

Press release

20 March 2020

Euro area monthly balance of payments: January 2020

- In January 2020 the [current account](#) of the euro area recorded a surplus of €35 billion, compared with a surplus of €33 billion in December 2019.
- In the 12-month period to January 2020, the current account recorded a surplus of €364 billion (3.1% of euro area GDP), compared with a surplus of €359 billion (also 3.1% of euro area GDP) in the 12 months to January 2019.
- In the [financial account](#), euro area residents made net acquisitions of foreign portfolio investment securities totalling €393 billion in the 12-month period to January 2020 (up from €138 billion in the 12 months to January 2019). Over the same period, non-residents made net acquisitions of euro area portfolio investment securities amounting to €419 billion (in comparison with net sales of €45 billion).

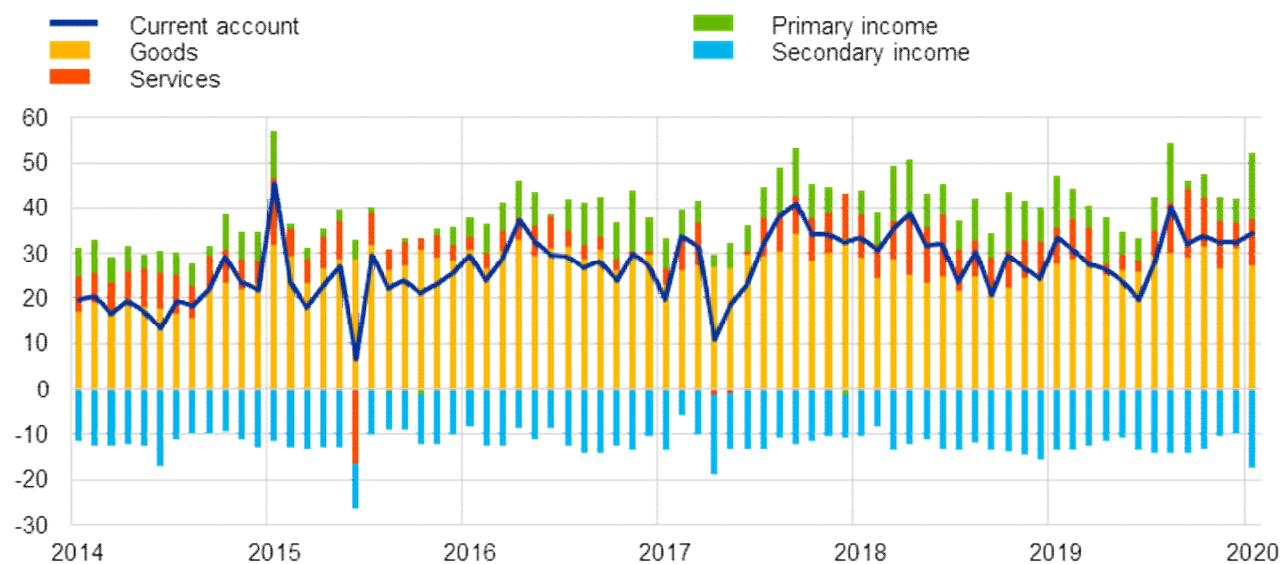
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Chart 1

Euro area current account balance

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



Source: ECB.

The *current account* of the euro area recorded a surplus of €35 billion in January 2020, increasing by €2 billion from the previous month (see Chart 1 and Table 1). Surpluses were recorded for *goods* (€27 billion), *primary income* (€14 billion) and *services* (€10 billion). These were partly offset by a deficit for *secondary income* (€17 billion).

