



BULLETIN IN BRIEF

Central government budget* balance (accumulated)	-1 280 M, EUR/ -2,97 % of forecasted GDP	(01-12/23)
Central government debt outstanding (nominal value)	17 650 M, EUR/ 40,9 % of forecasted GDP	(31/12/2023)
Municipalities' borrowings made from the Treasury	235 M, EUR/ 0,54 % of forecasted GDP	(01-12/23)

*consolidated (excluding grants, donations and derived public entities) deficit (-)/surplus

GDP forecast for 2023 43 155 M, EUR (Ministry of Finance, 10/23)

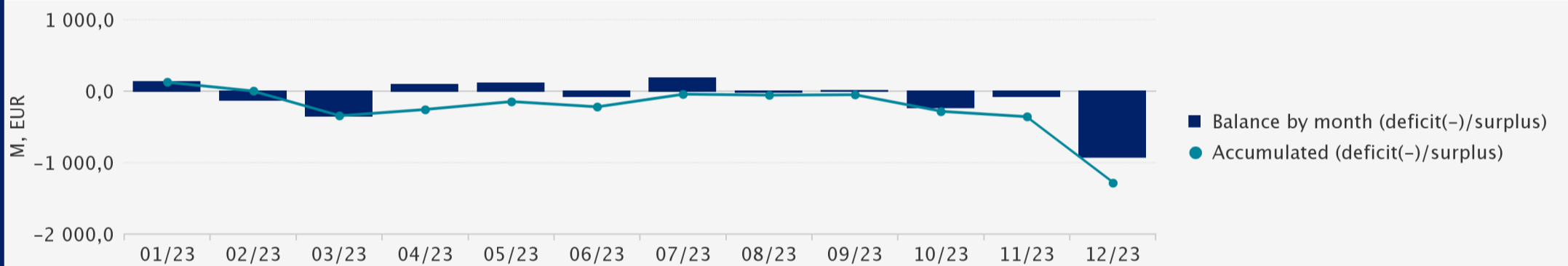
- On December 18, 2023, Japanese credit rating agency R&I has affirmed Latvia's credit rating at A level with stable outlook.
- On December 15, 2023, S&P Global Ratings has affirmed Latvia's credit rating at A+ level, outlook remained negative.
- On 20th December, the amount of citizens' investments in savings bonds issued by the State Treasury reached EUR 250 million, the total number of investors exceeding 7.3 thousand.

GENERAL DATA

Central Government Consolidated Budget Execution*

Month	01/23	02/23	03/23	04/23	05/23	06/23	07/23	08/23	09/23	10/23	11/23	12/23	M, EUR
Balance by month (deficit(-)/surplus)	127	-125	-345	89	111	-75	178	-14	6	-232	-76	-924	
Accumulated (deficit(-)/surplus)	127	3	-343	-254	-143	-218	-40	-54	-47	-280	-356	-1 280	

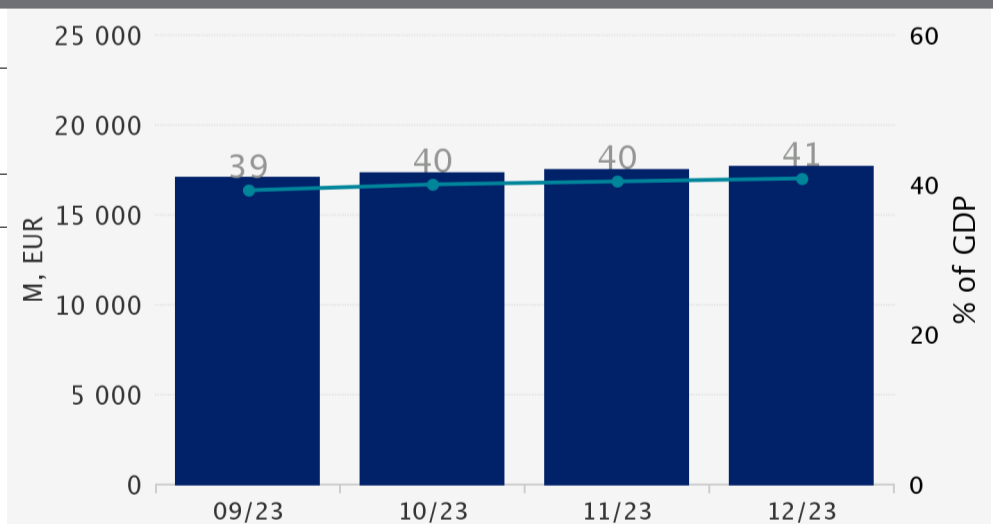
*excluding grants, donations and derived public entities



Central Government Debt

Debt (M, EUR)	09/23	%	10/23	%	11/23	%	12/23	%
Domestic	2 237	13	2 432	14	1 955	11	1 879	11
External	14 812	87	14 872	86	15 521	89	15 771	89
Total	17 049	100	17 304	100	17 476	100	17 650	100
Central Government Debt (% of GDP)	39		40		40		41	
Net debt** (% of GDP) (nominal value)	35		36		36		38	

