

May 2026
Vol.48 No.5

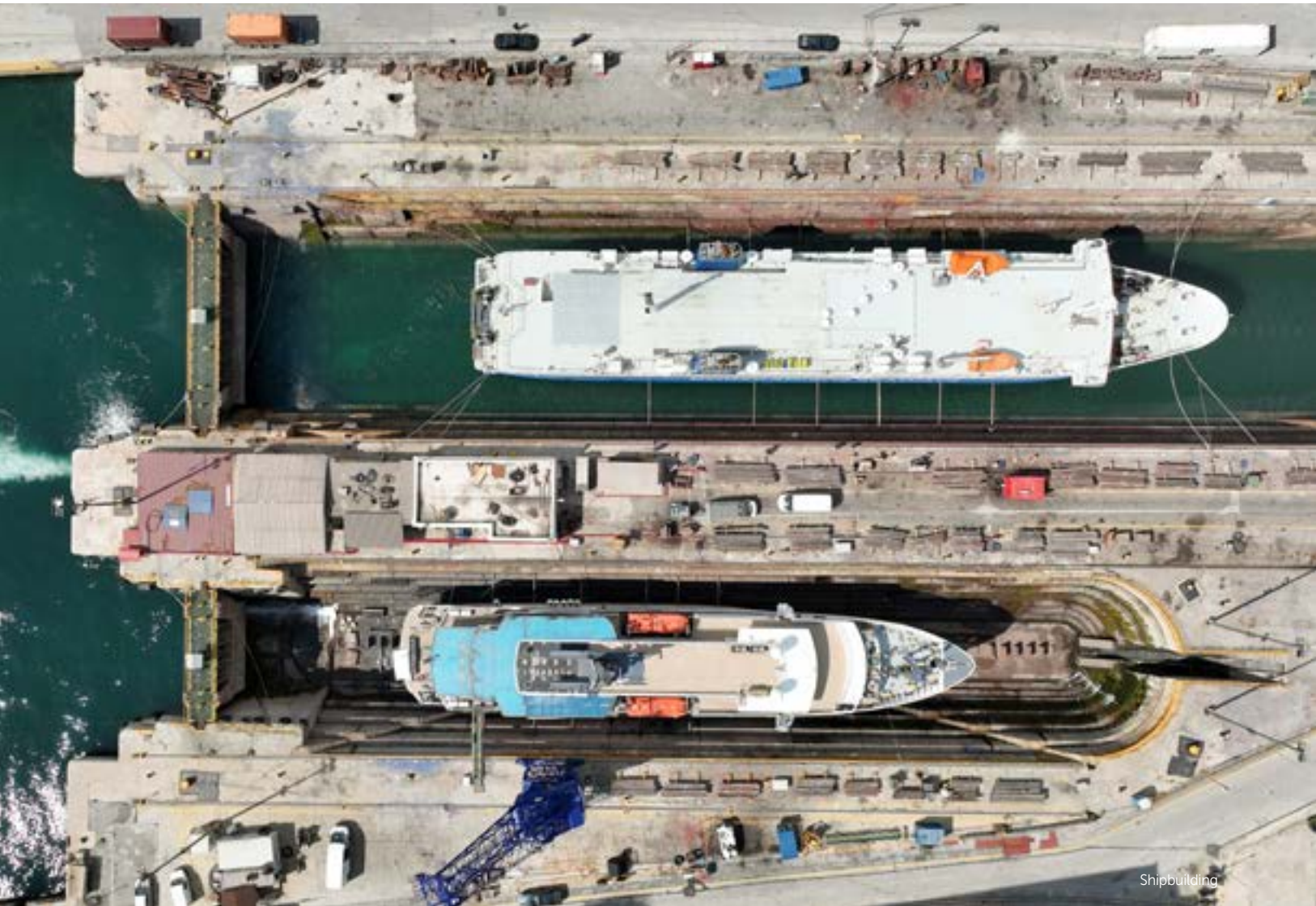
Current Economic Trends

Economic activity
Financial Markets
Public Finance

Economic News Briefing

Korea's GDP in Q1 2026
Investor Relations Session
Korea's OFDI in 2025
Korea's FDI in Q1 2026

Republic of Korea Economic Bulletin



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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.

May 2026 Vol.48 No.5

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Current Economic Trends

Overview

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Overview

In February, industrial production, facility investment, and construction investment increased, while retail sales remained flat. In March, the number of employed persons rose, and consumer prices rose at a faster pace.

In February, production in the industrial sector (*up 5.4% m-o-m and down 2.2% y-o-y*), construction sector (*up 19.5% m-o-m and up 1.2% y-o-y*), and services sector (*up 0.5% m-o-m and up 2.1% y-o-y*) rose, leading to an increase in total industrial production (*up 2.5% m-o-m and up 0.5% y-o-y*).

In February, the cyclical indicator of the coincident composite index went up by 0.8 points and the cyclical indicator of the leading composite index increased by 0.6 points.

In February, facility investment moved up (*up 13.5% m-o-m and up 5.3% y-o-y*) while retail sales remained unchanged (*0.0% m-o-m and up 4.7%*).

In March, the Consumer Sentiment Index (CSI) went down by 5.1 points month-on-month to 107.0. The Composite Business Sentiment Index (CBSI) decreased by 0.1 point to 94.1 and the CBSI outlook for April fell by 4.5 points to 93.1.

In March, exports climbed by 49.2 percent year-on-year, supported by expanded exports of semiconductors, computers, and wireless communication devices. The daily average exports rose by 42.7 percent compared to the same month of last year.

In March, the number of employed persons grew by 206,000 year-on-year and the unemployment rate fell by 0.1 percent point to 3.0 percent.

In March, the Consumer Price Index (CPI) climbed by 2.2 percent year-on-year, up from 2.0 percent in February. The CPI excluding food and energy rose by 2.2 percent, and the index excluding agricultural products and petroleum and the index for living necessities increased by 2.3 percent, respectively.

In March, both housing prices (*up 0.15% m-o-m*) and *Jeonse* (lump-sum deposits with no monthly payments) prices (*up 0.28% m-o-m*) rose.

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

Recently, the Korean economy has faced increased downside risks due to heightened geopolitical risks stemming from the Middle East conflict.

Exports, led by semiconductors, have remained robust, and domestic demand, including consumption, has continued to improve. However, the Middle East conflict has weighed on consumer and business sentiment, raising concerns about higher inflation driven by rising global oil prices and increasing burdens on households.

Globally, financial markets and energy prices have become more volatile amid ongoing geopolitical tensions and a worsening trade environment driven by tariff measures in major economies, heightening risks of a slowdown in trade and growth.

To minimize the impact of the Middle East conflict, the government will maintain an emergency economic response framework, closely monitor developments and sector-specific impacts, and swiftly implement the supplementary budget while actively addressing difficulties faced by businesses on the ground.

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 ¹	Annual ¹	Q1	Q2	Q3	Q4	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹
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.

¹ 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)

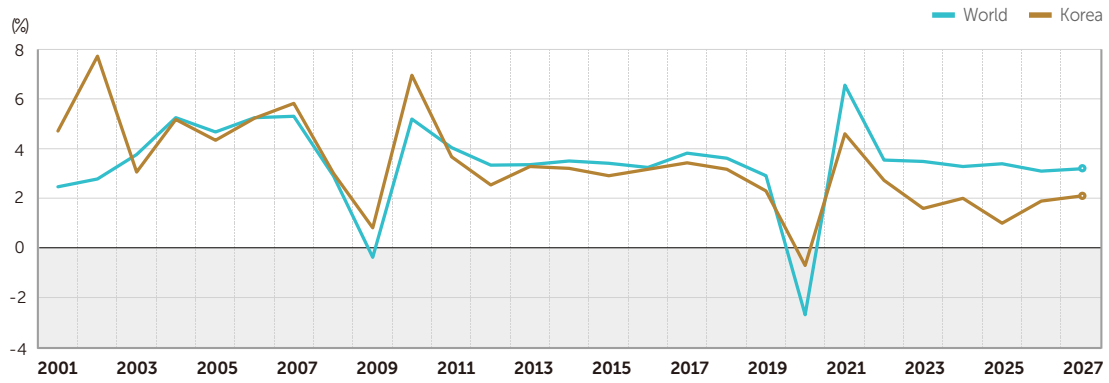
	2023	2024	2025	2023				2024				2025			
	Annual	Annual ¹	Annual ¹	Q1	Q2	Q3	Q4	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹
GDP	1.6	2.0	1.0	1.3	1.2	1.5	2.2	3.4	2.2	1.4	1.1	0.0	0.6	1.9	1.6
(Seasonally adjusted ²)	-	-	-	0.4	0.7	0.8	0.5	1.2	-0.2	0.1	0.1	-0.2	0.7	1.3	-0.3
- Private consumption	2.0	1.1	1.3	5.0	1.7	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 ²)	-	-	-	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.

¹ Preliminary estimate.

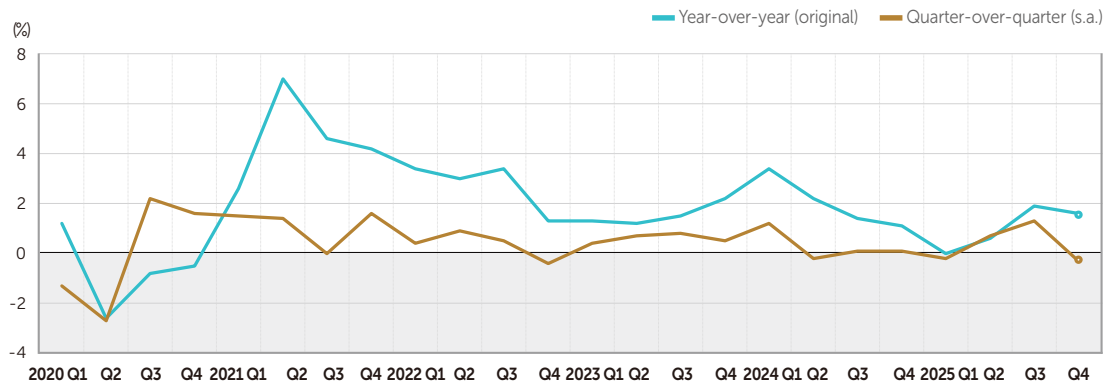
² Percentage change from previous period.

GDP growth: World and Korea



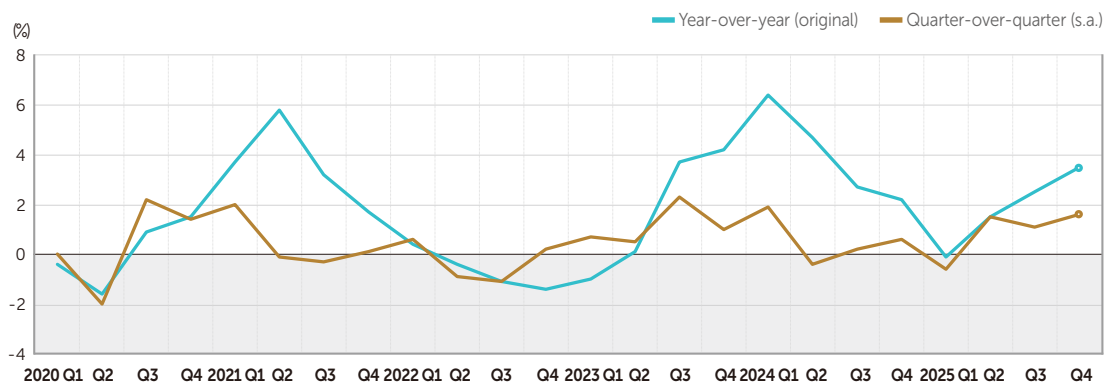
Source: IMF

GDP growth: Korea



Source: Bank of Korea.

GDI growth: Korea



Source: Bank of Korea.

2. Total Production and Composite Index of Business Indicators

In February, the Total Index of Industrial Production increased 2.5 percent month-on-month. Industrial production (*up 5.4 %*), services production (*up 0.5 %*) and construction (*up 19.5%*) rose, while public spending (*down 4.6%*) declined. The index climbed 0.5 percent year-on-year.

Coincident composite index

The cyclical indicator of the coincident composite index rose 0.8 points to 99.8 month-on-month. More specifically, the value of construction completed, industrial production index and imports increased, while the index of service remained steady.

Leading composite index

The cyclical indicator of the leading composite index rose 0.6 points to 102.8. Within the leading composite index, the KOSPI, domestic shipments of machinery, and net barter terms of trade rose, while inventory cycle of manufacturing and construction orders received fell.

