



LATVIJAS REPUBLIKAS FISKĀLĀS DISCIPLĪNAS PADOME

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RIGA

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To _____ No _____

Mrs Baiba Bāne
State Secretary
Ministry of Finance
e-mail: pasts@fm.gov.lv

Mrs Inta Vasaraudze
The Director of
Department of Economic Analysis

On the endorsement of the macroeconomic indicator forecast

Dear Mrs B. Bāne,
Dear Mrs I. Vasaraudze!

According to Article 20 of the Fiscal Discipline Law (hereafter – FDL) medium-term macroeconomic forecasts, including forecasts of growth rate of the gross domestic product (hereafter – GDP), deflator forecasts of the GDP and forecasts of growth rate of the potential GDP shall be developed by the Ministry of Finance (hereafter – MoF). According to the Article 28, Part 2 of the FDL, the Fiscal Discipline Council (hereafter – Council) shall perform an independent assessment of potential GDP and nominal GDP calculation by the MoF.

Article 4, Part 4 of the *Regulation (EU) Nr.473/2013 (21 May 2013) of the European Parliament and the Council on common provisions for monitoring and assessing draft budgetary plans and ensuring the correction of excessive deficit of the Member States in the euro area*, stipulates that draft annual state budget and draft medium term budget framework (hereafter – MTBF) shall be based on independent macroeconomic forecasts that are prepared or endorsed by independent bodies.

According to the Memorandum of Understanding (hereafter – MoU) between the MoF and the Council, signed on 8 February 2016, the Council shall assume the responsibility of the independent body and endorse the MoF macroeconomic forecasts twice a year – (i) while preparing the Stability Programme, and (ii) the annual state budget and the MTBF.

The first version of the macroeconomic forecast for drafting MTBF 2019-2021 was provided to the Council by the MoF on 17 September 2018, and later on 25 September 2018 with incorporated changes according to the discussions between the MoF and the Council at the meeting on 20 September 2018. On 3 October, the Council received updated forecasts from the MoF that were adjusted in accordance with the updated Central Statistical Bureau data at the beginning of October. On 4 October 2018 the Council sent to the MoF the opinion on the endorsement of the macroeconomic indicator forecast part from the output gap indicator. On 9 October after the reiterative meeting with the Council, the MoF has sent once again updated output gap indicators for 2020-2025.

After reviewing the MoF forecasts and comparing them with the endorsed forecasts from February¹ this year, the Council noted that:

- i) Real and nominal GDP growth is forecasted higher than previously for 2018 but lower for 2019. This is consistent with other forecasts by Bank of Latvia (June 2018), European Commission (May 2018) and International Monetary Fund (September 2018), however, the real GDP growth rate for 2018 forecasted by MoF is the highest among previously mentioned forecasts.
- ii) Potential GDP forecast for 2018-2020 and for 2023 remains at the level of previous forecast but the output gap is raised for 2018 by 0.2 percentage points (it is an equal difference of revision upwards for real GDP growth level for this year) but decreased for 2019 by 0.1 percentage points.
- iii) MoF's forecast includes the projection on total population, working age population and economically active population, where the total population in thousand persons has remained at the previously forecasted level but the working age population is revised upwards by 10 thousand persons each year for 2018-2021. This revision is explained by methodological adjustments done by Central Statistical Bureau.

On 21 September, the Council asked the MoF to comment on the possible need to revise the forecasted potential GDP and output gap because of ongoing further labour tightening (shortage) and increasing wage pressure. On 25 September, the MoF explained that forecast incorporates a higher yearly average gross wage increase by 3 euros for years 2018 to 2021 in comparison to the forecast for *Latvia's Stability Programme 2018-2021*, which is a difference of 0.3% percentage point (i.e., currently, the average gross wage increase is estimated 8,3% for 2018). The MoF points out that this is insignificant difference between the forecasts with no effect on the potential GDP. However, it is a cyclical indicator; therefore, the output gap is twice as large for 2018 in comparison to 2017, and revised upwards in comparison to previous forecast. In MoF's opinion, currently there are no structural factors affecting potential GDP in medium term.

The Council notes that economy is so obviously close to the height of the business cycle that any forecasts that would imply possible fiscal easing must be wrong. This is the time for fiscal tightening, not for fiscal easing.

At the same time the Council would like to indicate that the output gap can be estimated and forecasted by using several methods, where production function is only one (however, so far commonly agreed) method with important limitations. Other methods include univariate or multivariate unobserved components models and the principal components analysis. The Council invites MoF to consider usage of additional methods to better assess the output gap that would also exclude the assumption of definite closure of the output gap within 5 years' time horizon.

