

Republic of Korea **Economic Bulletin**

December 2024 Vol.46 No.12



Deoksugung

Current Economic Trends

Economic News Briefing

Issuance of Australian dollar-dominated bond
Meetings with the IMF Mission Team
Korea's External debt in Q3 2024



▲ Deoksugung, A Palace of the Korea's Great Dynasties.

Republic of Korea **Economic Bulletin**

The Republic of Korea Economic Bulletin is a monthly publication that seeks to promote a greater understanding of the Korean economy by providing readers with information on the latest economic trends and policy issues as well as relevant news and current events.

December 2024 Vol.46 No.12

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Current Economic Trends

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Overview

In September, facilities investment increased while construction investment decreased. Industrial production adjusted after a sharp rebound in the previous month. In October, job growth increased and the growth of consumer prices continued to moderate.

In September, total production fell (*down 0.3% m-o-m and down 1.1 y-o-y*), as industrial production (*down 0.2% m-o-m and down 1.3% y-o-y*), services production (*down 0.7% m-o-m and down 0.2% y-o-y*), and construction production (*down 0.1% and down 12.1% y-o-y*) declined, while public administration increased (*up 2.6% m-o-m and up 1.3% y-o-y*).

In September, facilities investment (*up 8.4% m-o-m and up 6.1% y-o-y*) surged, while retail sales (*down 0.4% m-o-m and down 2.2% y-o-y*) and construction investment (*down 0.1% m-o-m and down 12.1% y-o-y*) decreased.

In October, exports increased by 4.6 percent from a year ago, driven by growth in semiconductor and automobile exports.

In October, the Consumer Sentiment Index (CSI) increased by 1.7 points to 101.7 month-on-month. The Composite Business Sentiment Index (CBSI) moved up by 0.9 points in October, while the CBSI outlook for November fell by 2.8 points to 89.8.

In September, the cyclical indicator of the coincident composite index fell by 0.1 points month-on-month, while the cyclical indicator of the leading composite index remained unchanged.

In October, the economy added 83,000 jobs compared to the previous year and the unemployment rate rose by 0.2 percentage points from a year ago to 2.3 percent.

In October, the year-on-year growth of Consumer Price Index (CPI) slowed down to 1.3 percent. The index excluding food and energy prices increased by 1.8 percent, and the index excluding agricultural and petroleum products increased by 1.7 percent. The CPI for basic necessities rose by 1.2 percent.

In October, Korean equity prices fell, the Korean Treasury Bond yields rose, and the Korean Won weakened against the dollar.

In October, housing prices and *Jeonse* (lump-sum deposits with no monthly payments) prices rose at a slower rate than the previous month (*up 0.07% m-o-m and up 0.16% m-o-m, respectively*).

As prices have continued to stabilize recently, the Korean economy has been able to show a sustained recovery. However, economic uncertainties still persist, both domestically and globally.

While the global economic is broadly on a recovery path, uncertainties are increasing owing to persistent geopolitical risks in the Middle East and potential changes in the trade environment.

Against this background, the Korean government plans to mobilize a comprehensive policy response system in finance, trade, and industry. The government also plans to strengthen support for vulnerable sectors such as construction investment and small business owners with a range of tailored policies alongside the measures outlined in the 'Dynamic Economy Roadmap' to enhance the sustainability of the Korean economy.

Economic Activity

1. Gross Domestic Product (Advance estimate)

In the third quarter of 2024, Korea's real Gross Domestic Product (GDP) amounted to 572.1 trillion won, and real Gross Domestic Income (GDI) came to 559.0 trillion won.

(Trillion won, inflation adjusted at 2020 prices)

	2022	2023	2022				2023				2024		
	Annual ¹	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ²
GDP	2,212.2	2,243.2	525.7	554.5	555.9	576.1	531.6	560.0	563.6	588.1	548.9	572.8	572.1
(Seasonally adjusted)	-	-	549.3	553.7	555.8	553.3	555.8	558.8	563.0	565.6	573.0	571.6	572.4
- Private consumption	1,063.9	1,082.7	257.7	262.4	270.1	273.8	269.9	266.1	271.0	275.7	272.7	268.6	274.7
- Facility investment	213.2	215.4	49.9	54.2	52.5	56.6	52.3	56.2	50.4	56.5	51.7	54.8	53.6
- Construction investment	301.4	306.0	62.5	82.2	75.1	81.7	63.5	83.5	78.3	80.7	64.5	83.1	74.5
- Exports	820.3	849.9	204.7	204.4	204.8	206.5	202.4	206.2	211.3	230.0	220.8	224.8	225.1
- Imports	730.7	756.4	180.8	176.7	185.6	187.5	193.6	182.8	185.2	194.8	192.9	188.4	193.2
GDI	2,117.5	2,151.8	511.3	532.4	526.6	547.2	504.3	532.3	545.4	569.8	536.5	556.6	559.0
(Seasonally adjusted)	-	-	537.2	530.4	524.5	525.4	530.1	530.3	542.9	548.6	561.6	555.1	557.6

Source: Bank of Korea.

¹ Preliminary estimate.

² Advance estimates.

In the third quarter of 2024, real GDP rose 1.5 percent year-on-year, and seasonally adjusted GDP rose 0.1 percent quarter-on-quarter. Real GDI rose 2.5 percent year-on-year, and seasonally adjusted GDI rose 0.5 percent quarter-on-quarter.

(Percentage change from same period in previous year, inflation adjusted at 2020 prices)

	2022	2023	2022				2023				2024		
	Annual ¹	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ²
GDP	2.7	1.4	3.5	3.0	3.4	1.1	1.1	1.0	1.4	2.1	3.3	2.3	1.5
(Seasonally adjusted ²)	-	-	0.5	0.8	0.4	-0.5	0.4	0.6	0.8	0.5	1.3	-0.2	0.1
- Private consumption	4.2	1.8	4.3	4.5	5.3	2.9	4.7	1.4	0.3	0.7	1.0	0.9	1.3
- Facility investment	-0.3	1.1	-4.9	-5.5	4.8	4.8	4.7	3.8	-3.9	-0.2	-1.0	-2.5	6.3
- Construction investment	-3.5	1.5	-5.0	-4.5	-2.1	-2.6	1.7	1.7	4.3	-1.2	1.6	-0.5	-4.9
- Exports	3.9	3.6	7.8	5.6	5.4	-2.4	-1.1	0.9	3.2	11.4	9.1	9.0	6.5
- Imports	4.2	3.5	5.2	2.0	8.2	1.5	7.1	3.4	-0.2	3.9	-0.4	3.1	4.3
GDI	-0.7	1.6	0.5	-0.3	-1.1	-1.6	-1.4	0.0	3.6	4.1	6.4	4.6	2.5
(Seasonally adjusted ²)	-	-	0.8	-1.3	-1.1	0.2	0.9	0.0	2.4	1.1	2.4	-1.2	0.5

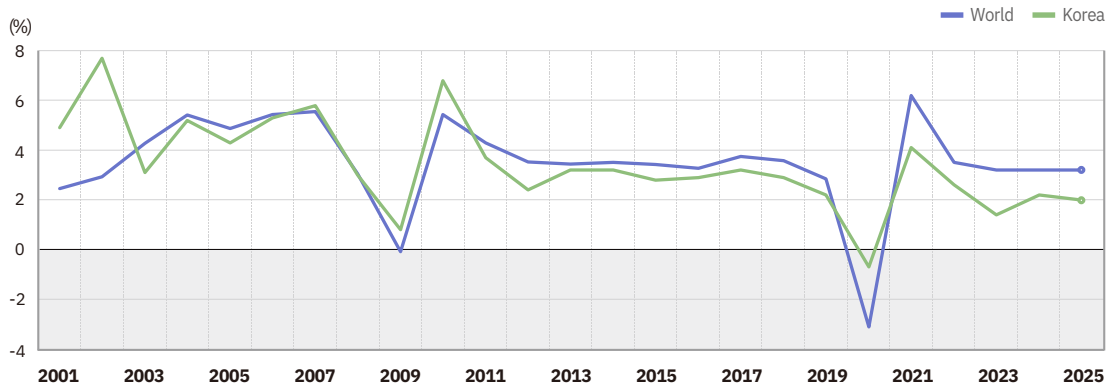
Source: Bank of Korea.

¹ Preliminary estimate.

² Advance estimates.

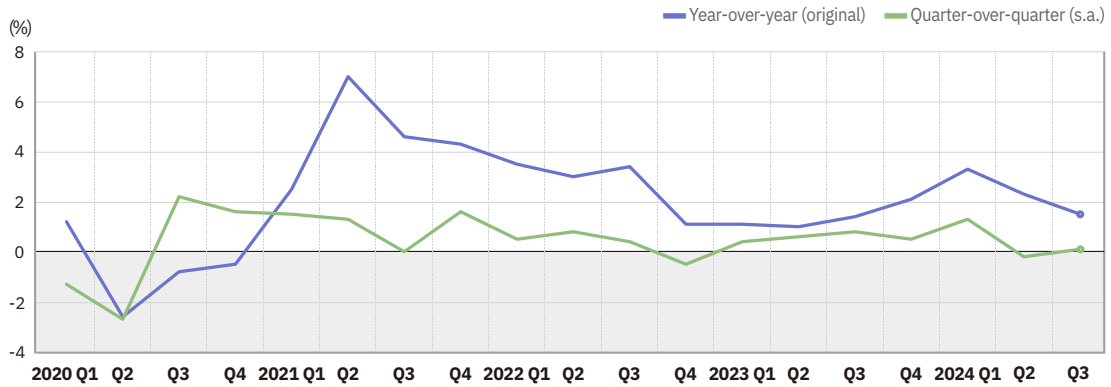
³ Percentage change from previous period.

GDP growth: World and Korea



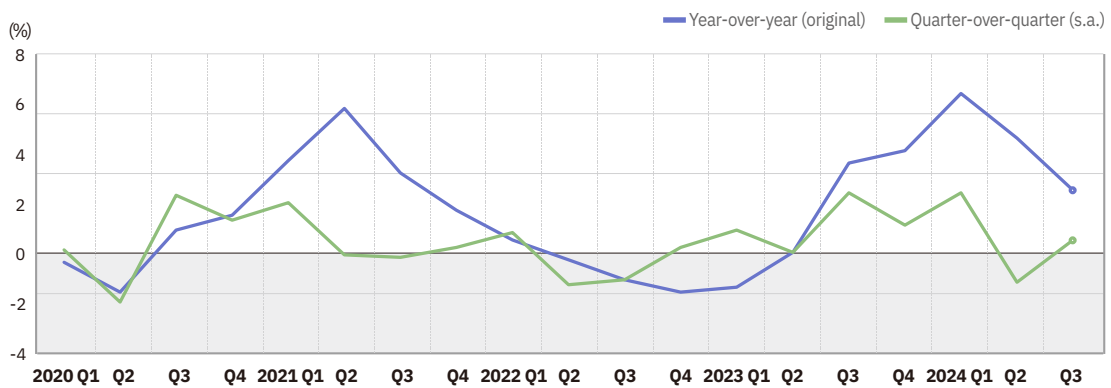
Source: IMF

GDP growth: Korea



Source: Bank of Korea.

GDI growth: Korea



Source: Bank of Korea.

2. Total Production and Composite Index of Business Indicators

Total index of Industrial Production decreased by 0.3 percent month-on-month in September. Industrial production (*down 0.2%*), services (*down 0.7%*) and construction (*down 0.1 %*) decreased, while public spending (*up 2.6%*) increased. The index fell 1.1 percent year-on-year.

Coincident composite index

The cyclical indicator of the coincident composite index fell 0.1 point month-on-month to 98.2. Among the components of the coincident composite index, industrial production index, imports, and index for domestic market increased, while value of construction completed and retail sale index decreased.

Leading composite index

The cyclical indicator of the leading composite index stayed unchanged at 100.6. Among the components of the leading composite index, inventory circulation indicator and domestic shipment of machinery rose, while economic sentiment index rose, construction orders received, and KOSPI fell.

	2023				2024							
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Jun	Jul ¹	Aug ¹	Sep ¹
Total index of Industrial Production (m-o-m, %)	-0.7	0.3	0.4	0.3	1.3	-2.3	1.4	-0.8	-0.1	-0.6	1.3	-0.3
(y-o-y, %)	1.5	2.2	0.4	7.2	1.8	0.1	3.4	2.3	0.5	2.4	1.3	-1.1
Cyclical indicator of coincident composite index	99.9	99.9	99.8	99.9	100.1	99.8	99.7	99.1	99.0	98.3	98.3	98.2
(m-o-m, p)	0.1	0.0	-0.1	0.1	0.2	-0.3	-0.1	-0.6	-0.1	-0.7	0.0	-0.1
Coincident composite index (2020=100)	110.9	111.0	111.1	111.5	112.0	111.9	112.0	111.6	111.7	111.2	111.3	111.5
(m-o-m, %)	0.4	0.1	0.1	0.4	0.4	-0.1	0.1	-0.4	0.1	-0.4	0.1	0.2
Cyclical indicator of leading composite index	99.8	100.1	100.2	100.2	100.4	100.2	100.5	100.5	100.7	100.7	100.6	100.6
(m-o-m, p)	0.2	0.3	0.1	0.0	0.2	-0.2	0.3	0.0	0.2	0.0	-0.1	0.0
Leading composite index (2020=100)	112.4	113.0	113.4	113.7	114.2	114.3	114.9	115.2	115.7	116.0	116.2	116.5
(m-o-m, %)	0.5	0.5	0.4	0.3	0.4	0.1	0.5	0.3	0.4	0.3	0.2	0.3

Source: Industrial activity trends, Statistics Korea.

