



Press Release

For release at noon, December 1, 2021

Capital Ratios of Banks and Bank Holding Companies, Third Quarter 2021

Domestic banks' common equity Tier 1 (CET1) capital ratio was seen at 13.40% as of end-September 2021. The Tier 1 capital ratio was 14.55% and total capital ratio 15.90% at the end of September. All the capital ratios have risen from three months earlier. Total capital of the domestic banks expanded KRW10.7 trillion from three months ago, and risk-weighted assets increased KRW37.6 trillion as well. Meanwhile, leverage ratio stood at 6.66% as of end-September. Tier 1 capital increased KRW10.6 trillion from three months earlier, which contributed to the uptick in leverage ratio for the end of September.

Table 1. Banks' Capital Ratios, September 2021*

	Dec 2018	Dec 2019	Dec 2020	Mar 2021	Jun 2021	Sep 2021
CET1 capital ratio	12.31	11.46	12.45	12.88	13.15	13.40
Tier 1 capital ratio	12.94	12.30	13.47	13.95	14.29	14.55
Total capital ratio	14.54	13.91	15.00	15.36	15.66	15.90
Leverage ratio	6.68	6.42	6.41	6.45	6.60	6.66

(In percentage)

*The figures on September 2021 are preliminary as of the release date and subject to change.

At the end of September 2021, the domestic banks' capital ratios continued on gradual upward paths and remained well above the Basel III standards. However, amid lingering uncertainty about the US Fed's tapering decision and supply-chain disruptions, it is necessary to monitor the domestic banks' total-loss absorbing capacity and induce their recapitalization consistently as well.

Table 2. Capital Ratios of Bank Holding Companies and Banks, September 2021*

		Dec 2018	Dec 2019	Dec 2020	Mar 2021	Jun 2021	Dec 2021
BHCs (8 companies)	CET1 capital ratio	12.29	11.10	11.93	12.47	12.72	13.00
	Tier 1 capital ratio	12.93	12.10	13.19	13.82	14.18	14.48
	Total capital ratio	14.27	13.54	14.63	15.20	15.55	15.79
Banks (19 banks)	CET1 capital ratio	12.66	12.56	13.83	14.21	14.49	14.55
	Tier 1 capital ratio	13.25	13.22	14.48	14.85	15.16	15.16
	Total capital ratio	15.41	15.26	16.52	16.74	17.06	17.02

(In percentage)

*The figures on September 2021 are preliminary as of the release date and subject to change.



Table 5. Capital Ratios by Bank Holding Companies and Banks, September 2021*

(In percentage)

	Jun 2021				Sep 2021			
	CET1	Tier 1	Total	Leverage	CET1	Tier 1	Total	Leverage
Shinhan	13.41	15.32	16.57	6.07	13.41	15.26	16.49	6.10
Shinhan	15.28	16.16	18.70	5.47	15.22	16.07	18.53	5.54
Jeju	14.25	16.02	19.75	6.44	14.12	15.86	18.90	6.26
Hana	14.10	15.26	16.54	5.69	14.09	15.40	16.62	5.77
KEB Hana	15.56	15.59	17.90	5.60	15.38	15.41	17.52	5.57
KB	13.73	14.79	16.07	6.01	13.91	14.92	16.11	6.24
Kookmin	15.88	16.20	18.92	5.96	15.88	16.18	18.68	6.15
Woori	10.18	11.89	13.75	5.16	11.42	13.13	14.83	5.09
Woori	13.38	15.06	17.13	5.31	13.36	14.63	16.65	5.17
DGB	11.73	13.64	14.79	5.95	11.47	13.57	14.78	6.14
Daegu	12.98	14.59	16.56	5.98	12.79	14.35	16.46	5.96
BNK	11.35	13.10	14.21	6.51	11.44	13.14	14.12	6.48
Busan	14.34	15.51	17.20	7.03	14.74	15.90	17.18	7.01
Gyeongnam	13.63	14.95	16.85	6.33	13.36	14.63	16.36	6.27
JB	10.52	11.84	13.47	6.46	10.48	11.74	13.36	6.58
Jeonbuk	12.26	12.32	14.61	6.89	12.19	12.24	14.46	7.11
Gwangju	15.97	16.12	17.62	6.02	15.38	15.53	16.87	6.04
NH	12.71	13.97	15.27	4.45	12.75	14.23	15.56	4.49
Nonghyup	15.53	16.00	18.26	4.31	15.46	15.92	18.14	4.24
SC	13.89	14.79	16.64	5.25	13.38	14.24	16.01	5.09
Citibank	18.45	18.45	19.26	10.93	17.61	17.61	18.35	10.93
KDB	14.78	14.78	15.89	13.65	14.57	14.57	15.68	12.92
IBK	11.48	13.30	15.01	6.34	11.52	13.30	15.26	6.36
EXIM Bank	14.36	14.36	16.04	11.68	13.94	13.95	15.61	11.65
NFFC	10.55	12.67	13.48	6.29	11.12	13.22	14.04	6.59
K Bank	10.27	10.27	10.91	3.39	19.19	19.19	19.82	6.55
Kakao Bank	19.38	19.38	19.89	8.59	33.97	33.97	34.57	13.92
Average	13.15	14.30	15.66	6.60	13.40	14.55	15.90	6.66
8 BHCs	12.72	14.18	15.55	5.62	13.00	14.48	15.79	5.69
19 Banks	14.49	15.16	17.06	6.65	14.55	15.16	17.02	6.65

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