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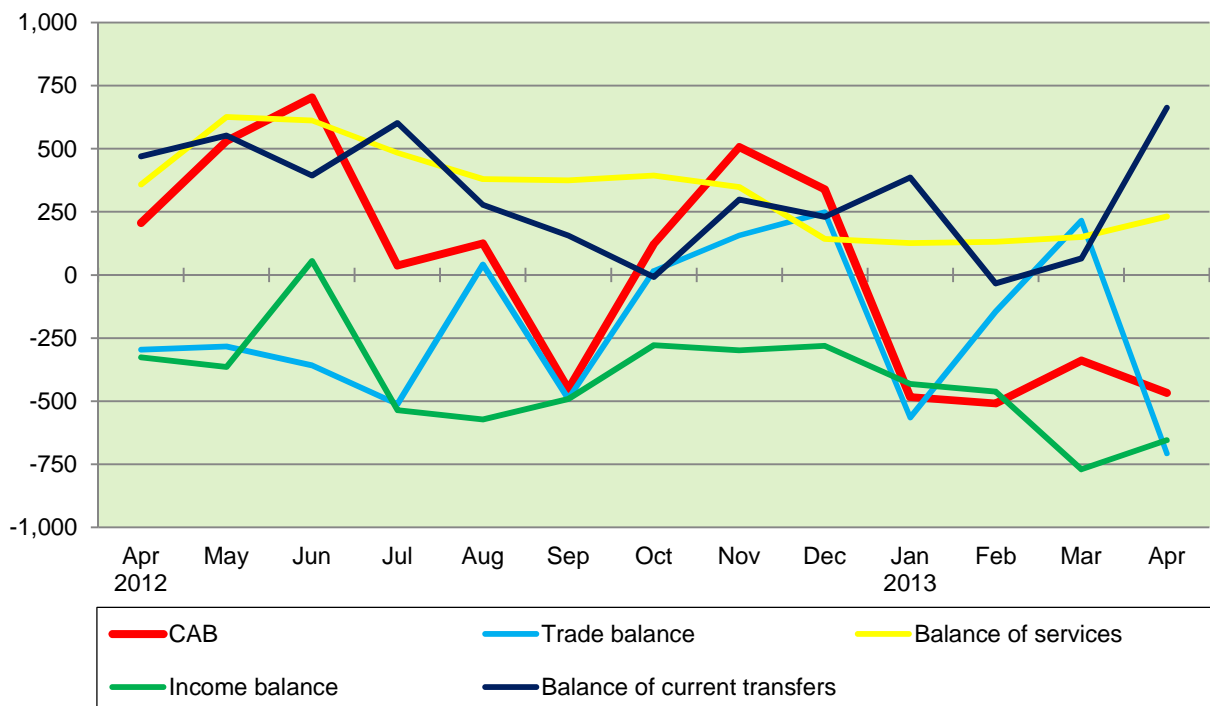
## BALANCE OF PAYMENTS OF THE REPUBLIC OF LITHUANIA, APRIL 2013 (survey of key indicators)

For the fourth consecutive month in Lithuania the **current account balance (CAB)** of the balance of payments recorded a deficit, which in April widened by more than a third month on month. The positive value (LTL 287.2 million) of the balance of payments **financial account balance** in April 2013 resulted from a significant decline in the foreign assets of other investment.

**Current account.** In April 2013, CAB deficit in the country's balance of payments amounted to LTL 467 million, an increase of 37.6 per cent month on month. The CAB goes into a deficit for the fourth consecutive month already. While the negative change in foreign trade balance was huge — from surplus in March it moved into deficit in April (the negative change stood at LTL 920.7 million) — it was partly offset by an increase in the surplus balance of current transfers though (the positive change was LTL 598.1 million), thus the widening of the CAB deficit was not as substantial as could be expected. In January–April 2013, CAB deficit amounted to LTL 1.8 billion (LTL 2.5 billion in January–April 2012).

### CAB and its Composite Balances

LTL millions



**Goods.** Foreign trade balance deficit in the country's balance of payments in April 2013 amounted to LTL 706.2 million, whereas in March the foreign trade balance recorded a surplus of LTL 214.6 million. Export of goods decreased by 5.9 per cent, whereas import of goods grew by 6.6 per cent month on month.

In January–April 2013, the export and import of goods increased by 15.2 per cent and 8.9 per cent respectively year on year. As growth in the export of goods outpaced growth in the import of goods, trade balance deficit narrowed by LTL 1.3 billion, or 2.1 times in the reference period.

