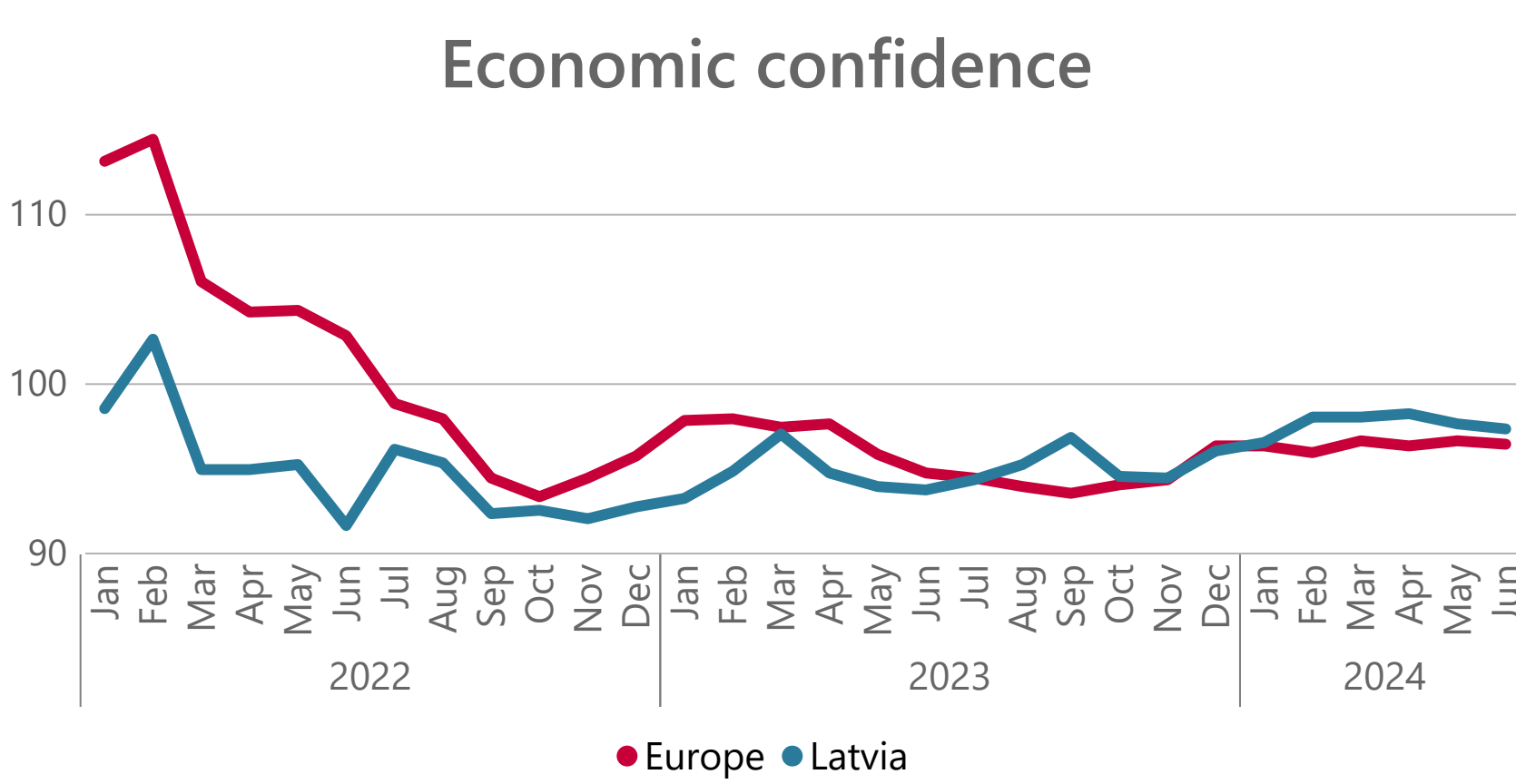
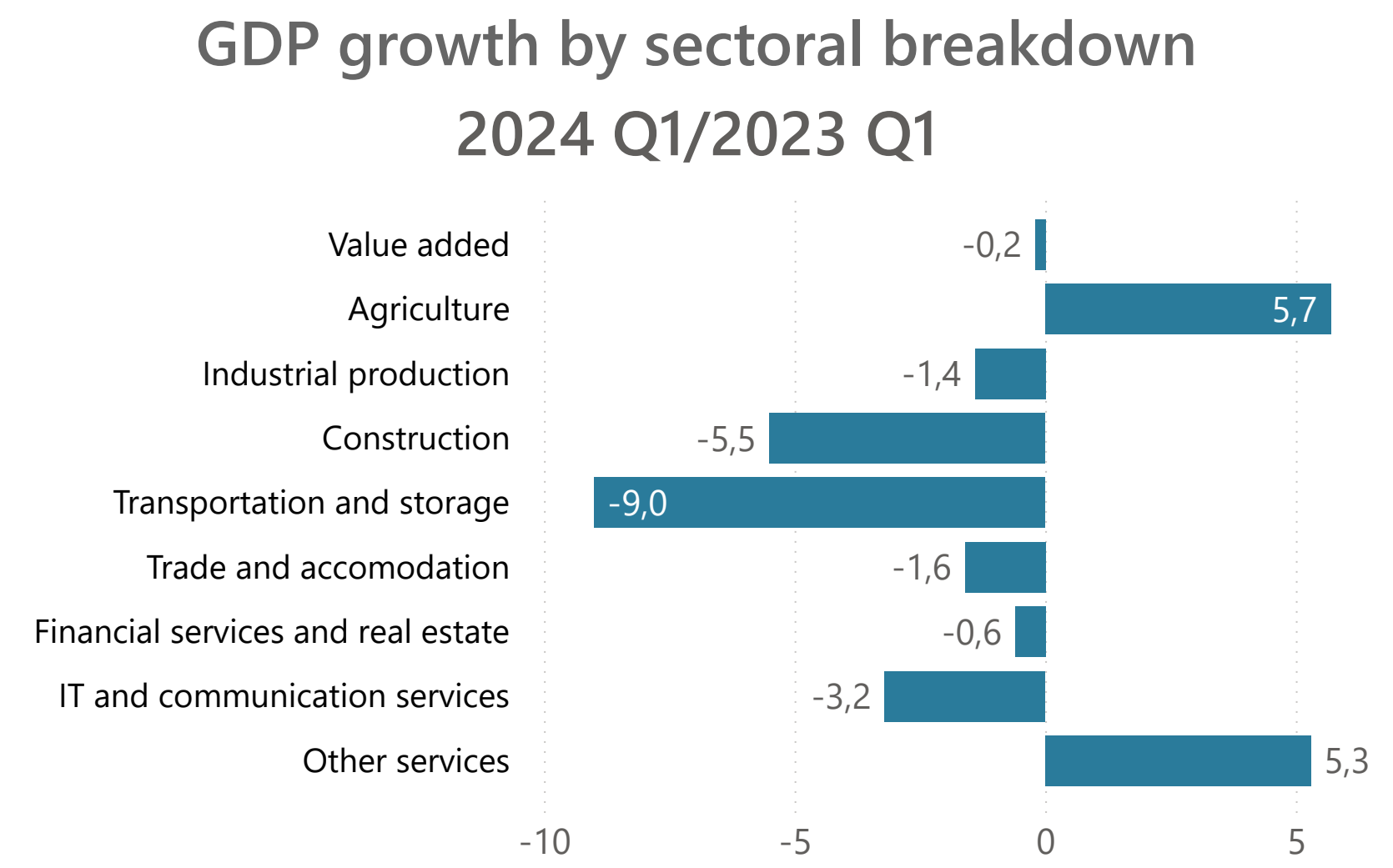


MACROECONOMIC AND BUDGETARY REVIEW 2024

No 5

GROSS DOMESTIC PRODUCT (GDP)



