



# BANK OF FINLAND

## MONTHLY BULLETIN

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### THE FINNISH MARKET REVIEW.

#### THE MONEY MARKET.

The trend of the Finnish money market proceeded normally during the first three weeks of August, when there was the same easy tendency as before. The last week in August, however, was marked by the growing political tension in Central Europe: considerable withdrawals of deposits occurred from the Joint Stock banks and Savings banks, credits grew and the demand for foreign exchange recorded a large increase. The outbreak of war accentuated these tendencies still further. By degrees, however, the initial anxiety was allayed, as the remarkable liquidity of the banks enabled them to meet the demands for money without any trouble.

Deposits in the *Joint Stock banks* fell off in August by 146.4 million marks as against 41.2 million in August, 1938. The decrease was partly due to a reduction in the balances of other credit institutions and partly to withdrawals from deposit accounts by the public. On the other hand deposits on cheque accounts increased slightly. At the same time the credits granted by the Joint Stock banks grew by 26.3 million marks, whereas during the same month last year they fell off by 161.5 million. These changes were due partly to the endeavours of business enterprises to improve their liquidity and the desire of private individuals

to have cash at their disposal, and partly to panic purchases among some people and the steps taken by firms to increase their stocks of such goods as they thought it would be difficult to secure owing to the war. For this reason the margin of deposits in the Joint Stock banks dropped in August from 1,665.0 to 1,492.3 million marks, while their cash was reduced from 1,098.7 to 968.0 million, i. e. by 130.7 million. In comparison with August, 1938, when the cash of the Joint Stock banks amounted to 1,534.1 million marks, the position had deteriorated, but in spite of this the liquidity of the Joint Stock banks was still excellent. The first week in September was, indeed, accompanied by continued pressure. The current accounts of the Bank of Finland with others than the Treasury fell off from 1,181.6 million marks on August 23rd — partly owing to seasonal causes — to 906.4 million on August 31st and 690.3 million on September 8th, i. e. by 275.2 and 216.1 million respectively. During the second week in September the decrease was only 9.8 million marks, which indicates that the atmosphere had grown calmer.

The *foreign payment position of the Joint Stock banks* was also characterised by the state of unrest. Though their net foreign balances usually increase at this time of the year, they were reduced on the present occasion by 107.1

million marks. At the end of August the net balances amounted to 305.5 million marks in comparison with 363.1 million and 192.3 million on the same date in the two previous years.

The great demand for cash is visible also in the statements of the *Bank of Finland*. The note circulation increased during the last week in August by 145.0 million marks and by 165.1 and 30.5 million during the first two weeks in September. Altogether the notes in circulation increased during these weeks by 340.6 million marks, whereas the increase during the corresponding weeks in 1938 amounted to 82.7 million. On September 15th the note circulation attained a higher amount at 2,457.5 million marks than at any previous date. The credits granted by the Bank of Finland, which had fallen off considerably up to August 23rd, grew again during these critical weeks. However, the increase was fairly small, so that the attained a higher amount at 2,457.5 million marks, although 97.7 million larger than on August 23rd, were less than earlier in the summer and as much as 348.7 million lower than a year ago. Re-discounted bills reappeared for the first time since the autumn of 1933, though to no larger an amount than 6.5 million marks.

In consequence of the demand for foreign exchange evoked by the exceptional conditions the reserve of foreign currency at the central bank was reduced in August by 95.5 million marks and during the first half of September by 79.7 million. In spite of the decrease the reserve of foreign currency was large on September 15th, viz., 2,032.2 million marks. The gold reserve had not altered to any extent worth mentioning; gold had been sold to the value of 1.4 million for technical and other purposes within the country.

The changes in the position of the Bank of Finland referred to did not cause any great alteration in its note reserve which was abundant throughout the year. At the end of July it amounted to 1,366.6 million marks, in the last week of August it dropped to 1,307.9 mil-

lion, but rose again to 1,346.0 million on September 15th. — It was not found necessary to make any change in the bank rate.

The *level of prices* was marked in August by the same slightly rising tendency as during the preceding period. The wholesale price index (1935 = 100) advanced 1 point to 117. Simultaneously the price index for articles of import rose to 110 and for articles of export to 126 points. The outbreak of war and the consequent purchasing panic as well as obstacles to trade and dearer transport etc. tended to raise prices principally for goods imported from abroad. The tendency is illustrated by the consumption price index (1931 = 100) for goods sensitive to cyclical fluctuations having risen from 114.9 points in the second week of August to 120.8 in the third week of September. The general index for consumption goods had risen less, viz., from 108.4 to 112.3 points.

#### TRADE AND INDUSTRY.

Despite Finland's absolute neutrality, the outbreak of war will naturally have a varied and profound influence on Finnish output and trade. At present it is uncertain, to what extent Finland will be able to continue exporting to other neutral states and to the countries at war and what course imports are likely to take, but it must be expected that, even after the initial stoppage has been overcome, considerable restrictions will be inevitable.

The trade figures available at present refer, however, only to the end of August, when foreign trade was very lively. The value of imports in that month amounted to 795.2 million marks as against 715.0 million in July and 731.6 million in August, 1938. The value of exports was considerably larger or 1,026.5 million marks as against 1,012.4 million in July and 833.9 million in August last year. Thus there was a surplus of exports in August of 231.3 million marks as compared with 102.3 and 212.8 million respectively in the two previous years. For the whole period of January — August the surplus of exports amounted to

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## STATISTICS.

## 1. — WEEKLY STATEMENT OF THE BANK OF FINLAND.

	1938	1939			
	Mill. mk	Mill. mk			
	15/9	23/8	31/8	8/9	15/9
<b>ASSETS.</b>					
I. Gold reserve .....	620.5	1 183.3	1 183.2	1 182.6	1 181.9
Foreign Correspondents .....	2 053.4	2 222.4	2 111.9	2 047.0	2 032.2
II. Foreign Bills .....	104.4	81.7	66.1	66.2	64.8
Foreign Bank Notes and Coupons .....	1.1	1.1	0.6	0.7	1.0
Inland Bills .....	1 336.8	959.4	1 050.9	1 059.2	1 047.9
III. Loans on Security .....	59.6	25.4	25.4	25.6	25.6
Advances on Cash Credit .....	61.6	51.6	41.0	51.5	53.0
Bonds in Foreign Currency .....	161.6	307.2	308.0	301.7	301.8
» » Finnish » .....	235.7	331.5	331.5	330.6	330.6
Bank Premises and Furniture .....	12.3	12.2	12.2	12.2	12.2
Sundry Assets .....	368.9	274.6	329.9	293.3	308.7
<b>Total</b>	<b>5 015.9</b>	<b>5 450.4</b>	<b>5 460.7</b>	<b>5 370.6</b>	<b>5 364.7</b>
<b>LIABILITIES.</b>					
Notes in circulation .....	2 046.4	2 116.9	2 261.9	2 427.0	2 457.5
Other Liabilities payable on demand:					
Bank-Post-Bills .....	7.1	9.5	31.6	13.3	13.9
Balance of Current Accounts due to the Treasury .....	181.2	168.4	242.3	267.4	254.5
» » » » » Others .....	1 209.5	1 181.6	906.4	690.3	680.5
Foreign Correspondents .....	27.8	14.0	11.0	11.4	14.8
Foreign Clearing Accounts .....	30.6	23.8	23.1	24.9	18.4
Sundry Accounts .....	9.3	144.1	190.4	136.6	124.4
Capital .....	1 000.0	1 250.0	1 250.0	1 250.0	1 250.0
Reserve Fund .....	415.2	467.5	469.8	469.8	469.8
Bank Premises and Furniture .....	12.0	12.0	12.0	12.0	12.0
Earnings less Expenses .....	76.8	60.3	62.2	67.9	68.9
Undisposed Profits .....	—	2.3	—	—	—
<b>Total</b>	<b>5 015.9</b>	<b>5 450.4</b>	<b>5 460.7</b>	<b>5 370.6</b>	<b>5 364.7</b>

## 2. — NOTE ISSUE OF THE BANK OF FINLAND.

	1938	1939			
	15/9	23/8	31/8	8/9	15/9
<b>RIGHT TO ISSUE NOTES:</b>					
Gold Reserve and Foreign Correspondents .....	2 673.9	3 405.7	3 295.1	3 229.6	3 214.1
Additional Right of Issue .....	1 200.0	1 800.0	1 800.0	1 800.0	1 800.0
<b>Total</b>	<b>3 873.9</b>	<b>5 205.7</b>	<b>5 095.1</b>	<b>5 029.6</b>	<b>5 014.1</b>
<b>USED AMOUNT OF ISSUE:</b>					
Notes in circulation .....	2 046.4	2 116.9	2 261.9	2 427.0	2 457.5
Other Liabilities payable on demand .....	1 465.5	1 541.4	1 404.8	1 143.9	1 106.5
Undrawn Amount of Advances on Cash Credit .....	90.2	105.0	120.5	110.7	104.1
<b>Total</b>	<b>3 602.1</b>	<b>3 763.3</b>	<b>3 787.2</b>	<b>3 681.6</b>	<b>3 668.1</b>
<b>NOTE RESERVE:</b>					
Immediately available .....	271.8	684.6	625.5	674.1	659.7
Dependent on increased supplementary Cover .....	—	757.8	632.4	673.9	636.3
<b>Total</b>	<b>271.8</b>	<b>1 442.4</b>	<b>1 307.9</b>	<b>1 348.0</b>	<b>1 346.0</b>
<b>Grand total</b>	<b>3 873.9</b>	<b>5 205.7</b>	<b>5 095.1</b>	<b>5 029.6</b>	<b>5 014.1</b>

**Bank Rate since December 3, 1934, 4%.**

(Former Rate 4 1/2 %).

## 3. — BANK OF FINLAND. NOTES IN CIRCULATION AND FOREIGN CORRESPONDENTS.

End of Month	Notes in circulation Mill. mk					Foreign Correspondents <sup>1)</sup> Mill. mk					End of Month
	1936	1937	1938	1939	Monthly Movement	1936	1937	1938	1939	Monthly Movement	
Jan.	[1 380.7]					[1 266.9]					
Jan.	1 341.5	1 600.0	2 015.1	1 974.9	-111.0	1 286.9	1 655.3	2 169.7	2 267.9	- 5.5	Jan.
Febr.	1 444.7	1 756.6	2 188.7	2 158.9	+184.0	1 263.3	1 746.7	2 272.1	2 214.5	- 53.4	Febr.
March	1 520.3	1 912.7	2 291.5	2 282.6	+123.7	1 328.3	1 764.2	2 320.9	2 235.3	+ 20.8	March
April	1 546.1	2 007.9	2 272.2	2 306.5	+ 23.9	1 354.5	1 789.2	2 379.0	2 096.0	-139.3	April
May	1 500.9	1 899.6	2 183.5	2 226.2	- 80.3	1 247.9	1 807.1	2 197.7	2 123.8	+ 27.8	May
June	1 465.0	1 859.1	2 104.8	2 199.8	- 26.4	1 114.4	1 948.7	2 081.1	2 251.7	+127.9	June
July	1 460.1	1 840.9	2 046.7	2 179.4	- 20.4	1 150.0	2 046.9	1 950.0	2 207.4	- 44.3	July
Aug.	1 502.8	1 898.2	2 050.0	2 261.9	+ 82.5	1 147.4	2 159.1	2 058.4	2 111.9	- 95.5	Aug.
Sept.	1 551.4	2 004.8	2 166.5			1 118.1	2 043.7	2 062.8			Sept.
Oct.	1 560.8	2 019.6	2 067.9			1 254.6	2 029.0	2 111.6			Oct.
Nov.	1 565.3	1 995.8	2 042.5			1 353.3	2 050.2	2 122.8			Nov.
Dec.	1 630.1	2 051.8	2 085.9			1 491.6	2 056.2	2 273.4			Dec.

<sup>1)</sup> Credit balances with foreign correspondents.

## 4. — BANK OF FINLAND. ORDINARY COVER, NOTE RESERVE AND HOME LOANS.

End of Month	Ordinary Cover Percentage of Liabilities				Note Reserve Mill. mk				Home Loans <sup>1)</sup> Mill. mk				End of Month
	1937	1938	1939	Monthly Movement	1937	1938	1939	Monthly Movement	1937	1938	1939	Monthly Movement	
Jan.	[75.12]				[506.3]				[949.5]				
Jan.	75.04	78.15	91.68	- 2.13	448.9	425.0	1 491.9	- 83.8	976.0	1 156.8	1 214.9	+ 37.8	Jan.
Febr.	77.13	78.00	93.00	+ 1.32	503.2	389.2	1 548.6	+ 56.7	1 051.1	1 331.8	1 167.3	- 47.6	Febr.
March	75.61	75.43	92.68	- 0.32	436.5	247.7	1 534.5	- 14.1	1 085.2	1 456.2	1 226.0	+ 53.7	March
April	74.22	75.22	89.68	- 3.00	368.8	211.9	1 428.9	- 105.6	1 129.5	1 526.6	1 257.6	+ 31.6	April
May	73.03	74.30	87.49	- 2.19	309.9	225.4	1 335.0	- 93.9	1 134.5	1 585.4	1 293.1	+ 35.5	May
June	76.25	74.07	88.94	+ 1.45	405.2	254.3	1 379.8	+ 44.8	1 113.6	1 562.7	1 243.0	- 49.4	June
July	78.44	73.08	88.50	- 0.44	471.7	253.0	1 366.6	- 13.2	1 035.6	1 545.7	1 150.8	- 92.9	July
Aug.	78.56	72.92	87.01	- 1.49	446.3	205.0	1 307.9	- 58.7	985.6	1 507.6	1 155.0	+ 4.2	Aug.
Sept.	78.19	75.28			460.5	318.7			1 013.7	1 515.0			Sept.
Oct.	80.87	77.37			577.6	400.8			1 015.7	1 376.9			Oct.
Nov.	80.36	78.75			551.6	459.6			1 019.5	1 247.2			Nov.
Dec.	78.42	93.81			468.3	1 575.7			1 079.7	1 177.1			Dec.

