

Press release

19 September 2023

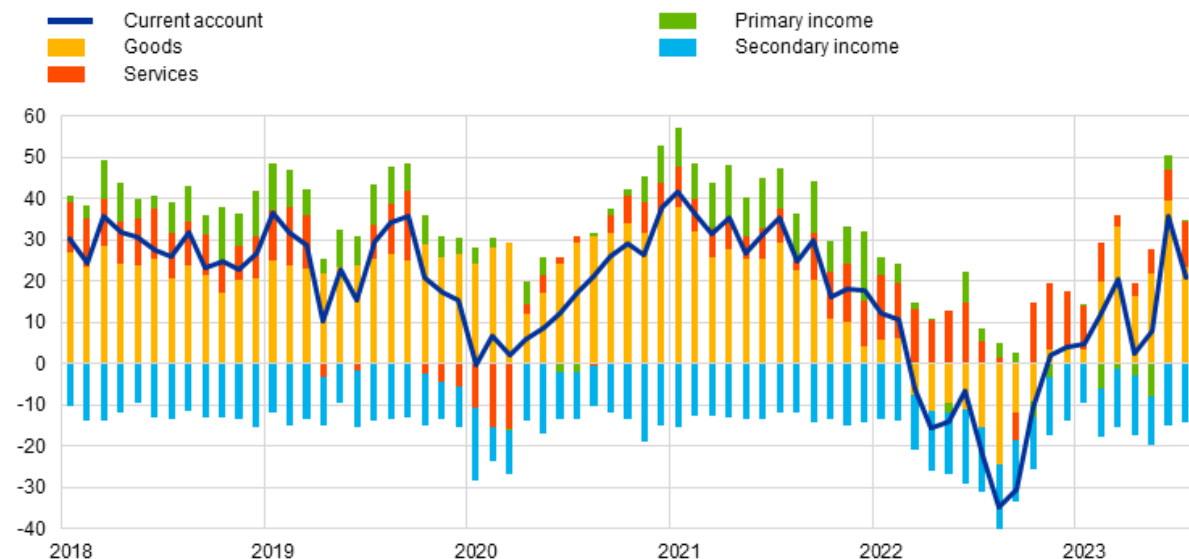
Euro area monthly balance of payments: July 2023

- [Current account](#) recorded €21 billion surplus in July 2023, down from €36 billion in previous month
- [Current account](#) surplus amounted to €34 billion (0.2% of euro area GDP) in the 12 months to July 2023, down from €66 billion (0.5%) one year earlier
- In [financial account](#), euro area residents' net acquisitions of non-euro area portfolio investment securities totalled €207 billion and non-residents' net acquisitions of euro area portfolio investment securities totalled €419 billion in the 12 months to July 2023

Chart 1

Euro area current account balance

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



Source: ECB.

European Central Bank

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The *current account* of the euro area recorded a surplus of €21 billion in July 2023, a decrease of €15 billion from the previous month (Chart 1 and Table 1). Surpluses were recorded for *goods* (€23 billion), *services* (€11 billion) and *primary income* (€ 1 billion). These were partly offset by a deficit for *secondary income* (€14 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						
		July 2022 % of GDP		July 2023 % of GDP		Jul 2022	Jun 2023	Jul 2023
Current account	Balance	66	0.5%	34	0.2%	-22	36	21
	Credit	4,975	38.2%	5,455	39.3%	445	469	444
	Debit	4,909	37.7%	5,421	39.1%	467	433	423
Goods	Balance	25	0.2%	119	0.9%	-15	39	23
	Credit (exports)	2,714	20.8%	2,979	21.5%	245	256	232
	Debit (imports)	2,689	20.6%	2,860	20.6%	261	217	209
Services	Balance	136	1.0%	90	0.6%	5	8	11
	Credit (exports)	1,191	9.1%	1,278	9.2%	106	109	103
	Debit (imports)	1,055	8.1%	1,188	8.6%	101	101	92
Primary income	Balance	77	0.6%	-15	-0.1%	3	4	1
	Credit	906	7.0%	1,031	7.4%	79	89	94
	Debit	830	6.4%	1,045	7.5%	75	86	93
Secondary income	Balance	-172	-1.3%	-160	-1.2%	-15	-15	-14
	Credit	164	1.3%	168	1.2%	14	15	14
	Debit	336	2.6%	328	2.4%	30	30	28

