

## Press release

18 December 2020

# Euro area monthly balance of payments: October 2020

- [Current account](#) recorded €27 billion surplus in October 2020, up from €25 billion in previous month
- [Current account](#) surplus amounted to €228 billion (2.0% of euro area GDP) in 12 months to October 2020, down from €272 billion (2.3%) one year earlier
- In [financial account](#), euro area residents' net acquisitions of foreign portfolio investment securities totalled €473 billion and non-residents' net acquisitions of euro area portfolio investment securities totalled €344 billion in 12 months to October 2020

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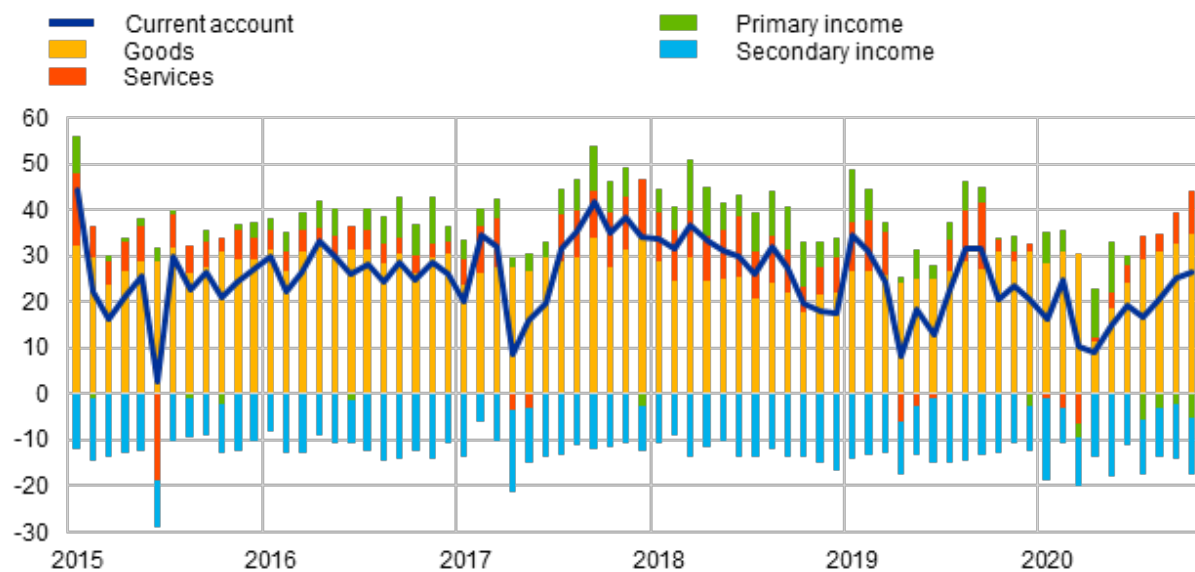
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## Chart 1

### 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 €27 billion in October 2020, increasing by €2 billion from the previous month (see Chart 1 and Table 1). Surpluses were recorded for *goods* (€35 billion) and *services* (€9 billion). Deficits were recorded for *secondary income* (€12 billion) and *primary income* (€5 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						
		October 2019 % of GDP		October 2020 % of GDP		Oct 2019	Sep 2020	Oct 2020
<b>Current account</b>	Balance	272	2.3%	228	2.0%	21	25	27
	Credit	4,366	36.7%	3,926	34.3%	370	323	333
	Debit	4,094	34.4%	3,698	32.4%	350	298	306
<b>Goods</b>	Balance	311	2.6%	331	2.9%	31	33	35
	Credit (exports)	2,401	20.2%	2,207	19.3%	205	190	194
	Debit (imports)	2,090	17.6%	1,876	16.4%	174	158	160
<b>Services</b>	Balance	69	0.6%	27	0.2%	3	7	9
	Credit (exports)	991	8.3%	871	7.6%	85	68	72
	Debit (imports)	923	7.8%	844	7.4%	83	62	62
<b>Primary income</b>	Balance	55	0.5%	16	0.1%	0	-2	-5
	Credit	860	7.2%	736	6.4%	70	54	57
	Debit	805	6.8%	719	6.3%	70	57	62
<b>Secondary income</b>	Balance	-163	-1.4%	-146	-1.3%	-13	-12	-12
	Credit	114	1.0%	113	1.0%	10	10	10
	Debit	277	2.3%	259	2.3%	23	21	22

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 October 2020, the *current account* recorded a surplus of €228 billion (2.0% of euro area GDP), compared with a surplus of €272 billion (2.3% of euro area GDP) in the 12 months to October 2019. This decline was driven by reductions in the surpluses for *services* (down from €69 billion to €27 billion) and for *primary income* (down from €55 billion to €16 billion). These developments were partly offset by a larger surplus for *goods* (up from €311 billion to €331 billion) and a smaller deficit for *secondary income* (down from €163 billion to €146 billion).

