The BOK is already one of the most independent central banks in Asia. In my view, its policy framework is among the best Asia has on offer. (\textit{Korea Investment \\& Securities})

\textbf{Routable: where are we heading for?}

Despite a robust performance and optimal appetite for the Korean economy, uncertainties surrounding monetary policy and market sentiment may create a scenario in which it is not possible to determine in advance where the end of the route lies. In an effort to tackle the earthquake that hit the Korean economy, the government has introduced various policies and taken measures to stabilize the market. The BOK has also introduced monetary policies to support the national economy. At the same time, the market has focused on forecasting the end of the route in terms of monetary policy and market sentiment.

\textbf{Growth and inflation}

Inflation risk

Emerging economies, reversing advanced economies from new source of global liquidity

Policy to tackle the earthquake

\textbf{Analysis}

\textbf{Uncertainties cloud Korean economy}

\textbf{Global liquidity's U-turn to emerging markets}

\textbf{Prices of crude, raw materials}

\textbf{Monetary policy}

Inflation is harmful to consumption because Korean households' savings rate is very low at roughly 3 percent. Inflation quickly eats into consumer sentiment.