

Press release

20 May 2020

Euro area monthly balance of payments: March 2020

- In March 2020 the [current account](#) of the euro area recorded a surplus of €27 billion, compared with a surplus of €38 billion in February 2020.
- In the 12-month period to March 2020, the current account recorded a surplus of €338 billion (2.8% of euro area GDP), compared with a surplus of €350 billion (3.0% of euro area GDP) in the 12 months to March 2019.
- In the [financial account](#), euro area residents made net acquisitions of foreign portfolio investment securities totalling €241 billion in the 12-month period to March 2020 (up from €81 billion in the 12 months to March 2019). Over the same period, non-residents made net acquisitions of euro area portfolio investment securities amounting to €334 billion (up from €3 billion).

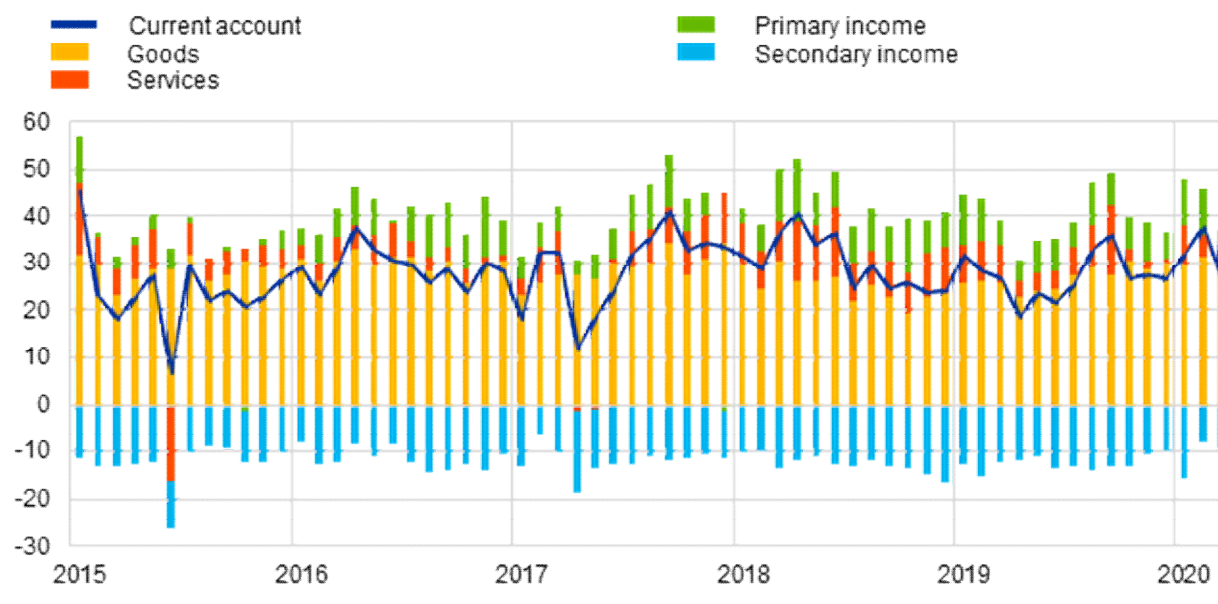
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Chart 1

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 €27 billion in March 2020, a decrease of €11 billion from the previous month (see Chart 1 and Table 1). Surpluses were recorded for *goods* (€32 billion), *services* (€2 billion) and *primary income* (€2 billion). These were partly offset by a deficit for *secondary income* (€9 billion). Amid the coronavirus (COVID-19) pandemic and the measures implemented to contain its spread, both exports and imports of *goods* and *services* decreased compared with February 2020 as did credit and debit flows in *primary income*.

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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				Mar 2019	Feb 2020	Mar 2020
		March 2019		March 2020				
			% of GDP		% of GDP			
Current account	Balance	350	3.0%	338	2.8%	27	38	27
	Credit	4,214	36.2%	4,303	36.1%	357	364	323
	Debit	3,864	33.2%	3,965	33.3%	331	326	296
Goods	Balance	295	2.5%	339	2.8%	26	31	32
	Credit (exports)	2,372	20.3%	2,402	20.2%	203	205	187
	Debit (imports)	2,077	17.8%	2,063	17.3%	177	173	155
Services	Balance	115	1.0%	61	0.5%	8	5	2
	Credit (exports)	934	8.0%	990	8.3%	79	84	70
	Debit (imports)	818	7.0%	929	7.8%	71	79	68
Primary income	Balance	100	0.9%	81	0.7%	5	10	2
	Credit	798	6.8%	799	6.7%	65	66	57
	Debit	698	6.0%	718	6.0%	60	56	55
Secondary income	Balance	-160	-1.4%	-143	-1.2%	-12	-8	-9
	Credit	111	1.0%	111	0.9%	10	10	8
	Debit	271	2.3%	255	2.1%	22	18	18

