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PRESS RELEASE

EURO AREA BALANCE OF PAYMENTS IN SEPTEMBER 2012

In September 2012 the seasonally adjusted current account of the euro area recorded a surplus of €0.8 billion. In the financial account, combined direct and portfolio investment recorded net outflows of €3.6 billion (non-seasonally adjusted).

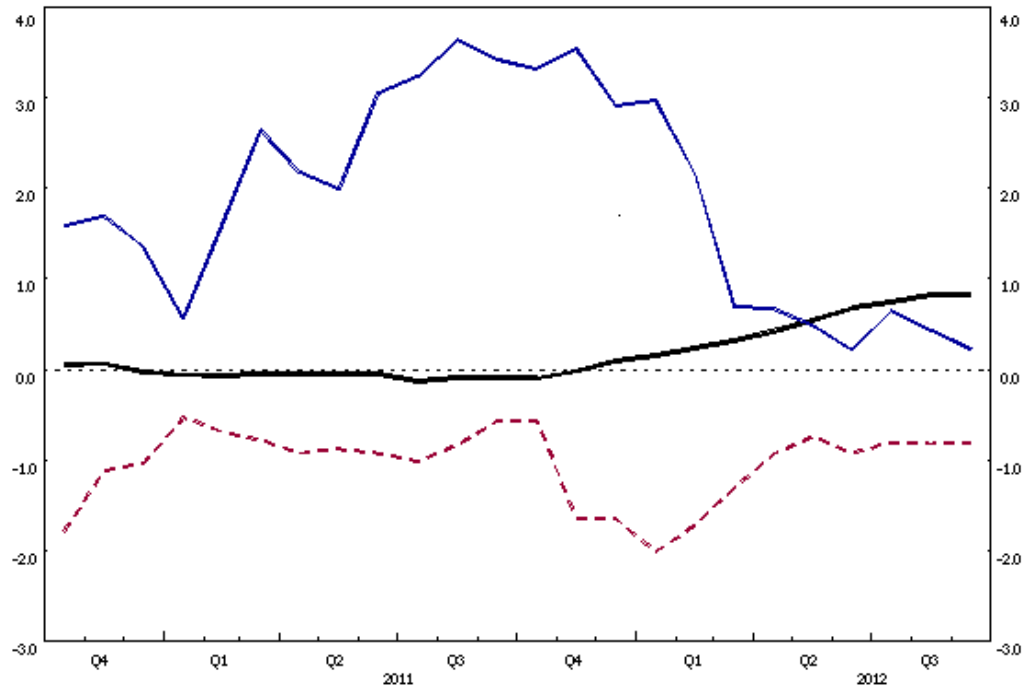
Current account

The seasonally adjusted *current account* of the euro area recorded a surplus of €0.8 billion in September 2012 (see Table 1). This reflected surpluses for goods (€4.5 billion) and services (€6.4 billion), which were partially offset by a deficit for *current transfers* (€10.1 billion). The *income* account was in balance.

The 12-month cumulated seasonally adjusted *current account* recorded a surplus of €77.8 billion in September 2012 (around 0.8% of euro area GDP – see Table 1 and Chart 1), compared with a deficit of €7.6 billion a year earlier (around 0.1% of euro area GDP). This resulted from a shift for goods from deficit (€4.1 billion) to surplus (€71.0 billion) and an increase in the surplus for services (from €61.2 billion to €83.2 billion). These changes were offset by a decrease in the surplus for *income* (from €40.0 billion to €34.3 billion) and an increase in the deficit for *current transfers* (from €104.7 billion to €110.7 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 outflows of €4 billion in September 2012, as a result of net outflows for *direct investment* (€9 billion) that were partially offset by net inflows for *portfolio investment* (€5 billion).

The net outflows for *direct investment* mainly resulted from net outflows in *other capital* (mostly *inter-company loans*) (€13 billion).

The net inflows for *portfolio investment* mostly resulted from net inflows for *debt instruments* (€5 billion), which reflected net purchases of euro area *bonds and notes* by non-residents (€42 billion) and net sales of euro area *money market instruments* by non-residents (€21 billion).

The *financial derivatives* account recorded net outflows of €3 billion.

