

During the second quarter this year, Malta registered a current account surplus of €440.6 million.

International Economic and Financial Transactions: Q2/2017

Cut-off date:
7 September 2017

Provisional figures for Malta's external transactions show that during April-June 2017 the current account balance recorded a surplus of €440.6 million as compared to a surplus of €44.5 million in the comparable quarter the previous year. Leading towards this surplus was primarily a positive net balance of the services account of €916.3 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 €57.3 million. These were partially outweighed by declines in the goods and primary income accounts of €326.0 million and €207.1 million respectively. (Table 1).

During the second quarter of 2017, the capital account registered a positive net balance of €50.9 million as compared to a positive balance of €34.0 million in 2016 (Table 1).

The financial account was shaped by net asset increases of €538.9 million, an improvement in net balance of assets of €103.0 million over the June quarter of 2016. The development in the financial account balance was mainly the result of higher portfolio investment assets and other investment assets by €2,019.6 million and €712.1 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 €106.2 million compared to an increase of €89.7 million during the comparable quarter last year (Table 1) ■

Current account balance

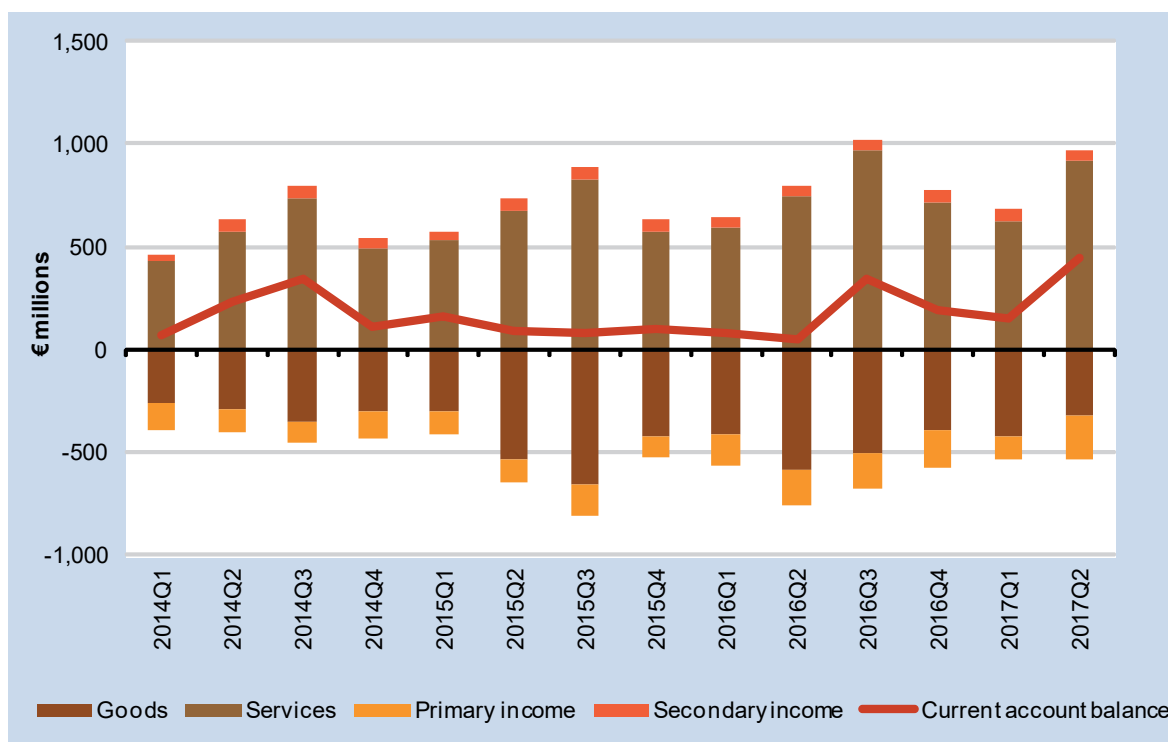


Table 1. Balance of Payments summary: Quarter 2

€ 000

Balance of Payments	Quarter 2 2016 ^P			Quarter 2 2017 ^P			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	44,535	0	44,535	440,560	0	440,560	396,024
Goods and services	3,409,888	3,250,898	158,990	3,674,669	3,084,307	590,362	431,372
Goods	597,900	1,184,420	-586,520	597,976	923,926	-325,950	260,571
Services	2,811,988	2,066,478	745,510	3,076,693	2,160,382	916,311	170,801
Transport	198,279	152,488	45,791	217,201	152,002	65,199	19,408
Travel	346,617	70,658	275,959	410,042	86,962	323,080	47,121
Other services	2,267,092	1,843,333	423,760	2,449,450	1,921,418	528,032	104,273
Primary income	2,424,650	2,594,487	-169,837	2,382,509	2,589,578	-207,069	-37,232
Compensation of employees	6,299	11,248	-4,949	6,264	16,342	-10,078	-5,129
