

EB

The Green Book: Current Economic Trends

Policy Issue

2017 Supplementary Budget Plan

FPML

Ministry of Strategy and Finance
Hosts the 2nd AIB Annual Meeting
Korea and ASEAN Celebrate 10th
Anniversary of FTA

OECD Retains 2.6% Growth Forecast
for Korea in 2017

Korea Grows 1.1% in Q1 2017

Statistical Appendices



Ministry of Strategy
and Finance



Economic Information and
Education Center

Republic of Korea VOL. 39 NO. 6 JUNE 2017 eb.kdi.re.kr ISSN 2287-7266

Economic Bulletin



Gayageum

The *gayageum* is a string instrument that originated in the Gaya kingdom around the sixth century. The traditional *gayageum* has 12 strings, although some modern variants have more strings to increase the instrument's range. The left hand presses or shakes the strings while the right hand plucks the strings to make sounds.

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The Green Book: Current Economic Trends

Overview

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10. Balance of payments
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12. Real estate market
13. Composite indices of business cycle indicators

OVERVIEW

The Korean economy has posted steady growth as exports continue to be strong backed by improving global demand. However, production and investment showed signs of slowdown, and domestic consumption has yet to gain momentum.

The economy added 424,000 jobs year-on-year in April due to strong construction and services sectors. However, the total unemployment rate and the unemployment rate among young adults remained high at 4.2 percent and 11.2 percent, respectively.

Consumer prices edged up in May (*up 1.9% → up 2.0%, y-o-y*) compared with the previous month due to a hike in gas utilities rates (*1.7%*) and high livestock product prices.

Mining and manufacturing production fell in April (*up 1.2% → down 2.2%, m-o-m*) due to a high base effect from the previous month, as well as a slowdown in semiconductors production.

Service output rose for the sixth consecutive month in April (*up 0.3% → up 0.1%, m-o-m*) backed by strong wholesale & retail.

Retail sales increased in April (*down 0.1% → up 0.7%, m-o-m*) as confidence improved, and also as durable goods sales increased following the release of new smart phone models.

Facility investment fell in April (*up 13.1% → down 4.0%, m-o-m*) after a large scale investment in IT sectors including semiconductors in March. Construction investment declined (*up 3.8% → down 4.3%, m-o-m*) following a two months' upswing, due to a slowdown in civil engineering works.

In April, the cyclical indicator of the coincident composite index stayed unchanged from the previous month at 101.0, and the cyclical indicator of the leading composite index rose 0.2 points to 101.0 backed by improving confidence and strong construction orders received.

Exports increased for the seventh consecutive month in May (*up 24.1% → up 13.4%, y-o-y*) despite fewer days worked (*down 0.5 days*), the longest upswing since December 2011, backed by strong major items, such as semiconductors.

In May, stock prices rose and the dollar-won exchange rate fell as foreign demand for Korean shares increased amid improving business performance by Korean firms. The strong global market also pushed up the KOSPI.

Housing prices rose (*up 0.10% → up 0.14%, m-o-m*) as price growth in the Seoul metropolitan area accelerated. *Jeonse* (lump sum deposits with no monthly payments) prices rose modestly (*up 0.07% → up 0.07%, m-o-m*).



Although exports have been strong and confidence is rising, job markets and household income has yet to improve, and external risks linger, such as trade issues and Fed's rate hikes.

The government will strengthen its risk management, and implement supplementary budgets and other macroeconomic measures to create decent jobs, boost the real economy and support the working class.

1. External economic situation

The global economy has been growing modestly, led by major economies, although there are risks arising from the spread of protectionism and the pace of Fed's rate hikes.

US

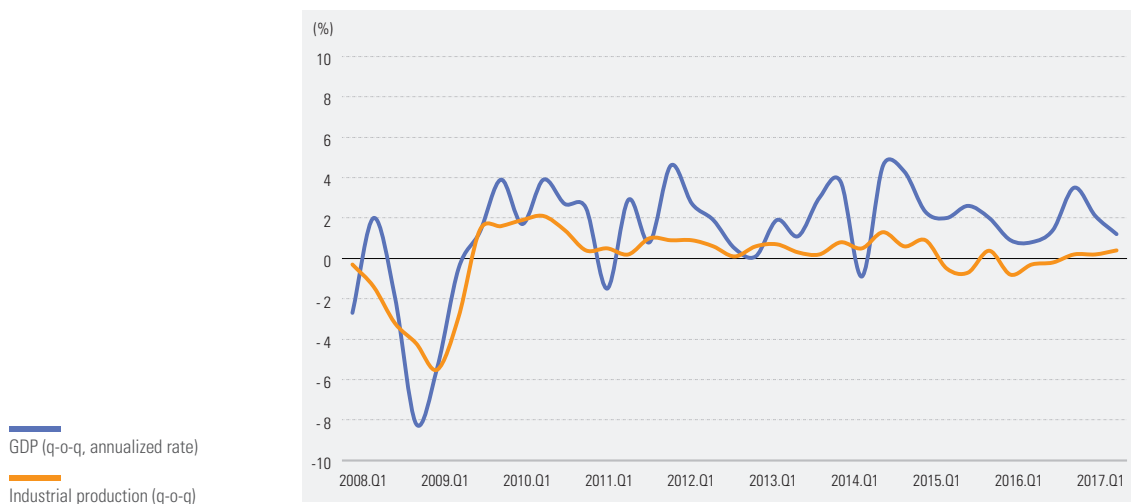
The US economy has been growing modestly as industrial production and retail sales increased in April. However, the job market indicators showed signs of slowdown in May.

In April, industrial production rose (*up 1.0%, m-o-m*) at the fastest pace since February 2014, backed by strong automobile production (*up 5.1%, m-o-m*). The ISM Manufacturing Index for May edged up.

ISM Manufacturing Index (base=50)

51.5 (Sep 2016) → 51.9 (Oct) → 53.2 (Nov) → 54.5 (Dec) → 56.0 (Jan 2017) → 57.7 (Feb) → 57.2 (Mar) → 54.8 (Apr) → 54.9 (May)

US GDP growth and industrial production



Sources: US Department of Commerce, Federal Reserve Board

Retail sales increased 0.4 percent month-on-month in April as sales of automobiles (*up 0.7%, m-o-m*) increased. However, consumer confidence fell for two straight months in May.

University of Michigan Consumer Sentiment Index (1966=100)

93.8 (Nov 2016) → 98.2 (Dec) → 98.5 (Jan 2017) → 96.3 (Feb) → 96.9 (Mar) → 97.0 (Apr) → 97.1 (May)

Conference Board Consumer Confidence Index (1985=100)

109.4 (Nov 2016) → 113.3 (Dec) → 111.6 (Jan 2017) → 116.1 (Feb) → 124.9 (Mar) → 119.4 (Apr) → 117.9 (May)

Existing home sales fell 2.3 percent month-on-month in April to an annual rate of 5,570,000 homes due to an inventory shortage. New homes sales fell 11.4 percent from the previous month due to a high base effect.

Case-Shiller Home Price Index (y-o-y, %)

4.9 (Jul 2016) → 5.0 (Aug) → 4.9 (Sep) → 4.9 (Oct) → 5.1 (Nov) → 5.5 (Dec) → 5.7 (Jan 2017) → 5.9 (Feb) → 5.9 (Mar)

New home sales (m-o-m, %)

11.5 (Jul 2016) → -10.1 (Aug) → 1.6 (Sep) → 0.0 (Oct) → 0.9 (Nov) → -3.8 (Dec) → 6.2 (Jan 2017) → 0.3 (Feb) → 5.8 (Mar) → -11.4 (Apr)

In May, nonfarm payrolls increased by 138,000, missing market expectations of 182,000, although the unemployment rate dropped to 4.3 percent, the lowest since May 2001.

Labor force participation rate (%)

62.9 (Sep 2016) → 62.8 (Oct) → 62.6 (Nov) → 62.7 (Dec) → 62.9 (Jan 2017) → 63.0 (Feb) → 63.0 (Mar) → 62.9 (Apr) → 62.7 (May)

Nonfarm payroll increase (m-o-m, thousands)

124 (Oct 2016) → 164 (Nov) → 155 (Dec) → 238 (Jan 2017) → 235 (Feb) → 50 (Mar) → 174 (Apr) → 138 (May)

(Percentage change from previous period)

	2014	2015	2016			2017					
	Annual	Annual	Annual	Q2	Q3	Q4	Q1	Feb	Mar	Apr	May
Real GDP ¹	2.4	2.6	1.6	1.4	3.5	2.1	1.2	-	-	-	-
- Personal consumption expenditures	2.9	3.2	2.7	4.3	3.0	3.5	0.6	-	-	-	-
- Nonresidential fixed investment	6.0	2.1	-0.4	1.0	1.4	0.9	7.2	-	-	-	-
- Residential fixed investment	3.5	11.7	4.9	-7.7	-4.1	9.6	13.8	-	-	-	-
Industrial production	3.1	0.7	-1.2	-0.2	0.2	0.2	0.4	0.1	0.4	1.0	-
Retail sales	4.1	2.3	3.0	1.5	0.9	1.7	1.0	-0.2	0.1	0.4	-
Existing home sales	-3.1	6.3	3.9	2.2	-1.8	3.1	1.4	-3.9	4.4	-2.3	-
Unemployment rate ²	6.2	5.3	4.9	4.9	4.9	4.7	4.7	4.7	4.5	4.4	4.3
Consumer prices (y-o-y)	1.6	0.1	1.3	1.1	1.1	1.8	2.6	2.7	2.4	2.2	-

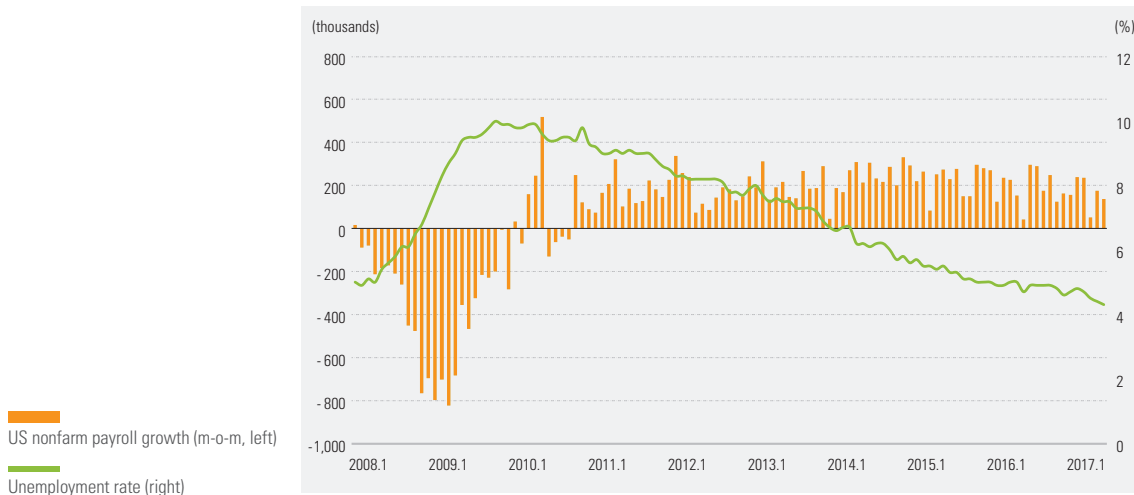
1. Annualized rate (%)

2. Seasonally adjusted

Sources: US Department of Commerce, Bloomberg



US nonfarm payroll growth and unemployment rate



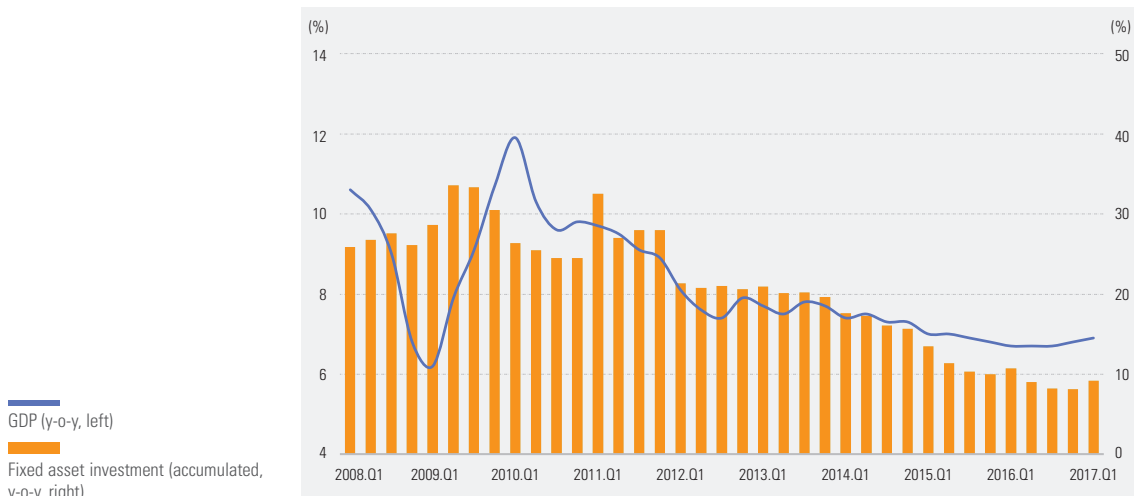
Source: US Department of Labor

China

China's economy fared better than market expectations in the first quarter of 2017, growing 6.9 percent year-on-year. However, major indicators showed signs of slowdown in April.

On May 24, Moody's downgraded China's sovereign credit rating from Aa3 to A1.

China's GDP growth and fixed asset investment



Source: China National Bureau of Statistics

(Percentage change from same period in previous year)

	2014	2015		2016					2017			
	Annual	Annual	Q4	Annual	Q1	Q2	Q3	Q4	Q1	Mar	Apr	May
Real GDP	7.3	6.9	6.8	6.7	6.7	6.7	6.7	6.8	6.9	-	-	-
Industrial production	8.3	6.1	5.8	6.0	5.8	6.1	6.2	6.1	6.8	7.6	6.5	-
Fixed asset investment (accumulated, nominal)	15.7	10.0	10.0	8.1	10.7	9.0	8.2	8.1	9.2	9.2	8.9	-
Retail sales (nominal)	12.0	10.7	11.1	10.4	10.2	10.2	10.5	10.6	10.0	10.9	10.7	-
Exports	6.0	-3.0	-5.3	-7.7	-13.0	-6.4	-7.0	-5.3	8.2	16.4	8.0	8.7
Consumer prices	2.0	1.4	1.5	2.0	2.1	2.1	1.7	2.2	1.4	0.9	1.2	-
Producer prices	-1.9	-5.2	-5.9	-1.3	-4.8	-2.9	-0.8	3.3	7.4	7.6	6.4	-

Source: China National Bureau of Statistics

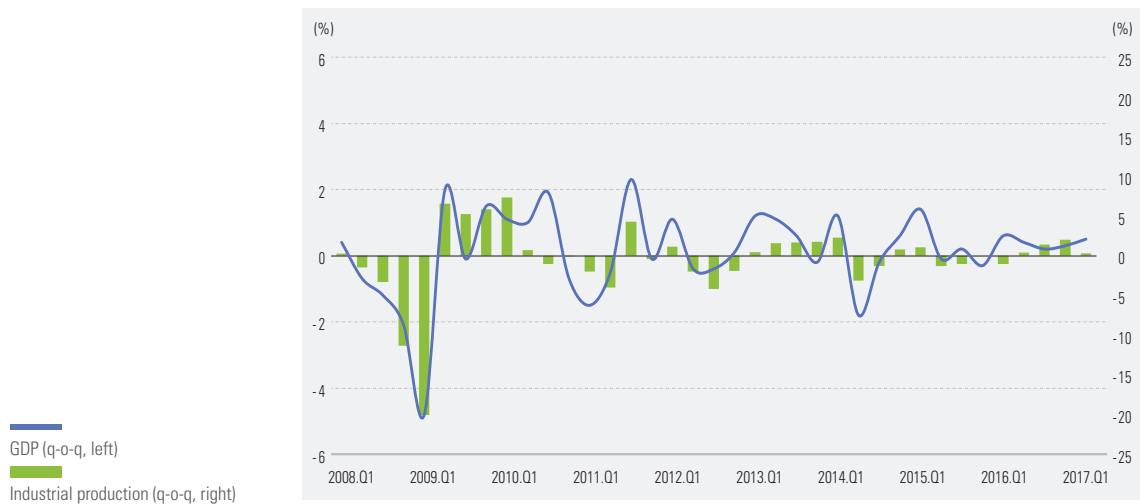
Japan

Japan's economy grew 0.5 percent in the first quarter of 2017, posting a fifth consecutive quarter growth for the first time in 11 years. Industrial production and retail sales improved.

Core consumer prices (excluding fresh food, y-o-y, %)

-0.4 (Nov 2016) → -0.2 (Dec) → 0.1 (Jan 2017) → 0.2 (Feb) → 0.2 (Mar) → 0.3 (Apr)

Japan's GDP growth and industrial production



Sources: Japan's Cabinet Office, Ministry of Economy Trade and Industry, Ministry of Finance, Statistics Bureau of Japan



(Percentage change from previous period)

	2014			2015			2016				2017		
	Annual	Annual	Q4	Annual	Q1	Q2	Q3	Q4	Q1	Feb	Mar	Apr	
Real GDP	0.3	1.2	-0.2	1.0	0.6	0.4	0.2	0.3	0.5	-	-	-	
Industrial production	2.1	-1.2	0.0	-0.2	-0.9	0.2	1.6	1.9	0.1	3.2	-1.9	4.0	
Retail sales (nominal)	1.6	-0.3	-0.7	-0.7	-1.3	0.0	0.5	1.5	-0.2	0.3	0.2	1.4	
Exports (y-o-y)	4.8	3.4	-4.6	-7.4	-7.9	-9.5	-10.2	-1.9	8.5	11.3	12.0	7.5	
Consumer prices (y-o-y)	2.7	0.8	0.3	-0.1	0.0	-0.4	-0.5	0.3	0.3	0.3	0.2	0.4	

Sources: Japan's Cabinet Office, Ministry of Economy, Trade and Industry, Ministry of Finance, Statistics Bureau of Japan

Eurozone

The eurozone economy has seen exports and consumption improving, and the manufacturing PMI rose to a 73-month high.

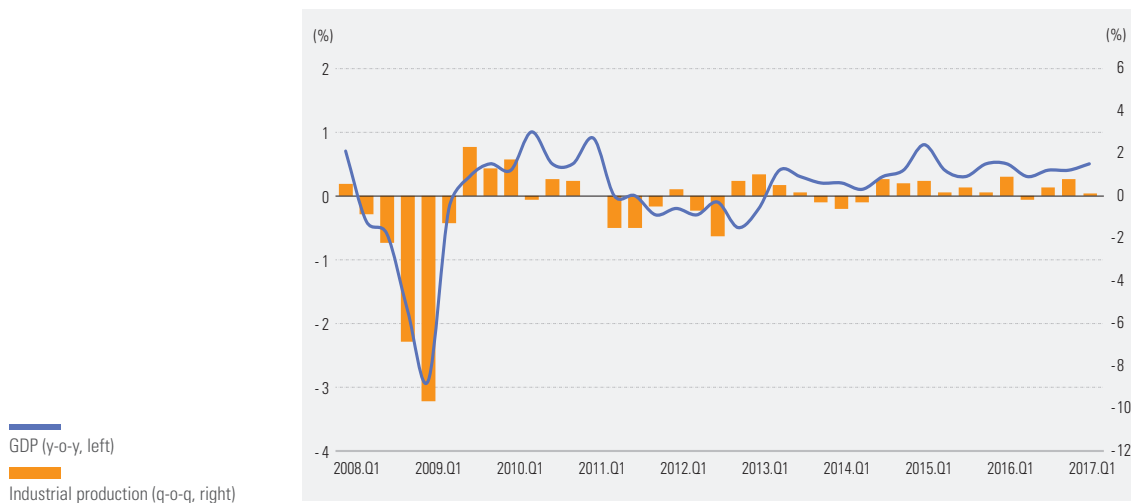
Manufacturing PMI

51.7 (Aug 2016) → 52.6 (Sep) → 53.5 (Oct) → 53.7 (Nov) → 54.9 (Dec) → 55.2 (Jan 2017)
→ 55.4 (Feb) → 56.2 (Mar) → 56.7 (Apr) → 57.0 (May)

Eurozone Economic Sentiment Indicator

104.9 (Sep 2016) → 106.4 (Oct) → 106.6 (Nov) → 107.8 (Dec) → 107.9 (Jan 2017) → 108.0
(Feb) → 108.0 (Mar) → 109.7 (Apr) → 109.2 (May)

Eurozone's GDP growth and industrial production



Source: Eurostat

(Percentage change from previous period)

	2014	2015	2016			2017					
	Annual	Annual	Annual	Q2	Q3	Q4	Q1	Feb	Mar	Apr	May
Real GDP	1.2	2.0	1.7	0.3	0.4	0.5	0.5	-	-	-	-
Industrial production	0.9	2.1	1.4	-0.1	0.4	0.9	0.0	-0.1	-0.1	-	-
Retail sales	1.4	2.7	1.9	0.4	0.3	0.8	0.3	0.6	0.2	0.1	-
Exports (y-o-y)	2.2	5.3	0.3	0.0	-0.2	2.2	10.2	4.9	13.1	-	-
Consumer prices (y-o-y)	0.4	0.0	0.2	-0.1	0.3	0.5	1.8	2.0	1.5	1.9	1.4

Sources: Eurostat, Bloomberg

2. Private consumption

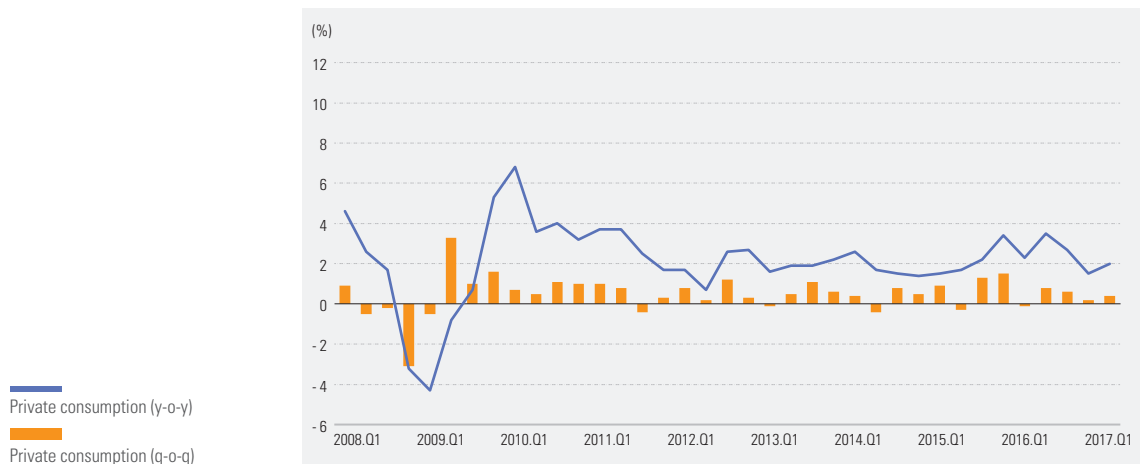
Private consumption (*preliminary GDP*) in the first quarter of 2017 rose 0.4 percent compared to the previous quarter and 2.0 percent compared to a year ago.

(Percentage change from previous period)

	2014	2015					2016					2017
	Annual	Annual	Q1	Q2	Q3	Q4	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹
Private consumption ²	1.7	2.2	0.9	-0.3	1.3	1.5	2.5	-0.1	0.8	0.6	0.2	0.4
(y-o-y)	-	-	1.5	1.7	2.2	3.4	-	2.3	3.5	2.7	1.5	2.0

1. Preliminary 2. National accounts
Source: Bank of Korea

Private consumption



Source: Bank of Korea (national accounts)

Retail sales in April rose 0.7 percent month-on-month. Durable goods sales (*up 27%*) and semi-durable goods sales (*up 1.9%*) increased, and nondurable goods sales (*down 0.9%*) fell. Year-on-year, the index rose 2.8 percent.

