



EUROPEAN CENTRAL BANK

EUROSYSTEM

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PRESS RELEASE

EURO AREA BALANCE OF PAYMENTS IN JUNE 2011

In June 2011 the seasonally adjusted current account of the euro area recorded a deficit of EUR 7.4 billion. In the financial account, combined direct and portfolio investment recorded net inflows of EUR 94 billion (non-seasonally adjusted).

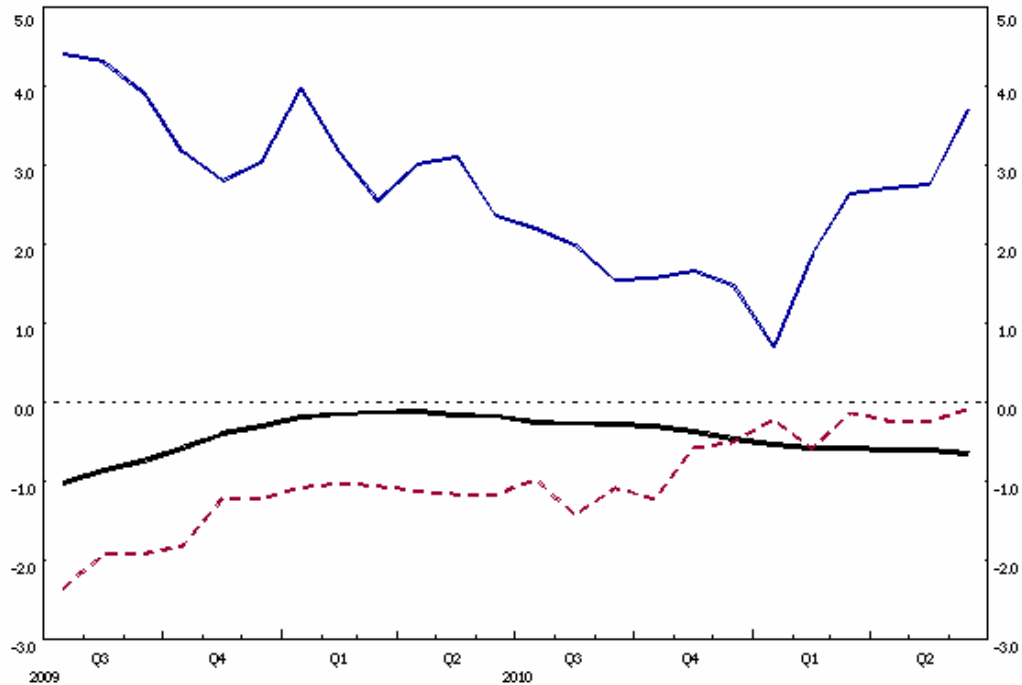
Current account

The seasonally adjusted *current account* of the euro area recorded a deficit of EUR 7.4 billion in June 2011 (see Table 1). This reflected deficits for *current transfers* (EUR 10.8 billion) and *income* (EUR 1.5 billion), which were partly offset by surpluses for *services* (EUR 4.4 billion) and *goods* (EUR 0.6 billion).

The 12-month cumulated seasonally adjusted *current account* recorded a deficit of EUR 59.9 billion in June 2011 (around 0.6% of euro area GDP; see Table 1 and Chart 1), compared with a deficit of EUR 15.7 billion a year earlier. This increase resulted mainly from a decrease in the surplus for *goods* (from EUR 37.3 billion to EUR 0.8 billion).

Chart 1. Euro area balance of payments: 12-month cumulated transactions
(as a percentage of GDP)

— **current account balance** (seasonally adjusted)
 - - - **net direct investment** (non-seasonally adjusted)
 — **net portfolio investment** (non-seasonally adjusted)



Source: ECB.

Financial account

In the financial account (see Table 2), *combined direct and portfolio investment* recorded net inflows of EUR 94 billion in June 2011, as a result of net inflows both for *portfolio investment* (EUR 88 billion) and for *direct investment* (EUR 6 billion).

The net inflows for *direct investment* resulted from net inflows in *other capital (mostly inter-company loans)* (EUR 11 billion), which were partly offset by net outflows in *equity capital and reinvested earnings* (EUR 5 billion).

Portfolio investment recorded net inflows in *debt instruments* (EUR 75 billion) and in *equity* (EUR 13 billion). The net inflows in *debt instruments* resulted mainly from net purchases of euro area *bonds and notes* by non-residents (EUR 61 billion).

The *financial derivatives* account recorded net inflows of EUR 3 billion.

Other investment recorded net outflows of EUR 88 billion, reflecting predominantly net outflows for *MFIs excluding the Eurosystem* (EUR 79 billion) and for *other sectors* (EUR 11 billion).

The [Eurosystem's stock of reserve assets](#) decreased by EUR 12 billion in June 2011 (from EUR 593 billion to EUR 581 billion), of which EUR 2 billion was accounted for by transactions.

