

During the first quarter of 2019, Malta registered a current account surplus of €48.9 million.

## International Economic and Financial Transactions: Q1/2019

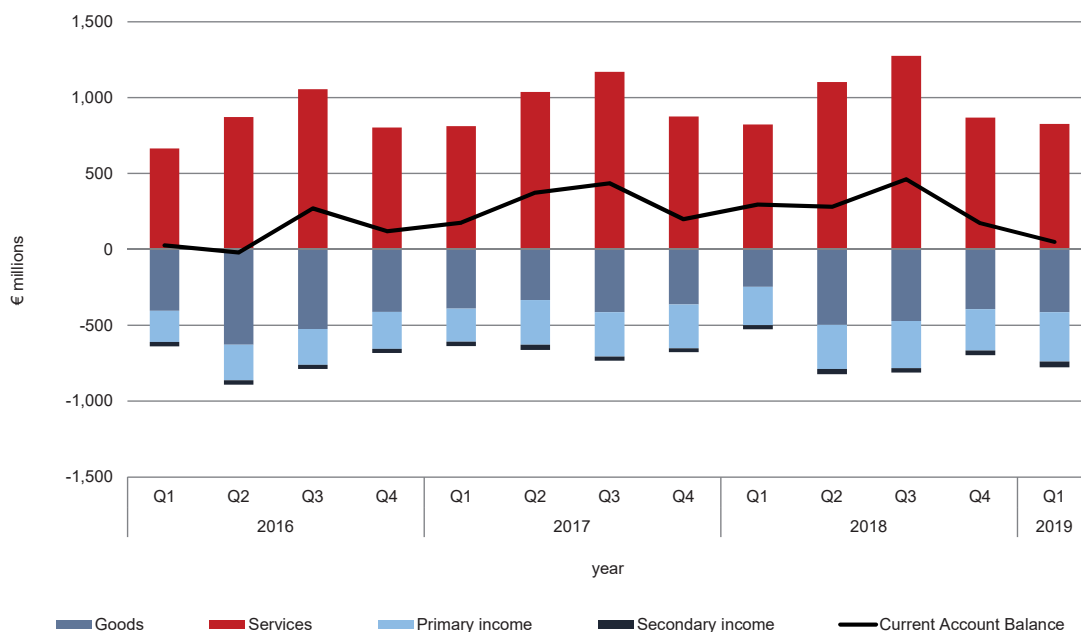
Cut-off date:  
**14 June 2019**

Provisional figures for Malta's external transactions show that during January-March 2019, the current account balance recorded a surplus of €48.9 million as compared to a surplus of €296.3 million in the comparable quarter of 2018. This surplus was primarily the result of a positive net balance of the services account of €825.8 million marked by improvements in the net balances of the other services, travel and transport accounts. This was partially outweighed by negative net balances in the goods account (€414.0 million), primary income account (€324.4 million) and secondary income account (€38.5 million).

During the first quarter this year, the capital account registered a positive net balance of €26.5 million as compared to a positive balance of €3.4 million in 2018.

The financial account was shaped by net asset decreases of €51.8 million, an improvement in net balance of assets of €117.5 million over the same quarter in 2018. The development in the financial account balance was mainly the result of lower direct investment by €2,451.8 million, higher financial derivatives liabilities of €90.2 million and a decline in the reserve assets of the country by €42.4 million. These were partially offset by higher other investment (€1,435.0 million) and portfolio investment (€1,097.7 million) (Table 1) ■

**Chart 1. Current account balance**



**Table 1. Balance of Payments summary**

€ 000

Balance of Payments	January-March 2018 <sup>P</sup>			January-March 2019 <sup>P</sup>			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
<b>Current account</b>	6,660,300	6,363,993	296,307	6,770,361	6,721,508	48,853	-247,454
<b>Goods and services</b>	4,199,413	3,623,132	576,281	4,337,753	3,926,016	411,737	-164,544
<b>Goods</b>	750,568	997,264	-246,696	773,157	1,187,183	-414,026	-167,329
<b>Services</b>	3,448,846	2,625,869	822,977	3,564,596	2,738,833	825,762	2,785
Transport	244,797	149,461	95,336	250,343	150,669	99,674	4,338
Travel	196,628	81,717	114,911	200,447	90,688	109,758	-5,153
Other services	3,007,421	2,394,691	612,730	3,113,806	2,497,476	616,330	3,600
<b>Primary income</b>	2,405,867	2,658,493	-252,626	2,383,964	2,708,391	-324,427	-71,801
Compensation of employees	4,303	16,570	-12,267	4,318	16,470	-12,152	114
<b>Secondary income</b>	55,020	82,367	-27,348	48,644	87,100	-38,457	-11,109
<b>Capital account</b>	3,660	262	3,398	26,733	260	26,473	23,075
	<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>	-591,131	-421,906	-169,224	131,430	183,183	-51,753	117,471
Direct investment	-1,372,733	982,762	-2,355,495	-1,398,988	1,052,799	-2,451,788	-96,293
Portfolio investment	-6,758	45,933	-52,691	1,141,024	43,296	1,097,728	1,150,420
Financial derivatives	12,013	0	12,013	0	90,217	-90,217	-102,231
Other investment	748,006	-1,450,601	2,198,607	431,831	-1,003,130	1,434,960	-763,647
Reserve assets <sup>1</sup>	28,341		28,341	-42,437		-42,437	
<b>Net errors and omissions</b>			-468,930			-127,079	

