



Press Release

For release at 6:00 A.M., August 28, 2024

Domestic Banks' SBLs, June 2024

Domestic banks' ratio of loans classified as substandard or below (SBLs) to the total outstanding loans stood at 0.53% at the end of June 2024, up 0.03%p from 0.50% three months earlier. SBLs expanded from KRW13.4 trillion to KRW14.4 trillion quarter on quarter. Business loans classified as SBLs came in at KRW11.6 trillion in total. In addition, household loans and credit card receivables and loans, classified as SBLs, totaled KRW2.6 trillion and KRW0.2 trillion, respectively, at the end of June.

Total provisions for bad debts shrank KRW0.1 trillion from KRW27.2 trillion to KRW27.1 trillion as of end-June 2024. Provision coverage ratios quarterly fell 15.1%p from 203.1% to 188.0%.

Table 1. SBLs and SBL Ratios, June 2024¹

(In trillions of KRW, percentage)

	2023				2024	
	Mar	Jun	Sep	Dec	Mar	Jun
SBLs	10.4	10.5	11.5	12.5	13.4	14.4
Business loans ²	8.2	8.2	9.0	10.0	10.7	11.6
Household loans	2.0	2.2	2.3	2.3	2.5	2.6
Credit card R&L ³	0.2	0.2	0.2	0.2	0.2	0.2
Total loans	2540.7	2564.1	2616.2	2629.0	2676.9	2739.9
Provisions for bad debt	24.0	23.8	24.7	26.7	27.2	27.1
SBL ratio ⁴	0.41	0.41	0.44	0.47	0.50	0.53
Provision coverage ratio ⁵	229.9	226.4	215.3	214.0	203.1	188.0

¹The figures for June 2024 are preliminary as of the release date and subject to change;

²Public and other sectors included;

³Credit card receivables and loans;

⁴Substandard or below loans/total loans;

⁵Total provisions for bad debts/SBLs

Table 2. New SBLs, Second Quarter 2024^{*}

(In trillions of KRW)

	2022	2023	2024	
	Q2	Q2	Q1	Q2
Business loans	1.7	2.8	3.1	5.0
Large companies	0.2	0.4	0.3	0.5
SMEs	1.5	2.4	2.8	4.5
Household loans	0.5	1.0	1.2	1.3
Mortgages	0.1	0.4	0.5	0.5
Household credit	0.4	0.7	0.7	0.8
New SBLs	2.3	4.0	4.5	6.4

^{*}The figures for Q2 2024 are preliminary as of the release date and subject to change.



Table 3. Resolved SBLs, Second Quarter 2024*

(In trillions of KRW)

	2022	2023	2024	
	Q2	Q2	Q1	Q2
Total	2.9	3.9	3.5	5.4
Write-offs and loan sales	1.2	2.3	2.3	3.2
Reclassification and others	1.6	1.6	1.2	2.2
Business loans	2.3	2.9	2.4	4.1
SMEs	1.6	2.3	2.2	3.5
Household loans	0.5	0.9	1.0	1.2
Household credit	0.4	0.7	0.6	0.7

*The figures for Q2 2024 are preliminary as of the release date and subject to change.

The ratio of business loans classified as SBLs stood at 0.65% as of end-June 2024, up 0.04%p from 0.61% three months earlier and up 0.16%p from 0.49% a year earlier. The SBL ratio for large companies fell from 0.48% to 0.44% on quarter, but the ratio for SMEs climbed from 0.69% to 0.77% during the period.

The SBL ratio for household loans remained the same as three months ago, standing at 0.27% at the end of June.

Meanwhile, when it came to credit card loans and receivables, the SBL ratio was seen at 1.60%, down 0.01%p from 1.61% three months earlier.

Table 4. SBL Ratios by Loan Type, June 2024*

(In percentage)

	2023		2024	
	Jun	Dec	Mar	Jun
SBL ratio	0.41	0.47	0.50	0.53
Business loans	0.49	0.59	0.61	0.65
Large companies	0.35	0.50	0.48	0.44
SMEs	0.57	0.64	0.69	0.77
Small business	0.77	0.85	0.89	1.00
Self-employed	0.30	0.34	0.41	0.44
Household loans	0.24	0.25	0.27	0.27
Mortgages	0.16	0.16	0.18	0.18
Unsecured loans	0.47	0.47	0.53	0.54
Credit card R&L	1.27	1.36	1.61	1.60

*The figures on June 2024 are preliminary as of the release date and subject to change.



