

During the first quarter of 2022, Malta registered a current account deficit of €17.0 million.

International Economic and Financial Transactions: Q1/2022

Cut-off date:
13 June 2022

Provisional figures for Malta's external transactions show that during January-March 2022, the current account balance recorded a deficit of €17.0 million, compared to a surplus of €8.9 million in the same quarter of the previous year. This deficit was primarily the result of negative net balances recorded in the goods account (€469.5 million), the primary income account (€218.7 million) and the secondary income account (€39.8 million). This was partly offset by a positive net balance of €711.0 million recorded in the services account.

During the first quarter of 2022, the capital account registered a positive net balance of €34.2 million, €27.0 million higher than the figure recorded in 2021.

The financial account was shaped by net asset increases of €308.7 million, an increase in the balance of net assets of €49.3 million when compared to the value recorded in 2021. The development in the financial account balance was mainly brought about by positive net asset balances in portfolio investment (€1,704.8 million) and other investment (€820.5 million). Reserve assets also increased by €243.4 million during the same period. This was partly offset by negative net asset balances recorded in direct investment (€2,398.2 million) and financial derivatives (€61.7 million) (Table 1) ■

Chart 1. Current account balance

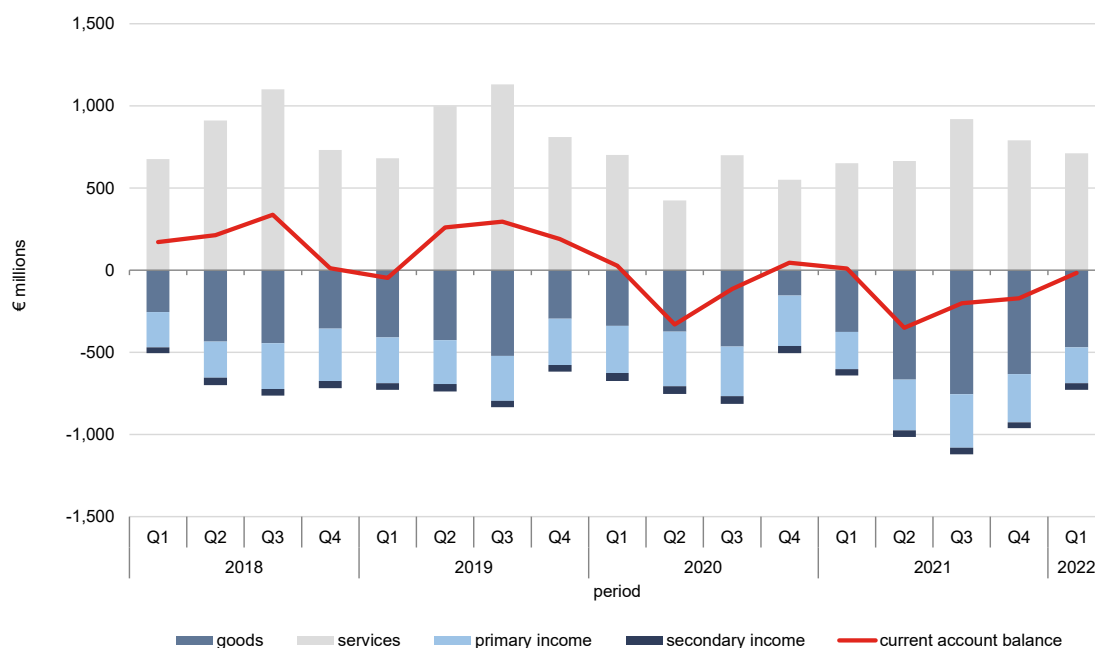


Table 1. Balance of Payments summary by quarter

€ 000

Balance of Payments	January-March 2021 ^P			January-March 2022 ^P			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	6,852,546	6,843,618	8,928	7,306,057	7,323,045	-16,988	-25,916
Goods and services	4,485,321	4,210,937	274,384	4,938,539	4,697,054	241,485	-32,899
Goods	685,835	1,061,693	-375,858	825,991	1,295,497	-469,506	-93,648
Services	3,799,486	3,149,245	650,242	4,112,548	3,401,557	710,991	60,749
Transport	166,714	115,245	51,469	175,637	139,922	35,714	-15,755
Travel	23,312	13,061	10,251	130,614	54,948	75,666	65,415
Other services	3,609,461	3,020,939	588,522	3,806,297	3,206,686	599,611	11,089
Primary income	2,305,157	2,532,273	-227,116	2,313,870	2,532,525	-218,655	8,461
Compensation of employees	5,154	17,844	-12,690	5,158	20,926	-15,769	-3,078
Secondary income	62,068	100,408	-38,340	53,649	93,467	-39,818	-1,478
Capital account	7,681	468	7,214	34,676	468	34,208	26,994
	Assets	Liabilities	Net	Assets	Liabilities	Net	change in balance
Financial account	1,151,519	892,044	259,475	1,970,839	1,662,101	308,738	49,262
Direct investment	-1,462,015	540,575	-2,002,590	-1,465,392	932,794	-2,398,186	-395,596
Portfolio investment	1,689,093	71,099	1,617,994	2,008,657	303,850	1,704,807	86,813
Financial derivatives	0	112,653	-112,653	0	61,743	-61,743	50,910
Other investment	878,388	167,717	710,671	1,184,222	363,714	820,508	109,837
Reserve assets ¹	46,053		46,053	243,352		243,352	
Net errors and omissions			243,334			291,518	