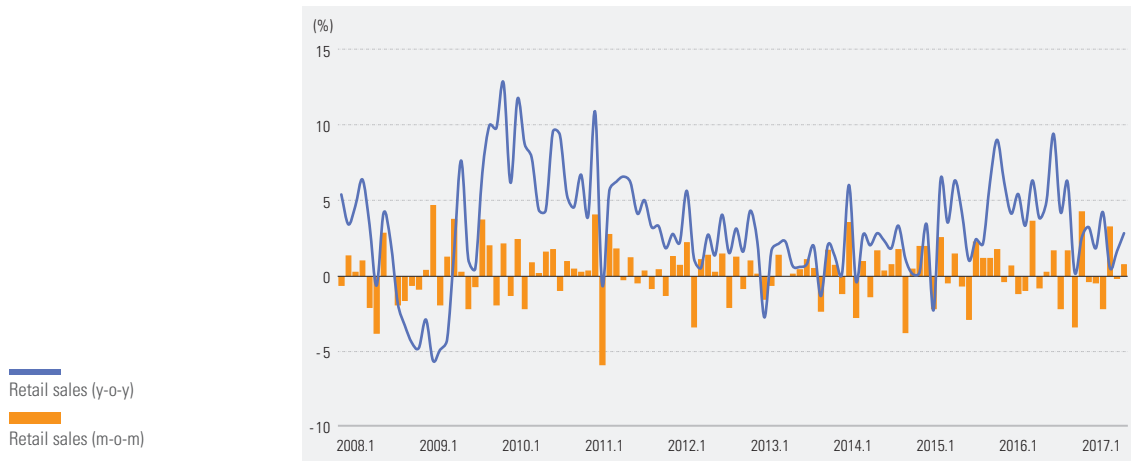


(Percentage change from previous period)

	2014		2015		2016					2017		
	Annual	Annual	Q3	Q4	Annual ¹	Q1	Q2	Q3	Q4	Q1 ¹	Mar ¹	Apr ¹
Retail sales	-	-	1.1	2.9	-	-0.2	2.0	-1.2	2.1	-0.4	-0.1	0.7
(y-o-y)	2.0	4.1	3.5	6.3	4.3	5.0	5.9	3.5	2.5	2.0	1.4	2.8
- Durable goods ²	5.1	10.0	2.9	6.6	4.5	-4.0	5.1	-5.8	5.6	-0.3	3.4	2.7
· Automobiles	16.4	21.2	2.7	10.6	2.5	-10.0	13.9	-20.0	18.4	-4.0	7.3	-3.7
- Semi-durable goods ³	-0.8	-1.1	0.8	3.5	2.5	-0.9	1.1	0.1	0.0	-1.0	-2.1	1.9
- Nondurable goods ⁴	1.6	3.1	0.3	0.5	4.7	2.5	0.6	1.1	1.0	-0.3	-1.3	-0.9

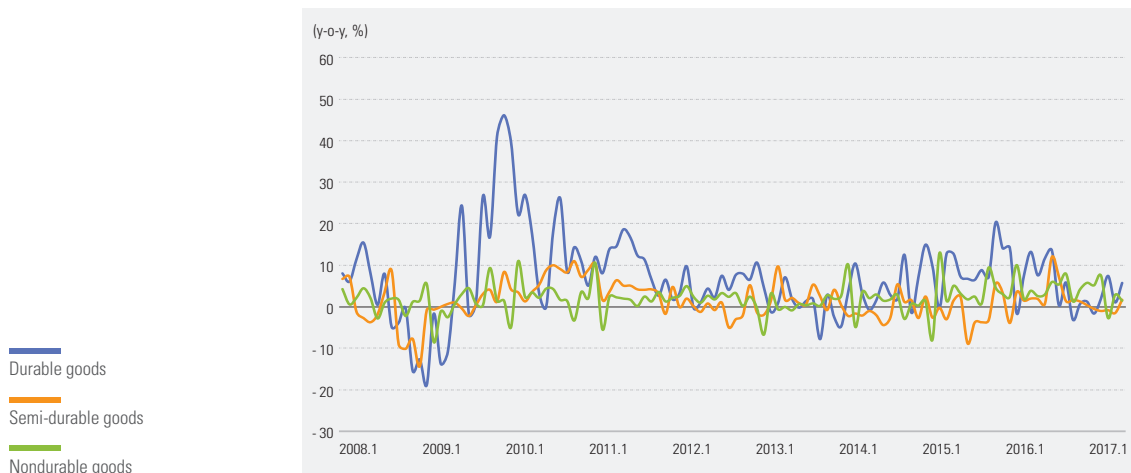
1. Preliminary 2. Durable goods: Automobiles, electronic appliances, furniture, telecommunications devices, etc.
 3. Semi-durable goods: Clothing, footwear, etc. 4. Nondurable goods: Food, medicine, cosmetics, fuel, tobacco, etc.
 Source: Statistics Korea

Retail sales



Source: Statistics Korea (industrial activity trends)

Retail sales by type



Source: Statistics Korea (industrial activity trends)

The outlook for May retail sales is mixed: The number of Chinese tourists visiting Korea dropped and domestic sales of cars declined, but consumer sentiment improved and domestic sales of gasoline increased.

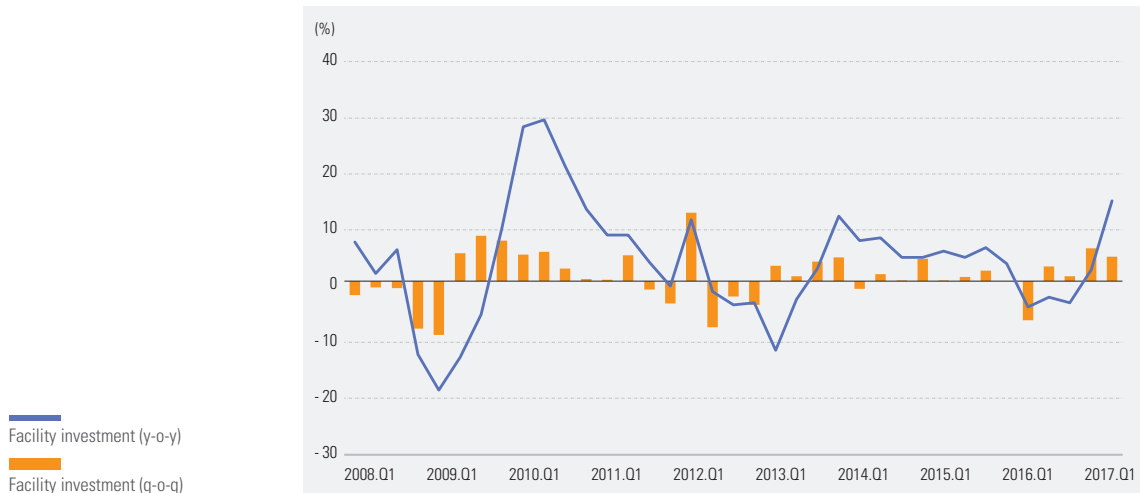
	2016			2017				
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Credit card use (y-o-y, %)	12.4	11.7	9.8	17.1	11.5	13.7	3.8	1.9
Department store sales (y-o-y, %)	5.6	-1.6	3.8	4.3	-1.1	1.7	0.5	-2.8
Large discount store sales (y-o-y, %)	4.8	-3.9	0.7	13.4	-14.6	3.2	6.8	3.8
Domestic sales of gasoline (y-o-y, %)	-2.9	6.6	8.6	-7.3	0.2	4.8	-2.7	6.3
Domestic sales of cars (y-o-y, %)	-11.5	1.4	-8.6	1.1	6.2	-2.6	-6.3	-9.0
Consumer sentiment index	102.0	95.7	94.1	93.3	94.4	96.7	101.2	108.0
Number of Chinese tourists (y-o-y, %)	4.7	1.8	15.1	8.3	8.1	-40.0	-66.6	-61.5 ¹

1. Based on advanced estimates of all Chinese entry in May, which can be different from the data released by the Ministry of Culture, Sports and Tourism that excludes diplomatic and military personnel
Sources: Bank of Korea, Credit Finance Association of Korea, Korea National Oil Corporation, Korea Automobile Manufacturers Association, data provided by retail industries

3. Facility investment

Facility investment (*preliminary GDP*) in the first quarter of 2017 rose 4.4 percent quarter-on-quarter and 14.4 percent year-on-year.

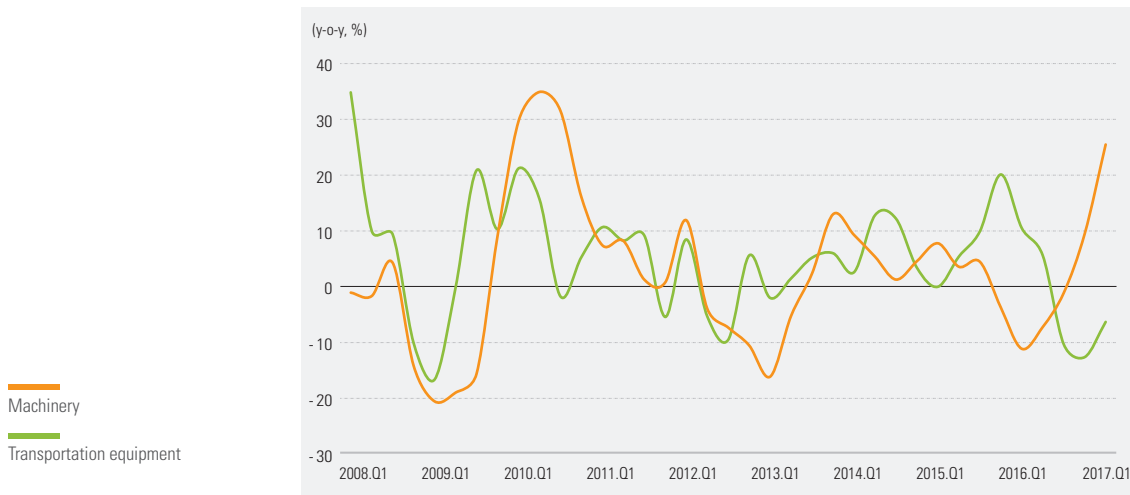
Facility investment



Source: Bank of Korea (national accounts)



Facility investment by type



Source: Bank of Korea (national accounts)

(Percentage change from previous period)

	2014	2015					2016					2017
	Annual	Annual	Q1	Q2	Q3	Q4	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹
Facility investment ²	6.0	4.7	0.3	0.8	1.9	0.0	-2.3	-7.0	2.6	0.9	5.9	4.4
(y-o-y)	-	-	5.4	4.3	6.0	3.1	-	-4.6	-2.9	-3.9	2.0	14.4
- Machinery	5.0	2.9	0.2	-2.0	0.4	-2.7	-2.4	-7.2	2.8	6.8	7.5	6.4
- Transportation equipment	8.3	8.7	0.7	7.2	5.0	5.6	-2.0	-6.8	2.2	-10.2	2.5	-0.5

1. Preliminary 2. National accounts

Source: Bank of Korea

The facility investment index in April fell 4.0 percent month-on-month as both machinery and transportation equipment investment decreased. The index increased 14.1 percent year-on-year.

(Percentage change from previous period)

	2015	2016					2017				
	Annual	Annual	Q1	Q2	Q3	Q4	Q1 ¹	Jan	Feb	Mar ¹	Apr ¹
Facility investment index	6.9	-1.3	-6.5	5.1	-1.9	8.0	5.6	1.4	-8.5	13.3	-4.0
(y-o-y)	-	-	-7.6	0.6	-4.7	5.9	18.0	10.3	19.5	23.3	14.1
- Machinery	3.6	-2.2	-4.7	1.2	7.1	6.8	7.4	3.7	-8.3	13.2	-5.0
- Transportation equipment	15.0	0.9	-8.7	11.8	-18.9	10.8	2.0	-3.6	-9.5	13.9	-1.4

1. Preliminary

Source: Statistics Korea

The facility investment outlook is mixed: Domestic machinery orders and machinery imports increased, but the average manufacturing operation ratio remains low.

BSI in the manufacturing sector (base=100, Bank of Korea)

74 (Sep 2016) → 75 (Oct) → 72 (Nov) → 72 (Dec) → 71 (Jan 2017) → 76 (Feb) → 81 (Mar)
→ 82 (Apr) → 84 (May) → 84 (Jun)

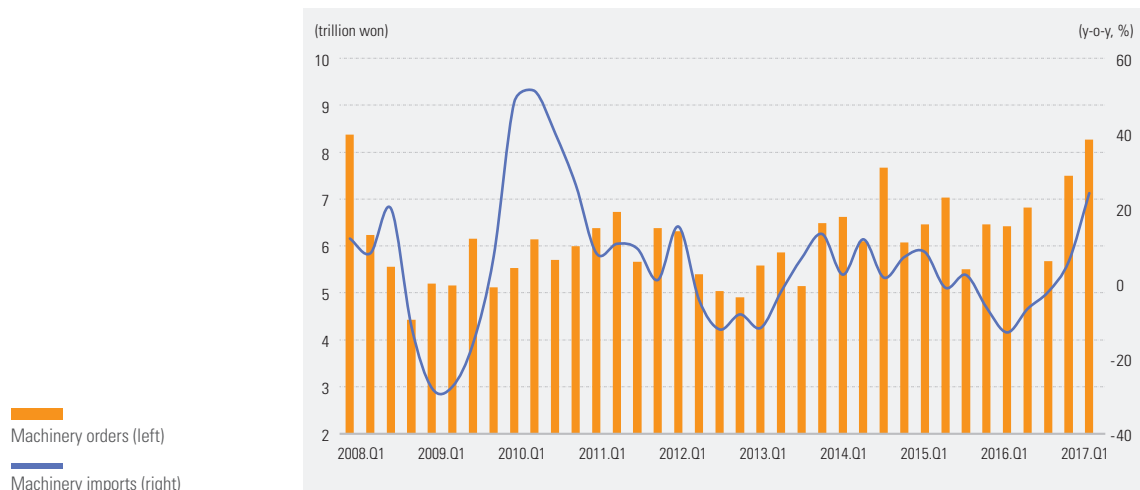
(Percentage change from same period in previous year)

	2014	2015	2016				2017				
	Annual	Annual	Q1	Q2	Q3	Q4	Q1 ¹	Jan	Feb	Mar ¹	Apr ¹
Domestic machinery orders	-3.9	3.8	-0.6	-3.0	3.3	16.0	28.9	36.0	17.0	35.1	43.7
(q-o-q, m-o-m)	-	-	-8.3	7.4	-6.2	26.4	0.8	-38.4	31.4	-0.3	2.7
- Public	-61.7	48.0	56.9	15.7	17.7	87.1	8.3	71.7	-11.1	10.1	25.3
- Private	9.6	0.2	-4.5	-4.4	2.2	8.4	31.2	34.4	20.6	38.7	45.6
Machinery imports	0.3	-2.5	-13.0	-6.7	-2.2	5.9	24.1	8.2	24.1	39.6	19.3
Average manufacturing operation ratio (%)	74.5	72.6	73.4	72.8	71.9	72.4	72.7	74.2	71.0	72.8	71.7
Facility investment adjustment pressure²	-1.2	0.2	-0.8	0.5	-0.4	1.3	2.1	-0.5	5.1	1.9	0.2

1. Preliminary

2. Production growth rate minus production capacity growth rate in the manufacturing sector (%p)

Sources: Statistics Korea, Korea International Trade Association

Leading indicators of facility investment

Sources: Statistics Korea (machinery orders), Korea International Trade Association (machinery imports)

4. Construction investment

Construction investment (*preliminary GDP*) in the first quarter of 2017 rose 6.8 percent quarter-on-quarter and 11.3 percent year-on-year.

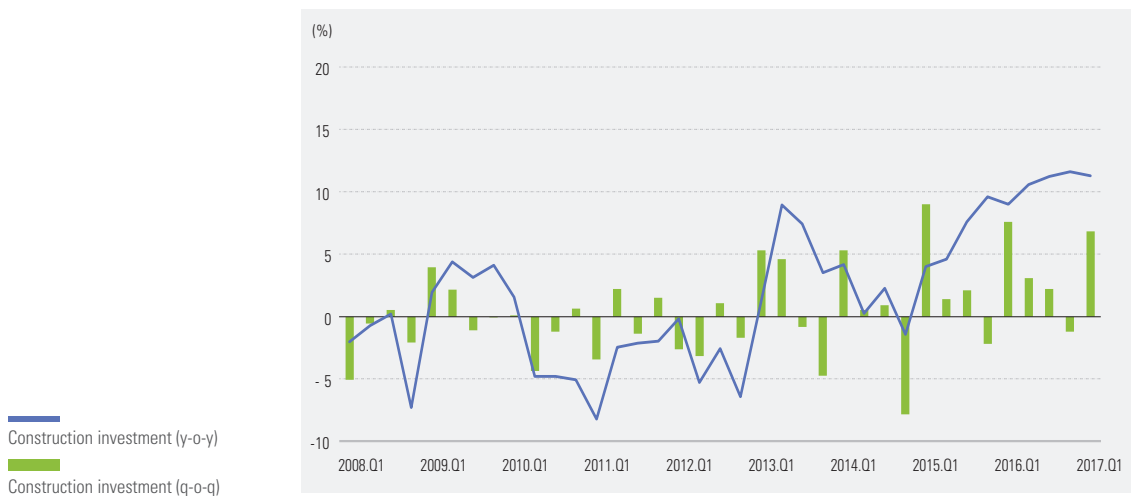


(Percentage change from previous period)

	2014	2015					2016					2017
	Annual	Annual	Q1	Q2	Q3	Q4	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹
Construction investment ²	1.1	6.6	9.0	1.4	2.1	-2.2	10.7	7.6	3.1	2.2	-1.2	6.8
(y-o-y)	-	-	4.0	4.6	7.6	9.6	-	9.0	10.6	11.2	11.6	11.3
- Building construction	6.3	10.0	6.4	3.3	5.9	0.6	17.3	6.0	4.9	4.1	1.7	4.9
- Civil engineering works	-7.3	0.3	14.0	-2.2	-5.1	-8.0	-2.8	11.3	-1.1	-2.3	-8.5	12.2

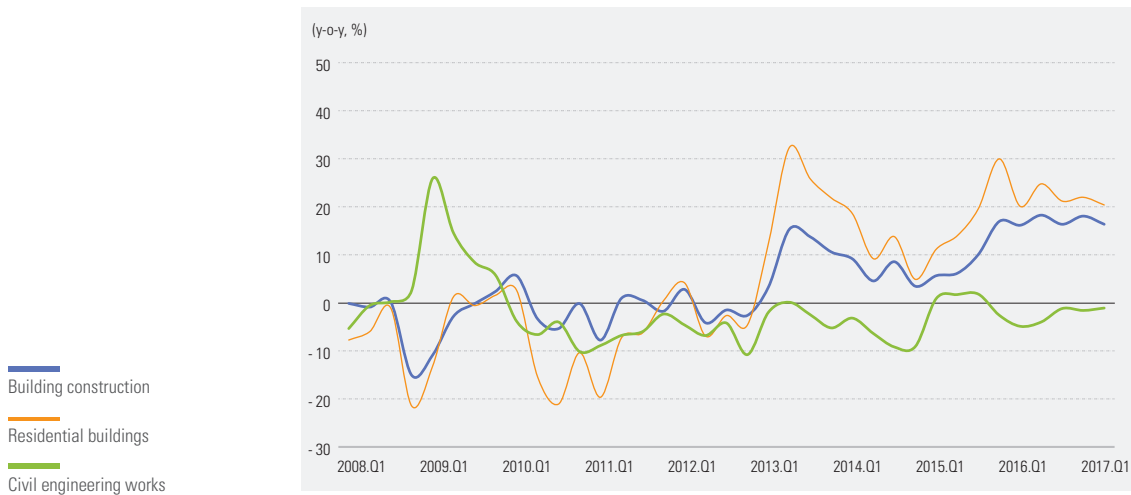
1. Preliminary 2. National accounts
Source: Bank of Korea

Construction investment



Source: Bank of Korea (national accounts)

Construction investment by type



Source: Bank of Korea (national accounts)

The value of construction completed (*constant*) in April fell 4.3 percent month-on-month as civil engineering works decreased. The index rose 19.4 percent year-on-year.

(Percentage change from previous period)

	2015	2016					2017				
	Annual	Annual	Q1	Q2	Q3	Q4	Q1 ¹	Jan	Feb ¹	Mar ¹	Apr ¹
Construction completed (constant)	5.0	15.4	6.2	2.3	4.2	4.1	6.0	-1.9	8.3	3.7	-4.3
(y-o-y)	-	-	13.2	15.8	14.5	17.7	18.0	13.0	22.6	18.5	19.4
- Building construction	7.3	25.7	8.2	4.7	5.7	6.9	7.0	0.9	5.3	2.7	0.1
- Civil engineering works	1.2	-2.6	2.4	-2.5	0.9	-2.4	3.5	-9.1	16.7	6.8	-15.2

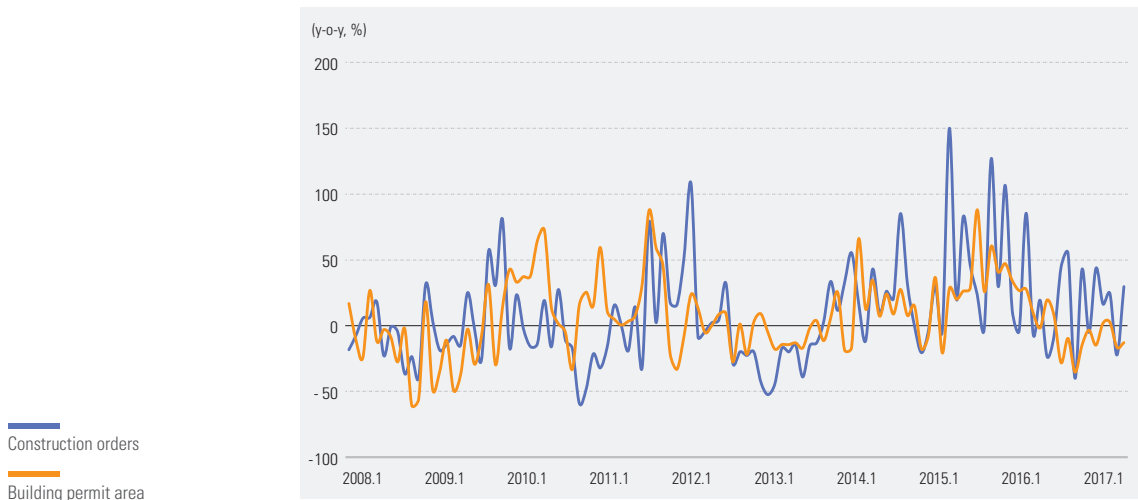
1. Preliminary

Source: Statistics Korea

The construction investment outlook is mixed as there are both positive and negative factors: Apartment presales were strong in 2016 and construction orders received increased, but building permits declined.

Apartment presales (thousands, monthly average of the quarter, Real Estate 114)
18 (Q1 2016) → 43 (Q2) → 32 (Q3) → 57 (Q4) → 19 (Q1 2017) → 18 (Apr) → 25 (May)

Leading indicators of construction investment



Sources: Statistics Korea (construction orders), Ministry of Land, Infrastructure and Transport (building permit area)

(Percentage change from same period in previous year)

	2015	2016					2017				
	Annual	Annual	Q1	Q2	Q3	Q4	Q1 ¹	Jan	Feb ¹	Mar ¹	Apr ¹
Construction orders received (current value)	48.4	8.4	13.9	-6.7	1.3	26.0	3.6	16.5	24.3	-22.3	29.7
(q-o-q, m-o-m)	-	-	16.3	-8.4	27.2	-11.0	2.1	7.3	31.8	-42.1	70.0
- Building construction	50.5	14.5	13.5	1.7	3.6	39.7	-5.0	38.6	-7.4	-27.4	17.8
- Civil engineering works	42.6	-9.4	15.1	-32.4	-6.4	-6.8	31.0	-30.7	171.6	-6.4	95.1
Building permits ²	34.3	-5.7	19.7	5.3	-24.8	-11.1	-5.0	2.0	2.7	-16.2	-12.7

1. Preliminary 2. Floor area

Sources: Statistics Korea, Ministry of Land, Infrastructure and Transport



5. Exports and Imports

Exports (*preliminary*) increased 13.4 percent year-on-year to US \$45.04 billion in May. Exports posted double-digit growth for five months in a row, backed by strong major export items.

By item, semiconductors, steel and petroleum products surged, while mobile phones fell. By region, shipments to the ASEAN countries, the EU, China and Japan increased, while exports to the Middle East and the US declined.

Export growth by item (y-o-y, %)

63.3 (semiconductors), 36.5 (steel), 29.8 (petroleum products), 27.5 (vessels), 13.5 (petrochemicals), 3.6 (automobiles), -37.0 (mobile phones)

Export growth by region (y-o-y, %)

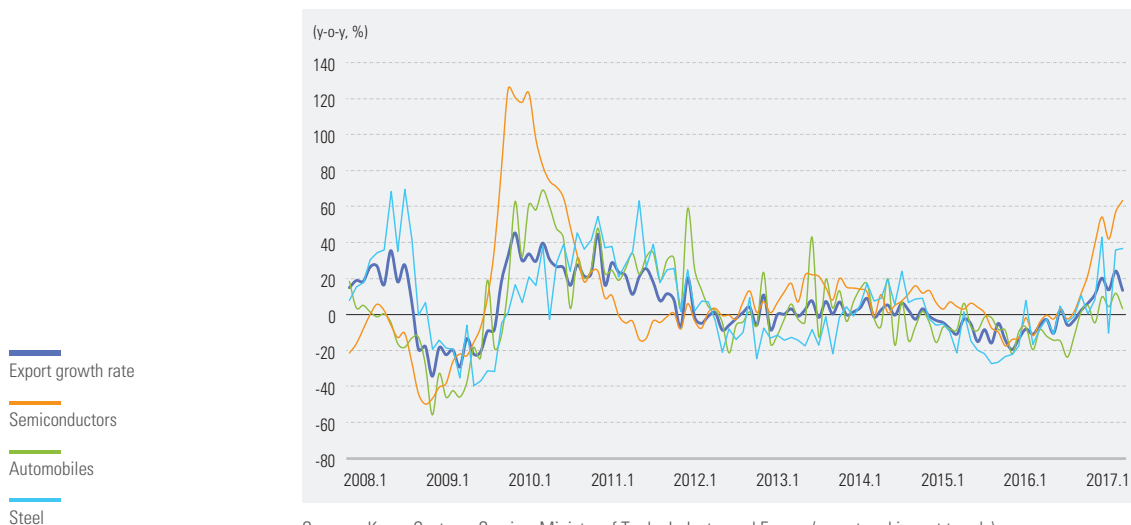
36.0 (ASEAN countries), 21.9 (EU), 8.7 (Japan), 7.5 (China), 2.4 (Latin America), -2.8 (Middle East), -1.9 (US)

Average daily exports, an indicator adjusted to days worked, decreased month-on-month to US \$2.14 billion.

Average daily exports (US \$ billion)

1.85 (May 2016) → 1.87 (Jan 2017) → 1.96 (Feb) → 2.03 (Mar) → 2.27 (Apr) → 2.14 (May)

Exports by item



Sources: Korea Customs Service, Ministry of Trade, Industry and Energy (export and import trends)

(US \$ billion)

	2014	2015	2016					2017			
	Annual	Annual	Annual	Q1	Q2	Q3	Q4	May	Q1	Apr	May ¹
Exports	572.66	526.76	495.43	115.19	126.02	121.85	132.36	39.73	132.12	50.97	45.04
(y-o-y, %)	2.3	-8.0	-5.9	-13.7	-6.7	-5.0	1.8	-6.1	14.7	24.1	13.4
Average daily exports	2.11	1.93	1.81	1.73	1.88	1.78	1.86	1.85	1.96	2.27	2.14

1. Preliminary Source: Korea Customs Service

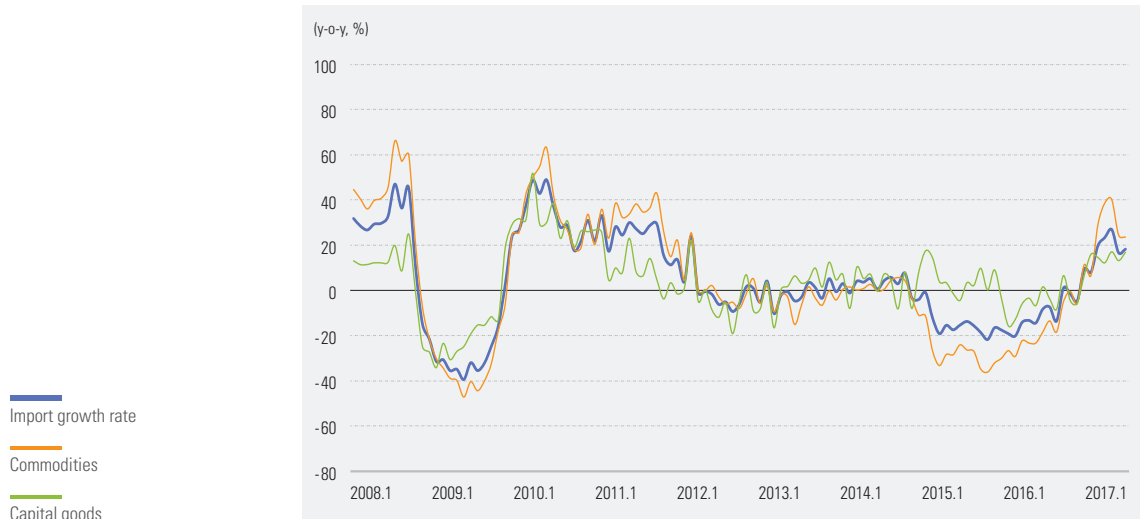
Imports (*preliminary*) in May rose 18.2 percent year-on-year to US \$39.05 billion.

