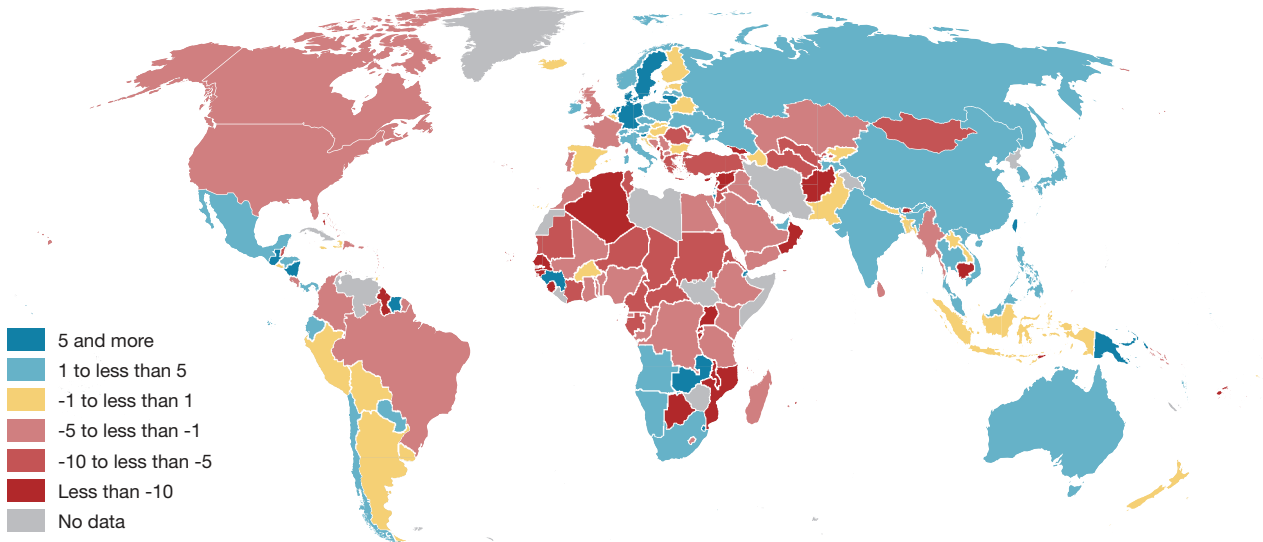




# Fact sheet #8: Current account

**Map 1** | Current account balance as a ratio to gross domestic product, 2020  
(Percentage)



## Concepts and definitions

The current account, within the balance of payments, displays the transactions between residents and non-residents of a reporting economy, involving economic values, namely the cross-national exchange of goods and services as well as cross-national transfers of primary and secondary income.

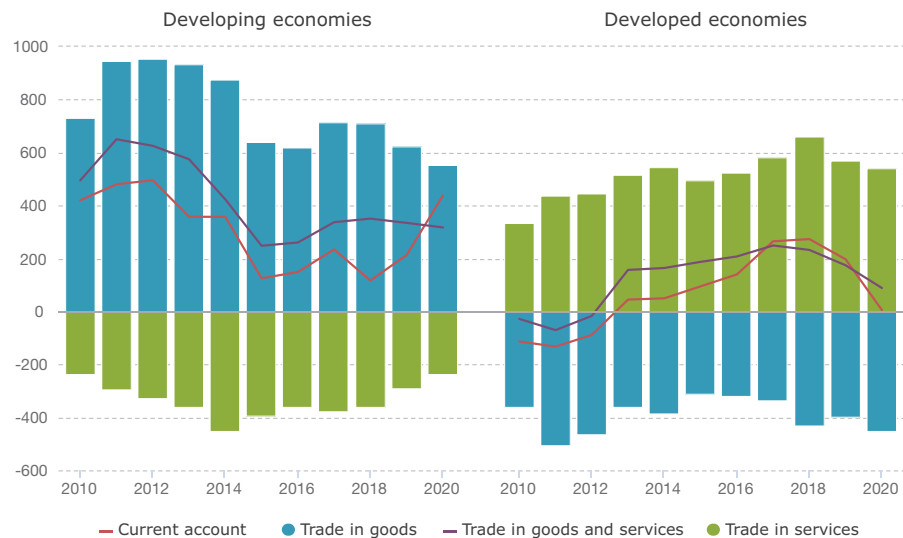
The current account balance shows the difference between the sum of exports and income receivable, and the sum of imports and income payable, where exports and imports refer to both goods and services, while income refers to both primary and secondary income. A surplus in the current account is recorded when receipts exceed payments; a deficit is recorded when payments exceed receipts.

The current account data in this section correspond to the latest reporting standard, known as BPM6, defined by the International Monetary Fund (2009).

## Current account imbalances across the world

Receipts earned by economies from transactions with other economies often differ significantly from the payments made. In 2020, for most economies in America, Africa, South-Eastern Europe, and Central and Western Asia, payments exceeded receipts, leading to negative current account balances. Higher surpluses were found mainly in Central, Northern and Eastern Europe, Eastern Asia, and Oceania. Most economies in the South of African continent also achieved positive current account balances.

