

April 2026

Vol.48 No.4

Current Economic Trends

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Korean GDP in 2025

Korea-Japan Finance Ministerial Dialogue

Meeting with IMF

# Republic of Korea Economic Bulletin





▲ K-pop gains popularity in global music market.

## Republic of Korea **Economic Bulletin**

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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.

**April 2026 Vol.48 No.4**

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# Current Economic Trends

## Overview

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### Economic Activity

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2. Bond market
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1. Fiscal balance
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# Overview

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**In January, facility investment and retail sales increased, while industrial production and construction investment declined. In February, employment went up with a larger increase in the number of employed persons, while inflation maintained the same growth rate as the previous month.**

In January, total industrial production (*down 1.3% m-o-m and up 4.1% y-o-y*), as services sector remained flat (*0.0% m-o-m and up 4.4% y-o-y*), while production in the industrial sector (*down 1.9% m-o-m and up 7.1% y-o-y*) and construction (*down 11.3% m-o-m and down 9.7% y-o-y*) declined.

In January, the cyclical indicator of the coincident composite index remained flat, while the cyclical indicator of the leading composite index edged up by 0.7 points.

In January, facility investment (*up 6.8% m-o-m and up 15.3% y-o-y*) and retail sales (*up 2.3% m-o-m and up 0.1% y-o-y*) picked up.

In February, the Consumer Sentiment Index (CSI) improved. The Composite Business Sentiment Index (CBSI) and the CBSI outlook also increased.

In February, exports increased by 28.7 percent year-on-year, driven by strong performance in semiconductors, computers, and ships. Notably, the daily average export amount reached \$3.5 billion, a 49.0 percent increase year-on-year.

In February, the number of employed persons increased by 234,000 year-on-year in February up from 108,000 in January, while the unemployment rate stood at 3.4 percent, up 0.2 percentage points year-on-year.

In February, the Consumer Price Index (CPI) increased by 2.0 percent year-on-year, unchanged from 2.0 percent in January. The index excluding food and energy rose by 2.3 percent.

In February, housing prices (*up 0.23% m-o-m*) and *Jeonse* (lump-sum deposits with no monthly payments) prices rose (*up 0.22% m-o-m*).

In February, Korean equity prices rose, yields for Korean Treasury Bond declined, and the Korean Won slightly weakened against the dollar.

**Recently, the Korean economy has shown a continued recovery trend, supported by improvements in domestic demand, such as consumption, and robust exports led by semiconductors.**

However, uncertainties persist, including employment difficulties in vulnerable sectors, the recovery speed of construction investment, and the impact of U.S. tariffs. Furthermore, heightened geopolitical risks, such as rising international oil prices due to the situation in the Middle East, have increased concerns over inflation, burdens on people's livelihoods, and downside risks to the economy.

The global economy is also facing increased volatility in international financial markets and energy prices due to the situation in the Middle East and the deterioration of the trade environment stemming from tariff measures by major economies, raising concerns over a slowdown in trade and growth.

To minimize the impact of developments in the Middle East, the government plans to swiftly formulate a supplementary budget to support livelihoods and economic recovery. It also plans to monitor all sectors 24/7 led by the pan-government joint emergency response team and respond promptly to any signs of abnormal developments.

# Economic Activity

## 1. Gross Domestic Product (Preliminary estimate)

In the fourth quarter of 2025, Korea's real Gross Domestic Product (GDP) amounted to 605.3 trillion won, and real Gross Domestic Income (GDI) was 604.2 trillion won.

(Trillion won, inflation adjusted at 2020 prices)

	2023	2024	2025	2023				2024				2025			
	Annual	Annual <sup>1</sup>	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>
GDP	2,247.2	2,292.2	2,315.3	532.3	560.9	564.5	589.5	550.4	573.5	572.4	595.9	550.2	576.8	582.9	605.3
(Seasonally adjusted)	-	-	-	556.1	559.9	564.2	567.0	573.7	572.4	572.9	573.3	572.1	575.9	583.6	582.7
- Private consumption	1,085.4	1,097.0	1,111.5	270.7	266.8	271.9	276.0	273.7	268.8	275.5	279.0	275.2	271.2	280.7	284.4
- Facility investment	212.8	216.5	220.8	51.9	55.7	49.8	55.3	50.8	54.3	53.1	58.2	53.7	56.1	53.7	57.2
- Construction investment	300.0	290.2	261.9	62.5	82.4	75.9	79.2	63.5	81.4	71.2	74.1	55.0	72.1	65.9	68.9
- Total export	848.3	906.3	944.6	201.5	205.5	211.9	229.4	219.5	224.0	225.5	237.3	222.7	234.0	240.4	247.5
- Total import	752.7	771.4	801.1	193.1	181.2	184.4	194.0	191.7	187.2	193.0	199.6	195.7	195.6	203.4	206.5
GDI	2,155.5	2,240.3	2,282.6	505.5	532.6	546.3	571.0	537.9	557.9	560.8	583.8	537.2	566.3	574.9	604.2
(Seasonally adjusted)	-	-	-	529.5	531.9	544.2	549.9	560.4	558.1	559.3	562.5	559.0	567.3	573.3	582.5

Source: Bank of Korea.

<sup>1</sup> Preliminary estimate.

In the fourth quarter of 2025, real GDP grew 1.6 percent year-on-year, and seasonally adjusted GDP decreased 0.3 percent quarter-on-quarter. Real GDI rose 3.5 percent year-on-year, and seasonally adjusted GDI also increased 1.6 percent quarter-on-quarter.

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

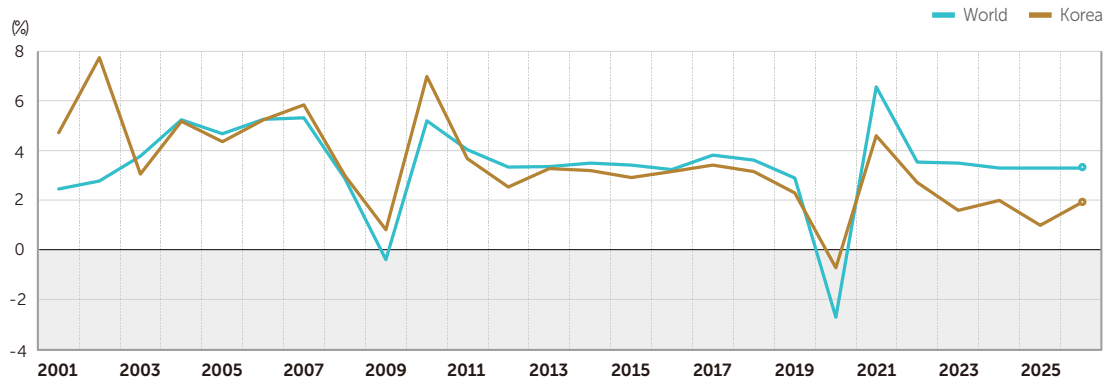
	2023	2024	2025	2023				2024				2025			
	Annual	Annual <sup>1</sup>	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>
GDP	1.6	2.0	1.0	1.3	1.2	1.5	2.2	3.4	2.2	1.4	1.1	0.0	0.6	1.9	1.6
(Seasonally adjusted <sup>2</sup> )	-	-	-	0.4	0.7	0.8	0.5	1.2	-0.2	0.1	0.1	-0.2	0.7	1.3	-0.3
- Private consumption	2.0	1.1	1.3	5.0	1.7	0.7	0.8	1.1	0.7	1.3	1.1	0.6	0.9	1.9	1.9
- Facility investment	-0.2	1.7	2.0	4.3	3.0	-5.1	-2.6	-2.2	-2.5	6.6	5.3	5.8	3.4	1.0	-1.7
- Construction investment	-0.5	-3.3	-9.8	0.1	0.3	1.1	-3.1	1.6	-1.2	-6.2	-6.4	-13.3	-11.4	-7.5	-7.0
- Total export	3.4	6.8	4.2	-1.5	0.6	3.5	11.1	8.9	9.0	6.4	3.5	1.5	4.5	6.6	4.3
- Total import	3.0	2.5	3.8	6.8	2.5	-0.7	3.5	-0.7	3.3	4.6	2.9	2.1	4.5	5.4	3.4
GDI	1.8	3.9	1.9	-1.0	0.1	3.7	4.2	6.4	4.7	2.7	2.2	-0.1	1.5	2.5	3.5
(Seasonally adjusted <sup>2</sup> )	-	-	-	0.7	0.5	2.3	1.0	1.9	-0.4	0.2	0.6	-0.6	1.5	1.1	1.6

Source: Bank of Korea.

<sup>1</sup> Preliminary estimate.

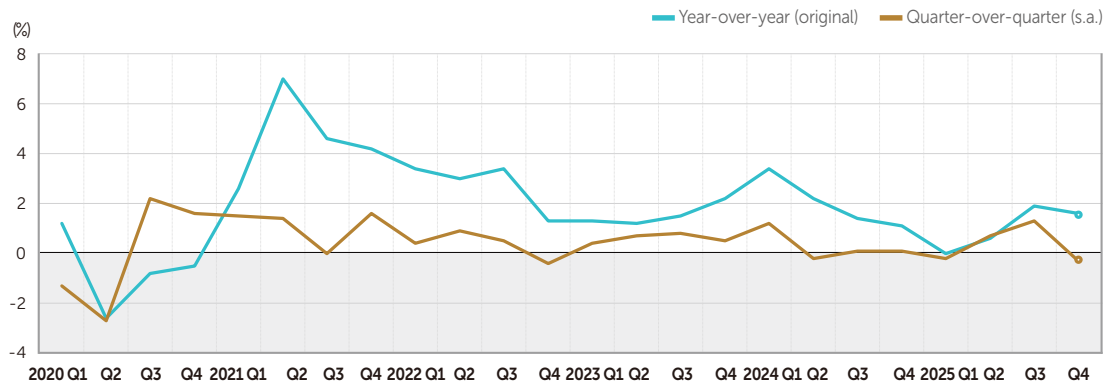
<sup>2</sup> Percentage change from previous period.

### GDP growth: World and Korea



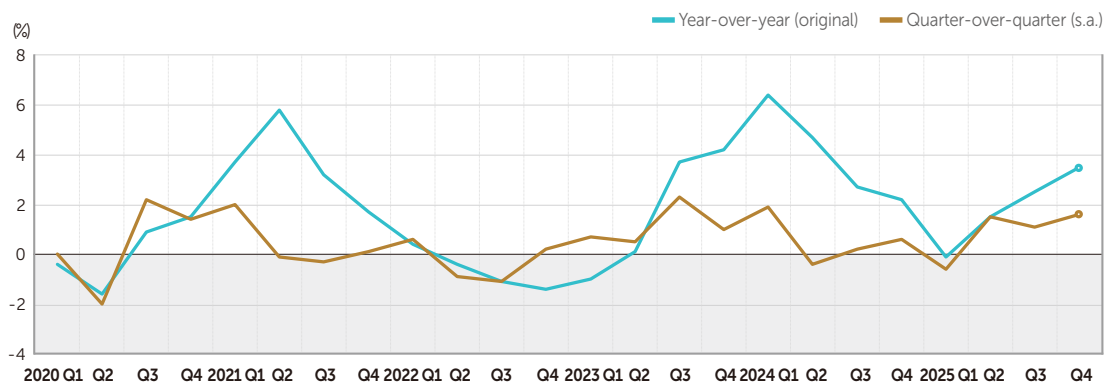
Source: IMF

### GDP growth: Korea



Source: Bank of Korea.

### GDI growth: Korea



Source: Bank of Korea.

## 2. Total Production and Composite Index of Business Indicators

In January, the Total Index of Industrial Production declined 1.3 percent month-on-month. Industrial production (*down 1.9%*) and construction (*down 11.3%*) decreased, while public spending (*up 1.2%*) increased. Services production remained at the same level. The index climbed 4.1 percent year-on-year.

### Coincident composite index

The cyclical indicator of the coincident composite index stayed unchanged month-on-month. More specifically, the index of services, imports and industrial production index rose, while the value of construction completed and retail sales index fell.

### Leading composite index

The cyclical indicator of the leading composite index rose 0.7 points to 102.3. Within the leading composite index, construction orders received, the KOSPI and domestic shipments of machinery rose, while economic sentiment index fell.

	2025											2026
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov <sup>1</sup>	Dec <sup>1</sup>	Jan <sup>1</sup>
Total Index of Industrial Production (m-o-m, %)	0.4	0.6	-0.2	-1.0	1.8	-0.3	-0.1	1.2	-2.2	0.7	1.0	-1.3
(y-o-y, %)	1.9	2.0	1.1	-0.2	1.9	2.8	0.2	8.0	-3.5	0.7	1.9	4.1
Cyclical indicator of coincident composite index	99.4	99.6	99.7	99.4	99.6	99.6	99.8	99.8	99.4	99.2	99.0	99.0
(m-o-m, p)	0.1	0.2	0.1	-0.3	0.2	0.0	0.2	0.0	-0.4	-0.2	-0.2	0.0
Coincident composite index (2020=100)	113.2	113.6	113.9	113.7	114.1	114.3	114.7	114.8	114.6	114.5	114.5	114.6
(m-o-m, %)	0.3	0.4	0.3	-0.2	0.4	0.2	0.3	0.1	-0.2	-0.1	0.0	0.1
Cyclical indicator of leading composite index	99.3	99.5	99.7	99.8	100.0	100.5	100.9	100.9	100.9	101.1	101.6	102.3
(m-o-m, p)	0.1	0.2	0.2	0.1	0.2	0.5	0.4	0.0	0.0	0.2	0.5	0.7
Leading composite index (2020=100)	116.9	117.6	118.1	118.6	119.1	120.1	120.9	121.2	121.5	122.2	123.1	124.2
(m-o-m, %)	0.3	0.6	0.4	0.4	0.4	0.8	0.7	0.2	0.2	0.6	0.7	0.9

Source: Industrial activity trends, Statistics Korea.

