

Annual Report  
**The French balance of  
payments and international  
investment position**

**2018**



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Supplementary statistical tables are available on the Banque de France website at:  
<https://www.banque-france.fr/en/statistics/balance-payments/balance-payments-and-international-investment-position/frances-balance-payments-and-international-investment-position-annual-data>



## | OVERVIEW

**The current account deficit amounted to EUR 15.1 billion in 2018**, which corresponds to 0.6% of gross domestic product (GDP).

- This represents a EUR 1.3 billion reduction compared with 2017, mainly due to improvements in the balance of trade in services and net income of EUR 3.6 billion and EUR 1.7 billion, respectively.
- However, the trade in goods deficit rose by EUR 4.1 billion due to the increase in the energy bill.

**The financial account showed net capital inflows of EUR 27.3 billion.**

- However, there was a net direct investment outflow of EUR 55.2 billion due to a particularly high level of French investment abroad (EUR 86.8 billion).

**The deterioration of France's net international investment position remained modest** at EUR 4.0 billion thanks to a favourable stock valuation that eased the effect of a negative financial account balance.

- With a net liability representing 16.4% of GDP, the net international investment position is well below the alert threshold of 35% of GDP set by the European Macroeconomic Imbalance Procedure.
- The share of negotiable government debt securities held abroad declined from 54.5% at the end of 2017 to 52.3% at the end of 2018. This was largely due to the Eurosystem's asset purchase programmes, as the French government securities acquired by the Banque de France were recorded in the resident share of government debt holdings.

## THE CURRENT ACCOUNT DEFICIT NARROWED IN 2018

The **current account** showed a deficit of EUR 15.1 billion, which corresponds to 0.6% of GDP, against a deficit of EUR 16.4 billion in 2017.

This reduction stems from improvements of EUR 3.6 billion and EUR 1.7 billion, respectively, in the trade in services and income surpluses. However, the balance of trade in goods deteriorated by EUR 4.1 billion due to a EUR 6.3 billion increase in the energy bill.

### The trade deficit widened despite growth in exports

For the third consecutive year, the **trade deficit** deteriorated, worsening slightly compared with 2017 to EUR 25.4 billion.

French exports grew nonetheless by 4.6% for goods and 3.7% for services, while imports for the two categories increased by 4.9% and 2.3%, respectively.

## T0-1 Main current account components

(EUR billions)

	2017	2018	2018/2017 change
<b>Current account</b>	<b>-16.4</b>	<b>-15.1</b>	<b>1.3</b>
<b>(as a % of GDP)</b>	<b>-0.7</b>	<b>-0.6</b>	<b>0.1</b>
Goods <sup>a)</sup>	-45.2	-49.3	-4.1
Goods excl. energy	-7.8	-5.6	2.2
Energy	-37.4	-43.7	-6.3
Services	20.2	23.8	3.6
Travel	14.2	14.9	0.7
Other services	6.0	8.9	2.9
Income <sup>b)</sup>	8.6	10.3	1.7
Primary income	52.3	58.0	5.7
Secondary income	-43.7	-47.7	-4.0

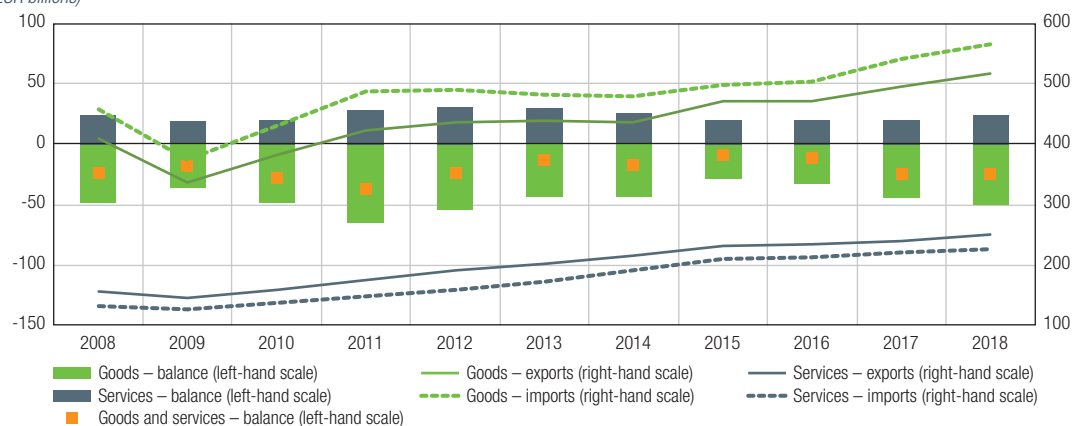
Source: Banque de France.

a) Trade in goods is compiled on the basis of customs statistics and supplementary measurements intended to ensure compatibility with international statistical standards set out by the International Monetary Fund (IMF).

b) Primary income refers to the flows received by economic agents for their participation in the production process ("compensation of employees") or for the provision of financial assets ("investment income") or for leasing natural resources ("rent"). Secondary income corresponds to distribution transactions that are not related to means of production (contributions to European and International institutions, workers' remittances, etc.). Note that European subsidies received are recorded as primary income.

## CO-1 Exports and imports of goods and services

(EUR billions)



Source: Banque de France.

## TO-2 Exports and imports of goods and services

(EUR billions and %)

	2017	2018
<b>Goods</b>		
Exports	495	518
Growth in %	5.1	4.6
Imports	540	567
Growth in %	7.4	4.9
<b>Services</b>		
Exports	241	249
Growth in %	2.8	3.7
Imports	220	226
Growth in %	3.0	2.3

Source: Banque de France.

## The trade in goods deficit is linked to the mounting energy bill

The **trade in goods** deficit amounted to EUR 49.3 billion, of which EUR 43.7 billion corresponds to the energy bill.

**Merchanting** showed a surplus of EUR 11.2 billion, down EUR 2.9 billion compared with 2017. However, trade in **merchandise** posted a deficit of EUR 60.4 billion, up EUR 1.1 billion.

Customs data recorded a EUR 59.6 billion deficit for trade in merchandise in FOB-FOB terms and a

## TO-3 Balance of trade in goods

(EUR billions)

	2017			2018		
	Receipts	Payments	Balance	Receipts	Payments	Balance
<b>Goods</b>	<b>495.2</b>	<b>540.4</b>	<b>-45.2</b>	<b>517.8</b>	<b>567.1</b>	<b>-49.3</b>
Merchandise	481.1	540.4	-59.3	506.6	567.1	-60.4
<i>Customs data</i>	473.4	531.2	-57.7	491.7	551.4	-59.6
<i>Corrections and adjustments</i>	6.2	5.8	0.4	13.2	11.6	1.7
<i>Goods procured in ports by carriers</i>	1.5	3.4	-1.9	1.7	4.2	-2.5
Merchanting	14.1		14.1	11.2		11.2
<i>Merchanting (goods acquired – negative exports)</i>	-57.3		-57.3	-61.4		-61.4
<i>Merchanting (goods sold – exports)</i>	71.4		71.4	72.6		72.6

Sources: Direction générale des douanes et droits indirects (DGDDI – French customs authorities) gross data; Banque de France calculations.

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

## T0-4 Trade in merchandise by type of product (excluding merchandising and other transactions, included in the goods and services table)

(EUR billions and %)

	Exports		Imports		Balance	
	Amount in 2018	2018/2017 change (%)	Amount in 2018	2018/2017 change (%)	Amount in 2018	2018/2017 change (EUR billions)
<b>Trade in merchandise FOB-FOB</b>	<b>491.7</b>	<b>3.9</b>	<b>551.4</b>	<b>3.8</b>	<b>-59.6</b>	<b>-1.9</b>
<b>Trade in merchandise CIF-FOB<sup>a)</sup></b>	<b>482.3</b>	<b>3.9</b>	<b>560.5</b>	<b>3.9</b>	<b>-78.2</b>	<b>-2.8</b>
of which:						
Agriculture and agri-food sectors	62.4	1.9	55.7	-0.1	6.7	1.2
Energy products	20.8	16.6	66.7	16.8	-45.9	-6.7
Mechanical, electrical and computer equipment	89.9	2.0	118.3	2.6	-28.5	-1.2
Transport equipment	112.8	4.9	97.3	2.8	15.5	2.6
Other industrial products	193.3	3.8	219.2	2.8	-25.9	1.2

Sources: Direction générale des douanes et droits indirects (DGDDI – French customs authorities) gross data; Banque de France calculations.

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

a) Excluding military equipment.

EUR 78.2 billion deficit in CIF-FOB terms.<sup>1</sup> The deficits were particularly pronounced for energy supply (EUR 45.9 billion in CIF-FOB terms), mechanical, electrical and computer equipment (EUR 28.5 billion) and other industrial products (EUR 25.9 billion) but the agriculture and agri-food and transport equipment sectors generated surpluses of EUR 6.7 billion and EUR 15.5 billion, respectively.

### The trade in services surplus increased, driven by research and development and professional and management consulting services

The **trade in services** surplus amounted to EUR 23.8 billion in 2018, up EUR 3.6 billion compared with 2017.

**Travel services** remained the main contributor, with a surplus of EUR 14.9 billion resulting from receipts of EUR 55.5 billion (up 6.4%) and payments of EUR 40.5 billion (up 7.0%).

Conversely, **transport services** showed the largest service deficit (EUR 4.6 billion), which grew by EUR 1.6 billion compared with 2017, mainly as a result of a EUR 1.3 billion decline in air passenger transport.

**Other services**<sup>2</sup> showed a surplus of EUR 13.5 billion, up EUR 4.6 billion compared with 2017.

Exports of **research and development services** and **professional and management consulting services** each recorded growth of EUR 1.9 billion to EUR 13.1 billion and EUR 24.2 billion, respectively.

The **insurance and pension services** deficit, which was particularly significant in 2017 as a result of reinsurance settlements for the damages caused by natural catastrophes in the United States, also improved in 2018 from EUR 2.4 billion to EUR 0.6 billion.

## T0-5 Balance of trade in services

(EUR billions)

	2017	2018
<b>Services</b>	<b>20.2</b>	<b>23.8</b>
Transport services	-2.9	-4.6
Travel	14.2	14.9
Other services <sup>a)</sup>	8.9	13.5

Source: Banque de France.

a) See Statistical Table 1.7 "Other services" on the Banque de France website for more details.

<sup>1</sup> In accordance with the balance of payments methodologies, general merchandise is evaluated at the customs border of the initial exporting economy ("Free on Board" – FOB) for both imports and exports (FOB-FOB). However, for imports, the customs data broken down by type of product include the insurance and transportation costs (cost, insurance and freight – CIF) at the border of the importing country (CIF-FOB).

<sup>2</sup> Other than travel and transport services.



The **financial services** surplus remained stable at EUR 3.5 billion.

## France's trade was mainly carried out with European Union countries

The European Union accounts for 58% of France's trade (77.6% of which is conducted within the euro area). Overall, France had a goods and services deficit of EUR 38.6 billion vis-à-vis the European Union, of which Germany accounted for EUR 28.9 billion. However, it generated significant surpluses with the United Kingdom and Belgium of EUR 13.2 billion and EUR 5.0 billion, respectively.

France posted a trade surplus of EUR 13.2 billion with countries outside the European Union, with the surpluses vis-à-vis the United States (EUR 12.4 billion) and Switzerland (EUR 8.9 billion) making the main contributions. By contrast, France showed a substantial deficit with China of EUR 17.7 billion.

## T0-6 Geographical structure of trade in goods and services in 2018

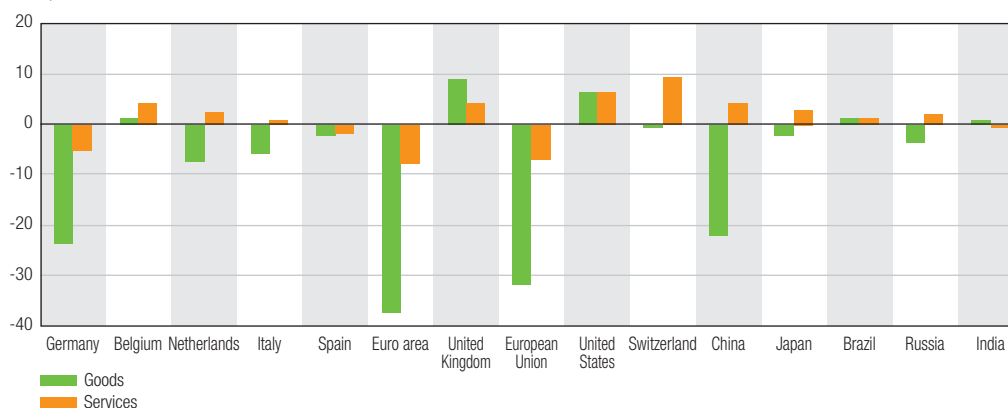
(according to source, EUR billions)

	Exports	Imports
Germany	95.8	124.7
Belgium	56.8	51.8
Netherlands	31.7	36.9
Italy	48.0	52.8
Spain	47.3	51.4
<b>Euro area</b>	<b>331.1</b>	<b>376.2</b>
United Kingdom	63.8	50.6
<b>European Union</b>	<b>436.4</b>	<b>475.1</b>
United States	74.5	62.1
Switzerland	31.9	23.1
China	33.2	50.9
Japan	11.6	11.1
Brazil	5.9	3.8
Russia	9.0	10.5
India	8.3	8.1
<b>World</b>	<b>767.2</b>	<b>792.6</b>

Source: Banque de France.

## C0-2 Geographical structure of trade in goods and services balances in 2018

(EUR billions)



Sources: Direction générale des douanes et droits indirects (DGDDI – French customs authorities) and Banque de France calculations.

## OVERVIEW | Net income from abroad increased

**Primary income** represents compensation paid and received in return for cross-border contributions to the production process, the provision of financial assets or for leasing natural resources (“rent”).

In 2018, it showed a surplus of EUR 58.0 billion, up EUR 5.7 billion from 2017.

The surplus earned on **cross-border commuters’ income** was similar to that of 2017 at EUR 20.5 billion.

### T0-7 Primary income balance

(EUR billions)

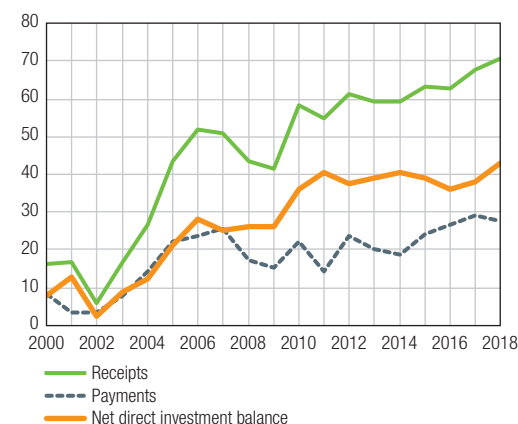
	2017	2018
<b>Compensation of employees</b>	<b>20.5</b>	<b>20.5</b>
<b>Investment income</b>	<b>27.7</b>	<b>31.7</b>
Direct investment income	38.2	43.2
Portfolio investment income	-12.5	-15.6
Other investment income (loans and deposits)	1.3	3.1
Reserve asset income	0.6	1.0
<b>Other primary income</b>	<b>4.1</b>	<b>5.8</b>
<b>Total</b>	<b>52.3</b>	<b>58.0</b>

Source: Banque de France.

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

### C0-3 Change in direct investment income

(EUR billions)



Source: Banque de France.

The **investment income** surplus was up by EUR 4.0 billion from the previous year to EUR 31.7 billion.

This was largely due to the EUR 4.9 billion increase in the **direct investment income** surplus (a EUR 1.5 billion reduction in payments and a EUR 3.4 billion improvement in receipts), which reached EUR 43.2 billion in 2018.

The net income generated by direct investment stems from both a stock of assets that exceeded liabilities (EUR 1,317 billion against EUR 720 billion – see Table T0-11 below) and better remuneration for French equity interests abroad than for foreign equity interests in France (5.8% compared with 4.1%).

Conversely, **portfolio investment income** showed a deficit of EUR 15.6 billion due to liabilities exceeding assets while the remuneration of the French portfolio of foreign securities was equivalent to the cost of liabilities (1.9% and 2.0%, respectively).

**Income from current loans and deposits** (“other investment”), which notably reflects international inter-bank activity, showed a surplus of EUR 3.1 billion, up from EUR 1.3 billion in 2017.

The **other primary income** surplus, consisting mainly of general government income (European subsidies and taxes), increased from EUR 4.1 billion in 2017 to EUR 5.8 billion in 2018.

## The current transfers deficit widened

**Secondary income**, which records current transfers between residents and non-residents, showed a widening deficit of EUR 47.7 billion in 2018 after EUR 43.7 billion in 2017.

The shortfall is primarily due to general government current transfers, which cover France’s payments to European and international institutions, among others, and which had a negative net contribution of EUR 28.7 billion.

## T0-8 Secondary income balance

(EUR billions)

	2017	2018
<b>Secondary income of general government</b>	<b>-25.5</b>	<b>-28.7</b>
Social benefits	-7.1	-7.0
International cooperation	-6.0	-5.8
Own resources of European Union institutions	-16.3	-20.6
Other general government transfers	3.9	4.6
<b>Secondary income of other sectors</b>	<b>-18.2</b>	<b>-19.0</b>
<i>of which workers' remittances</i>	<i>-10.3</i>	<i>-10.5</i>
<b>Total</b>	<b>-43.7</b>	<b>-47.7</b>

Source: Banque de France.

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

**Workers' remittances** have remained stable over recent years and amounted to EUR 10.5 billion in 2018.

## FRENCH INVESTMENT ABROAD INCREASED

In 2018, financial flows between France and the rest of the world resulted in net capital inflows of EUR 27.3 billion after EUR 31.0 billion in 2017.

## French direct investment abroad increased substantially

**Direct investment** generated net outflows of EUR 55.2 billion in 2018, up EUR 45.0 billion from the previous year.

Notably, French investment abroad increased by EUR 50.2 billion year on year to EUR 86.8 billion, mainly due to a few major merger-acquisitions during the year, the three largest of which accounted for EUR 50.5 billion.<sup>3</sup>

<sup>3</sup> See Statistical Table 2.7, "French direct investments abroad – main deals announced in the press and carried out in 2018" on the Banque de France website for more details.

## T0-9 Financial account

(EUR billions)

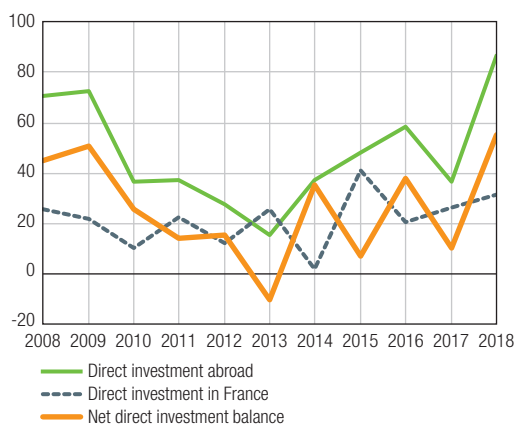
	2017	2018
<b>Financial account</b>	<b>-31.0</b>	<b>-27.3</b>
Assets	224.8	331.6
Liabilities	255.8	359.0
<b>Direct investment</b>	<b>10.2</b>	<b>55.2</b>
Abroad	36.6	86.8
In France	26.4	31.6
<b>Portfolio investment</b>	<b>23.6</b>	<b>-5.0</b>
Assets	53.6	19.2
Liabilities	30.0	24.2
<b>Financial derivatives</b>	<b>-1.2</b>	<b>-25.9</b>
Assets	6.5	73.6
Liabilities	7.8	99.5
<b>Other investment</b>	<b>-60.5</b>	<b>-62.0</b>
Assets	131.1	141.7
Liabilities	191.6	203.7
<b>Reserve assets</b>	<b>-3.0</b>	<b>10.4</b>

Source: Banque de France.

Foreign investment in France increased by EUR 5.2 billion to EUR 31.6 billion.

## C0-4 Direct investment flows

(EUR billions)



Source: Banque de France.

## Portfolio investment went into deficit

Within **portfolio investments**, French residents' net acquisitions of foreign securities were down by EUR 34.4 billion compared with 2017 to EUR 19.2 billion. Net acquisitions of French securities by non residents were also down on 2017, shrinking by EUR 5.8 billion to EUR 24.2 billion. Consequently, portfolio investment showed a deficit of EUR 5.0 billion following a surplus of EUR 23.6 billion the previous year.

The decrease in net acquisitions of foreign securities was mainly the result of net sales of EUR 28.4 billion in equity securities and investment fund shares/units. However, French investors acquired EUR 47.6 billion in debt securities.

Net sales by foreign investors were also reported on French public debt securities (EUR 13.8 billion).

### Net other investment inflows remained stable while financial derivative inflows increased

Net capital inflows from **other investment** were similar to 2017 (EUR 62.0 billion compared with EUR 60.5 billion), with French monetary financial institutions' (excluding the Banque de France) loan and deposit transactions vis-à-vis the rest of the world accounting for the majority (EUR 47.0 billion – see supplementary statistical tables, Table 4.1).

**Financial derivatives** also generated net inflows of EUR 25.9 billion.

## THE DETERIORATION OF FRANCE'S NET INTERNATIONAL INVESTMENT POSITION REMAINED MODEST

France's **net international investment position** showed a net liability of EUR 384.9 billion (16.4% of GDP) at the end of 2018, which represents a EUR 4.0 billion deterioration compared with end-2017.

This modest decline despite the financing of the current account deficit is mainly due to greater unrea-

### T0-10 Change in France's international investment position between end-2017 and end-2018

(EUR billions and as a % of GDP)

	Amount	as a % of GDP
<b>Net position at end-2017</b>	<b>-380.9</b>	<b>-16.6</b>
Changes attributable to the current account	-13.1	-0.6
Changes in exchange rates	6.3	0.3
Changes in stock prices	32.6	1.4
Other changes	-29.9	-1.3
<b>Net position at end-2018</b>	<b>-384.9</b>	<b>-16.4</b>

Source: Banque de France.

### T0-11 France's international investment position at end-2018

(EUR billions and as a % of GDP)

<b>Direct investment (mixed value)<sup>a)</sup></b>	<b>596.4</b>
Abroad	1,317.0
In France	720.5
<b>Portfolio investment</b>	<b>-717.3</b>
Assets (residents' transactions in securities issued by non-residents)	2,378.2
Liabilities (non-residents' transactions in securities issued by residents)	3,095.5
<b>Financial derivatives</b>	<b>-72.5</b>
<b>Loans and deposits</b>	<b>-337.1</b>
<b>Reserve assets</b>	<b>145.6</b>
<b>Net international investment position</b>	<b>-384.9</b>
<i>as a % of GDP</i>	<i>-16.4</i>
<b>Net external debt excluding reserve assets</b>	<b>954.3</b>
<i>as a % of GDP</i>	<i>40.6</i>

Source: Banque de France.

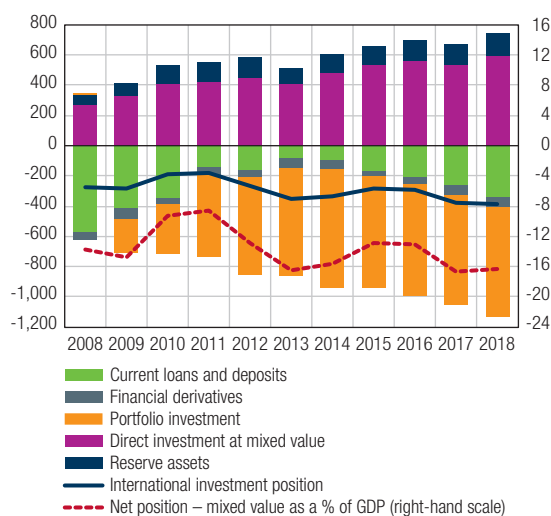
a) At mixed value, listed securities are recorded at market value and unlisted assets and liabilities are recorded at book value.

lised gains (linked to fluctuations in market prices and exchange rates) on assets than on liabilities, which boosted the international investment position by EUR 38.9 billion in 2018.

Furthermore, France's net international investment position is still well below the alert threshold of 35% of GDP set by the European Macroeconomic Imbalance Procedure. By way of comparison, Germany's net international investment position was positive and represented 61% of GDP, whereas Italy and Spain had net liabilities corresponding to 4% and 77% of GDP, respectively.

## C0-5 France's net international investment position over the long term

(EUR billions and as a % of GDP)



Source: Banque de France.

Within the international investment position, the portfolio investment balance remained the most negative at EUR 717.3 billion, very close to the 2017 level of EUR 718.8 billion. However, general government portfolio investment liabilities vis-à-vis the rest of the world declined from EUR 1,228 billion to EUR 1,194 billion and the share of negotiable government debt securities held by foreign investors came to 52.3%, compared with 54.5% at the end of 2017. This was largely due to the Eurosystem's asset purchase programmes, as the French government securities acquired by the Banque de France were recorded in the resident share of government debt holdings.

## T0-12 Net international investment position in 2018 by sector

(EUR billions)

Net international investment position	-384.9
Banque de France	111.5
General government	1,107.2
Banks	-275.4
Other sectors	886.1

Source: Banque de France.

## T0-13 Net external debt, breakdown by currency excluding reserve assets

(EUR billions)

	2017	2018
<b>Net external debt excluding reserve assets</b>	<b>880.2</b>	<b>954.3</b>
Euro	692.0	793.3
US dollar	199.0	231.5
Yen	-85.9	-131.2
Pound sterling	81.8	65.7
Yuan	2.4	2.8
Other currencies	-9.1	-7.8

Source: Banque de France.

The direct investment position is positive at EUR 596.4 billion and up from EUR 540.4 billion at the end of 2017 due mainly to net flows recorded during the year.

**Net external debt** (excluding reserve assets) increased by EUR 74 billion year on year to EUR 954 billion. It is primarily denominated in euro (EUR 793 billion) but a substantial part of the debt is also denominated in US dollars (EUR 232 billion). By contrast, the French economy also holds net yen-denominated receivables of EUR 131 billion.



## | **FACT SHEETS**





# I CHARGES FOR THE USE OF INTELLECTUAL PROPERTY

Charges for the use of intellectual property n.i.e.<sup>1</sup> are recorded in the current account. They correspond to trade in services related to periodically paid fees for patents, trademarks, models, copyrights and property rights whose use or exploitation has been conceded by a resident to a non-resident or vice versa. Certain sectors, such as pharmaceutical products or luxury goods and cosmetics, account for a significant share of these services (see box below).

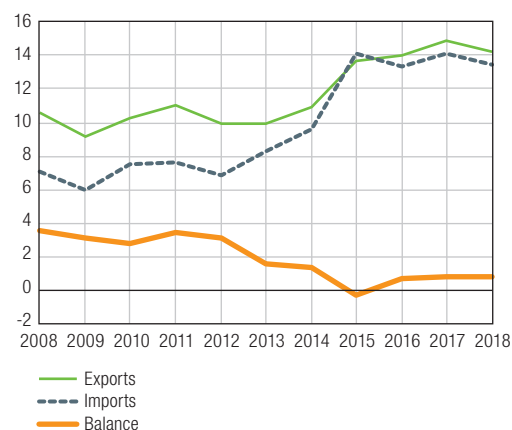
France has recorded a relatively stable surplus in respect of this item since 2016 at a little under EUR 1 billion. The levels reported over the past three years are down on those seen between 2008 and 2012, which hovered around EUR 3 billion. The reduction in the surplus is mainly due to imports outpacing exports, despite both flows growing during the period.

The balance of trade for charges for the use of intellectual property with the other European Union (EU)

countries shows a deficit. Over the course of the past decade, and particularly since 2014, it has deteriorated from an almost balanced position to a deficit of nearly EUR 4.5 billion. However, France runs a trade surplus with non-European countries. The deterioration of the intra-EU deficit coincides with an almost equal and opposite improvement in the extra-EU surplus. These trends could be explained by changes in business channels implemented by multinational firms for strategic organisation or tax reasons.<sup>2</sup>

## C1-1 Charges received (exports) and paid (imports) by France for the use of intellectual property

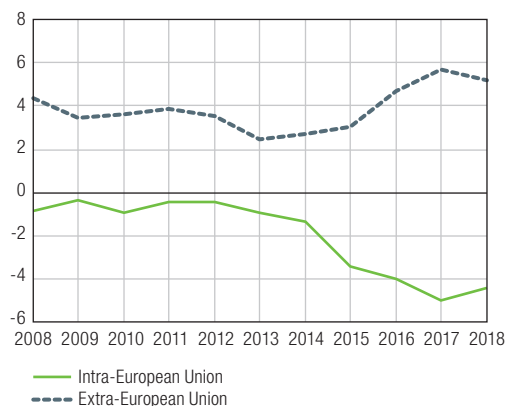
(EUR billions)



Source: Balance of payments, Banque de France.

## C1-2 Intra- and extra-European Union origin of France's trade balance for charges for the use of intellectual property

(EUR billions)



Source: Balance of payments, Banque de France.

- <sup>1</sup> n.i.e.: not included elsewhere. Some trade linked to intellectual property use is accounted for within other balance of payment items. For example, the cost of acquiring licences to use IT software, property rights resulting from research and development (R&D) activities and audiovisual content are recorded under "computer services", "research and development services" and "personal, cultural and recreational services", respectively. Furthermore, marketing assets (registered trademarks and models, logos, domain names, etc.) are considered non-produced assets and as such are recorded in the capital account.
- <sup>2</sup> See "Is the European Union really in surplus vis-à-vis the United States?", Eco Notepad, Banque de France, 2019.

Box

### The pharmaceutical and luxury goods and cosmetics sectors

The business activity of certain sectors relies heavily on the use of intellectual property rights. This is the case for pharmaceutical products and luxury goods and cosmetics.<sup>1</sup>

In the pharmaceutical industry, production subsidiaries use their group's intellectual property to manufacture drugs. In return, the subsidiaries pay their group parent company, which owns the know-how and patents. If a subsidiary is located abroad and the parent company is resident in France, an export for the use of intellectual property is recorded in the balance of payments. On the other hand, an import is recorded when a subsidiary in France uses the intellectual property of a group whose parent company is located abroad.

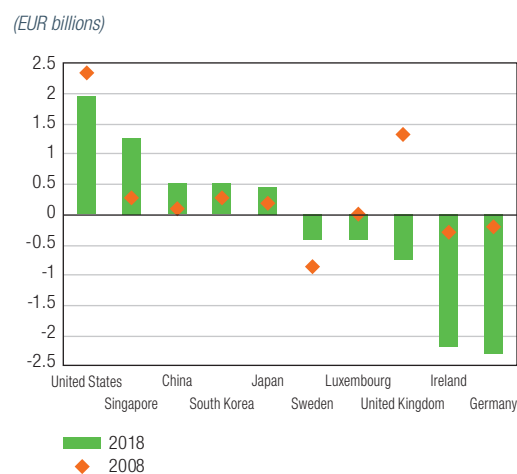
Furthermore, as the players in the sector diversify, a new trend has emerged with highly specialised biotech companies taking on the risks and costs associated with research and development to originate treatments and procedures that they then sell or exploit through proposed partnership arrangements with major sector players. Within the framework of a partnership, these treatments and procedures can give rise to a substantial charge for the use of intellectual property at the time the contract is agreed or to more moderate charges if monthly or quarterly payments are involved.

In the luxury goods and cosmetics sectors, the group parent company's main receipts for the use of intellectual property rights stem from the development of the brand and its use by the distribution network. In France's case, this income is particularly substantial and comes from a variety of countries, notably the United States (29%) and China (10%).

