

HOUSEHOLD LOANS, JANUARY 2021

The outstanding balance of household loans¹ in all financial sectors rose KRW10.1 trillion from the previous month at the end of January 2021 (*up 8.5% y-o-y*). The household loan balance increased KRW7.6 trillion in the banking sector and KRW2.5 trillion in the non-banking sector.

All financial sectors (y-o-y): +5.4% (Jan 2019) → +4.4% (Jan 2020) → +8.5% (Jan 2021)

By type, mortgage loans rose KRW5.8 trillion in January, declining KRW0.9 trillion from the previous month (*up KRW6.7 trillion y-o-y*). In the banking sector, mortgage loans grew KRW5.0 trillion while mortgage lending by non-banks increased KRW0.8 trillion from the previous month. Other types of loans rose KRW4.3 trillion as demand for credit loans remained high.

<Trends in outstanding balance of household loans²>

(In trillion won)

	2019			2020				2021
	Jan-Dec	Jan	Dec	Jan-Dec	Jan	Nov	Dec	Jan
Banks	+60.8	+1.1	+7.2	+100.7	+3.7	+13.6	+6.7	+7.6
Non-banks	-4.5	-1.5	+0.6	+11.5	-1.5	+5.1	+2.1	+2.5
Mutual finance	-8.1	-1.7	+0.3	-0.1	-1.9	+2.2	+1.0	+0.4
Credit union	-1.54	-0.30	+0.03	-1.45	-0.29	+0.22	+0.16	-0.12
Nonghyup	-0.30	-0.23	+0.38	+4.24	-1.09	+1.31	+1.08	+0.63
Suhyup	+0.05	+0.01	-0.02	+0.08	-0.09	+0.08	-0.01	+0.04
NFCF ³	+0.46	+0.05	+0.04	+0.28	+0.01	+0.05	+0.04	+0.02
KFCC ⁴	-6.80	-1.23	-0.13	-3.24	-0.45	+0.53	-0.23	-0.18
Insurance	-0.8	-0.4	+0.3	+1.7	-0.5	+0.8	+0.2	+0.6
Savings banks	+2.4	+0.3	+0.0	+5.5	+0.3	+0.9	+0.4	+0.7
Credit finance companies	+2.0	+0.3	+0.0	+4.4	+0.6	+1.2	+0.5	+0.8
Total	+56.2	-0.4	+7.8	+112.3	+2.2	+18.7	+8.8	+10.1

The financial authorities will closely monitor trends in credit loans while ensuring a seamless provision of lending support to businesses hit by social distancing measures. In the first quarter, the authorities will come up with a more effective household debt management plan focusing on individual DSR.

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¹ Preliminary

² Advance estimates from the Financial Supervisory Service

³ National Forestry Cooperative Federation

⁴ Korean Federation of Community Credit Cooperatives