

EB

The Green Book: Current Economic Trends

Policy Issue

2018 Economic Policies

Economic News Briefing

2018 Budget Approved at National Assembly

A Total of 106.4 Trillion Won Worth of KTBs to be Issued in 2018

BOK Lifts Interest Rate to 1.5%

Korea Grows 1.5% in Q3 2017

Statistical Appendices



Ministry of Strategy
and Finance



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Economic Bulletin





Chimneys of Amisan Garden

Amisan Garden is the rear garden of Gyotaejeon, the queen's residence in Gyeongbok Palace.

The most striking feature of the garden is a row of hexagonal chimneys, which were built to draw smoke produced while heating the residence. Each side of the chimneys is decorated with symbols of longevity and good fortune.

02 The Green Book: Current Economic Trends

Overview	03
01. External economic situation	04
02. Private consumption	09
03. Facility investment	11
04. Construction investment	13
05. Exports and imports	15
06. Mining and manufacturing production	17
07. Service sector activity	19
08. Employment	21
09. Financial markets	25
9.1 Stock market	25
9.2 Exchange rate	26
9.3 Bond market	27
9.4 Money supply and money market	28
10. Balance of payments	29
11. Prices	31
11.1 Consumer prices	31
11.2 International oil and commodity prices	33
12. Real estate market	36
12.1 Housing market	36
12.2 Land market	38
13. Composite indices of business cycle indicators	40

42 Policy Issue

2018 economic policies

48 Economic News Briefing

2018 budget approved at National Assembly

A total of 106.4 trillion won worth of KTBs to be issued in 2018

BOK lifts interest rate to 1.5%

Government unveils new restructuring framework

Korea grows 1.5% in Q3 2017 (preliminary)

Korea to grow 3.2% in 2017, according to OECD

Korean FDI up 7.2% in Q3 2017

External debt rises to US \$409.1 billion in Q3 2017

53 Statistical Appendices

12

Contents

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Overview

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11. Prices
12. Real estate market
13. Composite indices of business cycle indicators

OVERVIEW

The Korean economy slowed somewhat due to a high base effect from the third quarter, but exports continued to be strong amid improving global economies.

The economy added 279,000 jobs year-on-year in October, and construction and the public sector led the increase. Jobs continued to increase in public administration and welfare due to supplementary budget spending.

Consumer price inflation in November fell 0.5 percentage points from the previous month (*up 1.8 % → up 1.3%, y-o-y*) due to a cut in natural gas rates.

Mining and manufacturing production fell 1.1 percent in October (*up 0.2 % → down 1.1%, m-o-m*) after increasing for three months in a row as automobile exports decreased along with demand for automobile parts. Service output fell after rising for four months in a row (*up 1.0 % → down 1.7%, m-o-m*) due to a slowdown in real estate transactions and durable goods sales. Compared with August, service output rose 0.2 percent during the September-October period.

Retail sales fell 2.9 percent in October (*up 3.1% → down 2.9%, m-o-m*) due to a high base effect from the previous month when demand surged before the *Chuseok* holiday as well as due to declining mobile phone sales before the release of new models scheduled in November. Compared with August, retail sales improved 1.6 percent during the September-October period.

Facility investment fell 14.4 percent in October (*up 5.3% → down 14.4%, m-o-m*) compared with the previous month during which investment in semiconductor manufacturing equipment surged. Construction investment rose for the first time in three months (*down 1.3% → up 0.8%, m-o-m*) backed by strong civil engineering works.

In October, the cyclical indicator of the coincident composite index fell 0.4 points from the previous month to 100.5, and the cyclical indicator of the leading composite index fell 0.3 points to 101.3.

Exports increased for the 13th consecutive month in November (*up 7.1% → up 9.6%, y-o-y*), backed by strong major export items, such as semiconductors and petroleum products.

In November KOSPI declined on profit taking, and the dollar-won exchange rate fell amid the weak dollar and following the Korea-Canada currency swap agreement. Government bond yields fell.

Housing prices continued to grow in November (*up 0.13% → up 0.13%, m-o-m*), and *Jeonse* (lump sum deposits with no monthly payments) prices grew modestly (*up 0.06% → up 0.05%, m-o-m*).



The economy is expected to stay on a recovery path given improving global economies and strong exports. However, internal and external risks linger, such as major economies' monetary policies, trade issues and North related problems.

The government will strengthen its risk management, and will work for the current economic recovery to lead to job creation and improvement in the real economy.

1. External economic situation

The global economy has been improving as recovery continues in both developed and emerging countries. However, there are uncertainties about policies in advanced economies, including monetary policy normalization.

US

The US economy grew 3.3 percent (*annualized q-o-q, preliminary*) in the third quarter of 2017 backed by an improvement in private consumption and nonresidential fixed investment. Industrial production and retail sales have also been strong.

Industrial production in October rose 0.9 percent month-on-month, exceeding the market expectations of 0.5 percent growth, due to an increase in manufacturing production (*up 1.3%, m-o-m*). The ISM Manufacturing Index declined for a second straight month in November.

ISM Manufacturing Index (base=50)

57.8 (Jun 2017) → 56.3 (Jul) → 58.8 (Aug) → 60.8 (Sep) → 58.7 (Oct) → 58.2 (Nov)

Retail sales rose 0.2 percent month-on-month in October due to an increase in auto sales (*up 0.7%, m-o-m*). Consumer confidence improved for a fifth consecutive month in November.

Conference Board Consumer Confidence Index (1985=100)

117.3 (Jun 2017) → 120.0 (Jul) → 120.4 (Aug) → 120.6 (Sep) → 126.2 (Oct) → 129.5 (Nov)

Existing home sales increased 2.1 percent month-on-month in October to an annual rate of 5,480,000 homes. New home sales rose 6.2 percent to an annual rate of 690,000 units.

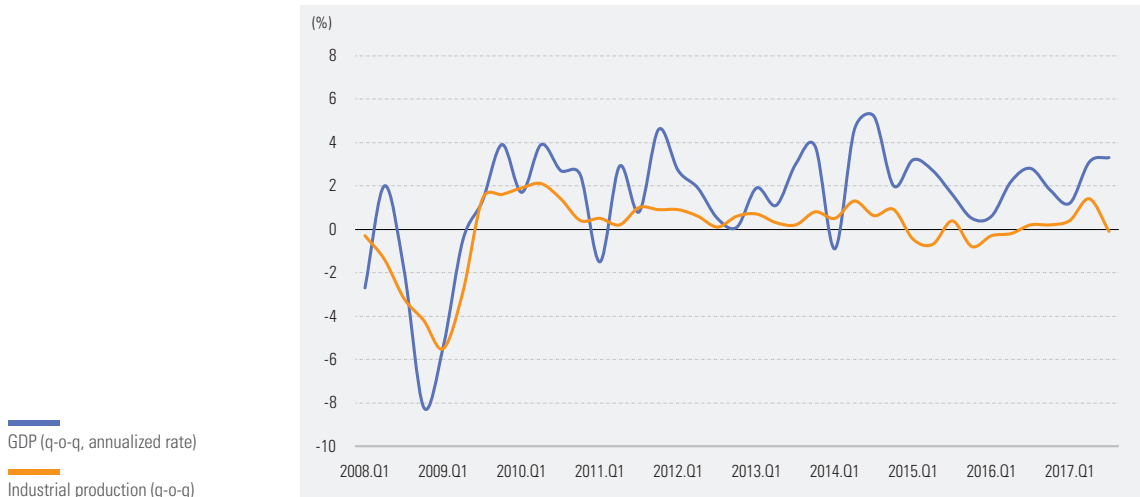
Case-Shiller Home Price Index (y-o-y, %)

5.9 (Mar 2017) → 5.7 (Apr) → 5.7 (May) → 5.6 (Jun) → 5.8 (Jul) → 5.8 (Aug) → 6.2 (Sep)

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

-7.5 (Apr 2017) → 2.7 (May) → 2.1 (Jun) → -8.9 (Jul) → 0.2 (Aug) → 14.2 (Sep) → 6.2 (Oct)

US GDP growth and industrial production



Sources: US Department of Commerce, Federal Reserve Board

In October, nonfarm payrolls added 261,000 new jobs, falling short of the market expectations of 310,000 new jobs. The unemployment rate fell 0.1 percentage points from the previous month to 4.1 percent, the lowest since December 2000.

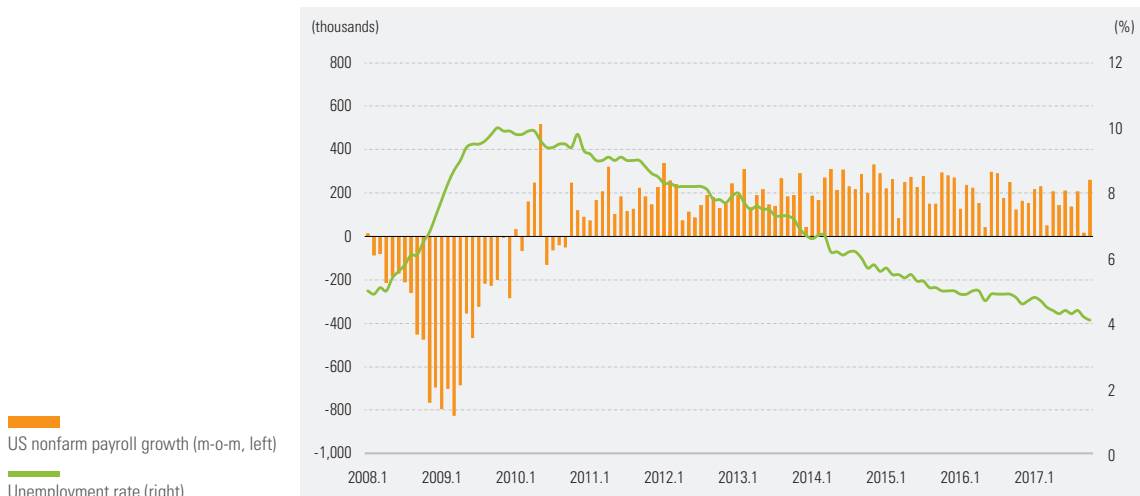
Labor force participation rate (%)

62.9 (Feb 2017) → 63.0 (Mar) → 62.9 (Apr) → 62.7 (May) → 62.8 (Jun) → 62.9 (Jul) → 62.9 (Aug) → 63.1 (Sep) → 62.7 (Oct)

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

232 (Feb 2017) → 50 (Mar) → 207 (Apr) → 145 (May) → 210 (Jun) → 138 (Jul) → 208 (Aug) → 18 (Sep) → 261 (Oct)

US nonfarm payroll growth and unemployment rate



Source: US Department of Labor



(Percentage change from previous period)

	2014	2015	2016			2017						
	Annual	Annual	Annual	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	Oct
Real GDP ¹	2.6	2.9	1.5	2.2	2.8	1.8	1.2	3.1	3.3	-	-	-
- Personal consumption expenditures	2.9	3.6	2.7	3.8	2.8	2.9	1.9	3.3	2.3	-	-	-
- Nonresidential fixed investment	6.9	2.3	-0.6	3.3	3.4	0.2	7.2	6.7	4.7	-	-	-
- Residential fixed investment	3.5	10.2	5.5	-4.7	-4.5	7.1	11.1	-7.3	-5.1	-	-	-
Industrial production	3.1	-0.7	-1.2	-0.2	0.2	0.2	0.4	1.4	-0.1	-0.5	0.4	0.9
Retail sales	4.2	2.6	3.0	1.5	0.9	1.5	1.1	0.3	1.0	-0.1	1.9	0.2
Existing home sales	-3.1	6.3	3.9	2.2	-1.8	3.1	1.3	-1.0	-3.2	-1.7	0.4	2.1
Unemployment rate ²	6.2	5.3	4.9	4.9	4.9	4.7	4.7	4.4	4.3	4.4	4.2	4.1
Consumer prices (y-o-y)	1.6	0.1	1.3	1.1	1.1	1.8	2.6	1.9	2.0	1.9	2.2	2.0

1. Annualized rate (%)

2. Seasonally adjusted

Sources: US Department of Commerce, Bloomberg

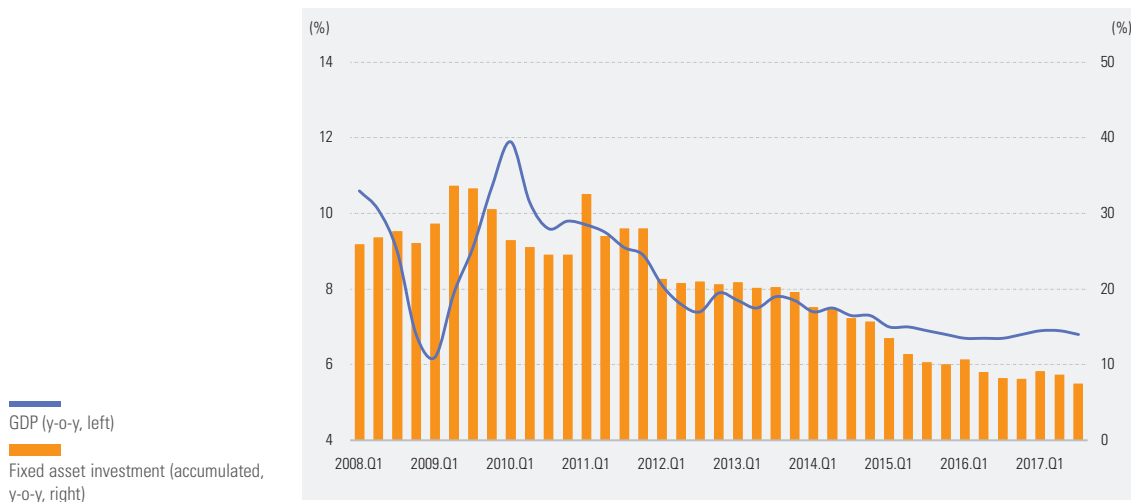
China

China's economy continued to grow: The manufacturing PMI improved, and industrial production and exports increased, though at a slower rate.

Manufacturing PMI (base=50)

51.8 (Mar 2017) → 51.2 (Apr) → 51.2 (May) → 51.7 (Jun) → 51.4 (Jul) → 51.7 (Aug) → 52.4 (Sep) → 51.6 (Oct) → 51.8 (Nov)

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	Annual	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	Oct
Real GDP	7.3	6.9	6.7	6.7	6.7	6.8	6.9	6.9	6.8	-	-	-
Industrial production	8.2	6.0	6.2	6.1	6.2	6.1	6.8	6.9	6.3	6.0	6.6	6.2
Fixed asset investment (accumulated)	15.7	10.0	8.1	9.0	8.2	8.1	9.2	8.6	7.5	7.8	7.5	7.3
Retail sales	12.0	10.6	10.4	10.2	10.5	10.6	10.9	10.8	10.3	10.1	10.3	10.0
Exports	6.0	-3.0	-7.7	-6.4	-7.0	-5.3	7.6	8.5	6.5	5.1	8.1	6.9
Consumer prices	2.0	1.4	2.0	2.1	1.7	2.2	1.4	1.4	1.6	1.8	1.6	1.8
Producer prices	-1.9	-5.2	-1.3	-2.9	-0.8	3.3	7.4	5.8	6.5	6.3	6.9	6.9

Source: China National Bureau of Statistics

Japan

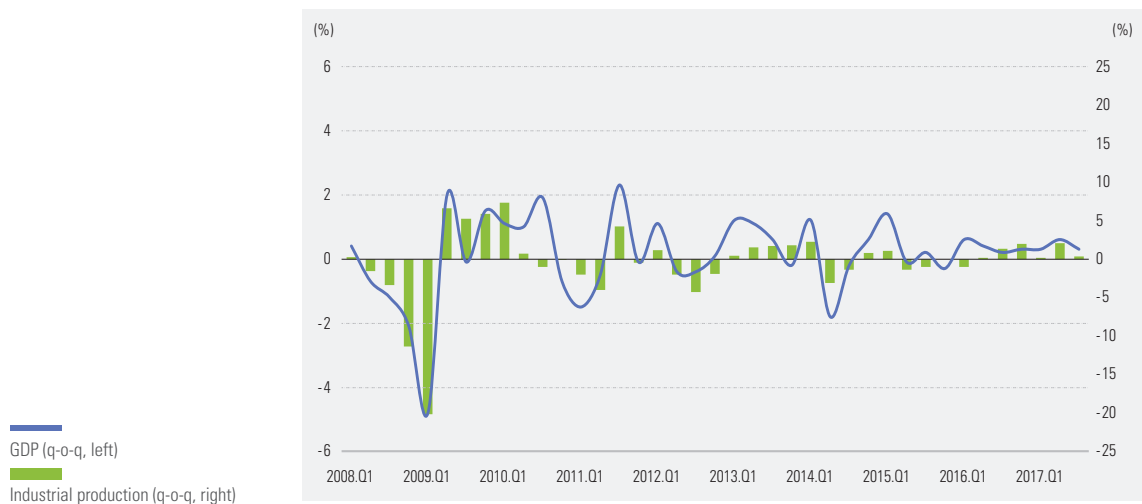
Japan's economy grew 0.3 percent quarter-on-quarter in the third quarter as industrial production rebounded and exports continued to be strong.

Japan's real GDP expanded for a seventh straight quarter for the first time in 16 years.

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

0.3 (Apr 2017) → 0.4 (May) → 0.4 (Jun) → 0.5 (Jul) → 0.7 (Aug) → 0.7 (Sep) → 0.8 (Oct)

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	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	Oct
Real GDP	0.3	1.1	1.0	0.5	0.5	0.2	0.4	0.3	0.6	0.3	-	-	-
Industrial production	2.1	-1.2	-0.2	-0.9	0.2	1.6	1.9	0.2	2.1	0.4	2.0	-1.0	0.5
Retail sales	1.6	-0.3	-0.7	-1.3	0.0	0.5	1.5	-0.2	0.7	-0.1	-1.6	0.8	0.0
Exports (y-o-y)	4.8	3.8	-7.4	-7.9	-9.6	-10.2	-1.8	8.2	10.7	15.2	18.1	14.1	14.0
Consumer prices (y-o-y)	2.7	0.8	-0.1	0.0	-0.4	-0.5	0.3	0.3	0.4	0.6	0.7	0.7	0.2

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

Eurozone

The eurozone economy continued to grow in the third quarter backed by strong exports, although industrial production and retail sales fell in September. The manufacturing PMI rose to a 79-month high in November.

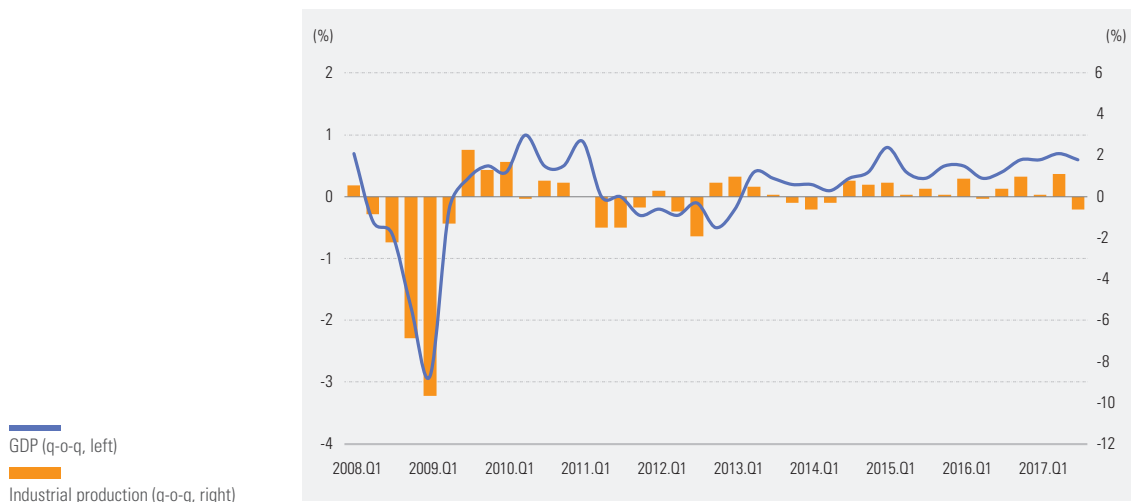
Manufacturing PMI

55.4 (Feb 2017) → 56.2 (Mar) → 56.7 (Apr) → 57.0 (May) → 57.4 (Jun) → 56.6 (Jul) → 57.4 (Aug) → 58.1 (Sep) → 58.5 (Oct) → 60.1 (Nov)

Eurozone Economic Sentiment Indicator (base 2010=100)

108.0 (Mar 2017) → 109.7 (Apr) → 109.2 (May) → 111.1 (Jun) → 111.3 (Jul) → 111.9 (Aug) → 113.1 (Sep) → 114.1 (Oct) → 114.6 (Nov)

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	Q2	Q3	Sep	Oct	Nov
Real GDP	1.3	2.1	1.9	0.3	0.4	0.6	0.6	0.7	0.6	-	-	-
Industrial production	0.8	2.1	1.5	-0.1	0.4	1.0	0.1	1.2	1.1	-0.6	-	-
Retail sales	1.5	2.7	1.5	0.3	0.5	1.2	0.2	0.9	0.5	-1.1	-	-
Exports (y-o-y)	2.3	5.3	0.3	-0.2	-0.1	2.3	10.9	5.3	6.1	5.6	-	-
Consumer prices (y-o-y)	0.4	0.0	0.2	-0.1	0.3	0.7	1.8	1.5	1.4	1.5	1.4	1.5

Sources: Eurostat, Bloomberg

2. Private consumption

Private consumption (*preliminary GDP*) in the third quarter of 2017 rose 0.8 percent compared to the previous quarter and 2.5 percent compared to a year ago.

