



## Press Release

For release at 6:00 A.M., October 27, 2021

### Corporate Debt and Equity Issues, September 2021

Corporate financing through debt and equity issued in September 2021 came in at KRW19.6243 trillion, up KRW264.4 billion from a month earlier. In addition, corporate financing through issuance of commercial paper (CP) and short-term electronic bond decreased KRW15.0336 trillion to KRW137.2407 trillion between August and September.

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

(In billions of KRW)

	2020	2020	2021	2021	
	Year	Jan-Sep	Jan-Sep	Aug	Sep
Equity issues	10,916.4	5,577.5	23,200.5	4,474.1	<b>2,034.9</b>
IPOs	3,824.1	2,061.2	11,920.2	4,087.7	<b>1,448.6</b>
Secondary offerings	7,092.3	3,516.3	11,280.3	386.4	<b>586.3</b>
Debt Issues	183,566.8	138,126.3	159,571.2	14,885.8	<b>17,589.4</b>
Corporate	42,055.0	36,567.0	41,175.0	620.0	<b>4,950.0</b>
Financial	120,659.5	86,857.2	107,353.5	12,374.0	<b>11,642.0</b>
Asset-backed securities	20,852.3	14,702.1	11,042.7	1,891.8	<b>997.4</b>
<b>Total</b>	<b>194,483.2</b>	<b>143,703.8</b>	<b>182,771.7</b>	<b>19,359.9</b>	<b>19,624.3</b>

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

#### Equity and Debt Issues

Equity issues totaled KRW2.0349 trillion in September, down KRW2.4392 trillion or 54.5% from a month earlier. There were 14 cases of initial public offerings (IPO) in September, and the IPO volume plunged 64.6% from KRW4.0877 trillion to KRW1.4486 trillion month on month. In particular, among the IPO cases, a large-scale IPO by Hyundai Heavy Industries raised KRW1.0800 trillion in the KOSPI market. Meanwhile, there were nine cases of secondary offerings, and the volume increased KRW199.9 billion or 51.7% from KRW386.4 billion to KRW586.3 billion between August and September.

Debt issues came in at KRW17.5894 trillion in September, up KRW2.7036 trillion or 18.2% from KRW14.8858 trillion a month ago.



Corporate bond issuance soared 698.4% from KRW620.0 billion to KRW4.9500 trillion between August and September. Issuance volume of financial debentures shrank KRW732.0 billion or 5.9% to KRW11.6420 trillion. When it came to financial holding companies, debt issuance surged 500.0% from KRW200.0 billion to KRW1.2000 trillion month on month. By contrast, banks' issuance decreased KRW760.0 billion or 13.9% from KRW5.4700 trillion to KRW4.7100 trillion between August and September. Meanwhile, issuance by other financial companies decreased from KRW6.7040 trillion to KRW5.7320 trillion month on month. To go into detail, securities companies cut their issuance by 60.0% from the previous month. Also, credit card firms and installment finance companies' issuance decreased by 31.3% and 23.6%, respectively, during the same period.

Meanwhile, ABS issuance declined 47.3% from KRW1.8918 trillion to KRW997.4 billion between August and September. Furthermore, issuance of primary collateralized bond obligation (P-CBO) came in at KRW520.4 billion in September, down KRW252.9 billion or 32.7% from a month earlier.

As of end-September 2021, the outstanding balance of debt came to KRW618.2146 trillion, KRW3.0463 trillion greater than KRW615.1683 trillion at the end of August 2021.

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

Commercial paper (CP) issued came to KRW36.1097 trillion in September in total, down KRW2.0495 trillion or 5.4% from a month earlier. Other asset-backed CP issuance decreased 17.8% month on month. However, companies' CP and project finance asset-backed CP (PFABCP) increased 11.0% and 8.2%, respectively, from the previous month.

Short-term electronic bonds shrank KRW12.9841 trillion or 11.4% to KRW101.1309 trillion between August and September. Companies' issuance decreased 12.0% compared to a month earlier as well as other asset-backed short-term electronic bonds shrank 21.9% month on month. However, PFAB short-term electronic bonds expanded 4.1% during the same period.

As of end-September 2021, the outstanding balance of CPs came in at KRW218.8569 trillion and short-term electronic bonds KRW52.8080 trillion. Both CPs and short-term electronic bonds decreased 1.7% and 8.5%, respectively, month on month.



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

(In billions of KRW)

	2020	2020	2021	2021	
	Year	Jan-Sep	Jan-Sep	Aug	Sep
CPs	371,592.0	265,310.0	285,105.6	38,159.2	<b>36,109.7</b>
Short-term electronic bonds	1,029,422.1	752,728.5	899,916.4	114,115.0	<b>101,130.9</b>
<b>Total</b>	<b>1,401,014.1</b>	<b>1,018,038.5</b>	<b>1,185,022.0</b>	<b>152,274.3</b>	<b>137,240.7</b>

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