

During the fourth quarter last year, Malta registered a current account surplus of €256.2 million.

International Economic and Financial Transactions: Q4/2016

Cut-off date:
9 March 2017

Provisional figures for Malta's external transactions show that during October-December 2016 the current account balance recorded a surplus of €256.2 million as compared to a surplus of €113.3 million over the same quarter the previous year. Leading towards this surplus was primarily a positive net balance of the services account of €733.5 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 €81.9 million. These were partially outweighed by declines in the goods and primary income accounts of €386.8 million and €172.4 million respectively (Table 1).

During the last quarter of 2016, the capital account registered a positive net balance of €36.5 million as compared to a positive balance of €8.2 million in 2015 (Table 1).

The financial account was shaped by net asset increases of €636.3 million, an improvement in net balance of assets of €465.7 million over the last quarter of 2015. The development in the financial account balance was mainly the result of higher other investment assets and portfolio investment assets by €1,541.2 million and €1,404.2 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 decreased by €57.5 million compared to an decline of €18.0 million during the December quarter of 2015 (Table 1) ■

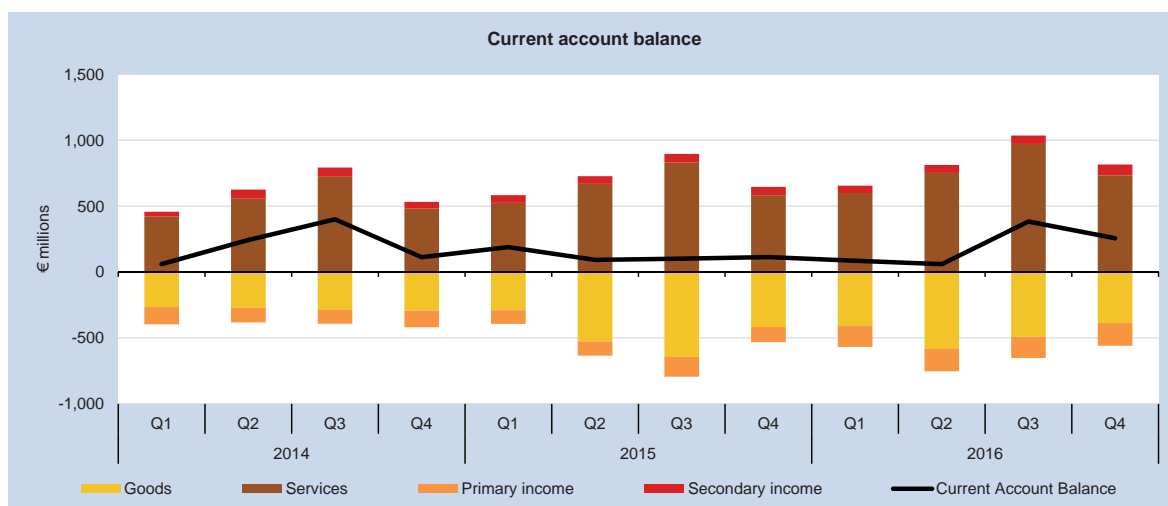


Table 1. Balance of Payments summary: Quarter 4

€ 000

Balance of Payments	Quarter 4 2015 ^P			Quarter 4 2016 ^P			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	113,340	-	113,340	256,175	-	256,175	142,835
Goods and services	3,285,699	3,119,986	165,714	3,564,178	3,217,458	346,720	181,007
Goods	671,222	1,088,640	-417,418	709,911	1,096,675	-386,764	30,654
Services	2,614,478	2,031,346	583,132	2,854,267	2,120,782	733,484	150,353
Transport	130,236	112,513	17,724	202,070	142,077	59,993	42,270
Travel	239,227	83,165	156,062	269,962	95,699	174,263	18,201
Other services	2,245,015	1,835,669	409,346	2,382,235	1,883,006	499,229	89,883
Primary income	2,558,725	2,673,686	-114,961	2,499,603	2,672,029	-172,427	-57,466
Compensation of employees	6,248	8,185	-1,937	6,302	10,671	-4,368	-2,431
