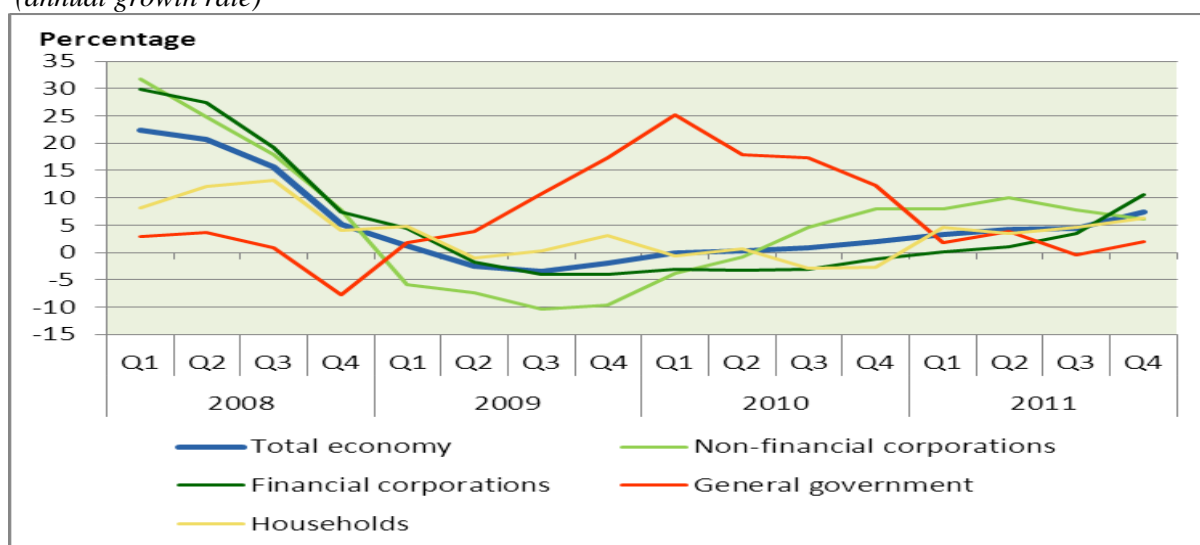


10 April 2012

FINANCIAL ACCOUNTS OF LITHUANIA FOR THE FOURTH QUARTER OF 2011

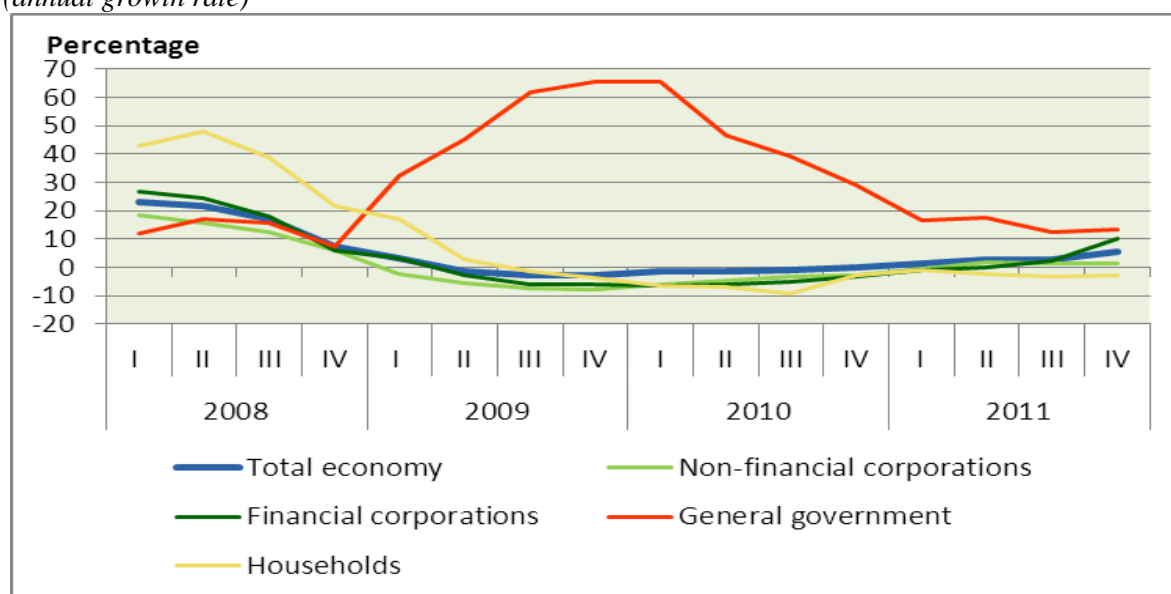
At the end of the fourth quarter of 2011, the annual growth rate¹ of Lithuania's financial assets (7%) exceeded that of liabilities (5%). In the same quarter of 2010, the said growth rates accounted for 2 and -3 per cent, respectively (see Fig. 1 and Fig. 2).

