

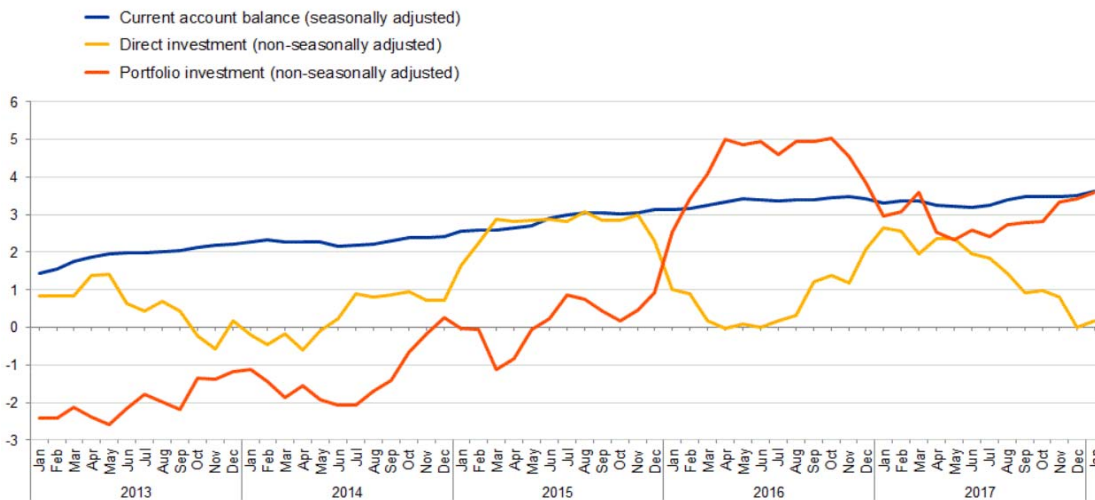
# PRESS RELEASE

22 March 2018

## Euro area monthly balance of payments (January 2018)

- In January 2018 the current account of the euro area recorded a surplus of €37.6 billion.<sup>1</sup>
- In the financial account, combined direct and portfolio investment recorded net acquisitions of assets of €122 billion and net incurrences of liabilities of €80 billion.

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



Source: ECB.

<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.

### **Current account**

The *current account* of the euro area recorded a surplus of €37.6 billion in January 2018 (see Table 1). This reflected surpluses for *goods* (€27.1 billion), *primary income* (€10.7 billion) and *services* (€9.6 billion), which were partly offset by a deficit for *secondary income* (€9.8 billion).

The 12-month cumulated current account for the period ending in January 2018 recorded a surplus of €406.1 billion (3.6% of euro area GDP), which compares with €356.5 billion (3.3% of euro area GDP) in the 12 months to January 2017 (see Table 1 and Chart 1). This development was due to increases in the surpluses for *services* (from €36.6 billion to €37.5 billion) and *primary income* (from €99.4 billion to €113.3 billion). These were partly offset by a decrease in the surplus for *goods* (from €365.8 billion to €351.9 billion) and, to a lesser extent, an increase in the deficit for *secondary income* (from €145.2 billion to €146.5 billion).

### **Financial account**

In January 2018 *combined direct and portfolio investment* recorded net acquisitions of assets of €122 billion and net incurrences of liabilities of €80 billion (see Table 2).

Euro area residents recorded net acquisitions of €35 billion of *direct investment* assets as a result of net investments in *equity* (€29 billion) and *debt instruments* (€6 billion). *Direct investment* liabilities increased by €8 billion as a result of net investments in euro area *debt instruments* (€59 billion) by non-euro area residents, which were partly offset by net withdrawals of euro area *equity* by non-euro area residents (€51 billion).

As regards *portfolio investment* assets, euro area residents made net purchases of foreign securities amounting to €88 billion. The net acquisitions of *equity* (€51 billion) and *long-term debt securities* (€40 billion) were only marginally offset by net sales/amortisations of *short-term debt securities* (€4 billion). *Portfolio investment* liabilities increased by €73 billion as a result of non-euro area residents' net purchases of euro area *long-term debt securities* (€41 billion) and *short-term debt securities* (€18 billion), as well as *equity* (€14 billion).