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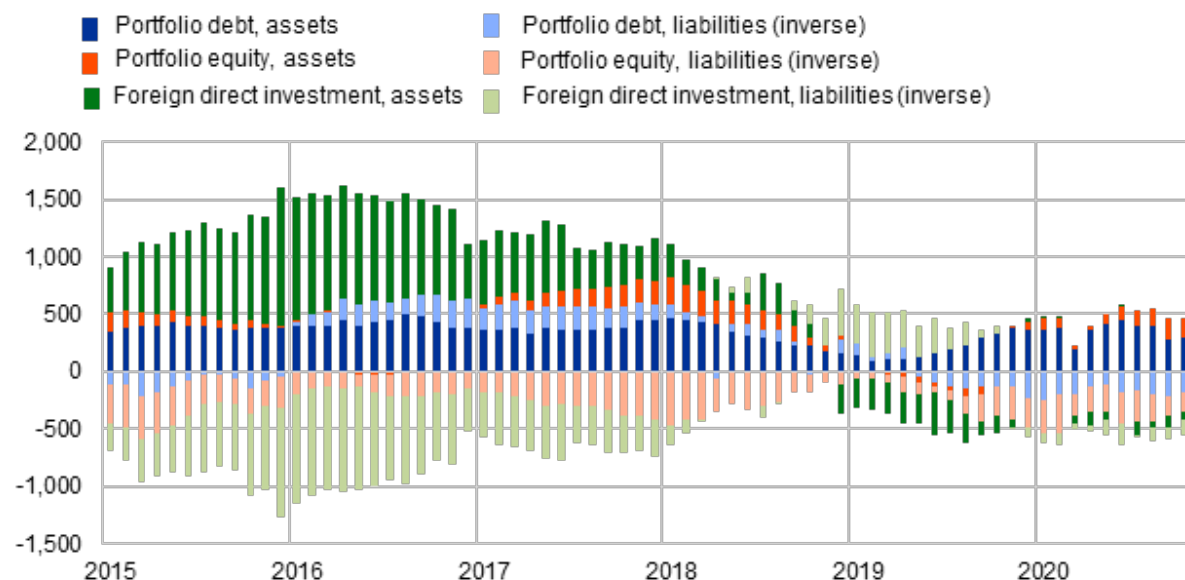
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## Chart 2

### 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 €82 billion in non-euro area assets in the 12-month period to October 2020, following net disinvestments of €161 billion in the 12 months to October 2019 (see Chart 2 and Table 2). Non-residents made net investments in euro area assets of €127 billion in the 12-month period to October 2020, after net disinvestments of €75 billion in the 12 months to October 2019.

In *portfolio investment*, net purchases of foreign *debt securities* by euro area residents decreased to €288 billion in the 12-month period to October 2020, following net purchases of €329 billion in the 12 months to October 2019. Over the same period, euro area residents made net purchases of foreign *equity* of €185 billion, after recording net sales of €10 billion in the 12 months to October 2019. Non-residents made net purchases of euro area *debt securities* amounting to €183 billion in the 12 months to October 2020, following net purchases of €123 billion in the 12 months to October 2019. Over the same period, non-residents' net purchases of euro area *equity* decreased to €161 billion from €251 billion in the 12 months to October 2019.

