

30/03/2020

Reinvestments of foreign direct investments made in 2019 continue to grow

Today the Bank of Lithuania and Statistics Lithuania published provisional data on direct investment (DI) for Q4 2019. According to the latest data release:

the flow of **foreign direct investment** (FDI) in Lithuania was negative and amounted to -€101.6 million in Q4 2019. This was attributed to the negative flows of equity (-€216.5 million) and debt instruments (-€241.4 million), although reinvestments remained in the positive territory and amounted to €356.3 million. The largest investment inflows came from Hong Kong (€155 million), Latvia (€74 million) and Germany (€66.3 million). The largest negative investment flows came from Canada (-€265.1 million) and the UK (-€166.3 million). In terms of activity, the largest investment inflows were directed to real estate companies (€29.1 million), while the largest negative flows were directed to financial and insurance companies (-€195.6 million). In 2019 the flow of FDI in Lithuania amounted to €871.1 million (see Chart 1), a year-on-year decrease of 5.9%. At the same time reinvestments increased by 5.7%;

FDI income from non-resident investment amounted to €417.3 million in Q4 2019, a year-on-year increase of 24.5%. The largest share of FDI income consisted of income from reinvestments. FDI income amounted to €1.8 billion in 2019, a year-on-year decrease of 5.2% or €98.8 million (see Chart 1);

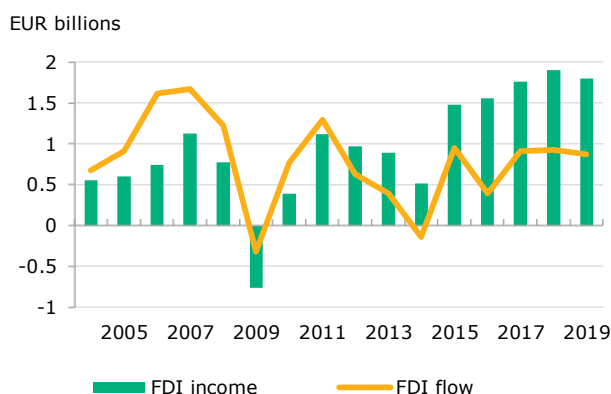
cumulative FDI in Lithuania amounted to €18.2 billion, or 37.6% of GDP, as at 31 December 2019, a year-on-year increase of 6.7% or €1.1 billion. FDI per capita amounted to an average €6,502 (as at 31 December 2018 – €6,095). The largest foreign investors remain Sweden (€3.1 billion), Estonia (€2.9 billion) and the Netherlands (€2.5 billion) (see Chart 2). Financial and insurance (€4.8 billion) as well as manufacturing (€3 billion) companies usually attract the largest share of FDI in Lithuania;

the flow of **Lithuania's DI** abroad was negative and amounted to -€202.3 million in Q4 2019 due to a decrease in investment in debt instruments in Poland (-€255.9 million). In terms of activity, the decrease was recorded in manufacturing companies (-€260.8 million);

DI income earned by Lithuanian investors abroad amounted to €48.1 million in Q4 2019. DI income abroad amounted to €212.9 million in 2019, a year-on-year decrease of 16.3% or €41.3 million;

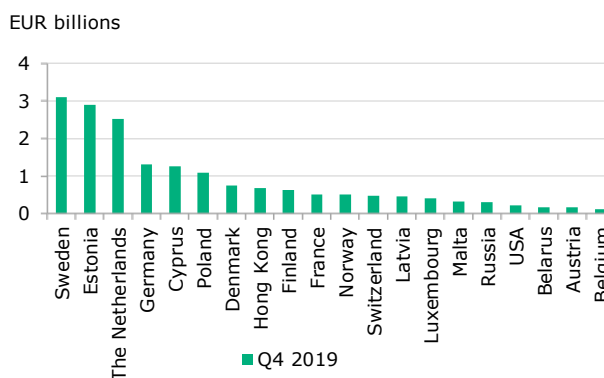
Lithuania's cumulative DI abroad amounted to €4.2 billion as at 31 December 2019. Lithuania's DI in EU Member States accounted for 89.1%, in euro area countries – 76.2% of Lithuania's total DI abroad.

Chart 1. FDI flow and income in Lithuania



Source: Bank of Lithuania.

Chart 2. Cumulative FDI in Lithuania. TOP-20 countries



Sources: Bank of Lithuania and Statistics Lithuania.

Detailed data on direct investment is available on the Bank of Lithuania website ([External statistics](#)).