

# MACROECONOMIC AND BUDGETARY REVIEW 2025

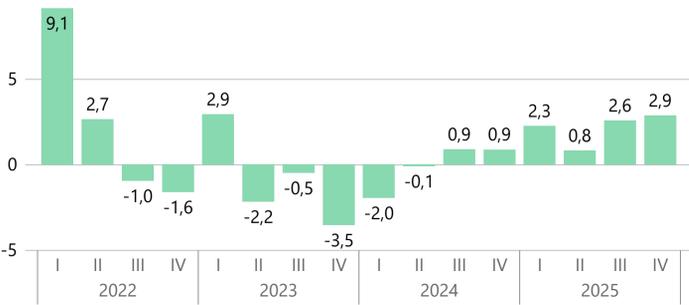
## No 1/2026

### GROSS DOMESTIC PRODUCT (GDP)

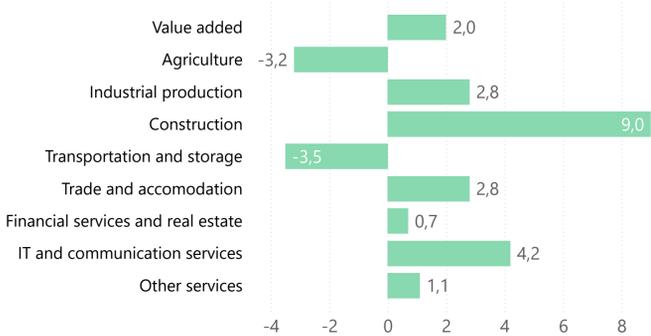
**GDP 2025**  
Current prices  
**43 026 mln €**  
CSB, 27.02.2026

**GDP forecast 2026**  
Comparable prices  
**2.6%**  
MoF February 2026

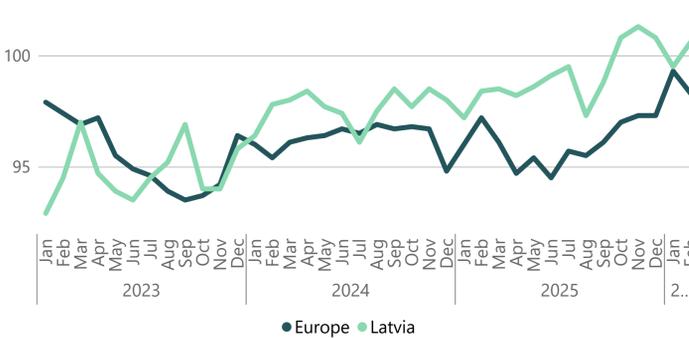
#### GDP growth, YoY%



#### GDP growth by sectoral breakdown 2025/2024



#### ESI Economic confidence



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

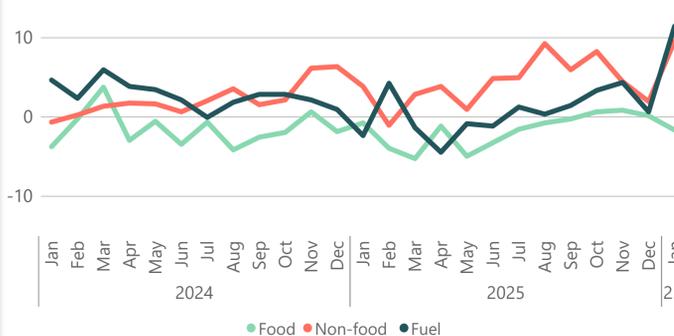
### MAIN MACROECONOMIC INDICATORS

Indicator	2021	2022	2023	2024	2025	2026*	2027*	2028*	2029*	2030*
Nominal GDP, billions euro	32,3	36,1	39,6	40,7	43	45,2	47,8	50,5	53,2	56,1
Nominal GDP growth, %	10,5	11,8	9,6	2,8	5,8	6,1	5,8	5,6	5,3	5,4
Real GDP growth, %	6,9	1,9	-0,9	0	2,1	2,6	2,7	2,6	2,5	2,5
GDP deflator, % change	3,3	9,7	10,7	2,8	3,6	3,3	3	2,9	2,8	2,8
Consumer price index, % change	3,3	17,3	8,9	1,3	3,7	2,9	2,6	2,6	2,3	2,3
Average monthly gross wage, EUR	1277	1373	1537	1685	1816	1934	2051	2174	2304	2431
nominal growth, %	11,7	7,5	11,9	9,6	7,8	6,5	6	6	6	5,5
real growth, %	8,2	-8,4	2,8	8,3	3,9	3,5	3,3	3,3	3,6	3,1
Number of persons employed, thsd	864	886	884	877	883	881	879	876	872	867
growth, %	-3,2	2,6	-0,2	-0,8	0,6	0	-0,2	-0,3	-0,5	-0,5
Unemployment rate, %	7,6	6,9	6,5	6,9	6,9	6,6	6,2	6	6	5,8