<sup>1)</sup> Inland Bills, Loans on Security and Advances on Cash Credit.

## 5. — BANK OF FINLAND. RE-DISCOUNTED BILLS AND BALANCES OF CURRENT ACCOUNTS.

End of Month	Re-discounted Bills <sup>1)</sup> Mill. mk				Balance of Current Accounts due to the Treasury Mill. mk				Balance of Current Accounts due to others than the Treasury Mill. mk				End of Month
	1933	1934-35	1936-38	1939	1937	1938	1939	Monthly Movement	1937	1938	1939	Monthly Movement	
Jan.	[301.1]				[376.5]				[571.3]				
Jan.	238.8	—	—	—	390.6	471.6	383.9	+140.2	713.9	827.7	862.4	+ 12.6	Jan.
Febr.	147.2	—	—	—	530.9	611.7	341.2	- 42.7	512.6	658.8	619.7	- 242.7	Febr.
March	95.5	—	—	—	466.6	428.2	122.4	-218.8	483.4	884.9	745.7	+ 126.0	March
April	61.8	—	—	—	414.6	368.3	90.3	- 32.1	494.7	1 089.1	773.0	+ 27.3	April
May	44.1	—	—	—	396.2	291.9	67.6	- 22.7	671.1	1 050.2	959.4	+ 186.4	May
June	31.9	—	—	—	267.6	140.7	90.2	+ 22.6	864.0	1 096.3	1 088.4	+ 129.0	June
July	23.1	—	—	—	241.1	71.0	217.3	+127.1	991.4	1 177.6	991.4	- 97.0	July
Aug.	13.2	—	—	—	325.0	93.0	242.3	+ 25.0	929.1	1 204.4	906.4	- 85.0	Aug.
Sept.	5.6	—	—	—	160.4	129.5			916.7	1 070.0			Sept.
Oct.	—	—	—	—	88.8	272.6			841.6	988.6			Oct.
Nov.	—	—	—	—	33.3	152.3			980.4	1 039.4			Nov.
Dec.	—	—	—	—	136.3	243.7			972.2	849.8			Dec.

<sup>1)</sup> Included in Home Loans, see table 4. Re-discounted Bills according to the monthly statements of the Bank of Finland. The figures in brackets [ ] indicate the position at the end of the previous year.

## 6. — RATES OF EXCHANGE QUOTED BY THE BANK OF FINLAND.

	Parity	Yearly average		Monthly average					
		1937	1938	1938			1939		
				June	July	August	June	July	August
New York	23:45	46:06	46:62	45:84	46:17	46:61	48:59	48:60	48:77
London	193:23	227:—	227:—	227:—	227:—	227:—	227:—	227:—	225:13
Stockholm	1 064:07	1 171:—	1 171:—	1 171:—	1 171:—	1 171:—	1 171:—	1 171:—	1 171:—
Berlin	945:84	1 848:33	1 868:65	1 836:64	1 851:96	1 865:93	1 947:76	1 947:58	1 951:59
Paris	155:56	187:09	135:42	131:17	129:23	129:04	129:75	129:75	129:12
Brussels	397:50	776:10	787:96	771:92	781:42	786:30	827:40	826:46	828:78
Amsterdam	1 596:—	2 531:14	2 559:18	2 533:20	2 538:73	2 542:59	2 584:64	2 586:62	2 609:59
Basle	766:13	1 054:86	1 065:52	1 046:44	1 056:46	1 065:93	1 096:08	1 096:27	1 102:48
Oslo	1 064:07	1 141:—	1 141:—	1 141:—	1 141:—	1 141:—	1 141:—	1 141:—	1 139:11
Copenhagen	1 064:07	1 014:—	1 014:—	1 014:—	1 014:—	1 014:—	1 014:—	1 014:—	1 014:—
Rome	208:98	243:70	245:60	241:20	243:12	245:70	256:—	256:—	256:81
Tallinn	1 064:07	1 255:—	1 255:—	1 255:—	1 255:—	1 255:—	1 255:—	1 255:—	1 252:96
Riga	766:13	911:95	908:30	905:60	905:—	905:—	910:—	910:—	910:—
Madrid <sup>1)</sup>	766:13	406:48	350:—	350:—	350:—	350:—	540:—	540:—	540:—
Warsaw	445:42	872:77	880:34	863:92	871:23	878:30	916:56	917:—	917:—
Montreal	39:70	46:05	46:34	45:48	45:88	46:41	48:45	48:48	48:68

<sup>1)</sup> Since September 11th, 1936, only a nominal rate is quoted.

## 7. — HOME DEPOSITS IN THE JOINT STOCK BANKS.

End of Month	Due to the Public				Due to other credit institutions		Total			Monthly Movement		End of Month	
	Cheque accounts		Deposits		Mill. mk		Mill. mk						
	1938	1939	1938	1939	1938	1939	1937	1938	1939	1938	1939		
Jan.	[1 613.7]	1 755.3	[6 872.9]	6 980.3	[1 543.6]	1 412.0	[8 598.0]	8 768.7	10 147.6	10 803.9	+117.4	+ 49.1	Jan.
Febr.	1 648.5	1 785.7	7 067.8	7 646.9	1 565.0	1 272.9	8 839.6	10 281.3	10 705.5	+133.7	— 98.4	Febr.	
March	1 714.7	1 796.2	7 250.4	7 743.2	1 656.9	1 402.3	9 078.7	10 622.0	10 941.7	+340.7	+ 236.2	March	
April	1 863.1	1 826.8	7 332.0	7 769.0	1 666.2	1 345.8	9 373.5	10 861.3	10 941.6	+239.3	— 0.1	April	
May	1 854.6	1 946.9	7 389.4	7 744.4	1 655.7	1 339.8	9 394.4	10 899.7	11 031.1	+ 38.4	+ 89.5	May	
June	2 007.1	1 978.3	7 534.2	7 865.0	1 646.0	1 323.8	9 604.3	11 187.3	11 167.1	+287.6	+ 136.0	June	
July	1 937.9	2 013.3	7 571.8	7 859.6	1 716.0	1 311.1	9 749.0	11 225.7	11 184.0	+ 38.4	+ 16.9	July	
Aug.	2 059.6	2 049.6	7 552.8	7 797.2	1 572.1	1 190.8	9 778.6	11 184.5	11 037.6	— 41.2	— 146.4	Aug.	
Sept.	1 982.3		7 493.5		1 361.7		9 804.2	10 837.5		—347.0		Sept.	
Oct.	2 045.1		7 480.3		1 196.3		9 714.4	10 721.7		—115.8		Oct.	
Nov.	1 977.3		7 475.7		1 144.8		9 807.7	10 597.8		—123.9		Nov.	
Dec.	1 943.7		7 549.0		1 262.1		10 030.2	10 754.8		+157.0		Dec.	

Tables 7—9 according to Finnish Official Statistics VII, D, Bank Statistics. Mortgage banks are not included.

## 8. — HOME LOANS GRANTED BY THE JOINT STOCK BANKS.

End of Month	To the Public				To other credit institutions		Total			Monthly Movement		End of Month
	Inland Bills		Other credits		Mill. mk		Mill. mk					
	1938	1939	1938	1939	1938	1939	1937	1938	1939	1938	1939	
Jan.	[1 692.0]	1 811.2	[6 603.3]	6 664.4	[313.3]	266.7	[7 372.8]	7 505.2	9 304.5	+133.7	+ 92.4	Jan.
Febr.	1 891.0	1 751.0	6 824.4	7 347.5	327.0	273.7	7 738.8	9 042.4	9 372.2	+300.1	+ 67.7	Febr.
March	1 969.8	1 787.5	6 810.8	7 392.6	344.2	300.2	7 923.5	9 124.8	9 480.3	+ 82.4	+108.1	March
April	2 031.7	1 799.8	6 974.2	7 509.6	341.7	263.0	8 246.5	9 347.6	9 572.4	+222.8	+ 92.1	April
May	2 029.8	1 821.7	6 999.1	7 455.6	341.3	260.8	8 366.9	9 370.2	9 538.1	+ 22.6	— 34.3	May
June	1 995.5	1 743.2	7 019.5	7 492.8	347.7	265.7	8 341.6	9 362.7	9 501.7	— 7.5	— 36.4	June
July	1 926.7	1 841.7	7 052.3	7 415.3	416.0	262.0	8 343.5	9 395.0	9 519.0	+ 32.3	+ 17.3	July
Aug.	1 884.5	1 855.4	6 992.0	7 477.5	357.0	212.4	8 266.7	9 233.5	9 545.3	—161.5	+ 26.3	Aug.
Sept.	1 876.8		7 071.9		277.1		8 407.0	9 225.8		— 7.7		Sept.
Oct.	1 848.3		7 166.8		247.9		8 515.7	9 263.0		+ 37.2		Oct.
Nov.	1 768.6		7 141.4		212.7		8 525.1	9 122.7		—140.3		Nov.
Dec.	1 770.0		7 173.7		268.4		8 608.6	9 212.1		+ 89.4		Dec.

The figures in brackets [ ] indicate the position at the end of the previous year.

**9. — POSITION OF THE JOINT STOCK BANKS TOWARDS FOREIGN COUNTRIES.**

End of Month	Claims <sup>1)</sup> Mill. mk			Indebtedness <sup>2)</sup> Mill. mk			Net Claims (+) and Net Indebtedness (-) Mill. mk			Monthly Movement of net Claims		End of Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	1938	1939	
	[560.1]			[250.7]			[+309.4]					
Jan.	572.3	491.8	514.5	251.0	283.3	302.1	+ 321.3	+208.5	+212.4	+116.2	+ 67.2	Jan.
Febr.	583.5	581.2	722.0	252.6	274.7	318.1	+ 330.9	+306.5	+403.9	+ 98.0	+191.5	Febr.
March	546.1	532.8	701.9	272.0	307.6	308.4	+ 274.1	+275.2	+393.5	- 31.3	- 10.4	March
April	520.9	457.1	581.8	279.6	311.4	309.0	+ 241.3	+145.7	+272.8	-129.5	-120.7	April
May	424.2	479.3	525.9	301.3	308.4	317.7	+ 122.9	+170.9	+208.2	+ 25.2	- 64.6	May
June	357.6	574.5	534.0	337.3	299.2	309.2	+ 20.3	+275.3	+224.8	+104.4	+ 16.6	June
July	403.7	636.6	715.9	322.6	313.6	303.3	+ 81.1	+323.0	+412.6	+ 47.7	+187.8	July
Aug.	489.3	709.3	613.4	297.5	346.7	307.9	+ 192.3	+363.1	+305.5	+ 40.1	-107.1	Aug.
Sept.	507.8	588.3		282.4	308.4		+ 225.4	+279.9		- 83.2		Sept.
Oct.	376.8	522.3		269.1	343.3		+ 107.7	+179.0		-100.9		Oct.
Nov.	379.9	430.3		265.0	328.8		+ 114.9	+101.5		- 77.5		Nov.
Dec.	364.2	454.7		271.9	309.5		+ 92.3	+145.2		+ 43.7		Dec.

<sup>1)</sup> Credit balances with foreign correspondents and foreign bills. — <sup>2)</sup> Due to foreign correspondents.

**10. — FOREIGN PAYMENT POSITION OF ALL BANKS.<sup>1)</sup>**

**11. — CLEARING.<sup>2)</sup>**

End of Month	Net Claims Mill. mk						Monthly Movement	1938		1939		Month
	1934	1935	1936	1937	1938	1939		Number	Amount Mill. mk	Number	Amount Mill. mk	
	[1 465.5]											
Jan.	1 564.5	1 881.7	1 637.3	1 946.9	2 371.6	2 503.9	+ 67.4	163 675	3 421.6	176 729	3 362.4	Jan.
Febr.	1 514.0	1 783.2	1 623.5	2 058.5	2 543.2	2 624.1	+120.2	143 752	3 085.4	150 552	2 828.7	Febr.
March	1 487.5	1 644.4	1 724.1	1 993.4	2 550.4	2 627.7	+ 3.6	165 896	3 160.4	174 548	3 189.2	March
April	1 386.1	1 668.2	1 695.6	1 944.0	2 454.5	2 350.9	-276.8	166 356	3 028.7	167 040	2 937.2	April
May	1 336.4	1 684.1	1 461.0	1 825.4	2 266.2	2 302.2	- 48.7	187 403	3 215.6	181 537	3 230.8	May
June	1 341.7	1 573.6	1 403.4	1 854.3	2 279.6	2 464.1	+161.9	165 737	3 051.3	184 144	3 284.3	June
July	1 340.9	1 619.5	1 554.5	2 024.4	2 289.2	2 646.6	+182.5	161 459	3 013.9	176 628	3 384.9	July
Aug.	1 570.4	1 497.5	1 652.6	2 277.3	2 450.1	2 449.5	-197.1	153 671	3 281.4	164 019	3 221.8	Aug.
Sept.	1 601.0	1 526.0	1 671.3	2 189.5	2 383.5			165 132	3 047.1			Sept.
Oct.	1 479.0	1 443.8	1 698.6	2 030.3	2 354.1			182 029	3 564.6			Oct.
Nov.	1 669.8	1 342.9	1 785.4	2 068.0	2 268.5			175 603	3 163.0			Nov.
Dec.	1 805.8	1 504.9	1 793.8	2 122.7	2 436.5			186 404	3 585.3			Dec.
								2 017 117	38 188.3			Total

<sup>1)</sup> For the Bank of Finland the net result of the debit and credit accounts with foreign correspondents and of foreign clearing transactions as well as foreign bills are taken into account, and for the Joint Stock banks their net position is taken into account as in table 9 above.

