



EUROPEAN CENTRAL BANK

EUROSYSTEM

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PRESS RELEASE

EURO AREA BALANCE OF PAYMENTS

(December 2013 and preliminary results for 2013 as a whole)

In December 2013 the seasonally adjusted current account of the euro area recorded a surplus of €21.3 billion. In the financial account, combined direct and portfolio investment recorded net outflows of €3 billion (non-seasonally adjusted).

In 2013 as a whole, the seasonally adjusted surplus for the euro area current account amounted to €221.3 billion (around 2.3% of GDP), compared with a surplus of €128.6 billion in 2012. Combined direct and portfolio investment recorded net inflows of €26 billion in 2013, compared with net inflows of €69 billion in 2012. This decrease was the result of offsetting effects for direct investment (an increase in net outflows from €4 billion to €117 billion) and portfolio investment (an increase in net inflows from €72 billion to €142 billion).

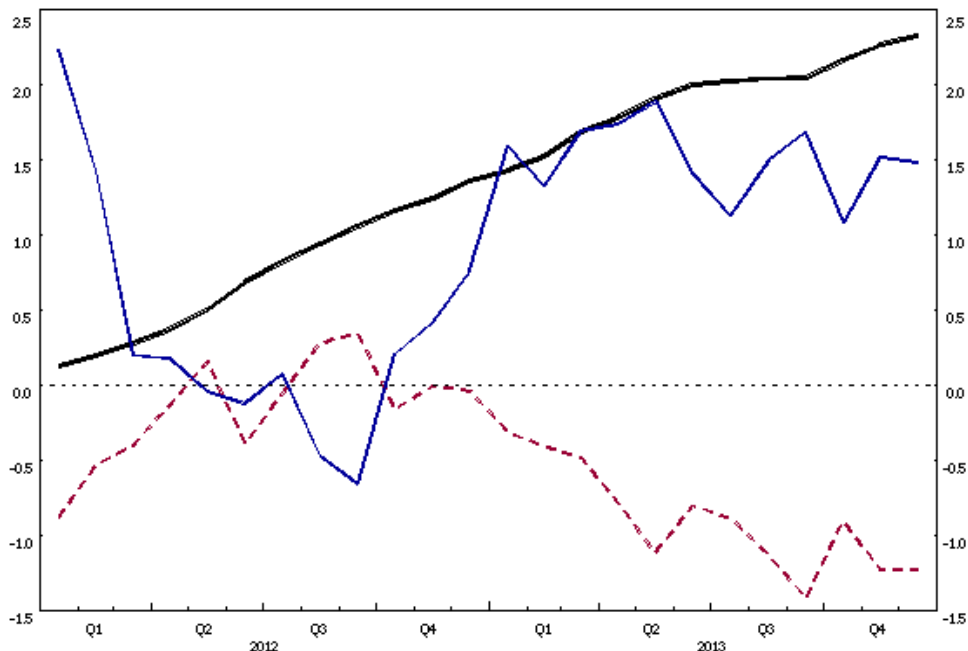
Current account

The seasonally adjusted *current account* of the euro area recorded a surplus of €21.3 billion in December 2013 (see Table 1). This reflected surpluses for *goods* (€14.9 billion), *services* (€8.7 billion) and the *income account* (€9.3 billion), which were partly offset by a deficit for *current transfers* (€11.6 billion).

According to the preliminary results for 2013 as a whole, the seasonally adjusted *current account* recorded a surplus of €221.3 billion (around 2.3% of euro area GDP; see Table 1 and Chart 1), compared with a surplus of €128.6 billion in 2012 (around 1.4% of euro area GDP). This increase resulted from increases in the surpluses for *goods* (from €98.8 billion to €175.8 billion), *services* (from €88.6 billion to €104.9 billion) and *income* (from €49.8 billion to €61.4 billion), which were partly offset by an increase in the deficit for *current transfers* (from €108.6 billion to 120.8 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 outflows of €3 billion in December 2013, reflecting net outflows for portfolio investment (€7 billion), partly offset by net inflows for direct investment (€4 billion).

The net inflows for direct investment stemmed from net inflows for both, *equity capital and reinvested earnings* (€3 billion) and *other capital (mostly inter-company loans)* (€1 billion).

