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Containing:

Focus of The Week:

Domestic demand shows little sign of an upturn

Credit delinquents approach 4 million

Issue Report:

Korea-US Relations: Issues and Agenda

Statistics

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Focus of the Week (May 26 ~ Jun 1)

Domestic demand shows little sign of an upturn

Industrial production has expanded for the two consecutive months

According to the Korea National Statistical Office (KNSO), industrial production rose 11.3% in April from a year ago, recording the second consecutive month of double-digit growth. Notably, production of semiconductors, and audio, video and telecommunications equipment rose 62.3% and 32.8%, respectively.

Robust exports continued to lead production growth in April. Shipment of goods for export surged 21.9 % year-on-year in April, surpassing last month's 21.4%. But shipment of goods for domestic demand slowed to 3.6% from 5.0%, mainly due to sluggish domestic shipment of office machinery and automobiles.

Wholesale/retail sales, another indicator for domestic consumption, climbed 0.1% in April from a year ago, lower than the 0.8% growth in March. By sector, retail sales fell for the second consecutive month contracting 0.9%. Wholesale business rose 1.4%, but was lower than the 4.2% of March.

Investment activity is mixed

Investments showed mixed results in April. Facility investment shrank 2.5% due to a reduction in investment in PCs and automobiles, and continued its downward curve for the second straight month. But domestic machinery orders received, a leading indicator for facility investment, surged 18.4% year-on-year, thanks to increased orders in both the public and private sectors.

Meanwhile, construction investment jumped 14.8% year-on-year helped by a surge in private and public sector activity. By contrast, domestic construction orders, a leading indicator for construction investment, fell by 14.6% in April from a year ago, marking four straight months of contraction. The figure was also much lower than the -3.2% of March.

Trends in Industrial Activities

(Unit: %)

	2003		2004		
	Apr	Annual	Feb	Mar	Apr
Industrial Production	2.1	5.1	16.9	11.6	11.3
Shipment of Goods	1.4	4.2	14.7	10.8	10.1
Shipment of Goods for Domestic Demand	-1.4	0.1	7.5	5.0	3.6
Shipment of Goods for Export	7.3	12.5	27.9	21.4	21.9
Wholesale/Retail Sales	-2.5	-1.0	2.4	0.8	0.1
Facilities Investment	-2.5	-2.3	0.5	-7.7	-2.5

Note: % change yoy

Source: Korea National Statistical Office

Despite strong production figures, the economy continues to appear wobbly, as even exports seems to be showing limitations in sustaining overall growth

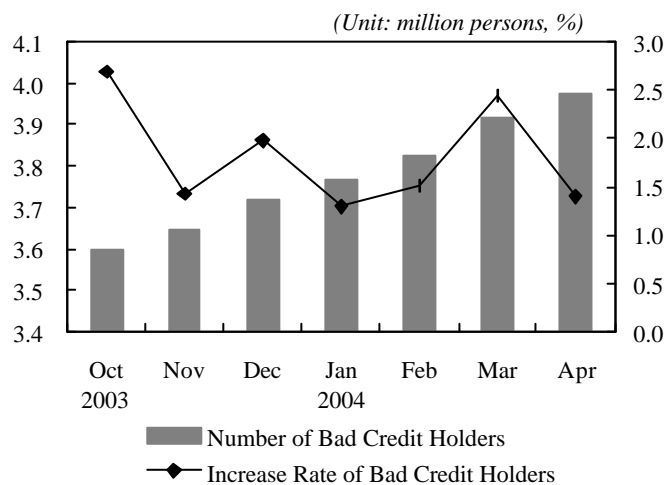
Overall, industrial production continued its robust growth in April, while consumption and investment remained in a slump. Reflecting sluggish domestic demand, April's coincident index of macroeconomic indicators (net of trend) - which indicates current economic conditions - dropped for the first time in ten months, indicating that export itself has limitations in supporting economic recovery. Even more worrisome is that there are also signs of slowing exports, such as deteriorating external conditions – soaring oil prices, China's belt-tightening, and a possible US interest rate hike. Analysts say that these factors cast a pall over the future course of the economy, and call for both government and corporate efforts to boost both domestic demand and exports.

