

MACROECONOMIC AND BUDGETARY REVIEW 2024

No 11

GROSS DOMESTIC PRODUCT (GDP)

GDP 2023

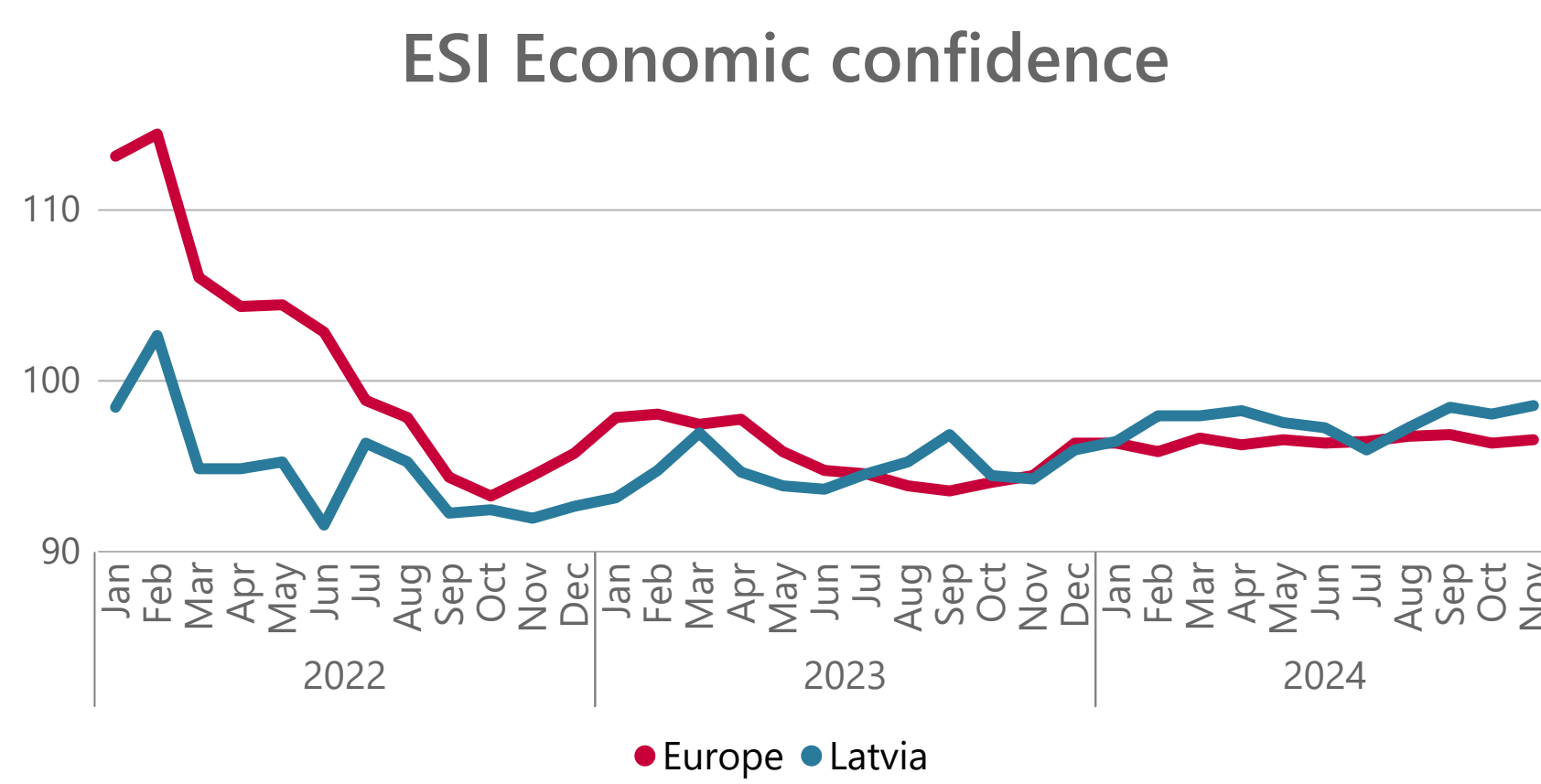
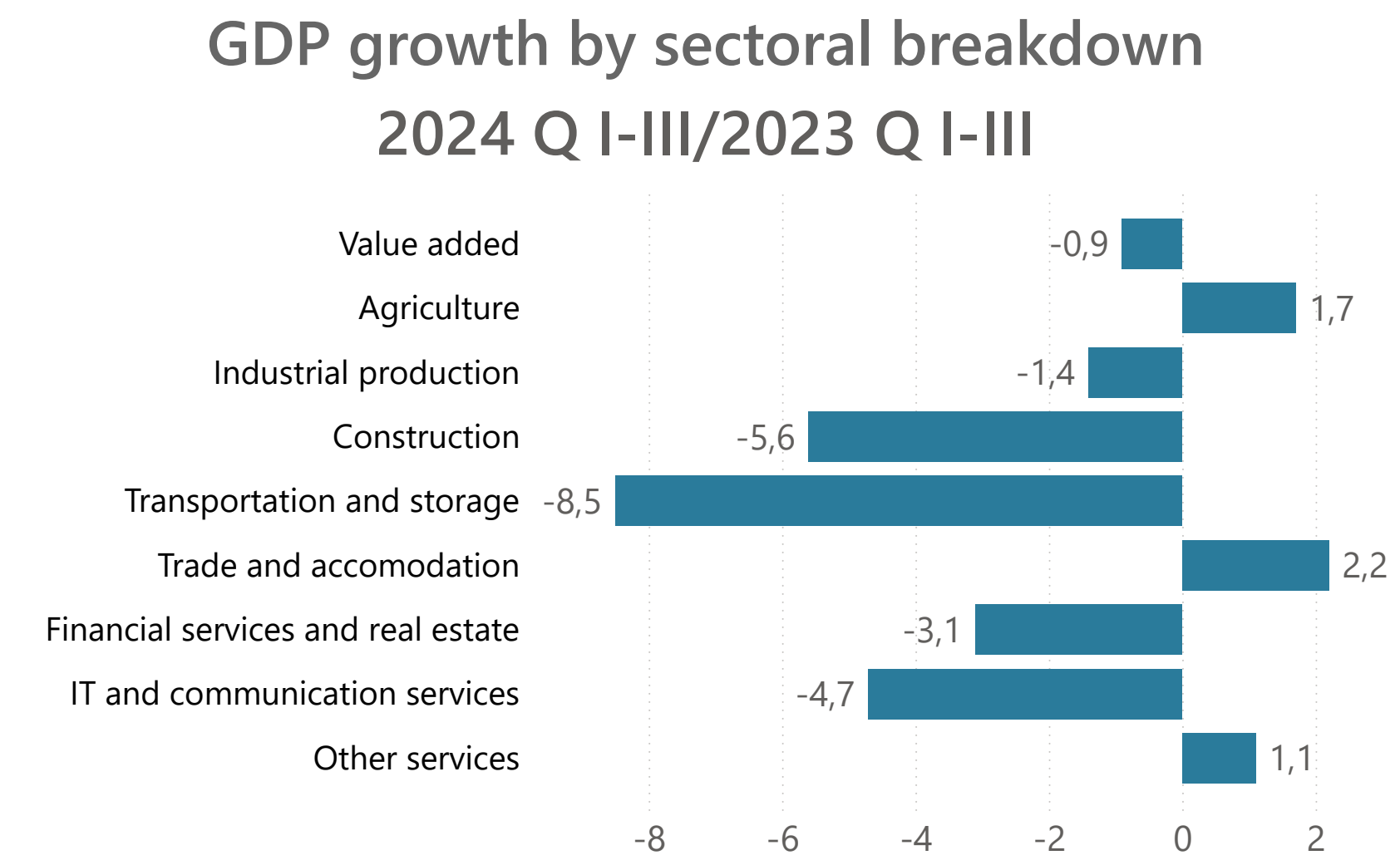
39 072 Mln €

CSB, 29.11.2024.

