

HRI Economic Statistics

The Economy

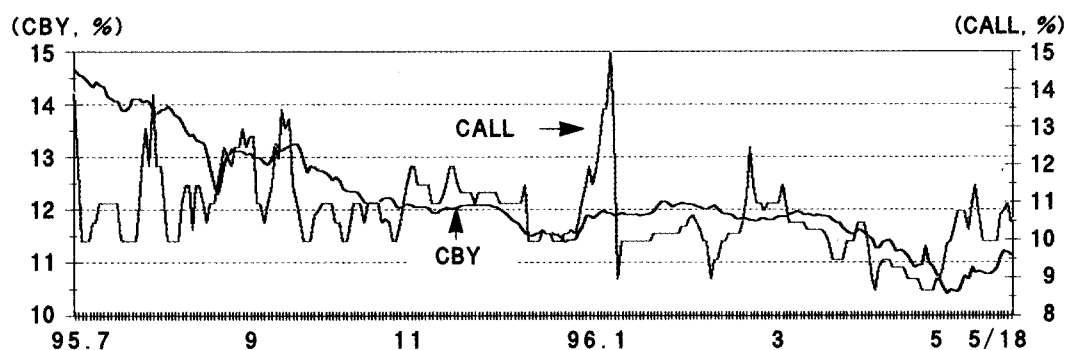
Recently, the domestic economy has been characterized by certain features as an economic downturn is underway. Some of the more notable are the accumulation of the current account deficit, the weakness of consumption growth, and the deepening bi-polarization of industrial production. Although the business climate is expected to improve in the future, the price competitiveness of domestic firms is eroding. The prices of natural resources and agricultural products in the international market are rising, placing a severe burden on domestic industries.

Gross National Product	1992	1993	1994	1995	1996(E)
Growth Rate(%)	5.1	5.8	8.2	9.2	7.2
Nominal GNP(US \$ bil)	305.7	330.8	376.9	451.3	520.5
GNP per capita(US \$)	7,007	7,513	8,483	10,076	11,605

Interest Rates and Prices

Market interest rates, which had fallen down to the 10% range recently, bounced back to around 11% in the middle of May. The stable, downward trend of interest rates has been attributed to stagnant firms' demand for funds, expectations of low inflation, the stable supply of money, and the massive inflow of foreign funds. Despite some worries of inflation, consumer price increases remained below 5%.

Domestic Interest Rates	94 Q4	95 Q1	Q2	Q3	95 Q4	96 Q1	96. 4	96(E)
Call Rate(% p.a.)	25.0	12.5	17.0	10.5	13.5	9.8	11.0	-
Yield on CD(%)	15.4	14.4	15.1	12.8	12.3	10.9	10.1	-
Yield on Corporate Bonds(%)	14.3	14.3	14.7	12.5	12.2	11.2	10.41	11.34

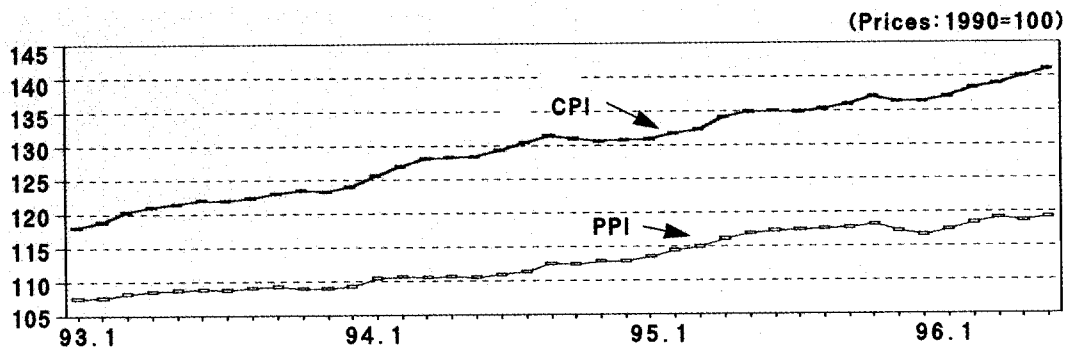


International Interest Rates	94 Q4	95 Q1	Q2	Q3	95 Q4	96 Q1	96. 4
EURO \$ (LIBOR, 3 months)	6.500	6.250	6.000	5.953	5.625	5.469	5.529
EURO ¥ (3 months)	2.438	2.227	1.250	0.469	0.500	0.594	0.699
EURO DM (3 months)	5.250	5.063	4.570	4.094	3.816	3.367	3.281

HRI Economic Statistics

Prices*	94 Q4	95 Q1	Q2	Q3	95 Q4	96 Q1	96.4	96(E)
Producer Prices(%)	3.9	5.1	5.9	5.2	3.4	2.2	2.0	3.1
Consumer Prices(%)	5.6	4.7	4.3	4.7	4.7	4.5	4.6	4.7