Table 5. SBLs by Bank, June 2024

(In trillions of KRW, percentage)

	Jun 2023			Mar 2024			Jun 2024 ⁷		
	Total loans	SBLs	SBL ratio	Total loans	SBLs	SBL ratio	Total loans	SBLs	SBL ratio
Shinhan	320.3	0.9	0.27	337.6	0.9	0.26	350.7	0.9	0.25
Woori	295.5	0.7	0.24	316.0	0.7	0.21	323.8	0.8	0.23
SC	46.3	0.1	0.31	39.9	0.2	0.43	38.1	0.2	0.43
KEB Hana	326.1	0.7	0.21	342.4	0.8	0.24	356.1	0.8	0.23
Citibank Korea	14.2	0.1	0.89	11.5	0.1	1.09	11.6	0.1	1.07
KB	366.2	0.9	0.25	381.3	1.3	0.33	390.5	1.5	0.37
IM	53.8	0.3	0.58	57.4	0.4	0.72	58.8	0.4	0.76
National banks ⁸	1368.6	3.4	0.25	1428.7	3.9	0.27	1529.6	4.6	0.30
Busan	59.8	0.2	0.32	61.5	0.3	0.44	61.3	0.5	0.74
Gwangju	22.3	0.1	0.45	23.8	0.1	0.54	24.3	0.1	0.59
Jeju	5.7	0.0	0.76	5.6	0.1	1.25	5.7	0.1	1.42
Jeonbuk	17.3	0.2	0.88	17.4	0.2	0.95	17.6	0.1	0.70
Gyeongnam	39.3	0.1	0.37	40.9	0.2	0.46	40.9	0.2	0.43
Regional banks ³	198.2	0.9	0.48	206.6	1.2	0.60	149.8	1.0	0.65
K Bank	12.7	0.1	0.98	14.8	0.1	0.87	15.7	0.1	0.85
Kakao Bank	33.9	0.1	0.42	41.3	0.2	0.45	42.6	0.2	0.47
Toss Bank	10.0	0.1	1.26	13.9	0.2	1.19	14.8	0.2	1.23
Internet-only banks	56.6	0.4	0.69	69.9	0.5	0.68	73.0	0.5	0.70
Commercial banks	1623.5	4.8	0.29	1705.2	5.6	0.33	1752.4	6.1	0.35
KDB ¹	176.8	1.1	0.62	188.0	1.5	0.82	187.6	1.2	0.66
IBK ²	299.8	2.9	0.98	307.3	3.4	1.12	310.9	4.0	1.30
KEXIM ³	126.6	0.7	0.53	131.2	1.3	1.01	137.9	1.3	0.98
NACF ⁴	293.3	0.9	0.29	300.6	1.2	0.39	306.2	1.3	0.42
NFFC ⁵	44.1	0.2	0.46	44.6	0.3	0.75	44.9	0.4	0.80
Specialized banks ⁶	940.6	5.8	0.61	971.7	7.8	0.80	987.5	8.3	0.84
Total	2564.1	10.5	0.41	2676.9	13.4	0.50	2739.9	14.4	0.53

¹Korea Development Bank,

²Industrial Bank of Korea;

³Export-Import Bank of Korea;

⁴National Agricultural Cooperative Federation;

⁵National Federation of Fisheries Cooperatives;

⁶The national and regional banks are collectively referred to as commercial banks;

⁷The figures for June 2024 are preliminary as of the release date and subject to change.

⁸Prior to June 2024, IM Bank's figures were included in regional banks, not national banks.



Table 6. Banks' Provisions for Bad Debts, June 2024¹

(In percentage)

	2023			2024	
	Jun	Sep	Dec	Mar	Jun
Shinhan	206.2	196.3	233.4	208.0	206.3
Woori	229.1	239.0	320.8	279.5	249.8
SC	233.7	215.5	225.4	204.9	211.2
KEB Hana	243.8	234.5	205.5	216.4	209.4
Citibank Korea	236.8	230.5	238.1	253.2	253.4
KB	253.9	227.7	225.6	208.2	178.9
IM	161.3	167.5	151.2	139.7	141.2
National banks ²	233.2	222.9	237.6	223.5	200.4
Busan	276.5	327.9	270.4	269.8	160.3
Gwangju	180.3	170.3	199.9	183.5	164.7
Jeju	120.8	93.4	119.9	101.9	95.9
Jeonbuk	153.0	141.9	151.5	111.0	142.9
Gyeongnam	228.4	228.4	247.5	207.6	222.4
Regional banks ²	193.5	195.2	197.4	177.0	164.7
K Bank	184.4	217.2	250.1	236.8	239.2
Kakao Bank	229.3	243.3	236.8	228.6	220.5
Toss Bank	227.6	213.3	213.8	206.4	199.6
Internet-only banks	214.6	225.5	232.5	223.1	217.9
Commercial banks	223.8	217.7	228.8	213.2	196.2
KDB	315.2	243.0	236.7	220.9	247.1
IBK	147.3	145.1	143.5	136.1	117.6
KEXIM	383.4	386.0	252.8	274.6	275.3
NACF	286.6	277.6	282.3	266.2	237.2
NFFC	177.3	148.7	173.1	138.6	132.9
Specialized banks	228.6	213.4	203.4	195.8	181.9
Total	226.4	215.3	214.0	203.1	188.0

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²Prior to June 2024, IM Bank's figures were included in regional banks, not national banks.

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