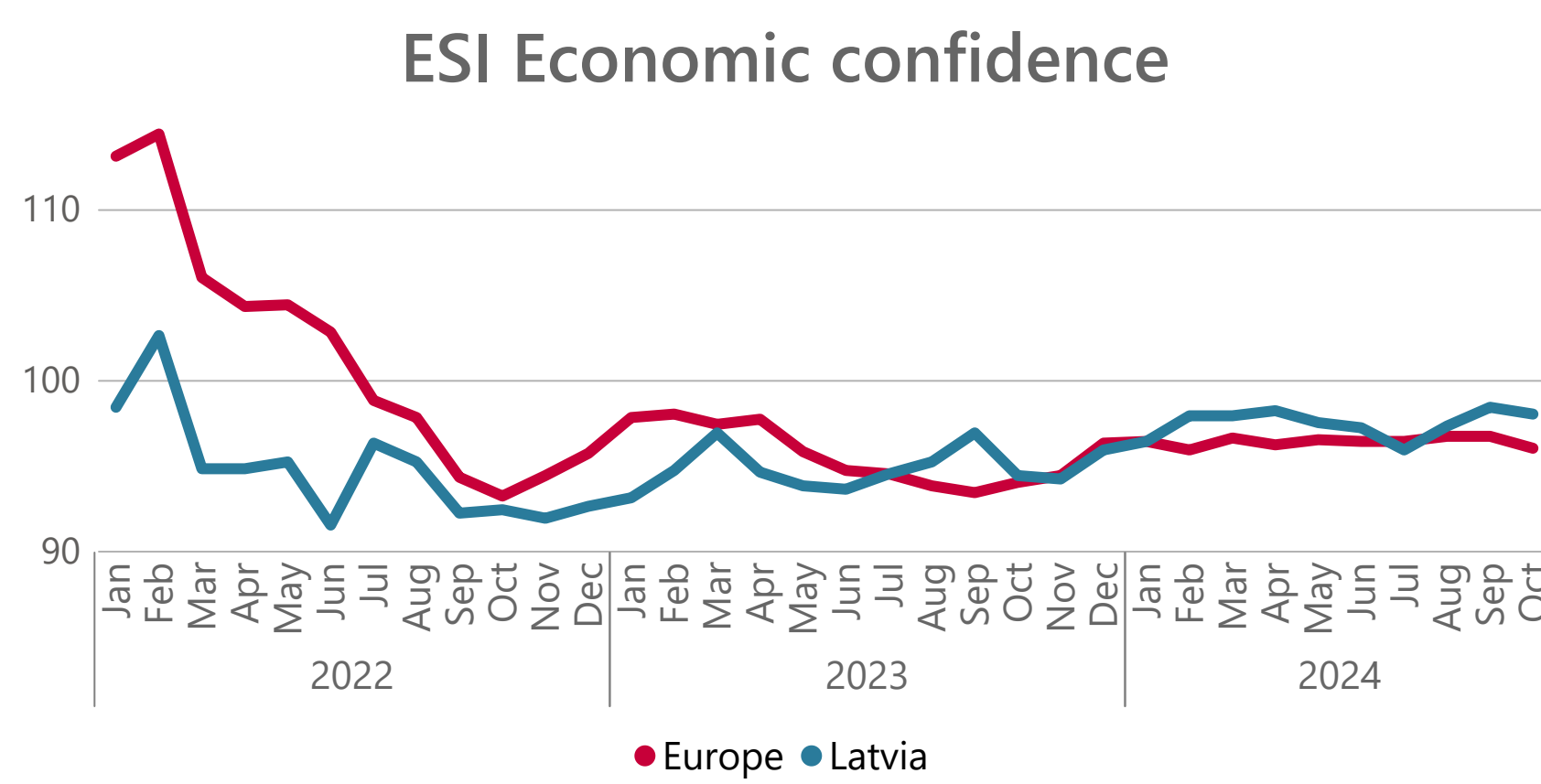
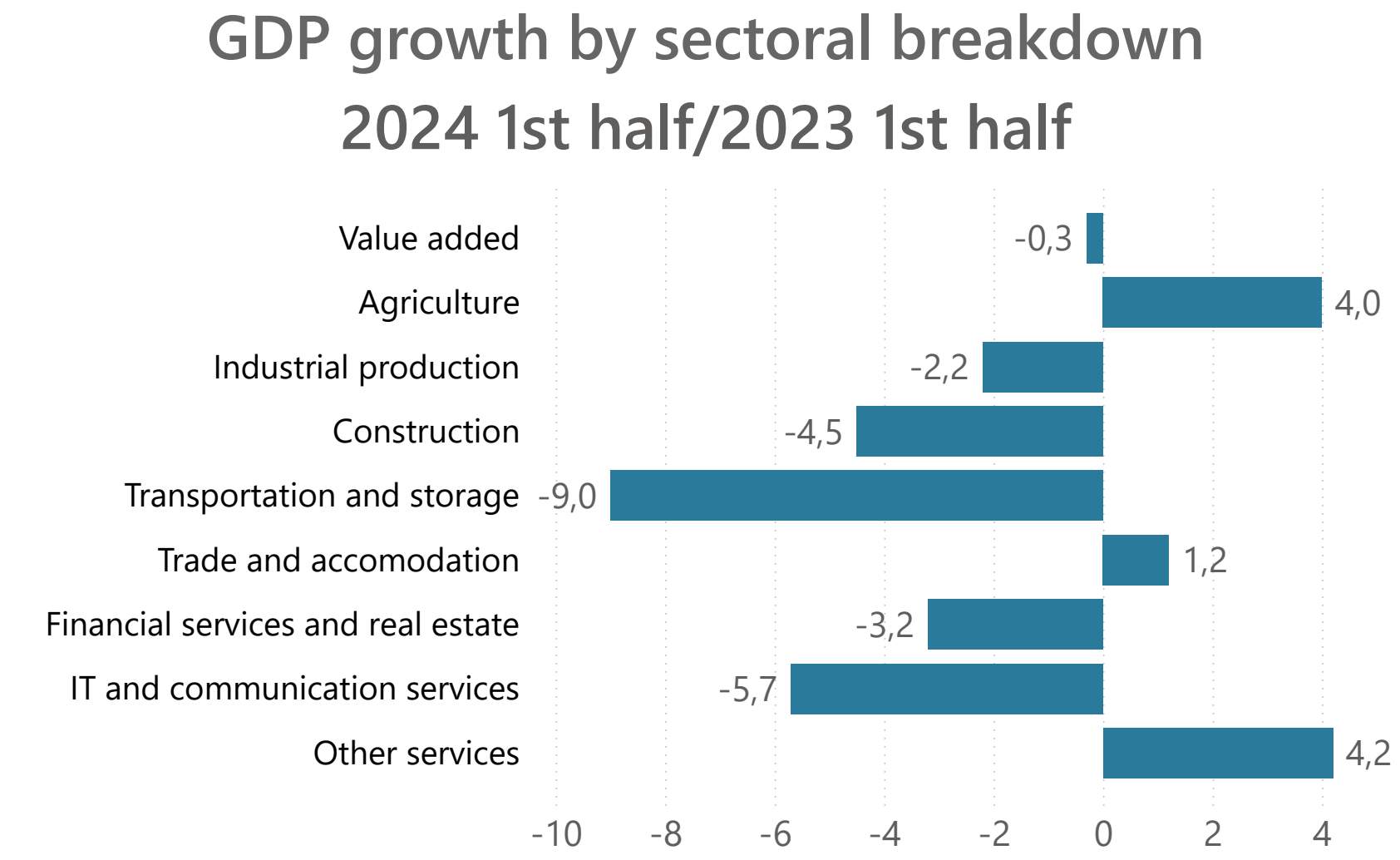