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 March 2020, the *current account* recorded a surplus of €338 billion (2.8% of euro area GDP), compared with a surplus of €350 billion (3.0% of euro area GDP) in the 12 months to March 2019. This decline was driven by a reduction in the surplus for *services* (from €115 billion to €61 billion) and for *primary income* (from €100 billion to €81 billion). These developments were partly offset by a larger surplus for *goods* (up from €295 billion to €339 billion) and a smaller deficit for *secondary income* (down from €160 billion to €143 billion).

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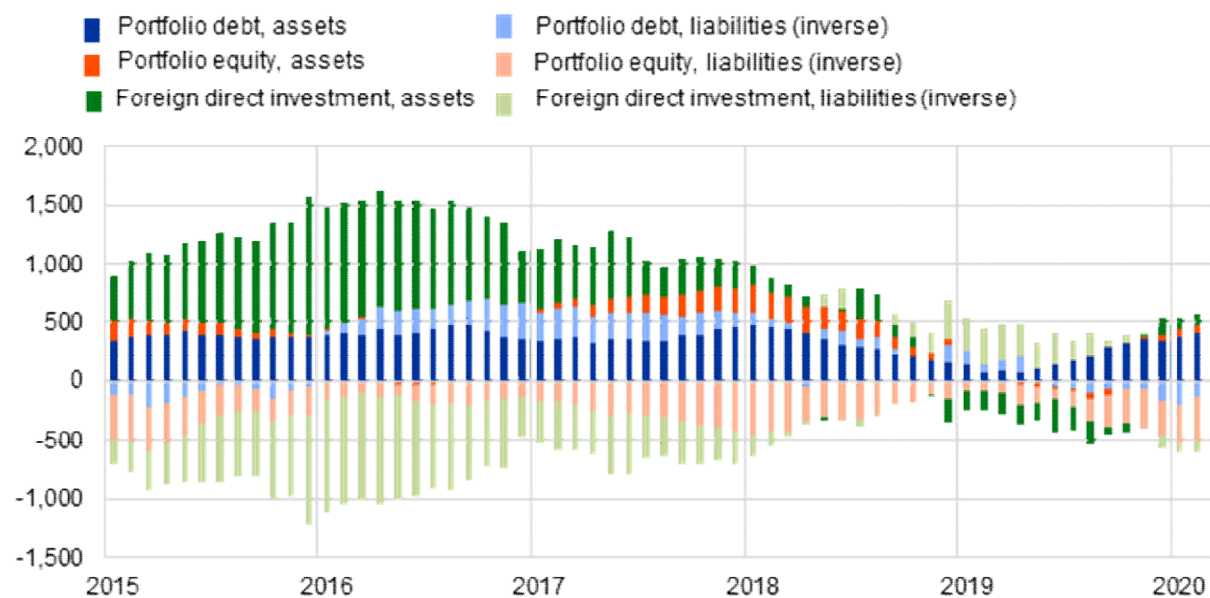
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Chart 2

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 €79 billion in non-euro area assets in the 12-month period to March 2020, following net disinvestments of €175 billion in the 12 months to March 2019 (see Chart 2 and Table 2). Non-residents made net investments in euro area assets of €102 billion in the 12-month period to March 2020, following net disinvestments of €303 billion in the 12 months to March 2019.

In *portfolio investment*, net purchases of foreign *debt securities* by euro area residents increased to €234 billion in the 12-month period to March 2020, following net purchases of €92 billion in the 12 months to March 2019. Over the same period euro area residents made net purchases of foreign *equity* of €7 billion, after net sales of €11 billion in the 12 months to March 2019. Non-residents made net purchases of euro area *debt securities* (€127 billion) in the 12 months to March 2020, after recording net sales of €88 billion in the 12 months to March 2019. Over the same period, non-residents' net purchases of euro area *equity* rose to €208 billion from €91 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					
	March 2019			March 2020		
	Net	Assets	Liabilities	Net	Assets	Liabilities
Financial account	360	274	-86	248	947	699
Direct investment	128	-175	-303	-23	79	102
Portfolio investment	78	81	3	-93	241	334
Equity	-102	-11	91	-200	7	208
Debt securities	180	92	-88	107	234	127
Financial derivatives (net)	104	104		44	44	
Other investment	34	248	214	316	579	263
Eurosysteem	5	3	-1	-56	8	64
Other MFIs	104	193	89	294	412	118
General government	-9	8	18	16	6	-10
Other sectors	-65	43	108	61	153	92
Reserve assets	17	17		4	4	

