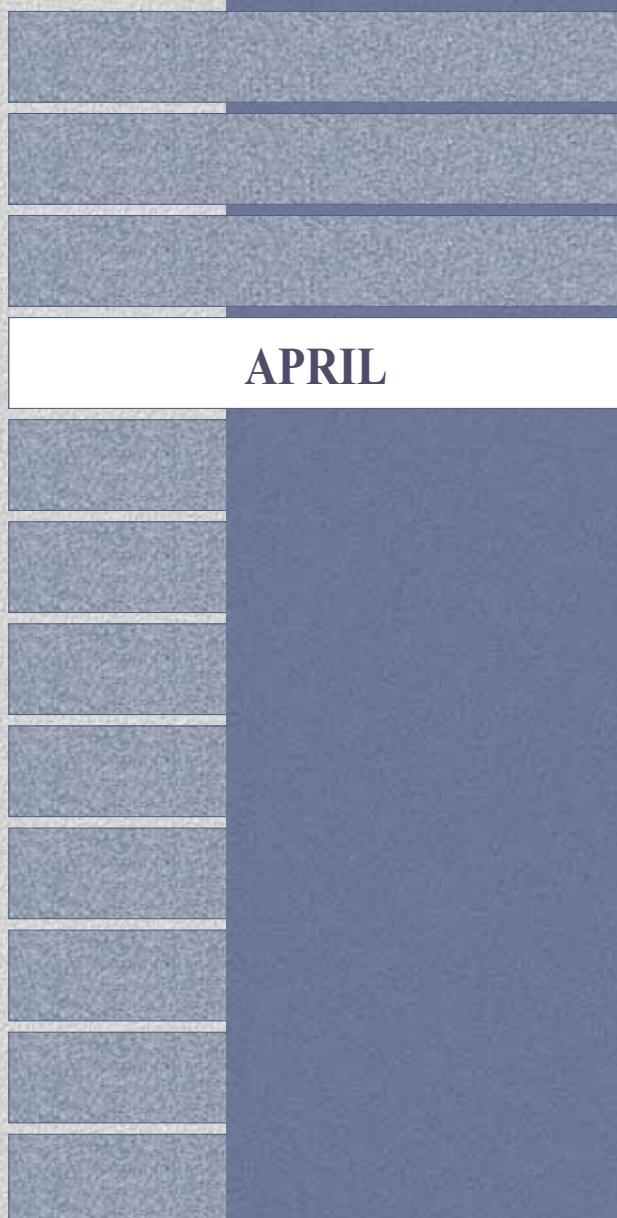


**MACROECONOMIC
DEVELOPMENTS
REPORT 2011**



APRIL

MACROECONOMIC DEVELOPMENTS REPORT

April 2011

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April 2011, No 6

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Abbreviations

CIF – cost, insurance and freight at the importer's border
CIS – Commonwealth of Independent States
CPI – Consumer Price Index
CSB – Central Statistical Bureau of Latvia
EC – European Commission
ECB – European Central Bank
EMU – Economic and Monetary Union
ESA 95 – European System of Accounts 1995
EU – European Union
EU15 – EU countries before 1 May 2004
EU27 – current EU countries
EURIBOR – Euro Interbank Offered Rate
FOB – free on board at the exporter's border
FRS – Federal Reserve System
GDP – gross domestic product
HICP – Harmonised Index of Consumer Prices
IMF – International Monetary Fund
MFI – monetary financial institution
NA – no answer
OFI – other financial intermediary (other than an insurance corporation or a pension fund)
OPEC – Organization of the Petroleum Exporting Countries
PPI – Producer Price Index
RIGIBOR – Riga Interbank Offered Rate
SEA – State Employment Agency
SJSC – state joint stock company
Treasury – Treasury of the Republic of Latvia
UK – United Kingdom
ULCM – unit labour costs in manufacturing
US – United States of America
VAT – value added tax

Executive Summary

With the global economic recovery still gaining momentum, the outlook for economic growth was revised upwards for several major countries; however, these projections were based on the assumption about gradual unwinding of the financial crisis and a timely response of developing countries to the risks of overheating. The expected changes in the economic position also vary significantly across country groups.

The ongoing economic recovery in the euro area is underpinned by export growth. Nevertheless, downward risks are still in place. They stem from the sustained tension in some financial markets and also from the global price dynamics. The recovery in the UK on the whole is slower than previously projected. Private consumption is gradually reviving in both Estonia and Lithuania, while the growth in exports of manufacturing output is likely to lose momentum due to the high level of capacity utilisation. Economic growth is continuing at a robust pace in Sweden, with its GDP recording a rather broad-based pickup. In Denmark, the economic recovery has been slower than in Sweden. Russia's economy saw a slowdown of growth in the second half of 2010, whereas Poland still reported robust economic development. Nevertheless, further growth in both economies could be hampered by rising inflation as well as tightening of the monetary policies by central banks.

As a result of both higher external demand and improved Latvia's export competitiveness, Latvia's exports grew significantly. In 2010 overall, Latvia reported the fourth highest growth of goods exports among the EU Member States. Moreover, exports grew in almost all commodity groups and to all major trade partners.

At the end of 2010, excess liquidity of lats in the banking sector remained high. However, since the beginning of 2011 the Treasury converted foreign currency only in banks, thus facilitating absorption of excess liquidity. As a result of persisting ample lats liquidity in the Latvian money market, the lats money market interest rates continued on their downward trend. As the euro money market rates rose, the spread between the euro and lats 3-month interest rates widened further.

Yet the trends of lending rates did not fully follow the development of the money market rates. From November 2010 to February 2011, the effect of the rising EURIBOR was no longer offset by the narrowing spreads. Thus the weighted average interest rate on both new euro loans to households for house purchase and loans non-financial corporations increased in the first months of the year. Following a decline in November, the interest rates on lats loans no longer decreased and in some segments (household loans for house purchase and loans to non-financial corporations in lats) the floating interest rate even edged up.

The long-established contraction in lending continued also at the end of 2010 and the beginning of 2011. The particularly notable contraction of the domestic loan portfolio was partly attributable to the balance sheet adjustments made by banks in December, writing off significant amounts of their losses from real estate loans. Looking into the future, no significant improvement can be expected in the near-term. Although banks promise to duly accelerate lending to quality projects in the corporate sector, weak domestic demand and uncertainty surrounding several external markets could act as a significant barrier to the appearance of creditworthy projects.

In the fourth quarter of 2010, GDP increased by 1.1% quarter-on-quarter (by 3.6% in comparison with the respective period of the previous year). The year-on-year contraction of GDP amounted to 0.3% in 2010 and the result was better than widely expected.

Exports is still the major driving force of the economy. However, despite the relatively sharp

quarter-on-quarter increase, the growth rate of real exports of goods and services decreased slightly in the fourth quarter of 2010. This dynamics is expected also in the future due to a higher base and the level of investment that is insufficient to rise capacity more rapidly in the short term.

Retail trade turnover also followed a downward trend at the end of 2010 and at the beginning of 2011, suggesting growing precaution with spending from the household sector. As the fiscal consolidation measures were formulated more precisely in the first months of 2011 and confirmed the expected increase in the tax burden, it also had a negative impact on the propensity to consume.

In the third quarter of 2010, total gross capital formation improved significantly quarter-on-quarter for the first time since the steep downturn and increased slightly also in the fourth quarter. The favourable assessment made by the international credit rating agencies could give a positive impulse to stimulate foreign investors' interest. Yet further inflows of new foreign investment are unlikely until confidence in the sustainability of the government is fully entrenched.

The general government consolidated budget ran a deficit of approximately 6.3% of GDP in 2010 based on the national methodology (about 8.2% of GDP in accordance with the ESA 95 methodology). In January and February 2011, the general government consolidated budget also ran a deficit despite the rise in tax revenue. In February 2011, the government agreed in principle on the necessary additional fiscal consolidation. It will be carried out mainly through increasing revenue. This will have a negative impact on domestic demand in the second half of 2011.

Output growth in manufacturing moderated (a rise of a mere 0.2 in the fourth quarter of 2010), following a steep rise for several quarters in a row. The majority of manufacturing sub-sectors generating particularly strong growth in the previous two quarters developed at a much slower pace in the fourth quarter, or their output even shrank.

Production capacity utilisation increased significantly in the first quarter of 2011. This suggests that the future development of some export-producing subsectors of manufacturing might be hampered by shrinking production capacity reserves.

In January 2011, a month-on-month rise in the registered unemployment rate was recorded for the first time since spring 2010. It was mostly caused by seasonal factors. At the same time, the skills mismatch and a rise in structural unemployment is becoming increasingly more evident. High unemployment rate notwithstanding, the share of businesses who single out the labour shortage as the main constraint for business growth is gradually rising. A rise in average annual wages and salaries observed in September 2010 for the first time during the year and a half also continued in the fourth quarter, despite high overall unemployment.

The annual consumer price inflation retained the previous upward trend in December 2010 and the first two months of 2011. The supply-side factors remained the drivers of higher inflation. Prices increased mainly on account of global food and energy price surge as well as the VAT rates which were raised as a result of fiscal consolidation. Weak labour market conditions, on the other hand, exerted downward pressures on prices. Moreover, rising prices of primary goods dampened the demand for other goods and services. Nevertheless, rising food and energy prices along with tax hikes contributed to increasing inflation expectations among the population.

Inflation outlook for 2011 has remained broadly unchanged; nevertheless, the elevated global food and energy prices and higher inflation expectations represent significant risks on the upside that could result in a revision of the current forecast in the nearest future.

GDP outlook for 2011 also remains unaltered and the related risks should be viewed as balanced. On the one hand, Latvia's major trade partners demonstrate a rather sustainable improvement in economic activity. Moreover, with the upgrade of Latvia's credit rating Latvia could expect larger foreign investment inflows. On the other hand, foreign trade developments could be significantly affected by the near-future decisions *vis-à-vis* several financially troubled European countries and their fiscal consolidation measures. Certain factors having an adverse effect on domestic demand can also be expected to remain at work: higher food and fuel prices dampen the real purchasing power of population, whereas the planned tax raises could result in renewed accumulation of precautionary savings.

Table 1
GDP FORECASTS
(%)

	2010		2011	
	1	2	1	2
Total global economy	4.8	5.0	4.2	4.4
US	2.6	2.8	2.3	3.0
Euro area	1.7	1.8	1.5	1.5
Germany	3.3	3.6	2.0	2.2
UK	1.7	1.7	2.0	2.0
Russia	4.0	3.7	4.3	4.5

Source: October 2010 (1) and January 2011 (2) issues of the World Economic Outlook (IMF).

1. External Sector and Exports

1.1 External economic environment

With the global economic recovery still gaining momentum, the IMF revised upwards the GDP outlook projections for 2010 and 2011 for major countries at the beginning of 2011 (see Table 1). It should be noted, however, that these projections were based on the assumption about a gradual unwinding of the financial crisis and a timely response of developing countries to the risks of overheating.

The main external-sector-related risks are as follows. First, if in line with market participants' expectations *Narodowy Bank Polski* and the Central Bank of the Russian Federation raise their base rates shortly, this could dampen the demand and thereby affect also the growth of Latvia's exports. Second, as a result of deteriorating financial situation in some European countries, risk premiums and interest rates may rise and adversely affect the growth of private investment and consumption in these countries. Third, the external demand could be eroded by fiscal consolidation measures in Latvia's major trade partners (Germany, the UK, Poland, Denmark and Lithuania).

Nevertheless, several external factors that could positively affect the growth of Latvia's exports also exist. First, the national currencies of Sweden and Russia continue to appreciate against the euro in 2011. Second, the GDP outlook projections of Latvia's major trade partners are revised upward on a regular basis. Third, the events caused by natural disaster in Japan and Australia will have a lasting impact on both the global price trends and the demand for agricultural products and building materials. This could provide a favourable impetus to the growth of these sectors and exports.

The ongoing economic recovery in the euro area is underpinned by export growth. The euro area economic growth is expected to benefit from the strengthening global demand. Improved consumer confidence suggests that private consumption is likely to expand more than previously projected. Nevertheless, downward risks are still in place. They stem from the sustained tension in some financial markets and also from the global price dynamics.

Of all the Baltic States, Estonia, with its quarter-on-

quarter GDP growth at a post-crisis period's high in the fourth quarter of 2010, is the most rapidly growing economy. The Lithuanian economy is recovering as well, albeit at a slower rate: in the fourth quarter of 2010, its GDP increased by 1.8%. Private consumption, which is gradually reviving in both countries, is expected to contribute to the growth more substantially in 2011. Meanwhile, the growth in exports of manufacturing output is likely to lose momentum, since businesses in both countries report capacity utilisation close to the long term trend. The global price rises coupled with the recovering private consumption could have an upward pressure on inflation.

Seasonally adjusted quarter-on-quarter GDP growth in the UK was positive in the first three quarters of 2010 but turned negative in the fourth quarter of the year. The downturn was underpinned by contracting in the services and construction sectors. In general, the recovery in the UK is slower than previously projected. Nonetheless, the prices continue on an upward trend, increasing the possibility of interest rate hikes in the future.

Russia's economy saw the growth to slow down in the second half of 2010, yet with oil prices steeply rising, a rebound can be expected. However, the large general government budget deficit and soaring inflation fuelled by rapidly growing monetary base as a result of budget deficit financing give rise to concerns. Acceleration in inflation made the Central Bank of the Russian Federation raise policy interest rates in February of 2011 – for the first time after the crisis.

Despite sustained robust economic development in Poland, steeply rising, private-consumption-spurred imports, increasing Poland's foreign trade and current account deficits, give rise to more serious concerns. Due to heightened inflation expectations, *Narodowy Bank Polski* raised the base rate in January 2011.

Economic growth is continuing at a robust pace in Sweden, with its GDP recording a rather broad-based pickup: exports, private consumption, investment and inventories are rising buoyantly. With inflationary pressures soaring, like many other banks *Sveriges Riksbank* has raised the base rate, which, coupled with the fading impact of inventories, could hamper growth in the near term.

In Denmark, the economic recovery has been slower than in Sweden. It stems from the substantial fiscal consolidation and the country's export structure,

Chart 1.1
EFFECTIVE EXCHANGE RATE OF THE LATS
(monthly/quarterly data; index: January 2000/first quarter = 100)

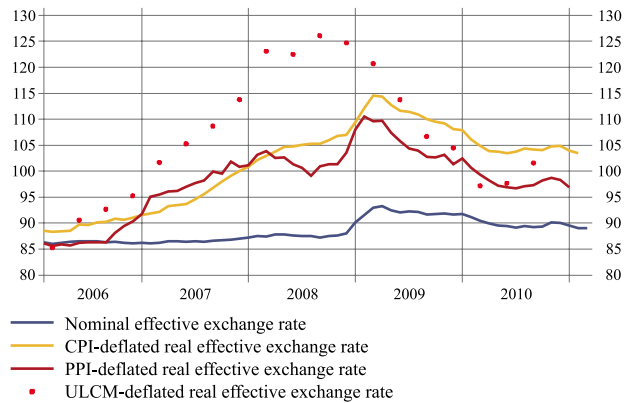


Chart 1.2
LATVIA'S EXPORTS TO RUSSIA AND UNDERLYING FACTORS
(annual percentage changes)

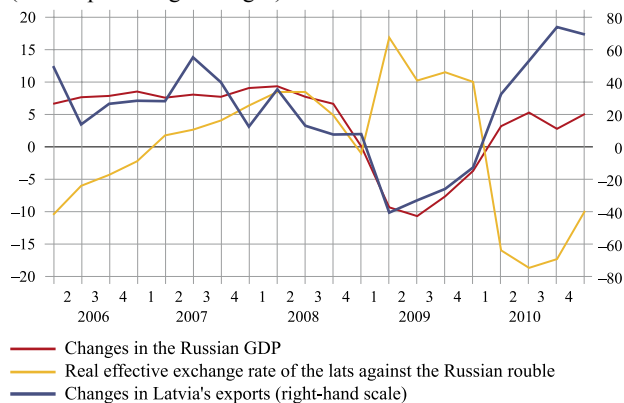
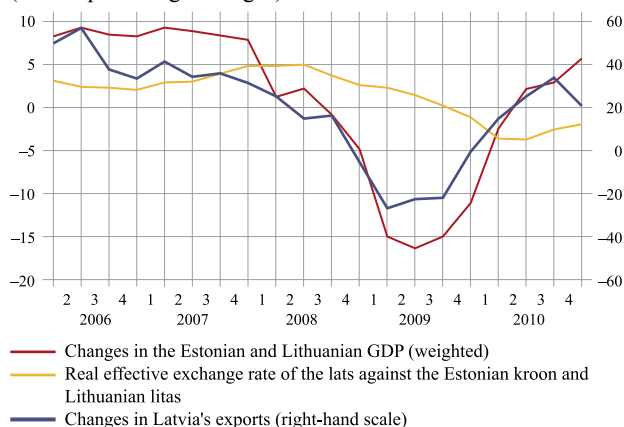


Chart 1.3
LATVIA'S EXPORTS TO ESTONIA AND LITHUANIA AND UNDERLYING FACTORS
(annual percentage changes)



which is less resilient *vis-à-vis* the economic cycle volatility. That is why, with the global economy recovering, exports of Denmark do not increase as rapidly as in other countries.

1.2 Latvia's competitiveness and developments in exports

Latvia's export competitiveness continued to improve also in the fourth quarter of 2010 (see Chart 1.1). As a result of both higher prices in external markets and improved competitiveness of producers, the total export volume also expanded in the last quarter of the year. Seasonal factors and moderating external demand started to erode export volumes somewhat in the concluding three months of 2010, yet the annual growth rate remained solid (29.6% in the fourth quarter). Stable and growing market shares are indicative of robust competitiveness: in the fourth quarter, Latvia's market shares increased in Russia, Denmark, Sweden, Lithuania and the Netherlands. Meanwhile, the growth in manufacturing, of export goods in particular, generated extra demand for import commodities, including industrial raw materials, energy resources and capital goods.

In the fourth quarter, exports grew in almost all commodity groups and to all major trade partners (see Charts 1.2–1.5). Although the volumes of principal export commodities shrank somewhat quarter-on-quarter, these major branches, i.e. exports of metals, articles of wood, plastic products, and machinery, still recorded the steepest pace of growth. Likewise, exports of such less important branches as manufacture of paper and food products as well as textile articles expanded substantially (see Chart 1.6).

Production in major exporting industries continued to record most significant growth (see Section 4.1). This gives rise to hopes that the output of exporting sectors is going to increase also in the first half of 2011. External demand will be affected by upward and downward risks in the near future (see Section 1.1); however, in a longer perspective, Latvian manufacturers need investment to boost production capacities, and adequate highly-skilled labour. In order to attract potential investors to new businesses and products, the investment climate should be steadier and sovereign credit ratings better. Consequently, the further fiscal consolidation round should be carried out with a clear mandate to maintain and improve competitiveness of the economy and businesses.

Chart 1.4
LATVIA'S EXPORTS TO THE EURO AREA COUNTRIES
AND UNDERLYING FACTORS
 (annual percentage changes)

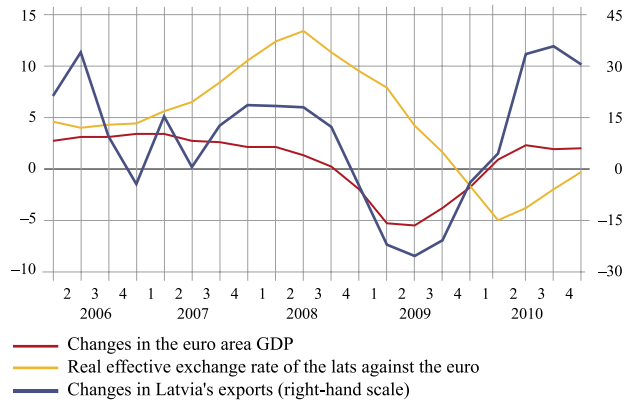


Chart 1.5
LATVIA'S EXPORTS TO THE EU COUNTRIES OUTSIDE
THE EURO AREA AND UNDERLYING FACTORS
 (annual percentage changes)

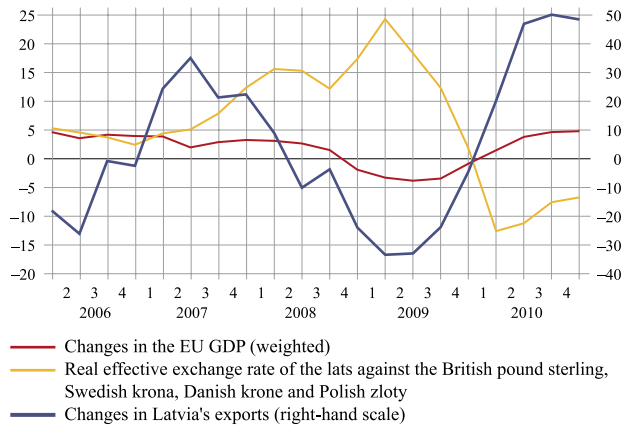
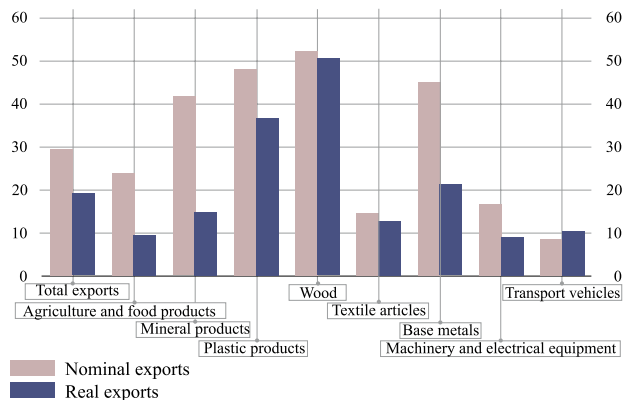


Chart 1.6
NOMINAL AND REAL EXPORT DYNAMICS BY
COMMODITY GROUP IN 2010
 (%)



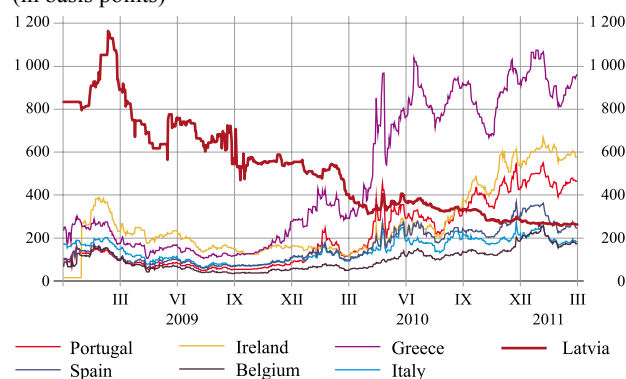
2. Financial Market Developments

2.1 Foreign financial markets

The European financial market events were largely influenced by the attempts of the euro area governments to address financial problems in several countries. At the end of November 2010, the euro area countries reached an agreement on support to Ireland, thus alleviating tensions in the government securities market. Thereafter in mid-December, Portugal's rating was placed on review, and tensions again mounted. In January, the spread between interest rates on the euro area peripheral countries' securities and the German government securities began to narrow, which some analysts interpret as ECB's active interference in the government securities market. Moreover, the situation in the euro area government securities market improved in January on account of the euro area economic recovery and market participants' expectations about an increase in the funding of the European Financial Stability Facility. Hence a number of euro area peripheral countries managed to succeed quite well in auctions.

However as early as March, due to market participants' worries about the eventual results of discussions about the European Financial Stability Facility, tensions in the government securities market started to re-emerge. In March, the heads of state and government of the euro area Member States succeeded in adopting "A Pact for the Euro", imposing on the euro area countries the principles of closer economic cooperation and the measures of reducing state budget deficit. The size of the European Financial Stability Facility was increased from 250 billion euro to 440 billion euro, and maturity of the loan to Greece was extended, with interest rate on it lowered by 100 basis points. These steps notwithstanding, the discussion whether these measures will be sufficient to rectify the solvency situation in all the euro area countries in financial difficulties is still going on, and market participants' concerns have not withered away (see Chart 2.1).

Chart 2.1
5-YEAR CREDIT DEFAULT SWAP AND RISK-FREE BOND SPREADS
(in basis points)



The global oil prices were constantly rising to reach a high in February when political aggravations were recorded in the Middle East and North African countries. Oil price rises were also fuelled by the demand, which, with the global economic situation improving, strengthened slowly. Oil supply at the

same time was limited. The future scope of potential oil production is clad in uncertainty, thereby increasing the upward pressure on oil prices. From a longer term perspective, oil price rises could be dampened by the large oil stocks and expanding oil production by OPEC countries.

With the global economic outlook improving and corporations recording better-than- expected profits, global stock prices tended to go up sharply. However, due to political turmoil in the Middle East and North Africa in February, market participants became more risk-cautious, which had an adverse effect on stock prices in oil-importing countries and curbed interest rate hikes on such safer-deemed instruments as securities. In mid-March, stock prices were pressed down by the disaster in Japan. During October–December 2010, the euro tended to depreciate against the US dollar, with market risk aversion intensifying due to the Irish debt crisis and a comparatively bad financial situation in other peripheral countries of the euro area. With the market participants' expectations about higher euro base rates amplifying, the euro appreciated in the initial months of 2011, but did not return to the previous level.

The expectations of higher euro base rates were triggered by the assessment of the ECB's Governing Council, emphasising substantially stronger inflation risks at the meeting in March. This meeting also resolved to continue to provide the main refinancing operations by offering unlimited financial resources to banks via fixed rate tender procedure. This tender procedure will be used as long as required, i.e. at least until 12 July 2011. In addition, the ECB resolved to conduct 3-month long-term operations in April, May and June. The FRS did not change the US dollar base rate, reiterating the FRS plans to retain low interest rates for a protracted period. The Bank of England left the base rate and volume of the asset purchase programme unchanged, yet the sustained upward inflationary pressures increase the possibility of base rate hikes in the future. In March, the Bank of Japan temporarily injected extra liquidity to calm down the financial market and doubled the volume of the asset purchase programme.

2.2 The Bank of Latvia's operations and bank liquidity

At the end of 2010 excess liquidity of lats in the banking sector remained high. However, since the beginning of 2011 the Treasury converted foreign

currency only in banks, thus facilitating absorption of excess liquidity.

In February 2011 the lats liquidity conditions were affected by a 6.2% increase in the average outstanding amount of bank reserve requirements in comparison with November 2010. On average, currency in circulation grew by 1.6% during the above period. The government lats deposit posted the most pronounced change, in February 2011 reporting an average increase of 140.7% in comparison with November 2010. These three factors are expected to reduce bank liquidity also in the coming months, while the Bank of Latvia will conduct considerably fewer interventions on the foreign exchange market than in 2010 in relative terms.

The Bank of Latvia left the refinancing rate (3.5%), deposit facility rate and marginal lending facility rate unchanged. In Latvia, inflation in the medium term is projected to stabilise at a lower level than observed in the first few months of 2011, hence no changes in the Bank of Latvia's interest rates were necessary.

As the lats liquidity surplus contracted, the average recourse to deposit facility in February 2011 shrank by 15.9% in comparison with November 2010. Nevertheless, the overall liquidity surplus was substantial; hence the main refinancing operations and foreign exchange swap auctions saw no demand, and no recourse to the marginal lending facility was recorded either (see Chart 2.2).

As a result of persisting ample lats liquidity in the Latvian money market, the lats money market interest rates continued on their downward trend. The weighted average interest rate on interbank overnight transactions, the most liquid segment of the lats money market, decreased from 0.40% in the fourth quarter of 2010 to 0.32% and 0.26% in January and February 2011 respectively. The low short-term interest rates also promoted further decline in longer-term lats money market rates, with 3-month RIGIBOR in February 2011 sliding down by 0.3 percentage point in comparison with October 2010. As the euro money market rates rose, the spread between the euro and lats 3-month interest rates widened still further (see Chart 2.3).

Chart 2.2
AVERAGE BALANCES OF THE BANK OF LATVIA'S MONETARY OPERATIONS AND GOVERNMENT LATS DEPOSITS
(in millions of lats)

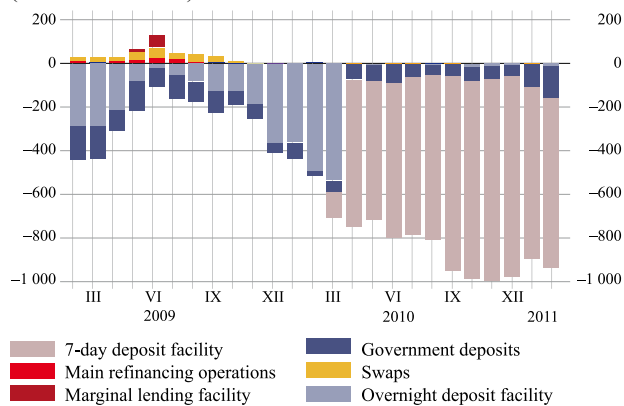
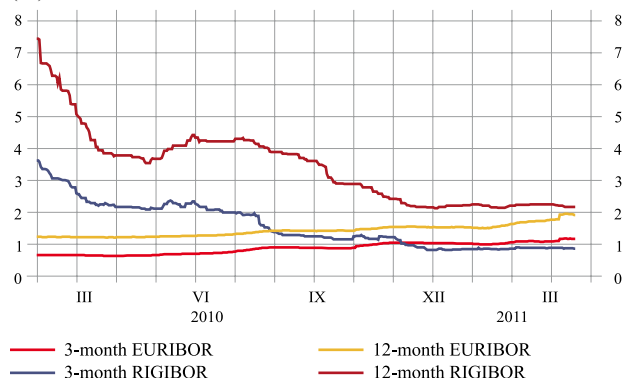


Chart 2.3
SPREAD BETWEEN THE LATS AND EURO MONEY MARKET RATES
(%)

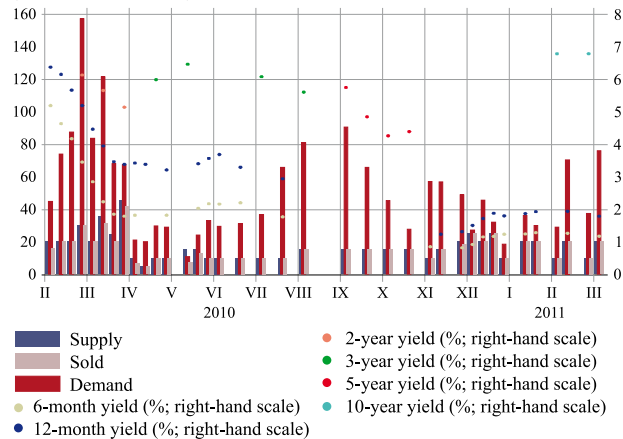


2.3 Securities market

Between December 2010 and February 2011 the Treasury supplied government securities at a total value of 160 million lats on the primary market. The

Chart 2.4
AUCTIONS OF LATS-DENOMINATED GOVERNMENT
DEBT SECURITIES

(in millions of lats)

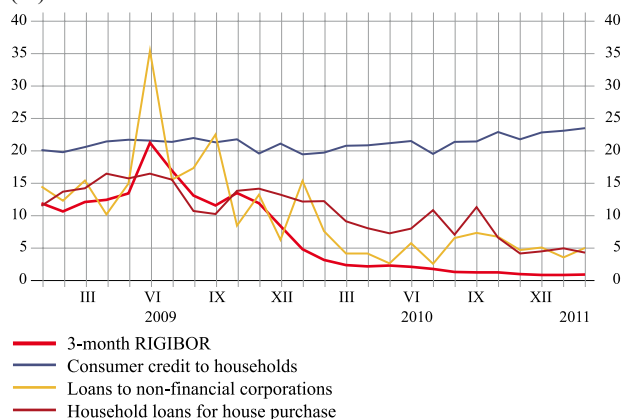


aggregate demand exceeded supply twofold; hence all promissory notes were sold out. The high level of demand was maintained by the offered government 10-year bonds, creating considerable interest from banks and suggesting that credibility of the Latvian government securities had been fully recovered. The average short-term yields in auctions moved up somewhat, responding to increased risks to fiscal sustainability in euro area countries. In February the average yield on government 10-year bonds stood at 6.72% as compared to the average yield of 6.85% in the last government 11-year auction in September 2008 (see Chart 2.4). Yields on government long-term securities are not expected to post a pronounced fall in the near future. For example, in early March 2011 Lithuania who has been assigned investment-grade rating issued 10-year eurobonds denominated in US dollars, with a bid yield of 6.38%.

On the NASDAQ OMX Riga secondary market the bid yields on long-term Treasury bonds with longer maturities stood at 6.10% and 6.70% at the beginning of December 2010 and end of February 2011 respectively. The bid yield on mortgage bonds of the SJSC *Latvijas Hipotēku un zemes banka* maturing in 2013 moved up from 3.50% at the end of November 2010 to 3.75% at the end of February 2011. The pickup in yields was also driven by an increase in bond yields in the euro area on account of expectations that the ECB would raise its key rate.

According to Bloomberg, the bid yield on Latvian Eurobonds maturing in 2018 shrank from 5.40% at the end of November 2010 to 5.26% at the end of February 2011. The spread *vis-à-vis* the benchmark narrowed from 310 basis points to 247 basis points, with an increase in the German government bond yields also contributing to the above decrease.

Chart 2.5
SHORT-TERM INTEREST RATES ON LATS LOANS
(%)

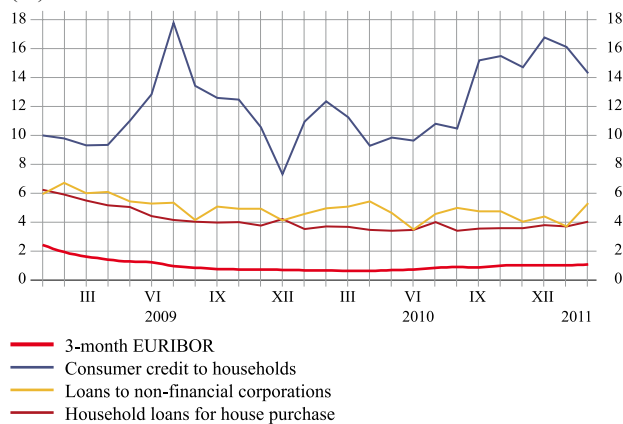


NASDAQ OMX Riga share price index OMXR appreciated by 15.8% between the end of November 2010 and February 2011. Annual reports for 2010 and quarterly reports for the fourth quarter of Latvian companies suggested that the financial performance indicators, particularly those of export-oriented companies, gradually improved.

2.4 Interest rates

Following a decline in November 2010 which reflects the downward trend in the lats money market rates, interest rates on lats loans continued to linger around this lower level also from December 2010 to February 2011 (see Chart 2.5). The weighted average interest

Chart 2.6
SHORT-TERM INTEREST RATES ON EURO LOANS
(%)



rate on MFI loans to households for house purchase granted in lats fluctuated within the range of 4.1%–4.3%. The weighted average interest rate on consumer credit granted in lats to households rose from 21.8% to 23.5% as the risk associated with the outstanding loans increased in several banks. The floating rate on lats loans granted to non-financial corporations climbed to 5.0% on account of the rising rates on new lats loans exceeding 1 million euro granted to non-financial corporations. At the same time the respective rates on smaller lats loans to non-financial corporations remained stable or even declined.