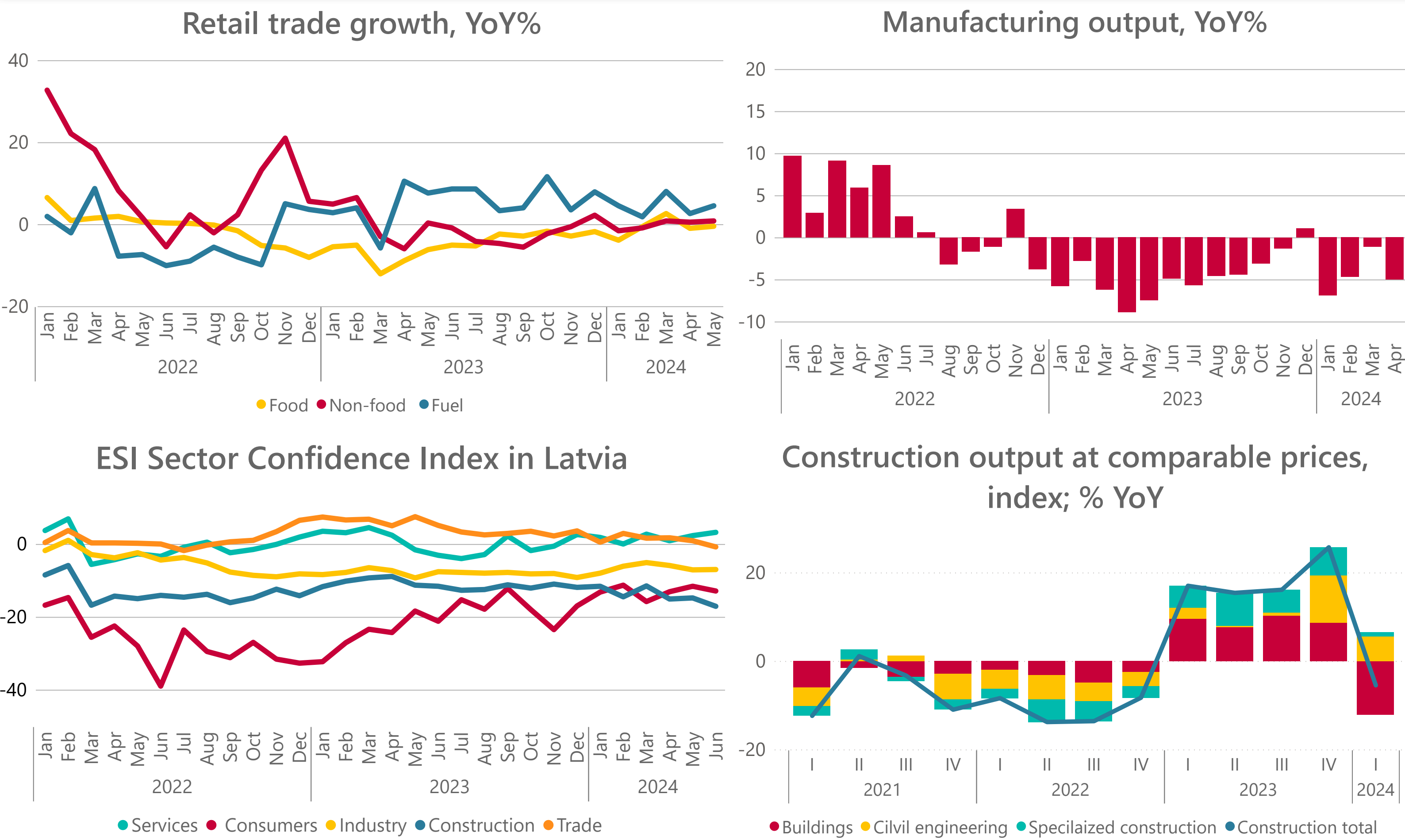
Source: European Commission; Central Statistical Bureau(CSB)

MAIN MACROECONOMIC INDICATORS

Indicator	2019	2020	2021	2022	2023	2024*	2025*	2026*	2027*	2028*
Nominal GDP growth, %	4,9	-1,5	10,8	15,1	5,1	3,8	5,9	5,5	5,4	5,1
Real GDP growth, %	0,6	-3,5	6,7	3	-0,3	1,4	2,9	2,8	2,6	2,3
GDP deflator, % change	4,3	2,1	3,8	11,8	5,4	2,4	2,9	2,7	2,7	2,7
Consumer price index, % change	2,8	0,2	3,3	17,3	8,9	1,2	2,2	2,5	2,5	2,5
Average monthly gross wage, EUR	1076	1143	1277	1373	1537	1655	1760	1865	1958	2056
nominal growth, %	7,2	6,2	11,7	7,5	11,9	7,7	6,3	6	5	5
real growth, %	4,2	6	8,2	-8,4	2,8	6,4	4	3,4	2,4	2,4
Number of persons employed, thsd	910	893	864	886	884	884	884	883	882	878
growth, %	0,1	-1,9	-3,2	2,6	-0,2	0	0	-0,1	-0,2	-0,4
Unemployment rate, %	6,3	8,1	7,6	6,9	6,5	6,7	6,3	6	5,5	4,9