GDP growth 2023

1.7%

CSB, 29.11.2024



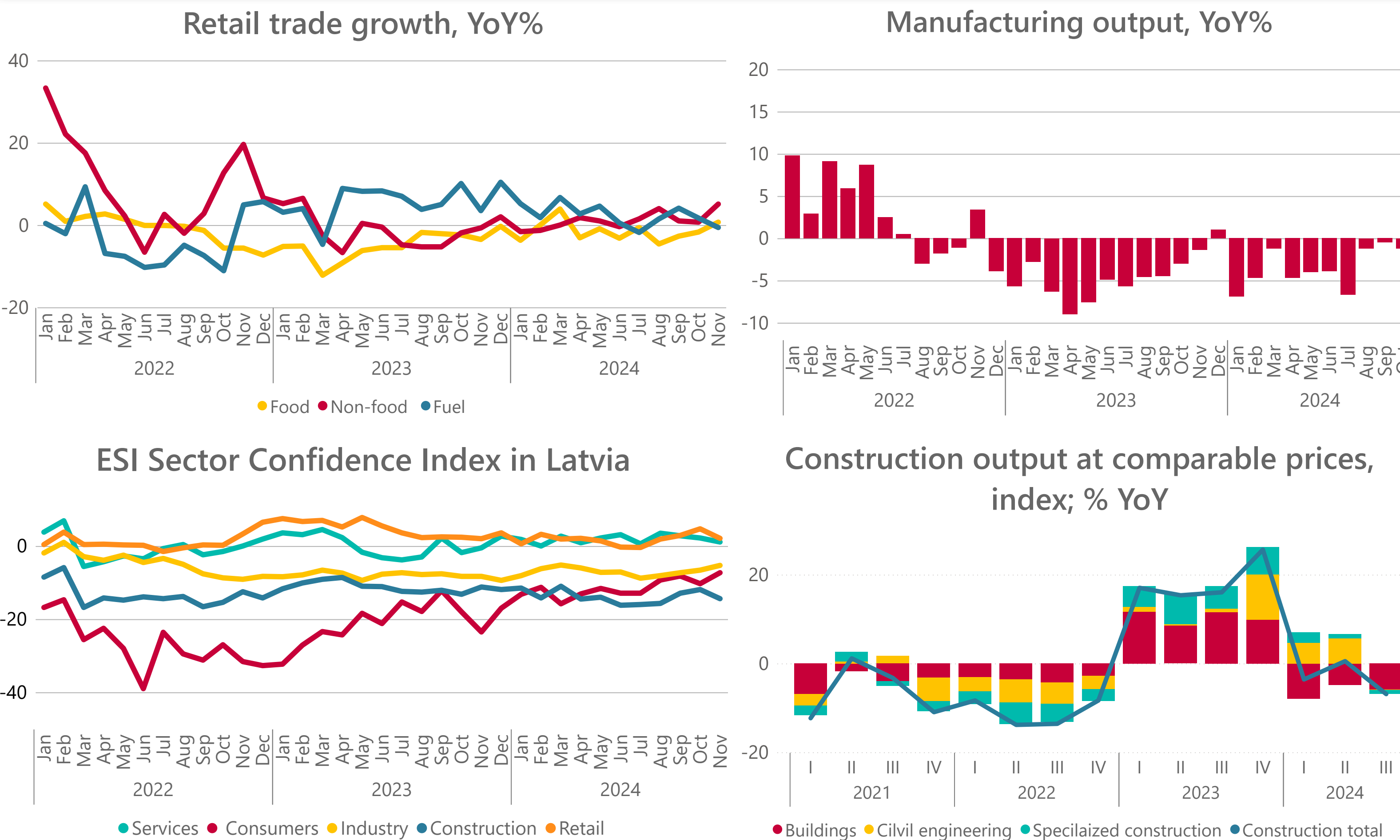
Source: European Commission; Central Statistical Bureau(CSB).

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 (29.11.2024), *forecasts of the Ministry of Finance of the Republic of Latvia (June 2024)

INDUSTRIES



Source: CSB, European Commission

INFLATION

Inflation

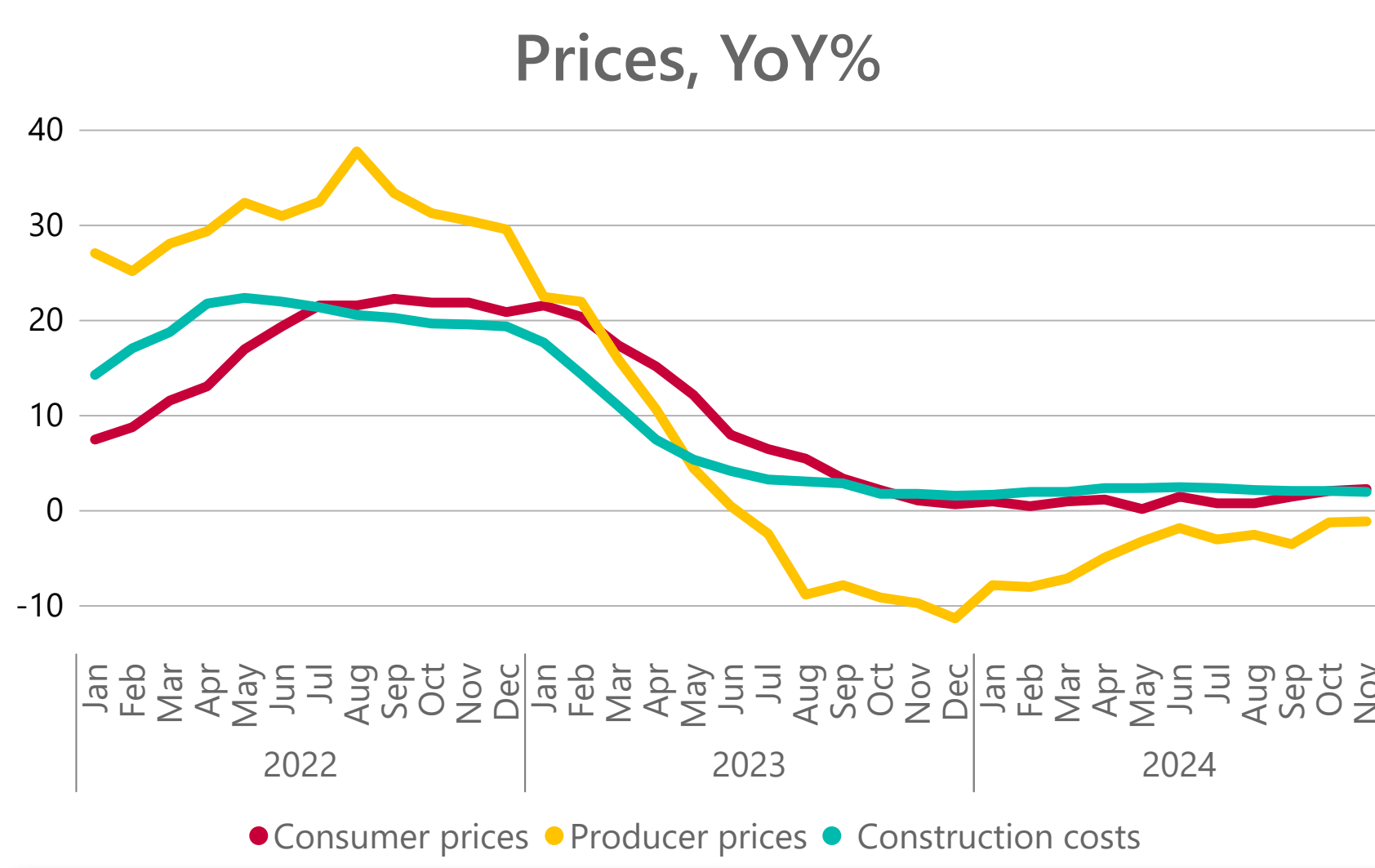
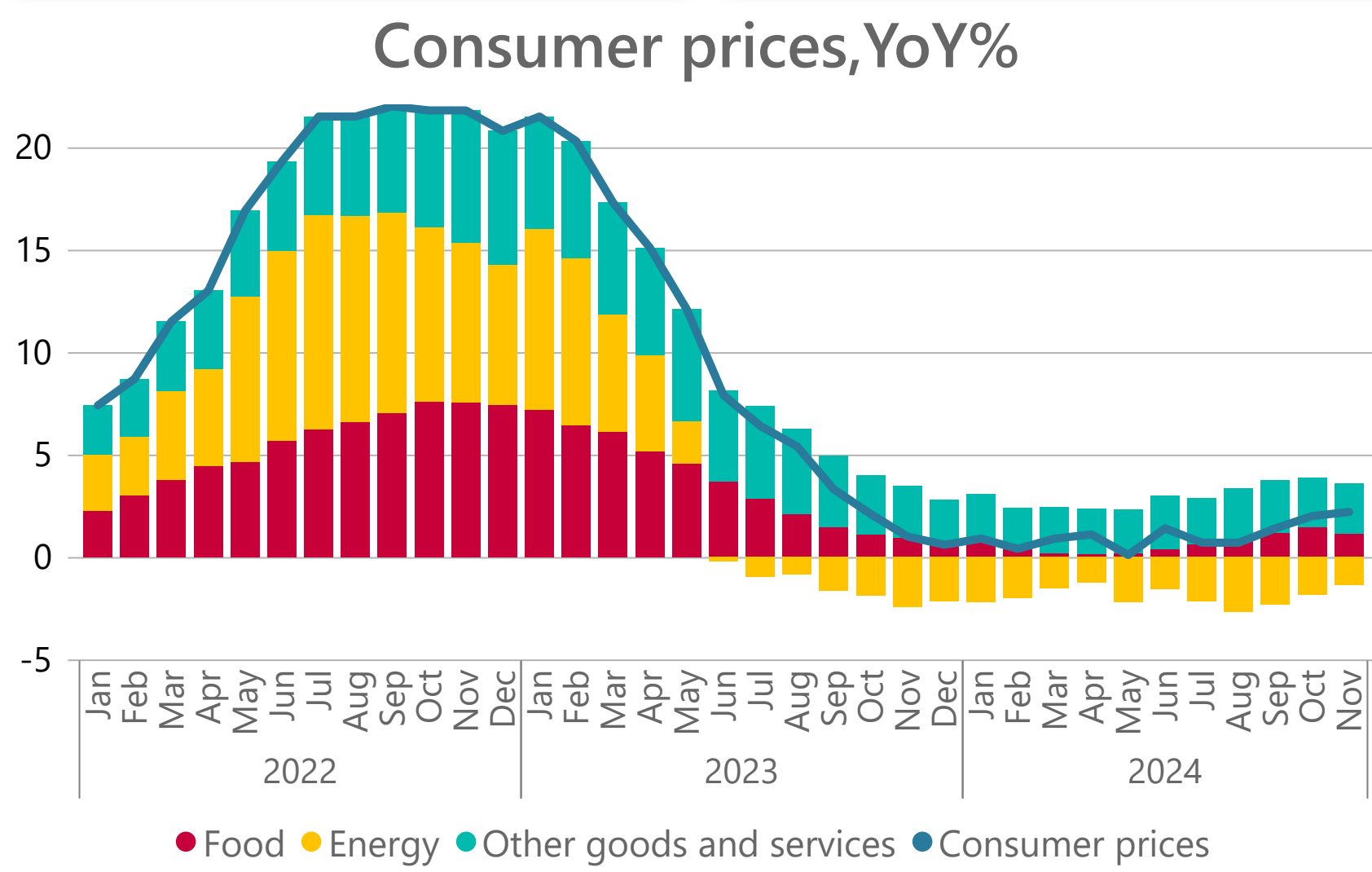
2.2%

