



BULLETIN IN BRIEF

- Budget¹ with accumulated deficit 599 M, EUR/ 1.5 % of forecasted GDP (January-September)
 - Central government debt outstanding (nominal value) 16 032 M, EUR/ 40.8 % of forecasted GDP (end of September)
 - Municipalities' borrowings made from the Treasury 123 M, EUR/ 0.3 % of forecasted GDP (January-September)
- GDP forecast for 2022 EUR 39 266 M (Ministry of Finance as on August 2022)

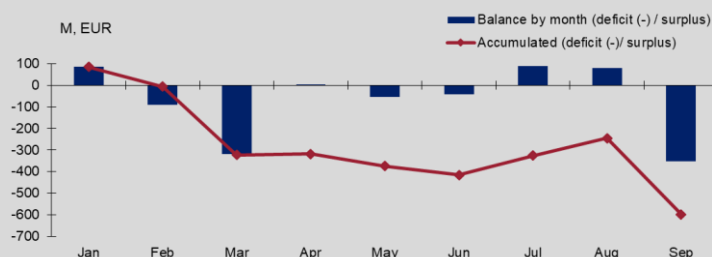
• On October 20, Latvia priced Long 4-year Eurobond raising EUR 850 million with a reoffer yield of 4.198% and a coupon of 3.875%. Trade settlement date will be October 27.

GENERAL DATA

Central Government Consolidated Budget*

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Balance by month (deficit (-) / surplus)	86	-91	-318	4	-55	-41	90	80	-353
Accumulated (deficit (-) / surplus)	86	-5	-323	-319	-374	-415	-325	-246	-599

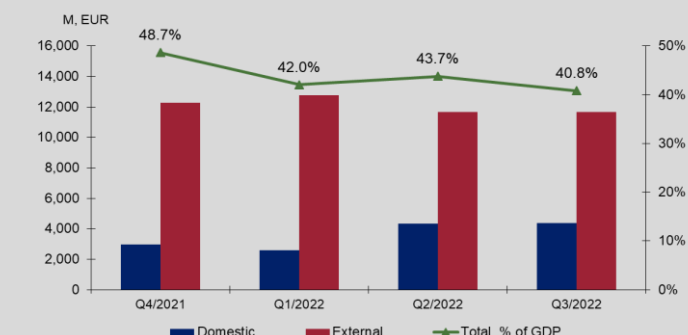
M, EUR



* excluding grants, donations and derived public entities

Central Government Debt Outstanding

Debt (M, EUR)	Q4/2021	%	Q1/2022	%	Q2/2022	%	Q3/2022	%
Domestic debt	2 972	19%	2 573	17%	4,329*	27%	4 376	27%
External debt	12 287	81%	12 774	83%	11,645*	73%	11 656	73%
Total	15 259	100%	15 348	100%	15 973	100%	16 032	100%
Central government debt (% of GDP)	48.7		42.0		43.7		40.8	
Net debt** (% of GDP)	41.1		36.1		36.6		34.5	



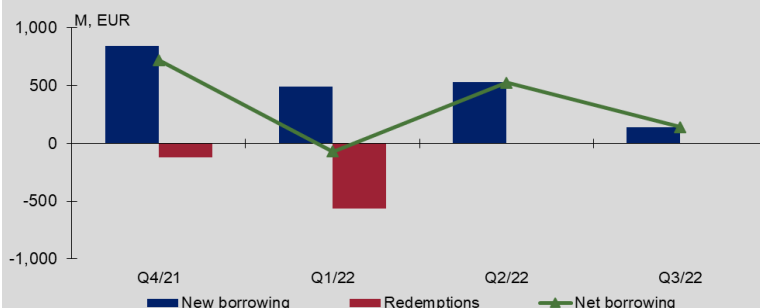
(nominal value)

*on May, 2022, central government debt outstanding has been reclassified between domestic and external debt - financing raised via eurobond TAP issues targeted for domestic investors has been reclassified as domestic debt (previously external debt)