Credit delinquents approach 4 million

Although still growing, the number of delinquencies is doing so at a slower pace

The Korea Federation of Banks (KFB), an association of domestic banks, said that the number of individuals with bad credit - including tax delinquents - amounted to 3.97 million as of the end of April. This is an increase of 55,000 or 1.4% from the preceding month. The growth rate of credit delinquents slowed in April, falling to 1.4% from the previous month's 2.4%.

Trend in the Number of Bad Credit Holders



Note: % change mom

Source: Korea Federation of Banks

The distribution of overdue loans has been increasing

By age group, bad credit holders in their 40s accounted for a lion's share of 49.44% as of the end of April, slightly up from the 49.11% of the preceding month. Those in their 30s also edged up

among older age groups

to 31.23% from 31.21% in March. However, bad credit holders in their 20s fell to 19.24% as of the end of April, down from 19.53% in March. The ratio of teenage credit delinquents to total number delinquencies held steady from the prior month at 0.08%.

Although KAMCO has lowered the exposure of credit card companies by taking on bad loans, delinquencies are growing at commercial banks and non-bank financial institutions

Looking at the numbers by financial sector shows credit card companies' delinquencies fall 1.3% in April from March helped by a sell-off of bad loans to Korea Asset Management Corporation (KAMCO). But the figure for commercial banks increased 0.6% during the same period to total 1.91 million as of the end of April. Particularly notable was the rise of defaults in non-bank financial institutions such as mutual savings banks, community credit cooperatives and guarantee insurance companies. Mutual savings banks saw the number of bad credit holders rise 1.9% to 707,000 during the same period; the number of credit delinquents in community credit cooperatives and guarantee insurance companies increased 1.78% and 3.42%, respectively.

Despite the appearance of programs to assist credit delinquents, critics are skeptical such programs will resolve the problem of growing credit defaults

In May, the government-led "Bad Bank" system started operations aimed at assisting around 1.8 million credit delinquents settle their overdue debt. Banks have also started their own debt restructuring programs for individuals who do not qualify for the state-arranged lending program. And, mutual savings banks have recently introduced a credit recovery program aimed at assisting credit delinquents with less than 5 million won in overdue loans. Despite these measures, however, analysts are not overly optimistic about these programs. They say that systematic improvements should be made to actually help people with bad credit.

Financial Market Trends (May 26 ~ Jun 1)

Money & Bond Markets

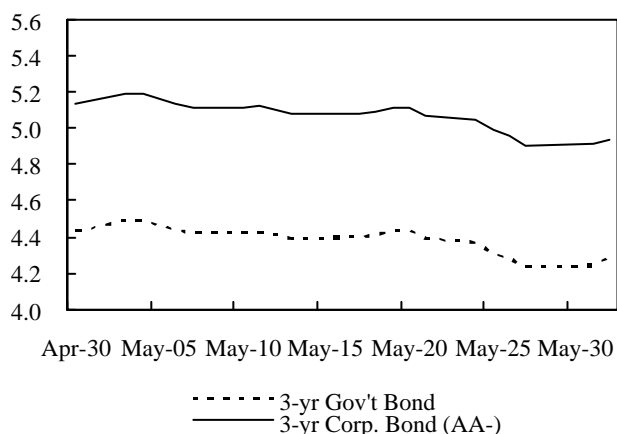
Interest rates fell initially due to the government's decision to reduce the issuance of three-year government bonds, but later reversed their course on concerns of a future increase in government bond issuance for June.

Major factors behind the movement:

- The Ministry of Finance and Economy (MOFE) decided to reduce its issuance of three-year government bonds in an aim to change the benchmark interest rate from the three-year government bond yield to the five-year bond yield.
- There were concerns that the government would issue a higher-than-expected amount of government bonds in June.

