

30/06/2021

## Investment in real estate activities abroad increased

Today, the Bank of Lithuania and Statistics Lithuania published provisional data on direct investment (DI) for Q1 2021. According to the latest data release:

**the flow of foreign direct investment (FDI)** in Lithuania was positive and amounted to €477.7 million in Q1 2021. The largest FDI flows in Lithuania were observed in case of Polish (€176.2 million), Hong Kong (€161 million) and Estonian (€118.3 million) capital companies, while the largest decline in FDI flows was recorded in the US (-€82.4 million) investment companies. In terms of economic activities, the highest increase was observed in investment in manufacturing – production of refined petroleum, chemical and pharmaceutical products (€209.4 million). The flow of FDI in companies engaged in wholesale and retail trade as well as repair of motor vehicles and motorcycles also increased (€84.4 million), whereas investment in information and communication activities shrank (-€20.3 million);

**FDI income** from non-resident investment amounted to €541.2 million in Q1 2021 and was 2.4 times higher year on year. Dividends rose 2.2 times and reinvestments exceeded €400 million for the third consecutive quarter. The largest share of FDI income was earned by Hong Kong (€160.3 million) and Swedish (€89.8 million) investors;

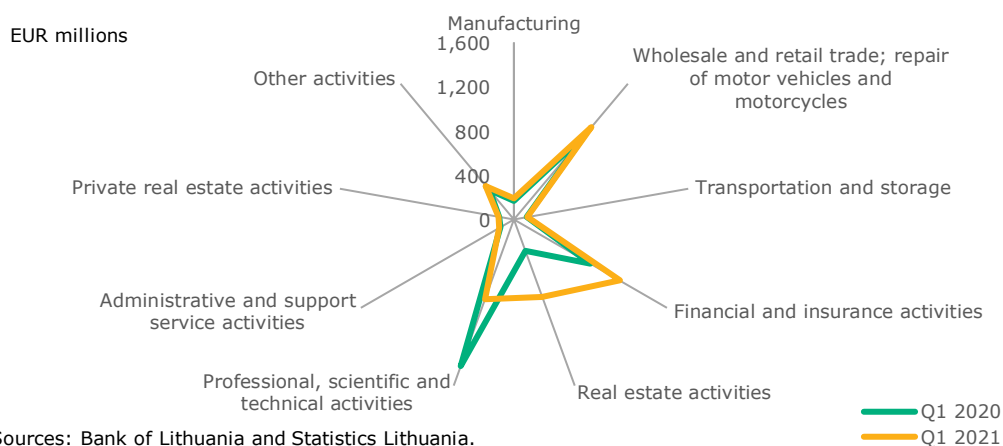
**cumulative FDI in Lithuania** grew by 7.2% over the year and stood at €20.3 billion or 41.2% of GDP on 31 March 2021. FDI per capita amounted to an average of €7,279 (on 31 March 2020 – to €6,773). Sweden (€3.8 billion), Estonia (€2.9 billion) and the Netherlands (€2.5 billion) remained the largest investors. The largest share of FDI was attracted by companies engaged in financial and insurance activities (€5.5 billion), manufacturing (€3.4 billion) and real estate transactions (€2.6 billion);

in Q1 2021, **the flow of Lithuania's DI abroad** was positive and amounted to €89 million. Investment in enterprises engaged in professional, scientific and technical activities contracted (-€391.7 million), while in those engaged in real estate activities – increased (€474.8 million);

**DI income** earned by Lithuanian investors abroad amounted to €36 million during the period under review. Most income was received from companies engaged in wholesale and retail trade as well as repair of motor vehicles and motorcycles (€10 million);

**Lithuania's cumulative DI abroad** grew by 6.4% over the year and stood at €4.7 billion on 31 March 2021. Lithuania's DI in EU Member States accounted for 87.5%, while in euro area countries – for 73.9% of Lithuania's total DI abroad. The largest share of Lithuania's cumulative DI abroad went to financial and insurance firms (23.4% or €1.1 billion) and companies engaged in wholesale and retail trade as well as repair of motor vehicles and motorcycles (23.1% or €1.1 billion). Investment in the field of real estate transactions increased almost 2.5 times over the year (see the chart).

Chart. Lithuania's cumulative DI abroad, by type of activity



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