



EUROPEAN CENTRAL BANK

EUROSYSTEM

PRESS RELEASE

19 September 2019

Euro area monthly balance of payments: July 2019

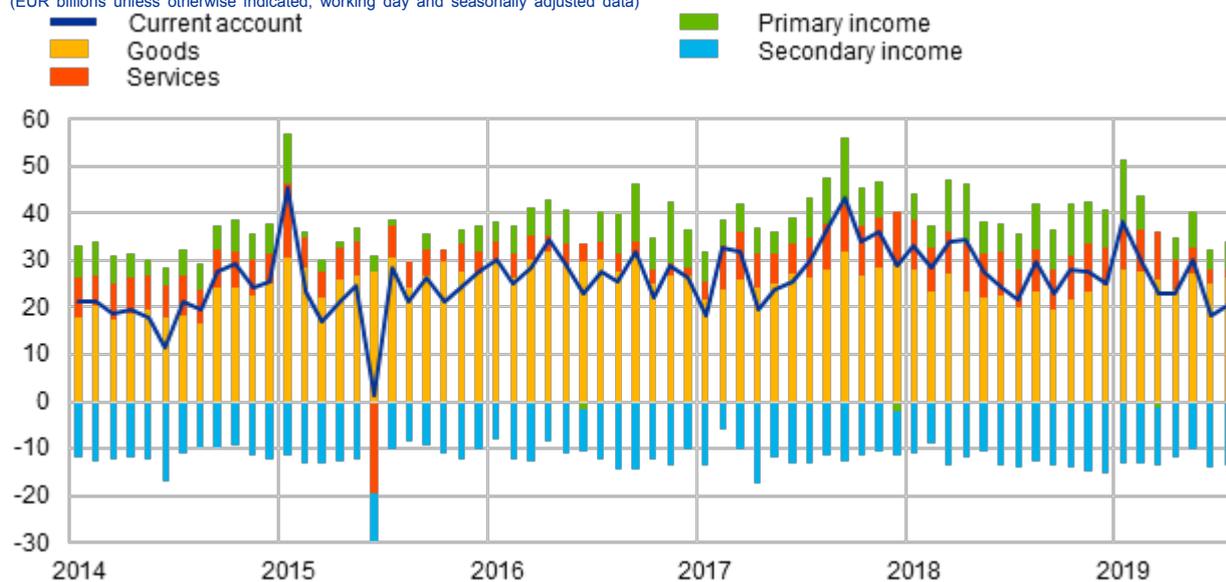
- In July 2019 the [current account](#) of the euro area recorded a surplus of €21 billion, compared with a surplus of €18 billion in June 2019.¹
- In the 12-month period to July 2019, the current account recorded a surplus of €317 billion (2.7% of euro area GDP), compared with a surplus of €383 billion (3.3% of euro area GDP) in the 12 months to July 2018.
- In the [financial account](#), euro area residents made net acquisitions of foreign portfolio investment securities totalling €87 billion in the 12-month period to July 2019 (down from €457 in the 12 months to July 2018). Non-residents made net acquisitions of euro area portfolio investment securities amounting to €101 billion (down from €246 billion).

¹ Current account data are seasonally and working day-adjusted, unless otherwise indicated, whereas capital and financial account data 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 €21 billion in July 2019, an increase of €3 billion from the previous month (see Chart 1 and Table 1). Surpluses were recorded for *goods* (€26 billion), *primary income* (€6 billion) and *services* (€2 billion). These were partly offset by a deficit for *secondary income* (€14 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				Jul 2018	Jun 2019	Jul 2019
		July 2018 % of GDP		July 2019 % of GDP				
Current account	Balance	383	3.3%	317	2.7%	22	18	21
	Credit	4,056	35.5%	4,213	36.0%	341	346	352
	Debit	3,673	32.2%	3,896	33.3%	319	328	332
Goods	Balance	311	2.7%	297	2.5%	20	25	26
	Credit (exports)	2,308	20.2%	2,399	20.5%	194	199	201
	Debit (imports)	1,997	17.5%	2,102	18.0%	174	174	174
Services	Balance	117	1.0%	89	0.8%	8	3	2
	Credit (exports)	897	7.9%	932	8.0%	76	78	78
	Debit (imports)	780	6.8%	843	7.2%	68	75	77
Primary income	Balance	93	0.8%	90	0.8%	7	4	6
	Credit	738	6.5%	768	6.6%	62	60	64
	Debit	645	5.6%	679	5.8%	55	56	58
Secondary income	Balance	-139	-1.2%	-159	-1.4%	-14	-14	-14
	Credit	112	1.0%	114	1.0%	9	9	9
	Debit	251	2.2%	273	2.3%	23	23	23

Source: ECB.