Capital and consumer goods imports grew at a faster rate, while commodities import growth decelerated.

Import growth by category (y-o-y, %, Apr → May)

24.5 → 23.6 (commodities), 15.2 → 16.8 (capital goods), 3.0 → 6.2 (consumer goods)

Imports by category



Sources: Korea Customs Service, Ministry of Trade, Industry and Energy (export and import trends)

(US \$ billion)

	2014	2015	2016					2017			
	Annual	Annual	Annual	Q1	Q2	Q3	Q4	May	Q1	Apr	May ¹
Imports	525.51	436.50	406.19	93.83	99.30	102.46	110.59	33.03	116.22	37.99	39.05
(y-o-y, %)	1.9	-16.9	-6.9	-16.0	-10.1	-5.1	4.1	-8.4	23.9	17.3	18.2
Average daily imports	1.94	1.60	1.49	1.41	1.48	1.50	1.56	1.54	1.72	1.69	1.86

1. Preliminary

Source: Korea Customs Service

The trade balance (*preliminary*) posted a surplus of US \$5.99 billion in May, staying in the black for the 64th consecutive month. Surpluses decreased compared with the previous month.

(US \$ billion)

	2014	2015	2016					2017			
	Annual	Annual	Annual	Q1	Q2	Q3	Q4	May	Q1	Apr	May ¹
Trade balance	47.15	90.26	89.23	21.36	26.72	19.39	21.77	6.71	15.90	12.98	5.99

1. Preliminary

Source: Korea Customs Service



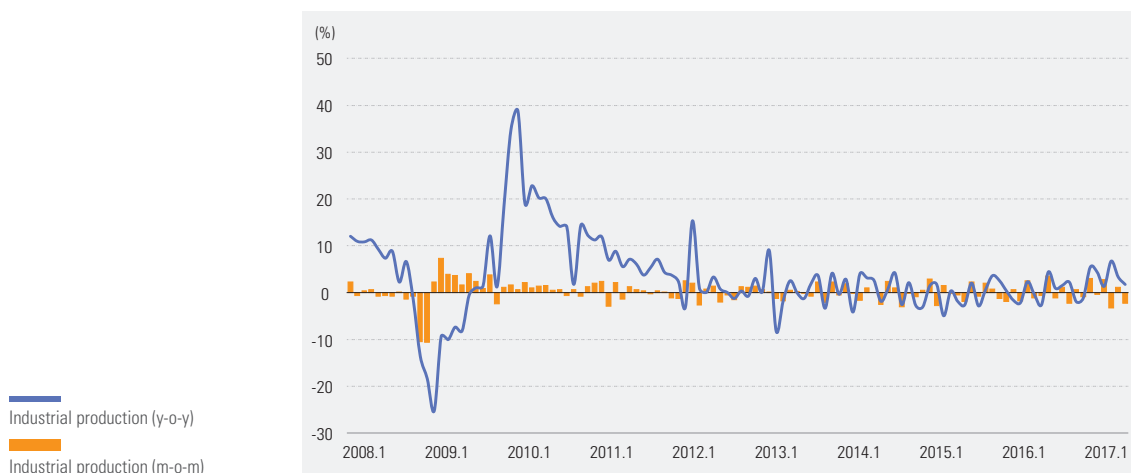
6. Mining and manufacturing production

Mining and manufacturing production rose 2.2 percent month-on-month in April due to strong mechanical equipment and medical, precision & optical instruments. Automobiles and semiconductors fell. Compared to the same period of the previous year, the index increased 1.7 percent.

Compared to the previous month, production of mechanical equipment (*up 2.0%*), medical, precision & optical instruments (*up 5.8%*) and communications equipment (*up 2.6%*) rose, while semiconductors (*down 9.2%*), automobiles (*down 2.6%*) and electronic parts (*down 3.6%*) fell.

Compared to a year ago, production of mechanical equipment (*up 19.2%*), electronic parts (*up 7.0%*) and chemical products (*up 4.5%*) rose, while processed metals (*down 7.4%*), other transportation equipment (*down 7.8%*) and audio-visual equipment (*down 26.3%*) declined.

Industrial production



Source: Statistics Korea (industrial activity trends)

The manufacturing inventory-shipment ratio rose 6.3 percentage points month-on-month to 121.8 percent as inventories increased 2.7 percent and shipments fell 2.6 percent.

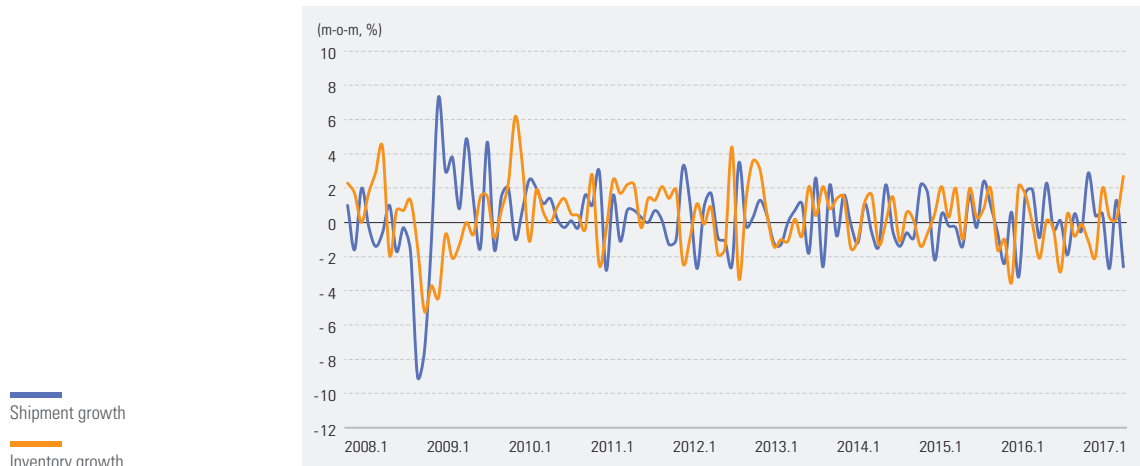
Inventories of primary metals (*up 6.8%*), chemical products (*up 5.3%*) and semiconductors (*up 4.6%*) rose, while electrical equipment (*down 3.8%*), electronic parts (*down 3.4%*) and processed metals (*down 2.6%*) declined.

Shipments of mechanical equipment (*up 1.8%*), communications equipment (*up 3.3%*) and computers (*up 9.5%*) rose, while semiconductors (*down 9.1%*), automobiles (*down 3.9%*) and chemical products (*down 3.8%*) fell.

The average operation ratio of the manufacturing sector declined 1.1 percentage points month-on-month to 71.7 percent.

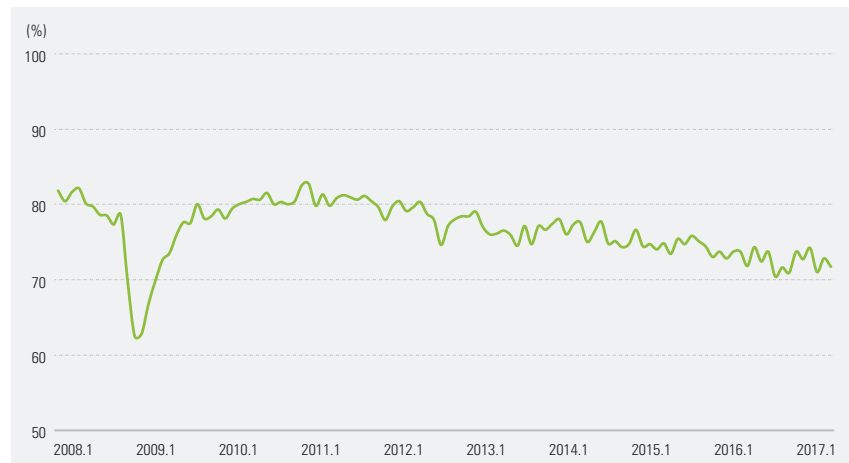
Mining and manufacturing for May is likely to improve given strong exports and growing confidence, but uncertainties remain as to trade related issues.

Shipment and inventory



Source: Statistics Korea (industrial activity trends)

Average manufacturing operation ratio



Source: Statistics Korea (industrial activity trends)

(Percentage change from previous period)

		2016				2017			
		Annual	Q1	Q4	Apr	Q1 ¹	Feb	Mar ¹	Apr ¹
Mining and manufacturing ²	(q-o-q, m-o-m)	-	-0.6	0.6	-0.6	1.6	-3.3	1.2	-2.2
	(y-o-y)	1.0	-0.3	2.8	-2.7	3.7	6.7	3.3	1.7
Manufacturing	Production (q-o-q, m-o-m)	-	-0.7	0.8	-0.6	1.5	-3.6	1.3	-2.2
	(y-o-y)	1.0	-0.5	2.9	-2.7	3.8	6.9	3.4	1.7
	Shipment	0.6	-1.8	1.2	-0.9	0.5	-2.7	1.3	-2.6
	-Domestic consumption	1.3	-0.9	2.7	-2.2	0.0	-2.2	1.6	-2.6
	-Exports	-0.1	-3.1	-0.4	0.7	0.9	-3.3	0.9	-2.6
	Inventory ³	-5.9	3.6	-3.2	-2.1	2.6	0.4	0.2	2.7
	Average operation ratio	72.6	73.4	72.4	71.8	72.6	71.0	72.8	71.7
	Production capacity (y-o-y)	0.8	0.3	1.6	0.4	1.7	1.8	1.5	1.5

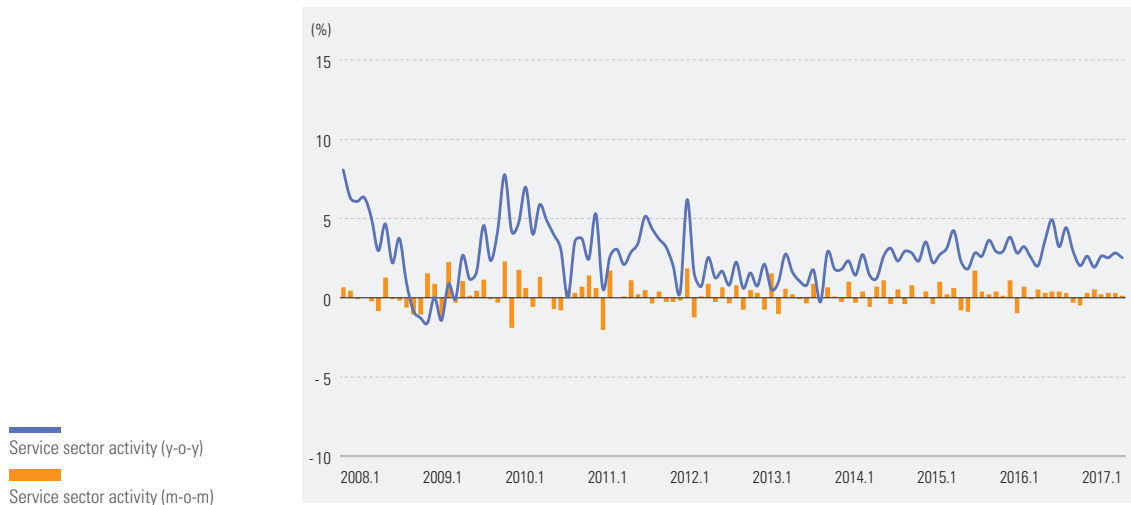
1. Preliminary 2. Including mining, manufacturing, electricity and gas industry 3. End-period
 Source: Statistics Korea



7. Service sector activity

Service output in April increased 0.1 percent month-on-month due to gains in wholesale & retail and financial & insurance services. Professional, scientific & technical services and education services declined. Compared to a year ago, service output rose 2.5 percent.

Service sector activity



Source: Statistics Korea (industrial activity trends)

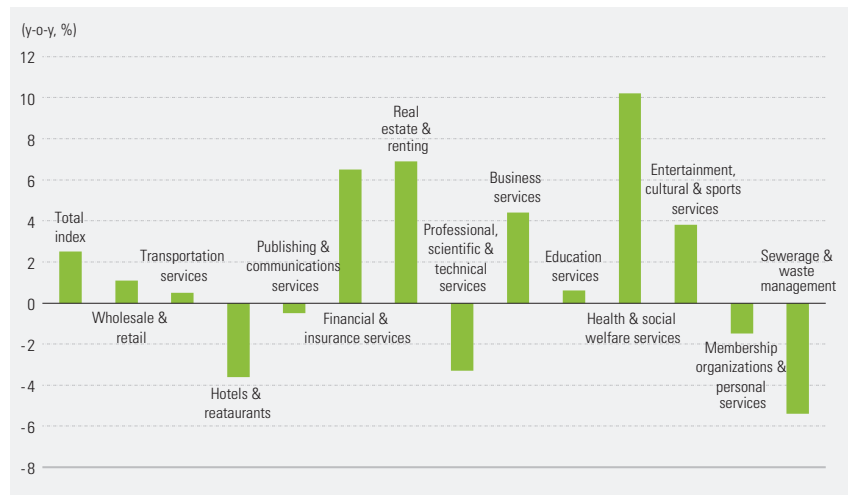
(Percentage change from previous period)

	Weight	2015		2016				2017		
		Annual	Annual	Q1	Q2	Q3	Q4	Q1 ¹	Mar ¹	Apr ¹
Service activity index	100.0	2.9	3.0	0.2	1.1	1.0	-0.3	0.9	0.3	0.1
- Wholesale & retail	21.6	1.8	3.0	-0.4	1.5	-0.4	1.0	-0.5	-0.4	0.7
- Transportation services	8.5	1.2	1.9	1.3	0.0	0.2	-3.2	2.7	-0.5	1.1
- Hotels & restaurants	7.2	-2.0	-0.5	-0.4	-0.9	0.3	-3.1	-0.2	-0.7	0.6
- Publishing & communications services	8.4	-0.5	2.2	-0.3	1.0	-1.5	0.3	0.4	2.1	0.9
- Financial & insurance services	14.7	9.1	5.9	2.1	1.4	2.9	-0.3	2.6	-1.8	0.7
- Real estate & renting	5.3	8.4	2.3	-3.5	3.8	3.8	-1.3	0.1	4.1	-0.7
- Professional, scientific & technical services	5.6	-0.3	-1.3	-2.6	1.0	-0.6	-0.3	-1.4	5.4	-2.2
- Business services	3.3	3.9	2.0	-0.7	-0.1	0.8	0.7	2.7	2.5	-2.5
- Education services	10.9	0.7	0.8	0.4	-0.4	0.6	-0.5	0.6	0.8	-1.1
- Healthcare & social welfare services	7.5	6.2	9.3	0.9	2.8	5.3	1.5	1.4	0.3	0.0
- Entertainment, cultural & sports services	2.9	1.1	2.7	-1.6	2.7	-0.6	-1.1	0.5	4.2	-0.9
- Membership organizations & personal services	3.6	-0.5	-0.9	2.0	-0.6	-1.2	-1.2	1.8	-0.5	0.5
- Sewerage & waste management	0.6	7.2	3.9	1.3	4.6	-2.2	0.9	1.4	-6.7	-2.7

1. Preliminary

Source: Statistics Korea

April 2017 service output by business



Source: Statistics Korea (industrial activity trends)

The service output outlook for May is mixed: Domestic sales of cars and the number of Chinese tourists visiting Korea declined, but export growth remained strong and average daily stock transactions rose.

	2016			2017				
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Domestic sales of cars (y-o-y, %)	-11.5	1.4	-8.6	1.1	6.2	-2.6	-6.3	-9.0
Department store sales (y-o-y, %)	5.6	-1.6	3.8	4.3	-1.1	1.7	0.5	-2.8
Large discount store sales (y-o-y, %)	4.8	-3.9	0.7	13.4	-14.6	3.2	6.8	3.8
Average daily stock transactions (trillion won)	7.5	7.4	6.5	7.0	7.3	8.0	8.0	9.0
Number of Chinese tourists (y-o-y, %)	4.7	1.8	15.1	8.3	8.1	-40.1	-66.6	-61.5 ¹

1. Based on advanced estimates of all Chinese entry in May, which can be different from the data released by the Ministry of Culture, Sports and Tourism that excludes diplomatic and military personnel

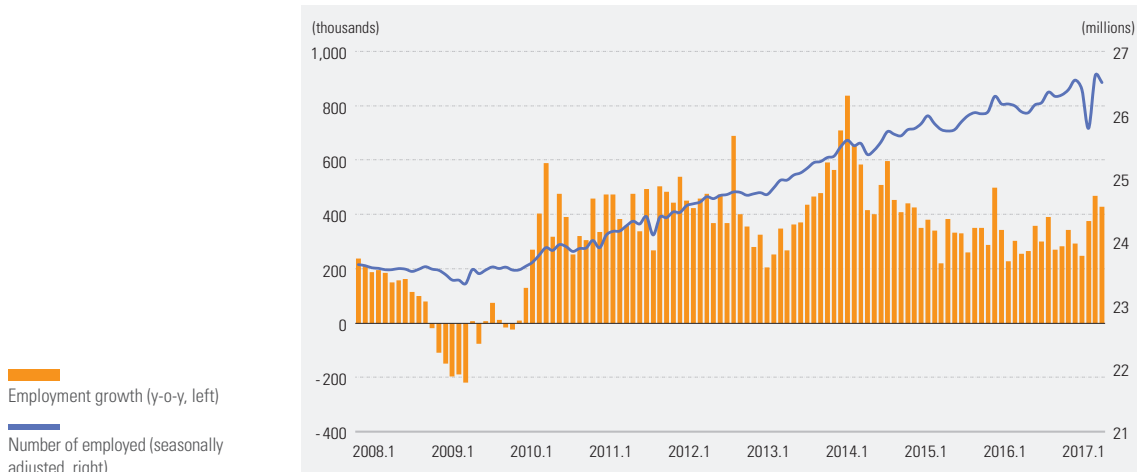
Sources: Korea Automobile Manufacturers Association, Korea Exchange, data provided by retail industries

8. Employment

The number of workers on payroll in April increased by 424,000 from a year earlier to 26,577,000, and the employment rate (*aged 15-64*) rose 0.9 percentage points to 66.6 percent.

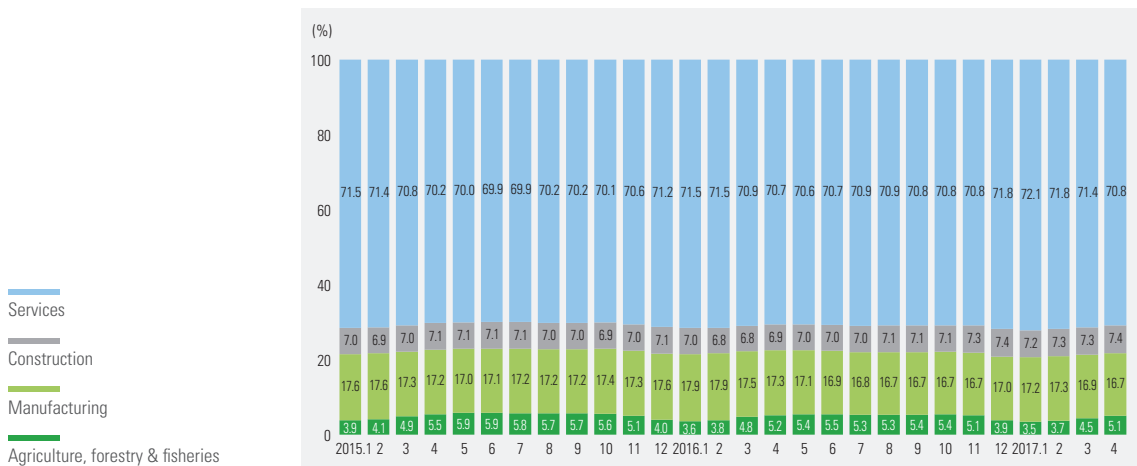
By industry, services and construction continued to lead employment growth.

Number of persons employed and employment growth



Source: Statistics Korea (employment trends)

Employment by industry



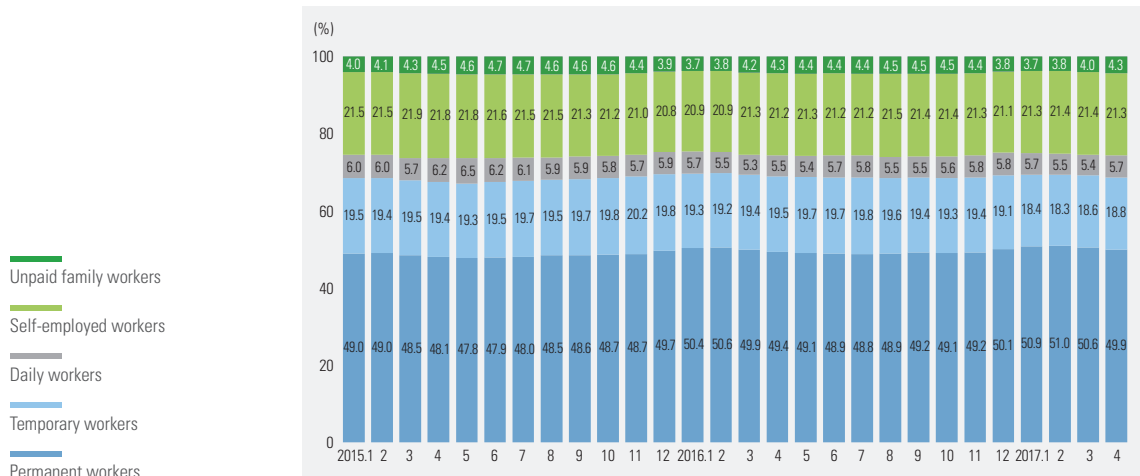
Source: Statistics Korea (employment trends)

	2015			2016					2017			
	Annual	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Apr	Q1	Mar	Apr
Number of employed (millions)	25.94	26.24	26.14	26.24	25.55	26.39	26.55	26.45	26.15	25.92	26.27	26.58
Employment rate (%)	60.6	60.9	60.5	60.4	59.1	60.8	61.1	60.7	60.3	59.4	60.2	60.8
(Seasonally adjusted)	60.3	60.3	60.5	60.4	60.5	60.1	60.5	60.6	60.1	60.8	61.0	60.7
- 15 to 64	65.7	66.1	66.1	66.1	65.1	66.2	66.5	66.5	65.7	65.7	66.1	66.6
Employment growth (y-o-y, thousands)	337	310	376	299	287	289	318	302	252	360	466	424
(Excluding agriculture, forestry & fisheries)	444	419	482	358	341	375	399	315	312	385	523	437
- Manufacturing	156	164	176	-5	126	38	-71	-110	48	-112	-83	-62
- Construction	27	11	-19	22	-7	-28	38	85	-37	131	164	161
- Services	250	234	309	338	216	360	430	350	302	365	450	341
- Agriculture, forestry & fisheries	-107	-109	-106	-59	-54	-86	-81	-13	-60	-25	-56	-13

Source: Statistics Korea

By employment status, permanent workers continued to grow, while temporary and daily workers continued to fall. Self-employed workers increased for nine consecutive months.

Employment by status of workers



Source: Statistics Korea (employment trends)

	2015			2016				2017				
	Annual	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Apr	Q1	Mar	Apr
Employment growth (y-o-y, thousands)	337	310	376	299	287	289	318	302	252	360	466	424
- Wage workers	487	521	565	317	427	392	283	164	386	198	357	313
· Permanent workers	432	505	536	386	505	457	316	266	459	322	407	361
· Temporary workers	54	1	129	18	15	120	45	-106	96	-149	-108	-126
· Daily workers	1	15	-100	-88	-93	-185	-78	5	-169	25	58	77
- Nonwage workers	-151	-211	-189	-18	-140	-103	35	138	-133	163	110	111
· Self-employed workers	-89	-136	-135	7	-96	-68	52	140	-105	170	127	105
- Male	132	111	132	151	107	124	183	189	74	174	225	183
- Female	205	199	244	148	180	165	134	113	178	186	241	241
- 15 to 29	68	50	100	48	40	82	62	7	43	10	49	44
- 30 to 39	-38	-60	-36	-36	-21	-23	-53	-45	-22	-30	-9	9
- 40 to 49	-14	1	7	-29	6	-41	-16	-63	-52	-39	-43	-52
- 50 to 59	149	145	135	92	84	82	90	114	76	162	199	168
- 60 and above	172	174	169	223	179	189	236	289	208	257	272	255

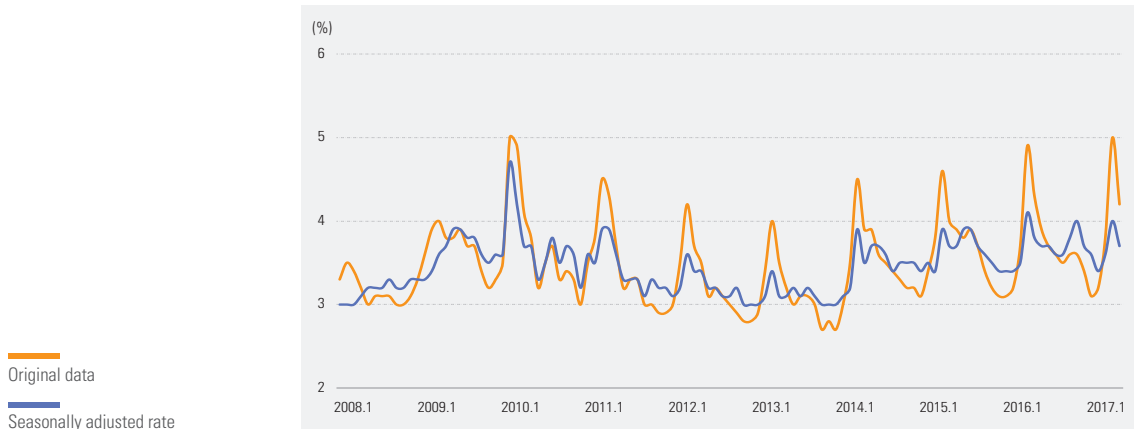
Source: Statistics Korea

The number of unemployed persons in April was up 99,000 from a year earlier to 1,174,000, and the unemployment rate rose 0.3 percentage points year-on-year to 4.2 percent.

