368.1 | 1,676,448.8 | 2,152,814.0 |
| | | *Y-o-Y change (%)* | | | |
| 2008 | | 7.7 | -1.8 | 14.3 | 11.9 |
| 2009 | | 18.1 | 16.3 | 10.3 | 7.9 |
| 2010 | | 9.5 | 11.8 | 8.7 | 8.2 |
| 2009 | 1 | 27.4 | 8.3 | 12.0 | 9.2 |
| | 2 | 20.0 | 9.8 | 11.4 | 8.8 |
| | 3 | 32.5 | 14.3 | 11.1 | 8.4 |
| | 4 | 21.1 | 17.4 | 10.6 | 7.7 |
| | 5 | 19.0 | 17.0 | 9.9 | 7.3 |
| | 6 | 16.1 | 18.5 | 9.6 | 7.0 |
| | 7 | 17.4 | 18.5 | 9.7 | 7.7 |
| | 8 | 16.5 | 18.5 | 10.0 | 8.0 |
| | 9 | 11.9 | 19.5 | 10.0 | 7.7 |
| | 10 | 20.2 | 19.6 | 10.5 | 7.8 |
| | 11 | 12.7 | 17.3 | 9.7 | 7.6 |
| | 12 | 5.6 | 16.4 | 9.3 | 8.1 |
| 2010 | 1 | 1.6 | 15.0 | 9.3 | 8.1 |
| | 2 | 5.6 | 15.9 | 9.4 | 8.6 |
| | 3 | 0.0 | 12.6 | 9.3 | 8.8 |
| | 4 | 4.7 | 10.8 | 9.4 | 9.0 |
| | 5 | 12.9 | 10.9 | 9.3 | 8.9 |
| | 6 | 11.3 | 10.5 | 9.7 | 9.3 |
| | 7 | 12.7 | 11.1 | 9.3 | 8.8 |
| | 8 | 11.1 | 11.0 | 8.5 | 8.0 |
| | 9 | 17.8 | 10.2 | 8.1 | 7.7 |
| | 10 | 9.8 | 9.0 | 7.6 | 7.2 |
| | 11 | 13.6 | 11.8 | 7.4 | 7.3 |
| | 12 | 14.1 | 12.9 | 7.2 | 6.9 |
| 2011 | 1 | 13.0 | 12.6 | 6.5 | 6.6 |