¹ Figures for the last three months of coincident composite index are preliminary, while figures for the last two months of leading composite index are preliminary.

Coincident composite index in Sep 2024 (m-o-m, %)

Imports	0.7
Industrial production index	0.1
Shipment index for domestic market	0.4
Retail sale index	-0.2
Value of construction completed	-0.8

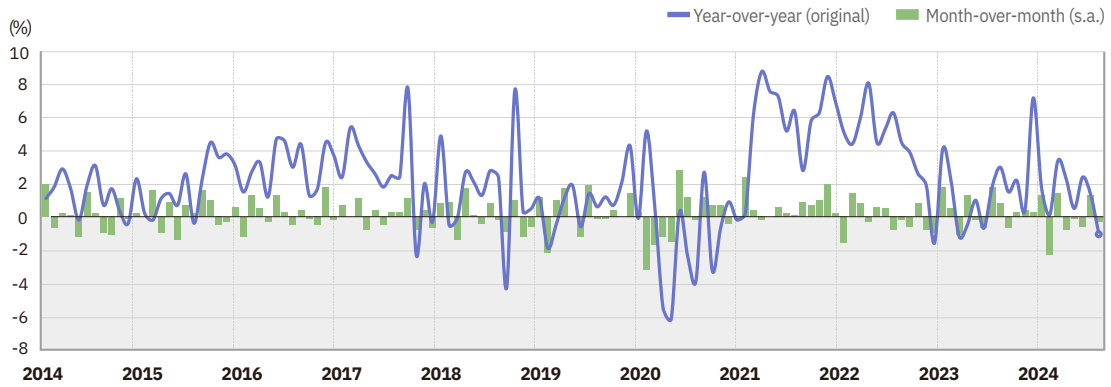
Source: Industrial activity trends, Statistics Korea.

Leading composite index in Sep 2024 (m-o-m, %)

Domestic shipments of machinery	4.0
Inventory circulation indicator(%p)	0.2
Economic Sentiment Index (p)	-0.3
KOSPI	-1.9
Construction orders received	-8.4

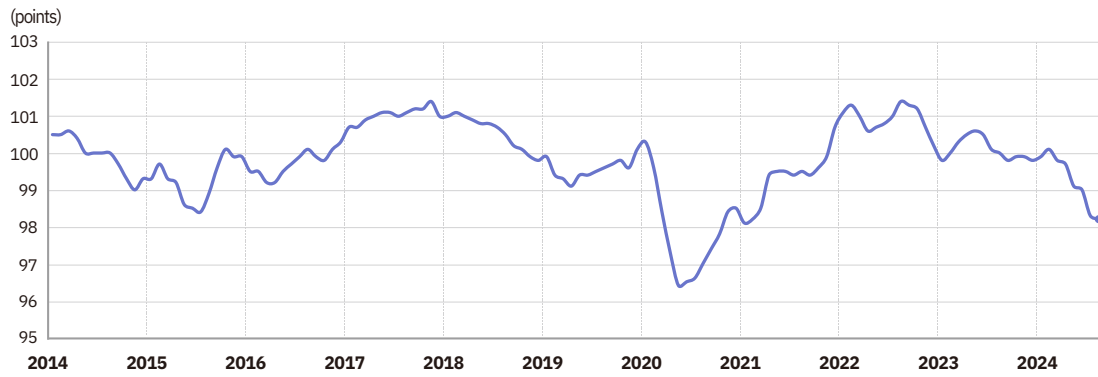
Source: Industrial activity trends, Statistics Korea.

Total index of Industrial Production



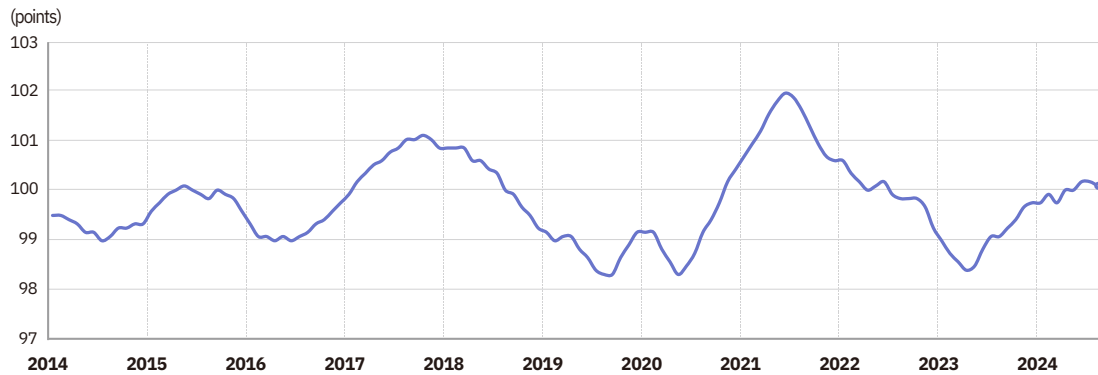
Source: Industrial activity trends, Statistics Korea.

Cyclical indicator of coincident composite index



Source: Industrial activity trends, Statistics Korea.

Cyclical indicator of leading composite index



Source: Industrial activity trends, Statistics Korea.

3. Private consumption

Private consumption (*advance estimate of GDP*) in the third quarter of 2024 increased by 0.5 percent quarter-on-quarter and rose by 1.3 percent year-on-year.

(Percentage change from previous period)

	2022	2023	2022				2023				2024		
	Annual ¹	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ²
Private consumption	-	-	-1.0	2.9	1.3	-0.1	0.5	-0.3	0.1	0.4	0.7	-0.2	0.5
(y-o-y)	4.2	1.8	4.3	4.5	5.3	2.9	4.7	1.4	0.3	0.7	1.0	0.9	1.3

Source: National accounts, Bank of Korea.

¹ Preliminary estimate.

² Advance estimate.

Retail sales decreased by 0.4 percent month-on-month in September. Sales of durable goods (*up 6.3%*), while semi-durable goods (*down 3.2%*) and nondurable goods (*down 2.5%*) decreased. The index fell by 2.2 percent year-on-year.

(Percentage change from previous period)

	2022	2023	2022				2023				2024					
	Annual	Annual ¹	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Jul ¹	Aug ¹	Sep ¹
Retail sales	-	-	-0.9	-0.7	0.8	-1.5	0.6	-0.5	-1.9	0.4	-0.5	-0.8	-0.5	-2.0	1.7	-0.4
(y-o-y)	-0.3	-1.5	2.6	-0.2	-0.9	-2.3	-0.8	-0.7	-2.7	-1.9	-2.1	-2.9	-1.9	-2.2	-1.3	-2.2
- Durable goods	-3.2	-1.6	-0.8	-3.4	1.8	-0.2	-1.3	0.2	-1.4	0.8	-2.4	-1.7	3.6	-2.2	0.4	6.3
- Automobiles	0.5	6.9	2.4	4.0	5.1	3.0	-0.7	4.3	-4.1	2.6	-10.3	-1.0	9.5	-4.8	8.8	8.8
- Semi-durable goods	2.2	-1.2	-2.2	2.3	-0.2	-4.3	5.2	-2.4	-4.3	2.1	-0.1	-2.1	-4.0	-2.4	0.1	-3.2
- Nondurable goods	0.3	-1.6	-0.5	-0.4	0.5	-1.0	-0.2	-0.1	-1.3	-0.4	0.2	0.1	-1.1	-1.7	2.8	-2.5

Source: Statistics Korea.

¹ Preliminary.

The retail sales outlook for October was mixed, as the car sales at home and consumer sentiment index increased while credit card spending decreased.

(Percentage change from same period in previous year)

	2024									
	Feb	March	Apr	May	Jun	Jul	Aug	Sep	Oct	
Car sales at home	-15.2	-12.7	-7.2	-9.8	-16.5	0.1	0.4	1.8	10.7	
Department store sales	4.2	2.8	2.1	0.6	-1.5	-1.4	4.1	-4.6	1.4	
Large discount store sales	7.5	6.9	-2.5	0.0	-1.9	-3.3	4.4	-4.8	1.3	
Credit card spending at home ¹	3.0	3.0	3.3	3.4	3.8	3.2	4.4	4.6	1.2	
Consumer sentiment index ²	101.9	100.7	100.7	98.4	100.9	103.6	100.8	100.0	101.7	
Number of Chinese tourists ³	563.9	320.4	226.0	170.0	107.9	86.8	78.9	53.9	54.4	

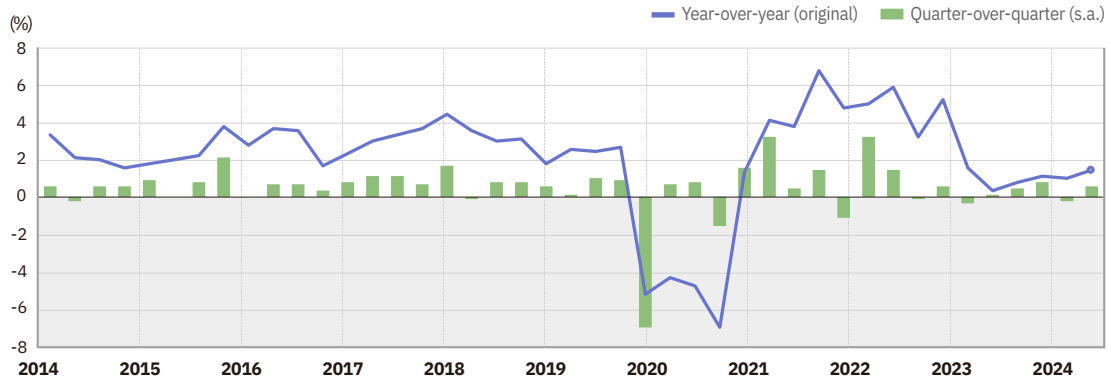
Sources: Korea Automobile Manufacturers Association; The Credit Finance Association; Bank of Korea; Korea Culture & Tourism Institute; data provided by retail industries.

¹ Utility bills are excluded.

² Level value.

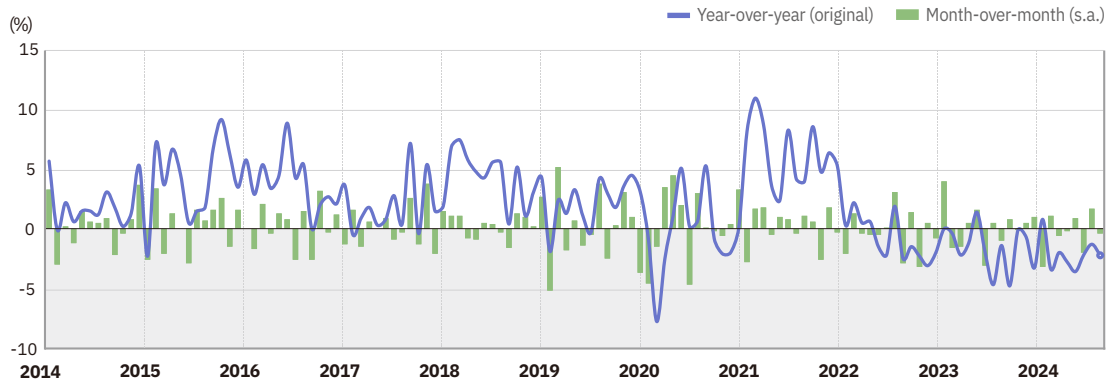
³ Advance estimate based on total entries, The figure can be different from the statistic released by the Ministry of Culture, Sports and Tourism, which excludes diplomatic and military personnel.

Private consumption



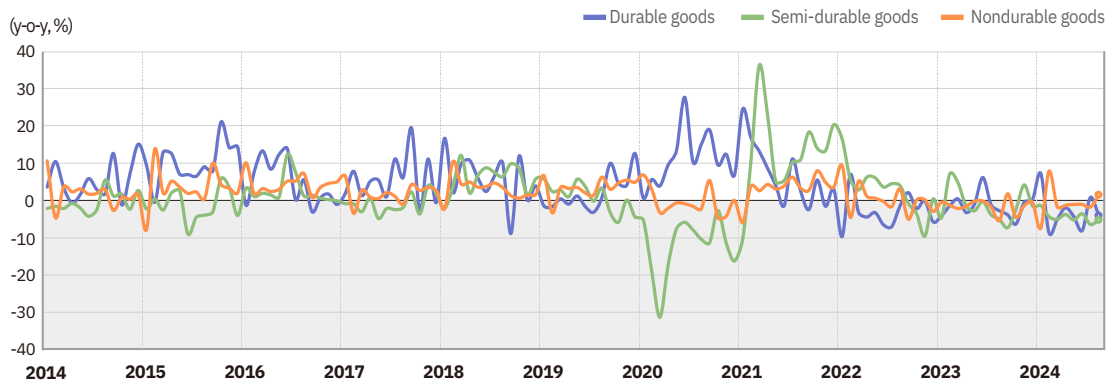
Source: National account, Bank of Korea.

Retail sales



Source: Industrial activity trends, Statistics Korea.

Retail sales by type



Source: Industrial activity trends, Statistics Korea.

4. Facility investment

Facility investment (*advance estimate of GDP*) in the third quarter of 2024 increased by 6.9 percent quarter-on-quarter and rose by 6.3 percent year-on-year.

(Percentage change from previous period)

	2022	2023	2022				2023				2024		
	Annual ¹	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ²
Facility investment	-	-	-1.5	1.4	5.7	-0.8	-1.4	0.4	-2.0	2.8	-2.0	-1.2	6.9
(y-o-y)	-0.3	1.1	-4.9	-5.5	4.8	4.8	4.7	3.8	-3.9	-0.2	-1.0	-2.5	6.3
- Machinery	1.9	1.6	0.3	0.7	5.4	3.1	-2.9	1.6	-3.8	1.3	0.4	-3.6	-
- Transportation equipment	-7.8	-1.0	-7.8	3.7	7.0	-14.4	5.0	-4.2	5.6	8.9	-10.7	8.1	-

Source: National accounts, Bank of Korea.