The unemployment rate rose in all age groups except for those in their 50s.



Unemployment rate

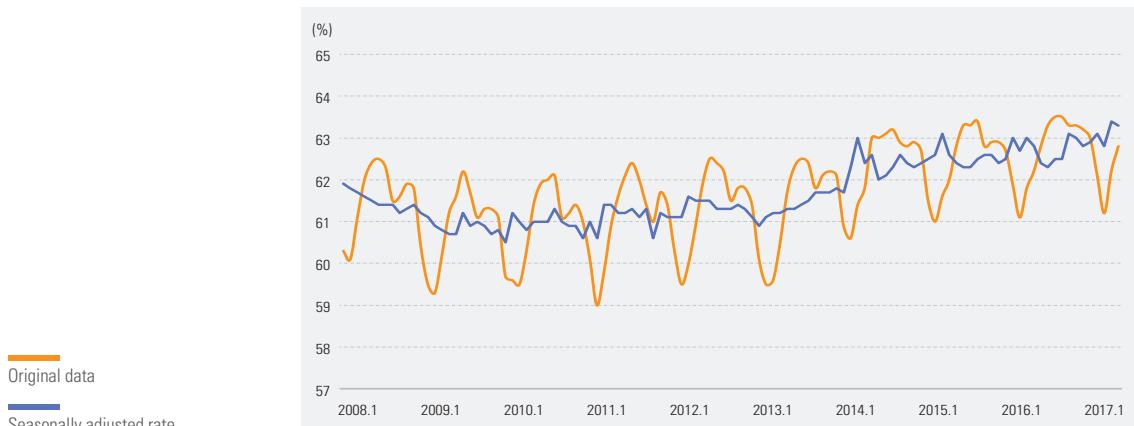


Source: Statistics Korea (employment trends)

	2015			2016						2017		
	Annual	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Apr	Q1	Mar	Apr
Number of unemployed (thousands)	976	929	845	1,012	1,153	1,028	985	881	1,075	1,167	1,143	1,174
Unemployment growth (y-o-y, thousands)	40	45	-9	36	64	-14	56	36	22	14	-12	99
- Male	24	31	-3	24	51	11	37	-1	30	-15	-50	68
- Female	16	14	-6	11	13	-24	19	37	-8	29	38	30
Unemployment rate (%)	3.6	3.4	3.1	3.7	4.3	3.8	3.6	3.2	3.9	4.3	4.2	4.2
(Seasonally adjusted)	3.6	3.6	3.4	3.7	3.8	3.7	3.8	3.6	3.7	3.8	3.7	4.0
- 15 to 29	9.2	8.4	8.0	9.8	11.3	10.3	9.3	8.4	10.9	10.8	11.3	11.2
- 30 to 39	3.1	3.0	2.9	3.2	3.2	3.2	3.2	3.1	3.3	3.6	3.8	4.0
- 40 to 49	2.3	2.3	2.0	2.1	2.4	2.1	2.1	1.9	2.3	2.4	2.6	2.7
- 50 to 59	2.4	2.4	1.9	2.3	2.6	2.3	2.3	2.0	2.4	2.2	2.1	2.3
- 60 and above	2.5	2.0	2.1	2.6	4.2	2.2	2.3	2.1	2.3	4.8	2.7	2.4

Source: Statistics Korea

Labor force participation rate



Source: Statistics Korea (employment trends)

The economically inactive population in April decreased 173,000 from a year earlier to 15,947,000, and the labor force participation rate rose 0.7 percentage points to 63.5 percent.

The number of persons economically inactive due to education (*down 147,000*) and childcare (*down 74,000*) decreased, and those due to old age (*up 87,000*) and housework (*up 20,000*) increased.

	2015			2016					2017			
	Annual	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Apr	Q1	Mar	Apr
Economically inactive population (millions)	16.11	15.92	16.19	16.17	16.57	15.97	15.93	16.21	16.12	16.55	16.26	15.95
Labor force participation rate (%)	62.6	63.0	62.5	62.8	61.7	63.2	63.4	62.8	62.8	62.1	62.8	63.5
(Seasonally adjusted)	62.6	62.5	62.6	62.8	62.8	62.4	62.9	62.9	62.4	63.2	63.3	63.2
Growth in economically inactive population (y-o-y, thousands)	128	162	128	64	99	135	4	17	149	-17	-101	-173
- Childcare	8	3	-63	-79	-115	-105	-63	-36	-123	-83	-87	-74
- Housework	-45	-19	-29	49	32	69	35	59	46	27	-6	20
- Education	-146	-112	-118	-96	-108	-89	-116	-71	-112	-56	-143	-147
- Old age	109	103	171	117	161	109	113	86	110	57	70	87
- Rest	141	123	136	36	97	141	-19	-76	150	28	67	-20

Source: Statistics Korea

9. Financial markets

9.1 Stock market

The KOSPI rose 6.4 percent in May from 2,205.44 points to 2,347.38 points, and the KOSDAQ rose 3.8 percent from 628.24 points to 652.04 points.

(Closing rate)

	KOSPI			KOSDAQ		
	Apr 2017	May 2017	Change ¹	Apr 2017	May 2017	Change ¹
Stock price index (points)	2,205.44	2,347.38	+141.94 (+6.4%)	628.24	652.04	+23.80 (+3.8%)
Market capitalization (trillion won)	1,430.9	1,519.2	+88.3 (+6.2%)	205.8	214.9	+9.1 (+4.4%)
Average daily trade value (trillion won)	4.60	6.21	+1.61 (+35.0%)	3.47	2.91	-0.56 (-16.1%)
Foreign stock ownership (% , %p)	36.59	36.66	+0.07 (+0.2%)	10.76	11.18	+0.42 (+3.9%)

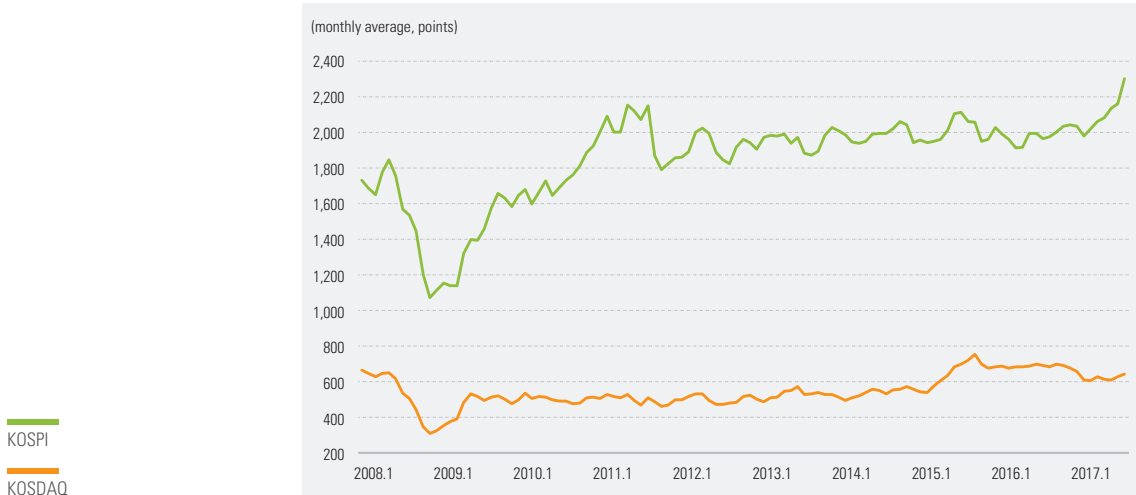
1. Change from the end of the previous month in May 2017

Source: Korea Exchange



The KOSPI reached a record high backed by rising investor sentiment in the global market, higher-than-expected first quarter corporate earnings and foreign investors' net purchase of Korean shares.

Stock prices



Source: Korea Exchange

9.2 Exchange rate

The dollar-won exchange rate fell 1.6 percent in May to 1,119.5 won due to the weak dollar and foreign investors' buying of Korean shares.

The 100 yen-won exchange rate fell 1.4 percent to 1,009.1 won as the dollar weakened at a faster pace against the won than against the yen.

Foreign exchange rates



Source: Bank of Korea

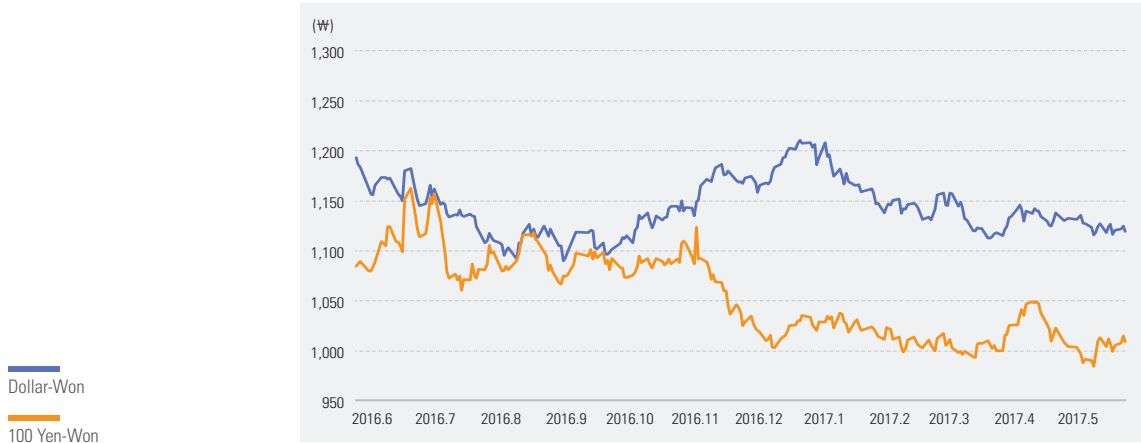
(Closing rate)

	2011	2012	2013	2014	2015	2016	2017		
	Dec	Dec	Dec	Dec	Dec	Dec	Apr	May	Change ¹
Dollar-Won	1,151.8	1,070.6	1,055.4	1,099.3	1,172.5	1,207.7	1,137.9	1,119.5	1.6
100 Yen-Won	1,481.2	1,238.3	1,002.3	913.0	974.1	1,035.4	1,023.2	1,009.1	1.4

1. Appreciation from the end of the previous month in May 2017 (%); the exchange rate is based on the closing price at 3:00 p.m., local time.

Source: Bank of Korea

Daily foreign exchange rate trend

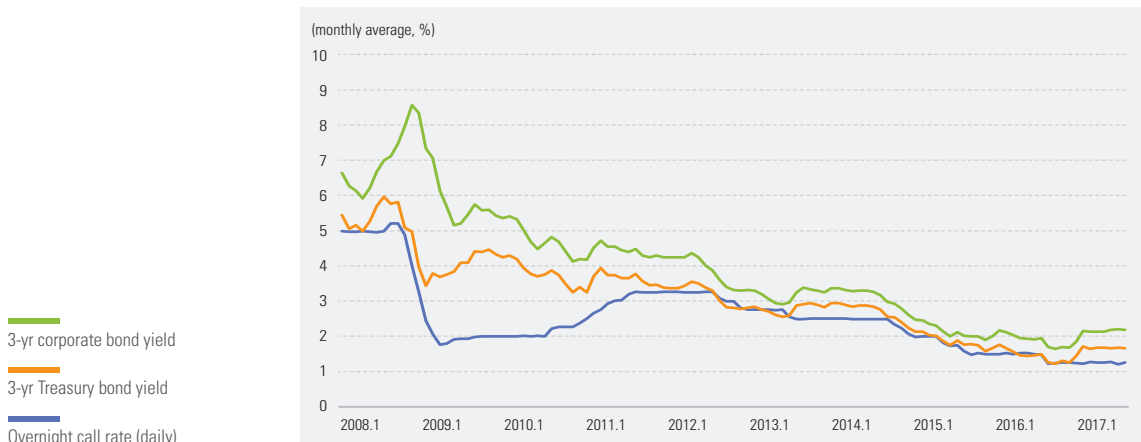


Source: Bank of Korea

9.3 Bond market

Treasury bond yields edged down in May as foreign investors continued to buy Treasury bond futures amid improving economic indicators and the new administration’s expansionary fiscal policies.

Interest rates



Source: Bank of Korea



(Closing rate, %)

	2011	2012	2013	2014	2015	2016	2017			
	Dec	Dec	Dec	Dec	Dec	Dec	Mar	Apr	May	Change ¹
Call rate (1 day)	3.29	2.77	2.52	2.03	1.52	1.27	1.27	1.21	1.26	+5
CD (91 days)	3.55	2.89	2.66	2.13	1.67	1.52	1.45	1.41	1.38	-3
Treasury bonds (3 yrs)	3.34	2.82	2.86	2.10	1.66	1.64	1.66	1.68	1.66	-2
Corporate bonds (3 yrs)	4.21	3.29	3.29	2.43	2.11	2.13	2.18	2.20	2.19	-1
Treasury bonds (5 yrs)	3.46	2.97	3.23	2.28	1.81	1.80	1.85	1.87	1.88	+1

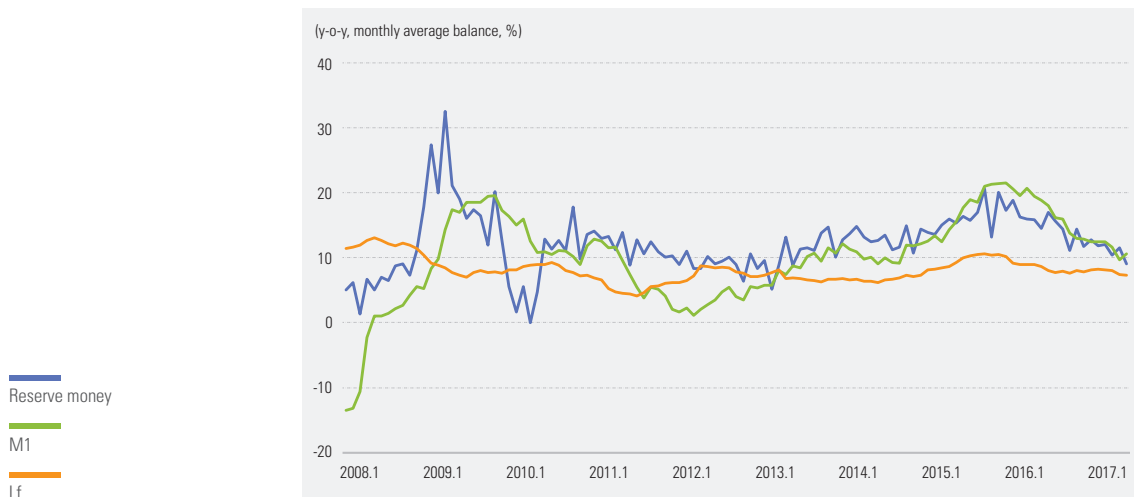
1. Basis points,%p, changes from the previous month in May 2017

Source: Bank of Korea

9.4 Money supply and money market

M2 (*monthly average*) in March rose 6.2 percent from a year ago as currency in circulation increased as well as deposits in foreign currency with maturities of less than two years.

Total money supply



Source: Bank of Korea

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

	2010	2011	2012	2013	2014	2015	2016	2017		
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Feb	Mar	Mar ¹
M1 ²	11.8	6.6	3.8	9.5	10.9	18.6	15.4	9.7	10.6	786.6
M2	8.7	4.2	5.2	4.8	6.6	8.6	7.3	5.9	6.2	2,439.8
Lf	8.2	5.3	7.8	6.9	7.0	9.7	8.1	7.4	7.3	3,386.5

1. Balance at end March 2017, trillion won

2. M1 excludes corporate MMFs and individual MMFs, and includes CMAs

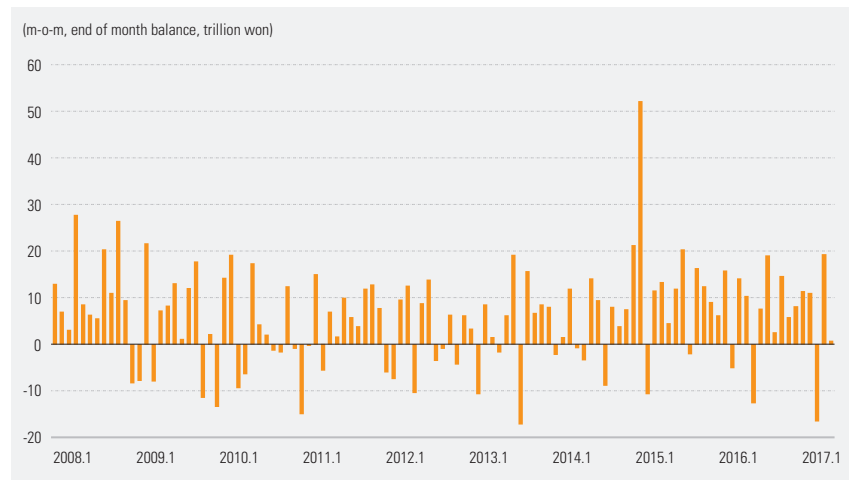
3. Liquidity aggregates of financial institutions (mostly identical with M3)

Source: Bank of Korea

Bank deposits increased slightly in April, despite a fall in instant access deposits, as the issuance of bonds (*up 2.4 trillion won*) and certificate of deposits (*CDs, up 1.6 trillion won*) increased. Instant access deposits fell by 5.6 trillion won due to companies withdrawing funds to pay value added taxes and dividends.

Asset management company (AMC) deposits increased by 14.6 trillion won. Money market funds (MMFs) surged by 10.5 trillion won due to the inflows of the government's extra funds and as financial firms redeposited money they withdrew temporarily in the previous month to improve their quarter-end balance. Equity funds fell by 0.6 trillion won as rising stock prices led to more selling.

Deposits in financial institutions



Source: Bank of Korea

(Change from the end of the previous period, trillion won)

	2010	2011	2012	2013	2014	2015	2016	2017			
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Feb	Mar	Apr	Apr ¹
Bank deposits	36.9	58.9	37.0	41.0	115.4	100.3	80.8	13.9	-1.0	0.0	1,464.7
AMC deposits	-16.7	-16.6	18.8	17.7	42.4	44.4	47.6	8.1	-3.4	14.6	500.9

1. Balance at end April 2017

Source: Bank of Korea

10. Balance of payments

Korea's current account (*preliminary*) in April posted a surplus of US \$4.00 billion, staying in the black for 62 consecutive months.

The goods account surplus increased month-on-month from US \$9.62 billion to US \$11.93 billion.

Growth in goods exports (y-o-y, %)

13.2 (Mar 2017) → 24.1 (Apr)



Growth in goods imports (y-o-y, %)

27.7 (Mar 2017) → 17.3 (Apr)

Export growth by item in April (y-o-y, %, customs clearance basis)

24.1 (total), 56.9 (semiconductors), 3.5 (petroleum products), 25.6 (petrochemicals), 35.9 (steel), 11.5 (automobiles), -12.8 (mobile phones), 102.9 (vessels)

Import growth by category in April (y-o-y, %, customs clearance basis)

26.9 (total), 24.5 (commodities), 15.2 (capital goods), 3.0 (consumer goods)

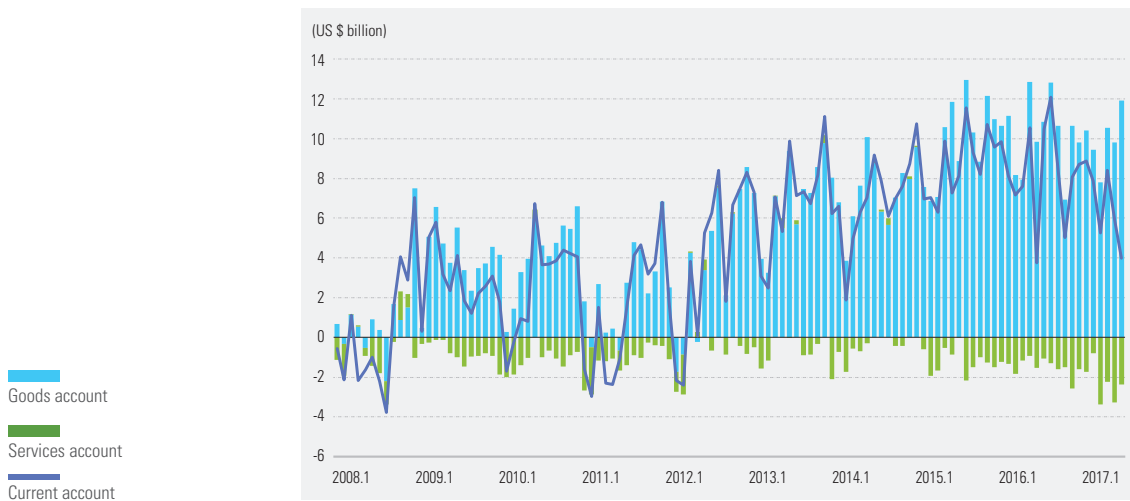
The services account deficit decreased month-on-month from US \$3.27 billion to US \$2.38 billion as transportation account deficits fell and the intellectual property rights account turned positive.

Services account (US \$ billion, Mar → Apr)

-0.51 → -0.56 (manufacturing), -0.62 → -0.13 (transportation), -1.35 → -1.24 (travel), 0.57 → 0.53 (construction), -0.25 → 0.06 (intellectual property rights), -1.03 → -1.10 (other businesses)

The primary income account deficit increased from US \$0.59 billion to US \$5.03 billion, and the secondary income account deficit increased from US \$2.0 million to US \$0.53 billion.

Current account balance



Source: Bank of Korea (balance of payments trends)

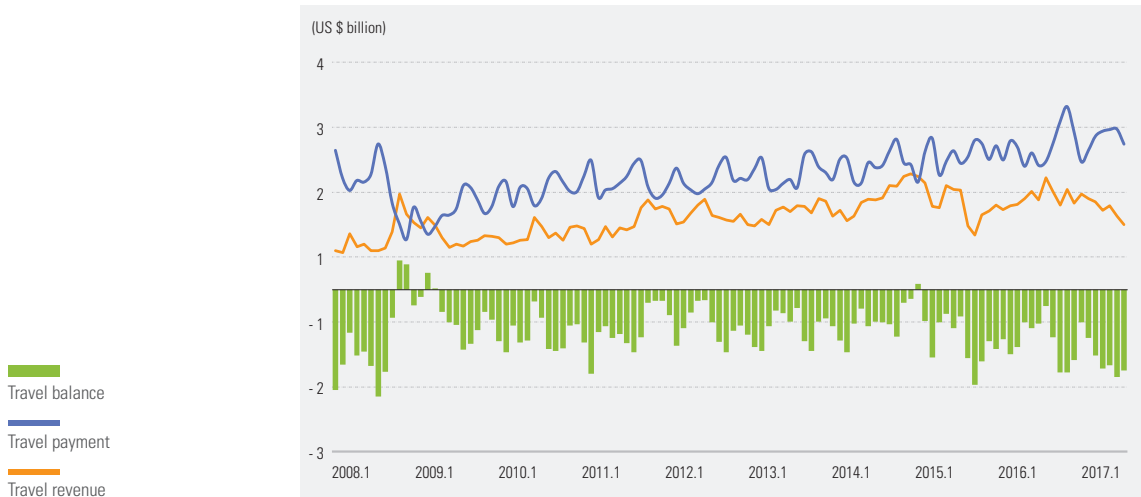
(US \$ billion)

	2015	2016						2017		
	Annual	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Apr ¹	Q1 ¹	Mar ¹	Apr ¹
Current account	105.94	98.68	25.35	26.34	21.51	25.48	3.76	19.43	5.75	4.00
- Goods balance	122.27	120.45	28.95	33.53	28.27	29.69	9.85	27.98	9.62	11.93
- Services balance	-14.92	-17.61	-3.92	-3.91	-5.66	-4.12	-1.53	-8.86	-3.27	-2.38
- Primary income balance	3.57	1.46	1.20	-2.11	1.26	1.11	-4.06	1.13	-0.59	-5.03
- Secondary income balance	-4.99	-5.62	-0.88	-1.18	-2.36	-1.20	-0.50	-0.82	-0.00	-0.53

1. Preliminary

Source: Bank of Korea

Travel balance



Source: Bank of Korea (balance of payments trends)

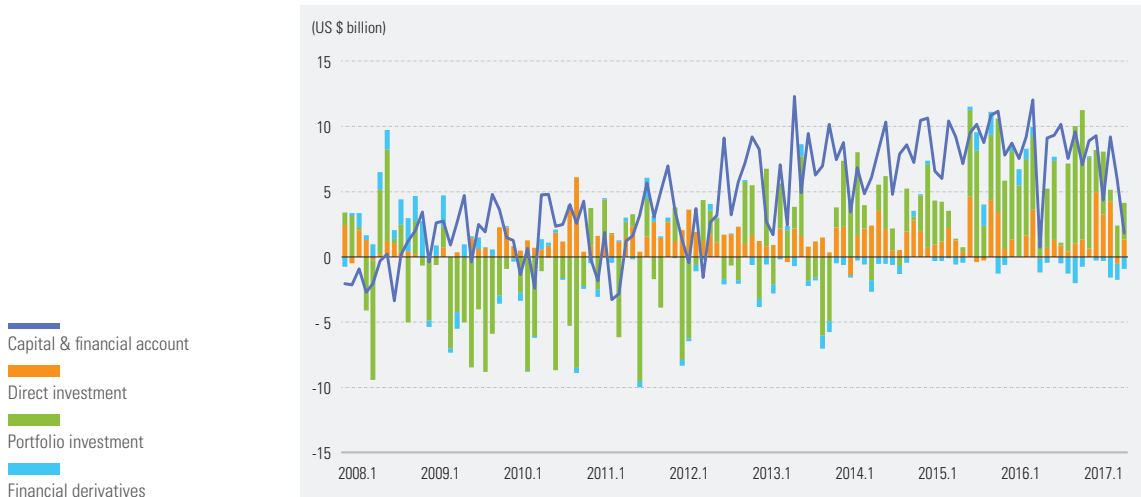
The capital and financial account (*preliminary*) in April posted an outflow of US \$1.83 billion.