<sup>2)</sup> Indicates the clearing operations participated in by the Joint Stock banks at the Head Office and six Branch Offices of the Bank of Finland.

**12. — DEPOSITS IN THE SAVINGS BANKS.**

End of Month	In the towns Mill. mk			In the country Mill. mk			Total Mill. mk			Monthly Movement		End of Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	1938	1939	
	[3 142.0]			[2 731.6]			[5 873.6]					
Jan.	3 185.9	3 699.5	4 136.8*	2 760.5	3 331.4	3 678.1*	5 946.4	7 030.9	7 814.9*	+ 96.6	+ 33.8*	Jan.
Febr.	3 217.4	3 756.1	4 163.9*	2 794.1	3 394.5	3 707.6*	6 011.5	7 150.6	7 871.5*	+119.7	+ 56.6*	Febr.
March	3 268.4	3 828.4	4 233.3*	2 852.8	3 457.0	3 758.6*	6 121.2	7 285.4	7 991.9*	+134.8	+120.4*	March
April	3 302.4	3 881.0	4 234.8*	2 906.8	3 501.8	3 779.1*	6 209.2	7 382.8	8 013.9*	+ 97.4	+ 22.0*	April
May	3 326.1	3 898.0	4 238.2*	2 955.0	3 556.3	3 810.6*	6 281.1	7 454.3	8 048.8*	+ 71.5	+ 34.9*	May
June	3 348.9	3 899.8	4 241.7*	2 992.9	3 568.5	3 810.3*	6 341.8	7 468.3	8 052.0*	+ 14.0	+ 3.2*	June
July	3 377.7	3 936.4	4 262.4*	3 010.2	3 580.8	3 824.6*	6 387.9	7 517.2	8 087.0*	+ 48.9	+ 35.0*	July
Aug.	3 402.4	3 955.4	4 252.6*	3 047.1	3 584.3	3 838.4*	6 449.5	7 539.7	8 091.0*	+ 22.5	+ 4.0*	Aug.
Sept.	3 437.1	3 952.7		3 083.1	3 580.1		6 520.2	7 532.8		- 6.9		Sept.
Oct.	3 478.1	3 975.3		3 113.4	3 560.9		6 591.5	7 536.2		+ 3.4		Oct.
Nov.	3 520.6	3 985.0		3 160.5	3 572.2		6 681.1	7 557.2		+ 21.0		Nov.
Dec.	3 648.6	4 098.0		3 285.7	3 683.1		6 934.3	7 781.1		+223.9		Dec.

Deposits in the Savings Banks, including long-term deposits, current accounts and home correspondents, according to figures supplied by the Central Statistical Office.

<sup>1)</sup> Increased by 242.8 mill. mk interest for 1937. — <sup>2)</sup> Increased by 282.9 mill. mk interest for 1938.

The figures in brackets [ ] indicate the position at the end of the previous year.

<sup>\*)</sup> Preliminary figures subject to minor alterations.

## 13. — DEPOSITS IN POST OFFICE SAVINGS BANK AND IN CO-OPERATIVE CREDIT SOCIETIES.

End of Month	Deposits in Post Office Savings Bank <sup>1)</sup>				Monthly Movement		Deposits in Co-operative Credit Societies <sup>2)</sup>				Monthly Movement		End of Month
	Mill. mk				1938	1939	Mill. mk				1938	1939	
	1936	1937	1938	1939			1936	1937	1938	1939			
Jan.	[376.3]						[615.7]						
Jan.	378.4	404.1	460.3	504.8*	+ 5.8	+2.8*	621.2	815.6	1 175.6	1 385.0	+28.9	+ 3.7	Jan.
Febr.	380.9	408.3	467.9	508.9*	+ 7.6	+4.1*	635.1	845.2	1 219.3	1 409.7	+43.7	+24.7	Febr.
March	383.8	413.7	474.8	512.8*	+ 6.9	+3.9*	655.9	887.8	1 267.8	1 443.2	+48.5	+33.5	March
April	384.1	415.3	476.2	510.7*	+ 1.4	-2.1*	667.9	928.2	1 309.9	1 468.3	+42.1	+25.1	April
May	382.5	415.8	476.6	507.5*	+ 0.4	-3.2*	674.9	954.6	1 335.9	1 482.9	+26.0	+14.6	May
June	382.5	418.5	478.1	507.8*	+ 1.5	+0.3*	693.8	989.6	1 362.9	1 513.7	+27.0	+30.8	June
July	384.6	423.8	481.4	511.4*	+ 3.3	+3.6*	703.1	1 002.6	1 373.4	1 526.8	+10.5	+13.1	July
Aug.	386.4	428.6	485.1	514.3*	+ 3.7	+2.9*	713.9	1 024.3	1 371.0		- 2.4		Aug.
Sept.	387.9	432.1	486.4		+ 1.3		725.0	1 049.1	1 360.9		-10.1		Sept.
Oct.	387.2	435.4	486.5		+ 0.1		741.6	1 078.3	1 356.2		- 4.7		Oct.
Nov.	387.8	438.3	487.6		+ 1.1		763.2	1 104.8	1 362.0		+ 5.8		Nov.
Dec.	401.7	454.5	502.3		+14.7		793.9	1 146.7	1 381.3		+19.3		Dec.

<sup>1)</sup> According to Finnish Official Statistics VII, D, Bank Statistics. — <sup>2)</sup> Figures supplied by the Central Bank for Co-operative Agricultural Credit Societies. — <sup>3)</sup> Increased by 14.3 mill. mk interest for 1936. — <sup>4)</sup> Increased by 14.9 mill. mk interest for 1937. — <sup>5)</sup> Increased by 16.6 mill. mk interest for 1938.

## 14. — DEPOSITS IN CONSUMERS' CO-OPERATIVE SOCIETIES.

End of Month	Deposits on Savings Accounts			Monthly Movement	
	Mill. mk			1938	1939
	1937	1938	1939		
Jan.	[504.6]			+18.8	+ 7.3
Jan.	515.6	642.9	707.7	+19.3	+ 9.7
Febr.	529.6	662.2	717.4	+22.4	+13.4
March	547.9	684.8	730.8	+10.3	+ 4.1
April	561.3	694.9	734.9	+ 2.6	- 4.3
May	566.9	697.5	730.6	+ 8.9	+ 8.2
June	579.9	706.4	738.8	+ 0.6	- 0.9
July	586.3	707.0	737.9	- 3.1	- 1.4
Aug.	590.8	703.9	736.5	- 3.9	
Sept.	598.2	700.0		- 3.0	
Oct.	606.3	697.0		+ 0.1	
Nov.	615.2	697.1		+ 3.3	
Dec.	624.1	700.4			

According to data supplied by the Finnish Co-operative Wholesale Society and the Co-operative Wholesale Association. Interest added to capital in June and December.

## 15. — INSURANCES IN LIFE ASSURANCE COMPANIES.

End of Month	New risks accepted						
	1937		1938		1939		End of Month
	Number	Amount Mill. mk	Number	Amount Mill. mk	Number	Amount Mill. mk	
Jan.	6 875	84.6	7 223	93.4	6 903*	94.3*	Jan.
Febr.	8 457	109.8	9 959	134.5	8 932*	120.4*	Febr.
March	9 286	119.5	12 450	163.9	11 803*	163.0*	March
April	9 581	124.9	9 997	135.2	9 158*	127.3*	April
May	9 210	122.2	9 369	130.7	9 556*	133.2*	May
June	8 752	114.4	9 584	130.7	8 970*	129.7*	June
July	7 003	90.9	7 446	101.0	7 051*	95.4*	July
Aug.	8 228	109.4	8 764	118.4	8 179*	115.5*	Aug.
Sept.	10 011	131.6	9 975	139.6			Sept.
Oct.	11 399	149.3	11 049	149.7			Oct.
Nov.	12 492	163.4	12 409	162.9			Nov.
Dec.	15 440	223.6	14 492	216.4			Dec.
	116 734	1 543.6	122 717	1 676.4			Total
	67 392	875.7	74 792	1 007.8	70 552*	983.3*	Jan.-Aug.

According to information supplied by the Finnish Life Assurance Companies.

## 16. — CHANGES IN NUMBER AND CAPITAL OF LIMITED COMPANIES.

Year and Quarter	Companies founded		Increase of capital		Companies liquidated		Companies with reduced capital		Net increase (+) or reduction (-)		Year and Quarter
	Num-ber	Capital Mill. mk	Num-ber	Mill. mk	Num-ber	Capital Mill. mk	Num-ber	Reduction of capital Mill. mk	Num-ber	Capital Mill. mk	
1936	679	246.5	218	356.6	117	58.3	21	37.3	+562	+507.5	1936
1937	874	264.5	358	728.1	133	210.7	22	42.1	+741	+739.8	1937
1938	819	153.0	320	476.3	158	144.5	11	5.6	+661	+479.2	1938
1938											1938
Jan.—March	214	39.8	98	208.0	34	44.0	5	3.0	+180	+200.8	Jan.—March
April—June	215	44.9	89	166.1	48	14.3	4	1.0	+167	+195.7	April—June
July—Sept.	186	35.3	61	76.9	26	10.3	1	0.2	+160	+101.7	July—Sept.
Oct.—Dec.	204	33.0	72	25.3	50	75.9	1	1.4	+154	- 19.0	Oct.—Dec.
1939											1939
Jan.—March	257	59.1	99	132.5	45	25.6	3	8.0	+212	+158.0	Jan.—March
April—June	238	51.0	58	67.6	48	10.4	1	0.0	+190	+108.2	April—June
July—Sept.											July—Sept.
Oct.—Dec.											Oct.—Dec.

Figures supplied by the Central Statistical Office.

The figures in brackets [ ] indicate the position at the end of the previous year.

\* Preliminary figures subject to minor alterations.



## 17. — STOCK EXCHANGE, BANKRUPTCIES, PROTESTED BILLS.

Month	Turnover of Stock Exchange <sup>1)</sup>			Bankruptcies <sup>2)</sup>			Protested Bills <sup>2)</sup>								Month
	Mill. mk			Number			Number				Amount Mill. mk				
	1937	1938	1939	1937	1938	1939	1936	1937	1938	1939	1936	1937	1938	1939	
January	70.3	18.5	17.7	47	35	73	313	155	151	242	1.1	0.7	0.4	1.1	January
February	83.5	22.4	23.9	61	43	70	320	144	158	236	0.6	0.4	0.9	1.2	February
March	90.9	24.2	39.8	39	39	58	240	182	162	253	1.0	0.4	0.6	1.2	March
April	81.8	17.7	20.9	70	51	74	241	172	182	287	0.9	0.8	1.0	1.2	April
May	36.1	17.7	22.3	63	33	60	245	181	200	288	1.1	0.5	0.7	1.2	May
June	22.4	13.1	20.3	27	45	40	242	171	253	332	1.1	0.6	1.0	1.3	June
July	21.9	21.4	8.6	20	35	31	261	180	222	321	0.9	0.5	0.5	1.3	July
August	25.0	13.7	18.9	37	33		257	156	221	312	0.8	0.4	0.8	1.3	August
September	34.4	22.8		57	43		262	135	222		1.1	0.4	0.7		September
October	50.2	21.0		68	55		281	160	206		1.2	0.8	0.8		October
November	43.4	13.4		42	57		172	141	221		0.5	0.7	0.7		November
December	27.9	15.9		52	77		149	168	235		0.5	0.8	0.9		December
Total	587.8	221.8		583	546		2 933	1 945	2 433		10.8	7.0	9.0		Total
Jan.-Aug.	431.9	148.7	172.4				2 119	1 341	1 549	2 271	7.5	4.3	5.9	9.8	Jan.-Aug.

<sup>1)</sup> According to data supplied by the Stock Exchange Committee. — <sup>2)</sup> Preliminary figures compiled by the Central Statistical Office from the reports sent in by the various Courts including all bankruptcy petitions, of which only about half will lead in due course to actual bankruptcy. — <sup>3)</sup> Preliminary figures published in the «Report of Bills Protested in Finland».