¹ Preliminary estimate.

² Advance estimate.

The facility investment index increased by 8.4 percent month-on-month in September as machinery investment increased. The index rose 6.1 percent year-on-year.

(Percentage change from previous period)

	2022	2023	2022				2023				2024					
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Jul ¹	Aug ¹	Sep ¹
Facility investment index	-	-	1.8	-2.2	9.8	-1.6	-8.6	1.5	-1.9	5.0	-3.8	-0.2	10.1	9.7	-5.1	8.4
(y-o-y)	2.5	-4.9	-0.7	-3.6	5.6	9.1	-1.9	-1.3	-9.9	-6.0	0.3	-1.5	10.5	18.1	7.5	6.1
- Machinery	1.4	-7.2	-2.4	0.4	11.1	-1.7	-10.9	0.7	-0.7	1.4	-2.4	0.1	7.2	-1.8	-0.2	17.0
- Transportation equipment	6.0	2.6	15.3	-9.2	6.0	-1.3	-0.7	3.8	-5.8	16.3	-7.2	-0.9	18.7	49.2	-16.2	-15.1

Source: Statistics Korea.

¹ Preliminary.

The facility investment outlook was mixed, as the facility investment pressure decreased, while machinery imports and domestic machinery orders received increased.

(Percentage change from same period in previous year)

	2022	2023	2022				2023				2024					
	Annual	Annual ¹	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2 ¹	Q3 ¹	Jul ¹	Aug ¹	Sep ¹
Domestic machinery orders received	1.1	-3.6	3.4	1.6	13.5	-12.9	-7.7	-3.0	-14.6	13.8	3.0	-7.4	18.5	31.2	8.9	3.8
(% change from previous period)	-	-	-2.9	-0.5	14.8	-21.5	3.0	4.8	-0.3	7.1	-7.7	-5.8	27.1	58.4	-17.5	-19.4
- Public	-24.1	89.8	8.2	6.9	-4.9	-57.3	155.6	120.0	25.9	40.3	-5.7	-32.0	165.1	398.4	106.7	-30.9
- Private	3.2	-9.2	3.1	1.3	14.5	-5.9	-17.6	-10.9	-16.5	11.9	4.6	-3.5	8.2	4.8	3.6	6.9
Machinery imports	-0.1	-2.6	-4.0	-6.0	4.8	6.0	2.7	6.7	-12.3	-7.4	-7.4	-12.3	18.0	27.2	11.2	15.7
Average capacity utilization rate ²	74.5	71.9	78.3	75.9	73.7	70.0	70.6	72.0	72.3	72.5	72.7	73.5	73.0	71.1	74.3	73.5
Facility investment pressure ³	1.4	-2.5	7.3	5.6	-0.4	-6.0	-7.8	-5.4	-0.2	3.0	4.6	3.9	2.1	4.6	2.8	-0.6

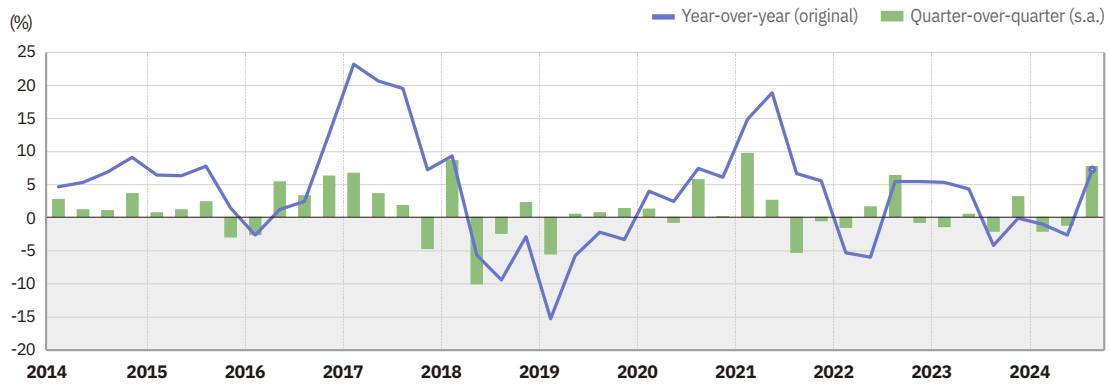
Sources: Statistics Korea; Korea International Trade Association.

¹ Preliminary.

² Utilization rate for the period, %.

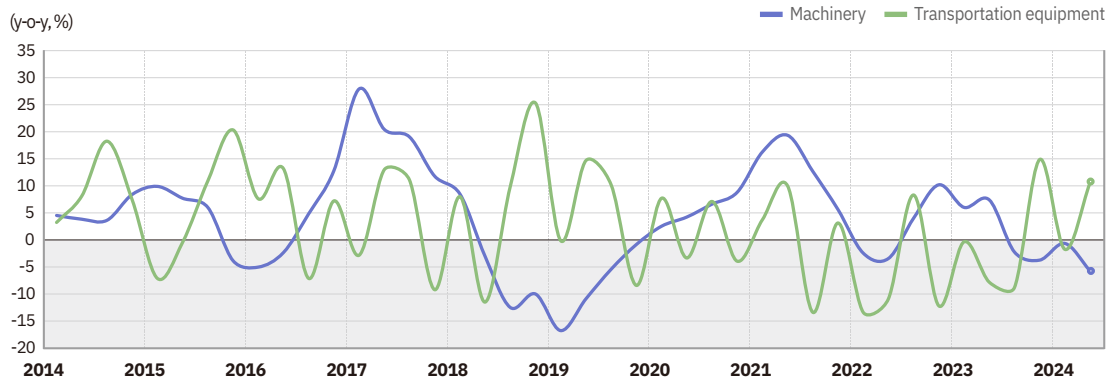
³ Production growth rate minus production capacity growth rate in the manufacturing sector, %p.

Facility investment



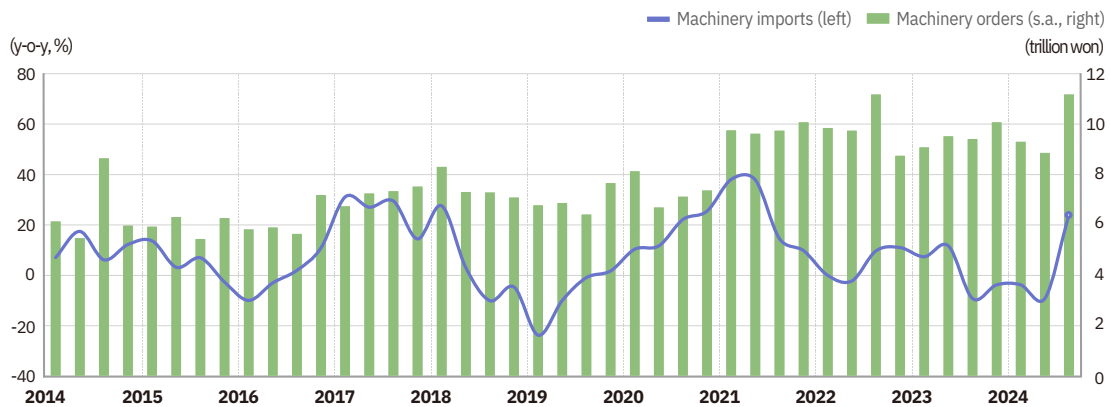
Source: National account, Bank of Korea.

Facility investment by type



Source: National account, Bank of Korea.

Leading indicators of facility investment



Sources: Statistics Korea; Korea International Trade Association.

5. Construction investment

Construction investment (*advance estimate of GDP*) in the third quarter of 2024 decreased 2.8 percent quarter-on-quarter and 4.9 percent year-on-year.

(Percentage change from previous period)

	2022	2023	2022				2023				2024		
	Annual ¹	Annual ¹	Q1 ¹	Q2 ¹	Q1 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ²
Construction investment	-	-	-3.3	0.0	-0.2	1.1	0.6	0.2	1.9	-3.8	3.3	-1.7	-2.8
(y-o-y)	-3.5	1.5	-5.0	-4.5	-2.1	-2.6	1.7	1.7	4.3	-1.2	1.6	-0.5	-4.9
- Building construction	-0.7	3.1	-3.5	1.8	0.1	1.1	1.0	1.6	1.5	-4.7	1.9	-1.4	-
- Civil engineering works	-10.7	-2.8	-2.6	-4.8	-0.9	1.3	-0.5	-3.8	3.0	-0.9	7.5	-2.7	-

Source: National accounts, Bank of Korea.

¹ Preliminary estimate.

² Advance estimate.

Construction completed (*constant*) fell 0.1 percent month-on-month in September as building construction declined. The index decreased 12.1 percent year-on-year.

(Percentage change from previous period)

	2022	2023	2022				2023				2024					
	Annual	Annual ¹	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2 ¹	Q3 ¹	Jul ¹	Aug ¹	Sep ¹
Construction completed (constant)	-	-	-1.5	1.5	1.5	4.3	2.8	1.1	1.1	-2.5	4.9	-6.2	-4.2	-0.3	-1.9	-0.1
(y-o-y)	2.8	7.3	-1.7	1.9	3.6	6.7	11.5	8.7	10.1	0.6	4.1	-3.0	-12.1	-4.9	-9.2	-12.1
- Building construction	4.2	9.4	-2.5	1.3	2.9	4.7	4.5	0.9	0.7	-3.5	5.0	-7.5	-5.9	1.6	-2.8	-3.7
- Civil engineering works	-1.2	1.2	1.5	2.1	-2.7	2.9	-2.5	1.9	2.6	0.8	4.6	-2.0	0.9	-5.6	0.7	9.9

Source: Statistics Korea.

¹ Preliminary.

The construction investment outlook is mixed, as construction orders received continued to increase while apartment sales are sluggish.

(Percentage change from same period in previous year)

	2022	2023	2022				2023				2024					
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2 ¹	Q3 ¹	Jul ¹	Aug ¹	Sep ¹
Construction orders received (current value)	10.0	-18.5	13.4	21.4	30.2	-17.2	-12.7	-31.4	-44.8	22.7	-15.6	20.9	23.3	28.4	25.6	2.5
(% change from previous period)	-	-	11.6	4.2	13.6	-40.3	22.3	-15.1	-11.1	33.5	-17.8	22.0	-6.8	-29.9	-28.0	33.1
- Building construction	8.7	-30.3	8.4	20.6	28.2	-18.6	-24.8	-43.5	-50.0	8.1	-16.5	19.7	20.1	7.7	15.7	18.0
- Civil engineering works	14.6	22.7	36.0	24.8	39.3	-13.6	31.1	17.9	-24.2	58.5	-13.8	23.4	31.7	83.5	62.4	-31.2
Building permits ²	4.9	-25.6	14.1	13.7	5.4	-11.0	-8.5	-33.5	-32.8	-24.3	-20.6	-16.6	4.8	0.9	-9.7	25.6
Apartment presales ³	38.0	21.1	10.2	7.2	8.3	12.3	3.5	4.0	5.1	8.6	5.8	5.7	5.7	2.2	1.7	1.8

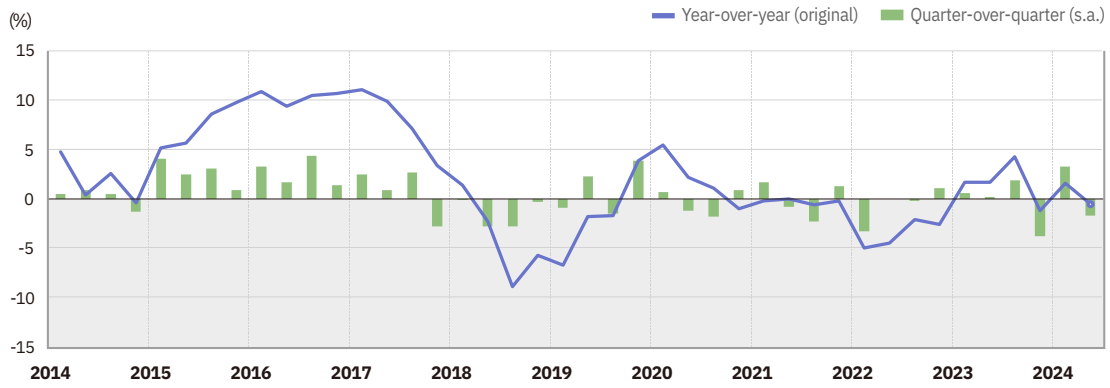
Sources: Statistics Korea; Ministry of Land Infrastructure and Transport; Real Estate 114.

¹ Preliminary.

² Gross Floor Area.

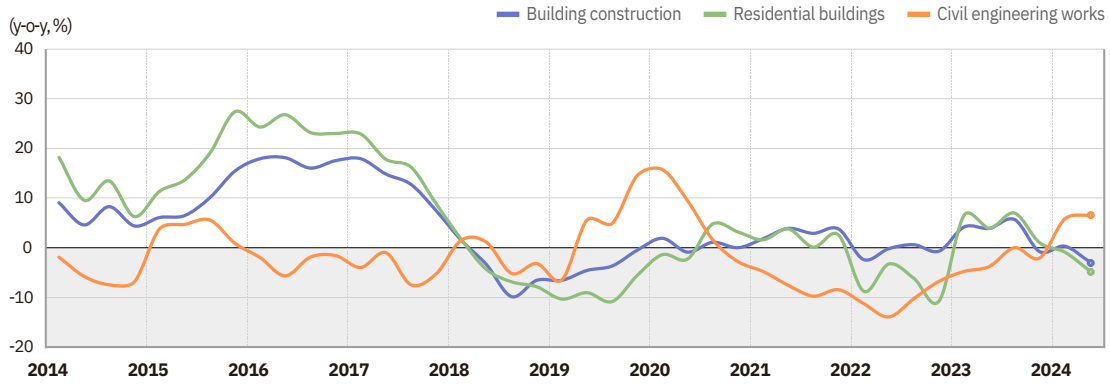
³ Thousand housing units.

