

Korean National Balance Sheet for 2013

The preliminary Korean national balance sheet (KNBS) for 2013 shows that Korean national wealth (net worth of the total economy) amounted to 11,039.2 trillion won as of year-end 2013. This was 7.7 times GDP (1,429.4 trillion won).

By asset type, the value of non-financial assets amounted to 11,078.5 trillion won (100.4% of the net worth of the total economy), and that of net financial assets (financial assets less liabilities) to -39.3 trillion won (-0.4%). Among non-financial assets, the value of fixed assets stood at 4,863.4 trillion won (44.1% of the net worth of the total economy), that of inventories at 321.6 trillion won (2.9%), and that of land at 5,848.0 trillion won (53.0%).

Composition of net worth of total economy

(units: trillion won, %, multiples)

	2011		2012		Rate of increase	2013		Rate of increase
		(%)		(%)			(%)	
Net worth of total economy	10,281.5 [7.7]	(100.0)	10,667.7 [7.7]	(100.0)	3.8	11,039.2 [7.7]	(100.0)	3.5
Non-financial assets	10,374.9	(100.9)	10,768.8	(100.9)	3.8	11,078.5	(100.4)	2.9
Produced assets	4,814.0	(46.8)	4,993.9	(46.8)	3.7	5,185.0	(47.0)	3.8
Fixed assets	4,489.5	(43.7)	4,668.5	(43.8)	4.0	4,863.4	(44.1)	4.2
Construction assets	3,636.8	(35.4)	3,776.4	(35.4)	3.8	3,941.5	(35.7)	4.4
Facilities assets	623.1	(6.1)	640.6	(6.0)	2.8	648.7	(5.9)	1.3
Intellectual property products	229.6	(2.2)	251.4	(2.4)	9.5	273.2	(2.5)	8.7
Inventories	324.5	(3.2)	325.4	(3.1)	0.3	321.6	(2.9)	-1.2
Non-produced assets	5,560.9	(54.1)	5,774.9	(54.1)	3.8	5,893.5	(53.4)	2.1
Land	5,516.6	(53.7)	5,727.6	(53.7)	3.8	5,848.0	(53.0)	2.1
Mineral and energy reserves	24.0	(0.2)	26.0	(0.2)	8.4	23.2	(0.2)	-10.7
Standing timber assets	20.4	(0.2)	21.3	(0.2)	4.6	22.3	(0.2)	4.7
Net financial assets	-93.5	(-0.9)	-101.1	(-0.9)	8.2	-39.3	(-0.4)	-61.1
Financial assets	10,347.4	(100.6)	11,044.7	(103.5)	6.7	11,625.0	(105.3)	5.3
Financial liabilities	10,440.8	(101.5)	11,145.7	(104.5)	6.8	11,664.2	(105.7)	4.7

Notes: 1) Figures in () indicate the shares of the relevant items in the net worth of the total economy.

2) Figures in [] indicate the multiples relative to GDP of the net worth of the total economy.

3) Rates of increase computed relative to the previous year.

During 2013 there was an increase of 371.5 trillion won in the net worth of the economy as a whole. Of this, 229.2 trillion won (61.7%) was accounted for by changes stemming from net acquisition of assets, and 142.3 trillion won (38.3%) by changes due to other changes in assets.

Explanation of increases in net worth of total economy

(unit: trillion won)

	Increases in net worth due to net acquisition of assets			Increases in net worth due to other changes in assets			Total
	Non-financial assets (A)	Net financial assets (B)	A+B	Non-financial assets (C)	Net financial assets (D)	C+D	
2012	158.7	61.1	219.8	235.1	-68.7	166.4	386.2
2013	136.8	92.4	229.2	172.9	-30.6	142.3	371.5

The KNBS for 2013 shows the net worth held by households and NPISHs to have totaled 6,365.9 trillion won (57.7% that of the entire economy), that held by the general government 3,093.3 trillion won (28.0%), that of non-financial corporations 1,335.3 trillion won (12.1%), and that held by financial corporations 244.7 trillion won (2.2%).

National balance sheet

(units: trillion won, %, multiples)

		Non-financial corporations	Financial corporations	General government	Households & NPISHs	Total economy	Rest of the world
Year-end 2012	Non-financial assets (A ₀)	3,276.5	144.7	2,536.2	4,811.3	10,768.8	-
	Net financial assets (B ₀ = a ₀ - b ₀)	-1,968.7	87.7	423.4	1,356.6	-101.1	105.1
	Financial assets (a ₀)	1,948.7	5,448.4	1,136.1	2,511.5	11,044.7	1,023.3
	Financial liabilities (b ₀)	3,917.4	5,360.7	712.7	1,155.0	11,145.7	918.2
	Financial liabilities (b ₀)	1,307.7 <12.3>	232.5 <2.2>	2,959.6 <27.7>	6,167.9 <57.8>	10,667.7 <100>	105.1 [7.7]
Changes in net worth	Non-financial assets (A ₁ - A ₀)	105.0	5.3	99.2	100.2	309.7	-
	Net financial assets (B ₁ - B ₀)	-77.5	6.9	34.6	97.8	61.8	-60.8
	Financial assets (a ₁ - a ₀)	57.8	286.6	73.4	162.5	580.3	37.0
	Financial liabilities (b ₁ - b ₀)	135.2	279.7	38.9	64.7	518.5	97.8
	Net worth (C ₁ - C ₀)	27.6	12.2	133.7	198.0	371.5	-60.8
Year-end 2013	Non-financial assets (A ₁)	3,381.50	150.1	2,635.40	4,911.50	11,078.50	-
	Net financial assets (B ₁ = a ₁ - b ₁)	-2,046.20	94.6	458	1,454.40	-39.3	44.3
	Financial assets (a ₁)	2,006.50	5,735.00	1,209.50	2,674.00	11,625.00	1,060.30
	Financial liabilities (b ₁)	4,052.70	5,640.40	751.5	1,219.60	11,664.20	1,016.00
	Net worth (C ₁ = A ₁ + B ₁)	1,335.30 <12.1>	244.7 <2.2>	3,093.30 <28.0>	6,365.90 <57.7>	11,039.20 <100>	44.3 [7.7]

Notes: 1) Figures in < > indicate the shares of the relevant items in the net worth of the total economy.
2) Figures in [] indicate the multiples relative to GDP of the net worth of the total economy.

In the compilation of the KNBS for 2013 several noticeable features have been found.

First, Korean net worth (national wealth) has remained at 7.7 times GDP since 2011. The recent constancy of the national wealth-to-GDP ratio seems attributable mainly to the fact that both nominal GDP and the value of non-financial assets have shown much reduced rates of growth during this period.

Second, the net capital stock of fixed assets has also been sustained at 3.4 times GDP for three consecutive years since 2011, as the Korean fixed capital-to-GDP ratio approaches those in other advanced countries.

Third, the rate of growth in the volume of capital services in the total economy on the basis of fixed assets (which is usually interpreted as capital input growth in the production function of the economy) slowed from an annual rate of 4.0% in 2012 to 3.7% in 2013.

Fourth, in the non-financial assets of the total economy, the share of those held by households and NPISHs declined from 45.5% in 2010 to 44.3% in 2013, whereas those held by non-financial corporations and the general government increased from 30.0% to 30.5% and from 23.2% to 23.8% respectively during that period.

Fifth, it is estimated that Korean households and NPISHs had a net worth of 330.85 million won per household (2.61 persons per household basis) in 2013. In addition, as of 2013 Korean households and NPISHs held 64.7% of their assets in non-financial assets and 35.3% in financial assets.