Source: The Bank of Korea

# 15. Exchange rates See graphs 9-2 & 9-3

| Period | | ₩/US$ | | ₩/100¥ | | ₩/Euro | |
|---|---|---|---|---|---|---|---|
| | | End-period | Average | End-period | Average | End-period | Average |
| 2008 | | 1,257.5 | 1,102.6 | 1,393.9 | 1,076.6 | 1,776.2 | 1,606.8 |
| 2009 | | 1,167.6 | 1,276.4 | 1,262.8 | 1,363.1 | 1,674.3 | 1,774.4 |
| 2010 | | 1,138.9 | 1,156.3 | 1,397.1 | 1,320.6 | 1,513.6 | 1,532.9 |
| 2009 | 1 | 1,368.5 | 1,346.1 | 1,521.0 | 1,487.2 | 1,768.7 | 1,793.8 |
| | 2 | 1,516.4 | 1,429.5 | 1,541.1 | 1,546.1 | 1,930.1 | 1,829.9 |
| | 3 | 1,377.1 | 1,462.0 | 1,414.8 | 1,495.7 | 1,816.4 | 1,904.0 |
| | 4 | 1,348.0 | 1,341.9 | 1,382.9 | 1,356.2 | 1,786.8 | 1,771.6 |
| | 5 | 1,272.9 | 1,258.7 | 1,314.1 | 1,304.5 | 1,772.7 | 1,719.1 |
| | 6 | 1,284.7 | 1,261.4 | 1,336.3 | 1,305.5 | 1,809.3 | 1,767.8 |
| | 7 | 1,240.5 | 1,264.0 | 1,299.2 | 1,338.1 | 1,745.9 | 1,778.8 |
| | 8 | 1,244.9 | 1,238.4 | 1,332.8 | 1,304.3 | 1,779.1 | 1,776.3 |
| | 9 | 1,188.7 | 1,219.2 | 1,318.8 | 1,332.4 | 1,734.3 | 1,774.2 |
| | 10 | 1,200.6 | 1,175.3 | 1,312.6 | 1,300.8 | 1,781.3 | 1,742.9 |
| | 11 | 1,167.4 | 1,164.2 | 1,348.3 | 1,304.4 | 1,751.7 | 1,736.6 |
| | 12 | 1,167.6 | 1,166.5 | 1,262.8 | 1,300.8 | 1,674.3 | 1,703.7 |
| 2010 | 1 | 1,156.5 | 1,138.8 | 1,287.0 | 1,248.3 | 1,614.6 | 1,627.5 |
| | 2 | 1,158.4 | 1,157.1 | 1,299.3 | 1,281.7 | 1,569.2 | 1,584.5 |
| | 3 | 1,130.8 | 1,137.6 | 1,217.7 | 1,255.8 | 1,518.2 | 1,544.9 |
| | 4 | 1,115.5 | 1,117.1 | 1,186.8 | 1,195.3 | 1,479.3 | 1,501.7 |
| | 5 | 1,200.2 | 1,163.1 | 1,318.5 | 1,265.2 | 1,474.2 | 1,460.7 |
| | 6 | 1,210.3 | 1,212.3 | 1,364.6 | 1,333.6 | 1,475.4 | 1,480.9 |
| | 7 | 1,187.2 | 1,207.3 | 1,370.0 | 1,377.7 | 1,552.4 | 1,540.3 |
| | 8 | 1,189.1 | 1,179.9 | 1,406.0 | 1,380.2 | 1,505.9 | 1,523.3 |
| | 9 | 1,142.0 | 1,167.0 | 1,363.3 | 1,384.2 | 1,556.0 | 1,518.7 |
| | 10 | 1,126.6 | 1,123.4 | 1,390.7 | 1,371.1 | 1,569.3 | 1,559.6 |
| | 11 | 1,157.3 | 1,126.2 | 1,373.4 | 1,366.6 | 1,518.3 | 1,541.3 |
| | 12 | 1,138.9 | 1,147.6 | 1,397.1 | 1,376.7 | 1,513.6 | 1,515.4 |
| 2011 | 1 | 1,114.3 | 1,120.1 | 1,356.6 | 1,356.3 | 1,514.0 | 1,495.4 |
| | 2 | 1,127.9 | 1,118.1 | 1,380.7 | 1,351.0 | 1,549.5 | 1,524.6 |
| | | | | *Y-o-Y change (%)* | | | |
| 2008 | | 34.0 | 18.7 | 67.3 | 36.3 | 28.6 | 26.2 |
| 2009 | | -7.1 | 15.8 | -9.4 | 26.6 | -5.7 | 10.4 |
| 2010 | | -2.5 | -9.4 | 10.6 | -3.1 | -9.6 | -13.6 |
| 2009 | 1 | 45.0 | 42.8 | 71.1 | 70.4 | 26.1 | 29.4 |
| | 2 | 61.8 | 51.3 | 73.2 | 75.6 | 35.6 | 31.1 |
| | 3 | 38.9 | 49.2 | 41.5 | 53.8 | 16.1 | 25.3 |
| | 4 | 34.8 | 36.0 | 43.8 | 40.9 | 14.8 | 13.9 |
| | 5 | 23.4 | 21.4 | 34.5 | 31.2 | 10.8 | 6.5 |
| | 6 | 23.1 | 22.5 | 36.1 | 35.6 | 9.9 | 10.4 |
| | 7 | 23.0 | 24.0 | 39.3 | 40.2 | 11.1 | 10.7 |
| | 8 | 15.1 | 18.9 | 34.9 | 36.9 | 11.9 | 13.1 |
| | 9 | 0.1 | 7.9 | 15.3 | 25.6 | 1.6 | 9.0 |
| | 10 | -7.0 | -11.4 | 0.5 | -2.0 | 7.0 | -1.3 |
| | 11 | -21.3 | -16.2 | -13.2 | -9.1 | -8.4 | -1.8 |
| | 12 | -7.1 | -15.1 | -9.4 | -13.5 | -5.7 | -7.7 |
| 2010 | 1 | -15.5 | -15.4 | -15.4 | -16.1 | -8.7 | -9.3 |
| | 2 | -23.6 | -19.1 | -15.7 | -17.1 | -18.7 | -13.4 |
| | 3 | -17.9 | -22.2 | -13.9 | -16.0 | -16.4 | -18.9 |
| | 4 | -17.2 | -16.8 | -14.2 | -11.9 | -17.2 | -15.2 |
| | 5 | -5.7 | -7.6 | 0.3 | -3.0 | -16.8 | -15.0 |
| | 6 | -5.8 | -3.9 | 2.1 | 2.2 | -18.5 | -16.2 |
| | 7 | -4.3 | -4.5 | 5.4 | 3.0 | -11.1 | -13.4 |
| | 8 | -4.5 | -4.7 | 5.5 | 5.8 | -15.4 | -13.8 |
| | 9 | -3.9 | -4.3 | 3.4 | 3.9 | -10.3 | -14.4 |
| | 10 | -6.2 | -4.4 | 5.9 | 5.4 | -11.9 | -10.5 |
| | 11 | -0.9 | -3.3 | 1.9 | 4.8 | -13.3 | -11.2 |
| | 12 | -2.5 | -1.6 | 10.6 | 5.8 | -9.6 | -11.1 |
| 2011 | 1 | -3.6 | -1.6 | 5.4 | 8.7 | -6.2 | -8.1 |
| | 2 | -2.6 | -3.4 | 6.3 | 5.4 | -1.3 | -3.8 |

Source: The Bank of Korea

# Useful Internet Websites

**Economy-related Websites Recommended**

Ministry of Strategy and Finance
http://english.mosf.go.kr

Ministry of Knowledge Economy
http://www.mke.go.kr/language/eng

Financial Services Commission
http://www.fsc.go.kr/eng

Financial Supervisory Service
http://english.fss.or.kr

Fair Trade Commission
http://eng.ftc.go.kr

Ministry of Labor
http://english.molab.go.kr/english

The Bank of Korea
http://www.bok.or.kr

Statistics Korea
http://kostat.go.kr

**For free subscriptions and enquiries, please contact:**

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