

INFLATION INDICATORS OF THE BALTIC STATES

Table 1. Meeting the Maastricht criteria in the Baltic States

		2000	2001	2002	2003	2004	June 2005
Year-on-year HICP (%)	Estonia	3.9	5.6	3.6	1.4	3.0	4.1
	Latvia	2.6*	2.5*	2.0	2.9	6.2	7.0
	Lithuania	0.9*	1.4*	0.4	-1.1	1.1	2.7
Long-term interest rate (%)	Estonia	10.5	10.2	8.4	5.3	4.4	4.15
	Latvia	–	7.57	5.41	4.9	4.86	4.36
	Lithuania	–	8.15	6.12	5.32	4.5	4.1
General government budget balance (ESA 95; % of GDP)	Estonia	-0.6	0.3	1.4	3.0	1.7	0.0**
	Latvia	-2.8	-2.1	-2.7	-1.5	-0.7	-1.6**
	Lithuania	-2.5	-2.0	-1.4	-1.2	-1.4	-2.5**
Public debt (ESA 95; % of GDP)	Estonia	4.7	4.4	5.3	5.3	4.8	4.6**
	Latvia	12.9	14.9	14.1	14.4	14.3	14.5**
	Lithuania	23.8	22.9	22.4	21.4	19.6	19.8**

* national CPI

** according to the Convergence Programme for 2004–2007

*Table 2. Average annual increase in consumer prices**

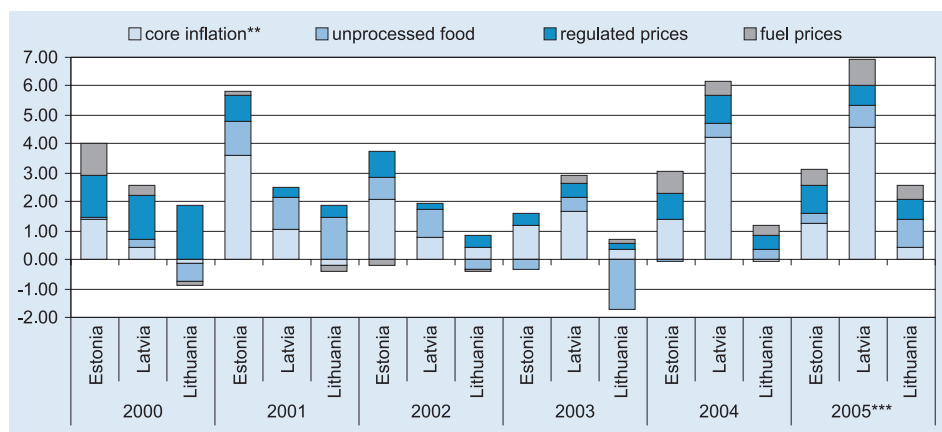
		Core inflation**	Unprocessed food	Regulated prices	Fuel prices	Headline inflation
2000	Estonia	2.1	0.8	7.3	35.0	4.0
	Latvia	0.7	2.5	6.1	14.3	2.6
	Lithuania	-1.3	-3.8	11.8	19.9	1.0
2001	Estonia	5.5	10.6	5.5	1.5	5.8
	Latvia	1.6	12.0	1.5	-0.6	2.5
	Lithuania	-0.5	7.6	2.7	-5.4	1.5
2002	Estonia	3.1	7.1	5.4	-3.5	3.6
	Latvia	1.2	8.6	0.9	-0.8	1.9
	Lithuania	0.6	-1.9	2.4	-1.5	0.4
2003	Estonia	1.8	-3.4	2.3	0.7	1.3
	Latvia	2.3	5.5	3.0	7.6	2.9
	Lithuania	0.6	-11.4	1.2	3.8	-1.1
2004	Estonia	2.0	-0.6	5.4	14.3	3.0
	Latvia	5.9	6.1	5.8	13.8	6.2
	Lithuania	-0.1	2.8	2.5	8.8	1.1
2005***	Estonia	1.8	3.7	6.2	8.6	3.1
	Latvia	6.3	9.5	4.6	22.1	6.9
	Lithuania	0.6	8.1	3.9	11.6	2.6

* HICP for Lithuania

** Year-on-year increase in consumer prices as of June 2005 for Estonia; 12-month average inflation in May for Latvia and Lithuania

Table 3 and Figure 1. Contribution to the 12-month average inflation (percentage points)*

		Core inflation**	Unprocessed food	Regulated prices	Fuel prices
2000	Estonia	1.37	0.10	1.46	1.07
	Latvia	0.43	0.24	1.56	0.37
	Lithuania	-0.13	-0.61	1.86	-0.14
2001	Estonia	3.64	1.12	0.97	0.08
	Latvia	1.04	1.14	0.34	-0.02
	Lithuania	-0.18	1.43	0.45	-0.24
2002	Estonia	2.09	0.75	0.93	-0.17
	Latvia	0.80	0.94	0.18	-0.02
	Lithuania	0.39	-0.35	0.42	-0.06
2003	Estonia	1.21	-0.33	0.38	0.04
	Latvia	1.64	0.49	0.48	0.28
	Lithuania	0.37	-1.75	0.20	0.13
2004	Estonia	1.39	-0.06	0.89	0.79
	Latvia	4.23	0.50	0.94	0.51
	Lithuania	-0.07	0.35	0.47	0.35
2005***	Estonia	1.26	0.36	0.93	0.55
	Latvia	4.57	0.77	0.71	0.88
	Lithuania	0.42	1.00	0.68	0.50



* HICP for Lithuania

** average increase in consumer prices for the rest of the consumption basket

*** breakdown of the year-on-year inflation as of June 2005 for Estonia and 12-month average inflation in May for Latvia and Lithuania