<sup>1</sup> 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 Jan 2026 (m-o-m, %)

Index of Services	0.4
Imports	0.3
Industrial production index	0.2
Value of construction completed	-1.5
Retail sales index	-0.2

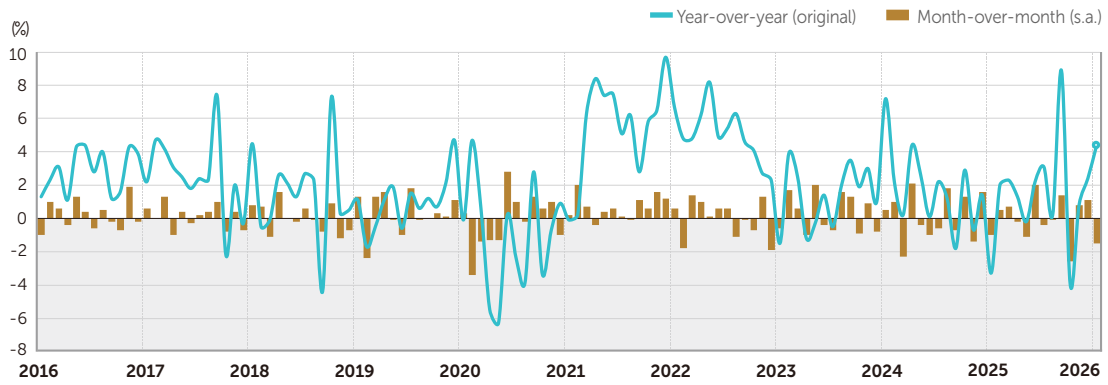
Source: Industrial activity trends, Statistics Korea.

### Leading composite index in Jan 2026 (m-o-m, %)

Construction orders received	9.1
KOSPI	8.4
Domestic shipments of machinery	2.9
Economic sentiment index (p)	-0.3

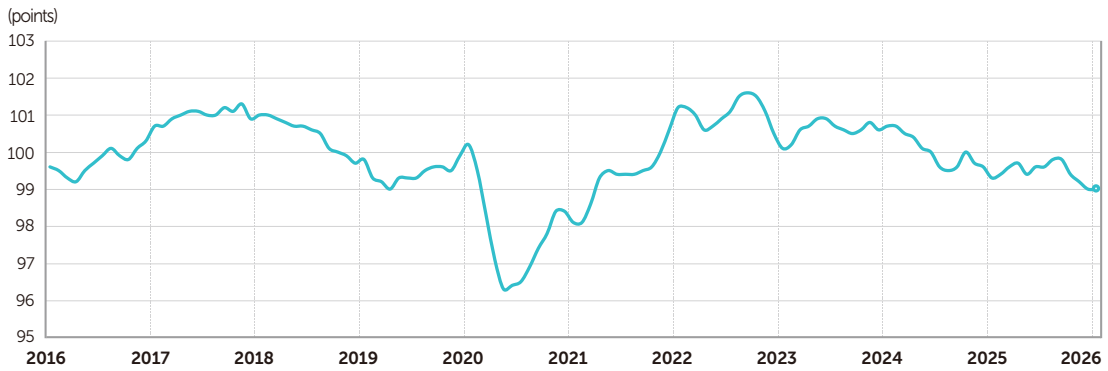
Source: Industrial activity trends, Statistics Korea.

## Total index of Industrial Production



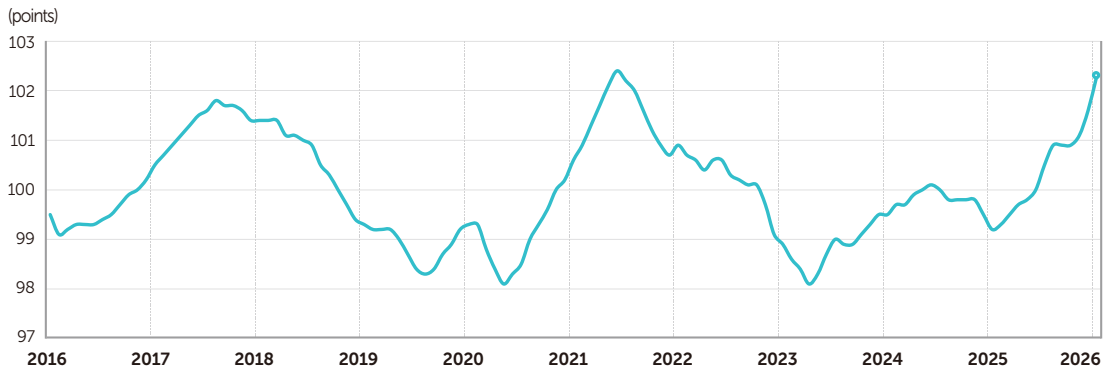
Source: Industrial activity trends, Statistics Korea.

## 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 (*preliminary estimate of GDP*) in the fourth quarter of 2025 increased by 0.2 percent quarter-on-quarter and by 1.9 percent year-on-year.

(Percentage change from previous period)

	2023	2024	2025	2023				2024				2025			
	Annual	Annual <sup>1</sup>	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>
Private consumption	-	-	-	0.6	0.0	0.1	0.3	0.5	0.0	0.4	0.2	-0.1	0.5	1.3	0.2
(y-o-y)	2.0	1.1	1.3	5.0	1.7	0.7	0.8	1.1	0.7	1.3	1.1	0.6	0.9	1.9	1.9

Source: National accounts, Bank of Korea.

<sup>1</sup> Preliminary estimate.

Retail sales rose 2.3 percent month-on-month in January. Sales of durable goods (*up 2.3%*), semi-durable goods (*up 6.0%*) and nondurable good (*up 0.9%*) all increased. The year-on-year index rose 0.1 percent.

(Percentage change from previous period)

	2023	2024	2025	2023				2024				2025				2026		
	Annual	Annual	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 <sup>1</sup>	Nov	Dec <sup>1</sup>	Jan <sup>1</sup>
Retail sales	-	-	-	-0.1	0.1	-1.6	0.5	-1.2	-0.7	0.4	-0.6	0.6	-0.6	1.2	0.6	-3.5	0.6	2.3
(y-o-y)	-1.3	-1.9	0.3	-1.4	-0.4	-2.6	-1.2	-1.5	-3.0	-1.4	-1.8	-0.8	-0.1	1.6	0.9	0.5	1.3	0.1
- Durable goods	-1.1	-3.6	3.8	-0.9	0.3	-2.3	2.7	-4.1	-2.6	4.3	-2.4	3.7	-1.1	4.8	-3.7	-0.8	-0.6	2.3
- Automobiles	6.9	-7.3	11.0	0.8	3.1	-6.0	4.1	-11.8	1.0	6.8	0.3	2.8	4.3	3.1	-3.2	-0.6	0.5	-3.8
- Semi-durable goods	-0.5	-3.0	-2.1	3.7	0.3	-3.4	-0.2	-0.1	-0.3	-2.4	0.9	-2.3	-1.0	2.9	0.2	-2.0	2.0	6.0
- Nondurable goods	-1.8	-0.8	-0.2	-1.1	-0.1	-0.6	-0.3	-0.2	0.1	-0.3	-0.2	0.1	-0.1	-1.1	2.8	-5.3	0.8	0.9

Source: Statistics Korea.

<sup>1</sup> Preliminary.

The figures for retail sales are expected to be mixed, as credit card spending at home and the consumer sentiment index show a positive trend against a decline in large discount store sales.

(Percentage change from same period in previous year)

	2025							2026	
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Car sales at home	8.0	2.0	5.0	18.1	-16.3	-4.4	-0.9	11.2	-14.7
Department store sales	-1.1	1.1	-7.1	2.7	5.6	2.0	5.0	-0.7	30.3
Large discount store sales	-1.6	-9.6	-22.9	-14.6	-4.7	-14.5	-16.8	-26.6	-10.6
Credit card spending at home <sup>1</sup>	3.7	6.3	5.0	8.5	2.1	6.6	4.3	4.7	6.3
Consumer sentiment index <sup>2</sup>	108.7	110.8	111.4	110.1	109.8	112.4	109.9	110.8	112.1
Number of Chinese tourists <sup>3</sup>	28.8	36.2	21.5	21.7	25.1	26.8	28.8	24.6	40.4

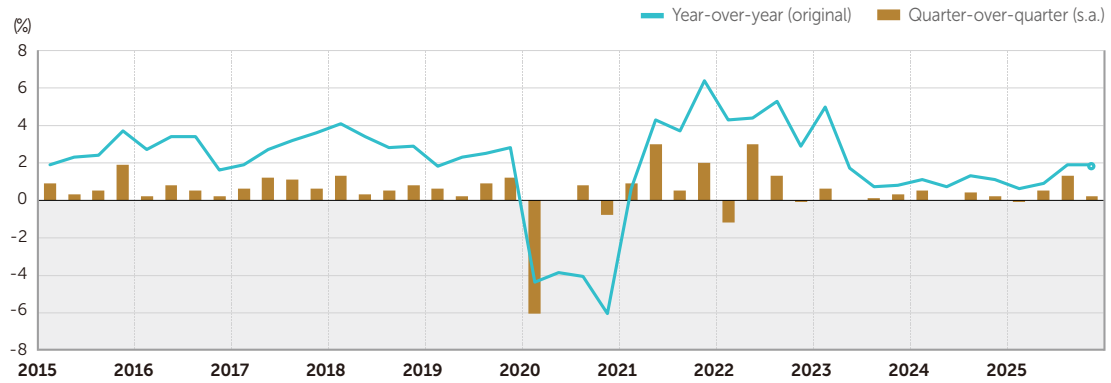
Sources: Korea Automobile Manufacturers Association; The Credit Finance Association; Bank of Korea; Korea Culture & Tourism Institute; data provided by retail industries.

<sup>1</sup> Utility bills are excluded.

<sup>2</sup> Level value.

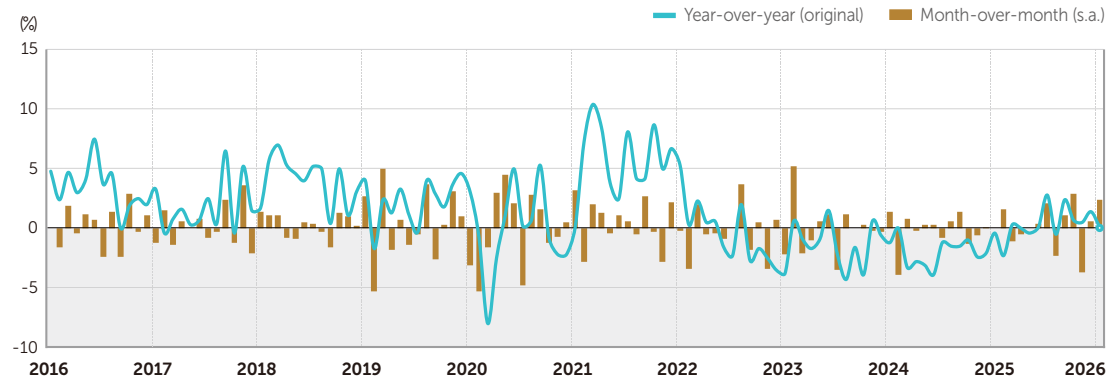
<sup>3</sup> Advance estimate based on total entries, The figure can be different from the statistic released by the Ministry of Culture, Sports and Tourism, which excludes diplomatic and military personnel.

## Private consumption



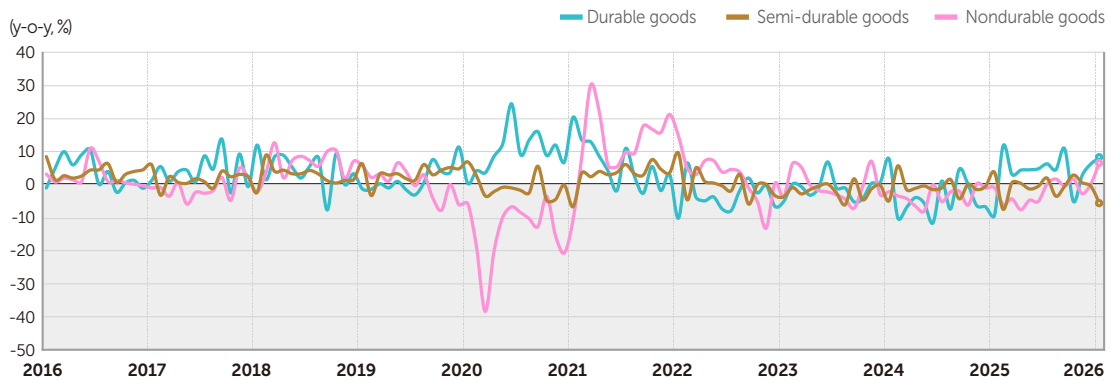
Source: National account, Bank of Korea.

## Retail sales



Source: Industrial activity trends, Statistics Korea.

## Retail sales by type



Source: Industrial activity trends, Statistics Korea.

## 4. Facility investment

Facility investment (*preliminary estimate of GDP*) in the fourth quarter of 2025 declined by 1.7 percent quarter-on-quarter, and by 1.7 percent year-on-year.

(Percentage change from previous period)

	2023	2024	2025	2023				2024				2025			
	Annual	Annual <sup>1</sup>	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>
Facility investment	-	-	-	-1.7	0.5	-3.6	2.2	-1.0	0.0	5.4	0.8	-0.4	-2.1	2.6	-1.7
(y-o-y)	-0.2	1.7	2.0	4.3	3.0	-5.1	-2.6	-2.2	-2.5	6.6	5.3	5.8	3.4	1.0	-1.7
- Machinery	-0.1	1.8	1.0	-3.8	2.0	-5.6	1.1	0.9	-1.8	6.9	1.8	-4.6	-1.0	4.5	0.0
- Transportation equipment	-0.4	1.4	5.6	7.5	-5.3	4.7	6.3	-7.9	6.7	0.0	-3.0	15.9	-5.8	-3.5	-8.0

Source: National accounts, Bank of Korea.

<sup>1</sup> Preliminary estimate.

In January, the facility investment index rose by 6.8 percent month-on-month, led by increases in both the transportation equipment investment index and the machinery investment index. The index also rose by 15.3 percent year-on-year.