November 2024

Producer price rise

-1.2%

November 2024



Source: CSB

UNEMPLOYMENT

Registered unemployment

5.1%

November 2024

Labour force survey

6.6%

November 2024

Private sector

1 684€

(+9.0% YoY)

3rdQ 2024

Public sector

1 758€

(+12.3% YoY)

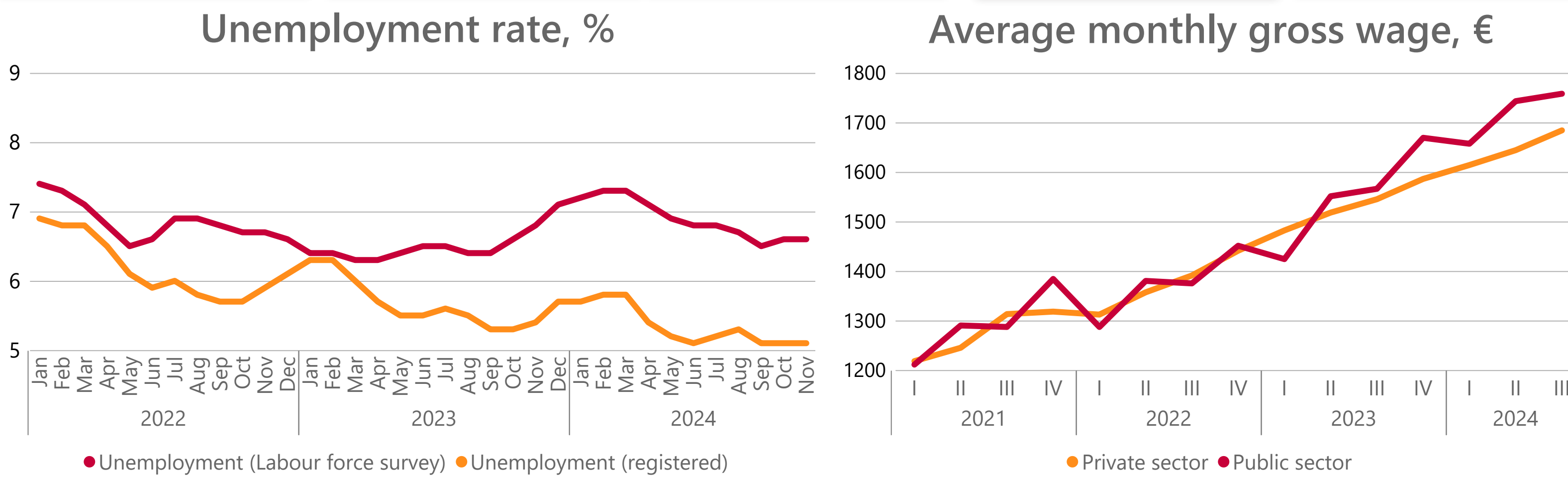
3rdQ 2024

Total

1 703€

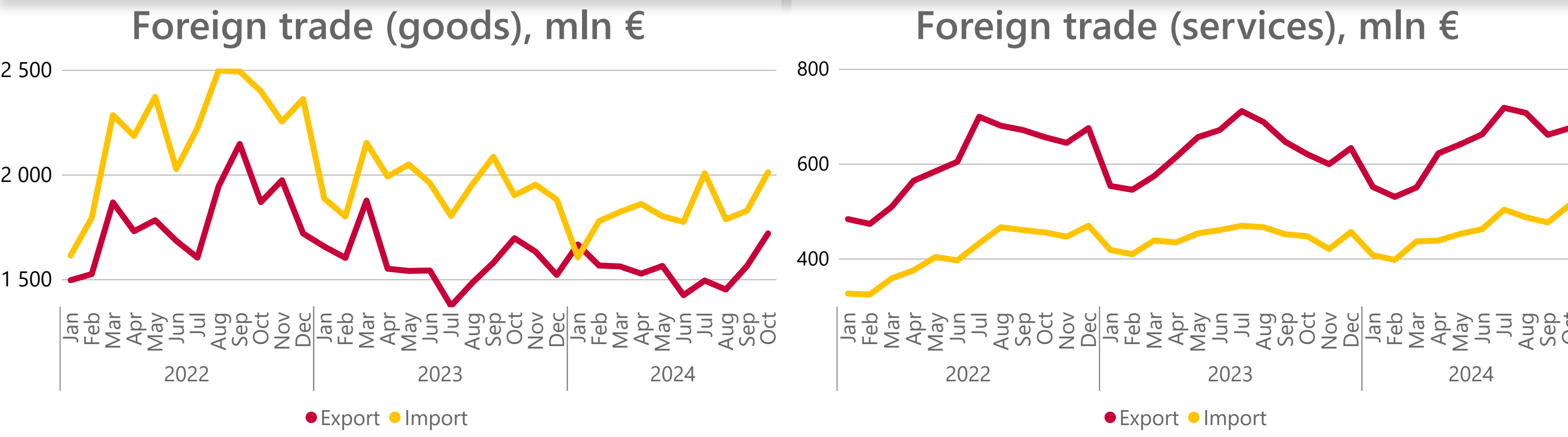
(+9.9% YoY)

