



Treasury
Republic of Latvia

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The Treasury of
The Republic of Latvia
Report on
Central Government
Debt Management

Latvia – Ahead of the Curve

2020 has been a challenging year for everyone and big ideas and new solutions are often born in challenging times. Our scientists keep working and inventing – doing their best to help fight the pandemic, our companies are trying to keep their production outputs and some of them are even growing, they are adjusting to the new reality and being brave enough to start something new. Creative minds are finding new ways to keep in touch with their customers.

The digital solutions developed during the Covid-19 crisis have shown the opportunities that Latvia can give to the world. Projects such as the Covid-19 business idea competition organized by the volunteer movement, the Tavaklase.lv distance learning project, the e-Saeima, as well as innovations created by several entrepreneurs, are a testament to our ability to mobilize in difficult conditions and develop successful solutions despite the crisis.

Latvia was the first country to launch a contact tracing app, increasing reaction time to potential exposure to COVID-19 to reduce spread and ultimately eradicate the virus. But it is also important to ensure fast and reliable testing.

MGI Latvia has been active globally, providing its **automated solutions in the fight against Covid-19**. MGI is a part of BGI Group – the world's largest genome sequencing organization and is the largest foreign direct investment in the Baltics, within the field of biotechnology:

- **MGI's automated sample preparation machines** are highly demanded by European clinical diagnostics laboratories due to their high capacity of Covid-19 testing process automation. With these instruments, several laboratories achieve testing capacities of 10 000 tests per day and more, operated merely by a small number of lab technicians.
- **MGI also offers mobile testing laboratory solutions** with capacities starting from 3000 tests per day.

As different researches show, proper ventilation in premises can reduce the risk of COVID-19 infection. Wireless IoT sensor **Aranet4 created by SAF Tehnika is the perfect device for monitoring the air exchange rate**. CO2 concentration can be used as an air quality indicator and can be monitored with sensors such as Aranet4. It warns when the air quality has become unhealthy and air exchange in premises must be done.

The company also released a new medical grade **human body temperature sensor** especially for healthcare professionals battling COVID-19. This new solution was designed to take off some of the load of the most heavily understaffed hospitals dealing with sick patients.



All these success stories would not be possible without a great infrastructure and talents, making Latvia the leading **ICT exporter among the Baltic States**.

Latvia is also amongst the first countries globally to implement 5G network.

Several 5G projects are run by Latvia's mobile telecommunications operator and market leader LMT, which currently is amongst the most efficient mobile data network providers and 5G implementers in world. 2020 has been huge step forward! LMT and IT company MikroTik established the first 5G laboratory in Latvia, which will be used as a playground for the development of 5G prototypes and products.

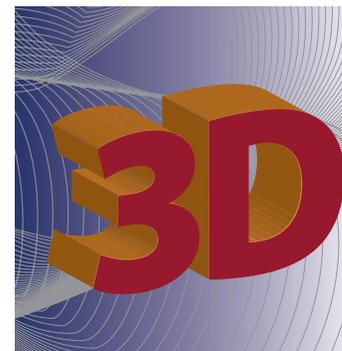
Our ecosystems are thriving! Such science-intensive industries as photonics and smart materials take strong historical roots in Latvian economy and plays significant role in it – it serves as a basis for the development of other industries, providing the necessary components and systems (including precision medicine, ICT, smart cities and green energy, bioeconomy). For example, small town Livani is known for its optical fiber manufacturies since 1983, **making Latvia a leading provider of fiber optic products which are recognized worldwide.**



Some companies that currently stand out are Lightguide and LightSpace Technologies. Lightguide is a **leader in EU**, and in US provides about 70% of the **fiber optic instruments** used in urology.

LightSpace Technologies **is a world leader in the production of 3D technologies**. 3D image displays are used in medicine, minimally invasive surgery to capture ultrasonic spatial images, security and defense, and other areas.

Latvia's relatively stable economy and secure business environment attracts foreign investors also during the global pandemic. **Latvia has the 2nd best tax code in the OECD (Tax Foundation)**, attractive tax rebates in 5 special economic zones and various EU funding possibilities in the following years. Latvian labor force is multi-lingual and well-educated, and possesses a northern European culture and work ethic. They are modest, yet with a great capacity for work.



Welcome to Latvia!

Source: Investment and Development Agency of Latvia, www.liaa.gov.lv, Shutterstock, www.shutterstock.com, www.investinlatvia.lv, MGI, SAF Tehnika

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Units of Measure

EUR – euro, official currency of the EU

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Figures may not sum due rounding. "0" – indicator is below 0.5 but over 0, or the result of the computation of the indicator, is 0.

The data included in this publication may be clarified in subsequent publications. The Treasury bears no responsibility for losses incurred as a result of using this publication.

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Abbreviations

ALTUM	State-owned development finance institution ALTUM
USA	United States of America
Covid-19	The severe acute respiratory syndrome coronavirus-2 (SARS-CoV-2) caused disease
ECB	European Central Bank
EIB	European Investment bank
EC	European Commission
EK SURE	European Commission instrument for temporary support to mitigate unemployment risks in an emergency following the Covid-19 outbreak
EU	European Union
Fitch	International credit rating agency <i>Fitch Ratings</i>
MoF	Ministry of Finance
GDP	Gross domestic product
BoL	Bank of Latvia
Moody's	International credit rating agency <i>Moody's Investors Service</i>
SME	Small and medium-sized enterprise
R&I	Japanese credit rating agency <i>Rating and Investment Information, Inc.</i>
S&P	International credit rating agency <i>S&P Global</i>
Strategy	Central Government Debt and Cash Management Strategy

Year in Numbers

	Indicator	2019	2020
Economic situation	GDP (actual prices), million EUR	30 463.3 ¹	28 194.0 ²
	Increase in actual prices, %	4.5 ¹	-7.5 ²
	Increase in comparable prices, %	2.1 ¹	-7.0 ²
	GDP per capita (actual prices), EUR	15 928.0 ¹	data not available yet
	Consumer price changes (December on December), % ¹	2.3	-0.5
	Consumer price changes (year on year), % ¹	2.8	0.7
	Reģistrētais bezdarba līmenis (decembris), % ¹	6.2	7.7
	Balance of payments current account, million EUR ³	- 163.0 (12 months)	276.0 (9 months)
	% of GDP	-0.5	0.9
Public finance	Consolidated budget financial balance, million EUR	-185.5	-1 127.1
	% of GDP	-0.6	-4.0
	General government debt, million EUR	11 246.6	13 341.4 ⁴
	% of GDP	36.9	47.3 ⁴
	Government debt, million EUR ⁴	10 810.1	12 458.7
	% of GDP	35.5	44.2
	Gross borrowing in government domestic securities auctions, million EUR	422.0	679.5
	Borrowing in international markets, million EUR	1 000.0	1 550.0
	Issued state budget loans, million EUR	363.7	340.1
Outstanding state guarantees, million EUR	515.7	484.4	

¹ Central Statistical Bureau data on 18.01.2021.

