



Latvia

Trade and Competitiveness Monitoring Note

GDP (US\$ billions) (2015)	Population (millions) (2015)	Income per capita (current US\$) (2015)	Poverty rate (2012)	Unemployment rate (2015)	Ease of Doing Business Rank (2015)
27.8	2.0	14,070.4	1.4	10.4	22.0

Macro Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016	
GDP growth (annual %)	4.385	4.834	4.226	2.362	2.608	3.451	
Current account balance	-7.710	-2.459	-2.332	-3.140	-1.670	-1.972	
Cash surplus/deficit (% of GDP)	-2.836	-0.788	-0.740	-1.443	-1.644	-1.324	
Gross Fixed Investment (% GDP)	24.536	24.670	22.431	22.208	21.925	22.254	
Gross capital formation (% of GDP) [1]	30.981	26.180	24.119	23.481	—	—	
Foreign direct investment, net inflows (% of GDP) [2]	3.793	3.885	2.924	1.481	—	—	
Private capital flows, total (% of GDP) [2]	14.982	17.151	—	—	—	—	
Total Trade in Goods and Services (% of GDP, real terms)	96.000	122.807	118.538	117.997	117.231	118.536	
Trade balance (% GDP, real terms)	-10.455	-4.394	-3.299	-2.888	-2.467	-2.607	
Exports, Goods and Services, annual percent change (real terms)	8.318	9.779	1.433	2.246	2.300	4.500	
Imports, Goods and Services, annual percent change (real terms)	8.985	5.381	-0.168	1.561	1.600	4.700	
Personal remittances, received (% of GDP) [1]	4.730	5.350	5.306	5.671	—	—	
General government gross debt [3]	19.416	36.484	35.165	37.781	37.767	37.044	
Total reserves in months of imports [1]	4.350	4.466	4.517	1.832	—	—	
Real Effective Exchange Rate (2010=100)	108.187	102.617	101.803	103.394	100.488	99.646	
Consumer Price Index, annual percent change	5.374	2.253	-0.015	0.605	-0.575	2.100	

Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015

Data not available

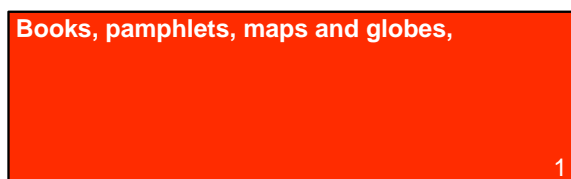
Gross Value Added by Economic Activity 2013 (% GDP)



Source: Development Prospects Group (DECPG)

Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, 2014



Imports Categories by % of Total Value, 2014



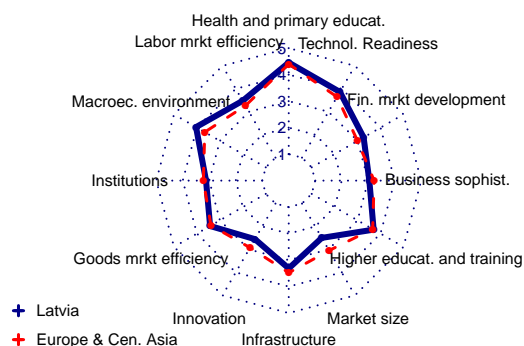
Source: World Integrated Trade Solution (WITS)

Doing Business 2015 Ranks (among all countries)

	DB 2015 Rank	DB 2016 Rank	Change in Rank
Dealing with Construction Permits	24	30	-6
Ease of Doing Business Rank	22	22	0
Enforcing Contracts	35	25	10
Getting Credit	17	19	-2
Getting Electricity	62	65	-3
Paying Taxes	24	27	-3
Protecting Minority Investors	46	49	-3
Registering Property	30	23	7
Resolving Insolvency	39	43	-4
Starting a Business	36	27	9
Trading Across Borders	22	22	0

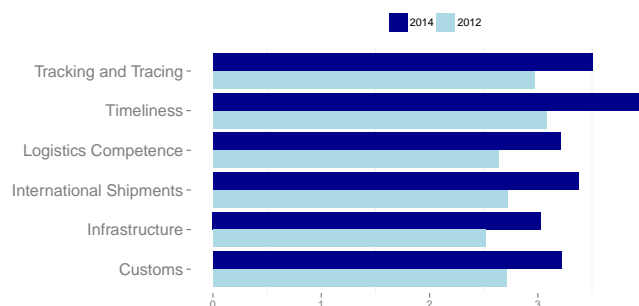
Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)



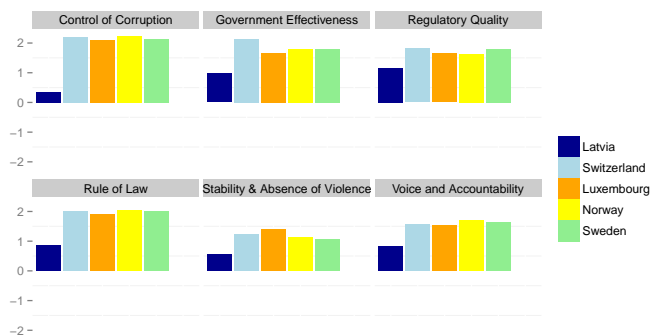
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

	2014
Import duties collected [1]	—
Services sectors with GATS commitments [1]	121

Sources: WITS, [1] WTO Trade Profiles

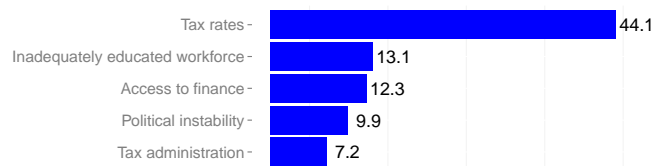
Private Sector's Views

Enterprise Survey 2013

	Latvia	Europe and Central Asia	All Countries
Number of electrical outages in a typical month	0.30	2	6.30
Percent of firms with a bank loan/line of credit	20.10	—	34.30
Proportion of investment financed by banks (%)	6.20	—	14.30
Proportion of investment financed internally (%)	78.20	—	71.80
Senior management time spent dealing with the requirements of government regulation (%)	5.20	—	9.90

Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015