3rdQ 2024



Source: CSB, State Employment Agency

FOREIGN TRADE



Source: CSB; Bank of Latvia

GENERAL GOVERNMENT BUDGET

General government budget balance 2024

-2.8% of GDP

Assessment of MoF, November 2024

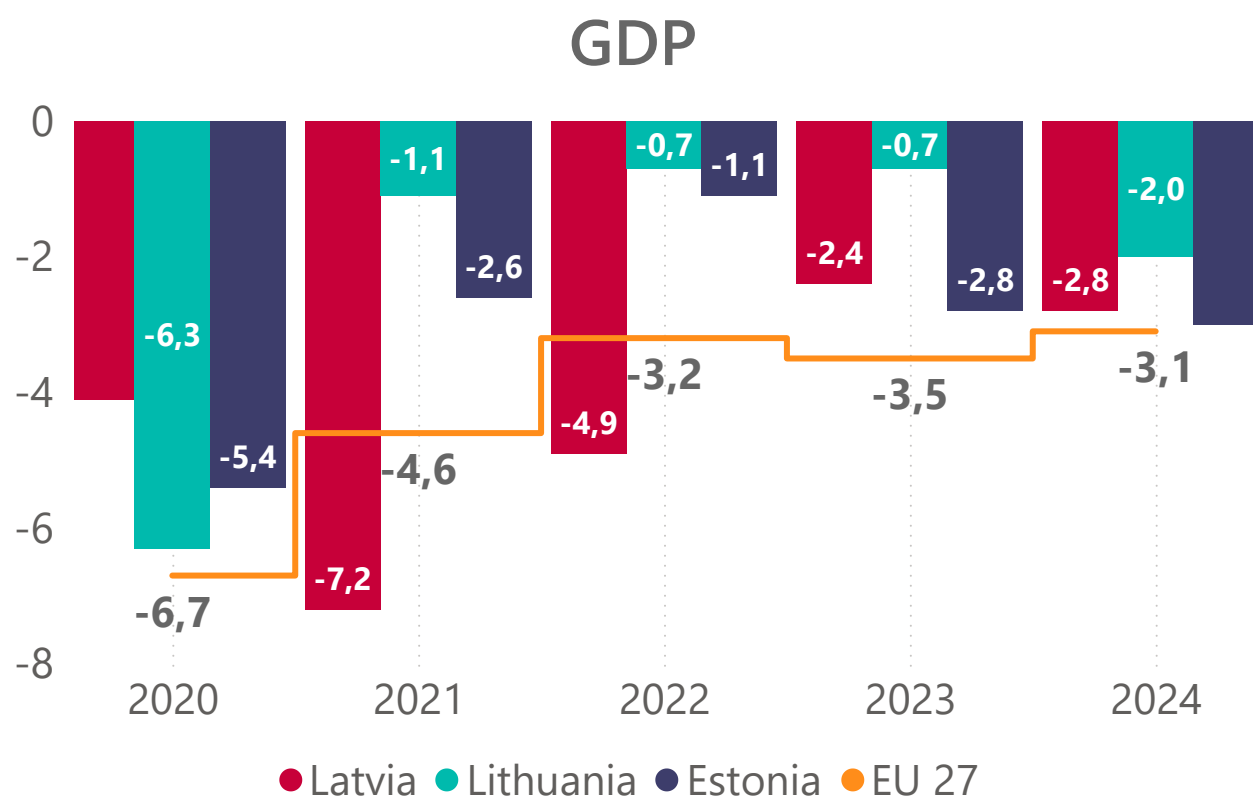
General government debt 2024

47.9% of GDP

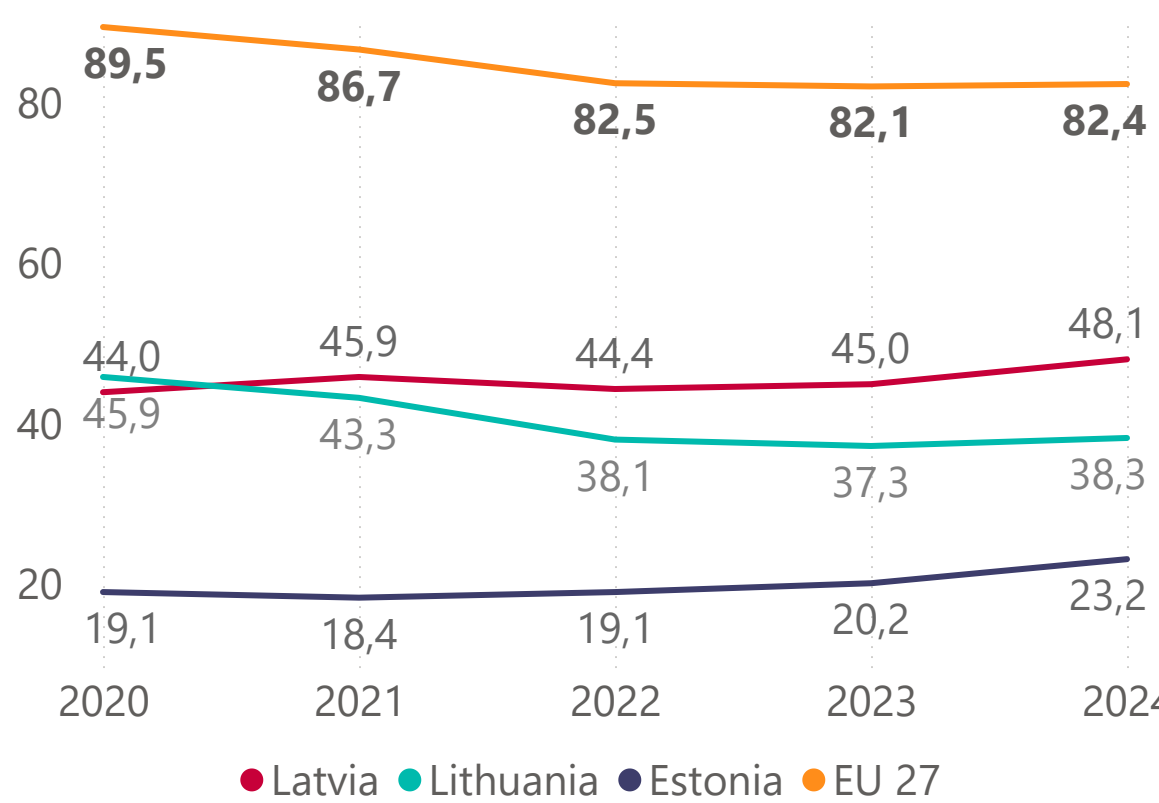
Assessment of Treasury, November 2024

Source: Eurostat, European Commission forecasts Autumn 2024 (AMECO).

