

June 2026

Vol.48 No.6

Current Economic Trends

Economic Activity

Financial Markets

Public Finance

Economic News Briefing

Meeting on FX Market Reforms

Investor Relations Session

Economic Achievements of the First Year

Republic of Korea Economic Bulletin



Biohealth



▲ Biohealth, a new growth engine for Korea's economy.

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.

June 2026 Vol.48 No.6

Editors-in-Chief Song In-Ho (KDI), Lee Chanjong (MOFE)

Editorial Board Park Ji-Hye (MOFE), Jung Sung-Jin (KDI)

Translation Suh Hye-Won (MOFE), Jung Sung-Jin (KDI)

Design Qline

CONTENTS

Current Economic Trends

05 Overview

06 Economic Activity

- 06 Gross Domestic Product
- 08 Total Production and Composite Index of Business Indicators
- 10 Private consumption
- 12 Facility investment
- 14 Construction investment
- 16 Exports and imports
- 18 Employment
- 22 Prices
- 25 Housing market

27 Financial Markets

- 27 Stock market
- 27 Bond market
- 29 Foreign exchange market
- 29 Money market
- 31 Official foreign reserves
- 31 External debt

32 Public Finance

- 32 Fiscal balance
- 32 Government debt

Economic News Briefing

- 34 Meeting with Financial Institutions on FX Market Reforms
- 35 Deputy Prime Minister Hosts Korea Economic Investor Relations Session in London, a Global Financial Hub
- 37 Opening a New Chapter for the Korean Economy through Pragmatism and Tangible Results

Current Economic Trends

Overview

Economic Activity

1. Gross Domestic Product
2. Total Production and Composite Index of Business Indicators
3. Private consumption
4. Facility investment
5. Construction investment
6. Exports and imports
7. Employment
8. Prices
9. Housing market

Financial Markets

1. Stock market
2. Bond market
3. Foreign exchange market
4. Money market
5. Official foreign reserves
6. External debt

Public Finance

1. Fiscal balance
2. Government debt

Overview

In March, industrial production, facilities investment, and retail sales increased, while construction investment decreased. In April, the increase in the number of employed persons slowed, while consumer prices accelerated on a month-on-month basis.

In March, total industrial production rose (*up 0.3% m-o-m and up 3.5% y-o-y*), as gains in the industrial sector (*up 0.3% and up 3.6%*) and services sector (*up 1.4% and up 5.1%*) outweighed a decline in construction (*down 7.3% and down 5.4%*).

The cyclical indicator of the coincident composite index for March went up by 0.5 points and the cyclical indicator of the leading composite index increased by 0.7 points.

In March, facilities investment moved up (*up 1.5% m-o-m and up 9.2% y-o-y*) and retail sales increased (*up 1.8% and up 5.0%*).

In April, the consumer sentiment index (CSI) went down by 7.8 points month-on-month to 99.2. The composite business sentiment index (CBSI) grew by 0.8 points to 94.9 and the CBSI outlook for May increased by 0.8 points to 93.9.

In April, exports climbed by 48.0% year-on-year, supported by expanded exports of semiconductor, computers, and ships. Average daily exports rose by 48.0% in April compared to the same month of last year.

In April, the number of employed persons grew by 74,000 from a year earlier, while the unemployment rate remained unchanged at 2.9%.

The year-on-year consumer price index (CPI) climbed by 2.6 percent, up from 2.2 percent in April, while the index excluding food and energy rose by 2.2 percent, the index excluding agricultural products and petroleum products rose by 2.2 percent, and the CPI for living necessities increased by 2.9%.

In April, stock prices rose, Korean Treasury Bond yields increased, and the Korean won strengthened.

In April, both housing prices (*up 0.16%, m-o-m*) and *Jeonse* (lump-sum deposits with no monthly payments) prices (*up 0.31%, m-o-m*) continued to climb.

Recently, the Korean economy has maintained its recovery momentum, with growth expanding significantly in the first quarter; however, downside risks to the economy persist due to the conflict in the Middle East.

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

The global economy has maintained a moderate growth trend; however, the conflict in the Middle East has heightened volatility in international financial markets and energy prices, raising concerns over supply chain disruptions, mounting inflationary pressures, and a slowdown in growth.

To minimize the impact of the Middle East conflict, the government will maintain an emergency economic response framework, while swiftly implementing the supplementary budget – including support payments for damages caused by high oil prices – and making every effort to stabilize livelihoods through supply-demand management of key items and price stabilization measures.

Economic Activity

1. Gross Domestic Product (Advance estimate)

In the first quarter of 2026, Korea's real Gross Domestic Product (GDP) amounted to 570.2 trillion won, and real Gross Domestic Income (GDI) was 603.0 trillion won.

(Trillion won, inflation adjusted at 2020 prices)

	2024	2025	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	2,292.2	2,315.3	550.4	573.5	572.4	595.9	550.2	576.8	582.9	605.3	570.2
(Seasonally adjusted)	-	-	573.7	572.4	572.9	573.3	572.1	575.9	583.6	582.7	592.5
- Private consumption	1,097.0	1,111.5	273.7	268.8	275.5	279.0	275.2	271.2	280.7	284.4	282.4
- Facility investment	216.5	220.8	50.8	54.3	53.1	58.2	53.7	56.1	53.7	57.2	55.7
- Construction investment	290.2	261.9	63.5	81.4	71.2	74.1	55.0	72.1	65.9	68.9	54.3
- Total export	906.3	944.6	219.5	224.0	225.5	237.3	222.7	234.0	240.4	247.5	245.6
- Total import	771.4	801.1	191.7	187.2	193.0	199.6	195.7	195.6	203.4	206.5	210.8
GDI	2,240.3	2,282.6	537.9	557.9	560.8	583.8	537.2	566.3	574.9	604.2	603.0
(Seasonally adjusted)	-	-	560.4	558.1	559.3	562.5	559.0	567.3	573.3	582.5	626.0

Source: Bank of Korea.

¹ Preliminary estimate.

² Advance estimate.

In the first quarter of 2026, real GDP grew 3.6 percent year-on-year, and seasonally adjusted GDP grew 1.7 percent quarter-on-quarter. Real GDI rose 12.3 percent year-on-year, and seasonally adjusted GDI also increased 7.5 percent quarter-on-quarter.

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

	2024	2025	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	3.4	2.2	1.4	1.1	0.0	0.6	1.9	1.6	3.6
(Seasonally adjusted ³)	-	-	1.2	-0.2	0.1	0.1	-0.2	0.7	1.3	-0.2	1.7
- Private consumption	1.1	1.3	1.1	0.7	1.3	1.1	0.6	0.9	1.9	1.9	2.6
- Facility investment	1.7	2.0	-2.2	-2.5	6.6	5.3	5.8	3.4	1.0	-1.7	3.6
- Construction investment	-3.3	-9.8	1.6	-1.2	-6.2	-6.4	-13.3	-11.4	-7.5	-7.0	-1.4
- Total export	6.8	4.2	8.9	9.0	6.4	3.5	1.5	4.5	6.6	4.3	10.3
- Total import	2.5	3.8	-0.7	3.3	4.6	2.9	2.1	4.5	5.4	3.4	7.7
GDI	3.9	1.9	6.4	4.7	2.7	2.2	-0.1	1.5	2.5	3.5	12.3
(Seasonally adjusted ²)	-	-	1.9	-0.4	0.2	0.6	-0.6	1.5	1.1	1.6	7.5

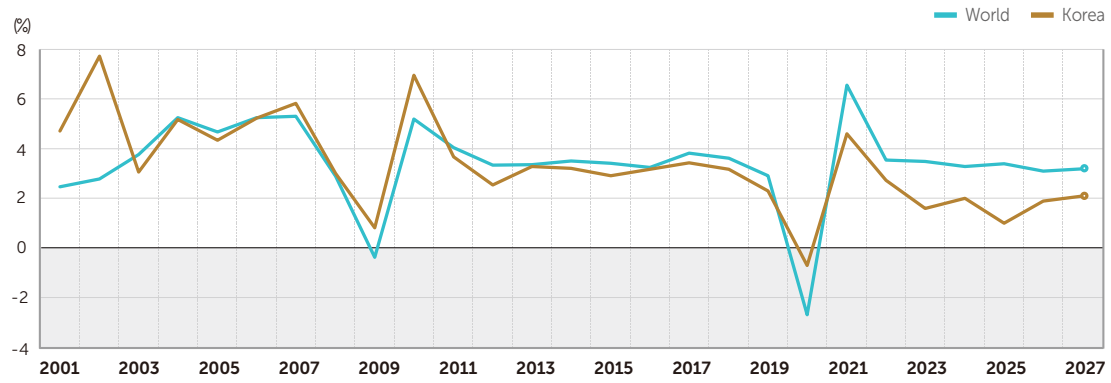
Source: Bank of Korea.

¹ Preliminary estimate.

² Advance estimate.

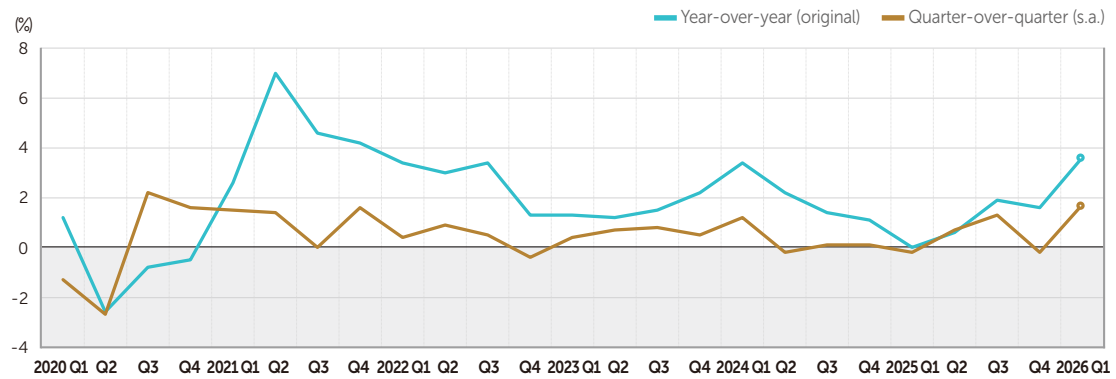
³ Percentage change from previous period.

GDP growth: World and Korea



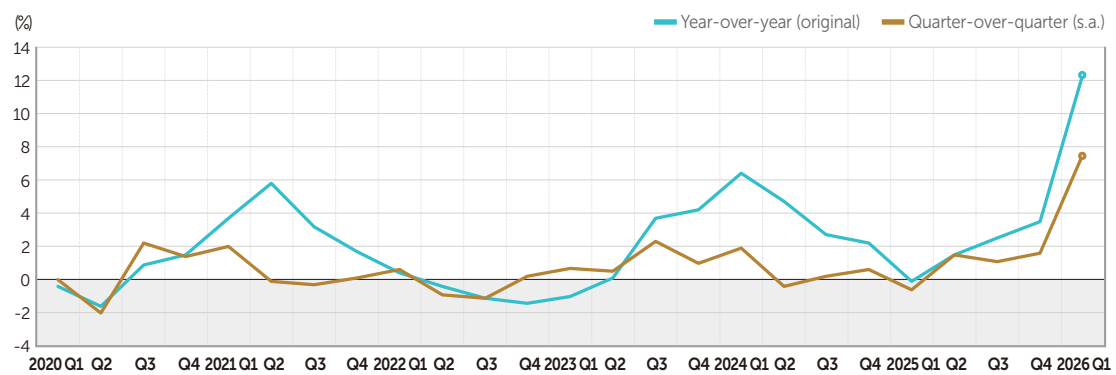
Source: IMF

GDP growth: Korea



Source: Bank of Korea.

GDI growth: Korea



Source: Bank of Korea.

2. Total Production and Composite Index of Business Indicators

In March, the Total Index of Industrial Production rose 0.3 percent month-on-month. Industrial production (*up 0.3 %*) and services production (*up 1.4 %*) rose, while construction (*down 7.3%*) and public spending (*down 3.3%*) declined. The index climbed 3.5 percent year-on-year.

Coincident composite index

The cyclical indicator of the coincident composite index rose 0.5 points to 100.1 month-on-month. More specifically, the retails sales and the index of services rose, while value of construction completed and imports declined.

Leading composite index

The cyclical indicator of the leading composite index rose 0.7 points to 103.5. Within the leading composite index, the KOSPI, construction orders received, and domestic shipments of machinery rose, while interest rate spread, and economic sentiment index remained at the same level.

