



BULLETIN IN BRIEF

• Budget ¹ with accumulated deficit	323 M, EUR/ 0.9 % of forecasted GDP	(January-March)
• Central government debt outstanding (nominal value)	15 348 M, EUR/ 42.0 % of forecasted GDP	(end of March)
• Municipalities' borrowings made from the Treasury	23 M, EUR/ 0.1 % of forecasted GDP	(January-March)

GDP forecast for 2022 EUR 36 520 M (Ministry of Finance as on March 2022)

• On 7th February, 2022 the international credit rating agency S&P Global published latest research update on the credit rating of Latvia. The research report did not constitute a rating action and Latvia's credit rating at A+ level with stable outlook remained unchanged.

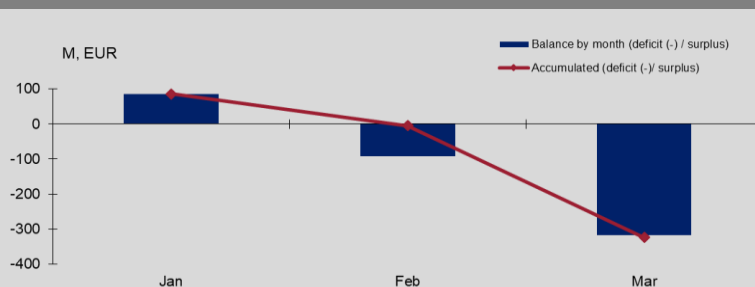
• On 11th February, 2022, the international credit rating agency Fitch Ratings affirmed Latvia's credit rating at "A-" with a stable outlook.

GENERAL DATA

Central Government Consolidated Budget*

Month	Jan	Feb	M, EUR Mar
Balance by month (deficit (-) / surplus)	86	-91	-318
Accumulated (deficit (-)/ surplus)	86	-5	-323

* excluding grants, donations and derived public entities

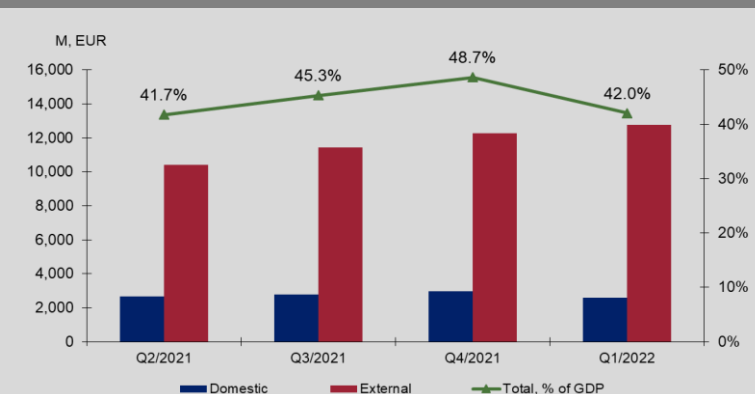


Central Government Debt Outstanding

Debt (M, EUR)	Q2/2021		Q3/2021		Q4/2021		Q1/2022	
	M, EUR	%	M, EUR	%	M, EUR	%	M, EUR	%
Domestic debt	2 681	20%	2 783	20%	2 972	19%	2 573	17%
External debt	10 410	80%	11 436	80%	12 287	81%	12 774	83%
Total	13 091	100%	14 218	100%	15 259	100%	15 348	100%
Central government debt (% of GDP)	41.7		45.3		48.7		42.8	
Net debt* (% of GDP)	37.7		37.5		41.1		36.8	

(nominal value)

* without the derivative financial instruments effect result

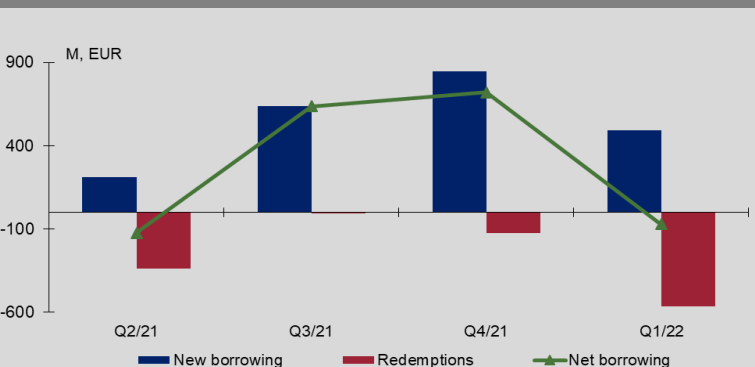


Central Government Net Borrowing

	M, EUR	Q2/21	Q3/21	Q4/21	Q1/22
New borrowing		214	637*	846	491
<i>incl. Eurobonds</i>		101	635	845	490
<i>incl. EC SURE loan</i>		113			
Redemptions		-337	-1	-124	-563
<i>incl. domestic securities</i>		-2	-1	-1	-559
<i>incl. Eurobonds</i>		-331			
Net borrowing		-123	636	722	-72

