

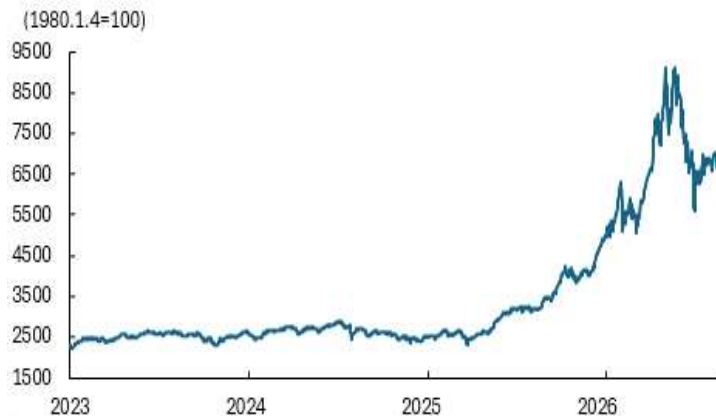
Korean

Economic Snapshot

| September 2026 |

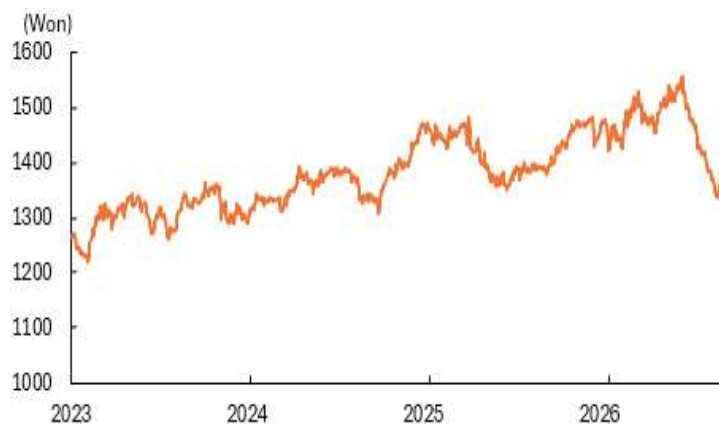
Indicators

KOSPI Index



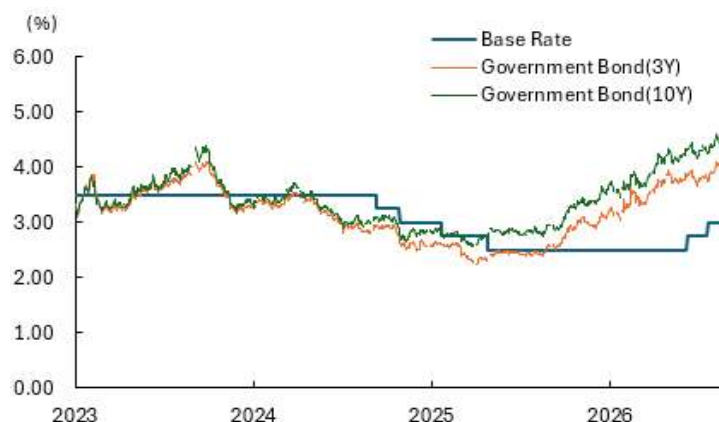
- KOSPI closed September at 6,838.04, after briefly reaching 7,000, up 0.26% from August closing at 6,820.02.

Exchange Rate



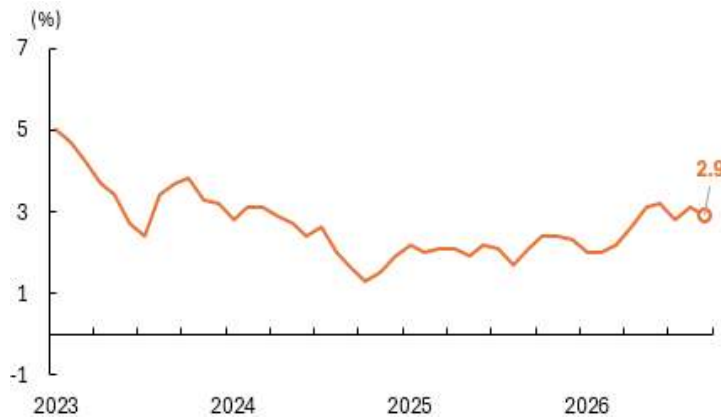
- The Korean won strengthened against USD in September, ending the month at 1,352.8, down from 1,368.6 at end-August.
- Dollar inflows due to strong exports helped strengthen the Korean won despite rising U.S. Treasury yields.

