

7 September 2017

Balance of payments France July 2017

Current account deficit deteriorates significantly

The current account deficit deepens in July (-4.2 billion euros in seasonally and working days adjusted data, after -2.4 in June). The deficit in goods worsens (-5.2 billion, after -3.7 billion), as exports of general merchandises are less dynamic than imports. The balance of services remains close to zero (-0.2 billion, after +0.2 billion). The balance of travel expenditures is unchanged while the other services category deteriorates slightly (-0.2 billion, after +0.1 billion).

Within the financial account (non-seasonally adjusted data) direct investments show a net outflow of 3.1 billion, as in June. French investments abroad as well as foreign investments in France increase. Portfolio investments show net outflows of 3.2 billion due to weak issuances in July. Deposits and loans (“other investments”) post large net inflows, at 22.2 billion.

France's balance of payments

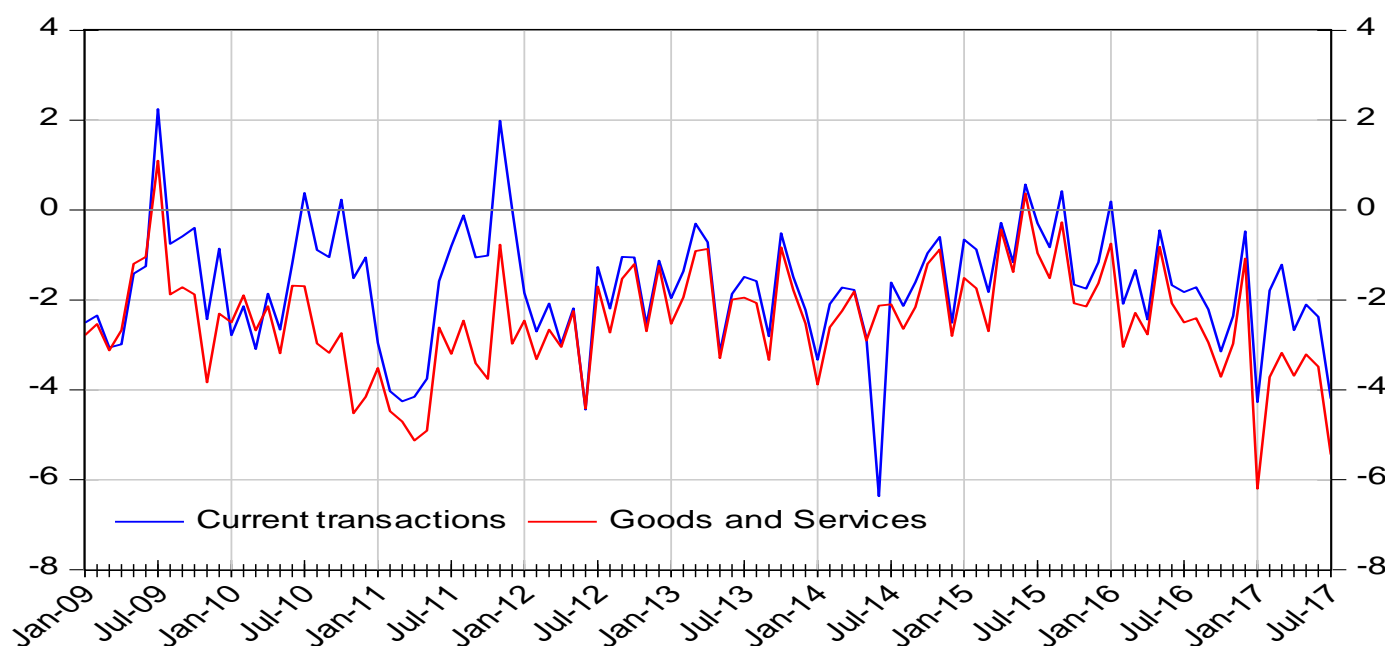
(EUR billions)	2015 (a)	2016 (a)	Jun-17 (b)	Jul-17 (b)
Current account (seasonally and working-day adjusted) (1)	-9.6	-19.0	-2.4	-4.2
<i>Goods</i> (2)	-25.0	-26.8	-3.7	-5.2
General merchandise (3)	-45.1	-47.9	-4.9	-6.0
Other goods (4)	20.1	21.1	1.2	0.7
<i>Services</i>	8.9	0.0	0.2	-0.2
Travel	5.0	1.8	0.0	0.0
Other services	3.9	-1.8	0.1	-0.2
<i>Primary income</i>	50.8	52.8	4.8	4.9
<i>Secondary income</i>	-44.3	-45.0	-3.7	-3.7
Capital account (not adjusted)	1.8	0.0	0.1	0.0
financial account (not adjusted)	-12.2	-28.8	17.0	-17.4
<i>Direct investment</i>	-2.4	26.2	3.1	3.1
- Abroad	37.5	58.4	4.3	6.7
- In France	39.9	32.2	1.3	3.6
<i>Portfolio investment</i>	46.4	-3.6	-10.8	3.2
- Assets	51.0	47.5	10.2	9.8
- Liabilities	4.6	51.1	21.0	6.6
<i>Financial derivatives</i>	10.8	0.6	0.7	0.9
<i>Other investment</i>	-74.2	-54.2	22.4	-22.2
<i>Reserve assets</i>	7.2	2.2	1.6	-2.4
Net errors and omissions	-4.4	-9.8	17.9	-14.2

(a) Annual report 2016 data. (b) Provisional data.
(1) to (4) See methodological notes on page 2.

Source and production : BANQUE DE FRANCE – DIRECTORATE GENERAL STATISTICS

Current account – Goods and services balance

(EUR billions)



The series shown on this chart have been seasonally and working-day adjusted.

Methodological notes relating to page 1 table.

- (1) Figures for monthly current account are seasonally and working day adjusted.
- (2) Data on trade in goods are FOB-FOB values, which means without cost, insurance and freight. This expenditure is recorded in the services item. Exchanges of goods cover General merchandise published by the Directorate General of Customs and Excise (DGDDI), merchanting and methodological adjustments in order to ensure the comparability of French balance of payments with those of other countries and conformity with the international standards. The international standard for Balance of Payments statistics is released under the aegis of the International Monetary Fund. The key concept for the balance of payments is the concept of economic ownership which is consistent with the national accounts.
- (3) General merchandise is compiled by the Directorate General of Customs and Excise (DGDDI). It contains all goods imports and exports which go in and out French territory.
- (4) Other goods are compiled by the Banque de France. Other goods include some corrections and adjustment to the FOB-FOB values of goods exchanged, in order to include only the transactions entailing a change of economic ownership, as well as goods procured in ports by carriers and goods under merchanting.

On the Banque de France website a detailed [methodological note on balance of payments and international investment position](#) can be found.