

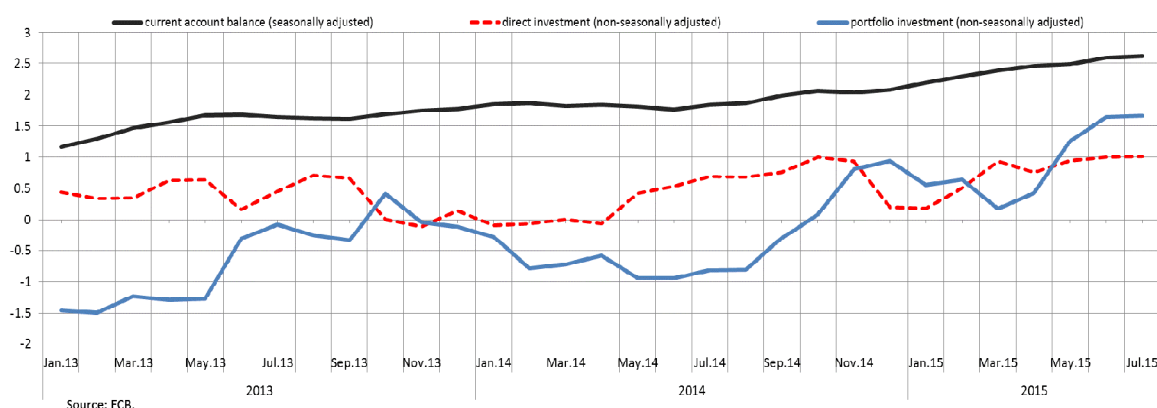
# PRESS RELEASE

18 September 2015

## Euro area monthly balance of payments (July 2015)

- In July 2015 the current account of the euro area recorded a surplus of €22.6 billion.<sup>1</sup>
- In the financial account, combined direct and portfolio investment recorded an increase of €22 billion in assets and a decrease of €66 billion in liabilities.

**Chart 1: Balance of payments of the euro area: 12-month cumulated transactions**  
(as a percentage of GDP)<sup>1</sup>



### Current account

The *current account* of the euro area recorded a surplus of €22.6 billion in July 2015 (see Table 1). This reflected surpluses for *goods* (€26.9 billion), *services* (€3.6 billion) and *primary income* (€2.8 billion), which were partly offset by a deficit in *secondary income* (€10.7 billion).

The 12-month cumulated *current account* for the period ending in July 2015 recorded a surplus of €270.8 billion (2.6% of euro area GDP), compared with a surplus of €184.4 billion (1.8% of euro area GDP) for

the 12 months to July 2014 (see Table 1 and Chart 1). The increase in the *current account* surplus was due mainly to an increase in the surplus for *goods* (from €218.2 billion to €301.2 billion) and, to a lesser extent, to an increase in the surplus for *primary income* (from €33.8 billion to €42.4 billion) and a decrease in the deficit for *secondary income* (from €139.7 billion to €134.1 billion). These were only partly offset by a decrease in the surplus for *services* (from €72.1 billion to €61.3 billion).

## **Financial account**

In the financial account (see Table 2) in July 2015, *combined direct and portfolio investment* recorded an increase of €22 billion in assets and a decrease of €66 billion in liabilities.

Euro area residents recorded an increase of €23 billion in *direct investment* assets, which was due to an increase in both *equity* (€15 billion) and *debt instruments* (€8 billion). *Direct investment* liabilities decreased by €7 billion, on account of decreases in *debt instruments* (€4 billion) and *equity* (€3 billion).

As regards *portfolio investment* assets, euro area residents made net sales of foreign securities in a total amount of €1 billion, owing to net sales of *short-term debt securities* (€8.5 billion) which were partly offset by net purchases of *equity* (€6 billion) and of *long-term debt securities* (€2 billion). The decrease of €59 billion in euro area *portfolio investment* liabilities was mainly due to net sales by non-euro area residents of euro area *equity* (€16 billion) as well as net sales/amortisations of *short-term* and *long-term debt securities* (€7 billion and €36 billion respectively).

The euro area net *financial derivatives* account (assets minus liabilities) recorded positive net flows of €9 billion.

