



EUROPEAN CENTRAL BANK

EUROSYSTEM

# PRESS RELEASE

19 November 2018

## Euro area monthly balance of payments: September 2018

- In September 2018 the [current account](#) of the euro area recorded a surplus of €17 billion, compared with a surplus of €24 billion in August 2018.<sup>1</sup>
- In the 12-month period to September 2018, the current account recorded a surplus of €357 billion (3.1% of euro area GDP), compared with one of €339 billion (3.1% of euro area GDP) in the 12-month period to September 2017.
- In the [financial account](#), euro area residents made net acquisitions of foreign portfolio investment securities of €324 billion in the 12-month period to September 2018 (decreasing from €572 billion in the 12 months to September 2017). Non-residents' net purchases of euro area portfolio investment securities amounted to €98 billion (down from €267 billion in the 12-month period to September 2017).

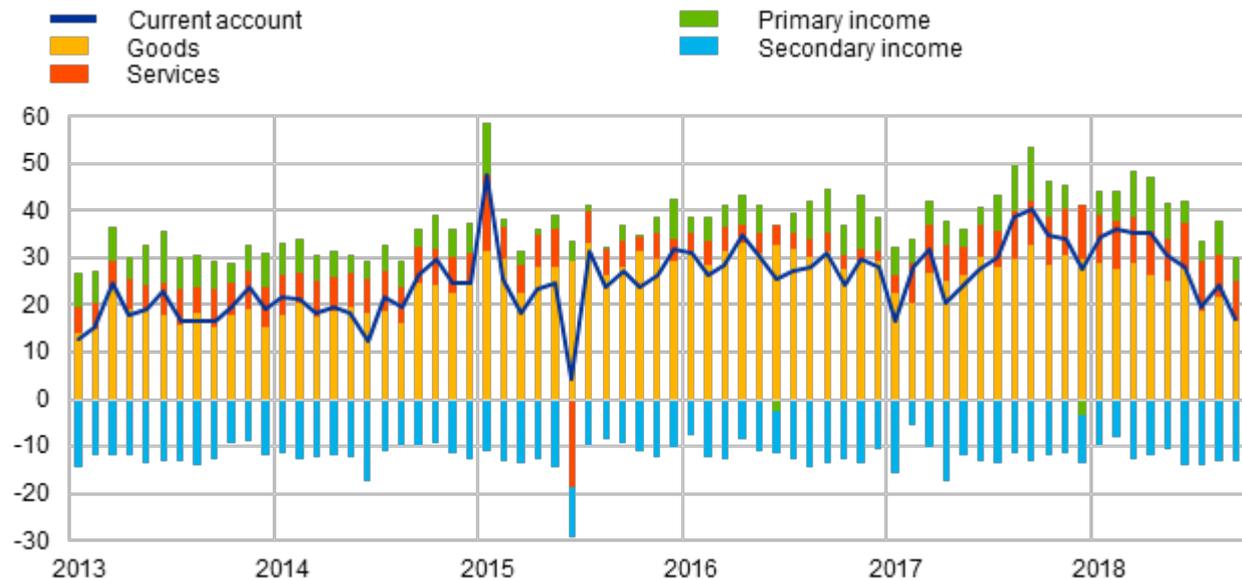
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<sup>1</sup> References to the current account are always to data that are seasonally and working day-adjusted, unless otherwise indicated, whereas references to the capital and financial accounts are to data that are neither seasonally nor working day-adjusted.

## Chart 1

### Euro area current account balance

(EUR billions unless otherwise indicated; working day and seasonally adjusted data)



Source: ECB.

The *current account* of the euro area recorded a surplus of €17 billion in September 2018, decreasing by around €7 billion compared with August 2018 (see Chart 1 and Table 1). Surpluses were recorded for *goods* (€16 billion), *services* (€9 billion) and *primary income* (€5 billion). These were partly offset by a deficit for *secondary income* (€13 billion).