(Percentage change from previous period)

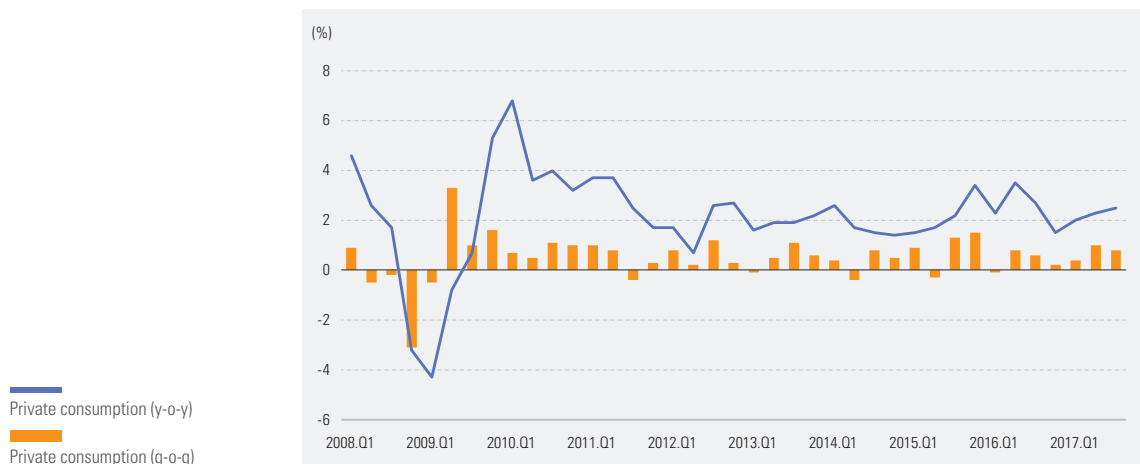
	2014	2015				2016				2017				
	Annual	Annual	Q1	Q2	Q3	Q4	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹
Private consumption ²	1.7	2.2	0.9	-0.3	1.3	1.5	2.5	-0.1	0.8	0.6	0.2	0.4	1.0	0.8
(y-o-y)	-	-	1.5	1.7	2.2	3.4	-	2.3	3.5	2.7	1.5	2.0	2.3	2.5

1. Preliminary

2. National accounts

Source: The Bank of Korea

Private consumption



Source: Bank of Korea (national accounts)

Retail sales in October fell 2.9 percent month-on-month. Sales of nondurable goods (*down 3.6%*), durable goods (*down 2.0%*) and semi-durable goods (*down 2.1%*) all declined. Year-on-year, the index fell 0.2 percent.



(Percentage change from previous period)

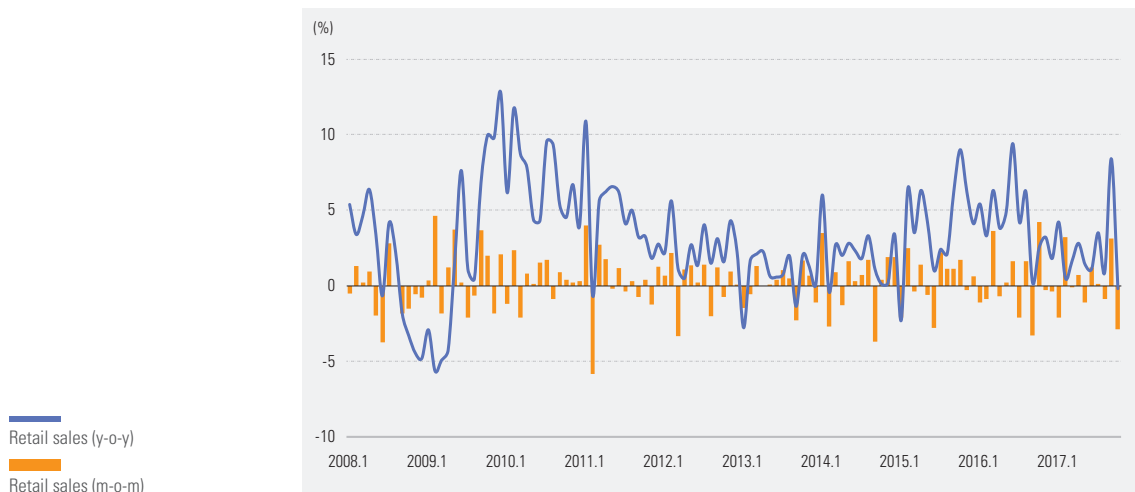
	2015	2016				2017					
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Sep ¹	Oct ¹
Retail sales	-	4.3	-0.2	2.0	-1.2	2.1	-0.5	1.2	1.1	3.1	-2.9
(y-o-y)	2.0	-	5.0	5.9	3.5	2.5	1.9	1.7	4.3	8.4	-0.2
- Durable goods ²	5.1	4.5	-4.0	5.1	-5.8	5.6	-0.3	5.3	0.1	2.3	-2.0
· Automobiles	16.4	2.5	-10.0	13.9	-20.0	18.4	-4.0	4.1	-4.9	-0.2	-2.2
- Semi-durable goods ³	-0.8	2.5	-0.9	1.1	0.1	0.0	-1.3	-0.9	1.1	1.7	-2.1
- Nondurable goods ⁴	1.6	4.8	2.5	0.6	1.1	1.0	-0.3	-0.3	1.9	4.3	-3.6

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)

In November, consumer sentiment improved and drops in Chinese tourists slowed somewhat. However, monetary policy normalization in major economies and North related risks may have a negative impact on retail sales.

	2017							
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Credit card use (y-o-y, %)	3.8	1.9	5.6	4.2	0.3	8.3	-0.8	6.6
Department store sales (y-o-y, %)	0.5	-2.8	0.8	0.1	-1.0	5.0	-0.2	6.3
Large discount store sales (y-o-y, %)	6.8	3.8	1.6	1.0	-1.6	-1.1	1.7	5.9
Domestic sales of gasoline (y-o-y, %)	-2.7	6.3	9.7	13.7	-6.1	9.5	3.4	2.9
Domestic sales of cars (y-o-y, %)	-6.3	-9.0	-14.8	9.8	11.7	15.8	-13.5	-4.0
Consumer sentiment index	101.2	108.0	111.1	111.2	109.9	107.7	109.2	112.3
Number of Chinese tourists (y-o-y, %)	-66.6	-64.1	-66.4	-69.3	-61.2	-56.1	-49.3	-40.8 ¹

1. Advanced estimates based on all Chinese entries, which can be different from the statistic released by the Ministry of Culture, Sports and Tourism as it 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

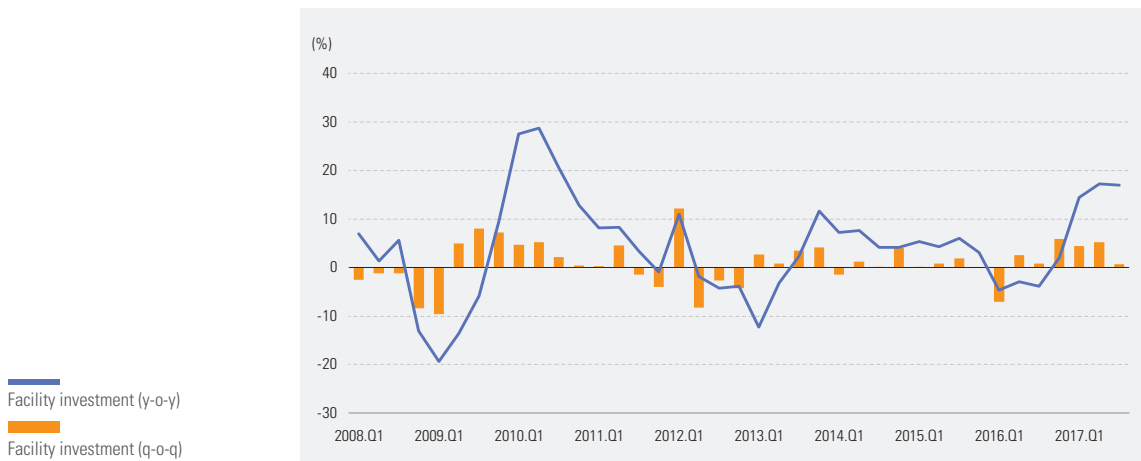
Facility investment (*preliminary GDP*) in the third quarter of 2017 rose 0.7 percent quarter-on-quarter and 17.0 percent year-on-year.

(Percentage change from previous period)

	2015	2016					2017		
	Annual	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹
Facility investment ²	4.7	-2.3	-7.0	2.6	0.9	5.9	4.4	5.2	0.7
(y-o-y)	-	-	-4.6	-2.9	-3.9	2.0	14.4	17.3	17.0
- Machinery	2.9	-2.4	-7.2	2.8	6.8	7.5	6.4	3.7	4.7
- Transportation equipment	8.7	-2.0	-6.8	2.2	-10.2	2.5	-0.5	8.7	-9.0

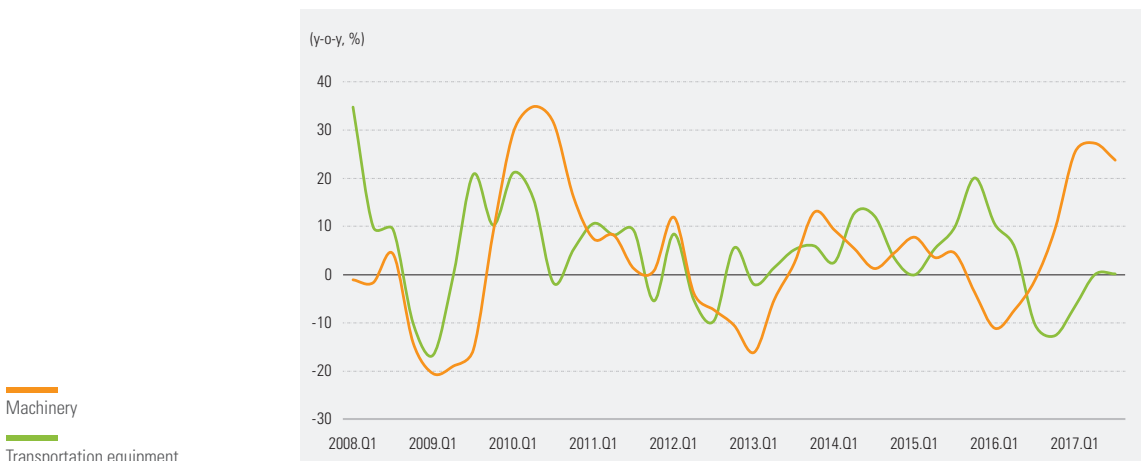
1. Preliminary 2. National accounts Source: Bank of Korea

Facility investment



Source: Bank of Korea (national accounts)

Facility investment by type



Source: Bank of Korea (national accounts)



The facility investment index in October fell 14.4 percent month-on-month as both machinery and transportation equipment investment decreased. The index decreased 3.4 percent year-on-year.

(Percentage change from previous period)

	2015	2016					2017				
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Sep ¹	Oct ¹
Facility investment index	6.9	-1.3	-6.5	5.1	-1.9	8.0	5.6	4.4	-0.4	5.3	-14.4
(y-o-y)	-	-	-7.6	0.6	-4.7	5.9	18.1	17.7	20.5	24.9	-3.4
- Machinery	3.6	-2.2	-4.7	1.2	7.1	6.8	7.4	8.6	-0.3	8.8	-17.9
- Transportation equipment	15.0	0.9	-8.7	11.8	-18.9	10.8	2.0	-5.8	-1.3	-3.9	-3.4

1. Preliminary Source: Statistics Korea

The facility investment outlook is mixed: Domestic machinery orders increased, but both machinery imports and capacity utilization rates fell.

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

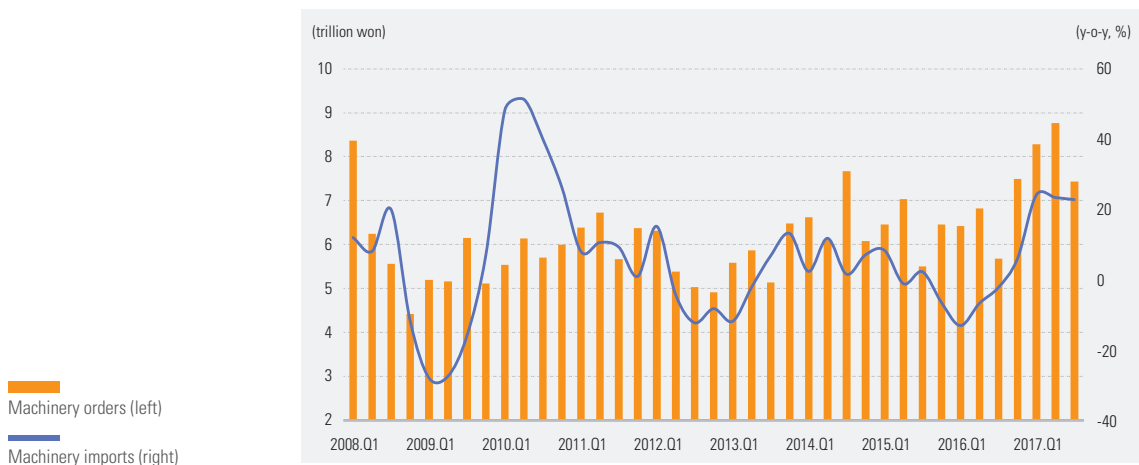
76 (Feb 2017) → 81 (Mar) → 82 (Apr) → 84 (May) → 84 (Jun) → 80 (Jul) → 78 (Aug) → 83 (Sep) → 79 (Oct) → 84 (Nov) → 82 (Dec)

(Percentage change from same period in previous year)

	2015	2016					2017				
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Sep ¹	Oct ¹
Domestic machinery orders	-3.9	3.8	-0.6	-3.0	3.3	16.0	29.0	28.5	30.9	17.6	27.8
(q-o-q, m-o-m)	-	-	-8.3	7.4	-6.2	26.4	0.9	8.3	-4.0	-5.5	-3.1
-Public	-61.7	48.0	56.9	15.7	17.7	87.1	8.2	-4.9	-1.8	-74.8	175.7
-Private	9.6	0.2	-4.5	-4.4	2.2	8.4	31.3	31.5	33.8	36.1	22.9
Machinery imports	0.3	-2.5	-13.0	-6.7	-2.2	5.9	24.1	23.4	22.8	27.8	-1.8
Capacity utilization rate	74.5	72.6	73.4	72.8	71.9	72.4	72.8	71.5	72.3	71.9	71.3
Facility investment pressure ²	-1.2	0.2	-0.8	0.5	-0.4	1.3	2.3	-0.5	2.5	7.5	-7.3

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

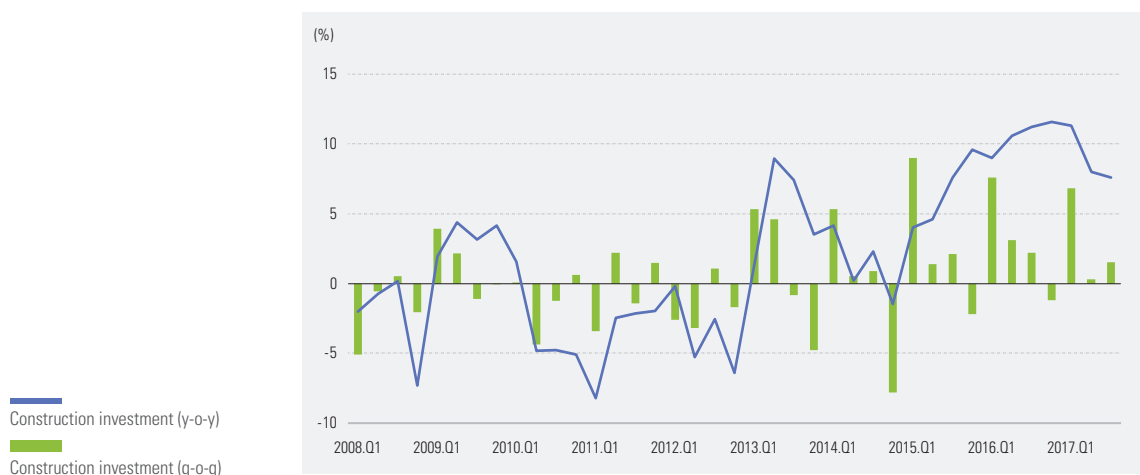
Construction investment (*preliminary GDP*) in the third quarter of 2017 rose 1.5 percent quarter-on-quarter and 7.6 percent year-on-year.

(Percentage change from previous period)

	2015	2016					2017		
	Annual	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹
Construction investment ²	6.6	10.7	7.6	3.1	2.2	-1.2	6.8	0.3	1.5
(y-o-y)	-	-	9.0	10.6	11.2	11.6	11.3	8.0	7.6
- Building construction	10.0	17.3	6.0	4.9	4.1	1.7	4.9	2.4	2.8
- Civil engineering works	0.3	-2.8	11.3	-1.1	-2.3	-8.5	12.2	-5.4	-2.1

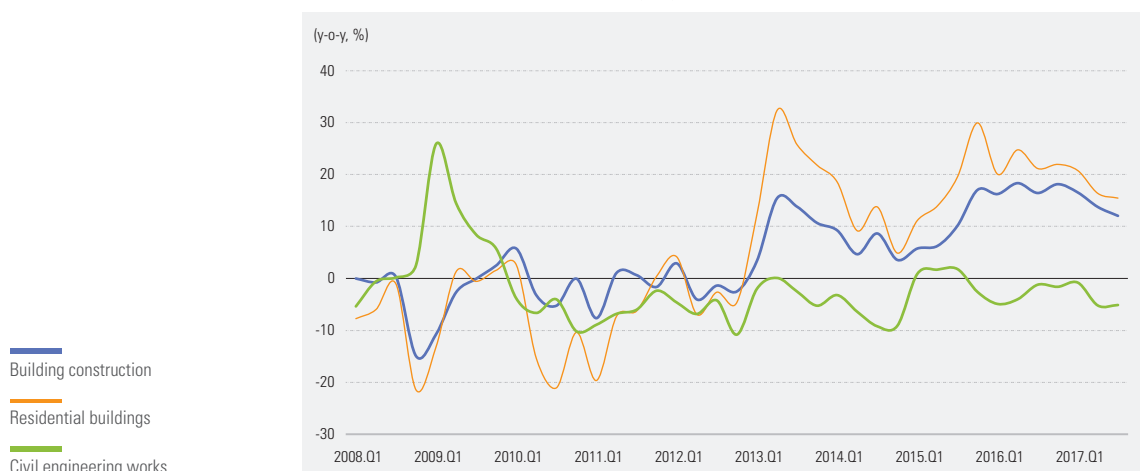
1. Preliminary 2. National accounts Source: Bank of Korea

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 October rose 0.8 percent month-on-month as civil engineering works increased. The index fell 1.5 percent year-on-year.

(Percentage change from previous period)

	2015	2016					2017				
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Sep ¹	Oct ¹
Construction completed (<i>constant</i>)	5.0	15.4	6.2	2.3	4.2	4.1	5.9	-1.1	0.7	-1.3	0.8
(y-o-y)	-	-	13.2	15.8	14.5	17.7	17.9	13.6	13.4	18.0	-1.5
- Building construction	7.3	25.7	8.2	4.7	5.7	6.9	7.0	1.7	3.2	-2.6	-1.6
- Civil engineering works	1.2	-2.6	2.4	-2.5	0.9	-2.4	3.1	-8.3	-6.4	3.4	8.4

1. Preliminary

Source: Statistics Korea

The construction investment outlook is mixed: Strong apartment presales in 2016 are a positive factor, but both construction orders received and building permits declined.

