



SPRING 2009 ECONOMIC OUTLOOK FOR LITHUANIA: ANSWERS FROM LPK

MAIN FORECAST

	2008	2009
Real GDP growth	3.5	-4.8
Consumer price inflation	11.2	5.4
Unemployment rate	5.6	7.8
Employment growth	0.6	-1.5

Components of aggregate demand

Annual % change	2008	2009
Private consumption	6.3	-8.1
Public consumption	7.7	2.2
Investment (Gross fixed capital formation)	-4.5	-20.2
Exports	19.0	-6.8
Imports	16.0	-8.1

ECONOMIC SENTIMENT

	Positive	Negative	Unchanged		
Trend in business climate over the next 6 months		Industry Services			
Trend in profitability over the next 6 months	Positive	Negative Industry Services	Unchanged		
Investment intentions over the next 6 months	Increase (faster pace)	Increase (slower pace)	Unchanged	Decrease (slower pace)	Decrease (faster pace) Industry Services
Driving force behind investment decisions in the next 6 months	Replacement Up	Extension Down	Rationalisation Up	Innovation Up	
Overall trend in employment	Industry: past 6 months Down	Industry: next 6 months Down	Services: past 6 months Down	Services: next 6 months Down	

ACCESS TO FINANCE

Compared to 6 months ago, cost/access to finance has been...	sharply up / restrained	up / more difficult	same	down / easier
for SMEs		Cost Access		
for larger companies (>250 employees)		Cost Access		
Over the next 6 months, cost /access to finance will be...	sharply up / restrained	up / more difficult	same	down / easier
for SMEs		Cost Access		
for larger companies (>250 employees)			Cost Access	
For companies, the current financing situation is...	an existential threat	of high concern	somewhat concerning	not worrying
working capital / treasury needs		SMEs large companies		
debt refinancing	SMEs large companies			
financing productive investments		SMEs	large companies	
financing innovation and R&D			SMEs large companies	



POLICY MIX

Given natl. circumstances, are recovery plans appropriate to stimulate the economy?

na

Monetary policy is...

Tight, appropriate for the euro area

Tight

*Appropriate
yes*

Loose

Loose, appropriate for the euro area

Consistency between fiscal and monetary policies

adequate

inadequate

yes