

21/06/2021

Balance of Payments of the Republic of Lithuania for Q1 2021

Today, the Bank of Lithuania released the balance of payments data for Q1 2021, which shows that:

The **current account balance (CAB)** surplus declined 2.6 times and amounted to €521.0 million or 4.5 % of the gross domestic product (GDP). This decline was determined by a large increase in the primary income balance deficit, resulting from a significant decline in European Union (EU) subsidies for agriculture. Another factor that reduced the CAB surplus was the foreign trade balance that turned from surplus to deficit. The foreign trade balance deficit of €256.4 million resulted from the fall in the export of goods (4.1%) and a slight increase in their import (0.1%). The surplus in the balances of services and secondary income went down as well. A year earlier, the CAB stood at €890.8 million, equating to 7.9% of GDP (see Chart 1);

The **capital account** surplus contracted 2.1 times, compared to the previous quarter, and amounted to €175.1 million. This was a result of smaller transfers received from EU structural support funds dedicated to financing investment projects;

The positive net flow of **financial account** investment decreased 4 times over the reporting period and totalled €325.3 million or 2.8% of GDP (see Chart 2). This decline was determined by the fall in the positive net flow of other investment and the net flow of direct investment, which turned from positive to negative. The negative effect of these factors was mitigated by the decrease of the negative net flow of portfolio investment and the rise in the official reserve assets;

The negative net **international investment position** amounted to €6.7 billion or 13.5% of GDP at the end of Q1;

Lithuania's **gross external debt** stood at €35.6 billion or 72.2% of GDP, whereas the **net external debt** became negative and amounted to €1.9 billion or 3.9% of GDP.

Chart 1. CAB and its composite flows

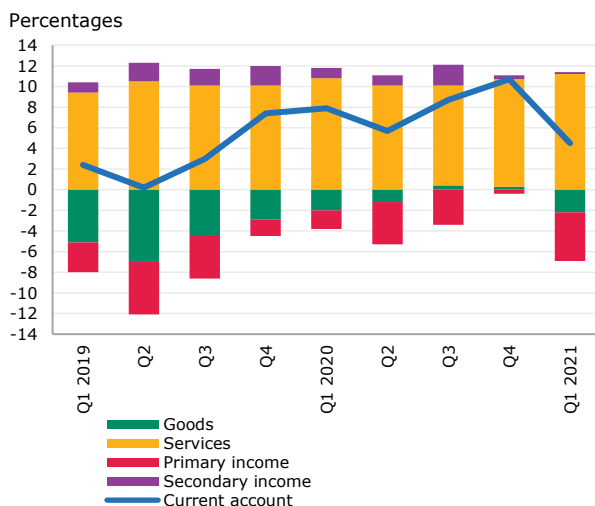
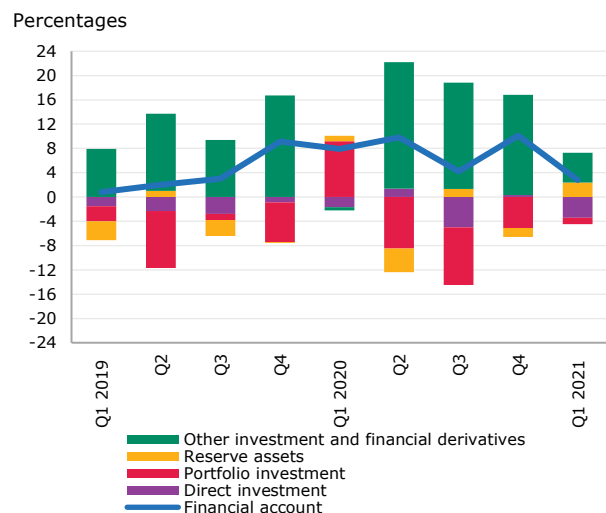


Chart 2. Net financial account investment flows



Statistical release

Detailed data on the country's balance of payments and international investment position as well as external debt is available on the Bank of Lithuania website (under [External statistics](#)).

You can use the tool [My Data Sets](#), which allows creating data sets that will be saved in your account, and the data will be updated immediately after publication.

Statistics Department
Economics and Financial Stability Service