



JUNE 2012 ECONOMIC OUTLOOK FOR LITHUANIA: ANSWERS FROM LPK

MAIN FORECAST						
Annual % change		2012	2013			
Real GDP growth		3,0	3,5			
Consumer price inflation		3,0	2,7			
Unemployment rate		14,0	12,5			
Employment growth		0,6	0,5			
government net lending (% of GDP)		-3,2	-3,0			
gross public debt (% of GDP)		40,0	41,0			
current account balance (% of GDP)		-2,0	-2,2			
Components of aggregate demand - in re	eal terms					
Annual % change						
Private consumption		3,0	3,5			
Public consumption		-1,6	1,0			
Investment (Gross Fi1ed Capital Formation)		5,0	9,0			
Private non-residential investment		5,0	8,0			
E1ports		4,0	6,0			
Imports		4,5	6,5			
ECONOMIC SENTIMENT						
	Positive	Negative	Unchanged			
Trend in business climate over the next			Industry			
Trend in business climate over the next 6 months			Industry Services			
			•			
6 months	Positive	Negative	•			
6 months Trend in profitability over the next 6	Positive Industry	Negative	Services			
6 months Trend in profitability over the next 6		Negative	Services			
6 months Trend in profitability over the next 6	Industry	Negative Increase	Services Unchanged	Decrease	Decrease	
6 months Trend in profitability over the next 6	Industry Services		Services	Decrease (slower pace)	Decrease (faster pace)	
6 months Trend in profitability over the next 6 months	Industry Services Increase	Increase (slower pace)	Services Unchanged			
6 months Trend in profitability over the next 6 months Investment intentions over the next 6	Industry Services Increase	Increase (slower pace) Industry	Services Unchanged			
Trend in profitability over the next 6 months	Industry Services Increase	Increase (slower pace)	Services Unchanged			
6 months Trend in profitability over the next 6 months	Industry Services Increase	Increase (slower pace) Industry	Services Unchanged	(slower pace)		Capacity Utilisatio
6 months Trend in profitability over the next 6 months Investment intentions over the next 6 months Influence on companies' investment	Industry Services Increase (faster pace)	Increase (slower pace) Industry Services	Unchanged Unchanged	(slower pace)	(faster pace)	Capacity Utilisatio
Trend in profitability over the next 6 months Investment intentions over the next 6 months	Industry Services Increase (faster pace) Global demand positive	Increase (slower pace) Industry Services Domestic demand positive	Unchanged Unchanged Cost of finance neutral	(slower pace) Availability of finance negative	(faster pace) Company Profitability	
Trend in profitability over the next 6 months Investment intentions over the next 6 months Influence on companies' investment decisions Driving force behind investment	Industry Services Increase (faster pace) Global demand	Increase (slower pace) Industry Services	Unchanged Unchanged Cost of finance	(slower pace) Availability of finance	(faster pace) Company Profitability	
6 months Trend in profitability over the next 6 months Investment intentions over the next 6	Industry Services Increase (faster pace) Global demand positive Replacement positive	Increase (slower pace) Industry Services Domestic demand positive Extension positive	Unchanged Unchanged Unchanged Cost of finance neutral Rationalisation neutral	(slower pace) Availability of finance negative Innovation	(faster pace) Company Profitability	
6 months Trend in profitability over the next 6 months Investment intentions over the next 6 months Influence on companies' investment decisions Driving force behind investment	Industry Services Increase (faster pace) Global demand positive Replacement positive Industry: past 6	Increase (slower pace) Industry Services Domestic demand positive Extension positive Industry: next 6	Unchanged Unchanged Unchanged Cost of finance neutral Rationalisation neutral Services: past 6	(slower pace) Availability of finance negative Innovation positive Services: next 6	(faster pace) Company Profitability	
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ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH

Compared to 6 months ago, cost/access to finance has been for SMEs	sharply up / restrained	up / more difficult Demand for finance	same	down / easier		
TOT GIVILS		Access		Cost		
for larger companies (>250 employees)		Demand for finance		_		
		Access		Cost		
Compared to 6 months ago, cost/access to finance has been for SMEs	sharply up / restrained	up / more difficult Demand for finance	same	down / easier		
		Cost		Access		
for larger companies (>250 employees)		Demand for finance Cost				
				Access		
	Investment	Inventories and working capital	Internal Financing	Issuance of debt securities	Economic Outlook	
Factors contributing to the demand of bank lending	Positive effect	Positive effect	Positive effect	Neutral effect	Positive effect	
	Bank's capital position	Bank's liquidity position	Access to market financing	Financial Regulation	Economic Outlook	ECB Long term refinancing operations
Factors contributing to the supply of bank lending	Negative effect	Neutral effect	Neutral effect	Negative effect	Positive effect	Positive effect