

Statistical release

04 October 2024

Euro area quarterly balance of payments and international investment position: second quarter of 2024

- [Current account](#) surplus at €381 billion (2.6% of euro area GDP) in four quarters to second quarter of 2024, after a €76 billion surplus (0.5% of GDP) a year earlier.
- [Geographical counterparts](#): largest bilateral current account surpluses vis-à-vis United Kingdom (€215 billion) and Switzerland (€79 billion) and largest deficits vis-à-vis China (€78 billion) and United States (€18 billion).
- [International investment position](#) showed net assets of €1.2 trillion (8.0% of euro area GDP) at end of second quarter of 2024.

Current account

The *current account* of the euro area recorded a surplus of €381 billion (2.6% of euro area GDP) in the four quarters to the second quarter of 2024, following a €76 billion surplus (0.5% of GDP) a year earlier (Table 1). This development was mainly driven by a larger surplus for *goods* (from €72 billion to €358 billion) and, to a lesser extent, by widening surpluses for *services* (from €134 billion to €149 billion) and for *primary income* (from €34 billion to €37 billion). Moreover, the deficit for *secondary income* decreased slightly from €164 billion to €163 billion.

The estimates on goods trade broken down by product group show that, in the four quarters to the second quarter of 2024, the increase in the goods surplus was mainly due to a smaller deficit in *energy products* (from €454 billion to €275 billion). In addition, the surplus for *machinery and manufactured products* increased from €240 billion to €318 billion, while the balance for *other products* switched from a €28 billion deficit to a €2 billion surplus.

The higher surplus for *services in the four quarters to the second quarter of 2024* was mainly due to larger surpluses for *telecommunication, computer and information* (from €159 billion to €184 billion) and for *travel* (from €47 billion to €57 billion), and a lower deficit for *other business services* (from €54 billion to €42 billion). This was partly offset by a widening deficit for *other services* (from €55 billion to €75 billion) and a decreasing surplus for *transport* (from €16 billion to €1 billion).

The increase in the *primary income surplus in the four quarters to the second quarter of 2024* was mainly due to larger surpluses in *direct investment* (from €73 billion to €100 billion) and *other primary income* (from €5 billion to €14 billion), partly offset by a larger deficit in *portfolio equity* (from €143 billion to €182 billion).

Table 1

Current account of the euro area

(EUR billions, unless otherwise indicated; transactions during the period; non-working day and non-seasonally adjusted)

	Cumulated figures for the four-quarter period ending							
	Q2 2023			Q2 2024			Q2 2023	Q2 2024
	Balance	Credit	Debit	Balance	Credit	Debit	Balance	Balance
Current account	76	5,632	5,556	381	5,740	5,359	34	101
<i>Percentage of GDP</i>	0.5%	39.8%	39.3%	2.6%	38.9%	36.3%		
Goods	72	2,916	2,845	358	2,810	2,452	56	99
Food, beverages and tobacco	58	232	174	55	226	171	13	13
Energy	-454	176	630	-275	144	419	-77	-66
Chemicals	255	590	335	258	570	312	56	68
Machinery and manufactured	240	1,803	1,563	318	1,757	1,439	67	83
Other	-28	115	143	2	113	111	-3	1
Services	134	1,364	1,230	149	1,448	1,299	40	60
Transport	16	235	219	1	206	206	2	1
Travel	47	175	129	57	202	144	18	22
Insurance, pension and financial	22	136	113	24	150	125	6	5
Telecommunication, computer and information	159	269	111	184	303	118	41	48
Other business	-54	323	377	-42	357	399	-16	6
Other	-55	226	281	-75	231	306	-11	-22
Primary income	34	1,171	1,137	37	1,296	1,259	-26	-21
Compensation of employees	28	54	26	29	56	27	7	7
Investment income	0	1,076	1,076	-6	1,204	1,210	-22	-29
Direct investment	73	633	561	100	642	542	43	49
Portfolio equity	-143	110	252	-182	116	298	-82	-95
Portfolio debt	49	162	113	52	199	146	10	12
Other investment	12	161	150	10	234	224	4	2
Reserve assets	10	10		13	13		3	3
Other primary income	5	40	35	14	36	22	-11	1
Secondary income	-164	181	345	-163	186	349	-37	-37

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Source: ECB.

Notes: "*Equity*" comprises equity and investment fund shares. *Goods* by product group is an estimated breakdown using a method based on statistics on international trade in goods. Discrepancies between totals and their components may arise from rounding.

Data for the current account of the euro area

Data on the geographical counterparts of the euro area current account (Chart 1) show that in the four quarters to the second quarter of 2024, the euro area recorded its largest bilateral surpluses vis-à-vis the *United Kingdom* (€215 billion, up from €184 billion a year earlier) and *Switzerland* (€79 billion, down from €89 billion). The euro area also recorded a surplus vis-à-vis the residual group of *other countries* of €96 billion, after a €21 billion deficit a year earlier. The largest bilateral deficits were recorded vis-à-vis *China* (€78 billion, down from €135 billion a year earlier) and the *United States* (€18 billion, down from €32 billion).