From November 2010 to February 2011, the effect of the growing EURIBOR was no longer offset by the shrinking lending margins. Therefore, the weighted average interest rate on new euro loans for house purchase granted to households increased to 4.0% in February 2011, whereas the interest rate on short-term consumer credit in euro granted to households fluctuated within the range of 14.3%–14.7% (see Chart 2.6). The floating rate on euro loans to non-financial corporations grew more significantly (to 5.3%) and stood higher than the respective rate on lats loans. Firstly, the number of small euro loans granted at a higher interest rate increased in February 2011 in comparison with November 2010. Secondly, the respective rate on euro loans exceeding 1 million euro granted to non-financial corporations soared. Thirdly, the differences in the size of new loans across the banks slightly pushed up the rates on smaller loans granted to non-financial corporations.

Declining lats money market rates had a pronounced impact on the interest rates on time deposits in lats. The weighted average interest rate on short-term time deposits in lats made by households declined from 1.6% to 1.1% from November 2010 to February 2011 as the majority of banks continued to lower the rates on lats deposits. The weighted average interest rate on short-term time deposits in lats made by non-financial corporations edged down to 0.3% mostly reflecting the drop in the lats money market rates.

2.5 Money supply

The banking sector liquidity remained ample, gradual broadly-based economic recovery was observed and the growth of the key monetary aggregates also continued on an upward trend. The broad monetary aggregate M3 increased by 3.4% in the fourth quarter of 2010 reaching a record-high at the end of December, and exceeded the level observed before

Chart 2.7
ANNUAL CHANGES IN THE COMPONENTS OF M3
(%)

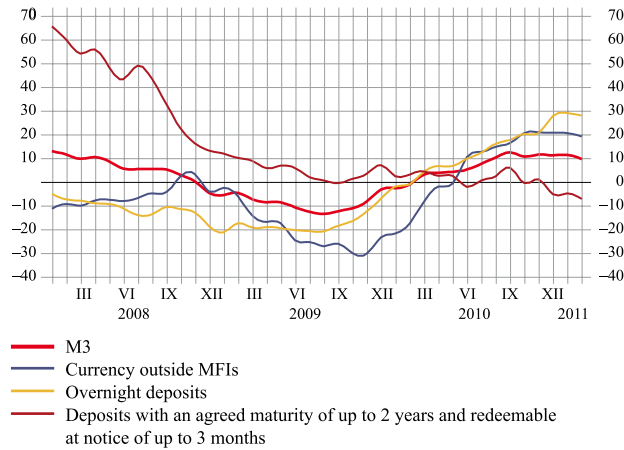
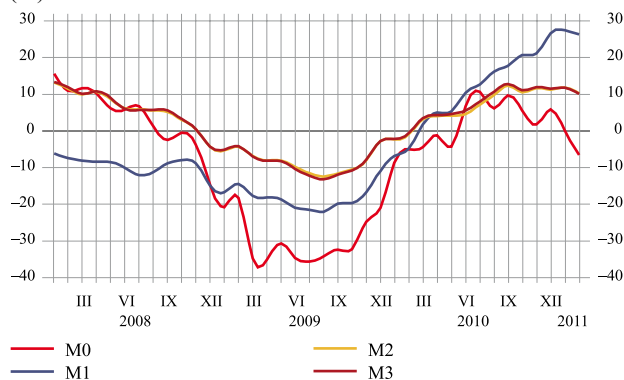


Chart 2.8
ANNUAL CHANGES IN MONETARY AGGREGATES
(%)



the crisis in mid-2008. At the turn of the year, the increase in money supply was substantially enhanced by the seasonally high level of general government budget expenditure and deficit, thereby boosting the balances on both corporate and household bank accounts. The growth of corporate deposits was inter alia supported by manufacturing and export expansion as well as higher household consumption against the backdrop of inflation expectations and the expected raising of consumer taxes as of January 2011. The demand for cash was also seasonally high. In January 2011, the money supply contracted, albeit the decline was far more moderate year-on-year, with some aggregates even continuing to grow. A slight recovery in the growth of the money supply was observed in February 2011; nevertheless, the annual rate of change of the monetary aggregates decreased against the background of the slowdown in the economic development (see Chart 2.7).

The stabilisation of retail trade turnover and wages and salaries levelled off also the growth of currency in circulation: the monthly rate of increase became more moderate, whereas the annual growth rate remained broadly unchanged for four months, slightly declining only in February 2011 (to 19.4%). The annual rate of change of the broad money M3 remained around 10%, whereas looking at the components of M3 the highest annual growth was reported for M1, the most liquid component of the money supply (26.3%; see Chart 2.8). The increase of this particular monetary aggregate composed of demand deposits and cash, however, suggested that the market participants still remained cautious towards making savings, because it was accompanied by a further decline in time deposits whose annual rate of change reached -7.4% in February 2011.

The aggregate resident deposits increased by 2.8% in the fourth quarter, their annual growth rate remaining strong following a slight contraction in January and a rebound in February 2011. Euro deposits increased in the last four months largely on account of the positive impact of exports, whereas lats deposits grew in November and December 2010 due to government expenditure, contracted seasonally in January 2011 and continued to decrease also in February. Improvement in economic activity, including a moderate recovery of the domestic consumption, resulted in a steeper increase in deposits by non-financial corporations (10.9% from November 2010 to February 2011), whereas household deposits grew only by a mere 2.3%, with time deposits by households even shrinking. This could suggest that in

Chart 2.9
ANNUAL CHANGES IN LOANS, DEPOSITS AND
LIABILITIES TO FOREIGN BANKS
(%)

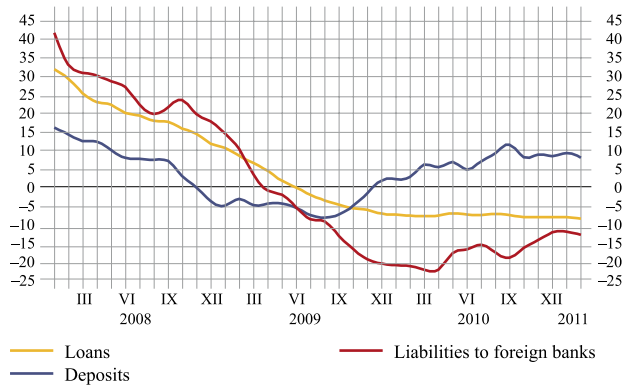


Chart 2.10
ANNUAL GROWTH RATE OF LOANS
(%)

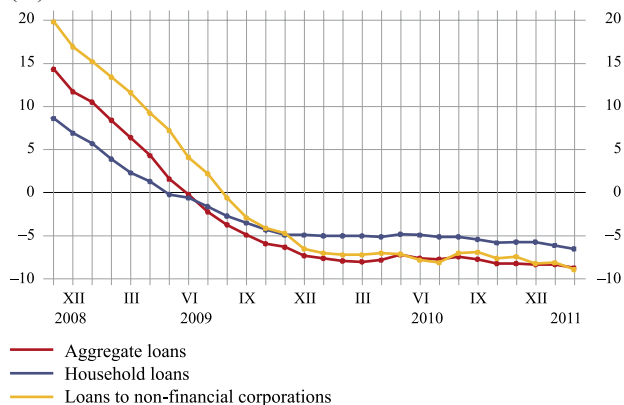
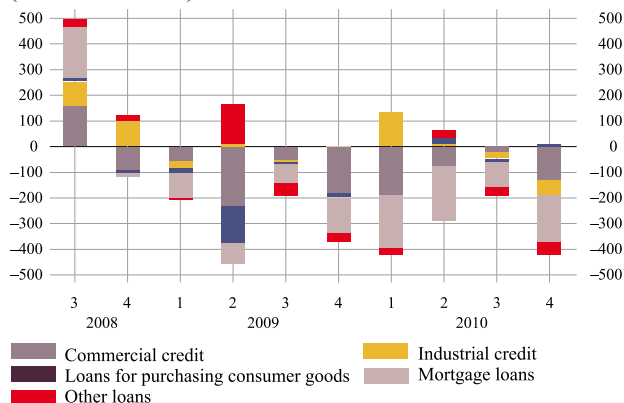


Chart 2.11
CHANGES IN LOANS TO RESIDENTS
(in millions of lats)



the circumstances of growing tax burden and rising inflation the population would prefer to preserve the existing level of consumption at least for some time.

At the same time, the banking sector continued to register inflows of non-resident funds. From October 2010 to February 2011, deposits by non-resident non-banks grew by 12.7% and liabilities to foreign parent banks increased by 2.2% (see Chart 2.9).

Although the aggregate deposits expanded, loans continued on a long-established downward trend. In the fourth quarter of 2010, loans granted to private sector shrank by 3.2%, while a decrease of 0.6% and another one of 1.1% was reported in January and February respectively. The particularly notable contraction of the domestic loan portfolio observed at the turn of 2010 was partly attributable to the balance sheet adjustments made by banks in December, writing off significant amounts of their losses from real estate loans. The rate of decline of the loans remained broadly unchanged for four months fluctuating within the range of 8.2%–8.7% (see Chart 2.10). Banks exercised more caution in business with non-financial corporations: loans to non-financial corporations decreased by 6.0% from October 2010 to February 2011, whereas those to households by 3.4%. Although all other main types of loans also contracted, the decline was the most pronounced for commercial credit and mortgage loans granted to non-financial corporations, while the contraction of industrial credit was rather marginal. Looking by sector, almost all major economic sectors with the exception of transportation by road and energy reported an overall deterioration in lending from October 2010 to January 2011; nevertheless, in some branches of manufacturing (e.g. manufacture of food products) recovery of lending growth was observed from 2010 December to January 2011.

Monetary aggregate figures, following a seasonal fall in January 2011, were still significantly above those reported in the autumn 2010 months, pointing to further stabilisation of the economy and the fact that the funds available to non-financial corporations are not shrinking. Nevertheless, the sluggish growth of money in circulation in February 2011 reveals that the mood of businesses and households is not too optimistic. Household sector tried to sustain consumption in the circumstances of an increasingly heavier tax burden, and this tendency was supported by the growing inflation expectations and the announced government intentions to introduce further

Chart 2.12
ANNUAL PROFIT OR LOSS OF THE BANKING SECTOR
(in millions of lats)

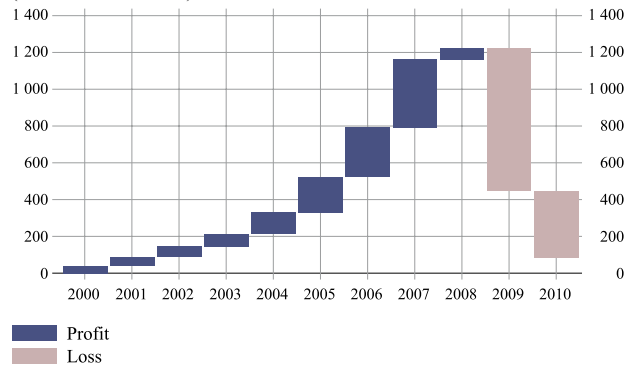


Chart 2.13
HOUSEHOLD DEBT AND INTEREST PAYMENTS
(%)

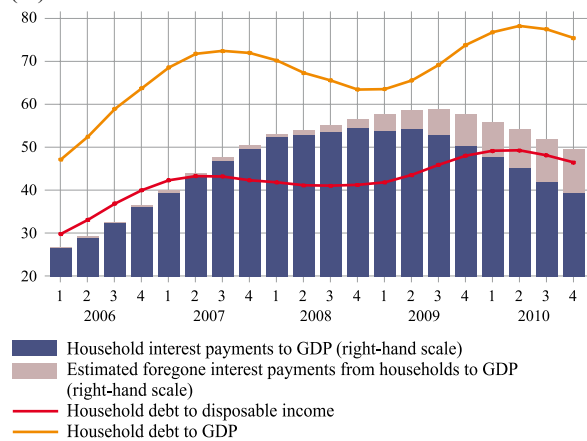
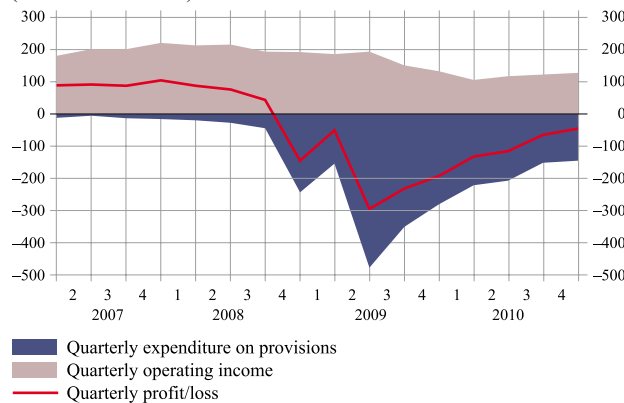


Chart 2.14
CHANGES IN MAIN INCOME AND EXPENDITURE
ITEMS
(in millions of lats)



tax increases. However, there is still a risk that once the purchasing power of the population reaches the critical limit under the tax and inflation burden domestic consumption will shrink dramatically, thereby reducing also the funds available to non-financial corporations.

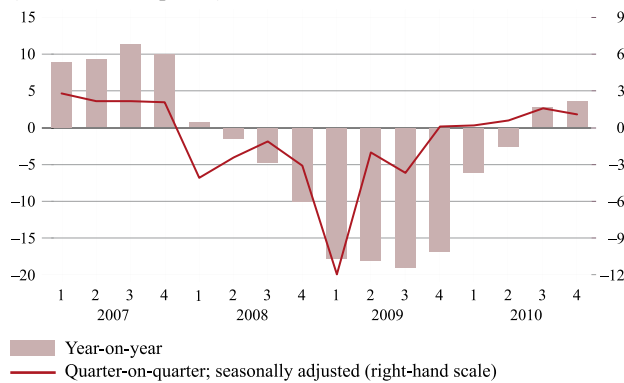
The above trends could prevent the beginning of a more broad-based recovery in lending. Although banks promise to accelerate lending to quality projects in the corporate sector, weak domestic demand and uncertainty surrounding several external markets could act as a significant barrier to those projects. Because of the significant losses sustained in the previous years, banks will remain cautious in granting new loans in the near future (see Chart 2.12). Currently restructured loans will warrant even more caution on behalf of the banks, as part of those loans will continue to generate positive cash flows, while another part may again end up in the category of non-performing loans (see Chart 2.13). At the same time, economic activity and credit inflows in some sectors could be supported by further recovery of business competitiveness. Although the profitability ratios of banks are improving, they will still be affected by the loan loss provision requirements of the banks (see Chart 2.14).

Table 2
MONETARY AGGREGATES
(quarterly figures are averages)

	Outstanding amount as percentage of M3 2011 II	Annual growth rates								
		2010							2011	
		Q1	Q2	Q3	X	XI	XII	Q4	I	II
M1	57.9	-3.3	6.9	15.5	20.7	21.0	26.6	22.8	27.4	26.3
Currency in circulation	12.2	-15.5	3.0	14.9	21.0	21.3	21.0	21.1	21.0	19.4
Overnight deposits	45.7	0.8	8.1	15.7	20.6	20.9	28.2	23.2	29.3	28.3
M2 – M1 (= other short-term deposits)	40.5	3.7	1.4	3.4	-0.4	1.5	-5.0	-1.3	-4.5	-6.8
Deposits with an agreed maturity of up to 2 years	36.8	5.6	4.0	5.3	0.3	1.6	-5.2	-1.1	-5.2	-7.4
Deposits redeemable at notice of up to 3 months	3.7	-12.4	-20.5	-13.4	-6.7	0.7	-2.9	-3.0	1.7	-1.2
M2	98.4	-0.1	4.2	9.7	10.5	11.7	11.2	11.1	11.8	10.2
M3 – M2 (= marketable instruments)	1.6	17.9	50.1	72.7	41.1	26.5	32.6	33.4	12.7	2.0
M3	100.0	0.2	4.8	10.5	11.0	11.9	11.5	11.5	11.8	10.0
Credit to residents		-8.5	-7.5	-8.0	-8.3	-7.7	-7.4	-7.8	-7.8	-8.2
Credit to general government		-23.3	-16.7	-24.2	-22.0	-8.7	-4.6	-11.8	-12.1	-13.2
Credit to the private sector		-7.2	-7.1	-7.2	-7.7	-7.7	-7.6	-7.7	-7.6	-7.9
Loans to the private sector		-7.8	-7.5	-7.6	-8.2	-8.2	-8.3	-8.2	-8.3	-8.7
Longer-term financial liabilities (excluding capital and reserves)		-6.9	13.9	19.4	15.9	9.6	14.9	13.5	21.3	15.8

Source: Bank of Latvia.

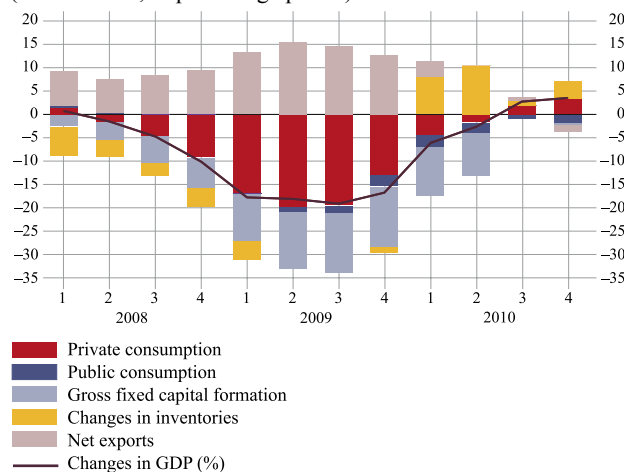
Chart 3.1
CHANGES IN GDP
(%; at constant prices)



3. Domestic Demand

In the fourth quarter of 2010, GDP increased by 1.1% quarter-on-quarter. This moderate growth pattern has already persisted for the fifth consecutive quarter. At the same time, GDP grew by 3.6% in comparison with the fourth quarter of 2009 (see Chart 3.1). As the annual growth of GDP was negative in the first half of the year while positive in the second half of the year, it was almost neutral for the year as a whole – GDP contracted by 0.3% year-on-year in 2010. Real GDP per capita even rose slightly in 2010.

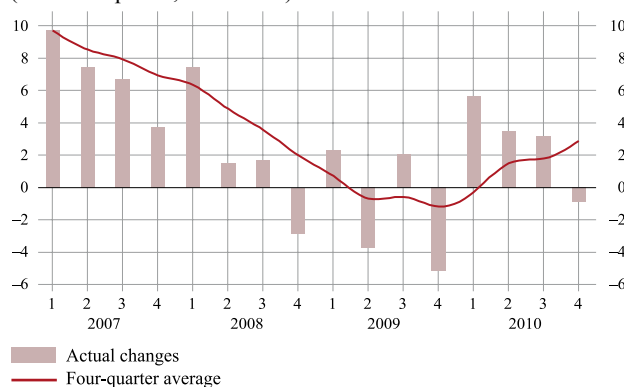
Chart 3.2
BREAKDOWN BY THE ANNUAL CHANGES IN GDP
(demand side; in percentage points)



In the fourth quarter of 2010, the year-on-year increase in private consumption (5.2%) was determined by the base effect but the overall growth was sluggish throughout the year (see Chart 3.2).

Investment dynamics reached a breaking point in the third quarter of 2010, when the rapid annual decrease of the level of investment came to an end owing to the base effect and notable quarterly growth (6.3%). In the fourth quarter, the level of investment remained unchanged both quarter-on-quarter and year-on-year.

Chart 3.3
CHANGES IN INVENTORIES
(at current prices; % of GDP)



In the fourth quarter, the positive contribution of the change in inventories to the GDP growth increased again quarter-on-quarter; however, the fluctuations observed in some quarters did not prevent the overall downward trend of the contribution of inventories. The positive contribution of the change in inventories shrank notably (from 9.3 percentage points in the first half of the year to 2.5 percentage points in the second half of the year) in 2010. This decline suggests that the trend towards the accumulation of inventories following the slowdown of the economic growth has moderated, and further on, the inventories will not have a significant impact on the GDP growth (see Chart 3.3).

Exports is still the major driving force of the economy. However, despite the relatively sharp quarter-on-quarter increase (3.8%), the annual growth rate of real exports of goods and services decreased slightly (from 15.5% in the third quarter to 13.8% in the fourth quarter). This dynamics is expected also in the future due to a higher base and the level of investment that is insufficient to rise capacity more rapidly. However, preliminary foreign trade turnover data of January 2011 suggest new record growth of exports of goods.

In the fourth quarter, the growth of imports of goods and services increased by 1.0% quarter-on-quarter but

the year-on-year rise was very sharp due to the base effect (16.7%). With external demand strengthening, the need for raw materials required for the production of export goods posted an increase thus boosting imports. The gradual improvement of domestic demand provides some boost to the growth of imports as well.

3.1 Private consumption

Retail trade turnover also followed a downward trend at the end of 2010 and at the beginning of 2011, suggesting growing precaution with spending from the household sector (see Section 4.2). The moderation of private consumption was not observed in the fourth quarter of 2010 yet (private consumption grew by 1.7% quarter-on-quarter; moreover, the annual growth rate was 5.2% due to the base effect). However, the decline in the retail trade turnover may point to a downturn or even a decline in the growth of private consumption in the first quarter of 2011.

Overall, the change in private consumption is well characterised by retail trade turnover (see Chart 3.4); however, the differences in dynamics of these data may be explained by various reasons.

First, trade (particularly the sales of automotive fuel, tobacco and alcoholic beverages) does not fully reflect a change in the share of shadow economy. A part of the unrevealed sales is estimated for the group of food products as well (farms sell their products in special markets more actively and make direct deliveries to customers). Trade statistics does not cover the change in supply of the goods manufactured by households themselves and the forest products for their own consumption either but this share most likely increased during the economic downturn.

Second, the structure of consumption is changing: the group of expenses on housing and notional rent is less volatile, while goods other than convenience goods and services are more exposed to changes. The growing expenses on housing and transport can limit expenditure on other goods and services due to a rise in prices, in particular if a household does not have a sufficient amount of savings.

Third, legal persons also make purchases at retail points; therefore a part of the sales is attributable to intermediate consumption and increased fixed assets rather than to households' final consumption. This might be related to the sales of durable goods, particularly motor vehicles and automotive fuel.

Chart 3.4
CHANGES IN PRIVATE CONSUMPTION AND RETAIL TRADE TURNOVER
(year-on-year; %)

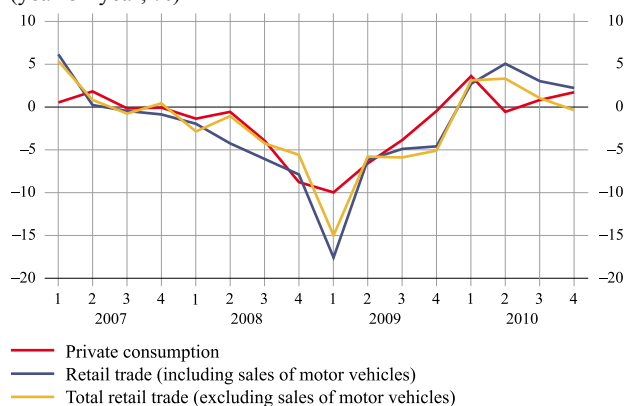
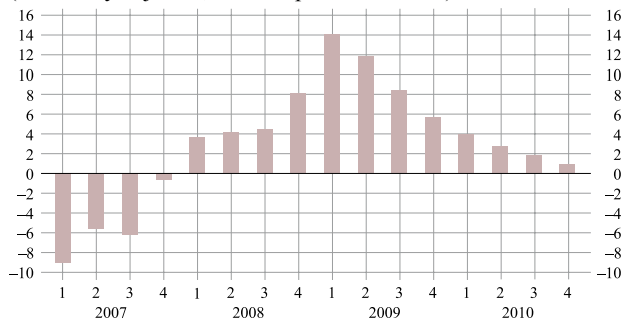


Chart 3.5
SAVINGS
(seasonally adjusted; % of disposable income)



* As of Q1 2009, the Bank of Latvia estimates.

Chart 3.6
CONSUMER CONFIDENCE INDICATOR AND
UNDERLYING FACTORS
(net responses; in percentage points)

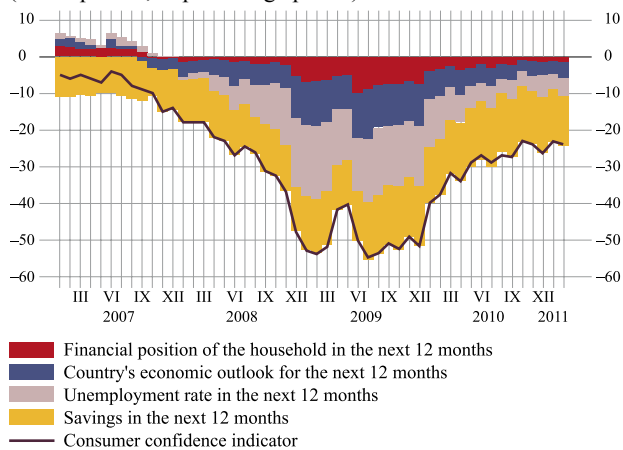
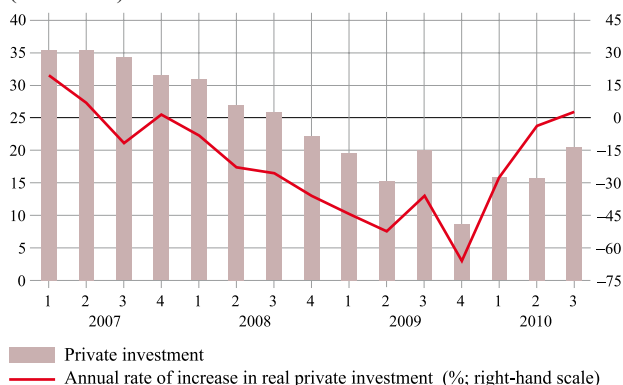


Chart 3.7
ANNUAL RATE OF INCREASE IN PRIVATE
INVESTMENT AND ITS CONTRIBUTION TO GDP
(% of GDP)



When publishing GDP data for the fourth quarter, the CSB has also revised the data for the first three quarters of 2010. The Bank of Latvia's assessment of savings was also adjusted due to the revised private demand and compensation of employees. The revised data do not suggest the intensification of precautionary savings in the third quarter anymore. As to the dynamics of savings, its trend is persisting; however, the level of savings is gradually declining (see Chart 3.5).

In 2011, the fiscal consolidation measures were formulated more precisely and confirmed the expected increase in the tax burden and thus a negative impact on the propensity to consume. More evident were also the negative developments in foreign markets causing growing concerns about the economic growth in the future. For these reasons, households were likely to cut expenditure and built up precautionary savings at the turn of 2010 and 2011 while some households continued to use the savings made in the previous periods. Estimates of overall sentiment do not point to any notable improvements in the near term – the consumer confidence indicator improved gradually in the second half of 2010 but further improvement has come to a halt (see Chart 3.6).

3.2 Private investment

In the third quarter of 2010, total gross capital formation improved significantly (by 6.3%) quarter-on-quarter for the first time since the steep downturn and increased slightly (by 0.1%) also in the fourth quarter (see Chart 3.7).

The level of investment remained much lower than that observed in the pre-crisis period, and improvement in one or two quarters following a downslide of 12 months (three years) is an insufficient stimulus to ensure more dynamic economic growth.

A positive trend was observed regarding the increase in the number of issued building permits for the construction of industrial production buildings and warehouses, as these investments in the productive capital are likely to form the basis for more sustainable economic growth down the road.

EU funding still provides significant support against the background of investors' cautious risk perceptions. The improvement of terms of trade may also be a good stimulus for capacity increases and new investments.

The favourable reports by the international credit rating agencies could give a positive impulse to stimulate foreign investors' interest. On 9 March of 2011, Standard & Poor's upgraded its outlook on Latvia from stable to positive. Fitch Ratings also raised Latvia's credit rating by one point on 15 March of 2011 assigning a positive future outlook and renewing Latvia's credit rating at the level of investment category.

Although Latvia's international credit rating improved, further significant inflows of new foreign investment are unlikely until confidence in the fiscal sustainability of the government is fully entrenched.

3.3 Government expenditure and budget

In the fourth quarter of 2010, the consolidated general government budget indicators deteriorated quarter-on-quarter, with expenditure growing rapidly in December according to a long-established pattern. Already in October and November of 2010, the general government consolidated budget ran a significant deficit (55.9 millions lats and 903 million lats respectively). At the same time, with December's expenditure amounting to almost double the average spending levels of 11 previous months, the general government consolidated budget deficit amounted to 362.7 million lats in December. This dynamics of expenditure is only partly explained by the fact that some public administration institutions pay salaries for January of the next year at the end of the current year shifting the disbursement of wages and salaries from January to December. A large part of the difference between expenditure in December and the average spending of 11 months can be attributed to subsidies and grants and the rapid rise in expenditure and capital expenditure intended for goods and services mostly due to advance payments made to people implementing projects related to EU policy instruments and other projects co-financed by foreign financial assistance to (see Chart 3.8). Making advance payments did not affect the economic activity, as it actually implied that funds were transferred from one account to another.

Consequently, the general government consolidated budget ran a deficit of approximately 6.3% of GDP in 2010 based on the national methodology. When making recalculations based on the ESA 95 methodology, the general government budget deficit was 8.2% of GDP in accordance with the current estimates.

Chart 3.8
RATE OF CHANGE IN GENERAL GOVERNMENT
CONSOLIDATED BUDGET EXPENDITURE
(year-on-year, %)

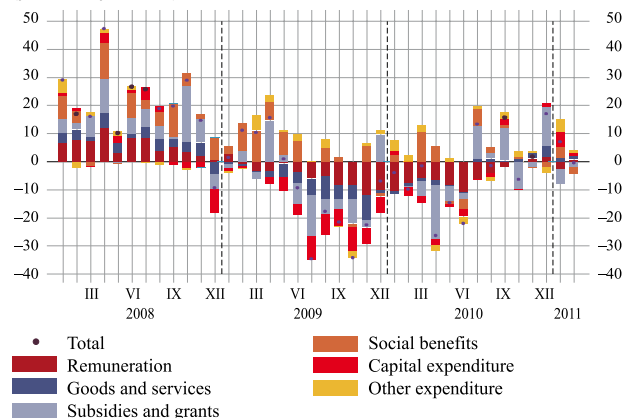
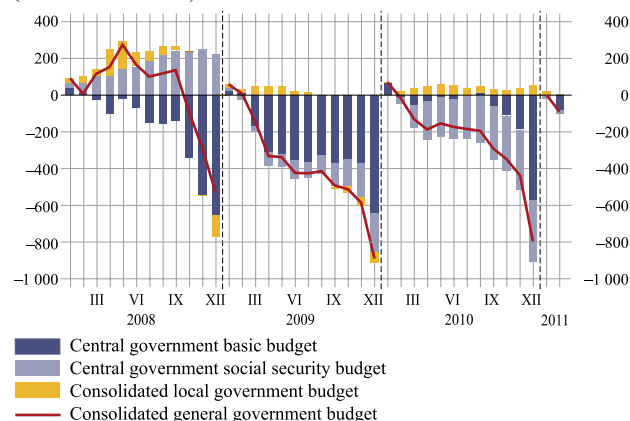
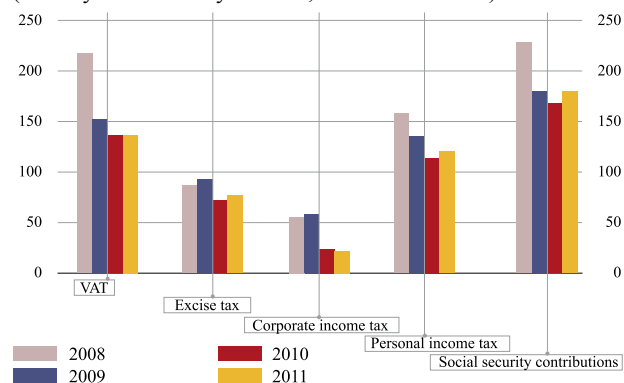


Chart 3.9
ACCRUED BALANCE OF THE GENERAL
GOVERNMENT CONSOLIDATED BUDGET BY
SUB-BUDGETS
(in millions of lats)



In January and February 2011, the general government consolidated budget ran a deficit (see Chart 3.9) despite the 7.2% rise in tax revenue in January and February 2011. On the one hand, with the economic growth indicators improving and some tax rates rising, revenue from some taxes (excise tax, personal income tax and social security contributions) increased (see Chart 3.10). On the other hand, the amount of VAT to be refunded was rather significant in February as a result of the change in the procedure for the refund of VAT; therefore, VAT revenue was on the level of the first two months of 2010. The reclassification of two duties as taxes also paid a certain role in the increase in tax revenue.

Chart 3.10
SELECTED TAX REVENUE
(January and February of 2011; in millions of lats)



In February 2011, the government agreed in concept on the necessary additional fiscal consolidation that is planned to be carried out through increasing revenue. This will have a negative impact on domestic demand in the second half of 2011. Moreover, the planned increase in excise tax rates could also contribute to higher proportion of the shadow economy.

The general government debt amounted to 40.0% of GDP at the end of 2010 based on the national methodology, expanding by 212.6 million lats in the fourth quarter. The increase was mainly on account of the EC loan; thus, the amount of the international loan received by the end of 2010 amounted to 3 044.1 million lats. However, the domestic government debt increased by 80.7 million lats. General government debt could reach approximately 45% of GDP at the end of 2010 based on the ESA 95 methodology.

Chart 4.1
DYNAMICS OF MANUFACTURING OUTPUT
(at constant prices; %)

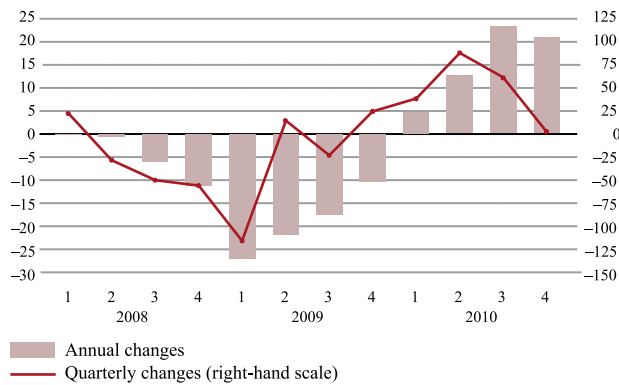


Chart 4.2
TURNOVER INDEX IN MANUFACTURING
(seasonally adjusted; 2005 = 100)

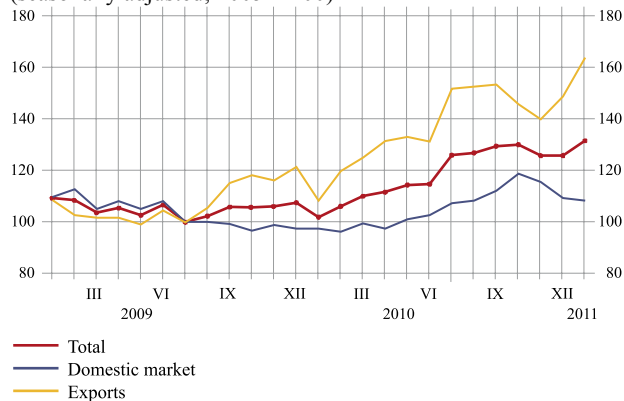
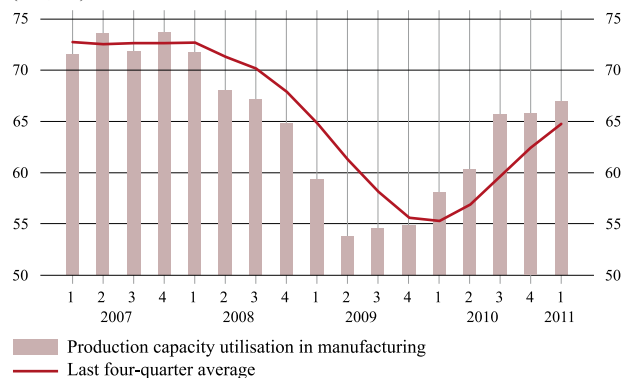


Chart 4.3
PRODUCTION CAPACITY UTILISATION IN
MANUFACTURING
(net; %)



4. Aggregate Supply

4.1 Industry and construction

Output growth in manufacturing moderated in the fourth quarter of 2010 (0.2%; annual growth – 20.9%; see Chart 4.1), following a steep rise for several quarters in a row. At constant prices, the manufacturing output was back to the level recorded in the third quarter of 2008 (the level prevailing prior to the aggravating economic downside), albeit remaining well below the pre-crisis level.