<sup>1</sup> See "France's trade in R&D services and in charges for the use of intellectual property – Balances have improved since 2016", Bulletin de la Banque de France No. 224-1, July-August 2019.

In absolute terms, the deficit widened most with Germany, Ireland and the United Kingdom. In the case of Germany and Ireland, France went from an almost balanced position in 2008 to a deficit of approximately EUR 2 billion in 2018. In the case of the United Kingdom, France swung from showing a surplus to running a deficit. At the other extremity of the distribution, France's largest surplus is with the United States, despite a slight decline over the decade, followed by Singapore and China, with which France's surplus improved significantly between 2008 and 2018.

C1-3 France's main bilateral balances for charges for the use of intellectual property



Source: Balance of payments, Banque de France.

## II DOES TAX REFORM IN THE UNITED STATES HAVE AN IMPACT ON DIRECT US INVESTMENT IN FRANCE AND THE EURO AREA?

One of the objectives of the Tax Cuts and Jobs Act, which was voted into law in the United States by Congress in December 2017 and came into effect at the beginning of 2018, was to encourage the repatriation of profits held abroad by US firms. Its impact was felt in France, but it was one-off and contained. At the euro area level, the Act intensified the repatriation of profits that had begun in 2016 for reasons related to the economic and financial environment.

Until 2017, two important aspects of US corporate tax were that (i) US firms paid tax in the United States on income regardless of the country in which it was earned but (ii) that tax only became payable once the funds were repatriated (and US multinationals could keep those funds in a foreign country for an unlimited period). Therefore, US multinationals tended to accumulate assets abroad: at the end of 2017, they held nearly USD 2,500 billion of unrepatriated profits outside the United States.<sup>1</sup>

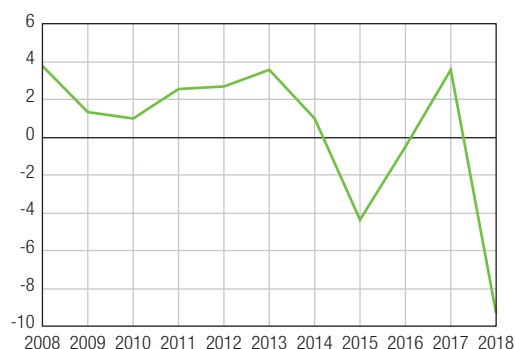
Since the Tax Cuts and Jobs Act came into effect, US firms are no longer taxed on profits made abroad. Furthermore, a one-off tax is imposed upon repatriation of past profits made outside the United States but now at the far lower rate of between 8% and 15.5% compared with 35% prior to the reform. This “final settlement” therefore encourages US firms to repatriate part of the capital held abroad to the United States. Strictly speaking, unpaid dividends accumulated in a foreign subsidiary are deemed to be incorporated into equity and their repatriation therefore results in a disinvestment by the US parent company in its subsidiary.

### Significant US disinvestment in France in 2018 was however related to one particular transaction

In 2018, direct US investment in the equity capital<sup>2</sup> of French firms fell sharply and the year ended with a net disinvestment of more than EUR 9 billion<sup>3</sup> (see Chart 2-1). This is the largest net decline in the past 11 years, but mainly reflects one particular transaction for an amount of almost EUR 9 billion.

C2-1 Net flow of US direct investment in capital in France

(EUR billions; immediate counterparty, excluding real estate investment)



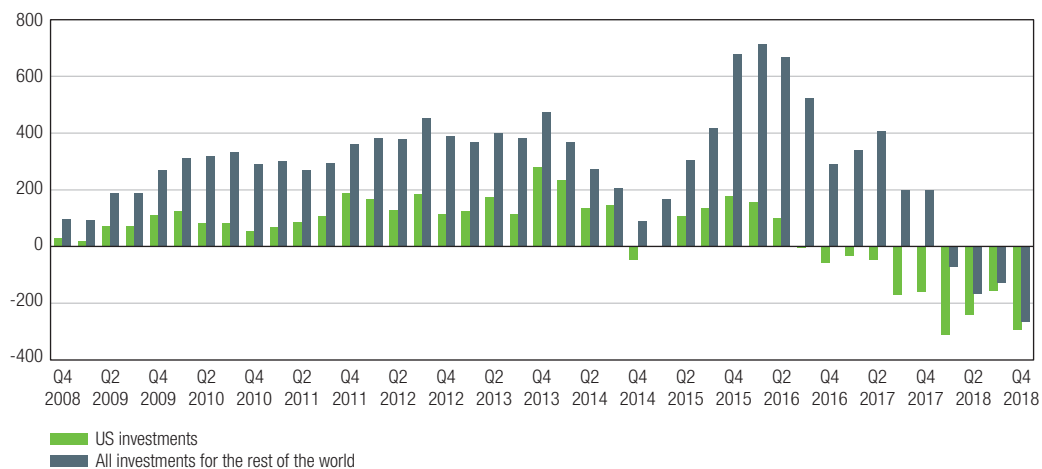
Source: Banque de France.

Note: The net flow is the difference between investments and disinvestments made by US residents in France.

- 1 Source: Institute on Taxation and Economic Policy.
- 2 Throughout this fact sheet, only direct investments in equity capital are taken into consideration. Direct investment in the form of loan-deposits mainly reflects the cash flow movements of large international groups. The figures for France do not include real estate investments, as there was a time break in their calculation method at the end of 2015.
- 3 The United States is the leading country in terms of foreign direct investment stocks in France, according to the ultimate investor approach.

C2-2 Annual flow of net direct investment in capital in the euro area

(EUR billions; total over 4 quarters by immediate counterparty)



Source: Banque de France.

**In the euro area, the very substantial US disinvestments in 2018 had already begun in 2016**

In 2018, non-residents withdrew almost EUR 265 billion of direct investment from the euro area, which thus sustained its first net disinvestment since its creation. This was mainly due to the transactions of US residents, who carried out total net disinvestments of more than EUR 290 billion in the euro area during the year (see Chart 2-2).

The US tax reform could partly explain these disinvestments, although other factors, such as the economic situation in the different countries, may also have played a role. With this in mind, it should be noted that the annual net US direct investment flow in the euro area turned negative during the second half of 2016, well before the tax reform came into effect (see Chart 2-2).

### III TRADE BETWEEN FRANCE AND THE UNITED KINGDOM

The prospect of the United Kingdom's exit from the European Union raises the important issue of the closeness of Franco-British trade relations. The United Kingdom is not only one of France's main trading partners but is also the source of France's largest external trade surplus.

#### The United Kingdom: a privileged trading partner of France, particularly for services

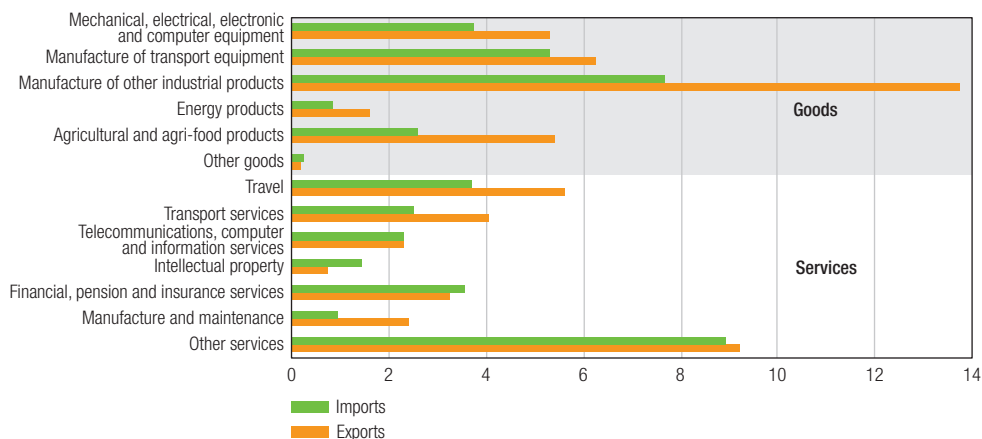
The United Kingdom is France's third largest trading partner after Germany and the United States. Trade in goods and services between the two countries amounted to EUR 114 billion in 2018,<sup>1</sup> which represents 7.3% of France's international trade.

The United Kingdom's share in France's trade in services is particularly substantial, accounting for 10.7% in 2018 (EUR 51 billion). This is mainly due to significant bilateral trade in financial, pension and insurance services, for which the United Kingdom accounts for 18% of French exports and 24% of imports. Furthermore, the British constitute France's fourth largest source of tourism receipts (travel services), spending EUR 5.6 billion, and in turn the United Kingdom is the second largest recipient of French travel expenditure (EUR 3.7 billion).

<sup>1</sup> Measured as total imports and exports between the United Kingdom and France.

#### C3-1 Franco-British trade in 2018

(EUR billions)



Sources: Direction générale des douanes et droits indirects (DGDDI – French customs authorities) and Banque de France calculations.

Although at EUR 63 billion Franco-British trade in merchandise exceeds the value of trade in services between the two countries, it only accounts for 5.8% of French trade in goods. This is enough however for France's largest surplus (EUR 8.9 billion) to be with the United Kingdom, and the British are among French exporters' main customers for food, beverages and tobacco and for energy products (8.7% and 7.6% of their exports,<sup>2</sup> respectively).

### France's largest external trade surplus

Trade with the United Kingdom provides France with its largest trade surplus, ahead of the United States and Belgium, which are the only other countries among France's main trading partners to run a bilateral trade deficit.

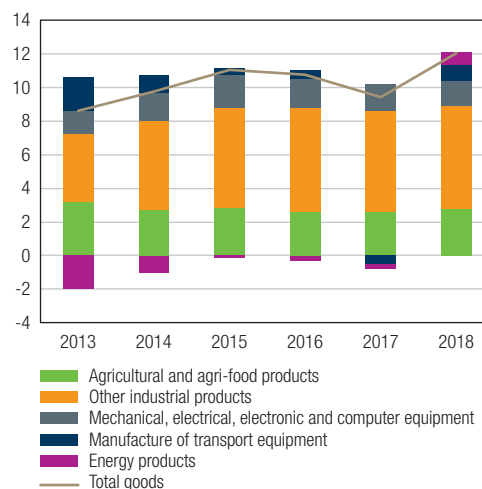
Taking all goods and services into consideration, this surplus amounted to EUR 13.2 billion in 2018. However, the surplus in trade in services deteriorated in 2018 from EUR 6.0 billion to EUR 4.3 billion, mainly driven by transport services and, to a lesser extent, travel and intellectual property services. Nonetheless, the deterioration was offset by an equivalent improvement in the balance of trade in goods due to improvements in the trade balances for raw materials, energy products and transport machinery and equipment.

<sup>2</sup> The detailed data on trade in goods by type of product are taken from external trade statistics, whose methodology is not necessarily identical to that of balance of payments.

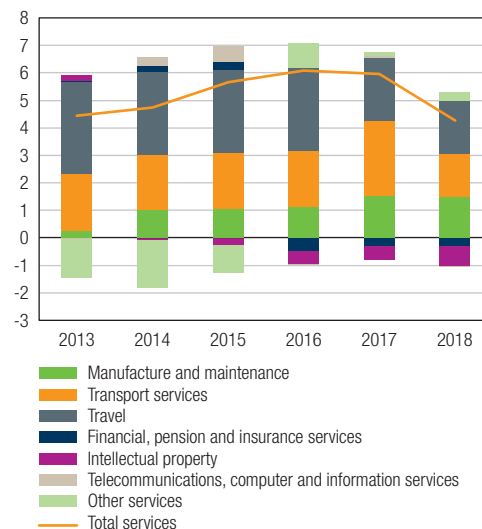
### C3-2 Breakdown of the trade balance in goods and services between France and the United Kingdom by sector

(EUR billions)

a) Balance of trade in goods



b) Balance of trade in services



Sources: Direction générale des douanes et droits indirects (DGDDI – French customs authorities) and Banque de France calculations.

## Box

## The “expanded” trade balance

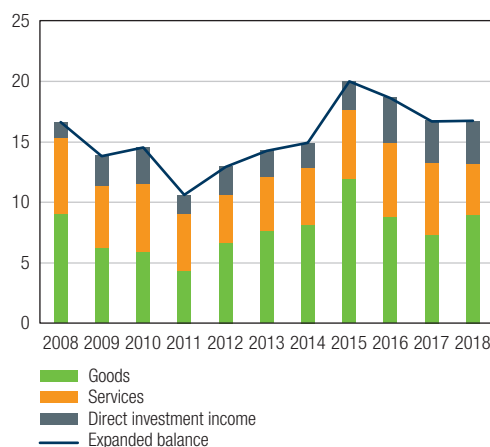
Analysing trade relations solely through the lens of the trade balance (goods and services) ignores some aspects of these exchanges, which nevertheless influence the current account balance. This is the case for trade with regard to the different approaches to international expansion adopted by firms, particularly their decisions to locate subsidiaries abroad.

These foreign operations can be traced through the international investment position, in the direct investment line, and their contribution to international trade measured through the direct investment income they generate.

Including these contributions from cross-border holdings in the trade balance further increases France's surplus vis-à-vis the United Kingdom. In 2018, the “expanded” trade balance amounted to EUR 16.7 billion.

## France's expanded trade balance vis-à-vis the United Kingdom

(EUR billions)



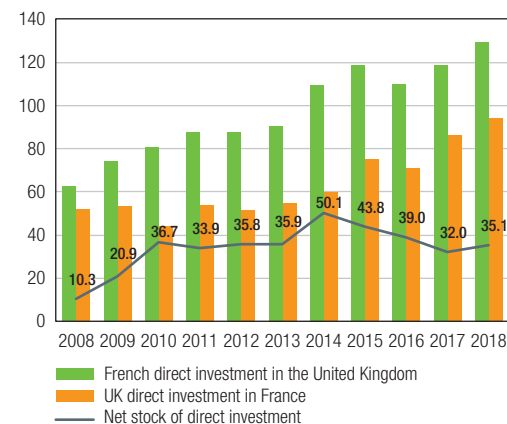
Source: Banque de France.

## French and British firms' cross-Channel operations generate net revenues for France

The stock of French direct investment in the United Kingdom rose to EUR 129 billion in 2018 from EUR 63 billion in 2008, while the stock of UK direct investment in France amounted to EUR 94 billion in 2018. France therefore has a net positive stock of EUR 35 billion, which has remained relatively stable since 2010. Thanks to this surplus, France's direct investment income vis-à-vis the United Kingdom is positive, and thus contributes to the expanded trade surplus (see box). Furthermore, the two countries' respective positions have steadily become more entrenched since the United Kingdom's vote to leave the European Union, after a dip in 2016 essentially due to an exchange rate effect.

## C3-3 Stock of direct investment between France and the United Kingdom

(EUR billions)



Source: Banque de France.







**2017 AND 2018 BALANCE OF PAYMENTS  
DETAILED PRESENTATION**

## Balance of payments – 2017

(EUR millions)

	Receipts	Payments	Balance
<b>1. CURRENT ACCOUNT</b>	<b>928,417</b>	<b>944,815</b>	<b>-16,398</b>
1.1. Goods	495,199	540,368	-45,169
1.1.1. General merchandise	481,098	540,368	-59,270
1.1.2. Merchanting	14,101		14,101
1.2. Services	240,592	220,400	20,192
1.2.1. Manufacturing services on physical inputs owned by others	9,084	7,971	1,113
1.2.2. Maintenance and repair services n.i.e.	7,525	7,235	290
1.2.3. Transport services	40,705	43,637	-2,931
<i>Sea transport</i>	12,957	8,836	4,121
<i>Air transport</i>	11,470	14,289	-2,819
<i>Other transport</i>	16,278	20,512	-4,234
1.2.4. Travel	52,097	37,867	14,230
1.2.5. Construction services	4,951	2,666	2,285
1.2.6. Insurance and pension services	6,700	9,101	-2,401
1.2.7. Financial services	9,677	6,203	3,474
<i>Explicitly charged and other financial services</i>	6,919	4,810	2,109
<i>Financial intermediation services indirectly measured (FISIM)</i>	2,758	1,393	1,365
1.2.8. Charges for the use of intellectual property n.i.e.	14,932	14,180	752
1.2.9. Telecommunications, computer and information services	16,248	18,733	-2,485
1.2.10. Other business services	73,719	69,580	4,139
<i>Research and development services</i>	11,222	11,911	-690
<i>Professional and management consulting services</i>	22,270	21,254	1,016
<i>Technical, trade-related and other business services</i>	40,227	36,415	3,813
1.2.11. Personal, cultural and recreational services	3,866	3,198	668
1.2.12. General government services n.i.e.	1,089	31	1,058
<b>1.3. Primary income</b>	<b>164,665</b>	<b>112,373</b>	<b>52,292</b>
1.3.1. Compensation of employees	21,809	1,328	20,481
1.3.2. Investment income	134,596	106,934	27,662
<i>Direct investment</i>	67,522	29,275	38,247
<i>Portfolio investment</i>	49,475	61,936	-12,461
<i>Other investment</i>	16,980	15,723	1,257
<i>Reserve assets</i>	619	0	619
1.3.3. Other primary income	8,260	4,111	4,149
<b>1.4. Secondary income</b>	<b>27,961</b>	<b>71,673</b>	<b>-43,712</b>
1.4.1. General government	7,122	32,606	-25,484
1.4.2. Other sectors	20,839	39,067	-18,228
<i>Miscellaneous current transfers</i>	4,578	18,482	-13,903
<i>Workers' remittances</i>	537	10,846	-10,309
<b>2. CAPITAL ACCOUNT</b>	<b>1,304</b>	<b>1,014</b>	<b>290</b>
2.1. Acquisitions and disposals of non-produced, non-financial assets	44	565	-521
2.2. Capital transfers	1,260	449	811

## Balance of payments – 2017 (continued)

(EUR millions)

	Assets	Liabilities	Net
<b>3. FINANCIAL ACCOUNT</b>	<b>224,765</b>	<b>255,763</b>	<b>-30,997</b>
<b>3.1. Direct investment</b>	<b>36,611</b>	<b>26,446</b>	<b>10,165</b>
3.1.1. Equity capital	23,251	21,985	1,267
3.1.2. Reinvested earnings	12,705	9,094	3,611
3.1.3. Other transactions (intercompany lending)	655	-4,633	5,287
<b>3.2. Portfolio investment</b>	<b>53,567</b>	<b>29,999</b>	<b>23,568</b>
3.2.1. Equity securities and investment fund shares/units	51,367	28,623	22,744
<i>Banque de France</i>	170		170
<i>General government</i>	1,492		1,492
<i>Monetary financial institutions</i>	15,175	6,200	8,975
<i>Other sectors</i>	34,530	22,423	12,107
3.2.2. Long-term debt securities	-19,081	-4,536	-14,545
<i>Banque de France</i>	-3,565	0	-3,565
<i>General government</i>	-192	-14,712	14,520
<i>Monetary financial institutions</i>	-38,312	11,917	-50,229
<i>Other sectors</i>	22,989	-1,740	24,730
3.2.3. Short-term debt securities	21,282	5,912	15,370
<i>Banque de France</i>	12,657	0	12,657
<i>General government</i>	-320	-1,539	1,219
<i>Monetary financial institutions</i>	10,090	6,508	3,582
<i>Other sectors</i>	-1,146	943	-2,088
<b>3.3. Financial derivatives</b>	<b>6,538</b>	<b>7,764</b>	<b>-1,227</b>
<i>Banque de France</i>	0	0	0
<i>General government</i>	0	0	0
<i>Monetary financial institutions</i>	-1,187	-3,811	2,624
<i>Other sectors</i>	7,725	11,575	-3,851
<b>3.4. Other investment</b>	<b>131,076</b>	<b>191,554</b>	<b>-60,478</b>
3.4.1. Other equity	4,197	-39	4,236
<i>Banque de France</i>	0	0	0
<i>General government</i>	4,197	-39	4,236
3.4.2. Currency and deposits	80,113	147,240	-67,127
<i>Banque de France</i>	38,374	37,299	1,074
<i>General government</i>	-170	2,997	-3,167
<i>Monetary financial institutions</i>	40,439	106,943	-66,504
<i>Other sectors</i>	1,470	0	1,470
3.4.3. Loans	42,852	33,783	9,069
<i>Banque de France</i>	-9,573	7,717	-17,290
<i>General government</i>	-406	1,908	-2,314
<i>Monetary financial institutions</i>	53,075	0	53,075
<i>Other sectors</i>	-244	24,158	-24,402
3.4.4. Trade credits and advances	3,634	10,035	-6,401
3.4.5. Other accounts payable/receivable	246	77	170
<i>Monetary financial institutions</i>	-54	155	-209
<i>Other sectors</i>	300	-78	379
3.4.6. Special drawing rights		0	0
3.4.7. Insurance technical reserves	34	458	-424
<b>3.5. Reserve assets</b>	<b>-3,026</b>	<b>0</b>	<b>-3,026</b>
Gold	6	0	6
Special drawing rights	533	0	533
Reserve position in the IMF	-1,329	0	-1,329
Other reserve assets	-2,237	0	-2,237
<b>4. NET ERRORS AND OMISSIONS</b>			<b>-14,890</b>

Source: Banque de France.

Note: Direct investment is recorded according to the extended directional principle. Rounding differences mean that aggregate totals and balances may not appear exactly equal to the sum of their components.

n.i.e.: not included elsewhere.

## Balance of payments – 2018

(EUR millions)

	Receipts	Payments	Balance
<b>1. CURRENT ACCOUNT</b>	<b>975,831</b>	<b>990,968</b>	<b>-15,137</b>
1.1. Goods	517,794	567,062	-49,268
1.1.1. General merchandise	506,618	567,062	-60,444
1.1.2. Merchants	11,176		11,176
1.2. Services	249,387	225,557	23,831
1.2.1. Manufacturing services on physical inputs owned by others	10,027	8,487	1,540
1.2.2. Maintenance and repair services n.i.e.	8,794	8,037	757
1.2.3. Transport services	40,566	45,127	-4,561
<i>Sea transport</i>	13,514	9,454	4,060
<i>Air transport</i>	10,315	14,114	-3,799
<i>Other transport</i>	16,737	21,558	-4,821
1.2.4. Travel	55,450	40,527	14,923
1.2.5. Construction services	3,048	1,936	1,112
1.2.6. Insurance and pension services	7,943	8,510	-567
1.2.7. Financial services	9,975	6,517	3,459
<i>Explicitly charged and other financial services</i>	6,955	5,093	1,862
<i>Financial intermediation services indirectly measured (FISIM)</i>	3,021	1,424	1,597
1.2.8. Charges for the use of intellectual property n.i.e.	14,231	13,487	744
1.2.9. Telecommunications, computer and information services	17,286	19,493	-2,207
1.2.10. Other business services	77,647	70,402	7,245
<i>Research and development services</i>	13,123	12,739	384
<i>Professional and management consulting services</i>	24,182	21,659	2,523
<i>Technical, trade-related and other business services</i>	40,341	36,004	4,337
1.2.11. Personal, cultural and recreational services	3,947	3,006	940
1.2.12. General government services n.i.e.	473	29	445
<b>1.3. Primary income</b>	<b>179,056</b>	<b>121,050</b>	<b>58,006</b>
1.3.1. Compensation of employees	21,997	1,457	20,540
1.3.2. Investment income	149,090	117,416	31,674
<i>Direct investment</i>	70,944	27,751	43,193
<i>Portfolio investment</i>	47,742	63,363	-15,620
<i>Other investment</i>	29,428	26,303	3,125
<i>Reserve assets</i>	977	0	977
1.3.3. Other primary income	7,968	2,177	5,791
<b>1.4. Secondary income</b>	<b>29,594</b>	<b>77,300</b>	<b>-47,705</b>
1.4.1. General government	7,166	35,904	-28,738
1.4.2. Other sectors	22,429	41,396	-18,967
<i>Miscellaneous current transfers</i>	5,204	21,058	-15,854
<i>Workers' remittances</i>	870	11,394	-10,524
<b>2. CAPITAL ACCOUNT</b>	<b>2,503</b>	<b>448</b>	<b>2,054</b>
2.1. Acquisitions and disposals of non-produced, non-financial assets	30	10	20
2.2. Capital transfers	2,473	438	2,034

## Balance of payments – 2018 (continued)

(EUR millions)

	Assets	Liabilities	Net
<b>3. FINANCIAL ACCOUNT</b>	<b>331,635</b>	<b>358,976</b>	<b>-27,341</b>
<b>3.1. Direct investment</b>	<b>86,770</b>	<b>31,594</b>	<b>55,176</b>
3.1.1. Equity capital	85,574	30,194	55,380
3.1.2. Reinvested earnings	13,492	6,621	6,871
3.1.3. Other transactions (intercompany lending)	-12,296	-5,220	-7,076
<b>3.2. Portfolio investment</b>	<b>19,155</b>	<b>24,190</b>	<b>-5,036</b>
3.2.1. Equity securities and investment fund shares/units	-28,396	-17,783	-10,613
<i>Banque de France</i>	163		163
<i>General government</i>	784		784
<i>Monetary financial institutions</i>	-15,381	6,099	-21,480
<i>Other sectors</i>	-13,962	-23,882	9,920
3.2.2. Long-term debt securities	43,287	82,988	-39,701
<i>Banque de France</i>	-4,882	0	-4,882
<i>General government</i>	1,140	18,858	-17,718
<i>Monetary financial institutions</i>	30,668	41,262	-10,594
<i>Other sectors</i>	16,361	22,869	-6,507
3.2.3. Short-term debt securities	4,264	-41,015	45,279
<i>Banque de France</i>	2,582	0	2,582
<i>General government</i>	267	-32,611	32,878
<i>Monetary financial institutions</i>	-6,550	-8,462	1,912
<i>Other sectors</i>	7,965	58	7,907
<b>3.3. Financial derivatives</b>	<b>73,642</b>	<b>99,499</b>	<b>-25,856</b>
<i>Banque de France</i>	0	0	0
<i>General government</i>	0	0	0
<i>Monetary financial institutions</i>	63,370	61,923	1,447
<i>Other sectors</i>	10,272	37,576	-27,304
<b>3.4. Other investment</b>	<b>141,673</b>	<b>203,693</b>	<b>-62,021</b>
3.4.1. Other equity	-34	0	-34
<i>Banque de France</i>	0	0	0
<i>General government</i>	-34	0	-34
3.4.2. Currency and deposits	-102,270	163,241	-265,510
<i>Banque de France</i>	-27,914	-10,068	-17,846
<i>General government</i>	-2	1,560	-1,562
<i>Monetary financial institutions</i>	-94,736	171,749	-266,485
<i>Other sectors</i>	20,383	0	20,383
3.4.3. Loans	237,164	20,834	216,329
<i>Banque de France</i>	4,991	2,221	2,770
<i>General government</i>	-516	1,715	-2,231
<i>Monetary financial institutions</i>	227,335	0	227,335
<i>Other sectors</i>	5,354	16,899	-11,545
3.4.4. Trade credits and advances	-647	4,116	-4,763
3.4.5. Other accounts payable/receivable	7,418	15,509	-8,091
<i>Monetary financial institutions</i>	7,443	15,285	-7,842
<i>Other sectors</i>	-25	224	-249
3.4.6. Special drawing rights		0	0
3.4.7. Insurance technical reserves	41	-7	48
<b>3.5. Reserve assets</b>	<b>10,396</b>	<b>0</b>	<b>10,396</b>
Gold	1	0	1
Special drawing rights	148	0	148
Reserve position in the IMF	775	0	775
Other reserve assets	9,473	0	9,473
<b>4. NET ERRORS AND OMISSIONS</b>			<b>-14,259</b>

Source: Banque de France.

Note: Direct investment is recorded according to the extended directional principle. Rounding differences mean that aggregate totals and balances may not appear exactly equal to the sum of their components.

n.i.e.: not included elsewhere.



## | APPENDICES





# PART I

## GLOSSARY

Balance of payments methodologies and terminology are governed by international statistical standards set out by the IMF in the sixth edition of its *Balance of Payments and International Investment Position Manual* (BPM6). They are applicable to all countries.

### B

#### ■ Banknotes

Within the context of the Economic and Monetary Union, flows and positions in euro banknotes are recorded using double-entry accounting. The first entry is the difference between the theoretical issuance amount allocated to the Banque de France (based on the ECB capital key mechanism) and the euro banknotes that are actually put into circulation by the Banque de France. The second entry records the difference between the theoretical issuance amount allocated to the Banque de France and residents' holdings of euro banknotes. The net position corresponds to the difference between residents' holdings of euro banknotes and the banknotes put into circulation by the Banque de France.

#### ■ Book value

The book value of direct investment positions is the value that enterprises report in their financial statements. In the case of outward direct investment, this value is shown in the tables recording subsidiaries and equity interests that are appended to companies' annual financial statements. In the case of inward direct investment, this value is shown on the balance sheets of resident companies affiliated with non-resident direct investors.

### C

#### ■ Capital account

The capital account records capital transfers, i.e. transactions involving transfers of ownership of fixed assets or cancellation of liabilities by creditors without any counterparty received in return (debt forgiveness, write-offs, investment grants, etc.) and purchases and sales of non-produced, non-financial assets (see definition).

#### ■ Capital inflows/outflows

In the financial account, transactions involving an increase in assets (acquisitions of foreign assets by residents) and a reduction in liabilities correspond to capital outflows. Conversely, transactions involving a reduction in assets (sale of foreign assets by residents) or an increase in liabilities (acquisitions of resident assets by non-residents) correspond to capital inflows.

A positive net position for flows on the financial account (increase in France's net assets) indicates net capital outflows. A negative net position indicates net capital inflows. See *Sign conventions*.

### ■ Capital transfers – debt forgiveness

Debt forgiveness granted by the French general government sector to a foreign country is a transfer to a non-resident agent. Accordingly, it is recorded as a debit from the capital account. On the other hand, debt forgiveness decreases general government assets and is therefore recorded as a credit to the financial account under “other investment”.

### ■ Capital transfers – other transfers

Other capital transfers include investment grants received from or paid to other countries as part of development assistance. Transfers made to the French general government sector come mainly from European institutions (ERDF<sup>1</sup> and EAFRD<sup>2</sup>).

### ■ Current account

The current account records flows of goods, services and primary and secondary income between France and the rest of the world. The current account balance is the difference between exports and income receivable by residents, on the one hand, and imports and income payable by residents, on the other hand.

## D

### ■ Direct investment

Direct investment covers transactions by investors resident in one economy to acquire, increase or dispose of a lasting interest in an enterprise resident in another economy and to hold or dispose of influence over its management.

## E

### ■ Errors and omissions

The “errors and omissions” item is a balancing item that exists because, unlike a simple double-entry accounting system, debits and credits in the balance of payments are not recorded simultaneously at the time of each transaction. Instead they are recorded from reports and surveys using different sources. By construction, the errors and omissions item is equal, but with the opposite sign, to the difference between the financial account balance, on the one hand, and the sum of the capital account balance and the current account balance, on the other hand.

### ■ Extended directional principle (direct investment – other transactions – intercompany lending)

Under the BPM6 format, the extended directional principle provides a supplementary measurement of direct investment data. Under this principle, lending between fellow enterprises belonging to the same international group is not classified according to the direction of the loans, but according to the country of residence of the parent company.

### ■ External debt

Gross external debt consists solely of financial liabilities vis-à-vis non-residents in the form of debt instruments (money market securities, bonds, loans) and does not include equity securities or financial derivatives. The debt is expressed in gross terms, since French residents’ assets are not subtracted from their liabilities. On the other hand, their assets are subtracted to calculate net external debt, which is the net position in debt instruments.

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<sup>1</sup> European Regional Development Fund.

<sup>2</sup> European Agricultural Fund for Rural Development.