Construction investment



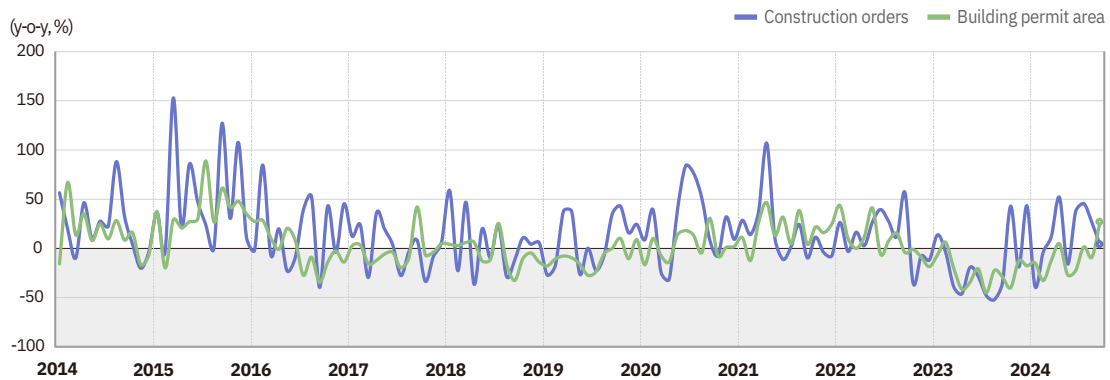
Source: National account, Bank of Korea.

Construction investment by type



Source: National account, Bank of Korea.

Leading indicators of construction investment



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

6. Exports and imports (Preliminary Estimate)

Exports grew by 4.6 percent year-on-year, totaling US \$57.5 billion in October.

Exports rose in 10 out of the 15 major export items and in five out of the nine major markets.

Average daily exports, an indicator measured with the number of working days factored in, fell by 0.2 percent year-on-year to US \$2.6 billion.

Imports increased by 1.7 percent year-on-year to US \$54.4 billion in October owing to increased imports of other goods despite a decrease in energy imports.

The trade balance posted a surplus of US \$3.2 billion in October.

(US \$ billion)

	2022	2023	2022		2023				2024			2023	2024
	Annual	Annual	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Oct	Oct
Exports	683.6	632.2	174.0	159.1	151.2	155.8	157.1	168.1	163.4	171.5	173.9	55.0	57.5
(y-o-y, %)	6.1	-7.5	5.8	-10.0	-12.8	-12.0	-9.7	5.7	8.1	10.1	10.7	4.9	4.6
Average daily exports	2.5	2.3	2.5	2.3	2.2	2.3	2.3	2.5	2.4	2.6	2.5	2.6	2.6
Imports	731.4	642.6	192.3	177.6	174.0	159.3	150.7	158.6	154.9	157.0	160.0	53.4	54.4
(y-o-y, %)	18.9	-12.1	22.6	3.1	-2.2	-13.2	-21.6	-10.7	-11.0	-1.4	6.2	-9.7	1.7
Average daily imports	2.7	2.4	2.8	2.5	2.6	2.4	2.2	2.4	2.3	2.4	2.3	2.5	2.5
Trade balance	-47.8	-10.4	-18.3	-18.6	-22.8	-3.5	6.4	9.6	8.5	14.63	13.9	1.5	3.2

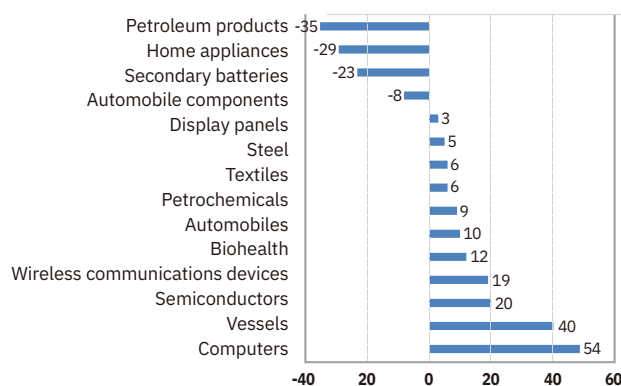
Source: Korea Customs Service.

Export growth and share by region in Oct 2024

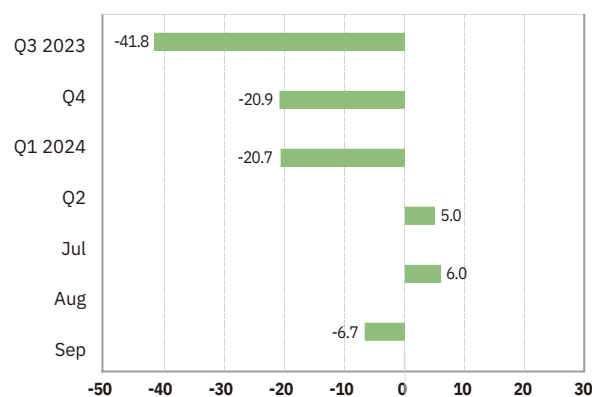
	Growth (y-o-y, %)	Share (%) ¹		Growth (y-o-y, %)	Share (%) ¹
Latin America	22	4	Middle East	-1	3
China	11	19	India	-1	3
EU	6	10	Japan	-3	4
CIS countries	5	-	ASEAN	-5	17
US	3	19			

¹ Cumulative total since January 2024.

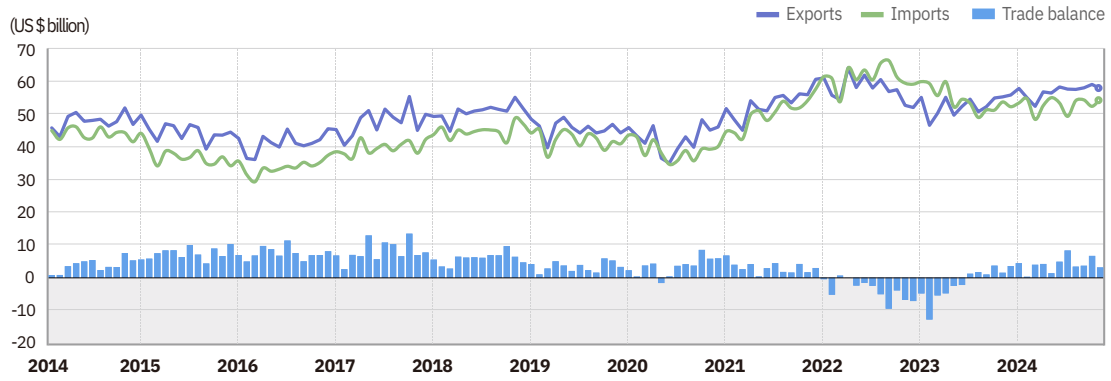
Export growth by item in Oct 2024 (y-o-y, %)



Energy Imports (y-o-y, %)

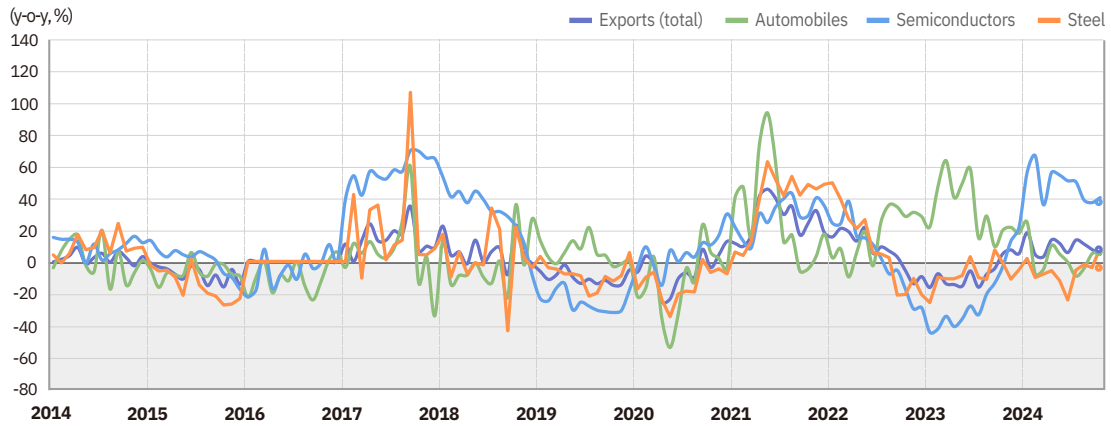


Exports and imports



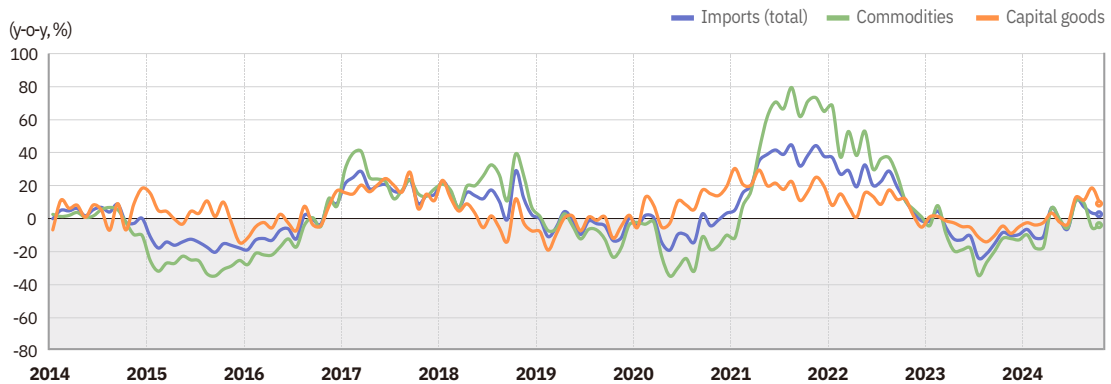
Sources: Korea Customs Service.

Export growth by item



Sources: Korea Customs Service.

Import growth by category



Sources: Korea Customs Service.

7. Employment

In October, the number of employed workers increased by about 83,000 year-on-year to 28,847,000 and the employment rate (*aged 15 and above*) stayed at the same level at 63.3 percent.

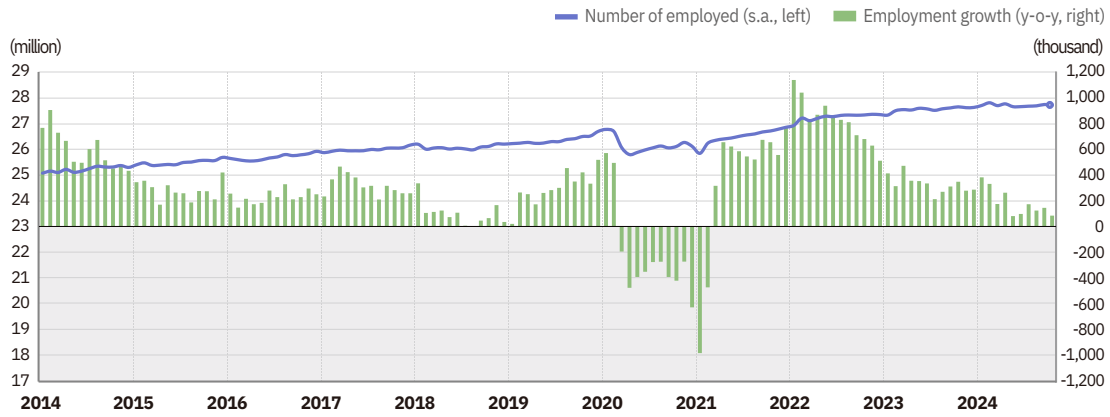
The negative employment growth in the manufacturing sector widened, while the negative growth in the wholesale and retail sectors narrowed.

In terms of employment type, the growth in the number of permanent workers slowed down, and the negative growth of temporary workers grew larger.