¹ 14/02/2018 endorsement of the macroeconomic forecasts. Available at the Council website: <http://fiscalcouncil.lv/14022018-macroeconomic-forecast-endorsement>

	2018	2019	2020	2021
Real GDP growth	4.2	3.0	3.0	2.9
Nominal GDP growth	7.4	6.2	5.8	5.5
Inflation (consumer prices)	2.5	2.5	2.2	2.1
GDP deflator	3.1	3.1	2.7	2.5
Potential GDP growth	3.4	3.4	3.3	3.2
Output gap	1.3	0.9	0.6	0.2
Output gap as forecasted in February 2018 for SP 2018/21 (endorsed)	1.1	0.9	0.6	0.3

Table 1. Macroeconomic forecast indicators endorsed by the Council.

On 10 October 2018, the Council by voting endorsed the macroeconomic forecast to underpin the fiscal projections for the MTBF for 2019-2021.

The Council expresses its gratitude for the co-operation and data exchange with colleagues from the MoF.

Kind regards,

Secretary of the Council

(signature*)

D. Kalsone

*Document has been signed with the secure electronic signature

OPINION ON THE MINISTRY OF FINANCE'S MACROECONOMIC FORECAST

This document presents the opinion of the Fiscal Discipline Council (hereafter – the Council) on the macroeconomic forecast prepared by the Ministry of Finance (hereafter – MoF) that will be used for drafting Latvia's Medium term budget framework (hereafter – MTBF) for 2019-2021. This is an early review before the Medium-term budget framework drafting process for 2019-2021. The Council conducts the review and endorsement of the MoF's macroeconomic projections to assist the development of the fiscal projections well ahead of the presentation of the draft budget and the medium term budget framework (hereafter – MTBF) for approval. An early review and the endorsement of the MoF's macroeconomic projections by the Council has been agreed upon to support the efforts of the Government during the preparation of the annual Stability programme (hereafter – SP) and the MTBF.

Through the Memorandum of Understanding, signed on 8 February 2016, the MoF has requested and Council has accepted a responsibility to endorse MoF's macroeconomic forecasts underpinning fiscal projections. The Council assessed the forecast as a whole, and provides an endorsement of the key macroeconomic indicators, which are outlined below. During the endorsement process the Council was presented with detailed information on MoF's forecast, such as the gross domestic product (hereafter – GDP) structure and development scenarios of GDP components. The Council has consulted with external experts to gain a comprehensive understanding of the developments in Latvia's economy.

The Council has a mandate to endorse the forecast of macroeconomic indicators according to the scope of Article 20 of the Fiscal discipline law (indicators are summarised in Table 5 at the end of this document).

	2018	2019	2020	2021
Real GDP growth, change in %p	+0.2	-0.4	–	–
MTBF2019/21	4.2	3.0	3.0	2.9
SP2018/21	4.0	3.4	3.0	2.9
Nominal GDP growth	+0.2	-0.3	–	+0.1
MTBF2019/21	7.4	6.2	5.8	5.5
SP2018/21	7.2	6.5	5.8	5.4
Inflation (consumer prices)	-0.3	+0.1	+0.1	–
MTBF2019/21	2.5	2.5	2.2	2.1
SP2018/21	2.8	2.4	2.1	2.1
GDP deflator	–	+0.1	–	–
MTBF2019/21	3.1	3.1	2.7	2.5
SP2018/21	3.1	3.0	2.7	2.5
Potential GDP growth	–	–	–	-0.1
MTBF2019/21	3.4	3.4	3.3	3.2
SP2018/21	3.4	3.4	3.3	3.3
Output gap (not endorsed)	+0.2	-0.1	-0.042	–
MTBF2019/21	1.3	0.9	0.6	0.3
SP2018/21	1.1	1.0	0.7	0.3

Table 1. Macroeconomic forecast indicators changes since endorsement in spring 2018. Data available here: <http://fiscalcouncil.lv/14022018-macroeconomic-forecast-endorsement>

Since Latvia's Stability programme 2018/21 (hereafter – SP2018/21) the MoF has changed the real GDP growth forecasts for 2018 and 2019 (see Table 1 above). At the Council meeting on 20 September 2018 the MoF has informed about the one-off factors, including slower contraction in 2018 of the financial sector output providing services to non-residents compared to the projections in the spring and early summer. In the meantime the contraction in the financial sector will continue in 2019. Very fast growth in the construction sector also is going to slow the growth rates in 2019 because of base effects of 2018.

Responding to the Council's concerns the MoF has argued that such one-off effects are not affecting the potential GDP growth apart from 2021 (last year of MTBF). Thus, the revision in the real GDP growth in 2018 and in 2019 results into modifications in the output gap, i.e. expanding cycle for 2018 and closing the gap faster in MTBF years. The positive output gap increases for 2018, reflecting the economic conditions heating up, while the positive output gap reduces for 2019.