MACROECONOMIC AND BUDGETARY REVIEW 2024

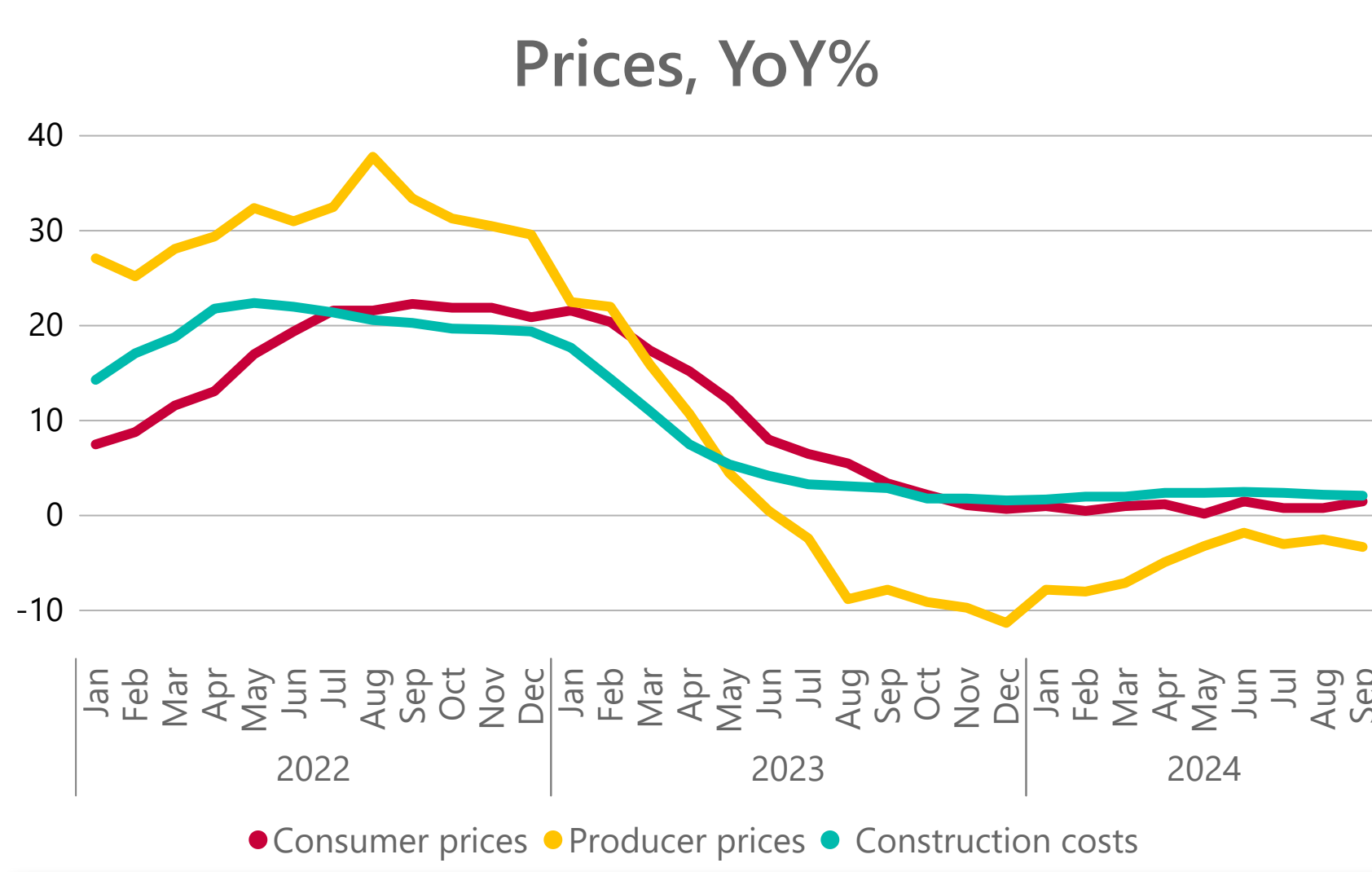
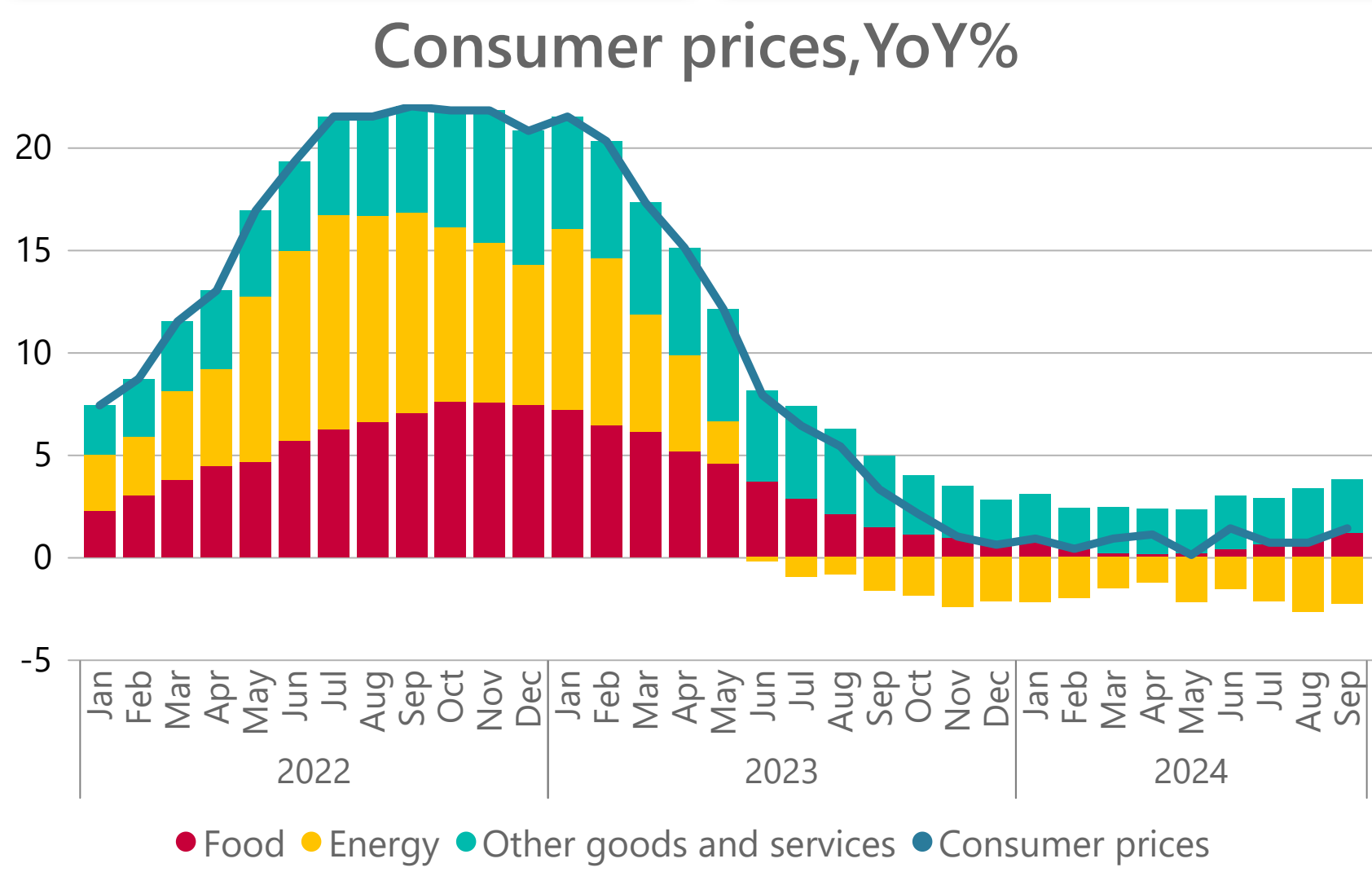
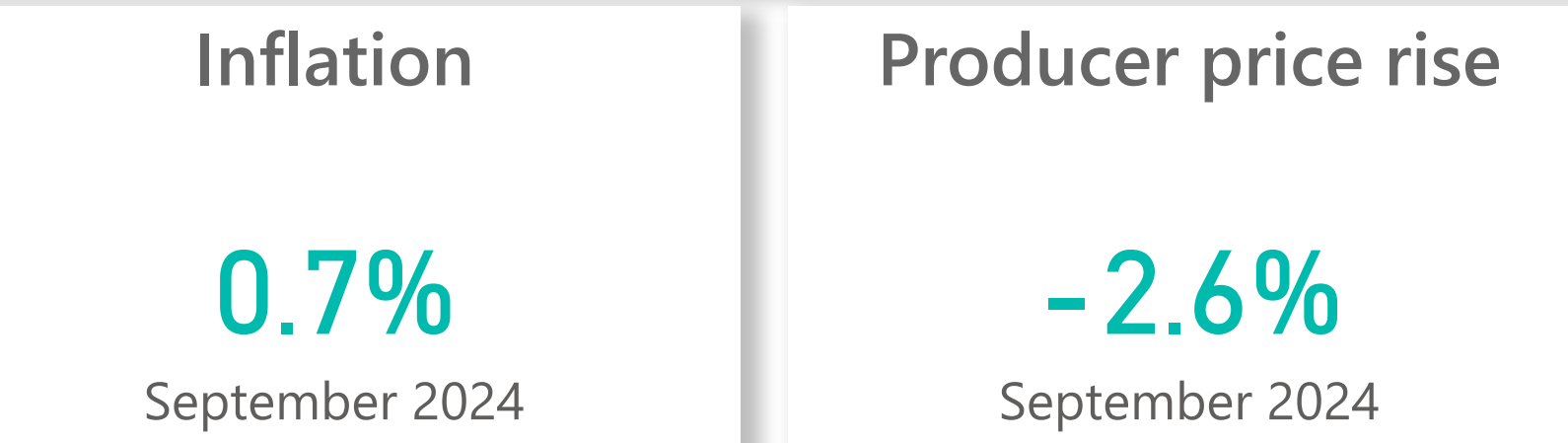
No 9