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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 in | | | | Jan 2019 | Dec 2019 | Jan 2020 |
|------------------|------------------|---|-------|--------------------------|-------|----------|----------|----------|
| | | January 2019 % of GDP | | January 2020 % of GDP | | | | |
| Current account | Balance | 359 | 3.1% | 364 | 3.1% | 34 | 33 | 35 |
| | Credit | 4,168 | 35.9% | 4,288 | 36.0% | 361 | 352 | 372 |
| | Debit | 3,810 | 32.9% | 3,925 | 33.0% | 327 | 320 | 338 |
| Goods | Balance | 295 | 2.5% | 340 | 2.9% | 28 | 31 | 27 |
| | Credit (exports) | 2,347 | 20.2% | 2,418 | 20.3% | 200 | 204 | 202 |
| | Debit (imports) | 2,052 | 17.7% | 2,078 | 17.4% | 173 | 173 | 174 |
| Services | Balance | 113 | 1.0% | 95 | 0.8% | 8 | 6 | 10 |
| | Credit (exports) | 923 | 8.0% | 982 | 8.2% | 78 | 81 | 87 |
| | Debit (imports) | 810 | 7.0% | 886 | 7.4% | 70 | 75 | 77 |
| Primary income | Balance | 106 | 0.9% | 84 | 0.7% | 11 | 5 | 14 |
| | Credit | 782 | 6.7% | 781 | 6.6% | 72 | 59 | 74 |
| | Debit | 675 | 5.8% | 697 | 5.9% | 60 | 54 | 60 |
| Secondary income | Balance | -155 | -1.3% | -155 | -1.3% | -14 | -10 | -17 |
| | Credit | 116 | 1.0% | 108 | 0.9% | 10 | 8 | 9 |
| | Debit | 272 | 2.3% | 264 | 2.2% | 24 | 18 | 26 |

Source: ECB.

Note: Discrepancies between totals and their components may be due to rounding.

[Data for the current account of the euro area](#)

In the 12 months to January 2020, the *current account* recorded a surplus of €364 billion (3.1% of euro area GDP), compared with a surplus of €359 billion (also 3.1% of euro area GDP) in the 12 months to January 2019. This increase reflected a larger surplus for *goods* (up from €295 billion to €340 billion), which was largely offset by reductions in the surpluses for *primary income* (down from €106 billion to €84 billion) and *services* (down from €113 billion to €95 billion). The deficit for *secondary income* remained stable at €155 billion.

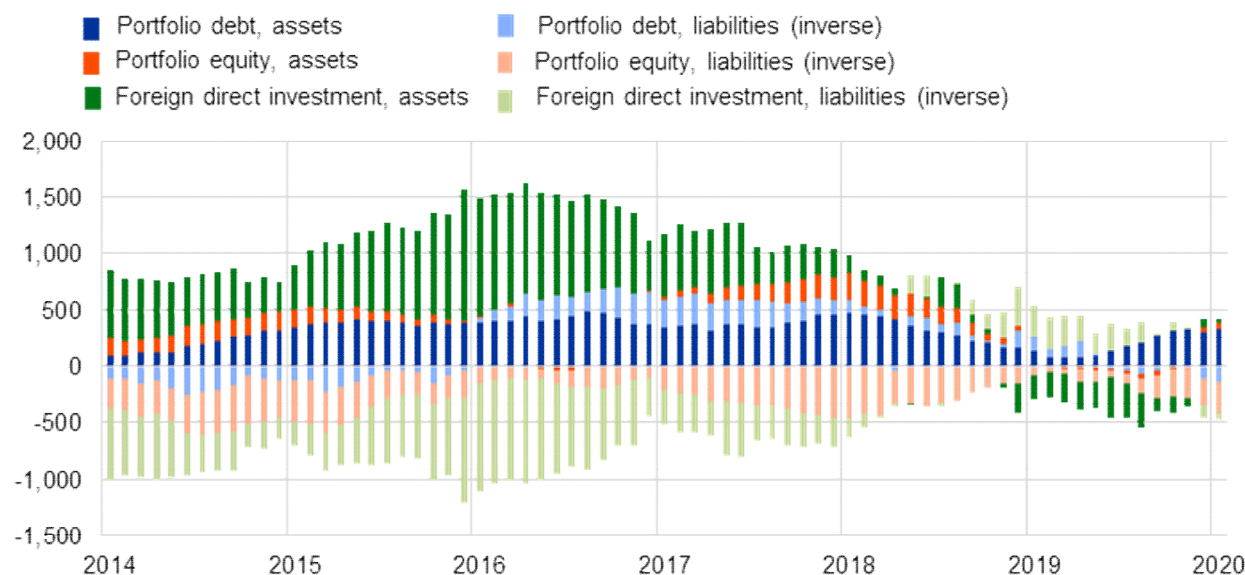
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Chart 2

Selected items of the euro area financial account

(EUR billions; 12-month cumulated data)



Source: ECB.

