

# MACROECONOMIC AND BUDGETARY REVIEW 2025

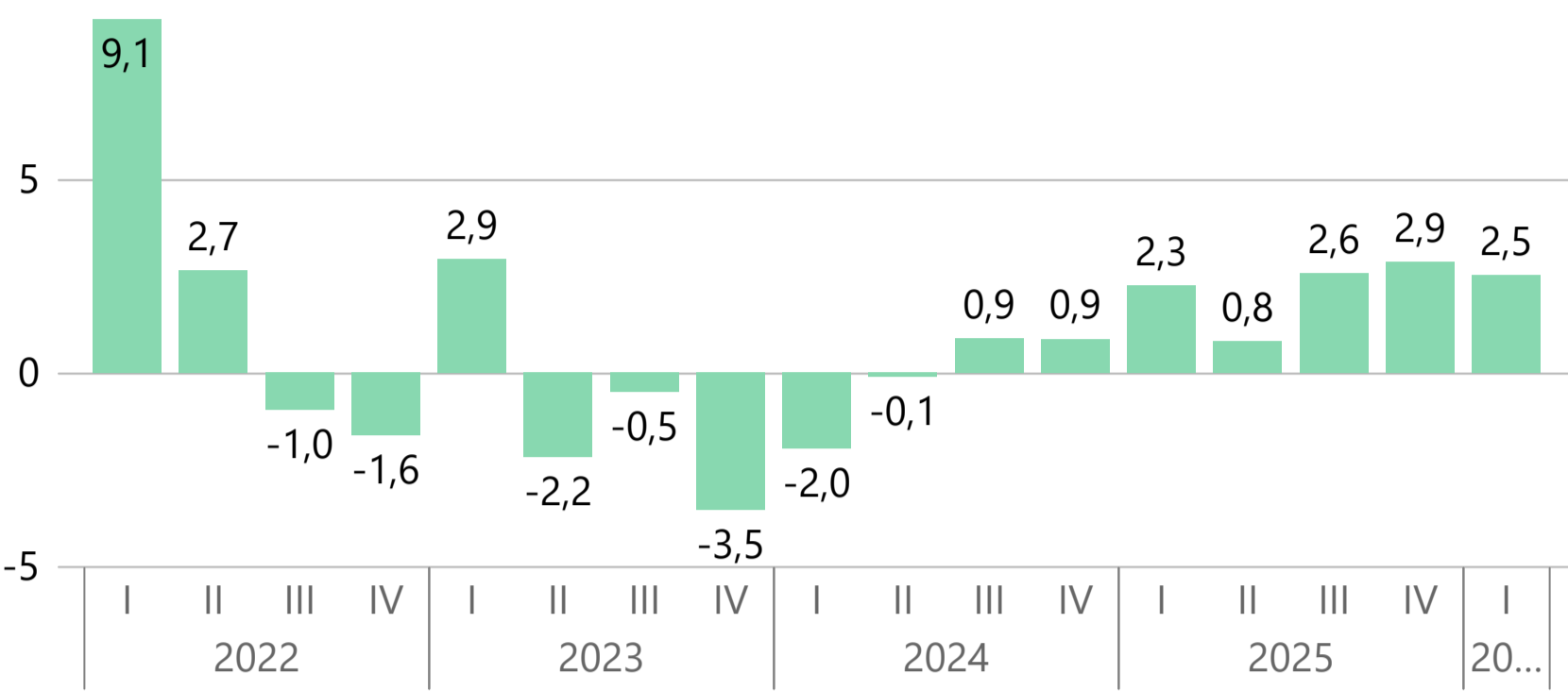
## No 4/2026

### GROSS DOMESTIC PRODUCT (GDP)

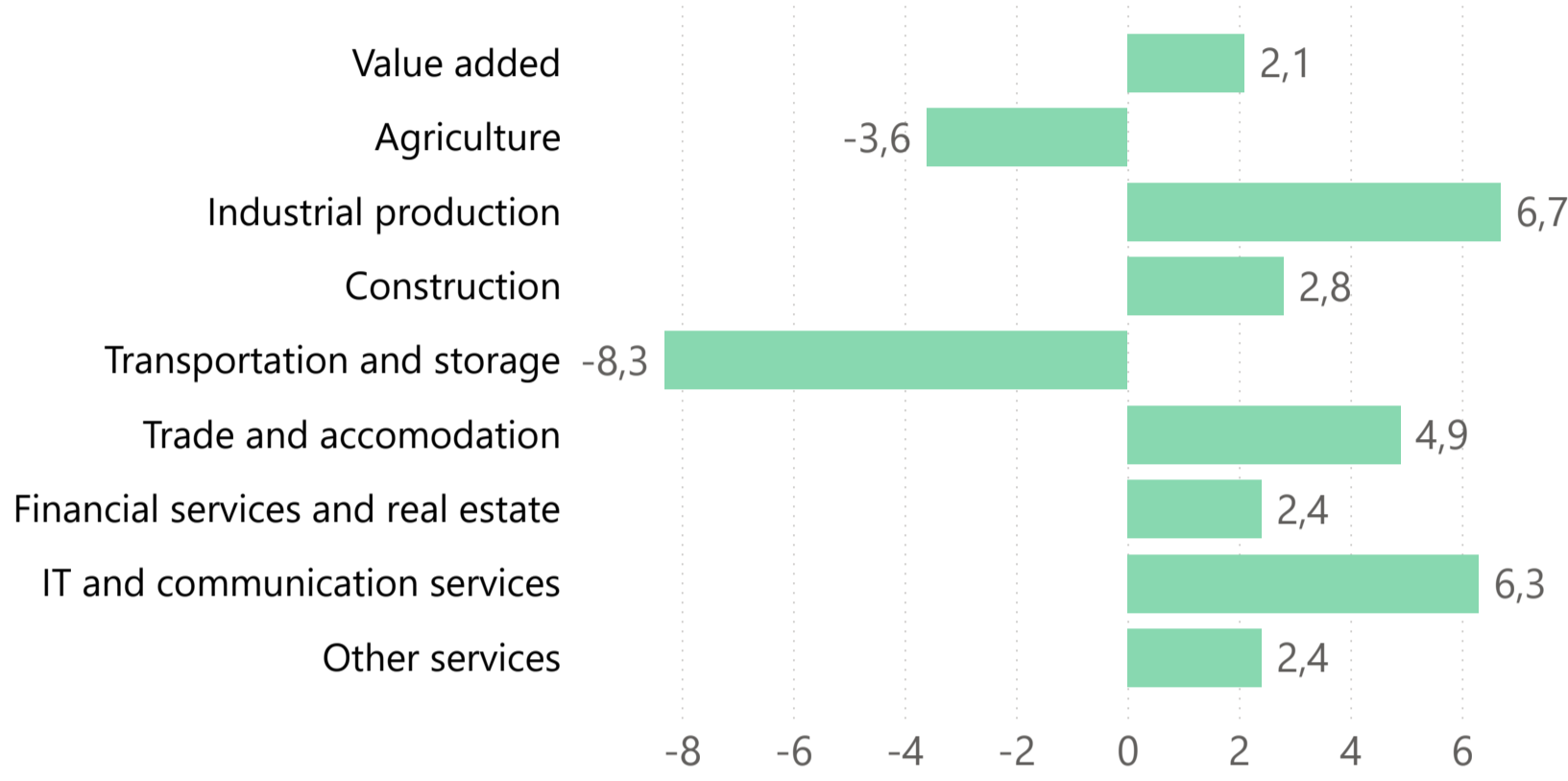
**GDP 2025**  
Current prices  
**43 026 mln €**  
CSB, 27.02.2026