Secondary income	250,055	187,467	62,588	247,172	165,290	81,882	19,294
Capital account	8,784	555	8,229	36,964	440	36,525	28,296
	Assets	Liabilities	Net	Assets	Liabilities	Net	change
Financial account	801,225	630,612	170,614	1,758,654	1,122,360	636,294	465,681
Direct investment	-1,733,621	1,032,248	-2,765,870	-1,390,039	815,918	-2,205,957	559,913
Portfolio investment	2,489,208	55,834	2,433,374	1,427,438	23,222	1,404,215	-1,029,158
Financial derivatives	69,398	-	69,398	-	45,648	-45,648	-115,046
Other investment	-5,723	-457,471	451,748	1,778,745	237,571	1,541,174	1,089,426
Reserve assets	-18,036		-18,036	-57,490		-57,490	
Net errors and omissions			49,044			343,594	

^P Provisional

Table 2. Balance of Payments summary: Quarters 1-4

€000

Balance of Payments	Quarters 1-4 2015 ^P			Quarters 1-4 2016 ^P			Change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	495,130	-	495,130	783,441	-	783,441	288,311
Goods and services	13,356,005	12,625,163	730,842	13,998,415	12,813,531	1,184,884	454,043
Goods	2,666,783	4,543,537	-1,876,754	2,460,570	4,332,520	-1,871,949	4,804
Services	10,689,222	8,081,626	2,607,596	11,537,845	8,481,011	3,056,834	449,238
Transport	528,682	508,607	20,075	801,712	609,883	191,829	171,753
Travel	1,246,655	331,885	914,770	1,306,851	368,720	938,131	23,361
Other services	8,913,884	7,241,134	1,672,750	9,429,282	7,502,408	1,926,874	254,124
Primary income	10,265,244	10,743,946	-478,702	9,935,556	10,596,264	-660,707	-182,006
Compensation of employees	25,045	33,399	-8,354	25,150	42,413	-17,263	-8,909
Secondary income	995,574	752,584	242,990	990,640	731,376	259,264	16,274
Capital account	168,745	2,255	166,491	81,427	2,374	79,052	-87,439
	Assets	Liabilities	Net	Assets	Liabilities	Net	change
Financial account	-4,247,941	-4,558,457	310,516	-320,027	-2,296,433	1,976,406	1,665,891
Direct investment	-6,330,675	2,631,778	-8,962,452	-5,853,224	2,225,926	-8,079,150	883,302
Portfolio investment	3,746,337	-957,795	4,704,132	4,963,708	43,693	4,920,015	215,882
Financial derivatives	-	967,058	-967,058	-	54,572	-54,572	912,487
Other investment	-1,590,150	-7,199,498	5,609,348	481,209	-4,620,624	5,101,833	-507,515
Reserve assets	-73,454		-73,454	88,281		88,281	
Net errors and omissions			-351,105			1,113,913	

