
KDI Raises South Korea's 2025 Growth Forecast to 0.9%



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Seoul, November 11 (RKI) – South Korea's state-run Korea Development Institute (KDI) has revised upward its 2025 economic growth forecast to 0.9 percent, citing improvements in exports and domestic consumption.

The new projection marks a slight increase from the 0.8 percent estimate issued three months ago.

The country's real gross domestic product (GDP) grew 2.0 percent in 2024, showing gradual recovery after a weak first quarter.

KDI attributed the revised outlook to a rebound in exports and household spending, noting that seasonally adjusted GDP rose 1.2 percent in the third quarter, following gains of 0.7 percent in the second quarter and a 0.2 percent contraction in the first.

Exports of goods are now expected to grow 2.9 percent in 2025, compared to the earlier forecast of 1.2 percent. Private consumption and facility investment are projected to expand 1.3 percent and 2.5 percent, respectively, while construction investment is forecast to decline 9.1 percent.

Looking ahead to 2026, KDI expects GDP growth of 1.8 percent, supported by steady consumer spending despite moderating export growth. The current account surplus is projected at 115.9 billion U.S. dollars in 2025 and 103.7 billion dollars in 2026, with inflation expected to stay near 2 percent.

The think tank also forecasts 170,000 new jobs in 2025 and 150,000 in 2026, signaling cautious optimism for a gradual economic rebound.