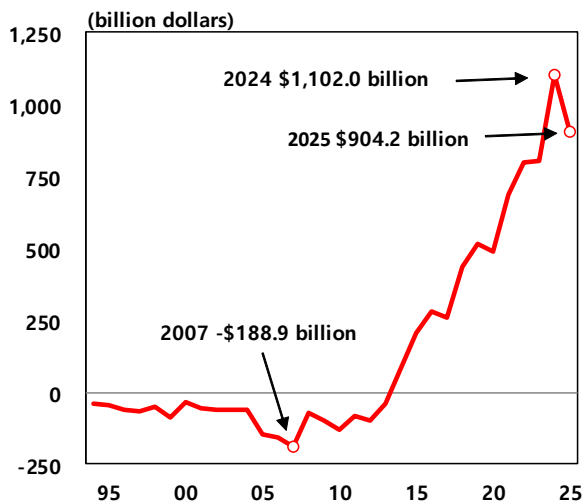


International Investment Position (IIP) in 2025 (preliminary)

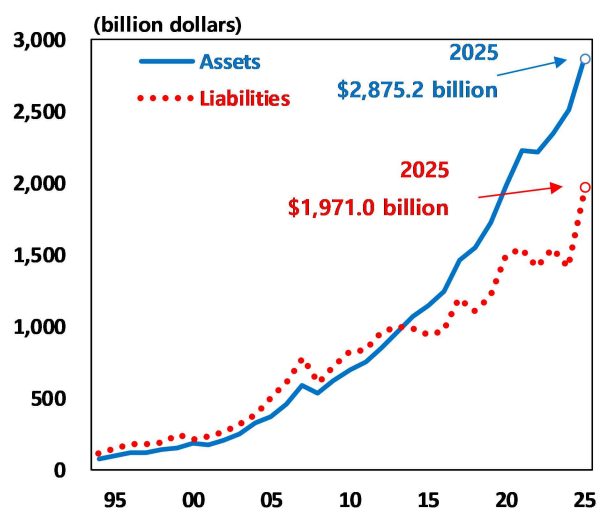
1. International Investment Position

- As of the end of 2025, Korea's net international investment position (net IIP) was \$904.2 billion (preliminary), down \$197.8 billion over the year from the end of 2024.
- The outstanding amount of Korea's investment abroad was \$2,875.2 billion, up \$362.6 billion over the year.
- The outstanding amount of foreign investment in Korea was \$1,971.0 billion, up \$560.4 billion over the year.

Net IIP, 1994-2025



Assets and Liabilities, 1994-2025



Note: End of year basis.

2. External Assets in Debt Instruments and External Debt

□ As of the end of 2025, net external assets in debt instruments (external assets minus external debt) was \$369.9 billion, down \$17.2 billion over the year, from the end of 2024.

* External assets and external debt exclude equity and investment fund shares of direct investments, equity securities of portfolio investment, financial derivatives and other equity from IIP assets or liabilities.

□ The outstanding amount of Korea's external assets in debt instruments was \$1,136.8 billion, up \$76.8 billion over the year.

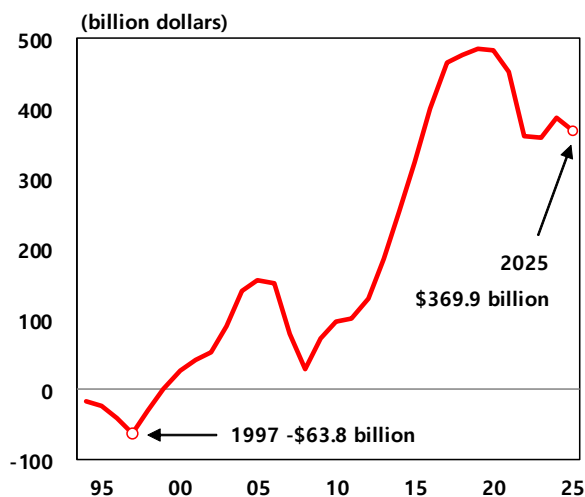
— Short-term external assets increased by \$30.5 billion, and long-term external assets increased by \$46.3 billion.

□ Korea's external debt was \$766.9 billion, up \$94.0 billion over the year.

— Short-term external debt increased by \$32.5 billion, and long-term external debt increased by \$61.5 billion.