	2018	2019	2020	2021
Real GDP growth				
MoF (Sep 2018)	4.2	3.0	3.0	2.9
BoL* (Jun 2018)	3.9	3.0	–	–
EC (March 2018)	3.5	3.2	–	–
IMF (Sep 2018)	3.7	3.3	3.1	3.0
Nominal GDP growth				
MoF (Sep 2018)	7.4	6.2	5.8	5.5
BoL (Jun 2018)	–	–	–	–
EC (Nov 2017)	6.9	6.5	–	–
IMF (Sep 2018)	7.3	6.1	5.6	5.5
Consumer prices (inflation)				
MoF (Sep 2018)	2.5	2.5	2.2	2.1
BoL* (Jun 2018)	2.9	2.9	–	–
EC (March 2018)	3.1	2.9	–	–
IMF (Sep 2018)	2.7	2.4	–	–
GDP deflator				
MoF (Sep 2018)	3.1	3.1	2.7	2.5
BoL (Jun 2018)	–	–	–	–
EC (March 2018)	3.4	3.2	–	–
IMF (Sep 2018)	3.5	2.7	2.5	2.4
Output gap				
MoF (Sep 2018)	1.3	0.9	0.6	0.3
BoL (Jun 2018)	–	–	–	–
EC (May 2018)	2.1	2.0	–	–
IMF (Sep 2018)	1.2	1.0	0.5	0.2

Table 2. Key macroeconomic indicator forecasts by various institutions, % y-o-y. Data sources: MoF, BoL, EC, IMF.

*Seasonal and calendar unadjusted.

Unemployment rate is forecasted to decrease gradually to 7.0% by 2020, which is at the level of 2006. This indicates possibly increasing difficulties in attracting the necessary human resources in certain industries, which is already observed by increasing share of enterprises claiming shortage of labour is restricting business development among all sectors (manufacturing, construction, services, and retail). Non-accelerating wage rate of unemployment (NAWRU) or the natural unemployment provided by MoF for the SP 2018/21 is forecasted well above the actual unemployment forecasts. Forecasted unemployment level decreases below 8% after 2018, the NAWRU forecast for 2018 is 10.3%, for 2019 is 9.7%, for 2020 is 9.4%, and for 2021 is 8.8%.

Based on the economic developments to date and the MoF assumptions underlying the forecasts the Council has made its decision regarding the endorsement of the forecasts as described below.

The Council endorses the real GDP growth forecast for MTBF 2019/21. Compared to the previous forecast in February 2018, which was prepared for the SP 2018/21, the real GDP growth rate has been raised by 0.2 percentage points in 2018 but lowered by 0.4 percentage points in 2019. The real GDP growth rate forecast for 2020 and 2021 remains the same (Chart 1). Based on discussion with the MoF the Council finds the revisions in the real GDP growth in 2018 and in 2019 resulting from one-off factors and base effects of accelerated growth in 2018.

The MoF real GDP growth forecast for 2018 is the highest among others – the European Commission (hereafter – EC), the International Monetary Fund (hereafter – IMF) and the Bank of Latvia's (hereafter – BoL) (Table 2). Increase in the gross domestic product (hereafter – GDP) has been boosted by exports, private consumption and EU-funded investments. The real GDP growth forecast for 2019 has been brought below the projections of the EC and the IMF.

The MoF inflation forecasts follow the trends during first half of 2018, when inflation was driven by a recovery in energy prices and wage increase, however, the overall consumer prices have grown slower than forecasted in February 2018.

The EC forecasts much higher output gap than the MoF – by 0.8% in 2018 and 1.1% in 2019. In spring 2018 the EC has increased the output gap forecast for 2019 from 1.4% to 2.0%. IMF does not provide an output gap estimate, while warns against the fiscal policy turning procyclical.

Historically low unemployment (since 2007) has been reached pushing up wages.

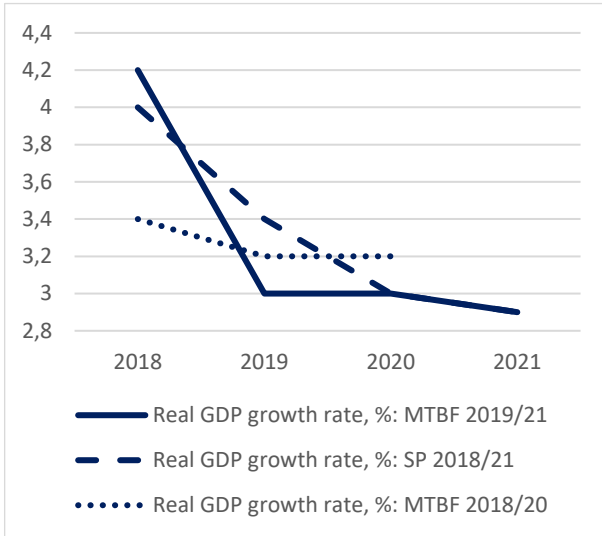


Chart 1 Forecast for real GDP growth, y-o-y.
Data source: MoF.

