

HOUSEHOLD LOANS, JUNE 2020

The outstanding balance of household loans¹ in all financial sectors rose KRW8.5 trillion from the previous month in June 2020 (*up 5.4% year-on-year*). The household loan balance increased KRW8.2 trillion in the banking sector and KRW0.4 trillion in the non-banking sector.

All financial sectors (y-o-y): +6.9% (June 2018) → +4.6% (June 2019) → +5.4% (June 2020)

By type, mortgage loans increased KRW5.1 trillion in June (*up KRW2.4 trillion year-on-year*). Regular mortgage loans, jeonse² loans and group lending expanded KRW5.0 trillion in the banking sector, while non-banks saw an increase of KRW20 billion. Other types of loans showed an increase of KRW3.5 trillion (*up KRW1.1 trillion year-on-year*) as the demand for credit loans went up.

<Trends in outstanding balance of household loans³>

(In trillion won)

	2018			2019			2020		
	Jan-Jun	May	Jun	Jan-Jun	May	Jun	Jan-Jun	May	Jun
Banks	+25.0	+5.3	+5.0	+21.4	+5.0	+5.4	+40.7	+5.0	+8.2
Non-banks	+8.6	+1.4	+1.2	-3.4	+0.9	-0.3	-4.4	-1.1	+0.4
Mutual finance	+1.6	+0.4	+0.6	-4.3	-0.2	-0.0	-4.9	-0.6	+0.2
Credit union	-1.66	-0.28	-0.27	-0.67	-0.07	+0.01	-1.67	-0.24	-0.26
Nonghyup	+3.16	+0.71	+0.94	+0.71	+0.29	+0.36	-0.39	+0.13	+0.70
Suhyup	-0.24	-0.05	+0.04	+0.14	+0.01	+0.07	-0.14	-0.01	+0.08
NFCF ⁴	+0.30	+0.06	+0.04	+0.29	+0.06	+0.04	+0.09	+0.00	+0.01
KFCC ⁵	+0.03	-0.05	-0.15	-4.76	-0.53	-0.52	-2.78	-0.52	-0.38
Insurance	+2.2	+0.4	+0.3	-0.8	+0.2	-0.1	-1.1	-0.5	+0.1
Savings banks	+0.9	+0.1	+0.1	+1.0	+0.3	+0.0	+1.7	+0.2	+0.2
Credit finance companies	+3.9	+0.5	+0.2	+0.7	+0.6	-0.1	-0.1	-0.2	-0.1
Total	+33.6	+6.8	+6.2	+18.0	+5.9	+5.1	+36.3	+3.9	+8.5

The government will closely monitor rising demand for credit loans while continuing to work on the stable management of household debt.

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For any inquiry, please contact Foreign Press & Relations Team at fsc_media@korea.kr.

¹ Preliminary

² A lump sum deposit without monthly payments for rent

³ Advance estimates from the Financial Supervisory Service

⁴ National Forestry Cooperative Federation

⁵ Korean Federation of Community Credit Cooperatives