



## FINANCING AND DEBT

- ◆ **On Wednesday, 31<sup>th</sup> January, a government domestic securities competitive multi-price auction and a non-competitive fixed rate auction will take place.** (RĪGA, JAN 22, [Treasury](#))
- ◆ **Debt Management Quarterly Bulletin by Treasury has been published.** The bulletin reflects development of the central government debt management of the 4th quarter of 2017. (RĪGA, JAN 29, [Treasury](#))

## MACROECONOMICS

- ◆ **Last year, producer prices in the Latvian industrial sector climbed 2.6 % on average against 2016.** Producer prices of goods sold on the domestic market moved up 2.6 % over the year, and producer prices of export goods increased 2.7 %, including by 3.2 % for products sold in euro area countries and by 2.3 % for products sold outside the euro area. (RĪGA, JAN 22, [CSB](#))
- ◆ **In the 3rd quarter of 2017 Latvia had the smallest general government budget deficit against GDP among European Union (EU) member states, according to data on 22 EU member states.** The statistics show that in July-September 2017, Latvia's budget deficit was equal to 0.2 % of GDP. In the 3rd quarter of 2017, the seasonally adjusted general government deficit to GDP ratio stood at 0.3 % in the euro area and 0.6 % in the EU. (RĪGA, JAN 24, [Eurostat](#))
- ◆ **Following a deceleration in 2016, Latvia's economic growth surprised with a strong and broad-based upswing in 2017 and likely exceeded 4.5 %.** While average inflation has reached 2.9 %, the fiscal and current account deficits remain moderate, public debt is low, and unemployment continues to fall. (RĪGA, JAN 24, BNS)
- ◆ **In the 3rd quarter of 2017 Latvia was the only EU member whose government debt remained unchanged compared to the same period a year ago.** Latvia's debt-to-GDP ratio was 38.3 % in the 3rd quarter of 2017, or the 7th lowest among EU member states. (RĪGA, JAN 24, [Eurostat](#))
- ◆ **In 2017, Latvian construction costs rose 1.9 % against 2016.** During the 4th quarter of 2017, Latvian construction costs increased by 3 % against the same period a year ago, as builders' wages went up 6 %, prices of construction materials rose 2.4 % and operation costs of machinery and equipment grew 2 % year-on-year. (RĪGA, JAN 26, [CSB](#))

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