**Figure 1** | Balances in the current account  
(Billions of United States dollars)



Note: Current account deficits and surpluses do not add up to zero at the world level, due to imperfect geographic coverage and cross-country differences in compilation methods.



In 2020, Kuwait recorded the highest current account surplus relative to GDP (30 per cent). Tuvalu, Guinea, and Papua New Guinea enjoyed surpluses close to 20 per cent of their respective GDP.

In absolute terms, the United States of America (US\$616 billion) and the United Kingdom (US\$95 billion) ran the world's largest current account deficits. China (US\$274 billion) had the largest absolute surplus, followed by Germany (US\$266 billion) and Japan (US\$164 billion).

### Recent developments

In 2020, the current account surplus of developing economies doubled (US\$438 billion) compared with 2019 (US\$213 billion), although their surplus of trade in goods and services showed a slight decrease (from US\$335 million to US\$317 million). Geographically, the increase in the current account balance can largely be attributed to a growing surplus in developing economies of Asia and Oceania (from US\$406 billion to US\$531 billion), combined with a shrinking deficit in developing economies in America (from US\$102 billion to US\$2 billion). The current account surplus of developed economies fell to only US\$5 billion in 2020, from US\$197 billion recorded for the year before.

**Figure 2** Balances in least developed countries' current accounts  
(Billions of United States dollars)



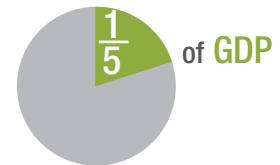
### Least developed countries keep lowering their deficit

After five years of continuous decline, the current account balance of LDCs shows an increasing trend since 2015, resulting in a reduction of their deficit by almost a half, from US\$60 billion to US\$33 billion. The trade deficit has nevertheless remained at around US\$100 billion.

Greater relative current account deficit, accounting for 2.9 per cent of GDP in 2020, distinguishes LDCs from other developing economies, which, as a group, ran a surplus of 1.3 per cent of GDP. Higher deficits relative to GDP were registered for the groups of heavily indebted poor countries (HIPC) (4.2 per cent) and landlocked developing countries (LLDC) (3.2 per cent). As a group, small island developing States (SIDS) registered a comfortable 7 per cent surplus. Yet, some SIDS faced deficits close to, or over, 20 per cent of GDP.

For references, see UNCTAD Handbook of Statistics 2021, annex 6.4.

Current account deficit larger than



in several SIDS

United States of America keeps having world's



largest deficit: US\$616 billion in 2020

Developing economies' surplus doubled in 2020, almost returning to 2012 levels



LDCs' deficit shrinking for the fifth consecutive year. US\$33 billion in 2020




**Table 1** Current account balance by group of economies

Group of economies	Value			Ratio to GDP		
	(Billions of US\$)			(Percentage)		
	2016–2020 <sup>a</sup>	2019	2020	2016–2020 <sup>a</sup>	2019	2020
<b>World</b>	<b>406</b>	<b>410</b>	<b>443</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
Developed economies	176	197	5	0.4	0.4	0.0
Developing economies	230	213	438	0.7	0.6	1.3
Developing economies: Africa	-88	-91	-91	-3.8	-3.7	-3.7
Developing economies: America	-87	-102	-2	-1.6	-1.9	-0.1
Developing economies: Asia and Oceania	405	406	531	1.6	1.5	1.9
<b>Selected groups</b>						
Developing economies excluding China	74	110	164	0.4	0.5	0.8
Developing economies excluding LDCs	274	253	470	0.8	0.7	1.4
LDCs	-43	-40	-33	-4.1	-3.7	-2.9
LLDCs	-32	-36	-29	-4.1	-4.4	-3.2
SIDS (UN-OHRLLS)	55	53	49	7.5	6.8	7.0
HIPCs (IMF)	-38	-36	-31	-5.6	-4.9	-4.2
BRICS	144	63	324	0.7	0.3	1.6
G20	223	204	283	0.3	0.3	0.4

Note: Current account deficits and surpluses do not add up to zero at the world level, due to imperfect geographic coverage and cross-country differences in compilation methods.

<sup>a</sup> Annual average.

**Table 2** Current account balance in largest surplus and deficit economies

Economy (Ranked by 2020 value)	2016–2020 <sup>a</sup>		2019		2020	
	Value	Ratio to GDP	Value	Ratio to GDP	Value	Ratio to GDP
	(Billions of US\$)	(Percentage)	(Billions of US\$)	(Percentage)	(Billions of US\$)	(Percentage)
China	156	1.2	103	0.7	274	1.9
Germany	290	7.8	290	7.5	266	7.0
Japan	184	3.7	177	3.5	164	3.3
China, Taiwan Province of	77	12.8	65	10.7	95	14.2
Korea, Republic of	77	4.8	60	3.6	75	4.6
⋮	⋮	⋮	⋮	⋮	⋮	⋮
Canada	-40	-2.4	-36	-2.0	-30	-1.8
Turkey	-24	-3.0	7	0.9	-37	-5.2
France	-21	-0.8	-8	-0.3	-50	-1.9
United Kingdom	-107	-3.9	-88	-3.1	-95	-3.5
United States of America	-457	-2.2	-472	-2.2	-616	-2.9

<sup>a</sup> Annual average.