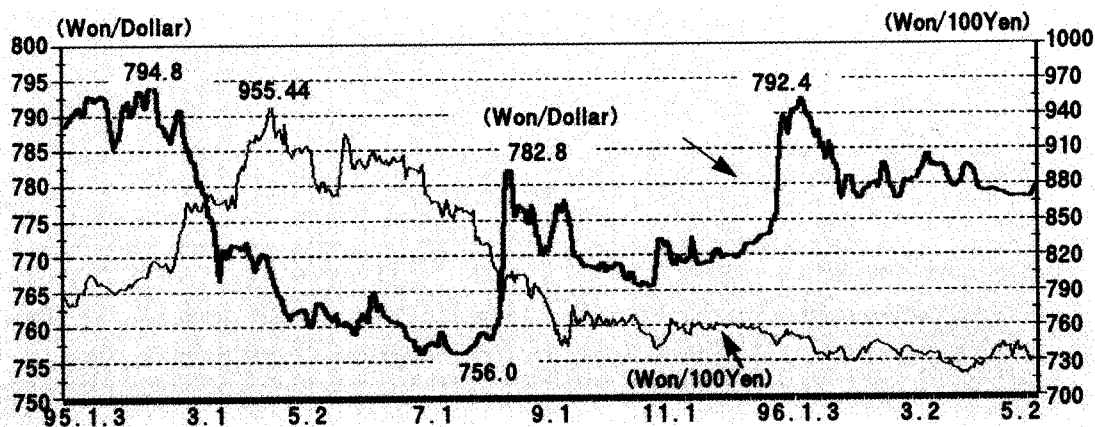
* Percentage change over a year ago



Trade and Exchange Rates

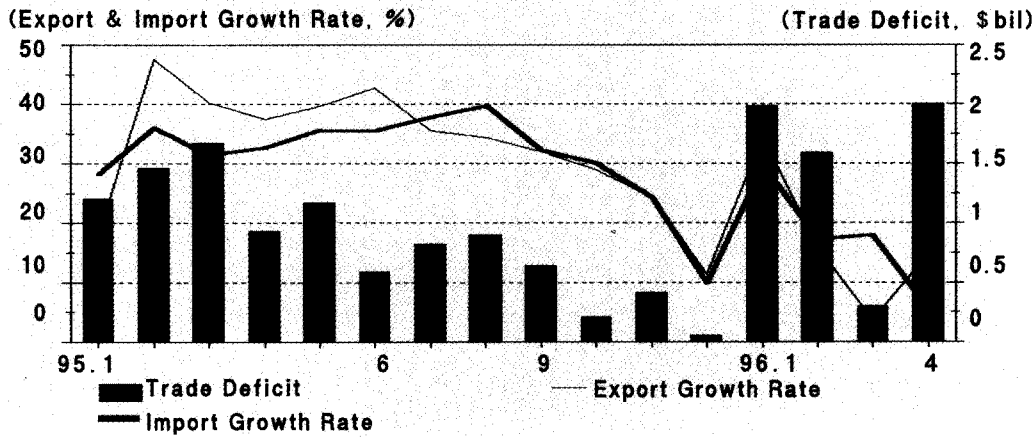
The mounting current account deficit has become a prominent policy issue these days. The first quarter current account deficit reached \$4.1 billion, a rise of 22.3% over the same period of last year. This is because the non-trade deficit is on the rise, while the trade deficit is in a holding pattern. Some of the reasons for this are the rising interest payments for foreign debt, the rising royalty payments for foreign technology transfers, and the rising expenses for foreign travel stemming from the growth in people's income.

Exchange Rates	94 Q4	95 Q1	Q2	Q3	95 Q4	96 Q1	96.4	96(E)
₩ / \$	788.7	771.5	756.1	768.4	774.7	780.6	778.7	762
₩ / 100¥	790.7	862.3	896.1	770.5	749.2	725.6	742.2	712
¥ / \$	99.8	87.0	84.8	99.5	103.2	107.3	104.7	107



HRI Economic Statistics

International Trade (US \$ bil)	94	95 Q1	Q2	Q3	Q4	95	96 Q1	96(E)
Current Account	-4.8	-3.3	-2.7	-2.2	-0.6	-8.8	-4.1	7.0
Balance of Trade	-3.1	-2.5	-1.7	-0.8	-0.3	-4.7	-2.2	-5.5
Exports(FOB)	96.0	26.2	32.1	32.3	34.9	125.2	31.7	145.3
Imports(CIF)	102.4	30.4	34.8	34.4	35.4	135.0	33.9	152.8



Stock Markets

The launching of the stock-indexed futures market on May 3 is expected to contribute to the diversification of asset and financial management for firms and financial institutions alike, while possibly bringing more volatility into the stock market. The KOSPI reached 980.9 at the end of April, which shows a sharp rise after the general elections. One of the reasons for this is the declining interest rates, making the stock market more attractive.

Stock Market	94 Dec	95 Dec	96 Jan	96 Feb	96 Mar	96 Apr	96 High/Low
Composite Stock Price Index	1,027.4	882.9	878.7	852.8	874.1	980.9	842.7/980.9
Customer's Amount of Deposit (₩ bil)	2,394	2,191	2,032	2,097	2,030	3,201	1,998/3,227
Traded Volumes (ten thousands)	5,078	2,515	2,836	1,906	1,514	6,896	948/6,896

Note : i) Figures for 1995(E) and 1996(E) signify HRI forecasts.
 ii) Figures are for the end of the period unless noted otherwise.