The most significant changes in the geographical components of the current account relative to the previous year were as follows: the *goods* deficit vis-à-vis *China* declined from €166 billion to €105 billion, while the balance vis-à-vis *Russia* shifted from a deficit (€41 billion) to a surplus (€3 billion). Furthermore, the balance vis-à-vis the residual group of *Other countries* shifted from a deficit (€104 billion) to a surplus (€39 billion), which was partly explained by a smaller deficit vis-à-vis Norway (from €39 billion to €21 billion) and a shift from a deficit (€6 billion) to a surplus (€5 billion) vis-à-vis Saudi Arabia. The *goods* surplus increased vis-à-vis the *United Kingdom* (from €116 billion to €148 billion) and vis-à-vis the *United States* (from €169 billion to €191 billion). In *services*, the deficit vis-à-vis the *United States* increased (from €117 billion to €141 billion), which was more than offset by a shift from a deficit (€15 billion) to a surplus (€18 billion) vis-à-vis *Offshore centres*. In *primary income*, the deficit vis-à-vis *Offshore centres* (€11 billion) turned to a surplus (€21 billion), while a smaller deficit is recorded vis-à-vis the *United States* (from €82 billion to €67 billion). The deficit in *secondary income* vis-à-vis the *EU Member States and EU institutions outside the euro area* decreased (from €77 billion to €71 billion).

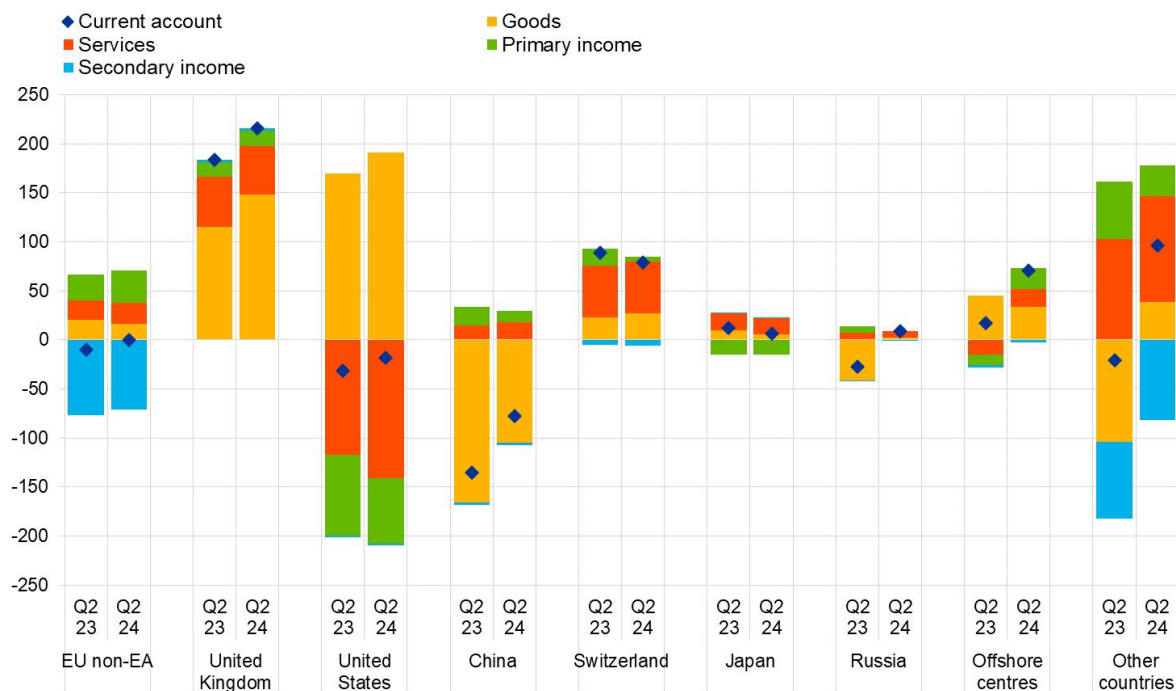
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Chart 1

Geographical breakdown of the euro area current account balance

(four-quarter moving sums in EUR billions; non-seasonally adjusted)



Source: ECB.

Note: "EU non-EA" comprises the non-euro area EU Member States and those EU institutions and bodies that are considered for statistical purposes as being outside the euro area, such as the European Commission and the European Investment Bank. "Other countries" includes all countries and country groups not shown in the chart, as well as unallocated transactions.

