

23 September 2015 | 1100 hrs | 173/2015

During the second quarter this year, Malta's current account surplus improved by €67.0 million to record a favourable balance of €246.1 million.

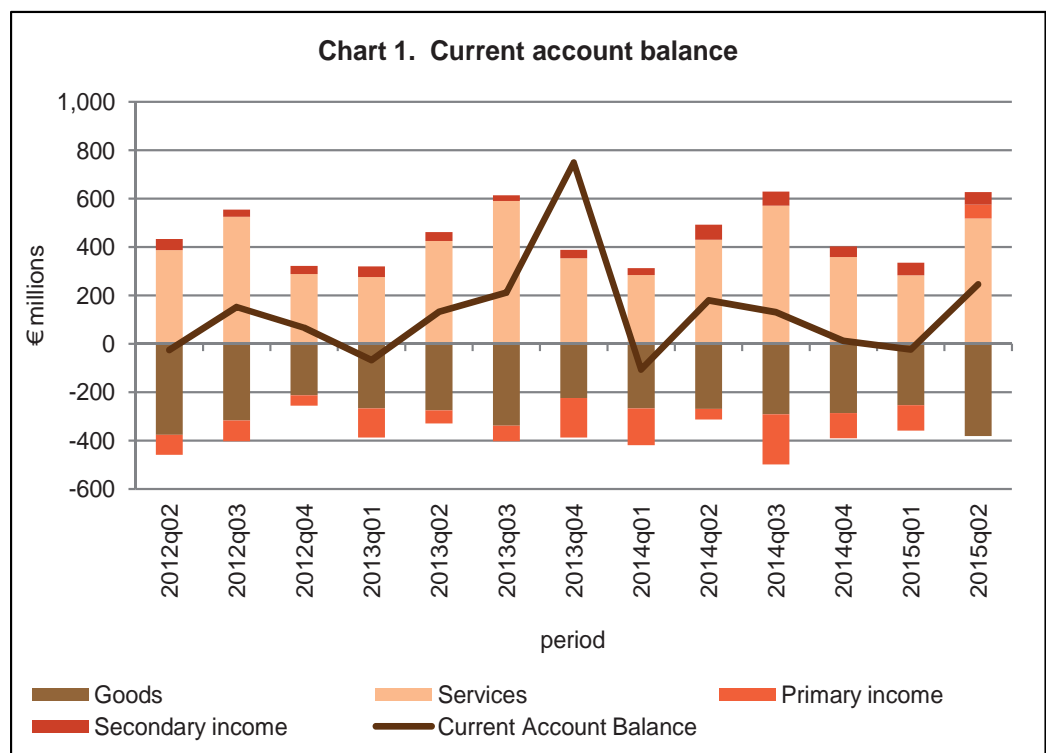
International Economic and Financial Transactions: Q2/2015

Cut-off date:
9 September 2015

Provisional figures for the external transactions conducted by Malta during the June quarter show an amelioration in the current account balance of €67.0 million, from a net surplus of €179.1 million to a net surplus of €246.1 million. This was brought about by a shift in the net primary account as well as by improvements in the net balances of the transport account, the travel account and the other services account of the statement (Table 1).

The capital account deteriorated by €43.6 million, from a net positive balance of €66.6 million last year to one of €23.0 million during the corresponding quarter this year. The financial account was marked by net inflows of €536.3 million as opposed to net inflows of €203.9 million during the second quarter of 2014 (Table 1).

During the second quarter, the reserve assets registered a decrease of €0.9 million compared to an increase of €160.2 million during the corresponding period last year (Table 1) ■



Compiled by:

Unit A3: Balance of Payments

Directorate A: Economic Statistics

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Table 1. Balance of Payments summary: Quarter 2

€ 000

Balance of Payments	Quarter 2 2014 ^P			Quarter 2 2015 ^P			change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	179,136	-	179,136	246,149	-	246,149	67,015
Goods and services	2,924,962	2,764,650	160,312	3,032,806	2,895,829	136,977	-23,335
Goods	667,999	937,272	-269,274	699,365	1,080,455	-381,090	-111,817
Services	2,256,963	1,827,378	429,585	2,333,441	1,815,374	518,067	88,482
Transport	113,846	136,485	-22,639	107,951	105,783	2,168	24,807
Travel	301,256	58,926	242,330	337,484	72,280	265,204	22,874
Other services	1,841,861	1,631,967	209,894	1,888,006	1,637,311	250,695	40,801
Primary income	2,476,428	2,520,162	-43,733	2,467,272	2,410,470	56,801	100,536
Compensation of employees	6,270	5,343	927	5,462	3,481	1,981	1,054
Secondary income	250,029	187,472	62,557	240,550	188,179	52,371	-10,186
Capital account	67,021	430	66,591	23,297	345	22,952	-43,639
Financial account	203,887	-	203,887	536,346	-	536,346	332,459
Direct investment	-1,831,896	-1,408,510	-423,386	-1,513,420	-304,579	-1,208,841	-785,455
Portfolio investment	3,942,087	104,670	3,837,417	187,610	-229,532	417,142	-3,420,275
Financial derivatives	259,340		259,340		55,908	-55,908	-315,248
Other investment	-3,007,972	621,695	-3,629,667	-2,859,975	-4,244,852	1,384,877	5,014,544
Reserve assets	160,183		160,183	-924		-924	
Net errors and omissions			-41,839			267,244	