Apartment presales (thousands, monthly average of the quarter, Real Estate 114)

43 (Q2 2016) → 32 (Q3) → 57 (Q4) → 19 (Q1 2017) → 27 (Q2) → 30 (Q3) → 38 (Nov)

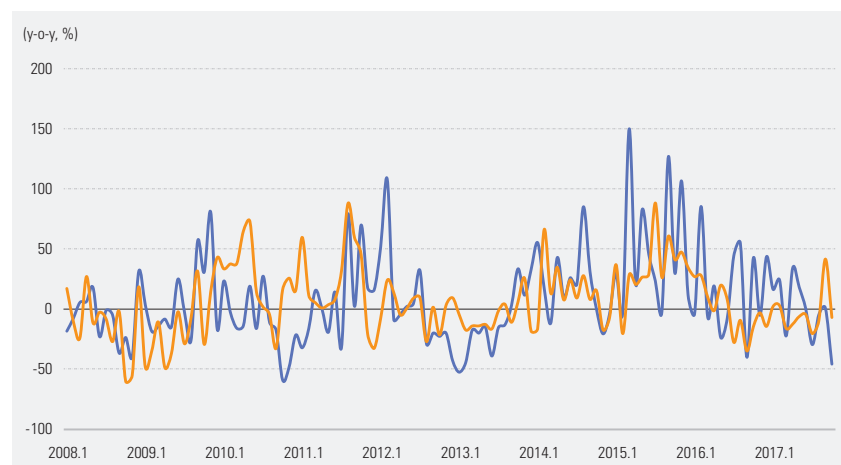
(Percentage change from same period in previous year)

	2015	2016					2017				
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Sep ¹	Oct ¹
Construction orders received (current value)	48.4	8.4	13.9	-6.7	1.3	26.0	3.6	16.8	-10.9	1.0	-45.7
(q-o-q, m-o-m)	-	-	16.3	-8.4	27.2	-11.0	2.0	1.3	-9.2	-36.6	-1.4
- Building construction	50.5	14.5	13.5	1.7	3.6	39.7	-5.0	7.9	-9.0	2.4	-44.4
- Civil engineering works	42.6	-9.4	15.1	-32.4	-6.4	-6.8	31.0	57.2	-17.9	-5.8	-50.5
Building permits ²	34.3	-5.7	19.7	5.3	-24.8	-11.1	-5.0	-7.8	0.3	41.5	-7.2

1. Preliminary 2. Floor area

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

Leading indicators of construction investment



Construction orders

Building permit area

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

5. Exports and imports

Exports (*preliminary*) increased 9.6 percent year-on-year to US \$49.67 billion in November. Exports rose for the 13th month in a row, backed by strong major export items such as semiconductors and petroleum products.

By item, semiconductors, petroleum products and machinery surged, while vessels fell. By region, shipments to China, the ASEAN countries, the US and Japan increased.

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

65.2 (semiconductors), 38.4 (petroleum products), 19.6 (machinery), 17.7 (petrochemicals), 3.4 (automobiles), -23.0 (mobile phones), -77.1 (vessels)

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

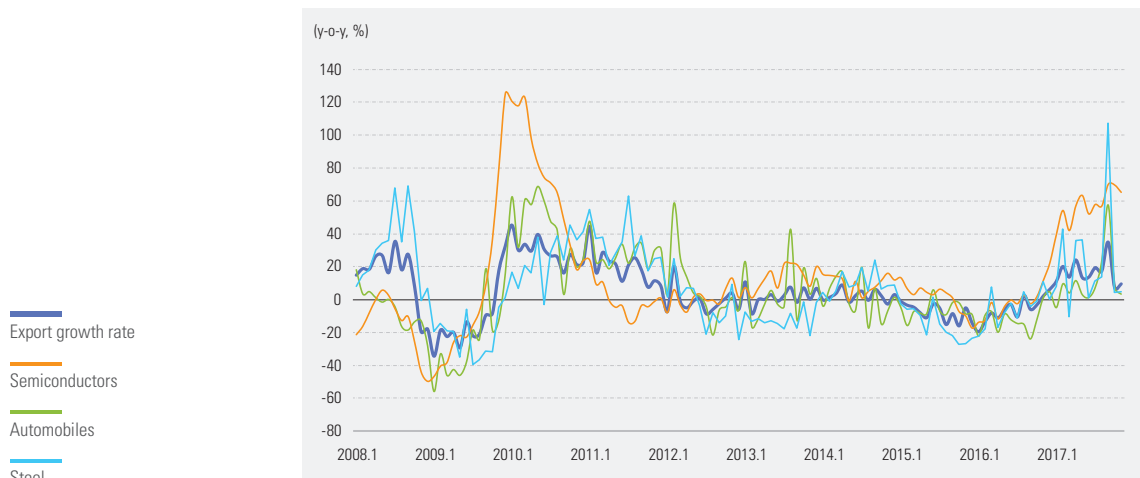
20.5 (China), 13.4 (ASEAN countries), 11.4 (US), 10.6 (Japan), 5.9 (Latin America), 2.7 (EU), -13.0 (Middle East)

Average daily exports, an indicator adjusted to days worked, decreased month-on-month to US \$2.07 billion.

Average daily exports (US \$ billion)

1.89 (Nov 2016) → 2.03 (Mar 2017) → 2.26 (Apr) → 2.14 (May) → 2.23 (Jun) → 2.08 (Jul) → 1.96 (Aug) → 2.35 (Sep) → 2.50 (Oct) → 2.07 (Nov)

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	Nov	Q1	Q2	Q3	Oct	Nov ¹
Exports	572.66	526.76	495.43	115.19	126.02	121.85	132.36	45.31	132.10	147.20	151.04	44.96	49.67
(y-o-y, %)	2.3	-8.0	-5.9	-13.7	-6.7	-5.0	1.8	2.3	14.7	16.8	24.0	34.9	9.6
Average daily exports	2.11	1.93	1.81	1.73	1.88	1.78	1.86	1.89	1.96	2.21	2.13	2.50	2.07

1. Preliminary Source: Korea Customs Service

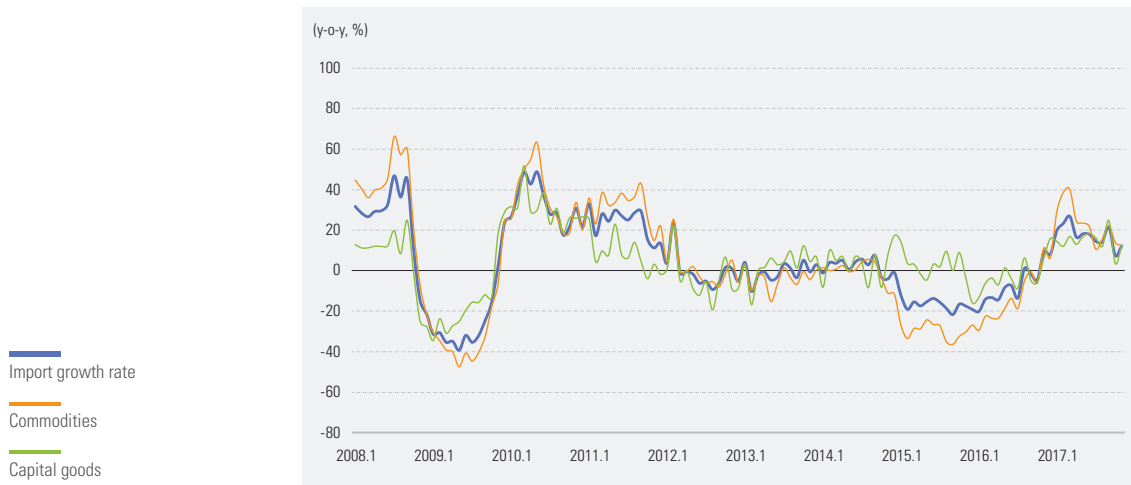


Imports (*preliminary*) in November rose 12.3 percent year-on-year to US \$41.83 billion. Commodities imports rose at a slower rate, while capital and consumer goods imports grew faster.

Import growth by category (y-o-y, %, Oct → Nov)

14.0 → 12.5 (commodities), 3.6 → 12.5 (capital goods), -2.0 → 11.4 (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	Nov	Q1	Q2	Q3	Oct	Nov ¹
Imports	525.51	436.50	406.19	93.83	99.30	102.46	110.59	37.24	116.25	117.34	120.71	37.82	41.83
(y-o-y, %)	1.9	-16.9	-6.9	-16.0	-10.1	-5.1	4.1	9.4	23.9	18.2	17.8	7.9	12.3
Average daily imports	1.94	1.60	1.49	1.41	1.48	1.50	1.56	1.89	1.72	1.76	1.70	2.10	1.74

1. Preliminary

Source: Korea Customs Service

The trade balance (*preliminary*) posted a surplus of US \$7.84 billion in November, staying in the black for the 70th consecutive month. Surpluses increased compared with the previous month.

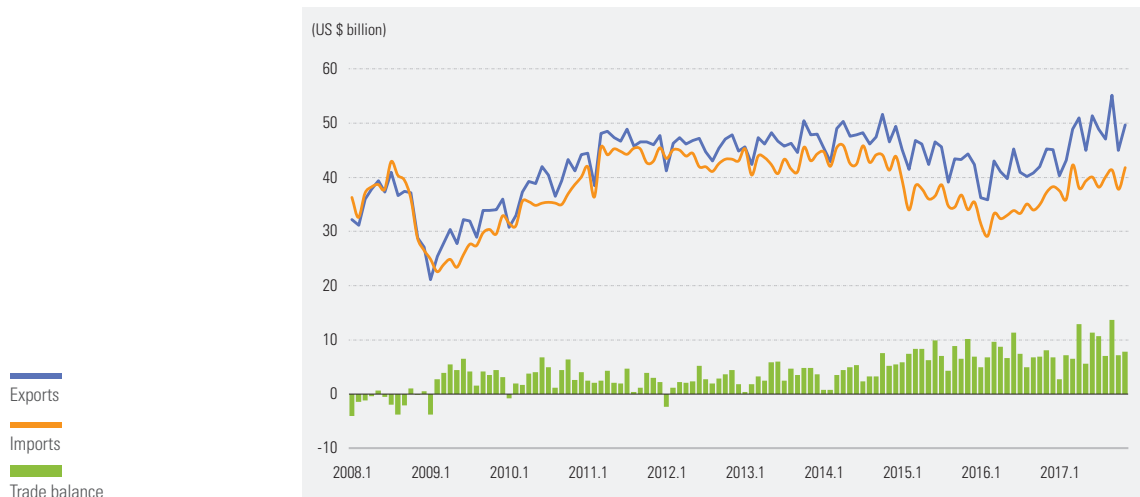
(US \$ billion)

	2014	2015	2016					2017					
	Annual	Annual	Annual	Q1	Q2	Q3	Q4	Nov	Q1	Q2	Q3	Oct	Nov ¹
Trade balance	47.15	90.26	89.23	21.36	26.72	19.39	21.77	8.07	15.86	29.14	30.33	7.14	7.84

1. Preliminary

Source: Korea Customs Service

Exports and imports



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

6. Mining and manufacturing production

Mining and manufacturing production fell 1.1 percent month-on-month in October: Automobiles and processed metals fell and refined petroleum and chemical products rose. The index decreased 5.9 percent year-on-year.

Compared to the previous month, production of refined petroleum (*up 9.8%*), chemical products (*up 3.8%*) and electronic parts (*up 3.2%*) rose, while automobiles (*down 11.3%*), processed metals (*down 5.9%*) and rubber & plastics (*down 6.9%*) fell.

Compared to a year ago, production of electronic parts (*up 14.9%*), refined petroleum (*up 9.1%*) and chemical products (*up 4.3%*) rose, while automobiles (*down 17.5%*), other transportation equipment (*down 37.7%*) and processed metals (*down 18.7%*) declined.

The manufacturing inventory-shipment ratio rose 6.7 percentage points month-on-month to 125.1 percent as inventories rose 4.2 percent and shipments fell 1.4 percent.

Inventories of semiconductors (*up 22.8%*), primary metals (*up 5.3%*) and chemical products (*up 7.3%*) rose, while automobiles (*down 1.2%*), groceries (*down 2.6%*) and electronic parts (*down 0.9%*) declined.

Shipments of refined petroleum (*up 12.8%*), electronic parts (*up 7.8%*) and chemical products (*up 1.9%*) rose, while automobiles (*down 9.6%*), semiconductors (*down 6.6%*) and rubber & plastics (*down 6.5%*) fell.

The capacity utilization rate of the manufacturing sector declined 0.6 percentage points month-on-month to 71.3 percent.

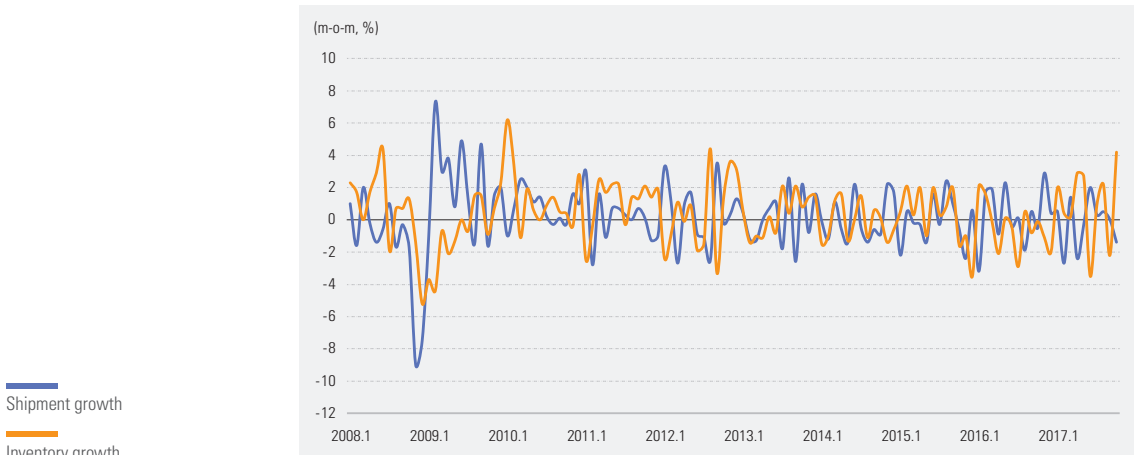


Industrial production



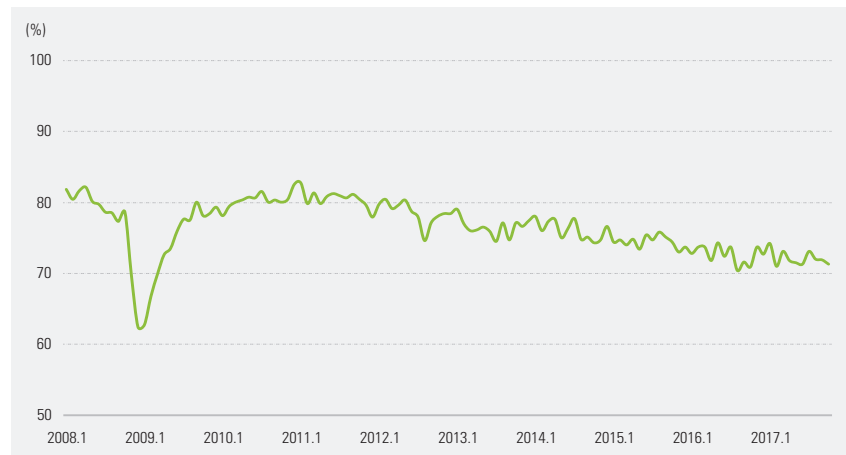
Source: Statistics Korea (industrial activity trends)

Shipment and inventory



Source: Statistics Korea (industrial activity trends)

Capacity utilization rate



Source: Statistics Korea (industrial activity trends)

(Percentage change from previous period)

		2016			2017				
		Annual	Q3	Oct	Q2	Q3 ¹	Aug	Sep ¹	Oct ¹
Mining and manufacturing ²	(q-o-q, m-o-m)	-	0.1	-0.9	-2.3	1.5	0.1	0.2	-1.1
	(y-o-y)	1.0	0.5	-1.2	0.5	3.5	2.3	8.5	-5.9
Manufacturing	Production (q-o-q, m-o-m)	-	0.1	-0.7	-2.5	1.6	0.3	0.4	-1.5
	(y-o-y)	1.0	0.6	-1.2	0.4	3.5	2.5	8.7	-6.2
	Shipment	0.6	-0.5	0.5	-2.0	1.8	0.5	0.0	-1.4
	-Domestic consumption	1.3	-0.3	-1.0	-2.1	1.2	0.7	0.2	-0.3
	-Exports	-0.1	-0.8	0.1	-1.7	2.6	0.3	-0.4	0.9
	Inventory ³	-5.9	-3.2	-0.1	1.9	0.6	2.0	-2.2	4.2
	Capacity utilization rate	72.6	71.9	70.9	71.5	72.3	72.0	71.9	71.3
	Production capacity (y-o-y)	0.8	1.0	1.3	0.9	1.0	1.0	1.2	1.1

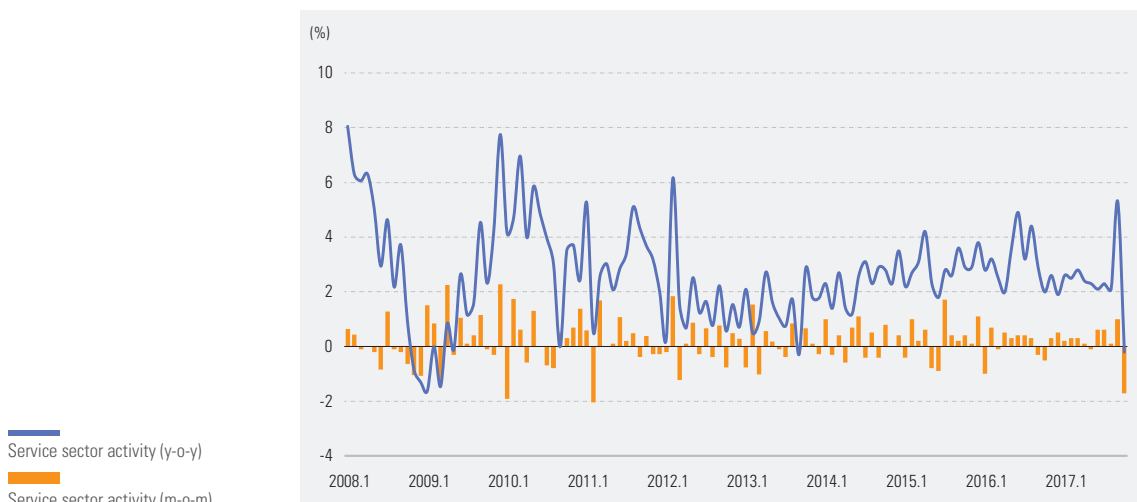
1. Preliminary 2. Including mining, manufacturing, electricity and gas industry 3. At the end of the period

Despite strong exports, the mining and manufacturing production outlook for November is mixed as there are uncertainties about major economies' monetary policies and trade related issues.

7. Service sector activity

Service output declined 1.7 percent month-on-month in October, led by real estate & renting and wholesale & retail. Publishing & communications services rose, along with financial & insurance services. Compared to a year ago, service output fell 0.2 percent.