The majority of manufacturing sub-sectors generating particularly strong growth in the previous two quarters developed at a much slower pace in the fourth quarter, or their output even shrank. The contribution of non-metallic mineral product and fabricated metal product manufacturing remained positive. Over the quarter, sectors with lower share (manufacturing of basic pharmaceutical products and preparations, rubber and plastics products and chemicals and chemical products) developed buoyantly. Over the year, growth was observed across almost all sectors, except the manufacture of chemicals and chemical products and repair and installation of machinery and equipment.

In the fourth quarter, the turnover in manufacturing declined both on the domestic and export markets in line with the changes in foreign demand (see Chart 4.2). The data for January 2011 point to a steep rise in export turnover of the above sector supported by the output growth in production of transport vehicles, motor vehicles, computers and electronic equipment as well as a surge in almost all groups of product prices, those of food in particular.

Production capacity utilisation reached 66.9% in the first quarter of 2011 (see Chart 4.3). This suggests that the future development of some export-producing subsectors of manufacturing might be hampered by the shrinking production capacity reserves.

According to the confidence indicators released by the EC, in the fourth quarter of 2010, businesses noted a quarter-on-quarter improvement in the sector due to the strengthening of competitiveness and expected increase in orders. However, the results of the January 2011 survey point to a deteriorating confidence in line with a downward trend in output observed in the last two months of 2010 and January 2011 (see Chart 4.4). Such dynamics and high base on account of a vigorous growth over a number of quarters

Chart 4.4
ECONOMIC SENTIMENT AND CONFIDENCE
INDICATORS
(net, %)

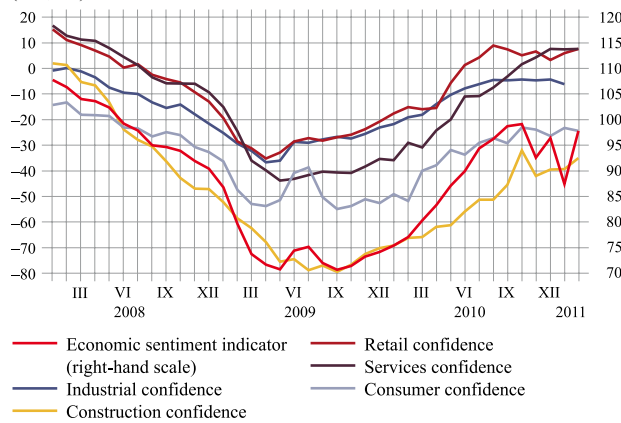


Chart 4.5
DYNAMICS OF VALUE ADDED IN SERVICES AT
CONSTANT PRICES
(%)

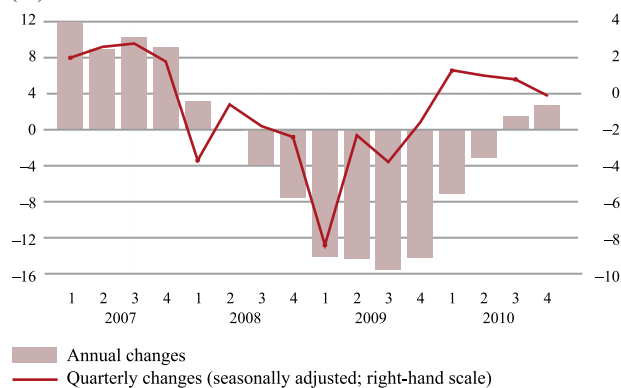
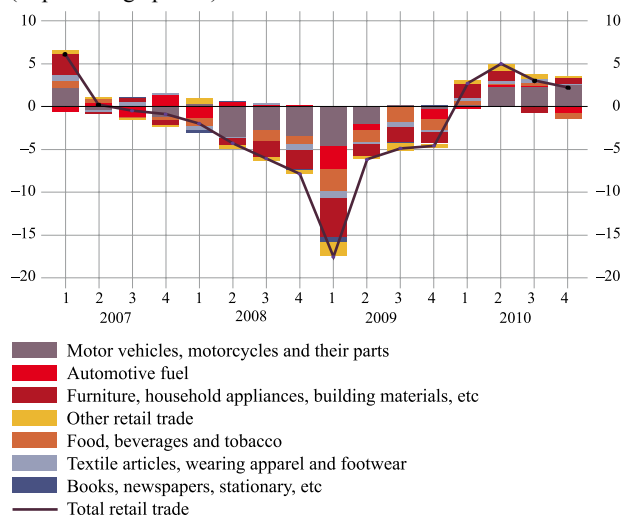


Chart 4.6
CONTRIBUTION TO REAL QUARTERLY RETAIL
GROWTH
(in percentage points)



only allows expecting a moderate rise in the coming months.

Weak domestic demand contributed to a renewed decrease in construction output in the fourth quarter of 2010 (a 5.5% fall – seasonally adjusted data). However, along with an increase over the previous two quarters, the above dynamics points to a deceleration of the previous steep decline. The volume of construction of engineering structures continued on its upward trend in the fourth quarter as well (by 1.5%), while housing construction shrank by 6.4%. In the sector of housing construction, residential and commercial construction as well as construction of industrial production buildings continued to expand as compared with the corresponding quarter of the previous year. In the sector of engineering structures, the construction of roads and main pipelines and communication and power lines continued to demonstrate growth.

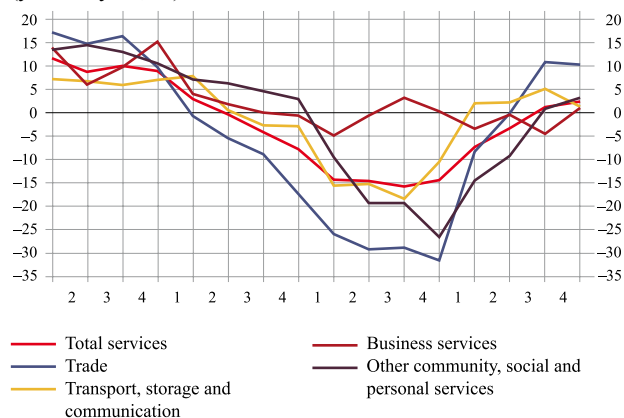
According to the capacity projections (building permits granted for building construction in the fourth quarter), a further increase in the construction of commercial and industrial production buildings is expected. Furthermore, data point to a planned substantial share of the construction of new industrial production buildings and warehouses in the overall construction volume. Investment in new production and storage premises will continue, should businesses view potential for sales markets with sufficient optimism. Given the current volume of orders and better outlook for future employment assessment, the construction confidence indicator showed further improvement in the fourth quarter of 2010 and also rose in February 2011.

4.2 Services

Services sector recorded negative quarterly growth rate again at the end of 2010 after three quarters of positive growth trend, with the annual rate of increase also remaining relatively low (see Chart 4.5).

In the fourth quarter, the overall retail trade turnover rose by 2.2% quarter-on-quarter on account of expanding sales volumes of motor vehicles (contribution – 2.5 percentage points). Retail trade turnover (excluding motor vehicle sales) contracted by 0.4% (see Chart 4.6). In the fourth quarter of 2010, the above turnover surged substantially (by 13.5%; including the sales of motor vehicles – by 7.5 percentage points) on account of low base as

Chart 4.7
CHANGES IN MAIN TYPES OF SERVICES
(year-on-year; %)



compared to the fourth quarter of 2009 when, during that period of crisis, the sales were at their low. The changes in the number of motor vehicles registered by the SJSC Road Traffic Safety Department also point to a rising demand for motor vehicles expanding on a monthly basis. However, part of the registration and sales are attributable to re-exports.

The dynamics of gross value added of the trade sector was also deteriorating in the fourth quarter, reporting a quarter-on-quarter drop. Hence the impact of wholesale on total sales volume has also been negative.

Transport and communication sector gave a positive contribution to the economic growth in the fourth quarter; however, with the increase in transportation by road decelerating, the above rise moderated quarter-on-quarter (see Chart 4.7). Freight turnover at Latvian ports also recorded positive growth in the last quarter of the year, while the dynamics of freight transportation by rail still pointed to a negative impact.

In the fourth quarter, the turnover of freight transportation by rail in Latvia shrank by 3.2% quarter-on-quarter. This development was attributable to a shrinking freight turnover of the main sector – freight transportation through Latvian ports. By contrast, the dynamics of land transport transit revealed a positive trend for the second consecutive quarter. The volume of cargoes loaded and reloaded at Riga port rose, hence the largest volume of cargoes loaded and reloaded quarterly in 2010 was recorded in the fourth quarter of 2010. With the decline observed in the previous quarters continuing to decelerate, the expanding freight turnover revealed a positive trend again quarter-on-quarter (5.4%). In the fourth quarter, with the annual rate of decrease easing, the cargoes loaded and reloaded at Ventspils port almost reached the turnover recorded in the same quarter of the previous year. Freight turnover dropped slightly at Liepāja port. At the same time, the turnover of cargoes loaded and reloaded at Riga port and small ports surged buoyantly, nevertheless failing to offset the substantial fall in oil product turnover at Ventspils port which accounted for the decline (1.3%) in the turnover of cargoes loaded and reloaded at ports in 2010.

Decelerating growth in international carriage contributed to a more moderate growth of the transport sector. In the fourth quarter, following a three-quarter surge of almost 40%, the turnover of

freight transportation by road posted a year-on-year expansion of 12.0%. Positive dynamics of passenger transportation also moderated slightly in the fourth quarter. The number of rail passengers remained unchanged year-on-year, while an increase in the number of air passengers serviced at SJSC Riga International Airport moderated (7.5%).

The development of transport sector is also expected to be positive in the first quarter of 2011. Policy pursued by Russia regarding the permits granted for transportation by road will account for an improvement in transportation services by road. Preliminary data indicate that the annual growth in freight turnover at ports and by rail remained positive in January, notwithstanding the negative impact exerted by the frozen Gulf of Riga on transportation services by sea in February. The business survey data released by the EC suggest an improvement of confidence of transport and communication companies at the end of 2010 and the first two months of 2011. The above trend allows to project good performance in the transport sector in the coming months.

Chart 4.8
REGISTERED UNEMPLOYMENT AND JOBSEEKER RATES

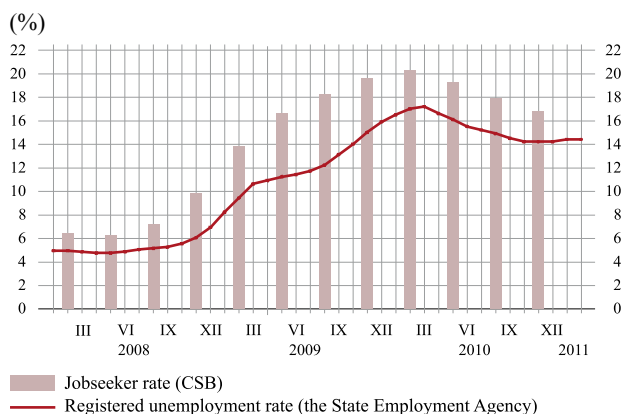
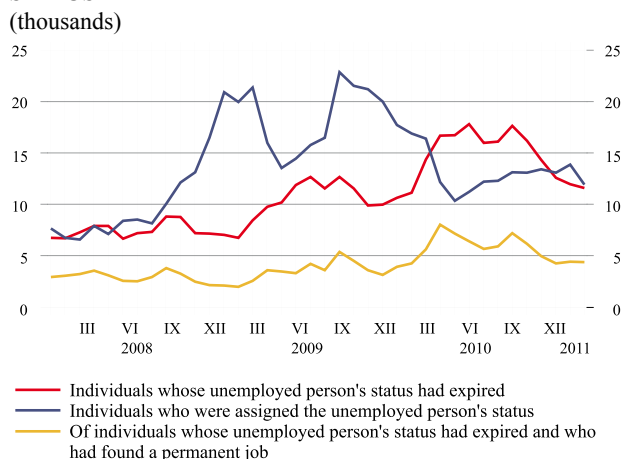


Chart 4.9
NUMBER OF INDIVIDUALS WHO WERE ASSIGNED THE UNEMPLOYED PERSON'S STATUS AND THAT OF INDIVIDUALS WHOSE UNEMPLOYED PERSON'S STATUS HAD EXPIRED

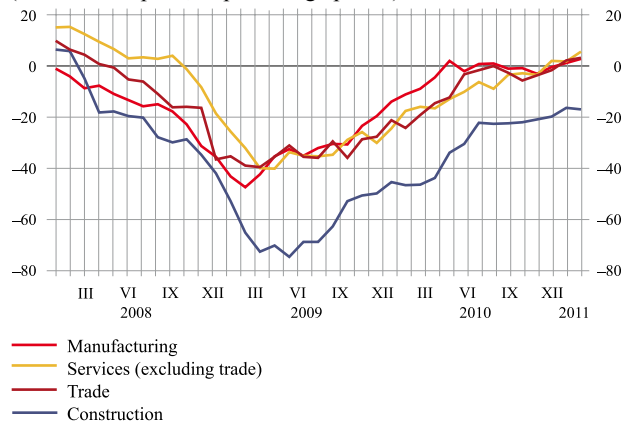


4.3 Labour market

In January 2011, a rise in the registered unemployment rate (0.2 percentage points; to 14.5% of the economically active population) was recorded for the first time since spring 2010. In February, the registered unemployment rate remained unchanged (see Chart 4.8). At the beginning of 2011, unemployment rate edged up mainly on account of seasonal factors. However, this development does not indicate a reversal of the trend on the labour market. For instance, unemployment rate also rose by 0.1–0.2 percentage points in January 2003–2006, although an overall downward trend in unemployment was observed over this period. A gradually declining unemployment is expected in the coming months; however, this development does not eliminate a rise in unemployment in some months due to seasonal or one-off factors.

Notwithstanding the fact that due to seasonal factors the number of vacancies registered with the State Employment Agency at the end of February was lower than the number registered in summer months, it exceeded the level recorded in January 2010. More than 4 (four) thousand registered unemployed (about one third of all individuals whose unemployed person's status has expired) find a permanent job each month (see Chart 4.9). The gradual improvement in

Chart 4.10
DATA FROM BUSINESS SURVEYS ON PROJECTED
3-MONTH EMPLOYMENT DYNAMICS
(balance of replies; in percentage points)



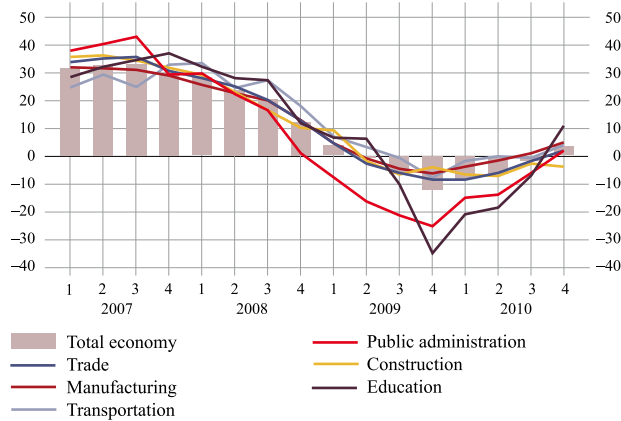
labour market notwithstanding, the above indicator is close to the performance indicator of 2010. It might point to the existence of a potential skill mismatch as regards part of the unemployed and business demand, or structural unemployment. An ever increasing number of unemployed persons registered with the State Employment Agency belong to one or more risk groups (long-term unemployed, unemployed persons of pre-retirement age, disabled persons, etc) whom the businesses are reluctant to hire. High unemployment rate notwithstanding, the share of businesses who single out the labour shortage as the main constraint for business growth is gradually rising. Confidence indicators suggested that such businesses amounted to 5% in manufacturing and construction (in mid 2009, less than 0.5%).

According to the confidence survey data, at the beginning of 2011, more businesses planned to increase the number of employees both in manufacturing and trade and other services sectors than to reduce it. Such development was previously observed only in 2007 (see Chart 4.10). Thus, uncertainty prevailing in the second half of 2010 about the future economic development turned into optimism at the beginning of 2011. It should also be noted that employment growth was primarily attributable to the developments in manufacturing and transport sector in 2010, while in 2011 the above rise would also be projected in trade and other services sectors.

The CSB labour survey data for the fourth quarter of 2010 point to a gradual improvement in labour market. In the fourth quarter, the number of job-seekers shrank almost as buoyantly as in the previous two quarters, reaching 16.9% of economically active population. Two one-off factors worked to offset some decline in unemployment trends, thus macroeconomic fundamentals most likely contributed to a sharper decline in unemployment than reflected in statistics. First, in the fourth quarter, the positive contribution of seasonality was lower quarter-on-quarter and dampened the declining rate of jobseekers by 0.3 percentage points. Second, the number of individuals involved in the so-called 100 lats programme and other temporary employment activities implemented by the SEA (the registered unemployed persons participating in the above activities are classified as employed according to the CSB labour survey data) shrank, and thus the falling rate of jobseekers was further slowed down by 0.2 percentage points.

A rise in average annual wages and salaries observed

Chart 4.11
ANNUAL CHANGES IN GROSS NOMINAL HOURLY
WAGE AND SALARY BY SECTOR
(%)



in September 2010 for the first time during the year and a half continued in the fourth quarter, reaching 3.4% and pointing to the materialisation of upward risks to wage projections, including the skill mismatch between the unemployed persons and business demand resulting in structural unemployment and wage increase against the backdrop of high unemployment. Over the year, the wage and salary growth was more buoyant in public sector than in private sector (5.2% and 2.1% respectively), and it could be attributed to a partial compensation for previous teacher pay cuts as well as edging up of average wages and salaries in health care (see Chart 4.11). A rise in wages and salaries in public administration (1.8%) would be attributable to lay-offs on account of low-skilled labour resulting in higher average remuneration statistics as well as a potential increase in remuneration for some senior experts. It should be noted that of all sectors of the national economy, excluding education, the steepest fall in hourly salary was recorded in public administration (24%) over the past two years.

Chart 5.1
OVERALL CHANGES IN CPI (%) AND CHANGES BY COMPONENTS
(in percentage points)

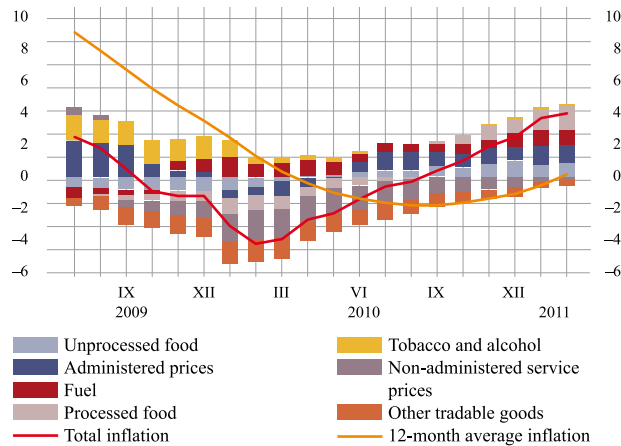


Chart 5.2
IMPACT OF ENERGY AND FOOD PRICE CHANGES ON INFLATION
(in percentage points; %)

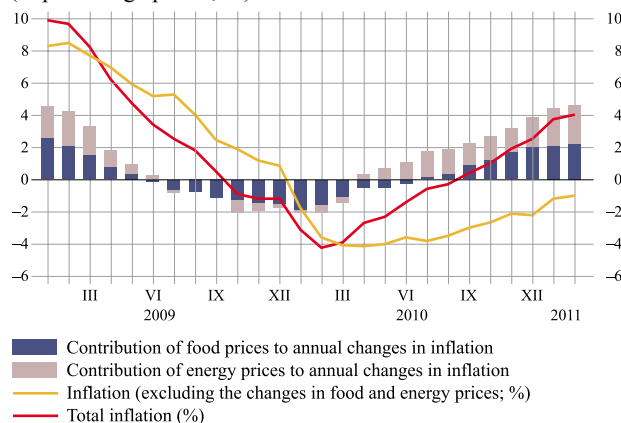


Chart 5.3
HICP AND HICP AT CONSTANT TAX RATE
(January 2008 = 100)



5. Prices and Costs

The annual consumer price inflation retained the previous upward trend in December 2010 and the first two months of 2011, moving up by 2.1 percentage points in comparison with November and reaching 4.0% in February (see Chart 5.1). The supply-side factors remained the drivers of higher inflation. Prices increased mainly on account of global food and energy price surge (see Chart 5.2) as well as the VAT rates which were raised as a result of fiscal consolidation and took effect in January 2011. Weak labour market conditions, on the other hand, exerted downward pressures on prices. Moreover, rising prices of primary goods dampened the demand for other goods and services.

In February, higher food and energy prices were the major contributors to the annual consumer price inflation (4.6 percentage points). Over the year, food prices moved up by 9.8%, contributing 2.4 percentage points to annual inflation. Global price rise led to a most notable surge of potato, fruit and dairy product prices, which increased by 75.9%, 22.8% and 18.7% respectively, over the year.

A steep pickup in fuel prices was the main contributor to the energy price impact on inflation. The above fuel prices grew by 10.0% in three months and recorded a year-on-year increase of 16.0% in February. The changes in VAT rates had a notable impact on energy price dynamics. As a result of the above changes, electricity prices grew by 11.0% in January, contributing to an increase in total annual inflation (of 0.3 percentage points). The impact of energy prices on inflation reached 2.2 percentage points overall.

Non-administered service prices and prices of other (non-food and non-energy) tradable goods were by 0.9% and 1.5% lower than a year ago on account of weak domestic demand affected by a continuously high unemployment rate. The changes in VAT rates, in effect as of January 2011, significantly curbed the downside of the above prices. Overall, annual inflation moderated by 0.5 percentage point due to a drop in non-administered service prices and prices of other tradable goods in February.

The utmost impact of VAT rates on annual price rise in January reached 1.3 percentage points (see Chart 5.3). However, it is difficult to establish the real impact of tax rates on consumer prices. On the one hand, the currently very weak domestic demand

Chart 5.4
THE ANNUAL RATE OF CHANGE IN PPI AND CONTRIBUTION OF ITS COMPONENTS (in percentage points)

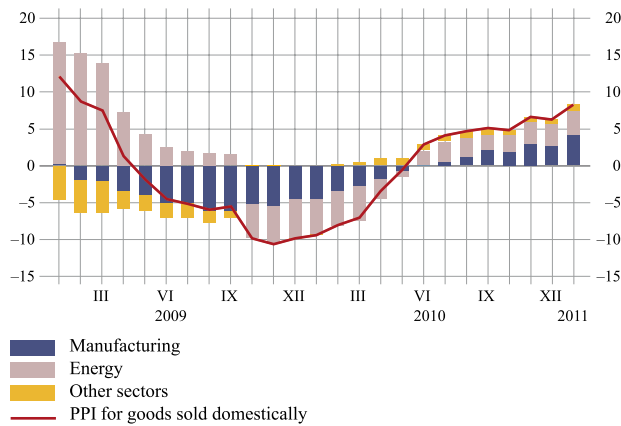


Chart 5.5
OIL PRICES ON GLOBAL MARKET (lats/barrel)

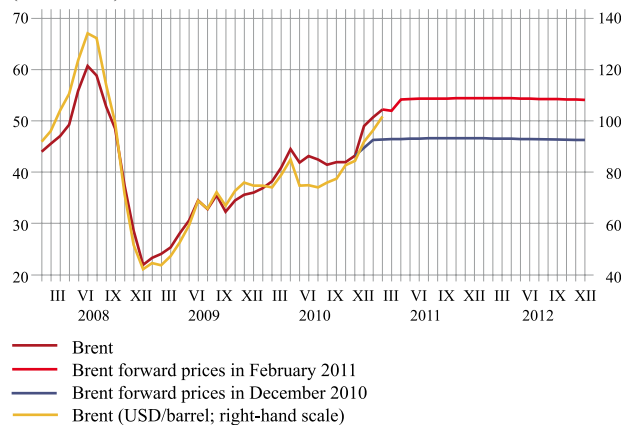
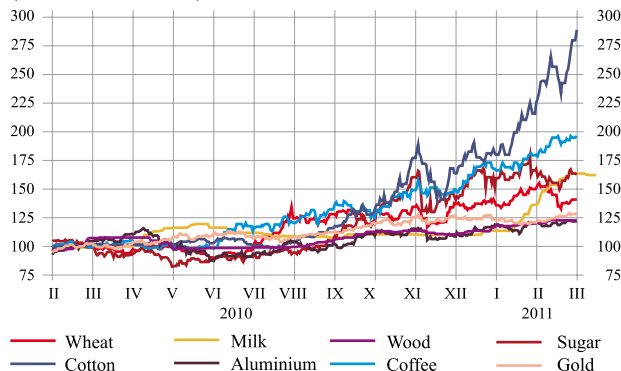


Chart 5.6
PRICE INDICES FOR SELECTED COMMODITIES ON GLOBAL STOCK EXCHANGES (March 2010 = 100)



prevents businesses from imposing higher prices and threatens to cause a further downslide of turnover, thus dampening the impact of increasing tax rates on inflation. On the other hand, the capability of businesses to offset rising tax rates through reduced profit margins or lower production costs has notably decreased during a relatively protracted period of low demand. According to the CSB assessment, CPI, excluding the impact of growing tax rates, was 2.0% lower than the average in 2008, and 4.5% higher, including the impact of increasing tax rates.

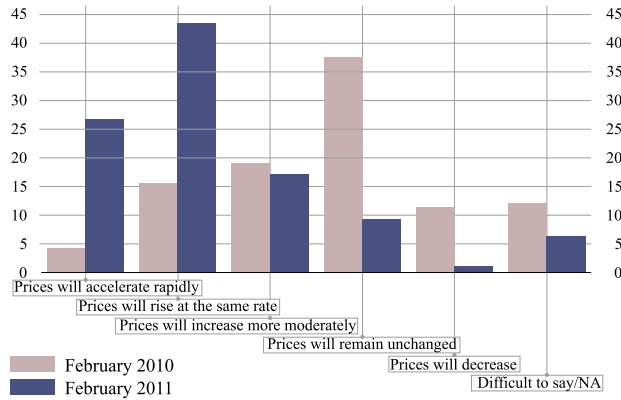
Similar to the previous years, the structure of an average household consumption basket used for the calculation of CPI was revised. The share of non-durable goods in total expenditure expanded on account of low income and high unemployment rate, with food and energy prices accelerating at the same time. Hence the average consumer price level was increasingly affected by the global food and energy price surge.

Producer price dynamics reflects a notable production cost pressure. The prices of goods produced for domestic market grew by 3.0% over the past three months (in January – an 8.3% year-on-year increase). The impact of food producer prices on annual growth in overall producer prices recorded the most significant increase in recent months, accounting for a quarter of total annual rise and half of the producer price increase in manufacturing at the beginning of 2011. The acceleration in energy producer prices contributed notably to the producer price surge (see Chart 5.4).

The US Energy Information Administration projects that oil market tensions will also continue in the near future (see Chart 5.5). Riots in the Northern Africa and the Middle East, the major oil producing region in the world, create substantial uncertainty about the oil supply. Moreover, a natural disaster in Japan leading to a short-lived plummeting in oil prices has triggered the market participants' anxiety, contributing to additional uncertainty regarding the oil price developments in the near future.

Global food prices also continue on an upward trend. According to the Food and Agriculture Organisation data, price surge has reached new record highs (see Chart 5.6). Global food prices are expected to shrink in the second half of 2011 on account of the new harvest; however, the ever-rising energy prices minimise the possibility of a notable drop in food prices.

Chart 5.7
 BREAKDOWN OF HOUSEHOLD EXPECTATIONS
 FOR CONSUMER PRICE CHANGES IN THE NEXT 12
 MONTHS
 (%)



Nevertheless, rising food and energy prices along with tax hikes contributed to increasing inflation expectations among the population. In February 2011, already 67.0% of respondents expected that over the next 12 months consumer prices would increase at the same rate or accelerate more rapidly than in the past. Only 26.85% of respondents believed that price rise would ease or prices would shrink (see Chart 5.7).

Despite the fact that unemployment rate is high and current and near-future recovery of domestic demand is weak, the consumer prices are expected to move up further. Global food and energy price growth as well as the government tax policy will contribute to this trend.

Chart 6.1
CURRENT ACCOUNT OF LATVIA'S BALANCE OF PAYMENTS AND ITS COMPONENTS (% of GDP)

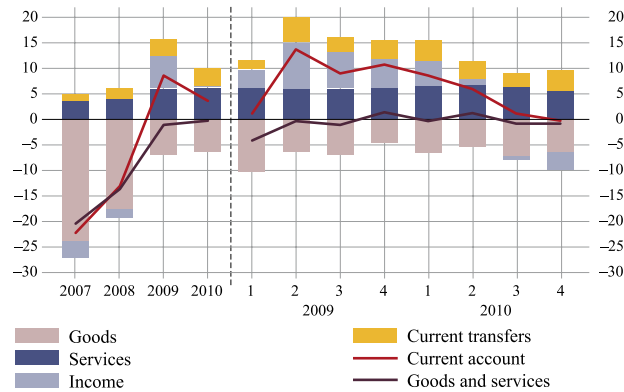
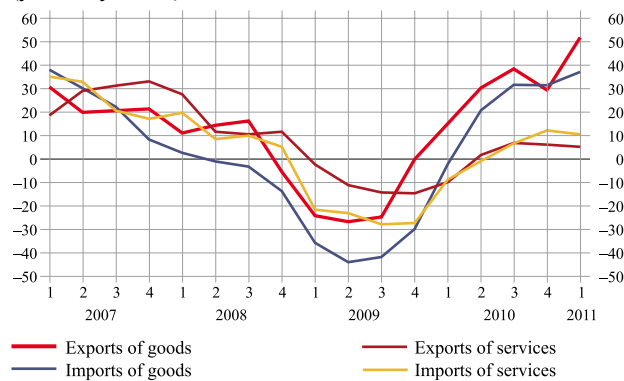


Chart 6.2
IMPORT AND EXPORT GROWTH RATES OF GOODS AND SERVICES (year-on-year; %)



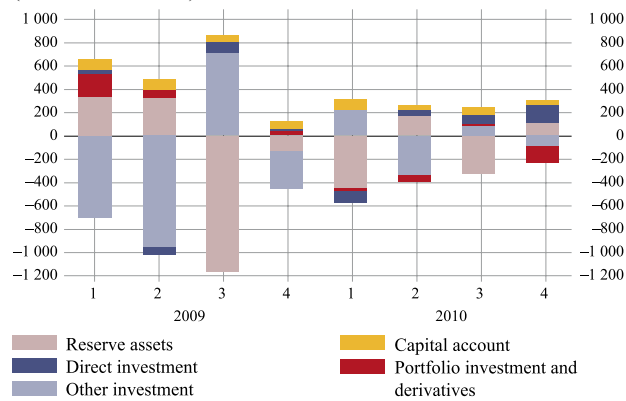
6. Balance of Payments

Although the current account surplus in Latvia's balance of payments decreased gradually in 2010, it remained positive for the year overall (3.6% of GDP). This dynamics was primarily caused by positive changes in economy: higher demand for exports contributed to renewed industrial production growth (it required more imported raw materials) and businesses owned by foreign investors (including the banking sector) started to gain profit slowly, as this was reflected by the income account deficit (see Chart 6.1). The surplus in the current account persisted also in January 2011, and it was mostly driven by a decrease in the foreign trade deficit in comparison with the end of 2010 and a decline in the income account deficit, as unlike previous months, a considerable amount of dividends were not paid.

In 2010, the goods and services trade balance was almost balanced (deficit – 0.2% of GDP) but in January 2011, the foreign trade balance turned positive again (12.1 million lats). Rapid growth of exports of goods was observed throughout 2010 persisting also in January 2011 when it could be partly related to higher prices of the exported goods (see Chart 6.2). The services sector recovered at a considerably slower pace: the growth of exports of services reached 1.4% in 2010 (due to construction services accounting for a small share and other business services) but the value of imports of services exceeded the level of 2009 by 2.7% and was still lagging behind the pre-crisis level (mainly owing to the weak demand for travel services). The services sector did not record any notable changes in January as well, and the foreign trade surplus of services increased mostly on account of a more rapid slowdown in imports.

In the near future, the dynamics of external demand in the goods sector will be positively affected by the economic development in a number of major markets, e.g. in Sweden, Russia and Germany, where it is more buoyant than projected. Political unrest in the countries of North Africa and the natural disaster in Japan may currently have an adverse effect mainly on exports of wood and peat; however, demand for wood is expected to recover as mass reconstruction and renovation works will be started. Global changes in the prices of resources and food could have a stronger impact on the rise in expenditure of imports than on the increase in income of exports; this is evidenced by Latvia's import and export structure. The rebound of

Chart 6.3
NET POSITIONS OF THE CAPITAL AND FINANCIAL ACCOUNT OF LATVIA'S BALANCE OF PAYMENTS
(in millions of lats)



the services trade is still hindered by the weak demand for travel and transportation services as well as the unclear port operating strategy and disagreement between the service providers at ports.

In 2010, the financial account deficit decreased more than twice amounting to 5.3% of GDP (see Chart 6.3). The main outflows of funds were caused by the long-term liability repayments by the private sector (banks and the other enterprises) while the inflows were on account of the recovery of depositors and investors' confidence and the government borrowing under the international bailout programme (its value decreased more than twice in comparison with 2009). In January, net inflows of foreign direct investment amounted to 61 million lats; however, more than a half of them were in the form of other capital instead of equity capital expanding liabilities to direct investors. Since autumn of 2010, several international credit rating agencies have upgraded Latvia's credit rating and its forecast which are still lagging behind the pre-crisis level. The activity of foreign investment is still hampered by the uncertain tax policy in the context of the fiscal consolidation measures; nevertheless, available anecdotal evidence suggests that a rising number of enterprises operating in Latvia report on new investment projects and new production facilities.

7. Conclusions and Forecasts

7.1 Inflation

Having re-emerged in September 2010, inflation is continuing to soar, up to 4.0% in February 2011. It is still determined by several temporary and one-off factors. The most significant domestic driver of inflation is the ongoing fiscal consolidation, including several increased tax rates, thereby generating a supply-side price shock. As to external factors, inflation in Latvia went up most due to the rising global oil and food prices.