(nominal value)

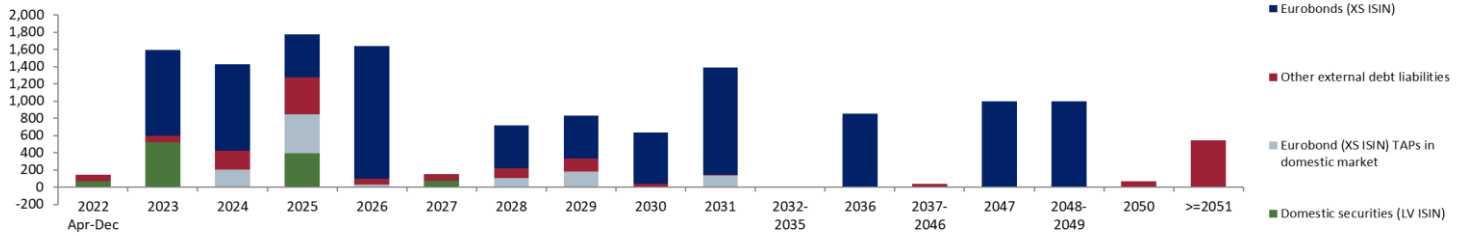
*excluding IMF XDR allocations (Q3 2021)



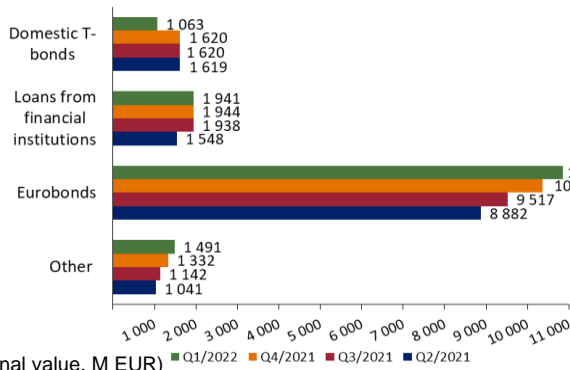
¹Central government consolidated budget (excluding grants, donations and derived public entities)



Central Government Debt Redemption Profile (at the end of March 2022)