## 18. — STOCK EXCHANGE INDEX. 1935=100.

End of Month	Share prices												Bond prices				End of Month
	All kinds				Bank shares				Industrial shares				All kinds				
	1936	1937	1938	1939	1936	1937	1938	1939	1936	1937	1938	1939	1936	1937	1938	1939	
January	101	144	135	129	98	123	127	121	104	155	140	135	100	103	102	101	January
February	104	152	132	132	98	130	124	121	108	166	137	138	100	103	102	100	February
March	108	163	128	134	101	138	123	122	112	178	131	142	100	103	103	100	March
April	112	147	125	133	103	128	121	120	117	158	127	141	101	103	103	99	April
May	113	141	126	136	103	126	121	120	120	149	129	145	101	103	102	99	May
June	114	147	129	137	103	130	122	119	121	157	133	148	102	103	102	99	June
July	120	150	135	136	106	134	126	119	129	158	140	146	102	103	102	99	July
August	124	158	133	136	110	137	124	119	132	168	138	147	102	103	102	98	August
September	128	147	132		112	132	122		138	154	138		102	103	102		September
October	130	140	133		112	129	123		140	146	140		102	103	101		October
November	133	137	130		115	126	121		143	142	135		103	103	101		November
December	136	134	129		116	126	120		148	139	134		103	103	101		December
Whole year	119	147	131		106	130	123		126	156	135		102	103	102		Whole year

«Unitas» index based on the prices quoted for the shares of 3 banks and 10 industrial firms and for the bonds belonging to 14 State Municipal and other bond loans.

## 19. — PUBLIC DEBT.

End of Year and Month	According to the Finance Accounts									Mill. Swiss Frs. <sup>2)</sup>		End of Year and Month
	Funded Debt			Short-term Credit			Total Public Debt			Total Public Debt	Yearly and Monthly Movement	
	Foreign	Internal	Total	Foreign	Internal	Total	Foreign	Internal	Total			
1936	1 128.7	1 852.7	2 981.4	56.5	81.3	137.8	1 185.2	1 934.0	3 119.2	252.2	— 16.6	1936
1937	921.3	2 355.3	3 276.6	—	175.9	175.9	921.3	2 531.2	3 452.5	257.3	+ 5.1	1937
1938	775.3	2 419.2	3 194.5	—	56.8	56.8	775.3	2 476.0	3 251.3	223.0	— 34.3	1938
1938												1938
August	822.0	2 274.9	3 096.9	—	195.0	195.0	822.0	2 469.9	3 291.9	241.4	— 2.7	August
1939												1939
June	1 050.7	2 796.5	3 847.2	—	75.2	75.2	1 050.7	2 871.7	3 919.7	265.4	+ 0.3	June
July	1 050.7	2 816.6	3 867.3	—	238.4	238.4	1 050.7	3 055.0	4 105.7	276.9	+ 11.5	July
August	1 050.7	2 813.5	3 864.2	—	240.5	240.5	1 050.7	3 054.0	4 104.7	275.9	— 1.0	August

<sup>1)</sup> According to data supplied by the Treasury. Internal loans are given at their nominal value and foreign loans in Finnish currency according to the rates ruling on the dates of the issue of the loans. — <sup>2)</sup> Calculated as follows: the outstanding amounts of both internal and foreign loans have been converted into Swiss Francs at the monthly average rates of exchange of the respective currencies. From September, 1938, the amounts have been converted into Swiss Francs of former gold value, in order to eliminate the influence of fluctuating currencies.

\* Preliminary figures subject to minor alterations.

## 20. — STATE REVENUE AND EXPENDITURE.

Month	Total revenue	Current revenue <sup>1)</sup> derived from							Capital revenue	Expenditure			Month
		Income and Property taxes	Excise on spirits, wines, etc.	Stamp duty	Interest and Dividends	State Railways <sup>2)</sup>	Posts and Telegraphs <sup>3)</sup>	State Forests <sup>3)</sup>		Total	Current	Capital	
1938 Jan.-July	2 277.6	57.9	37.5	171.1	178.7	109.4	43.7	134.9	91.9	2 191.3	1 786.1	405.2	1938 Jan.-July
1939 Jan.-July	2 864.1	126.5	80.2	181.4	316.5	120.7	48.0	88.8	457.0	2 750.5	2 133.5	617.0	1939 Jan.-July
1939 Budget	5 211.3	960.0	164.0	281.0	287.3	210.9	58.8	152.1	709.1	5 209.8	3 475.9	1 733.9	1939 Budget

Tables 20—21 according to preliminary monthly accounts kept by the Treasury, the Customs and the Board of Excise Revenue.

<sup>1)</sup> The current revenue derived from Customs duty, and some other State receipts are specified in table 21 below. — <sup>2)</sup> The figures given refer to net revenue.

## 21. — COLLECTION OF CUSTOMS AND EXCISE DUES.

Month	Total Customs Receipts	Customs duty on		Fines, Light Dues, etc.	Total Excise Dues	Excise on				Month
		Imported goods incl. storage charges	Exported goods			Tobacco	Sweets	Cattlefood and Margarine	Motor car tyres	
1938 July	151 157	146 782	307	4 068	28 376	22 608	2 278	3 490	—	1938 July
August	180 395	176 955	119	3 321	30 490	24 924	2 401	3 165	—	August
Jan.-Aug.	1 266 015	1 241 566	744	23 705	221 489	173 318	19 572	28 599	—	Jan.-Aug.
1939 July	158 443*	154 865*	39*	3 539*	36 111	29 227	2 518	3 595	771	1939 July
August	213 326*	209 586*	69*	3 671*	42 711*	35 597*	2 647*	3 534*	933*	August
Jan.-Aug.	1 236 644*	1 210 779*	518*	25 347*	272 690*	210 767*	21 702*	33 564*	6 657*	Jan.-Aug.
1939 Budget	—	1 653 000	3 000	—	—	300 000	25 500	35 000	10 000	1939 Budget

Comprising the State receipts collected by the Customs and the Board of Excise Revenue and included in table 20 above.

## 22. — VALUE OF IMPORTS AND EXPORTS.

Month	Imports (c. i. f.) Mill. mk			Exports (f. o. b.) Mill. mk			Surplus of Imports (—) or Exports (+) Mill. mk			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	515.6	686.3	619.2*	484.8	522.2	500.0*	— 30.8	— 164.1	— 119.2*	January
February	504.8	578.1	486.6*	383.7	473.3	480.3*	— 121.1	— 104.8	— 6.3*	February
March	569.2	680.3	647.5*	483.8	545.4	530.2*	— 85.4	— 134.9	— 117.3*	March
April	754.2	687.6	641.1*	528.6	528.8	593.8*	— 225.6	— 158.8	— 47.3*	April
May	886.5	782.7	807.1*	620.6	636.3	684.3*	— 265.9	— 146.4	— 122.8*	May
June	897.8	700.0	769.0*	924.7	826.5	932.1*	+ 26.9	+ 126.5	+ 163.1*	June
July	873.0	702.6	715.0*	1 132.4	811.3	1 012.4*	+ 259.4	+ 108.7	+ 297.4*	July
August	840.6	731.6	795.2*	1 053.4	833.9	1 026.5*	+ 212.8	+ 102.3	+ 231.3*	August
September	844.6	744.7	—	1 058.3	789.0	—	+ 213.7	+ 44.3	—	September
October	944.0	760.0	—	999.1	877.5	—	+ 55.1	+ 117.5	—	October
November	875.2	777.0	—	901.4	773.1	—	+ 26.2	— 3.9	—	November
December	800.9	776.4	—	808.9	780.7	—	+ 8.0	+ 4.3	—	December
Total	9 306.4	8 607.3	—	9 379.7	8 398.0	—	+ 73.3	— 209.3	—	Total
Jan.-Aug.	5 841.7	5 549.2	5 480.7*	5 612.0	5 177.7	5 759.6*	— 229.7	— 371.5	+ 278.9*	Jan.-Aug.

Tables 22—28 according to Finnish Official Statistics I, A, Foreign Trade of Finland, Monthly Reports.

The term *imports* covers all imported goods which are placed on the market either immediately after importation or after storage. *Exports* covers all goods exported from the open market, including re-exports. Goods are declared to the Customs by their owner, who must at the same time state the value of the goods as calculated at the frontiers of the country.

\* Preliminary figures subject to minor alterations.

## 23. — VALUE OF IMPORTS AND EXPORTS IN DIFFERENT CLASSES OF GOODS. \*

No. of Class	Classes of Goods	Imports (c. i. f.) Mill. mk				Exports (f. o. b.) Mill. mk			
		August	July	June	January— August	August	July	June	January— August
		1939	1939	1939	1939	1939	1939	1939	1939
I	Live animals and animal products .....	3.4	4.0	4.0	28.9	68.4	63.4	55.7	494.8
II	Vegetable products .....	61.7	41.0	64.1	406.8	2.6	0.7	0.4	16.9
III	Fatty substances, greases and oils; products of their decomposition; prepared alimentary fats; animal and vegetable waxes .....	10.3	10.3	8.3	84.8	0.1	0.4	0.2	1.7
IV	Products of the food-preparing industries; cocoa; beverages; vinegars; tobacco .....	62.3	38.7	45.3	332.7	0.6	0.2	0.2	2.6
V	Mineral products .....	121.2	115.5	105.7	630.1	2.8	2.3	5.5	15.5
VI	Chemical and pharmaceutical products; colours and varnishes; perfumery; soap and candles and the like; glues and gelatines; explosives; fertilisers .....	59.9	61.2	63.6	438.8	6.1	5.2	6.2	47.6
VII	Hides, skins, leather and furs; manufactures of these materials .....	20.5	16.5	18.2	126.9	7.1	11.7	8.7	94.0
VIII	Rubber and rubber articles .....	8.8	5.2	8.0	74.7	0.4	0.4	0.5	2.8
IX	Wood and cork; wares of these materials; goods made of plaiting materials .....	12.1	11.2	11.6	70.0	554.9	588.7	499.1	2 289.8
X	Woodpulp, cardboard and paper; their applications .....	6.5	7.1	6.8	47.3	329.8	286.6	308.6	2 377.2
XI	Textile materials and textile goods .....	100.7	78.3	74.2	757.2	6.6	9.0	7.1	68.2
XII	Footwear; hats; umbrellas and parasols; articles of fashion .....	4.5	1.8	1.3	24.8	2.2	1.0	0.3	7.5
XIII	Articles of stone and of other mineral materials; ceramic products; glass and glassware .....	9.7	9.7	9.4	65.0	7.1	6.2	8.1	58.9
XIV	Real pearls, precious stones, precious metals; articles of those materials; specie .....	4.5	3.2	7.2	37.2	0.3	0.0	0.2	1.3
XV	Base metals; articles made therefrom .....	131.7	127.3	124.2	831.6	23.1	22.8	21.3	166.9
XVI	Machinery and apparatus; electrical material .....	108.9	112.2	111.7	766.9	4.9	7.3	6.1	44.8
XVII	Transport material .....	39.9	46.3	72.5	496.7	1.3	0.6	0.5	6.6
XVIII	Instruments; clocks, watches and clockwork; musical instruments .....	9.9	8.6	9.1	68.4	1.0	0.3	0.4	4.6
XIX	Arms and ammunition .....	1.8	2.0	1.8	10.7	6.2	4.6	1.7	46.1
XX	Articles not classified .....	16.9	14.8	21.9	179.7	0.8	1.0	1.3	10.0
XXI	Works of art; articles for collections .....	0.0	0.1	0.1	1.5	0.2	0.0	0.0	1.8
Total		795.2	715.0	769.0	5 480.7	1 026.5	1 012.4	932.1	5 759.6

\* Preliminary figures subject to minor alterations.

## 24. — IMPORTS OF THE MOST IMPORTANT ARTICLES.

Month	Rye Tons			Wheat Tons			Wheaten Flour and Grain of Wheat Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	10 347.2	148.7	10.5*	6 885.1	10 402.0	1 159.2*	2 356.3	4 501.8	955.1*	January
February	8 977.8	242.6	399.4*	7 193.7	2 677.1	1 014.0*	1 260.3	2 152.8	1 292.3*	February
March	1 142.3	5 309.9	80.0*	3 961.5	3 336.6	1 047.3*	1 143.1	1 938.6	1 224.4*	March
April	8 710.8	2 161.2	0.3*	5 477.4	4 082.5	241.6*	1 173.7	2 236.6	1 397.9*	April
May	13 083.3	250.5	456.1*	8 580.2	3 262.5	298.2*	2 366.0	2 491.7	1 636.0*	May
June	10 806.9	3 917.2	250.3*	6 374.0	3 589.3	5 996.2*	2 577.9	2 319.0	1 335.8*	June
July	3 435.8	2 678.7	2 435.3*	6 415.0	2 316.0	597.9*	3 071.6	3 121.4	1 849.2*	July
August	1 590.4	6 590.3	1 102.6*	4 315.9	6 374.3	913.1*	1 861.1	2 532.3	2 183.7*	August
September	882.4	3 629.1		3 500.3	3 347.0		1 554.8	5 273.3		September
October	1 730.9	559.5		3 871.5	6 144.6		1 410.0	2 575.7		October
November	1 799.7	114.8		2 605.9	3 440.3		1 359.1	1 444.8		November
December	9 586.7	417.1		832.9	612.8		1 090.0	1 193.3		December
Total	71 594.2	26 019.6		60 013.4	49 605.5		21 228.9	31 781.3		Total
Jan.-Aug.	57 594.5	21 299.1	4 734.5*	49 202.8	36 040.8	11 267.5*	15 815.0	21 294.2	11 874.4*	Jan.-Aug.

