

Press release

19 June 2020

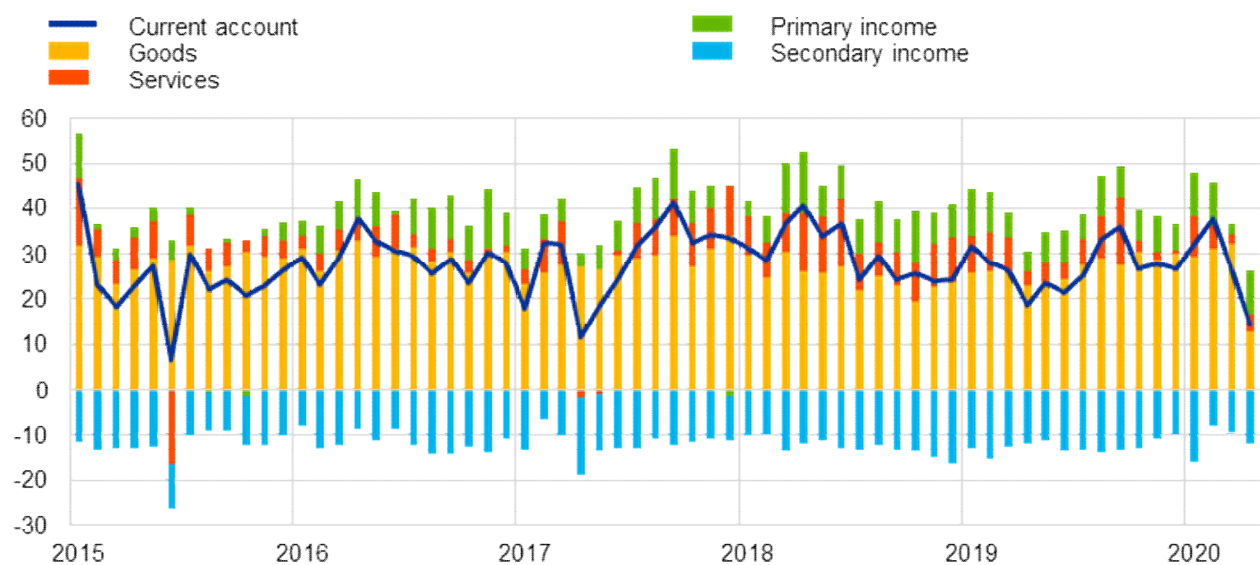
Euro area monthly balance of payments: April 2020

- In April 2020 the [current account](#) of the euro area recorded a surplus of €14 billion, compared with a surplus of €27 billion in March 2020.
- In the 12-month period to April 2020, the current account recorded a surplus of €334 billion (2.8% of euro area GDP), compared with a surplus of €329 billion (2.8% of euro area GDP) in the 12 months to April 2019.
- In the [financial account](#), euro area residents made net acquisitions of foreign portfolio investment securities totalling €394 billion in the 12-month period to April 2020 (up from €64 billion in the 12 months to April 2019). Over the same period, non-residents made net acquisitions of euro area portfolio investment securities amounting to €306 billion (up from €44 billion).

Chart 1

Euro area current account balance

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



Source: ECB.

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The *current account* of the euro area recorded a surplus of €14 billion in April 2020, decreasing by €13 billion from the previous month (see Chart 1 and Table 1). Surpluses were recorded for *goods* (€13 billion), *primary income* (€9 billion) and *services* (€4 billion). These were partly offset by a deficit for *secondary income* (€12 billion). Amid the coronavirus (COVID-19) pandemic and the measures implemented to contain its spread, exports and imports of *goods* and *services* continued to decrease compared with the previous month and stood at significantly lower levels than in April 2019.

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				Apr 2019	Mar 2020	Apr 2020
		April 2019 % of GDP		April 2020 % of GDP				
Current account	Balance	329	2.8%	334	2.8%	19	27	14
	Credit	4,222	36.1%	4,224	35.6%	354	323	275
	Debit	3,894	33.3%	3,891	32.8%	335	296	261
Goods	Balance	292	2.5%	329	2.8%	23	32	13
	Credit (exports)	2,375	20.3%	2,351	19.8%	197	187	146
	Debit (imports)	2,084	17.8%	2,022	17.0%	174	155	133
Services	Balance	106	0.9%	62	0.5%	3	2	4
	Credit (exports)	939	8.0%	971	8.2%	81	70	62
	Debit (imports)	833	7.1%	909	7.7%	78	68	58
Primary income	Balance	91	0.8%	86	0.7%	4	2	9
	Credit	797	6.8%	790	6.7%	67	57	58
	Debit	706	6.0%	704	5.9%	62	55	48
Secondary income	Balance	-160	-1.4%	-144	-1.2%	-12	-9	-12
	Credit	111	0.9%	112	0.9%	9	8	9
	Debit	271	2.3%	255	2.2%	21	18	21

