



EUROPEAN CENTRAL BANK

EUROSISTEM

PRESS RELEASE

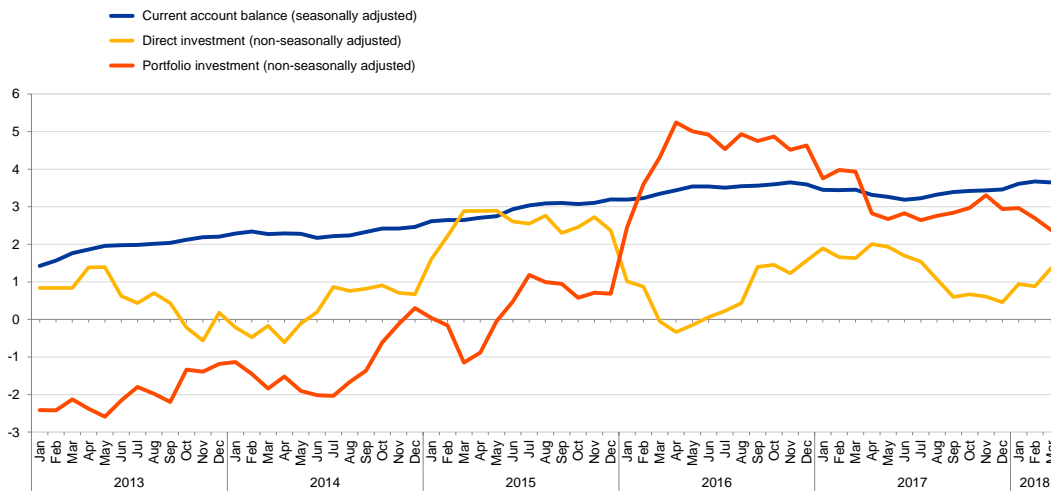
18 May 2018

Euro area monthly balance of payments (March 2018)

- In March 2018 the euro area current account recorded a surplus of €32.0 billion.¹
- In the financial account, combined direct and portfolio investment recorded net acquisitions of assets of €61 billion and net incurrences of liabilities of €30 billion.

Chart 1

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



Source: ECB.

¹ 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.

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Current account

The *current account* of the euro area recorded a surplus of €32.0 billion in March 2018 (see Table 1). This reflected surpluses for *goods* (€30.2 billion), *services* (€9.4 billion) and *primary income* (€3.9 billion), which were partly offset by a deficit for *secondary income* (€11.5 billion).

The 12-month cumulated current account for the period ending in March 2018 recorded a surplus of €407.7 billion (3.6% of euro area GDP), compared with €375.2 billion (3.5% of euro area GDP) in the 12 months to March 2017 (see Table 1 and Chart 1). This development was mainly due to an increase in the surplus for *services* (from €41.7 billion to €103.5 billion) and, to a lesser extent, in the surplus for *goods* (from €355.1 billion to €358.2 billion), which were partially offset by decreases in the surpluses for *primary income* (from €116.8 billion to €91.0 billion) and an increase in the deficit for *secondary income* (from €138.4 billion to €144.9 billion).

Financial account

In March 2018 *combined direct and portfolio investment* recorded net acquisitions of assets of €61 billion and net incurrences of liabilities of €30 billion (see Table 2).

Euro area residents recorded net acquisitions of €31 billion of *direct investment* assets as a result of net investments in *debt instruments* (€22 billion) and *equity* (€9 billion). *Direct investment* liabilities decreased by €33 billion as a result of net withdrawals of euro area *debt instruments* (€18 billion) and *equity* (€15 billion) by non-euro area residents.

As regards *portfolio investment* assets, in March 2018 euro area residents made net purchases of foreign securities amounting to €30 billion. These net purchases were in the form of *long-term debt securities* (€30 billion) and *short-term debt securities* (€12 billion), while euro area residents disposed of *equity* (€11 billion). *Portfolio investment* liabilities increased by €63 billion as a result of non-euro area residents' net acquisitions of euro area *long-term debt securities* (€45 billion) and *equity* (€24 billion), which were partly offset by net sales/amortisations of euro area *short-term debt securities* (€7 billion) by non-euro area residents.

