

THE FRENCH BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION

ANNUAL REPORT 2019

FOREWORD

OF THE GOVERNOR OF THE BANQUE DE FRANCE

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It is my pleasure to present the *French Balance of Payments Annual Report* for 2019. Every year, you can find within its pages statistics that reflect the entirety of France's economic transactions with its partners worldwide.

By definition, this is a snapshot of our economy in 2019 and does not expand upon the impact of the measures adopted to counter the economic consequences of the coronavirus (Covid-19) pandemic that has since shaken the world's health and economy. Nevertheless, it establishes a baseline that will prove extremely valuable in assessing the changes that will be seen in 2020.

In 2019, the net value of goods, services and income entering France grew (adding EUR 3 billion to the current account deficit) as did net capital inflows (EUR 5.5 billion more net inflows in the financial account than in 2018).

- Our trade deficit (total goods and services) widened slightly to some EUR 25 billion, while its geographical structure also evolved: France now runs its largest trade surplus with the United States, ahead of the United Kingdom. Its largest trade deficit continues to be with Germany, however, ahead of China.

- With regard to the financial account, this year was marked by a strong demand from foreign investors for French securities, especially those issued by general government. In terms of direct investment, levels of foreign direct investment in France remained relatively similar to those in 2018 at around EUR 30 billion, but French investment abroad dropped sharply, from EUR 90 billion in 2018 to EUR 35 billion in 2019.

As a result of these developments, combined with price and exchange rate fluctuations, our net international investment position, in other words France's net financial worth, remains negative, with a net liability of slightly more than EUR 550 billion. As a percentage of gross domestic product (GDP), this amounts to 23%, which is well below the alert threshold of 35% of GDP set by the European Macroeconomic Imbalance Procedure.

Clearly, the external accounts for 2020 will be very different, characterised by fewer exports – including tourism – and imports. Nevertheless, this report serves as a point of reference, defining France's strengths and weaknesses. Pleasant reading."

FRANÇOIS VILLEROY DE GALHAU

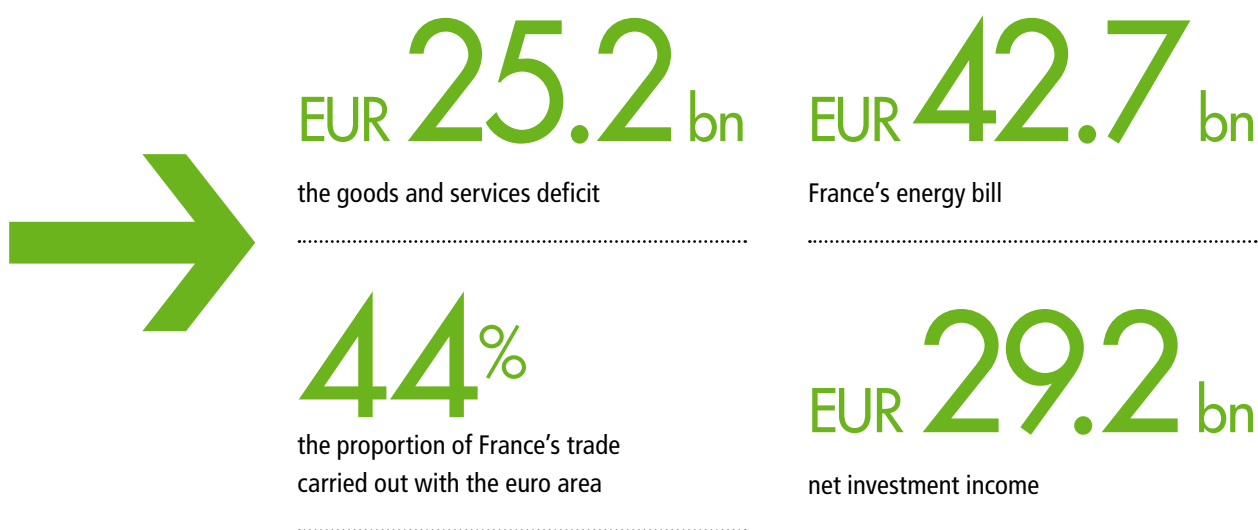
2019 IN FIGURES

FRANCE'S BALANCE OF PAYMENTS

The current account deficit...

EUR 16.2 bn

this deficit incorporates the balance of France's trade and the balance of its income payments and receipts to and from abroad

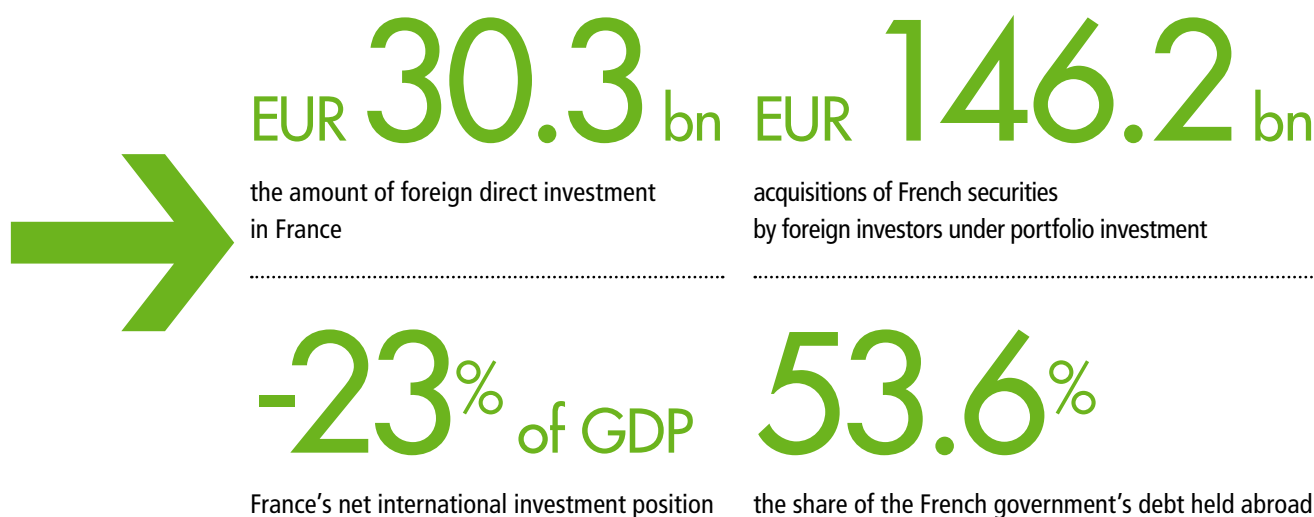


... financed by net capital inflows

EUR 28.8 bn

2019 IN FIGURES

the financial account balance reflects net capital inflows – an increase in the country's financial liabilities that exceeds its acquisitions of foreign financial assets



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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

Key figures for 2019

› **EUR 16.2 bn**

The current account deficit

› **EUR 28.8 bn**

The net capital inflows

› **EUR 112 bn**

The deterioration
in the net international investment position

The current account deficit amounted to EUR 16.2 billion in 2019, corresponding to 0.7% of gross domestic product (GDP).

- This represents a EUR 3.0 billion increase compared with 2018, mainly due to a EUR 3.2 billion decrease in the services surplus.

- However, the goods deficit decreased by EUR 1.2 billion.

The financial account recorded net capital inflows of EUR 28.8 billion.

- Portfolio investment notably recorded net inflows of EUR 93 billion, linked to foreign acquisitions of government debt following the temporary suspension of the Eurosystem's asset purchase programme.

France's international investment position deteriorated by EUR 112 billion to a net negative EUR 556.5 billion.

- Price and interest rate changes accounted for EUR 75.2 billion of the deterioration.
- Nonetheless, with a net liability representing 23.0% of GDP, France's net international investment position is still 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 increased from 52.3% at the end of 2018 to 53.6% at the end of 2019.

1. The current account deficit grew in 2019

The **current account** showed a deficit of EUR 16.2 billion, which corresponds to 0.7% of GDP, compared with a deficit of EUR 13.2 billion in 2018.

This deterioration in the current account is mainly due to a EUR 3.2 billion decrease in the services surplus. The drop in the income surplus also contributed, for EUR 1 billion. However, the goods deficit narrowed by EUR 1.2 billion.

1.1 Growth in trade slowed and the trade deficit widened

The **trade deficit** (goods and services) amounted to EUR 25.2 billion, up EUR 2.0 billion compared with 2018.

There was continued growth in trade but at a slower pace than in 2018.

Exports and imports of goods thus grew by 2.1% and 1.7%, respectively, after growth of 5.5% and 5.4% in 2018.

The trade in services also expanded more slowly, with growth in exports and imports of 2.4% and 4.1%, respectively, in 2019 compared with 5.6% and 6.0% the previous year.

T1 Main current account components (EUR billions)

	2018	2019	2019/2018 change
Current account	-13.2	-16.2	-3.0
(% of GDP)	-0.6	-0.7	-0.1
Goods ^{a)}	-48.1	-46.8	1.2
<i>Goods excl. energy</i>	<i>-4.6</i>	<i>-4.2</i>	<i>0.4</i>
<i>Energy</i>	<i>-43.4</i>	<i>-42.7</i>	<i>0.8</i>
Services	24.8	21.6	-3.2
<i>Travel</i>	<i>14.5</i>	<i>10.8</i>	<i>-3.7</i>
<i>Other services</i>	<i>10.3</i>	<i>10.7</i>	<i>0.5</i>
Income ^{b)}	10.1	9.0	-1.0
<i>Primary income</i>	<i>56.8</i>	<i>54.0</i>	<i>-2.8</i>
<i>Secondary income</i>	<i>-46.7</i>	<i>-44.9</i>	<i>1.8</i>

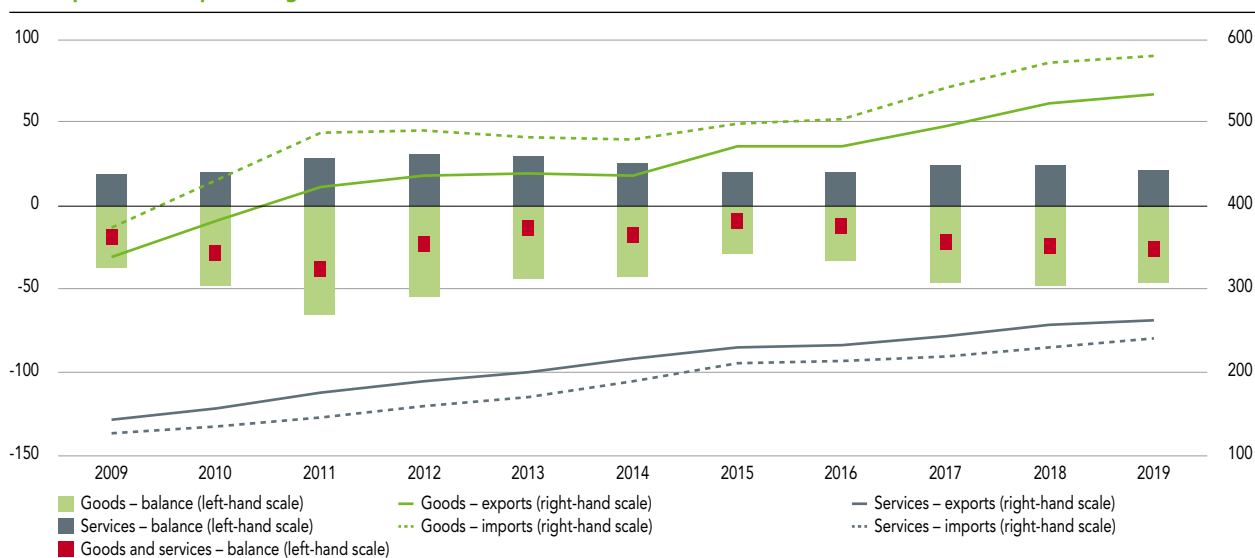
Source: Banque de France.

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

a) Trade in goods is compiled on the basis of customs statistics and supplementary measurements intended to ensure compatibility with the international statistical standards for establishing the balance of payments.

b) Primary income refers to the flows received by economic agents for their participation in the production process ("compensation of employees"), in the provision of financial assets ("investment income") or in the 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.). It should be noted that European subsidies received are recorded as primary income.

C1 Exports and imports of goods and services (EUR billions)



Source: Banque de France.

T2 Exports and imports of goods and services (EUR billions and %)

	2018	2019
Goods		
Exports	522	533
Growth in %	5.5	2.1
Imports	571	580
Growth in %	5.4	1.7
Services		
Exports	256	263
Growth in %	5.6	2.4
Imports	232	241
Growth in %	6.0	4.1

Source: Banque de France.

1.2 The trade in goods deficit decreased despite a reduction in the merchanting surplus

The **trade in goods** deficit amounted to EUR 46.8 billion, of which EUR 42.7 billion corresponded to the energy bill.

This represents a EUR 1.2 billion improvement in the trade in goods balance compared with 2018, as a EUR 4.6 billion reduction in the **merchanting** surplus was offset by an improvement of EUR 5.8 billion in the **general merchandise** deficit.

Customs data recorded a EUR 58.5 billion deficit for trade in merchandise in FOB-FOB terms and a EUR 78.4 billion deficit in CIF-FOB terms.¹ The CIF-FOB deficit thus improved by EUR 2.7 billion year-on-year. The amelioration in the balances of energy products (up EUR 0.9 billion) and agriculture and agri-food products (up EUR 1 billion) contributed to this improvement but the EUR 3.1 billion reduction in the other industrial products deficit emerged as the principal factor. However, the deficit in mechanical, electrical and computer equipment widened by EUR 2.2 billion and the transport equipment surplus came down by EUR 0.3 billion.

T3 Balance of trade in goods (EUR billions)

	2018			2019		
	Receipts	Payments	Balance	Receipts	Payments	Balance
Goods	522.5	570.5	-48.1	533.4	580.2	-46.8
Merchandise	507.1	570.5	-63.4	522.6	580.2	-57.6
Customs data	492.2	554.7	-62.5	508.6	567.1	-58.5
Corrections and adjustments	13.2	11.7	1.6	12.1	9.1	3.0
Goods procured in ports by carriers	1.7	4.2	-2.5	1.8	4.1	-2.2
Merchanting	15.4		15.4	10.8		10.8
Merchanting (goods acquired – negative exports)	-71.1		-71.1	-71.3		-71.3
Merchanting (goods sold – exports)	86.4		86.4	82.2		82.2

Sources: Direction générale des Douanes et Droits indirects (DGDDI – French customs authorities) gross data and Banque de France calculations.

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

¹ 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).

T4 Trade in merchandise by type of product (excluding merchanting and other transactions, included in the goods and services table) (EUR billions and %)

	Exports		Imports		Balance	
	Amount in 2019	2019/2018 change (%)	Amount in 2019	2019/2018 change (%)	Amount in 2019	2019/2018 change (EUR billions)
Trade in merchandise FOB-FOB	508.6	3.3	567.1	2.2	-58.5	4.0
Trade in merchandise CIF-FOB^{a)}	497.4	3.1	575.8	2.1	-78.4	2.7
of which:						
<i>Agriculture and agri-food sectors</i>	<i>64.5</i>	<i>3.3</i>	<i>56.7</i>	<i>1.8</i>	<i>7.9</i>	<i>1.0</i>
<i>Energy products</i>	<i>18.2</i>	<i>-12.4</i>	<i>62.9</i>	<i>-5.3</i>	<i>-44.7</i>	<i>0.9</i>
<i>Mechanical, electrical and computer equipment</i>	<i>92.0</i>	<i>2.3</i>	<i>125.1</i>	<i>3.6</i>	<i>-33.0</i>	<i>-2.2</i>
<i>Transport equipment</i>	<i>118.9</i>	<i>5.1</i>	<i>103.4</i>	<i>6.2</i>	<i>15.6</i>	<i>-0.3</i>
<i>Other industrial products</i>	<i>200.3</i>	<i>3.8</i>	<i>224.6</i>	<i>1.9</i>	<i>-24.3</i>	<i>3.1</i>

Sources: Direction générale des Douanes et Droits indirects (DGDDI) – French customs authorities' gross data and Banque de France calculations.

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

a) Excluding military equipment.

1.3 The trade in services surplus declined, particularly within travel services

The **trade in services** surplus amounted to EUR 21.6 billion in 2019, down by EUR 3.2 billion compared with the previous year.

The surplus in **travel services**, in particular, fell from EUR 14.5 billion in 2018 to EUR 10.8 billion in 2019. Payments grew by 11% (an increase of EUR 4.7 billion) against a 2% growth for receipts (up EUR 1.1 billion). The countries neighbouring France – with Germany, Spain and the United Kingdom amongst those at the forefront – contributed most to the growth in receipts, while takings from visitors from China and Japan declined (see Statistical Table 1.5 in the appendices). Conversely, the sharp increase in French expenses abroad notably resulted from travel to (in order of importance) the United Kingdom, Germany, the United States and the Netherlands (up EUR 2.3 billion). Most other destinations, both near and far, also benefited to a lesser extent from this hike in French spending, but a few, in contrast, recorded a drop in French expenses, particularly Greece, China and Australia (down 15%, 32% and 20%, respectively).

The **transport services** deficit, however, narrowed by EUR 1.9 billion to EUR 5 billion.

The surplus in **other services**² decreased by EUR 1.4 billion to EUR 15.8 billion.

T5 Balance of trade in services (EUR billions)

	2018	2019
Services	24.8	21.6
Transport services	-6.9	-5.0
Travel	14.5	10.8
Other services ^{a)}	17.2	15.8

Source: Banque de France.

a) See Statistical Table 1.7 "Other services" in the appendices for further details.

This deterioration mainly stems from **manufacturing services on physical inputs owned by others**, which declined by EUR 1.3 billion, following an extremely high surplus in 2018. The deficit in **telecommunications, computer and information services** widened further to EUR 3.3 billion in 2019 from EUR 2.3 billion in 2018. It thus represents the second largest deficit after transport services.

By contrast, the balances for **financial services** and **insurance and pension services** improved by EUR 0.7 billion and EUR 0.5 billion, respectively, and with a surplus of EUR 6.9 billion, financial services made a major contribution to the overall services surplus in 2019.

² Other than travel and transport services.

T6 Geographical structure of trade in goods and services in 2019 (according to source, EUR billions)

	Exports	Imports
Germany	96.3	122.7
Belgium	59.1	50.2
Netherlands	23.6	38.8
Italy	49.2	53.5
Spain	46.8	53.3
Euro area	330.6	380.2
United Kingdom	67.6	54.9
European Union	440.6	486.5
United States	78.4	65.1
Switzerland	33.4	23.4
China	35.8	54.2
Japan	13.2	12.2
Brazil	5.7	4.5
Russia	8.8	9.3
India	7.9	8.2
World	796.1	821.3

Source: Banque de France.

The **research and development services** deficit also improved (down EUR 0.4 billion), while the surplus in **charges for the use of intellectual property n.i.e.**, although down slightly year-on-year by EUR 0.2 billion at EUR 2.7 billion, remained at a higher level than between 2013 and 2017.

1.4 France's largest trade surplus is now with the United States

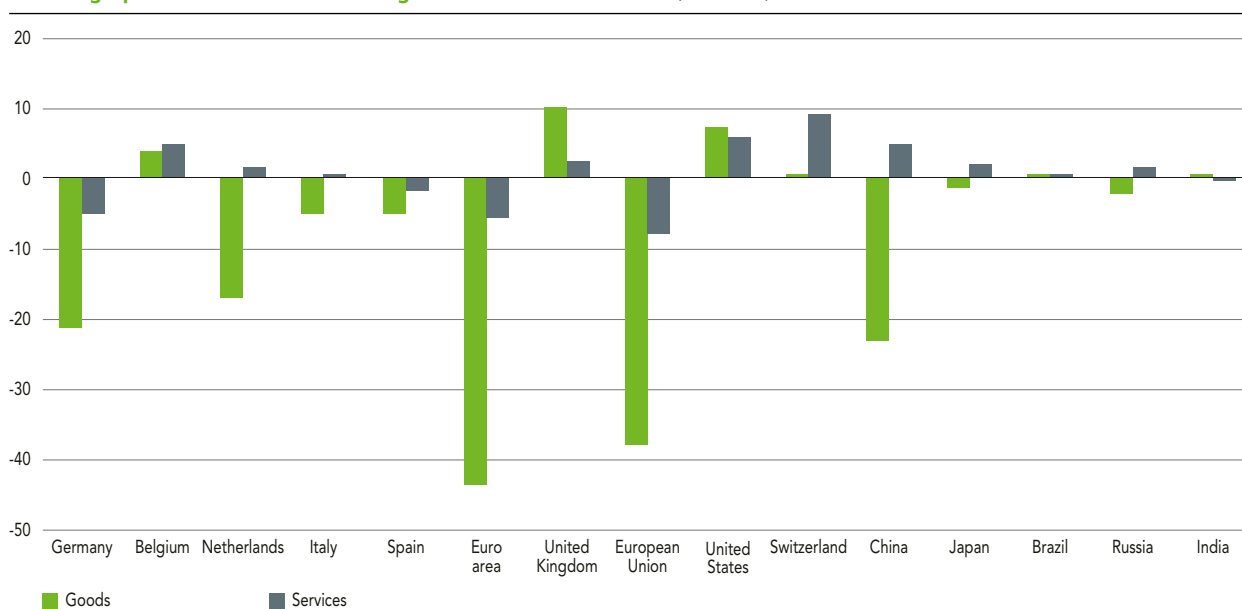
With a bilateral trade balance of just over EUR 13.3 billion in 2019, France now runs its largest trade surplus with the United States, ahead of the United Kingdom (EUR 12.7 billion), Switzerland (EUR 10.0 billion) and Belgium (EUR 9.0 billion).

Conversely, France's most substantial bilateral trade deficits in 2019 were with Germany (a deficit of EUR 26.4 billion) and China (a deficit of EUR 18.4 billion).

In addition, Germany is France's most important trading partner, accounting for 14% of trade, ahead of the United States (9%) and the United Kingdom (8%).

Furthermore, despite the bilateral deficit, Germany is also the biggest customer of French exporters, accounting for 12% of exports, compared with 10% and 8% for the United States and the United Kingdom, respectively.

C2 Geographical structure of trade in goods and services in 2019 (EUR billions)



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

1.5 Net income from abroad declined

Primary income is compensation paid and received in return for cross-border contributions to the production process, to the provision of financial assets or to the leasing of natural resources.

In 2019, it recorded a surplus of EUR 54.0 billion, down EUR 2.8 billion from 2018.

The surplus earned on **cross-border workers' compensation** was up slightly year-on-year at EUR 21.5 billion compared with EUR 20.4 billion in 2018.

The **investment income** surplus decreased by EUR 3.8 billion to EUR 29.2 billion. With the exception of **reserve asset** income, the balances from all categories of investment declined.

However, **other investment income** (mainly from current loans and deposits) had a particularly marked impact, as its deficit widened by EUR 2.9 billion to EUR 3.4 billion despite improved receipts (up EUR 3.2 billion to EUR 24.8 billion – see *Statistical Table 1.8 in the appendices*).

The **direct investment income** surplus fell back slightly by EUR 0.8 billion to EUR 47.5 billion due to payments increasing while receipts remained stable.

The net income generated by direct investment stems from both a stock of assets that exceeded liabilities (EUR 1,364 billion against EUR 773 billion in 2019 – see Table 11 below) and better yields on French direct investment abroad than on foreign investments in France (6.1% compared with 4.6%).

The deficit in **portfolio investment income** rose slightly from EUR 15.8 billion to EUR 16.1 billion. The increase in dividends paid abroad (up EUR 2.7 billion to EUR 22.6 billion in 2019) was offset by the downward trend that began in 2015 in interest paid to non-residents holding French debt securities (EUR 38.7 billion compared with EUR 40.5 billion in 2018).

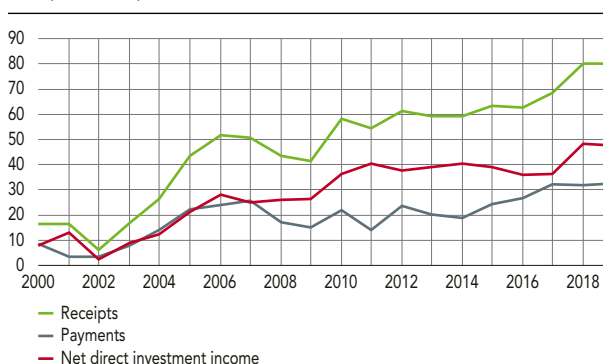
T7 Primary income balance (EUR billions)

	2018	2019
Compensation of employees	20.4	21.5
Investment income	33.0	29.2
Direct investment income	48.3	47.5
Portfolio investment income	-15.8	-16.1
Other investment income (loans and deposits)	-0.5	-3.4
Reserve asset income	1.0	1.2
Other primary income	3.4	3.3
Total	56.8	54.0

Source: Banque de France.

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

C3 Change in direct investment income (EUR billions)



Source: Banque de France.

T8 Secondary income balance (EUR billions)

	2018	2019
Secondary income of general government	-28.5	-28.0
Social benefits	-6.8	-7.0
International cooperation	-5.8	-5.9
Own resources of European Union institutions	-20.6	-21.0
Other general government transfers	4.7	5.9
Secondary income of other sectors	-18.2	-16.9
<i>of which workers' remittances</i>	<i>-10.4</i>	<i>-11.0</i>
Total	-46.7	-44.9

Source: Banque de France.

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

T9 Financial account (EUR billions)

	2018	2019
Financial account	-23.3	-28.8
Assets	333.1	444.8
Liabilities	356.4	473.7
Direct investment	57.1	4.2
Abroad	89.4	34.5
In France	32.3	30.3
Portfolio investment	9.4	-93.0
Assets	29.0	53.2
Liabilities	19.6	146.2
Financial derivatives	-25.9	3.7
Assets	73.6	137.6
Liabilities	99.5	133.9
Other investment	-74.4	53.4
Assets	130.6	216.6
Liabilities	205.0	163.2
Reserve assets	10.4	2.8

Source: Banque de France.