² Estimation by FM on October 2020.

³ BoL data on 18.01.2020.

⁴ Estimation by the Treasury.

⁵ According to national methodology

Source:

Central Statistical Bureau, Employment State Agency, BoL, MoF, the Treasury, EUROSTAT

Foreword by The Treasurer



The year 2020 has passed by under the shadow of the Covid-19 pandemic, resulting in a global economic downturn, significant volatility in financial markets, and an increase in sovereign credit spreads. The Covid-19 outbreak and taken precautionary measures to limit the spread of the virus have had a negative impact on Latvia's economic development and fiscal performance, requiring the swift provision of financial support for government decisions to mitigate the impact of the Covid-19 outbreak and economic support measures in the emergency situation since March 2020.

Under the circumstances of the Covid-19 outbreak, the Treasury acted promptly by borrowing financial resources both in the domestic and international financial markets in the amount of EUR 2.2 billion. In order to limit the impact of borrowing costs (interest expenditure) on the state budget under current financial market conditions, the Treasury borrowed resources with a relatively short maturity and at the lowest possible interest rates, at the same time without increasing the risk of public debt refinancing in the coming years.

In addition to borrowings in the capital markets, there were funding options available from international financial institutions as well. Half of the funding received under EUR 500 million loan agreement with the Nordic Investment Bank has been allocated already in 2020. From the total available EUR 192.7 million to Latvia under the European Commission's instrument for

temporary Support to mitigate Unemployment Risks in an Emergency (SURE), EUR 120 million have already been received. Moreover, the possibility of borrowing EUR 400 million from the European Investment Bank under the current agreement has been secured for the purposes of co-financing of European Union funds projects. The Treasury will continue to provide the necessary funding for additional measures to mitigate the negative impact of Covid-19 and support the economy by continuing to borrow in the financial markets, as well as by taking advantage of financially beneficial borrowing opportunities from the international financial institutions.

In 2020, the Treasury introduced new instrument in domestic market aimed at improving the liquidity of government securities, i.e. started new auctions of Latvia Eurobonds in the domestic financial market via primary dealers for the first time, reaching the historically lowest ever yield for government securities of the respective maturity. Thus, a new phase in the development of the Latvian capital market has begun, supplementing the range of instruments available to local investors with an additional liquid instrument.

Credit rating agencies treated the rapid increase in Latvia's government deficit and government debt caused by the negative fiscal impact of the Covid-19 outbreak with understanding - Latvia's sovereign credit rating has remained at a high and investment-safe level

throughout 2020. At the beginning of the year, S&P Global Ratings upgraded Latvia's credit rating to A+ with a Stable Outlook. Likewise, Fitch affirmed the sovereign credit rating at A-, changing the Outlook from Negative to Stable.

In the coming years, government action will be crucial upon the return to the core principles of fiscal discipline in both the planning and implementation of fiscal policy in order to ensure the long-term sustainability of public debt as one of the key factors in retaining a high sovereign credit rating. The sovereign credit rating, which is now at a historic high level, is a key precondition for the continued confidence of financial markets and investors in our country's creditworthiness, thereby facilitating the earliest recovery of economic growth.

Treasurer
Kaspars Āboliņš
Riga, January 22, 2021

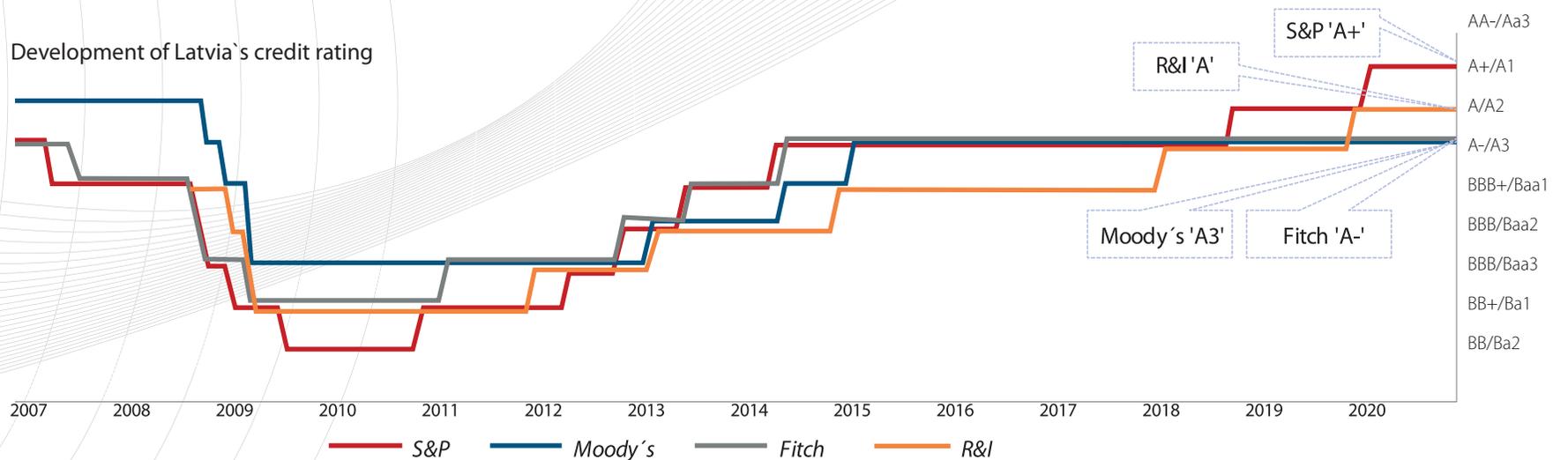
© Photo: Valts Kleins (portrait)

Credit rating of the Republic of Latvia

On February 21, 2020, S&P changed Latvia's credit rating to a historically highest level - from 'A' to 'A+', outlook remained 'Stable'. In 2020, maintaining Latvia's credit rating at 'A-' level, Fitch changed credit rating outlook twice – from 'Stable' to 'Negative' in April and back from 'Negative' to 'Stable' in October. Given the high level of uncertainty about the impact of the Covid-19 spread on the Latvian economy at the beginning of the year, as well as the measures taken by the government to reduce this impact, Fitch improved its forecasts in October and changed the outlook. Moody's has not changed Latvia's credit rating and outlook.

