

Economic and Finance statistics



Balance of Payments (BoP) and International Investment Position (IIP)

A numeric picture: the BoP of Germany and the European Union

Tobias Gruhle, Ph.D.

Spring semester 2021

Jointly organised by

European Statistical System (ESS)



EMOS core module on economic and finance statistics

European System of Central Bank (ESCB)



EMOS labelled programmes



Structure

1. The BoP of Germany
2. The BoP of the EU
3. International Comparison

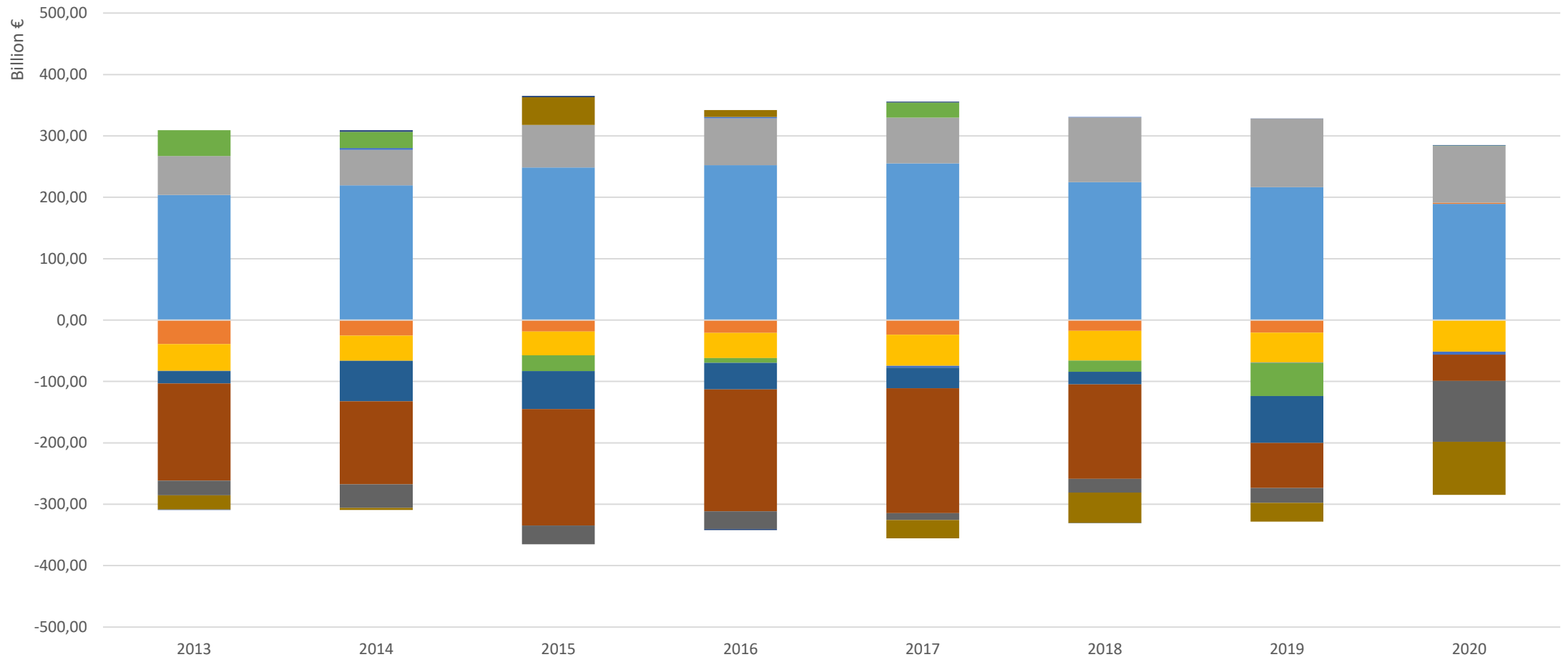
Structure

1. The BoP of Germany
2. The BoP of the EU
3. International Comparison



The BoP of Germany

Bundesbank Statistical Series



The BoP of Germany

- Germany generally is a net exporter of goods and receiver of primary income
- Germany imports services and is a sender of secondary income
- Minor role of the capital account for Germany
- On the financial account side Germans mainly invest in securities and FDI
- In 2020 the role of financial derivatives and other investment increased