Month	Rice and Grain of Rice Tons			Bran and Malze Tons			Raw Hides Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	1 677.3	1 224.8	2 207.5*	9 787.7	9 262.4	80.0*	654.2	671.2	734.4*	January
February	1 174.4	827.4	658.3*	16 156.0	11 279.8	1 323.9*	561.6	615.1	676.3*	February
March	957.7	879.7	1 070.4*	16 468.4	9 472.2	1 552.5*	945.8	693.7	619.9*	March
April	1 055.4	898.0	359.9*	15 850.3	5 744.2	460.9*	711.7	600.8	466.5*	April
May	2 468.2	1 153.6	1 959.2*	5 056.0	4 708.3	102.1*	993.1	657.1	475.6*	May
June	794.2	2 109.7	4 477.3*	4 900.3	6 679.2	554.8*	891.1	578.1	1 205.1*	June
July	1 894.4	5 265.9	2 113.6*	6 344.5	6 462.5	1 303.2*	1 002.1	753.0	634.7*	July
August	1 173.7	1 017.3	618.0*	4 490.8	6 206.4	1 824.5*	703.2	915.7	1 004.1*	August
September	1 595.1	943.8		7 743.9	7 637.4		909.9	813.7		September
October	1 755.3	1 159.3		8 570.3	7 397.6		896.1	745.2		October
November	1 187.6	290.3		10 736.1	15 452.6		860.5	591.1		November
December	1 388.6	184.8		11 343.3	14 871.8		682.9	770.4		December
Total	17 121.9	15 955.1		117 447.6	105 174.4		9 812.2	8 405.1		Total
Jan.-Aug.	11 195.3	13 376.4	13 464.2*	79 054.0	59 815.0	7 201.9*	6 462.8	5 484.7	5 816.6*	Jan.-Aug.

Month	Coffee Tons			Sugar Refined and Unrefined Tons			Raw Tobacco Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	2 697.2	3 680.3	2 459.9*	5 412.4	10 746.6	7 559.6*	300.6	333.5	450.9*	January
February	1 651.8	1 986.1	1 701.4*	3 917.2	6 731.4	5 033.2*	278.7	329.5	321.4*	February
March	1 720.5	2 029.9	2 113.0*	5 812.9	8 819.5	8 653.0*	256.8	347.5	310.4*	March
April	1 623.2	1 971.3	1 946.0*	7 106.8	11 253.4	11 674.0*	329.4	315.9	230.3*	April
May	1 850.8	2 170.9	2 295.4*	9 420.7	11 469.3	13 058.6*	298.4	342.9	292.6*	May
June	1 806.1	1 978.8	2 495.4*	11 075.4	10 744.1	11 813.0*	349.2	299.3	320.1*	June
July	1 709.1	1 938.4	1 832.3*	9 630.8	10 677.8	10 092.0*	194.5	190.1	182.3*	July
August	1 752.9	2 185.4	4 497.7*	9 346.6	14 547.3	17 094.9*	334.4	386.9	385.7*	August
September	1 767.6	2 475.2		10 295.9	10 741.6		329.8	409.6		September
October	1 682.0	2 221.3		6 870.1	8 360.6		319.4	400.1		October
November	1 425.8	1 869.7		4 819.3	5 899.3		330.3	391.6		November
December	1 000.8	1 715.3		3 091.1	7 570.7		186.4	155.8		December
Total	20 687.8	26 222.6		86 799.2	117 562.1		3 507.9	3 902.7		Total
Jan.-Aug.	14 811.6	17 941.1	19 341.1*	61 722.8	84 989.9	84 978.3*	2 342.0	2 545.6	2 493.7*	Jan.-Aug.

\* Preliminary figures subject to minor alterations.

## 24. — IMPORTS OF THE MOST IMPORTANT ARTICLES. — Continued.

Month	Pig Iron Tons			Hot rolled and Sheet Iron and Steel Tons			Coal and Coke Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	2 342.0	1 799.9	1 710.5*	13 598.6	7 914.4	12 122.7*	69 423.8	78 120.1	149 995.8*	January
February	848.1	326.0	361.4*	5 829.3	4 351.2	6 974.0*	26 065.8	42 838.3	53 661.5*	February
March	683.1	236.8	420.4*	9 545.6	4 444.1	6 740.0*	20 608.9	20 547.3	26 471.1*	March
April	2 219.6	191.5	1 369.0*	16 191.6	4 799.2	8 281.8*	57 489.4	70 775.0	46 481.9*	April
May	5 307.3	855.1	10 072.2*	24 797.0	10 586.4	14 659.7*	182 328.0	148 341.5	138 283.4*	May
June	1 460.7	3 468.2	5 276.3*	24 458.9	8 191.2	14 272.6*	297 726.4	201 699.0	194 414.5*	June
July	8 052.0	3 947.0	7 414.6*	25 083.5	8 287.5	17 290.6*	289 761.7	180 888.3	197 685.1*	July
August	6 978.4	3 766.7	7 512.6*	17 916.0	9 566.1	17 080.8*	291 464.1	273 643.2	212 135.5*	August
September	6 347.1	3 037.4		13 951.4	11 632.3		325 365.8	192 167.3		September
October	3 471.5	2 733.5		12 016.4	15 400.8		303 221.5	190 950.9		October
November	1 452.5	3 309.8		10 332.7	15 266.7		220 119.3	207 340.6		November
December	902.5	5 335.3		8 033.0	18 359.5		148 694.4	170 462.5		December
Total	40 064.8	29 007.2		181 754.0	118 799.4		2 232 269.1	1 777 774.0		Total
Jan.-Aug.	27 891.2	14 591.2	34 137.0*	137 420.5	58 140.1	97 422.2*	1 234 868.1	1 016 852.7	1 019 128.8*	Jan.-Aug.

Month	Raw Cotton Tons			Wool Tons			Petrol Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	993.1	1 407.1	1 233.2*	241.5	209.8	226.9*	7 696.5	9 466.8	9 057.8*	January
February	878.7	653.7	1 266.7*	260.0	253.1	199.0*	6 823.6	7 553.3	9 922.1*	February
March	770.6	699.9	1 333.9*	232.7	222.7	273.7*	7 958.0	8 783.8	10 341.9*	March
April	1 066.0	510.8	1 195.1*	295.7	256.6	408.9*	7 715.9	9 614.4	12 354.1*	April
May	508.9	1 394.8	1 596.0*	293.5	190.5	217.2*	11 819.7	11 449.3	15 086.8*	May
June	1 569.0	867.4	754.0*	264.4	180.3	145.8*	11 238.8	15 102.1	15 310.9*	June
July	859.4	722.8	1 181.7*	230.2	206.7	198.8*	11 791.9	12 277.8	18 811.7*	July
August	1 089.1	1 012.5	638.9*	250.8	187.9	295.0*	11 403.7	12 956.7	16 267.7*	August
September	775.4	1 117.8		191.3	195.6		11 040.2	13 285.2		September
October	1 319.0	939.3		223.0	392.5		10 562.7	12 036.8		October
November	1 754.8	1 371.2		234.0	130.0		9 560.4	11 912.7		November
December	3 498.1	3 380.7		176.8	229.2		9 397.7	12 215.4		December
Total	15 082.1	14 078.0		2 893.8	2 654.9		117 009.1	136 654.3		Total
Jan.-Aug.	7 734.8	7 269.0	9 199.5*	2 068.8	1 707.6	1 964.8*	76 448.1	87 204.2	107 153.0*	Jan.-Aug.

## 25. — EXPORTS OF THE MOST IMPORTANT ARTICLES.

Month	Meat All kinds Tons			Butter Tons			Cheese Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	619.8	606.9	1 033.6*	1 345.8	950.5	1 051.2*	319.2	490.6	432.0*	January
February	631.7	698.7	992.7*	1 114.3	1 202.4	1 101.7*	565.9	456.7	496.5*	February
March	615.1	637.1	767.4*	1 226.4	1 638.5	1 507.6*	418.2	483.8	511.8*	March
April	415.6	332.6	411.2*	1 377.2	1 669.0	1 697.6*	500.5	521.0	600.0*	April
May	238.6	212.0	303.3*	1 490.1	1 925.6	1 916.3*	597.1	465.1	411.9*	May
June	206.1	196.0	254.2*	1 840.6	1 688.3	1 429.7*	528.0	545.8	314.5*	June
July	206.5	243.8	370.2*	1 414.2	1 779.5	1 854.3*	587.5	566.1	409.9*	July
August	203.2	230.1	474.4*	756.6	1 663.1	1 957.8*	458.2	465.9	485.9*	August
September	319.6	328.3		955.0	1 358.2		729.2	632.4		September
October	650.2	472.7		859.2	1 342.8		862.4	682.0		October
November	712.8	741.1		799.0	977.9		505.5	795.5		November
December	901.3	917.9		761.6	932.9		539.1	666.6		December
Total	5 720.5	5 617.2		13 940.0	17 128.7		6 610.8	6 771.5		Total
Jan.-Aug.	3 136.6	3 157.2	4 607.0*	10 565.2	12 516.9	12 516.2*	3 974.6	3 995.0	3 662.5*	Jan.-Aug.

\* Preliminary figures subject to minor alterations.

## 25. — EXPORTS OF THE MOST IMPORTANT ARTICLES. — Continued.

Month	Raw Hides Tons			Round Timber (All kinds excl. fuel) 1 000 m <sup>3</sup>			Sawn Timber All kinds 1 000 standards			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	484.7	395.8	638.7*	27.4	23.6	18.0*	28.2	21.7	29.8*	January
February	470.0	346.9	662.8*	2.5	11.9	10.3*	8.1	7.3	10.9*	February
March	473.4	465.3	533.7*	5.3	12.0	27.1*	7.1	12.3	23.8*	March
April	500.6	557.6	559.5*	23.5	47.2	44.3*	16.0	31.2	25.2*	April
May	384.0	586.6	524.9*	234.4	323.1	259.9*	41.7	37.5	35.7*	May
June	291.4	415.9	427.8*	607.3	496.1	386.2*	125.0	108.4	142.1*	June
July	322.1	428.9	404.6*	790.1	530.7	473.7*	190.0	106.9	164.8*	July
August	337.5	566.6	413.8*	863.8	466.1	523.6*	150.0	110.2	148.8*	August
September	339.7	399.3		598.5	360.7		146.2	106.6		September
October	360.7	733.0		498.2	309.2		125.6	119.2		October
November	406.3	562.6		266.0	197.1		114.8	112.7		November
December	373.2	456.3		133.0	111.4		74.2	90.6		December
Total	4 743.6	5 915.3		4 050.5	2 939.1		1 026.9	864.6		Total
Jan.-Aug.	3 263.7	3 763.6	4 165.8*	2 554.8	1 960.7	1 743.1*	566.1	435.5	581.1*	Jan.-Aug.

1 standard sawn timber = 4.672 m<sup>3</sup>.

Month	Plywood 1 000 m <sup>3</sup>			Matches Tons			Bobbins Tons			Month
	1937 <sup>1)</sup>	1938 <sup>1)</sup>	1939	1937	1938	1939	1937	1938	1939	
January	17.2	18.4	17.7*	275.2	66.6	148.6*	486.3	374.1	375.2*	January
February	16.7	20.1	20.1*	273.4	109.7	141.0*	395.2	468.3	320.0*	February
March	21.9	18.9	26.2*	291.5	136.1	202.4*	684.3	552.3	480.6*	March
April	22.5	19.3	20.9*	283.2	117.4	147.9*	596.2	417.8	454.9*	April
May	20.9	17.1	21.1*	218.8	115.5	179.8*	493.8	387.3	404.3*	May
June	20.6	16.5	24.1*	234.6	144.6	149.8*	577.8	314.8	530.4*	June
July	20.8	17.5	23.5*	157.8	192.0	141.9*	517.7	387.9	472.3*	July
August	21.4	18.0	20.6*	150.4	158.1	190.7*	412.6	436.3	386.6*	August
September	21.6	21.0		127.0	209.3		687.8	374.7		September
October	24.6	20.3		81.6	254.0		518.8	395.0		October
November	22.3	20.7		75.6	228.5		431.8	446.4		November
December	23.2	22.4		193.7	161.2		571.7	399.5		December
Total	253.7	230.2		2 362.8	1 893.0		6 374.0	4 954.4		Total
Jan.-Aug.	162.0	145.8	174.2*	1 884.9	1 040.0	1 302.1*	4 163.9	3 338.8	3 424.3*	Jan.-Aug.

<sup>1)</sup> Revised figures.

Month	Mechanical Pulp <sup>1)</sup> Tons			Sulphite Cellulose Tons			Sulphate Cellulose Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	20 004.2	23 228.1	17 239.8*	59 161.1	57 092.6	43 345.9*	26 236.1	37 122.6	22 408.1*	January
February	16 998.3	17 099.0	22 096.4*	49 108.3	57 158.6	47 677.4*	16 081.7	31 391.3	31 665.1*	February
March	20 041.0	17 441.0	21 557.3*	67 296.2	55 415.7	44 136.7*	32 510.7	40 779.2	23 472.7*	March
April	23 818.5	14 644.4	20 779.3*	73 435.3	48 558.3	65 438.5*	32 915.1	23 318.7	34 641.2*	April
May	23 228.1	12 583.2	18 133.9*	70 874.2	52 153.5	70 486.7*	26 700.5	28 492.1	34 366.9*	May
June	28 363.7	14 522.5	17 411.8*	75 963.1	51 280.3	63 942.4*	31 826.5	21 308.0	29 853.4*	June
July	31 323.5	14 778.7	20 161.8*	68 699.6	45 461.7	57 188.8*	31 349.2	24 618.2	31 370.6*	July
August	28 754.0	20 424.1	19 182.8*	72 468.0	52 642.2	62 773.6*	27 584.0	27 149.5	43 554.8*	August
September	20 151.4	21 920.5		67 018.0	51 729.2		32 675.4	22 344.4		September
October	34 047.8	15 838.8		74 049.9	69 027.3		30 544.0	33 154.2		October
November	20 484.1	25 483.3		71 068.0	60 761.0		33 658.8	26 133.6		November
December	23 370.2	26 533.4		74 504.9	68 424.6		33 608.8	35 897.4		December
Total	290 584.8	224 557.0		823 646.6	669 705.0		355 690.8	351 709.3		Total
Jan.-Aug.	192 531.3	134 721.0	156 563.1*	537 005.8	419 762.9	454 990.0*	225 203.8	234 179.6	251 332.8*	Jan.-Aug.

