



EUROPEAN CENTRAL BANK

EUROSYSTEM

PRESS RELEASE

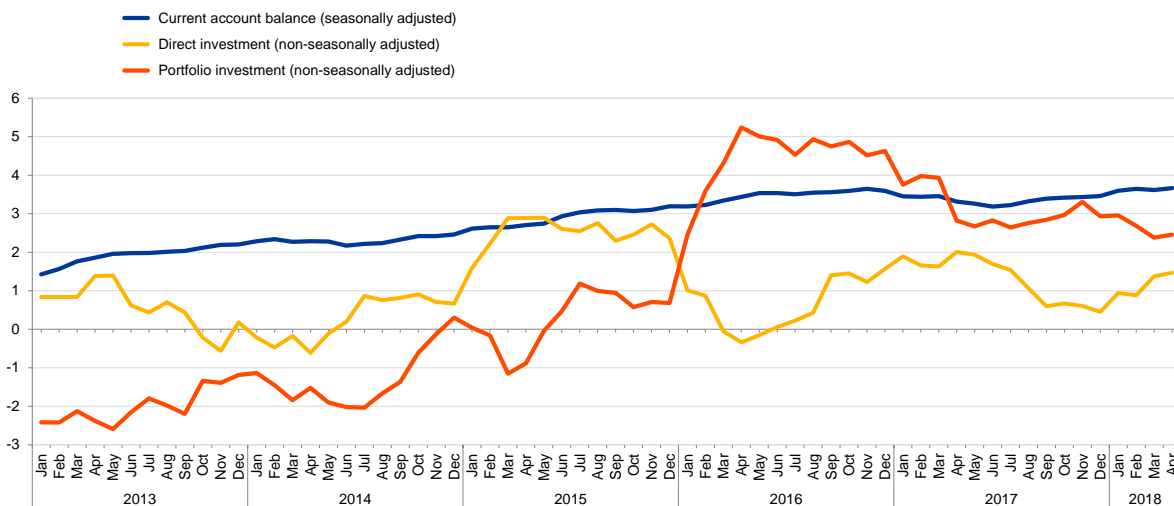
19 June 2018

Euro area monthly balance of payments (April 2018)

- In April 2018 the euro area current account recorded a surplus of €28.4 billion.¹
- In the financial account, combined direct and portfolio investment recorded net acquisitions of assets of €41 billion and net disposals of liabilities of €20 billion.

Chart 1

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



Source: ECB.

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.

European Central Bank Directorate General Communications
Global Media Relations Division, Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany
Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu

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Current account

The *current account* of the euro area recorded a surplus of €28.4 billion in April 2018 (see Table 1). This reflected surpluses for *goods* (€21.0 billion), *services* (€9.6 billion) and *primary income* (€8.5 billion), which were partly offset by a deficit for *secondary income* (€10.7 billion).

The 12-month cumulated current account for the period ending in April 2018 recorded a surplus of €413.7 billion (3.7% of euro area GDP), compared with €361.3 billion (3.3% of euro area GDP) in the 12 months to April 2017 (see Table 1 and Chart 1). This development was due to increases in the surpluses for *services* (from €46.1 billion to €106.1 billion) and *goods* (from €347.2 billion to €353.9 billion), and to a decrease in the deficit for *secondary income* (from €147.2 billion to €138.3 billion). These were partially offset by a decrease in the surplus for *primary income* (from €115.2 billion to €92.0 billion).

Financial account

In April 2018 *combined direct and portfolio investment* recorded net acquisitions of assets of €41 billion and net disposals of liabilities of €20 billion (see Table 2).

Euro area residents recorded net acquisitions of €21 billion of *direct investment* assets as a result of net investments in *equity* (€18 billion) and *debt instruments* (€3 billion). *Direct investment* liabilities decreased by €14 billion as a result of net withdrawals of euro area *equity* (€8 billion) and *debt instruments* (€6 billion) by non-euro area residents.

As regards *portfolio investment* assets, in April 2018 euro area residents made net purchases of foreign securities amounting to €20 billion. These net purchases were in the form of *equity* (€17 billion) and *long-term debt securities* (€4 billion), while euro area residents made net sales of foreign *short-term debt securities* (€1 billion). *Portfolio investment* liabilities decreased by €6 billion as a result of non-euro area residents' net sales/amortisations of euro area *short-term debt securities* (€8 billion) and *equity* (€7 billion), which were partly offset by net acquisitions of euro area *long-term debt securities* (€9 billion) by non-euro area residents.

