

HOUSEHOLD LOANS, SEPTEMBER 2020

The outstanding balance of household loans¹ in all financial sectors rose KRW10.9 trillion from the previous month in September 2020 (*up 6.8% year-on-year*). The household loan balance increased KRW9.7 trillion in the banking sector and KRW1.1 trillion in the non-banking sector.

All financial sectors (y-o-y): +6.1% (Sep 2018) → +4.4% (Sep 2019) → +6.8% (Sep 2020)

By type, mortgage loans increased KRW7.1 trillion in September, growing KRW0.8 trillion from the previous month (*up KRW4.4 trillion y-o-y*). In the banking sector, jeonse² loans rose KRW3.5 trillion while mortgage loans expanded KRW2.0 trillion. Mortgage lending by non-banks saw an increase of KRW0.4 trillion from the previous month. Other types of loans went up KRW3.8 trillion as credit-based lending by both banks and non-banks rose KRW3.0 trillion and KRW0.7 trillion, respectively.

<Trends in outstanding balance of household loans³>

(In trillion won)

	2018			2019			2020		
	Jan-Sep	Aug	Sep	Jan-Sep	Aug	Sep	Jan-Sep	Aug	Sep
Banks	+40.7	+5.9	+5.1	+39.4	+7.4	+4.8	+69.8	+11.8	+9.7
Non-banks	+9.4	+0.7	-0.7	-6.0	-0.9	-1.6	+1.2	+2.5	+1.1
Mutual finance	+0.4	-0.4	-0.3	-7.3	-1.2	-0.9	-4.2	+0.3	+0.2
Credit union	-2.32	-0.24	-0.19	-1.16	-0.13	-0.19	-1.90	-0.10	-0.13
Nonghyup	+3.96	+0.24	+0.10	-0.33	-0.51	-0.28	+1.20	+0.76	+0.38
Suhyup	-0.33	-0.01	-0.00	+0.09	-0.01	-0.04	-0.05	-0.07	+0.07
NFCF ⁴	+0.46	+0.06	+0.04	+0.36	+0.03	+0.03	+0.14	+0.01	+0.03
KFCC ⁵	-1.39	-0.46	-0.24	-6.27	-0.55	-0.46	-3.61	-0.31	-0.21
Insurance	+3.4	+0.4	+0.3	-1.6	-0.3	-0.3	+0.2	+0.8	+0.2
Savings banks	+1.5	+0.3	+0.0	+1.8	+0.3	+0.1	+3.5	+0.5	+0.6
Credit finance companies	+4.1	+0.4	-0.8	+1.1	+0.3	-0.4	+1.7	+0.9	+0.2
Total	+50.1	+6.6	+4.4	+33.4	+6.5	+3.2	+71.0	+14.3	+10.9

The financial authorities will closely monitor trends in household loans to prevent risks to the economy and draw up measures when necessary in close coordination with the relevant ministries.

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For press inquiry, please contact Foreign Media 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