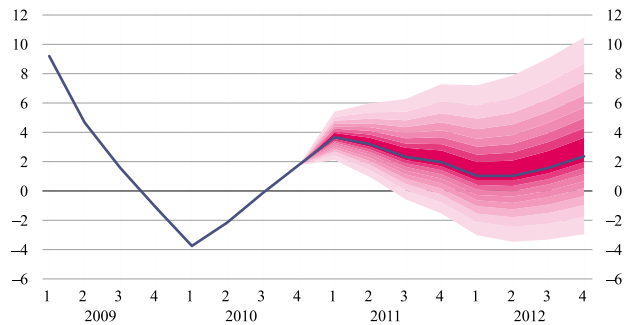
These two factors, i.e. volatility of oil and food prices in global markets and tax-related consolidation measures of the government, will decide the inflation dynamics in 2011. According to the market projections at this juncture, eventual oil prices would be notably above the previous Bank of Latvia inflation forecast. It should be also noted that, if high oil prices persist, a substantial food price drop is not to be expected, as these two indicators have recently tended to move closer.

In addition to these one-off factors, inflation expectations and labour market situation will also significantly affect inflation in the future. Population's inflation expectations keep on rising, thereby creating a favourable environment for companies to raise consumer prices without reasonably increasing inputs. At the same time, the labour market developments disclose, to an ever larger extent, the supply and demand inconsistencies due to which labour remuneration in some sectors may go up even in the circumstances of a relatively high level of total unemployment.

On the other hand, the continuously weak domestic demand, whose more buoyant rebound is likely to be hampered by fiscal consolidation measures, will have a downward pressure on inflation in the coming months. Moreover, in branches where specific skills of the employed matter less, further remuneration hikes will be held back by the availability of free labour in the situation of high unemployment.

A moderate consumer price rise (2.7% on average) is projected in Latvia in 2011. However, due to the above considerations, overall inflation-related medium-term risks are dominated by upward trends

Chart 7.1
CPI CHANGES
(annual percentage changes; the Bank of Latvia forecast*)



* The coloured area represents 90% of potential scenarios (the lighter the colour, the lower the scenario's probability).

(see Chart 7.1). If the global oil and food prices remain constant at the current elevated level and in the second half of the year prices go up due to the planned tax raises, the current inflation forecast might be revised up by a whole percentage point.

7.2 Economic developments

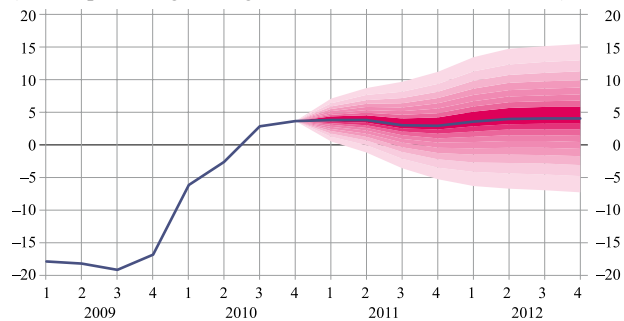
In the period from the start of economic recovery to the end of 2010, Latvia's real seasonally adjusted GDP increased by 3.7%. The risks to the growth outlook are both on the upside and downside.

The improvements in economic activity in Latvia's major trade partners have been quite robust, thereby notably enhancing Latvia's foreign demand. The latter is expected to remain stable also henceforth: the economic outlook for 2011 and 2012 has recently been revised upwards for a number of Latvia's trade partners. This will positively contribute to exports, currently the main driver of the economy. Overall, the pace of growth of Latvia's exports in 2010 was the fourth highest in the EU. The recovery in exports during the year underpinned the growth of employment in the economy, in manufacturing and the transport sector in particular, and a gradual decline in registered unemployment. The recent upgrading of Latvia's credit rating suggests an improved investment climate in the country, making it more attractive to foreign investors. This might lead to stronger foreign direct investment inflows in Latvia.

Meanwhile, along with the positive news about the recovery of economic growth and shrinking unemployment at the end of 2010 and the beginning of 2011, signs of slowing economic activity have started to emerge. The data for recent months indicate that industrial and trade activities are losing momentum. Consequently, the economic recovery remains fragile. At the beginning of 2011, uncertainty about the external developments remains high due to financial problems in several European countries and the related fiscal consolidation measures implemented thereof.

The currently high food and oil prices at the world's stock exchanges increase inflationary pressure in Latvia, thereby reducing population's purchasing power in real terms. So far, population's savings behaviour has counteracted the contracting of domestic consumption, yet this factor is not sustainable in the long term. In addition, the oncoming tax increases and uncertainty about the further fiscal

Chart 7.2
GDP CHANGES
(annual percentage changes; the Bank of Latvia forecast*)



* The coloured area represents 90% of potential scenarios (the lighter the colour, the lower the scenario's probability).

consolidation process could push up savings in the near future. Investment continues to be hampered by cautious bank lending to the economy, with the banking sector largely focusing on improving their balance sheets. Moreover, with the euro money market interest rates progressively rising, loans in euro can gradually become more expensive in Latvia to act as another consumption-reducing factor. Shortage of investment, the private demand impaired by fiscal consolidation, and labour market's structural problems are likely to have an adverse effect on the anticipated recovery of the Latvian economy.

To sum up, the risk distribution can still be viewed as balanced. Real GDP is expected to increase by 3.3% in 2011, with the economic growth sustained at a moderate level also in the future (see Chart 7.2).

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1. MONETARY INDICATORS AND INTEREST RATES

	2009					2010									
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4							
M1 ¹	-10.9	-17.8	-21.0	-19.9	-10.9	26.6	1.8	10.4	17.7	26.6					
M2 ¹	-2.8	-6.9	-9.9	-11.6	-2.8	11.2	3.2	4.5	12.3	11.2					
M3 ¹	-2.8	-7.0	-10.4	-12.0	-2.8	11.5	3.5	5.5	12.8	11.5					
M2X ¹	-1.9	-6.2	-8.3	-10.2	-1.9	9.8	4.2	5.4	12.1	9.8					
Loans to resident financial institutions, non-financial corporations and households ¹	-7.3	6.4	-0.2	-4.9	-7.3	-8.3	-8.0	-7.6	-7.7	-8.3					
Deposits of resident financial institutions, non-financial corporations and households ¹	1.7	-5.0	-5.7	-7.6	1.7	8.3	6.0	4.6	11.5	8.3					
Long-term interest rate for convergence assessment purposes ²	12.36	11.15	11.66	12.94	13.67	10.34	12.64	10.13	9.99	8.59					
RIGIBOR (3-month loans) ³	13.2	11.6	16.0	13.9	11.2	2.0	3.5	2.2	1.4	1.0					
Average yield on government bonds	-	-	-	-	-	4.8 ⁶	5.4 ⁴	6.1 ⁵	5.2 ⁶	4.3 ⁶					
OMXR ³	260.4	227.8	225.3	286.9	297.0	361.6	320.7	349.7	384.5	383.5					
	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
M1 ¹	-19.7	-16.8	-10.9	-6.9	-4.9	1.8	5.0	5.2	10.4	12.6	16.2	17.7	20.7	21.0	26.6
M2 ¹	-10.6	-8.1	-2.8	-2.4	-1.0	3.2	4.0	4.2	4.5	7.1	9.7	12.3	10.5	11.7	11.2
M3 ¹	-10.8	-7.9	-2.8	-2.3	-0.7	3.5	4.2	4.6	5.5	8.0	10.6	12.8	11.0	11.9	11.5
M2X ¹	-8.9	-6.1	-1.9	-1.3	-0.1	4.2	4.4	5.8	5.4	7.6	9.8	12.1	9.5	10.1	9.8
Loans to resident financial institutions, non-financial corporations and households ¹	-5.9	-6.3	-7.3	-7.6	-7.9	-8.0	-7.8	-7.2	-7.6	-7.7	-7.4	-7.7	-8.2	-8.2	-8.3
Deposits of resident financial institutions, non-financial corporations and households ¹	-5.2	-1.7	1.7	2.1	2.6	6.0	5.2	6.7	4.6	6.9	9.1	11.5	7.9	8.7	8.3
Long-term interest rate for convergence assessment purposes ²	13.51	13.75	13.75	13.76	13.62	10.54	10.13	10.13	10.12	10.00	10.00	9.97	9.24	8.99	7.55
RIGIBOR (3-month loans) ³	13.5	11.8	8.3	4.9	3.1	2.3	2.1	2.2	2.1	1.8	1.3	1.2	1.2	0.9	0.8
Average yield on government bonds	-	-	-	-	6.1 ⁴	5.3 ⁴	5.9 ⁵	6.4 ⁵	-	6.0 ⁵	5.6 ⁵	5.2 ⁶	4.3 ⁶	-	-
OMXR ³	311.7	294.3	283.6	315.4	327.0	319.9	351.0	349.0	349.1	358.1	397.4	398.0	394.8	371.1	384.7

¹ Year-on-year changes (%).

² Average secondary market yields of 10-year government bonds.

³ Average of the period.

⁴ Weighted average primary market yields of 2-year government bonds.

⁵ Weighted average primary market yields of 3-year government bonds.

⁶ Weighted average primary market yields of 5-year government bonds.

2.a REAL SECTOR INDICATORS AND PRICES

	2009					2010				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Industrial output^{1,2}										
Increase/decrease ³ (at constant prices; working day adjusted data; %)	-15.8	-22.2	-19.0	-15.0	-6.7	13.9	7.4	12.1	19.5	16.2
Cargoes loaded and unloaded at ports										
Turnover (in thousands of tons)	61 976	16 597	15 688	14 832	14 859	61 160	15 618	15 268	14 616	15 658
Increase/decrease ³ (%)	-2.6	-1.4	2.0	-3.3	-7.7	-1.3	-5.9	-2.7	-1.5	5.4
Retail trade turnover^{1,2}										
Turnover (at current prices; in millions of lats)	4 172.6	1 041.5	1 077.8	1 048.9	1 004.3	4 228.6	913.4	1 055.7	1 109.8	1 149.7
Increase/decrease ³ (at constant prices; %)	-30.8	-28.8	-32.3	-32.1	-29.5	0.5	-13.0	-2.8	5.0	13.3
Unemployment rate (%)	16.0	10.7	11.5	13.2	16.0	14.3	17.3	15.6	14.6	14.3
Producer prices ¹ (increase/decrease compared with the previous period; %)	-4.7	-3.0	-3.5	-1.6	-0.7	3.1	1.1	4.5	1.8	0
Consumer price inflation										
Year-on-year basis (%)	3.5	9.2	4.7	1.6	-1.1	-1.1	-3.8	-2.1	-0.1	1.8
Quarter-on-quarter basis (%)	x	2.6	-0.4	-1.9	-1.3	x	-0.2	1.3	0.1	0.6
Financial surplus/deficit in the consolidated general government budget										
Surplus/deficit (in millions of lats)	-892.1	-142.1	-283.1	-68.5	-398.4	-802.7	-132.7	-41.0	-120.1	-508.9
Ratio to GDP ² (%)	6.8	4.3	8.5	2.1	12.4	x	4.7	1.3	3.7	x

¹ Data are calculated according to the revised version of the EU statistical Classification of Economic Activities (NACE Rev. 2).

² Data have been revised.

³ Year-on-year basis.

2.b REAL SECTOR INDICATORS AND PRICES

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Industrial output ^{1,2}															
Increase/decrease ³ (at constant prices; working day adjusted data; %)	-13.6	-2.6	-3.5	5.3	4.4	12.0	9.8	13.7	12.8	18.6	20.6	19.3	21.7	11.5	15.7
Cargoes loaded and unloaded at ports															
Turnover (in thousands of tons)	5 134	4 543	5 182	4 995	5 171	5 452	5 483	5 021	4 764	5 274	4 617	4 726	5 200	5 209	5 250
Increase/decrease ³ (%)	3.4	-15.5	-10.1	-10.4	-5.0	-2.3	6.4	-2.1	-11.9	1.5	-11.5	7.0	1.3	14.6	1.3
Retail trade turnover ^{1,2}															
Turnover (at current prices; in millions of lats)	338.9	313.2	362.7	294.9	286.4	332.0	344.6	354.8	356.3	370.4	372.0	367.4	372.5	360.4	416.8
Increase/decrease ³ (at constant prices; %)	-29.9	-28.9	-27.5	-17.0	-15.2	-6.9	-4.2	-2.7	-1.4	0.8	5.4	9.2	9.9	15.1	14.9
Unemployment rate (%)	14.1	15.1	16.0	16.6	17.1	17.3	16.7	16.2	15.6	15.3	15.0	14.6	14.3	14.3	14.3
Producer prices ¹ (increase/decrease compared with the previous period; %)	0.1	-1.7	0.4	0.9	0.4	0.8	2.3	1.8	0.8	0.1	0.6	0.5	-0.5	-0.2	0.3
Consumer price inflation															
Year-on-year basis (%)	-0.9	-1.2	-1.2	-3.1	-4.2	-3.9	-2.7	-2.3	-1.4	-0.6	-0.3	0.4	1.0	1.9	2.5
Month-on-month basis (%)	-0.2	-0.7	-0.5	0.2	0	0.5	0.9	-0.1	0.4	0.2	-0.7	0.4	0.4	0.2	0.1
Annual core inflation (%)	-0.8	-1.6	-2.0	-5.0	-5.6	-5.0	-4.4	-4.2	-3.6	-3.5	-3.3	-2.5	-1.5	-0.6	-0.3
Financial surplus/deficit in the consolidated general government budget (in millions of lats)	-20.8	-73.6	-304.0	70.7	-87.8	-115.5	-55.6	32.9	-18.4	-12.8	-9.4	-98.0	-55.9	-90.3	-362.7

¹ Data are calculated according to the revised version of the EU statistical Classification of Economic Activities (NACE Rev. 2).

² Data have been revised.

³ Year-on-year basis.

3. MONETARY BASE

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Currency in circulation	745.6	739.5	788.2	752.4	767.7	774.2	827.1	819.0	838.3	856.4	864.5	866.8	885.5	888.9	937.9
Currency as percent of the monetary base	46.8	42.8	47.9	43.1	39.9	52.9	51.3	52.4	49.3	49.2	52.3	48.9	52.6	51.0	53.4
Deposits with the Bank of Latvia in lats	838.9	942.3	837.7	984.1	1 144.9	673.9	770.3	730.2	837.8	869.9	773.5	887.8	777.4	839.0	797.3
Deposits with the Bank of Latvia in foreign currencies	9.3	47.4	19.9	9.8	10.9	16.7	14.5	15.1	24.2	14.9	14.8	16.6	19.7	16.2	20.0
Deposits as percent of the monetary base	53.2	57.2	52.1	56.9	60.1	47.1	48.7	47.6	50.7	50.8	47.7	51.1	47.4	49.0	46.6
M0	1 593.8	1 729.2	1 645.8	1 746.3	1 923.5	1 464.9	1 611.8	1 564.2	1 700.4	1 741.2	1 652.7	1 771.2	1 682.6	1 744.2	1 755.2
Net foreign assets	3 169.8	3 338.0	3 313.1	3 412.9	3 524.3	3 899.7	3 779.3	3 868.1	3 920.4	3 939.4	4 088.0	4 139.8	4 224.2	4 203.5	4 032.1
Loans to MFIs	226.1	145.2	140.4	131.7	117.6	117.6	116.3	0	0	0	0	0	0	0	0
Credit to central government (net)	-1 539.2	-1 496.0	-1 291.9	-1 448.3	-1 334.4	-1 578.0	-1 430.8	-1 421.5	-1 400.8	-1 347.0	-1 372.3	-1 327.7	-1 399.7	-1 326.8	-1 081.0
Other items (net)	-262.9	-258.0	-515.9	-350.0	-384.0	-974.5	-853.0	-882.4	-819.2	-851.2	-1 063.0	-1 041.0	-1 141.9	-1 132.5	-1 195.8
Total	1 593.8	1 729.2	1 645.8	1 746.3	1 923.5	1 464.9	1 611.8	1 564.2	1 700.4	1 741.2	1 652.7	1 771.2	1 682.6	1 744.2	1 755.2

4. MONETARY AGGREGATES AND COUNTERPARTS

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Monetary aggregates															
M3	5 598.4	5 654.3	5 873.1	5 806.3	5 944.5	6 081.0	6 189.6	6 165.4	6 147.4	6 173.7	6 252.0	6 332.9	6 212.5	6 326.2	6 547.6
Repos	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Money market fund shares and units	79.1	85.6	76.1	91.4	101.8	98.3	98.4	99.9	98.1	97.5	103.2	94.6	92.3	88.7	81.4
Debt securities issued with maturity of up to 2 years	0.9	0.9	0.9	0.9	0.9	0	0	12.4	20.6	20.6	20.6	20.6	20.6	20.6	20.6
M2	5 518.4	5 567.9	5 796.2	5 714.1	5 841.7	5 982.7	6 091.3	6 053.1	6 028.7	6 055.6	6 128.1	6 217.7	6 099.6	6 216.9	6 445.6
Deposits with an agreed maturity of up to 2 years	2 399.3	2 411.8	2 565.2	2 542.8	2 596.1	2 641.2	2 664.3	2 632.0	2 491.5	2 496.4	2 532.7	2 573.7	2 405.4	2 449.8	2 430.6
Deposits redeemable at notice of up to 3 months	257.0	253.4	251.6	249.9	248.2	241.0	234.3	229.4	233.7	233.1	231.5	235.1	239.6	255.2	244.4
M1	2 862.1	2 902.6	2 979.3	2 921.4	2 997.5	3 100.4	3 192.7	3 191.7	3 303.5	3 326.1	3 364.0	3 408.9	3 454.5	3 511.9	3 770.6
Currency outside MFIs	641.8	639.6	667.3	653.0	666.5	669.2	713.9	715.3	733.6	750.8	758.5	760.1	776.6	775.5	807.4
Overnight deposits	2 220.3	2 263.1	2 312.0	2 268.4	2 331.0	2 431.2	2 478.8	2 476.4	2 569.9	2 575.3	2 605.5	2 648.8	2 677.9	2 736.4	2 963.2
Counterparts of monetary aggregates and longer-term financial liabilities															
Deposits of central government	2 181.4	2 140.2	1 932.2	2 089.1	2 046.4	2 293.3	2 146.3	2 168.8	2 199.6	2 046.2	2 094.5	2 050.6	2 121.9	2 048.5	1 792.7
Longer-term financial liabilities	2 141.9	2 106.7	2 224.4	2 242.0	2 301.6	2 223.6	2 212.7	2 293.6	2 237.9	2 197.6	2 315.2	2 322.5	2 299.9	2 295.1	2 295.2
Deposits with an agreed maturity of over 2 years	162.6	159.5	159.3	158.2	158.9	160.3	162.6	241.1	206.8	203.4	213.1	213.3	193.3	187.0	203.1
Deposits redeemable at notice of over 3 months	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0	0	0	0	0
Debt securities issued with maturity of over 2 years	153.6	152.3	152.6	149.3	157.7	157.8	158.0	171.4	171.6	171.2	168.6	175.6	173.2	154.8	155.3
Capital and reserves	1 825.5	1 794.8	1 912.4	1 934.5	1 984.9	1 905.3	1 892.0	1 880.9	1 859.4	1 823.0	1 933.6	1 933.5	1 933.3	1 953.2	1 936.8
Credit to residents	14 627.3	14 467.6	14 269.7	14 244.5	14 160.7	14 054.0	13 897.0	13 868.4	13 767.7	13 644.5	13 613.3	13 522.6	13 408.0	13 352.6	13 209.7
Credit to general government	665.0	580.8	590.8	641.9	644.0	664.3	583.3	554.2	553.8	543.1	516.7	503.1	518.8	530.2	563.8
Credit to other residents	13 962.3	13 886.9	13 678.9	13 602.5	13 516.7	13 389.8	13 313.7	13 314.2	13 213.9	13 101.3	13 096.6	13 019.5	12 889.1	12 822.4	12 645.9
Loans	13 796.7	13 718.8	13 514.9	13 444.6	13 352.9	13 217.3	13 136.5	13 124.0	13 007.8	12 893.7	12 885.2	12 808.1	12 669.6	12 596.6	12 399.3
Net external assets	-3 525.3	-3 333.2	-3 021.6	-2 827.8	-2 551.9	-1 939.7	-1 893.8	-1 826.7	-1 720.4	-1 658.0	-1 470.6	-1 320.1	-1 360.5	-1 266.0	-1 219.8
Other items (net)	1 180.2	1 233.3	1 218.5	1 279.2	1 316.5	1 516.5	1 454.5	1 460.9	1 462.4	1 569.0	1 481.0	1 496.5	1 413.2	1 416.8	1 354.9

5. SEASONALLY ADJUSTED MONETARY AGGREGATES

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
M1	2 891.1	2 931.6	2 930.4	2 968.5	3 041.3	3 146.7	3 206.2	3 192.4	3 227.8	3 265.3	3 328.5	3 416.3	3 467.7	3 542.5	3 724.4
M2	5 593.1	5 650.5	5 743.3	5 766.9	5 859.9	5 969.3	6 028.7	6 028.1	5 958.7	6 011.7	6 111.6	6 256.1	6 189.3	6 305.6	6 381.8
M3	5 671.4	5 740.9	5 818.0	5 859.2	5 965.4	6 064.8	6 125.2	6 142.6	6 077.9	6 131.9	6 233.8	6 375.0	6 306.9	6 419.1	6 483.9

6. THE BANK OF LATVIA'S ASSETS AND LIABILITIES

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
ASSETS															
Loans to residents	226.1	145.2	140.4	131.7	117.6	117.6	116.3	0	0	0	0	0	0	0	0
General government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other residents	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MFIs	226.1	145.2	140.4	131.7	117.6	117.6	116.3	0	0	0	0	0	0	0	0
Holdings of securities other than shares issued by residents	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other residents	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MFIs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holdings of shares and other equity issued by residents	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
External assets	3 186.3	3 382.1	3 384.6	3 454.5	3 564.3	3 921.7	3 821.6	3 917.5	3 938.7	3 960.6	4 117.5	4 175.8	4 279.4	4 268.3	4 074.6
Fixed assets	33.2	33.1	33.2	33.0	32.8	32.6	32.3	32.1	31.9	32.0	31.8	31.7	31.5	31.3	31.0
Remaining assets	4.3	4.1	2.0	2.7	3.6	2.0	2.7	1.2	1.2	1.2	1.3	1.4	1.2	1.2	1.7
Total	3 449.9	3 564.5	3 560.3	3 621.9	3 718.3	4 073.9	3 972.9	3 950.7	3 971.8	3 993.7	4 150.6	4 208.9	4 312.1	4 300.8	4 107.3
LIABILITIES															
Currency in circulation	745.6	739.5	788.2	752.4	767.7	774.2	827.1	819.0	838.3	856.4	864.5	866.8	885.5	888.9	937.9
Deposits of residents	2 387.8	2 486.0	2 409.6	2 526.7	2 599.9	2 940.0	2 830.6	2 803.8	2 830.5	2 827.8	2 954.9	3 004.8	3 073.8	3 049.4	2 828.0
Central government	1 539.2	1 496.0	1 291.9	1 448.3	1 334.4	1 578.0	1 430.8	1 421.5	1 400.8	1 347.0	1 372.3	1 327.7	1 399.7	1 326.8	1 081.0
Other residents	2.1	2.1	1.9	2.5	2.4	2.1	3.0	3.6	4.0	11.2	20.2	40.2	49.3	56.3	56.7
MFIs	846.5	987.9	1 115.7	1 075.9	1 263.1	1 360.0	1 396.8	1 378.6	1 425.7	1 469.6	1 562.4	1 637.0	1 624.8	1 666.3	1 690.2
Debt securities issued	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital and reserves	296.4	288.4	287.7	298.0	307.5	310.2	268.4	275.3	281.6	286.1	299.0	298.6	294.8	294.4	296.6
External liabilities	16.6	44.1	71.5	41.7	40.0	22.0	42.3	49.4	18.3	21.2	29.5	36.0	55.2	64.7	42.6
Remaining liabilities	3.6	6.5	3.4	3.1	3.1	27.5	4.6	3.3	3.1	2.3	2.8	2.7	2.8	3.3	2.3
Total	3 449.9	3 564.5	3 560.3	3 621.9	3 718.3	4 073.9	3 972.9	3 950.7	3 971.8	3 993.7	4 150.6	4 208.9	4 312.1	4 300.8	4 107.3

7. AGGREGATED BALANCE SHEET OF MFIs (EXCLUDING THE BANK OF LATVIA)

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
ASSETS															
Loans to residents	15 109.9	15 225.8	15 068.9	14 925.6	15 031.2	14 978.2	14 844.8	14 860.0	14 695.0	14 617.7	14 705.3	14 749.3	14 618.8	14 583.1	14 434.9
General government	157.7	157.5	156.5	155.0	154.4	152.1	66.8	66.9	67.8	66.3	65.7	65.1	66.0	65.6	64.6
Other residents	13 796.7	13 718.8	13 514.9	13 444.6	13 352.9	13 217.3	13 136.5	13 124.0	13 007.8	12 893.7	12 885.2	12 808.1	12 669.6	12 596.6	12 399.3
MFIs	1 155.5	1 349.5	1 397.5	1 326.0	1 524.0	1 608.8	1 641.4	1 669.1	1 619.5	1 657.8	1 754.4	1 876.1	1 883.1	1 921.0	1 971.0
Holdings of securities other than shares issued by residents	539.3	454.8	467.2	518.2	516.2	541.2	545.8	512.4	510.4	500.4	471.9	459.5	474.5	486.4	520.8
General government	507.3	423.2	434.3	486.9	489.7	512.2	516.5	487.3	486.0	476.8	451.0	437.9	452.8	464.7	499.2
Other residents	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
MFIs	31.9	31.5	32.9	31.2	26.4	28.9	29.3	25.1	24.2	23.5	20.9	21.5	21.6	21.7	21.5
Money market fund shares and units	x	x	x	x	x	x	x	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Holdings of shares and other equity issued by residents	165.5	168.0	164.0	157.9	163.7	172.4	177.1	190.2	206.0	207.6	211.3	211.3	219.4	225.7	246.5
External assets	4 677.4	4 458.3	4 854.9	4 770.4	4 500.4	4 660.1	4 829.3	4 804.5	4 765.9	4 742.8	4 905.8	4 579.5	4 720.1	4 962.9	5 559.6
Fixed assets	156.4	154.6	148.5	146.7	144.9	135.2	134.0	106.0	93.9	92.8	91.4	90.2	120.5	119.0	121.0
Remaining assets	551.9	580.1	597.6	575.9	577.5	594.3	609.0	601.1	609.9	599.9	630.7	622.4	623.1	634.3	658.2
Total	21 200.4	21 041.6	21 301.1	21 094.7	20 934.0	21 081.4	21 140.1	21 074.5	20 881.5	20 761.5	21 016.9	20 712.6	20 776.8	21 011.9	21 541.4
LIABILITIES															
Deposits of residents	5 991.9	6 094.7	6 211.4	6 111.7	6 310.4	6 436.1	6 497.9	6 605.7	6 492.1	6 490.9	6 480.6	6 593.2	6 451.0	6 552.3	6 782.0
Central government	642.3	644.1	640.2	640.8	711.9	715.4	715.5	747.2	798.8	699.2	722.2	723.0	722.2	721.6	711.7
Other residents	5 037.3	5 085.8	5 286.3	5 216.8	5 331.9	5 471.8	5 537.0	5 575.4	5 497.9	5 497.0	5 562.6	5 630.8	5 467.0	5 572.1	5 784.6
MFIs	312.4	364.8	284.9	254.1	266.5	248.9	245.4	283.0	195.3	294.7	195.8	239.5	261.7	258.5	285.6
Money market fund shares and units	79.1	85.6	76.1	91.4	101.8	98.3	98.4	100.3	98.5	97.9	103.6	94.9	92.7	89.1	81.8
Debt securities issued	154.5	153.2	153.5	150.2	158.6	157.8	158.0	183.8	192.2	191.8	189.2	196.2	193.8	175.4	175.9
Capital and reserves	1 529.1	1 506.4	1 624.7	1 636.5	1 677.4	1 595.2	1 623.6	1 605.7	1 577.9	1 536.9	1 634.6	1 634.9	1 638.6	1 658.8	1 640.1
External liabilities	11 372.5	11 129.5	11 189.7	11 011.1	10 576.5	10 499.6	10 502.3	10 499.3	10 406.6	10 340.2	10 464.4	10 039.4	10 304.8	10 432.5	10 811.4
Remaining liabilities	2 073.3	2 072.2	2 045.7	2 093.8	2 109.3	2 294.4	2 259.8	2 079.8	2 114.2	2 103.9	2 144.6	2 153.9	2 096.0	2 103.8	2 050.3
Total	21 200.4	21 041.6	21 301.1	21 094.7	20 934.0	21 081.4	21 140.1	21 074.5	20 881.5	20 761.5	21 016.9	20 712.6	20 776.8	21 011.9	21 541.4

8. CONSOLIDATED BALANCE SHEET OF MFIs

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
ASSETS															
Loans to residents	13 954.4	13 876.3	13 671.4	13 599.6	13 507.2	13 369.4	13 203.3	13 190.9	13 075.5	12 960.0	12 950.9	12 873.2	12 735.6	12 662.2	12 463.9
General government	157.7	157.5	156.5	155.0	154.4	152.1	66.8	66.9	67.8	66.3	65.7	65.1	66.0	65.6	64.6
Other residents	13 796.7	13 718.8	13 514.9	13 444.6	13 352.9	13 217.3	13 136.5	13 124.0	13 007.8	12 893.7	12 885.2	12 808.1	12 669.6	12 596.6	12 399.3
Holdings of securities other than shares issued by other residents	507.4	423.3	434.4	487.0	489.7	512.3	516.5	487.4	486.1	476.9	451.1	438.0	452.9	464.7	499.3
General government	507.3	423.2	434.3	486.9	489.7	512.2	516.5	487.3	486.0	476.8	451.0	437.9	452.8	464.7	499.2
Other residents	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Holdings of shares and other equity issued by other residents	165.5	168.0	164.0	157.9	163.7	172.4	177.1	190.2	206.0	207.6	211.3	211.3	219.4	225.7	246.5
External assets	7 863.7	7 840.4	8 239.5	8 224.9	8 064.7	8 581.8	8 650.9	8 721.9	8 704.5	8 703.4	9 023.3	8 755.3	8 999.5	9 231.2	9 634.2
Fixed assets	189.6	187.6	181.7	179.7	177.7	167.7	166.4	138.2	125.8	124.8	123.2	121.9	152.0	150.3	152.0
Remaining assets	452.5	484.3	478.9	479.2	479.9	491.4	498.6	498.4	506.6	495.4	526.0	517.1	515.4	522.1	529.4
Total	23 133.1	22 980.0	23 169.8	23 128.3	22 883.0	23 294.9	23 212.8	23 227.0	23 104.5	22 968.0	23 285.8	22 916.9	23 074.9	23 256.2	23 525.3
LIABILITIES															
Currency outside MFIs	641.8	639.6	667.3	653.0	666.5	669.2	713.9	715.3	733.6	750.8	758.5	760.1	776.6	775.5	807.4
Deposits of central government	2 181.4	2 140.2	1 932.2	2 089.1	2 046.4	2 293.3	2 146.3	2 168.8	2 199.6	2 046.2	2 094.5	2 050.6	2 121.9	2 048.5	1 792.7
Deposits of other general government and other residents	5 039.3	5 087.9	5 288.2	5 219.3	5 334.3	5 473.9	5 540.0	5 579.1	5 501.9	5 508.3	5 582.8	5 671.0	5 516.3	5 628.4	5 841.4
Money market fund shares and units	79.1	85.6	76.1	91.4	101.8	98.3	98.4	99.9	98.1	97.5	103.2	94.6	92.3	88.7	81.4
Debt securities issued	122.6	121.7	120.6	119.1	132.2	128.9	128.7	158.8	168.0	168.3	168.3	174.7	172.2	153.7	154.4
Capital and reserves	1 825.5	1 794.8	1 912.4	1 934.5	1 984.9	1 905.3	1 892.0	1 880.9	1 859.4	1 823.0	1 933.6	1 933.5	1 933.3	1 953.2	1 936.8
External liabilities	11 389.0	11 173.6	11 261.2	11 052.7	10 616.5	10 521.5	10 544.7	10 548.6	10 424.9	10 361.3	10 493.9	10 075.4	10 360.0	10 497.2	10 854.0
Remaining liabilities	1 851.0	1 933.4	1 908.8	1 965.2	1 994.4	2 204.3	2 148.0	2 083.1	2 117.3	2 106.2	2 147.3	2 156.7	2 098.8	2 107.2	2 052.3
Excess of inter-MFI liabilities	3.4	3.2	3.1	4.1	6.1	0.1	0.7	-7.5	1.6	106.5	3.8	0.3	3.4	3.8	4.9
Total	23 133.1	22 980.0	23 169.8	23 128.3	22 883.0	23 294.9	23 212.8	23 227.0	23 104.5	22 968.0	23 285.8	22 916.9	23 074.9	23 256.2	23 525.3

9.a AGGREGATED BALANCE SHEET OF MFIs (EXCLUDING THE BANK OF LATVIA)

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
MFI reserves	946.8	1 084.3	1 233.0	1 171.9	1 359.8	1 461.5	1 506.4	1 482.3	1 526.4	1 567.7	1 664.9	1 740.2	1 730.2	1 776.2	1 817.3
Vault cash in national currency	103.8	99.9	120.8	99.4	101.3	105.0	113.1	103.7	104.7	105.7	106.0	106.7	108.9	113.4	130.6
Deposits with the Bank of Latvia	843.0	984.4	1 112.2	1 072.4	1 258.5	1 356.5	1 393.2	1 378.6	1 421.7	1 462.0	1 558.9	1 633.4	1 621.3	1 662.7	1 686.7
Foreign assets	4 677.4	4 458.3	4 854.9	4 770.4	4 500.4	4 660.1	4 829.3	4 804.5	4 765.9	4 742.8	4 905.8	4 579.5	4 720.1	4 962.9	5 559.6
Claims on the central government	591.7	508.0	519.1	572.0	574.4	600.5	520.3	491.2	489.6	479.9	454.0	441.0	456.0	467.8	502.3
Loans	84.4	84.8	84.8	85.0	84.7	88.3	3.9	3.9	3.6	3.1	3.1	3.1	3.1	3.1	3.0
Holdings of securities other than shares	507.3	423.2	434.3	486.9	489.7	512.2	516.5	487.3	486.0	476.8	451.0	437.9	452.8	464.7	499.2
Claims on the local government	73.3	72.8	71.8	70.0	69.6	63.8	62.9	63.0	64.2	63.2	62.6	62.1	62.9	62.5	61.5
Loans	73.3	72.8	71.8	70.0	69.6	63.8	62.9	63.0	64.2	63.2	62.6	62.1	62.9	62.5	61.5
Holdings of securities other than shares	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Claims on the financial institutions	814.2	821.2	729.6	694.3	646.9	608.1	627.8	654.4	641.6	630.7	622.2	615.0	622.4	616.5	610.5
Loans	686.6	690.9	624.9	595.8	548.4	501.4	484.9	490.1	469.8	457.5	448.9	442.0	441.2	429.1	411.6
Holdings of securities other than shares	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holdings of shares and other equity	127.6	130.3	104.7	98.5	98.5	106.7	142.9	164.3	171.7	173.2	173.3	173.0	181.2	187.4	198.9
Claims on public non-financial corporations	390.5	396.6	395.7	405.5	405.8	403.8	407.2	409.4	407.7	410.8	414.4	418.6	425.9	450.9	474.5
Loans	390.5	396.6	395.7	405.5	405.8	403.8	407.2	409.4	407.7	410.8	414.4	418.6	425.9	450.9	474.5
Holdings of securities other than shares	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holdings of shares and other equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Claims on private non-financial corporations	6 604.4	6 548.1	6 465.4	6 437.2	6 418.7	6 364.7	6 291.4	6 272.9	6 212.5	6 145.4	6 167.0	6 131.0	6 042.6	5 983.8	5 820.0
Loans	6 566.5	6 510.3	6 406.0	6 377.8	6 353.4	6 299.0	6 257.1	6 246.9	6 178.2	6 110.9	6 129.0	6 092.7	6 004.2	5 945.5	5 772.3
Holdings of securities other than shares	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Holdings of shares and other equity	37.8	37.7	59.3	59.4	65.2	65.6	34.2	25.9	34.3	34.4	38.0	38.3	38.3	38.3	47.6
Claims on households	6 153.2	6 121.0	6 088.2	6 065.5	6 045.3	6 013.1	5 987.3	5 977.6	5 952.1	5 914.5	5 893.0	5 854.9	5 798.2	5 771.1	5 740.9
Loans	6 153.2	6 121.0	6 088.2	6 065.5	6 045.3	6 013.1	5 987.3	5 977.6	5 952.1	5 914.5	5 893.0	5 854.9	5 798.2	5 771.1	5 740.9
Holdings of securities other than shares	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fixed assets	156.4	154.6	148.5	146.7	144.9	135.2	134.0	106.0	93.9	92.8	91.4	90.2	120.5	119.0	121.0
Other assets	448.1	480.2	476.8	476.5	476.3	489.3	495.9	497.2	505.2	494.2	524.7	515.7	514.2	520.9	527.6
Claims on resident MFIs	312.5	365.1	285.3	253.6	265.4	252.3	248.2	290.5	197.8	195.8	195.5	242.6	261.8	258.2	284.3
Holdings of MFI securities other than shares	31.9	31.5	32.9	31.2	26.4	28.9	29.3	25.1	24.2	23.5	20.9	21.5	21.6	21.7	21.5
Money market fund shares and units	x	x	x	x	x	x	x	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Holdings of MFI shares and other equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ASSETS	21 200.4	21 041.6	21 301.1	21 094.7	20 934.0	21 081.4	21 140.1	21 074.5	20 881.5	20 761.5	21 016.9	20 712.6	20 776.8	21 011.9	21 541.4