*Other investment* recorded increases of €34 billion in assets and €79 billion in liabilities. The increase in assets was mainly driven by *MFIs (excluding the Eurosystem)* (€36 billion). The increase in liabilities was also explained by developments in the *MFIs (excluding the Eurosystem)* sector (€71 billion) and, to a lesser extent, by increases in *other sectors* (€7 billion) and the *Eurosystem* (€6 billion), which were partially compensated for by decreases in *general government* (€5 billion).

The [Eurosystem's stock of reserve assets](#) decreased by €24 billion in July 2015 (to €635 billion). This was explained by net disposals of reserve assets (€7 billion) as well as negative revaluations of gold prices (€21 billion), which were partially compensated for by asset price and exchange rate developments for other reserve assets.

In the 12 months to July 2015 *combined direct and portfolio investment* recorded cumulated increases of €791 billion in assets and €460 billion in liabilities, compared with increases of €731 billion and €744 billion respectively in the 12 months to July 2014. This resulted from a decrease in the *direct investment* activity of both euro area residents abroad and non-residents in the euro area, with the latter being more pronounced, recording a reduction of liabilities from €313 billion to €225 billion. On the other hand, activity in *portfolio investment* showed a significant increase in the net acquisition of foreign *debt securities* by

euro area residents, in particular *long-term debt securities*, and a reduction of the appetite for foreign equities. Non-euro area investors' net purchases of euro area *equity* remained at similar levels, whereas euro area *debt securities* saw a sharp reduction in net purchases by non-euro area investors.

According to the monetary presentation of the balance of payments, the [net external assets](#) of euro area MFIs decreased by €49 billion in the 12 months to July 2015, compared with an increase of €326 billion in the preceding 12-month period. This is the first time in the last two years that a cumulated decrease has been shown by this presentation. This development in MFIs' net external assets continued primarily to reflect a surplus of €293 billion in the *current and capital account* balance which, by contrast with developments in the preceding 12-month period, has in the last 12 months been more than offset by, among other things, (i) larger net purchases of portfolio investment assets by euro area non-MFI residents (€359 billion, compared with €337 billion), (ii) smaller net sales of portfolio investment liabilities by euro area non-MFI residents (€213 billion, compared with €352 billion) and (iii) an increase in the net direct investment transactions of euro area non-MFI residents (from €60 billion to €95 billion).

## **Data revisions**

This press release incorporates revisions from the reference period April 2015 to June 2015. These revisions have not significantly altered the figures previously published.

## **Additional information**

- Time series data: [ECB's Statistical Data Warehouse \(SDW\)](#)
- Methodological information: [ECB's website](#)
- [Monetary presentation of the balance of payments](#)
- [Next press releases:](#)
  - Quarterly balance of payments and international investment position: **8 October 2015** (reference data up to the second quarter of 2015).
  - Monthly balance of payments: **20 October 2015** (reference data up to August 2015);

## **Annexes**

- Table 1: Current account of the euro area
- Table 2: Balance of payments of the euro area

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## **Notes:**

[1] References to the current account are always to data that are seasonally and working day-adjusted, unless otherwise indicated, whereas references to the capital and financial accounts are to data that are neither seasonally nor working day-adjusted.