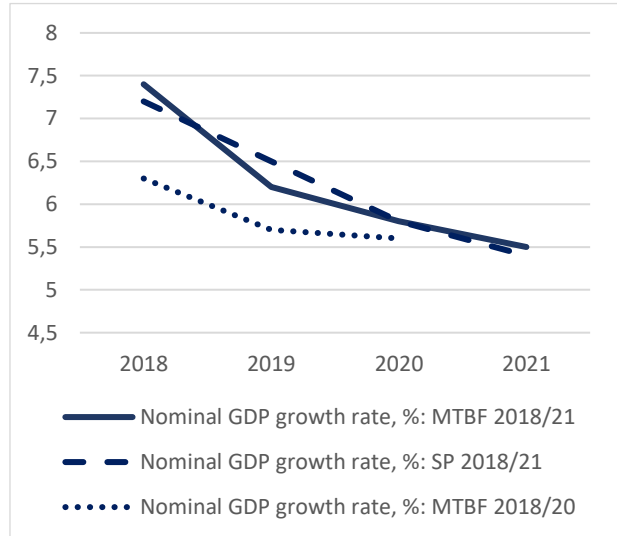


Chart 2 Forecast for nominal GDP growth, y-o-y.
Data source: MoF.

The Council endorses the nominal GDP growth forecast for the MTBF 2019/21. The MoF has further raised the nominal GDP growth forecast for 2018 and 2021 by 0.2 and 0.1 percentage points respectively; however, the nominal GDP growth rates remain unchanged for 2020, and is lowered by 0.3 percentage points for 2019. (Chart 2).

The Council endorses the change in the consumer price index (hereafter – CPI) (inflation) forecast for the MTBF 2019/21. For 2018 the CPI forecast has been lowered by 0.3 percentage points, however, it has been raised by 0.1 percentage point for both 2019 and 2020 compared to the forecast of February 2018. (Chart 3).

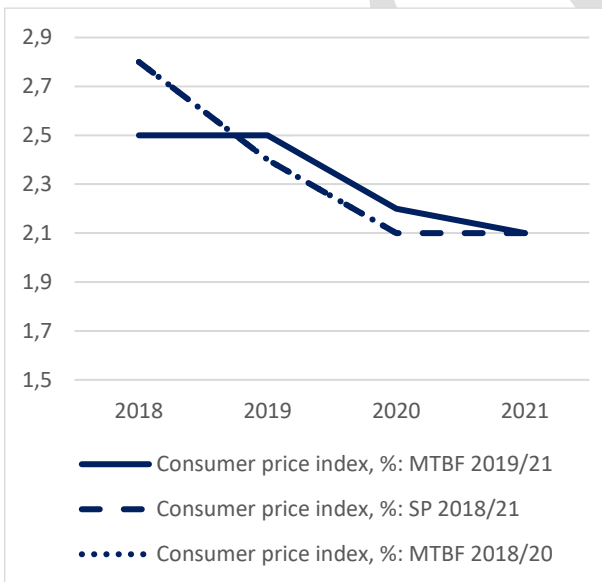


Chart 3 Forecast for inflation, y-o-y.
Data source: MoF.

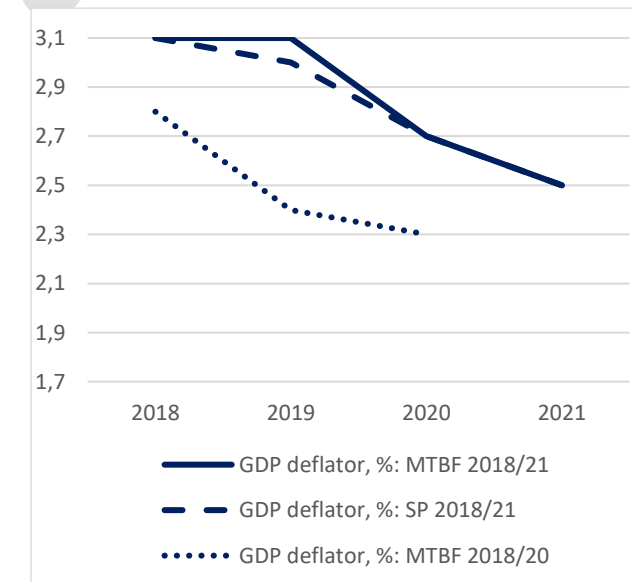


Chart 4 Forecast for GDP deflator, y-o-y.
Data source: MoF.

The Council endorses the GDP deflator forecast for the MTBF 2019/21. The GDP deflator forecast has not changed compared to the February 2018 forecast except for 2019, where it has been revised upwards by 0.1 percentage point. (Chart 4), thus indicating the warming-up of the Latvian economy.

The Council endorses the potential GDP growth forecast for the MTBF 2019/21 with comments. Since the previous endorsement of macroeconomic forecasts, potential GDP growth has not been revised for 2018-2020 and 2023. Meanwhile, the Council has concern that the assumption of one-offs and base effects shifting GDP growth from 2019 to 2018 reflects warming effects in the economic cycle and thus impacting the long-term potential growth downwards. Moreover, the Council does not find it justifiable to increase the potential GDP growth in the September forecast compared to the February forecast in 2022, 2024, and 2025 (see Table 3), when demographic effects will result into downward pressure for the potential growth.

