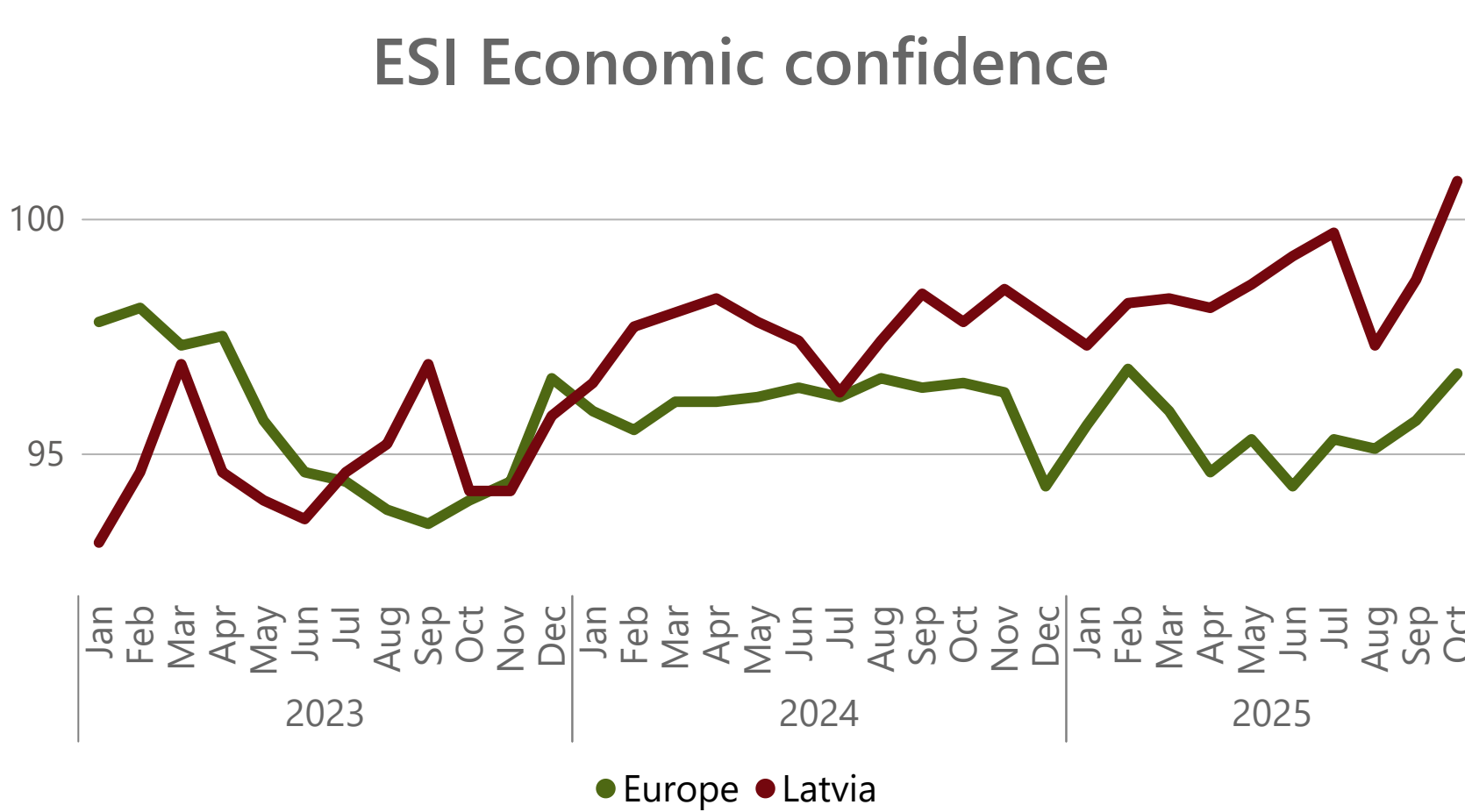
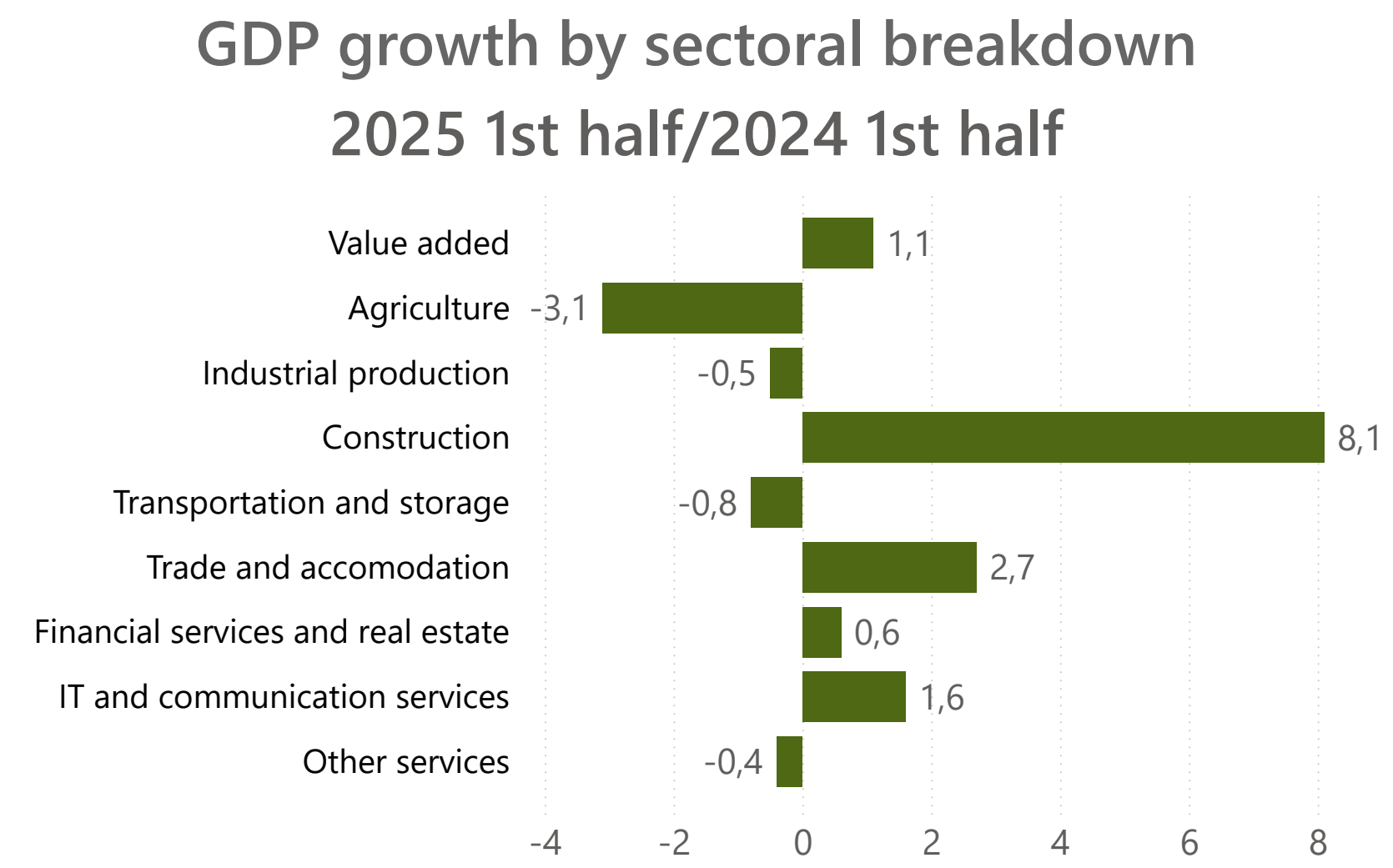


MACROECONOMIC AND BUDGETARY REVIEW 2025

No 9

GROSS DOMESTIC PRODUCT (GDP)