GROSS DOMESTIC PRODUCT (GDP)



Source: European Commission; Central Statistical Bureau(CSB).

INFLATION



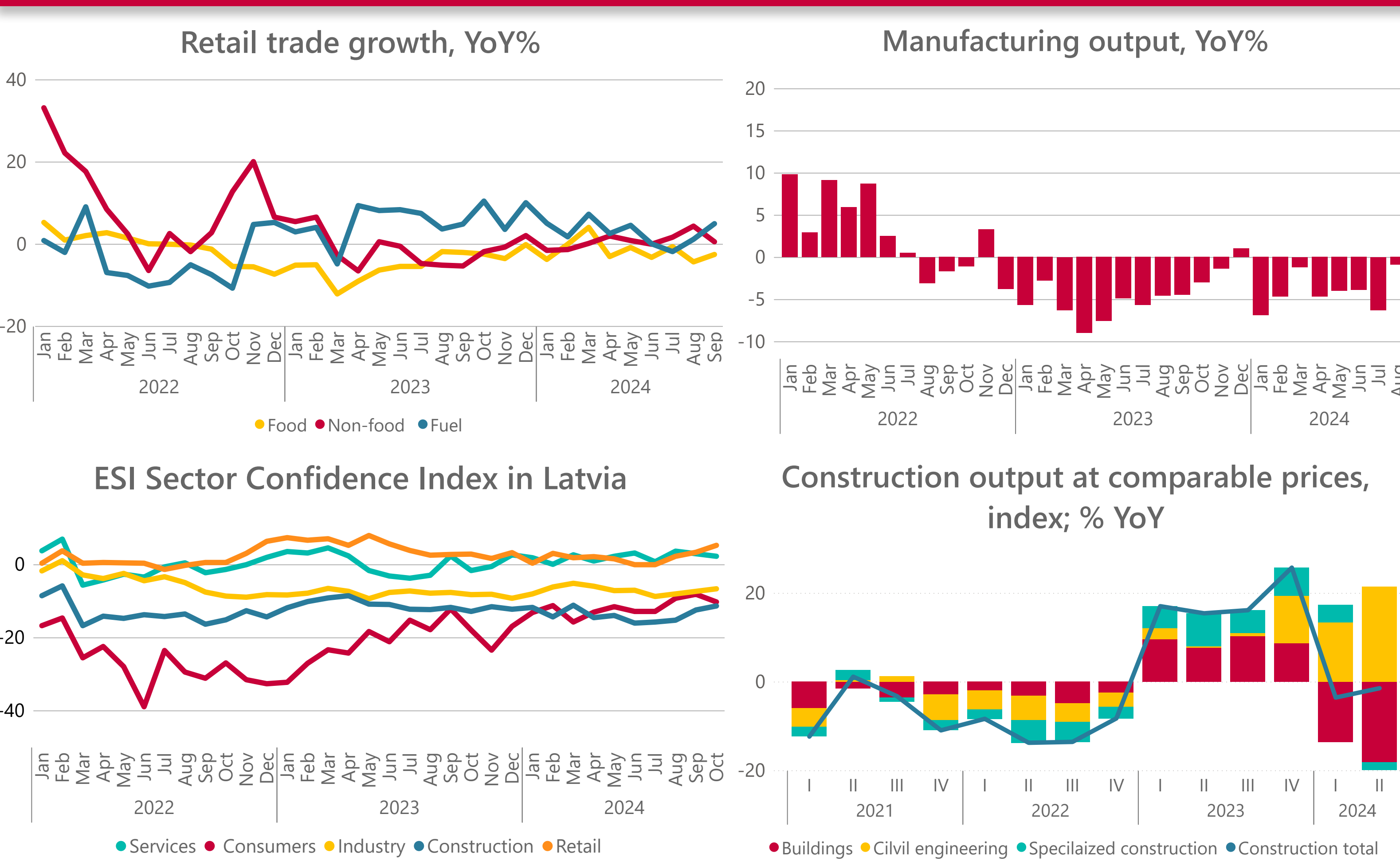
Source: CSB

MAIN MACROECONOMIC INDICATORS

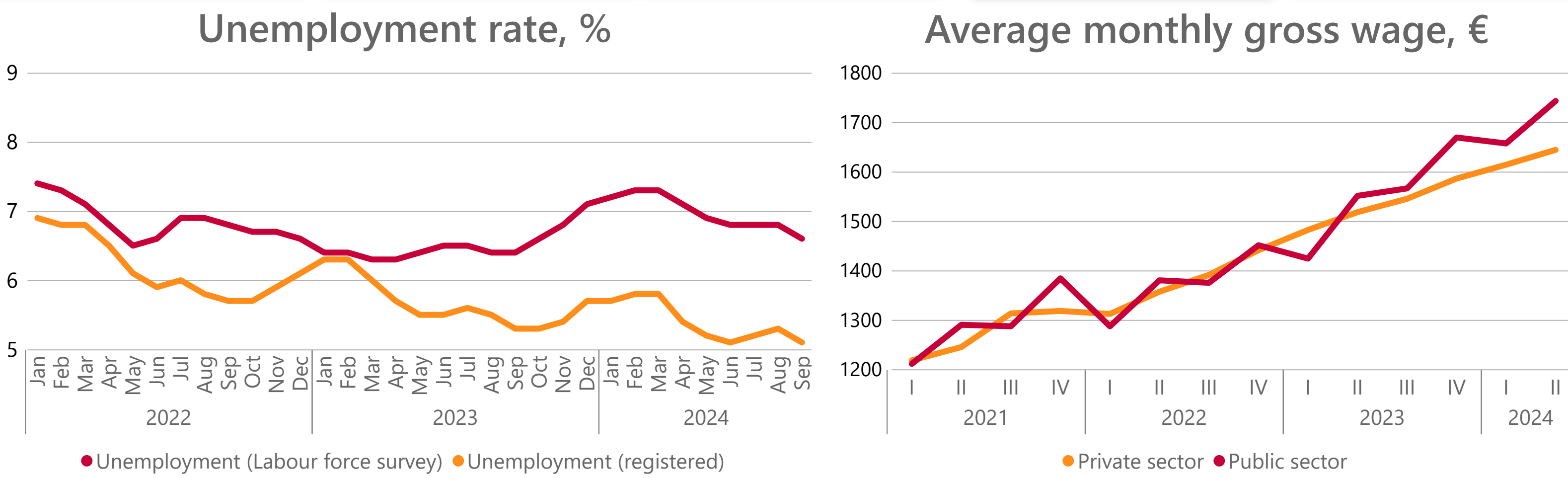
Indicator	2019	2020	2021	2022	2023	2024*	2025*	2026*	2027*	2028*
Nominal GDP growth, %	5	-1,2	10,5	11,8	8,2	3,8	5,9	5,5	5,4	5,1
Real GDP growth, %	0,7	-3,5	6,9	1,8	1,7	1,4	2,9	2,8	2,6	2,3
GDP deflator, % change	4,3	2,4	3,3	9,8	6,4	2,4	2,9	2,7	2,7	2,7
Consumer price index, % change	2,8	0,2	3,3	17,3	8,9	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 (18.10.2024), *forecasts of the Ministry of Finance of the Republic of Latvia (June 2024)