**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		2014							2015						
	July 2014	July 2015	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	
<b>CURRENT ACCOUNT</b>	<b>184.4</b>	<b>270.8</b>	<b>16.5</b>	<b>15.9</b>	<b>25.3</b>	<b>22.5</b>	<b>14.8</b>	<b>20.5</b>	<b>27.9</b>	<b>27.2</b>	<b>26.7</b>	<b>23.3</b>	<b>19.2</b>	<b>24.9</b>	<b>22.6</b>	
<i>Memo: as a percentage of GDP</i>	<i>1.8</i>	<i>2.6</i>														
Credit	3,309.7	3,429.3	278.4	272.5	284.9	280.6	280.4	281.7	282.9	287.7	294.7	293.3	292.1	287.8	290.7	
Debit	3,125.3	3,158.5	261.9	256.6	259.6	258.1	265.7	261.2	255.1	260.5	268.1	270.0	273.0	262.9	268.0	
<b>Goods</b>	<b>218.2</b>	<b>301.2</b>	<b>19.5</b>	<b>18.1</b>	<b>24.9</b>	<b>26.1</b>	<b>24.1</b>	<b>24.7</b>	<b>26.8</b>	<b>27.7</b>	<b>21.9</b>	<b>28.5</b>	<b>24.9</b>	<b>26.6</b>	<b>26.9</b>	
Credit (exports)	1,939.8	2,032.3	163.8	158.5	168.9	169.5	168.0	167.8	166.7	170.5	171.8	174.3	172.9	173.9	169.5	
Debit (imports)	1,721.6	1,731.0	144.3	140.4	143.9	143.5	143.9	143.1	139.8	142.9	149.9	145.8	147.9	147.3	142.6	
<b>Services</b>	<b>72.1</b>	<b>61.3</b>	<b>5.5</b>	<b>5.8</b>	<b>6.3</b>	<b>4.4</b>	<b>4.3</b>	<b>4.6</b>	<b>5.6</b>	<b>5.1</b>	<b>5.9</b>	<b>3.6</b>	<b>6.7</b>	<b>5.6</b>	<b>3.6</b>	
Credit (exports)	673.7	721.3	59.0	58.3	58.2	58.2	59.3	60.4	59.6	60.7	61.9	60.0	62.5	60.8	61.6	
Debit (imports)	601.6	660.0	53.5	52.5	51.9	53.8	54.9	55.8	54.0	55.6	56.0	56.4	55.8	55.2	58.0	
<b>Primary income</b>	<b>33.8</b>	<b>42.4</b>	<b>2.6</b>	<b>2.1</b>	<b>4.0</b>	<b>2.7</b>	<b>-0.9</b>	<b>3.1</b>	<b>5.6</b>	<b>6.1</b>	<b>10.3</b>	<b>4.6</b>	<b>0.9</b>	<b>1.2</b>	<b>2.8</b>	
Credit	604.2	575.9	47.8	47.6	49.5	44.7	45.4	45.5	48.2	48.0	53.0	50.9	47.1	44.7	51.4	
Debit	570.3	533.6	45.2	45.5	45.5	42.0	46.3	42.4	42.5	41.9	42.7	46.3	46.2	43.5	48.6	
<b>Secondary income</b>	<b>-139.7</b>	<b>-134.1</b>	<b>-11.1</b>	<b>-10.0</b>	<b>-9.9</b>	<b>-10.7</b>	<b>-12.7</b>	<b>-11.8</b>	<b>-10.2</b>	<b>-11.7</b>	<b>-11.4</b>	<b>-13.4</b>	<b>-13.3</b>	<b>-8.4</b>	<b>-10.7</b>	
Credit	92.0	99.7	7.8	8.1	8.3	8.1	7.8	8.0	8.5	8.5	8.0	8.0	9.7	8.5	8.1	
Debit	231.7	233.9	18.9	18.1	18.2	18.8	20.5	19.8	18.7	20.2	19.4	21.5	23.0	16.9	18.8	

