

14/10/2020

## Balance of payments of the Republic of Lithuania: August 2020

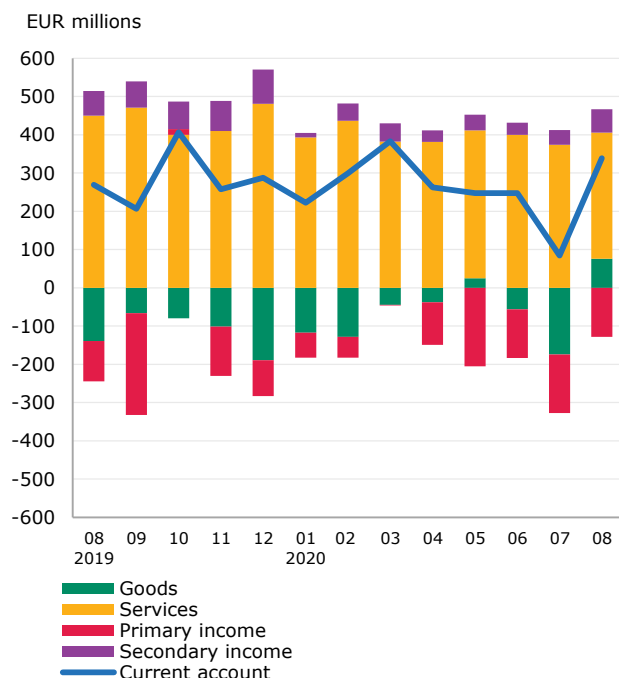
Today, the Bank of Lithuania published the balance of payments for August 2020, which shows that:

the **current account balance** (CAB) surplus went up to €338.5 million. This was due to the fact that the trade balance went from deficit to surplus (see Chart 1). The surplus on the trade balance accumulated due to more rapid growth in merchandise exports, which offset the decline in merchandise imports (respectively, 6.3% and -5.4%) and comprised €76.1 million. Since the exports of services declined more (6.8%) than their imports (3.8%), the surplus on the balance of services went down by 11.9%. The deficit on the primary income balance decreased due to the contraction of investment income balance expenditure;

the surplus on the secondary income balance grew by 60.7% over the month. Transfers from European Union (EU) support funds decreased by 2.9%, amounting to €19.6 million in August, while Lithuania’s calculated contributions to the EU budget declined by 26.5% month on month, amounting to €15.0 million in August. Private individual remittances from abroad amounted to €49.5 million, contracting by 6.2% on a month on month basis. Private individual remittances from Lithuania amounted to €17.3 million, increasing by 2.7%;

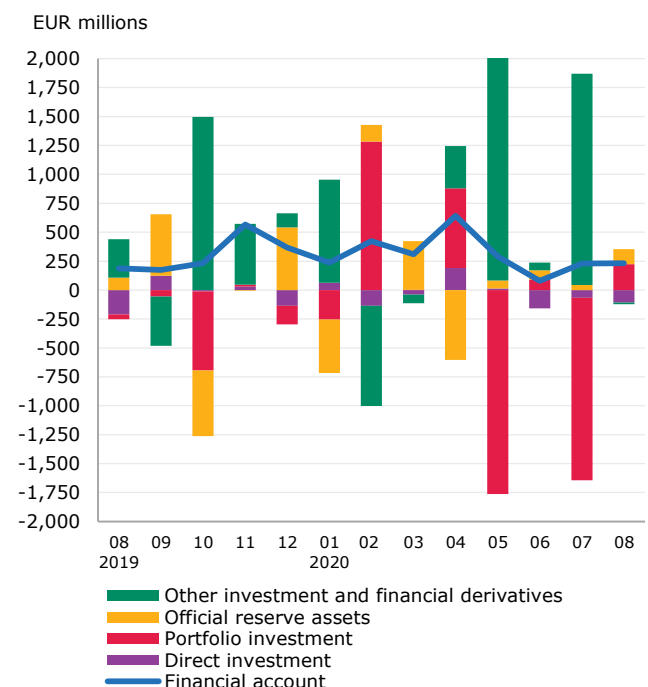
the positive net flow of **financial account** investment (€232.7 million) resulted from the positive net flow of portfolio investment and the increase in official reserve assets, which offset the negative net flow of direct investment (see Chart 2).

Chart 1. CAB and its composite flows



Source: Bank of Lithuania.

Chart 2. Net financial account investment flows



Source: Bank of Lithuania.

Detailed data for August 2020 is available on the Bank of Lithuania website ([External statistics](#)).