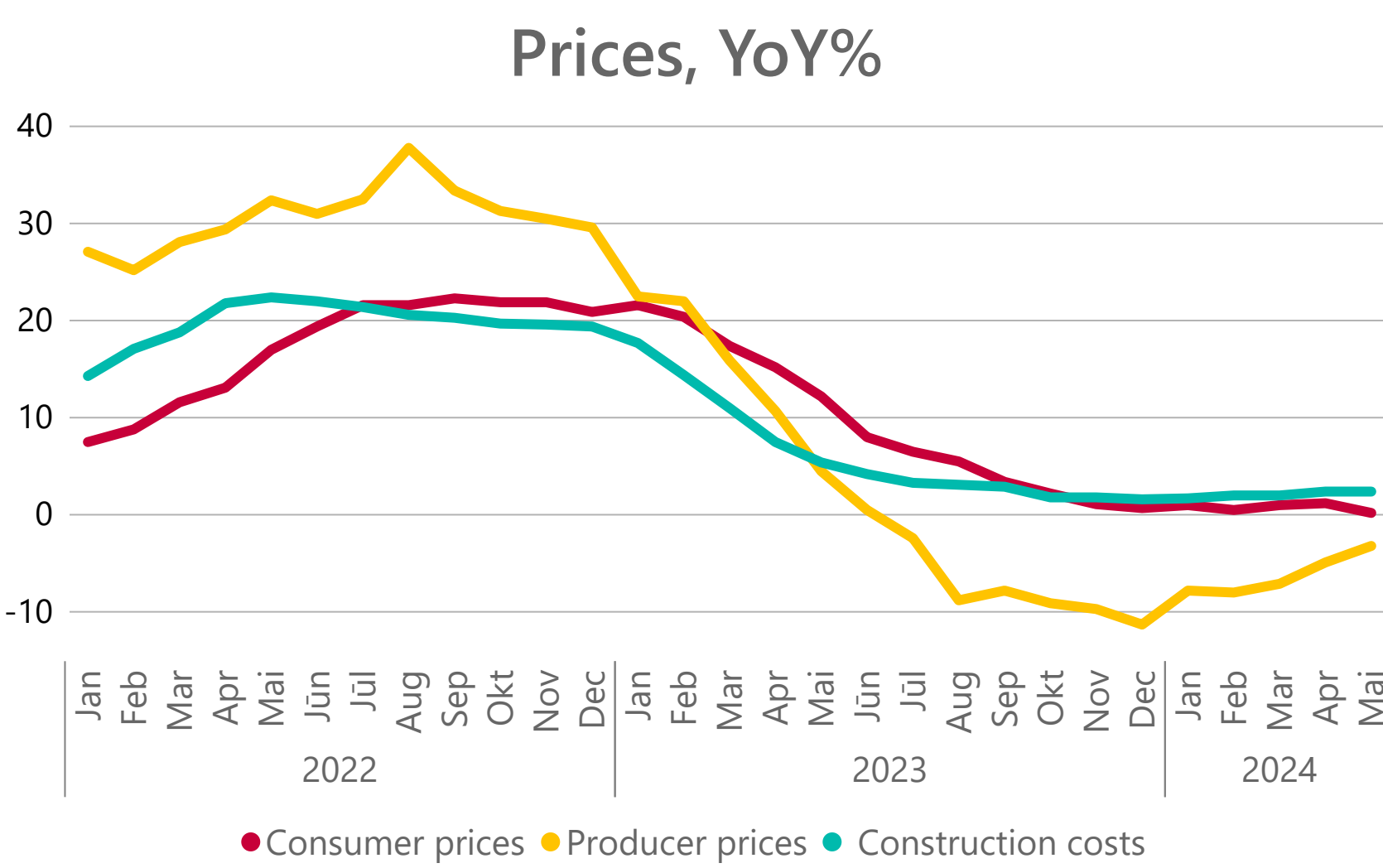
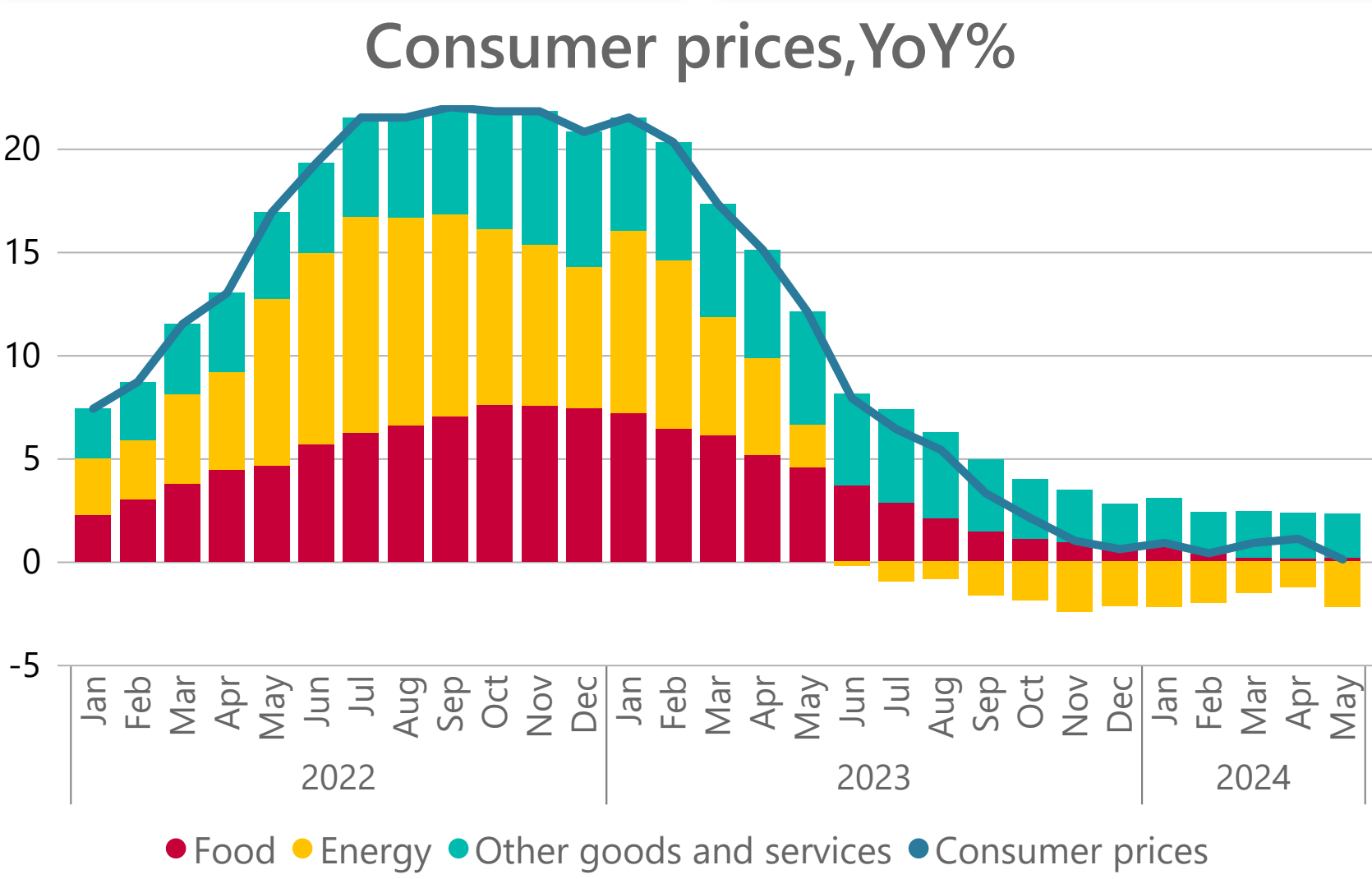
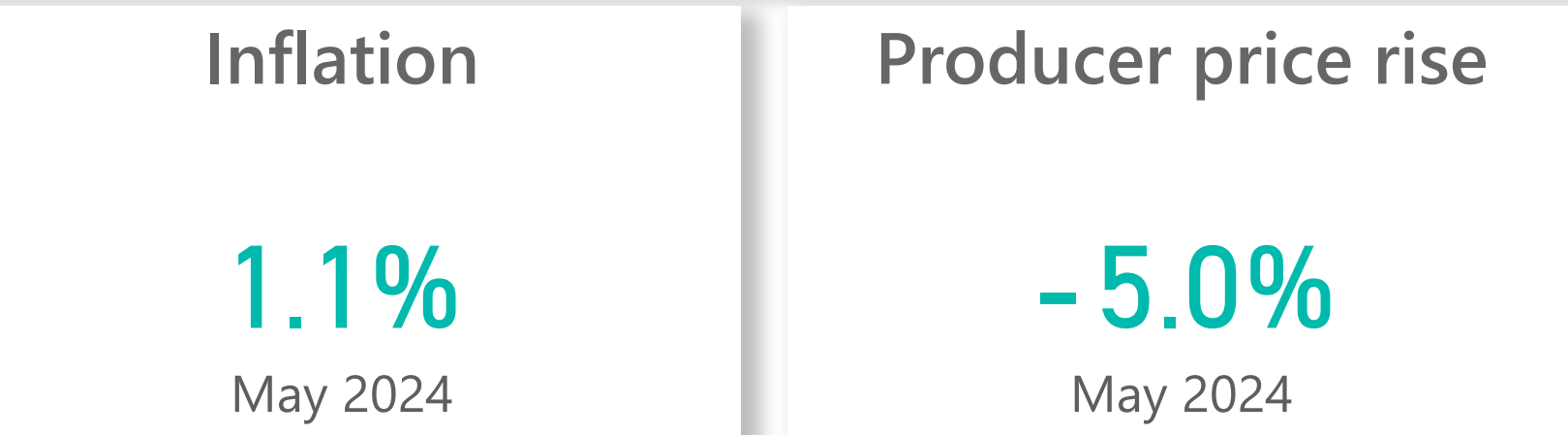
Source: CSB (24.05.2024), *forecasts of the Ministry of Finance of the Republic of Latvia (June 2024)