	2025										2026	
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec ¹	Jan ¹	Feb ¹
Total Index of Industrial Production (m-o-m, %)	0.6	-0.2	-1.0	1.8	-0.3	-0.1	1.2	-2.2	0.7	1.2	-0.9	2.5
(y-o-y, %)	2.0	1.1	-0.2	1.9	2.8	0.2	8.0	-3.5	0.7	2.1	4.7	0.5
Cyclical indicator of coincident composite index	99.6	99.7	99.4	99.6	99.6	99.8	99.8	99.4	99.2	99.0	99.0	99.8
(m-o-m, p)	0.2	0.1	-0.3	0.2	0.0	0.2	0.0	-0.4	-0.2	-0.2	0.0	0.8
Coincident composite index (2020=100)	113.6	113.9	113.7	114.1	114.3	114.7	114.9	114.6	114.5	114.5	114.7	115.7
(m-o-m, %)	0.4	0.3	-0.2	0.4	0.2	0.3	0.2	-0.3	-0.1	0.0	0.2	0.9
Cyclical indicator of leading composite index	99.5	99.7	99.8	100.0	100.5	100.9	100.9	100.9	101.1	101.6	102.2	102.8
(m-o-m, p)	0.2	0.2	0.1	0.2	0.5	0.4	0.0	0.0	0.2	0.5	0.6	0.6
Leading composite index (2020=100)	117.6	118.1	118.6	119.1	120.1	120.9	121.2	121.5	122.2	123.1	124.2	125.2
(m-o-m, %)	0.6	0.4	0.4	0.4	0.8	0.7	0.2	0.2	0.6	0.7	0.9	0.8

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 Feb 2026 (m-o-m, %)

Value of construction completed	0.5
Industrial production index	1.5
Imports	1.3
Index of Services	0.2

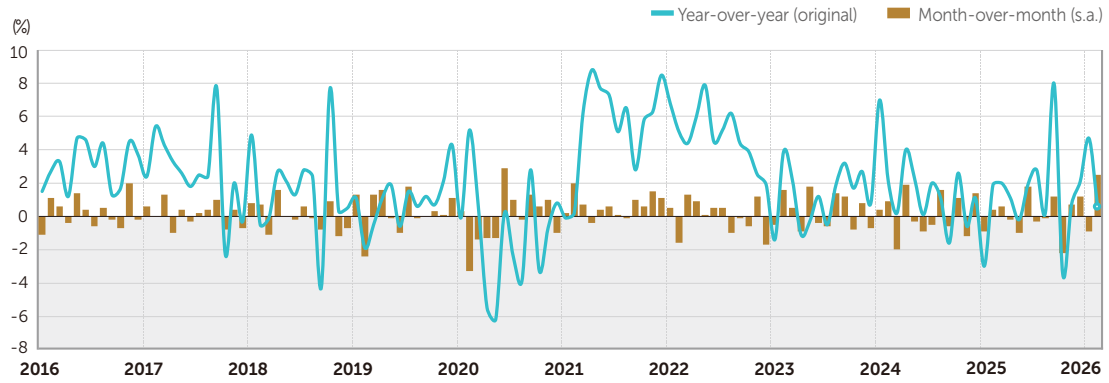
Source: Industrial activity trends, Statistics Korea.

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

KOSPI	12.1
Domestic shipments of machinery	2.5
Net barter terms of trade	1.4
Inventory cycle of manufacturing (%p)	-3.6
Construction orders received	-2.8

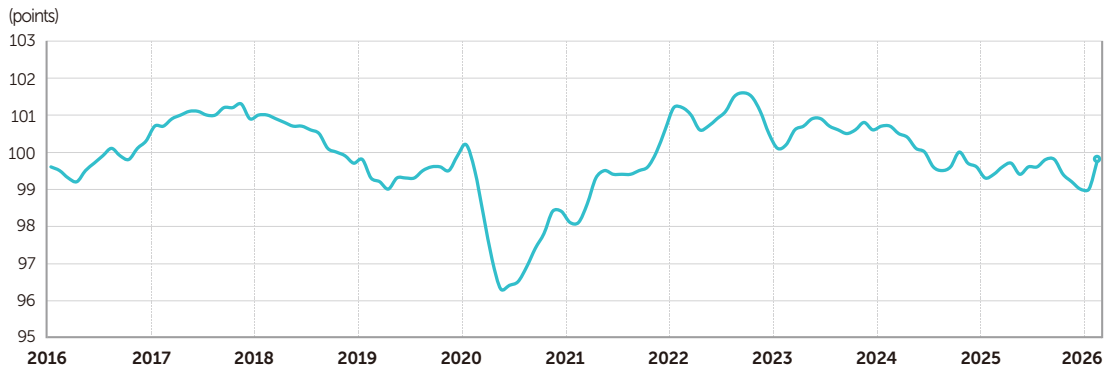
Source: Industrial activity trends, Statistics Korea.

Total index of Industrial Production



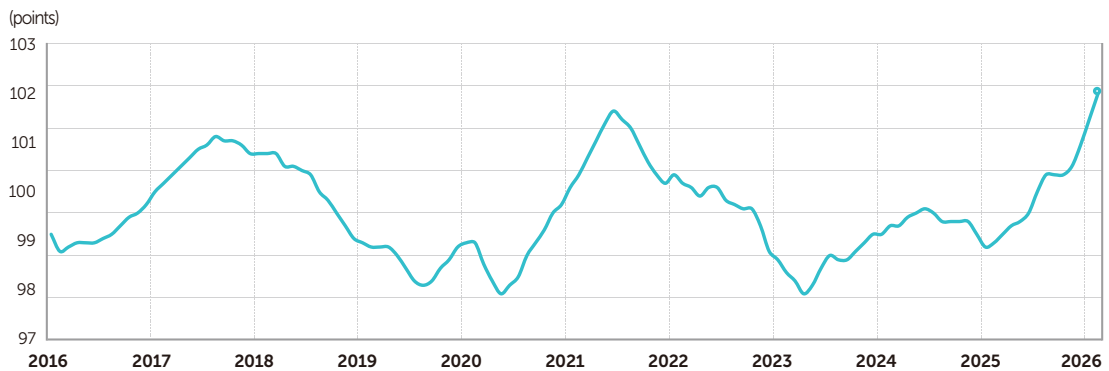
Source: Industrial activity trends, Statistics Korea.

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 ¹	Annual ¹	Q1	Q2	Q3	Q4	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹
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.

¹ Preliminary estimate.

Retail sales stayed unchanged month-on-month in February. Sales of durable goods (*down 1.5%*) and semi-durable goods (*down 5.4%*) fell, while sales of nondurable good (*up 2.6%*) rose. The year-on-year index rose 4.7 percent.

(Percentage change from previous period)

	2023	2024	2025	2023				2024				2025				2026		
	Annual	Annual	Annual ¹	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Dec	Jan ¹	Feb ¹
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	0.6	2.9	0.0
(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	1.2	0.7	4.7
- 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	-3.8	-0.8	5.1	-1.5
- 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	0.5	1.8	4.4
- 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	0.1	1.9	6.2	-5.4
- 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	0.8	0.9	2.6

Source: Statistics Korea.

¹ Preliminary.

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

(Percentage change from same period in previous year)

	2025						2026		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Car sales at home	2.0	5.0	18.1	-16.3	-4.4	-0.9	11.2	-13.3	8.0
Department store sales	1.1	-7.1	2.7	5.6	2.0	5.0	-0.7	30.3	10.1
Large discount store sales	-9.6	-22.9	-14.6	-4.7	-14.5	-16.8	-26.6	-10.6	-32.5
Credit card spending at home ¹	6.3	5.0	8.5	2.1	6.6	4.3	4.7	6.3	8.4
Consumer sentiment index ²	110.8	111.4	110.1	109.8	112.4	109.9	110.8	112.1	107.0
Number of Chinese tourists ³	36.2	21.5	21.7	25.1	26.8	28.8	14.8	40.5	19.8

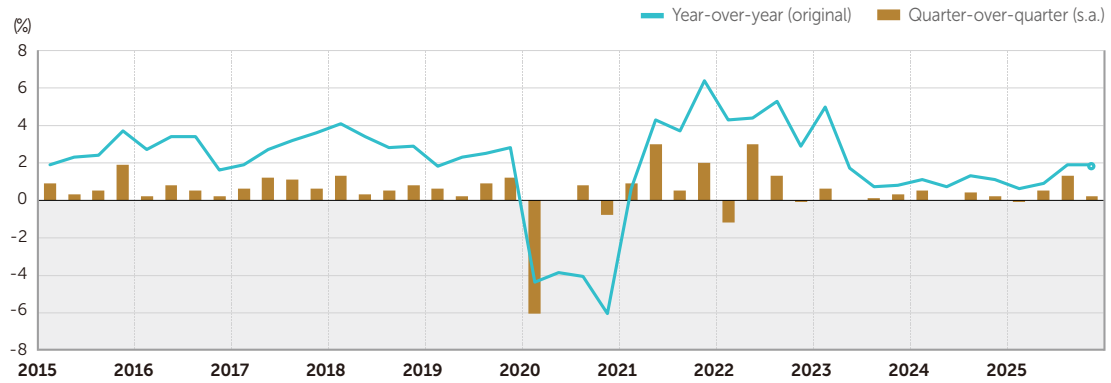
Sources: Korea Automobile Manufacturers Association; The Credit Finance Association; Bank of Korea; Korea Culture & Tourism Institute; data provided by retail industries.

¹ Utility bills are excluded.

² Level value.

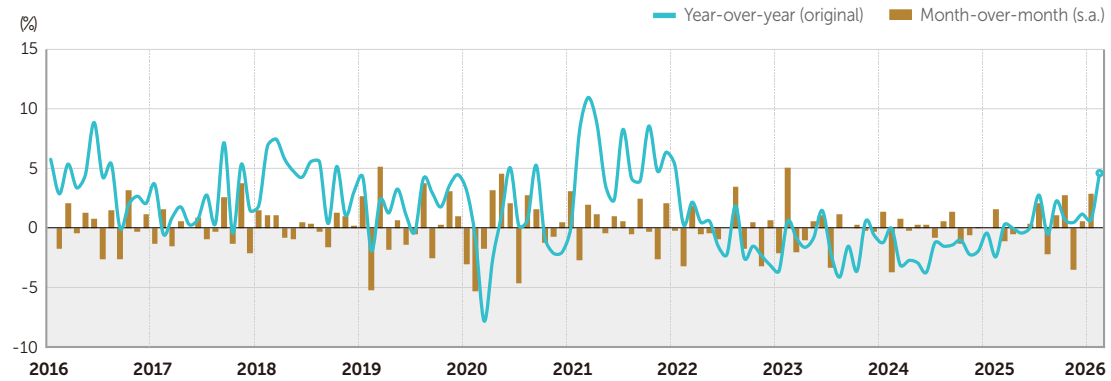
³ Advance estimate based on total entries, The figure can be different from the statistic released by the Ministry of Culture, Sports and Tourism, which excludes diplomatic and military personnel.

Private consumption



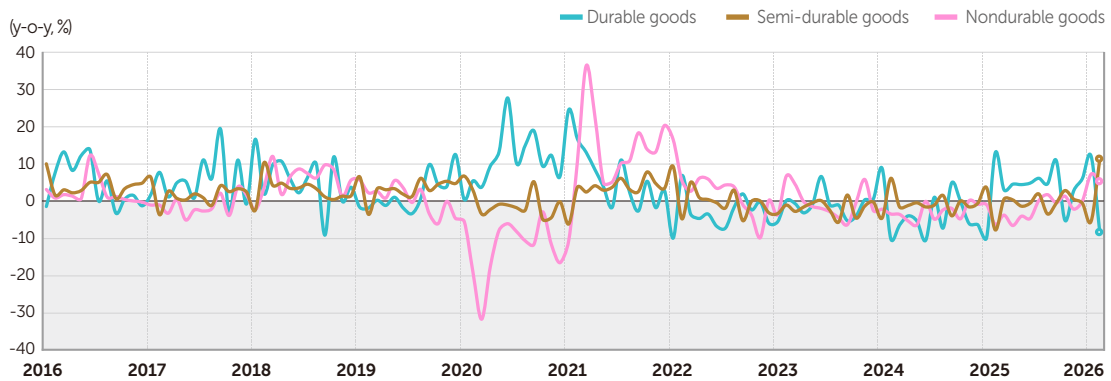
Source: National account, Bank of Korea.

Retail sales



Source: Industrial activity trends, Statistics Korea.

Retail sales by type



Source: Industrial activity trends, Statistics Korea.

4. Facility investment

Facility investment (*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 ¹	Annual ¹	Q1	Q1	Q3	Q4	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹
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.

¹ Preliminary estimate.

In February, the facility investment index rose by 13.5 percent month-on-month, led by increases in both the transportation equipment investment index and the machinery investment index. The index also rose by 5.3 percent year-on-year.

(Percentage change from previous period)

	2023	2024	2025	2023				2024				2025				2026		
	Annual	Annual	Annual ¹	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Dec	Jan ¹	Feb ¹
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	-3.8	-4.1	5.3	13.5
(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	-6.2	-12.2	13.8	5.3
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	-1.9	3.0	2.4	3.8
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	-8.2	-20.6	13.4	40.4

Source: Statistics Korea.

