

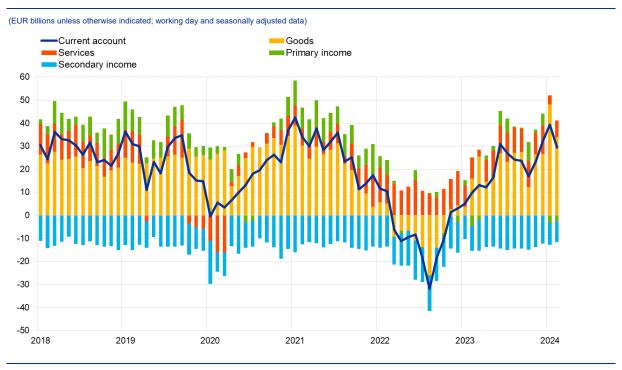
Press release

18 April 2024

Euro area monthly balance of payments: February 2024

- <u>Current account</u> recorded €29 billion surplus in February 2024, down from €39 billion in previous month
- <u>Current account</u> surplus amounted to €288 billion (2.0% of euro area GDP) in the 12 months to February 2024, after a €95 billion deficit (0.7%) one year earlier
- In <u>financial account</u>, euro area residents' net acquisitions of non-euro area portfolio investment securities totalled €443 billion and non-residents' net acquisitions of euro area portfolio investment securities totalled €614 billion in the 12 months to February 2024

Chart 1
Euro area current account balance



Source: ECB.

European Central Bank

Directorate General Communications

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The *current account* of the euro area recorded a surplus of €29 billion in February 2024, a decrease of €10 billion from the previous month (Chart 1 and Table 1). Surpluses were recorded for *goods* (€34 billion) and *services* (€ 7 billion). Deficits were recorded for *secondary income* (€ 9 billion) and *primary income* (€ 2 billion).

Table 1Current account of the euro area

		Cumulated figures for the 12-month period ending in						
		February 2023		February 2024		Feb 2023	Jan 2024	Feb 2024
		9	6 of GDP	% of GDP		100 2020	ouii zozi	. 55 2024
Current account	Balance	-95	-0.7%	288	2.0%	10	39	29
	Credit	5,442	39.8%	5,627	38.7%	461	480	485
	Debit	5,537	40.5%	5,338	36.7%	451	441	456
Goods	Balance	-69	-0.5%	309	2.1%	16	48	34
	Credit (exports)	2,982	21.8%	2,899	20.0%	249	250	246
	Debit (imports)	3,051	22.3%	2,591	17.8%	233	202	212
Services	Balance	137	1.0%	114	0.8%	9	4	7
	Credit (exports)	1,273	9.3%	1,320	9.1%	107	112	116
	Debit (imports)	1,136	8.3%	1,206	8.3%	98	108	109
Primary income	Balance	-1	-0.0%	24	0.2%	-4	-3	-2
	Credit	1,016	7.4%	1,231	8.5%	92	104	108
	Debit	1,016	7.4%	1,206	8.3%	96	107	110
Secondary income	Balance	-163	-1.2%	-159	-1.1%	-11	-10	-9
	Credit	171	1.2%	176	1.2%	14	14	15
	Debit	334	2.4%	335	2.3%	25	24	24

Source: ECB.

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

Data for the current account of the euro area

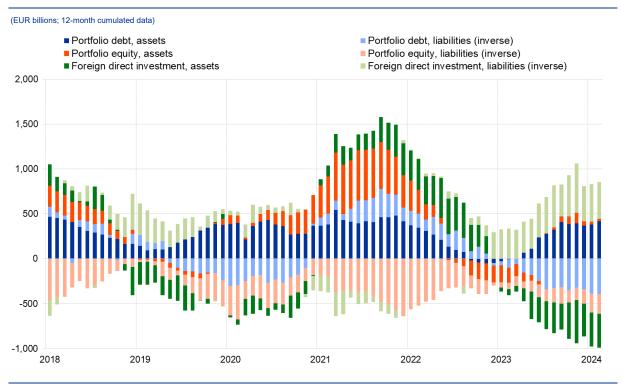
In the 12 months to February 2024, the *current account* recorded a surplus of €288 billion (2.0% of euro area GDP), compared with a deficit of €95 billion (0.7% of euro area GDP) one year earlier. This development in the current account balance was mainly driven by a switch from a deficit (€69 billion) to a surplus (€309 billion) for *goods*, and, to a lesser extent also by a switch from a deficit (€1 billion) to a surplus (€24 billion) for *primary income*, and by a smaller deficit for *secondary income* (down from €163 billion to €159 billion). These developments were partly offset by a reduction in the surplus for *services* (down from €137 billion to €114 billion).

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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 €375 billion in non-euro area assets in the 12 months to February 2024, up from net disinvestments of €69 billion one year earlier (Chart 2 and Table 2). Non-residents disinvested €413 billion in net terms from euro area assets in the 12 months to February 2024, up from net disinvestments of €339 billion one year earlier.