(Percentage change from previous period)

	2023	2024	2025	2023				2024				2025				2026		
	Annual	Annual	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 <sup>1</sup>	Nov	Dec <sup>1</sup>	Jan <sup>1</sup>
Facility investment index	-	-	-	-7.4	2.8	-6.4	6.6	-3.0	0.4	6.0	1.8	-2.2	0.3	0.6	-3.9	-0.1	-4.3	6.8
(y-o-y)	-4.8	3.0	1.2	-1.5	-0.9	-10.5	-5.8	-1.5	-3.4	11.4	5.6	5.4	5.5	1.2	-6.3	-0.3	-12.5	15.3
Machinery	-7.1	2.0	0.6	-9.4	1.8	-4.8	1.5	0.7	0.1	1.9	5.3	-3.0	-2.8	3.4	-2.0	3.5	2.2	4.0
Transportation equipment	2.8	5.3	2.3	-0.8	5.5	-11.1	22.9	-12.4	1.1	16.5	-5.8	-0.3	7.5	-5.3	-8.0	-7.4	-19.8	15.1

Source: Statistics Korea.

<sup>1</sup> Preliminary.

The facility investment outlook is mixed, as an increase in machinery imports is expected to be offset by a decline in domestic machinery orders received.

(Percentage change from same period in previous year)

	2023	2024	2025	2023				2024				2025				2026	
	Annual	Annual	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 <sup>1</sup>	Dec <sup>1</sup>	Jan <sup>1</sup>
Domestic machinery orders received	-2.6	-3.1	2.1	-5.9	-3.1	-14.5	15.9	-7.6	-7.2	15.5	-10.6	13.8	6.1	-14.4	4.6	8.8	-0.1
(% change from previous period)	-	-	-	7.8	2.9	-0.8	7.1	-15	2.9	22.8	-17.9	11.3	-5.5	-3.5	5	2.4	4.1
- Public	92.3	-21.2	-7.2	158.8	124.5	28	40.1	-63	-42.4	169.3	-40.6	14.4	-24.7	-37.2	93	108.7	-53.1
- Private	-8.2	-0.8	3	-15.7	-11.1	-16.4	14.2	2.6	-1.6	4.8	-8	13.8	9	-10.4	-0.4	0.3	4.1
Machinery imports	-2.6	1.8	8.1	2.7	6.7	-12.3	-7.4	-7.4	-12.4	18.2	12.7	11.5	13.5	6.1	2.2	-2.9	26.6
Average capacity utilization rate <sup>2</sup>	72.1	72.6	72.5	71.1	72.4	72	72.8	72.4	73.3	72.1	72.5	72.9	72.9	73.1	71.3	72.6	71.2
Facility investment pressure <sup>3</sup>	-2.1	3.5	0.7	-7.1	-4.6	0.3	3.7	4.5	4.1	1.6	3.1	0.8	1	5.2	-3.8	0	6.7

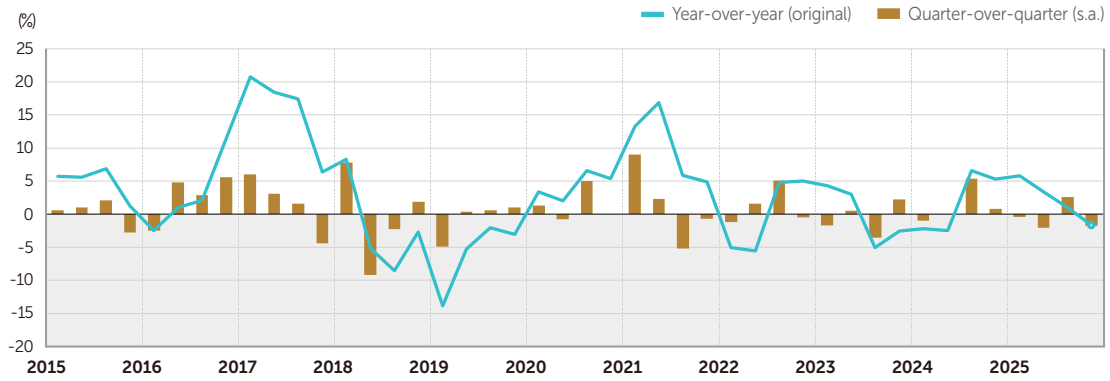
Sources: Statistics Korea; Korea International Trade Association.

<sup>1</sup> Preliminary.

<sup>2</sup> Utilization rate for the period, %.

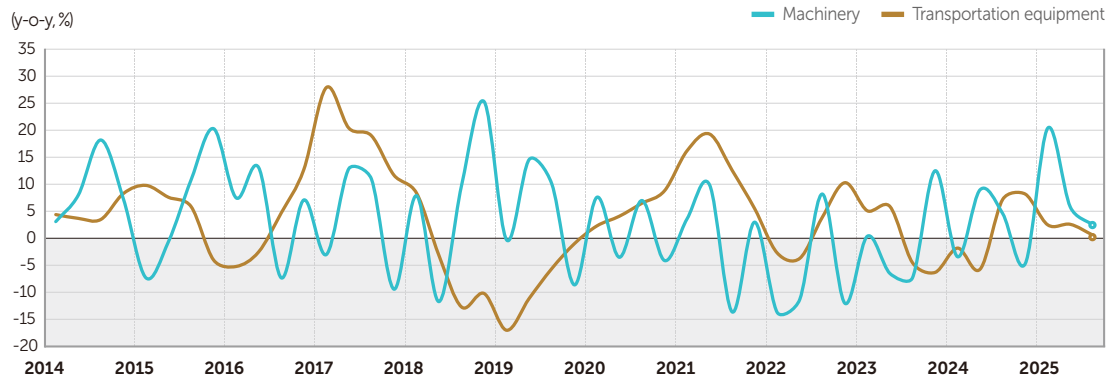
<sup>3</sup> Production growth rate minus production capacity growth rate in the manufacturing sector, %p.

## Facility investment



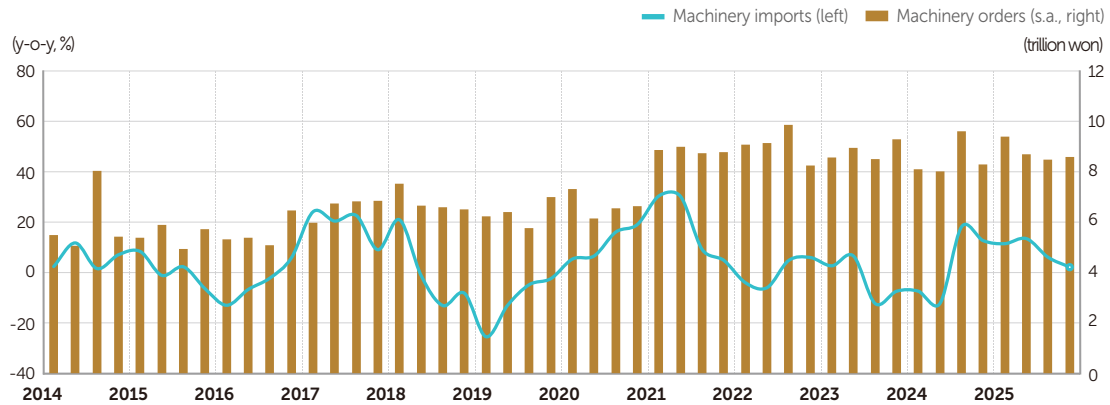
Source: National account, Bank of Korea.

## 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 (*preliminary estimate of GDP*) in the fourth quarter of 2025 decreased by 3.5 percent quarter-on-quarter, and by 7.0 percent year-on-year.

(Percentage change from previous period)

	2023	2024	2025	2023				2024				2025			
	Annual	Annual <sup>1</sup>	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>
Construction investment	-	-	-	-0.2	-0.5	1.5	-3.9	4.5	-3.3	-3.6	-4.1	-3.1	-1.2	0.6	-3.5
(y-o-y)	-0.5	-3.3	-9.8	0.1	0.3	1.1	-3.1	1.6	-1.2	-6.2	-6.4	-13.3	-11.4	-7.5	-7.0
- Building construction	-2.4	-5.0	-10.5	-1.7	-0.4	0.7	-5.3	4.6	-3.9	-4.6	-2.4	-5.4	0.1	-0.8	-1.2
- Civil engineering works	5.0	1.3	-7.9	4.3	-0.9	3.9	-0.5	4.3	-2.1	-1.2	-8.1	2.6	-4.0	4.2	-8.8

Source: National accounts, Bank of Korea.

<sup>1</sup> Preliminary estimate.

In January, construction completed (*constant*) declined by 11.3 percent month-on-month, led by a decrease in building construction. The index fell 9.7 percent year-on-year.

(Percentage change from previous period)

	2023	2024	2025	2023				2024				2025				2026		
	Annual	Annual	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 <sup>1</sup>	Nov	Dec <sup>1</sup>	Jan <sup>1</sup>
Construction completed (constant)	-	-	-	2.7	1.7	1.3	-3.0	4.5	-5.5	-4.6	-4.6	-7.2	-2.6	-0.8	-3.8	1.8	5.6	-11.3
(y-o-y)	7.8	-4.6	-16.4	12.0	9.5	10.8	0.8	4.1	-3.1	-9.0	-9.5	-21.1	-17.3	-11.9	-14.8	-16.6	-5.5	-9.7
- Building construction	9.9	-6.6	-17.3	4.6	1.4	1.2	-4.7	4.9	-6.7	-5.4	-4.1	-7.8	-2.9	-1.5	-2.2	3.4	7.8	-15.0
- Civil engineering works	1.8	2.0	-13.5	-3.0	2.6	1.4	2.6	3.4	-1.7	-2.3	-5.8	-5.3	-2.0	1.1	-8.0	-2.7	-0.6	0.0

Source: Statistics Korea.

<sup>1</sup> Preliminary.

The construction investment outlook is mixed, as an increase in construction orders received is expected to be offset by a decrease in apartment presales.

(Percentage change from same period in previous year)

	2023	2024	2025	2023				2024				2025				2026	
	Annual	Annual	Annual <sup>1</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 <sup>1</sup>	Dec <sup>1</sup>	Jan <sup>1</sup>
Construction orders received (current value)	-18.3	10.8	5.1	-14.5	-31.2	-43.2	23.2	-11.4	20.5	28.6	9.1	-0.1	-5.1	27.4	1.7	20.9	35.8
(% change from previous period)	-	-	-	44	-13.6	-17.9	21.8	-0.2	19.5	-10.3	3.9	-6.1	8.6	17	-17.2	-9.3	-4.6
- Building construction	-30.5	17.4	14.9	-27.4	-43.8	-48.3	8.5	-13.7	23.8	27.9	28.2	23.2	13.7	28.6	3.1	24.3	24.1
- Civil engineering works	23.9	-2.2	-17.7	32.2	20.1	-23.1	59.2	-6.8	14.1	30.6	-22.7	-43.1	-43.9	24.1	-2	13.5	70.5
Building permits <sup>2</sup>	-23.1	-9	-10.5	△8.7	△27.6	-30.4	-23.7	-16.2	-22.2	-5.4	10.8	-23.3	-8.7	-5.6	-5	-14.9	-0.5
Apartment presales <sup>3</sup>	21.1	25	21.8	3.5	4.0	5.1	8.6	5.8	5.8	5.7	7.7	2.3	4.7	7.4	7.3	2.6	1.2

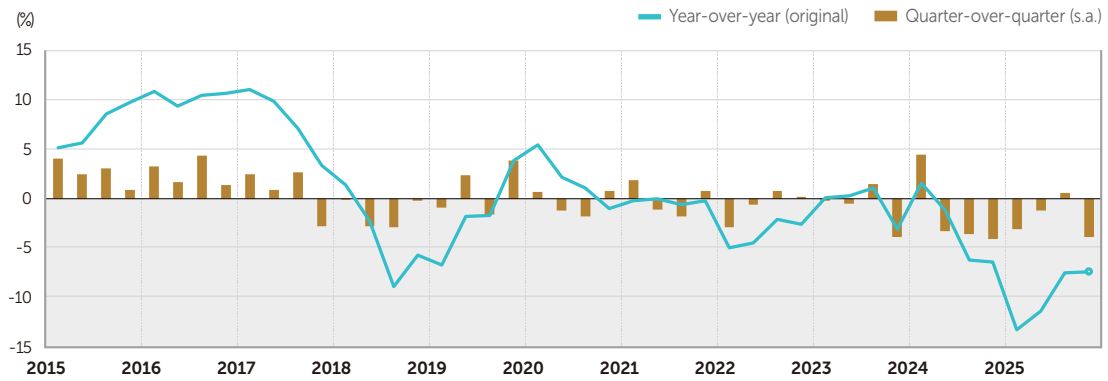
Sources: Statistics Korea; Ministry of Land Infrastructure and Transport; Real Estate 114.

<sup>1</sup> Preliminary.

<sup>2</sup> Gross Floor Area.

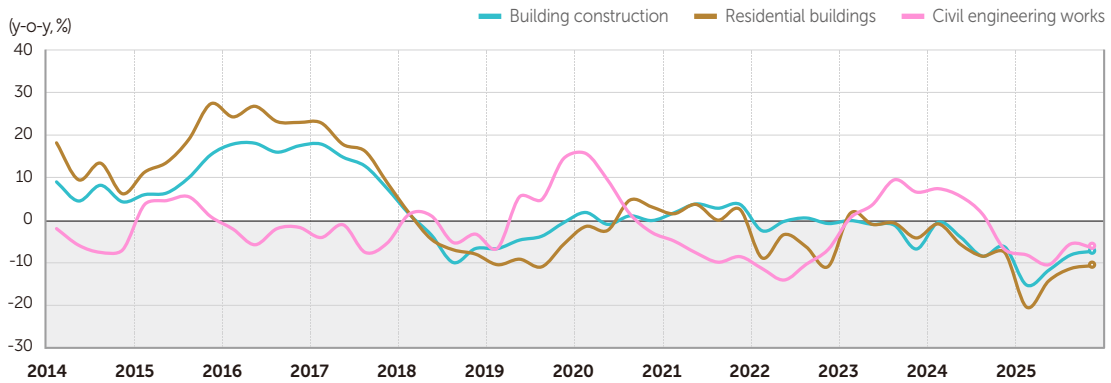
<sup>3</sup> Thousand housing units.