The euro area net *financial derivatives* account (assets minus liabilities) recorded negative net flows of €5 billion.

Other investment recorded net disposals of assets amounting to €78 billion and net disposals of liabilities totalling €130 billion. The net disposal of assets was mainly due to *MFIs (excluding the Eurosystem)* (€84 billion), a development which was partly offset by an increase in the net assets of *other sectors* (€7 billion). The net disposal of liabilities was mainly attributable to the *MFIs (excluding the Eurosystem)* (€175 billion) and, to a lesser extent, to *other sectors* (€32 billion). These developments were partly offset by net incurrences of liabilities by the *Eurosystem* (€75 billion).

In the 12 months to March 2018, *combined direct and portfolio investment* recorded net acquisitions of assets of €655 billion and net incurrences of liabilities of €236 billion, compared with €905 billion and €301 billion respectively in the 12 months to March 2017.

In *direct investment*, there was a decrease in the net investments of euro area residents abroad and a shift to net disinvestment of non-residents in the euro area. The net acquisitions of *equity* by euro area residents dropped from €457 billion to €34 billion, while transactions in *debt instruments* dropped from €14 billion to €11 billion. On the liability side, transactions in euro area *equity* by non-residents shifted from net investments of €213 billion to net disinvestments of €224 billion, while intercompany lending recorded an increase in net investments from €80 billion to €115 billion.

Concerning *portfolio investment*, the net purchases of foreign *equity* and *debt securities* by euro area residents increased from €58 billion to €191 billion and from €378 billion to €419 billion respectively. On the liability side, the net purchases of euro area *equity* by non-euro area residents increased from €216 billion to €447 billion and the net sales/amortisations of euro area debt securities decreased from €208 billion to €103 billion.

According to the monetary presentation of the balance of payments, the [net external assets](#) of euro area monetary financial institutions (MFIs) decreased by €17 billion in the 12 months to March 2018, compared with a decrease of €243 billion in the 12 months to March 2017. This was mainly due to the developments in the portfolio equity investment of the non-MFIs.

In March 2018 the *Eurosystem's* stock of *reserve assets* increased to €673.4 billion from €667.7 billion in the previous month (see Table 3). This increase (€5.7 billion) was mainly due to net acquisitions of reserve assets (€9.5 billion), which were partly offset by negative exchange rate (€2.2 billion) and price (€1.3 billion) changes.

Data revisions

This press release incorporates revisions to the data for January and February 2018. These revisions have not significantly altered the figures published previously.

Additional information

- Time-series data: the [ECB's Statistical Data Warehouse \(SDW\)](#)
- [Methodological information](#)
- [Monetary presentation of the balance of payments](#)
- [Next press releases:](#)

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Euro area monthly balance of payments (March 2018)

- monthly balance of payments: **19 June 2018** (reference data up to April 2018)
- quarterly balance of payments and international investment position: **4 July 2018** (reference data up to the first quarter of 2018).