** without the derivative financial instruments effect result

Central Government Net Borrowing

	M, EUR	Q4/21	Q1/22	Q2/22	Q3/22
New borrowing		846	491	530	140
	<i>incl. Eurobonds</i>	845	490	530	140
Redemptions		-124	-563	-3	0
	<i>incl. domestic securities</i>	-1	-559		
Net borrowing		722	-72	527	140

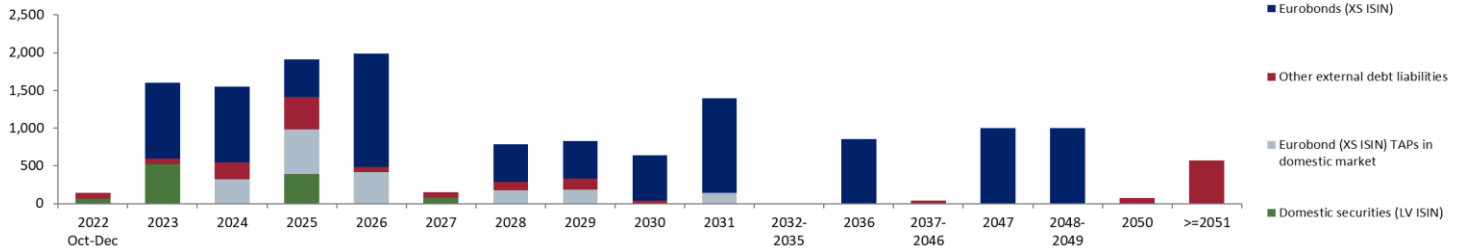


(nominal value)

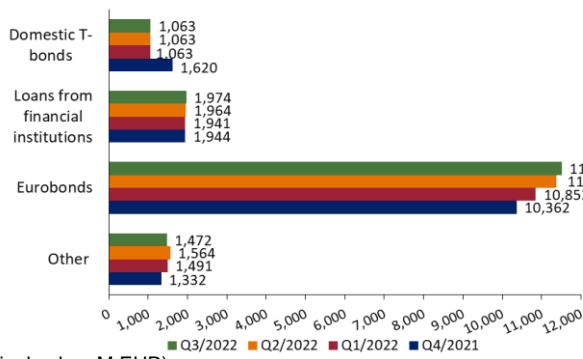
¹Central government consolidated budget (excluding grants, donations and derived public entities)



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

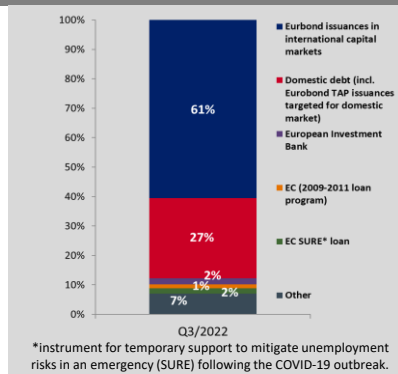


Debt Outstanding by instruments/

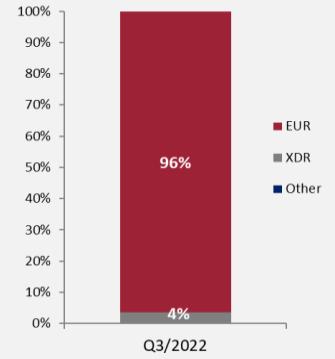


(nominal value, M EUR)

