



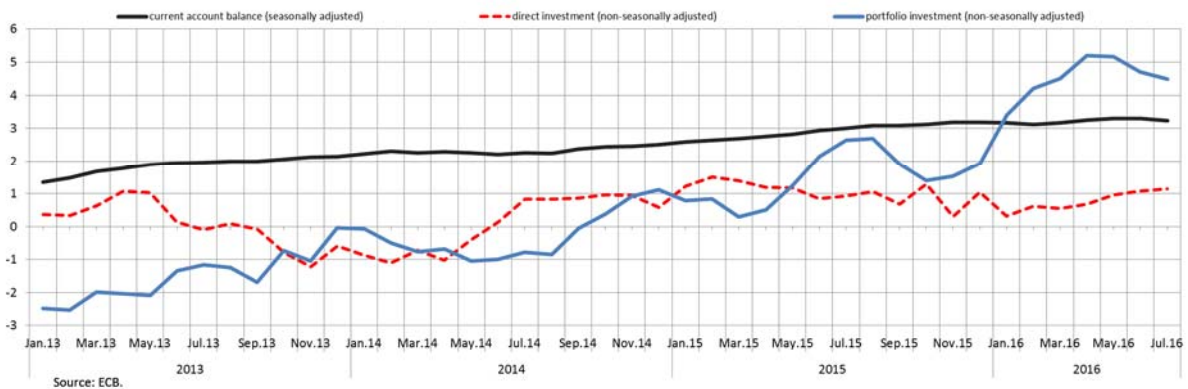
# PRESS RELEASE

19 September 2016

## Euro area monthly balance of payments (July 2016)

- In July 2016 the current account of the euro area recorded a surplus of €21.0 billion.<sup>1</sup>
- In the financial account, combined *direct* and *portfolio investment* recorded net acquisitions of assets of €58 billion and net disposals of liabilities of €14 billion.

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



### Current account

The *current account* of the euro area recorded a surplus of €21.0 billion in July 2016 (see Table 1). This reflected surpluses for *goods* (€26.4 billion), *services* (€4.9 billion) and *primary income* (€3.4 billion), which were partly offset by a deficit in *secondary income* (€13.7 billion).

<sup>1</sup> 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.

The 12-month cumulated current account for the period ending in July 2016 recorded a surplus of €343.2 billion (3.2% of euro area GDP), compared with one of €309.7 billion (3.0% of euro area GDP) for the 12 months to July 2015 (see Table 1 and Chart 1). This development was mostly due to an increase in the surpluses for both *goods* (from €318.8 billion to €363.0 billion) and *services* (from €63.6 billion to €64.9 billion), as well as a decrease in the deficit for *secondary income* (from €134.5 billion to €126.0 billion). These were partly offset by decreases in the surplus for *primary income* (from €61.9 billion to €41.3 billion).

### **Financial account**

In July 2016 *combined direct and portfolio investment* recorded net acquisitions of assets of €58 billion and net disposals of liabilities of €14 billion (see Table 2).

Euro area residents recorded net acquisitions of €16 billion in *direct investment* assets, driven by net acquisitions of *equity* (€10 billion) and *debt instruments* (€6 billion). *Direct investment* liabilities decreased by €4 billion as a result of net disposals of *debt instruments* (€6 billion), which was partly offset by net acquisitions of *equity* (€3 billion) by non-euro area residents.

As regards *portfolio investment* assets, euro area residents made net acquisitions of foreign securities amounting to €42 billion, reflected in net purchases of *long-term debt securities* (€50 billion) and *equity* (€11 billion) that were partly offset by net disposals of *short-term debt securities* (€19 billion). *Portfolio investment* liabilities recorded net disposals by non-euro area residents of €11 billion, which was reflected in net sales/amortisations by non-euro area residents of both *short-term* (€28 billion) and *long-term* (€14 billion) *debt securities* issued by euro area residents. This was partly offset by non-euro area residents' net acquisitions of euro area *equity* (€31 billion).