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

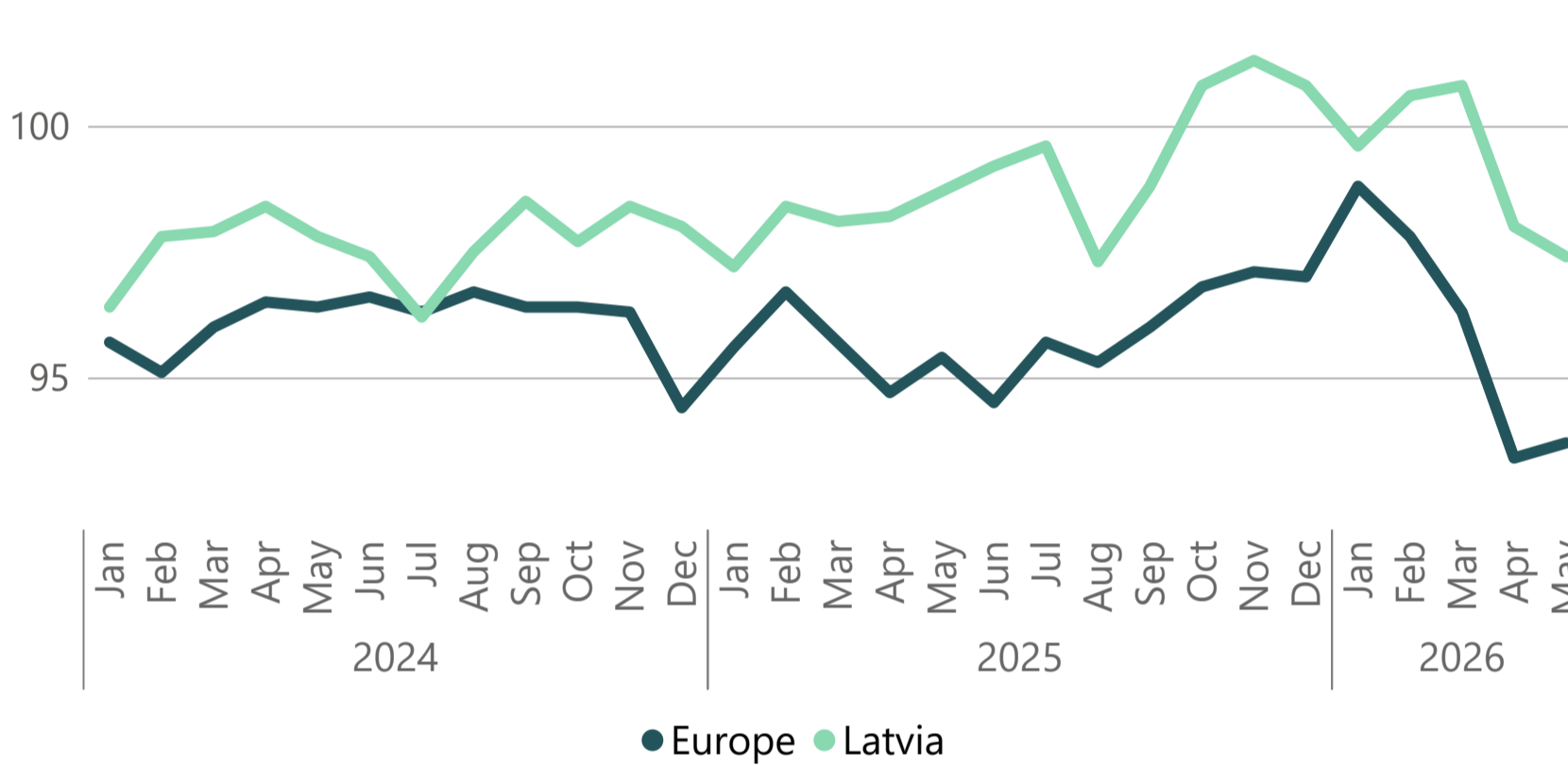
#### GDP growth, YoY%



#### GDP growth by sectoral breakdown 2026 Q1/2025 Q1



#### ESI Economic confidence



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

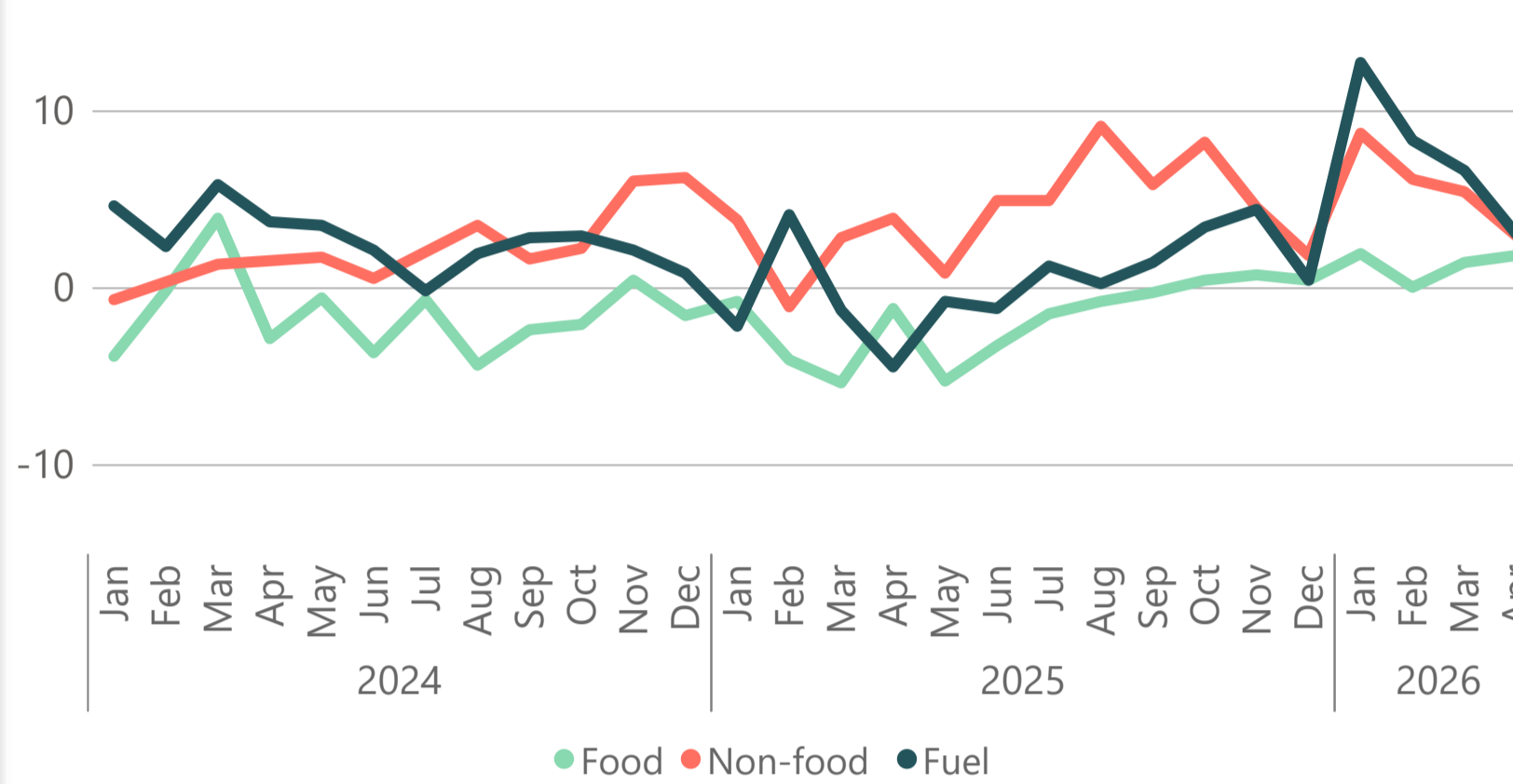
### MAIN MACROECONOMIC INDICATORS

Indicator	2021	2022	2023	2024	2025	2026*	2027*	2028*	2029*	2030*
Nominal GDP, billions euro	32,3	36,1	39,6	40,7	43	45,6	48,3	50,9	53,7	56,5
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	1815	1933	2049	2172	2302	2429
nominal growth, %	11,7	7,5	11,9	9,6	7,7	6,5	6	6	6	5,5
real growth, %	8,2	-8,4	2,8	8,3	3,8	3,5	3,3	3,3	3,6	3,1
Number of persons employed, thsd	864	886	884	877	883	883	881	879	874	870
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

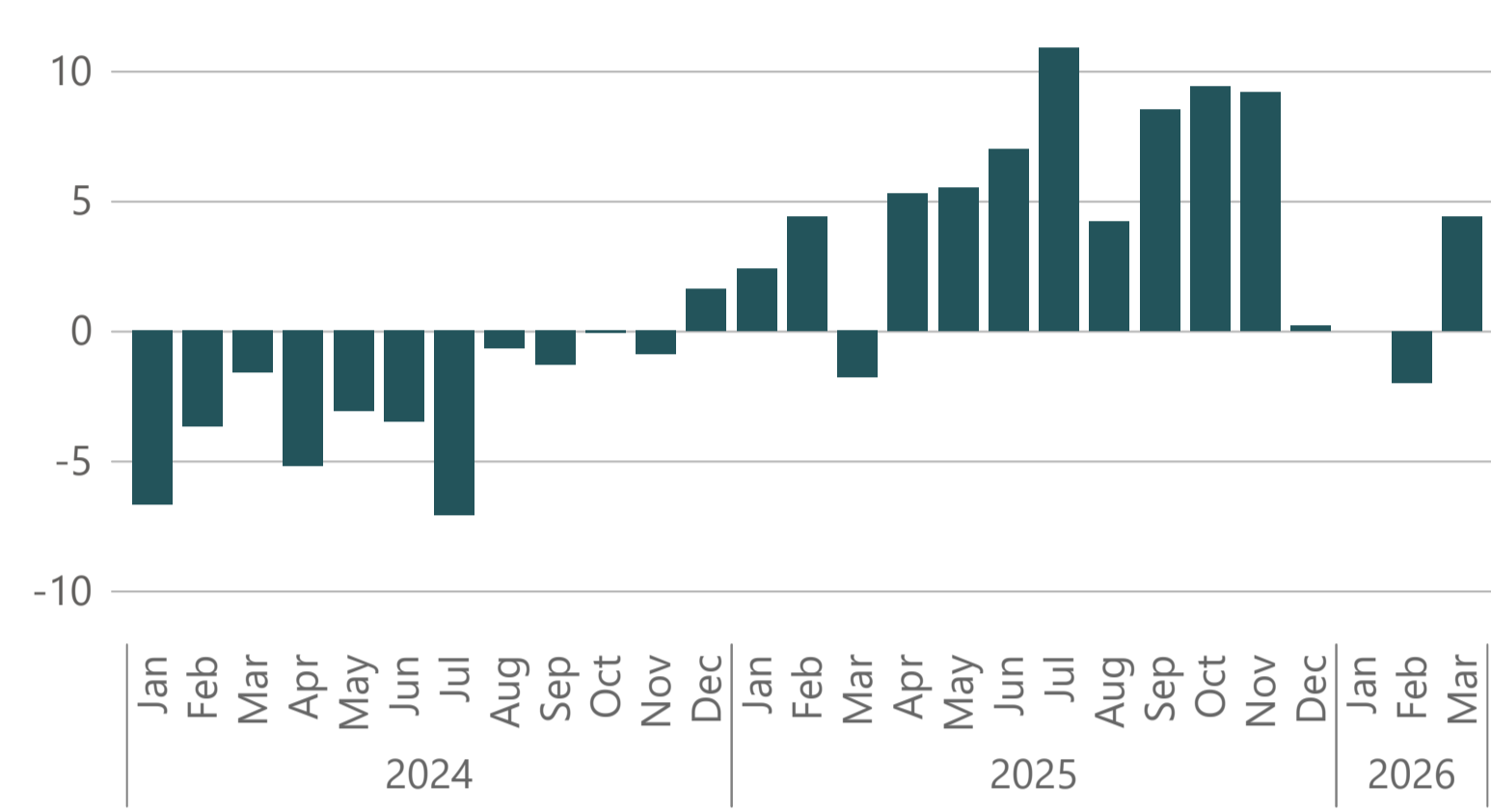
Source: CSB (27.02.2026), \*forecasts of the Ministry of Finance of the Republic of Latvia (February 2026)