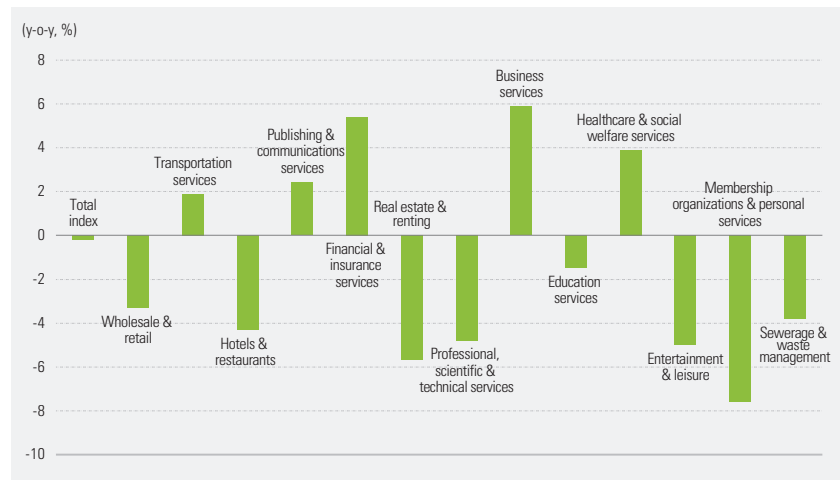
Service sector activity



Source: Statistics Korea (industrial activity trends)



October 2017 service output by business



Source: Statistics Korea (industrial activity trends)

(Percentage change from previous period)

	Weight	2016					2017				
		Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Sep ¹	Oct ¹
Service activity index	100.0	3.0	0.2	1.1	1.0	-0.3	0.9	0.6	1.4	1.0	-1.7
- Wholesale & retail	21.6	3.0	-0.4	1.5	-0.4	1.0	-0.6	0.2	1.7	3.2	-3.6
- Transportation services	8.5	1.9	1.3	0.0	0.2	-3.2	2.7	0.3	1.2	-1.9	1.3
- Hotels & restaurants	7.2	-0.5	-0.4	-0.9	0.3	-3.1	-0.2	-0.1	0.0	1.3	-0.8
- Publishing & communications services	8.4	2.2	-0.3	1.0	-1.5	0.3	0.5	0.3	1.8	-0.3	2.6
- Financial & insurance services	14.7	5.9	2.1	1.4	2.9	-0.3	2.6	1.1	1.6	0.6	1.0
- Real estate & renting	5.3	2.3	-3.5	3.8	3.8	-1.3	0.1	3.0	5.1	3.4	-15.2
- Professional, scientific & technical services	5.6	-1.3	-2.6	1.0	-0.6	-0.3	-1.4	0.6	-2.1	-0.1	-1.0
- Business services	3.3	2.0	-0.7	-0.1	0.8	0.7	2.5	0.5	1.5	-1.2	1.9
- Education services	10.9	0.8	0.4	-0.4	0.6	-0.5	0.6	-0.8	0.9	0.7	-1.9
- Healthcare & social welfare services	7.5	9.3	0.9	2.8	5.3	1.5	1.4	1.6	2.3	0.4	-2.4
- Entertainment & leisure	2.9	2.7	-1.6	2.7	-0.6	-1.1	0.5	2.7	-2.8	2.7	-0.1
- Membership organizations & personal services	3.6	-0.9	2.0	-0.6	-1.2	-1.2	1.7	-0.6	1.6	2.2	-8.1
- Sewerage & waste management	0.6	3.9	1.3	4.6	-2.2	0.9	1.4	-4.3	3.4	3.6	-0.7

1. Preliminary

Source: Statistics Korea

Service output for November will likely be affected by both positive and negative factors: Stock markets continued to be strong and a slowdown in Chinese tourists decelerated, but monetary policy normalization in advanced countries and North related risks may hamper service output.

	2017							
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Domestic sales of cars (y-o-y, %)	-6.3	-9.0	-14.8	9.8	11.7	15.8	-13.5	-4.0
Department store sales (y-o-y, %)	0.5	-2.8	0.8	0.1	-1.0	5.0	-0.2	6.3
Large discount store sales (y-o-y, %)	6.8	3.8	1.6	1.0	-1.6	-1.1	1.7	5.9
Average daily stock transactions (trillion won)	8.0	9.1	9.9	8.4	7.6	8.8	10.1	12.7
Number of Chinese tourists (y-o-y, %)	-66.6	-64.1	-66.4	-69.3	-61.2	-56.1	-49.3	-40.8 ¹

1. Advanced estimates based on all Chinese entries, which can be different from the statistic released by the Ministry of Culture, Sports and Tourism as it excludes diplomatic and military personnel

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

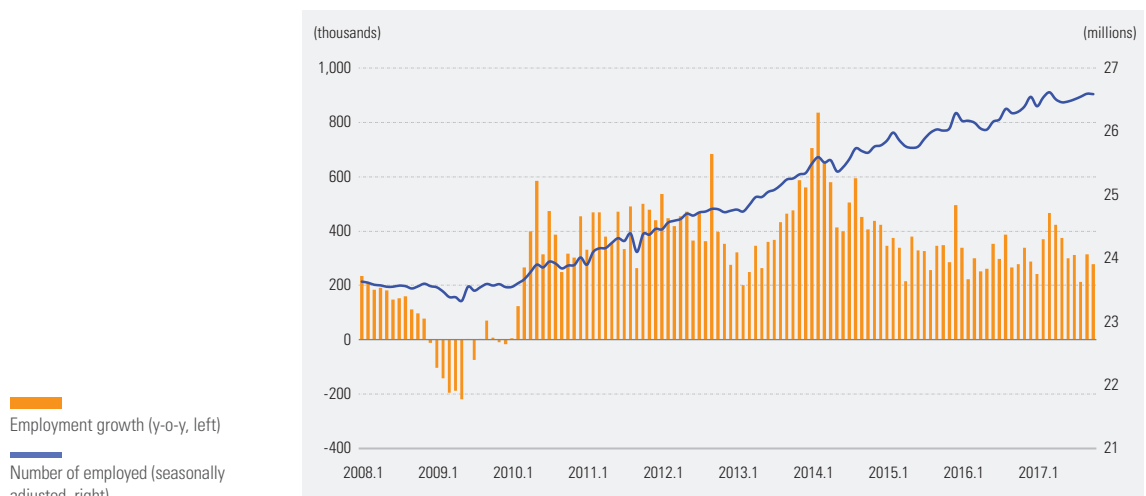
8. Employment

The number of workers on payroll in October increased by 279,000 from a year earlier to 26,855,000, and the employment rate (*aged 15-64*) rose 0.4 percentage points to 66.9 percent.

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

By employment status, permanent, daily and self-employed workers increased, while temporary workers declined.

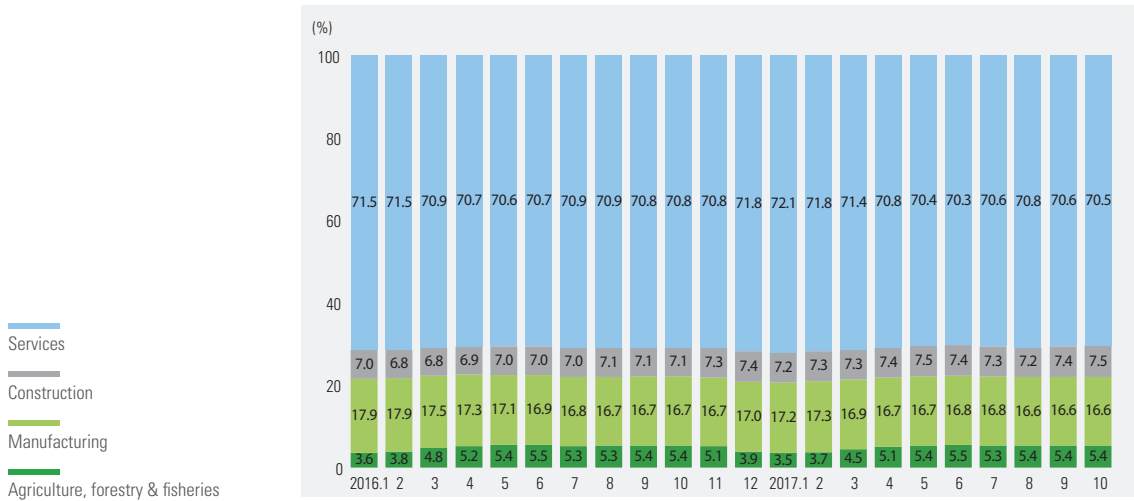
Number of persons employed and employment growth



Source: Statistics Korea (employment trends)



Employment by industry

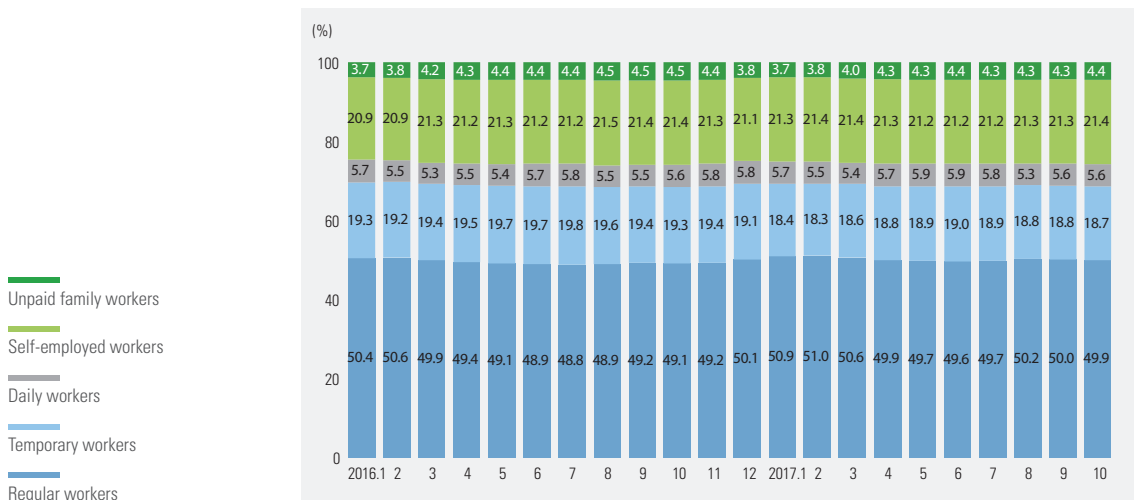


Source: Statistics Korea (employment trends)

	2016						2017				
	Annual	Q1	Q2	Q3	Q4	Oct	Q1	Q2	Q3	Sep	Oct
Number of employed (millions)	26.24	25.55	26.39	26.55	26.45	26.58	25.92	26.75	26.83	26.84	26.86
Employment rate (%)	60.4	59.1	60.8	61.1	60.7	61.1	59.4	61.2	61.3	61.3	61.3
(Seasonally adjusted)	60.4	60.5	60.1	60.5	60.6	60.5	60.8	60.6	60.6	60.7	60.7
- 15 to 64	66.1	65.1	66.2	66.5	66.5	66.5	65.7	66.9	66.9	66.9	66.9
Employment growth (y-o-y, thousands)	299	287	289	318	302	278	360	367	279	314	279
(Excluding agriculture, forestry & fisheries)	358	341	375	399	315	324	385	363	255	284	262
- Manufacturing	-5	126	38	-71	-110	-115	-112	-23	31	20	28
- Construction	22	-7	-28	38	85	59	131	157	81	108	118
- Services	338	216	360	430	350	390	365	228	142	153	108
- Agriculture, forestry & fisheries	-59	-54	-86	-81	-13	-46	-25	4	24	29	17

Source: Statistics Korea

Employment by status of workers



Source: Statistics Korea (employment trends)

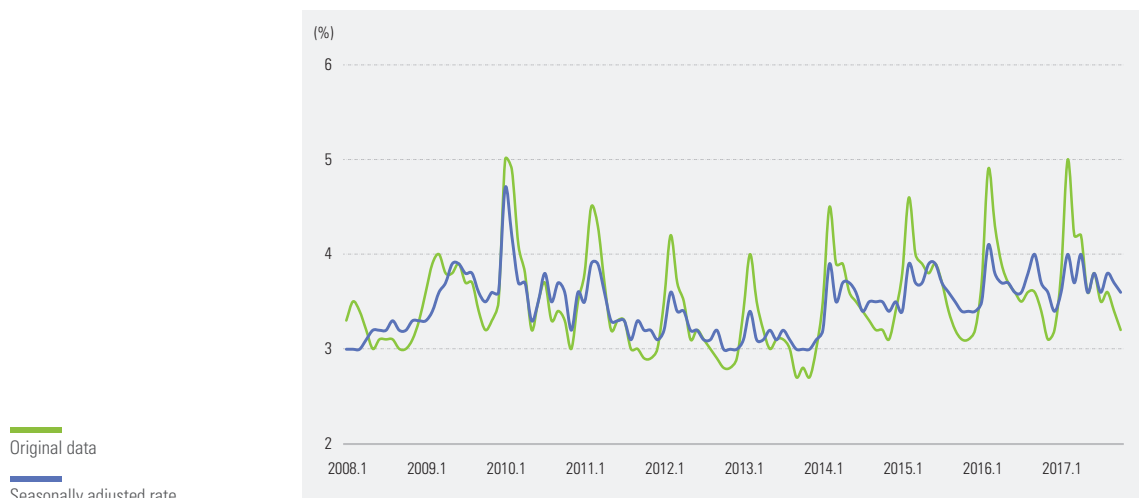
	2016						2017				
	Annual	Q1	Q2	Q3	Q4	Oct	Q1	Q2	Q3	Sep	Oct
Employment growth (y-o-y, thousands)	299	287	289	318	302	278	360	367	279	314	279
- Wage workers	317	427	392	283	164	158	198	301	281	318	258
· Permanent workers	386	505	457	316	266	256	322	338	408	375	356
· Temporary workers	18	15	120	45	-106	-67	-149	-125	-145	-107	-115
· Daily workers	-88	-93	-185	-78	5	-30	25	89	19	50	17
- Nonwage workers	-18	-140	-103	35	138	120	163	65	-2	-5	21
· Self-employed workers	7	-96	-68	52	140	124	170	66	31	45	43
- Male	151	107	124	183	189	178	174	166	84	83	49
- Female	148	180	165	134	113	100	186	201	195	231	230
- 15 to 29	48	40	82	62	7	31	10	15	-22	-30	-52
- 30 to 39	-36	-21	-23	-53	-45	-61	-30	-4	5	27	18
- 40 to 49	-29	6	-41	-16	-63	-100	-39	-50	-62	-68	-46
- 50 to 59	92	84	82	90	114	133	162	141	121	110	107
- 60 and above	223	179	189	236	289	275	257	265	237	274	252

Source: Statistics Korea

The number of unemployed persons in October was down by 27,000 from a year earlier to 896,000, and the unemployment rate declined 0.2 percentage points year-on-year to 3.2 percent.

The unemployment rate fell in all age groups except those aged 15 to 29 and those aged 60 and above.

Unemployment rate



Source: Statistics Korea (employment trends)



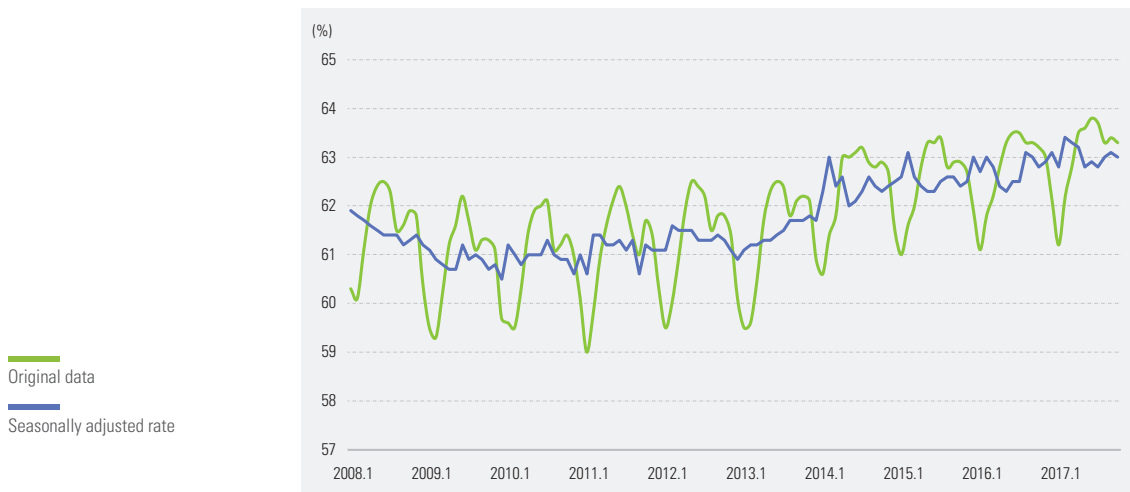
	2016						2017				
	Annual	Q1	Q2	Q3	Q4	Oct	Q1	Q2	Q3	Sep	Oct
Number of unemployed (thousands)	1,012	1,153	1,028	985	881	923	1,167	1,082	966	935	896
Unemployment growth (y-o-y, thousands)	36	64	-14	56	36	84	14	54	-19	-51	-27
- Male	24	51	11	37	-1	41	-15	34	-8	-2	15
- Female	11	13	-24	19	37	43	29	20	-12	-49	-42
Unemployment rate (%)	3.7	4.3	3.8	3.6	3.2	3.4	4.3	3.9	3.5	3.4	3.2
(Seasonally adjusted)	3.7	3.8	3.7	3.8	3.6	3.7	3.8	3.8	3.7	3.7	3.6
- 15 to 29	9.8	11.3	10.3	9.3	8.4	8.5	10.8	10.4	9.3	9.2	8.6
- 30 to 39	3.2	3.2	3.2	3.2	3.1	3.4	3.6	3.5	3.0	2.9	3.0
- 40 to 49	2.1	2.4	2.1	2.1	1.9	2.0	2.4	2.4	2.0	1.9	1.8
- 50 to 59	2.3	2.6	2.3	2.3	2.0	2.1	2.2	2.4	2.3	2.3	2.0
- 60 and above	2.6	4.2	2.2	2.3	2.1	2.1	4.8	2.3	2.2	2.0	2.2

Source: Statistics Korea

The economically inactive population in October increased 63,000 from a year earlier to 16,076,000, and the labor force participation rate rose 0.1 percentage points year-on-year to 63.3 percent.

The number of persons economically inactive due to rest (*up 228,000*) and old age (*up 77,000*) increased, and those due to childcare (*down 123,000*) and education (*down 59,000*) decreased.

Labor force participation rate



Source: Statistics Korea (employment trends)

	2016						2017				
	Annual	Q1	Q2	Q3	Q4	Oct	Q1	Q2	Q3	Sep	Oct
Economically inactive population (millions)	16.17	16.57	15.97	15.93	16.21	16.01	16.55	15.90	15.99	16.03	16.08
Labor force participation rate (%)	62.8	61.7	63.2	63.4	62.8	63.2	62.1	63.7	63.5	63.4	63.3
(seasonally adjusted)	62.8	62.8	62.4	62.9	62.9	62.8	63.2	63.0	63.0	63.1	63.0
Growth in economically inactive population (y-o-y, thousands)	64	99	135	4	17	1	-17	-74	66	54	63
- Childcare	-79	-115	-105	-63	-36	-52	-83	-87	-105	-104	-123
- Housework	49	32	69	35	59	101	27	24	11	-10	-47
- Education	-96	-108	-89	-116	-71	-96	-56	-120	-72	-61	-59
- Old age	117	161	109	113	86	78	57	90	87	65	77
- Rest	36	97	141	-19	-76	-77	28	14	163	187	228

Source: Statistics Korea

9. Financial markets

9.1 Stock market

KOSPI fell 1.9 percent in November from 2,523.43 points to 2,476.37 points, and KOSDAQ rose 11.1 percent from 694.20 points to 771.42 points.

KOSPI fell on profit taking, and KOSDAQ surged following the government's plans to support innovative startups. KOSDAQ was buoyed by institutional buying and the expectations that the government will come up with measures to boost the KOSDAQ market.

(Closing rate)

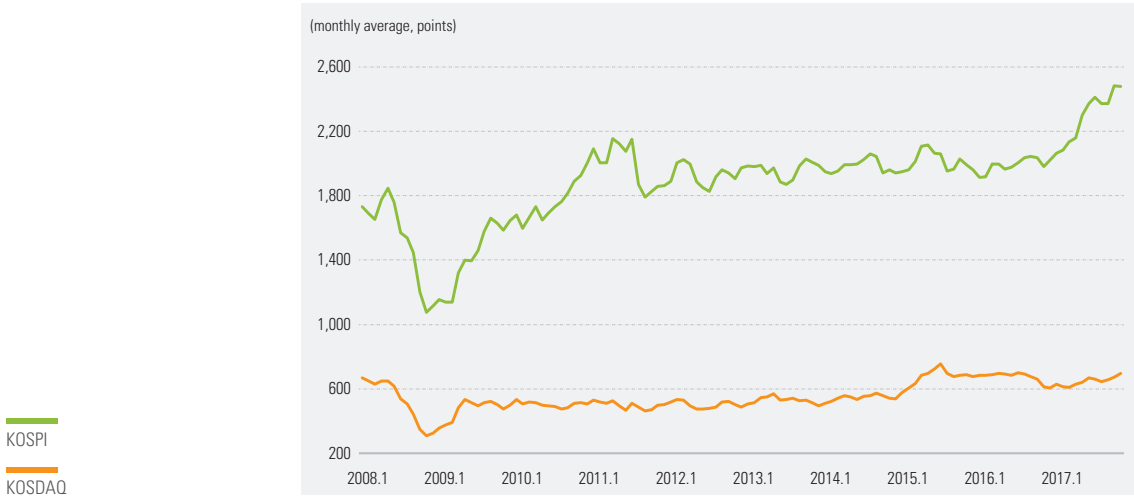
	KOSPI			KOSDAQ		
	Oct 2017	Nov 2017	Change ¹	Oct 2017	Nov 2017	Change ¹
Stock price index (points)	2,523.43	2,476.37	-47.06 (-1.9%)	694.20	771.42	+77.22 (+11.1%)
Market capitalization (trillion won)	1,642.3	1,607.2	-35.1 (-2.1%)	240.1	272.6	+32.5 (+13.5%)
Average daily trade value (trillion won)	6.20	6.27	+0.07 (+1.1%)	3.85	6.47	+2.62 (+68.1%)
Foreign stock ownership (% , %p)	37.79	37.30	-0.49 (-1.3%)	12.62	12.82	+0.20 (+1.6%)

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

Source: Korea Exchange



Stock prices



Source: Korea Exchange

9.2 Exchange rate

The dollar-won exchange rate fell 3.0 percent in November to 1,088.2 won following the Bank of Korea’s interest rate hike and as Korea agreed with Canada on a currency swap deal.