¹ 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 ¹	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 ¹	Jan ¹	Feb ¹
Domestic machinery orders received	-18.3	10.8	4.9	-14.5	-31.2	-43.2	23.2	-11.4	20.5	28.6	9.1	-0.1	-5.1	27.4	1.1	31.8	6.7
(% change from previous period)	-	-	-	44.0	-13.6	-17.9	21.8	-0.2	19.5	-10.3	3.9	-6.1	8.6	17.0	-17.6	-6.3	11.5
- Public	-30.5	17.4	14.6	-27.4	-43.8	-48.3	8.5	-13.7	23.8	27.9	28.2	23.2	13.7	28.6	2.2	14.2	24.2
- Private	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	-2.0	84.2	-38.0
Machinery imports	-23.1	-9.0	-10.5	-8.7	-27.6	-30.4	-23.7	-16.2	-22.2	-5.4	10.8	-23.3	-8.7	-5.6	-5.0	-0.5	-10.5
Average capacity utilization rate ²	21.1	25.0	21.8	3.5	4.0	5.1	8.6	5.8	5.8	5.7	7.7	2.3	4.8	7.4	7.3	1.2	0.6
Facility investment pressure ³	-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

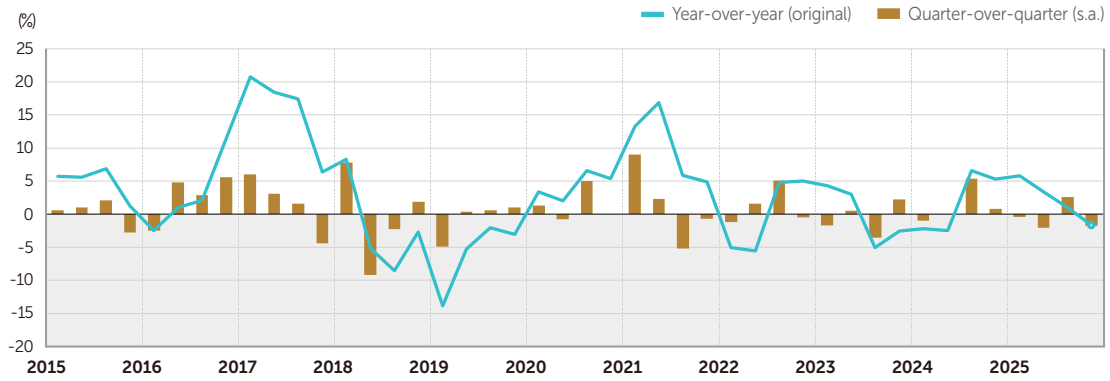
Sources: Statistics Korea; Korea International Trade Association.

¹ Preliminary.

² Utilization rate for the period, %.

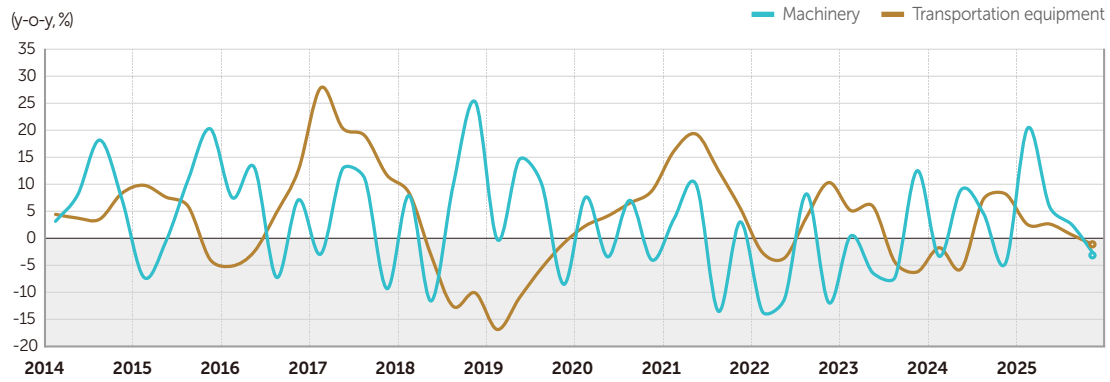
³ Production growth rate minus production capacity growth rate in the manufacturing sector, %p.

Facility investment



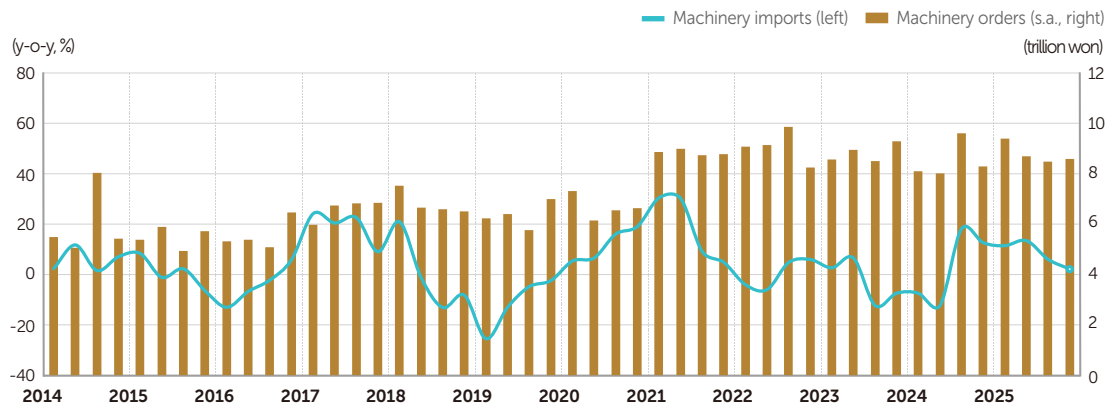
Source: National account, Bank of Korea.

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 (*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 ¹	Annual ¹	Q1	Q2	Q3	Q4	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹
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.

¹ Preliminary estimate.

In February, construction completed (constant) climbed by 19.5 percent month-on-month, as both building construction and civil engineering rose. The index rose 1.2 percent year-on-year.

(Percentage change from previous period)

	2023	2024	2025	2023				2024				2025				2026		
	Annual	Annual	Annual ¹	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Dec	Jan ¹	Feb ¹
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	-4.1	4.5	-7.8	19.5
(y-o-y)	7.8	-4.6	-16.5	12.0	9.5	10.8	0.8	4.1	-3.1	-9.0	-9.5	-21.1	-17.3	-11.9	-15.1	-6.4	-7.1	1.2
- Building construction	9.9	-6.6	-17.5	4.6	1.4	1.2	-4.7	4.9	-6.7	-5.4	-4.1	-7.8	-2.9	-1.5	-2.7	6.4	-11.8	17.1
- 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	-8.1	-0.7	4.5	25.7

Source: Statistics Korea.

¹ Preliminary.

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

(Percentage change from same period in previous year)

	2023	2024	2025	2023				2024				2025				2026	
	Annual	Annual	Annual ¹	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 ¹	Dec ¹	Jan ¹
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 ²	-23.1	-9	-10.5	Δ8.7	Δ27.6	-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 ³	21.1	25	21.8	3.5	4	5.1	8.6	5.8	5.8	5.7	7.7	2.3	4.7	7.4	7.3	2.6	1.2

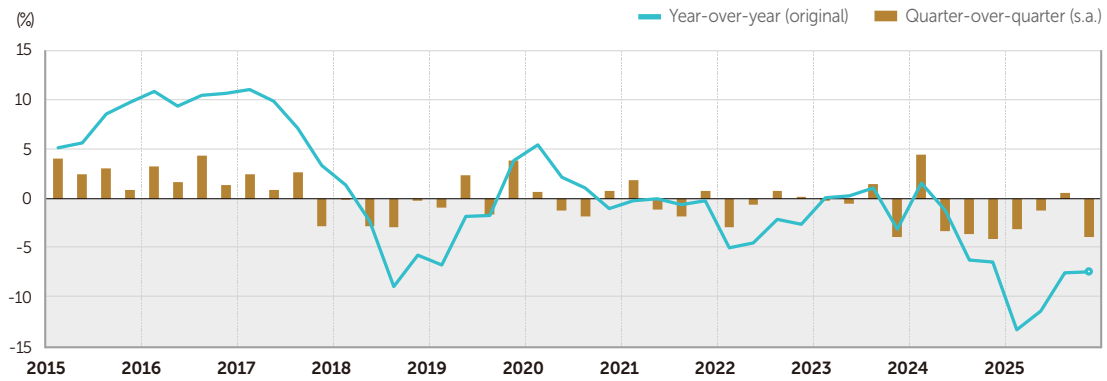
Sources: Statistics Korea; Ministry of Land Infrastructure and Transport; Real Estate 114.

¹ Preliminary.

² Gross Floor Area.

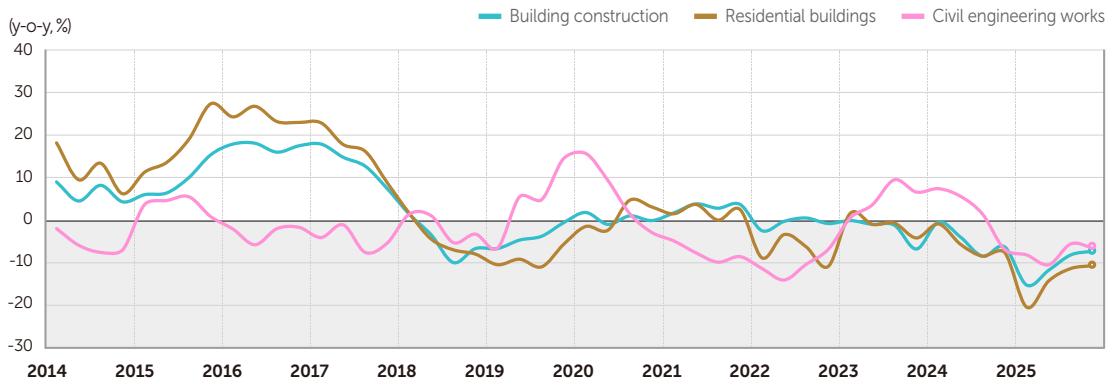
³ Thousand housing units.

Construction investment



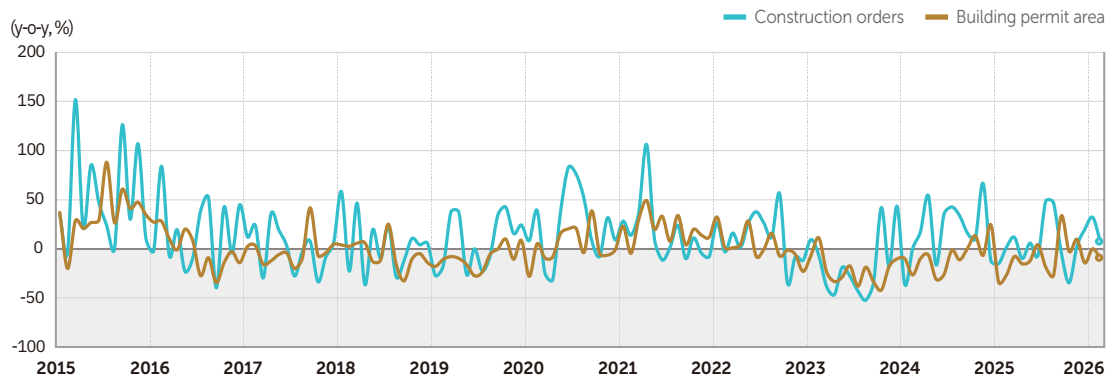
Source: National account, Bank of Korea.

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 49.2 percent year-on-year to US \$86.6 billion in March.

Exports of semiconductor, computers and wireless communications devices increased, while exports of machinery decreased. In terms of export markets, exports to China, US and ASEAN increased while exports to Middle East and CIS declined.

The average daily amount of exports, which factors in the number of working days, rose by 42.7 percent year-on-year to US \$3.8 billion.

Imports rose by 13.2 percent year-on-year to US \$60.4 billion in March.

The trade balance recorded a surplus of US \$26.2 billion in March.

(US \$ billion)

	2024	2025	2025				2026		
	Annual	Annual	Q1	Q2	Q3	Q4	Jan	Feb	Mar
Exports	683.6	709.4	159.5	175.1	184.9	189.8	65.8	67.3	86.6
(y-o-y, %)	8.1	3.8	-2.3	2.1	6.5	8.4	33.8	28.7	49.2
Average daily exports	2.5	2.6	2.5	2.4	2.6	2.9	2.8	3.5	3.8
Imports	631.8	631.8	152.6	154.3	162.4	162.2	57.1	51.9	60.4
(y-o-y, %)	-1.6	-0.0	-1.4	-1.7	1.5	1.4	11.6	7.5	13.2
Average daily imports	2.3	2.4	2.4	2.3	2.6	2.5	2.4	2.7	2.6
Trade balance	51.8	77.7	6.9	20.9	22.5	27.7	8.7	15.5	26.2

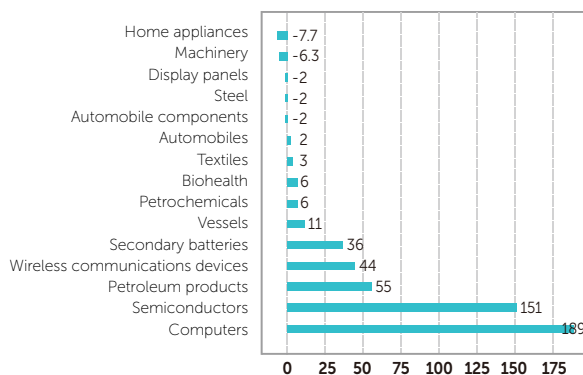
Source: Korea Customs Service.