9.b AGGREGATED BALANCE SHEET OF MFIs (EXCLUDING THE BANK OF LATVIA)

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Overnight deposits in lats	1 008.0	1 056.4	1 114.9	1 095.0	1 147.5	1 210.9	1 258.2	1 285.7	1 352.4	1 389.6	1 409.4	1 439.8	1 463.0	1 494.5	1 662.7
Financial institutions	43.5	46.3	38.8	57.6	92.0	71.6	81.4	82.8	86.7	88.7	88.6	88.2	87.3	83.5	106.2
Public non-financial corporations	67.2	75.9	70.4	76.6	73.1	93.8	79.4	83.5	93.6	93.5	84.2	67.8	83.8	81.8	87.1
Private non-financial corporations	410.8	431.3	448.2	444.2	440.7	448.0	471.4	496.6	502.3	524.8	566.9	601.3	599.9	616.3	698.8
Households	486.6	502.8	557.5	516.6	541.7	597.5	625.9	622.7	669.8	682.5	669.7	682.5	692.0	712.9	770.5
Time deposits in lats	994.3	1 016.4	1 119.6	1 119.1	1 188.7	1 210.2	1 226.1	1 269.5	1 181.1	1 173.2	1 157.1	1 173.6	1 110.6	1 094.5	1 031.3
Financial institutions	249.1	254.5	296.6	256.3	265.7	271.9	280.3	284.3	293.1	294.7	293.7	306.1	307.9	302.0	283.7
Public non-financial corporations	192.8	208.8	200.9	231.2	244.7	261.6	275.0	284.4	208.3	206.6	218.7	244.3	213.8	199.7	155.2
Private non-financial corporations	91.1	88.9	117.9	120.6	163.2	181.0	178.1	188.3	181.5	175.9	150.7	136.0	134.5	152.2	165.5
Households	461.3	464.2	504.2	511.0	515.1	495.7	492.7	512.4	498.2	496.0	494.1	487.3	454.4	440.7	426.9
Deposits redeemable at notice in lats	49.2	51.5	51.7	53.2	55.9	57.8	58.9	57.4	58.6	62.6	65.4	67.8	71.7	80.7	80.8
Financial institutions	0.8	1.5	3.9	5.2	5.1	5.7	5.3	5.6	5.9	6.4	7.5	7.5	8.1	7.2	7.2
Public non-financial corporations	0.5	0.7	0.7	0.8	0.9	0.7	0.8	1.1	1.1	1.1	1.0	1.2	1.5	1.5	1.2
Private non-financial corporations	7.1	7.8	8.0	8.6	11.6	11.5	11.2	8.3	7.1	8.7	9.0	9.8	10.7	15.3	16.0
Households	40.9	41.5	39.1	38.7	38.3	39.9	41.6	42.5	44.5	46.4	47.9	49.3	51.4	56.7	56.4
Repos in lats	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Foreign currency deposits of residents	2 823.6	2 803.2	2 866.8	2 814.5	2 792.7	2 833.0	2 822.4	2 776.3	2 720.7	2 685.0	2 729.7	2 749.1	2 617.2	2 684.0	2 807.9
Financial institutions	329.7	340.3	380.6	368.7	380.5	391.6	396.5	322.2	317.6	324.0	325.8	340.2	190.8	186.4	199.0
Public non-financial corporations	62.2	52.8	50.6	34.6	34.2	82.7	67.6	92.1	44.4	43.5	52.1	55.8	61.0	84.7	114.5
Private non-financial corporations	677.5	668.6	663.6	660.6	641.8	635.0	642.5	641.8	633.3	628.2	670.4	680.3	697.1	740.5	802.4
Households	1 754.3	1 741.5	1 771.9	1 750.5	1 736.1	1 723.7	1 715.8	1 720.2	1 725.3	1 689.2	1 681.5	1 672.7	1 668.2	1 672.4	1 692.0
Deposits of central government	642.3	644.1	640.2	640.8	711.9	715.4	715.5	747.2	798.8	699.2	722.2	723.0	722.2	721.6	711.7
Overnight deposits in lats	5.6	8.9	7.2	5.6	3.9	6.4	5.1	5.9	5.6	6.7	8.0	8.3	10.5	11.7	15.3
Time deposits in lats	19.0	17.9	16.5	18.7	11.8	12.3	14.0	22.8	38.3	35.9	35.6	44.4	42.3	39.8	31.7
Deposits redeemable at notice and repos in lats	0.4	0.1	0	0.2	0.1	0.3	0	0	0.1	0.6	0.6	0.6	0.6	0.7	0.1
Foreign currency deposits	617.3	617.2	616.5	616.4	696.2	696.4	696.4	718.5	754.8	655.9	678.0	669.7	668.8	669.4	664.6
Deposits of local government	162.1	158.3	133.3	135.0	147.1	159.8	171.5	186.6	185.0	186.7	201.0	200.6	204.6	218.4	202.0
Overnight deposits in lats	103.6	102.3	73.3	73.4	87.8	97.9	100.3	122.7	120.5	121.6	136.7	134.3	136.0	147.7	140.4
Time deposits in lats	10.1	7.4	13.2	14.3	10.6	10.8	18.3	10.9	10.2	11.3	11.4	14.7	19.9	20.2	16.2
Deposits redeemable at notice and repos in lats	0.7	0.7	1.2	1.6	1.6	1.9	1.9	2.7	4.7	4.3	4.0	4.9	4.6	5.6	3.1
Foreign currency deposits	47.6	48.0	45.6	45.7	47.2	49.2	51.0	50.3	49.7	49.5	48.8	46.7	44.1	45.0	42.2
Transit funds	3.2	3.0	3.0	3.0	3.0	3.0	3.0	x	x	x	x	x	x	x	x
Foreign liabilities	11 372.5	11 129.5	11 189.7	11 011.1	10 576.5	10 499.6	10 502.3	10 499.3	10 406.6	10 340.2	10 464.4	10 039.4	10 304.8	10 432.5	10 811.4

9.b AGGREGATED BALANCE SHEET OF MFIs (EXCLUDING THE BANK OF LATVIA) (CONT.)

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Liabilities to the Bank of Latvia	226.1	145.2	140.4	131.7	118.1	117.6	116.3	0	0	0	0	0	0	0	0
Money market fund shares and units	79.1	85.6	76.1	91.4	101.8	98.3	98.4	100.3	98.5	97.9	103.6	94.9	92.7	89.1	81.8
Debt securities issued	154.5	153.2	153.5	150.2	158.6	157.8	158.0	183.8	192.2	191.8	189.2	196.2	193.8	175.4	175.9
Capital and reserves	1 529.1	1 506.4	1 624.7	1 636.5	1 677.4	1 595.2	1 623.6	1 605.7	1 577.9	1 536.9	1 634.6	1 634.9	1 638.6	1 658.8	1 640.1
Residents	507.9	478.8	392.8	391.6	432.5	350.1	378.5	343.0	313.0	272.1	356.8	357.0	354.0	356.7	337.9
Retained earnings of the reporting year	-636.7	-713.0	-762.0	-34.8	-58.3	-131.3	-173.6	-203.1	-244.7	-297.7	-293.0	-307.4	-314.0	-311.1	-339.4
Non-residents	1 021.2	1 027.6	1 231.8	1 244.8	1 244.8	1 245.1	1 245.1	1 262.7	1 264.9	1 264.9	1 277.8	1 277.9	1 284.5	1 302.1	1 302.2
Provisions	1 417.2	1 507.1	1 526.7	1 559.2	1 604.9	1 707.1	1 742.8	1 777.5	1 816.0	1 852.9	1 827.4	1 807.4	1 788.8	1 779.1	1 741.5
Other liabilities (incl. subordinated liabilities)	426.8	416.9	375.7	399.9	383.4	466.7	397.7	302.3	298.4	251.0	317.2	346.6	307.2	324.7	308.8
Liabilities to resident MFIs	312.4	364.8	284.9	254.1	266.5	248.9	245.4	283.0	195.3	294.7	195.8	239.5	261.7	258.5	285.6
TOTAL LIABILITIES	21 200.4	21 041.6	21 301.1	21 094.7	20 934.0	21 081.4	21 140.1	21 074.5	20 881.5	20 761.5	21 016.9	20 712.6	20 776.8	21 011.9	21 541.4
Memo items															
Trust assets	316.5	357.7	391.5	405.1	430.2	422.1	387.5	375.8	533.5	414.5	424.0	439.1	446.9	472.7	408.5
Foreign	208.1	251.2	282.7	294.1	319.7	313.5	295.5	307.8	452.4	330.4	347.1	370.9	375.7	404.8	338.7
Domestic	108.4	106.6	108.8	111.0	110.5	108.6	92.0	68.0	81.1	84.1	76.9	68.2	71.2	67.9	69.7
Trust liabilities	316.5	357.7	391.5	405.1	430.2	422.1	387.5	375.8	533.5	414.5	424.0	439.1	446.9	472.7	408.5
Foreign	257.6	300.6	335.4	348.8	359.0	350.1	316.5	308.7	473.8	354.0	368.6	382.4	391.9	417.5	352.6
Domestic	59.0	57.1	56.0	56.2	71.2	72.0	71.0	67.1	59.8	60.5	55.4	56.7	55.0	55.2	55.9

10. MONETARY SURVEY

(at end of period; in millions of lats)

	Currency outside MFIs	Overnight deposits (resident)				Time deposits (resident)				Total (M2X)
		Households	Financial institutions and private non-financial corporations	Public non-financial corporations		Households	Financial institutions and private non-financial corporations	Public non-financial corporations		
2009										
X	641.8	2 082.5	985.1	1 019.1	78.3	2 792.7	1 757.9	790.4	244.4	5 517.0
XI	639.6	2 126.3	1 003.8	1 029.3	93.2	2 801.2	1 746.3	809.9	245.0	5 567.0
XII	667.3	2 206.2	1 094.9	1 026.6	84.7	2 946.8	1 777.8	931.0	238.0	5 820.3
2010										
I	653.0	2 161.9	1 043.9	1 028.9	89.1	2 919.9	1 772.8	893.0	254.1	5 734.8
II	666.5	2 208.9	1 057.4	1 067.3	84.2	2 975.9	1 773.8	933.4	268.7	5 851.3
III	669.2	2 297.3	1 130.0	1 061.1	106.2	3 014.7	1 726.7	955.3	332.7	5 981.2
IV	713.9	2 339.7	1 149.5	1 102.4	87.8	3 025.9	1 726.5	964.3	335.1	6 079.5
V	715.3	2 313.4	1 162.4	1 052.8	98.2	3 075.4	1 735.4	977.1	362.9	6 104.1
VI	733.6	2 410.9	1 242.0	1 062.7	106.2	2 901.9	1 695.8	964.9	241.2	6 046.5
VII	750.8	2 410.6	1 225.8	1 080.4	104.4	2 899.7	1 688.3	971.1	240.3	6 061.1
VIII	758.5	2 427.9	1 208.6	1 124.8	94.5	2 933.8	1 684.6	987.7	261.5	6 120.1
IX	760.1	2 476.6	1 217.5	1 181.3	77.8	2 953.6	1 674.3	988.0	291.3	6 190.3
X	776.6	2 507.2	1 236.0	1 178.1	93.1	2 755.4	1 630.1	858.3	267.0	6 039.1
XI	775.5	2 553.6	1 257.1	1 202.9	93.6	2 800.0	1 625.5	900.6	273.9	6 129.2
XII	807.4	2 782.1	1 334.9	1 347.1	100.1	2 800.6	1 610.9	931.8	257.9	6 390.0
	Net foreign assets	Net domestic assets							Total (M2X)	
		Credit to residents					Other items (net)			
		General government (net)	Households	Financial institutions and private non-financial corporations	Public non-financial corporations					
2009										
X	-3 525.3	12 283.8	-1 678.5	6 153.2	7 418.6	390.5	-3 241.5	9 042.3	5 517.0	
XI	-3 333.2	12 169.2	-1 717.7	6 121.0	7 369.3	396.6	-3 269.0	8 900.2	5 567.0	
XII	-3 021.6	12 204.3	-1 474.6	6 088.2	7 195.0	395.7	-3 362.4	8 841.9	5 820.3	
2010										
I	-2 827.8	12 020.3	-1 582.2	6 065.5	7 131.5	405.5	-3 457.7	8 562.6	5 734.8	
II	-2 551.9	11 967.3	-1 549.4	6 045.3	7 065.6	405.8	-3 564.1	8 403.2	5 851.3	
III	-1 939.7	11 600.9	-1 788.8	6 013.1	6 972.8	403.8	-3 680.0	7 920.9	5 981.2	
IV	-1 893.8	11 579.2	-1 734.5	5 987.3	6 919.2	407.2	-3 605.9	7 973.3	6 079.5	
V	-1 826.7	11 513.0	-1 801.2	5 977.6	6 927.2	409.4	-3 582.2	7 930.8	6 104.1	
VI	-1 720.4	11 383.1	-1 830.8	5 952.1	6 854.1	407.7	-3 616.2	7 766.9	6 046.5	
VII	-1 658.0	11 411.7	-1 689.7	5 914.5	6 776.1	410.8	-3 692.6	7 719.1	6 061.1	
VIII	-1 470.6	11 317.8	-1 778.8	5 893.0	6 789.2	414.4	-3 727.1	7 590.7	6 120.1	
IX	-1 320.1	11 271.4	-1 748.1	5 854.8	6 746.1	418.6	-3 761.0	7 510.4	6 190.3	
X	-1 360.5	11 081.5	-1 807.6	5 798.2	6 665.0	425.9	-3 681.9	7 399.6	6 039.1	
XI	-1 266.0	11 085.6	-1 736.7	5 771.1	6 600.3	450.9	-3 690.4	7 395.2	6 129.2	
XII	-1 219.8	11 215.1	-1 430.8	5 740.9	6 430.5	474.5	-3 605.3	7 609.8	6 390.0	

11.a FOREIGN ASSETS AND LIABILITIES OF MFIs (EXCLUDING THE BANK OF LATVIA)

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Claims on MFIs	2 812.1	2 643.6	2 983.3	2 892.5	2 601.0	2 739.7	2 820.6	2 660.5	2 617.6	2 579.2	2 662.2	2 464.5	2 603.9	2 771.7	3 309.9
Loans															
Overnight	1 721.5	1 525.6	1 539.9	1 496.0	1 412.3	1 655.8	1 559.7	1 418.5	1 588.5	1 477.9	1 684.7	1 487.4	1 310.6	1 631.3	1 916.4
Short-term	501.2	550.9	886.1	863.5	650.9	551.9	800.9	794.7	622.5	704.3	570.7	592.1	905.3	754.7	1 010.4
Long-term	52.4	52.1	55.5	54.6	58.8	56.0	56.7	57.9	32.1	32.1	29.7	29.9	31.1	34.0	25.8
Redeemable at notice	0.1	0.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Holdings of securities other than shares	459.6	424.4	424.4	400.9	401.5	398.5	325.7	311.7	296.4	287.2	314.3	292.1	298.7	293.5	299.9
Holdings of shares and other equity	0.1	0.1	0.2	0.2	0.2	0.3	0.3	0.4	0.8	0.4	0.5	0.5	0.6	0.7	0.7
Other claims	77.1	90.1	77.2	77.2	77.2	77.2	77.2	77.2	77.2	77.2	62.2	62.2	57.5	57.5	56.5
Claims on non-MFIs	1 712.9	1 650.2	1 712.5	1 702.1	1 724.3	1 768.4	1 840.8	1 936.8	1 955.7	1 998.0	2 050.2	1 941.0	1 904.2	1 993.0	2 045.5
Loans															
Short-term	284.2	245.2	246.3	235.9	260.4	318.4	324.1	389.9	397.0	443.4	471.8	430.5	411.3	451.8	471.8
Long-term	1 056.8	1 044.5	1 095.3	1 097.4	1 102.5	1 074.3	1 077.8	1 056.9	1 057.1	1 032.3	1 057.6	994.4	990.2	983.2	984.5
Holdings of securities other than shares															
Government	172.7	164.4	160.3	147.3	138.1	168.0	243.9	270.6	279.1	311.3	304.3	297.3	283.4	339.0	374.1
Private sector	158.0	155.4	158.5	167.7	169.0	152.4	138.5	164.6	167.4	156.4	161.1	164.2	164.7	166.9	165.5
Holdings of shares and other equity	28.7	28.2	25.9	26.8	27.0	27.4	27.3	25.6	25.9	25.3	26.1	25.4	25.4	22.9	21.0
Other claims	12.5	12.5	26.3	26.9	27.5	27.9	29.2	29.2	29.2	29.2	29.2	29.2	29.2	29.2	28.7
Vault cash in foreign currencies	61.6	64.8	63.4	68.1	67.4	67.9	67.8	75.7	74.1	70.0	81.6	64.1	68.9	66.9	76.2
Other assets															
Other assets	90.8	99.7	95.6	107.7	107.6	84.1	100.1	131.5	118.5	95.6	111.7	109.9	143.2	131.4	128.0
Total foreign assets	4 677.4	4 458.3	4 854.8	4 770.4	4 500.4	4 660.1	4 829.3	4 804.5	4 765.9	4 742.8	4 905.8	4 579.5	4 720.1	4 962.9	5 559.6
Memo items															
Trust assets	208.1	251.2	282.7	294.1	319.7	313.5	295.5	307.8	452.4	330.4	347.1	370.9	375.7	404.8	338.7

11.b FOREIGN ASSETS AND LIABILITIES OF MFIs (EXCLUDING THE BANK OF LATVIA)

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Liabilities to MFIs															
Overnight	225.4	170.5	170.5	285.3	341.1	385.5	362.1	342.7	396.5	413.7	451.9	563.9	709.6	653.5	446.5
Short-term	532.7	470.0	491.2	410.1	464.8	458.6	439.8	552.5	738.5	687.1	607.7	579.7	696.6	878.8	1 059.0
Long-term	7 030.7	6 878.6	6 712.6	6 507.0	6 134.0	5 719.8	5 676.9	5 881.0	5 561.9	5 528.4	5 491.5	5 229.3	5 088.4	4 899.9	4 953.1
Redeemable at notice	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From which liabilities to associated and affiliated MFIs	6 180.0	5 858.3	5 892.0	5 694.4	5 584.3	5 410.6	5 356.4	5 581.8	5 648.0	5 518.1	5 556.8	5 508.2	5 696.3	5 629.7	5 743.7
Non-MFI deposits															
Overnight	1 828.8	1 884.0	1 927.9	2 064.9	2 023.8	2 069.7	2 306.0	2 340.9	2 353.8	2 412.1	2 506.2	2 320.2	2 374.6	2 539.1	2 840.2
Short-term	914.4	884.7	998.1	884.8	769.1	764.6	750.7	746.1	687.2	626.2	689.3	611.4	625.9	682.9	747.6
Long-term	118.0	119.4	154.1	146.4	147.6	278.2	267.8	335.3	378.8	388.7	385.8	425.9	450.1	456.9	442.8
Redeemable at notice	144.3	142.7	181.7	171.0	173.1	149.7	171.6	172.4	170.2	161.4	178.9	170.1	221.5	169.5	183.0
Other liabilities															
Other liabilities ¹	578.2	579.6	554.0	541.6	523.0	673.5	527.4	128.5	119.6	122.7	153.1	138.9	138.0	151.9	139.2
Total foreign liabilities	11 372.5	11 129.5	11 189.9	11 011.1	10 576.5	10 499.6	10 502.3	10 499.3	10 406.6	10 340.2	10 464.4	10 039.4	10 304.8	10 432.5	10 811.4
Memo items															
Trust liabilities	257.6	300.6	335.4	348.8	359.0	350.1	316.5	308.7	473.8	354.0	368.6	382.4	391.9	417.5	352.6

¹ Including subordinated liabilities.

12. COUNTRY BREAKDOWN OF MFI (EXCLUDING THE BANK OF LATVIA) SELECTED FOREIGN ASSETS AND FOREIGN LIABILITIES

(at end of period; in millions of lats)

	2010			
	Q1	Q2	Q3	Q4
Foreign assets ¹	4 592.2	4 691.8	4 515.4	5 483.4
Claims on MFIs	2 263.8	2 243.2	2 109.6	2 952.8
EU	1 617.5	1 690.0	1 545.6	2 173.4
incl. EMU	764.1	794.5	692.1	1 053.8
Other countries	646.3	553.2	564.0	779.4
Loans to non-MFIs	1 392.7	1 454.1	1 424.9	1 456.3
EU	648.6	667.9	701.3	668.4
incl. EMU	391.6	402.2	383.0	361.7
Other countries and international institutions	744.1	786.2	723.6	787.9
Foreign liabilities ²	10 499.6	10 406.6	10 039.4	10 811.4
Liabilities to MFIs	6 563.9	6 696.9	6 372.8	6 458.6
EU	5 964.3	6 095.3	5 834.6	5 775.0
incl. EMU	2 475.6	2 483.4	2 458.2	2 267.2
Other countries and international institutions	599.6	601.6	538.2	683.6
Non-MFI deposits	3 262.2	3 590.1	3 527.6	4 213.6
EU	803.0	939.7	945.1	1 118.8
incl. EMU	395.8	443.5	450.0	493.4
Other countries and international institutions	2 459.2	2 650.4	2 582.5	3 094.8

¹ Excluding vault cash in foreign currencies.

² Excluding capital and reserves.

13. MATURITY PROFILE OF DEPOSITS OF RESIDENT FINANCIAL INSTITUTIONS, NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS (IN LATS AND FOREIGN CURRENCIES)

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Overnight deposits															
Amount	2 082.5	2 126.2	2 206.2	2 161.9	2 209.0	2 297.3	2 339.7	2 313.4	2 410.9	2 410.6	2 427.9	2 476.6	2 507.1	2 553.6	2 782.0
% ¹	42.7	43.2	42.7	42.5	42.6	43.2	43.6	42.9	45.4	45.4	45.3	45.6	47.6	47.7	49.9
Time deposits															
Maturity of 1–6 months															
Amount	1 301.8	1 316.0	1 436.2	1 391.9	1 421.8	1 421.7	1 402.3	1 371.7	1 205.7	1 176.9	1 182.9	1 183.6	994.9	1 030.7	1 043.0
% ¹	26.7	26.7	27.9	27.4	27.4	26.8	26.2	25.5	22.7	22.2	22.1	21.8	18.9	19.3	18.7
Maturity of 6–12 months															
Amount	846.3	849.7	875.1	904.2	921.6	968.7	1 004.5	1 011.9	1 038.0	1 060.0	1 077.3	1 085.4	1 086.8	1 100.1	1 068.7
% ¹	17.4	17.2	17.0	17.8	17.8	18.2	18.7	18.8	19.5	20.0	20.1	20.0	20.7	20.5	19.1
Long-term															
Amount	388.5	383.1	385.0	375.5	385.8	385.1	386.6	465.1	429.1	434.0	446.2	454.5	438.7	419.7	447.7
% ¹	8.0	7.8	7.5	7.4	7.4	7.3	7.2	8.6	8.1	8.2	8.3	8.4	8.3	7.8	8.0
Maturity of 1–2 years															
Amount	226.0	223.6	225.7	217.4	227.0	224.9	224.1	224.0	222.3	230.7	233.2	241.2	245.4	234.4	244.6
% ¹	4.6	4.5	4.4	4.3	4.4	4.2	4.2	4.1	4.2	4.3	4.3	4.4	4.7	4.4	4.4
Maturity of over 2 years															
Amount	162.6	159.5	159.3	158.1	158.9	160.2	162.5	241.1	206.7	203.3	213.0	213.3	193.3	185.3	203.1
% ¹	3.3	3.2	3.1	3.1	3.1	3.0	3.0	4.5	3.9	3.8	4.0	3.9	3.7	3.5	3.6
Deposits redeemable at notice															
Up to 3 months															
Amount	255.9	252.4	250.4	248.2	246.6	239.1	232.3	226.6	229.0	228.8	227.3	230.1	234.9	249.5	241.2
% ¹	5.2	5.1	4.9	4.9	4.8	4.5	4.3	4.2	4.3	4.3	4.2	4.2	4.5	4.7	4.3
Over 3 months															
Amount	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0	0	0	0	0
% ¹	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repos															
Amount	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
% ¹	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total deposits	4 875.2	4 927.5	5 153.0	5 081.8	5 184.8	5 312.0	5 365.5	5 388.8	5 312.9	5 310.4	5 361.6	5 430.2	5 262.5	5 353.7	5 582.7

¹ As percentage of total deposits of resident financial institutions, non-financial corporations and households.

14.a DEPOSITS BY FINANCIAL INSTITUTIONS (IN LATS AND FOREIGN CURRENCIES)

(at end of period; in millions of lats)

Insurance corporations and pension funds									
	Overnight	With agreed maturity			Redeemable at notice		Repos		In lats
		Up to 1 year	1–2 years	Over 2 years	Up to 3 months	Over 3 months			
2009									
X	67.7	187.8	45.9	27.5	0.1	0	0	329.0	224.0
XI	67.5	188.5	47.2	27.3	0	0	0	330.6	227.5
XII	57.5	200.1	46.4	26.5	0.3	0	0	330.8	231.9
2010									
I	63.7	197.4	34.4	26.9	0.2	0	0	322.6	229.8
II	103.6	221.8	35.3	27.3	0.6	0	0	388.6	293.6
III	85.6	219.5	34.6	29.6	0.4	0	0	369.7	276.4
IV	94.8	216.7	30.6	31.2	0.4	0	0	373.8	283.3
V	93.2	226.4	28.9	32.1	0.5	0	0	381.2	291.7
VI	91.8	223.3	28.9	32.3	0.4	0	0	376.7	294.4
VII	82.5	218.6	34.3	32.0	0.5	0	0	368.0	297.7
VIII	87.5	216.0	35.1	34.4	0.5	0	0	373.5	294.5
IX	91.4	227.0	39.2	35.1	0.5	0	0	393.1	302.3
X	88.2	223.4	39.5	40.8	0.5	0	0	392.3	300.0
XI	78.9	219.4	43.8	35.1	0.4	0	0	377.7	292.5
XII	84.3	204.7	48.0	40.1	0.4	0	0	377.5	293.7
OFIs and financial auxiliaries									
	Overnight	With agreed maturity			Redeemable at notice		Repos		In lats
		Up to 1 year	1–2 years	Over 2 years	Up to 3 months	Over 3 months			
2009									
X	98.0	160.1	2.9	30.0	2.9	0	0	294.0	69.3
XI	97.4	177.7	3.6	30.3	3.0	0	0	312.0	74.8
XII	113.8	236.1	3.3	30.5	5.4	0	0	389.0	107.3
2010									
I	125.5	197.5	4.3	30.4	7.6	0	0	365.3	89.4
II	125.7	186.4	5.6	30.3	6.7	0	0	354.7	69.2
III	129.8	197.6	5.5	29.7	8.5	0	0	371.1	72.9
IV	138.8	207.8	6.3	29.1	7.5	0	0	389.6	83.6
V	61.6	210.3	6.6	29.5	5.6	0	0	313.6	80.9
VI	62.6	218.7	8.7	30.8	5.9	0	0	326.7	91.4
VII	70.4	226.5	9.7	30.7	8.6	0	0	345.9	92.2
VIII	53.4	237.0	10.7	30.8	10.3	0	0	342.1	95.3
IX	62.8	237.0	10.6	30.8	7.6	0	0	348.8	99.4
X	61.2	89.1	11.4	31.5	8.8	0	0	201.9	103.3
XI	62.2	88.0	10.4	33.0	7.9	0	0	201.5	100.3
XII	67.7	97.6	10.4	34.4	8.5	0	0	218.6	103.4

14.b DEPOSITS BY NON-FINANCIAL CORPORATIONS (IN LATS AND FOREIGN CURRENCIES)

(at end of period; in millions of lats)

Public non-financial corporations									
	Overnight	With agreed maturity			Redeemable at notice		Repos		In lats
		Up to 1 year	1-2 years	Over 2 years	Up to 3 months	Over 3 months			
2009									
X	78.3	238.6	1.2	1.6	3.0	0	0	322.7	260.5
XI	93.2	239.1	1.2	1.6	3.2	0	0	338.2	285.4
XII	84.7	232.9	0.3	1.6	3.1	0	0	322.7	272.0
2010									
I	89.1	249.0	0.3	1.5	3.2	0	0	343.2	308.6
II	84.2	263.5	0.5	1.5	3.3	0	0	352.9	318.7
III	106.2	327.6	1.8	1.5	1.8	0	0	438.9	356.1
IV	87.8	329.8	1.9	1.5	1.9	0	0	422.8	355.3
V	98.2	319.8	2.2	38.8	2.1	0	0	461.1	369.0
VI	106.2	236.9	0.7	1.5	2.1	0	0	347.4	303.0
VII	104.4	236.5	0.8	1.5	1.5	0	0	344.7	301.2
VIII	94.5	257.5	1.0	1.5	1.4	0	0	356.0	303.9
IX	77.8	287.2	1.0	1.5	1.6	0	0	369.1	313.3
X	93.1	262.9	0.9	1.5	1.6	0	0	360.1	299.0
XI	93.6	269.8	0.9	1.5	1.6	0	0	367.5	282.9
XII	100.1	255.1	0.9	0.5	1.4	0	0	358.0	243.5
Private non-financial corporations									
	Overnight	With agreed maturity			Redeemable at notice		Repos		In lats
		Up to 1 year	1-2 years	Over 2 years	Up to 3 months	Over 3 months			
2009									
X	853.4	275.3	24.3	12.1	21.3	0	0	1 186.5	509.0
XI	864.3	272.6	23.8	12.4	23.4	0	0	1 196.6	528.0
XII	855.3	310.9	26.8	12.2	32.5	0	0	1 237.8	574.2
2010									
I	839.6	319.8	29.4	11.5	33.7	0	0	1 234.1	573.4
II	838.1	340.4	30.3	11.8	36.7	0	0	1 257.3	615.5
III	845.7	353.5	30.5	13.6	32.2	0	0	1 275.6	640.5
IV	868.8	362.2	32.1	13.4	26.8	0	0	1 303.3	660.8
V	897.9	366.9	33.6	13.4	23.2	0	0	1 335.1	693.2
VI	908.3	353.0	26.7	15.0	21.3	0	0	1 324.2	690.9
VII	927.5	349.9	26.2	11.6	22.4	0	0	1 337.6	709.4
VIII	983.9	349.2	24.6	17.4	21.7	0	0	1 396.9	726.5
IX	1 027.1	329.0	28.6	16.8	25.9	0	0	1 427.4	747.1
X	1 028.8	342.3	28.3	17.5	25.4	0	0	1 442.3	745.1
XI	1 061.8	390.0	24.9	14.8	32.9	0	0	1 524.4	783.9
XII	1 195.1	415.1	25.7	17.1	29.7	0	0	1 682.7	880.4

14.c DEPOSITS BY HOUSEHOLDS (IN LATS AND FOREIGN CURRENCIES)

(at end of period; in millions of lats)

Households									
	Overnight	With agreed maturity			Redeemable at notice		Repos		In lats
		Up to 1 year	1–2 years	Over 2 years	Up to 3 months	Over 3 months			
2009									
X	985.1	1 286.3	151.5	91.4	228.6	0.1	0	2 743.0	988.7
XI	1 003.8	1 287.8	147.7	87.9	222.8	0.1	0	2 750.1	1 008.6
XII	1 094.9	1 331.2	148.9	88.5	209.1	0.1	0	2 872.7	1 100.8
2010									
I	1 043.9	1 332.3	149.0	87.9	203.5	0.1	0	2 816.7	1 066.2
II	1 057.4	1 331.3	155.3	87.9	199.3	0.1	0	2 831.3	1 095.1
III	1 130.0	1 292.3	152.4	85.8	196.2	0.1	0	2 856.8	1 133.0
IV	1 149.5	1 290.2	153.2	87.3	195.8	0.1	0	2 876.0	1 160.2
V	1 162.4	1 260.1	152.7	127.3	195.3	0.1	0	2 897.8	1 177.6
VI	1 242.0	1 211.8	157.4	127.1	199.4	0	0	2 937.8	1 212.5
VII	1 225.8	1 205.3	159.7	127.5	195.7	0	0	2 914.1	1 224.9
VIII	1 208.6	1 200.4	161.7	128.9	193.5	0	0	2 893.2	1 211.7
IX	1 217.6	1 188.7	161.8	129.1	194.5	0	0	2 891.8	1 219.0
X	1 236.0	1 164.0	165.4	102.0	198.6	0	0	2 866.0	1 197.8
XI	1 257.1	1 163.7	154.3	100.8	206.7	0	0	2 882.6	1 210.3
XII	1 334.9	1 139.2	159.5	111.0	201.1	0	0	2 945.8	1 253.8

14.d DEPOSITS BY GOVERNMENT AND NON-RESIDENTS (IN LATS AND FOREIGN CURRENCIES)

(at end of period; in millions of lats)

	General government				Non-residents				In lats	
	Central government	Local government	In lats		MFIs	Non-MFIs				
							General government	Other		
2009										
X	642.3	162.1	804.3	139.4	7 788.8	3 005.5	2.1	3 003.4	10 794.3	122.5
XI	644.1	158.3	802.4	137.3	7 519.2	3 030.7	2.3	3 028.4	10 549.9	85.1
XII	640.2	133.3	773.5	111.4	7 374.2	3 261.7	1.4	3 260.3	10 635.9	96.7
2010										
I	640.8	135.0	775.9	113.8	7 202.4	3 267.1	1.9	3 265.2	10 469.5	142.5
II	711.9	147.1	859.0	115.7	6 939.9	3 113.6	1.8	3 111.9	10 053.5	107.0
III	715.4	159.8	875.2	129.6	6 563.9	3 262.2	2.0	3 260.2	9 826.1	105.2
IV	715.5	171.5	887.0	139.6	6 478.8	3 496.1	2.2	3 493.9	9 974.9	135.4
V	747.2	186.6	933.8	165.0	6 776.1	3 594.7	2.2	3 592.5	10 370.8	159.6
VI	798.8	185.0	983.9	179.4	6 696.9	3 590.1	2.0	3 588.1	10 287.0	149.3
VII	699.2	186.7	885.9	180.4	6 629.1	3 588.4	2.9	3 585.5	10 217.5	198.8
VIII	722.2	201.0	923.2	196.3	6 551.1	3 760.2	2.0	3 758.2	10 311.3	180.7
IX	723.0	200.6	923.6	207.1	6 372.8	3 527.6	2.0	3 525.7	9 900.5	189.8
X	722.2	204.6	926.8	214.0	6 494.6	3 672.1	2.4	3 669.7	10 166.7	180.1
XI	721.6	218.4	940.1	225.6	6 432.2	3 848.3	2.4	3 845.9	10 280.5	214.8
XII	711.8	202.0	913.7	206.8	6 458.6	4 213.5	1.5	4 212.0	10 672.1	196.6

15. MATURITY PROFILE OF LOANS TO RESIDENT FINANCIAL INSTITUTIONS, NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS (IN LATS AND FOREIGN CURRENCIES)

(at end of period; in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Short-term															
Amount	1 818.5	1 801.9	1 804.7	1 772.6	1 773.8	1 802.5	1 777.8	2 152.6	2 146.6	2 217.7	2 264.5	2 277.6	2 220.0	2 142.2	2 059.7
% ¹	13.2	13.1	13.4	13.2	13.3	13.6	13.5	16.4	16.5	17.2	17.6	17.8	17.5	17.0	16.6
Maturity of 1–5 years															
Amount	3 445.4	3 341.4	3 245.0	3 220.8	3 167.9	3 079.0	3 098.2	2 711.8	2 670.5	2 536.7	2 500.8	2 446.4	2 496.6	2 501.4	2 345.8
% ¹	25.0	24.4	24.0	24.0	23.7	23.3	23.6	20.7	20.5	19.7	19.4	19.1	19.7	19.9	18.9
Maturity of over 5 years															
Amount	8 532.8	8 575.5	8 465.2	8 451.1	8 411.1	8 335.8	8 260.5	8 259.6	8 190.6	8 139.2	8 119.9	8 084.1	7 953.0	7 953.0	7 993.8
% ¹	61.8	62.5	62.6	62.8	63.0	63.1	62.9	62.9	63.0	63.1	63.0	63.1	62.8	63.1	64.5
Total loans	13 796.7	13 718.8	13 514.9	13 444.6	13 352.9	13 217.3	13 136.5	13 124.0	13 007.8	12 893.7	12 885.2	12 808.1	12 669.6	12 596.6	12 399.3

¹ As percent of total loans to resident financial institutions, non-financial corporations and households.

