

Press release

20 October 2021

Euro area monthly balance of payments: August 2021

- [Current account](#) recorded €13 billion surplus in August 2021, down from €23 billion in previous month
- [Current account](#) surplus amounted to €328 billion (2.8% of euro area GDP) in 12 months to August 2021, up from €176 billion (1.5%) one year earlier
- In [financial account](#), euro area residents' net acquisitions of non-euro area portfolio investment securities totalled €942 billion and non-residents' net acquisitions of euro area portfolio investment securities totalled €129 billion in 12 months to August 2021

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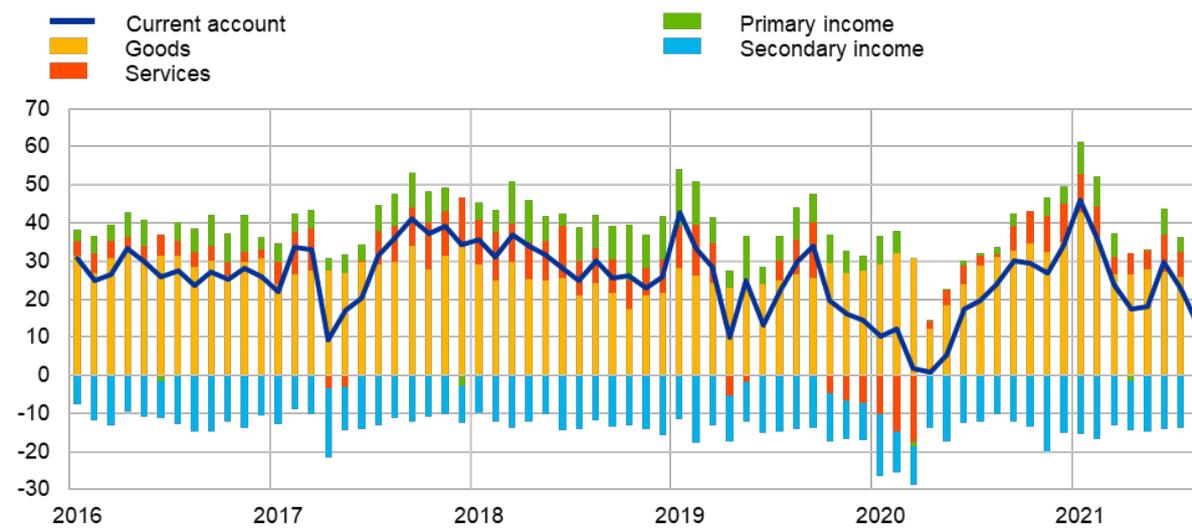
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Chart 1

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 €13 billion in August 2021, a decrease of €10 billion from the previous month (see Chart 1 and Table 1). Surpluses were recorded for *goods* (€17 billion) and *primary income* (€5 billion). These were partly offset by deficits for *secondary income* (€8 billion) and *services* (€1 billion).

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Table 1
Current account of the euro area

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

		Cumulated figures for the 12-month period ending in				Aug 2020	Jul 2021	Aug 2021
		August 2020 % of GDP		August 2021 % of GDP				
Current account	Balance	176	1.5%	328	2.8%	24	23	13
	Credit	4,050	35.2%	4,190	35.5%	316	357	359
	Debit	3,874	33.7%	3,862	32.8%	292	335	346
Goods	Balance	315	2.7%	365	3.1%	31	26	17
	Credit (exports)	2,221	19.3%	2,403	20.4%	182	209	205
	Debit (imports)	1,906	16.6%	2,038	17.3%	151	183	187
Services	Balance	-32	-0.3%	84	0.7%	1	7	-1
	Credit (exports)	916	8.0%	914	7.8%	63	79	80
	Debit (imports)	949	8.2%	830	7.0%	63	72	81
Primary income	Balance	42	0.4%	49	0.4%	2	4	5
	Credit	796	6.9%	746	6.3%	61	59	58
	Debit	754	6.6%	697	5.9%	59	55	53
Secondary income	Balance	-149	-1.3%	-170	-1.4%	-10	-14	-8
	Credit	117	1.0%	127	1.1%	10	10	17
	Debit	265	2.3%	297	2.5%	20	24	25

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 August 2021, the *current account* recorded a surplus of €328 billion (2.8% of euro area GDP), compared with a surplus of €176 billion (1.5% of euro area GDP) in the 12 months to August 2020. This increase was mainly driven by a switch in the *services* balance from a deficit of €32 billion to a surplus of €84 billion and also by larger surpluses for *goods* (up from €315 billion to €365 billion) and *primary income* (up from €42 billion to €49 billion). These developments were partly offset by a larger deficit for *secondary income* (up from €149 billion to €170 billion).

