

JUNE 2012 ECONOMIC OUTLOOK FOR LITHUANIA: ANSWERS FROM LPK
MAIN FORECAST

<i>Annual % change</i>	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 real terms

<i>Annual % change</i>		
Private consumption	3,0	3,5
Public consumption	-1,6	1,0
Investment (Gross Fixed Capital Formation)	5,0	9,0
Private non-residential investment	5,0	8,0
Exports	4,0	6,0
Imports	4,5	6,5

ECONOMIC SENTIMENT

	<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>
Trend in business climate over the next 6 months			Industry Services

	<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>
Trend in profitability over the next 6 months	Industry Services		

	<i>Increase (faster pace)</i>	<i>Increase (slower pace)</i>	<i>Unchanged</i>	<i>Decrease (slower pace)</i>	<i>Decrease (faster pace)</i>
Investment intentions over the next 6 months		Industry Services			

	<i>Global demand</i>	<i>Domestic demand</i>	<i>Cost of finance</i>	<i>Availability of finance</i>	<i>Company Profitability</i>	<i>Capacity Utilisation</i>
Influence on companies' investment decisions	positive	positive	neutral	negative	positive	positive

	<i>Replacement</i>	<i>Extension</i>	<i>Rationalisation</i>	<i>Innovation</i>
Driving force behind investment decisions in the next 6 months	positive	positive	neutral	positive

	<i>Industry: past 6 months</i>	<i>Industry: next 6 months</i>	<i>Services: past 6 months</i>	<i>Services: next 6 months</i>
Overall trend in employment	Up	Up	Up	Up

ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH

<i>Compared to 6 months ago, cost/access to finance has been... for SMEs</i>	sharply up / restrained	up / more difficult	same	down / easier
		Demand for finance		Cost
		Access		
<i>for larger companies (>250 employees)</i>		Demand for finance		Cost
		Access		

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		Demand for finance Cost		Access
<i>for larger companies (>250 employees)</i>		Demand for finance Cost		Access

	<i>Investment</i>	<i>Inventories and working capital</i>	<i>Internal Financing</i>	<i>Issuance of debt securities</i>	<i>Economic Outlook</i>	
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