Export growth and share by region in Mar 2026

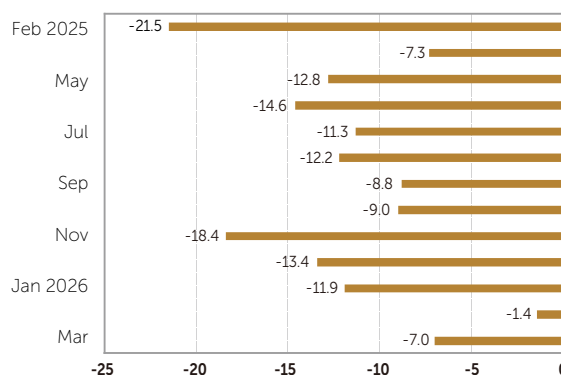
	Growth (y-o-y, %)	Share (%) ¹
China	64	19.8
US	47	18.9
ASEAN countries	34	17.9
EU	19	8.5
Japan	27	3.4
Latin America	38	3.5
India	30	2.5
Middle East	-49	2.0
CIS countries	-12	-

¹ Cumulative total since January 2025.

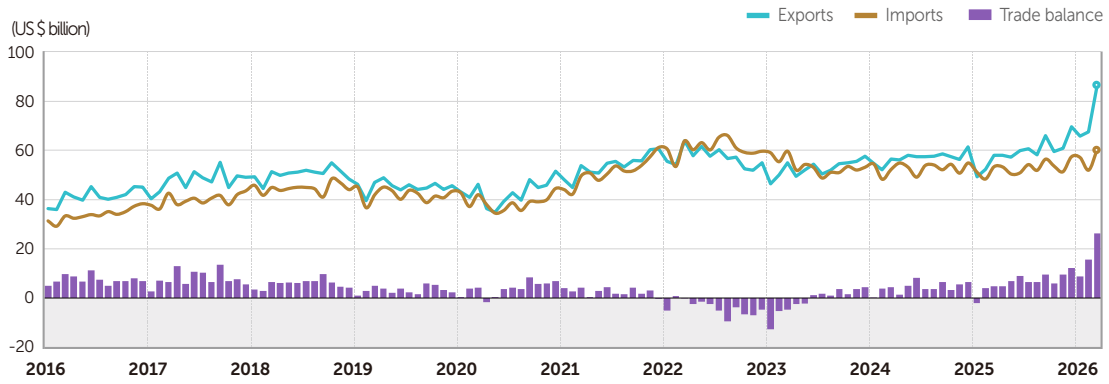
Export growth by item in Mar 2026 (y-o-y, %)



Energy Imports (y-o-y, %)

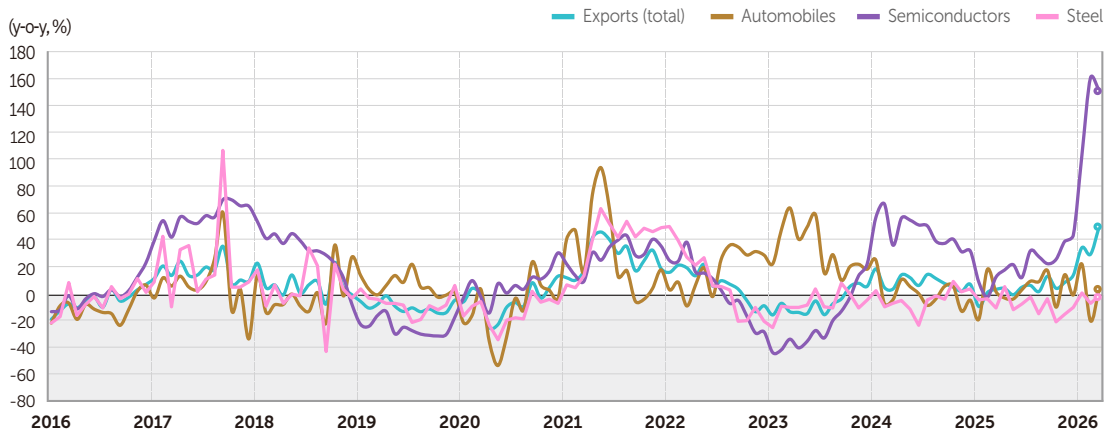


Exports and imports



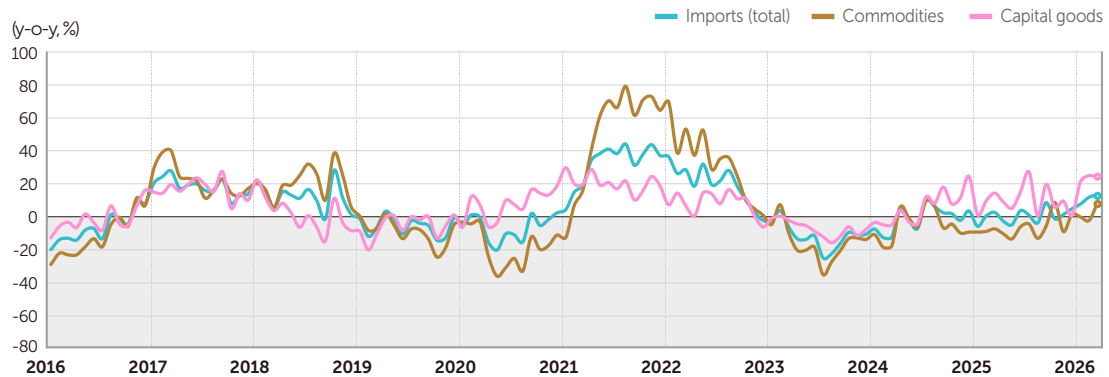
Sources: Korea Customs Service.

Export growth by item



Sources: Korea Customs Service.

Import growth by category



Sources: Korea Customs Service.

7. Employment

In March, the number of employed workers increased by about 206,000 year-on-year to 28,795,000 and the employment rate (*aged 15 and above*) rose by 0.2 percent points to 62.7 percent.

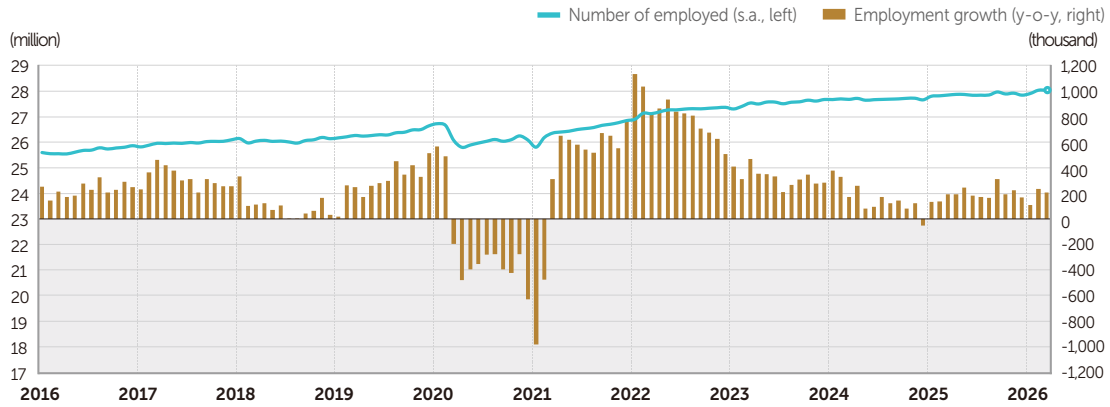
By sector, employment growth was led by an increase in the number of jobs in the following sectors: healthcare and social welfare services, transportation and storage, and arts, sports and recreation related services.

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

	2023	2024	2025	2025										2026		
	Annual	Annual	Annual	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Number of employed (million)	28.42	28.58	28.77	28.89	28.89	29.16	29.09	29.03	28.97	29.15	29.04	29.05	28.21	27.99	28.41	28.80
Employment rate (%)	62.6	62.7	62.9	62.5	63.2	63.8	63.6	63.4	63.3	63.7	63.4	63.4	61.5	61.0	61.8	62.7
(Seasonally adjusted)	-	-	-	62.9	62.9	62.9	62.8	62.8	62.8	63.1	62.9	62.9	62.7	62.8	63.0	63.0
- 15 to 64	69.2	69.5	69.8	69.3	69.9	70.5	70.3	70.2	69.9	70.4	70.1	70.2	69.6	69.2	69.2	69.7
Employment growth (y-o-y, thousand)	327	159	193	193	194	245	183	171	166	312	193	225	168	108	234	206
- Manufacturing	-43	-6	-73	-112	-124	-67	-83	-78	-61	-61	-51	-41	-63	-23	-16	-42
- Construction	-9	-49	-125	-185	-150	-106	-97	-92	-132	-83	-123	-131	-63	-20	-40	-16
- Services	385	239	492	567	606	549	494	460	484	588	481	516	403	256	374	316
· Wholesale & retail	-37	-61	-1	-26	-3	18	10	13	0	28	46	11	44	23	22	-18
· Hotels & restaurants	114	25	-3	56	1	-67	-38	-71	0	26	22	-22	-22	-16	-27	-2
· Healthcare & social welfare service	143	83	237	212	218	233	216	263	304	304	280	281	220	185	288	294
- Wage workers	327	214	275	259	277	329	314	287	270	386	311	294	214	121	205	113
· Permanent workers	478	183	283	234	279	362	318	319	348	340	286	258	195	192	158	140
· Temporary workers	-61	154	46	126	52	25	58	16	-12	2	79	65	-7	-97	8	-59
· Day laborers	-90	-122	-55	-100	-54	-59	-63	-48	-67	44	-55	-29	25	26	39	32
- Nonwage workers	0	-55	-81	-66	-83	-84	-130	-116	-103	-75	-118	-70	-46	-13	29	93
· Self-employed	57	-32	-38	-2	-6	-22	-66	-65	-70	-55	-98	-38	12	45	70	105
- Male	24	-29	20	2	33	49	7	16	20	67	22	22	95	33	20	69
- Female	303	188	174	191	161	196	177	155	146	244	171	203	73	75	214	137
- 15 to 29	-98	-144	-178	-206	-174	-150	-173	-158	-219	-146	-163	-177	-112	-175	-146	-147
- 30 to 39	54	90	102	109	93	132	116	93	96	133	80	76	83	101	86	112
- 40 to 49	-54	-81	-50	-49	51	-39	-55	-56	-73	-45	-38	-9	-33	-3	0	-5
- 50 to 59	59	28	-26	-26	-14	-68	-53	-49	-38	-11	-19	2	-11	45	6	5
- 60 and above	366	266	345	365	340	370	348	342	401	381	334	333	241	141	287	242

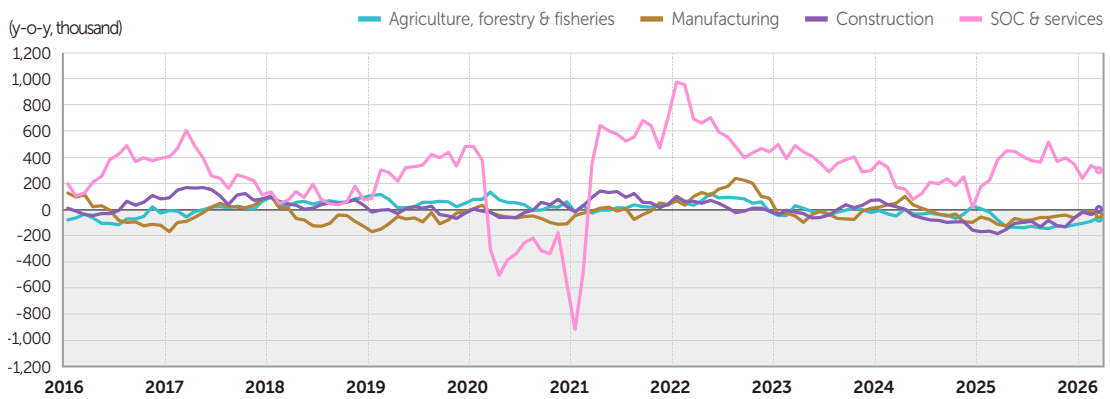
Source: Statistics Korea.

Number of employed workers and employment growth



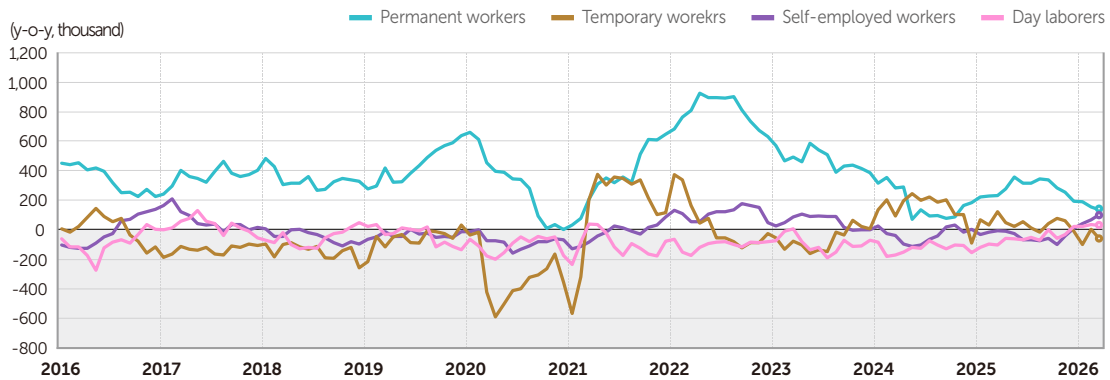
Source: Employment trends, Statistics Korea.