The main factors that keep Latvia's credit rating stable in 'A' group are:

- a flexible economy and efficient fiscal policy,
- successful results of Latvia's fiscal consolidation and implementation of structural reforms in previous years,
- sufficient fiscal space to ensure Latvia's ability to act during the external shocks,
- strong public finances and Latvia's still relatively low level of public debt compared to similar countries,
- institutional strength based on membership of the EU and the strong position of the euro in the global economy,
- considering the consequences of Covid-19, the government's effective decisions to limit it and support the economy,
- so far, the economic impact of Covid-19 has not been as strong as expected,
- the balance of current account,
- strong financial stability indicators, high bank liquidity and the government's efforts to put the financial sector in order.



Source: Fitch, Moody's, S&P, R&I

State Debt

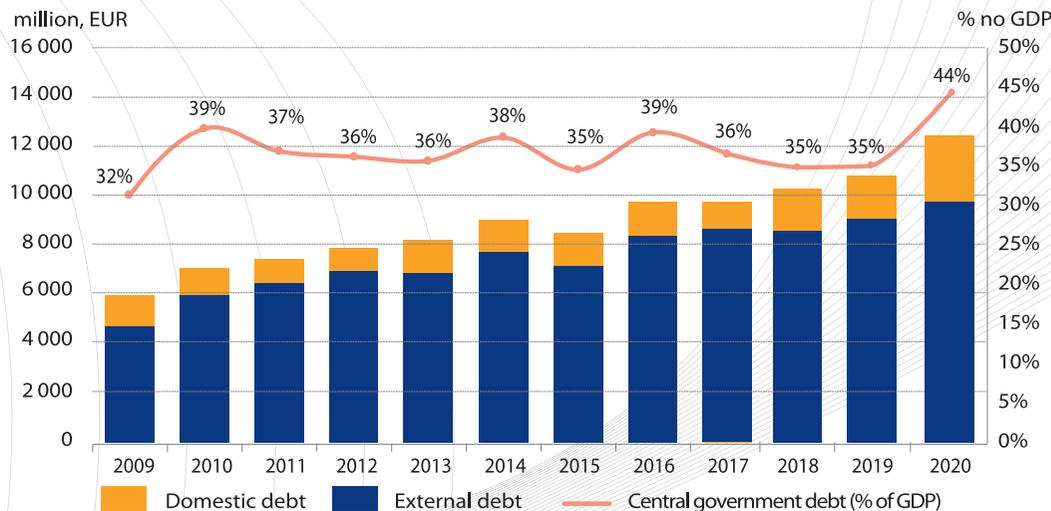
Central government debt

According to the operational data of the Treasury, at the end of 2020 the central government debt reached EUR 12.5 billion in nominal value (according to the national methodology, excluding derivatives). In 2020 the central government debt increased by EUR 1.6 billion.

The significant increase in the central government debt was driven by the need to provide financing promptly by borrowing in financial markets for measures to mitigate the spread of the Covid-19 and to support the economy.

The external debt has the biggest part in the structure of the central government debt, reaching 79% of total central government debt. Issued Eurobonds in international financial markets reached 70% of the total central government debt.

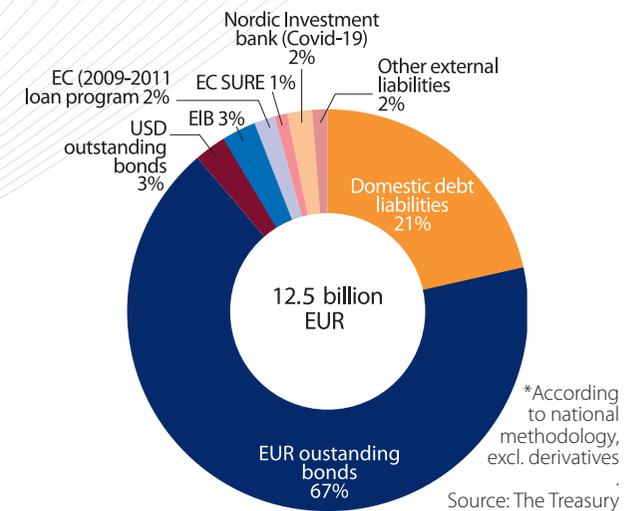
Central government debt 2009 – 2020*



*According to national methodology, excl. derivatives.

Source: The Treasury

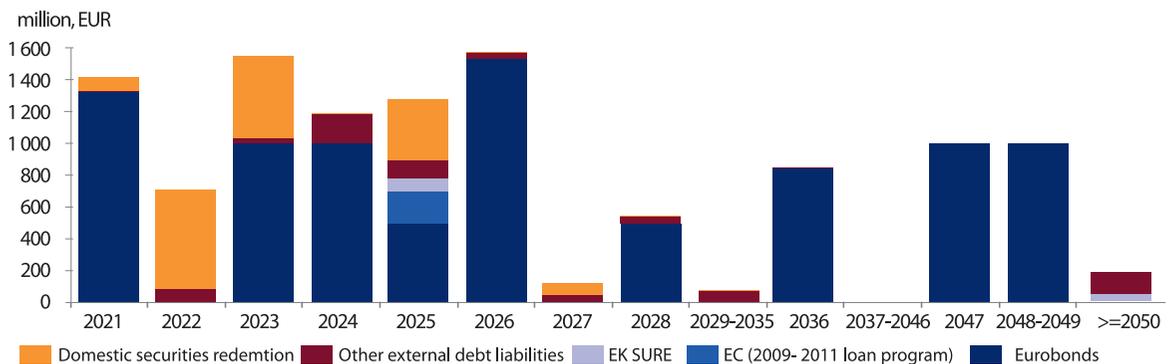
Structure of central government debt at the end of 2020*



*According to national methodology, excl. derivatives

Source: The Treasury

Central government debt redemption profile at the end of 2020 (in nominal value, excl. derivatives)



Source: The Treasury

Central government borrowing

Developments in the international financial market: tapped 2026 year Eurobond programme and renewed new, liquid 3-year benchmark on EUR yield curve.