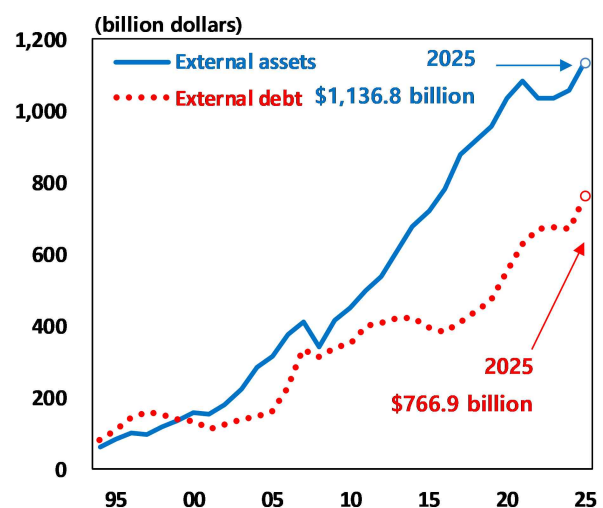
o The short-term external debt ratio (vis-à-vis reserve assets) was 41.8%.

Net External Assets, 1994-2025



Note: End of year basis.

External Assets and Debt, 1994-2025



International Investment Position

(billion dollars)

As of the End Of	2022	2023	2024 ^P	2025 ^P	Change During Year
A. Assets (Korea's investment abroad)	2,210.4	2,344.7	2,512.6	2,875.2	362.6
1. Direct Investment	689.2	737.3	762.6	828.9	66.2
Equity & Investment Fund Shares	587.6	636.2	658.5	720.3	61.8
2. Portfolio Investment	739.5	858.4	994.3	1,266.1	271.9
2.1. Equity Securities	519.1	623.9	743.6	977.1	233.5
2.2. Debt Securities	220.4	234.5	250.7	289.0	38.3
3. Financial Derivatives	64.1	44.7	45.8	36.0	-9.8
4. Other Investments	294.5	284.1	294.2	316.1	21.9
5. Reserve Assets	423.2	420.1	415.6	428.1	12.5
External Assets (in debt instruments)	1,035.1	1,035.0	1,060.0	1,136.8	76.8
B. Liabilities (foreign investment in Korea)	1,409.9	1,539.5	1,410.5	1,971.0	560.4
1. Direct Investment	277.0	308.1	287.0	315.3	28.3
Equity & Investment Fund Shares	224.0	248.4	226.1	246.9	20.8
2. Portfolio Investment	814.5	953.7	834.9	1,354.9	520.0
2.1. Equity Securities	445.5	565.5	451.2	910.0	458.7
2.2. Debt Securities	369.1	388.2	383.7	445.0	61.3
3. Financial Derivatives	67.1	48.3	60.3	47.2	-13.1
4. Other Investments	251.2	229.4	228.3	253.5	25.2
External Debt	673.3	677.3	672.9	766.9	94.0
C. Net IIP (C=A-B)	800.5	805.1	1,102.0	904.2	-197.8
Net External Assets	361.8	357.7	387.1	369.9	-17.2

External Assets in Debt Instruments and External Debt

(billion dollars, %, %p)