**Table 1**

## Current account of the euro area

(EUR billions unless otherwise indicated; transactions; working day and seasonally adjusted data)

		Cumulated figures for the 12-month period ending in						
		September 2017 % of GDP		September 2018 % of GDP		Sep 2017	Aug 2018	Sep 2018
<b>Current account</b>	Balance	339	3.1%	357	3.1%	40	24	17
	Credit	3,867	34.8%	4,013	35.2%	331	334	335
	Debit	3,528	31.8%	3,657	32.0%	291	310	318
<b>Goods</b>	Balance	328	3.0%	310	2.7%	33	22	16
	Credit (exports)	2,231	20.1%	2,328	20.4%	193	196	195
	Debit (imports)	1,903	17.1%	2,017	17.7%	160	174	179
<b>Services</b>	Balance	77	0.7%	117	1.0%	9	9	9
	Credit (exports)	843	7.6%	873	7.7%	72	73	73
	Debit (imports)	766	6.9%	757	6.6%	63	64	65
<b>Primary income</b>	Balance	83	0.7%	71	0.6%	11	7	5
	Credit	684	6.2%	700	6.1%	57	56	57
	Debit	601	5.4%	628	5.5%	46	49	51
<b>Secondary income</b>	Balance	-149	-1.3%	-142	-1.2%	-13	-13	-13
	Credit	109	1.0%	113	1.0%	9	9	10
	Debit	258	2.3%	254	2.2%	22	23	23

Source: ECB.

Note: Discrepancies between totals and their components may be due to rounding.

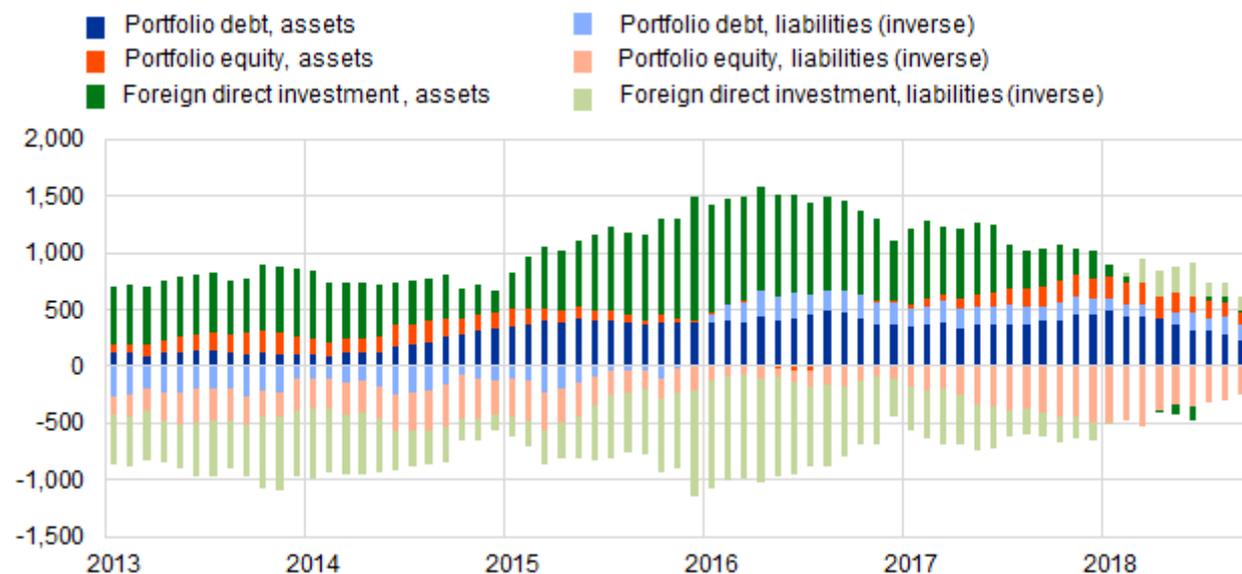
Data for the current account of the euro area

In the 12 months to September 2018, the *current account* recorded a surplus of €357 billion (3.1% of euro area GDP), compared with one of €339 billion (3.1% of euro area GDP) in the previous 12-month period. This increase was due mainly to a higher surplus for *services* (increase from €77 billion to €117 billion) and a lower deficit for *secondary income* (decrease from €149 billion to €142 billion). These developments were partly offset by declines in the surpluses for *goods* (from €328 billion to €310 billion) and *primary income* (from €83 billion to €71 billion).

