

Luxembourg, 10 July 2025

BALANCE OF PAYMENTS OF LUXEMBOURG DURING THE FIRST QUARTER OF 2025.

The Banque centrale du Luxembourg (BCL) and STATEC inform that, according to the first provisional results, the current account for the first quarter of 2025 showed a surplus of 883 million euros, i.e. an increase of 316 million euro compared to the same period of the previous year.

The goods deficit stood at 184 million euro in the first quarter of 2025, corresponding to an improvement of 82 million euro compared to the same quarter of the previous year. Indeed, exports of goods decreased by 2% while imports decreased by 3%. Firstly, net exports from goods under merchanting (purchases of goods abroad and their resale abroad) expanded by 1 081 million euro. Secondly, general merchandise (i.e. excluding merchanting) exports declined by 19% (-1 229 million euro), while imports shrank less, by 4% (-231 million euro).

The balance of international trade in services grew by 18% in the first quarter of 2025 (1 273 million euro) compared to the same quarter of the previous year, due to the fact that exports rose by 1.8% and imports decreased by 1.9%. In particular, trade in non-financial services decreased for exports (-1.0%) and even more for imports (-7.3%), thereby increasing the surplus in non-financial services compared to the first quarter 2024. International trade in financial services, meanwhile, progressed with 4.7% for exports and 5.9% for imports. This evolution is driven mainly by an increase in average assets managed by investment funds during the period under review (9%) compared to the same quarter of the previous year.

In the financial account, direct investments were negative during the first quarter of 2025, both for assets (-27 billion euro) and liabilities (-33.4 billion euro, approximately half of which is due to capital operations), compared to positive investments in the first quarter 2024.

Regarding portfolio investments, Luxembourg equities recorded net inflows, reaching 88.7 billion euro during the first quarter of 2025, compared to net inflows of 20.6 billion euro the previous year.

On their side, transactions in foreign equities were again negative in the first quarter of 2025 (-21.8 billion euro, -15 billion euro in the first quarter 2024). By contrast, foreign debt securities

continued to be subject of net acquisitions, amounting to 87.1 billion euro. Finally, Luxembourg debt securities recorded net inflows of 15.4 billion euro, which corresponds to an increase vis-à-vis the first quarter of 2024 (3.6 billion euro).

Detailed statistical tables are available on BCL's website (www.bcl.lu) as well as on the website of STATEC (www.statistiques.lu).

Table: Balance of payments of Luxembourg

Unit : millions of euros	Q1 2024			Q1 2025		
	Credit	Debit	Balance	Credit	Debit	Balance
CURRENT ACCOUNT	128.278	127.711	567	128.405	127.522	883
Goods	6.407	6.674	-266	6.259	6.443	-184
General merchandise (incl. "non-monetary gold")	6.508	6.674	-165	5.279	6.443	-1.164
Goods under merchanting (net exports)	-101		-101	980		980
Services	37.554	30.579	6.975	38.243	29.995	8.248
Financial services	18.647	12.462	6.185	19.521	13.203	6.319
Non financial services	18.907	18.117	790	18.722	16.793	1.930
Primary income	80.752	85.994	-5.241	80.235	86.700	-6.465
Secondary income	3.564	4.465	-900	3.668	4.383	-716
CAPITAL ACCOUNT	39	100	-61	35	36	-1
	Assets	Liabilities	Net	Assets	Liabilities	Net
FINANCIAL ACCOUNT			499			887
DIRECT INVESTMENT	82.230	58.573	23.657	-26.950	-33.420	6.470
Equity and Reinvestment of earnings	9.406	58.003	-48.596	-31.156	-15.644	-15.511
Debt instruments	72.824	570	72.254	4.206	-17.775	21.981
PORTFOLIO INVESTMENT	46.125	24.261	21.864	65.319	104.150	-38.831
Equity securities	-15.048	20.615	-35.663	-21.804	88.730	-110.534
Debt securities	61.173	3.646	57.526	87.123	15.420	71.703
FINANCIAL DERIVATIVES	2.269		2.269	-3.065		-3.065
OTHER INVESTMENT	-35.406	11.881	-47.287	86.154	49.856	36.299
RESERVE ASSETS	-4		-4	15		15
ERRORS AND OMISSIONS			-7			5

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