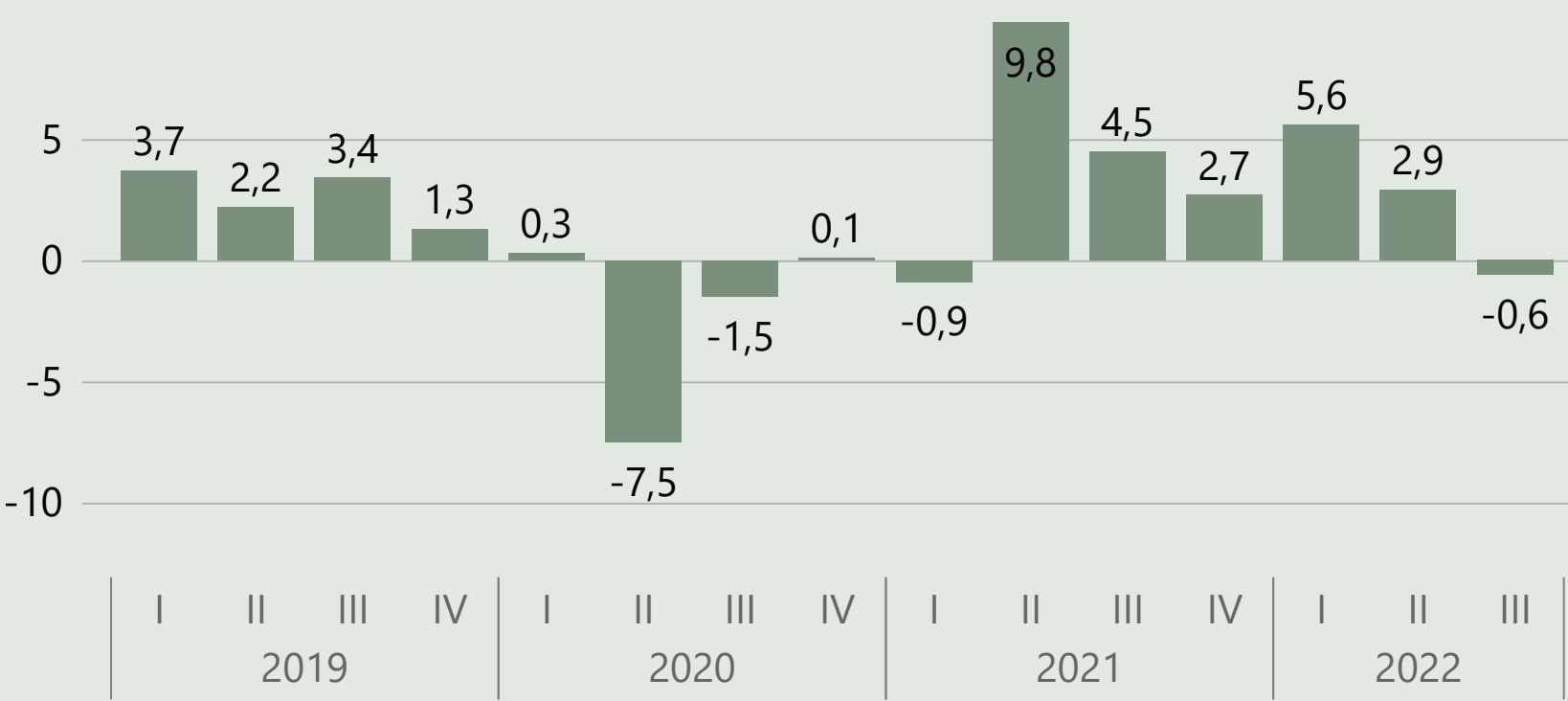


### GROSS DOMESTIC PRODUCT (GDP)

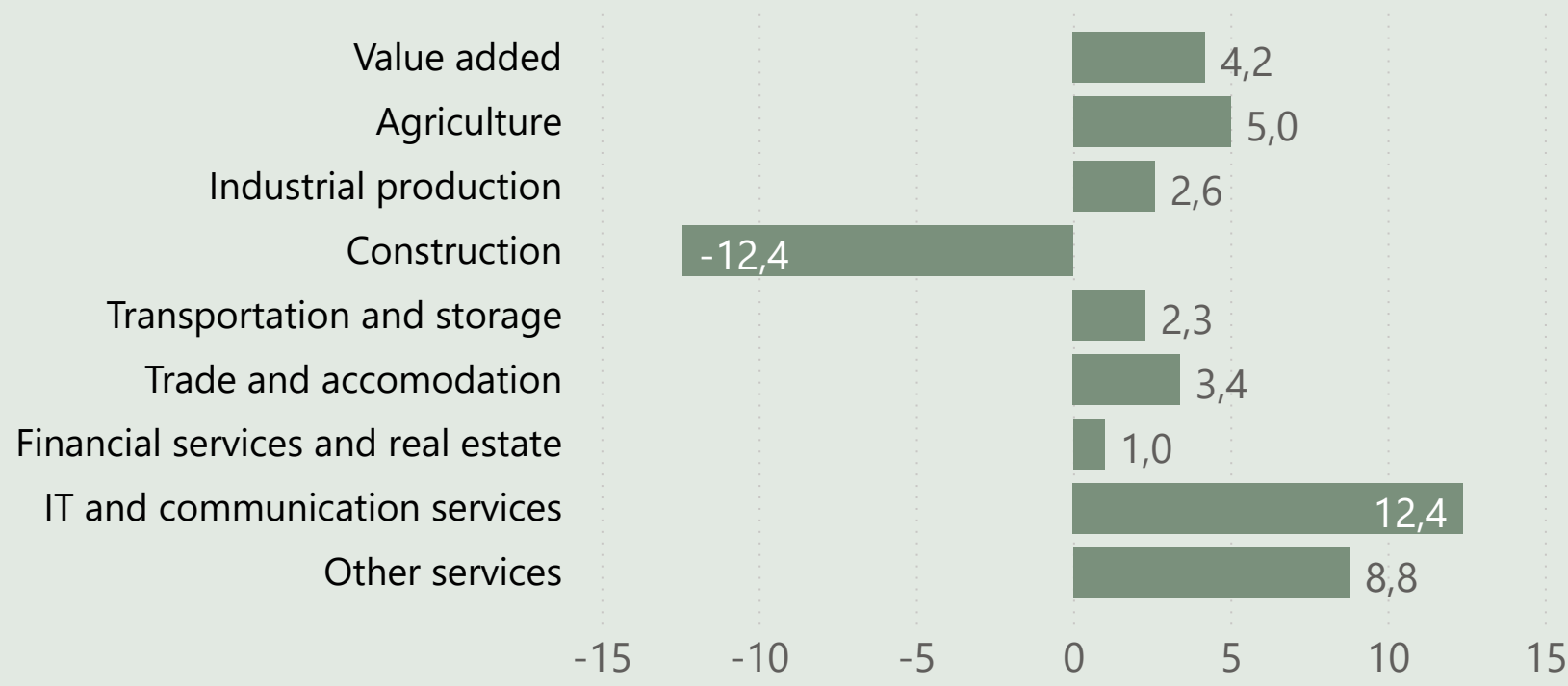
**GDP 2021**  
**33 696 mln €**  
CSB, 20.10.2022.

**GDP growth 2022**  
**2.8%**  
MoF forecast, August 2022

#### GDP growth, YoY%



#### GDP growth by sectoral breakdown (2022 1st Half/2021 1st Half)



Source: Central Statistical Bureau(CSB); 3rd Qrt 2022 early assessment

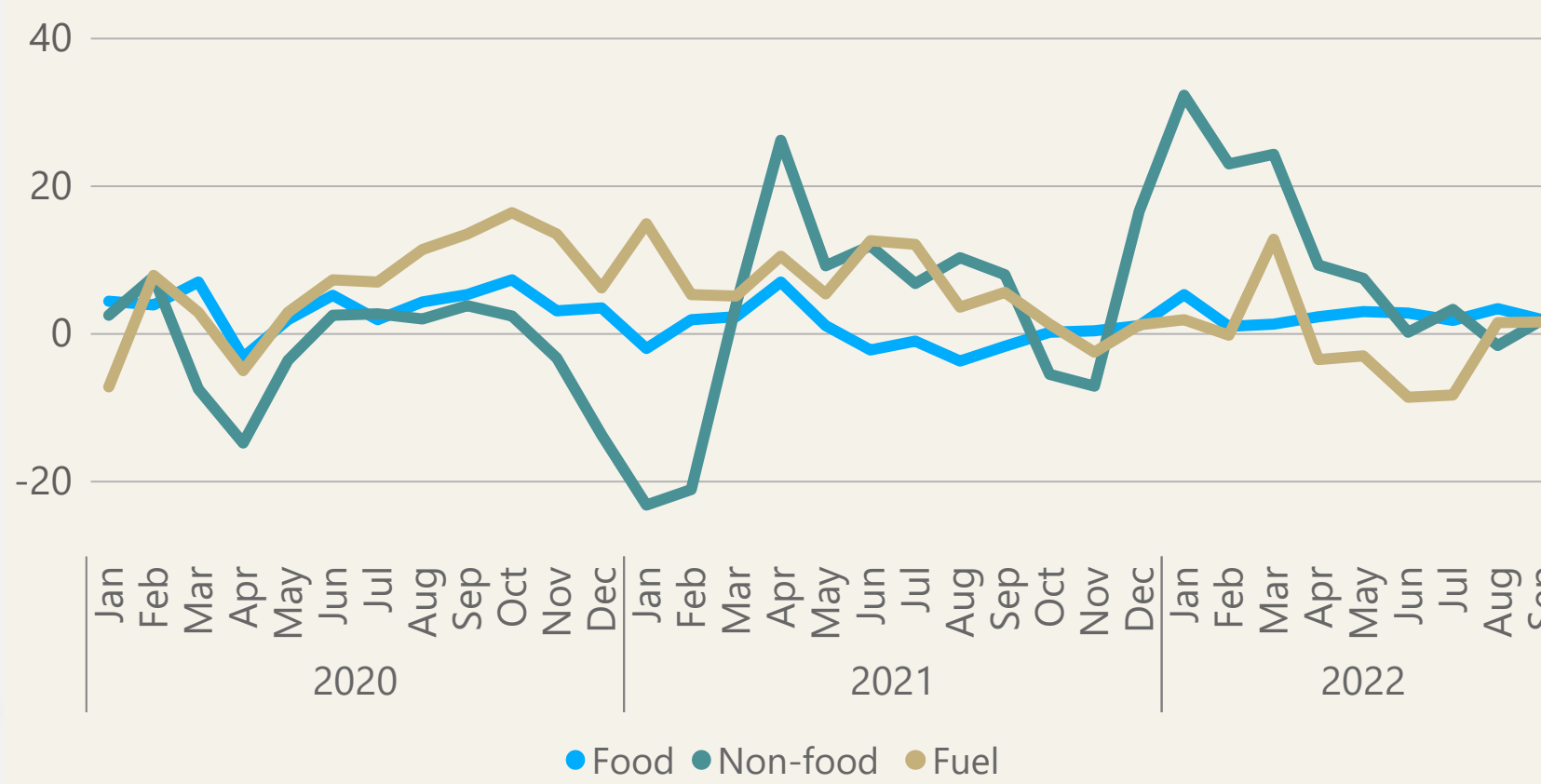
### MAIN MACROECONOMIC INDICATORS

Indicator	2016	2017	2018	2019	2020	2021	2022*	2023*	2024*	2025*
Nominal GDP growth, %	3,3	6,4	8	5,2	-1,3	11,2	16,7	7,7	5,4	6,1
Real GDP growth, %	2,4	3,3	4	2,6	-2,2	4,1	2,8	1	3	3,4
GDP deflator, % change	0,9	2,9	3,9	2,6	1	6,9	13,5	6,7	2,3	2,6
Consumer price index, % change	0,1	2,9	2,5	2,8	0,2	3,3	16,5	6,5	1	2
Average monthly gross wage, EUR	859	926	1004	1076	1143	1277	1379	1462	1539	1616
nominal growth, %	5	7,9	8,4	7,2	6,2	11,8	8	6	5,3	5
real growth, %	4,8	4,7	5,7	4,2	6	8,2	-7,3	-0,5	4,3	2,9
Number of persons employed, thsd	893	895	909	910	893	864	881	881	879	877
growth, %	-0,3	0,2	1,6	0,1	-1,9	-3,2	2	0	-0,2	-0,3
Unemployment rate, %	9,6	8,7	7,4	6,3	8,1	7,6	7,1	7,1	6,7	6,5