INDUSTRIES



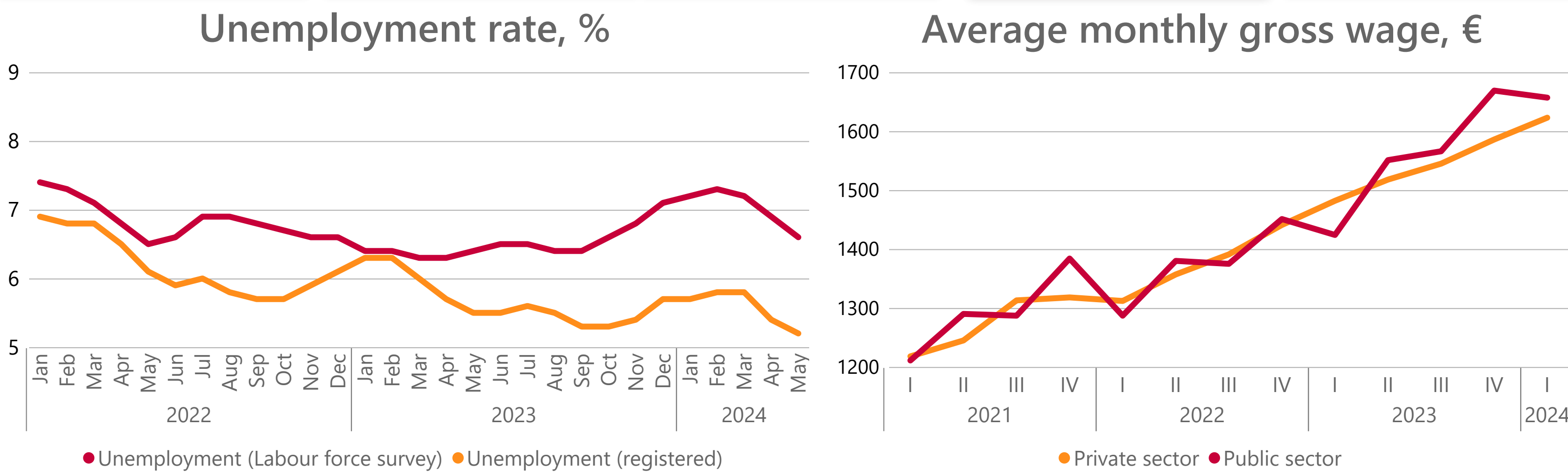
Source: CSB, European Commission

INFLATION



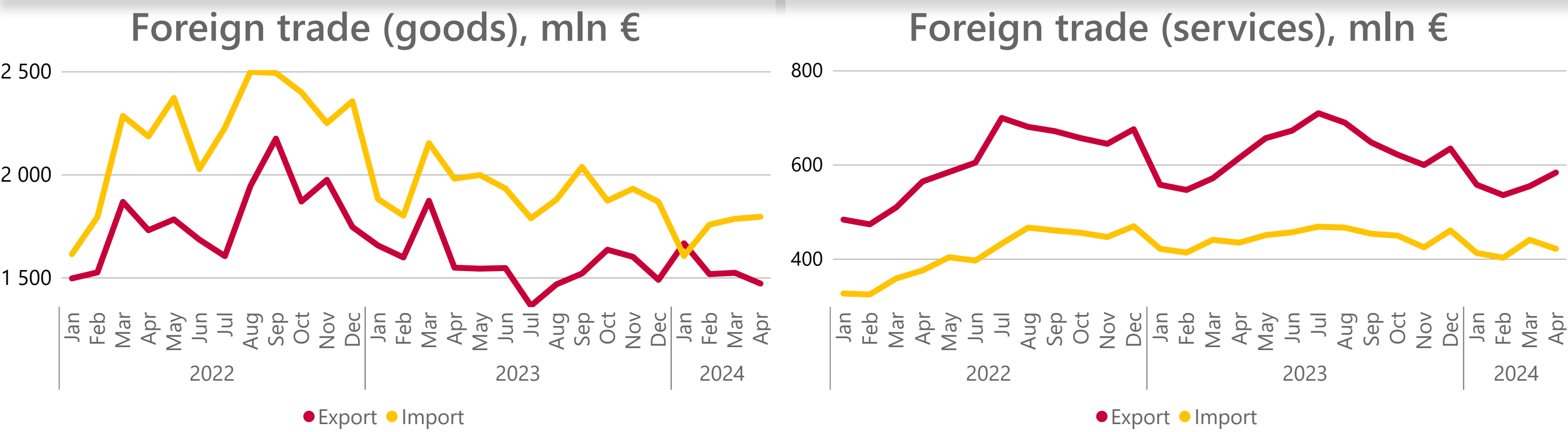
Source: CSB

UNEMPLOYMENT



Source: CSB, State Employment Agency

FOREIGN TRADE



Source: CSB; Bank of Latvia

GENERAL GOVERNMENT BUDGET

General government budget balance 2024