In the 12-month period to June 2011 *combined direct and portfolio investment* recorded cumulated net inflows of EUR 333 billion, compared with net inflows of EUR 107 billion in the preceding 12-month period. This increase was the result of higher net inflows for *portfolio investment* (EUR 342 billion, up from EUR 212 billion) and lower net outflows for *direct investment* (EUR 9 billion, down from EUR 105 billion). The higher net inflows for *portfolio investment* mainly reflected higher net inflows in *bonds and notes* (EUR 140 billion, up from EUR 51 billion).

Data revisions

This press release incorporates revisions to the data for May 2011. These revisions have not significantly changed the previously published data.

Additional information on the euro area balance of payments and international investment position

In this press release, the seasonally adjusted current account refers to working day and seasonally adjusted data. Data for the financial account are not working day or seasonally adjusted.

In line with the agreed allocation of responsibilities, the European Central Bank compiles and disseminates monthly and quarterly balance of payments statistics for the euro area, whereas the European Commission (Eurostat; see news releases for "Euro-indicators") focuses on quarterly and annual aggregates for the European Union. These data comply with international standards, particularly those set out in the IMF's Balance of Payments Manual (fifth edition). The aggregates for the euro area and the European Union are compiled consistently on the basis of transactions and positions vis-à-vis residents of countries outside the euro area and the European Union respectively.

A complete set of updated euro area balance of payments statistics (including a quarterly geographical breakdown for the main counterparts) and international investment position statistics is available in the "Statistics" section of the ECB's website under the headings ["Data services"/"Latest monetary, financial markets and balance of payments statistics"](#). These data, as well as historical euro area balance of payments time series, can be downloaded from the [ECB's Statistical Data Warehouse \(SDW\)](#). [ECB's Statistical Data Warehouse \(SDW\)](#). Data up to June 2011 will also be published in the September 2011 issues of the ECB's Monthly Bulletin and Statistics Pocket Book. Detailed [methodological notes](#) are available on the ECB's website. The [next press release](#) on the euro area monthly balance of payments will be published on 16 September 2011.

Annexes

Table 1: Current account of the euro area

Table 2: Monthly balance of payments of the euro area

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Table 1: Current account of the euro area

(EUR billions unless otherwise indicated; transactions; working day and seasonally adjusted data)

	Cumulated figures for the 12-month period ending		2010						2011					
	June 2010	June 2011	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
CURRENT ACCOUNT	-15.7	-59.9	-3.3	-2.5	-2.2	-3.1	-6.8	-7.6	-4.8	-7.4	-3.7	-5.4	-5.6	-7.4
<i>Memo: as a percentage of GDP</i>	-0.2	-0.6												
Credit	2,403.1	2,739.3	220.3	220.4	219.6	223.9	225.7	223.5	232.5	232.8	235.1	235.2	237.0	233.3
Debit	2,418.8	2,799.2	223.6	222.9	221.8	227.0	232.5	231.1	237.3	240.3	238.8	240.6	242.6	240.7
Goods	37.3	0.8	0.8	1.8	5.3	2.1	-1.3	-1.7	-1.8	-3.0	-1.3	-3.8	3.1	0.6
Credit (exports)	1,410.3	1,678.5	132.0	133.7	133.7	136.4	136.9	135.3	142.6	144.1	145.1	146.9	147.5	144.2
Debit (imports)	1,373.0	1,677.7	131.1	131.9	128.4	134.3	138.2	137.1	144.4	147.0	146.4	150.7	144.4	143.6
Services	38.1	46.3	3.6	3.5	4.1	3.0	4.9	2.9	5.1	3.8	3.7	3.3	4.2	4.4
Credit (exports)	489.7	527.9	43.3	43.0	43.6	43.1	45.2	43.5	45.5	44.2	44.4	43.6	44.3	44.3
Debit (imports)	451.7	481.6	39.7	39.5	39.6	40.1	40.4	40.7	40.4	40.3	40.7	40.3	40.1	39.9
Income	4.4	-5.8	0.6	0.6	-3.1	-0.7	-2.4	-0.4	-0.1	0.3	2.3	2.8	-4.1	-1.5
Credit	414.3	443.3	37.3	36.3	34.6	36.3	36.0	37.0	36.6	36.8	38.1	36.9	38.8	38.6
Debit	409.9	449.1	36.7	35.7	37.7	37.0	38.4	37.4	36.7	36.6	35.8	34.0	42.9	40.2
Current transfers	-95.5	-101.3	-8.2	-8.4	-8.5	-7.5	-8.0	-8.3	-8.1	-8.6	-8.4	-7.7	-8.8	-10.8
Credit	88.8	89.6	7.8	7.4	7.6	8.0	7.6	7.6	7.8	7.8	7.5	7.8	6.5	6.1
Debit	184.3	190.8	16.0	15.8	16.1	15.5	15.6	15.9	15.8	16.3	15.9	15.5	15.3	17.0

Source: ECB.

