

25/03/2019

## Largest current account surplus in a decade

Today, the Bank of Lithuania published the balance of payments for Q4 2018, which shows that:

the surplus on the **current account balance** (CAB) increased nearly 1.5 times over the year, to amount to €748.4 million, or 6.2% of GDP (see Chart 1). This was a result of the surplus balance on services, secondary and primary income, which offset the increase in the trade balance deficit;

the build-up of a surplus on the **capital account** (€310.1 million) was led by transfers from EU structural funds used to finance investment projects;

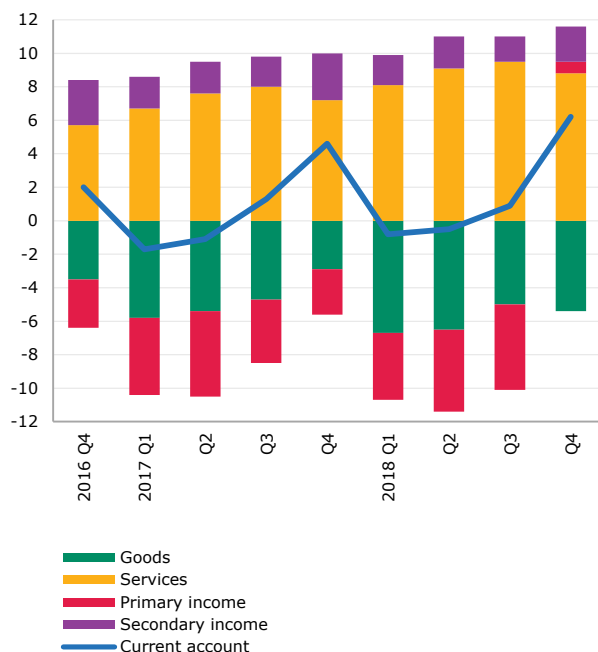
the positive net flow of **financial account** investment amounted to €894.1 million, or 7.5% of GDP (see Chart 2). It was driven by the net positive flow of other investment (€879.6 million), which built up due to the decrease in liabilities to non-residents and the increase in financial assets abroad;

at the end of the quarter, the negative net **international investment position** amounted to €13.3 billion, or 29.5% of GDP;

at the end of the quarter, Lithuania's **gross external debt** stood at €35.4 billion, or 78.4% of GDP, its **net debt** – €6.7 billion, or 14.8% of GDP.

Chart 1. CAB and its composite flows

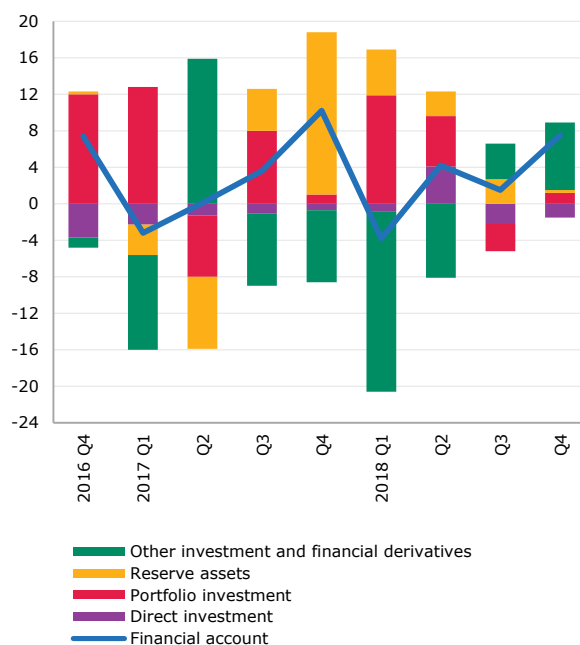
Percentage of GDP



Source: Bank of Lithuania.

Chart 2. Net financial account investment flows

Percentage of GDP



Source: Bank of Lithuania.

Detailed data on the balance of payments, international investment position and foreign debt are available on the Bank of Lithuania website (under [External statistics](#)).