^P Provisional

**Chart 2. Balance of Payments statement
current and capital accounts**

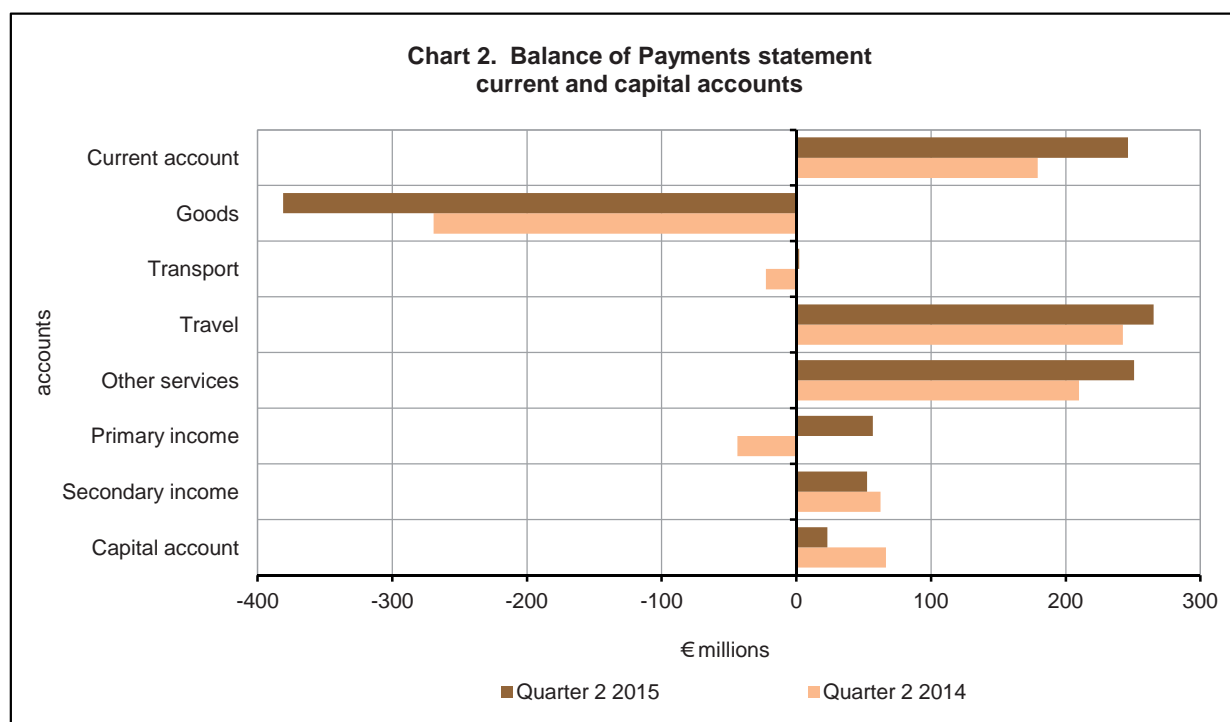


Table 2. Balance of Payments summary: Quarters 1-2

€ 000

Balance of Payments	Quarters 1-2 2014 ^P			Quarters 1-2 2015 ^P			Change in balance
	Credit	Debit	Net	Credit	Debit	Net	
Current account	73,460	-	73,460	222,811	-	222,811	149,352
Goods and services	5,651,577	5,474,044	177,533	5,784,133	5,618,215	165,918	-11,615
Goods	1,319,544	1,855,976	-536,432	1,359,544	1,994,451	-634,908	-98,475
Services	4,332,033	3,618,068	713,965	4,424,589	3,623,764	800,824	86,860
Transport	197,666	250,145	-52,479	197,445	239,093	-41,648	10,831
Travel	431,726	114,937	316,789	480,006	127,081	352,925	36,136
Other services	3,702,641	3,252,986	449,655	3,747,138	3,257,590	489,548	39,893
Primary income	4,911,355	5,106,713	-195,358	4,962,902	5,010,707	-47,805	147,553
Compensation of employees	11,749	10,054	1,695	11,700	8,484	3,216	1,521
Secondary income	466,556	375,271	91,284	480,872	376,173	104,699	13,414
Capital account	97,055	874	96,181	147,680	765	146,915	50,734
Financial account	93,026	-	93,026	567,187	-	567,187	474,161
Direct investment	-3,493,975	-2,032,185	-1,461,790	-3,048,147	511,699	-3,559,846	-2,098,056
Portfolio investment	7,340,970	528,918	6,812,052	450,916	-296,266	747,182	-6,064,870
Financial derivatives	206,757		206,757		122,052	-122,052	-328,809
Other investment	-4,310,565	1,577,213	-5,887,778	-322,091	-3,888,805	3,566,714	9,454,492
Reserve assets	423,785		423,785	-64,811		-64,811	
Net errors and omissions			-76,615			197,460	