Base Rates and Bond Yields



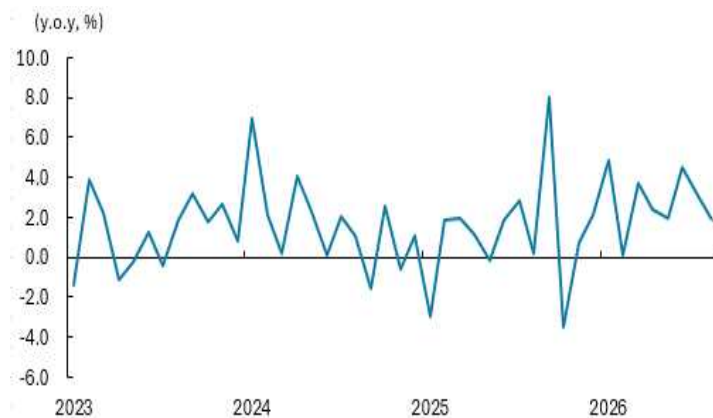
- 3-Year government bond yields increased from 3.838% at end-August to 4.011% at end-September. 10-Year yields increased from 4.313% to 4.407% in the same period.

CPI



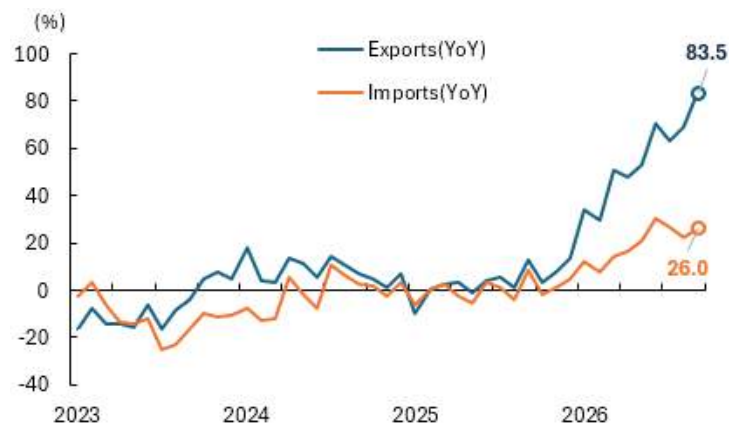
- CPI recorded 2.9% rise YoY in September, easing from 3.1% in August.
- Lower agricultural prices (YoY) helped contain inflation, while petroleum product prices rose 14.8%, keeping pressure on household costs.

Industrial Output (YoY %)



- All-industrial output in August rose 1.9% YoY, despite declines in automobile production.

Exports and Imports



- Korea's September exports – due to strong semiconductor demand - surged 83.5% YoY to a record-high of USD 120.94B. Imports rose 26% to USD 71.09B.

* All data are current as of the date of publication

CIFC News

CIFC Hosts Korea-Kazakhstan Financial Cooperation Seminar

CIFC held the Korea-Kazakhstan Financial Cooperation Seminar on September 16 in Seoul. The event brought together more than 60 representatives from authorities and institutions, including Financial Services Commission Chairman Lee Eog-weon and Kazakhstan's financial regulator chief Madina Abilkassymova. Discussions covered banking regulation, AIFC development, banking resilience, deposit insurance, NPL resolution, and capital market infrastructure, with a focus on policy exchanges and cooperation between institutions.



CIFC Members

KRX Launches Four-Hour After-Market Trading

Korea Exchange (KRX) launched an [after-market trading session](#) on September 14, running from 4 p.m. to 8 p.m. Most KOSPI and KOSDAQ stocks are eligible, while ETFs and ETNs are excluded due to volatility concerns. Combined after-market turnover on KRX and Nextrade reached KRW [4.23 trillion on September 22, up 17.2%](#) from September 14. KRX averaged KRW 1.15 trillion in daily after-market turnover during its first week, with retail investors accounting for 90.4%. KRX will monitor irregular trading through year-end.

KODIT Shares Digital Finance Expertise with Seven Countries

The Korea Credit Guarantee Fund (KODIT) hosted 15 officials from finance ministries, central banks, and SME finance institutions in Vietnam, the Philippines, Sri Lanka, Cambodia, Thailand, Libya and Ecuador for a [capacity-building program](#). Participants explored data management, digital transformation, and AI-based business assessment, including KODIT's BASA system. The program combined institutional visits with country action plans to improve SME financing.

KAMCO Shares NPL Management Expertise

Korea Asset Management Corporation (KAMCO) and the European Bank for Reconstruction and Development (EBRD) held [training for Moroccan government and central bank officials](#) in Seoul to support Morocco's NPL market development. The program covered NPL acquisition and resolution, the role of public asset management companies, and corporate restructuring. KAMCO also signed an [MOU with SEACEN](#) to provide training and advice on NPL management and asset management companies. KAMCO, SEACEN, and the Bank of Korea will hold training for SEACEN members in Busan in October.

KOTEC Supports Technology Finance in Costa Rica

Korea Technology Finance Corporation (KOTEC) held a [policy seminar with the Inter-American Development Bank \(IDB\) and Costa Rica Development Bank \(SBD\)](#) in San José, bringing together around 200 participants. KOTEC presented a technology rating system (CTRS) and a technology guarantee framework (CRTG) adapted for Costa Rica to improve SMEs' access to financing. The project included pilot assessments, operating manuals, and staff training. KOTEC and SBD also signed an MOU to support implementation, exchange experts, and pursue joint research and projects.