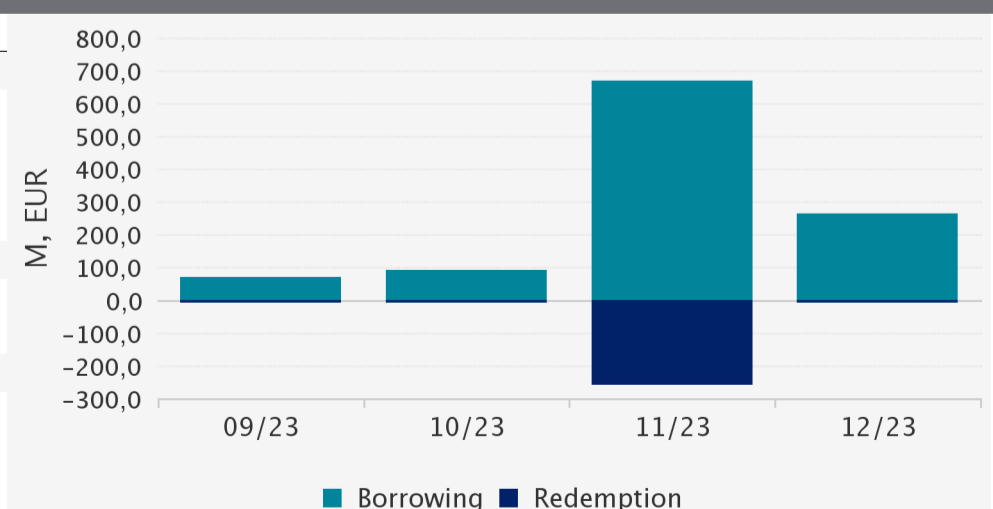
**without the derivative financial instruments effect result



Central Government Net Borrowing

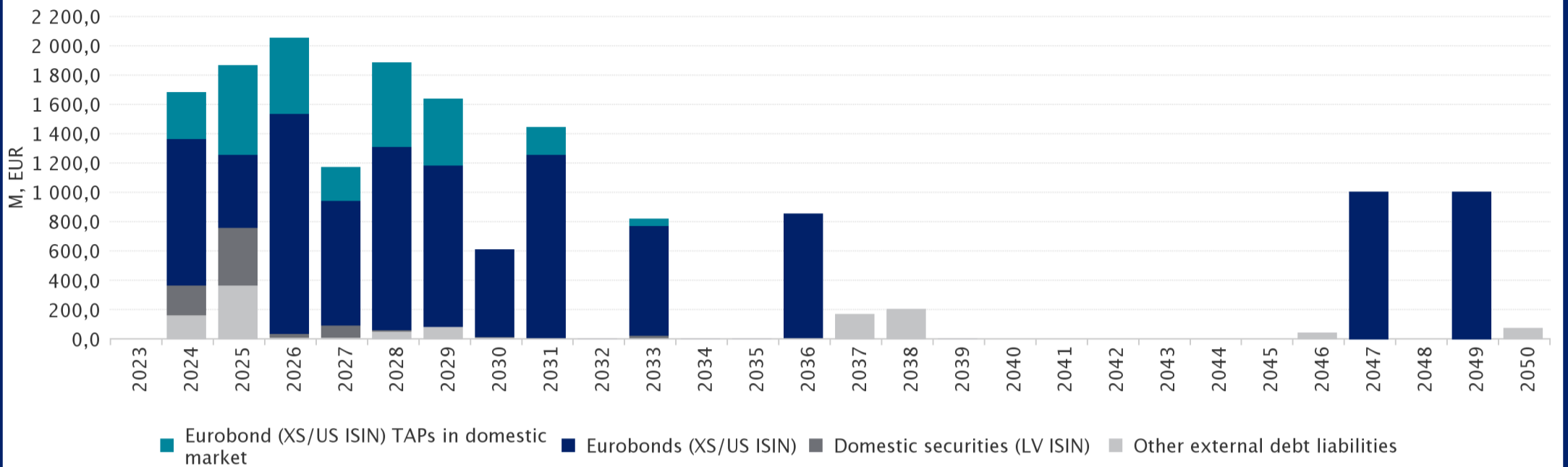
	M, EUR	09/23	10/23	11/23	12/23
Borrowing		70	92	668	263
Domestic securities (LV ISIN)		20	32	18	13
Other loans					200
Eurobonds (XS/US ISIN)				600	
Eurobond (XS/US ISIN) TAPs in domestic market		50	60	50	50
Redemption		-2	-3	-253	-2
Domestic securities (LV ISIN)		-2	-3	-252	-2
Other loans				0	
Net borrowing		68	89	415	262

(nominal value)