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 July 2023, the *current account* recorded a surplus of €34 billion (0.2% of euro area GDP), compared with a surplus of €66 billion (0.5% of euro area GDP) one year earlier. This development was mainly driven by a switch from a surplus (€77 billion) to a deficit (€15 billion) for *primary income* and by a reduction in the surplus for *services* (down from €136 billion to €90 billion). These developments were partly offset by a larger surplus for *goods* (up from €25 billion to €119 billion) and a smaller deficit for *secondary income* (down from €172 billion to €160 billion).

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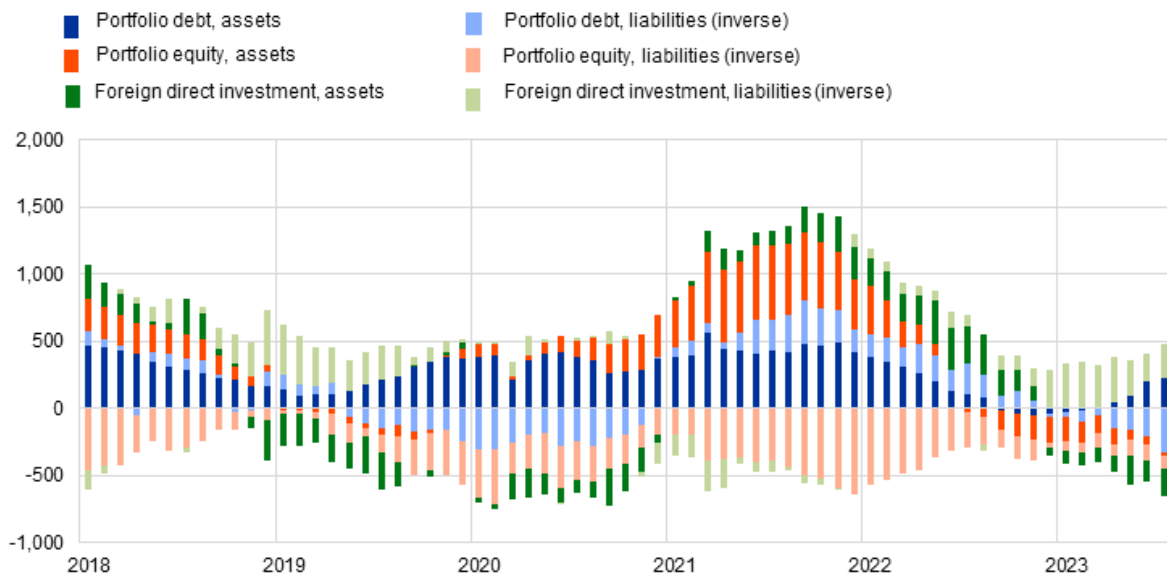
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Chart 2

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 €205 billion in non-euro area assets in the 12 months to July 2023, following net investments of €284 billion one year earlier (Chart 2 and Table 2). Non-residents disinvested €247 billion in net terms from euro area assets in the 12 months to July 2023, following net disinvestments of €79 billion one year earlier.

In *portfolio investment*, euro area residents' net sales of non-euro area *equity* increased slightly to €25 billion in the 12 months to July 2023, up from €24 billion one year earlier. Over the same period, net purchases of non-euro area *debt securities* by euro-area residents increased to €233 billion, up from €104 billion one year earlier. Non-residents' net purchases of euro area *equity* decreased to €89 billion in the 12 months to July 2023, down from €264 billion one year earlier. Over the same period, non-residents made net purchases of euro area *debt securities* amounting to €330 billion, following net sales of €228 billion one year earlier.