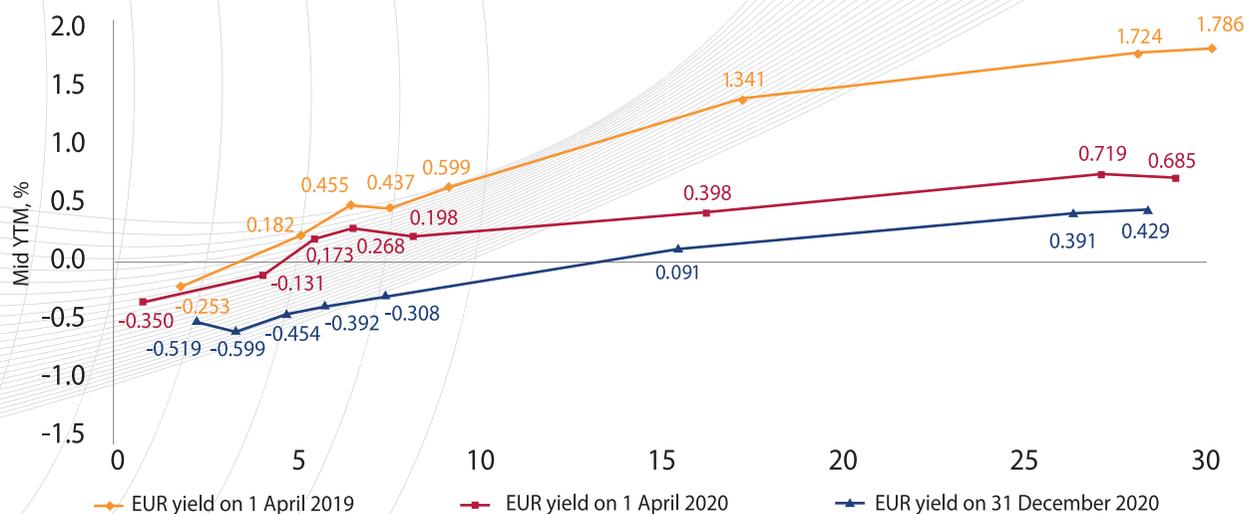
Year 2020 has been full of great challenges and uncertainties, which have had a significant impact on execution of borrowing. At the beginning of 2020 a global pandemic started with impact not only on national economies and particularly on health sector but also on global financial centers. Increased market volatility and uncertainty in financial markets significantly raised investors' concerns and caution in engaging in new investment transactions. In such circumstances, it was critical to ensure financing needs

according to situation in financial markets with shorter maturities and lower costs that were mostly eased for sovereign issuers in Eurozone by ECB's implemented economic stimulus measures. Despite the significant volatility in financial markets, Latvia as an issuer benefited from the deviation of the yield curve after EUR interest rates declined.

In the international financial markets, in the end of March Latvia tapped in 2016 year opened Eurobond programme totaling EUR 550 million to provide financing for measures and related expenditures for the mitigation and prevention of the impact of the emergency situation determined in relation to the spread of Covid-19.

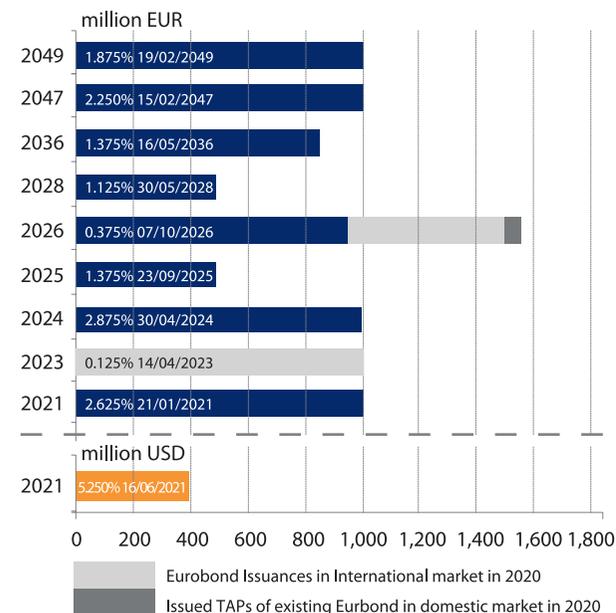
Soon after that Latvia issued new 3-year EUR bonds totaling EUR 1 billion with fixed historically lowest coupon 0.125%. Despite of increased volatility and uncertainty due to Covid-19 impact to the all-world economies, both transactions attracted the interest of investors, ensuring bid-to-cover 1.35 times which allowed to fixed financial conditions as favorable as possible for the current market situation.

Latvia EUR bond MID yield to maturity in 2019 and 2020



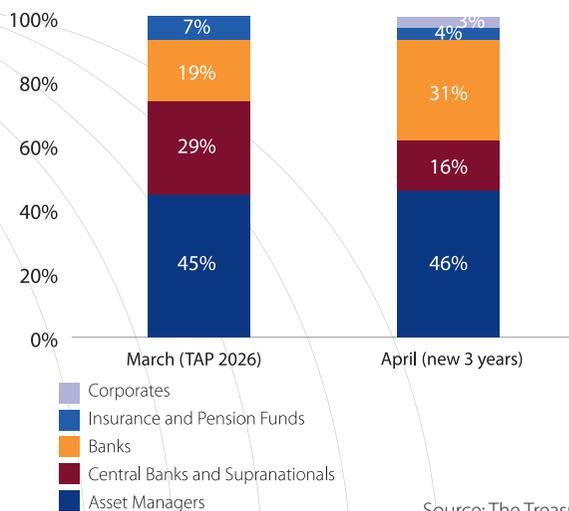
Source: Bloomberg

Outstanding Eurobonds (millions)



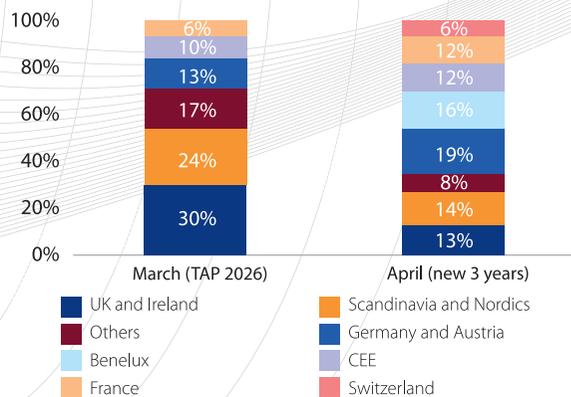
Source: The Treasury

Allocation of Eurobond issues in 2020 by investor type in primary placement (% from allocated amount)



Source: The Treasury

Allocation of Eurobond issues in 2020 by geography in primary placement (% from allocated amount)



Source: The Treasury

The majority of investors in 2020 issued Eurobonds were asset managers, banks and central banks. In terms of geographical distribution, the largest share of investors was from Germany and Austria, Scandinavia and the Nordic countries, and the United Kingdom and Ireland.

Compared to previous years, in the Eurobond issuance in April 2020 was with a shorter maturity, which has promoted greater investor diversification, with an increasing share of those investors which are more interested in purchasing shorter-term securities.

