

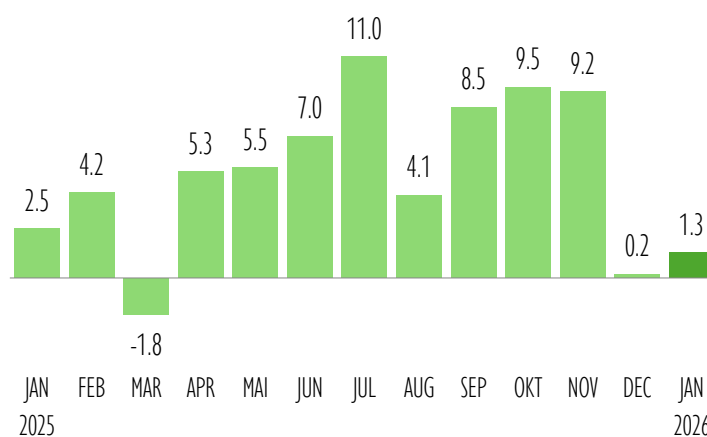
## On Industrial Output in January 2026

### At the beginning of 2026, strong growth in industrial output volumes was observed

In January, according to calendar-adjusted data, industrial output increased by 13.2% compared to the corresponding period of the previous year. Strong growth was recorded both in electricity and gas supply (+57.1%) and in a number of manufacturing industries. Particularly rapid growth was observed in the manufacture of motor vehicles, trailers and semi-trailers (+34.9%), the manufacture of machinery and equipment (+14.3%), the manufacture of electrical equipment (+13.2%), and the manufacture of non-metallic mineral products (+11.4%). A significant increase was also recorded in the manufacture of food products and fabricated metal products.

#### VOLUMES OF MANUFACTURING OUTPUT

calendar-adjusted data, percentage changes compared to the corresponding period of the previous year



In January, manufacturing turnover at current prices also increased year-on-year – both on the domestic market and in exports. This confirms the ability of enterprises to adapt to global challenges despite the high uncertainty in external markets.

At the same time, confidence among manufacturing enterprises continues to improve and in January was at its highest level over the past year. Positive sentiment was observed both with regard to future production activity and sales.

Overall, it is expected that growth in manufacturing will continue in the coming months as well, largely driven by external demand. Although forecasts by international institutions point to more moderate growth in the global economy, it is expected to remain resilient. It should be taken into account that the development of the world economy will continue to be affected by possible trade barriers and the fragmentation of supply chains, which may increase uncertainty and cost pressures. Despite these factors, industrial activity in Latvia in 2026 is assessed as cautiously positive.

At the same time, it remains essential for enterprises to increase productivity in order to maintain competitiveness in an environment where the cost structure is becoming increasingly challenging and demand in international markets remains selective.