INDUSTRIES



UNEMPLOYMENT



GENERAL GOVERNMENT BUDGET

General government budget balance 2024

-2.6% of GDP

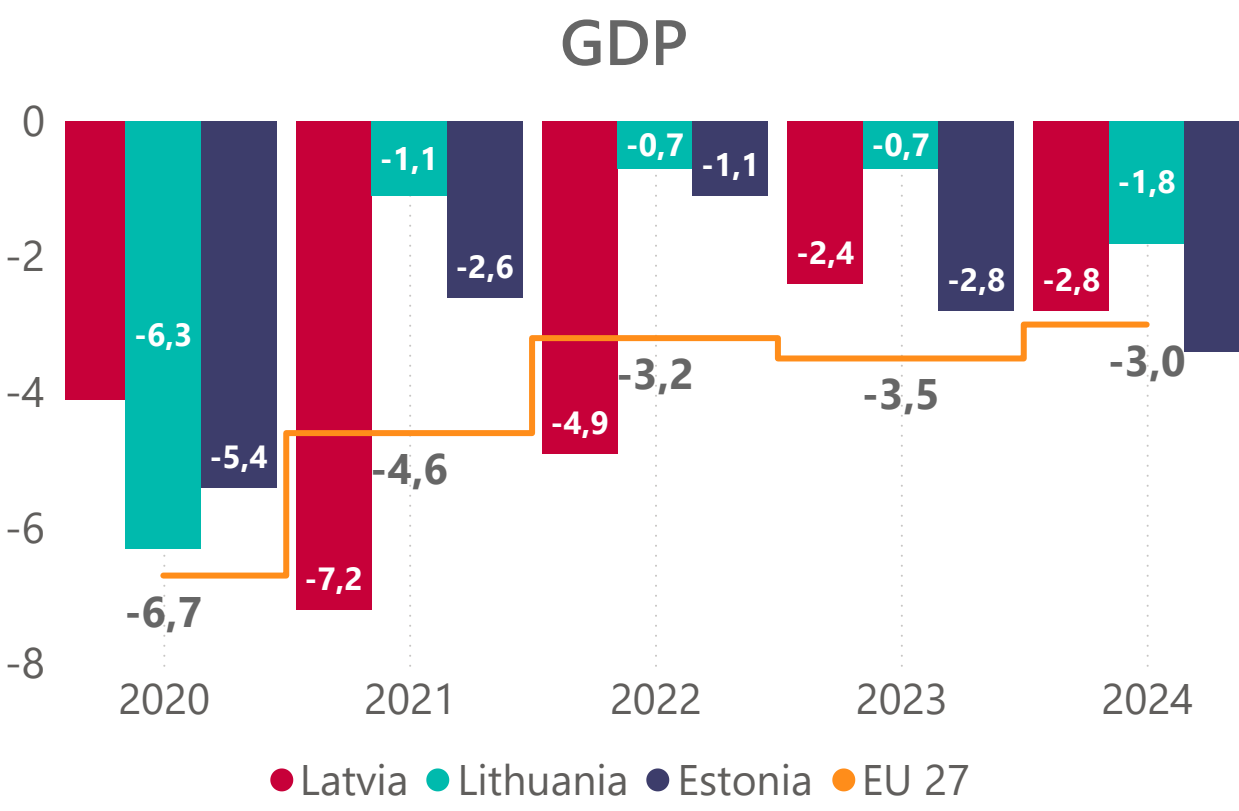
Forecast of MoF, August 2024

General government debt 2024

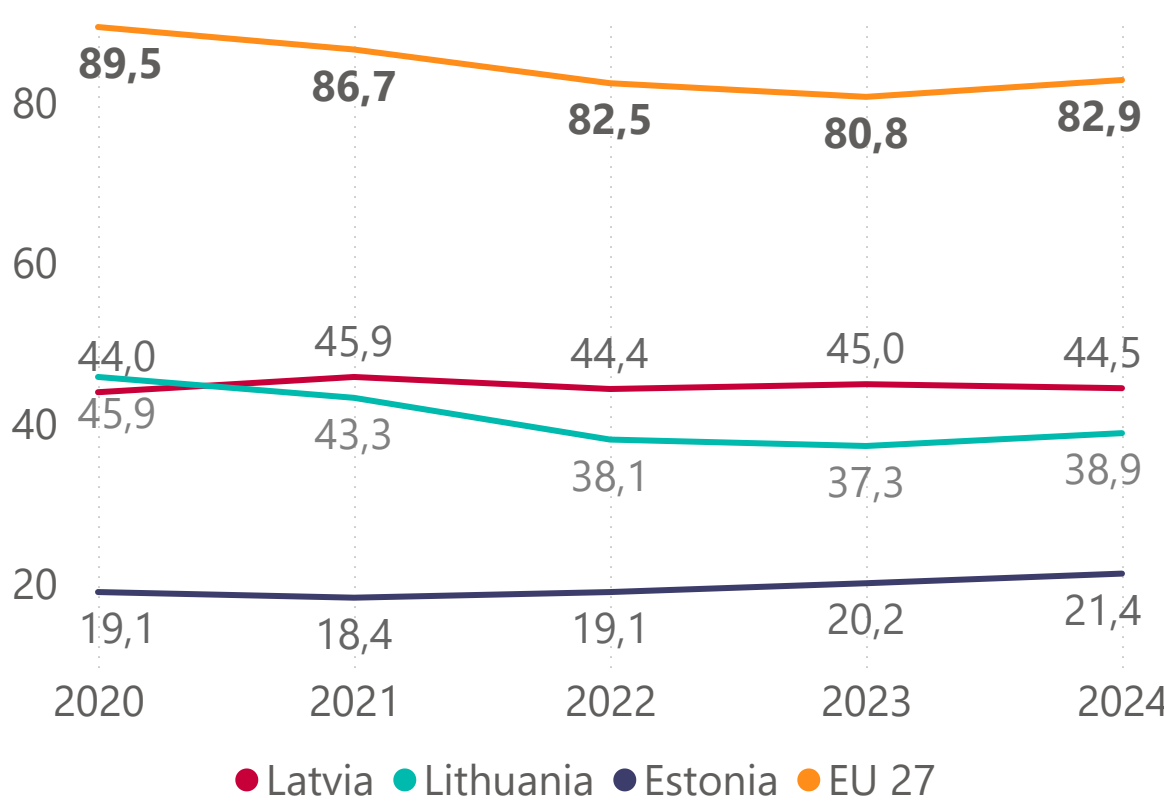
46% of GDP

Forecast of State Treasury, August 2024

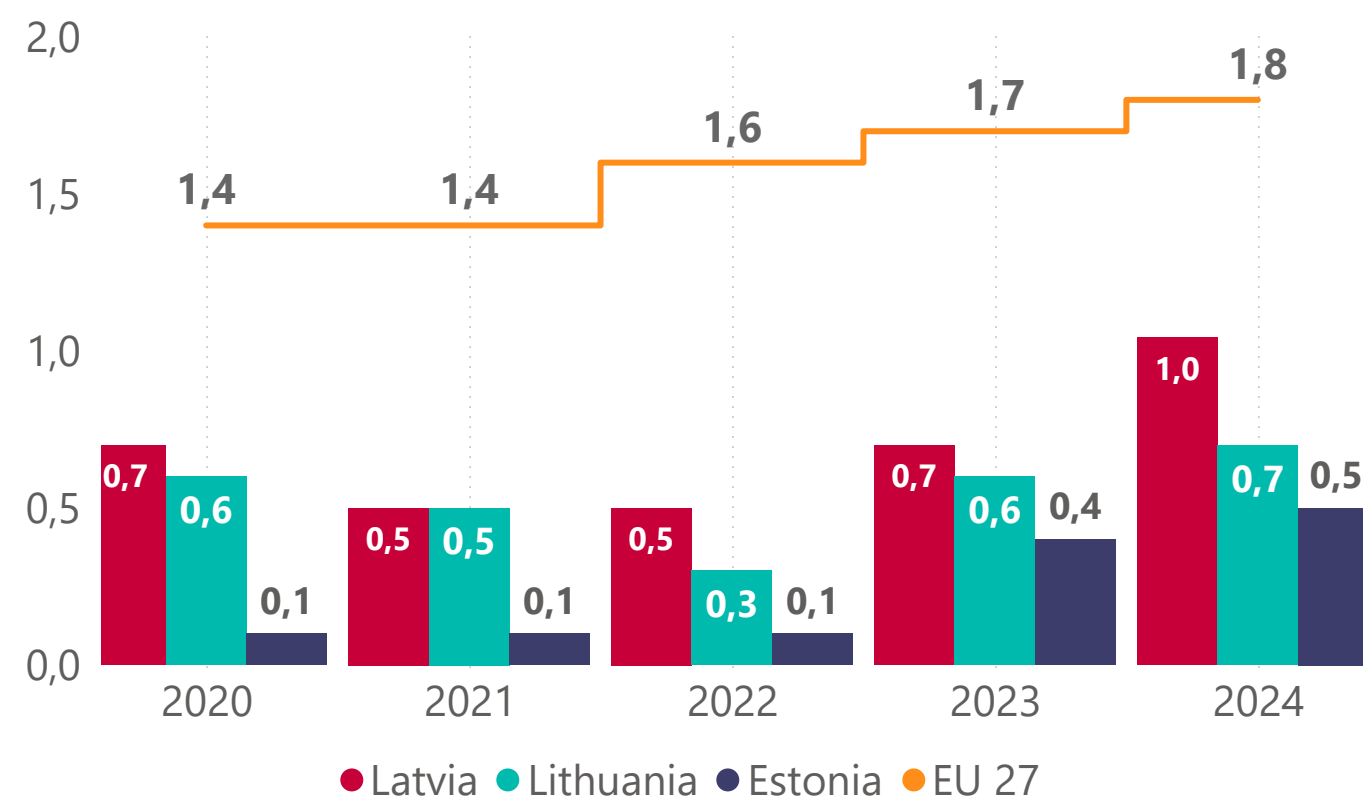
General government budget balance, % of GDP