Fig. 1. Financial assets of Lithuania
(annual growth rate)



Financial assets totalled LTL 341.5 billion. The main investment positions of financial assets were shares (26%), loans (25%), deposits (20%) and debt securities (9%).

Fig. 2. Liabilities of Lithuania
(annual growth rate)

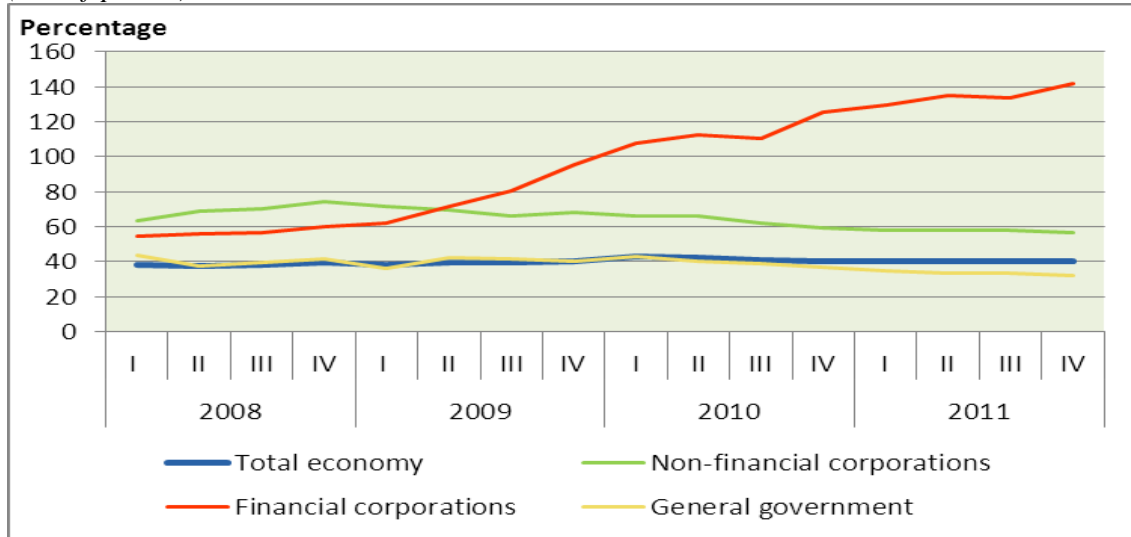


¹ Annual growth rate is calculated by taking the difference between end-quarter outstanding amounts and then removing the effects of revaluation adjustments, exchange rate adjustments, as well as other changes in volume.

At the end of the fourth quarter, Lithuania's liabilities totalled LTL 402.9 billion. Loans and debt securities accounted for one third (34%) of total liabilities, whereas the ratio of loans and debt securities to financial assets made up 40 per cent.