Other investment recorded net outflows of €2 billion, mainly reflecting net outflows for both the *Eurosystem* and *other sectors* (both €6 billion), which were partly offset by net inflows for *MFIs excluding the Eurosystem* (€8 billion).

The [Eurosystem's stock of reserve assets](#) increased by €18 billion in September 2012 (from €716 billion to €734 billion), mainly on account of an increase in the market price of gold. Transactions in September 2012 contributed to a decrease of €1 billion in the overall position.

In the 12-month period to September 2012 *combined direct and portfolio investment* recorded cumulated net outflows of €56 billion, compared with net inflows of €266 billion in the preceding 12-month period. This shift was largely the result of lower net inflows for *portfolio investment* (down from €319 billion to €21 billion), which in turn reflected a shift for *debt instruments* from net inflows (€192 billion) to net outflows (€86 billion).

Data revisions

This press release incorporates revisions to the data for August 2012. These revisions have not significantly altered the figures previously published for the *current*, *capital* and *financial accounts*.

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. Please note that the ECB performs a review of the seasonal adjustment settings for the euro area aggregate current account and component series (i.e. goods, services, income and current transfers: credit, debit and net flows) on an annual basis. Consequently, the seasonal factors for these aforementioned series have been updated from the period January 1999 onwards, affecting previously published seasonally adjusted data. The impact of these changes is not significant.

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 \(SDW\)](#). Data up to September 2012 will also be published in the December 2012 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 19 December 2012.

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		2011			2012								
	Sep. 2011	Sep. 2012	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.
CURRENT ACCOUNT	-7.6	77.8	-0.9	7.3	6.4	6.0	6.5	9.1	7.8	9.9	10.4	3.6	10.9	0.8
<i>Memo: as a percentage of GDP</i>	<i>-0.1</i>	<i>0.8</i>												
Credit	2,905.6	3,112.4	250.6	256.5	256.6	255.9	255.3	258.4	260.6	263.0	264.9	255.7	268.6	266.2
Debit	2,913.3	3,034.5	251.5	249.3	250.1	249.9	248.8	249.3	252.8	253.1	254.4	252.1	257.7	265.4
Goods	-4.1	71.0	-1.0	5.4	5.0	6.4	6.7	6.7	7.7	8.7	9.1	3.5	8.4	4.5
Credit (exports)	1,727.5	1,887.0	148.6	153.7	154.2	155.1	155.6	156.4	158.9	160.5	160.4	154.9	164.5	164.1
Debit (imports)	1,731.6	1,816.0	149.7	148.3	149.2	148.7	148.9	149.7	151.3	151.8	151.3	151.4	156.0	159.6
Services	61.2	83.2	6.0	6.4	6.7	5.9	7.0	8.9	7.3	7.1	7.5	5.9	8.1	6.4
Credit (exports)	565.2	606.8	49.6	49.1	49.9	48.7	49.9	50.3	50.9	51.4	52.5	50.1	53.1	51.3
Debit (imports)	504.0	523.6	43.6	42.8	43.2	42.8	42.8	41.4	43.6	44.3	45.0	44.2	45.0	44.9
Income	40.0	34.3	3.2	4.6	4.1	3.0	2.7	2.6	2.0	3.5	2.7	2.6	3.5	0.0
Credit	519.6	521.3	44.3	45.4	44.5	44.0	42.1	43.3	42.3	43.2	43.8	42.4	43.0	43.1
Debit	479.6	487.0	41.1	40.9	40.4	41.0	39.4	40.7	40.4	39.7	41.1	39.8	39.4	43.0
Current transfers	-104.7	-110.7	-9.1	-9.1	-9.3	-9.2	-9.9	-9.1	-9.2	-9.4	-8.9	-8.4	-9.2	-10.1
Credit	93.3	97.2	8.1	8.3	8.0	8.2	7.8	8.4	8.4	7.9	8.2	8.3	8.0	7.8
Debit	198.1	207.9	17.1	17.4	17.3	17.4	17.6	17.5	17.5	17.3	17.0	16.6	17.2	17.9