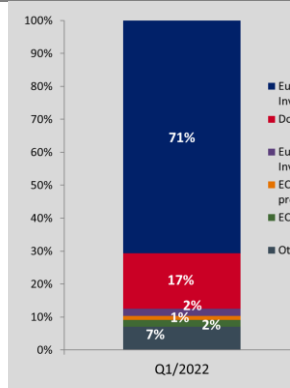


Debt Outstanding by instruments/

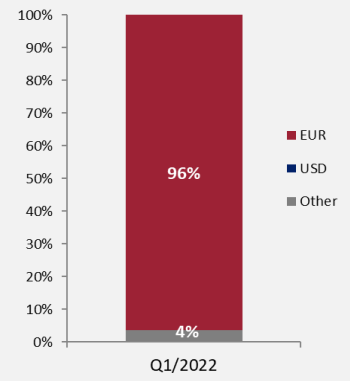


(nominal value, M EUR) ■ Q1/2022 ■ Q4/2021 ■ Q3/2021 ■ Q2/2021

lenders/

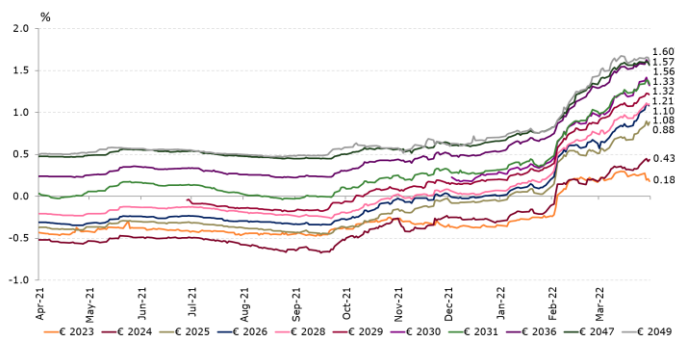


currencies



SECURITIES IN INTERNATIONAL MARKETS

EUR Eurobond yields

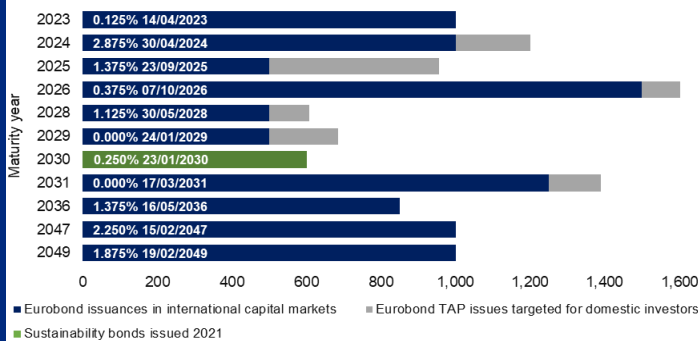


Source: Bloomberg, 31/03/2022

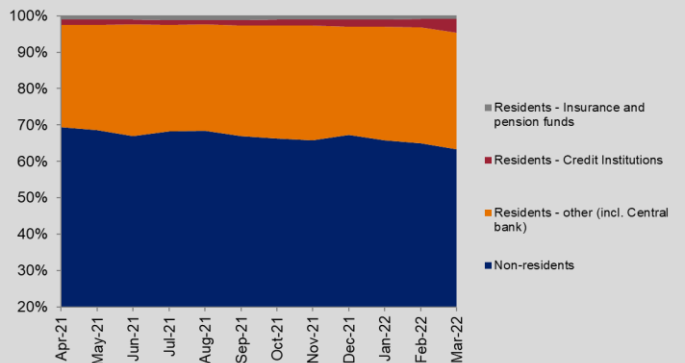
	Maturity Date	Issuer Name	Cpn	S&P Rating	Mid YTM	BID Z-Spread
EUR	14.04.2023	LATVIA	0.125	A+	0.180	55
	30.04.2024	LATVIA	2.875	A+	0.439	2
	23.09.2025	LATVIA	1.375	A+	0.885	12
	07.10.2026	LATVIA	0.375	A+	1.083	16
	30.05.2028	LATVIA	1.125	A+	1.102	10
	24.01.2029	LATVIA	0.000	A+	1.211	18
	23.01.2030*	LATVIA	0.250	A+	1.321	23
	17.03.2031	LATVIA	0.000	A+	1.337	21
	16.05.2036	LATVIA	1.375	A+	1.571	32
	15.02.2047	LATVIA	2.250	A+	1.563	47
19.02.2049	LATVIA	1.875	A+	1.607	51	

* Sustainability bonds issued 2021

Eurobonds outstanding (on the end of March, M EUR)



External Securities Outstanding by Type of Investor in Secondary Market



Source: Bank of Latvia

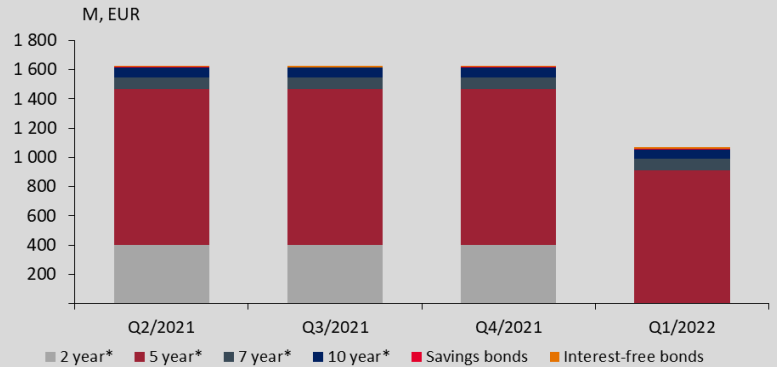


SECURITIES IN DOMESTIC MARKET

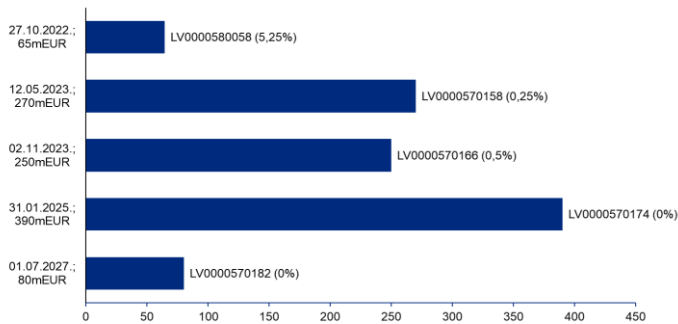
Domestic Securities Outstanding

Outstanding	Q2/2021	Q3/2021	Q4/2021	Q1/2022
	M, EUR			
2 year*	401.5	401.5	401.5	-
5 year*	1,066.2	1,066.2	1,066.2	910.0
7 year*	80.0	80.0	80.0	80.0
10 year*	64.5	64.5	64.5	64.5
Savings bonds	5.3	5.1	5.5	5.5
Interest-free bonds	7.0	8.3	8.3	8.5
Total	1 624.6	1 625.6	1 626.0	1 068.6