<sup>P</sup> Provisional

<sup>1</sup> Blank cells denote not applicable

**Table 2. Balance of Payments summary**

€ 000

Balance of Payments	2017 <sup>P</sup>			2018 <sup>P</sup>			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
<b>Current account</b>	27,004,278	25,818,701	1,185,577	27,658,272	26,446,512	1,211,760	26,184
<b>Goods and services</b>	17,046,476	14,653,000	2,393,476	17,835,995	15,374,925	2,461,070	67,594
<b>Goods</b>	3,006,953	4,507,123	-1,500,170	3,037,420	4,646,521	-1,609,101	-108,931
<b>Services</b>	14,039,523	10,145,876	3,893,646	14,798,575	10,728,404	4,070,171	176,525
Transport	944,641	620,780	323,861	1,078,728	631,737	446,991	123,130
Travel	1,528,432	414,307	1,114,125	1,569,926	440,506	1,129,420	15,296
Other services	11,566,450	9,110,789	2,455,660	12,149,922	9,656,162	2,493,760	38,100
<b>Primary income</b>	9,735,237	10,830,644	-1,095,407	9,601,481	10,726,302	-1,124,821	-29,414
Compensation of employees	19,975	62,415	-42,439	17,292	68,722	-51,430	-8,991
<b>Secondary income</b>	222,565	335,058	-112,493	220,796	345,285	-124,489	-11,996
<b>Capital account</b>	63,244	3,119	60,125	116,882	1,896	114,986	54,861
	<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>	9,110,757	7,808,686	1,302,071	1,046,887	443,824	603,063	-699,008
Direct investment	-5,751,239	3,636,049	-9,387,288	-5,702,269	4,065,674	-9,767,944	-380,656
Portfolio investment	6,829,712	107,271	6,722,442	3,209,066	248,709	2,960,357	-3,762,085
Financial derivatives	0	106,844	-106,844	180,371	0	180,371	287,215
Other investment	7,885,850	3,958,523	3,927,327	3,191,769	-3,870,559	7,062,328	3,135,002
Reserve assets <sup>1</sup>	146,434		146,434	167,951		167,951	
<b>Net errors and omissions</b>			56,369			-723,683	

<sup>P</sup> Provisional

<sup>1</sup> Blank cells denote not applicable

**Table 3. The Current Account, geographical breakdown**

€ 000

Current account	January-March 2018 <sup>P</sup>			January-March 2019 <sup>P</sup>		
	Credit	Debit	Net	Credit	Debit	Net
<b>Current account - World</b>	6,660,300	6,363,993	296,307	6,770,361	6,721,508	48,853
<i>of which:</i>						
<b>EU</b>	4,300,261	4,519,389	-219,128	4,349,410	4,755,376	-405,966
<b>Extra EU</b>	2,360,039	1,844,604	515,435	2,420,951	1,966,132	454,819
<b>Euro Area</b>	2,867,239	3,158,521	-291,282	2,845,722	3,340,493	-494,771
<b>Extra Euro Area</b>	3,793,061	3,205,472	587,589	3,924,639	3,381,015	543,624
<b>Goods - World</b>	750,568	997,264	-246,696	773,157	1,187,183	-414,026
<i>of which:</i>						
<b>EU</b>	371,506	630,599	-259,093	289,009	696,318	-407,309
<b>Extra EU</b>	379,061	366,664	12,397	484,149	490,865	-6,717
<b>Euro Area</b>	334,369	507,896	-173,527	249,657	561,022	-311,365
<b>Extra Euro Area</b>	416,199	489,368	-73,169	523,500	626,161	-102,660
<b>Services - World</b>	3,448,846	2,625,869	822,977	3,564,596	2,738,833	825,762
<i>of which:</i>						
<b>EU</b>	2,382,502	1,812,670	569,832	2,518,865	1,912,831	606,034
<b>Extra EU</b>	1,066,343	813,199	253,145	1,045,731	826,002	219,729
<b>Euro Area</b>	1,372,124	1,174,311	197,813	1,438,880	1,246,482	192,398
<b>Extra Euro Area</b>	2,076,722	1,451,558	625,165	2,125,715	1,492,351	633,364
<b>Primary income - World</b>	2,405,867	2,658,493	-252,626	2,383,964	2,708,391	-324,427
<i>of which:</i>						
<b>EU</b>	1,519,600	2,034,245	-514,645	1,520,691	2,102,967	-582,277
<b>Extra EU</b>	886,267	624,248	262,019	863,273	605,424	257,850
<b>Euro Area</b>	1,155,391	1,466,093	-310,702	1,151,876	1,522,954	-371,078
<b>Extra Euro Area</b>	1,250,476	1,192,400	58,076	1,232,088	1,185,437	46,651
<b>Secondary income - World</b>	55,020	82,367	-27,348	48,644	87,100	-38,457
<i>of which:</i>						
<b>EU</b>	26,652	41,875	-15,222	20,846	43,260	-22,414
<b>Extra EU</b>	28,367	40,493	-12,126	27,797	43,840	-16,043
<b>Euro Area</b>	5,356	10,221	-4,865	5,308	10,034	-4,726
<b>Extra Euro Area</b>	49,664	72,146	-22,482	43,336	77,066	-33,730