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

International investment position

At the end of the second quarter of 2024, the *international investment position* of the euro area recorded its largest net assets on record, increasing to €1.18 trillion vis-à-vis the rest of the world (8.0% of euro area GDP), up from €0.76 trillion in the previous quarter (Chart 2 and Table 2).

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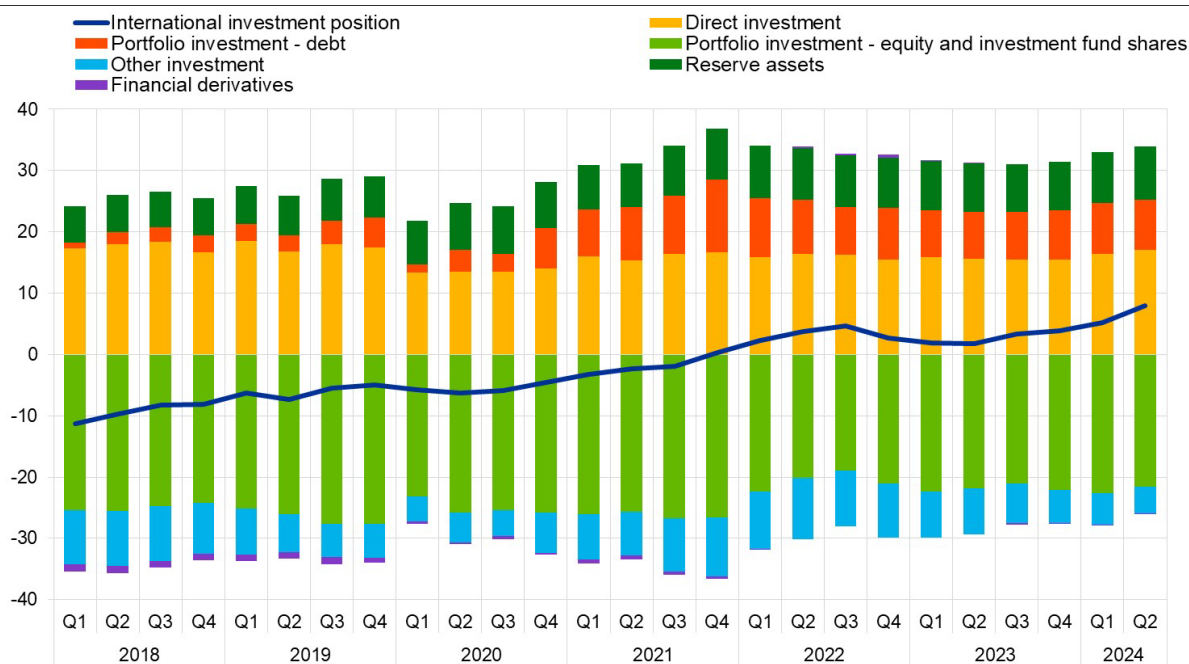
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Chart 2

Net international investment position of the euro area

(net amounts outstanding at the end of the period as a percentage of four-quarter moving sums of GDP)



Source: ECB.

Data for the net international investment position of the euro area

The €423 billion increase in net assets was mainly driven by lower net liabilities in *other investment* (down from €0.76 trillion to €0.63 trillion) and in *portfolio equity* (from €3.31 trillion to €3.19 trillion), as well as larger net assets in *direct investment* (up from €2.41 trillion to €2.52 trillion) and in *reserve assets* (up from €1.22 trillion to €1.27 trillion).

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Table 2

International investment position of the euro area

(EUR billions, unless otherwise indicated; amounts outstanding at the end of the period, flows during the period; non-working day and non-seasonally adjusted)

	Q1 2024	Q2 2024					% GDP
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Other volume changes	Amounts outstanding	
Net	755	134	-16	268	38	1,179	8.0
of which: Direct investment	2,405	67	12	-62	94	2,515	17.0
of which: Portfolio equity	-3,308	-64	-36	290	-69	-3,187	-21.6
of which: Portfolio debt	1,207	-15	11	4	13	1,220	8.3
of which: Other investment	-758	130	-5	-1	-1	-634	-4.3
Assets	33,809	167	123	145	105	34,349	232.5
Direct investment	12,422	-49	38	-35	34	12,410	84.0
of which: SPEs	3,590	-41				3,518	23.8
Portfolio equity	6,668	63	29	171	47	6,979	47.2
Portfolio debt	6,485	119	24	-27	4	6,604	44.7
Financial derivatives	-6	12		-10	0	-3	0.0
Other investment	7,025	18	31	0	19	7,093	48.0
Reserve assets	1,215	4	2	46	0	1,268	8.6
Liabilities	33,054	33	140	-122	67	33,170	224.5
Direct investment	10,017	-116	26	27	-59	9,894	67.0
of which: SPEs	3,259	6				3,250	22.0
Portfolio equity	9,976	128	65	-119	116	10,166	68.8
Portfolio debt	5,278	134	13	-31	-10	5,384	36.4
of which: SPEs	545	8				550	3.7
Other investment	7,783	-112	36	1	20	7,727	52.3
Gross external debt	16,598					16,520	111.8

Source: ECB.