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 March, the number of unemployed workers decreased by about 35,000 year-on-year to 884,000 and the unemployment rate declined by 0.1 percent point to 3.0 percent.

	2023	2024	2025	2025										2026		
	Annual	Annual	Annual	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Number of unemployed (thousand)	787	823	830	918	854	853	825	726	592	635	658	661	1,217	1,211	993	884
Unemployment growth (y-o-y, thousand)	-46	36	7	26	-32	-32	-32	-11	28	12	-20	5	103	128	54	-35
- Male	-14	18	13	5	0	-17	-1	16	23	52	4	29	47	36	44	-31
- Female	-32	18	-6	21	-31	-15	-32	-27	4	-39	-24	-24	55	49	10	-4
Unemployment rate (%)	2.7	2.8	2.8	3.1	2.9	2.8	2.8	2.4	2.0	2.1	2.2	2.2	4.1	4.1	3.4	3.0
(Seasonally adjusted)	-	-	-	2.9	2.7	2.7	2.6	2.5	2.6	2.5	2.6	2.7	4.0	3.0	2.9	2.7
- 15 to 29	5.9	5.9	6.1	7.5	7.3	6.6	6.1	5.5	4.9	4.8	5.3	5.5	6.2	6.8	7.7	7.6
- 30 to 39	2.6	2.7	2.7	2.9	2.8	2.6	2.8	2.5	2.5	2.6	2.7	2.9	3.0	3.0	3.6	3.3
- 40 to 49	1.9	1.9	2.0	2.2	2.1	2.3	2.0	2.0	1.7	1.7	1.7	1.8	1.9	1.8	1.9	1.8
- 50 to 59	1.7	1.8	1.8	2.1	2.1	2.1	2.1	1.8	1.4	1.6	1.5	1.4	1.6	1.7	1.9	2.0
- 60 and above	2.6	2.9	2.8	2.6	1.9	2.2	2.2	1.7	1.0	1.2	1.4	1.2	8.4	8.3	3.7	2.3

Source: Statistics Korea.

In March, the economically inactive population increased by 69,000 year-on-year to 16,271,000 and the labor force participation rate remained at 64.6 percent.

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

	2023	2024	2025	2025										2026		
	Annual	Annual	Annual	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Economically inactive population (million)	16.2	16.2	16.2	16.2	16.0	15.7	15.8	16.0	16.2	16.0	16.1	16.1	16.5	16.7	16.5	16.3
Labor force participation rate (%)	64.3	64.5	64.7	64.6	65.1	65.6	65.4	65.0	64.6	65.0	64.8	64.8	64.7	63.6	64.0	64.6
(Seasonally adjusted)	-	-	-	65.0	64.8	64.7	64.5	64.4	64.4	64.8	64.5	64.6	65.0	64.7	64.9	64.8
Growth in economically inactive population (y-o-y, thousand)	-134	-32	-8	-40	18	-22	42	8	9	-116	38	-10	-49	4	-39	69
- Childcare	-140	-113	-64	-86	-58	-39	-32	-29	-48	-68	-63	-65	-90	-95	-98	-83
- Housework	-1	45	7	-2	47	3	20	60	13	-25	14	-44	-8	-14	-6	28
- Retraining	11	-54	1	-13	-8	-12	7	47	21	25	17	36	-16	34	42	66
- Old age	-31	47	-28	-16	-30	-56	-43	-36	-50	-40	-41	-16	-11	26	24	58
- Rest	74	117	88	71	45	56	6	69	73	42	135	124	124	110	27	31
- Job seeking	-88	-48	5	27	30	56	34	-12	11	-8	-38	-13	-37	-28	-27	-51

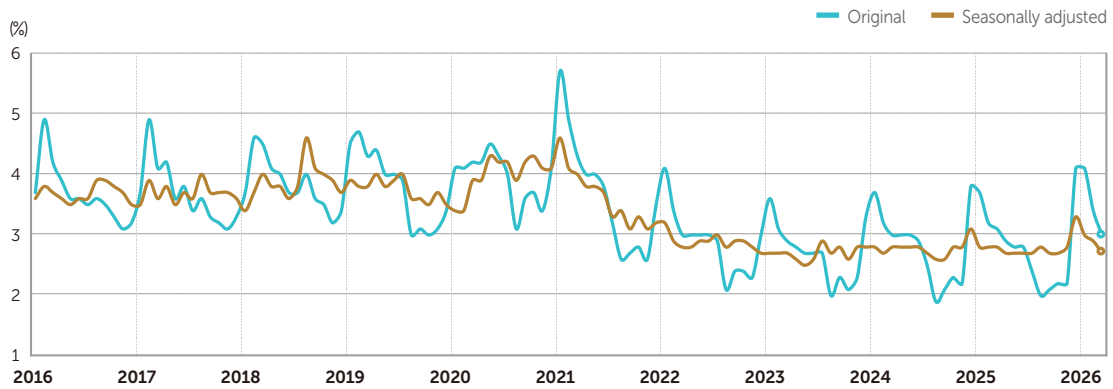
Source: Statistics Korea.

Employment rate



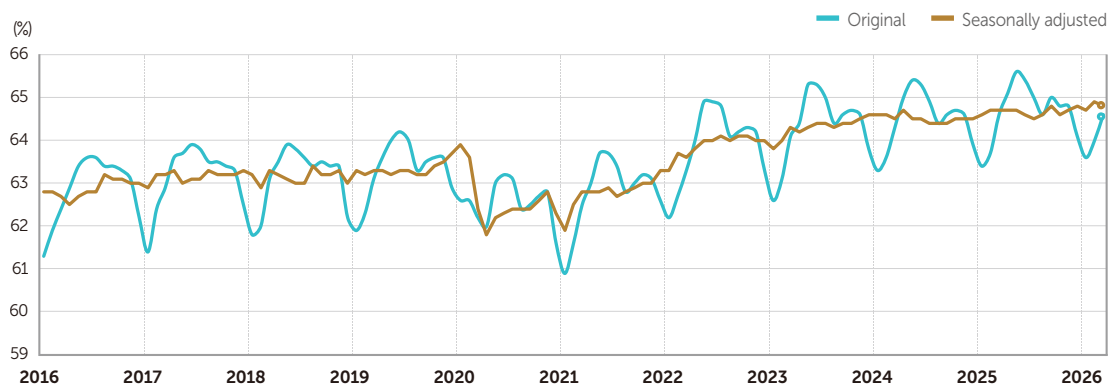
Source: Employment trends, Statistics Korea.

Unemployment rate



Source: Employment trends, Statistics Korea.

Labor force participation



Source: Employment trends, Statistics Korea.

8. Prices

In March, the Consumer Price Index (CPI) grew 2.2 percent from a year ago. The CPI rose 0.3 percent month-on-month.

Prices for consumer goods excluding food and energy rose 2.2 percent year-on-year in March. Prices for consumer goods excluding crops and oil products rose 2.3 percent.

The price index for basic necessities rose 2.3 percent year-on-year in March. The fresh food price index fell 6.6 percent.

(Percentage change from same period in previous year)

	2024	2025											2026			
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
CPI (y-o-y)	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	2.2
(m-o-m)	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	0.3
Excluding food and energy	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	2.2
Excluding crops and oil products	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	2.3
Basic necessities	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	2.3
Fresh food	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	-6.6

Source: Statistics Korea.

In March, the growth of agricultural, fishery and livestock prices slowed down as vegetable and fruit prices decreased further. The price of oil rose amid the Middle East conflict.

(Percentage change from same period in previous year)

	Farm and fishery products	Manufactured products	Petroleum products	Public utilities	Housing rents	Public services	Personal services
Feb 2026	1.7	1.2	-2.4	0.2	0.9	1.6	3.5
Mar 2026	-0.6	2.7	9.9	0.2	0.9	1.0	3.2
Contribution (%p)	-0.1	0.9	0.4	0.0	0.1	0.1	1.1

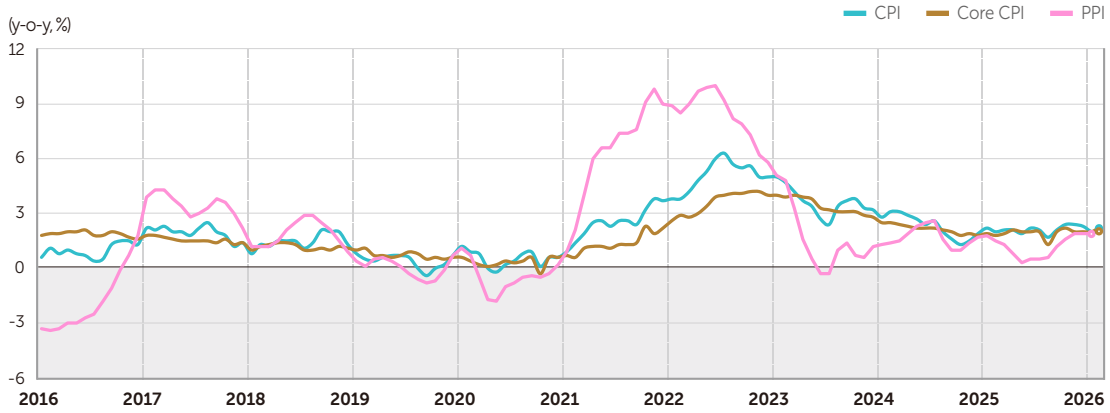
Source: Statistics Korea.

(Won/liter, period average)

	2024	2025	2024				2025				2026			
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Jan	Feb	Mar
Gasoline prices	1,647	1,680	1,607	1,681	1,674	1,624	1,708	1,642	1,665	1,707	1,745	1,704	1,689	1,836
Diesel prices	1,503	1,553	1,512	1,528	1,510	1,460	1,570	1,507	1,533	1,602	1,675	1,600	1,587	1,829

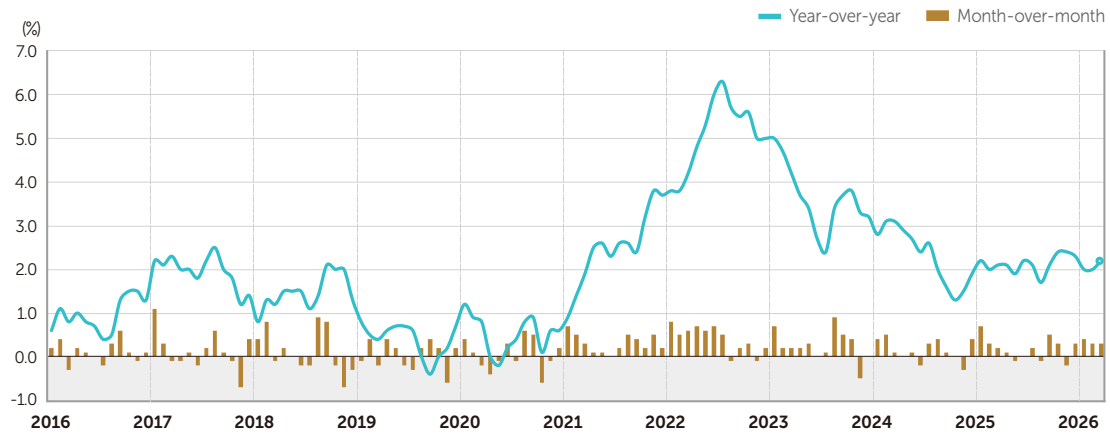
Source: Korea National Oil Corporation.

Prices



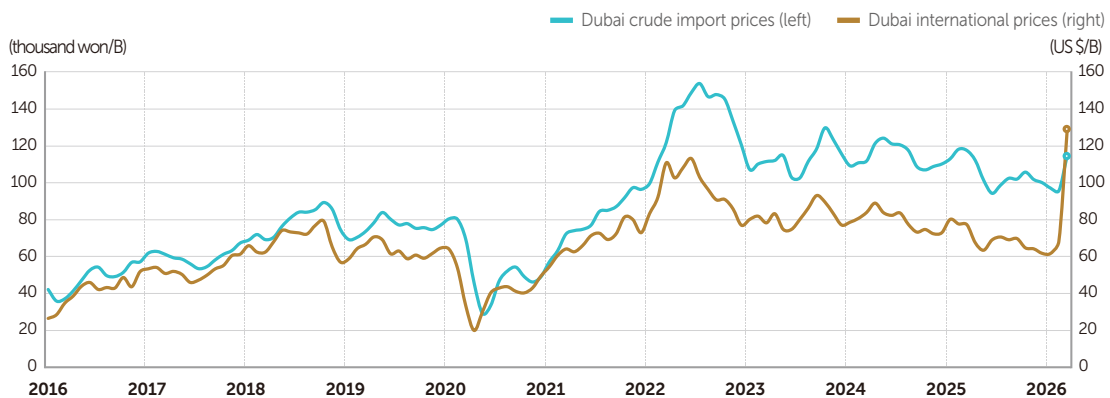
Sources: Consumer price trends, Statistics Korea; Bank of Korea.