-2.9% of GDP

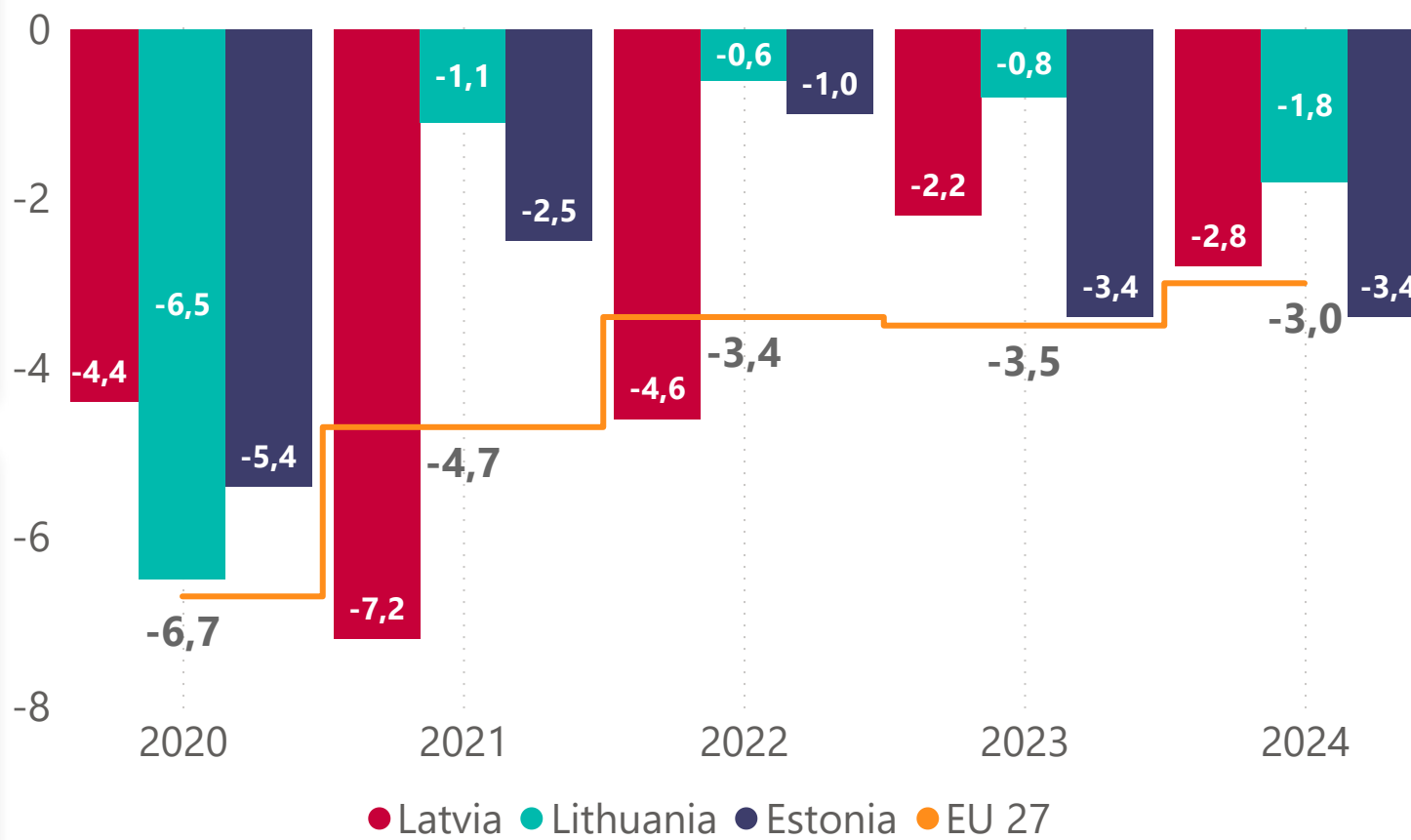
Stability programme 2024-2028

General government debt 2024

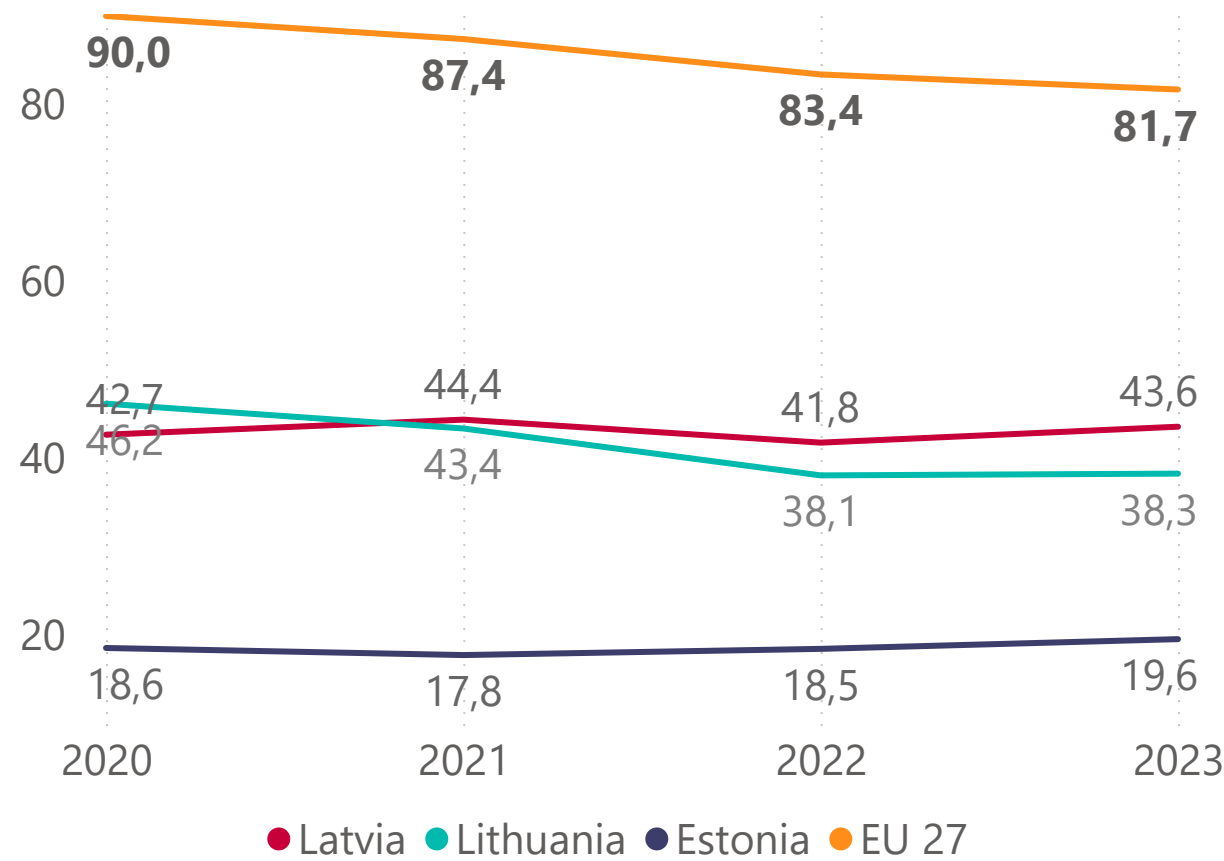
45.2% of GDP

Stability programme 2024-2028

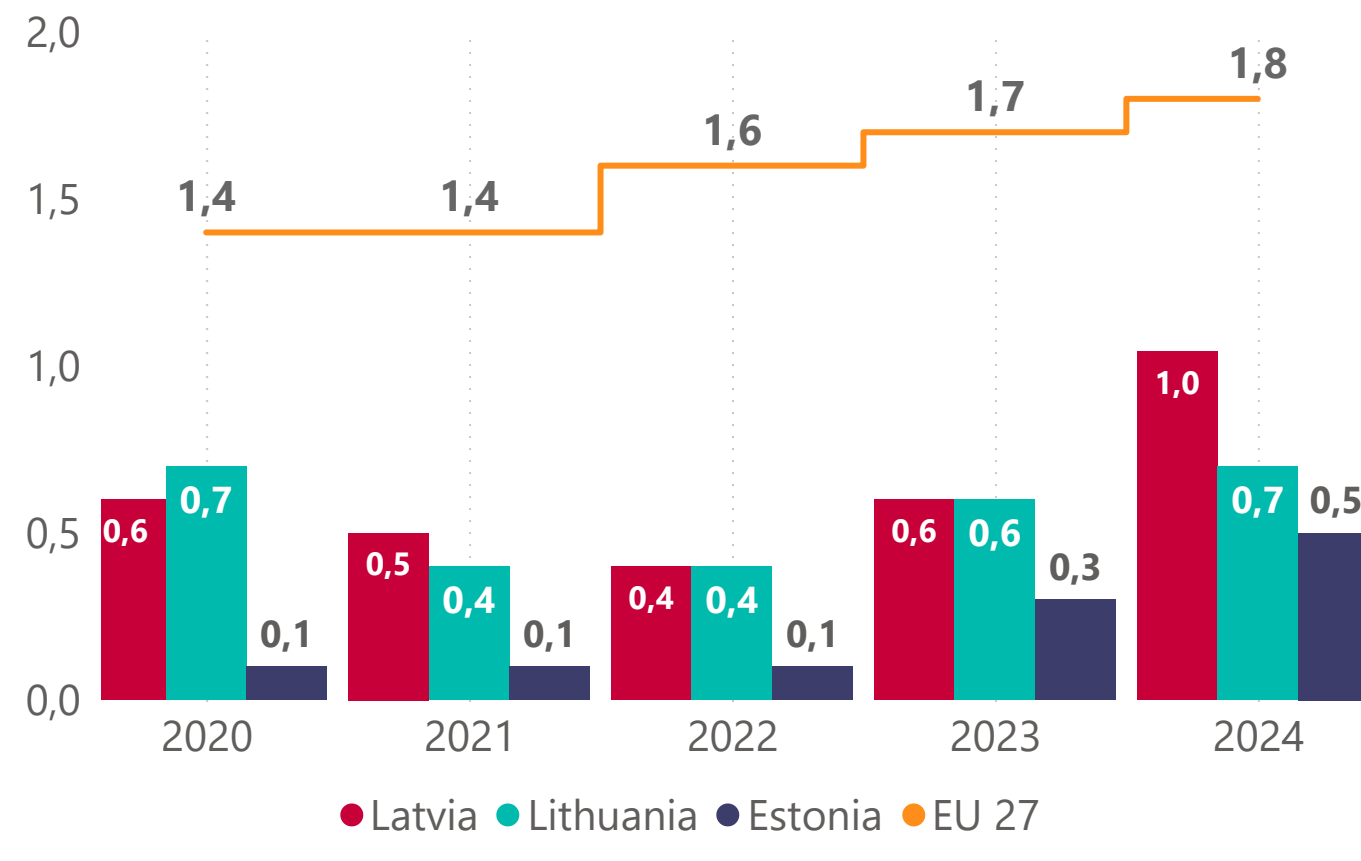
General government budget balance, % of GDP



