



EUROPEAN CENTRAL BANK

EUROSYSTEM

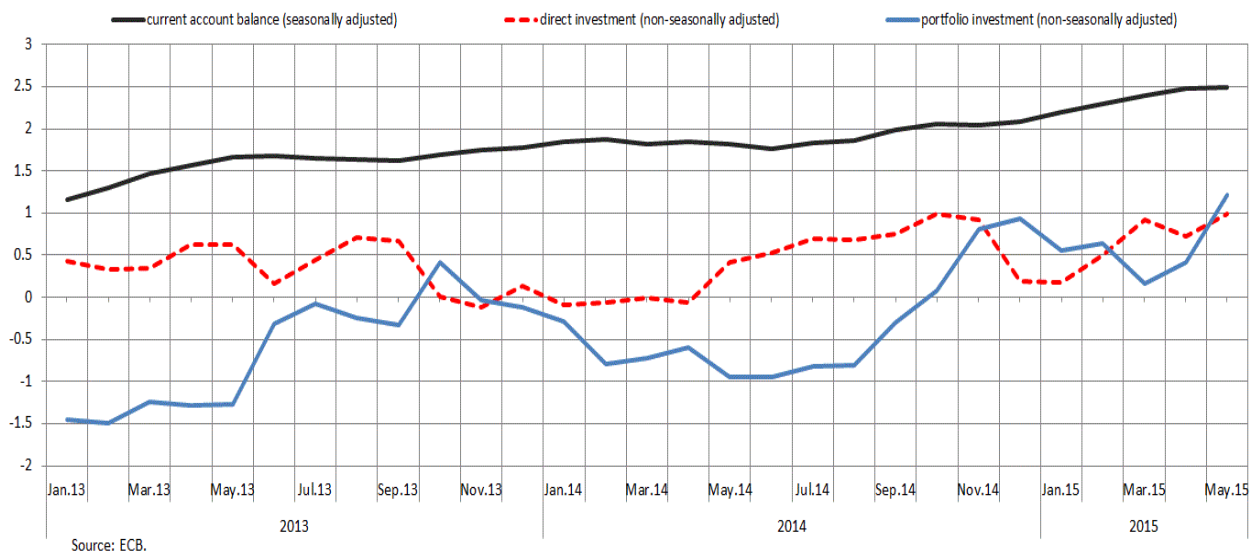
PRESS RELEASE

20 July 2015

Euro area monthly balance of payments (May 2015)

- In May 2015 the current account of the euro area recorded a surplus of €18.0 billion.¹
- In the financial account, combined direct and portfolio investment recorded increases of €99 billion in assets and €58 billion in liabilities.

Chart 1: Balance of payments of the euro area: 12-month cumulated transactions
(as a percentage of GDP)



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Current account

The *current account* of the euro area recorded a surplus of €18.0 billion in May 2015 (see Table 1). This reflected surpluses for *goods* (€23.9 billion), *services* (€6.3 billion) and *primary income* (€1.1 billion), which were partly offset by a deficit in *secondary income* (€13.3 billion).

The 12-month cumulated *current account* for the period ending in May 2015 recorded a surplus of €253.4 billion (2.5% of euro area GDP), compared with a surplus of €181.6 billion (1.8% of euro area GDP) for the 12 months to May 2014 (see Table 1 and Chart 1). The increase in the *current account* surplus was due to increases in the surpluses for *goods* (from €213.1 billion to €284.4 billion) and *primary income* (from €35.9 billion to €44.7 billion), as well as a minor decrease in the deficit for *secondary income* (from €139.8 billion to €139.3 billion). These were partly offset by a decrease in the surplus for *services* (from €72.4 billion to €63.6 billion).

Financial account

In the financial account (see Table 2) in May 2015, *combined direct and portfolio investment* recorded increases of €99 billion in assets and €58 billion in liabilities.

Euro area residents recorded an increase of €26 billion in *direct investment* assets, which was due to increases in *equity* (€8 billion) and *debt instruments* (€18 billion). *Direct investment* liabilities remained broadly unchanged, on account of a decrease in *debt instruments* offsetting an increase in *equity* (around €10 billion in each case).

As regards *portfolio investment* assets, euro area residents made net acquisitions of foreign securities in a total amount of €73 billion, owing to net purchases of both *equity* (€17 billion) and *debt securities* (€56 billion), mostly with a long-term original maturity (€45 billion). The increase of €59 billion in euro area *portfolio investment* liabilities was mainly due to net acquisitions by non-euro area residents of euro area *long-term debt securities* (€57 billion) and equity (€13 billion), which were partially offset by net sales of *short-term debt securities* (€11 billion).

