Balance of Payments of the Republic of Lithuania for Q2 2020

Today, the Bank of Lithuania published the balance of payments for Q2 2020, which shows that:

the current account balance (CAB) surplus amounted to €757.7 million, or 6.5% of the gross domestic product (GDP). Compared to the previous period, the CAB decreased by 1.2 times, although the annual increase in its surplus was marked. A year earlier, the CAB amounted to €20.6 million, equating to 0.2% of GDP (see Chart 1). The CAB surplus reflected the surplus on the balances of services and secondary income, which offset the deficits in the foreign trade and primary income;

the surplus on the capital account amounted to €241.7 million, increasing by 18.9% over the year. This was a result of transfers received from EU structural support funds dedicated to financing investment projects;

the net positive inflow of financial account investment, year on year, increased 4.2 times and amounted to €1.0 billion, or 8.7% of GDP (see Chart 2). This increase was driven by an upswing in the positive net flow of other investments, which offset the negative net flow of portfolio investment resulting from the issuance of government Eurobonds in May and a negative flow of official reserve assets (see Chart 2);

the negative international investment position at the end of Q2 amounted to €9.8 billion, or 20.3% of GDP;

Lithuania's gross external debt stood at €34.2 billion, or 70.8% of GDP, while net debt – at €2.8 billion, or 5.8% GDP.

Chart 1. CAB and its composite flows

Chart 2. Net financial account investment flows

It should be noted that in calculating balance of payments data for Q2 2020, the historical data series of quarterly and monthly balances of payments and international investment balances since 2004 have been revised. Data on foreign trade, services, primary and secondary income were revised in the current account, and in the financial account, data on assets and liabilities of direct, portfolio and other investments were revised.
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](/external-statistics).

Statistics Department
Economics and Financial Stability Service