Next week, interest rates are expected to fluctuate within a narrow band. Concerns that the government will issue more bonds than expected in June are factors driving up interest rates. But concerns of the delay in economic recovery due to soaring oil prices can drive down interest rates.

Movements of Market Interest Rates



Stock Market

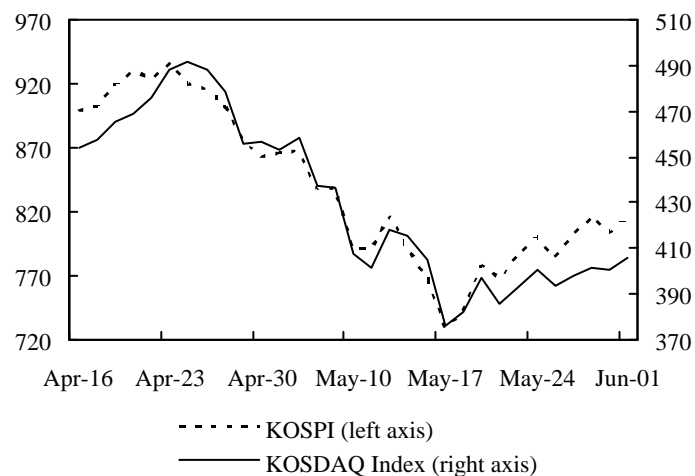
Stock markets continued their rally in the week under review, pushing the Korea Stock Price Index (KOSPI) and the KOSDAQ Index to 815.77 (up 4.0% from the previous week's close) and 405.90 (up 3.2%), respectively.

Major factors behind the ascent:

- Oil prices somewhat stabilized ahead of OPEC's expected decision to increase crude oil production.
- Rebound of stock markets around the world.
- Massive net purchases by foreign investors (net purchase by foreign investors amounted to 578.3 billion won during the four trading days of the week).

In the following week, investors are likely to maintain a wait-and-see attitude amid continued instability in stock markets caused by high oil prices and an imminent US interest rate hike. OPEC's decision on June 3 will be a variable affecting stock prices.

KOSPI & KOSDAQ Index Movements



Foreign Exchange Market

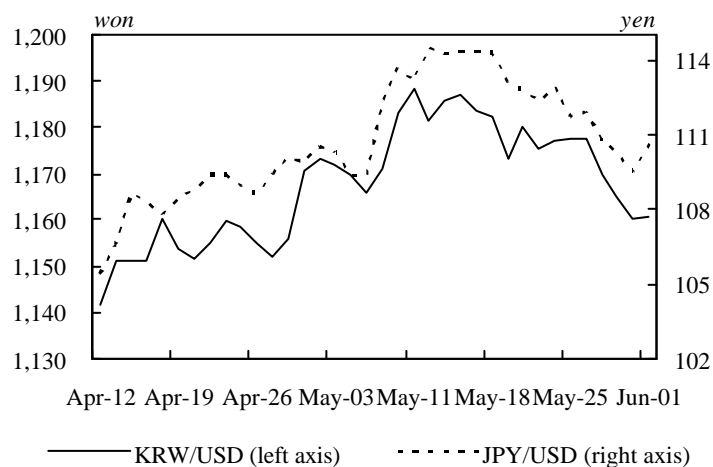
The Korean won strengthened in the week under review. The KRW/USD exchange rate fell from 1,177.7 at the end of the previous week to 1,160.6 won per US dollar.

Major factors behind the descent:

- The Japanese yen strengthened following an announcement by the Ministry of Finance of Japan that it has not intervened in the foreign exchange market at all in May, and the news that Japan's weighting in the Morgan Stanley Capital International (MSCI) index - an international stock price index - will increase.
- Continued net stock purchases by foreign investors.

The Korean won is expected to strengthen next week, following the strengthening of the Japanese yen and net stock purchases by foreign investors.

