



Press Release

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Corporate Debt and Equity Issues, February 2020

Corporate financing through debt and equity issues in February 2020 came to KRW17.1368 trillion in total, up KRW5.9312 trillion from a month earlier. Furthermore, corporate financing through issuance of commercial paper (CP) and short-term electronic bond in February totaled KRW126.8209 trillion, up KRW5.2323 trillion from the same period a month ago.

Table 1. Corporate Debt and Equity Issues, February 2020*

(In billions of KRW)

	2019	2019	2020	2020	
	Year	Jan-Feb	Jan-Feb	Jan	Feb
Equity issues	5,317.2	535.7	286.1	47.7	238.4
IPOs	2,467.7	341.3	159.1	21.0	138.1
Secondary offerings	2,849.5	194.4	127.0	26.7	100.3
Debt Issues	170,182.7	24,969.1	28,056.3	11,157.9	16,898.4
Corporate	45,306.2	9,863.0	9,858.0	3,211.0	6,647.0
Financial	109,902.9	14,111.1	16,902.0	7,509.0	9,393.0
Asset-backed securities	14,973.6	995.0	1,296.3	437.9	858.4
Total	175,499.9	25,504.8	28,342.4	11,205.6	17,136.8

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

Equity and Debt Issues

Equity issues came to KRW238.4 billion in total in February, up KRW190.7 billion or 399.8% from KRW47.7 billion a month ago. Six companies conducted initial public offerings (IPO): all of them were listed on the KOSDAQ market. Compared to the previous month, IPO volume surged from KRW21.0 billion to KRW138.1 billion. In addition, secondary offerings also soared by KRW73.6 billion or 275.7% from KRW26.7 billion to KRW100.3 billion between January and February.

Debt issuance came to KRW16.8984 trillion in February, up KRW5.7405 trillion or 51.4% from KRW11.1579 trillion a month earlier. Corporate bond issues soared by 107.0% from KRW3.2110 trillion to KRW6.6470 trillion.



Meanwhile, total 136 financial debentures were issued in February 2020, and the volume came to KRW9.3930 trillion which was 25.1% greater than that of the previous month. Financial holding companies significantly expanded their issuance from KRW250.0 billion to KRW1.9100 trillion during the period. Banks' debentures also soared 244.4% to KRW2.1700 trillion in February. National banks issued 376.7% more debts than the previous month while regional banks issuance fell 40.0% from a month earlier. When it came to other financial debentures, total issuance reached KRW5.3130 trillion, down KRW1.3160 trillion or 19.9% compared to a month ago. To go into detail, other financial companies' issuance expanded to KRW550.0 billion and securities firms' issuance grew 3.7%. However, credit card companies and installment finance firms cut issuance by 84.4% and 10.7%, respectively.

In the meantime, ABS issuance came to KRW858.4 billion in February, up KRW420.5 billion or 96.0% from KRW437.9 billion a month ago. When it came to primary CBO (P-CBO), there was no issuance in February.

At the end of February 2020, the outstanding balance of debt came to KRW531.5017 trillion, up KRW6.1886 trillion from KRW525.3131 trillion a month earlier.

Commercial Papers and Short-Term Electronic Bond Issues

Commercial paper (CP) issues totaled KRW28.1169 trillion in February, up KRW517.4 billion or 1.9% from KRW27.5995 trillion a month ago. Companies' CP issuance decreased 8.3% compared to the previous month. By contrast, project finance asset-backed CPs (PFABCP) and other asset-backed CPs increased 21.5% and 18.3%, respectively.

Short-term electronic bonds increased KRW4.7149 trillion from KRW93.9891 trillion to KRW98.7040 trillion as well. PFAB short-term electronic bonds decreased 13.2% from a month earlier. Companies' issuance increased 4.7% as well as other asset-backed short-term electronic bonds expanded 16.8% in February.

As of end-February 2020, the outstanding balance of CPs came to KRW187.2648 trillion and short-term electronic bonds KRW59.5983 trillion. CPs and short-term electronic bonds grew 0.14% and 2.0%, respectively, from a month ago.



Table 2. Commercial Papers and Short-Term Electronic Bond Issues, February 2020

(In billions of KRW)

	2019	2019	2020	2020	
	Year	Jan-Feb	Jan-Feb	Jan	Feb
CPs	388,843.8	49,471.4	55,716.4	27,599.5	28,116.9
Short-term electronic bonds	1,123,162.7	160,973.5	192,693.1	93,989.1	98,704.0
Total	1,512,006.5	210,444.9	248,409.5	121,588.6	126,820.9

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