### INDUSTRIES

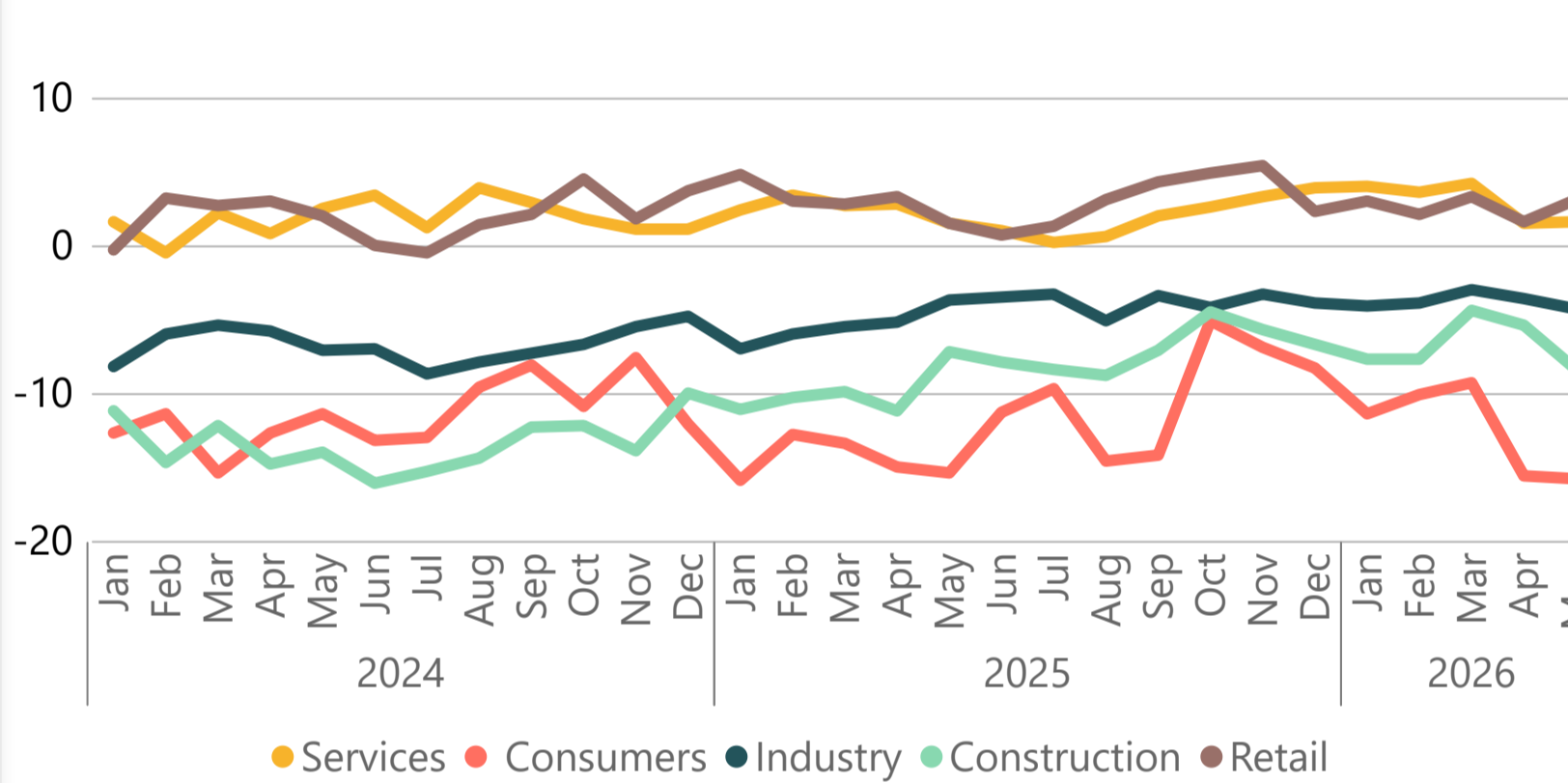
#### Retail trade growth, YoY%



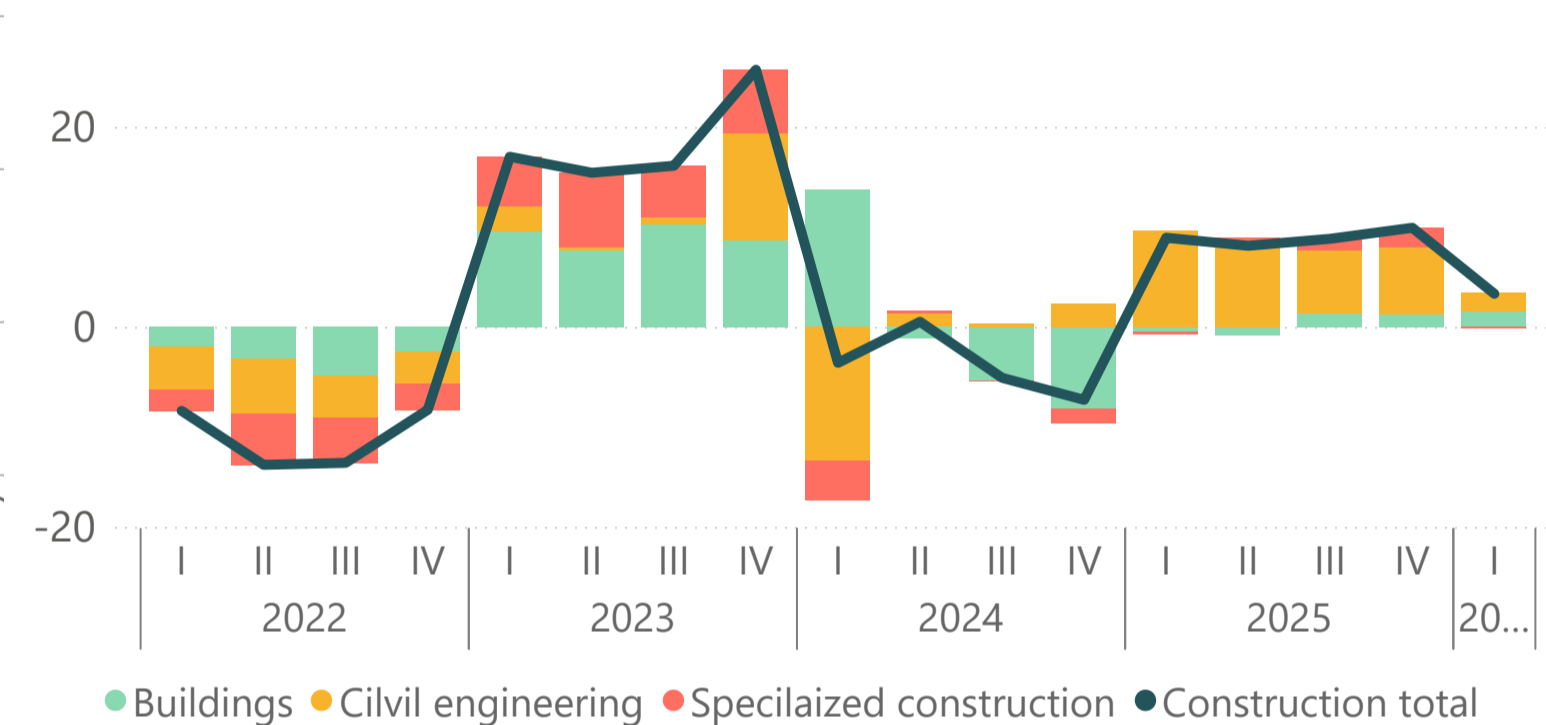
#### Manufacturing output, YoY%



#### ESI Sector Confidence Index in Latvia



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



Source: CSB, European Commission

### INFLATION

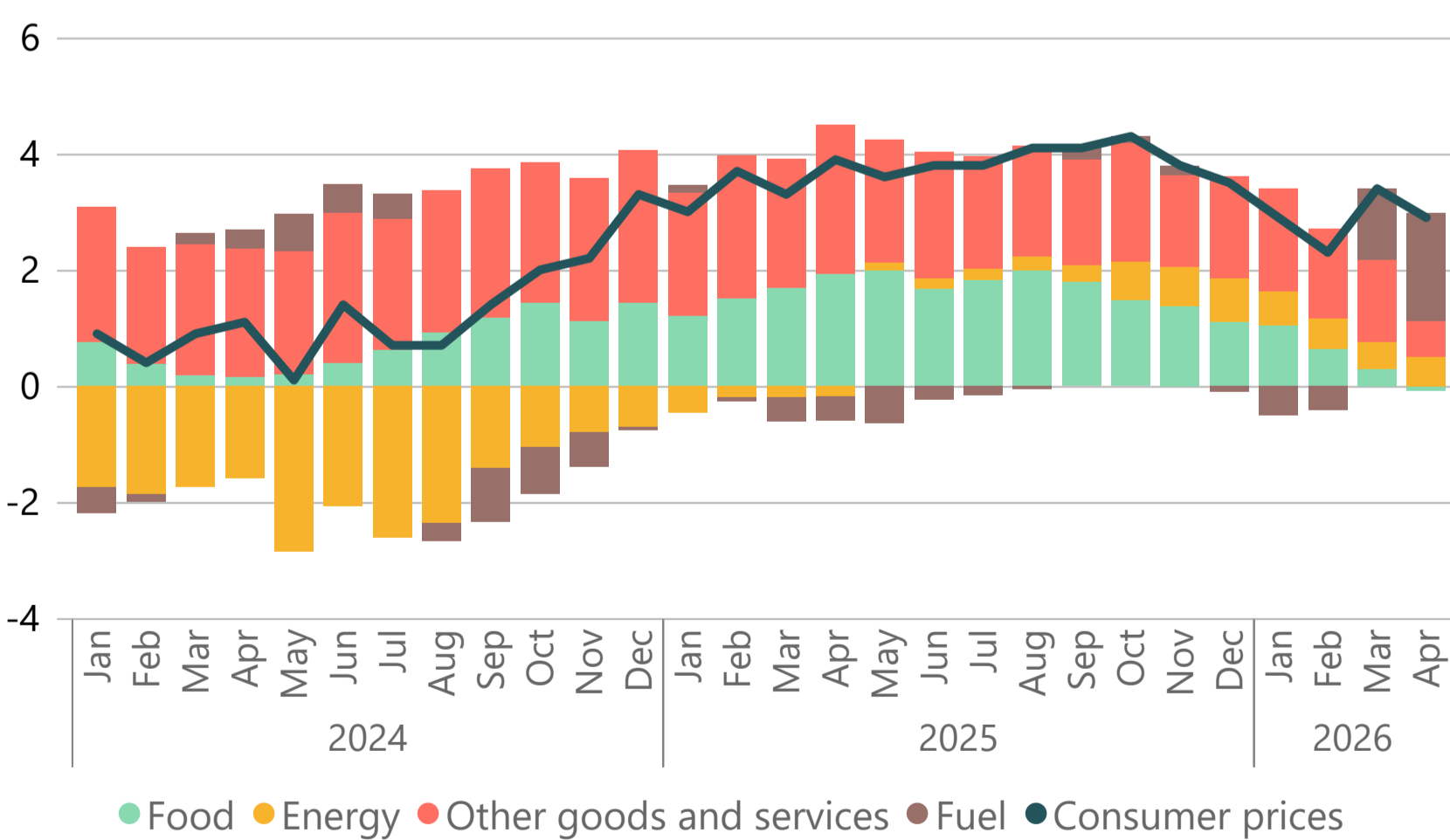
#### Consumer prices

**2.9%**  
April 2026

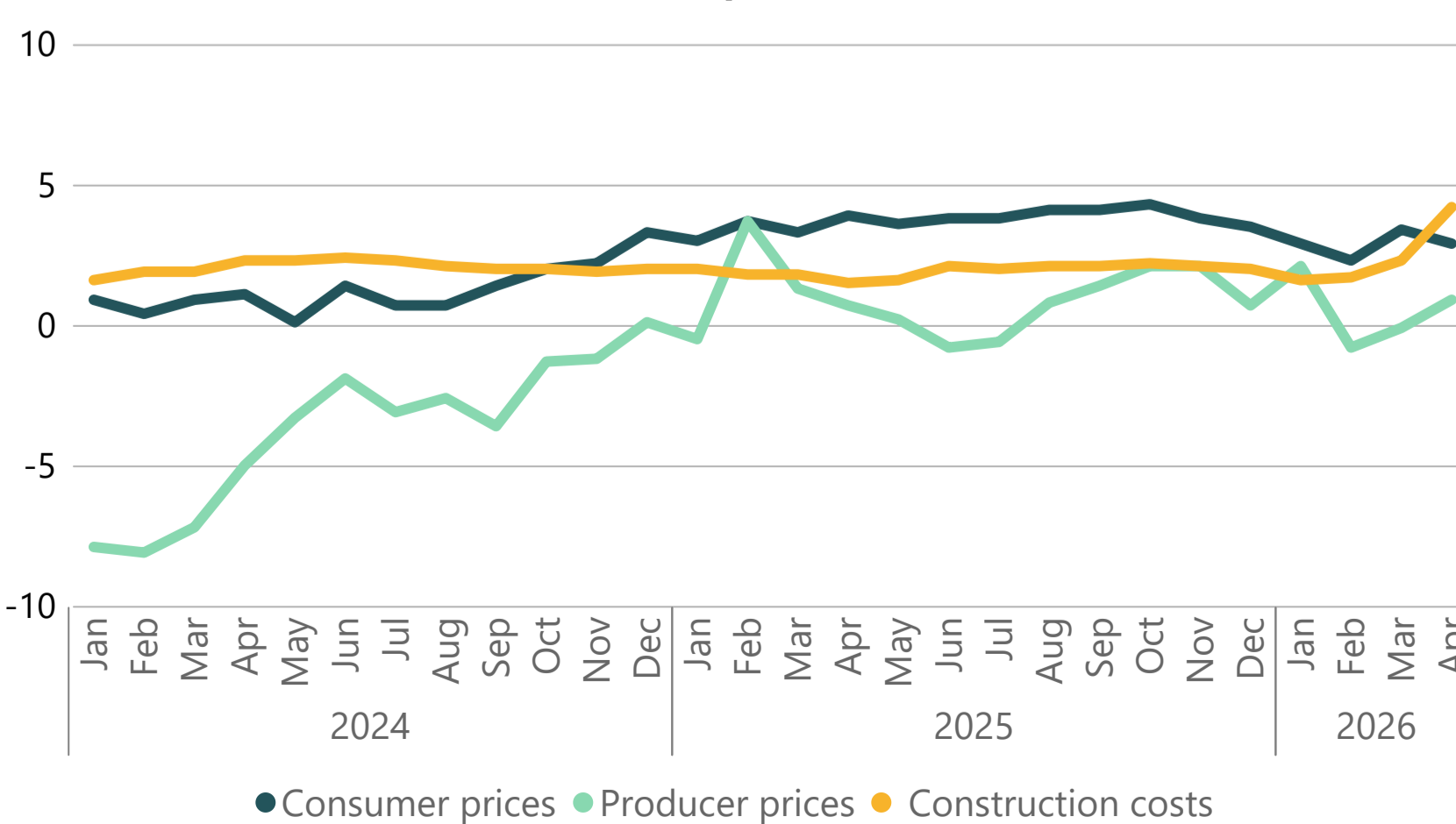
