

GROWTH IN EXPORT OF SERVICES TO THE EUROPEAN UNION COUNTRIES OUTPACED IMPORT OF SERVICES

The data on the export and import of services by country and type of service for Q2 2017 released by the Bank of Lithuania and Statistics Lithuania show that:

export of services amounted to EUR 2.1 billion, import of services – EUR 1.3 billion; the surplus on the balance of services stood at EUR 797.4 million, or 7.7 per cent of GDP (see Chart 1). In Q2 2017, the surplus on the balance of services widened by EUR 198.5 million, or 33.1 per cent year on year. The increase in the surplus of the balance of services in the reference period was due to exports of services, which outpaced imports (20.5% and 14.1% respectively);

during the quarter, year on year, the strongest growth was recorded in exports of telecommunications as well as computer and information services (even 1.7 times) and imports of these services (43.8%) (see Table 1);

the bulk of export and import of services (56.7% and 51.1% respectively) consisted of transportation services. In Q2 2017, the largest surplus (EUR 409.5 million) was recorded on the balance of road transport services, while the largest deficit (EUR 55.6 million) – on the balance of sea transport services;

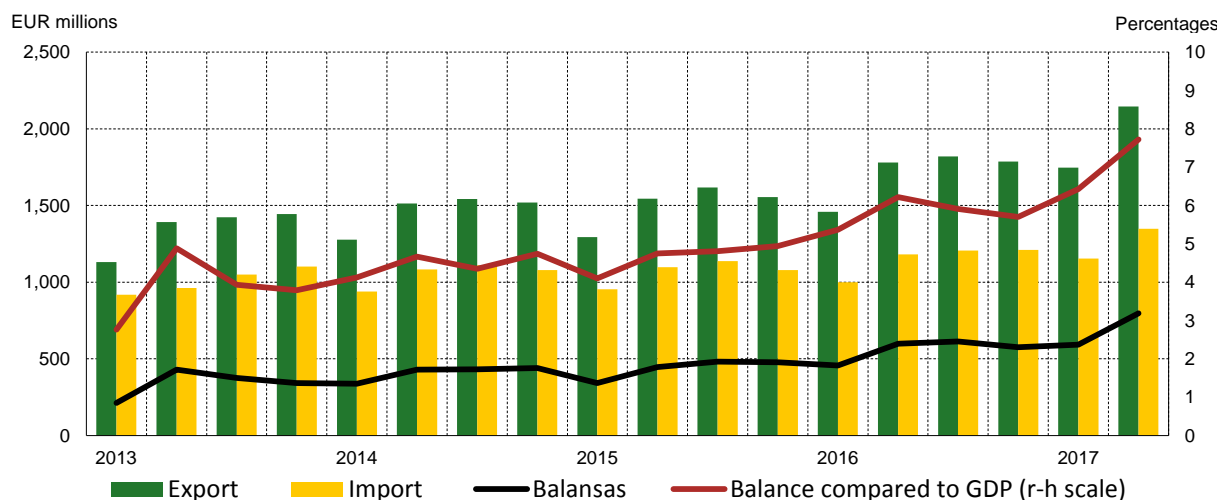
export of services to the EU countries accounted for 65.6 per cent, to the CIS countries – 20.5 per cent of total exports of services. Import of services from the EU countries accounted for 63.1 per cent, from the CIS countries – 21.3 per cent of total imports of services;

in Q2 2017, export of services to the EU countries grew by 23.1 per cent, to the CIS countries – 10.0 per cent year on year. Import of services from the EU countries rose 14.2 per cent, from the CIS countries – 4.6 per cent over the year;

Russia remains Lithuania's major partner in export of services. Export volumes to this country expanded by 19.2 per cent over the year. Export of services to Germany – second country in terms of export volumes – grew 32.7 per cent (see Chart 2). The largest share of total exports of services to Russia and was comprised of transportation and travel services (62.6% and 25.8%; 70.1% and 12.8% respectively);

in the reference period, the main partner in import of services was Belarus; however, in Q2 2017, imports of services from Belarus contracted by 1.0 per cent, while imports of services from Poland (second in terms of imports of services) rose 13.9 per cent year on year (see Chart 3). The composition of services imported from Belarus and Poland was the same. The largest share of imports of services from Belarus consisted of transportation and travel services (65.2% and 30.0% respectively), from Poland – 62.6 per cent and 28.1 per cent respectively. In Q2 2017, imports of services from Germany posted the most pronounced increase (even 1.6 times) year on year.

