S. Korea's current account surplus jumps to 6.07 bln USD in Sept.

SEOUL, Oct. 30 (Xinhua) -- South Korea's current account surplus jumped in September to 6.07 billion U.S. dollars due to export rebound that offset continued reduction in imports, data by the central bank showed Tuesday.

Current account surplus reached 6.07 billion dollars in September, up from a revised surplus of 2.5 billion dollars for August, according to the Bank of Korea (BOK). The September figure neared to the record high of 6.14 billion dollars tallied in July.

The current account balance maintained its surplus trend for eight months through September due mainly to continued reduction in imports, indicating that the South Korean economy may slip into the so-called recession-type surplus.

For the first nine months of this year, the surplus amounted to 28.46 billion dollars, up from 15 billion dollars for the same period of last year. The current account is the broadest measure of international trade, including goods, services and investment income.

The positive figure for September was mainly attributable to an export rebound. On a work-in-progress basis, exports grew 1.1 percent on-year to 47.72 billion dollars last month. It marked the first rebound in three months and the largest amount in 14 months.

Overseas shipment of petroleum and chemical products recorded a positive growth on an on-year basis, while a negative growth trend for exports of automobiles and telecommunication devices eased sharply, contributing to the export rebound.

"Labor strikes in major carmakers ended last month, leading to the improvement in exports. The current account balance is expected to keep its surplus trend in October as well," Kim Young- bae, director general of the BOK's economic statistics department, told reporters.

Imports amounted to 42.07 billion dollars in September. The reading was up from 40.38 billion dollars in the prior month, but was down 6.7 percent from a year before. The on-year reduction sent the goods account balance to a surplus of 5.64 billion dollars in September, up from a 2.51 billion dollar surplus for August.

The service account, which measures the flow of travel, transport costs and royalties, logged a surplus of 320 million dollars in September, a turnaround from a deficit of 260 million dollars in the previous month. The turnaround was ascribable to an enhancement in the travel account balance that posted a deficit of 480 million dollars, down from a deficit of 800 million dollars in August.

The primary income account, including monthly salaries and investment income, registered a surplus of 200 million dollars last month, down from a surplus of 440 million dollars in the prior month due to an increase in dividend payment.

The financial account, which gauges cross-border investment, recorded an outflow of 5.2 billion dollars in September, up from an outflow of 610 million dollars in the previous month. For the first nine months of this year, the account logged an outflow of 23.46 billion dollars.

Net outflow in direct investment widened to 2.38 billion dollars in September from 1.61 billion dollars in August as overseas investment by local residents increased last month.

Portfolio investment, including stock and bond investment, posted a net inflow of 2.67 billion dollars last month, up from an inflow of 580 million dollars for August. The expansion came as foreigners were net buyers in the local bond market.

Other investment account, including trade credit and foreign debts, marked a net outflow of 4.46 billion dollars in September, shifting from a net inflow of 1.46 billion dollars in the previous month. The shift into outflow was attributed to an increase in overseas deposits by domestic financial institutions.