	2018	2019	2020	2021	2022	2023	2024	2025
Potential GDP growth	–	–	–	-0.1	+0.1	–	+0.1	+0.1
MTBF2019/21	3.4	3.4	3.3	3.2	3.0	3.0	2.9	2.9
SP2018/21	3.4	3.4	3.3	3.3	2.9	3.0	2.8	2.8

Table 3. Changes in the potential GDP growth since endorsement in spring 2018. Data available here: <http://fiscalcouncil.lv/14022018-macroeconomic-forecast-endorsement>

The Council endorses the output gap forecast for the MTBF 2019/21. Taking into account the increase of the output gap in the year 2018 by 0.2% points, the Council supports a reduction of the output gap for the year 2019 by 0.1% point. The labour market continues its tightening with unemployment expected to fall even further below its natural rate/equilibrium level. The economy is so obviously close to the height of the business cycle that any forecasts that would imply possible fiscal easing must be wrong. This is the time for fiscal tightening, not for fiscal easing.

The pressure to the wage growth from the labour market remains high - unemployment forecasts remain significantly below the NAWRU forecasts and labour shortage is increasing. The Council notes that faster increase of wages affects the competitiveness and signals of upward swing of economic cycle, therefore, the output gap in medium term is wider than forecasted by the MoF.

	2018	2019	2020	2021
Potential GDP growth	–	–	–	-0.1
MTBF2019/21	3.4	3.4	3.3	3.2
SP2018/21	3.4	3.4	3.3	3.3
Output gap	0.2	-0.1	-0.042	–
MTBF2019/21	1.3	0.9	0.6	0.3
SP2018/21	1.1	1.0	0.7	0.3

Table 4 Changes in potential GDP growth and output gap forecasts since endorsement in spring 2018. Data available here: <http://fiscalcouncil.lv/14022018-macroeconomic-forecast-endorsement>.

Average annual potential GDP growth rate from 2018 to 2025 remains forecasted above 3.0%. The Council notes that the projected potential GDP growth over the eight-year period above the 3% threshold is high and there are factors driving down the potential GDP growth in Latvia in the long run as the economy converge with the EU average and the labour supply remains limited.

The Council finds the economy of Latvia in positive output gap in 2017 and the trend continuing strongly in 2018. The business cycle is on an upswing with strong confidence, high employment, and increasing pressure on wage inflation. Cyclical factors have been the key contributors for the economic growth, which cannot last without adequate structural changes enabling increase in productivity.

The Council finds substantial risks of prices accelerating mostly because of the labour market conditions and the steady wage growth. Wage growth and accelerating inflation beyond the current MoF's forecasts would highlight deterioration of productivity and result as lower economic growth potential and would indicate widening positive output gap.

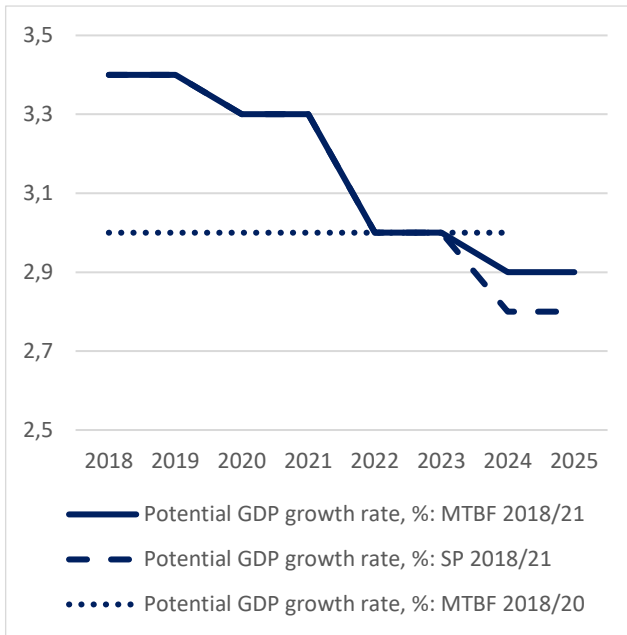


Chart 5 Potential GDP growth, %, y-o-y.
Data source: MoF.

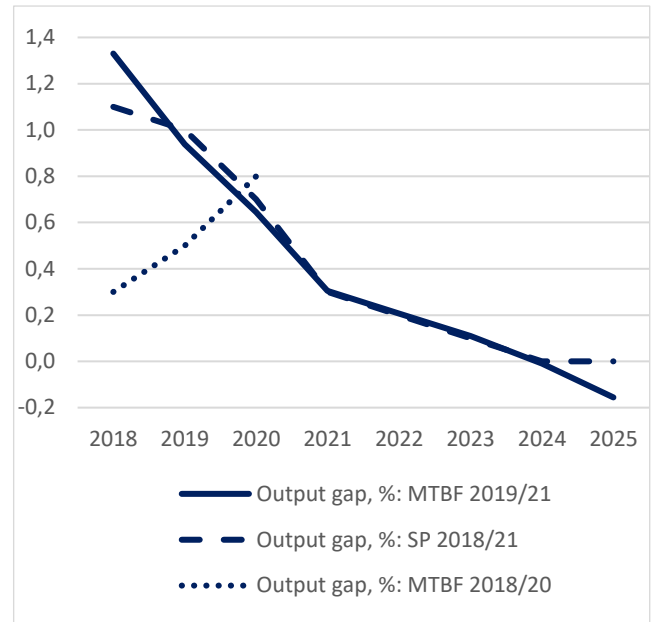


Chart 6 Output gap, % of potential GDP.
Data source: MoF.

