



EUROPEAN CENTRAL BANK  
EUROSYSTEM

# PRESS RELEASE

19 October 2018

## Euro area monthly balance of payments: August 2018

- In August 2018 the [current account](#) of the euro area recorded a surplus of €24 billion, compared with a surplus of €19 billion in July 2018.<sup>1</sup>
- In the 12-month period to August 2018, the current account recorded a surplus of €379 billion (3.3% of euro area GDP), compared with one of €330 billion (3.0% of euro area GDP) in the 12-month period to August 2017.
- In the [financial account](#), euro area residents made net acquisitions of foreign portfolio investment securities of €406 billion in the 12-month period to August 2018 (decreasing from €514 billion in the 12 months to August 2017). Non-residents' net purchases of euro area portfolio investment securities amounted to €145 billion (down from €208 billion in the 12-month period to August 2017).

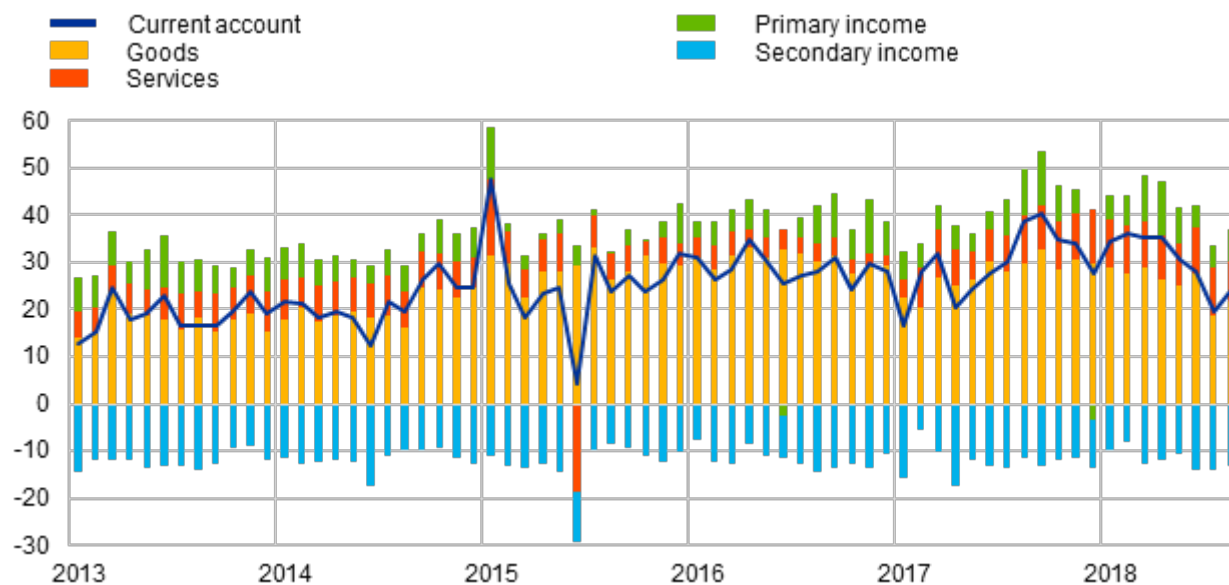
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<sup>1</sup> References to the current account are always to data that are seasonally and working day-adjusted, unless otherwise indicated, whereas references to the capital and financial accounts are to data that are neither seasonally nor working day-adjusted.

## 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 €24 billion in August 2018, increasing by around €5 billion compared with July 2018 (see Chart 1 and Table 1). Surpluses were recorded for *goods* (€22 billion), *services* (€9 billion) and *primary income* (€7 billion). These were partly offset by a deficit for *secondary income* (€13 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				August 2017	July 2018	August 2018
		August 2017 % of GDP		August 2018 % of GDP				
<b>Current account</b>	Balance	330	3.0%	379	3.3%	39	19	24
	Credit	3,845	34.8%	4,009	35.1%	333	329	333
	Debit	3,515	31.8%	3,630	31.8%	294	309	309
<b>Goods</b>	Balance	327	3.0%	327	2.9%	30	19	22
	Credit (exports)	2,216	20.0%	2,326	20.4%	190	192	197
	Debit (imports)	1,890	17.1%	2,000	17.5%	160	173	175
<b>Services</b>	Balance	71	0.6%	117	1.0%	10	10	9
	Credit (exports)	838	7.6%	872	7.6%	72	73	73
	Debit (imports)	767	6.9%	755	6.6%	62	63	64
<b>Primary income</b>	Balance	81	0.7%	77	0.7%	10	4	7
	Credit	682	6.2%	699	6.1%	62	54	55
	Debit	600	5.4%	622	5.4%	52	50	48
<b>Secondary income</b>	Balance	-149	-1.3%	-141	-1.2%	-11	-14	-13
	Credit	109	1.0%	112	1.0%	9	9	9
	Debit	259	2.3%	254	2.2%	21	23	23

Source: ECB.