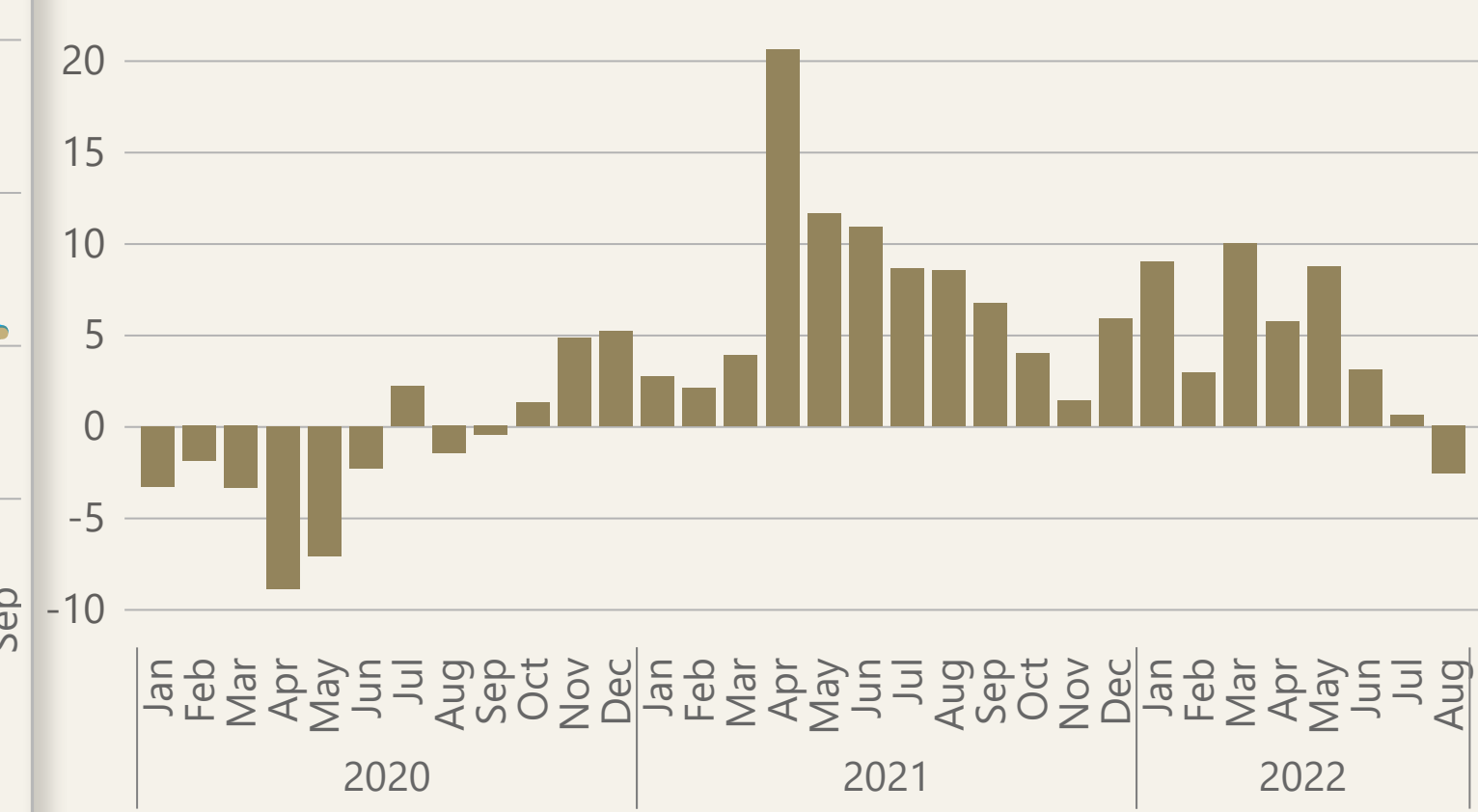
Source: CSB (20.10.2022), \*forecasts of the Ministry of Finance of the Republic of Latvia (August 2022)