The net outflows for *portfolio investment* resulted from net outflows for *money market instruments* (€46 billion), which were partly offset by net inflows for both *equity* (€26 billion) and *bonds and notes* (€13 billion). The developments in portfolio investment were characterised by net purchases of both euro area securities by non-residents (€8 billion) and foreign securities by euro area residents (€15 billion).

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

Other investment recorded net outflows of €48 billion, which mainly reflected net outflows for *MFI*s excluding the Eurosystem (€52 billion) and *general government* (€3 billion). These were partly offset by net inflows for *other sectors* (€7 billion) and the Eurosystem (€1 billion).

The [Eurosystem's stock of reserve assets](#) decreased by €19 billion in December 2013 (from €561 billion to €542 billion), mainly on account of a decrease in the market price of gold and, to a lesser extent, that of securities denominated in foreign currency. Net transactions (excluding valuation effects) marginally offset this development (by €1 billion).

In 2013 as a whole, *combined direct and portfolio investment* recorded cumulated net inflows of €26 billion, compared with net inflows of €69 billion in 2012. This decrease was the result of offsetting effects for *direct investment* (an increase in net outflows from €4 billion to €117 billion) and *portfolio investment* (an increase in net inflows from €72 billion to €142 billion). The latter mainly reflected an increase in net purchases of euro area securities by non-residents (from €259 billion to €365 billion).

Data revisions

This press release incorporates revisions to the data for November 2013. 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.

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 December 2013 will also be published in the March 2014 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 21 March 2014. The ECB will start publishing, at the end of 2014, the euro area balance of payments and international investment position statistics in accordance with its [Guideline ECB/2011/23](#), which adheres to the sixth edition of the IMF’s Balance of Payments and International Investment Position Manual (BPM6). More detailed information is available on a dedicated [webpage](#).

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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		2013											
	Dec. 2012	Dec. 2013	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
CURRENT ACCOUNT	128.6	221.3	13.8	15.1	21.5	18.3	21.4	21.8	13.0	15.4	14.3	22.2	23.3	21.3
<i>Memo: as a percentage of GDP</i>	<i>1.4</i>	<i>2.3</i>												
Credit	3,179.7	3,200.3	263.4	263.1	267.4	268.4	267.3	269.9	263.0	265.5	268.9	265.6	269.3	268.5
Debit	3,051.1	2,979.0	249.5	248.0	245.9	250.1	245.9	248.1	250.1	250.1	254.6	243.4	246.0	247.2
Goods	98.8	175.8	11.7	11.6	17.5	17.0	17.3	13.3	10.2	13.5	13.5	16.6	18.7	14.9
Credit (exports)	1,920.4	1,940.5	161.0	159.9	162.5	163.3	162.3	160.4	156.7	159.6	161.8	162.9	165.7	164.5
Debit (imports)	1,821.6	1,764.7	149.3	148.3	144.9	146.3	145.0	147.0	146.5	146.2	148.3	146.3	147.0	149.5
Services	88.6	104.9	7.2	8.2	8.5	8.5	7.4	9.4	10.1	8.1	9.2	10.1	9.4	8.7
Credit (exports)	626.3	651.5	51.6	52.6	54.0	54.3	53.9	55.4	54.7	54.1	56.5	54.8	55.0	54.7
Debit (imports)	537.7	546.6	44.3	44.4	45.5	45.7	46.5	45.9	44.6	46.0	47.3	44.7	45.6	46.0
Income	49.8	61.4	4.6	5.1	5.1	2.4	6.4	8.4	4.3	3.9	2.1	4.9	4.9	9.3
Credit	534.9	511.6	42.2	42.3	42.5	42.9	43.1	45.6	44.1	43.5	42.2	40.3	41.3	41.6
Debit	485.1	450.3	37.6	37.3	37.4	40.5	36.7	37.1	39.8	39.6	40.1	35.5	36.4	32.3
Current transfers	-108.6	-120.8	-9.7	-9.7	-9.6	-9.7	-9.7	-9.4	-11.6	-10.1	-10.5	-9.4	-9.7	-11.6
Credit	98.2	96.7	8.6	8.3	8.4	8.0	8.0	8.6	7.5	8.2	8.4	7.5	7.3	7.7
Debit	206.8	217.4	18.3	18.0	18.0	17.7	17.8	18.0	19.2	18.3	18.9	17.0	17.0	19.3

