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During the fourth quarter of 2015, Malta registered a current account surplus of €205.9 million.

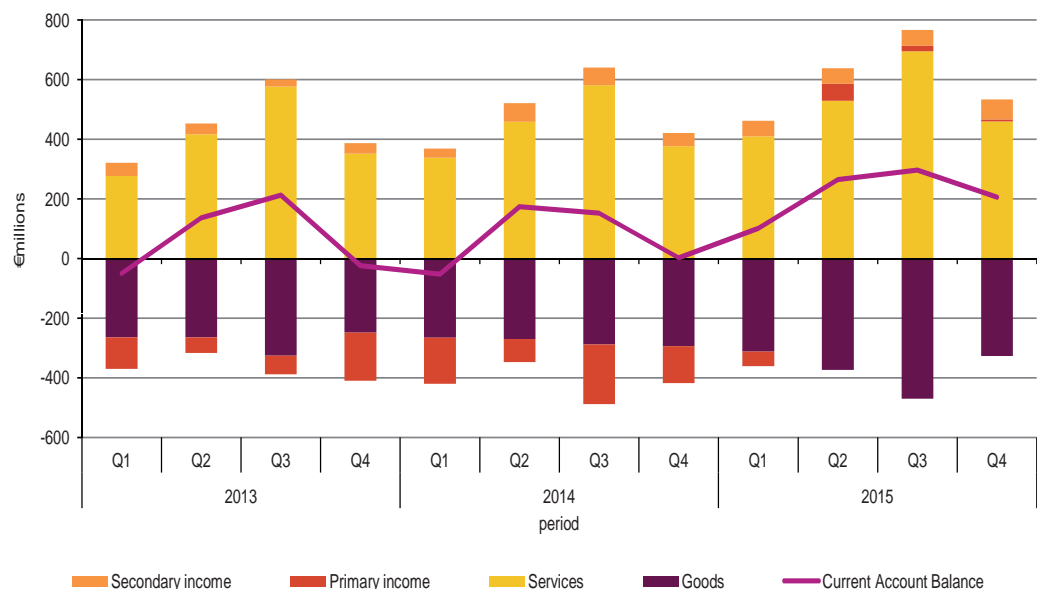
## International Economic and Financial Transactions: Q4/2015

Cut-off date:  
**14 March 2016**

Provisional figures for Malta's external transactions during the fourth quarter show an increase of €203.9 million over the same quarter of the previous year. This resulted from increases in the primary and secondary income accounts as well as in the services account. These were mitigated by an increase in the net negative balance of the goods account. The primary income account improved by €132.3 million over the negative figure registered a year before, mainly due to a decrease in reinvested earnings. The positive services account improved by €82.5 million, largely due to increases in the transport account. The goods account was characterised mainly by a higher import bill, resulting in a decrease of €33.6 million when compared to the previous year. The capital account registered a net positive balance of €7.9 million during the last quarter of 2015, a decrease of €2.0 million when compared to the corresponding quarter a year before (Table1).

During the same quarter, net asset transactions in the financial account registered increases of €86.4 million. Increases of €2,373.1 million in net portfolio investment transactions, as well as increases in net other investment and net financial derivatives transactions, were mitigated by decreases of €2,627.3 million in net direct investment transactions. As a result of the above transactions, reserve assets registered a decrease of €18.0 million during the period under review (Table1) ■

Chart 1. Current account balance



Compiled by:

**Unit A3: Balance of Payments**

**Directorate A: Economic Statistics**

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Table 1. Balance of Payments summary: Quarter 4

