

HOUSEHOLD LOANS, JULY 2020

The outstanding balance of household loans¹ in all financial sectors rose KRW9.0 trillion from the previous month in July 2020 (*up 5.7% year-on-year*). The household loan balance increased KRW7.6 trillion in the banking sector and KRW1.4 trillion in the non-banking sector.

All financial sectors (y-o-y): +6.5% (Jul 2018) → +4.5% (Jul 2019) → +5.7% (Jul 2020)

By type, mortgage loans increased KRW4.1 trillion from the previous month in July (*up KRW1.9 trillion y-o-y*). Jeonse² loans rose KRW2.7 trillion in the banking sector while group lending grew at a slower rate. Mortgage loans in non-banks saw a rise of KRW200 billion from the previous month. Other types of loans went up KRW4.9 trillion as credit lending by both banks and non-banks rose KRW3.7 trillion and KRW1.3 trillion, respectively.

<Trends in outstanding balance of household loans³>

(In trillion won)

| | 2018 | | | 2019 | | | 2020 | | |
|--------------------------|---------|-------|-------|---------|-------|-------|---------|-------|-------|
| | Jan-Jul | Jun | Jul | Jan-Jul | Jun | Jul | Jan-Jul | Jun | Jul |
| Banks | +29.7 | +5.0 | +4.8 | +27.2 | +5.4 | +5.8 | +48.3 | +8.2 | +7.6 |
| Non-banks | +9.5 | +1.2 | +0.9 | -3.5 | -0.3 | -0.1 | -2.8 | +0.5 | +1.4 |
| Mutual finance | +1.1 | +0.6 | -0.5 | -5.2 | -0.0 | -0.9 | +4.8 | +0.3 | +0.0 |
| Credit union | -1.89 | -0.27 | -0.24 | -0.85 | +0.01 | -0.18 | -1.79 | -0.14 | -0.23 |
| Nonghyup | +3.62 | +0.94 | +0.46 | +0.45 | +0.36 | -0.26 | +0.06 | +0.70 | +0.45 |
| Suhypup | -0.32 | +0.04 | -0.08 | +0.14 | +0.07 | -0.00 | -0.05 | +0.08 | +0.09 |
| NFCF ⁴ | +0.36 | +0.04 | +0.06 | +0.31 | +0.04 | +0.02 | +0.10 | +0.01 | +0.02 |
| KFCC ⁵ | -0.68 | -0.15 | -0.71 | -5.26 | -0.52 | -0.50 | -3.09 | -0.38 | -0.31 |
| Insurance | +2.7 | +0.3 | +0.5 | -1.0 | -0.1 | -0.2 | -1.0 | +0.1 | +0.2 |
| Savings banks | +1.2 | +0.1 | +0.3 | +1.5 | +0.0 | +0.5 | +2.4 | +0.2 | +0.7 |
| Credit finance companies | +4.5 | +0.2 | +0.6 | +1.2 | -0.1 | +0.5 | +0.5 | -0.0 | +0.5 |
| Total | +39.2 | +6.2 | +5.6 | +23.7 | +5.1 | +5.7 | +45.5 | +8.7 | +9.0 |

The government will closely monitor trends in jeonse loans and credit loans in order to effectively manage 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