

Balance of payments – France • March and first quarter 2022

Slight improvement in the current account balance in the first quarter

In the first quarter of 2022, the current account deficit stood at 5.4 billion euros, below the level of 8.7 billion reached in the fourth quarter of 2021 (seasonally and working-day adjusted data). The goods deficit narrowed but remained high at 23.9 billion euros, the energy bill having reached its highest level ever at over 19 billion. The surplus on services increased to 16 billion euros.

In March 2022, the current account balance stood at -3.2 billion euros, a deterioration of 2.3 billion euros compared to February.

The financial account balance recorded net capital inflows of 26.7 billion euros over the quarter (non-seasonally adjusted). Net outflows from loans and deposits (11.1 billion in the first quarter after 92.1 billion) were offset by net inflows in portfolio investment (26.4 billion euros).

Current account and GDP

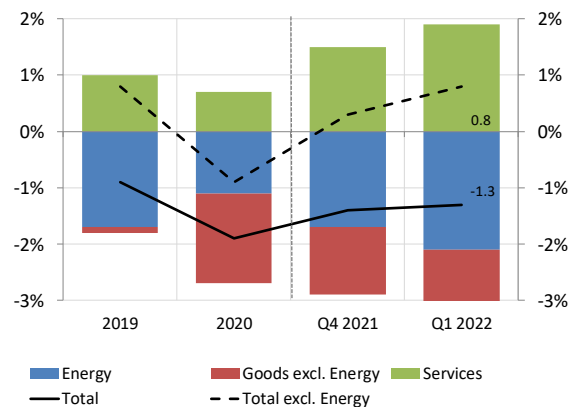
(in EUR billions and in % of GDP, cumulated figures for the four-quarter period
sources : Banque de France – DGSEI ; ECB for external data)

	2021-Q4 (*)		2022-Q1 (*)	
	Amount	% GDP	Amount	% GDP
France	-19.7	-0.8	-20.5	-0.8
Germany	265.3	7.4		
Spain	11.3	0.9		
Italy	44.6	2.5		

(*) Cumulated figures for the four-quarter period

Goods and services

(Cumulated figures for the four-quarter period, Percentage of GDP)



Current account

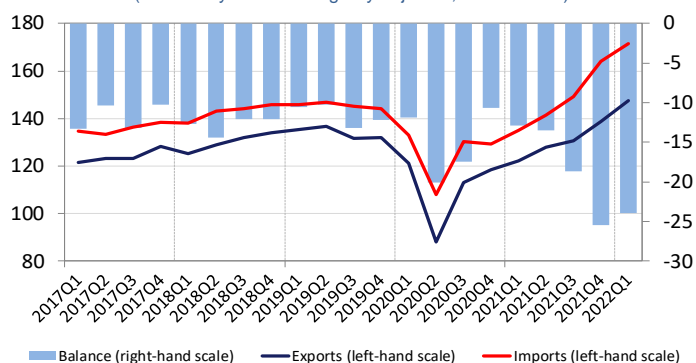
(EUR billions)	Mar-22 (a)	2021-Q4 (a)	2022-Q1 (a)	Cum. Fig. 4 quarter period (a)	2020 (b)	Cum. Fig. 4 quarter period / 2020
Current account (seasonally and working-day adjusted)	-3.2	-8.7	-5.4	-20.5	-43.7	↑
Goods (1)	-10.4	-25.4	-23.9	-81.5	-59.9	↓
Energy	-7.0	-15.3	-19.1	-52.7	-24.4	↓
Goods excl. Energy	-3.4	-10.1	-4.8	-28.8	-35.5	↑
Services	6.5	13.5	16.0	47.9	16.4	↑
Travel	1.8	2.0	3.9	7.6	4.2	↑
Transport services	2.3	5.7	6.1	19.4	-2.7	↑
Professional and management consulting services, Research and development and Technical services, trade-related and other business services	1.5	4.1	3.5	12.6	7.3	↑
Other services (2)	0.9	1.6	2.6	8.3	7.6	↑
Primary and secondary income (3)	0.7	3.2	2.4	13.1	-0.2	↑

(a) Provisional data (b) Annual report 2020 data
(1) to (3) See methodological notes on page 2.