## Chart 2

### Selected items of the euro area financial account

(EUR billions, 12-month cumulated)



Source: ECB.

Note: For assets, a positive (negative) number indicates net purchases (sales) of non-euro area instruments by euro area investors. For liabilities, a positive (negative) number indicates net sales (purchases) of euro instruments by non-euro area investors.

In *direct investment*, in the 12-month period to September 2018, euro area residents recorded net investments in non-euro area assets of €18 billion, a sharp decrease from net investments of €329 billion in the previous 12-month period (see Chart 2 and Table 2). At the same time, non-residents recorded net disinvestments of euro area assets of €132 billion, after net investments of €220 billion in the 12 months to September 2017.

In *portfolio investment*, net acquisitions of foreign *debt securities* by euro area residents decreased to €222 billion in the 12 months to September 2018, from €397 billion in the corresponding period to September 2017. Net purchases of foreign *equity* by euro area residents decreased to €102 billion from €174 billion. Non-residents reduced their net purchases of euro area *equity* to €241 billion (from €399 billion in the 12 months to September 2017). Over the same period, their net sales of euro area *debt securities* increased to €144 billion (from €133 billion in the previous period).

**Table 2**

## Financial account of the euro area

(EUR billions unless otherwise indicated; transactions; non-working day and non-seasonally adjusted data)

	Cumulated figures for the 12-month period ending in					
	September 2017			September 2018		
	Net	Assets	Liabilities	Net	Assets	Liabilities
<b>Financial account</b>	371	1,183	813	435	723	288
<b>Direct investment</b>	109	329	220	150	18	-132
<b>Portfolio investment</b>	305	572	267	227	324	98
Equity	-225	174	399	-139	102	241
Debt securities	530	397	-133	366	222	-144
<b>Financial derivatives (net)</b>	32	32		62	62	
<b>Other investment</b>	-77	250	326	-24	298	323
Eurosystem	-142	-2	139	-105	3	108
Other MFIs	82	176	94	15	151	136
General government	-7	-13	-6	16	-2	-17
Other sectors	-10	88	98	50	147	96
<b>Reserve as sets</b>	1	1		21	21	

Source: ECB.

Notes: Decreases in assets and liabilities are shown with a minus sign. Net financial derivatives are reported under assets. "MFIs" stands for monetary financial institutions. Discrepancies between totals and their components may be due to rounding.

