



EUROPEAN CENTRAL BANK

EUROSYSTEM

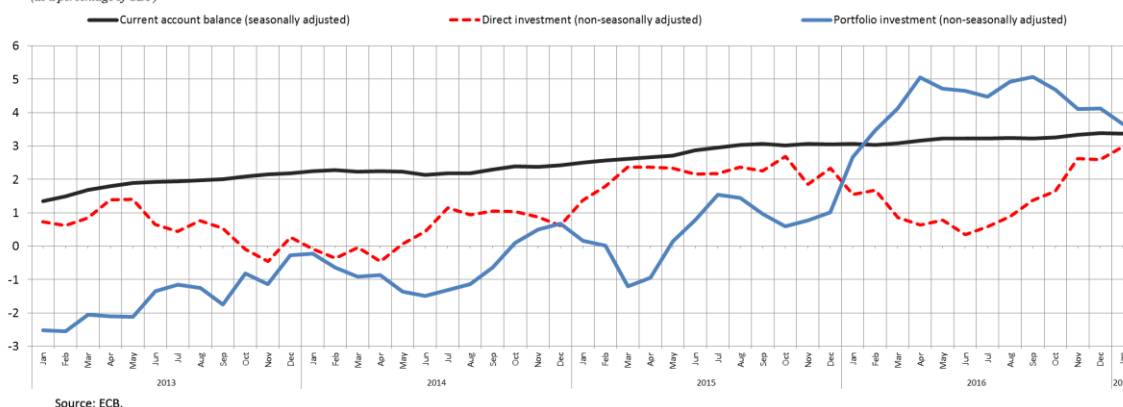
PRESS RELEASE

22 March 2017

Euro area monthly balance of payments (January 2017)

- In January 2017 the current account of the euro area recorded a surplus of €24.1 billion.¹
- In the financial account, combined direct and portfolio investment recorded net acquisitions of assets of €153 billion and net incurrences of liabilities of €120 billion.

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



Current account

The *current account* of the euro area recorded a surplus of €24.1 billion in January 2017 (see Table 1). This reflected surpluses for *goods* (€24.1 billion), *primary income* (€12.1 billion) and *services* (€3.5 billion), which were partly offset by a deficit for *secondary income* (€15.5 billion).

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.

The 12-month cumulated current account for the period ending in January 2017 recorded a surplus of €357.9 billion (3.3% of euro area GDP), compared with one of €321.6 billion (3.1% of euro area GDP) for the 12 months to January 2016 (see Table 1 and Chart 1). This was due to increases in the surpluses for *goods* (from €346.8 billion to €366.3 billion), *primary income* (from €42.5 billion to €59.3 billion) and *services* (from €58.6 billion to €68.5 billion). These were partly offset by an increase in the deficit for *secondary income* (from €126.3 billion to €136.3 billion).

Financial account

In January 2017 *combined direct and portfolio investment* recorded net acquisitions of assets of €153 billion and net incurrences of liabilities of €120 billion (see Table 2).

Euro area residents recorded net acquisitions of €109 billion of *direct investment* assets as a result of net acquisitions of both *equity* (€103 billion) and *debt instruments* (€6 billion). *Direct investment* liabilities increased by €92 billion as a result of net acquisitions of euro area *equity* (€90 billion) and *debt instruments* (€3 billion) by non-euro area residents.

As regards *portfolio investment* assets, euro area residents made net acquisitions of foreign securities amounting to €44 billion. This resulted from net purchases of *long-term debt securities* (€25 billion) and *equity* (€24 billion), which were partly offset by net sales of *short-term debt securities* (€5 billion). *Portfolio investment* liabilities recorded net incurrences of €27 billion as a result of net acquisitions of euro area *equity* (€20 billion) and *short-term debt securities* (€22 billion) by non-euro area residents. These were partly offset by net sales/amortisations of euro area *long-term debt securities* (€15 billion) by non-euro area residents.