^P Provisional¹ Blank cells denote not applicable

Table 2. Balance of Payments summary by year

€ 000

Balance of Payments	2020 ^P			2021 ^P			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	26,613,014	26,986,723	-373,709	28,260,226	28,976,028	-715,802	-342,093
Goods and services	17,102,025	16,062,078	1,039,947	18,705,472	18,112,079	593,393	-446,554
Goods	3,006,987	4,341,062	-1,334,075	3,035,597	5,464,339	-2,428,741	-1,094,667
Services	14,095,038	11,721,016	2,374,021	15,669,875	12,647,741	3,022,134	648,113
Transport	700,232	502,938	197,294	913,026	575,026	338,000	140,707
Travel	343,617	111,837	231,780	659,452	205,155	454,297	222,517
Other services	13,051,189	11,106,241	1,944,948	14,097,397	11,867,559	2,229,837	284,889
Primary income	9,282,644	10,510,279	-1,227,635	9,331,336	10,487,160	-1,155,824	71,811
Compensation of employees	20,780	69,338	-48,558	20,625	76,865	-56,240	-7,682
Secondary income	228,345	414,366	-186,022	223,418	376,790	-153,372	32,650
Capital account	83,575	1,912	81,663	152,755	1,869	150,886	69,224
	Assets	Liabilities	Net	Assets	Liabilities	Net	change in balance
Financial account	3,364,640	3,674,229	-309,590	6,191,962	5,419,256	772,706	1,082,296
Direct investment	-5,878,396	3,882,488	-9,760,884	-5,908,568	3,688,867	-9,597,435	163,449
Portfolio investment	6,713,725	302,198	6,411,527	7,399,361	373,017	7,026,344	614,818
Financial derivatives	0	131,269	-131,269	0	291,200	-291,200	-159,931
Other investment	2,566,832	-641,726	3,208,557	4,744,864	1,066,172	3,678,692	470,134
Reserve assets ¹	-37,521		-37,521	-43,695		-43,695	
Net errors and omissions			-17,543			1,337,622	

^P Provisional

¹ Blank cells denote not applicable

Table 3. The Current Account, geographical breakdown by quarter

€ 000

Current account	January-March 2021 ^P			January-March 2022 ^P		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	6,852,546	6,843,618	8,928	7,306,057	7,323,045	-16,988
<i>of which:</i>						
EU	3,979,937	3,778,247	201,690	4,158,689	3,529,800	628,890
Extra EU	2,872,609	3,065,371	-192,762	3,147,368	3,793,246	-645,878
Euro Area	3,515,759	3,083,899	431,860	3,644,850	2,796,308	848,542
Extra Euro Area	3,336,787	3,759,719	-422,932	3,661,207	4,526,737	-865,530
Goods - World	685,835	1,061,693	-375,858	825,991	1,295,497	-469,506
<i>of which:</i>						
EU	305,604	587,845	-282,241	247,327	708,279	-460,953
Extra EU	380,231	473,848	-93,617	578,664	587,218	-8,554
Euro Area	269,154	539,446	-270,292	213,564	664,737	-451,174
Extra Euro Area	416,681	522,247	-105,566	612,427	630,760	-18,332
Services - World	3,799,486	3,149,245	650,242	4,112,548	3,401,557	710,991
<i>of which:</i>						
EU	2,298,132	1,540,708	757,423	2,520,847	1,674,278	846,568
Extra EU	1,501,355	1,608,536	-107,181	1,591,701	1,727,278	-135,577
Euro Area	2,073,197	1,202,871	870,326	2,261,255	1,288,710	972,545
Extra Euro Area	1,726,289	1,946,373	-220,084	1,851,293	2,112,847	-261,554
Primary income - World	2,305,157	2,532,273	-227,116	2,313,870	2,532,525	-218,655
<i>of which:</i>						
EU	1,350,611	1,599,623	-249,013	1,364,952	1,095,486	269,466
Extra EU	954,546	932,649	21,897	948,917	1,437,039	-488,121
Euro Area	1,167,948	1,325,333	-157,385	1,164,602	827,709	336,893
Extra Euro Area	1,137,209	1,206,940	-69,731	1,149,268	1,704,816	-555,548
Secondary income - World	62,068	100,408	-38,340	53,649	93,467	-39,818
<i>of which:</i>						
EU	25,592	50,070	-24,479	25,564	51,756	-26,192
Extra EU	36,476	50,338	-13,861	28,085	41,711	-13,626
Euro Area	5,460	16,249	-10,789	5,429	15,152	-9,722
Extra Euro Area	56,608	84,159	-27,551	48,219	78,315	-30,096