Capital & financial account balance* (US \$ billion)

0.71 (Apr 2016) → 9.27 (Dec) → 4.35 (Jan 2017) → 9.21 (Feb) → 6.00 (Mar) → 1.83 (Apr)

* Positive figures represent net outflows, and negative figures represent net inflows.

Capital & financial account balance



Source: Bank of Korea (balance of payments trends)

Foreign direct investment (FDI) went from a net inflow of US \$0.53 billion to a net outflow of US \$1.36 billion despite Korean FDI rising at a slower pace (*up US \$2.62 billion → up US \$1.82 billion*), as inbound FDI rose at an even slower pace (*up US \$3.16 billion → up US \$0.45 billion*).



Net outflows of portfolio investment increased from US \$2.38 billion to US \$2.76 billion despite Korean investment in foreign shares increasing at a slower pace (*up US \$9.43 billion → up US \$4.67 billion*), as foreign investment in Korean shares expanded at an even slower pace (*up US \$7.04 billion → up US \$1.90 billion*).

Net inflows of financial derivatives investment decreased from US \$1.21 billion to US \$0.91 billion, and other investment shifted from a net outflow of US \$4.73 billion to a net inflow of US \$1.22 billion.

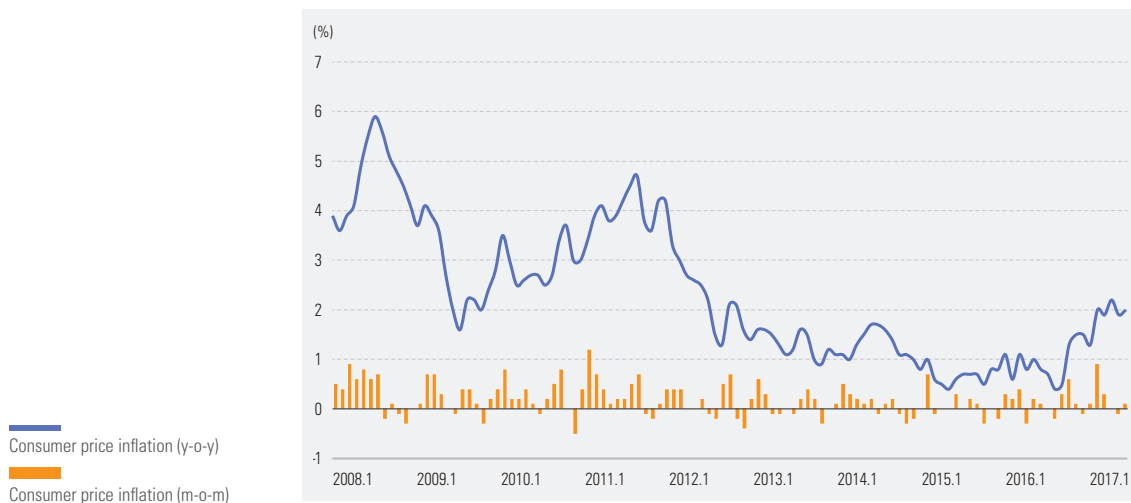
The current account surplus is likely to increase in May given a trade surplus (*US \$5.99 billion*) and a seasonality.

11. Prices

11.1 Consumer prices

Consumer prices in May rose 0.1 percent from the previous month and 2.0 percent from the same period of the previous year.

Consumer price inflation



Source: Statistics Korea (consumer price trends)

Consumer price inflation

(Percentage change)

	2016							2017				
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Month-on-Month	0.0	-0.2	0.3	0.6	0.1	-0.1	0.1	0.9	0.3	0.0	-0.1	0.1
Year-on-Year	0.7	0.4	0.5	1.3	1.5	1.5	1.3	2.0	1.9	2.2	1.9	2.0

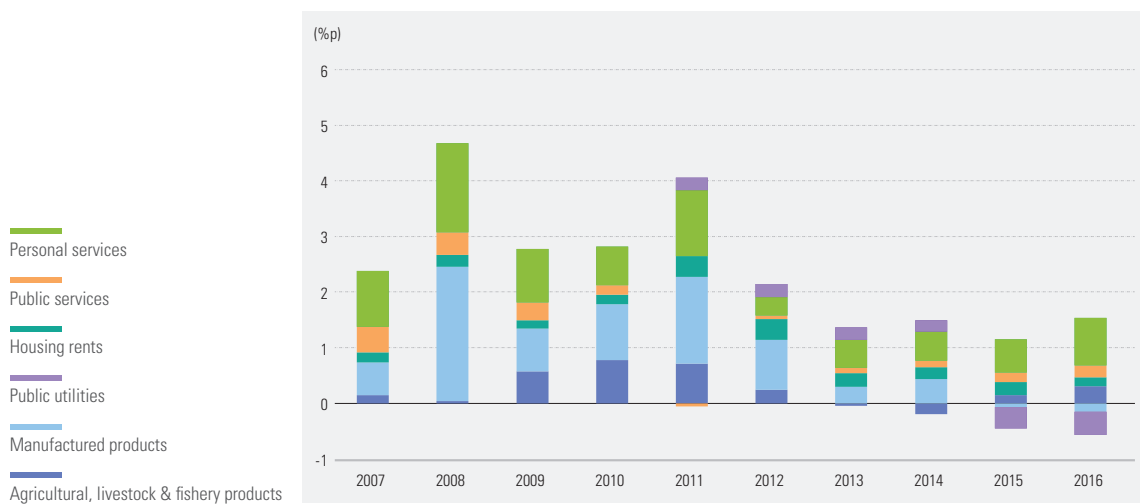
Source: Statistics Korea

Public utility prices fell at a slower pace in May (*down 3.9% → down 1.6%, y-o-y*) as gas rate hikes (*up 1.7%, took effect in May*) offset the effect of electricity rate cuts (*down 11.6%, took effect last December*).

Agricultural, livestock & fishery product prices rose at a faster pace (*up 4.5% → up 6.2%, y-o-y*). Agricultural product prices fell (*down 2.4%, m-o-m*) due to the supply of spring vegetables, but the prices of livestock & fishery products, such as eggs and squids, went up.

Hikes in oil product prices slowed (*up 11.7% → up 8.9%, y-o-y*) as a low base effect from last year has become less apparent and oil prices have recently stabilized.

Contribution to consumer price inflation



Source: Statistics Korea (consumer price trends)

Consumer price inflation in major sectors

	Total	Agricultural, livestock & fishery products	Manufactured products	Oil products	Public utilities	Housing rents	Public service	Personal services
Apr (y-o-y, %)	1.9	4.5	1.5	11.7	-3.9	1.8	1.1	2.8
May (y-o-y, %)	2.0	6.2	1.4	8.9	-1.6	1.8	1.1	2.4
- Contribution (%p)	-	0.48	0.45	0.37	-0.06	0.17	0.16	0.78

Source: Statistics Korea

Consumer prices excluding oil and agricultural products continued to rise at a steady pace.

(Percentage change from same period in previous year)

	2016			2017				
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Consumer prices excluding oil and agricultural products	1.8	1.6	1.2	1.5	1.5	1.4	1.3	1.4
Consumer prices excluding food and energy	1.9	1.7	1.6	1.7	1.7	1.7	1.5	1.5

Source: Statistics Korea



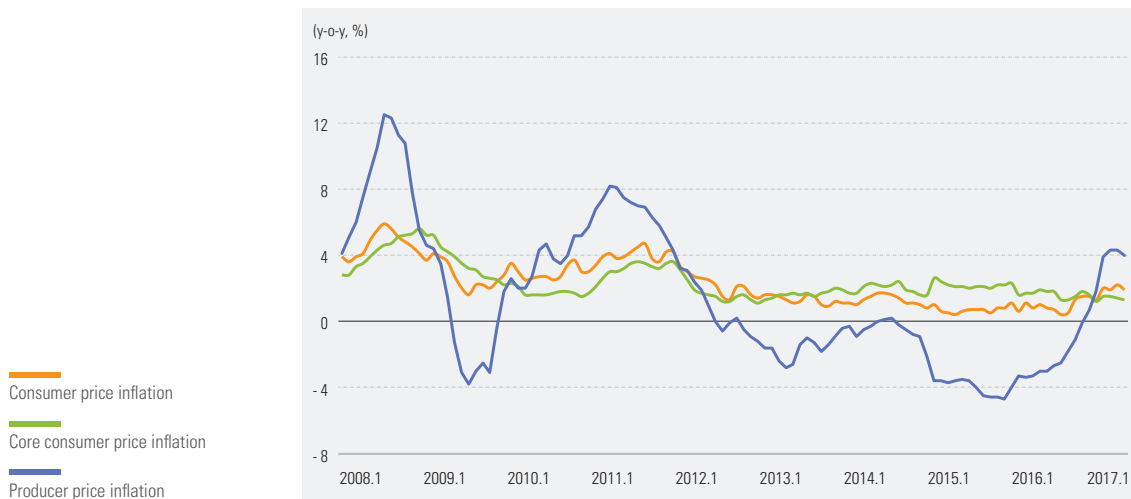
Basic necessities prices and fresh food prices rose at a faster pace, despite stabilizing oil product prices, as livestock & fishery product prices were high.

(Percentage change from same period in previous year)

	2016			2017				
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Consumer prices for basic necessities	1.4	1.6	1.2	2.4	2.3	2.8	2.5	2.5
Fresh food prices	13.3	14.2	12.0	12.0	4.8	7.5	4.7	5.6

Source: Statistics Korea

Prices



Sources: Statistics Korea (consumer price trends), Bank of Korea (producer prices)

11.2 International oil and commodity prices

International oil prices declined in May, despite a May 25 decision to extend the OPEC and non OPEC production cut, due to increased oil production in the US.

Dubai crude (US \$/barrel)

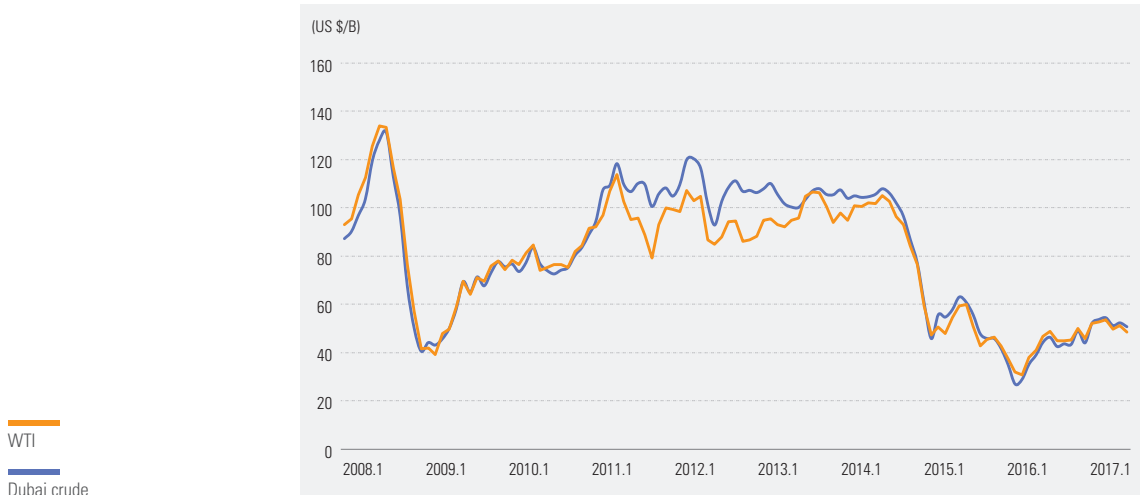
48.8 (1st week May 2017) → 49.2 (2nd week) → 51.1 (3rd week) → 52.3 (4th week) → 50.4 (5th week)

(US \$/barrel, period average)

	2015	2016					2017					
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Jan	Feb	Mar	Apr	May
Dubai crude	50.7	41.4	30.5	43.2	43.2	48.3	53.0	53.7	54.4	51.2	52.3	50.7
WTI crude	48.8	43.5	33.6	45.6	44.9	49.3	51.8	52.6	53.5	49.7	51.1	48.5
Brent crude	53.6	45.1	35.2	47.0	47.0	51.1	54.6	55.4	56.0	52.5	53.8	51.4

Source: Korea National Oil Corporation

International oil prices



Source: Korea National Oil Corporation

Domestic gasoline prices declined in May due to a time lag between international prices and domestic prices.

Domestic gasoline prices (won/liter)

1,486.2 (1st week May 2017) → 1,484.4 (2nd week) → 1,480.8 (3rd week) → 1,478.3 (4th week) → 1,476.5 (5th week)

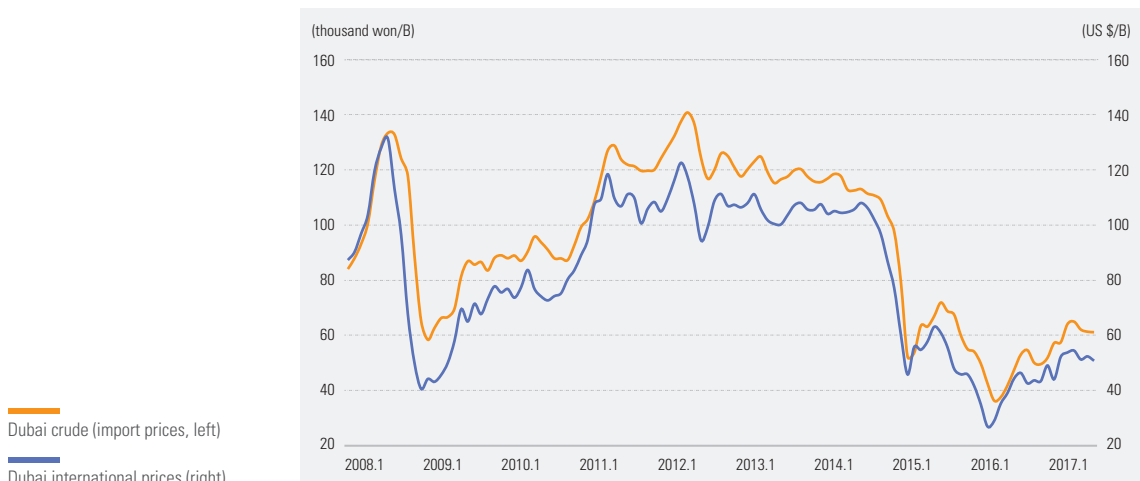
International gasoline prices (US \$/barrel)

66.6 (2nd week Apr 2017) → 65.7 (3rd week) → 62.5 (4th week) → 59.0 (1st week May) → 60.5 (2nd week) → 62.4 (3rd week)

Dollar-won exchange rate (won)

1,139.8 (2nd week Apr 2017) → 1,138.9 (3rd week) → 1,130.8 (4th week) → 1,132.1 (1st week May) → 1,132.4 (2nd week) → 1,122.7 (3rd week)

Dubai crude prices and import prices



Source: Korea National Oil Corporation



(Won/liter, period average)

	2015	2016					2017					
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Jan	Feb	Mar	Apr	May
Gasoline prices	1,510	1,403	1,363	1,396	1,419	1,433	1,510	1,508	1,517	1,507	1,488	1,481
Diesel prices	1,300	1,183	1,121	1,168	1,213	1,228	1,301	1,300	1,308	1,297	1,278	1,271

Source: Korea National Oil Corporation

International corn and wheat prices rose in May due to unfavorable weather conditions in the US. The Midwest was hit by a snowstorm in early May, and heavy rain struck the southern states towards the end of the month.

International grain price increases in May (monthly average, m-o-m, %)

1.3 (corn), 2.1 (wheat), 0.7 (soybeans)

International copper prices fell in May due to slowing demand in China and rising inventories. China's copper imports in April declined 30 percent month-on-month to 300,000 tons.

Nonferrous metal price increases in May (monthly average, m-o-m, %)

-1.8 (copper), -0.8 (aluminum), -5.3 (nickel)

International commodity prices



Source: KOREA PDS

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

(Period average, points)

	2015	2016					2017					
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Jan	Feb	Mar	Apr	May
Reuters Index ¹ (Sep 18, 1931=100)	2,328	2,330	2,115	2,250	2,414	2,536	2,644	2,646	2,664	2,625	2,510	2,428

1. A weighted average index of 17 major commodities

Source: KOREA PDS

12. Real estate market

12.1 Housing market

Housing prices nationwide rose 0.1 percent month-on-month in May.

Housing prices rose 0.2 percent in the Seoul metropolitan area, which includes Seoul (*up 0.4%*), Gyeonggi Province (*up 0.1%*) and Incheon (*up 0.1%*).

Housing prices were up 0.1 percent in areas excluding the Seoul metropolitan area, which include the five metropolitan cities (*up 0.1%*) and the eight provinces (*up 0.0%*).

Housing price increases in five metropolitan cities (m-o-m, %)

Busan (0.4), Daegu (-0.1), Gwangju (0.1), Daejeon (0.0), Ulsan (-0.1)

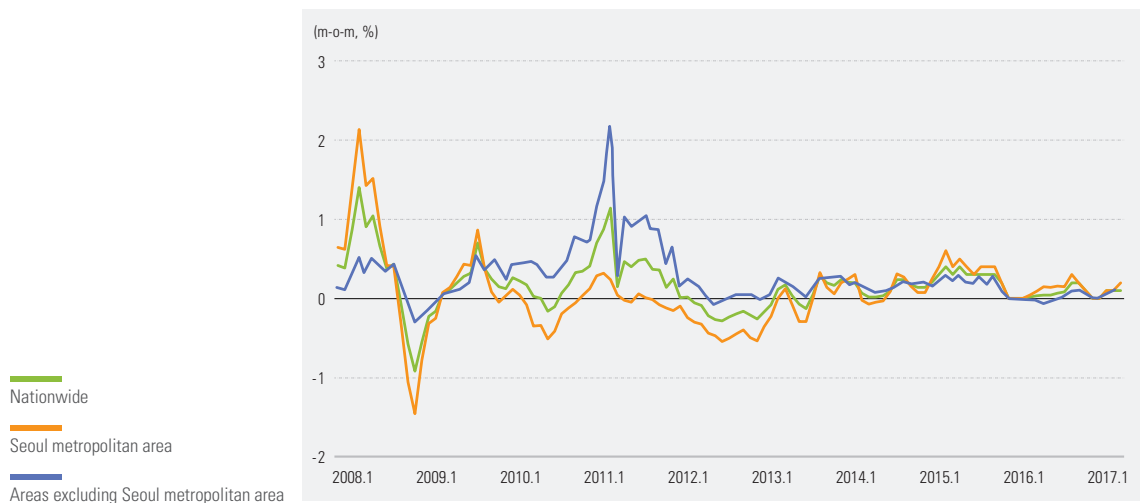
Housing sales prices

(Percentage change from previous period)

	2013	2014	2015	2016		2017					
	Annual	Annual	Annual	Annual	May	Annual	Jan	Feb	Mar	Apr	May
Nationwide	0.3	1.7	3.5	0.7	0.0	0.3	0.0	0.0	0.1	0.1	0.1
Seoul metropolitan area	-1.1	1.5	4.4	1.3	0.1	0.5	0.0	0.0	0.1	0.1	0.2
- Seoul	-1.4	1.1	4.6	2.1	0.1	0.8	0.0	0.1	0.1	0.2	0.4
· Gangnam ¹	-1.1	1.2	5.2	2.5	0.2	0.9	0.0	0.1	0.2	0.3	0.4
· Gangbuk ²	-1.7	1.1	3.9	1.8	0.1	0.7	0.1	0.0	0.1	0.2	0.3
Areas excluding the Seoul metropolitan area	1.7	1.9	2.7	0.2	0.0	0.2	0.0	0.0	0.0	0.1	0.1

1. Upscale area of Southern Seoul 2. Northern Seoul
Source: Korea Appraisal Board

Housing sales prices



Source: Korea Appraisal Board



Housing rental prices nationwide rose 0.1 percent month-on-month. Rental prices were up 0.2 percent in the Seoul metropolitan area and remained unchanged in areas excluding the Seoul metropolitan area.

Housing rental price increases in major districts in Seoul (m-o-m, %)

Gangnam (0.2), Songpa (0.3), Gangdong (0.4), Yangcheon (0.4), Gwanak (0.4)

Housing rental prices

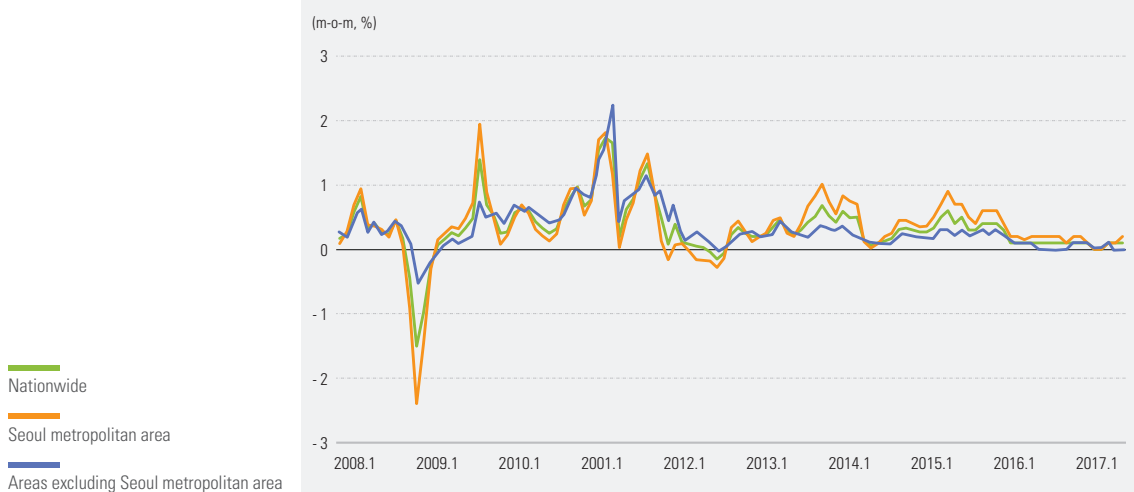
(Percentage change from previous period)

	2013	2014	2015	2016		2017					
	Annual	Annual	Annual	Annual	May	Annual	Jan	Feb	Mar	Apr	May
Nationwide	4.7	3.4	4.8	1.3	0.1	0.3	0.0	0.0	0.1	0.1	0.1
Seoul metropolitan area	6.2	4.7	7.1	2.0	0.2	0.5	0.0	0.0	0.1	0.1	0.2
- Seoul	6.6	3.6	7.2	2.0	0.2	0.6	0.1	0.0	0.1	0.2	0.2
- Gangnam ¹	6.7	3.3	7.9	1.8	0.1	0.7	0.0	0.0	0.1	0.2	0.3
- Gangbuk ²	6.4	3.8	6.5	2.1	0.2	0.6	0.1	0.1	0.1	0.1	0.2
Areas excluding the Seoul metropolitan area	3.3	2.2	2.8	0.7	0.0	0.1	0.0	0.0	0.1	0.0	0.0

1. Upscale area of Southern Seoul 2. Northern Seoul

Source: Korea Appraisal Board

Housing rental prices



Source: Korea Appraisal Board

There were 75,381 housing transactions in April, down 2.5 percent from a month earlier (77,310) and down 12.7 percent from a year ago (86,298).

Housing transactions

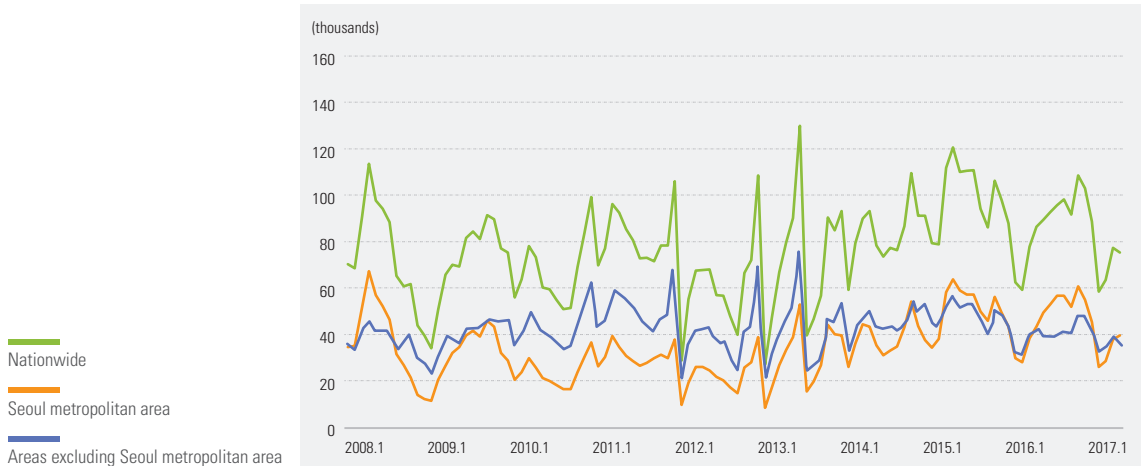
(Thousands)

	2015	2016											2017			
	Annual ¹	Annual ¹	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
Nationwide	99	88	86	89	93	96	98	92	109	103	89	59	63	77	75	

1. Monthly average

Source: Ministry of Land, Infrastructure and Transport

Monthly housing transactions



Source: Ministry of Land, Infrastructure and Transport

12.2 Land market

Land prices nationwide rose 0.32 percent month-on-month in April. Land prices rose 0.32 percent in the Seoul metropolitan area, which includes Seoul (up 0.33%) and Gyeonggi Province (up 0.32%).