The 100 yen-won exchange rate fell 2.2 percent to 970.2 won as the yen weakened due to the Bank of Japan’s accommodative monetary policies.

Foreign exchange rates



Source: Bank of Korea

(Closing rate)

	2011	2012	2013	2014	2015	2016	2017		
	Dec	Dec	Dec	Dec	Dec	Dec	Oct	Nov	Change ¹
Dollar-Won	1,151.8	1,070.6	1,055.4	1,099.3	1,172.5	1,207.7	1,120.4	1,088.2	+3.0
100 Yen-Won	1,481.2	1,238.3	1,002.3	913.0	974.1	1,035.4	991.2	970.2	+2.2

1. Appreciation from the end of the previous month in November 2017 (%); the exchange rate is based on the closing price at 3:30 p.m., local time.

Source: Bank of Korea

9.3 Bond market

Treasury bond yields declined in November, despite the Bank of Korea's interest rate hike, amid expectations that the central bank will raise rates slowly.

(Closing rate, %)

	2011	2012	2013	2014	2015	2016	2017			
	Dec	Dec	Dec	Dec	Dec	Dec	Sep	Oct	Nov	Change ¹
Call rate (1 day)	3.29	2.77	2.52	2.03	1.52	1.27	1.24	1.26	1.53	+27
CD (91 days)	3.55	2.89	2.66	2.13	1.67	1.52	1.38	1.40	1.64	+24
Treasury bonds (3 yrs)	3.34	2.82	2.86	2.10	1.66	1.64	1.89	2.16	2.08	-8
Corporate bonds (3 yrs)	4.21	3.29	3.29	2.43	2.11	2.13	2.43	2.73	2.63	-10
Treasury bonds (5 yrs)	3.46	2.97	3.23	2.28	1.81	1.80	2.09	2.40	2.26	-14

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

Source: Bank of Korea

Interest rates



Source: Bank of Korea



9.4 Money supply and money market

M2 (*monthly average*) in September rose 4.6 percent from a year ago as certificate of deposits (CDs) and currency in circulation increased.

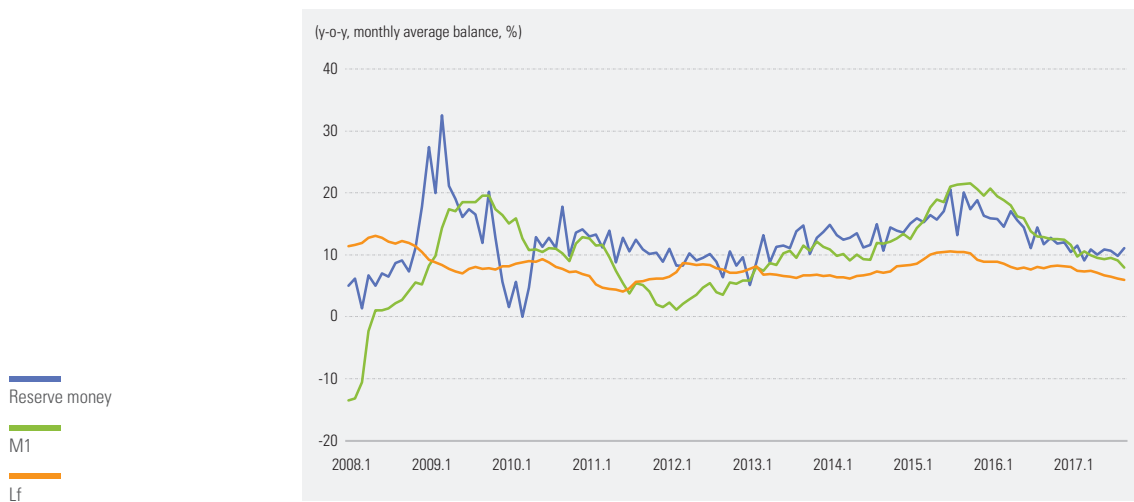
(Percentage change from same period in previous year, average)

	2010	2011	2012	2013	2014	2015	2016	2017		
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Aug	Sep	Sep ¹
M1 ²	11.8	6.6	3.8	9.5	10.9	18.6	15.4	9.1	7.9	812.8
M2	8.7	4.2	5.2	4.8	6.6	8.6	7.3	4.6	4.6	2,491.3
Lf ³	8.2	5.3	7.8	6.9	7.0	9.7	8.1	6.2	5.9	3,481.3

1. Balance at end September 2017, trillion won 2. M1 excludes corporate MMFs and individual MMFs, and includes CMA
3. Liquidity aggregates of financial institutions (mostly identical with M3)

Source: Bank of Korea

Total money supply



Source: Bank of Korea

Bank deposits decreased 7.8 trillion won in October: Instant access deposits fell 16.8 trillion won as money was withdrawn to pay VATs and make late payments due to the *Chuseok* holiday. Time deposits rose 5.5 trillion won.

Asset management company (AMC) deposits increased 9.4 trillion won as money market funds (MMFs) rose 11.6 trillion won due to inflows of government surplus funds and also as equity funds rose 1.1 trillion won due to the strong stock market.

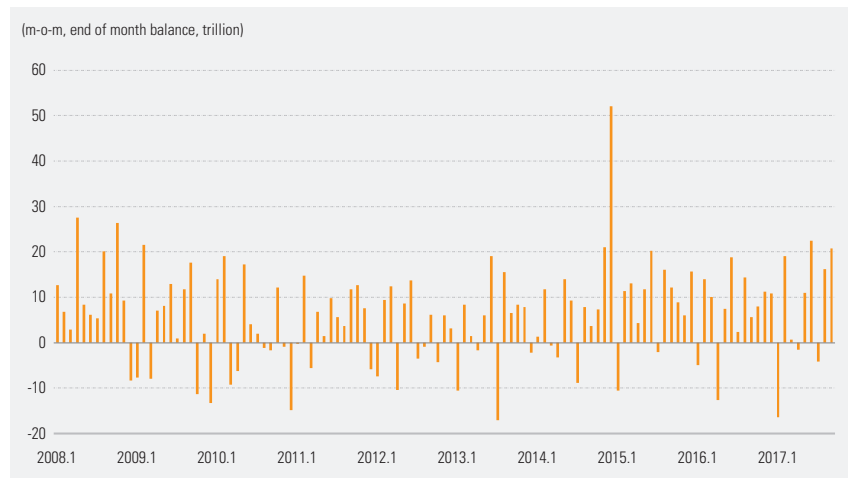
(Change from the end of the previous period, trillion won)

	2010	2011	2012	2013	2014	2015	2016	2017			
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Aug	Sep	Oct	Oct ¹
Bank deposits	36.9	58.9	37.0	41.0	115.4	100.3	80.8	16.7	27.8	-7.8	1,527.7
AMC deposits	-16.7	-16.6	18.8	17.7	42.4	44.4	47.6	-4.6	-10.7	9.4	510.8

1. Balance at end October 2017

Source: Bank of Korea

Deposits in financial institutions



Source: Bank of Korea

10. Balance of payments

Korea's current account (*preliminary*) in October posted a surplus of US \$5.72 billion, staying in the black for 68 consecutive months.

Goods account surpluses decreased month-on-month from US \$14.98 billion to US \$8.60 billion.

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

2.23 (Sep 2017) → 0.31 (Oct)

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

1.59 (Sep 2017) → 0.56 (Oct)

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

69.6 (semiconductors), 35.9 (vessels), 10.8 (petroleum products), 6.2 (petrochemicals), 4.4 (steel), -13.0 (automobiles), -29.0 (mobile phones)

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

13.9 (commodities), 4.9 (capital goods), -2.0 (consumer goods)

Services account deficits increased month-on-month from US \$2.88 billion to US \$3.53 billion.

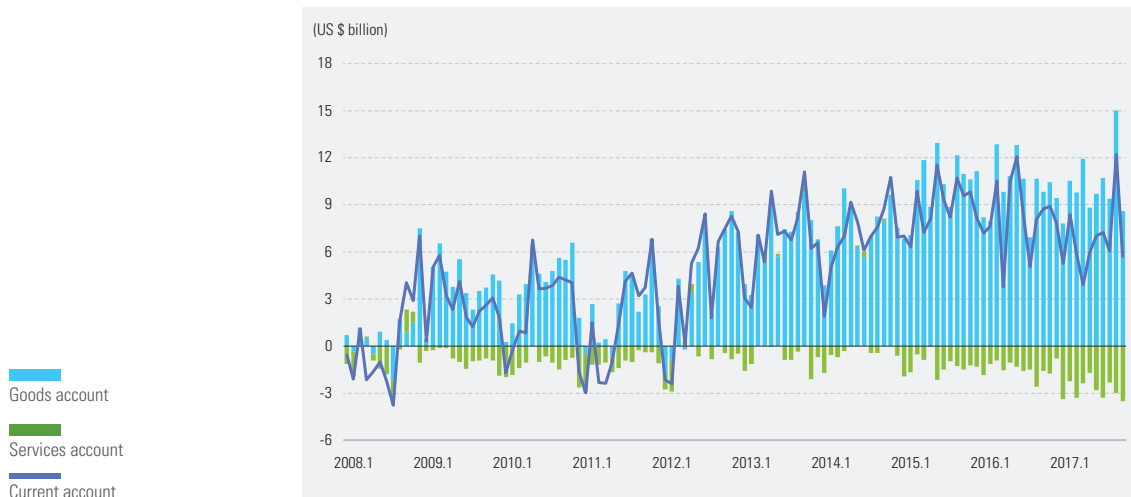
Services balance (US \$ billion, Sep → Oct)

-0.77 → -0.50 (manufacturing), -0.52 → -0.26 (transportation), -1.31 → -1.67 (travel), 0.78 → 0.43 (construction), -0.02 → -0.56 (intellectual property rights), -1.10 → -1.37 (other businesses)

Primary income account surpluses decreased from US \$1.25 billion to US \$1.17 billion, and secondary income account deficits decreased from US \$1.06 billion to US \$0.52 billion.



Current account balance



Source: Bank of Korea (balance of payments trends)

	2016							2017			
	Annual	Q1	Q2	Q3	Q4	Oct	Q1 ¹	Q2 ¹	Q3 ¹	Sep ¹	Oct ¹
Current account	99.24	26.96	27.04	22.56	22.68	7.69	19.20	16.45	25.57	12.29	5.72
- Goods balance	118.90	30.21	33.17	28.18	27.33	9.16	27.31	29.56	34.75	14.98	8.60
- Services balance	-17.74	-3.66	-4.20	-5.55	-4.33	-1.79	-8.66	-6.75	-8.50	-2.88	-3.53
- Primary income balance	3.85	1.38	-0.72	2.32	0.86	0.71	1.37	-4.88	1.95	1.25	1.17
- Secondary income balance	-5.77	-0.97	-1.21	-2.40	-1.19	-0.39	-0.82	-1.48	-2.63	-1.06	-0.52

1. Preliminary

Source: Bank of Korea

The capital and financial account (*preliminary*) in October posted an outflow of US \$8.44 billion.

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

8.36 (Oct 2016) → 5.79 (Mar) → 1.47 (Apr) → 2.64 (May) → 8.93 (Jun) → 9.44 (Jul) → 8.99 (Aug) → 12.41 (Sep) → 8.44 (Oct)

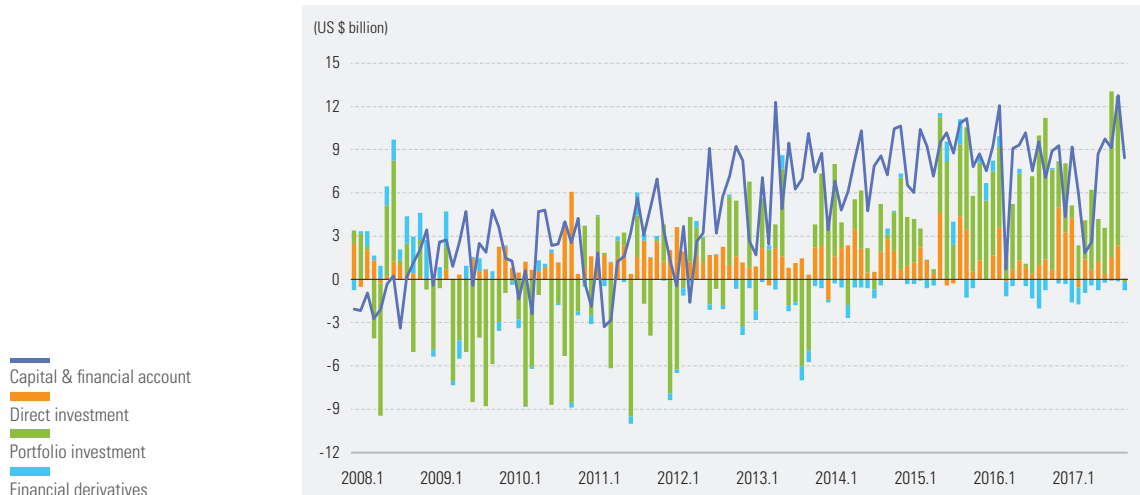
* Positive figures represent net outflows, and negative figures represent net inflows.

Net outflows of foreign direct investment (FDI) decreased from US \$2.35 billion to US \$0.07 billion due to a slowdown in Korean FDI (*up US \$4.20 billion → up US \$0.21 billion*). Inbound FDI also grew slower (*up US \$1.85 billion → up US \$0.14 billion*).

Portfolio investment went from a net outflow of US \$9.95 billion to a net inflow of US \$0.17 billion as Korean investment in foreign shares (*up US \$6.05 billion → up US \$3.36 billion*) slowed and foreign investment in Korean shares (*down US \$3.90 billion → up US \$3.54 billion*) increased.

Net inflows of financial derivatives investment increased from US \$0.11 billion to US \$0.56 billion, and net outflows of other investment increased from US \$0.85 billion to US \$7.67 billion.

Capital & financial account balance



Source: Bank of Korea (balance of payments trends)

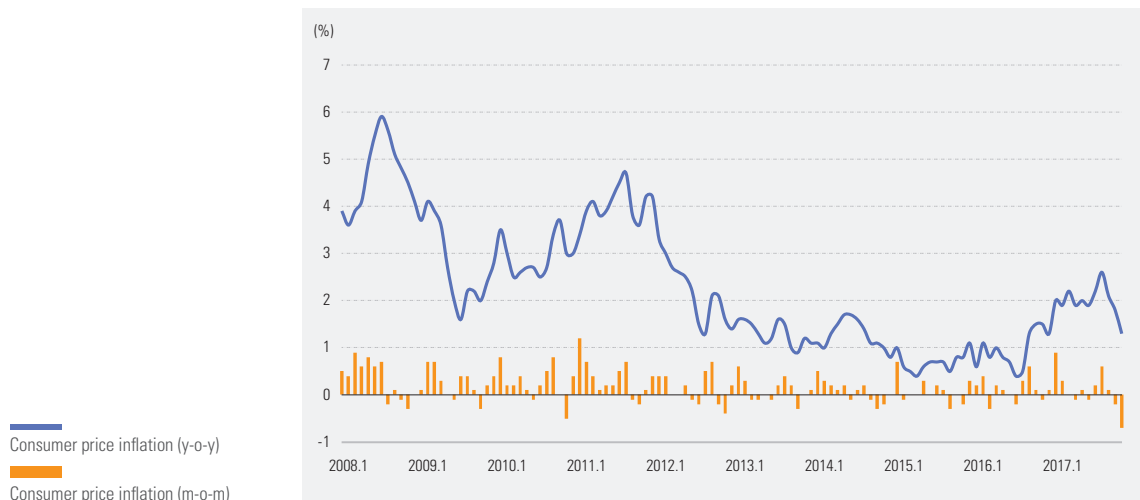
The current account surplus is likely to expand slightly in November given an increase in trade surpluses (*up US \$7.14 billion → up US \$7.84 billion*).

11. Prices

11.1 Consumer prices

Consumer prices in November declined 0.7 percent from the previous month and rose 1.3 percent from the same period of the previous year.

Consumer price inflation



Source: Statistics Korea (consumer price trends)

(Percentage change)

	2017									
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Consumer price inflation (m-o-m)	0.3	0.0	-0.1	0.1	-0.1	0.2	0.6	0.1	-0.2	-0.7
(y-o-y)	1.9	2.2	1.9	2.0	1.9	2.2	2.6	2.1	1.8	1.3

Source: Statistics Korea

Agricultural, livestock & fishery product prices stabilized compared to the previous month (*up 3.0% → up 0.7%, y-o-y*) due to low vegetable and livestock product prices.

Public utility prices continued to decline (*down 1.6% → down 6.7%, y-o-y*) as natural gas rates for households were cut 8.7 percent.

Oil product prices continued to rise (*up 8.2% → up 8.2%, y-o-y*) in line with high international oil prices amid expectations of OPEC's output cut extension.

Consumer price inflation in major sectors

	Total	Agricultural, livestock & fishery products	Manufactured products	Oil products	Public utilities	Housing rents	Public services	Personal services
Oct (y-o-y, %)	1.8	3.0	1.5	8.2	-1.6	1.5	0.9	2.7
Nov (y-o-y, %)	1.3	0.7	1.4	8.2	-6.7	1.4	0.8	2.4
- Contribution (%p)	-	0.06	0.46	0.35	-0.28	0.13	0.11	0.77

Source: Statistics Korea

Core inflation has been stable. Consumer prices excluding oil and agricultural products rose 1.2 percent year-on-year.

(Percentage change from same period in previous year)

	2017									
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov		
Consumer prices excluding oil and agricultural products	1.3	1.4	1.4	1.8	1.8	1.6	1.3	1.2		
Consumer prices excluding food and energy	1.5	1.5	1.5	1.5	1.4	1.4	1.6	1.4		

Source: Statistics Korea

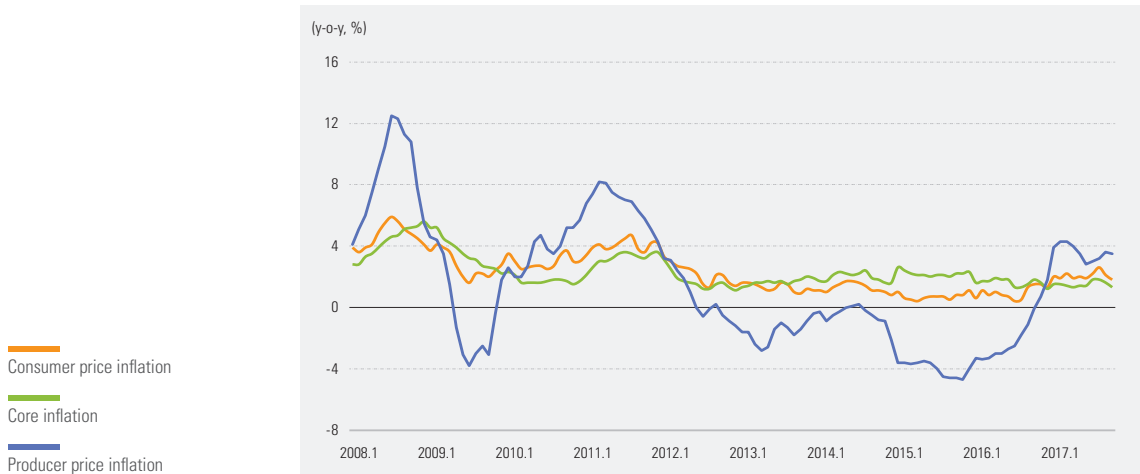
Basic necessities prices rose at a slower pace due to falling vegetable prices (*down 10.9%, m-o-m*). Fresh food prices declined.