	2025									2026		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan ¹	Feb ¹	Mar ¹
Total Index of Industrial Production (m-o-m, %)	-0.2	-1.0	1.8	-0.3	-0.1	1.2	-2.2	0.7	1.2	-0.8	2.1	0.3
(y-o-y, %)	1.1	-0.2	1.9	2.8	0.2	8.0	-3.5	0.7	2.1	4.9	0.1	3.5
Cyclical indicator of coincident composite index	99.7	99.4	99.6	99.6	99.8	99.8	99.4	99.2	99.0	99.0	99.6	100.1
(m-o-m, p)	0.1	-0.3	0.2	0.0	0.2	0.0	-0.4	-0.2	-0.2	0.0	0.6	0.5
Coincident composite index (2020=100)	113.9	113.7	114.1	114.3	114.7	114.9	114.6	114.5	114.5	114.7	115.5	116.2
(m-o-m, %)	0.3	-0.2	0.4	0.2	0.3	0.2	-0.3	-0.1	0.0	0.2	0.7	0.6
Cyclical indicator of leading composite index	99.7	99.8	100.0	100.5	100.9	100.9	100.9	101.1	101.6	102.2	102.8	103.5
(m-o-m, p)	0.2	0.1	0.2	0.5	0.4	0.0	0.0	0.2	0.5	0.6	0.6	0.7
Leading composite index (2020=100)	118.1	118.6	119.1	120.1	120.9	121.2	121.5	122.2	123.1	124.2	125.2	126.4
(m-o-m, %)	0.4	0.4	0.4	0.8	0.7	0.2	0.2	0.6	0.7	0.9	0.8	1.0

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 Mar 2026 (m-o-m, %)

Retail sales	1.4
Shipment index for domestic market	1.1
Index of services	0.5
Value of construction completed	-1.1
Imports	0.8

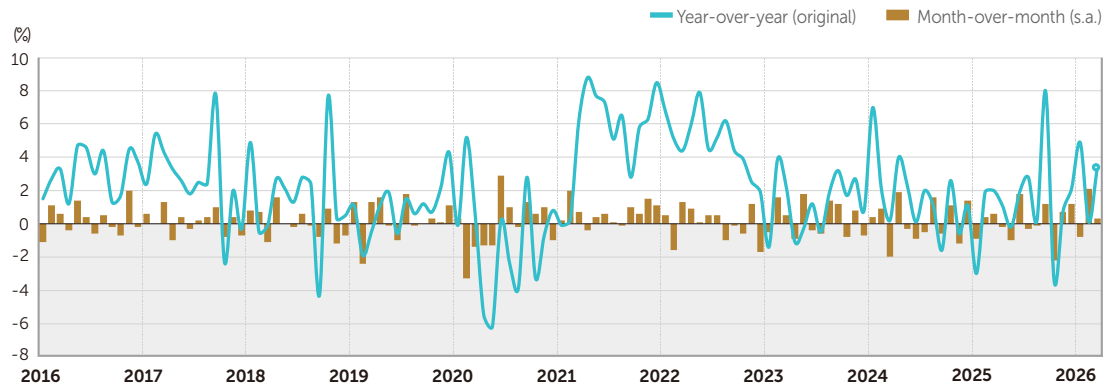
Source: Industrial activity trends, Statistics Korea.

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

KOSPI	9.9
Construction orders received	6.5
Domestic shipments of machinery	2.8
Interest rate spread(%p)	0.12
Economic sentiment index (p)	0.2

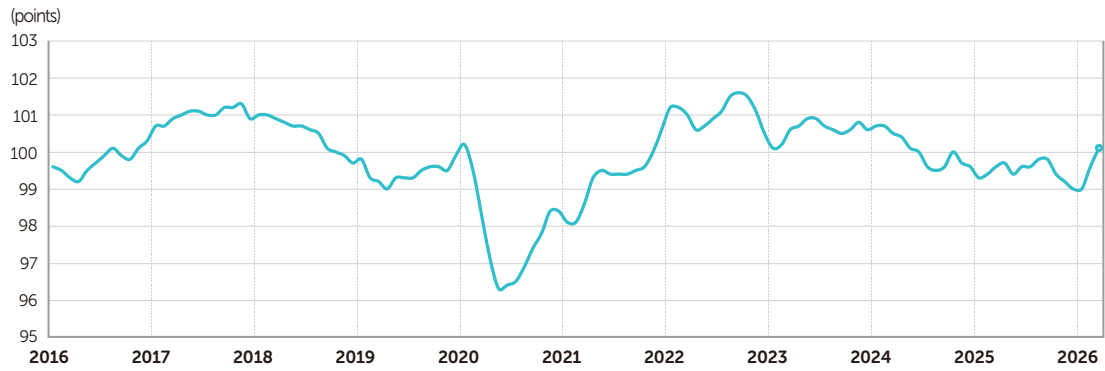
Source: Industrial activity trends, Statistics Korea.

Total index of Industrial Production



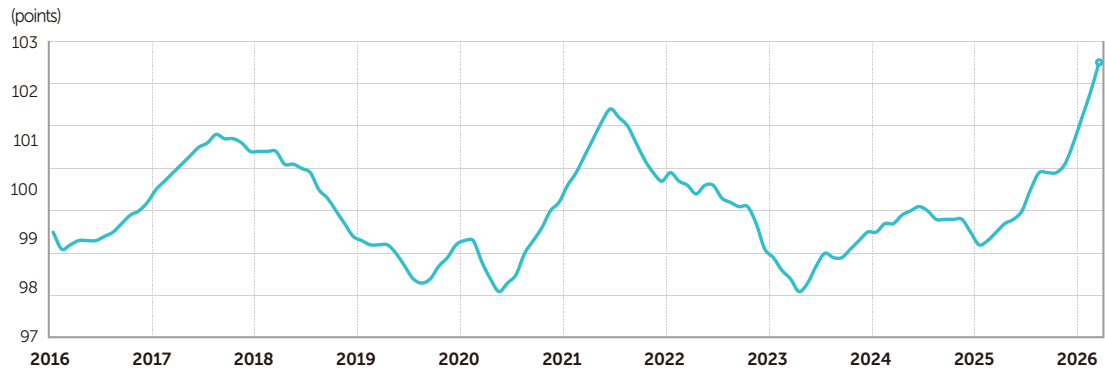
Source: Industrial activity trends, Statistics Korea.

Cyclical indicator of coincident composite index



Source: Industrial activity trends, Statistics Korea.

Cyclical indicator of leading composite index



Source: Industrial activity trends, Statistics Korea.

3. Private consumption

Private consumption (*advance estimate of GDP*) in the first quarter of 2026 increased by 0.5 percent quarter-on-quarter and by 2.6 percent year-on-year..

(Percentage change from previous period)

	2024	2025	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
Private consumption	-	-	0.5	0.0	0.4	0.2	-0.1	0.5	1.3	0.3	0.5
(y-o-y)	1.1	1.3	1.1	0.7	1.3	1.1	0.6	0.9	1.9	1.9	2.6

Source: National accounts, Bank of Korea.

¹ Preliminary estimate.

² Advance estimate.

Retail sales rose by 1.8 percent month-on-month in March. Sales of durable goods (*up 9.8%*) and semi-durable goods (*up 0.3%*) rose, while sales of nondurable good (*down 1.3%*) fell. The year-on-year index rose 5.0 percent.

(Percentage change from previous period)

	2024	2025	2024				2025				2026			
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1 ¹	Jan	Feb ¹	Mar ¹
Retail sales	-	-	-1.2	-0.7	0.4	-0.6	0.6	-0.6	1.2	0.6	2.4	2.8	-0.3	1.8
(y-o-y)	-1.9	0.3	-1.5	-3.0	-1.4	-1.8	-0.8	-0.1	1.6	0.9	3.3	0.5	4.3	5.0
- Durable goods	-3.6	3.8	-4.1	-2.6	4.3	-2.4	3.7	-1.1	4.8	-3.8	6.5	5.0	-1.4	9.8
· Automobiles	-7.3	11.0	-11.8	1.0	6.8	0.3	2.8	4.3	3.1	-3.2	6.0	1.8	4.4	2.6
- Semi-durable goods	-3.0	-2.1	-0.1	-0.3	-2.4	0.9	-2.3	-1.0	2.9	0.1	3.0	6.1	-5.5	0.3
- Nondurable goods	-0.8	-0.2	-0.2	0.1	-0.3	-0.2	0.1	-0.1	-1.1	2.8	0.4	0.6	2.3	-1.3

Source: Statistics Korea.

¹ Preliminary.

The retail sales index outlook for April is expected to be mixed, as increases in department store sales and the number of Chinese tourists are offset by decreases in car sales at home and consumer sentiment index.

(Percentage change from same period in previous year)

	2025					2026			
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Car sales at home	5.0	18.1	-16.3	-4.4	-0.9	11.2	-13.3	8.0	-8.0
Department store sales	-7.1	2.7	5.6	2.0	5.0	-0.7	30.3	10.1	14.2
Credit card spending at home ¹	5.0	8.5	2.1	6.6	4.3	4.7	6.3	8.4	7.3
Consumer sentiment index ²	111.4	110.1	109.8	112.4	109.9	110.8	112.1	107.0	99.2
Number of Chinese tourists ³	21.5	21.7	25.1	26.8	28.8	14.8	40.5	19.8	28.2

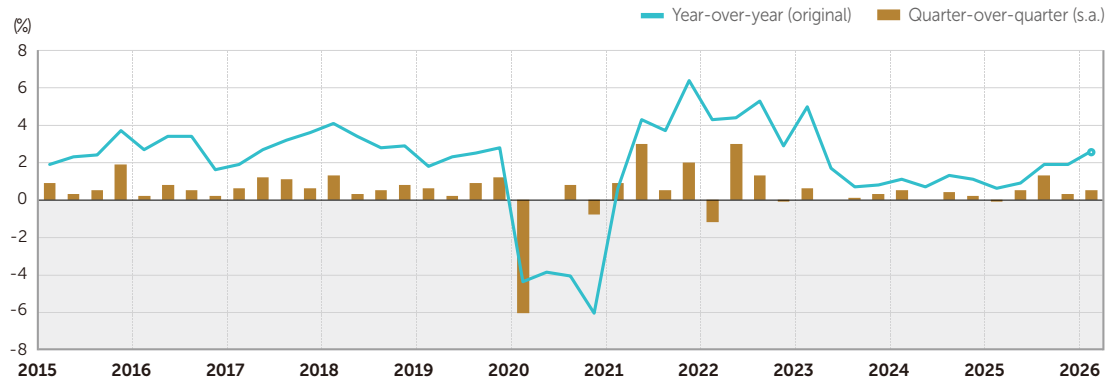
Sources: Korea Automobile Manufacturers Association; The Credit Finance Association; Bank of Korea; Korea Culture & Tourism Institute; data provided by retail industries.

¹ Utility bills are excluded.

² Level value.

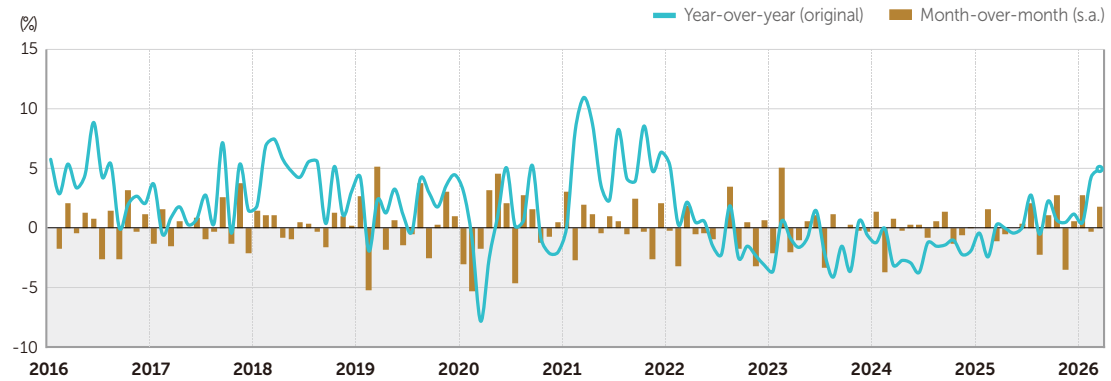
³ Advance estimate based on total entries, The figure can be different from the statistic released by the Ministry of Culture, Sports and Tourism, which excludes diplomatic and military personnel.

Private consumption



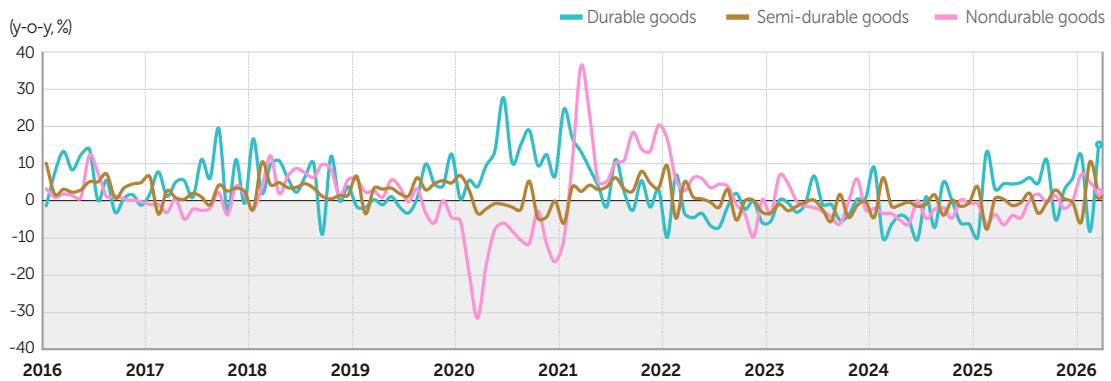
Source: National account, Bank of Korea.

Retail sales



Source: Industrial activity trends, Statistics Korea.

Retail sales by type



Source: Industrial activity trends, Statistics Korea.

4. Facility investment

Facility investment (*advance estimate of GDP*) in the first quarter of 2026 grew by 4.8 percent quarter-on-quarter and by 3.6 percent year-on-year.

