

**Table 1. Latvia: Selected Economic Indicators, 2019–25**

	2019	2020	2021	2022	2023	2024	2025
						Proj.	
<b>National Accounts</b>	(Percentage change, unless otherwise indicated)						
Real GDP	0.6	-3.5	6.7	3.0	-0.3	1.7	2.4
Private consumption	0.0	-4.3	7.3	7.2	-1.3	2.4	2.3
Public consumption	5.6	2.1	3.5	2.8	7.0	2.3	2.2
Gross capital formation	0.7	-10.0	24.9	-3.6	5.1	2.6	2.7
Gross fixed capital formation	1.5	-2.2	7.2	0.6	8.2	3.1	3.1
Exports of goods and services	1.3	0.4	9.0	10.3	-5.9	3.0	2.6
Imports of goods and services	2.2	-1.1	15.1	11.1	-2.8	3.0	2.5
Nominal GDP (billions of euros)	30.6	30.1	33.3	38.4	40.3	42.4	44.8
GDP per capita (thousands of euros)	15.9	15.8	17.6	20.5	21.4	22.5	23.9
<b>Savings and Investment</b>							
Gross national saving (percent of GDP)	22.2	24.3	21.1	20.3	19.0	19.1	18.9
Gross capital formation (percent of GDP)	22.8	21.4	25.0	25.0	23.0	22.8	22.5
Private (percent of GDP)	18.9	17.2	21.2	21.7	19.4	18.7	18.6
<b>HICP Inflation</b>							
Headline, period average	2.7	0.1	3.2	17.2	9.1	2.0	2.4
Headline, end-period	2.1	-0.5	7.9	20.7	0.9	3.9	1.6
Core, period average	2.7	1.1	2.0	11.3	9.8	3.3	3.1
Core, end-period	1.9	0.9	4.7	15.2	4.0	3.7	2.8
<b>Labor Market</b>							
Unemployment rate (LFS; period average, percent)	6.3	8.1	7.6	6.9	6.5	6.5	6.5
Nominal wage growth	7.2	6.2	11.7	7.5	11.9	8.5	7.0
<b>Consolidated General Government 1/</b>	(Percent of GDP, unless otherwise indicated)						
Total revenue	37.3	37.7	37.6	37.2	38.5	38.6	38.7
Total expenditure	37.7	41.4	43.2	40.9	42.0	42.0	41.4
Basic fiscal balance	-0.4	-3.7	-5.5	-3.7	-3.5	-3.4	-2.7
ESA fiscal balance	-0.5	-4.4	-7.2	-4.6	-2.2	-2.9	-2.7
General government gross debt	36.7	42.7	44.4	41.8	43.6	44.7	44.8
<b>Money and Credit</b>							
Credit to private sector (annual percentage change)	-2.3	-4.4	11.9	7.1	5.1	...	...
Broad money (annual percentage change)	8.0	13.1	9.2	5.1	2.7	...	...
<b>Balance of Payments</b>							
Current account balance	-0.6	2.9	-3.9	-4.8	-4.0	-3.7	-3.5
Trade balance (goods)	-8.6	-5.1	-8.3	-10.7	-9.3	-8.8	-8.8
Gross external debt	117.1	122.1	110.5	102.3	98.5	94.9	86.6
Net external debt 2/	18.1	13.6	10.3	8.1	7.5	10.7	13.5
<b>Exchange Rates</b>							
U.S. dollar per euro (period average)	1.12	1.14	1.18	1.05	1.08	...	...
REER (period average; CPI based, 2005=100)	123.0	124.5	125.0	129.7	136.8	...	...
Terms of trade (annual percentage change)	0.9	1.8	-1.6	-0.6	3.6	-0.1	0.9

Sources: Latvian authorities; Eurostat; and IMF staff calculations.

1/ National definition. Includes economy-wide EU grants in revenue and expenditure.

2/ Gross external debt minus gross external assets.

[1] Under Article IV of the IMF's Articles of Agreement, the IMF holds bilateral discussions with members, usually every year. A staff team visits the country, collects economic and financial information, and discusses with officials the country's economic developments and policies. On return to headquarters, the staff prepares a report, which forms the basis for discussion by the Executive Board.

[2] At the conclusion of the discussion, the Managing Director, as Chairman of the Board, summarizes the views of Executive Directors, and this summary is transmitted to the country's authorities. An explanation of any qualifiers used in summings up can be found here: <http://www.IMF.org/external/np/sec/misc/qualifiers.htm>.