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						November 2013 (revised)			December 2013		
	December 2012			December 2013								
	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit
CURRENT ACCOUNT	126.2	3,179.0	3,052.7	216.7	3,195.0	2,978.3	27.2	265.4	238.2	33.2	275.4	242.2
Goods	94.9	1,919.5	1,824.6	173.4	1,935.5	1,762.1	18.9	166.2	147.3	13.9	153.8	139.9
Services	88.7	626.6	537.9	105.4	651.6	546.2	7.6	51.9	44.3	10.1	58.7	48.6
Income	49.3	535.5	486.1	62.5	512.3	449.8	6.3	38.8	32.5	11.9	47.2	35.4
Current transfers	-106.8	97.3	204.1	-124.7	95.6	220.3	-5.6	8.5	14.1	-2.7	15.6	18.3
CAPITAL ACCOUNT	5.0	28.8	23.8	18.1	29.4	11.3	1.7	2.3	0.5	2.3	4.1	1.8
	Balance	Assets	Liabilities	Balance	Assets	Liabilities	Balance	Assets	Liabilities	Balance	Assets	Liabilities
FINANCIAL ACCOUNT¹⁾	-140.9			-246.5			-27.1			-49.6		
DIRECT INVESTMENT²⁾	-3.6	-329.9	326.3	-116.7	-198.3	81.6	-11.8	-19.8	8.0	4.1	-6.3	10.3
Equity capital and reinvested earnings	56.2	-190.0	246.2	-66.0	-126.7	60.6	-2.3	-9.0	6.8	2.7	-3.6	6.2
Other capital (mostly inter-company loans)	-59.7	-139.9	80.1	-50.7	-71.6	20.9	-9.5	-10.8	1.3	1.4	-2.7	4.1
PORTFOLIO INVESTMENT	72.3	-186.4	258.7	142.2	-222.7	365.0	59.4	-11.7	71.1	-6.8	-14.7	7.9
Equity	86.5	-57.6	144.1	110.6	-136.5	247.1	12.5	-0.4	12.9	26.1	-7.0	33.2
Debt instruments	-14.2	-128.8	114.6	31.6	-86.3	117.9	46.9	-11.3	58.2	-32.9	-7.7	-25.2
Bonds and notes	-7.2	-126.5	119.3	26.8	-68.6	95.4	47.4	-7.8	55.3	12.6	1.4	11.3
Money market instruments	-7.0	-2.3	-4.7	4.8	-17.7	22.5	-0.5	-3.4	2.9	-45.5	-9.0	-36.5
MEMO ITEM: COMBINED DIRECT AND PORTFOLIO INVESTMENT	68.8	-516.2	585.0	25.5	-421.1	446.6	47.6	-31.5	79.1	-2.7	-21.0	18.3
FINANCIAL DERIVATIVES (NET)	3.4			13.5			-4.9			2.3		
OTHER INVESTMENT	-199.2	4.8	-204.0	-281.2	117.1	-398.3	-70.1	-34.4	-35.7	-47.8	97.8	-145.7
Eurosystem	13.8	-5.2	19.0	-61.2	20.4	-81.6	-4.2	5.2	-9.3	0.6	-0.9	1.4
General government	-1.0	-4.7	3.7	5.9	10.8	-4.9	-5.8	-5.1	-0.6	-3.3	0.7	-4.0
of which: currency and deposits	1.0	1.0		2.0	2.0		-4.0	-4.0		1.6	1.6	
MFIs (excluding the Eurosystem)	-112.2	122.4	-234.6	-263.1	65.7	-328.8	-33.4	-5.7	-27.7	-52.4	99.9	-152.3
Long-term	12.6	28.4	-15.8	59.6	133.8	-74.2	-10.1	-6.5	-3.6	48.9	54.3	-5.4
Short-term	-124.8	93.9	-218.7	-322.7	-68.2	-254.6	-23.3	0.8	-24.1	-101.3	45.6	-146.9
Other sectors	-99.9	-107.7	7.8	37.2	20.3	16.9	-26.8	-28.8	2.0	7.3	-1.9	9.2
of which: currency and deposits	-37.7	-37.7		-28.2	-28.2		-23.0	-23.0		-7.6	-7.6	
RESERVE ASSETS	-13.9	-13.9		-4.3	-4.3		0.2	0.2		-1.3	-1.3	
Errors and omissions	9.8			11.7			-1.8			14.0		

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.