The euro area net *financial derivatives* account (assets minus liabilities) recorded positive net flows of €2 billion.

Other investment recorded net acquisitions of assets amounting to €60 billion and net incurrences of liabilities of €124 billion. The net increase in assets was mainly due to *MFIs (excluding the Eurosystem)* (€56 billion) and, to a lesser extent, *other sectors* (€7 billion), which were partly offset by a decrease in the net assets of *general government* (€3 billion). The net incurrences of liabilities were mainly attributable to *MFIs (excluding the Eurosystem)* (€168 billion) and to *other sectors* (€10 billion). These developments were partly offset by a net reduction in liabilities by the *Eurosystem* (€51 billion).

In the 12 months to April 2018, *combined direct and portfolio investment* recorded net acquisitions of assets of €631 billion and net incurrences of liabilities of €186 billion, compared with €887 billion and €360 billion, respectively, in the 12 months to April 2017.

In *direct investment*, there was a significant decrease in the net investments of euro area residents abroad and a shift to net disinvestment of non-residents in the euro area. The net acquisitions of *equity* by euro area residents declined from €425 billion to €48 billion, while transactions in *debt instruments* shifted from net investments of €41 billion to net disinvestments of €11 billion. On the liability side, transactions in euro area *equity* by non-residents also shifted from net investments of €153 billion to net disinvestments of €220 billion, while intercompany lending recorded a slight decrease in net investments from €95 billion to €91 billion.

Concerning *portfolio investment*, the net purchases of foreign *equity* and *debt securities* by euro area residents increased from €88 billion to €183 billion and from €332 billion to €411 billion, respectively. On the liability side, the net purchases of euro area *equity* by non-euro area residents increased from €268 billion to €373 billion, while the net sales/amortisations of euro area *debt securities* decreased from €156 billion to €58 billion, driven by a decrease in the net sales/amortisations of euro area *long-term debt securities* from €203 billion to €26 billion.

According to the monetary presentation of the balance of payments, the [net external assets](#) of euro area monetary financial institutions (MFIs) decreased by €62 billion in the 12 months to April 2018, compared with a decrease of €200 billion in the 12 months to April 2017. This was mainly due to an increase in the current and capital accounts balance and to developments in the portfolio equity investment of the non-MFIs.

In April 2018 the *Eurosystem's* stock of *reserve assets* increased to €677.1 billion from €673.4 billion in the previous month (see Table 3). This increase (€3.7 billion) was mainly due to positive price changes (€3.8 billion) and exchange rate changes (€3.6 billion), which were partly offset by net disposals of assets (€3.7 billion).

Data revisions

This press release incorporates revisions to the data for the period from January to March 2018. These revisions have not significantly altered the figures published previously.

Additional information

- Time-series data: the [ECB's Statistical Data Warehouse \(SDW\)](#)
- [Methodological information](#)
- [Monetary presentation of the balance of payments](#)
- [Next press releases:](#)

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- quarterly balance of payments and international investment position: **4 July 2018**² (reference data up to the first quarter of 2018)
- monthly balance of payments: **20 July 2018** (reference data up to May 2018).

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

For media queries, please contact Philippe Rispal, tel.: +49 69 1344 5482.

² The quarterly press release on 4 July 2018 will incorporate revisions (up to March 2018) to the monthly data published in this present monthly press release.

