



## Press Release

For release at 6:00 A.M., September 24, 2021

### Corporate Debt and Equity Issues, August 2021

Corporate financing through debt and equity issued in August 2021 came in at KRW19.3599 trillion, down KRW1.6615 trillion from a month earlier. In addition, corporate financing through issuance of commercial paper (CP) and short-term electronic bond increased KRW15.3793 trillion to KRW152.2743 trillion between July and August.

**Table 1. Corporate Debt and Equity Issues, August 2021\***

(In billions of KRW)

	2020	2020	2021	2021	
	Year	Jan-Aug	Jan-Aug	Jul	Aug
Equity issues	10,916.4	4,764.6	21,165.6	4,055.4	<b>4,474.1</b>
IPOs	3,824.1	1,424.1	10,471.6	3,208.3	<b>4,087.7</b>
Secondary offerings	7,092.3	3,340.5	10,694.0	847.1	<b>386.4</b>
Debt Issues	183,566.8	121,655.8	141,981.8	16,966.0	<b>14,885.8</b>
Corporate	42,055.0	32,807.0	36,225.0	4,823.0	<b>620.0</b>
Financial	120,659.5	75,733.2	95,711.5	11,405.0	<b>12,374.0</b>
Asset-backed securities	20,852.3	13,115.6	10,045.3	738.0	<b>1,891.8</b>
<b>Total</b>	<b>194,483.2</b>	<b>126,420.4</b>	<b>163,447.4</b>	<b>21,021.4</b>	<b>19,359.9</b>

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

#### Equity and Debt Issues

Equity issues increased KRW418.7 billion or 10.3% to KRW4.4741 trillion month on month. There were 12 cases of initial public offerings (IPO) in August, and the IPO volume increased 27.4% from KRW3.2083 trillion to KRW4.0877 trillion. In particular, large-scale IPOs by Krafton (which raised KRW2.8008 trillion in its IPO) and Lotte Rental (KRW425.5 billion) in the KOSPI market contributed to the month-on-month growth. Meanwhile, there were 10 cases of secondary offerings, and the volume decreased KRW460.7 billion or 54.4% to KRW386.4 billion.

Debt issues came in at KRW14.8858 trillion in August, down KRW2.0802 trillion or 12.3% from KRW16.9660 trillion a month earlier.



Corporate bond issuance plummeted from KRW4.8230 trillion to KRW620.0 billion between July and August as seasonal factors and interest rate volatility affected the issuance. Issuance volume of financial debentures grew KRW969.0 billion or 8.5% to KRW12.3740 trillion month on month. When it came to financial holding companies, debt issuance totaled KRW200.0 billion, down KRW587.0 billion or 74.6% from a month earlier. By contrast, banks' issuance expanded KRW1.7100 trillion or 45.5% from 3.7600 trillion to KRW5.4700 trillion. In particular, national banks expanded their issuance by 50.1% while regional banks' issuance remained the same as a month ago. Meanwhile, issuance by other financial companies decreased from KRW6.8580 trillion to KRW6.7040 trillion month on month. To go into detail, securities companies cut their issuance 7.4% from a month ago. However, credit card companies and installment finance companies increased their issuance by 17.3% and 2.4%, respectively.

Meanwhile, ABS issuance surged 156.3% from KRW738.0 billion to KRW1.8918 trillion between July and August. Furthermore, issuance of primary collateralized bond obligation (P-CBO) came in at KRW773.3 billion in August.

As of end-August 2021, the outstanding balance of debt came to KRW615.1683 trillion, up KRW3.8210 trillion from KRW611.3473 trillion at the end of July 2021.

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

Commercial paper (CP) issued totaled KRW38.1592 trillion in August 2021, up KRW5.4648 trillion or 16.7% from a month earlier. Companies' CP issuance declined 13.0% month on month. However, project finance asset-backed CPs (PFABCP) increased 54.3% and other asset-backed CPs 42.4% in August.

Short-term electronic bonds grew KRW9.9144 trillion or 9.5% to KRW114.1150 trillion in August. In particular, issuance of other asset-backed short-term electronic bonds jumped 47.2% compared to a month ago. Furthermore, PFAB short-term electronic bonds increased 25.5% and companies' issuance grew 5.6% as well.



As of end-August 2021, the outstanding balance of CPs came in at KRW222.6868 trillion and short-term electronic bonds KRW57.7043 trillion. CPs grew 4.6% from a month ago while short-term electronic bonds decreased 1.7% month on month.

**Table 2. Commercial Papers and Short-Term Electronic Bond Issues, August 2021**

(In billions of KRW)

	2020	2020	2021	2021	
	Year	Jan-Aug	Jan-Aug	Jul	Aug
CPs	371,592.0	226,385.9	252,674.9	32,694.4	<b>38,159.2</b>
Short-term electronic bonds	1,029,422.1	666,895.0	795,651.9	104,200.6	<b>114,115.0</b>
Total	1,401,014.1	893,280.9	1,048,326.8	136,895.0	<b>152,274.3</b>

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