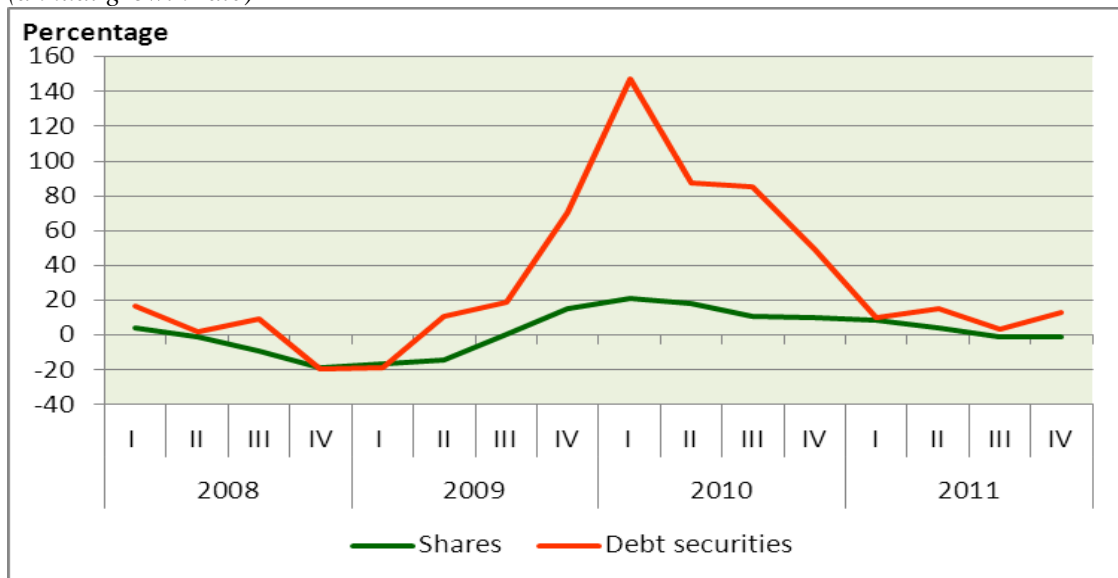
This indicator remained broadly unchanged in recent years, except for the government sector, where the said ratio grew up to 142 per cent at the end of the fourth quarter (see Fig. 3).

Fig. 3. Ratio of loans and debt securities to total financial assets
(end-of-period)



The rest of the world sector (non-residents) plays an important role in Lithuania's economy. In the fourth quarter of 2011, debt securities holdings/holdings of debt securities by non-residents accounted for nearly three fourths (73%) of total debt securities issued in Lithuania. Annual growth rate of the said securities equalled 13 per cent (at the same period of 2010, it made up 49%; see Fig. 4). Non-residents also owned almost one third (32%) of total shares issued in Lithuania, whose annual growth rate was -1 per cent (at the end of the fourth quarter of 2010, it made up 10%; see Fig. 4).

Fig. 4. Non-resident holdings of shares and debt securities issued in Lithuania
(annual growth rate)



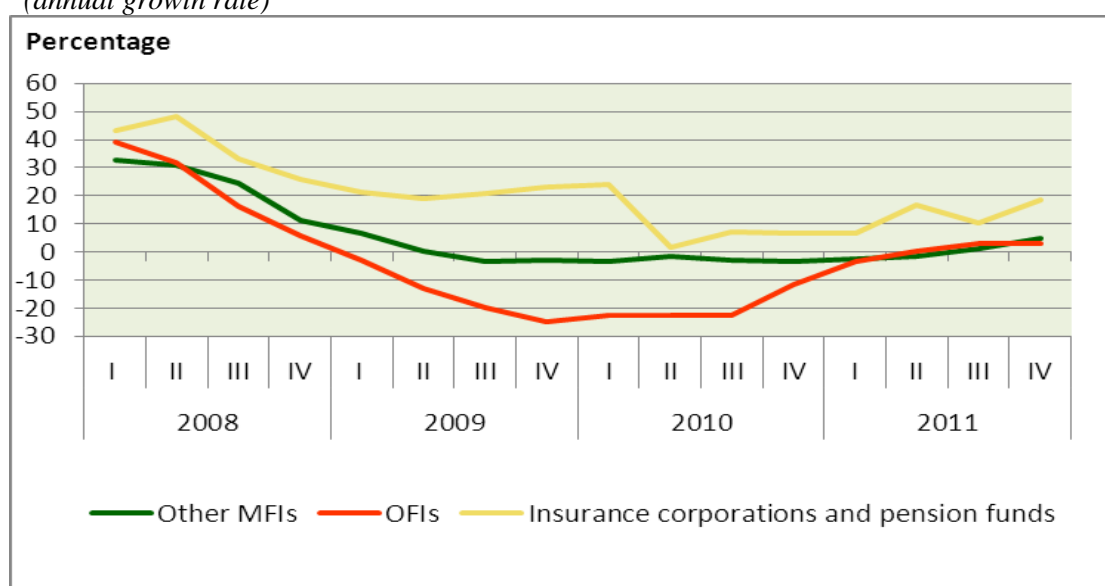
The largest portion of non-resident investment went to Lithuania's financial sector: they owned 97 per cent of shares issued by other monetary financial institutions (other MFIs)² and 71 per cent of shares issued by insurance corporations.