(Percentage change from previous period)

	2024	2025	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
Facility investment	-	-	-1.0	0.0	5.4	0.8	-0.4	-2.1	2.6	-1.7	4.8
(y-o-y)	1.7	2.0	-2.2	-2.5	6.6	5.3	5.8	3.4	1.0	-1.7	3.6
- Machinery	1.8	1.0	0.9	-1.8	6.9	1.8	-4.6	-1.0	4.5	0.0	-
- Transportation equipment	1.4	5.6	-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.

² Advance estimate.

In March, the facility investment index rose by 1.5 percent month-on-month, led by an increase in the transportation equipment investment index. The index also rose by 9.2 percent year-on-year.

(Percentage change from previous period)

	2024	2025	2024				2025				2026			
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1 ¹	Jan	Feb ¹	Mar ¹
Facility investment index	-	-	-3.0	0.4	6.0	1.8	-2.2	0.3	0.6	-3.8	12.6	5.0	14.6	1.5
(y-o-y)	3.0	1.2	-1.5	-3.4	11.4	5.6	5.4	5.5	1.2	-6.2	9.5	13.6	6.2	9.2
Machinery	2.0	0.6	0.7	0.1	1.9	5.3	-3.0	-2.8	3.4	-1.9	8.8	2.4	4.6	-0.3
Transportation equipment	5.3	2.3	-12.4	1.1	16.5	-5.8	-0.3	7.5	-5.3	-8.2	22.2	12.5	42.9	5.2

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)

	2024	2025	2024				2025				2026			
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1 ¹	Jan	Feb ¹	Mar ¹
Domestic machinery orders received	-18.3	10.8	-14.5	-31.2	-43.2	23.2	-11.4	20.5	28.6	9.1	-3.0	-4.5	-1.9	-2.5
(% change from previous period)	-	-	44.0	-13.6	-17.9	21.8	-0.2	19.5	-10.3	3.9	0.5	2.3	-11.2	8.9
- Public	-30.5	17.4	-27.4	-43.8	-48.3	8.5	-13.7	23.8	27.9	28.2	-30.4	-58.7	-49.5	27.6
- Private	23.9	-2.2	32.2	20.1	-23.1	59.2	-6.8	14.1	30.6	-22.7	-1.2	-0.1	1.6	-4.0
Machinery imports	-23.1	-9.0	-8.7	-27.6	-30.4	-23.7	-16.2	-22.2	-5.4	10.8	17.1	26.6	15.8	11.3
Average capacity utilization rate ²	21.1	25.0	3.5	4.0	5.1	8.6	5.8	5.8	5.7	7.7	73.3	70.8	74.4	74.8
Facility investment pressure ³	-18.3	10.8	-14.5	-31.2	-43.2	23.2	-11.4	20.5	28.6	9.1	2.1	6.2	-3.0	3.2

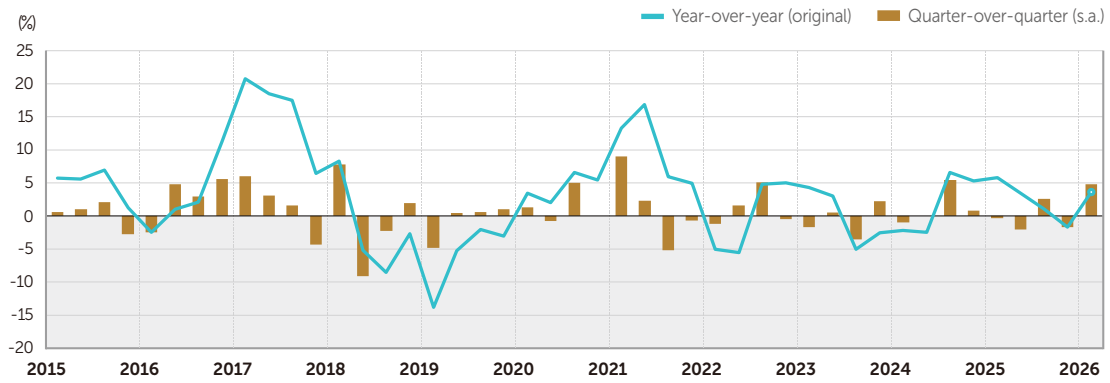
Sources: Statistics Korea; Korea International Trade Association.

¹ Preliminary.

² Utilization rate for the period, %.

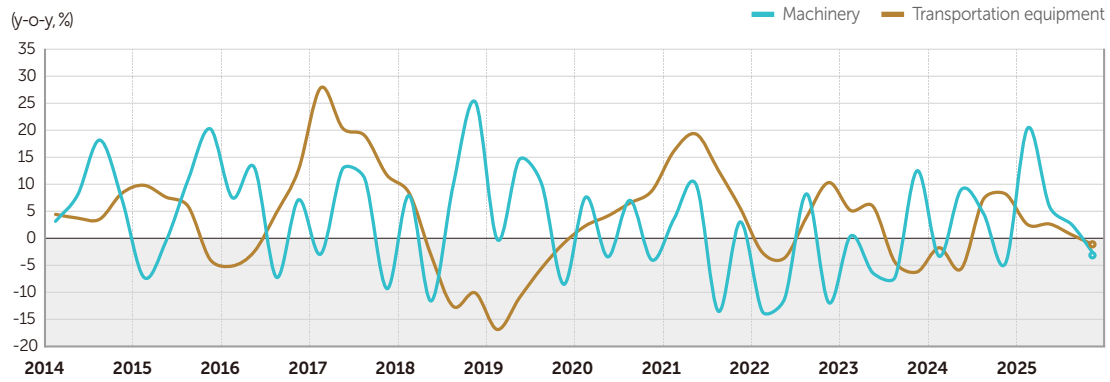
³ Production growth rate minus production capacity growth rate in the manufacturing sector, %p.

Facility investment



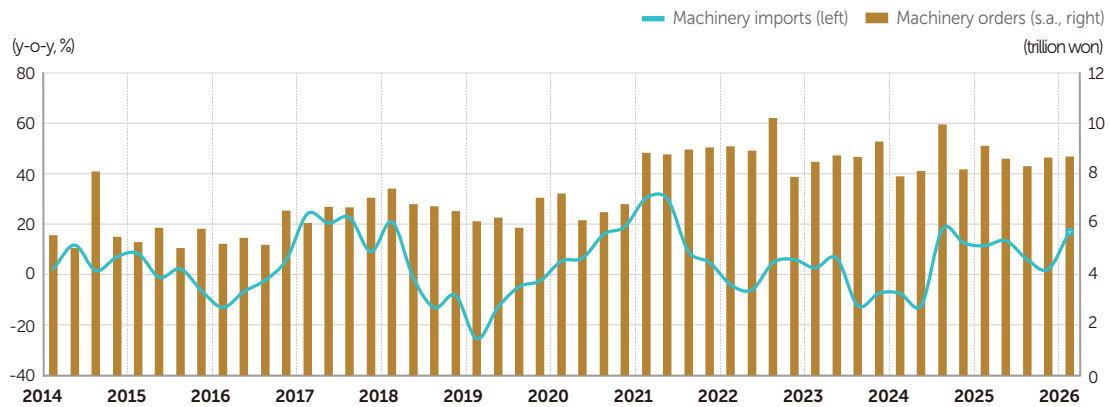
Source: National account, Bank of Korea.

Facility investment by type



Source: National account, Bank of Korea.

Leading indicators of facility investment



Sources: Statistics Korea; Korea International Trade Association.

5. Construction investment

Construction investment (*advance estimate of GDP*) in the first quarter of 2026 rose by 2.8 percent quarter-on-quarter, and declined by 1.4 percent year-on-year.

(Percentage change from previous period)

	2024	2025	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
Construction investment	-	-	4.5	-3.3	-3.6	-4.1	-3.1	-1.2	0.6	-3.5	2.8
(y-o-y)	-3.3	-9.8	1.6	-1.2	-6.2	-6.4	-13.3	-11.4	-7.5	-7.0	-1.4
- Building construction	-5.0	-10.5	4.6	-3.9	-4.6	-2.4	-5.4	0.1	-0.8	-1.2	-
- Civil engineering works	1.3	-7.9	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.

² Advance estimate.

In March, construction completed (*constant*) fell by 7.3 percent month-on-month, as both building construction and civil engineering decreased. The index declined 5.4 percent year-on-year.

(Percentage change from previous period)

	2024	2025	2024				2025				2026			
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1 ¹	Jan	Feb ¹	Mar ¹
Construction completed (constant)	-	-	4.5	-5.5	-4.6	-4.6	-7.2	-2.6	-0.8	-4.1	1.2	-7.8	13.0	-7.3
(y-o-y)	-4.6	-16.5	4.1	-3.1	-9.0	-9.5	-21.1	-17.3	-11.9	-15.1	-5.6	-7.0	-4.3	-5.4
- Building construction	-6.6	-17.5	4.9	-6.7	-5.4	-4.1	-7.8	-2.9	-1.5	-2.7	-2.4	-11.5	9.6	-4.5
- Civil engineering works	2.0	-13.5	3.4	-1.7	-2.3	-5.8	-5.3	-2.0	1.1	-8.1	11.4	3.5	22.0	-13.7

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	2023				2024				2025			
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 ¹
Construction orders received (current value)	-18.3	10.8	-14.5	-31.2	-43.2	23.2	-11.4	20.5	28.6	9.1	-0.1	-5.1	27.4	1.7
(% change from previous period)	-	-	4.4	-13.6	-17.9	21.8	-0.2	19.5	-10.3	3.9	-6.1	8.6	17	-17.2
- Building construction	-30.5	17.4	-27.4	-43.8	-48.3	8.5	-13.7	23.8	27.9	28.2	23.2	13.7	28.6	3.1
- Civil engineering works	23.9	-2.2	32.2	20.1	-23.1	59.2	-6.8	14.1	30.6	-22.7	-43.1	-43.9	24.1	-2
Building permits ²	-23.1	-9	Δ8.7	Δ27.6	-30.4	-23.7	-16.2	-22.2	-5.4	10.8	-23.3	-8.7	-5.6	-5
Apartment presales ³	21.1	25	3.5	4	5.1	8.6	5.8	5.8	5.7	7.7	2.3	4.7	7.4	7.3

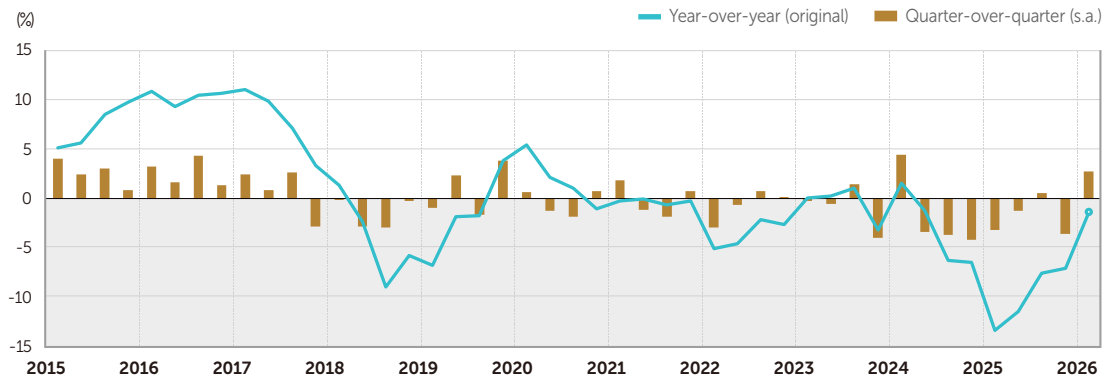
Sources: Statistics Korea; Ministry of Land Infrastructure and Transport; Real Estate 114.

¹ Preliminary.

² Gross Floor Area.

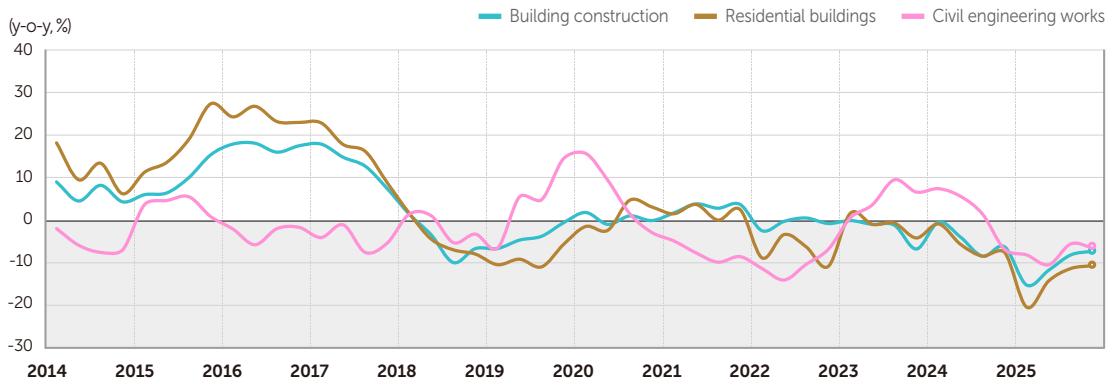
³ Thousand housing units.