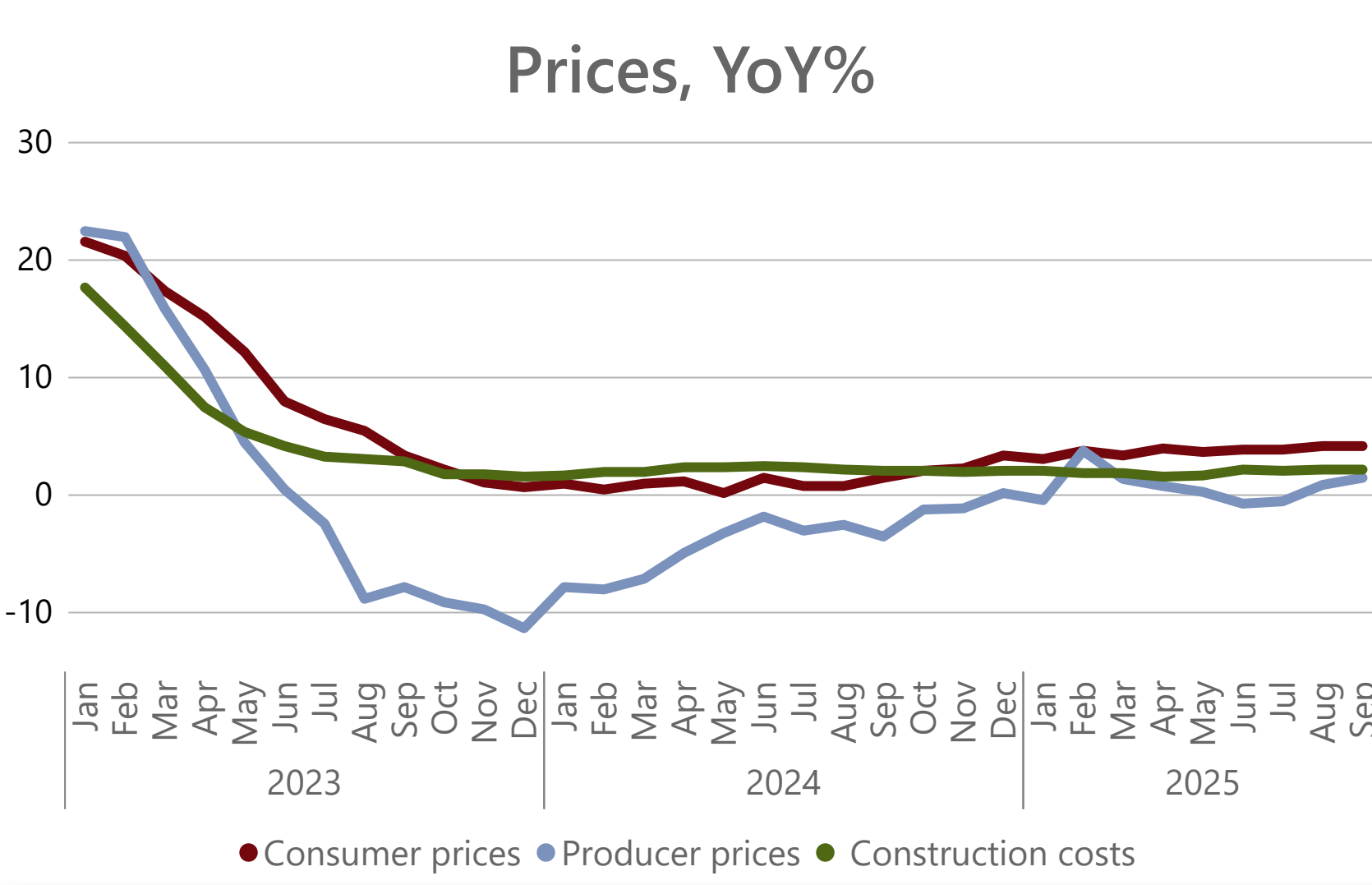
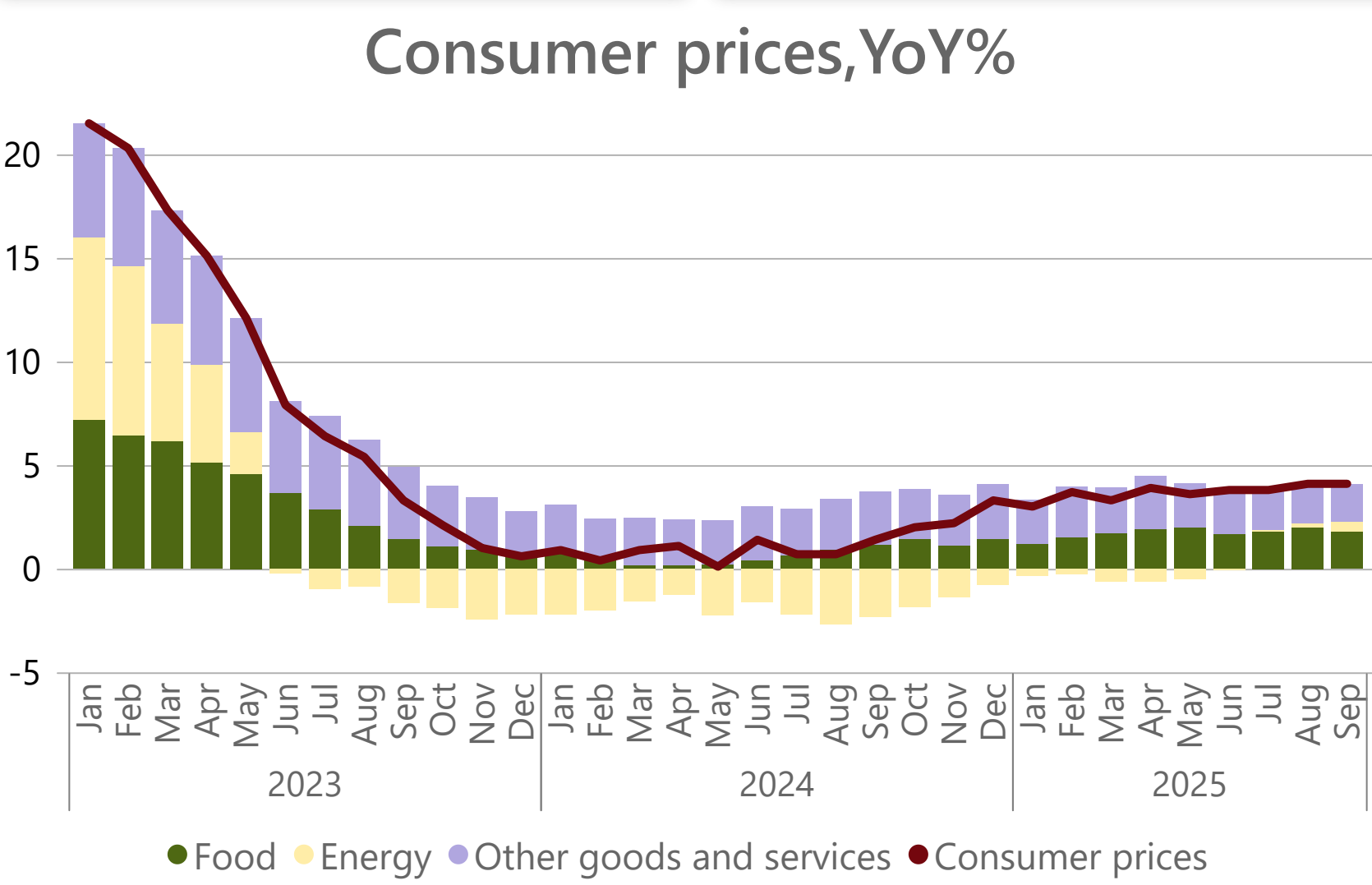
GDP 2024	GDP growth 2025
40 359 mln €	1.1%
CSB, 30.09.2025	MoF forecast, June 2025



