

23 June 2015 | 1100 hrs | 118/2015

During the first quarter of this year, Malta's current account balance improved by €183.2 million.

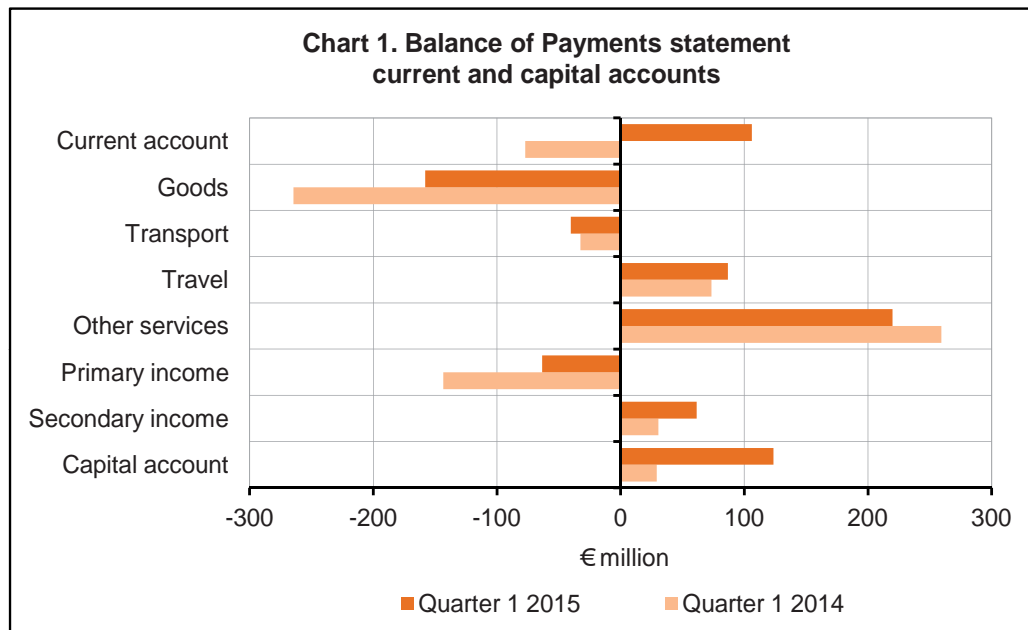
## International Economic and Financial Transactions: Q1/2015

Cut-off date:  
16 June 2015

Provisional figures for Malta's external transactions during the first quarter show a current account surplus of €106.1 million when compared to a deficit of €77.1 million during the comparable quarter last year. The main contributors to this improvement were the goods account, especially due to decreases in imports; and the primary income account, where there were increases in net interests from abroad (Table 1).

The financial account of the statement registered a slight decrease in net assets in the first quarter this year. There were two main accounts contributing to the financial account. Decreases registered in net direct investment assets, amounting to €1,988.4 million, were mainly attributed to an increase in equity liabilities. On the other hand, net assets in the other investment account improved, mainly due to an increase in assets of €1,875.4 million (Table 1).

During the first quarter, the reserve assets registered a decrease of €63.9 million (Table 1) ■



Compiled by:

**Unit A3: Balance of Payments**

**Directorate A: Economic Statistics**

Further information on data:

**Mr Ray MICALLEF**  
T. +356 2599 7260  
E. ray.micallef@gov.mt

Kindly indicate source when quoting from this release.  
The advance release calendar may be consulted at [www.nso.gov.mt](http://www.nso.gov.mt)

Issued by: **External Cooperation and Communication Unit, National Statistics Office, Lascaris, Valletta VLT 2000, Malta.**  
T. +356 2599 7219 F. +356 2599 7205 E. [nso@gov.mt](mailto:nso@gov.mt)

**Table 1. Balance of Payments summary: Quarter 1**

€ 000

Balance of Payments	Quarter 1 2014 <sup>P</sup>			Quarter 1 2015 <sup>P</sup>			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
<b>Current account</b>	-	77,099	-77,099	106,086	-	106,086	183,185
<b>Goods and services</b>	2,751,506	2,715,767	35,739	2,718,615	2,610,433	108,181	72,442
<b>Goods</b>	650,983	915,600	-264,617	642,524	800,612	-158,088	106,529
<b>Services</b>	2,100,523	1,800,167	300,356	2,076,091	1,809,821	266,269	-34,087
Transport	79,787	112,251	-32,464	89,252	129,538	-40,287	-7,823
Travel	129,444	56,011	73,433	141,496	54,801	86,695	13,262
Other services	1,891,292	1,631,905	259,387	1,845,344	1,625,483	219,861	-39,526
<b>Primary income</b>	2,440,687	2,584,054	-143,367	2,482,721	2,546,188	-63,467	79,900
Compensation of employees	6,256	6,757	-501	6,238	6,359	-121	380
<b>Secondary income</b>	218,428	187,899	30,529	248,739	187,368	61,372	30,843
<b>Capital account</b>	30,737	1,543	29,194	124,878	1,416	123,461	94,268
	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>change</b>
<b>Financial account</b>	277,911	815,612	-537,701	535,102	546,092	-10,990	526,711
Direct investment	-1,649,377	-1,029,803	-619,574	-1,549,034	439,334	-1,988,368	-1,368,794
Portfolio investment	3,407,222	797,863	2,609,359	272,614	-121,834	394,448	-2,214,911
Financial derivatives	-	51,345	-51,345	-	129,172	-129,172	-77,827
Other investment	-1,743,536	996,208	-2,739,743	1,875,408	99,419	1,775,989	4,515,732
Reserve assets	263,602		263,602	-63,887		-63,887	
<b>Net errors and omissions</b>			-489,795			-240,538	