	2021	2022	2023	2023					2024							
	Annual	Annual	Annual	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Number of employed (million)	27.27	28.09	28.42	28.76	28.70	28.09	27.74	28.04	28.40	28.69	28.92	28.91	28.86	28.80	28.84	28.85
Employment rate (%)	60.5	62.1	62.6	63.3	63.1	61.7	61.0	61.6	62.4	63.0	63.5	63.5	63.3	63.2	63.3	63.3
(Seasonally adjusted)	-	-	-	62.7	62.6	62.6	62.8	63.0	62.8	62.9	62.6	62.6	62.6	62.7	62.8	62.7
- 15 to 64	66.5	68.5	69.2	69.7	69.6	69.2	68.7	68.7	69.1	69.6	70.0	69.9	69.8	69.8	69.9	69.8
Employment growth (y-o-y, thousand)	369	816	327	346	277	285	380	329	173	261	80	96	172	123	144	83
- Manufacturing	-8	135	-43	-77	-11	10	20	38	49	100	38	9	-11	-35	-49	-33
- Construction	74	33	-9	14	32	71	73	36	22	5	-47	-66	-81	-84	-100	-93
- Services	292	575	385	380	250	223	286	279	145	140	116	183	286	286	345	278
· Wholesale & retail	-150	-41	-37	11	7	0	0	2	-14	-39	-73	-51	-64	-55	-104	-148
· Hotels & restaurants	-47	84	114	52	7	17	-8	-2	7	29	80	47	34	7	46	28
· Healthcare & social welfare service	198	180	143	104	85	94	104	72	50	93	94	120	117	63	75	97
- Wage workers	421	749	327	398	337	332	376	386	216	345	208	223	252	189	160	96
· Permanent workers	366	805	478	440	419	390	320	357	286	293	75	139	96	99	79	91
· Temporary workers	152	43	-61	68	25	11	137	207	97	200	249	204	227	191	206	105
· Day laborers	-96	-100	-90	-110	-107	-69	-82	-177	-168	-147	-116	-121	-71	-101	-125	-100
- Nonwage workers	-53	68	0	-52	-60	-47	4	-57	-43	-84	-128	-127	-80	-67	-16	-13
· Self-employed	-18	119	57	-1	3	3	29	-21	-36	-94	-110	-100	-62	-38	22	37
- Male	166	381	24	28	18	72	108	83	-7	19	-45	-44	-29	-70	-84	-114
- Female	202	436	303	318	260	214	272	246	179	242	124	140	200	192	228	197
- 15 to 29	115	119	-98	-82	-67	-74	-85	-61	-131	-89	-173	-149	-149	-142	-168	-182
- 30 to 39	-107	49	54	110	80	64	85	71	91	132	74	91	110	99	77	67
- 40 to 49	-35	4	-54	-69	-62	-19	-42	-62	-79	90	-114	-106	-91	-68	-62	-72
- 50 to 59	66	194	59	51	36	34	71	84	59	16	27	2	23	3	25	12
- 60 and above	330	452	366	336	291	280	350	297	233	292	265	258	278	231	272	257

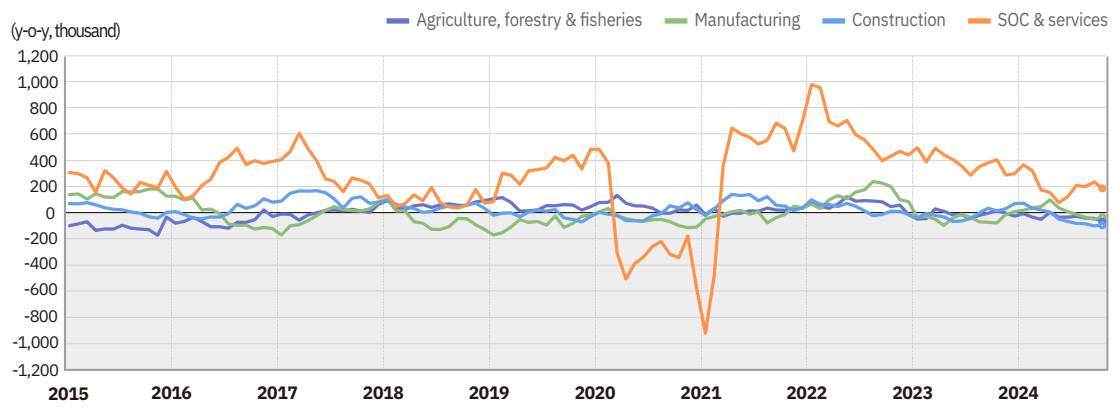
Source: Statistics Korea.

Number of employed workers and employment growth



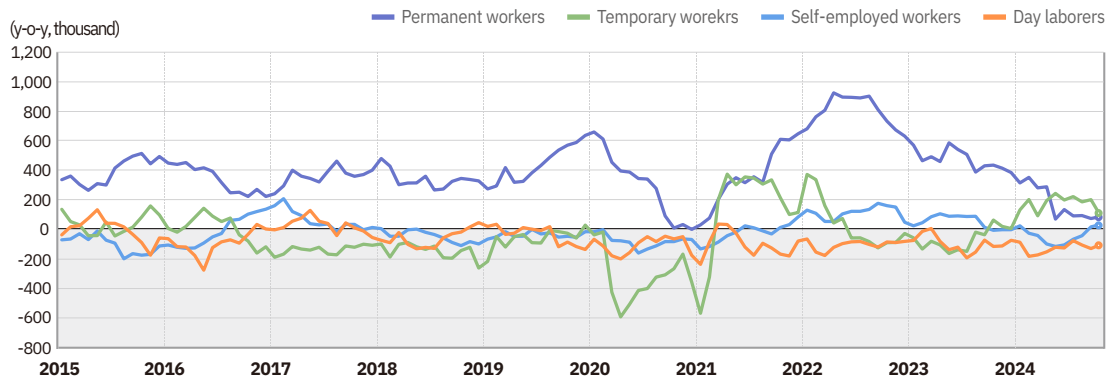
Source: Employment trends, Statistics Korea.

Employment growth by industry



Source: Economically active population survey, Statistics Korea.

Employment growth by type of employment



Source: Economically active population survey, Statistics Korea.

In October, the number of unemployed workers increased about 51,000 year-on-year to 678,000 and the unemployment rate increased by 0.2 percent point to 2.3 percent.

	2021	2022	2023	2023					2024							
	Annual	Annual	Annual	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Number of unemployed (thousand)	1,037	833	787	627	677	944	1,072	915	892	885	884	857	737	564	622	678
Unemployment growth (y-o-y, thousand)	-71	-205	-46	-66	11	78	48	25	52	81	97	50	-70	-9	-39	51
- Male	-48	-129	-14	-18	23	46	29	29	35	48	75	44	-38	-1	-26	22
- Female	-23	-76	-32	-47	-12	32	19	-5	17	33	21	6	-32	-8	-13	29
Unemployment rate (%)	3.7	2.9	2.7	2.1	2.3	3.3	3.7	3.2	3.0	3.0	3.0	2.9	2.5	1.9	2.1	2.3
(Seasonally adjusted)	-	-	-	2.5	2.8	3.3	3.0	2.6	2.8	2.8	2.8	2.8	2.5	2.4	2.5	2.7
- 15 to 29	7.8	6.4	5.9	5.1	5.3	5.5	6.0	6.5	6.5	6.8	6.7	6.2	5.5	4.1	5.1	5.5
- 30 to 39	3.3	2.7	2.6	2.3	2.5	2.6	2.8	3.1	3.2	2.8	2.9	3.1	2.8	2.4	2.2	2.3
- 40 to 49	2.4	2.0	1.9	1.5	1.8	1.7	2.2	2.1	2.2	2.2	2.2	2.4	1.8	1.3	1.5	1.7
- 50 to 59	2.6	1.7	1.7	1.4	1.7	1.6	1.9	1.9	2.2	2.2	2.0	1.8	1.5	1.2	1.4	1.7
- 60 and above	3.8	2.8	2.6	1.5	1.4	5.7	6.6	3.4	2.4	2.4	2.4	2.3	2.1	1.5	1.6	1.6

Source: Statistics Korea.

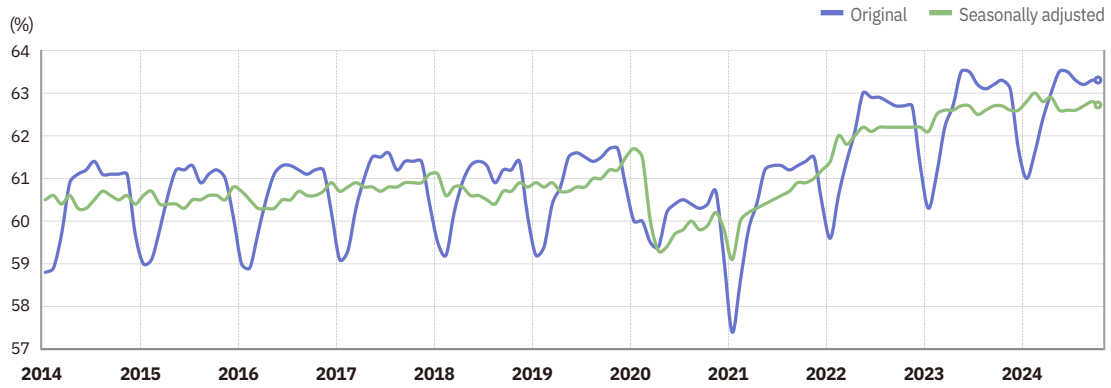
In October, the economically inactive population increased by 21,000 year-on-year to 16,082,000 and the labor force participation rate stayed at 64.7 percent.

The number of persons economically inactive due to child rearing and retaining fell, while the number of economically inactive persons due to housework and rest rose.

	2021	2022	2023	2023					2024							
	Annual	Annual	Annual	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Economically inactive population (million)	16.8	16.3	16.2	16.1	16.1	16.5	16.7	16.6	16.2	16.0	15.7	15.8	16.0	16.2	16.1	16.1
Labor force participation rate (%)	62.8	63.9	64.3	64.7	64.6	63.8	63.3	63.6	64.3	65.0	65.4	65.3	64.9	64.4	64.6	64.7
(Seasonally adjusted)	-	-	-	64.3	64.3	64.6	64.7	64.7	64.6	64.7	64.5	64.4	64.2	64.2	64.3	64.4
Growth in economically inactive population (y-o-y, thousand)	-3	-432	-134	-130	-130	-190	-267	-183	-63	-174	-12	21	89	48	54	21
- Childcare	-68	-125	-140	-122	-121	-138	-102	-102	-110	-142	-136	-115	-121	-131	-122	-112
- Housework	51	-53	-1	17	-19	13	-21	49	34	7	63	58	53	61	62	50
- Retraining	-164	-136	11	-29	-10	-20	-46	-27	-55	-92	-54	-67	-24	-45	-48	-56
- Old age	131	121	-31	43	83	87	71	61	78	85	120	103	13	3	-3	6
- Rest	24	-122	74	6	-8	-124	-108	-61	30	38	87	129	243	245	231	207
- Job seeking	51	-78	-88	-93	-58	-36	-56	-49	-9	-32	-76	58	-46	-52	-63	-24

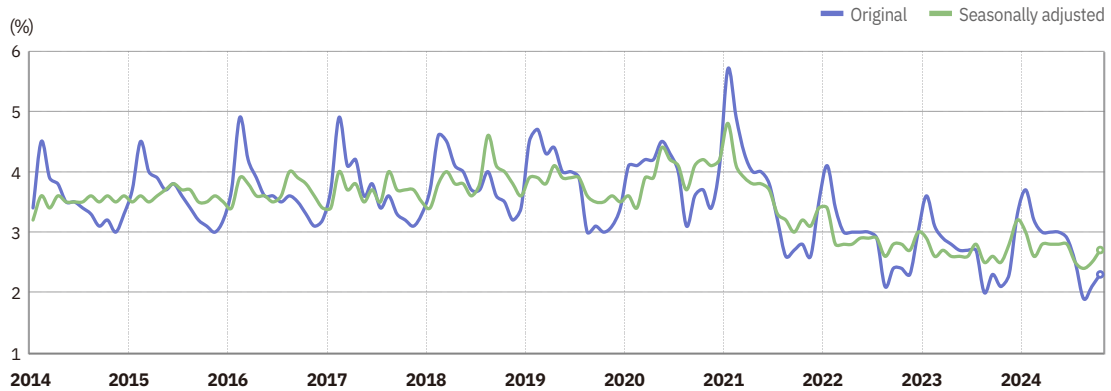
Source: Statistics Korea.

Employment rate



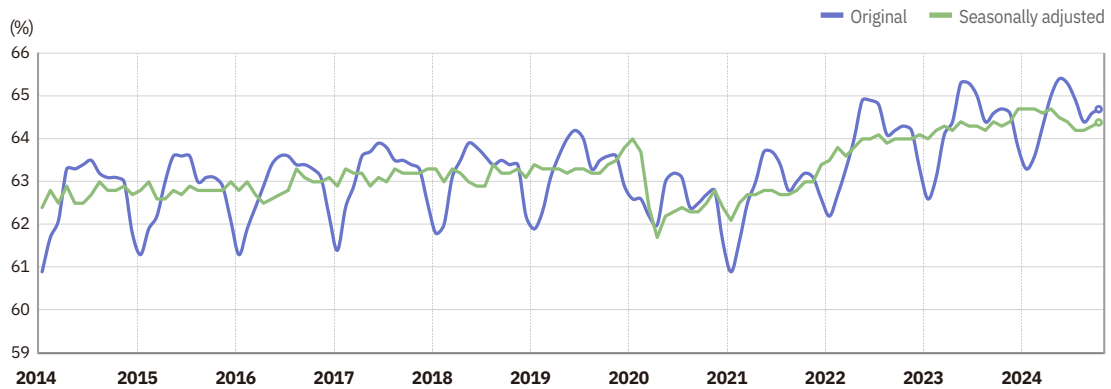
Source: Employment trends, Statistics Korea.

Unemployment rate



Source: Employment trends, Statistics Korea.

Labor force participation



Source: Employment trends, Statistics Korea.

8. Prices

The Consumer Price Index (CPI) measured 1.3 percent from a year ago and remained unchanged month-on-month in October due to falling oil prices.

The prices of consumer goods excluding food and energy rose 1.8 percent year-on-year in October. The prices of consumer goods excluding crops and oil products rose 1.7 percent.

The index of prices for basic necessities rose 1.2 percent year-on-year in October. The fresh food price index rose 1.6 percent.