This decrease, despite an increase in debt security liabilities, is due to the effect of the falling cost of external debt (1.7% in 2019 compared with 1.8% in 2018).

The **other primary income** surplus, consisting mainly of general government income (European subsidies and taxes), remained unchanged at EUR 3.3 billion.

1.6 The current transfers deficit narrowed

Secondary income, which records current transfers between residents and non-residents, recorded a deficit of EUR 44.9 billion in 2019 after EUR 46.7 billion in 2018.

The deficit 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 28.0 billion.

Workers' remittances rose to EUR 11.0 billion, in line with the gradual upward trend over recent years.

2. Financing from abroad increased

In 2019, financial flows between France and the rest of the world resulted in net capital inflows of EUR 28.8 billion compared with EUR 23.3 billion in 2018.

2.1 French direct investment abroad decreased

Direct investment generated net outflows of EUR 4.2 billion in 2019, down markedly from the particularly high level of EUR 57.1 billion recorded in 2018.

French investment abroad dropped sharply from EUR 89.4 billion in 2018 to EUR 34.5 billion in 2019, returning to a similar level to that of 2017, due to a decrease in equity investments, while loans considered under the extended directional principle (see [Glossary](#)) increased slightly.

Foreign investment in France remained relatively stable at EUR 30.3 billion compared with EUR 32.3 billion in 2018.

2.2 Portfolio investment saw an increase in external net liabilities

Portfolio investment recorded a negative balance of EUR 93.0 billion, down by EUR 102.4 billion compared with 2018.

This is due to a substantial EUR 126.6 billion increase in liabilities (from EUR 19.6 billion to EUR 146.2 billion), particularly in debt securities (up EUR 108.4 billion), and especially debt securities issued by general government (up EUR 74.6 billion). This strong upturn in purchases of French securities by non-residents is consistent with the temporary suspension of the Eurosystem's asset purchase programme, with the result that foreign investors' contributions to the financing of government debt expanded. While in 2018 non-residents were net investors in securities issued by monetary financial institutions (MFIs) only and they were net sellers of general government or other sector securities, in 2019, non-resident investors bought more general government securities (EUR 66 billion) than securities issued by MFIs (EUR 59 billion).

Portfolio investment assets also increased, however. Net acquisitions of foreign securities by French residents amounted to EUR 53.2 billion in 2019 after EUR 29.0 billion in 2018. This was due to lower net sales of foreign equity (with a positive EUR 34.7 billion impact on the balance) and higher net acquisitions of debt securities (up EUR 4.3 billion). However, net purchases of investment fund shares/units fell back, down EUR 14.7 billion. Overall, French investors primarily bought long-term debt securities, in an amount of EUR 64.9 billion, issued by general government or sectors other than MFIs.

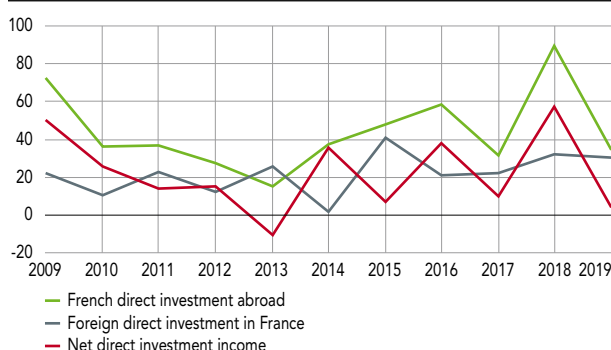
2.3 Other investment showed net outflows while derivatives came in nearly balanced

Net outflows from **other investment** amounted to EUR 53.4 billion compared with net inflows of EUR 74.4 billion in 2018, due to both an increase in assets and a reduction in liabilities.

The net position of **financial derivatives** improved year-on-year by EUR 29.6 billion to a positive EUR 3.7 billion in 2019.

Reserve asset movements closed with net acquisitions of EUR 2.8 billion after EUR 10.4 billion in 2018.

C4 Direct investment flows (EUR billions)



Source: Banque de France.

T10 Change in France's international investment position between end-2018 and end-2019 (EUR billions and as a % of GDP)

	Amount	as a % of GDP
Net position at end-2018	-444.6	-18.9
Changes attributable to the current and capital accounts	-14.2	-0.6
Changes in exchange rates	17.8	0.7
Changes in market prices	-75.2	-3.1
Other changes	-40.3	-1.7
Net position at end-2019	-556.5	-23.0

Source: Banque de France.

T11 France's international investment position at end-2019 (EUR billions and as a % of GDP)

Direct investment (mixed value)^{a)}	591.2
Abroad	1,364.4
In France	773.3
Portfolio investment	-942.7
Assets (residents' transactions in securities issued by non-residents)	2,546.0
Liabilities (non-residents' transactions in securities issued by residents)	3,488.7
Financial derivatives	-72.8
Loans and deposits	-300.5
Reserve assets	168.2
Net international investment position	-556.5
as a % of GDP	-23.0
Net external debt excluding reserve assets	-1,113.0
as a % of GDP	-46.0

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.

3. The net international investment position deteriorated

France's **net international investment position** recorded a net liability of EUR 556.5 billion (23.0% of GDP) at the end of 2019, which represents a EUR 111.9 billion year-on-year deterioration.

This sharp drop can only be partly explained (for an amount of EUR 14.2 billion) by the financing of the current account. Price and interest rate changes also made a substantial contribution (EUR 75.2 billion) as did "other changes" (EUR 40.3 billion).

Nevertheless, 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 71% of GDP, whereas Italy and Spain had net liabilities corresponding to 2% and 74% of GDP, respectively.

Within the international investment position, portfolio investment had the most negative position at EUR 942.7 billion, and also reported the most significant deterioration (down EUR 185.6 billion compared with the end of 2018).

Conversely, the direct investment position was the most positive at EUR 591.2 billion and remained stable against 2018.

The international investment position also reflects the growth in the external liabilities of general government, whose net position deteriorated by EUR 104 billion to a negative EUR 1,220 billion. In particular, the share of negotiable government debt securities held by foreign investors rose from 52.3% at the end of 2018 to 53.6% at the end of 2019, driven by the temporary suspension of the Eurosystem's public asset purchase programme.

Net external debt (excluding reserve assets) increased by EUR 110 billion year-on-year to EUR 1,113 billion. The debt is primarily denominated in euro (EUR 911 billion) and US dollars (EUR 280 billion). However, the French economy holds net yen-denominated receivables of EUR 120 billion.

T12 Net international investment position in 2019 by sector (EUR billions)

Net international investment position	-556.5
Banque de France	174.8
General government	-1,219.8
Banks	-343.4
Other sectors	831.9

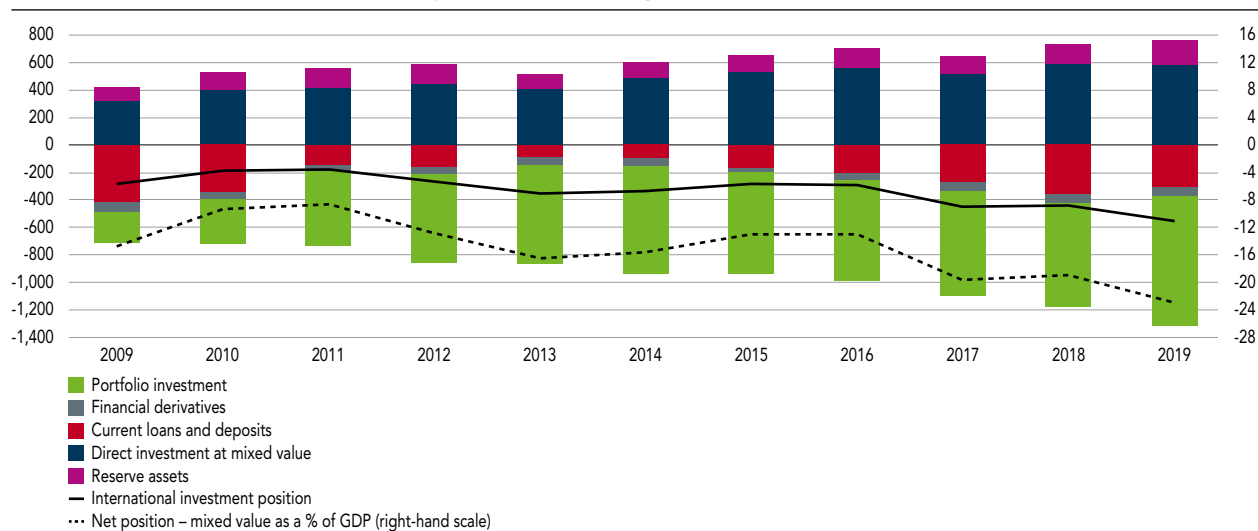
Source: Banque de France.

T13 Breakdown of net external debt excluding reserve assets by currency (EUR billions)

	2018	2019
Net external debt excluding reserve assets	1,003.0	1,113.0
Euro	818.8	910.8
US dollar	228.3	279.5
Yen	-106.7	-119.9
Pound sterling	67.8	62.9
Yuan	2.9	2.6
Other currencies	-8.1	-22.8

Source: Banque de France.

C5 France's net international investment position over the long term (EUR billions and as a % of GDP)



Source: Banque de France.

FACT SHEETS

FACT SHEET No. 1

A RETURN OF INVESTORS TO THE EURO AREA IN 2019

Foreign investors were net sellers of euro area long-term debt securities between 2015 and 2018. Since the start of 2019, they have become net purchasers again. There are several possible reasons for this development, and it is impossible to conclude as to which was the most influential: changes to net asset purchases by the European Central Bank (ECB), the shift in US monetary policy and the increase in net issuance of public and private debt in the euro area.

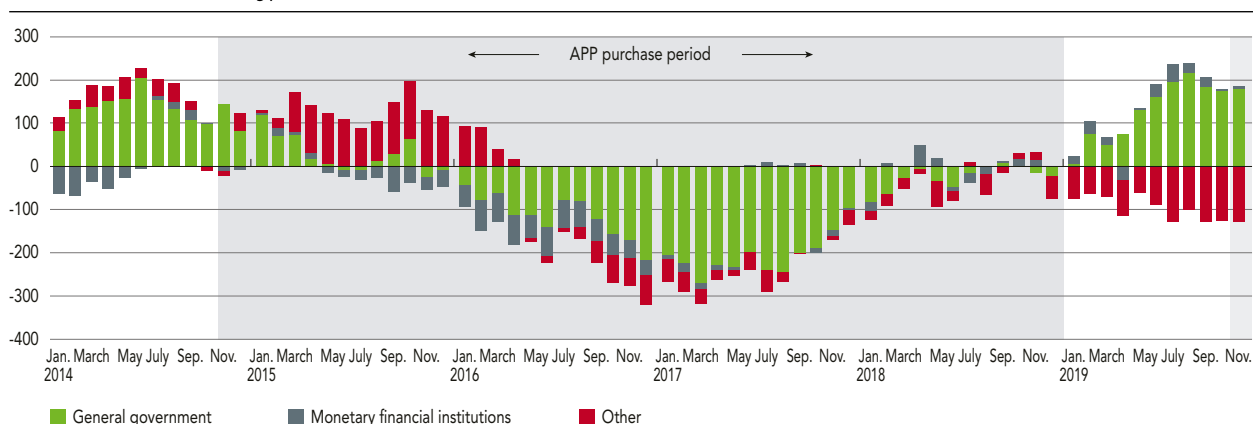
Purchases or sales by foreign investors of securities issued by residents are influenced by various factors, such as the supply of securities on the market, the financial integration of the country concerned or changes in monetary policy (*Koijen et al., 2017*).

The aim of this fact sheet is to illustrate the extent to which net purchases under the ECB's quantitative easing (QE) framework have influenced the flows of purchases and sales by non-resident investors of euro area long-term debt securities.

1. International investors returned to the euro area during the ECB's temporary suspension of its net asset purchases

When the ECB started purchasing assets at the end of 2014, non-residents withdrew from the euro area securities market. Between the first quarter of 2015 and the fourth

C1 Net purchases of long-term debt securities by non-euro area investors
(EUR billions, 12-month rolling period)



Sources: European Central Bank and authors' calculations.

Note: Net purchases (positive values) by non-residents of euro area long-term debt securities, by issuing sector. APP: asset purchase programme.

quarter of 2018, foreign investors sold euro area securities, reaching a peak in sales of EUR 319 billion in 2016 (see Chart 1). Indeed, non-residents represented one of the main selling counterparties in the implementation of the Eurosystem's asset purchase programmes (Coeuré, 2018).

Sales mainly targeted securities issued by euro area governments, in particular through the public sector purchase programme (PSPP) which was launched in March 2015. However, euro area balance of payments statistics do not provide information on the geographical location of sellers. These data are only available from the statistics of the holder countries, compiled by the International Monetary Fund as part of its biannual *Coordinated Portfolio Investment Survey*. According to this source, the vast majority of sales originated from UK non-bank financial institutions, which are used by certain international investors outside Europe as a gateway to access euro area financial assets (Avdjiev, Everett and Shin, 2019).

However, following the temporary suspension of the ECB's net asset purchases in January 2019, trends reversed. Purchases of securities – particularly those issued by general government – by non-euro area investors resumed and peaked at almost EUR 220 billion during 2019. More specifically, US Treasury statistics show that the United States stepped up its investment in long-term euro area securities as of early 2019 (see Chart 2). This acceleration in purchases may also have been amplified by the monetary policy normalisation process in the United States¹ coming to an end with the announcement by the Federal Reserve

in December 2018 that it would not continue to raise its key interest rate (Lane, 2019) and then by the key interest rate's downward trajectory from August 2019 onwards.

Lastly, purchases of securities by non-residents were buoyed by a sharp rise in total net euro area public and private debt issuance in 2019, when they hit their highest level since 2011 at EUR 483 billion (up from EUR 344 billion in 2018).

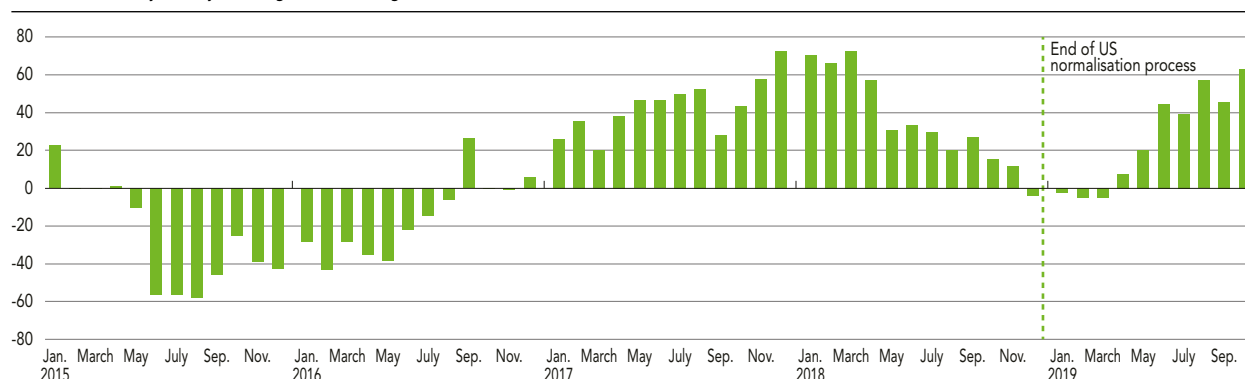
2. Different dynamics across the main euro area countries

This observation, which applied to the euro area as a whole, can be refined using national balance of payments data. These data record all transactions carried out between the reference country and other countries, i.e. including those belonging to the monetary union.

First, during the period of Eurosystem net asset purchases between the beginning of 2015 and the end of 2018, sales of securities by foreign investors were more significant in Germany and Italy, peaking at EUR 96 billion and EUR 130 billion, respectively, in March 2017 (see Chart 3). By way of comparison, sales were lower in France and Spain, at EUR 20 billion and EUR 14 billion, respectively, over the same period.

¹ The monetary policy normalisation process includes, amongst others, the increase in policy rates begun in the United States from the end of 2015.

C2 US resident holdings of euro area debt securities (USD billions, year-on-year change in outstanding amounts at market value)



Sources: US Treasury Department and authors' calculations.

Note: A positive value corresponds to an increase in the holdings of euro area long-term debt securities.

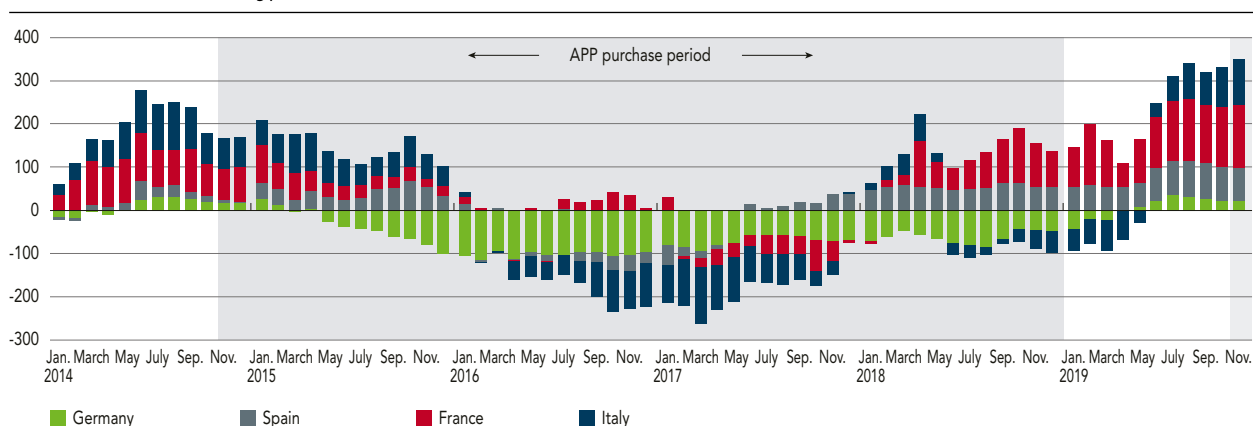
Second, following the Eurosystem's temporary suspension of net purchases, there were differences in the way in which securities purchases by non-residents resumed across the main euro area countries. There was an upturn in net purchases of French and Spanish securities by foreign investors as of 2018, and the trend has been notably amplified since the temporary suspension of the net asset purchase programmes (APP) in 2019. More specifically, net purchases of French long-term debt securities reached their highest levels since 2011 in November 2019 at EUR 147 billion (see Chart 3). The resumption of net issuances of French debt securities, which peaked at EUR 176 billion between January and November 2019 (35% of total euro area issuance) could also account for this increase. By contrast, purchases of German securities did not return to positive territory until April 2019, which had not been seen since 2015 (*Deutsche Bundesbank, 2019*). The same is also true for Italy, where the return of foreign investors to debt securities was seen in the second half of 2019, later than in other countries due to the political uncertainties of 2018 (*Banca d'Italia, 2019*).

3. Purchases and sales between euro area countries resumed in 2019

National balances of payments data can also shed light on cross-border flow developments within the euro area both during and after the period of net purchases by the Eurosystem. Between 2015 and 2018, we find that securities purchases between euro area countries averaged EUR 76 billion, with virtually no purchases between 2016 and 2017. Furthermore, on average, foreign investors sold EUR 83 billion during the same period. However, since January 2019, purchases of euro area securities by both intra- and extra-euro area investors have risen sharply, perhaps signalling a new impetus in the process of Economic and Monetary Union financial integration.

In conclusion, even though it was not the only explanatory factor, developments in the ECB's net asset purchases appear to have influenced international investors' acquisitions of long-term euro area securities. With the resumption of net purchases on 1 November 2019, a further shift in the evolution of non-residents' purchase and sales flows could be expected, but their behaviour in 2020 will be influenced first and foremost by the global economic and financial shock caused by the Covid-19 pandemic.

C3 Purchases and sales by non-residents of debt securities issued by the main euro area countries
(EUR billions, 12-month rolling period)



Sources: European Central Bank and authors' calculations.

Note: Net purchases (positive values) by non-residents of long-term debt securities issued by the main euro area countries. APP: asset purchase programme.

FACT SHEET No. 2

FRANCE: THE EUROPEAN LEADER IN CROSS-BORDER WORKERS

The closure of national borders and the imposition of customs checks as a result of the Covid-19 pandemic highlighted the importance of so-called cross-border workers, who commute from one country to another to get to their place of work. The compensation of cross-border employees is a significant source of revenue, which is recorded in the balance of payments under primary income. With 450,000 cross-border workers in 2019, their earnings represent almost EUR 20 billion per year in income for France.

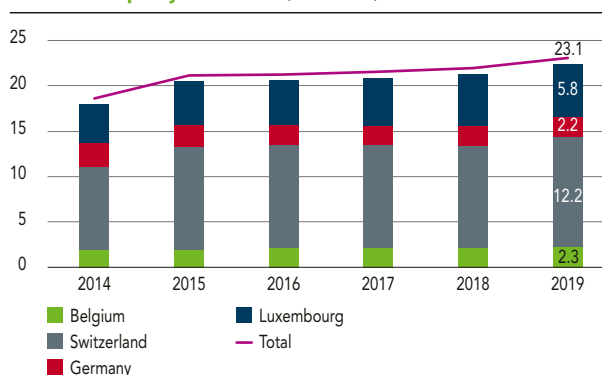
1. France: the number one recipient of cross-border employee income in Europe

In the balance of payments, income received in return for residents' contributions to the production processes of non-resident entities are recorded in the current account as primary income receipts. Cross-border income resulting from a resident in one economy working for an employer in another economy, thus falls within this category,¹ which also includes, under investment income, dividends and interest received in return for the provision of capital (loans or share purchases), for example.

This compensation is closely linked to cross-border workers – people who cross into another country on a daily basis or several times a week to go to their place of work. While the two statistical concepts may not have exactly the same scope,² in France's case, they very broadly overlap. The significance of cross-border commuting to the French economy is thus reflected in the compensation of employees in the balance of payments.

Indeed, with EUR 23.1 billion in receipts for France in 2019, compensation of employees accounts for 13.9% of primary income receipts and 2.3% of total current account receipts. Furthermore, with little spending on its remuneration of foreign workers (EUR 1.6 billion), in net terms France is the

C1 French receipts for compensation of employees by main counterparty countries (EUR billions)



Source: Banque de France.

number one recipient of cross-border employee income in Europe. By way of comparison, Germany's net position is relatively balanced as its receipts (EUR 14.7 billion) are offset by its payments (EUR 16.1 billion), while Switzerland shows the greatest deficit at EUR 21.9 billion.

2. Who are France's cross-border workers?

With 450,000 residents – 1.7% of the employed population – commuting across the border in 2019, France has the largest contingent of cross-border workers, ahead of Germany (270,000), Poland (230,000), Romania (150,000) and Italy (130,000).

Although metropolitan France has six land borders, France's cross-border workers mainly commute to Switzerland, which accounted for 49% of commuters in 2015 and 53% of the compensation of employees received in 2019. In the Franche-Comté region of France, which sits on the Swiss border, 11% of the employed population commutes abroad on a daily basis or several times a week. The principal nationality of foreign day workers in the Confederation is thus French.

The majority of French cross-border workers are employed in trade and services (53%) and 25% are employed in industry. However, this breakdown varies depending on the border shared: while French cross-border commuters to Switzerland and Luxembourg mainly work in trade and services (51% in Switzerland and 67% in Luxembourg), industry is the main employment sector in Germany, with 44% of commuters. French cross-border workers are mainly employed in intermediate occupations (47%), less than a third (30%) are employed in manual work, and one in five (20%) are managers or work in “higher intellectual professions”.

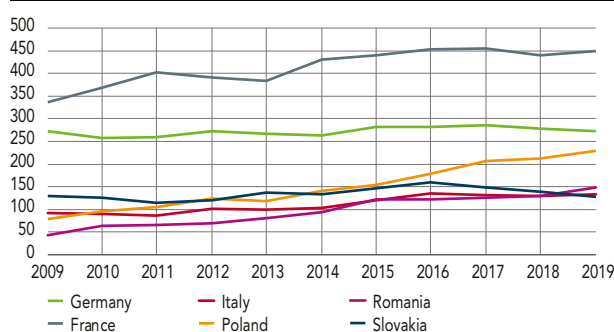
3. The circulation of cross-border workers in Europe varies depending on the borders

In Europe, 2.1 million people, or 1.0% of the employed population, work in another Member State,³ and there are major cross-border catchment areas, such as Benelux, the length of the Rhine or Mitteleuropa. These daily movements across frontiers are a concrete expression of the free movement of workers in the European Union (EU) and help to reinforce a sense of European belonging.⁴

The proportion of cross-border workers depends on the economic disparities between the regions concerned. For example, a higher salary available on the other side of the border tends to raise the share of cross-border commuters in the employed population.⁵ In addition to economic determinants, factors of cultural and legal proximity (a shared language, common membership of the Schengen Area, etc.) can also encourage cross-border labour flows.