<sup>1)</sup> Dry weight.

\* Preliminary figures subject to minor alterations.

25. — EXPORTS OF THE MOST IMPORTANT ARTICLES. — Continued.

Month	Cardboard All Kinds Tons			Paper All Kinds Tons			Newsprint (Included in previous column) Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	8 720.1	7 954.7	8 272.9*	41 334.7	34 448.1	48 564.0*	31 457.6	20 690.0	39 483.7*	January
February	7 021.4	8 131.2	9 278.8*	34 921.5	33 310.6	44 574.1*	26 404.6	22 410.7	36 331.4*	February
March	11 277.7	8 535.4	10 607.4*	44 261.4	40 698.7	49 169.8*	32 467.6	32 663.7	39 230.6*	March
April	10 956.2	7 642.7	11 113.8*	44 966.1	33 076.0	54 186.6*	34 721.2	26 306.8	42 528.3*	April
May	10 063.2	6 821.1	10 987.4*	42 204.7	38 508.4	52 846.6*	30 735.3	32 190.2	42 246.2*	May
June	9 968.8	7 878.9	10 540.2*	44 682.8	33 348.3	52 571.9*	33 428.8	26 295.5	40 724.2*	June
July	10 579.6	6 923.5	11 758.7*	43 673.8	36 564.1	46 448.6*	30 858.5	29 267.9	35 590.4*	July
August	10 889.0	8 090.3	11 616.2*	42 770.4	40 352.8	52 235.7*	32 162.4	31 546.6	41 014.2*	August
September	9 997.5	8 956.3		44 964.8	42 879.9		33 177.8	33 990.2		September
October	10 434.0	10 602.5		45 295.9	43 355.1		34 309.1	32 487.7		October
November	10 166.7	9 797.0		42 086.4	41 511.7		29 284.8	32 284.7		November
December	10 229.2	9 410.3		46 889.1	45 518.8		33 377.7	37 296.4		December
Total	120 303.4	100 743.9		518 051.6	463 572.5		382 385.4	357 930.4		Total
Jan.-Aug.	79 476.0	61 977.8	84 175.4*	338 815.4	290 307.0	400 597.3*	252 236.0	221 371.4	317 149.0*	Jan.-Aug.

26. — FOREIGN TRADE WITH VARIOUS COUNTRIES.

Country	Imports (c. i. f.)					Exports (f. o. b.)				
	January—August		Whole Year			January—August		Whole Year		
	1939	1938	1938	1937	1939	1938	1938	1937		
Europe:	Mill. mk	%	%	%	%	Mill. mk	%	%	%	%
Belgium	366.8	6.7	4.6	5.2	5.6	173.7	3.0	2.8	3.1	4.5
Denmark	218.3	4.0	4.7	4.5	4.9	202.7	3.5	3.3	3.2	2.6
Estonia	72.9	1.3	1.0	0.9	1.0	39.1	0.7	0.8	0.8	1.0
France	169.5	3.1	2.0	2.2	2.5	131.7	2.3	3.6	3.3	4.8
Germany	1 104.0	20.1	19.6	20.0	19.5	894.0	15.5	16.5	15.2	13.1
Great Britain	1 149.5	21.0	22.4	21.6	22.2	2 397.8	41.6	43.2	43.9	44.7
Holland	245.9	4.5	3.9	4.3	4.4	285.3	5.0	3.9	4.4	3.7
Italy	64.4	1.2	1.2	1.2	0.9	73.8	1.3	2.3	1.9	1.5
Latvia	11.0	0.2	0.2	0.2	0.2	19.8	0.4	0.2	0.2	0.2
Norway	82.9	1.5	1.5	1.9	2.1	57.4	1.0	1.0	1.1	2.1
Poland (and Danzig)	113.7	2.1	2.3	2.7	2.4	16.2	0.3	0.6	0.5	0.2
Russia	45.3	0.8	1.3	1.3	1.5	20.7	0.4	0.4	0.5	0.6
Sweden	786.6	14.4	13.3	13.0	12.0	296.1	5.1	4.5	4.8	4.9
Switzerland	96.0	1.7	1.7	1.8	1.2	8.5	0.1	0.2	0.2	0.2
Spain	1.3	0.0	0.0	0.0	0.1	2.4	0.0	0.0	0.0	0.1
Other European countries	115.2	2.1	4.8	4.2	4.9	97.0	1.7	1.7	1.7	1.6
Total Europe	4 643.3	84.7	84.5	85.0	85.4	4 716.2	81.9	85.0	84.8	85.8
Asia	71.7	1.3	1.8	1.5	1.3	104.1	1.8	1.4	1.4	1.7
Africa	15.2	0.3	0.2	0.2	0.2	145.3	2.5	1.7	2.2	2.6
United States	550.5	10.1	9.1	9.0	8.4	631.2	11.0	9.3	9.2	7.9
Other States of North America	29.7	0.5	0.9	0.8	0.6	14.3	0.2	0.1	0.1	0.1
South America	155.0	2.8	3.2	3.3	4.0	128.7	2.2	2.0	1.9	1.6
Australia	15.3	0.3	0.3	0.2	0.1	19.8	0.4	0.5	0.4	0.3
Grand Total	5 480.7	100.0	100.0	100.0	100.0	5 759.6	100.0	100.0	100.0	100.0

The country of import indicates the land in which goods were purchased, the country of export the land to which goods were sold.  
\* Preliminary figures subject to minor alterations.

## 27. — VALUE INDEX OF IMPORTS AND EXPORTS. 1935-100.

Year and Month	Total Imports	Groups of Imported Goods				Total Exports	Principal Exported Goods						Year and Month
		Raw materials	Machinery	Food-stuffs	Other consumption goods		Butter	Cheese	Sawn Timber	Mechanical pulp	Chemical pulp	Paper	
1936	103	104	106	100	99	104	99	106	109	102	101	99	1936
1937	121	128	112	120	104	127	108	105	152	117	117	103	1937
1938	113	115	121	111	101	131	113	108	138	146	125	128	1938
1938													1938
Jan.-June	117	117	120	119	105	131	112	108	148	136	130	128	Jan.-June
Jan.-July	116	117	119	118	104	133	112	108	145	140	130	128	Jan.-July
Jan.-Aug.	115	117	118	117	103	134	112	108	143	147	128	128	Jan.-Aug.
Jan.-Sept.	115	116	117	116	103	133	112	108	141	150	127	128	Jan.-Sept.
Jan.-Oct.	114	116	118	113	102	133	112	108	139	149	126	128	Jan.-Oct.
Jan.-Nov.	114	115	120	112	102	132	112	108	138	148	125	128	Jan.-Nov.
Jan.-Dec.	113	115	121	111	101	131	113	108	138	146	125	128	Jan.-Dec.
1939													1939
January	104	100	132	101	99	121	123	108	131	128	116	124	January
Jan.-Febr.	106	101	133	102	105	118	124	110	133	126	114	124	Jan.-Febr.
Jan.-March	106	101	130	100	107	117	121	110	135	125	113	123	Jan.-March
Jan.-April	104	97	129	100	106	116	118	110	137	126	112	122	Jan.-April
Jan.-May	105	100	126	100	104	117	115	110	139	129	112	122	Jan.-May
Jan.-June	105	101	123	102	102	120	114	111	142	131	111	121	Jan.-June
Jan.-July	106	102	122	103	101	124	113	110	145	131	110	121	Jan.-July
Jan.-Aug.	107	103	124	104	101	126	112	111	147	132	110	120	Jan.-Aug.

Calculated by the Statistical Dept. of the Board of Customs. For details concerning the calculation of the indices see article in this Bulletin No. 4, 1939.

## 28. — VOLUME INDEX OF IMPORTS AND EXPORTS. 1935-100.

Year and Month	Total Imports	Groups of Imported Goods				Total Exports	Principal Exported Goods						Year and Month
		Raw materials	Machinery	Food-stuffs	Other consumption goods		Butter	Cheese	Sawn Timber	Mechanical pulp	Chemical pulp	Paper	
1936	121	124	109	121	119	111	137	119	106	90	113	121	1936
1937	144	145	168	120	165	117	134	165	100	97	126	132	1937
1938	138	132	151	131	167	102	167	160	83	77	109	120	1938
1938													1938
Jan.-June	143	135	168	146	180	111	156	147	83	83	119	113	Jan.-June
Jan.-July	145	134	163	140	175	103	160	152	73	81	114	115	Jan.-July
Jan.-Aug.	144	135	161	139	172	100	167	148	73	77	112	116	Jan.-Aug.
Jan.-Sept.	143	133	158	139	171	98	170	149	73	77	110	118	Jan.-Sept.
Jan.-Oct.	140	131	153	136	170	99	171	150	76	75	111	118	Jan.-Oct.
Jan.-Nov.	137	130	151	131	167	100	170	155	80	76	110	118	Jan.-Nov.
Jan.-Dec.	138	132	151	131	167	102	167	160	83	77	109	120	Jan.-Dec.
1939													1939
January	158	169	148	143	157	114	119	131	88	84	95	181	January
Jan.-Febr.	152	159	148	136	168	123	124	140	89	121	110	177	Jan.-Febr.
Jan.-March	152	150	162	138	168	132	135	153	117	129	108	175	Jan.-March
Jan.-April	143	148	158	135	157	134	138	161	118	121	115	175	Jan.-April
Jan.-May	143	141	151	131	153	130	146	153	97	103	120	177	Jan.-May
Jan.-June	141	139	150	131	151	124	149	138	98	91	122	177	Jan.-June
Jan.-July	140	139	155	125	149	117	155	138	94	89	121	174	Jan.-July
Jan.-Aug.	140	137	154	127	152	116	165	137	95	84	123	173	Jan.-Aug.

Calculated by the Statistical Dept. of the Board of Customs. For details concerning the calculation of the indices see article in this Bulletin No. 4, 1939.



## 29. — TOTAL SALES OF SOME WHOLESALE FIRMS.

Month	Total sales Mill. mk									Month	
	1930	1931	1932	1933	1934	1935	1936	1937	1938		1939
January	206.2	152.9	143.8	176.0	220.1	235.1	265.0	337.9	388.2	336.6*	January
February	214.9	151.2	141.0	176.8	212.4	230.7	259.4	350.9	346.1	300.1*	February
March	264.9	205.3	183.4	222.6	258.8	282.2	302.5	364.1	398.9	411.1*	March
April	298.6	227.4	220.6	239.9	267.7	290.0	321.6	441.3	431.6	434.6*	April
May	277.7	220.7	219.2	249.7	258.7	297.6	328.9	380.2	404.8	437.1*	May
June	234.9	203.0	210.3	230.1	258.4	265.7	292.1	351.5	372.2	400.3*	June
July	243.2	202.6	227.3	234.1	241.0	283.0	307.3	367.9	389.8	429.0*	July
August	257.1	200.4	241.0	246.1	272.7	301.4	334.5	393.4	430.6	498.6*	August
September	250.7	204.4	227.4	241.2	253.0	309.8	338.0	415.5	475.7		September
October	247.8	265.9	218.5	231.3	254.3	340.7	351.8	423.7	457.8		October
November	247.2	236.7	213.7	221.1	234.8	285.5	309.2	404.0	408.6		November
December	185.2	193.3	180.7	199.7	212.4	222.4	302.3	343.4	370.5		December
Total	2 928.4	2 463.8	2 426.9	2 668.6	2 944.3	3 344.1	3 712.6	4 579.3	4 874.8		Total
Jan.-Aug.	1 997.5	1 563.5	1 586.6	1 775.3	1 989.8	2 185.7	2 411.3	2 987.7	3 162.2	3 247.4*	Jan.-Aug.

According to data supplied by nine wholesale firms — either co-operative or limited liability companies — the total sales of which represent about 1/3 of the whole turnover of all wholesalers in Finland.

## 30. — VOLUME INDEX OF INDUSTRIAL PRODUCTION. 1935=100.

Month	Total				Home industries				Exporting industries				Month
	1936	1937	1938	1939	1936	1937	1938	1939	1936	1937	1938	1939	
January	110	126	127*	132*	110	134	133*	148*	110	114	118*	111*	January
February	109	129	129*	132*	106	140	134*	145*	112	115	121*	115*	February
March	105	116	132*	135*	102	118	137*	148*	110	114	126*	116*	March
April	105	128	126*	128*	102	127	136*	146*	109	130	113*	104*	April
May	108	115	124*	125*	107	111	133*	136*	109	121	112*	109*	May
June	99	114	108*	122*	102	116	126*	145*	96	111	83*	90*	June
July	114	125	112*		119	127	128*		107	122	90*		July
August	110	126	124*		115	129	142*		104	122	98*		August
September	114	129	121*		117	131	138*		110	127	98*		September
October	110	118	119*		118	122	130*		100	113	103*		October
November	111	125	126*		114	137	144*		106	108	102*		November
December	114	120	118*		117	126	128*		110	111	103*		December
Whole year	109	122	122*		111	126	134*		107	117	105*		Whole year

\*Unitas index based on seasonally adjusted monthly figures.

