

GOVERNMENT EXTENDS SPV OPERATION FOR SIX MONTHS TO ENSURE CONTINUING SUPPORT

The government, the Bank of Korea and the Korea Development Bank decided to extend the operating period of the special purpose vehicle set up to purchase low-rated corporate bonds and CP for six months until July 13, 2021.

The SPV was launched on July 14, 2020 with an initial operating period of six months until January 13, 2021.¹

In order to strengthen support for companies facing liquidity problems, the SPV will reduce the purchasing of AA rated bonds while expanding the proportion of low-rated (A~BBB) corporate bonds.²

To raise the purchasing capacity of the SPV, a second capital call will be made in the amount of KRW2 trillion.

The government, the BOK and the KDB will continue to maintain close cooperation to ensure stability in the financial markets.

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

¹ Please click [here](#) to see press release dated July 17, 2020.

² AA ratings (30% → 25%), A~BBB ratings (70% → 75%)