## F

### ■ Financial derivatives

This item includes premiums on options and futures bought and sold by resident banks and by other sectors, along with margin calls, adjustment payments and interest payments on swaps.

### ■ Financial intermediation services indirectly measured (FISIM)

FISIM are the services that financial intermediaries provide without charging customers. Financial intermediaries pay themselves for these services through an interest rate margin on customer deposits and loans.

### ■ FOB expenses

FOB expenses correspond to the transportation and insurance services included in CIF (cost, insurance and freight) payments for merchandise. These expenses are subtracted from trade in merchandise and transferred to the relevant service components.

### ■ Foreign exchange reserves

See *Reserve assets*.

### ■ France

For the purposes of the balance of payments, France includes the departments in metropolitan France, the overseas departments (Guadeloupe, French Guiana, Martinique, Réunion and Mayotte), and the collectivities of Saint Barthélemy, Saint Martin and Saint Pierre and Miquelon, along with the Principality of Monaco. All other countries, territories and institutions, including the European Central Bank (ECB), are regarded as non-residents.

## G

### ■ General government

The general government sector includes central government, various central administration bodies (universities, regional health agencies, the national meteorological office, etc.), local governments and social security organisations.

### ■ Goods

Goods are physical, produced assets over which ownership rights can be established and whose economic ownership can be transferred from one institutional unit to another by engaging in transactions.

### ■ Goods for processing

See *Manufacturing services on physical inputs owned by others*.

### ■ Goods procured in ports by carriers

This item covers purchases of goods, such as fuel, stores and provisions in foreign ports and airports by resident carriers and by non-resident carriers in France. It does not cover related services, such as towing and warehousing, which are recorded as transport services.

## I

### ■ Integration of flows and positions

Changes in the international investment position between two dates stem from:

- balance of payments flows;
- changes in exchange rates and the prices of listed equities; and
- other changes, including reclassification of items, changes in methodology and statistical discrepancies between two reporting dates.

### ■ Intercompany lending (direct investment)

The “other transactions” item under direct investment includes all short-term and long-term loans, advances and deposits between companies in direct investment relationships, with the exception of loan and deposit transactions between resident banks and other monetary financial institutions and non-resident banks and monetary financial institutions belonging to the same group, which are classified as “other investment”.

### ■ Interest

Interest is property income received by owners of certain financial assets (deposits, securities other than equities, credits and other receivables). Interest is recorded on an accrual basis.

### ■ Investment income

Investment income corresponds to receipts or payments relating to external financial assets and liabilities. This income is broken down by the nature of the related financial transactions: direct investment income, portfolio investment income, other investment income and reserve asset income. Investment income is a component of the current account.

## L

### ■ Long term

For the purposes of balance of payment statistics, long term refers to initial maturities of more than one year.

## M

### ■ Manufacturing services on physical inputs owned by others

This category is now classified with services (it was previously classified with goods in the fifth edition of the *Balance of Payments Manual*). It records transactions involving processing, assembly, labelling, packaging, etc. provided by enterprises that do not own the goods in question.

### ■ Market value

Outward and inward direct investment positions are recorded at market value, which is estimated jointly with national accounts staff, but only for equity capital. Only aggregated positions at market value are disseminated. Consequently, no breakdowns by company, country or sector are available.

### ■ Merchancing

Merchancing covers transactions related to purchases of foreign goods that are then resold to non-residents without being imported into France's customs territory, and purchases and sales to non-residents of French goods that are not exported outside France's customs territory.

### ■ Mixed value

Inward and outward direct investment positions are recorded at mixed value, meaning that positions in listed securities are recorded at market value and positions in unlisted assets and liabilities are recorded at their book value.

### ■ Monetary financial institutions (MFIs)

The monetary financial institutions (MFI) sector, excluding the central bank, includes resident credit institutions, as defined in European legislation, and all other resident financial institutions the business of which is to receive deposits (or close substitutes for deposits) from entities other than MFIs and, for their own account, to grant credit and/or make investments in securities. This category also includes electronic monetary institutions, meaning those that engage in financial intermediation primarily by issuing electronic currency. The *Caisse des Dépôts et Consignations*, money market funds and the *Caisse nationale d'Épargne* are also part of the MFI sector. On the other hand, payment institutions are not part of this sector.

## N

### ■ Non-produced non-financial assets

This category corresponds to purchases and sales of natural resources, such as land, mineral rights, water and forests, along with contracts, leases and licences, and marketing assets (registered trademarks and models, logos, domain names, etc.).

## O

### ■ Other investment (loan-deposit position)

The "other investment" component of the financial account includes all transactions in financial assets and liabilities with non-residents that do not concern direct investment, portfolio investment, financial derivatives or reserve assets. In practice, this mainly concerns bank deposits and interbank lending, as well as loans and deposits made by insurance companies and all kinds of investment companies and funds.

### ■ Other sectors

"Other sectors" records transactions by economic agents that are not the central bank, general government or monetary financial institutions. This category covers other financial corporations (insurance companies, investment companies, investment funds, except money market funds, which are classified as monetary financial institutions), industrial and commercial companies, households and unincorporated enterprises. This residual sector also includes non-profit institutions serving households (NPISHs), such as associations or foundations.

## P

### ■ Portfolio investment

Portfolio investment covers all transactions in negotiable securities between residents and non-residents, including purchases of new issues, trading and redemptions, other than transactions recorded as direct investment, reserve assets or financial derivatives.

### ■ Primary income

Primary income refers to the flows received by economic agents for their participation in the production process (“compensation of employees”) or for the provision of financial assets (“investment income”) or for the rental of natural resources (“rent”). Taxes and subsidies on products and production are also included in primary income.

## R

### ■ Reinvested earnings

Reinvested earnings are the undistributed share of after-tax operating income from subsidiaries and equity interests attributable to the direct investor.

### ■ Reinvestment of earnings

See *Reinvested earnings*.

### ■ Reserve assets

Reserve assets are external assets that are readily available to the central bank. Reserve assets are made up of gross assets in monetary gold and foreign currencies, including securities issued by non-residents, special drawing rights (SDRs) and France’s net position in the IMF.

### ■ Resident economic sectors

The amounts recorded under many balance of payments items are classified according to the institutional sector of the resident party to the transaction. The institutional sectors are (see the definition of each sector):

- the Banque de France;
- general government;
- monetary financial institutions;
- «other sectors».

### ■ Residents/non-residents

Residents are:

- natural persons having their centre of predominant economic interest in France, regardless of their nationality, except for foreign civil servants and military personnel assigned to France, who remain non-residents;
- civil servants and other French government employees posted to other countries or seconded to international organisations or other non-resident employers;

- French and foreign legal entities, for their establishments in France (with the exception of foreign diplomatic missions and international organisations based in France), when there is a real economic activity carried out in France by autonomous production units, regardless of their legal form (subsidiary, branch, agency, office, etc.).

Non-residents are:

- foreign and French individuals who usually live abroad, meaning who are actually located abroad, with the exception of French diplomatic missions and French civil servants posted abroad;
- foreign and French legal entities, for their establishments abroad, when they have a real economic activity performed abroad by autonomous production units, regardless of their legal form.

## S

### ■ Secondary income

Secondary income records current transfers between residents and non-residents. A transfer is a transaction that involves the provision of a good, service, financial asset or another non-produced asset without receiving something of economic value in exchange. Current transfers refer to all transfers that are not capital transfers (see *Capital account*).

### ■ Services

Services constitute the second main component of the current account. Unlike goods, where production and marketing are clearly separate activities, trade in services is closely linked to their production. Trade in services includes transport services and travel.

### ■ Short term

For the purposes of balance of payment statistics, short term refers to initial maturities of one year or less. The “initial maturity” is that stipulated when a financial transaction is initiated and is distinct from the notion of “residual maturity”.

### ■ Sign conventions

By convention, all current account transactions have a positive sign, with a few exceptions, including acquisitions for merchanting and reinvested earnings in the event of operating losses, which are registered as credits or debits, as the case may be, with a negative sign. A positive balance (credits minus debits) on the current account and the capital account indicates that receipts are greater than payments, resulting in net lending.

In the case of flows of assets and liabilities on the financial account, a positive figure indicates an increase in assets or liabilities and a negative figure indicates a decrease in assets or liabilities. A positive balance of flows on the financial account indicates an increase in France’s net assets, and a negative balance indicates a decrease in net assets. A simultaneous increase of assets and liabilities by the same amount does not change the balance of the financial account.

## T

### ■ Trade credits and advances

Trade credits and advances arise from credits granted by resident enterprises to non-resident customers (assets) or credits granted by non-residents to resident customers (liabilities), regardless of their maturity. This item also covers advances. Trade credits between companies in a direct investment relationship are recorded under “direct investment”. Other trade credits are recorded under “other investment”.

### ■ Transport services

This item records transactions reported for goods and passenger transport, along with the related expenses, except for *goods procured in ports by carriers* (see definition), and the estimated shipping expenses included in trade in goods. Transport services receipts and payments related to international travel, such as the air fare for tourists travelling between their home countries and France, are not recorded under “travel”, but under “transport services” instead. On the other hand, domestic transport used in France by non-residents and domestic transport used abroad by residents are recorded under “travel”.

### ■ Travel

The “travel” item records the expenditure of natural persons when travelling abroad. Travel receipts record all spending in France by non-resident individuals staying in France for less than one year, along with expenses incurred for personal services (healthcare, tuition, etc.) purchased from residents. Travel payments record similar spending by residents abroad.

Transport services receipts and payments for international travel are not recorded under travel, but under transport services instead. On the other hand, travel does include domestic transport used in France by non-residents and domestic transport used abroad by residents.

## W

### ■ Workers' remittances

Workers' remittances are the amounts transferred abroad by resident workers and vice versa. Workers' remittances are recorded under “secondary income”.



## PART II

# DEFINITION OF GEOGRAPHICAL ZONES

### European Union member countries (at 1 January 2019)

Austria*	Italy*
Belgium*	Latvia*
Bulgaria	Lithuania*
Croatia	Luxembourg*
Cyprus*	Malta*
Czech Republic	Netherlands*
Denmark	Poland
Estonia*	Portugal*
Finland*	Romania
France*	Slovakia*
Germany*	Slovenia*
Greece*	Spain*
Hungary	Sweden
Ireland*	United Kingdom

The European Union includes the countries listed above, along with the European Union institutions (European Investment Bank, European Development Fund and other European Community institutions).

As of 1 January 2019, the Economic and Monetary Union had 19 member countries (denoted by \*), along with the European Central Bank and the European Stability Mechanism.

The geographical zones are defined in the standard lists drawn up by Eurostat.

**Offshore financial centres  
(list compiled by Eurostat)**

Andorra	Lebanon
Anguilla	Liberia
Antigua-and-Barbuda	Liechtenstein
Aruba	Marshall Islands
Bahamas	Mauritius
Bahrain	Montserrat
Barbados	Nauru
Belize	Niue
Bermuda	Panama
British Virgin Islands	Philippines
Cayman Islands	Saint Kitts and Nevis
Cook Islands	Saint Lucia
Curaçao	Saint Martin
Dominica	Saint Vincent and the Grenadines
Gibraltar	Samoa
Grenada	Seychelles
Guernsey	Singapore
Hong Kong	Turks and Caicos Islands
Isle of Man	United States Virgin Islands
Jersey	Vanuatu

## PART III

# BALANCE OF PAYMENTS

## REVISIONS OF 2016 AND 2017 DATA

With the publication of the *Annual Report*, some of the data from previous years are updated. Most of the revisions concern the previous two years. These revisions take account of more comprehensive information as it becomes available.

### MAIN REVISIONS TO THE CURRENT ACCOUNT

The **current account** deficit was reduced by EUR 5.9 billion in 2016 to EUR 10.9 billion, and by EUR 3.3 billion in 2017 to EUR 16.4 billion.

In 2016, the upward revision to the current account balance was driven by **goods** (up EUR 2.3 billion), **services** (up 2.4 billion) and **primary income** (up EUR 1.7 billion). Secondary income was revised downwards by EUR 0.5 billion.

In 2017, trade in **services** was substantially revised downwards by EUR 6.2 billion. The revisions to services other than travel resulted from the inclusion of data from a supplementary survey by the Banque de France on international trade in services (ECEIS), which replaced the initial estimates used for the 2017 *Annual Report*. For trade in **goods**, this led to an upward revision of EUR 3.0 billion.

### MAIN REVISIONS TO THE FINANCIAL ACCOUNT

The **financial account** balance was revised downwards by EUR 3.8 billion in 2016 to a deficit of EUR 16.8 billion, and revised upwards by EUR 0.9 billion in 2017 to a deficit of EUR 31.0 billion.

In 2016, the most significant revisions were made to **foreign direct investment in France** (down EUR 10.9 billion) and **non-residents' portfolio investment in domestic securities** (up EUR 16.3 billion).

**Foreign direct investment in France** was also adjusted downwards considerably by EUR 17.7 billion for 2017. However, its impact on the financial account balance is largely offset by a similar downward revision of EUR 15.0 billion to French direct investment abroad. **Non-residents' portfolio investment in domestic securities** was also subject to major offsetting revisions between equity securities and investment fund shares/units (up EUR 19.5 billion) and long-term debt securities (down EUR 16.6 billion).

As in previous years, these revisions mainly stem from the integration of late declarations or data that were not previously available and, for direct investment in particular, the substitution of data from French and foreign companies' annual financial statements for the estimates published the previous year.

**Revisions of 2016 and 2017 balance of payments data**  
**Net amounts of the principal balance of payments components**

(EUR billions)

	2016			2017		
	Annual Report 2017	Annual Report 2018	Revisions	Annual Report 2017	Annual Report 2018	Revisions
<b>Current account</b>	<b>-16.8</b>	<b>-10.9</b>	<b>5.9</b>	<b>-13.1</b>	<b>-16.4</b>	<b>-3.3</b>
<b>Goods</b>	<b>-34.6</b>	<b>-32.3</b>	<b>2.3</b>	<b>-48.2</b>	<b>-45.2</b>	<b>3.0</b>
<b>Services</b>	<b>17.8</b>	<b>20.2</b>	<b>2.4</b>	<b>26.4</b>	<b>20.2</b>	<b>-6.2</b>
<i>Transport services</i>	-4.6	-4.9	-0.3	-2.0	-2.9	-0.9
<i>Travel</i>	12.9	13.4	0.5	17.0	14.2	-2.8
<b>Primary income</b>	<b>46.8</b>	<b>48.5</b>	<b>1.7</b>	<b>52.5</b>	<b>52.3</b>	<b>-0.2</b>
<i>Compensation of employees</i>	19.9	19.9	0.0	20.2	20.5	0.3
<i>Investment income</i>	22.2	23.9	1.7	28.8	27.7	-1.1
Direct investment	38.3	36.1	-2.2	43.3	38.3	-5.0
Portfolio investment	-15.7	-12.6	3.1	-15.2	-12.5	2.7
Other investment	-0.9	-0.3	0.6	0.0	1.3	1.3
Reserve assets	0.5	0.5	0.0	0.6	0.6	0.0
<i>Other primary income</i>	4.7	4.7	0.0	3.5	4.2	0.7
<b>Secondary income</b>	<b>-46.8</b>	<b>-47.3</b>	<b>-0.5</b>	<b>-43.9</b>	<b>-43.7</b>	<b>0.2</b>
<b>Capital account</b>	<b>1.4</b>	<b>1.1</b>	<b>-0.3</b>	<b>1.1</b>	<b>0.3</b>	<b>-0.8</b>
<b>Financial account</b>	<b>-13.0</b>	<b>-16.8</b>	<b>-3.8</b>	<b>-31.9</b>	<b>-31.0</b>	<b>0.9</b>
<b>Direct investment</b>	<b>25.4</b>	<b>37.7</b>	<b>12.3</b>	<b>7.4</b>	<b>10.2</b>	<b>2.8</b>
Abroad	57.2	58.6	1.4	51.6	36.6	-15.0
<i>of which: equity capital</i>	34.3	34.6	0.3	26.0	23.3	-2.7
<i>reinvested earnings</i>	14.2	13.4	-0.8	13.1	12.7	-0.4
<i>other transactions (intercompany lending)</i>	8.6	10.6	2.0	12.5	0.7	-11.8
In France	31.8	20.9	-10.9	44.2	26.5	-17.7
<i>of which: equity capital</i>	27.2	18.9	-8.3	28.9	22.0	-6.9
<i>reinvested earnings</i>	7.9	7.6	-0.3	6.5	9.1	2.6
<i>other transactions (intercompany lending)</i>	-3.3	-5.6	-2.3	8.7	-4.6	-13.3
<b>Portfolio investment</b>	<b>21.5</b>	<b>0.2</b>	<b>-21.3</b>	<b>19.9</b>	<b>23.6</b>	<b>3.7</b>
Assets (residents' transactions in securities issued by non-residents)	41.4	36.5	-4.9	47.9	53.6	5.7
Equity securities and investment fund shares/units	22.3	15.9	-6.4	42.7	51.4	8.7
Long-term debt securities	22.1	25.3	3.2	-16.4	-19.1	-2.7
Short-term debt securities	-2.9	-4.8	-1.9	21.6	21.3	-0.3
Liabilities (non-residents' transactions in securities issued by residents)	20.0	36.3	16.3	28.0	30.0	2.0
Equity securities and investment fund shares/units	18.6	28.5	9.9	9.1	28.6	19.5
Long-term debt securities	-1.8	4.4	6.2	12.1	-4.5	-16.6
Short-term debt securities	3.2	3.5	0.3	6.8	5.9	-0.9
<b>Financial derivatives</b>	<b>-15.9</b>	<b>-15.9</b>	<b>0.0</b>	<b>-1.2</b>	<b>-1.2</b>	<b>0.0</b>
<b>Other investment</b>	<b>-46.2</b>	<b>-41.1</b>	<b>5.1</b>	<b>-54.9</b>	<b>-60.5</b>	<b>-5.6</b>
Assets	171.9	171.6	-0.3	132.8	131.1	-1.7
<i>of which: monetary financial institutions</i>	151.0	151.0	0.0	93.5	93.5	0.0
Liabilities	218.1	212.7	-5.4	187.7	191.6	3.9
<i>of which: monetary financial institutions</i>	178.8	178.8	0.0	107.1	107.1	0.0
<b>Reserve assets</b>	<b>2.2</b>	<b>2.2</b>	<b>0.0</b>	<b>-3.0</b>	<b>-3.0</b>	<b>0.0</b>
<b>Net errors and omissions</b>	<b>2.4</b>	<b>-7.1</b>	<b>-9.5</b>	<b>-19.9</b>	<b>-14.9</b>	<b>5.0</b>

Source: Banque de France.

Note: Direct investment is recorded according to the extended directional principle. The sign convention used is that from the sixth edition of the Balance of Payments Manual.

# PART IV

## INTERNATIONAL INVESTMENT POSITION

### REVISIONS OF 2016 AND 2017 DATA

As is the case for the balance of payments, several items in France's international investment position are revised in this *Annual Report* (see table below). These revisions to the international investment position are the result of the usual revision process and, as is the case for the revisions to the balance of payments, the inclusion of corrections and data that were not previously available concerns 2016 and 2017.

The main upward revisions made to **direct investment** (of EUR 14.4 billion in 2016 and EUR 59.2 billion in 2017) stem from the inclusion of data from companies' annual financial statements or from the findings of specific

surveys of resident companies on their assets and liabilities vis-à-vis non-residents. **Portfolio investment** was revised upwards by EUR 21.9 billion in 2016 and EUR 22.3 billion in 2017. Revisions have mainly been made to equity securities and investment fund shares/units for resident holdings of foreign securities in 2017, and to equity securities and investment fund shares/units and to long-term debt securities for non-resident holdings of domestic securities in 2016 and 2017.

The loan-deposit position was also revised, although to a lesser extent, with an upward adjustment of EUR 5.2 billion in 2016 and a downward adjustment of EUR 0.7 billion in 2017.

#### Revisions of 2016 and 2017 international investment position data

##### Principle components of the international investment position

(EUR billions)

	2016			2017		
	Annual Report 2017	Annual Report 2018	Revisions	Annual Report 2017	Annual Report 2018	Revisions
<b>Direct investment at mixed value</b>	<b>545.3</b>	<b>559.7</b>	<b>14.4</b>	<b>481.2</b>	<b>540.4</b>	<b>59.2</b>
Abroad <sup>a)</sup>	1,214.0	1,219.0	5.0	1,210.4	1,222.9	12.5
In France <sup>b)</sup>	668.7	659.2	-9.5	729.2	682.5	-46.7
<b>Portfolio investment</b>	<b>-758.4</b>	<b>-736.5</b>	<b>21.9</b>	<b>-741.1</b>	<b>-718.8</b>	<b>22.3</b>
Foreign securities	2,400.5	2,392.8	-7.7	2,441.7	2,455.1	13.4
Equity securities and investment fund shares/units	715.9	715.1	-0.8	802.4	816.3	13.9
Long-term debt securities	1,498.0	1,496.0	-2.0	1,437.2	1,440.8	3.6
Short-term debt securities	186.7	181.7	-5.0	202.0	198.1	-3.9
Domestic securities	3,159.0	3,129.3	-29.7	3,182.7	3,173.9	-8.8
Equity securities and investment fund shares/units	833.5	823.3	-10.2	898.7	918.5	19.8
Long-term debt securities	2,103.0	2,087.5	-15.5	2,058.1	2,033.5	-24.6
Short-term debt securities	222.5	218.5	-4.0	226.0	222.0	-4.0
<b>Financial derivatives</b>	<b>-46.5</b>	<b>-46.5</b>	<b>0.0</b>	<b>-69.2</b>	<b>-69.2</b>	<b>0.0</b>
<b>Loan-deposit position (excluding reserve assets)</b>	<b>-211.8</b>	<b>-206.6</b>	<b>5.2</b>	<b>-262.9</b>	<b>-263.6</b>	<b>-0.7</b>
Trade credits and advances	-33.3	-33.3	0.0	-32.9	-35.4	-2.5
Other Banque de France investment	-148.4	-148.4	0.0	-156.2	-156.2	0.0
Other general government investment	43.7	42.6	-1.1	38.2	39.0	0.8
MFIs' loan-deposit position	-82.8	-82.8	0.0	-98.6	-98.6	0.0
Loan-deposit position of other sectors <sup>b)</sup>	21.8	28.1	6.3	-1.3	-0.4	0.9
Special drawing rights	-12.9	-12.9	0.0	-12.0	-12.0	0.0
<b>Reserve assets</b>	<b>139.3</b>	<b>139.3</b>	<b>0.0</b>	<b>130.4</b>	<b>130.4</b>	<b>0.0</b>
<b>Balance with direct investment at mixed value</b>	<b>-332.2</b>	<b>-290.6</b>	<b>41.6</b>	<b>-461.5</b>	<b>-380.9</b>	<b>80.6</b>

Source: Banque de France.

a) Presented according to the extended directional principle.

b) Non-financial corporations, insurance companies, other financial intermediaries, investment funds other than money market funds and households.



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# 0. THE FRENCH BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION

## 0.1 Balance of payments

(EUR billions)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>CURRENT ACCOUNT</b>	<b>-13.9</b>	<b>-10.7</b>	<b>-12.5</b>	<b>-17.7</b>	<b>-20.1</b>	<b>-10.8</b>	<b>-20.6</b>	<b>-8.1</b>	<b>-10.9</b>	<b>-16.4</b>	<b>-15.1</b>
<b>Total goods and services</b>	<b>-24.2</b>	<b>-18.0</b>	<b>-27.5</b>	<b>-37.1</b>	<b>-23.2</b>	<b>-12.9</b>	<b>-17.2</b>	<b>-8.8</b>	<b>-12.0</b>	<b>-25.0</b>	<b>-25.4</b>
<b>Goods</b>	<b>-48.8</b>	<b>-36.7</b>	<b>-48.2</b>	<b>-64.9</b>	<b>-54.5</b>	<b>-43.0</b>	<b>-42.7</b>	<b>-28.9</b>	<b>-32.3</b>	<b>-45.2</b>	<b>-49.3</b>
Receipts	409.2	337.8	383.1	422.1	436.4	438.5	437.2	470.6	471.1	495.2	517.8
Payments	458.0	374.4	431.3	487.0	490.9	481.5	479.9	499.4	503.4	540.4	567.1
<b>Services</b>	<b>24.7</b>	<b>18.6</b>	<b>20.7</b>	<b>27.8</b>	<b>31.3</b>	<b>30.1</b>	<b>25.5</b>	<b>20.1</b>	<b>20.2</b>	<b>20.2</b>	<b>23.8</b>
Receipts	157.0	144.9	157.6	175.3	190.0	201.9	215.9	230.5	234.1	240.6	249.4
Payments	132.3	126.2	136.8	147.5	158.7	171.8	190.4	210.4	213.9	220.4	225.6
<b>Travel</b>	<b>18.2</b>	<b>17.0</b>	<b>14.0</b>	<b>14.6</b>	<b>20.8</b>	<b>21.3</b>	<b>17.3</b>	<b>17.0</b>	<b>13.4</b>	<b>14.2</b>	<b>14.9</b>
Receipts	45.9	43.5	43.0	47.6	51.9	53.1	54.0	52.6	49.8	52.1	55.5
Payments	27.7	26.5	29.0	33.0	31.1	31.8	36.7	35.6	36.5	37.9	40.5
<b>Transport services</b>	<b>-2.0</b>	<b>-1.0</b>	<b>-0.8</b>	<b>-2.8</b>	<b>-2.2</b>	<b>-3.5</b>	<b>-3.0</b>	<b>-2.8</b>	<b>-4.9</b>	<b>-2.9</b>	<b>-4.6</b>
Receipts	29.7	24.9	29.3	31.7	33.3	34.6	36.1	37.7	36.4	40.7	40.6
Payments	31.7	25.9	30.1	34.4	35.5	38.1	39.1	40.6	41.3	43.6	45.1
<b>Other services</b>	<b>8.5</b>	<b>2.6</b>	<b>7.5</b>	<b>15.9</b>	<b>12.7</b>	<b>12.3</b>	<b>11.1</b>	<b>6.0</b>	<b>11.7</b>	<b>8.9</b>	<b>13.5</b>
Receipts	81.4	76.5	85.3	96.0	104.8	114.2	125.8	140.1	147.9	147.8	153.4
Payments	72.9	73.8	77.8	80.1	92.1	101.9	114.6	134.2	136.2	138.9	139.9
<b>Primary income</b>	<b>44.2</b>	<b>43.9</b>	<b>51.2</b>	<b>56.7</b>	<b>45.1</b>	<b>47.1</b>	<b>45.0</b>	<b>45.7</b>	<b>48.5</b>	<b>52.3</b>	<b>58.0</b>
<b>Compensation of employees</b>	<b>11.9</b>	<b>12.3</b>	<b>13.1</b>	<b>14.8</b>	<b>16.1</b>	<b>16.8</b>	<b>17.5</b>	<b>19.7</b>	<b>19.9</b>	<b>20.5</b>	<b>20.5</b>
<b>Investment income</b>	<b>25.2</b>	<b>24.3</b>	<b>31.1</b>	<b>35.0</b>	<b>22.3</b>	<b>23.9</b>	<b>21.3</b>	<b>19.7</b>	<b>23.9</b>	<b>27.7</b>	<b>31.7</b>
Direct investment income	26.2	26.3	36.2	40.5	37.6	39.0	40.5	39.1	36.1	38.2	43.2
Portfolio investment income	8.4	1.4	-3.6	-6.0	-16.0	-15.7	-19.7	-18.7	-12.5	-12.5	-15.6
Other investment income	-9.9	-3.9	-2.0	-0.1	0.3	0.2	0.1	-1.3	-0.2	1.3	3.1
Reserve asset income	0.5	0.4	0.5	0.6	0.4	0.5	0.5	0.5	0.5	0.6	1.0
<b>Other primary income</b>	<b>7.1</b>	<b>7.3</b>	<b>7.0</b>	<b>6.9</b>	<b>6.8</b>	<b>6.4</b>	<b>6.2</b>	<b>6.3</b>	<b>4.7</b>	<b>4.1</b>	<b>5.8</b>
<b>Secondary income</b>	<b>-33.9</b>	<b>-36.6</b>	<b>-36.3</b>	<b>-37.2</b>	<b>-42.1</b>	<b>-45.0</b>	<b>-48.4</b>	<b>-45.0</b>	<b>-47.3</b>	<b>-43.7</b>	<b>-47.7</b>
Receipts	13.5	13.2	14.4	15.8	15.4	14.7	23.0	26.7	25.4	28.0	29.6
Payments	47.5	49.7	50.7	53.0	57.6	59.7	71.4	71.7	72.7	71.7	77.3
<b>CAPITAL ACCOUNT</b>	<b>0.4</b>	<b>0.3</b>	<b>0.1</b>	<b>-0.2</b>	<b>-3.4</b>	<b>0.1</b>	<b>-1.2</b>	<b>-1.0</b>	<b>1.1</b>	<b>0.3</b>	<b>2.1</b>
Receipts	1.2	1.1	1.2	1.1	1.1	1.3	1.1	2.2	2.4	1.3	2.5
Payments	0.8	0.7	1.1	1.3	4.5	1.2	2.3	3.2	1.3	1.0	0.4
<b>FINANCIAL ACCOUNT</b>	<b>-33.4</b>	<b>-39.2</b>	<b>-1.2</b>	<b>-56.5</b>	<b>-37.3</b>	<b>-14.5</b>	<b>-7.8</b>	<b>-0.7</b>	<b>-16.8</b>	<b>-31.0</b>	<b>-27.3</b>
Assets	125.9	110.9	193.5	-28.9	-144.4	-162.2	204.4	176.0	250.6	224.8	331.6
Liabilities	159.2	150.2	194.7	27.6	-107.1	-147.7	212.2	176.7	267.4	255.8	359.0
<b>Direct investment</b>	<b>44.8</b>	<b>50.5</b>	<b>25.9</b>	<b>14.2</b>	<b>15.1</b>	<b>-10.5</b>	<b>35.5</b>	<b>7.1</b>	<b>37.7</b>	<b>10.2</b>	<b>55.2</b>
Abroad	70.5	72.6	36.4	37.0	27.6	15.3	37.5	48.0	58.6	36.6	86.8
In France	25.7	22.1	10.5	22.8	12.5	25.8	2.0	40.9	20.8	26.4	31.6
<b>Portfolio investment</b>	<b>-25.7</b>	<b>-236.0</b>	<b>-116.8</b>	<b>-240.9</b>	<b>-39.4</b>	<b>-59.7</b>	<b>-17.9</b>	<b>38.9</b>	<b>0.2</b>	<b>23.6</b>	<b>-5.0</b>
Assets	97.7	78.4	-30.0	-167.7	-18.3	43.6	69.7	43.5	36.4	53.6	19.2
Liabilities	123.3	314.4	86.8	73.2	21.0	103.2	87.7	4.6	36.3	30.0	24.2
<b>Financial derivatives</b>	<b>27.2</b>	<b>-11.1</b>	<b>-3.1</b>	<b>-13.9</b>	<b>-14.3</b>	<b>-16.8</b>	<b>-23.9</b>	<b>13.0</b>	<b>-15.9</b>	<b>-1.2</b>	<b>-25.9</b>
Assets	1.3	-31.9	-13.3	43.4	-108.8	-216.1	12.0	131.5	-18.3	6.5	73.6
Liabilities	-25.9	-20.7	-10.2	57.3	-94.5	-199.3	35.9	118.4	-2.4	7.8	99.5
<b>Other investment</b>	<b>-71.2</b>	<b>151.4</b>	<b>87.1</b>	<b>189.6</b>	<b>-2.8</b>	<b>73.9</b>	<b>-2.2</b>	<b>-66.9</b>	<b>-41.1</b>	<b>-60.5</b>	<b>-62.0</b>
Assets	-35.1	-14.2	194.7	64.0	-48.9	-3.6	84.5	-54.1	171.6	131.1	141.7
Liabilities	36.1	-165.6	107.6	-125.7	-46.2	-77.5	86.6	12.8	212.7	191.6	203.7
<b>Reserve assets</b>	<b>-8.5</b>	<b>6.0</b>	<b>5.8</b>	<b>-5.5</b>	<b>4.0</b>	<b>-1.5</b>	<b>0.7</b>	<b>7.2</b>	<b>2.2</b>	<b>-3.0</b>	<b>10.4</b>
<b>NET ERRORS AND OMISSIONS</b>	<b>-19.9</b>	<b>-28.9</b>	<b>11.2</b>	<b>-38.6</b>	<b>-13.8</b>	<b>-3.7</b>	<b>14.0</b>	<b>8.4</b>	<b>-7.1</b>	<b>-14.9</b>	<b>-14.3</b>