Movements of Foreign Exchange Rates



Major Events of the Week (May 26 ~ Jun 1)

Wednesday, May 26

- The Ministry of Finance and Economy (MOFE) announced that, since the 1997 financial crisis, a total of 164.5 trillion won in public funds had been applied towards financial sector restructuring by the end April 2004. Of the total, 3.4 trillion won was poured into the sector during the first four months of this year. Since the currency crisis, 66.4 trillion won have been recovered as of the end of April, recording a recovery ratio of 40.4%. Of that amount, 3.5 trillion won was recovered during the January-April period.

Thursday, May 27

- MOFE announced that it will increase the ratio of five-year government bond issuance to its total bond issuance from the current 30% to 40% starting May. It will reduce three-year bond issuance from 40% to 30%. This is to change the benchmark rate from the current three-year yield government bond to the five-year bond. The government agency said that the purpose of the plan was to solve the problem of financial market instability caused by the shorter-term maturity of the three year government bonds.

Friday, May 28

- Korea recorded a current account surplus of USD 1.2 billion in April, up USD 284 million from March, according to the Bank of Korea (BOK). This is the twelfth straight month that the current account posted a surplus. April's current account surplus pushed the total amount for the first four months of the year to USD 7.3 billion, which accounted for approximately

half the BOK's forecast of USD 15 billion for the entirety of 2004.

Saturday, May 29

- The BOK reported that the average annual lending rate of domestic commercial banks to large companies (in terms of new loans) stood at a record-low of 5.7% in April, down from 6.29% in March. Average rate of loans to small and medium-sized companies also fell to 6.07% from 6.09% during the same period. The central bank attributed the drop to sluggish facility investment by these companies.

Monday, May 31

- According to the Ministry of Commerce, Industry and Energy (MOCIE), Korea's exports totaled USD 20.9 billion in May, up 42.4% from a year ago, and surpassing the USD 20 billion mark for the third straight month. The robust exports were mainly led by wireless telecommunications equipment and semiconductors, which surged 82.9% and 66.4%, respectively. Imports jumped 32.3% over a year ago to USD 17.8 billion. As a result of surging exports and imports, Korea's trade surplus stood at USD 3.01 billion in May, marking the highest figure since December 1998.

Tuesday, June 1

- The BOK announced that consumer prices edged down 0.1% in May from a month ago, marking the first drop since November 2003. The fall was mainly attributable to the 1.7% drop in the prices for agricultural, livestock and fisheries goods. However, the prices of 156 daily necessities jumped 4.6% from the previous year, and the prices of goods that people buy at least once a month rose 0.2%, indicating that people were not able to truly perceive prices as falling in May.

Issue Report

Korea-US Relations: Issues and Agenda

I. The alliance under stress

Too great an effort, by both sides, has gone into building the relationship between Seoul and Washington to allow strained ties to deteriorate further

The Korea-US relationship is in a state of malaise. It needs strong initiatives from both countries to restore its health, at a time of uncertainty and high security risk prompted by North Korea's nuclear arms development. Neither South Korea nor the US can afford to allow further erosion of the base of their alliance. This alliance was initiated and strengthened, through wars in Korea and Vietnam, over the past half a century. The two countries have cemented their alliance with shared values of democracy and market-based economy. As South Korea moves closer to achieving these goals, America ought to stand proud of showcasing its success in helping develop Korea as a middling power in Asia and the 12th biggest economy in the world.

And yet, on the ground the reality is quite different. The Korea-US alliance not only shows signs of fatigue, it is experiencing a protracted period of disharmony and stress. There are a slew of issues spanning from anti-Americanism among the younger generation Koreans to policy differences in dealing with the nuclear standoff with the rogue state in Pyongyang.

Both sides have irritated the other recently through what seem to be unilateral actions, taken with little consultation between each other

Today, the alliance is receiving a further jolt. The US administration of President George W. Bush proposed to remove a brigade of American troops from the US Second Infantry Division based in Korea for redeployment in Iraq. The decision, reportedly based on insufficient advance consultation, has triggered angry responses from Seoul that Washington is resorting to unilateralism in dealing with vital military issues affecting Korea's security.