Consumer price inflation



Source: Consumer price trends, Statistics Korea.

Dubai crude prices and import prices



Source: Korea National Oil Corporation.

In March, international oil prices rose from the previous month due to the Middle East conflict.

International grain prices rose compared to the previous month, driven by concerns over wheat crop conditions due to unfavorable weather conditions in the US.

Non-ferrous metal prices fell month-on-month, driven by prospects of slowing global demand for copper.

(Period average)

	2024	2025	2024				2025				2026			
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Jan	Feb	Mar
Dubai crude ¹	79.6	69.4	81.2	85.3	78.5	73.6	76.9	67.0	70.1	63.8	86.3	62.0	68.4	128.5
WTI crude ¹	75.8	64.7	76.9	80.7	75.3	70.3	71.4	63.7	65.0	59.1	71.9	60.3	64.5	91.0
Brent crude ¹	79.9	68.2	81.8	85.0	78.7	74.0	75.0	66.7	68.2	63.1	77.9	64.7	69.4	99.6
Reuters Index ²	3,086	3,025	2,949	3,112	3,081	3,203	3,151	2,996	2,979	2,975	2,969	3,004	2,930	2,971

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 Mar 2026 (m-o-m, %)

Wheat	8.4
Corn	6.2
Soybeans	4.3

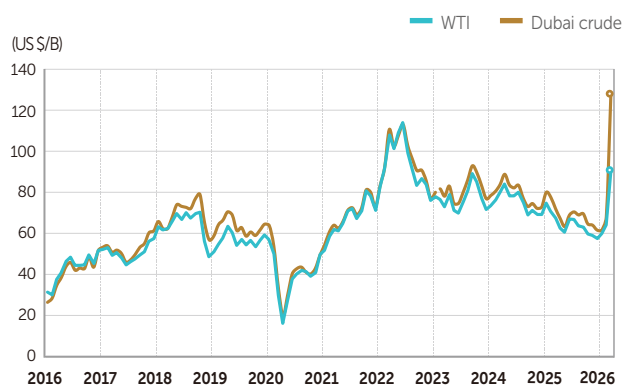
Note: Monthly average prices.

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

Aluminum	9.9
Copper	-3.6
Nickel	-0.2

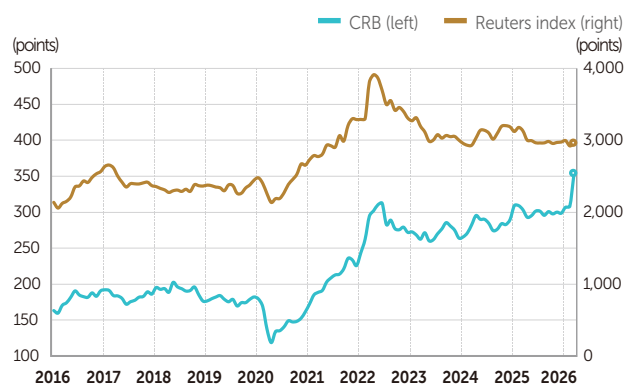
Note: Monthly average prices.

International oil prices



Source: Korea National Oil Corporation.

International commodity prices



Source: Korea PDS

9. Housing market

Nationally, housing sales prices rose 0.15 percent month-on-month in March. Within the Seoul metropolitan area, housing sales prices rose 0.27 percent, increasing 0.39 percent in Seoul and 0.26 percent in Gyeonggi Province, and remaining steady in Incheon. In the areas excluding the Seoul metropolitan, housing sales prices rose 0.03 percent. The prices remained steady in the five metropolitan cities and rose 0.04 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	Mar	Cumulative total	Jan	Feb	Mar
Nationwide	9.9	-4.7	-3.6	0.1	1.0	0.01	0.66	0.28	0.23	0.15
Seoul metropolitan area	12.8	-6.5	-3.6	1.4	2.9	0.15	1.20	0.51	0.42	0.27
- Seoul	6.5	-4.8	-2.0	3.2	7.1	0.52	1.97	0.91	0.66	0.39
· Southern Seoul	6.8	-4.1	-1.5	3.6	9.2	0.80	1.94	1.07	0.60	0.26
· Northern Seoul	6.1	-5.4	-2.4	2.8	4.9	0.22	2.00	0.73	0.72	0.54
Areas excluding the Seoul metropolitan area	7.4	-3.0	-3.5	-1.1	-0.7	-0.12	0.15	0.06	0.06	0.03

Source: Korea Real Estate Board.

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

Busan	Daegu	Gwangju	Daejeon	Ulsan	Sejong
0.04	-0.12	-0.13	-0.01	0.36	-0.10

Nationally, housing rental prices increased 0.28 percent in March compared to the previous month. By region, housing rental prices rose 0.41 percent in the Seoul metropolitan area and 0.17 percent in other areas.

Housing rental prices

(Percentage change from previous period)

	2021	2022	2023	2024	2025	2025	2026			
	Annual	Annual	Annual	Annual	Annual	Mar	Cumulative total	Jan	Feb	Mar
Nationwide	6.5	-5.6	-5.1	1.3	0.9	0.03	0.78	0.27	0.22	0.28
Seoul metropolitan area	7.7	-8.0	-5.7	3.1	1.8	0.10	1.09	0.37	0.31	0.41
- Seoul	4.9	-6.5	-5.3	3.3	3.0	0.17	1.27	0.46	0.35	0.46
· Southern Seoul	5.1	-6.9	-5.8	2.9	3.9	0.10	1.12	0.47	0.26	0.54
· Northern Seoul	4.7	-6.2	-4.7	3.6	2.1	0.24	1.43	0.45	0.44	0.38
Areas excluding the Seoul metropolitan area	5.5	-3.3	-4.4	-0.4	0.1	-0.03	0.48	0.17	0.14	0.17

Source: Korea Real Estate Board.

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

Songpa	Seongbuk	Nowon	Dongtan	Giheung
0.47	0.75	0.70	1.51	1.01

Source: Korea Real Estate Board.

There were 57,785 housing sales transactions in February, a decrease of 6.0 percent month-on-month (61,450 in January 2026) and an increase of 14.0 percent year-on-year (50,698 in February 2025).

Housing sales transactions

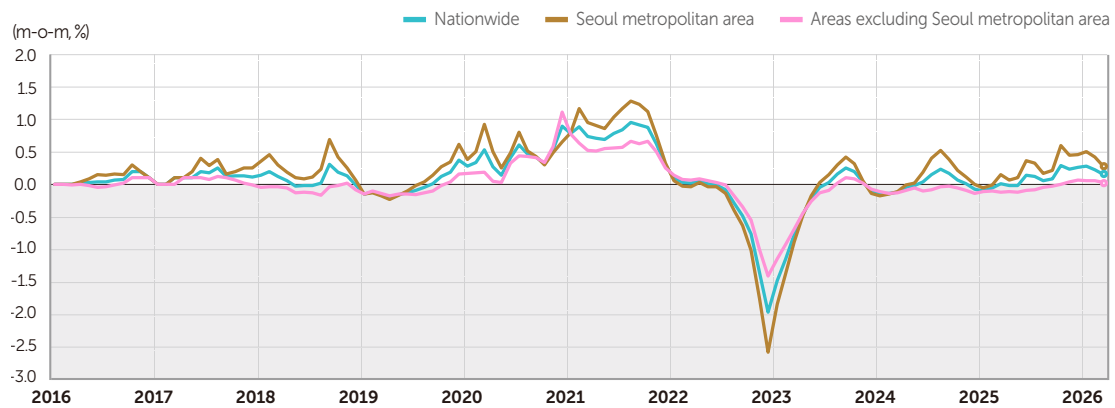
(Thousand)

	2022	2023	2024	2025	2025												2026	
	Annual ¹	Annual ¹	Annual ¹	Annual ¹	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
Nationwide	42	46	54	61	51	67	65	63	74	64	46	63	70	61	63	61	58	

Source: Ministry of Land, Infrastructure and Transport.

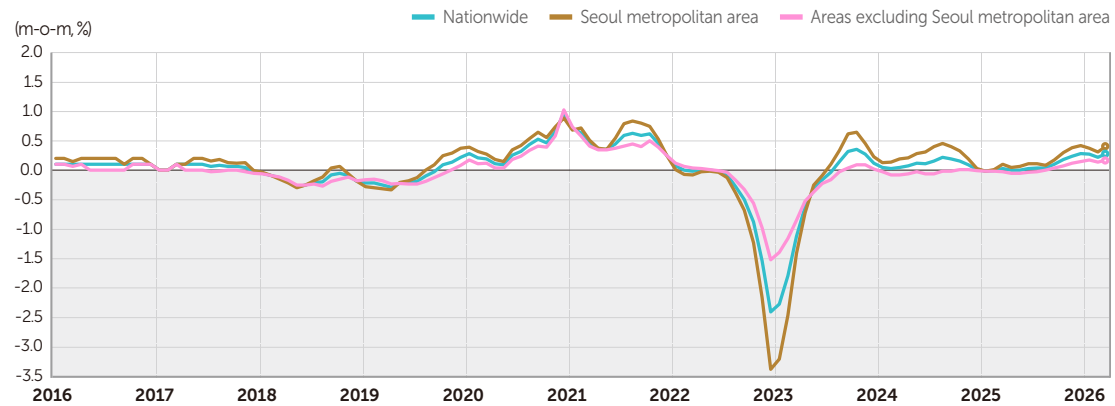
¹ Monthly average.

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, fell due to rising uncertainty stemming from the Middle East conflict.

	KOSPI			KOSDAQ		
	Feb 2026	Mar 2026	Change	Feb 2026	Mar 2026	Change
Stock price index (points)	6,244.13	5,052.46	-1,191.67 (-19.08%)	1,192.78	1,052.39	-140.39 (-11.77%)
Market capitalization (trillion won)	5,146.4	4,159.1	-987.3 (-19.18%)	655.3	582.6	-72.7 (-11.09%)
Daily trade (trillion won)	32.2	30.1	-2.1 (-6.52%)	13.9	13.7	-0.2 (-1.44%)
Foreign stock ownership (% , %p)	37.91	36.37	-1.54 (-4.06%)	10.24	10.23	-0.01 (-0.10%)

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

2. Bond market

The government issued 21.2 trillion won worth of treasury bonds in March.

(End-period, trillion won)

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

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

Korean Treasury bond yields rose in March due to concerns over inflation caused by a surge in international oil prices amid the Middle East conflict.

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

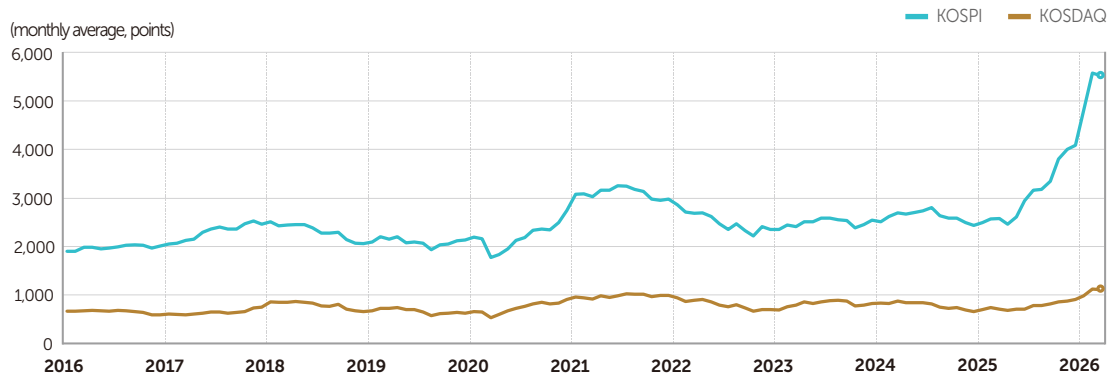
3 yrs	5 yrs	10 yrs	20 yrs	30 yrs
-51	-50	-43	-37	-35

(Percent per annum)

	2019	2020	2021	2022	2023	2024	2025	2026			
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Jan	Feb	Mar	Change ¹
Call rate (1 day)	1.39	0.61	1.44	3.38	3.91	3.33	2.63	2.55	2.60	2.62	2
CD (91 days)	1.53	0.66	1.29	3.98	3.83	3.39	2.81	2.73	2.81	2.82	1
Treasury bonds (3 yrs)	1.36	0.98	1.80	3.72	3.15	2.60	2.95	3.14	3.04	3.55	51
Treasury bonds (5 yrs)	1.48	1.34	2.01	3.74	3.16	2.76	3.24	3.44	3.28	3.78	50
Corporate bonds (3 yrs)	1.94	2.21	2.42	5.23	3.90	3.28	3.48	3.66	3.64	4.17	53

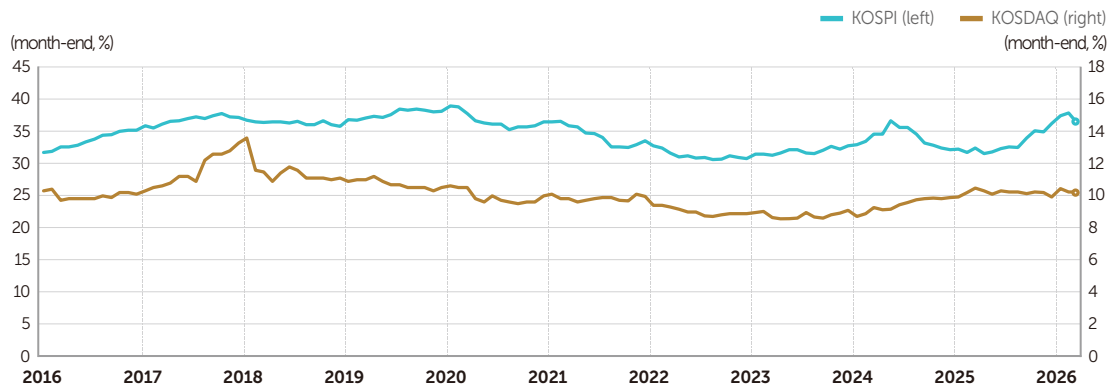
Source: Bank of Korea.
Note: Figures are closing rate.
¹ Change from the previous month as of end-Mar 2026, basis point.