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

INFLATION

Consumer prices	Producer prices
4.1%	1.4%
September 2025	September 2025



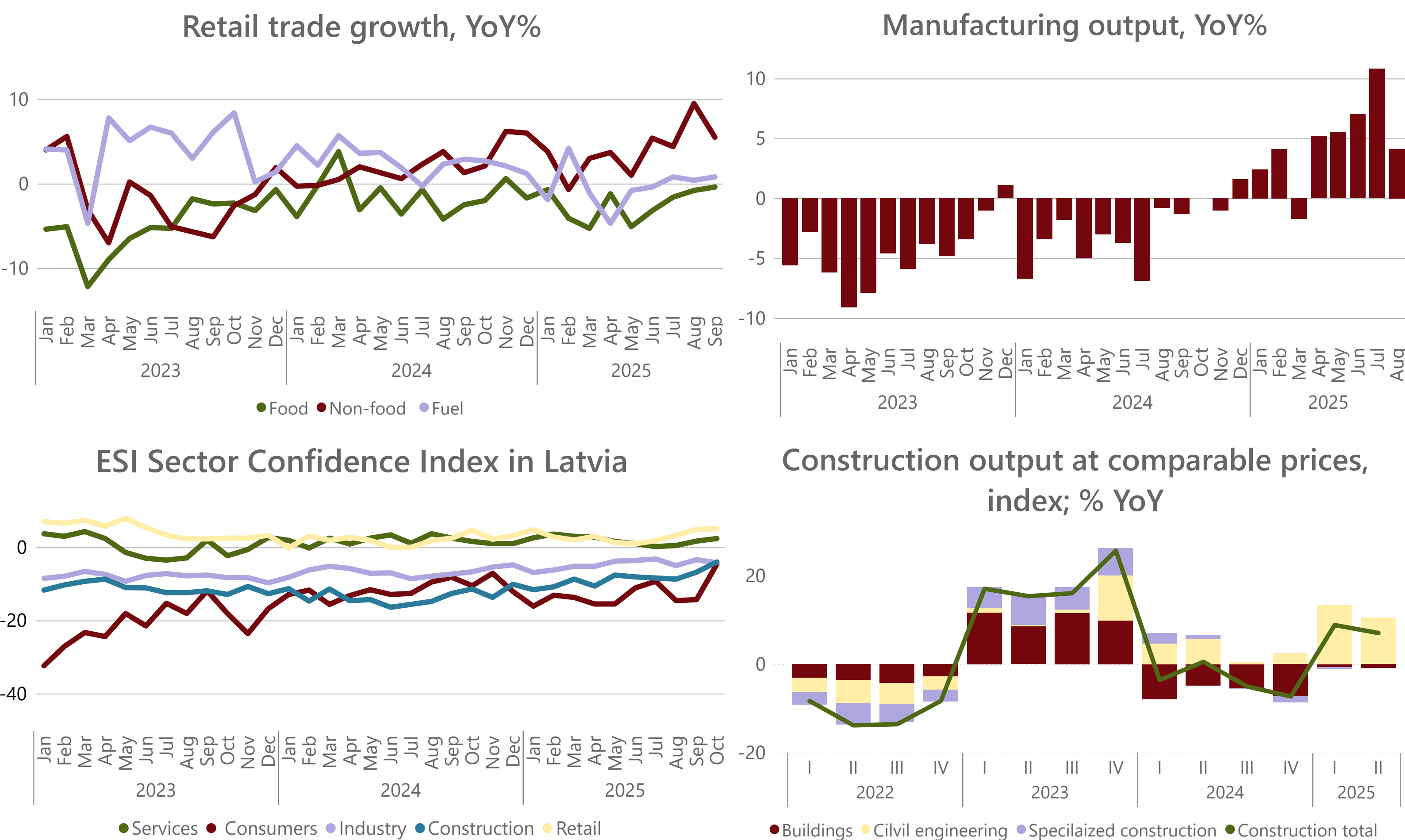
Source: CSB

MAIN MACROECONOMIC INDICATORS

Indicator	2019	2020	2021	2022	2023	2024	2025*	2026*	2027*	2028*
Nominal GDP, billions euro	29,6	29,2	32,3	36,1	39,6	40,4	42	44	46	48,2
Nominal GDP growth, %	5	-1,2	10,5	11,8	9,6	2	4,4	4,7	4,7	4,6
Real GDP growth, %	0,7	-3,5	6,9	1,9	-0,9	0	1,1	2,1	2,2	2,2
GDP deflator, % change	4,3	2,4	3,3	9,7	10,7	2,1	3,3	2,5	2,5	2,4
Consumer price index, % change	2,8	0,2	3,3	17,3	8,9	1,3	3,5	2,3	2,2	2,2
Average monthly gross wage, EUR	1076	1143	1277	1373	1537	1685	1811	1920	2026	2127
nominal growth, %	7,2	6,2	11,7	7,5	11,9	9,6	7,5	6	5,5	5
real growth, %	4,2	6	8,2	-8,4	2,8	8,2	3,9	3,6	3,2	2,7
Number of persons employed, thsd	910	893	864	886	884	877	876	874	871	867
growth, %	0,1	-1,9	-3,2	2,6	-0,2	-0,8	-0,2	-0,2	-0,3	-0,5
Unemployment rate, %	6,3	8,1	7,6	6,9	6,5	6,9	6,9	6,3	5,8	5,5

Source: CSB (30.09.2025), *forecasts of the Ministry of Finance of the Republic of Latvia (June 2025)

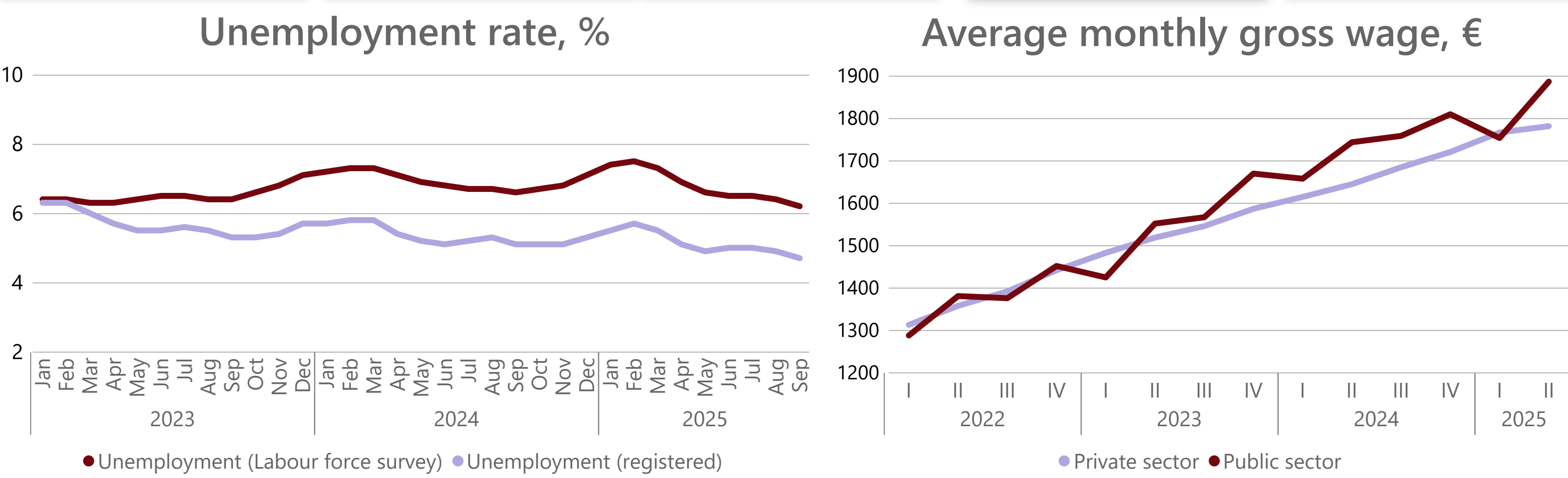
INDUSTRIES



Source: CSB, European Commission

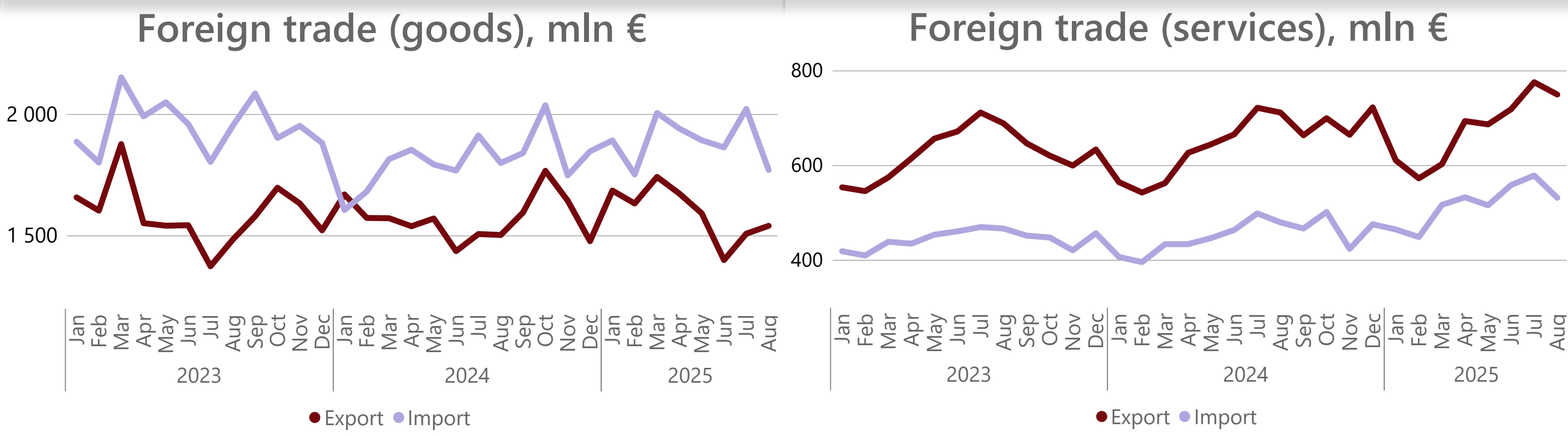
UNEMPLOYMENT

Registered unemployment	Labour force survey	Private sector	Public sector	Total
4.7%	6.2%	1 781€ (+8.3% YoY)	1 886€ (+8.2% YoY)	1 808€ (+8.2% YoY)
September 2025	September 2025	Q2 2025	Q2 2025	Q2 2025