Chart 1. Balance of services

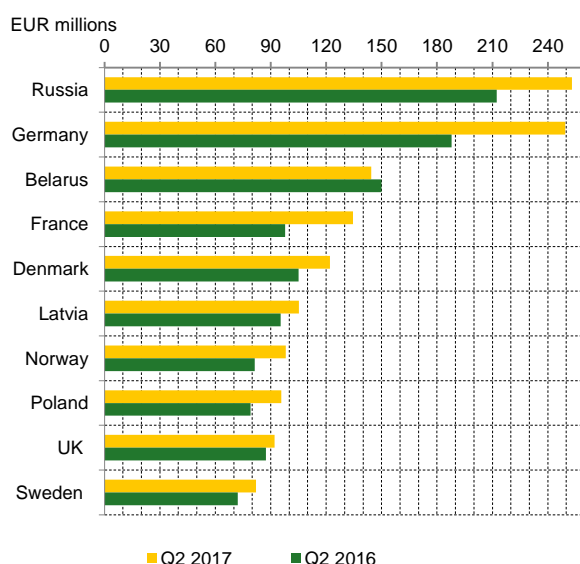


Source: Balance of payments data.

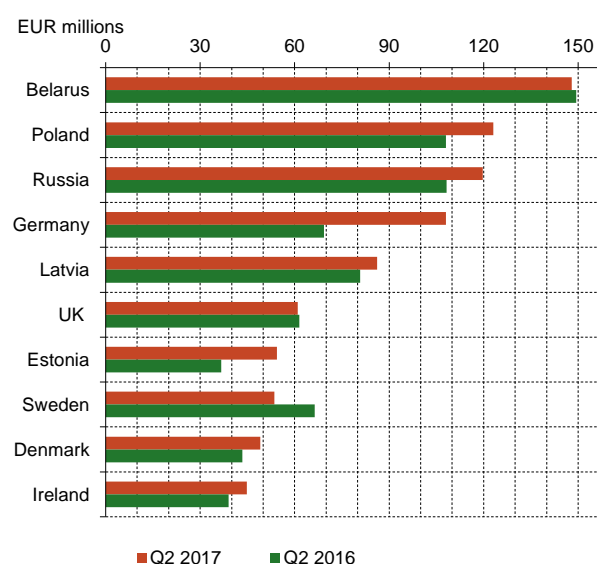
Table 1. Composition of exports and imports of services for Q2 2017

	Export			Import		
	EUR millions	Share, %	Compared to Q2 2016, %	EUR million	Share, %	Compared to Q2 2016, %
Total services	2,146.0	100.0	20.5	1,348.6	100.0	14.1
Technical maintenance and repair services	69.2	3.2	30.5	30.1	2.2	16.4
Transportation services	1,215.7	56.7	24.9	689.3	51.1	17.5
Carriage of passengers	64.1	3.0	1.6 times	47.9	3.6	-6.0
Freight	659.8	30.7	18.9	310.3	23.0	7.0
Other transportation services	491.8	22.9	30.2	331.1	24.6	34.8
Travel	356.2	16.6	1.6	272.7	20.2	6.1
Construction	72.9	3.4	18.0	23.0	1.7	-19.4
Financial services	30.8	1.4	27.4	36.7	2.7	1.2
Telecommunications, computer and information services	121.7	5.7	1.7 times	70.2	5.2	43.8
Telecommunications services	28.6	1.3	2.1 times	27.8	2.1	21.0
Computer services	88.4	4.1	1.6 times	40.3	3.0	1.8 times
Information services	4.7	0.2	3.1 times	2.0	0.2	-30.1
Other business services	182.4	8.5	17.9	174.5	13.0	13.6
Research and technological development services	9.0	0.4	1.7 times	2.0	0.1	14.6
Professional and advisory management services	65.3	3.0	17.4	47.0	3.5	-6.8
Technical, trade-related and other business services	108.1	5.0	15.3	125.6	9.3	23.8
Other undistributed services	97.1	4.5	4.1	52.1	3.9	14.3

Source: Balance of payments data.

Chart 2. Major service export countries

Source: Balance of payments data.

Chart 3. Major service import countries

Source: Balance of payments data.

Detailed data on export and import of services for Q2 is available on the Bank of Lithuania website (under [External statistics](#)).