The alliance is bedeviled by other controversies. In general, the US finds South Korea less than fully supportive of its hardline stance to prevent the North from acquiring nuclear arms and

Yet, despite seemingly sour public relations on the surface...

other weapons of mass destruction. Washington regards the “Sunshine” policy of the administration in Seoul as a naïve game of reconciliation directed at a fundamentally untrustworthy Stalinist regime bent on using terror in achieving its goals. Some American opinion-makers even go so far as to regard Korea as ungrateful. These critics would say the US sacrificed the lives of 33,000 combat troops defending South Korea from the North’s attack. Moreover, after the war, the US has poured \$2.5 billion in economic aid into the South. To policymakers in Washington, South Korea has essentially failed to appreciate the degree of shock and change in its worldview brought on by terrorist attacks in Washington and New York on September 11, 2001.

...more fundamental and shared political economic goals are actually bringing the two allies closer together

These perceptions seem to have fostered a sense of estrangement on both sides of the Pacific. Yet, ironically, their economic interests and political imperatives have drawn them closer than ever before. This makes it increasingly mandatory for them to recover their goodwill and energy in order to continue sharing benefits from mutual security and trade. The growth of political and economic interaction between South Korea and the US demands they refocus attention and redouble their efforts to recover the vitality and dynamics of their alliance. It has served as a linchpin of security in Northeast Asia over the last several decades.

II. Evolving economic relations

Military security issues dominated the alliance following the Korean War, but have since given way to focus on economic cooperation

The present shape of the Korea-US relationship has been determined not only by security needs, but also by a wide-ranging economic interaction between the two countries since the end of the Korean War in 1953. Korea’s evolution into a political democracy and market-based economy owes its roots to a generous amount of economic aid from the United States. With the economic aid also came advanced managerial know-how, business management systems, and skills and expertise for industrial organization and economic management.

As South Korea developed an external-oriented economy based on trade, the United States offered a huge market for absorbing merchandise on a preferential basis. As Korea grew under the

successful export policy, though, there also arose cases of trade friction with the United States, putting a strain on the economic relations. These strains sometimes turned tight as Korea developed trade surpluses on trade balance with the United States. Washington responded by slapping anti-dumping charges. The US began exerting pressure for opening of Korea's agricultural market and the service sector.

Regardless of trade-related issues, economic interdependence has deepened as successful business reform in Korea has more closely aligned the financial systems of both nations

Despite these issues, the system of economic interdependence between South Korea and the United States has been deepening. The pattern of mutual dependence has become particularly intense following the 1997 Asian financial crisis, triggered in part by the sudden withdrawal of billions of dollars in financial investment by American and other foreign investors. Since then, South Korea has largely accepted US demands for market reform along the lines of global standards as requested by the Wall Street establishment. Today, Korea's reform has moved ahead in the area of financial business, accounting system, corporate governance and other areas of business management. A successful management of these challenges has served to attract added American direct investment to Korea, giving a new breadth to the bilateral economic collaboration.

III. Major issues in the relations

Security, finance, trade, technology, and sociocultural ties are important issues in mending fences

But Korea and the US must move further ahead so they can enhance the level of their cooperation in the field of security and economic relations. Broadly, they need to address the following major issues in order to repair the alliance in the coming decades.

Security

The United States has steadily cut the number of US forces in Korea, from the peak of 325,000 at the end of the war in 1953 to 37,000 today. In early May, the Pentagon has served notice that it will cut an additional brigade from the US Second Infantry Division in Korea. This brigade was being repositioned in Iraq to bolster the US war effort in the Middle East. South Korea has accepted this proposal, believing that the reduction of one brigade will not affect the overall fighting capability of the Korea-

Security concerns have always been given careful attention since the early days of the alliance

US combined forces command. Over the past decade, the two countries have maintained an excellent fighting capability through numerous combined exercises such as Ulchi Focus Lense and Foal Eagle. The US has also positioned more Patriot missiles to beef up the overall preparedness of the US forces in Korea.