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](#)

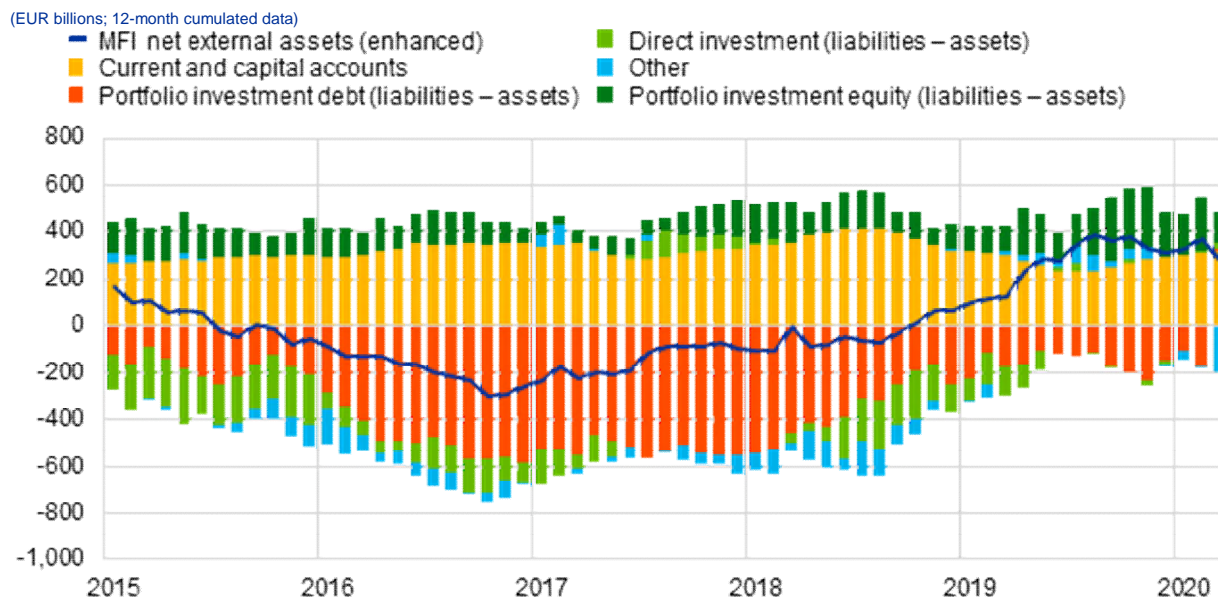
In *other investment*, euro area residents' net acquisitions of foreign assets increased to €579 billion in the 12 months to March 2020 (following €248 billion in the 12 months to March 2019), while their net incurrence of liabilities increased to €263 billion from €214 billion.

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Chart 3
Monetary presentation of the balance of payments



Source: ECB.

Notes: MFI net external assets (enhanced) incorporates an adjustment to 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 €282 billion in the 12-month period to March 2020. This increase was driven mainly by the euro area's *current and capital accounts* surplus and euro area non-MFIs' net inflows in *portfolio investment equity*. This development was partially compensated by *other* flows, in particular *other investment* net outflows.

In March 2020 the Eurosystem's stock of *reserve assets* increased to €866.3 billion, from €864.7 billion in the previous month (see Table 3). This increase was largely driven by net acquisitions of assets (€3.6 billion) which was partly offset by the effect of negative price changes (€2.1 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)

	February 2020	March 2020			
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding
Reserve assets	864.7	3.6	0.2	-2.1	866.3
Monetary gold	511.8	0.0	-	-3.5	508.2
Special drawing rights	54.2	0.0	-0.2	-	53.9
Reserve position in the IMF	24.1	0.1	-0.1	-	24.1
Other reserve assets	274.6	3.5	0.5	1.4	280.1

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 incorporates revisions to the data for January and February 2020. These revisions did not significantly alter the figures previously published.

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:

- monthly balance of payments: 19 June 2020 (reference data up to the April 2020)
- quarterly balance of payments and international investment position: 3 July 2020 (reference data up to the first quarter of 2020)

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

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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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