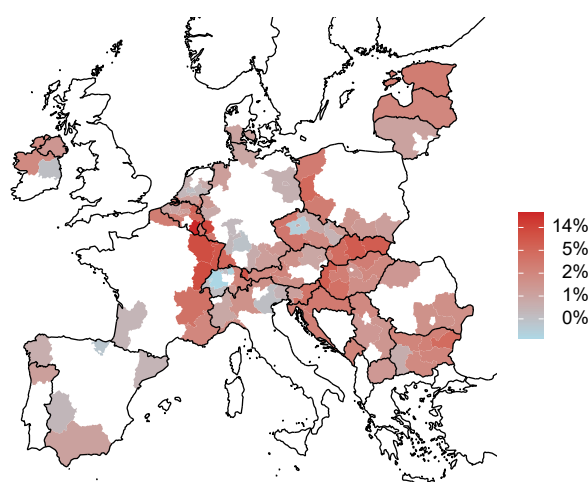
These various elements account for the concentration of cross-border workers at certain internal EU frontiers. For example, 26% of the residents of the Belgian Province of Luxembourg and 7% of the residents of the central Slovakian region of Stredné Slovensko, which shares borders with Poland, Hungary and the Czech Republic, work abroad compared with an average 1% of the EU's employed population in 2019.

C2 The six leading European Union countries in number of cross-border workers (thousands)



Source: Eurostat.

C3 Proportion of cross-border workers in the labour force (%)



Sources: Eurostat (NUTS2) and Banque de France calculations.

Note: A deeper shade of red indicates a higher proportion of cross-border workers in the employed population of that region. Regions in white correspond either to regions with no cross-border labour or to regions for which no data is available.

1 Articles 11.10 et seq. of the sixth edition of the *Balance of Payments and International Investment Position Manual* published by the International Monetary Fund (IMF).

2 For example, the earnings of self-employed cross-border workers are not included in compensation of employees in the balance of payments (rather, typically, in exports of services), while the earnings from seasonal employment abroad are, even though they do not constitute cross-border work.

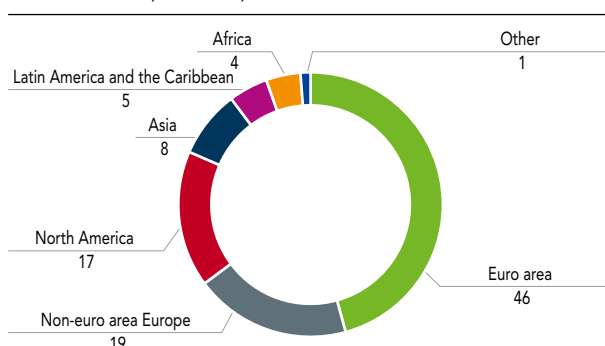
3 Eurostat, EU 28.

4 Communication from the Commission to the Council and the European Parliament, Boosting growth and cohesion in EU border regions, 2017.

5 For further details on the findings of the underlying economic study, see Pierre Bui Quang and Florian Le Gallo, “Vivre en France et travailler au-delà des frontières: quelques perspectives sur les travailleurs frontaliers en France et dans l'UE”, *Annales des Mines – Réalités industrielles*, 2020/3 (August 2020).

STOCKS OF FOREIGN DIRECT INVESTMENT AT END-2019

C1 Stocks of French FDI abroad by destination region at end-2019 (as % of total)



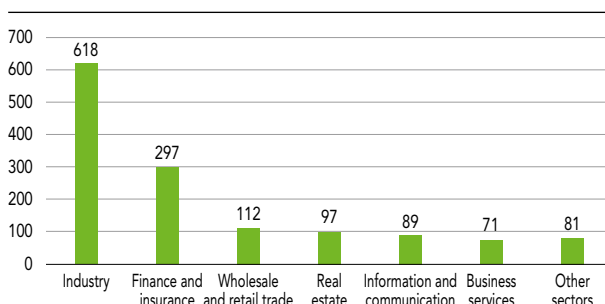
Source: Banque de France.

1. Almost two-thirds of French investments are located in Europe

The stock of French foreign direct investment (FDI) abroad was estimated at more than EUR 1,360 billion at the end of 2019 and had increased by 75% over ten years. It is mainly composed of equity investments (94%), of which the majority is in company share capital, but also includes real estate assets. Under the extended directional principle,¹ loans-deposits account for only a small part of FDI stocks.

At the end of 2019, almost half of French residents' investments were located in the euro area (EUR 620 billion), while a further 20%, approximately, of French FDI stocks were located in non-euro area Europe (see Chart 1). Almost two-thirds of French FDI abroad are thus located in Europe. The third major destination region for French investments is North America, with around EUR 230 billion (17% of total FDI), almost all of which is in the United States.

C2 Stocks of French FDI abroad by investor sector at end-2019 (EUR billion)



Source: Banque de France.

Notes: Industry incorporates the following sectors from the French classification of activities (NAF rév.2) – mining and quarrying (B), manufacturing (C), electricity, gas, steam and air conditioning supply (D), water supply, sewerage, waste management and remediation (E). Business services cover professional, scientific and technical activities (M) and administrative and support service activities (N).

2. A little less than half of French investment abroad is in industry

Industry, with almost EUR 620 billion at the end of 2019, accounts for 45% of total investment abroad (see Chart 2). The manufacturing sector alone represents EUR 420 billion (30% of total investment). Companies in the financial and insurance sector² have FDI holdings abroad of almost EUR 300 billion (22% of total investment). The two largest investor sectors alone therefore account for around two-thirds of French FDI abroad. Companies in the wholesale and retail trade, real estate and information and communication sectors also have substantial holdings of stocks of FDI abroad.

3. The United States accounts for almost 20% of foreign direct investment in France

The stock of foreign direct investment in France was estimated at more than EUR 770 billion at the end of 2019 and had increased by over 70% in ten years. According to the “ultimate investor” presentation, the United States is the leading investor country in France.

In order to supplement the traditional by-country immediate counterparty measure,³ the Banque de France identifies the “ultimate investor”⁴ country in France. Contrary to a breakdown by immediate counterparty country of residence, the ultimate investor approach allocates each component of FDI stock to the firm initiating the transaction, rather than to a fund transit country. This supplementary approach, which relies on insight into the financial relationships between companies, thus provides a more accurate analysis of the precise geographical origin of the funds invested in resident enterprises. As the information required was not yet available for 2019, it has been calculated up to 2018.

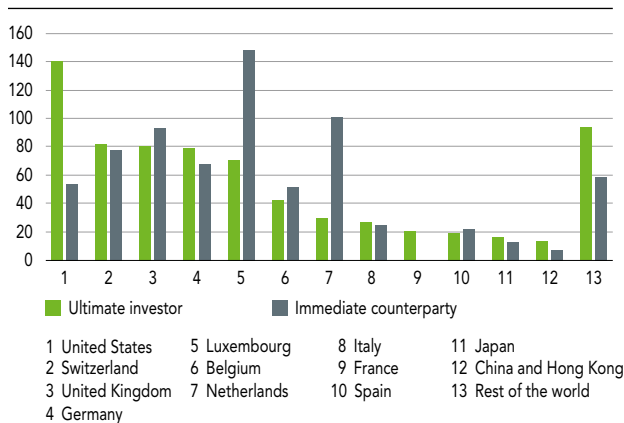
In France’s case, the ultimate investor approach notably shows that Luxembourg and the Netherlands are transit countries for many direct investment operations: although they are the leading investor countries according to the immediate investor approach, they rank fifth and seventh, respectively, in terms of ultimate investors. By applying the ultimate investor approach, the United States emerges as the leading investor country in France, with more than EUR 140 billion at the end of 2018, or almost 20% of total stocks (see Chart 3). Investments originating from Switzerland, the United Kingdom and Germany each amount to approximately EUR 80 billion (a little more than 10% of total stocks). Therefore, based on a reclassification by ultimate investor, more than half of FDI in France is held by residents of four countries. Lastly, it becomes apparent that, ultimately, French groups hold a significant proportion of stocks of FDI in France (the “circular investment” phenomenon).

4. Industry receives almost 30% of non-resident investment

Industry, as noted above, is the leading investor sector abroad, and is also the main recipient of FDI in France: at the end of 2019, non-residents had EUR 245 billion invested in industry (more than 30% of total non-resident investment – see Chart 4). Real estate was the second destination sector for inward FDI, with almost EUR 170 billion (22% of total), with stocks mainly corresponding to direct holdings

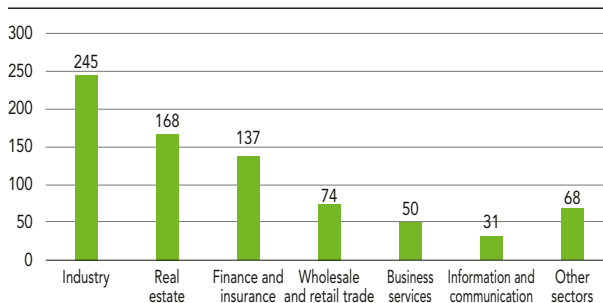
of real estate assets by non-residents, but also covering holdings of investments in resident real estate sector firms. Lastly, a significant amount of foreign investment is also channelled into finance and insurance activities, which accounted for EUR 137 billion, or 18% of total.

C3 Stocks of FDI in France by country of origin at end-2018
(EUR billion)



Source: Banque de France.

C4 Stocks of FDI in France by invested sector at end-2019
(EUR billion)



Source: Banque de France.

Notes: Industry incorporates the following sectors from the French classification of activities (NAF rév.2) – mining and quarrying (B), manufacturing (C), electricity, gas, steam and air conditioning supply (D), water supply, sewerage, waste management and remediation (E). Business services cover professional, scientific and technical activities (M) and administrative and support service activities (N).

1 Under the extended directional principle, lending between companies 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, considered to be the initiator of the transaction. This neutralises the effect of outstanding amounts of inter-company lending and borrowing within multinational groups. The Banque de France therefore favours this presentation, which assists in the economic interpretation of FDI data.

2 By default, this sector includes holding companies, which play the role of intermediary for groups that have very different operational activities (industry, trade or services). As far as possible, the holding companies are reclassified to the operational activity of their groups.

3 In order to ensure international consistency, this remains the presentation standard for the balance of payments.

4 Conversely, the geographical breakdown of French FDI abroad by ultimate destination country is not currently available.

2018 AND 2019 BALANCE OF PAYMENTS – DETAILED PRESENTATION

Balance of payments – 2018 (EUR millions)

		Receipts	Payments	Balance
1.	CURRENT ACCOUNT	988,795	1,002,008	-13,213
1.1.	Goods	522,466	570,518	-48,053
1.1.1.	General merchandise	507,101	570,518	-63,418
1.1.2.	Merchanting	15,365		15,365
1.2.	Services	256,462	231,676	24,786
1.2.1.	Manufacturing services on physical inputs owned by others	10,738	8,640	2,097
1.2.2.	Maintenance and repair services n.i.e.	8,674	7,979	694
1.2.3.	Transport services	39,261	46,153	-6,892
	Sea transport	13,956	10,421	3,535
	Air transport	9,966	13,404	-3,438
	Other transport	15,338	22,328	-6,990
1.2.4.	Travel	55,911	41,397	14,514
1.2.5.	Construction services	1,928	1,420	509
1.2.6.	Insurance and pension services	8,071	9,332	-1,261
1.2.7.	Financial services	12,354	6,185	6,169
	Explicitly charged and other financial services	7,695	5,470	2,225
	Financial intermediation services indirectly measured (FISIM)	4,659	715	3,944
1.2.8.	Charges for the use of intellectual property n.i.e.	14,987	12,137	2,849
1.2.9.	Telecommunications, computer and information services	18,705	21,050	-2,345
1.2.10.	Other business services	80,562	73,003	7,559
	Research and development services	11,769	13,939	-2,169
	Professional and management consulting services	25,320	21,841	3,479
	Technical, trade-related and other business services	43,473	37,223	6,250
1.2.11.	Personal, cultural and recreational services	4,766	4,373	392
1.2.12.	General government services n.i.e.	506	5	501
1.3.	Primary income	180,042	123,291	56,751
1.3.1.	Compensation of employees	21,891	1,502	20,389
1.3.2.	Investment income	150,154	117,147	33,007
	Direct investment	80,082	31,782	48,300
	Portfolio investment	47,474	63,268	-15,794
	Other investment	21,622	22,096	-475
	Reserve assets	977	0	977
1.3.3.	Other primary income	7,997	4,643	3,355
1.4.	Secondary income	29,824	76,522	-46,698
1.4.1.	General government	7,334	35,872	-28,538
1.4.2.	Other sectors	22,490	40,650	-18,160
	Miscellaneous current transfers	5,206	20,922	-15,717
	Workers' remittances	870	11,263	-10,393
2.	CAPITAL ACCOUNT	2,503	414	2,089
2.1.	Acquisitions and disposals of non-produced, non-financial assets	30	10	20
2.2.	Capital transfers	2,473	404	2,069

Balance of payments – 2018 (continued) (EUR millions)

	Assets	Liabilities	Net
3. FINANCIAL ACCOUNT	333,121	356,441	-23,319
3.1. Direct investment	89,449	32,334	57,115
3.1.1. Equity capital	78,290	28,788	49,503
3.1.2. Reinvested earnings	24,621	7,337	17,284
3.1.3. Other transactions (intercompany lending)	-13,462	-3,790	-9,672
3.2. Portfolio investment	29,034	19,640	9,394
3.2.1. Equity securities and investment fund shares/units	-21,479	-22,680	1,201
<i>Banque de France</i>	163		163
<i>General government</i>	791		791
<i>Monetary financial institutions</i>	-15,248	11,121	-26,369
<i>Other sectors</i>	-7,185	-33,801	26,616
3.2.2. Long-term debt securities	41,319	81,370	-40,051
<i>Banque de France</i>	-4,882	0	-4,882
<i>General government</i>	1,136	22,080	-20,944
<i>Monetary financial institutions</i>	30,127	42,401	-12,273
<i>Other sectors</i>	14,938	16,889	-1,952
3.2.3. Short-term debt securities	9,194	-39,050	48,244
<i>Banque de France</i>	3,434	0	3,434
<i>General government</i>	267	-30,646	30,913
<i>Monetary financial institutions</i>	-1,929	-8,741	6,812
<i>Other sectors</i>	7,422	337	7,085
3.3. Financial derivatives	73,642	99,499	-25,856
<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
3.4. Other investment	130,601	204,968	-74,367
3.4.1. Other equity	-833	0	-833
<i>Banque de France</i>	0	0	0
<i>General government</i>	-833	0	-833
3.4.2. Currency and deposits	114,783	163,241	-278,024
<i>Banque de France</i>	-27,914	-10,068	-17,846
<i>General government</i>	2	1,560	-1,558
<i>Monetary financial institutions</i>	-94,736	171,749	-266,485
<i>Other sectors</i>	7,865	0	7,865
3.4.3. Loans	237,164	21,684	215,479
<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	17,749	-12,395
3.4.4. Trade credits and advances	1,594	4,594	-3,001
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	-60	101
3.5. Reserve assets	10,396	0	10,396
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
4. NET ERRORS AND OMISSIONS			-12,195

Source: Banque de France.

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

n.i.e.: not included elsewhere.

Balance of payments – 2019 (EUR millions)

		Receipts	Payments	Balance
1.	CURRENT ACCOUNT	1,012,086	1,028,265	-16,179
1.1.	Goods	533,382	580,195	-46,813
1.1.1.	General merchandise	522,555	580,195	-57,639
1.1.2.	Merchanting	10,826		10,826
1.2.	Services	262,732	241,141	21,591
1.2.1.	Manufacturing services on physical inputs owned by others	10,230	9,463	767
1.2.2.	Maintenance and repair services n.i.e.	9,231	8,572	659
1.2.3.	Transport services	41,783	46,818	-5,034
	Sea transport	14,996	10,844	4,152
	Air transport	10,440	13,257	-2,818
	Other transport	16,348	22,717	-6,369
1.2.4.	Travel	56,991	46,144	10,847
1.2.5.	Construction services	2,465	1,402	1,062
1.2.6.	Insurance and pension services	8,710	9,422	-712
1.2.7.	Financial services	13,436	6,559	6,877
	Explicitly charged and other financial services	8,333	5,828	2,505
	Financial intermediation services indirectly measured (FISIM)	5,103	731	4,372
1.2.8.	Charges for the use of intellectual property n.i.e.	14,254	11,592	2,662
1.2.9.	Telecommunications, computer and information services	18,047	21,385	-3,338
1.2.10.	Other business services	82,236	75,028	7,208
	Research and development services	12,027	13,804	-1,777
	Professional and management consulting services	26,159	22,741	3,418
	Technical, trade-related and other business services	44,050	38,483	5,567
1.2.11.	Personal, cultural and recreational services	4,855	4,745	110
1.2.12.	General government services n.i.e.	494	10	484
1.3.	Primary income	185,068	131,103	53,965
1.3.1.	Compensation of employees	23,094	1,581	21,513
1.3.2.	Investment income	153,988	124,786	29,201
	Direct investment	80,078	32,613	47,465
	Portfolio investment	47,832	63,930	-16,098
	Other investment	24,836	28,243	-3,408
	Reserve assets	1,242	0	1,242
1.3.3.	Other primary income	7,987	4,737	3,250
1.4.	Secondary income	30,903	75,826	-44,923
1.4.1.	General government	8,205	36,246	-28,041
1.4.2.	Other sectors	22,698	39,580	-16,881
	Miscellaneous current transfers	5,152	18,672	-13,519
	Workers' remittances	879	11,896	-11,017
2.	CAPITAL ACCOUNT	2,698	768	1,930
2.1.	Acquisitions and disposals of non-produced, non-financial assets	256	1	255
2.2.	Capital transfers	2,442	767	1,675

Balance of payments – 2019 (continued) (EUR millions)

		Assets	Liabilities	Net
3.	FINANCIAL ACCOUNT	444,841	473,658	-28,817
3.1.	Direct investment	34,537	30,340	4,197
3.1.1.	Equity capital	27,178	24,652	2,526
3.1.2.	Reinvested earnings	17,039	4,493	12,546
3.1.3.	Other transactions (intercompany lending)	-9,680	1,195	-10,874
3.2.	Portfolio investment	53,245	146,228	-92,984
3.2.1.	Equity securities and investment fund shares/units	-1,528	-4,482	2,954
	<i>Banque de France</i>	-134		-134
	<i>General government</i>	-1,898		-1,898
	<i>Monetary financial institutions</i>	33,235	6,354	26,881
	<i>Other sectors</i>	-32,731	-10,836	-21,895
3.2.2.	Long-term debt securities	64,876	144,912	-80,037
	<i>Banque de France</i>	-3,783	0	-3,783
	<i>General government</i>	51	68,206	-68,155
	<i>Monetary financial institutions</i>	19,008	45,091	-26,083
	<i>Other sectors</i>	49,600	31,615	17,985
3.2.3.	Short-term debt securities	-10,102	5,799	-15,901
	<i>Banque de France</i>	-3,980	0	-3,980
	<i>General government</i>	24	-2,209	2,234
	<i>Monetary financial institutions</i>	-1,589	7,576	-9,166
	<i>Other sectors</i>	-4,558	432	-4,989
3.3.	Financial derivatives	137,605	133,915	3,690
	<i>Banque de France</i>	0	0	0
	<i>General government</i>	0	0	0
	<i>Monetary financial institutions</i>	102,617	87,273	15,344
	<i>Other sectors</i>	34,988	46,642	-11,654
3.4.	Other investment	216,612	163,175	53,437
3.4.1.	Other equity	85	0	85
	<i>Banque de France</i>	88	0	88
	<i>General government</i>	-3	0	-3
3.4.2.	Currency and deposits	179,080	171,171	7,909
	<i>Banque de France</i>	45,556	-220	45,776
	<i>General government</i>	0	4,218	-4,218
	<i>Monetary financial institutions</i>	76,328	167,173	-90,845
	<i>Other sectors</i>	57,196	0	57,196
3.4.3.	Loans	32,015	-4,801	36,816
	<i>Banque de France</i>	2,678	2,867	-190
	<i>General government</i>	-503	672	-1,175
	<i>Monetary financial institutions</i>	36,931	0	36,931
	<i>Other sectors</i>	-7,091	-8,340	1,250
3.4.4.	Trade credits and advances	1,167	-3,945	5,112
3.4.5.	Other accounts payable/receivable	4,237	409	3,827
	<i>Monetary financial institutions</i>	4,358	522	3,836
	<i>Other sectors</i>	-121	-113	-9
3.4.6.	Special drawing rights		0	0
3.4.7.	Insurance technical reserves	28	340	-313
3.5.	Reserve assets	2,842	0	2,842
	Gold	-1	0	-1
	Special drawing rights	251	0	251
	Reserve position in the IMF	430	0	430
	Other reserve assets	2,163	0	2,163
4.	NET ERRORS AND OMISSIONS			-14,568

Source : Banque de France.

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

n.i.e.: not included elsewhere

APPENDICES

A1

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 subject to specific treatment through the use of a double accounting entry. 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 therefore 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 reported in company 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 the 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, capital outflows are transactions that involve an increase in assets (acquisitions of foreign assets by residents) or a reduction in liabilities. Conversely, capital inflows are transactions that involve a reduction in assets (sale of foreign assets by residents) or an increase in liabilities (acquisitions of resident assets by non-residents). A positive balance 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. The counterparty is that 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 (ERDF¹ and EAFRD²).

■ CIF-FOB ADJUSTMENT

The CIF-FOB adjustment corresponds to the value of transportation and insurance services included in CIF (cost, insurance and freight) payments for merchandise that are subtracted from the good item and transferred to the relevant service components.

■ 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.

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**

"Errors and omissions" is a balancing item that exists because, as distinct from 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 opposite, 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.

■ **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 companies 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. Their assets are, however, subtracted to calculate net external debt, which is the net position in debt instruments.

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 services provided by financial intermediaries without charging customers. Financial intermediaries pay themselves for these services through an interest rate margin on customer deposits and loans.

■ **FLOW-STOCK RECONCILIATION**

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;
- other changes, including reclassification of items, changes in methodology and statistical discrepancies between two reporting dates.

■ **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, as well as 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*.

¹ European Regional Development Fund.

² European Agricultural Fund for Rural Development.

■ GOODS PROCURED IN PORTS BY CARRIERS

This item covers purchases of goods, such as fuel, stores and provisions in ports and airports by resident carriers abroad 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

■ 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 under "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 based on 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 within services (it was previously classified within goods in accordance with the fifth edition of the *Balance of Payments and International Investment Position 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.

■ MERCHANTING

Merchanting 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 whose business 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. Payment institutions are not part of this sector, however.

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 other than the central bank, general government or monetary financial institutions. This category covers other financial corporations (insurance companies, investment companies and 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”), in the provision of financial assets (“investment income”) or in the leasing 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 reserve position in the IMF.

■ RESIDENCE

Residents are:

- natural persons whose central predominant economic interest is 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 natural persons who habitually live abroad (i.e. who have their actual place of residence there), with the exception of French diplomatic missions and French civil servants posted abroad;
- foreign and French legal entities, for their establishments abroad, when there is a real economic activity carried out abroad by autonomous production units, regardless of their legal form.

■ 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».

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 other 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 as distinct from the notion of “residual maturity”.

■ SIGN CONVENTIONS

By protocol, 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 in 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 airfare for tourists travelling between their home countries and France, are recorded under “transport services” rather than “travel”. However, 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 related to international travel are recorded under “transport services” rather than “travel”. However, domestic transport used in France by non-residents and domestic transport used abroad by residents are recorded under “travel”.

W

■ WORKERS’ REMITTANCES

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

A2

DEFINITION OF GEOGRAPHICAL ZONES

EUROPEAN UNION MEMBER COUNTRIES (AT 1 JANUARY 2020)

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

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

As of 1 January 2020, 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 (STANDARD LIST COMPILED BY EUROSTAT)

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

A3

BALANCE OF PAYMENTS – REVISIONS OF 2017 AND 2018 DATA

With the publication of the *Annual Report*, certain data from previous years are updated, with most of the revisions concerning 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 increased by EUR 1.2 billion to EUR 17.6 billion for 2017, and was reduced by EUR 1.9 billion to EUR 13.2 billion for 2018.

The widening of the current account deficit **for 2017** is mainly due to a EUR 4.5 billion downward adjustment to the balance of **investment income**, including reductions of EUR 2.1 billion and EUR 1.6 billion in **direct investment income** and **other investment income**, respectively. The balance of trade in **goods** was also revised downwards slightly by EUR 1.0 billion. However, the balance of trade in **services** was adjusted upwards by EUR 4.3 billion, of which EUR 2.5 billion was attributable to financial services.

For 2018, upward revisions concerned trade in both **goods** (up EUR 1.2 billion) and **services** (up EUR 1.0 billion). The improvement in trade in **goods** stemmed from a EUR 3.0 billion downward revision to general merchandise (largely due to the incorporation of changes in customs data), offset by a EUR 4.2 billion increase in the merchanting surplus. Within trade in **services**, the most significant revision again arose in financial services (up EUR 2.7 billion), while the largest downward adjustment was recorded in transport services (down EUR 2.3 billion). The balance of **primary income** was revised downwards by EUR 1.3 billion, with an upward adjustment to **direct investment income** of EUR 5.1 billion offset by reductions in **other investment income** (down EUR 3.6 billion) and **other primary income** (down EUR 2.4 billion).

MAIN REVISIONS TO THE FINANCIAL ACCOUNT

The **financial account** balance was revised downwards for 2017 by EUR 1.0 billion to a net inflow of EUR 32.0 billion, and was revised upwards for 2018 by EUR 4.0 billion to a net inflow of EUR 23.3 billion.

For 2017, the balance of **other investment** was adjusted downwards by EUR 3.9 billion while **portfolio investment** was adjusted upwards by EUR 3.2 billion. **Direct investment** remained largely unchanged, down by EUR 0.3 billion.

For 2018, **portfolio investment** was revised upwards by EUR 14.4 billion as a result of revisions to assets (up EUR 9.9 billion) and liabilities (down EUR 4.6 billion). **Direct investment** was also adjusted upwards by EUR 1.9 billion. **Other investment**, however, fell by EUR 12.4 billion, largely due to a EUR 11.1 billion downward revision to assets.

