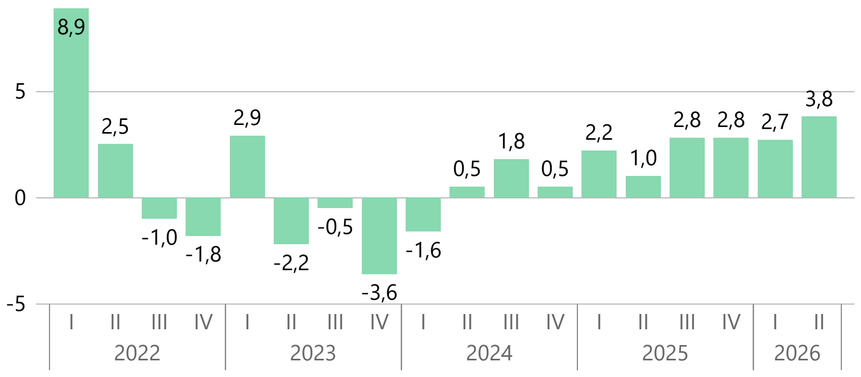
MACROECONOMIC AND BUDGETARY REVIEW
No 9/2026

GROSS DOMESTIC PRODUCT (GDP)

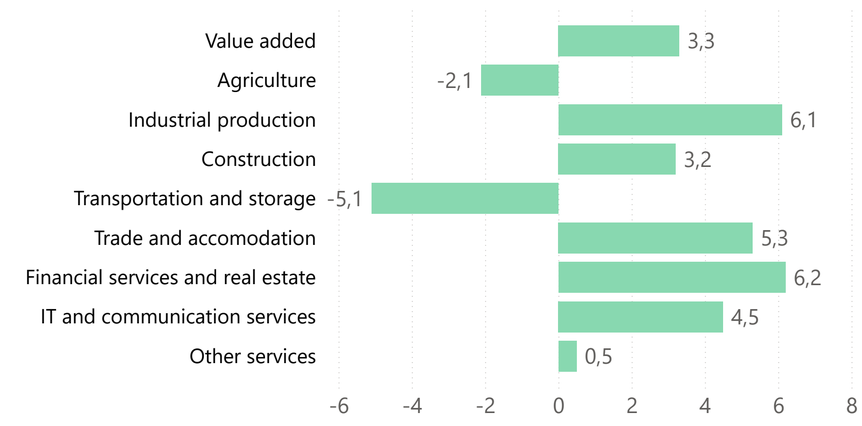
GDP 2025
Current prices
43 649 mln €
CSB, 20.10.2026

