



FINANCING AND DEBT

- ◆ **On Wednesday, June 3, 2026, the Treasury, on behalf of the Republic of Latvia, priced 7-year Sustainability Bond raising 1 billion euro, with a reoffer yield of 3,525% and a coupon of 3,500%.** (June 4, [Treasury](#))

MACROECONOMICS

- ◆ According to the Central Statistical Bureau (CSB), **GDP in Latvia increased by 2.5% in Q1 2026** (at constant prices, seasonally and calendar non-adjusted data). Quarter on quarter, GDP grew by 0.6 % (at constant prices, seasonally and calendar adjusted data). Among economic activities, the strongest upward contribution came from electricity, gas, steam and air conditioning supply. Revenue from taxes on products also supported GDP growth. (May 29, [CSB](#))
- ◆ CSB provisional data show that **in Q1 2026 average monthly gross wages and salaries stood at 1831 euro (in full-time units), representing a rise of 73 euro or 4.2% compared with Q1 2025.** Average hourly earnings increased to 11.87 euro or by 2.3 %. (June 1, [CSB](#))
- ◆ According to the latest European Bank for Reconstruction and Development (EBRD) forecasts, **Latvia's GDP will grow by 2% this year, compared to 2.2% in the EBRD's February outlook,** while GDP growth projection for next year has also been cut by 0.2 percentage points to 2.3%. (June 1, [EBRD](#))
- ◆ **The Organization for Economic Cooperation and Development (OECD) on its latest OECD Economic Outlook said that it expected Latvia to record the second fastest economic growth among the Baltic countries this year. Latvia's real GDP is projected to grow by 1.9% in 2026 and 2.2% in 2027.** As OECD points out – rising inflation will reduce real wage growth, mitigating the recovery in private consumption. Defence-related purchases and rising public wages will continue to support public consumption, while rising public investment will crowd in business investment. Exports will recover gradually as global demand strengthens. Inflation will remain high due to rising energy prices and strong wage growth. Delays in the absorption of EU funds could dampen the recovery in domestic demand. (June 1, [OECD](#))

POLITICS

- ◆ **On Thursday, 28 May, the Saeima (parliament) gave a vote of confidence to the Cabinet of Ministers formed by Andris Kulbergs (“Apvienotais saraksts”) during the extraordinary sitting.** (May 28, [Saeima](#))

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Republic of Latvia **A-** stable (Fitch) / **A** stable (S&P) / **A3** stable (Moody's) / **A** stable (R&I)

Bloomberg: TREL

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