Notes: For assets, a positive (negative) number indicates net purchases (sales) of non-euro area instruments by euro area investors. For liabilities, a positive (negative) number indicates net sales (purchases) of euro area instruments by non-euro area investors.

In *direct investment*, euro area residents made net investments of €31 billion in non-euro area assets in the 12-month period to January 2020, following net disinvestments of €215 billion in the 12 months to January 2019 (see Chart 2 and Table 2). At the same time, non-residents made net investments in euro area assets of €56 billion in the 12-month period to January 2020, following net disinvestments of €264 billion in the 12 months to January 2019.

In *portfolio investment*, net purchases of foreign *debt securities* by euro area residents increased to €334 billion in the 12-month period to January 2020, following net purchases of €136 billion in the 12 months to January 2019. Over the same period, euro area residents made net purchases of foreign *equity* amounting to €59 billion, after net purchases of €1 billion in the 12 months to January 2019. Non-residents made net purchases of euro area *debt securities* of €136 billion in the 12 months to January 2020, after recording net sales of €124 billion in the 12 months to January 2019. Over the same period, non-residents' net purchases of euro area *equity* increased to €283 billion from €79 billion.

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Table 2
Financial account 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 in | | | | | |
|------------------------------------|---|--------|-------------|--------------|--------|-------------|
| | January 2019 | | | January 2020 | | |
| | Net | Assets | Liabilities | Net | Assets | Liabilities |
| Financial account | 325 | 286 | -39 | 338 | 764 | 426 |
| Direct investment | 49 | -215 | -264 | -24 | 31 | 56 |
| Portfolio investment | 183 | 138 | -45 | -26 | 393 | 419 |
| Equity | -78 | 1 | 79 | -224 | 59 | 283 |
| Debt securities | 260 | 136 | -124 | 198 | 334 | 136 |
| Financial derivatives (net) | 101 | 101 | | 46 | 46 | |
| Other investment | -28 | 242 | 270 | 332 | 283 | -49 |
| Eurosysteem | -97 | 3 | 100 | 103 | 11 | -92 |
| Other MFIs | 108 | 185 | 77 | 201 | 147 | -54 |
| General government | -2 | 7 | 9 | 5 | 7 | 2 |
| Other sectors | -37 | 47 | 84 | 23 | 118 | 95 |
| Reserve assets | 20 | 20 | | 10 | 10 | |

Source: ECB.

Notes: Decreases in assets and liabilities are shown with a minus sign. Net financial derivatives are reported under assets. "MFIs" stands for monetary financial institutions. Discrepancies between totals and their components may be due to rounding.

[Data for the financial account of the euro area](#)

In *other investment*, euro area residents' net acquisitions of foreign assets increased to €283 billion in the 12 months to January 2020 (following net acquisitions of €242 billion in the 12 months to January 2019), while non-euro area residents recorded net disposals of €49 billion in euro area assets, following net acquisitions of €270 billion.