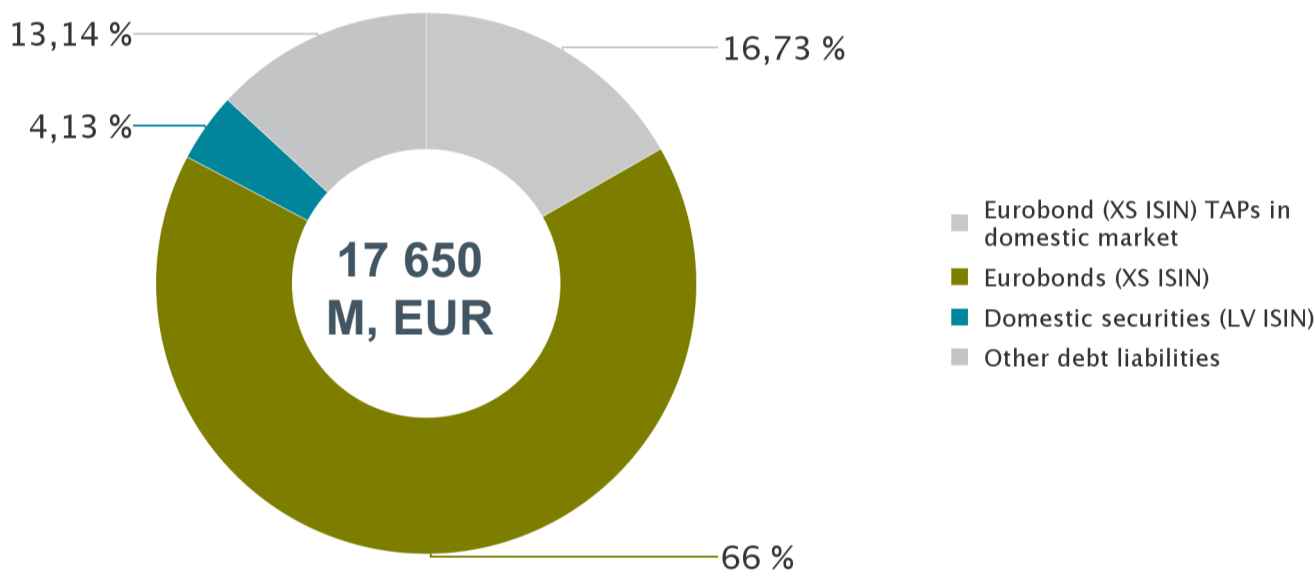




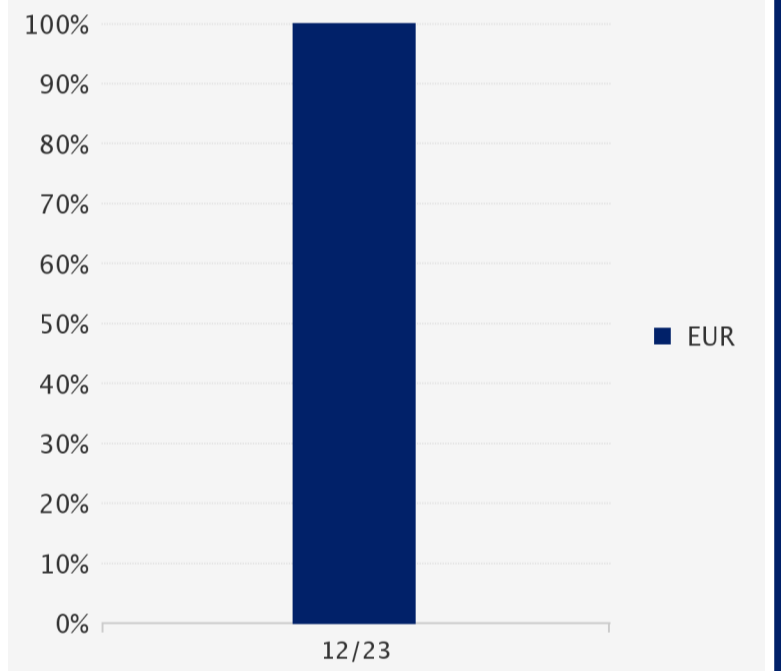
Central Government Debt Redemption Profile (31/12/2023)



Debt Outstanding by instruments (31/12/2023)