^P Provisional

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

€ 000

Current account	Quarter 2 2014 ^P			Quarter 2 2015 ^P		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	179,136	-	179,136	246,149	-	246,149
<i>of which:</i>						
EU	-	133,664	-133,664	-	253,536	-253,536
Extra EU	312,800	-	312,800	499,685	-	499,685
Euro Area	-	134,524	-134,524	-	241,148	-241,148
Extra Euro Area	313,660	-	313,660	487,297	-	487,297
Goods - World	667,999	937,272	-269,274	699,365	1,080,455	-381,090
<i>of which:</i>						
EU	233,845	636,780	-402,935	229,148	702,574	-473,426
Extra EU	434,154	300,492	133,662	470,217	377,881	92,336
Euro Area	182,360	477,171	-294,811	169,364	544,969	-375,605
Extra Euro Area	485,639	460,102	25,537	530,000	535,486	-5,486
Services - World	2,256,963	1,827,378	429,585	2,333,441	1,815,374	518,067
<i>of which:</i>						
EU	661,975	311,916	350,059	801,062	461,901	339,162
Extra EU	1,594,988	1,515,461	79,526	1,532,378	1,353,473	178,905
Euro Area	230,443	107,299	123,144	354,915	243,029	111,886
Extra Euro Area	2,026,520	1,720,078	306,441	1,978,526	1,572,345	406,181
Primary income - World	2,476,428	2,520,162	-43,733	2,467,272	2,410,470	56,801
<i>of which:</i>						
EU	137,613	283,080	-145,467	121,930	296,913	-174,984
Extra EU	2,338,816	2,237,082	101,734	2,345,342	2,113,557	231,785
Euro Area	77,431	111,901	-34,470	73,656	114,618	-40,962
Extra Euro Area	2,398,998	2,408,261	-9,263	2,393,616	2,295,852	97,764
Secondary income - World	250,029	187,472	62,557	240,550	188,179	52,371
<i>of which:</i>						
EU	221,619	156,939	64,680	212,614	156,902	55,712
Extra EU	28,411	30,533	-2,122	27,936	31,278	-3,342
Euro Area	212,317	140,704	71,613	204,362	140,829	63,533
Extra Euro Area	37,713	46,768	-9,055	36,188	47,351	-11,162

^P Provisional

Table 4. The Current Account, geographical breakdown: Quarters 1-2

€ 000

Current account	Quarters 1-2 2014 ^P			Quarters 1-2 2015 ^P		
	Credit	Debit	Net	Credit	Debit	Net
Current account - World	73,460	-	73,460	222,811	-	222,811
<i>of which:</i>						
EU	-	436,063	-436,063	-	601,975	-601,975
Extra EU	509,523	-	509,523	824,786	-	824,786
Euro Area	-	372,148	-372,148	-	514,957	-514,957
Extra Euro Area	445,608	-	445,608	737,767	-	737,767
Goods - World	1,319,544	1,855,976	-536,432	1,359,544	1,994,451	-634,908
<i>of which:</i>						
EU	471,470	1,264,626	-793,156	472,765	1,340,596	-867,832
Extra EU	848,074	591,350	256,724	886,779	653,855	232,924
Euro Area	369,279	957,939	-588,659	372,501	1,010,916	-638,416
Extra Euro Area	950,264	898,037	52,227	987,043	983,535	3,508
Services - World	4,332,033	3,618,068	713,965	4,424,589	3,623,764	800,824
<i>of which:</i>						
EU	1,229,239	655,422	573,817	1,487,363	922,099	565,264
Extra EU	3,102,794	2,962,646	140,148	2,937,226	2,701,665	235,560
Euro Area	444,953	253,350	191,603	664,201	505,705	158,496
Extra Euro Area	3,887,080	3,364,718	522,362	3,760,388	3,118,060	642,328
Primary income - World	4,911,355	5,106,713	-195,358	4,962,902	5,010,707	-47,805
<i>of which:</i>						
EU	270,139	583,393	-313,254	259,265	669,836	-410,571
Extra EU	4,641,216	4,523,320	117,896	4,703,637	4,340,871	362,766
Euro Area	148,903	235,135	-86,232	145,729	307,531	-161,802
Extra Euro Area	4,762,452	4,871,577	-109,125	4,817,173	4,703,176	113,997
Secondary income - World	466,556	375,271	91,284	480,872	376,173	104,699
<i>of which:</i>						
EU	410,391	313,862	96,529	425,034	313,871	111,163
Extra EU	56,165	61,409	-5,245	55,837	62,302	-6,465
Euro Area	392,641	281,501	111,140	408,661	281,897	126,764
Extra Euro Area	73,915	93,771	-19,856	72,211	94,276	-22,065

^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. Specifically in this release, figures for special purpose entities in respect of Q2/2014 have been revised on account of the reclassification of instruments.
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](#)

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