#### Producer prices

**0.9%**  
April 2026

#### Consumer prices, YoY%



#### Prices, YoY%



Source: CSB

### UNEMPLOYMENT

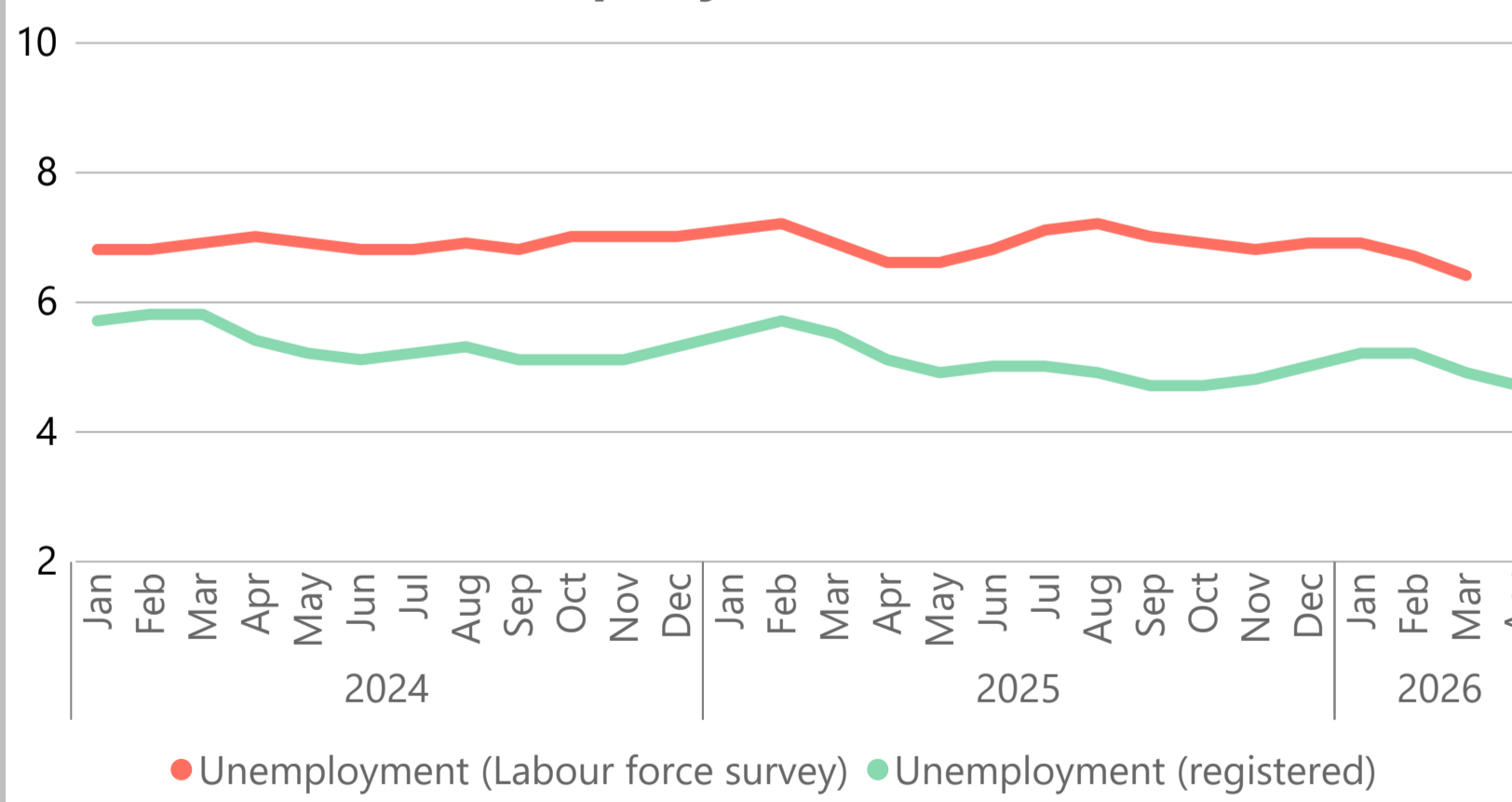
#### Registered unemployment

**4,7%**  
April 2026

#### Number of registered unemployed YoY

**-7.5%**  
April 2026

#### Unemployment rate, %



Source: CSB, State Employment Agency

### WAGE

#### Private sector

**1 833€**  
**(+6.6% YoY)**  
Q4 2025