## Construction investment



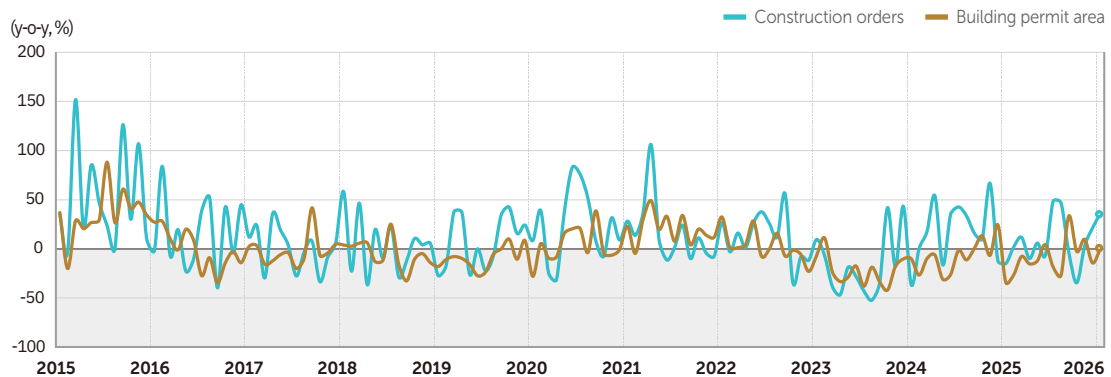
Source: National account, Bank of Korea.

## 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 28.7 percent year-on-year to US \$67.3 billion in February.

Exports of semiconductor, computers and ships increased, while exports of petrochemicals decreased. In terms of export markets, exports to China, US and ASEAN increased while exports to Latin America and CIS declined.

The average daily amount of exports, which factors in the number of working days, rose by 49.0 percent year-on-year to US \$3.5 billion.

Imports rose by 7.5 percent year-on-year to US \$51.9 billion in February.

The trade balance recorded a surplus for the past 13 consecutive months, totaling US \$15.4 billion in February.

(US \$ billion)

	2023	2024	2025	2024				2025				2026	
	Annual	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Jan	Feb
Exports	632.2	683.6	709.4	163.3	171.5	173.7	175.2	159.5	175.1	184.9	18.8	65.9	67.3
(y-o-y, %)	-7.5	8.1	3.8	8.0	10.1	10.5	4.2	-2.3	2.1	6.5	8.4	33.9	28.7
Average daily exports	2.3	2.5	2.6	2.4	2.6	2.5	2.6	2.5	2.4	2.6	2.9	2.8	3.5
Imports	642.6	631.8	631.8	155.1	157.0	160.0	160.0	152.6	154.3	162.4	162.2	57.1	51.9
(y-o-y, %)	-12.1	-1.6	-0.0	-10.9	-1.4	6.2	0.9	-1.4	-1.7	1.5	1.4	11.7	7.5
Average daily imports	2.4	2.3	2.4	2.3	2.4	2.3	2.3	2.4	2.3	2.6	2.5	2.4	2.7
Trade balance	-10.4	51.8	77.7	8.2	14.5	13.6	15.2	6.9	20.9	22.5	27.7	8.7	15.4

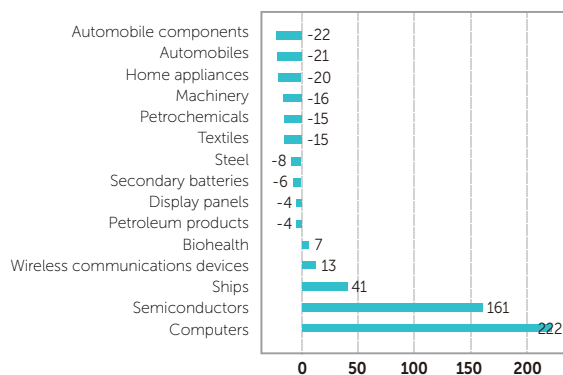
Source: Korea Customs Service.

### Export growth and share by region in Feb 2026

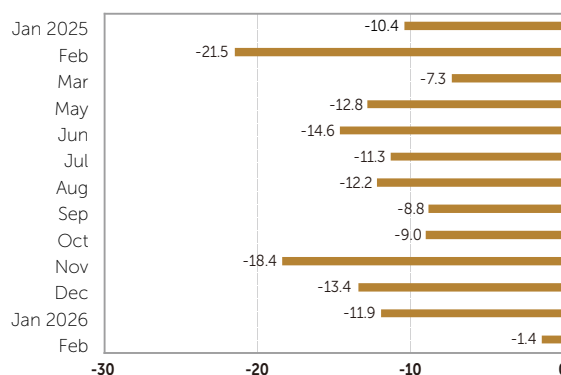
	Growth (y-o-y, %)	Share (%) <sup>1</sup>
China	34	20.2
ASEAN countries	30	18.6
US	29	18.1
EU	10	8.5
India	8	2.7
Japan	1	3.5
Middle East	-1	2.5
Latin America	-2	3.5
CIS countries	-22	-

<sup>1</sup> Cumulative total since January 2025.

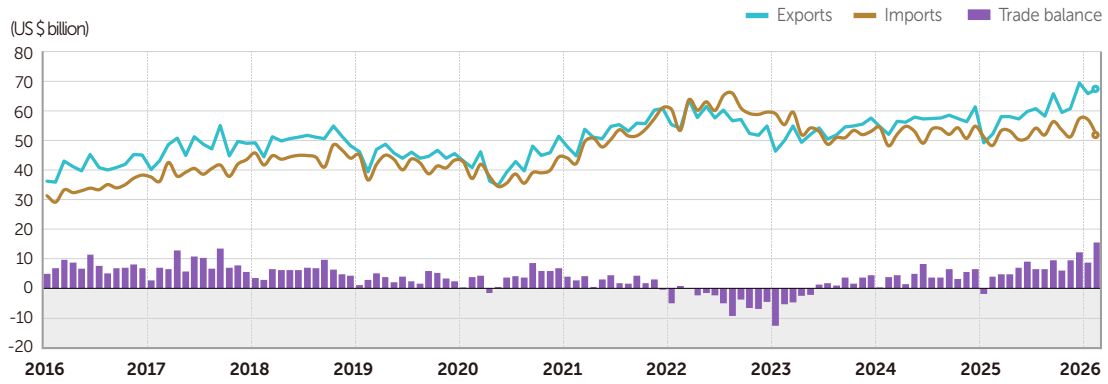
### Export growth by item in Feb 2026 (y-o-y, %)



### Energy Imports (y-o-y, %)

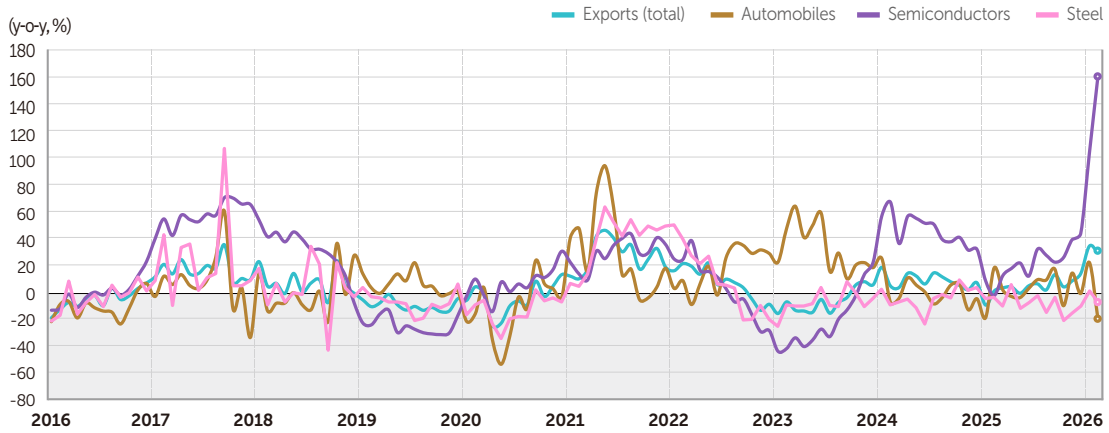


## Exports and imports



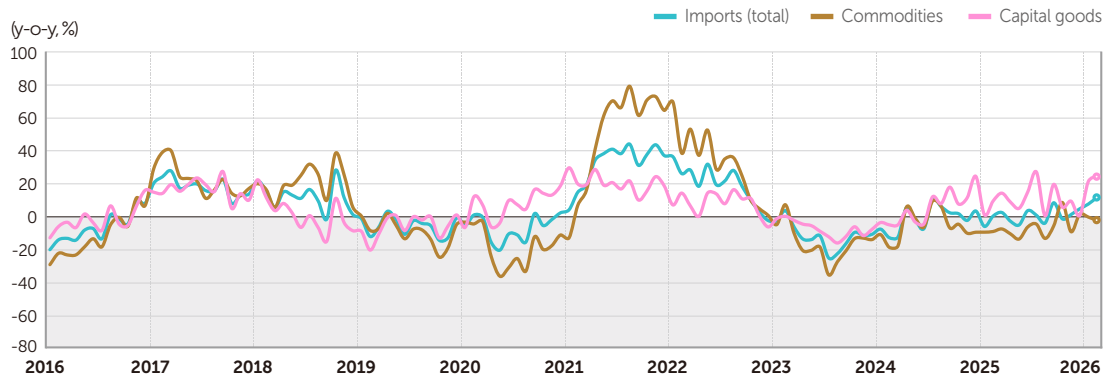
Sources: Korea Customs Service.

## Export growth by item



Sources: Korea Customs Service.

## Import growth by category



Sources: Korea Customs Service.

## 7. Employment

In February, the number of employed workers increased by about 234,000 year-on-year to 28,413,000 and the employment rate (*aged 15 and above*) rose by 0.1 percent point to 61.8 percent.

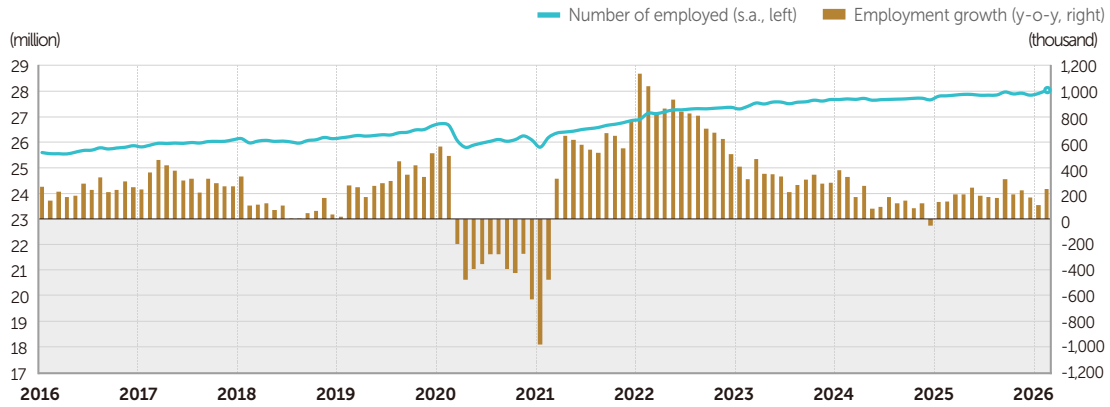
By sector, employment growth was led by an increase in the number of jobs in the following sectors: healthcare and social welfare services, transportation and storage, and arts, sports and recreation related services.

In terms of job growth by employment type, the number of permanent workers, temporary workers and day laborers all increased.

	2023	2024	2025	2025												2026	
	Annual	Annual	Annual	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
Number of employed (million)	28.42	28.58	28.77	28.18	28.89	28.89	29.16	29.09	29.03	28.97	29.15	29.04	29.05	28.21	27.99	28.41	
Employment rate (%)	62.6	62.7	62.9	61.7	62.5	63.2	63.8	63.6	63.4	63.3	63.7	63.4	63.4	61.5	61.0	61.8	
(Seasonally adjusted)	-	-	-	62.9	62.9	62.9	62.9	62.8	62.8	62.8	63.1	62.9	62.9	62.7	62.8	63.0	
- 15 to 64	69.2	69.5	69.8	68.9	69.3	69.9	70.5	70.3	70.2	69.9	70.4	70.1	70.2	69.6	69.2	69.2	
Employment growth (y-o-y, thousand)	327	159	193	136	193	194	245	183	171	166	312	193	225	168	108	234	
- Manufacturing	-43	-6	-73	-74	-112	-124	-67	-83	-78	-61	-61	-51	-41	-63	-23	-16	
- Construction	-9	-49	-125	-167	-185	-150	-106	-97	-92	-132	-83	-123	-131	-63	-20	-40	
- Services	385	239	492	401	567	606	549	494	460	484	588	481	516	403	256	374	
· Wholesale & retail	-37	-61	-1	-65	-26	-3	18	10	13	0	28	46	11	44	23	22	
· Hotels & restaurants	114	25	-3	56	56	1	-67	-38	-71	0	26	22	-22	-22	-16	-27	
· Healthcare & social welfare service	143	83	237	192	212	218	233	216	263	304	304	280	281	220	185	288	
- Wage workers	327	214	275	177	259	277	329	314	287	270	386	311	294	214	121	205	
· Permanent workers	478	183	283	233	234	279	362	318	319	348	340	286	258	195	192	158	
· Temporary workers	-61	154	46	36	126	52	25	58	16	-12	2	79	65	-7	-97	8	
· Day laborers	-90	-122	-55	-92	-100	-54	-59	-63	-48	-67	44	-55	-29	25	26	39	
- Nonwage workers	0	-55	-81	-41	-66	-83	-84	-130	-116	-103	-75	-118	-70	-46	-13	29	
· Self-employed	57	-32	-38	-14	-2	-6	-22	-66	-65	-70	-55	-98	-38	12	45	70	
- Male	24	-29	20	-42	2	33	49	7	16	20	67	22	22	95	33	20	
- Female	303	188	174	178	191	161	196	177	155	146	244	171	203	73	75	214	
- 15 to 29	-98	-144	-178	-235	-206	-174	-150	-173	-158	-219	-146	-163	-177	-112	-175	-146	
- 30 to 39	54	90	102	116	109	93	132	116	93	96	133	80	76	83	101	86	
- 40 to 49	-54	-81	-50	-78	-49	51	-39	-55	-56	-73	-45	-38	-9	-33	-3	0	
- 50 to 59	59	28	-26	-8	-26	-14	-68	-53	-49	-38	-11	-19	2	-11	45	6	
- 60 and above	366	266	345	342	365	340	370	348	342	401	381	334	333	241	141	287	

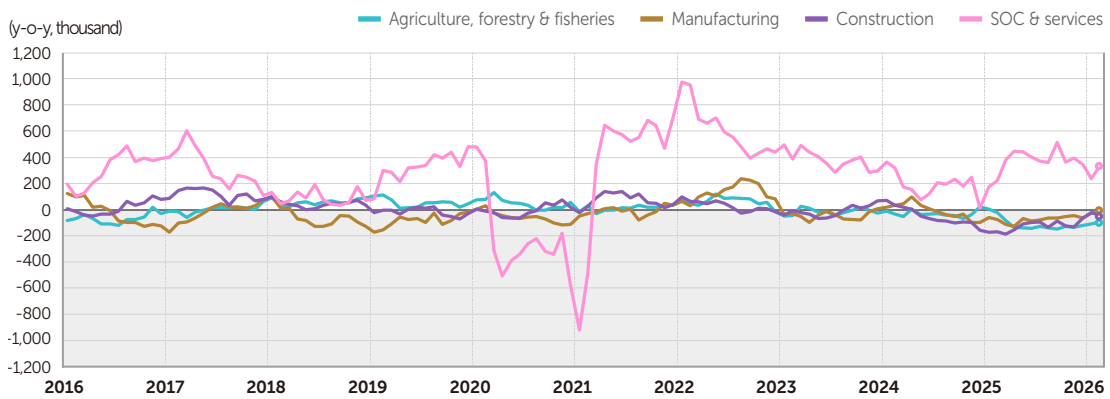
Source: Statistics Korea.