Construction investment



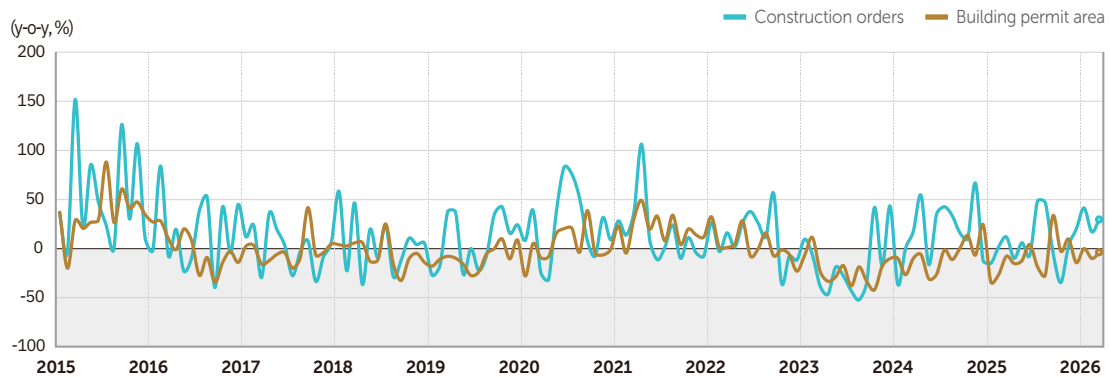
Source: National account, Bank of Korea.

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 48.0 percent year-on-year to US \$85.9 billion in April.

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 48.0 percent year-on-year to US \$3.6 billion.

Imports rose by 16.7 percent year-on-year to US \$62.1 billion in April.

The trade balance recorded a surplus of US \$23.8 billion in April.

(US \$ billion)

	2024	2025	2025				2026			
	Annual	Annual	Q1	Q2	Q3	Q4	Jan	Feb	Mar	Apr
Exports	683.6	709.4	159.5	175.1	184.9	189.8	65.8	67.3	86.6	85.9
(y-o-y, %)	8.1	3.8	-2.3	2.1	6.5	8.4	33.8	28.7	49.2	48.0
Average daily exports	2.5	2.6	2.5	2.4	2.6	2.9	2.8	3.5	3.8	3.6
Imports	631.8	631.8	152.6	154.3	162.4	162.2	57.1	51.9	60.4	62.1
(y-o-y, %)	-1.6	-0.0	-1.4	-1.7	1.5	1.4	11.6	7.5	13.2	16.7
Average daily imports	2.3	2.4	2.4	2.3	2.6	2.5	2.4	2.7	2.6	2.6
Trade balance	51.8	77.7	6.9	20.9	22.5	27.7	8.7	15.5	26.2	23.8

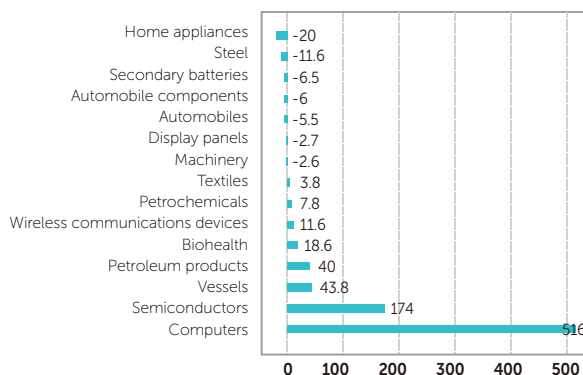
Source: Korea Customs Service.

Export growth and share by region in Apr 2026

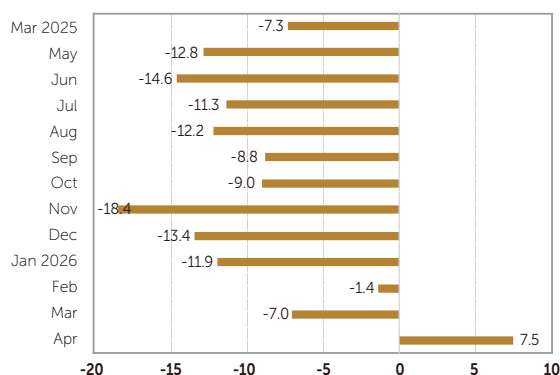
	Growth (y-o-y, %)	Share (%) ¹
China	63	20.0
US	54	18.8
ASEAN countries	64	17.6
EU	9	8.4
Japan	28	3.4
Latin America	10	3.4
India	42	2.5
Middle East	-25	1.8
CIS countries	-12	-

¹ Cumulative total since January 2026.

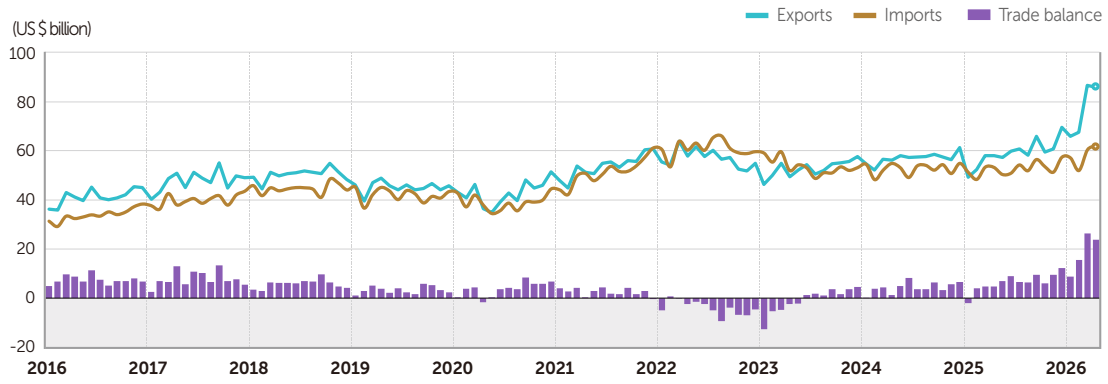
Export growth by item in Apr 2026 (y-o-y, %)



Energy Imports (y-o-y, %)

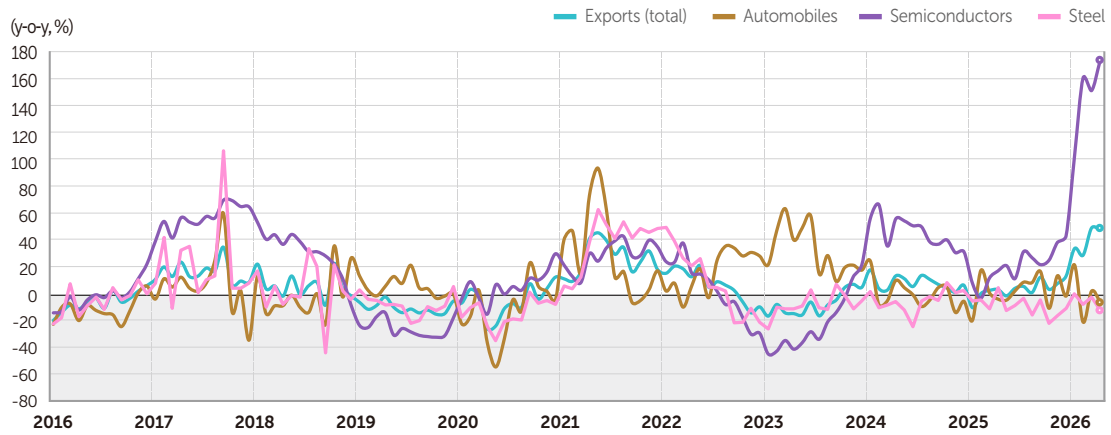


Exports and imports



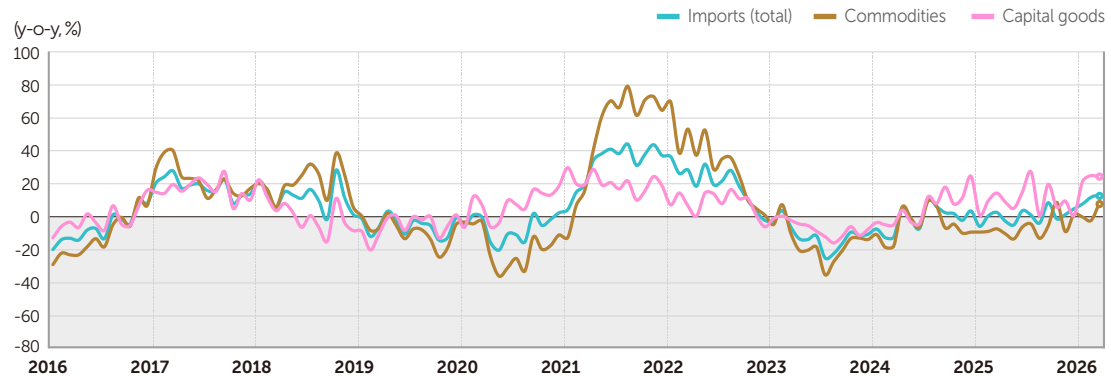
Sources: Korea Customs Service.

Export growth by item



Sources: Korea Customs Service.

Import growth by category



Sources: Korea Customs Service.

7. Employment

In April, the number of employed workers increased by about 74,000 year-on-year to 28,961,000 and the employment rate (*aged 15 and above*) fell by 0.2 percent points to 63.0 percent.

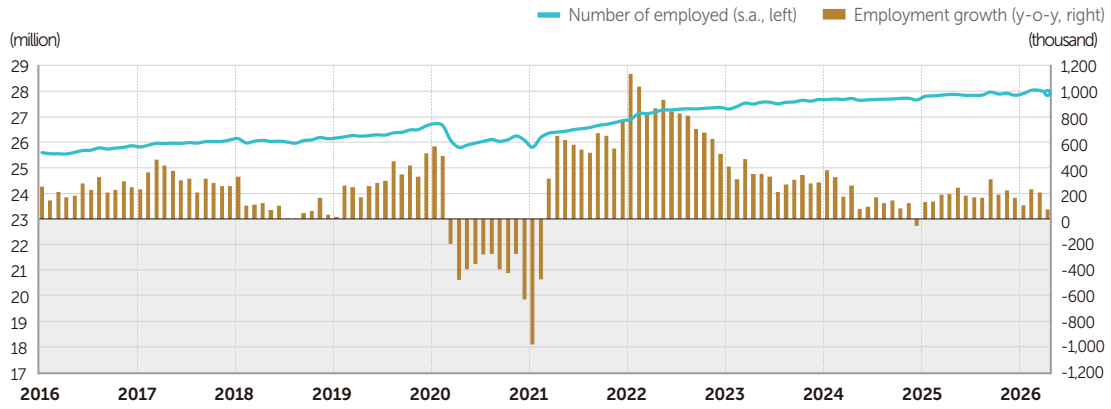
By sector, employment growth was led by an increase in the number of jobs in the following sectors: healthcare and social welfare services, arts, sports and recreation related services, and real estates.

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

	2023	2024	2025	2025									2026			
	Annual	Annual	Annual	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Number of employed (million)	28.42	28.58	28.77	28.89	29.16	29.09	29.03	28.97	29.15	29.04	29.05	28.21	27.99	28.41	28.79	28.96
Employment rate (%)	62.6	62.7	62.9	63.2	63.8	63.6	63.4	63.3	63.7	63.4	63.4	61.5	61.0	61.8	62.7	63.0
(Seasonally adjusted)	-	-	-	62.9	62.9	62.8	62.8	62.8	63.1	62.9	62.9	62.7	62.8	63.0	63.0	62.7
- 15 to 64	69.2	69.5	69.8	69.9	70.5	70.3	70.2	69.9	70.4	70.1	70.2	69.6	69.2	69.2	69.7	70.0
Employment growth (y-o-y, thousand)	327	159	193	194	245	183	171	166	312	193	225	168	108	234	206	74
- Manufacturing	-43	-6	-73	-124	-67	-83	-78	-61	-61	-51	-41	-63	-23	-16	-42	-55
- Construction	-9	-49	-125	-150	-106	-97	-92	-132	-83	-123	-131	-63	-20	-40	-16	-8
- Services	385	239	492	606	549	494	460	484	588	481	516	403	256	374	316	208
· Wholesale & retail	-37	-61	-1	-3	18	10	13	0	28	46	11	44	23	22	-18	-52
· Hotels & restaurants	114	25	-3	1	-67	-38	-71	0	26	22	-22	-22	-16	-27	-2	29
· Healthcare & social welfare service	143	83	237	218	233	216	263	304	304	280	281	220	185	288	294	261
- Wage workers	327	214	275	277	329	314	287	270	386	311	294	214	121	205	113	-43
· Permanent workers	478	183	283	279	362	318	319	348	340	286	258	195	192	158	140	62
· Temporary workers	-61	154	46	52	25	58	16	-12	2	79	65	-7	-97	8	-59	-127
· Day laborers	-90	-122	-55	-54	-59	-63	-48	-67	44	-55	-29	25	26	39	32	22
- Nonwage workers	0	-55	-81	-83	-84	-130	-116	-103	-75	-118	-70	-46	-13	29	93	116
· Self-employed	57	-32	-38	-6	-22	-66	-65	-70	-55	-98	-38	12	45	70	105	140
- Male	24	-29	20	33	49	7	16	20	67	22	22	95	33	20	69	4
- Female	303	188	174	161	196	177	155	146	244	171	203	73	75	214	137	70
- 15 to 29	-98	-144	-178	-174	-150	-173	-158	-219	-146	-163	-177	-112	-175	-146	-147	-194
- 30 to 39	54	90	102	93	132	116	93	96	133	80	76	83	101	86	112	84
- 40 to 49	-54	-81	-50	51	-39	-55	-56	-73	-45	-38	-9	-33	-3	0	-5	-17
- 50 to 59	59	28	-26	-14	-68	-53	-49	-38	-11	-19	2	-11	45	6	5	11
- 60 and above	366	266	345	340	370	348	342	401	381	334	333	241	141	287	242	189

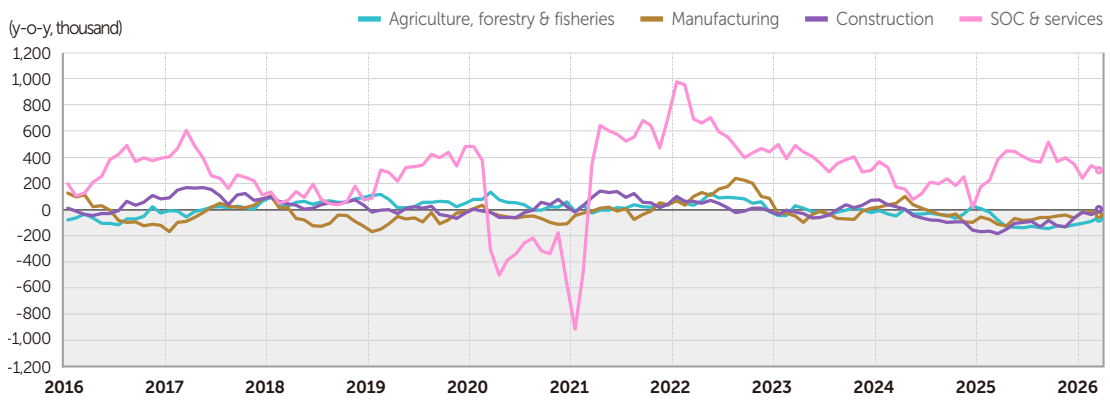
Source: Statistics Korea.

