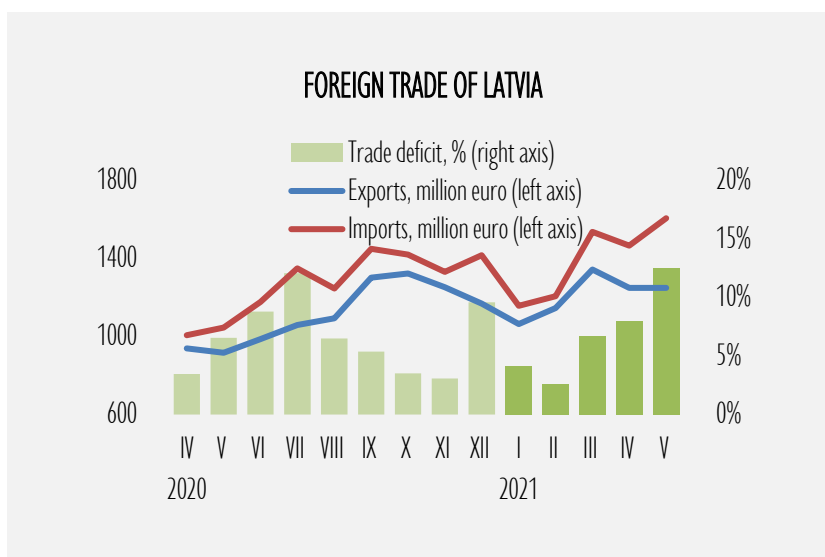


On Latvia's Foreign Trade in June 2021

In June 2021, both exports and imports of goods increased rapidly

According to the data of the Central Statistical Bureau (CSB), in June 2021, the annual value of exports of goods at current prices increased by 31.7%. However, the value of imports of goods grew even more rapidly on an annual basis – by 42.6%.

In June 2021, the value of exports increased in essentially all product groups. Almost half of the increase in the value of exports can be attributed to the increase in exports of wood and wood products. Also, exports of iron, steel and steel products grew rapidly. In addition, export volumes of mineral products, land vehicles, plastics and plastic products, as well as other export groups increased. On the other hand, export volumes of oilseeds and cereals declined.



“Export growth played a crucial role in mitigating the negative effects of the Covid-19 pandemic. I am very pleased with recent data revealing that exports remain one of the key drivers of economic growth. The current high growth rates are largely driven by economic activity, with increasing economic activity in EU markets and the US, as well as rising commodity prices amidst strong demand. Various support instruments are currently being developed and improved to ensure stable export growth in the medium term.”, emphasizes J. Vitenbergs.

In June 2021, the value of exports of goods to EU countries increased by 34.5% (almost as equally expeditious as total exports). Exports to EU countries grew more rapidly to Lithuania (i.e., mineral products, wood and wood products), Estonia (i.e., mineral products, iron and steel), Germany (i.e., wood and wood products), the Netherlands (i.e., cereals, mixed chemicals), Poland (i.e., iron and steel), Denmark and Sweden (both – wood and wood products).

At the same time, exports to the CIS countries increased by 9.9%. The value of exports to Ukraine increased significantly (i.e., copper and its products, machinery and equipment).

In June 2021, exports to other countries also grew by 21.3%. In this group of countries, the value of exports increased more rapidly to the United Kingdom and the United States (both – wood and wood products). However, the value of exports to Nigeria (i.e., cereals) declined.

The annual increase in imports of goods was driven by imports of mineral products, aircraft and parts, land vehicles, wood and wood products, and iron and steel.

Overall, in the first half of the year, exports volumes increased by 20.3%, compared to the corresponding period last year. However, imports of goods during this period were 24.5% higher than a year ago.

In 2021, the prospects for export development are assessed increasingly positive. In the largest Latvian export market (i.e., EU countries) the economic situation is improving, and confidence indicators have

reached their highest level in recent years. Stable demand in sales markets allows Latvian companies to maintain positive growth rates.