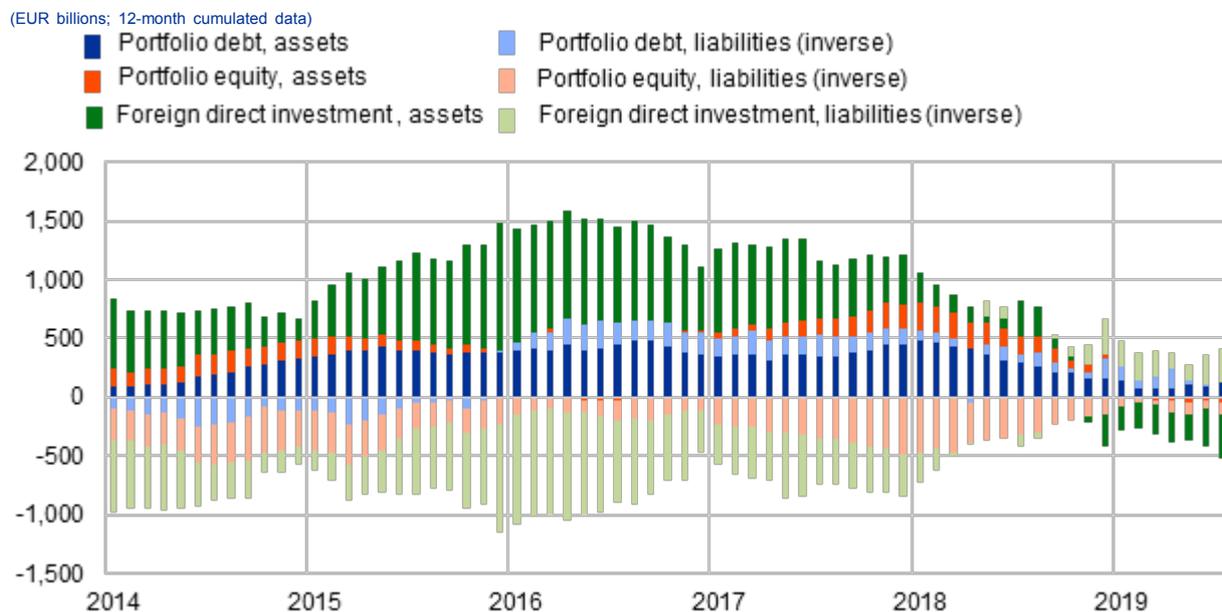
Note: Discrepancies between totals and their components may arise due to rounding.

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

In the 12 months to July 2019, the *current account* recorded a surplus of €317 billion (2.7% of euro area GDP), compared with a surplus of €383 billion (3.3% of euro area GDP) in the 12 months to July 2018. This decline was mainly driven by a smaller surplus for *services* (down from €117 billion to €89 billion) and a bigger deficit for *secondary income* (up from €139 billion to €159 billion). Smaller surpluses for *goods* (down from €311 billion to €297 billion) and *primary income* (down from €93 billion to €90 billion) also contributed to the decline.

Chart 2

Selected items of the euro area financial account



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 €384 billion in non-euro area assets in the 12-month period to July 2019, following net investments of €295 billion in the 12 months to July 2018 (see Chart 2 and Table 2). At the same time, non-residents made net disinvestments in euro area assets of €299 billion, compared with net investments of €115 billion in the 12-month period to July 2018.

In *portfolio investment*, net acquisitions of foreign *debt securities* by euro area residents decreased to €124 billion in the 12-month period to July 2019, from net acquisitions of €295 billion in the 12 months to July 2018. Over the same period, euro area residents made net sales of foreign *equity* amounting to €38 billion, switching from net acquisitions of €162 billion in the 12 months to July 2018. Non-residents' net acquisitions of euro area *equity* fell to €101 billion in the 12 months to July 2019, down from €309 billion in the 12 months to July 2018. Over the same period, they switched from net sales of euro area *debt securities* of €63 billion to net purchases of €1 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					
	July 2018			July 2019		
	Net	Assets	Liabilities	Net	Assets	Liabilities
Financial account	329	1,038	709	292	175	-117
Direct investment	180	295	115	-85	-384	-299
Portfolio investment	211	457	246	-15	87	101
Equity	-147	162	309	-138	-38	101
Debt securities	357	295	-63	124	124	1
Financial derivatives (net)	45	45		76	76	
Other investment	-129	219	348	291	372	81
Eurosysteem	-126	2	127	0	8	8
Other MFIs	-4	142	146	340	353	13
General government	15	3	-12	-1	6	8
Other sectors	-14	73	87	-48	5	53
Reserve assets	21	21		24	24	

Source: ECB.