lenders/

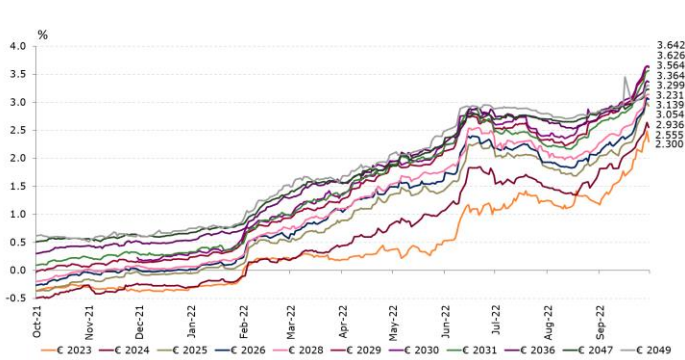


currencies



SECURITIES IN INTERNATIONAL MARKETS

EUR Eurobond yields

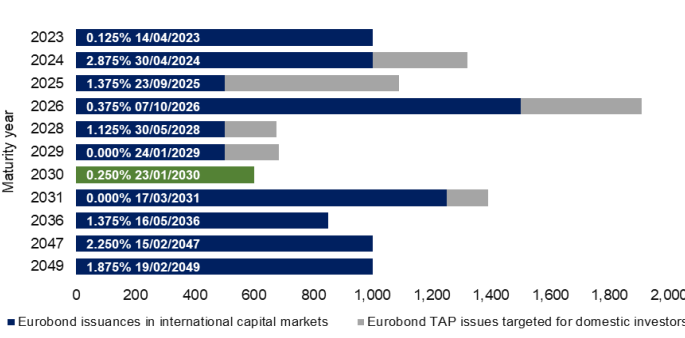


Source: Bloomberg, 30/09/2022

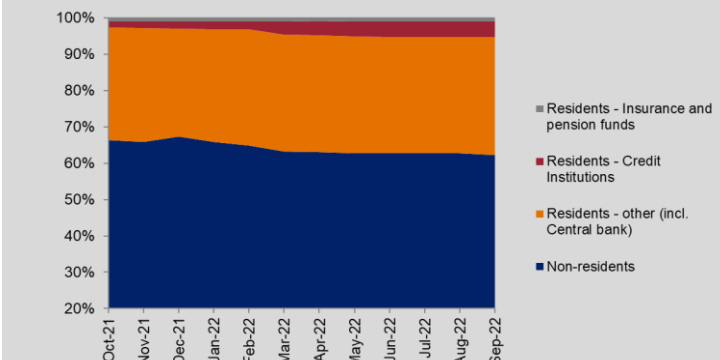
	Maturity Date	Issuer Name	Cpn	S&P Rating	Mid YTM	BID Z-Spread
EUR	14.04.2023	LATVIA	0.125	A+	2.300	116
	30.04.2024	LATVIA	2.875	A+	2.555	0
	23.09.2025	LATVIA	1.375	A+	2.936	15
	07.10.2026	LATVIA	0.375	A+	3.054	22
	30.05.2028	LATVIA	1.125	A+	3.139	24
	24.01.2029	LATVIA	0.000	A+	3.626	77
	23.01.2030*	LATVIA	0.250	A+	3.642	72
	17.03.2031	LATVIA	0.000	A+	3.564	61
	16.05.2036	LATVIA	1.375	A+	3.364	36
	15.02.2047	LATVIA	2.250	A+	3.231	65
19.02.2049	LATVIA	1.875	A+	3.299	84	