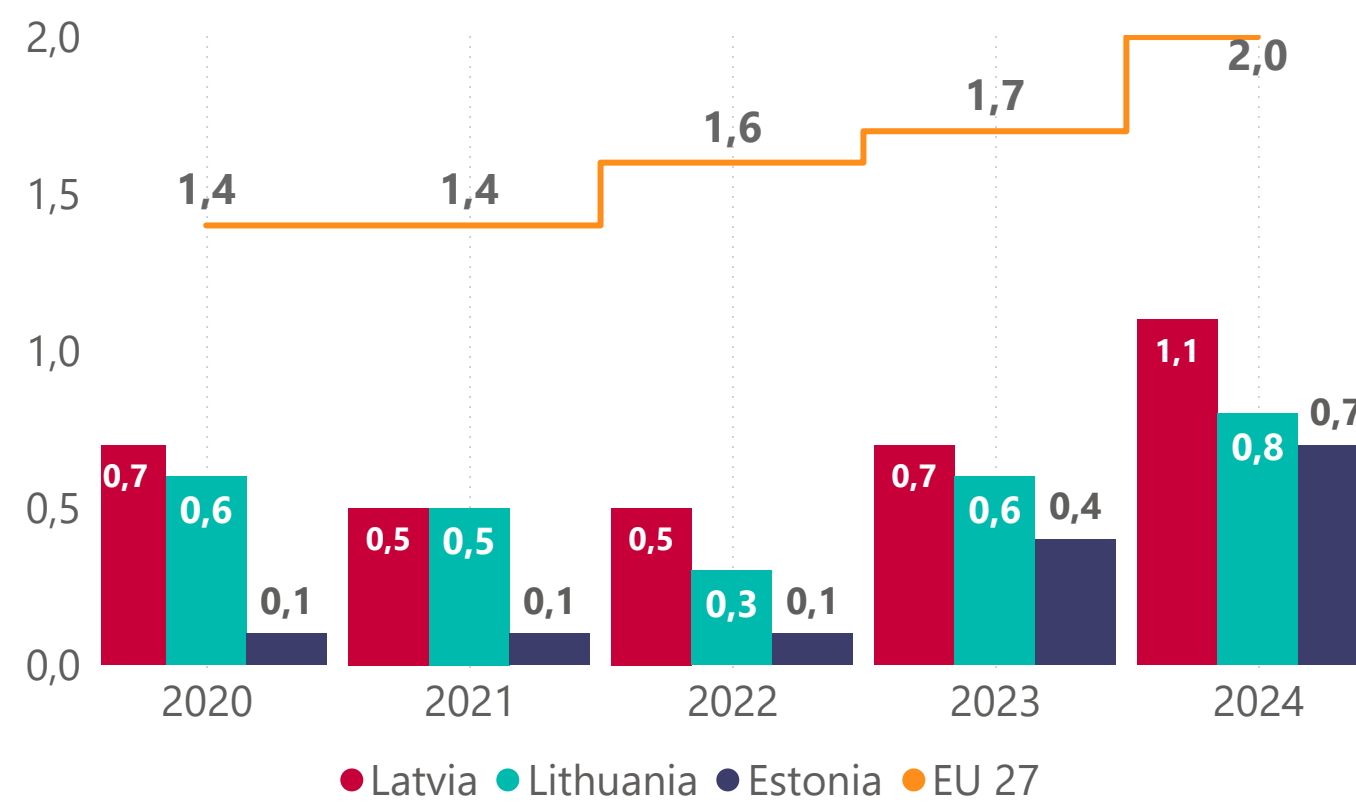
General government budget balance, % of GDP