Source: CSB, State Employment Agency

FOREIGN TRADE



Source: CSB; Bank of Latvia

GENERAL GOVERNMENT BUDGET

General government budget balance 2025

-2.9% of GDP

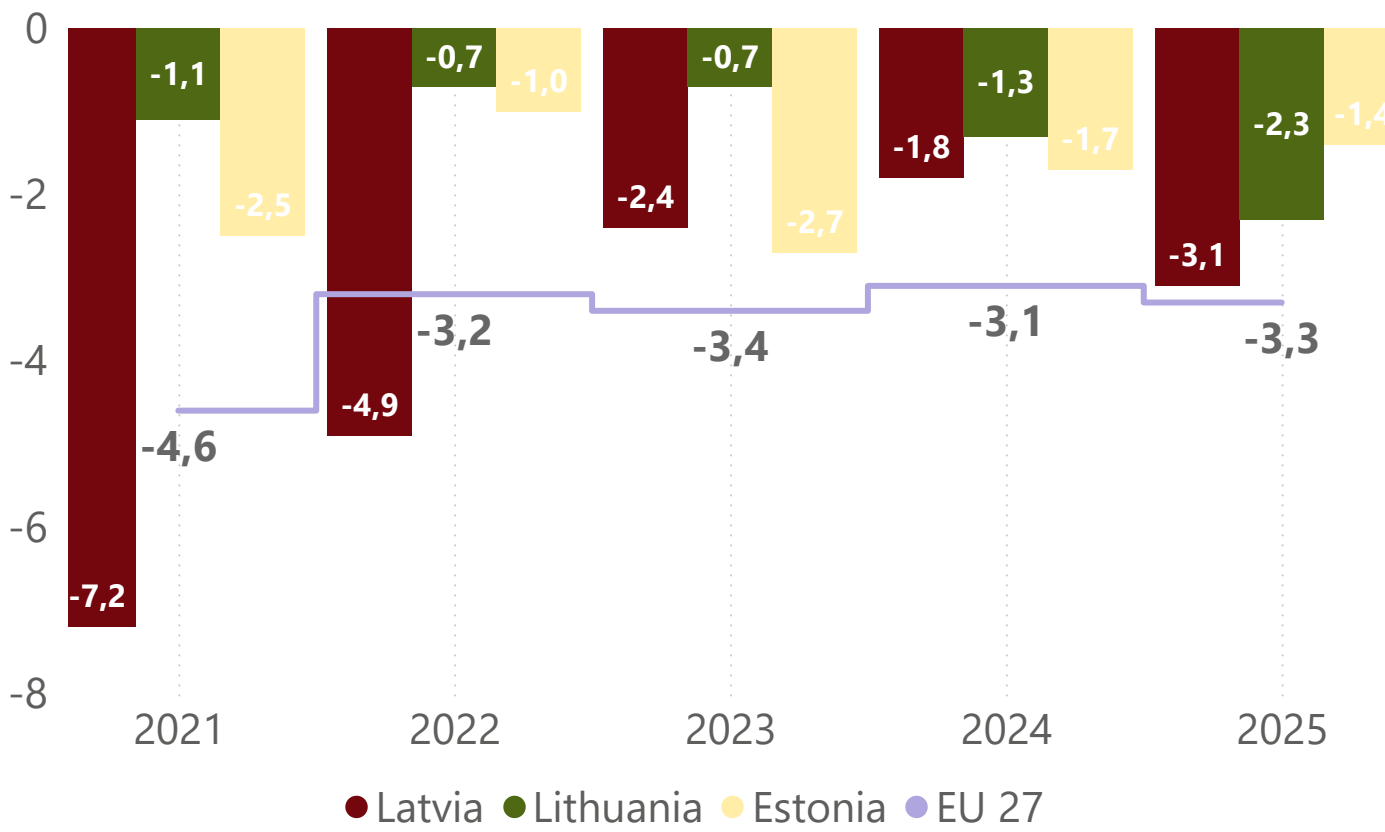
Forecast of MoF, August 2025

General government debt 2025

48.9% of GDP

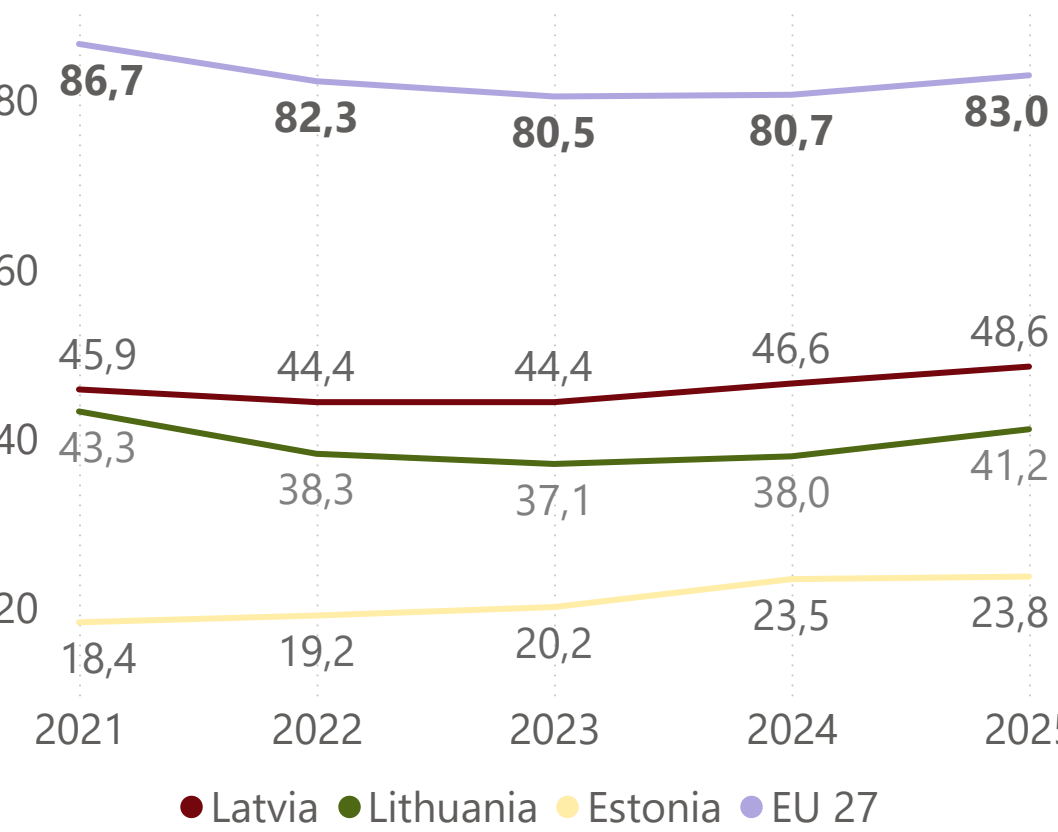
Forecast of Treasury, August 2025

General government budget balance, % of GDP

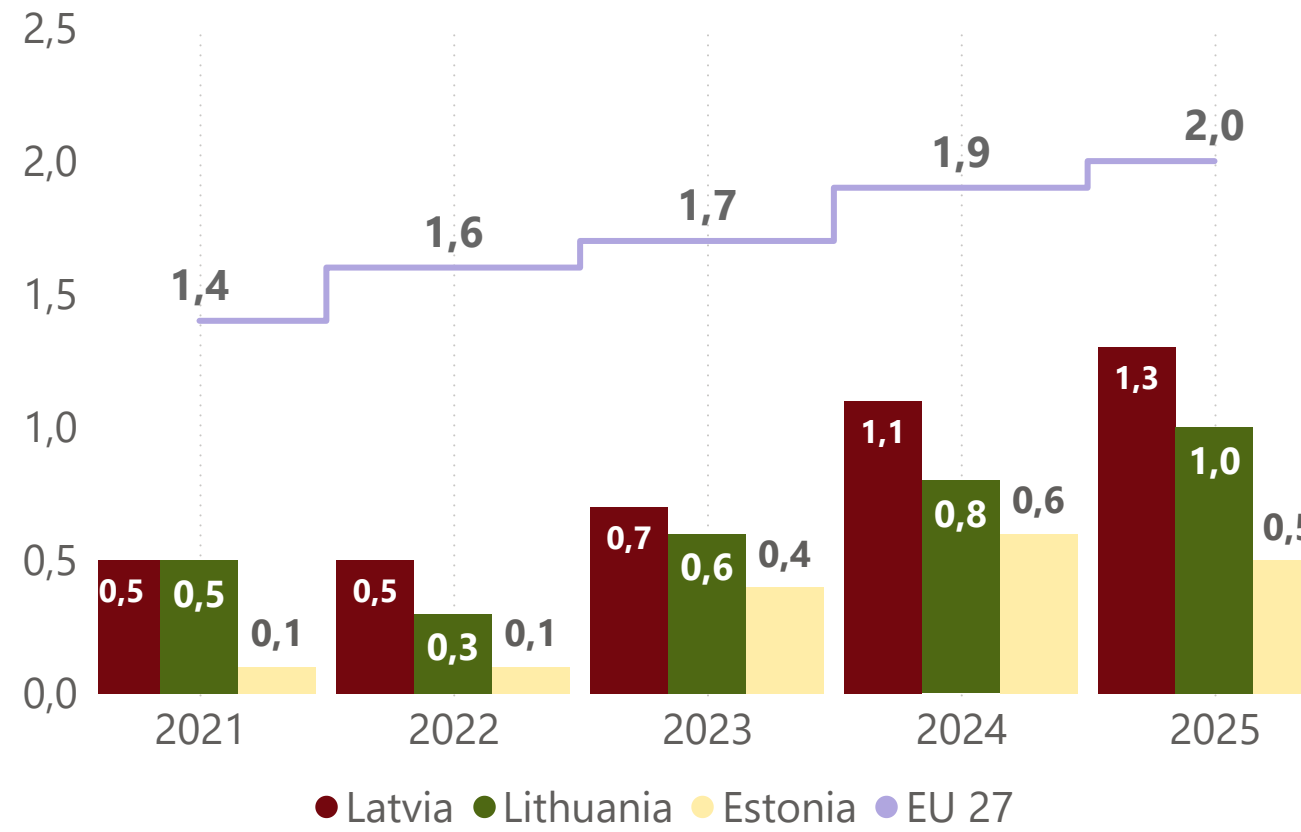


Source: Eurostat (2021-2024), AMECO forecast spring 2025

General government debt, % of GDP

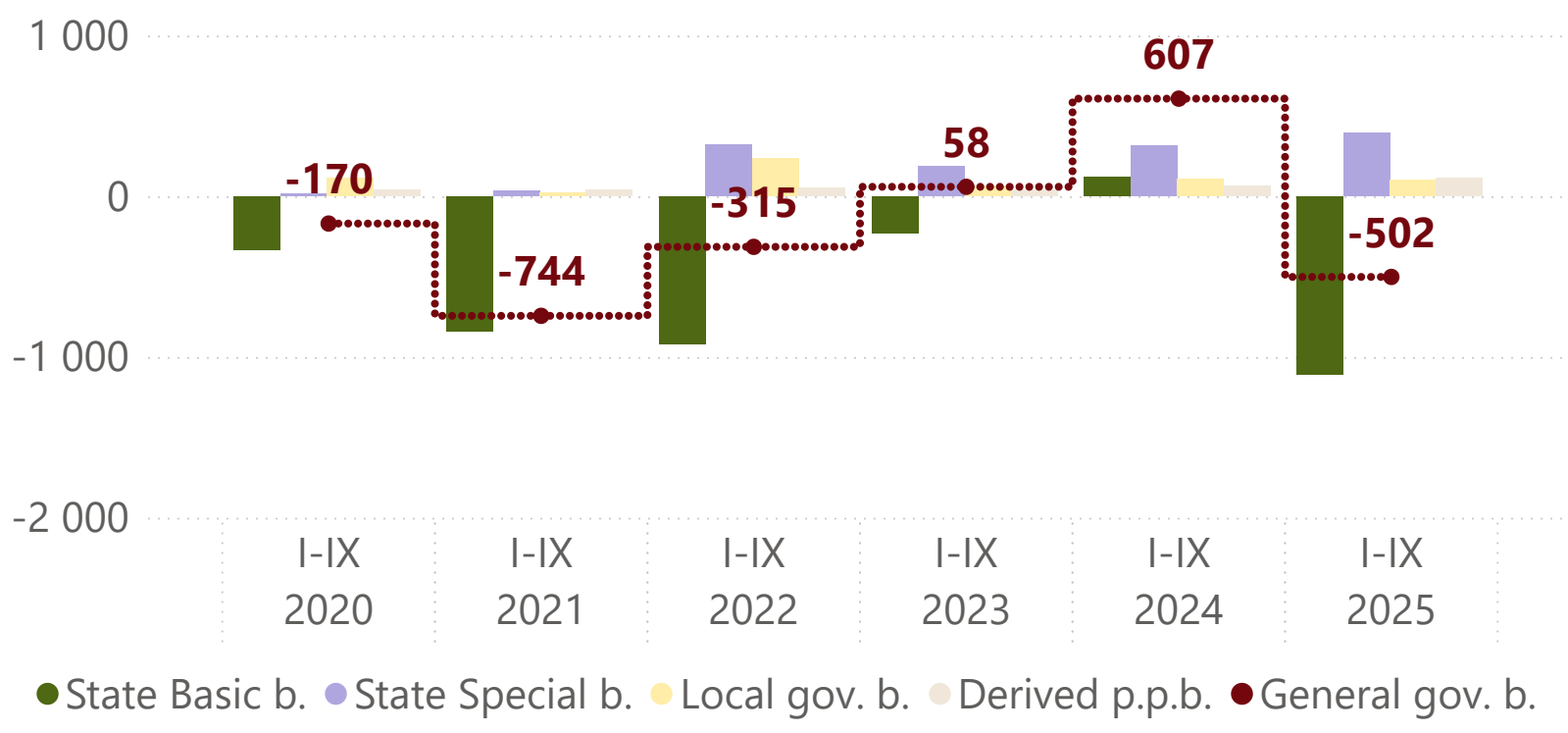


Interest expenditure (D.41), % of GDP

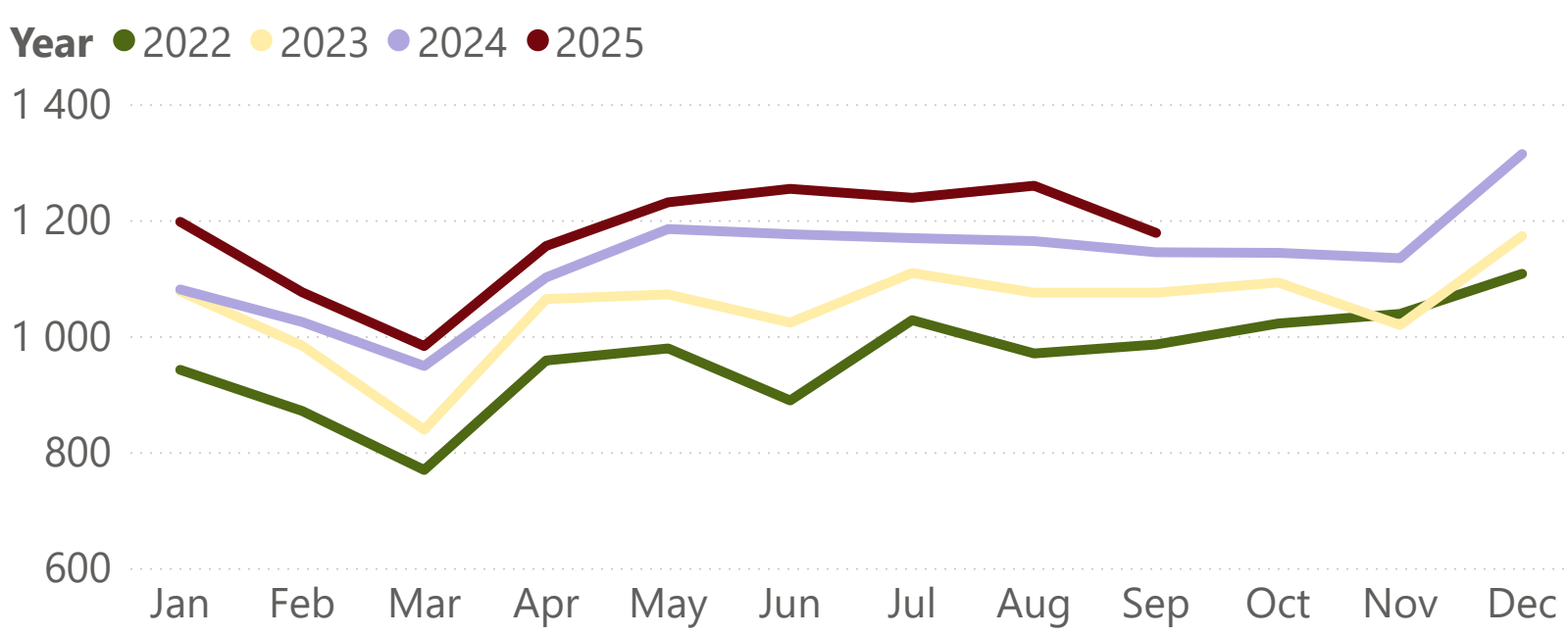


GENERAL GOVERNMENT BUDGET JANUARY-SEPTEMBER 2025 ON CASH BASIS