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						August 2012 (revised)			September 2012		
	September 2011			September 2012								
	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit
CURRENT ACCOUNT	-5.6	2,914.0	2,919.6	74.6	3,109.4	3,034.8	8.4	257.4	249.1	3.5	260.1	256.6
Goods	0.3	1,735.0	1,734.7	69.1	1,884.7	1,815.6	4.1	155.4	151.2	6.1	159.6	153.5
Services	61.2	566.4	505.2	83.5	607.1	523.6	8.5	55.7	47.2	8.2	52.7	44.5
Income	38.1	519.9	481.8	35.8	521.5	485.7	6.4	40.9	34.5	0.6	42.5	41.9
Current transfers	-105.1	92.7	197.8	-113.8	96.1	209.9	-10.7	5.4	16.1	-11.4	5.4	16.8
CAPITAL ACCOUNT	7.2	20.7	13.5	11.8	27.3	15.5	1.3	2.8	1.5	1.4	2.3	0.9
	Balance	Assets	Liabilities	Balance	Assets	Liabilities	Balance	Assets	Liabilities	Balance	Assets	Liabilities
FINANCIAL ACCOUNT¹⁾	-10.1			-87.1			-9.7			-7.1		
DIRECT INVESTMENT²⁾	-53.3	-336.3	283.0	-77.1	-313.6	236.5	-12.1	-26.5	14.3	-8.9	-19.9	11.0
Equity capital and reinvested earnings	17.4	-242.9	260.8	-57.2	-286.0	228.8	-6.6	-22.3	15.7	4.1	-4.1	8.2
Other capital (mostly inter-company loans)	-71.0	-93.5	22.2	-19.9	-27.7	7.7	-5.5	-4.2	-1.3	-13.0	-15.8	2.8
PORTFOLIO INVESTMENT	319.2	-26.9	346.1	21.3	-50.8	72.1	9.9	-19.5	29.5	5.3	-25.0	30.3
Equity	127.2	-7.4	134.6	107.6	35.0	72.6	15.1	-2.0	17.1	0.3	-8.9	9.3
Debt instruments	192.0	-19.5	211.5	-86.3	-85.8	-0.5	-5.2	-17.5	12.3	5.0	-16.1	21.0
Bonds and notes	226.7	-18.5	245.1	55.4	-43.3	98.7	28.1	-14.9	43.0	36.1	-6.2	42.2
Money market instruments	-34.7	-1.1	-33.6	-141.7	-42.5	-99.2	-33.3	-2.6	-30.7	-31.1	-9.9	-21.2
MEMO ITEM: COMBINED DIRECT AND PORTFOLIO INVESTMENT	265.9	-363.2	629.1	-55.8	-364.5	308.6	-2.2	-46.0	43.8	-3.6	-44.9	41.2
FINANCIAL DERIVATIVES (NET)	13.6			-32.4			-0.2			-2.6		
OTHER INVESTMENT	-284.3	-362.8	78.5	19.0	54.2	-35.2	-5.7	47.1	-52.9	-1.8	21.3	-23.1
Eurosystem	52.2	-11.7	63.9	116.7	3.1	113.6	0.9	0.2	0.7	-6.2	-1.5	-4.8
General government	89.7	-21.4	111.1	13.3	-4.7	18.0	-1.0	1.5	-2.5	2.1	6.5	-4.5
of which: currency and deposits	-1.9	-1.9		-7.6	-7.6		1.2	1.2		5.8	5.8	
MFIs (excluding the Eurosystem)	-338.4	-180.2	-158.2	-89.8	166.1	-255.8	-8.9	29.9	-38.8	8.4	36.1	-27.8
Long-term	28.2	-5.0	33.1	-37.2	19.8	-57.0	3.3	8.7	-5.5	-5.8	0.3	-6.1
Short-term	-366.6	-175.2	-191.4	-52.6	146.2	-198.8	-12.1	21.2	-33.3	14.2	35.8	-21.6
Other sectors	-87.7	-149.4	61.7	-21.2	-110.2	89.0	3.2	15.5	-12.2	-6.0	-19.9	13.9
of which: currency and deposits	-73.9	-73.9		-59.4	-59.4		3.4	3.4		-13.0	-13.0	
RESERVE ASSETS	-5.2	-5.2		-17.9	-17.9		-1.6	-1.6		1.0	1.0	
Errors and omissions	8.4			0.6			0.0			2.2		

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.