The euro area net *financial derivatives* account (assets minus liabilities) recorded positive net flows of €4 billion.

Other investment recorded increases of €231 billion in assets and €243 billion in liabilities. The net acquisition of foreign assets by euro area residents is mainly attributable to the *MFI sector (excluding the Eurosystem)* (€237 billion). The net incurrence of liabilities can also be explained by the *MFI sector (excluding the Eurosystem)* (€259 billion) and, to a limited extent, by *other sectors* (€22 billion).

In the 12 months to January 2017 *combined direct and portfolio investment* recorded increases of €767 billion in assets and €63 billion in liabilities, compared with increases of €1,125 billion and €684 billion respectively in the 12 months to January 2016. This resulted from a significant decrease in the *direct investment* activity of both euro area residents abroad and non-residents in the euro area, with the net acquisition of assets decreasing from €730 billion to €381 billion and the net incurrence of liabilities decreasing from €568 billion to €66 billion.

According to the monetary presentation of the balance of payments, the [net external assets](#) of euro area MFIs decreased by €193 billion in the 12 months to January 2017, compared with a decrease of €56 billion in the 12 months to January 2016. This reflected an increase in the surplus in the *current and capital account* balance (from €305 billion to €358 billion), which was offset by net financial transactions by non-MFIs. In particular, the cumulated transactions in portfolio investment liabilities issued by non-MFI euro area residents showed a shift from net purchases of *debt securities* by non-euro area investors (€35 billion) to net sales/amortisations (€155 billion).

In January 2017 the *Eurosystem's* stock of *reserve assets* decreased by €0.7 billion to €707.0 billion (see Table 3). This can be explained by net sales of *reserve assets* (€5.1 billion) and negative exchange rate developments (€3.4 billion), which were almost entirely offset by positive price revaluations, particularly of *monetary gold* (€7.7 billion).

Data revisions

This press release incorporates revisions to the data for the period from October to December 2016. These revisions have not significantly altered the figures previously published.

Additional information

- Time series data: [ECB's Statistical Data Warehouse \(SDW\)](#)
- [Methodological information](#)
- [Monetary presentation of the balance of payments](#)
- [Next press releases:](#)
 - Quarterly balance of payments and international investment position: **6 April 2017** (reference data up to the fourth quarter of 2016);
 - Monthly balance of payments: **21 April 2017** (reference data up to February 2017);

Annexes

- Table 1: Current account of the euro area
- Table 2: Balance of payments of the euro area
- Table 3: Reserve assets of the euro area

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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		2016												2017
	Jan. 2016	Jan. 2017	Jan.	Feb.	Mar.	Apr.	May	June	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.
CURRENT ACCOUNT	321.6	357.9	30.1	25.5	29.3	34.3	30.8	30.0	30.1	29.5	29.3	28.1	36.1	30.8	24.1
<i>Memo: as a percentage of GDP</i>	3.1	3.3													
Credit	3,604.6	3,597.6	293.7	293.0	292.0	295.9	295.9	295.5	294.6	300.7	301.1	298.2	311.7	306.9	312.2
Debit	3,283.0	3,239.7	263.6	267.4	262.7	261.7	265.1	265.5	264.5	271.2	271.8	270.1	275.5	276.1	288.1
Goods	346.8	366.3	29.5	27.4	32.4	32.5	31.9	33.0	29.5	32.6	34.6	26.0	30.6	31.6	24.1
Credit (exports)	2,101.7	2,109.0	171.7	170.2	173.5	172.5	172.2	174.1	171.8	176.4	176.3	174.9	182.2	183.7	181.3
Debit (imports)	1,754.8	1,742.7	142.2	142.8	141.0	140.0	140.3	141.1	142.2	143.7	141.7	149.0	151.6	152.1	157.3
Services	58.6	68.5	4.8	6.1	6.2	4.2	4.2	4.5	6.0	6.7	7.4	9.1	5.5	5.1	3.5
Credit (exports)	769.6	782.4	64.5	65.8	64.3	63.3	64.2	63.5	63.2	65.5	67.3	66.5	66.2	65.8	66.8
Debit (imports)	711.0	713.9	59.7	59.6	58.2	59.1	60.0	59.0	57.2	58.7	59.8	57.4	60.8	60.8	63.3
Primary income	42.5	59.3	4.3	2.3	1.3	5.5	3.9	2.4	4.3	2.9	1.7	5.8	12.1	5.0	12.1
Credit	629.0	604.5	49.1	48.6	45.8	51.3	51.2	49.7	50.7	50.5	49.3	48.7	55.3	48.6	54.9
Debit	586.6	545.2	44.8	46.3	44.5	45.8	47.2	47.3	46.4	47.6	47.7	42.8	43.3	43.5	42.8
Secondary income	-126.3	-136.3	-8.5	-10.3	-10.6	-8.0	-9.3	-9.9	-9.7	-12.8	-14.4	-12.9	-12.0	-10.9	-15.5
Credit	104.3	101.6	8.4	8.3	8.4	8.8	8.4	8.2	8.9	8.4	8.2	8.1	7.9	8.8	9.3
Debit	230.6	237.9	16.9	18.7	19.0	16.8	17.6	18.2	18.6	21.1	22.6	20.9	19.9	19.7	24.8