Land price increases in Seoul metropolitan area (m-o-m, %)

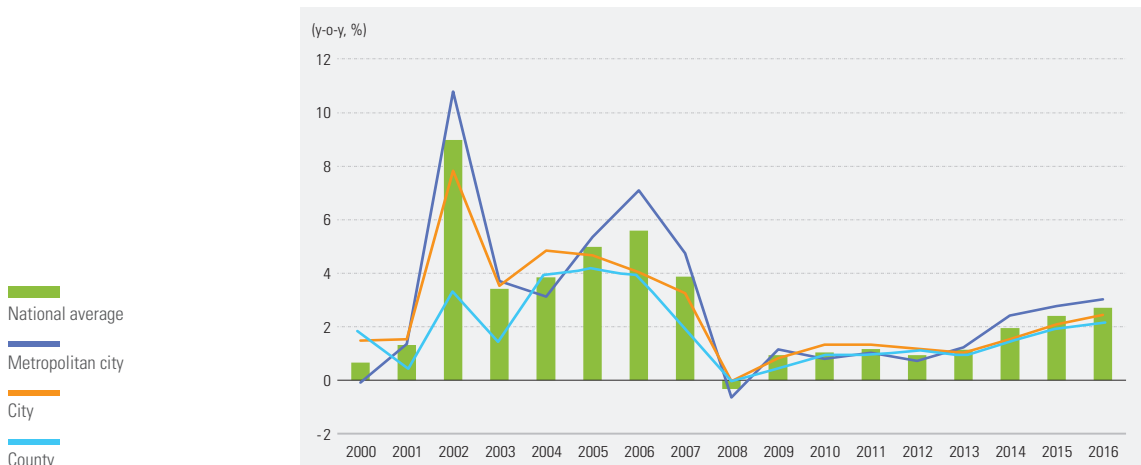
0.23 (Nov 2016) → 0.20 (Dec) → 0.17 (Jan 2017) → 0.22 (Feb) → 0.32 (Mar) → 0.32 (Apr)

Land prices rose 0.31 percent in areas excluding the Seoul metropolitan area, led by Busan (up 0.43%), Sejong (up 0.43%) and Jeju Province (up 0.56%).

Land price increases in areas excluding Seoul metropolitan area (m-o-m, %)

0.26 (Nov 2016) → 0.25 (Dec) → 0.21 (Jan 2017) → 0.24 (Feb) → 0.32 (Mar) → 0.31 (Apr)

Land prices by region



Source: Korea Appraisal Board



Land prices

(Percentage change from previous period)

	2012	2013	2014	2015	2016				2017				
	Annual	Annual	Annual	Annual	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Mar	Apr
Nationwide	0.96	1.14	1.96	2.40	2.70	0.56	0.68	0.72	0.71	1.05	0.74	0.32	0.32
Seoul	0.38	1.21	2.66	2.69	2.97	0.57	0.76	0.83	0.78	1.08	0.75	0.32	0.33
Gyeonggi	1.04	0.91	1.24	1.73	2.23	0.37	0.58	0.64	0.63	1.01	0.68	0.33	0.32
Incheon	0.46	0.87	1.35	1.95	1.74	0.34	0.48	0.47	0.44	0.89	0.67	0.29	0.21

Source: Korea Appraisal Board

There were 258,000 land transactions in April, down 5.2 percent from the previous month and up 5.3 percent from a year ago (245,000).

Land transactions decreased month-on-month in areas such as Daejeon (down 26.0%), Sejong (down 12.8%), North Gyeongsang Province (down 15.8%) and Incheon (down 3.4%).

Vacant land transactions declined 11.2 percent from the previous month at 97,000, accounting for 37.4 percent of the total land transactions. The index decreased 0.1 percent compared with a year ago (97,000).

Land transactions

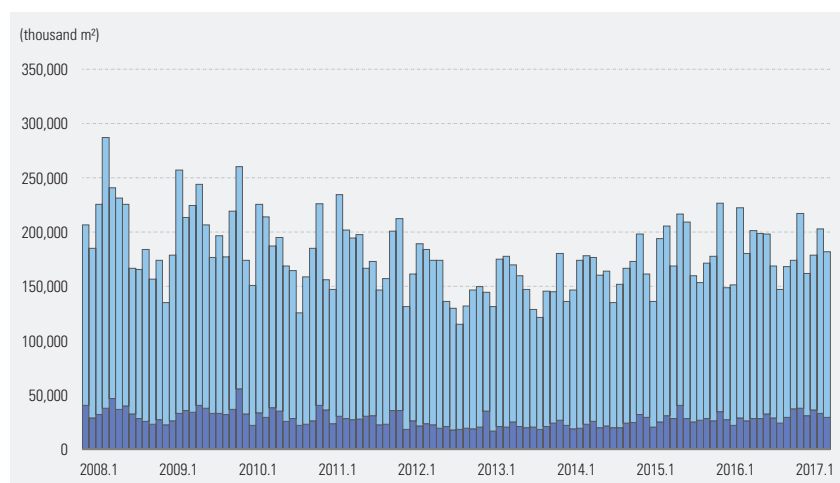
(Land lots, thousands)

	2015	2016											2017			
	Annual ¹	Annual ¹	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
Nationwide	257	250	245	253	262	258	266	240	274	274	276	216	226	273	258	
Seoul	30	31	28	31	34	37	38	31	35	33	32	24	26	29	30	
Gyeonggi	58	63	57	59	65	69	70	64	74	72	74	53	52	66	64	
Incheon	12	13	12	13	13	15	15	13	14	15	12	10	9	14	13	

1. Monthly average

Source: Korea Land & Housing Corporation

Land transactions

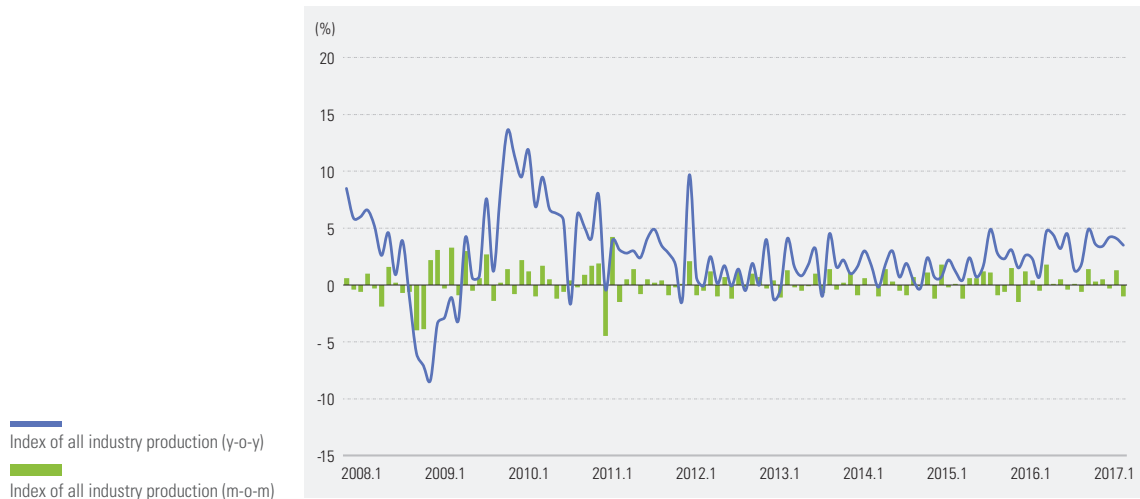


Source: Korea Appraisal Board

13. Composite indices of business cycle indicators

Industrial output in April declined 1.0 percent month-on-month and rose 3.5 percent year-on-year. Output rose month-on-month in services (*up 0.1%*) and fell in mining & manufacturing (*down 2.2%*), construction (*down 4.3%*) and public administration (*down 0.9%*).

Index of all industry production



Source: Statistics Korea (industrial activity trends)

	2016				2017			
	Sep	Oct	Nov	Dec	Jan	Feb ¹	Mar ¹	Apr ¹
Index of all industry production (m-o-m, %)	0.1	-0.6	1.4	0.3	0.5	-0.3	1.3	-1.0
(y-o-y, %)	1.3	1.8	4.9	3.6	3.4	4.2	4.1	3.5
Coincident composite index (2010=100)	122.2	122.2	122.6	123.2	123.8	124.1	124.7	125.1
(m-o-m, %)	0.1	0.0	0.3	0.5	0.5	0.2	0.5	0.3
Cyclical indicator of coincident composite index (m-o-m, p)	100.4	100.2	100.3	100.5	100.7	100.7	101.0	101.0
	-0.2	-0.2	0.1	0.2	0.2	0.0	0.3	0.0
Leading composite index (2010=100)	126.5	127.0	127.5	128.1	128.6	129.3	129.7	130.3
(m-o-m, %)	0.6	0.4	0.4	0.5	0.4	0.5	0.3	0.5
Cyclical indicator of leading composite index (m-o-m, p)	100.3	100.5	100.5	100.6	100.7	100.9	100.8	101.0
	0.2	0.2	0.0	0.1	0.1	0.2	-0.1	0.2

1. Preliminary

Source: Statistics Korea

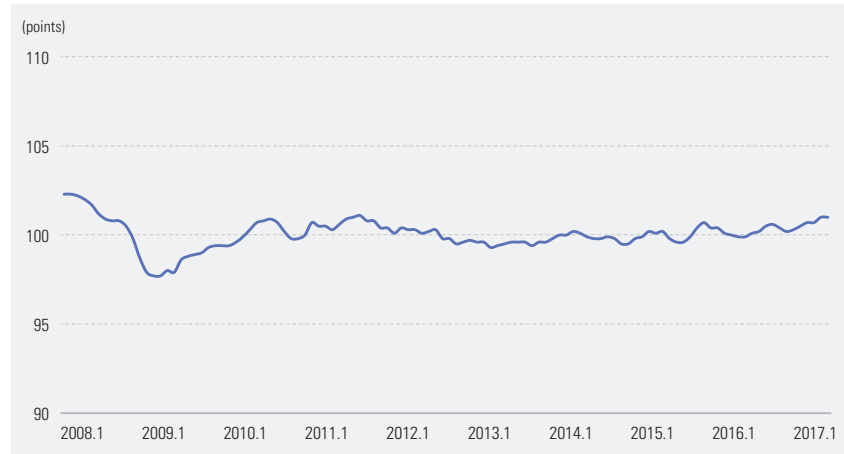
The cyclical indicator of the coincident composite index was unchanged from the previous month at 101.0. Of the seven components of the index, five increased, including retail sales and nonfarm payroll employment, and the other two fell, such as mining & manufacturing production and domestic shipments.



Components of the coincident composite index in April (m-o-m)

retail sales (1.2%), nonfarm payroll employment (0.2%), value of construction completed (2.4%), service output (0.2%), imports (0.9%), mining & manufacturing production (-1.5%), domestic shipments (-1.0%)

Cyclical indicator of coincident composite index



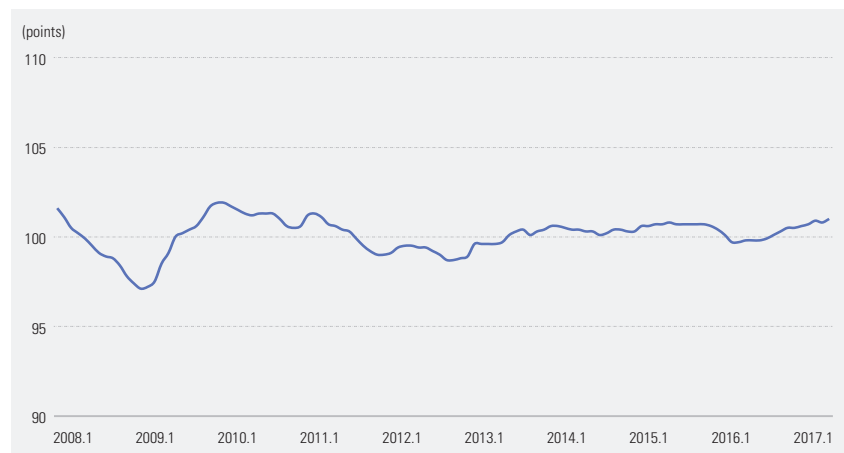
Source: Statistics Korea (industrial activity trends)

The cyclical indicator of the leading composite index rose 0.2 points to 101.0. Five components of the index, such as the consumer expectations index and value of construction orders received, rose, and three others, such as the inventory circulation indicator and ratio of job openings to job seekers, went down.

Components of the leading composite index in April (m-o-m)

consumer expectations index (3.5p), value of construction orders received (9.6%), KOSPI (1.6%), ratio of export to import prices (0.6%), spreads between long & short term interest rates (0.02%p), inventory circulation indicator (-3.1%p), ratio of job openings to job seekers (-2.2%p), domestic shipments of machinery (-0.6%)

Cyclical indicator of leading composite index



Source: Statistics Korea (industrial activity trends)

Policy Issue

2017 supplementary budget plan



2017 Supplementary Budget Plan

Government Plans Supplementary
Budget to Boost Job Creation

The government submitted its 11.2 trillion won supplementary budget proposal to the National Assembly on June 7, which focuses on creating jobs, expanding job markets and supporting the working class. The country's fiscal conditions are sound enough to afford the 11.2 trillion won supplementary budget spending without issuing debt: The 11.2 trillion won will be made up of government surplus from last year (1.1 trillion won), tax revenue increase (8.8 trillion won) and surplus in national funds (1.3 trillion won).

2017 supplementary budget proposal

(trillion won)

Central government spending	7.7	
- Create jobs	(4.2)	Increase jobs in the public sector, SMEs, new growth engines and local industries, encourage startups
- Expand job markets	(1.2)	Increase jobs for young adults, women and the elderly, support small businesses
- Support the working class	(2.3)	Strengthen national healthcare, help reduce housing and educational costs, ensure safety and clean air
Support for local governments	3.5	Increase subsidies for local governments
Total	11.2	

Create jobs (4.2 trillion won)

Public sector

- Add 12,000 jobs in the public safety sector, such as policemen, firefighters and public safety specialists
- Add 24,000 jobs in the social services sector, such as daycare teachers and elderly care providers
- Add 30,000 jobs for the elderly

Private sector

- Work to add as many as 15,000 regular jobs in SMEs by providing wage support for every three employees: Qualified SMEs, including those working on new growth engines, will be made eligible for the support that provides up to 20 million won per year for every three employees for up to three years. The government will begin the support with 5,000 SME employees.
- Increase government's young startup funds by 500 billion won, and promote developing new ideas into a business such as through the Tech Incubator Program for Startups
- Help businesses free from joint surety by providing the Korea Credit Guarantee Fund and the Korea Technology Finance Corporation with financial support
- Launch a fund worth 300 billion won to help businesses retry after failure
- Raise funds for the fourth industrial revolution to accelerate job creation in new growth engines

Local economy

- Promote local economies through urban restructuring projects and develop local economy-specific job creation models
- Fund projects that have been suspended due to shortages in fiscal resources, such as irrigation systems repair projects

Expand job markets (1.2 trillion won)

- Adopt a young job seeker allowance, and encourage young SME employees to keep their jobs by increasing government's matching funds to their asset building accounts
- Strengthen job training programs and employment services for women who want to return to work
- Double the amount of parental leave allowance to 80 percent of the average paycheck and also double the number of public daycare centers
- Launch a retiree-young adult joint startup program where participants can share what they are good at, such as experience of the elderly and new ideas of the young
- Support small businesses: Provide financial support, and help them retry or find jobs if they fail

Support the working class (2.3 trillion won)

- Increase support for dementia: Increase dementia care centers by 205 to 252 nationwide, as well as increase hospitals specializing in the disease by 45 to 79
- Expand basic social security beneficiaries by 41,000: Elderly and disability benefits will be increased
- Provide young adults with affordable rental housing, which will have an easy access to public transportation
- Equip elementary schools nationwide with fine dust monitoring devices

Support local governments (3.5 trillion won)

- Subsidies for local governments (1.7 trillion won)
- Subsidies for local government education spending (1.8 trillion won)

Economic News Briefing

Ministry of Strategy and Finance hosts the
2nd AIIB Annual Meeting

Korea and ASEAN celebrate 10th
anniversary of FTA

OECD retains 2.6% growth forecast for
Korea in 2017

Korea grows 1.1% in Q1 2017 (preliminary)

Ministry of Strategy and Finance hosts the 2nd AIIB Annual Meeting

The Ministry of Strategy and Finance (MOSF) and the Asian Infrastructure Investment Bank (AIIB) jointly hosted the 2nd AIIB Annual Meeting of the Board of Governors in Jeju Island on June 16-18. Under the theme of “sustainable infrastructure,” the meeting discussed ways for the bank to contribute to the development of the region, and was participated by delegations from 80 member countries and international organizations, as well as business and finance leaders.

Korea’s Deputy Prime Minister Kim Dong Yeon and AIIB President Jin Liqun had talks on the sideline of the annual meeting, and shared the importance of knowledge and experience in developing the regional infrastructure as well as pouring in financial support. Currently the Korea Water Resources Corporation has been set to participate in Georgia’s Nenskra hydropower project, and other Korean companies are expected to contribute to Asia’s infrastructure development with their infrastructure development know-how in the future. During the talks, Deputy Prime Minister Kim agreed to provide US \$8 million to the AIIB Project Preparation Special Fund.

Korea and ASEAN celebrate 10th anniversary of FTA

ASEAN has grown to be Korea’s second largest trading partner since the bilateral trade agreement took effect in 2007. Trade between the two economies has expanded at an average of 5.7 percent every year, surpassing the annual average of Korea’s total trade increase during the period, 2.4 percent. Korea’s exports to the ASEAN countries have more than doubled, and Korean FDI in the region has risen 5.4-fold.

OECD retains 2.6% growth forecast for Korea in 2017

The Organization for Economic Cooperation and Development (OECD) predicted on June 7 in its latest economic outlook report that the Korean economy will grow 2.6 percent in 2017, keeping its latest projection made in November last year. According to the report, Korea’s 2017 growth will be backed by semiconductors, and in 2018 the economy will grow 2.8 percent as global trade increases.



Korea grows 1.1% in Q1 2017 (preliminary)

Korea's real gross domestic product (GDP) expanded 1.1 percent quarter-on-quarter and 2.9 percent year-on-year in the first quarter of 2017, according to preliminary data released by the Bank of Korea (BOK) on June 2. Both the quarter-on-quarter and year-on-year figures were revised up 0.2 percentage points from the advanced estimates that were released on April 27.

On the production side, agriculture, forestry & fisheries grew 5.9 percent. Manufacturing rose 2.1 percent, led by semiconductors and machinery & equipment, and construction expanded 5.3 percent, led by residential and nonresidential building construction. Services grew 0.2 percent, as declines in wholesale & retail and hotels & restaurants were offset by gains in real estate & renting.

On the expenditure side, private consumption expanded 0.4 percent due to strong overseas consumption and expenditures on durable goods, although spending on nondurable and semidurable goods decreased. Construction investment rose 6.8 percent as investment in both building construction and civil engineering works increased, and facility investment rose 4.4 percent due to strong machinery investment. Intellectual property investment went up 0.3 percent as software investment increased.

Exports increased 2.1 percent as semiconductors and machinery & equipment improved, and imports rose 4.8 percent due to strong machinery & equipment and precision instruments.

GDP by production and expenditure*

(Percentage change from previous period)

	2015				2016 ¹				2017 ¹
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
GDP	0.8 (2.6) ¹	0.4 (2.4) ²	1.3 (3.0) ²	0.7 (3.2) ²	0.5 (2.9) ²	0.9 (3.4) ²	0.5 (2.6) ²	0.5 (2.4) ²	1.1 (2.9) ²
Agriculture, forestry & fisheries	1.8	-8.3	4.1	-2.0	3.7	-4.5	-1.9	-1.8	5.9
Manufacturing	0.9	0.7	0.8	0.4	0.4	1.0	-0.4	1.8	2.1
Electricity, gas & water supply	-0.4	1.1	3.8	0.6	0.1	0.0	3.4	-3.0	-1.4
Construction	2.5	1.5	4.2	0.9	3.6	2.6	2.3	1.3	5.3
Services ³	0.6	0.3	1.0	0.8	0.4	0.5	0.6	0.2	0.2
Private consumption	0.9	-0.3	1.3	1.5	-0.1	0.8	0.6	0.2	0.4
Government consumption	-0.1	1.1	1.0	1.3	1.4	0.6	0.9	0.6	0.5
Construction investment	9.0	1.4	2.1	-2.2	7.6	3.1	2.2	-1.2	6.8
Facility investment	0.3	0.8	1.9	0.0	-7.0	2.6	0.9	5.9	4.4
Intellectual property investment	1.6	-0.4	0.5	0.7	0.2	1.3	0.5	0.6	0.3
Exports	-0.3	-0.2	0.1	2.1	-0.6	1.0	1.0	-0.1	2.1
Imports	0.1	0.7	1.2	2.9	-1.5	2.2	2.6	-0.1	4.8

*Based on 2010 chained prices in seasonally adjusted terms

1. Preliminary

2. Percentage change from the same period of the previous year (original data)

3. Wholesale & retail, hotels & restaurants, transportation & storage, communications services, financial & insurance services, real estate & renting, business services, public administration, defense & social security, education services, healthcare & social welfare services, entertainment, cultural & sports services and other services are included.

Statistical Appendices

01. National accounts
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12. Balance of payments (II)
13. Financial indicators
14. Monetary indicators
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1. National accounts

(year-on-year change, %, chained 2010 year prices)

Period	Real GDP			Final consumption expenditure		Gross fixed capital formation		
		Agri., fores. & fisheries	Manufacturing		Private consumption		Construction	Facilities
2010	6.5	-4.3	13.7	4.3	4.4	5.5	-3.7	22.0
2011	3.7	-2.0	6.5	2.7	2.9	0.8	-3.4	4.7
2012	2.3	-0.9	2.4	2.2	1.9	-0.5	-3.9	0.1
2013	2.9	3.1	3.6	2.2	1.9	3.3	5.5	-0.8
2014	3.3	3.6	3.5	2.0	1.7	3.4	1.1	6.0
2015	2.8	-0.4	1.8	2.4	2.2	5.1	6.6	4.7
2016 ^p	2.8	-2.9	2.3	2.9	2.5	5.2	10.7	-2.3
2009 I	-1.9	2.5	-8.4	-1.9	-4.3	-5.4	1.9	-19.4
II	-1.1	0.0	-5.7	0.9	-0.8	-1.1	4.4	-13.6
III	0.9	5.0	1.6	1.7	0.7	0.8	3.1	-5.9
IV	4.8	5.0	10.4	4.5	5.3	5.8	4.1	9.5
2010 I	7.3	0.0	16.1	6.2	6.8	12.0	1.6	27.6
II	7.4	-2.2	17.2	3.6	3.6	6.8	-4.8	28.8
III	5.4	-7.8	10.1	3.9	4.0	3.8	-4.8	20.6
IV	6.0	-5.7	11.9	3.4	3.2	1.3	-5.1	12.9
2011 I	4.9	-9.3	11.4	3.3	3.7	-0.7	-8.2	8.3
II	3.6	-2.5	6.5	3.3	3.7	2.5	-2.5	8.3
III	3.3	-5.8	5.6	2.8	2.5	1.7	-2.2	3.4
IV	3.0	7.1	3.4	1.7	1.7	-0.3	-2.0	-0.9
2012 I	2.5	0.1	2.7	2.2	1.6	6.2	-0.2	11.0
II	2.4	-1.8	2.8	1.3	0.7	-2.3	-5.3	-1.9
III	2.1	0.0	2.0	2.7	2.6	-0.9	-2.6	-4.2
IV	2.2	-1.3	2.0	2.7	2.7	-3.6	-6.4	-3.8
2013 I	2.1	-1.2	2.7	1.5	1.5	-3.2	1.2	-12.3
II	2.7	0.1	3.6	2.2	1.9	4.2	8.9	-3.2
III	3.2	4.3	3.8	2.4	1.9	4.9	7.5	2.3
IV	3.5	7.0	4.2	2.6	2.2	6.5	3.5	11.7
2014 I	3.9	5.9	4.7	2.9	2.8	6.1	4.5	7.5
II	3.5	4.5	4.7	1.8	1.7	3.6	0.3	8.0
III	3.4	2.7	3.1	2.0	1.4	3.6	2.3	4.3
IV	2.7	2.4	1.8	1.6	1.1	0.7	-1.7	4.2
2015 I	2.6	8.5	1.1	1.8	1.5	3.9	4.0	5.4
II	2.4	-3.0	0.9	2.0	1.7	3.9	4.6	4.3
III	3.0	0.3	2.2	2.3	2.2	6.0	7.6	6.0
IV	3.2	-4.0	2.7	3.4	3.4	6.3	9.6	3.1
2016 ^p I	2.9	-2.3	2.4	2.9	2.3	2.9	9.0	-4.6
II	3.4	1.0	2.7	3.7	3.5	5.2	10.6	-2.9
III	2.6	-4.7	1.4	3.1	2.7	5.3	11.2	-3.9
IV	2.4	-4.7	2.7	2.0	1.5	7.1	11.6	2.0
2017 ^p I	2.9	-2.4	4.5	2.2	2.0	10.4	11.3	14.4

p: Preliminary

Source: Bank of Korea

2. Production, shipment and inventory

(constant prices, 2010=100)

