

South Korea's Financial Landscape: AI Integration, CBDC Pilots, and K-Culture

South Korea Finance · Practice Test · 16 Questions

1. What is the primary focus of South Korea's most recent Central Bank Digital Currency (CBDC) pilot project, "Project Hangang," launched in April 2025?

- A) Testing wholesale CBDC for interbank settlements.
- B) Distributing government subsidies and welfare vouchers digitally.
- C) Facilitating cross-border payments with other central banks.
- D) Exploring the use of CBDC for energy sector transactions.

2. In the context of South Korea's evolving real estate market in 2025, what demographic shift is significantly driving the demand for compact living spaces and studio apartments?

- A) An increase in extended family households.
- B) A notable rise in single-person households.
- C) A decline in the number of young professionals.
- D) A surge in demand for large, multi-generational homes.

3. Which sector has seen a significant increase in venture capital investment in South Korea during 2024 and early 2025, according to recent reports?

- A) Video, Performance, and Music.
- B) Traditional manufacturing.
- C) Artificial Intelligence (AI) and Biotechnology.
- D) Textile and apparel industry.

4. The 'AI Basic Act,' enacted in South Korea in 2024, aims to position the nation as a global leader in technology. What is a key financial commitment associated with this initiative?

- A) A pledge of \$500 million for AI research over five years.
- B) An investment of over KRW 150 trillion (USD 115+ billion) for AI development and infrastructure.
- C) A focus on subsidizing AI hardware imports by 20% annually.
- D) The establishment of a national AI innovation fund with KRW 10 trillion.

5. Which cultural phenomenon is a significant driver of South Korea's intellectual property exports, with projections targeting \$36 billion by 2030?

- A) Traditional Korean opera and theatre.
- B) The Korean Wave (Hallyu), encompassing K-pop, K-dramas, and gaming.
- C) Historical reenactments and folk festivals.
- D) The proliferation of traditional Korean calligraphy and art.

6. As of early 2025, what is the projected market value for smart home devices in South Korea, reflecting the integration of technology into real estate?

- A) \$500 million
- B) \$2 billion
- C) \$5 billion
- D) \$10 billion

7. South Korea's incoming central bank chief, Shin Hyun-song, has emphasized a vision for the country's digital currency landscape. What is his stance on stablecoins relative to Central Bank Digital Currencies (CBDCs)?

- A) Stablecoins should replace CBDCs as the primary digital currency.
- B) CBDCs should be the core of the system, with stablecoins playing supporting roles.
- C) Both CBDCs and stablecoins are considered obsolete and will be phased out.
- D) Private stablecoins are preferred over government-issued CBDCs due to decentralization.

8. In 2024, South Korea's venture investment reached approximately KRW 11.9 trillion. Compared to pre-COVID-19 levels (2020), what was the percentage increase?

- A) 15.2%
- B) 25.8%
- C) 47.5%
- D) 60.1%

9. The 'S.N.A.K.E.' trend identified for South Korea's 2025 consumer market includes 'K-Culture.' How are retailers leveraging this trend?

- A) By focusing solely on traditional Korean music.
- B) By merging commerce with Korean culture to attract global consumers.
- C) By promoting historical tourism through retail promotions.
- D) By exclusively selling imported cultural goods.

10. What percentage of South Koreans are expected to be aged 65 or older by 2025, impacting housing preferences and demand for specific facilities?

- A) Around 10%
- B) Nearly 20%
- C) Approximately 25%
- D) Over 30%

11. According to a report by the Korea Chamber of Commerce and Industry (KCCI) for 2025, what is the projected retail market growth rate for South Korea, reflecting economic uncertainties?

- A) Approximately 5%
- B) Around 1-2%
- C) Just 0.4%
- D) Over 7%

12. In South Korea's fintech sector, which payment platform has integrated solutions into the popular KakaoTalk messaging app, allowing seamless money transfers and bill payments?

- A) Toss
- B) Naver Pay
- C) Kakao Pay
- D) Upbit

13. The South Korean government has prioritized affordable housing as part of a strategy to reduce economic inequality. By 2025, what percentage of housing needs in areas like Seoul and Busan does it aim to accommodate with these initiatives?

- A) 10%
- B) 15%
- C) 30%
- D) 50%

14. Which industry dominates South Korea's intellectual property exports, accounting for over half of the total?

- A) Automotive manufacturing.
- B) Semiconductor production.
- C) The gaming sector.
- D) Cosmetics and beauty.

15. South Korea's ambition to become a global leader in the metaverse is supported by its IT infrastructure and government initiatives. What is the projected market size for the South Korean metaverse market by 2035, according to some reports?

- A) USD 15 billion
- B) USD 30 billion
- C) USD 59 billion
- D) USD 100 billion

16. Despite increased housing costs and inflation, spending on which category saw a double-digit growth rate among young South Koreans (under 39) in the first quarter of 2025?

- A) Transportation
- B) Food and non-alcoholic beverages
- C) Clothing and footwear
- D) Entertainment and culture