(Percentage change from same period in previous year)

	2017									
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov		
Consumer prices for basic necessities	2.5	2.5	2.3	3.1	3.7	2.9	2.0	1.3		
Fresh food prices	4.7	5.6	10.5	12.3	18.3	6.0	1.8	-2.5		

Source: Statistics Korea

Prices



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

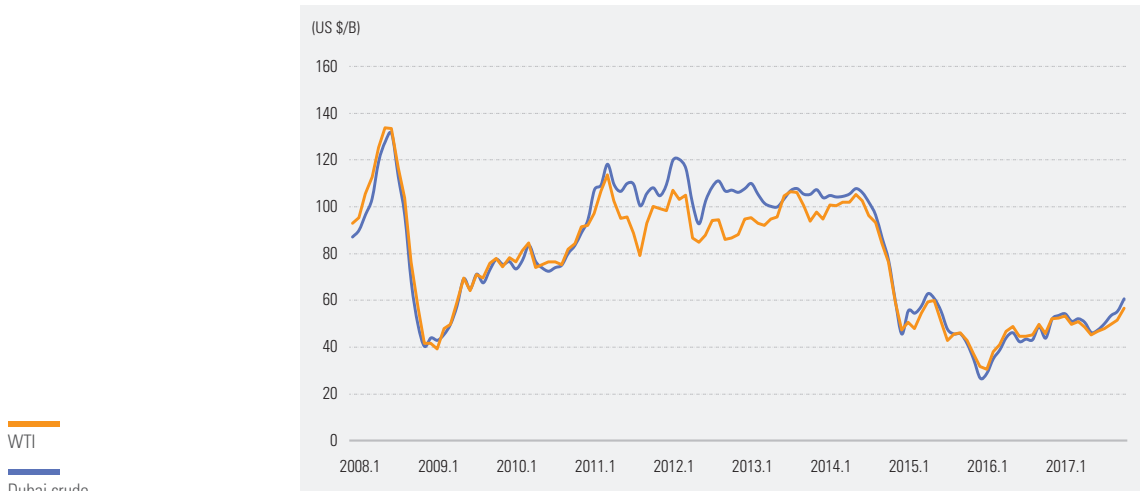
11.2 International oil and commodity prices

International oil prices rose month-on-month in November amid expectations of OPEC’s output cut extension and rising geopolitical tensions in the Middle East.

Dubai crude (US \$/barrel)

58.8 (1st week Nov 2017) → 61.7 (2nd week) → 60.6 (3rd week) → 61.0 (4th week) → 61.1 (5th week)

International oil prices



Source: Korea National Oil Corporation



(US \$/barrel, period average)

	2016					2017						
	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	Oct	Nov
Dubai crude	41.4	30.5	43.2	43.2	48.3	53.0	49.7	50.4	50.2	53.7	55.5	60.8
WTI crude	43.5	33.6	45.6	44.9	49.3	51.8	48.1	48.2	48.1	49.9	51.6	56.7
Brent crude	45.1	35.2	47.0	47.0	51.1	54.6	50.8	52.2	51.9	55.5	57.6	62.9

Source: Korea National Oil Corporation

Domestic gasoline prices went up in November, reflecting with a time lag rising international oil prices.

Domestic gasoline prices (won/liter)

1,508.0 (1st week Nov 2017) → 1,512.1 (2nd week) → 1,520.3 (3rd week) → 1,526.8 (4th week) → 1,532.2 (5th week)

International gasoline prices (US \$/barrel)

67.9 (3rd week Oct 2017) → 68.2 (4th week) → 71.0 (1st week Nov) → 74.0 (2nd week) → 72.8 (3rd week)

Dollar-won exchange rate (won)

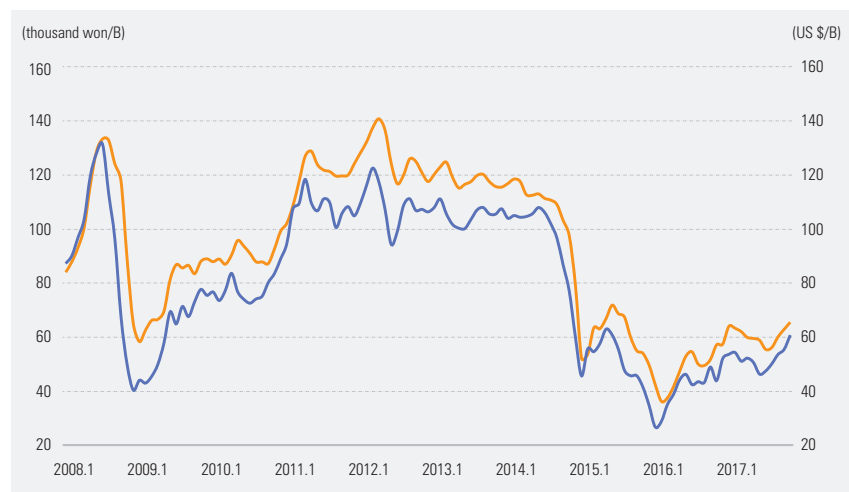
1,130.4 (3rd week Oct 2017) → 1,129.0 (4th week) → 1,121.3 (1st week Nov) → 1,113.9 (2nd week) → 1,115.0 (3rd week)

(Won/liter, period average)

	2016					2017						
	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	Oct	Nov
Gasoline prices	1,403	1,363	1,396	1,419	1,433	1,510	1,477	1,456	1,452	1,480	1,504	1,521
Diesel prices	1,183	1,121	1,168	1,213	1,228	1,301	1,267	1,248	1,245	1,271	1,296	1,313

Source: Korea National Oil Corporation

Dubai crude prices and import prices



 Dubai crude (import prices, left)
 Dubai international prices (right)

Source: Korea National Oil Corporation

International corn prices declined in November after the US Department of Agriculture raised its production outlook. Wheat prices fell due to high crop yields in Russia.

International grain price increases in November (monthly average prices, m-o-m, %) -1.0 (corn), -1.1 (wheat), 1.2 (soybeans)

International copper prices rose in November due to declining inventories, and aluminum prices rose as economic indicators slowed in China. China’s industrial production (*up 6.2%, y-o-y*) and fixed asset investment (*up 7.3%, y-o-y*) were below market expectations in October.

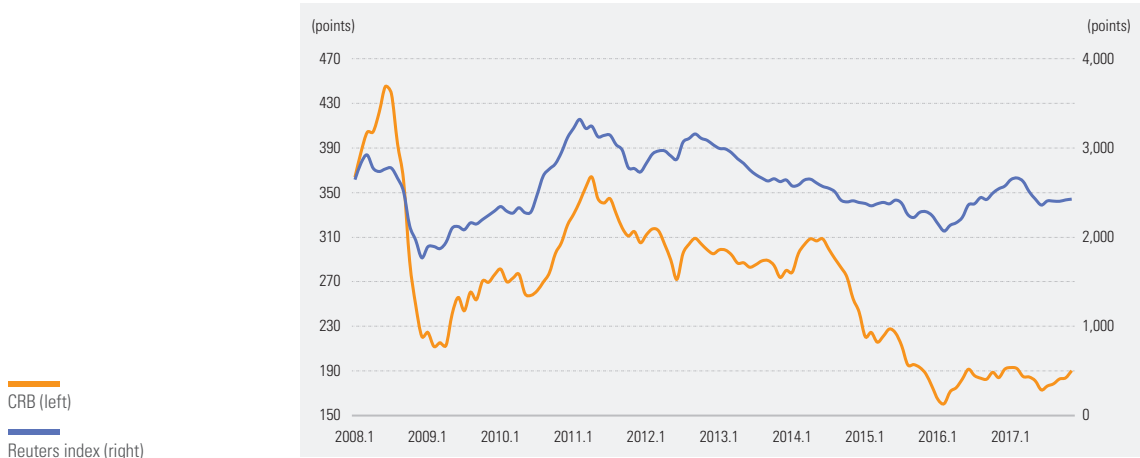
Nonferrous metal price increases in November (monthly average prices, m-o-m, %) 0.7 (copper), -1.4 (aluminum), 5.9 (nickel)

(Period average)

	2016					2017						
	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	Oct	Nov
Reuters Index¹ (Sep 18, 1931=100)	2,330	2,115	2,250	2,414	2,536	2,644	2,426	2,404	2,404	2,402	2,417	2,426

1. A weighted average index of 17 major commodities
Source: KOREA PDS

International commodity prices



CRB (left)
Reuters index (right)

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.



12. Real estate market

12.1 Housing market

Housing prices nationwide rose 0.13 percent month-on-month in November.

Housing prices rose 0.25 percent in the Seoul metropolitan area which includes Seoul (*up 0.36%*), Gyeonggi Province (*up 0.18%*) and Incheon (*up 0.18%*).

Housing prices were up 0.02 percent in the five metropolitan cities (*up 0.10%*) and the eight provinces (*up 0.03%*).

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

Busan (0.03), Daegu (0.26), Gwangju (0.08), Daejeon (0.27), Ulsan (-0.21)

Housing sales prices

(Percentage change from previous period)

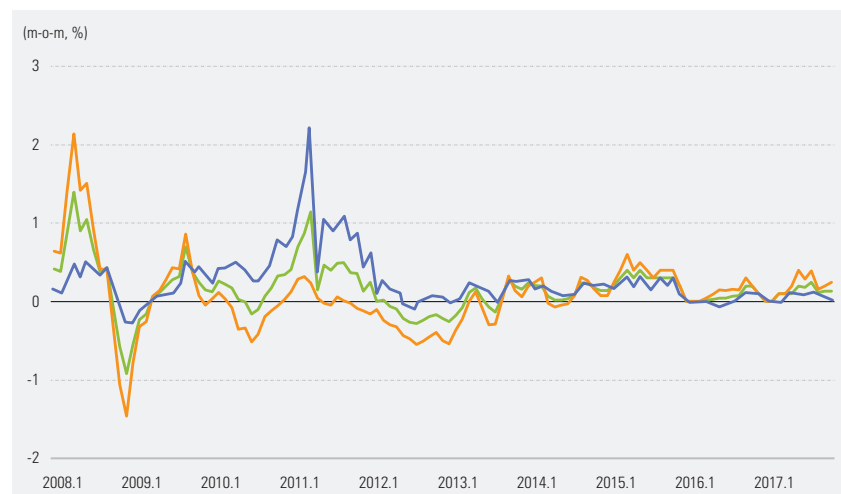
	2013	2014	2015	2016		2017					
	Annual	Annual	Annual	Annual	Nov	Annual	Jul	Aug	Sep	Oct	Nov
Nationwide	0.3	1.7	3.5	0.7	0.15	1.4	0.18	0.25	0.12	0.13	0.13
Seoul metropolitan area	-1.1	1.5	4.4	1.3	0.23	2.1	0.29	0.39	0.16	0.20	0.25
· Seoul	-1.4	1.1	4.6	2.1	0.35	3.0	0.41	0.45	0.07	0.23	0.36
· Gangnam ¹	-1.1	1.2	5.2	2.5	0.38	3.5	0.37	0.56	0.02	0.29	0.45
· Gangbuk ²	-1.7	1.1	3.9	1.8	0.31	2.5	0.45	0.34	0.12	0.18	0.27
Areas excluding the Seoul metropolitan area	1.7	1.9	2.7	0.2	0.08	0.7	0.08	0.12	0.10	0.07	0.02

1. Upscale area of Southern Seoul

2. Northern Seoul

Source: Korea Appraisal Board

Housing sales prices



Nationwide

Seoul metropolitan area

Areas excluding Seoul metropolitan area

Source: Korea Appraisal Board

Housing rental prices nationwide rose 0.05 percent month-on-month.

Rental prices rose 0.13 percent in the Seoul metropolitan area and fell 0.03 percent in areas excluding the Seoul metropolitan area.

Housing rental price increases in major districts in Seoul metropolitan area (m-o-m, %)
 Gangnam (0.29), Songpa (0.51), Seocho (-0.29), Gangseo (0.40), Bundang (0.70)

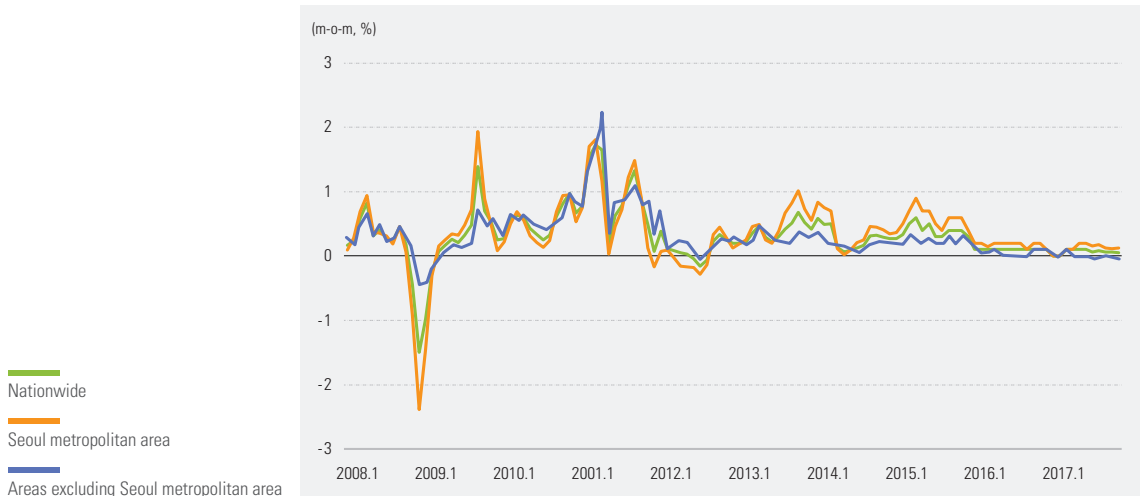
Housing rental prices

(Percentage change from previous period)

	2013	2014	2015	2016		2017					
	Annual	Annual	Annual	Annual	Nov	Annual	Jul	Aug	Sep	Oct	Nov
Nationwide	4.7	3.4	4.8	1.3	0.15	0.7	0.06	0.08	0.06	0.06	0.05
Seoul metropolitan area	6.2	4.7	7.1	2.0	0.20	1.4	0.16	0.18	0.13	0.12	0.13
- Seoul	6.6	3.6	7.2	2.0	0.22	1.9	0.22	0.20	0.13	0.14	0.21
· Gangnam ¹	6.7	3.3	7.9	1.8	0.21	2.3	0.32	0.30	0.13	0.16	0.28
· Gangbuk ²	6.4	3.8	6.5	2.1	0.23	1.4	0.11	0.09	0.13	0.12	0.14
Areas excluding the Seoul metropolitan area	3.3	2.2	2.8	0.7	0.10	0.0	-0.03	-0.02	0.00	0.00	-0.03

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

Housing rental prices



Source: Korea Appraisal Board

There were 63,210 housing transactions in October, down 25.1 percent from a month earlier (84,350) and down 41.8 percent from a year ago (108,601).



Housing transactions

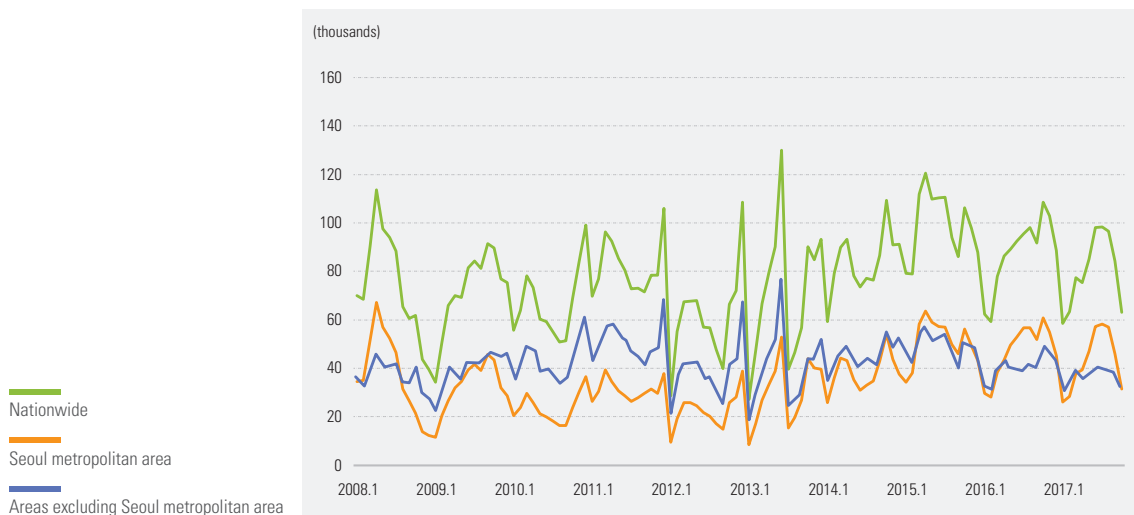
(Thousands)

	2015	2016				2017										
	Annual ¹	Annual ¹	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Nov	
Nationwide	99	88	109	103	89	59	63	77	75	85	98	98	97	84	63	

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 0.29 percent month-on-month in October.

Land prices rose 0.27 percent in the Seoul metropolitan area which includes Seoul (*up 0.28%*) and Gyeonggi Province (*up 0.26%*).

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

0.32 (Mar 2017) → 0.32 (Apr) → 0.41 (May) → 0.40 (Jun) → 0.39 (Jul) → 0.34 (Aug) → 0.30 (Sep) → 0.27 (Oct)

Land prices rose 0.31 percent in areas excluding the Seoul metropolitan area, led by Busan (*up 0.53%*), Gwangju (*up 0.22%*), Sejong (*up 0.43%*) and North Gyeongsang Province (*up 0.22%*).

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

0.32 (Mar 2017) → 0.31 (Apr) → 0.34 (May) → 0.38 (Jun) → 0.38 (Jul) → 0.37 (Aug) → 0.36 (Sep) → 0.31 (Oct)

Land prices

(Percentage change from previous period)

	2013	2014	2015	2016		2017						
	Annual	Annual	Annual	Annual	Q3	Q4	Annual	Q1	Q2	Q3	Sep	Oct
Nationwide	1.14	1.96	2.40	2.70	0.72	0.71	3.22	0.74	1.10	1.06	0.32	0.29
Seoul	1.21	2.66	2.69	2.97	0.83	0.78	3.61	0.75	1.34	1.20	0.32	0.28
Gyeonggi	0.91	1.24	1.73	2.23	0.64	0.63	2.84	0.68	1.00	0.87	0.27	0.26
Incheon	0.87	1.35	1.95	1.74	0.47	0.44	2.62	0.67	0.77	0.90	0.28	0.25

Source: Korea Appraisal Board

There were 238,000 land transactions in October, down 18.9 percent from the previous month and down 13.1 percent from a year ago (274,000).

Land transaction increases (m-o-m, %)

Seoul (-27.4), Daegu (-30.2), Sejong (-28.9), South Gyeongsang Province (-28.8)

Vacant land transactions declined 19.1 percent from the previous month to 76,000, accounting for 32.0 percent of the total land transactions. The index fell 13.7 percent compared with a year ago (88,000).