Period	Production index*		Shipment index*		Inventory index*		Service production index	
		y-o-y change (%)		y-o-y change (%)		y-o-y change (%)		y-o-y change (%)
2015	108.1	-0.3	108.2	0.2	131.6	3.3	112.1	2.9
2016	109.2	1.0	109.0	0.7	124.0	-5.8	115.5	3.0
2015 I	105.9	-0.9	106.3	-0.3	132.7	2.4	108.3	2.8
II	108.9	-0.8	108.6	-0.6	134.5	4.9	111.6	2.8
III	106.0	0.4	106.3	1.3	138.2	7.1	111.7	2.9
IV	111.7	0.4	111.8	0.4	131.6	3.3	116.8	3.3
2016 I	105.6	-0.3	105.4	-0.8	136.8	3.1	111.3	2.8
II	109.7	0.7	109.9	1.2	131.8	-2.0	115.5	3.5
III	106.5	0.5	106.2	-0.1	127.4	-7.8	115.7	3.6
IV	114.8	2.8	114.5	2.4	124.0	-5.8	119.3	2.1
2017 I^p	109.5	3.7	108.9	3.3	129.0	-5.7	114.2	2.6
2015 1	108.3	1.7	108.4	2.8	131.9	0.2	107.1	2.2
2	96.1	-5.0	96.9	-4.4	132.4	2.8	104.7	2.7
3	113.3	0.3	113.6	0.4	132.7	2.4	113.0	3.1
4	110.2	-1.9	110.1	-0.9	134.2	2.7	111.6	4.2
5	105.6	-2.7	105.8	-2.7	133.5	3.0	111.5	2.3
6	110.8	2.0	109.8	1.6	134.5	4.9	111.8	1.8
7	109.2	-2.9	108.0	-1.5	137.6	3.8	111.9	2.8
8	101.8	0.6	102.7	1.0	137.3	5.7	110.9	2.6
9	106.9	3.6	108.2	4.6	138.2	7.1	112.4	3.6
10	112.9	2.5	113.1	3.4	136.4	4.9	114.0	2.9
11	109.0	0.3	109.0	-0.5	136.7	5.8	113.1	2.9
12	113.1	-1.7	113.2	-1.7	131.6	3.3	123.2	3.8
2016 1	105.9	-2.2	104.2	-3.9	137.8	4.5	110.1	2.8
2	98.3	2.3	97.6	0.7	137.5	3.9	108.0	3.2
3	112.7	-0.5	114.4	0.7	136.8	3.1	115.8	2.5
4	107.2	-2.7	108.2	-1.7	133.1	-0.8	113.8	2.0
5	110.2	4.4	109.8	3.8	134.1	0.4	115.5	3.6
6	111.8	0.9	111.6	1.6	131.8	-2.0	117.3	4.9
7	110.8	1.5	108.8	0.7	130.9	-4.9	115.5	3.2
8	104.0	2.2	104.4	1.7	130.0	-5.3	115.8	4.4
9	104.8	-2.0	105.4	-2.6	127.4	-7.8	115.7	2.9
10	111.5	-1.2	111.0	-1.9	128.0	-6.2	116.3	2.0
11	114.9	5.4	114.1	4.7	127.9	-6.4	116.0	2.6
12	118.0	4.3	118.5	4.7	124.0	-5.8	125.6	1.9
2017 1	107.3	1.3	105.7	1.4	129.8	-5.8	113.0	2.6
2	104.9	6.7	104.7	7.3	129.2	-6.0	110.7	2.5
3 ^p	116.4	3.3	116.4	1.7	129.0	-5.7	119.0	2.8
4 ^p	109.0	1.7	108.3	0.1	131.7	-1.1	116.6	2.5

* Including mining, manufacturing, electricity & gas and water industry
p: Preliminary Source: Statistics Korea



3. Production capacity and operation ratio

(constant prices, 2010=100)

Period	Production capacity index* (2010=100)		Operation ratio index* (2010=100)		Average operation ratio* (%)
		y-o-y change (%)		y-o-y change (%)	
2015	111.4	0.9	92.4	-2.0	74.5
2016	112.3	0.8	90.4	-2.2	72.6
2015 I	111.2	1.4	90.3	-2.8	74.4
II	111.3	1.3	95.2	-1.7	74.5
III	111.4	0.6	90.1	-1.5	75.2
IV	111.8	0.5	93.9	-2.0	73.7
2016 I	111.5	0.3	89.1	-1.3	73.4
II	111.8	0.4	92.3	-3.0	72.8
III	112.5	1.0	86.9	-3.6	71.9
IV	113.6	1.6	93.5	-0.4	72.4
2017 1 ^p	113.4	1.7	88.1	-1.1	72.7
2015 1	111.1	1.2	93.1	1.3	74.4
2	111.0	1.3	81.2	-7.3	74.7
3	111.5	1.6	96.5	-2.6	74.0
4	111.2	1.5	96.1	-3.6	74.8
5	111.3	1.3	92.1	-3.7	73.4
6	111.4	1.2	97.4	2.4	75.4
7	111.2	0.7	95.0	-3.7	74.7
8	111.2	0.5	86.3	-0.6	75.8
9	111.8	0.7	89.0	0.0	75.1
10	111.9	0.7	95.5	-0.4	74.4
11	111.8	0.6	91.9	-2.2	73.0
12	111.7	0.4	94.3	-3.4	73.7
2016 1	111.3	0.2	89.4	-4.0	72.8
2	111.4	0.4	81.6	0.5	73.7
3	111.7	0.2	96.2	-0.3	73.7
4	111.6	0.4	90.4	-5.9	71.8
5	111.7	0.4	93.1	1.1	74.3
6	112.1	0.6	93.4	-4.1	72.4
7	112.3	1.0	92.1	-3.1	73.7
8	112.5	1.2	83.7	-3.0	70.4
9	112.7	0.8	84.8	-4.7	71.6
10	113.3	1.3	91.1	-4.6	70.9
11	113.7	1.7	94.3	2.6	73.7
12	113.8	1.9	95.0	0.7	72.6
2017 1	113.5	2.0	85.1	-4.8	74.2
2	113.4	1.8	84.1	3.1	71.0
3 ^p	113.4	1.5	95.1	-1.1	72.8
4 ^p	113.3	1.5	90.3	-0.1	71.7

* Manufacturing industry

p: Preliminary Source: Statistics Korea

4. Consumer goods sales index

(constant prices, 2010=100)

Period	Consumer goods sales index							
	Total		Durable goods		Semi-durable goods		Nondurable goods	
		Y-o-Y change (%)		Y-o-Y change (%)		Y-o-Y change (%)		Y-o-Y change (%)
2015	114.6	4.1	135.0	10.0	104.1	-1.1	109.7	3.1
2016	119.5	4.3	141.1	4.5	106.7	2.5	115.0	4.8
2015 I	109.1	2.4	126.2	7.5	98.1	-2.0	105.9	1.5
II	113.2	3.9	131.9	8.8	103.2	-1.3	108.7	3.3
III	113.2	3.6	132.7	7.5	92.6	-3.5	113.2	4.2
IV	123.0	6.3	149.3	16.1	122.3	1.5	111.1	3.3
2016 I	114.6	5.0	134.3	6.4	100.4	2.3	111.5	5.3
II	119.9	5.9	146.5	11.1	107.7	4.4	112.9	3.9
III	117.2	3.5	134.1	1.1	95.8	3.5	118.7	4.9
IV	126.1	2.5	149.4	0.1	122.8	0.4	116.7	5.0
2017 1 ^p	116.9	2.0	138.6	3.2	99.3	-1.1	114.4	2.6
2015 1	108.0	-2.3	127.8	9.8	97.9	-2.6	103.2	-7.9
2	105.8	6.4	116.8	-0.3	91.6	-0.2	106.8	13.0
3	113.5	3.5	133.9	12.8	104.7	-3.0	107.8	1.5
4	112.8	6.3	129.1	12.8	107.2	1.5	107.6	5.1
5	117.2	4.2	130.6	7.3	114.2	2.4	112.2	3.2
6	109.5	1.0	136.1	6.8	88.3	-8.8	106.4	1.8
7	113.2	2.4	139.8	6.5	91.9	-3.8	110.2	2.5
8	110.0	2.1	129.0	8.9	87.9	-3.7	110.8	0.8
9	116.5	6.2	129.2	7.2	98.1	-3.2	118.7	9.5
10	121.7	9.0	143.2	20.4	122.2	5.6	111.4	4.6
11	121.8	6.2	146.9	14.1	124.5	3.3	108.9	3.1
12	125.6	4.1	157.8	14.3	120.3	-3.9	112.9	2.4
2016 1	113.8	5.4	125.7	-1.6	101.4	3.6	113.6	10.1
2	109.3	3.3	125.4	7.4	93.0	1.5	108.9	2.0
3	120.6	6.3	151.7	13.3	106.8	2.0	112.0	3.9
4	117.1	3.8	138.9	7.6	109.2	1.9	110.4	2.6
5	122.9	4.9	145.9	11.7	115.0	0.7	115.6	3.0
6	119.8	9.4	154.6	13.6	98.9	12.0	112.8	6.0
7	118.0	4.2	140.4	0.4	98.5	7.2	116.1	5.4
8	116.8	6.2	136.6	5.9	89.1	1.4	119.7	8.0
9	116.7	0.2	125.2	-3.1	99.8	1.7	120.2	1.3
10	124.8	2.5	144.2	0.7	123.8	1.3	116.1	4.2
11	125.7	3.2	148.8	1.3	125.0	0.4	115.2	5.8
12	127.9	1.8	155.2	-1.6	119.7	-0.5	118.8	5.2
2017 1	118.5	4.1	127.8	1.7	100.6	-0.8	122.0	7.4
2	109.8	0.5	134.7	7.4	92.1	-1.0	105.9	-2.8
3 ^p	122.3	1.4	153.3	1.1	105.2	-1.5	115.3	2.9
4 ^p	120.4	2.8	146.9	5.8	111.1	1.7	112.1	1.5

p: Preliminary
Source: Statistics Korea



5. Machinery orders received and facility investment index

Period	Domestic machinery orders received excluding ship (billion won, constant value)						Facility investment index (2010=100)	
	Total		Public		Private		y-o-y change (%)	
	y-o-y change (%)	y-o-y change (%)	y-o-y change (%)	y-o-y change (%)				
2015	25,453	-3.9	1,921	-61.7	23,533	9.6	112.2	6.9
2016	26,413	3.8	2,842	48.0	23,571	0.2	110.7	-1.3
2015 I	6,459	-2.5	405	-66.9	6,054	12.0	108.3	9.2
II	7,032	15.2	493	61.6	6,539	12.7	113.5	5.2
III	5,501	-28.3	399	-85.3	5,101	2.8	111.6	10.8
IV	6,461	6.3	624	-19.8	5,838	10.1	115.2	2.0
2016 I	6,419	-0.6	635	56.9	5,784	-4.5	100.1	-7.6
II	6,818	-3.0	570	15.7	6,248	-4.4	114.2	0.6
III	5,682	3.3	470	17.7	5,212	2.2	106.3	-4.7
IV	7,494	16.0	1,167	87.1	6,327	8.4	122.0	5.9
2017 1 ^p	8,275	28.9	688	8.3	7,587	31.2	117.9	17.8
2015 1	2,334	33.1	116	32.0	2,218	33.2	103.8	14.8
2	1,857	0.7	141	17.6	1,716	-0.5	99.0	3.6
3	2,268	-25.1	148	-85.4	2,121	5.2	122.1	11.2
4	2,771	21.9	127	30.7	2,645	21.5	113.9	3.0
5	2,101	14.8	197	69.1	1,905	11.1	107.9	-0.3
6	2,159	7.9	169	84.7	1,990	4.2	118.6	13.2
7	2,010	13.5	133	50.2	1,876	11.5	120.2	8.0
8	1,631	-60.1	160	-93.7	1,471	-4.6	106.3	17.3
9	1,860	2.3	106	34.8	1,754	0.8	108.3	8.1
10	1,999	3.3	98	-53.6	1,902	10.2	113.0	12.9
11	1,969	-14.7	228	-46.7	1,742	-7.4	107.8	-4.3
12	2,493	35.7	298	113.6	2,195	29.3	124.9	-1.0
2016 1	1,682	-27.9	69	-40.7	1,613	-27.3	97.0	-6.6
2	2,279	22.7	255	80.7	2,025	18.0	90.7	-8.4
3	2,458	8.4	312	110.8	2,147	1.2	112.7	-7.7
4	1,987	-28.3	188	48.7	1,799	-32.0	111.0	-2.5
5	2,155	2.5	169	-14.1	1,986	4.3	110.6	2.5
6	2,676	23.9	213	25.6	2,464	23.8	121.1	2.1
7	2,018	0.4	52	-61.3	1,966	4.8	105.0	-12.6
8	1,659	1.7	84	-47.3	1,575	7.1	109.8	3.3
9	2,005	7.8	334	214.8	1,671	-4.7	104.0	-4.0
10	1,812	-9.4	59	-39.7	1,753	-7.8	109.3	-3.3
11	2,303	16.9	141	-38.3	2,163	24.2	118.8	10.2
12	3,379	35.5	967	224.7	2,411	9.9	138.0	10.5
2017 1	2,286	36.0	118	71.7	2,168	34.4	107.0	10.3
2	2,667	17.0	226	-11.1	2,441	20.6	108.4	17.7
3 ^p	3,321	35.1	343	10.1	2,978	38.7	139.0	26.3
4 ^p	2,855	43.7	236	25.3	2,619	45.6	126.7	15.7

p: Preliminary
Source: Statistics Korea

6. Value of construction completed and domestic construction orders received

(current value, billion won)

Period	Value of construction completed						Domestic construction orders received					
	Total		Public		Private		Total		Public		Private	
		Y-o-Y change (%)		Y-o-Y change (%)		Y-o-Y change (%)		Y-o-Y change (%)		Y-o-Y change (%)		Y-o-Y change (%)
2015	102,614	4.2	31,034	-3.1	67,349	7.9	134,493	48.4	28,546	8.0	103,185	66.1
2016	119,959	16.9	30,907	-0.4	83,686	24.3	146,247	8.7	33,963	19.0	108,561	5.2
2015 I	21,925	1.1	6,681	-6.5	14,482	5.9	25,470	57.8	4,599	-22.4	20,586	110.9
II	25,735	-1.7	8,286	-4.9	16,451	-0.4	35,382	49.8	8,962	36.5	25,902	55.0
III	25,420	7.7	7,247	0.0	17,164	11.7	36,494	50.6	4,899	-5.5	30,869	67.9
IV	35,895	21.5	9,046	2.6	25,454	32.2	46,811	26.0	12,619	25.1	33,363	29.2
2016 I	24,533	11.9	6,710	0.4	16,512	14.0	29,008	13.9	7,816	70.0	20,485	-0.5
II	29,977	16.5	8,099	-2.3	20,494	24.6	33,013	-6.7	5,564	-37.9	26,705	3.1
III	29,573	16.3	7,061	-2.6	21,226	23.7	36,970	1.3	7,964	62.6	27,196	-11.9
IV	35,895	21.5	9,046	2.6	25,454	32.2	46,811	26.0	12,619	25.1	33,363	29.2
2017 1 ^p	30,632	24.9	6,975	3.9	22,614	37.0	30,050	3.6	7,313	-6.4	18,665	-8.9
2015 1	7,055	0.0	2,067	-10.7	47,680	7.1	7,520	35.6	1,325	-35.3	6,082	83.8
2	6,870	3.1	2,121	-3.9	4,527	6.8	5,432	-3.5	1,140	-49.2	4,210	30.0
3	8,000	0.6	2,494	-5.1	5,187	4.0	12,519	152.1	2,134	30.7	10,293	220.4
4	7,915	-6.6	2,493	-9.0	5,112	-6.3	9,100	21.3	2,569	35.6	6,475	15.7
5	7,994	-2.4	2,358	-8.8	5,319	0.1	12,640	85.3	2,368	19.4	10,169	113.2
6	9,826	3.3	3,434	1.5	6,019	4.9	13,641	46.7	4,025	49.8	9,258	45.8
7	8,104	2.4	2,312	-4.8	5,523	7.3	8,681	23.4	1,791	17.0	6,813	27.0
8	8,123	5.2	2,224	-4.3	5,598	9.5	8,767	-0.3	1,921	18.8	6,541	-6.0
9	9,193	15.4	2,710	8.8	6,043	18.5	19,046	126.4	1,187	-41.6	17,515	189.0
10	8,714	5.7	2,292	-9.5	6,043	12.5	10,387	29.8	1,803	27.6	8,583	34.0
11	8,888	6.4	2,465	-7.8	6,025	13.7	13,244	107.0	3,265	76.5	9,419	112.5
12	11,932	14.3	4,062	9.6	7,185	16.0	13,517	10.8	5,019	-8.7	7,827	21.9
2016 1	7,509	6.4	2,045	-1.1	5,144	7.9	7,339	-2.4	2,693	103.3	4,373	-28.1
2	7,424	8.1	1,976	-6.8	5,086	12.3	10,002	84.1	2,362	107.1	7,559	79.5
3	9,600	20.0	2,689	7.8	6,282	21.1	11,666	-6.8	2,761	29.4	8,552	-16.9
4	9,027	14.0	2,317	-7.1	6,299	23.2	10,850	19.2	1,185	-53.9	9,297	43.6
5	9,347	16.9	2,326	-1.4	6,611	24.3	9,656	-23.6	2,126	-10.2	7,412	-27.1
6	11,603	18.1	3,456	0.6	7,585	26.0	12,507	-8.3	2,254	-44.0	9,995	8.0
7	9,545	17.8	2,256	-2.4	6,914	25.2	11,991	38.1	2,626	46.6	8,499	24.7
8	9,832	21.0	2,344	5.4	7,109	27.0	13,372	52.5	3,404	77.2	9,464	44.7
9	10,195	10.9	2,460	-9.2	7,203	19.2	11,607	-39.1	1,933	62.9	9,233	-47.3
10	10,474	20.2	2,348	2.4	7,693	27.3	14,819	42.7	3,212	78.2	11,532	34.4
11	11,459	28.9	2,779	12.7	8,226	36.5	12,563	-5.1	2,792	-14.5	9,667	2.6
12	13,962	17.0	3,920	-3.5	9,535	32.7	19,428	43.7	6,615	31.8	12,164	55.4
2017 1	8,988	19.7	1,972	-3.6	6,682	29.9	8,551	16.5	2,255	-16.3	6,293	43.9
2	9,658	30.1	2,149	8.8	7,232	42.2	12,437	24.3	3,091	30.9	5,999	-20.6
3 ^p	11,985	24.8	2,853	6.1	8,700	38.5	9,062	-22.3	1,967	-28.7	6,374	-25.5
4 ^p	11,272	24.9	2,495	7.7	8,458	34.3	14,073	29.7	2,129	79.7	11,564	24.4

p: Preliminary
Source: Statistics Korea



7. Composite indices of business cycle indicators, CSI and BSI

Period	Leading index (2010=100)	Cyclical indicator of leading index (2010=100)	Coincident index (2010=100)	Cyclical indicator of coincident index (2010=100)	CSI ¹	BOK BSI ²	
						Results	Prospects
2014 1	112.9	100.6	112.0	100.0	109.0	78	81
2	113.2	100.5	112.3	100.0	108.0	79	83
3	113.4	100.4	112.8	100.2	108.5	78	82
4	113.8	100.4	113.0	100.1	108.4	76	81
5	114.1	100.3	113.0	99.9	104.5	75	80
6	114.4	100.3	113.2	99.8	107.0	75	79
7	114.6	100.1	113.5	99.8	104.7	75	79
8	115.2	100.2	113.9	99.9	106.5	75	77
9	115.8	100.4	114.1	99.8	107.3	77	76
10	116.2	100.4	114.0	99.5	104.7	73	78
11	116.5	100.3	114.2	99.5	102.7	76	77
12	117.0	100.3	114.9	99.8	101.1	76	78
2015 1	117.7	100.6	115.3	99.9	102.5	75	79
2	118.1	100.6	115.9	100.2	103.1	74	75
3	118.7	100.7	116.2	100.1	101.4	74	80
4	119.1	100.7	116.6	100.2	104.0	74	76
5	119.8	100.8	116.4	99.8	105.3	69	76
6	120.1	100.7	116.5	99.6	98.4	65	74
7	120.5	100.7	116.8	99.6	100.3	71	68
8	121.0	100.7	117.5	99.9	101.6	71	72
9	121.6	100.7	118.4	100.4	102.7	70	73
10	122.0	100.7	119.0	100.7	105.1	73	71
11	122.4	100.6	119.0	100.4	105.7	69	72
12	122.6	100.4	119.3	100.4	102.6	69	71
2016 1	122.7	100.1	119.3	100.1	100.0	67	70
2	122.8	99.7	119.5	100.0	97.9	64	68
3	123.1	99.7	119.6	99.9	100.0	65	65
4	123.7	99.8	119.9	99.9	101.6	66	67
5	124.2	99.8	120.5	100.1	99.2	68	69
6	124.5	99.8	121.0	100.2	98.8	70	72
7	125.0	99.9	121.6	100.5	101.0	72	72
8	125.8	100.1	122.1	100.6	101.9	73	74
9	126.5	100.3	122.2	100.4	101.8	72	76
10	127.0	100.5	122.2	100.2	102.0	73	75
11	127.5	100.5	122.6	100.3	95.7	74	74
12	128.1	100.6	123.2	100.5	94.1	74	74
2017 1	128.6	100.7	123.8	100.7	93.3	77	73
2 ^p	129.3	100.9	124.1	100.7	94.4	77	78
3 ^p	129.7	100.8	124.7	101.0	96.7	77	79
4 ^p	130.3	101.0	125.1	101.0	101.2	77	78
5	-	-	-	-	108.0	78	79
6	-	-	-	-	-	-	82

1. Consumer Sentiment Index 2. Business Survey Index (manufacturing, seasonally adjusted)
p: Preliminary Sources: Statistics Korea, Bank of Korea

8. Prices

Period	Consumer prices (2015=100)								Producer prices (2010=100)			
	All items		Commodities		Services		Core		All items		Commodities	
		y-o-y change (%)		y-o-y change (%)		y-o-y change (%)		y-o-y change (%)		y-o-y change (%)		y-o-y change (%)
2014	99.3	1.3	100.7	0.9	98.2	1.6	97.8	2.0	105.2	-0.5	104.8	-1.4
2015	100.0	0.7	100.0	-0.7	100.0	1.8	100.0	2.2	101.0	-4.0	98.0	-6.4
2016	101.0	1.0	99.4	-0.6	102.3	2.3	101.6	1.6	99.1	-1.8	94.6	-3.4
2014 1	98.8	1.1	100.6	0.9	97.4	1.3	96.9	1.7	105.6	-0.3	105.7	-1.0
2	99.1	1.0	101.0	0.9	97.6	1.1	97.2	1.7	105.8	-0.9	105.9	-1.7
3	99.3	1.3	101.1	1.1	97.8	1.5	97.4	2.1	105.7	-0.5	105.7	-1.3
4	99.3	1.5	100.9	1.3	98.1	1.6	97.6	2.3	105.6	-0.3	105.4	-1.1
5	99.5	1.7	101.1	1.7	98.2	1.6	97.9	2.2	105.5	0.0	105.3	-0.7
6	99.4	1.7	100.8	1.7	98.2	1.6	98.0	2.1	105.6	0.1	105.4	-0.6
7	99.5	1.6	100.8	1.4	98.5	1.7	98.2	2.2	105.7	0.2	105.4	-0.5
8	99.7	1.4	101.0	1.0	98.6	1.7	98.2	2.4	105.6	-0.2	105.1	-1.1
9	99.6	1.1	101.0	0.5	98.5	1.7	98.2	1.9	105.2	-0.5	104.7	-1.4
10	99.3	1.1	100.3	0.5	98.5	1.7	98.2	1.8	104.5	-0.8	103.6	-1.8
11	99.1	1.0	99.9	0.2	98.5	1.6	98.2	1.6	104.1	-0.9	103.1	-2.0
12	99.1	0.8	99.8	0.0	98.5	1.6	98.3	1.6	103.1	-2.1	101.7	-3.6
2015 1	99.8	1.0	100.6	0.1	99.1	1.7	99.4	2.6	101.9	-3.6	99.7	-5.8
2	99.7	0.6	100.4	-0.6	99.2	1.7	99.5	2.4	101.9	-3.6	99.7	-5.8
3	99.7	0.5	100.1	-1.0	99.4	1.7	99.6	2.2	101.8	-3.7	99.5	-5.9
4	99.8	0.4	99.8	-1.1	99.7	1.6	99.6	2.1	101.8	-3.6	99.3	-5.8
5	100.0	0.6	100.3	-0.8	99.8	1.6	99.9	2.1	101.8	-3.5	99.3	-5.7
6	100.1	0.7	100.4	-0.4	99.8	1.6	99.9	2.0	101.8	-3.6	99.3	-5.8
7	100.2	0.7	100.0	-0.8	100.4	2.0	100.2	2.1	101.4	-4.0	98.6	-6.4
8	100.4	0.7	100.1	-0.9	100.6	2.0	100.3	2.1	100.8	-4.5	97.7	-7.1
9	100.1	0.5	99.8	-1.3	100.4	1.9	100.2	2.0	100.3	-4.6	97.0	-7.3
10	100.1	0.8	99.6	-0.7	100.6	2.1	100.4	2.2	99.7	-4.6	96.0	-7.4
11	99.9	0.8	99.3	-0.7	100.5	2.0	100.4	2.2	99.3	-4.7	95.3	-7.6
12	100.2	1.1	99.7	-0.2	100.7	2.2	100.6	2.3	99.0	-4.0	95.0	-6.6
2016 1	100.4	0.6	99.2	-1.4	101.3	2.3	101.0	1.6	98.5	-3.3	94.0	-5.7
2	100.8	1.1	99.9	-0.5	101.6	2.5	101.2	1.7	98.5	-3.4	93.9	-5.9
3	100.6	0.8	99.1	-1.0	101.8	2.4	101.3	1.7	98.4	-3.3	93.8	-5.7
4	100.8	1.0	99.3	-0.5	101.9	2.3	101.5	1.9	98.7	-3.0	94.1	-5.2
5	100.8	0.8	99.1	-1.2	102.2	2.4	101.7	1.8	98.8	-3.0	94.3	-5.1
6	100.8	0.7	99.1	-1.3	102.2	2.4	101.8	1.8	99.0	-2.7	94.6	-4.7
7	100.6	0.4	98.2	-1.8	102.6	2.1	101.5	1.3	98.9	-2.5	94.4	-4.3
8	100.9	0.5	98.5	-1.6	102.8	2.2	101.6	1.3	99.0	-1.8	94.4	-3.4
9	101.5	1.3	100.0	0.3	102.6	2.2	101.7	1.5	99.2	-1.1	94.7	-2.4
10	101.6	1.5	100.3	0.8	102.7	2.1	102.1	1.8	99.5	-0.1	95.0	-1.0
11	101.5	1.5	100.1	0.8	102.6	2.1	102.0	1.6	100.0	0.7	95.7	0.4
12	101.6	1.3	100.1	0.4	102.8	2.0	101.9	1.2	100.9	1.8	97.0	2.2
2017 1	102.4	2.0	101.1	1.9	103.5	2.2	102.5	1.5	102.3	3.9	99.0	5.3
2	102.8	1.9	101.6	1.7	103.7	2.1	102.7	1.5	102.7	4.3	99.5	6.0
3	102.8	2.2	101.5	2.4	103.9	2.1	102.8	1.4	102.7	4.3	99.3	5.9
4	102.7	1.9	100.8	1.6	104.1	2.2	102.8	1.3	102.4	3.8	99.0	5.1
5	102.8	2.0	101.0	2.0	104.2	2.0	103.1	1.4	102.3	3.5	98.6	4.6