GDP forecast 2026
Comparable prices
2.4%
MoF September 2026

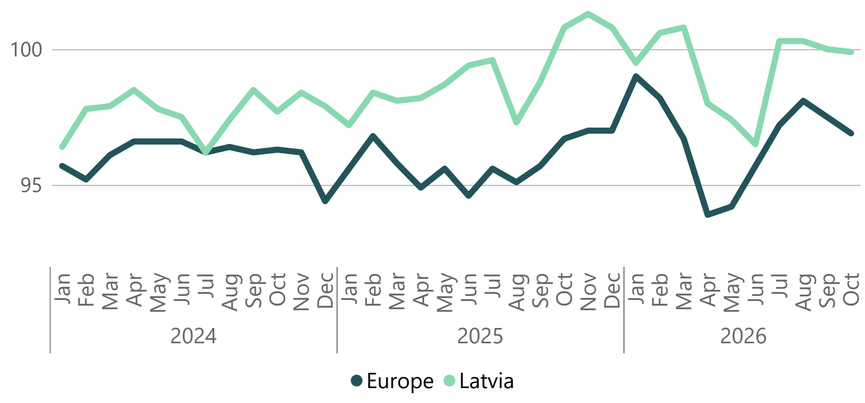
GDP growth, YoY%



GDP growth by sectoral breakdown 2026 1st half/2025 1st half



ESI Economic confidence



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

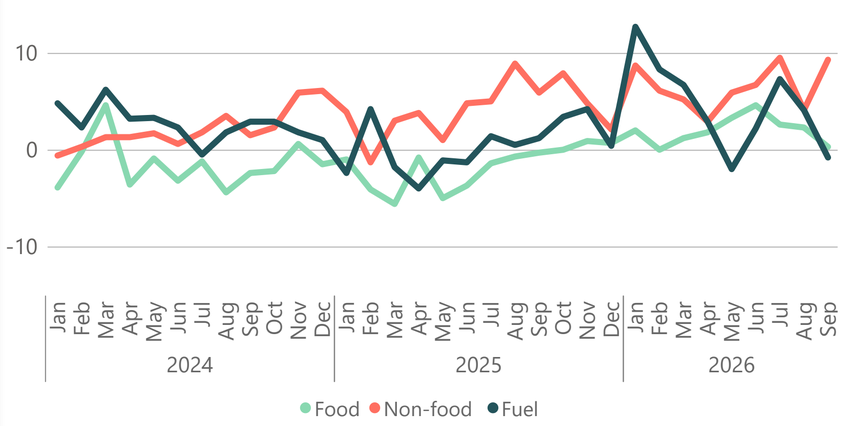
MAIN MACROECONOMIC INDICATORS

Indicator	2021	2022	2023	2024	2025	2026*	2027*	2028*	2029*	2030*
Nominal GDP, EUR billion	32,3	36	39,5	41,1	43,6	46,4	49	51,6	54,2	57,1
Nominal GDP growth, %	10,5	11,6	9,6	4,1	6,2	6,2	5,7	5,2	5,1	5,3
Real GDP growth, %	6,9	1,7	-1	0,5	2,2	2,4	1,9	2	2,3	2,4
GDP deflator, % change	3,3	9,7	10,7	3,7	3,9	3,7	3,8	3,2	2,7	2,8
Consumer price index, % change	3,3	17,3	8,9	1,3	3,7	3,4	3,7	2,9	2,2	2,2
Average monthly gross wage, EUR	1277	1373	1537	1685	1815	1906	2011	2121	2238	2361
nominal growth, %	11,7	7,5	11,9	9,6	7,7	5	5,5	5,5	5,5	5,5
real growth, %	8,2	-8,4	2,8	8,3	3,8	1,6	1,7	2,5	3,2	3,2
Number of persons employed, thsd	864	886	884	877	883	883	881	879	875	871
growth, %	-3,2	2,6	-0,2	-0,8	0,6	0	-0,2	-0,3	-0,4	-0,5
Unemployment rate, %	7,6	6,9	6,5	6,9	6,9	6,8	6,5	6,3	6,3	6,1

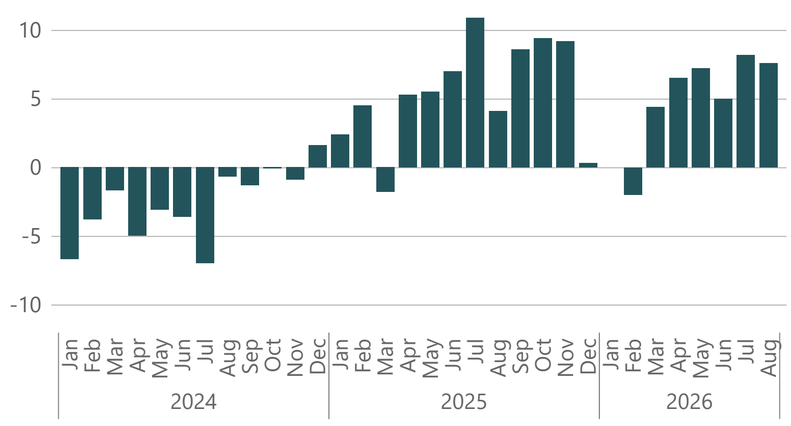
Source: CSB (20.10.2026), *forecasts of the Ministry of Finance of the Republic of Latvia (September 2026)

