

# Contents

Overview .....	i
I. Macroeconomic Outlook .....	1
I.1 International Developments .....	2
Box I.1.I High Frequency Trading and Regulatory Approaches .....	6
Box I.1.II Crowdfunding .....	9
I.2 Domestic Developments .....	13
Box I.2.I Financial Stress Index as an Early Warning Indicator .....	16
II. Non-Financial Sector .....	20
II.1 Household Developments .....	21
Box II.1.I The Impact of Monetary Policy Shock on General Purpose Loan within the Framework of Macroprudential Measures .....	26
II.2 Real Sector Developments .....	29
Box II.2.I Borrowing Preferences of Real Sector from Cost Perspective .....	36
III. Financial Sector .....	41
III.1 Credit Developments and Credit Risk .....	42
III.2 Liquidity Risk .....	50
Box III.2.I Swap Transactions .....	56
III.3 Interest Rate and Exchange Rate .....	58
III.4 Profitability and Capital Adequacy .....	60
Box III.4.I Decomposition of Items with Temporary Effects on Profitability .....	63
IV. Special Topics .....	67
IV.1 A New Approach to Balance Sheets: Financial Risk Rating for Real Sector Firms .....	67
IV.2 Corporate Sector Credit Risk .....	75
IV.3 Central Bank Policies and Maturity Management in the Banking Sector ...	79
IV.4 FX Risk and Banks' Supply of Credit .....	91
IV.5 External Debt Risks of the Banking Sector .....	98
Charts, Tables and Figures .....	102
Abbreviations .....	107