(Percentage change from same period in previous year)

	2023										2024								
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
CPI (y-o-y)	3.7	3.4	2.7	2.4	3.4	3.7	3.8	3.3	3.2	2.8	3.1	3.1	2.9	2.7	2.4	2.6	2.0	1.6	1.3
(m-o-m)	0.2	0.3	0.0	0.1	0.9	0.5	0.4	-0.5	0.0	0.4	0.5	0.1	0.0	0.1	-0.2	0.3	0.4	0.1	0.0
Excluding food and energy	3.9	3.8	3.3	3.2	3.1	3.1	3.1	2.9	2.8	2.5	2.5	2.4	2.3	2.2	2.2	2.1	2.0	1.8	1.8
Excluding crops and oil products	4.5	4.3	4.0	3.8	3.7	3.7	3.5	3.2	3.1	2.6	2.6	2.4	2.2	2.0	2.0	2.1	1.9	1.8	1.7
Basic necessities	3.7	3.3	2.5	2.0	3.9	4.4	4.5	3.9	3.7	3.4	3.7	3.8	3.5	3.1	2.8	3.0	2.1	1.5	1.2
Fresh food	3.4	3.8	4.2	2.2	6.6	7.6	13.3	13.7	14.5	14.4	20.0	19.5	19.1	17.3	11.7	7.7	3.2	3.4	1.6

Source: Statistics Korea.

The price of farm and fishery products grew more slowly in October than it did in September due to a drop in the price of fruits, even though the price of vegetables continued to rise.

The year-on-year growth rate of domestic oil prices decreased further compared to the previous month, driven by falling international oil prices which are coming off a period of high prices from last year.

(Percentage change from same period in previous year)

	Farm and fishery products	Manufactured products	Petroleum products	Public utilities	Housing rents	Public services	Personal services
Sep 2024	2.3	0.3	-7.6	3.0	0.5	1.3	2.9
Oct 2024	1.2	-0.3	-10.9	3.0	0.5	0.9	2.9
Contribution (%p)	0.1	-0.1	-0.5	0.1	0.1	0.1	1.0

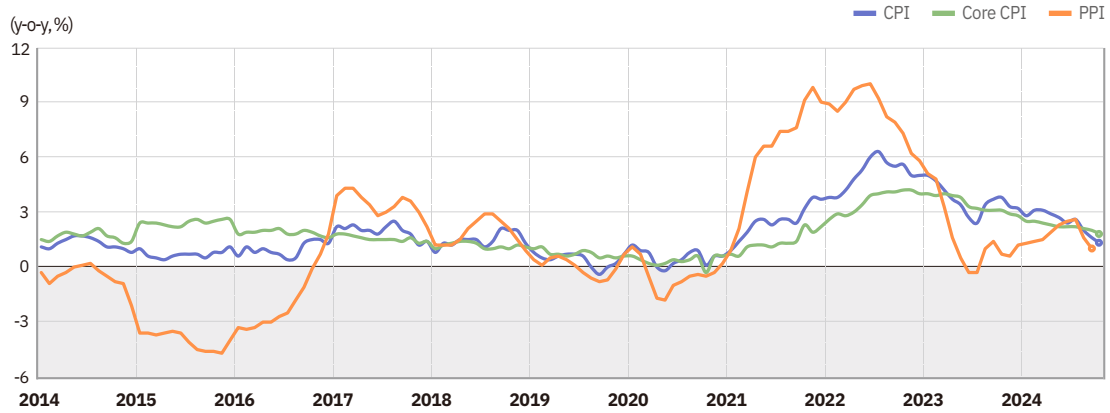
Source: Statistics Korea.

(Won/liter, period average)

	2022	2023	2022				2023				2024								
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Oct	1st week	2nd week	3rd week	4th week	5th week
Gasoline prices	1,813	1,643	1,764	2,009	1,852	1,627	1,578	1,617	1,690	1,687	1,607	1,681	1,674	1,591	1,586	1,587	1,592	1,595	1,603
Diesel prices	1,843	1,558	1,608	1,986	1,942	1,833	1,607	1,467	1,544	1,615	1,512	1,528	1,510	1,421	1,418	1,418	1,422	1,424	1,432

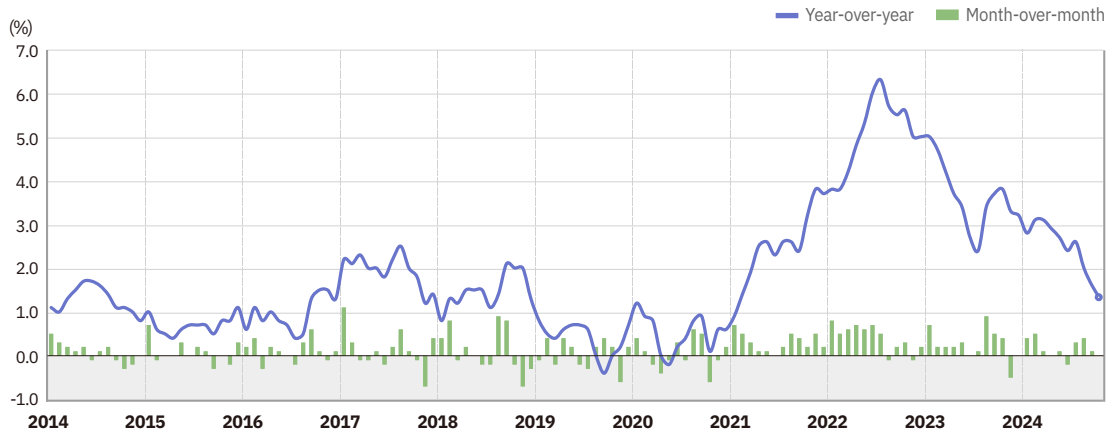
Source: Korea National Oil Corporation.

Prices



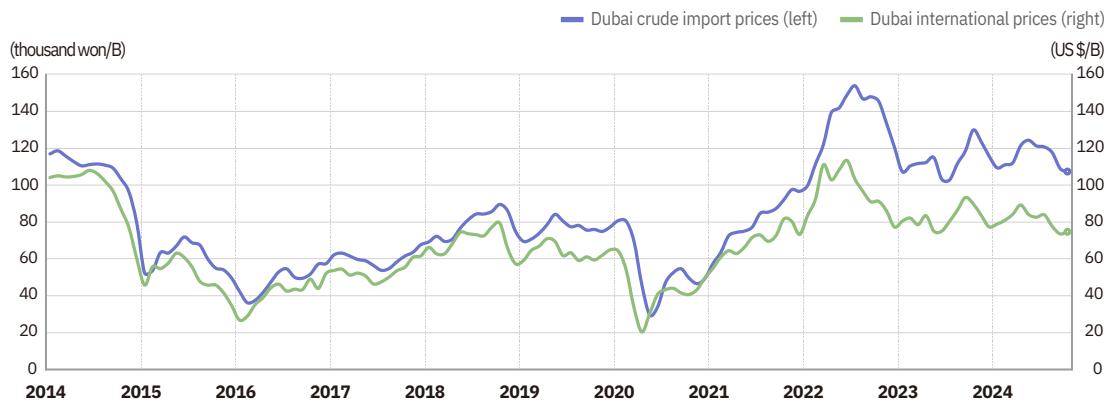
Sources: Consumer price trends, Statistics Korea; Bank of Korea.

Consumer price inflation



Source: Consumer price trends, Statistics Korea.

Dubai crude prices and import prices



Source: Korea National Oil Corporation.

International oil prices increased slightly amid concerns of disruption in the supply of Iranian oil.

International grain prices increased due to unfavorable weather conditions.

Nonferrous metal prices rose as major markets anticipated a recovery in demand.

(Period average)

	2022	2023	2022				2023				2024					
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	Oct
Dubai crude ¹	96.4	82.1	96.2	108.3	96.7	84.8	80.3	77.6	86.6	83.7	81.2	85.3	78.5	77.6	73.5	74.9
WTI crude ¹	94.4	77.6	95.0	108.9	91.4	82.6	76.0	73.6	82.2	78.5	76.9	80.7	75.3	75.4	69.4	71.6
Brent crude ¹	99.1	82.2	97.9	112.0	97.7	88.6	82.1	77.7	85.9	82.9	81.8	85.0	78.7	78.9	72.9	75.4
Reuters Index ²	3,542	3,104	3,489	3,791	3,497	3,397	3,265	3,040	3,066	3,045	2,948	3,110	3,080	3,024	3,105	3,202

Source: Korea National Oil Corporation; Korea PDS.

¹ US \$/barrel,

² A weighted average index of 17 major commodities (Sep 18, 1931=100)

International grain prices growth in Oct 2024 (m-o-m, %)

Wheat	1.6
Soybeans	-1.6
Corn	1.4

Note: Monthly average prices.

Nonferrous metal prices growth in Oct 2024 (m-o-m, %)

Copper	3.1
Aluminum	6.0
Nickel	4.3

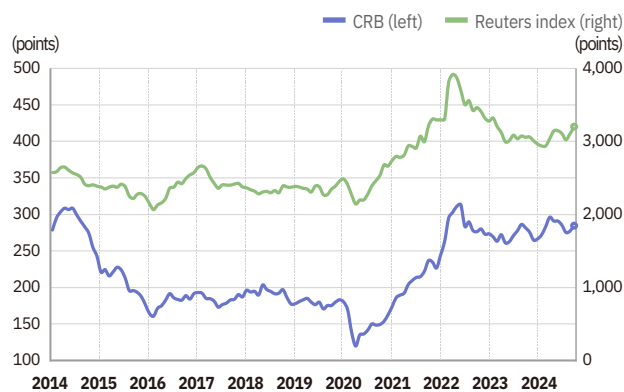
Note: Monthly average prices.

International oil prices



Source: Korea National Oil Corporation.

International commodity prices



Source: Korea PDS

9. Housing market

Nationally, housing sales prices rose 0.07 percent month-on-month in October.

Within the Seoul metropolitan area, housing sales prices rose 0.22 percent, rising 0.33 percent in Seoul, 0.17 percent in Gyeonggi Province, and 0.08 percent in Incheon.

In the areas excluding the Seoul metropolitan, housing sales prices declined 0.06 percent, decreasing 0.15 percent in the five metropolitan cities and in the eight provinces on the average.

Housing sales prices

(Percentage change from previous period)

	2019	2020	2021	2022	2023	2023	2024			
	Annual	Annual	Annual	Annual	Annual	Oct	Cumulative total	Aug	Sep	Oct
Nationwide	-0.4	5.4	9.9	-4.7	-3.6	0.20	0.20	0.24	0.17	0.07
Seoul metropolitan area	0.5	6.5	12.8	-6.5	-3.6	0.32	1.30	0.53	0.39	0.22
- Seoul	1.2	2.7	6.5	-4.8	-2.0	0.25	2.89	0.83	0.54	0.33
· Southern Seoul	1.4	2.2	6.8	-4.1	-1.5	0.30	3.25	0.97	0.59	0.34
· Northern Seoul	1.1	3.2	6.1	-5.4	-2.4	0.20	2.50	0.68	0.49	0.32
Areas excluding the Seoul metropolitan area	-1.1	4.3	7.4	-3.0	-3.5	0.09	-0.83	-0.04	-0.03	-0.06

Source: Korea Real Estate Board.

Housing sales prices in six major cities in Oct 2024 (m-o-m, %)

Busan	Daegu	Gwangju	Daejeon	Ulsan	Sejong
-0.17	-0.27	-0.10	-0.07	0.03	-0.20

Source: Korea Real Estate Board.

Nationally, housing rental prices rose 0.16 percent month-on-month in October.

By region, housing rental prices increased 0.33 percent in the Seoul metropolitan area and 0.01 percent in other areas.

Housing rental prices

(Percentage change from previous period)

	2019	2020	2021	2022	2023	2023	2024			
	Annual	Annual	Annual	Annual	Annual	Oct	Cumulative total	Aug	Sep	Oct
Nationwide	-1.3	4.6	6.5	-5.6	-5.1	0.36	1.16	0.22	0.19	0.16
Seoul metropolitan area	-0.8	5.6	7.7	-8.0	-5.7	0.65	2.88	0.46	0.40	0.33
- Seoul	-0.4	3.7	4.9	-6.5	-5.3	0.41	3.08	0.52	0.40	0.30
· Southern Seoul	-0.5	4.4	5.1	-6.9	-5.8	0.41	2.78	0.53	0.40	0.29
· Northern Seoul	-0.4	2.9	4.7	-6.2	-4.7	0.40	3.40	0.50	0.40	0.31
Areas excluding the Seoul metropolitan area	-1.7	3.7	5.5	-3.3	-4.4	0.09	-0.43	-0.02	-0.02	0.01

Source: Korea Real Estate Board.

Housing rental prices in major districts in Oct 2024 (m-o-m, %)

Gangnam	Seocho	Seongdong	Nowon	Yeongdeungpo
0.55	0.44	0.68	0.40	0.49

Source: Korea Real Estate Board.

There were 51,267 housing sales transactions in September, down 15.5 percent month-on-month (60,648 in August 2024) and up 3.7 percent year-on-year (49,448 in September 2023).

Housing sales transactions

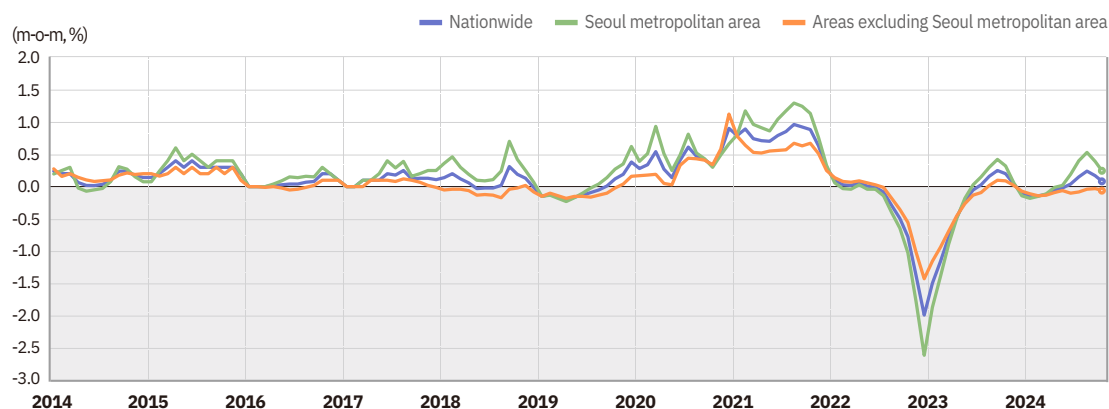
(Thousand)

	2020	2021	2022	2023	2023					2024							
	Annual ¹	Annual ¹	Annual ¹	Annual ¹	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Nationwide	107	85	42	46	49	48	45	38	43	43	53	58	57	56	68	61	51

¹ Monthly average.