16.a LOANS TO FINANCIAL INSTITUTIONS AND NON-FINANCIAL CORPORATIONS

(at end of period; in millions of lats)

	Insurance corporations and pension funds			OFIs and financial auxiliaries			Public non-financial corporations				Private non-financial corporations					
	Up to 1 year		In lats	Up to 1 year		In lats	Up to 1 year	1–5 years	Over 5 years	In lats	Up to 1 year	1–5 years	Over 5 years	In lats		
2009																
X	0	1.3	0	86.8	685.3	93.6	7.6	36.2	346.7	390.5	14.1	1 247.3	2 394.8	2 924.3	6 566.5	429.5
XI	0.5	1.8	0.1	95.7	689.1	89.9	8.6	36.7	351.3	396.6	12.1	1 220.0	2 359.1	2 931.2	6 510.3	393.0
XII	0	1.3	0	87.5	623.6	88.8	9.4	35.7	350.7	395.7	11.6	1 237.7	2 269.9	2 898.5	6 406.0	364.2
2010																
I	0.1	1.3	0	72.0	594.5	86.1	10.4	49.0	346.1	405.5	13.1	1 238.7	2 238.7	2 900.3	6 377.8	362.4
II	0	1.3	0	32.4	547.1	83.7	9.4	50.7	345.8	405.8	11.1	1 275.5	2 194.8	2 883.1	6 353.4	356.4
III	0	1.3	0	74.9	500.1	73.8	6.6	48.9	348.3	403.8	11.5	1 267.6	2 194.8	2 836.6	6 299.0	354.9
IV	0	1.3	0	69.6	483.6	71.3	6.4	47.8	352.9	407.2	11.1	1 252.0	2 189.6	2 815.5	6 257.1	347.2
V	0.3	1.8	0.3	154.9	488.3	68.3	22.7	32.7	354.0	409.4	11.8	1 484.4	1 905.4	2 857.2	6 246.9	384.8
VI	0	1.5	0	151.3	468.3	64.0	20.8	31.9	355.0	407.7	10.7	1 481.5	1 873.4	2 823.3	6 178.2	362.5
VII	0	1.5	0	154.3	456.0	58.7	20.9	31.2	358.7	410.8	11.0	1 538.2	1 769.6	2 803.0	6 110.9	350.4
VIII	0	1.5	0	156.6	447.4	58.4	21.2	30.4	362.8	414.4	11.0	1 579.9	1 749.5	2 799.5	6 129.0	344.0
IX	0	1.5	0	158.0	440.5	53.6	21.4	29.3	367.8	418.6	10.9	1 596.5	1 709.7	2 786.5	6 092.7	341.0
X	0.9	2.4	0.1	160.4	438.9	51.3	22.0	33.7	370.2	425.9	9.6	1 534.1	1 711.1	2 759.1	6 004.2	335.4
XI	1.1	2.5	0.2	153.0	426.6	50.5	21.6	33.0	396.3	450.9	9.0	1 474.4	1 722.3	2 748.8	5 945.5	337.2
XII	0	1.5	0	146.0	410.2	49.0	42.5	33.7	398.3	474.5	9.3	1 383.6	1 611.2	2 777.5	5 772.3	361.1

16.b LOANS TO HOUSEHOLDS

(at end of period; in millions of lats)

	Households													In lats
	Consumer credit				Lending for house purchase				Other lending					
	Up to 1 year	1-5 years	Over 5 years		Up to 1 year	1-5 years	Over 5 years		Up to 1 year	1-5 years	Over 5 years			
2009														
X	740.8	254.8	180.1	305.9	4 872.3	157.3	369.4	4 345.6	540.0	64.6	148.4	327.0	6 153.2	646.5
XI	731.7	249.4	174.7	307.5	4 851.9	160.9	373.5	4 317.5	537.3	66.8	147.2	323.4	6 121.0	632.8
XII	716.8	241.5	166.5	308.8	4 828.6	155.0	376.8	4 296.9	542.7	73.6	146.9	322.2	6 088.2	614.6
2010														
I	712.2	239.0	162.5	310.7	4 815.7	142.0	384.0	4 289.7	537.7	70.5	143.9	323.3	6 065.5	606.8
II	703.1	234.7	155.7	312.7	4 802.9	145.2	382.4	4 275.2	539.4	76.6	144.0	318.8	6 045.3	596.7
III	703.7	233.5	150.8	319.5	4 792.7	144.7	377.5	4 270.5	516.7	75.2	140.7	300.8	6 013.1	590.6
IV	715.5	231.4	159.7	324.4	4 775.7	147.9	375.0	4 252.7	496.1	70.5	126.9	298.8	5 987.3	582.2
V	675.8	232.9	116.4	326.5	4 768.4	178.7	322.7	4 267.0	533.4	78.6	139.2	315.6	5 977.6	579.2
VI	666.8	228.9	112.0	325.9	4 752.3	182.9	330.5	4 238.9	533.0	81.2	138.1	313.7	5 952.1	570.0
VII	660.3	223.5	112.3	324.5	4 726.1	186.3	325.3	4 214.5	528.1	94.4	125.1	308.6	5 914.5	563.2
VIII	657.6	225.0	109.0	323.6	4 710.4	188.2	322.1	4 200.0	525.0	93.6	123.9	307.5	5 893.0	557.6
IX	650.1	220.8	106.8	322.6	4 684.4	188.2	319.5	4 176.7	520.3	92.7	123.4	304.2	5 854.9	552.8
X	644.3	217.6	103.5	323.3	4 665.8	190.9	316.0	4 158.8	488.1	94.1	121.2	272.8	5 798.2	549.9
XI	638.3	212.4	102.5	323.5	4 647.8	188.6	315.5	4 143.8	485.0	91.2	122.2	271.6	5 771.1	543.8
XII	652.0	224.3	101.6	326.1	4 609.5	175.0	312.0	4 122.5	479.3	88.3	121.2	269.9	5 740.9	547.0

16.c LOANS TO GOVERNMENT AND NON-RESIDENTS

(at end of period; in millions of lats)

	General government				Non-residents						In lats
	Central government	Local government	In lats		MFIs	Non-MFIs		In lats			
						General government	Other				
2009											
X	84.4	73.3	157.7	3.0	2 275.2	1 341.0	0.6	1 340.5	3 616.3	163.7	
XI	84.8	72.8	157.5	3.0	2 129.0	1 289.7	0.6	1 289.1	3 418.7	179.9	
XII	84.8	71.8	156.5	2.8	2 481.6	1 341.5	0.3	1 341.2	3 823.1	235.5	
2010											
I	85.0	70.0	155.0	2.9	2 414.2	1 333.3	0.3	1 333.0	3 747.5	249.0	
II	84.7	69.6	154.4	2.9	2 122.1	1 362.8	0.3	1 362.5	3 484.9	265.4	
III	88.3	63.8	152.1	2.7	2 263.8	1 392.7	0.3	1 392.4	3 656.5	251.3	
IV	3.9	62.9	66.8	2.7	2 417.5	1 401.9	0.3	1 401.5	3 819.3	249.7	
V	3.9	63.0	66.9	2.6	2 271.2	1 446.7	0.3	1 446.4	3 717.9	249.1	
VI	3.6	64.2	67.8	2.4	2 243.2	1 454.1	0.3	1 453.8	3 697.3	282.8	
VII	3.1	63.2	66.3	2.3	2 214.4	1 475.8	0.3	1 475.4	3 690.2	260.8	
VIII	3.1	62.6	65.7	2.2	2 284.8	1 529.4	0.3	1 529.1	3 814.2	240.2	
IX	3.1	62.1	65.1	2.3	2 109.6	1 424.9	0.3	1 424.6	3 534.6	244.0	
X	3.1	62.9	66.0	2.4	2 247.1	1 401.4	0.3	1 401.1	3 648.5	239.0	
XI	3.1	62.5	65.6	2.1	2 420.0	1 435.0	0.3	1 434.6	3 855.0	228.8	
XII	3.0	61.5	64.6	1.7	2 952.8	1 456.3	0.1	1 456.2	4 409.1	237.6	

17. LOANS TO FINANCIAL INSTITUTIONS AND NON-FINANCIAL CORPORATIONS IN THE NATIONAL ECONOMY

(at end of Q4 2010, in millions of lats; structure, %)

	With residual maturity of up to 1 year				With residual maturity of over 1 and up to 5 years				With residual maturity of over 5 years				Total loans			
	Amount	%	Of which in lats	%	Amount	%	Of which in lats	%	Amount	%	Of which in lats	%	Amount	%	Of which in lats	%
Total	2 530.7	100.0	243.5	100.0	2 201.2	100.0	140.9	100.0	1 923.0	100.0	34.7	100.0	6 654.9	100.0	419.1	100.0
A Agriculture, forestry and fishing	101.9	4.0	13.2	5.4	114.2	5.2	10.8	7.7	77.5	4.0	13.9	40.1	293.6	4.4	37.9	9.0
B Mining and quarrying	11.4	0.5	4.5	1.8	7.5	0.4	0.8	0.6	4.3	0.2	0	0	23.2	0.4	5.3	1.3
C Manufacturing	319.4	12.6	47.7	19.6	298.8	13.6	4.4	3.1	294.8	15.3	4.2	12.1	913.0	13.7	56.3	13.4
D Electricity, gas, steam and air conditioning supply	6.4	0.3	2.9	1.2	175.0	8.0	0.9	0.6	54.5	2.8	0.8	2.3	235.9	3.6	4.6	1.1
E Water supply; sewerage, waste management and remediation activities	10.8	0.4	5.9	2.4	9.5	0.4	1.0	0.7	12.5	0.7	0.4	1.1	32.8	0.5	7.3	1.7
F Construction	281.7	11.1	18.4	7.6	158.0	7.2	3.0	2.1	257.1	13.4	3.0	8.6	696.8	10.5	24.4	5.8
G Wholesale and retail trade; repair of motor vehicles and motorcycles	390.5	15.4	49.9	20.5	174.2	7.9	30.1	21.4	163.5	8.5	1.7	4.9	728.2	10.9	81.7	19.5
H Transportation and storage	109.5	4.3	15.6	6.4	150.6	6.8	0.4	0.3	165.1	8.6	0.3	0.9	425.2	6.4	16.3	3.9
I Accommodation and food service activities	44.5	1.8	3.9	1.6	52.7	2.4	3.4	2.4	79.8	4.2	1.7	4.9	177.0	2.7	9.0	2.2
J Information and communication	15.1	0.6	5.2	2.1	31.6	1.4	0.3	0.2	6.3	0.3	0	0	53.0	0.8	5.5	1.3
K Financial and insurance activities	261.7	10.4	50.9	20.9	161.5	7.3	6.1	4.3	31.6	1.6	0.1	0.3	454.8	6.8	57.1	13.6
L Real estate activities	877.8	34.7	16.0	6.6	755.2	34.3	62.8	44.6	589.1	30.6	5.7	16.4	2 222.1	33.4	84.5	20.2
M Professional, scientific and technical activities	7.8	0.3	1.4	0.6	18.0	0.8	13.1	9.3	8.2	0.4	0.1	0.3	34.1	0.5	14.6	3.5
N Administrative and support service activities	20.8	0.8	3.4	1.4	33.7	1.5	1.5	1.1	20.3	1.1	0.3	0.9	74.8	1.1	5.2	1.2
O Public administration and defence; compulsory social security	0.4	0	0	0	0.2	0	0	0	47.2	2.5	0.1	0.3	47.8	0.7	0.1	0
P Education	2.2	0.1	0.1	0	1.4	0.1	0.1	0.1	1.5	0.1	0	0	5.1	0.1	0.2	0.1
Q Human health and social work activities	8.4	0.3	0.4	0.2	5.9	0.3	0.5	0.3	7.6	0.4	0.8	2.3	21.9	0.3	1.7	0.4
R Arts, entertainment and recreation	14.9	0.6	1.0	0.4	6.2	0.3	0.5	0.3	25.1	1.3	1.1	3.2	46.2	0.7	2.6	0.6
S Other service activities	45.4	1.8	3.1	1.3	46.9	2.1	1.2	0.9	77.0	4.0	0.5	1.4	169.3	2.5	4.8	1.2

18. LENDING TO RESIDENT FINANCIAL INSTITUTIONS, NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS

(at end of period; in millions of lats)

	2009			2010						
	X	XI	XII	I	II	III	IV	VI ¹	IX	XII
Commercial credit	2 333.4	2 296.1	2 193.6	2 158.5	2 088.4	1 994.9	1 963.3	1 919.0	1 898.0	1 770.4
Industrial credit	1 840.4	1 843.5	1 840.8	2 058.1	2 073.6	2 183.4	2 192.1	2 194.5	2 170.8	2 112.0
Reverse repo	6.0	6.3	5.1	4.2	3.9	2.5	2.7	3.9	1.0	1.3
Financial leasing	13.4	15.5	15.3	12.4	12.2	11.8	11.7	11.2	13.4	14.0
Consumer credit	494.0	490.2	482.2	484.5	472.3	474.2	498.0	496.2	481.7	491.7
Mortgage loans	8 007.7	7 963.5	7 900.1	7 845.9	7 803.8	7 672.3	7 583.2	7 459.7	7 361.2	7 180.7
Factoring	4.2	4.1	3.9	0.5	0.5	0.5	0.5	0.5	0.4	0.4
Transit credit	0.4	0.3	0.3	0.3	0.3	0.3	0.3	x	x	x
Other credit	1 097.2	1 099.3	1 073.5	880.3	897.9	877.3	884.7	908.3	875.2	822.9
Total loans	13 796.7	13 718.8	13 514.9	13 444.6	13 352.9	13 217.3	13 136.5	12 993.2	12 801.7	12 393.5

¹ Starting with the data for June 2010, the data source is the Bank of Latvia's Credit Register. In the future, quarterly data will be provided.

19.a HOLDINGS OF SECURITIES OTHER THAN SHARES

(at end of period; in millions of lats)

	Securities other than shares								In lats	
	MFIs		General government		Other residents		Non-residents			
		incl. long-term		incl. long-term		incl. long-term		incl. long-term		
2009										
X	31.9	31.2	507.3	257.6	0.1	0.1	790.3	758.8	1 329.5	491.1
XI	31.5	31.3	423.2	261.7	0.1	0.1	744.3	711.7	1 199.0	435.5
XII	32.9	32.8	434.3	261.8	0.1	0.1	743.2	674.6	1 210.4	451.3
2010										
I	31.2	31.2	486.9	264.9	0.1	0.1	715.9	633.6	1 234.1	494.7
II	26.4	26.4	489.7	254.8	0.1	0.1	708.6	613.6	1 224.7	492.7
III	28.9	28.9	512.2	278.2	0.1	0.1	718.9	623.1	1 260.1	512.7
IV	29.3	29.3	516.5	286.6	0.1	0.1	708.1	551.5	1 253.9	519.2
V	25.1	25.1	487.3	247.7	0.1	0.1	747.0	610.8	1 259.4	490.0
VI	24.2	24.2	486.0	249.7	0.1	0.1	742.8	613.5	1 253.2	489.5
VII	23.5	23.5	476.8	257.8	0.1	0.1	755.0	584.4	1 255.4	480.4
VIII	20.9	20.9	451.0	262.5	0.1	0.1	779.8	614.8	1 251.7	451.8
IX	21.5	21.5	437.9	269.1	0.1	0.1	753.5	610.9	1 213.1	438.8
X	21.6	21.6	452.8	283.7	0.1	0.1	746.8	612.0	1 221.2	453.0
XI	21.7	21.7	464.7	282.7	0.1	0.1	799.4	643.5	1 285.8	465.8
XII	21.5	21.5	499.2	282.5	0.1	0.1	839.5	714.5	1 360.4	492.1

19.b HOLDINGS OF SHARES AND OTHER EQUITY

(at end of period; in millions of lats)

	Shares and other equity				In lats			
	MFIs		Other residents				Non-residents	
2009								
X		0	165.5		118.4	283.9	224.7	
XI		0	168.0		130.8	298.9	240.2	
XII		0	164.0		129.5	293.5	192.5	
2010								
I		0	157.9		131.1	288.9	186.6	
II		0	163.7		131.9	295.6	192.4	
III		0	172.4		132.8	305.2	201.8	
IV		0	177.1		134.0	311.1	201.2	
V		0.4	190.2		132.4	322.9	214.5	
VI		0.4	206.0		133.2	339.6	222.7	
VII		0.4	207.6		132.0	340.0	223.4	
VIII		0.4	211.3		118.1	329.8	212.1	
IX		0.4	211.3		117.4	329.1	212.3	
X		0.4	219.4		112.8	332.6	208.8	
XI		0.4	225.7		110.2	336.3	208.8	
XII		0.4	246.5		106.8	353.7	222.7	

20.a CURRENCY BREAKDOWN OF RESIDENT DEPOSITS

(at end of period)

	MFIs					Non-MFIs				
	Outstanding amount (all currencies; in millions of lats)	Structure (%)				Outstanding amount (all currencies; in millions of lats)	Structure (%)			
		In lats	In foreign currencies				In lats	In foreign currencies		
			incl. EUR	incl. USD				incl. EUR	incl. USD	
2009										
X	538.5	65.1	34.9	26.2	8.7	5 679.5	38.6	61.4	56.0	4.7
XI	510.0	61.5	38.5	28.4	10.0	5 729.9	39.5	60.5	55.4	4.5
XII	425.3	64.7	35.3	25.7	9.2	5 926.5	40.5	59.5	54.4	4.4
2010										
I	385.8	71.2	28.8	21.3	7.3	5 857.6	40.7	59.3	54.1	4.6
II	384.6	66.4	33.6	24.6	8.8	6 043.9	41.5	58.5	53.4	4.5
III	366.6	69.6	30.4	25.2	5.0	6 187.2	42.2	57.8	52.6	4.6
IV	361.8	72.7	27.3	21.2	5.1	6 252.5	42.9	57.1	51.8	4.6
V	283.0	55.0	45.0	35.7	8.7	6 322.7	43.9	56.1	50.5	4.9
VI	195.3	55.1	44.9	37.0	7.8	6 296.7	44.0	56.0	50.1	5.1
VII	294.7	68.5	31.5	27.3	4.1	6 196.2	45.3	54.7	48.9	5.0
VIII	195.8	59.0	41.0	32.4	8.1	6 284.8	45.0	55.0	49.0	5.2
IX	239.5	47.1	52.9	44.7	6.9	6 353.8	45.5	54.5	48.7	4.9
X	261.7	42.8	57.2	50.0	7.1	6 189.3	46.2	53.8	47.8	5.1
XI	258.5	36.9	63.1	53.2	9.7	6 293.8	46.0	54.0	48.0	5.2
XII	285.6	36.0	64.0	46.7	16.8	6 496.4	45.9	54.1	48.2	5.1

20.b CURRENCY BREAKDOWN OF NON-RESIDENT DEPOSITS

(at end of period)

	MFIs					Non-MFIs				
	Outstanding amount (all currencies; in millions of lats)	Structure (%)				Outstanding amount (all currencies; in millions of lats)	Structure (%)			
		In lats	In foreign currencies				In lats	In foreign currencies		
			incl. EUR	incl. USD				incl. EUR	incl. USD	
2009										
X	7 788.8	1.0	99.0	97.2	0.6	3 005.5	1.4	98.6	36.5	59.2
XI	7 519.2	0.6	99.4	97.3	0.9	3 030.7	1.4	98.6	36.1	58.5
XII	7 374.2	0.7	99.3	97.2	0.8	3 261.7	1.4	98.6	39.5	55.8
2010										
I	7 202.4	1.3	98.7	96.6	0.7	3 267.1	1.6	98.4	37.9	57.2
II	6 939.9	0.8	99.2	96.6	0.9	3 113.6	1.7	98.3	37.6	57.2
III	6 563.9	0.8	99.2	96.4	1.1	3 262.2	1.7	98.3	35.5	59.5
IV	6 478.8	1.0	99.0	96.5	0.9	3 496.1	1.9	98.1	34.4	60.0
V	6 776.1	1.5	98.5	95.8	1.3	3 594.7	1.7	98.3	34.5	60.2
VI	6 696.9	1.3	98.7	95.9	1.3	3 590.1	1.7	98.3	34.8	59.5
VII	6 629.1	2.0	98.0	95.4	1.1	3 588.4	1.9	98.1	34.2	60.2
VIII	6 551.1	1.9	98.1	95.1	1.4	3 760.2	1.5	98.5	33.3	61.2
IX	6 372.8	2.1	97.9	94.9	1.4	3 527.6	1.7	98.3	36.2	57.7
X	6 494.6	1.8	98.2	94.6	1.4	3 672.1	1.7	98.3	36.3	57.5
XI	6 432.2	2.3	97.7	94.3	1.4	3 848.3	1.8	98.2	36.8	56.4
XII	6 458.6	2.0	98.0	94.3	1.4	4 213.5	1.6	98.4	33.2	61.2

20.c CURRENCY BREAKDOWN OF LOANS TO RESIDENTS

(at end of period)

Non-MFIs						
	Outstanding amount (all currencies; in millions of lats)	Structure (%)				
		In lats	In foreign currencies			incl. USD
				incl. EUR		
2009						
X	13 954.4	8.5	91.5	88.7		2.1
XI	13 876.3	8.2	91.8	89.1		2.1
XII	13 671.4	7.9	92.1	89.2		2.1
2010						
I	13 599.6	7.9	92.1	89.2		2.2
II	13 507.2	7.8	92.2	89.1		2.4
III	13 369.4	7.7	92.3	89.2		2.4
IV	13 203.3	7.7	92.3	89.1		2.4
V	13 190.9	7.9	92.1	88.8		2.6
VI	13 075.5	7.7	92.3	88.9		2.6
VII	12 960.0	7.6	92.4	89.3		2.4
VIII	12 950.9	7.5	92.5	89.2		2.5
IX	12 873.2	7.5	92.5	89.4		2.3
X	12 735.6	7.5	92.5	89.6		2.2
XI	12 662.2	7.4	92.6	89.6		2.1
XII	12 463.9	7.8	92.2	89.4		2.0

20.d CURRENCY BREAKDOWN OF LOANS TO NON-RESIDENTS

(at end of period)

	MFIs					Non-MFIs				
	Outstanding amount (all currencies; in millions of lats)	Structure (%)				Outstanding amount (all currencies; in millions of lats)	Structure (%)			
		In lats	In foreign currencies				In lats	In foreign currencies		
			incl. EUR	incl. USD			incl. EUR	incl. USD		
2009										
X	2 275.2	5.6	94.4	50.3	39.0	1 341.0	2.6	97.4	47.9	49.0
XI	2 129.0	6.8	93.2	44.5	43.7	1 289.7	2.7	97.3	48.0	48.8
XII	2 481.6	8.1	91.9	46.0	40.3	1 341.5	2.6	97.4	48.1	48.9
2010										
I	2 414.2	8.9	91.1	39.8	46.4	1 333.3	2.6	97.4	47.4	49.7
II	2 122.1	10.8	89.2	39.1	44.0	1 362.8	2.6	97.4	45.5	51.6
III	2 263.8	9.5	90.5	34.9	49.4	1 392.7	2.6	97.4	44.0	53.0
IV	2 417.5	8.9	91.1	38.4	46.9	1 401.9	2.5	97.5	43.7	53.4
V	2 271.2	9.5	90.5	36.9	47.1	1 446.7	2.4	97.6	42.1	55.1
VI	2 243.2	10.9	89.1	35.5	46.7	1 454.1	2.7	97.3	41.4	55.5
VII	2 214.4	10.3	89.7	34.4	48.1	1 475.8	2.2	97.8	43.0	52.8
VIII	2 285.2	9.3	90.7	34.5	49.7	1 529.4	1.7	98.3	43.6	52.4
IX	2 109.6	10.1	89.9	35.3	47.1	1 424.9	2.2	97.8	45.0	50.8
X	2 247.1	9.7	90.3	37.5	45.8	1 401.4	1.5	98.5	45.5	50.9
XI	2 420.0	8.6	91.4	36.4	48.6	1 435.0	1.5	98.5	43.9	52.4
XII	2 952.8	7.3	92.7	40.7	47.1	1 456.3	1.5	98.5	42.0	54.3

20.e CURRENCY BREAKDOWN OF HOLDINGS OF RESIDENT SECURITIES OTHER THAN SHARES

(at end of period)

	MFIs					Non-MFIs					
	Outstanding amount (all currencies; in millions of lats)	Structure (%)				Outstanding amount (all currencies; in millions of lats)	Structure (%)				
		In lats	In foreign currencies				In lats	In foreign currencies			
			incl. EUR	incl. USD				incl. EUR	incl. USD		
2009											
X	31.9	23.5	76.5	70.3	6.2	507.4	92.6	7.4	7.4	0	
XI	31.5	22.7	77.3	71.1	6.2	423.3	98.2	1.8	1.8	0	
XII	32.9	21.8	78.2	76.2	2.0	434.4	98.2	1.8	1.8	0	
2010											
I	31.2	22.6	77.4	75.2	2.2	487.0	98.3	1.7	1.7	0	
II	26.4	26.3	73.7	70.9	2.7	489.7	97.4	2.6	2.6	0	
III	28.9	24.7	75.3	72.8	2.5	512.3	97.0	3.0	3.0	0	
IV	29.3	24.8	75.2	72.7	2.5	516.5	98.1	1.9	1.9	0	
V	25.1	29.1	70.9	67.7	2.5	487.4	98.1	1.9	1.9	0	
VI	24.2	29.9	70.1	66.7	3.4	486.1	98.2	1.8	1.8	0	
VII	23.5	31.7	68.3	65.0	3.3	476.9	98.2	1.8	1.8	0	
VIII	20.9	23.1	76.9	73.1	3.8	451.1	98.0	2.0	2.0	0	
IX	21.5	22.7	77.3	73.9	3.5	438.0	97.9	2.1	2.1	0	
X	21.6	22.5	77.5	74.1	3.4	452.9	97.7	2.3	2.3	0	
XI	21.7	22.7	77.3	74.4	2.9	464.7	97.5	2.5	2.5	0	
XII	21.5	22.8	77.2	74.3	2.9	499.3	97.6	2.4	2.4	0	

20.f CURRENCY BREAKDOWN OF HOLDINGS OF NON-RESIDENT SECURITIES OTHER THAN SHARES

(at end of period)

	MFIs					Non-MFIs					
	Outstanding amount (all currencies; in millions of lats)	Structure (%)				Outstanding amount (all currencies; in millions of lats)	Structure (%)				
		In lats	In foreign currencies				In lats	In foreign currencies			
			incl. EUR	incl. USD				incl. EUR	incl. USD		
2009											
X	459.6	3.1	96.9	63.2	32.6	330.7	0	100.0	19.5	74.3	
XI	424.4	3.0	97.0	66.6	29.2	319.8	0	100.0	22.6	71.5	
XII	424.4	4.1	95.9	65.0	29.6	318.8	0	100.0	22.2	71.7	
2010											
I	400.9	2.2	97.8	65.7	31.1	315.0	0	100.0	24.5	70.1	
II	401.5	2.2	97.8	66.6	30.6	307.0	0	100.0	22.6	71.6	
III	398.5	2.1	97.9	62.1	34.8	320.4	0	100.0	24.5	69.9	
IV	325.7	1.6	98.4	54.4	42.7	382.4	0	100.0	34.5	61.0	
V	311.7	1.5	98.5	46.9	34.8	435.3	0	100.0	32.4	68.2	
VI	296.4	1.6	98.4	45.3	51.5	446.5	0	100.0	34.3	61.9	
VII	287.2	1.7	98.3	47.6	49.3	467.8	0	100.0	32.6	64.0	
VIII	314.3	1.6	98.4	41.3	55.5	465.4	0	100.0	35.9	60.9	
IX	292.1	1.7	98.3	47.4	49.3	461.4	0	100.0	37.9	59.0	
X	298.7	1.9	98.1	46.7	49.4	448.1	0	100.0	35.9	60.1	
XI	293.5	2.7	97.3	46.8	48.6	505.9	0	100.0	39.6	56.9	
XII	299.9	0	100.0	46.2	51.8	539.6	0	100.0	32.3	63.4	

20.g CURRENCY BREAKDOWN OF DEBT SECURITIES ISSUED BY MFIs

(at end of period)

	Outstanding amount (all currencies; in millions of lats)	Structure (%)	
		In lats	In foreign currencies
2009			
X	154.5	8.4	91.6
XI	153.2	8.5	91.5
XII	153.5	8.5	91.5
2010			
I	150.2	8.7	91.3
II	158.6	8.2	91.8
III	157.8	8.2	91.8
IV	158.0	8.2	91.8
V	183.8	8.3	91.7
VI	192.2	7.9	92.1
VII	191.8	7.9	92.1
VIII	189.2	6.5	93.5
IX	196.2	6.2	93.8
X	193.8	6.3	93.7
XI	175.4	7.0	93.0
XII	175.9	7.0	93.0

21.a WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN LATS

(%)

1. Interest rates on deposits (new business)											
	Deposits from households						Deposits from non-financial corporations				Repos
	Overnight ¹	With agreed maturity			Redeemable at notice ^{1,2}		Overnight ¹	With agreed maturity			
		Up to 1 year	Over 1 and up to 2 years	Over 2 years	Up to 3 months	Over 3 months		Up to 1 year	Over 1 and up to 2 years	Over 2 years	
2009											
X	0.97	9.55	12.27	9.27	4.54	x	0.61	5.34	11.03	6.37	–
XI	0.95	10.00	14.45	10.24	4.65	x	0.56	5.38	6.32	9.91	–
XII	1.12	11.35	13.32	10.21	4.43	x	0.47	5.39	12.50	6.48	–
2010											
I	1.10	9.81	12.66	10.83	3.08	x	0.61	4.05	7.93	x	–
II	0.95	6.74	7.75	6.70	2.73	x	0.46	3.54	6.96	x	–
III	0.69	5.18	9.03	9.10	2.20	x	0.44	2.61	7.40	x	–
IV	0.58	4.12	6.83	6.07	1.90	x	0.33	1.24	6.35	x	–
V	0.58	3.22	6.42	5.36	1.77	x	0.28	0.97	4.53	4.18	–
VI	0.64	3.36	6.33	6.13	1.82	x	0.29	1.01	3.84	4.27	–
VII	0.79	3.11	5.26	4.60	1.88	x	0.28	0.70	4.58	4.88	–
VIII	0.68	3.08	4.91	4.64	1.60	x	0.24	0.89	4.60	4.50	–
IX	0.77	2.25	4.98	5.68	1.62	x	0.21	0.74	4.43	3.61	–
X	0.55	1.89	4.30	4.65	1.56	x	0.25	0.58	3.50	1.43	–
XI	0.46	1.58	4.07	4.46	1.27	x	0.21	0.44	2.84	4.73	–
XII	0.28	1.87	3.94	4.38	1.41	x	0.16	0.36	3.65	3.78	–

¹ End-of-period.

² For this instrument category, households and non-financial corporations are merged and allocated to the household sector.

21.a WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN LATS (CONT.)

(%)

2. Interest rates on loans to households (new business)													
	Bank overdraft ¹	Revolving loans and overdraft ¹	Extended credit card credit ¹	Lending for house purchase					Consumer credit			Other lending by initial rate fixation	
				By initial rate fixation				Annual percentage rate of charge ²	By initial rate fixation		Annual percentage rate of charge ²	Floating rate and up to 1 year	Over 1 year
				Floating rate and up to 1 year	Over 1 and up to 5 years	Over 5 and up to 10 years	Over 10 years		Floating rate and up to 1 year	Over 1 year			
2009													
X	24.56	x	x	13.79	15.75	x	x	10.66	21.75	23.26	23.24	0.79	8.25
XI	24.62	x	x	14.14	10.75	x	x	10.04	19.56	19.38	19.90	0.05	1.81
XII	24.86	x	x	13.19	7.18	x	x	9.25	21.13	13.09	16.96	6.16	1.63
2010													
I	24.95	x	x	12.16	x	x	x	8.37	19.47	24.13	21.69	21.69	0.56
II	24.82	x	x	12.22	x	x	x	9.44	19.73	21.52	20.78	4.26	1.01
III	24.04	x	x	9.12	9.28	x	x	8.46	20.75	22.42	22.22	0.65	1.52
IV	24.19	x	x	8.04	x	8.20	x	9.02	20.86	22.56	22.19	9.61	4.02
V	24.14	x	x	7.26	x	x	x	7.65	21.17	22.64	22.23	8.59	14.94
VI	x	18.82	21.47	7.95	x	–	x	9.16	21.49	23.59	19.98	6.87	15.31
VII	x	21.99	22.16	10.84	8.31	–	x	10.36	19.53	23.94	19.52	8.73	11.79
VIII	x	22.08	22.53	7.05	x	–	–	7.44	21.38	21.52	19.42	6.77	14.31
IX	x	21.90	21.41	11.27	x	–	x	10.46	21.44	20.49	19.33	7.01	13.15
X	x	21.77	20.46	6.59	x	x	–	7.22	22.90	19.97	23.10	4.38	11.16
XI	x	21.67	20.62	4.12	x	–	–	4.93	21.77	17.37	22.10	8.73	13.51
XII	x	21.48	20.59	4.49	x	–	–	5.81	22.81	15.89	21.59	8.08	11.10

¹ End-of-period.

