

South Korea's Economic Pulse: Hallyu Boom, Digital Currency Push, and Shifts

South Korea Economy · Practice Test · 18 Questions

1. What has been a significant driver of increased tourism expenditures in South Korea, crossing the 1.3 trillion won threshold recently?

- A) A surge in K-pop concert attendance and drama releases
- B) A government initiative to boost domestic travel
- C) Increased demand for traditional Korean cuisine
- D) A rise in business tourism for tech conferences

2. Which sector has seen the largest share of foreign tourist spending in South Korea, directly linked to the consumption of Korean wave (Hallyu) content?

- A) Shopping (38.4%)
- B) Accommodation and transit (25%)
- C) Cultural performances (15%)
- D) Educational institutions (10%)

3. What is a key focus of South Korea's central bank digital currency (CBDC) pilot project, as announced in October 2023?

- A) Developing underlying wholesale (interbank) CBDC infrastructure with a 'unified ledger' concept
- B) Launching a retail CBDC for immediate public use
- C) Issuing a cryptocurrency backed by gold reserves
- D) Testing blockchain technology for stock trading

4. According to recent reports in May 2026, what is the projected nationwide increase for housing sale prices in South Korea for the year 2026?

- A) A 1.3% increase
- B) A 5% decrease
- C) A 10% increase
- D) A 0.5% increase

5. In May 2026, South Korea's annual inflation rate accelerated to what percentage, surpassing market forecasts?

- A) 3.1%
- B) 2.0%
- C) 4.5%
- D) 1.5%

6. Which sector in South Korea's fintech market held a significant share in 2024 and is expected to continue growing due to extensive online and mobile transactions?

- A) Digital Payments
- B) Insurtech
- C) Alternative Financing
- D) Personal Finance

7. As of May 2026, what has been the trend in South Korea's household spending on alcohol, marking the sharpest drop in seven years?

- A) It has seen a 9% drop from the previous year
- B) It has increased by 5%
- C) It has remained stagnant
- D) It has doubled compared to the previous year

8. What is a major trend observed in South Korea's real estate market, particularly in Seoul, where demand is concentrating?

- A) High-quality assets, prime locations, and scarcity
- B) Affordable housing in suburban areas
- C) Commercial properties outside of major cities
- D) Industrial land for manufacturing

9. Which of these is NOT a key area of focus for South Korea's government plan to expand cultural exports to 50 trillion won by 2030?

- A) Music, dramas, webtoons, beauty products, and food
- B) Technology, manufacturing, and heavy industry
- C) Music, dramas, webtoons, beauty products, and food
- D) Technology, manufacturing, and heavy industry

10. What factor is identified as a primary driver for the recent weakening of the South Korean won against the US dollar, reaching levels not seen since the global financial crisis?

- A) Speculative activity in the offshore non-deliverable forwards (NDFs) market
- B) A sudden decrease in South Korea's export volume
- C) A major natural disaster impacting the economy
- D) A significant increase in domestic consumer demand

11. In early 2026, what shift in consumer behavior was observed in South Korea regarding overseas travel?

- A) Consumers increasingly opted for domestic shopping and spending due to high travel costs
- B) There was a significant rise in overseas travel bookings
- C) Consumers shifted their spending from retail to entertainment abroad
- D) Demand for international vacation packages surged

12. What is a significant trend in South Korea's labor market, where a large portion of the highly educated workforce is reportedly stuck in lower-quality jobs?

- A) Government policies that penalize growth and fragment markets, favoring small businesses
- B) A lack of skilled workers in the technology sector
- C) A decline in the demand for university graduates
- D) The automation of most entry-level positions

13. Which of the following is a prominent trend in South Korea's fintech market, driven by technological advancements and high smartphone penetration?

- A) The dominance of digital payments
- B) A return to traditional banking methods
- C) A decrease in online transaction volume
- D) An increase in the use of physical cash for purchases

14. What is a key characteristic of South Korea's stock market rally, as of May 2026, driven by semiconductor giants?

- A) It is the world's best-performing stock market, with the KOSPI index nearly doubling
- B) The rally is primarily driven by the real estate sector
- C) Foreign investors are significantly reducing their holdings
- D) The focus is on traditional manufacturing and shipbuilding stocks

15. What aspect of South Korean workplace culture has seen increased reporting and awareness following new laws and the implementation of a 52-hour workweek?

- A) 'Gapjil' (abusive behavior by those in positions of power)
- B) The mandatory attendance at after-work staff gatherings ('hoesik')
- C) The strict hierarchical structure of companies
- D) The emphasis on long working hours

16. What is a notable trend in South Korean consumer habits, particularly among younger generations, influencing spending patterns in 2025-2026?

- A) A shift towards 'low-consumption living' and minimizing unnecessary spending
- B) An increase in 'revenge spending' on luxury goods
- C) A growing preference for frequent mall visits and new outfit purchases
- D) A significant rise in impulse buying fueled by social media trends

17. Which sector has been identified as the largest contributor to South Korea's cultural intellectual property (IP) exports, according to recent reports?

- A) Gaming
- B) K-pop music
- C) Film and television dramas
- D) Literature and webtoons

18. What is a significant development in South Korea's approach to digital assets, as outlined in its 2026 economic growth blueprint?

- A) Establishing a clear regulatory framework for stablecoins and integrating digital currencies into national financial operations
- B) Banning all cryptocurrency trading and investing
- C) Focusing solely on the development of decentralized autonomous organizations (DAOs)
- D) Promoting the use of physical currency for all government transactions