

During the last quarter of 2017, Malta registered a current account surplus of €328.3 million.

International Economic and Financial Transactions: Q4/2017

Cut-off date:
7 March 2018

Provisional figures for Malta's external transactions show that during October-December 2017 the current account balance recorded a surplus of €328.3 million as compared to a surplus of €194.1 million in the comparable quarter of 2016. Leading towards this surplus was primarily a positive net balance of the services account of €843.9 million marked by improvements in the net balances of the other services, travel and transport accounts. Moreover, the secondary income account recorded a positive net balance of €60.3 million. These were partially outweighed by declines in the goods and primary income accounts of €328.6 million and €247.2 million respectively. (Table 1).

During the fourth quarter of 2017, the capital account registered a positive net balance of €0.8 million as compared to a positive balance of €11.6 million in 2016 (Table 1).

The financial account was shaped by net asset increases of €193.9 million, a decline in net balance of assets from €255.8 million over the December quarter of 2016. The development in the financial account balance was mainly the result of higher other investment assets and portfolio investment assets by €1,382.9 million and €1,199.3 million respectively partially outweighed by a decline in net direct investment assets. As a direct effect of the above shifts in the statement, the reserve assets of the country increased by €24.9 million compared to a decrease of €57.5 million during the comparable quarter in 2016 (Table 1) ■

