

30/03/2021

Cumulative FDI in Lithuania increased by 4.1% in 2020

Today, the Bank of Lithuania and Statistics Lithuania published provisional data on direct investment (DI) for Q4 2020. In addition, the data for the first three quarters of 2020 were revised. According to the latest data release:

the flow of foreign direct investment (FDI) in Lithuania was negative in Q4 2020 and amounted to –€25.7 million. This was determined by the negative flow of debt instruments (–€506.6 million), which was not offset by the positive flows of equity instruments (€20.4 million) and reinvested earnings (€460.5 million) (see Chart 1). During the period under review, the largest increase in investment was observed for Hong Kong (€76.2 million), the US (€69.4 million) and Swedish (€42.4 million) capital companies, whereas the largest decline was recorded for the UK (–€294.8 million) companies. In terms of economic activity, the largest flows were directed to enterprises engaged in professional, scientific and technical (€136.4 million) activities as well as in information and communication (€58.3 million) activities, whereas investment in manufacturing enterprises contracted (–€205.9 million);

FDI income from non-resident investment amounted to €530.2 million in Q4 2020, a year-on-year increase of 15.9%. The largest growth was observed in reinvested earnings, which increased by 26.7%, however, dividends declined by 32.2%. The largest share of FDI income was earned by Swedish (€99.7 million) and Dutch (€82.6 million) investors;

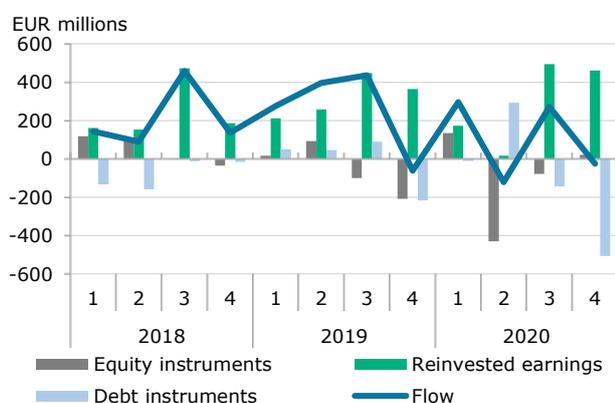
cumulative FDI in Lithuania rose by 4.1% over the year and amounted to €19.3 billion or 39.6% of GDP on 31 December 2020. FDI per capita amounted to €6,912 on average (on 31 December 2019 – €6,644). Sweden (€3.6 billion), Estonia (€2.8 billion) and the Netherlands (€2.1 billion) remain the largest investors. The largest share of FDI was attracted by enterprises engaged in financial and insurance activities (€5.1 billion) and manufacturing (€3.1 billion);

the flow of Lithuania's DI abroad was positive in Q4 2020 and amounted to €5.9 million. The largest investment flows were recorded for Poland (€10.9 million) and Estonia (€7.4 million). In terms of economic activity, the largest investments were directed to enterprises in wholesale and retail trade as well as repair of motor vehicles and motorcycles (€36.2 million);

DI income earned by Lithuanian investors abroad amounted to €54.7 million in Q4 2020. The largest share of income was earned from investment in Latvia (€27.1 million) and in terms of activity – from enterprises operating in wholesale and retail trade as well as repair of motor vehicles and motorcycles (€30.1 million);

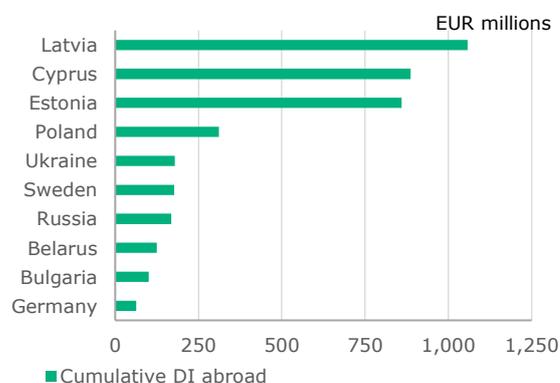
Lithuania's cumulative DI abroad declined by 2.6% over the year and amounted to €4.2 billion as at 31 December 2020. Lithuania's DI in EU Member States accounted for 85.5% and in euro area countries – 70.1% of Lithuania's total DI abroad. The largest investments were made in Latvia (€1.1 billion), Cyprus (€886.8 million) and Estonia (€859.3 million) (see Chart 2).

Chart 1. FDI flows in Lithuania



Source: Bank of Lithuania.

Chart 2. Top 10 countries for Lithuania's DI abroad in Q4 2020



Sources: Bank of Lithuania and Statistics Lithuania.

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