The euro area net *financial derivatives* account (assets minus liabilities) recorded positive net flows of €6 billion.

*Other investment* recorded increases of €60 billion in assets and €138 billion in liabilities. The net acquisition of assets by euro area residents was mainly attributable to the *MFI sector (excluding the Eurosystem)* (€74 billion) and was partly offset by net disposals of the *other sectors* (€6 billion), the *Eurosystem* (€6 billion) and *general government* (€2 billion). The net incurrence of liabilities was explained by transactions of the *MFI sector (excluding the Eurosystem)* (€151 billion), which were partly offset by net disposals of the *other sectors* (€10 billion), the *Eurosystem* (€3 billion) and *general government* (€1 billion).

In the 12 months to July 2016 *combined direct and portfolio investment* recorded increases of €886 billion in assets and €288 billion in liabilities, compared with increases of €1,024 billion and €656 billion respectively in the 12 months to July 2015. This primarily reflected a shift in portfolio investment liabilities

from net acquisitions of euro area securities by non-euro area residents (€202 billion) to net sales/amortisations (€44 billion).

*Direct investment* recorded a reduction in the net acquisition of assets (from €550 billion to €453 billion) and the net incurrence of liabilities (from €454 billion to €332 billion). This pattern is mainly explained by a reduction in investment in *debt instruments*, from both euro area residents (from €222 billion to €49 billion) and non-euro area residents (from €140 billion to €41 billion).

According to the monetary presentation of the balance of payments, the [net external assets](#) of euro area MFIs decreased by €159 billion in the 12 months to July 2016, compared with a decrease of €44 billion in the 12 months to July 2015. This reflected an increase in the surplus in the *current and capital account* balance (from €290 billion to €352 billion), which was offset by net transactions in other items. In particular, the cumulated transactions in the portfolio investment liabilities issued by non-MFI euro area residents showed a shift from net purchases of *debt securities* (€11 billion) to net sales/amortisations (€149 billion) and a decrease in the investment in non-MFI euro area *equity securities* (from €181 billion to €114 billion) by non-euro area residents.

In July 2016 the *Eurosystem's* stock of *reserve assets* increased by €2.8 billion to €724.6 billion (see Table 3). This was mostly explained by positive price revaluations, particularly of *monetary gold* (€4.6 billion).

### **Data revisions**

This press release incorporates revisions for April, May and June 2016. 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: **7 October 2016** (reference data up to the second quarter of 2016);
  - Monthly balance of payments: **20 October 2016** (reference data up to August 2016);

### **Annexes**

- Table 1: Current account of the euro area
- Table 2: Balance of payments of the euro area
- Table 3: Reserve Assets 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		2015					2016							
	July 2015	July 2016	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
<b>CURRENT ACCOUNT</b>	309.7	343.2	26.7	24.3	29.8	28.5	29.2	25.4	28.6	26.4	32.4	36.3	31.7	29.5	21.0
<i>Memo: as a percentage of GDP</i>	3.0	3.2													
Credit	3,546.7	3,532.9	301.3	295.6	299.4	303.5	300.5	294.8	294.6	293.6	293.5	293.4	289.1	287.4	287.4
Debit	3,237.0	3,189.7	274.6	271.4	269.5	275.0	271.3	269.3	266.0	267.2	261.1	257.2	257.4	257.9	266.4
Goods	318.8	363.0	30.7	26.0	30.3	30.7	30.7	30.4	30.2	28.5	33.4	33.1	31.0	32.3	26.4
Credit (exports)	2,070.6	2,071.8	177.5	171.5	174.9	176.2	175.8	173.3	172.1	170.6	173.3	172.6	170.4	172.2	168.8
Debit (imports)	1,751.9	1,708.8	146.8	145.5	144.6	145.6	145.1	142.9	141.9	142.1	139.9	139.5	139.5	140.0	142.4
Services	63.6	64.9	4.1	5.2	4.6	3.5	5.0	4.7	4.5	6.1	6.5	6.5	6.5	6.9	4.9
Credit (exports)	746.0	767.5	64.0	64.2	63.5	64.9	65.3	65.0	64.3	65.5	64.1	62.3	62.8	62.4	63.3
Debit (imports)	682.4	702.6	59.8	59.0	58.9	61.4	60.3	60.3	59.8	59.4	57.6	55.9	56.3	55.5	58.3
Primary income	61.9	41.3	2.9	3.3	5.4	5.0	3.9	0.3	4.0	2.7	3.0	6.6	3.1	0.5	3.4
Credit	630.5	593.0	51.8	51.1	52.7	53.7	50.8	48.0	50.3	49.4	47.8	50.0	47.1	44.7	47.5
Debit	568.6	551.7	48.9	47.8	47.3	48.7	46.8	47.6	46.3	46.7	44.8	43.4	44.0	44.2	44.1
Secondary income	-134.5	-126.0	-11.1	-10.3	-10.5	-10.7	-10.5	-10.0	-10.0	-10.9	-10.5	-9.9	-8.9	-10.1	-13.7
Credit	99.6	100.5	8.0	8.8	8.3	8.7	8.6	8.5	8.0	8.1	8.3	8.5	8.7	8.1	7.9
Debit	234.1	226.6	19.1	19.0	18.8	19.4	19.1	18.5	18.1	19.0	18.8	18.4	17.6	18.2	21.6