The euro area net *financial derivatives account* (assets minus liabilities) recorded positive net flows of €5 billion.

Other investment recorded decreases of €73 billion in assets and €55 billion in liabilities. The decrease in assets was mainly driven by *MFIs (excluding the Eurosystem)* (€67 billion) and by *general government*, albeit to a lesser extent (€6 billion). The decrease in liabilities was also explained by developments in the *MFIs (excluding the Eurosystem)* sector (€57 billion).

The Eurosystem's stock of reserve assets increased by €4 billion in May 2015 (to €672 billion). This can be attributed to positive gold revaluations (€2 billion), as well as asset price and exchange rate developments for other reserve assets, which were partly offset by net sales of reserve assets (€2 billion).

In the 12 months to May 2015 *combined direct and portfolio investment* recorded cumulated increases of €795 billion in assets and €572 billion in liabilities, compared with increases of €722 billion and €775 billion respectively in the 12 months to May 2014. This resulted from a significant decrease in the direct investment activity of both euro area residents abroad and non-residents in the euro area, whereas activity in portfolio investment showed a significant increase in the net acquisition of foreign debt

securities by euro area residents and a preference by non-euro area investors for euro area equity, as opposed to debt securities.

According to the monetary presentation of the balance of payments, the [net external assets](#) of euro area MFIs increased by €42 billion in the 12 months to May 2015, compared with an increase of €304 billion in the preceding 12-month period. This development in the MFIs' net external assets continued primarily to reflect a surplus of €274 billion in the *current and capital account* balance, which has in the last 12 months been partially offset by, among other things, (i) larger net purchases of portfolio investment assets by euro area non-MFI residents (€407 billion, compared with €270 billion) and (ii) an increase in the net direct investment transactions of euro area non-MFI residents (from €36 billion to €81 billion), thus reducing the involvement of domestic banks.

Data revisions

This press release incorporates revisions for the reference period April 2015. These revisions have not significantly altered the figures previously published.

Additional information

- Time series data: [ECB's Statistical Data Warehouse \(SDW\)](#)
- Methodological information: [ECB's website](#)
- [Monetary presentation of the balance of payments](#)
- [Next press releases:](#)
 - o Monthly balance of payments: **19 August 2015** (reference data up to June 2015);
 - o Quarterly balance of payments and international investment position: **8 October 2015** (reference data up to the second quarter of 2015).

Annexes

- Table 1: Current account of the euro area
- Table 2: Balance of payments of the euro area

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Notes:

^[1] 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.

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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		2014								2015				
	May 2014	May 2015	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
CURRENT ACCOUNT	181.6	253.4	15.8	14.2	16.5	15.9	25.3	22.5	14.8	20.5	27.9	27.2	26.7	24.0	18.0
<i>Memo: as a percentage of GDP</i>	<i>1.8</i>	<i>2.5</i>													
Credit	3,291.9	3,403.0	275.7	279.5	278.4	272.5	284.9	280.6	280.4	281.7	282.9	287.7	294.7	291.8	287.9
Debit	3,110.4	3,149.6	259.9	265.3	261.9	256.6	259.6	258.1	265.7	261.2	255.1	260.5	268.1	267.8	269.9
Goods	213.1	284.4	19.6	18.3	19.5	18.1	24.9	26.1	24.1	24.7	26.8	27.7	21.9	28.4	23.9
Credit (exports)	1,926.4	2,013.7	162.3	164.1	163.8	158.5	168.9	169.5	168.0	167.8	166.7	170.5	171.8	174.2	169.9
Debit (imports)	1,713.3	1,729.3	142.8	145.8	144.3	140.4	143.9	143.5	143.9	143.1	139.8	142.9	149.9	145.8	146.0
Services	72.4	63.6	6.1	6.3	5.5	5.8	6.3	4.4	4.3	4.6	5.6	5.1	5.9	3.6	6.3
Credit (exports)	663.1	715.9	56.6	58.8	59.0	58.3	58.2	58.2	59.3	60.4	59.6	60.7	61.9	59.7	62.0
Debit (imports)	590.7	652.4	50.5	52.5	53.5	52.5	51.9	53.8	54.9	55.8	54.0	55.6	56.0	56.1	55.6
Primary income	35.9	44.7	1.7	2.8	2.6	2.1	4.0	2.7	-0.9	3.1	5.6	6.1	10.3	5.3	1.1
Credit	611.2	574.4	49.1	48.4	47.8	47.6	49.5	44.7	45.4	45.5	48.2	48.0	53.0	49.9	46.5
Debit	575.2	529.7	47.4	45.5	45.2	45.5	45.5	42.0	46.3	42.4	42.5	41.9	42.7	44.6	45.4
Secondary income	-139.8	-139.3	-11.5	-13.2	-11.1	-10.0	-9.9	-10.7	-12.7	-11.8	-10.2	-11.7	-11.4	-13.3	-13.3
Credit	91.4	99.0	7.7	8.2	7.8	8.1	8.3	8.1	7.8	8.0	8.5	8.5	8.0	8.0	9.6
Debit	231.2	238.2	19.2	21.4	18.9	18.1	18.2	18.8	20.5	19.8	18.7	20.2	19.4	21.3	22.9