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		2017								2018					
	Apr. 2017	Apr. 2018	Apr.	May	June	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
CURRENT ACCOUNT	361.3	413.7	22.9	30.2	24.5	34.8	41.8	39.2	35.1	36.5	34.3	39.6	36.6	32.8	28.4	
<i>Memo: as a percentage of GDP</i>	3.3	3.7														
Credit	3,732.4	3,946.0	318.6	325.3	321.2	324.6	333.2	330.9	327.3	331.8	337.7	331.0	324.8	330.0	328.4	
Debit	3,371.1	3,532.3	295.7	295.1	296.7	289.9	291.5	291.7	292.2	295.2	303.4	291.4	288.2	297.2	300.0	
Goods	347.2	353.9	25.3	27.8	30.0	28.4	30.9	33.3	29.3	31.3	33.5	29.2	28.8	30.3	21.0	
Credit (exports)	2,173.5	2,317.3	183.9	189.7	187.3	188.5	192.2	194.8	192.3	197.0	201.2	197.0	192.9	194.1	190.4	
Debit (imports)	1,826.3	1,963.5	158.5	161.9	157.3	160.1	161.3	161.5	163.0	165.7	167.6	167.7	164.1	163.7	169.5	
Services	46.1	106.1	6.8	5.5	6.7	8.6	10.0	9.6	9.6	8.7	10.5	8.9	9.1	9.4	9.6	
Credit (exports)	800.8	860.4	69.6	69.1	70.5	71.1	71.8	71.7	72.0	71.8	73.3	71.9	71.7	73.6	71.9	
Debit (imports)	754.7	754.3	62.8	63.6	63.9	62.5	61.7	62.1	62.4	63.2	62.9	63.0	62.5	64.2	62.4	
Primary income	115.2	92.0	8.2	8.4	1.7	11.5	12.4	9.5	8.2	8.4	1.1	10.9	6.7	4.8	8.5	
Credit	653.1	659.1	56.5	57.4	54.5	56.2	60.2	55.5	54.2	53.8	53.1	53.1	51.9	52.2	56.9	
Debit	537.9	567.1	48.3	49.0	52.8	44.7	47.8	46.0	46.0	45.5	52.0	42.3	45.1	47.5	48.4	
Secondary income	-147.2	-138.3	-17.5	-11.6	-13.8	-13.8	-11.5	-13.2	-12.0	-11.8	-10.8	-9.4	-8.0	-11.7	-10.7	
Credit	104.9	109.1	8.6	9.0	8.8	8.9	9.1	9.0	8.8	9.1	10.0	9.0	8.3	10.1	9.1	
Debit	252.1	247.4	26.1	20.6	22.7	22.6	20.6	22.2	20.8	20.9	20.9	18.4	16.4	21.7	19.7	

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						March 2018			April 2018		
	April 2017			April 2018			Net	Credit	Debit	Net	Credit	Debit
	Net	Credit	Debit	Net	Credit	Debit						
CURRENT ACCOUNT	363.0	3,737.3	3,374.3	410.0	3,939.2	3,529.1	41.3	343.4	302.0	26.2	320.5	294.3
Goods	348.7	2,180.1	1,831.3	351.2	2,311.8	1,960.6	37.4	207.9	170.5	22.6	188.9	166.3
Services	44.8	800.5	755.7	106.2	859.9	753.7	8.9	71.6	62.7	7.9	67.5	59.6
Primary income	112.7	651.6	538.9	87.8	658.1	570.3	8.0	54.2	46.2	5.6	55.4	49.8
Secondary income	-143.3	105.1	248.4	-135.2	109.3	244.6	-13.0	9.7	22.6	-9.9	8.7	18.6
CAPITAL ACCOUNT	-12.3	31.5	43.7	-3.2	35.1	38.4	0.8	3.8	3.0	0.2	2.1	2.0
	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities
FINANCIAL ACCOUNT 1)	348.0	1,289.5	941.5	479.7	750.6	270.9	85.3	-8.7	-94.0	-6.0	98.0	104.0
Direct investment	218.6	466.5	247.9	165.4	36.8	-128.6	64.4	32.0	-32.4	34.7	20.7	-14.0
Equity	271.8	425.2	153.4	267.5	47.5	-220.0	25.7	10.2	-15.5	25.8	17.7	-8.1
Debt instruments	-53.2	41.3	94.5	-102.1	-10.7	91.4	38.7	21.8	-16.9	8.9	3.0	-5.9
Portfolio investment	307.5	420.0	112.5	279.7	594.2	314.5	-31.0	30.8	61.8	26.4	20.2	-6.2
Equity	-180.7	87.7	268.4	-189.9	183.0	372.9	-36.1	-11.3	24.8	23.7	16.7	-6.9
Debt securities	488.2	332.3	-155.9	469.6	411.2	-58.4	5.1	42.1	37.0	2.7	3.5	0.8
Short-term	-22.5	25.0	47.5	88.7	55.8	-32.8	18.0	12.0	-6.0	7.3	-0.6	-8.0
Long-term	510.7	307.3	-203.4	380.9	355.4	-25.6	-12.9	30.1	43.1	-4.6	4.1	8.7
<i>Memo: Direct and portfolio investment</i>	526.1	886.5	360.3	445.1	630.9	185.9	33.4	62.8	29.4	61.1	40.9	-20.2
Financial derivatives	40.2			-11.2			-4.5			1.7		
Other investment	-228.0	353.2	581.1	32.9	117.9	85.0	47.0	-76.4	-123.4	-65.1	59.1	124.2
Eurosystem	-139.2	7.3	146.5	-115.8	2.4	118.2	-74.4	0.1	74.5	50.7	-0.4	-51.1
MFIs (excluding the Eurosystem)	-73.3	248.5	321.8	53.7	20.8	-32.9	90.8	-83.6	-174.4	-112.1	55.5	167.6
General government	2.9	-1.7	-4.6	16.2	-7.2	-23.4	-1.6	-0.4	1.2	-0.8	-2.6	-1.8
Other sectors	-18.3	99.1	117.5	78.8	101.9	23.1	32.2	7.5	-24.7	-2.9	6.6	9.5
Of which: currency and deposits	-306.9	159.0	465.9	-55.3	19.2	74.5	88.6	-50.5	-139.1	-111.6	11.8	123.4
Reserve assets		9.7			12.9			9.4			-3.7	
Errors and omissions	-2.6			72.9			43.2			-32.4		