² The annual percentage rate of charge covers the total cost of a loan. The total cost comprises an interest rate component and a component of other (related) charges, such as the cost of inquiries, administration, preparation of documents, guarantees, etc.

21.a WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN LATS (CONT.)

(%)

3. Interest rates on loans to non-financial corporations (new business)									
	Bank overdraft ¹	Revolving loans and overdraft ¹	Extended credit card credit ¹	Other loans up to 0.25 million euro (0.2 million euro until 01.06.2010) by initial rate fixation		Other loans over 0.25 million euro (0.2 million euro until 01.06.2010) and up to 1 million euro by initial rate fixation		Other loans over 1 million euro by initial rate fixation	
				Floating rate and up to 1 year	Over 1 year	Floating rate and up to 1 year	Over 1 year	Floating rate and up to 1 year	Over 1 year
2009									
X	9.07	x	x	14.28	9.99	x	–	8.27	x
XI	12.17	x	x	13.01	10.90	x	x	x	–
XII	12.53	x	x	10.74	8.95	x	x	6.03	x
2010									
I	12.82	x	x	13.43	9.69	x	x	–	–
II	13.96	x	x	14.75	9.79	7.40	x	x	–
III	7.15	x	x	12.98	9.79	x	–	3.78	x
IV	6.32	x	x	10.78	x	x	x	x	x
V	6.13	x	x	11.37	x	x	–	x	x
VI	x	4.26	15.91	9.25	7.86	–	5.12	x	9.40
VII	x	4.13	17.41	9.17	8.06	–	–	x	x
VIII	x	3.98	18.86	7.54	x	x	–	x	–
IX	x	4.04	19.35	8.00	x	6.04	x	x	–
X	x	4.10	19.82	6.81	x	x	x	x	–
XI	x	4.03	20.30	6.53	9.25	5.51	–	x	–
XII	x	3.75	20.28	8.21	7.22	5.34	x	3.96	9.27

¹ End-of-period.

21.a WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN LATS (CONT.)

(%)

4. Interest rates on deposits (outstanding amounts)									
	Households					Non-financial corporations			Repos
	Overnight ¹	With agreed maturity		Redeemable at notice ^{1,2}		Overnight ¹	With agreed maturity		
		Up to 2 years	Over 2 years	Up to 3 months	Over 3 months		Up to 2 years	Over 2 years	
2009									
X	0.97	10.96	8.79	4.54	x	0.61	10.85	6.08	–
XI	0.95	11.04	9.11	4.65	x	0.56	11.24	6.07	–
XII	1.12	11.40	9.26	4.43	x	0.47	10.60	5.94	–
2010									
I	1.10	10.61	9.15	3.08	x	0.61	9.46	6.16	–
II	0.95	10.85	9.28	2.73	x	0.46	8.18	6.15	–
III	0.69	10.36	9.30	2.20	x	0.44	6.61	6.13	–
IV	0.58	9.49	9.26	1.90	x	0.33	5.38	6.18	–
V	0.58	9.11	9.56	1.77	x	0.28	4.24	6.26	–
VI	0.64	8.32	11.16	1.82	3.65	0.29	4.03	5.94	–
VII	0.79	7.64	11.15	1.88	3.64	0.28	3.55	5.89	–
VIII	0.68	7.05	4.08	1.60	3.67	0.24	3.31	5.30	–
IX	0.77	6.61	4.07	1.62	4.19	0.21	3.13	4.88	–
X	0.55	6.33	5.68	1.56	3.51	0.25	3.20	4.46	–
XI	0.46	5.90	5.58	1.27	3.50	0.21	2.92	4.80	–
XII	0.28	4.57	5.50	1.41	2.92	0.16	2.46	4.51	–

¹ End-of-period.

² For this instrument category, households and non-financial corporations are merged and allocated to the household sector.

21.a WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN LATS (CONT.)

(%)

5. Interest rates on loans (outstanding amounts)									
	Loans to households						Loans to non-financial corporations		
	Lending for house purchase, with maturity			Consumer credit and other loans, with maturity ¹			With maturity ¹		
	Up to 1 year	Over 1 and up to 5 years	Over 5 years	Up to 1 year ²	Over 1 and up to 5 years	Over 5 years	Up to 1 year ²	Over 1 and up to 5 years	Over 5 years
2009									
X	35.92	11.98	10.17	23.67	20.05	16.45	10.33	12.52	9.18
XI	41.22	11.43	9.99	23.52	20.20	16.32	12.53	12.21	8.84
XII	35.80	11.34	9.59	23.48	20.12	15.97	12.79	10.02	8.55
2010									
I	5.89	10.00	8.62	23.19	20.12	12.78	11.99	8.00	7.62
II	5.83	9.07	7.55	22.97	19.92	12.24	12.75	7.03	6.98
III	5.62	8.20	6.89	22.33	19.77	11.97	7.47	5.60	5.93
IV	52.23	7.25	6.44	22.83	19.76	11.37	6.36	5.32	5.47
V	51.96	6.87	6.23	23.38	20.03	11.26	6.10	4.71	5.24
VI	7.71	7.07	6.17	22.63	18.25	10.35	5.65	5.49	5.05
VII	7.87	6.90	6.09	23.63	18.52	8.88	4.74	6.73	4.96
VIII	7.89	6.81	5.90	24.05	20.60	9.77	4.80	6.26	4.83
IX	7.20	5.69	5.75	24.19	20.82	9.73	4.42	5.95	4.65
X	6.93	5.60	5.68	23.61	20.71	9.66	4.85	5.71	4.63
XI	8.61	5.60	5.54	23.64	20.77	9.43	4.61	5.52	4.36
XII	7.75	5.51	5.45	23.82	20.80	9.60	4.48	5.29	4.41

¹ Including revolving loans, overdrafts, and extended and convenience credit card credit.

² Including bank overdraft.

21.b WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN EURO

(%)

1. Interest rates on deposits (new business)											
	Deposits from households						Deposits from non-financial corporations				Repos
	Overnight ¹	With agreed maturity			Redeemable at notice ^{1,2}		Overnight ¹	With agreed maturity			
		Up to 1 year	Over 1 and up to 2 years	Over 2 years	Up to 3 months	Over 3 months		Up to 1 year	Over 1 and up to 2 years	Over 2 years	
2009											
X	0.91	2.33	5.48	5.18	1.60	x	0.33	1.17	1.90	2.50	–
XI	0.91	2.49	6.17	6.15	1.62	x	0.37	1.36	3.23	4.30	–
XII	0.81	3.17	6.75	5.51	1.72	x	0.24	1.39	2.87	3.76	–
2010											
I	0.68	2.35	6.03	6.07	1.56	x	0.21	1.51	2.65	3.82	–
II	0.60	1.81	5.39	4.30	1.30	x	0.20	0.71	3.49	4.67	–
III	0.57	1.46	4.68	5.71	1.09	x	0.22	0.91	2.54	x	–
IV	0.52	1.75	4.22	5.19	1.03	x	0.20	1.11	4.32	3.01	–
V	0.52	1.45	4.66	4.72	0.98	x	0.19	0.74	2.63	1.79	–
VI	0.54	1.86	4.55	4.12	0.99	x	0.24	0.84	3.04	x	–
VII	0.54	1.96	4.62	3.52	0.96	x	0.24	0.80	4.36	x	–
VIII	0.49	1.97	4.19	4.17	0.95	x	0.22	0.62	3.71	2.91	–
IX	0.48	1.76	4.29	5.17	0.95	x	0.31	0.69	2.85	2.57	–
X	0.48	1.65	3.73	4.59	0.97	x	0.31	0.92	2.41	2.26	–
XI	0.43	1.56	4.23	3.16	0.84	x	0.24	0.79	2.11	4.00	–
XII	0.41	2.14	4.75	5.01	0.86	x	0.22	0.87	5.53	x	–

¹ End-of-period.

² For this instrument category, households and non-financial corporations are merged and allocated to the household sector.

21.b WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN EURO (CONT.)

(%)

2. Interest rates on loans to households (new business)													
	Bank overdraft ¹	Revolving loans and overdraft ¹	Extended credit card credit ¹	Lending for house purchase					Consumer credit			Other lending by initial rate fixation	
				By initial rate fixation				Annual percentage rate of charge ²	By initial rate fixation		Annual percentage rate of charge ²	Floating rate and up to 1 year	Over 1 year
				Floating rate and up to 1 year	Over 1 and up to 5 years	Over 5 and up to 10 years	Over 10 years		Floating rate and up to 1 year	Over 1 year			
2009													
X	6.12	x	x	4.01	5.47	6.88	6.70	4.33	12.49	20.68	23.23	6.82	7.17
XI	7.26	x	x	3.77	6.02	7.40	6.33	4.10	10.57	20.27	23.32	5.71	10.82
XII	5.64	x	x	4.21	6.09	7.57	6.48	4.50	7.31	20.86	13.25	6.10	5.38
2010													
I	5.06	x	x	3.53	6.43	7.54	7.04	4.03	10.94	20.89	23.47	5.08	9.23
II	4.45	x	x	3.72	5.41	7.06	6.31	3.96	12.37	21.17	19.14	7.23	7.63
III	4.71	x	x	3.67	6.24	7.00	x	4.33	11.25	21.90	23.43	5.36	x
IV	4.59	x	x	3.48	5.77	7.42	6.41	4.14	9.28	21.72	21.32	4.99	x
V	9.12	x	x	3.40	6.67	6.89	6.32	3.95	9.86	23.22	22.30	5.41	9.23
VI	x	5.95	20.60	3.48	6.45	5.46	4.39	4.46	9.64	18.55	25.37	5.46	6.59
VII	x	5.43	26.18	4.01	6.79	7.10	x	4.53	10.82	21.37	24.15	5.88	8.60
VIII	x	4.50	31.39	3.42	6.54	6.53	x	3.80	10.49	24.73	28.84	4.86	7.08
IX	x	4.63	30.23	3.55	6.61	4.80	x	3.88	15.18	23.35	25.44	4.35	5.31
X	x	4.68	29.26	3.58	6.48	x	6.11	3.91	15.50	21.31	17.58	4.31	9.72
XI	x	4.65	31.78	3.60	6.69	5.75	5.36	3.95	14.71	16.04	16.05	4.58	4.51
XII	x	4.71	31.58	3.79	6.39	x	x	4.15	16.77	17.91	18.89	3.94	5.70

¹ End-of-period.

² The annual percentage rate of charge covers the total cost of a loan. The total cost comprises an interest rate component and a component of other (related) charges, such as the cost of inquiries, administration, preparation of documents, guarantees, etc.

21.b WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN EURO (CONT.)

(%)

3. Interest rates on loans to non-financial corporations (new business)										
	Bank overdraft ¹	Revolving loans and overdraft ¹	Extended credit card credit ¹	Other loans up to 0.25 million euro (0.2 million euro until 01.06.2010) by initial rate fixation		Other loans over 0.25 million euro (0.2 million euro until 01.06.2010) and up to 1 million euro by initial rate fixation		Other loans over 1 million euro by initial rate fixation		
				Floating rate and up to 1 year	Over 1 year	Floating rate and up to 1 year	Over 1 year	Floating rate and up to 1 year	Over 1 year	
2009										
X	4.95	x	x	6.11	9.50	5.21	7.14	4.72	4.57	
XI	4.82	x	x	7.01	9.04	7.08	x	4.47	x	
XII	4.30	x	x	6.95	8.46	8.04	6.24	3.45	7.30	
2010										
I	4.42	x	x	6.43	9.73	4.73	x	4.39	x	
II	4.45	x	x	6.26	8.50	6.09	8.78	4.43	6.77	
III	3.95	x	x	6.61	8.45	5.84	7.21	4.82	x	
IV	3.76	x	x	6.91	9.91	11.46	4.53	4.30	6.58	
V	3.87	x	x	5.90	8.52	6.59	7.16	4.16	x	
VI	x	4.42	11.15	7.12	14.22	5.35	5.19	2.94	x	
VII	x	4.80	12.30	6.59	8.27	5.88	5.30	4.32	4.28	
VIII	x	4.73	16.16	6.83	9.27	5.75	2.34	4.38	x	
IX	x	4.90	16.58	6.27	7.65	6.01	3.82	4.42	2.80	
X	x	4.78	16.86	5.98	6.73	5.51	5.02	4.33	6.55	
XI	x	4.57	19.15	6.07	6.62	5.57	6.60	3.61	4.60	
XII	x	4.62	19.41	5.70	8.48	5.88	5.66	4.01	6.07	

¹ End-of-period.

21.b WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN EURO (CONT.)

(%)

4. Interest rates on deposits (outstanding amounts)										
	Households					Non-financial corporations				Repos
	Overnight ¹	With agreed maturity		Redeemable at notice ^{1,2}		Overnight ¹	With agreed maturity			
		Up to 2 years	Over 2 years	Up to 3 months	Over 3 months		Up to 2 years	Over 2 years		
2009										
X	0.91	4.51	4.44	1.60	x	0.33	2.86	4.57	–	
XI	0.91	4.38	4.49	1.62	x	0.37	3.02	4.56	–	
XII	0.81	4.26	4.40	1.72	x	0.24	3.04	4.56	–	
2010										
I	0.68	4.16	4.37	1.56	x	0.21	3.04	4.60	–	
II	0.60	4.10	4.39	1.30	x	0.20	2.94	4.43	–	
III	0.57	4.02	4.37	1.09	x	0.22	2.45	4.09	–	
IV	0.52	3.84	4.40	1.03	x	0.20	2.39	3.96	–	
V	0.52	3.78	4.57	0.98	x	0.19	2.35	5.41	–	
VI	0.54	3.63	6.20	0.99	2.13	0.24	2.32	3.91	–	
VII	0.54	3.53	6.15	0.96	2.18	0.24	2.15	4.01	–	
VIII	0.49	3.49	6.11	0.95	3.55	0.22	2.11	5.15	–	
IX	0.48	3.43	6.25	0.95	3.55	0.31	2.06	5.63	–	
X	0.48	3.41	6.27	0.97	4.01	0.31	1.96	6.90	–	
XI	0.43	3.34	6.34	0.84	4.00	0.24	1.90	7.05	–	
XII	0.41	3.09	6.11	x	3.56	0.22	1.94	5.99	–	

¹ End-of-period.

² For this instrument category, households and non-financial corporations are merged and allocated to the household sector.

21.b WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN EURO (CONT.)

(%)

5. Interest rates on loans (outstanding amounts)									
	Loans to households						Loans to non-financial corporations		
	Lending for house purchase, with maturity			Consumer credit and other loans, with maturity ¹			With maturity ¹		
	Up to 1 year	Over 1 and up to 5 years	Over 5 years	Up to 1 year ²	Over 1 and up to 5 years	Over 5 years	Up to 1 year ²	Over 1 and up to 5 years	Over 5 years
2009									
X	14.25	5.22	3.67	6.30	5.74	4.78	4.56	4.20	3.38
XI	24.08	5.21	3.62	6.92	5.82	4.75	4.62	4.20	3.36
XII	12.33	5.20	3.58	5.79	5.84	4.64	4.27	4.17	3.35
2010									
I	10.14	5.40	3.76	5.40	6.15	4.81	4.27	4.22	3.33
II	13.74	5.33	3.75	4.79	6.19	4.83	4.45	4.27	3.32
III	8.05	5.30	3.72	5.00	6.44	5.30	3.98	4.23	3.34
IV	17.59	5.25	3.70	4.96	6.54	5.26	3.96	4.21	3.36
V	20.58	5.20	3.68	8.32	6.60	5.23	4.02	4.14	3.37
VI	7.95	5.12	3.69	11.21	6.84	5.17	4.70	4.10	3.35
VII	7.71	5.10	3.69	8.07	7.36	5.14	4.59	4.19	3.40
VIII	6.47	5.12	3.68	7.60	7.60	5.22	4.60	4.37	3.50
IX	6.89	5.10	3.72	7.55	7.70	5.23	5.13	4.36	3.52
X	5.95	5.14	3.73	7.24	7.83	5.25	4.89	4.37	3.56
XI	6.87	5.17	3.76	7.42	7.87	5.34	4.83	4.43	3.53
XII	4.70	5.13	3.77	9.48	8.05	5.41	5.70	4.42	3.60

¹ Including revolving loans, overdrafts, and extended and convenience credit card credit.

² Including bank overdraft.

21.c WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN US DOLLARS

(%)

1. Interest rates on deposits (new business)											
	Deposits from households						Deposits from non-financial corporations				Repos
	Overnight ¹	With agreed maturity			Redeemable at notice ^{1,2}		Overnight ¹	With agreed maturity			
		Up to 1 year	Over 1 and up to 2 years	Over 2 years	Up to 3 months	Over 3 months		Up to 1 year	Over 1 and up to 2 years	Over 2 years	
2009											
X	0.26	1.46	6.13	5.11	1.34	x	0.11	0.25	x	–	–
XI	0.22	1.25	6.60	4.99	1.49	x	0.11	0.31	x	x	–
XII	0.25	1.68	6.71	5.80	1.47	x	0.11	0.32	x	x	–
2010											
I	0.25	1.62	5.34	5.12	1.45	x	0.11	0.82	x	–	–
II	0.25	1.18	3.03	6.16	1.51	x	0.08	0.59	x	–	–
III	0.23	1.24	4.83	3.69	1.45	x	0.08	0.37	x	–	–
IV	0.29	1.24	4.72	5.60	1.44	x	0.09	0.39	–	–	–
V	0.25	1.04	4.97	5.43	1.40	x	0.06	0.34	x	x	–
VI	0.26	1.47	4.70	4.55	2.28	x	0.15	0.65	x	x	–
VII	0.24	1.63	4.62	5.15	2.29	x	0.11	0.33	–	–	–
VIII	0.24	1.45	4.98	5.15	2.25	x	0.09	0.34	–	x	–
IX	0.20	0.90	4.64	5.42	2.22	1.10	0.07	0.27	x	–	–
X	0.18	1.12	3.96	4.08	2.13	x	0.06	0.18	x	–	–
XI	0.18	0.89	4.09	4.51	2.13	x	0.06	0.18	–	–	–
XII	0.22	1.18	5.46	5.92	2.13	x	0.08	0.17	–	–	–

¹ End-of-period.

² For this instrument category, households and non-financial corporations are merged and allocated to the household sector.

21.c WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN US DOLLARS (CONT.)

(%)

2. Interest rates on loans to households (new business)													
	Bank overdraft ¹	Revolving loans and overdraft ¹	Extended credit card credit ¹	Lending for house purchase					Consumer credit			Other lending by initial rate fixation	
				By initial rate fixation				Annual percentage rate of charge ²	By initial rate fixation		Annual percentage rate of charge ²	Floating rate and up to 1 year	Over 1 year
				Floating rate and up to 1 year	Over 1 and up to 5 years	Over 5 and up to 10 years	Over 10 years		Floating rate and up to 1 year	Over 1 year			
2009													
X	13.27	x	x	3.76	7.54	x	3.87	3.99	22.08	x	22.63	5.25	x
XI	13.59	x	x	8.45	x	–	x	4.08	20.40	x	20.88	4.74	x
XII	11.96	x	x	6.41	x	x	–	6.90	21.28	x	19.40	4.28	11.96
2010													
I	12.57	x	x	3.27	x	–	x	3.32	21.09	–	22.01	3.66	–
II	12.21	x	x	5.05	x	–	x	4.91	21.21	x	22.61	4.68	x
III	12.49	x	x	4.24	x	–	x	4.95	19.13	x	20.02	4.67	8.72
IV	12.63	x	x	3.39	x	x	x	3.62	20.82	–	22.26	5.26	x
V	14.19	x	x	5.13	11.07	x	x	4.09	20.91	–	22.12	5.82	x
VI	x	13.74	18.72	5.27	–	x	x	4.77	18.49	–	15.02	5.49	x
VII	x	18.81	23.76	3.56	–	x	x	3.71	15.75	x	15.77	6.10	x
VIII	x	20.84	18.38	3.65	–	x	–	4.04	20.84	–	23.83	6.38	x
IX	x	19.76	23.70	7.50	x	–	–	9.00	20.19	x	29.88	3.73	x
X	x	12.16	23.84	4.52	x	x	–	4.82	x	x	25.19	x	x
XI	x	18.32	24.95	4.54	x	x	–	5.53	20.68	–	25.64	x	x
XII	x	16.86	24.56	6.10	–	–	–	6.07	19.70	–	16.10	5.64	x

¹ End-of-period.

² The annual percentage rate of charge covers the total cost of a loan. The total cost comprises an interest rate component and a component of other (related) charges, such as the cost of inquiries, administration, preparation of documents, guarantees, etc.

21.c WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN US DOLLARS (CONT.)

(%)

3. Interest rates on loans to non-financial corporations (new business)									
	Bank overdraft ¹	Revolving loans and overdraft ¹	Extended credit card credit ¹	Other loans up to 0.25 million euro (0.2 million euro until 01.06.2010) by initial rate fixation		Other loans over 0.25 million euro (0.2 million euro until 01.06.2010) and up to 1 million euro by initial rate fixation		Other loans over 1 million euro by initial rate fixation	
				Floating rate and up to 1 year	Over 1 year	Floating rate and up to 1 year	Over 1 year	Floating rate and up to 1 year	Over 1 year
2009									
X	7.03	x	x	7.99	–	x	–	x	–
XI	10.26	x	x	6.63	x	7.75	x	x	–
XII	6.91	x	x	3.84	x	9.55	–	x	x
2010									
I	6.77	x	x	3.73	x	x	x	–	–
II	6.04	x	x	5.35	5.81	10.39	x	x	x
III	7.12	x	x	6.56	x	5.89	x	x	–
IV	6.85	x	x	6.47	x	x	x	x	–
V	6.23	x	x	4.61	x	x	–	x	x
VI	x	7.20	13.05	8.41	5.45	6.19	–	2.08	x
VII	x	6.96	18.76	8.14	x	8.59	–	–	–
VIII	x	6.76	21.83	8.03	x	5.61	–	10.52	–
IX	x	6.70	15.68	30.91	x	–	–	–	–
X	x	6.96	15.55	28.51	x	5.43	x	5.18	7.34
XI	x	7.19	19.74	6.80	7.35	6.07	x	6.51	–
XII	x	7.83	21.98	7.16	7.81	6.10	x	x	–

¹ End-of-period.

21.c WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN US DOLLARS (CONT.)

(%)

4. Interest rates on deposits (outstanding amounts)									
	Households					Non-financial corporations			Repos
	Overnight ¹	With agreed maturity		Redeemable at notice ^{1,2}		Overnight ¹	With agreed maturity		
		Up to 2 years	Over 2 years	Up to 3 months	Over 3 months		Up to 2 years	Over 2 years	
2009									
X	0.26	3.68	4.86	1.34	x	0.11	1.37	4.10	–
XI	0.22	3.54	4.85	1.49	x	0.11	1.71	4.32	–
XII	0.25	3.60	4.84	1.47	x	0.11	1.59	4.38	–
2010									
I	0.25	3.50	4.73	1.45	x	0.11	1.82	4.37	–
II	0.25	3.53	4.86	1.51	x	0.08	2.19	4.37	–
III	0.23	3.46	4.84	1.45	x	0.08	2.15	4.40	–
IV	0.29	3.31	4.84	1.44	x	0.09	2.09	4.39	–
V	0.25	3.22	4.88	1.40	x	0.06	2.27	3.33	–
VI	0.26	3.17	4.82	2.28	1.08	0.15	1.94	4.05	–
VII	0.24	3.09	4.83	2.29	1.05	0.11	2.08	3.94	–
VIII	0.24	3.09	4.83	2.25	1.09	0.09	1.95	3.94	–
IX	0.20	3.06	4.86	2.22	1.10	0.07	1.64	3.83	–
X	0.18	2.96	4.81	2.13	1.01	0.06	1.72	3.83	–
XI	0.18	2.86	4.88	2.13	1.01	0.06	1.61	3.83	–
XII	0.22	2.68	4.83	2.13	1.01	0.08	1.46	3.72	–

¹ End-of-period.

² For this instrument category, households and non-financial corporations are merged and allocated to the household sector.

21.c WEIGHTED AVERAGE INTEREST RATES CHARGED BY MFIs IN TRANSACTIONS WITH RESIDENT NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS IN US DOLLARS (CONT.)

(%)

5. Interest rates on loans (outstanding amounts)									
	Loans to households						Loans to non-financial corporations		
	Lending for house purchase, with maturity			Consumer credit and other loans, with maturity ¹			With maturity ¹		
	Up to 1 year	Over 1 and up to 5 years	Over 5 years	Up to 1 year ²	Over 1 and up to 5 years	Over 5 years	Up to 1 year ²	Over 1 and up to 5 years	Over 5 years
2009									
X	5.98	5.96	3.47	8.90	7.84	4.34	5.85	5.82	5.05
XI	5.52	5.96	3.40	8.87	6.46	4.30	6.13	5.87	5.07
XII	5.56	6.08	3.33	8.10	8.21	4.19	6.49	5.01	4.70
2010									
I	5.57	5.95	3.49	8.59	8.35	4.23	6.51	4.91	4.87
II	5.59	6.10	3.51	8.44	8.47	4.22	5.94	5.16	5.18
III	8.55	6.15	3.47	8.74	8.60	4.23	5.93	4.98	4.99
IV	8.60	5.74	3.46	8.84	8.78	4.24	5.68	5.31	5.46
V	10.54	4.11	3.58	9.79	9.34	4.23	5.96	5.37	5.66
VI	8.89	4.40	3.62	11.41	9.26	4.21	6.20	4.79	5.77
VII	7.01	4.82	3.64	12.66	9.74	4.23	6.13	4.83	5.75
VIII	7.01	4.87	3.59	11.66	9.91	4.23	7.73	4.73	5.21
IX	5.84	4.72	3.55	12.21	9.91	4.21	7.89	4.87	5.22
X	5.92	4.61	3.52	10.41	9.84	4.24	7.87	4.95	5.22
XI	6.45	4.54	3.47	12.40	9.90	4.18	6.12	4.70	5.27
XII	1.57	4.48	3.46	12.69	10.80	4.22	7.09	5.40	5.39

¹ Including revolving loans, overdrafts, and extended and convenience credit card credit.

² Including bank overdraft.

22. LENDING IN THE INTERBANK MARKETS

(transactions; in millions of lats)

	Loans to resident MFIs										
	In lats					In foreign currencies					
	Overnight	Up to 1 month	1–3 months	Over 3 months		Overnight	Up to 1 month	1–3 months	Over 3 months		
2009											
X	210.3	72.7	0.3	–	283.3	1 009.0	208.2	0.4	0.8	1 218.4	1 501.7
XI	378.1	159.8	10.0	0.8	548.7	917.6	228.7	–	1.4	1 147.7	1 696.4
XII	220.3	68.8	17.0	3.5	309.6	1 403.4	196.6	–	0.5	1 600.5	1 910.1
2010											
I	268.3	35.4	0.2	3.3	307.2	1 180.7	98.7	0.4	–	1 279.8	1 587.0
II	171.1	40.9	–	–	212.0	990.0	79.2	–	–	1 069.2	1 281.2
III	336.8	45.1	15.0	–	396.9	1 457.6	49.9	–	–	1 507.5	1 904.4
IV	401.9	32.8	–	0.5	435.2	1 235.5	52.0	–	–	1 287.5	1 722.7
V	491.1	106.2	5.0	–	602.3	1 240.7	117.1	–	–	1 357.8	1 960.1
VI	439.7	80.1	5.0	–	524.8	1 006.3	132.3	–	0.5	1 139.1	1 663.9
VII	332.0	58.8	5.0	–	395.8	1 165.8	48.9	0.1	–	1 214.8	1 610.6
VIII	246.4	42.6	–	–	289.0	1 099.5	39.2	0.1	–	1 138.8	1 427.8
IX	284.9	33.0	5.7	–	323.6	1 142.8	54.5	0.2	–	1 197.5	1 521.1
X	249.5	49.9	4.0	–	303.4	1 789.7	105.9	2.1	0.5	1 898.2	2 201.6
XI	245.0	37.2	5.0	–	287.2	1 751.7	169.6	0.2	–	1 921.5	2 208.7
XII	295.0	15.6	2.0	–	312.6	1 544.7	74.0	–	0.5	1 619.2	1 931.8
	Loans to non-resident MFIs										Total loans
	Overnight	Up to 1 month	1–3 months	Over 3 months							
2009											
X	22 812.8	528.8	184.6	12.0	23 538.2	25 039.9					
XI	17 747.4	571.6	121.0	290.3	18 730.3	20 426.7					
XII	18 369.8	1 149.0	27.8	132.4	19 679.0	21 589.1					
2010											
I	22 930.3	1 045.3	27.5	1.2	24 004.3	25 591.3					
II	21 969.8	968.2	116.9	11.8	23 066.7	24 347.9					
III	23 667.8	902.4	110.3	18.1	24 698.6	26 603.0					
IV	26 151.0	965.9	195.2	16.7	27 328.8	29 051.5					
V	23 658.5	1 986.1	34.1	6.2	25 684.9	27 645.0					
VI	22 912.3	1 888.8	122.9	1.4	24 925.4	26 589.3					
VII	24 365.6	786.7	111.1	1.4	25 264.8	26 875.4					
VIII	25 319.1	841.2	22.8	0	26 183.1	27 610.9					
IX	22 250.9	688.0	29.0	24.5	22 992.4	24 513.5					
X	20 332.2	577.3	221.2	161.6	21 292.3	23 493.9					
XI	20 493.1	1 750.9	46.5	13.7	22 304.2	24 512.9					
XII	24 999.9	1 107.4	87.4	35.3	26 230.0	28 161.8					

23.a INTEREST RATES IN THE DOMESTIC INTERBANK MARKET

(% per annum)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Weighted average interest rates on loans in lats															
Overnight	1.1	1.1	1.0	1.0	1.0	1.0	0.9	0.8	0.9	0.9	0.5	0.5	0.5	0.5	0.2
Up to 1 month	1.8	1.5	1.2	1.1	1.0	0.9	0.9	0.9	0.8	0.8	0.6	0.6	0.5	0.4	0.2
1–3 months	10.7	9.5	7.4	3.8	–	1.8	–	1.1	1.3	0.8	–	0.6	0.7	0.4	0.6
Over 3 months	–	8.9	4.8	6.2	–	–	5.0	–	–	–	–	–	–	–	–
Weighted average interest rates on loans in foreign currencies															
Overnight	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.6	0.5	0.4
Up to 1 month	0.5	0.3	0.3	0.2	0.2	0.2	0.3	0.2	0.3	0.3	0.3	0.4	0.5	0.6	0.4
1–3 months	4.0	–	–	3.5	–	–	–	–	–	0.4	0.3	0.2	0.9	0.3	–
Over 3 months	3.0	8.0	0.9	–	–	–	–	–	0.8	–	–	–	3.6	–	1.1

23.b INTEREST RATES SET BY THE BANK OF LATVIA

(% per annum)

Effective date (dd.mm.yyyy)	Bank of Latvia refinancing rate	Lombard rates			Interest rates on time deposits		
		Up to the 10th day	11th–20th day	Over 20 days	7-day deposits	14-day deposits	
17.03.2000	3.5	5.5	6.5	7.5	1.5	1.75	
19.11.2001	–	–	–	–	3.0	3.25	
17.05.2002	–	–	–	–	2.5	2.75	
16.09.2002	3.0	5.0	6.0	7.0	2.0	2.25	
11.03.2004	3.5	–	–	–	–	–	
12.11.2004	4.0	–	–	–	–	–	
15.07.2006	4.5	5.5	6.5	7.5	–	–	
17.11.2006	5.0	6.0	7.0	8.0	–	–	
		Bank of Latvia marginal lending facility rate			Deposit facility rate with the Bank of Latvia (overnight deposits)		
24.03.2007	5.5			6.5		2.0	
18.05.2007	6.0			7.5		–	
24.02.2008	–			–		3.0	
		To banks that have used the facility no more than 5 working days within the previous 30 day period	To banks that have used the facility 6–10 working days within the previous 30 day period	To banks that have used the facility more than 10 working days within the previous 30 day period			
09.12.2008	–	7.5	15.0	30.0		–	
24.01.2009	–	–	–	–		2.0	
24.03.2009	5.0	–	–	–		1.0	
24.05.2009	4.0	–	–	–		–	
		Deposit facility rate with the Bank of Latvia					
		Overnight deposits		7-day deposits			
24.03.2010	3.5	–	–	–	0.5	1.0	
24.07.2010	–	–	–	–	0.375	0.5	
24.11.2010	–	–	–	–	0.25	0.375	

23.c INTEREST RATES IN BANK OF LATVIA TENDERS OF REPURCHASE AGREEMENTS AND SHORT-TERM CURRENCY SWAP CONTRACTS

(% per annum)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Main refinancing operation with maturity 7 days average interest rate	4.0	4.0	–	–	4.0	–	–	–	–	–	3.5	–	–	–	–
Weighted average interest rate on short-term currency swaps	4.0	–	–	–	–	–	–	–	–	–	–	–	–	–	–

24. PRINCIPAL FOREIGN EXCHANGE TRANSACTIONS (BY TYPE, COUNTERPARTY AND CURRENCY)¹

(in millions of lats)

	2010											
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Type of transaction												
Spot exchange transactions	30 257.3	31 347.8	40 675.1	34 077.4	37 471.2	35 579.6	32 314.6	35 463.4	38 942.1	34 231.3	42 732.9	39 900.2
Forward exchange contracts	619.3	713.4	506.2	668.4	526.2	541.6	557.9	709.1	569.7	513.5	506.3	547.1
Currency swap arrangements	36 212.8	37 652.8	40 665.5	35 248.5	37 131.0	40 190.1	39 179.7	43 151.1	39 768.2	38 744.1	36 050.1	37 390.7
Counterparties												
Resident MFIs	3 307.1	3 018.6	5 030.1	4 054.8	3 527.5	3 315.1	3 534.2	5 621.7	5 127.2	4 943.7	4 791.9	4 102.6
Non-resident MFIs	27 381.8	29 180.7	34 376.6	31 688.0	36 888.6	39 217.0	35 193.0	37 104.8	37 367.4	36 243.1	39 934.8	38 798.9
Resident other financial intermediaries, financial auxiliaries, insurance corporations and pension funds	251.6	223.9	299.6	220.1	514.1	420.3	540.4	647.8	708.1	507.3	419.5	793.3
Non-resident other financial intermediaries, financial auxiliaries, insurance corporations and pension funds	8 795.3	9 472.4	25 391.0	13 928.6	7 024.3	5 586.9	5 898.6	6 917.0	5 098.9	4 004.1	3 155.9	3 381.9
Resident government, non-financial corporations, households and non-profit institutions serving households	1 270.1	1 039.6	1 051.8	858.4	1 002.2	1 149.2	1 260.7	1 254.6	1 008.8	1 013.1	969.4	1 154.9
Non-resident government, non-financial corporations, households and non-profit institutions serving households	22 246.3	22 987.0	11 771.4	16 153.4	23 107.7	23 385.7	22 242.8	24 350.7	27 036.8	23 559.9	26 113.5	25 213.7
Households	3 837.2	3 791.8	3 926.2	3 091.0	3 064.1	3 237.1	3 382.5	3 427.0	2 932.9	3 217.7	3 904.3	4 392.9
Currencies												
Total in all currencies	67 089.4	69 714.0	81 846.7	69 994.3	75 128.4	76 311.3	72 052.2	79 323.6	79 280.1	73 488.9	79 289.3	77 838.1
incl. lats for euro	8 582.4	9 464.0	11 440.9	13 290.8	12 874.0	12 619.7	11 933.1	12 907.5	11 409.3	10 744.5	10 184.0	9 609.3
incl. lats for US dollars	1 136.2	889.7	970.3	809.8	786.2	746.6	1 092.6	2 008.2	1 355.6	1 260.4	1 237.4	986.8
incl. lats for other currencies	40.3	44.6	53.4	77.0	55.8	65.4	78.0	298.1	178.1	115.8	169.2	180.2

¹ Including the cash and non-cash transactions performed by banks and branches of foreign banks. The volume of cash and non-cash transactions has been translated into lats applying the exchange rate of the respective foreign currency as set by the Bank of Latvia on the last day of the reporting month.