Current events on the domestic market: launched new programs – 2-year and 7-year programs with fixed income rate at 0 % level and for the first time Eurobonds, previously issued under the GMTN programme, were reopened and offered in auction in domestic market only.

The 5-year bond program which was opened in July 2019 with a coupon (fixed-income) rate of 0.000% exceeded the amount of the most liquid with the largest turnover from domestic securities programs, amounting to EUR 390 million in 2020. In response to market volatility, the most appropriate maturity offer of the securities at the time was analysed. Therefore, a new 2-year bond program was launched in March 2020, setting the coupon (fixed-income) rate at 0.000%. This programme became the most liquid of domestic securities programmes at the end of the year, amounting to EUR 401.5 million. In July 2020, when the financial market stabilised, a new 7-year bond programme was opened with a coupon (fixed-income) rate of 0.000% as well and a volume of the programme reached EUR 80 million at the end of the year. It is significant to create liquid securities programmes, as it has a positive effect on the turnover of securities in the secondary market. The period of low interest rates allowed to set a coupon (fixed income) rates at a level of 0.000%, thereby

maximising the borrowing of a relatively higher amount in the domestic financial market from an expenditure point of view.

After the active preparation, in October 2020 for the first time Latvian Eurobonds were offered in the domestic market via multi-price auction method through the Primary Dealers System. In the auctions, the offer consisted of TAPs for Latvian Eurobonds with a maturity of 7 October 2026, reaching historically low weighted average yield rates. There were two auctions of Eurobond TAPs for a total amount of EUR 40 million in 2020. The record-low yields reached in Eurobond auctions indicate that a complementary channel for the distribution of Eurobonds has been found with opportunity to borrow in the domestic market at significantly lower costs. This project marks a new stage in the development of Latvia's capital market, when Latvian bonds issued in the international market are offered to domestic market investors and access to a high liquidity instrument is provided. The inclusion of Eurobonds in domestic auctions will further allow the Treasury to act more flexibly on a more regular offering of longer-term debt securities in the domestic market using Primary Dealers, which was previously backed by issuance of Eurobonds on international financial markets.

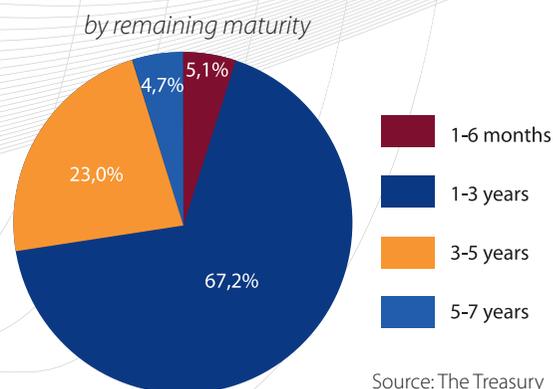
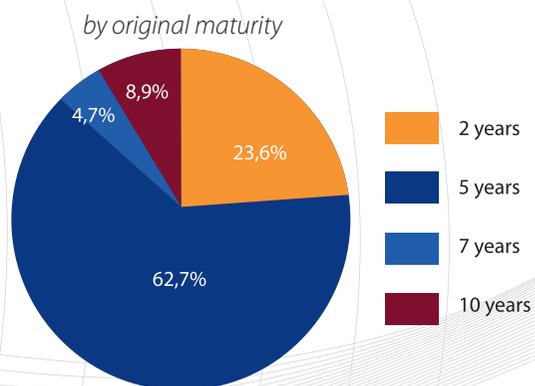
Gross issuance in the domestic market was 679,5 million EUR but redemptions - 112,45 million EUR in 2020.

Interest rates of the domestic securities auctions increased, but at the 2nd half of the year decreased to the negative levels reflecting general EUR rate development in 2020.

Demand for all of domestic bonds in the 2020 was on high level and surpassing supply 5.5 times on average.

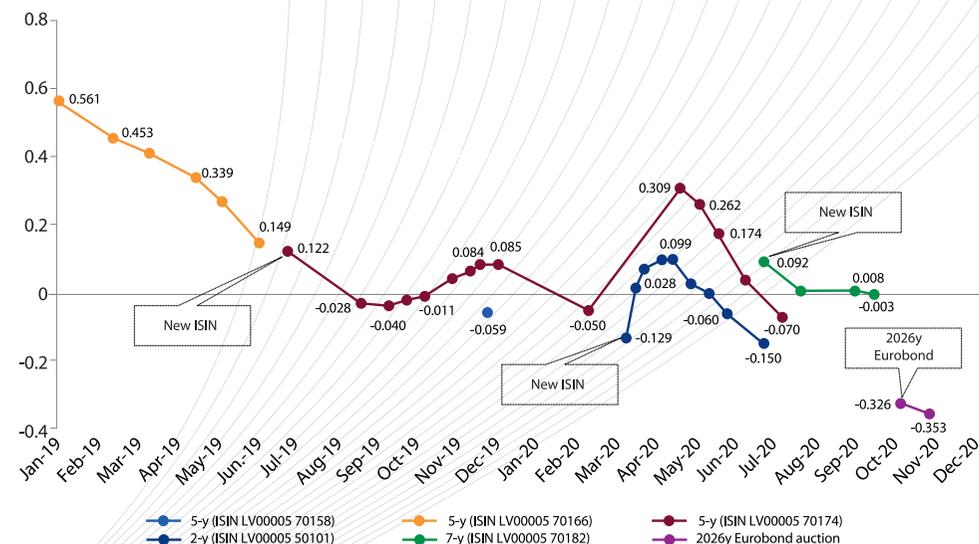
Domestic government securities mainly are held by resident investors – banks, central bank and pension funds, that constitute 86 % at the end of 2020.