FINANCIAL CORPORATIONS

Financial corporations are grouped by type of activity into other MFIs, other financial intermediaries (OFIs)³, financial auxiliaries and insurance corporations and pension funds.

At the end of the fourth quarter, financial assets of other MFIs totalled LTL 86.6 billion, and their annual growth rate was 5 per cent, whereas a year ago it was -3 per cent (see Fig. 5).

Fig. 5. Financial assets of financial corporations
(annual growth rate)

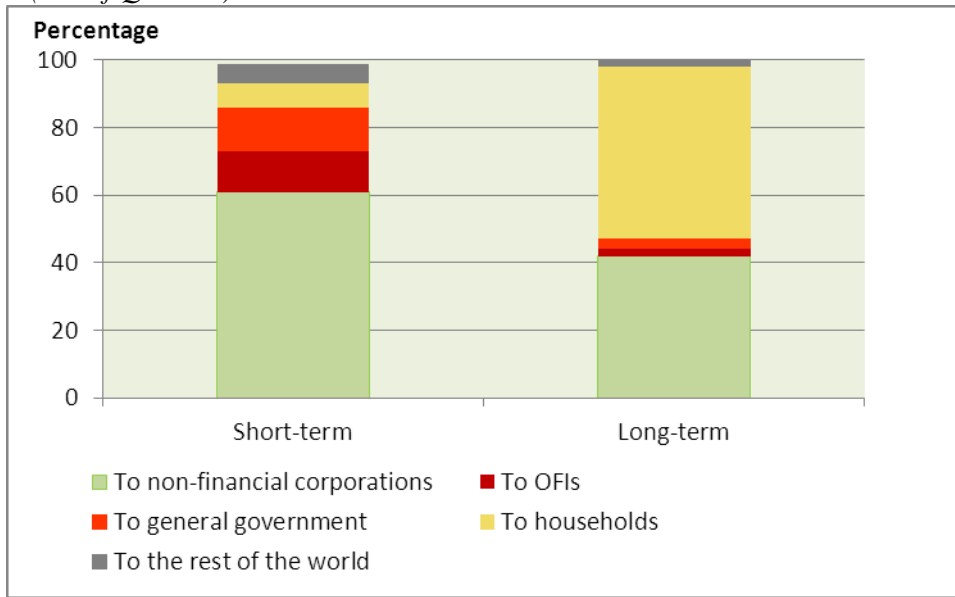


Loans accounted for almost three quarters (71%) of other MFIs' financial assets. However, their share in financial assets has slightly declined (at the end of the fourth quarter of 2010, it made up 74%). In the fourth quarter of 2011, short-term loans increased on an annual basis by 3 per cent, whereas long-term loans decreased by 5 per cent. Non-financial corporations and households were the main borrowers of other MFIs. At the end of the quarter, short-term loans to non-financial corporations made up LTL 6.9 billion (61% of total short-term loans) and long-term loans amounted to LTL 21.4 billion (42% of total long-term loans; see Fig. 6). Short-term loans and long-term loans to households totalled, respectively, LTL 0.8 billion (7%) and LTL 26.2 billion (51%).

² Other MFIs cover banks, credit unions, branches of foreign banks and money market funds.