## Number of employed workers and employment growth



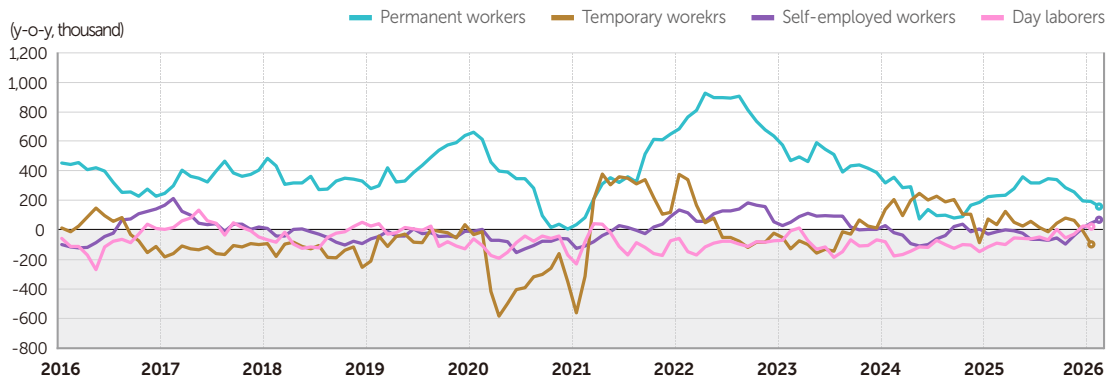
Source: Employment trends, Statistics Korea.

## 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 February, the number of unemployed workers increased by about 54,000 year-on-year to 993,000 and the unemployment rate rose by 0.2 percent points to 3.4 percent.

	2023	2024	2025	2025												2026	
	Annual	Annual	Annual	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
Number of unemployed (thousand)	787	823	830	940	918	854	853	825	726	592	635	658	661	1,217	1,211	993	
Unemployment growth (y-o-y, thousand)	-46	36	7	25	26	-32	-32	-32	-11	28	12	-20	5	103	128	54	
- Male	-14	18	13	15	5	0	-17	-1	16	23	52	4	29	47	36	44	
- Female	-32	18	-6	10	21	-31	-15	-32	-27	4	-39	-24	-24	55	49	10	
Unemployment rate (%)	2.7	2.8	2.8	3.2	3.1	2.9	2.8	2.8	2.4	2.0	2.1	2.2	2.2	4.1	4.1	3.4	
(Seasonally adjusted)	-	-	-	2.7	2.9	2.7	2.7	2.6	2.5	2.6	2.5	2.6	2.7	4.0	3.0	2.9	
- 15 to 29	5.9	5.9	6.1	7.0	7.5	7.3	6.6	6.1	5.5	4.9	4.8	5.3	5.5	6.2	6.8	7.7	
- 30 to 39	2.6	2.7	2.7	2.8	2.9	2.8	2.6	2.8	2.5	2.5	2.6	2.7	2.9	3.0	3.0	3.6	
- 40 to 49	1.9	1.9	2.0	2.3	2.2	2.1	2.3	2.0	2.0	1.7	1.7	1.7	1.8	1.9	1.8	1.9	
- 50 to 59	1.7	1.8	1.8	1.9	2.1	2.1	2.1	2.1	1.8	1.4	1.6	1.5	1.4	1.6	1.7	1.9	
- 60 and above	2.6	2.9	2.8	3.6	2.6	1.9	2.2	2.2	1.7	1.0	1.2	1.4	1.2	8.4	8.3	3.7	

Source: Statistics Korea.

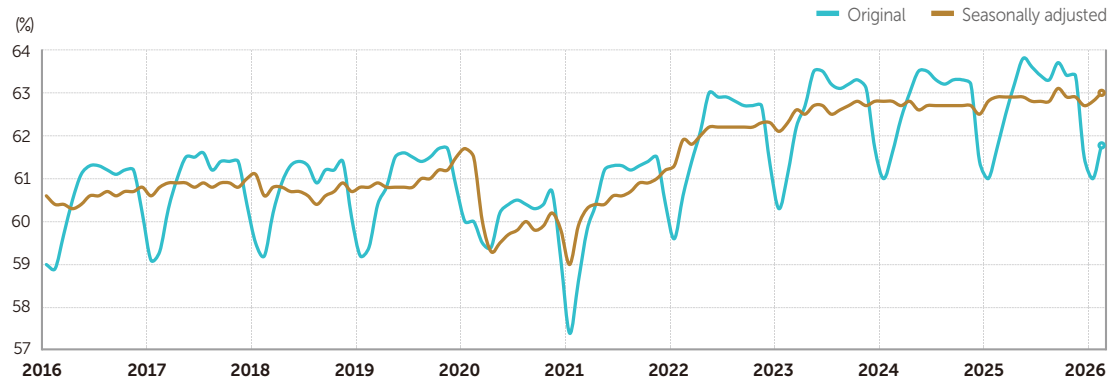
In February, the economically inactive population decreased by 39,000 year-on-year to 16,536,00 and the labor force participation rate rose 0.3 percent points to 64.0 percent.

The number of people economically inactive because of childcare or job seeking fell, while retraining or taking time off increased.

	2023	2024	2025	2025												2026	
	Annual	Annual	Annual	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
Economically inactive population (million)	16.2	16.2	16.2	16.6	16.2	16.0	15.7	15.8	16.0	16.2	16.0	16.1	16.1	16.5	16.7	16.5	
Labor force participation rate (%)	64.3	64.5	64.7	63.7	64.6	65.1	65.6	65.4	65.0	64.6	65.0	64.8	64.8	64.7	63.6	64.0	
(Seasonally adjusted)	-	-	-	64.8	65.0	64.8	64.7	64.5	64.4	64.4	64.8	64.5	64.6	65.0	64.7	64.9	
Growth in economically inactive population (y-o-y, thousand)	-134	-32	-8	7	-40	18	-22	42	8	9	-116	38	-10	-49	4	-39	
- Childcare	-140	-113	-64	-95	-86	-58	-39	-32	-29	-48	-68	-63	-65	-90	-95	-98	
- Housework	-1	45	7	-5	-2	47	3	20	60	13	-25	14	-44	-8	-14	-6	
- Retraining	11	-54	1	-24	-13	-8	-12	7	47	21	25	17	36	-16	34	42	
- Old age	-31	47	-28	2	-16	-30	-56	-43	-36	-50	-40	-41	-16	-11	26	24	
- Rest	74	117	88	123	71	45	56	6	69	73	42	135	124	124	110	27	
- Job seeking	-88	-48	5	14	27	30	56	34	-12	11	-8	-38	-13	-37	-28	-27	

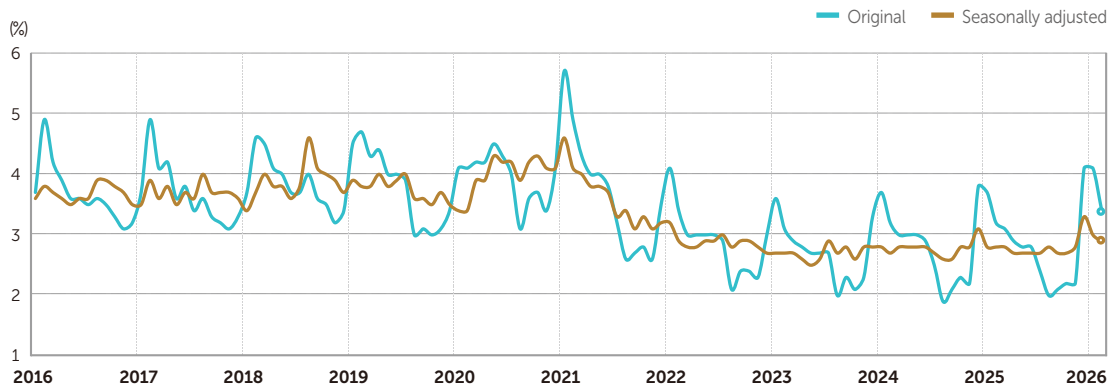
Source: Statistics Korea.

## Employment rate



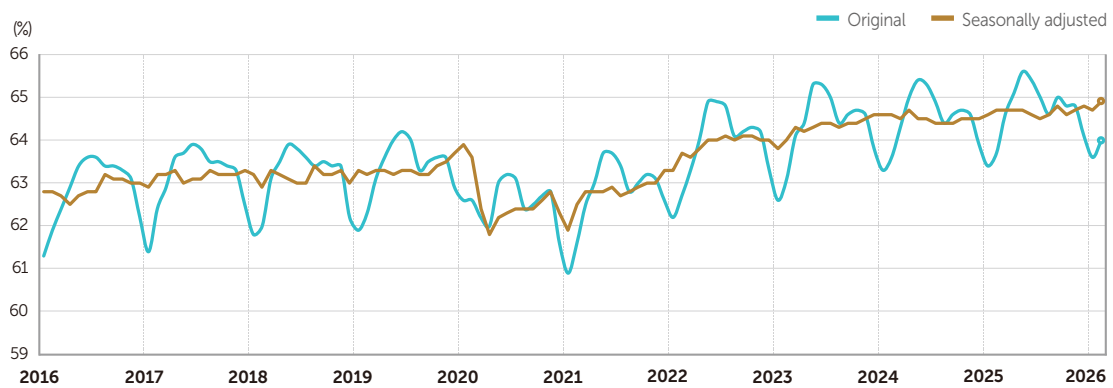
Source: Employment trends, Statistics Korea.

## Unemployment rate



Source: Employment trends, Statistics Korea.

## Labor force participation



Source: Employment trends, Statistics Korea.

## 8. Prices

In February, the Consumer Price Index (CPI) grew 2.0 percent from a year ago. The CPI rose 0.3 percent month-on-month.

Prices for consumer goods excluding food and energy rose 2.3 percent year-on-year in February. Prices for consumer goods excluding crops and oil products rose 2.5 percent.

The prices index for basic necessities rose 1.8 percent year-on-year in February. The fresh food price index fell 2.7 percent.

(Percentage change from same period in previous year)

	2024		2025										2026			
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
CPI (y-o-y)	1.5	1.9	2.2	2.0	2.1	2.1	1.9	2.2	2.1	1.7	2.1	2.4	2.4	2.3	2.0	2.0
(m-o-m)	-0.3	0.4	0.7	0.3	0.2	0.1	-0.1	0.0	0.2	-0.1	0.5	0.3	-0.2	0.3	0.4	0.3
Excluding food and energy	1.9	1.8	1.9	1.8	1.9	2.1	2.0	2.0	2.0	1.3	2.0	2.2	2.0	2.0	2.0	2.3
Excluding crops and oil products	1.8	1.8	2.0	1.9	2.1	2.4	2.3	2.4	2.3	1.9	2.4	2.5	2.3	2.3	2.3	2.5
Basic necessities	1.6	2.2	2.5	2.6	2.4	2.4	2.3	2.5	2.5	1.5	2.5	2.5	2.9	2.8	2.2	1.8
Fresh food	0.4	2.9	0.7	-1.4	-1.3	-1.9	-5.0	-1.7	-0.5	2.1	-2.5	-0.8	4.1	1.8	-0.2	-2.7

Source: Statistics Korea.

In February, the growth of agricultural, fishery and livestock prices slowed down as vegetable prices decreased and the price growth of fishery goods slowed. In February, the monthly average of prices declined from January, but prices are gradually rising amid increasing international oil prices.

(Percentage change from same period in previous year)

	Farm and fishery products	Manufactured products	Petroleum products	Public utilities	Housing rents	Public services	Personal services
Jan 2026	2.6	1.7	0.0	0.2	0.9	1.6	2.8
Feb 2026	1.7	1.2	-2.4	0.2	0.9	1.6	3.5
Contribution (%p)	0.1	0.4	-0.1	0.0	0.1	0.2	1.2

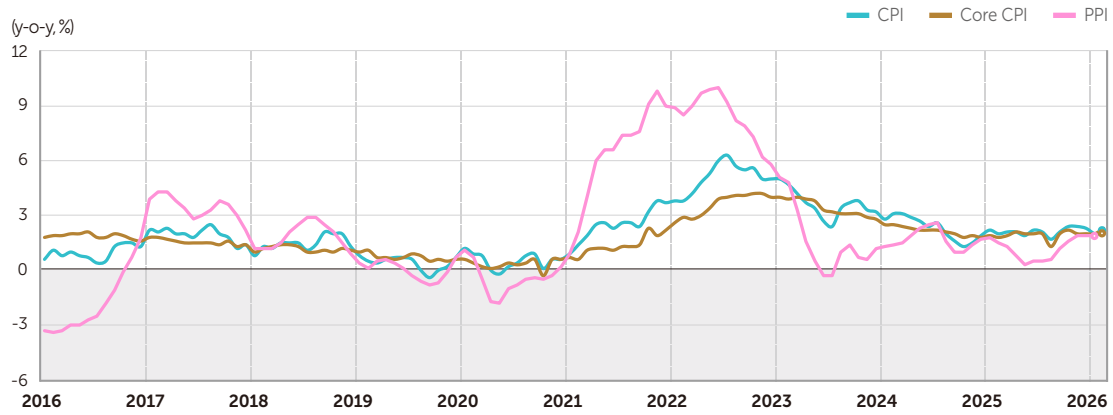
Source: Statistics Korea.