General government debt, % of GDP



Interest expenditure (D.41), % of GDP

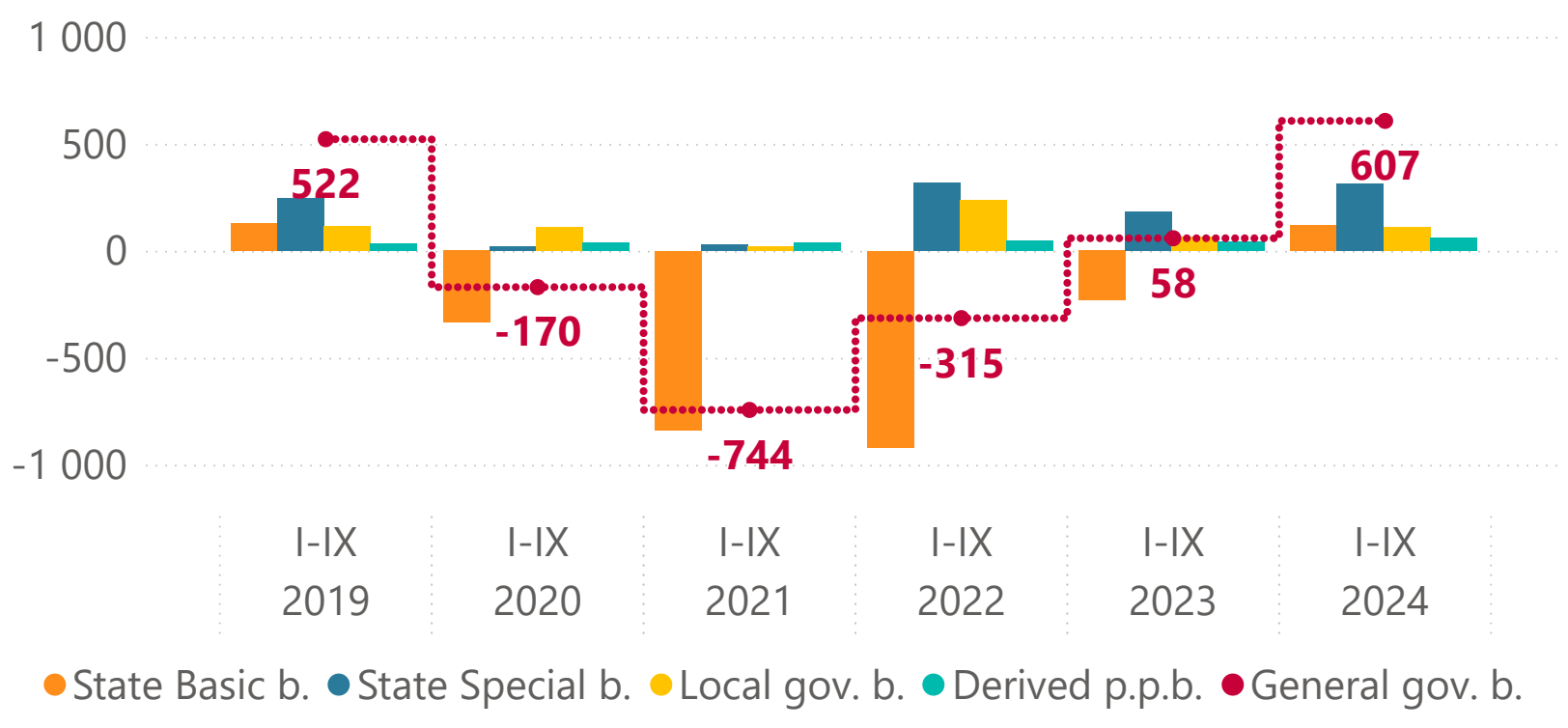


Source: Eurostat, European Commission forecasts Spring 2024 (AMECO)

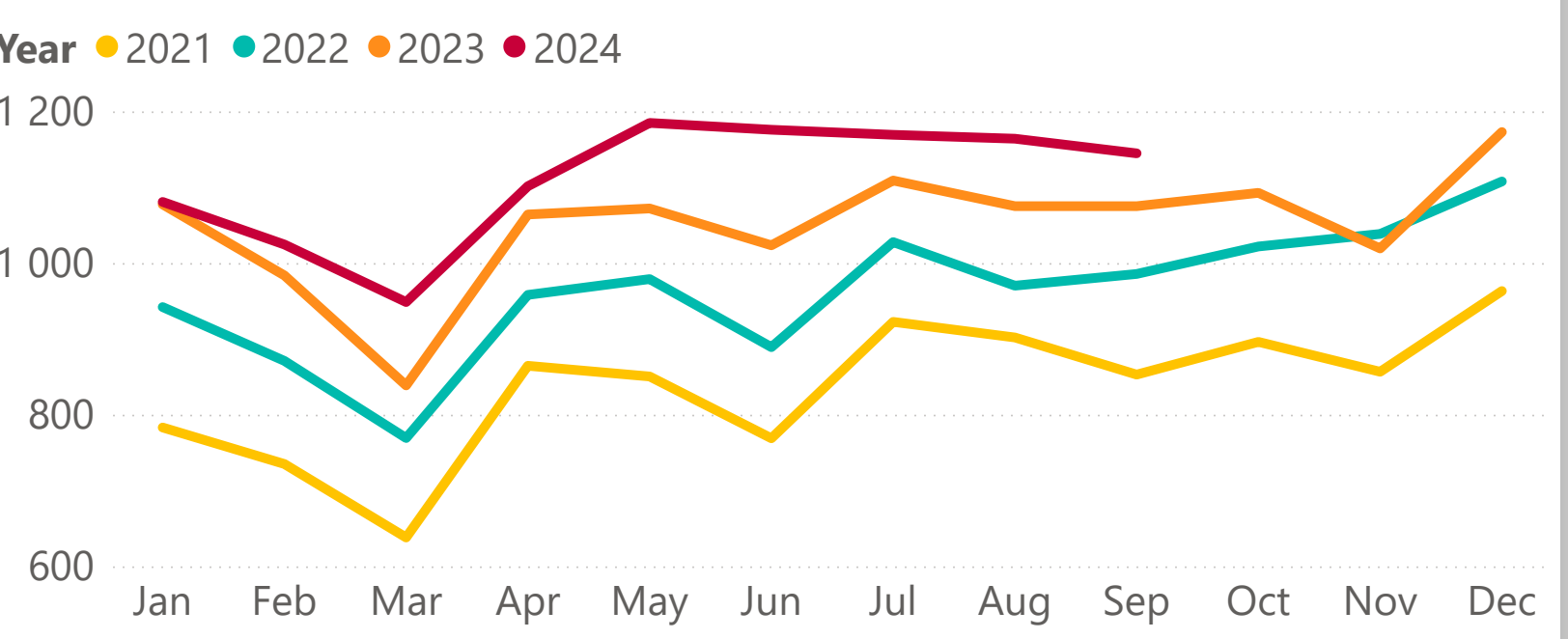
Source: Informative report "On forecasts of macroeconomic indicators, revenues and general government budget balance in 2024, 2025, 2026, 2027 and 2028" (August 20, 2024).

