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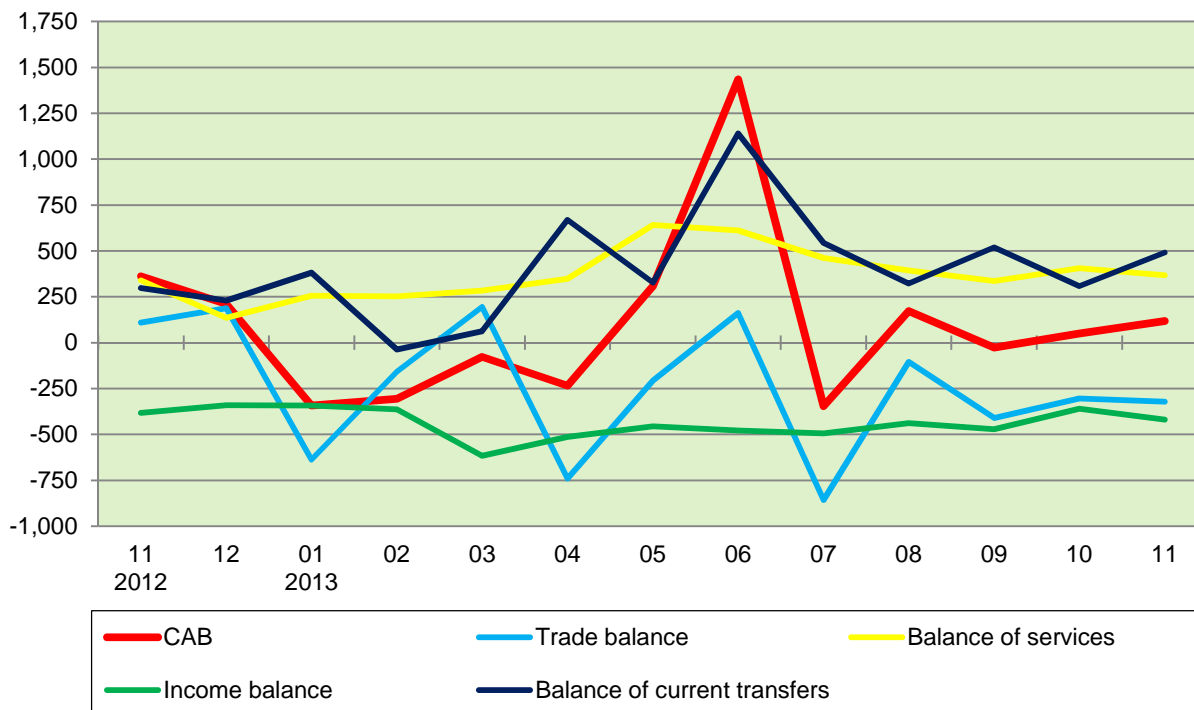
## BALANCE OF PAYMENTS OF THE REPUBLIC OF LITHUANIA, NOVEMBER 2013

(Survey of key indicators)

The surplus LTL 118.9 million **current account balance** (CAB), which built up in November 2013, was driven by the surplus balances of services and of current transfers. The CAB balance in January–November 2013 has built up in surplus for the sixth time already. The negative value (LTL 236.8 million) of the balance of payments **financial account** balance in November 2013 resulted from an outflow of net portfolio and other investment abroad.

**Current account.** In November 2013, the surplus CAB of the country's balance of payments amounted to LTL 118.9 million (LTL 50.5 million in October). This growth was due to the surplus LTL 491.2 million balance of current transfers (compared to October, its increase by LTL 183.1 million). A balance surplus was also recorded in November 2012, and it amounted to LTL 362.4 million. According to preliminary estimates, in January–November 2013 the CAB recorded a surplus and amounted to LTL 989.5 million, while over the last twelve months (December 2012–November 2013) — LTL 1.2 billion.

**CAB and its composite balances**  
LTL millions



**Goods.** In November 2013 the foreign trade deficit in the country's balance of payments amounted to LTL 321.3 million. Compared to October, it widened by LTL 17.5 million. In November 2013, compared to October, the export and import of goods dropped by 7.5 per cent and 7 per cent respectively.

In January–November 2013, compared to the same period in 2012, the foreign trade balance deficit increased by LTL 171.9 million, or 5.2 per cent. Export of goods over the reference period increased by 7.3 per cent, while import — 7.2 per cent.

**Services.** In November 2013, the balance of services posted a surplus of LTL 367.5 million. Compared to October, the export of services shrank faster (3%) than the import of services (0.7%); therefore, the balance of services surplus narrowed by LTL 39 million, or 9.6 per cent. Year on year, the import of services grew at a faster pace (13.6%) than the export of services (12.3%); therefore, the surplus in the balance of services increased by LTL 28.2 million, or 8.3 per cent in the reference period. In 11 months of 2013, compared to 2012, growth in the import of services (17.6%) outpaced that in the export of services (15%); the balance of services surplus increased by 8.3 per cent.