### INDUSTRIES

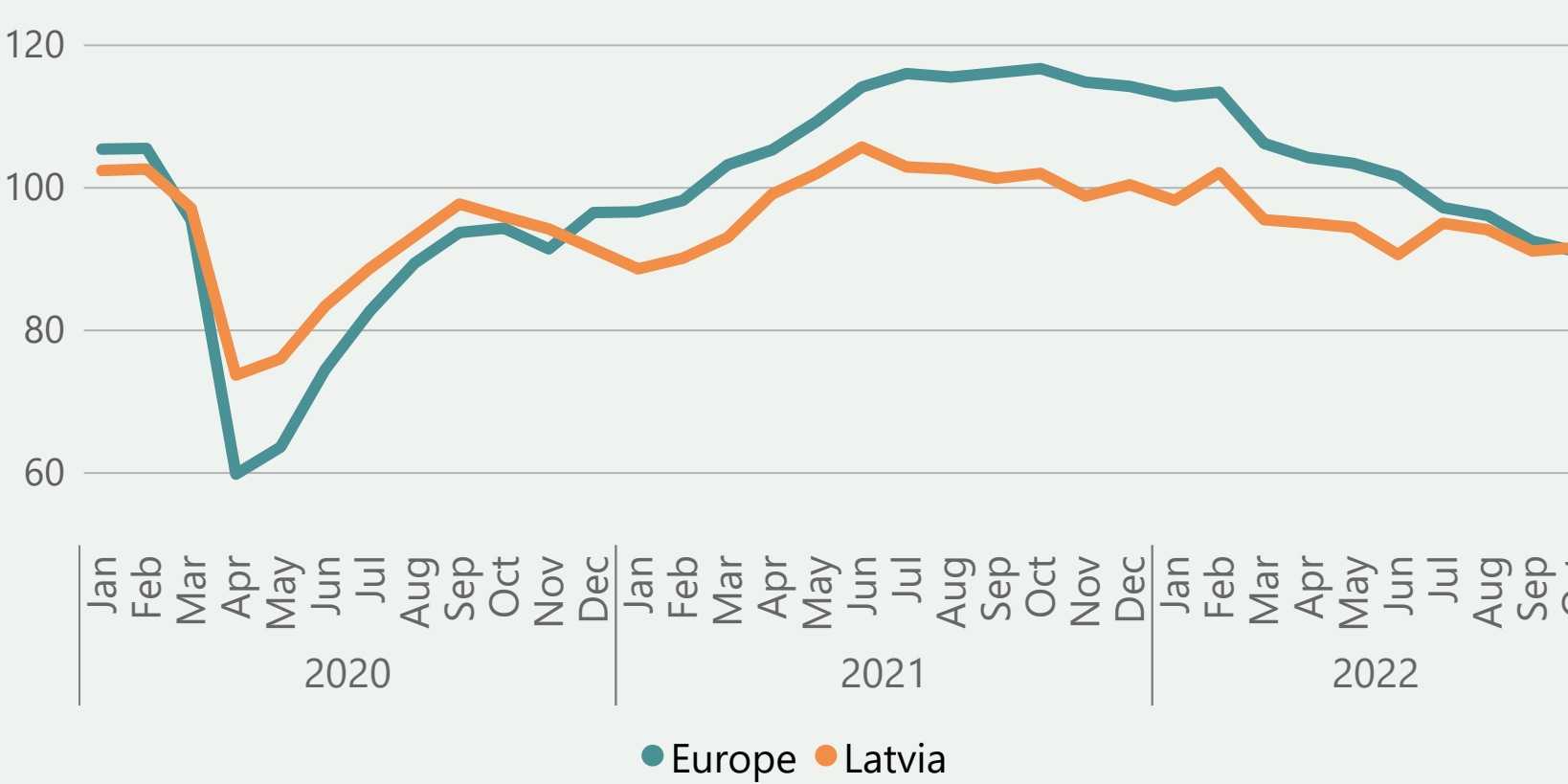
#### Retail trade growth, YoY%



#### Manufacturing output, YoY%

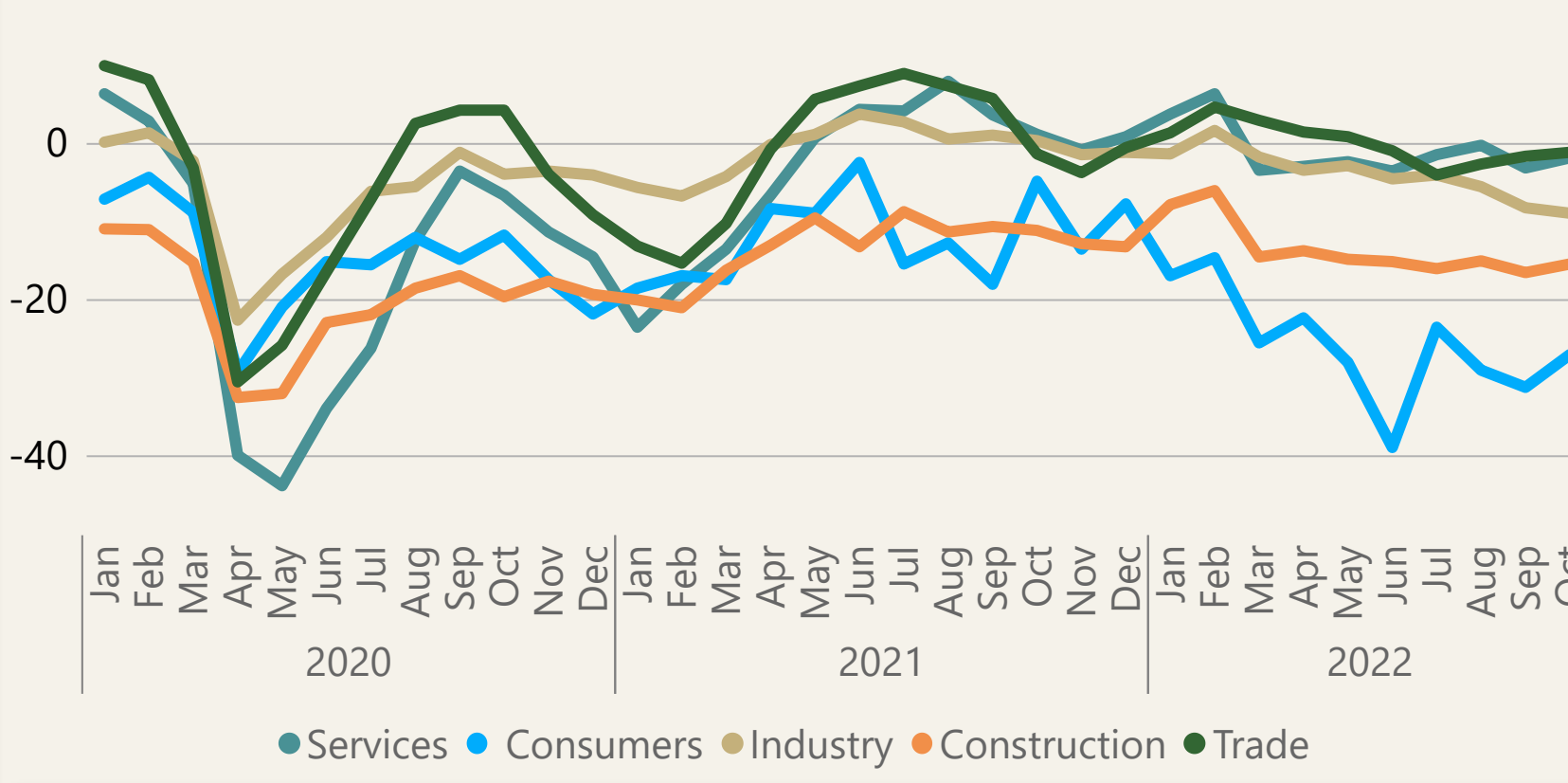


#### Economic confidence



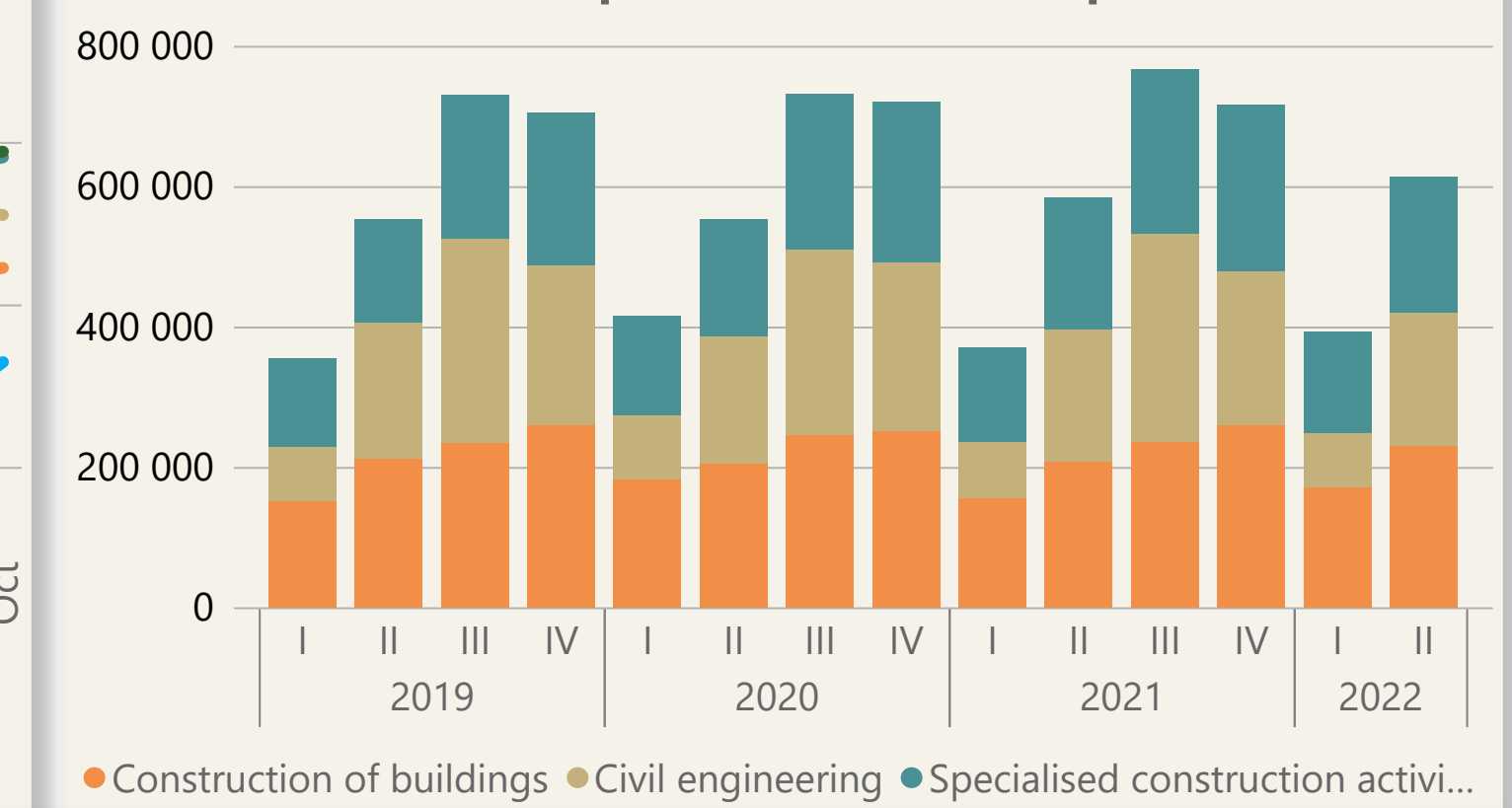
Source: European Commission

#### ESI Sector Confidence Index in Latvia



Source: CSB, European Commission

#### Construction output at constant prices, thsd €



### INFLATION

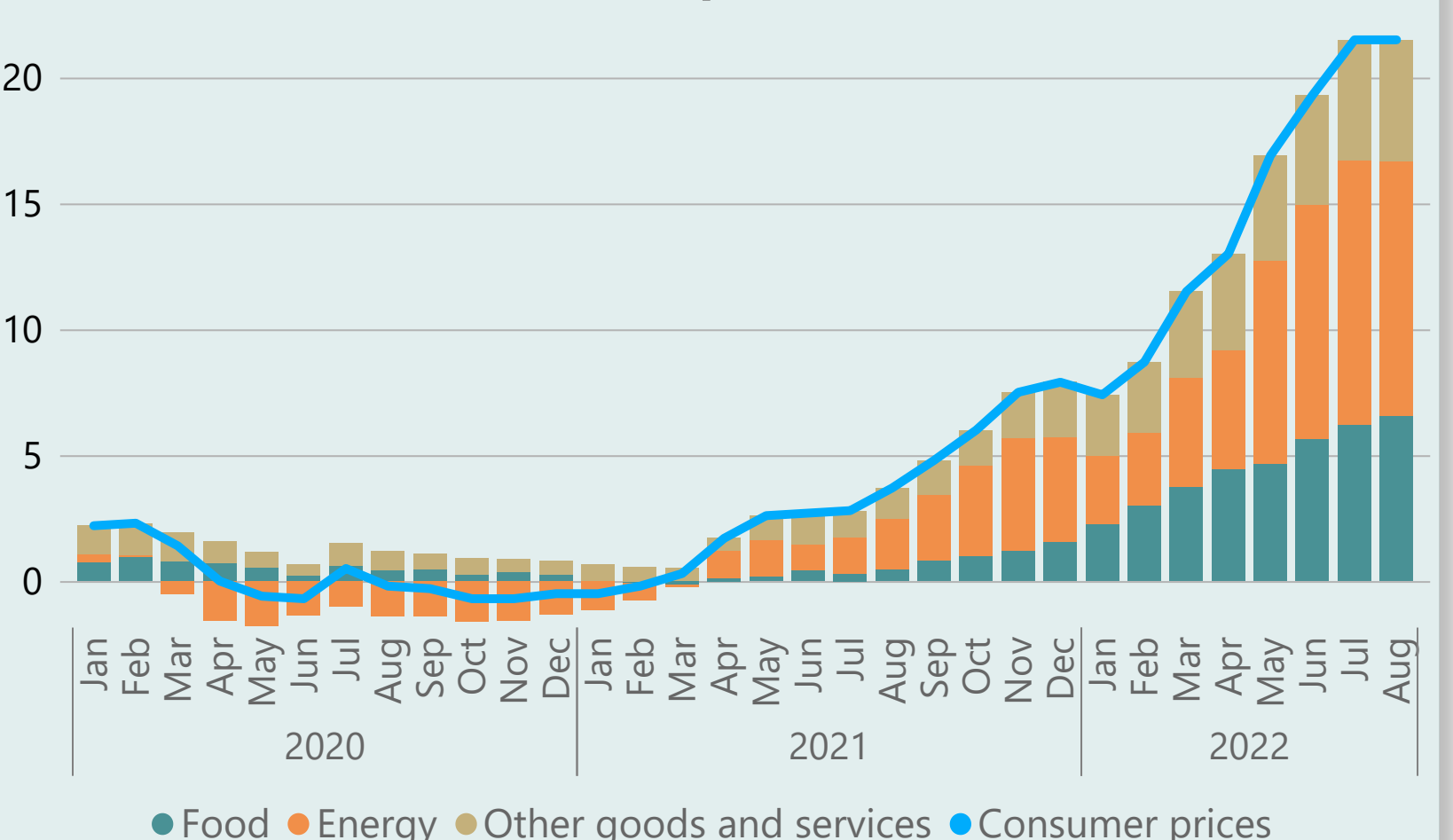
#### Inflation

**22,2%**  
September 2022

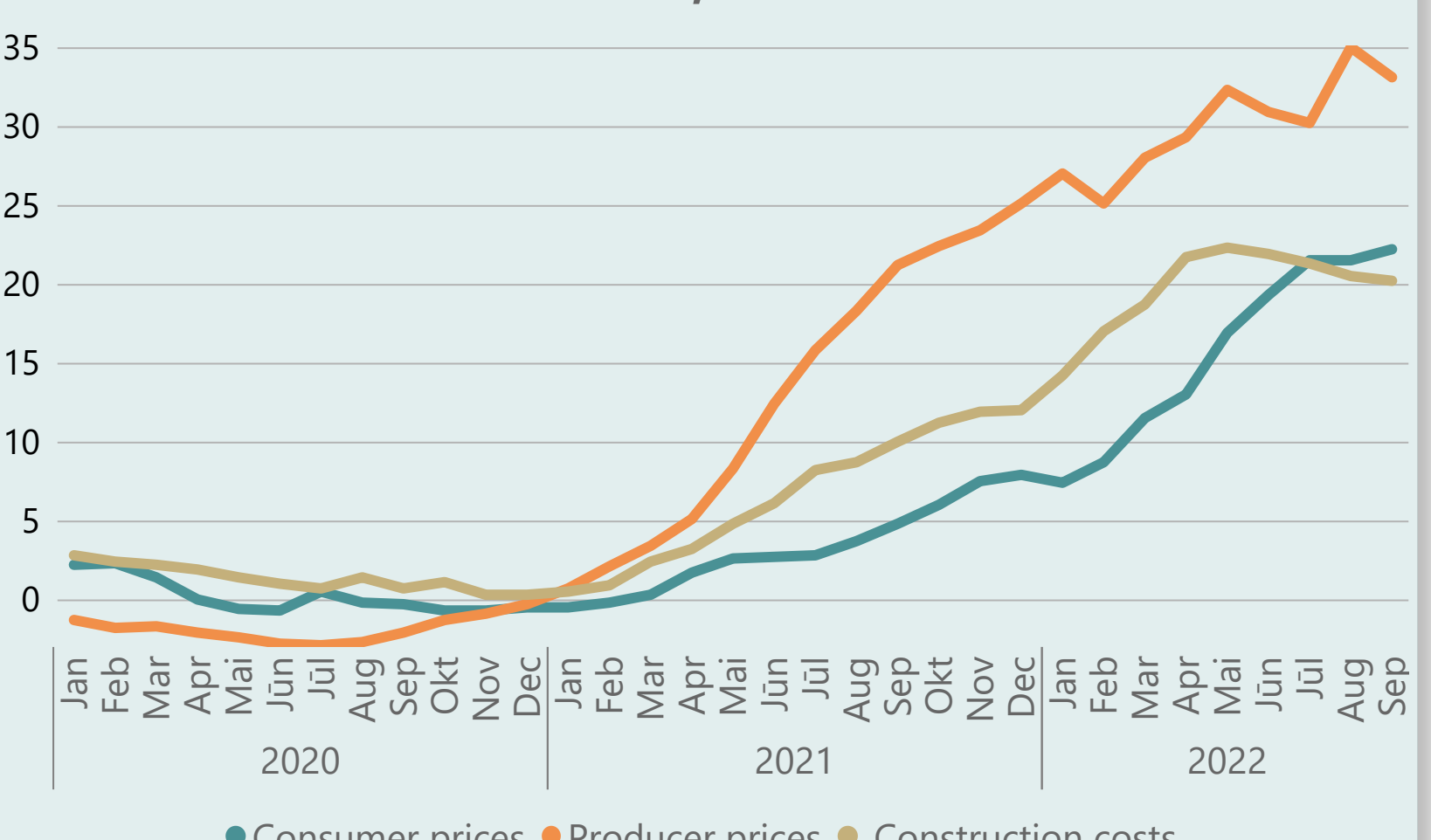
#### Producer price rise

**33.1%**  
September 2022

#### Consumer prices, YoY%



#### Prices, YoY%



Source: CSB

### UNEMPLOYMENT

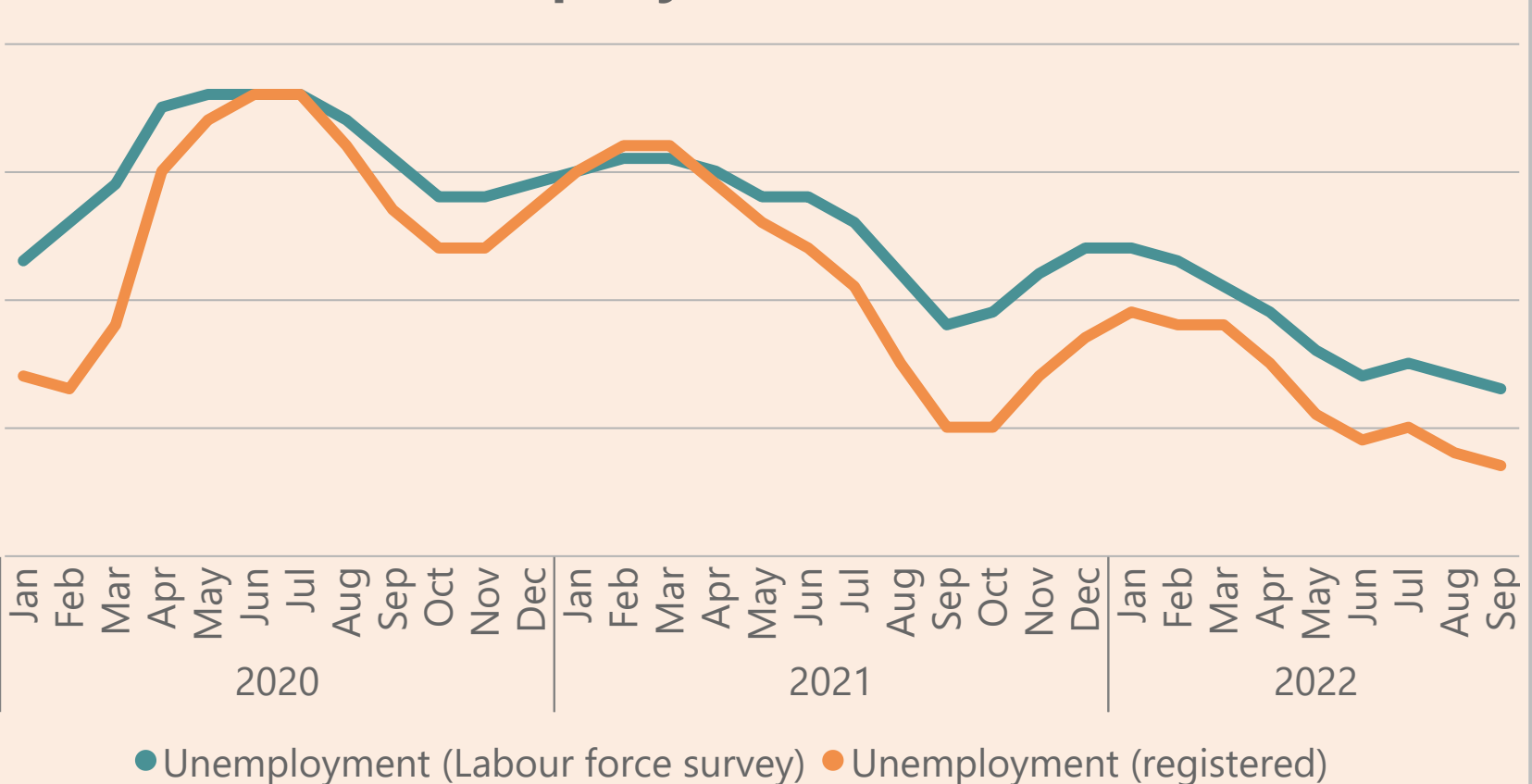
#### Registered

**5.7%**  
September 2022