(Won/liter, period average)

	2024	2025	2024				2025				2026		
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Dec	Jan	Feb
Gasoline prices	1,647	1,680	1,607	1,681	1,674	1,624	1,708	1,642	1,665	1,707	1,740	1,704	1,689
Diesel prices	1,503	1,553	1,512	1,528	1,510	1,460	1,570	1,507	1,533	1,602	1,650	1,600	1,587

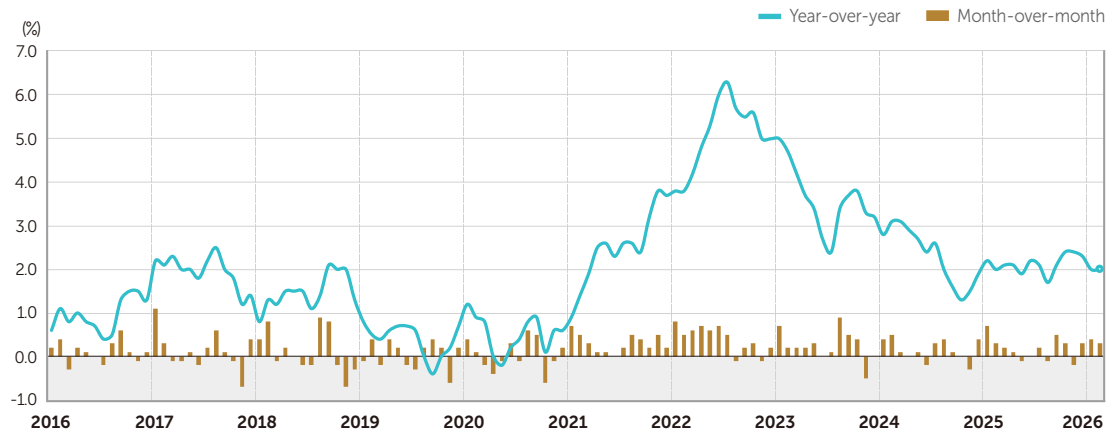
Source: Korea National Oil Corporation.

## Prices



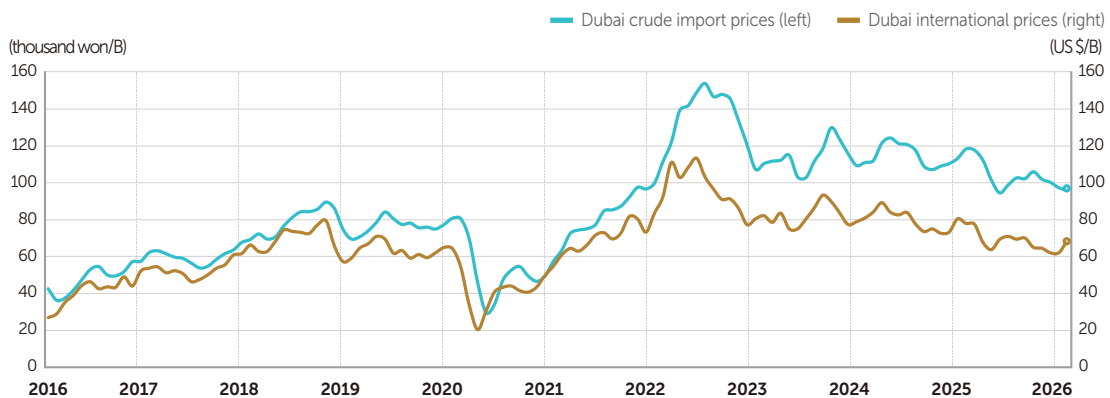
Sources: Consumer price trends, Statistics Korea; Bank of Korea.

## Consumer price inflation



Source: Consumer price trends, Statistics Korea.

## Dubai crude prices and import prices



Source: Korea National Oil Corporation.

In February, international oil prices rose from the previous month due to growing geopolitical risks.

International grain prices rose compared to the previous month due to prospects of increased demand and unfavorable weather conditions.

Non-ferrous metal prices fell month-on-month, driven by prospects of oversupply and an increase in available stocks.

(Period average)

	2024	2025	2024				2025					2026	
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Dec	Jan	Feb
Dubai crude <sup>1</sup>	79.6	69.4	81.2	85.3	78.5	73.6	76.9	67.0	70.1	63.8	62.1	62.0	68.4
WTI crude <sup>1</sup>	75.8	64.7	76.9	80.7	75.3	70.3	71.4	63.7	65.0	59.1	57.9	60.3	64.5
Brent crude <sup>1</sup>	79.9	68.2	81.8	85.0	78.7	74.0	75.0	66.7	68.2	63.1	61.6	64.7	69.4
Reuters Index <sup>2</sup>	3,086	3,025	2,949	3,112	3,081	3,203	3,151	2,996	2,979	2,975	2,984	3,004	2,930

Source: Korea National Oil Corporation; Korea PDS.

<sup>1</sup> US \$/barrel.

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

### International grain prices growth Feb 2026 (m-o-m, %)

Soybeans	6.6
Wheat	6.2
Corn	0.2

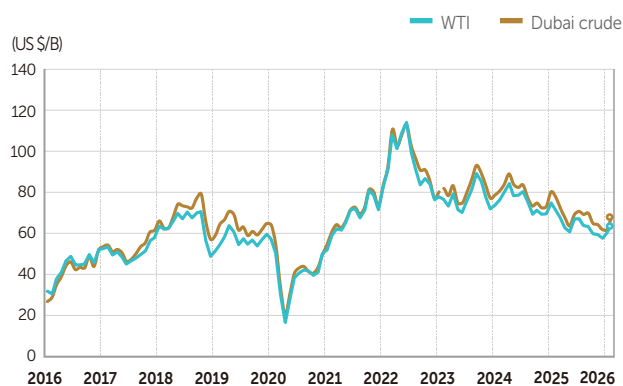
Note: Monthly average prices.

### Nonferrous metal prices growth in Feb 2026 (m-o-m, %)

Nickel	-4.0
Aluminium	-2.6
Copper	-0.9

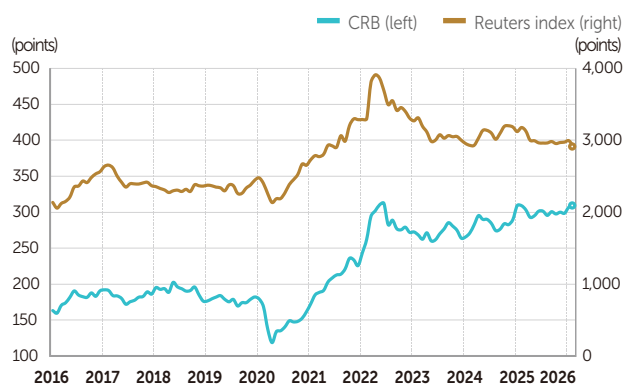
Note: Monthly average prices.

### International oil prices



Source: Korea National Oil Corporation.

### International commodity prices



Source: Korea PDS

## 9. Housing market

Nationally, housing sales prices rose 0.23 percent month-on-month in February.

Within the Seoul metropolitan area, housing sales prices rose 0.42 percent, increasing 0.66 percent in Seoul and 0.36 percent in Gyeonggi Province, and 0.04 percent in Incheon.

In the areas excluding the Seoul metropolitan, housing sales prices rose 0.06 percent, increasing 0.06 percent in the five metropolitan cities and 0.07 percent in the eight provinces on average.

### Housing sales prices

(Percentage change from previous period)

	2021	2022	2023	2024	2025	2025		2026		
	Annual	Annual	Annual	Annual	Annual	Feb	Dec	Cumulative total	Jan	Feb
Nationwide	9.9	-4.7	-3.6	0.1	1.0	-0.06	0.26	0.5	0.28	0.23
Seoul metropolitan area	12.8	-6.5	-3.6	1.4	2.9	-0.01	0.46	0.9	0.51	0.42
- Seoul	6.5	-4.8	-2.0	3.2	7.1	0.18	0.80	1.6	0.91	0.66
· Southern Seoul	6.8	-4.1	-1.5	3.6	9.2	0.32	1.03	1.7	1.07	0.60
· Northern Seoul	6.1	-5.4	-2.4	2.8	4.9	0.04	0.55	1.5	0.73	0.72
Areas excluding the Seoul metropolitan area	7.4	-3.0	-3.5	-1.1	-0.7	-0.10	0.07	0.1	0.06	0.06

Source: Korea Real Estate Board.

### Housing sales prices in six major cities in Feb 2026 (m-o-m, %)

Busan	Daegu	Gwangju	Daejeon	Ulsan	Sejong
0.12	-0.07	-0.06	0.00	0.38	-0.01

Nationally, housing rental prices increased 0.22 percent in February compared to the previous month.

By region, housing rental prices rose 0.31 percent in the Seoul metropolitan area and 0.14 percent in other areas.

### Housing rental prices

(Percentage change from previous period)

	2021	2022	2023	2024	2025	2025		2026		
	Annual	Annual	Annual	Annual	Annual	Feb	Dec	Cumulative total	Jan	Feb
Nationwide	6.5	-5.6	-5.1	1.3	0.9	-0.01	0.28	0.5	0.27	0.22
Seoul metropolitan area	7.7	-8.0	-5.7	3.1	1.8	0.01	0.42	0.7	0.37	0.31
- Seoul	4.9	-6.5	-5.3	3.3	3.0	0.06	0.53	0.8	0.46	0.35
· Southern Seoul	5.1	-6.9	-5.8	2.9	3.9	0.10	0.68	0.7	0.47	0.26
· Northern Seoul	4.7	-6.2	-4.7	3.6	2.1	0.01	0.37	0.9	0.45	0.44
Areas excluding the Seoul metropolitan area	5.5	-3.3	-4.4	-0.4	0.1	-0.02	0.15	0.3	0.17	0.14

Source: Korea Real Estate Board.

### Housing rental prices in major districts in Feb 2026 (m-o-m, %)

Seocho	Gangdong	Nowon	Dongtan	Youngtong
0.69	0.70	0.82	1.28	0.95

Source: Korea Real Estate Board.

There were 61,450 housing sales transactions in January, a decrease of 2.3 percent month-on-month (62,893 in December 2025) and an increase of 64.1 percent year-on-year (38,322 in January 2025).

## Housing sales transactions

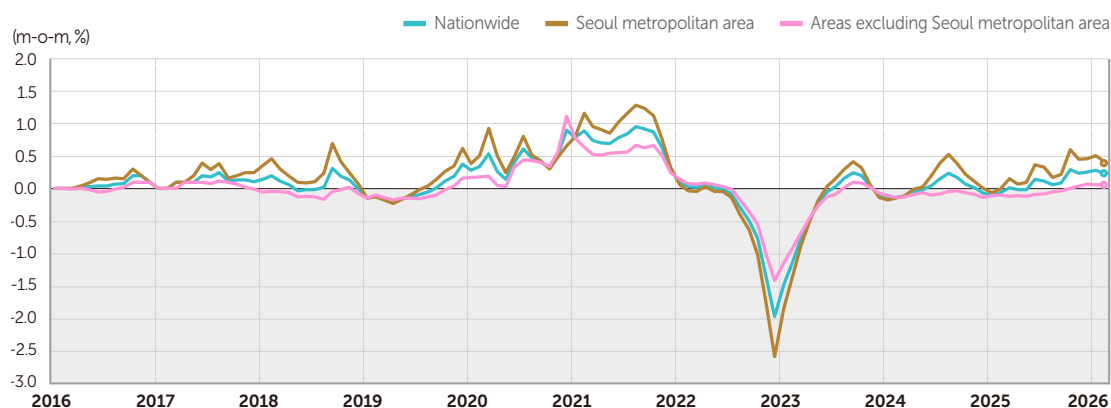
(Thousand)

	2022	2023	2024	2025	2025												2026
	Annual <sup>1</sup>	Annual <sup>1</sup>	Annual <sup>1</sup>	Annual <sup>1</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Nationwide	42	46	54	61	38	51	67	65	63	74	64	46	63	70	61	63	61

Source: Ministry of Land, Infrastructure and Transport.

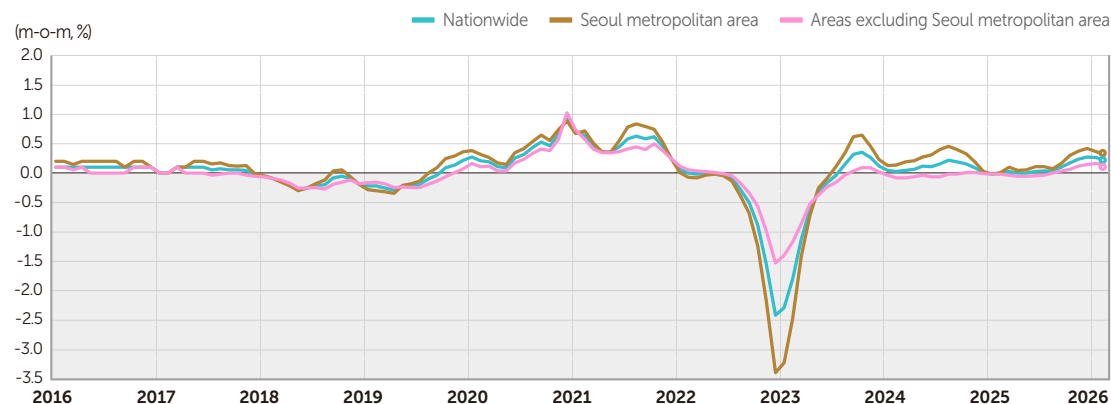
<sup>1</sup> Monthly average.

## 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, climbed significantly owing to strong semiconductor market conditions.

	KOSPI			KOSDAQ		
	Jan 2026	Feb 2026	Change	Jan 2026	Feb 2026	Change
Stock price index (points)	5,224.36	6,244.13	1,019.77 (19.52%)	1,149.44	1,192.78	43.34 (3.77%)
Market capitalization (trillion won)	4,318.6	5,146.4	827.8 (19.17%)	630.5	655.3	24.8 (3.93%)
Daily trade (trillion won)	27.1	32.2	5.1 (18.82%)	14.9	13.9	-1.0 (-6.71%)
Foreign stock ownership (% , %p)	37.44	37.91	0.47 (1.26%)	10.44	10.24	-0.2 (-1.92%)

Source: Korea Exchange.  
Note: The figures are closing rate.