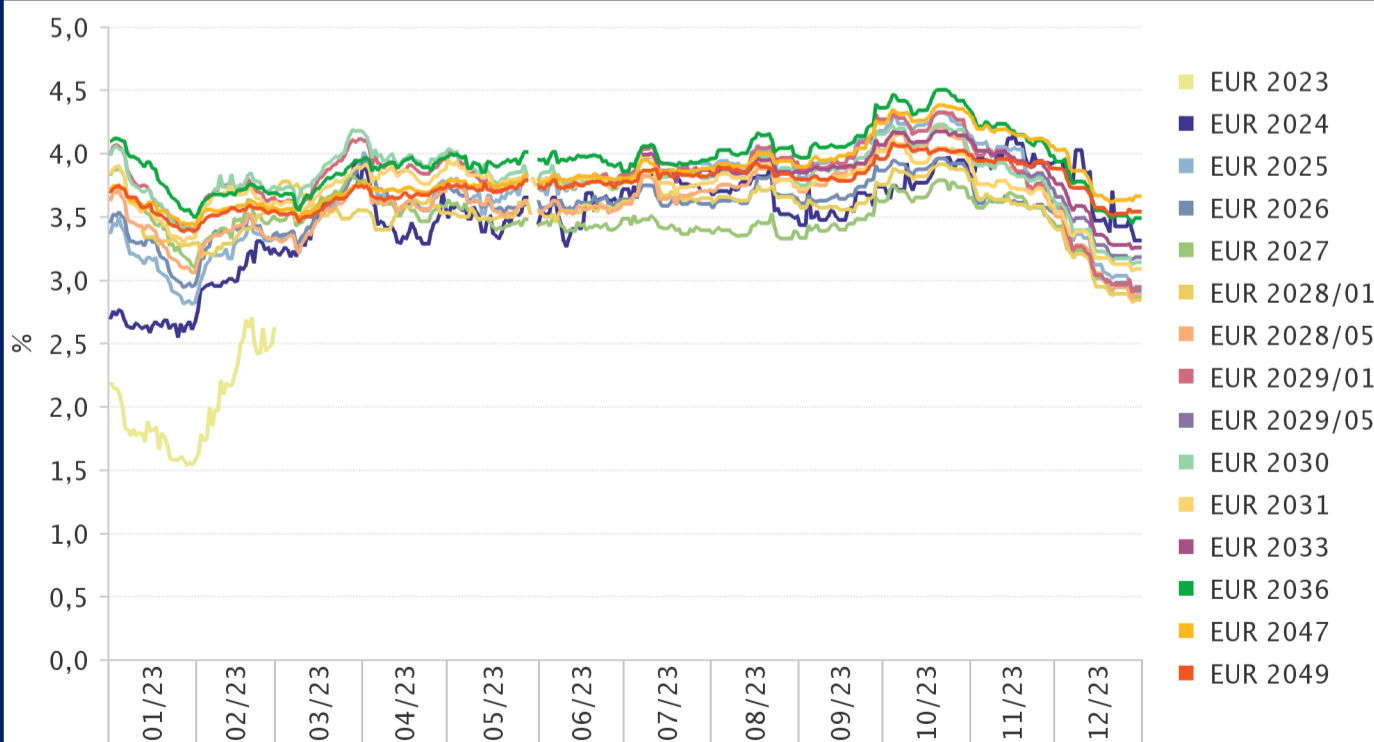


Debt Outstanding by currencies (31/12/2023)



SECURITIES IN INTERNATIONAL MARKETS

EUR Eurobond yields

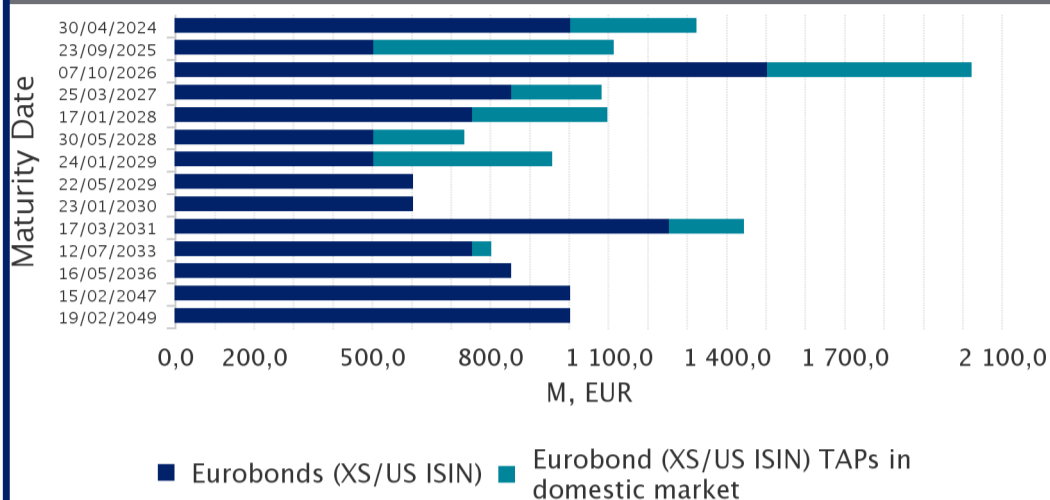


Currency	Maturity Date	CPN	Mid YTM	BID Z-Spread
EUR	30/04/2024	2,875	3,315	-3
EUR	23/09/2025	1,375	2,951	18
EUR	07/10/2026	0,375	2,924	43
EUR	25/03/2027	3,875	2,862	38
EUR	17/01/2028	3,500	2,850	49
EUR	30/05/2028	1,125	2,892	56
EUR	24/01/2029	0,000	2,941	59
EUR	22/05/2029	3,875	3,186	78
EUR	23/01/2030*	0,250	3,143	80
EUR	17/03/2031	0,000	3,093	74
EUR	12/07/2033	3,875	3,263	83
EUR	16/05/2036	1,375	3,494	97
EUR	15/02/2047	2,250	3,667	125
EUR	19/02/2049	1,875	3,547	113