0-2 **International investment position**

0-2a **International investment position time series from 2008 to 2018 at mixed value**

(EUR billions)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Direct investment at mixed value</b>	<b>266.7</b>	<b>328.0</b>	<b>405.8</b>	<b>424.4</b>	<b>448.7</b>	<b>409.0</b>	<b>489.4</b>	<b>533.5</b>	<b>559.7</b>	<b>540.3</b>	<b>596.4</b>
Abroad	671.3	777.8	877.9	964.5	964.4	961.1	1,066.0	1,164.9	1,218.9	1,222.9	1,317.0
In France	404.5	449.8	472.0	540.1	515.7	552.1	576.6	631.4	659.2	682.5	720.5
<b>Portfolio investment</b>	<b>9.4</b>	<b>-219.2</b>	<b>-320.8</b>	<b>-546.6</b>	<b>-648.3</b>	<b>-717.3</b>	<b>-785.3</b>	<b>-743.7</b>	<b>-736.5</b>	<b>-718.8</b>	<b>-717.3</b>
Foreign securities	1,872.1	2,070.8	2,100.1	1,865.6	1,990.9	2,083.2	2,267.4	2,341.8	2,392.8	2,455.1	2,378.2
Equity securities and investment fund shares/units	341.1	448.4	498.3	401.4	494.7	589.0	634.8	687.1	715.1	816.2	707.9
Long-term securities	1,312.4	1,369.9	1,362.9	1,256.7	1,271.8	1,306.4	1,435.4	1,472.4	1,496.0	1,440.8	1,463.3
Short-term debt securities	218.5	252.4	239.0	207.5	224.5	187.8	197.2	182.3	181.7	198.0	207.0
Domestic securities	1,862.7	2,290.0	2,420.9	2,412.2	2,639.3	2,800.5	3,052.7	3,085.5	3,129.3	3,173.9	3,095.5
Equity securities and investment fund shares/units	449.0	573.2	579.3	500.6	614.7	731.8	743.1	783.9	823.3	918.5	814.8
Long-term securities	1,242.2	1,467.6	1,595.5	1,671.9	1,821.6	1,836.2	2,067.4	2,082.8	2,087.5	2,033.5	2,072.3
Short-term debt securities	171.5	249.2	246.2	239.7	203.0	232.6	242.2	218.7	218.5	222.0	208.4
Memorandum item: Treasury securities	na	831.2	886.8	907.0	978.3	1,017.3	1,138.7	1,133.0	1,115.8	1,067.8	1,052.3
<b>Financial derivatives</b>	<b>-51.0</b>	<b>-71.7</b>	<b>-47.8</b>	<b>-44.5</b>	<b>-45.2</b>	<b>-62.1</b>	<b>-59.6</b>	<b>-35.2</b>	<b>-46.5</b>	<b>-69.2</b>	<b>-72.5</b>
Assets	1,060.6	926.6	825.8	1,092.2	1,080.2	809.7	1,043.7	802.8	794.7	608.2	612.8
Liabilities	1,111.6	998.3	873.6	1,136.6	1,125.4	871.8	1,103.3	838.0	841.1	677.4	685.4
<b>Other investment (excluding reserve assets)</b>	<b>-574.3</b>	<b>-416.8</b>	<b>-347.0</b>	<b>-144.8</b>	<b>-162.8</b>	<b>-85.2</b>	<b>-98.3</b>	<b>-165.7</b>	<b>-206.6</b>	<b>-263.6</b>	<b>-337.1</b>
Assets	1,402.3	1,388.1	1,617.8	1,710.0	1,610.1	1,575.5	1,712.1	1,741.6	1,824.5	1,880.6	2,055.9
Liabilities	1,976.5	1,804.9	1,964.8	1,854.8	1,773.0	1,660.7	1,810.4	1,907.2	2,031.1	2,144.2	2,393.0
<b>Banque de France</b>	<b>-199.0</b>	<b>-163.4</b>	<b>-126.9</b>	<b>-208.9</b>	<b>-206.2</b>	<b>-163.1</b>	<b>-171.5</b>	<b>-163.5</b>	<b>-161.3</b>	<b>-168.2</b>	<b>-185.6</b>
Other equity	na	0.0	0.0	0.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Currency and deposits	na	-70.5	-37.2	-98.7	-75.2	-74.4	-80.1	-68.9	-79.7	-79.0	-96.4
Loans	na	-82.7	-78.9	-99.5	-120.8	-78.9	-80.9	-83.3	-70.1	-78.7	-78.4
Special drawing rights	na	-11.0	-11.8	-12.0	-11.8	-11.3	-12.1	-12.9	-12.9	-12.0	-12.3
<b>General government</b>	<b>14.2</b>	<b>16.3</b>	<b>20.3</b>	<b>26.1</b>	<b>29.7</b>	<b>42.3</b>	<b>44.7</b>	<b>49.3</b>	<b>50.1</b>	<b>46.4</b>	<b>43.4</b>
Other equity	na	16.7	17.7	18.5	24.9	32.9	38.2	41.6	42.4	44.4	45.2
Currency and deposits	na	-14.4	-13.7	-14.5	-14.8	-11.5	-12.3	-11.5	-9.3	-12.5	-14.1
Loans	na	5.6	8.8	15.5	13.9	15.7	13.6	10.8	9.5	7.1	4.9
Trade credits and advances	na	8.3	7.5	6.6	5.7	5.2	5.2	8.3	7.5	7.4	7.3
<b>Monetary financial institutions</b>	<b>-286.2</b>	<b>-202.5</b>	<b>-172.1</b>	<b>82.3</b>	<b>37.1</b>	<b>66.1</b>	<b>44.2</b>	<b>-56.8</b>	<b>-82.8</b>	<b>-98.6</b>	<b>-171.3</b>
Currency and deposits	na	-510.6	-560.9	-298.5	-332.8	-294.5	-353.6	-471.1	-552.7	-592.2	-898.8
Loans	na	307.8	389.2	380.0	370.0	359.2	401.1	414.1	457.7	481.6	723.4
Other accounts payable/receivable	na	0.2	-0.4	0.8	-0.1	1.5	-3.4	0.3	12.3	12.0	4.1
<b>Other sectors<sup>a)</sup></b>	<b>-103.3</b>	<b>-67.1</b>	<b>-68.3</b>	<b>-44.4</b>	<b>-23.4</b>	<b>-30.4</b>	<b>-15.6</b>	<b>5.3</b>	<b>-12.7</b>	<b>-43.2</b>	<b>-23.6</b>
Currency and deposits	na	137.3	216.8	225.1	261.2	227.0	250.6	324.6	337.2	336.3	134.8
Loans	na	-209.0	-281.6	-258.8	-266.0	-238.5	-238.8	-284.3	-306.9	-327.9	-100.3
Trade credits and advances	na	5.6	-3.4	-10.6	-18.6	-18.8	-26.1	-32.8	-40.8	-42.8	-49.0
Other sectors - Other accounts payable/receivable	na	-1.0	-0.1	0.0	0.1	-0.2	-0.1	-0.2	-0.1	0.3	0.0
Insurance technical reserves	na	0.0	0.0	0.0	0.0	0.0	-1.1	-2.1	-2.1	-9.1	-9.1
<b>Reserve assets</b>	<b>74.0</b>	<b>92.4</b>	<b>124.5</b>	<b>133.1</b>	<b>139.9</b>	<b>105.1</b>	<b>118.2</b>	<b>126.9</b>	<b>139.2</b>	<b>130.4</b>	<b>145.6</b>
<b>Total assets</b>	<b>5,080.2</b>	<b>5,255.7</b>	<b>5,546.0</b>	<b>5,765.3</b>	<b>5,785.6</b>	<b>5,534.6</b>	<b>6,207.4</b>	<b>6,177.9</b>	<b>6,370.2</b>	<b>6,297.1</b>	<b>6,509.5</b>
<b>Total liabilities</b>	<b>5,355.4</b>	<b>5,543.0</b>	<b>5,731.2</b>	<b>5,943.8</b>	<b>6,053.4</b>	<b>5,885.1</b>	<b>6,543.1</b>	<b>6,462.1</b>	<b>6,660.7</b>	<b>6,678.0</b>	<b>6,894.4</b>
<b>International investment position</b>	<b>-275.2</b>	<b>-287.3</b>	<b>-185.2</b>	<b>-178.4</b>	<b>-267.8</b>	<b>-350.5</b>	<b>-335.7</b>	<b>-284.2</b>	<b>-290.6</b>	<b>-380.9</b>	<b>-384.9</b>

Note: Direct investment is recorded in accordance with the extended directional principle.

a) Non-financial corporations, insurance companies, other financial intermediaries, investment funds other than money market funds and clearing houses.

na: not available.

0-2b Foreign assets and liabilities by currency, excluding reserve assets

(EUR billions)

	2016			2017			2018		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
<b>Total</b>	<b>3,904</b>	<b>4,731</b>	<b>-827</b>	<b>3,913</b>	<b>4,793</b>	<b>-880</b>	<b>4,137</b>	<b>5,091</b>	<b>-954</b>
Euro	2,824	3,386	-562	2,844	3,536	-692	2,948	3,742	-793
US dollar	669	919	-250	650	849	-199	731	963	-232
Yen	188	107	80	182	96	86	210	79	131
Pound sterling	92	164	-72	87	169	-82	93	159	-66
Yuan	4	7	-2	6	8	-2	5	8	-3
Other currencies	127	147	-20	144	135	9	148	141	8
<b>Monetary financial institutions and monetary authorities</b>	<b>1,913</b>	<b>2,157</b>	<b>-244</b>	<b>1,936</b>	<b>2,237</b>	<b>-300</b>	<b>2,328</b>	<b>2,746</b>	<b>-418</b>
Euro	1,155	1,222	-67	1,177	1,353	-176	1,487	1,776	-290
US dollar	443	620	-177	444	587	-143	512	696	-184
Yen	174	99	75	163	88	74	174	68	106
Pound sterling	69	106	-37	63	109	-45	69	103	-34
Yuan	2	4	-2	3	7	-3	3	6	-3
Other currencies	71	106	-35	85	92	-7	83	97	-14
<b>General government</b>	<b>89</b>	<b>1,335</b>	<b>-1,246</b>	<b>85</b>	<b>1,291</b>	<b>-1,206</b>	<b>85</b>	<b>1,261</b>	<b>-1,176</b>
Euro	84	1,262	-1,177	81	1,219	-1,138	79	1,210	-1,131
US dollar	5	57	-52	4	52	-48	5	34	-28
Yen	0	1	-1	0	1	-1	0	1	-1
Pound sterling	0	8	-8	0	13	-13	0	10	-10
Yuan	0	0	0	0	0	0	0	0	0
Other currencies	0	7	-7	0	7	-7	0	7	-7
<b>Other sectors</b>	<b>1,456</b>	<b>845</b>	<b>611</b>	<b>1,452</b>	<b>872</b>	<b>580</b>	<b>1,267</b>	<b>667</b>	<b>600</b>
Euro	1,316	613	703	1,310	663	647	1,103	448	655
US dollar	87	172	-86	78	150	-72	82	157	-76
Yen	12	5	6	17	6	12	35	9	26
Pound sterling	14	36	-22	14	33	-20	11	31	-20
Yuan	0	1	0	0	0	0	0	1	0
Other currencies	28	19	9	33	20	13	36	21	15
<b>Intercompany lending<sup>a)</sup></b>	<b>446</b>	<b>394</b>	<b>52</b>	<b>439</b>	<b>393</b>	<b>46</b>	<b>457</b>	<b>417</b>	<b>40</b>
Euro	269	290	-21	276	301	-25	280	307	-28
US dollar	135	70	64	123	60	64	132	76	56
Yen	2	2	0	2	1	0	2	1	0
Pound sterling	10	15	-5	10	14	-4	12	15	-2
Yuan	2	1	1	2	1	1	2	1	1
Other currencies	28	16	12	25	16	9	29	16	13

Notes: This table corresponds to the data required by the sixth edition of the IMF Balance of Payments and International Investment Position Manual (BPM6) on the currency composition of assets and liabilities in the form of debt instruments (tables A9-I-1a and A9-I-2a of BPM6). It identifies the share of foreign liabilities that are subject to exchange rate variations, all else being equal, and, more specifically, before currency hedging.

A net liability position means that France is a net borrower in the currency as of 31 December of the year in question (for example in dollars and sterling in 2017) and, conversely, a net asset position means that France is a net lender (for example, in yen in 2017).

a) Intercompany lending comprises lending and borrowing between companies in the same international group. A loan from a French company to a subsidiary or parent company of the group located abroad is an asset and, conversely, a loan from a non-resident company to a subsidiary or parent company of the group located in France is a liability.

## 0-2c Financial derivatives at market value

(EUR billions)

	2016			2017			2018		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
<b>Total</b>	<b>795</b>	<b>841</b>	<b>-46</b>	<b>608</b>	<b>677</b>	<b>-69</b>	<b>613</b>	<b>685</b>	<b>-73</b>
Euro	423	451	-29	346	378	-32	345	376	-31
US dollar	238	239	-1	154	170	-17	162	185	-23
Yen	52	56	-4	34	43	-9	43	50	-8
Pound sterling	32	40	-9	29	36	-6	25	30	-6
Other currencies	50	54	-4	45	51	-6	39	44	-5

Note: A net liability position signifies net borrowing arising from transactions and variations in the market value of financial derivatives and, conversely, a net asset position signifies net lending. Transactions in financial derivatives are frequently used to hedge potential gains and losses on other instruments, which means that the positions in financial derivatives on their own do not represent the net potential gains and losses.

## 0-2d France's direct investment flows

(annual data – asset/liability presentation and extended directional principle, in EUR billions)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Assets: net acquisitions of financial assets (A = B + C + D)</b>	<b>90.9</b>	<b>63.6</b>	<b>54.8</b>	<b>45.0</b>	<b>40.3</b>	<b>13.3</b>	<b>39.8</b>	<b>45.9</b>	<b>67.5</b>	<b>44.7</b>	<b>106.6</b>
Equity capital (B)	61.0	40.3	28.6	28.4	40.5	3.3	21.0	18.0	34.6	23.3	85.6
Reinvested earnings (C)	8.4	9.6	19.7	8.0	10.8	8.5	7.6	4.9	13.4	12.7	13.5
Intercompany lending (D)	21.6	13.7	6.5	8.7	-10.9	1.5	11.2	23.0	19.5	8.7	7.5
<b>Liabilities: net increase in financial liabilities (E = F + G + H)</b>	<b>46.0</b>	<b>13.1</b>	<b>29.0</b>	<b>30.8</b>	<b>25.3</b>	<b>23.8</b>	<b>4.3</b>	<b>38.8</b>	<b>29.8</b>	<b>34.5</b>	<b>51.4</b>
Equity capital (F)	15.0	14.5	11.5	21.2	10.7	20.0	9.4	27.8	18.9	22.0	30.2
Reinvested earnings (G)	1.8	-2.3	6.3	-1.6	6.2	6.6	5.1	7.1	7.6	9.1	6.6
Intercompany lending (H)	29.2	1.0	11.1	11.2	8.3	-2.8	-10.1	3.9	3.3	3.4	14.6
<b>Assets/liabilities: net direct investment (I = A – E)</b>	<b>44.8</b>	<b>50.5</b>	<b>25.9</b>	<b>14.2</b>	<b>15.1</b>	<b>-10.5</b>	<b>35.5</b>	<b>7.1</b>	<b>37.7</b>	<b>10.2</b>	<b>55.2</b>
<b>Directional principle: direct investment abroad (J)</b>	<b>70.5</b>	<b>72.6</b>	<b>36.4</b>	<b>37.0</b>	<b>27.6</b>	<b>15.3</b>	<b>37.5</b>	<b>48.0</b>	<b>58.6</b>	<b>36.6</b>	<b>86.8</b>
<b>Directional principle: direct investment in France (K)</b>	<b>25.7</b>	<b>22.1</b>	<b>10.5</b>	<b>22.8</b>	<b>12.5</b>	<b>25.8</b>	<b>2.0</b>	<b>40.9</b>	<b>20.8</b>	<b>26.4</b>	<b>31.6</b>
<b>Directional principle: net direct investment (L = I = J – K)</b>	<b>44.8</b>	<b>50.5</b>	<b>25.9</b>	<b>14.2</b>	<b>15.1</b>	<b>-10.5</b>	<b>35.5</b>	<b>7.1</b>	<b>37.7</b>	<b>10.2</b>	<b>55.2</b>

## 0-2e International direct investment position

(annual data – asset/liability presentation and extended directional principle, in EUR billions)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Assets: direct investment abroad (A = B + C)</b>	<b>948.8</b>	<b>1,044.6</b>	<b>1,165.3</b>	<b>1,252.2</b>	<b>1,295.3</b>	<b>1,284.2</b>	<b>1,393.4</b>	<b>1,499.2</b>	<b>1,557.7</b>	<b>1,556.5</b>	<b>1,675.1</b>
Equity capital (B)	672.6	756.9	864.3	894.1	948.5	940.2	1,012.7	1,079.8	1,111.9	1,117.3	1,218.0
Intercompany lending (C)	276.1	287.6	301.0	358.1	346.8	343.9	380.6	419.4	445.7	439.2	457.1
<b>Liabilities: direct investment in France (D = E + F)</b>	<b>682.0</b>	<b>716.6</b>	<b>759.4</b>	<b>827.8</b>	<b>846.5</b>	<b>875.2</b>	<b>904.0</b>	<b>965.7</b>	<b>998.0</b>	<b>1,016.1</b>	<b>1,078.7</b>
Equity capital (E)	403.8	434.1	460.8	460.8	470.4	501.9	528.8	576.1	604.0	622.9	661.5
Intercompany lending (F)	278.2	282.5	298.6	367.0	376.1	373.2	375.2	389.5	393.9	393.2	417.2
<b>Assets/liabilities: net direct investment position (G = A – D)</b>	<b>266.7</b>	<b>328.0</b>	<b>405.8</b>	<b>424.4</b>	<b>448.7</b>	<b>409.0</b>	<b>489.4</b>	<b>533.5</b>	<b>559.7</b>	<b>540.4</b>	<b>596.4</b>
<b>Directional principle: direct investment abroad (H)</b>	<b>671.3</b>	<b>777.8</b>	<b>877.9</b>	<b>964.5</b>	<b>964.4</b>	<b>961.1</b>	<b>1,066.0</b>	<b>1,164.9</b>	<b>1,218.9</b>	<b>1,222.8</b>	<b>1,316.9</b>
<b>Directional principle: direct investment in France (I)</b>	<b>404.5</b>	<b>449.8</b>	<b>472.0</b>	<b>540.1</b>	<b>515.7</b>	<b>552.1</b>	<b>576.6</b>	<b>631.4</b>	<b>659.2</b>	<b>682.5</b>	<b>720.4</b>
<b>Directional principle: net direct investment position (J = G = H – I)</b>	<b>266.7</b>	<b>328.0</b>	<b>405.8</b>	<b>424.4</b>	<b>448.7</b>	<b>409.0</b>	<b>489.4</b>	<b>533.5</b>	<b>559.7</b>	<b>540.4</b>	<b>596.4</b>

# 1. CURRENT ACCOUNT

## 1.1 Goods

(EUR billions)

	2016			2017			2018		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
<b>Goods</b>	<b>471.1</b>	<b>503.4</b>	<b>-32.3</b>	<b>495.2</b>	<b>540.4</b>	<b>-45.2</b>	<b>517.8</b>	<b>567.1</b>	<b>-49.3</b>
Merchandise	460.2	503.4	-43.2	481.1	540.4	-59.3	506.6	567.1	-60.4
<i>Customs data</i>	452.6	496.9	-44.3	473.4	531.2	-57.7	491.7	551.4	-59.6
<i>Corrections and adjustments</i>	6.5	3.8	2.6	6.2	5.8	0.4	13.2	11.6	1.7
<i>Goods procured in ports by carriers</i>	1.1	2.6	-1.5	1.5	3.4	-1.9	1.7	4.2	-2.5
Merchanting	10.9		10.9	14.1		14.1	11.2		11.2
<i>Merchanting (goods acquired – negative exports)</i>	-51.2		-51.2	-57.3		-57.3	-61.4		-61.4
<i>Merchanting (goods sold – exports)</i>	62.1		62.1	71.4		71.4	72.6		72.6

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

## 1.2 Geographical structure of trade in merchandise

(EUR billions)

	Exports		Imports		Balance	
	Amount 2018	Change 2018/2017 (%)	Amount 2018	Change 2018/2017 (%)	Amount 2018	Change 2018/2017 (EUR billions)
Euro area	221.8	4.3	264.1	2.7	-42.3	2.3
<i>of which: Germany</i>	70.7	2.6	86.9	0.8	-16.2	1.1
<i>Italy</i>	36.3	2.9	43.0	2.3	-6.7	0.1
<i>Spain</i>	37.6	5.6	36.6	3.7	1.1	0.7
United Kingdom	32.6	4.8	20.7	-4.6	11.9	2.5
New European Union Member States <sup>a)</sup>	29.8	6.2	36.5	7.1	-6.8	-0.7
Americas	54.4	10.6	47.7	-0.9	6.7	5.6
<i>of which: United States</i>	38.4	12.9	35.2	-0.3	3.1	4.5
Asia	66.4	3.6	95.9	3.0	-29.5	-0.5
<i>of which: Japan</i>	6.6	4.0	10.1	1.6	-3.4	0.1
<i>China and Hong Kong</i>	27.0	7.7	50.8	1.7	-23.7	1.1
<i>Middle East</i>	14.6	-5.3	12.4	19.5	2.2	-2.8

Source: Direction générale des douanes et droits indirects (DGDDI – French customs authorities), gross data; Banque de France calculations.

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

a) Countries that have joined the European Union since 2004.

1.3 Geographical structure of trade in services

(EUR billions)

	2016			2017			2018		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
<b>European Union (28 members)</b>	<b>126.1</b>	<b>131.5</b>	<b>-5.4</b>	<b>129.7</b>	<b>138.0</b>	<b>-8.2</b>	<b>137.8</b>	<b>144.6</b>	<b>-6.9</b>
<b>Economic and Monetary Union (19 members)</b>	<b>90.7</b>	<b>98.5</b>	<b>-7.8</b>	<b>92.5</b>	<b>103.1</b>	<b>-10.6</b>	<b>101.0</b>	<b>108.8</b>	<b>-7.8</b>
of which : Austria	1.1	1.2	-0.1	0.8	1.2	-0.4	0.9	1.1	-0.3
Belgium	15.6	12.8	2.8	16.9	13.3	3.6	17.7	13.7	4.0
Finland	0.6	0.5	0.1	1.1	0.5	0.5	2.0	0.7	1.3
Germany	22.3	27.3	-4.9	24.9	30.0	-5.1	26.2	31.7	-5.4
Greece	0.4	1.7	-1.3	0.5	1.5	-1.0	0.6	1.9	-1.4
Ireland	6.0	9.2	-3.2	4.8	11.4	-6.6	5.4	12.3	-6.9
Italy	11.0	10.7	0.3	11.3	10.5	0.8	11.7	10.9	0.8
Luxembourg	7.1	5.7	1.4	6.0	6.5	-0.5	7.9	6.6	1.4
Netherlands	13.3	12.3	1.1	12.6	10.8	1.9	13.5	11.2	2.3
Portugal	1.8	3.1	-1.3	1.5	2.9	-1.4	1.7	2.9	-1.1
Spain	10.0	12.6	-2.6	10.9	12.8	-1.9	12.3	14.0	-1.8
<b>Other European Union countries</b>	<b>35.4</b>	<b>33.0</b>	<b>2.4</b>	<b>37.2</b>	<b>34.8</b>	<b>2.4</b>	<b>36.8</b>	<b>35.8</b>	<b>1.0</b>
of which : Czech Republic	0.9	1.3	-0.4	0.8	1.7	-1.0	0.9	1.6	-0.7
Denmark	1.8	2.0	-0.2	1.5	1.3	0.3	1.5	1.2	0.2
Hungary	0.5	0.8	-0.3	0.6	1.0	-0.4	0.6	0.9	-0.4
Poland	1.4	3.1	-1.7	1.4	3.3	-1.9	1.7	3.3	-1.7
Romania	0.6	1.6	-1.0	0.6	1.8	-1.2	0.8	1.8	-1.1
Sweden	2.3	2.5	-0.1	2.7	2.6	0.1	2.8	2.4	0.4
United Kingdom	26.8	20.7	6.1	28.3	22.3	6.0	27.7	23.5	4.3
<b>Rest of the world</b>	<b>108.1</b>	<b>82.4</b>	<b>25.6</b>	<b>110.8</b>	<b>82.4</b>	<b>28.4</b>	<b>111.6</b>	<b>81.0</b>	<b>30.7</b>
of which : Algeria	1.8	0.7	1.1	1.4	0.6	0.8	1.1	0.7	0.4
Angola	2.7	1.8	0.9	0.9	0.3	0.6	0.8	0.2	0.6
Australia	1.8	0.7	1.1	1.9	0.8	1.1	1.9	1.0	0.9
Bahrain	0.2	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.0
Brazil	2.1	1.1	1.0	2.2	1.2	1.1	2.0	0.8	1.2
Canada	2.3	2.2	0.1	2.4	2.5	-0.1	2.8	2.9	-0.1
China	7.4	6.4	1.1	8.3	4.8	3.5	8.4	4.1	4.3
Egypt	0.9	0.9	0.0	0.8	1.4	-0.7	0.7	1.5	-0.8
Hong Kong	1.2	1.4	-0.1	1.2	1.5	-0.3	1.4	1.7	-0.3
India	1.5	1.8	-0.3	1.7	2.6	-0.8	1.9	2.5	-0.5
Japan	3.4	1.7	1.6	3.7	1.9	1.8	4.3	1.7	2.7
Mexico	1.2	0.7	0.5	1.2	0.7	0.5	1.4	0.9	0.5
Morocco	1.6	2.6	-1.0	1.7	2.6	-0.9	1.7	2.5	-0.8
Nigeria	0.5	0.3	0.2	0.5	0.3	0.2	0.4	0.4	0.0
Norway	1.2	1.4	-0.2	0.9	0.9	0.0	0.9	1.1	-0.3
Qatar	0.8	0.5	0.3	0.8	0.5	0.3	0.9	0.5	0.4
Russia	2.6	1.2	1.4	4.1	0.9	3.2	2.6	0.8	1.9
Saudi Arabia	1.6	0.5	1.1	1.6	0.7	0.8	1.5	0.6	0.9
Singapore	3.1	2.3	0.9	3.3	2.5	0.8	3.7	2.7	1.0
South Africa	0.7	0.6	0.1	0.6	0.7	-0.1	0.6	0.5	0.1
South Korea	1.9	1.3	0.6	1.6	1.3	0.3	1.9	1.3	0.6
Switzerland	16.2	9.2	7.1	18.1	9.4	8.7	18.1	8.9	9.2
Tunisia	0.6	1.0	-0.4	0.5	1.3	-0.8	0.5	1.4	-0.8
Turkey	1.4	1.2	0.2	1.3	1.3	0.0	1.4	1.3	0.1
United Arab Emirates	2.3	1.6	0.7	2.3	1.6	0.8	2.3	1.6	0.8
United States	27.8	23.3	4.5	29.4	25.3	4.2	30.7	24.5	6.2
<b>Total</b>	<b>234.1</b>	<b>213.9</b>	<b>20.2</b>	<b>240.6</b>	<b>220.4</b>	<b>20.2</b>	<b>249.4</b>	<b>225.6</b>	<b>23.8</b>

Note: See Part II of the appendices to this report, "Definition of geographical zones".

## 1.4 Transport services

(EUR billions)

	2016			2017			2018		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
<b>Sea transport</b>	<b>10.9</b>	<b>7.9</b>	<b>3.0</b>	<b>13.0</b>	<b>8.8</b>	<b>4.1</b>	<b>13.5</b>	<b>9.5</b>	<b>4.1</b>
Freight	10.0	2.9	7.0	11.8	3.3	8.5	12.4	4.0	8.4
<i>of which FOB<sup>a)</sup></i>	<i>0.6</i>	<i>1.1</i>	<i>-0.5</i>	<i>0.7</i>	<i>1.3</i>	<i>-0.6</i>	<i>0.7</i>	<i>1.5</i>	<i>-0.7</i>
Passengers	0.3	0.0	0.3	0.4	0.0	0.4	0.4	0.0	0.4
Other expenses <sup>b)</sup>	0.6	5.0	-4.3	0.7	5.5	-4.8	0.6	5.5	-4.8
<b>Air transport</b>	<b>11.0</b>	<b>12.8</b>	<b>-1.8</b>	<b>11.5</b>	<b>14.3</b>	<b>-2.8</b>	<b>10.3</b>	<b>14.1</b>	<b>-3.8</b>
Freight	0.9	1.9	-1.0	1.0	2.1	-1.1	1.1	2.3	-1.2
<i>of which FOB<sup>a)</sup></i>	<i>0.3</i>	<i>0.5</i>	<i>-0.3</i>	<i>0.3</i>	<i>0.6</i>	<i>-0.3</i>	<i>0.3</i>	<i>0.6</i>	<i>-0.3</i>
Passengers	6.4	7.0	-0.6	6.7	7.7	-1.0	5.6	7.9	-2.3
Other expenses <sup>b)</sup>	3.8	3.9	-0.1	3.7	4.5	-0.7	3.6	4.0	-0.3
<b>Other transport</b>	<b>14.5</b>	<b>20.5</b>	<b>-6.1</b>	<b>16.3</b>	<b>20.5</b>	<b>-4.2</b>	<b>16.7</b>	<b>21.6</b>	<b>-4.8</b>
Space transport	1.1	0.0	1.1	1.4		1.4	0.6	0.0	0.6
Rail transport	1.2	1.7	-0.4	1.3	1.7	-0.3	1.4	1.8	-0.4
Freight	0.7	1.0	-0.3	0.8	1.0	-0.2	0.8	1.1	-0.3
<i>of which FOB<sup>a)</sup></i>	<i>0.1</i>	<i>0.1</i>	<i>0.0</i>	<i>0.1</i>	<i>0.1</i>	<i>0.0</i>	<i>0.1</i>	<i>0.1</i>	<i>0.0</i>
Passengers	0.5	0.6	-0.2	0.4	0.7	-0.2	0.4	0.6	-0.2
Other expenses <sup>b)</sup>	0.1	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.1
Road transport	6.4	13.7	-7.3	6.9	13.7	-6.9	7.4	14.6	-7.2
Freight	5.2	13.0	-7.8	5.5	12.9	-7.4	6.0	13.8	-7.8
<i>of which FOB<sup>a)</sup></i>	<i>0.9</i>	<i>4.5</i>	<i>-3.7</i>	<i>0.9</i>	<i>4.8</i>	<i>-3.9</i>	<i>1.0</i>	<i>5.0</i>	<i>-4.0</i>
Passengers	0.2	0.0	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Other expenses <sup>b)</sup>	1.0	0.6	0.3	1.2	0.7	0.5	1.3	0.7	0.5
Other	5.7	5.1	0.6	6.7	5.1	1.6	7.4	5.2	2.2
<i>of which FOB<sup>a), c)</sup></i>	<i>0.3</i>	<i>0.2</i>	<i>0.2</i>	<i>0.3</i>	<i>0.2</i>	<i>0.1</i>	<i>0.3</i>	<i>0.1</i>	<i>0.1</i>
<b>Total</b>	<b>36.4</b>	<b>41.3</b>	<b>-4.9</b>	<b>40.7</b>	<b>43.6</b>	<b>-2.9</b>	<b>40.6</b>	<b>45.1</b>	<b>-4.6</b>

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

a) FOB (free-on-board) expenses correspond to the transportation and insurance services included in CIF (cost, insurance and freight) payments for merchandise. These expenses are subtracted from trade in merchandise and transferred to the relevant service items.

b) Includes payments for chartering vessels, port fees and traffic fees. This item does not include payments for goods procured in ports by carriers, which are included in goods.

c) FOB (free-on-board) expenses for inland waterway transport, pipelines, etc.