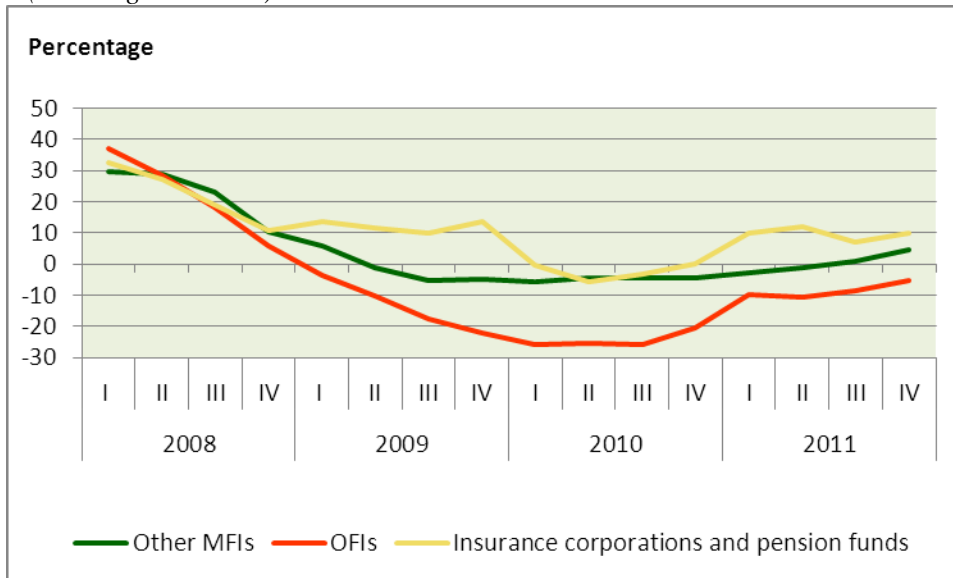
³ OFIs cover financial leasing corporations and other corporations engaged in credit granting, and investment funds.

Fig. 6. Loans granted by other MFIs
(end of Q4 2011)



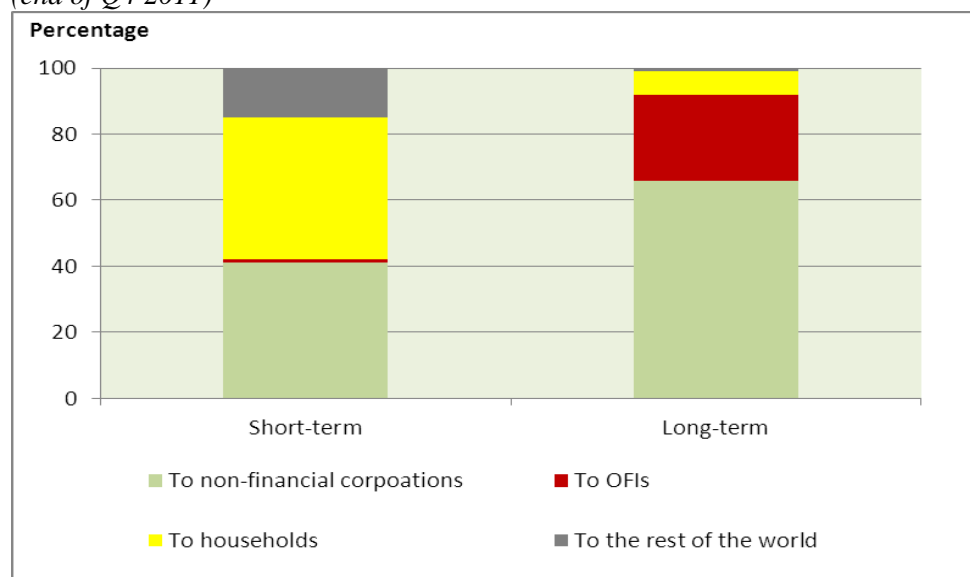
At the end of the fourth quarter of 2011, the liabilities of other MFIs amounted to LTL 89.8 billion with the annual growth rate of 4 per cent. In comparison, a year ago their annual change was -4 per cent (see Fig. 7). Transferable deposits (30%) and other deposits (51%) accounted for the largest shares of liabilities.

Fig. 7. Liabilities of financial corporations
(annual growth rate)



Financial assets of OFIs amounted to LTL 11.9 billion, whereas their annual growth rate was 3 per cent. In the fourth quarter of 2010, their annual growth rate was -12 per cent (see Fig. 5). As in the case of other MFIs, loans accounted for the largest share of OFIs' financial assets (66%). The largest portion of short-term loans (43%) was granted to households, whereas the largest portion of long-term loans (66%) was granted to non-financial corporations (see Fig. 8).

Fig. 8. Loans granted by OFIs
(end of Q4 2011)



At the end of the fourth quarter, OFIs' liabilities equalled to LTL 10.1 billion. Their annual growth rate was -5 per cent (in the corresponding quarter of 2010, the rate was -20%; see Fig. 7). Unlike other MFIs, OFIs accumulate funds through borrowing from other economic entities; consequently, both short-term loans (16%) and long-term loans (50%) made up the largest shares of their liabilities.