Structure

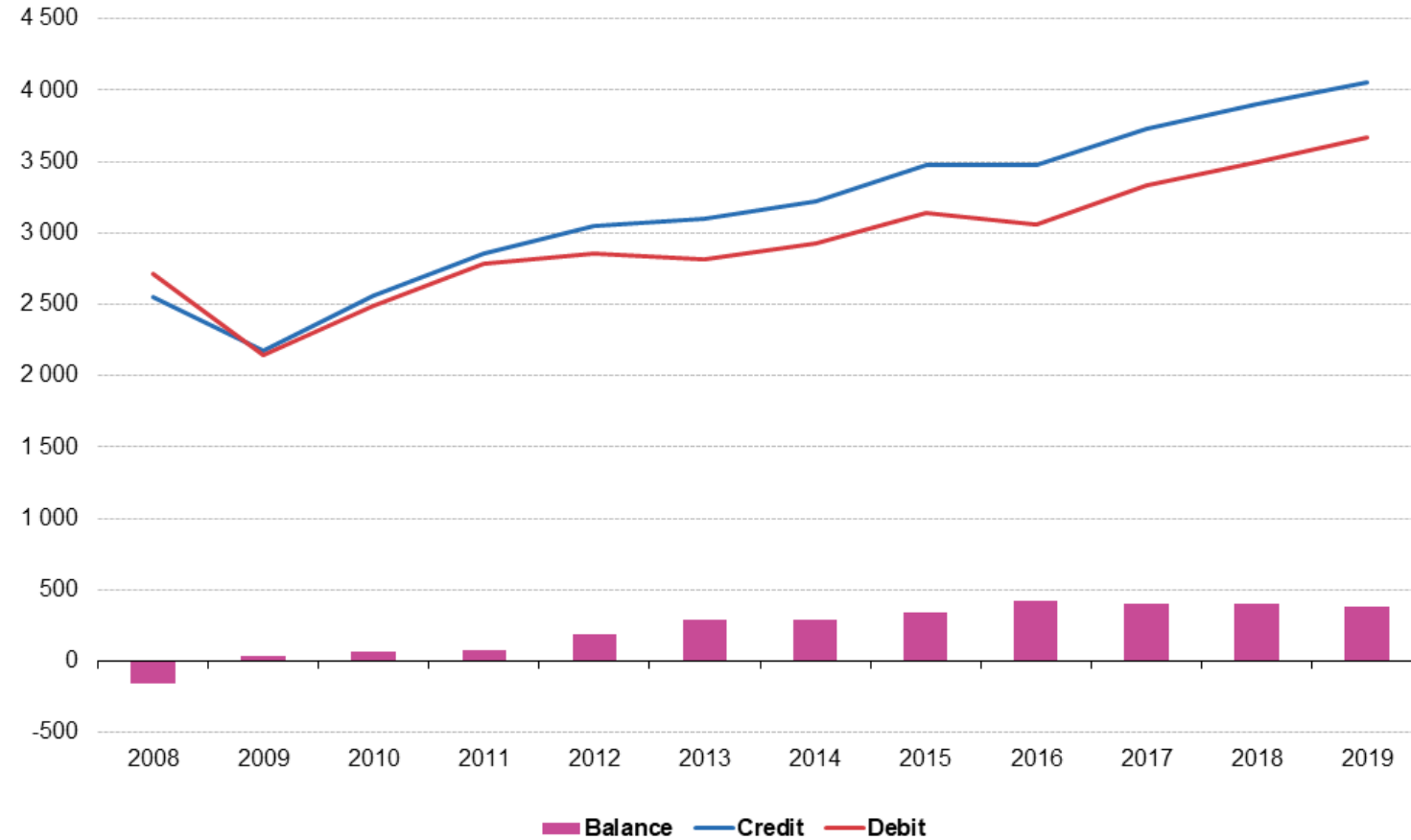
1. The BoP of Germany
2. The BoP of the EU
3. International Comparison



The BoP of the EU

Eurostat

Current account transactions, EU-27, 2008-2019
(EUR billion)



Note: EU-27 vis-à-vis extra-EU-27.

