

Foreign Direct Investment

Samsung SDI, GM to jointly build EV factory in U.S.

Samsung SDI Co., a S. Korean battery maker, said on August 28 it has signed a formal deal with global automaker General Motors Co. to jointly build electric vehicle (EV) batteries in the U.S. state of Indiana.

Under the deal, the two companies will

invest a combined USD 3.5 billion to build the plant, with an initial annual production capacity of 36 gigawatt-hours, Samsung SDI said in a statement.

The Indiana plant aims to begin production in 2027.

Domino's Pizza Korea begins automating pizza-making

Domino's Pizza, Inc.'s S. Korean arm is about to use robot systems to automate its pizza-making processes. As part of the automation work, the pizza chain signed an agreement with Korean robot developer RS Automation Co.

The work will begin with the doughmaking process at its factory in Cheonan and expand into other processes of pizza manufacturing at its stores. Domino's also tested drone delivery services in several areas within the country, including Daegu.

Trade & Commerce

Korean exports up nearly 20% through mid-August

S. Korean's exports surged by nearly 20 percent through mid-August 2024, largely driven by strong semiconductor sales, and the positive trend expected to continue throughout the month.

According to the Korea Customs Service on August 21, the country's export value from August 1st to 20th amounted to USD 33.12 billion, up 18.5 percent from a year earlier. Daily average exports, adjusted for

the number of working days, also rose by 18.5 percent and the number of working days during this period was 14.5, the same as 2023.

Korea's monthly exports have been on the rise for 10 consecutive months from October 2023 through July 2024 and are expected to continue the positive trend in August as well.

Exports of kimchi hit record high in H1 amid rising popularity of Korean food

S. Korean's exports of kimchi hit a fresh record high in the first half of this year, driven by the growing global popularity of Korean cuisine, particularly in North America and Europe, data showed on August 4.

Outbound shipments of kimchi, a traditional Korean side dish typically made from fermented cabbage, reached 23,900 tons during the first six months of the year, up 4.8

percent from a year earlier, according to the data compiled by the Korea Customs Service and the Korea Agro-Fisheries & Food Trade Corp.

In terms of value, kimchi exports came to USD 83.8 million for the first half, marking the second highest following USD 86.7 billion in 2021.

Industry

Korea to nurture deep tech unicorn startups in Gwangju, Daejeon

S. Korean's Ministry of Science and ICT announced on August 7 that it will invest KRW 30 billion (USD 21.7 million) by 2027 to foster deep tech unicorn companies in the fields of intelligent semiconductors in Gwangju and quantum computing in Daejeon.

The initiative is part of the Deep Tech Scale-up Valley Development Project, which aims to nurture leading-edge technology companies.

A consortium consisting of hub universities, government-funded research institutes, venture and small businesses, and technology holding companies will be established to operate the valleys. The goal of the consortium is to support the growth of deep tech unicorn companies through tailored assistance at each stage, from discovering potential companies to commercializing products and services and expanding overseas.

Korea posts largest current account surplus in nearly 7 yrs in June

S. Korean's current account surplus expanded to its largest level in nearly 7 years thanks to solid exports. According to data released by the Bank of Korea (BOK) on August 7, the country's current account surplus stood at USD 12.3 billion in June, the largest since USD 12.3 billion in September 2017.

The goods account recorded a surplus of

USD 11.4 billion in June, marking the 15th consecutive month of surplus since April 2023. Net assets in the financial account increased by USD 12.2 billion in June, the largest increase since October 2020. Direct investment of Koreans overseas increased by USD 4.8 billion while that of foreigners in Korea fell by \$370 million.

Government & Policy

Korea sets goal to secure 59 key semiconductor technologies

The S. Korean government unveiled on August 27 a bold plan to secure 59 key future technologies in the semiconductor sector over the next 10 years.

The Ministry of Science and ICT announced the Advanced Semiconductor Future Technology Roadmap. As part of its strategy to maintain a leading position in the semiconductor industry, the government

will target the development of next-generation memory devices using materials such as ferroelectrics and magnetics.

Korea will also prioritize the creation of foundational design technologies for artificial intelligence (AI) and power semiconductors, aiming to expand its presence in the system semiconductor market.

About 30 tln won earmarked for 2025 R&D budget

The government earmarked KRW 29.7 trillion (USD 22.3 billion) in the budget for research and development (R&D) projects in 2025, officials said on August 27.

Next year's R&D budget marks a 11.8 percent increase from this year, when it was significantly slashed. Compared with 2023, the budget rose 1.3 percent, according to the science ministry.

In 2025, the country plans to invest KRW 7.1 trillion in advanced technologies, includ-

ing 1.2 trillion won in developing a next-generation artificial intelligence (AI) ecosystem and artificial general intelligence.

The government also set aside KRW 60 billion as support funds for graduate students at science and engineering colleges and KRW 2.9 trillion for basic science research. Another KRW 2.2 trillion has been allocated for global R&D projects and KRW 1 trillion for innovative research projects.