



## Press Release

For release at noon, December 30, 2019

### Corporate Debt and Equity Issues, November 2019

Corporate financing through debt and equity issues in November 2019 totaled KRW12.1731 trillion in total, down KRW8.5357 trillion from a month earlier. Furthermore, corporate financing through issuance of commercial paper (CP) and short-term electronic bond in November totaled KRW151.1019 trillion, up KRW13.8694 trillion from the previous month.

Table 1. Corporate Debt and Equity Issues, November 2019\*

(In billions of KRW)

	2018	2018	2019	2019	
	Year	Jan-Nov	Jan-Nov	Oct	Nov
Equity issues	8,895.9	8,205.3	4,596.1	484.1	<b>774.8</b>
IPOs	2,314.9	1,942.4	2,226.2	392.5	<b>523.4</b>
Secondary offerings	6,581.0	6,262.9	2,369.9	91.6	<b>251.4</b>
Debt Issues	160,918.3	152,371.6	161,444.5	20,224.7	<b>11,398.3</b>
Corporate	35,659.0	35,199.0	44,812.2	7,077.0	<b>1,708.0</b>
Financial	109,129.9	103,219.9	103,060.6	10,867.9	<b>8,525.5</b>
Asset-backed securities	16,129.4	13,952.7	13,571.7	2,279.8	<b>1,164.8</b>
Total	169,814.2	160,576.9	166,040.6	20,708.8	<b>12,173.1</b>

\*Bank debentures and corporate debts issued by financial holding companies came to be under financial debts.

#### Equity and Debt Issues

Equity issues increased KRW290.7 billion or 60.0% from KRW484.1 billion to KRW774.8 billion in November. Total 17 companies conducted initial public offerings (IPO) in November: three companies were listed on the KOSPI market and 14 on the KOSDAQ market. IPO volume grew from KRW392.5 billion to KRW523.4 billion between October and November. Meanwhile, secondary offerings soared by 174.5% from KRW91.6 billion to KRW251.4 billion during the same period.

In November, debt issuance came to KRW11.3983 trillion, down KRW8.8264 trillion or 43.6% from KRW20.2247 trillion a month ago. Corporate bond issuance shrank KRW5.3690 trillion or 75.9% to KRW1.7080 trillion.



Total 173 financial debentures were issued in November, and the volume decreased KRW2.3424 trillion or 21.6% to KRW8.5255 trillion from a month earlier. Financial holding companies' issuance plunged to KRW40.0 billion, 97.6% less than the previous month. Domestic banks' issuance was up KRW522.6 billion or 24.5% to KRW2.6545 trillion. National banks and regional banks expanded their issuance by 20.8% and 100.0%, respectively, and this contributed to the month-on-month increase in domestic banks' issuance. When it came to other finance debentures, issuance totaled KRW5.8310 trillion, down KRW1.2150 trillion or 17.2% from a month ago. Issuance by installment financing companies was slightly up 0.4% compared to the previous month. By contrast, securities firms' issuance was reduced by 100.0%. Also, credit card companies cut their issuance by 21.0% from a month ago as well as other financial companies issued 25.4% less debts.

Meanwhile, ABS issuance came to KRW1.1648 trillion in November, down KRW1.1150 trillion or 48.9% from KRW2.2798 trillion a month ago. When it came to primary CBO (P-CBO) issuance came to KRW308.5 billion.

As of end-November, the outstanding balance of debt came to KRW522.8783 trillion, KRW1.8214 trillion greater than a month ago.

#### Commercial Papers and Short-term Electronic Bond Issues

Commercial paper (CP) issues totaled KRW42.4558 trillion in November, up KRW6.2801 trillion or 17.4% from KRW36.1757 trillion in October. Companies' CP issuance grew 9.7% as well as other asset-backed CPs expanded 26.7%. However, project finance asset-backed CPs (PFABCP) dropped 10.9% from a month ago.

Furthermore, issuance of short-term electronic bonds increased 7.5% to KRW108.6461 trillion compared to a month earlier. Companies' issuance and PFAB short-term electronic bonds increased 5.7% and 1.9%, respectively. In addition, other asset-backed short-term electronic bonds jumped 26.7% from the previous month.

At the end of November 2019, the outstanding balance of CPs came to KRW188.1351 trillion and short-term electronic bonds KRW56.7195 trillion. CPs increased 5.8% from a month ago, and short-term electronic bonds increased 1.8% as well.



**Table 2. Commercial Papers and Short-Term Electronic Bond Issues, November 2019**

(In billions of KRW)

	2018	2018	2019	2019	
	Year	Jan-Nov	Jan-Nov	Oct	Nov
CPs	353,699.4	320,616.3	357,516.9	36,175.7	<b>42,455.8</b>
Short-term electronic bonds	1,117,516.1	1,038,224.7	1,021,809.8	101,056.8	<b>108,646.1</b>
<b>Total</b>	<b>1,471,215.5</b>	<b>1,358,841.0</b>	<b>1,379,326.7</b>	<b>137,232.5</b>	<b>151,101.9</b>

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