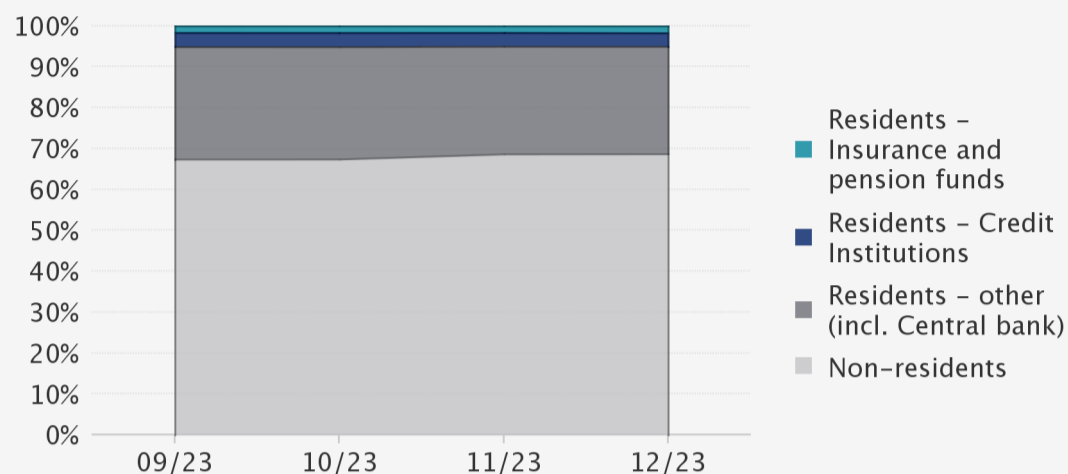
*Sustainability bonds



Eurobonds outstanding (31/12/2023)