General government debt, % of GDP

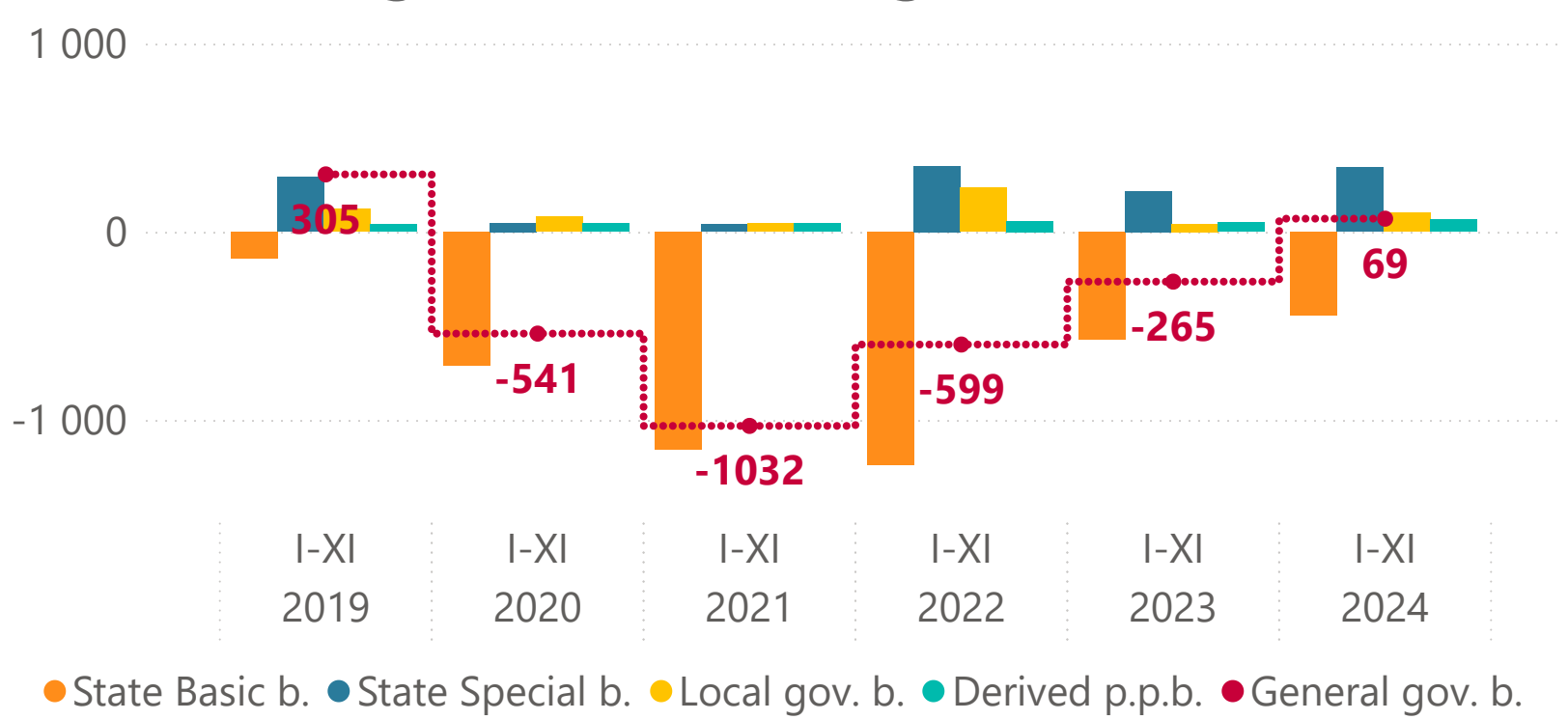


Interest expenditure (D.41), % of GDP

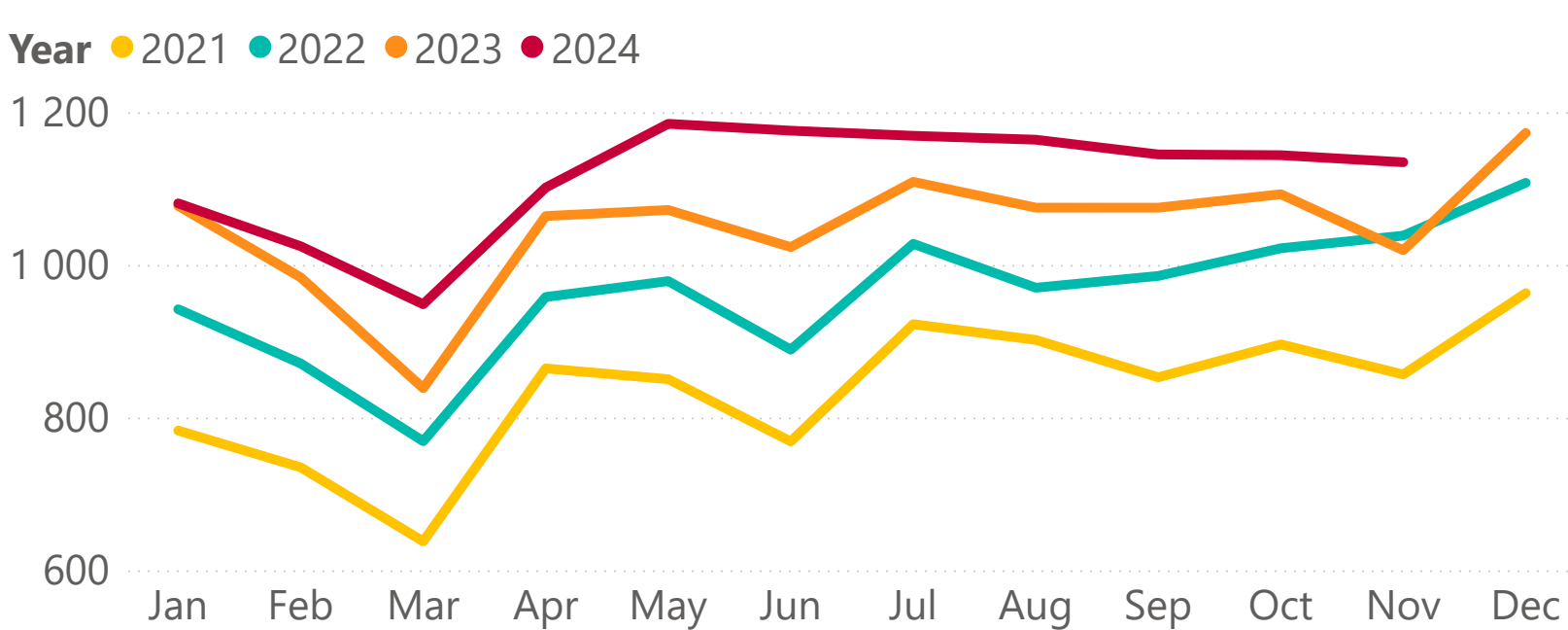


GENERAL GOVERNMENT BUDGET JANUARY-NOVEMBER 2024 ON CASH BASIS

General government budget balance, mln €



General government budget tax revenue, mln €



Source: State Treasury

General government budget tax revenue in January-October 2024, including revenue in the single tax account (-124.5 mln €) and excluding SSC at the 2nd pension pillar (774.1 mln €).

General government budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	15 675,5	1 492,1	10,5%
Expenditure	15 606,0	1 157,4	8,0%
Balance	69,5	334,7	

General government budget tax revenue

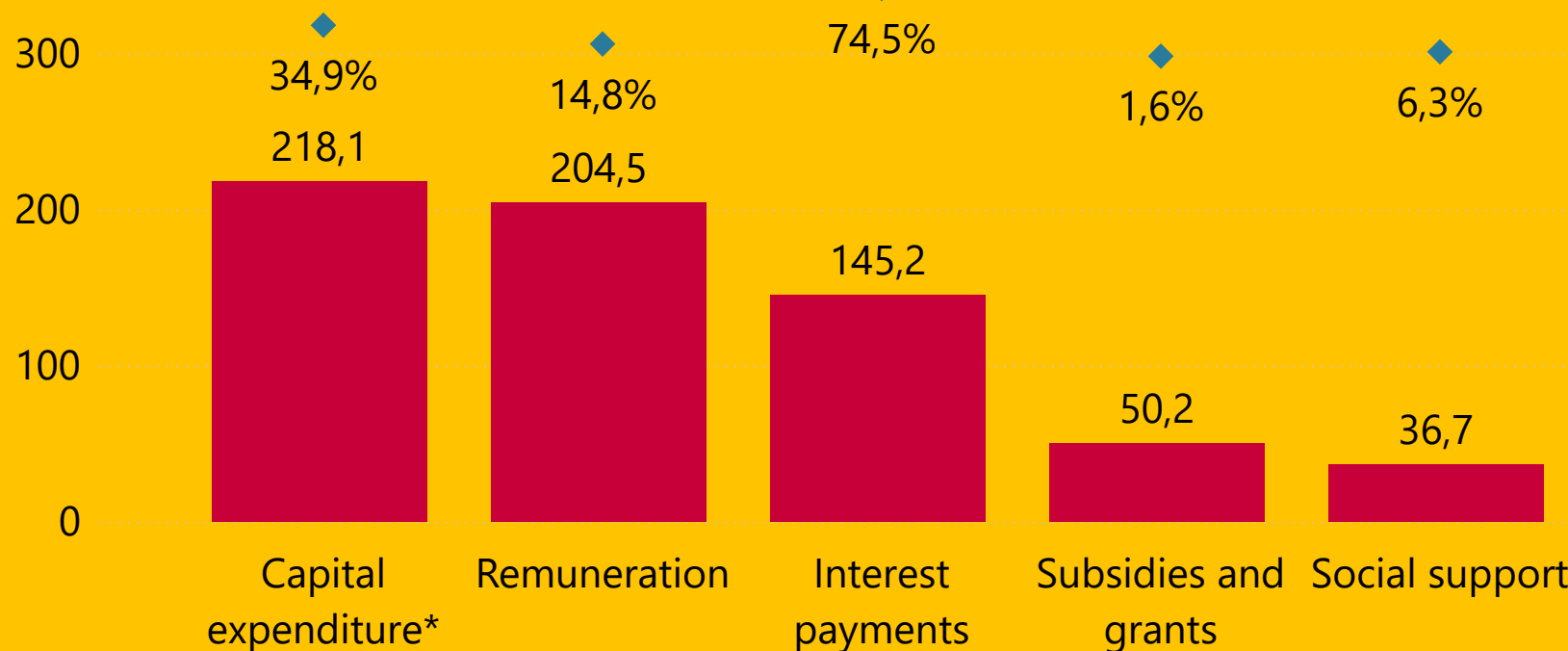
Tax type	Execution, mln €	YoY, mln €	YoY, %
SSC	4 040,5	352,3	9,6%
VAT	3 499,1	-49,6	-1,4%
PIT	2 552,5	284,3	12,5%
EXCISE	1 099,0	33,4	3,1%
CIT	673,2	155,2	30,0%

General government budget	Execution, mln €	YoY, mln €	YoY, %
Revenue			
Tax revenue	12 269,5	841,7	7,4%
Non tax revenue	1 172,2	166,3	16,5%
Self-earned revenue	492,2	38,5	8,5%
Foreign financial assistance	1 739,9	445,9	34,5%
Expenditure			
Remuneration	3 590,7	467,8	15,0%
Goods and services	1 775,1	1,1	0,1%
Interest payments	360,1	134,4	59,5%
Subsidies and grants	3 435,8	51,7	1,5%
Social support	4 756,9	309,9	7,0%
Payments to EU budget	341,4	13,0	4,0%
Capital expenditure	1 252,8	164,7	15,1%

STATE BASIC BUDGET

State Basic Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	9 126,0	884,7	10,7%
Expenditure	9 571,5	757,6	8,6%
Balance	-445,4	127,0	