Government domestic securities outstanding at the end of 2020 (% of total)



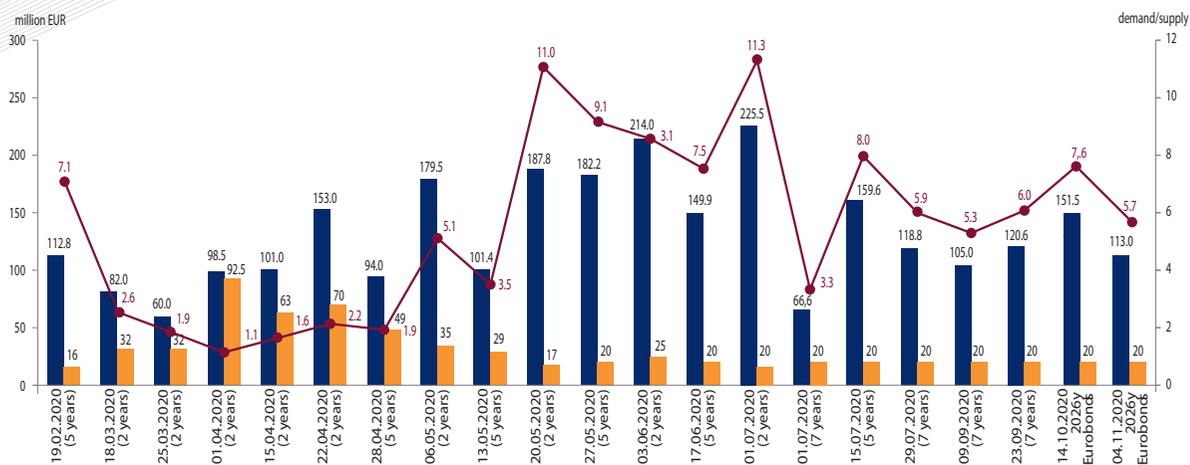
Source: The Treasury

Average weighted interest rates at the competitive auctions of government securities in 2019 - 2020



Source: The Treasury

Trading activity in the primary market for government securities' in the competitive multi-price auctions in 2020



Source: The Treasury

Borrowings from international financial institutions

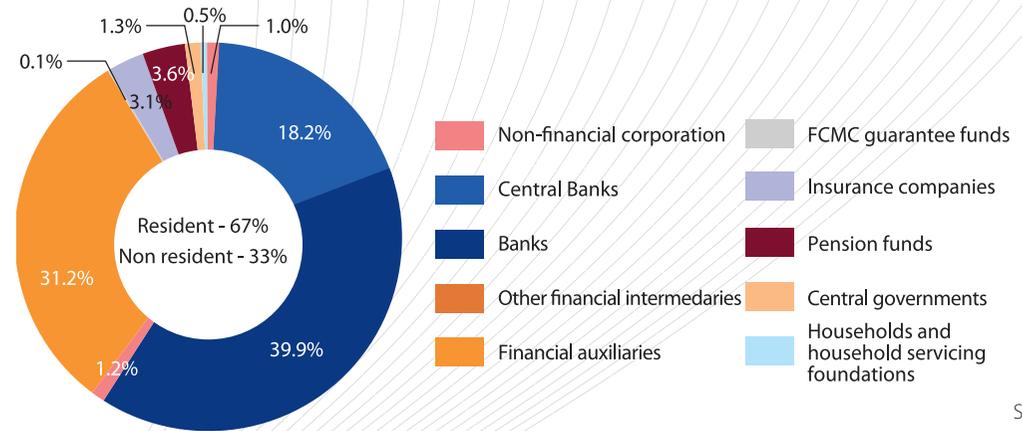
In addition to borrowings from financial markets, borrowing opportunities from international financial institutions were provided. On 8 April 2020 the agreement with the Nordic Investment Bank was signed of EUR 500 million the funding of government expenditure in order to mitigate the impact of the Covid- 19. In 2020 already EUR 250 million were received. The retained borrowing opportunity from the European Investment Bank for the co-financing of EU fund projects in the amount of EUR 400 million within the existing contracts.

Taking into account the coordinated European response to the increased distribution of Covid-19, an EC SURE loan of EUR 192.7 million was granted to Latvia in accordance with Council Implementing Decision (EU) No 2020/1351 in 25 September 2020 granting temporary aid to the Republic of Latvia to reduce unemployment risks in an emergency situation following the outbreak of Covid-19, of which EUR 120 million were already received in 2020.

Regular supply of savings bonds throughout the year

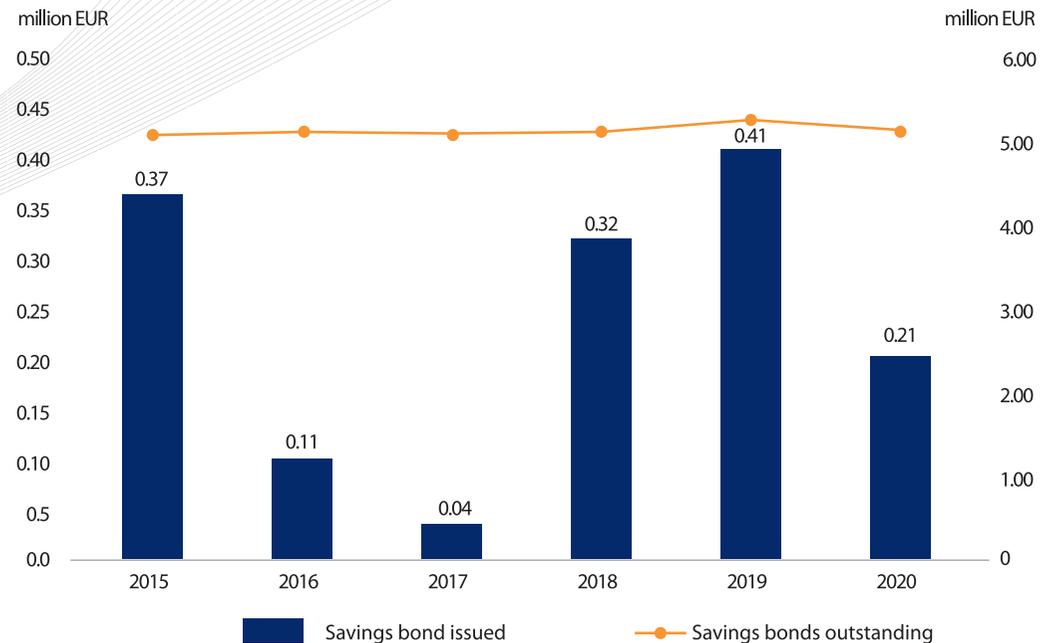
As the period of low interest rates continued in financial markets, the amount of issued saving bonds in 2020 was low. Compared to 2019 there has been a decrease in the amount of savings bonds issued in 2020 by 50%. Private individuals preferred long term investments –10 year saving bonds comprised 94% of all saving bonds outstanding at the end of 2020.

Government domestic securities holders structure at the end of 2020 (except saving bonds and interest-free bonds)



Source: BoL

Outstanding amounts and issuance of savings bonds 2015 – 2020 (nominal value)



Source: The Treasury

Execution of the central government debt portfolio parameters

Considering the significant amount of debt to maturing in 2020-2021 as well as increase in customer current account balance and borrowing activities related to Covid-19 in order to mitigate Covid-19 exposure, the government debt redemption profile for up to one year in end of December 2020 reached 18.8 %. Since the essence of the debt maturity profile is to ensure timely refinancing, the Treasury maintained a government debt refinancing reserve. Thus, a portion of the refinancing risk was eliminated, as the risk related to borrowing was reduced by the amount of the earmarked resources. In 2020, the conformity of the government debt portfolio parameters with the Strategy was ensured by the borrowing operations carried in 2019 – 2020 and described in the previous chapters.