Secondary income	253,135	197,753	55,383	252,958	195,691	57,267	1,884
Capital account	34,540	503	34,038	51,455	510	50,945	16,907
	Assets	Liabilities	Net	Assets	Liabilities	Net	change in balance
Financial account	1,232,831	796,973	435,857	1,411,102	872,196	538,907	103,049
Direct investment	-1,733,300	411,171	-2,144,471	-1,507,662	763,642	-2,271,304	-126,833
Portfolio investment	2,091,408	-20,997	2,112,404	2,096,222	76,672	2,019,550	-92,855
Financial derivatives	138,359	0	138,359	0	27,635	-27,635	-165,994
Other investment	646,713	406,799	239,914	716,321	4,247	712,075	472,161
Reserve assets	89,650		89,650	106,221		106,221	
Net errors and omissions			357,284			47,402	

^P Provisional

Table 2. Balance of Payments summary: Annual

€ 000

Balance of Payments	2015			2016			Change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	424,330	0	424,330	658,434	0	658,434	234,104
Goods and services	13,300,489	12,619,414	681,075	13,896,307	12,783,741	1,112,566	431,491
Goods	2,611,926	4,543,537	-1,931,612	2,423,608	4,333,633	-1,910,025	21,587
Services	10,688,563	8,075,877	2,612,687	11,472,699	8,450,107	3,022,591	409,905
Transport	521,264	516,407	4,857	781,913	618,976	162,937	158,080
Travel	1,246,655	331,885	914,770	1,306,851	368,720	938,131	23,361
Other services	8,920,644	7,227,584	1,693,059	9,383,934	7,462,412	1,921,523	228,463
Primary income	10,059,060	10,524,175	-465,115	9,855,883	10,530,802	-674,918	-209,803
Compensation of employees	25,523	60,130	-34,607	25,050	46,150	-21,100	13,507
Secondary income	948,008	739,638	208,370	1,012,749	791,963	220,786	12,416
Capital account	170,015	2,698	167,316	81,673	2,374	79,298	-88,018
	Assets	Liabilities	Net	Assets	Liabilities	Net	change in balance
Financial account	-3,671,609	-4,085,450	413,840	-867,563	-2,386,498	1,518,935	1,105,095
Direct investment	-6,250,602	2,658,061	-8,908,663	-6,056,752	2,215,287	-8,272,039	636,625
Portfolio investment	3,950,843	-948,857	4,899,700	4,857,181	43,858	4,813,323	-86,377
Financial derivatives	0	897,426	-897,426	0	40,012	-40,012	857,414
Other investment	-1,298,397	-6,692,080	5,393,683	243,728	-4,685,654	4,929,382	-464,301
Reserve assets	-73,454		-73,454	88,281		88,281	
Net errors and omissions			-177,806			781,203	