External Securities Outstanding by Type of Investor in Secondary Market



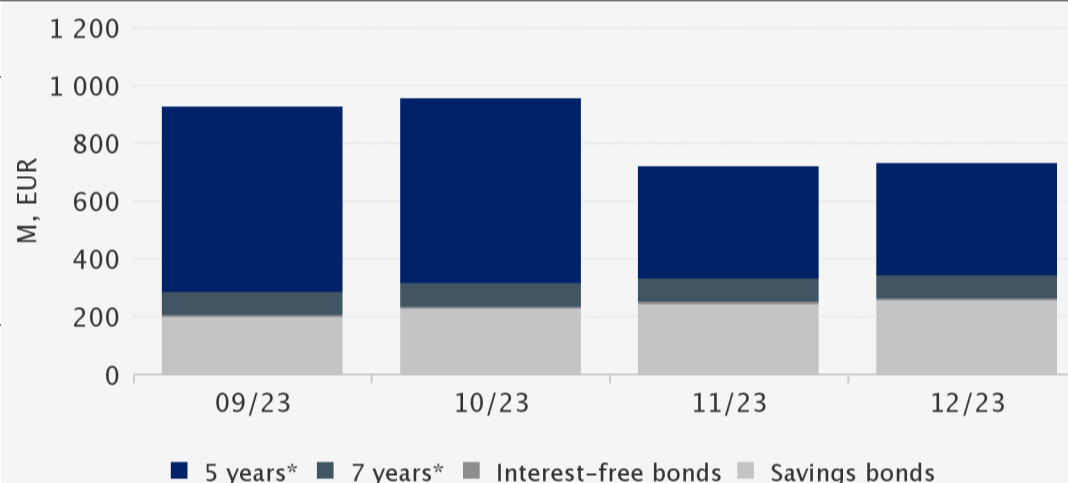
Source: Bank of Latvia

SECURITIES IN DOMESTIC MARKET

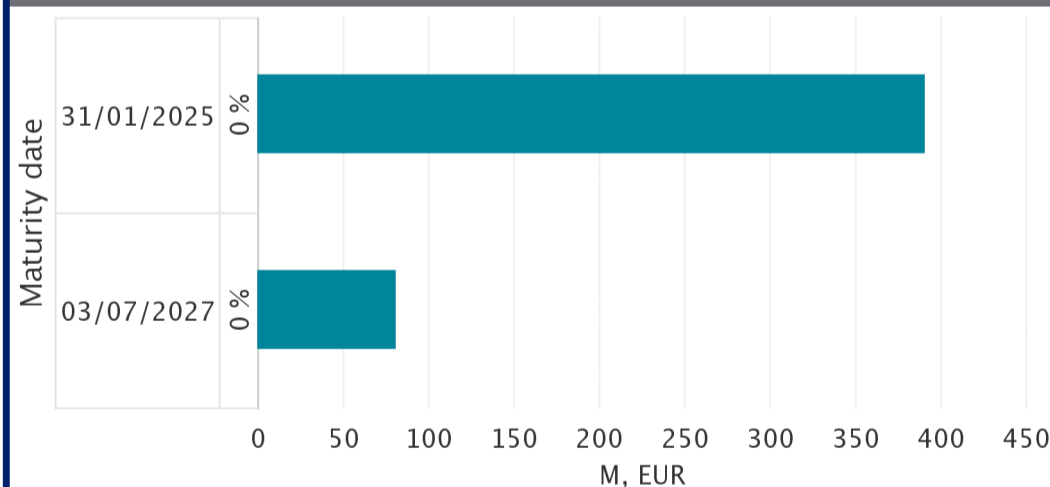
Domestic Securities Outstanding

Securities	09/23	10/23	11/23	M, EUR 12/23
5 years*	640,0	640,0	390,0	390,0
7 years*	80,0	80,0	80,0	80,0
Interest-free bonds	6,8	6,8	6,8	6,8
Savings bonds	196,2	225,8	241,3	252,7
Total	923,0	952,5	718,1	729,5

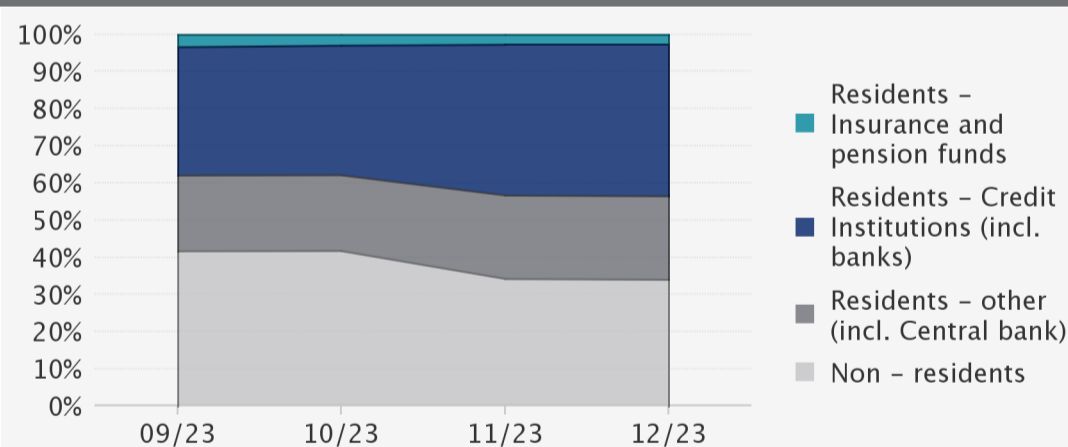
*original maturity



Government domestic securities outstanding (31/12/2023)