Stock prices



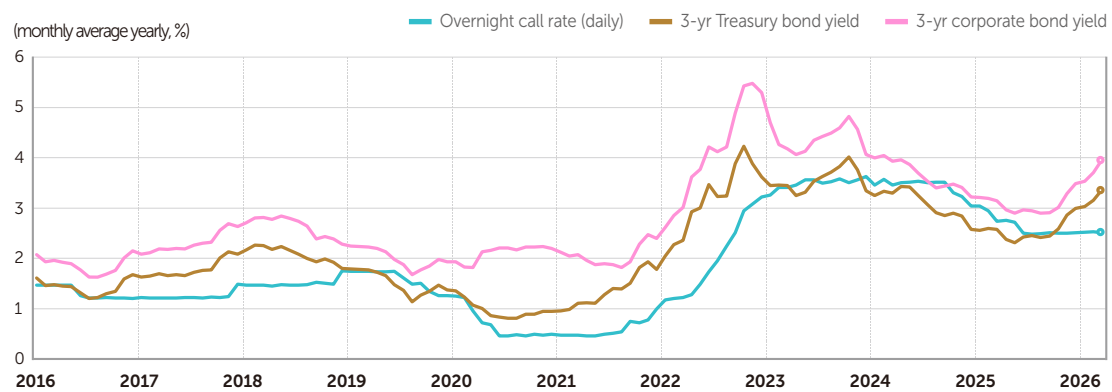
Source: Korea Exchange

Foreign stock ownership



Sources: Financial Supervisory Service, Korea Exchange

Interest rates



Source: Bank of Korea.

3. Foreign exchange market

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

	2019	2020	2021	2022	2023	2024	2025	2026		
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Feb	Mar	Change ¹
Dollar-Won	1,156.4	1,086.3	1,188.8	1,264.5	1,288.0	1,472.5	1,439.0	1,439.7	1,530.1	-5.9
100 Yen-Won	1,059.8	1,051.2	1,032.5	945.6	912.3	934.3	917.6	913.4	946.7	-3.5
Yuan-Won	165.6	167.0	186.6	181.6	181.2	202.6	206.0	209.8	221.6	-5.3

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- Mar 2026, %.

4. Money market

In February, M2 (monthly average) rose 4.9 percent year-on-year.

(Percentage change from same period in previous year)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026		
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Dec	Jan	Feb ¹	Feb ²
M1 ³	19.2	16.0	9.5	4.7	3.9	20.9	21.5	4.2	-10.6	2.9	5.2	5.9	7.6	1,354.0
M2	8.7	7.6	6.8	5.7	6.2	11.1	11.4	9.8	3.8	3.3	4.5	4.7	4.9	4,112.2
Lf ⁴	9.3	8.5	7.4	6.4	7.8	8.4	8.6	8.3	3.5	6.4	6.9	6.6	6.9	6,148.8

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 March, bank deposits increased while deposits held by Asset Management Companies (AMC) decreased.

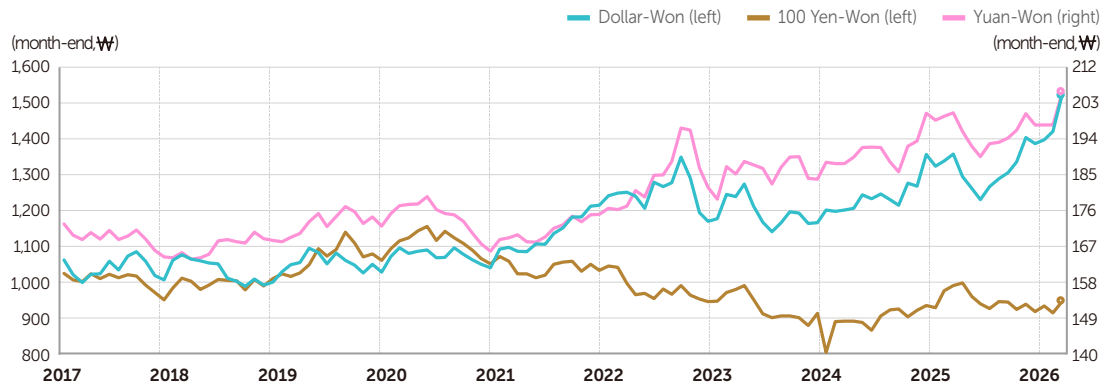
(Change from the end of the previous period, trillion won)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026			
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Dec	Jan	Feb	Mar	Mar ¹
Bank deposits	80.8	79.5	91.6	106.3	188.4	198.5	110.4	76.4	111.7	100.2	-50.8	47.3	20.5	2,551.7
AMC deposits	47.6	27.9	53.8	98.6	42.2	93.9	45.4	93.7	117.2	241.0	91.9	48.6	-29.1	1,394.4

Source: Bank of Korea.

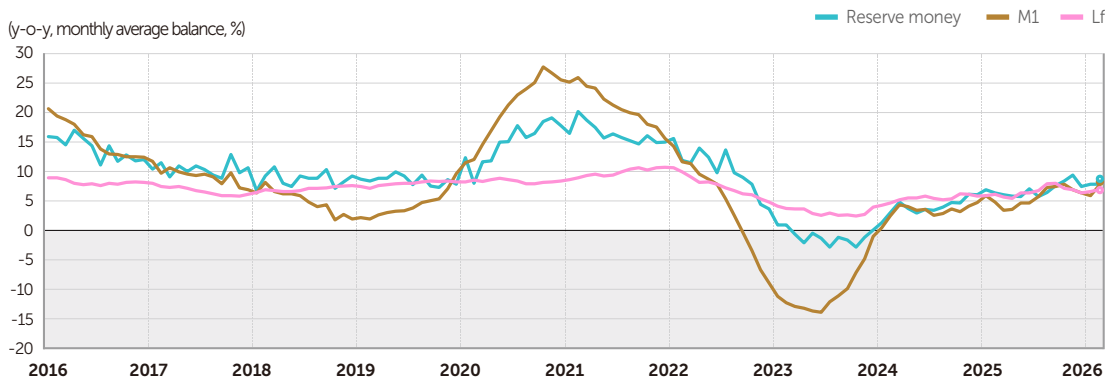
¹Balance at end- Mar 2026.

Foreign exchange rates



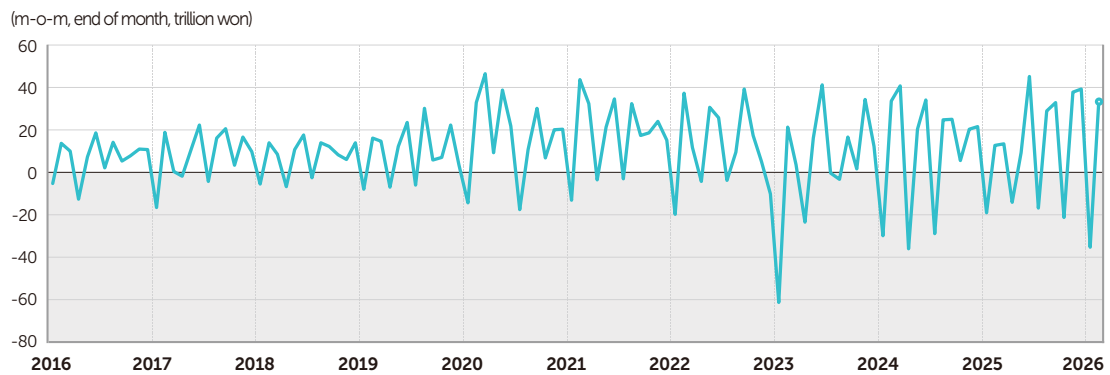
Source: Bank of Korea.

Total money supply



Source: Bank of Korea.

Total deposits of banks



Source: Bank of Korea.

5. Official foreign reserves

Korea's official foreign reserves decreased month-on-month, totaling US \$423.7 billion as of the end of March.

(US \$ billion)

	2022	2023	2024	2025	2026		
					Feb	Mar	Change (m-o-m)
Official foreign reserves	423.2	420.2	415.6	428.1	427.6	423.7 (100.0%)	-3.9
- Securities ¹	369.7	373.7	366.7	371.1	380.0	377.7 (89.2%)	-2.3
- Deposits	29.4	22.0	25.2	31.9	22.5	21.1 (5.0%)	-1.4
- SDRs	14.8	15.1	14.7	15.9	15.8	15.6 (3.7%)	-0.2
- IMF position ²	4.5	4.6	4.2	4.4	4.6	4.6 (1.1%)	-0.1
- Gold	4.8	4.8	4.8	4.8	4.8	4.8 (1.1%)	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 \$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 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 ¹	2025 ¹	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.

¹ Preliminary.

Public Finance

1. Fiscal balance

The consolidated fiscal balance recorded a deficit of 7.1 trillion won in February, a decrease of 6.6 trillion won year-on-year. The managed fiscal balance also recorded a deficit of 14.0 trillion won, a decrease of 3.9 trillion won year-on-year.

(Trillion won, percent)

	2025					2026 ¹			Change (e)-(c)
	Main budget (a)	Settlement (b)	Feb (Cumulative, c)	(c)/(a)	(c)/(b)	Main budget (d)	Feb (Cumulative, e)	(e)/(d)	
A. Total revenue	642.4	637.4	103.0	16.0	16.2	675.2	121.6	18.0	18.6
B. Total spending	703.3	684.1	116.7	16.6	17.1	727.9	128.7	17.7	12.0
C. Consolidated fiscal balance (A-B)	-60.8	-46.7	-13.7	-	-	-52.7	-7.1	-	6.6
D. Net social security fund ²	50.8	57.5	4.2	-	-	55.1	6.9	-	2.7
E. Managed fiscal balance (C-D)	-111.6	-104.2	-17.9	-	-	-107.8	-14.0	-	3.9

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

¹ Preliminary.

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

Fiscal balance

(Trillion won)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 ¹	2026 ¹
Consolidated fiscal balance	16.9	24.0	31.2	-12.0	-71.2	-30.5	-64.6	-36.8	-43.5	-43.3	14.3
Managed fiscal balance	-22.7	-18.5	-10.6	-54.4	-112.0	-90.6	-117.0	-87.0	-104.8	-89.6	11.3

¹ Preliminary.

2. Government debt

The total amount of central government debt in February was 1,312.5 trillion won, up 26.5 trillion won from a month earlier. Korean Treasuries totaled 1,310.8 trillion won, which is comprised of 1,200.9 trillion won of bonds, 75.1 trillion won of national housing bonds, and 34.7 trillion won of foreign exchange stabilization bonds.

(Trillion won)

	2020	2021	2022	2023	2024	2025	2026 ¹	
	Annual	Annual	Annual	Annual	Annual	Annual	Jan	Feb
Central gov't debt	819.2	939.1	1,033.4	1,092.5	1,141.2	1,268.1	1,286.0	1,312.5
(% of GDP)	39.8	42.3	44.5	45.5	44.8	47.6	-	-
- Treasuries (total) ²	815.2	937.0	1,031.5	1,091.1	1,139.8	1,266.5	1,284.3	1,310.8
· Bonds	726.8	843.7	937.5	998.0	1,047.9	1,161.3	1,178.8	1,200.9
· National housing bonds	78.9	82.2	82.2	81.6	79.1	75.6	75.5	75.1
· Foreign exchange stabilization bonds	9.5	11.2	11.8	11.5	12.8	29.5	30.1	34.7
- Loans	3.3	2.0	1.9	1.2	1.2	1.5	1.5	1.5
- Treasury commitments	0.7	0.1	0.1	0.2	0.2	0.1	0.1	0.1

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

¹ Preliminary.