**Services.** With growth in the export of services (8.4%) outpacing growth in the import of services (2%), the surplus in the balance of services rose by LTL 80.2 million, or 53.1 per cent in April 2013 month on month. Year on year, the export of services grew at a slower pace (13.3%) than the import of services (35.3%); therefore, the surplus in the balance of services narrowed by LTL 127.7 million, or 35.6 per cent in the reference period. In the course of the four months of this year the export of services expanded by 12 per cent, the import of services — 24.5 per cent, whereas the surplus in the balance of services contracted by 32.2 per cent year on year.

**Income.** The overall income balance deficit was LTL 655.1 million (investment income balance deficit — LTL 656.1 million, the balance of compensation of employees' surplus — LTL 1 million) in April. Month on month, the overall income balance deficit declined by 14.9 per cent (LTL 115 million), and year on year — increased by LTL 328.1 million, i.e. doubled. In April 2013, the decline in the overall income balance deficit was affected by a decline in the deficit in the balance of direct investment income.

In January–April 2013, the overall income balance deficit stood at about LTL 2.3 billion, widening by 26.1 per cent year on year.

**Current transfers.** The surplus in the balance of current transfers stood at LTL 663.2 million in April 2013 (LTL 65.1 million in March). In January–April 2013, the surplus in the balance of current transfers amounted to LTL 1.1 billion (LTL 888.2 million in January–April 2012).

Transfers from European Union (EU) support funds amounted to LTL 529.3 million, and workers' remittances from abroad to LTL 333.1 million in April 2013. Month on month, transfers from EU support funds increased by 4.5 times and workers' remittances from abroad by 6.3 per cent. In January–April 2013, transfers from EU support funds amounted to LTL 1.2 billion and workers' remittances from abroad likewise. Year on year, transfers from EU support funds contracted by 4.5 per cent, while workers' remittances from abroad went up by 14.6 per cent.

In April 2013, Lithuania's calculated contributions to the EU budget amounted to LTL 104.2 million and during four months — to LTL 629.9 million. Workers' remittances from Lithuania stood at LTL 142.7 million in April and LTL 668.8 million in January–April. In January–April 2012, the above flows amounted to LTL 553.6 million and LTL 836.2 million respectively.

In April 2013, the flow of **non-repayable capital transfers** to Lithuania (money of EU support funds for financing investment projects) totalled LTL 40.3 million and in January–April 2013 — LTL 90.6 million. In January–April 2012, the flow of these transfers was 45.5 per cent larger (LTL 166.2 million).

**Financial account.** In April 2013, the inflow of net foreign investment, excluding official reserve assets, amounted to LTL 1.3 billion. This inflow was driven by a decline in foreign assets. In January–April 2013, an outflow of net investment was recorded (LTL 193.7 million), a year-on-year change from net investment inflows (LTL 1.9 billion).

In April 2013 foreign investment outflows from Lithuania made LTL 323.2 million (a month-on-month change from LTL 2.5 billion). Major contribution to this came from a decline of LTL 325.5 million in monetary financial institutions' (MFI) portfolio investment liabilities. In January–April 2013 foreign investment inflows into Lithuania totalled LTL 133.6 million (a year-on-year change from LTL 4 billion).

The positive flow of Lithuania's investment abroad (LTL 1.6 billion) suggests a decline in investment abroad. Major influence on that was exerted by a decline of LTL 1.2 billion in MFI foreign assets of other investment. Back in April 2012 investment abroad contracted too, just not so fast (LTL 398.8 million). In March 2013 it rose by LTL 1.4 billion. In January–April 2013 the flow of investment abroad shrank by more than 6.6 times year on year.

**Investment flows***LTL millions*

	Net investment flows			Lithuania's investment abroad			Foreign investment in Lithuania		
	April 2013	March 2013	April 2012	April 2013	March 2013	April 2012	April 2013	March 2013	April 2012
Total investment flow (excluding official reserve assets)	1,300.6	-3,859.1	880.2	1,623.8	-1,365.9	398.8	-323.2	-2,493.2	481.3
Direct investments	215.8	301.4	-547.0	171.0	-71.0	-88.2	44.7	372.4	-458.8
Portfolio investments	-631.1	-2,644.8	1,497.8	-307.6	110.0	-62.5	-323.6	-2,754.8	1,560.3
Equity securities	-26.3	33.7	-154.2	-22.0	54.2	-147.4	-4.3	-20.5	-6.8
Debt securities	-604.8	-2,678.5	1,652.0	-285.6	55.8	84.9	-319.2	-2,734.4	1,567.0
Financial derivatives	-2.5	5.1	-4.1	4.2	9.3	7.0	-6.7	-4.2	-11.2
Other investment	1,718.5	-1,520.8	-66.5	1,756.2	-1,414.2	542.4	-37.8	-106.6	-608.9
Monetary financial institutions	1,268.3	-959.6	-386.5	1,169.6	-654.6	579.6	98.7	-305.0	-966.1
Other sectors	107.0	81.3	11.9	278.7	-329.8	-38.1	-171.7	411.2	50.0

(+) – a decrease in foreign assets or an increase in liabilities.

