

HOUSEHOLD LOANS, JANUARY 2024

- In January 2024, household loans edged up KRW0.8 trillion across all financial sectors.
- Authorities will make continuous efforts to closely monitor growth trends and pursue measures intended to improve the quantitative and qualitative structure of house debt.

In January 2024, the outstanding balance of household loans across all financial sectors edged up KRW0.8 trillion (preliminary), a growth of KRW0.6 trillion from the previous month (*up KRW0.2 trillion*).

* Change (in trillion KRW, y-o-y): +6.1 (Aug 2023), +2.4 (Sep), +6.2 (Oct), +2.6 (Nov), +0.2 (Dec), +0.8 (Jan 2024^P)

(BY TYPE) Home mortgage loans increased KRW4.1 trillion, edging up at a slightly slower rate than the previous month (*up KRW5.0 trillion*). Mortgage loans from banks rose at a somewhat slower rate (*from up KRW5.1 trillion a month before to up KRW4.9 trillion in January 2024*). Mortgage loans from nonbanks fell at a faster rate (*from down KRW0.1 trillion a month before to down KRW0.8 trillion in January 2024*). Other types of loans dropped KRW3.3 trillion.

<Trends in Outstanding Balance of Household Loans by Type>

(In trillion KRW)	Jul 2023	Aug	Sep	Oct	Nov	Dec	Jan 2024 ^P
Mortgage loans	+5.6	+6.6	+5.7	+5.2	+5.6	+5.0	+4.1
Other types of loans	-0.4	-0.5	-3.3	+1.0	-3.0	-4.8	-3.3
Total	+5.2	+6.1	+2.4	+6.2	+2.6	+0.2	+0.8

(BY SECTOR) Household loans grew at a somewhat faster rate in the banking sector, while falling at a slower rate in the nonbanking sector. Banks saw a rise of KRW3.4 trillion in January 2024, up from KRW3.1 trillion a month ago. Home mortgage loans from banks grew KRW4.9 trillion, a slowdown from KRW5.1 trillion a month before, due mainly to a significant drop in the issuance of new policy mortgage loans. Other types of loans from banks dropped KRW1.5 trillion, declining at a slower rate than the previous month (*down KRW2.0 trillion*).

Household loans from nonbanks fell KRW2.6 trillion, declining at a slower rate compared to the previous month (*down KRW2.9 trillion*). Mutual finance businesses and insurance companies saw drops of KRW2.5 trillion and KRW0.5 trillion, respectively, while specialized credit finance businesses and savings banks saw increases of KRW0.4 trillion and KRW0.1 trillion, respectively.

(ASSESSMENT) Since the level of growth in January 2024 is about a quarter of the monthly average in the second half of last year, the pace of household loan growth remains at a stable level. However, as there are possibilities for changes in the future,

financial authorities will keep close tabs on housing market situations and make continuous efforts to bring about improvements to the quantitative and qualitative structure of household debt.

<Trends in Outstanding Balance of Household Loans by Sector>

(In trillion KRW)	2022			2023			2024		
	Jan-Dec	Dec 2021	Jan	Jan-Dec	Dec 2022	Jan	Jan-Dec	Dec 2023	Jan ^P
Banks	-2.8	-0.2	-0.5	+37.1	+0.2	-4.6	+3.4	+3.1	+3.4
Nonbanks	-6.0	+0.4	-0.2	-26.9	-3.7	-3.5	-2.6	-2.9	-2.6
Mutual finance	-10.6	+1.0	-1.1	-27.6	-2.0	-3.0	-2.5	-1.5	-2.5
Credit unions	+0.1	+0.1	+0.1	-4.4	-0.1	-0.3	-0.5	-0.3	-0.5
Agricultural cooperatives	-11.1	-0.6	-0.9	-15.7	-1.7	-1.9	-1.4	-0.9	-1.4
Fisheries cooperatives	-0.5	-0.1	-0.1	-0.8	-0.03	-0.05	+0.01	+0.05	+0.01
Forestry cooperatives	-0.1	-0.004	-0.003	-0.4	-0.02	-0.03	-0.04	-0.02	-0.04
Community credit cooperatives	+1.2	+1.5	-0.1	-6.3	-0.2	-0.7	-0.6	-0.4	-0.6
Insurance	+3.6	+0.1	+0.3	+2.8	+0.4	-0.2	-0.5	-0.0	-0.5
Savings banks	+2.3	+0.0	+0.1	-1.3	-0.5	+0.1	+0.1	-0.9	+0.1
Specialized credit finance business companies	-1.3	-0.6	+0.5	-0.9	-1.6	-0.4	+0.4	-0.5	+0.4
Total	-8.8	+0.2	-0.7	+10.2	-3.5	-8.1	+0.8	+0.2	+0.8

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