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**South Korean small and medium-sized enterprises (SMEs) exports totaled USD 27.76 billion in Q1 2024, marking a 3.6% increase**

- After shifting to a growth trend in exports in 4Q 2023, exports by SMEs increased for two consecutive quarters.
- Exports of cosmetics products soared 30.1% compared to the same period in 2023, driving export growth.
  - By country, shipment to the United States increased by 24.5%, becoming the top destination in SMEs' exports.

**Sejong, May 29, 2024** – The Ministry of SMEs and Startups (MSS, Minister OH Youngju) released the 'Trends of Exports by South Korean SMEs in the First Quarter of 2024.'

In the first quarter of 2024, exports by South Korean SMEs amounted to USD 27.76 billion, marking a 3.6% increase compared to the same period in 2023. The primary reason for the surge in SME exports is the upward trend in the main products, such as cosmetics and plastic products. Additionally, increased demand resulting from the booming economy in key markets, including the United States, has also contributed to this growth.

SME exports, which turned positive since the fourth quarter of 2023 (+1.6%), continued to increase in the first quarter of 2024, marking a rebound for two consecutive quarters.

Quarterly SME export amounts and increase and decrease rates (in USD &%): Q2 2023, USD 27.9 billion (5.1% decrease) → Q3 2023, USD 26.9 billion (3.0% decrease) → Q4 2023, USD 28.1 billion (1.6% increase) → Q1 2024, USD 27.8 billion (3.6% increase)

In January, small and medium-sized enterprise (SME) exports increased by 18.2% compared to the same period in 2023. However, there was a 1.0% decrease in February and a 3.7% decrease in March. These decreases were due to a reduction in operating days.

Monthly Operating Days (Year-on-Year):

- January 2024: 24 days (+2.5 days)
- February 2024: 20.5 days (+1.5 days)
- March 2024: 22.5 days (+1.5 days)

In the first quarter, exports of seven major items from the top 10 South Korean SMEs, including cosmetics, plastic products, automotive parts, semiconductor manufacturing equipment, other machinery, semiconductors, and electronic appliances, increased compared to the same period in 2023.

In the case of cosmetics exports, there has been a shift to an upward trend in exports to China. There has been double-digit growth in exports to eight out of the top 10 export destinations, leading to the highest export value among product categories.

By country, cosmetics export amount & increase and decrease rates : 1st - China, USD 280 million (2.9% increase); 2nd - United States, USD 270 million(60.5% increase); 3rd - Japan, USD 170 million (18.3% increase), etc.

In the first quarter of 2024, SMEs' exports to seven major countries among the top 10 export destinations, including the United States, Vietnam, Russia, Hong Kong, India, Mexico, and Taiwan, increased compared to the same period in 2023.

During the first quarter of 2024, South Korean SMEs had the highest amount of exports to the United States. This increase was due to the U.S.'s favorable economic conditions and increased investment opportunities under the current industrial policies, resulting in higher machinery, automotive parts, and cosmetics exports. Specifically, cosmetics exports grew by 24.5% (an increase of USD 930 million) compared to the same period in 2023.

CHOI Won-young, Director General for Global Growth Policy, stated, "Since the fourth quarter of 2023, SME exports have been on the rise, driven by strong exports of key items such as cosmetics, turning positive until the first quarter of 2024." He added, "We will continue to vigorously support the momentum of export growth in 2024 by smoothly implementing the follow-up measures of the 'Support Plan for Globalization of SMEs and Startups' announced on May 8."