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PRESS RELEASE

EURO AREA BALANCE OF PAYMENTS IN APRIL 2012

In April 2012 the seasonally adjusted current account of the euro area recorded a surplus of €4.6 billion. In the financial account, combined direct and portfolio investment recorded net outflows of €15 billion (non-seasonally adjusted).

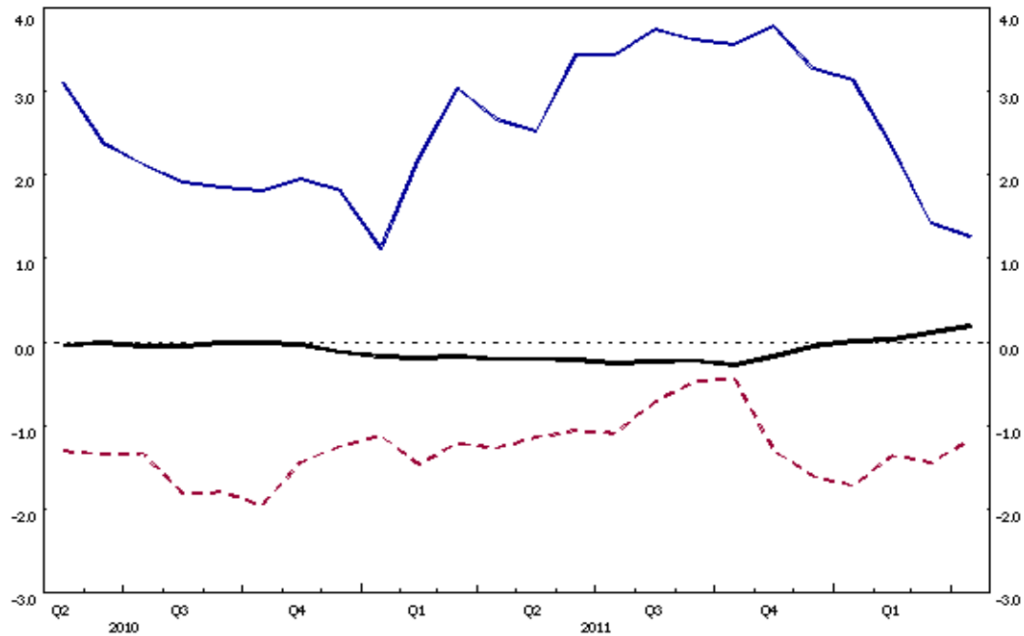
Current account

The seasonally adjusted *current account* of the euro area recorded a surplus of €4.6 billion in April 2012 (see Table 1). This reflected surpluses for *goods* (€7.5 billion), *services* (€5.9 billion) and *income* (€1.6 billion), which were partially offset by a deficit for *current transfers* (€10.4 billion).

The 12-month cumulated seasonally adjusted *current account* recorded a surplus of €18.8 billion in April 2012 (around 0.2% of euro area GDP – see Table 1 and Chart 1), compared with a deficit of €18.6 billion a year earlier (around 0.2% of euro area GDP). This change resulted from a shift for *goods* from deficit (€1.4 billion) to surplus (€26.5 billion) and an increase in the surplus for *services* (from €51.1 billion to €65.3 billion), which were partially offset by a decrease in the surplus for *income* (from €32.6 billion to €29.6 billion) and an increase in the deficit for *current transfers* (from €101.0 billion to €102.6 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 €15 billion in April 2012, as a result of net outflows for both portfolio investment (€9 billion) and direct investment (€6 billion).

The net outflows for direct investment resulted from net outflows in *equity capital and reinvested earnings* (€6 billion).

The net outflows for *portfolio investment* were mainly accounted for by net outflows for *equity* (€25 billion), which were partly offset by net inflows for *debt instruments* (€16 billion). The net outflows for *equity* resulted from net sales of euro area *equities* by non-residents (€19 billion), and from net purchases of foreign *equities* by euro area residents (€6 billion). The net inflows for *debt instruments* mainly resulted from net sales by euro area residents of foreign *bonds and notes* (€7 billion) and *money market instruments* (€10 billion).

The *financial derivatives* account recorded net inflows of €2 billion.