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			
	Mar. 2017	Mar. 2018	Mar.	Apr.	May	June	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
CURRENT ACCOUNT	375.2	407.7	34.7	22.9	30.2	24.5	34.8	41.8	39.2	35.1	36.5	34.3	39.7	36.8	32.0
<i>Memo: as a percentage of GDP</i>	3.5	3.6													
Credit	3,713.7	3,935.5	321.8	318.6	325.3	321.2	324.6	333.2	330.9	327.3	331.8	337.7	330.8	324.6	329.5
Debit	3,338.5	3,527.8	287.2	295.7	295.1	296.7	289.9	291.5	291.7	292.2	295.2	303.4	291.1	287.9	297.5
Goods	355.1	358.2	28.6	25.3	27.8	30.0	28.4	30.9	33.3	29.3	31.3	33.5	29.3	28.7	30.2
Credit (exports)	2,165.1	2,311.2	188.9	183.9	189.7	187.3	188.5	192.2	194.8	192.3	197.0	201.2	196.9	192.8	194.7
Debit (imports)	1,810.0	1,953.0	160.4	158.5	161.9	157.3	160.1	161.3	161.5	163.0	165.7	167.6	167.6	164.1	164.4
Services	41.7	103.5	8.5	6.8	5.5	6.7	8.6	10.0	9.6	9.6	8.7	10.5	8.9	9.2	9.4
Credit (exports)	794.6	858.3	69.6	69.6	69.1	70.5	71.1	71.8	71.7	72.0	71.8	73.3	71.9	71.8	73.6
Debit (imports)	752.9	754.8	61.2	62.8	63.6	63.9	62.5	61.7	62.1	62.4	63.2	62.9	63.0	62.6	64.2
Primary income	116.8	91.0	8.1	8.2	8.4	1.7	11.5	12.4	9.5	8.2	8.4	1.1	10.9	6.8	3.9
Credit	648.9	657.5	54.0	56.5	57.4	54.5	56.2	60.2	55.5	54.2	53.8	53.1	53.0	51.7	51.3
Debit	532.2	566.5	46.0	48.3	49.0	52.8	44.7	47.8	46.0	46.0	45.5	52.0	42.2	44.9	47.4
Secondary income	-138.4	-144.9	-10.5	-17.5	-11.6	-13.8	-13.8	-11.5	-13.2	-12.0	-11.8	-10.8	-9.4	-8.0	-11.5
Credit	105.1	108.5	9.2	8.6	9.0	8.8	8.9	9.1	9.0	8.8	9.1	10.0	8.9	8.3	9.9
Debit	243.5	253.4	19.7	26.1	20.6	22.7	22.6	20.6	22.2	20.8	20.9	20.9	18.3	16.4	21.4

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						February 2018			March 2018		
	March 2017			March 2018			Net	Credit	Debit	Net	Credit	Debit
	Net	Credit	Debit	Net	Credit	Debit						
CURRENT ACCOUNT	379.8	3,733.9	3,354.1	402.9	3,920.7	3,517.9	24.2	298.8	274.6	40.6	342.9	302.4
Goods	359.7	2,184.7	1,825.0	353.5	2,298.4	1,944.9	24.7	182.3	157.6	37.3	208.6	171.2
Services	40.5	796.4	755.9	104.1	857.1	753.1	6.8	62.5	55.7	8.9	71.6	62.7
Primary income	114.5	647.5	533.0	86.7	656.5	569.8	8.6	46.3	37.7	7.1	53.2	46.1
Secondary income	-134.9	105.3	240.2	-141.4	108.7	250.1	-15.8	7.7	23.5	-12.8	9.5	22.3
CAPITAL ACCOUNT	-7.9	31.5	39.4	-8.7	35.1	43.8	0.5	2.2	1.6	-0.4	3.7	4.2
	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities
FINANCIAL ACCOUNT ¹⁾	366.1	1,303.1	937.0	502.0	821.5	319.5	18.4	92.2	73.9	86.1	-12.7	-98.8
Direct investment	176.9	470.1	293.2	153.1	44.9	-108.2	4.3	25.0	20.6	63.1	30.5	-32.6
Equity	243.7	456.6	212.8	257.9	34.4	-223.5	18.0	25.0	7.0	23.5	8.7	-14.8
Debt instruments	-66.8	13.5	80.3	-104.8	10.5	115.3	-13.7	-0.1	13.6	39.5	21.8	-17.7
Portfolio investment	427.0	435.3	8.2	265.4	610.0	344.6	45.9	29.6	-16.3	-32.9	30.0	63.0
Equity	-158.6	57.6	216.3	-256.0	191.2	447.2	6.6	-1.3	-7.9	-35.8	-11.4	24.4
Debt securities	585.7	377.6	-208.0	521.4	418.8	-102.6	39.3	30.9	-8.4	2.9	41.5	38.6
Short-term	-32.3	43.8	76.2	60.4	29.8	-30.6	0.4	6.5	6.1	18.6	11.9	-6.7
Long-term	618.0	333.8	-284.2	461.0	389.0	-72.0	38.9	24.4	-14.5	-15.7	29.6	45.3
<i>Memo: Direct and portfolio investment</i>	603.9	905.3	301.4	418.5	654.9	236.4	50.2	54.6	4.3	30.1	60.5	30.4
Financial derivatives	15.0			-8.0			0.8			-4.5		
Other investment	-265.3	370.3	635.6	78.9	162.0	83.1	-32.5	37.0	69.5	51.0	-78.2	-129.2
Eurosystème	-176.1	5.5	181.6	-139.0	-2.8	136.2	-28.5	0.2	28.7	-74.4	0.1	74.5
MFIs (excluding the Eurosystem)	-86.8	262.6	349.4	114.2	63.7	-50.5	9.2	30.9	21.6	90.3	-84.4	-174.7
General government	1.4	-5.9	-7.3	12.5	-3.8	-16.3	-4.0	-1.3	2.7	-4.5	-1.3	3.2
Other sectors	-3.8	108.1	111.9	91.2	104.9	13.7	-9.2	7.3	16.5	39.6	7.3	-32.2
Of which: currency and deposits	-312.3	215.6	527.9	-50.1	20.9	70.9	-40.2	26.1	66.2	87.8	-51.6	-139.3
Reserve assets		12.4			12.6			-0.1			9.5	
Errors and omissions	-5.8			107.9			-6.4			46.0		