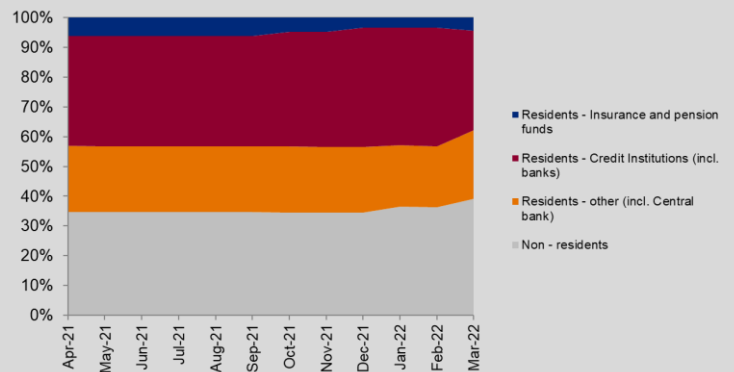
*original maturity



Government domestic securities outstanding (at the end of March)

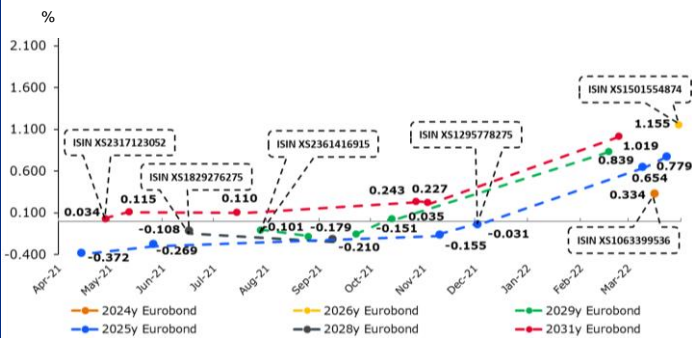


Domestic Securities Outstanding by Type of Investor in Secondary Market

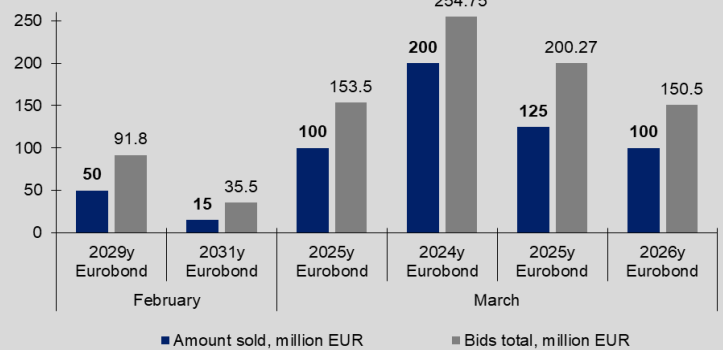


Source: Bank of Latvia

Competitive Multi-price Auction rates



Competitive Multi-Price Auctions in domestic market in 1st quarter



Management of Planned Domestic Securities

Government securities can be issued in Latvia's and international financial markets. Government securities in domestic market are issued under the Latvian legislation or under other countries legislation by using auction method. Latvian government bonds in international markets are issued by using syndicate method under other countries legislation.

Calendar for the planned auctions is being published each month on the Treasury's website. Government securities auctions are organized on Wednesdays. The Treasury holds the right to amend the calendar, days on which respective auctions are hold, as well as borrowing amounts and instruments at any time. Since February 2013 the primary dealer system is operating in Latvia.