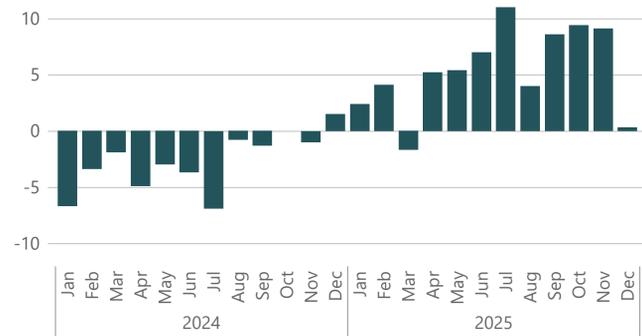
Source: CSB (27.02.2026), \*forecasts of the Ministry of Finance of the Republic of Latvia (February 2026)

### INDUSTRIES

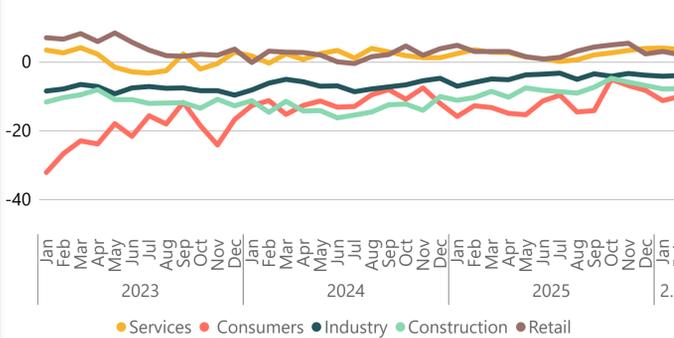
#### Retail trade growth, YoY%



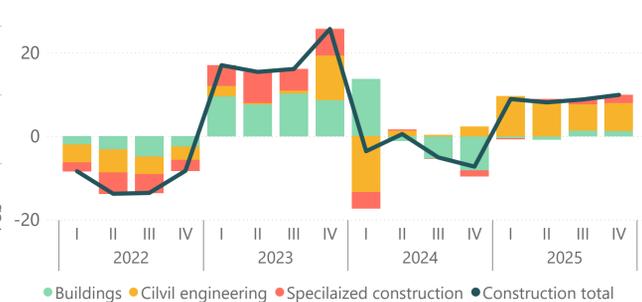
#### Manufacturing output, YoY%



#### ESI Sector Confidence Index in Latvia



#### Construction output at comparable prices, index; % YoY



Source: CSB, European Commission

### INFLATION

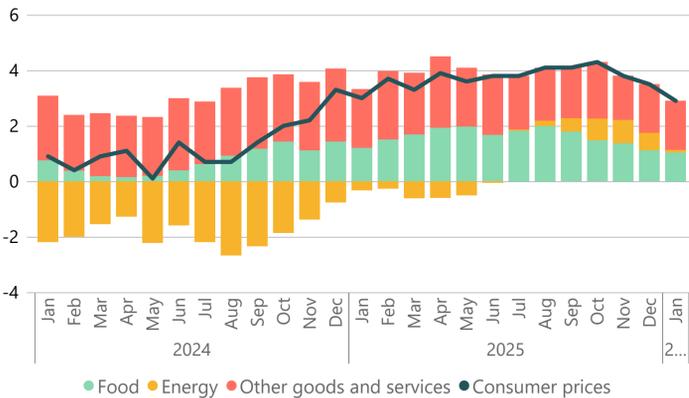
#### Consumer prices

**2.9%**  
January 2026

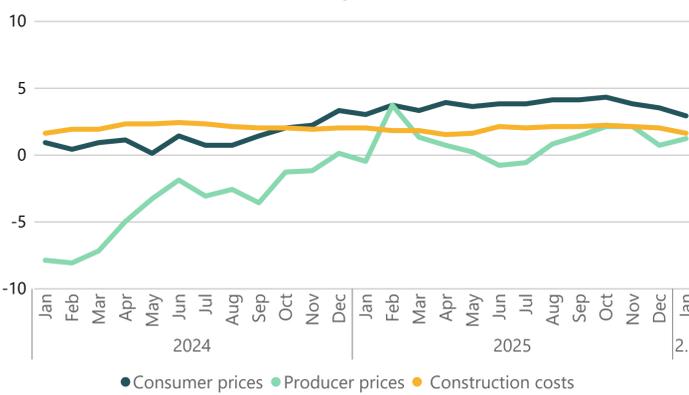
#### Producer prices

**1.2%**  
January 2026

#### Consumer prices, YoY%



#### Prices, YoY%



Source: CSB

### UNEMPLOYMENT

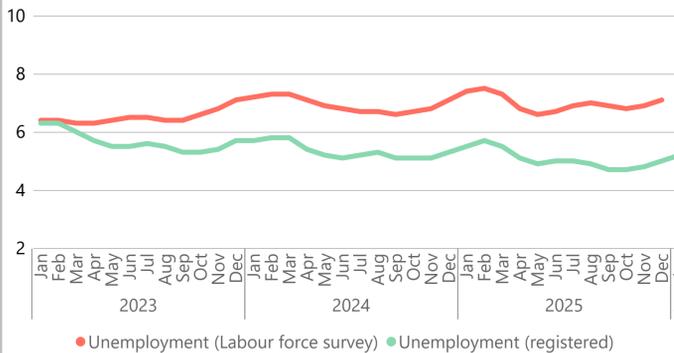
#### Registered unemployment

**5.2%**  
January 2026

#### Labour force survey

**7.1%**  
December 2025

#### Unemployment rate, %



Source: CSB, State Employment Agency

### WAGE

#### Private sector

**1 781€**  
**(+8.3% YoY)**  
Q3 2025