## 2. Bond market

The government issued 22.4 trillion won worth of treasury bonds in February.

(End-period, trillion won)

	2022	2023	2024	2025	2025											2026	
	Annual	Annual	Annual	Annual	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Treasury bonds issuance <sup>1</sup>	168.6	165.7	157.7	226.2	21.3	20.7	20.9	19.0	23.8	21.2	21.0	21.5	17.7	15.6	5.4	17.9	22.4

Source: Monthly public finance, Ministry of Planning and Budget.  
<sup>1</sup> Issuance limit is 225.7 trillion won in 2026.

Korean Treasury bond yields fell significantly in February due to growing expectation of a Fed rate cut.

### Yields to maturity in Feb 2026 (m-o-m, basis points)

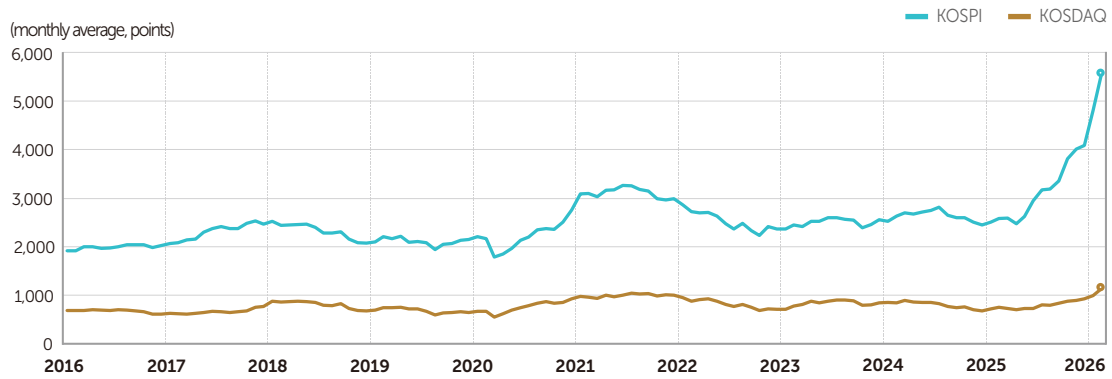
3 yrs	5 yrs	10 yrs	20 yrs	30 yrs
-10	-16	-16	-9	-9

(Percent per annum)

	2018	2019	2020	2021	2022	2023	2024	2025	2026		
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Jan	Feb	Change <sup>1</sup>
Call rate (1 day)	1.89	1.39	0.61	1.44	3.38	3.91	3.33	2.63	2.55	2.60	5
CD (91 days)	1.93	1.53	0.66	1.29	3.98	3.83	3.39	2.81	2.73	2.81	8
Treasury bonds (3 yrs)	1.82	1.36	0.98	1.80	3.72	3.15	2.60	2.95	3.14	3.04	-10
Treasury bonds (5 yrs)	1.88	1.48	1.34	2.01	3.74	3.16	2.76	3.24	3.44	3.28	-16
Corporate bonds (3 yrs)	2.29	1.94	2.21	2.42	5.23	3.90	3.28	3.48	3.66	3.64	-2

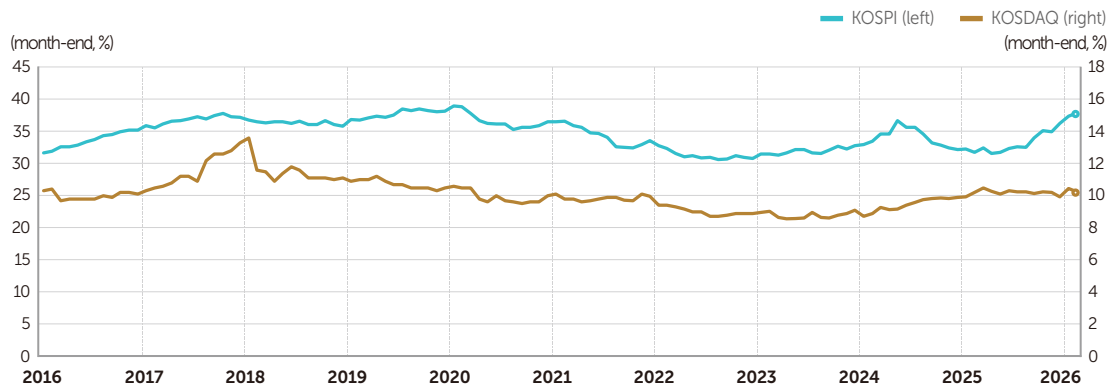
Source: Bank of Korea.  
Note: Figures are closing rate.  
<sup>1</sup> Change from the previous month as of end-Feb 2026, basis point.

## Stock prices



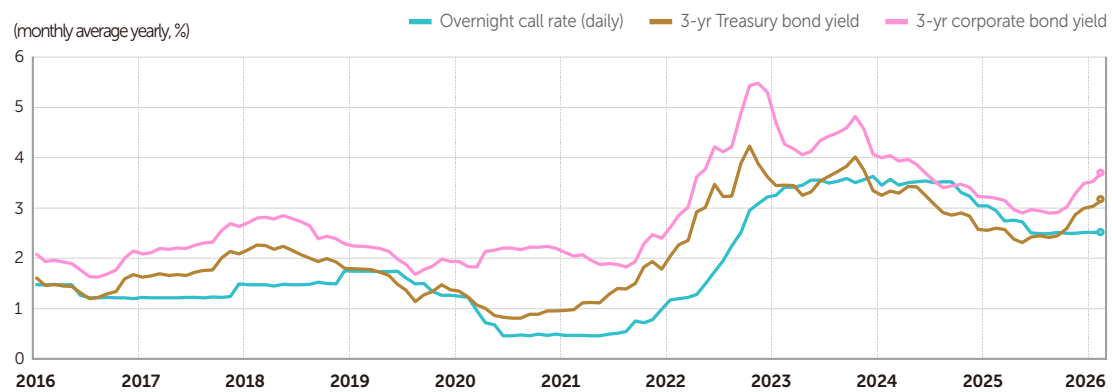
Source: Korea Exchange

## Foreign stock ownership



Sources: Financial Supervisory Service, Korea Exchange

## Interest rates



Source: Bank of Korea.

### 3. Foreign exchange market

The won slightly depreciated against the US Dollar in February compared to the previous month.

	2019	2020	2021	2022	2023	2024	2026		
	Dec	Dec	Dec	Dec	Dec	Dec	Jan	Feb	Change <sup>1</sup>
Dollar-Won	1,156.4	1,086.3	1,188.8	1,264.5	1,288.0	1,472.5	1,439.5	1,439.7	-0.0
100 Yen-Won	1,059.8	1,051.2	1,032.5	945.6	912.3	934.3	932.9	913.4	2.1
Yuan-Won	165.6	167.0	186.6	181.6	181.2	202.6	207.2	209.8	-1.2

Source: Bank of Korea.

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

<sup>1</sup> Appreciation from the end of the previous month as of end- Feb 2026, %.

### 4. Money market

In January, M2 (monthly average) rose 4.6 percent year-on-year

(Percentage change from same period in previous year)

	2018	2019	2020	2021	2022	2023	2024	2025		2026	
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Nov	Dec	Jan <sup>1</sup>	Jan <sup>2</sup>
M1 <sup>3</sup>	4.7	3.9	20.9	21.5	4.2	-10.6	2.9	6.9	6.3	5.8	1,344.6
M2	5.7	6.2	11.1	11.4	9.8	3.8	3.3	4.8	4.7	4.6	4,101.0
Lf <sup>4</sup>	6.4	7.8	8.4	8.6	8.3	3.5	6.4	6.9	6.6	6.6	6,099.2

Source: Bank of Korea.

<sup>1</sup> Preliminary.

<sup>2</sup> Period-average, trillion won.

<sup>3</sup> M1 excludes corporate MMFs and individual MMFs, and includes CMAs.

<sup>4</sup> Liquidity aggregates of financial institutions (mostly identical with M3).

In February, bank deposits and deposits held by Asset Management Companies (AMC) increased.

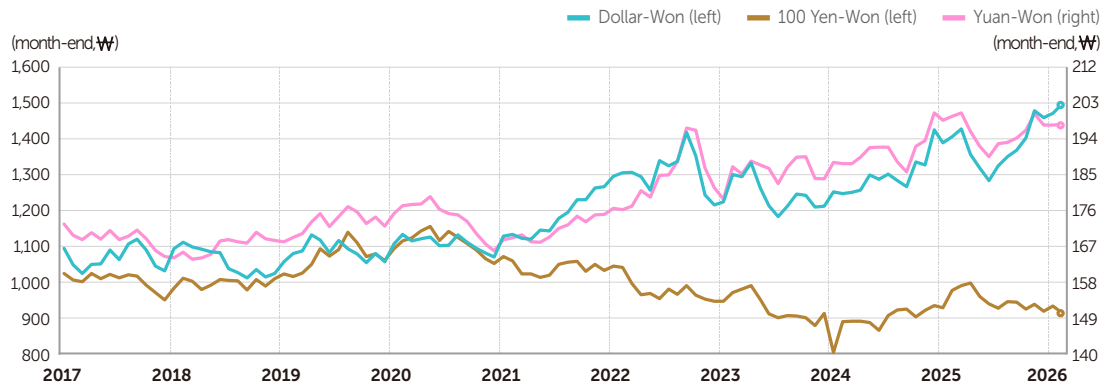
(Change from the end of the previous period, trillion won)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		2026		
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Nov	Dec	Jan	Feb	Feb <sup>1</sup>
Bank deposits	80.8	79.5	91.6	106.3	188.4	198.5	110.4	76.4	111.7	36.6	7.7	-50.8	47.3	2,531.2
AMC deposits	47.6	27.9	53.8	98.6	42.2	93.9	45.4	93.7	117.2	9.7	-3.9	91.9	48.6	1,423.5

Source: Bank of Korea.

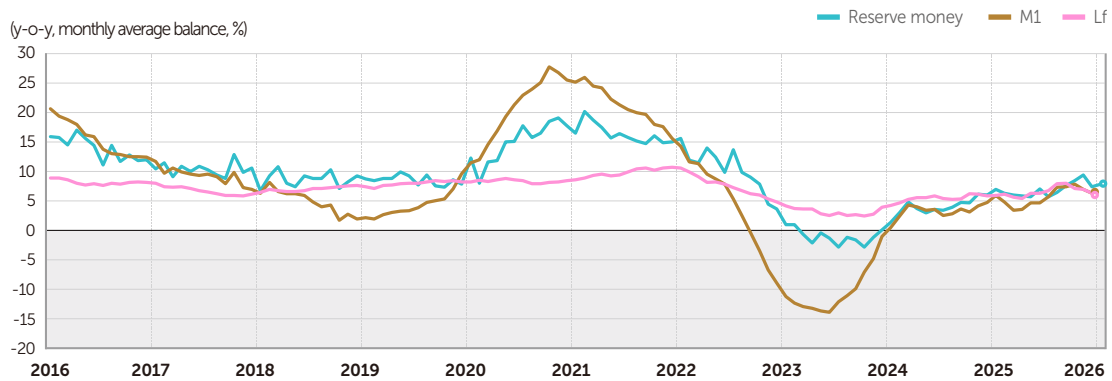
<sup>1</sup>Balance at end- Feb 2026..

## Foreign exchange rates



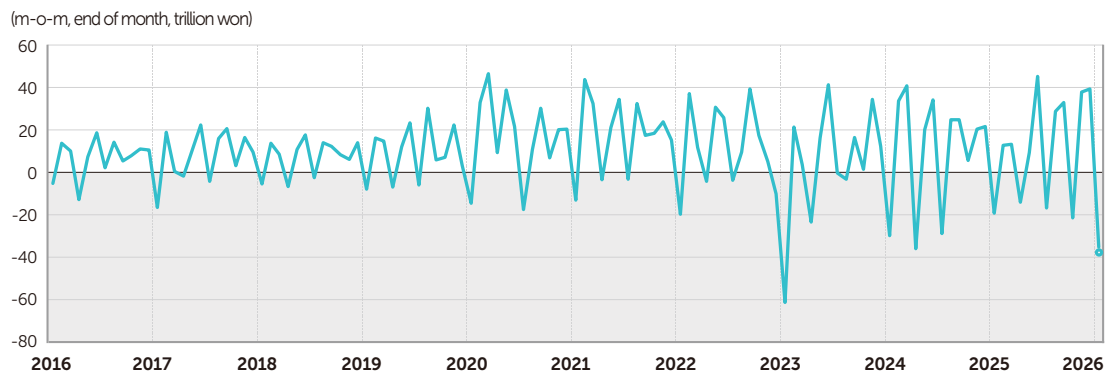
Source: Bank of Korea.

## 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, totaling US \$427.6 billion as of the end of February.

(US \$ billion)

	2022	2023	2024	2025	2026		
					Jan	Feb	Change (m-o-m)
Official foreign reserves	423.2	420.2	415.6	428.1	425.9	427.6 (100.0%)	1.7
- Securities <sup>1</sup>	369.7	373.7	366.7	371.1	377.5	380.0 (88.9%)	2.4
- Deposits	29.4	22.0	25.2	31.9	23.3	22.5 (5.3%)	-0.8
- SDRs	14.8	15.1	14.7	15.9	15.9	15.8 (3.7%)	-0.1
- IMF position <sup>2</sup>	4.5	4.6	4.2	4.4	4.4	4.6 (1.1%)	0.2
- Gold	4.8	4.8	4.8	4.8	4.8	4.8 (1.1%)	0.0

Source: Bank of Korea.

<sup>1</sup> Including government bonds, government agency bonds, debentures, MBSs, ABSs, etc.

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

## 6. External debt

External debt amounted to US \$766.9 billion as of the end of 2025, up US \$94.0 billion year-on-year. Short-term debt was US \$179.0 billion (*up US\$ 32.5 billion y-o-y*), and long-term debt was US \$587.8.5 billion (*up US \$61.5 billion y-o-y*). Net external assets decreased by US \$17.2 billion to US \$369.9 billion.