INDUSTRIES

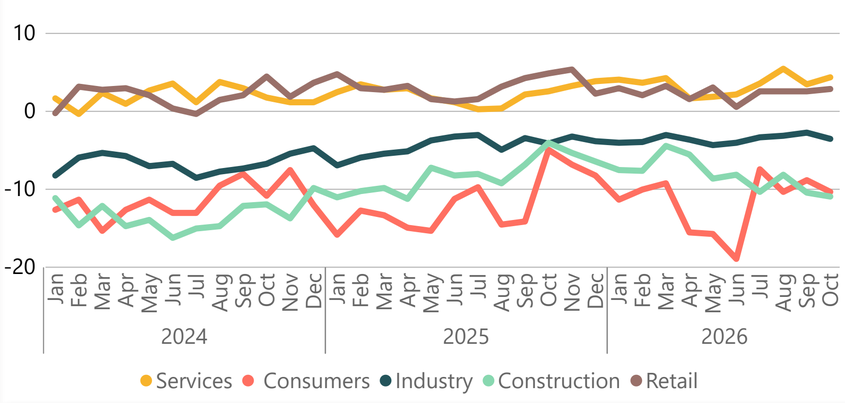
Retail trade growth, YoY%



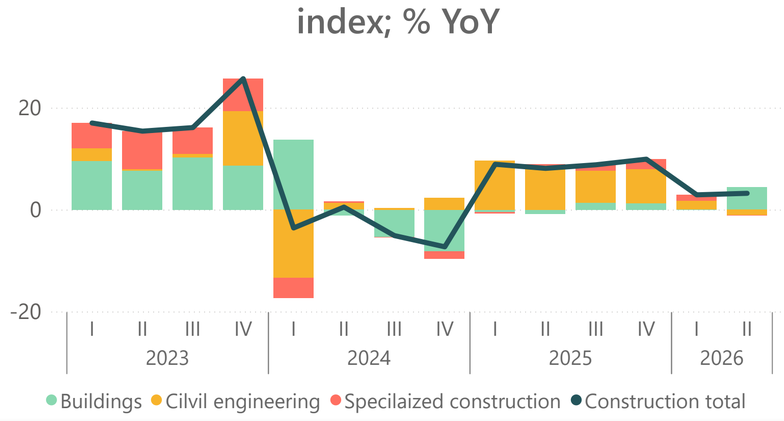
Manufacturing output, YoY%



ESI Sector Confidence Index in Latvia



Construction output at comparable prices, index; % YoY



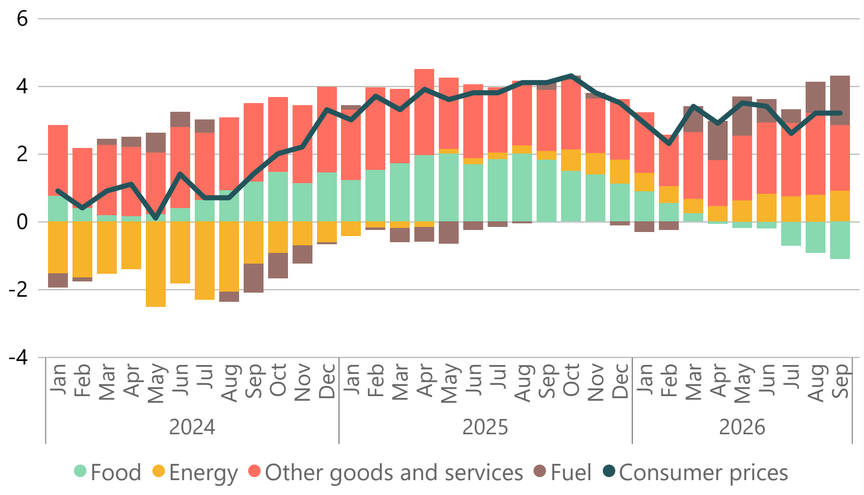
Source: CSB, European Commission

INFLATION

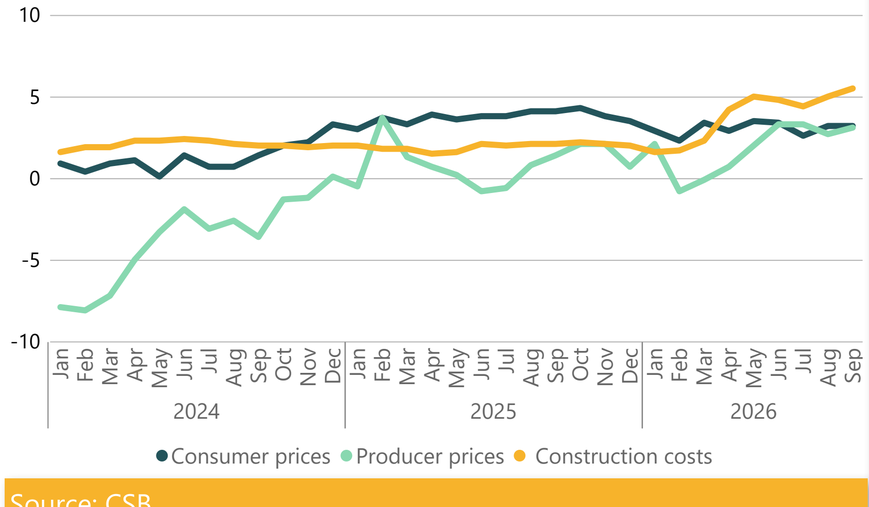
Consumer prices
3.2%
September 2026

Producer prices
3.1%
September 2026

Consumer prices,YoY%



Prices, YoY%



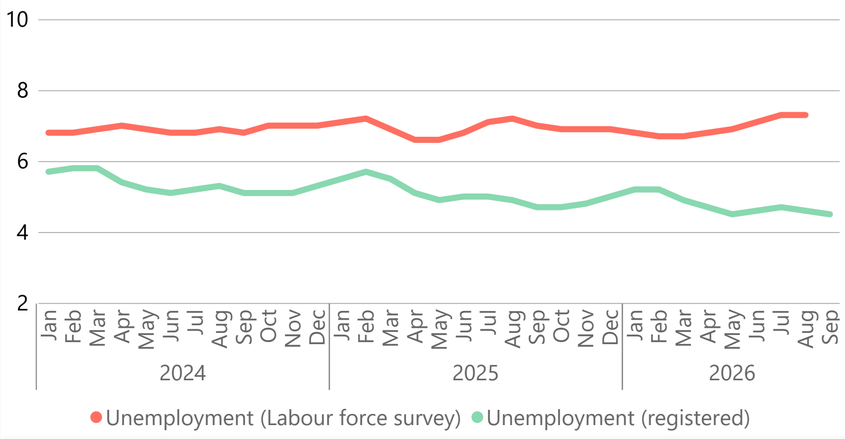
Source: CSB

UNEMPLOYMENT

Registered unemployment