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 2017 and 2018 balance of payments data

Net amounts of the principal balance of payments components (EUR billions)

	2017			2018		
	Annual Report 2018	Annual Report 2019	Revisions	Annual Report 2018	Annual Report 2019	Revisions
Current account	-16.4	-17.6	-1.2	-15.1	-13.2	1.9
Goods	-45.2	-46.1	-1.0	-49.3	-48.1	1.2
Services	20.2	24.5	4.3	23.8	24.8	1.0
<i>Transport services</i>	-2.9	-2.9	0.0	-4.6	-6.9	-2.3
<i>Travel</i>	14.2	13.2	-1.1	14.9	14.5	-0.4
Primary income	52.3	47.5	-4.8	58.0	56.8	-1.3
<i>Compensation of employees</i>	20.5	20.1	-0.3	20.5	20.4	-0.1
<i>Investment income</i>	27.7	23.1	-4.5	31.7	33.0	1.3
Direct investment	38.3	36.2	-2.1	43.2	48.3	5.1
Portfolio investment	-12.5	-13.4	-0.9	-15.6	-15.8	-0.2
Other investment	1.3	-0.3	-1.6	3.1	-0.5	-3.6
Reserve assets	0.6	0.6	0.0	1.0	1.0	0.0
<i>Other primary income</i>	4.2	4.2	0.0	5.8	3.4	-2.4
Secondary income	-43.7	-43.4	0.3	-47.7	-46.7	1.0
Capital account	0.3	0.2	-0.1	2.1	2.1	0.0
Financial account	-31.0	-32.0	-1.0	-27.3	-23.3	4.0
Direct investment	10.2	9.9	-0.3	55.2	57.1	1.9
Abroad	36.6	31.9	-4.8	86.8	89.5	2.7
<i>of which: equity capital</i>	23.3	13.7	-9.6	85.6	78.3	-7.3
<i>reinvested earnings</i>	12.7	19.3	6.6	13.5	24.6	11.1
<i>other transactions (intercompany lending)</i>	0.7	-1.1	-1.7	-12.3	-13.5	-1.2
In France	26.5	22.0	-4.5	31.6	32.3	0.7
<i>of which: equity capital</i>	22.0	22.0	0.0	30.2	28.8	-1.4
<i>reinvested earnings</i>	9.1	6.8	-2.3	6.6	7.3	0.7
<i>other transactions (intercompany lending)</i>	-4.6	-6.8	-2.1	-5.2	-3.8	1.4
Portfolio investment	23.6	26.8	3.2	-5.0	9.4	14.4
Assets (residents' transactions in securities issued by non-residents)	53.6	55.4	1.9	19.2	29.0	9.9
Equity securities and investment fund shares/units	51.4	56.0	4.6	-28.4	-21.5	6.9
Long-term debt securities	-19.1	-23.9	-4.9	43.3	41.3	-2.0
Short-term debt securities	21.3	23.4	2.1	4.3	9.2	4.9
Liabilities (non-residents' transactions in securities issued by residents)	30.0	28.6	-1.4	24.2	19.6	-4.6
Equity securities and investment fund shares/units	28.6	24.6	-4.0	-17.8	-22.7	-4.9
Long-term debt securities	-4.5	-2.2	2.3	83.0	81.4	-1.6
Short-term debt securities	5.9	6.2	0.3	-41.0	-39.1	2.0
Financial derivatives	-1.2	-1.2	0.0	-25.9	-25.9	0.0
Other investment	-60.5	-64.4	-3.9	-62.0	-74.4	-12.4
Assets	131.1	145.0	14.0	141.7	130.6	-11.1
<i>of which: monetary financial institutions</i>	93.5	93.5	0.0	140.0	140.0	0.0
Liabilities	191.6	209.5	17.9	203.7	205.0	1.3
<i>of which: monetary financial institutions</i>	107.1	107.1	0.0	187.0	187.0	0.0
Reserve assets	-3.0	-3.0	0.0	10.4	10.4	0.0
Net errors and omissions	-14.9	-14.6	0.3	-14.3	-12.2	2.1

Source: Banque de France.

Note: Direct investment is recorded in accordance with the extended directional principle. The sign convention used is that from the sixth edition of the *Balance of Payments and International Investment Position Manual*.

A4

INTERNATIONAL INVESTMENT POSITION – REVISIONS OF 2017 AND 2018 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, that allows including corrections and data that were not previously available, and relate to the two years 2017 and 2018, as for revisions to the balance of payments.

France's net international investment position was adjusted downwards by EUR 71.2 billion and EUR 59.7 billion for 2017 and 2018, respectively. **Portfolio investment** assets in particular were heavily revised, resulting

in a deterioration of the balance of 45.1 billion in 2017 and 39.8 billion in 2018. These revisions are due to the integration of new information in 2019, which is extrapolated back over the previous two years at the time of the preparation of this *Annual Report*. The **net direct investment** positions for 2017 and 2018 were adjusted downwards by EUR 22.5 billion and EUR 3.8 billion, respectively, mainly as a result of the inclusion of data from companies' annual financial statements or from the findings of specific surveys of resident enterprises on their assets and liabilities vis-à-vis non-residents. The **loan-deposit** net position was also revised downwards by EUR 3.7 billion in 2017 and EUR 16.1 billion in 2018.

Revisions of 2017 and 2018 international investment position data

Principle components of the international investment position (EUR billions)

	2017 ^{a)}			2018 ^{a)}		
	Annual Report 2018	Annual Report 2019	Revisions	Annual Report 2018	Annual Report 2019	Revisions
Direct investment at mixed value	540.4	517.9	-22.5	596.4	592.6	-3.8
Abroad ^{a)}	1,222.9	1,201.0	-21.8	1,317.0	1,309.3	-7.7
In France ^{a)}	682.5	683.2	0.7	720.5	716.7	-3.9
Portfolio investment	-718.8	-763.9	-45.1	-717.3	-757.1	-39.8
Foreign securities	2,455.1	2,410.4	-44.7	2,378.2	2,334.7	-43.5
Equity securities and investment fund shares/units	816.3	795.7	-20.6	707.9	689.9	-18.0
Long-term debt securities	1,440.8	1,419.2	-21.6	1,463.4	1,435.6	-27.7
Short-term debt securities	198.1	195.5	-2.6	207.0	209.2	2.2
Domestic securities	3,173.9	3,174.3	0.3	3,095.5	3,091.8	-3.7
Equity securities and investment fund shares/units	918.5	914.1	-4.3	814.8	806.1	-8.7
Long-term debt securities	2,033.5	2,037.4	4.0	2,072.3	2,074.6	2.3
Short-term debt securities	222.0	222.7	0.7	208.4	211.1	2.7
Financial derivatives	-69.2	-69.2	0.0	-72.6	-72.6	0.0
Loan-deposit position (excluding reserve assets)	-263.6	-267.3	-3.7	-337.1	-353.2	-16.1
Trade credits and advances	-35.4	-35.4	-0.1	-41.7	-40.0	1.7
Other Banque de France investment	-156.1	-156.1	0.0	-173.2	-173.2	0.0
Other general government investment	39.0	39.0	0.0	36.1	35.3	-0.8
MFIs' loan-deposit position	-98.6	-98.6	0.0	-171.3	-171.3	0.0
Loan-deposit position of other sectors ^{b)}	-0.4	-4.1	-3.6	25.3	8.4	-16.9
Special drawing rights	-12.0	-12.0	0.0	-12.3	-12.3	0.0
Reserve assets	130.4	130.4	0.0	145.6	145.6	0.0
Balance with direct investment at mixed value	-380.9	-452.1	-71.2	-385.0	-444.6	-59.7

Source: Banque de France.

a) Presented in accordance with 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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The website also provides supplementary statistical tables.

0. THE FRENCH BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION

0.1 Balance of Payments (EUR billions)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Balance of Payments	-10.7	-12.5	-17.7	-20.2	-10.8	-20.6	-8.1	-10.9	-17.6	-13.2	-16.2
Total goods and services	-18.0	-27.5	-37.1	-23.2	-12.9	-17.2	-8.8	-12.0	-21.7	-23.3	-25.2
Goods	-36.7	-48.2	-64.9	-54.5	-43.0	-42.7	-28.9	-32.3	-46.1	-48.1	-46.8
Receipts	337.8	383.1	422.1	436.4	438.5	437.2	470.6	471.1	495.2	522.5	533.4
Payments	374.4	431.3	487.0	490.9	481.5	479.9	499.4	503.4	541.4	570.5	580.2
Services	18.6	20.7	27.8	31.3	30.1	25.5	20.1	20.2	24.4	24.8	21.6
Receipts	144.9	157.6	175.3	190.0	201.9	215.9	230.5	234.1	242.9	256.5	262.7
Payments	126.2	136.8	147.5	158.7	171.8	190.4	210.4	213.9	218.5	231.7	241.1
Travel	17.0	14.0	14.6	20.8	21.3	17.3	17.0	13.4	13.1	14.5	10.8
Receipts	43.5	43.0	47.6	51.9	53.1	54.0	52.6	49.8	52.1	55.9	57.0
Payments	26.5	29.0	33.0	31.1	31.8	36.7	35.6	36.5	38.9	41.4	46.1
Transport services	-1.0	-0.8	-2.8	-2.2	-3.5	-3.0	-2.8	-4.9	-2.9	-6.9	-5.0
Receipts	24.9	29.3	31.7	33.3	34.6	36.1	37.7	36.4	40.7	39.3	41.8
Payments	25.9	30.1	34.4	35.5	38.1	39.1	40.6	41.3	43.6	46.2	46.8
Other services	2.7	7.5	15.9	12.7	12.3	11.1	6.0	11.7	14.2	17.2	15.8
Receipts	76.5	85.3	96.0	104.8	114.3	125.8	140.1	147.9	150.1	161.3	164.0
Payments	73.8	77.8	80.1	92.1	101.9	114.6	134.2	136.2	135.9	144.1	148.2
Primary income	43.9	51.2	56.7	45.1	47.1	45.0	45.7	48.5	47.5	56.8	54.0
Compensation of employees	12.3	13.1	14.8	16.1	16.8	17.5	19.7	19.9	20.1	20.4	21.5
Investment income	24.3	31.1	35.0	22.3	23.9	21.3	19.7	23.9	23.1	33.0	29.2
Direct investment income	26.3	36.2	40.5	37.6	39.0	40.5	39.1	36.1	36.2	48.3	47.5
Portfolio investment income	1.4	-3.6	-6.0	-16.0	-15.7	-19.7	-18.7	-12.5	-13.4	-15.8	-16.1
Other investment income	-3.9	-2.0	-0.1	0.3	0.2	0.1	-1.3	-0.2	-0.3	-0.5	-3.4
Reserve asset income	0.4	0.5	0.6	0.4	0.5	0.5	0.6	0.5	0.6	1.0	1.2
Other primary income	7.3	7.0	6.9	6.8	6.4	6.2	6.3	4.7	4.2	3.4	3.3
Secondary income	-36.6	-36.3	-37.2	-42.1	-45.0	-48.4	-45.0	-47.3	-43.4	-46.7	-44.9
Receipts	13.2	14.4	15.8	15.4	14.7	23.0	26.7	25.5	27.3	29.8	30.9
Payments	49.7	50.7	53.0	57.6	59.7	71.4	71.7	72.7	70.7	76.5	75.8
Capital account	0.3	0.1	-0.2	-3.4	0.1	-1.2	-1.0	1.1	0.2	2.1	1.9
Receipts	1.1	1.2	1.1	1.1	1.3	1.1	2.2	2.4	1.3	2.5	2.7
Payments	0.7	1.1	1.3	4.5	1.2	2.3	3.2	1.3	1.1	0.4	0.8
Financial account	-39.2	-1.2	-56.5	-37.3	-14.5	-7.8	-0.7	-16.8	-32.0	-23.3	-28.8
Assets	110.9	193.5	-28.9	-144.4	-162.2	204.4	176.0	250.6	235.8	333.1	444.8
Liabilities	150.2	194.7	27.6	-107.1	-147.8	212.2	176.7	267.4	267.8	356.4	473.7
Direct investment	50.5	25.9	14.2	15.1	-10.5	35.5	7.1	37.7	9.9	57.1	4.2
Abroad	72.6	36.4	37.0	27.6	15.3	37.5	48.0	58.6	31.9	89.4	34.5
In France	22.1	10.5	22.8	12.5	25.8	2.0	40.9	20.8	22.0	32.3	30.3
Portfolio investment	-236.0	-116.8	-240.9	-39.4	-59.7	-17.9	38.9	0.2	26.8	9.4	-93.0
Assets	78.4	-30.0	-167.7	-18.3	43.6	69.7	43.5	36.4	55.4	29.0	53.2
Liabilities	314.4	86.8	73.2	21.0	103.2	87.7	4.6	36.3	28.6	19.6	146.2
Financial derivatives	-11.1	-3.1	-13.9	-14.3	-16.8	-23.9	13.0	-15.9	-1.2	-25.9	3.7
Assets	-31.9	-13.3	43.4	-108.8	-216.1	12.0	131.5	-18.3	6.5	73.6	137.6
Liabilities	-20.7	-10.2	57.3	-94.5	-199.3	35.9	118.4	-2.4	7.8	99.5	133.9
Other investment	151.4	87.1	189.6	-2.8	73.9	-2.2	-66.9	-41.1	-64.4	-74.4	53.4
Assets	-14.2	194.7	64.0	-48.9	-3.6	84.5	-54.1	171.6	145.0	130.6	216.6
Liabilities	-165.6	107.6	-125.7	-46.2	-77.5	86.6	12.8	212.7	209.4	205.0	163.2
Reserve assets	6.0	5.8	-5.5	4.0	-1.5	0.7	7.2	2.2	-3.0	10.4	2.8
Net errors and omissions	-28.9	11.2	-38.6	-13.8	-3.7	14.0	8.4	-7.1	-14.6	-12.2	-14.6

0.2 International investment position

0.2a International investment position time series from 2009 to 2019 at mixed value (EUR billions)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Direct investment at mixed value	328.0	405.8	424.4	448.7	409.0	489.4	533.5	559.7	517.9	592.6	591.2
Abroad	777.8	877.9	964.5	964.4	961.1	1,066.0	1,164.9	1,218.9	1,201.0	1,309.3	1,364.4
In France	449.8	472.0	540.1	515.7	552.1	576.6	631.4	659.2	683.2	716.7	773.3
Portfolio investment	-219.2	-320.8	-546.6	-648.3	-717.3	-785.3	-743.7	-736.5	-763.9	-757.1	-942.7
Foreign securities	2,070.8	2,100.1	1,865.6	1,990.9	2,083.2	2,267.4	2,341.8	2,392.8	2,410.4	2,334.7	2,546.0
Equity securities and investment fund shares/units	448.4	498.3	401.4	494.7	589.0	634.8	687.1	715.1	795.7	689.9	807.2
Long-term debt securities	1,369.9	1,362.9	1,256.7	1,271.8	1,306.4	1,435.4	1,472.4	1,496.0	1,419.2	1,435.6	1,545.8
Short-term debt securities	252.4	239.0	207.5	224.5	187.8	197.2	182.3	181.7	195.5	209.2	193.0
Domestic securities	2,290.0	2,420.9	2,412.2	2,639.3	2,800.5	3,052.7	3,085.5	3,129.3	3,174.3	3,091.8	3,488.7
Equity securities and investment fund shares/units	573.2	579.3	500.6	614.7	731.8	743.1	783.9	823.3	914.1	806.1	956.2
Long-term debt securities	1,467.6	1,595.5	1,671.9	1,821.6	1,836.2	2,067.4	2,082.8	2,087.5	2,037.4	2,074.6	2,314.7
Short-term debt securities	249.2	246.2	239.7	203.0	232.6	242.2	218.7	218.5	222.7	211.1	217.7
Memorandum item: Treasury securities	831.2	886.8	907.0	978.3	1,017.3	1,138.7	1,133.0	1,115.8	1,070.1	1,059.6	1,153.1
Financial derivatives	-71.7	-47.8	-44.5	-45.2	-62.1	-59.6	-35.2	-46.5	-69.2	-72.5	-72.8
Assets	926.6	825.8	1,092.2	1,080.2	809.7	1,043.7	802.8	794.7	608.2	612.8	746.6
Liabilities	998.3	873.6	1,136.6	1,125.4	871.8	1,103.3	838.0	841.1	677.4	685.4	819.4
Other investment (excluding reserve assets)	-416.8	-347.0	-144.8	-162.8	-85.2	-98.3	-165.7	-206.6	-267.3	-353.2	-300.5
Assets	1,388.1	1,617.8	1,710.0	1,610.1	1,575.5	1,712.1	1,741.6	1,824.5	1,896.5	2,060.8	2,299.5
Liabilities	1,804.9	1,964.8	1,854.8	1,773.0	1,660.7	1,810.4	1,907.2	2,031.1	2,163.8	2,414.0	2,600.0
Banque de France	-163.4	-126.9	-208.9	-206.2	-163.1	-171.5	-163.5	-161.3	-168.2	-185.6	-140.9
Other equity	0.0	0.0	0.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.6
Currency and deposits	-70.5	-37.2	-98.7	-75.2	-74.4	-80.1	-68.9	-79.7	-79.0	-96.4	-49.4
Loans	-82.7	-78.9	-99.5	-120.8	-78.9	-80.9	-83.3	-70.1	-78.7	-78.4	-80.7
Special drawing rights	-11.0	-11.8	-12.0	-11.8	-11.3	-12.1	-12.9	-12.9	-12.0	-12.3	-12.5
General government	16.3	20.3	26.1	29.7	42.3	44.7	49.3	50.1	46.4	42.6	37.2
Other equity	16.7	17.7	18.5	24.9	32.9	38.2	41.6	42.4	44.4	44.4	44.8
Currency and deposits	-14.4	-13.7	-14.5	-14.8	-11.5	-12.3	-11.5	-9.3	-12.5	-14.0	-18.3
Loans	5.6	8.8	15.5	13.9	15.7	13.6	10.8	9.5	7.1	4.9	3.7
Trade credits and advances	8.3	7.5	6.6	5.7	5.2	5.2	8.3	7.5	7.4	7.3	7.0
Monetary financial institutions	-202.5	-172.1	82.3	37.1	66.1	44.2	-56.8	-82.8	-98.6	-171.3	-219.2
Currency and deposits	-510.6	-560.9	-298.5	-332.8	-294.5	-353.6	-471.1	-552.7	-592.2	-898.8	-997.0
Loans	307.8	389.2	380.0	370.0	359.2	401.1	414.1	457.7	481.6	723.4	769.9
Other accounts payable/receivable	0.2	-0.4	0.8	-0.1	1.5	-3.4	0.3	12.3	12.0	4.1	7.9
Other sectors^{a)}	-67.1	-68.3	-44.4	-23.4	-30.4	-15.6	5.3	-12.7	-46.9	-38.9	22.3
Currency and deposits	137.3	216.8	225.1	261.2	227.0	250.6	324.6	337.2	352.6	138.6	196.9
Loans	-209.0	-281.6	-258.8	-266.0	-238.5	-238.8	-284.3	-306.9	-347.7	-121.0	-120.2
Trade credits and advances	5.6	-3.4	-10.6	-18.6	-18.8	-26.1	-32.8	-40.8	-42.8	-47.3	-42.5
Other sectors – Other accounts payable/receivable	-1.0	-0.1	0.0	0.1	-0.2	-0.1	-0.2	-0.1	0.3	0.0	0.0
Insurance technical reserves	0.0	0.0	0.0	0.0	0.0	-1.1	-2.1	-2.1	-9.3	-9.2	-11.8
Reserve assets	92.4	124.5	133.1	139.9	105.1	118.2	126.9	139.2	130.4	145.6	168.2
Total assets	5,255.7	5,546.0	5,765.3	5,785.6	5,534.6	6,207.4	6,177.9	6,370.2	6,246.5	6,463.2	7,124.8
Total liabilities	5,543.0	5,731.2	5,943.8	6,053.4	5,885.1	6,543.1	6,462.1	6,660.7	6,698.6	6,907.9	7,681.3
International investment position	-287.3	-185.2	-178.4	-267.8	-350.5	-335.7	-284.2	-290.6	-452.1	-444.6	-556.5

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.

0.2b Foreign assets and liabilities by currency, excluding reserve assets (EUR billions)

	2017			2018			2019		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
Total	3,905	4,818	-913	4,125	5,128	-1,003	4,467	5,580	-1,113
Euro	2,856	3,562	-706	2,957	3,776	-819	3,149	4,060	-911
US dollar	649	848	-198	733	962	-228	821	1,101	-279
Yen	164	96	68	186	79	107	210	90	120
Pound sterling	86	169	-83	93	161	-68	114	177	-63
Yuan	6	8	-2	5	8	-3	5	7	-3
Other currencies	144	135	10	151	142	8	167	144	23
Monetary financial institutions and monetary authorities	1,937	2,238	-301	2,333	2,748	-416	2,544	3,018	-474
Euro	1,178	1,354	-177	1,489	1,779	-290	1,575	1,893	-318
US dollar	444	588	-143	513	695	-182	576	817	-241
Yen	163	88	75	175	68	107	200	82	118
Pound sterling	63	109	-45	69	103	-34	87	114	-27
Yuan	3	7	-3	3	6	-3	3	6	-3
Other currencies	85	92	-7	83	97	-14	103	106	-3
General government	85	1,294	-1,208	85	1,268	-1,184	85	1,375	-1,290
Euro	81	1,221	-1,140	79	1,217	-1,138	79	1,319	-1,241
US dollar	4	52	-48	5	34	-28	6	44	-38
Yen	0	1	-1	0	1	-1	0	1	-1
Pound sterling	0	13	-13	0	10	-10	0	5	-5
Yuan	0	0	0	0	0	0	0	0	0
Other currencies	0	7	-7	0	7	-7	0	6	-5
Other sectors	1,443	892	551	1,242	683	559	1,363	740	623
Euro	1,322	683	638	1,107	462	645	1,221	515	705
US dollar	77	150	-73	78	159	-80	86	162	-76
Yen	-1	6	-6	9	9	0	9	6	2
Pound sterling	12	33	-21	11	31	-20	14	39	-26
Yuan	0	0	0	0	1	0	0	0	0
Other currencies	33	19	14	37	22	15	34	17	17
Intercompany lending^{a)}	440	394	46	465	428	37	475	447	28
Euro	276	303	-27	281	317	-36	275	332	-58
US dollar	124	58	66	136	74	63	153	77	76
Yen	2	1	0	2	2	0	2	2	0
Pound sterling	10	14	-4	13	17	-4	14	19	-5
Yuan	2	1	1	2	2	1	2	1	0
Other currencies	25	16	10	30	17	13	30	16	14

Notes: This table corresponds to the data required by the sixth edition of the IMF's *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 the 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 US dollars and pound sterling in 2018) and, conversely, a net asset position means that France is a net lender (for example, in yen in 2018).