But it's clear that the latest reduction in US troop strength will result in Koreans assuming greater defense burdens on per capita basis. Today, Koreans spend \$252 per head for defense while the US spends \$1,128, Taiwan \$472, Japan \$310 and China \$36. As a proportion of gross domestic product (GDP), Korea's defense spendings claim 2.8%, compared to 3.7% for Taiwan, 4.0% for China, 3.2% for the US and 1.0% for Japan.

To cover the redeployment of US troops to Iraq, South Korea will have to increase military spending

South Korea needs to increase spendings for acquisition of cutting-edge weapons systems and local development of better hardware. It will mean Korea moving upward from its present place of 30th in the rank of global defense spendings.

In the longer term, however, a key to resolving the perennial security crisis on the Korean peninsula lies in the resolution of the North Korean nuclear challenge, rather than spending more on defense. Moody's and other international credit rating agencies have cited the North Korean nuclear issue as the main factor for lowering its credit ratings for South Korea. The nuclear standoff with the North has affected the South's financial market stability.

But, perhaps most importantly, focus must be placed on resolving North Korea's nuclear challenge

A reduction of the US forces in Korea before concluding the North's nuclear challenge thus keeps the security risks on the Korean peninsula high. In the lead-up to the US presidential elections, the North Korean nuclear challenge has turned into an acute campaign issue, as President George W. Bush fights for his second term. His challenger from the Democratic Party, Senator John Kerry, has vowed to take a different line. Senator Kerry said he would start direct talks with North Korea to resolve the nuclear issue if elected to office.

Finance

US investment in

US investment remains crucial in sustaining a successful development of the Korean economy. As of the first quarter of 2004,

Korea is a very important key for the continuing development of Korea's economy

the US accounted for nearly 70% of all foreign direct investment in Korea. Between 1992 and 2003, American investors held 47% of the \$59.2 billion in equity investments made by foreign investors in the Korean stockmarket. They controlled 50.5% or 68.8 trillion won worth of total market capitalization, making Americans the single largest block of investors.

While much of this investment is turning short term, US investors exert far more influence on Korea through institutions like the World Bank, International Monetary Fund and Bank of International Settlement, pushing for reform of the Korean economy. Their investor activism is translating into demand for more transparency in the market and global standards in business management, putting Korean corporate owners on the defensive. The weight of their influence is evident from the fact that the Korean stockmarket index plunged 14% between April 27 and May 11 as foreign investors dumped stocks worth 2.6 trillion won on the market.

Trade Relations

Despite the steady contraction of overall Korean exports to the US, it remains a key market for Korea's goods

In recent years, the share of Korea's exports in the US markets has been declining in value, but not in the share of value-added products. The market share of Korean exports in the US has declined from 63% at the peak year in 1970 to 18% in 2003, with China now replacing the US as Korea's biggest export markets.

But Korea's share of high-tech, knowledge-based products in the US has considerably expanded. Korea's terms of trade in the electronics and general machinery category rose from 0.76 in 1991-1995 to 0.91 between 1996 to 2002. High value-added items shipped to the US today include semiconductors, automobiles, wireless telecommunications equipment and computers.

Also expanding in the share of the US markets are Korean products manufactured in China with parts and components shipped from Korea, forming a triangular trade pattern involving Korea, China and the US. This means Korea shipping parts and components to China to be manufactured into finished goods for ex-

ports to the US markets, thus enhancing their mutual dependency.

Trade frictions will continue to exist, making the need for trade agreements all that more imperative

But development of trade also means the rise of more trade frictions with the United States, especially in areas such as automobiles, steel and semiconductors. The greater the trade surplus Korea generates from these items, the more the US is likely to slap charges of unfair trade practices, prompting demands for opening Korea's service sectors to foreign competition.

The lack of bilateral institutional mechanisms to deal with these disputes adversely affects their trade. For example in 2003, the average US tariff rate on Korean exports remained relatively high at about 2.56% compared to 0.07% for Canada and 0.14% for Mexico. Talks on concluding Bilateral Investment Treaty and Free Trade Agreement have been slow and tepid.