4,5%
September 2026

Number of registered unemployed YoY
-2.6%
September 2026

Unemployment rate, %



Source: CSB, State Employment Agency

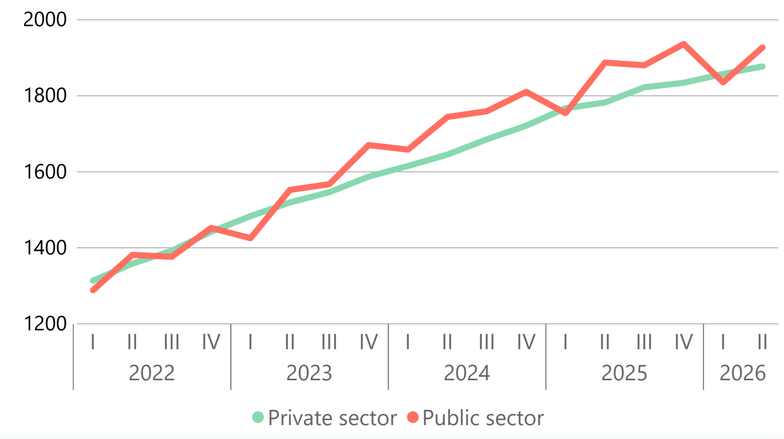
WAGE

Private sector
1 876€ (+5.4% YoY)
Q2 2026

Public sector
1 926€ (+2.1% YoY)
Q2 2026

Total
1 886€ (+4.3% YoY)
Q2 2026

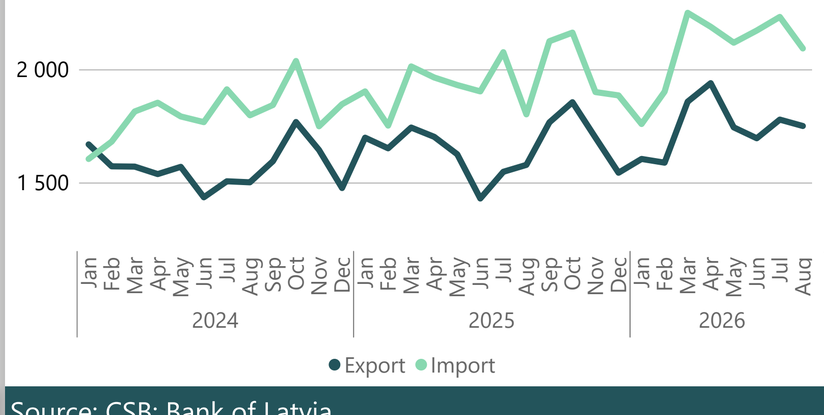
Average monthly gross wage, €



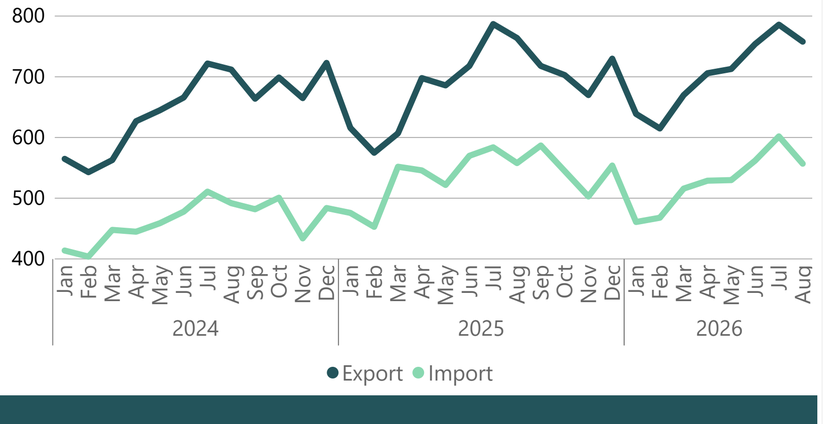
Source: CSB, State Employment Agency

FOREIGN TRADE

Foreign trade (goods), mln €



Foreign trade (services), mln €



Source: CSB; Bank of Latvia

GENERAL GOVERNMENT BUDGET