#### Public sector

**1 886€**  
**(+8.2% YoY)**  
Q3 2025

#### Total

**1 808€**  
**(+8.2% YoY)**  
Q3 2025

#### Average monthly gross wage, €

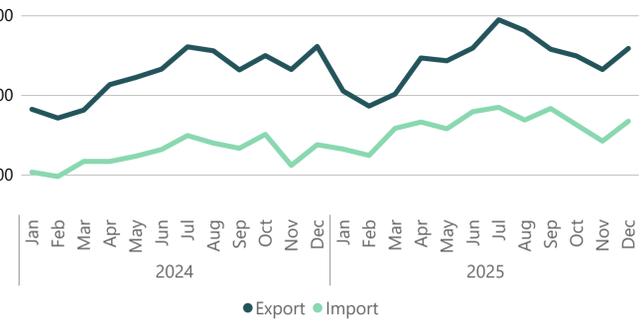


### FOREIGN TRADE

#### Foreign trade (goods), mln €



#### Foreign trade (services), mln €



Source: CSB; Bank of Latvia

# GENERAL GOVERNMENT BUDGET

## General government budget balance 2025

**-2.4% of GDP**

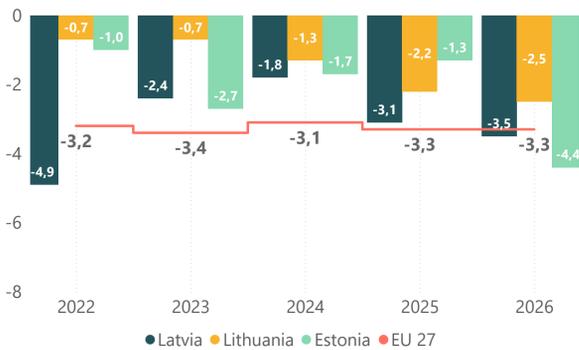
Assessment of MoF, January 2026

## General government debt 2025

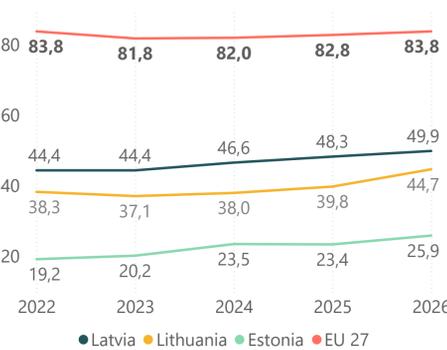
**48.2% of GDP**

Assessment of Treasury, January 2026

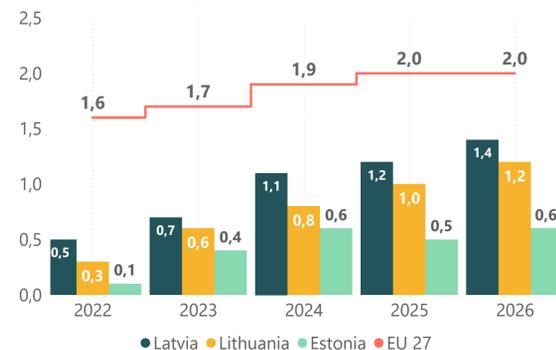
## General government budget balance, % of GDP



## General government debt, % of GDP



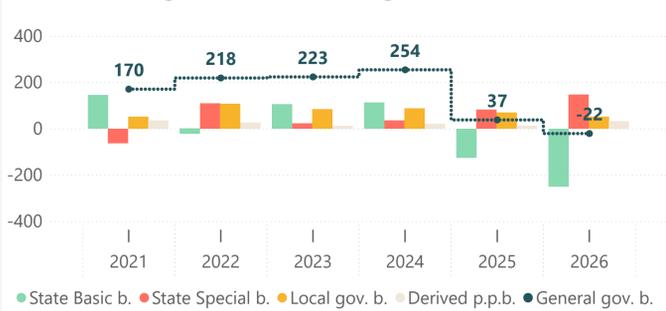
## Interest expenditure (D.41), % of GDP



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

# GENERAL GOVERNMENT BUDGET JANUARY 2026 ON CASH BASIS

## General government budget balance, mln €



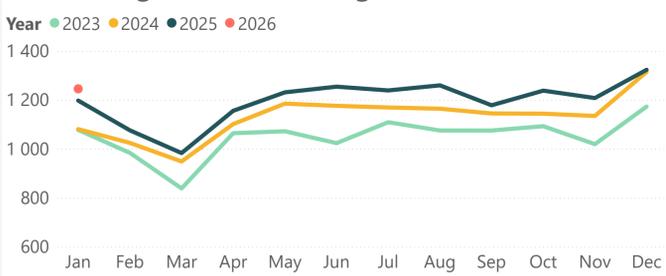
