

HOUSEHOLD LOANS, August 2021

The outstanding balance of loans to households rose KRW8.5 trillion in all financial sectors at the end of August 2021 (*up 9.5% y-o-y*).¹ The balance of household loans increased KRW6.2 trillion in the banking sector and KRW2.3 trillion in the non-banking sector.

All financial sectors (y-o-y): +9.7% (Jun 2021) → +10.0% (Jul 2021) → +9.5% (Aug 2021)

By type, mortgage loans went up KRW7.2 trillion in August, expanding at a similar level compared with the previous month (*up KRW7.4 trillion*) as housing market transactions remained active. Other types of loans including credit loans grew at a slower rate (*up KRW1.4 trillion*) compared with the previous month (*up KRW7.9 trillion*) due to large scale refunds of IPO subscription deposits taking place in the beginning of the month.

<Trends in outstanding balance of household loans²>

(In trillion won)

	2019			2020			2021		
	Jan-Aug	Jul	Aug	Jan-Aug	Jul	Aug	Jan-Aug	Jul	Aug
Banks	+34.6	+5.8	+7.4	+60.1	+7.6	+11.8	+57.5	+9.6	+6.2
Non-banks	-4.4	-0.1	-0.9	+0.1	+1.8	+2.5	+29.9	+5.7	+2.3
Mutual finance	-6.4	-0.9	-1.2	-4.4	+0.1	+0.3	+14.1	+2.9	+1.6
Credit union	-0.98	-0.18	-0.13	-1.77	-0.11	-0.10	+0.08	+0.24	-0.13
Nonghyup	-0.06	-0.26	-0.51	+0.81	+0.45	+0.76	+11.73	+2.03	+1.54
Suhyup	+0.13	-0.00	-0.01	-0.12	+0.09	-0.07	+0.97	+0.21	+0.10
NFCF ³	+0.33	+0.02	+0.03	+0.11	+0.02	+0.01	+0.37	+0.05	+0.04
KFCC ⁴	-5.81	-0.50	-0.55	-3.40	-0.31	-0.31	+0.95	+0.42	+0.06
Insurance	-1.3	-0.2	-0.3	-0.0	+0.3	+0.8	+4.3	+1.0	-0.02
Savings Banks	+1.7	+0.5	+0.3	+3.0	+0.7	+0.5	+5.8	+0.9	+0.5
Credit finance companies	+1.5	+0.5	+0.3	+1.5	+0.6	+0.9	+5.7	+0.8	+0.3
Total	+30.2	+5.7	+6.5	+60.2	+9.4	+14.3	+87.4	+15.3	+8.5

The growth of household loan balance in August has dropped compared with the previous month but still remains above pre-pandemic levels. The financial authorities will continue to strengthen management until the trend of household debt growth shows signs of stability.

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

¹ Preliminary

² Advance estimates from the Financial Supervisory Service

³ National Forestry Cooperative Federation

⁴ Korean Federation of Community Credit Cooperatives