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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					
	October 2019			October 2020		
	Net	Assets	Liabilities	Net	Assets	Liabilities
<b>Financial account</b>	212	585	373	153	742	589
<b>Direct investment</b>	-86	-161	-75	-209	-82	127
<b>Portfolio investment</b>	-55	319	374	129	473	344
Equity	-260	-10	251	25	185	161
Debt securities	206	329	123	105	288	183
<b>Financial derivatives (net)</b>	16	16		69	69	
<b>Other investment</b>	324	398	74	154	272	118
Eurosysteem	52	7	-46	-78	3	81
Other MFIs	306	271	-34	57	31	-27
General government	-1	3	4	15	4	-10
Other sectors	-33	117	150	160	234	74
<b>Reserve assets</b>	13	13		10	10	

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 decreased to €272 billion in the 12 months to October 2020 (following net acquisitions of €398 billion in the 12 months to October 2019), while their net incurrence of liabilities increased to €118 billion from €74 billion.

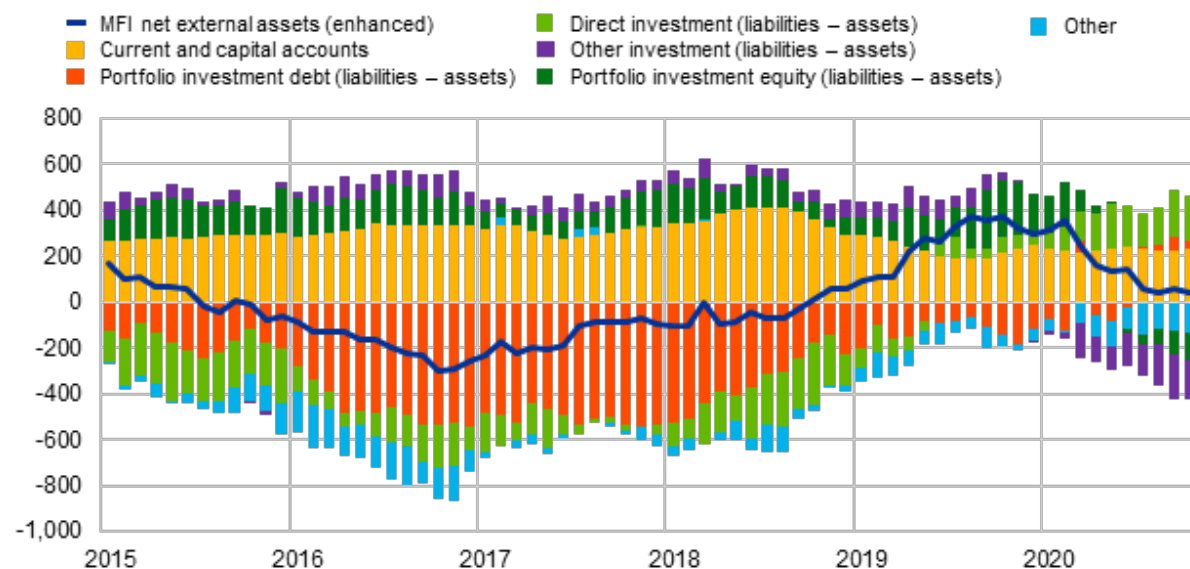
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**Chart 3**  
Monetary presentation of the balance of payments

(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 (see Chart 3) shows that the *net external assets (enhanced)* of euro area MFIs increased by €39 billion in the 12-month period to October 2020. This increase was driven by the *current and capital accounts* surplus and non-MFIs' net inflows in *direct investment* and, to a lesser extent, *portfolio investment debt securities*. These developments were partly offset by euro area non-MFIs' net outflows in *other investment*, *portfolio investment equity* and *other* flows.

In October 2020 the Eurosystem's stock of *reserve assets* increased to €914.7 billion, up from €909.6 billion in the previous month (see Table 3). This increase was driven by net acquisitions of assets (€2.9 billion) and, to a lesser extent, by positive exchange rate changes (€1.4 billion) and price changes (€0.8 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)

	September 2020	October 2020			
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding
<b>Reserve assets</b>	<b>909.6</b>	<b>2.9</b>	<b>1.4</b>	<b>0.8</b>	<b>914.7</b>
Monetary gold	557.4	0.0	-	1.5	558.8
Special drawing rights	51.4	0.2	0.2	-	51.8
Reserve position in the IMF	29.5	0.0	0.1	-	29.6
Other reserve assets	271.3	2.8	1.1	-0.7	274.5

Source: ECB.

Note: "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 and international investment position: 12 January 2021 (reference data up to the third quarter of 2020)
- Monthly balance of payments: 19 January 2021 (reference data up to the November 2020)

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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