* Sustainability bonds issued 2021

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



External Securities Outstanding by Type of Investor in Secondary Market



Source: Bank of Latvia

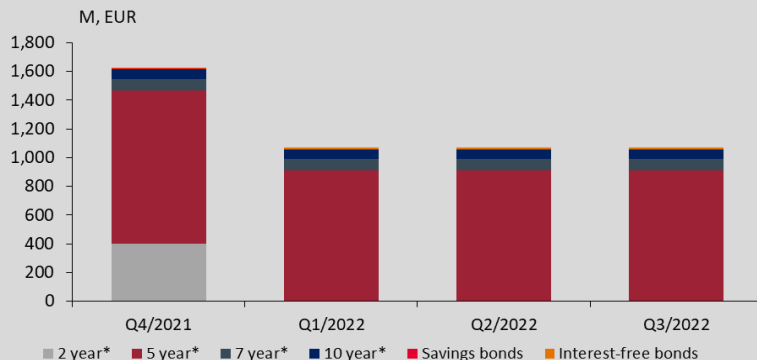


SECURITIES IN DOMESTIC MARKET

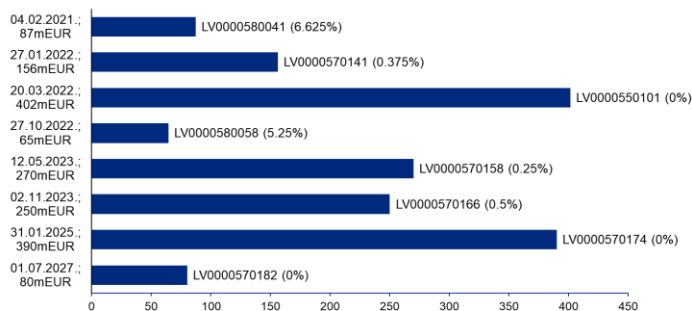
Domestic Securities Outstanding

Outstanding	Q4/2021	Q1/2022	Q2/2022	M, EUR Q3/2022
2 year*	401.5	-	-	-
5 year*	1,066.2	910.0	910.0	910.0
7 year*	80.0	80.0	80.0	80.0
10 year*	64.5	64.5	64.5	64.5
Savings bonds	5.5	5.5	5.6	6.4
Interest-free bonds	8.3	8.5	8.5	8.8
Total	1,626.02	1,068.56	1,068.63	1,069.65

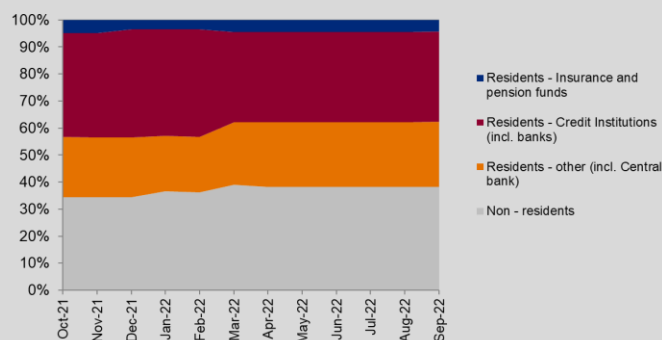
*original maturity



Government domestic securities outstanding (at the end of September)

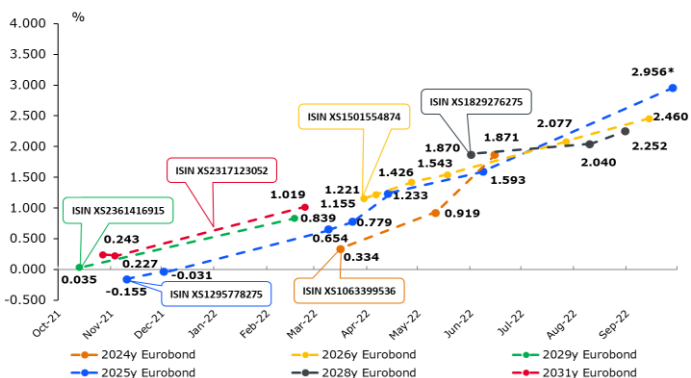


Domestic Securities Outstanding by Type of Investor in Secondary Market



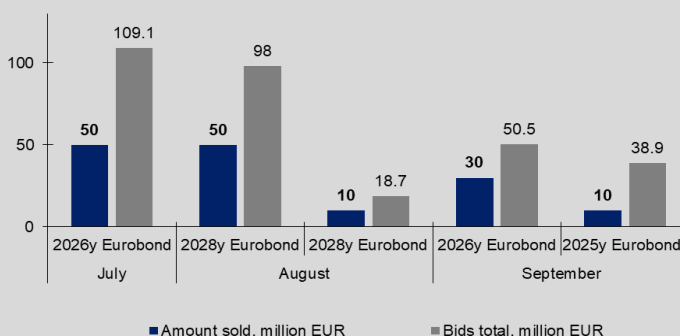
Source: Bank of Latvia

Competitive Multi-price Auction rates



*settlement date of September 28 auction trade was October 5.

Competitive Multi-Price Auctions in domestic market in 3rd quarter



*settlement date of September 28 auction trade was October 5.