Note: Discrepancies between totals and their components may be due to rounding.

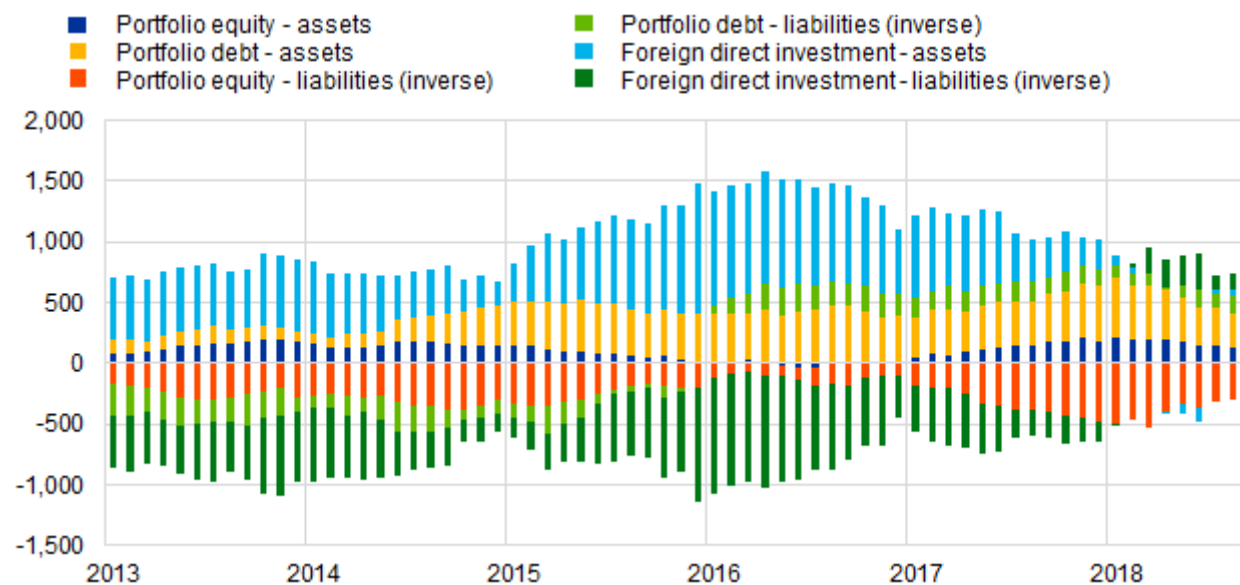
[Data for the current account of the euro area](#)

In the 12 months to August 2018, the *current account* recorded a surplus of €379 billion (3.3% of euro area GDP), compared with one of €330 billion (3.0% of euro area GDP) in the previous 12-month period. This increase was due mainly to an increase in the surplus for *services* (from €71 billion to €117 billion) and a lower deficit for *secondary income* (from €149 billion to €141 billion). These developments were partly offset by a decline in the surplus for *primary income* (from €81 billion to €77 billion). The surplus for *goods* remained stable at €327 billion.

## Chart 2

### Selected items of the euro area financial account

(EUR billions, 12-month cumulated)



Source: ECB.

Note: 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 instruments by non-euro area investors.

In *direct investment*, in the 12-month period to August 2018, euro area residents recorded net investments in non-euro area assets of €59 billion, a decrease from net investments of €337 billion in the previous 12-month period (see Chart 2 and Table 2). Non-residents recorded net disinvestments of euro area assets of €126 billion in the 12-month period to August 2018, after net investments of €224 billion in the 12 months to August 2017.

In *portfolio investment*, net acquisitions of foreign *debt securities* by euro area residents decreased to €281 billion in the 12 months to August 2018, from €363 billion in the corresponding period to August 2017. Net purchases of foreign *equity* by euro area residents decreased to €126 billion from €151 billion. Non-residents reduced their net purchases of euro area *equity* to €295 billion (from €375 billion in the 12 months to August 2017). Over the same period, their net sales of euro area *debt securities* decreased to €150 billion (from €167 billion).

**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					
	August 2017			August 2018		
	Net	Assets	Liabilities	Net	Assets	Liabilities
<b>Financial account</b>	336	1,111	775	440	797	357
<b>Direct investment</b>	114	337	224	185	59	-126
<b>Portfolio investment</b>	306	514	208	261	406	145
Equity	-224	151	375	-170	126	295
Debt securities	530	363	-167	431	281	-150
<b>Financial derivatives (net)</b>	38	38		52	52	
<b>Other investment</b>	-124	220	344	-82	255	337
Eurosysteem	-134	3	138	-96	4	100
Other MFIs	59	138	79	-64	124	188
General government	-2	-9	-7	11	-4	-15
Other sectors	-46	88	134	67	131	65
<b>Reserve as sets</b>	2	2		25	25	

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.