As of the End Of		2022	2023	2024 ^P	2025 ^P	Change During Year
External Assets (in debt instruments) (A)		1,035.1	1,035.0	1,060.0	1,136.8	76.8
Sector	General Government	42.6	49.0	54.5	61.9	7.5
	Central Bank	424.1	421.1	415.7	428.1	12.4
	Deposit-Taking Corporations, Except the Central Bank	233.1	226.6	235.6	248.4	12.8
	Other Sectors	335.3	338.4	354.2	398.3	44.2
	- Other Financial Corporations	197.8	198.9	199.7	224.5	24.8
	- Non-Financial Corporations, Households, and NPISHs	137.5	139.5	154.5	173.8	19.3
Maturity	Short-Term	631.2	620.3	628.6	659.1	30.5
	Long-Term	403.9	414.7	431.4	477.7	46.3
Type	Reserve Assets	423.2	420.1	415.6	428.1	12.5
	Debt Securities	220.4	234.5	250.7	289.0	38.3
	Loans	142.2	136.4	132.8	138.7	5.9
	Currency & Deposits	79.4	77.2	86.6	96.0	9.4
	Trade Credits and Advances	36.4	36.8	37.6	38.8	1.2
	Direct Investments: Intercompany Lending	101.5	101.2	104.2	108.6	4.4
	Other Assets in Debt Instruments	31.9	28.8	32.6	37.7	5.1
External Debt (B)		673.3	677.3	672.9	766.9	94.0
Sector	General Government	157.1	172.5	163.1	209.1	46.0
	Central Bank	29.8	26.4	26.7	29.1	2.4
	Deposit-Taking Corporations, Except the Central Bank	276.5	250.1	244.3	259.8	15.5
	Other Sectors	209.8	228.3	238.8	268.9	30.1
	- Other Financial Corporations	49.3	56.8	67.8	83.7	15.9
	- Non-Financial Corporations, Households, and NPISHs	160.6	171.5	171.0	185.2	14.2
Maturity	Short-Term	174.0	141.5	146.5	179.0	32.5
	Short-Term External Debt Ratio ¹⁾	41.1	33.7	35.3	41.8	6.6
	Long-Term	499.3	535.9	526.4	587.8	61.5
Type	Debt Securities	369.1	388.2	383.7	445.0	61.3
	Loans	154.9	144.2	143.9	149.6	5.7
	Currency & Deposits	45.2	38.4	37.5	51.1	13.6
	Trade Credits and Advances	20.6	16.8	16.1	17.0	0.9
	Direct Investments: Intercompany Lending	53.1	59.7	60.9	68.4	7.5
	Other Debt Liabilities	30.6	30.0	30.8	35.8	5.0
Net External Assets (A-B)		361.8	357.7	387.1	369.9	-17.2

Note: 1) Short-term external debt to reserve assets (%), change during the year in %p.

International Investment Position

1. Definition

- The International Investment Position (IIP) is a statistical statement of the stock at a certain point in time of the value and composition of the financial assets, e.g., Korea's investment abroad, and liabilities, e.g., foreign investment in Korea, of an economy's residents vis-à-vis its nonresidents. Its coverage is identical to that of the Financial Account in the Balance of Payments, which is a set of flow statistics.
- External Assets in Debt Instruments and External Debt are the actual financial assets and liabilities of an economy's residents vis-à-vis non-residents. These figures include debt securities, loans, and trade credits, but exclude investments in equity capital, equity securities, financial derivatives, and other equity from the IIP.

2. Periodicity: Quarterly.

3. Method of Compilation

- The International Investment Position and External Assets and Debt are compiled by valuing the stocks of external financial assets and liabilities at the market prices prevailing at the end of the reporting period.
- Assets and liabilities denominated in currencies other than the U.S. dollar are translated into US dollars using the cross rates for major currencies against the US dollar as of the end of the reporting period.

4. Composition

4.1 International Investment Position

- **Direct investments** is a category of cross-border investment (equity, intercompany debts, such as loans, etc.) made by a resident in one economy with the aim of controlling or exercising a significant degree of influence on the management of an enterprise that is resident in another economy. As a general rule, an investment whose investor acquires equity with an entitlement to at least 10% of the voting rights in the invested enterprise falls into this category.

- **Portfolio investments** include money market instruments in addition to equity securities and debt securities in the form of government bonds, as well as corporate bonds, but exclude financial transactions captured as “direct investments” or as “reserve assets.”
- **Financial derivatives** represent the appraised balance arising from residents’ external derivative transactions, the gains on which are classified as financial derivative assets and the losses as financial derivative liabilities.
- **Other investments** is a residual category that includes all financial transactions not contained within direct investments, portfolio investments, financial derivatives, or reserve assets. It is subdivided into loans, trade credits and advances, currency and deposits, other accounts receivable/payable, other equity, and special drawing rights (SDRs).
- **Reserve assets** are foreign reserves.

4.2 External Assets in Debt Instruments and External Debt

- Sector Classification: classified into four categories, in accordance with the transactors.
 - o General Government: the central government, local governments, and social security institutions.
 - o Central Bank: Bank of Korea.
 - o Deposit-Taking Corporations, Except the Central Bank: commercial banks, savings institutions, etc.
 - o Other Sectors: other financial corporations (securities companies, insurance companies, etc.), other enterprises.
- Period Classification

Financial products based on an original maturity of one year or less are classified as short-term and those with maturities exceeding one year as long-term.
- Type Classification

Financial instruments are classified in accordance with their characteristics into: debt securities (government bonds, corporate bonds, etc.); loans; currency and deposits; trade credits and advances; intercompany lending; other assets in debt instruments and other debt liabilities; and reserve assets.