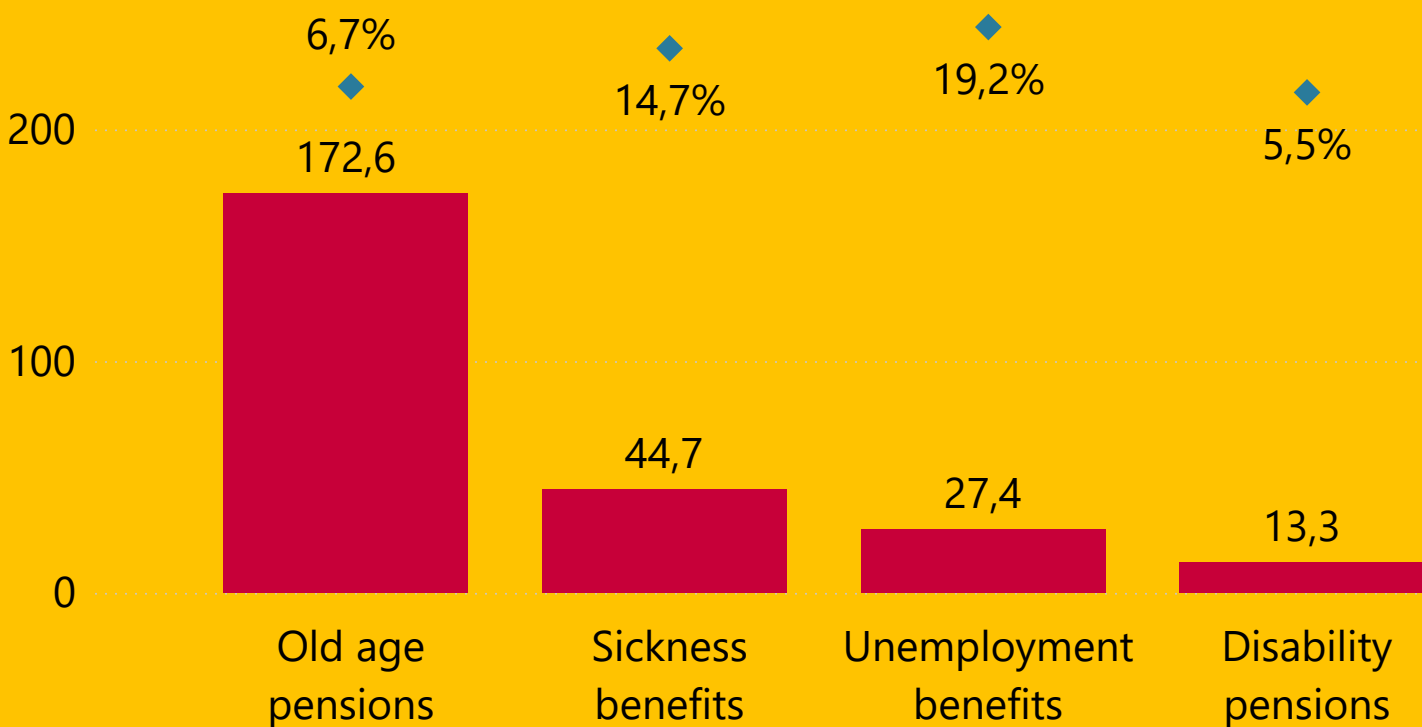
Major changes in mln € and % against respective period year before



STATE SPECIAL BUDGET

State Special Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	4 274,3	390,6	10,1%
Expenditure	3 933,4	266,1	7,3%
Balance	340,9	124,5	

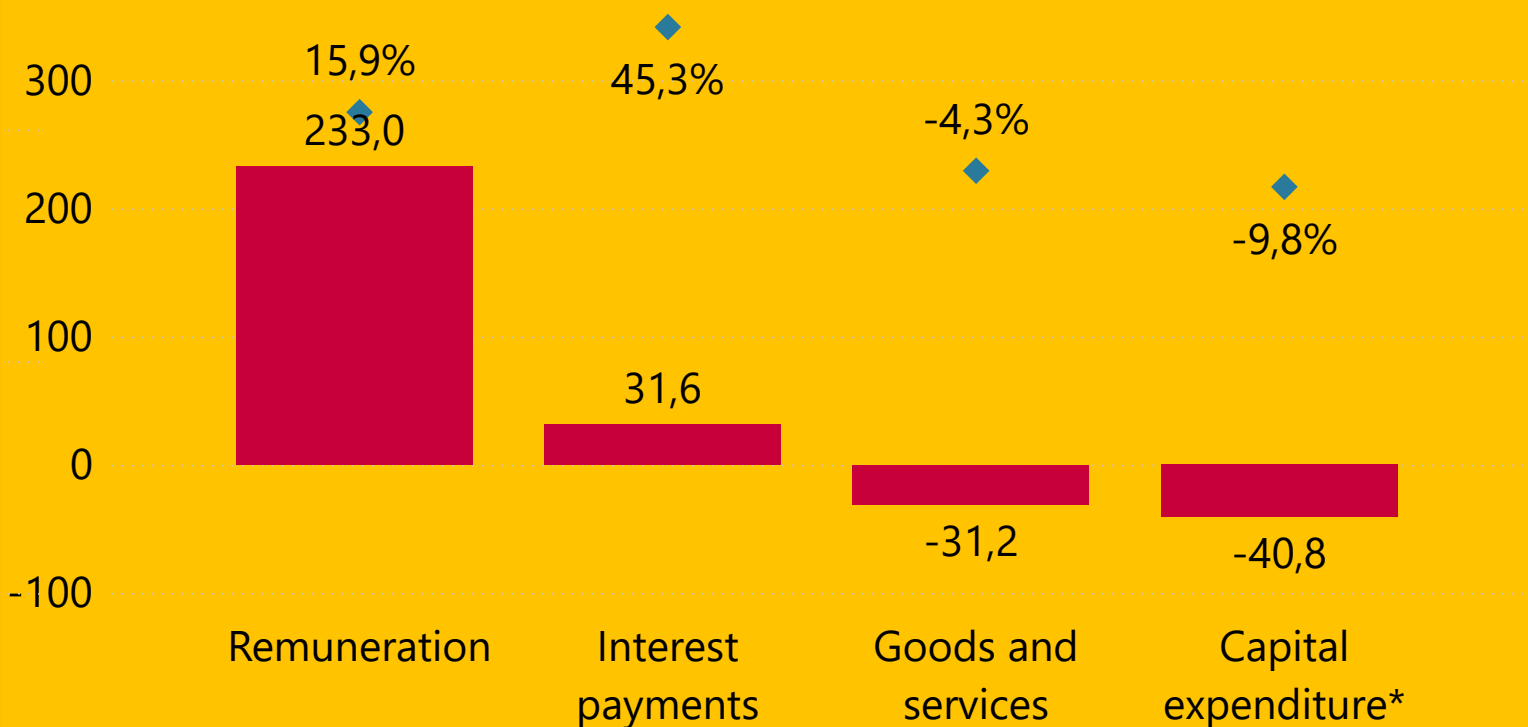
Major changes in mln € and % against respective period year before



LOCAL GOVERNMENT BUDGET

Local Government Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	3 427,9	241,5	7,6%
Expenditure	3 326,7	182,6	5,8%
Balance	101,1	59,0	

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

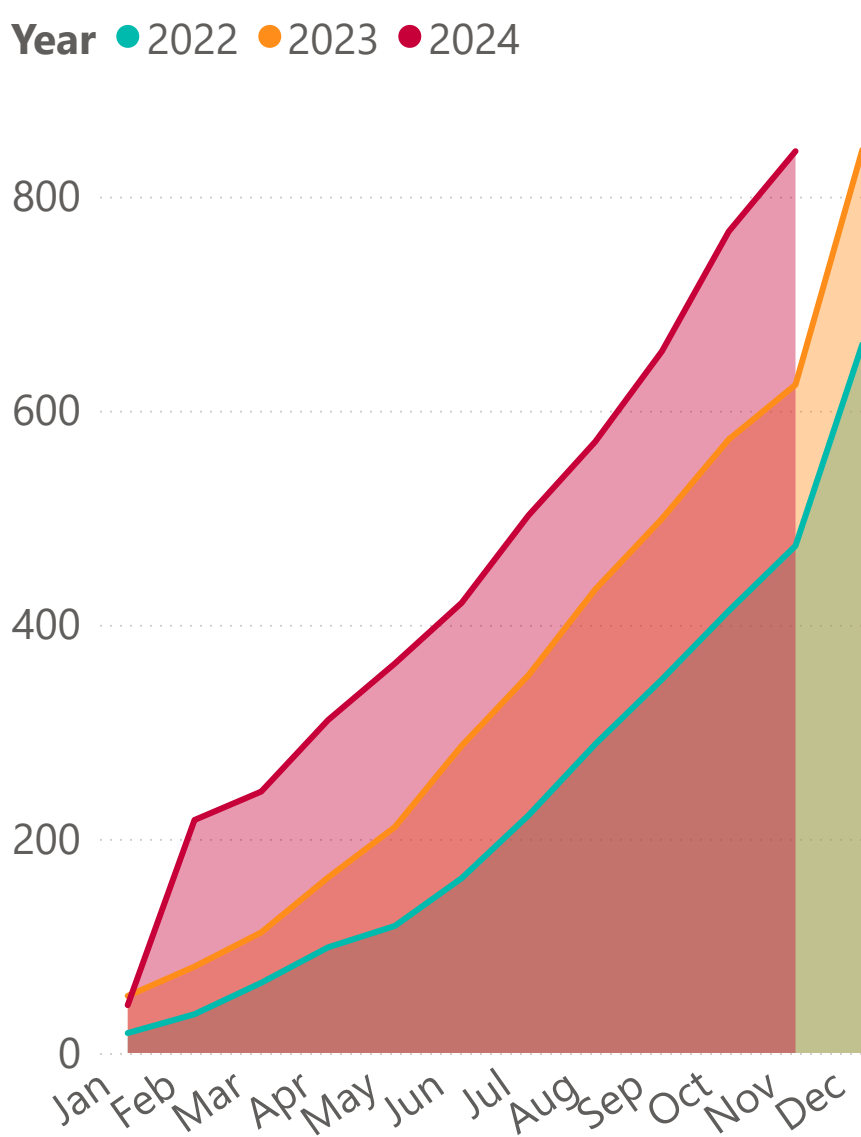


*Capital expenditure - fixed capital formation, excluding transfers between budget levels