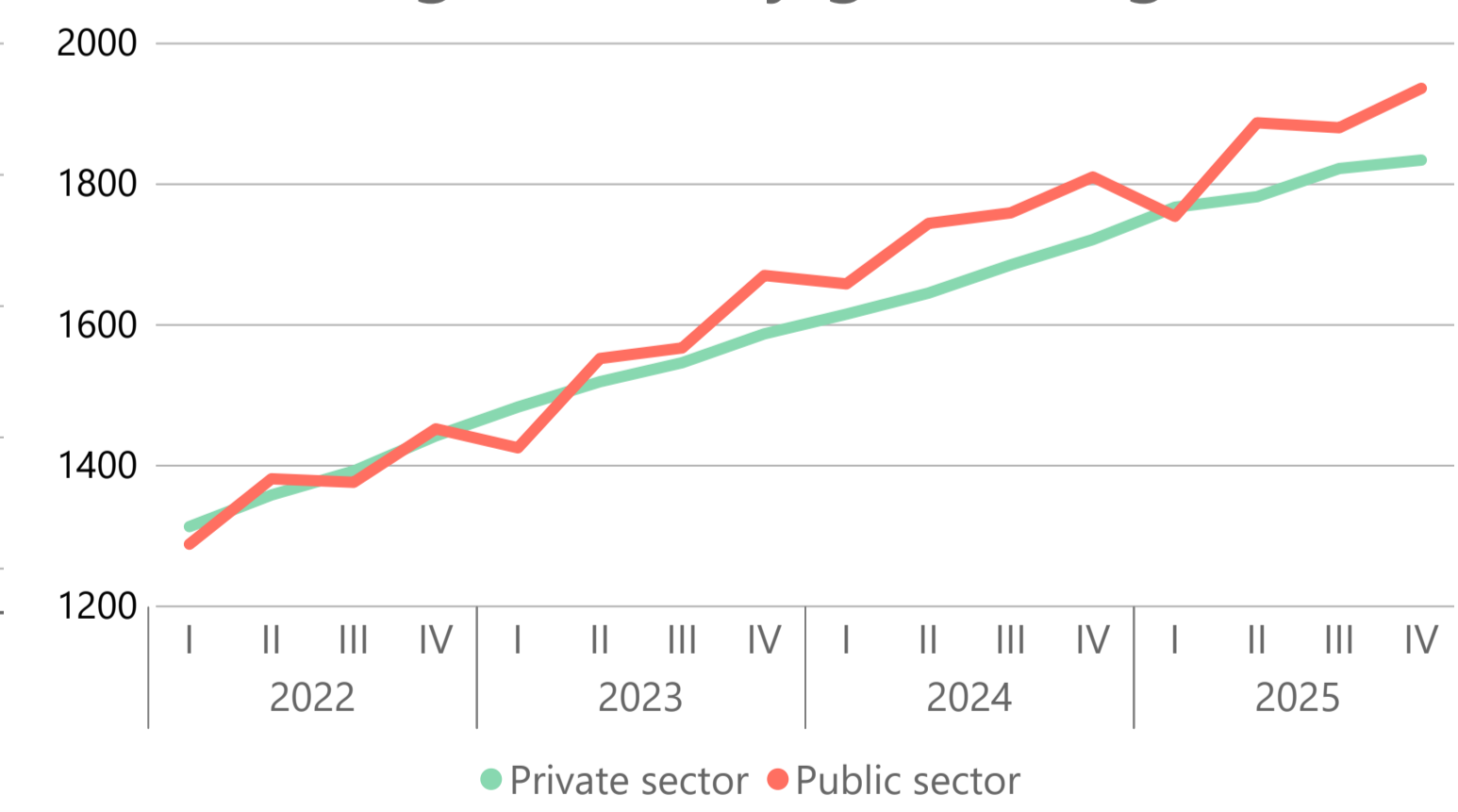
#### Public sector

**1 935€**  
**(+7.0% YoY)**  
Q4 2025

#### Total

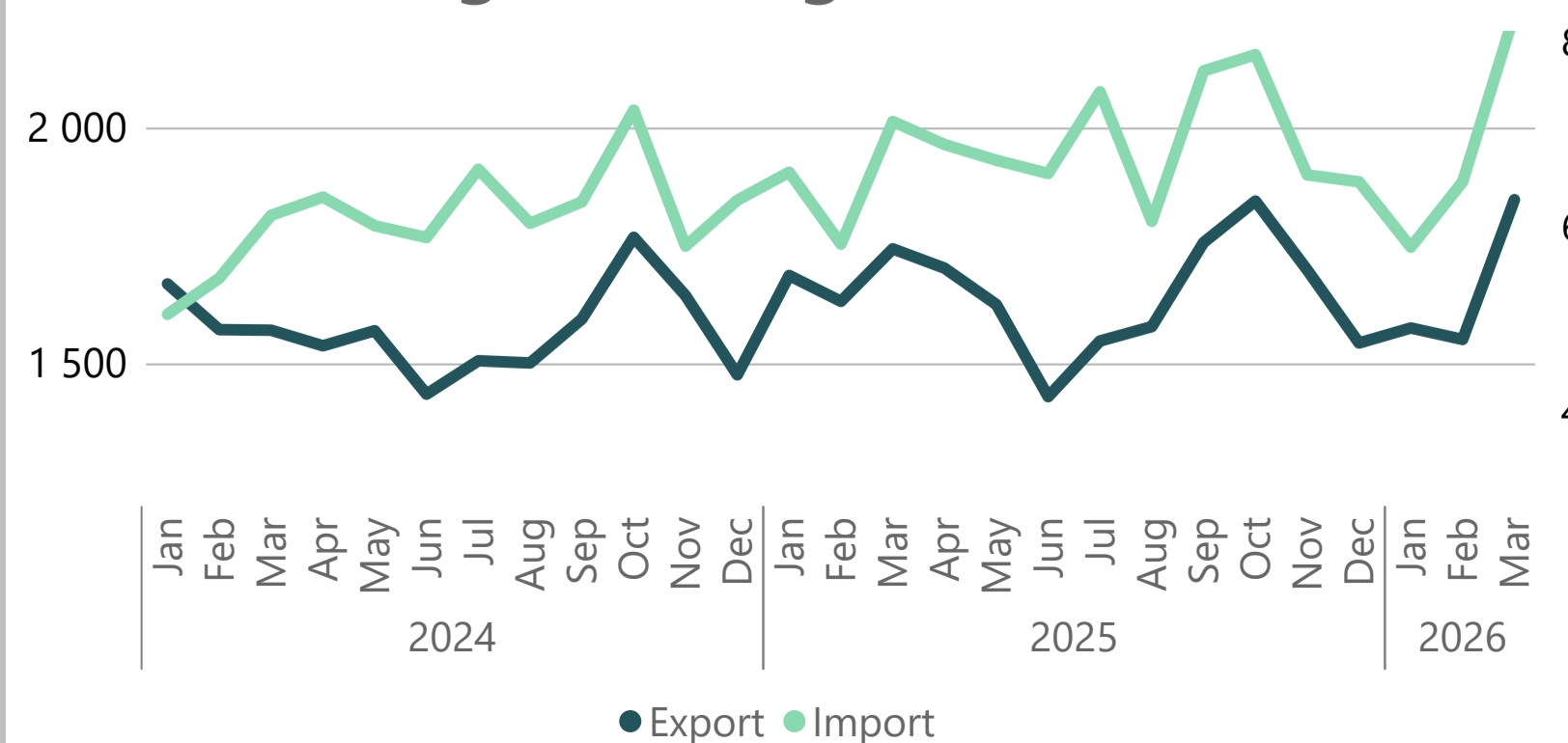
**1 861€**  
**(+6.7% YoY)**  
Q4 2025

#### Average monthly gross wage, €

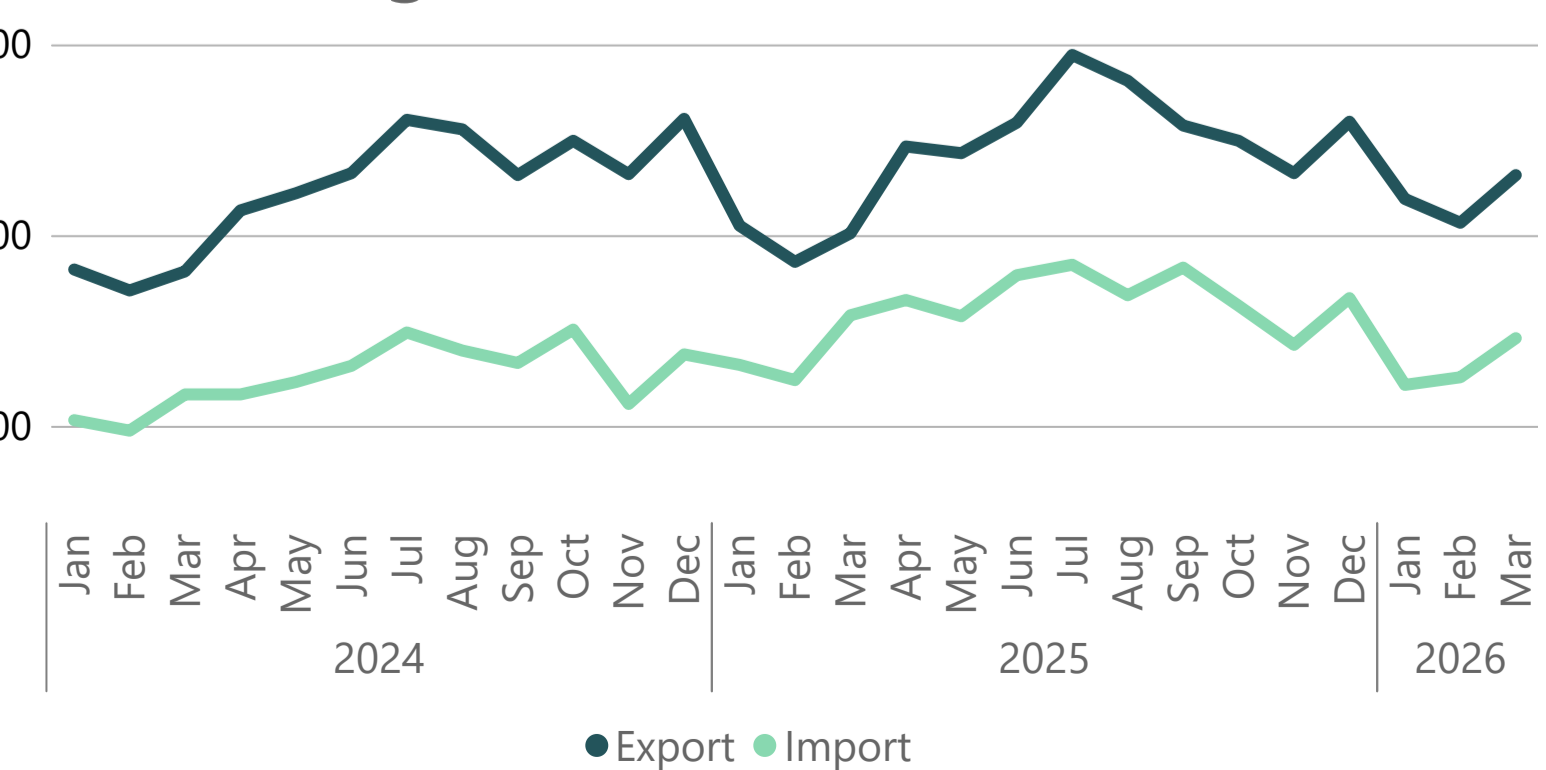


### FOREIGN TRADE

#### Foreign trade (goods), mln €



#### Foreign trade (services), mln €



Source: CSB; Bank of Latvia