	2018	2019	2020	2021
Real GDP growth	4.2	3.0	3.0	2.9
Nominal GDP growth	7.4	6.2	5.8	5.5
Inflation (consumer prices)	2.5	2.5	2.2	2.1
GDP deflator	3.1	3.1	2.7	2.5
Potential GDP growth	3.4	3.4	3.3	3.2
Output gap	1.3	0.9	0.6	0.3

Table 5. Macroeconomic forecast indicators endorsed by the Council.

Summary:

The Council endorses the macroeconomic forecasts to underpin the fiscal projections for the MTBF for 2019-2021.

Makroekonomiskie rādītāji / Macroeconomic indicators

			t-6	t-5	t-4	t-3	t-2	t-1	t	t+1	t+2	t+3	t+4	t+5	t+6	t+7	
Nr.	Rādītājs	Indicator	Mērvienība / Unit														
Iekšzemes kopprodukts (IKP)			Gross domestic product (GDP) expenditure perspective														
			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
1	Reālais IKP	Real GDP	milj. / mio EUR	1 98 52	2 03 35	2 07 13	2 13 28	2 17 68	2 27 78	2 37 34	2 44 46	2 51 80	2 59 10	2 66 61	2 74 35	2 82 03	2 89 78
2	Nominālais IKP	Nominal GDP	milj. / mio EUR	2 18 86	2 27 87	2 36 18	2 43 20	2 50 38	2 70 33	2 90 39	3 08 41	3 26 39	3 44 42				
3	IKP pieaugums salīdzināmās cenās	Real GDP growth	%	4,0	2,4	1,9	3,0	2,1	4,6	4,2	3,0	3,0	2,9	2,9	2,9	2,8	2,8
4	IKP pieaugums faktiskajās cenās	Nominal GDP growth	%	7,8	4,1	3,6	3,0	2,9	8,0	7,4	6,2	5,8	5,5				
IKP izdevumu aspekts: rādītāji salīdzināmās cenās GDP expenditure perspective: real figures			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021					
5	Privātais patēriņš	Private consumption	milj. / mio EUR	1 21 53	1 27 66	1 29 42	1 32 66	1 34 54	1 40 10	1 46 00	1 52 19	1 57 71	1 63 42				
6	Valdības patēriņš	Government consumption	milj. / mio EUR	34 04	34 60	35 25	35 90	37 31	38 85	40 34	41 73	42 98	44 26				
7	Bruto kapitāla veidošana	Gross capital formation	milj. / mio EUR	51 74	49 06	44 80	45 85	47 06	53 78	57 38	59 44	62 68	65 92				
8	..bruto pamatkapitāla veidošana	..gross fixed capital formation	milj. / mio EUR	49 35	46 37	46 40	46 17	42 31	47 85	54 62	58 07	61 95	65 09				
9	..krājumu pārmaiņas	..inventories	milj. / mio EUR	2 39	2 69	-1 60	-32	4 75	5 92	2 76	1 37	73	83				
10	Preču un pakalpojumu eksports	Exports of goods and services	milj. / mio EUR	1 18 39	1 19 67	1 26 82	1 30 77	1 36 53	1 45 05	1 52 23	1 58 41	1 64 79	1 71 38				
11	Preču un pakalpojumu imports	Imports of goods and services	milj. / mio EUR	1 27 18	1 27 64	1 29 16	1 31 91	1 37 75	1 49 99	1 58 60	1 67 32	1 76 36	1 85 88				
IKP izdevumu aspekts: pieaugums salīdzināmās cenās GDP expenditure perspective: growth in real figures			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021					
12	Privātais patēriņš	Private consumption	%	3,2	5,0	1,4	2,5	1,4	4,1	4,2	4,2	3,6	3,6				
13	Valdības patēriņš	Government consumption	%	0,3	1,6	1,9	1,9	3,9	4,1	3,8	3,5	3,0	3,0				
14	Bruto kapitāla veidošana	Gross capital formation	%	-0,3	-5,2	-8,7	2,4	2,6	14,3	6,7	3,6	5,4	5,2				
15	..bruto pamatkapitāla veidošana	..gross fixed capital formation	%	14,4	-6,0	0,1	-0,5	-8,4	13,1	14,1	6,3	6,7	5,1				
16	..krājumu pārmaiņas	..change in inventories	-	-	-	-	-	-	-	-	-	-	-				
17	Preču un pakalpojumu eksports	Exports of goods and services	%	9,8	1,1	6,0	3,1	4,4	6,2	5,0	4,1	4,0	4,0				
18	Preču un pakalpojumu imports	Imports of goods and services	%	5,4	0,4	1,2	2,1	4,4	8,9	5,7	5,5	5,4	5,4				
IKP izdevumu aspekts: rādītāji faktiskajās cenās GDP expenditure perspective: nominal figures			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021					