## 1.5 Geographical structure of trade in travel services

(EUR billions)

	2016			2017			2018		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
<b>European Union (28 members)</b>	<b>27.2</b>	<b>22.2</b>	<b>4.9</b>	<b>28.4</b>	<b>22.9</b>	<b>5.5</b>	<b>31.5</b>	<b>25.4</b>	<b>6.1</b>
<b>Economic and Monetary Union (19 members)</b>	<b>20.2</b>	<b>18.6</b>	<b>1.7</b>	<b>21.7</b>	<b>18.6</b>	<b>3.1</b>	<b>24.3</b>	<b>20.5</b>	<b>3.8</b>
of which: Austria	0.4	0.4	0.1	0.2	0.3	-0.1	0.3	0.2	0.1
Belgium	5.6	2.1	3.5	6.3	2.1	4.2	6.6	2.3	4.3
Germany	4.4	2.7	1.7	5.1	3.1	2.0	5.9	3.2	2.7
Greece	0.1	1.0	-0.9	0.1	0.8	-0.7	0.1	1.2	-1.1
Ireland	0.4	0.5	-0.1	0.3	0.7	-0.4	0.3	0.8	-0.5
Italy	3.3	3.3	-0.1	3.2	3.0	0.2	3.5	3.4	0.1
Luxembourg	0.7	1.1	-0.3	0.7	1.1	-0.5	0.8	1.1	-0.4
Netherlands	1.7	0.5	1.2	1.8	0.6	1.2	1.9	0.6	1.3
Portugal	0.6	1.0	-0.4	0.4	1.0	-0.6	0.5	0.9	-0.3
Spain	2.7	5.6	-2.9	3.3	5.3	-2.0	4.2	6.2	-2.0
<b>Other European Union countries</b>	<b>7.0</b>	<b>3.7</b>	<b>3.3</b>	<b>6.8</b>	<b>4.3</b>	<b>2.5</b>	<b>7.2</b>	<b>4.9</b>	<b>2.3</b>
of which: Denmark	0.3	0.1	0.2	0.4	0.1	0.3	0.5	0.1	0.3
Romania	0.2	0.1	0.2	0.1	0.1	0.0	0.1	0.1	0.0
Sweden	0.4	0.1	0.3	0.3	0.1	0.2	0.3	0.1	0.2
United Kingdom	5.6	2.6	3.0	5.5	3.1	2.3	5.6	3.7	1.9
<b>Rest of the world</b>	<b>22.6</b>	<b>14.2</b>	<b>8.4</b>	<b>23.7</b>	<b>14.9</b>	<b>8.7</b>	<b>23.9</b>	<b>15.1</b>	<b>8.8</b>
of which: Algeria	0.9	0.2	0.7	0.7	0.3	0.4	0.5	0.3	0.2
Australia	0.9	0.2	0.7	0.9	0.3	0.6	0.7	0.5	0.2
Brazil	0.9	0.2	0.7	1.0	0.2	0.8	0.7	0.1	0.6
Canada	0.9	0.6	0.3	0.8	0.6	0.2	1.0	0.8	0.2
China	3.3	0.3	3.1	4.0	0.4	3.6	4.1	0.3	3.7
Croatia	0.0	0.3	-0.2	0.0	0.3	-0.3	0.0	0.3	-0.3
Dominican Republic	0.0	0.3	-0.2	0.0	0.2	-0.2	0.0	0.2	-0.2
Egypt	0.1	0.1	0.0	0.0	0.1	0.0	0.0	0.1	-0.1
India	0.3	0.2	0.0	0.3	0.3	0.0	0.3	0.2	0.0
Japan	1.1	0.3	0.8	1.1	0.3	0.7	1.5	0.3	1.2
Mexico	0.5	0.2	0.3	0.4	0.2	0.2	0.4	0.2	0.2
Morocco	0.5	0.5	0.0	0.5	0.6	-0.1	0.5	0.6	-0.1
Norway	0.2	0.3	-0.2	0.2	0.2	0.1	0.2	0.3	-0.2
Russia	0.6	0.3	0.3	0.7	0.2	0.5	0.6	0.1	0.5
Switzerland	4.5	1.5	3.1	5.3	1.5	3.8	5.6	1.6	4.1
Thailand	0.1	0.3	-0.2	0.2	0.4	-0.2	0.1	0.2	-0.1
Tunisia	0.2	0.1	0.1	0.2	0.2	0.0	0.2	0.3	-0.1
Turkey	0.1	0.1	0.0	0.2	0.1	0.0	0.2	0.1	0.0
United States	3.8	2.1	1.8	3.3	2.0	1.3	3.4	1.7	1.7
Vietnam	0.1	0.2	-0.1	0.1	0.2	-0.1	0.2	0.2	0.1
<b>Total</b>	<b>49.8</b>	<b>36.5</b>	<b>13.4</b>	<b>52.1</b>	<b>37.9</b>	<b>14.2</b>	<b>55.5</b>	<b>40.5</b>	<b>14.9</b>

Note: See Part II of the appendices to this report, "Definition of geographical zones".



1.6 Geographical structure of trade in services excluding transport services and travel

(EUR billions)

	2016			2017			2018		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
<b>European Union (28 members)</b>	<b>79.3</b>	<b>83.5</b>	<b>-4.2</b>	<b>80.3</b>	<b>88.1</b>	<b>-7.8</b>	<b>85.1</b>	<b>91.0</b>	<b>-5.9</b>
<b>Economic and Monetary Union (19 members)</b>	<b>56.5</b>	<b>61.0</b>	<b>-4.5</b>	<b>56.0</b>	<b>64.7</b>	<b>-8.7</b>	<b>60.7</b>	<b>67.5</b>	<b>-6.8</b>
of which: Austria	0.6	0.4	0.1	0.5	0.5	0.0	0.5	0.5	0.0
Belgium	8.0	8.2	-0.2	8.6	8.6	0.1	9.0	8.7	0.4
Finland	0.4	0.3	0.1	0.9	0.3	0.5	1.8	0.5	1.3
Germany	13.6	19.7	-6.2	15.1	21.6	-6.4	15.7	22.9	-7.2
Greece	0.3	0.4	0.0	0.4	0.3	0.1	0.4	0.3	0.1
Ireland	5.5	8.1	-2.6	4.3	10.0	-5.6	4.9	10.7	-5.8
Italy	5.8	5.5	0.3	6.3	5.8	0.4	6.5	5.9	0.6
Luxembourg	5.4	3.7	1.7	4.1	4.3	-0.2	5.3	4.3	1.1
Netherlands	9.4	9.2	0.3	8.2	7.5	0.7	8.4	7.4	1.1
Portugal	1.0	1.5	-0.5	0.9	1.2	-0.3	1.0	1.3	-0.4
Spain	6.0	3.8	2.2	6.3	4.1	2.2	6.7	4.4	2.3
<b>Other European Union countries</b>	<b>22.8</b>	<b>22.4</b>	<b>0.3</b>	<b>24.2</b>	<b>23.4</b>	<b>0.9</b>	<b>24.4</b>	<b>23.5</b>	<b>0.8</b>
of which: Czech Republic	0.7	0.7	0.0	0.6	0.7	-0.2	0.6	0.7	-0.1
Denmark	1.3	1.2	0.1	0.9	0.6	0.3	0.8	0.6	0.3
Hungary	0.3	0.4	-0.1	0.3	0.6	-0.2	0.3	0.5	-0.2
Poland	1.0	1.1	-0.2	1.0	1.2	-0.2	1.2	1.2	0.0
Romania	0.3	1.0	-0.7	0.4	1.0	-0.7	0.5	1.1	-0.5
Sweden	1.7	2.1	-0.4	2.0	2.1	-0.1	2.1	1.9	0.2
United Kingdom	16.6	15.5	1.0	17.7	16.8	0.9	18.0	17.3	0.7
<b>Rest of the world</b>	<b>68.6</b>	<b>52.7</b>	<b>15.9</b>	<b>67.5</b>	<b>50.8</b>	<b>16.7</b>	<b>68.3</b>	<b>48.9</b>	<b>19.4</b>
of which: Algeria	0.5	0.3	0.3	0.4	0.1	0.3	0.4	0.2	0.2
Angola	2.6	1.8	0.8	0.8	0.2	0.6	0.7	0.2	0.6
Australia	0.7	0.4	0.3	0.7	0.4	0.3	0.9	0.4	0.5
Bahrain	0.2	0.1	0.1	0.1	0.0	0.1	0.0	0.0	0.0
Brazil	0.9	0.7	0.2	0.9	0.6	0.2	1.0	0.5	0.5
Canada	1.1	1.1	0.0	1.2	1.1	0.0	1.4	1.2	0.2
China	2.5	4.5	-1.9	2.4	2.6	-0.3	2.4	1.9	0.5
Egypt	0.7	0.5	0.2	0.6	1.0	-0.3	0.6	0.9	-0.4
Hong Kong	0.8	1.1	-0.3	0.9	1.3	-0.4	1.0	1.4	-0.4
India	0.7	1.2	-0.5	0.9	1.9	-1.0	1.0	1.9	-0.8
Japan	1.9	1.1	0.8	2.2	1.3	0.9	2.4	1.1	1.3
Mexico	0.6	0.3	0.3	0.6	0.3	0.3	0.8	0.5	0.3
Morocco	0.8	1.6	-0.8	0.9	1.6	-0.7	0.9	1.7	-0.8
Nigeria	0.4	0.2	0.2	0.4	0.2	0.1	0.3	0.3	0.0
Norway	0.9	0.9	0.0	0.6	0.5	0.1	0.5	0.5	0.0
Qatar	0.7	0.3	0.4	0.7	0.2	0.5	0.7	0.2	0.5
Russia	1.8	0.6	1.2	3.1	0.4	2.8	1.8	0.3	1.4
Saudi Arabia	1.3	0.3	1.0	1.2	0.6	0.7	1.2	0.5	0.7
Singapore	2.8	1.4	1.4	2.9	1.1	1.8	3.3	1.2	2.1
South Africa	0.5	0.3	0.2	0.4	0.2	0.2	0.4	0.3	0.1
South Korea	1.3	1.1	0.3	0.9	1.0	-0.1	1.3	1.0	0.3
Switzerland	10.4	6.9	3.4	11.2	7.1	4.1	10.9	6.5	4.4
Tunisia	0.2	0.7	-0.4	0.1	0.8	-0.7	0.1	0.8	-0.7
Turkey	1.1	0.5	0.6	0.8	0.6	0.2	0.8	0.6	0.2
United Arab Emirates	1.7	1.0	0.7	1.7	0.9	0.8	1.7	0.8	0.9
United States	19.1	17.8	1.4	20.1	19.7	0.4	21.3	19.1	2.2
<b>Total</b>	<b>147.9</b>	<b>136.2</b>	<b>11.7</b>	<b>147.8</b>	<b>138.9</b>	<b>8.9</b>	<b>153.4</b>	<b>139.9</b>	<b>13.5</b>

Note: See Part II of the appendices to this report, "Definition of geographical zones".

## 1. CURRENT ACCOUNT

### 1.7 Other services

(EUR billions)

	2016			2017			2018		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
Manufacturing services on physical inputs owned by others	7.6	7.1	0.6	9.1	8.0	1.1	10.0	8.5	1.5
Maintenance and repair services n.i.e.	7.0	6.7	0.3	7.5	7.2	0.3	8.8	8.0	0.8
Construction	3.0	2.1	0.9	5.0	2.7	2.3	3.0	1.9	1.1
Insurance and pension services	8.2	8.4	-0.2	6.7	9.1	-2.4	7.9	8.5	-0.6
Financial services	10.4	5.4	5.0	9.7	6.2	3.5	10.0	6.5	3.5
<i>Services giving rise to explicit charges and other financial services</i>	6.7	4.2	2.5	6.9	4.8	2.1	7.0	5.1	1.9
<i>Financial intermediation services indirectly measured</i>	3.7	1.2	2.5	2.8	1.4	1.4	3.0	1.4	1.6
Charges for the use of intellectual property n.i.e.	14.0	13.3	0.7	14.9	14.2	0.8	14.2	13.5	0.7
Telecommunications, computer and information services	16.4	17.5	-1.1	16.2	18.7	-2.5	17.3	19.5	-2.2
Other business services	76.6	72.1	4.5	73.7	69.6	4.1	77.6	70.4	7.2
<i>Research and development services</i>	10.3	13.0	-2.6	11.2	11.9	-0.7	13.1	12.7	0.4
<i>Professional and management consulting services</i>	21.8	19.6	2.2	22.3	21.3	1.0	24.2	21.7	2.5
<i>Technical, trade-related and other business services</i>	44.5	39.6	4.9	40.2	36.4	3.8	40.3	36.0	4.3
Personal, cultural and recreational services	3.9	3.5	0.5	3.9	3.2	0.7	3.9	3.0	0.9
General government goods and services n.i.e.	0.7	0.0	0.6	1.1	0.0	1.1	0.5	0.0	0.4

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.  
n.i.e.: not included elsewhere.

### 1.8 Primary income

(EUR billions)

	2016			2017			2018		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
<b>Compensation of employees</b>	<b>21.3</b>	<b>1.4</b>	<b>19.9</b>	<b>21.8</b>	<b>1.3</b>	<b>20.5</b>	<b>22.0</b>	<b>1.5</b>	<b>20.5</b>
<b>Investment income</b>	<b>127.8</b>	<b>103.9</b>	<b>23.9</b>	<b>134.6</b>	<b>106.9</b>	<b>27.7</b>	<b>149.1</b>	<b>117.4</b>	<b>31.7</b>
Direct investment income	62.8	26.7	36.1	67.5	29.3	38.2	70.9	27.8	43.2
<i>Dividends</i>	46.8	16.4	30.4	51.5	17.7	33.8	53.9	19.2	34.7
<i>Reinvested earnings</i>	13.4	7.6	5.8	12.7	9.1	3.6	13.5	6.6	6.9
<i>Interest on intercompany lending</i>	2.6	2.7	-0.1	3.3	2.5	0.8	3.6	1.9	1.6
Portfolio investment income	52.5	65.1	-12.5	49.5	61.9	-12.5	47.7	63.4	-15.6
<i>of which income from equity securities and investment fund shares/units</i>	14.0	19.8	-5.8	15.7	20.6	-4.9	16.7	22.9	-6.1
Other investment income	11.9	12.2	-0.2	17.0	15.7	1.3	29.4	26.3	3.1
<i>Income from equity securities and investment fund shares/units</i>	0.2	0.0	0.2	0.3	0.0	0.3	0.3	0.0	0.3
<i>Interest</i>	11.4	11.6	-0.2	16.1	15.0	1.0	28.6	25.7	2.9
<i>Income attributable to policyholders</i>	0.3	0.6	-0.3	0.6	0.7	-0.1	0.5	0.6	-0.1
Reserve asset income	0.5	0.0	0.5	0.6	0.0	0.6	1.0	0.0	1.0
<b>Other primary income</b>	<b>8.4</b>	<b>3.7</b>	<b>4.7</b>	<b>8.3</b>	<b>4.1</b>	<b>4.1</b>	<b>8.0</b>	<b>2.2</b>	<b>5.8</b>
<b>Total</b>	<b>157.4</b>	<b>108.9</b>	<b>48.5</b>	<b>164.7</b>	<b>112.4</b>	<b>52.3</b>	<b>179.1</b>	<b>121.1</b>	<b>58.0</b>

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

## 1.9 Geographical structure of income on French direct investment abroad (receipts) and income on foreign direct investment in France (payments), by country of residence of the first counterparty

## 1. CURRENT ACCOUNT

(EUR billions)

	Receipts					Payments				
	2015	2016	2017	2018 <sup>a)</sup>	2018 (%)	2015	2016	2017	2018 <sup>a)</sup>	2018 (%)
<b>European Union (28 members)</b>	<b>34.8</b>	<b>37.4</b>	<b>37.0</b>	<b>36.4</b>	<b>51.3</b>	<b>18.5</b>	<b>21.9</b>	<b>22.5</b>	<b>21.2</b>	<b>76.5</b>
<b>Economic and Monetary Union (19 members)</b>	<b>24.9</b>	<b>28.1</b>	<b>26.5</b>	<b>25.7</b>	<b>36.2</b>	<b>15.6</b>	<b>17.5</b>	<b>18.3</b>	<b>17.0</b>	<b>61.4</b>
of which: Belgium	5.9	6.6	4.0	3.7	5.2	2.8	3.0	2.9	2.5	9.0
Germany	3.8	4.7	5.3	5.1	7.2	2.0	2.0	2.7	2.2	7.9
Ireland	1.8	1.4	1.3	1.2	1.7	0.2	0.1	0.1	0.1	0.4
Italy	2.1	3.4	3.8	3.6	5.1	0.6	0.9	0.4	0.6	2.2
Luxembourg	1.9	2.4	2.3	2.3	3.2	3.4	3.7	4.4	4.5	16.2
Netherlands	6.0	5.6	4.1	4.3	6.1	5.3	6.0	6.3	5.8	20.9
Portugal	0.5	0.4	0.4	0.4	0.6	0.1	0.1	0.1	0.0	0.0
Spain	2.3	2.8	4.0	3.8	5.4	0.9	1.0	1.2	1.1	4.0
<b>Other European Union countries</b>	<b>9.8</b>	<b>9.2</b>	<b>10.5</b>	<b>10.7</b>	<b>15.1</b>	<b>3.0</b>	<b>4.4</b>	<b>4.2</b>	<b>4.2</b>	<b>15.2</b>
of which: Czech Republic	1.0	0.9	0.9	0.9	1.3	0.0	0.0	0.0	0.0	0.0
Poland	1.1	0.9	1.2	1.1	1.6	-0.1	-0.1	-0.1	-0.1	-0.4
Romania	0.4	0.5	0.6	0.6	0.8	0.0	0.0	0.0	0.0	0.0
Sweden	0.2	0.4	0.5	0.5	0.7	0.3	0.4	0.6	0.5	1.8
United Kingdom	5.0	5.5	6.1	6.6	9.3	2.4	3.7	3.5	3.5	12.6
<b>Rest of the world</b>	<b>28.6</b>	<b>25.4</b>	<b>30.5</b>	<b>34.5</b>	<b>48.7</b>	<b>5.7</b>	<b>4.7</b>	<b>6.8</b>	<b>6.5</b>	<b>23.5</b>
of which: Brazil	0.2	0.8	0.8	0.8	1.1	0.0	0.0	0.0	0.0	0.0
Canada	0.3	0.9	-0.5	-0.1	-0.1	0.1	0.0	0.1	0.1	0.4
China	2.5	0.9	1.5	1.4	2.0	0.0	0.0	0.0	0.0	0.0
Hong Kong	1.3	1.0	1.4	1.3	1.8	0.1	0.1	0.3	0.2	0.7
India	0.4	0.2	0.3	0.2	0.3	0.0	0.0	0.0	0.0	0.0
Indonesia	0.5	0.3	0.4	0.4	0.6	0.0	-0.1	0.0	0.0	0.0
Japan	1.8	3.2	3.5	3.3	4.7	0.5	0.5	0.4	0.4	1.4
Morocco	0.6	0.4	0.3	0.4	0.6	0.0	0.0	0.0	0.0	0.0
Norway	0.7	0.6	0.4	0.4	0.6	0.2	0.1	0.1	0.1	0.4
Russia	0.0	1.0	1.2	1.1	1.6	0.0	0.0	0.0	0.0	0.0
Singapore	1.4	0.2	1.6	1.6	2.3	0.0	0.0	0.0	0.0	0.0
Switzerland	4.1	4.9	5.8	5.3	7.5	2.2	2.4	1.6	1.8	6.5
Turkey	0.3	0.2	0.7	0.6	0.8	0.0	0.0	0.0	0.0	0.0
United States	8.2	5.0	5.3	9.4	13.3	2.7	1.9	2.3	2.2	7.9
<b>Total</b>	<b>63.4</b>	<b>62.8</b>	<b>67.5</b>	<b>70.9</b>	<b>100.0</b>	<b>24.3</b>	<b>26.7</b>	<b>29.3</b>	<b>27.7</b>	<b>100.0</b>

Notes: See Part II of the appendices to this report, "Definition of geographical zones". Income on direct investment includes interest on intercompany lending calculated in accordance with the extended directional principle.

a) Interest data for 2018 are derived from data collected from enterprises, whereas dividends and reinvested earnings are estimated.

## 1.10 Secondary income

(EUR billions)

	2016			2017			2018		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
<b>Secondary income of general government</b>	<b>5.8</b>	<b>35.7</b>	<b>-29.9</b>	<b>7.1</b>	<b>32.6</b>	<b>-25.5</b>	<b>7.2</b>	<b>35.9</b>	<b>-28.7</b>
Social benefits		7.3	-7.3		7.1	-7.1		7.0	-7.0
International cooperation	1.8	7.6	-5.8	2.5	8.5	-6.0	2.0	7.8	-5.8
of which operating expenses for international organisations		0.9	-0.9		1.0	-1.0		0.9	-0.9
Own resources of European Union institutions		20.4	-20.4		16.3	-16.3		20.6	-20.6
Other general government transfers	3.9	0.5	3.4	4.6	0.7	3.9	5.2	0.5	4.6
<b>Secondary income of other sectors</b>	<b>19.6</b>	<b>37.0</b>	<b>-17.4</b>	<b>20.8</b>	<b>39.1</b>	<b>-18.2</b>	<b>22.4</b>	<b>41.4</b>	<b>-19.0</b>
of which miscellaneous current transfers	4.6	18.7	-14.2	4.6	18.5	-13.9	5.2	21.1	-15.9
of which workers' remittances	0.5	10.6	-10.2	0.5	10.8	-10.3	0.9	11.4	-10.5
<b>Total</b>	<b>25.4</b>	<b>72.7</b>	<b>-47.3</b>	<b>28.0</b>	<b>71.7</b>	<b>-43.7</b>	<b>29.6</b>	<b>77.3</b>	<b>-47.7</b>

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.



## 2. DIRECT INVESTMENT FLOWS

### 2.1 French direct investment flows abroad in accordance with the extended directional principle<sup>a)</sup> by transaction type

(EUR billions)

Year	Net balance of outward and inward foreign direct investment	Outward foreign direct investment	Equity capital (including real estate investments)	Reinvested earnings	Other transactions (intercompany lending) <sup>b)</sup>
2008	44.8	70.5	61.0	8.4	1.2
2009	50.5	72.6	40.3	9.6	22.7
2010	25.9	36.4	28.6	19.7	-11.9
2011	14.2	37.0	28.4	8.0	0.7
2012	15.1	27.6	40.5	10.8	-23.7
2013	-10.5	15.3	3.3	8.5	3.5
2014	35.5	37.5	21.0	7.6	8.9
2015	7.1	48.0	18.0	4.9	25.1
2016	37.7	58.6	34.6	13.4	10.6
2017	10.2	36.6	23.3	12.7	0.7
2018	55.2	86.8	85.6	13.5	-12.3

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

a) Signs are used according to the methodology of the sixth edition of the IMF Balance of Payments and International Investment Position Manual (BPM6): positive changes increase assets and liabilities, while negative changes reduce assets and liabilities. In other words, direct investment abroad (outward direct investment) is a positive change, since it leads to an increase in French assets, whereas the disposal of a foreign asset by a French resident is a negative change, as it reduces French assets. Balances are presented in terms of the net change in the international investment position: an increase in the international investment position is shown as a positive change.

b) After restating intercompany lending according to the extended directional principle.

### 2.2 Foreign direct investment flows in France in accordance with the extended directional principle by transaction type

(EUR billions)

Year	Net balance of outward and inward foreign direct investment	Inward foreign direct investment	Equity capital (including real estate investments)	Reinvested earnings	Other transactions (intercompany lending) <sup>a)</sup>
2008	44.8	25.7	15.0	1.8	8.8
2009	50.5	22.1	14.5	-2.3	10.0
2010	25.9	10.5	11.5	6.3	-7.4
2011	14.2	22.8	21.2	-1.6	3.1
2012	15.1	12.5	10.7	6.2	-4.5
2013	-10.5	25.8	20.0	6.6	-0.8
2014	35.5	2.0	9.4	5.1	-12.4
2015	7.1	40.9	27.8	7.1	6.0
2016	37.7	20.8	18.9	7.6	-5.6
2017	10.2	26.4	22.0	9.1	-4.6
2018	55.2	31.6	30.2	6.6	-5.2

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

a) After restating intercompany lending according to the extended directional principle.

2.3 Geographical structure of French direct investment flows abroad by country of residence of the first counterparty<sup>a)</sup>

(EUR billions)

	2015	2016	2017	2018
<b>European Union (28 members)</b>	<b>33.2</b>	<b>34.1</b>	<b>32.4</b>	<b>71.6</b>
<b>Economic and Monetary Union (19 members)</b>	<b>23.5</b>	<b>32.6</b>	<b>18.5</b>	<b>53.9</b>
dont : Belgium	-1.7	7.7	-11.6	2.2
Germany	3.1	9.1	6.9	-0.9
Ireland	2.7	-2.1	2.5	2.0
Italy	6.7	12.5	2.3	27.1
Luxembourg	3.4	-2.9	11.3	-1.7
Netherlands	3.6	3.6	5.8	22.2
Spain	3.3	4.3	-0.2	1.3
<b>Other European Union countries</b>	<b>9.7</b>	<b>1.5</b>	<b>13.9</b>	<b>17.7</b>
dont : Czech Republic	0.2	0.4	0.4	0.5
Poland	1.3	1.1	-0.4	1.1
Romania	0.2	0.1	0.2	0.5
Sweden	-0.1	0.8	3.2	0.1
United Kingdom	6.6	-1.2	10.4	11.3
<b>Rest of the world</b>	<b>14.8</b>	<b>24.5</b>	<b>4.2</b>	<b>15.2</b>
dont : Angola	2.8	-0.5	-1.5	-1.8
Australia	0.1	-0.7	1.5	5.7
Bahamas	0.6	0.0	0.0	0.0
Bermuda	-0.1	1.0	0.4	14.1
Brazil	-5.3	2.0	2.3	1.0
British Virgin Islands	-0.3	-0.2	0.0	-0.1
Canada	0.2	0.3	1.6	-1.9
China	0.7	0.5	-0.1	-0.2
Egypt	-0.2	0.1	-0.6	-0.6
Hong Kong	1.6	-1.9	-0.5	0.2
India	1.0	-0.2	0.4	0.2
Japan	0.0	1.5	2.6	1.7
Kazakhstan	1.4	-0.4	-0.1	-0.5
Morocco	0.8	0.5	0.7	-0.1
Nigeria	-0.3	0.2	-0.3	-0.2
Norway	0.0	-0.4	-1.7	-1.4
Qatar	-0.4	0.3	-1.5	1.0
Russia	0.8	3.3	1.5	0.4
Singapore	0.6	0.2	-2.0	-0.7
Switzerland	-0.5	2.9	1.4	6.4
Turkey	0.5	-0.4	0.6	0.5
United Arab Emirates	-0.5	0.2	1.4	-0.3
United States	7.2	13.9	-5.2	-8.2
<b>Total</b>	<b>48.0</b>	<b>58.6</b>	<b>36.6</b>	<b>86.8</b>

Note: See Part II of the appendices to this report, "Definition of geographical zones".

a) After restating intercompany lending according to the extended directional principle.

2.4 Geographical structure of foreign direct investment flows in France by country of residence of the first counterparty<sup>a)</sup>

(EUR billions)

	2015	2016	2017	2018
<b>European Union (28 members)</b>	<b>21.4</b>	<b>23.1</b>	<b>22.6</b>	<b>34.8</b>
<b>Economic and Monetary Union (19 members)</b>	<b>7.6</b>	<b>23.8</b>	<b>3.5</b>	<b>29.5</b>
dont :				
Belgium	3.7	-4.6	0.4	-0.4
Finland	-0.2	12.4	-9.9	-2.0
Germany	5.4	4.9	9.0	2.3
Ireland	-1.6	-0.7	1.1	-1.6
Italy	1.2	3.0	0.4	1.3
Luxembourg	2.2	12.4	-3.0	24.6
Netherlands	-6.0	-3.7	2.6	5.6
Spain	1.9	-0.2	2.8	0.8
<b>Other European Union countries</b>	<b>13.8</b>	<b>-0.6</b>	<b>19.1</b>	<b>5.3</b>
dont :				
Czech Republic	-0.2	0.1	-0.1	-0.1
Denmark	0.4	0.3	0.2	0.1
Poland	-0.7	-0.7	0.9	0.2
Romania	0.0	-0.2	-0.1	-0.1
Sweden	1.1	0.7	0.0	-0.1
United Kingdom	13.2	-0.9	18.3	5.0
<b>Rest of the world</b>	<b>19.5</b>	<b>-2.3</b>	<b>3.9</b>	<b>-3.2</b>
dont :				
Bermuda	0.0	-0.1	0.0	0.0
Brazil	0.1	0.0	0.1	0.1
Canada	-0.5	0.3	1.2	1.4
China	0.6	0.2	0.1	0.2
Hong Kong	0.0	1.5	0.8	0.3
India	0.1	-0.1	0.0	0.0
Japan	0.1	0.9	1.0	0.5
Jersey	0.2	-0.1	0.1	0.0
Lebanon	1.0	-0.2	0.9	0.3
Qatar	0.7	1.3	0.8	-0.7
Russia	0.1	-0.1	0.3	-0.1
Switzerland	20.2	1.9	0.2	3.4
Singapore	0.3	0.1	-0.2	-0.1
Turkey	0.2	-0.1	-0.1	0.0
United Arab Emirates	0.7	-0.5	-0.3	-0.1
United States	-6.1	-7.2	-0.2	-8.3
<b>Total</b>	<b>40.9</b>	<b>20.8</b>	<b>26.4</b>	<b>31.6</b>

Note: See Part II of the appendices to this report, "Definition of geographical zones".

a) After restating intercompany lending according to the extended directional principle.