The euro area net *financial derivatives* account (assets minus liabilities) was close to balance.

*Other investment* recorded net acquisitions of assets amounting to €182 billion and net incurrences of liabilities of €217 billion. The net increase in assets was mainly due to *MFIs (excluding the Eurosystem)* (€156 billion) and, to a lesser extent, to *other sectors* (€36 billion). These were partly offset by decreases in the net assets of the *Eurosystem* (€8 billion) and *general government* (€2 billion). The net increase in liabilities was mainly attributable to *MFIs (excluding the Eurosystem)* (€290 billion) and, to a lesser extent, to *other sectors* (€48 billion). These were partly offset by decreases in the liabilities of the *Eurosystem* (€115 billion) and, to a lesser extent, of *general government* (€6 billion).

In the 12 months to January 2018, *combined direct and portfolio investment* recorded net acquisitions of assets of €733 billion and net incurrences of liabilities of €310 billion, compared with €863 billion and €257 billion respectively in the 12 months to January 2017.

In *direct investment*, there was a decrease in the net investments of both euro area residents abroad and non-residents in the euro area. The net acquisitions of *equity* by euro area residents dropped from €430 billion to €55 billion and the net investments of non-euro area residents shifted from a net investment of €208 billion to a net disinvestment of €115 billion.

Concerning *portfolio investment*, the net purchases of foreign *equity* by euro area residents increased from €47 billion to €207 billion. On the liability side, the net purchases of euro area *equity* by non-euro area residents increased from €159 billion to €438 billion.

According to the monetary presentation of the balance of payments, the [net external assets](#) of euro area monetary financial institutions (MFIs) decreased by €98 billion in the 12 months to January 2018, compared with a decrease of €218 billion in the 12 months to January 2017. This was mainly due to developments in portfolio investment.

In January 2018 the *Eurosystem's* stock of *reserve assets* decreased to €663.1 billion from €669.7 billion in the previous month (see Table 3). This reduction (€6.6 billion) was mainly due to negative exchange rate changes (€6.8 billion) and price changes (€1.9 billion), which were partly offset by net acquisitions of assets (€2.3 billion).

### Data revisions

This press release incorporates revisions to the data for October to December 2017. These revisions have not significantly altered the figures previously published.

### Additional information

- Time-series data: the [ECB's Statistical Data Warehouse \(SDW\)](#)
- [Methodological information](#)
- [Monetary presentation of the balance of payments](#)
- [Next press releases:](#)
  - quarterly balance of payments and international investment position: **6 April 2018**<sup>2</sup> (reference data up to the fourth quarter of 2017)
  - monthly balance of payments: **19 April 2018** (reference data up to February 2018).

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<sup>2</sup> The quarterly press release on 6 April 2018 will incorporate revisions (up to December 2017) to the monthly data published with this present monthly press release.