General government budget balance, mln €



General government budget tax revenue, mln €



Source: State Treasury

General government budget tax revenue in January-September 2025, including revenue in the single tax account (-150 mln €) and excluding SSC at the 2nd pension pillar (605,3 mln €).

General government budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	13 258,7	130,7	1,0%
Expenditure	13 760,9	1 240,0	9,9%
Balance	-502,2	-1 109,3	

General government budget tax revenue

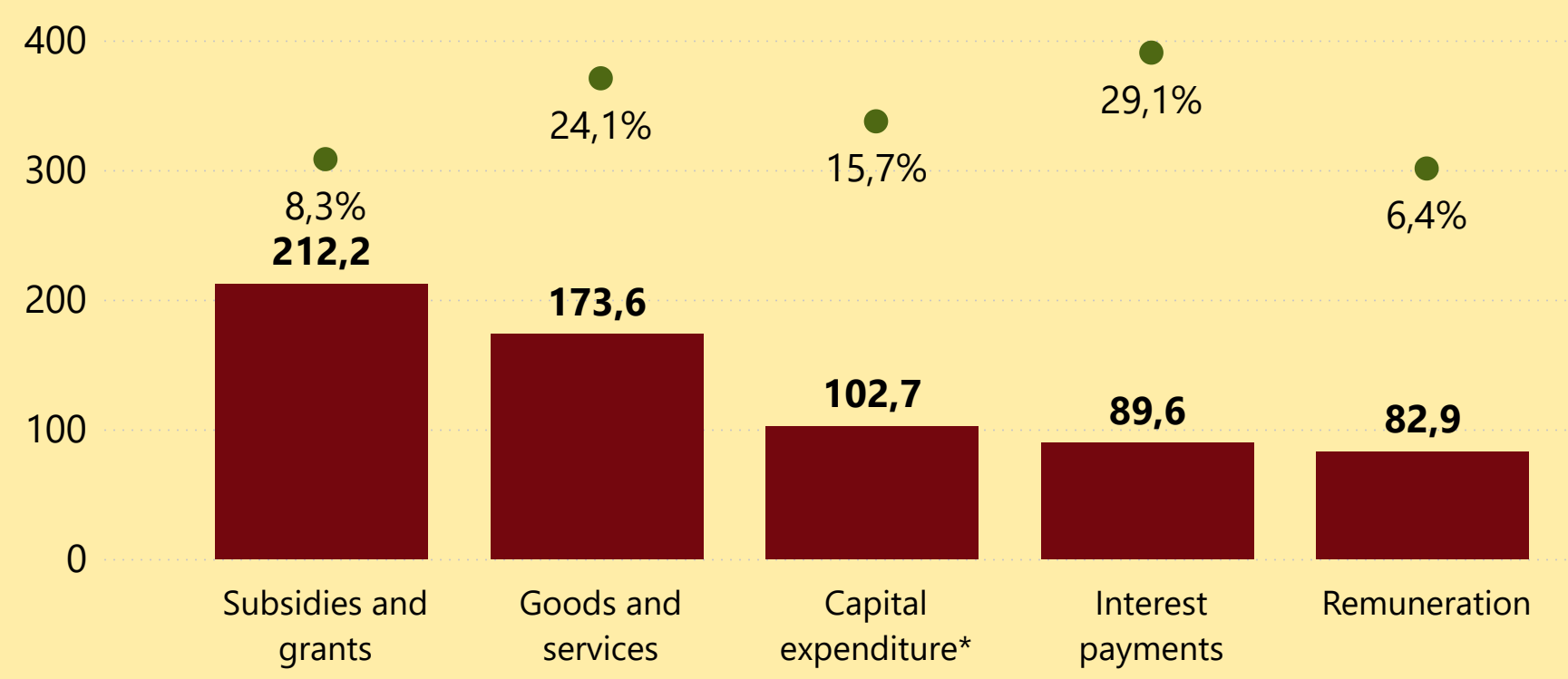
Tax type	Execution, mln €	YoY, mln €	YoY, %
SSC	3 590,2	283,2	8,6%
VAT	2 968,6	136,5	4,8%
PIT	2 033,1	-0,1	-0,0%
EXCISE	934,9	37,9	4,2%
CIT	684,1	79,3	13,1%

General government budget	Execution, mln €	YoY, mln €	YoY, %
Revenue			
Tax revenue	10 570,9	579,2	5,8%
Non tax revenue	950,6	-67,6	-6,6%
Self-earned revenue	445,6	36,5	8,9%
Foreign financial assistance	1 289,9	-417,7	-24,5%
Expenditure			
Remuneration	3 093,8	186,0	6,4%
Goods and services	1 589,2	205,7	14,9%
Interest payments	384,7	62,8	19,5%
Subsidies and grants	2 994,8	221,5	8,0%
Social support	4 130,1	285,2	7,4%
Payments to EU budget	296,5	15,3	5,5%
Capital expenditure	1 207,9	266,9	28,4%

STATE BASIC BUDGET

State Basic Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	7 602,7	-198,5	-2,5%
Expenditure	8 712,9	1 033,4	13,5%
Balance	-1 110,2	-1 231,9	

