

28/06/2019

Financial and insurance companies reduced the total flow of FDI

Today the Bank of Lithuania and Statistics Lithuania published provisional data on direct investment (DI) for Q1 2019.

According to the latest data release, the **flow of foreign direct investment (FDI)** in Lithuania amounted to €64.7 million in Q1 2019, a year-on-year decrease of 82%. The largest investment inflows came from Estonia (€791.3 million), Denmark (€71.6 million) and Poland (€56 million). The largest negative investment flows came from Sweden (–€822.8 million) and Hong Kong (–€61.5 million). Such investment flows resulted from reorganisation of several foreign banks operating in Lithuania. In terms of activity, the largest investment inflows were directed to real estate (€64.6 million) and professional, scientific and technical (€31.3 million) companies, while the largest negative flows were directed to financial and insurance companies (–€78.9 million).

FDI income from non-resident investment amounted to €284.9 million in Q1 2019, a year-on-year decrease of 31.8% (see Chart 1). The largest share of FDI income consisted of dividends.

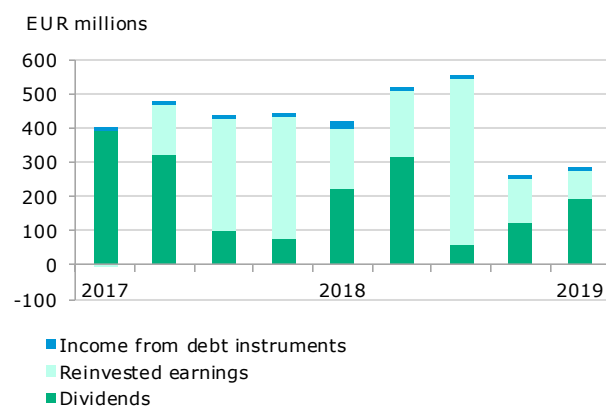
Cumulative FDI in Lithuania amounted to €15.5 billion, or 33.9% of GDP, as at 31 March 2019. FDI per capita amounted to an average of €5,568 (as at 31 March 2018 – €5,416). In the list of top 10 direct investors in Lithuania, Estonia moved to third place (see Chart 2).

The **flow of Lithuania's DI abroad** amounted to €124.4 million in Q1 2019. The largest investment flows were directed to Latvia (€37.5 million), Estonia (€25.9 million) and Sweden (€21.1 million). This was mainly influenced by the increase in investment in companies engaged in wholesale and retail trade; repair of motor vehicles and motorcycles (€41.9 million).

DI income earned by Lithuanian investors abroad amounted to €46.1 million in Q1 2019. Reinvested earnings accounted for the largest share of income (€37.7 million).

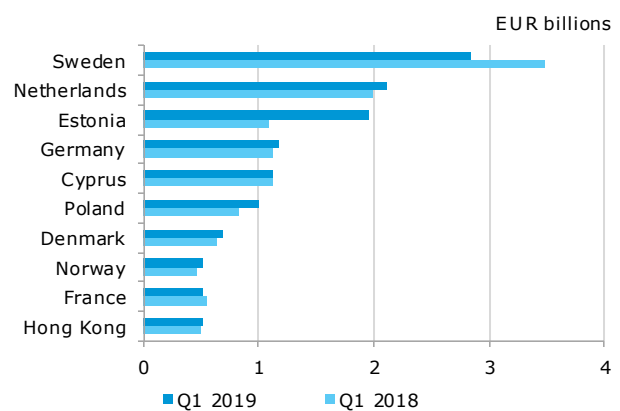
Lithuania's cumulative DI abroad amounted to €3.9 billion as at 31 March 2019. Lithuania's DI in EU Member States accounted for 89.2%, in euro area countries – 64.7% of Lithuania's total DI abroad.

Chart 1. Non-resident FDI income in Lithuania



Sources: Bank of Lithuania and Statistics Lithuania.

Chart 2. TOP-10 direct investors in Lithuania



Sources: Bank of Lithuania and Statistics Lithuania.

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