Number of employed workers and employment growth



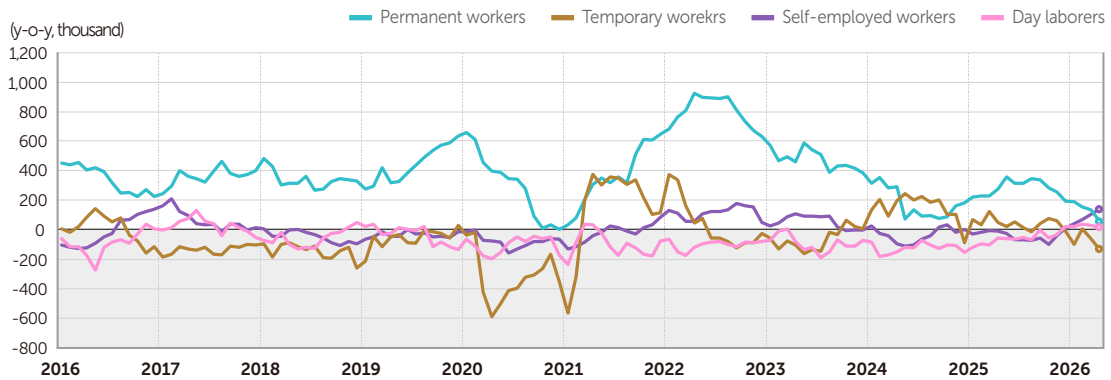
Source: Employment trends, Statistics Korea.

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 April, the number of unemployed workers decreased by about 2,000 year-on-year to 853,000 and the unemployment rate stayed unchanged at 2.9 percent.

	2023	2024	2025	2025									2026			
	Annual	Annual	Annual	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Number of unemployed (thousand)	787	823	830	854	853	825	726	592	635	658	661	1,217	1,211	993	884	853
Unemployment growth (y-o-y, thousand)	-46	36	7	-32	-32	-32	-11	28	12	-20	5	103	128	54	-35	-2
- Male	-14	18	13	0	-17	-1	16	23	52	4	29	47	36	44	-31	-28
- Female	-32	18	-6	-31	-15	-32	-27	4	-39	-24	-24	55	49	10	-4	26
Unemployment rate (%)	2.7	2.8	2.8	2.9	2.8	2.8	2.4	2.0	2.1	2.2	2.2	4.1	4.1	3.4	3.0	2.9
(Seasonally adjusted)	-	-	-	2.7	2.7	2.6	2.5	2.6	2.5	2.6	2.7	4.0	3.0	2.9	2.7	2.8
- 15 to 29	5.9	5.9	6.1	7.3	6.6	6.1	5.5	4.9	4.8	5.3	5.5	6.2	6.8	7.7	7.6	7.1
- 30 to 39	2.6	2.7	2.7	2.8	2.6	2.8	2.5	2.5	2.6	2.7	2.9	3.0	3.0	3.6	3.3	3.3
- 40 to 49	1.9	1.9	2.0	2.1	2.3	2.0	2.0	1.7	1.7	1.7	1.8	1.9	1.8	1.9	1.8	1.9
- 50 to 59	1.7	1.8	1.8	2.1	2.1	2.1	1.8	1.4	1.6	1.5	1.4	1.6	1.7	1.9	2.0	1.8
- 60 and above	2.6	2.9	2.8	1.9	2.2	2.2	1.7	1.0	1.2	1.4	1.2	8.4	8.3	3.7	2.3	2.2

Source: Statistics Korea.

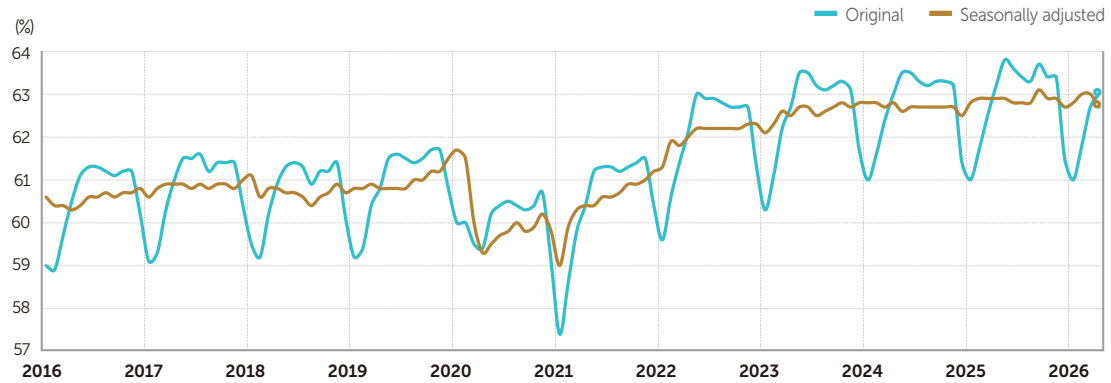
In April, the economically inactive population increased by 174,000 year-on-year to 16,152,000 and the labor force participation rate fell by 0.2 percent point to 64.9 percent.

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	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Economically inactive population (million)	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	16.2
Labor force participation rate (%)	64.3	64.5	64.7	65.1	65.6	65.4	65.0	64.6	65.0	64.8	64.8	64.7	63.6	64.0	64.6	64.9
(Seasonally adjusted)	-	-	-	64.8	64.7	64.5	64.4	64.4	64.8	64.5	64.6	65.0	64.7	64.9	64.8	64.5
Growth in economically inactive population (y-o-y, thousand)	-134	-32	-8	18	-22	42	8	9	-116	38	-10	-49	4	-39	69	174
- Childcare	-140	-113	-64	-58	-39	-32	-29	-48	-68	-63	-65	-90	-95	-98	-83	-79
- Housework	-1	45	7	47	3	20	60	13	-25	14	-44	-8	-14	-6	28	64
- Retraining	11	-54	1	-8	-12	7	47	21	25	17	36	-16	34	42	66	96
- Old age	-31	47	-28	-30	-56	-43	-36	-50	-40	-41	-16	-11	26	24	58	59
- Rest	74	117	88	45	56	6	69	73	42	135	124	124	110	27	31	63
- Job seeking	-88	-48	5	30	56	34	-12	11	-8	-38	-13	-37	-28	-27	-51	-43

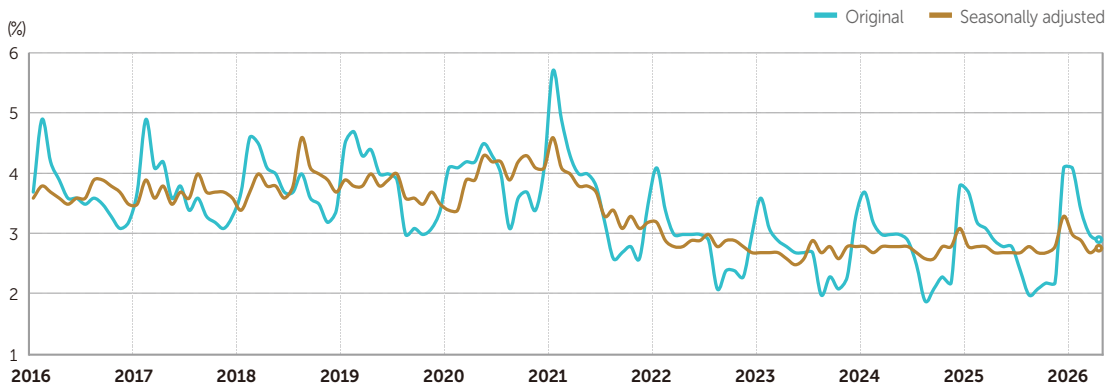
Source: Statistics Korea.

Employment rate



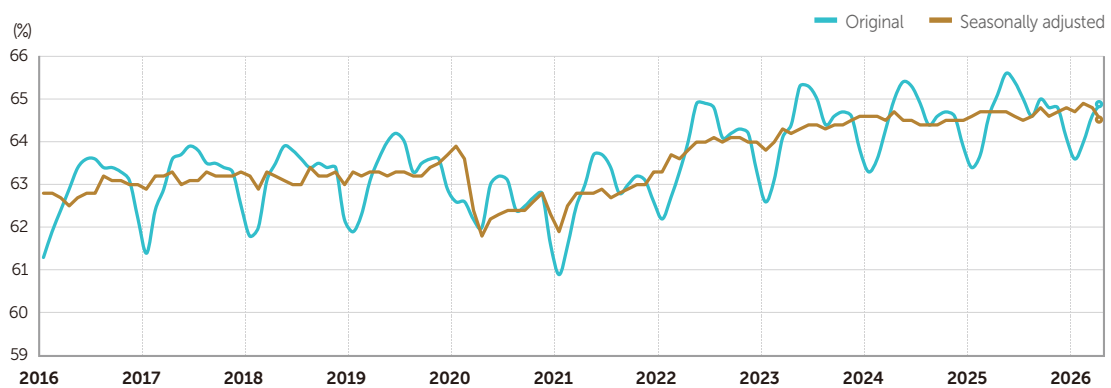
Source: Employment trends, Statistics Korea.

Unemployment rate



Source: Employment trends, Statistics Korea.

Labor force participation



Source: Employment trends, Statistics Korea.

8. Prices

In April, the Consumer Price Index (CPI) grew 2.6 percent from a year ago. The CPI rose 0.5 percent month-on-month.

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

The prices index for basic necessities rose 2.9 percent year-on-year in April. The fresh food price index fell 6.1 percent.

(Percentage change from same period in previous year)

	2025												2026			
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
CPI (y-o-y)	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	2.6
(m-o-m)	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	0.5
Excluding food and energy	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	2.2
Excluding crops and oil products	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	2.2
Basic necessities	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	2.9
Fresh food	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	-6.1

Source: Statistics Korea.

In April, the prices of agricultural goods continued to decrease and the growth of fishery and livestock prices slowed down. Domestic gasoline and diesel prices increased from the previous month due to rising international oil prices; however, the extent of the increase significantly moderated due to the implementation of measures such as the fuel price cap system.

(Percentage change from same period in previous year)

	Farm and fishery products	Manufactured products	Petroleum products	Public utilities	Housing rents	Public services	Personal services
Mar 2026	-0.6	2.7	9.9	0.2	0.9	1.0	3.2
Apr 2026	-0.5	3.8	21.9	0.2	1.0	1.4	3.2
Contribution (%p)	0.0	1.3	0.8	0.0	0.1	0.2	1.1

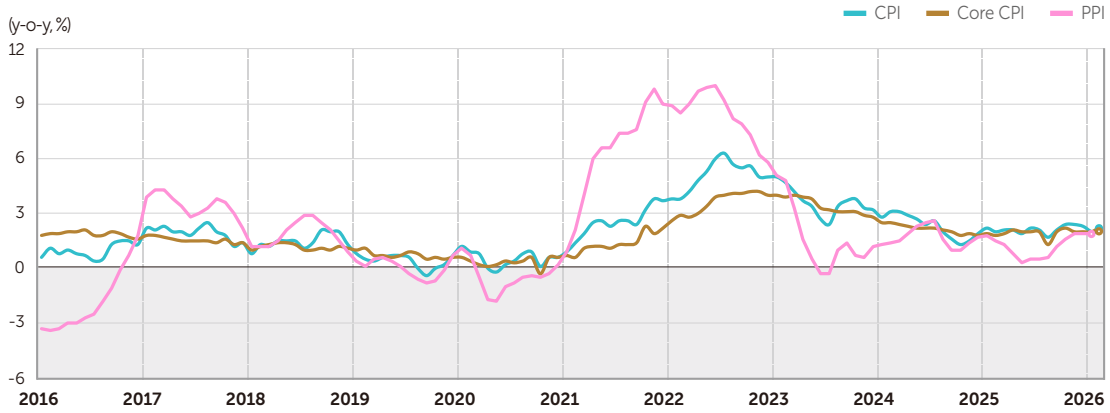
Source: Statistics Korea.