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)

	Nov.17	Dec.17	Jan.18	Feb.18				Mar.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	673.3	669.7	663.1	-0.1	4.7	-0.1	0.1	667.7	9.5	-2.2	-1.3	-0.3	673.4
Monetary gold	374.6	375.0	374.0	0.0	-	0.4	0.0	374.4	0.0	-	-1.5	-0.1	372.9
Gold bullion	368.2	368.6	367.5	0.0	-	0.4	0.0	367.9	0.0	-	-1.4	-0.1	366.5
Unallocated gold accounts	6.4	6.4	6.4	0.0	-	0.0	0.0	6.4	0.0	-	-0.0	0.0	6.4
Special drawing rights	50.1	49.9	49.2	0.0	0.6	-	0.0	49.8	0.0	-0.2	-	-0.0	49.6
Reserve position in the IMF	19.2	17.3	16.8	-0.1	0.2	-	-0.0	16.9	-0.0	-0.0	-	-0.0	16.8
Other reserve assets	229.4	227.4	223.1	0.0	4.0	-0.5	0.1	226.7	9.5	-2.0	0.1	-0.2	234.1
Currency and deposits	39.1	37.2	36.7	-2.0	0.9	-	-0.0	35.6	7.8	-0.4	-	-0.0	42.9
Claims on monetary authorities	27.5	29.9	27.1	2.2	-	-	-	30.0	3.7	-	-	-	33.3
Claim on other entities	11.6	7.3	9.7	-4.2	-	-	-	5.6	4.0	-	-	-	9.6
Securities	186.8	187.0	183.2	1.8	2.9	-0.3	0.1	187.6	2.1	-1.6	0.2	-0.2	188.1
Debt securities	185.8	185.9	182.1	1.7	2.9	-0.3	0.1	186.4	2.1	-1.6	0.2	-0.2	186.9
Short-term	30.6	34.3	30.8	-3.9	0.6	0.1	-0.0	27.6	1.0	-0.2	-0.0	-0.2	28.2
Long-term	155.2	151.6	151.3	5.6	2.3	-0.4	0.1	158.8	1.1	-1.4	0.2	-0.1	158.7
Equity and investment fund shares	1.0	1.1	1.1	0.0	0.0	-0.0	-0.0	1.2	-0.0	-0.0	0.0	0.0	1.2
Financial derivatives (net)	0.2	0.2	0.3	-0.1	-	-0.0	-0.0	0.2	0.0	-	-0.0	-0.0	0.1
Other claims	3.4	3.0	3.0	0.3	0.2	-0.1	0.0	3.3	-0.3	-0.0	0.0	-0.0	3.0

Source: ECB.