**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		2017												2018
	Jan. 2017	Jan. 2018	Jan.	Feb.	Mar.	Apr.	May	June	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.
<b>CURRENT ACCOUNT</b>	356.5	406.1	23.1	33.8	34.1	23.4	30.5	27.0	38.0	43.5	42.7	30.9	33.7	31.0	37.6
<i>Memo: as a percentage of GDP</i>	3.3	3.6													
Credit	3,697.5	3,906.2	318.1	318.2	322.9	318.3	326.5	320.3	326.1	333.0	331.9	317.2	327.1	333.9	330.8
Debit	3,341.0	3,500.0	295.0	284.4	288.8	294.9	295.9	293.3	288.1	289.5	289.3	286.4	293.4	302.9	293.2
Goods	365.8	351.9	23.9	27.0	28.4	26.0	27.2	29.4	29.0	32.2	37.4	26.4	30.6	31.1	27.1
Credit (exports)	2,134.6	2,290.2	183.8	186.4	188.3	184.2	189.2	186.6	188.0	191.6	196.0	187.8	195.7	198.4	197.9
Debit (imports)	1,768.8	1,938.3	159.9	159.5	159.9	158.2	162.0	157.2	159.0	159.5	158.7	161.4	165.1	167.2	170.8
Services	36.6	87.5	3.0	6.4	8.3	6.7	4.5	6.2	8.3	9.0	8.8	6.8	5.3	7.4	9.6
Credit (exports)	786.9	839.0	68.2	68.5	69.5	69.3	68.6	70.0	69.8	70.2	70.8	69.1	69.8	71.8	71.7
Debit (imports)	750.3	751.5	65.2	62.0	61.2	62.5	64.1	63.8	61.5	61.2	61.9	62.3	64.4	64.4	62.1
Primary income	99.4	113.3	9.9	5.5	8.2	8.2	10.6	5.9	14.5	13.8	10.4	10.2	11.1	4.3	10.7
Credit	666.6	669.7	57.6	54.2	55.7	55.8	59.7	55.3	59.4	62.1	56.4	51.5	52.8	53.8	53.0
Debit	567.3	556.5	47.7	48.7	47.5	47.7	49.0	49.4	44.9	48.3	46.1	41.4	41.8	49.5	42.3
Secondary income	-145.2	-146.5	-13.6	-5.1	-10.8	-17.5	-11.8	-14.5	-13.8	-11.5	-13.9	-12.5	-13.3	-11.9	-9.8
Credit	109.3	107.2	8.6	9.0	9.4	9.0	9.0	8.4	8.9	9.1	8.7	8.8	8.8	9.9	8.2
Debit	254.5	253.7	22.2	14.2	20.2	26.5	20.8	22.9	22.7	20.6	22.6	21.3	22.1	21.7	18.0

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						December 2017			January 2018		
	January 2017			January 2018			Net	Credit	Debit	Net	Credit	Debit
	Net	Credit	Debit	Net	Credit	Debit						
<b>CURRENT ACCOUNT</b>	357.4	3,712.4	3,355.0	405.0	3,901.6	3,496.6	46.8	347.2	300.4	12.8	304.2	291.4