General government budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	1 501,9	51,4	3,5%
Expenditure	1 523,4	110,2	7,8%
Balance	-21,5	-58,8	

General government budget	Execution, mln €	YoY, mln €	YoY, %
<b>Revenue</b>			
Tax revenue	1 245,1	48,0	4,0%
Non tax revenue	69,2	-3,7	-5,1%
Self-earned revenue	55,7	-4,6	-7,7%
Foreign financial assistance	131,8	12,1	10,1%
<b>Expenditure</b>			
Remuneration	233,3	6,1	2,7%
Goods and services	143,7	0,4	0,3%
Interest payments	107,4	8,8	8,9%
Subsidies and grants	367,8	36,6	11,1%
Social support	436,1	-38,8	-8,2%
Payments to EU budget	37,8	5,2	15,9%
Capital expenditure	178,5	82,8	86,5%

## General government budget tax revenue

Tax type	Execution, mln €	YoY, mln €	YoY, %
SSC	458,2	26,9	6,2%
VAT	365,5	38,1	11,6%
PIT	288,6	-28,2	-8,9%
EXCISE	107,5	7,6	7,6%
CIT	106,2	-30,8	-22,5%

## General government budget tax revenue, mln €



Source: State Treasury

General government budget tax revenue January 2025, including revenue in the single tax account (-132 mln €) and excluding SSC at the 2nd pension pillar (65.8 mln €).

