

# Statistical release

5 July 2022

## Euro area quarterly balance of payments and international investment position: first quarter of 2022

- [Current account](#) surplus at €217 billion (1.7% of euro area GDP) in four quarters to first quarter of 2022, down from €301 billion (2.6% of GDP) a year earlier
- [Geographic counterparts](#): largest bilateral current account surpluses vis-à-vis *United Kingdom* (€156 billion) and *Switzerland* (€77 billion), largest deficits vis-à-vis *China* (€106 billion) and *Russia* (€44 billion)
- [International investment position](#) showed net liabilities of €6 billion (0.04% of euro area GDP) at end of first quarter of 2022
- Euro area financial assets vis-à-vis *Russia* amounted to €385 billion (1.2% of euro area external assets) at end of first quarter of 2022, down by 12% since end of previous quarter

### Current account

The *current account* surplus of the euro area decreased to €217 billion (1.7% of euro area GDP) in the four quarters to the first quarter of 2022, down from €301 billion (2.6% of GDP) a year earlier (Table 1). This decrease reflected a lower surplus for *goods* (from €358 billion to €193 billion) that was partly offset by increases in the surpluses for *services* (from €65 billion to €109 billion) and for *primary income* (from €42 billion to €64 billion), and a smaller deficit for *secondary income* (from €164 billion to €148 billion).

The larger surplus for *services* was due mainly to increases in the surpluses for *telecommunication, computer and information services* (from €103 billion to €132 billion), *transport services* (from €2 billion to €17 billion) and *travel services* (from €9 billion to €24 billion). These developments were partly offset by larger deficits for *other services* (from €21 billion to €28 billion) and *other business services* (from €41 billion to €46 billion).

The larger surplus for *primary income* was due primarily to an increase in the surplus for *investment income* (from €10 billion to €36 billion), reflecting mainly larger surpluses for *direct investment income* (from €20 billion to €38 billion) and *portfolio debt income* (from €40 billion to €48 billion).

**Table 1**

## Current account of the euro area

(EUR billions, unless otherwise indicated; transactions during the period; non-working day and non-seasonally adjusted)

	Cumulated figures for the four-quarter period ending							
	Q1 2021			Q1 2022			Q1 2021	Q1 2022
	Balance	Credit	Debit	Balance	Credit	Debit	Balance	Balance
<b>Current account</b>	301	3,909	3,607	217	4,630	4,413	85	1
<i>Percentage of GDP</i>	2.6%	34.2%	31.6%	1.7%	37.0%	35.2%		
<b>Goods</b>	358	2,200	1,842	193	2,592	2,399	93	0
<b>Services</b>	65	851	787	109	1,061	952	16	29
Transport	2	128	126	17	191	173	1	3
Travel	9	39	30	24	83	59	0	6
Insurance, pension and financial	12	106	94	9	118	109	3	2
Telecommunication, computer and information	103	181	78	132	221	88	26	33
Other business	-41	238	279	-46	264	310	-9	-6
Other	-21	158	179	-28	185	213	-5	-8
<b>Primary income</b>	42	725	682	64	823	759	28	14
Compensation of employees	21	43	22	22	47	24	6	7
Investment income	10	644	634	36	740	704	14	1
Direct investment	20	384	364	38	456	418	5	-10
Portfolio equity	-64	78	142	-67	99	166	-6	-5
Portfolio debt	40	125	85	48	127	78	11	12
Other investment	11	54	43	13	54	42	3	3
Reserve assets	4	4		3	3		1	1
Other primary income	11	37	26	6	37	31	8	6
<b>Secondary income</b>	-164	133	296	-148	154	302	-51	-42

Source: ECB.

Notes: "Equity" comprises equity and investment fund shares. Discrepancies between totals and their components may arise from rounding.

Data for the current account of the euro area

Data on the geographic counterparts of the euro area current account (Chart 1) show that, in the four quarters to the first quarter of 2022, the euro area recorded its largest bilateral surpluses vis-à-vis the *United Kingdom* (€156 billion, up from €154 billion a year earlier), *Switzerland* (€77 billion, up from €66 billion) and the *United States* (€61 billion, up from €58 billion). It also recorded a current account surplus vis-à-vis a residual group of *other countries* (€102 billion, down from €176 billion). The largest bilateral deficits were recorded vis-à-vis *China* (€106 billion, up from €78 billion), *Russia* (€44 billion, following a surplus of €18 billion) and *offshore centres* (€19 billion, down from €36 billion).