General government budget balance 2026

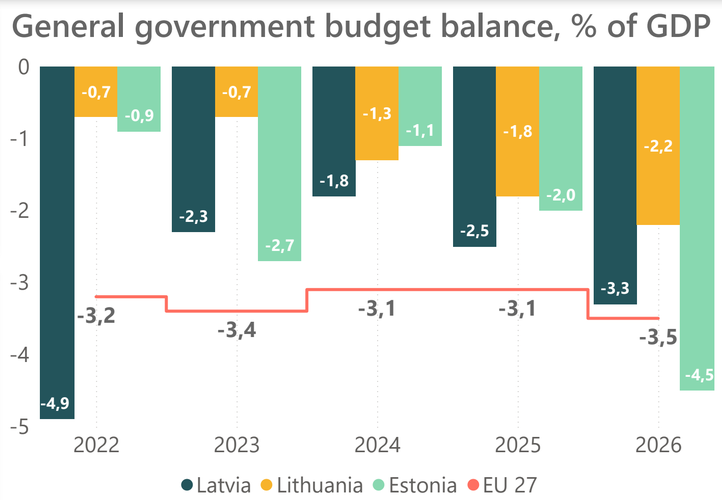
-2.9% of GDP

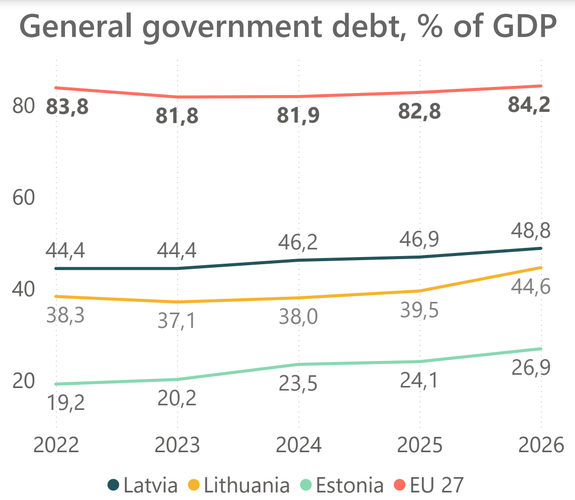
Assessment MoF, June 2026

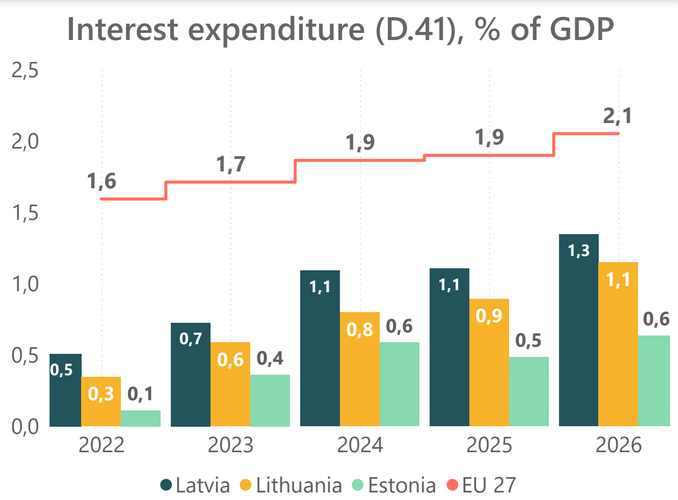
General government debt 2026

47.9% of GDP

Assessment Treasury, June 2026



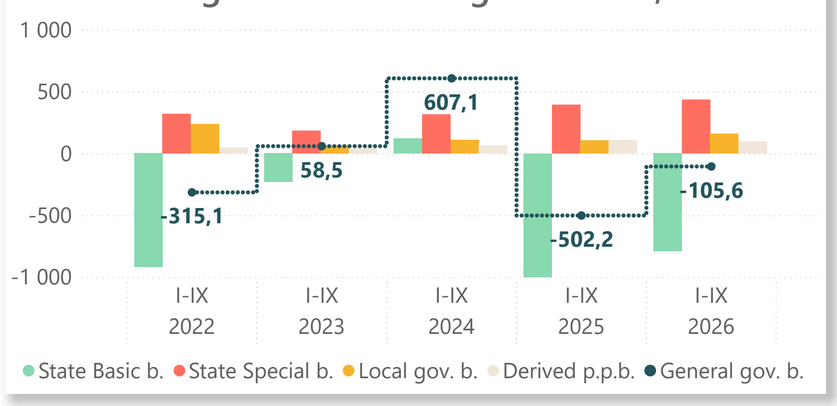




Source: Eurostat)2022-2025), European Commission (AMECO) spring forecast 2026

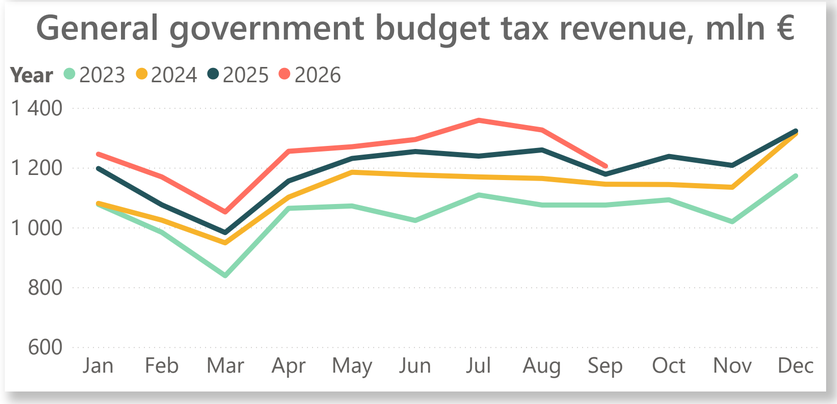
GENERAL GOVERNMENT BUDGET IN JANUARY-SEPTEMBER 2026

ON CASH BASIS



General government budget	Execution, mln €	YoY, mln €	YoY,%
Revenue	14 380,6	1 121,8	8,5%
Expenditure	14 486,2	725,2	5,3%
Balance	-105,6	396,6	

General government budget	Execution, mln €	YoY, mln €	YoY,%
Revenue			
Tax revenue	11 173,9	603,0	5,7%
Non tax revenue	978,5	27,9	2,9%
Self-earned revenue	457,0	11,4	2,6%
Foreign financial assistance	1 769,8	479,9	37,2%
Expenditure			
Remuneration	3 189,8	95,9	3,1%
Goods and services	1 559,1	-30,1	-1,9%
Interest payments	411,5	26,8	7,0%
Subsidies and grants	3 091,4	96,6	3,2%
Social support	4 462,0	331,9	8,0%
Payments to EU budget	249,8	-46,7	-15,8%
Capital expenditure	1 433,4	225,5	18,7%