² Including debt-equity swap securities for international organizations.

Economic News Briefing

- Korea's GDP Increased by 1.7 % in Q1 2026 (Advance Estimate)
- Deputy Prime Minister Hosts Korea Economic Investor Relations Session in New York
- Korea's OFDI Posts \$71.88 Billion in 2025, Up 8.7% Y-o-Y
- Korea's FDI Rose to \$6.4 Billion in Q1 2026

Korea's GDP Increased by 1.7 % in Q1 2026 (Advance Estimate)

In the first quarter of 2026, Korea's real gross domestic product (GDP) grew by 1.7 percent quarter-on-quarter and 3.6 percent year-on-year, according to the Bank of Korea's advance estimate released on April 23.

On the production side, agriculture, forestry and fisheries grew by 4.1 percent quarter-on-quarter, mainly due to an increase in crop yields. Manufacturing increased by 3.9 percent on the back of an increased production in computer, electronic and optical products. Electricity, gas, and water supply increased by 4.5 percent, largely as a result of an increase in water supply and remediation activities. Construction expanded by 3.9 percent as building construction and civil engineering both increased. Services grew by 0.4 percent owing to increases in finance and insurance as well as cultural and other services.



On the expenditure side, private consumption grew by 0.5 percent, driven by increased expenditure on goods. Construction investment rose by 2.8 percent, as building construction and civil engineering both increased. Facilities investment grew by 4.8 percent, as machinery and transportation equipment both increased. Exports rose by 5.1 percent as exports of IT goods, particularly semiconductors, increased. Imports increased by 3.0 percent, mainly due to increases in the imports of machinery and equipment as well as in motor vehicles.

Real GDP growth by Production and Expenditure

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

	2024		2024				2025				2026
	Annual ¹	Annual ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ¹	Q2 ¹	Q3 ¹	Q4 ¹	Q1 ²
GDP	2.0	1.0	1.2	-0.2	0.1	0.1	-0.2	0.7	1.3	-0.2	1.7
(y-o-y % change of original data)	-	-	(3.4)	(2.2)	(1.4)	(1.1)	(0.0)	(0.6)	(1.8)	(1.6)	(3.6)
Agriculture, forestry & fisheries	0.6	1.4	4.1	2.0	0.7	-1.8	4.4	-1.2	-4.6	4.7	4.1
Manufacturing	4.3	2.0	0.9	0.9	0.0	0.1	-0.6	2.5	1.5	-1.5	3.9
Electricity, gas & water supply	3.3	-0.5	-1.2	0.1	5.4	-5.9	5.2	-5.4	5.5	-8.6	4.5
Construction	-3.8	-9.5	5.8	-5.6	-3.0	-4.4	-0.4	-3.6	0.7	-4.5	3.9
Services ³	1.6	1.7	0.6	0.1	0.4	0.3	-0.2	0.8	1.4	0.6	0.4
Private consumption	1.1	1.3	0.5	0.0	0.4	0.2	-0.1	0.5	1.3	0.3	0.5
Government spending	2.1	3.0	0.9	0.8	0.9	0.4	0.0	1.2	1.3	1.3	0.1
Construction investment	-3.3	-9.8	4.5	-3.3	-3.6	-4.1	-3.1	-1.2	0.6	-3.5	2.8
Facility investment	1.7	2.0	-1.0	0.0	5.4	0.8	-0.4	-2.1	2.6	-1.7	4.8
Intellectual property investment	1.2	2.9	1.9	-1.3	-0.2	0.9	1.5	0.8	1.2	-0.5	0.5
Exports	6.8	4.2	1.3	1.5	0.0	0.6	-0.6	4.5	2.1	-1.7	5.1
Imports	2.5	3.8	-0.3	1.6	1.3	0.2	-1.1	4.2	2.0	-1.5	3.0

¹ Preliminary estimate.

² Advance estimate.

³ Wholesale & retail trades; 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.

Deputy Prime Minister Hosts Korea Economic Investor Relations Session in New York

On April 14 (U.S. time), the Ministry of Finance and Economy held an Investor Relations session on the Korean economy in New York for major global investors. The participating financial institutions include Goldman Sachs, Citi, J.P.Morgan AM (Asset Management), Morgan Stanley IM (Investment Management), Blackstone, Northern Trust AM, Blackrock, State Street IM, Prudential Global IM, Oaktree, Warburg Pincus, Fidelity, and Korean Finance Society (KFS).



In particular, following the Investor Relations session held in Tokyo on March 13, the Deputy Prime Minister's hosting of another Korea Economic Investor Relations session in New York approximately one month later provided an opportunity to once again confirm the strong interest of global investors in the Korean economy and capital markets.

• Key Points of the Presentation on the Korean Economy

At the session, Deputy Prime Minister Koo Yun Cheol explained that the Korean government is pursuing bold reforms across various sectors to develop its capital market in line with global standards, positioning it as a key platform for economic growth.

In particular, confidence in Korea's capital markets has been restored through three rounds of amendments to the Commercial Act to improve corporate governance and strengthen investor protection, as well as tax reforms aimed at enhancing dividend incentives. Building on these efforts, the government will continue to accelerate comprehensive reforms across the foreign exchange and capital markets – following Korea's inclusion in the WGBI on April 1 – to achieve inclusion in the MSCI Developed Markets Index.

The Deputy Prime Minister emphasized that the government will create an environment in which global investors can invest in the Korean market with ease at any time and from anywhere, thereby reinforcing the "Korea premium."

Furthermore, Korea, as a country equipped with both a world-leading semiconductor industry and advanced manufacturing capabilities, will lead the era of the "Physical AI transformation" by mobilizing its policy capacity to build AI infrastructure – including GPUs, data, and talent – and to foster strategic technologies such as graphene, superconductors, and small modular reactors (SMRs).

Deputy Prime Minister Koo stated that Korea's capacity for innovation and its efforts to reform the capital market will offer new investment opportunities for global investors and called on major global investors on Wall Street to place their trust in Korea and invest actively.

• Q&A on the Korean Economy

First, the participants commended the Korean government's early and focused support for the AI transformation, noting the progress achieved, and raised questions regarding response measures to rising energy demand driven by AI expansion.

Deputy Prime Minister Koo noted that securing stable sources of electricity is essential in the AI era and stated that the Korean government is working to make balanced use of nuclear power, which provides baseload generation, alongside various energy sources, including renewables. The Deputy Prime Minister added that efforts are also underway to encourage the dispersion of power-intensive facilities and industries to regions with ample power supply, while expanding the power grid, including through the development of next-generation distributed energy networks.

The participants also raised questions regarding the policy directions being pursued by the Korean government to stabilize energy prices in response to the Middle East conflict.

In response, Deputy Prime Minister Koo stressed that the Korean government is addressing the impact of surging oil prices stemming from the Middle East conflict by implementing a price cap on petroleum products, lowering fuel taxes, and supporting vulnerable groups through a supplementary budget financed by excess tax revenues – without issuing additional government bonds. The Deputy Prime Minister added that, over the medium to long term, efforts are also being strengthened to reduce dependence on fossil fuels.

Meanwhile, the participants highly commended the Korean government's efforts and achievements in capital market reforms – including improving corporate governance, reinforcing shareholder protection, and promoting shareholder returns – and noted these structural reforms have raised expectations for investment in Korea.

In this regard, Deputy Prime Minister Koo stated that “Korea is always open for investment,” and urged investors to share any inconveniences or suggestions at any time, adding that any unreasonable regulations will be promptly addressed in consultation with relevant authorities.

Korea's OFDI Posts \$71.88 Billion in 2025, Up 8.7% Y-o-Y

In 2025, Korea's Outward Foreign Direct Investment (OFDI) totaled USD 71.88 billion on a total investment basis, marking an 8.7% increase from the previous year (USD 66.13 billion). After a two-year decline following the record-high annual investment in 2022 (USD 83.48 billion), the investment volume is showing a rebound.



Korean OFDI in 2025

	2021	2022	2023	2024	2025				
					Q1	Q2	Q3	Q4	Annual
Amount invested (US \$billion)	77.04	83.48	66.04	66.13	15.93	15.39	19.19	21.37	71.88
Y-o-y change (%)	32.4	8.4	-20.9	0.1	-4.1	-6.0	30.6	15.8	8.7

By industry, the investment amounts were led by finance and insurance (USD 37.89 billion), followed by manufacturing (USD 17.11 billion), real estate and renting (USD 3.00 billion), Wholesale and retail trade (USD 2.73 billion), and mining (USD 2.55 billion). The overall growth was driven by a concurrent increase in investments in the finance and insurance and manufacturing sectors, which together account for approximately 77% of the total investment.

Korean OFDI by industry

	Finance and insurance	Manufacturing	Real estate and renting	Wholesale and retail trade	Mining
2024 (US \$ billion)	28.55	16.44	5.65	1.81	4.37
2025 (US \$ billion)	37.89	17.11	3.00	2.73	2.55
Y-o-y change (%)	32.7	4.1	-46.9	51	-41.6

By region, investments were directed toward North America (USD 27.81 billion), Asia (USD 16.06 billion), Europe (USD 14.99 billion), and Latin America (USD 10.69 billion). Notably, the increase in investment toward Asia was significant, with Asia's share of total investment rising by 4.3 percentage points (from 18.0% to 22.3%).

Korean OFDI by region

	North America	Asia	Europe	Latin America	Oceania	Middle East	Africa
2024 (US \$ billion)	26.24	12.96	14.48	9.77	1.71	0.37	6.0
2025 (US \$ billion)	27.81	16.06	14.99	10.69	1.78	0.34	2.0
Y-o-y change (%)	6	23.9	3.5	9.5	3.9	-7.9	-67.1

By country, the top destinations were the U.S. (USD 25.27 billion), the Cayman Islands (USD 8.44 billion), Luxembourg (USD 6.34 billion), and Singapore (USD 3.82 billion). Investment in the U.S. grew for the first time since 2022, as investments in the finance and insurance sector increased while manufacturing investments remained at the previous year's level.

Korean OFDI by country

	U.S.	Cayman Islands	Luxemburg	Singapore	Vietnam
2024 (US \$ billion)	22.38	6.83	6.16	2.72	2.77
2025 (US \$ billion)	25.27	8.44	6.34	3.82	2.87
Y-o-y change (%)	12.9	23.5	2.9	40.5	3.3

The increase in OFDI in 2025 is interpreted as the combined result of several factors, including shifts in global financial market conditions—such as the trend toward interest rate cuts and strong performance in global equity markets—as well as expanded investment to respond to shifts in the global geopolitical environment.

The government will closely monitor the trends and conditions of OFDI amid the reorganization of global supply chains and the international trade order. Furthermore, the government plans to continuously check for any difficulties faced by Korean companies expanding abroad to ensure stable business activities, while strengthening communication and cooperation with major investment destination countries and institutions.

Korea's FDI Rose to \$6.4 Billion in Q1 2026

The Ministry of Trade, Industry and Resources (MOTIR) announced that Korea's foreign direct investment (FDI) notifications for the first quarter of 2026 rose 0.1 percent year-on-year to USD 6.4 billion, marking the second-highest first-quarter total on record. Actual inflows reached \$7.1 billion, the highest first-quarter level on record.



Despite a subdued global investment environment and unexpected geopolitical risks, including the conflict in the Middle East, Korea maintained FDI growth in the first quarter. This suggests that foreign investors remain confident in Korea's investment environment.

In particular, foreign investment continued in advanced manufacturing sectors such as semiconductors and secondary batteries, as well as in AI data centers and offshore wind. This indicates that the momentum from last year's record \$36.1 billion in annual FDI notifications has carried into 2026.

By type, greenfield investment notifications fell 19.8 percent year-on-year to \$3.7 billion amid global investment uncertainty, while M&A notifications rose 53.4 percent to \$2.7 billion.

By industry, manufacturing investment fell 47.6 percent year-on-year to \$1.2 billion. Investment declined in electrical and electronics (down 30.1 percent to \$370 million) and in machinery and medical precision equipment (down 75.6 percent to \$40 million), but increased in chemicals (up 4.5 percent to \$400 million) and non-metallic minerals (up 23.9 percent to \$180 million).

Meanwhile, services investment rose 21.5 percent year-on-year to \$4.3 billion, the highest first-quarter level on record. Growth was led by finance and insurance (up 21.2 percent to \$2.6 billion), distribution (up 43.0 percent to \$570 million), and information and communications (up 183.6 percent to \$240 million).

By source country, investment from the United States increased 20.9 percent year-on-year to \$1.0 billion, led by information and communications, chemicals, and distribution. Investment from the European Union totaled \$1.4 billion (down 4.1 percent), with gains in chemicals and electricity and gas offset by declines in pharmaceuticals and finance and insurance. Investment from Japan fell to \$350 million (down 71.1 percent), while investment from China declined to \$270 million (down 19.4 percent).

In response to external uncertainty, MOTIR will step up investment promotion in strategic sectors, expand regional investment incentives, and address difficulties faced by foreign-invested companies to improve the investment environment.

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/>



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Republic of Korea **Economic Bulletin**

May 2026 Vol.48 No.5

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