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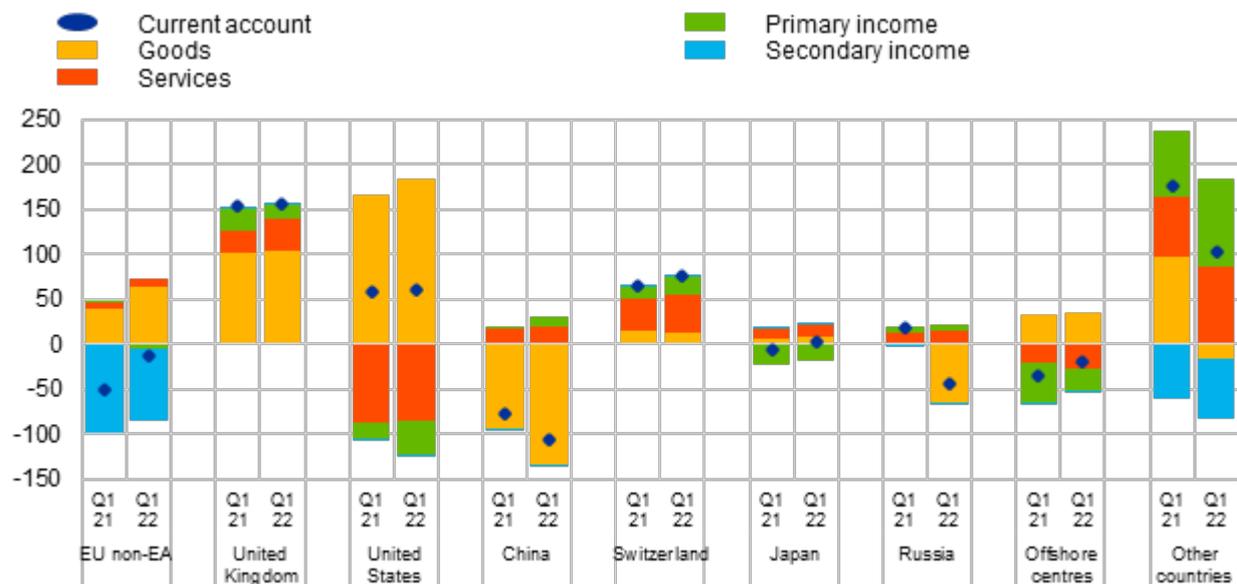
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The most significant geographic changes in the components of the current account in the four quarters to the first quarter of 2022 relative to the previous year were as follows. In *goods*, the deficit vis-à-vis *Russia* increased from €1 billion to €65 billion, mainly on account of higher prices for imported energy products. The *goods* deficit vis-à-vis *China* also increased, from €95 billion to €134 billion. Moreover, the *goods* balance vis-à-vis the residual group of *other countries* turned from a surplus of €97 billion to a deficit of €16 billion, while larger surpluses were recorded vis-à-vis the *EU Member States and EU institutions outside the euro area* (up from €39 billion to €65 billion) and the *United States* (up from €166 billion to €185 billion). In *services*, the surplus vis-à-vis the *United Kingdom* increased (from €25 billion to €35 billion), as it did vis-à-vis the residual group of *other countries* (from €67 billion to €87 billion). In *primary income*, a larger deficit was recorded vis-à-vis the *United States* (up from €18 billion to €38 billion), while the deficit declined vis-à-vis *offshore centres* (down from €45 billion to €25 billion) and the surplus widened vis-à-vis the residual group of *other countries* (up from €74 billion to €98 billion). In *secondary income*, the deficit vis-à-vis the *EU Member States and EU institutions outside the euro area* decreased from €99 billion to €80 billion.

### Chart 1

#### Geographical breakdown of the euro area current account balance

(four-quarter moving sums in EUR billions; non-seasonally adjusted)



Source: ECB.

Note: "EU non-EA" comprises the non-euro area EU Member States and those EU institutions and bodies that are considered for statistical purposes as being outside the euro area, such as the European Commission and the European Investment Bank. "Other countries" includes all countries and country groups not shown in the chart, as well as unallocated transactions.