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 April 2020, the *current account* recorded a surplus of €334 billion (2.8% of euro area GDP), compared with a surplus of €329 billion (2.8% of euro area GDP) in the 12 months to April 2019. This small increase was mainly driven by a larger surplus for *goods* (up from €292 billion to €329 billion), but also by a smaller deficit for *secondary income* (down from €160 billion to €144 billion). These developments were partly offset by a reduction in the surplus for *services* (down from €106 billion to €62 billion) and for *primary income* (down from €91 billion to €86 billion).

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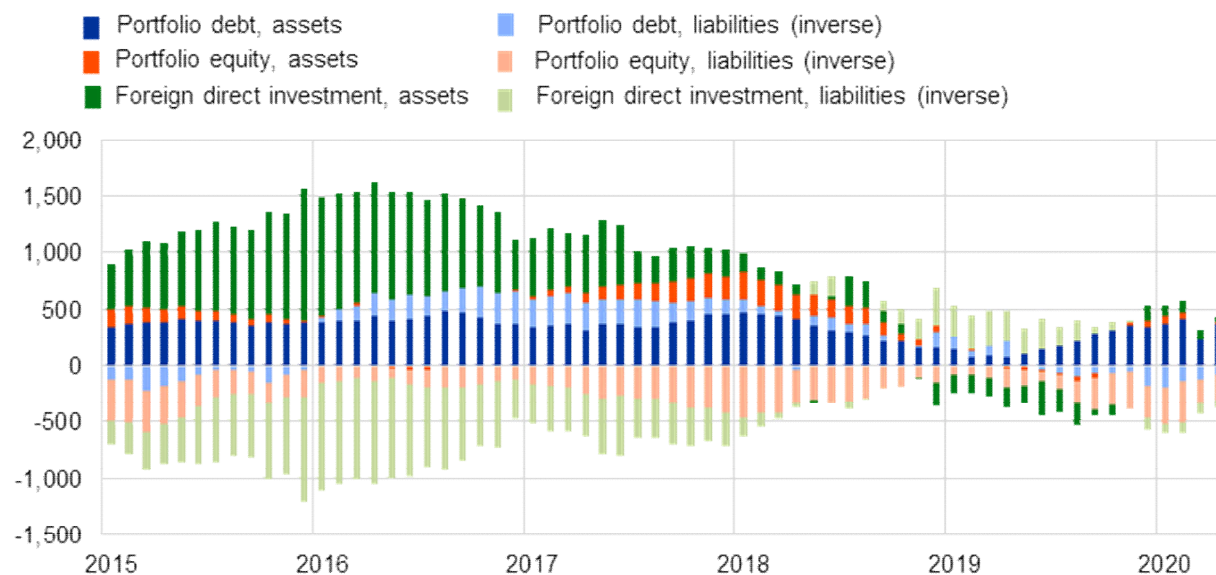
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Chart 2

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 €36 billion in non-euro area assets in the 12-month period to April 2020, following net disinvestments of €175 billion in the 12 months to April 2019 (see Chart 2 and Table 2). At the same time, non-residents made net investments in euro area assets of €62 billion in the 12-month period to April 2020, following net disinvestments of €270 billion in the 12 months to April 2019.

In *portfolio investment*, net purchases of foreign *debt securities* by euro area residents increased to €372 billion in the 12-month period to April 2020, following net purchases of €83 billion in the 12 months to April 2019. Over the same period, euro area residents made net purchases in foreign *equity* of €22 billion, after net sales of €19 billion in the 12 months to April 2019. Non-residents made net purchases of euro area *debt securities* (€77 billion) in the 12 months to April 2020, after recording net sales of €134 billion in the 12 months to April 2019. Over the same period, non-residents' net purchases of euro area *equity* rose to €229 billion from €178 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					
	April 2019			April 2020		
	Net	Assets	Liabilities	Net	Assets	Liabilities
Financial account	324	321	-2	267	856	588
Direct investment	95	-175	-270	-27	36	62
Portfolio investment	20	64	44	88	394	306
Equity	-197	-19	178	-206	22	229
Debt securities	217	83	-134	294	372	77
Financial derivatives (net)	104	104		35	35	
Other investment	81	305	224	168	388	220
Eurosystem	-17	-3	14	-127	15	141
Other MFIs	176	271	95	238	228	-10
General government	-13	6	20	23	10	-13
Other sectors	-64	31	95	34	135	102
Reserve assets	23	23		2	2	

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 €388 billion in the 12 months to April 2020 (following net acquisitions of €305 billion in the 12 months to April 2019), while their net incurrence of liabilities decreased slightly to €220 billion from €224 billion.

