

HOUSEHOLD LOANS, July 2021

The outstanding balance of household loans¹ in all financial sectors increased KRW15.2 trillion from the previous month at the end of July 2021 (*up 10.0% y-o-y*). The household loan balance rose KRW9.7 trillion in the banking sector and KRW5.6 trillion in the non-banking sector.

All financial sectors (y-o-y): +9.6% (May 2021) → +9.7% (Jun 2021) → +10.0% (Jul 2021)

By type, mortgage loans grew KRW7.5 trillion in July, rising at a faster rate compared with the previous month (*up KRW6.4 trillion y-o-y*) due to a steady rise in demand for jeonse² loans. Other types of loans including credit loans expanded KRW7.7 trillion due to increased demand for large scale IPO subscriptions in the last week of July.

<Trends in outstanding balance of household loans³>

(In trillion won)

	2019			2020			2021		
	Jan-Jul	Jun	Jul	Jan-Jul	Jun	Jul	Jan-Jul	Jun	Jul
Banks	+27.2	+5.4	+5.8	+48.3	+8.2	+7.6	+51.3	+6.3	+9.7
Non-banks	-3.5	-0.3	-0.1	-2.4	+0.5	+1.8	+27.4	+3.9	+5.6
Mutual finance	-5.2	-0.0	-0.9	-4.6	+0.3	+0.1	+12.4	+2.4	+2.8
Credit union	-0.85	+0.01	-0.18	-1.67	-0.14	-0.11	+0.08	+0.07	+0.11
Nonghyup	+0.45	+0.36	-0.26	+0.06	+0.70	+0.45	+10.19	+1.98	+2.03
Suhyup	+0.14	+0.07	-0.00	-0.05	+0.08	+0.09	+0.87	+0.11	+0.21
NFCF ⁴	+0.31	+0.04	+0.02	+0.10	+0.01	+0.02	+0.33	+0.06	+0.05
KFCC ⁵	-5.26	-0.52	-0.50	-3.09	-0.38	-0.31	+0.89	+0.18	+0.42
Insurance	-1.0	-0.1	-0.2	-0.8	+0.1	+0.3	+4.4	+0.4	+1.0
Savings Banks	+1.5	+0.0	+0.5	+2.4	+0.2	+0.7	+5.3	+0.9	+0.9
Credit finance companies	+1.2	-0.1	+0.5	+0.6	-0.0	+0.6	+5.4	+0.2	+0.8
Total	+23.7	+5.1	+5.7	+45.9	+8.7	+9.4	+78.8	+10.3	+15.2

The financial authorities will work to ensure that the pace of growth in household loans remains within the target of 5 to 6 percent for this year while also working to effectively implement the household debt management measures.

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For press inquiry, please contact Foreign Media Relations at fsc_media@korea.kr.

¹ Preliminary

² A lump-sum deposit with no monthly rent payments

³ Advance estimates from the Financial Supervisory Service

⁴ National Forestry Cooperative Federation

⁵ Korean Federation of Community Credit Cooperatives