Source: ECB.

Table 2: Monthly balance of payments 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						December 2016			January 2017		
	January 2016			January 2017			Net	Credit	Debit	Net	Credit	Debit
	Net	Credit	Debit	Net	Credit	Debit						
CURRENT ACCOUNT	319.4	3,607.5	3,288.0	355.2	3,609.6	3,254.4	46.9	328.3	281.4	2.5	284.2	281.7
Goods	348.7	2,105.5	1,756.7	369.1	2,122.5	1,753.4	32.7	181.0	148.2	9.2	167.2	157.9
Services	58.5	770.2	711.8	68.1	784.2	716.1	7.0	73.3	66.3	0.6	61.8	61.2
Primary income	41.7	628.6	587.0	56.2	602.8	546.6	18.0	63.6	45.6	8.6	47.2	38.6
Secondary income	-129.5	103.1	232.6	-138.2	100.1	238.3	-10.8	10.4	21.2	-16.0	8.0	24.0
CAPITAL ACCOUNT	-15.2	46.4	61.6	8.2	36.9	28.8	3.7	7.5	3.8	-0.1	1.9	2.0
	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities
FINANCIAL ACCOUNT ¹⁾	317.6	882.4	564.8	428.1	1,070.4	642.3	148.1	-180.8	-328.9	21.0	383.8	362.8
Direct investment	161.6	729.5	567.9	314.8	380.7	65.9	52.8	7.4	-45.4	16.6	108.9	92.3
Equity	159.7	564.8	405.1	241.8	399.5	157.6	49.4	32.3	-17.1	13.3	102.9	89.6
Debt instruments	1.8	164.7	162.9	73.0	-18.8	-91.7	3.3	-24.9	-28.2	3.3	6.0	2.7
Portfolio investment	279.2	395.3	116.1	388.4	385.8	-2.7	70.6	14.7	-55.9	16.9	44.4	27.4
Equity	-136.8	18.3	155.1	-149.2	41.8	191.0	-9.1	2.0	11.1	4.2	24.3	20.1
Debt securities	416.0	377.0	-39.0	537.7	344.0	-193.7	79.6	12.6	-67.0	12.7	20.1	7.4
Short-term	72.5	18.3	-54.2	-38.3	-1.0	37.3	46.3	19.8	-26.6	-26.7	-4.6	22.1
Long-term	343.4	358.7	15.3	576.0	345.0	-231.0	33.3	-7.2	-40.5	39.4	24.7	-14.7
<i>Memo: Direct and portfolio investment</i>	440.7	1,124.8	684.1	703.2	766.5	63.2	123.3	22.1	-101.3	33.5	153.3	119.8
Financial derivatives	97.0			15.1			6.2			4.2		
Other investment	-228.4	-347.7	-119.3	-301.5	277.6	579.1	12.5	-215.1	-227.6	-11.6	231.4	243.0
Eurosysteem	49.7	3.8	-45.9	-134.3	4.1	138.4	-71.0	8.4	79.4	31.9	-4.5	-36.3
MFIs (excluding the Eurosystem)	-256.1	-371.8	-115.6	-102.0	256.3	358.2	89.0	-190.9	-279.9	-22.7	236.6	259.3
General government	25.7	-9.2	-34.9	-2.6	-4.5	-1.9	6.8	-0.2	-7.0	-0.7	-2.9	-2.2
Other sectors	-47.7	29.4	77.1	-62.6	21.8	84.4	-12.4	-32.5	-20.1	-20.0	2.2	22.2
Of which: currency and deposits	-204.5	-324.9	-120.4	-382.1	94.0	476.1	107.1	-87.1	-194.2	-88.5	128.3	216.8
Reserve assets		8.3			11.2			6.1			-5.1	
Errors and omissions	13.5			64.7			97.5			18.7		