Current account balance

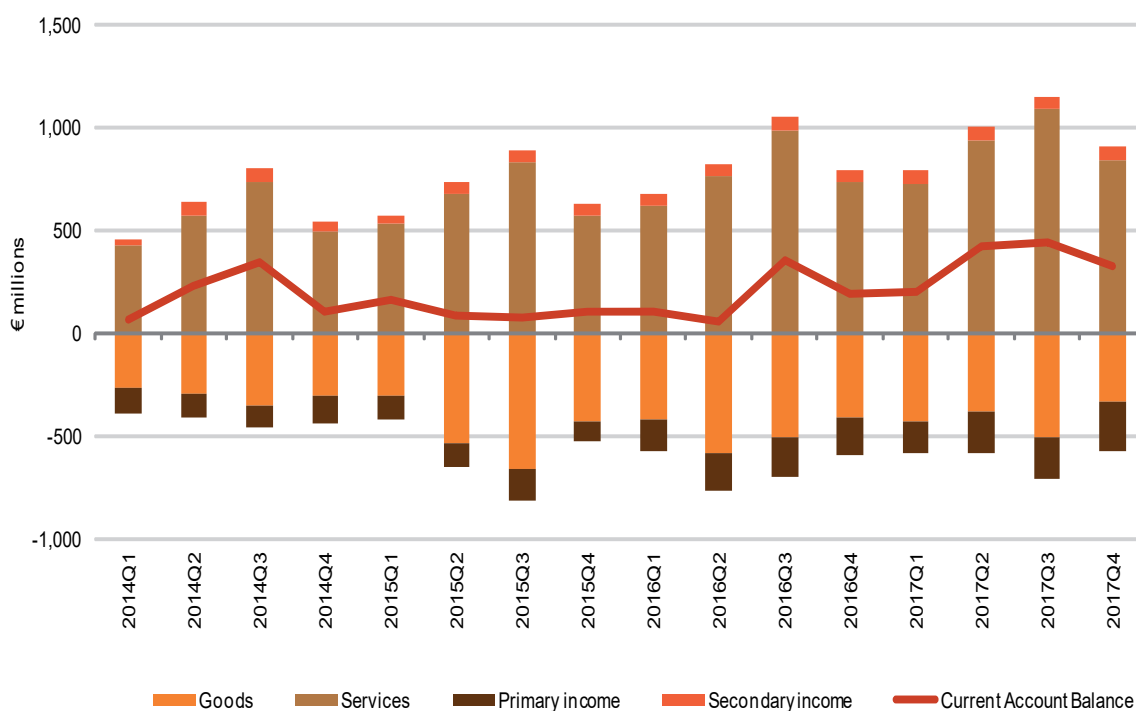


Table 1. Balance of Payments summary: Quarter 4

€ 000

Balance of Payments	Quarter 4 2016 ^P			Quarter 4 2017 ^P			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	6,244,663	6,050,602	194,061	6,480,885	6,152,597	328,288	134,227
Goods and services	3,579,349	3,252,763	326,586	3,838,013	3,322,801	515,213	188,627
Goods	746,257	1,153,166	-406,909	798,165	1,126,802	-328,637	78,272
Services	2,833,092	2,099,597	733,495	3,039,848	2,195,998	843,850	110,355
Transport	196,340	142,146	54,194	232,253	156,357	75,896	21,703
Travel	270,250	95,699	174,551	315,407	111,057	204,351	29,800
Other services	2,366,502	1,861,752	504,750	2,492,187	1,928,585	563,603	58,853
Primary income	2,408,265	2,595,690	-187,425	2,380,667	2,627,873	-247,206	-59,781
Compensation of employees	6,250	11,639	-5,388	4,312	14,962	-10,650	-5,261
Secondary income	257,049	202,149	54,900	262,204	201,923	60,281	5,381
Capital account	12,011	440	11,572	1,271	475	796	-10,776
	Assets	Liabilities	Net	Assets	Liabilities	Net	change in balance
Financial account	1,309,938	1,054,093	255,845	1,577,223	1,383,294	193,929	-61,915
Direct investment	-1,546,485	809,938	-2,356,423	-1,523,907	911,068	-2,434,975	-78,553
Portfolio investment	1,320,175	26,408	1,293,767	1,261,453	62,196	1,199,257	-94,510
Financial derivatives	0	47,272	-47,272	21,857	0	21,857	69,129
Other investment	1,593,737	170,475	1,423,262	1,792,922	410,030	1,382,892	-40,371
Reserve assets	-57,490		-57,490	24,899		24,899	
Net errors and omissions			50,212			-135,155	

^P Provisional

Table 2. Balance of Payments summary: Annual

€ 000

Balance of Payments	2016 ^P			2017 ^P			Change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	24,961,174	24,249,517	711,657	25,440,330	24,045,270	1,395,060	683,403
Goods and services	14,096,710	12,896,802	1,199,908	14,822,566	12,868,267	1,954,298	754,390
Goods	2,575,276	4,485,809	-1,910,532	2,545,942	4,190,062	-1,644,121	266,412
Services	11,521,434	8,410,993	3,110,440	12,276,624	8,678,205	3,598,419	487,978
Transport	785,005	582,345	202,661	861,654	603,883	257,772	55,111
Travel	1,306,491	368,719	937,772	1,525,240	414,307	1,110,933	173,161
Other services	9,429,938	7,459,930	1,970,008	9,889,730	7,660,016	2,229,714	259,707
Primary income	9,829,548	10,548,497	-718,948	9,570,622	10,371,592	-800,970	-82,022
Compensation of employees	25,050	46,156	-21,107	19,867	58,456	-38,589	-17,483
Secondary income	1,034,915	804,218	230,697	1,047,142	805,410	241,732	11,035
Capital account	46,416	2,374	44,041	45,598	1,910	43,688	-353
	Assets	Liabilities	Net	Assets	Liabilities	Net	change in balance
Financial account	-1,044,058	-2,389,745	1,345,687	8,434,799	7,180,551	1,254,248	-91,439
Direct investment	-6,048,109	2,251,587	-8,299,696	-6,071,837	3,068,619	-9,140,456	-840,760
Portfolio investment	4,809,007	52,792	4,756,215	6,829,716	122,617	6,707,099	1,950,884
Financial derivatives	0	6,379	-6,379	0	102,153	-102,153	-95,774
Other investment	106,763	-4,700,503	4,807,266	7,530,486	3,887,162	3,643,324	-1,163,942
Reserve assets	88,281		88,281	146,434		146,434	
Net errors and omissions			589,989			-184,500	