Industry and Technology

Collaboration in the field of R&D as well as greater fostering of cultural and educational exchanges will further the development of shared values and goals

Korea has depended on the United States as its major source of technology in fabricating semiconductors, cell phones, and plasma displays. At the same time, the US is Korea's biggest market for information-technology products; worth \$14.4 billion a year or 19.2% of total electronics exports to the world (China claims 16% and EU 15.3%). Collaboration with the US over high-tech development projects will increase over the years. One such collaboration is the joint operation of an R&D center with IBM for developing cutting-edge technology at a cost of \$32 million in investment. The US has taken the lead in forging strategic collaborations with Korean firms, accounting for 37% of the total. These collaborations are expected to deepen and widen in the years head.

Social and Cultural Ties

The social and cultural exchanges between the two countries are becoming more complex as well as brisk and frequent in this age of instant communications. The US has been strongly pushing its neo-liberal economic agenda and globalization ethics on Korean business in general. Within Korean society, they have led to a greater emphasis of profit maximization in business

Korea has openly accepted some aspects of globalism, but is having a difficult time with some aspects that clash with traditional values

management, individualism in the family system, gender equality in social life. While such drastic changes have upset the traditional value system in Korea, Koreans have embraced other aspects of globalization such as the virtues of free market mechanism, level playing fields, deregulation and America's open education system. Above all, many Koreans have embraced the ideals of the "American Dream." This is evident from the growing number of Koreans living or studying in the United States.

In terms of image, more Americans nowadays have formed favorable impressions of Koreans in general. However, the image of Americans among Koreans has declined, probably affected by the recent scandalous treatment of Iraqi prisoners by US soldiers in Iraq. By contrast, popular perception of China has improved in recent years, with China becoming the second biggest market for Korean exports and 35,000 Korean students head for China each year for education. (The US takes 51,000 Korean students.) In a recent survey, 52.3% of the newly elected Korean legislators said the US was the most important country for Korea, while 39.4% chose China as the second most important country for Korea.

IV. Agenda for the Future

Given Korea's geographical location between China and Japan, the US presence as a balancing power is much more vital to Korea than the public commonly perceives

The roots of Korea-US relations go much deeper than popularly perceived. In the national security and trade benefits, no other country can replace its importance for Korea. For the sake of strengthened security and mutual economic benefits, therefore, Korea and the US must strengthen their partnership for the future. Problems in the current relationships need to be frankly addressed.

For Korea's security interests, it is vital to keep the US engaged in the balance of power in the Northeast Asia. In the 19th century, Korea's pioneer reformer Yu, Gil-Jun had the foresight to declare that the US, geographically remote from Korea, was one of the few world powers that entertained no territorial ambitions on the Korean peninsula. On the other hand, Koreans, having lived for a millennium under China's suzerainty, remain acutely aware of China's hegemonic power. For a more bal-

China has much to offer Korea in terms of markets, but it must not be forgotten that much of Korea's political and economic development is based upon the US' system

anced perspective on its geostrategic interests, South Korea needs to be careful not to tilt towards China at the expense of the US. It is true that China offers a big market and cheaper production base for Korea. However, it is no match for what the US can offer in the way of security, capital, technology, markets and knowledge. After all, Korea has been modeling its development on the US system.

In short, Korea needs to maintain a measure of balance in its diplomatic strategy, remembering the bitter experiences from dealing with the powerful 17th century Qing dynasty. Historically, Korea survived as an independent nation only when the Big Powers around the peninsula were balanced. Korea's independence ended when this balance collapsed, as it happened in 1910 following the defeat of China and Russia by Japan. A strengthened alliance with the US provides Korea the leverage it needs to maintain this balance among the competing hegemonies of Japan, China and Russia.