2.5 French direct investment flows abroad by sector<sup>a)</sup>

(EUR billions)

	2015	2016	2017	2018
<b>Agriculture, forestry and fishing</b>	<b>0.1</b>	<b>-0.1</b>	<b>0.1</b>	<b>-0.1</b>
<b>Mining and quarrying</b>	<b>11.1</b>	<b>4.0</b>	<b>-6.7</b>	<b>2.3</b>
of which: Extraction of crude petroleum and natural gas	10.1	3.3	-7.4	2.5
<b>Manufacturing</b>	<b>-3.9</b>	<b>14.8</b>	<b>13.7</b>	<b>35.6</b>
of which: Food products and beverages	2.2	2.9	11.8	4.7
Textiles and wearing apparel	-0.4	0.8	-1.9	0.4
Wood, paper, printing and reproduction	0.2	0.0	-0.1	0.0
Coke and refined petroleum products	-0.9	0.9	-0.4	-0.2
Chemicals and chemical products	5.1	5.2	0.0	0.7
Pharmaceutical products	-3.4	-0.4	-8.4	-2.3
Rubber and plastic products	-0.7	0.0	1.9	4.5
Basic metals and fabricated metal products	-0.8	3.3	2.0	-1.2
Computer, electronic and optical products	-1.4	3.8	2.6	0.1
Machinery and equipment	-0.1	0.1	0.6	0.0
Motor vehicles, trailers and semitrailers	0.9	1.6	3.7	0.1
Other transport equipment	2.6	-1.9	2.3	0.5
<b>Electricity, gas, steam and air-conditioning supply</b>	<b>1.6</b>	<b>0.7</b>	<b>-0.6</b>	<b>1.5</b>
<b>Water supply, sewerage, waste management and remediation activities</b>	<b>1.1</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.8</b>
of which: Water collection, treatment and supply	1.3	0.0	0.1	0.8
<b>Construction</b>	<b>-0.9</b>	<b>-0.7</b>	<b>-4.9</b>	<b>0.2</b>
<b>Wholesale and retail trade, repair of motor vehicles and motorcycles</b>	<b>4.0</b>	<b>4.4</b>	<b>2.0</b>	<b>6.8</b>
of which: Wholesale trade	1.7	0.3	1.0	7.0
Retail trade	2.1	2.8	0.8	-2.0
<b>Transportation and storage</b>	<b>1.6</b>	<b>-0.3</b>	<b>-0.4</b>	<b>-0.3</b>
of which: Land transport and transport via pipelines	1.1	-0.5	0.2	0.1
Water transport	-0.1	-0.8	-0.7	-0.3
Air transport	-0.1	0.6	-0.1	-0.1
Warehousing and support activities for transportation	0.7	0.4	0.2	0.0
<b>Accommodation and food service activities</b>	<b>0.2</b>	<b>2.4</b>	<b>6.8</b>	<b>-3.3</b>
<b>Information and communication</b>	<b>2.7</b>	<b>0.1</b>	<b>1.4</b>	<b>6.4</b>
of which: Motion pictures, video and television programme activities	-2.7	1.9	-0.4	0.7
Telecommunications	1.4	-2.6	-0.9	-0.7
<b>Financial and insurance activities</b>	<b>11.6</b>	<b>24.3</b>	<b>17.6</b>	<b>0.3</b>
of which: Financial service activities, except insurance and pension funding	7.5	19.9	-2.1	-3.8
Holding company activities	2.5	0.7	4.0	2.7
Insurance	0.4	1.5	2.7	4.9
<b>Real estate activities<sup>b)</sup></b>	<b>11.9</b>	<b>3.4</b>	<b>2.0</b>	<b>20.8</b>
<b>Professional, scientific and technical activities</b>	<b>3.8</b>	<b>1.4</b>	<b>3.3</b>	<b>0.3</b>
of which: Legal and accounting activities	-0.1	0.1	0.1	0.0
Activities of head offices; management consultancy activities	-0.7	2.0	6.4	0.5
Architectural and engineering activities; technical testing and analysis	3.8	0.8	-6.3	-0.2
Scientific research and development	-0.1	0.0	0.1	0.0
Advertising and market research	0.9	1.1	2.5	0.0
<b>Administrative and support service activities</b>	<b>3.6</b>	<b>0.5</b>	<b>1.2</b>	<b>-2.3</b>
<b>Education</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Human health and social work activities</b>	<b>1.1</b>	<b>-0.1</b>	<b>0.1</b>	<b>-0.1</b>
<b>Arts, entertainment and recreation</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Other service activities</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>
<b>Amounts not allocated</b>	<b>-1.4</b>	<b>3.6</b>	<b>1.0</b>	<b>17.8</b>
<b>Total</b>	<b>48.0</b>	<b>58.6</b>	<b>36.6</b>	<b>86.8</b>

Note: Holding companies belonging to listed groups have been classified according to the main activity of their group.

a) The structure of direct investment stocks and flows by sector is determined according to the "NAF rév. 2" classification of activities. Intercompany lending included in these statistics was calculated according to the extended directional principle.

b) This item includes the foreign investment of resident enterprises belonging to the real estate sector, as well as net purchases of real estate assets located abroad in the strictest sense.



2.6 Foreign direct investment flows in France by sector<sup>a)</sup>

(EUR billions)

	2015	2016	2017	2018
<b>Agriculture, forestry and fishing</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Mining and quarrying</b>	<b>-0.3</b>	<b>-0.1</b>	<b>0.3</b>	<b>0.7</b>
of which: Extraction of crude petroleum and natural gas	-0.2	-0.2	0.2	0.1
<b>Manufacturing</b>	<b>-3.8</b>	<b>7.3</b>	<b>-1.7</b>	<b>17.1</b>
of which: Food products and beverages	-0.5	-3.5	3.3	0.3
Textiles and wearing apparel	0.8	0.0	-0.7	-0.9
Wood, paper, printing and reproduction	-0.8	0.5	0.4	0.1
Coke and refined petroleum products	-0.4	-0.1	4.2	0.1
Chemicals and chemical products	0.6	0.8	3.6	2.9
Pharmaceutical products	2.4	0.1	-0.6	-7.6
Rubber and plastic products	0.4	0.1	0.6	0.0
Basic metals and fabricated metal products	2.1	-0.6	2.0	0.4
Computer, electronic and optical products	-0.4	12.0	-9.8	-0.5
Machinery and equipment	0.3	-0.2	0.1	0.5
Motor vehicles, trailers and semitrailers	0.0	0.4	-0.4	0.1
Other transport equipment	-0.9	-0.8	-2.0	0.5
<b>Electricity, gas, steam and air-conditioning supply</b>	<b>0.7</b>	<b>1.1</b>	<b>-0.4</b>	<b>-0.4</b>
<b>Water supply, sewerage, waste management and remediation activities</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.3</b>	<b>0.0</b>
of which: Water collection, treatment and supply	0.0	0.0	0.0	0.0
<b>Construction</b>	<b>15.3</b>	<b>1.2</b>	<b>-2.7</b>	<b>-0.2</b>
<b>Wholesale and retail trade, repair of motor vehicles and motorcycles</b>	<b>2.1</b>	<b>0.2</b>	<b>3.4</b>	<b>-1.3</b>
of which: Wholesale trade	-0.4	0.1	3.0	0.2
Retail trade	2.5	0.0	0.8	-2.8
<b>Transportation and storage</b>	<b>1.9</b>	<b>1.2</b>	<b>2.8</b>	<b>-0.1</b>
of which: Land transport and transport via pipelines	-0.1	0.0	2.4	0.1
Water transport	0.8	-0.3	1.1	-0.1
Air transport	0.0	-0.1	0.0	0.1
Warehousing and support activities for transportation	1.3	1.5	-0.7	-0.2
<b>Accommodation and food service activities</b>	<b>-0.5</b>	<b>2.2</b>	<b>-0.3</b>	<b>-0.7</b>
<b>Information and communication</b>	<b>1.9</b>	<b>0.5</b>	<b>2.0</b>	<b>1.2</b>
of which: Motion pictures, video and television programme activities	0.1	0.0	0.1	-0.3
Telecommunications	0.1	-0.4	-0.4	0.1
<b>Financial and insurance activities</b>	<b>12.2</b>	<b>-10.6</b>	<b>14.9</b>	<b>14.9</b>
of which: Financial service activities, except insurance and pension funding	6.2	0.2	2.1	4.0
<i>Holding company activities</i>	4.1	-4.8	5.7	7.9
Insurance	2.2	-0.4	0.3	0.3
<b>Real estate activities<sup>b)</sup></b>	<b>7.7</b>	<b>-1.7</b>	<b>-0.4</b>	<b>0.0</b>
<b>Professional, scientific and technical activities</b>	<b>-1.6</b>	<b>3.4</b>	<b>3.6</b>	<b>1.0</b>
of which: Legal and accounting activities	0.0	-0.6	0.2	0.6
Activities of head offices; management consultancy activities	-1.4	3.3	1.9	0.4
Architectural and engineering activities; technical testing and analysis	-1.0	0.1	1.6	-0.2
Scientific research and development	0.8	0.2	0.1	0.0
Advertising and market research	0.2	0.2	0.0	0.0
<b>Administrative and support service activities</b>	<b>-0.1</b>	<b>2.1</b>	<b>0.1</b>	<b>-3.4</b>
<b>Education</b>	<b>0.0</b>	<b>0.2</b>	<b>0.4</b>	<b>-0.1</b>
<b>Human health and social work activities</b>	<b>-0.7</b>	<b>0.5</b>	<b>0.3</b>	<b>0.5</b>
<b>Arts, entertainment and recreation</b>	<b>-0.3</b>	<b>0.1</b>	<b>0.6</b>	<b>0.2</b>
<b>Other service activities</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Amounts not allocated</b>	<b>6.2</b>	<b>13.1</b>	<b>3.8</b>	<b>2.1</b>
<b>Total</b>	<b>40.9</b>	<b>20.8</b>	<b>26.4</b>	<b>31.6</b>

Note: Holding companies belonging to listed groups have been classified according to the main activity of their group.

a) The structure of direct investment stocks and flows by sector is determined according to the "NAF rév. 2" classification of activities. Intercompany lending included in these statistics was calculated according to the extended directional principle.

b) This item includes the investment of non-resident enterprises belonging to the real estate sector, as well as non-residents' net purchases of real estate assets in the strictest sense in France.

2.7 **French direct investment abroad**  
Main deals announced in the press and carried out in 2018  
classified by the resident enterprise in alphabetical order

1. New investments			
Resident investor group	Direct investment enterprise (and country of residence if different from counterparty's country of residence)	Country of residence of first counterparty	Comments
Altran Technologies	Aricent Technologies	United States	Acquisition of company
Atos	Syntel	United States	Acquisition of company
AXA	XL Group	Bermuda	Acquisition of insurer by way of public tender offer
Essilor	Luxottica	Italy	Acquisition of Italian multinational by way of public tender offer
Michelin	Fenner	United Kingdom	Acquisition by way of public tender offer
Saint Gobain	Schenker Winkler Holding – SWH	Switzerland	Acquisition of the Sika group holding company from the Burkard family, terminating and resolving their dispute
Sanofi	Bioverativ	United States	Acquisition by way of public tender offer
Sanofi	Ablynx	Belgium	Acquisition by way of public tender offer
Servier	Shire's oncology business	United States	Acquisition of the oncology business of the Irish laboratory Shire
Total	Mærsk oil	Denmark	Acquisition of the Danish group
Unibail Rodamco	Westfield	Australia	Major real estate sector merger
Worldline	Six Payment Services	Switzerland	Acquisition of the Swiss Six Group's payment services division in return for a stake in Worldline
2. Disposals			
Seller group	Enterprise sold (and country of residence if different from the first country of origin of sold funds)	Country of residence of first counterparty	Comments
AXA	AXA Equitable Holding	United States	Sale of the shares in the newly listed US subsidiary
Fimalac	Fitch ratings	United States	Sale of the remaining shares in the rating agency
Kering	Puma	Germany	Spin off of the majority of the share capital of the sports equipment business as part of a dividend distribution

## 2.8 Foreign direct investment in France

Main deals announced in the press and carried out in 2018  
classified by the resident enterprise in alphabetical order

1. New investments			
Foreign investor group (and country of residence if different from first counterparty's country of residence)	Resident investment enterprise	Country of residence of first counterparty	Comments
Novartis	Advanced Accelerator Applications	Switzerland	Acquisition of the specialised nuclear medicine laboratory
Fluxys, Samsung	Dunkerque LNG	Belgium, South Korea	Joint buyout from EDF and Total
Neptune Energy	Engie E&P International	United Kingdom	Acquisition of Engie group's oil and gas exploration and production business
Delfin – holding company of Leonardo del Vecchio (Italy)	EssilorLuxottica	Luxembourg	Former majority shareholder of Luxottica (Italy) takes a stake in the group created by the Essilor-Luxottica merger
Allianz	Euler Hermes Group	Germany	Buyout of non-controlling interests in the credit insurer
Tsinghua Unigroup	Linxens	China	Acquisition of the specialist electronic component manufacturer
Givaudan	Naturex	Switzerland	Buyout by way of public tender offer
Kohlberg Kravis Roberts & Co. – KKR	SFR Tower Co	United States	Acquisition by the US investment fund of almost half of the share capital of Altice's tower business
Six Group	Worldline	Switzerland	Stake taken in return for the acquisition of Six Payment Services
2. Disposals			
Foreign seller group (and country of residence if different from first counterparty's country of residence)	Enterprise sold	Country of residence of first counterparty	Comments
Cube Infrastructure	Idex	Luxembourg	Sale of stake in the heating specialist



### 3. PORTFOLIO INVESTMENT FLOWS

#### 3.1 Portfolio investment flows by type of securities and by issuer's country of residence

(EUR billions)

	2017				2018			
	Equity securities and investment fund shares/units	Long-term debt securities	Short-term debt securities	Total	Equity securities and investment fund shares/units	Long-term debt securities	Short-term debt securities	Total
<b>European Union (28 members)</b>	<b>42.3</b>	<b>-40.2</b>	<b>5.7</b>	<b>7.9</b>	<b>-3.5</b>	<b>8</b>	<b>-5.7</b>	<b>-1.2</b>
<b>Economic and Monetary Union (19 members)</b>	<b>31.2</b>	<b>-29.1</b>	<b>-9.3</b>	<b>-7.2</b>	<b>5</b>	<b>15.7</b>	<b>5.3</b>	<b>26</b>
of which: Austria	0.3	-3.0	0.1	-2.6	-0.2	-2.6	-0.1	-2.8
Belgium	0.1	-10.7	0.6	-10	-2.1	-4.2	-3.2	-9.4
Finland	0.1	0.9	0.1	1.1	-0.5	0.6	-0.1	0
Germany	-3.5	-16.3	-4.6	-24.4	-5.8	1.6	0.3	-3.9
Greece	-0.1	-0.8	0.3	-0.6	0	-0.3	0	-0.4
Ireland	8.8	-3.1	3.9	9.5	1.4	-1.8	-3.0	-3.4
Italy	1.7	-11.3	2.5	-7.1	2.8	-11.8	-4.6	-13.5
Luxembourg	20.5	12.2	3.9	36.7	18.8	26.7	1.1	46.6
Netherlands	-2.6	-2.8	-5.4	-10.8	-2.9	9.5	10.9	17.5
Portugal	0	0.1	-1.4	-1.2	0.4	-1.4	0.1	-0.9
Spain	5.7	4.2	-9.4	0.5	-7	-1.5	3.7	-4.8
<b>Other European Union countries (28 members)</b>	<b>11.2</b>	<b>-11.1</b>	<b>15</b>	<b>15.1</b>	<b>-8.5</b>	<b>-7.7</b>	<b>-11</b>	<b>-27.2</b>
of which: Sweden	0.3	0.7	3.1	4.1	-0.6	-1.3	-2.1	-4.0
United Kingdom	10.4	-7.6	12.8	15.6	-10	-2.3	-8.8	-21.1
<b>Rest of the world</b>	<b>9</b>	<b>21.1</b>	<b>15.6</b>	<b>45.7</b>	<b>-24.9</b>	<b>35.3</b>	<b>10</b>	<b>20.4</b>
of which: Bermuda	0.1	0	-0.2	-0.2	0.1	0	-0.1	0
Brazil	0.3	-0.3	0	0	0.5	0.7	0	1.2
Cayman Islands	-0.7	-0.6	0	-1.3	0.7	-0.7	0	0
China	-2.9	0.3	-0.1	-2.7	0.5	0	0	0.5
India	4.7	0.2	0	4.9	-2.2	-0.3	0	-2.6
Japan	-6.2	9.4	13.3	16.5	-3.3	14.4	11.2	22.4
Jersey	-0.4	-0.4	0.1	-0.7	0.4	-0.2	-0.1	0.1
Russia	0.3	0.1	0	0.4	-0.1	-0.3	0	-0.4
South Korea	-0.5	0.2	0.1	-0.2	-0.9	1.9	-0.1	0.9
Switzerland	-2.0	0.9	1	-0.2	-3.7	0.4	-1	-4.4
Turkey	0	0.3	0	0.3	-0.1	0.2	0	0.1
United States	11.6	10.9	-0.8	21.7	-13.3	15.5	1.4	3.6
<b>Total</b>	<b>51.4</b>	<b>-19.1</b>	<b>21.3</b>	<b>53.6</b>	<b>-28.4</b>	<b>43.3</b>	<b>4.3</b>	<b>19.2</b>

Note: See Part II of the appendices to this report, "Definition of geographical zones".

3.2 Assets (residents' transactions in securities issued by non-residents)  
by instrument and by currency (euro/foreign currencies)

(EUR billions)

	2016			2017			2018		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
<b>Euro area issuers</b>	<b>29.8</b>	<b>-0.4</b>	<b>29.4</b>	<b>-16.5</b>	<b>9.3</b>	<b>-7.2</b>	<b>23.2</b>	<b>2.8</b>	<b>26.0</b>
<b>Equity securities and investment fund shares/units</b>	<b>15.7</b>	<b>-2.4</b>	<b>13.3</b>	<b>28.4</b>	<b>2.8</b>	<b>31.2</b>	<b>5.0</b>	<b>0.0</b>	<b>5.0</b>
Equity securities	0.5	-0.5	0.0	3.3	1.0	4.3	-13.3	0.7	-12.6
Investment fund shares/units	15.2	-1.9	13.3	25.0	1.8	26.8	18.4	-0.7	17.7
<b>Long-term debt securities</b>	<b>-5.9</b>	<b>-1.0</b>	<b>-7.0</b>	<b>-37.3</b>	<b>8.2</b>	<b>-29.1</b>	<b>16.1</b>	<b>-0.5</b>	<b>15.7</b>
<b>Short-term debt securities</b>	<b>20.0</b>	<b>3.0</b>	<b>23.0</b>	<b>-7.6</b>	<b>-1.7</b>	<b>-9.3</b>	<b>2.1</b>	<b>3.2</b>	<b>5.3</b>
Treasury notes maturing in less than 1 year	5.7	0.0	5.6	-7.0	0.0	-7.0	4.7	0.2	4.9
Other short-term debt securities	14.4	3.0	17.4	-0.6	-1.7	-2.3	-2.6	3.0	0.4
<b>Non-euro area issuers</b>	<b>21.3</b>	<b>-14.2</b>	<b>7.1</b>	<b>6.0</b>	<b>54.8</b>	<b>60.8</b>	<b>-2.9</b>	<b>-4.0</b>	<b>-6.8</b>
<b>Equity securities and investment fund shares/units</b>	<b>2.8</b>	<b>-0.2</b>	<b>2.6</b>	<b>-5.4</b>	<b>25.6</b>	<b>20.2</b>	<b>-1.1</b>	<b>-32.3</b>	<b>-33.4</b>
Equity securities	2.3	1.7	4.0	-5.1	24.9	19.7	2.4	-31.4	-29.0
Investment fund shares/units	0.5	-1.9	-1.4	-0.2	0.7	0.5	-3.5	-0.9	-4.4
<b>Long-term debt securities</b>	<b>15.6</b>	<b>16.7</b>	<b>32.3</b>	<b>-4.8</b>	<b>14.8</b>	<b>10.0</b>	<b>8.0</b>	<b>19.6</b>	<b>27.6</b>
<b>Short-term debt securities</b>	<b>2.9</b>	<b>-30.7</b>	<b>-27.8</b>	<b>16.2</b>	<b>14.4</b>	<b>30.6</b>	<b>-9.7</b>	<b>8.7</b>	<b>-1.0</b>
Treasury notes maturing in less than 1 year	0.0	-31.5	-31.5	0.0	13.2	13.2	0.0	11.0	11.0
Other short-term debt securities	2.9	0.8	3.7	16.2	1.2	17.4	-9.8	-2.2	-12.0
<b>All issuers</b>	<b>51.1</b>	<b>-14.6</b>	<b>36.4</b>	<b>-10.5</b>	<b>64.0</b>	<b>53.6</b>	<b>20.4</b>	<b>-1.2</b>	<b>19.2</b>
<b>Equity securities and investment fund shares/units</b>	<b>18.5</b>	<b>-2.6</b>	<b>15.9</b>	<b>23.0</b>	<b>28.4</b>	<b>51.4</b>	<b>3.9</b>	<b>-32.3</b>	<b>-28.4</b>
Equity securities	2.8	1.2	4.0	-1.8	25.9	24.1	-11.0	-30.7	-41.7
Investment fund shares/units	15.8	-3.8	11.9	24.8	2.5	27.3	14.9	-1.6	13.3
<b>Long-term debt securities</b>	<b>9.6</b>	<b>15.7</b>	<b>25.3</b>	<b>-42.1</b>	<b>23.0</b>	<b>-19.1</b>	<b>24.1</b>	<b>19.2</b>	<b>43.3</b>
<b>Short-term debt securities</b>	<b>22.9</b>	<b>-27.7</b>	<b>-4.8</b>	<b>8.6</b>	<b>12.7</b>	<b>21.3</b>	<b>-7.7</b>	<b>12.0</b>	<b>4.3</b>
Treasury notes maturing in less than 1 year	5.6	-31.5	-25.9	-7.0	13.2	6.3	4.7	11.1	15.9
Other short-term debt securities	17.3	3.8	21.1	15.6	-0.6	15.0	-12.4	0.8	-11.6

3.3 Liabilities (non-residents' transactions in securities issued by residents)  
by issuer's sector and by instrument

(EUR billions)

	2013	2014	2015	2016	2017	2018
<b>Liabilities</b>	<b>103.2</b>	<b>87.7</b>	<b>4.6</b>	<b>36.3</b>	<b>30.0</b>	<b>24.2</b>
<b>General government</b>	<b>60.0</b>	<b>48.4</b>	<b>10.5</b>	<b>-9.6</b>	<b>-16.3</b>	<b>-13.8</b>
OATs <sup>a)</sup>	85.1	91.8	79.4	46.8	13.7	26.2
BTANs <sup>b)</sup>	-51.2	-44.9	-49.8	-56.3	-29.0	0.0
Other long-term debt securities	4.2	3.9	-2.2	-1.7	0.6	-7.3
BTFs <sup>c)</sup>	18.9	1.9	-17.7	-7.8	-4.4	-14.8
Other short-term debt securities	3.1	-4.3	0.7	9.5	2.9	-17.8
<b>Monetary financial institutions</b>	<b>10.2</b>	<b>11.2</b>	<b>-18.4</b>	<b>25.1</b>	<b>24.6</b>	<b>38.9</b>
Equity securities	3.8	0.1	1.7	1.7	2.1	-1.8
Money market fund shares/units	-0.2	3.6	10.2	13.8	4.1	7.9
Long-term debt securities	4.3	9.6	-18.3	0.2	11.9	41.3
Short-term debt securities	2.3	-2.1	-12.0	9.5	6.5	-8.5
<b>Other sectors</b>	<b>33.0</b>	<b>28.0</b>	<b>12.5</b>	<b>20.8</b>	<b>21.6</b>	<b>-1.0</b>
Equity securities	19.8	-4.4	-5.1	5.9	5.0	-5.6
Non-money market investment fund shares/units	2.3	8.6	3.2	7.2	17.4	-18.3
Long-term debt securities	8.8	21.5	13.1	15.5	-1.7	22.9
Short-term debt securities	2.1	2.3	1.4	-7.7	0.9	0.1

a) Obligations assimilables du Trésor (OAT – Treasury bonds).

b) Bons du Trésor à intérêt annuel (BTAN – annual interest Treasury notes).

c) Bons du Trésor à taux fixe et à intérêt précompté (BTF – fixed rate discount Treasury bills).





## 4. LOAN AND DEPOSIT FLOWS

### 4.1 Other investment

Loan and deposit flows of resident monetary financial institutions (MFIs), excluding the central bank

(EUR billions)

	Vis-à-vis the rest of the world			Vis-à-vis countries outside of the euro area		
	2016	2017	2018	2016	2017	2018
<b>MFIs assets</b>	<b>151.0</b>	<b>93.5</b>	<b>140.0</b>	<b>158.0</b>	<b>58.9</b>	<b>100.9</b>
Long term	37.0	14.3	18.5	34.3	-2.0	6.6
<i>Euro</i>	5.5	7.9	18.3	4.7	-9.1	6.6
<i>Foreign currencies</i>	31.5	6.4	0.2	29.7	7.0	0.0
Short term	114.0	79.2	121.6	123.7	61.0	94.3
<i>Euro</i>	-9.3	31.7	105.6	5.4	19.7	81.2
<i>Foreign currencies</i>	123.3	47.5	16.0	118.2	41.3	13.2
<b>MFIs liabilities</b>	<b>178.8</b>	<b>107.1</b>	<b>187.0</b>	<b>183.8</b>	<b>47.6</b>	<b>138.2</b>
Long term	-8.8	8.2	35.8	-14.4	-18.1	-3.1
<i>Euro</i>	-8.7	1.8	28.4	-10.1	-17.2	-3.8
<i>Foreign currencies</i>	-0.1	6.5	7.4	-4.3	-0.9	0.7
Short term	187.6	98.9	151.3	198.1	65.7	141.3
<i>Euro</i>	36.8	61.9	153.6	48.5	43.5	140.9
<i>Foreign currencies</i>	150.8	37.0	-2.3	149.6	22.2	0.4
<b>Net flows</b>	<b>-27.8</b>	<b>-13.6</b>	<b>-47.0</b>	<b>-25.8</b>	<b>11.3</b>	<b>-37.3</b>
<i>Euro</i>	-31.9	-24.0	-58.1	-28.3	-15.8	-49.4
<i>Foreign currencies</i>	4.1	10.4	11.1	2.5	27.0	12.1
Long term	45.8	6.1	-17.3	48.7	16.1	9.6
Short term	-73.6	-19.7	-29.7	-74.5	-4.8	-47.0



## 5. INTERNATIONAL INVESTMENT POSITION

### 5.1 France's international investment position from end-2017 to end-2018 (direct investment estimated at mixed value)

(EUR billions)

	Stocks at end-2017	Balance of payments flows 2018 <sup>a)</sup>	Changes attributable to change in exchange rate, market prices and other adjustments <sup>a)</sup>				Total variations between the two positions <sup>a)</sup>	Stocks at end-2018
			Total	Exchange rate change	Change in market prices	Other adjustments		
			1	2	3	4 = (2 + 3)		
<b>Direct investment at mixed value<sup>a)</sup></b>	<b>540.3</b>	<b>55.2</b>	<b>0.9</b>	<b>5.1</b>	<b>1.6</b>	<b>-5.8</b>	<b>56.1</b>	<b>596.4</b>
Abroad	1,222.9	86.8	7.3	5.3	0.0	2.0	94.1	1,317.0
<i>Equity capital</i>	1,117.3	99.1	1.6	1.6	0.0	0.0	100.7	1,218.0
<i>Other transactions (intercompany lending)</i>	105.6	-12.3	5.7	3.7	0.0	2.0	-6.6	99.0
In France	682.5	31.6	6.4	0.2	-1.5	7.8	38.0	720.5
<i>Equity capital</i>	622.9	36.8	1.9	0.1	-1.5	3.3	38.7	661.5
<i>Other transactions (intercompany lending)</i>	59.6	-5.2	4.6	0.1	0.0	4.4	-0.6	59.0
<b>Portfolio investment</b>	<b>-718.8</b>	<b>-5.0</b>	<b>6.6</b>	<b>3.0</b>	<b>3.0</b>	<b>0.5</b>	<b>1.6</b>	<b>-717.3</b>
Foreign securities	2,455.1	19.2	-96.1	18.4	-120.0	5.6	-76.9	2,378.2
<i>Equity securities and investment fund shares/units</i>	816.2	-28.4	-80.0	8.2	-84.6	-3.6	-108.4	707.9
<i>Bonds and notes</i>	1,440.8	43.3	-20.8	6.5	-35.8	8.6	22.5	1,463.3
<i>Short-term debt securities</i>	198.0	4.3	4.7	3.6	0.4	0.6	8.9	207.0
Domestic securities	3,173.9	24.2	-102.7	15.3	-123.0	5.0	-78.5	3,095.5
<i>Equity securities and investment fund shares/units</i>	918.5	-17.8	-85.9	0.2	-83.0	-3.1	-103.7	814.8
<i>Bonds and notes</i>	2,033.5	83.0	-44.2	13.4	-40.2	-17.4	38.8	2,072.3
<i>Short-term debt securities</i>	222.0	-41.0	27.4	1.8	0.1	25.5	-13.6	208.4
<i>Memorandum item: Treasury securities</i>	1,067.8	11.4	-26.9	0.0	-10.6	-16.3	-15.5	1,052.3
<b>Financial derivatives<sup>b)</sup></b>	<b>-69.2</b>	<b>-25.9</b>	<b>22.5</b>	<b>-1.7</b>	<b>25.0</b>	<b>-0.7</b>	<b>-3.3</b>	<b>-72.5</b>
Assets	608.2	73.6	-69.0	10.3	-81.4	2.1	4.6	612.8
Liabilities	677.4	99.5	-91.5	12.0	-106.3	2.8	8.0	685.4
<b>Other investment (excluding reserve assets)</b>	<b>-263.6</b>	<b>-62.0</b>	<b>-11.5</b>	<b>-1.8</b>	<b>0.0</b>	<b>-9.7</b>	<b>-73.5</b>	<b>-337.1</b>
Other equity	45.9	0.0	0.9	0.9	0.0	0.0	0.9	46.8
<i>Banque de France</i>	1.5	0.0	0.0	0.0	0.0	0.0	0.0	1.5
<i>General government</i>	44.4	0.0	0.9	0.9	0.0	0.0	0.9	45.2
Currency and deposits	-347.4	-265.5	-261.5	-12.1	0.0	-249.4	-527.0	-874.5
<i>Banque de France</i>	-79.0	-17.8	0.5	0.5	0.0	0.0	-17.4	-96.4
<i>General government</i>	-12.5	-1.6	0.0	0.0	0.0	0.0	-1.5	-14.1
<i>Monetary financial institutions</i>	-592.2	-266.5	-40.1	-13.6	0.0	-26.5	-306.6	-898.8
<i>Other sectors</i>	336.3	20.4	-221.9	1.0	0.0	-222.9	-201.6	134.8
Loans	82.2	216.3	251.0	11.3	0.0	239.7	467.3	549.5
<i>Banque de France</i>	-78.7	2.8	-2.5	-2.5	0.0	0.0	0.2	-78.4
<i>General government</i>	7.1	-2.2	0.0	0.0	0.0	0.0	-2.2	4.9
<i>Monetary financial institutions</i>	481.6	227.3	14.4	14.7	0.0	-0.3	241.7	723.4
<i>Other sectors</i>	-327.9	-11.5	239.1	-0.9	0.0	240.0	227.6	-100.3
Trade credits and advances	-35.4	-4.8	-1.5	-1.5	0.0	0.0	-6.3	-41.7
Other accounts payable/receivable	12.2	-8.1	0.0	0.0	0.0	0.0	-8.1	4.1
<i>Monetary financial institutions</i>	12.0	-7.8	0.0	0.0	0.0	0.0	-7.8	4.1
<i>Other sectors</i>	0.3	-0.2	0.0	0.0	0.0	0.0	-0.2	0.0
Special drawing rights	-12.0	0.0	-0.3	-0.3	0.0	0.0	-0.3	-12.3
Insurance technical reserves	-9.1	0.0	0.0	0.0	0.0	0.0	0.0	-9.1
<b>Reserve assets</b>	<b>130.4</b>	<b>10.4</b>	<b>4.8</b>	<b>1.7</b>	<b>3.1</b>	<b>0.0</b>	<b>15.2</b>	<b>145.6</b>
<b>Balance</b>	<b>-380.9</b>	<b>-27.3</b>	<b>23.3</b>	<b>6.3</b>	<b>32.6</b>	<b>-15.7</b>	<b>-4.1</b>	<b>-384.9</b>
<b>(% of GDP)</b>	<b>-16.6</b>							<b>-16.4</b>

a) Direct investment presented according to the extended directional principle.

b) Non-financial corporations, insurance companies, other financial intermediaries, investment funds other than money market funds and clearing houses.