At the end of the fourth quarter, financial assets of insurance corporations and pension funds amounted to LTL 7.3 billion, whereas the annual growth rate of these assets made up 18 per cent (in the corresponding quarter of 2010, the rate was 7%; see Fig. 5). A significant amount of funds accumulated by insurance corporations and pension funds in the form of insurance technical reserves and pension funds were invested into debt securities (48%) and shares of investment funds (41%).

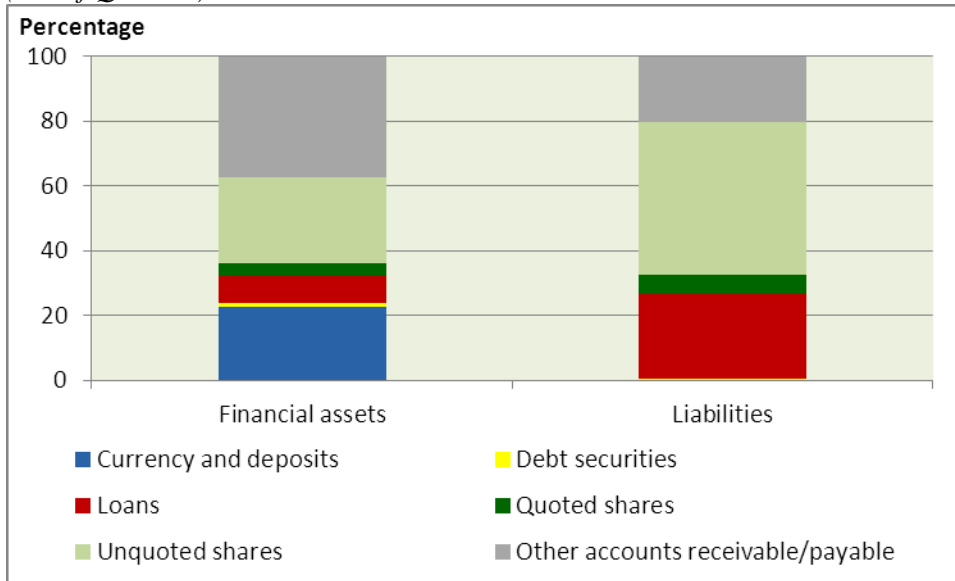
Liabilities of insurance corporations and pension funds totalled LTL 7.4 billion, with the annual growth rate of 10 per cent, while in the fourth quarter of 2010 the said rate was 0.1 per cent (see Fig. 7). At the end of the fourth quarter of 2011, pension funds and insurance technical reserves accounted, respectively, for 56 and 33 per cent of liabilities.

NON-FINANCIAL CORPORATIONS

At the end of the fourth quarter of 2011, financial assets of non-financial corporations amounted to LTL 82.4 billion, whereas their annual growth rate was 6 per cent (in the fourth quarter of 2010, it made up 8%; see Fig. 1).

Unquoted shares and other accounts receivable accounted for the largest portions of financial assets. At the end of the fourth quarter, the said portions made up 26 and 37 per cent, respectively (see Fig. 9).

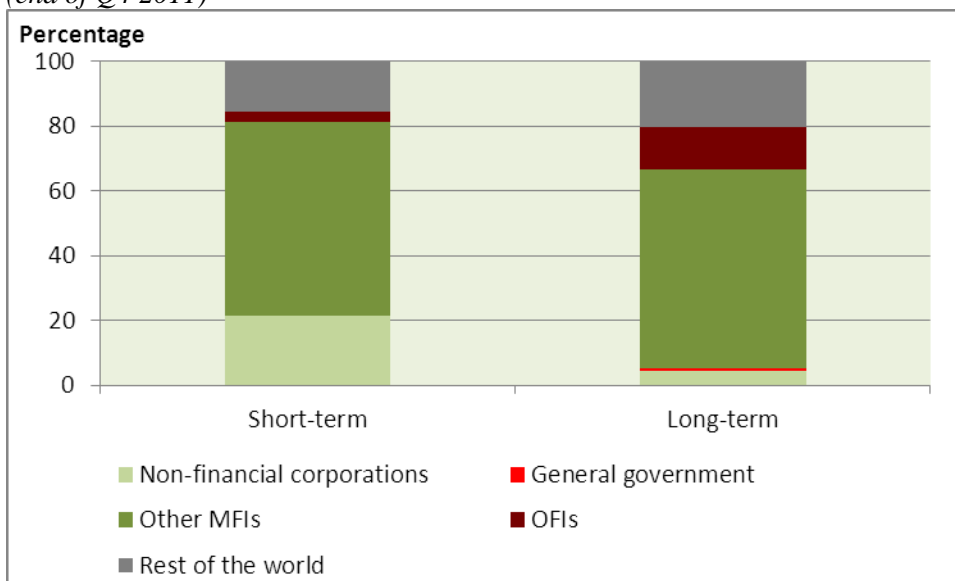
Fig. 9. Financial assets and liabilities of non-financial corporations
(end of Q4 2011)