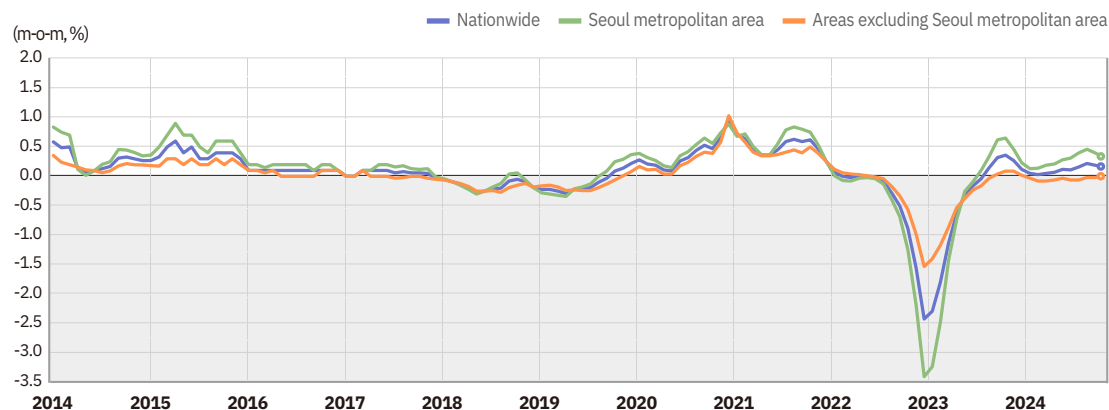
Source: Ministry of Land, Infrastructure and Transport.

Housing sales prices



Source: Korea Real Estate Board

Housing rental prices



Source: Korea Real Estate Board

Financial Markets

1. Stock market

The Korean equity markets, KOSPI and KOSDAQ, fell in October due to concerns of weakening profitability among AI companies and the poor performance of secondary battery companies.

	KOSPI			KOSDAQ		
	Sep 2024	Oct 2024	Change	Sep 2024	Oct 2024	Change
Stock price index (points)	2,593.3	2,556.2	-37.1 (-1.43%)	763.9	743.1	-20.8 (-2.72%)
Market capitalization (trillion won)	2,116.0	2,083.8	-32.2 (-1.52%)	376.3	368.5	-7.8 (-2.07%)
Daily trade (trillion won)	10.3	9.7	-0.6 (-5.83%)	6.3	6.1	-0.2 (-3.17%)
Foreign stock ownership (% , %p)	33.20	32.89	-0.31 (-0.93%)	9.83	9.86	0.03 (0.31%)

Source: Korea Exchange.

Note: The figures are closing rate.

2. Bond market

The government issued 9.9 trillion won worth of Treasury bonds in October.

(End-period, trillion won)

	2020	2021	2022	2023	2023			2024									
	Annual	Annual	Annual	Annual	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Treasury bonds issuance ¹	174.5	180.5	168.6	165.7	10.5	6.9	4.0	12.5	17.5	18.4	15.0	18.5	18.3	15.8	11.8	10.8	9.9

Source: Monthly public finance, Ministry of Economy and Finance.

¹ Issuance limit is 158.4 trillion won in 2024.

Korean Treasury bond yields rose as expectations of further interest rate cuts by the U.S. Fed have moderated.

Yields to maturity in Oct 2024 (m-o-m, basis points)

3 yrs	5 yrs	10 yrs	20 yrs	30 yrs
13	11	11	11	6

(Percent per annum)

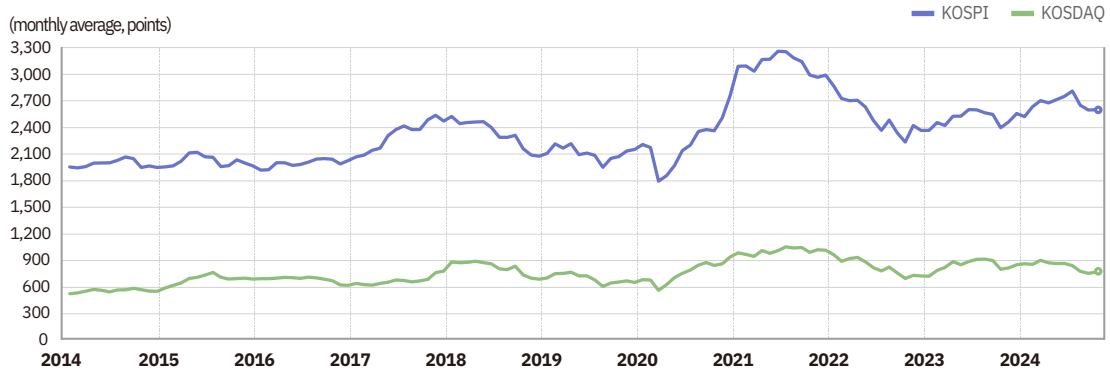
	2017	2018	2019	2020	2021	2022	2023	2024		
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Sep	Oct	Change ¹
Call rate (1 day)	1.58	1.89	1.39	0.61	1.44	3.38	3.91	3.60	3.29	-31
CD (91 days)	1.66	1.93	1.53	0.66	1.29	3.98	3.83	3.53	3.43	-10
Treasury bonds (3 yrs)	2.14	1.82	1.36	0.98	1.80	3.72	3.15	2.81	2.94	13
Treasury bonds (5 yrs)	2.34	1.88	1.48	1.34	2.01	3.74	3.16	2.89	3.00	10
Corporate bonds (3 yrs)	2.68	2.29	1.94	2.21	2.42	5.23	3.90	3.40	3.50	11

Source: Bank of Korea.

Note: Figures are closing rate.

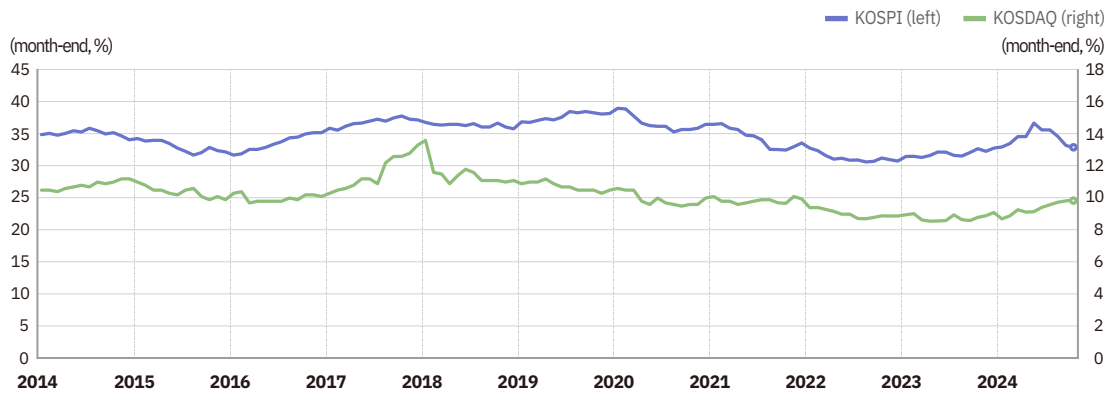
¹ Change from the previous month as of end-Oct 2024, basis point.

Stock prices



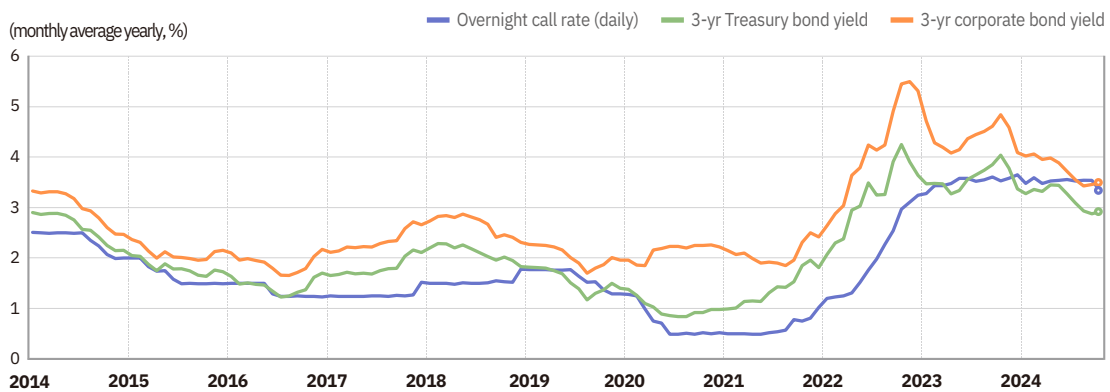
Source: Korea Exchange

Foreign stock ownership



Sources: Financial Supervisory Service, Korea Exchange

Interest rates



Source: Bank of Korea

3. Foreign exchange market

The won weakened against the US dollar in October compared to the previous month.

	2019	2020	2021	2022	2023	2024		Change ¹
	Dec	Dec	Dec	Dec	Dec	Sep	Oct	
Dollar-Won	1,156.4	1,086.3	1,188.8	1,264.5	1,288.0	1,307.8	1,379.9	-5.2
100 Yen-Won	1,059.8	1,051.2	1,032.5	945.6	912.25	924.5	902.2	2.5
Yuan-Won	165.6	167.0	186.6	181.6	181.17	186.7	193.6	-3.6

Source: Bank of Korea.

Note: The exchange rate is based on the closing price at 3:30 pm, local time.

¹ Appreciation from the end of the previous month as of end- Oct 2024, %.

4. Money market

M2 (*monthly average*) rose 6.1 percent year-on-year in September.

(Percentage change from same period in previous year)

	2016	2017	2018	2019	2020	2021	2022	2023	2024		
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Aug ¹	Sep	Sep ²
M1 ³	15.4	9.2	4.9	4.3	20.8	21.0	4.0	-10.5	2.8	3.6	1,229.8
M2	7.3	5.5	6.3	7.0	9.3	11.7	8.5	2.9	6.1	6.1	4,059.0
Lf ⁴	8.1	6.7	7.0	7.9	8.3	9.8	7.5	3.1	5.4	5.2	5,536.1

Source: Bank of Korea.

¹ Preliminary.

² Period-average, trillion won.,

³ M1 excludes corporate MMFs and individual MMFs, and includes CMAs.

⁴ Liquidity aggregates of financial institutions (mostly identical with M3).

In October, the deposits of banks continued to increase by 8.4 trillion won, and the deposits of Asset Management Companies (AMC) increased by 29.6 trillion won.

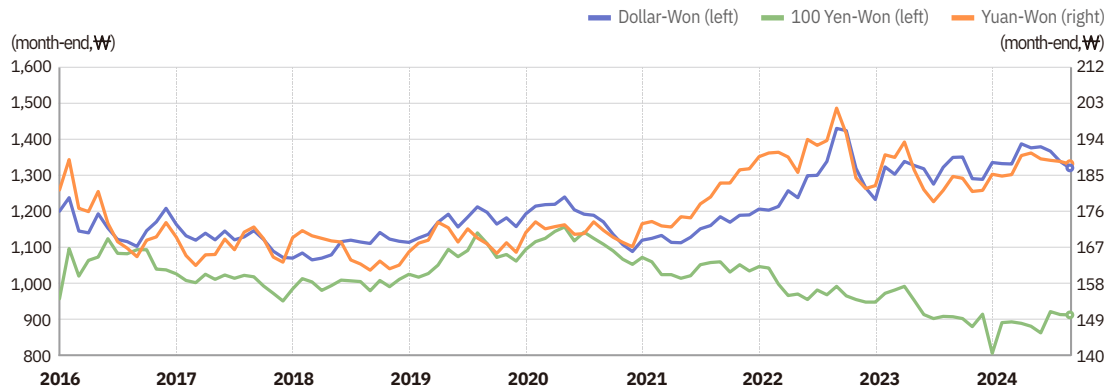
(Change from the end of the previous period, trillion won)

	2016	2017	2018	2019	2020	2021	2022	2023	2024				
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Jul	Aug	Sep	Oct	Oct ¹
Bank deposits	80.8	79.5	91.6	106.3	188.4	198.5	107.4	76.4	-30.7	21.5	18.9	8.4	2,399.2
AMC deposits	47.6	27.9	53.8	98.6	42.2	93.9	44.4	93.7	34.4	-0.9	-14.6	29.6	1,056.6

Source: Bank of Korea.

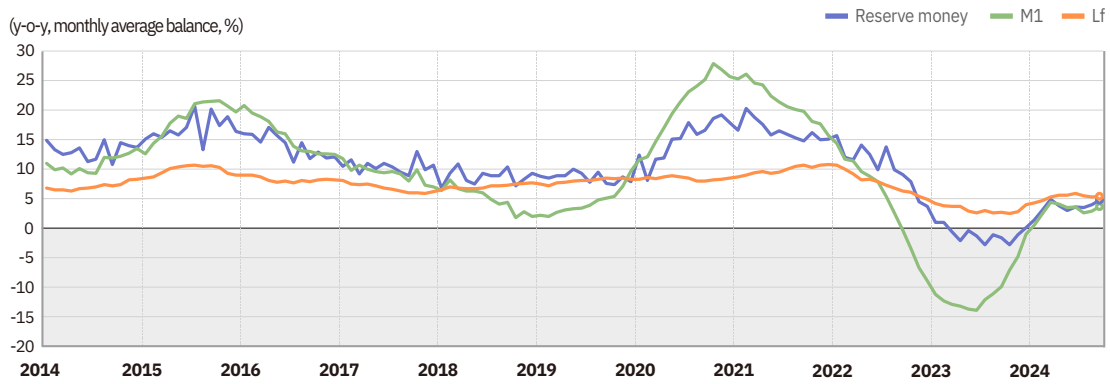
¹Balance at end- Oct 2024.