<sup>P</sup> Provisional

Table 4. The Current Account, geographical breakdown

€ 000

Current account	2017 <sup>P</sup>			2018 <sup>P</sup>		
	Credit	Debit	Net	Credit	Debit	Net
<b>Current account - World</b>	27,004,278	25,818,701	1,185,577	27,658,272	26,446,512	1,211,760
<i>of which:</i>						
<b>EU</b>	17,167,546	17,001,485	166,061	18,069,228	17,926,602	142,626
<b>Extra EU</b>	9,836,732	8,817,216	1,019,516	9,589,045	8,519,910	1,069,134
<b>Euro Area</b>	11,401,213	11,684,305	-283,092	11,913,747	12,408,001	-494,254
<b>Extra Euro Area</b>	15,603,066	14,134,397	1,468,669	15,744,526	14,038,511	1,706,015
<b>Goods - World</b>	3,006,953	4,507,123	-1,500,170	3,037,420	4,646,521	-1,609,101
<i>of which:</i>						
<b>EU</b>	1,329,645	2,778,585	-1,448,940	1,466,912	2,933,614	-1,466,703
<b>Extra EU</b>	1,677,307	1,728,538	-51,231	1,570,508	1,712,906	-142,399
<b>Euro Area</b>	1,168,918	2,280,156	-1,111,238	1,296,715	2,417,749	-1,121,034
<b>Extra Euro Area</b>	1,838,035	2,226,967	-388,932	1,740,704	2,228,772	-488,068
<b>Services - World</b>	14,039,523	10,145,876	3,893,646	14,798,575	10,728,404	4,070,171
<i>of which:</i>						
<b>EU</b>	9,728,289	7,051,078	2,677,210	10,414,564	7,504,541	2,910,023
<b>Extra EU</b>	4,311,234	3,094,798	1,216,436	4,384,012	3,223,864	1,160,148
<b>Euro Area</b>	5,649,560	4,609,847	1,039,714	5,962,197	4,899,545	1,062,652
<b>Extra Euro Area</b>	8,389,962	5,536,030	2,853,932	8,836,379	5,828,859	3,007,519
<b>Primary income - World</b>	9,735,237	10,830,644	-1,095,407	9,601,481	10,726,302	-1,124,821
<i>of which:</i>						
<b>EU</b>	6,001,070	6,993,465	-992,395	6,081,459	7,314,449	-1,232,990
<b>Extra EU</b>	3,734,167	3,837,179	-103,012	3,520,022	3,411,853	108,169
<b>Euro Area</b>	4,560,990	4,750,892	-189,902	4,633,562	5,049,504	-415,941
<b>Extra Euro Area</b>	5,174,247	6,079,752	-905,505	4,967,919	5,676,798	-708,880
<b>Secondary income - World</b>	222,565	335,058	-112,493	220,796	345,285	-124,489
<i>of which:</i>						
<b>EU</b>	108,541	178,356	-69,815	106,293	173,998	-67,705
<b>Extra EU</b>	114,024	156,701	-42,678	114,503	171,287	-56,784
<b>Euro Area</b>	21,744	43,410	-21,666	21,272	41,203	-19,931
<b>Extra Euro Area</b>	200,821	291,647	-90,827	199,524	304,082	-104,558

<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
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. More information relating to this news release may be accessed at:  
Statistical Concepts: <http://nso.gov.mt/metadadata/concepts.aspx>  
Metadata: <http://nso.gov.mt/metadadata/reports.aspx?id=4>
12. References to this news release are to be cited appropriately.
13. A detailed news release calendar is available on:  
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