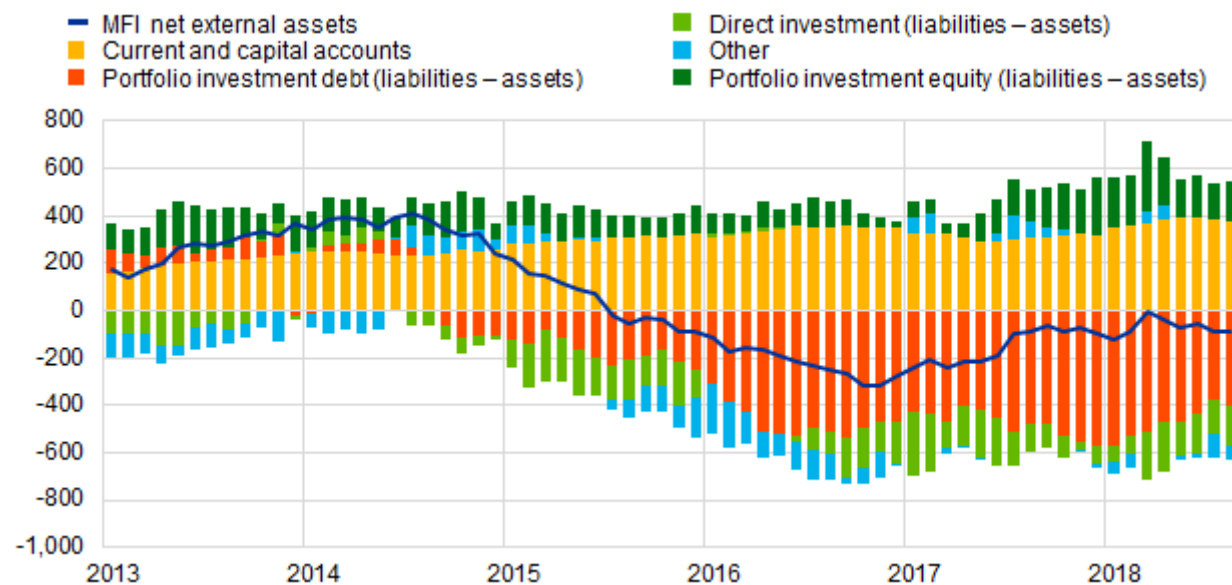
#### Data for the financial account of the euro area

In *other investment*, euro area residents' net acquisitions of foreign assets amounted to €255 billion in the 12 months to August 2018 (compared with €220 billion in the 12 months to August 2017), while net incurrences of liabilities amounted to €337 billion (declining slightly from €344 billion in the corresponding period to August 2017).

### Chart 3

#### Monetary presentation of the balance of payments

(EUR billions, 12-month cumulated)



Source: ECB.

Notes: MFI net external assets as reported in the consolidated MFI balance sheet items (BSI). 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, other investment and statistical discrepancies.

The monetary presentation of the balance of payments (see Chart 3) shows that the net external assets of euro area Monetary Financial Institutions (MFIs) decreased by €90 billion in the 12 months to August 2018. Developments in MFIs' net external assets continued to be driven by non-MFIs' net outflows in *portfolio investment debt securities* and *direct investment*. These were only partly offset by the euro area's *current account* surplus and net inflows in *portfolio investment equity*.

In August 2018 the *Eurosystem's* stock of *reserve assets* increased to €674.9 billion from €671.9 billion in the previous month (see Table 3). This modest increase (€3.0 billion) is explained by net acquisitions of assets (€3.3 billion) and, to a lesser extent, positive exchange rate changes (€1.7 billion), which were only partly offset by negative price changes (€2.0 billion).

**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)

	July 2018	August 2018			
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding
<b>Reserve assets</b>	<b>671.9</b>	<b>3.3</b>	<b>1.7</b>	<b>-2.0</b>	<b>674.9</b>
Monetary gold	360.4	0.0	-	-2.2	358.2
Special drawing rights	50.5	0.0	0.2	-	50.8
Reserve position in the IMF	19.6	0.1	0.1	-	19.8
Other reserve assets	241.3	3.1	1.4	0.2	246.2

Source: ECB.

Note: "Other reserve assets" comprises currency and deposits, securities, financial derivatives (net) and other claims.

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

#### Data revisions

This press release incorporates revisions of the data for July 2018. These revisions have not significantly altered the figures previously published. In addition, this press release includes revisions to the seasonally adjusted series from January 1999 for the components of the current account owing to the incorporation of newly estimated seasonal and calendar factors. These new estimates are broadly in line with the previously published figures.

#### Next press releases:

- monthly balance of payments: 19 November 2018 (reference data up to September 2018)
- quarterly balance of payments and international investment position: 8 January 2019 (reference data up to the third quarter of 2018)

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#### Notes

The hyperlinks in the main body of the press release are dynamic. The data they lead to may therefore change with subsequent data releases as a result of revisions.

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