<sup>P</sup> Provisional

Figures may not add up due to rounding.

**Table 2. Balance of Payments summary: Annual**

€ 000

Balance of Payments	2013 <sup>P</sup>			2014 <sup>P</sup>			Change in balance
	Credit	Debit	Net	Credit	Debit	Net	
<b>Current account</b>	239,093	-	239,093	261,666	-	261,666	22,573
<b>Goods and services</b>	11,625,868	11,194,904	430,964	11,578,701	11,046,811	531,891	100,927
<b>Goods</b>	2,861,622	3,952,912	-1,091,290	2,608,256	3,702,948	-1,094,692	-3,402
<b>Services</b>	8,764,245	7,241,991	1,522,254	8,970,445	7,343,863	1,626,583	104,329
Transport	382,023	437,652	-55,629	392,269	530,127	-137,858	-82,229
Travel	1,057,186	288,762	768,424	1,141,874	300,247	841,627	73,203
Other services	7,325,037	6,515,578	809,459	7,436,303	6,513,489	922,814	113,355
<b>Primary income</b>	9,984,060	10,314,792	-330,732	9,855,751	10,325,611	-469,860	-139,128
Compensation of employees	25,116	28,297	-3,181	25,054	23,314	1,740	4,921
<b>Secondary income</b>	908,203	769,342	138,861	953,281	753,645	199,636	60,774
<b>Capital account</b>	135,604	5,684	129,919	144,383	6,382	138,001	8,082
	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	<b>change</b>
<b>Financial account</b>	1,309,396	1,698,113	-388,716	2,770,778	3,141,242	-370,464	18,253
Direct investment	-6,745,757	-1,423,878	-5,321,879	-6,598,804	-1,545,301	-5,053,504	268,376
Portfolio investment	8,234,006	-668,988	8,902,994	12,705,836	716,326	11,989,510	3,086,516
Financial derivatives	-	104,400	-104,400	-	575,527	-575,527	-471,127
Other investment	-140,052	3,686,578	-3,826,630	-3,348,229	3,394,690	-6,742,918	-2,916,288
Reserve assets	-38,801		-38,801	11,976		11,976	
<b>Net errors and omissions</b>			-757,729			-770,131	

<sup>P</sup> Provisional

Figures may not add up due to rounding.

Table 3. The Current Account, geographical breakdown: Quarter 1

€000

Current account	Quarter 1 2014 <sup>P</sup>			Quarter 1 2015 <sup>P</sup>		
	Credit	Debit	Net	Credit	Debit	Net
<b>Current account - World</b>	-	77,099	-77,099	106,086	-	106,086
<i>of which:</i>						
<b>EU</b>	-	1,413,111	-1,413,111	-	1,306,851	-1,306,851
<b>Extra EU</b>	1,336,011	-	1,336,011	1,412,937	-	1,412,937
<b>Euro Area</b>	-	1,186,110	-1,186,110	-	1,124,432	-1,124,432
<b>Extra Euro Area</b>	1,109,010	-	1,109,010	1,230,518	-	1,230,518
<b>Goods - World</b>	650,983	915,600	-264,617	642,524	800,612	-158,088
<i>of which:</i>						
<b>EU</b>	237,200	627,159	-389,960	245,964	523,953	-277,990
<b>Extra EU</b>	413,784	288,441	125,343	396,560	276,659	119,902
<b>Euro Area</b>	186,806	480,501	-293,695	184,705	384,430	-199,726
<b>Extra Euro Area</b>	464,178	435,100	29,078	457,819	416,182	41,638
<b>Services - World</b>	2,100,523	1,800,167	300,356	2,076,091	1,809,821	266,269
<i>of which:</i>						
<b>EU</b>	884,280	542,900	341,380	1,082,337	719,016	363,321
<b>Extra EU</b>	1,216,243	1,257,267	-41,024	993,754	1,090,806	-97,052
<b>Euro Area</b>	541,846	272,897	268,949	732,333	462,869	269,463
<b>Extra Euro Area</b>	1,558,677	1,527,270	31,407	1,343,758	1,346,952	-3,194
<b>Primary income - World</b>	2,440,687	2,584,054	-143,367	2,482,721	2,546,188	-63,467
<i>of which:</i>						
<b>EU</b>	209,672	1,605,742	-1,396,070	199,645	1,656,049	-1,456,403
<b>Extra EU</b>	2,231,014	978,312	1,252,703	2,283,075	890,139	1,392,936
<b>Euro Area</b>	114,475	1,315,198	-1,200,723	110,801	1,369,393	-1,258,592
<b>Extra Euro Area</b>	2,326,212	1,268,856	1,057,356	2,371,919	1,176,794	1,195,125
<b>Secondary income - World</b>	218,428	187,899	30,529	248,739	187,368	61,372
<i>of which:</i>						
<b>EU</b>	188,547	157,008	31,539	220,653	156,432	64,221
<b>Extra EU</b>	29,881	30,891	-1,011	28,087	30,936	-2,849
<b>Euro Area</b>	169,135	129,776	39,359	233,856	169,433	64,423
<b>Extra Euro Area</b>	49,293	58,123	-8,830	14,883	17,935	-3,051