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						June 2015 (revised)			July 2015		
	July 2014			July 2015								
	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit
<b>CURRENT ACCOUNT</b>	<b>181.6</b>	<b>3,299.5</b>	<b>3,117.9</b>	<b>268.8</b>	<b>3,428.0</b>	<b>3,159.2</b>	<b>30.6</b>	<b>311.2</b>	<b>280.6</b>	<b>33.8</b>	<b>305.0</b>	<b>271.2</b>
Goods	216.4	1,929.7	1,713.3	302.6	2,031.5	1,729.0	31.1	183.2	152.1	34.2	181.6	147.4
Services	72.7	673.2	600.6	61.4	721.1	659.7	7.6	66.0	58.4	5.1	67.6	62.4
Primary income	35.3	604.4	569.1	41.2	575.3	534.1	0.8	52.5	51.7	3.1	47.9	44.8
Secondary income	-142.8	92.2	235.0	-136.4	100.0	236.4	-8.9	9.5	18.4	-8.6	8.0	16.6
<b>CAPITAL ACCOUNT</b>	<b>23.8</b>	<b>40.9</b>	<b>17.1</b>	<b>19.4</b>	<b>38.2</b>	<b>18.8</b>	<b>0.6</b>	<b>3.5</b>	<b>2.9</b>	<b>1.5</b>	<b>3.1</b>	<b>1.6</b>
	<b>Net</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>Assets</b>	<b>Liabilities</b>
<b>FINANCIAL ACCOUNT<sup>1)</sup></b>	<b>424.6</b>	<b>1,034.7</b>	<b>610.1</b>	<b>246.9</b>	<b>790.2</b>	<b>543.2</b>	<b>74.6</b>	<b>-72.0</b>	<b>-146.6</b>	<b>44.2</b>	<b>57.0</b>	<b>12.8</b>
<b>Direct investment</b>	<b>69.2</b>	<b>381.8</b>	<b>312.7</b>	<b>124.6</b>	<b>350.0</b>	<b>225.4</b>	<b>1.1</b>	<b>17.2</b>	<b>16.1</b>	<b>29.7</b>	<b>22.6</b>	<b>-7.1</b>
Equity	41.2	312.9	271.8	28.3	149.8	121.5	-5.1	0.5	5.6	17.5	14.6	-2.9
Debt instruments	28.0	68.9	40.9	96.3	200.2	103.9	6.2	16.7	10.5	12.2	8.0	-4.2
<b>Portfolio investment</b>	<b>-82.5</b>	<b>348.9</b>	<b>431.3</b>	<b>206.7</b>	<b>441.4</b>	<b>234.7</b>	<b>50.6</b>	<b>26.7</b>	<b>-24.0</b>	<b>58.5</b>	<b>-0.8</b>	<b>-59.3</b>
Equity	-70.5	175.2	245.7	-166.6	53.4	219.9	-5.7	-2.2	3.5	21.9	5.8	-16.1
Debt securities	-11.9	173.7	185.6	373.2	388.0	14.8	56.3	28.9	-27.5	36.6	-6.6	-43.2
Short-term	31.6	38.9	7.4	136.4	57.6	-78.9	60.2	13.6	-46.5	-1.4	-8.5	-7.1
Long-term	-43.5	134.7	178.2	236.8	330.5	93.7	-3.9	15.2	19.1	38.0	1.9	-36.0
<i>Memo: Direct and portfolio investment</i>	-13.3	730.7	744.0	331.3	791.4	460.1	51.7	43.9	-7.8	88.2	21.8	-66.4
<b>Financial derivatives</b>	<b>32.5</b>			<b>66.7</b>			<b>-4.8</b>			<b>8.6</b>		
<b>Other investment</b>	<b>399.6</b>	<b>265.8</b>	<b>-133.9</b>	<b>-149.9</b>	<b>-66.8</b>	<b>83.1</b>	<b>24.6</b>	<b>-114.2</b>	<b>-138.8</b>	<b>-45.6</b>	<b>33.6</b>	<b>79.2</b>
Eurosystem	71.4	-12.6	-83.9	-6.1	0.5	6.7	-5.7	0.6	6.4	-8.4	-2.3	6.1
MFIs (excluding the Eurosystem)	310.2	192.6	-117.6	-135.3	-83.2	52.1	10.6	-108.0	-118.6	-35.3	35.8	71.0
General government	2.5	5.4	2.9	33.9	-8.2	-42.1	-3.4	-8.3	-4.9	4.7	0.1	-4.6
Other sectors	15.6	80.3	64.7	-42.4	24.0	66.5	23.2	1.5	-21.7	-6.7	0.0	6.7
Of which: currency and deposits	419.3	221.3	-198.0	-214.3	-108.8	105.6	31.2	-80.5	-111.7	-48.4	37.9	86.3
<b>Reserve assets</b>		<b>5.8</b>			<b>-1.1</b>			<b>3.1</b>			<b>-7.0</b>	
Errors and omissions	219.2			-41.2			43.4			8.9		

Source: ECB.

1) Financial account: increases in assets and liabilities (+) and decreases in assets and liabilities (-).