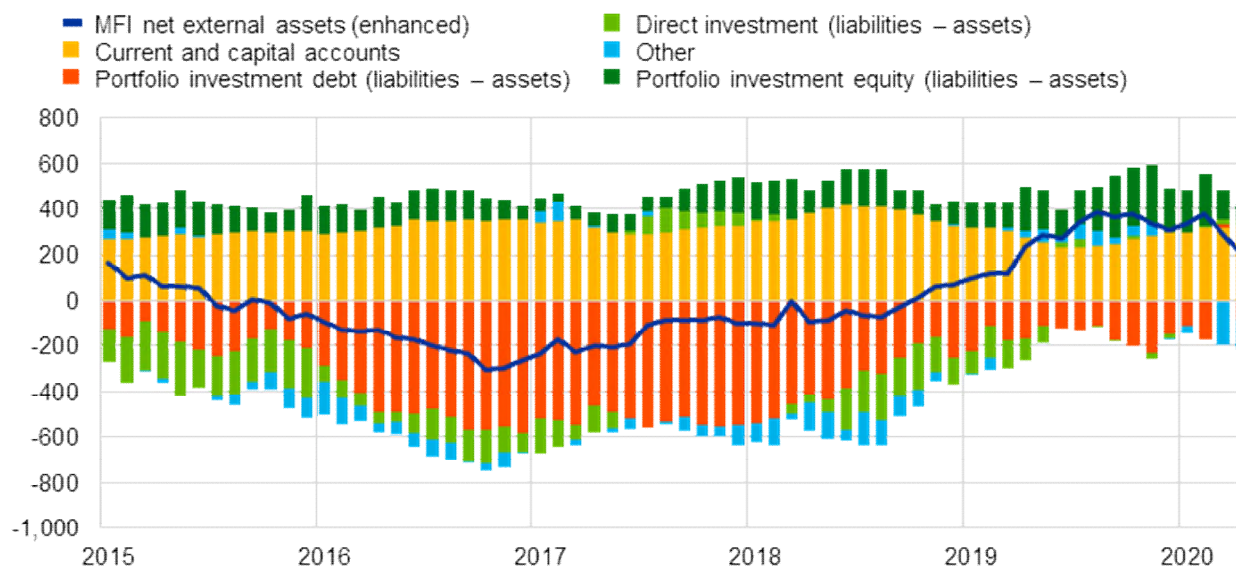
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Chart 3
Monetary presentation of the balance of payments

(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 €203 billion in the 12-month period to April 2020. This increase was driven mainly by the euro area's *current and capital accounts* surplus and, to a lesser extent, by euro area non-MFIs' net inflows in *portfolio investment equity*. These developments were partly offset by euro area non-MFIs' net outflows in *portfolio investment debt securities* and by *other* flows, in particular *other investment* net outflows.

In April 2020 the Eurosystem's stock of *reserve assets* increased to €909.9 billion, up from €866.3 billion in the previous month (see Table 3). This increase was driven by positive price and exchange rate changes (€37.5 billion and €4.5 billion respectively), as well as net acquisitions of assets (€1.7 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)

	March 2020	April 2020			Amounts outstanding
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	
Reserve assets	866.3	1.7	4.5	37.5	909.9
Monetary gold	508.2	0.0	-	37.5	545.6
Special drawing rights	53.9	-0.2	0.4	-	54.2
Reserve position in the IMF	24.1	2.5	0.2	-	26.8
Other reserve assets	280.1	-0.5	3.9	0.0	283.3

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.

The production of monthly b.o.p. statistics has in most countries been affected by the COVID-19 crisis. The lockdown measures implemented across the euro area have created challenges for the data collection and compilation process. In addition, the abrupt economic impact of these measures has caused particular difficulties for the estimation of infra-annual data. The forthcoming releases are therefore subject to higher uncertainty. More information on the potential impact of the COVID-19 crisis on b.o.p. statistics can be found [here](#).

Next press releases:

- quarterly balance of payments and international investment position: 3 July 2020 (reference data up to the first quarter of 2020)
- monthly balance of payments: 20 July 2020 (reference data up to May 2020)

For media queries, please contact [Philippe Rispal](#), tel.: +49 69 1344 5482.

Notes

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

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