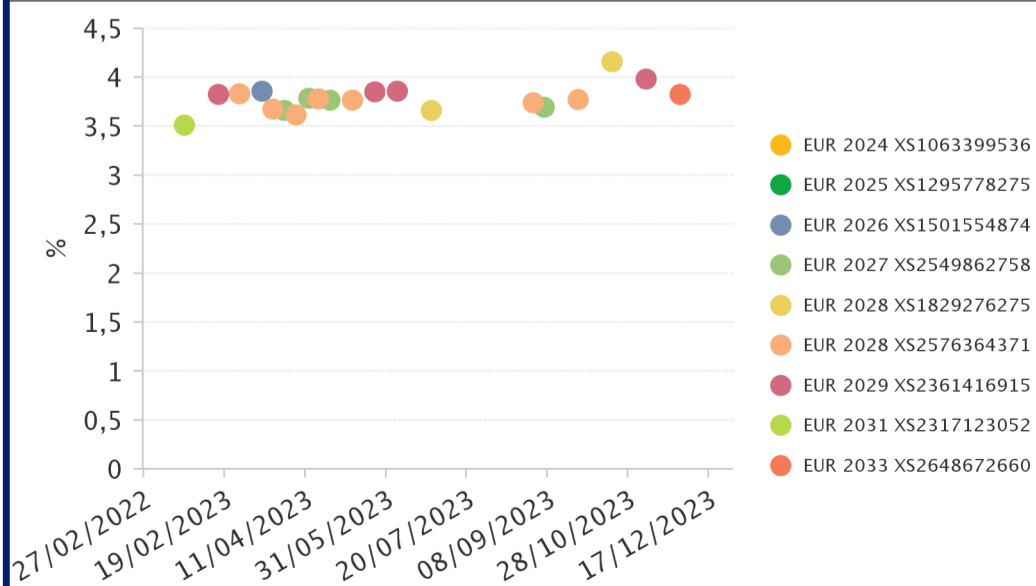


Domestic Securities Outstanding by Type of Investor in Secondary Market

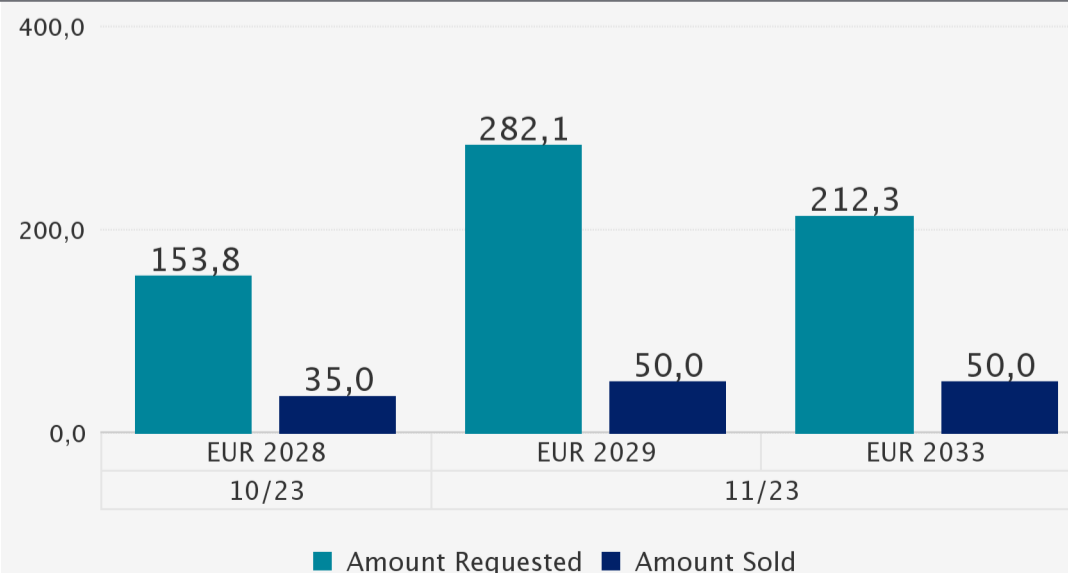


Source: Bank of Latvia

Competitive Multi-price Auction rates



Competitive Multi-Price Auctions in domestic market





DEBT PORTFOLIO MANAGEMENT

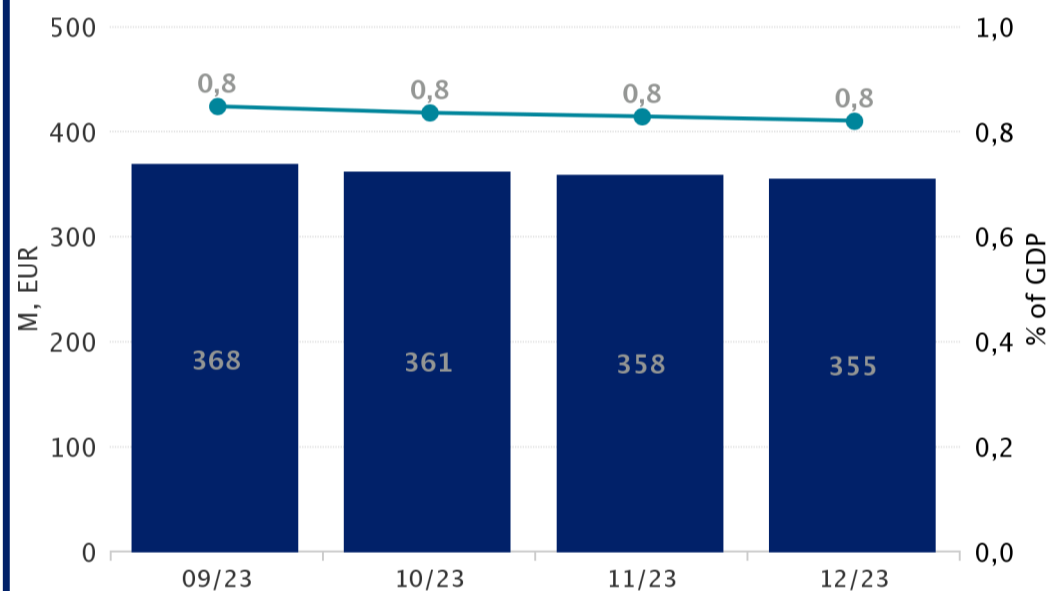
Parameters of the Central Government Debt Portfolio Structure