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

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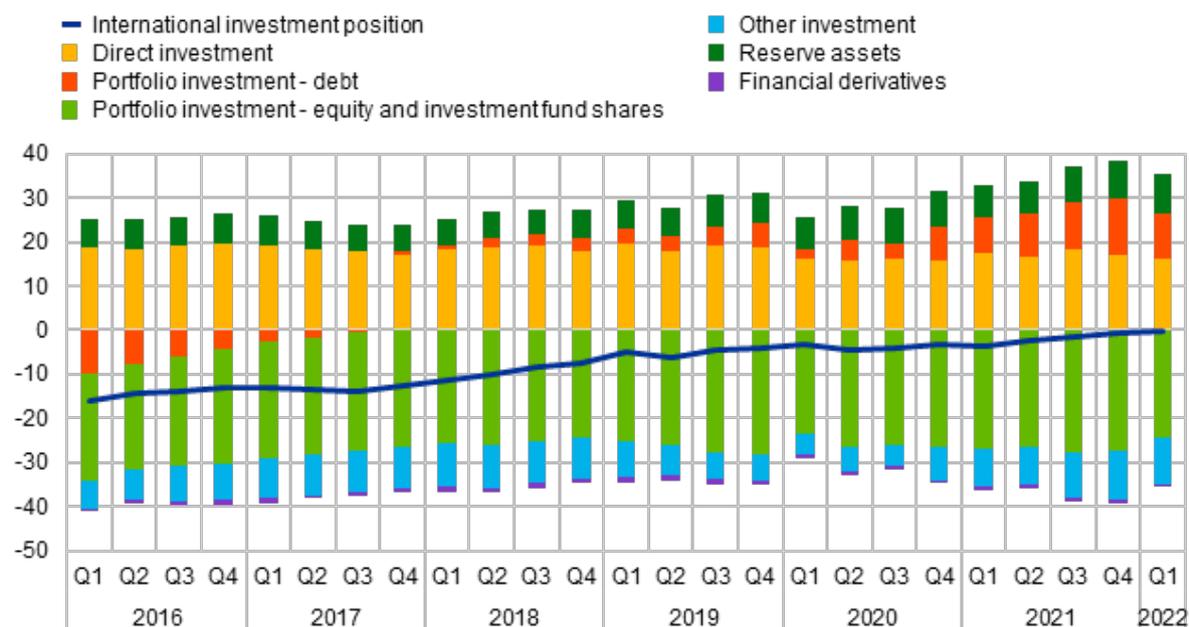
## International investment position

At the end of the first quarter of 2022, the international investment position of the euro area recorded net liabilities of €6 billion vis-à-vis the rest of the world (0.04% of euro area GDP), down from €102 billion in the previous quarter (Chart 2 and Table 2).

### Chart 2

#### Net international investment position of the euro area

(net amounts outstanding at the end of the period as a percentage of four-quarter moving sums of GDP)



Source: ECB.

#### [Data for the net international investment position of the euro area](#)

The €97 billion decline in net liabilities reflected large but partly offsetting changes in the various investment components. Lower net liabilities were recorded in *portfolio equity* (down from €3.3 trillion to €3.0 trillion) and in *other investment* (down from €1.4 trillion to €1.3 trillion), while net assets declined for *portfolio debt* (down from €1.5 trillion to €1.3 trillion) and for *direct investment* (down from €2.1 trillion to €2.0 trillion).

**Table 2**  
International investment position of the euro area

(EUR billions, unless otherwise indicated; amounts outstanding at the end of the period, flows during the period; non-working day and non-seasonally adjusted)