Source: ECB.

Table 2: Monthly balance of payments of the euro area

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

	Cumulated figures for the 12-month period ending						April 2015 (revised)			May 2015		
	May 2014			May 2015								
	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit
CURRENT ACCOUNT	180.0	3,281.4	3,101.4	249.0	3,390.5	3,141.5	22.0	287.8	265.8	3.4	281.0	277.6
Goods	211.0	1,917.5	1,706.5	283.0	2,002.9	1,719.9	29.1	174.8	145.7	23.2	162.6	139.4
Services	72.6	661.5	588.9	64.0	714.0	650.0	3.5	57.4	53.8	7.0	60.3	53.3
Primary income	37.7	611.1	573.4	44.0	574.5	530.6	0.6	47.4	46.8	-16.5	47.1	63.6
Secondary income	-141.2	91.3	232.5	-141.9	99.1	241.0	-11.2	8.2	19.4	-10.3	11.1	21.4
CAPITAL ACCOUNT	24.5	41.8	17.3	21.2	37.3	16.1	1.1	2.4	1.3	2.3	3.7	1.4
	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities
FINANCIAL ACCOUNT¹⁾	394.2	920.9	526.7	250.8	906.7	655.9	-9.3	117.6	126.9	26.2	29.5	3.4
Direct investment	41.7	454.8	413.1	100.6	297.9	197.3	-12.4	16.3	28.7	26.3	26.0	-0.3
Equity	49.1	369.0	319.9	-8.3	116.0	124.3	-2.9	6.8	9.7	-2.1	8.3	10.5
Debt instruments	-7.5	85.8	93.3	108.8	181.8	73.0	-9.5	9.5	19.0	28.5	17.7	-10.8
Portfolio investment	-95.1	267.2	362.2	123.0	497.4	374.4	52.7	33.3	-19.4	14.7	73.4	58.7
Equity	-65.7	145.1	210.8	-221.5	81.0	302.5	15.7	19.5	3.8	4.5	17.4	12.9
Debt securities	-29.3	122.1	151.4	344.5	416.4	71.9	37.0	13.7	-23.3	10.2	56.0	45.8
Short-term	40.7	30.0	-10.7	59.9	60.2	0.3	-26.4	-11.9	14.5	22.0	10.7	-11.4
Long-term	-70.0	92.1	162.1	284.6	356.2	71.7	63.4	25.6	-37.7	-11.8	45.3	57.1
<i>Memo: Direct and portfolio investment</i>	-53.4	722.0	775.4	223.6	795.3	571.7	40.3	49.6	9.3	41.0	99.4	58.4
Financial derivatives	26.1			69.3			4.6			4.5		
Other investment	414.1	165.4	-248.7	-43.7	40.5	84.2	-50.3	67.3	117.7	-17.8	-72.8	-55.0
Eurosystem	55.6	-11.1	-66.7	38.5	1.6	-37.0	5.3	-1.7	-7.0	3.6	0.7	-2.9
MFIs (excluding the Eurosystem)	282.6	102.6	-180.0	-56.2	1.6	57.8	-61.3	60.2	121.6	-10.5	-67.1	-56.6
General government	-2.4	-2.0	0.4	26.6	0.1	-26.4	-0.1	-1.0	-0.9	-5.9	-6.0	-0.1
Other sectors	78.3	75.9	-2.4	-52.6	37.3	89.9	5.7	9.8	4.0	-5.0	-0.4	4.5
Of which: currency and deposits	388.0	122.4	-265.6	-99.2	-27.5	71.7	-56.1	65.5	121.6	-40.0	-80.0	-40.0
Reserve assets		7.4			1.6			-3.9			-1.6	
Errors and omissions	189.7			-19.5			-32.4			20.5		

Source: ECB.

1) Financial account: increases in assets and liabilities (+) and decreases in assets and liabilities (-).