KDIC Shares Bank Resolution and Asset Recovery Expertise

The Korea Deposit Insurance Corporation (KDIC) hosted its [12th Global Training Program in Korea](#) for 45 deposit insurance officials from 26 countries. Drawing on Korea's experience during the Asian financial crisis and savings bank failures, the program covered financial institution resolution, asset recovery, bankruptcy estate management, and investigations into liability for losses. The World Bank and Europe's Single Resolution Board (SRB) contributed sessions on knowledge sharing and resolution practices.

Financial Authorities and Policies

FSC Pilot-Launches Data-Based Credit Scoring for Small Businesses

Korea's Financial Services Commission (FSC) launched a [pilot Small Business Credit Bureau \(SCB\) system](#) to assess business potential using non-financial data, including sales, operating history, local market conditions, customer awareness, and platform growth indicators. The SCB growth rating is combined with existing credit scores to reassess borrowers for loan approval, higher credit limits, and lower interest rates. Eight banks began pilot operations with eight more set to join by year-end, covering KRW 2.2 trillion in loans. Early cases include a loan approval for a borrower with limited credit history and an additional 1 percentage point interest-rate reduction for a retailer. The FSC plans to operate the pilot until the second half of 2027 before expanding the system across the banking sector.

Korea Sets Roadmap for Tokenized Securities Market

The Financial Services Commission introduced a [three-phase roadmap for tokenized securities](#). The first phase will begin in February 2027 with institutional MMFs and bonds, trust-based unlisted stocks, and publicly offered fractional investment securities, before later phases expand tokenization to all publicly offered securities and stablecoin-linked on-chain payments. Licensed financial investment firms may handle tokenized securities within their existing business scope, while OTC intermediaries must consult the Financial Supervisory Service in advance. Retail investors will face an annual net purchase limit of KRW 100 million per OTC exchange, while issuer account managers must hold at least KRW 4 billion in equity capital and meet staffing, IT, and cybersecurity requirements.

Korea Expands Climate Finance and Prepares Transition Finance Products

Korea's five policy finance institutions supplied [KRW 42 trillion in climate finance](#) through July, reaching 74.1% of the annual target of KRW 56.7 trillion. This forms part of the government's plan to provide KRW 790 trillion from 2026 to 2035. The Financial Services Commission (FSC) launched an interagency task force to expand climate finance and promote transition finance. Support will include interest subsidies and guarantees for investments aligned with the K-taxonomy and corporate transition strategies. The Ministry of Trade and Industry (MOTI) is developing sector-specific decarbonization roadmaps to inform financing standards. The Financial Supervisory Service (FSS) plans to finalize implementation guidance by the end of October to support pilot transition finance products.

Korea and Japan Strengthen Financial Cooperation

Korea and Japan are strengthening [financial cooperation](#) through policy dialogue and industry engagement. Korea's Financial Services Commission and Japan's Financial Services Agency agreed to exchange views on capital market policies and market developments, with discussions to continue at Japan Weeks in October and a meeting of financial supervisors in December.

Market

Korean Financial Institutions Expand Businesses in Central Asia

Shinhan, Hana, and BNK are [expanding their presence in Central Asia](#) through financing agreements and market entry plans. Shinhan is pursuing a funding facility of up to USD 200 million for financial institutions in Uzbekistan and expanding cooperation with Kazakhstan's Baiterek. Hana plans to open a representative office in Uzbekistan by year-end. BNK operates a bank in Kazakhstan and finance subsidiaries in Kyrgyzstan and Uzbekistan. The Export-Import Bank of Korea is pursuing a USD 70 million on-lending facility with Kazakhstan's ForteBank, while K-SURE provided EUR 48 million in financing to the Development Bank of Kazakhstan and established a cooperation framework of up to EUR 200 million. Regulatory compliance, risk management, and profitability remain challenges.

Shinhan and Vingroup Expand Partnership into Capital Markets

Shinhan Financial Group and Vietnam's Vingroup plan to [expand their partnership](#) from vehicle finance into equity and bond financing. Shinhan Securities Vietnam will serve as sole arranger for Vingroup's first Arirang bond, a won-denominated bond issued in Korea. Issuance is planned for the fourth quarter. Shinhan Securities will act as a joint lead manager and invest KRW 40 billion. The partners also plan to expand financing for VinFast vehicles, building on USD 100 million in customer loans provided by Shinhan Bank Vietnam since 2024.

Korea to Continue Capital Market Reforms

Financial Services Commission (FSC) Chairman Lee Eog-weon [pledged to advance capital market reforms](#) at the opening of Korea Premium Weeks 2026. The three-week investor relations (IR) program, organized with the Korea Exchange and featuring 55 listed companies, aims to attract investors to Korea's capital market. Discussions will cover reform outcomes, policy priorities, corporate governance, trading-hour extensions, and a move to T+1 settlement. President Lee Jae-myung also vowed to [make Korea Asia's most attractive capital market](#) in a video message. He highlighted reforms such as Commercial Act amendments to protect shareholder value and enforcement against unfair trading to restore market trust. He reaffirmed the government's commitment to market transparency and fairness, stressing the role of capital markets in financing innovation and growth.

Connect for Shared Prosperity