^P Provisional

Table 3. The Current Account, geographical breakdown: Quarter 2

€ 000

Current account	Quarter 2 2016 ^P			Quarter 2 2017 ^P		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	44,535	0	44,535	440,560	0	440,560
<i>of which:</i>						
EU	47,363	0	47,363	174,126	0	174,126
Extra EU	0	2,827	-2,827	266,434	0	266,434
Euro Area	0	520	-520	160,451	0	160,451
Extra Euro Area	45,056	0	45,056	280,109	0	280,109
Goods - World	597,900	1,184,420	-586,520	597,976	923,926	-325,950
<i>of which:</i>						
EU	255,610	608,899	-353,289	270,601	565,870	-295,269
Extra EU	342,290	575,521	-233,232	327,375	358,056	-30,681
Euro Area	202,903	494,641	-291,738	229,857	464,972	-235,115
Extra Euro Area	394,996	689,779	-294,782	368,119	458,953	-90,835
Services - World	2,811,988	2,066,478	745,510	3,076,693	2,160,382	916,311
<i>of which:</i>						
EU	1,230,255	656,143	574,112	1,379,738	719,932	659,806
Extra EU	1,581,733	1,410,336	171,398	1,696,955	1,440,450	256,505
Euro Area	655,147	305,898	349,248	731,899	339,415	392,484
Extra Euro Area	2,156,842	1,760,580	396,262	2,344,794	1,820,966	523,827
Primary income - World	2,424,650	2,594,487	-169,837	2,382,509	2,589,578	-207,069
<i>of which:</i>						
EU	132,088	366,330	-234,242	98,753	350,147	-251,394
Extra EU	2,292,562	2,228,157	64,405	2,283,756	2,239,431	44,325
Euro Area	74,554	201,485	-126,931	61,407	126,551	-65,144
Extra Euro Area	2,350,096	2,393,002	-42,906	2,321,103	2,463,027	-141,924
Secondary income - World	253,135	197,753	55,383	252,958	195,691	57,267
<i>of which:</i>						
EU	221,380	160,599	60,781	220,726	159,743	60,983
Extra EU	31,755	37,154	-5,398	32,231	35,947	-3,716
Euro Area	199,673	130,772	68,901	199,000	130,774	68,227
Extra Euro Area	53,462	66,980	-13,518	53,957	64,917	-10,960

^P Provisional

Table 4. The Current Account, geographical breakdown: Annual

€ 000

Current account	2015			2016		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	424,330	0	424,330	658,434	0	658,434
<i>of which:</i>						
EU	0	782,806	-782,806	127,938	0	127,938
Extra EU	1,207,136	0	1,207,136	530,496	0	530,496
Euro Area	0	437,937	-437,937	0	39,939	-39,939
Extra Euro Area	862,267	0	862,267	698,373	0	698,373
Goods - World	2,611,926	4,543,537	-1,931,612	2,423,608	4,333,633	-1,910,025
<i>of which:</i>						
EU	964,500	2,862,824	-1,898,324	1,038,249	2,456,159	-1,417,910
Extra EU	1,647,426	1,680,714	-33,288	1,385,359	1,877,474	-492,115
Euro Area	755,270	2,236,824	-1,481,554	844,891	1,992,302	-1,147,411
Extra Euro Area	1,856,656	2,306,713	-450,058	1,578,717	2,341,332	-762,614
Services - World	10,688,563	8,075,877	2,612,687	11,472,699	8,450,107	3,022,591
<i>of which:</i>						
EU	4,478,413	2,413,072	2,065,341	4,832,611	2,690,623	2,141,988
Extra EU	6,210,150	5,662,805	547,345	6,640,087	5,759,484	880,603
Euro Area	2,383,248	1,138,211	1,245,037	2,572,246	1,292,035	1,280,211
Extra Euro Area	8,305,315	6,937,666	1,367,650	8,900,452	7,158,073	1,742,380
Primary income - World	10,059,060	10,524,175	-465,115	9,855,883	10,530,802	-674,918
<i>of which:</i>						
EU	546,142	1,722,481	-1,176,338	627,669	1,463,913	-836,244
Extra EU	9,512,918	8,801,695	711,223	9,228,214	9,066,889	161,325
Euro Area	333,878	790,377	-456,499	432,174	886,248	-454,075
Extra Euro Area	9,725,182	9,733,798	-8,616	9,423,710	9,644,553	-220,844
Secondary income - World	948,008	739,638	208,370	1,012,749	791,963	220,786
<i>of which:</i>						
EU	820,759	594,245	226,515	883,448	643,345	240,104
Extra EU	127,249	145,394	-18,145	129,300	148,618	-19,318
Euro Area	737,134	482,056	255,079	796,548	515,212	281,335
Extra Euro Area	210,874	257,583	-46,709	216,201	276,751	-60,549

† 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>

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

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

Data Navigation Tree

Database by themes

>Economy and finance

>Balance of payments - International transactions (bop)

>Balance of payments statistics and International investment positions (bop_q)

Tables by themes

>Economy and finance

>Balance of payments - International transactions (t_bop)

>Balance of payments statistics and International investment positions (t_bop_q)

For further assistance send a request from:

<http://www.nso.gov.mt/en/Services/Pages/Request-for-Information.aspx>