Source: ECB.

## Table 2: Monthly balance of payments of the euro area

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

	Cumulated figures for the 12-month period ending						June 2016			July 2016		
	July 2015			July 2016			Net	Credit	Debit	Net	Credit	Debit
	Net	Credit	Debit	Net	Credit	Debit						
<b>CURRENT ACCOUNT</b>	309.6	3,547.9	3,238.3	346.1	3,536.9	3,190.8	39.1	311.0	271.9	31.5	290.5	259.1
Goods	320.4	2,071.2	1,750.8	365.3	2,077.4	1,712.1	37.5	184.1	146.6	31.9	170.1	138.3
Services	63.7	745.9	682.1	64.6	767.8	703.2	9.7	67.9	58.2	7.7	68.0	60.3
Primary income	61.6	631.0	569.4	41.1	591.2	550.1	0.3	49.6	49.3	2.8	44.7	41.8
Secondary income	-136.2	99.8	236.0	-124.9	100.6	225.4	-8.4	9.3	17.7	-10.9	7.7	18.6
<b>CAPITAL ACCOUNT</b>	-17.5	39.9	57.4	10.3	41.6	31.2	1.0	3.2	2.2	0.2	2.0	1.8
<b>FINANCIAL ACCOUNT <sup>1)</sup></b>	275.3	1,041.8	766.4	374.4	916.4	542.0	44.5	-23.6	-68.1	-0.8	122.8	123.5
Direct investment	95.9	549.9	454.0	121.5	453.1	331.6	-5.6	-17.4	-11.8	19.3	15.8	-3.5
Equity	14.0	328.2	314.2	113.7	404.5	290.9	6.8	5.0	-1.8	7.2	9.9	2.7
Debt instruments	82.0	221.7	139.7	7.9	48.6	40.7	-12.4	-22.4	-10.1	12.1	5.9	-6.2
Portfolio investment	272.5	474.3	201.8	476.3	432.5	-43.9	11.6	37.0	25.4	52.8	41.9	-10.9
Equity	-160.6	80.9	241.4	-165.1	-6.8	158.3	-33.8	8.2	41.9	-19.9	11.3	31.2
Debt securities	433.1	393.5	-39.6	641.4	439.3	-202.2	45.4	28.9	-16.5	72.7	30.6	-42.1
Short-term	70.3	33.7	-36.6	53.0	14.6	-38.4	16.3	26.6	10.4	9.0	-19.2	-28.2
Long-term	362.8	359.8	-3.0	588.4	424.7	-163.8	29.1	2.2	-26.9	63.6	49.8	-13.9
<i>Memo: Direct and portfolio investment</i>	368.5	1,024.2	655.8	597.9	885.6	287.7	6.0	19.6	13.6	72.1	57.7	-14.4
Financial derivatives	69.5			60.4			-1.0			6.1		
Other investment	-161.1	-50.5	110.7	-300.5	-46.2	254.3	38.7	-43.0	-81.7	-78.1	59.9	138.0
Eurosystem	-6.0	0.6	6.5	-36.8	-4.4	32.3	-18.0	2.2	20.2	-3.1	-5.9	-2.8
MFIs (excluding the Eurosystem)	-140.4	-80.0	60.5	-236.9	-62.9	174.0	28.6	-49.3	-77.9	-77.3	73.9	151.1
General government	33.7	-0.5	-34.2	16.3	4.0	-12.3	2.0	3.9	1.8	-1.1	-1.8	-0.7
Other sectors	-48.4	29.4	77.8	-43.2	17.1	60.3	26.0	0.3	-25.7	3.3	-6.4	-9.7
Of which: currency and deposits	-241.3	-142.8	98.5	-327.6	-122.0	205.7	89.7	2.8	-86.9	-147.3	13.9	161.2
Reserve assets		-1.5			16.6			0.7			-0.9	
Errors and omissions	-16.7			17.9			4.4			-32.4		

