



Press Release

For release at 6:00 A.M., November 24, 2022

Corporate Debt and Equity Issues, October 2022

Corporate financing through debt and equity issues in October 2022 came in at KRW8.7857 trillion in total, down KRW8.4254 trillion or 49.0% from a month earlier. In addition, corporate financing through issuance of commercial paper (CP) and short-term electronic bond decreased KRW10.9478 trillion or 8.8% to KRW112.9208 trillion between September and October.

Table 1. Corporate Debt and Equity Issues, October 2022*

(In billions of KRW)

	2021 Year	2021 Jan-Oct	2022 Jan-Oct	2022 Sep	2022 Oct
Equity issues	29,090.3	25,685.7	20,744.7	763.1	487.5
IPOs	14,522.5	14,012.1	12,963.2	583.8	398.5
Secondary offerings	14,567.8	11,673.6	7,781.5	179.3	89.0
Debt Issues	202,389.0	176,236.7	161,959.4	16,448.0	8,298.2
Corporate	46,723.0	44,377.0	28,713.0	1,140.0	1,387.0
Financial	139,612.6	119,432.5	121,584.3	13,240.5	6,000.0
Asset-backed securities	16,053.4	12,427.2	11,662.1	2,067.5	911.2
Total	231,479.3	201,922.4	182,704.1	17,211.1	8,785.7

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

Equity and Debt Issues

Equity issues shrank from KRW763.1 billion to KRW487.5 billion month on month. There were 19 cases of initial public offerings (IPO) in October: all of them were listed on the KOSDAQ market. The IPO volume also fell by 31.7% from KRW583.8 billion to KRW398.5 billion. Meanwhile, there were three cases of rights offerings in October, and the volume almost halved from KRW179.3 billion to KRW89.0 billion between September and October.

Debt issues came in at KRW8.2982 trillion in October in total, down KRW8.1498 trillion or 49.5% from KRW16.4480 trillion a month earlier.



Corporate bond issuance increased 21.7% from KRW1.1400 trillion to KRW1.3870 trillion between September and October. When it came to financial debentures, the issuance volume shrank KRW7.2405 trillion to KRW6.0 trillion month on month. While issuance by financial holding companies surged 105.1% to KRW810.0 billion, banks cut their issuance by KRW5.1400 trillion or 60.1% to KRW3.4100 trillion during the same period. As for other financial debentures, total issuance decreased from KRW4.2955 trillion to KRW1.7800 trillion between September and October. In particular, credit card companies' issuance fell KRW1.2900 trillion in October compared to a month ago. Installment finance companies and securities firms also cut their issuance by KRW706.5 billion and KRW221.0 billion, respectively, from the previous month. Furthermore, issuance by insurance companies decreased 298.0 billion month on month.

Meanwhile, ABS issuance came in at KRW911.2 billion in October, down KRW1.1563 trillion or 55.9% from KRW2.0675 trillion a month ago. When it came to primary collateralized bond obligation (P-CBO), issuance totaled KRW543.2 billion in October, down KRW194.3 billion from a month earlier.

As of end-October 2022, the outstanding balance of debt came in at KRW629.8888 trillion, down KRW13.3257 trillion from KRW643.2145 trillion at the end of September 2022.

Commercial Papers and Short-Term Electronic Bond Issues

Commercial paper (CP) issued in October came in at KRW31.1754 trillion in total, down KRW11.6871 trillion or 27.3% from KRW42.8625 trillion a month ago. Project finance asset-backed CPs shrank 36.6% to KRW2.1808 trillion as well as other assets-backed CPs decreased by 49.2% to KRW11.6750 trillion between September and October. However, companies' issuance jumped 5.5% to KRW17.3195 trillion in October.

By contrast, issuance of short-term electronic bonds grew 0.9% from KRW81.0061 trillion to KRW81.7454 trillion month on month. Companies' issuance increased 3.4% to KRW57.3357 trillion, and PFAB short-term electronic bonds expanded 5.0% to KRW14.0679 trillion as well. However, other assets-backed short-term electronic bonds decreased 15.0% to KRW10.3418 trillion in October.



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At the end of October 2022, the outstanding balance of CPs came in at KRW233.7450 trillion and short-term electronic bonds KRW74.5202 trillion. Both CPs and short-term electronic bonds decreased by 2.0% and 3.3%, respectively, from a month ago.

Table 2. Commercial Papers and Short-Term Electronic Bond Issues, October 2022

(In billions of KRW)

	2021	2021	2022	2022	
	Year	Jan-Oct	Jan-Oct	Sep	Oct
CPs	413,032.7	329,225.8	353,626.3	42,862.5	31,175.4
Short-term electronic bonds	1,243,393.5	995,205.0	975,214.4	81,006.1	81,745.4
Total	1,656,426.2	1,324,430.9	1,328,840.7	123,868.6	112,920.8

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