Goods	369.3	2,149.1	1,779.8	349.8	2,286.5	1,936.8	30.3	184.1	153.8	9.4	184.0	174.6
Services	34.9	788.2	753.3	87.4	838.7	751.3	8.1	78.0	69.9	5.7	66.3	60.5
Primary income	97.8	665.6	567.8	109.6	669.0	559.4	19.9	73.3	53.4	9.2	46.5	37.4
Secondary income	-144.6	109.5	254.1	-141.7	107.4	249.2	-11.4	11.9	23.3	-11.5	7.4	18.9
<b>CAPITAL ACCOUNT</b>	-3.4	30.2	33.6	-13.3	33.4	46.7	1.8	6.1	4.4	1.0	2.9	1.8
	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities
<b>FINANCIAL ACCOUNT <sup>1)</sup></b>	340.3	1,232.0	891.7	417.0	926.9	509.9	47.2	-200.7	-247.9	9.4	307.1	297.7
Direct investment	285.7	472.3	186.6	20.1	56.7	36.6	-32.3	-35.6	-3.2	27.1	34.8	7.7
Equity	221.7	429.5	207.8	170.0	54.6	-115.4	-5.5	13.0	18.4	79.9	28.6	-51.4
Debt instruments	64.1	42.9	-21.2	-149.9	2.1	152.0	-26.9	-48.5	-21.7	-52.9	6.2	59.1
Portfolio investment	319.7	390.3	70.6	402.4	676.0	273.6	30.4	11.4	-18.9	14.8	87.5	72.7
Equity	-112.9	46.5	159.4	-231.1	206.6	437.7	-22.6	-2.7	19.9	37.2	51.2	14.0
Debt securities	432.6	343.7	-88.9	633.5	469.4	-164.1	53.0	14.1	-38.8	-22.4	36.3	58.7
Short-term	-63.8	-5.8	58.1	67.5	57.9	-9.6	44.2	19.2	-25.0	-21.4	-3.9	17.5
Long-term	496.4	349.5	-147.0	566.0	411.5	-154.5	8.8	-5.1	-13.8	-1.0	40.2	41.2
Memo: Direct and portfolio investment	605.4	862.6	257.2	422.5	732.7	310.2	-2.0	-24.2	-22.2	41.8	122.2	80.4
Financial derivatives	12.0			2.7			-1.2			0.3		
Other investment	-288.8	345.7	634.5	-14.3	185.4	199.7	51.9	-173.8	-225.7	-35.0	182.3	217.3
Eurosysteem	-138.1	3.9	142.0	-95.9	1.6	97.5	-160.6	10.2	170.8	106.7	-8.1	-114.8
MFIs (excluding the Eurosysteem)	-97.9	261.1	359.0	17.0	79.8	62.7	189.9	-157.7	-347.5	-134.1	155.8	289.9
General government	-9.5	-6.0	3.5	16.3	-7.1	-23.4	15.9	-0.0	-15.9	4.1	-1.5	-5.6
Other sectors	-43.3	86.7	130.0	48.3	111.2	62.9	6.7	-26.3	-33.0	-11.7	36.1	47.9
Of which: currency and deposits	-361.8	108.1	469.8	-63.5	93.2	156.7	140.0	-38.1	-178.1	-106.6	73.8	180.4
Reserve assets		11.7			6.1			-1.6			2.3	
Errors and omissions	-13.7			25.3			-1.4			-4.5		

