



Press Release

For release at 6:00, April 28, 2020

Corporate Debt and Equity Issues, March 2020

Corporate financing through debt and equity issues in March 2020 came to KRW16.1155 trillion in total, down KRW1.0213 trillion from a month earlier. Meanwhile, corporate financing through issuance of commercial paper (CP) and short-term electronic bond in March totaled KRW133.2178 trillion, up KRW6.3969 trillion from the same period a month ago.

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

(In billions of KRW)

	2019	2019	2020	2020	
	Year	Jan-Mar	Jan-Mar	Feb	Mar
Equity issues	5,317.2	839.0	755.3	238.4	469.2
IPOs	2,467.7	584.8	262.3	138.1	103.2
Secondary offerings	2,849.5	254.2	493.0	100.3	366.0
Debt Issues	170,182.7	39,310.0	43,702.6	16,898.4	15,646.3
Corporate	45,306.2	13,442.0	12,492.0	6,647.0	2,634.0
Financial	109,902.9	23,413.4	28,125.9	9,393.0	11,223.9
Asset-backed securities	14,973.6	2,454.6	3,084.7	858.4	1,788.4
Total	175,499.9	40,148.9	44,457.9	17,136.8	16,115.5

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

Equity and Debt Issues

Equity issues came to KRW469.2 billion in total in March, up KRW230.8 billion or 96.8% from KRW238.4 billion a month ago. Five companies conducted initial public offerings (IPO): all of them were listed on the KOSDAQ market. Compared to the previous month, IPO volume declined from KRW138.1 billion to KRW103.2 billion. By contrast, secondary offerings soared 264.9% from KRW100.3 billion to KRW366.0 billion between February and March.

Debt issuance came to KRW15.6463 trillion in March, down KRW1.2521 trillion or 7.4% from KRW16.8984 trillion a month ago. Corporate bond issues decreased 60.4% from KRW6.6470 trillion to KRW2.6340 trillion.



Meanwhile, total 149 financial debentures were issued in March 2020, and the volume came to KRW11.2239 trillion which was 19.5% greater than that of the previous month. Financial holding companies cut their issuance from KRW1.9100 trillion to KRW50.0 billion between February and March. By contrast, banks' debentures surged by KRW5.0389 trillion or 232.2% to KRW7.2089 trillion in March. National banks issued 227.3% more debts than the previous month as well as regional banks issuance soared 316.7% compared to a month ago. When it came to other financial debentures, total issuance reached KRW3.9650 trillion, down KRW1.3480 trillion or 25.4% from a month ago. Credit card companies' issuance soared 346.4% from February while installment finance firms reduced issuance by 18.4% compared to the previous month. In addition, there was no issuance from securities firms and other financial companies.

Meanwhile, ABS issuance expanded 108.3% from KRW858.4billion in February to KRW1.7884 trillion in March. When it came to primary CBO (P-CBO), issuance came to KRW175.9 billion in March.

At the end of March 2020, the outstanding balance of debt came to KRW536.6743 trillion, up KRW5.1726 trillion from KRW531.5017 trillion a month earlier.

Commercial Papers and Short-Term Electronic Bond Issues

Commercial paper (CP) issues totaled KRW32.7337 trillion in March, up KRW4.6168 trillion or 16.4% from KRW28.1169 trillion a month ago. Companies' CP issuance jumped 34.2% compared to the previous month. By contrast, project finance asset-backed CPs (PFABCP) and other asset-backed CPs decreased 4.5% and 6.9%, respectively.

Short-term electronic bonds were also up KRW1.7802 trillion or 1.8% to KRW100.4842 trillion. Companies' issuance grew 4.7% from a month earlier. However, PFAB short-term electronic bonds decreased 18.0% as well as other asset-backed short-term electronic bonds shrank 9.2% from February.

As of end-March, the outstanding balance of CPs came to KRW187.8166 trillion and short-term electronic bonds KRW56.5816 trillion. While CPs increased 0.3% between February and March, short-term electronic bonds decreased 4.9% during the period.



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

(In billions of KRW)

	2019	2019	2020	2020	
	Year	Jan-Mar	Jan-Mar	Feb	Mar
CPs	388,843.8	74,733.6	88,450.1	28,116.9	32,733.7
Short-term electronic bonds	1,123,162.7	246,842.1	293,177.3	98,704.0	100,484.2
Total	1,512,006.5	321,575.7	381,627.3	126,820.9	133,217.8

###

Contact Person:

Park Mi-Kyung
Head of Public Relations Team
Public Affairs Department
Financial Supervisory Service
Tel: +82-2-3145-5803
Fax: +82-2-3145-5808
E-mail: pmk620@fss.or.kr