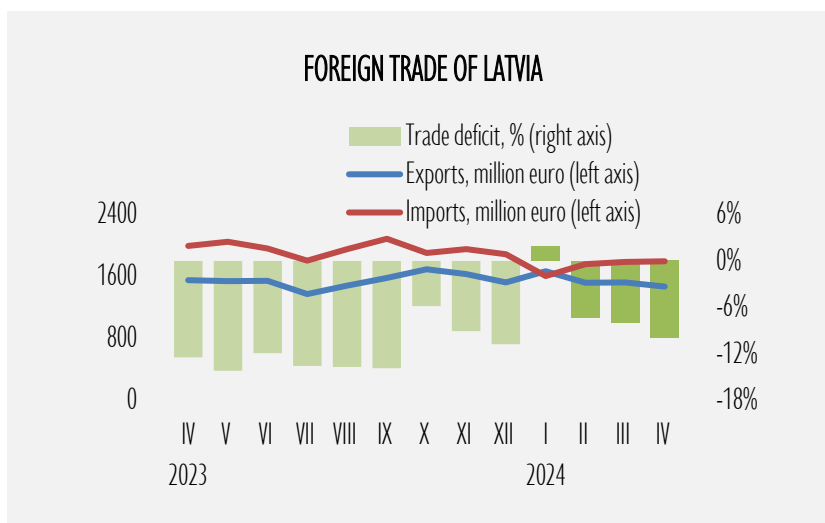


## On Latvia's Foreign Trade in April 2024

**April 2024: Exports Decline Moderately While Imports Fall Sharply**

According to data from the Central Statistical Bureau (CSB), in April 2024, the value of exports of goods in current prices decreased by 5.1%, while the value of imports fell by 9.9%. The decrease in the value of both exports and imports year-on-year is partially attributable to a drop in prices. As a result, the trade deficit in April was 9.9%.



In April, the export value of grain crops, fodder, and land vehicles saw significant declines compared to the previous year. It is

noteworthy that the export of mineral products has continued to decrease for over a year. The export value of animal and vegetable fats, as well as parts of aircraft, also decreased, though more moderately. Conversely, the export of organic chemical compounds, milk and flour products, tobacco, wood and its products, as well as perfumery and cosmetic products, contributed positively to exports.

In April, exports to Latvia's main market—the **EU countries**—grew by 0.7% year-on-year. The value of exports increased more rapidly to Poland (mechanisms, electrical appliances), Estonia (iron and steel, dairy products), Hungary (mineral products), Belgium (organic chemical compounds), and the Czech Republic (mineral products). However, exports to Portugal (cereals), the Netherlands (mixed chemical products, animal feed), Denmark (animal and vegetable fats), and Finland (mineral products) decreased.

Exports to the **CIS countries** dropped significantly by 20.3% in April. Exports to Russia (pharmaceutical products, mechanisms) decreased sharply, while those to Belarus (optical devices, pharmaceutical products) fell more moderately. A large portion of exports to Russia still consists of beverages, along with shoes, clothes, accessories, pharmaceutical products, and other goods not subject to sanctions.

Exports to **other countries** also decreased in April, falling by 16.7%. Within this group, exports decreased to Ukraine (mineral products, undeciphered goods), Turkey (iron and steel), and to Tanzania, Angola, and Tunisia (cereals). However, exports increased to the United Kingdom (wood), Morocco (mineral products), and Nigeria (cereals).

In April, the year-on-year decrease in the value of imports was primarily driven by a decline in imports of aircraft and their parts. The import of mineral products also significantly decreased, continuing its decline since February 2023. Imports of land vehicles and machinery and equipment fell more moderately. Conversely, imports of pharmaceutical products, beverages, and fodder increased.

Overall, in the first four months of 2024, the export of goods in current prices was 7.6% lower than a year ago, while the import of goods decreased by 11.3% over the same period.

Export growth is expected to remain weak in the coming months. Positive export growth is anticipated to resume in the middle of the year. Growth will continue to be constrained by external demand and geopolitical uncertainty. In this context, it is crucial to continue seeking new supply opportunities and markets for goods.