€000

Balance of Payments	Quarter 4 2014 <sup>P</sup>			Quarter 4 2015 <sup>P</sup>			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
<b>Current account</b>	2,069	-	2,069	205,937	-	205,937	203,868
<b>Goods and services</b>	2,918,817	2,836,120	82,697	2,966,996	2,835,399	131,597	48,900
<b>Goods</b>	643,873	937,682	-293,809	656,163	983,567	-327,404	-33,595
<b>Services</b>	2,274,944	1,898,438	376,506	2,310,832	1,851,832	459,001	82,495
Transport	103,872	142,857	-38,985	161,232	121,009	40,223	79,208
Travel	225,451	76,477	148,974	226,900	75,526	151,374	2,399
Other services	1,945,621	1,679,105	266,516	1,922,701	1,655,297	267,404	888
<b>Primary income</b>	2,510,276	2,634,923	-124,647	2,355,759	2,348,094	7,665	132,311
Compensation of employees	6,280	6,435	-155	6,308	6,448	-140	16
<b>Secondary income</b>	235,696	191,677	44,019	249,997	183,322	66,675	22,656
<b>Capital account</b>	10,274	415	9,859	8,476	621	7,855	-2,004
	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>change in balance</b>
<b>Financial account</b>	2,352,487	2,376,613	-24,126	504,566	418,127	86,439	110,565
Direct investment	-1,578,189	938,499	-2,516,688	-1,738,637	888,614	-2,627,250	-110,562
Portfolio investment	3,697,392	284,541	3,412,851	2,416,985	43,919	2,373,066	-1,039,786
Financial derivatives	-	165,900	-165,900	75,153	-	75,153	241,053
Other investment	402,602	987,673	-585,071	-230,899	-514,406	283,507	868,578
Reserve assets	-169,319		-169,319	-18,036		-18,036	
<b>Net errors and omissions</b>			-36,055			-127,353	