Land transactions

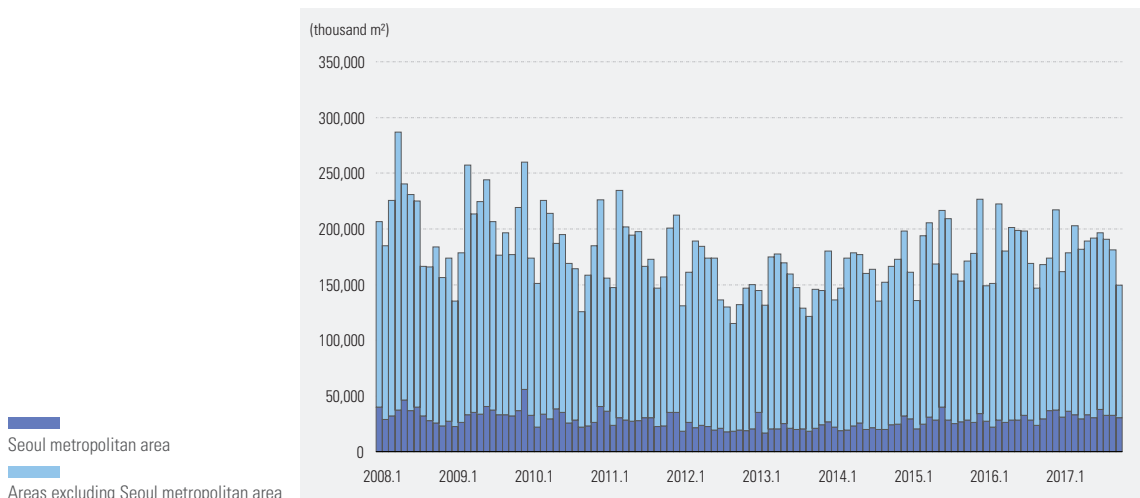
(Land lots, thousands)

	2015	2016				2017											
	Annual ¹	Annual ¹	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct		
Nationwide	257	250	274	274	276	216	226	273	258	280	301	312	327	293	238		
Seoul	30	31	35	33	32	24	26	29	30	35	41	40	45	31	23		
Gyeonggi	58	63	74	72	74	53	52	66	64	70	79	91	93	86	74		
Incheon	12	13	14	15	12	10	9	14	13	16	17	18	21	20	16		

1. Monthly average

Source: Korea Land & Housing Corporation

Land transactions



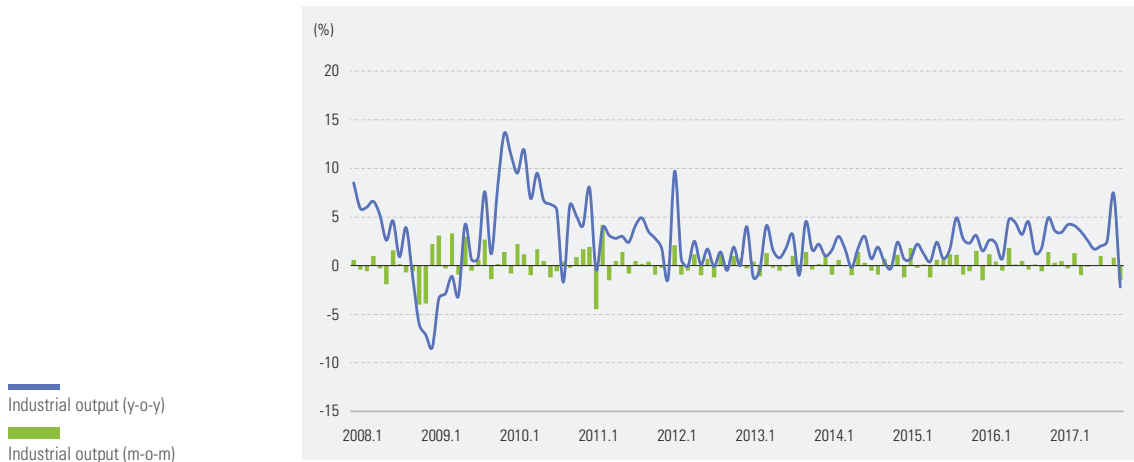
Source: Korea Appraisal Board



13. Composite indices of business cycle indicators

Industrial output declined 1.5 percent month-on-month in October. Output increased in construction (*up 0.8%*), and decreased in mining & manufacturing (*down 1.1%*), services (*down 1.7%*) and public administration (*down 4.3%*). Compared to a year ago, industrial output fell 2.2 percent.

Index of all industry production



Source: Statistics Korea (industrial activity trends)

	2017							
	Mar	Apr	May	Jun	Jul	Aug ¹	Sep ¹	Oct ¹
Index of all industry production (m-o-m, %)	1.3	-1.0	-0.1	0.0	1.0	0.0	0.8	-1.5
(y-o-y, %)	4.1	3.5	2.6	1.7	2.0	2.5	7.4	-2.2
Coincident composite index (2010=100)	124.7	125.1	125.2	125.3	125.7	126.1	126.6	126.4
(m-o-m, %)	0.5	0.3	0.1	0.1	0.3	0.3	0.4	-0.2
Cyclical indicator of coincident composite index	101.0	101.0	100.8	100.7	100.7	100.8	100.9	100.5
(m-o-m, p)	0.3	0.0	-0.2	-0.1	0.0	0.1	0.1	-0.4
Leading composite index (2010=100)	129.7	130.3	131.0	131.9	132.6	133.1	133.2	133.3
(m-o-m, %)	0.3	0.5	0.5	0.7	0.5	0.4	0.1	0.1
Cyclical indicator of leading composite index	100.8	101.0	101.2	101.6	101.8	101.8	101.6	101.3
(m-o-m, p)	-0.1	0.2	0.2	0.4	0.2	0.1	-0.2	-0.3

1. Preliminary

The cyclical indicator of the coincident composite index fell 0.4 points from the previous month to 100.5. Six out of the seven components of the coincident composite index declined.

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

nonfarm payroll employment (0.0%), mining & manufacturing production (-0.3%), service output (-0.2%), value of construction completed (-0.5%), retail sales (-0.2%), domestic shipments (-0.8%), imports (-2.3%)

Cyclical indicator of coincident composite index



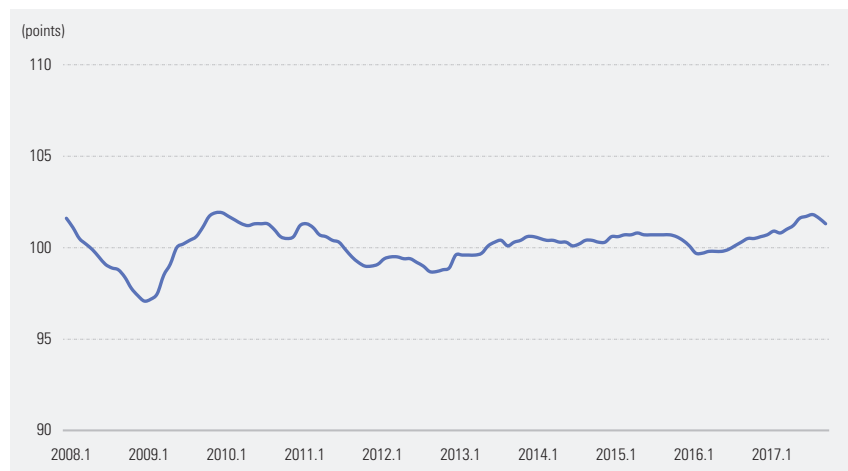
Source: Statistics Korea (industrial activity trends)

The cyclical indicator of the leading composite index fell 0.3 points from the previous month to 101.3. Among the eight components of the leading composite index, spreads between long & short term interest rates and KOSPI rose, while six others, such as domestic shipments of machinery and the consumer expectations index, declined.

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

spreads between long & short term interest rates (0.10%p), KOSPI (1.0%), inventory circulation indicator (-2.0%p), consumer expectations index (-1.3p), domestic shipments of machinery (-4.4%), value of construction orders received (-2.0%), ratio of export to import prices (-0.6%), ratio of job openings to job seekers (-1.0%p)

Cyclical indicator of leading composite index



Source: Statistics Korea (industrial activity trends)

Policy Issue

2018 economic policies



2018 Economic Policies

Background

The economy is expected to achieve more than 3 percent growth for the first time in three years in 2017, although the growth was led by some sectors and unemployment has been rising.

In 2018, this recovery momentum will continue amid strong global economies and improving domestic consumption. However, there are uncertainties as to rising interest rates, protectionism and growing competition in global trade due to narrowing technology gap among manufacturers. In addition, challenges arising from changing industries and demographics make it more complicated to find jobs, and some of the country's major industries, such as shipbuilding and car-making, have been slowing down without services and new industries, which can replace the role of those industries, properly developing. The economy also needs to encourage SMEs, prepare for low birth and ageing population, and increase woman employment.

The 2018 economic policies were devised to cope with those challenges, focusing on improving income and pursuing 'growth through innovation'.

Framework for the 2018 policies

- Create jobs and improve income
- Pursue 'growth through innovation'
- Promote fairness
- Work for macroeconomic stability
- Work to address mid- to long-term challenges



2018 economic policies

1. Create jobs and improve income

The government will work for decent job creation and stronger welfare, pushing towards income-led growth.

- Revise support to stimulate decent job creation in the private sector: Reform the incentives for foreign investment and reshoring businesses in a way to promote employment and stimulate new industries, and introduce tax breaks for SMEs that hire more, including women trying to return to work after maternity leave
- Improve employment services for young adults: Launch various kinds of programs to match young job seekers to SMEs, such as building up DBs for SME employers and job seekers, and launching job training programs for vocational school graduates, and help find jobs overseas
- Work to increase public sector jobs as fast as possible through front-loaded budget spending¹⁾
- Work to improve income
 - 1) Minimum wage increase: Successfully carry out the minimum wage support²⁾, which should be temporary, work to refine the minimum wage system, and revise the EITC and other welfare benefits to reflect the effect of the minimum wage support
 - 2) Protect employees: Revise regulations on unpaid wages to make it easier for employees to collect their unpaid wages (employees can claim unpaid wages two months after the payment delay, a cut from the current seven months), and increase the supervision of such unfair practices
 - 3) Promote cooperation between large conglomerates, SMEs and employees: Develop models for cooperation and profit sharing, work on tax and other incentives to promote cooperation, increase the large conglomerate-SME cooperation fund³⁾, encourage large conglomerates to expand cooperation to SMEs that are not their affiliates, come up with a mid- to long-term roadmap to phase out promissory notes, and improve the evaluation system and give corporations increased incentives if they provide a good example
 - 4) Work on a performance-based pay system: Develop different performance-based evaluation standards for different jobs, as well as a guideline to ensure equal pay for men and women
- Ensure work-rest balance: Gradually introduce reduced working hours and expand support⁴⁾ for the wage cut that may follow, and promote taking annual leave, such as taking two-week summer vacation
- Reduce the burden of living expenses in five areas of housing, healthcare, education, transportation and communications
 - 1) Housing: Increase public housing for rent
 - 2) Healthcare: Expand the range of treatment covered by the National Health Insurance
 - 3) Education: Expand a 50 percent tuition cut and improve student loan programs to reflect the borrower's future income as well as to ease the repayment burden

1) Spending target for the first quarter: 33.5% (2017) → 34.5% (2018)

2) Provide small businesses with a monthly support of 130,000 won per employee, if he/she is evaluated to be eligible

3) 730 billion won raised during the 2013-2017 period

4) A monthly support of up to 800,000 won per new employee for 2 years, and a monthly support of up to 400,000 won, or 80 percent of reduced wages, if the employer keeps the original wages after reduced working hours are introduced

- 4) Transportation: Work to reduce public transportation costs
- 5) Communications: Introduce a new mobile plan with reduced costs
- Expand support for low-income households: Strengthen social safety nets by increasing entitlements, such as unemployment benefits (50% → 60% of the average wages received), housing benefits (up 6.5%), education benefits (up 70%) and increased opportunities to get into law schools and school of medicine graduate programs (5% of the total getting into the programs to be set aside)

2. Growth through innovation

The government will promote ‘growth through innovation’ across all areas of the economy, and will work to achieve fast and tangible outcomes through projects designed to lead ‘growth through innovation’.

- Produce outcomes felt by the Korean people through projects designed to lead ‘growth through innovation’: Increase spending on R&D and other financial support to develop projects that will lead ‘growth through innovation’, which will range from establishing infrastructure, such as building big data centers and networks, to developing fintech and driverless cars
- Promote innovation in science and technology: Work on promoting big data industries, intelligent network development and R&Ds on AI
- Pursue innovation across industries
 - 1) Financial sector: Develop the KOSDAQ market to support innovative SMEs more efficiently than the KOSPI market and encourage pension funds to increase their investment in KOSDAQ shares, and promote technology-based lending rather than asset-based lending
 - 2) Services: Promote innovation in cultural content development, tourism, education, environmental technology, healthcare and public services⁵⁾
 - 3) Agriculture, livestock production and fishery: Work on building a cluster where producers and distributors are connected through smart devices, make technology-based borrowing available, provide the same level of startup support as given to startups in the manufacturing sector
 - 4) New businesses: Develop ICT-based, or other new technology-based, business models, such as smart logistics, IoT home appliances, smart transportation and tourism, customized healthcare and shared economy
 - 5) SMEs: Increase financial support through state-owned banks and encourage cooperation among SMEs
 - 6) Create an environment that encourages innovative startups: Launch an innovative venture fund worth around 2.7 trillion won, promote the KOSDAQ market as well as innovative financing, such as technology-based lending, and support those failed when they re-try by easing their financial burden
 - 7) Strengthen major industries: Find a way to increase competitiveness of the shipbuilding, marine and automobile industries by the end of the first quarter
- Grow human resources: Introduce new programs to secondary schools, which are aimed at encouraging creative learning, revise the country’s job training system and introduce a joint training program led by the industrial cluster, and increase job training support for novice workers, small self-employed businesses, young adults and women trying to return to work
- Reform the labor market and improve regulations: Work for increased cooperation between management and employees, adopt a regulatory sandbox, and lift or

⁵⁾ Come up with a mid- to long-term roadmap for smart government equipped with AI and big data analytics in the second half of 2018, and work on developing the address information system to stimulate new industries, such as driverless cars and drone delivery services



revise regulations that seem to discourage innovation after looking them over one by one

- Encourage businesses to expand into new markets: Work on new trade policies to cope with changes in global trade, increase support for SME exporters, and provide financial support to companies building infrastructure overseas

3. Promote fairness

The government will work for the outcomes of growth to be felt by every household, small businesses and provinces by correcting unfair practices, promoting cooperation and boosting local economies.

- Get rid of unfair practices: Increase penalty for unfair practices, and introduce measures to get rid of unfair treatment of contractors providing goods or services, franchisees and subcontractors
- Work to improve corporate governance: Work to introduce a stewardship code and set out stewardship by the national pension fund and other institutional investors
- Boost local economies: Work to develop industrial clusters nationwide, and work to reform local governments' fiscal systems to be less dependent on the central government
- Protect small businesses: Reduce the burden of credit card transaction costs, and work to help them avoid being victims of gentrification
- Seek fairer taxation: Work on tax revision in mid- to long-term perspectives, impose tax on rental income and examine the revising of property taxes, and increase the EITC and other support for the working class
- Work for a social economy: Establish infrastructure necessary, such as statistics, financial system and distribution channels
- Reform the public sector to be more responsible, voluntary and innovative: Revise evaluation standards, introduce a 'same pay for same job' system, and work to get rid of cronyism

4. Work for macroeconomic stability

The government will work for the economy to maintain growth momentum, and will strengthen its risk management.

- Increase investment: Increase spending on housing, public safety and urban renewal
- Boost consumption: Promote tourism, including the 2018 Pyeongchang Winter Olympics, and revise the anti-graft act
- Prepare households and corporations for interest rate hikes: Work to increase fixed rate loans and expand financial consulting services, launch workout programs for mortgage borrowers, such as sale and leaseback, and expand corporate bond purchase programs if necessary
- Strictly manage external risks: Closely monitor global financial markets, expand IR meetings to investors in Hong Kong, Singapore and Shanghai, and cope with protectionism and other trade related issues, such as those concerning Korea-US FTA and Korea-China FTA

5. Address mid- to long-term challenges

The government will work to prepare for changes in the future, such as low birth rates and ageing population.

- Make mid- to long-term plans along with fiscal spending plans: Include the four tasks in the plan, which are 1) coping with demographic changes, 2) pursuing innovation in industries, science & technology and education, 3) successfully responding to changes in global trade, and 4) improving distribution, and increase fiscal spending to respond to social issues, such as a growing income gap
- Work to increase birth rates by providing support which reflects different need in different time: Provide affordable housing for the newly married and make various kinds of daycare services available
- Promote woman employment: Work to raise the female employment rate to the OECD average by 2022, such as by promoting the use of maternity leave, encouraging women to return to work after maternity leave and outlawing discrimination against women in workplaces
- Work to ease senior poverty: Increase national pension benefits given to poor seniors and reduce the number of seniors left out of the national pension plan, promote private pension plans by giving tax incentives, expand basic pension benefit recipients, and promote reverse mortgage pension schemes

2018 outlook

- **Growth:** Annual growth of 3.0 percent is expected with a nominal growth rate projected to be 4.8 percent. A slowdown in the nominal rate is due to the slowly growing GDP deflator amid low consumer price inflation and export prices.
- **Employment:** A total of 320,000 jobs, the same level as 2017, are expected to be added to the economy.
- **Inflation:** The annual consumer price inflation is projected to be 1.7 percent with steady oil prices and fresh food prices.
- **Current account balance:** The current account surplus is expected to decline to US \$79 billion, as exports are projected to increase 4.0 percent and imports to rise 6.0 percent.

	2017	2018
GDP growth (%)	3.2	3.0
Nominal growth (%)	5.7	4.8
Per capita income (US \$ thousand)	29.7	32.0
Employment growth (thousand)	320	320
Employment rate (% , aged 15-64)	66.6	67.3
Consumer price inflation (%)	1.9	1.7
Current account (US %billion)	81	79

* The dollar-won exchange rate as of December 21, 2017 (1,083 won per dollar) is applied.

Economic News Briefing

2018 budget approved at National Assembly

A total of 106.4 trillion won worth of KTBs to be issued in 2018

BOK lifts interest rate to 1.5%

Government unveils new restructuring framework

Korea grows 1.5% in Q3 2017 (preliminary)

Korea to grow 3.2% in 2017, according to OECD

Korean FDI up 7.2% in Q3 2017

External debt rises to US \$409.1 billion in Q3 2017

2018 budget approved at National Assembly

Korea's National Assembly approved the 2018 budget plan, proposed by the government, on December 6. The approved budget contains a 0.1 trillion won of spending cut, a 0.1 trillion won of revenue increase and a 0.7 trillion won cut in government debt. A total of 428.8 trillion won will be spent in 2018, while a total of 447.2 trillion won of revenues is expected to be collected. Government debt will be reduced to 708.2 trillion won, which amounts to 39.5 percent to GDP.

A total of 106.4 trillion won worth of KTBs to be issued in 2018

The government will issue a total of 106 trillion won worth of Korea Treasury Bonds (KTBs) in 2018, a 2.7 trillion won increase compared with the 2017 plan (103.7 trillion won). A total of 100.8 trillion won was actually issued in 2017. In 2018, the share of long-term KTBs (with a maturity of 20 years or more) will increase to meet the growing demand in the market. The 2018 bond issuance by maturity is as follows:

Maturity	3 to 5 years	10 years	20 years or more
% to total issuance	40±5	25±5	35±5

The government will also improve regulations in 2018 to promote primary dealers' participation in KTB auctions and ease their burden in the market.

BOK lifts interest rate to 1.5%

The Bank of Korea (BOK) raised its benchmark interest rate by 0.25 percentage points to 1.5 percent, the first rate hike in over six years, on November 30. The central bank cited solid economic growth as one of the reasons for the rate hike, saying that it will work to help the economy continue to recover and consumer prices reach the target, as well as will work to increase the country's financial stability.



Government unveils new restructuring framework

The government announced on December 8 its new framework for industrial and corporate restructuring, which aims to support innovation for the future as well as address financial problems.

The three principles for restructuring

- Enhance competitiveness to prevent problems: Keep an eye on the current market situation and future outlooks, and find ways to enhance the competitiveness of the key industries
- Adopt a market-based approach to restructuring: Promote market-based corporate restructuring instead of the current restructuring approach led by state-owned banks, which will ease the burden on the public sector, launch restructuring funds worth 1 trillion won in the first half of next year to support market-based restructuring, and encourage in-court restructuring
- Pursue industrial restructuring as well as addressing financial problems: Work to find a financially as well as industrially best solution

Korea grows 1.5% in Q3 2017 (preliminary)

Korea's real gross domestic product (GDP) expanded 1.5 percent quarter-on-quarter and 3.8 percent year-on-year in the third quarter of 2017, according to the preliminary data released by the Bank of Korea (BOK) on December 1. The quarter-on-quarter and year-on-year figures went up by 0.1 percentage points and 0.2 percentage points, respectively, compared with the advanced estimates.

On the production side, agriculture, forestry & fisheries contracted 3.7 percent from the previous quarter. Manufacturing expanded 2.9 percent, led by electronic & electric equipment and petroleum & chemical products. Construction grew 1.5 percent, led by building construction. Services rose 1.1 percent as wholesale & retail and health & social welfare services improved.

On the expenditure side, private consumption expanded 0.8 percent as expenditures on services and nondurable goods rose. Government consumption rose 2.3 percent, led by expenditures on health insurance benefits. Construction investment rose 1.5 percent as investment in both residential and nonresidential building construction increased, and facility investment rose 0.7 percent as machinery investment increased.

Exports expanded 6.1 percent due to strong semiconductors, chemical products and automobiles. Imports rose 4.7 percent, led by chemical products and crude oil.