General government debt, % of GDP



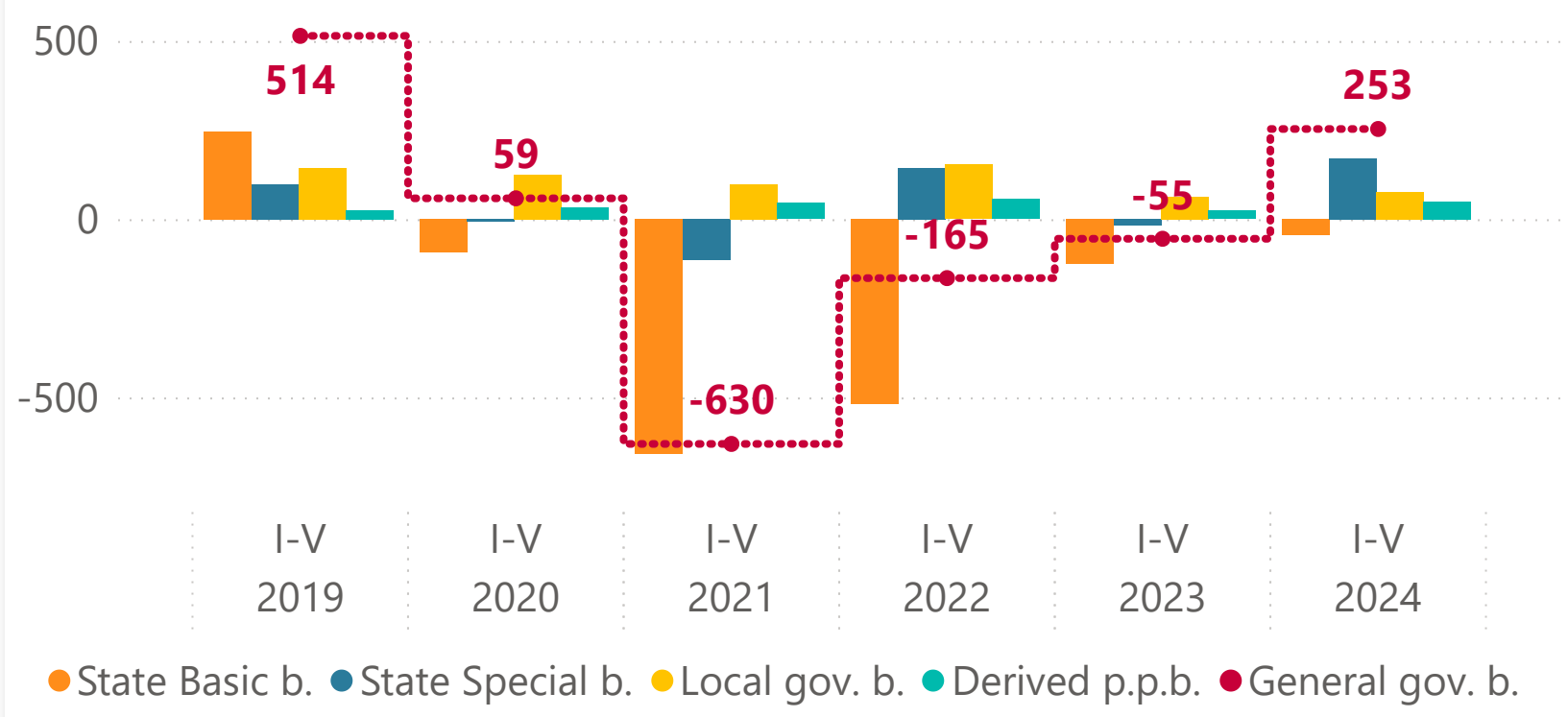
Interest expenditure (D.41), % of GDP



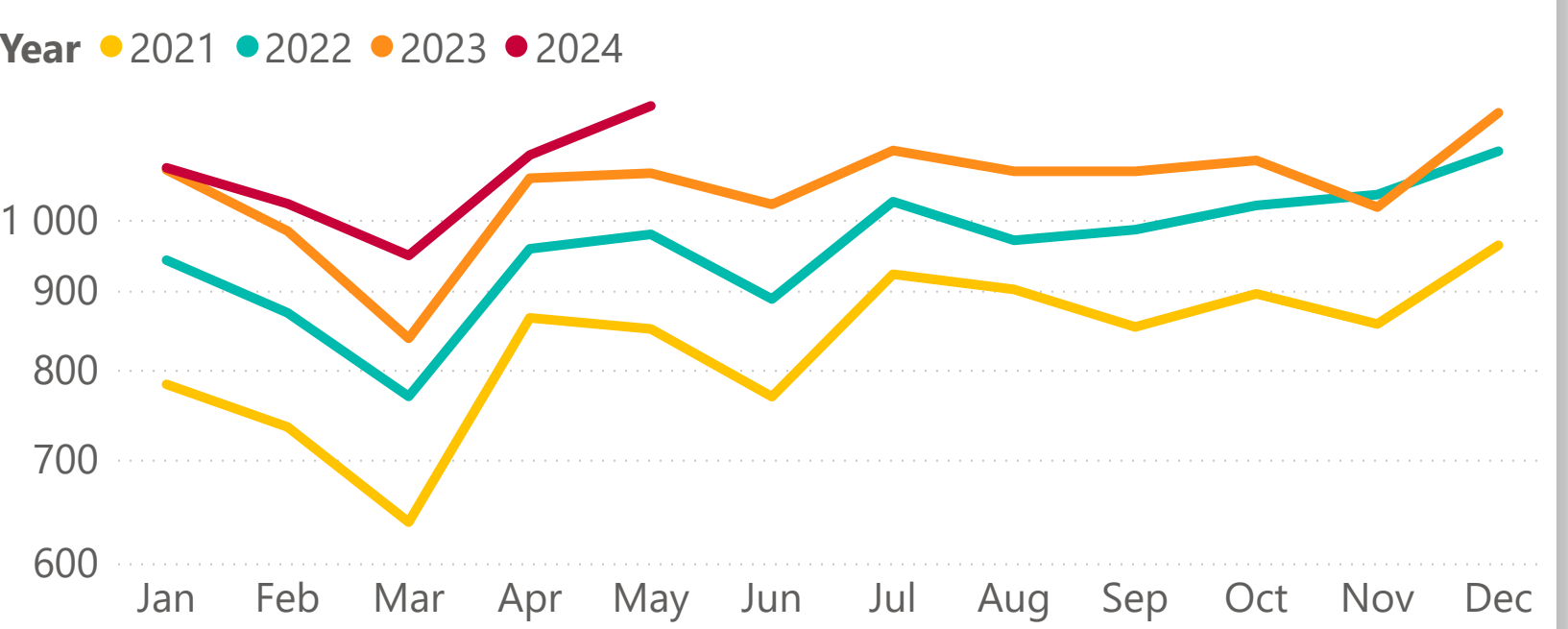
Source: Eurostat, European Commission forecasts Spring 2024 (AMECO)

GENERAL GOVERNMENT BUDGET JANUARY-MAY 2024
ON CASH BASIS

General government budget balance, mln €



General government budget tax revenue, mln €



Source: State Treasury

General government budget tax revenue in January-May 2024, including revenue in the single tax account (-62.2 mln €) and excluding SSC at the 2nd pension pillar (340 mln €).

General government budget

Execution, YoY, mln € YoY,%

General government budget	Execution, mln €	YoY, mln €	YoY,%
Revenue	7 223,4	843,4	13,2%
Expenditure	6 970,2	535,5	8,3%
Balance	253,2	308,0	

General government budget

Execution, mln € YoY, mln € YoY,%

General government budget	Execution, mln €	YoY, mln €	YoY,%
Revenue			
Tax revenue	5 338,9	304,1	6,0%
Non tax revenue	385,4	-40,0	-9,4%
Self-earned revenue	237,9	28,6	13,7%
Foreign financial assistance	1 260,5	550,8	77,6%
Expenditure			
Remuneration	1 548,1	265,9	20,7%
Goods and services	765,3	-15,1	-1,9%
Interest payments	246,1	92,9	60,7%
Subsidies and grants	1 601,0	-34,2	-2,1%
Social support	2 153,1	99,5	4,8%
Payments to EU budget	153,8	6,6	4,5%
Capital expenditure	469,5	109,7	30,5%

General government budget tax revenue

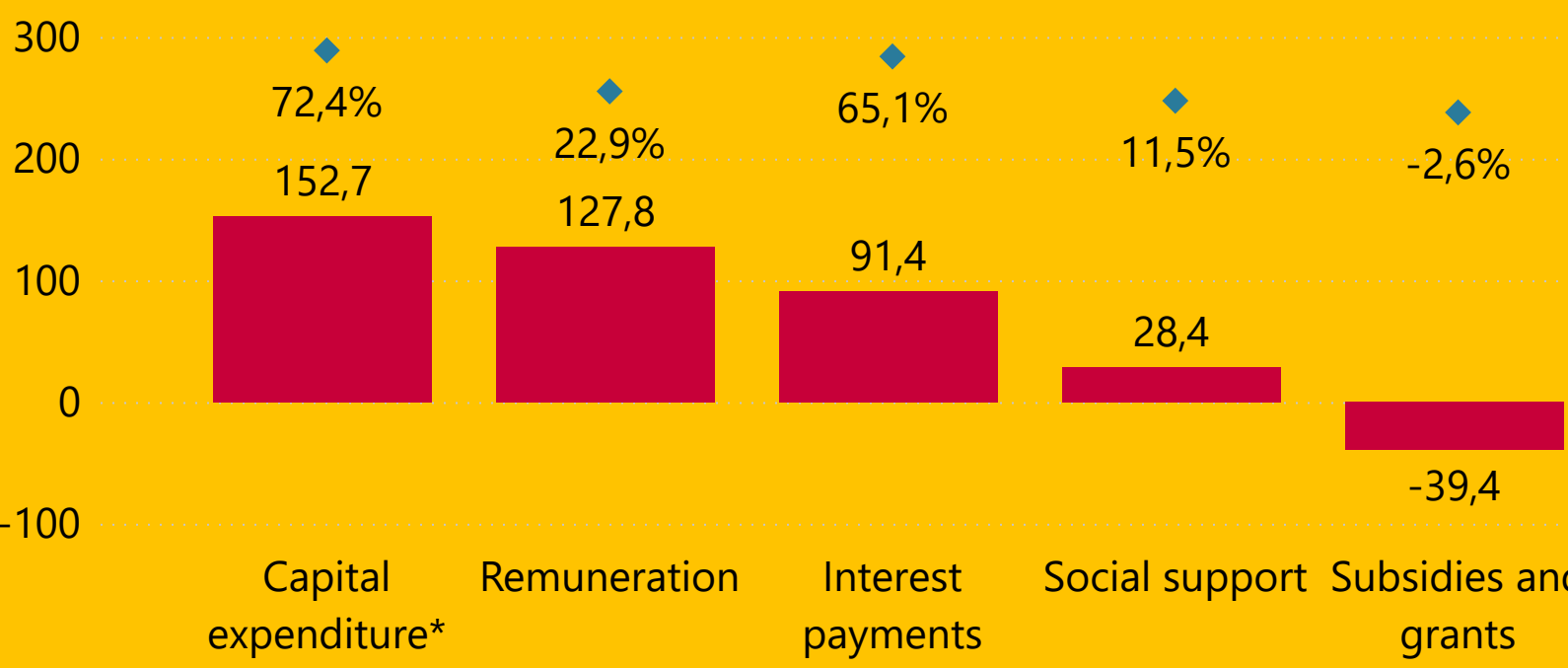
Tax type Execution, mln € YoY, mln € YoY,%

Tax type	Execution, mln €	YoY, mln €	YoY,%
SSC	1 852,3	248,1	15,5%
VAT	1 471,2	-170,4	-10,4%
PIT	1 008,1	137,4	15,8%
EXCISE	471,0	4,2	0,9%
CIT	304,9	94,5	45,0%

STATE BASIC BUDGET

State Basic Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	4 310,9	525,0	13,9%
Expenditure	4 355,5	444,9	11,4%
Balance	-44,6	80,1	