	Q4 2021	Q1 2022						
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding	% GDP	
<b>Net</b>	<b>-102</b>	<b>14</b>	<b>89</b>	<b>157</b>	<b>-163</b>	<b>-6</b>	<b>-0.0</b>	
of which: Direct investment	2,112	26	35	-121	-31	2,020	16.1	
of which: Portfolio equity	-3,346	45	22	324	-93	-3,048	-24.3	
of which: Portfolio debt	1,540	-78	23	-129	-42	1,315	10.5	
of which: Other investment	-1,373	26	4	2	1	-1,339	-10.7	
<b>Assets</b>	<b>32,052</b>	<b>364</b>	<b>272</b>	<b>-685</b>	<b>77</b>	<b>32,080</b>	<b>256.0</b>	
Direct investment	11,830	48	101	-150	73	11,902	95.0	
Portfolio equity	6,302	-19	75	-325	-11	6,021	48.1	
Portfolio debt	6,537	-2	46	-290	4	6,294	50.2	
Financial derivatives	-92	-5	-	39	3	-56	-0.4	
Other investment	6,418	343	46	0	8	6,815	54.4	
Reserve assets	1,057	0	5	42	-1	1,103	8.8	
<b>Liabilities</b>	<b>32,154</b>	<b>351</b>	<b>183</b>	<b>-842</b>	<b>240</b>	<b>32,086</b>	<b>256.1</b>	
Direct investment	9,719	22	67	-30	105	9,883	78.9	
Portfolio equity	9,648	-64	53	-650	82	9,069	72.4	
Portfolio debt	4,996	76	23	-161	46	4,980	39.7	
Other investment	7,791	316	41	-2	7	8,155	65.1	
Gross external debt	15,990	433	89	-163	66	16,416	131.0	

Source: ECB.

Notes: "Equity" comprises equity and investment fund shares. Net financial derivatives are reported under assets. "Other volume changes" mainly reflect reclassifications and data enhancements. Discrepancies between totals and their components may arise from rounding.

### [Data for the international investment position of the euro area](#)

The developments in the euro area's net international investment position in the first quarter of 2022 were driven mainly by positive net flows owing to price changes, exchange rate changes and, to a lesser extent, transactions, which were partly offset by negative net other volume changes (Table 2 and Chart 3).

The decrease in net liabilities for *portfolio equity* was driven mainly by price changes, as prices in *portfolio equity* liabilities decreased more than those on the asset side, as well as positive net flows for transactions and exchange rate changes that were partially offset by negative net other volume changes (Table 2). The decline in net assets for *portfolio debt* resulted from negative net flows in price changes, transactions and other volume changes that were partially offset by positive net exchange rate changes. The decline in net assets for *direct investment* resulted mainly from negative net flows in

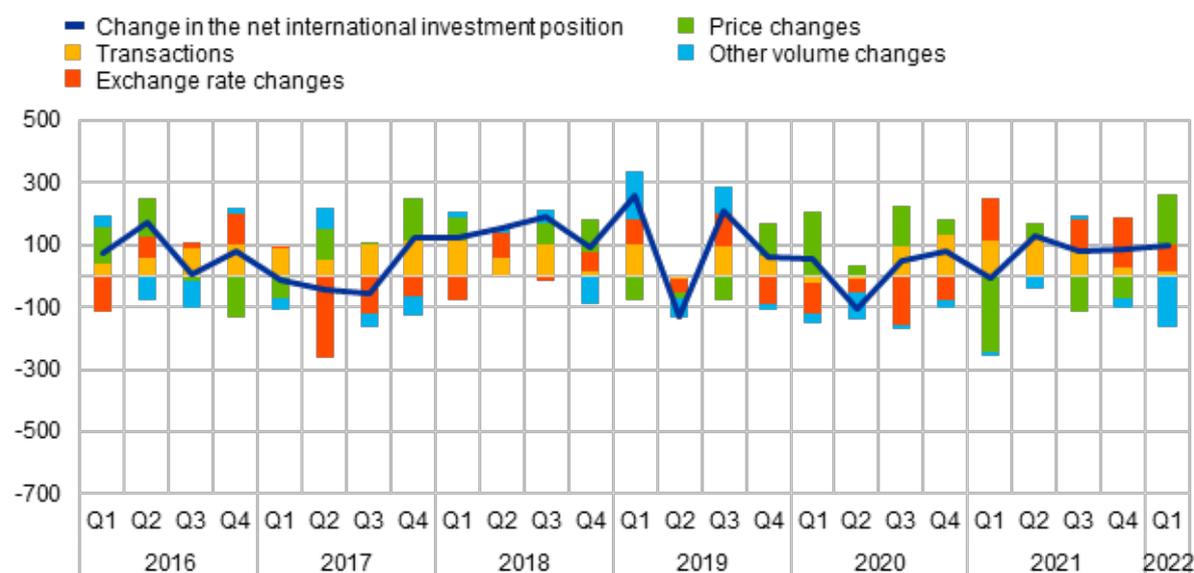
price changes and other volume changes that were partially offset by positive net flows for exchange rate changes and transactions. The slight decrease in net liabilities for *other investment* was driven mainly by positive net transactions.