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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					
	July 2022			July 2023		
	Net	Assets	Liabilities	Net	Assets	Liabilities
Financial account	188	1,009	821	144	-43	-187
Direct investment	363	284	-79	41	-205	-247
Portfolio investment	43	80	36	-212	207	419
Equity	-289	-24	264	-114	-25	89
Debt securities	332	104	-228	-98	233	330
Financial derivatives (net)	79	79		45	45	
Other investment	-427	437	864	271	-89	-360
Eurosysteem	-302	-13	288	252	-9	-261
Other MFIs	-239	144	383	19	26	7
General government	-92	-7	85	-6	-4	2
Other sectors	205	313	108	6	-102	-108
Reserve assets	129	129		-1	-1	

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 disposals of non-euro area assets amounting to €89 billion in the 12 months to July 2023 (following net acquisitions of €437 billion one year earlier), and they recorded net disposals of liabilities amounting to €360 billion (following net acquisitions of €864 billion one year earlier).

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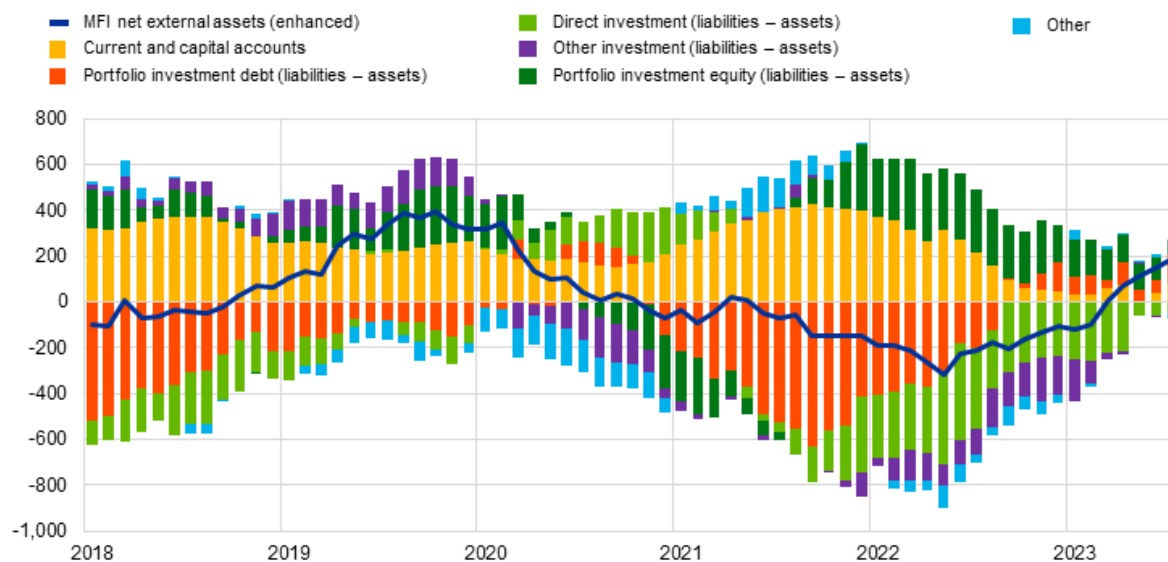
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Chart 3

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 increased by €191 billion in the 12 months to July 2023. This increase was mainly driven by euro area non-MFIs' net inflows in *portfolio investment debt* and *portfolio investment equity* and the *current and capital accounts* surplus. These developments were partly offset by euro area non-MFIs' net outflows in *direct investment and other flows*.

In July 2023 the Eurosystem's stock of *reserve assets* increased to €1,109.7 billion up from €1,105.2 billion in the previous month (Table 3). This increase was driven by positive price changes (€8.1 billion) and, to a lesser extent, by net acquisitions of assets (€0.4 billion) which were partly offset by negative exchange rate changes (€4.0 billion).

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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)

	June 2023	July 2023			
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding
Reserve assets	1,105.2	0.4	-4.0	8.1	1,109.7
Monetary gold	607.2	0.0	-	7.9	615.1
Special drawing rights	186.5	0.1	-1.0	-	185.6
Reserve position in the IMF	36.0	0.0	-0.2	-	35.8
Other reserve assets	275.5	0.2	-2.7	0.2	273.2

Source: ECB.

Notes: "Other reserve assets" comprises currency and deposits, securities, financial derivatives (net) and other claims. Discrepancies between totals and their components may be due to rounding.

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

This press release does not incorporate revisions to previous periods.

Next releases:

- Quarterly balance of payments: 5 October 2023 (reference data up to the second quarter of 2023)
- Monthly balance of payments: 19 October 2023 (reference data up to August 2023)

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.

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