



News

The Armchair Observer

I too could not resist it. Every single friend of mine urged me to watch Squid Game and finally I gave in...



Samir Mehta

30 Nov 2021

Hallyu - 'the Korean wave'

I too could not resist it. Every single friend of mine urged me to watch Squid Game and finally I gave in. In my opinion, it was predictable (good usually triumphs over evil), sometimes torturously (excuse the pun) slow but I did enjoy a novel experience. Women starring in strong roles in a Korean production; an immigrant featured quite prominently; tackling entrenched societal issues around class; inequality with rising indebtedness; capitalism with a winner takes all approach - can free will exist in these conditions?

Two decades ago, with the aim of diversifying its economy, South Korea set its sights on developing its cultural industries. In 1994, a government white paper famously noted that a single blockbuster movie, Jurassic Park, earned the equivalent of selling 1.5 million Hyundai cars. And so, the government abolished strict censorship rules, established a new commercial broadcasting system and developed legislation like the Korean Film Promotion Act of 1995. "They realized that a single good cultural product could be very lucrative and would probably sustain the Korean economy in ways that maybe car sales, with all the competition, might not. And that investment was necessary" said Associate Professor Maliangkay – Channel News Asia October 2021.

The cultural impact of Korean movies, dramas, songs and now serials has long been in the making. Nothing ever happens overnight but Koreans can certainly bask in this glory.

My approach to investments in South Korea was fashioned in the world of capital-intensive, old school,

cyclical businesses, usually burdened by debt. The 1997/98 Asian Financial crisis bankrupted many but also provided the starting point for a renaissance in the arts. These creative industries, along with fintech, online games and crypto-related businesses are the likely hunting grounds for newer investments.



51.6^m
Instagram followers
(October 2021)



142^m
households watched the
entire series; ranked no. 1
on Netflix in 94 countries
(September 2021)



4.16^{bn}
views on YouTube and first
music video to reach 1
Billion views
(August 2021)



WINNER
of an Oscar for best
international film and first
Korean movie to do so
(February 2020)



13/100
on Billboard Hot 100. Highest
Charting female Korean act with
'Ice Cream' in 2020
(August 2020)



WINNER
of an Oscar for best supporting actress
for her performance in "Minari" and
made history by becoming the first
Korean actor to win an Academy Award
(August 2020)

Disclaimer

Past performance is no guarantee of future performance. This is a marketing communication. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. Investing in companies in emerging markets involves higher risk than investing in established economies or securities markets. Emerging Markets may have less stable legal and political systems, which could affect the safe-keeping or value of assets. The Fund's investments may include shares in small-cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile. The information contained herein including any expression of opinion is for information purposes only and is given on the understanding that it is not a recommendation. Information on the rights of investors can be found [here](#).

Legal

This website is issued and approved in the UK by J O Hambro Capital Management Limited, which is authorised and regulated by the Financial Conduct Authority. Registered office: Level 3, 1 St James's Market, London SW1Y 4AH. Registered in England and Wales under No: 2176004. Issued in the European Union by JOHCM Funds (Ireland) Limited which is authorised by the Central Bank of Ireland.

Registered office: Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland. J O Hambro is a registered trademark owned by and used under licence from Barnham Broom Holdings Limited. JOHCM® is owned by J O Hambro Capital Management Limited. Telephone calls may be recorded.

© 2021 J O Hambro Capital Management Limited. All rights reserved.