# GENERAL GOVERNMENT BUDGET

## General government budget balance 2026

**-3.0% of GDP**

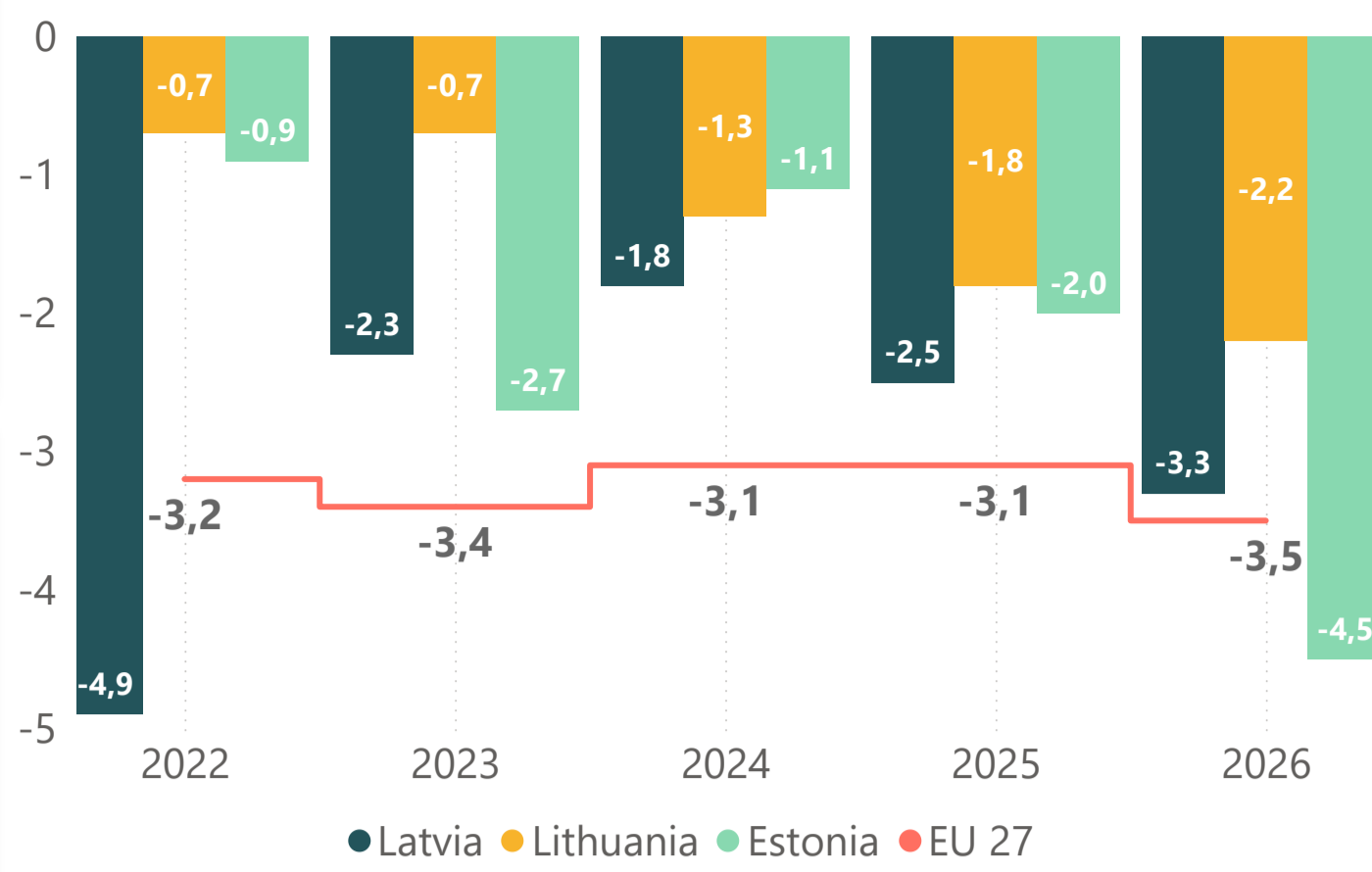
Assessment MoF, April 2026

## General government debt 2026

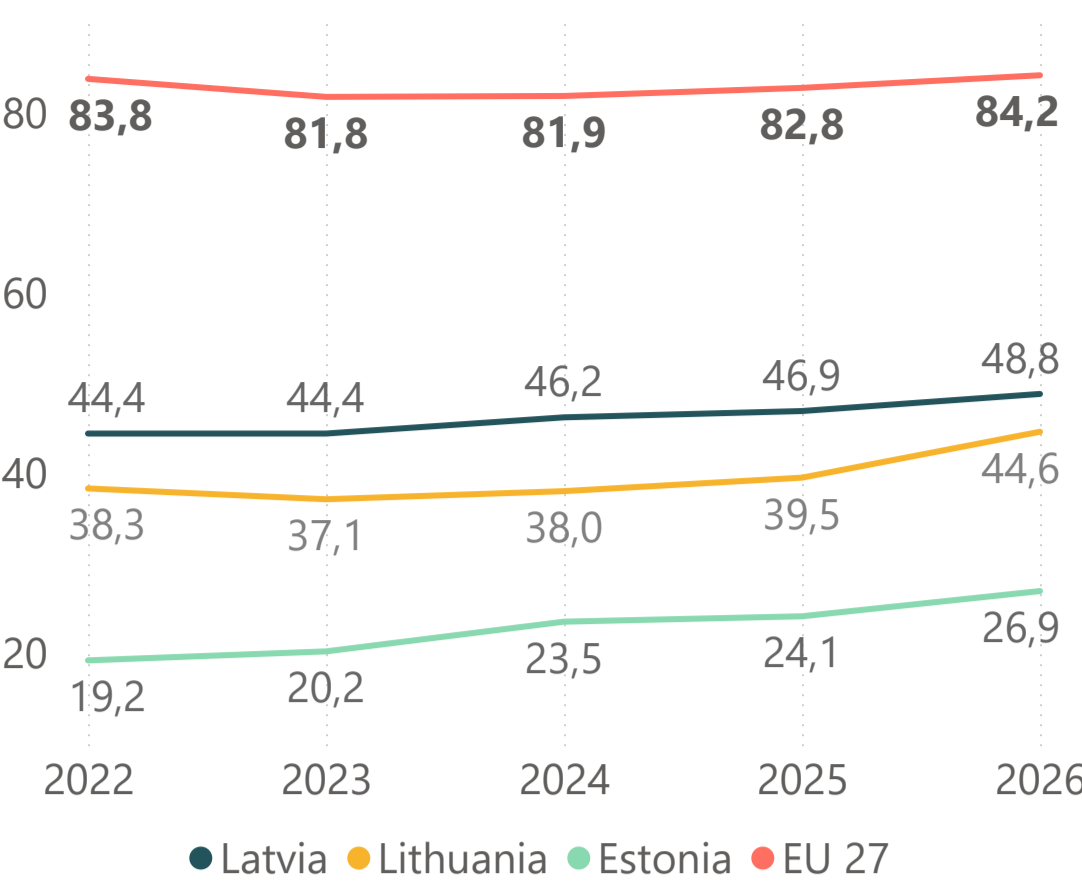
**47.9% of GDP**

Assessment Treasury, April 2026

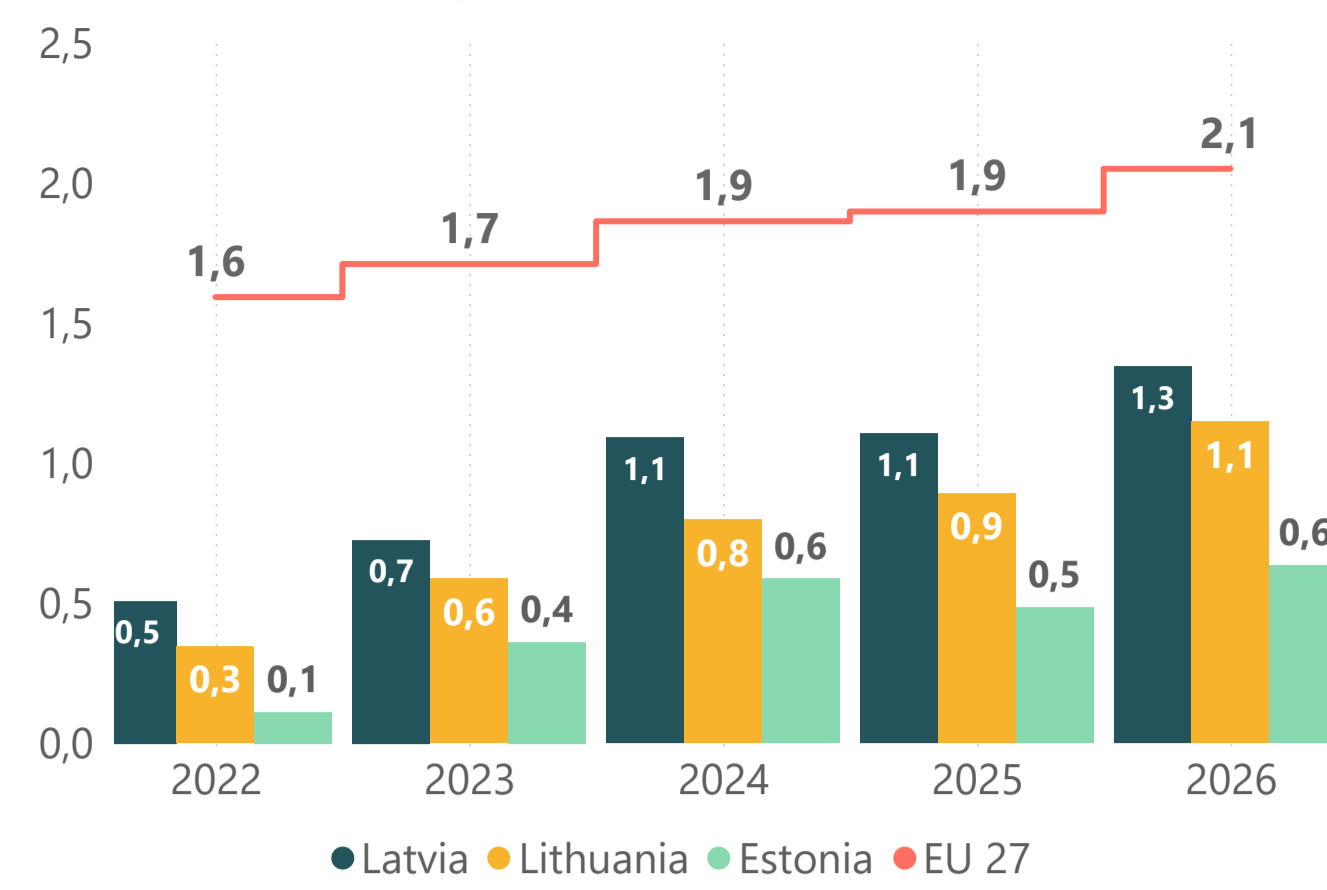
### General government budget balance, % of GDP



### General government debt, % of GDP



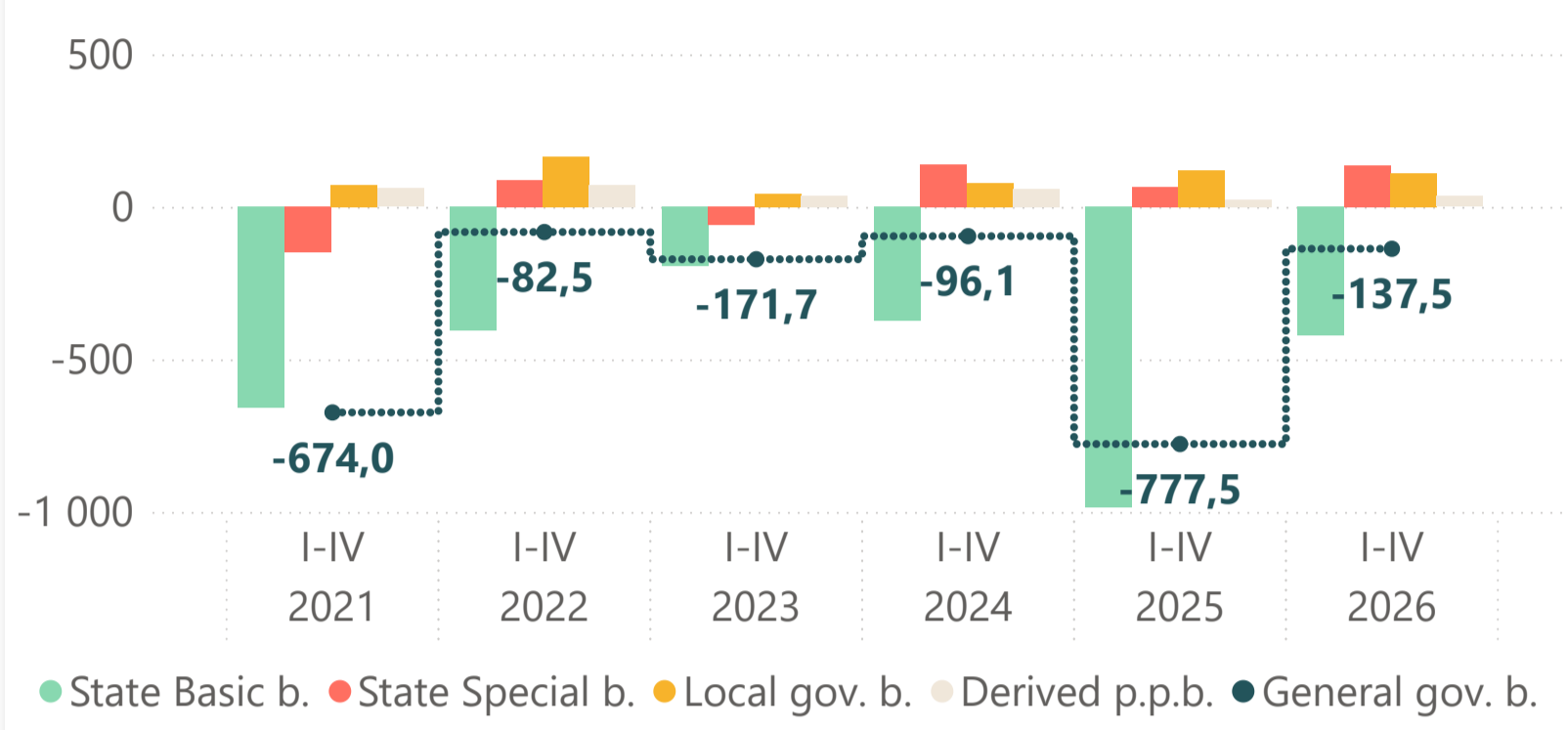
### Interest expenditure (D.41), % of GDP