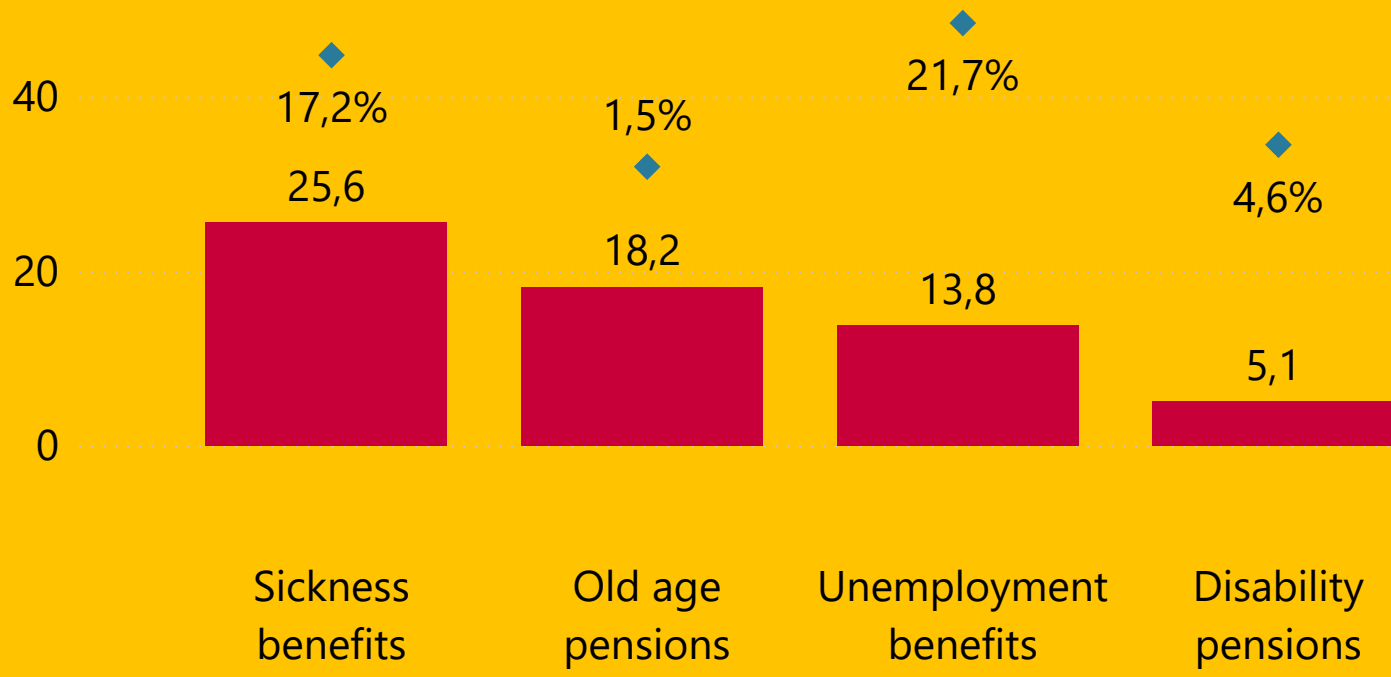
Major changes in mln € and % against respective period year before



STATE SPECIAL BUDGET

State Special Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	1 948,4	256,1	15,1%
Expenditure	1 777,3	66,7	3,9%
Balance	171,0	189,3	

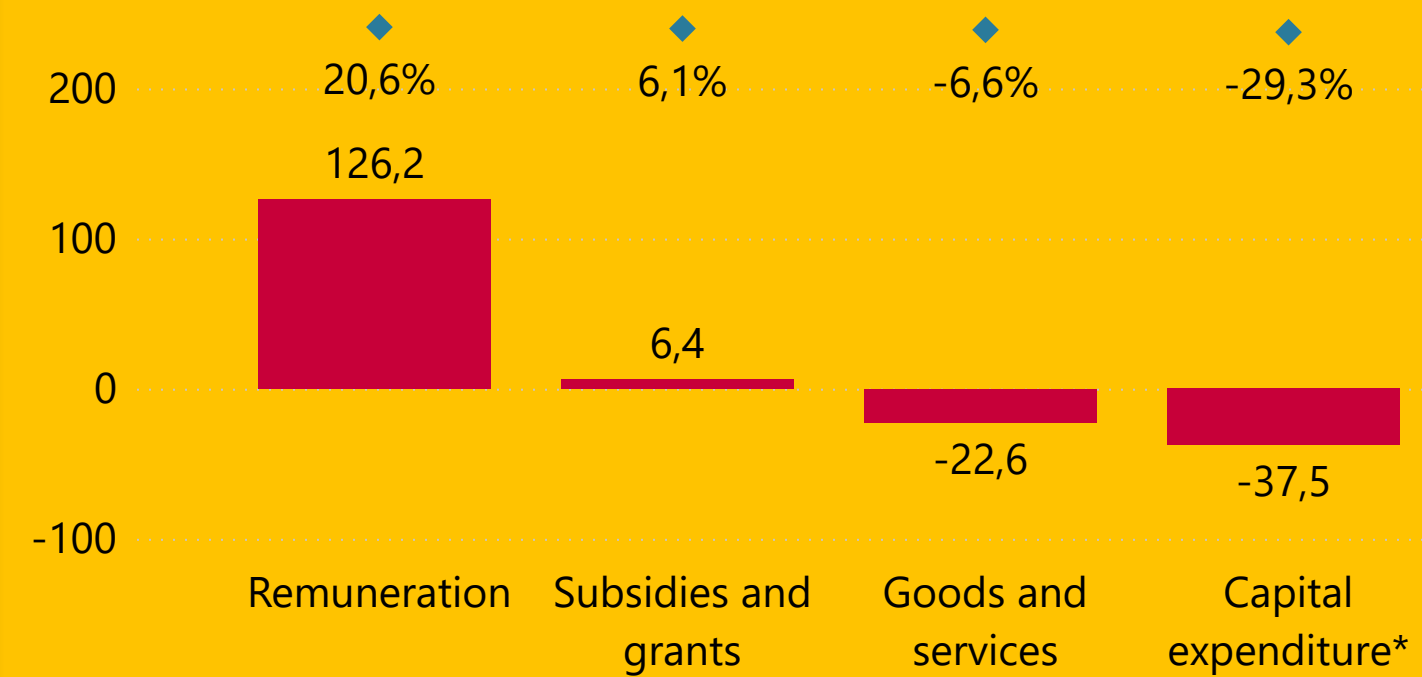
Major changes in mln € and % against respective period year before



LOCAL GOVERNMENT BUDGET

Local Government Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	1 496,5	114,2	8,3%
Expenditure	1 419,2	101,2	7,7%
Balance	77,2	13,0	

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

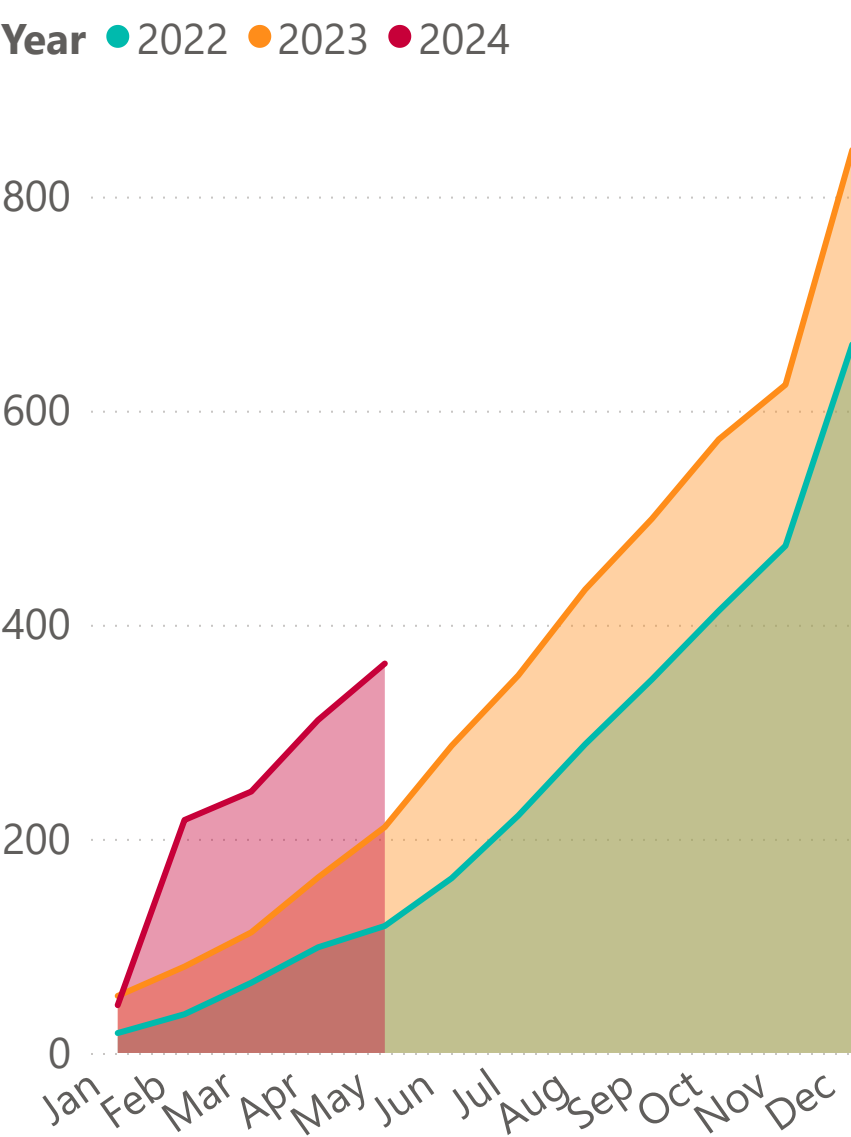


*Capital expenditure - fixed capital formation, excluding transfers between budget levels