Parameters	Strategy	31/12/2022	31/12/2023
Outstanding amount of central government securities distributed in initial placement for domestic market investors at the end of the year	is not less than the outstanding amount at the beginning of the year ^{****}	2 847,25 M, EUR	3 422,25 M, EUR
Maturity profile (%) of central government debt	≤ 1 year ≤ 25% ≤ 3 years ≤ 50%	≤ 1 year 17,4% ≤ 3 years 38,2%	≤ 1 year 16,0% ≤ 3 years 38,2%
Share of fixed rate [^]	≥ 60%	76,4%	83,7%
Macaulay Duration (years)	5,00 - 9,00	5,85	5,90
Net debt currency composition ^{^^}	EUR 100% (+/- 5%)	EUR 100,47%	EUR 100,06%

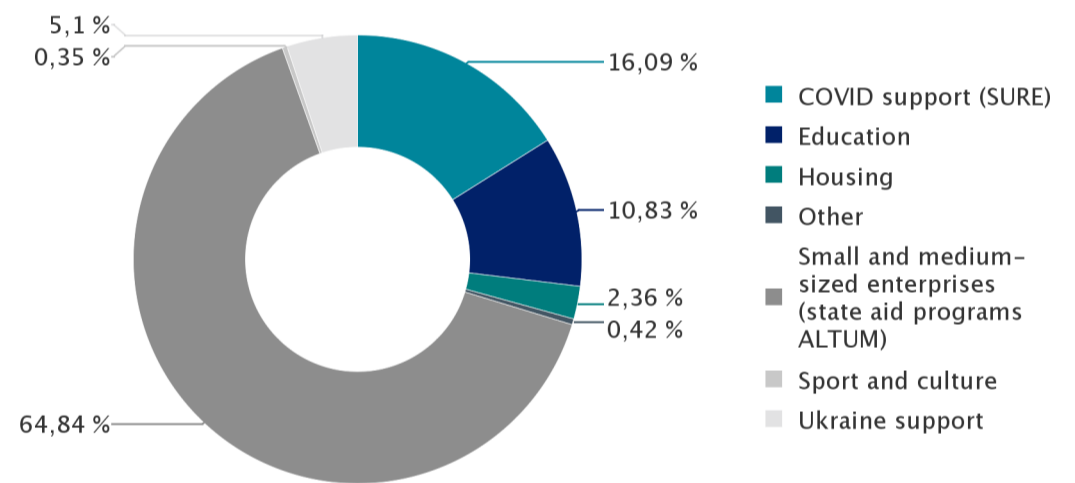
[^]Fixed rate central government debt with a maturity over one year.
^{^^} Central government debt at the end of the period less the amount of loans and receivables, where impairment loss of guarantees are not taken in account (including Treasury's cash accounts, investments in deposits and fixed income 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.
^{^^^} The index value is set once a year, i.e., at the end of the previous year.
^{****} Deviation is acceptable if, having a negative net issuance in the current year, it is compensated with the corresponding amount by increased planned borrowings in domestic market in the next year.

ISSUANCE OF STATE GUARANTEES

State Guaranteed Debt Outstanding



State guaranteed loans by industry (31/12/2023)

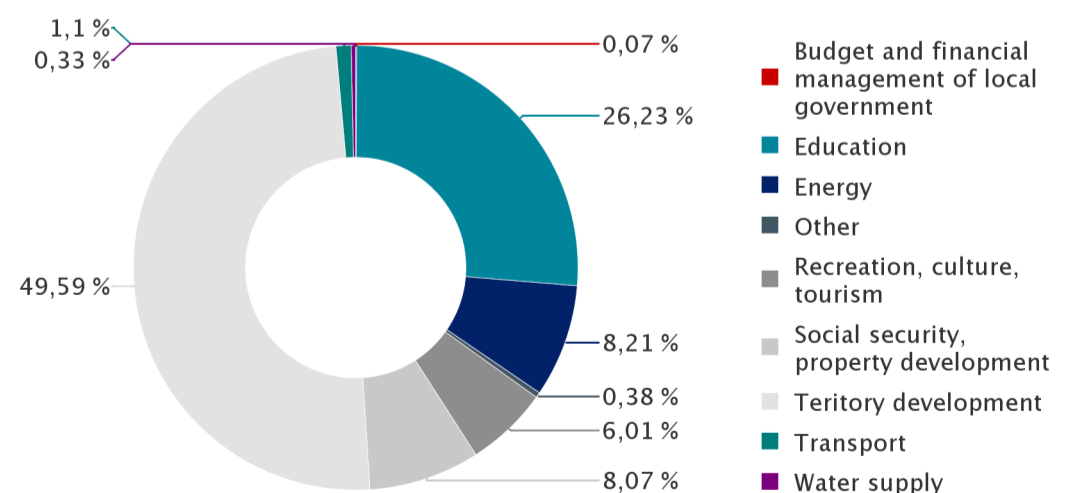


MUNICIPALITIES' BORROWINGS

Municipalities' Debt Outstanding



Municipalities' Borrowings from the Treasury By Sectors (31/12/2023)



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