Notes: "Equity" comprises equity and investment fund shares. Net financial derivatives are reported under assets. "Other volume changes" mainly reflect reclassifications and data enhancements. Discrepancies between totals and their components may arise from rounding.

[Data for the international investment position of the euro area](#)

The developments in the euro area's net international investment position in the second quarter of 2024 were driven mainly by positive price changes, transactions and other volume changes which were slightly offset by negative exchange rate changes (Table 2 and Chart 3). The large positive price changes reflect the divergent evolution of the stock exchange markets in the euro area and outside the euro area.

At the end of the second quarter of 2024, direct investment assets of special purpose entities (SPEs) amounted to €3.52 trillion (28% of total euro area direct investment assets), down from €3.59 trillion at

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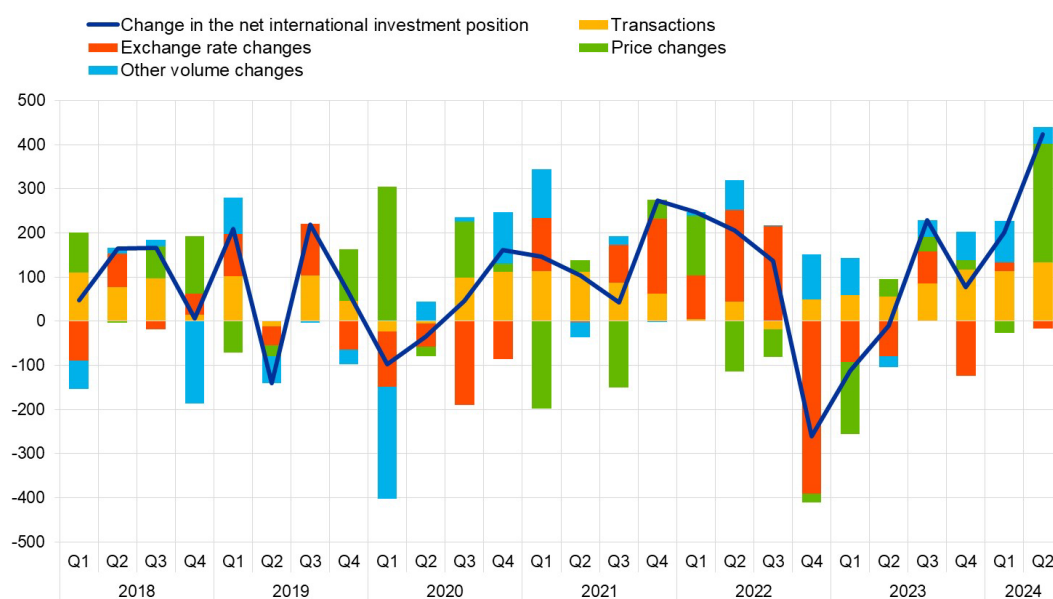
the end of the previous quarter (Table 2). Over the same period, direct investment liabilities of SPEs decreased from €3.26 trillion to €3.25 trillion (33% of total direct investment liabilities).

At the end of the second quarter of 2024 the *gross external debt* of the euro area amounted to €16.52 trillion (112% of euro area GDP), down by €78 billion compared with the previous quarter.

Chart 3

Changes in the net international investment position of the euro area

(EUR billions; flows during the period; non-working day and non-seasonally adjusted)



Source: ECB.

Note: "Other volume changes" mainly reflect reclassifications and data enhancements.

[Data for changes in the net international investment position of the euro area](#)

Data revisions

This statistical release incorporates revisions to the data for the reference periods between the first quarter of 2020 and the first quarter of 2024. The revisions reflect revised national contributions to the euro area aggregates as a result of the incorporation of newly available information, including from major regular revisions.

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Next releases

- Monthly balance of payments: 18 October 2024 (reference data up to August 2024)
- Quarterly balance of payments and international investment position: 13 January 2025 (reference data up to the third quarter of 2024)¹

For queries, please use the [Statistical information request](#) form.

Notes

- Data are neither seasonally nor working day-adjusted. Ratios to GDP (including in the charts) refer to four-quarter sums of non-seasonally and non-working day-adjusted GDP figures.
- Hyperlinks in this press release lead to data that may change with subsequent releases as a result of revisions.

¹ On 29 October 2024 there will be a second release of the quarterly balance of payments and international investment position data (reference data up to the second quarter of 2024) with revisions to data for periods since at least the first quarter of 2013. This second release will not include a press or statistical release and is aimed at ensuring consistency between the balance of payments/international investment position and the euro area sector accounts and incorporating the benchmark revision exercise performed every five years.

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