



Press Release

For release at 6:00 A.M., September 29, 2022

Corporate Debt and Equity Issues, August 2022

Corporate financing through debt and equity issues in August 2022 came in at KRW20.8753 trillion in total, down KRW422.8 billion or 2.0% from a month earlier. In addition, corporate financing through issuance of commercial paper (CP) and short-term electronic bond decreased KRW14.8160 trillion or 11.2% to KRW117.6420 trillion between July and August.

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

(In billions of KRW)

	2021	2021	2022	2022	
	Year	Jan-Aug	Jan-Aug	Jul	Aug
Equity issues	29,090.3	21,165.6	19,494.1	703.1	372.3
IPOs	14,522.5	10,471.6	11,980.9	545.1	181.2
Secondary offerings	14,567.8	10,694.0	7,513.2	158.0	191.1
Debt Issues	202,389.0	141,981.8	137,203.2	20,595.0	20,503.0
Corporate	46,723.0	36,225.0	26,186.0	3,278.0	1,335.5
Financial	139,612.6	95,711.5	102,333.8	16,755.0	17,813.0
Asset-backed securities	16,053.4	10,045.3	8,683.4	562.0	1,354.5
Total	231,479.3	163,147.4	156,697.3	21,298.1	20,875.3

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

Equity and Debt Issues

Equity issues almost halved from KRW703.1 billion to KRW372.3 billion month on month. There were five cases of initial public offerings (IPO) in August: one went to the KOSPI market and the remaining four companies were listed on the KOSDAQ market. The IPO volume also shrank 66.8% from KRW545.1 billion to KRW181.2 billion. Meanwhile, there were seven cases of rights offerings in August, and the volume increased by 20.9% from KRW158.0 billion to KRW191.1 billion month on month.

Debt issues came in at KRW20.5030 trillion in August in total, down KRW92.0 billion or 0.4% from a month ago.

Corporate bond issuance plunged 59.3% from KRW3.2780 trillion to KRW1.3355 trillion between July and August. When it came to financial debentures, the issuance volume totaled KRW17.8130 trillion in August, up KRW1.0580 trillion or 6.3% from a month earlier. Issuance by financial holding companies grew KRW210.0 billion or 13.6% to KRW1.7500 trillion. By contrast, banks cut their issuance by 32.0% from KRW10.2300 trillion to KRW6.9600 trillion month on month. When it came to other financial debentures, total issuance surged 82.6% from KRW4.9850 trillion to KRW9.1030 trillion. In particular, issuance by installment finance companies and credit card firms expanded by KRW3.5630 trillion and KRW850.0 billion, respectively, from a month ago. However, securities companies' issuance decreased KRW128.0 billion between July and August.

Meanwhile, ABS issuance soared 141.0% from KRW562.0 billion to KRW1.3545 trillion month on month. In particular, issuance of primary collateralized bond obligation (P-CBO) came in at KRW608.0 billion in August although there was no issuance in July.

As of end-August 2020, the outstanding balance of debt came in at KRW642.2842 trillion, up KRW4.2875 trillion from KRW637.2557 trillion at the end of July 2022.

Commercial Papers and Short-Term Electronic Bond Issues

Commercial paper (CP) issued in August came in at KRW36.4494 trillion in total, down KRW7.4167 trillion or 16.9% from KRW43.8662 trillion in July. Companies' issuance decreased 3.0% to KRW21.8293 trillion as well as other assets-backed CPs fell 37.6% to KRW11.8068 trillion from the previous month. However, project finance asset-backed CP increased 15.7% to KRW2.8134 trillion month on month.

Issuance of short-term electronic bonds also shrank 8.4% from KRW88.5918 trillion to KRW81.1925 trillion between July and August. Companies' issuance decreased 14.5% to KRW50.5186 trillion, and PFAB short-term electronic bonds fell 1.2% to KRW16.7936 trillion as well. By contrast, other assets-backed short-term electronic bonds grew 11.1% to KRW13.8803 trillion between July and August.

At the end of August 2020, the outstanding balance of CPs came in at KRW238.0339 trillion and short-term electronic bonds KRW72.8994 trillion. Both CPs and short-term electronic bonds shrank 0.4% and 1.1%, respectively, from a month earlier.



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

(In billions of KRW)

	2021	2021	2022	2022	
	Year	Jan-Aug	Jan-Aug	Jul	Aug
CPs	413,032.7	248,995.9	279,588.5	43,866.2	36,449.4
Short-term electronic bonds	1,243,393.5	798,785.4	812,462.9	88,591.8	81,192.5
Total	1,656,426.2	1,047,781.3	1,092,051.3	132,458.0	117,642.0

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For press inquiry, please contact Public Relations Team at fsspr@fss.or.kr.