5.2 Stocks of direct investment at mixed value<sup>a)</sup>

Stocks at end of year

(EUR billions)

	2008	2009	2010	2011	2012	2013	2014	2015	2016 <sup>b)</sup>	2017 <sup>b)</sup>	2018
<b>Direct investment abroad</b>	<b>671.3</b>	<b>777.8</b>	<b>877.9</b>	<b>964.5</b>	<b>964.4</b>	<b>961.1</b>	<b>1,066.0</b>	<b>1,164.9</b>	<b>1,218.9</b>	<b>1,222.9</b>	<b>1,317.0</b>
<b>Equity capital</b>	<b>672.6</b>	<b>756.9</b>	<b>864.3</b>	<b>894.1</b>	<b>948.5</b>	<b>940.2</b>	<b>1,012.7</b>	<b>1,079.8</b>	<b>1,111.9</b>	<b>1,117.3</b>	<b>1,218.0</b>
Listed companies	40.5	59.4	67.7	54.5	55.9	60.0	62.3	76.4	76.0	74.6	89.2
Unlisted companies and real estate	632.1	697.5	796.6	839.6	892.6	880.2	950.4	1,003.4	1,036.0	1,042.7	1,128.8
<b>Other transactions (loans)</b>	<b>-1.3</b>	<b>20.9</b>	<b>13.6</b>	<b>70.4</b>	<b>16.0</b>	<b>20.8</b>	<b>53.2</b>	<b>85.1</b>	<b>107.0</b>	<b>105.6</b>	<b>99.0</b>
<b>Direct investment in France</b>	<b>404.5</b>	<b>449.8</b>	<b>472.0</b>	<b>540.1</b>	<b>515.7</b>	<b>552.1</b>	<b>576.6</b>	<b>631.4</b>	<b>659.2</b>	<b>682.5</b>	<b>720.5</b>
<b>Equity capital</b>	<b>403.8</b>	<b>434.1</b>	<b>460.8</b>	<b>460.8</b>	<b>470.4</b>	<b>501.9</b>	<b>528.8</b>	<b>576.1</b>	<b>604.0</b>	<b>622.9</b>	<b>661.5</b>
Listed companies	39.2	64.0	65.0	51.6	62.3	80.6	90.4	98.0	104.4	84.1	97.7
Unlisted companies and real estate	364.7	370.2	395.9	409.2	408.1	421.3	438.4	478.2	499.6	538.8	563.9
<b>Other transactions (loans)</b>	<b>0.7</b>	<b>15.7</b>	<b>11.2</b>	<b>79.3</b>	<b>45.3</b>	<b>50.1</b>	<b>47.8</b>	<b>55.2</b>	<b>55.2</b>	<b>59.6</b>	<b>59.0</b>
<b>Net direct investment balance</b>	<b>266.7</b>	<b>328.0</b>	<b>405.8</b>	<b>424.4</b>	<b>448.7</b>	<b>409.0</b>	<b>489.4</b>	<b>533.5</b>	<b>559.7</b>	<b>540.3</b>	<b>596.4</b>
<b>Equity capital</b>	<b>268.8</b>	<b>322.8</b>	<b>403.5</b>	<b>433.3</b>	<b>478.1</b>	<b>438.3</b>	<b>484.0</b>	<b>503.7</b>	<b>507.9</b>	<b>494.4</b>	<b>556.5</b>
Listed companies	1.4	-4.5	2.7	2.9	-6.4	-20.7	-28.1	-21.5	-28.4	-9.5	-8.5
Unlisted companies and real estate	267.4	327.3	400.7	430.4	484.5	459.0	512.0	525.2	536.3	503.9	564.9
<b>Other transactions (loans)</b>	<b>-2.1</b>	<b>5.2</b>	<b>2.4</b>	<b>-8.9</b>	<b>-29.3</b>	<b>-29.3</b>	<b>5.4</b>	<b>29.8</b>	<b>51.8</b>	<b>45.9</b>	<b>40.0</b>

Note: The amount of intercompany lending is calculated after restating the loans in accordance with the extended directional principle. They have included intercompany trade credits since the end of 2011. Listed company stocks are valued on the basis of the evolution of their stock market capitalisation.

a) Stocks of direct investment at mixed value at end-2018 were estimated on the basis of stocks at end-2017, direct investment flows in 2018 and exchange rate variations for positions in foreign currencies.

b) Revised data.

5.3 Direct investment from end-2016 to end-2017  
(at mixed value)

(EUR billions)

	Stocks at end-2016 <sup>a)</sup>	Balance of payments flows 2017 <sup>b)</sup>	Changes attributable to change in exchange rate, market prices and other adjustments <sup>b)</sup>				Total variations between the two positions <sup>b)</sup>	Stocks at end-2017 <sup>a)</sup>
			Total <sup>b)</sup>	Exchange rate change <sup>b)</sup>	Change in market prices <sup>b)</sup>	Other adjustments <sup>b)</sup>		
			1	2	3			
<b>French direct investment abroad</b>	<b>1,218.9</b>	<b>36.6</b>	<b>-32.7</b>	<b>-57.9</b>	<b>1.5</b>	<b>23.7</b>	<b>3.9</b>	<b>1,222.9</b>
<b>Equity capital</b>	<b>1,111.9</b>	<b>36.0</b>	<b>-30.6</b>	<b>-49.2</b>	<b>1.5</b>	<b>17.0</b>	<b>5.3</b>	<b>1,117.3</b>
Listed companies	76.0	4.9	-6.3	-3.6	1.5	-4.2	-1.4	74.6
Unlisted companies and real estate	1,036.0	31.1	-24.4	-45.6	0.0	21.2	6.7	1,042.7
<b>Other transactions (intercompany lending)<sup>c)</sup></b>	<b>107.0</b>	<b>0.7</b>	<b>-2.1</b>	<b>-8.7</b>	<b>0.0</b>	<b>6.6</b>	<b>-1.4</b>	<b>105.6</b>
<b>Foreign direct investment in France</b>	<b>659.2</b>	<b>26.4</b>	<b>-3.2</b>	<b>0.0</b>	<b>17.8</b>	<b>-21.0</b>	<b>23.3</b>	<b>682.5</b>
<b>Equity capital</b>	<b>604.0</b>	<b>31.1</b>	<b>-12.3</b>	<b>-0.1</b>	<b>17.8</b>	<b>-30.1</b>	<b>18.8</b>	<b>622.9</b>
Listed companies	104.4	1.9	-22.2	0.0	13.9	-36.1	-20.3	84.1
Unlisted companies and real estate	499.6	29.2	10.0	-0.1	4.0	6.0	39.2	538.8
<b>Other transactions (intercompany lending)<sup>c)</sup></b>	<b>55.2</b>	<b>-4.6</b>	<b>9.1</b>	<b>0.0</b>	<b>0.0</b>	<b>9.0</b>	<b>4.4</b>	<b>59.6</b>
<b>Net position</b>	<b>559.7</b>	<b>10.2</b>	<b>-29.5</b>	<b>-57.9</b>	<b>-16.3</b>	<b>44.7</b>	<b>-19.4</b>	<b>540.3</b>
<b>Equity capital</b>	<b>507.9</b>	<b>4.9</b>	<b>-18.4</b>	<b>-49.1</b>	<b>-16.3</b>	<b>47.1</b>	<b>-13.5</b>	<b>494.4</b>
Listed companies	-28.4	3.0	16.0	-3.6	-12.3	31.9	18.9	-9.5
Unlisted companies and real estate	536.3	1.9	-34.3	-44.2	-4.0	15.2	-32.4	503.9
<b>Other transactions (intercompany lending)<sup>c)</sup></b>	<b>51.8</b>	<b>5.3</b>	<b>-11.1</b>	<b>-8.7</b>	<b>0.0</b>	<b>-2.4</b>	<b>-5.9</b>	<b>45.9</b>

a) Revised data.

b) New balance of payments methodology sign conventions:

no sign means an increase in assets and in liabilities;

(-) sign means a decrease in assets and in liabilities.

c) After restating intercompany lending according to the extended directional principle.

5.4 Stocks of French direct investment abroad at mixed value by country of residence of the first counterparty<sup>a)</sup>

(EUR billions)

	2015	2016 <sup>b)</sup>	2017 <sup>b)</sup>	2018 <sup>c)</sup>	2018 (%)
<b>European Union (28 members)</b>	<b>667.0</b>	<b>683.9</b>	<b>721.6</b>	<b>793.1</b>	<b>60.2</b>
<b>Economic and Monetary Union (19 members)</b>	<b>504.2</b>	<b>527.6</b>	<b>554.6</b>	<b>609.6</b>	<b>46.3</b>
of which: Belgium	152.8	157.0	148.7	152.6	11.6
Germany	56.6	59.0	69.9	71.1	5.4
Ireland	21.4	18.6	20.7	22.5	1.7
Italy	52.9	62.0	65.4	91.0	6.9
Luxembourg	46.5	44.5	55.1	52.5	4.0
Netherlands	119.5	127.7	131.7	154.9	11.8
Spain	42.2	46.8	49.5	49.9	3.8
<b>Other European Union countries</b>	<b>162.8</b>	<b>156.3</b>	<b>167.0</b>	<b>183.5</b>	<b>13.9</b>
of which: Czech Republic	8.7	8.1	8.3	8.7	0.7
Denmark	6.8	7.4	8.3	12.0	0.9
Poland	15.4	16.3	16.0	16.7	1.3
Romania	4.3	4.3	4.3	4.7	0.4
Sweden	4.3	5.3	7.4	7.4	0.6
United Kingdom	118.8	110.3	118.5	129.3	9.8
<b>Rest of the world</b>	<b>497.9</b>	<b>535.1</b>	<b>501.3</b>	<b>523.9</b>	<b>39.8</b>
of which: Algeria	2.2	2.7	2.3	2.7	0.2
Angola	10.0	9.3	7.1	4.3	0.3
Argentina	3.2	2.9	3.2	1.9	0.1
Australia	11.6	11.7	10.3	16.1	1.2
Bermuda	2.6	3.6	4.6	20.2	1.5
Brazil	18.4	24.0	24.8	23.7	1.8
Canada	9.0	11.4	10.3	8.0	0.6
China	22.8	23.1	21.1	21.0	1.6
Congo	5.0	5.3	4.0	3.1	0.2
Egypt	3.4	1.9	1.3	0.8	0.1
Hong Kong	11.2	9.8	9.4	10.0	0.8
India	5.3	5.5	5.6	5.5	0.4
Indonesia	2.5	2.6	1.2	0.3	0.0
Israel	2.8	3.0	2.7	2.7	0.2
Japan	25.9	26.4	24.9	25.2	1.9
Jersey	0.3	0.4	0.3	0.3	0.0
Kazakhstan	10.5	10.7	9.1	9.2	0.7
Mexico	2.4	2.4	4.4	4.9	0.4
Morocco	9.6	10.0	11.1	11.1	0.8
Nigeria	9.1	11.0	9.3	9.4	0.7
Qatar	2.9	3.1	1.4	2.7	0.2
Russia	9.3	16.9	16.1	18.2	1.4
Saudi Arabia	5.1	5.1	4.3	5.1	0.4
Singapore	11.1	9.9	9.5	9.0	0.7
South Africa	2.1	2.5	2.2	1.8	0.1
South Korea	4.3	4.0	4.2	4.9	0.4
Switzerland	39.2	42.2	42.3	50.1	3.8
Thailand	1.8	1.9	1.4	0.8	0.1
Turkey	3.9	3.6	3.9	3.4	0.3
Ukraine	0.4	0.5	0.7	0.8	0.1
United Arab Emirates	-0.9	-0.8	1.5	1.2	0.1
United States	208.4	225.8	205.6	207.2	15.7
<b>Total</b>	<b>1,164.9</b>	<b>1,218.9</b>	<b>1,222.9</b>	<b>1,317.0</b>	<b>100.0</b>

Notes: See Part II of the appendices to this report, "Definition of geographical zones".

As of the end of 2011, stocks include intercompany trade credits, which were formerly included in "other investment".

a) Intercompany lending and trade credits included in these statistics were calculated according to the extended directional principle.

b) Revised data.

c) Estimates based on mixed value of stocks at end-2017 and direct investment flows in 2018.

## 5.5 Stocks of foreign direct investment in France at mixed value by country of residence of the first counterparty<sup>a)</sup>

## 5. INTERNATIONAL INVESTMENT POSITION

(EUR billions)

	2015	2016 <sup>b)</sup>	2017 <sup>b)</sup>	2018 <sup>c)</sup>	2018 (%)
<b>European Union (28 members)</b>	<b>457.9</b>	<b>476.7</b>	<b>494.8</b>	<b>532.2</b>	<b>73.8</b>
<b>Economic and Monetary Union (19 members)</b>	<b>373.8</b>	<b>396.2</b>	<b>398.1</b>	<b>427.0</b>	<b>59.2</b>
of which:					
Belgium	53.4	59.4	54.7	52.9	7.3
Finland	1.4	14.5	4.6	2.6	0.4
Germany	60.5	51.4	61.4	63.4	8.7
Ireland	3.5	2.4	3.9	2.1	0.3
Italy	17.0	19.4	21.4	23.0	3.2
Luxembourg	130.5	139.6	136.5	161.1	22.5
Netherlands	85.2	84.0	87.7	94.0	13.0
Spain	15.9	18.5	20.9	21.9	3.0
<b>Other European Union countries</b>	<b>84.1</b>	<b>80.4</b>	<b>96.7</b>	<b>105.2</b>	<b>14.6</b>
of which:					
Czech Republic	0.3	0.5	0.4	0.3	0.0
Denmark	5.5	5.6	5.8	6.0	0.8
Poland	-2.3	-2.6	-1.9	-1.5	-0.2
Romania	0.0	0.1	0.0	0.0	0.0
Sweden	5.0	5.1	5.3	5.3	0.7
United Kingdom	75.1	71.3	86.4	94.2	13.1
<b>Rest of the world</b>	<b>173.5</b>	<b>182.5</b>	<b>187.7</b>	<b>188.3</b>	<b>26.2</b>
Algeria	0.6	0.3	0.3	0.3	0.0
Australia	0.5	1.3	1.1	1.0	0.1
Bermuda	0.0	-0.2	0.0	0.0	0.0
Brazil	-0.2	0.2	0.4	0.4	0.1
British Virgin Islands	0.4	0.1	0.1	0.7	0.1
Canada	2.7	4.2	5.9	7.3	1.3
China	1.5	2.6	3.0	3.3	0.5
Egypt	0.2	0.3	0.2	0.1	0.0
Gabon	0.1	0.5	0.5	0.5	0.1
Hong Kong	3.2	3.8	5.1	5.3	0.7
India	0.1	0.3	0.2	0.2	0.0
Isle of Man	0.4	0.1	0.1	0.1	0.0
Israel	0.2	0.6	0.6	0.6	0.1
Japan	14.2	12.5	13.4	12.3	1.7
Jersey	0.8	0.1	0.3	0.3	0.0
Lebanon	1.3	2.8	3.2	3.5	0.5
Mexico	0.3	1.0	0.9	0.8	0.1
Morocco	0.4	1.6	1.7	1.8	0.2
Qatar	1.8	3.6	4.2	3.6	0.5
Russia	1.6	0.5	0.8	0.8	0.1
Saudi Arabia	0.7	0.3	0.4	0.4	0.1
Singapore	1.1	1.7	1.7	1.6	0.2
South Korea	0.7	0.7	0.8	1.2	0.2
Switzerland	66.0	72.8	75.2	81.5	11.2
Thailand	0.0	0.4	0.4	0.4	0.1
Turkey	0.3	0.3	0.2	0.2	0.0
United Arab Emirates	1.2	1.7	1.5	1.5	0.2
United States	61.9	58.3	54.0	47.0	6.5
<b>Total</b>	<b>631.4</b>	<b>659.2</b>	<b>682.5</b>	<b>720.5</b>	<b>100.0</b>

Notes: See Part II of the appendices to this report, "Definition of geographical zones".

As of the end of 2011, stocks include intercompany trade credits, which were formerly included in "other investment".

a) Intercompany lending and trade credits included in these statistics were calculated according to the extended directional principle.

b) Revised data.

c) Estimates based on mixed value of stocks at end-2017 and direct investment flows in 2018.

5.6 French direct investment abroad at mixed value by sector<sup>a)</sup>

(EUR billions)

	2015	2016	2017	2018 <sup>b)</sup>	2018 (%)
<b>Agriculture, forestry and fishing</b>	<b>0.5</b>	<b>0.4</b>	<b>0.3</b>	<b>0.3</b>	<b>0.0</b>
<b>Mining and quarrying</b>	<b>95.0</b>	<b>107.9</b>	<b>87.7</b>	<b>87.1</b>	<b>6.6</b>
of which: Extraction of crude petroleum and natural gas	89.7	99.7	80.6	77.2	5.8
<b>Manufacturing</b>	<b>343.4</b>	<b>361.0</b>	<b>349.3</b>	<b>392.0</b>	<b>29.7</b>
of which: Food products and beverages	55.3	58.2	72.8	78.9	6.0
Textiles and wearing apparel	12.1	12.7	10.0	11.6	0.9
Wood, paper, printing and reproduction	2.3	2.1	1.9	1.9	0.1
Coke and refined petroleum products	16.5	16.8	17.6	17.1	1.3
Chemicals and chemical products	34.5	40.0	38.3	39.5	3.0
Pharmaceutical products	61.0	61.6	58.9	56.8	4.3
Rubber and plastic products	12.3	12.5	17.8	25.5	1.9
Basic metals and fabricated metal products	5.1	7.5	10.2	9.2	0.7
Computer, electronic and optical products	14.0	24.8	7.3	6.6	0.5
Machinery and equipment	6.4	6.6	6.5	6.4	0.5
Motor vehicles, trailers and semitrailers	42.3	42.5	38.8	37.6	2.8
Other transport equipment	19.5	16.9	19.4	21.5	1.6
<b>Electricity, gas, steam and air-conditioning supply</b>	<b>82.0</b>	<b>81.4</b>	<b>80.0</b>	<b>81.7</b>	<b>6.2</b>
<b>Water supply, sewerage, waste management and remediation</b>	<b>5.1</b>	<b>4.7</b>	<b>4.8</b>	<b>5.3</b>	<b>0.4</b>
of which: Water collection, treatment and supply	4.2	3.8	3.7	4.4	0.3
<b>Construction</b>	<b>25.2</b>	<b>21.4</b>	<b>15.6</b>	<b>15.0</b>	<b>1.1</b>
<b>Wholesale and retail trade, repair of motor vehicles and motorcycles</b>	<b>83.8</b>	<b>90.2</b>	<b>97.0</b>	<b>107.9</b>	<b>8.2</b>
of which: Wholesale trade	24.8	24.8	32.2	41.1	3.1
Retail trade	53.0	58.6	58.4	58.6	4.4
<b>Transportation and storage</b>	<b>8.3</b>	<b>8.2</b>	<b>8.3</b>	<b>8.0</b>	<b>0.6</b>
of which: Land transport and transport via pipelines	0.9	0.8	1.0	1.1	0.1
Water transport	0.4	-1.3	-0.2	-0.2	0.0
Air transport	0.7	1.4	0.4	0.3	0.0
Warehousing and support activities for transportation	6.3	7.3	7.0	6.8	0.5
<b>Accommodation and food service activities</b>	<b>11.8</b>	<b>12.3</b>	<b>18.1</b>	<b>13.4</b>	<b>1.0</b>
<b>Information and communication</b>	<b>73.0</b>	<b>71.5</b>	<b>69.4</b>	<b>75.1</b>	<b>6.0</b>
of which: Motion pictures, video and television programme activities	15.0	16.5	14.6	13.9	1.3
Telecommunications	33.2	29.5	28.5	27.6	2.1
<b>Financial and insurance activities</b>	<b>285.8</b>	<b>306.2</b>	<b>314.6</b>	<b>329.6</b>	<b>25.0</b>
of which: Financial service activities, except insurance and pension funding	166.3	182.8	172.0	177.5	13.4
Holding company activities	32.2	32.9	37.3	43.8	3.3
Insurance	87.5	89.0	70.5	76.1	5.8
<b>Real estate activities<sup>c)</sup></b>	<b>69.9</b>	<b>70.4</b>	<b>73.0</b>	<b>93.6</b>	<b>7.1</b>
<b>Professional, scientific and technical activities</b>	<b>47.9</b>	<b>45.9</b>	<b>64.3</b>	<b>63.7</b>	<b>4.8</b>
of which: Legal and accounting activities	0.8	0.9	0.9	0.9	0.1
Activities of head offices, management consultancy activities	17.9	16.1	25.8	26.2	2.0
Architectural and engineering activities; technical testing and analysis	14.8	14.9	20.9	19.3	1.5
Scientific research and development	0.3	0.5	0.5	0.5	0.0
Advertising and market research	14.0	16.0	18.1	18.8	1.4
<b>Administrative and support service activities</b>	<b>5.0</b>	<b>5.6</b>	<b>9.0</b>	<b>6.1</b>	<b>0.5</b>
<b>Education</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>
<b>Human health and social work activities</b>	<b>2.7</b>	<b>2.6</b>	<b>2.5</b>	<b>2.4</b>	<b>0.2</b>
<b>Arts, entertainment and recreation</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Other service activities</b>	<b>0.5</b>	<b>0.5</b>	<b>0.4</b>	<b>0.5</b>	<b>0.0</b>
<b>Amounts not allocated<sup>d)</sup></b>	<b>24.9</b>	<b>28.2</b>	<b>28.1</b>	<b>34.7</b>	<b>2.6</b>
<b>Total</b>	<b>1,164.9</b>	<b>1,218.9</b>	<b>1,222.9</b>	<b>1,317.0</b>	<b>100.0</b>

Note: Holding companies belonging to listed groups have been classified according to the main activity of their group.

a) The structure of direct investment stocks and flows by sector is determined according to the "NAF rév. 2" classification of activities. Intercompany lending included in these statistics was calculated according to the extended directional principle.

b) Estimates based on mixed value of stocks at end-2017 and direct investment flows in 2018.

c) This item includes the stocks of foreign investment of resident enterprises belonging to the real estate sector, as well as residents' real estate assets in the strictest sense owned abroad.

d) Since 2011, part of intercompany lending has been based on extrapolated data and as a result is not broken down by sector.



5.7 Foreign direct investment in France at mixed value by sector<sup>a)</sup>

(EUR billions)

	2015	2016	2017	2018 <sup>b)</sup>	2018 (%)
<b>Agriculture, forestry and fishing</b>	<b>0.5</b>	<b>0.6</b>	<b>0.7</b>	<b>0.8</b>	<b>0.1</b>
<b>Mining and quarrying</b>	<b>3.9</b>	<b>4.6</b>	<b>4.7</b>	<b>3.8</b>	<b>0.5</b>
of which: Extraction of crude petroleum and natural gas	0.8	1.1	0.8	0.7	0.1
<b>Manufacturing</b>	<b>152.9</b>	<b>170.3</b>	<b>164.1</b>	<b>176.9</b>	<b>24.4</b>
of which: Food products and beverages	30.2	25.2	26.5	27.3	3.8
Textiles and wearing apparel	3.3	3.0	1.8	1.2	0.2
Wood, paper, printing and reproduction	3.3	4.0	4.1	4.3	0.6
Coke and refined petroleum products	0.8	0.7	1.2	1.2	0.2
Chemicals and chemical products	29.3	32.9	35.3	40.7	5.6
Pharmaceutical products	30.6	31.8	31.7	24.4	3.4
Rubber and plastic products	5.3	6.2	8.9	9.5	1.3
Basic metals and fabricated metal products	7.7	7.1	9.1	9.7	1.3
Computer, electronic and optical products	5.9	25.1	15.2	6.5	0.9
Machinery and equipment	2.8	2.8	2.9	3.1	0.4
Motor vehicles, trailers and semitrailers	10.6	10.0	8.5	7.3	1.0
Other transport equipment	4.8	4.0	8.3	9.1	1.3
<b>Electricity, gas, steam and air-conditioning supply</b>	<b>3.4</b>	<b>4.2</b>	<b>4.5</b>	<b>4.8</b>	<b>0.7</b>
<b>Water supply, sewerage, waste management and remediation</b>	<b>0.6</b>	<b>0.7</b>	<b>0.6</b>	<b>0.6</b>	<b>0.1</b>
of which: Water collection, treatment and supply	0.1	0.1	0.1	0.1	0.0
<b>Construction</b>	<b>20.6</b>	<b>21.7</b>	<b>19.6</b>	<b>19.4</b>	<b>2.7</b>
<b>Wholesale and retail trade, repair of motor vehicles and motorcycles</b>	<b>47.1</b>	<b>44.5</b>	<b>45.5</b>	<b>45.7</b>	<b>6.3</b>
of which: Wholesale trade	22.9	23.2	27.7	29.1	4.0
Retail trade	22.2	19.3	15.7	13.6	1.9
<b>Transportation and storage</b>	<b>8.9</b>	<b>9.5</b>	<b>10.6</b>	<b>11.6</b>	<b>1.6</b>
of which: Land transport and transport via pipelines	1.1	1.0	2.1	2.3	0.3
Water transport	2.2	2.0	2.7	3.4	0.5
Air transport	0.1	0.0	0.0	0.2	0.0
Warehousing and support activities for transportation	5.5	6.0	5.4	5.4	0.7
<b>Accommodation and food service activities</b>	<b>5.2</b>	<b>7.2</b>	<b>7.2</b>	<b>7.0</b>	<b>1.0</b>
<b>Information and communication</b>	<b>15.3</b>	<b>17.3</b>	<b>20.3</b>	<b>21.1</b>	<b>2.9</b>
of which: Motion pictures, video and television programme activities	1.8	2.9	3.3	2.6	0.4
Telecommunications	-0.2	-0.3	-0.3	-0.2	0.0
<b>Financial and insurance activities</b>	<b>174.2</b>	<b>163.8</b>	<b>169.6</b>	<b>185.5</b>	<b>26.2</b>
of which: Financial service activities, except insurance and pension funding	54.0	43.8	39.9	45.0	6.3
Holding company activities	69.4	70.8	78.3	87.6	12.6
Insurance	22.2	24.8	25.0	25.2	3.5
<b>Real estate activities<sup>c)</sup></b>	<b>140.1</b>	<b>136.3</b>	<b>144.9</b>	<b>151.0</b>	<b>20.8</b>
<b>Professional, scientific and technical activities</b>	<b>32.6</b>	<b>37.8</b>	<b>41.9</b>	<b>42.2</b>	<b>5.8</b>
of which: Legal and accounting activities	0.8	0.2	0.4	1.1	0.2
Activities of head offices, management consultancy activities	21.3	25.0	26.5	26.6	3.7
Architectural and engineering activities; technical testing and analysis	6.3	6.8	9.5	8.5	1.2
Scientific research and development	2.7	3.4	3.1	3.6	0.5
Advertising and market research	1.5	1.8	1.8	1.9	0.3
<b>Administrative and support service activities</b>	<b>8.0</b>	<b>8.8</b>	<b>14.6</b>	<b>19.6</b>	<b>2.7</b>
<b>Education</b>	<b>1.0</b>	<b>1.3</b>	<b>1.7</b>	<b>1.8</b>	<b>0.2</b>
<b>Human health and social work activities</b>	<b>2.9</b>	<b>3.5</b>	<b>4.8</b>	<b>5.1</b>	<b>0.7</b>
<b>Arts, entertainment and recreation</b>	<b>0.7</b>	<b>0.9</b>	<b>0.9</b>	<b>1.1</b>	<b>0.2</b>
<b>Other service activities</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>
<b>Amounts not allocated<sup>d)</sup></b>	<b>13.2</b>	<b>26.2</b>	<b>26.3</b>	<b>22.6</b>	<b>3.1</b>
<b>Total</b>	<b>631.4</b>	<b>659.2</b>	<b>682.5</b>	<b>720.5</b>	<b>100.0</b>

Note: Holding companies belonging to listed groups have been classified according to the main activity of their group.

a) The structure of direct investment stocks and flows by sector is determined according to the "NAF rév. 2" classification of activities. Intercompany lending included in these statistics was calculated according to the extended directional principle.

b) Estimates based on mixed value of stocks at end-2017 and direct investment flows in 2018.

c) This item includes stocks of foreign investment in the French real estate sector as well as non-residents' real estate assets in the strictest sense located in France.

d) Since 2011, part of intercompany lending has been based on extrapolated data and as a result is not broken down by sector.