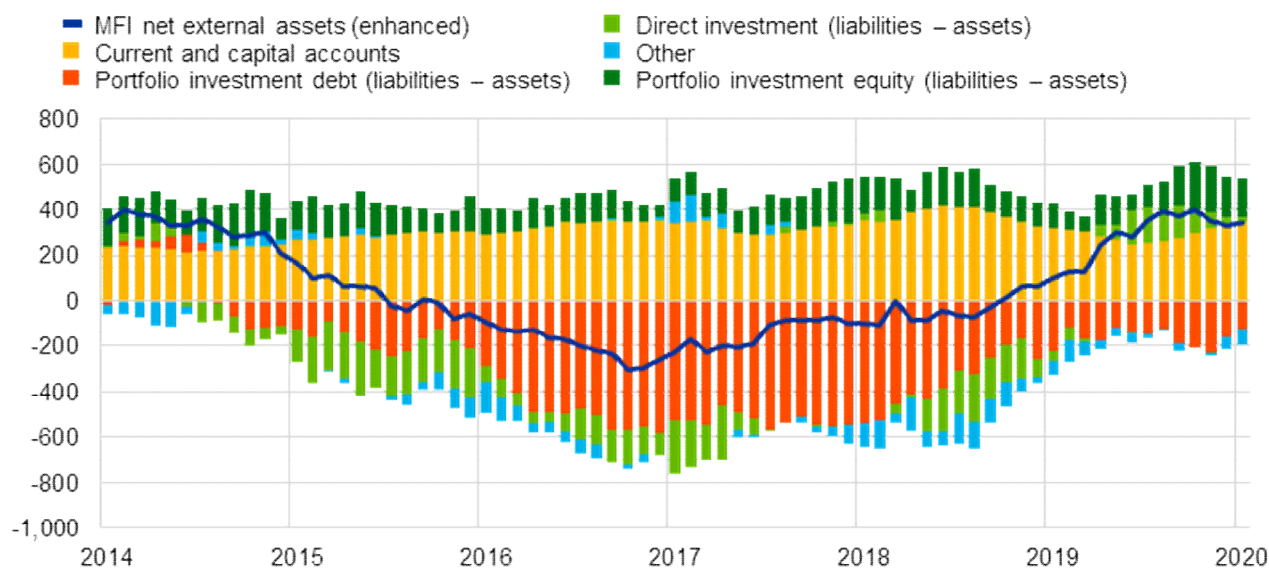
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Chart 3
Monetary presentation of the balance of payments

(EUR billions; 12-month cumulated data)



Source: ECB.

Notes: MFI *net external assets (enhanced)* incorporates an adjustment to the MFI net external assets (as reported in the consolidated MFI balance sheet items statistics) based on information on MFI long-term liabilities held by non-residents, available in b.o.p. statistics. B.o.p. transactions refer only to transactions of non-MFI residents of the euro area. Financial transactions are shown as liabilities net of assets. "Other" includes *financial derivatives*, *other investment* and statistical discrepancies.

The monetary presentation of the balance of payments (see Chart 3) shows that the *net external assets (enhanced)* of euro area MFIs increased by €333 billion in the 12-month period to January 2020. This increase was mainly driven by a *current and capital accounts* surplus and, to a lesser extent, by euro area non-MFIs' net inflows in *portfolio investment equity*. This increase was partly offset by euro area non-MFIs' net outflows in *portfolio investment debt securities*.

In January 2020 the Eurosystem's stock of *reserve assets* increased to €846.8 billion, up from €813.6 billion in the previous month (see Table 3). This increase was mostly driven by positive price changes (€27.8 billion) and to a lesser extent by positive exchange rate changes (€4.3 billion) and net acquisitions of assets (€1.0 billion).

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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 data)

| | December 2019 | January 2020 | | | |
|-----------------------------|---------------------|--------------|-----------------------|---------------|---------------------|
| | Amounts outstanding | Transactions | Exchange rate changes | Price changes | Amounts outstanding |
| Reserve assets | 813.6 | 1.0 | 4.3 | 27.8 | 846.8 |
| Monetary gold | 469.1 | 0.0 | - | 26.6 | 495.7 |
| Special drawing rights | 53.4 | 0.0 | 0.4 | - | 54.0 |
| Reserve position in the IMF | 24.4 | 0.0 | 0.2 | - | 24.6 |
| Other reserve assets | 266.7 | 0.9 | 3.6 | 1.2 | 272.6 |

Source: ECB.

Note: "Other reserve assets" comprises currency and deposits, securities, financial derivatives (net) and other claims.

[Data for the reserve assets of the euro area](#)

Data revisions

This press release does not incorporate revisions to previous periods.

Next press releases:

- quarterly balance of payments and international investment position: 7 April 2020 (reference data up to the fourth quarter of 2019)
- monthly balance of payments: 20 April 2020 (reference data up to February 2020)

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Notes

- Hyperlinks in this press release lead to data that may change with subsequent releases as a result of revisions.

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