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)

	Dec.17	Jan.18	Feb.18	Mar.18					Apr.18				
				Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding
Reserve assets	669.7	663.1	667.7	9.4	-2.2	-1.2	-0.3	673.4	-3.7	3.6	3.8	0.0	677.1
Monetary gold	375.0	374.0	374.4	0.0	-	-1.5	-0.1	372.9	0.0	-	4.1	-0.0	376.9
Gold bullion	368.6	367.5	367.9	0.0	-	-1.4	-0.1	366.5	-0.0	-	4.0	-0.0	370.4
Unallocated gold accounts	6.4	6.4	6.4	0.0	-	-0.0	0.0	6.4	0.0	-	0.1	0.0	6.5
Special drawing rights	49.9	49.2	49.8	0.0	-0.2	-	-0.0	49.6	0.1	0.4	-	-0.0	50.1
Reserve position in the IMF	17.3	16.8	16.9	-0.0	-0.0	-	-0.0	16.8	-0.0	0.1	-	0.0	16.9
Other reserve assets	227.4	223.1	226.7	9.4	-2.0	0.2	-0.2	234.1	-3.8	3.0	-0.3	0.1	233.1
Currency and deposits	37.2	36.7	35.6	7.7	-0.4	-	0.0	42.9	-5.6	0.1	-	-0.0	37.5
Claims on monetary authorities	29.9	27.1	30.0	3.7	-	-	-	33.3	-5.0	-	-	-	28.3
Claim on other entities	7.3	9.7	5.6	4.0	-	-	-	9.6	-0.6	-	-	-	9.1
Securities	187.0	183.2	187.6	2.0	-1.6	0.3	-0.3	188.1	1.8	2.8	-0.3	-0.1	192.4
Debt securities	185.9	182.1	186.4	2.0	-1.6	0.3	-0.3	186.9	1.8	2.8	-0.3	-0.1	191.2
Short-term	34.3	30.8	27.6	1.0	-0.2	-0.0	-0.2	28.2	-0.7	0.3	0.0	0.1	28.0
Long-term	151.6	151.3	158.8	1.1	-1.4	0.3	-0.1	158.7	2.5	2.5	-0.3	-0.1	163.3
Equity and investment fund shares	1.1	1.1	1.2	-0.0	-0.0	0.0	0.0	1.2	-0.0	0.0	-0.0	-0.0	1.2
Financial derivatives (net)	0.2	0.3	0.2	0.0	-	-0.0	-0.0	0.1	0.0	-	-0.0	0.1	0.3
Other claims	3.0	3.0	3.3	-0.3	-0.0	0.0	-0.0	3.0	-0.0	0.0	0.0	-0.0	3.0

Source: ECB.