(Won/liter, period average)

	2024	2025	2024				2025				2026			
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Feb	Mar	Apr
Gasoline prices	1,647	1,680	1,607	1,681	1,674	1,624	1,708	1,642	1,665	1,707	1,745	1,689	1,836	1,986
Diesel prices	1,503	1,553	1,512	1,528	1,510	1,460	1,570	1,507	1,533	1,602	1,675	1,587	1,829	1,979

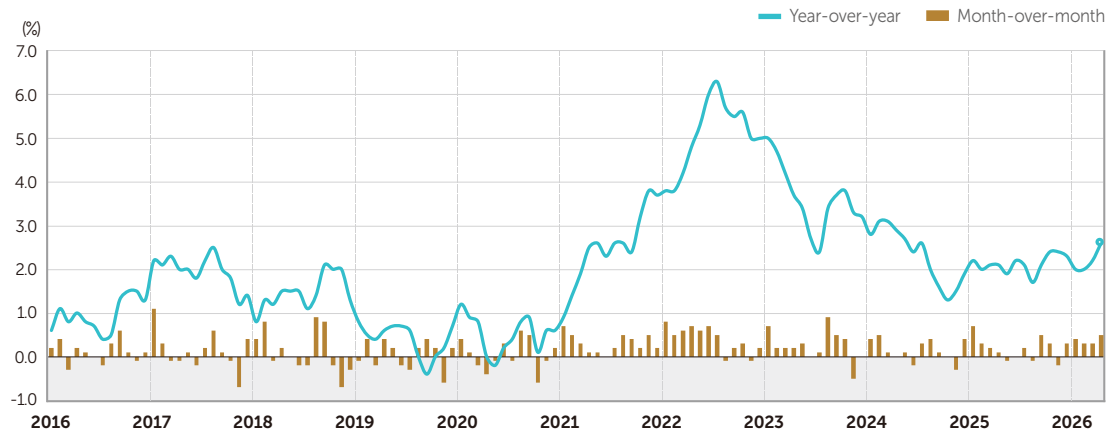
Source: Korea National Oil Corporation.

Prices



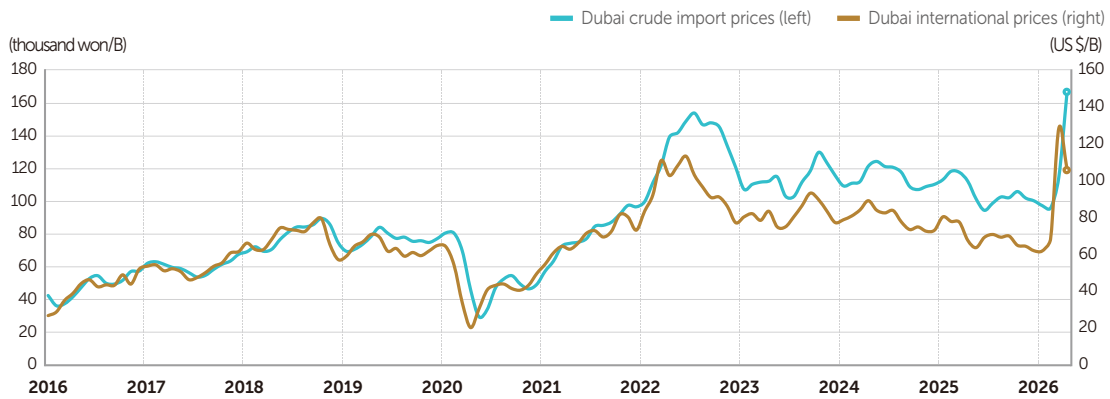
Sources: Consumer price trends, Statistics Korea; Bank of Korea.

Consumer price inflation



Source: Consumer price trends, Statistics Korea.

Dubai crude prices and import prices



Source: Korea National Oil Corporation.

In April, WTI and Brent crude prices increased from the previous month due to escalating tensions in the Middle East and declining U.S. inventories, while Dubai crude prices fell as alternative supply routes were secured.

International grain prices rose compared to the previous month, driven by higher prices of wheat.

Non-ferrous metal prices rose month-on-month amid production disruptions.

(Period average)

	2024	2025	2024				2025				2026			
	Annual	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Feb	Mar	Apr
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	68.4	128.5	105.7
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	64.5	91.0	98.1
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	69.4	99.6	102.5
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	2,930	2,971	2,948

Source: Korea National Oil Corporation; Korea PDS.

¹ US \$/barrel.

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

International grain prices growth in Apr 2026 (m-o-m, %)

Wheat	1.7
Corn	-0.5
Soybeans	-0.4

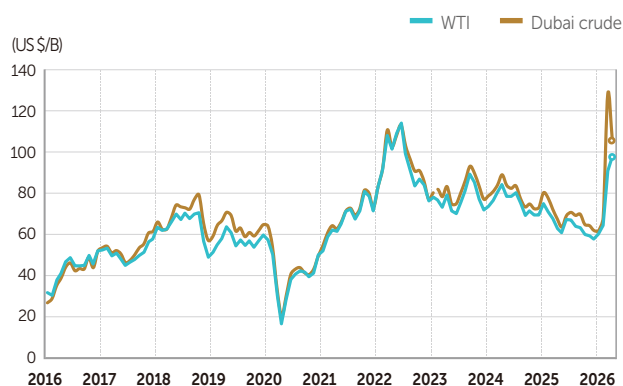
Note: Monthly average prices.

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

Aluminium	6.8
Nickel	5.3
Copper	3.1

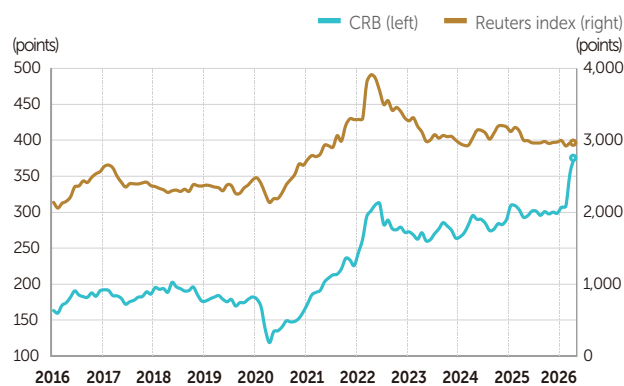
Note: Monthly average prices.

International oil prices



Source: Korea National Oil Corporation.

International commodity prices



Source: Korea PDS

9. Housing market

Nationally, housing sales prices rose 0.16 percent month-on-month in April. Within the Seoul metropolitan area, housing sales prices rose 0.31 percent, increasing 0.55 percent in Seoul and 0.24 percent in Gyeonggi Province, while decreasing 0.02 percent in Incheon. In the areas excluding the Seoul metropolitan, housing sales prices rose 0.02 percent. The prices fell 0.01 in the five metropolitan cities and rose 0.05 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	Apr	Cumulative total	Feb	Mar	Apr
Nationwide	9.9	-4.7	-3.6	0.1	1.0	-0.02	0.82	0.23	0.15	0.16
Seoul metropolitan area	12.8	-6.5	-3.6	1.4	2.9	0.07	1.52	0.42	0.27	0.31
- Seoul	6.5	-4.8	-2.0	3.2	7.1	0.25	2.53	0.66	0.39	0.55
· Southern Seoul	6.8	-4.1	-1.5	3.6	9.2	0.31	2.41	0.60	0.26	0.46
· Northern Seoul	6.1	-5.4	-2.4	2.8	4.9	0.18	2.66	0.72	0.54	0.24
Areas excluding the Seoul metropolitan area	7.4	-3.0	-3.5	-1.1	-0.7	-0.11	0.17	0.06	0.03	0.02

Source: Korea Real Estate Board.

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

Busan	Daegu	Gwangju	Daejeon	Ulsan	Sejong
0.00	-0.09	-0.24	0.02	0.37	-0.10

Nationally, housing rental prices increased 0.31 percent in April compared to the previous month. By region, housing rental prices rose 0.50 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	Apr	Cumulative total	Feb	Mar	Apr
Nationwide	6.5	-5.6	-5.1	1.3	0.9	0.00	1.09	0.22	0.28	0.31
Seoul metropolitan area	7.7	-8.0	-5.7	3.1	1.8	0.05	1.60	0.31	0.41	0.50
- Seoul	4.9	-6.5	-5.3	3.3	3.0	0.09	1.94	0.35	0.46	0.66
· Southern Seoul	5.1	-6.9	-5.8	2.9	3.9	0.12	1.75	0.26	0.54	0.62
· Northern Seoul	4.7	-6.2	-4.7	3.6	2.1	0.07	2.14	0.44	0.38	0.70
Areas excluding the Seoul metropolitan area	5.5	-3.3	-4.4	-0.4	0.1	0.05	0.61	0.14	0.17	0.14

Source: Korea Real Estate Board.

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

Songpa	Seongbuk	Nowon	Dongtan	Giheung
1.39	0.91	1.17	1.20	0.92

Source: Korea Real Estate Board.

There were 71,975 housing sales transactions in March, an increase of 24.6 percent month-on-month (57,785 in February 2026) and an increase of 7.0 percent year-on-year (67,259 in March 2025).

Housing sales transactions

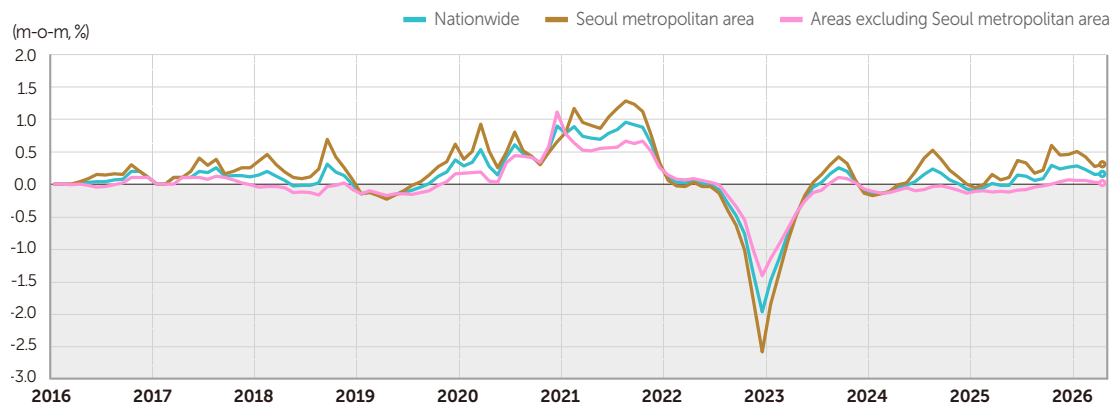
(Thousand)

	2022	2023	2024	2025	2025										2026		
	Annual ¹	Annual ¹	Annual ¹	Annual ¹	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Nationwide	42	46	54	61	67	65	63	74	64	46	63	70	61	63	61	58	72

Source: Ministry of Land, Infrastructure and Transport.

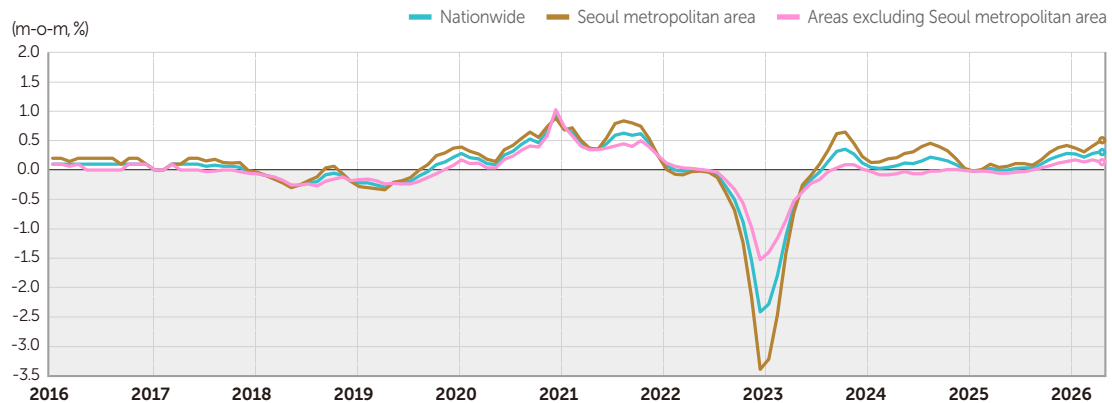
¹ Monthly average.

Housing sales prices



Source: Korea Real Estate Board

Housing rental prices



Source: Korea Real Estate Board

Financial Markets

1. Stock market

In April, the Korean equity markets, KOSPI and KOSDAQ, rose fueled by improved corporate earnings of major firms.