^P Provisional

Table 3. The Current Account, geographical breakdown: Quarter 4

€ 000

Current account	Quarter 4 2016 ^P			Quarter 4 2017 ^P		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	6,244,663	6,050,602	194,061	6,480,885	6,152,597	328,288
<i>of which:</i>						
EU	3,932,685	3,966,079	-33,394	4,096,779	4,098,762	-1,984
Extra EU	2,311,978	2,084,523	227,455	2,384,106	2,053,834	330,272
Euro Area	2,785,780	2,780,041	5,739	2,879,198	2,873,123	6,076
Extra Euro Area	3,458,883	3,270,561	188,322	3,601,687	3,279,474	322,213
Goods - World	746,257	1,153,166	-406,909	798,165	1,126,802	-328,637
<i>of which:</i>						
EU	268,358	630,541	-362,183	297,115	664,445	-367,330
Extra EU	477,899	522,625	-44,726	501,051	462,358	38,693
Euro Area	220,087	515,762	-295,675	251,188	539,755	-288,567
Extra Euro Area	526,171	637,404	-111,234	546,978	587,047	-40,070
Services - World	2,833,092	2,099,597	733,495	3,039,848	2,195,998	843,850
<i>of which:</i>						
EU	1,945,977	1,453,934	492,043	2,103,379	1,500,171	603,207
Extra EU	887,115	645,663	241,452	936,469	695,827	240,642
Euro Area	1,225,420	923,742	301,678	1,304,593	941,949	362,644
Extra Euro Area	1,607,671	1,175,855	431,816	1,735,255	1,254,049	481,206
Primary income - World	2,408,265	2,595,690	-187,425	2,380,667	2,627,873	-247,206
<i>of which:</i>						
EU	1,495,480	1,720,493	-225,012	1,469,104	1,772,806	-303,702
Extra EU	912,785	875,197	37,588	911,564	855,067	56,496
Euro Area	1,141,641	1,208,333	-66,691	1,124,676	1,259,027	-134,351
Extra Euro Area	1,266,624	1,387,357	-120,733	1,255,991	1,368,846	-112,855
Secondary income - World	257,049	202,149	54,900	262,204	201,923	60,281
<i>of which:</i>						
EU	222,870	161,111	61,759	227,182	161,341	65,841
Extra EU	34,179	41,038	-6,859	35,023	40,583	-5,560
Euro Area	198,632	132,205	66,427	198,742	132,392	66,350
Extra Euro Area	58,417	69,945	-11,527	63,463	69,532	-6,069

^P Provisional

Table 4. The Current Account, geographical breakdown: Annual

€ 000

Current account	2016 ^P			2017 ^P		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	24,961,174	24,249,517	711,657	25,440,330	24,045,270	1,395,060
<i>of which:</i>						
EU	16,099,276	15,829,747	269,529	16,526,390	15,928,740	597,650
Extra EU	8,861,898	8,419,771	442,127	8,913,940	8,116,530	797,409
Euro Area	11,352,270	11,326,532	25,738	11,604,790	11,014,050	590,740
Extra Euro Area	13,608,904	12,922,985	685,918	13,835,539	13,031,220	804,319
Goods - World	2,575,276	4,485,809	-1,910,532	2,545,942	4,190,062	-1,644,121
<i>of which:</i>						
EU	1,083,588	2,481,094	-1,397,505	1,196,612	2,515,548	-1,318,935
Extra EU	1,491,688	2,004,715	-513,027	1,349,329	1,674,515	-325,185
Euro Area	873,357	2,011,885	-1,138,528	1,007,633	2,054,814	-1,047,181
Extra Euro Area	1,701,919	2,473,924	-772,004	1,538,308	2,135,248	-596,940
Services - World	11,521,434	8,410,993	3,110,440	12,276,624	8,678,205	3,598,419
<i>of which:</i>						
EU	7,977,888	5,814,111	2,163,777	8,532,028	5,978,995	2,553,033
Extra EU	3,543,546	2,596,882	946,664	3,744,596	2,699,210	1,045,386
Euro Area	4,994,244	3,709,394	1,284,850	5,307,775	3,752,968	1,554,807
Extra Euro Area	6,527,190	4,701,599	1,825,591	6,968,849	4,925,237	2,043,612
Primary income - World	9,829,548	10,548,497	-718,948	9,570,622	10,371,592	-800,970
<i>of which:</i>						
EU	6,135,031	6,888,006	-752,976	5,889,913	6,788,837	-898,924
Extra EU	3,694,518	3,660,491	34,027	3,680,709	3,582,755	97,954
Euro Area	4,688,697	5,078,290	-389,593	4,494,404	4,676,912	-182,508
Extra Euro Area	5,140,852	5,470,207	-329,356	5,076,218	5,694,680	-618,462
Secondary income - World	1,034,915	804,218	230,697	1,047,142	805,410	241,732
<i>of which:</i>						
EU	902,769	646,536	256,234	907,837	645,360	262,477
Extra EU	132,146	157,683	-25,537	139,305	160,050	-20,745
Euro Area	795,973	526,963	269,009	794,978	529,356	265,622
Extra Euro Area	238,943	277,255	-38,312	252,164	276,055	-23,890