General government budget tax revenue

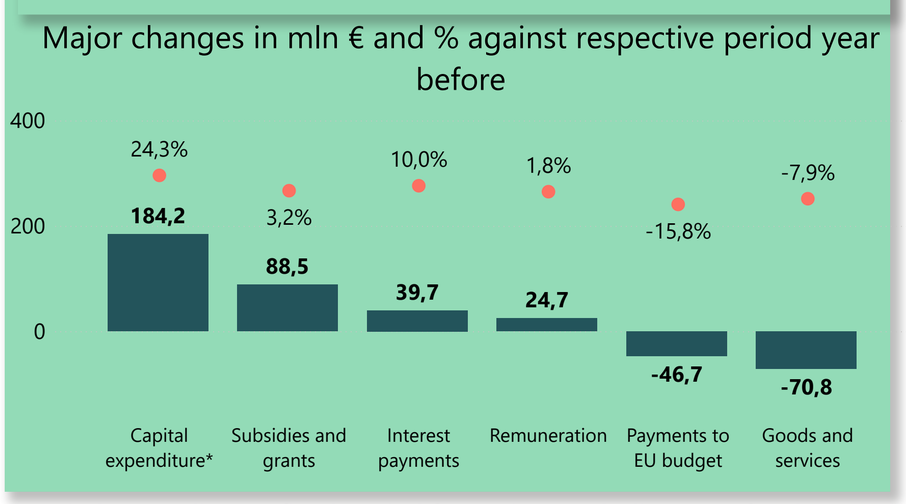
Tax type	Execution, mln €	YoY, mln €	YoY,%
SSC	3 833,7	243,5	6,8%
VAT	3 217,9	249,3	8,4%
PIT	2 128,9	95,8	4,7%
EXCISE	956,0	21,1	2,3%
CIT	636,4	-47,7	-7,0%

Source: State Treasury

Tax revenue in January-September 2026, including revenue in the single tax account (-117.4 mln €) and excluding SSC at the 2nd pension pillar (594.2 mln €).

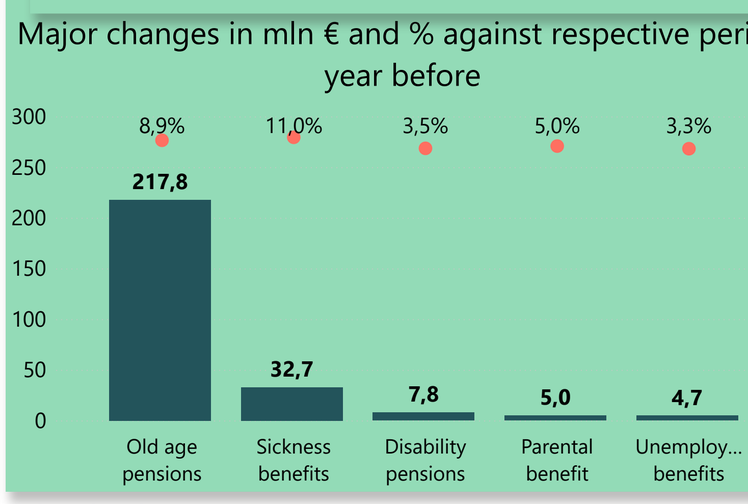
STATE BASIC BUDGET

State Basic Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	8 316,7	714,0	9,4%
Expenditure	9 108,9	396,0	4,5%
Balance	-792,3	317,9	



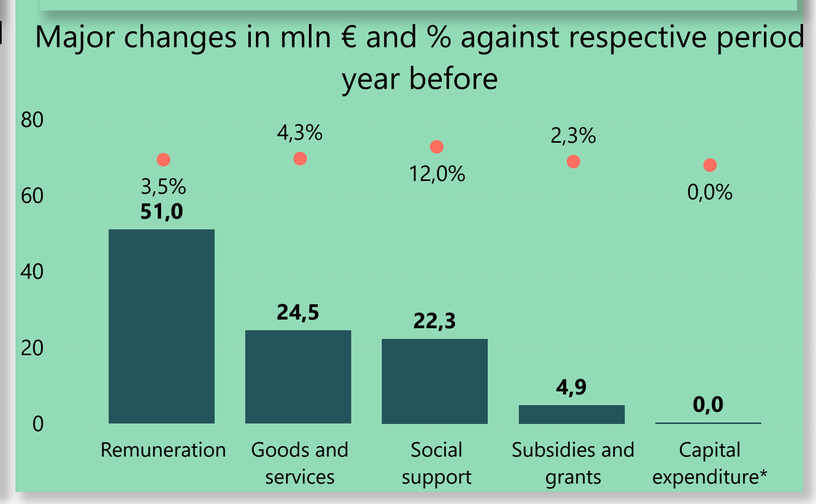
STATE SPECIAL BUDGET

State Special Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	4 157,6	316,7	8,2%
Expenditure	3 723,6	277,5	8,1%
Balance	433,9	39,2	%