Other investment recorded net inflows of €12 billion, reflecting net inflows for *other sectors* (€9 billion), *general government* (€5 billion) and the *Eurosystem* (€1 billion), which were partly offset by net outflows for *MFIs excluding the Eurosystem* (€2 billion).

The [Eurosystem's stock of reserve assets](#) increased by €8 billion in April 2012 (to €680 billion), with net transactions contributing €3 billion to the overall increase.

In the 12-month period to April 2012, *combined direct and portfolio investment* recorded cumulated net inflows of €9 billion, compared with net inflows of €129 billion in the preceding 12-month period. This decrease was largely the result of lower net inflows for *portfolio investment* (down from €247 billion to €120 billion), which in turn reflected mainly a reduction of net purchases of euro area equities by non-euro area residents (down from €241 billion to €23 billion) and a switch for foreign equities from net purchases (€43 billion) to net sales (€62 billion) by euro area residents.

Data revisions

This press release incorporates revisions to the data for March 2012. Revisions in *portfolio and other investment* (€21 billion each) are mainly related to a reclassification from transactions to “other changes” in the euro area international investment position.

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 \(SDW\)](#). Data up to April 2012 will also be published in the July 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 July 2012, together with the quarterly international investment position.

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			
	Apr. 2011	Apr. 2012	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
CURRENT ACCOUNT	-18.6	18.8	-1.4	-1.3	-1.4	0.9	0.4	-3.0	4.2	3.0	3.7	-1.2	10.3	4.6
<i>Memo: as a percentage of GDP</i>	<i>-0.2</i>	<i>0.2</i>												
Credit	2,768.4	2,983.7	242.2	240.4	242.9	245.6	246.7	245.9	250.8	250.4	253.2	251.5	258.1	256.0
Debit	2,787.0	2,964.9	243.6	241.6	244.3	244.7	246.3	248.9	246.5	247.4	249.5	252.6	247.8	251.4
Goods	-1.4	26.5	2.0	0.3	-0.0	0.9	0.3	-2.9	2.9	2.2	3.3	1.4	8.7	7.5
Credit (exports)	1,654.8	1,816.5	146.3	144.7	146.4	148.7	148.6	147.7	152.0	152.7	154.7	156.3	158.8	159.6
Debit (imports)	1,656.1	1,790.0	144.3	144.5	146.4	147.8	148.4	150.5	149.1	150.5	151.4	155.0	150.1	152.1
Services	51.1	65.3	5.3	4.7	5.0	4.9	5.7	5.9	5.7	5.4	4.1	5.2	7.4	5.9
Credit (exports)	533.8	555.3	45.1	45.0	46.1	45.7	46.7	47.2	46.4	46.4	44.6	46.7	47.2	48.2
Debit (imports)	482.6	490.0	39.9	40.3	41.1	40.8	41.0	41.3	40.7	41.0	40.5	41.6	39.7	42.3
Income	32.6	29.6	-0.1	2.6	2.1	3.0	2.4	2.2	3.9	3.8	4.2	1.0	2.8	1.6
Credit	489.6	516.7	43.4	43.3	42.7	43.2	43.4	43.2	44.3	43.5	45.7	40.7	42.9	40.3
Debit	456.9	487.1	43.4	40.7	40.7	40.2	41.0	41.0	40.4	39.8	41.5	39.7	40.1	38.7
Current transfers	-101.0	-102.6	-8.6	-8.9	-8.5	-7.9	-8.1	-8.3	-8.2	-8.4	-7.9	-8.7	-8.7	-10.4
Credit	90.3	95.2	7.4	7.3	7.7	8.0	7.9	7.9	8.1	7.9	8.2	7.7	9.2	7.9
Debit	191.3	197.8	16.0	16.2	16.2	15.9	16.0	16.2	16.3	16.3	16.2	16.4	17.9	18.3