(-) – an increase in foreign assets or a decrease in liabilities.

Totals in some lines and columns may not tally with the total investment flow due to rounding.

**Direct investment.** In April 2013, the net positive foreign direct investment (FDI) flow in Lithuania amounted to LTL 215.8 million, in January–April — LTL 1.7 billion. In April 2012, an outflow of net FDI (LTL 547 million) was recorded, whereas in January–April the inflows amounted to LTL 216.5 million.

In April and January–April 2013 positive FDI flows to Lithuania made respectively LTL 44.7 million and LTL 1.7 billion. In April negative reinvestments (due to announced dividends) were offset by growth in other capital. In January–April 2013 FDI inflows into Lithuania rose by LTL 1.2 billion, i.e. more than tripled year on year.

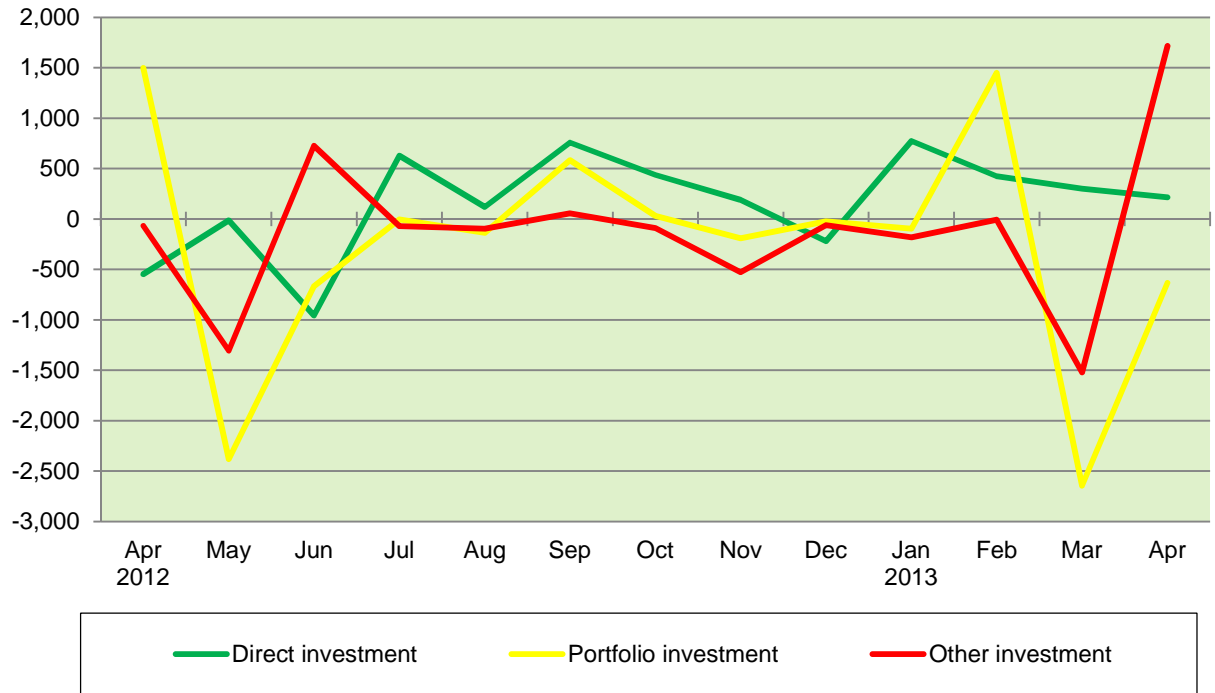
The positive flow of domestic economic entities' direct investment abroad of LTL 171 million in April 2013 suggested a decrease in direct investment abroad, which was driven by a decrease in other capital. Direct investment abroad declined too in January–April (LTL 19.2 million), from growth in investment recorded year on year (LTL 292.3 million).

**Portfolio investment.** In April 2013, the negative flow of net portfolio investment totalled LTL 631.1 million, in January–April — LTL 1.9 billion. In April the flow was equally influenced both by a rise in foreign assets and a fall in liabilities. In January–April the net outflow of portfolio investment was mainly affected by the redemption by the government sector of an issue of long-term debt securities. In April and January–April 2012, the net flows of portfolio investment inflows stood at LTL 1.5 billion and LTL 6 billion respectively.

The net inflow of **other investment and financial derivatives** into Lithuania amounted to LTL 1.7 billion, in January–April — a mere LTL 12.9 million (year on year, an outflow of net investment was recorded, which made respectively LTL 70.6 million and LTL 4.3 billion).

### Net investment flows

LTL millions



The negative (LTL 1 billion) flow of official reserve assets in the balance of payments in April 2013 implies their increase.