According to Strategy, during the period of low interest rates, in recent years eurobonds with longer maturities has been issued, hedging the risk of debt service cost increase over the long term. As a result the weighted average fixed period (duration) has increased but at the same time it allowed to reduce portfolio's weighted average interest rate. In 2020 swift provision of financial support for government decisions to mitigate the impact of the Covid-19 outbreak and economic support measures in the emergency situation was required and eurobonds with relatively shorter maturities has been issued. Therefore at the end of 2020 duration has decreased compared to previous years but weighted average interest rate continued to decline reaching 1.60% at the end of December 2020.

Parameters of the central government debt portfolio structure

PARAMETERS	PARAMETERS AS OF 31.12.2019		PARAMETERS AS OF 31.12.2020		STRATEGY	
	Outstanding amount of central government securities distributed in initial placement for domestic market investors at the end of the year	EUR 1 172.24 million		EUR 1 739.30 million		is not less than the outstanding amount at the beginning of the year*
Maturity profile (%) of central government debt	≤ 1 years	≤ 3 years	≤ 1 years	≤ 3 gadiem	≤ 1 years	≤ 3 years
	17,1%	33,5%	18,8%	37,2%	≤ 25 %	≤ 50 %
Minimum share of fixed rate	86,2%		82,1%		≥ 60 %	
Macaulay duration (years)	7,61		6,62		5,00 – 9,00	
Net debt currency composition	EUR 100,08 %		EUR 100,10 %		EUR 100 % (+/- 5 %)	

* Deviation is acceptable if, having a negative net issuance in the current year, it is compensated with the corresponding amount by increased planned borrowings in domestic market in the next year.

Source: The Treasury

Metrics of Central Government debt 2010 – 2020



Source: The Treasury

State loans

The Law on Budget and Financial Management defines the objectives for issuance of state loans, as well as the entities that are entitled to apply for state loans. However, on the basis of the Law on the Suppression of Consequences of the Spread of Covid-19 infection, the Cabinet may decide on the issue of State loans for the mitigation and prevention of the consequences of the crisis caused by Covid-19 and for the support to the national economy. In addition, the Cabinet has the right to increase the total increase of State budget loans specified in the law on the State Budget for the current year.

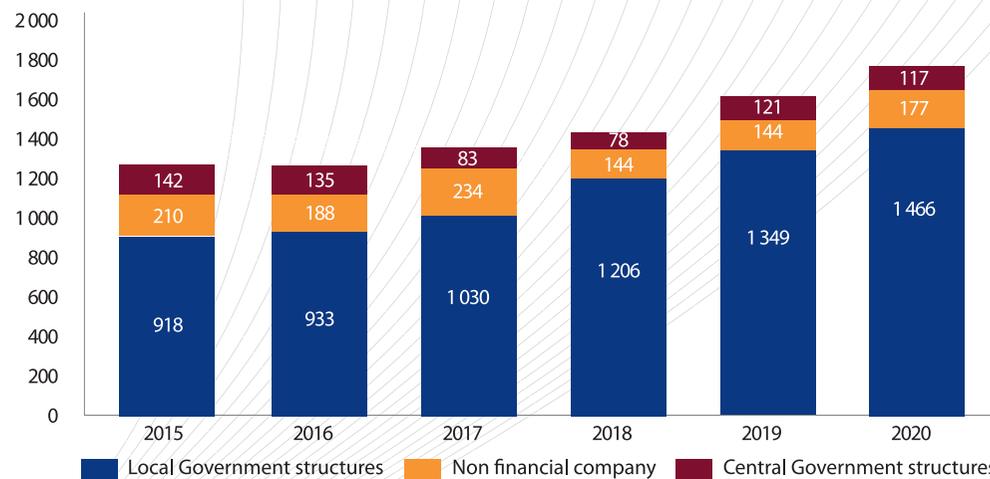
The Law on the State Budget for 2020 determined that the total increase in the State budget loans amounts to EUR 334.4 million, however, in the first half of 2020, the government increased lending limit by 307 million EUR to provide funding for the mitigation and prevention of the consequences of the crisis caused by Covid-19 and to support the economy.

The total government loan portfolio at 31 December 2020 is EUR 1 759.7 million, which increased by EUR 146.0 million compared to 2019. Loans made by local governments were in the amount of EUR 1 466.4 million, which increased by EUR 117.8 million compared to 2019, and dominate in the state loan portfolio.

More than 220 loan agreements for the total amount of EUR 68.8 million was also concluded in 2020, for the mitigation and prevention of the effects of the emergency in local governments related to the spread of Covid-19.

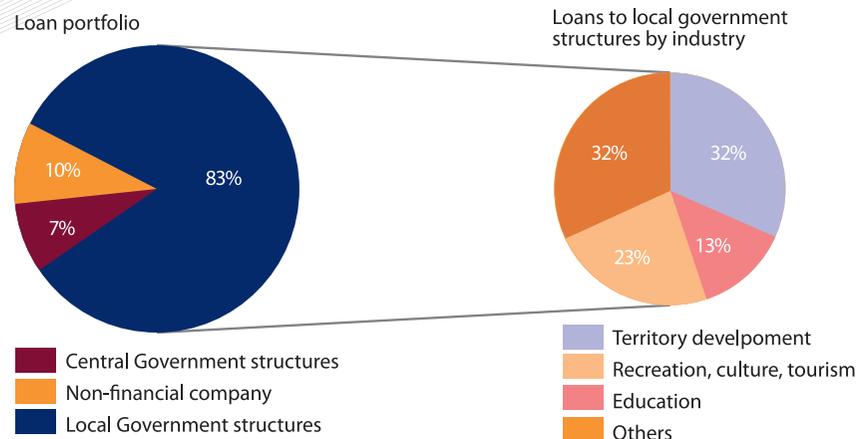
In 2020, the Treasury continues to develop modernization of the services provided to the borrower eLoans/eAizņēmumi. It becomes more user-friendly and accessible, also while working remotely. Starting from 2020, local governments submit information and applies for receiving loans (also for authorisation of the issuance of a municipal guarantee) in eLoans/eAizņēmumi. Furthermore, an automatic payments for liabilities from the customer account has been introduced for all clients. The development of eLoans/eAizņēmumi resulted in a reduction of administrative work and manual activities for all parties - clients and employees of the Ministry of Finance and Treasury.