Source: ECB.

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

## Table 3: Reserve assets of the euro area

(EUR billions; amounts outstanding at the end of the period, flows during the period; non working day and non seasonally adjusted)

	Mar.16	Apr.16	May.16	Jun.16	Jul.16									
					Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding
Reserve assets	675.3	686.6	682.7		0.7	2.8	35.7	-0.2	721.8	-0.9	-0.9	4.5	-0.0	724.6
Monetary gold	376.0	387.9	377.0		0.0	-	34.8	-0.1	411.8	0.0	-	4.6	0.0	416.4
Gold bullion	369.7	381.3	370.6		0.0	-	34.2	-0.1	404.8	0.0	-	4.6	0.0	409.4
Unallocated gold accounts	6.4	6.6	6.4		0.0	-	0.6	0.0	7.0	0.0	-	0.1	0.0	7.0
Special drawing rights	51.3	51.3	51.5		-0.1	0.1	-	0.0	51.5	-0.2	-0.2	-	0.0	51.1
Reserve position in the IMF	22.7	22.7	22.9		-0.2	0.0	-	-0.0	22.8	-0.0	-0.1	-	-0.0	22.6
Other reserve assets	225.3	224.7	231.3		1.0	2.7	0.9	-0.1	235.8	-0.7	-0.6	-0.1	-0.0	234.5
Currency and deposits	26.5	25.7	27.3		2.0	0.7	-	0.0	30.0	-0.1	-0.1	-	-0.1	29.7
Claims on monetary authorities	20.9	17.5	19.0		0.8	-	-	-	20.4	1.4	-	-	-	21.6
Claim on other entities	5.5	8.3	8.2		1.2	-	-	-	9.6	-1.6	-	-	-	8.1
Securities	194.2	193.7	199.5		-1.7	1.8	1.1	0.1	200.8	-0.0	-0.5	-0.2	0.0	200.0
Debt securities	193.4	193.0	198.8		-1.7	1.8	1.1	0.1	200.0	-0.0	-0.5	-0.2	0.0	199.3
Short-term	24.4	23.8	27.6		-2.2	0.6	0.0	-0.1	25.8	-0.3	-0.1	-0.0	0.2	25.6
Long-term	169.1	169.2	171.2		0.5	1.2	1.1	0.2	174.2	0.3	-0.3	-0.2	-0.2	173.8
Equity and investment fund shares	0.7	0.7	0.7		0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.0	-0.0	0.7
Financial derivatives (net)	0.2	-0.0	-0.0		0.0	-	-0.2	-0.1	-0.3	-0.0	-	0.1	-0.0	-0.2
Other claims	4.5	5.3	4.6		0.7	0.2	0.0	-0.1	5.4	-0.6	0.0	0.0	0.1	4.9

Source: ECB.