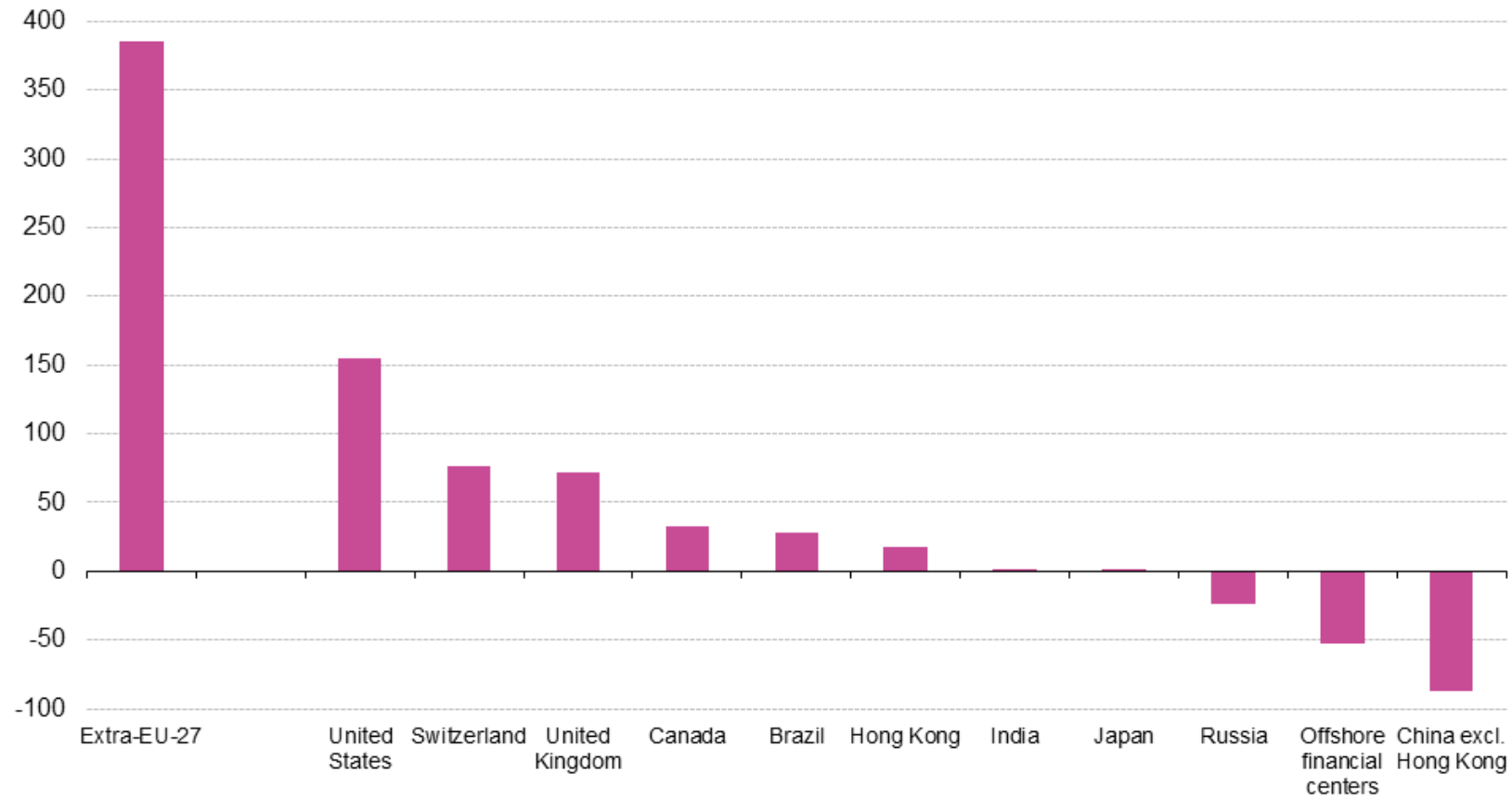
Source: Eurostat (online data code: bop_eu6_q)



The BoP of the EU

Eurostat

Current account balance with selected partners, EU-27, 2019
(EUR billion)



Source: Eurostat (online data code: bop_eu6_q)

The BoP of the EU

- The CA-balance of the EU has increased since 2009; surplus since 2009
- The CA-surplus has remained relatively stable since 2016
- Main counterpart countries of the EU-27 are the US, Switzerland (surplus) and China (deficit)
- The major economies for financial transactions in the EU are Germany, France, Luxembourg, the Netherlands and Ireland

Structure

1. The BoP of Germany
2. The BoP of the EU
3. International Comparison

International Comparison

A recent example

- The data of international transactions had **increasing political relevance** in recent years.
- One example is the discussion about **bilateral current account balances** between the EU (then EU-28) and the US.
- A paper by **Braml & Felbermayr (2019)** took a closer look at the transatlantic current account balances between the EU (then EU-28) and the US.
- The fact that for a time both economies reported a CA-surplus with each other became an issue in the political debate about trade restrictions.

Literature

- Braml, M. T., & Felbermayr, G. J. (2019). What do we really know about the transatlantic current account?. *CESifo Economic Studies*, 65(3), 255-274.
- Harms, P. (2016). *International Macroeconomics*. Tübingen, Mohr Siebeck.

Thank you



EMOS core module on economic and finance statistics