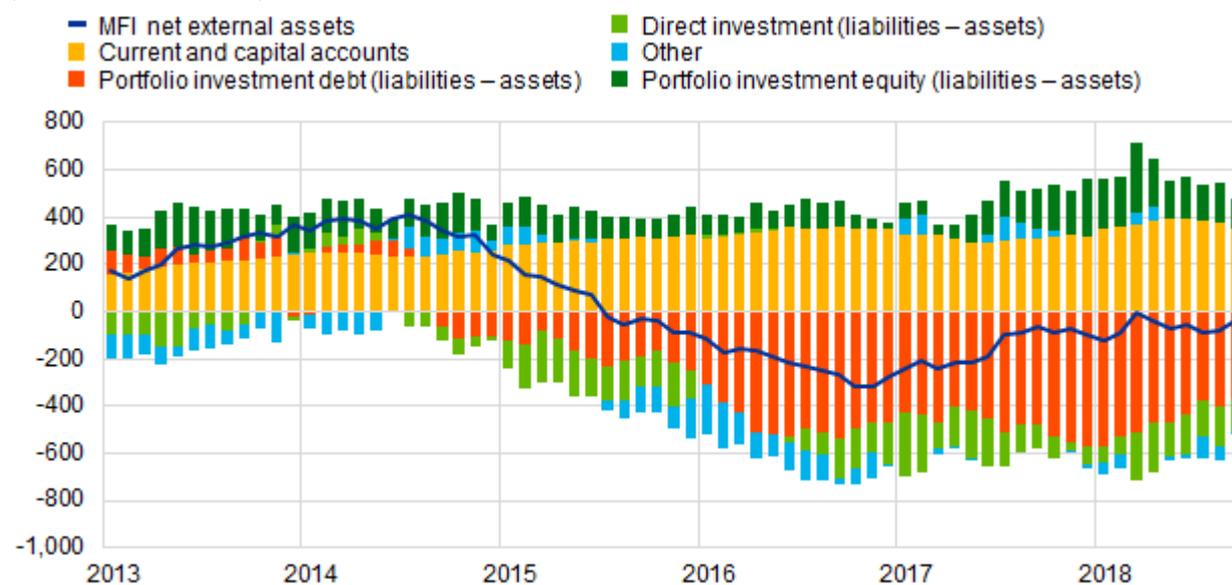
Data for the financial account of the euro area

In *other investment*, euro area residents' net acquisitions of foreign assets amounted to €298 billion in the 12 months to September 2018 (compared with €250 billion in the 12 months to September 2017), while net incurrences of liabilities amounted to €323 billion (largely unchanged from €326 billion recorded in the corresponding period to September 2017).

### Chart 3

#### Monetary presentation of the balance of payments

(EUR billions, 12-month cumulated)



Source: ECB.

Notes: MFI net external assets as reported in the consolidated MFI balance sheet items (BSI). B.o.p. transactions refer only to transactions of non-MFI residents of the euro area. Financial transactions are shown as liabilities net of assets. "Other" includes financial derivatives, other investment and statistical discrepancies.

The monetary presentation of the balance of payments (see Chart 3) shows that the net external assets of euro area Monetary Financial Institutions (MFIs) decreased by €36 billion in the 12 months to September 2018. Developments in MFIs' net external assets continued to be driven by non-MFIs' net outflows in *portfolio investment debt securities* and *direct investment*. These were offset for the most part by the euro area's *current account* surplus and by non-MFIs' net inflows in *portfolio investment equity*.

In September 2018 the *Eurosystem's* stock of *reserve assets* decreased to €673.9 billion from €674.9 billion in the previous month (see Table 3). This modest decrease (€1.0 billion) is explained by negative price changes (€4.3 billion) that were partly offset by net acquisitions of assets (€2.3 billion) and positive exchange rate changes (€1.1 billion).

**Table 3**  
Reserve assets of the euro area

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

	August 2018	September 2018			
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding
<b>Reserve assets</b>	<b>674.9</b>	<b>2.3</b>	<b>1.1</b>	<b>-4.3</b>	<b>673.9</b>
Monetary gold	358.2	0.0	-	-3.9	354.3
Special drawing rights	50.8	0.0	0.1	-	50.9
Reserve position in the IMF	19.8	0.0	0.0	-	19.8
Other reserve assets	246.2	2.2	0.9	-0.4	248.9

Source: ECB.

Note: "Other reserve assets" comprises currency and deposits, securities, financial derivatives (net) and other claims.

#### [Data for the reserve assets of the euro area](#)

#### Data revisions

This press release incorporates revisions of the data for July and August 2018. These revisions have not significantly altered the figures previously published.

#### Next press releases:

- monthly balance of payments: 20 December 2018 (reference data up to October 2018)
- quarterly balance of payments and international investment position: 8 January 2019 (reference data up to the third quarter of 2018)

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#### Notes

Hyperlinks in the press release lead to data that may change with subsequent releases as a result of revisions.