<sup>P</sup> Provisional

Chart 2. Balance of Payments statement current and capital accounts

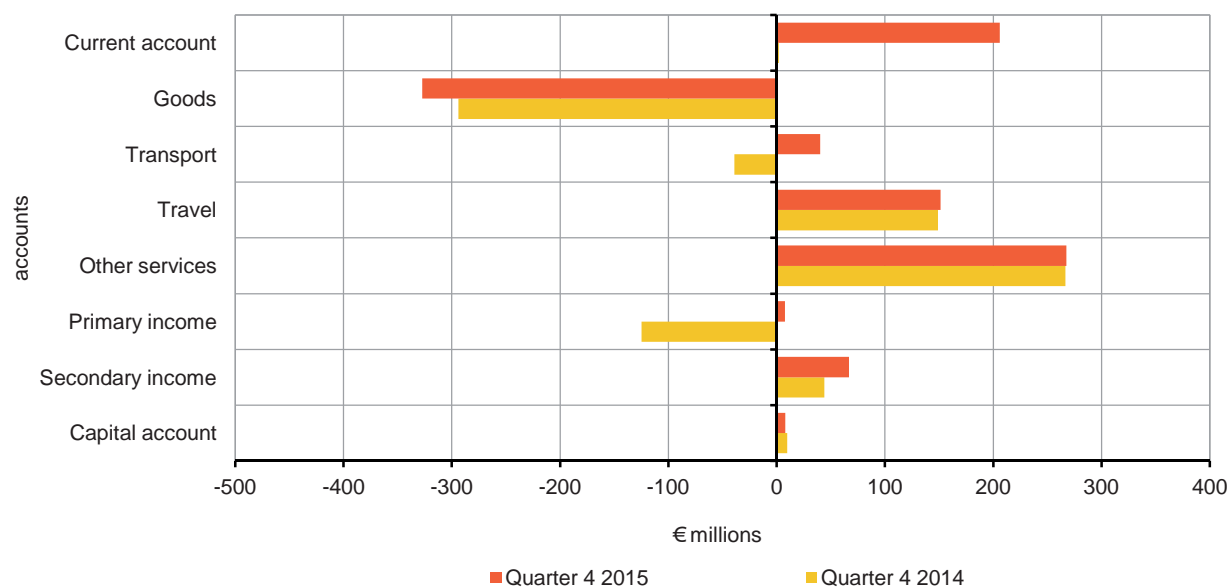


Table 2. Balance of Payments summary: Year

€ 000

Balance of Payments	2014 <sup>P</sup>			2015 <sup>P</sup>			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
<b>Current account</b>	274,651	-	274,651	866,565	-	866,565	591,914
<b>Goods and services</b>	11,829,831	11,194,530	635,301	12,275,082	11,667,554	607,528	-27,773
<b>Goods</b>	2,618,290	3,736,313	-1,118,022	2,665,591	4,150,232	-1,484,641	-366,618
<b>Services</b>	9,211,541	7,458,217	1,753,323	9,609,491	7,517,322	2,092,168	338,845
Transport	441,416	563,411	-121,996	645,350	546,962	98,388	220,383
Travel	1,145,978	300,227	845,751	1,233,273	324,175	909,098	63,347
Other services	7,624,147	6,594,579	1,029,568	7,730,868	6,646,185	1,084,683	55,115
<b>Primary income</b>	10,017,118	10,573,714	-556,596	9,746,838	9,712,234	34,603	591,199
Compensation of employees	25,316	26,266	-949	25,065	26,193	-1,128	-179
<b>Secondary income</b>	950,424	754,478	195,946	971,354	746,920	224,434	28,488
<b>Capital account</b>	142,308	2,337	139,971	158,851	2,334	156,517	16,545
	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>change in balance</b>
<b>Financial account</b>	4,487,264	4032937	454,327	-5,022,371	-5934520	912,150	457,823
Direct investment	-6,693,516	125,338	-6,818,854	-6,410,958	1,971,644	-8,382,602	-1,563,748
Portfolio investment	12,915,136	-87,198	13,002,333	3,630,069	-1,135,931	4,766,000	-8,236,334
Financial derivatives	-	883,270	-883,270	-	817,503	-817,503	65,767
Other investment	-1,746,331	3,111,527	-4,857,858	-2,168,027	-7,587,736	5,419,709	10,277,567
Reserve assets	11,976		11,976	-73,454		-73,454	
<b>Net errors and omissions</b>			39,705			-110,932	

<sup>P</sup> Provisional

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

€ 000

Current account	Quarter 4 2014 <sup>P</sup>			Quarter 4 2015 <sup>P</sup>		
	Credit	Debit	Net	Credit	Debit	Net
<b>Current account - World</b>	2,069	-	2,069	205,937	-	205,937
<i>of which:</i>						
<b>EU</b>	-	277,046	-277,046	-	241,825	-241,825
<b>Extra EU</b>	279,115	-	279,115	447,762	-	447,762
<b>Euro Area</b>	-	253,873	-253,873	-	243,166	-243,166
<b>Extra Euro Area</b>	255,946	-	255,946	449,103	-	449,103
<b>Goods - World</b>	643,873	937,682	-293,809	656,163	983,567	-327,404
<i>of which:</i>						
<b>EU</b>	205,568	641,042	-435,474	238,344	638,012	-399,668
<b>Extra EU</b>	438,305	296,640	141,665	417,819	345,555	72,264
<b>Euro Area</b>	147,090	493,574	-346,484	187,911	488,476	-300,565
<b>Extra Euro Area</b>	496,783	444,108	52,675	468,252	495,091	-26,839
<b>Services - World</b>	2,274,944	1,898,438	376,506	2,310,832	1,851,832	459,001
<i>of which:</i>						
<b>EU</b>	625,233	355,212	270,021	737,854	565,206	172,647
<b>Extra EU</b>	1,649,711	1,543,227	106,484	1,572,979	1,286,625	286,353
<b>Euro Area</b>	217,678	131,413	86,264	322,400	334,015	-11,615
<b>Extra Euro Area</b>	2,057,266	1,767,021	290,245	1,988,432	1,517,817	470,616
<b>Primary income - World</b>	2,510,276	2,634,923	-124,647	2,355,759	2,348,094	7,665
<i>of which:</i>						
<b>EU</b>	162,882	321,723	-158,841	88,784	172,805	-84,021
<b>Extra EU</b>	2,347,394	2,313,200	34,194	2,266,974	2,175,289	91,686
<b>Euro Area</b>	78,783	135,308	-56,525	59,547	54,074	5,474
<b>Extra Euro Area</b>	2,431,493	2,499,615	-68,122	2,296,211	2,294,020	2,191
<b>Secondary income - World</b>	235,696	191,677	44,019	249,997	183,322	66,675
<i>of which:</i>						
<b>EU</b>	207,745	160,496	47,248	222,040	152,823	69,217
<b>Extra EU</b>	27,951	31,180	-3,229	27,957	30,499	-2,542
<b>Euro Area</b>	192,621	129,749	62,872	193,104	129,563	63,541
<b>Extra Euro Area</b>	43,075	61,928	-18,852	56,894	53,759	3,135