GDP by production and expenditure*

(Percentage change from previous period)

	2015				2016 ¹				2017 ¹		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
GDP	0.8 (2.6) ²	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	0.6 (2.7) ²	1.5 (3.8) ²
Agriculture, forestry & fisheries	1.8	-8.3	4.1	-2.0	3.7	-4.5	-1.9	-1.8	5.9	-1.1	-3.7
Manufacturing	0.9	0.7	0.8	0.4	0.4	1.0	-0.4	1.8	2.1	-0.3	2.9
Electricity, gas & water supply	-0.4	1.1	3.8	0.6	0.1	0.0	3.4	-3.0	-1.4	3.8	2.1
Construction	2.5	1.5	4.2	0.9	3.6	2.6	2.3	1.3	5.3	-1.3	1.5
Services ³	0.6	0.3	1.0	0.8	0.4	0.5	0.6	0.2	0.2	0.8	1.1
Private consumption	0.9	-0.3	1.3	1.5	-0.1	0.8	0.6	0.2	0.4	1.0	0.8
Government consumption	-0.1	1.1	1.0	1.3	1.4	0.6	0.9	0.6	0.5	1.1	2.3
Construction investment	9.0	1.4	2.1	-2.2	7.6	3.1	2.2	-1.2	6.8	0.3	1.5
Facility investment	0.3	0.8	1.9	0.0	-7.0	2.6	0.9	5.9	4.4	5.2	0.7
Intellectual property investment	1.6	-0.4	0.5	0.7	0.2	1.3	0.5	0.6	0.3	1.2	1.1
Exports	-0.3	-0.2	0.1	2.1	-0.6	1.0	1.0	-0.1	2.1	-2.9	6.1
Imports	0.1	0.7	1.2	2.9	-1.5	2.2	2.6	-0.1	4.8	-1.0	4.7

*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.

Korea to grow 3.2% in 2017, according to OECD

The Organization for Economic Cooperation Development (OECD) predicted that the Korean economy is likely to grow 3.2 percent in 2017 and 3.0 percent in 2018. According to the OECD's latest economic outlook report released on November 28, the Korean economy has been recovering backed by rising exports and business investment, and the rebound in international trade and greater fiscal support will sustain the growth rate at around 3 percent through 2019.



Korean FDI up 7.2% in Q3 2017

Korean foreign direct investment (FDI) in the third quarter of 2017 increased 7.2 percent compared to a year ago, from US \$8.45 billion to US \$9.06 billion. Korean FDI surged in finance & insurance (up 95.3%) to a record high, and also rose in manufacturing (up 2.0%). Investment in real estate & renting (down 48.4%) and wholesale & retail (down 27.0%) declined. By region, FDI in Asia rose 7.1 percent, led by finance & insurance, while FDI in North America fell 32.0 percent as investment in real estate & renting dropped 70.2 percent.

External debt rises to US \$409.1 billion in Q3 2017

Korea's external debt amounted to US \$409.1 billion as of the end of September 2017, an increase of US \$1.8 billion from the previous quarter. Short-term debt rose US \$2.5 billion quarter-on-quarter to US \$119.8 billion, and long-term debt declined US \$0.7 billion to US \$289.3 billion. External debt increased in the third quarter due to a rise in borrowings by depository corporations (up US \$3.5 billion) and an increase in general government debt securities (up US \$1.6 billion).

(US \$ billion)

	2012	2013	2014	2015	2016	2017			
						Mar	Jun	Sep	Change (q-o-q)
Total debt	408.9	423.5	424.3	396.1	380.9	405.7	407.3	409.1	1.8
- Short-term	128.0	111.8	116.4	104.3	105.2	115.4	117.3	119.8	2.5
- Long-term	281.0	311.7	307.9	291.7	275.8	290.3	290.0	289.3	-0.7

Solvency improved as net foreign assets in debt instruments increased US \$24.3 billion from the previous quarter to a record high of US \$447.4 billion. External debt soundness indicators remain stable as the ratio of short-term debt to total external debt stayed low at 29.3 percent and the ratio of short-term external debt to foreign exchange reserves remained stable at 31.1 percent.

Statistical Appendices

01. National accounts
02. Production, shipment and inventory
03. Production capacity and operation ratio
04. Consumer goods sales index
05. Machinery orders received and facility investment index
06. Value of construction completed and domestic construction orders received
07. Composite indices of business cycle indicators, CSI and BSI
08. Prices
09. Employment (I)
10. Employment (II)
11. Balance of payments (I)
12. Balance of payments (II)
13. Financial indicators
14. Monetary indicators
15. Exchange rates



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
II	2.7	0.8	3.2	2.5	2.3	9.6	8.0	17.3
III	3.8	-0.9	6.6	3.0	2.5	9.2	7.6	17.0

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	109.5	3.7	109.0	3.4	129.2	-5.6	114.2	2.6
II	110.3	0.5	109.9	0.0	129.5	-1.7	118.2	2.3
III ^p	110.2	3.5	110.3	3.9	130.0	2.0	119.4	3.2
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	116.4	3.3	116.5	1.8	129.2	-5.6	119.0	2.8
4	109.2	1.9	108.7	0.5	132.1	-0.8	116.5	2.4
5	110.5	0.3	109.1	-0.6	135.8	1.3	118.2	2.3
6	111.3	-0.4	111.8	0.2	129.5	-1.7	119.8	2.1
7	110.5	-0.3	109.5	0.6	133.3	1.8	118.1	2.3
8	106.4	2.3	107.1	2.6	134.3	3.3	118.2	2.1
9 ^p	113.7	8.5	114.3	8.4	130.0	2.0	121.8	5.3
10 ^p	104.9	-5.9	104.1	-6.2	135.8	6.1	116.1	-0.2

* 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)		Capacity utilization rate* (%)
		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 I	113.2	1.5	88.2	-1.0	72.8
II	112.8	0.9	91.2	-1.2	71.5
III ^p	113.6	1.0	89.5	3.0	72.3
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	112.8	1.0	95.5	-0.7	73.1
4	112.8	1.1	90.5	0.1	71.8
5	112.8	1.0	91.2	-2.0	71.5
6	112.8	0.6	92.0	-1.5	71.3
7	113.1	0.7	91.4	-0.8	73.1
8	113.6	1.0	85.2	1.8	72.0
9 ^p	114.0	1.2	91.9	8.4	71.9
10 ^p	114.5	1.1	83.3	-8.6	71.3

* 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 I	116.8	1.9	138.5	3.1	99.0	-1.4	114.4	2.6
II	121.9	1.7	152.9	4.4	105.4	-2.1	114.7	1.6
III ^p	122.2	4.3	151.0	12.6	95.4	-0.4	120.5	1.5
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	122.0	1.2	152.9	0.8	104.2	-2.4	115.4	3.0
4	120.1	2.6	146.9	5.8	109.8	0.5	112.0	1.4
5	124.6	1.4	154.9	6.2	109.5	-4.8	117.1	1.3
6	121.1	1.1	157.0	1.6	96.9	-2.0	115.0	2.0
7	122.2	3.6	156.8	11.7	96.1	-2.4	117.5	1.2
8	117.9	0.9	145.0	6.1	87.7	-1.6	118.5	-1.0
9 ^p	126.5	8.4	151.2	20.8	102.4	2.6	125.6	4.5
10 ^p	124.6	-0.2	141.4	-1.9	118.9	-4.0	119.2	2.7

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 I	8,280	29.0	687	8.2	7,594	31.3	118.2	18.1
II	8,760	28.5	542	-4.9	8,218	31.5	134.4	17.7
III ^p	7,436	30.9	461	-1.8	6,975	33.8	128.1	20.5
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	3,327	35.3	342	9.8	2,985	39.0	139.1	23.4
4	2,899	45.9	241	28.1	2,658	47.8	126.9	14.3
5	2,651	23.0	117	-30.9	2,534	27.6	132.7	20.0
6	3,210	20.0	184	-13.5	3,026	22.8	143.6	18.6
7	2,783	37.9	296	473.1	2,487	26.5	131.1	24.9
8	2,295	38.3	82	-3.2	2,214	40.6	123.4	12.4
9 ^p	2,358	17.6	84	-74.8	2,274	36.1	129.9	24.9
10 ^p	2,317	27.8	163	175.7	2,154	22.9	105.6	-3.4

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 I	30,622	24.8	6,960	3.7	22,619	37.0	30,050	3.6	7,313	-6.4	18,665	-8.9
II	35,556	18.6	8,067	-0.4	26,578	29.7	38,544	16.8	7,525	35.2	30,261	13.3
III ^p	35,038	18.5	6,880	-2.6	27,301	28.6	32,928	-10.9	6,979	-12.4	25,808	-5.1
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	11,976	24.7	2,839	5.6	8,705	38.6	9,062	-22.3	1,967	-28.7	6,374	-25.5
4	11,230	24.4	2,302	-0.7	8,641	37.2	14,564	34.2	2,102	77.4	11,852	27.5
5	11,253	20.4	2,428	4.4	8,543	29.2	11,425	18.3	1,486	-30.1	9,880	33.3
6	13,073	12.7	3,338	-3.4	9,393	23.8	12,556	0.4	3,937	74.7	8,529	-14.7
7	11,209	17.4	2,236	-0.9	8,711	26.0	8,460	-29.5	1,801	-31.4	6,638	-21.9
8	11,202	13.9	2,075	-11.5	8,879	24.9	12,745	-4.7	3,031	-11.0	9,701	2.5
9 ^p	12,627	23.9	2,569	4.4	9,711	34.8	11,724	1.0	2,146	11.0	9,469	2.6
10 ^p	10,836	3.5	2,153	-8.3	8,437	9.7	8,042	-45.7	964	-70.0	7,056	-38.8

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	129.3	100.9	124.1	100.7	94.4	77	78
3	129.7	100.8	124.7	101.0	96.7	77	79
4	130.3	101.0	125.1	101.0	101.2	77	78
5	131.0	101.2	125.2	100.8	108.0	78	79
6	131.9	101.6	125.3	100.7	111.1	77	82
7	132.6	101.7	125.7	100.7	111.2	78	81
8 ^p	133.1	101.8	126.1	100.8	109.9	81	81
9 ^p	133.2	101.6	126.6	100.9	107.7	85	84
10 ^p	133.3	101.3	126.4	100.5	109.2	83	79
11	-	-	-	-	112.3	84	87
12	-	-	-	-	-	-	84

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	102.2	3.4	98.5	4.4
6	102.7	1.9	100.9	1.8	104.1	1.9	103.2	1.4	101.8	2.8	97.8	3.4
7	102.9	2.2	100.8	2.7	104.5	1.9	103.3	1.8	101.9	3.0	97.9	3.7
8	103.5	2.6	102.0	3.6	104.7	1.8	103.4	1.8	102.3	3.3	98.5	4.4
9	103.6	2.1	102.5	2.4	104.5	1.8	103.3	1.6	103.0	3.8	99.5	5.1
10	103.4	1.8	101.8	1.5	104.7	2.0	103.5	1.3	103.1	3.6	99.6	4.8
11	102.7	1.3	100.6	0.5	104.4	1.8	103.2	1.2	103.0	3.1	99.4	3.9

Source: 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
II	27,836	421	15,896	-74	63.7	61.2	3.9
III	27,799	260	15,992	66	63.5	61.3	3.5
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
6	27,929	367	15,834	-24	63.8	61.4	3.8
7	27,879	301	15,897	33	63.7	61.5	3.5
8	27,740	216	16,052	111	63.3	61.1	3.6
9	27,779	263	16,026	54	63.4	61.3	3.4
10	27,751	252	16,076	63	63.3	61.3	3.2
11	27,719	273	16,129	38	63.2	61.2	3.2

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
II	26,754	367	4,480	-23	20,829	383
III	26,833	279	4,470	31	20,902	219
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
6	26,860	301	4,509	16	20,852	259
7	26,916	313	4,513	50	20,953	234
8	26,740	212	4,442	25	20,841	163
9	26,844	314	4,456	20	20,913	260
10	26,855	279	4,465	28	20,913	232
11	26,845	253	4,489	46	20,964	204

Source: Statistics Korea

11. Balance of payments (I)

(US \$ million)

Period	Current account	Goods	Exports		Imports	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	99,243.0	118,895.4	511,947.3	393,051.9	-17,737.4	3,851.7	-5,766.7	
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 I	26,961.1	30,209.1	118,983.8	88,774.7	-3,658.5	1,381.7	-971.2	
II	27,040.2	33,174.8	127,574.7	94,399.9	-4,204.5	-717.5	-1,212.6	
III	22,563.8	28,184.0	128,614.1	100,430.1	-5,549.4	2,324.6	-2,395.4	
IV	22,677.9	27,327.5	136,774.7	109,447.2	-4,325.0	862.9	-1,187.5	
2017^p I	19,203.3	27,307.0	139,316.9	112,009.9	-8,662.7	1,374.8	-815.8	
II	16,451.5	29,561.1	143,112.7	113,551.6	-6,748.6	-4,876.8	-1,484.2	
III	25,570.0	34,750.3	148,862.8	114,112.5	-8,497.5	1,946.9	-2,629.7	
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 1	7,619.3	8,432.7	37,290.7	28,858.0	-1,619.8	1,264.2	-457.8	
2	7,983.6	8,256.2	36,511.5	28,255.3	-1,164.6	871.4	20.6	
3	11,358.2	13,520.2	45,181.6	31,661.4	-874.1	-753.9	-534.0	
4	4,262.0	10,108.6	40,463.3	30,354.7	-1,730.5	-3,593.3	-522.8	
5	10,516.0	10,466.1	42,129.5	31,663.4	-1,161.3	1,358.1	-146.9	
6	12,262.2	12,600.1	44,981.9	32,381.8	-1,312.7	1,517.7	-542.9	
7	8,829.3	10,650.0	42,583.8	31,933.8	-1,461.2	266.1	-625.6	
8	5,666.0	7,058.6	41,815.7	34,757.1	-1,475.8	1,034.0	-950.8	
9	8,068.5	10,475.4	44,214.6	33,739.2	-2,612.4	1,024.5	-819.0	
10	7,694.9	9,164.6	43,086.8	33,922.2	-1,785.6	707.1	-391.2	
11	8,028.0	9,690.2	46,258.7	36,568.5	-1,813.9	366.3	-214.6	
12	6,955.0	8,472.7	47,429.2	38,956.5	-725.5	-210.5	-581.7	
2017^p 1	5,299.8	7,731.1	44,531.6	36,800.5	-3,340.7	1,176.5	-267.1	
2	8,181.8	10,220.2	44,626.2	34,406.0	-2,210.3	718.9	-547.0	
3	5,721.7	9,355.7	50,159.1	40,803.4	-3,111.7	-520.6	-1.7	
4	3,670.0	11,542.1	48,134.6	36,592.5	-2,417.2	-4,924.3	-530.6	
5	5,841.7	8,595.9	46,956.0	38,360.1	-1,638.7	-595.7	-519.8	
6	6,939.8	9,423.1	48,022.1	38,599.0	-2,692.7	643.2	-433.8	
7	7,249.7	10,587.4	47,101.1	36,513.7	-3,285.3	676.0	-728.4	
8	6,032.8	9,184.3	47,687.2	38,502.9	-2,334.6	22.6	-839.5	
9	12,287.5	14,978.6	54,074.5	39,095.9	-2,877.6	1,248.3	-1,061.8	
10	5,715.5	8,597.4	44,429.8	35,832.4	-3,531.3	1,168.1	-518.7	

p: Preliminary

Source: Bank of Korea

12. Balance of payments (II)

(US \$ million)

Period	Financial account*	Direct investment	Portfolio investment	Financial derivatives	Other investment	Reserve assets	Capital account
2015	106,299.2	19,656.3	49,529.8	1,791.3	23,269.2	12,052.6	-60.2
2016	102,566.8	17,856.7	66,970.2	-3,440.1	13,564.8	7,615.2	-46.2
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 I	29,486.0	5,704.8	16,794.1	2,724.0	5,596.8	-1,333.7	-8.1
II	23,327.5	4,507.8	13,981.8	-1,185.3	5,103.8	919.4	-7.0
III	24,822.1	1,847.5	15,865.5	-3,799.5	3,949.4	6,959.2	13.9
IV	24,931.2	5,796.6	20,328.8	-1,179.3	-1,085.2	1,070.3	-45.0
2017 ^p I	19,741.1	6,881.2	8,011.4	-2,951.0	7,063.2	736.3	36.4
II	13,043.4	3,476.4	11,516.2	-2,066.8	-96.6	214.2	-60.3
III	30,844.5	4,428.9	23,972.0	-350.9	2,945.8	-151.3	-7.7
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 1	7,326.7	208.1	5,412.9	1,227.8	117.7	360.2	-2.6
2	9,715.9	2,187.2	5,749.6	756.6	2,613.5	-1,591.0	-2.3
3	12,443.4	3,309.5	5,631.6	739.6	2,865.6	-102.9	-3.2
4	1,814.8	814.0	3,277.6	-1,043.5	-2,549.9	1,316.6	-5.0
5	9,908.3	1,450.2	4,546.1	-463.7	3,974.0	401.7	1.0
6	11,604.4	2,243.6	6,158.1	321.9	3,679.7	-798.9	-3.0
7	8,811.4	719.7	145.0	-471.9	6,451.8	1,966.8	5.8
8	6,960.3	-291.7	7,111.8	-1,292.4	-1,656.4	3,089.0	17.2
9	9,050.4	1,419.5	8,608.7	-2,035.2	-846.0	1,903.4	-9.1
10	8,359.1	1,144.8	9,921.6	-739.5	-2,188.1	220.3	-6.3
11	8,505.8	62.6	7,011.4	83.0	1,865.9	-517.1	-35.0
12	8,066.3	4,589.2	3,395.8	-522.8	-763.0	1,367.1	-3.7
2017 ^p 1	5,067.0	3,270.3	4,917.9	-146.9	-3,232.5	258.2	40.1
2	8,880.5	4,344.1	809.9	-1,593.2	5,471.3	-151.6	-2.0
3	5,793.6	-733.2	2,283.6	-1,210.9	4,824.4	629.7	-1.7
4	1,471.6	1,500.3	2,810.3	-912.4	-1,755.7	-170.9	-26.2
5	2,642.6	685.3	5,660.3	-413.3	-3,368.2	78.5	-2.0
6	8,929.2	1,290.8	3,045.6	-741.1	5,027.3	306.6	-32.1
7	9,442.0	460.0	2,693.6	-79.2	6,238.7	128.9	15.3
8	8,990.9	1,622.4	11,330.5	-161.3	-4,147.6	346.9	-21.8
9	12,411.6	2,346.5	9,947.9	-110.4	854.7	-627.1	-1.2
10	8,436.4	72.6	-173.2	-555.6	7,665.6	1,427.0	-7.4

* 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
6	1.2	1.4	1.7	1.9	2.2	2,391.79
7	1.2	1.4	1.7	1.9	2.3	2,402.71
8	1.2	1.4	1.8	2.0	2.3	2,363.19
9	1.3	1.4	1.8	2.0	2.3	2,394.47
10	1.2	1.4	2.0	2.2	2.6	2,523.43
11	1.3	1.5	2.2	2.4	2.7	2,476.37

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
5	149,446.2	9.9	791,074.8	9.5	2,454,386.7	6.1	3,416,320.2	7.1
6	150,519.7	10.9	798,890.2	9.3	2,470,861.1	5.9	3,440,571.4	6.7
7	149,955.1	10.3	804,853.4	9.5	2,472,110.4	5.1	3,454,563.6	6.5
8	152,170.5	9.4	805,103.3	9.1	2,485,629.9	4.6	3,472,041.5	6.2
9	154,578.6	8.8	810,905.0	7.9	2,492,388.4	4.6	3,483,119.8	5.9
10	159,248.2	12.9	826,892.1	9.8	2,504,594.2	4.7	3,501,084.6	5.9

Source: Bank of Korea

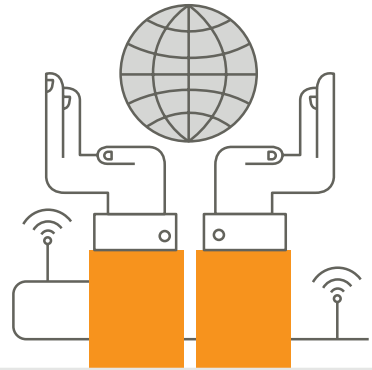
15. Exchange rates

(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
6	1,139.6	-2.2	1,017.6	-10.1	1,304.0	0.7
7	1,119.1	-0.6	1,012.3	-5.7	1,315.7	5.5
8	1,122.8	0.4	1,017.4	-6.3	1,335.6	7.1
9	1,146.7	4.6	1,020.4	-5.8	1,350.9	9.8
10	1,125.0	-1.8	994.2	-9.2	1,310.1	4.2
11	1,082.4	-7.4	966.5	-7.0	1,282.7	3.1

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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