**Income.** In November, the overall income balance deficit was LTL 418.4 million (investment income balance deficit — LTL 431.2 million, the balance of compensation of employees surplus — LTL 12.8 million). Compared to October, the overall income balance deficit increased by LTL 58.1 million (16.1%), while compared to November 2012 it increased by LTL 35.5 million (9.3 per cent). In November 2013, the income balance deficit grew due to an increase in the deficit in the balance of direct investment income.

In January–November 2013, the overall income balance deficit amounted to LTL 4.7 billion (about LTL 4.4 billion year on year) and was driven by an increase in the balance of direct investment income deficit (the negative change was LTL 495.6 million).

**Current transfers.** In November 2013, the current transfers balance surplus amounted to LTL 491.2 million. Compared to October, it increased by LTL 183.1 million. In January–November 2013, the surplus on the balance of current transfers (LTL 4.7 billion), compared to the corresponding period in 2012, increased by LTL 1.6 billion, or 1.5 times.

Transfers from EU support funds in November 2013 amounted to LTL 243.9 million, while private individual remittances from abroad — LTL 439.6 million. Compared to October, transfers from EU support funds increased by 25.1 times, while private individual remittances from abroad decreased by 14.1 per cent. Transfers from EU support funds in January–November 2013 amounted to LTL 3.3 billion, and private individual remittances from abroad — LTL 4.2 billion. Year on year, transfers from EU support funds contracted by 2 per cent, while private individual remittances from abroad went up by 30.7 per cent.

Lithuania's calculated contributions to the EU budget amounted to LTL 64.7 million in November 2013 and LTL 1.3 billion during eleven months. In November, transfers by individuals from Lithuania amounted to LTL 138 million, while in January–November — LTL 1.7 billion (in January–November 2012— LTL 1.1 billion and LTL 2.4 billion, respectively).

In November, the flow of **non-repayable capital transfers** to Lithuania (composed of funds from the EU support funds for the financing of investment projects) amounted to LTL 286.6 million, and in January–November — LTL 2.5 billion (in January–November 2012 — LTL 2.3 billion).

**Financial account.** In November 2013, net foreign investment outflow, excluding official reserve assets, amounted to LTL 444.8 million, as the result of an outflow of net portfolio and other investments. In January–November a net investment outflow abroad of LTL 4.1 billion was recorded, driven mainly by an increase in portfolio investment in foreign assets and a decline in portfolio and other investment liabilities to non-residents.

In November and January–November 2013, the negative flow of foreign investment in Lithuania indicated a decrease in liabilities to non-residents and amounted to respectively LTL 674.2 million and LTL 2.7 billion. In November and January–November 2012, foreign investment outflow in Lithuania was also recorded, which amounted to LTL 1.2 billion and LTL 472.2 million respectively.

In November 2013, a positive LTL 229.5 million flow of Lithuania's investment abroad was recorded, and this indicates its decrease, while in January–November a negative LTL 1.4 billion flow indicates its increase abroad. In November and January–November 2012, Lithuania's investment abroad declined by LTL 788.2 million and LTL 1.1 billion, respectively.

**Investment flows**

January–November 2013; LTL millions

	Net investment flows			Lithuania's investment abroad			Foreign investment in Lithuania		
	November	October	January–November	November	October	January–November	November	October	January–November
Total investment flow (excluding official reserve assets)	-444.8	803.6	-4,078.7	229.5	300.9	-1,427.6	-674.2	502.8	-2,651.1
Direct investment	405.1	334.8	2,224.0	65.0	61.4	183.7	340.1	273.4	2,040.3
Portfolio investment	-509.0	-434.2	-4,078.7	-436.7	-542.7	-1,427.6	-72.2	108.5	-2,847.2
Equity securities	70.7	17.1	-514.0	71.8	-83.4	-307.8	-1.1	100.5	-206.2
Debt securities	-579.6	-451.3	-3,940.3	-508.5	-459.3	-1,427.6	-71.1	8.0	-2,641.0
Financial derivatives	-2.8	-4.4	-10.4	6.5	4.8	97.1	-9.3	-9.2	-107.5
Other investment	-338.1	907.4	-1,427.6	594.7	777.4	-101.3	-932.8	130.0	-1,427.6
Monetary financial institutions	297.9	692.7	-109.3	591.1	859.7	926.5	-293.3	-167.0	-1,427.6
Other sectors	-310.9	37.6	-1,427.6	6.7	-3.8	-1,427.6	-317.6	41.5	-880.6

(+) — a decrease in foreign assets or an increase in liabilities;

(-) — an increase in foreign assets or a decrease in liabilities.

The totals in some lines and columns may not tally with the total investment flow due to rounding.

**Direct investment.** The net foreign direct investment (FDI) inflows amounted to LTL 405.1 million in November 2013 and LTL 2.2 billion in January–November 2013 (in November and January–November 2012, the net FDI showed an inflow of LTL 182.4 million and LTL 1 billion respectively).