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						March 2012 (revised)			April 2012		
	April 2011			April 2012								
	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit
CURRENT ACCOUNT	-16.7	2,776.1	2,792.9	17.6	2,988.8	2,971.2	8.7	263.9	255.1	1.6	243.2	241.6
Goods	-0.4	1,661.1	1,661.5	26.3	1,821.2	1,795.0	8.8	167.8	158.9	6.0	152.1	146.1
Services	50.7	534.2	483.5	65.1	555.8	490.7	5.1	44.9	39.7	5.4	44.9	39.5
Income	33.4	489.6	456.2	28.9	516.7	487.9	5.3	45.3	40.0	-0.9	39.9	40.8
Current transfers	-100.4	91.2	191.7	-102.6	95.0	197.6	-10.5	6.0	16.5	-8.8	6.3	15.1
CAPITAL ACCOUNT	6.6	21.7	15.1	11.0	25.8	14.8	0.3	1.6	1.3	0.4	1.4	1.0
	Balance	Assets	Liabilities	Balance	Assets	Liabilities	Balance	Assets	Liabilities	Balance	Assets	Liabilities
FINANCIAL ACCOUNT¹⁾	-18.7			-25.3			-17.8			-3.5		
DIRECT INVESTMENT²⁾	-117.5	-350.9	233.4	-111.1	-260.2	149.1	-18.1	-25.3	7.2	-6.0	-22.0	16.0
Equity capital and reinvested earnings	-56.3	-249.7	194.0	-43.4	-211.8	168.4	1.5	-11.0	12.5	-6.0	-10.1	4.1
Other capital (mostly inter-company loans)	-61.6	-101.2	39.4	-67.7	-48.4	-19.3	-19.6	-14.4	-5.2	-0.0	-11.9	11.9
PORTFOLIO INVESTMENT	246.8	-112.8	359.6	119.7	2.0	117.6	-14.4	-44.5	30.1	-8.8	11.2	-20.0
Equity	197.3	-43.4	240.7	84.3	61.6	22.7	13.3	-8.8	22.1	-24.9	-5.8	-19.1
Debt instruments	49.5	-69.3	118.8	35.3	-59.6	94.9	-27.7	-35.7	8.0	16.0	17.0	-0.9
Bonds and notes	82.8	-61.5	144.3	74.5	-40.6	115.1	-20.0	-21.4	1.4	2.8	7.4	-4.6
Money market instruments	-33.3	-7.9	-25.4	-39.1	-18.9	-20.2	-7.8	-14.3	6.6	13.3	9.6	3.7
MEMO ITEM: COMBINED DIRECT AND PORTFOLIO INVESTMENT	129.3	-463.7	593.0	8.6	-258.1	266.7	-32.5	-69.8	37.3	-14.8	-10.8	-4.0
FINANCIAL DERIVATIVES (NET)	23.4			-24.7			-4.3			2.4		
OTHER INVESTMENT	-159.9	-160.7	0.8	-0.4	-41.8	41.4	17.9	-27.4	45.4	11.9	7.8	4.1
Eurosystem	10.0	-12.4	22.4	64.9	10.9	54.0	-34.8	0.9	-35.7	1.1	0.1	1.0
General government	51.2	-33.6	84.8	58.1	-0.8	59.0	3.0	0.6	2.4	4.7	-0.8	5.5
of which: currency and deposits	0.7	0.7		-9.1	-9.1		-0.0	-0.0		-0.7	-0.7	
MFIs (excluding the Eurosystem)	-201.0	-29.6	-171.4	-74.0	58.2	-132.2	69.7	-15.3	85.1	-2.4	-5.3	2.9
Long-term	51.1	21.4	29.6	-43.4	-11.1	-32.2	-9.4	-8.2	-1.2	-18.0	-6.6	-11.5
Short-term	-252.1	-51.0	-201.0	-30.6	69.3	-100.0	79.1	-7.2	86.3	15.6	1.2	14.4
Other sectors	-20.1	-85.0	64.9	-49.5	-110.1	60.6	-20.1	-13.6	-6.5	8.5	13.8	-5.3
of which: currency and deposits	-46.0	-46.0		-42.7	-42.7		-6.5	-6.5		3.3	3.3	
RESERVE ASSETS	-11.4	-11.4		-8.7	-8.7		1.1	1.1		-2.9	-2.9	
Errors and omissions	28.8			-3.4			8.7			1.5		

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.