Source: Eurostat (2022-2025), AMECO spring forecast 2026

## GENERAL GOVERNMENT BUDGET IN JANUARY-APRIL 2026 ON CASH BASIS

### General government budget balance, mln €



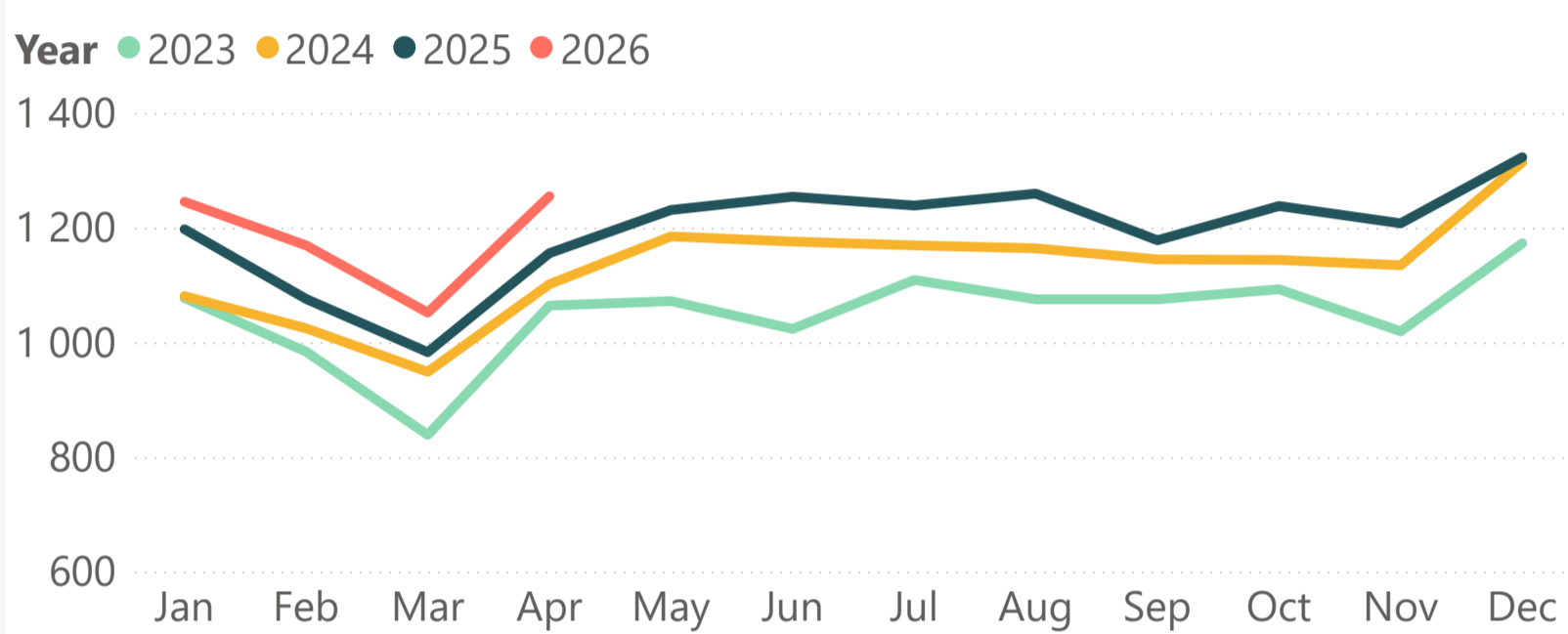
General government budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	6 215,1	764,5	14,0%
Expenditure	6 352,6	124,5	2,0%
Balance	-137,5	640,0	

General government budget	Execution, mln €	YoY, mln €	YoY, %
<b>Revenue</b>			
Tax revenue	4 720,4	309,7	7,0%
Non tax revenue	274,1	35,1	14,7%
Self-earned revenue	215,5	21,7	11,2%
Foreign financial assistance	1 004,6	398,2	65,7%
<b>Expenditure</b>			
Remuneration	1 312,8	27,5	2,1%
Goods and services	684,6	-59,3	-8,0%
Interest payments	205,7	2,6	1,3%
Subsidies and grants	1 383,0	-74,2	-5,1%
Social support	2 017,7	97,1	5,1%
Payments to EU budget	97,0	-41,3	-29,9%
Capital expenditure	605,5	149,8	32,9%

### General government budget tax revenue

Tax type	Execution, mln €	YoY, mln €	YoY, %
SSC	1 664,1	118,8	7,7%
VAT	1 370,2	132,7	10,7%
PIT	841,1	24,5	3,0%
EXCISE	429,8	39,1	10,0%
CIT	234,0	-64,1	-21,5%

### General government budget tax revenue, mln €



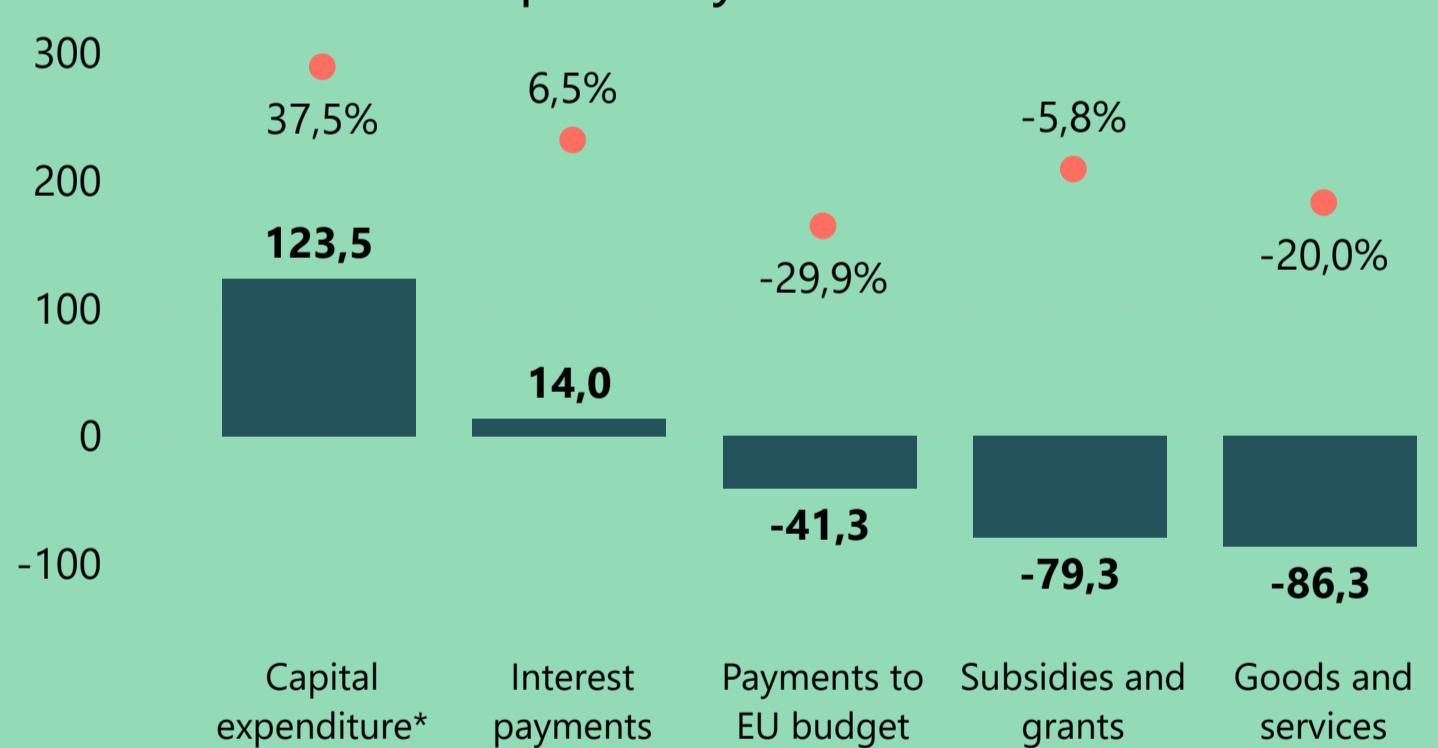
Source: State Treasury

Tax revenue in January-March 2026, including revenue in the single tax account (-54.3 mln €) and excluding SSC at the 2nd pension pillar (194.3 mln €).

### STATE BASIC BUDGET

State Basic Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	3 598,6	580,7	19,2%
Expenditure	4 019,9	16,7	0,4%
Balance	-421,2	564,0	

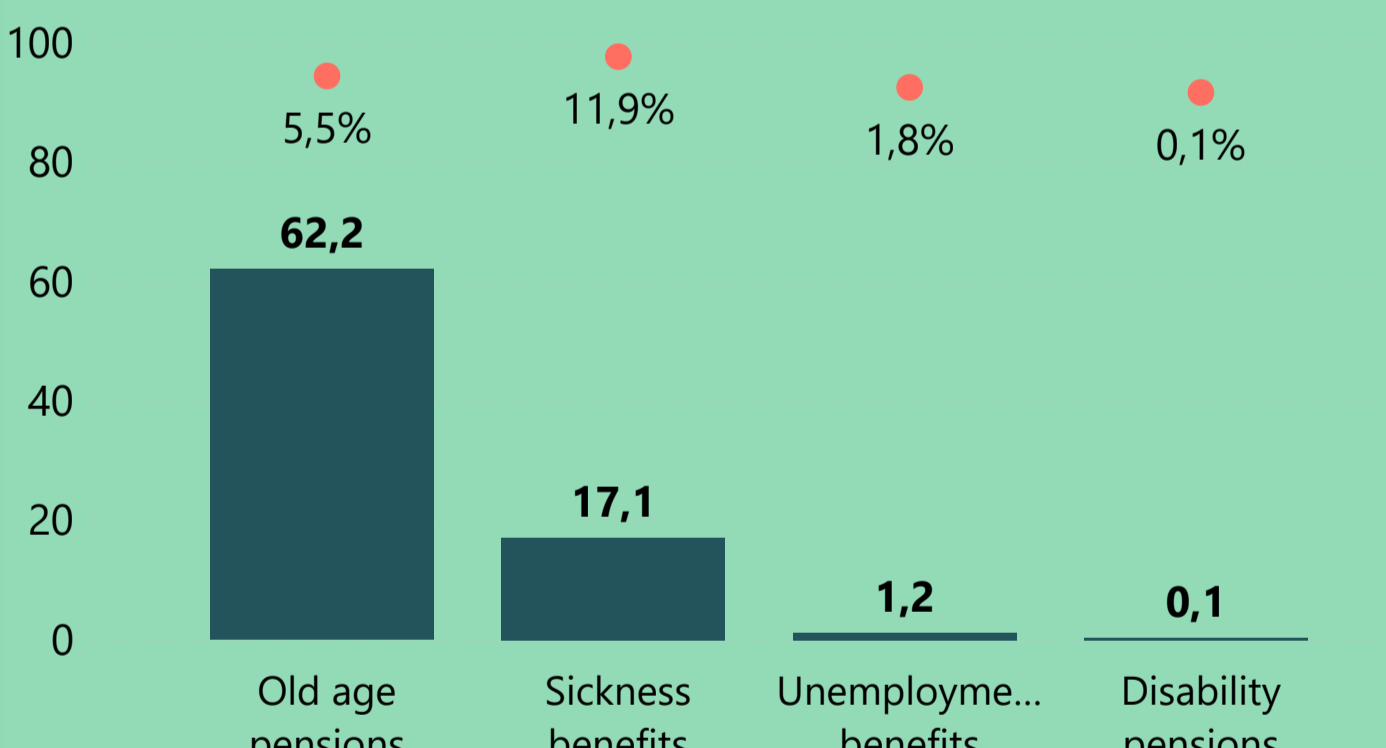
#### Major changes in mln € and % against respective period year before



### STATE SPECIAL BUDGET

State Special Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	1 817,3	157,5	9,5%
Expenditure	1 680,0	85,4	5,4%
Balance	137,3	72,1	