^P Provisional

Methodological Notes

1. The National Statistics Office (NSO), with the cooperation of the Central Bank of Malta (CBM), is responsible for the collection, compilation and presentation of both the Balance of Payments (BoP) as well as the International Investment Position (IIP) statements of Malta. Both statements are compiled in accordance with the international guidelines set in the sixth manual of the International Monetary Fund (IMF) as well as with the (similarly-set) methodological guidelines established by Eurostat.
2. The type of data collection system used to compile the above statistics is a composite system based on a monthly and annual direct reporting enterprise survey, customs data as well as various other sources that are identified from time to time by the BoP compilers. The surveys provide both current account, capital account as well as financial account transactions conducted by all entities operating in Malta. Also, merchandise transactions conducted by Malta with its world trading partners are captured through INTRASTAT declarations as well as through customs documents.
3. The majority of the transactions that are collected through the above-mentioned sources are broken down by country. The data are subsequently compiled using a standard format and published at a quarterly frequency.
4. The data in this news release do not necessarily correspond to the latest published National Accounts data for the same reference period. This is due to different cut-off dates for the two sets of data.
5. Revisions are conducted on a quarterly basis with the previous data remaining subject to revision.
6. The balance of payments data for 2014 was revised by the incorporation of final results from published financial statements covering gambling and betting activities which led to an upward revision in the current and financial accounts as well as gross domestic product (GDP) and gross national income (GNI). Data for 2013 was also updated following new information which was not previously available. Data for 2015, 2016 and 2017 have been revised upwards accordingly but are still based on quarterly indicators rather than on finalised annual data.
7. The quarterly figure for re-invested earnings (a component of both the income account as well as the direct investment account) reported is partly collated annually. Where actual figures are not available, an average of the re-invested earnings quoted for the previous four years is apportioned on a quarterly basis. This figure is then revised once the actual questionnaires are submitted by the surveyed entities.
8. Shipment data (freight and insurance) is being measured from the c.i.f. INTRASTAT import data, while data for the travel account is collected from TOURSTAT and administrative data.
9. Adjustments for exports and imports of goods are made for BoP and National Accounts purposes, since merchandise trade data include imports and exports of oil made by non-resident companies having a Maltese VAT number. These are not considered as BoP transactions. Consequently, such imports and exports are being subtracted from the totals. Where necessary, oil imports by Maltese resident companies are imputed.
10. Figures are not seasonally adjusted.
11. Figures may not add up due to rounding.
12. References to this news release are to be cited appropriately.
13. More information relating to this news release may be accessed at:
Statistical Concepts: <http://nso.gov.mt/metadata/concepts.aspx>
Metadata: <http://nso.gov.mt/metadata/reports.aspx?id=4>

European statistics comparable to data in this News Release are available at:

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