#### Labour force survey

**6.3%**  
September 2022

#### Unemployment rate, %



Source: CSB, State Employment Agency

### WAGE

#### Private sector

**1 358€**  
**(+9.1% YoY)**  
2Q 2022

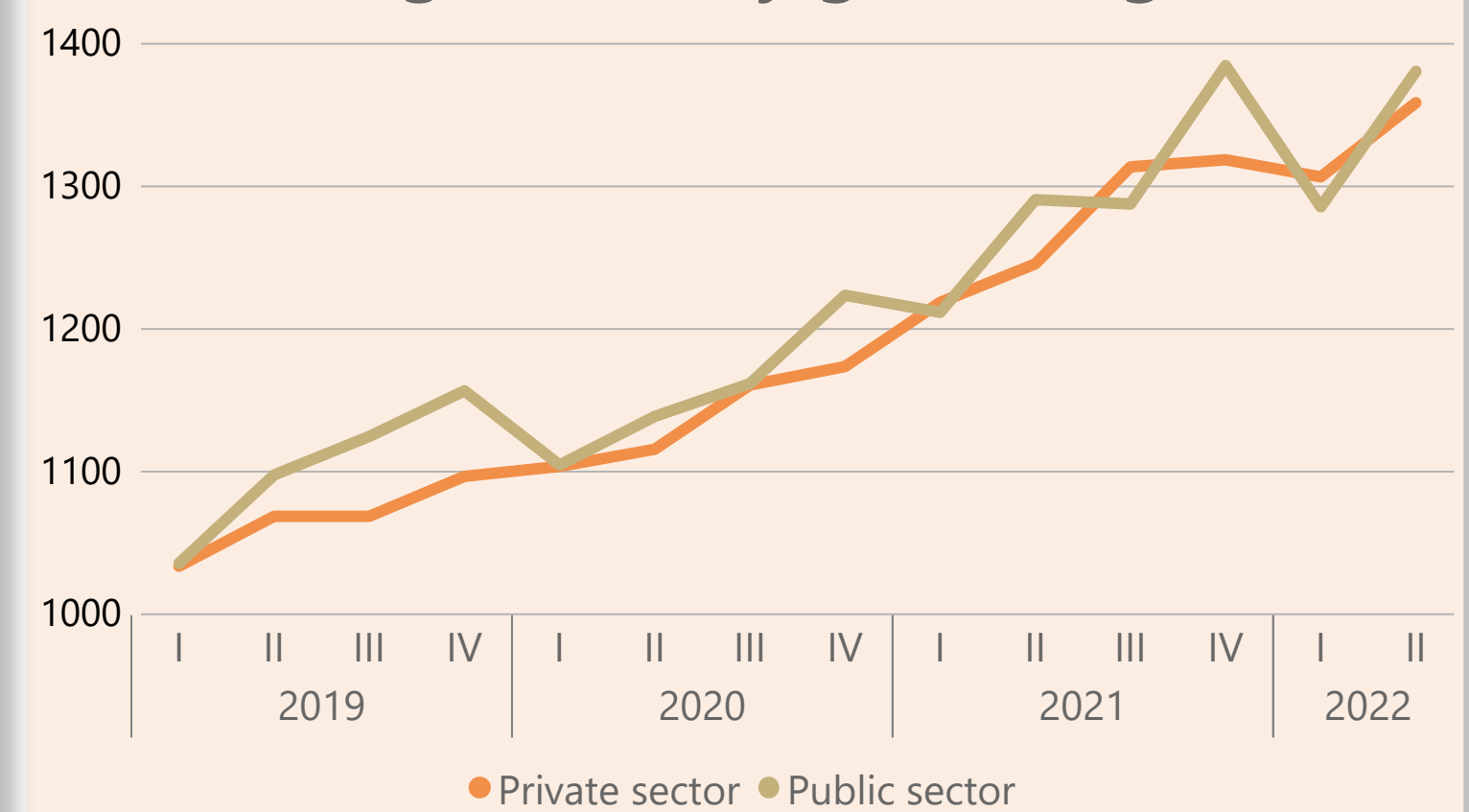
#### Public sector

**1 380€**  
**(+7% YoY)**  
2Q 2022

#### Total

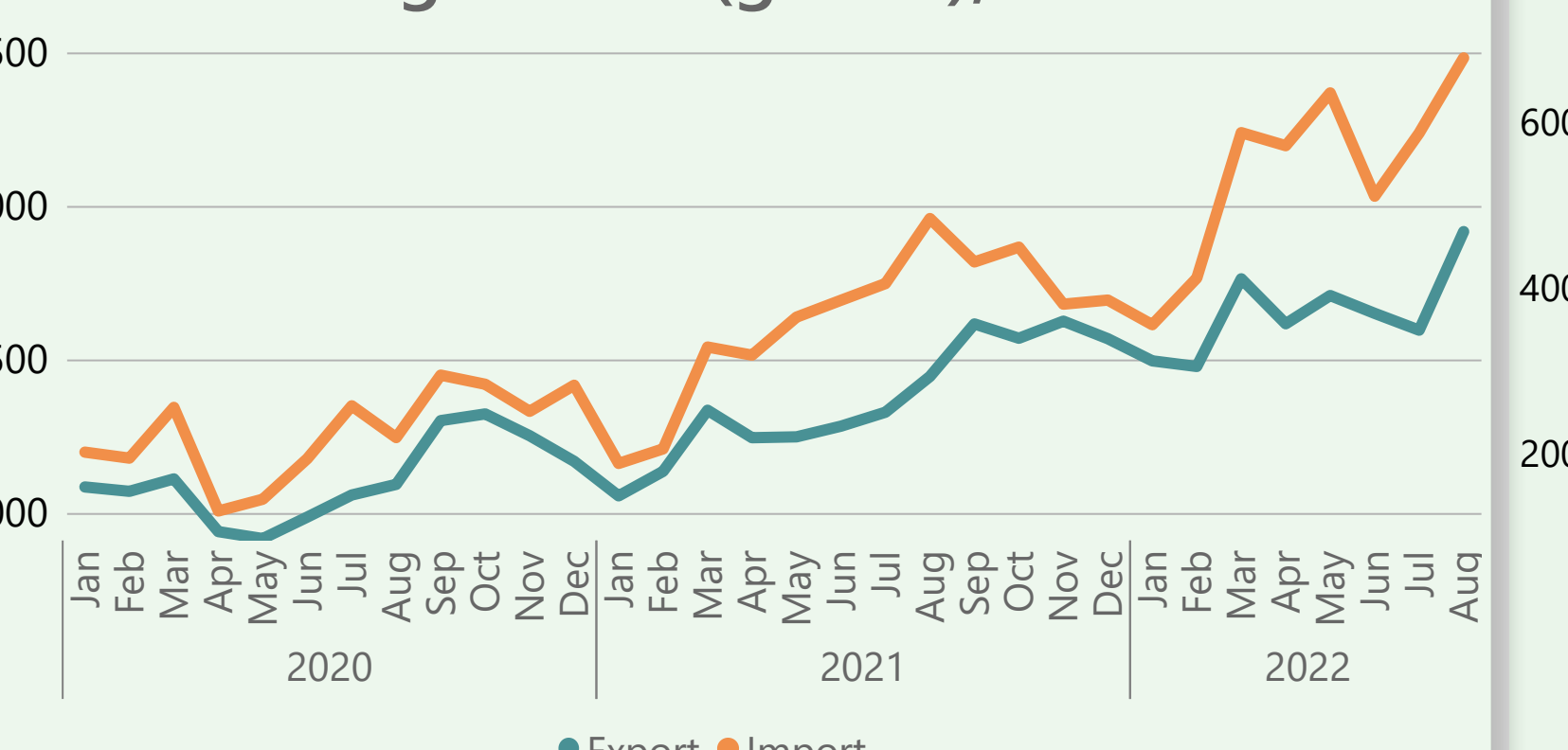
**1 362€**  
**(+8.3% YoY)**  
2Q 2022

#### Average monthly gross wage, €



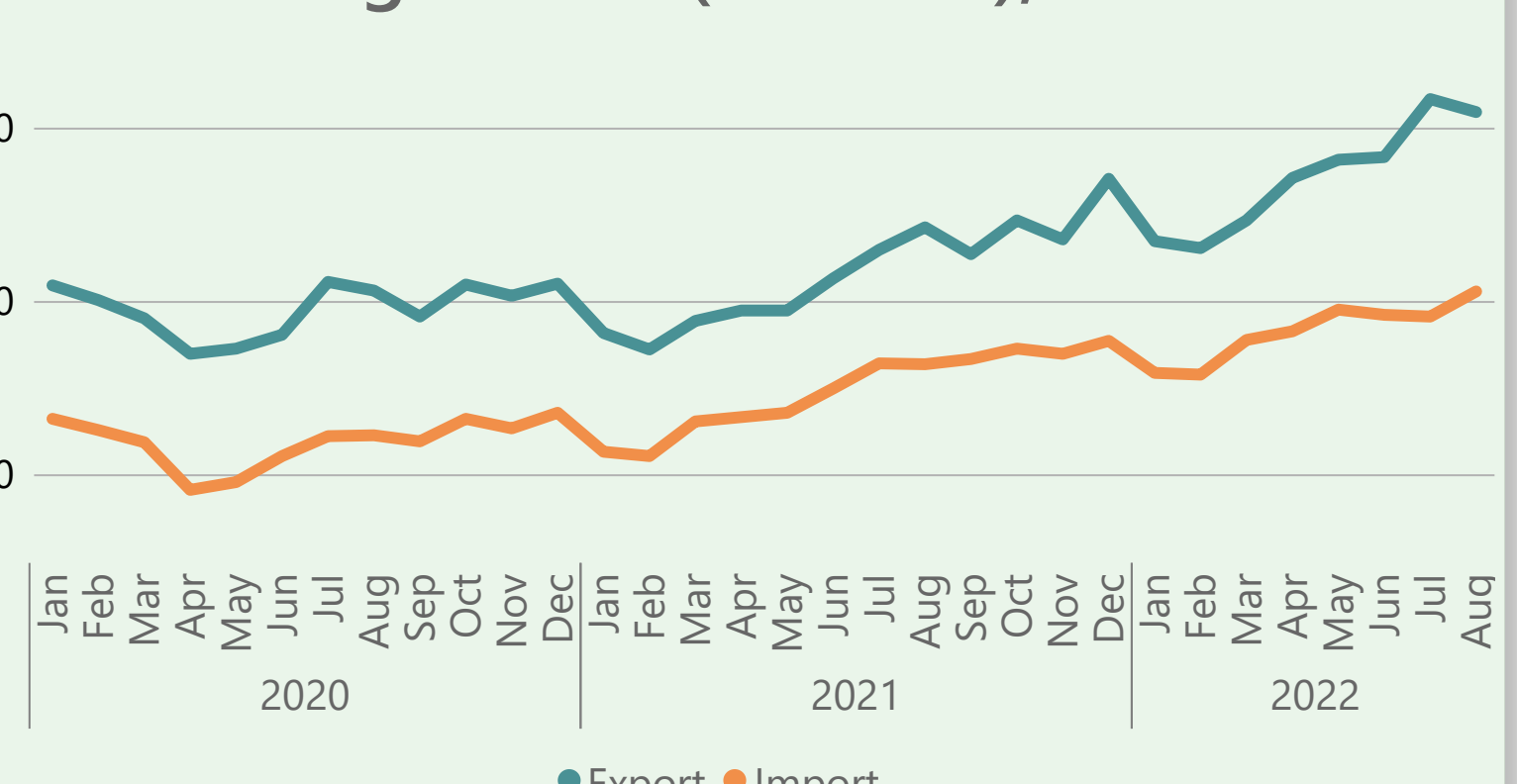
### FOREIGN TRADE

#### Foreign trade (goods), mln €



Source: CSB

#### Foreign trade (services), mln €





# GENERAL GOVERNMENT BUDGET

## General government budget balance 2022

**-7.0% of GDP**

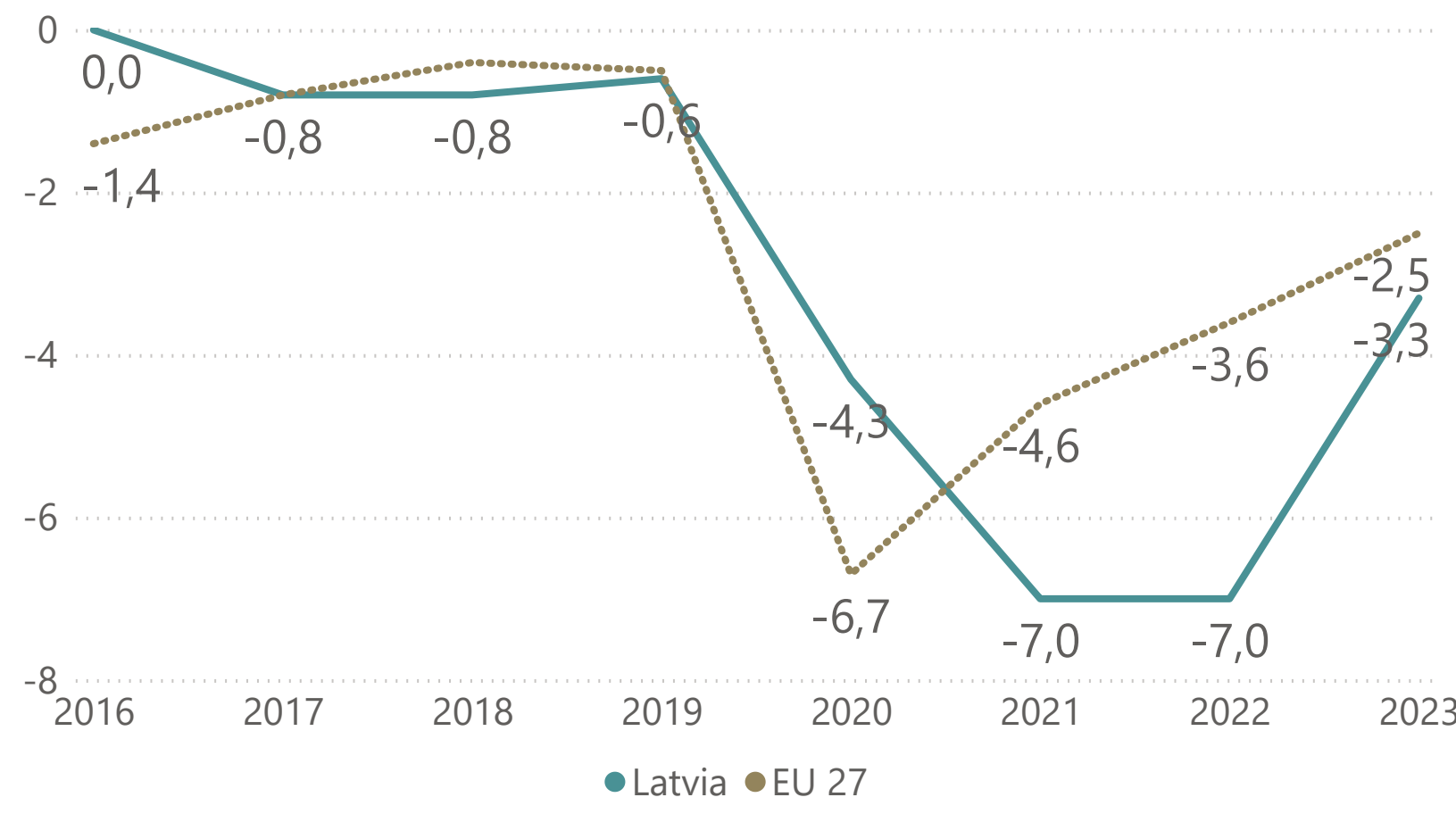
Forecast of MoF, DBP October 2022

## General government debt 2022

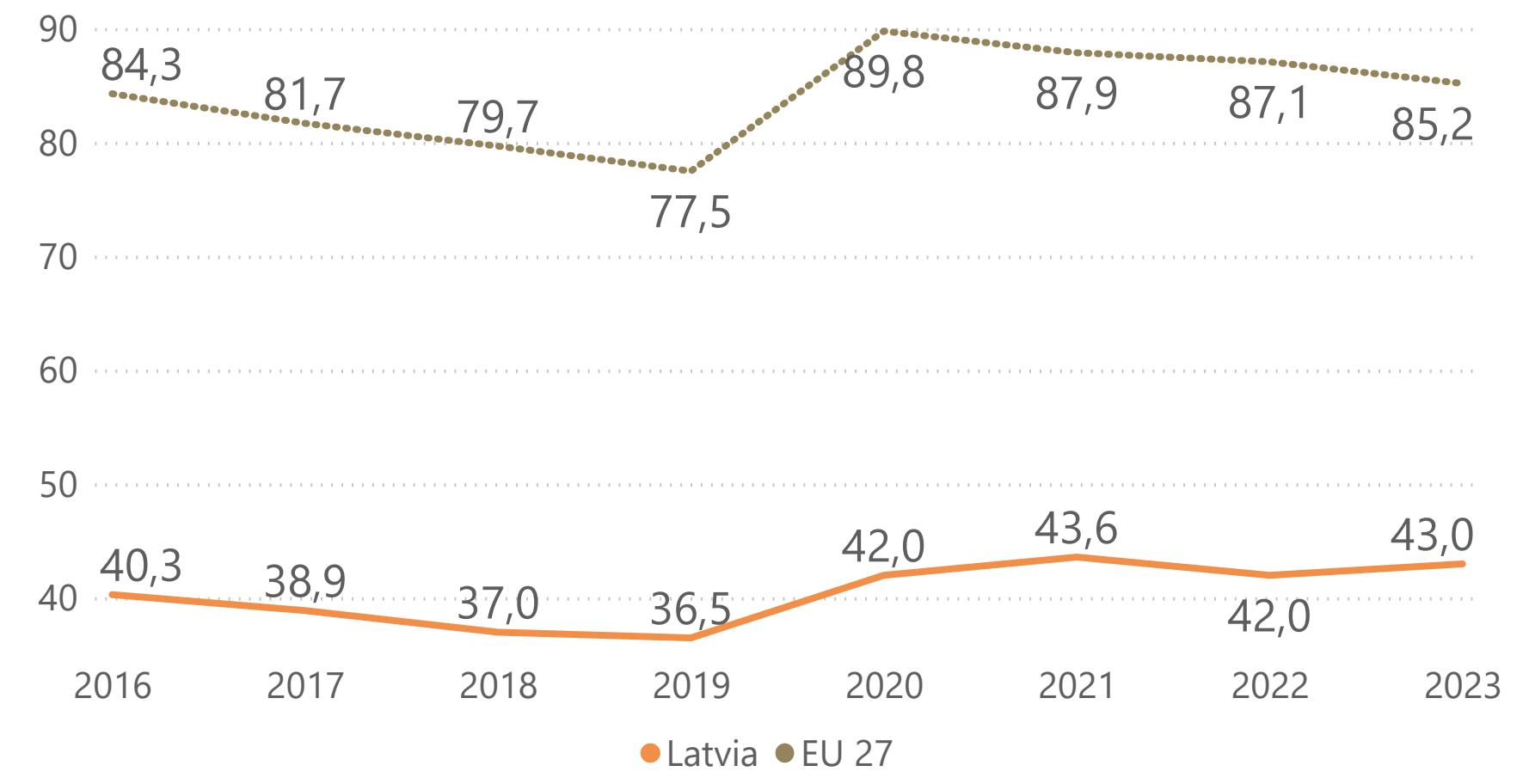