GENERAL GOVERNMENT BUDGET JANUARY-SEPTEMBER 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-July 2024, including revenue in the single tax account (-122.3 mln €) and excluding SSC at the 2nd pension pillar (626.1 mln €).

General government budget

	Execution, mln €	YoY, mln €	YoY,%
Revenue	13 128,0	1 508,5	13,0%
Expenditure	12 521,0	959,9	8,3%
Balance	607,1	548,6	

General government budget

Revenue

Tax revenue	9 991,7	675,4	7,2%
Non tax revenue	1 018,2	159,9	18,6%
Self-earned revenue	409,1	30,2	8,0%
Foreign financial assistance	1 707,6	643,3	60,4%

Expenditure

Remuneration	2 907,8	407,7	16,3%
Goods and services	1 383,4	-31,8	-2,2%
Interest payments	321,9	134,9	72,2%
Subsidies and grants	2 773,2	57,8	2,1%
Social support	3 844,9	261,8	7,3%
Payments to EU budget	281,1	14,3	5,4%
Capital expenditure	941,0	99,2	11,8%

General government budget tax revenue

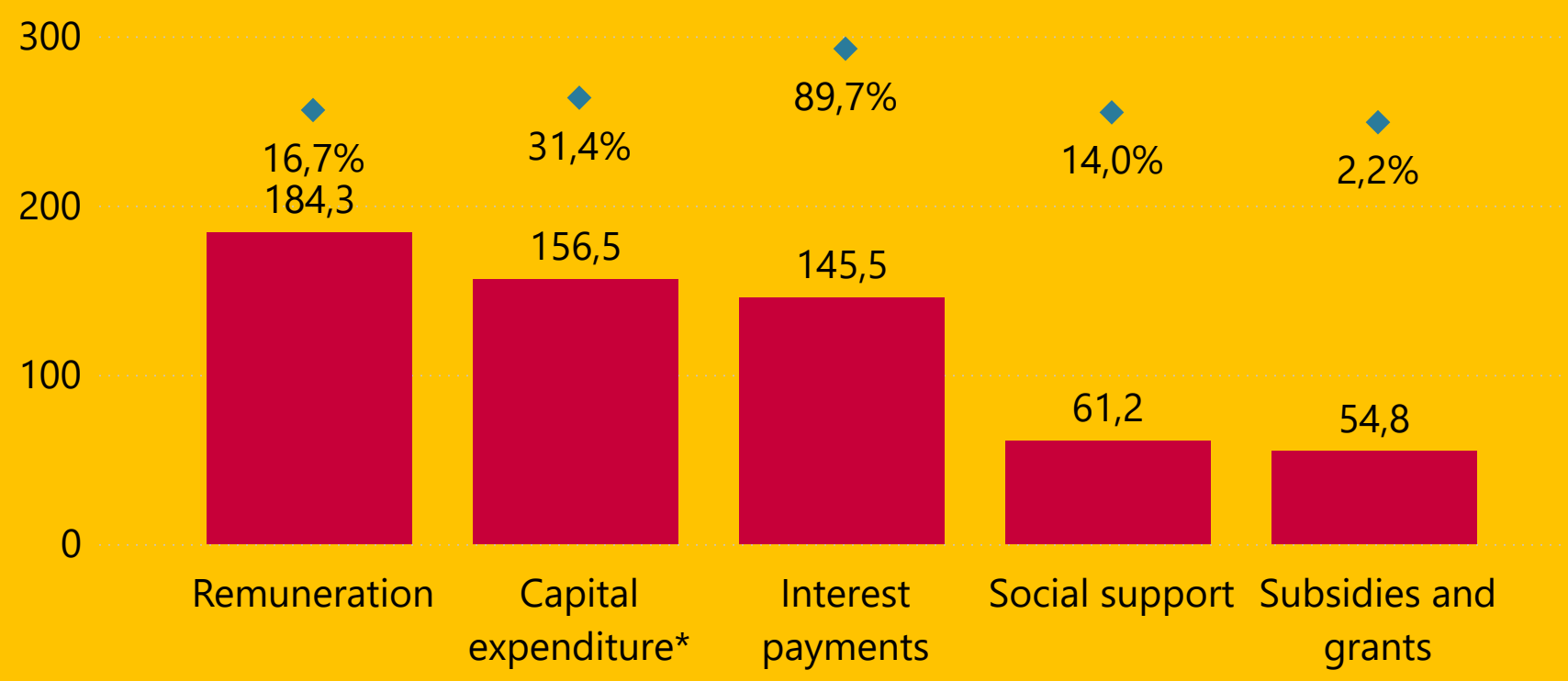
Tax type Execution, mln € YoY, mln € YoY,%

SSC	3 307,0	289,5	9,6%
VAT	2 832,1	-80,0	-2,7%
PIT	2 033,2	227,9	12,6%
EXCISE	897,0	15,7	1,8%
CIT	604,8	150,6	33,2%

STATE BASIC BUDGET

State Basic Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	7 801,2	1 026,8	15,2%
Expenditure	7 679,5	673,7	9,6%
Balance	121,7	353,1	

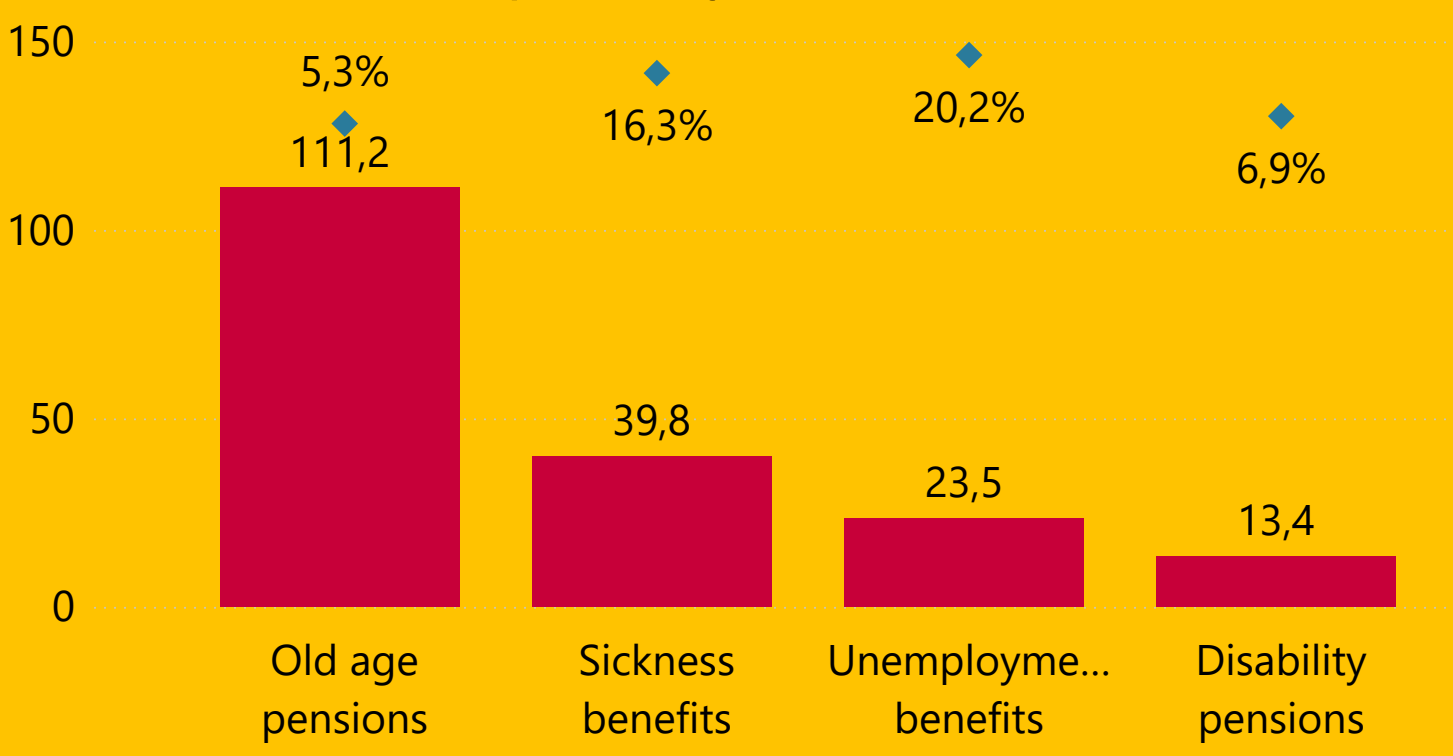
Major changes in mln € and % against respective period year before