## 31. — BUILDING ACTIVITY.

Month	Consumption of cement in Finland <sup>1)</sup> 1 000 tons						Plans approved in the Capital <sup>2)</sup> All buildings' 1 000 m <sup>2</sup>						Month
	1934	1935	1936	1937	1938	1939	1934	1935	1936	1937	1938	1939	
January	4.4	7.6	8.7	14.5	10.5	17.9	23.8	32.3	27.3	67.4	57.3	49.2	January
February	6.4	9.0	9.0	16.6	15.5	19.4	35.1	142.5	70.5	172.4	111.1	82.1	February
March	8.2	11.6	11.6	14.7	18.0	28.2	58.5	75.3	121.6	152.7	406.6	177.3	March
April	15.8	17.5	20.2	36.5	31.2	44.4	119.2	47.3	160.4	126.1	82.1	115.1	April
May	23.8	33.7	37.9	52.8	56.8	75.5	55.7	146.4	54.2	158.2	210.5	312.1	May
June	28.4	34.0	40.5	60.1	57.7	80.6	114.3	61.5	188.8	139.3	178.7	309.0	June
July	26.8	36.3	43.3	63.4	59.9	80.0	43.7	107.6	127.8	174.3	107.2	364.3	July
August	25.2	35.6	43.2	49.7	62.2	84.7	208.1	68.0	72.4	146.5	121.2	470.1	August
September	27.2	30.9	43.7	46.0	55.2		6.2	99.6	52.7	128.5	199.4		September
October	24.8	25.0	34.7	45.0	47.8		121.2	74.2	93.7	295.4	328.6		October
November	16.3	19.3	24.4	35.4	36.4		13.1	52.8	215.0	177.2	259.8		November
December	9.4	11.5	19.0	37.9	24.3		22.3	65.0	151.0	111.4	180.1		December
Total	216.7	272.0	336.2	472.6	475.5		821.2	973.0	1 335.4	1 849.4	2 242.6		Total
Jan.-Aug.	139.0	185.3	214.4	308.3	311.8	430.7	658.4	681.4	823.0	1 136.9	1 274.7	1 879.3	Jan.-Aug.

<sup>1)</sup> Comprising the total quantity of cement delivered by the country's 2 cement concerns and including the quantity imported which is, however, only an insignificant part of the total consumption.

<sup>2)</sup> According to data compiled by the Municipal Building Surveyor's Office in Helsinki (Helsingfors).

\* Preliminary figures subject to minor alterations.

## 32. — FOREIGN SHIPPING.

Month	Arrivals					Sailings					Month
	Number of vessels		Net reg. tons			Number of vessels		Net reg. tons			
	Total	of which Finnish	Total	of which		Total	of which Finnish	Total	of which		
				With Cargo	In Ballast				With Cargo	In Ballast	
1939											1939
Jan.	328	196	296 391	235 684	60 707	320	176	305 868	250 054	55 814	Jan.
Febr.	262	159	239 977	166 191	73 786	252	153	236 509	229 288	7 221	Febr.
March	314	164	261 183	173 742	87 441	326	174	264 075	254 757	9 318	March
April	444	218	331 966	222 720	109 246	462	253	327 532	306 469	21 063	April
May	778	356	501 421	309 464	191 957	729	379	445 838	389 771	56 067	May
June	1 123	456	695 089	365 900	331 189	1 116	459	659 089	612 048	47 041	June
July	1 119	490	709 667	387 822	321 845	1 108	479	713 599	673 710	39 889	July
Aug.	1 042	472	717 186	400 482	316 704	1 056	457	748 704	694 858	53 846	Aug.
Sept.											Sept.
Oct.											Oct.
Nov.											Nov.
Dec.											Dec.
Jan.-Aug. 1938	5 410	2 511	3 752 880	2 260 005	1 492 875	5 369	2 530	3 701 214	3 410 955	290 259	Jan.-Aug. 1938
Jan.-Aug. 1939	5 237	2 242	3 604 965	2 410 909	1 194 056	5 191	2 271	3 568 385	3 263 298	305 087	Jan.-Aug. 1939

Figures supplied by the Statistical Office of the Shipping Board.

## 33. — FOREIGN TRAVEL.

Month	Persons arrived					Persons left					Month
	1937	1938		1939		1937	1938		1939		
	Total	Total	Of whom Foreigners	Total	Of whom Foreigners	Total	Total	Of whom Foreigners	Total	Of whom Foreigners	
Jan.	3 141	3 577	2 136	3 981	2 345	3 290	3 336	1 865	3 923	2 199	Jan.
Febr.	2 689	3 643	2 352	3 840	2 468	3 086	3 393	2 064	4 004	2 361	Febr.
March	3 966	4 253	2 388	4 925	2 735	3 761	4 456	2 666	5 069	2 840	March
April	3 971	4 961	2 749	5 237	3 127	4 532	5 641	2 722	5 926	2 917	April
May	10 231	10 078	5 478	12 835	6 005	10 232	9 770	4 836	12 986	5 569	May
June	22 795	29 537	19 537	25 296	16 504	19 781	25 894	14 505	21 673	11 792	June
July	34 847	35 151	26 572	35 460	25 920	32 358	32 361	24 886	32 102	22 925	July
Aug.	24 764	26 479	18 460	24 638	15 335	27 700	29 125	22 614	27 752	20 725	Aug.
Sept.	7 948	9 186	5 527			9 562	10 199	6 691			Sept.
Oct.	5 370	5 596	3 542			5 740	6 045	3 776			Oct.
Nov.	4 031	4 409	2 830			3 843	4 374	2 808			Nov.
Dec.	3 813	4 373	2 417			3 556	4 250	2 680			Dec.
Total	127 566	141 243	93 988			127 441	138 844	92 113			Total
Jan.-Aug. 1938	106 404	117 679	79 672	116 212	74 439	104 740	113 976	76 158	113 435	71 328	Jan.-Aug. 1938

Figures supplied by the Central Statistical Office.

## 34. — STATE RAILWAYS.

Month	Weight of Goods Transported 1 000 Tons			Axle-kilometres of Goods-trucks Mill. km			Revenue (less Re-imbursements) Mill. mk			Regular Expenditure Mill. mk			Month
	1937 <sup>1)</sup>	1938	1939	1937	1938	1939	1937	1938	1939	1937	1938	1939	
	Jan.	1 045.5	1 161.1*	967.5*	59.8	72.5	58.8	74.0	86.8	85.9	55.1	68.1	
Febr.	1 181.2	1 272.8*	978.6*	68.3	72.6	58.4	78.9	85.6	80.7	61.6	75.1	72.0	Febr.
March	1 211.2	1 127.7*	1 091.7*	77.9	67.4	66.3	90.6	90.9	90.4	70.7	78.7	77.9	March
April	1 204.9	970.0*	989.2*	77.8	57.7	59.8	89.6	88.7	90.7	62.8	70.7	70.0	April
May	1 315.0	1 044.8*	1 128.2*	67.0	60.5	64.7	83.3	85.6	94.9	76.6	87.9	88.7	May
June	1 398.4	1 130.5*	1 232.1*	67.5	59.7	69.7	93.3	103.6	104.3	76.6	85.4	88.5	June
July	1 456.4	1 216.4*	1 248.4*	71.2	66.5	71.1	99.7	102.3	113.6	62.7	70.6	73.9	July
Aug.	1 310.0	1 140.0*		67.7	63.8		92.9	99.4		63.9	71.2		Aug.
Sept.	1 332.8	1 093.5*		64.9	62.9		87.3	93.7		71.8	78.6		Sept.
Oct.	1 324.5	1 105.5*		68.7	63.4		90.4	93.4		64.2	70.7		Oct.
Nov.	1 314.4	1 089.7*		67.9	61.0		85.9	88.3		66.1	73.1		Nov.
Dec.	1 202.8	999.5*		65.3	53.4		100.1	95.0		85.7	93.0		Dec.
Total	15 297.1	13 351.5*		824.0	761.4		1 066.0	1 113.3		817.8	923.1		Total
Jan.-July 1939	8 812.6	7 923.3*	7 635.7*	489.5	456.9	448.8	609.4	643.5	660.5	466.1	536.5	539.8	Jan.-July 1939

According to Monthly Statistics of the Finnish State Railways.

<sup>1)</sup> Revised figures.

\* Preliminary figures subject to minor alterations.

**35. — WHOLESALE PRICE INDEX. 1935=100.**

Month	Index for goods in Finnish wholesale trade													Articles of import (e. l. f.)		Articles of export (f. o. b.)		Month	
	Finnish goods													Imported goods					
	Total index				Total			Products of agriculture		Products of forestry		Products of industry							
	1936	1937	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938		1939
Jan.	101	112	119	113	124	118	120	118	160	145	114	109	110	103	119	109	145	111	Jan.
Febr.	101	116	118	113	123	117	118	119	160	140	112	109	108	103	117	108	137	113	Febr.
March	101	120	116	113	121	118	115	115	155	145	112	110	106	103	114	108	130	114	March
April	101	122	115	113	119	118	115	114	150	149	111	110	105	103	112	108	125	115	April
May	101	122	113	114	118	119	117	114	145	152	110	110	104	104	111	110	119	117	May
June	102	122	112	115	117	120	115	114	144	157	110	110	102	104	109	110	114	120	June
July	103	124	112	116	117	122	117	115	141	165	109	111	103	104	110	109	112	124	July
Aug.	104	125	111	117	116	123	119	115	134	169	109	111	102	105	108	110	111	126	Aug.
Sept.	104	126	111		115		118		132		108		102		108		111		Sept.
Oct.	106	125	111		115		117		132		109		104		109		110		Oct.
Nov.	107	123	112		117		119		141		108		104		109		110		Nov.
Dec.	109	122	113		118		120		146		109		104		110		109		Dec.
Whole year	103	122	114		118		117		145		110		104		111		119		Whole year

Calculated by the Central Statistical Office. For details concerning the calculation of the index see article in this Bulletin No. 4, 1939.

**36. — COST OF LIVING INDEX.**

Month	1914=100		1935-100											Month
	Total index		Total index			Foodstuffs		Clothing		Rent		Taxes		
	1938	1939	1937	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	
Jan.	1 079	1 090	102	108	109	109	110	107	105	109	115	90	94	Jan.
Febr.	1 075	1 088	104	108	109	108	110	.	.	.	.	.	.	Febr.
March	1 072	1 083	104	107	109	108	109	.	.	.	.	.	.	March
April	1 065	1 084	104	107	109	106	108	105	104	109	115	90	94	April
May	1 061	1 079	104	106	108	106	108	.	.	.	.	.	.	May
June	1 058	1 080	104	106	108	105	108	.	.	.	.	.	.	June
July	1 061	1 083	106	106	109	106	108	105	104	109	115	90	94	July
Aug.	1 077	1 090	108	108	109	109	110	.	.	.	.	.	.	Aug.
Sept.	1 076		108	108		109		.	.	.	.	.	.	Sept.
Oct.	1 086		109	109		110		105		115		90		Oct.
Nov.	1 089		109	109		110		.	.	.	.	.	.	Nov.
Dec.	1 088		109	109		110		.	.	.	.	.	.	Dec.
Whole year	1 074		105	108		108		106		111		90		Whole year

Calculated by the Research Office of the Ministry for Social Affairs according to monthly reports from 36 different centres. For details concerning the calculation of the cost of living index see article in this Bulletin No. 6, 1937.

**37. — BANK OF FINLAND CONSUMPTION PRICE INDEX. JULY 1931=100.**

Month	Total index			Index of sensitive prices						Index of rarely changing prices			Month
				All kinds			Foodstuffs						
	1937	1938	1939	1937	1938	1939	1937	1938	1939	1937	1938	1939	
Jan.	101.3	107.7	108.8	108.1	116.0	116.0	112.5	122.7	123.2	87.2	89.0	92.5	Jan.
Febr.	103.0	106.9	108.8	110.9	115.0	115.9	116.5	121.5	122.8	86.9	89.0	92.5	Febr.
March	103.6	106.4	107.7	111.9	114.0	114.3	117.7	119.8	119.9	86.8	89.2	92.5	March
April	103.4	106.2	107.9	111.6	113.6	114.6	116.6	119.2	120.6	86.8	89.2	92.5	April
May	103.0	106.2	107.6	110.8	113.4	114.1	114.7	119.0	119.6	86.8	89.3	92.6	May
June	103.3	105.8	107.2	111.1	112.6	113.3	115.1	117.7	118.3	87.2	89.5	92.9	June
July	104.7	106.0	108.2	113.1	112.9	114.6	118.6	118.3	120.5	87.2	89.4	92.9	July
Aug.	106.2	106.9	108.7	115.6	114.2	115.3	122.2	120.5	121.6	87.2	89.5	92.9	Aug.
Sept.	106.8	107.5		116.4	115.2		123.2	122.3		87.5	89.6		Sept.
Oct.	108.4	108.2		118.1	115.5		125.5	122.5		88.7	91.3		Oct.
Nov.	108.1	109.1		116.9	116.3		123.8	123.6		89.0	92.4		Nov.
Dec.	108.5	109.1		117.3	116.3		124.8	123.6		89.0	92.4		Dec.
Whole year	105.0	107.2		113.5	114.6		119.2	120.9		87.5	90.0		Whole year
23. IX	106.9	107.5	113.0	116.5	115.3	121.8	123.4	122.5	129.2	87.5	89.6	93.6	23. IX

For details concerning the calculation of the consumption price index see article in this Bulletin No. 10, 1936.

