Treasury
Republic of Latvia

Bi-Weekly News Update

June 29 – July 17

FINANCING AND DEBT

- **On Tuesday, July 7, the Treasury of Latvia set a milestone in Swiss franc market and successfully priced its inaugural bond raising CHF 130 million.** (July 9, Treasury)
- **On July 1, domestic GMTN Notes due on October 2, 2035 were offered in a competitive multi-price auction via Primary dealers**. Notes were sold in nominal value of EUR 50 million and the total demand reached EUR 288.6 million. The weighted average yield rate was 3.582%. (Jul 1, Treasury)

CREDIT RATING

- **On Friday, July 17, 2026, Moody's has completed a periodic review of the ratings of Latvia, keeping Latvia`s credit rating unchanged at A3 level with stable outlook.** (July 18, Treasury)

MACROECONOMICS

- **The Ministry of Finance has updated its indicative medium-term macroeconomic and fiscal forecasts**, taking into account the latest economic developments and the geopolitical situation. The forecasts indicate slower economic growth and higher inflation than projected in February of this year, while also outlining the potential fiscal space available for the coming years. **The forecast for Latvia's economic growth this year has been revised downward by 0.6 percentage points to 2.0%, and for 2027 by 0.7 percentage points to 2.0%,** compared with the forecast published in February 2026. By the end of the forecast period, economic growth is expected to return to the previously projected rate of 2.5%. In the medium term **the deficit is indicatively projected** to be higher under a no-policy-change scenario than was forecast in April of this year: **4.2% of GDP in 2027, 5.4% of GDP in 2028, 4.3% of GDP in 2029, and 3.5% of GDP in 2030**. This is primarily driven by a downward revision of tax revenue projections due to weaker economic growth, reflecting slower increases in both consumption and the wage bill. More information available in MoF website (only in Latvian). (July 9, MoF)
- According to the Central Statistical Bureau (CSB), **retail trade turnover in May 2026 was 3.3 % higher than a year ago** (calendar adjusted data at constant prices). For food products, the volume of retail trade increased by 2.9 %, for non-food products, except automotive fuel, it rose by 5.5 %, while for automotive fuel it reduced by 2.1 %. (June 30, CSB)
- CSB data show that **in June 2026, compared with May 2026, the average level of consumer prices remained unchanged**. Among the main commodity groups, rise in prices for recreation, sport and culture and decline in prices for transport, in particular fuels for transport, contributed the most to the price level changes. **Compared with June 2025, in June 2026 the average level of consumer prices increased by 3.4 %**. (July 8, CSB)

- CSB provisional data show that **in May 2026 Latvia had foreign trade turnover of 3.86 billion euro, and at current prices it was 8.4 % higher than a year ago**. Value of exported goods increased by 6.9 % and of imported goods by 9.6 %. The exported goods were valued at 1.74 billion euro and imported goods at 2.12 billion euro. (July 10, CSB)