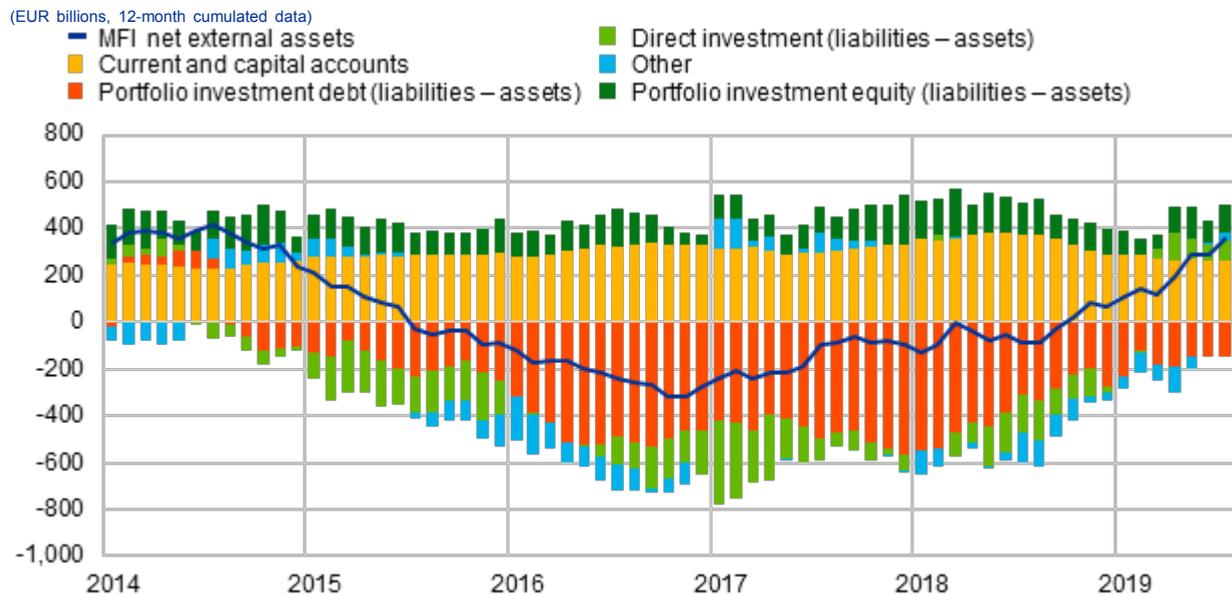
Notes: Decreases in assets and liabilities are shown with a minus sign. Net financial derivatives are reported under assets. "MFIs" stands for monetary financial institutions. Discrepancies between totals and their components may arise due to rounding.

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

In *other investment*, euro area residents' net acquisitions of foreign assets increased to €372 billion in the 12 months to July 2019 (compared with €219 billion in the 12 months to July 2018). Over the same period, their net incurrence of liabilities decreased to €81 billion from €348 billion.

Chart 3

Monetary presentation of the balance of payments



Source: ECB.

Notes: MFI net external assets as reported in the consolidated MFI balance sheet items 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, 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 MFIs increased by €353 billion in the 12-month period to July 2019. This increase was mainly driven by the euro area's *current and capital accounts* surplus and, to a lesser extent, by euro area non-MFIs' net inflows in *portfolio investment equity* and *direct investment*. This was partly offset by net outflows in *portfolio investment debt*.

In July 2019 the *Eurosystem's* stock of *reserve assets* increased to €797.9 billion, up from €770.8 billion in the previous month (see Table 3). This increase was mainly driven by positive price changes (€14.9 billion), but also by net acquisitions of assets (€7.1 billion) and positive exchange rate changes (€5.2 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)

	June 2019	July 2019			
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding
Reserve assets	770.8	7.1	5.2	14.9	797.9
Monetary gold	430.4	0.0	-	15.0	445.4
Special drawing rights	52.6	0.0	0.5	-	53.1
Reserve position in the IMF	24.2	0.9	0.2	-	25.4
Other reserve assets	263.6	6.2	4.4	-0.2	274.0

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 does not incorporate revisions for previous periods.

Next press releases:

- quarterly balance of payments and international investment position: 2 October 2019 (reference data up to the second quarter of 2019)
- monthly balance of payments: 18 October 2019 (reference data up to August 2019)

For media queries, please contact [Philippe Rispal](#), tel.: +49 69 1344 5482.

Notes

Hyperlinks in this press release lead to data that may change with subsequent releases as a result of revisions.