^P Provisional

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

€ 000

Current account	Quarter 4 2015 ^P			Quarter 4 2016 ^P		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	113,340	-	113,340	256,175	-	256,175
<i>of which:</i>						
EU	-	255,719	-255,719	-	75,959	-75,959
Extra EU	369,060	-	369,060	332,134	-	332,134
Euro Area	-	74,022	-74,022	35,437	-	35,437
Extra Euro Area	187,362	-	187,362	220,739	-	220,739
Goods - World	671,222	1,088,640	-417,418	709,911	1,096,675	-386,764
<i>of which:</i>						
EU	253,403	691,629	-438,226	256,866	586,573	-329,707
Extra EU	417,819	397,011	20,808	453,045	510,102	-57,057
Euro Area	202,111	539,799	-337,688	212,351	478,910	-266,560
Extra Euro Area	469,111	548,841	-79,730	497,561	617,765	-120,205
Services - World	2,614,478	2,031,346	583,132	2,854,267	2,120,782	733,484
<i>of which:</i>						
EU	1,062,866	618,996	443,870	1,175,263	683,296	491,967
Extra EU	1,551,612	1,412,350	139,261	1,679,004	1,437,486	241,518
Euro Area	569,057	290,124	278,933	626,768	325,308	301,460
Extra Euro Area	2,045,420	1,741,221	304,199	2,227,499	1,795,474	432,025
Primary income - World	2,558,725	2,673,686	-114,961	2,499,603	2,672,029	-172,427
<i>of which:</i>						
EU	129,768	456,104	-326,336	196,474	519,877	-323,404
Extra EU	2,428,957	2,217,582	211,375	2,303,129	2,152,152	150,977
Euro Area	77,598	163,896	-86,298	153,830	221,298	-67,468
Extra Euro Area	2,481,128	2,509,790	-28,663	2,345,773	2,450,732	-104,959
Secondary income - World	250,055	187,467	62,588	247,172	165,290	81,882
<i>of which:</i>						
EU	221,751	156,778	64,973	218,982	133,797	85,185
Extra EU	28,304	30,689	-2,385	28,190	31,493	-3,303
Euro Area	200,696	129,664	71,032	197,945	129,941	68,004
Extra Euro Area	49,359	57,804	-8,444	49,227	35,349	13,878

^P Provisional

Table 4. The Current Account, geographical breakdown: Quarters 1-4

€ 000

Current account	Quarters 1-4 2015 ^P			Quarters 1-4 2016 ^P		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	495,130	-	495,130	783,441	-	783,441
<i>of which:</i>						
EU	-	1,179,703	-1,179,703	79,729	-	79,729
Extra EU	1,674,833	-	1,674,833	703,712	-	703,712
Euro Area	-	344,560	-344,560	201,397	-	201,397
Extra Euro Area	839,690	-	839,690	582,044	-	582,044
Goods - World	2,666,783	4,543,537	-1,876,754	2,460,570	4,332,520	-1,871,949
<i>of which:</i>						
EU	962,961	2,862,824	-1,899,863	1,037,388	2,428,546	-1,391,158
Extra EU	1,703,823	1,680,714	23,109	1,423,182	1,903,974	-480,792
Euro Area	755,134	2,236,824	-1,481,690	844,160	1,970,417	-1,126,257
Extra Euro Area	1,911,650	2,306,713	-395,064	1,616,410	2,362,102	-745,692
Services - World	10,689,222	8,081,626	2,607,596	11,537,845	8,481,011	3,056,834
<i>of which:</i>						
EU	4,492,519	2,417,566	2,074,953	4,877,458	2,721,065	2,156,393
Extra EU	6,196,703	5,664,060	532,643	6,660,387	5,759,946	900,441
Euro Area	2,405,030	1,145,257	1,259,773	2,598,332	1,315,146	1,283,185
Extra Euro Area	8,284,192	6,936,369	1,347,822	8,939,513	7,165,865	1,773,648
Primary income - World	10,265,244	10,743,946	-478,702	9,935,556	10,596,264	-660,707
<i>of which:</i>						
EU	606,247	2,214,842	-1,608,596	700,716	1,656,557	-955,841
Extra EU	9,658,997	8,529,104	1,129,894	9,234,840	8,939,707	295,133
Euro Area	340,339	742,310	-401,971	503,609	732,603	-228,994
Extra Euro Area	9,924,905	10,001,636	-76,731	9,431,948	9,863,661	-431,713
Secondary income - World	995,574	752,584	242,990	990,640	731,376	259,264
<i>of which:</i>						
EU	882,767	628,964	253,803	878,117	607,782	270,335
Extra EU	112,808	123,620	-10,813	112,523	123,594	-11,071
Euro Area	798,624	519,296	279,328	792,878	519,415	273,463
Extra Euro Area	196,950	233,288	-36,338	197,762	211,961	-14,199

^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 and 2016 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. 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>
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European statistics comparable to data in this News Release are available at:

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