At the end of the fourth quarter, liabilities of non-financial corporations totalled LTL 174.8 billion; their annual growth rate was 2 per cent (in the fourth quarter of 2010, it was -3%; see Fig. 2).

Unquoted shares and loans were the largest segments of liabilities, making up, respectively, 45 and 26 per cent (see Fig. 9). At the end of the quarter, the amounts of short-term and long-term loans granted to non-financial corporations totalled, respectively, LTL 11.5 billion and LTL 34.8 billion. Loans received from other MFIs made up 60 per cent of short-term loans and 61 per cent of total long-term loans. Besides, non-financial corporations granted a significant portion of short-term loans (22%) to each other. Loans received from the rest of the world made up about 16 per cent of total short-term loans and 20 per cent of total long-term loans (see Fig. 10).

Fig. 10. Loans granted to non-financial corporations
(end of Q4 2011)

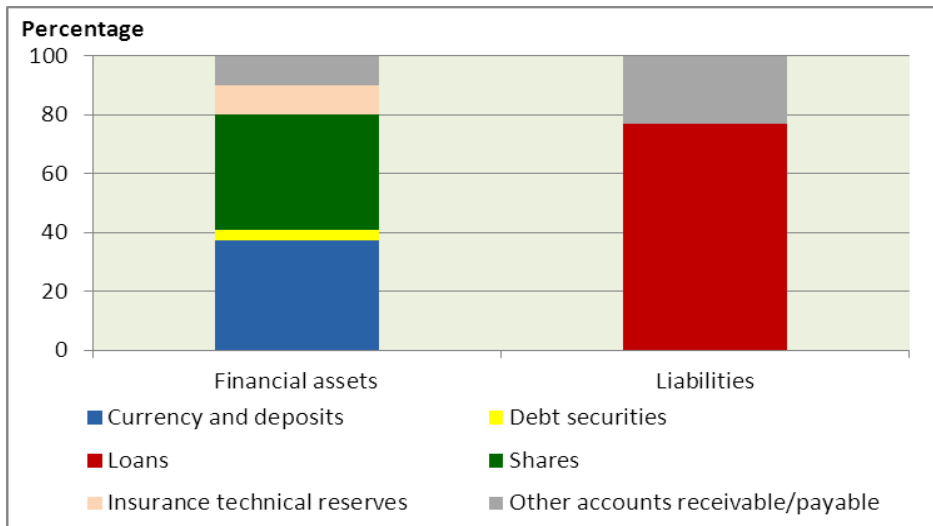


HOUSEHOLDS

At the end of the fourth quarter of 2011, financial assets of households totalled LTL 86.7 billion; their annual growth rate was 6 per cent, while in the same quarter of 2010, the said rate was -3 per cent (see Fig. 1).

Shares and currency and deposits represented the largest segments of households' financial assets: 40 and 37 per cent, respectively (see Fig. 11).

Fig. 11. Financial assets and liabilities of households
(end of Q4 2011)



At the end of the quarter, liabilities of households amounted to LTL 36.2 billion. Their annual growth rate dropped to -3 per cent; in the same quarter of 2010, it was also -3 per cent (see Fig. 2).

Loans and other accounts payable made up, respectively, 77 and 23 per cent of total liabilities of households (see Fig. 11).

At the end of the fourth quarter of 2011, financial assets of the Lithuanian households per capita amounted to LTL 27 thousand, whereas liabilities per capita made up LTL 11 thousand (see Fig. 12).

Fig. 12. Financial assets and liabilities of households
(end-of-period, per capita)

