

Foreign Direct Investment

S. Korea's FX reserves up for 9th straight month in December

South Korea's foreign reserves rose for the ninth straight month in December last year, supported by an increase in investment returns, central bank data showed Jan. 6.

The nation's foreign reserves came to a record high of USD 443.1 billion as of end-December, up USD 6.72 billion from a month earlier, according to the Bank of Korea (BOK).

Foreign securities came to USD 409.8 bil-

lion as of end-December, up USD 15.2 billion from the previous month and accounting for 92.5 percent of the FX reserves. Deposits fell USD 9.05 billion on-month to USD 20.2 billion, and gold holdings remained unchanged at USD 4.79 billion.

As of the end of November, S. Korea was the world's ninth-largest holder of foreign exchange reserves.

Netherlands' IMC expected join Seoul bourse as a market marker in spring

Netherlands-based brokerage house IMC is tapping business opening in S. Korea, which would make the first foreign entry in local brokerage in four years.

If it gets a final nod from the Financial Supervisory Service (FSS) by February, the Dutch firm is able to start business in spring under tentative name IMC Securities Korea. There had not been a foreign brokerage opening over the last four years since China Merchants Securities and Mizuho Securities.

IMC was founded by two traders working

on the floor of the Amsterdam Equity Options Exchange in 1989. It specializes in the role of a high-volume market maker in more than 100 exchanges around the world with more than 800 employees and four offices worldwide.

"The selection criteria for market makers vary with the product type. There's no discriminatory rule for foreign brokerages, and all firms will be evaluated under the same criteria," said an official from the Korea Exchange.

Starbucks Coffee Korea benefits big from drive-thru amid virus outbreak

Drive-thru service has worked out well for Starbucks Coffee Korea Co., the No. 1 coffeehouse chain in S. Korea, as it helped to offset business shutdowns during outbreaks.

The local operator of the global coffee chain brand said Dec. 22 that the number of Starbucks customers registered to its My DT Pass membership reached another milestone of 1.5 million after breaking 1 million just about eight months ago.

Takeout orders made via drive-thru branches from Jan. to Nov. in 2020 jumped 46 percent compared to the same period last year.

Of them, four out of 10 customers were My DT Pass users this year, up 53 percent on year.

Starbucks introduced drive-thru service in Korea in 2012 and now runs total of 280 outlets, making up 20 percent of its entire 1,480 outlets operating across Korea. The company also added a virtual order system, which allows customers to talk to Starbucks employees via a screen and make orders. The Korean office was the first among the global coffee giant's businesses to introduce the service.

Trade & Commerce

S. Korea's eco-friendly car exports jump 40 pct in 2020

S. Korea's exports of environment-friendly vehicles jumped 40 percent in 2020 from a year earlier on growing demand for less-emitting cars, the trade ministry said Jan. 3.

Exports of all-electric and hydrogen fuel-cell electric vehicles climbed to USD 4.6 billion last year from USD 3.3 billion a year ago, according to the Ministry of

Trade, Industry and Energy.

Eco-friendly vehicles accounted for 12 percent of the country's overall vehicle shipments last year, up from 7.7 percent the previous year, the ministry said.

Hyundai Motor Group, the country's biggest carmaker by sales, mainly exports all-electric models, the Kona EV and the Ioniq Electric, and the Nexso hydrogen car.

Trade & Commerce

S. Korea's tech trade at record high last year: data

S. Korea's technology trade reached an all-time high of USD 31.6 billion last year, up 10.1 percent from 2018, government data showed Dec. 22.

Technology trade refers to the country's international technology transactions, such as the use of patents, licenses and technical services, as opposed to tech products, according to the Ministry of Science and ICT.

The ICT ministry said outbound technol-

ogy transfers amounted to USD 13.8 billion last year, compared with imports of USD 17.9 billion, leading to a trade deficit of USD 4.1 billion that highlights S. Korea's reliance on foreign technology.

By country, S. Korea had the largest technology trade with the United States at \$9.8 billion, accounting for 30.9 percent of last year's total.

Industry

S. Korea's 5G download speed fastest globally: report

S. Korea has the fastest 5G download speed in the world, reaching over 350 megabits per second (Mbps), a report showed Dec. 21.

The country's 5G download speed stood at an average 351.2 Mbps, followed by Saudi Arabia at 272.8 Mbps and Taiwan at 247.7 Mbps, industry tracker Opensignal said in a report, citing data collected between Sept. 1 and Nov. 29 in 15 global markets with 5G networks.

S. Korea was the first country to commercialize the latest generation network in April last year and has racked up just under 10 million 5G users as of end-October, accounting for 14 percent of the country's total 70 million mobile subscriptions.

The country's three major mobile carriers promised earlier this year to spend up to KRW 25.7 trillion (USD 23.3 billion) until 2022 to update network infrastructure and establish nationwide 5G coverage.

EV battery makers set to report robust Q4 results on strong demand

S. Korea's three electric vehicle (EV) battery makers are expected to report robust or improved fourth-quarter earnings results on growing demand for electrified vehicles, analysts said Jan. 3.

LG Energy Solutions Ltd., SK Innovation Co. and Samsung SDI Co. likely performed well in the Oct.-Dec. period as carmakers are adding more battery-powered models to their

lineups due to emissions restrictions, they said.

The three Korean companies accounted for 34 percent of the world's car battery markets from January to November last year, with their combined market share jumping from 17 percent during the same period of 2019, according to market tracker SNE Research.

Government & Policy

S. Korea to invest over 250 bln won in AI, software education in 2021

S. Korea's ICT ministry said Jan. 7 it will invest KRW 262.6 billion (USD 242 million) to foster education in artificial intelligence (AI) and software this year as part of the country's digital New Deal program that seeks to boost jobs in new tech industries.

S. Korea last year unveiled the digital New Deal, which aims to spend 58.2 trillion won on key tech investments, such as AI, to create around 900,000 jobs by 2025.

The Ministry of Science and ICT said it plans to educate around 16,000 AI and soft-

ware specialists this year as part of its goal to foster a total of 100,000 high-tech workers in the sectors by 2025.

The ministry plans to add two additional graduate programs that specialize in AI this year, leading to a total of 10, and also provide support to 42 software research labs that focus on AI and big data technologies. It added it will designate around 500 elementary and middle schools for AI education as well as establish a new software-focused school in the southern port city of Busan.