**42.0% of GDP**

Forecast of State Treasury, DBP October 2022

## General government budget balance, % of GDP



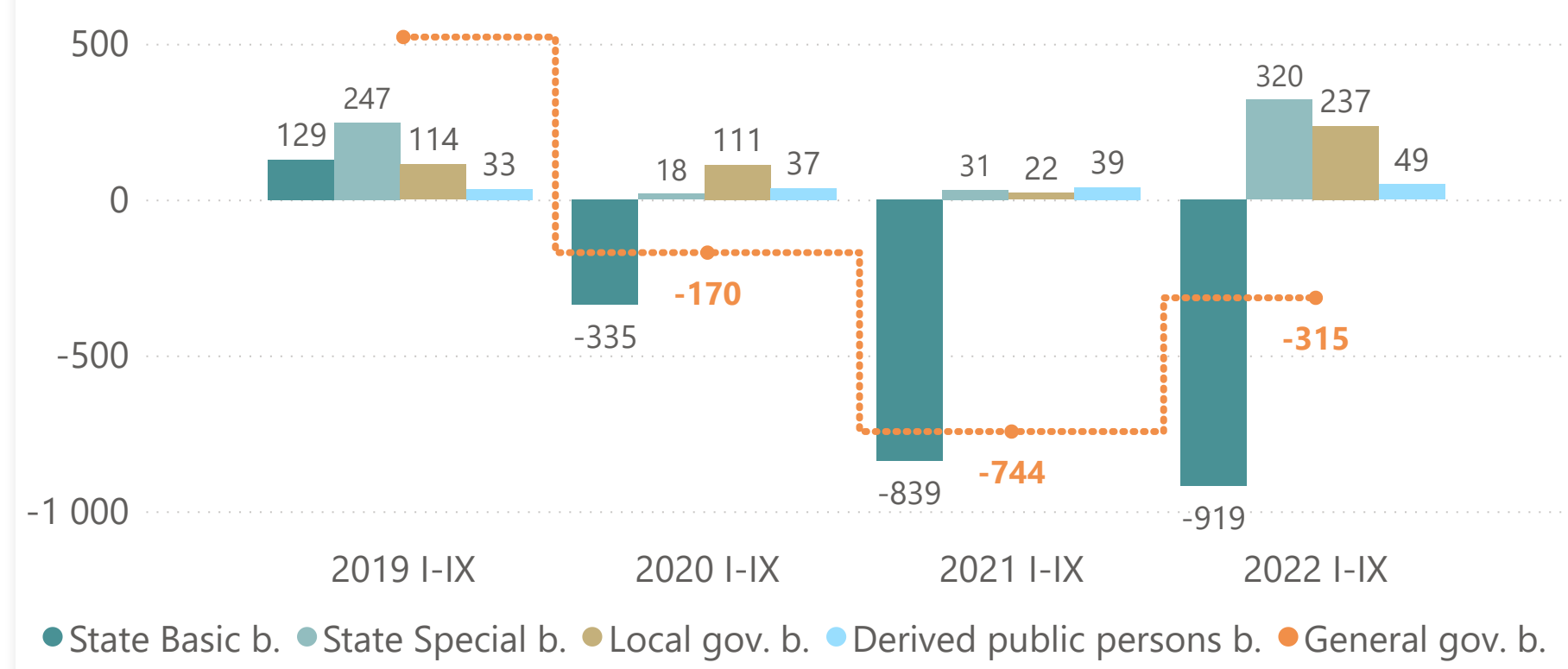
## General government debt, % of GDP



Source: Eurostat, AMECO Spring Forecast 2022, Draft Budgetary Plan 2023-2025, approved by Cabinet of Ministers on October 11th, 2022.

## GENERAL GOVERNMENT BUDGET IN JANUARY - SEPTEMBER 2022 ON CASH BASIS

### General government budget balance, mln €



General government budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	10 303,6	918,6	9,8%
Expenditure	10 618,7	489,4	4,8%
Balance	-315,1	429,1	

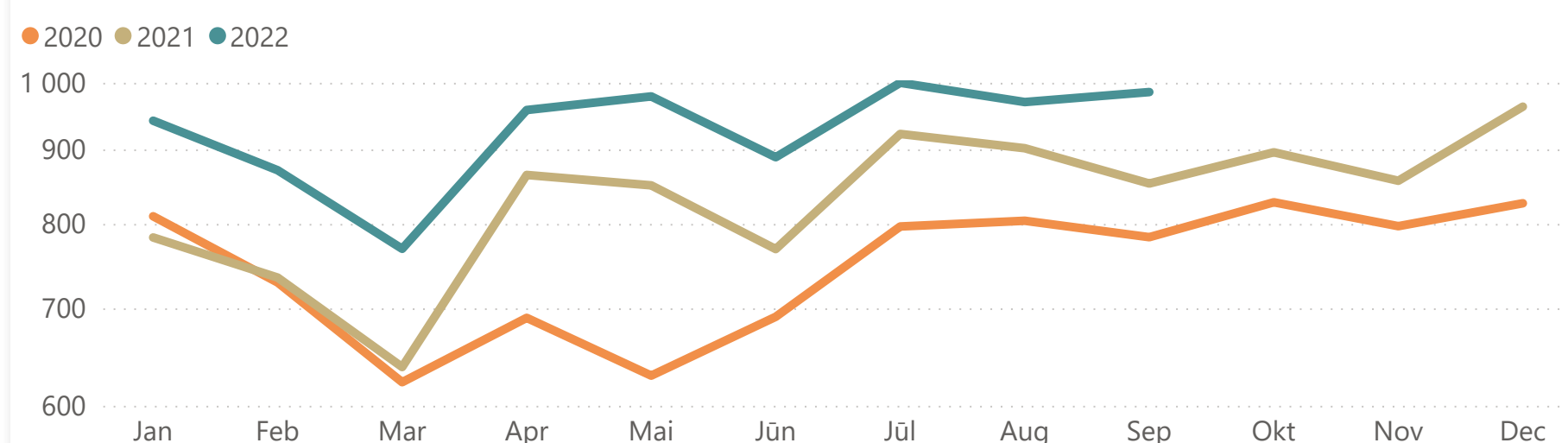
### Revenue and expenditure

General government budget	Execution, mln €	YoY, mln €	YoY, %
<b>Revenue</b>			
Tax revenue	8 390,0	1 074,2	14,7%
Non tax revenue	687,0	52,1	8,2%
Foreign financial assistance	902,4	-252,7	-21,9%
<b>Expenditure</b>			
Remuneration	2 171,7	90,6	4,4%
Goods and services	1 442,5	416,8	40,6%
Interest payments	154,5	-49,8	-24,4%
Subsidies and grants	2 465,1	476,4	24,0%
Social support	3 341,7	-440,8	-11,7%
Capital expenditure	699,5	-34,0	-4,6%

### General government budget tax revenue

Tax type	Execution, mln €	YoY, mln €	YoY, %
SSC	2 747,9	543,5	24,7%
VAT	2 523,0	407,2	19,2%
PIT	1 645,2	376,0	29,6%
EXCISE	852,5	30,1	3,7%
CIT	296,8	59,0	24,8%

### General government budget tax revenue, mln €



Source: Treasury. General government budget tax revenue in January-September 2022 including revenue in the single tax account -100,2 mln euro.