The immediate task at hand is the resolution of North Korea's nuclear arms development, which will not be resolved without clear support for the US drive for global nonproliferation and fight against terrorism

Korea's response to the new regional security risk posed by North Korea's development of nuclear arms should be unambiguous. Korea needs to support the global nonproliferation regime as espoused by the United States. It needs to renew its support for the war against terror. Korea's position regarding the dispatch of its troops to Iraq must be based on the need for making the world community safer from terrorist attacks.

Korea-US relations cannot develop without a strong security linkage. Not only do they share a common commitment to democracy and free-market system, they share a common commitment to defend their free society. In doing so, Korea may borrow a lesson from a small country like Belgium, which has enhanced its security by offering to host the headquarters for NATO Command and the European Union. In the same vein, Korea can offer to host the headquarters of the future North Asia Command of US forces in Asia. Our security alliance must continue so long as the Cold War confrontation exists on the peninsula.

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Statistics

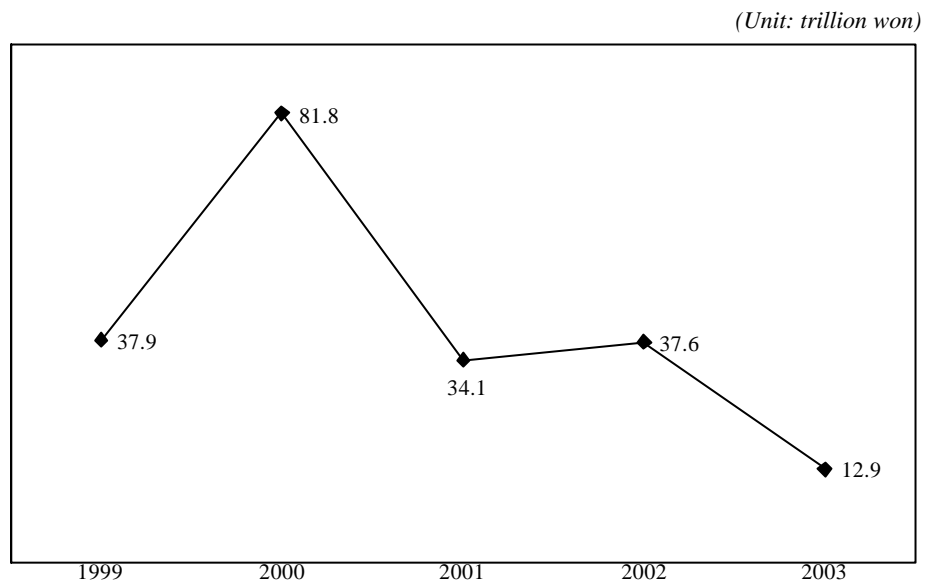
Stock Market, Exchange Rates and Interest Rates

	May-26 Wednesday	May-27 Thursday	May-28 Friday	May-31 Monday	Jun-01 Tuesday
Stock Market					
KOSPI (closing)	Holiday	802.46	816.51	803.84	815.77
Changes	Holiday	+ 18.40	+ 14.05	- 12.67	+ 11.93
Trading Volume (mil. shs)	Holiday	293.06	357.72	288.47	315.87
Trading Value (bil. won)	Holiday	2,298.8	2,393.1	1,730.9	1,774.1
Foreign Exchange Rates					
KRW / USD (Closing)	Holiday	1,169.8	1,164.9	1,160.1	1,160.6
KRW / JPY 100 (Base rate)*	Holiday	1,050.27	1,053.36	1,059.36	1,060.88
JPY / USD (Closing)**	111.93	110.83	110.21	109.51	110.63
Interest Rates					
3-Yr Gov't Bond	Holiday	4.28	4.23	4.24	4.28
3-Yr Corporate Bond Yield (AA-)	Holiday	4.96	4.90	4.91	4.94
3-Yr Corporate Bond Yield (BBB-)	Holiday	9.43	9.37	9.37	9.40
Call Rate (Overnight)	Holiday	3.72	3.71	3.73	3.71

* Base rate against 100 Japanese yen

** New York Market

Personal Net Savings Deposits



Note: Includes the self-employed and households

Source: Bank of Korea