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 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 held, 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

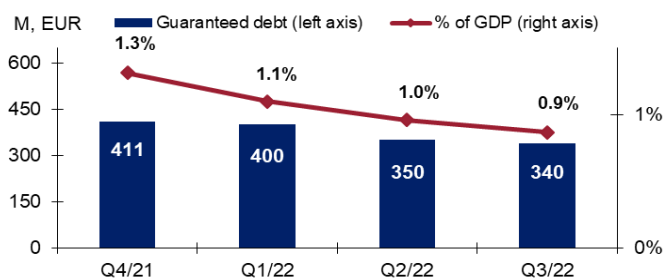
Parameters	31.06.2022		30.09.2022		STRATEGY	
	≤ 1 year	≤ 3 years	≤ 1 year	≤ 3 years	≤ 1 year	≤ 3 years
Maturity profile (%) of central government debt	18.9%	33.6%	18.3%	39.7%	≤ 25%	≤ 50%
Share of fixed rate [^]	75.2%		75.8%		≥ 60%	
Macaulay Duration (years)	6.14		6.00		5.00 - 9.00	
Net debt currency composition ^{^^}	EUR		EUR		EUR	
	100.26%		100.53%		100% (+/- 5%)	

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

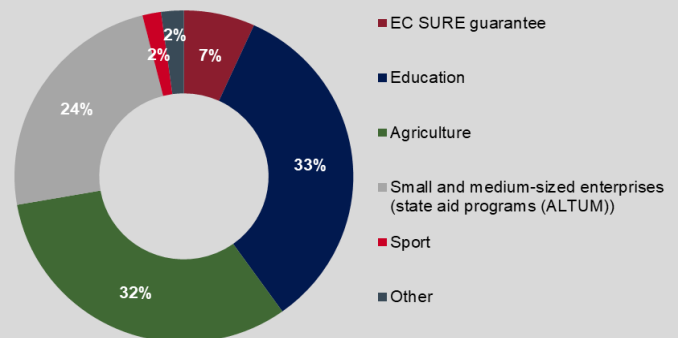
^{^^} Central government debt at the end of the period less the amount of loans and receivables, where impairment loss of guarantees are not taken in account (including Treasury's cash accounts, investments in deposits and fixed income securities, loans, receivables (including receivables of derivative 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

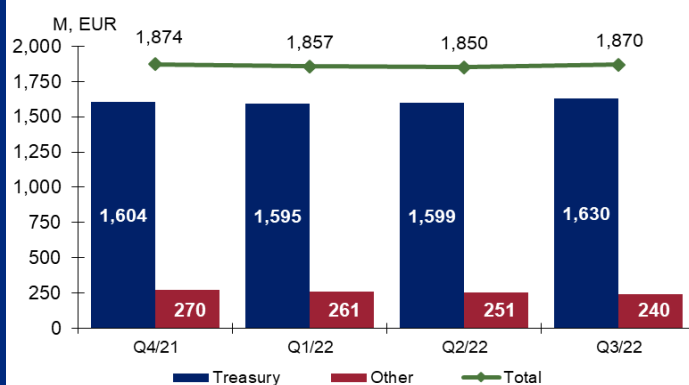


State guaranteed loans by industry (at the end of September)

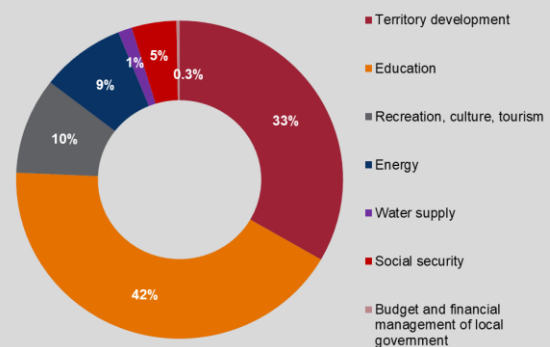


MUNICIPALITIES' BORROWINGS

Municipalities' Debt Outstanding



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



	M, EUR
Total increase of borrowing stated in Budget Law 2022	404.5
Planned limit of loan disbursements to municipalities 2022	324.5
Total borrowings made (January-September)	123.4
from the Treasury	123.4
from other institutions	0.0

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NEXT ISSUE: Next Quarterly Bulletin will be available in the Treasury's web site on January 27, 2023.

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.