19	Privātais patēriņš	Private consumption	milj. / mio EUR	1 33 31	1 40 39	1 44 69	1 46 79	1 50 45	1 61 52	1 72 52	1 84 34	1 95 22	2 06 54				
20	Valdības patēriņš	Government consumption	milj. / mio EUR	37 99	40 22	41 36	43 58	45 14	48 37	52 29	55 64	58 79	61 95				
21	Bruto kapitāla veidošana	Gross capital formation	milj. / mio EUR	57 29	55 34	53 55	54 06	51 89	60 20	63 69	67 90	74 33	80 80				
22	..bruto pamatkapitāla veidošana	..gross fixed capital formation	milj. / mio EUR	55 51	52 91	53 37	53 84	49 15	56 51	66 26	71 99	78 40	83 97				
23	..krājumu pārmaiņas	..change in inventories	milj. / mio EUR	1 77	2 43	18	21	2 74	3 70	-2 57	-4 09	-4 07	-3 17				
24	Preču un pakalpojumu eksports	Exports of goods and services	milj. / mio EUR	1 34 18	1 37 41	1 43 46	1 46 95	1 50 17	1 65 16	1 78 88	1 91 92	2 05 83	2 20 70				
25	Preču un pakalpojumu imports	Imports of goods and services	milj. / mio EUR	1 43 91	1 45 50	1 46 87	1 48 17	1 47 28	1 64 91	1 76 99	1 91 39	2 07 78	2 25 57				
Deflatori			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021					
26	IKP deflators, gads pret gadu	GDP deflator, year on year	%	3,6	1,6	1,8	0,0	0,9	3,2	3,1	3,1	2,7	2,5				
27	Privātā patēriņa deflators	Private consumption deflator	%	3,3	0,3	1,7	-1,0	1,1	3,1	2,5	2,5	2,2	2,1				
28	Valdības patēriņa deflators	Government consumption deflator	%	2,4	4,2	1,0	3,5	-0,3	2,9	4,1	2,9	2,6	2,3				
29	Bruto kapitāla veidošanas deflators	Capital formation deflator	%	12,5	1,9	6,0	-1,4	-6,5	1,5	-0,8	2,9	3,8	3,4				
30	..bruto pamatkapitāla veidošanas deflators	..gross fixed capital formation deflator	%	7,8	1,4	0,8	1,4	-0,4	1,7	2,7	2,2	2,1	1,9				
31	..krājumu pārmaiņu deflators	..change in inventories deflator	-	6,8	21,8	-1 12,4	4 91,7	-1 86,9	8,1	-2 48,9	2 20,6	86,3	-31,5				
32	Preču un pakalpojumu eksporta deflators	Exports of goods and services deflator	%	4,1	1,3	-1,5	-0,7	-2,1	3,5	3,2	3,1	3,1	3,1				
33	Preču un pakalpojumu importa deflators	Imports of goods and services deflator	%	7,1	0,7	-0,2	-1,2	-4,8	2,8	1,5	2,5	3,0	3,0				
Devums reālajai IKP izaugsmei			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021					
34	Privātais patēriņš	Private consumption	%	1,9	3,1	0,9	1,6	0,9	2,6	2,6	2,6	2,3	2,3				
35	Valdības patēriņš	Government consumption	%	0,1	0,3	0,3	0,3	0,7	0,7	0,7	0,6	0,5	0,5				
36	Bruto kapitāla veidošana	Gross capital formation	%	-0,1	-1,3	-2,1	0,5	0,6	3,1	1,6	0,9	1,3	1,3				
37	..bruto pamatkapitāla veidošana	..gross fixed capital formation	%	3,3	-1,5	0,0	-0,1	-1,8	2,5	3,0	1,5	1,6	1,2				
38	..krājumu pārmaiņas	..change in inventories	%	-3,3	0,2	-2,1	0,6	2,4	0,5	-1,4	-0,6	-0,3	0,0				
39	Preču un pakalpojumu eksports	Exports of goods and services	%	5,5	0,6	3,5	1,9	2,7	3,9	3,2	2,6	2,6	2,6				
40	Preču un pakalpojumu imports	Imports of goods and services	%	-3,4	-0,2	-0,7	-1,3	-2,7	-5,6	-3,8	-3,7	-3,7	-3,8				
Patēriņa cenu indekss			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021					
41	Patēriņa cenu indekss, gads pret gadu	Consumer price index, year on year	%	2,3	-0,1	0,6	0,2	0,2	2,9	2,5	2,5	2,2	2,1				
IKP ienākumu aspekts			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021					
42	Pārpalikums un jauktais kopienākums	Gross operating surplus	milj. / mio EUR	10999	11064	10956	10608	10403	11208	11988	12735	13550	14394				
43	Darbinieku atalgojums	Compensation of employees	milj. / mio EUR	87 47	94 16	1 00 93	1 09 08	1 15 74	1 25 24	1 37 22	1 45 60	1 53 61	1 61 13				