STATE SPECIAL BUDGET

State Special Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	3 497,0	326,9	10,3%
Expenditure	3 183,2	197,2	6,6%
Balance	313,7	129,7	

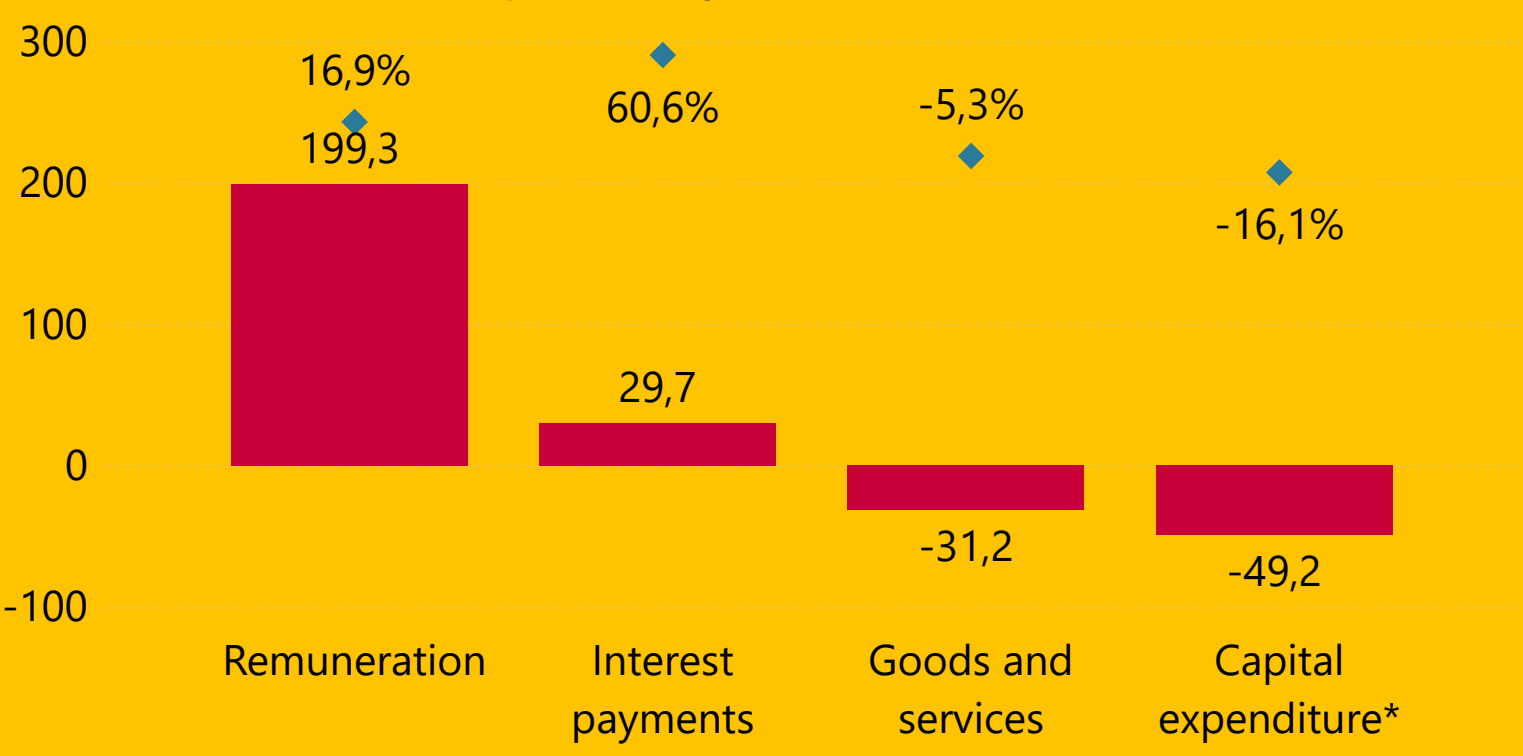
Major changes in mln € and % against respective period year before



LOCAL GOVERNMENT BUDGET

Local Government Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	2 752,9	182,8	7,1%
Expenditure	2 643,3	138,6	5,5%
Balance	109,6	44,2	

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

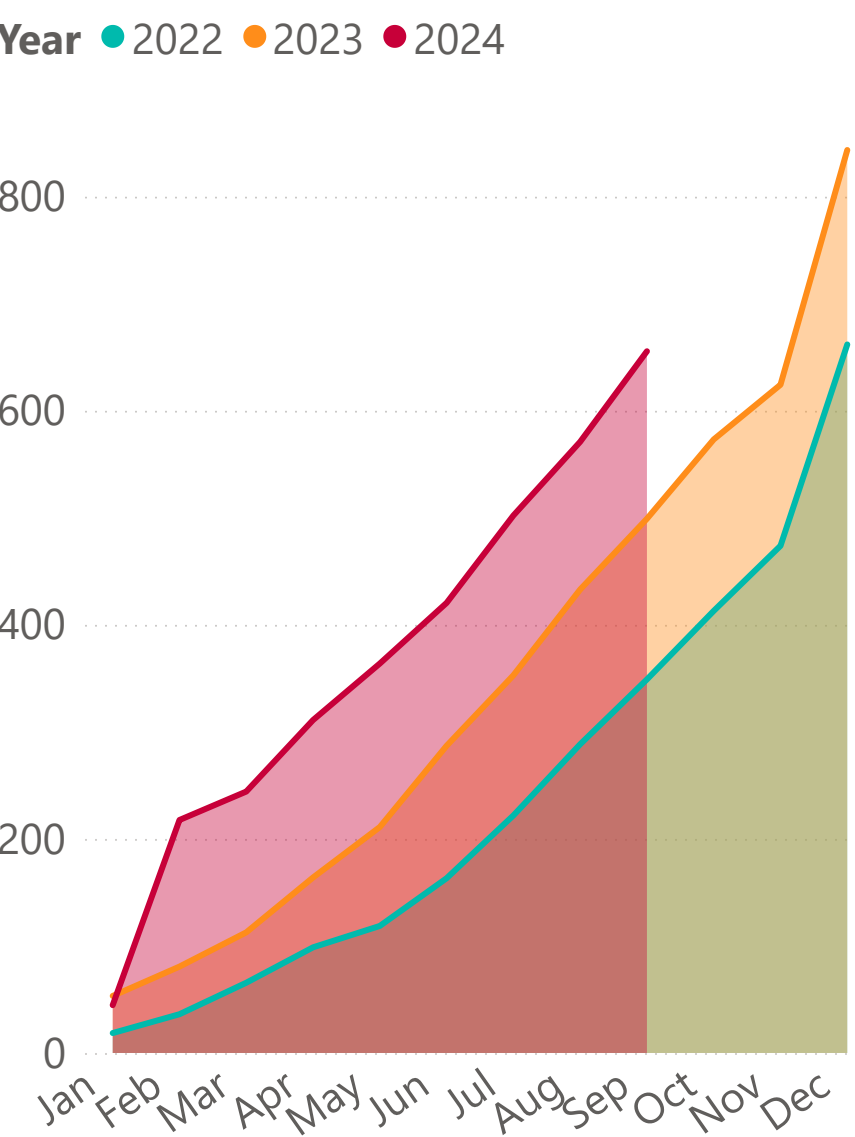


*Capital expenditure - fixed capital formation, excluding transfers between budget levels