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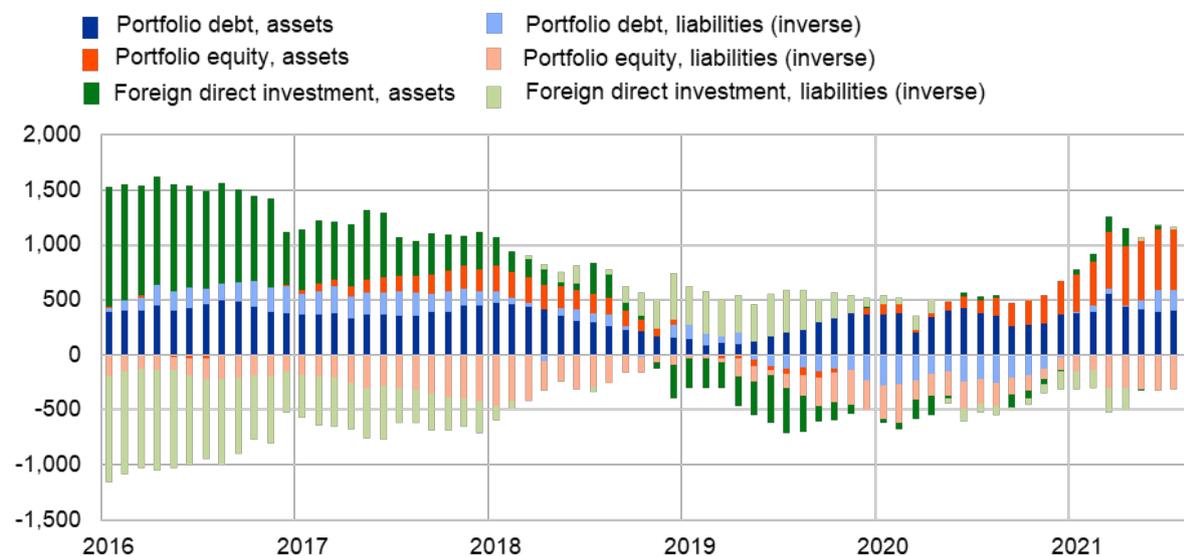
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Chart 2

Selected items of the euro area financial account

(EUR billions; 12-month cumulated data)



Source: ECB.

Notes: 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 area instruments by non-euro area investors.

In *direct investment*, euro area residents made net disinvestments of €9 billion in non-euro area assets in the 12-month period to August 2021, following net investments of €21 billion in the 12 months to August 2020 (see Chart 2 and Table 2). Non-residents disinvested €37 billion from euro area assets in the 12-month period to August 2021, following net investments of €91 billion in the 12 months to August 2020.

In *portfolio investment*, euro area residents' net purchases of non-euro area *equity* increased to €535 billion in the 12-month period to August 2021, up from €162 billion in the 12 months to August 2020. Over the same period, net purchases of non-euro area *debt securities* by euro area residents increased to €406 billion in the 12-month period to August 2021, up from €358 billion in the 12 months to August 2020. Non-residents made net sales of euro area *debt securities* amounting to €227 billion in the 12 months to August 2021, following net purchases of €260 billion in the 12 months to August 2020. Over the same period, non-residents' net purchases of euro area *equity* increased to €356 billion, up from €202 billion in the 12 months to August 2020.

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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					
	August 2020			August 2021		
	Net	Assets	Liabilities	Net	Assets	Liabilities
Financial account	175	672	498	421	1,105	685
Direct investment	-70	21	91	28	-9	-37
Portfolio investment	58	520	462	812	942	129
Equity	-40	162	202	179	535	356
Debt securities	98	358	260	633	406	-227
Financial derivatives (net)	31	31		-6	-6	
Other investment	154	99	-55	-544	48	593
Eurosysteem	1	-3	-4	-272	27	299
Other MFIs	-33	-127	-94	-178	43	221
General government	16	-1	-17	-98	-9	89
Other sectors	169	230	61	4	-12	-17
Reserve assets	2	2		131	131	

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 recorded net acquisitions of non-euro area assets amounting to €48 billion in the 12 months to August 2021 (following net acquisitions of €99 billion in the 12 months to August 2020), while their net incurrence of liabilities was €593 billion (following net disposals of €55 billion in the 12 months to August 2020). This latter development partly reflects the "2021 General Allocation of Special Drawing Rights (SDRs)" as explained below.