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)

	2017			2018			2019		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
Total	608	677	-69	613	685	-73	747	819	-73
Euro	346	378	-32	345	376	-31	441	468	-27
US dollar	154	170	-17	162	185	-23	183	204	-21
Yen	34	43	-9	43	50	-8	36	47	-10
Pound sterling	29	36	-6	25	30	-6	33	42	-9
Other currencies	45	51	-6	39	44	-5	54	59	-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)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assets: net acquisitions of financial assets (A = B + C + D)	63.6	54.8	45.0	40.3	13.3	39.8	45.9	67.5	42.4	118.3	49.8
Equity capital (B)	40.3	28.6	28.4	40.5	3.3	21.0	18.0	34.6	13.7	78.3	27.2
Reinvested earnings (C)	9.6	19.7	8.0	10.8	8.5	7.6	4.9	13.4	19.3	24.6	17.0
Intercompany lending (D)	13.7	6.5	8.7	-10.9	1.5	11.2	23.0	19.5	9.5	15.4	5.6
Liabilities: net increase in financial liabilities (E = F + G + H)	13.1	29.0	30.8	25.3	23.8	4.3	38.8	29.8	32.5	61.2	45.6
Equity capital (F)	14.5	11.5	21.2	10.7	20.0	9.4	27.8	18.9	22.0	28.8	24.7
Reinvested earnings (G)	-2.3	6.3	-1.6	6.2	6.6	5.1	7.1	7.6	6.7	7.3	4.5
Intercompany lending (H)	1.0	11.1	11.2	8.3	-2.8	-10.1	3.9	3.3	3.8	25.1	16.4
Assets/liabilities: net direct investment (I = A – E)	50.5	25.9	14.2	15.1	-10.5	35.5	7.1	37.7	9.9	57.1	4.2
Directional principle: direct investment abroad (J)	72.6	36.4	37.0	27.6	15.3	37.5	48.0	58.6	31.9	89.4	34.5
Directional principle: direct investment in France (K)	22.1	10.5	22.8	12.5	25.8	2.0	40.9	20.8	22.0	32.3	30.3
Directional principle: net direct investment (L = I = J – K)	50.5	25.9	14.2	15.1	-10.5	35.5	7.1	37.7	9.9	57.1	4.2

0.2e France's international direct investment position

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assets: direct investment abroad (A = B + C)	1,044.6	1,165.3	1,252.2	1,295.3	1,284.2	1,393.4	1,499.2	1,557.7	1,537.1	1,680.4	1,754.6
Equity capital (B)	756.9	864.3	894.1	948.5	940.2	1,012.7	1,079.8	1,111.9	1,097.2	1,215.1	1,279.7
Intercompany lending (C)	287.6	301.0	358.1	346.8	343.9	380.6	419.4	445.7	439.9	465.3	474.8
Liabilities: direct investment in France (D = E + F)	716.6	759.4	827.8	846.5	875.2	904.0	965.7	998.0	1,019.2	1,087.7	1,163.4
Equity capital (E)	434.1	460.8	460.8	470.4	501.9	528.8	576.1	604.0	625.3	659.5	716.0
Intercompany lending (F)	282.5	298.6	367.0	376.1	373.2	375.2	389.5	393.9	393.9	428.2	447.3
Assets/liabilities: net direct investment position (G = A – D)	328.0	405.8	424.4	448.7	409.0	489.4	533.5	559.7	517.9	592.6	591.2
Directional principle: direct investment abroad (H)	777.8	877.9	964.5	964.4	961.1	1,066.0	1,164.9	1,218.9	1,201.0	1,309.3	1,364.4
Directional principle: direct investment in France (I)	449.8	472.0	540.1	515.7	552.1	576.6	631.4	659.2	683.2	716.7	773.3
Directional principle: net direct investment position (J = G = H – I)	328.0	405.8	424.4	448.7	409.0	489.4	533.5	559.7	517.9	592.6	591.2

1. CURRENT ACCOUNT

1.1 Goods (EUR billions)

	2017			2018			2019		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
Goods	495.2	541.4	-46.1	522.5	570.5	-48.1	533.4	580.2	-46.8
Merchandise	481.1	541.4	-60.2	507.1	570.5	-63.4	522.6	580.2	-57.6
<i>Customs data</i>	473.6	531.8	-58.3	492.2	554.7	-62.5	508.6	567.1	-58.5
<i>Corrections and adjustments</i>	6.1	6.1	-0.1	13.2	11.7	1.6	12.1	9.1	3.0
<i>Goods procured in ports by carriers</i>	1.5	3.4	-1.9	1.7	4.2	-2.5	1.8	4.1	-2.2
Merchanting	14.1		14.1	15.4		15.4	10.8		10.8
<i>Merchanting (goods acquired – negative exports)</i>	-65.5		-65.5	-71.1		-71.1	-71.3		-71.3
<i>Merchanting (goods sold – exports)</i>	79.7		79.7	86.4		86.4	82.2		82.2

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

1.2 Geographical structure of trade in merchandise (EUR billions)

	Exports		Imports		Balance	
	Amount 2019	Change 2019/2018 (%)	Amount 2019	Change 2019/2018 (%)	Amount 2019	Change 2019/2018 (EUR billions)
Euro area	225.5	1.5	264.0	0.2	-38.5	2.7
<i>of which: Germany</i>	70.2	-0.8	85.1	-1.9	-15.0	1.0
<i>Italy</i>	37.7	3.9	43.5	1.4	-5.8	0.8
<i>Spain</i>	37.3	-0.9	37.1	2.0	0.2	-1.0
United Kingdom	33.7	3.3	21.2	2.8	12.5	0.5
New European Union Member States ^{a)}	31.2	4.5	38.5	5.1	-7.4	-0.5
Americas	59.0	8.5	52.0	5.6	7.0	1.9
<i>of which: United States</i>	42.1	9.7	39.4	7.7	2.7	0.9
Asia	68.1	2.5	103.4	5.4	-35.4	-3.6
<i>of which: Japan</i>	7.7	16.7	10.5	2.6	-2.7	0.8
<i>China and Hong Kong</i>	26.7	-1.2	54.3	4.5	-27.5	-2.7
<i>Middle East</i>	14.8	1.5	11.8	-4.7	3.0	0.8

Source: Direction générale des Douanes et Droits indirects (DGDDI – French customs authorities), gross data and Banque de France calculations.

Note: Rounding differences mean that aggregate totals may not come out 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)

	2017			2018			2019		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
European Union (28 members)	130.5	135.9	-5.5	142.3	148.7	-6.4	146.5	154.5	-7.9
Economic and Monetary Union (19 members)	92.4	101.0	-8.6	103.6	109.8	-6.1	107.6	113.3	-5.7
of which: Austria	0.9	1.3	-0.4	1.1	1.2	-0.1	1.2	1.3	-0.1
Belgium	17.1	13.4	3.7	17.4	13.0	4.4	18.2	13.3	5.0
Finland	1.1	0.5	0.5	2.2	0.7	1.4	1.7	0.7	1.0
Germany	23.9	27.4	-3.5	25.6	30.5	-4.9	26.8	31.8	-5.0
Greece	0.6	1.6	-1.0	0.4	1.8	-1.4	0.4	1.6	-1.1
Ireland	4.9	11.4	-6.6	7.0	11.7	-4.7	6.8	12.8	-5.9
Italy	11.3	10.5	0.8	11.4	10.9	0.5	11.7	11.1	0.6
Luxembourg	6.1	6.4	-0.3	7.7	5.9	1.8	9.1	6.2	2.8
Netherlands	12.9	10.8	2.1	14.8	13.0	1.9	15.3	13.5	1.8
Portugal	1.6	3.0	-1.4	1.7	2.8	-1.1	1.6	2.9	-1.3
Spain	10.9	13.0	-2.1	12.9	14.9	-1.9	13.5	15.0	-1.5
Other European Union countries	38.1	34.9	3.1	38.7	38.9	-0.3	38.9	41.1	-2.2
of which: Czech Republic	0.8	1.8	-1.0	0.9	1.7	-0.8	0.9	1.6	-0.7
Denmark	1.5	1.2	0.3	1.5	1.0	0.5	1.5	1.1	0.5
Hungary	0.6	1.0	-0.4	0.5	0.9	-0.4	0.5	1.1	-0.6
Poland	1.5	3.4	-1.9	1.8	3.5	-1.7	1.8	3.7	-1.8
Romania	0.6	1.9	-1.3	0.8	2.4	-1.6	0.8	2.5	-1.7
Sweden	2.7	2.6	0.1	2.5	2.9	-0.3	2.7	3.1	-0.4
United Kingdom	29.0	22.3	6.8	29.8	25.7	4.0	29.8	27.2	2.7
Rest of the world	112.5	82.6	29.9	114.2	83.0	31.2	116.2	86.7	29.5
of which: Algeria	1.4	0.7	0.7	1.6	0.8	0.8	1.7	0.8	0.9
Angola	0.9	0.2	0.6	0.6	0.1	0.5	0.5	0.2	0.3
Australia	1.9	0.8	1.1	1.9	1.1	0.8	1.8	1.0	0.8
Bahrain	0.2	0.1	0.1	0.1	0.1	0.0	0.2	0.0	0.1
Brazil	2.2	1.2	1.0	2.2	1.2	1.0	2.4	1.5	0.8
Canada	2.5	2.5	0.0	2.8	3.0	-0.2	2.7	2.9	-0.1
China	8.3	4.7	3.5	8.7	4.4	4.2	9.4	4.7	4.7
Egypt	1.0	1.5	-0.5	0.8	1.2	-0.4	0.9	1.5	-0.6
Hong Kong	1.2	1.5	-0.3	1.5	1.6	0.0	0.9	1.5	-0.6
India	1.8	2.6	-0.9	2.1	2.7	-0.5	2.0	2.5	-0.5
Japan	4.3	1.9	2.4	5.0	1.8	3.1	4.7	2.4	2.3
Mexico	1.2	0.7	0.5	1.7	1.0	0.7	1.9	1.1	0.8
Morocco	1.7	2.6	-0.9	2.2	2.3	-0.1	2.3	2.5	-0.2
Nigeria	0.5	0.3	0.2	0.4	0.4	0.1	0.4	0.2	0.2
Norway	1.0	1.0	0.0	0.9	1.0	-0.1	0.9	1.0	-0.1
Qatar	0.8	0.5	0.3	1.0	0.4	0.6	1.6	0.4	1.2
Russia	4.1	0.9	3.1	2.7	0.8	1.8	2.4	1.0	1.4
Saudi Arabia	1.6	0.7	0.9	1.2	0.5	0.8	1.1	0.4	0.6
Singapore	3.3	2.5	0.8	3.6	2.6	1.1	3.8	2.7	1.1
South Africa	0.6	0.7	-0.1	0.7	0.7	0.0	0.7	0.7	0.1
South Korea	1.6	1.3	0.3	1.9	0.8	1.0	1.9	0.8	1.1
Switzerland	18.5	9.3	9.1	18.0	9.2	8.8	18.4	9.3	9.2
Tunisia	0.5	1.3	-0.8	0.7	1.6	-0.9	0.7	1.7	-1.0
Turkey	1.4	1.4	0.0	1.7	1.5	0.2	1.6	1.5	0.2
United Arab Emirates	2.4	1.5	0.8	2.3	1.8	0.6	2.1	1.8	0.4
United States	29.1	25.1	4.0	30.6	23.8	6.8	30.2	24.5	5.7
Total	242.9	218.5	24.4	256.5	231.7	24.8	262.7	241.1	21.6

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

1.4 Transport services (EUR billions)

	2017			2018			2019		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
Sea transport	13.0	8.8	4.1	14.0	10.4	3.5	15.0	10.8	4.2
Freight	11.9	3.3	8.5	12.7	5.0	7.7	13.7	5.7	8.0
<i>of which FOB^{a)}</i>	0.7	1.3	-0.7	0.7	1.5	-0.8	0.7	1.5	-0.7
Passengers	0.4	0.0	0.4	0.3	0.0	0.3	0.3	0.0	0.3
Other expenses ^{b)}	0.7	5.5	-4.8	0.9	5.4	-4.5	0.9	5.2	-4.2
Air transport	11.5	14.3	-2.8	10.0	13.4	-3.4	10.4	13.3	-2.8
Freight	1.0	2.1	-1.1	1.0	2.2	-1.2	1.2	2.6	-1.4
<i>of which FOB^{a)}</i>	0.3	0.6	-0.3	0.3	0.6	-0.3	0.3	0.6	-0.3
Passengers	6.7	7.7	-1.0	5.4	7.5	-2.1	5.8	7.5	-1.7
Other expenses ^{b)}	3.7	4.4	-0.7	3.5	3.7	-0.2	3.4	3.2	0.3
Other transport	16.3	20.5	-4.2	15.3	22.3	-7.0	16.3	22.7	-6.4
Space transport	1.4	0.0	1.4	0.6	0.0	0.6	0.7	0.0	0.7
Rail transport	1.3	1.7	-0.4	1.6	1.9	-0.3	1.8	1.9	-0.1
Freight	1.0	1.0	-0.1	1.0	1.3	-0.3	1.0	1.3	-0.3
<i>of which FOB^{a)}</i>	0.1	0.1	0.0	0.1	0.1	0.0	0.1	0.1	0.0
Passengers	0.3	0.7	-0.4	0.3	0.6	-0.4	0.4	0.6	-0.3
Other expenses ^{b)}	0.1	0.0	0.1	0.4	0.0	0.4	0.4	0.0	0.4
Road transport	6.9	13.8	-6.9	6.4	15.3	-8.9	7.1	15.7	-8.6
Freight	5.5	12.9	-7.4	5.3	14.3	-9.0	5.9	14.6	-8.7
<i>of which FOB^{a)}</i>	0.9	4.8	-3.9	1.0	5.0	-4.0	1.0	5.0	-4.0
Passengers	0.1	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Other expenses ^{b)}	1.3	0.8	0.5	1.1	0.9	0.2	1.1	1.0	0.1
Other	6.7	5.0	1.7	6.7	5.1	1.5	6.8	5.1	1.6
<i>of which FOB^{a), c)}</i>	0.3	0.2	0.1	0.3	0.1	0.1	0.3	0.1	0.2
Total	40.7	43.6	-2.9	39.3	46.2	-6.9	41.8	46.8	-5.0

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

a) FOB (free-on-board) expenses correspond to the transport 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)

	2017			2018			2019		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
European Union (28 members)	28.4	23.6	4.8	31.6	25.8	5.8	33.2	28.2	5.0
Economic and Monetary Union (19 members)	21.7	19.2	2.4	24.4	20.8	3.6	25.6	21.7	3.9
of which: Austria	0.2	0.3	-0.1	0.3	0.3	0.0	0.3	0.3	0.0
Belgium	6.3	2.1	4.2	6.6	2.3	4.3	6.8	2.3	4.5
Germany	5.1	3.1	2.0	5.9	3.3	2.6	6.4	3.7	2.7
Greece	0.1	0.9	-0.8	0.1	1.3	-1.2	0.1	1.1	-1.0
Ireland	0.3	0.7	-0.4	0.3	0.8	-0.5	0.3	0.9	-0.6
Italy	3.2	3.2	0.0	3.5	3.4	0.1	3.6	3.4	0.1
Luxembourg	0.7	1.1	-0.5	0.8	1.1	-0.4	0.8	1.3	-0.5
Netherlands	1.8	0.6	1.2	1.9	0.6	1.3	1.9	0.9	1.0
Portugal	0.4	1.1	-0.7	0.5	1.0	-0.4	0.6	1.0	-0.4
Spain	3.3	5.5	-2.2	4.3	6.1	-1.8	4.6	6.2	-1.5
Other European Union countries	6.8	4.4	2.4	7.2	5.0	2.2	7.6	6.6	1.1
of which: Denmark	0.4	0.1	0.3	0.5	0.2	0.3	0.5	0.2	0.3
Romania	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1
Sweden	0.3	0.1	0.2	0.3	0.1	0.2	0.3	0.2	0.2
United Kingdom	5.5	3.2	2.3	5.6	3.8	1.8	6.0	5.1	0.9
Rest of the world	23.7	15.3	8.3	24.3	15.6	8.7	23.8	17.9	5.9
of which: Algeria	0.7	0.3	0.4	0.5	0.3	0.2	0.6	0.3	0.3
Australia	0.9	0.3	0.6	0.8	0.4	0.3	0.7	0.3	0.4
Brazil	1.0	0.2	0.8	0.7	0.1	0.6	0.7	0.2	0.5
Canada	0.8	0.6	0.2	1.0	0.8	0.2	1.0	0.9	0.1
China	4.0	0.4	3.6	4.1	0.4	3.7	3.5	0.3	3.3
Croatia	0.0	0.3	-0.3	0.0	0.3	-0.3	0.0	0.4	-0.4
Dominican Republic	0.0	0.2	-0.2	0.0	0.2	-0.2	0.0	0.3	-0.3
Egypt	0.0	0.1	-0.1	0.0	0.2	-0.2	0.0	0.2	-0.2
India	0.3	0.3	0.0	0.3	0.3	0.0	0.3	0.3	0.0
Japan	1.1	0.3	0.7	1.5	0.3	1.2	1.2	0.4	0.8
Mexico	0.4	0.2	0.2	0.4	0.3	0.2	0.5	0.3	0.1
Morocco	0.5	0.7	-0.2	0.6	0.7	-0.1	0.6	0.8	-0.1
Norway	0.2	0.2	0.0	0.2	0.3	-0.1	0.2	0.3	-0.1
Russia	0.7	0.3	0.5	0.6	0.2	0.4	0.6	0.3	0.3
Switzerland	5.3	1.5	3.7	5.7	1.5	4.1	5.8	1.6	4.2
Thailand	0.2	0.4	-0.2	0.1	0.3	-0.2	0.1	0.4	-0.2
Tunisia	0.2	0.3	0.0	0.2	0.4	-0.1	0.3	0.5	-0.2
Turkey	0.2	0.1	0.0	0.2	0.2	0.0	0.2	0.2	0.0
United States	3.3	2.0	1.3	3.5	1.8	1.7	3.6	2.1	1.5
Vietnam	0.1	0.2	-0.1	0.2	0.2	0.0	0.2	0.2	0.0
Total	52.1	38.9	13.1	55.9	41.4	14.5	57.0	46.1	10.8

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

Rounding differences mean that aggregate totals may not come out exactly equal to the sum of their components.

1.6 Geographical structure of trade in services excluding transport services and travel (EUR billions)

	2017			2018			2019		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
European Union (28 members)	80.9	85.3	-4.4	90.3	93.7	-3.5	91.3	96.1	-4.8
Economic and Monetary Union (19 members)	55.9	62.0	-6.1	64.0	67.0	-3.0	65.5	68.9	-3.4
of which: Austria	0.6	0.6	0.0	0.7	0.7	0.0	0.8	0.7	0.0
Belgium	8.9	8.6	0.3	8.9	7.8	1.1	9.4	8.3	1.1
Finland	0.9	0.3	0.5	2.0	0.5	1.4	1.5	0.4	1.1
Germany	14.1	19.0	-4.9	15.5	21.9	-6.4	15.6	22.2	-6.5
Greece	0.4	0.3	0.1	0.3	0.1	0.1	0.3	0.2	0.1
Ireland	4.4	10.0	-5.5	6.5	9.8	-3.3	6.4	10.8	-4.4
Italy	6.3	5.6	0.6	6.1	6.0	0.2	6.3	6.1	0.3
Luxembourg	4.2	4.2	0.0	5.3	3.8	1.5	6.6	4.0	2.6
Netherlands	8.5	7.5	1.0	9.7	9.0	0.7	9.8	9.1	0.7
Portugal	0.9	1.2	-0.3	1.0	1.2	-0.3	0.8	1.2	-0.4
Spain	6.3	4.1	2.2	7.2	5.0	2.1	7.2	5.0	2.2
Other European Union countries	25.0	23.3	1.7	26.3	26.7	-0.5	25.8	27.1	-1.4
of which: Czech Republic	0.6	0.7	-0.1	0.5	1.0	-0.4	0.5	0.8	-0.3
Denmark	0.9	0.6	0.3	0.9	0.4	0.5	0.9	0.4	0.5
Hungary	0.3	0.6	-0.2	0.4	0.5	-0.1	0.3	0.6	-0.3
Poland	1.0	1.2	-0.2	1.3	1.4	-0.1	1.3	1.5	-0.1
Romania	0.4	1.1	-0.8	0.6	1.5	-0.9	0.6	1.6	-1.0
Sweden	2.0	2.1	-0.1	1.8	2.4	-0.6	1.9	2.6	-0.7
United Kingdom	18.5	16.7	1.8	20.0	19.3	0.6	19.4	19.3	0.1
Rest of the world	69.2	50.6	18.6	71.0	50.4	20.6	72.7	52.1	20.6
of which: Algeria	0.4	0.2	0.2	0.9	0.3	0.6	0.9	0.3	0.6
Angola	0.8	0.2	0.6	0.6	0.0	0.5	0.5	0.0	0.5
Australia	0.7	0.4	0.4	1.0	0.5	0.4	0.9	0.6	0.3
Bahrain	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.1
Brazil	0.9	0.7	0.2	1.1	0.8	0.3	1.3	1.0	0.2
Canada	1.3	1.1	0.1	1.4	1.3	0.1	1.4	1.3	0.1
China	2.4	2.6	-0.2	2.7	2.3	0.4	3.8	2.7	1.1
Egypt	0.9	1.0	-0.1	0.7	0.6	0.1	0.7	0.9	-0.2
Hong Kong	0.9	1.2	-0.3	1.0	1.3	-0.3	0.4	1.3	-0.9
India	0.9	2.0	-1.1	1.2	2.0	-0.8	1.2	1.9	-0.7
Japan	2.8	1.3	1.5	3.0	1.3	1.7	3.0	1.7	1.3
Morocco	0.9	1.6	-0.7	1.3	1.3	0.0	1.3	1.3	0.0
Mexico	0.6	0.3	0.4	1.0	0.5	0.5	1.3	0.6	0.7
Nigeria	0.4	0.2	0.1	0.3	0.3	0.0	0.3	0.1	0.2
Norway	0.6	0.5	0.1	0.5	0.6	0.0	0.6	0.6	0.0
Qatar	0.7	0.2	0.5	0.8	0.2	0.7	1.4	0.2	1.3
Russia	3.1	0.4	2.7	1.8	0.3	1.5	1.6	0.4	1.2
Saudi Arabia	1.3	0.6	0.7	0.9	0.3	0.6	0.8	0.3	0.5
Singapore	2.9	1.1	1.8	3.2	1.3	1.9	3.4	1.4	2.0
South Africa	0.4	0.2	0.2	0.5	0.3	0.2	0.5	0.3	0.2
South Korea	0.9	1.0	-0.1	1.2	0.5	0.7	1.2	0.5	0.7
Switzerland	11.6	7.0	4.6	11.2	6.7	4.4	11.3	6.7	4.6
Tunisia	0.1	0.8	-0.6	0.2	1.1	-0.8	0.2	1.1	-0.8
Turkey	0.9	0.6	0.2	1.2	0.7	0.5	1.1	0.7	0.4
United Arab Emirates	1.7	0.9	0.9	1.8	0.9	0.9	1.6	0.9	0.7
United States	19.8	19.5	0.3	21.5	18.5	3.0	20.5	19.1	1.5
Total	150.1	135.9	14.2	161.3	144.1	17.2	164.0	148.2	15.8

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

Rounding differences mean that aggregate totals may not come out exactly equal to the sum of their components.

1.7 Other services (EUR billions)

	2017			2018			2019		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
Manufacturing services on physical inputs owned by others	9.5	8.0	1.5	10.7	8.6	2.1	10.2	9.5	0.8
Maintenance and repair services n.i.e.	8.0	7.4	0.5	8.7	8.0	0.7	9.2	8.6	0.7
Construction	4.8	2.3	2.5	1.9	1.4	0.5	2.5	1.4	1.1
Insurance and pension services	6.5	8.9	-2.4	8.1	9.3	-1.3	8.7	9.4	-0.7
Financial services	11.4	5.5	5.9	12.4	6.2	6.2	13.4	6.6	6.9
<i>Services giving rise to explicit charges and other financial services</i>	7.2	4.8	2.4	7.7	5.5	2.2	8.3	5.8	2.5
<i>Financial intermediation services indirectly measured</i>	4.2	0.7	3.5	4.7	0.7	3.9	5.1	0.7	4.4
Charges for the use of intellectual property n.i.e.	14.9	14.0	0.9	15.0	12.1	2.8	14.3	11.6	2.7
Telecommunications, computer and information services	16.5	19.1	-2.6	18.7	21.1	-2.3	18.0	21.4	-3.3
Other business services	73.3	67.4	5.9	80.6	73.0	7.6	82.2	75.0	7.2
<i>Research and development services</i>	11.1	11.9	-0.8	11.8	13.9	-2.2	12.0	13.8	-1.8
<i>Professional and management consulting services</i>	21.2	19.1	2.1	25.3	21.8	3.5	26.2	22.7	3.4
<i>Technical, trade-related and other business services</i>	41.0	36.4	4.6	43.5	37.2	6.3	44.1	38.5	5.6
Personal, cultural and recreational services	4.1	3.2	0.9	4.8	4.4	0.4	4.9	4.7	0.1
General government goods and services n.i.e.	1.1	0.0	1.1	0.5	0.0	0.5	0.5	0.0	0.5

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

1.8 Primary income (EUR billions)

	2017			2018			2019		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
Compensation of employees	21.5	1.4	20.1	21.9	1.5	20.4	23.1	1.6	21.5
Investment income	132.7	109.6	23.1	150.2	117.1	33.0	154.0	124.8	29.2
Direct investment income	68.4	32.2	36.2	80.1	31.8	48.3	80.1	32.6	47.5
<i>Dividends</i>	45.9	22.9	23.0	52.1	22.3	29.8	59.6	26.6	33.1
<i>Reinvested earnings</i>	19.3	6.7	12.5	24.6	7.3	17.3	17.0	4.5	12.5
<i>Interest on intercompany lending</i>	3.2	2.6	0.6	3.4	2.1	1.2	3.4	1.6	1.8
Portfolio investment income	48.4	61.8	-13.4	47.5	63.3	-15.8	47.8	63.9	-16.1
<i>of which income from equity securities and investment fund shares/units</i>	15.4	20.5	-5.1	16.3	22.8	-6.4	16.5	25.3	-8.7
Other investment income	15.2	15.5	-0.3	21.6	22.1	-0.5	24.8	28.2	-3.4
<i>Income from equity securities and investment fund shares/units</i>	0.3	0.0	0.3	0.3	0.0	0.3	0.4	0.0	0.4
<i>Interest</i>	14.5	15.0	-0.5	20.9	21.7	-0.7	24.3	27.8	-3.5
<i>Income attributable to policyholders</i>	0.4	0.5	-0.1	0.4	0.4	-0.1	0.2	0.5	-0.3
Reserve asset income	0.6	0.0	0.6	1.0	0.0	1.0	1.2	0.0	1.2
Other primary income	8.3	4.1	4.2	8.0	4.6	3.4	8.0	4.7	3.3
Total	162.5	115.1	47.5	180.0	123.3	56.8	185.1	131.1	54.0

Note: Rounding differences mean that aggregate totals may not come out 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 (EUR billions)

	Receipts					Payments				
	2016	2017	2018	2019 ^{a)}	2019 (%)	2016	2017	2018	2019 ^{a)}	2019 (%)
European Union (28 members)	37.4	39.0	49.6	47.1	58.8	21.9	25.1	25.5	25.5	78.1
Economic and Monetary Union (19 members)	28.1	29.3	38.1	35.8	44.7	17.5	20.4	21.9	20.9	64.0
of which: Belgium	6.6	5.1	9.2	8.0	10.0	3.0	2.8	2.5	2.3	7.1
Germany	4.7	6.7	4.6	5.2	6.4	2.0	3.7	2.5	2.6	8.0
Ireland	1.4	1.3	3.6	2.7	3.3	0.1	0.1	0.1	0.1	0.3
Italy	3.4	3.6	3.9	3.7	4.6	0.9	0.5	0.8	1.0	3.1
Luxembourg	2.4	2.1	2.4	2.6	3.3	3.7	4.7	4.3	4.1	12.5
Netherlands	5.6	4.8	9.5	8.8	11.0	6.0	7.1	10.0	9.0	27.5
Portugal	0.4	0.5	0.8	0.9	1.1	0.1	0.1	0.1	0.0	0.1
Spain	2.8	4.0	3.1	3.1	3.8	1.0	1.2	1.6	1.5	4.7
Other European Union countries	9.2	9.8	11.5	11.3	14.1	4.4	4.8	3.6	4.6	14.1
of which: Czech Republic	0.9	0.9	0.9	0.9	1.1	0.0	0.0	0.0	0.0	0.0
Poland	0.9	1.2	1.4	1.2	1.5	-0.1	-0.1	-0.1	-0.1	-0.2
Romania	0.5	0.6	0.6	0.6	0.7	0.0	0.0	0.0	0.0	0.0
Sweden	0.4	0.5	0.4	0.4	0.5	0.4	0.6	0.5	0.5	1.5
United Kingdom	5.5	5.5	6.2	6.3	7.9	3.7	3.7	2.7	3.6	11.1
Rest of the world	25.4	29.4	30.4	33.0	41.2	4.7	7.1	6.2	7.1	21.9
of which: Brazil	0.8	0.8	0.5	0.8	1.0	0.0	0.0	0.0	0.0	0.0
Canada	0.9	-0.5	0.5	0.7	0.9	0.0	-0.3	0.1	0.1	0.2
China	0.9	1.5	1.7	1.8	2.2	0.0	0.0	0.0	0.1	0.2
Hong Kong	1.0	1.5	1.8	2.2	2.8	0.1	0.2	0.1	0.1	0.3
India	0.2	0.3	0.4	0.3	0.4	0.0	0.0	0.0	0.0	0.0
Indonesia	0.3	0.4	0.1	0.2	0.2	-0.1	0.0	0.0	0.0	0.1
Japan	3.2	3.4	2.5	2.5	3.2	0.5	0.7	0.6	0.6	1.7
Morocco	0.4	0.5	0.6	0.5	0.7	0.0	0.0	0.0	0.0	0.0
Norway	0.6	0.4	0.5	0.7	0.8	0.1	0.2	0.2	0.2	0.6
Russia	1.0	1.1	0.4	0.4	0.5	0.0	0.0	0.0	0.0	0.1
Singapore	0.2	1.3	2.1	2.1	2.7	0.0	0.0	0.0	0.0	0.1
Switzerland	4.9	5.7	1.6	3.0	3.8	2.4	1.3	3.0	3.9	12.0
Turkey	0.2	0.4	0.4	0.3	0.4	0.0	0.0	0.0	0.0	0.1
United States	5.0	4.8	8.4	8.1	10.1	1.9	3.0	1.4	1.5	4.6
Total	62.8	68.4	80.1	80.1	100.0	26.7	32.2	31.8	32.6	100.0

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 2019 are derived from data collected from enterprises, whereas dividends and reinvested earnings are estimated.