^P Provisional

Table 4. The Current Account, geographical breakdown by year

€ 000

Current account	2020 ^P			2021 ^P		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	26,613,014	26,986,723	-373,709	28,260,226	28,976,028	-715,802
<i>of which:</i>						
EU	15,116,781	14,671,186	445,595	16,071,267	15,852,503	218,764
Extra EU	11,496,233	12,315,537	-819,304	12,188,959	13,123,525	-934,566
Euro Area	13,216,370	11,996,818	1,219,551	13,999,587	13,026,033	973,554
Extra Euro Area	13,396,644	14,989,905	-1,593,261	14,260,639	15,949,995	-1,689,356
Goods - World	3,006,987	4,341,062	-1,334,075	3,035,597	5,464,339	-2,428,741
<i>of which:</i>						
EU	1,098,388	2,169,119	-1,070,731	1,087,851	2,947,855	-1,860,004
Extra EU	1,908,599	2,171,943	-263,344	1,947,746	2,516,483	-568,737
Euro Area	923,057	2,010,700	-1,087,643	853,990	2,771,990	-1,918,000
Extra Euro Area	2,083,931	2,330,362	-246,432	2,181,607	2,692,349	-510,742
Services - World	14,095,038	11,721,016	2,374,021	15,669,875	12,647,741	3,022,134
<i>of which:</i>						
EU	8,522,972	5,959,808	2,563,164	9,359,437	6,296,037	3,063,401
Extra EU	5,572,066	5,761,209	-189,143	6,310,437	6,351,704	-41,267
Euro Area	7,645,821	4,626,823	3,018,998	8,395,286	4,903,582	3,491,704
Extra Euro Area	6,449,217	7,094,194	-644,977	7,274,589	7,744,159	-469,570
Primary income - World	9,282,644	10,510,279	-1,227,635	9,331,336	10,487,160	-1,155,824
<i>of which:</i>						
EU	5,389,515	6,309,715	-920,200	5,521,396	6,407,806	-886,410
Extra EU	3,893,129	4,200,564	-307,435	3,809,940	4,079,354	-269,414
Euro Area	4,624,990	5,285,440	-660,450	4,728,205	5,289,078	-560,873
Extra Euro Area	4,657,654	5,224,839	-567,185	4,603,131	5,198,082	-594,951
Secondary income - World	228,345	414,366	-186,022	223,418	376,790	-153,372
<i>of which:</i>						
EU	105,906	232,545	-126,639	102,582	200,806	-98,223
Extra EU	122,439	181,821	-59,383	120,836	175,984	-55,148
Euro Area	22,502	73,856	-51,354	22,106	61,383	-39,277
Extra Euro Area	205,843	340,510	-134,667	201,312	315,406	-114,094

^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 current account, capital account and 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 reported quarterly figure for re-invested earnings (a component of both the income account and the direct investment account) 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.
7. Shipment data (freight and insurance) are measured from the c.i.f. INTRASTAT import data, while data for the travel account are collected from TOURSTAT and other administrative sources.
8. 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.
9. Figures are not seasonally adjusted.
10. Figures may not add up due to rounding.
11. Any reference to the EU in tables 3 and 4 refers to the formation excluding UK.
12. More information relating to this news release may be accessed at:
Statistical Concepts: <https://metadata.nso.gov.mt/concepts.aspx>
Metadata: <https://metadata.nso.gov.mt/Default.aspx>
13. References to this news release are to be cited appropriately.
14. Statistics in this news release should be interpreted in context to the unprecedented developments related to COVID-19.
15. A detailed news release calendar is available on:
https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx

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

[EUROSTAT Website/Homepage/Statistics Database](#)

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