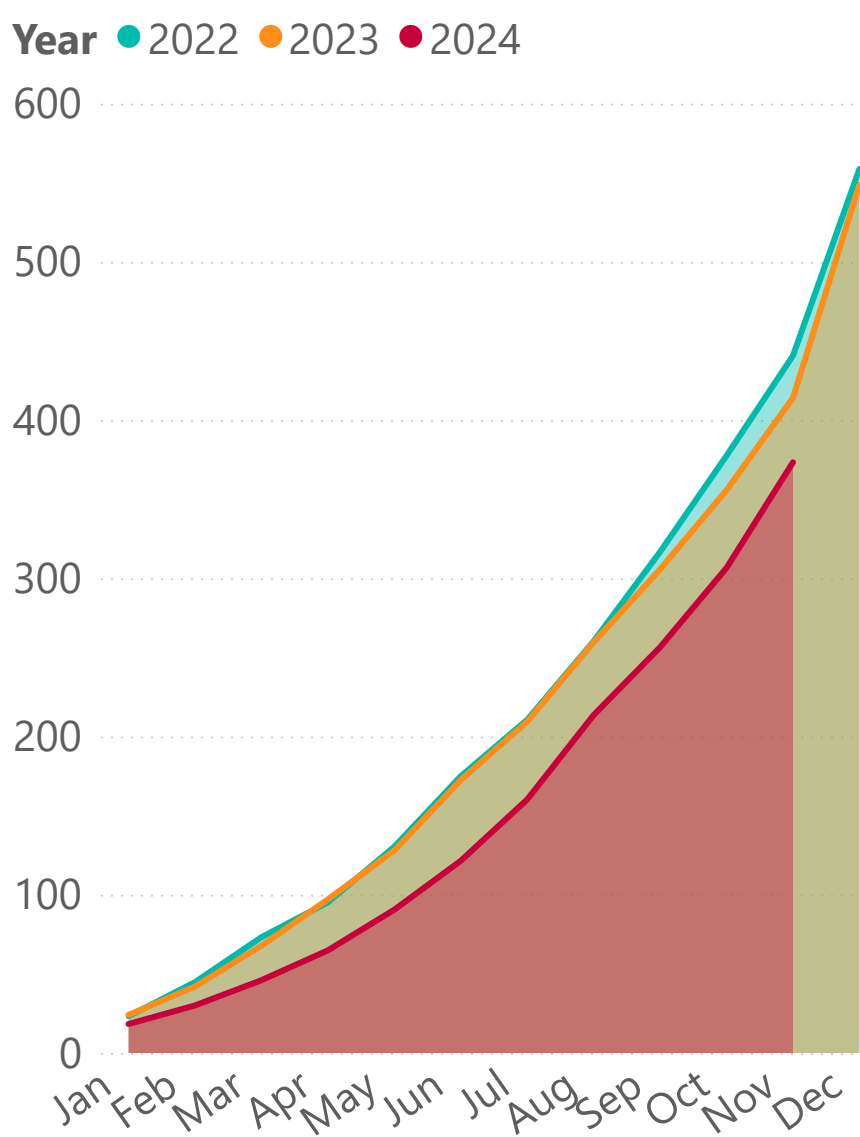
YoY - changes in mln euro against respective period year before; YoY% - changes in per cent against respective period year before

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

433 385
(+0.2% YoY)
November 2024

Unemployment benefit recipients

30 853
(+2.5% YoY)
November 2024

Old-age pensions average amount

617€
(+9.5% YoY)
November 2024

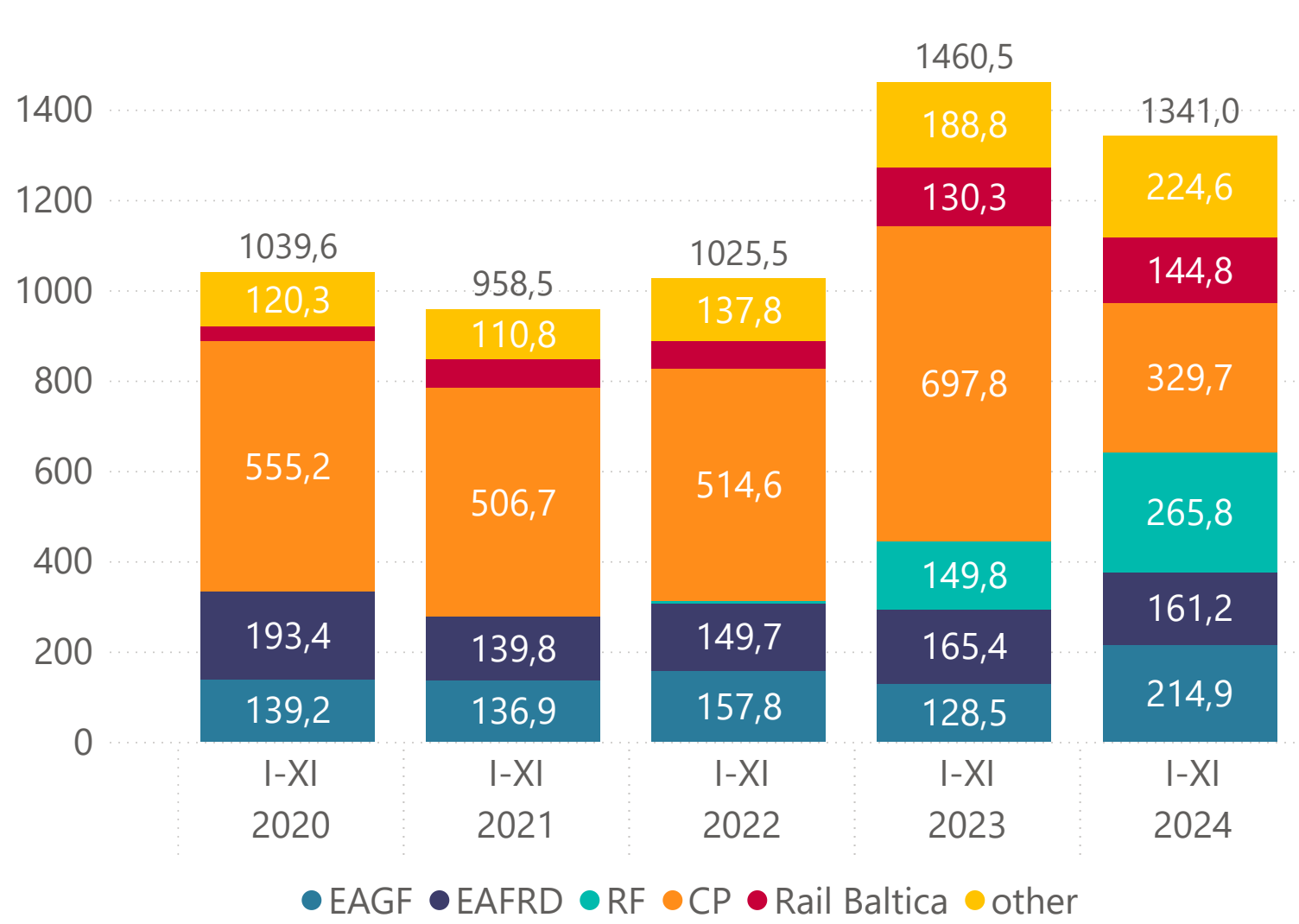
Unemployment benefit average amount

497€
(+11.7% YoY)
November 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