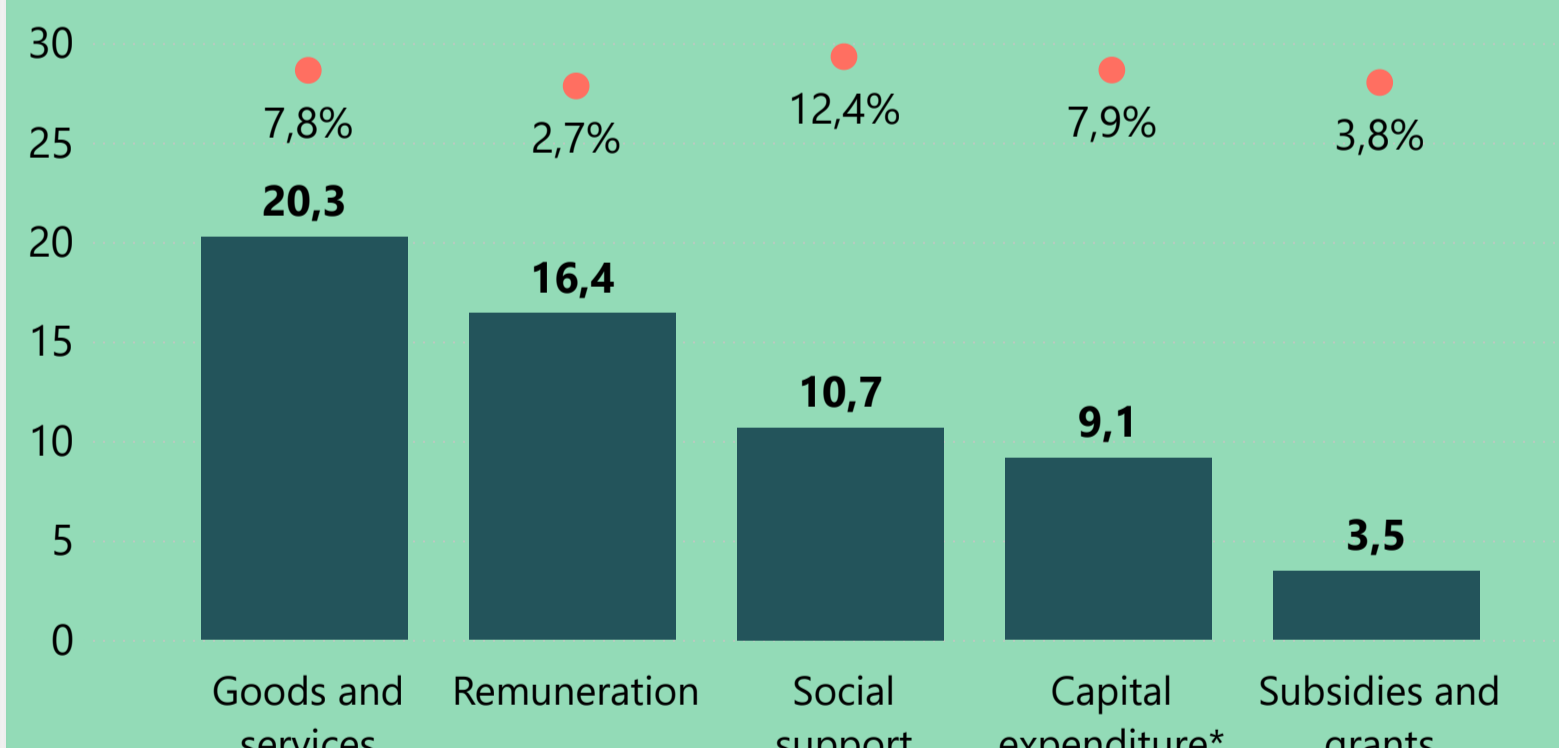
#### Major changes in mln € and % against respective period year before



### LOCAL GOVERNMENT BUDGET

Local Government Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	1 371,0	47,7	3,6%
Expenditure	1 259,6	54,9	4,6%
Balance	111,3	-7,2	

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

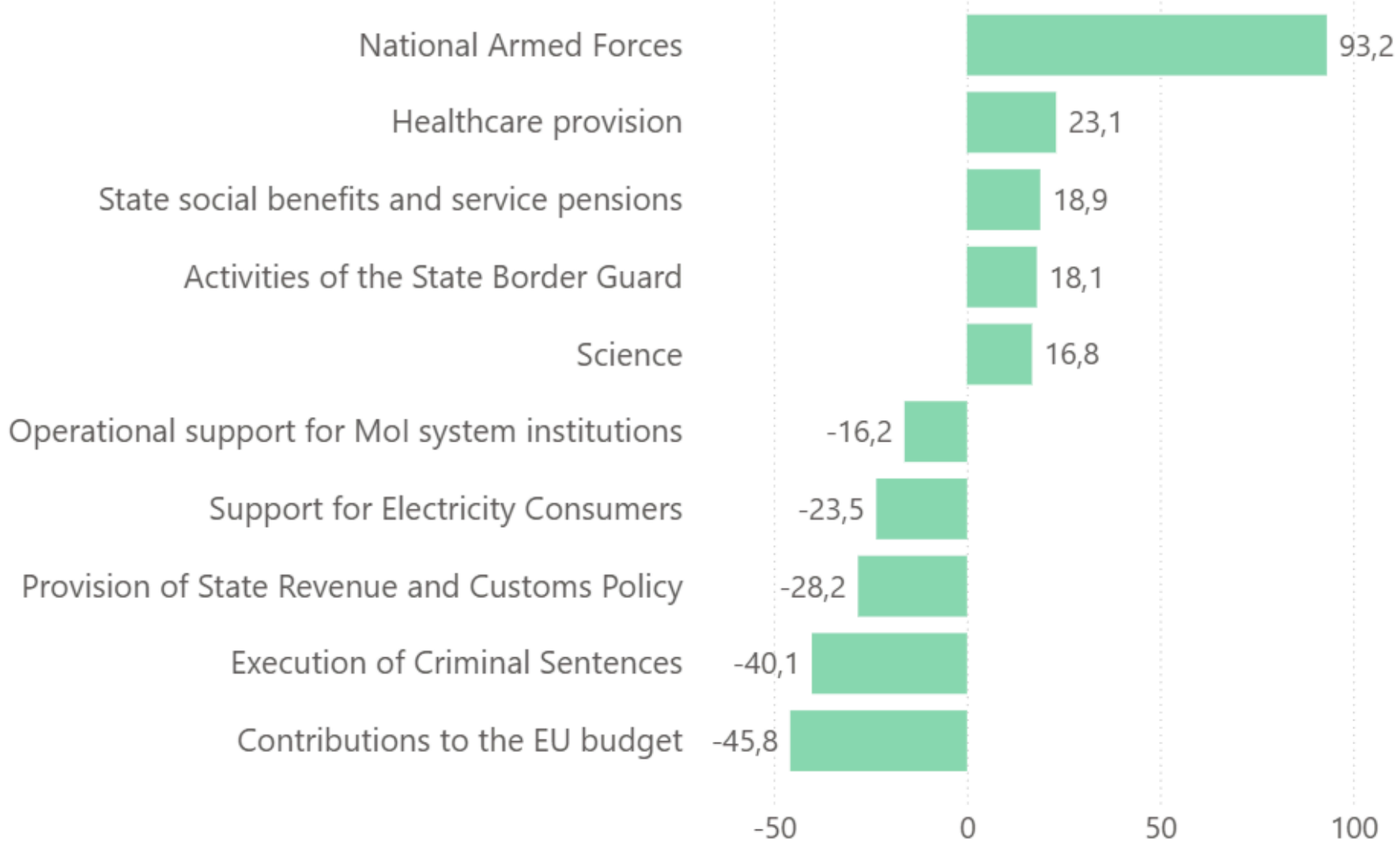


\*Capital expenditure - fixed capital formation, excluding transfers between budget levels

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

## BASIC FUNCTION EXPENDITURE

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



## SOCIAL SECURITY

### Old-age pensions recipients

**426 626**  
(+0.8% YoY)  
April 2026

### Old-age pensions average amount

**671€**  
(+9.7% YoY)  
April 2026

### Unemployment benefit recipients

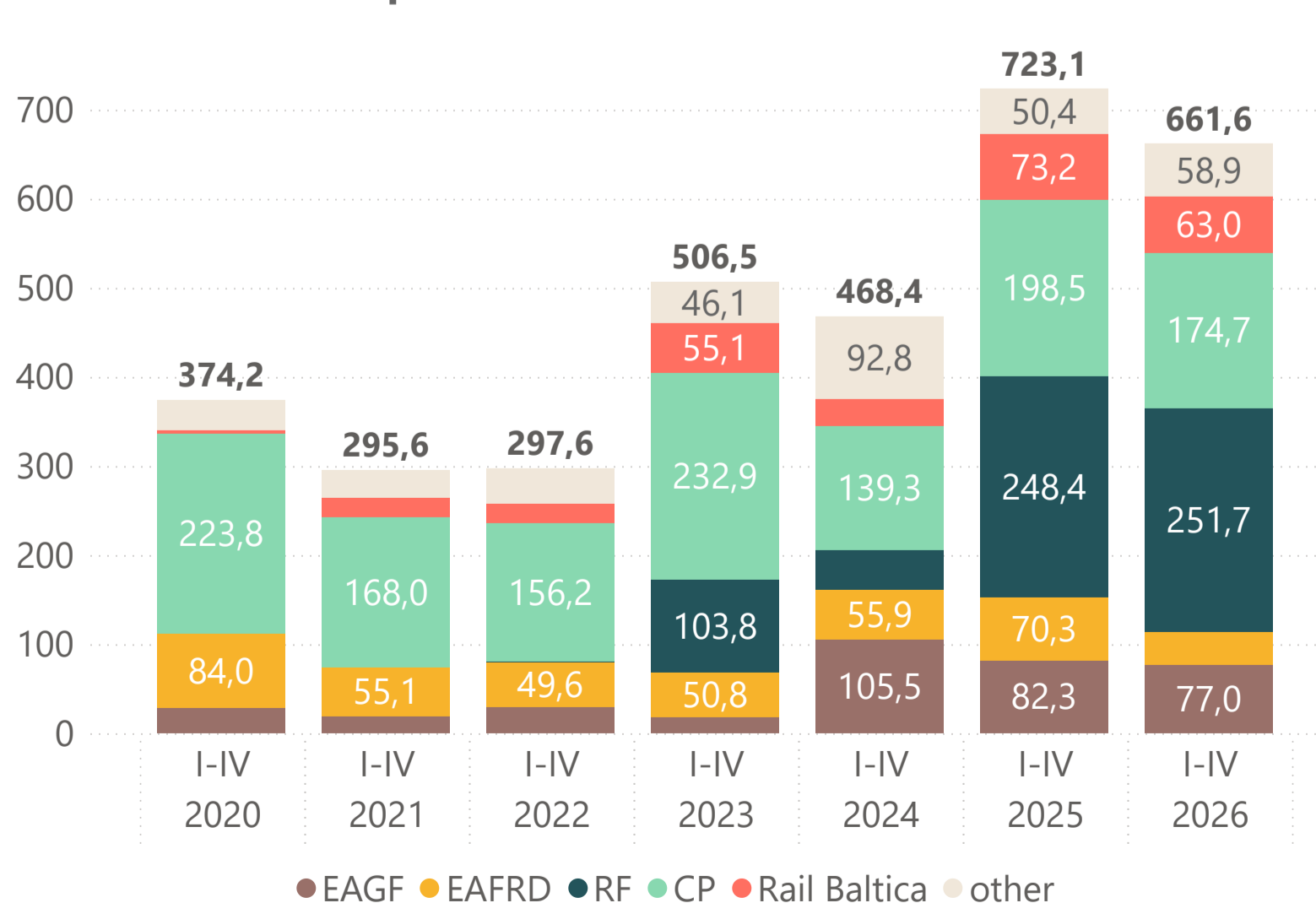
**31 776**  
(-5.6% YoY)  
April 2026

### Unemployment benefit average amount

**538€**  
(+9.2% YoY)  
April 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