1.10 Secondary income (EUR billions)

	2017			2018			2019		
	Receipts	Payments	Balance	Receipts	Payments	Balance	Receipts	Payments	Balance
Secondary income of general government	6.5	31.8	-25.3	7.3	35.9	-28.5	8.2	36.2	-28.0
Social benefits		7.1	-7.1		6.8	-6.8		7.0	-7.0
International cooperation	1.9	7.7	-5.8	2.1	7.9	-5.8	2.2	8.2	-5.9
<i>of which operating expenses for international organisations</i>		0.8	-0.8		0.9	-0.9		0.9	-0.9
Own resources of European Union institutions		16.3	-16.3		20.6	-20.6		21.0	-21.0
Other general government transfers	4.6	0.7	3.9	5.2	0.5	4.6	6.0	0.1	5.9
Secondary income of other sectors	20.8	38.9	-18.1	22.5	40.7	-18.2	22.7	39.6	-16.9
of which miscellaneous current transfers	4.6	18.5	-13.9	5.2	20.9	-15.7	5.2	18.7	-13.5
<i>of which workers' remittances</i>	0.5	10.9	-10.3	0.9	11.3	-10.4	0.9	11.9	-11.0
Total	27.3	70.7	-43.4	29.8	76.5	-46.7	30.9	75.8	-44.9

Note: Rounding differences mean that aggregate totals may not come out 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^{a)} 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) ^{b)}
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	9.9	31.9	13.7	19.3	-1.1
2018	57.1	89.4	78.3	24.6	-13.5
2019	4.2	34.5	27.2	17.0	-9.7

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

a) Signs are used according to the methodology of the sixth edition of the IMF's 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 in accordance with the extended directional principle.

2.2 Foreign direct investment flows in France in accordance with the extended directional principle^{a)} 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) ^{b)}
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	9.9	22.0	22.0	6.7	-6.8
2018	57.1	32.3	28.8	7.3	-3.8
2019	4.2	30.3	24.7	4.5	1.2

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

a) Signs are used according to the methodology of the sixth edition of the IMF's 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 in accordance with the extended directional principle.

2.3 Geographical structure of French direct investment flows abroad by country of residence of the first counterpart^{a)} (EUR billions)

	2016	2017	2018	2019
European Union (28 members)	34.1	25.3	65.2	13.5
Economic and Monetary Union (19 members)	32.6	11.3	57.4	10.8
of which:				
Belgium	7.7	-18.3	4.3	0.7
Germany	9.1	8.0	-22.8	1.3
Ireland	-2.1	2.4	2.1	-4.2
Italy	12.5	3.1	26.2	2.8
Luxembourg	-2.9	9.9	4.0	6.2
Netherlands	3.6	2.8	39.5	5.6
Spain	4.3	1.7	1.7	-2.5
Other European Union countries	1.5	14.0	7.8	2.8
of which:				
Czech Republic	0.4	0.4	0.7	0.3
Poland	1.1	-0.4	1.4	0.0
Romania	0.1	0.2	0.5	0.3
Sweden	0.8	3.2	0.2	0.1
United Kingdom	-1.2	10.7	0.5	7.6
Rest of the world	24.5	6.6	24.3	21.0
of which:				
Angola	-0.5	-0.9	-0.6	0.9
Australia	-0.7	1.6	7.2	-2.2
Bahamas	0.0	0.0	0.0	0.0
Bermuda	1.0	0.1	13.6	2.4
Brazil	2.0	2.6	1.4	2.3
British Virgin Islands	-0.2	0.2	0.0	0.1
Canada	0.3	1.6	-1.8	0.0
China	0.5	0.8	0.7	0.1
Egypt	0.1	-0.6	0.1	0.1
Hong Kong	-1.9	-0.4	0.1	-1.3
India	-0.2	0.4	0.5	0.3
Japan	1.5	2.4	0.5	1.4
Kazakhstan	-0.4	0.0	-0.5	-0.2
Morocco	0.5	0.4	0.0	-0.2
Nigeria	0.2	0.0	-0.7	0.4
Norway	-0.4	-1.6	-0.4	0.1
Qatar	0.3	-1.3	0.1	-0.1
Russia	3.3	1.5	0.1	1.3
Singapore	0.2	-1.9	0.3	3.8
Switzerland	2.9	0.2	2.8	-1.6
Turkey	-0.4	0.3	0.2	0.3
United Arab Emirates	0.2	1.4	-0.2	0.1
United States	13.9	-3.4	-0.6	8.7
Total	58.6	31.9	89.4	34.5

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

a) After restating intercompany lending in accordance with the extended directional principle.

2.4 Geographical structure of foreign direct investment flows in France by country of residence of the first counterpart^{a)} (EUR billions)

	2016	2017	2018	2019
European Union (28 members)	23.1	21.3	34.6	17.1
Economic and Monetary Union (19 members)	23.8	1.1	34.8	8.7
of which:				
Belgium	-4.6	-0.7	0.4	1.4
Finland	12.4	-9.9	-2.1	-0.1
Germany	4.9	10.4	3.2	1.2
Ireland	-0.7	1.2	-2.3	0.7
Italy	3.0	0.6	2.6	0.7
Luxembourg	12.4	-6.8	19.3	0.2
Netherlands	-3.7	3.6	13.4	2.1
Spain	-0.2	2.5	0.9	3.0
Other European Union countries	-0.6	20.2	-0.2	8.4
of which:				
Czech Republic	0.1	-0.1	-0.1	0.1
Denmark	0.3	0.4	1.2	0.0
Poland	-0.7	0.9	0.2	1.3
Romania	-0.2	-0.1	0.0	0.1
Sweden	0.7	0.1	-0.1	-0.3
United Kingdom	-0.9	19.1	-1.6	7.3
Rest of the world	-2.3	0.7	-2.3	13.3
of which:				
Bermuda	-0.1	0.0	0.1	0.0
Brazil	0.0	0.2	0.1	0.0
Canada	0.3	0.8	1.5	-0.5
China	0.2	0.1	-0.5	0.3
Hong Kong	1.5	0.8	0.2	0.7
India	-0.1	0.0	-0.2	0.2
Japan	0.9	1.2	0.8	0.9
Jersey	-0.1	0.1	0.1	0.1
Lebanon	-0.2	0.9	0.1	0.2
Qatar	1.3	0.8	-0.8	0.1
Russia	-0.1	0.3	-0.1	-0.1
Singapore	0.1	-0.4	0.1	0.4
Switzerland	1.9	-2.0	2.6	4.4
Turkey	-0.1	-0.1	0.0	0.0
United Arab Emirates	-0.5	-0.3	0.0	-0.1
United States	-7.2	-0.5	-6.9	5.5
Total	20.8	22.0	32.3	30.3

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

a) After restating intercompany lending in accordance with the extended directional principle.

2.5 French direct investment flows abroad by sector^{a)} (EUR billions)

	2016	2017	2018	2019
Agriculture, forestry and fishing	-0.1	0.1	0.0	0.1
Mining and quarrying	4.0	-3.8	4.3	5.8
of which: Extraction of crude petroleum and natural gas	3.3	-4.5	4.0	5.7
Manufacturing	14.8	9.0	37.2	-4.1
of which: Food products and beverages	2.9	11.3	-0.8	-1.7
Textiles and wearing apparel	0.8	-1.9	0.8	-1.7
Wood, paper, printing and reproduction	0.0	0.0	0.0	0.0
Coke and refined petroleum products	0.9	1.7	2.6	-1.9
Chemicals and chemical products	5.2	1.2	2.1	0.3
Pharmaceutical products	-0.4	-6.1	1.0	-9.3
Rubber and plastic products	0.0	1.2	4.2	0.0
Basic metals and fabricated metal products	3.3	2.4	2.1	1.4
Computer, electronic and optical products	3.8	-7.8	-1.5	4.5
Machinery and equipment	0.1	0.6	0.0	-0.3
Motor vehicles, trailers and semitrailers	1.6	4.5	0.1	1.2
Other transport equipment	-1.9	2.9	0.5	-1.7
Electricity, gas, steam and air-conditioning supply	0.7	-2.6	2.8	-2.4
Water supply, sewerage, waste management and remediation	0.0	-0.1	0.8	-2.1
of which: Water collection, treatment and supply	0.0	0.1	0.9	-2.2
Construction	-0.7	-4.6	2.5	0.8
Wholesale and retail trade, repair of motor vehicles and motorcycles	4.4	-1.6	5.6	-2.0
of which: Wholesale trade	0.3	3.9	3.6	-4.0
Retail trade	2.8	-5.7	0.1	1.5
Transportation and storage	-0.3	-0.9	0.6	2.6
of which: Land transport and transport via pipelines	-0.5	0.2	0.1	-0.1
Water transport	-0.8	-0.7	0.2	1.6
Air transport	0.6	-0.8	0.4	0.0
Warehousing and support activities for transportation	0.4	0.4	0.0	0.6
Accommodation and food service activities	2.4	7.3	-3.4	-0.3
Information and communication	0.1	0.9	10.0	5.5
of which: Motion pictures, video and television programme activities	1.9	-0.5	-0.4	0.5
Telecommunications	-2.6	-0.7	0.1	0.5
Financial and insurance activities	24.3	9.7	6.0	0.5
of which: Financial service activities, except insurance and pension funding	19.9	-4.6	3.3	-1.2
Holding company activities	0.7	0.9	0.8	3.9
Insurance	1.5	2.5	8.3	-1.2
Real estate activities^{b)}	3.4	2.0	20.8	3.6
Professional, scientific and technical activities	1.4	10.6	1.9	1.6
of which: Legal and accounting activities	0.1	0.1	0.1	0.0
Activities of head offices; management consultancy activities	2.0	2.4	-0.1	2.7
Architectural and engineering activities; technical testing and analysis	0.8	4.9	1.3	-0.2
Scientific research and development	0.0	0.2	0.1	0.0
Advertising and market research	1.1	2.5	0.6	-0.7
Administrative and support service activities	0.5	4.4	0.1	3.0
Education	0.0	0.0	0.0	0.0
Human health and social work activities	-0.1	0.5	0.1	-0.1
Arts, entertainment and recreation	0.0	0.0	0.0	0.0
Other service activities	0.0	0.1	0.1	0.5
Amounts not allocated	3.6	0.7	0.2	21.4
Total	58.6	31.9	89.4	34.5

Note: Head offices and holding companies belonging to listed groups have been reclassified according to the main activity of their group. With effect from the 2017 data, statistical analyses have amplified these reclassifications, which had previously only been performed for listed groups.

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 in accordance with 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^{a)} (EUR billions)

	2016	2017	2018	2019
Agriculture, forestry and fishing	0.1	0.1	0.1	0.2
Mining and quarrying	-0.1	0.0	0.8	-0.1
of which: Extraction of crude petroleum and natural gas	-0.2	0.3	0.0	0.1
Manufacturing	7.3	0.1	14.9	-2.5
of which: Food products and beverages	-3.5	2.6	-0.4	-2.1
Textiles and wearing apparel	0.0	-0.7	-0.6	2.8
Wood, paper, printing and reproduction	0.5	0.6	0.5	0.1
Coke and refined petroleum products	-0.1	4.2	0.1	0.1
Chemicals and chemical products	0.8	3.5	2.3	2.0
Pharmaceutical products	0.1	-0.7	-5.8	0.5
Rubber and plastic products	0.1	0.8	-0.2	0.2
Basic metals and fabricated metal products	-0.6	2.2	-0.3	0.0
Computer, electronic and optical products	12.0	-9.4	-1.1	-1.0
Machinery and equipment	-0.2	0.1	1.2	-0.9
Motor vehicles, trailers and semitrailers	0.4	-0.4	0.1	0.4
Other transport equipment	-0.8	-0.3	-2.7	-5.9
Electricity, gas, steam and air-conditioning supply	1.1	-2.2	0.1	1.2
Water supply, sewerage, waste management and remediation	0.0	-0.3	0.1	0.0
of which: Water collection, treatment and supply	0.0	0.0	0.0	0.0
Construction	1.2	-4.3	-2.3	-0.5
Wholesale and retail trade, repair of motor vehicles and motorcycles	0.2	5.5	2.7	1.5
of which: Wholesale trade	0.1	4.3	4.6	2.3
Retail trade	0.0	1.6	-3.0	0.0
Transportation and storage	1.2	2.9	0.5	0.4
of which: Land transport and transport via pipelines	0.0	2.4	-0.3	-0.1
Water transport	-0.3	1.1	0.3	0.1
Air transport	-0.1	0.0	0.2	0.7
Warehousing and support activities for transportation	1.5	-0.7	0.3	-0.3
Accommodation and food service activities	2.2	0.2	-1.1	2.0
Information and communication	0.5	3.0	2.8	3.0
of which: Motion pictures, video and television programme activities	0.0	0.4	-0.4	0.2
Telecommunications	-0.4	0.0	2.0	2.7
Financial and insurance activities	-10.6	12.1	22.3	15.3
of which: Financial service activities, except insurance and pension funding	0.2	2.0	5.2	2.9
Holding company activities	-4.8	3.8	7.6	3.5
Insurance	-0.4	-0.2	0.6	0.5
Real estate activities^{b)}	-1.7	-0.5	0.2	1.2
Professional, scientific and technical activities	3.4	3.1	0.1	5.2
of which: Legal and accounting activities	-0.6	0.2	0.1	0.4
Activities of head offices; management consultancy activities	3.3	1.1	0.0	3.7
Architectural and engineering activities; technical testing and analysis	0.1	1.5	-0.2	0.4
Scientific research and development	0.2	0.5	0.0	0.7
Advertising and market research	0.2	0.0	0.1	0.0
Administrative and support service activities	2.1	-1.3	-1.2	-1.0
Education	0.2	0.4	-0.1	0.0
Human health and social work activities	0.5	0.8	0.5	0.2
Arts, entertainment and recreation	0.1	0.7	0.6	0.3
Other service activities	0.0	0.0	0.1	0.5
Amounts not allocated	13.1	1.8	-8.6	3.4
Total	20.8	22.0	32.3	30.3

Note: Head offices and holding companies belonging to listed groups have been reclassified according to the main activity of their group. With effect from the 2017 data, statistical analyses have amplified these reclassifications, which had previously only been performed for listed groups.

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 in accordance with the extended directional principle.

b) This item includes 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 2019 classified by resident enterprise in alphabetical order

1. New investments			
Resident investor group	Investment enterprise	Country of residence of target	Comments
Canal +	M7 Group	Luxembourg	Acquisition of TV channel provider
CMA-CGM	Ceva Logistics	Switzerland	Acquisition of logistics specialist by way of public tender offer
Crédit Agricole	Santander Securities Services	Spain	Exchange of assets between CACEIS and Santander
Dassault Systemes	Medidata Solutions	United States	Acquisition of clinical trial support software specialist
EssilorLuxottica	Luxottica Group	Italy	Completion of acquisition by public buyout offer
Faurecia	Clarion	Japan	Acquisition of navigation system specialist by way of public tender offer
Ipsen	Clementia Pharmaceuticals	Canada	Acquisition of biotech company
Loxam	Ramirent	Finland	Acquisition of equipment rental company by way of public tender offer
LVMH	Belmond	Islands of Bermuda	Acquisition of luxury hotel group
Thalès	Gemalto	Netherlands	Acquisition of digital security specialist by way of public tender offer
Total	Mozambique LNG	Mozambique	Buyout of Abadarko Petroleum's interest in the project
Vinci	Gatwick Airport	United Kingdom	Acquisition of 50.01% of London Gatwick Airport capital
Worldline	equensWorldline	Netherlands	Acquisition of the 36.4% of minority interests in its payment transaction processing subsidiary
2. Disposals			
Seller group	Enterprise sold	Country of residence of target	Comments
Axa	Equitable Holdings EQH	United States	Sale of shares in listed US subsidiary

2.8 Foreign direct investment in France

Main deals announced in the press and carried out in 2019 classified by resident enterprise in alphabetical order

1. New investments			
Foreign investor group	Resident investment enterprise	Country of residence of investor	Comments
The Dutch government	Air France-KLM	Netherlands	Acquisition of a stake in the airline by the Dutch government
Bank of America	Bank of America Securities Europe	United States	Investment in new headquarters for BofA's European investment banking arm
Santander	CACEIS	Spain	Exchange of assets between Crédit Agricole and Santander
BlackRock	eFront	United States	Buyout of software publisher from Bridgepoint investment fund
Cellnex Telecom	Iliad TowerCo	Spain	Acquisition of 70% of Free's mobile towers
Colgate-Palmolive	Laboratoire Filorga Cosmétiques	United States	Acquisition of laboratory specialised in aesthetic medicinal products and anti-ageing cosmetics
Archer Daniels Midland (ADM)	Neovia	United States	Acquisition of animal health and nutrition subsidiary of the French agricultural cooperative group InVivo
Sika	Parex	Switzerland	Acquisition of mortar manufacturer
Omers Infrastructure	SFR FTTH	Canada	Acquisition of 49.9% of Altice France's fibre optic network by a consortium led by the fund manager Omers
Taisho Pharmaceutical	UPSA	Japan	Buyout of pharmaceutical laboratory based in Agen from the US group BMS
2. Disposals			
Foreign seller group	Resident enterprise sold	Country of residence of seller	Comments
Bridgepoint	eFront	United Kingdom	Sale of financial industry software solution provider to the US asset manager BlackRock by the investment fund
Bristol-Myers Squibb (BMS)	UPSA	United States	Sale of laboratory based in Agen as part of a change in shareholders

3. PORTFOLIO INVESTMENT FLOWS

3.1 Portfolio investment flows by type of security and by issuer's country of residence (EUR billions)

	2018				2019			
	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
European Union (28 members)	1.3	13.2	0.2	14.8	0.3	22.8	-13.4	9.7
Economic and Monetary Union (19 members)	7.5	19.4	8.9	35.8	5.7	24.2	2.3	32.2
of which: Austria	-0.2	-2.5	-0.1	-2.8	-0.1	-1.0	0.1	-1.0
Belgium	-1.7	-4.1	-3.1	-8.9	-0.3	3.6	-1.9	1.3
Finland	-0.5	0.6	0.2	0.3	0.2	-0.3	1.8	1.7
Germany	-6.2	1.5	0.7	-4.0	-2.2	11.0	5.3	14.1
Greece	0.0	-0.2	0.0	-0.2	0.0	-1.2	0.4	-0.7
Ireland	1.4	-2.6	-2.5	-3.6	7.4	4.1	1.3	12.8
Italy	2.6	-11.0	-4.7	-13.1	3.0	-1.1	1.7	3.5
Luxembourg	21.7	27.9	1.6	51.2	0.7	5.2	3.2	9.2
Netherlands	-2.9	9.6	12.7	19.4	-2.7	3.8	-11.8	-10.6
Portugal	0.4	-1.5	0.1	-0.9	0.1	-0.1	0.1	0.1
Spain	-7.1	0.8	3.9	-2.4	0.0	-0.7	1.1	0.5
Other European Union countries (28 members)	-6.2	-6.2	-8.6	-21.0	-5.4	-1.4	-15.6	-22.5
of which: Sweden	-0.5	-1.4	-2.1	-4.1	0.2	1.1	6.6	7.9
United Kingdom	-7.8	-0.6	-6.5	-14.9	-4.3	-2.7	-21.4	-28.4
Rest of the world	-22.8	28.1	8.9	14.3	-1.8	42.0	3.3	43.5
of which: Bermuda	0.1	0.0	-0.1	0.0	-0.5	-0.1	0.0	-0.6
Brazil	0.5	0.7	0.0	1.1	0.4	-1.4	0.0	-1.0
Cayman Islands	0.7	-0.7	0.0	0.0	1.2	0.3	0.0	1.5
China	0.5	-0.1	0.0	0.4	-1.5	0.2	0.0	-1.3
India	-2.3	-0.3	0.0	-2.6	1.5	-0.1	0.0	1.5
Japan	-6.2	9.9	10.3	14.0	-2.3	18.2	2.5	18.4
Jersey	0.3	-0.2	0.0	0.1	-1.4	0.1	-0.1	-1.3
Russia	-0.2	-0.3	0.0	-0.5	0.1	0.1	0.0	0.1
South Korea	-0.9	1.9	-0.1	0.9	-0.1	0.5	0.8	1.2
Switzerland	-3.7	0.0	-1.0	-4.7	0.9	1.4	0.0	2.3
Turkey	-0.1	0.2	0.0	0.1	0.0	-0.1	0.3	0.2
United States	-7.9	13.3	1.1	6.4	-2.2	27.2	0.2	25.3
Total	-21.5	41.3	9.2	29.0	-1.5	64.9	-10.1	53.2

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)

	2017			2018			2019		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
Euro area issuers	-12.8	9.4	-3.3	32.9	2.9	35.8	23.8	8.3	32.2
Equity securities and investment fund shares/units	31.6	2.1	33.7	7.7	-0.2	7.5	3.3	2.4	5.7
Equity securities	3.9	1.0	4.8	-13.8	0.7	-13.1	0.2	0.4	0.6
Investment fund shares/units	27.7	1.1	28.9	21.5	-0.9	20.6	3.1	2.0	5.0
Long-term debt securities	-38.4	9.0	-29.4	19.5	0.0	19.4	17.7	6.6	24.2
Short-term debt securities	-6.0	-1.7	-7.6	5.7	3.1	8.9	2.9	-0.6	2.3
Treasury notes maturing in less than 1 year	-5.7	0.0	-5.6	4.5	0.2	4.7	-1.8	-0.1	-1.9
Other short-term debt securities	-0.3	-1.7	-2.0	1.2	3.0	4.1	4.7	-0.5	4.1
Non-euro area issuers	7.1	51.6	58.8	-1.7	-5.1	-6.8	-12.7	33.8	21.1
Equity securities and investment fund shares/units	-5.3	27.6	22.3	-1.2	-27.8	-29.0	-5.3	-1.9	-7.2
Equity securities	-5.1	26.9	21.9	2.4	-27.1	-24.8	-2.2	-1.6	-3.8
Investment fund shares/units	-0.2	0.6	0.4	-3.6	-0.7	-4.3	-3.1	-0.3	-3.4
Long-term debt securities	-4.1	9.5	5.5	7.1	14.8	21.9	8.2	32.5	40.6
Short-term debt securities	16.5	14.5	31.0	-7.6	8.0	0.3	-15.6	3.2	-12.4
Treasury notes maturing in less than 1 year	0.0	13.2	13.2	0.0	9.4	9.4	0.1	2.6	2.7
Other short-term debt securities	16.5	1.4	17.8	-7.6	-1.4	-9.1	-15.7	0.6	-15.1
All issuers	-5.7	61.1	55.4	31.2	-2.2	29.0	11.1	42.1	53.2
Equity securities and investment fund shares/units	26.3	29.7	56.0	6.6	-28.0	-21.5	-2.0	0.5	-1.5
Equity securities	-1.2	27.9	26.7	-11.4	-26.4	-37.8	-2.0	-1.1	-3.1
Investment fund shares/units	27.5	1.8	29.3	18.0	-1.6	16.3	0.0	1.6	1.6
Long-term debt securities	-42.5	18.5	-23.9	26.6	14.8	41.3	25.8	39.0	64.9
Short-term debt securities	10.5	12.9	23.4	-1.9	11.1	9.2	-12.7	2.6	-10.1
Treasury notes maturing in less than 1 year	-5.7	13.2	7.5	4.6	9.5	14.1	-1.7	2.5	0.9
Other short-term debt securities	16.2	-0.3	15.9	-6.5	1.6	-4.9	-11.0	0.0	-11.0