Table 2: Monthly balance of payments of the euro area

(EUR billions; transactions; non-working day and non-seasonally adjusted data)

	Cumulated figures for the 12-month period ending						May 2011 (revised)			June 2011		
	June 2010			June 2011								
	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit
CURRENT ACCOUNT	-16.7	2,408.9	2,425.5	-63.4	2,750.9	2,814.3	-18.7	243.8	262.5	-3.3	240.0	243.3
Goods	37.6	1,416.2	1,378.6	0.5	1,688.0	1,687.4	1.0	151.4	150.3	0.9	145.9	145.0
Services	38.1	490.4	452.3	45.7	529.1	483.4	4.7	44.8	40.1	6.0	46.5	40.5
Income	3.1	414.5	411.4	-7.7	443.9	451.6	-18.2	40.6	58.8	-2.3	42.1	44.5
Current transfers	-95.5	87.7	183.2	-102.0	89.9	191.9	-6.2	7.1	13.3	-8.0	5.4	13.4
CAPITAL ACCOUNT	6.7	20.9	14.2	6.4	21.5	15.1	0.5	1.4	0.9	0.3	1.3	1.0
	Balance	Assets	Liabilities	Balance	Assets	Liabilities	Balance	Assets	Liabilities	Balance	Assets	Liabilities
FINANCIAL ACCOUNT¹⁾	9.0			48.9			18.6			10.3		
DIRECT INVESTMENT²⁾	-105.3	-276.8	171.5	-9.0	-118.4	109.4	-3.8	-8.1	4.3	5.6	6.7	-1.1
Equity capital and reinvested earnings	70.9	-155.2	227.2	-14.3	-92.5	78.9	0.8	-2.9	3.6	-4.9	-5.3	0.3
Other capital (mostly inter-company loans)	-177.2	-121.6	-55.6	5.0	-25.9	30.5	-4.6	-5.2	0.6	10.5	12.0	-1.4
PORTFOLIO INVESTMENT	212.4	-137.9	350.3	341.6	-100.8	442.4	55.8	-11.9	67.6	88.3	23.3	65.0
Equity	45.4	-104.3	149.7	88.0	-58.9	147.0	-21.7	-8.0	-13.7	13.1	8.5	4.5
Debt instruments	167.0	-33.6	200.6	253.6	-41.8	295.4	77.4	-3.9	81.4	75.2	14.8	60.5
Bonds and notes	51.4	-98.8	150.2	139.4	-64.9	204.3	40.1	-9.4	49.5	63.9	3.1	60.8
Money market instruments	115.6	65.3	50.4	114.2	23.1	91.2	37.4	5.5	31.9	11.3	11.7	-0.3
MEMO ITEM: COMBINED DIRECT AND PORTFOLIO INVESTMENT	107.1	-414.7	521.8	332.6	-219.1	551.8	51.9	-20.0	71.9	93.9	30.0	63.9
FINANCIAL DERIVATIVES (NET)	7.7			5.2			1.7			2.8		
OTHER INVESTMENT	-102.5	17.0	-119.5	-275.7	-222.0	-53.7	-31.8	-111.3	79.5	-87.9	85.9	-173.9
Eurosystem	-52.4	11.7	-64.1	15.7	-15.8	31.6	6.9	1.5	5.3	0.7	-0.6	1.3
General government	-7.6	-17.0	9.4	68.2	-24.2	92.4	12.9	2.1	10.8	1.5	-1.7	3.2
of which: currency and deposits	0.5	0.5		-0.0	-0.0		0.4	0.4		-2.5	-2.5	
MFIs (excluding the Eurosystem)	-23.3	35.0	-58.2	-288.3	-107.2	-181.0	-30.3	-86.5	56.2	-78.8	91.9	-170.7
Long-term	27.9	9.0	18.9	79.5	43.2	36.3	-5.0	-7.6	2.6	-7.7	-2.6	-5.1
Short-term	-51.2	26.0	-77.2	-367.8	-150.5	-217.3	-25.4	-78.9	53.5	-71.1	94.5	-165.6
Other sectors	-19.2	-12.6	-6.6	-71.5	-74.8	3.4	-21.3	-28.4	7.2	-11.3	-3.7	-7.7
of which: currency and deposits	19.4	19.4		-10.2	-10.2		-3.5	-3.5		-0.8	-0.8	
RESERVE ASSETS	-3.3	-3.3		-13.2	-13.2		-3.1	-3.1		1.5	1.5	
Errors and omissions	1.0			8.1			-0.4			-7.3		

Source: ECB.

1) Financial account: inflows (+); outflows (-). Reserve assets: increase (-); decrease (+).

2) Direct investment: assets refer to direct investment abroad and liabilities to direct investment in the euro area.