



BANKING SECTOR

- ◆ **The Latvian banking sector closed the first 11 months of 2017 with EUR 237 million in aggregate profit, down 46.2 % from the same period last year.** According to the regulator's provisional data, 11 Latvian banks and four branches of foreign banks showed profit in the first 11 months of this year. Their aggregate share in the banking sector's assets was roughly 93 %. (RĪGA, Dec 28, BNS/FCMC)

MACROECONOMICS

- ◆ **In the coming three years Latvia's economy will grow by more than 3 % said Latvian Finance Minister Dana Reizniece-Ozola** "The Finance Ministry expects that Latvia's GDP this year will grow 3.7 %. In the coming years the growth will be moderate because investments are not expected to rise steeply. In 2018 GDP growth is projected at 3.4 %, and in 2019 and 2020 at 3.2 %," said minister. According to medium-term budget framework, the government's budget deficit will be at 1 % in 2018, 0.9 % in 2019, and 0.4 % in 2020. (RĪGA, Dec 27, BNS)
- ◆ **Compared to November 2016, in November 2017 the level of construction costs in Latvia increased by 3.2 %.** Labor remuneration of workers increased by 5.9 percent, maintenance and operational costs of machinery and equipment by 2 %, whereas prices of building materials rose by 2.9 %. Compared to October 2017, construction costs increased by 0.4 %. (RĪGA, Dec 29, [CSB](#))
- ◆ **In January-November 2017, Latvia's calendar-adjusted retail sales rose 3.9 % against the same period in 2016 at constant prices.** Food retailers raised sales by 3.4 % year-on-year, and retail trade in non-food goods picked up 5.1 % in the first eleven months of this year. In November 2017, total retail trade turnover rose by 4.7 % compared to November 2016. (RĪGA, Dec 29, [CSB](#))

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