	KOSPI			KOSDAQ		
	Mar 2026	Apr 2026	Change	Mar 2026	Apr 2026	Change
Stock price index (points)	5,052.46	6,598.87	1,546.41 (30.61%)	1,052.39	1,192.35	139.96 (13.30%)
Market capitalization (trillion won)	4,159.1	5,407.5	1,248.4 (30.02%)	582.6	662.0	79.4 (13.63%)
Daily trade (trillion won)	30.1	29.6	-0.5 (-1.66%)	13.7	14.1	0.4 (2.92%)
Foreign stock ownership (% , %p)	36.37	37.80	1.43 (3.93%)	10.23	10.40	0.17 (1.66%)

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

2. Bond market

The government issued 22.6 trillion won worth of treasury bonds in April.

(End-period, trillion won)

	2022	2023	2024	2025	2025								2026				
	Annual	Annual	Annual	Annual	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Treasury bonds issuance ¹	168.6	165.7	157.7	226.2	20.9	19.0	23.8	21.2	21.0	21.5	17.7	15.6	5.4	17.9	22.4	21.2	22.6

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

Korean Treasury bond yields edged up slightly in April due to the Middle East conflict.

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

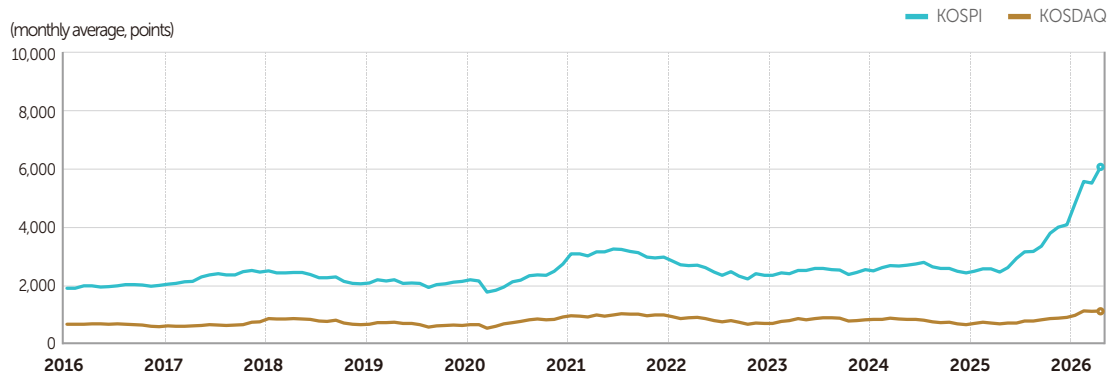
3 yrs	5 yrs	10 yrs	20 yrs	30 yrs
5	0	4	1	1

(Percent per annum)

	2019	2020	2021	2022	2023	2024	2025	2026			
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Feb	Mar	Apr	Change ¹
Call rate (1 day)	0.61	1.44	3.38	3.91	3.33	2.63	2.55	2.60	2.62	2.55	-7
CD (91 days)	0.66	1.29	3.98	3.83	3.39	2.81	2.73	2.81	2.82	2.81	-1
Treasury bonds (3 yrs)	0.98	1.80	3.72	3.15	2.60	2.95	3.14	3.04	3.55	3.60	5
Treasury bonds (5 yrs)	1.34	2.01	3.74	3.16	2.76	3.24	3.44	3.28	3.78	3.78	0
Corporate bonds (3 yrs)	2.21	2.42	5.23	3.90	3.28	3.48	3.66	3.64	4.17	4.25	8

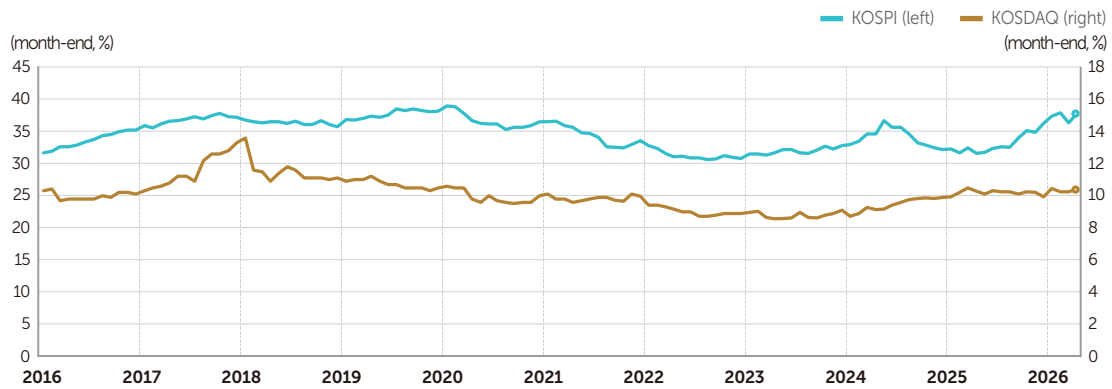
Source: Bank of Korea.
Note: Figures are closing rate.
¹ Change from the previous month as of end-Apr 2026, basis point.

Stock prices



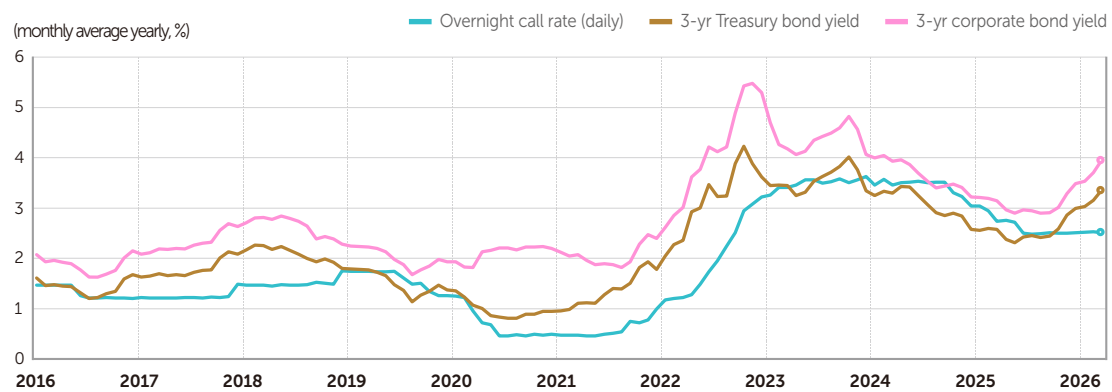
Source: Korea Exchange

Foreign stock ownership



Sources: Financial Supervisory Service, Korea Exchange

Interest rates



Source: Bank of Korea.

3. Foreign exchange market

The won appreciated against the US Dollar in April compared to the previous month.

	2019	2020	2021	2022	2023	2024	2025	2026		
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Mar	Apr	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	1,530.1	1,483.3	3.2
100 Yen-Won	1,059.8	1,051.2	1,032.5	945.6	912.3	934.3	917.6	946.7	920.6	2.8
Yuan-Won	165.6	167.0	186.6	181.6	181.2	202.6	206.0	221.6	216.8	2.2

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- Apr 2026, %.

4. Money market

In March, M2 (monthly average) rose 5.6 percent year-on-year.

(Percentage change from same period in previous year)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026			
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Jan	Feb	Mar ¹	Mar ²
M1 ³	16.0	9.5	4.7	3.9	20.9	21.5	4.2	-10.6	2.9	5.2	5.9	7.6	7.9	1,378.1
M2	7.6	6.8	5.7	6.2	11.1	11.4	9.8	3.8	3.3	4.5	4.7	4.9	5.6	4,143.5
Lf ⁴	8.5	7.4	6.4	7.8	8.4	8.6	8.3	3.5	6.4	6.9	6.6	7.1	7.5	6,202.6

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

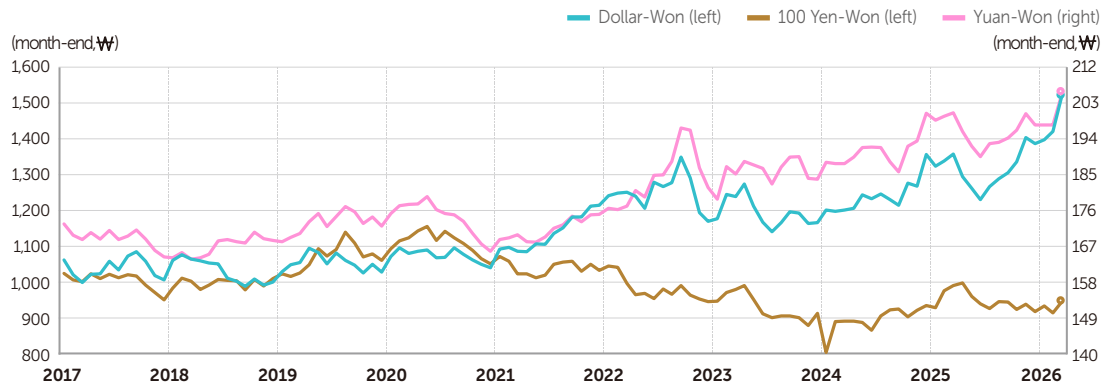
(Change from the end of the previous period, trillion won)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026				
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Dec	Jan	Feb	Mar	Apr	Apr ¹
Bank deposits	79.5	91.6	106.3	188.4	198.5	110.4	76.4	111.7	100.2	-50.8	47.3	20.5	-6.8	2,544.9
AMC deposits	27.9	53.8	98.6	42.2	93.9	45.4	93.7	117.2	241.0	91.9	48.6	-29.1	99.6	1,494.0

Source: Bank of Korea.

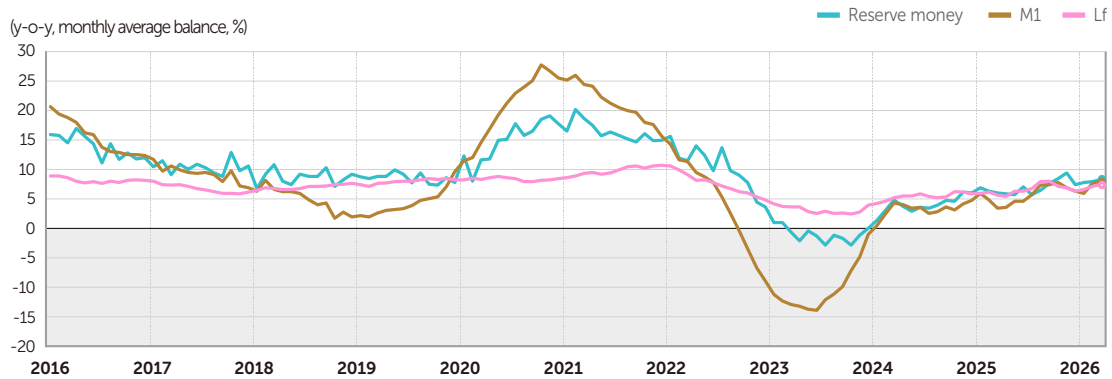
¹Balance at end- Apr 2026.

Foreign exchange rates



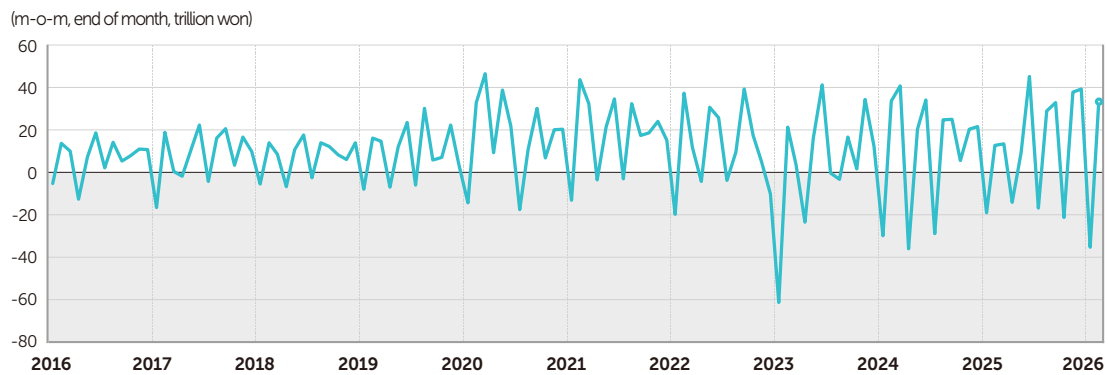
Source: Bank of Korea.

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 \$427.9 billion as of the end of April.

(US \$ billion)

	2022	2023	2024	2025	2026		
					Mar	Apr	Change (m-o-m)
Official foreign reserves	423.2	420.2	415.6	428.1	423.7	427.9 (100.0%)	4.2
- Securities ¹	369.7	373.7	366.7	371.1	377.7	384.1 (89.8%)	6.4
- Deposits	29.4	22.0	25.2	31.9	21.1	18.8 (4.4%)	-2.3
- SDRs	14.8	15.1	14.7	15.9	15.6	15.8 (3.7%)	2.4
- IMF position ²	4.8	4.8	4.8	4.8	4.8	4.8 (1.1%)	0.0
- Gold	4.5	4.6	4.2	4.4	4.6	4.5 (1.0%)	-0.9

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 \$587.8.5 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 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 22.8 trillion won in March, a decrease of 27.2 trillion won year-on-year. The managed fiscal balance also recorded a deficit of 39.6 trillion won, a decrease of 21.7 trillion won year-on-year.