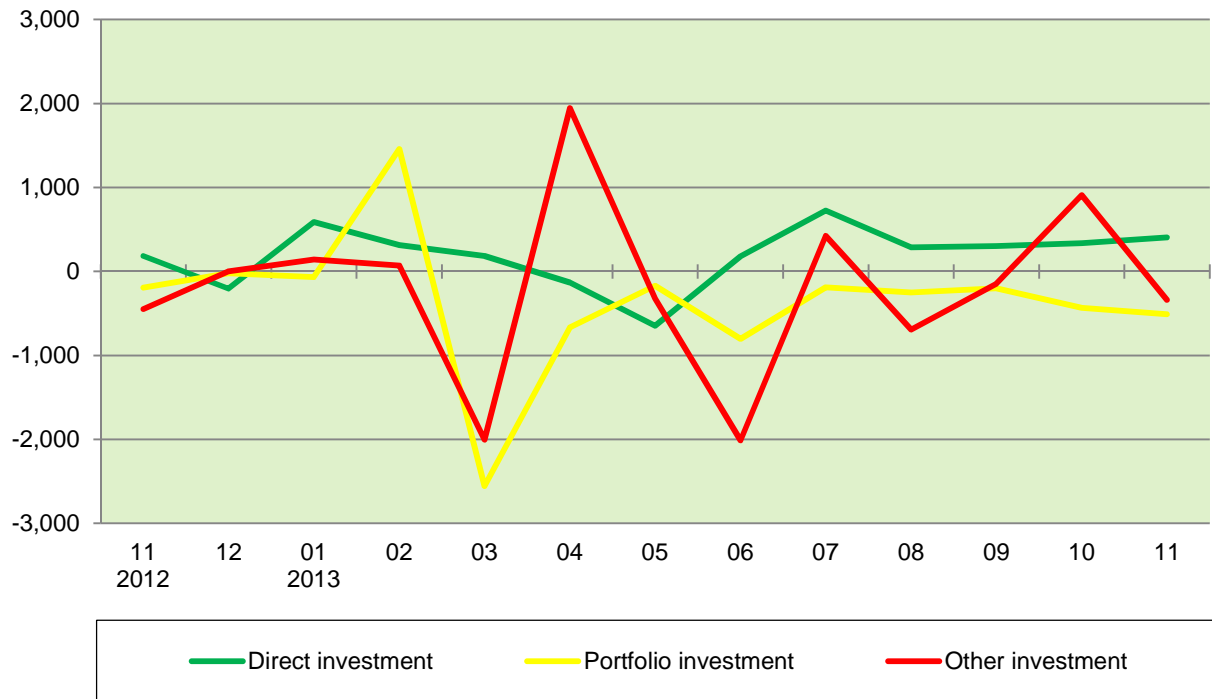
A positive FDI flow into Lithuania, amounting to LTL 340.1 million, was recorded in November 2013 (in January–November 2013, the FDI inflows in Lithuania totalled LTL 2 billion). Lithuania's reinvested FDI earnings drove the November and January–November inflow increase, while their flows amounted to LTL 197.1 million and LTL 1.3 billion respectively. The flow of FDI inflows into Lithuania expanded by LTL 171 million in January–November 2013, a compared to the same period in 2012, which was due to an increase in re-investment in Lithuania.

In November and January–November 2013, a decrease in foreign direct investment abroad was recorded by the country's economic entities, and amounted to LTL 65 million and LTL 183.7 million respectively. The decreased direct investment flow abroad was due to a decline investment in non-residents' other capital. In November 2012, the foreign direct investment flows decreased by LTL 20.9 million due to decreased investment in the other capital of non-residents, while in January–November an LTL 837.2 million growth in investment abroad was recorded, driven by growing reinvestment and increased investment in equity capital.

**Portfolio investment.** The outflow of net portfolio investment totalled LTL 509 million in November 2013 and LTL 4.5 billion in January–November. In November, the outflow of net portfolio investment was due to an increase in investment in non-residents' debt securities. In January–November 2013, the outflow of net investment was boosted by a decline in general government liabilities to non-residents who invested in debt securities, as well as investment in non-resident debt securities. In November 2012 the net portfolio investment outflows amounted to LTL 192.4 million, while in January–November — LTL 3.2 billion inflows were recorded.

In November, the net LTL 340.9 million outflow of **other investment and financial derivatives** was driven by decreased liabilities to non-residents, while in January–November the recorded LTL 1.8 billion outflow was due to decreased liabilities to non-residents and increased investment abroad of other sectors. In November and January–November 2012, the net outflow of other investment and financial derivatives amounted to LTL 448.4 million and LTL 5.8 billion respectively.

**Net investment flows**  
LTL millions



The positive flow of official reserve assets (LTL 208 million) in the balance of payments for November 2013 suggests their decrease.