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



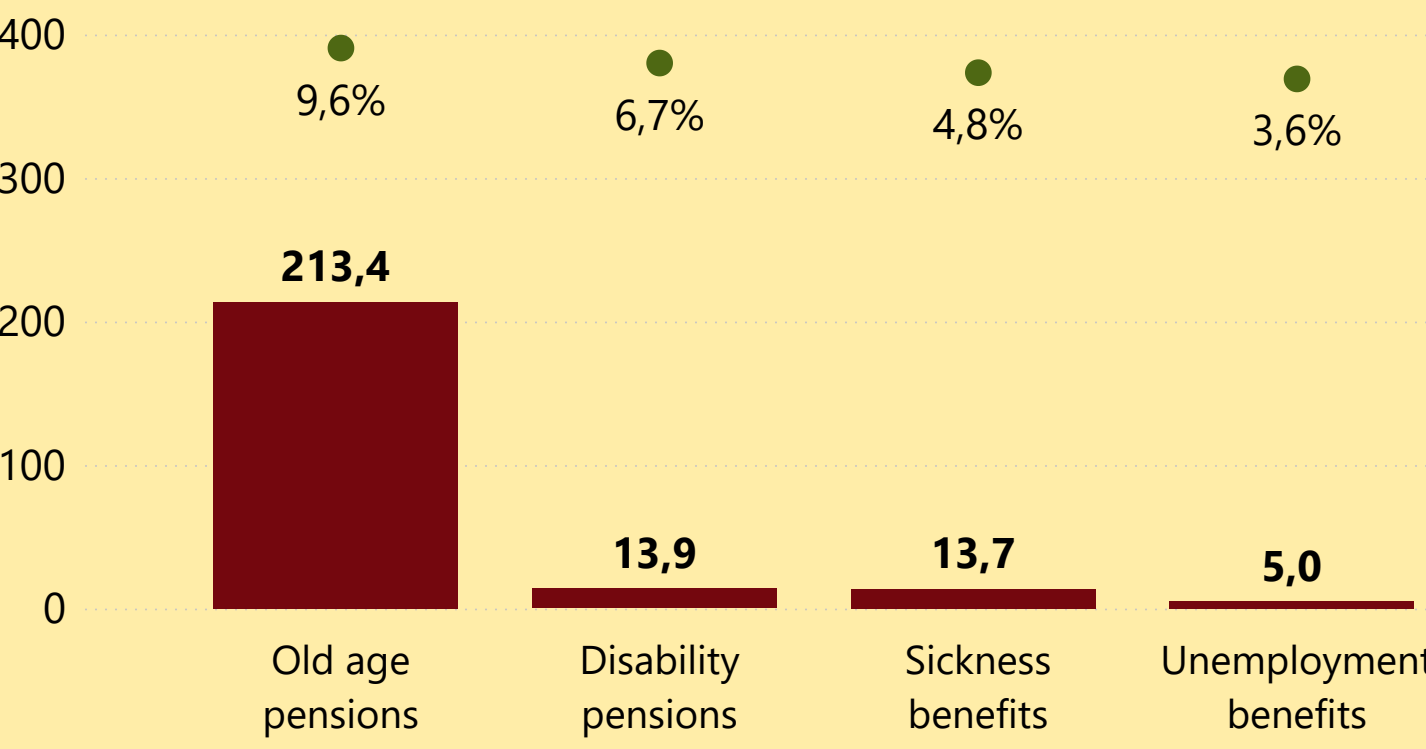
*Capital expenditure - fixed capital formation, excluding transfers between budget levels

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

STATE SPECIAL BUDGET

State Special Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	3 840,9	343,9	9,8%
Expenditure	3 446,1	262,9	8,3%
Balance	394,7	81,0	

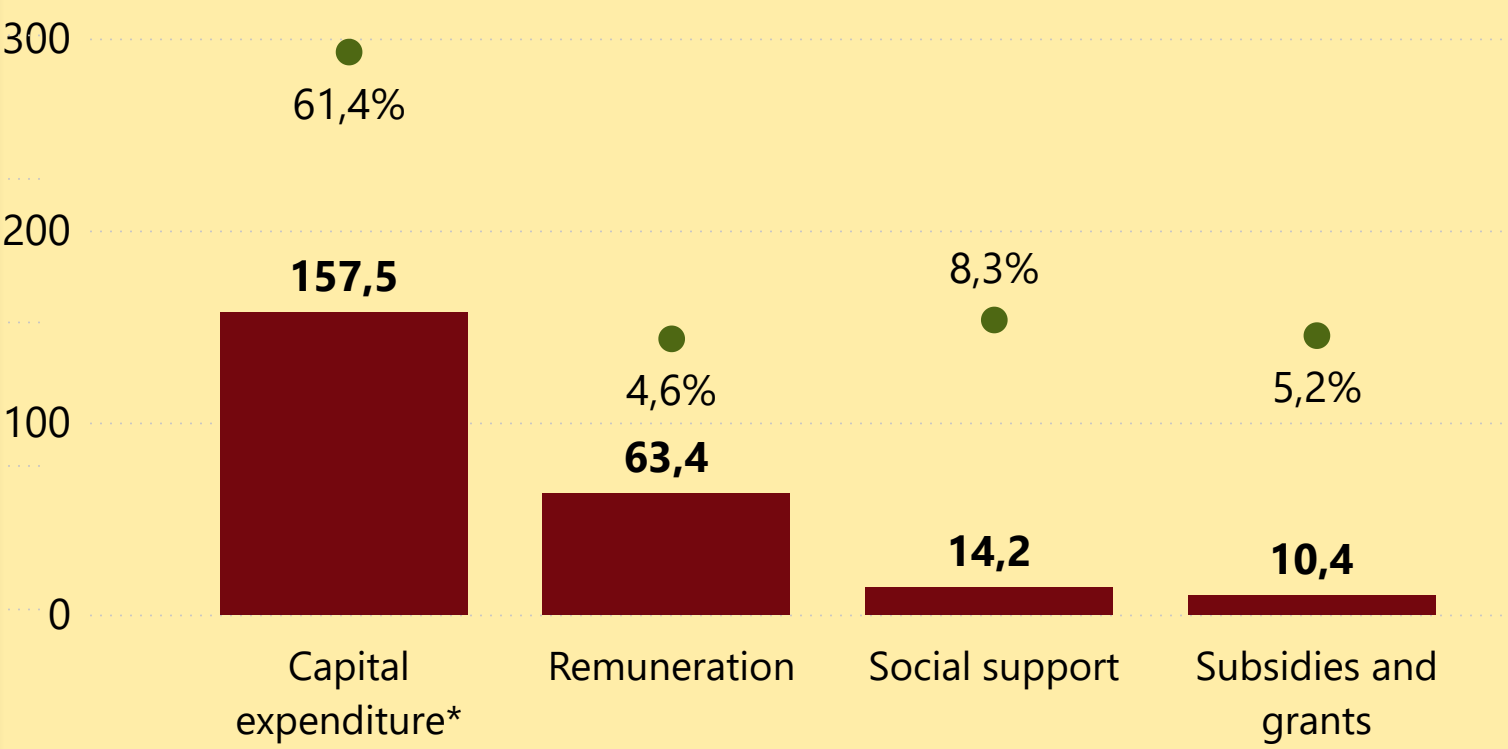
Major changes in mln € and % against respective period year before



LOCAL GOVERNMENT BUDGET

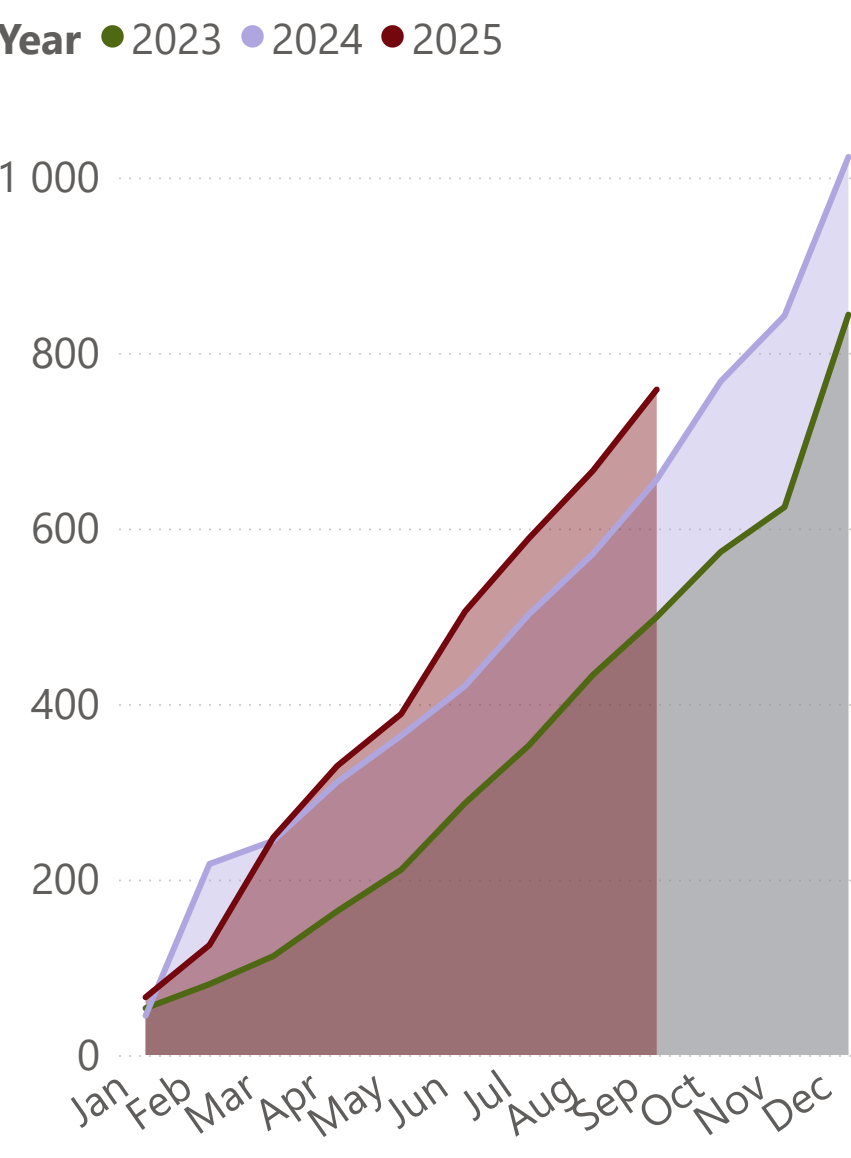
Local Government Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	2 998,2	245,3	8,9%
Expenditure	2 894,8	251,5	9,5%
Balance	103,4	-6,2	