25. NON-CASH FOREIGN EXCHANGE TRANSACTIONS¹

(in millions of lats)

	2010												
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	
EUR for LVL²													
Amount	8 609.9	9 491.3	11 474.8	13 324.1	12 897.4	12 643.2	11 944.3	12 942.3	11 451.9	10 787.9	10 227.1	9 639.7	
% ³	12.8	13.6	14.0	19.0	17.2	16.6	16.6	16.3	14.4	14.6	12.9	12.4	
USD for LVL²													
Amount	1 111.2	871.9	956.3	789.8	762.6	742.8	1 100.9	1 958.7	1 421.5	1 233.4	1 190.4	972.3	
% ³	1.7	1.3	1.2	1.1	1.0	1.0	1.5	2.5	1.8	1.7	1.5	1.2	
Other currencies for LVL²													
Amount	33.4	38.1	44.8	68.8	46.1	54.0	65.1	281.6	176.0	107.7	157.3	165.6	
% ³	0	0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.2	0.1	0.2	0.2	
USD for EUR													
Amount	32 274.9	30 418.8	35 749.1	26 523.3	28 545.7	27 588.2	29 311.4	31 083.8	29 431.0	31 407.0	33 732.9	36 747.3	
% ³	48.1	43.6	43.7	37.9	38.0	36.1	40.7	39.2	37.1	42.5	42.5	47.1	
GBP for EUR													
Amount	716.3	579.4	771.3	629.6	512.4	396.8	636.9	743.3	688.8	486.0	191.6	157.6	
% ³	1.1	0.8	0.9	0.9	0.7	0.5	0.9	0.9	0.9	0.7	0.2	0.2	
Other currencies (except LVL) for EUR													
Amount	1 855.6	2 373.9	2 102.1	1 468.0	2 481.9	2 708.7	1 967.6	2 074.8	2 551.9	1 937.9	2 948.6	2 502.5	
% ³	2.8	3.4	2.6	2.1	3.3	3.6	2.7	2.6	3.2	2.6	3.7	3.2	
RUB for USD													
Amount	9 951.8	11 157.1	19 844.9	17 661.8	19 792.9	20 427.1	18 057.7	19 050.2	21 255.7	15 874.4	17 887.6	17 510.8	
% ³	14.8	16.0	24.2	25.2	26.3	26.8	25.1	24.0	26.8	21.5	22.5	22.5	
GBP for USD													
Amount	3 966.2	4 182.4	4 936.7	3 737.7	3 679.8	3 768.5	2 835.9	2 979.0	2 993.9	3 136.1	3 616.3	2 611.4	
% ³	5.9	6.0	6.0	5.4	4.9	4.9	3.9	3.8	3.8	4.2	4.6	3.3	
SEK for USD													
Amount	1 129.9	1 243.8	1 502.4	1 324.1	1 245.7	1 398.4	1 439.1	1 548.3	1 675.9	1 598.6	1 622.3	1 768.9	
% ³	1.7	1.8	1.8	1.9	1.7	1.8	2.0	2.0	2.1	2.2	2.0	2.3	
Other currencies (except LVL and EUR) for USD													
Amount	4 468.8	6 512.3	3 375.8	3 287.2	3 799.3	5 184.4	3 367.0	5 146.9	6 284.9	6 436.2	7 021.2	4 923.4	
% ³	6.7	9.3	4.1	4.7	5.0	6.8	4.7	6.4	7.9	8.7	8.8	6.3	
Other currencies (except LVL, EUR and USD) for other currencies													
Amount	2 967.2	2 841.8	1 099.7	1 184.9	1 354.8	1 408.4	1 333.0	1 483.5	1 455.0	976.7	868.4	996.8	
% ³	4.4	4.1	1.4	1.7	1.8	1.8	1.8	1.9	1.8	1.2	1.1	1.3	

¹ Including non-cash transactions performed by banks and branches of foreign banks, reported by major currency.

² The transaction volume has been translated into lats using the weighted average exchange rate of the respective foreign currency for the reporting month.

³ As percentage of the total.

26. MONTHLY AVERAGES OF THE EXCHANGE RATES SET BY THE BANK OF LATVIA

(LVL vs foreign currency)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
EUR	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028	0.7028
USD	0.4745	0.4709	0.4808	0.4916	0.5131	0.5175	0.5231	0.5564	0.5739	0.5535	0.5441	0.5408	0.5068	0.5126	0.5324
GBP	0.7670	0.7820	0.7822	0.7938	0.8039	0.7791	0.8009	0.8194	0.8445	0.8431	0.8527	0.8407	0.8031	0.8204	0.8307
100 JPY	0.5268	0.5273	0.5374	0.5379	0.5685	0.5729	0.5609	0.6031	0.6290	0.6310	0.6357	0.6403	0.6177	0.6233	0.6368

27. WEIGHTED AVERAGE EXCHANGE RATES (CASH TRANSACTIONS)¹

(LVL vs foreign currency)

	2010											
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
EUR												
Buy	0.7034	0.7040	0.7035	0.7024	0.7020	0.7018	0.7023	0.7019	0.7033	0.7036	0.7038	0.7037
Sell	0.7104	0.7100	0.7093	0.7086	0.7081	0.7085	0.7088	0.7089	0.7093	0.7097	0.7103	0.7094
USD												
Buy	0.4933	0.5143	0.5184	0.5245	0.5586	0.5743	0.5522	0.5418	0.5390	0.5071	0.5153	0.5324
Sell	0.4966	0.5186	0.5226	0.5280	0.5643	0.5815	0.5569	0.5467	0.5442	0.5126	0.5207	0.5366
GBP												
Buy	0.7895	0.7988	0.7748	0.7959	0.8140	0.8403	0.8347	0.8466	0.8323	0.7967	0.8164	0.8240
Sell	0.8022	0.8125	0.7878	0.8101	0.8265	0.8534	0.8476	0.8586	0.8480	0.8115	0.8298	0.8359
100 JPY												
Buy	0.5378	0.5630	0.5573	0.5485	0.5912	0.5999	0.6228	0.6127	0.6240	0.6154	0.6033	0.6285
Sell	0.5449	0.5739	0.5819	0.5756	0.6258	0.6294	0.6368	0.6440	0.6477	0.6373	0.6326	0.6343
SEK												
Buy	0.0683	0.0704	0.0718	0.0719	0.0720	0.0726	0.0730	0.0738	0.0753	0.0751	0.0749	0.0770
Sell	0.0699	0.0714	0.0733	0.0735	0.0733	0.0743	0.0746	0.0753	0.0766	0.0767	0.0762	0.0778
RUB												
Buy	0.0163	0.0170	0.0175	0.0179	0.0184	0.0185	0.0179	0.0178	0.0175	0.0166	0.0165	0.0171
Sell	0.0167	0.0174	0.0178	0.0183	0.0188	0.0189	0.0184	0.0182	0.0178	0.0170	0.0169	0.0175
CHF												
Buy	0.4726	0.4765	0.4844	0.4885	0.4892	0.5047	0.5155	0.5210	0.5296	0.5197	0.5197	0.5472
Sell	0.4822	0.4857	0.4912	0.4942	0.5008	0.5126	0.5283	0.5261	0.5437	0.5288	0.5279	0.5557

¹ Data have been revised.

28. STRUCTURE OF GOVERNMENT SECURITIES

(at end of period; in millions of lats)

	2010											
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Stock of government securities outstanding	905.6	857.8	890.0	902.3	859.7	846.8	828.4	795.6	744.6	752.6	755.5	795.8
Residents	879.6	833.9	862.7	872.6	829.8	823.4	807.4	773.2	726.1	731.3	739.5	777.5
Non-financial corporations	16.3	3.5	2.9	2.9	0.3	0.3	0.2	0.1	0.1	0.6	1.3	0.9
Credit institutions	489.5	488.2	503.7	506.4	471.9	469.0	458.7	431.7	420.5	433.0	442.2	476.3
Money market funds	7.4	6.8	8.0	13.0	17.4	17.3	16.3	14.9	8.2	7.4	8.4	10.1
MFIs excluding central banks, credit institutions and money market funds	2.0	0	0	0	0	0	0	0	0	0	0	0
Other financial intermediaries excluding investment funds	36.8	49.9	49.9	50.0	83.3	81.5	81.2	81.2	80.4	80.6	81.1	80.0
Financial auxiliaries	0	0.4	0.8 ¹	0.6 ¹	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Insurance corporations and pension funds	322.0	278.9	291.3	293.6	250.2	249.2	244.8	239.1	210.8	203.8	200.5	201.9
Central government	0	0	0 ¹	0 ¹	0	0	0	0	0	0	0	0
Households	1.3	1.9	1.8	1.8	1.7	1.3	1.3	1.3	1.2	1.0	1.1	3.4
Non-profit institutions serving households	4.3	4.3	4.3	4.3	4.0	3.8	3.9	3.9	3.9	3.9	3.9	3.9
Non-residents	25.9	23.9	27.3	29.7	29.9	23.4	21.0	22.4	18.5	21.3	16.0	18.3
Non-financial corporations	1.8	1.8	1.8	1.8	1.8	0	0	0	0	0	0	0
Credit institutions	5.5	5.5	5.7	5.9	6.0	5.2	5.2	7.0	5.3	5.2	4.9	8.3
Money market funds	0	0	0	0	0	0	0	0	0	0	0	0
MFIs excluding central banks, credit institutions and money market funds	0	0	0	0	0	0	0	0	0	0	0	0
Other financial intermediaries excluding investment funds	0	0	0	0	0	0	0	0	0	0	0	0
Financial auxiliaries	18.5 ¹	16.5 ¹	19.7 ¹	21.9 ¹	22.0 ¹	18.1 ¹	15.7 ¹	15.3 ¹	13.1 ¹	16.0	11.0	9.9
Insurance corporations and pension funds	0.1 ¹	0.1 ¹	0.1 ¹	0.1 ¹	0.1 ¹	0.1 ¹	0.1 ¹	0.1 ¹	0.1 ¹	0.1	0.1	0.1
Central government	0 ¹	0 ¹	0 ¹	0 ¹	0 ¹	0 ¹	0 ¹	0 ¹	0 ¹	0	0	0
Households	0	0	0	0	0	0	0	0	0	0	0	0
Non-profit institutions serving households	0	0	0	0	0	0	0	0	0	0	0	0

¹ Data have been revised.

29. AUCTIONS OF GOVERNMENT SECURITIES IN THE PRIMARY MARKET

(Q4 2010)

Date (dd.mm.)	Initial maturity (months)	Supply (in thousands of lats)	Demand (in thousands of lats)	Purchase (in thousands of lats)	Weighted average discount rate (%)
Competitive multi-price auctions					
06.10.	60	12 000	37 250	12 000	4.219 ¹
20.10.	60	12 000	22 810	12 000	4.347 ¹
03.11.	6	8 000	49 000	8 000	0.836
10.11.	12	12 000	51 300	12 000	1.205
24.11.	6	8 000	26 700	8 000	0.805
24.11.	12	8 000	19 365	8 000	1.286
01.12.	6	10 000	10 150	10 000	0.905
01.12.	12	15 000	16 780	15 000	1.470
08.12.	6	10 000	29 400	10 000	1.132
08.12.	12	10 000	15 755	10 000	1.669
15.12.	6	10 000	16 200	10 000	1.148
15.12.	12	15 000	15 600	15 000	1.823
21.12.	6	5 000	10 000	5 000	1.216
21.12.	12	5 000	8 350	5 000	1.749
Primary placement of government securities via outright sales of securities					
07.10.	60	3 000	7 680	3 000	4.219 ¹
21.10.	60	3 000	4 550	3 000	4.347 ¹
04.11.	6	2 000	7 500	2 000	0.836
11.11.	12	3 000	5 000	3 000	1.205
25.11.	6	2 000	1 280	1 280	0.805
25.11.	12	2 000	1 050	1 050	1.286

¹ Weighted average yield.

30. THE BANK OF LATVIA'S TRANSACTIONS IN THE SECONDARY MARKET FOR GOVERNMENT SECURITIES

(in millions of lats)

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Securities purchased	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Securities sold	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

31. DYNAMICS OF GDP

	2009					2010				
		Q1	Q2	Q3	Q4		Q1 ²	Q2 ²	Q3 ²	Q4
At current prices; in millions of lats	13 082.8	3 308.5	3 340.2	3 221.4	3 212.7	12 735.9	2 852.8	3 142.5	3 291.2	3 449.4
At constant prices ¹ ; in millions of lats	6 828.4	1 555.7	1 710.4	1 751.4	1 810.9	6 805.0	1 461.3	1 666.5	1 800.7	1 876.4
Annual growth rate (%)	-18.0	-17.8	-18.1	-19.1	-16.8	-0.3	-6.1	-2.6	2.8	3.6
Gross value added	-15.8	-15.9	-16.0	-16.8	-14.6	-0.5	-6.3	-2.8	2.7	3.9
Goods-producing sector	-19.5	-21.3	-20.6	-20.1	-16.1	2.4	-3.7	-1.7	6.1	7.6
Services sector	-14.6	-14.1	-14.4	-15.6	-14.2	-1.4	-7.1	-3.1	1.5	2.7

¹ Chain-linked; average prices in 2000.

² Data have been revised.

32. CHANGES IN THE AVERAGE MONTHLY WAGES AND SALARIES AND UNEMPLOYMENT

	2009			2010											
	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Average gross wages and salaries															
LVL per month	429	426	464	427	426	441	442	443	447	456	445 ¹	442	443	442	479
Year-on-year changes (%)	87.8	87.5	88.3	90.8	91.8	92.8	94.1	94.3	92.7 ¹	94.4 ¹	98.8 ¹	102.0 ¹	103.2	103.7	103.1
Real net wage index (year-on-year basis; %)	88.9	89.0	89.8	89.4	91.3	92.1	91.9	91.7	89.2	92.0 ¹	95.9	98.4	98.7	98.3	97.2
Number of registered unemployed persons															
At end of month	157 897	169 236	179 235	186 295	192 032	194 253	189 881	183 476	176 879	173 301	169 676	165 386	162 497	161 816	162 471
Year-on-year changes (%)	258.6	252.3	234.5	206.0	185.1	166.4	154.2	144.9	136.8	130.8	123.3	111.9	102.9	95.6	90.6

¹ Data have been revised.

33. LATVIAN FOREIGN TRADE BALANCE

(in millions of lats; exports – in FOB prices, imports – in CIF prices)

	2009					2010				
	Q1	Q2	Q3	Q4	Q1 ¹	Q2 ¹	Q3 ¹	Q4		
Exports	3 602.2	819.3	854.7	912.1	1 016.1	4 666.5	945.9	1 120.9	1 287.0	1 312.7
Imports	4 709.8	1 205.5	1 106.3	1 173.4	1 224.6	5 840.8	1 183.7	1 352.3	1 605.5	1 699.3
Balance	-1 107.6	-386.2	-251.6	-261.3	-208.5	-1 174.3	-237.8	-231.4	-318.8	-386.6

	2009			2010											
	X	XI	XII	I	II	III	IV ¹	V ¹	VI ¹	VII ¹	VIII ¹	IX ¹	X	XI	XII
Exports	363.0	336.4	316.7	268.7	312.4	364.8	376.8	377.1	367.0	392.4	421.4	473.2	453.3	435.3	424.1
Imports	417.2	403.1	404.4	348.9	381.7	453.0	431.2	469.1	452.1	504.7	538.3	562.5	533.5	557.3	608.5
Balance	-54.2	-66.7	-87.7	-80.2	-69.3	-88.2	-54.4	-92.0	-85.1	-112.3	-116.9	-89.3	-80.2	-122.0	-184.4

¹ Data have been revised.

34. MAIN EXPORT GOODS OF LATVIA

(in FOB prices)

	2009		2010									
	Millions of lats	%	Millions of lats	%	Q1		Q2 ¹		Q3 ¹		Q4	
					Millions of lats	%	Millions of lats	%	Millions of lats	%	Millions of lats	%
Total	3 602.2	100.0	4 666.5	100.0	945.9	100.0	1 120.9	100.0	1 287.0	100.0	1 312.7	100.0
Agricultural and food products	669.8	18.6	680.5	14.6	136.7	14.4	159.6	14.2	183.3	14.2	200.9	15.3
Mineral products	199.6	5.5	282.9	6.1	59.4	6.3	74.1	6.6	74.2	5.8	75.2	5.7
Products of the chemical and allied industries	307.0	8.5	357.1	7.7	74.2	7.8	90.6	8.1	90.3	7.0	102.0	7.8
Plastics and articles thereof; rubber and articles thereof	102.9	2.9	152.3	3.3	29.0	3.1	38.0	3.4	44.7	3.5	40.6	3.1
Wood and articles of wood	595.4	16.5	900.7	19.3	182.5	19.3	233.0	20.8	249.2	19.4	236.0	18.0
Pulp of wood; paper and paperboard	64.3	1.8	96.3	2.1	20.6	2.2	21.2	1.9	25.4	2.0	29.1	2.2
Textiles and textile articles	178.8	5.0	205.0	4.4	46.9	5.0	46.6	4.2	57.7	4.5	53.8	4.1
Articles of stone, plaster, cement, glassware and ceramic products	70.4	2.0	85.7	1.8	17.9	1.9	21.9	1.9	23.9	1.8	22.0	1.7
Base metals and articles of base metals	447.8	12.4	650.2	13.9	115.5	12.2	150.2	13.4	196.1	15.2	188.4	14.3
Machinery and mechanical appliances; electrical equipment	509.4	14.1	594.8	12.7	120.5	12.7	135.3	12.1	158.7	12.3	180.3	13.7
Transport vehicles	254.7	7.1	276.7	5.9	59.4	6.3	74.1	6.6	72.2	5.6	71.0	5.4
Miscellaneous manufactured articles	121.0	3.4	129.9	2.8	27.0	2.9	33.5	3.0	35.7	2.8	33.7	2.6
Other goods	81.1	2.2	254.4	5.4	56.3	5.9	42.8	3.8	75.6	5.9	79.7	6.1

¹ Data have been revised.

35. MAIN IMPORT GOODS OF LATVIA

(in CIF prices)

	2009		2010									
	Millions of lats	%	Millions of lats	%	Q1 ¹		Q2 ¹		Q3 ¹		Q4	
					Millions of lats	%	Millions of lats	%	Millions of lats	%	Millions of lats	%
Total	4 709.8	100.0	5 840.8	100.0	1 183.7	100.0	1 352.3	100.0	1 605.5	100.0	1 699.3	100.0
Agricultural and food products	863.5	18.3	923.1	15.8	213.6	18.0	219.8	16.3	251.5	15.7	238.2	14.0
Mineral products	808.6	17.2	929.9	15.9	217.4	18.4	183.9	13.6	235.5	14.7	293.1	17.3
Products of the chemical and allied industries	557.3	11.8	670.3	11.5	158.2	13.4	163.6	12.1	172.7	10.7	175.8	10.3
Plastics and articles thereof; rubber and articles thereof	237.8	5.0	330.7	5.7	60.8	5.1	88.5	6.5	97.1	6.0	84.3	5.0
Wood and articles of wood	66.0	1.4	96.2	1.7	19.2	1.6	26.2	1.9	25.1	1.5	25.7	1.5
Pulp of wood; paper and paperboard	134.6	2.9	165.7	2.8	36.2	3.1	39.2	2.9	45.3	2.8	45.0	2.7
Textiles and textile articles	230.4	4.9	259.7	4.4	56.3	4.8	59.3	4.4	80.0	5.0	64.1	3.8
Articles of stone, plaster, cement, glassware and ceramic products	97.9	2.1	100.2	1.7	18.7	1.6	26.4	2.0	29.1	1.8	26.0	1.5
Base metals and articles of base metals	379.6	8.1	646.4	11.1	98.0	8.3	130.5	9.6	166.4	10.4	251.5	14.8
Machinery and mechanical appliances; electrical equipment	740.3	15.7	475.3	8.1	75.7	6.4	116.3	8.6	142.6	8.9	140.7	8.3
Transport vehicles	304.6	6.5	916.5	15.7	159.9	13.5	220.1	16.3	270.8	16.9	265.7	15.6
Miscellaneous manufactured articles	115.2	2.4	128.6	2.2	28.8	2.4	33.4	2.5	32.1	2.0	34.3	2.0
Other goods	174.0	3.7	198.2	3.4	40.9	3.4	45.1	3.3	57.3	3.6	54.9	3.2

¹ Data have been revised.

36. LATVIAN FOREIGN TRADE PARTNERS

(exports – in FOB prices, imports – in CIF prices)

	2009			2010						
	Millions of lats			% of the total		Millions of lats			% of the total	
	Exports	Imports	Balance	Exports	Imports	Exports	Imports	Balance	Exports	Imports
Total	3 602.2	4 709.8	-1 107.6	100.0	100.0	4 666.5	5 840.8	-1 174.3	100.0	100.0
EU15 countries	1 258.8	1 757.9	-499.1	34.9	37.3	1 628.2	2 223.1	-594.9	34.9	38.1
EU27 countries	2 586.9	3 541.3	-954.4	71.8	75.2	3 327.8	4 400.6	-1 072.8	71.3	75.3
incl. Germany	314.0	543.1	-229.1	8.7	11.5	405.0	675.2	-270.2	8.7	11.6
Sweden	219.5	168.3	51.2	6.1	3.6	296.3	208.8	87.5	6.3	3.6
UK	115.3	64.5	50.8	3.2	1.4	165.9	93.5	72.4	3.6	1.6
Finland	102.5	168.6	-66.1	2.8	3.6	146.3	292.3	-146.0	3.1	5.0
Denmark	148.6	126.6	22.0	4.1	2.7	184.1	130.3	53.8	3.9	2.2
Netherlands	92.6	190.5	-97.9	2.6	4.0	103.3	219.5	-116.2	2.2	3.8
Lithuania	590.4	800.9	-210.5	16.4	17.0	757.7	980.7	-223.0	16.2	16.8
Estonia	518.4	375.7	142.7	14.4	8.0	614.0	413.5	200.5	13.2	7.1
Poland	138.3	397.2	-258.9	3.8	8.4	234.1	449.7	-215.6	5.0	7.7
CIS	498.3	746.4	-248.1	13.8	15.8	708.6	909.2	-200.6	15.2	15.6
incl. Russia	316.4	505.7	-189.3	8.8	10.7	503.9	603.7	-99.8	10.8	10.3
Other countries	517.0	422.1	94.9	14.4	9.0	630.0	531.0	99.0	13.5	9.1
incl. USA	58.6	41.0	17.6	1.6	0.9	88.2	79.8	8.4	1.9	1.4
Norway	94.7	66.6	28.1	2.6	1.4	131.1	62.4	68.7	2.8	1.1
China	11.1	99.5	-88.4	0.3	2.1	17.5	151.8	-134.3	0.4	2.6

Additional Information

General notes

The Bank of Latvia's publication *Macroeconomic Developments Report* is based on data provided by the CSB, Ministry of Finance of the Republic of Latvia, Financial and Capital Market Commission, NASDAQ OMX Riga and Bank of Latvia.

Data sources for charts are Eurostat and central banks and national statistical authorities of EU countries (Charts 1.1–1.5), CSB (Charts 1.6, 3.1–3.5, 3.7, 4.1–4.3, 4.5–4.8, 4.11, 5.1–5.4, 5.7, 5.8, 6.1, 7.1, and 7.2), Bloomberg (Charts 2.1, 5.5 and 5.6), the Bank of Latvia (Charts 2.2, 2.3, 2.5–2.14, 3.5, 5.7, 6.1–6.3, 7.1 and 7.2), ECB (Charts 2.3 and 2.6), the Treasury (Charts 2.4 and 3.8–3.10), Eurostat (Charts 3.6, 4.4 and 4.10) and State Employment Agency (Charts 4.8 and 4.9).

Data sources for Statistics tables are the Bank of Latvia (Tables 1, 3–28 and 30), NASDAQ OMX Riga (Table 1), Ministry of Finance of the Republic of Latvia (Tables 2ab and 29) and CSB (Tables 2ab and 31–36).

Details may not add because of rounding-off.

FOB value is the price of a commodity on the border of the exporting country, including the transportation and insurance costs only up to the border.

CIF value is the price of a commodity on the border of the importing country, including the transportation and insurance costs only up to the border.

"–" – no transactions in the period; "x" – no data available, no computation of indicators possible or insufficient number of respondents to publish information.

Money and banking sector

Calculation of monetary aggregates includes the Bank of Latvia's balance sheet data and information from the financial position reports of other MFIs, prepared using the Bank of Latvia's methodology (see the Bank of Latvia's Regulation No. 40 "Regulation for Compiling the Monthly Financial Position Report of Monetary Financial Institutions" of 16 July 2009, based on Regulation (EC) No. 25/2009 of the ECB of 19 December 2008 concerning the balance sheet of the monetary financial institutions sector (recast; ECB/2008/32).

In the publication, the following terms have been used:

MFIs – financial institutions forming the money-issuing sector. In Latvia, MFIs include the Bank of Latvia, credit institutions and other MFIs in compliance with the List of Monetary Financial Institutions of the Republic of Latvia compiled by the Bank of Latvia. In the EU, MFIs include the ECB, the national central banks of the euro area, credit institutions and other monetary financial institutions (money market funds) in compliance with the original List of Monetary Financial Institutions published by the ECB.

Non-MFIs – entities other than MFIs.

Financial institutions – other financial intermediaries, excluding insurance corporations and pension funds, (hereinafter, OFIs), financial auxiliaries, insurance corporations and pension funds.

OFIs – financial corporations that are primarily engaged in financial intermediation by incurring liabilities in forms other than currency, deposits and close substitutes for deposits from their customers other than MFIs, or insurance technical reserves. OFIs are corporations

engaged in lending (e.g. financial leasing companies, factoring companies, export/import financing companies), investment funds, investment brokerage companies, financial vehicle corporations, financial holding corporations, venture capital corporations. OFIs data include also financial auxiliaries data.

Financial auxiliaries – financial corporations that are primarily engaged in auxiliary financial activities, i.e. activities that are closely related to financial intermediation but are not financial intermediation themselves, e.g. investment brokers who do not engage in financial intermediation services on their own behalf, corporations that provide infrastructure for financial markets, central supervisory institutions of financial institutions and the financial market provided that they are separate institutional units. The Financial and Capital Market Commission and the NASDAQ OMX Riga shall be regarded as financial auxiliaries. Financial auxiliaries data are included in OFIs data.

Non-financial corporations – economic entities producing goods or providing non-financial services with the aim of gaining profit or other yield.

Households – natural persons or groups of natural persons whose principal activity is consumption and who produce goods and services exclusively for their own consumption, as well as non-profit institutions serving households. The following are also regarded as households in the Republic of Latvia: persons engaged in individual entrepreneurship provided that they have not registered their activity with the Commercial Register of the Enterprise Register of the Republic of Latvia.

Holdings of securities other than shares – financial assets, which are instruments of the holder, usually negotiable and traded or compensated on secondary markets and which do not grant the holder any ownership rights over the issuing institutional unit.

The following information is published in accordance with the ECB methodology:

- 1) The Bank of Latvia's assets and liabilities (Table 6), expanding the range of reported financial instruments;
- 2) Aggregated balance sheet of MFIs (excluding the Bank of Latvia), i.e. the sum of the harmonised balance sheets of Latvia's MFIs, excluding the Bank of Latvia (Table 7);
- 3) Consolidated balance sheet of MFIs, obtained by netting out inter-MFI positions on the aggregated MFI balance sheet (Table 8). Due to slight differences in accounting techniques, the sum of inter-MFI positions does not always equal zero; therefore, the balance is included in the item "Excess of inter-MFI liabilities";
- 4) Monetary aggregates and counterparts (Table 4) comprise Latvia's monetary aggregates and their balance sheet counterparts derived from the consolidated balance sheet of MFIs. See Table 5 for seasonally adjusted monetary aggregates. The following monetary aggregates are calculated and published:
 - M1 – narrow monetary aggregate, comprising currency in circulation (the lats banknotes and coins issued by the Bank of Latvia excluding vault cash of MFIs) plus overnight deposits in all currencies held with MFIs.
 - M2 – intermediate monetary aggregate comprising M1 and deposits redeemable at a period of notice of up to and including 3 months (i.e. short-term savings deposits) made in all currencies and deposits with an agreed maturity of up to and including 2 years (i.e. short-term time deposits) in all currencies held with MFIs.

M3 – broad monetary aggregate comprising M2, repurchase agreements, and debt securities with a maturity of up to and including 2 years issued by MFIs, and money market fund shares and units.

In compliance with the Bank of Latvia's methodology, the monetary base (Table 3) and monetary survey (Table 10) is published. According to this methodology, the calculated monetary aggregates comprise the following:

M0 – monetary base, comprising the lats banknotes and coins issued by the Bank of Latvia and resident MFI overnight deposits in lats with the Bank of Latvia.

M2X – broad money, comprising currency in circulation (the lats banknotes and coins issued by the Bank of Latvia less vault cash of MFIs), MFI overnight deposits and time deposits in lats (including deposits redeemable at notice and repos), as well as foreign currency deposits with MFIs. M2X incorporate deposits made by local governments as a net item on the demand side.

In view of the fact that the Bank of Latvia collects more comprehensive information, the following is also published:

- 1) Aggregated balance sheet of Latvia's MFIs (excluding the Bank of Latvia) which is the sum of the harmonised balance sheets (Tables 9ab);
- 2) Information characterising foreign assets and foreign liabilities of MFIs (excluding the Bank of Latvia; Tables 11ab), including a breakdown of selected balance sheet items by country (Table 12);
- 3) Information characterising the maturity profile and types of deposits (including repos) of Latvia's financial institutions, non-financial corporations and households with MFIs (excluding the Bank of Latvia; Tables 13 and 14abc) as well as Government and non-resident deposits (Table 14d). Deposits redeemable at notice have been grouped by period of notice. Long-term deposits include deposits with the original maturity of over 1 year. The breakdown of MFI (excluding the Bank of Latvia) deposits by currency is provided in Tables 20ab;
- 4) Information characterising the maturity profile and types of MFI (excluding the Bank of Latvia) loans to Latvia's financial institutions, non-financial corporations and households (Tables 15, 16ab, 17 and 18) as well as Government and non-resident loans (Table 16c). The breakdown of MFI (excluding the Bank of Latvia) loans by currency is provided in Tables 20cd;
- 5) Information characterising MFI (excluding the Bank of Latvia) securities holdings other than shares (Tables 19ab and 20ef);
- 6) Information characterising debt securities issued by MFIs (excluding the Bank of Latvia; Table 20g).

Interest rates

In June 2010, the Bank of Latvia introduced new methodology for interest rate statistics (see the Bank of Latvia's Regulation No. 42 "Regulation for Compiling Interest Rate Reports of Monetary Financial Institutions" of 10 September 2009). Using this methodology, banks, branches of foreign banks and particular credit unions registered in the Republic of Latvia have to provide information on interest rates on deposits and loans applied in transactions with resident non-financial corporations and households. Introduction of the new methodology enabled harmonisation of the interest rate statistics with the ECB requirements

laid down in Regulation (EC) No. 290/2009 of the ECB of 31 March 2009 amending Regulation (EC) No. 63/2002 (ECB/2001/18) concerning statistics on interest rates applied by monetary financial institutions to deposits and loans *vis-à-vis* households and non-financial corporations (ECB/2009/7). The interest rate statistics provide considerably wider information on macroeconomic development and structural changes.

Information on interest rates on deposits and loans applied in transactions with non-financial corporations and households provided by banks, branches of foreign banks and credit unions registered in the Republic of Latvia is collected (Table 21). Interest rate statistics is collected on new business and outstanding amounts. All rates included in the interest rate statistics are weighted average rates. When preparing the interest rate statistics, credit institutions use annualised agreed rates (AAR) or narrowly defined effective rates (NDER) and annual percentage rate of charge (APRC). Credit institutions have to select the calculation of the AAR or the NDER based on the terms and conditions of the agreement. The NDER can be calculated on any deposit or loan. In addition to the AAR or the NDER, the APRC is reported for loans to households for house purchase and consumer credits.

The interest rates on new business with overnight deposits and deposits redeemable at notice and their outstanding amounts coincide.

Interest rates on new loans are reported on the basis of the initial rate fixation period set in the agreement, whereas overdraft interest rates are reported on loan balances.

When reporting the interest rates on consumer credit and other credit to households with the maturity of up to 1 year and loans to non-financial corporations with the maturity of up to 1 year, interest rates on overdraft are included.

Interbank market lending interest rates (Table 23a) are reported as weighted average interest rates on new business, aggregating the information submitted by banks, prepared based on the Bank of Latvia's methodology (see the Bank of Latvia's Regulation No. 46 "Regulation for Compiling the "Report on Money Market Transactions" of 5 November 2009.)

Foreign exchange and exchange rates

Information characterising the foreign currency selling and buying transactions is reported based on the Bank of Latvia's methodology (see the Bank of Latvia Regulation No. 36 "Regulation for Purchasing and Selling Cash Foreign Currency" of 13 May 2009 and the Bank of Latvia's Regulation No. 41 "Regulation for Compiling Reports on Foreign Currency Purchases and Sales" of 16 July 2009). The principal foreign exchange transactions (Table 24) comprise the cash and non-cash transactions conducted by banks and branches of foreign banks, reported by transaction type and counterparty, and currency. Non-cash foreign exchange transactions (Table 25) comprise non-cash transactions performed by banks and branches of foreign banks, reported by major currency.

Exchange rates set by the Bank of Latvia (Table 26) are reported as monthly mathematical averages. Weighted average exchange rates (cash transactions; Table 27) are reported based on the information provided by banks and branches of foreign banks as well as currency exchange bureaus.