State loan portfolio dynamics



Source: The Treasury

Recipients of state budget loans granted in 2020



Source: The Treasury

State Guarantees

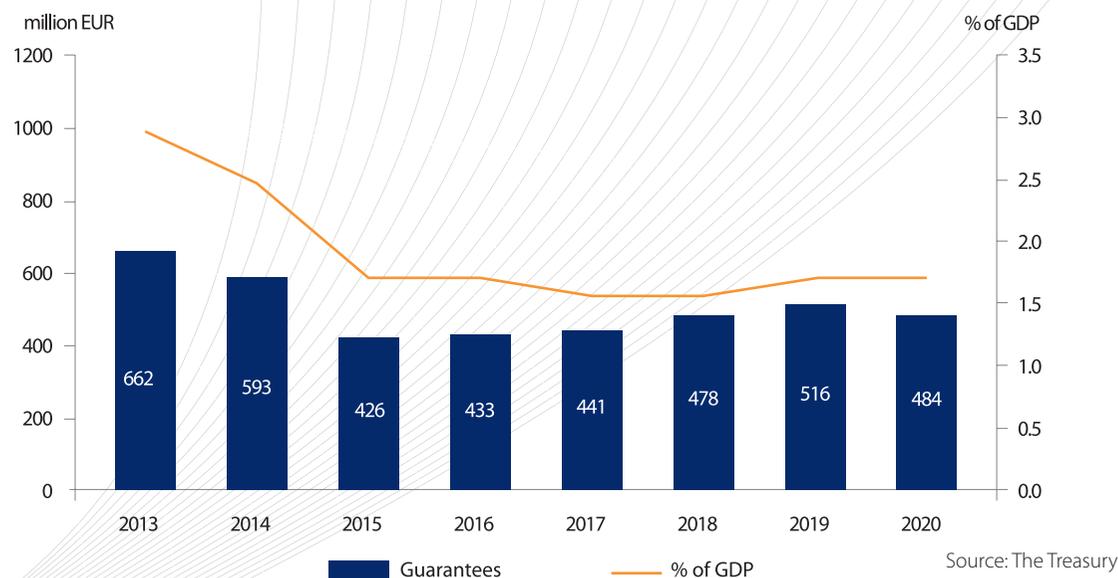
Due to Covid-19 crisis, to provide people with opportunities to keep their jobs and employers to retain their professionals, on the basis of the Law on measures for the prevention and suppression of threat to the State and its consequences due to the spread of Covid-19, the guarantee for EUR 57.07 million was issued to the EC to participate the EU aid instrument "SURE"

In 2020, the State guarantee programme for the study and student loans was discontinued. Since the entry into force of Cabinet Regulation No. 231 of 21 April 2020, Regulations regarding study and student lending for studies in Latvia from the funds of credit institutions that are guaranteed from State budget resources, introduced a new regulation of state-guaranteed study and student loans, where the guarantee will be provided by ALTUM as portfolio guarantee instrument and not by the Minister of Finance on behalf of the State.

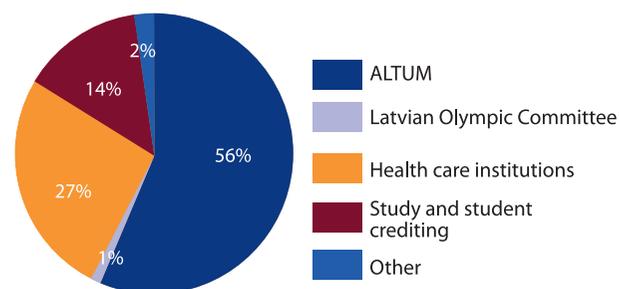
Despite the changes in the guarantee portfolio, similar to previous years, in 2020 the largest amount of outstanding guarantees has been issued for ALTUM commitments to ensure the implementation of State aid programmes (SMEs, agriculture, start-ups and others.).

At the end of 2020, the total amount of state guaranteed debt outstanding was EUR 484.4 million, which is EUR 31.3 million less, compared to the end of 2019. Guarantees outstanding constitute 1.7 % of GDP.

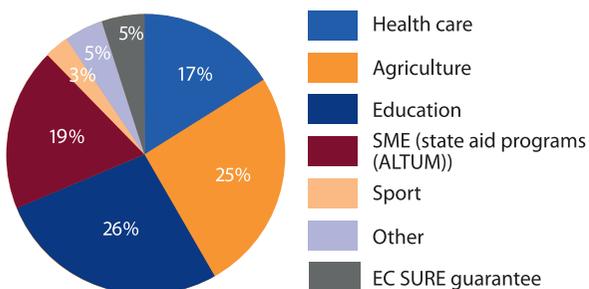
State guaranteed debt outstanding



State guaranteed loans by borrower at the end of 2020



State guaranteed loans by industry at the end of 2020



Cash Management

Priority - accessibility of liquidity to cover financing needs

Cash management include management of all Treasury's resources and securing necessary liquidity. The goal of cash investment is to ensure financially effective cash management in accordance with the basic principles of investment, providing liquidity risk management and complying with the most effective investment terms for acceptable investment transactions. Cash management shall be performed only by the Treasury and the transfer of funds for management by another manager is not allowed.

The cash and liquidity management process in 2020 was managed in highly volatile market conditions related to Covid-19 crisis and government measures in diminishing of following consequences in even deeper negative interest rate environment. To ensure accessibility of resources to support measures for Covid-19 consequences, resources operatively were accumulated in the accounts of the Treasury by unwinding existing financial transactions and making a decision not to involve in new transactions. Since March 2020, all resources are concentrated in the accounts of the Treasury in the Bank of Latvia and ECB, by doing that financial risks are mitigated and the availability of liquid resources is ensured to cover financing needs.

ECB continued its economy stimulation measures in the Eurozone by keeping deposit facility rate at -0,5% and increasing bond buying programmes to fight with Covid-19 pandemic influence on the financial markets and the economy of EU, as a result in 2020 EUR money market rates become even lower.

Useful information

- The Treasury (debt management reports, auction results, credit rating reports)
www.kase.gov.lv
- Investor information
<https://www.kase.gov.lv/en/investor-relations>
- Ministry of Finance (detailed information about the Latvian budget)
www.fm.gov.lv
- Central Statistical Bureau
www.csb.gov.lv
- Bank of Latvia
www.bank.lv
- Macroeconomic review
www.macroeconomics.lv
- Eurostat database
<http://ec.europa.eu/eurostat>
- State Employment Agency
www.nva.gov.lv