Source: ECB.

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

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)

	Sep.16	Oct.16	Nov.16	Dec.16	Jan.17					Jan.17				
					Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding
Reserve assets	727.0	717.3	706.6		6.1	0.9	-6.0	0.1	707.7	-5.1	-3.4	7.8	-0.0	707.0
Monetary gold	411.3	403.1	386.5		0.0	-	-5.7	-0.0	380.8	0.0	-	7.7	0.0	388.5
Gold bullion	404.3	396.3	379.9		-0.0	-	-5.6	-0.0	374.3	0.0	-	7.5	0.0	381.9
Unallocated gold accounts	7.0	6.8	6.6		0.0	-	-0.1	0.0	6.5	0.0	-	0.1	-0.0	6.6
Special drawing rights	51.2	51.4	52.1		0.1	0.1	-	0.0	52.3	0.0	-0.5	-	-0.0	51.9
Reserve position in the IMF	23.2	23.9	23.3		-0.3	0.0	-	0.0	23.1	-0.1	-0.2	-	0.0	22.8
Other reserve assets	241.3	238.9	244.7		6.3	0.8	-0.3	0.1	251.5	-5.0	-2.8	0.1	-0.0	243.8
Currency and deposits	33.2	29.7	27.8		4.7	-0.1	-	0.5	32.9	-1.0	-0.1	-	-0.0	31.8
Claims on monetary authorities	24.0	21.1	21.8		2.6	-	-	-	24.9	0.4	-	-	-	25.4
Claim on other entities	9.3	8.6	6.0		2.1	-	-	-	8.0	-1.4	-	-	-	6.4
Securities	202.4	204.7	213.3		1.4	0.9	-0.4	-0.5	214.7	-3.8	-2.7	0.1	-0.0	208.3
Debt securities	201.7	204.0	212.6		1.4	0.9	-0.4	-0.5	214.0	-3.8	-2.7	0.0	-0.0	207.6
Short-term	27.9	28.9	33.4		0.6	-0.0	0.0	-0.0	33.9	-2.0	-0.2	-0.0	0.0	31.7
Long-term	173.8	175.1	179.2		0.8	1.0	-0.4	-0.5	180.0	-1.7	-2.5	0.1	-0.0	175.9
Equity and investment fund shares	0.7	0.7	0.7		0.0	0.0	0.0	0.0	0.7	0.0	-0.0	0.0	-0.0	0.7
Financial derivatives (net)	-0.1	-0.1	-0.1		-0.0	-	0.1	0.0	-0.0	-0.1	-	0.1	0.0	0.0
Other claims	5.7	4.6	3.7		0.2	-0.0	0.0	0.0	3.9	-0.2	-0.0	0.0	-0.0	3.6

Source: ECB.