### STATE BASIC BUDGET

State Basic Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	5 848,7	81,4	1,4%
Expenditure	6 767,9	161,6	2,4%
Balance	-919,1	-80,2	

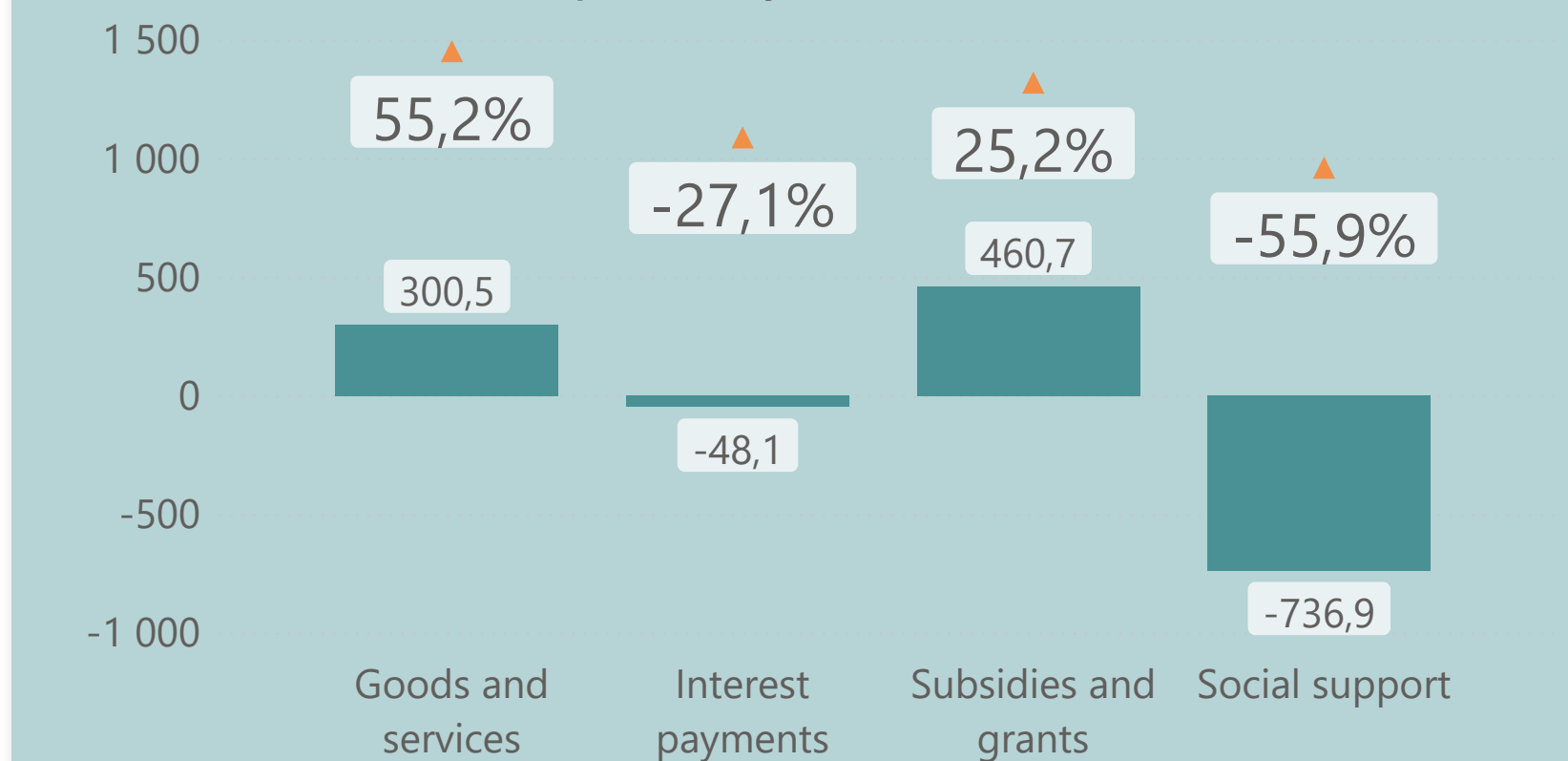
### STATE SPECIAL BUDGET

State Special Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	2 957,3	548,7	22,8%
Expenditure	2 637,2	259,1	10,9%
Balance	320,1	289,5	

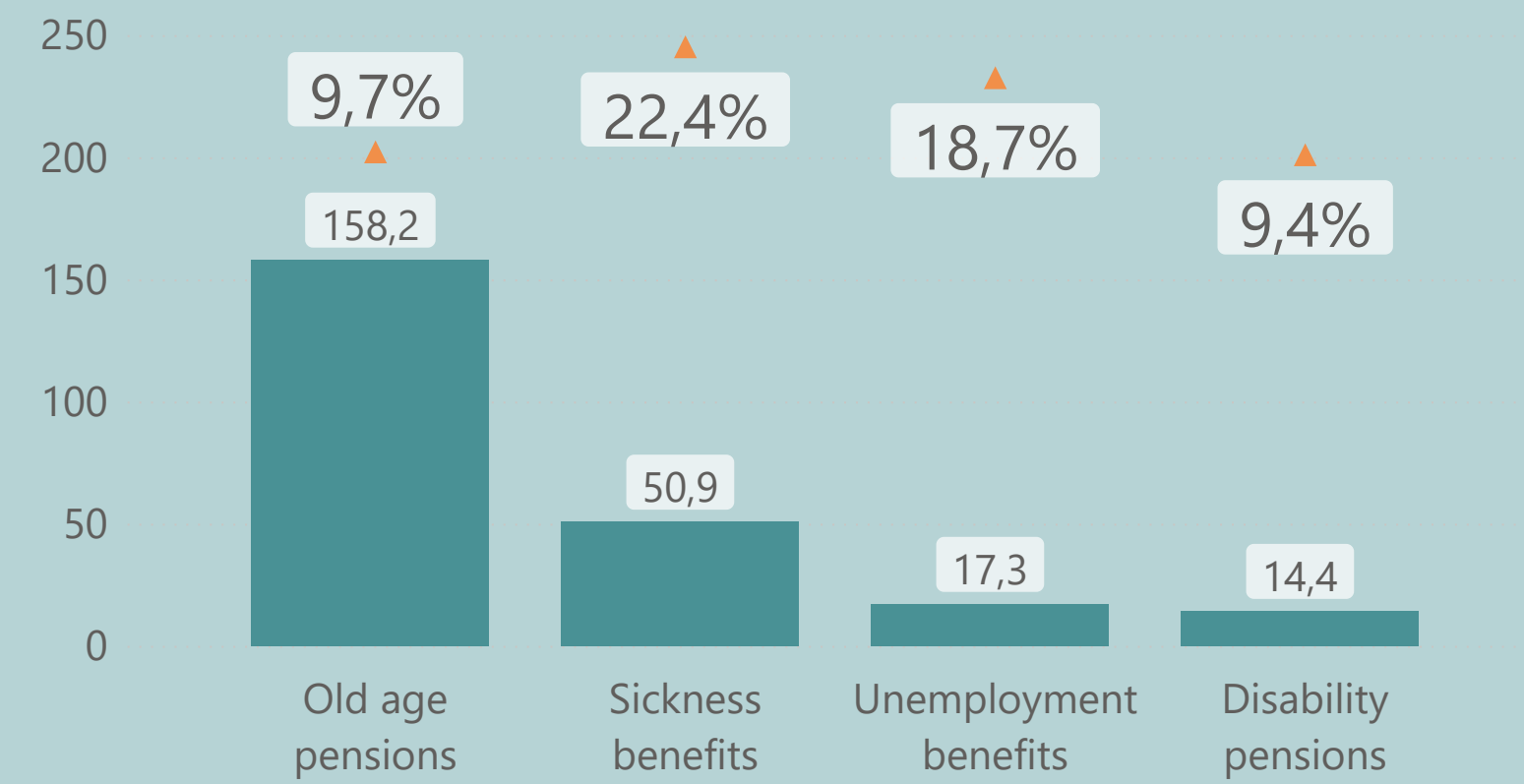
### LOCAL GOVERNMENT BUDGET

Local Government Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	2 377,3	324,8	15,8%
Expenditure	2 140,6	109,6	5,4%
Balance	236,7	215,2	

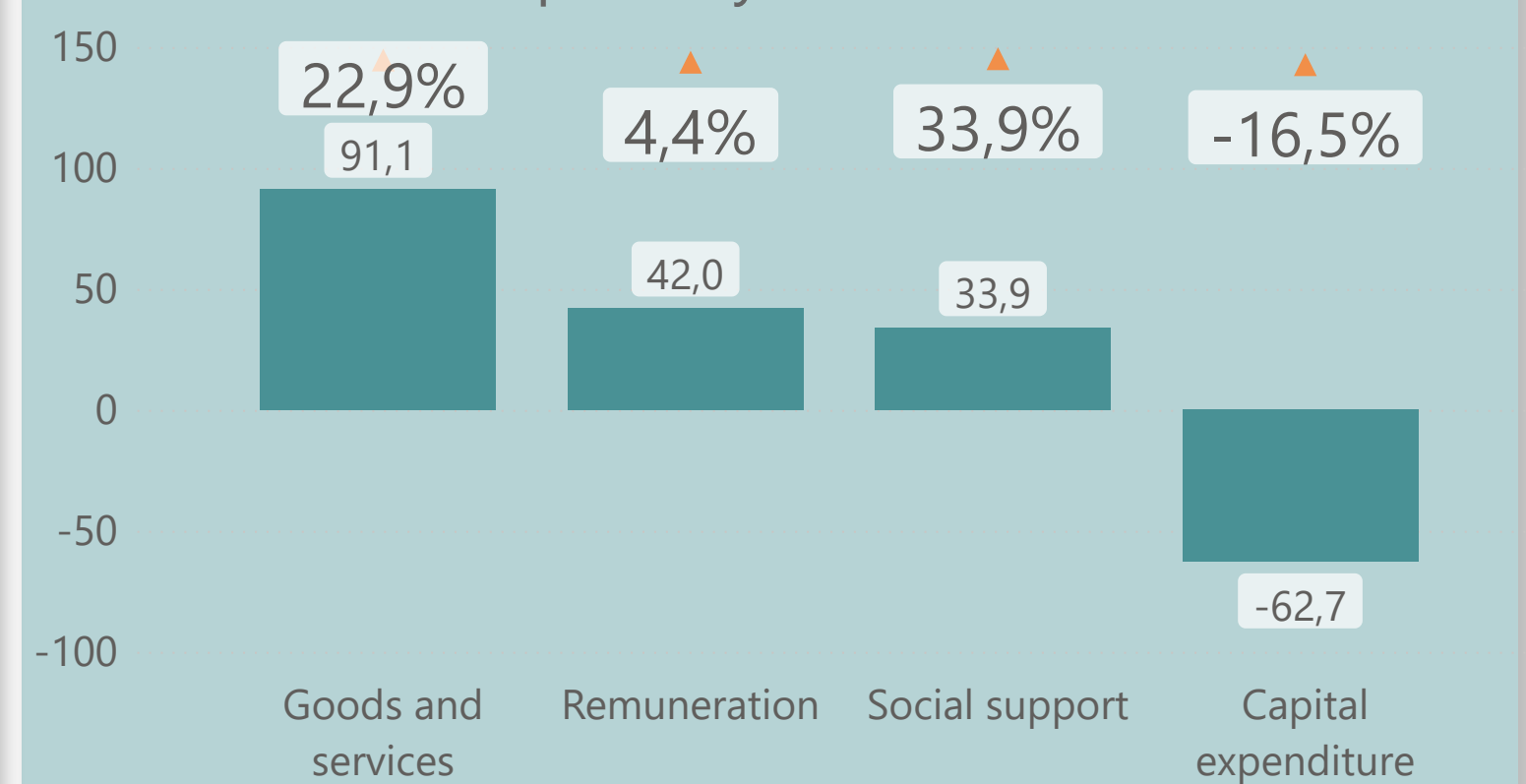
### Major changes in mln € and % against respective period year before



