

FSC HOLDS EMERGENCY MEETING FOLLOWING NORTH KOREA'S SUSPECTED NUCLEAR TEST

FSC Chairman Yim Jong-Yong convened an emergency meeting to inspect risk factors in domestic financial markets and discuss responsive measures after a seismic event was detected in North Korea at 9:30 A.M. a supposed result of North Korea's possible nuclear test.

Stock market indices and won exchange rates are showing temporary volatility. However, the FSC sees it as a consequence of disappointed investor sentiment towards ECB's holding key policy rates and increased speculative transactions, rather than the result of North Korea risk factors.

North Korea's past provocations had almost no direct impact on Korea's financial markets, or if it had any, the shock was temporary and limited. Yet, the FSC will remain alerted and closely monitor financial market developments since the North's provocative actions are intensifying and we cannot rule out the possibility that the consequential impact may last longer than we expect.

The FSC will share related information with agencies related to domestic financial markets such as the Ministry of Strategy and Finance, Bank of Korea, and Financial Supervisory Service (FSS). The FSC and FSS will jointly form and operate an emergency team to more effectively monitor North Korea's movements and financial market conditions. Moreover, we will review contingency plans to be fully prepared for future situations.

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