<sup>P</sup> Provisional

Table 4. The Current Account, geographical breakdown: Year

€ 000

Current account	2014 <sup>P</sup>			2015 <sup>P</sup>		
	Credit	Debit	Net	Credit	Debit	Net
<b>Current account - World</b>	274,651	-	274,651	866,565	-	866,565
<i>of which:</i>						
<b>EU</b>	-	757,109	-757,109	-	914,668	-914,668
<b>Extra EU</b>	1,031,760	-	1,031,760	1,781,234	-	1,781,234
<b>Euro Area</b>	-	744,244	-744,244	-	969,872	-969,872
<b>Extra Euro Area</b>	1,018,898	-	1,018,898	1,836,437	-	1,836,437
<b>Goods - World</b>	2,618,290	3,736,313	-1,118,022	2,665,591	4,150,232	-1,484,641
<i>of which:</i>						
<b>EU</b>	901,572	2,555,475	-1,653,903	944,922	2,802,290	-1,857,368
<b>Extra EU</b>	1,716,719	1,180,838	535,881	1,720,670	1,347,942	372,728
<b>Euro Area</b>	688,114	1,946,343	-1,258,230	738,436	2,171,332	-1,432,896
<b>Extra Euro Area</b>	1,930,176	1,789,969	140,208	1,927,155	1,978,899	-51,744
<b>Services - World</b>	9,211,541	7,458,217	1,753,323	9,609,491	7,517,322	2,092,168
<i>of which:</i>						
<b>EU</b>	2,656,754	1,365,739	1,291,014	3,371,623	2,086,534	1,285,089
<b>Extra EU</b>	6,554,787	6,092,478	462,309	6,237,868	5,430,789	807,079
<b>Euro Area</b>	964,687	501,573	463,114	1,484,201	1,182,358	301,842
<b>Extra Euro Area</b>	8,246,853	6,956,640	1,290,213	8,125,290	6,334,964	1,790,326
<b>Primary income - World</b>	10,017,118	10,573,714	-556,596	9,746,838	9,712,234	34,603
<i>of which:</i>						
<b>EU</b>	617,244	1,216,816	-599,572	488,806	1,066,929	-578,123
<b>Extra EU</b>	9,399,874	9,356,898	42,976	9,258,031	8,645,305	612,727
<b>Euro Area</b>	314,010	506,137	-192,127	289,235	381,447	-92,212
<b>Extra Euro Area</b>	9,703,108	10,067,577	-364,469	9,457,603	9,330,787	126,815
<b>Secondary income - World</b>	950,424	754,478	195,946	971,354	746,920	224,434
<i>of which:</i>						
<b>EU</b>	836,367	631,015	205,352	859,613	623,879	235,734
<b>Extra EU</b>	114,057	123,463	-9,406	111,741	123,041	-11,300
<b>Euro Area</b>	761,675	518,676	242,999	771,863	518,469	253,394
<b>Extra Euro Area</b>	188,750	235,803	-47,053	199,490	228,450	-28,960

<sup>P</sup> 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 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.
7. 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.
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. 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:**

[EUROSTAT Website/Homepage/Statistics Database](http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1)

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