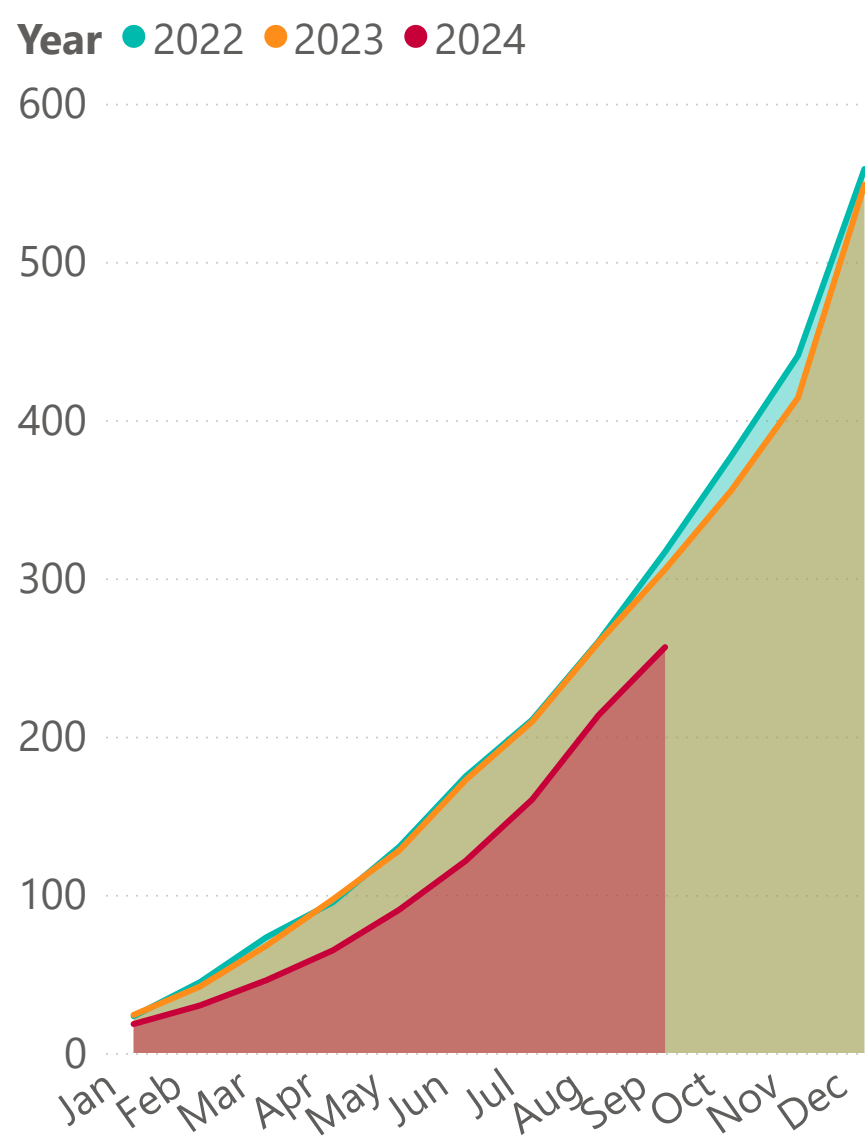
YoY - changes in mln euro against respective period year before; YoY% - changes in per cent against respective period year before

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

431 273
(0.1% YoY)
August 2024

Unemployment benefit recipients

32 161
(+5.6% YoY)
August 2024

Old-age pensions average amount

571€
(+7.3% YoY)
August 2024

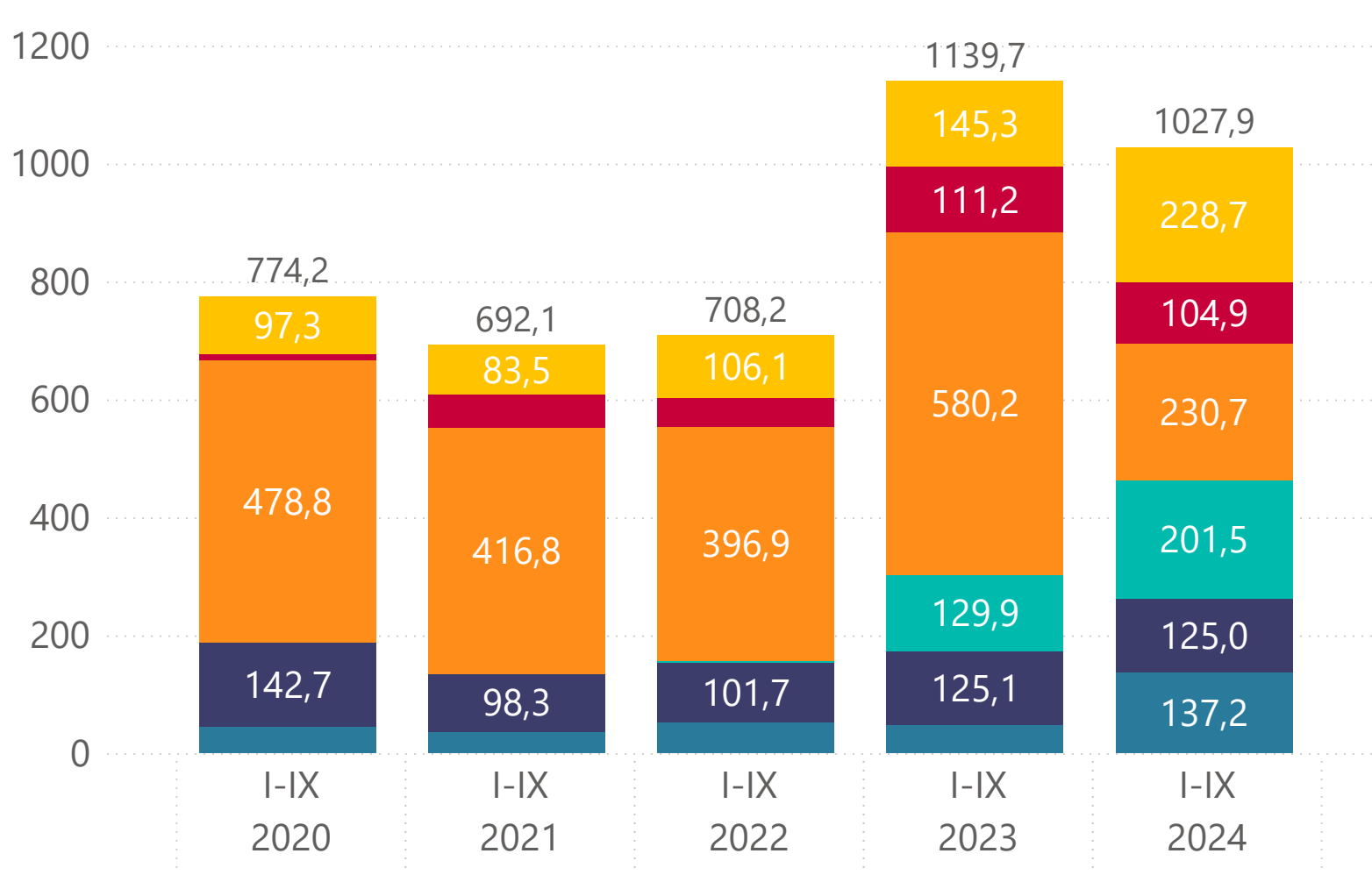
Unemployment benefit average amount

506€
(+11.8% YoY)
August 2024

Source: State Social Insurance Agency (SSIA)

FOREIGN FINANCIAL ASSISTANCE

Expenditures of FFA, mln €



CP-Cohesion Policy Fund (European Regional Development Fund (ERDF), European Social Fund (ESF) and Cohesion Fund (CF)); RF- Recovery Fund; EAGF - European Agricultural Guarantee Fund; EAFRD - European Agricultural Fund for Rural Development

Source: State Treasury