44	..darba alga	..wages	milj. / mio EUR	72 55	77 97	84 01	90 91	95 99	1 03 90	1 13 88	1 20 83	1 27 47	1 33 71								
45	..darba devēju sociālās iemaksas	..social contributions	milj. / mio EUR	14 92	16 19	16 92	18 18	19 75	21 34	23 34	24 77	26 13	27 41								
46	Ražošanas un importa nodokļi	Taxes on products and imports	milj. / mio EUR	27 90	29 83	31 85	33 55	36 10	38 12	40 73	43 35	45 64	48 16								
47	Subsīdijas	Subsidies	milj. / mio EUR	6 51	6 76	6 16	5 51	6 62	6 87	7 43	7 89	8 35	8 82								
Iedzīvotāji un darba tirgus				Population and labour				2012	2013	2014	2015	2016	2017	2018	2019	2020	2021				
48	Iedzīvotāju kopskaits	Total population	tūkst. / thsd.	20 45	20 24	20 01	19 86	19 69	19 50	19 35	19 19	19 04	18 90								
49	Iedzīvotāju kopskaita pieaugums	Population growth	%		-1,0	-1,1	-0,8	-0,9	-1,0	-0,8	-0,8	-0,8	-0,7								
50	Iedzīvotāju darbības vecumā	Working age population	tūkst. / thsd.	15 60	15 36	14 96	14 73	14 50	14 23	14 12	13 97	13 82	13 69								
51	Ekonomiski aktīvie iedzīvotāji	Economically active population	tūkst. / thsd.	10 31	10 14	9 92	9 94	9 89	9 80	9 82	9 79	9 75	9 71								
52	Nodarbināto skaits	Number of persons employed	tūkst. / thsd.	8 76	8 94	8 85	8 96	8 93	8 95	9 06	9 06	9 06	9 06								
53	Nodarbināto skaita pieaugums	Growth of number of persons employec	%	1,6	2,1	-1,0	1,3	-0,3	0,2	1,2	0,1	0,0	-0,1								
54	Līdzdalības līmenis	Participation rate	%	66,1	66,0	66,3	67,5	68,2	68,9	69,5	70,1	70,5	71,0								
55	Bezdarba līmenis	Unemployment rate	%	15,0	11,9	10,8	9,9	9,6	8,7	7,7	7,4	7,0	6,8								
56	Bezdarba līmenis, kas neietekmē algu, %	NAWRU	%, y-o-y		14,1	12,9	11,3	11,4	11,1	10,3	9,7	9,4	8,8								
Algas un produktivitāte				Wages and productivity				2012	2013	2014	2015	2016	2017	2018	2019	2020	2021				
57	Vidējā bruto alga	Average gross wage	EUR	6 85	7 16	7 65	8 18	8 59	9 26	10 03	10 63	11 21	11 78								
58	Vidējās bruto algas pieaugums	Average gross wage growth	%	3,8	4,5	6,8	6,9	5,0	7,8	8,3	6,0	5,5	5,0								
59	Reālās produktivitātes pieaugums	Real productivity growth	%	2,4	0,3	2,9	1,7	2,5	4,4	3,0	2,9	3,0	3,0								
Potenciālais IKP un izlaidu starpības				Potential GDP and output gap				2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
60	Potenciālais IKP 2010. gada cenās	Potential GDP in the prices of 2010	milj. / mio EUR	1 98 94	2 03 04	2 07 85	2 13 86	2 19 29	2 26 64	2 34 23	2 42 19	2 50 18	2 58 32	2 66 07	2 74 05	2 82 06	2 90 24				
61	Potenciālā IKP pieaugums		%, y-o-y	1,3	2,1	2,4	2,9	2,5	3,3	3,4	3,4	3,3	3,2	3,0	3,0	2,9	2,9				
62	Darbspēka devums	Potential labour	%	-0,3	-0,1	-0,1	0,0	0,0	0,0	0,0	0,0	0,1	0,1								
63	Kapitāla devums	Potential capital stock	%	2,6	2,5	2,3	2,3	1,5	2,2	2,2	2,2	2,1	2,0								
64	Faktoru produktivitātes devums	Potential total factor productivity (TFP)	%	-1,0	-0,3	0,1	0,6	1,1	1,1	1,1	1,2	1,2	1,2								
65	Izlaidu starpība	Output gap	%	-0,2	0,2	-0,3	-0,3	-0,7	0,5	1,3	0,9	0,6	0,3	0,2	0,1	0,0	-0,2				
66	Izlaidu starpība	Output gap	milj. / mio EUR	-42	31	-72	-58	-1 61	1 14	3 12	2 27	1 61	79	55	30	-3	-45				