Foreign exchange rates



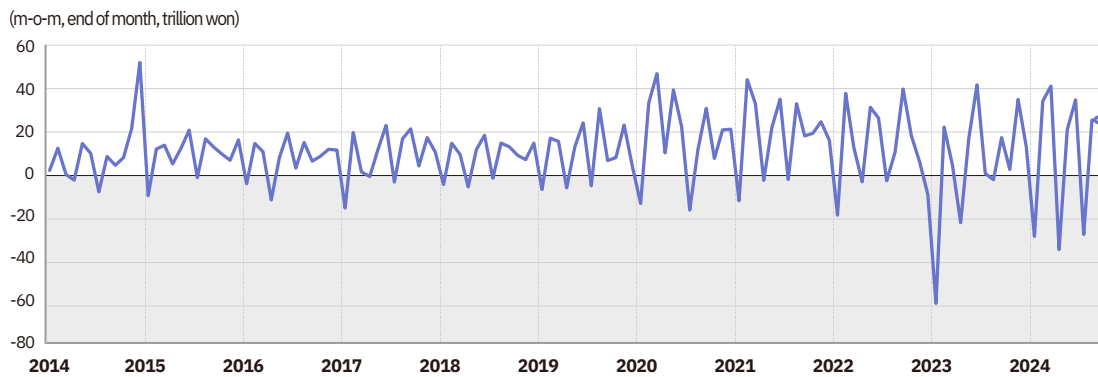
Source: Bank of Korea.

Total money supply



Source: Bank of Korea.

Total deposits of banks



Source: Bank of Korea.

5. Official foreign reserves

Korea's official foreign reserves increased month-on-month to US \$415.7 billion as of the end of October.

(US \$ billion)

	2020	2021	2022	2023	2023		
					Sep	Oct	Change (m-o-m)
Official foreign reserves	443.1	463.1	423.2	420.2	420.0	415.7 (100%)	-4.3
- Securities ¹	409.8	421.7	369.7	373.7	373.3	373.3 (89.8%)	-
- Deposits	20.3	16.6	29.3	22.0	22.3	18.4 (4.4%)	-3.9
- SDRs	3.4	15.4	14.8	15.1	15.3	15.1 (3.6%)	-0.3
- IMF position ²	4.8	4.6	4.5	4.6	4.3	4.2 (1.0%)	-0.1
- Gold	4.8	4.8	4.8	4.8	4.8	4.8 (1.2%)	0.0

Source: Bank of Korea.

¹ Including government bonds, government agency bonds, debentures, MBSs, ABSs, etc.

² Claims related to the IMF composed of the reserve tranche position (RTP) and loans.

6. External debt

External debt amounted to US \$702.7 billion as of the third quarter of 2024, up US \$44.4 billion quarter-on-quarter. Short-term debt was US \$158.7 billion (up US \$16.8 billion q-o-q), and long-term debt was US \$544.0 billion (up US \$27.6 billion q-o-q). Net external assets decreased by US \$3.4 billion to US \$278.0 billion.

(End-period, US \$billion)

	2023 ¹				2024 ¹			Change (q-o-q)
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
External assets (in debt instruments, A)	1,039.1	1,035.1	1,017.4	1,044.5	1,052.1	1,039.7	1,080.7	41.0
Total debt (B)	673.0	674.2	659.8	672.5	667.5	658.3	702.7	44.4
- Short-term	178.8	166.1	146.1	140.7	141.0	142.0	158.7	16.8
- Long-term	494.2	508.1	513.7	531.9	526.5	516.3	544.0	27.6
Short-term/Total debt (%)	26.6	24.6	22.1	20.9	21.1	21.6	22.6	1.0%p
Short-term/Reserve assets (%)	42.0	39.4	35.3	33.5	33.6	34.4	37.8	3.4%p
Net external assets (A-B)	366.1	360.8	357.6	372.0	384.6	381.5	378.0	-3.4

Source: Ministry of Economy and Finance, Bank of Korea.

¹ Preliminary.

Public Finance

1. Fiscal balance

The consolidated fiscal balance recorded a deficit of 52.9 trillion won in September, an increase of 21.7 trillion won y-o-y. The managed fiscal balance also recorded a deficit of 91.5 trillion won, an increase of rose 20.9 trillion won y-o-y.

(Trillion won, percent)

	2023					2024 ¹				Change
	Main budget (a)	Settlement (b)	Sep (Cumulative, c)	(c)/(a)	(c)/(b)	Main budget (d)	Sep (Cumulative, e)	(e)/(d)	(e)-(c)	
A. Total revenue	625.7	573.9	436.3	69.7	76.0	612.2	439.4	71.8	3.1	
B. Total spending	638.7	610.7	467.5	73.2	76.5	656.6	492.3	75.0	24.8	
C. Consolidated fiscal balance (A-B)	-13.1	-36.8	-31.2	-	-	-44.4	-52.9	-	-21.7	
D. Net social security fund ²	45.1	50.3	39.4	-	-	47.2	38.6	-	-0.9	
E. Managed fiscal balance (C-D)	-58.2	-87.0	-70.6	-	-	-91.6	-91.5	-	-20.9	

Source: Monthly public finance and Open fiscal data, Ministry of Economy and Finance.

¹ Preliminary.

² National Pension Fund, Private School Personnel Pension Fund, Industrial Accident Compensation Insurance & Prevention Fund and Employment Insurance Fund.

Fiscal balance and outlook

(Trillion won)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Consolidated fiscal balance	8.5	-0.2	16.9	24.0	31.2	-12.0	-71.2	-30.4	-64.6	-36.8	-50.4
Managed fiscal balance	-29.5	-38.0	-22.7	-18.5	-10.6	-54.4	-112.0	-90.5	-117.0	87.0	-84.2

2. Government debt

Total amount of central government debt in August was 1,48.6 trillion won, down 18.7 trillion won from a month earlier. Treasuries totaled 1,147.2 trillion won. Bonds were 1,056.0 trillion won, national housing bonds were 79.9 trillion won, and foreign exchange stabilization bonds were 11.3 trillion won.

(Trillion won)

	2018	2019	2020	2021	2022	2023	2024 ¹	
	Annual	Annual	Annual	Annual	Annual	Annual	Aug	Sep
Central gov't debt	651.8	699.0	819.2	939.1	1,033.4	1,092.5	1,159.3	1,148.6
(% of GDP)	34.3	36.3	42.2	45.1	47.8	48.9	-	-
- Treasuries (total) ²	648.4	696.3	815.2	937.0	1,031.5	1,091.1	1,157.9	1,147.2
· Bonds	567.0	611.5	726.8	843.7	937.5	998.0	1,066.2	1,056.0
· National housing bonds	73.3	76.4	78.9	82.2	82.2	81.6	79.9	79.9
· Foreign exchange stabilization bonds	8.0	8.3	9.5	11.2	11.8	11.5	11.8	11.3
- Loans	3.2	2.6	3.3	2.0	1.9	1.2	1.2	1.2
- Treasury commitments	0.2	0.1	0.7	0.1	0.1	0.2	0.2	0.2

Source: Monthly public finance and Open fiscal data, Ministry of Economy and Finance.

¹ Preliminary.

² Including debt-equity swap securities for international organizations.

Economic News Briefing



- Preparations to Issue the First-Ever Australian Dollar-Denominated Foreign Exchange Bond
- 2024 Article IV Consultation: Meetings with the IMF Mission Team to Korea
- Korea's External debt Amounted to US\$702.7 billion in Q3 2024

Preparations to Issue the First-Ever Australian Dollar-Denominated Foreign Exchange Bond

On November 7, the Korean government finalized the selection of agencies - Australia and New Zealand (ANZ), Mizuho, and Nomura - for the issuance of Australian dollar-denominated foreign exchange stabilization bonds (hereafter “FX bonds”), officially commencing preparations for this issuance. This marks the government’s first issuance of bonds denominated in Australian dollars.



By issuing Australian dollar-dominated bonds, the government foremost seek to broaden the base of global investors in Korean bonds. With Korea’s recent inclusion into the World Government Bond Index (WGBI), it is considered an opportune time to explore investment demand for Korean bonds.

Second, the government aims to strengthen the core function of FX bonds by issuing bonds in the Australian dollar which will introduce a new currency to invest in Korean bonds. This will establish a benchmark rate, enabling onshore companies and financial institutions to secure funding in Australian dollars at more favorable interest rates.

Third, this bond issuance is also beneficial in that the issuance process offers a valuable opportunity to promote Korea’s strong external and fiscal soundness, as well as its policies aimed at enhancing accessibility in FX and capital markets, to global investors.

To ensure the success of the issuance, the Korean government will host an in-person roadshow for investors in Australia ahead of the issuance. The government also plans to engage investors worldwide through its virtual outreach platform, Global Investor Call (GIC).

2024 Article IV Consultation: Meetings with the IMF Mission Team to Korea

On November 19, the First Vice Minister Beomseok Kim held a meeting with the International Monetary Fund (IMF) team, led by Mr. Rahul Anand, the Mission Chief for Korea. The IMF mission team visited Korea from November 7 to November 20 as part of the 2024 Article IV Consultation¹.



Mission Chief Rahul Anand and his team shared the results of the two-week annual consultation with Vice Minister Kim and held discussions on key issues. The IMF highlighted Korea's strong economic fundamentals, noting that the country has effectively navigated multiple global shocks with appropriate macroeconomic policies. The IMF mission team expected Korea's domestic demand to recover gradually next year alongside moderation in export growth, allowing the economy to reach its potential growth rate. The IMF projected the Korean economy to grow by 2.0 percent in 2025 and inflation to remain near the target of 2 percent in the near term. To sustain macroeconomic stability and promote economic recovery, the IMF mission team emphasized the need for a near-term mix of monetary normalization, exchange rate flexibility, gradual fiscal consolidation, and targeted financial policies.

The IMF mission team also highlighted the government's swift and appropriate response mechanisms amid the transition to a new U.S. administration. The IMF mission team recommended promoting innovation and diversifying export markets to maintain export competitiveness in a changing trade environment. In addition, the IMF mission team highlighted the government's recent efforts to improve Korea's foreign exchange market structure and the expected benefits of Korea's inclusion in the World Government Bond Index (WGBI), which would expand transaction volumes and market participants, ultimately contributing to reducing volatility.

The IMF mission team was supportive of the government's sound fiscal policy reflected in the 2025 budget proposal and its focus on restructuring expenditure. However, it was also noted that tackling declining labor force due to rapid population aging, enhancing capital allocation, and bolstering productivity is crucial to boosting the economy's growth potential. The IMF mission team emphasized that reforms would also promote greater resilience in a changing environment characterized by geoeconomic fragmentation, technological changes, population aging, and climate change.

The IMF mission team emphasized the importance of securing fiscal space by implementing sound fiscal policies, considering future fiscal demands from Korea's aging demographics. In this context, IMF mission team positively assessed Korea's recent pension reform initiatives and efforts to institutionalize fiscal rules.

In concluding the meetings, Vice Minister Kim agreed with the IMF's overall assessment of the Korean economy and reiterated the Korean government's commitment to maintaining a stable recovery trajectory despite increasing uncertainties in the global economy.

¹ Under Article IV of the IMF Articles of Agreement, this annual consultation reviews the overall economic conditions of member countries, including macroeconomic, fiscal, and financial aspects, and culminates in the release of country-specific reports following approval by the Executive Board. Please find [here](#) for the IMF press release.

Korea's External debt Amounted to US\$702.7 billion in Q3 2024

Korea's external debt amounted to \$702.7 billion as of the third quarter of 2024, increasing by \$44.4 billion from the previous quarter. Meanwhile, external assets recorded \$1.0807 trillion, increasing by \$41.0 billion from the previous quarter. Net external assets, which is external assets minus external debt, declined by \$3.4 billion to \$378.0 billion from the previous quarter.

Both the ratio of short-term external debt to total external debt and the ratio of short-term external debt to total reserves remained at low levels compared to the previous years, although they have increased from the previous quarter. Short-term external debt to total external debt rose from 21.6% in Q2 2024 to 22.6% in Q3 2024, as did the ratio of short-term external debt to total reserves, which rose from 34.4% in Q2 2024 to 37.8% in Q3 2024.



Related Websites



Ministry of Economy and Finance
<https://english.moef.go.kr/>



Korea Development Institute (KDI)
<https://www.kdi.re.kr/eng/>



Ministry of Trade, Industry and Energy
<https://english.motie.go.kr/www/main.do>



Bank of Korea
<https://www.bok.or.kr/eng/main/main.do>



Statistics Korea
<https://kostat.go.kr/anse/>



Korea Customs Service
<https://www.customs.go.kr/english/main.do>



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



Financial Supervisory Service
<https://www.fss.or.kr/eng/main/main.do?menuNo=400000>



Ministry of Land, Infrastructure and Transport
<https://www.molit.go.kr/english/intro.do>



Korea Real Estate Board
<https://www.reb.or.kr/rebEng/main.do>



Korea Exchange
<https://global.krx.co.kr/main/main.jsp>



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Republic of Korea
Economic Bulletin

December 2024 Vol.46 No.12

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