

13/06/2019

Current account deficit recorded a substantial increase

Today, the Bank of Lithuania published the balance of payments for April 2019, which shows that:

the deficit on the **current account balance** (CAB) rose sharply and stood at €116.8 million. This was driven by a substantial increase in deficits on foreign trade and primary income balances (see Chart 1). With export and import of goods scaling down by 3.2% and 0.6% respectively, the deficit on the foreign trade balance increased by 39.6%, to stand at €218.8 million. The negative balance on primary income rose due to an upturn in payments of direct investment income to non-residents.

the surplus on the secondary income balance increased by 9.4% over the month. This was attributable to the fact that Lithuania's calculated contributions to the EU budget reduced by 30.0% to amount to €21.8 million, while transfers from EU funds decreased by 6.6% to amount to €33.1 million. Private individual remittances from abroad amounted to €94.5 million, a month-on-month increase of 1.6%. Private individual remittances from Lithuania amounted to €38.2 million, a month-on-month increase of 3.5%.

the positive net flow of **financial account** investment (€31.6 million) resulted from the positive net flows of other investment, which were not offset by the negative net flow of direct and portfolio investment and the decrease in official reserve assets (see Chart 2).

Chart 1. CAB and its composite flows

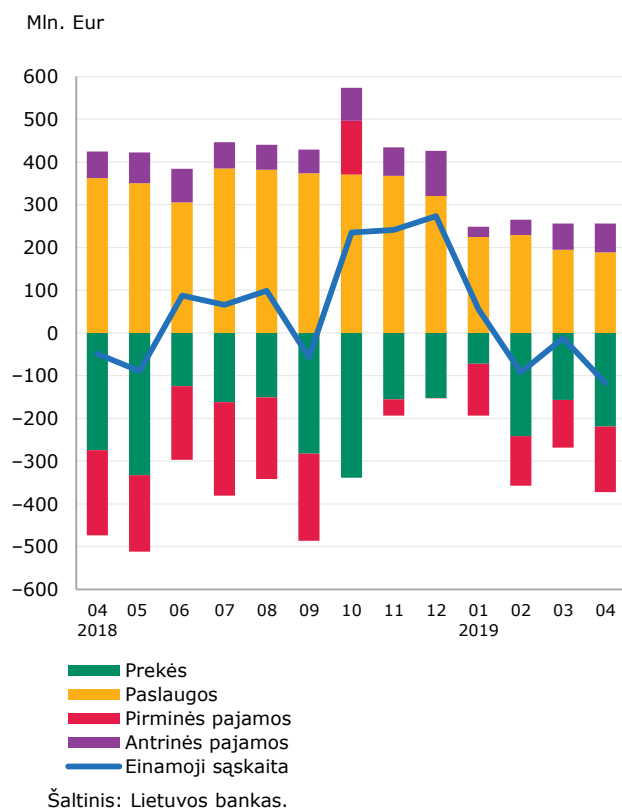
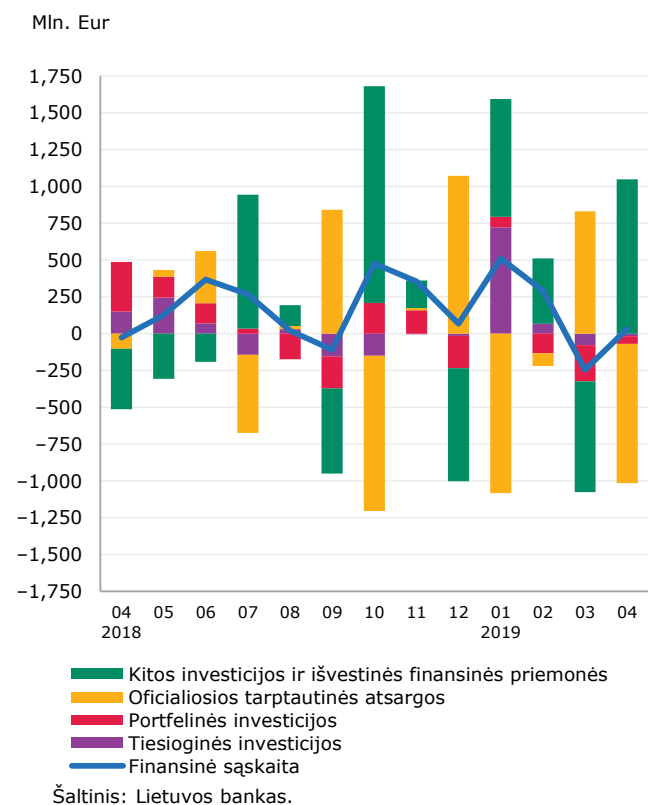


Chart 2. Net financial account investment flows



Detailed data for April 2019 is available on the Bank of Lithuania website ([External statistics](#)).