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

	2014	2015	2016	2017	2018	2019
Liabilities	87.7	4.6	36.3	28.6	19.6	146.2
General government	48.4	10.5	-9.6	-16.0	-8.6	66.0
OATs ^{a)}	91.8	79.4	46.8	13.6	29.4	71.2
BTANs ^{b)}	-44.9	-49.8	-56.3	-29.0	0.0	0.0
Other long-term debt securities	3.9	-2.2	-1.7	0.7	-7.3	-3.0
BTFs ^{c)}	1.9	-17.7	-7.8	-4.1	-12.9	-9.9
Other short-term debt securities	-4.3	0.7	9.5	2.9	-17.8	7.7
Monetary financial institutions	11.2	-18.4	25.1	26.8	44.8	59.0
Equity securities	0.1	1.7	1.7	2.1	-1.8	0.8
Money market fund shares/units	3.6	10.2	13.8	4.8	12.9	5.5
Long-term debt securities	9.6	-18.3	0.2	13.3	42.4	45.1
Short-term debt securities	-2.1	-12.0	9.5	6.5	-8.7	7.6
Other sectors	28.0	12.5	20.8	17.8	-16.6	21.2
Equity securities	-4.4	-5.1	5.9	1.0	-10.6	2.1
Non-money market investment fund shares/units	8.6	3.2	7.2	16.7	-23.2	-12.9
Long-term debt securities	21.5	13.1	15.5	-0.8	16.9	31.6
Short-term debt securities	2.3	1.4	-7.7	0.9	0.3	0.4

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 the euro area		
	2017	2018	2019	2017	2018	2019
MFI assets	93.5	140.0	117.6	58.9	100.9	87.3
Long term	14.3	18.5	42.5	-2.0	6.6	18.6
Euro	7.9	18.3	27.6	-9.1	6.6	6.0
Foreign currencies	6.4	0.2	14.9	7.0	0.0	12.7
Short term	79.2	121.6	75.1	61.0	94.3	68.7
Euro	31.7	105.6	37.1	19.7	81.2	35.7
Foreign currencies	47.5	16.0	38.0	41.3	13.2	33.0
MFI liabilities	107.1	187.0	167.7	47.6	138.2	51.4
Long term	8.2	35.8	8.5	-18.1	-3.1	8.3
Euro	1.8	28.4	7.6	-17.2	-3.8	0.5
Foreign currencies	6.5	7.4	0.9	-0.9	0.7	7.8
Short term	98.9	151.3	159.2	65.7	141.3	43.2
Euro	61.9	153.6	71.6	43.5	140.9	-17.3
Foreign currencies	37.0	-2.3	87.6	22.2	0.4	60.5
Net flows	-13.6	-47.0	-50.1	11.3	-37.3	35.9
Euro	-24.0	-58.1	-14.5	-15.8	-49.4	58.5
Foreign currencies	10.4	11.1	-35.6	27.0	12.1	-22.7
Long term	6.1	-17.3	34.1	16.1	9.6	10.3
Short term	-19.7	-29.7	-84.1	-4.8	-47.0	25.5

5. INTERNATIONAL INVESTMENT POSITION

5.1 France's international investment position from end-2018 to end-2019 (direct investment estimated at mixed value) (EUR billions)

	Stocks at end-2018	Balance of payment flows 2019 ^{a)}	Changes attributable to change in exchange rate, market prices and other adjustments ^{a)}				Total variations between the two positions ^{a)}	Stocks at end-2019
			Total	Exchange rate change	Change in market prices	Other adjustments		
	1	2	3				4 = (2 + 3)	5 = (1 + 4)
Direct investment at mixed value^{a)}	592.6	4.2	-5.7	15.2	-18.0	-2.9	-1.5	591.2
Abroad	1,309.3	34.5	20.6	15.4	6.4	-1.1	55.1	1,364.4
Equity capital	1,215.1	44.2	20.4	14.1	6.4	0.0	64.7	1,279.7
Other transactions (intercompany lending)	94.2	-9.7	0.2	1.3	0.0	-1.1	-9.5	84.7
In France	716.7	30.3	26.3	0.2	24.4	1.7	56.6	773.3
Equity capital	659.5	29.1	27.4	0.0	24.4	3.1	56.6	716.0
Other transactions (intercompany lending)	57.2	1.2	-1.1	0.2	0.0	-1.3	0.1	57.2
Portfolio investment	-757.1	-93.0	-92.6	0.9	-73.2	-20.3	-185.6	-942.7
Foreign securities	2,334.7	53.2	158.1	11.7	166.9	-20.5	211.3	2,546.0
Equity securities and investment fund shares/units	689.9	-1.5	118.8	5.6	111.0	2.2	117.3	807.2
Bonds and notes	1,435.6	64.9	45.3	4.6	55.3	-14.6	110.2	1,545.8
Short-term debt securities	209.2	-10.1	-6.1	1.6	0.5	-8.2	-16.2	193.0
Domestic securities	3,091.8	146.2	250.6	10.8	240.1	-0.2	396.9	3,488.7
Equity securities and investment fund shares/units	806.1	-4.5	154.6	0.1	154.5	0.0	150.1	956.2
Bonds and notes	2,074.6	144.9	95.2	9.9	85.5	-0.2	240.1	2,314.7
Short-term debt securities	211.1	5.8	0.8	0.8	0.0	0.0	6.6	217.7
Memorandum item: Treasury securities	1,059.6	61.3	32.2	0.0	32.2	0.0	93.5	1,153.1
Financial derivatives^{b)}	-72.5	3.7	-3.9	-1.4	-2.2	-0.2	-0.2	-72.8
Assets	612.8	137.6	-3.8	5.3	-9.5	0.4	133.8	746.6
Liabilities	685.4	133.9	0.1	6.7	-7.3	0.6	134.0	819.4
Other investment (excluding reserve assets)	-353.2	53.4	-0.7	1.6	0.0	-2.3	52.7	-300.5
Other equity	45.9	0.1	0.4	0.4	0.0	0.0	0.5	46.4
Banque de France	1.5	0.1	0.0	0.0	0.0	0.0	0.1	1.6
General government	44.4	0.0	0.4	0.4	0.0	0.0	0.4	44.8
Currency and deposits	-870.6	7.9	-5.0	-5.0	0.0	0.0	2.9	-867.8
Banque de France	-96.4	45.8	1.2	1.2	0.0	0.0	47.0	-49.4
General government	-14.0	-4.2	0.0	0.0	0.0	0.0	-4.2	-18.3
Monetary financial institutions	-898.8	-90.8	-7.3	-7.3	0.0	0.0	-98.2	-997.0
Other sectors	138.6	57.2	1.1	1.1	0.0	0.0	58.3	196.9
Loans	528.9	36.8	7.0	7.0	0.0	0.0	43.9	572.8
Banque de France	-78.4	-0.2	-2.1	-2.1	0.0	0.0	-2.3	-80.7
General government	4.9	-1.2	0.0	0.0	0.0	0.0	-1.2	3.7
Monetary financial institutions	723.4	36.9	9.6	9.6	0.0	0.0	46.5	769.9
Other sectors	-121.0	1.3	-0.5	-0.5	0.0	0.0	0.8	-120.2
Trade credits and advances	-40.0	5.1	-0.6	-0.6	0.0	0.0	4.5	-35.5
Other accounts payable/receivable	4.1	3.8	0.0	0.0	0.0	0.0	3.8	8.0
Monetary financial institutions	4.1	3.8	0.0	0.0	0.0	0.0	3.8	7.9
Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	-12.3	0.0	-0.2	-0.2	0.0	0.0	-0.2	-12.5
Insurance technical reserves	-9.2	-0.3	-2.3	0.0	0.0	-2.3	-2.6	-11.8
Reserve assets	145.6	2.8	19.8	1.5	18.3	0.0	22.6	168.2
Balance	-444.6	-28.8	-83.1	17.8	-75.2	-25.7	-111.9	-556.5
(% of GDP)	-18.9							-23.0

a) Direct investment presented in accordance with 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^{a)} (Stocks at end of year in EUR billions)

	2009	2010	2011	2012	2013	2014	2015	2016	2017 ^{b)}	2018 ^{b)}	2019
French direct investment abroad	777.8	877.9	964.5	964.4	961.1	1,066.0	1,164.9	1,218.9	1,201.0	1,309.3	1,364.4
Equity capital	756.9	864.3	894.1	948.5	940.2	1,012.7	1,079.8	1,111.9	1,097.2	1,215.1	1,279.7
Listed companies	59.4	67.7	54.5	55.9	60.0	62.3	76.4	76.0	76.9	106.7	76.4
Unlisted companies and real estate	697.5	796.6	839.6	892.6	880.2	950.4	1,003.4	1,036.0	1,020.3	1,108.3	1,203.3
Other transactions (loans)	20.9	13.6	70.4	16.0	20.8	53.2	85.1	107.0	103.9	94.2	84.7
Foreign direct investment in France	449.8	472.0	540.1	515.7	552.1	576.6	631.4	659.2	683.2	716.7	773.3
Equity capital	434.1	460.8	460.8	470.4	501.9	528.8	576.1	604.0	625.3	659.5	716.0
Listed companies	64.0	65.0	51.6	62.3	80.6	90.4	98.0	104.4	83.7	94.4	113.0
Unlisted companies and real estate	370.2	395.9	409.2	408.1	421.3	438.4	478.2	499.6	541.6	565.1	603.0
Other transactions (deposits)	15.7	11.2	79.3	45.3	50.1	47.8	55.2	55.2	57.8	57.2	57.2
Net direct investment balance	328.0	405.8	424.4	448.7	409.0	489.4	533.5	559.7	517.9	592.6	591.2
Equity capital	322.8	403.5	433.3	478.1	438.3	484.0	503.7	507.9	471.8	555.6	563.7
Listed companies	-4.5	2.7	2.9	-6.4	-20.7	-28.1	-21.5	-28.4	-6.9	12.3	-36.6
Unlisted companies and real estate	327.3	400.7	430.4	484.5	459.0	512.0	525.2	536.3	478.7	543.3	600.3
Other transactions (loans-deposits)	5.2	2.4	-8.9	-29.3	-29.3	5.4	29.8	51.8	46.1	37.1	27.5

Note: The amount of intercompany loans-deposits 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-2019 were estimated on the basis of stocks at end-2018, direct investment flows in 2019 and exchange rate variations for positions in foreign currencies.

b) Revised data.

5.3 Direct investment from end-2017 to end-2018 at mixed value (EUR billions)

	Stocks at end-2017 ^{a)}	Balance of payment flows 2018 ^{b)}	Changes attributable to change in exchange rate, market prices and other adjustments ^{b)}				Total variations between the two positions ^{b)}	Stocks at end-2018 ^{a)}
			Total	Exchange rate change ^{b)}	Change in market prices ^{b)}	Other adjustments ^{b)}		
French direct investment abroad	1,201.0	89.4	18.8	5.4	-0.1	13.5	108.3	1,309.3
Equity capital	1,097.2	102.9	15.0	2.1	-0.1	13.0	117.9	1,215.1
Listed companies	76.9	52.1	-22.2	0.5	-0.1	-22.6	29.9	106.7
Unlisted companies and real estate	1,020.3	50.8	37.2	1.6	0.0	35.7	88.0	1,108.3
Other transactions (intercompany lending)^{c)}	103.9	-13.5	3.8	3.3	0.0	0.5	-9.6	94.2
Foreign direct investment in France	683.2	32.3	1.2	0.2	-1.1	2.1	33.5	716.7
Equity capital	625.3	36.1	-2.0	0.1	-1.1	-0.9	34.1	659.5
Listed companies	83.7	20.7	-10.0	0.0	-5.2	-4.8	10.7	94.4
Unlisted companies and real estate	541.6	15.5	8.0	0.1	4.1	3.9	23.4	565.1
Other transactions (intercompany borrowing)^{c)}	57.8	-3.8	3.1	0.1	0.0	3.0	-0.6	57.2
Net position	517.9	57.1	17.7	5.2	1.1	11.4	74.8	592.6
Equity capital	471.8	66.8	17.0	2.0	1.1	13.9	83.8	555.6
Listed companies	-6.9	31.5	-12.3	0.5	5.1	-17.9	19.2	12.3
Unlisted companies and real estate	478.7	35.3	29.3	1.5	-4.1	31.8	64.6	543.3
Other transactions (intercompany lending borrowing)^{c)}	46.1	-9.7	0.7	3.2	0.0	-2.5	-9.0	37.1

a) Revised data.

b) New balance of payments methodology sign conventions:

no sign indicates an increase in assets and in liabilities;

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

c) After restating intercompany lending and borrowing in accordance with the extended directional principle.

5.4 Stocks of French direct investment abroad at mixed value by country of residence of the first counterparty^{a)} (EUR billions)

	2016	2017 ^{b)}	2018 ^{b)}	2019 ^{c)}	2019 (en %)
European Union (28 members)	683.9	706.5	782.4	808.6	59.3
Economic and Monetary Union (19 members)	527.6	543.7	607.7	623.9	45.7
of which: Belgium	157.0	141.9	140.8	142.0	10.4
Germany	59.0	72.9	63.2	66.0	4.8
Ireland	18.6	21.0	32.6	28.3	2.1
Italy	62.0	64.3	84.0	85.9	6.3
Luxembourg	44.5	49.9	49.9	56.1	4.1
Netherlands	127.7	129.8	171.4	181.1	13.3
Spain	46.8	50.4	50.3	48.1	3.5
Other European Union countries	156.3	162.8	174.8	184.7	13.5
of which: Czech Republic	8.1	8.2	9.4	9.5	0.7
Denmark	7.4	7.9	16.3	11.2	0.8
Poland	16.3	16.4	17.3	18.1	1.3
Romania	4.3	4.4	4.7	5.2	0.4
Sweden	5.3	7.8	7.9	8.0	0.6
United Kingdom	110.3	114.0	114.8	128.8	9.4
Rest of the world	535.1	494.5	526.9	555.9	40.7
of which: Algeria	2.7	2.3	2.5	2.6	0.2
Angola	9.3	6.7	6.7	6.8	0.5
Argentina	2.9	3.0	1.5	0.8	0.1
Australia	11.7	9.9	15.6	13.6	1.0
Bermuda	3.6	4.3	18.0	20.6	1.5
Brazil	24.0	25.1	25.7	27.7	2.0
Canada	11.4	10.5	10.2	10.9	0.8
China	23.1	24.5	28.1	28.8	2.1
Congo	5.3	4.0	4.7	3.9	0.3
Egypt	1.9	1.3	2.2	2.6	0.2
Hong Kong	9.8	9.1	10.0	8.9	0.7
India	5.5	5.5	5.6	5.9	0.4
Indonesia	2.6	1.0	1.2	1.7	0.1
Israel	3.0	2.7	2.8	3.2	0.2
Japan	26.4	24.4	22.9	21.0	1.5
Jersey	0.4	0.3	0.4	0.4	0.0
Kazakhstan	10.7	9.2	9.2	9.2	0.7
Mexico	2.4	3.4	4.1	4.7	0.3
Morocco	10.0	11.0	11.1	10.8	0.8
Nigeria	11.0	9.5	9.3	9.7	0.7
Qatar	3.1	1.9	1.8	1.7	0.1
Russia	16.9	16.6	17.9	22.9	1.7
Saudi Arabia	5.1	3.9	4.3	3.7	0.3
Singapore	9.9	9.9	9.6	13.7	1.0
South Africa	2.5	2.3	2.8	3.1	0.2
South Korea	4.0	4.2	4.2	4.1	0.3
Switzerland	42.2	41.1	42.8	42.8	3.1
Thailand	1.9	1.4	1.5	1.8	0.1
Turkey	3.6	3.2	2.9	3.0	0.2
Ukraine	0.5	0.6	1.0	1.3	0.1
United Arab Emirates	-0.8	1.4	1.5	1.6	0.1
United States	225.8	197.7	203.3	216.8	15.9
Total	1,218.9	1,201.0	1,309.3	1,364.4	100.0

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 in accordance with the extended directional principle.

b) Revised data.

c) Estimates based on mixed value of stocks at end-2018 and direct investment flows in 2019.

5.5 Stocks of foreign direct investment in France at mixed value by country of residence of the first counterparty^{a)} (EUR billions)

	2016	2017 ^{b)}	2018 ^{b)}	2019 ^{c)}	2019 (%)
European Union (28 members)	476.7	497.5	529.6	561.9	72.7
Economic and Monetary Union (19 members)	396.2	399.0	424.8	445.6	57.6
of which: Belgium	59.4	50.6	51.0	53.7	6.9
Finland	14.5	4.6	2.4	2.4	0.3
Germany	51.4	65.8	68.2	73.9	9.6
Ireland	2.4	3.9	1.6	2.3	0.3
Italy	19.4	21.4	24.4	25.5	3.3
Luxembourg	139.6	133.1	147.9	151.9	19.6
Netherlands	84.0	92.1	101.3	104.4	13.5
Spain	18.5	20.3	21.5	25.4	3.3
Other European Union countries	80.4	98.5	104.9	116.3	15.0
of which: Czech Republic	0.5	0.4	0.3	0.4	0.1
Denmark	5.6	5.8	7.0	7.2	0.9
Poland	-2.6	-2.5	-2.2	-0.8	-0.1
Romania	0.1	0.0	0.0	0.2	0.0
Sweden	5.1	5.4	5.6	5.4	0.7
United Kingdom	71.3	88.9	93.2	103.2	13.4
Rest of the world	182.6	185.6	187.0	211.3	27.3
of which: Algeria	0.3	0.3	0.3	0.3	0.0
Australia	1.3	1.2	1.0	0.9	0.1
Bermuda	-0.2	0.2	0.3	0.3	0.0
Brazil	0.2	0.3	0.2	0.1	0.0
British Virgin Islands	0.1	0.1	0.7	0.7	0.1
Canada	4.2	5.1	6.7	6.9	0.9
China	2.6	2.9	2.4	2.6	0.3
Egypt	0.3	0.2	0.1	0.3	0.0
Gabon	0.5	0.5	0.8	0.9	0.1
Hong Kong	3.8	4.8	4.8	5.9	0.8
India	0.3	0.2	0.0	0.2	0.0
Isle of Man	0.1	0.1	0.5	0.3	0.0
Israel	0.6	0.7	0.9	0.9	0.1
Japan	12.5	13.5	12.4	12.7	1.6
Jersey	0.1	0.3	0.4	0.5	0.1
Lebanon	2.8	3.1	3.2	3.3	0.4
Morocco	1.6	1.6	1.6	1.8	0.2
Mexico	1.0	0.9	0.2	-0.1	0.0
Qatar	3.6	4.2	3.3	3.5	0.4
Russia	0.5	0.8	0.7	0.6	0.1
Saudi Arabia	0.3	0.3	0.3	0.4	0.0
Singapore	1.7	1.5	1.4	1.9	0.2
South Korea	0.7	0.7	1.2	1.7	0.2
Switzerland	72.8	72.9	77.7	91.9	11.9
Thailand	0.4	0.4	0.3	0.4	0.0
Turkey	0.3	0.2	0.2	0.2	0.0
United Arab Emirates	1.7	1.6	1.8	1.8	0.2
United States	58.3	56.1	53.2	58.1	7.5
Total	659.2	683.2	716.7	773.3	100.0

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 borrowing and trade credits included in these statistics were calculated in accordance with the extended directional principle.

b) Revised data.

c) Estimates based on mixed value of stocks at end-2018 and direct investment flows in 2019.

5.6 Stocks of French direct investment abroad at mixed value by sector^{a)} (EUR billions)

	2016	2017	2018	2019 ^{b)}	2019 (%)
Agriculture, forestry and fishing	0.4	0.3	0.4	0.5	0.0
Mining and quarrying	107.9	95.6	108.0	117.0	8.6
of which: Extraction of crude petroleum and natural gas	99.7	88.4	98.3	104.6	7.7
Manufacturing	361.0	354.0	414.8	422.2	30.9
of which: Food products and beverages	58.2	76.2	76.1	77.4	5.7
Textiles and wearing apparel	12.7	10.4	11.3	10.1	0.7
Wood, paper, printing and reproduction	2.1	2.2	2.1	2.0	0.1
Coke and refined petroleum products	16.8	15.5	20.4	20.4	1.5
Chemicals and chemical products	40.0	43.4	48.0	49.6	3.6
Pharmaceutical products	61.6	51.1	66.9	60.6	4.4
Rubber and plastic products	12.5	20.0	25.0	25.5	1.9
Basic metals and fabricated metal products	7.5	15.0	19.0	20.9	1.5
Computer, electronic and optical products	24.8	8.7	6.9	11.6	0.9
Machinery and equipment	6.6	6.7	7.6	8.3	0.6
Motor vehicles, trailers and semitrailers	42.5	41.1	37.5	35.7	2.6
Other transport equipment	16.9	17.0	18.2	17.7	1.3
Electricity, gas, steam and air-conditioning supply	81.4	74.2	75.5	75.2	5.5
Water supply, sewerage, waste management and remediation	4.7	4.3	5.5	3.9	0.3
of which: Water collection, treatment and supply	3.8	3.1	4.4	2.6	0.2
Construction	21.4	16.4	17.4	19.7	1.4
Wholesale and retail trade, repair of motor vehicles and motorcycles	90.2	89.0	109.1	111.6	8.2
of which: Wholesale trade	24.8	37.2	44.3	42.1	3.1
Retail trade	58.6	45.0	55.8	59.6	4.4
Transportation and storage	8.2	9.4	11.5	14.5	1.1
of which: Land transport and transport via pipelines	0.8	1.0	1.4	1.4	0.1
Water transport	-1.3	0.3	1.2	2.6	0.2
Air transport	1.4	0.5	1.2	1.6	0.1
Warehousing and support activities for transportation	7.3	7.6	7.7	8.4	0.6
Accommodation and food service activities	12.3	19.6	14.7	14.7	1.1
Information and communication	71.5	70.3	78.9	89.3	6.5
of which: Motion pictures, video and television programme activities	16.5	13.5	12.6	13.9	1.0
Telecommunications	29.5	28.5	28.3	30.5	2.2
Financial and insurance activities	306.2	294.8	276.8	296.6	21.7
of which: Financial service activities, except insurance and pension funding	182.8	167.0	169.1	179.1	13.1
Holding company activities	32.9	27.4	10.6	17.7	1.3
Insurance	69.0	68.4	72.3	74.4	5.5
Real estate activities^{c)}	70.4	62.7	82.8	96.6	7.1
Professional, scientific and technical activities	45.9	47.1	47.8	50.3	3.7
of which: Legal and accounting activities	0.9	1.0	1.0	1.0	0.1
Activities of head offices; management consultancy activities	16.1	9.3	8.5	11.7	0.9
Architectural and engineering activities; technical testing and analysis	14.9	18.5	18.0	18.2	1.3
Scientific research and development	0.5	2.2	3.1	2.8	0.2
Advertising and market research	16.0	18.2	19.2	18.8	1.4
Administrative and support service activities	5.6	33.0	35.4	20.3	1.5
Education	0.1	0.1	0.1	0.1	0.0
Human health and social work activities	2.6	3.3	3.5	3.4	0.2
Arts, entertainment and recreation	0.0	0.1	0.1	0.0	0.0
Other service activities	0.5	0.4	0.4	0.9	0.1
Amounts not allocated^{d)}	28.2	25.9	26.2	27.0	2.0
Total	1,218.9	1,201.0	1,309.3	1,364.4	100.0

Note: Head offices and holding companies belonging to listed groups have been reclassified according to the main activity of their group. With effect from the 2017 data, statistical analyses have amplified these reclassifications, which had previously only been performed for listed groups.

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 in accordance with the extended directional principle.

b) Estimates based on mixed value of stocks at end-2018 and direct investment flows in 2019.

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 and borrowing has been based on extrapolated data and as a result is not broken down by sector.