DEBT PORTFOLIO MANAGEMENT

Parameters of the Central Government Debt Portfolio Structure

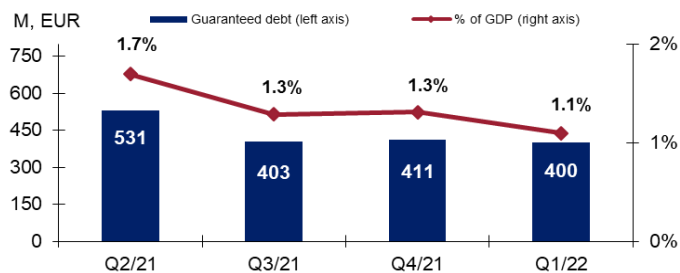
Parameters	31.12.2021		31.03.2022		STRATEGY	
	≤ 1 year	≤ 3 years	≤ 1 year	≤ 3 years	≤ 1 year	≤ 3 years
Maturity profile (%) of central government debt	13.4%	32.0%	10.7%	33.6%	≤ 25%	≤ 50%
Share of fixed rate [^]	80.4%		83.1%		≥ 60%	
Macaulay Duration (years)	6.55		6.44		5.00 - 9.00	
Net debt currency composition ^{^^}	EUR		EUR		EUR	
	100.24%		100.27%		100% (+/- 5%)	

[^]Fixed rate central government debt with a maturity over one year.

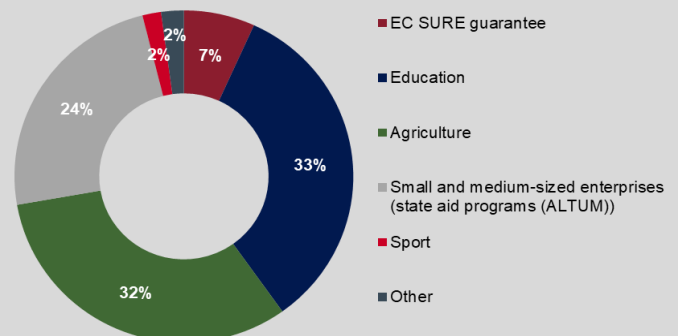
^{^^} Central government debt at the end of the period less the amount of loans and receivables, where impairment loss of guarantees are not taken in account (including Treasury's cash accounts, investments in deposits and fixed income securities, loans, receivables (including receivables of derivative financial instruments which are not classified as risky from credit risk perspective)), and increased by provisions of guarantees as well as liabilities of derivative financial instruments which are not classified as risky from credit risk perspective.

ISSUANCE OF STATE GUARANTEES

State Guaranteed Debt Outstanding

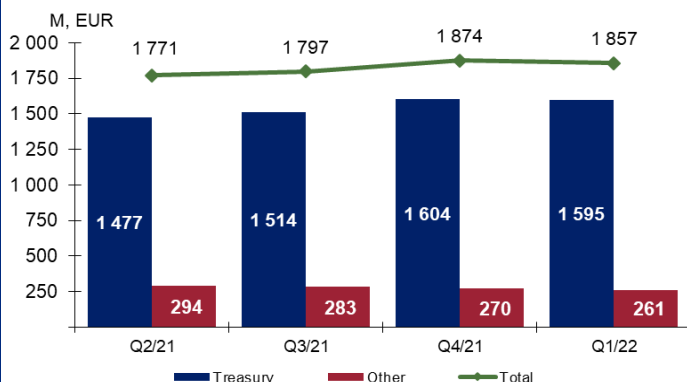


State guaranteed loans by industry (at the end of March)

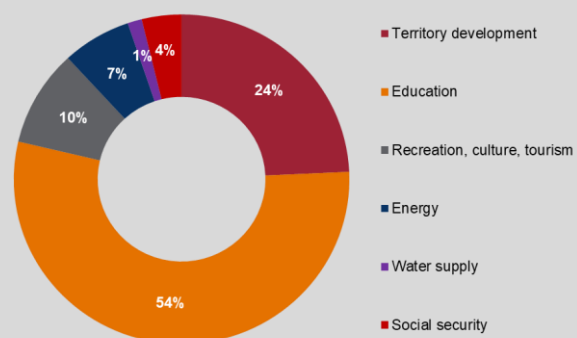


MUNICIPALITIES' BORROWINGS

Municipalities' Debt Outstanding



Municipalities' Borrowings from the Treasury By Sectors (at the end of March)



	M, EUR
Total increase of borrowing stated in Budget Law 2022	404.5
Planned limit of loan disbursements to municipalities 2022	304.5
Total borrowings made (January-March)	23.1
from the Treasury	23.1
from other institutions	0.0

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NEXT ISSUE: Next Quarterly Bulletin will be available in the Treasury's web site on July 22, 2022.

DISCLAIMER: Figures may not sum due to rounding. "0" - the indicator is below 0.5 but over 0, or the result of the computation of the indicator, is 0. The information included in this Bulletin corresponds to the best value obtained for each period at the date of publication, and has been carefully compiled. The possibility of any mistake can not, however, be excluded. The data included in this publication may be clarified in subsequent publications. The Treasury bears no responsibility for losses incurred as a result of using this publication. Reference to the Treasury data compulsory when reproduced.