Source and production : BANQUE DE FRANCE – DGSEI

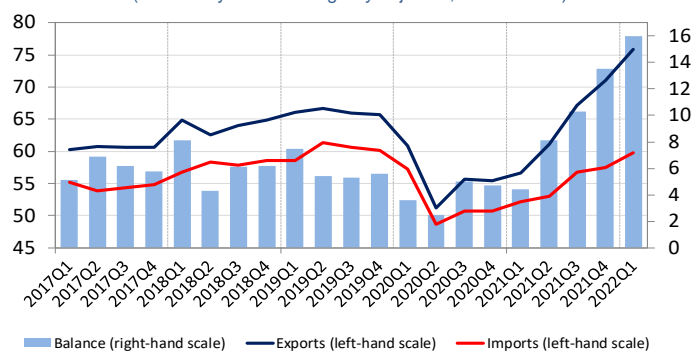
Goods

(seasonally and working-day adjusted, EUR billions)



Services

(seasonally and working-day adjusted, EUR billions)



Capital account and financial account

(EUR billions)	Mar-22 (a)	2021-Q4 (a)	2022-Q1 (a)	Cum. Fig. 4 quarter period (a)	2020 (b)
Capital Account (not adjusted)	0.9	2.5	3.2	14.0	2.0
Financial account (not adjusted)	8.2	-10.6	-26.7	-62.1	-52.5
Direct investment	-0.3	4.2	2.9	-14.5	36.0
- Abroad	6.5	18.4	12.7	51.3	45.9
- In France	6.7	14.2	9.8	65.8	9.9
Portfolio investment	-55.4	-117.5	-26.4	-158.0	-36.4
- Assets	2.1	-106.8	44.7	-19.8	144.3
- Liabilities	57.5	10.7	71.1	138.1	180.7
Financial derivatives	-5.6	11.1	-13.3	5.0	-23.8
Loans and deposits (4)	70.5	92.1	11.1	82.4	-32.3
Reserve assets	-1.1	-0.6	-1.1	23.1	4.0

(a) Provisional data (b) Annual report 2020 data

(4) See methodological notes on page 2.

Methodological notes relating to page 1 and page 2 tables

(1) Data on trade in goods are FOB-FOB values, which means without cost, insurance and freight. The latter expenditure is recorded in the services item. Exchanges of goods include general merchandise as published by the Directorate General of Customs and Excise (DGDDI) on one side, merchandising and methodological adjustments calculated by the Banque de France, on the other side. It ensures the comparability of French balance of payments with those of other countries and its conformity with the international standards set by International Monetary Fund. The key underlying concept in balance of payments is the economic ownership (as for the national accounts).

(2) Services other than travel (tourism and professional travels), transport services, professional and management consulting services, R&D and development and technical services, trade-related and other business services include manufacturing, maintenance and repair, construction, insurance and pension services, financial services, charges for the use of intellectual property, telecommunication, computer and information services, personal, cultural and recreational services and government goods and services.

(3) Income includes primary and secondary incomes. Primary income refers to the flows received by economic agents for their participation in the production process ("compensation of employees") or for the provision of financial assets ("investment income") or for the rental of natural resources ("rent"). Taxes and subsidies on products and production are also included in primary income. Secondary income records current transfers between residents and non-residents. A transfer is a transaction that involves the provision of a good, service, financial asset or another non-produced asset without receiving something of economic value in exchange.

(4) The "other investment" (loans and deposits) component of the financial account includes all transactions in financial assets and liabilities with non-residents that do not concern direct investment, portfolio investment, financial derivatives or reserve assets. In practice, this mainly concerns bank deposits and interbank lending, as well as loans and deposits made by insurance companies and all kinds of investment companies and funds.

On the Banque de France website a detailed [methodological note on balance of payments and international investment position](#) can be found. Highlights on specific topics are also available:

- [foreign direct investments \(English and French\)](#),
- [remittances \(French\)](#),
- [international tourism in France \(French\)](#),
- [international banking activity \(English and French\)](#),
- [banks foreign establishment \(French\)](#),
- [net foreign assets \(English and French\)](#),
- [enterprise services \(French\)](#).