### Major changes in mln € and % against respective period year before



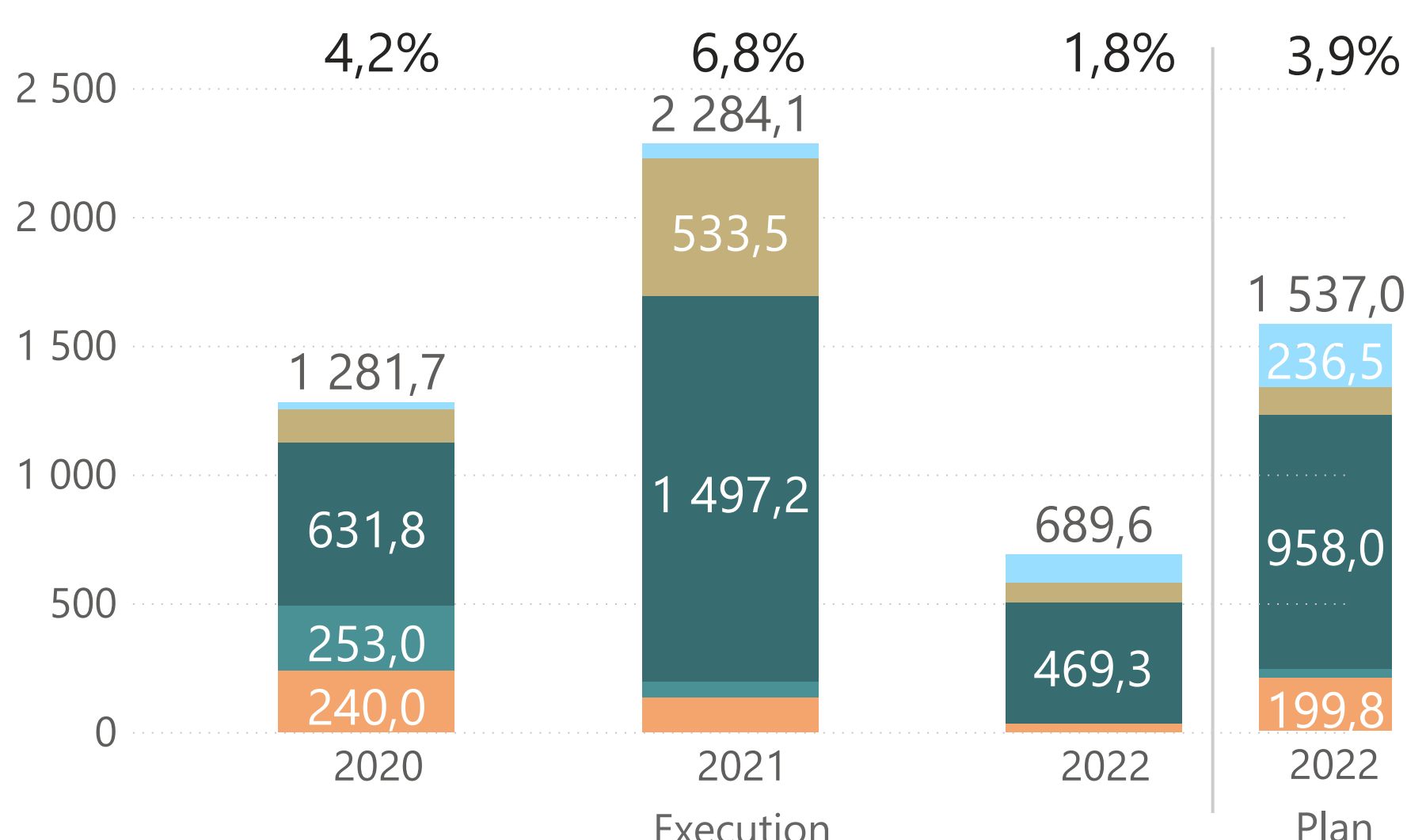
### Major changes in mln € and % against respective period year before



YoY - changes in mln euro against respective period year before; YoY% - changes in per cent against respective period year before

## CRISIS SUPPORT MEASURES

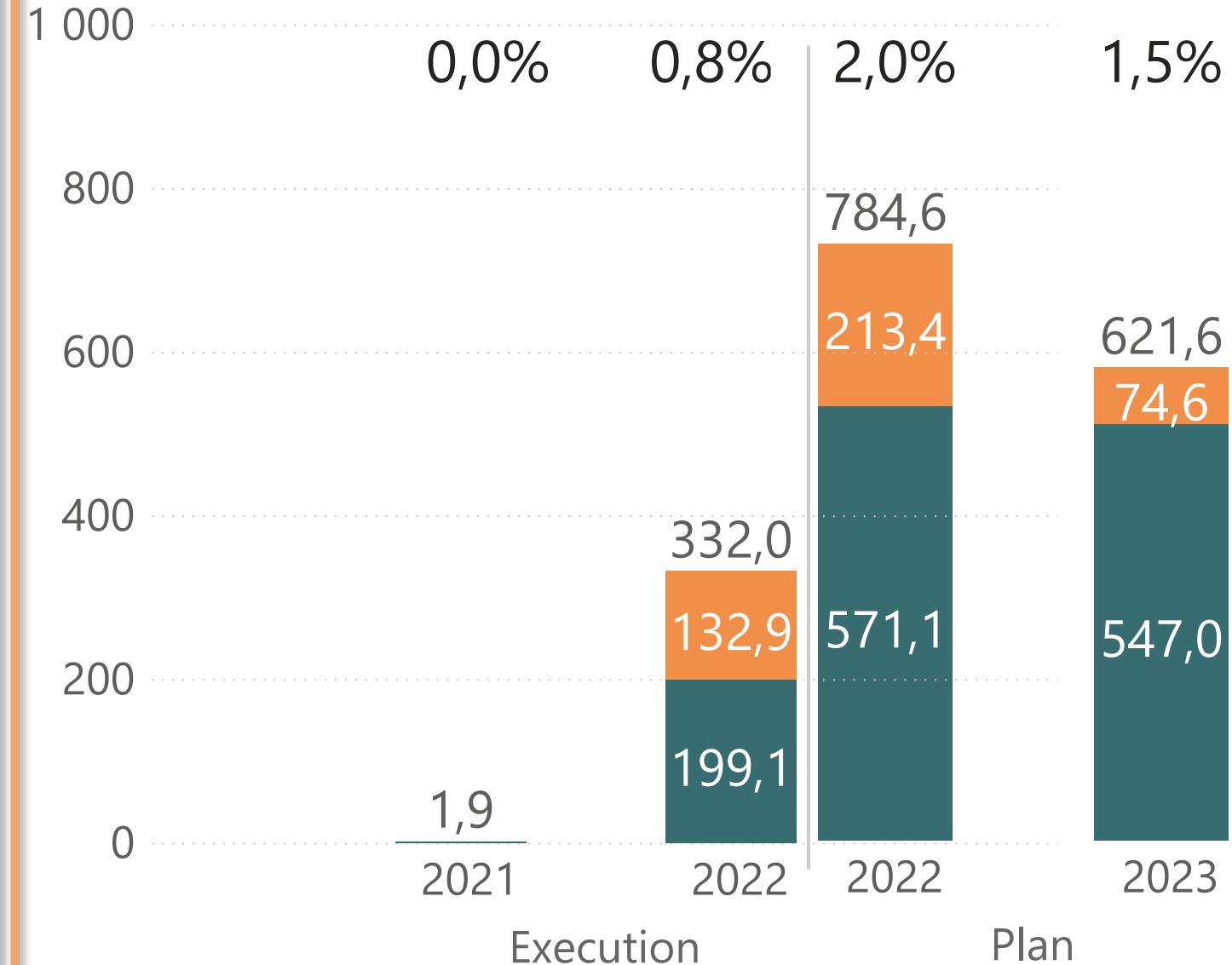
### Covid-19 support to economy, mln € and % of GDP



### Impact on budget balance

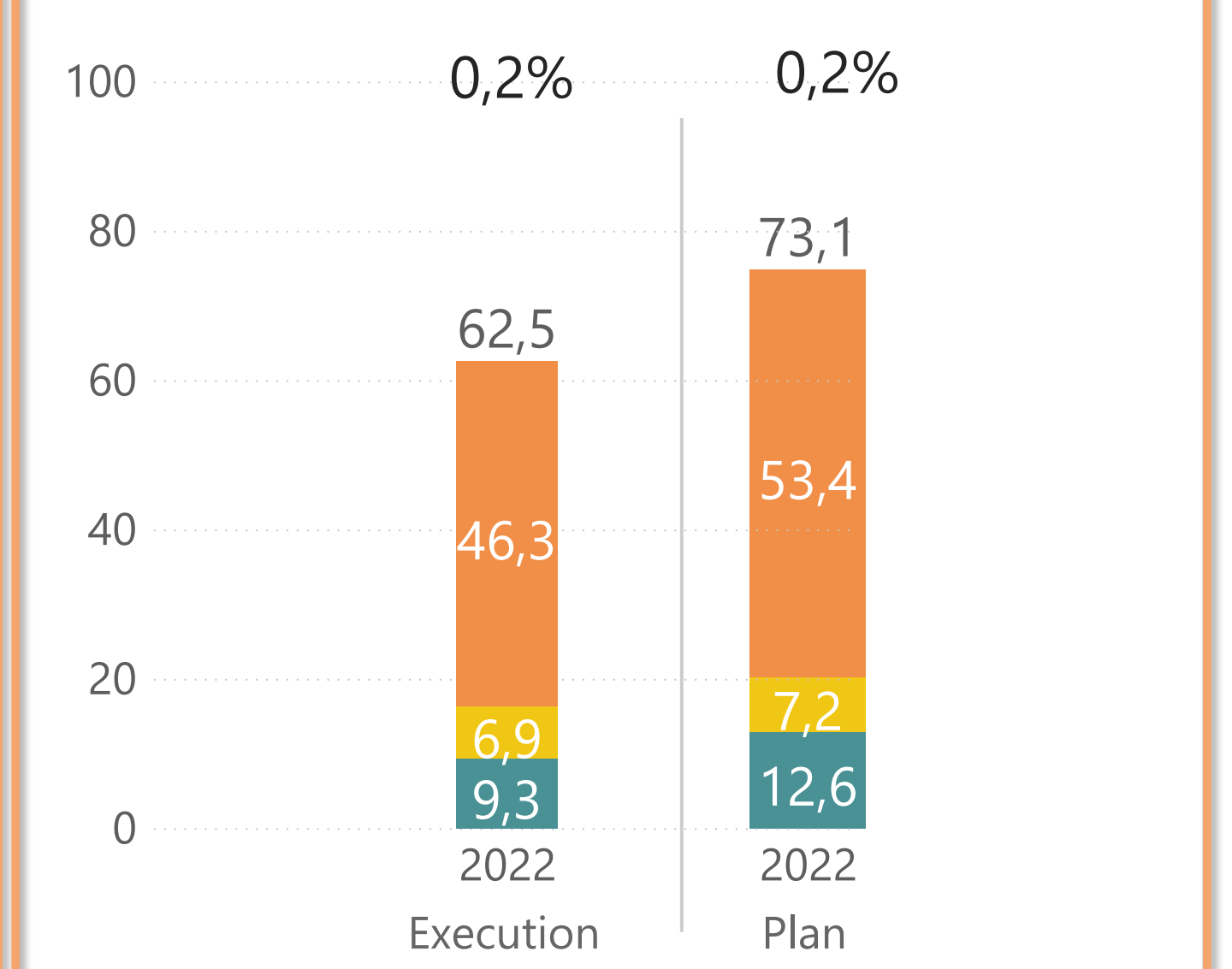
	2020	2021	2022	2022 Plan
mln €	-960,8	-2 102,8	-596,3	-834,6
% of GDP	-3,2%	-6,2%	-1,5%	-2,1%

### Energy support measures, mln € and % of GDP



● Compensatory measures to reduce price increase  
● Social benefits

### Support to Ukrainian citizens, mln € and % of GDP



● Other payments  
● Payments to international organizations  
● Transfers to local municipalities

Source: Plan according to the government decisions till October 24th, 2022. Execution according to data from the State Treasury, State Revenue Service, ALTUM, etc. till September 30, 2022.