(Trillion won, percent)

	2025					2026 ¹			Change (e)-(c)
	Supplementary budget (a)	Settlement (b)	Mar (Cumulative, c)	(c)/(a)	(c)/(b)	Main budget (d)	Mar (Cumulative, e)	(e)/(d)	
A. Total revenue	642.4	637.4	159.9	24.9	25.1	675.2	188.8	28.0	28.9
B. Total spending	703.3	684.1	210.0	29.9	30.7	727.9	211.6	29.1	1.7
C. Consolidated fiscal balance (A-B)	-60.8	-46.7	-50.0	-	-	-52.7	-22.8	-	27.2
D. Net social security fund ²	50.8	57.5	11.3	-	-	55.1	16.8	-	5.5
E. Managed fiscal balance (C-D)	-111.6	-104.2	-61.3	-	-	-107.8	-39.6	-	21.7

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
Consolidated fiscal balance	16.9	24.0	31.2	-12.0	-71.2	-30.5	-64.6	-36.8	-43.5	-46.7
Managed fiscal balance	-22.7	-18.5	-10.6	-54.4	-112.0	-90.6	-117.0	-87.0	-104.8	-104.2

¹ Preliminary.

2. Government debt

The total amount of central government debt in March was 1,303.5 trillion won, down 9.0 trillion won from a month earlier. Korean Treasuries totaled 1,301.8 trillion won, which is comprised of bonds at 1,191.6 trillion won, national housing bonds at 74.6 trillion won, and foreign exchange stabilization bonds at 35.7 trillion won.

(Trillion won)

	2020	2021	2022	2023	2024	2025	2026 ¹	
	Annual	Annual	Annual	Annual	Annual	Annual	Feb	Mar
Central gov't debt	819.2	939.1	1,033.4	1,092.5	1,141.2	1,268.1	1,312.5	1,303.5
(% 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	1,310.8	1,301.8
· Bonds	726.8	843.7	937.5	998.0	1,047.9	1,161.3	1,200.9	1,191.6
· National housing bonds	78.9	82.2	82.2	81.6	79.1	75.6	75.1	74.6
· Foreign exchange stabilization bonds	9.5	11.2	11.8	11.5	12.8	29.5	34.7	35.7
- 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



- Meeting with Financial Institutions on FX Market Reforms
- Deputy Prime Minister Hosts Korea Economic Investor Relations Session in London, a Global Financial Hub
- Opening a New Chapter for the Korean Economy through Pragmatism and Tangible Results

Meeting with Financial Institutions on FX Market Reforms

On May 12, Deputy Prime Minister and Minister of Finance and Economy Koo Yun Cheol chaired a meeting on foreign exchange (FX) market reforms, attended by senior executives and representatives of major domestic banks and branches of foreign banks. The participating institutions included the Bank of Korea, KB Kookmin Bank, Shinhan Bank, Woori Bank, Hana Bank, Citibank, and HSBC. The meeting was convened to review banks' preparations and hear about any difficulties they may face ahead of the full implementation of key FX market reform measures, including 24-hour FX market trading in July and the launch of the offshore Korean won settlement system in January of next year.



Deputy Prime Minister Koo stated that “the introduction of 24-hour FX market trading and offshore Korean won settlement represents a landmark measure that fundamentally reforms the framework of Korea’s FX system which has been maintained since the 1997 Asian Financial Crisis.” The Deputy Prime Minister emphasized that these measures would “enhance global investors’ accessibility and convenience in Korea’s FX and capital markets to the level of advanced markets and open a new chapter in the internationalization of the Korean won.”

In particular, Deputy Prime Minister Koo noted that the introduction of 24-hour FX market trading and offshore Korean won settlement is intended to modernize Korea’s FX market system in line with the country’s upgraded economic stature – reflected in enhanced industrial competitiveness, the inclusion of Korean government bonds in the World Government Bond Index (WGBI), and strengthened external soundness – and to meet the needs of global investors seeking to invest in Korea’s economy and financial markets. Deputy Prime Minister Koo also stressed that these measures would broaden and deepen the FX market while creating new business opportunities for Korean financial institutions.

The participants shared the view that the FX market reform measures were necessary and noted that not only existing clients, such as foreign investors and import-export companies, but also new and potential clients who had not previously invested in the Korean market had been making inquiries about the details of the reforms. They added that the reforms had generated strong domestic and international interest and were expected to produce positive effects.

The participants also agreed to maintain close communication with the government going forward, as banks would need to adjust their internal staffing, business processes, and IT systems in line with the specific institutional reform measures.

Lastly, Deputy Prime Minister Koo once again called on the participating banks to make every effort to ensure the smooth implementation and successful settlement of institutional reform measures through the allocation of sufficient human and material resources and the development of IT systems.

Deputy Prime Minister Hosts Korea Economic Investor Relations Session in London, a Global Financial Hub

The Ministry of Finance and Economy (MOFE) hosted an Investor Relations (IR) session on the Korean economy for major global investors in London, United Kingdom, on May 18.

The session was attended by approximately 20 senior executives, including CEOs, from 17 major financial institutions. Participants included leading global asset management firms such as Blackrock, PIMCO, J.P. Morgan Asset Management, Amundi, Fidelity, and UBS Asset Management, as well as major European investment banks including BNP Paribas, Barclays, Standard Chartered, and Société Générale.



The event marked the third IR session hosted by the Deputy Prime Minister this year, following previous events in Tokyo in March and New York in April. The event was organized to strengthen communication with key global investors in response to growing interest in the Korean economy and capital markets in global financial markets.

At the briefing, Deputy Prime Minister Koo presented a vision for a new era of the “Korea Premium,” driven by Korea’s strategic positioning in key supply chain sectors in the age of the “AI transformation” and by accelerated reforms across the foreign exchange (FX) and capital markets.

First, Deputy Prime Minister Koo noted that Korea is a key global player with world-class manufacturing capabilities in supply chain sectors essential to the realization of physical AI, including memory semiconductors, high-bandwidth memory (HBM), secondary batteries, and power semiconductors and sensors. He also stated that, leveraging its advanced IT infrastructure and strong digital capabilities, Korea is expanding the adoption of AI across all industries. He also stressed that the government is accelerating capital market reforms by pursuing investor-friendly measures, including amendments to the Commercial Act aimed at improving corporate governance and enhancing shareholder protection, as well as tax reforms such as the introduction of a separate taxation scheme for dividend income.

The Deputy Prime Minister went on to explain that the combination of Korea’s industrial competitiveness and capital market reforms has already produced tangible results. Since the launch of the new administration in June 2025, the KOSPI index has risen by more than 170%, recording the highest increase among major economies, while the market capitalization of the Korean stock market has climbed six places to become the seventh largest in the world. In addition, following the successful inclusion of Korean government bonds in the World Government Bond Index (WGBI) in April 2026, approximately USD 10.9 billion in new capital inflows had been recorded as of May 15.

Deputy Prime Minister Koo stressed that the government will go further by stepping up policy efforts to lead the era of “AI transformation” and by further advancing reforms in the FX and capital markets. The government will focus on fostering seven leading physical AI sectors – including robotics, automobiles, and shipbuilding – as well as 15 Hyper-Innovation Economy projects such as graphene, superconductors, and small modular reactors (SMRs). The Deputy Prime Minister also noted that, in the FX and capital markets, the government will continue to improve convenience for foreign investors through measures such as extending FX market trading to 24 hours, establishing an offshore won settlement system, and simplifying account opening and settlement procedures.

Lastly, Deputy Prime Minister Koo highlighted that “the Korea Discount is a term of the past, and now is the golden time to invest in Korea as the Korea Premium is becoming a new reality,” while encouraging investors to make active investments in Korea.

MOFE also delivered a presentation to investors covering: 1) recent trends and fundamentals of the Korean economy; 2) key growth drivers of the Korean economy; 3) the government’s future policy directions; and 4) reform efforts aimed at enhancing market access.

Opening a New Chapter for the Korean Economy through Pragmatism and Tangible Results

On May 20, First Vice Minister of Finance and Economy Lee Hyoung Il attended the Cabinet Meeting held at the Blue House, where he presented the key economic achievements of the first year of the People's Sovereignty Government.



Since its launch, the People's Sovereignty Government has faced the unprecedented challenge of restoring the Korean economy to a normal trajectory following the economic disruption caused by the martial law. More recently, it has also had to navigate a complex global crisis driven by rapid changes in external economic conditions, including the Middle East conflict.

In response, the administration has focused on pursuing pragmatic policies aimed at delivering tangible benefits to businesses and the public, including special measures to stabilize consumer prices, an AI-driven industrial transformation, and efforts to revitalize the domestic capital market. These efforts have already produced visible outcomes within a short period of time, including a rebound in economic growth (3.6% in the first quarter of 2026) and the KOSPI surpassing the 7,000 mark. Specific achievements are as follows.

1. Economic Recovery and Accelerating Growth Momentum

- 1) Following the rebound from the martial law shock (from 0.3% in the first half of 2025 to 1.7% in the second half of 2025, year-on-year), growth momentum strengthened further, with the economy recording growth of 3.6% in the first quarter of 2026. On a quarter-on-quarter basis, the economy grew by 1.7%, ranking first among major OECD economies reporting growth data to date.
- 2) The recovery in economic growth contributed to improved corporate performance and domestic demand, creating a virtuous cycle in which greater tax revenues further expanded the government's revenue base. The year-on-year change in national tax revenue was KRW -51.8 trillion in 2023, KRW -7.6 trillion in 2024, and KRW 37.4 trillion in 2025. It is projected to be KRW 41.5 trillion in 2026.
- 3) The government also achieved meaningful progress in regional job creation, becoming the only administration to record simultaneous increases in employment both nationwide and outside the Seoul metropolitan area. The year-on-year growth in employment nationwide increased from 139 thousand persons during the ten months prior to the administration's inauguration to 186 thousand persons during the ten months following the inauguration. The increase in employment outside the Seoul metropolitan area increased from 36 thousand persons to 166 thousand persons during the same period.
- 4) Reflecting the acceleration in growth momentum, major domestic institutions and global investment banks have been revising upward their growth forecasts for the Korean economy this year. The Korea Development Institute has revised its growth forecast from 1.9 percent to 2.5 percent, while the average forecast among eight global investment banks also increased from 2.1 percent to 2.6 percent.

2. Enhancing Korea's Global Economic Standing

- 1) Korea's ranking in global exports rose from eighth place (January – March 2025) to fifth place (January – March 2026). The current account balance also recorded an all-time high of USD 73.8 billion in the first quarter of 2026, amounting to nearly 60% of the country's full-year current account surplus of USD 123.1 billion in 2025.
- 2) With the KOSPI surpassing the 7,000 mark, the market capitalization of the Korean stock market rose significantly from thirteenth to eighth in the world (as of June 2, 2025).
- 3) Following Korea's inclusion in the World Government Bond Index (WGBI) on April 1, 2026, net purchases of Korean government bonds by foreign investors have increased, contributing to greater stability in the government bond and foreign exchange market. The net purchases of Korean government bonds by foreign investors averaged KRW 4.3 trillion in 2023 on a monthly basis and reached KRW 8.8 trillion in April 2026 on a settlement basis. The net purchases of Korean government bonds by foreign investors on a settlement basis increased from a monthly average of KRW 4.3 trillion in 2023 to KRW 8.8 trillion in April 2026.
- 4) Reflecting these strong economic fundamentals, major global credit rating agencies have maintained Korea's sovereign credit ratings with a "stable" outlook, providing further evidence of positive international assessments of the Korean economy. Fitch affirmed Korea's AA- rating with a stable outlook on January 30, while Moody's confirmed its Aa2 rating with a stable outlook on February 13. S&P also affirmed Korea's AA rating with a stable outlook on April 29.

3. Stable Management of Consumer Prices

- 1) For the first time in 29 years, the government introduced a maximum price system for petroleum products while simultaneously implementing fuel tax cuts. As a result, consumer inflation was reduced by 0.6%p in March and 1.2%p in April compared with a scenario without the maximum price system and fuel tax reductions.
- 2) Through the Ministerial Task Force on Consumer Price Management, chaired by the Deputy Prime Minister, the government closely monitored key livelihood-related items including school uniforms, apartment maintenance fees, and private education and telecommunications fees, while efforts to establish market order contributed to broader declines in food prices. Consumer prices of processed food products in April 2026, compared to May 2025, decreased by 6.7 percent for cooking oil, 4.6 percent for flour, and 4.4 percent for sugar.
- 3) Supported by these policy measures, Korea's consumer inflation has remained in the low 2% range despite the spillover effects of the Middle East conflict, staying below the levels recorded in many major economies.

The people's Sovereignty Government will continue to pursue a major economic transformation guided by the principles of "pragmatism and tangible results" in order to restore potential growth and ensure that the benefits of growth are broadly shared with the public.

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>



Ministry of Data and Statistics
<https://mods.go.kr/anse/>



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



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



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



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



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



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



Korea National Oil Corporation
<https://www.knoc.co.kr/ENG/main.jsp#>



Republic of Korea **Economic Bulletin**

June 2026 Vol.48 No.6

Contact

Economic Information and Education Center
Korea Development Institute
263 Namsejong-ro, Sejong, 30149 Republic of Korea

Tel +82-44-550-4170 **Fax** +82-44-550-4941

E-mail sjung@kdi.re.kr

Website <https://eiec.kdi.re.kr/publish/ebMain.do> <http://english.mofe.go.kr>