5.8 **Stocks of outward direct investment at mixed value**

The top 25 French outward-investors at end-2018 by investment amount at mixed value

Resident investor groups (in alphabetical order)	Investor group's business activities
ACCOR	Hotels and accommodation
AIR LIQUIDE	Chemicals and chemical products
AXA	Insurance
BNP PARIBAS	Financial services
CARREFOUR	Large retailers
CRÉDIT AGRICOLE	Financial services
DANONE	Agriculture and manufacture of food products
EDF	Electricity, gas, steam and air-conditioning supply
ENGIE	Electricity, gas, steam and air-conditioning supply
ESSILORLUXOTTICA	Manufacture of ophthalmic goods, eyeglasses, sunglasses
FINANCIÈRE PINAULT (KERING)	Retail trade
GROUPE ARNAULT (LVMH)	Textiles and wearing apparel
L'ORÉAL	Cosmetics
MICHELIN	Tyre manufacturing
ORANGE	Telecommunications
PERNOD RICARD	Agriculture and manufacture of food products
PUBLICIS	Advertising agency activities
RENAULT	Motor vehicles, trailers and semitrailers
SANOFI	Pharmaceutical products
SCHNEIDER ELECTRIC	Other manufacturing
SOCIÉTÉ GÉNÉRALE	Financial services
SUEZ	Environment and utilities
TOTAL	Extraction of crude petroleum and natural gas
UNIBAIL-RODAMCO-WESTFIELD	Commercial real estate
VIVENDI	Information and communication

## 5.9 Stocks of foreign direct investment in France at mixed value

The top 25 foreign investors in France at end-2018 by investment amount at mixed value

Foreign enterprise or groups (in alphabetical order)	Country of origin	Foreign investor group's business activities
ALLERGAN	United States	Pharmaceutical products
ALLIANZ	Germany	Insurance
ALTICE	Netherlands	Information and communication
ARCELORMITTAL	Luxembourg	Basic metals and fabricated metal products
AVIVA	United Kingdom	Insurance
DANAHER	United States	Other manufacturing
DEL VECCHIO, LEONARDO	Italy	Manufacture of ophthalmic goods, eyeglasses, sunglasses
DEXIA (Belgian State)	Belgium	Financial services
DIAGEO	United Kingdom	Agriculture and manufacture of food products
HEIDELBERGCEMENT	Germany	Cement
HSBC	United Kingdom	Financial services
IBM	United States	Electronics industry
KINGFISHER GROUP	United Kingdom	Retail trade
LAFARGE HOLCIM	Switzerland	Cement
MARCH	United States	Agriculture and manufacture of food products
MERCK	Germany	Pharmaceutical products
MONDELEZ INTERNATIONAL	United States	Agriculture and manufacture of food products
NESTLÉ	Switzerland	Agriculture and manufacture of food products
NISSAN MOTOR	Japan	Motor vehicles, trailers and semitrailers
NOKIA	Finland	Telecommunications
S.A.P.	Germany	Software
SARTORIUS	Germany	Computer, electronic and optical products
SIMON PROPERTY GROUP	United States	Real estate activities
SOLVAY	Belgium	Chemicals and chemical products
UNITED TECHNOLOGIES CORPORATION	United States	Manufacture of other transport equipment

5.10 Stocks of portfolio investment assets and liabilities vis-à-vis non-residents  
By instrument and currency (euro/foreign currencies)

(EUR billions)

	2016			2017			2018		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
<b>Assets (resident holdings of non-resident securities)</b>	<b>1,916.4</b>	<b>476.4</b>	<b>2,392.8</b>	<b>1,916.2</b>	<b>538.9</b>	<b>2,455.1</b>	<b>1,851.4</b>	<b>526.8</b>	<b>2,378.2</b>
<b>Equity securities and investment fund shares/units</b>	<b>447.6</b>	<b>267.5</b>	<b>715.1</b>	<b>505.0</b>	<b>311.2</b>	<b>816.2</b>	<b>448.1</b>	<b>259.8</b>	<b>707.9</b>
Equity securities	234.8	214.8	449.6	257.1	253.7	510.8	208.6	205.7	414.3
Investment fund shares/units	212.8	52.6	265.5	248.0	57.5	305.5	239.5	54.1	293.6
<b>Long-term debt securities</b>	<b>1,329.6</b>	<b>166.5</b>	<b>1,496</b>	<b>1,264.1</b>	<b>176.7</b>	<b>1,440.8</b>	<b>1,262.9</b>	<b>200.4</b>	<b>1,463.3</b>
<b>Short-term debt securities</b>	<b>139.2</b>	<b>42.4</b>	<b>181.7</b>	<b>147.1</b>	<b>50.9</b>	<b>198.0</b>	<b>140.4</b>	<b>66.6</b>	<b>207.0</b>
Treasury notes maturing in less than 1 year	23.3	31.1	54.4	16.1	40.7	56.9	20.8	55.3	76.1
Other short-term debt securities	115.9	11.4	127.2	131	10.2	141.2	119.6	11.3	130.9
<b>Liabilities (non-resident holdings of resident securities)</b>	<b>2,663.8</b>	<b>465.5</b>	<b>3,129.3</b>	<b>2,747.7</b>	<b>426.2</b>	<b>3,173.9</b>	<b>2,650.7</b>	<b>444.8</b>	<b>3,095.5</b>
<b>Equity securities and investment fund shares/units</b>	<b>812.2</b>	<b>11.1</b>	<b>823.3</b>	<b>908.9</b>	<b>9.5</b>	<b>918.5</b>	<b>806.7</b>	<b>8.1</b>	<b>814.8</b>
Equity securities	620.8	0.0	620.8	699.8	0.0	699.8	618.9	0.0	618.9
Investment fund shares/units	191.4	11.1	202.5	209.1	9.5	218.6	187.8	8.1	195.9
<b>Long-term debt securities</b>	<b>1,694.7</b>	<b>392.8</b>	<b>2,087.5</b>	<b>1,671.7</b>	<b>361.8</b>	<b>2,033.5</b>	<b>1,692.8</b>	<b>379.5</b>	<b>2,072.3</b>
OATs (Treasury bonds)	968.1		968.1	954.1		954.1	951.6		951.6
BTANs (annual interest Treasury notes)	29.1		29.1	0.0		0.0	0.0		0.0
Other notes (BMTNs <sup>a)</sup> , EMTNs <sup>b)</sup> , etc.)	697.5	392.8	1,090.3	717.6	361.8	1,079.3	741.2	379.5	1,120.7
<b>Short-term debt securities</b>	<b>156.9</b>	<b>61.6</b>	<b>218.5</b>	<b>167.1</b>	<b>54.9</b>	<b>222.0</b>	<b>151.3</b>	<b>57.1</b>	<b>208.4</b>
Treasury notes maturing in less than 1 year	118.6		118.6	113.6		113.6	100.7		100.7
Other short-term debt securities	38.3	61.6	99.9	53.5	54.9	108.4	50.6	57.1	107.7
<b>Net position</b>	<b>-747.4</b>	<b>10.9</b>	<b>-736.5</b>	<b>-831.5</b>	<b>112.7</b>	<b>-718.8</b>	<b>-799.3</b>	<b>82.0</b>	<b>-717.3</b>

a) Bons à moyen terme négociables.

b) Euro medium term notes.

5.11 Portfolio investment assets  
By issuing zone, by instrument and by resident investor's sector

(EUR billions)

	2016			2017			2018		
	MFIs	Non-MFIs	Total	MFIs	Non-MFIs	Total	MFIs	Non-MFIs	Total
<b>Euro area issuers</b>	<b>304.7</b>	<b>1,210.2</b>	<b>1,514.9</b>	<b>266.7</b>	<b>1,256.3</b>	<b>1,522.9</b>	<b>264.6</b>	<b>1,202.7</b>	<b>1,467.3</b>
Equity securities and investment fund shares/units	43.4	423.4	466.8	42.5	489.8	532.3	36.4	439.4	475.8
Long-term debt securities	193.3	755.1	948.4	158.8	742.4	901.2	162.0	734.1	896.1
Short-term debt securities	68.0	31.7	99.7	65.3	24.1	89.4	66.3	29.2	95.4
<b>Non-euro area issuers</b>	<b>244.9</b>	<b>633.0</b>	<b>877.9</b>	<b>266.9</b>	<b>665.2</b>	<b>932.2</b>	<b>268.2</b>	<b>642.7</b>	<b>910.9</b>
Equity securities and investment fund shares/units	58.4	189.9	248.2	77.0	206.9	283.9	60.2	171.9	232.1
Long-term debt securities	140.6	407.1	547.6	131.7	407.9	539.6	156.0	411.3	567.3
Short-term debt securities	45.9	36.1	82.0	58.2	50.4	108.6	52.0	59.6	111.6
<b>All issuers</b>	<b>549.5</b>	<b>1,843.2</b>	<b>2,392.8</b>	<b>533.6</b>	<b>1,921.5</b>	<b>2,455.1</b>	<b>532.8</b>	<b>1,845.4</b>	<b>2,378.2</b>
Equity securities and investment fund shares/units	101.8	613.3	715.1	119.5	696.7	816.2	96.6	611.3	707.9
Long-term debt securities	333.8	1,162.2	1,496.0	290.5	1,150.3	1,440.8	317.9	1,145.4	1,463.3
Short-term debt securities	113.9	67.8	181.7	123.6	74.5	198.0	118.3	88.7	207.0

5.12 **Portfolio investment liabilities**  
By issuing sector and by currency

(EUR billions)

	2016			2017			2018		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
<b>Stocks</b>	<b>2,663.8</b>	<b>465.5</b>	<b>3,129.3</b>	<b>2,747.7</b>	<b>426.2</b>	<b>3,173.9</b>	<b>2,650.7</b>	<b>444.8</b>	<b>3,095.5</b>
<b>General government</b>	<b>1,202.9</b>	<b>73.4</b>	<b>1,276.4</b>	<b>1,155.4</b>	<b>72.6</b>	<b>1,228.0</b>	<b>1,143.2</b>	<b>50.6</b>	<b>1,193.9</b>
OATs (Treasury bonds)	968.1		968.1	954.1		954.1	951.6		951.6
Other long-term debt securities	81.6	48.6	130.2	84.9	42.1	127.0	84.6	34.8	119.4
Treasury notes and bills (BTANs and BTFs)	147.7		147.7	113.6		113.6	100.7		100.7
Other short-term debt securities	5.6	24.8	30.4	2.8	30.5	33.2	6.4	15.9	22.3
<b>Monetary financial institutions</b>	<b>470.5</b>	<b>228.4</b>	<b>698.9</b>	<b>504.0</b>	<b>210.2</b>	<b>714.2</b>	<b>491.4</b>	<b>254.2</b>	<b>745.6</b>
Equity securities and investment fund shares/units	103.2	0.3	103.6	116.0	0.3	116.3	98.6	0.2	98.8
Long-term debt securities	341.3	193.1	534.3	344.9	187.1	532.0	357.1	214.8	571.9
Short-term debt securities	26.0	35.0	61.0	43.1	22.9	65.9	35.7	39.1	74.8
<b>Other sectors</b>	<b>990.3</b>	<b>163.7</b>	<b>1,154.0</b>	<b>1,088.3</b>	<b>143.4</b>	<b>1,231.7</b>	<b>1,016.1</b>	<b>139.9</b>	<b>1,156.0</b>
Equity securities and investment fund shares/units	709.0	10.7	719.7	792.9	9.2	802.1	708.1	7.9	715.9
Long-term debt securities	274.7	151.1	425.7	287.8	132.6	420.4	299.5	129.9	429.5
Short-term debt securities	6.6	1.9	8.5	7.6	1.6	9.2	8.4	2.2	10.6

5.13 **Portfolio investment assets**  
By issuer's country of residence and by type of securities

(EUR billions)

	2017					2018				
	Equity securities and investment fund shares/units	Long-term debt securities	Short-term debt securities	Total	(%)	Equity securities and investment fund shares/units	Long-term debt securities	Short-term debt securities	Total	(%)
<b>European Union (28 members)</b>	<b>600.0</b>	<b>1,113.0</b>	<b>148.7</b>	<b>1,861.7</b>	<b>75.8</b>	<b>529.6</b>	<b>1,097.3</b>	<b>144.1</b>	<b>1,771.0</b>	<b>74.5</b>
<b>Economic and Monetary Union (19 members)</b>	<b>532.3</b>	<b>901.2</b>	<b>89.4</b>	<b>1,522.9</b>	<b>62.0</b>	<b>475.8</b>	<b>896.1</b>	<b>95.4</b>	<b>1,467.3</b>	<b>61.7</b>
of which: Austria	2.6	36.7	0.1	39.3	1.6	1.9	33.9	0.0	35.8	1.5
Belgium	17.2	61.8	15.2	94.2	3.8	11.4	56.2	12.1	79.7	3.4
Finland	7.7	18.0	0.2	25.9	1.1	7.5	18.4	0.1	26.0	1.1
Germany	89.1	86.8	8.4	184.3	7.5	67.8	86.6	8.7	163.0	6.9
Greece	0.4	3.4	0.3	4.1	0.2	0.2	3.1	0.3	3.5	0.1
Ireland	61.2	50.1	9.3	120.6	4.9	54.3	47.8	6.3	108.4	4.6
Italy	30.1	183.7	10.8	224.6	9.1	28.0	164.9	6.2	199.1	8.4
Luxembourg	236.4	132.6	12.6	381.6	15.5	235.2	155.4	14.3	404.9	17.0
Netherlands	54.0	165.8	18.9	238.7	9.7	46.7	170.9	30.0	247.6	10.4
Portugal	2.1	16.2	0.6	18.9	0.8	2.3	14.6	0.8	17.6	0.7
Spain	31.0	121.7	12.4	165.1	6.7	19.9	118.9	16.1	154.9	6.5
<b>Other European Union countries</b>	<b>67.7</b>	<b>211.8</b>	<b>59.3</b>	<b>338.8</b>	<b>13.8</b>	<b>53.8</b>	<b>201.3</b>	<b>48.7</b>	<b>303.7</b>	<b>12.8</b>
of which: Czech Republic	0.2	2.8	0.0	3.0	0.1	0.1	2.1	0.0	2.2	0.1
Poland	2.1	4.9	0.0	7.0	0.3	2.8	5.3	0.1	8.1	0.3
Romania	0.3	0.7	0.0	1.0	0.0	0.2	0.9	0.0	1.1	0.0
Sweden	5.8	23.9	5.6	35.2	1.4	4.5	22.1	3.4	30.1	1.3
United Kingdom	52.6	131.4	51.6	235.6	9.6	38.5	127.2	43.2	209.0	8.8
<b>Rest of the world</b>	<b>216.2</b>	<b>327.8</b>	<b>49.4</b>	<b>593.4</b>	<b>24.2</b>	<b>178.3</b>	<b>366.0</b>	<b>62.9</b>	<b>607.2</b>	<b>25.5</b>
of which: Bermuda	1.4	0.5	0.1	1.9	0.1	1.4	0.4	0.0	1.8	0.1
Brazil	4.6	1.8	0.0	6.4	0.3	4.7	2.4	0.0	7.1	0.3
Cayman Islands	7.6	5.0	0.0	12.6	0.5	7.2	4.3	0.0	11.5	0.5
China	9.8	1.1	0.0	11.0	0.4	8.6	1.2	0.0	9.8	0.4
India	9.1	0.7	0.0	9.8	0.4	5.8	0.4	0.0	6.2	0.3
Japan	28.5	37.2	38.9	104.5	4.3	22.4	54.1	52.9	129.3	5.4
Jersey	2.8	5.1	0.1	7.9	0.3	3.2	4.9	0.0	8.1	0.3
Russia	1.9	0.4	0.0	2.3	0.1	2.2	0.1	0.0	2.2	0.1
South Korea	6.2	2.7	0.1	9.0	0.4	4.6	4.6	0.0	9.2	0.4
Switzerland	25.5	3.4	1.1	30.0	1.2	20.8	3.7	0.0	24.6	1.0
Turkey	0.8	1.6	0.0	2.4	0.1	0.6	1.8	0.0	2.3	0.1
United States	89.0	163.4	5.9	258.3	10.5	74.1	178.3	7.9	260.3	10.9
<b>Total</b>	<b>816.2</b>	<b>1,440.8</b>	<b>198.0</b>	<b>2,455.1</b>	<b>100.0</b>	<b>707.9</b>	<b>1,463.3</b>	<b>207.0</b>	<b>2,378.2</b>	<b>100.0</b>

Note: See Part II of the appendices to this report, "Definition of geographical zones".

### 5.14 Portfolio investment assets

By issuing zone, type of instrument and currency

(EUR billions)

	2016			2017			2018		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
<b>Euro area issuers</b>	<b>1,443.4</b>	<b>71.5</b>	<b>1,514.9</b>	<b>1,442.3</b>	<b>80.7</b>	<b>1,522.9</b>	<b>1,385.4</b>	<b>81.9</b>	<b>1,467.3</b>
<b>Equity securities and investment fund shares/units</b>	<b>427.1</b>	<b>39.7</b>	<b>466.8</b>	<b>488.0</b>	<b>44.3</b>	<b>532.3</b>	<b>433.2</b>	<b>42.6</b>	<b>475.8</b>
Equity securities	225.6	1.8	227.5	252.5	2.7	255.1	202.1	3.1	205.3
Investment fund shares/units	201.5	37.9	239.4	235.5	41.6	277.2	231.1	39.4	270.5
<b>Long-term debt securities</b>	<b>921.5</b>	<b>26.9</b>	<b>948.4</b>	<b>867.7</b>	<b>33.6</b>	<b>901.2</b>	<b>862.9</b>	<b>33.2</b>	<b>896.1</b>
<b>Short-term debt securities</b>	<b>94.8</b>	<b>4.9</b>	<b>99.7</b>	<b>86.6</b>	<b>2.8</b>	<b>89.4</b>	<b>89.3</b>	<b>6.1</b>	<b>95.4</b>
Treasury notes maturing in less than 1 year	23.3	0.0	23.3	16.1	0.0	16.1	20.8	0.2	20.9
Other short-term debt securities	71.5	4.9	76.3	70.5	2.8	73.3	68.5	5.9	74.5
<b>Non-euro area issuers</b>	<b>473.0</b>	<b>404.9</b>	<b>877.9</b>	<b>473.9</b>	<b>458.3</b>	<b>932.2</b>	<b>466.0</b>	<b>444.9</b>	<b>910.9</b>
<b>Equity securities and investment fund shares/units</b>	<b>20.5</b>	<b>227.7</b>	<b>248.2</b>	<b>17.0</b>	<b>266.9</b>	<b>283.9</b>	<b>14.9</b>	<b>217.2</b>	<b>232.1</b>
Equity securities	9.1	213.0	222.1	4.6	251.1	255.6	6.5	202.5	209.0
Investment fund shares/units	11.4	14.7	26.1	12.4	15.9	28.3	8.4	14.7	23.1
<b>Long-term debt securities</b>	<b>408.1</b>	<b>139.5</b>	<b>547.6</b>	<b>396.4</b>	<b>143.2</b>	<b>539.6</b>	<b>400.0</b>	<b>167.2</b>	<b>567.3</b>
<b>Short-term debt securities</b>	<b>44.4</b>	<b>37.6</b>	<b>82.0</b>	<b>60.5</b>	<b>48.2</b>	<b>108.6</b>	<b>51.1</b>	<b>60.4</b>	<b>111.6</b>
Treasury notes maturing in less than 1 year	0.0	31.1	31.1	0.0	40.7	40.7	0.0	55.1	55.1
Other short-term debt securities	44.4	6.5	50.9	60.5	7.4	67.9	51.1	5.3	56.4

5.15 Resident MFIs' loan-deposit positions in euro and foreign currencies (excluding the central bank)

(EUR billions)

	2016			2017			2018		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
<b>Euro</b>	<b>575.4</b>	<b>676.9</b>	<b>-101.5</b>	<b>614.7</b>	<b>740.4</b>	<b>-125.8</b>	<b>961.5</b>	<b>1,172.1</b>	<b>-210.6</b>
... vis-à-vis the euro area	323.7	299.9	23.8	352.5	337.1	15.4	534.7	471.7	63.0
... vis-à-vis countries outside the euro area	251.8	377.0	-125.2	262.2	403.3	-141.1	426.8	700.4	-273.6
<b>Foreign currencies</b>	<b>628.2</b>	<b>609.5</b>	<b>18.7</b>	<b>615.0</b>	<b>587.9</b>	<b>27.1</b>	<b>661.3</b>	<b>622.0</b>	<b>39.3</b>
... vis-à-vis the euro area	57.8	103.8	-46.0	57.3	114.6	-57.4	63.0	123.2	-60.2
... vis-à-vis countries outside the euro area	570.4	505.7	64.6	557.7	473.3	84.5	598.3	498.8	99.5
<b>Total</b>	<b>1,203.7</b>	<b>1,286.4</b>	<b>-82.8</b>	<b>1,229.7</b>	<b>1,328.3</b>	<b>-98.6</b>	<b>1,622.8</b>	<b>1,794.1</b>	<b>-171.3</b>

5.16 Resident MFIs' loan-deposit positions by counterparty's sector (excluding the central bank)

(EUR billions)

	2016			2017			2018		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
<b>Interbank</b>	<b>745.0</b>	<b>785.3</b>	<b>-40.3</b>	<b>747.4</b>	<b>775.5</b>	<b>-28.0</b>	<b>891.4</b>	<b>1,027.4</b>	<b>-136.0</b>
Euro	403.0	417.6	-14.6	410.8	455.6	-44.8	532.5	684.7	-152.2
Foreign currencies	342.0	367.7	-25.7	336.6	319.8	16.8	358.9	342.7	16.2
<b>Financial and non-financial customers</b>	<b>458.7</b>	<b>501.2</b>	<b>-42.5</b>	<b>482.2</b>	<b>552.8</b>	<b>-70.6</b>	<b>731.4</b>	<b>766.7</b>	<b>-35.3</b>
Euro	172.5	259.3	-86.8	203.8	284.8	-80.9	429.0	487.4	-58.5
Foreign currencies	286.2	241.9	44.3	278.4	268.1	10.3	302.4	279.3	23.1
<b>Total</b>	<b>1,203.7</b>	<b>1,286.4</b>	<b>-82.8</b>	<b>1,229.7</b>	<b>1,328.3</b>	<b>-98.6</b>	<b>1,622.8</b>	<b>1,794.1</b>	<b>-171.3</b>



## 5.17 Geographical structure of resident MFIs' loan-deposit positions (excluding the central bank)

(EUR billions)

	2016			2017			2018		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
<b>European Union (28 members)</b>	<b>624.7</b>	<b>737.5</b>	<b>-112.8</b>	<b>626.2</b>	<b>798.2</b>	<b>-172.0</b>	<b>967.4</b>	<b>1,213.1</b>	<b>-245.7</b>
<b>Economic and Monetary Union (19 members)</b>	<b>381.5</b>	<b>403.7</b>	<b>-22.2</b>	<b>409.7</b>	<b>451.7</b>	<b>-42.0</b>	<b>597.7</b>	<b>594.8</b>	<b>2.8</b>
of which: Belgium	19.2	26.5	-7.3	28.8	39.1	-10.3	41.4	46.5	-5.1
Germany	43.7	97.3	-53.6	56.9	98.8	-42.0	65.9	126.3	-60.4
Ireland	32.3	25.4	7.0	27.9	24.5	3.4	31.2	24.3	7.0
Italy	100.9	36.6	64.3	103.8	40.3	63.6	233.7	75.6	158.1
Luxembourg	64.5	153.8	-89.4	68.4	166.5	-98.1	82.4	209.0	-126.6
Netherlands	40.2	29.1	11.1	45.5	46.7	-1.1	47.5	62.5	-15.0
Spain	65.9	18.5	47.4	64.6	22.7	41.8	77.2	35.9	41.3
<b>Other European Union countries</b>	<b>243.2</b>	<b>333.8</b>	<b>-90.7</b>	<b>216.5</b>	<b>346.5</b>	<b>-130.0</b>	<b>369.7</b>	<b>618.2</b>	<b>-248.5</b>
of which: Czech Republic	1.4	0.5	0.9	2.3	0.6	1.7	2.9	0.8	2.1
Poland	4.6	2.2	2.4	5.7	2.2	3.6	6.5	3.3	3.2
Romania	1.6	0.1	1.5	1.5	0.2	1.3	1.4	0.5	1.0
Sweden	1.8	2.6	-0.8	2.0	3.3	-1.3	1.9	2.9	-1.0
United Kingdom	226.3	297.4	-71.1	199.7	315.7	-116.0	349.9	581.1	-231.3
<b>Rest of the world</b>	<b>579.0</b>	<b>548.9</b>	<b>30.1</b>	<b>603.5</b>	<b>530.1</b>	<b>73.4</b>	<b>655.4</b>	<b>581.0</b>	<b>74.4</b>
of which: Brazil	7.2	0.6	6.6	8.9	0.6	8.3	8.9	2.7	6.2
China	18.2	13.5	4.7	20.9	6.8	14.1	21.0	5.4	15.6
India	2.6	0.5	2.1	2.7	1.5	1.2	2.3	1.9	0.4
Japan	149.1	53.7	95.4	127.4	43.3	84.1	131.5	24.0	107.5
Offshore financial centres	101.1	128.0	-26.9	128.8	139.1	-10.3	143.1	133.2	9.9
Russia	7.2	13.7	-6.5	7.0	7.8	-0.8	6.0	17.0	-11.0
Switzerland	46.4	41.2	5.2	53.5	38.8	14.6	54.2	46.5	7.8
Turkey	9.6	0.4	9.2	8.3	0.3	8.0	8.7	0.3	8.4
United States	139.8	200.7	-60.9	149.3	195.0	-45.7	166.0	257.4	-91.3
<b>Total</b>	<b>1,203.7</b>	<b>1,286.4</b>	<b>-82.8</b>	<b>1,229.7</b>	<b>1,328.3</b>	<b>-98.6</b>	<b>1,622.8</b>	<b>1,794.1</b>	<b>-171.3</b>

Note: See Part II of the appendices to this report, "Definition of geographical zones".

## 5.18 Resident MFIs' loan-deposit positions by instrument

(EUR billions)

	Vis-à-vis the rest of the world			Vis-à-vis countries outside the euro area		
	2016	2017	2018	2016	2017	2018
<b>Assets</b>	<b>1,203.7</b>	<b>1,229.7</b>	<b>1,622.8</b>	<b>822.2</b>	<b>819.9</b>	<b>1,025.1</b>
Deposits	732.4	734.8	878.7	445.4	431.2	525.0
Loans	457.7	481.6	723.4	363.9	375.9	487.3
Other accounts payable/receivable	13.6	13.2	20.7	12.8	12.8	12.9
<b>Liabilities</b>	<b>1,286.4</b>	<b>1,328.3</b>	<b>1,794.1</b>	<b>882.8</b>	<b>876.6</b>	<b>1,199.3</b>
Deposits	1,285.2	1,327.0	1,777.5	882.3	875.8	1,190.5
Loans	0.0	0.0	0.0	0.0	0.0	0.0
Other accounts payable/receivable	1.3	1.3	16.6	0.4	0.8	8.7
<b>Position</b>	<b>-82.8</b>	<b>-98.6</b>	<b>-171.3</b>	<b>-60.6</b>	<b>-56.6</b>	<b>-174.1</b>
Deposits	-552.7	-592.2	-898.8	-436.9	-444.6	-665.6
Loans	457.7	481.6	723.4	363.9	375.9	487.3
Other accounts payable/receivable	12.3	12.0	4.1	12.4	12.0	4.1

5.19 The Banque de France's international investment position vis-à-vis non-residents  
(excluding banknotes and coins)

(EUR billions)

	Stocks at end of year			Change in 2018
	2016	2017	2018	
<b>Assets</b>	<b>402.6</b>	<b>425.2</b>	<b>416.8</b>	<b>-8.4</b>
<b>Proprietary portfolio of the Banque de France<sup>a)</sup></b>	<b>149.6</b>	<b>152.7</b>	<b>151.5</b>	<b>-1.2</b>
Securities issued by euro area residents outside France	109.7	105.0	97.9	-7.1
Euro	109.7	105.0	97.9	-7.1
Foreign currencies	0.0	0.0	0.0	0.0
Securities issued by non-euro area residents	39.9	47.6	53.5	5.9
Euro	2.9	2.7	2.3	-0.3
Foreign currencies	37.0	44.9	51.2	6.3
<b>Claims on the Eurosystem (TARGET2)</b>	<b>0.0</b>	<b>30.0</b>	<b>0.0</b>	<b>-30.0</b>
<b>Other claims</b>	<b>24.9</b>	<b>24.1</b>	<b>30.3</b>	<b>6.2</b>
Other claims on euro area residents outside France	1.0	1.8	1.7	-0.1
Euro	0.0	1.8	1.6	-0.1
Foreign currencies	1.0	0.0	0.0	0.0
Other claims on non-euro area residents outside France	14.2	12.6	18.9	6.3
Euro	2.6	0.4	0.2	-0.3
Foreign currencies	11.6	12.2	18.7	6.5
Claim on the ECB for transferred reserve assets	8.2	8.2	8.2	0.0
Equity in the ECB	1.5	1.5	1.5	0.0
<b>Banknotes</b>	<b>88.9</b>	<b>87.9</b>	<b>89.5</b>	<b>1.5</b>
<b>Reserve assets</b>	<b>139.2</b>	<b>130.4</b>	<b>145.6</b>	<b>15.1</b>
<b>Liabilities</b>	<b>273.0</b>	<b>298.3</b>	<b>289.9</b>	<b>-8.4</b>
<b>Liabilities toward the ESCB (TARGET2)</b>	<b>13.8</b>	<b>0.0</b>	<b>2.3</b>	<b>2.3</b>
<b>Allocation of special drawing rights<sup>b)</sup></b>	<b>12.9</b>	<b>12.0</b>	<b>12.3</b>	<b>0.3</b>
<b>Deposits of foreign institutional customers</b>	<b>121.2</b>	<b>159.0</b>	<b>144.0</b>	<b>-15.0</b>
Euro	36.9	85.5	62.5	-23.0
Foreign currencies	84.3	73.5	81.5	8.0
<b>Banknotes</b>	<b>125.1</b>	<b>127.2</b>	<b>131.3</b>	<b>4.0</b>
<b>Position</b>	<b>129.6</b>	<b>126.9</b>	<b>126.9</b>	<b>-0.1</b>
of which: international investment position excluding reserve assets	-9.7	-3.5	-18.7	-15.2

a) Including securities backed by institutional customers' deposits.

b) Allocations of special drawing rights are a component of France's international investment position, according to the BPM6.

5.20 General government sector assets and liabilities (excluding credit insurance)  
vis-à-vis non-residents

(EUR billions)

	Position at end of year		
	2016	2017	2018
<b>Assets</b>	<b>101.2</b>	<b>102.5</b>	<b>102.8</b>
<i>Euro</i>	82.0	81.5	81.0
<i>Foreign currencies</i>	19.3	21.0	21.8
Equity in international organisations	42.5	44.4	45.2
Long-term assets	100.6	102.1	102.4
Short-term assets	0.6	0.4	0.4
<b>Liabilities</b>	<b>58.6</b>	<b>63.5</b>	<b>66.8</b>
<i>Euro</i>	58.6	63.5	66.8
<i>Foreign currencies</i>	0.0	0.0	0.0
Long-term liabilities	48.7	50.6	52.3
Short-term liabilities	9.9	12.9	14.5
<b>Position</b>	<b>42.6</b>	<b>39.0</b>	<b>36.1</b>
<i>Euro</i>	23.3	18.0	14.2
<i>Foreign currencies</i>	19.3	21.0	21.8

## 5.21 Loan-deposit positions (excluding trade credits) of other sectors

(EUR billions)

	Stocks at end of year								
	2016			2017			2018		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
<b>Assets</b>	<b>309.8</b>	<b>37.7</b>	<b>347.4</b>	<b>309.3</b>	<b>36.6</b>	<b>345.9</b>	<b>101.7</b>	<b>48.5</b>	<b>150.3</b>
Financial sector <sup>a)</sup>	235.5	15.2	250.7	232.3	12.9	245.2	12.5	17.9	30.4
Non-financial sector <sup>b)</sup>	74.3	22.5	96.8	77.1	23.6	100.7	89.2	30.7	119.9
<b>Liabilities</b>	<b>285.4</b>	<b>33.9</b>	<b>319.3</b>	<b>317.0</b>	<b>29.4</b>	<b>346.4</b>	<b>88.2</b>	<b>36.7</b>	<b>124.9</b>
Financial sector <sup>a)</sup>	228.3	19.3	247.6	267.9	13.4	281.3	25.7	20.6	46.3
Non-financial sector <sup>b)</sup>	57.1	14.6	71.8	49.0	16.0	65.0	62.5	16.1	78.6
<b>Position</b>	<b>24.3</b>	<b>3.8</b>	<b>28.1</b>	<b>-7.6</b>	<b>7.2</b>	<b>-0.4</b>	<b>13.5</b>	<b>11.8</b>	<b>25.3</b>

Note: Rounding differences mean that aggregate totals may not appear exactly equal to the sum of their components.

The substantial variations in 2018 are the result of the reclassification of a significant financial intermediary as a monetary financial institution (MF).

a) Non-monetary financial intermediaries: other financial intermediaries, investment funds other than money market funds, insurance companies, captive financial institutions and pension funds.

b) Non-financial corporations, households and non-profit institutions serving households.