## STATE BASIC BUDGET

State Basic Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	834,1	12,9	1,6%
Expenditure	1 084,4	137,2	14,5%
Balance	-250,3	-124,3	

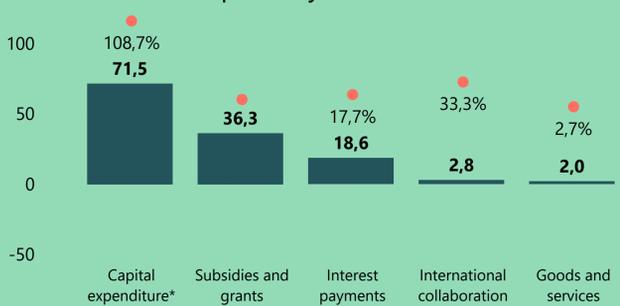
## STATE SPECIAL BUDGET

State Special Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	509,6	41,8	8,9%
Expenditure	363,4	-21,7	-5,6%
Balance	146,2	63,5	

## LOCAL GOVERNMENT BUDGET

Local Government Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	326,8	-7,3	-2,2%
Expenditure	275,8	10,8	4,1%
Balance	51,0	-18,1	

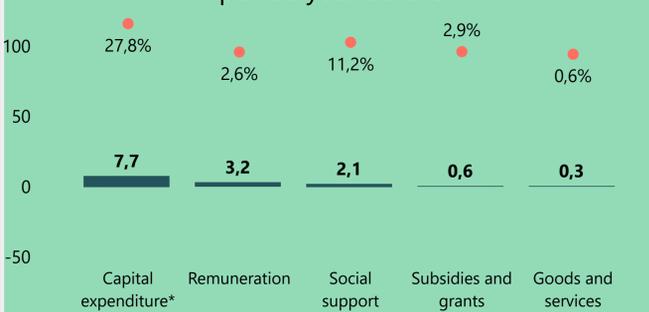
## Major changes in mln € and % against respective period year before



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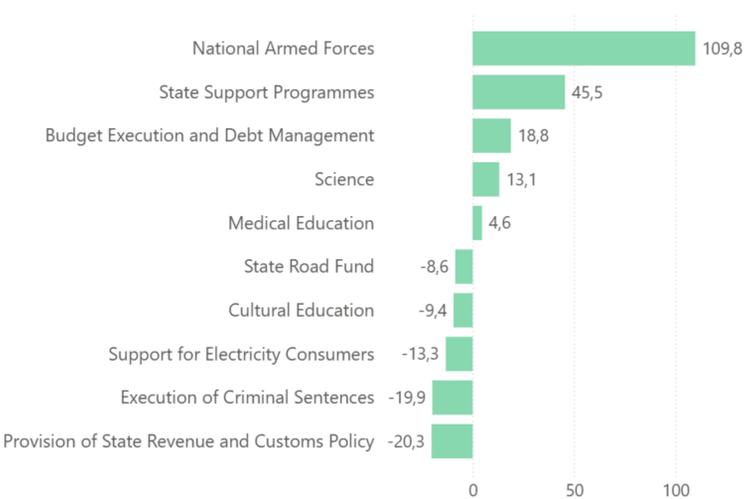


\*Capital expenditure - fixed capital formation, excluding transfers between budget levels

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

## BASIC FUNCTION EXPENDITURE

### Major expenditure changes by programme against respective period year before, mln €



## SOCIAL SECURITY

### Old-age pensions recipients

**425 302**  
(0.0% YoY)  
January 2026

### Old-age pensions average amount

**665€**  
(+8.7% YoY)  
January 2026

### Unemployment benefit recipients

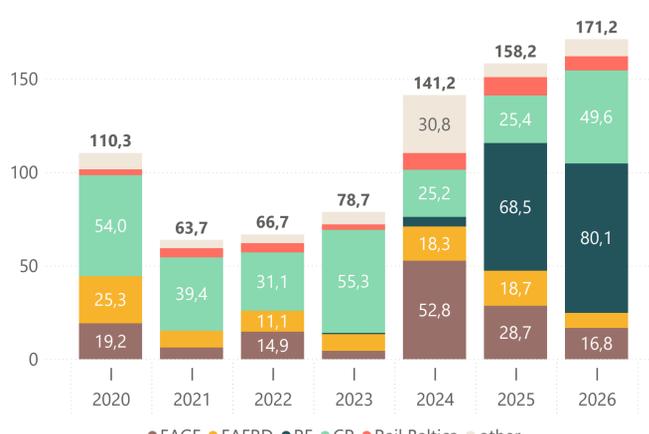
**29 227**  
(-10.8% YoY)  
January 2026

### Unemployment benefit average amount

**569€**  
(+12.3% YoY)  
January 2026

## 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

Source: State Social Insurance Agency (SSIA)

Source: State Treasury, MoF