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

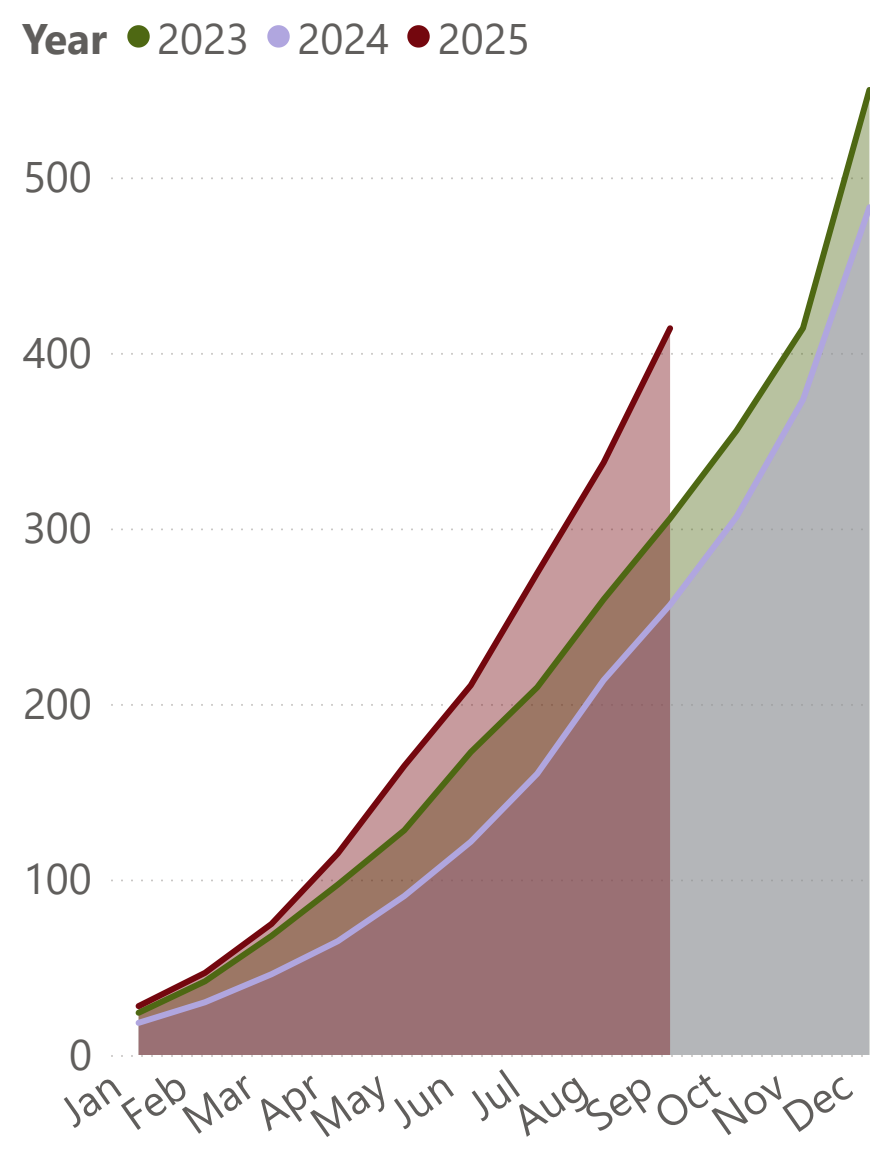


CAPITAL EXPENDITURE

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

426 801
(+0.2% YoY)
I-IX 2025

Unemployment benefit recipients

31 682
(-4.1% YoY)
I-IX 2025

Old-age pensions average amount

605€
(+11.9% YoY)
I-IX 2025

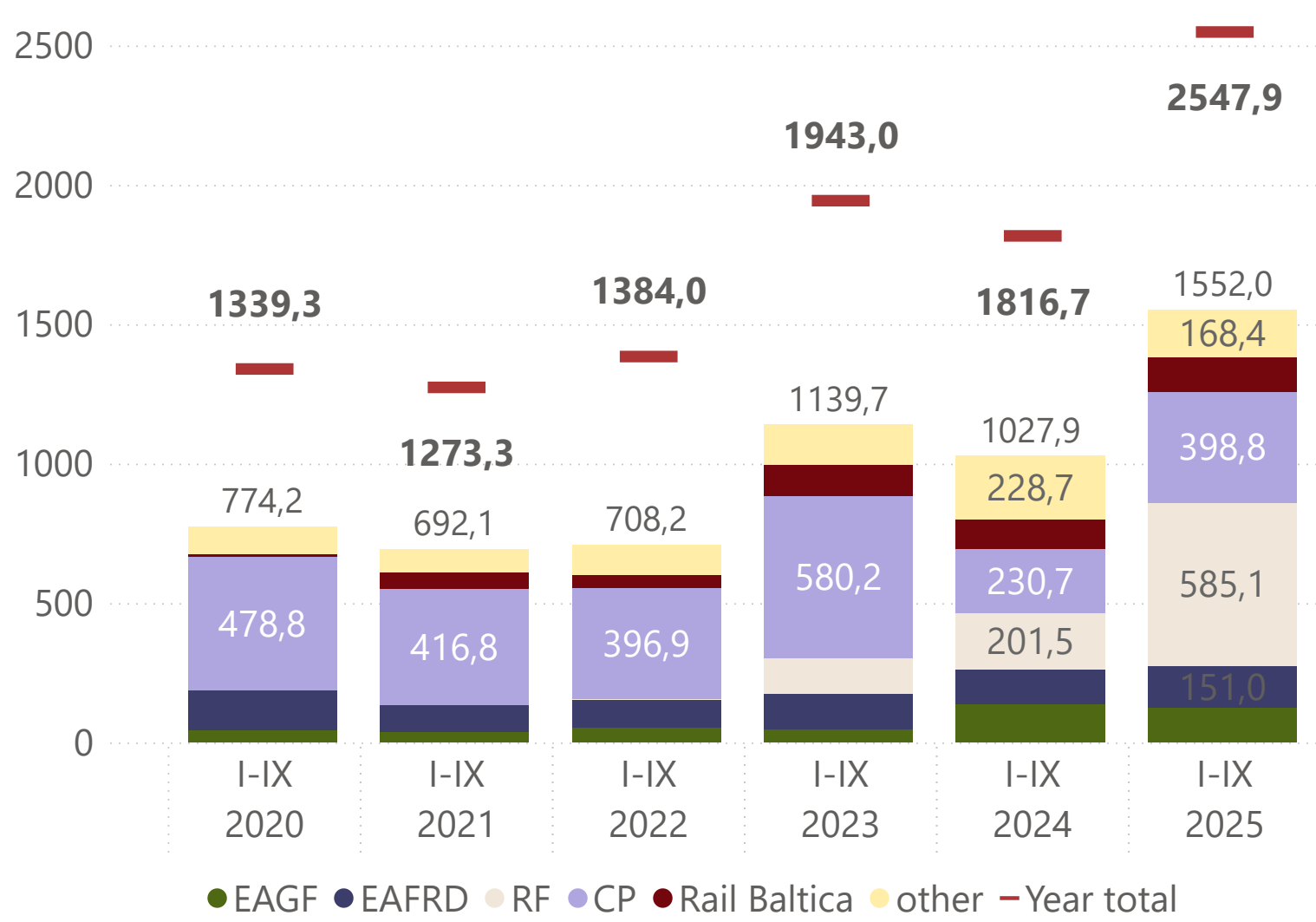
Unemployment benefit average amount

505€
(+8.1% YoY)
I-IX 2025

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; EA FRD - European Agricultural Fund for Rural Development

Source: State Treasury