5.7 Stocks of Foreign direct investment in France at mixed value by sector^{a)} (EUR billions)

	2016	2017	2018	2019 ^{b)}	2019 (%)
Agriculture, forestry and fishing	0.6	0.7	0.7	0.9	0.1
Mining and quarrying	4.6	3.3	3.9	3.5	0.5
of which: Extraction of crude petroleum and natural gas	1.1	1.2	1.1	1.2	0.2
Manufacturing	170.3	208.6	221.2	234.3	30.3
of which: Food products and beverages	25.2	29.2	31.1	28.9	3.7
Textiles and wearing apparel	3.0	4.0	3.6	5.7	0.7
Wood, paper, printing and reproduction	4.0	7.6	8.4	8.6	1.1
Coke and refined petroleum products	0.7	1.2	1.3	1.5	0.2
Chemicals and chemical products	32.9	38.9	43.1	53.9	7.0
Pharmaceutical products	31.8	41.9	38.7	36.6	4.7
Rubber and plastic products	6.2	11.0	11.4	16.2	2.1
Basic metals and fabricated metal products	7.1	10.3	10.9	10.9	1.4
Computer, electronic and optical products	25.1	17.3	13.5	12.6	1.6
Machinery and equipment	2.8	8.6	9.5	9.0	1.2
Motor vehicles, trailers and semitrailers	10.0	10.6	9.4	9.5	1.2
Other transport equipment	4.0	9.7	6.6	2.0	0.3
Electricity, gas, steam and air-conditioning supply	4.2	4.4	5.9	6.4	0.8
Water supply, sewerage, waste management and remediation	0.7	0.6	0.7	0.7	0.1
of which: Water collection, treatment and supply	0.1	0.1	0.1	0.1	0.0
Construction	21.7	18.9	15.5	14.2	1.8
Wholesale and retail trade, repair of motor vehicles and motorcycles	44.5	66.8	72.1	73.8	9.5
of which: Wholesale trade	23.2	41.1	47.9	50.7	6.6
Retail trade	19.3	23.5	20.9	20.6	2.7
Transportation and storage	9.5	15.3	15.4	15.6	2.0
of which: Land transport and transport via pipelines	1.0	4.7	4.4	4.3	0.6
Water transport	2.0	2.7	2.9	3.2	0.4
Air transport	0.0	0.0	0.3	1.0	0.1
Warehousing and support activities for transportation	6.0	7.4	7.3	6.8	0.9
Accommodation and food service activities	7.2	10.4	10.5	13.2	1.7
Information and communication	17.3	26.4	28.1	31.2	4.0
of which: Motion pictures, video and television programme activities	2.9	3.1	2.5	2.9	0.4
Telecommunications	-0.3	1.5	3.5	5.7	0.7
Financial and insurance activities	163.8	105.7	124.2	136.9	17.7
of which: Financial service activities, except insurance and pension funding	43.8	38.3	43.7	46.7	6.0
Holding company activities	70.8	10.1	15.8	16.4	2.1
Insurance	24.8	27.4	27.1	27.2	3.5
Real estate activities^{c)}	136.3	149.3	155.8	167.8	21.7
Professional, scientific and technical activities	37.8	30.4	29.0	33.5	4.3
of which: Legal and accounting activities	0.2	0.6	0.8	1.2	0.2
Activities of head offices; management consultancy activities	25.0	13.5	13.1	15.4	2.0
Architectural and engineering activities; technical testing and analysis	6.8	10.3	8.8	9.9	1.3
Scientific research and development	3.4	3.3	3.5	4.1	0.5
Advertising and market research	1.8	2.2	2.1	2.2	0.3
Administrative and support service activities	8.8	9.8	8.5	16.8	2.2
Education	1.3	1.8	1.8	1.8	0.2
Human health and social work activities	3.5	5.2	4.8	5.3	0.7
Arts, entertainment and recreation	0.9	1.9	3.1	3.4	0.4
Other service activities	0.0	0.3	0.5	1.0	0.1
Amounts not allocated^{d)}	26.2	23.4	14.8	12.6	1.6
Total	659.2	683.2	716.7	773.3	100.0

Note: Head offices and holding companies belonging to listed groups have been reclassified according to the main activity of their group. With effect from the 2017 data, statistical analyses have amplified these reclassifications, which had previously only been performed for listed groups.

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

b) Estimates based on mixed value of stocks at end-2018 and direct investment flows in 2019.

c) This item includes the stocks of French investment of non-resident enterprises belonging to the 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 and borrowing 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-2019 by investment amount at mixed value

Resident investor groups (in alphabetical order)	Investor group's business activities
AIR LIQUIDE	Chemicals and chemical products
AUCHAN	Large retailers
AXA	Insurance
BPCE	Financial services
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
LVMH	Textiles and wearing apparel
MICHELIN	Tyre manufacturing
ORANGE	Telecommunications
PERNOD RICARD	Agriculture and manufacture of food products
PUBLICIS	Communication and advertising agency activities
RENAULT	Motor vehicles, trailers and semitrailers
SAINT-GOBAIN	Construction industry
SANOFI	Pharmaceutical products
SCHNEIDER ELECTRIC	Other manufacturing
SOCIÉTÉ GÉNÉRALE	Financial services
TOTAL	Extraction of crude petroleum and natural gas
UNIBAIL-RODAMCO-WESTFIELD	Commercial real estate
VEOLIA ENVIRONNEMENT	Environment and utilities
VIVENDI	Information and communication

5.9 Stocks of foreign direct investment in France at mixed value

The top 25 foreign investors at end-2019 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
AVIVA	United Kingdom	Insurance
DANAHER	United States	Manufacturing and medical technologies
DEL VECCHIO LEONARDO	Italy	Holding company activities
GENERAL ELECTRIC	United States	Other manufacturing
GENERALI	Italy	Insurance
HEIDELBERG CEMENT	Germany	Cement
HSBC	United Kingdom	Financial services
IMMOBILIARIA COLONIAL	Spain	Commercial real estate
KINGFISHER	United Kingdom	Retail trade
LAFARGE HOLCIM	Switzerland	Cement
MARS	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
NOVARTIS	Switzerland	Pharmaceutical products
S.A.P.	Germany	Software
SARTORIUS	Germany	Manufacturing and medical technologies
SIMON PROPERTY GROUP	United States	Commercial real estate
SOLVAY	Belgium	Chemicals and chemical products
UNILEVER	Netherlands/United Kingdom	Agriculture and manufacture of food products
UNITED TECHNOLOGIES CORPORATION	United States	Other manufacturing

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

	2017			2018			2019		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
Assets (resident holdings of non-resident securities)	1,915.8	494.6	2,410.4	1,854.8	479.9	2,334.7	1,972.7	573.4	2,546.0
Equity securities and investment fund shares/units	508.3	287.4	795.7	449.8	240.2	689.9	517.9	289.3	807.2
Equity securities	257.0	231.7	488.7	207.5	188.1	395.5	244.7	225.6	470.3
Investment fund shares/units	251.4	55.6	307.0	242.3	52.1	294.4	273.2	63.7	336.9
Long-term debt securities	1,262.3	156.9	1,419.2	1,260.8	174.8	1,435.6	1,324.5	221.3	1,545.8
Short-term debt securities	145.1	50.3	195.5	144.2	65.0	209.2	130.2	62.7	193.0
Treasury notes maturing in less than 1 year	15.9	40.7	56.6	20.4	53.5	74.0	18.6	51.0	69.6
Other short-term debt securities	129.2	9.6	138.8	123.8	11.4	135.2	111.7	11.7	123.4
Liabilities (non-resident holdings of resident securities)	2,747.3	427.0	3,174.3	2,646.8	445.0	3,091.8	2,985.4	503.3	3,488.7
Equity securities and investment fund shares/units	904.7	9.5	914.1	797.9	8.2	806.1	946.9	9.3	956.2
Equity securities	695.5	0.0	695.5	610.2	0.0	610.2	755.5	0.0	755.5
Investment fund shares/units	209.2	9.5	218.7	187.7	8.2	195.9	191.4	9.3	200.7
Long-term debt securities	1,674.8	362.6	2,037.4	1,694.8	379.8	2,074.6	1,900.6	414.2	2,314.7
OATs (Treasury bonds)	955.7		955.7	956.3		956.3	1,060.0		1,060.0
BTANs (annual interest Treasury notes)	0.0		0.0	0.0		0.0			
Other notes (BMTNs, ^{a)} EMTNs, ^{b)} , etc.)	719.1	362.6	1,081.7	738.5	379.8	1,118.3	840.6	414.2	1,254.8
Short-term debt securities	167.8	54.9	222.7	154.0	57.1	211.1	137.9	79.8	217.7
Treasury notes maturing in less than 1 year	114.4		114.4	103.3		103.3	93.2		93.2
Other short-term debt securities	53.5	54.9	108.4	50.7	57.1	107.8	44.8	79.8	124.6
Net position	-831.5	67.6	-763.9	-792.0	34.9	-757.1	-1,012.7	70.1	-942.7

a) *Bons à moyen terme négociables* (BMTN – medium-term negotiable notes).

b) Euro medium term notes.

5.11 Portfolio investment assets by issuing zone, by type of instrument and by resident investor's sector (EUR billions)

	2017			2018			2019		
	MFIs	Non-MFIs	Total	MFIs	Non-MFIs	Total	MFIs	Non-MFIs	Total
Euro area issuers	266.7	1,255.4	1,522.1	267.6	1,201.9	1,469.5	309.2	1,295.2	1,604.4
Equity securities and investment fund shares/units	42.5	491.7	534.2	36.9	438.9	475.8	59.7	498.7	558.4
Long-term debt securities	158.8	740.4	899.2	161.6	733.9	895.5	169.5	777.2	946.8
Short-term debt securities	65.4	23.3	88.6	69.1	29.1	98.2	79.9	19.3	99.2
Non-euro area issuers	267.4	620.8	888.3	269.8	595.4	865.2	299.5	642.1	941.7
Equity securities and investment fund shares/units	77.1	184.3	261.4	60.2	153.9	214.1	78.4	170.4	248.8
Long-term debt securities	132.1	387.9	520.0	155.7	384.5	540.2	178.6	420.4	599.1
Short-term debt securities	58.2	48.6	106.8	53.8	57.1	110.9	42.4	51.3	93.8
All issuers	534.2	1,876.2	2,410.4	537.4	1,797.3	2,334.7	608.7	1,937.3	2,546.0
Equity securities and investment fund shares/units	119.7	676.0	795.7	97.1	592.8	689.9	138.2	669.0	807.2
Long-term debt securities	290.9	1,128.3	1,419.2	317.3	1,118.4	1,435.6	348.2	1,197.7	1,545.8
Short-term debt securities	123.6	71.9	195.5	122.9	86.2	209.2	122.4	70.6	193.0

5.12 Portfolio investment liabilities by issuing sector and by currency (EUR billions)

	2017			2018			2019		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
Stocks	2,747.3	427.0	3,174.3	2,646.8	445.0	3,091.8	2,985.4	503.3	3,488.7
General government	1,157.8	72.6	1,230.4	1,150.7	50.8	1,201.5	1,247.8	55.5	1,303.3
OATs (Treasury bonds)	955.7		955.7	956.3		956.3	1,060.0		1,060.0
Other long-term debt securities	85.0	42.1	127.1	84.7	34.8	119.5	90.2	29.9	120.1
Treasury notes and bills (BTANs and BTFs)	114.4		114.4	103.3		103.3	93.2		93.2
Other short-term debt securities	2.8	30.5	33.2	6.4	15.9	22.3	4.5	25.6	30.0
Monetary financial institutions	505.9	210.4	716.3	494.1	253.7	747.9	553.7	292.3	846.0
Equity securities and investment fund shares/units	116.8	0.3	117.1	98.7	0.2	98.9	116.4	0.3	116.7
Long-term debt securities	346.0	187.3	533.3	359.9	214.5	574.4	404.6	241.5	646.1
Short-term debt securities	43.1	22.9	65.9	35.6	39.0	74.6	32.7	50.5	83.2
Other sectors	1,083.6	144.0	1,227.6	1,002.0	140.5	1,142.5	1,183.9	155.5	1,339.4
Equity securities and investment fund shares/units	787.9	9.2	797.1	699.3	7.9	707.2	830.5	9.0	839.6
Long-term debt securities	288.1	133.2	421.3	293.9	130.4	424.4	345.8	142.7	488.5
Short-term debt securities	7.6	1.6	9.2	8.7	2.2	10.9	7.6	3.7	11.4

5.13 Portfolio investment assets by issuer's country of residence and by type of security (EUR billions)

	2018					2019				
	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	%
European Union (28 members)	528.3	1,096.4	148.1	1,772.8	75.9	615.5	1,153.3	133.6	1,902.4	74.7
Economic and Monetary Union (19 members)	475.8	895.5	98.2	1,469.5	62.9	558.4	946.8	99.2	1,604.4	63.0
of which: Austria	1.9	34.0	0.0	35.9	1.5	2.2	32.9	0.1	35.2	1.4
Belgium	11.8	56.3	12.2	80.3	3.4	13.9	62.1	10.3	86.3	3.4
Finland	7.5	18.4	0.3	26.3	1.1	7.8	18.4	2.1	28.3	1.1
Germany	67.5	86.1	9.1	162.7	7.0	78.5	96.2	14.4	189.1	7.4
Greece	0.2	3.2	0.3	3.7	0.2	0.3	2.4	0.7	3.4	0.1
Ireland	54.3	47.2	6.8	108.3	4.6	70.7	50.6	8.2	129.5	5.1
Italy	27.7	164.4	5.9	198.1	8.5	34.6	167.1	7.5	209.1	8.2
Luxembourg	235.6	156.0	14.1	405.7	17.4	268.8	168.9	17.5	455.1	17.9
Netherlands	46.6	171.2	31.7	249.5	10.7	56.8	182.1	18.5	257.4	10.1
Portugal	2.3	14.6	0.8	17.6	0.8	2.7	15.3	0.9	18.9	0.7
Spain	19.9	118.6	16.2	154.8	6.6	21.9	123.4	17.4	162.6	6.4
Other European Union countries	52.5	201.0	49.8	303.3	13.0	57.1	206.5	34.4	298.0	11.7
of which: Czech Republic	0.1	2.1	0.0	2.2	0.1	0.0	2.1	0.0	2.2	0.1
Poland	2.8	5.3	0.1	8.1	0.3	3.5	5.8	0.0	9.3	0.4
Romania	0.2	0.9	0.0	1.1	0.0	0.2	1.2	0.0	1.4	0.1
Sweden	4.5	22.3	3.5	30.2	1.3	5.9	23.5	10.1	39.6	1.6
United Kingdom	37.2	126.8	44.3	208.3	8.9	40.3	130.0	23.1	193.4	7.6
Rest of the world	161.6	339.2	61.1	561.9	24.1	191.7	392.6	59.3	643.7	25.3
of which: Bermuda	1.4	0.4	0.0	1.8	0.1	1.0	0.3	0.0	1.3	0.1
Brazil	4.7	2.3	0.0	7.0	0.3	5.9	1.2	0.0	7.1	0.3
Cayman Islands	7.2	4.5	0.0	11.7	0.5	10.1	4.9	0.0	15.0	0.6
China	8.6	1.1	0.0	9.8	0.4	8.7	1.4	0.0	10.1	0.4
India	5.8	0.4	0.0	6.2	0.3	7.6	0.3	0.0	7.8	0.3
Japan	15.4	30.4	51.9	97.7	4.2	16.5	37.0	49.2	102.7	4.0
Jersey	3.1	4.8	0.1	8.1	0.3	2.1	5.2	0.0	7.3	0.3
Russia	2.1	0.1	0.0	2.2	0.1	2.7	0.2	0.0	2.9	0.1
South Korea	4.6	4.6	0.0	9.2	0.4	5.1	5.1	0.8	11.0	0.4
Switzerland	20.9	3.5	0.0	24.5	1.0	26.4	5.2	0.1	31.7	1.2
Turkey	0.6	1.8	0.0	2.3	0.1	0.6	1.7	0.3	2.6	0.1
United States	64.6	175.3	6.9	246.8	10.6	78.0	216.3	7.2	301.5	11.8
Total	689.9	1,435.6	209.2	2,334.7	100.0	807.2	1,545.8	193.0	2,546.0	100.0

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

5.14 Portfolio investment assets by issuing zone, by type of instrument and by currency (EUR billions)

	2017			2018			2019		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
Euro area issuers	1,442.0	80.1	1,522.1	1,388.3	81.2	1,469.5	1,504.4	100.0	1,604.4
Equity securities and investment fund shares/units	491.3	43.0	534.2	434.9	40.9	475.8	506.9	51.4	558.4
Equity securities	252.4	2.7	255.1	201.0	3.1	204.1	239.6	4.4	244.0
Investment fund shares/units	238.8	40.3	279.1	233.9	37.7	271.6	267.4	47.1	314.4
Long-term debt securities	864.9	34.4	899.2	861.2	34.3	895.5	903.8	43.0	946.8
Short-term debt securities	85.9	2.8	88.6	92.2	6.1	98.2	93.7	5.5	99.2
Treasury notes maturing in less than 1 year	15.9	0.0	15.9	20.4	0.2	20.6	18.4	0.1	18.5
Other short-term debt securities	69.9	2.8	72.7	71.8	5.9	77.7	75.2	5.5	80.7
Non-euro area issuers	473.7	414.5	888.3	466.5	398.7	865.2	468.3	473.4	941.7
Equity securities and investment fund shares/units	17.0	244.4	261.4	14.8	199.3	214.1	10.9	237.9	248.8
Equity securities	4.5	229.1	233.6	6.4	184.9	191.4	5.1	221.2	226.3
Investment fund shares/units	12.5	15.3	27.8	8.4	14.4	22.7	5.9	16.6	22.5
Long-term debt securities	397.4	122.6	520.0	399.7	140.5	540.2	420.8	178.3	599.1
Short-term debt securities	59.3	47.5	106.8	52.0	58.9	110.9	36.6	57.2	93.8
Treasury notes maturing in less than 1 year	0.0	40.7	40.7	0.0	53.3	53.4	0.1	51.0	51.1
Other short-term debt securities	59.3	6.9	66.1	52.0	5.6	57.5	36.4	6.2	42.7

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

	2017			2018			2019		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
Euro	614.7	740.4	-125.8	961.5	1,172.1	-210.6	1,026.1	1,251.3	-225.2
... Vis à vis the euro area	352.5	337.1	15.4	534.7	471.7	63.0	557.6	567.7	-10.1
... Vis à vis countries outside the euro area	262.2	403.3	-141.1	426.8	700.4	-273.6	468.5	683.6	-215.1
Foreign currencies	615.0	587.9	27.1	661.3	622.0	39.3	732.9	726.9	6.0
... Vis à vis the euro area	57.3	114.6	-57.4	63.0	123.2	-60.2	71.7	146.5	-74.8
... Vis à vis countries outside the euro area	557.7	473.3	84.5	598.3	498.8	99.5	661.3	580.5	80.8
Total	1,229.7	1,328.3	-98.6	1,622.8	1,794.1	-171.3	1,759.1	1,978.2	-219.2

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

	2017			2018			2019		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
Interbank	747.4	775.5	-28.0	891.4	1,027.4	-136.0	977.0	1,168.5	-191.6
Euro	410.8	455.6	-44.8	532.5	684.7	-152.2	596.8	780.5	-183.7
Foreign currencies	336.6	319.8	16.8	358.9	342.7	16.2	380.1	388.0	-7.9
Financial and non-financial customers	482.2	552.8	-70.6	731.4	766.7	-35.3	782.1	809.7	-27.6
Euro	203.8	284.8	-80.9	429.0	487.4	-58.5	429.3	470.8	-41.5
Foreign currencies	278.4	268.1	10.3	302.4	279.3	23.1	352.8	338.9	13.9
Total	1,229.7	1,328.3	-98.6	1,622.8	1,794.1	-171.3	1,759.1	1,978.2	-219.2

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

	2017			2018			2019		
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net
European Union (28 members)	626.2	798.2	-172.0	967.4	1,213.1	-245.7	1,040.5	1,327.9	-287.5
Economic and Monetary Union (19 members)	409.7	451.7	-42.0	597.7	594.8	2.8	629.3	714.2	-84.9
Of which: Belgium	28.8	39.1	-10.3	41.4	46.5	-5.1	56.6	61.6	-5.0
Germany	56.9	98.8	-42.0	65.9	126.3	-60.4	98.6	162.5	-63.9
Ireland	27.9	24.5	3.4	31.2	24.3	7.0	30.7	33.7	-2.9
Italy	103.8	40.3	63.6	233.7	75.6	158.1	205.7	111.4	94.3
Luxembourg	68.4	166.5	-98.1	82.4	209.0	-126.6	81.9	196.1	-114.2
Netherlands	45.5	46.7	-1.1	47.5	62.5	-15.0	58.0	79.3	-21.4
Spain	64.6	22.7	41.8	77.2	35.9	41.3	78.2	49.0	29.2
Other European Union countries	216.5	346.5	-130.0	369.7	618.2	-248.5	411.1	613.7	-202.6
of which: Czech Republic	2.3	0.6	1.7	2.9	0.8	2.1	4.8	0.6	4.2
Poland	5.7	2.2	3.6	6.5	3.3	3.2	6.0	2.7	3.3
Romania	1.5	0.2	1.3	1.4	0.5	1.0	1.5	0.4	1.1
Sweden	2.0	3.3	-1.3	1.9	2.9	-1.0	1.9	3.7	-1.8
United Kingdom	199.7	315.7	-116.0	349.9	581.1	-231.3	385.0	567.3	-182.3
Rest of the world	603.5	530.1	73.4	655.4	581.0	74.4	718.6	650.3	68.3
of which: Brazil	8.9	0.6	8.3	8.9	2.7	6.2	9.8	4.1	5.8
China	20.9	6.8	14.1	21.0	5.4	15.6	12.1	10.1	2.0
India	2.7	1.5	1.2	2.3	1.9	0.4	2.5	1.8	0.7
Japan	127.4	43.3	84.1	131.5	24.0	107.5	157.4	35.8	121.5
Russia	7.0	7.8	-0.8	6.0	17.0	-11.0	5.4	24.0	-18.6
Switzerland	53.5	38.8	14.6	54.2	46.5	7.8	55.1	53.7	1.4
Turkey	8.3	0.3	8.0	8.7	0.3	8.4	8.0	0.4	7.6
United States	149.3	195.0	-45.7	166.1	257.4	-91.3	186.5	289.6	-103.1
Offshore financial centres	128.8	139.1	-10.3	143.1	133.2	9.9	164.7	125.8	38.9
Total	1,229.7	1,328.3	-98.6	1,622.8	1,794.1	-171.3	1,759.1	1,978.2	-219.2

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

5.18 Resident MFIs' loan-deposit positions by type of instrument (EUR billions)

	Vis-à-vis the rest of the world			Vis-à-vis countries outside the euro area		
	2017	2018	2019	2017	2018	2019
Assets	1,229.7	1,622.8	1,759.1	819.9	1,025.1	1,129.8
Deposits	734.8	878.7	964.1	431.2	525.0	565.8
Loans	481.6	723.4	769.9	375.9	487.3	543.6
Other accounts receivable/payable	13.2	20.7	25.1	12.8	12.9	20.4
Liabilities	1,328.3	1,794.1	1,978.2	876.6	1,199.3	1,264.0
Deposits	1,327.0	1,777.5	1,961.1	875.8	1,190.5	1,255.1
Borrowing	0.0	0.0	0.0	0.0	0.0	0.0
Other accounts receivable/payable	1.3	16.6	17.1	0.8	8.7	8.9
Net position	-98.6	-171.3	-219.2	-56.6	-174.1	-134.3
Deposits	-592.2	-898.8	-997.0	-444.6	-665.6	-689.3
Lending-borrowing	481.6	723.4	769.9	375.9	487.3	543.6
Other accounts receivable/payable	12.0	4.1	7.9	12.0	4.1	11.5

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 2019
	2017	2018	2019	
Assets	425.2	417.6	484.7	67.0
Proprietary portfolio of the Banque de France^{a)}	152.7	152.3	147.5	-4.8
Securities issued by euro area residents outside France	105.0	97.9	92.4	-5.5
Euro	105.0	97.9	92.4	-5.5
Foreign currencies	0.0	0.0	0.0	0.0
Securities issued by non-euro area residents	47.6	54.4	55.1	0.7
Euro	2.7	2.3	2.5	0.1
Foreign currencies	44.9	52.1	52.6	0.6
Claims on the Eurosystem (TARGET2)	30.0	0.0	28.5	28.5
Other claims	24.1	30.3	49.1	18.9
Other claims on euro area residents outside France	1.8	1.7	0.4	-1.3
Euro	1.8	1.6	0.4	-1.3
Foreign currencies	0.0	0.0	0.0	0.0
Other claims on non-euro area residents outside France	12.6	18.9	39.0	20.2
Euro	0.4	0.2	0.1	-0.1
Foreign currencies	12.2	18.7	38.9	20.2
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
Banknotes	87.9	89.5	91.4	1.9
Reserve assets	130.4	145.6	168.2	22.6
Liabilities	298.3	289.9	293.9	4.0
Liabilities toward the ESCB (TARGET2)	0.0	2.3	0.0	-2.3
Allocation of special drawing rights^{b)}	12.0	12.3	12.5	0.2
Deposits of foreign institutional customers	159.0	144.0	145.8	1.8
Euro	85.5	62.5	53.1	-9.4
Foreign currencies	73.5	81.5	92.7	11.2
Banknotes	127.2	131.3	135.6	4.3
Net position	126.9	127.7	190.8	63.1
of which: International investment position excluding reserve assets	-3.5	-17.8	22.6	40.4

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		
	2017	2018	2019
Assets	102.5	102.0	101.9
<i>Euro</i>	81.5	81.0	80.5
<i>Foreign currencies</i>	21.0	21.0	21.4
Equity in international organisations	44.4	44.4	44.8
Long-term assets	102.1	101.6	101.5
Short-term assets	0.4	0.4	0.4
Liabilities	63.5	66.8	71.7
<i>Euro</i>	63.5	66.8	71.7
<i>Foreign currencies</i>	0.0	0.0	0.0
Long-term liabilities	50.6	52.3	53.0
Short-term liabilities	12.9	14.5	18.7
Net position	39.0	35.3	30.2
<i>Euro</i>	18.0	14.3	8.9
<i>Foreign currencies</i>	21.0	21.0	21.4

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

	Stocks at end of year								
	2017			2018			2019		
	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total	Euro	Foreign currencies	Total
Assets	325.8	36.4	362.2	105.8	48.3	154.1	161.0	44.8	205.8
Financial sector ^{a)}	231.3	12.9	244.1	11.9	17.8	29.7	23.7	15.8	39.5
Non-financial sector ^{b)}	94.6	23.6	118.1	93.9	30.5	124.4	137.3	29.1	166.3
Liabilities	337.2	29.1	366.3	108.3	37.3	145.7	112.7	28.2	141.0
Financial sector ^{a)}	268.0	13.4	281.3	25.7	20.6	46.3	29.9	15.1	45.0
Non-financial sector ^{b)}	69.2	15.8	85.0	82.7	16.8	99.4	82.8	13.2	95.9
Net position	-11.3	7.3	-4.1	-2.5	10.9	8.4	48.3	16.6	64.9

Note: Rounding differences mean that aggregate totals may not come out 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 (MFI).

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.