At the end of the first quarter of 2022 the *gross external debt* of the euro area amounted to €16.4 trillion (around 131% of euro area GDP), up by €426 billion compared with the previous quarter.

### Chart 3

#### Changes in the net international investment position of the euro area

(EUR billions; flows during the period)



Source: ECB.

Note: "Other volume changes" mainly reflect reclassifications and data enhancements.

#### [Data for changes in the net international investment position of the euro area](#)

This release provides an overview of the euro area's international investment position vis-à-vis residents of *Russia* at the end of the first quarter of 2022 and reports the main changes compared with the previous quarter (Table 3).<sup>1</sup> Euro area financial assets vis-à-vis *Russia* amounted to €385 billion (1.2% of euro area external assets) at the end of the first quarter of 2022, a 12% decline since the end of the previous quarter. This drop was due mainly to euro area holdings of *portfolio investment* securities issued by residents of *Russia*, which decreased by 57% in the first quarter of 2022, largely on account of negative price revaluations. At the same time, the euro area recorded liabilities of €399

<sup>1</sup> Table 3 does not include *reserve assets* in the total euro area external asset positions and *financial derivatives* are reported in gross terms instead on net terms (Table 2).

billion vis-à-vis *Russia* (1.2% of total external liabilities), a fall of 6% due mainly to a reduction in Russian holdings of euro area *portfolio investment* securities.

**Table 3**

## International investment position of the euro area – geographical breakdown vis-à-vis Russia

(as a percentage of the total, unless otherwise indicated; at the end of the period; non-working day and non-seasonally adjusted)

	Total			Vis-à-vis Russia			Share of Russia in total (%)	
	Q4 2021	Q1 2022	change (%)	Q4 2021	Q1 2022	change (%)	Q4 2021	Q1 2022
<b>Direct investment</b>								
Assets	11,830	11,902	1	277	264	-5	2.3	2.2
Liabilities	9,719	9,883	2	164	162	-2	1.7	1.6
<b>Portfolio investment</b>								
Assets	12,839	12,315	-4	70	30	-57	0.5	0.2
Equity	6,302	6,021	-4	40	16	-61	0.6	0.3
Debt securities	6,537	6,294	-4	30	14	-53	0.5	0.2
Liabilities	14,645	14,048	-4	112	98	-13	0.8	0.7
Equity	9,648	9,069	-6	14	11	-19	0.1	0.1
Debt securities	4,996	4,980	0	99	87	-12	2.0	1.8
<b>Other investment</b>								
Assets	6,418	6,815	6	83	81	-2	1.3	1.2
Liabilities	7,791	8,155	5	147	137	-7	1.9	1.7
<b>Financial derivatives</b>								
Assets	1,619	2,047	26	8	10	32	0.5	0.5
Liabilities	1,711	2,103	23	1	2	50	0.1	0.1
<b>Total</b>								
Assets	32,707	33,080	1	438	385	-12	1.3	1.2
Liabilities	33,866	34,188	1	425	399	-6	1.3	1.2

Source: ECB.

Notes: "Equity" comprises equity and investment fund shares. "Total assets/liabilities" refer to the sum of direct investment, portfolio investment, other investment and financial derivatives. Reserve assets are not included in the total and financial derivatives are reported separately in gross terms under assets and liabilities. Discrepancies between totals and their components may arise from rounding.

[Data for the international investment position of the euro area – geographical breakdown](#)

### Data revisions

This statistical release incorporates revisions to data for the reference periods between the first quarter of 2018 and the fourth quarter of 2021. The revisions reflect revised national contributions to the euro area aggregates as a result of the incorporation of newly available information.

### Next releases

- Monthly balance of payments: 20 July 2022 (reference data up to May 2022)
- Quarterly balance of payments and international investment position: 5 October 2022 (reference data up to the second quarter of 2022)

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### Notes

- Data are neither seasonally nor working day-adjusted. Ratios to GDP (including in the charts) refer to four-quarter sums of non-seasonally and non-working day-adjusted GDP figures.
- Hyperlinks in this press release lead to data that may change with subsequent releases as a result of revisions.