LOCAL GOVERNMENT BUDGET

Local Government Budget	Execution, mln €	YoY, mln €	YoY, %
Revenue	3 148,3	150,1	5,0%
Expenditure	2 991,0	96,3	3,3%
Balance	157,2	53,8	

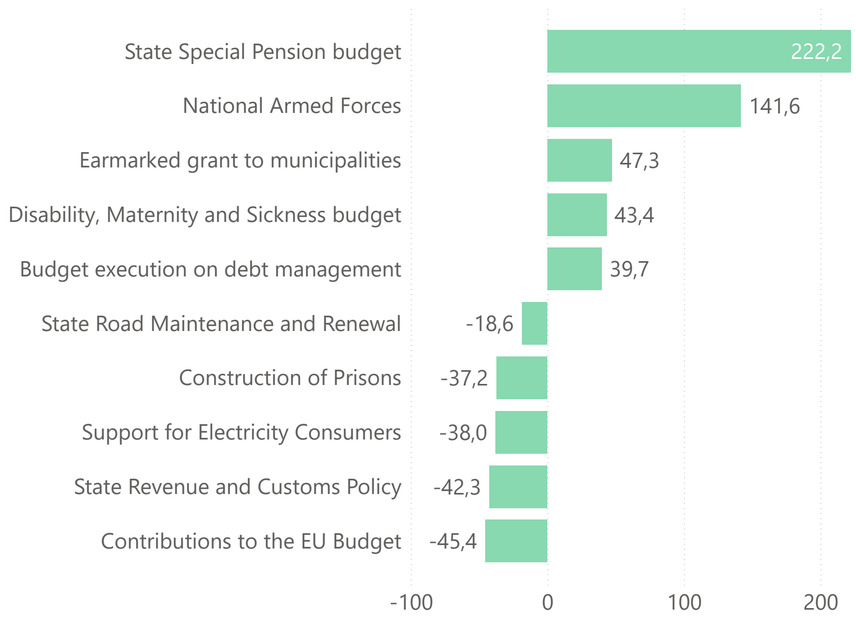


*Capital expenditure - fixed capital formation, excluding transfers between budget levels

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 subprogramme against respective period year before, mln €



Source: State Treasury

SOCIAL SECURITY

Old-age pensions recipients

429 878 (+0.7% YoY)

I-IX 2026

Old-age pensions average amount

660€ (+9% YoY)

I-IX 2026

Unempoyment benefit recipients

29 811 (-5.9% YoY)

I-IX 2026

Unemployment benefit average amount

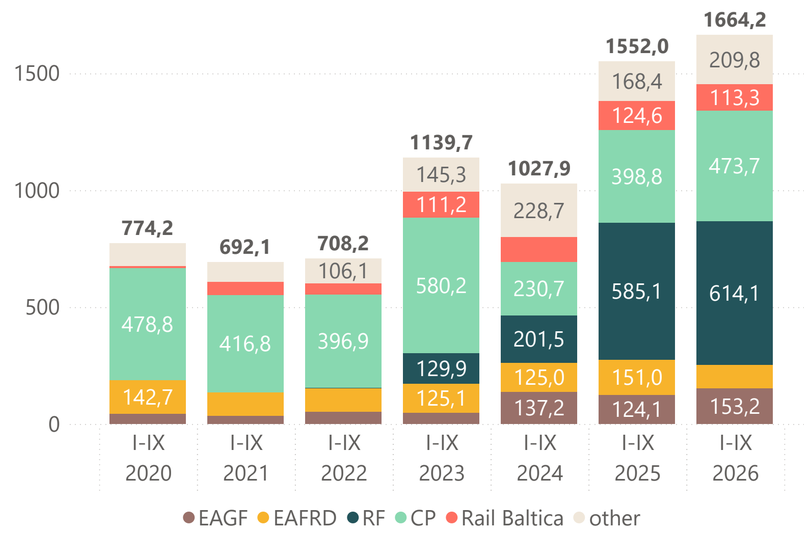
555€ (+9.8% YoY)

I-IX 2026

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, MoF