<sup>P</sup> Provisional

Figures may not add up due to rounding.

Table 4. The Current Account, geographical breakdown: Annual

€ 000

Current account	2013 <sup>P</sup>			2014 <sup>P</sup>		
	Credit	Debit	Net	Credit	Debit	Net
<b>Current account - World</b>	239,093	-	239,093	261,666	-	261,666
<i>of which:</i>						
<b>EU</b>	-	5,605,755	-5,605,755	-	5,119,598	-5,119,598
<b>Extra EU</b>	5,844,848	-	5,844,848	5,381,264	-	5,381,264
<b>Euro Area</b>	-	5,029,537	-5,029,537	-	4,455,677	-4,455,677
<b>Extra Euro Area</b>	5,268,631	-	5,268,631	4,717,343	-	4,717,343
<b>Goods - World</b>	2,861,622	3,952,912	-1,091,290	2,608,256	3,702,948	-1,094,692
<i>of which:</i>						
<b>EU</b>	959,857	2,722,493	-1,762,636	892,519	2,539,946	-1,647,427
<b>Extra EU</b>	1,901,765	1,230,420	671,346	1,715,737	1,163,002	552,735
<b>Euro Area</b>	733,928	2,193,809	-1,459,881	681,440	1,932,259	-1,250,818
<b>Extra Euro Area</b>	2,127,694	1,759,103	368,591	1,926,816	1,770,689	156,126
<b>Services - World</b>	8,764,245	7,241,991	1,522,254	8,970,445	7,343,863	1,626,583
<i>of which:</i>						
<b>EU</b>	3,947,389	2,219,504	1,727,886	4,095,362	2,233,123	1,862,240
<b>Extra EU</b>	4,816,856	5,022,488	-205,632	4,875,083	5,110,740	-235,657
<b>Euro Area</b>	2,444,161	1,189,674	1,254,487	2,482,431	1,153,519	1,328,913
<b>Extra Euro Area</b>	6,320,084	6,052,317	267,767	6,488,014	6,190,344	297,670
<b>Primary income - World</b>	9,984,060	10,314,792	-330,732	9,855,751	10,325,611	-469,860
<i>of which:</i>						
<b>EU</b>	847,608	6,564,982	-5,717,374	829,228	6,372,040	-5,542,812
<b>Extra EU</b>	9,136,452	3,749,810	5,386,642	9,026,523	3,953,571	5,072,952
<b>Euro Area</b>	444,103	5,396,827	-4,952,724	452,239	5,221,747	-4,769,509
<b>Extra Euro Area</b>	9,539,958	4,917,966	4,621,992	9,403,512	5,103,864	4,299,648
<b>Secondary income - World</b>	908,203	769,342	138,861	953,281	753,645	199,636
<i>of which:</i>						
<b>EU</b>	793,385	647,016	146,369	838,759	630,358	208,401
<b>Extra EU</b>	114,819	122,326	-7,508	114,522	123,287	-8,766
<b>Euro Area</b>	570,003	441,422	128,581	829,887	594,250	235,737
<b>Extra Euro Area</b>	338,200	327,930	10,281	123,294	159,395	-36,101

<sup>P</sup> Provisional

Figures may not add up due to rounding.

## 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 are collected from TOURSTAT and CRUISTAT surveys carried out by the NSO.
8. As from 1 January 2008, following Malta's entry into the euro area, a reclassification of the external reserves of the country has been carried out. Indeed, this meant that, as from this date, all cross-border claims that Malta has within the euro area as well as all claims that the country has in euro-denomination are no longer considered as being part of Malta's reserve assets. In addition, as happened in other euro area Member States, Malta has transferred a fraction of its external reserves to the European Central Bank (ECB) in exchange for a claim on the ECB; which, being an intra-Eurosystem asset, is also not considered as being part of the country's external reserves. As a result of this, the portfolio investment account, the financial derivatives account and the other investment account recorded significant changes in their net balances.
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 and graphical representations 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://nso.gov.mt/en/Services/Pages/Request-for-Information.aspx>