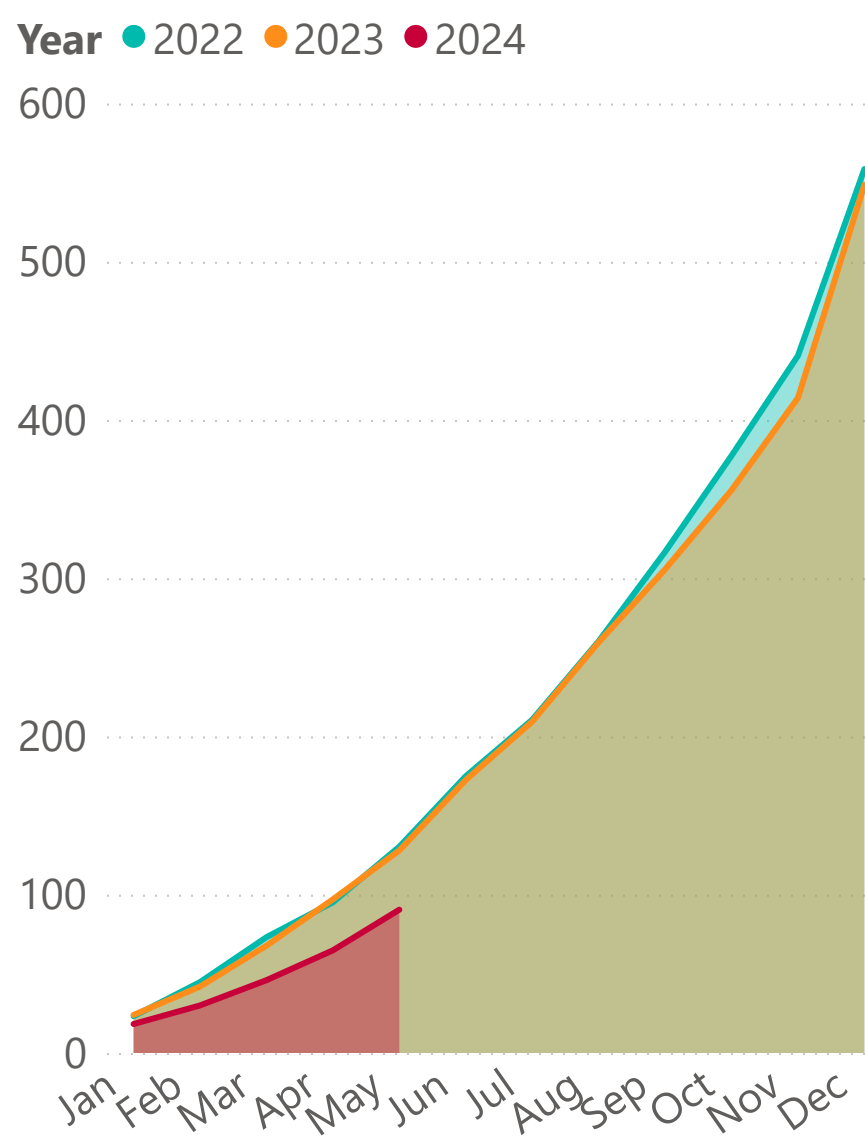
YoY - changes in mln euro against respective period year before; YoY% - changes in per cent against respective period year before

CAPITAL EXPENDITURE

State basic budget fixed capital formation (accumulated), mln €



Local government budget fixed capital formation (accumulated), mln €



Source: State Treasury

SOCIAL SECURITY

Old-age pensions recipients

433 952
(+0.2% YoY)
May 2024

Unemployment benefit recipients

33 235
(+9.8% YoY)
May 2024

Old-age pensions average amount

569€
(+7.4% YoY)
May 2024

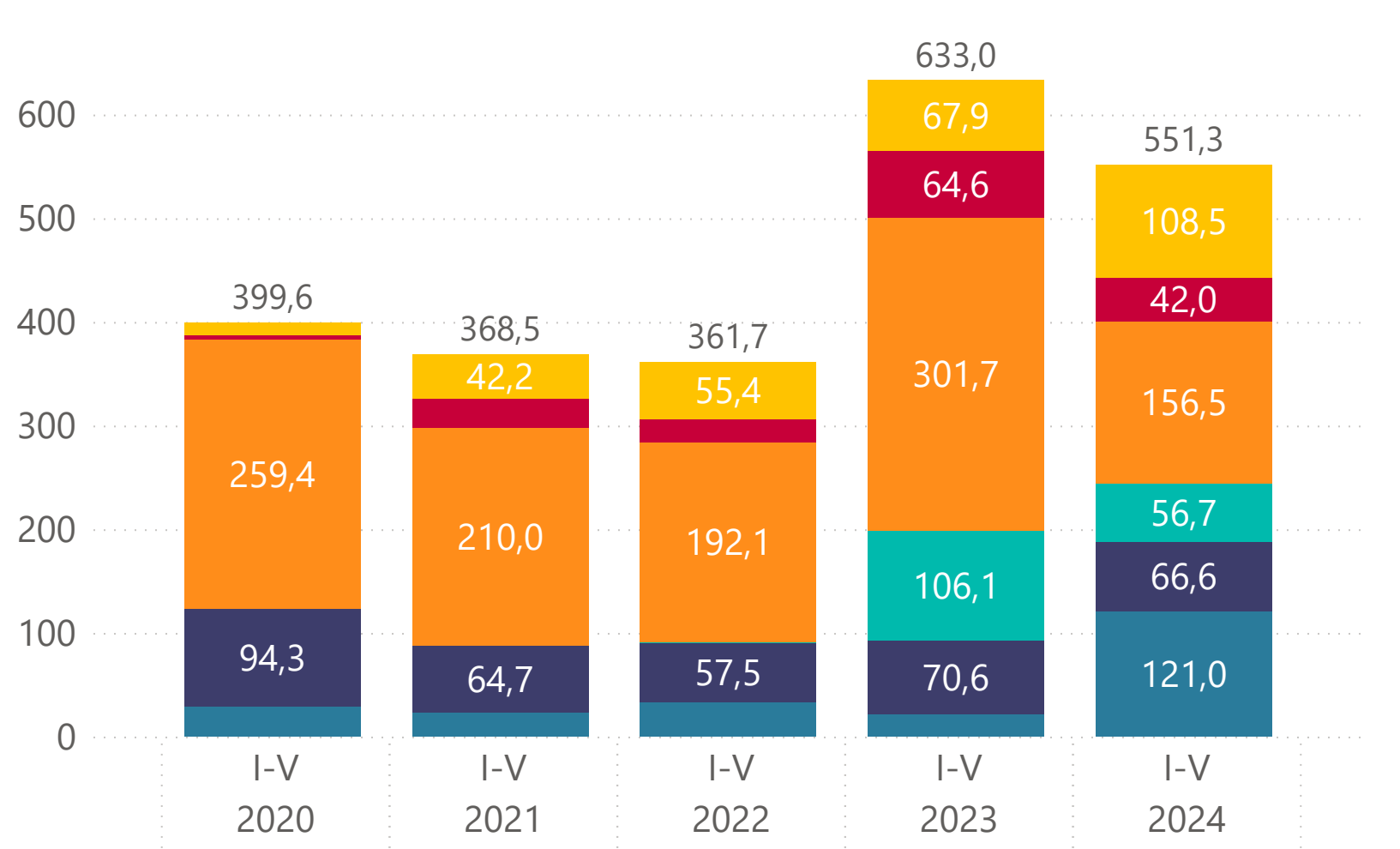
Unemployment benefit average amount

432€
(+10.9% YoY)
May 2024

Source: State Social Insurance Agency (SSIA)

FOREIGN FINANCIAL ASSISTANCE

FFA expenditure, mln €



Cohesion policy (European Regional Development Fund (ERDF), European Social Fund (ESF) and Cohesion Fund (CF)), RRF - Recovery and Resilience Facility plan, EAGF - European Agricultural Guarantee Fund; EAFRD - European Agricultural Fund for Rural Development

Source: State Treasury