**Table 3** Current accounts of leading exporters (goods and services) by group of economies, 2020

Developed economies

Economy (Ranked by export share)	Current account balance		Trade balance <sup>a</sup>	Exports <sup>a</sup>	Imports <sup>a</sup>
	Value	Ratio to GDP	Value	Share in world	Share in world
	(Billions of US\$)	(Percentage)	(Billions of US\$)	(Percentage)	(Percentage)
United States of America	-616	-2.9	-670	9.7	13.0
Germany	266	7.0	218	7.6	6.7
Japan	164	3.3	(e) 4	(e) 3.6	(e) 3.6
France	-50	-1.9	-58	3.4	3.7
United Kingdom	-95	-3.5	-10	3.4	3.5
<b>Developed economies</b>	<b>5</b>	<b>0.0</b>	<b>89</b>	<b>58.3</b>	<b>59.0</b>

<sup>a</sup> Goods and services.



## Developing economies

Economy (Ranked by export share)	Current account balance		Trade balance <sup>a</sup>	Exports <sup>a</sup>	Imports <sup>a</sup>
	Value	Ratio to GDP	Value	Share in world	Share in world
	(Billions of US\$)	(Percentage)	(Billions of US\$)	(Percentage)	(Percentage)
China	274	1.9	415	12.6	10.9
Korea, Republic of	75	4.6	(e) 66	(e) 2.7	(e) 2.5
China, Hong Kong SAR	23	6.5	-31	2.6	2.8
Singapore	60	17.7	60	2.6	2.3
India	33	1.2	(e) -45	2.2	(e) 2.4
<b>Developing economies</b>	<b>438</b>	<b>1.3</b>	<b>317</b>	<b>41.7</b>	<b>41.0</b>

<sup>a</sup> Goods and services.

## Developing economies: Africa

Economy (Ranked by export share)	Current account balance		Trade balance <sup>a</sup>	Exports <sup>a</sup>	Imports <sup>a</sup>
	Value	Ratio to GDP	Value	Share in world	Share in world
	(Billions of US\$)	(Percentage)	(Billions of US\$)	(Percentage)	(Percentage)
South Africa	7	2.2	15	0.4	0.4
Egypt	-14	-4.0	-32	0.2	0.3
Nigeria	-17	-4.0	-32	0.2	0.3
Morocco	-2	-1.4	-9	0.2	0.2
Algeria	-18	-12.9	(e) -19	(e) 0.1	(e) 0.2
<b>Developing Africa</b>	<b>-91</b>	<b>-3.7</b>	<b>-176</b>	<b>2.1</b>	<b>2.9</b>

<sup>a</sup> Goods and services.

## Developing economies: America

Economy (Ranked by export share)	Current account balance		Trade balance <sup>a</sup>	Exports <sup>a</sup>	Imports <sup>a</sup>
	Value	Ratio to GDP	Value	Share in world	Share in world
	(Billions of US\$)	(Percentage)	(Billions of US\$)	(Percentage)	(Percentage)
Mexico	26	2.4	(e) 26	(e) 2.0	(e) 1.9
Brazil	-26	-1.8	12	1.1	1.1
Chile	3	1.3	13	0.4	0.3
Argentina	3	0.8	12	0.3	0.2
Peru	(e) 2	(e) 0.8	(e) 4	(e) 0.2	(e) 0.2
<b>Developing America</b>	<b>-2</b>	<b>-0.1</b>	<b>18</b>	<b>4.9</b>	<b>4.9</b>

<sup>a</sup> Goods and services.

## Developing economies: Asia and Oceania

Economy (Ranked by export share)	Current account balance		Trade balance <sup>a</sup>	Exports <sup>a</sup>	Imports <sup>a</sup>
	Value	Ratio to GDP	Value	Share in world	Share in world
	(Billions of US\$)	(Percentage)	(Billions of US\$)	(Percentage)	(Percentage)
China	274	1.9	415	12.6	10.9
Korea, Republic of	75	4.6	(e) 66	(e) 2.7	(e) 2.5
China, Hong Kong SAR	23	6.5	-31	2.6	2.8
Singapore	60	17.7	60	2.6	2.3
India	33	1.2	(e) -45	2.2	(e) 2.4
<b>Developing Asia and Oceania</b>	<b>531</b>	<b>1.9</b>	<b>475</b>	<b>34.7</b>	<b>33.2</b>

<sup>a</sup> Goods and services.