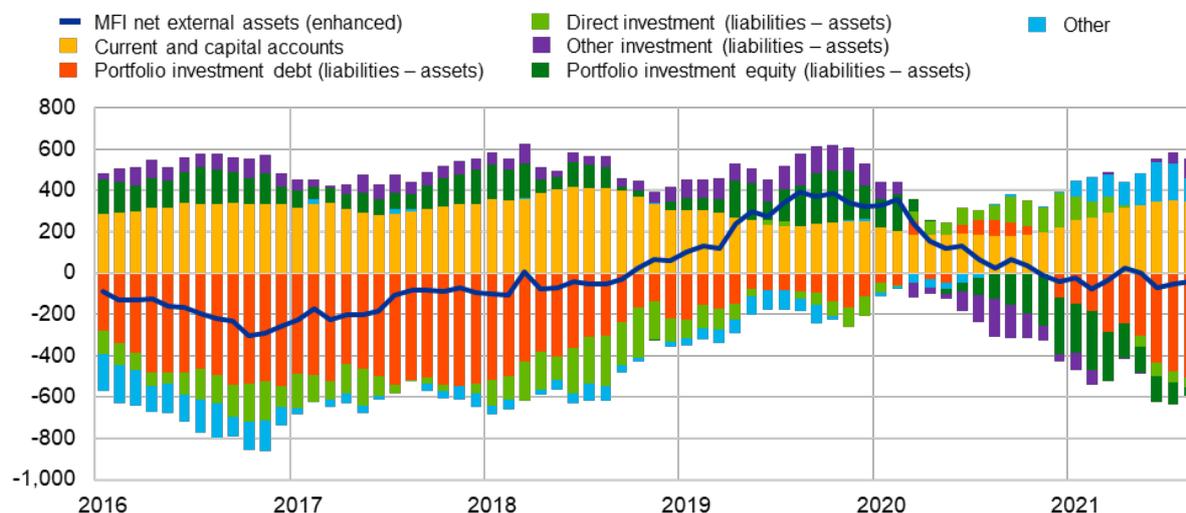
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Chart 3
Monetary presentation of the balance of payments

(EUR billions; 12-month cumulated data)



Source: ECB.

Notes: "MFI net external assets (enhanced)" incorporates an adjustment to the MFI net external assets (as reported in the consolidated MFI balance sheet items statistics) based on information on MFI long-term liabilities held by non-residents, available in b.o.p. statistics. 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* and statistical discrepancies.

The monetary presentation of the balance of payments (Chart 3) shows that the *net external assets (enhanced)* of euro area MFIs decreased by €44 billion in the 12-month period to August 2021. This decrease was mainly driven by euro area non-MFIs' net outflows in *portfolio investment debt* and, to a lesser extent, in *portfolio investment equity* and *direct investment*. These developments were partially offset by the *current and capital accounts* surplus and by euro area non-MFIs' net inflows in *other investment* and *other flows*.

In August 2021 the Eurosystem's stock of *reserve assets* increased to €1,009.4 billion, up from €888.5 billion in the previous month (Table 3). This increase was mainly driven by net acquisitions of assets (€122.1 billion) and, to a lesser extent, by positive exchange rate changes (€0.6 billion) which were partly offset by negative changes in the price of gold (€1.6 billion). The large net acquisitions of assets reflect the "2021 General Allocation of SDRs" on the 23 August 2021 of €122.1 billion to the euro area members of the International Monetary Fund (IMF), representing about 22% of the total 2021 allocation.¹

¹ For further details please visit the IMF webpage: <https://www.imf.org/en/Topics/special-drawing-right/2021-SDR-Allocation>.

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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)

	July 2021	August 2021			
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding
Reserve assets	888.5	122.1	0.6	-1.7	1,009.4
Monetary gold	532.2	0.0	-	-1.6	530.6
Special drawing rights	51.5	122.1	-0.3	-	173.3
Reserve position in the IMF	31.5	0.1	0.1	-	31.6
Other reserve assets	273.4	-0.1	0.9	-0.1	273.9

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 to the data for July 2021, which mainly affect other investment.

Next releases:

- monthly balance of payments: 19 November 2021 (reference data up to the September 2021)
- quarterly balance of payments and international investment position: 11 January 2022 (reference data up to the third quarter of 2021)²

For media queries, please contact [Philippe Rispal](#), tel.: +49 69 1344 5482.

Notes

- Current account data are always seasonally and working day-adjusted, unless otherwise indicated, whereas capital and financial account data are neither seasonally nor working day-adjusted.
- Hyperlinks in this press release lead to data that may change with subsequent releases as a result of revisions.

² On 29 October 2021 there will be a release of the quarterly balance of payments and international investment position data (second release of reference data up to the second quarter of 2021) with revisions for periods since at least the first quarter of 2013. It will not include a press or statistical release and is aimed at ensuring consistency between the balance of payments/international investment position and the euro area sector accounts.

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