(End-period, US \$billion)

	2021	2022	2023	2024 <sup>1</sup>	2025 <sup>1</sup>	Change (y-o-y)
External assets (in debt instruments, A)	1,082.5	1,035.1	1,035.0	1,060.0	1,136.8	76.8
Total debt (B)	630.7	673.3	677.3	672.9	766.9	94.0
- Short-term	165.1	174.0	141.5	146.5	179.0	32.5
- Long-term	465.6	499.3	535.9	526.4	587.8	61.5
Short-term/Total debt (%)	26.2	25.8	20.9	21.8	23.3	1.6%p
Short-term/Reserve assets (%)	35.7	41.1	33.7	35.3	41.8	6.6%p
Net external assets (A-B)	451.9	361.8	357.7	387.1	369.9	-17.2

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

<sup>1</sup> Preliminary.

# Public Finance

## 1. Fiscal balance

The consolidated fiscal balance recorded a surplus of 14.3 trillion won in January, an increase of 0.7 trillion won year-on-year. The managed fiscal balance also recorded a surplus of 11.3 trillion won, a decrease of 0.2 trillion won year-on-year.

(Trillion won, percent)

	2025					2026 <sup>1</sup>			Change (e)-(c)
	Main budget (a)	Settlement (b)	Jan (Cumulative, c)	(c)/(a)	(c)/(b)	Main budget (d)	Jan (Cumulative, e)	(e)/(d)	
A. Total revenue	642.4	-	66.3	10.3	-	675.2	74.7	11.1	8.5
B. Total spending	703.3	-	52.7	7.5	-	727.9	60.5	8.3	7.7
C. Consolidated fiscal balance (A-B)	-60.8	-	13.5	-	-	-52.7	14.3	-	0.7
D. Net social security fund <sup>2</sup>	50.8	-	2.1	-	-	55.1	3.0	-	0.9
E. Managed fiscal balance (C-D)	-111.6	-	11.5	-	-	-107.8	11.3	-	-0.2

Source: Monthly public finance and Open fiscal data, Ministry of Planning and Budget.

<sup>1</sup> Preliminary.

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

### Fiscal balance

(Trillion won)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 <sup>1</sup>
Consolidated fiscal balance	-0.2	16.9	24.0	31.2	-12.0	-71.2	-30.5	-64.6	-36.8	-43.5	-43.3
Managed fiscal balance	-38.0	-22.7	-18.5	-10.6	-54.4	-112.0	-90.6	-117.0	-87.0	-104.8	-89.6

<sup>1</sup> Preliminary.

## 2. Government debt

The total amount of central government debt in November was 1,289.4 trillion won, up 14.1 trillion won from a month earlier. Korean Treasuries totaled 1,287.8 trillion won, which is comprised of bonds at 1,180.8 trillion won, national housing bonds at 77.6 trillion won, and foreign exchange stabilization bonds at 29.4 trillion won.

(Trillion won)

	2019	2020	2021	2022	2023	2024	2025 <sup>1</sup>	
	Annual	Annual	Annual	Annual	Annual	Annual	Oct	Nov
Central gov't debt	699.0	819.2	939.1	1,033.4	1,092.5	1,141.2	1,275.3	1,289.4
(% of GDP)	34.3	39.8	42.3	44.5	45.5	44.8	-	-
- Treasuries (total) <sup>2</sup>	696.3	815.2	937.0	1,031.5	1,091.1	1,139.8	1,273.8	1,287.8
· Bonds	611.5	726.8	843.7	937.5	998.0	1,047.9	1,168.6	1,180.8
· National housing bonds	76.4	78.9	82.2	82.2	81.6	79.1	76.5	77.6
· Foreign exchange stabilization bonds	8.3	9.5	11.2	11.8	11.5	12.8	28.6	29.4
- Loans	2.6	3.3	2.0	1.9	1.2	1.2	1.4	1.4
- Treasury commitments	0.1	0.7	0.1	0.1	0.2	0.2	0.2	0.2

Source: Monthly public finance and Open fiscal data, Ministry of Planning and Budget.

<sup>1</sup> Preliminary.

<sup>2</sup> Including debt-equity swap securities for international organizations.

# Economic News Briefing



- Korea's GDP Increased by 1.0 % in 2025 (Preliminary Estimate)
- The Tenth Japan-Korea Finance Ministerial Dialogue
- DPM Koo Yun Cheol Meets with IMF First Deputy Managing Director Dan Katz

## Korea's GDP Increased by 1.0 % in 2025 (Preliminary Estimate)

Korea's real gross domestic product (GDP) grew by 1.0 percent in 2025, according to the Bank of Korea's advance estimate released on March 10. In the fourth quarter of 2025, the Korean economy decreased by 0.2 percent quarter-on-quarter and increased by 1.6 percent year-on-year.



On the production side, the figure for manufacturing decreased by 1.5 percent, mainly due to decreased production in transportation equipment as well as machinery and equipment. Construction decreased by 4.5 percent, as building construction and civil engineering both decreased. Services figures grew by 0.6 percent owing to increases in finance and insurance as well as human health and social work, though figures for wholesale and retail trade as well as accommodation and food services decreased.

On the expenditure side, private consumption grew by 0.3 percent, as expenditures on services increased while expenditures on goods decreased. Government spending also rose by 1.3 percent on the back of increased expenditures on health care benefits. Construction investment fell by 3.5 percent, as building construction and civil engineering both decreased. Facilities investment decreased by 1.7 percent, led by a decrease in spending on transportation equipment. Exports fell by 1.7 percent as exports of motor vehicles as well as machinery and equipment decreased. Imports decreased by 1.5 percent as imports of natural gas and motor vehicles decreased.

### Real GDP growth by Production and Expenditure

(Percentage change from previous period of seasonally adjusted data; inflation adjusted at 2020 prices)

	2024	2025	2024				2025			
	Annual <sup>1</sup>	Annual <sup>1</sup>	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>	Q1 <sup>1</sup>	Q2 <sup>1</sup>	Q3 <sup>1</sup>	Q4 <sup>1</sup>
GDP	2.0	1.0	1.2	-0.2	0.1	0.1	-0.2	0.7	1.3	-0.2
(y-o-y % change of original data)	-	-	(3.4)	(2.2)	(1.4)	(1.1)	(0.0)	(0.6)	(1.8)	(1.6)
Agriculture, forestry & fisheries	0.6	1.4	4.1	2.0	0.7	-1.8	4.4	-1.2	-4.6	4.7
Manufacturing	4.3	2.0	0.9	0.9	0.0	0.1	-0.6	2.5	1.5	-1.5
Electricity, gas & water supply	3.3	-0.5	-1.2	0.1	5.4	-5.9	5.2	-5.4	5.5	-8.6
Construction	-3.8	-9.5	5.8	-5.6	-3.0	-4.4	-0.4	-3.6	0.7	-4.5
Services <sup>2</sup>	1.6	1.7	0.6	0.1	0.4	0.3	-0.2	0.8	1.4	0.6
Private consumption	1.1	1.3	0.5	0.0	0.4	0.2	-0.1	0.5	1.3	0.3
Government spending	2.1	3.0	0.9	0.8	0.9	0.4	0.0	1.2	1.3	1.3
Construction investment	-3.3	-9.8	4.5	-3.3	-3.6	-4.1	-3.1	-1.2	0.6	-3.5
Facility investment	1.7	2.0	-1.0	0.0	5.4	0.8	-0.4	-2.1	2.6	-1.7
Intellectual property investment	1.2	2.9	1.9	-1.3	-0.2	0.9	1.5	0.8	1.2	-0.5
Exports	6.8	4.2	1.3	1.5	0.0	0.6	-0.6	4.5	2.1	-1.7
Imports	2.5	3.8	-0.3	1.6	1.3	0.2	-1.1	4.2	2.0	-1.5

<sup>1</sup> Preliminary estimate.

<sup>2</sup> Wholesale & retail trade; accommodation & food services; transportation & storage; finance & insurance; real estate; information & communication; business activities; public administration, defense & social security; education; human health & social work; and cultural & other services.

# The Tenth Japan-Korea Finance Ministerial Dialogue

## I. Introduction

Ms. Katayama Satsuki, Japan's Minister of Finance, and Mr. Koo Yun Cheol, Korea's Deputy Prime Minister and Minister of Finance and Economy, met for the 10th Japan-Korea Finance Ministerial Dialogue on March 14, 2026, in Tokyo, Japan. The Ministers exchanged their views on wide-ranging issues including the current global and regional economy, economic security and the ways to strengthen bilateral and multilateral cooperation.



## II. Global and Regional Economies, and Policies

The Ministers shared the view that, while the global economy maintains steady growth, it nevertheless remains exposed to various risks, including geopolitical tensions. In particular, the Ministers held a serious discussion on the situation in the Middle East and recent fluctuations in financial markets and reaffirmed the importance of close cooperation to ensure a stable supply of energy. The Ministers also exchanged views on the potential for investment promotion, including in areas such as artificial intelligence to enhance economic growth.

They reaffirmed the importance of remaining vigilant and staying agile in policy actions to support economic growth and maintain financial stability. In addition, the Ministers expressed serious concern over the recent sharp depreciation of the Korean won and the Japanese yen. Furthermore, they reaffirmed that they will closely monitor foreign exchange markets and continue to take appropriate actions against excessive volatility and disorderly movements in exchange rates.

## III. Economic Security

The Ministers shared the view that strengthening global supply chains is a priority for economic security. In particular, with regard to critical minerals, the Ministers recalled their discussions, including at the Critical Minerals Finance Ministerial Meeting in January, and agreed to further promote the diversification of critical mineral supply chains in developing countries through multilateral initiatives such as the RISE partnership. The Ministers also agreed to continue close cooperation on supply chain policy.

The Ministers reaffirmed that the cooperation under the MOU between JBIC and KEXIM, aimed at strengthening supply chain resilience, is also important from the perspective of economic security.

The Ministers shared the view that the Democratic People's Republic of Korea (DPRK)'s proliferation financing, including through cryptocurrency theft and activities by IT workers, which could support its weapons of mass destruction and ballistic missile programmes, poses a serious threat to international security.

## IV. Multilateral and Bilateral Cooperation

The Ministers expressed support for efforts to enhance the effectiveness of the Chiang Mai Initiative Multilateralisation (CMIM) and to further strengthen the capacity of the ASEAN+3 Macroeconomic Research Office (AMRO) in surveillance and technical assistance to further reinforce the regional financial safety net. The Ministers also expressed their support for discussions toward the formulation of the next Asian Bond Market Initiative (ABMI) Roadmap. The Ministers further welcomed the progress toward developing the next Disaster Risk Financing (DRF) Initiative Roadmap including strengthening the institutional arrangements. The Ministers further confirmed their cooperation to advance regional payment integration while addressing the associated risks.

The Ministers welcomed that Korea was invited to the G7 Finance Ministers and Central Bank Governors' Meeting for the third consecutive year, building on the momentum started by Japan's invitation in 2023. The Ministers agreed to actively cooperate on various issues discussed at multilateral fora, including the G20 and G7, to jointly address global challenges.

The Ministers welcomed the continued convening of the Japan-Korea Customs Cooperation Conference and confirmed that they would further promote cooperation between customs authorities, including through enhanced information exchange, in particular for economic security and E-commerce response.

The Ministers recognized the importance of promoting increased investment. In this context, the Ministers welcomed the planned inclusion of Korean government bonds in the World Government Bond Index (WGBI) as well as the Korean government's efforts to engage with international investors. The Ministers also highly commended the Korean government's efforts to improve the fundamentals of Korea's foreign exchange and capital markets and to create an advanced investment environment, which will facilitate investment from Japanese institutional investors. These efforts include introducing 24-hour trading in the Korean foreign exchange market, establishing an offshore won settlement system, and permitting omnibus securities settlement accounts.

The Ministers also welcomed the steady implementation of the regular vice-ministerial meetings and the continuation of the staff-visit program. The Ministers also welcomed the continued research cooperation between the Policy Research Institute (PRI) of the Ministry of Finance, Japan and the Korea Institute of Public Finance (KIPF).

The Ministers reaffirmed the importance of the regional financial safety net and bilateral financial cooperation including the Bilateral Swap Arrangement, and agreed to continue discussing possible further improvements in this cooperation.

## **V. Conclusion**

The Ministers shared the view that the Japan–Korea Finance Ministerial Dialogue, launched in 2006, remains a valuable forum for exchanging experiences and enhancing mutual understanding, and reaffirmed the importance of strengthening communication at various levels.

The Ministers agreed to hold the Eleventh Dialogue in Korea within about one year.

## DPM Koo Yun Cheol Meets with IMF First Deputy Managing Director Dan Katz

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Deputy Prime Minister and Minister of Finance and Economy Koo Yun Cheol held a meeting with Dan Katz, First Deputy Managing Director of the International Monetary Fund (IMF), on Thursday, March 19, at the Government Complex Seoul. During the meeting, they held wide-ranging discussions on the global economic implications of the recent situation in the Middle East, Korea's policy responses, and areas for further cooperation between Korea and the IMF.



First Deputy Managing Director Katz noted that recent developments in the Middle East have intensified volatility in energy prices and financial markets, thereby heightening downside risks to the global economy. He cautioned that a prolonged conflict could adversely affect the global growth trajectory and inflation. He thus added that the IMF will closely monitor these trends and reflect them in the upcoming World Economic Outlook (WEO) to be released in April.

Deputy Prime Minister Koo remarked that external uncertainties have recently risen significantly and explained that the Korean government has activated a government-wide emergency response system to monitor energy supplies and the broader financial and real economies. He emphasized that the government will mobilize all available policy measures—including price caps on petroleum products, the swift formulation of a supplementary budget, and comprehensive fiscal, financial and industrial measures—to minimize the impact on the national economy and people's livelihoods.

First Deputy Managing Director Katz commended the resilience of the Korean economy in navigating both domestic and external shocks and highly valued the government's prompt and decisive policy actions in response to recent market volatility.

Furthermore, he expressed his appreciation for Korea's active contributions to the IMF's capacity development programs for vulnerable and low-income countries and asked for continued and strengthened cooperation going forward. In response, Deputy Prime Minister Koo reaffirmed Korea's commitment to expanding its support for capacity development initiatives across various sectors, including AI and digital technologies.



## Related Websites



**Ministry of Finance and Economy**  
<http://english.mofe.go.kr>



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



**Ministry of Trade Industry and Resources**  
<https://english.motir.go.kr/>



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



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