Sources: Statistics Korea, Bank of Korea



9. Employment (I)

Period	Economically active persons (thousands)	y-o-y change	Economically inactive persons (thousands)	y-o-y change	Labor force participation rate (%)	Employment rate (%)	Unemployment rate (%)
2015	26,913	377	16,105	128	62.6	60.3	3.6
2016	27,247	335	16,169	64	62.8	60.4	3.7
2015 I	26,356	412	16,469	72	61.5	59.0	4.1
II	27,140	373	15,835	150	63.2	60.7	3.8
III	27,166	355	15,921	162	63.0	60.9	3.4
IV	26,989	367	16,194	128	62.5	60.5	3.1
2016 I	26,708	351	16,568	99	61.7	59.1	4.3
II	27,415	275	15,970	135	63.2	60.8	3.8
III	27,539	374	15,926	4	63.4	61.1	3.6
IV	27,327	338	16,210	17	62.8	60.7	3.2
2017 I	27,082	374	16,552	-17	62.1	59.4	4.3
2015 1	26,094	444	16,681	27	61.0	58.7	3.8
2	26,398	401	16,429	83	61.6	58.8	4.6
3	26,577	390	16,298	106	62.0	59.5	4.0
4	26,954	239	15,971	272	62.8	60.3	3.9
5	27,211	449	15,764	73	63.3	30.9	3.8
6	27,255	430	15,770	104	63.3	60.9	3.9
7	27,303	413	15,751	114	63.4	61.1	3.7
8	27,064	290	16,022	225	62.8	60.7	3.4
9	27,129	363	15,990	146	62.9	60.9	3.2
10	27,137	328	16,012	176	62.9	60.9	3.1
11	27,082	296	16,099	197	62.7	60.8	3.1
12	26,747	476	16,469	11	61.9	59.9	3.2
2016 1	26,433	339	16,806	125	61.1	58.8	3.7
2	26,734	337	16,540	111	61.8	58.7	4.9
3	26,955	379	16,358	61	62.2	59.6	4.3
4	27,228	274	16,120	149	62.8	60.3	3.9
5	27,455	244	15,932	169	63.3	61.0	3.7
6	27,563	308	15,859	89	63.5	61.2	3.6
7	27,578	274	15,864	113	63.5	61.2	3.5
8	27,524	460	15,941	-81	63.3	61.0	3.6
9	27,516	387	15,972	-18	63.3	61.0	3.6
10	27,499	362	16,013	1	63.2	61.1	3.4
11	27,446	364	16,091	-8	63.0	61.1	3.1
12	27,035	288	16,526	57	62.1	60.1	3.2
2017 1	27,082	374	16,552	-17	62.1	59.4	4.3
2	27,138	404	16,495	-45	62.2	59.1	5.0
3	27,409	454	16,257	-101	62.8	60.2	4.2
4	27,751	522	15,947	-173	63.5	60.8	4.2
5	27,828	373	15,907	-25	63.6	61.3	3.6

Source: Statistics Korea

10. Employment (II)

Period	Employed persons (thousands)					
	All industry	y-o-y change	Manufacturing	y-o-y change	SOC & services	y-o-y change
2015	25,936	337	4,486	156	20,092	287
2016	26,235	299	4,481	-5	20,449	357
2015 I	25,267	354	4,418	139	19,747	307
II	26,098	308	4,466	147	20,114	290
III	26,237	310	4,511	164	20,217	253
IV	26,143	376	4,550	176	20,289	300
2016 I	25,554	287	4,544	126	19,956	209
II	26,387	289	4,503	38	20,446	332
III	26,554	318	4,439	-71	20,683	466
IV	26,446	302	4,439	-110	20,710	421
2017 I	25,915	360	4,432	-112	20,449	493
2015 1	25,106	347	4,421	141	19,693	317
2	25,195	376	4,433	159	19,716	309
3	25,501	338	4,400	116	19,832	294
4	25,900	216	4,455	167	20,004	185
5	26,189	379	4,464	140	20,179	364
6	26,205	329	4,478	133	20,161	319
7	26,305	326	4,528	170	20,250	247
8	26,141	256	4,491	156	20,153	213
9	26,264	347	4,512	166	20,249	300
10	26,298	348	4,552	191	20,248	275
11	26,253	285	4,545	190	20,353	256
12	25,879	495	4,552	146	20,266	370
2016 1	25,445	339	4,566	145	19,955	262
2	25,418	223	4,541	108	19,885	169
3	25,800	300	4,525	124	20,028	196
4	26,153	252	4,503	48	20,263	259
5	26,450	261	4,514	50	20,483	304
6	26,559	354	4,493	15	20,593	433
7	26,603	298	4,464	-65	20,719	469
8	26,528	387	4,418	-74	20,677	524
9	26,531	267	4,436	-76	20,653	404
10	26,577	278	4,437	-115	20,682	434
11	26,592	339	4,443	-102	20,759	406
12	26,168	289	4,437	-115	20,689	424
2017 1	25,689	243	4,406	-160	20,362	407
2	25,788	371	4,449	-92	20,354	469
3	26,267	466	4,441	-83	20,631	604
4	26,577	424	4,441	-62	20,759	496
5	26,824	375	4,489	-25	20,875	392

Source: Statistics Korea

11. Balance of payments (I)

(US \$ million)

Period	Current account	Goods	Goods		Services	Primary income	Secondary income
			Exports	Imports			
2015	105,939.6	122,269.2	542,811.2	420,612.0	-14,916.8	3,572.4	-4,985.2
2016 ^p	98,677.4	120,445.7	511,776.1	391,330.4	-17,608.0	1,459.3	-5,619.6
2015 I	23,222.0	24,516.1	131,427.3	106,911.2	-4,111.1	4,067.5	-1,250.5
II	26,951.4	33,667.7	142,086.3	108,418.6	-3,037.3	-2,479.2	-1,199.8
III	28,246.3	31,319.2	133,550.1	102,230.9	-3,736.1	1,515.2	-852.0
IV	27,519.9	32,766.2	135,817.5	103,051.3	-4,032.3	468.9	-1,682.9
2016 ^p I	25,349.7	28,954.6	118,316.3	89,361.7	-3,917.8	1,197.7	-884.8
II	26,337.2	33,534.3	128,243.4	94,709.1	-3,910.7	-2,108.9	-1,177.5
III	21,509.8	28,268.1	127,558.4	99,290.3	-5,660.0	1,262.5	-2,360.8
IV	25,480.7	29,688.7	137,658.0	107,969.3	-4,119.5	1,108.0	-1,196.5
2017 ^p I	19,430.9	27,981.3	138,937.2	110,955.9	-8,863.2	1,128.6	-815.8
2015 1	7,035.8	6,860.8	44,427.0	37,566.2	-1,913.6	2,711.9	-623.3
2	6,305.5	7,061.6	39,430.9	32,369.3	-1,658.4	1,130.2	-227.9
3	9,880.7	10,593.7	47,569.4	36,975.7	-539.1	225.4	-399.3
4	7,254.8	11,850.1	49,643.9	37,793.8	-861.6	-3,236.8	-496.9
5	8,136.1	8,868.3	43,406.2	34,537.9	-18.2	-270.3	-443.7
6	11,560.5	12,949.3	49,036.2	36,086.9	-2,157.5	1,027.9	-259.2
7	9,325.9	10,304.2	47,221.5	36,917.3	-1,502.5	712.7	-188.5
8	8,207.6	8,848.7	42,080.5	33,231.8	-982.4	460.6	-119.3
9	10,712.8	12,166.3	44,248.1	32,081.8	-1,251.2	341.9	-544.2
10	9,576.4	10,971.6	46,261.8	35,290.2	-1,490.5	533.0	-437.7
11	9,841.5	10,635.0	43,126.3	32,491.3	-1,219.4	612.0	-186.1
12	8,102.0	11,159.6	46,429.4	35,269.8	-1,322.4	-676.1	-1,059.1
2016 ^p 1	7,183.0	8,186.1	37,340.3	29,154.2	-1,837.3	1,232.2	-398.0
2	7,619.7	7,926.2	36,291.5	28,365.3	-1,158.3	831.1	20.7
3	10,547.0	12,842.3	44,684.5	31,842.2	-922.2	-856.6	-507.5
4	3,756.4	9,847.8	40,434.3	30,586.5	-1,530.8	-4,057.1	-503.5
5	10,494.5	10,857.3	42,545.7	31,688.4	-1,071.5	858.5	-149.8
6	12,086.3	12,829.2	45,263.4	32,434.2	-1,308.4	1,089.7	-524.2
7	8,412.6	10,665.7	42,364.1	31,698.4	-1,583.4	-46.5	-623.2
8	5,030.1	6,940.1	41,281.3	34,341.2	-1,498.5	531.9	-943.4
9	8,067.1	10,662.3	43,913.0	33,250.7	-2,578.1	777.1	-794.2
10	8,719.3	9,830.2	43,339.0	33,508.8	-1,594.5	860.9	-377.3
11	8,892.2	10,425.1	46,365.8	35,940.7	-1,737.1	435.4	-231.2
12	7,869.2	9,433.4	47,953.2	38,519.8	-787.9	-188.3	-588.0
2017 ^p 1	5,277.8	7,813.9	44,107.5	36,293.6	-3,359.3	1,090.3	-267.1
2	8,400.2	10,545.3	44,630.1	34,084.8	-2,229.4	631.3	-547.0
3	5,752.9	9,622.1	50,199.6	40,577.5	-3,274.5	-593.0	-1.7
4	3,995.0	11,927.9	48,197.5	36,269.6	-2,376.1	-5,026.2	-530.6

p: Preliminary
 Source: Bank of Korea

12. Balance of payments (II)

(US \$ million)

Period	Financial account*	Financial account					Reserve assets	Capital account
		Direct investment	Portfolio investment	Financial derivatives	Other investment			
2015	106,299.2	19,656.3	49,529.8	1,791.3	23,269.2	12,052.6	-60.2	
2016 ^p	100,385.6	16,447.6	66,333.6	-3,177.9	13,092.8	7,689.5	-36.6	
2015 I	22,974.3	4,328.8	7,743.0	-726.3	4,518.7	7,110.1	-22.0	
II	25,857.1	6,256.2	7,111.1	-759.5	5,947.4	7,301.9	-25.6	
III	29,806.1	3,695.1	15,559.7	4,731.1	10,106.9	-4,286.7	-26.2	
IV	27,661.7	5,376.2	19,116.0	-1,454.0	2,696.2	1,927.3	13.6	
2016 ^p I	28,794.3	5,266.0	16,887.9	2,724.0	5,202.7	-1,286.3	-11.6	
II	19,126.9	1,893.5	13,426.6	-1,185.3	4,043.6	948.5	-7.0	
III	27,255.5	2,296.8	15,949.6	-3,798.1	5,850.2	6,957.0	11.0	
IV	25,208.9	6,991.3	20,069.5	-918.5	-2,003.7	1,070.3	-29.0	
2017 ^p I	19,554.4	6,982.6	8,033.0	-3,107.6	6,910.1	736.3	36.4	
2015 1	6,561.4	933.9	3,385.5	-310.7	-1,475.4	4,028.1	-13.0	
2	6,015.2	1,186.6	3,030.3	-332.5	1,931.8	199.0	-1.7	
3	10,397.7	2,208.3	1,327.2	-83.1	4,062.3	2,883.0	-7.3	
4	9,207.3	1,267.5	107.2	-581.5	5,010.6	3,403.5	-8.7	
5	7,148.8	375.4	353.1	-429.5	3,951.7	2,898.1	-1.6	
6	9,501.0	4,613.3	6,650.8	251.5	-3,014.9	1,000.3	-15.3	
7	10,175.7	-394.9	8,169.7	1,384.8	1,988.9	-972.8	-29.9	
8	8,778.2	-280.6	2,395.5	1,616.5	8,928.5	-3,881.7	1.5	
9	10,852.2	4,370.6	4,994.5	1,729.8	-810.5	567.8	2.2	
10	11,148.7	3,452.7	7,118.3	-1,272.4	-379.6	2,229.7	-5.4	
11	7,808.2	589.0	5,228.6	-600.1	978.0	1,612.7	18.8	
12	8,704.8	1,334.5	6,769.1	418.5	2,097.8	-1,915.1	0.2	
2016 ^p 1	7,556.3	13.8	5,452.2	1,227.8	480.2	382.3	-6.1	
2	9,199.0	1,645.1	5,861.0	756.6	2,502.0	-1,565.7	-2.3	
3	12,039.0	3,607.1	5,574.4	739.6	2,220.5	-102.9	-3.2	
4	713.3	-121.2	2,827.8	-1,043.5	-2,266.4	1,316.6	-5.0	
5	9,092.9	698.1	4,547.3	-463.7	3,909.7	401.5	1.0	
6	9,320.7	1,316.6	6,051.5	321.9	2,400.3	-769.6	-3.0	
7	10,151.2	845.5	254.4	-471.8	7,556.3	1,966.8	2.7	
8	7,521.4	431.6	6,712.4	-1,292.6	-1,419.0	3,089.0	17.1	
9	9,582.9	1,019.7	8,982.8	-2,033.7	-287.1	1,901.2	-8.8	
10	7,044.3	1,358.1	9,868.7	-740.5	-3,662.3	220.3	-9.6	
11	8,898.8	657.7	6,968.2	100.4	1,689.6	-517.1	-34.9	
12	9,265.8	4,975.5	3,232.6	-278.4	-31.0	1,367.1	15.5	
2017 ^p 1	4,347.8	3,268.1	4,772.3	-317.6	-3,633.2	258.2	40.1	
2	9,205.6	4,246.7	878.2	-1,579.1	5,811.4	-151.6	-2.0	
3	6,001.0	-532.2	2,382.5	-1,210.9	4,731.9	629.7	-1.7	
4	1,828.4	1,363.0	2,763.2	-909.0	-1,217.9	-170.9	-26.2	

* Positive figures represent net outflows, and negative figures represent net inflows.

p: Preliminary Source: Bank of Korea



13. Financial indicators

(period average)

Period	Yields (%)					Stock
	Call rate (1 day)	CDs (91 days)	Treasury bonds (3 years)	Treasury bonds (5 years)	Corporate bonds (3 years, AA-)	KOSPI (end-period)
2014 1	2.5	2.7	2.9	3.3	3.3	1,941.15
2	2.5	2.7	2.9	3.2	3.3	1,979.99
3	2.5	2.7	2.9	3.2	3.3	1,985.61
4	2.5	2.7	2.9	3.2	3.3	1,961.79
5	2.5	2.7	2.8	3.1	3.3	1,994.96
6	2.5	2.7	2.7	3.0	3.2	2,002.21
7	2.5	2.7	2.6	2.8	3.0	2,076.12
8	2.3	2.5	2.5	2.8	3.0	2,068.54
9	2.2	2.4	2.4	2.7	2.8	2,020.09
10	2.1	2.2	2.2	2.4	2.6	1,964.43
11	2.0	2.1	2.1	2.3	2.5	1,980.78
12	2.0	2.1	2.1	2.3	2.5	1,915.59
2015 1	2.0	2.1	2.0	2.2	2.4	1,949.26
2	2.0	2.1	2.0	2.1	2.3	1,985.80
3	1.8	2.0	1.9	2.0	2.1	2,041.03
4	1.7	1.8	1.7	1.9	2.0	2,127.17
5	1.7	1.8	1.9	2.1	2.1	2,114.80
6	1.6	1.7	1.8	2.0	2.0	2,074.20
7	1.5	1.7	1.8	2.1	2.0	2,030.16
8	1.5	1.6	1.7	2.0	2.0	1,941.49
9	1.5	1.6	1.7	1.8	2.0	1,962.81
10	1.5	1.6	1.6	1.8	2.0	2,029.47
11	1.5	1.6	1.8	1.9	2.1	1,991.97
12	1.5	1.7	1.7	1.9	2.1	1,961.31
2016 1	1.5	1.7	1.6	1.8	2.1	1,912.06
2	1.5	1.6	1.5	1.6	2.0	1,916.66
3	1.5	1.6	1.5	1.6	2.0	1,995.85
4	1.5	1.6	1.5	1.6	1.9	1,994.15
5	1.5	1.6	1.5	1.6	1.9	1,983.40
6	1.3	1.4	1.3	1.4	1.8	1,970.35
7	1.2	1.4	1.2	1.3	1.7	2,016.19
8	1.2	1.4	1.2	1.3	1.7	2,034.65
9	1.2	1.3	1.3	1.4	1.7	2,043.63
10	1.2	1.4	1.4	1.4	1.8	2,008.19
11	1.2	1.4	1.6	1.7	2.0	1,983.48
12	1.2	1.5	1.7	1.9	2.2	2,026.46
2017 1	1.2	1.5	1.6	1.8	2.1	2,067.57
2	1.2	1.5	1.7	1.9	2.1	2,091.64
3	1.2	1.5	1.7	1.9	2.2	2,160.23
4	1.2	1.4	1.7	1.9	2.2	2,205.44
5	1.2	1.4	1.7	1.9	2.2	2,347.38

Source: Bank of Korea

14. Monetary indicators

(period average, billion won)

Period	Reserve money		M1		M2		Lf	
		y-o-y change (%)		y-o-y change (%)		y-o-y change (%)		y-o-y change (%)
2014	103,331.5	13.1	536,733.4	10.9	2,009,576.3	6.6	2,721,502.2	7.0
2015	120,691.4	16.8	636,639.0	18.6	2,182,911.9	8.6	2,986,699.4	9.7
2016	137,441.5	13.9	734,411.8	15.4	2,342,621.3	7.3	3,229,766.4	8.1
2014 1	98,541.6	14.8	515,742.5	10.9	1,937,045.6	5.2	2,635,100.1	6.7
2	100,547.9	13.2	518,475.5	9.8	1,954,340.7	5.2	2,647,674.0	6.4
3	100,624.0	12.4	520,299.0	10.1	1,964,954.0	5.5	2,659,443.2	6.4
4	98,898.5	12.7	518,809.3	9.1	1,970,361.6	5.5	2,669,341.4	6.2
5	101,791.4	13.5	523,069.9	10.0	1,982,390.9	6.0	2,684,643.9	6.6
6	101,412.3	11.2	532,041.2	9.3	1,999,376.3	6.1	2,703,088.1	6.7
7	101,164.2	11.6	534,028.8	9.2	2,013,935.1	6.5	2,725,737.6	6.9
8	107,682.4	14.9	538,640.3	11.9	2,031,777.2	7.6	2,743,972.5	7.3
9	105,354.1	10.7	548,550.8	11.8	2,037,600.8	7.1	2,759,390.8	7.1
10	107,117.5	14.4	551,416.0	12.1	2,051,149.8	7.5	2,776,968.0	7.3
11	106,667.9	13.9	562,006.2	12.6	2,083,253.5	8.3	2,817,698.0	8.1
12	110,175.6	13.6	577,721.1	13.4	2,088,729.8	8.1	2,834,968.4	8.2
2015 1	113,304.2	15.0	579,964.2	12.5	2,092,223.5	8.0	2,857,610.1	8.4
2	116,502.4	15.9	592,737.4	14.3	2,109,892.3	8.0	2,876,467.8	8.6
3	115,974.9	15.3	600,719.9	15.5	2,127,887.8	8.3	2,907,976.4	9.3
4	115,132.7	16.4	610,803.3	17.7	2,148,114.7	9.0	2,936,746.7	10.0
5	117,726.3	15.7	621,985.5	18.9	2,166,741.1	9.3	2,960,998.1	10.3
6	118,688.2	17.0	630,546.3	18.5	2,179,561.1	9.0	2,986,316.5	10.5
7	122,041.0	20.6	645,975.4	21.0	2,200,510.9	9.3	3,013,503.9	10.6
8	121,854.4	13.2	653,105.9	21.3	2,218,660.3	9.2	3,028,981.1	10.4
9	126,572.2	20.1	665,691.1	21.4	2,230,000.7	9.4	3,049,823.2	10.5
10	125,616.2	17.3	669,737.7	21.5	2,232,432.0	8.8	3,059,051.9	10.2
11	126,767.1	18.8	677,629.2	20.6	2,242,848.2	7.7	3,076,029.2	9.2
12	128,117.5	16.3	690,772.4	19.6	2,246,070.1	7.5	3,086,887.8	8.9
2016 1	131,279.3	15.9	699,767.3	20.7	2,261,356.4	8.1	3,110,535.8	8.9
2	134,913.0	15.8	708,014.0	19.4	2,285,313.5	8.3	3,133,492.2	8.9
3	132,957.9	14.6	713,861.2	18.8	2,294,544.7	7.8	3,158,687.8	8.6
4	135,038.9	17.3	720,818.5	18.0	2,299,081.3	7.0	3,170,277.9	8.0
5	135,971.3	15.5	722,544.4	16.2	2,312,801.2	6.7	3,189,899.3	7.7
6	135,758.4	14.4	730,637.8	15.9	2,334,256.2	7.1	3,223,154.5	7.9
7	135,906.7	11.4	735,172.2	13.8	2,352,245.1	6.9	3,242,338.3	7.6
8	139,073.9	14.1	738,120.9	13.0	2,377,323.1	7.2	3,270,365.6	8.0
9	142,079.6	12.3	751,408.5	12.9	2,383,040.5	6.9	3,288,026.0	7.8
10	141,103.5	12.3	753,367.3	12.5	2,391,059.2	7.1	3,305,950.4	8.1
11	141,757.2	11.8	762,639.7	12.5	2,406,393.5	7.3	3,328,489.7	8.2
12	143,458.7	12.0	776,589.6	12.4	2,414,040.9	7.5	3,337,069.4	8.1
2017 1	147,380.8	12.3	780,995.5	11.6	2,417,635.8	6.9	3,359,110.8	8.0
2	150,092.9	11.3	776,362.5	9.7	2,420,285.6	5.9	3,364,315.8	7.4
3	145,049.0	9.1	789,187.8	10.6	2,436,994.7	6.2	3,387,986.2	7.3
4	149,630.1	10.8	791,859.3	9.9	2,450,220.9	6.6	3,404,957.2	7.4

Source: Bank of Korea

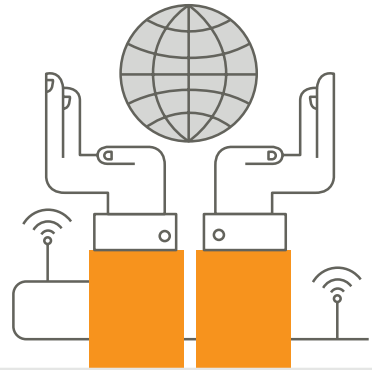
15. Exchange rates

(end-period)

Period	US\$/₩		100¥/₩		Euro/₩	
	Won	Y-o-Y change (%)	Won	Y-o-Y change (%)	Won	Y-o-Y change (%)
2014	1,099.2	4.2	920.1	-8.4	1,336.5	-8.2
2015	1,172.0	6.6	972.0	5.6	1,280.5	-4.2
2016	1,208.5	3.1	1,036.8	6.7	1,267.6	-1.0
2014 1	1,079.2	-0.3	1,043.7	-12.2	1,473.6	0.3
2	1,067.7	-1.6	1,044.8	-11.2	1,463.6	2.7
3	1,068.8	-3.9	1,038.7	-12.0	1,469.4	3.1
4	1,031.7	-6.9	1,005.3	-11.2	1,425.0	-1.8
5	1,021.6	-9.5	1,004.2	-10.1	1,389.6	-5.6
6	1,014.4	-11.8	1,000.0	-14.3	1,384.2	-7.6
7	1,024.3	-8.0	995.7	-12.3	1,371.8	-7.1
8	1,013.6	-8.8	977.6	-13.4	1,336.2	-9.1
9	1,050.6	-2.3	960.2	-12.6	1,333.3	-8.1
10	1,054.0	-0.7	964.1	-10.5	1,328.8	-8.8
11	1,101.1	3.7	933.9	-10.0	1,372.2	-5.0
12	1,099.2	4.2	920.1	-8.4	1,336.5	-8.2
2015 1	1,090.8	1.1	921.4	-11.7	1,235.7	-16.1
2	1,099.2	3.0	920.7	-11.9	1,230.7	-15.9
3	1,105.0	3.4	920.3	-11.4	1,196.8	-18.6
4	1,068.1	3.5	897.2	-10.8	1,187.0	-16.7
5	1,108.0	8.5	894.6	-10.9	1,215.2	-12.6
6	1,124.1	10.8	917.2	-8.3	1,260.5	-8.9
7	1,166.3	13.9	939.3	-5.7	1,275.4	-7.0
8	1,176.3	16.1	970.1	-0.8	1,317.3	-1.4
9	1,194.5	13.7	996.8	3.8	1,343.9	0.8
10	1,142.3	8.4	944.1	-2.1	1,254.8	-5.6
11	1,150.4	4.5	936.7	0.3	1,218.3	-11.2
12	1,172.0	6.6	972.0	5.6	1,280.5	-4.2
2016 1	1,208.4	10.8	1,017.1	10.4	1,322.2	7.0
2	1,235.4	12.4	1,085.8	17.9	1,348.3	9.6
3	1,153.5	4.4	1,026.0	11.5	1,307.4	9.2
4	1,143.9	7.1	1,058.2	17.9	1,298.4	9.4
5	1,190.6	7.5	1,072.8	19.9	1,326.8	9.2
6	1,164.7	3.6	1,132.2	23.4	1,295.5	2.8
7	1,125.7	-3.5	1,073.7	14.3	1,246.7	-2.3
8	1,118.5	-4.9	1,086.3	12.0	1,246.9	-5.3
9	1,096.3	-8.2	1,083.7	8.7	1,230.3	-8.5
10	1,145.2	0.3	1,094.4	15.9	1,257.1	0.2
11	1,168.5	1.6	1,038.8	10.9	1,244.3	2.1
12	1,208.5	3.1	1,036.8	6.7	1,267.6	-1.0
2017 1	1,157.8	-4.2	1,017.9	0.1	1,239.5	-6.3
2	1,132.1	-8.4	1,004.0	-7.5	1,198.6	-11.1
3	1,116.1	-3.2	998.5	-2.7	1,192.6	-8.8
4	1,130.1	-1.2	1,016.0	-4.0	1,228.1	-5.4
5	1,123.9	-5.6	1,014.3	-5.4	1,255.6	-5.4

Source: Bank of Korea

Useful websites



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

Korea Development Institute
http://www.kdi.re.kr/kdi_eng

Ministry of Trade, Industry and Energy
<http://english.motie.go.kr>

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

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

Fair Trade Commission
<http://www.ftc.go.kr/eng>

Ministry of Employment and Labor
<http://www.moel.go.kr/english>

Bank of Korea
<http://www.bok.or.kr/eng>

Statistics Korea
<http://kostat.go.kr/portal/eng>





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