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)

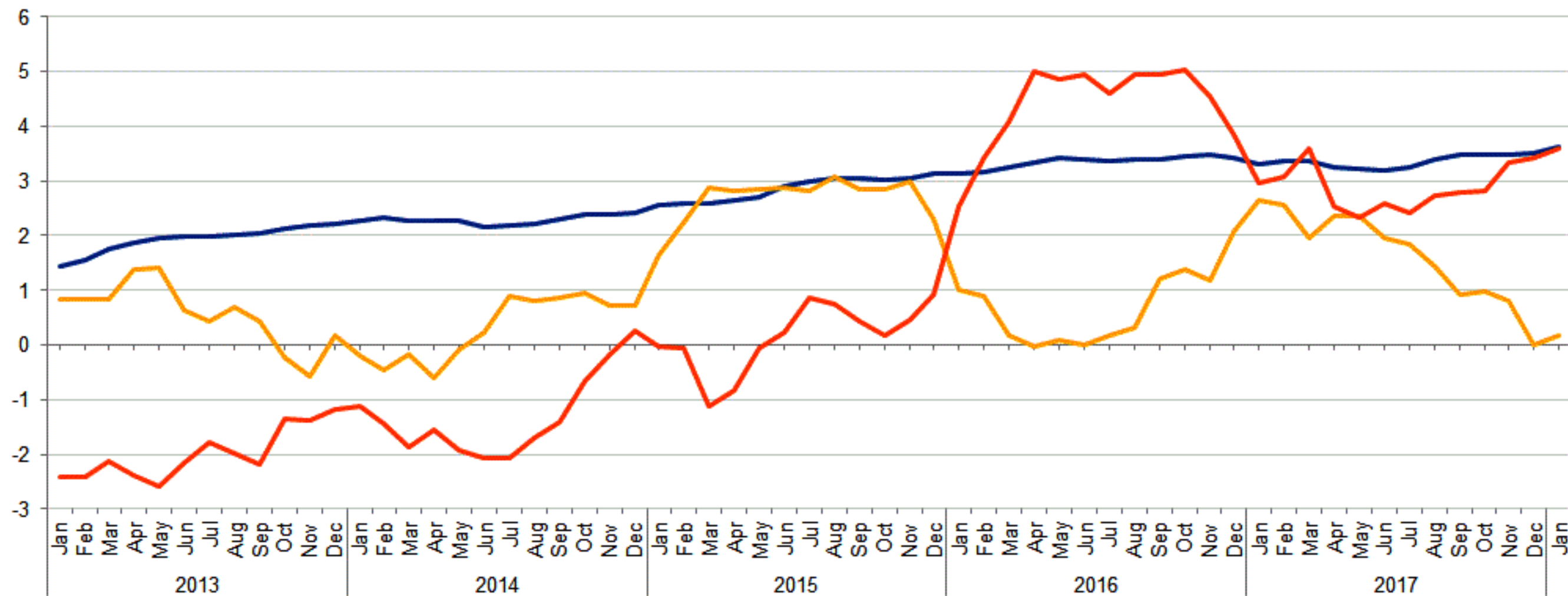
	Sep.17	Oct.17	Nov.17	Dec.17	Jan.18					Jan.18				
					Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding
Reserve assets	674.8	676.5	673.3		-1.6	-2.3	0.4	-0.1	669.7	2.3	-6.8	-1.9	-0.1	663.1
Monetary gold	377.8	378.9	374.6		0.0	-	0.4	0.0	375.0	0.0	-	-1.1	-0.0	374.0
Gold bullion	371.3	372.4	368.2		0.0	-	0.8	0.0	368.6	0.0	-	-10.2	-0.0	367.5
Unallocated gold accounts	6.5	6.5	6.4		0.0	-	0.0	0.0	6.4	0.0	-	-0.0	0.0	6.4
Special drawing rights	49.9	50.4	50.1		0.1	-0.3	-	-0.0	49.9	0.0	-0.7	-	-0.0	49.2
Reserve position in the IMF	20.0	20.1	19.2		-1.8	-0.1	-	-0.0	17.3	-0.2	-0.3	-	0.0	16.8
Other reserve assets	227.2	227.1	229.4		0.1	-2.0	-0.0	-0.1	227.4	2.5	-5.8	-0.8	-0.1	223.1
Currency and deposits	41.9	37.3	39.1		-1.6	-0.3	-	0.0	37.2	-0.1	-0.3	-	-0.0	36.7
Claims on monetary authorities	31.6	27.8	27.5		2.7	-	-	-	29.9	-2.7	-	-	-	27.1
Claim on other entities	10.3	9.5	11.6		-4.3	-	-	-	7.3	2.6	-	-	-	9.7
Securities	181.3	186.2	186.8		2.1	-1.6	-0.1	-0.1	187.0	2.6	-5.4	-0.9	-0.1	183.2
Debt securities	180.5	185.2	185.8		1.9	-1.6	-0.1	-0.1	185.9	2.5	-5.4	-0.9	-0.1	182.1
Short-term	29.5	29.7	30.6		4.2	-0.4	-0.0	-0.0	34.3	-2.8	-0.6	-0.2	0.0	30.8
Long-term	151.0	155.5	155.2		-2.3	-1.2	-0.0	-0.1	151.5	5.3	-4.7	-0.7	-0.1	151.3
Equity and investment fund shares	0.8	1.0	1.0		0.1	-0.0	0.0	0.0	1.1	0.0	-0.0	-0.0	0.0	1.1
Financial derivatives (net)	0.2	0.1	0.2		-0.0	-	0.1	-0.0	0.2	0.0	-	0.1	-0.0	0.3
Other claims	3.8	3.5	3.4		-0.4	-0.0	0.0	-0.0	3.0	0.0	-0.0	0.0	-0.0	3.0

Source: ECB.

Chart 1: Balance of payments of the euro area: 12-month cumulated transactions

(as a percentage of GDP)

- Current account balance (seasonally adjusted)
- Direct investment (non-seasonally adjusted)
- Portfolio investment (non-seasonally adjusted)



Source: ECB