In *portfolio investment*, euro area residents' net purchases of non-euro area *equity* amounted to €25 billion in the 12 months to February 2024, after net sales of €167 billion one year earlier. Over the same period, net purchases of non-euro area *debt securities* by euro-area residents amounted to €419 billion, after net sales of €7 billion one year earlier. Non-residents' net purchases of euro area *equity* increased to €220 billion in the 12 months to February 2024, up from €72 billion one year earlier. Over the same period, non-residents made net purchases of euro area *debt securities* amounting to €394 billion, up from €92 billion one year earlier.

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Table 2Financial account of the euro area

(EUR billions unless otherwise indicated; transactions; non-working day and non-seasonally adjusted data)

	Cum	Cumulated figures for the 12-month period ending in							
		February 2	023	February 2024					
	Net	Assets	Liabilities	Net	Assets	Liabilities			
Financial account	53	-287	-340	277	314	37			
Direct investment	270	-69	-339	38	-375	-413			
Portfolio investment	-338	-174	164	-171	443	614			
Equity	-239	-167	72	-195	25	220			
Debt securities	-99	-7	92	24	419	394			
Financial derivatives (net)	86	86	-	43	43	-			
Other investment	37	-129	-166	357	193	-165			
Eurosystem	155	-25	-180	144	2	-141			
Other MFIs	-170	-100	70	296	145	-151			
General government	-50	-9	40	-5	2	7			
Other sectors	102	5	-97	-77	44	120			
Reserve assets	-1	-1	-	9	9	-			

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

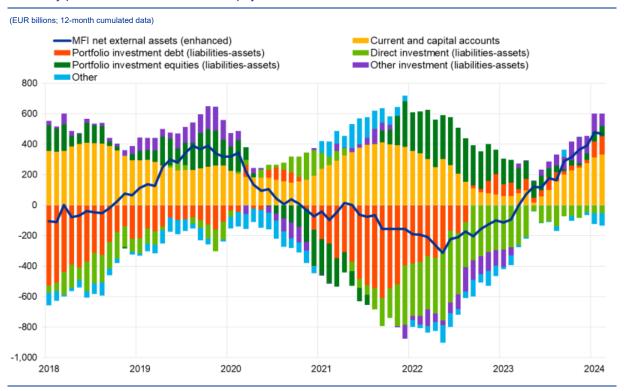
In *other investment*, euro area residents recorded net acquisitions of non-euro area assets amounting to €193 billion in the 12 months to February 2024 (following net disposals of €129 billion one year earlier), while they recorded net disposals of liabilities of €165 billion (slightly down from €166 billion one year earlier).

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Chart 3Monetary presentation of the balance of payments



Source: ECB.

Notes: "MFI net external assets (enhanced)" incorporates an adjustment to the MFI net external assets (as reported in the consolidated MFI balance sheet items statistics) based on information on MFI long-term liabilities held by non-residents, available in b.o.p. 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* and statistical discrepancies.

The monetary presentation of the balance of payments (Chart 3) shows that the *net external assets* (*enhanced*) of euro area MFIs increased by €468 billion in the 12 months to February 2024. This increase was mainly driven by the *current and capital accounts* surplus and, to a lesser extent, by euro area non-MFIs' net inflows in *portfolio investment debt*, *other investment*, and *portfolio investment equity*. These developments were partly offset by euro area non-MFIs' net outflows in *direct investment* and *other flows*.

In February 2024 the Eurosystem's stock of *reserve assets* slightly decreased to €1,156.1 billion down from €1,158.1 billion in the previous month (Table 3). This decrease was driven by negative price changes (€2.4 billion) and negative exchange rate changes (€0.3 billion) which were partly offset by net acquisitions of assets (€0.9 billion).

Table 3Reserve 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)

	January 2024	February 2024					
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding		
Reserve assets	1,158.1	0.9	-0.3	-2.4	1,156.1		
Monetary gold	651.1	0.0	-	-1.4	649.6		
Special drawing rights	188.8	0.0	-0.1	-	188.7		
Reserve position in the IMF	35.0	-0.5	0.0	-	34.5		
Other reserve assets	283.2	1.3	-0.3	-1.0	283.2		

Source: ECB.

Notes: "Other reserve assets" comprises currency and deposits, securities, financial derivatives (net) and other claims. Discrepancies between totals and their components may be due to rounding.

Data for the reserve assets of the euro area

Data revisions

This press release incorporates revisions to the data for January 2024. These revisions did not significantly alter the figures previously published.

Next releases:

- Monthly balance of payments: 21 May 2024 (reference data up to March 2024)
- Quarterly balance of payments: 04 July 2024 (reference data up to the first quarter of 2024)

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Notes

- Current account data are always seasonally and working day-adjusted, unless otherwise indicated, whereas capital and financial account data are neither seasonally nor working day-adjusted.
- Hyperlinks in this press release lead to data that may change with subsequent releases as a result of revisions.