## 38. — INDEX OF WORKING HOURS IN INDUSTRY.

Quarter	Branch of Industry								Total <i>All Industries</i>	Of which		Quarter
	Metal	Glass, Stone, etc	Chemicals	Foodstuffs and luxuries	Leather	Textile	Paper	Timber		Home Industries	Exporting Industries	
1938												1938
Jan.-Mch.	117.6	119.0	113.4	101.3	111.8	107.1	111.5	103.9	109.7	111.0	107.6	Jan.-Mch.
Apl.-June	104.7	111.8	114.7	105.4	89.6	98.5	105.6	95.0	101.5	102.6	99.9	Apl.-June
July-Sept.	101.3	104.6	104.6	105.8	80.8	97.8	93.3	82.1	94.7	100.3	87.2	July-Sept.
Oct.-Dec.	98.6	100.6	103.1	106.4	90.3	93.4	93.1	88.2	94.4	97.2	90.3	Oct.-Dec.
1939												1939
Jan.-Mch.	90.6	95.6	101.2	106.5	89.0	94.7	93.8	90.4	93.8	94.9	92.1	Jan.-Mch.
Apl.-June	93.8	93.2	87.5	103.5	90.6	95.9	91.1	94.3	94.0	95.1	92.7	Apl.-June
July-Sept.	100.4	99.6	89.9	106.7	98.3	96.2	96.7	102.7	98.9	98.0	99.9	July-Sept.
Oct.-Dec.												Oct.-Dec.

The index, which is based on the number of working hours during the corresponding quarters in the previous year, is calculated by the Research Office of the Ministry for Social Affairs.

## 39. — NUMBER OF UNEMPLOYED.

End of Month	Registered at the Municipal Labour Exchanges <sup>1)</sup>					Registered at the Unemployment Boards <sup>2)</sup>					End of Month
	1935	1936	1937	1938	1939	1934	1935	1936	1937-38	1939	
January	12 479	10 117	6 805	4 579	5 006	43 172	22 026	19 912	.	[13 629]	January
February	11 280	8 257	5 383	4 544	4 412	42 913	22 590	20 591	.	24 263	February
March	9 780	6 687	4 482	3 635	4 331	39 723	22 193	18 665	.	25 261	March
April	8 369	5 836	3 554	3 462	3 509	32 178	18 076	13 323	.	20 311	April
May	5 804	2 795	3 126	2 963	2 985	23 695	12 698	8 182	.	12 327	May
June	3 948	1 877	2 076	2 414	2 091	15 979	6 205	2 409	.	5 270	June
July	3 122	2 129	2 089	2 186	2 072	10 988	3 732	1 647	.	2 165	July
August	4 003	2 431	2 794	2 747	2 299	11 041	4 684	996	.	2 466	August
September	4 755	3 086	3 450	3 192		12 420	5 786	1 702	.		September
October	6 446	4 594	3 705	4 041		15 712	9 739	3 097	.		October
November	8 538	5 348	3 924	5 172		18 598	14 841	.	.		November
December	7 427	4 398	3 770	4 294		19 208	17 778	.	.		December

Figures provided by the Research Office of the Ministry for Social Affairs, comprising <sup>1)</sup> regular statistics from the Municipal Labour Exchanges in the majority of towns and urban districts only; <sup>2)</sup> statistics covering the whole country, temporarily compiled by the Unemployment Boards.

## 40. — CESSATION OF WORK.

Month	Initiated			Continued from previous month			Total			Month
	number	affecting		number	affecting		number	affecting		
		employers	work-people		employers	work-people		employers	work-people	
1938										1938
August	1	21	124	10	.	2 096	11	.	2 129	August
September	1	1	15	3	7	161	4	8	2 220	September
October	—	—	—	2	3	45	2	3	176	October
November	1	1	125	1	2	30	2	3	45	November
December	—	—	—	1	1	125	1	1	155	December
1939									125	1939
January	3	.	172	1	1	125	4	.		January
February	1	1	12	2	2	47	3	3	297	February
March	4	9	666	1	1	6	5	10	59	March
April	3	6	2 271	2	7	580	5	13	672	April
May	9	.	1 133	4	9	2 239	13	.	2 851	May
June	4	67	740	8	21	2 393	12	88	3 372	June
July	2	6	655	6	75	2 689	8	81	3 133	July
August	1	5	100	4	67	2 468	5	72	2 568	August

The above particulars which are of a preliminary nature, are compiled by the Research Office of the Ministry for Social Affairs. The figures in brackets [ ] indicate the position at the end of the previous year.

## CERTAIN PARTICULARS ABOUT FINLAND.

### 1. FORM OF GOVERNMENT.

Finland formed a part of the kingdom of Sweden from 1154 to 1809; from 1809 it was an autonomous Grand Duchy connected with Russia up to December 8th, 1917, when Finland declared its independence, which was acknowledged by all the Powers including Soviet Russia. It became a republic in 1919. The legislative power of the country is vested in the Diet and the President. The highest executive power is held by the President chosen for a period of 6 years. The present President *Kyösti Kallio* is elected for the term March 1st, 1937, to March 1st, 1943.

The Diet, composed of 200 members, is elected by universal suffrage. The proportions of the different parties in the Diet elected in 1939 are as follows:

	Number
Social-Democratic party .....	85
Agrarian party .....	56
Unionist party .....	25
Swedish party .....	18
Patriotic National Movement's party .....	8
Progressive party .....	6
Small farmers' party .....	2

### 2. LAND.

THE AREA (excluding lake Laatokka) is 382,801 square kilometres = 147,761 square miles (Great Britain's area is 89,047 sq. m. and Italy's area 117,982 sq. m.). Of the total area 9.0 % are inland waters. On an average 11.8 % of the land in the South of Finland is cultivated, 1.1 % in the North, 6.6 % of the whole land. Of the land area 25.3 mill. ha (62.5 mill. acres) or 73.6 % are covered by forests.

THE AVERAGE TEMPERATURE in the coldest month is in S. Finland  $-3^{\circ}$  to  $-8^{\circ}$  C., in Lapland  $-12^{\circ}$  to  $-14^{\circ}$  C. and in the warmest month  $+16^{\circ}$  to  $+17^{\circ}$  and  $+12^{\circ}$  to  $+14^{\circ}$  C. resp. The average temperature in Helsinki (Helsingfors) is  $+4.6^{\circ}$  (in Oslo  $+5.4^{\circ}$ , in Montreal  $+5.4^{\circ}$ , in Moscow  $+3.6^{\circ}$ ). The ground is covered by snow in the South for about 110 days, in Central Finland for about 150 days, in Lapland about 200 days.

### 3. POPULATION.

NUMBER OF INHABITANTS (1937): 3.8 millions (of whom 0.2 million emigrants). Sweden (1937) 6.3, Switzerland (1937) 4.2, Denmark (1937) 3.7 and Norway (1937) 2.9 millions.

DENSITY OF POPULATION (1937): In South-Finland 18.2, in North-Finland 2.7 and in the whole country an average of 11.0 inhabitants to the square kilometre.

DISTRIBUTION (1937): 78.5 % of the population inhabit the country, 21.5 % the towns and urban districts. The largest towns are (1937): Helsinki (Helsingfors), the capital, 293,237 inhabitants, Tampere (Tammerfors) 74,786, Viipuri (Viborg) 78,917, Turku (Åbo) 72,981.

OCCUPATION (1930): agriculture 59.6 %, industry and manual labour 16.8 %, commerce 4.3 %, transport 3.8 %, other occupations 15.5 %.

LANGUAGE (1930): Finnish speaking 89.4 %, Swedish speaking 10.1 %, others 0.5 %.

RELIGION (1937): Lutheran 96.0 %, Greek-Orthodox 1.8 %, others 2.2 %.

EDUCATION (1930): Amongst persons over 15 years of age only 0.9 % are illiterate. There are three universities founded in 1640, 1917 and 1920.

INCREASE OF POPULATION (1937): Births 18.9 ‰, deaths 12.3 ‰ (in France in 1936 15.3 ‰, and in England in 1936 12.1 ‰), natural increase 6.6 ‰.

### 4. TRADE AND COMMUNICATIONS.

FOREST RESOURCES. The growing stock of the forests is 1,620 million m<sup>3</sup> (57,214 million cubic feet). The merchantable tim-

ber (measuring 20 cm at breast height = 6 in. at a height of 18 ft.) amounts to 1,557 million trees. Of this number pine is represented by 60.7 %, spruce by 28.1 %, the conifers thus constituting 88.8 % or 1,383 million trees; leaf-trees, mostly birch, 11.2 % or 174 million trees. The annual increment is 44.4 million m<sup>3</sup> (1,568 million cub. ft.). The annual fellings according to earlier calculations are 40 million m<sup>3</sup> (1,418 million cub. ft.).

AGRICULTURE (1937): Cultivated land 2.3 million hectares, divided as follows: area under cultivation 0.3—10 hectares 33.4 %, 10—50 ha 52.1 %, 50—100 ha 8.4 %, over 100 ha 6.1 %. Cultivated land is divided between the different kinds of crops as follows: 51.7 % hay, 17.7 % oats, 9.4 % rye, 4.7 % barley, 3.4 % potatoes, 13.1 % other. The number of dairies in 1937 amounted to 588.

OWNERSHIP OF LAND (1923): The land area is distributed among different classes of owners approximately as follows: private 52.1 %, State 39.7 %, Joint Stock Companies 6.5 %, communities 1.7 %.

INDUSTRY (1937): Number of industrial concerns 4,246, workpeople 207,506, gross value of products of industry 21,076 million marks.

LENGTH OF RAILWAYS (1937): 5,907 km, of which 5,651 km State railways and 256 km private. The gauge is in general 1,524 m.

MERCHANT FLEET (1938): Steamships 558 (304,738 reg. tons net), motor vessels 182 (21,577 reg. tons net), sailing ships 110 (34,288 reg. tons net). Total 850 (360,603 reg. tons net).

### 5. FINANCE AND BANKING.

CURRENCY. Since 1860 Finland has its own monetary system. From 1877 up to the Great War the currency maintained its stable gold value and after the disturbances caused by the war Finland has again from January 1st, 1926, a gold standard. The unit of currency is the mark (Finnish 'markka' = 100 pennä). According to the monetary law of December 21st, 1925, a gold coin of 100 marks' value shall contain 3 <sup>11</sup>/<sub>16</sub> grams of fine gold. Since October 12th, 1931, the redemption of bank notes in gold is, however, suspended.

STATE FINANCES. According to the finance accounts for 1938 the State revenue was 5,534.7 million marks of which 4,862.0 million marks were current revenue, and State expenditure 5,432.3 million marks, of which 3,487.3 million marks were current expenditure. The principal sources of revenue were as follows: State property and undertakings (net) 549.7, direct taxes 1,090.4, indirect taxes 2,308.8, stamp duty 264.5, charges 110.8, interest and dividends 359.8 and capital revenue 672.7. The value of State property in 1922 was estimated at 11,150.6 million marks. For Public Debt see table 19 in this issue.

MUNICIPAL FINANCES. According to the Budget for 1938 expenditure amounted to 1,808.4 million marks. Income from taxation was calculated at 608.1 million marks, taxed income at 7,963.9 million marks. The municipal income tax (non-progressive) averaged 7.7 % of the ratepayers' income.

THE BANK OF ISSUE. The Bank of Finland (founded in 1811) is a State Bank. Its head-office is in Helsinki (Helsingfors) with branches in Turku (Åbo), Pori (Björneborg), Vaasa (Vasa), Oulu (Uleåborg), Kuopio, Joensuu, Sortavala, Viipuri (Viborg), Mikkeli (St Michel), Tampere (Tammerfors), Hämeenlinna (Tavastehus), Jyväskylä and Kotka.

THE JOINT STOCK BANKS (1939): Number 9, possess 473 offices, where all kinds of banking business is transacted. There is one banking establishment per 7,410 inhabitants.

The largest banks are: Kansallis-Osake-Pankki, Oy. Pohjois- maiden Yhdyspankki—Ab. Nordiska Föreningsbanken and Helsingfors Aktiebank, all with head offices in the capital.

OTHER BANKS (1939): Mortgage banks 5, Savings banks 484, Co-operative Credit Societies 1,119 and a Central Bank for the latter.

## THE VOLUME OF CREDIT IN FINLAND IN 1932—1937.

BY

K. O. ALHO, M. A.

### INTRODUCTION.

Economic life in Finland has experienced a period of great progress in recent years. The increase in output in different spheres and the growing liveliness of other forms of business activity have been largely influenced by the credit mechanism of the country, through which the flow of capital for the use of business enterprises has occurred to a great extent. At the same time it can be asserted that economic prosperity has not failed to leave lasting traces on conditions of credit in this country.

Conclusions as to the direction, in which the money and capital markets are moving, are usually drawn from the business of the actual credit institutions. In addition to these there are a number of other suppliers of credit, regarding the business of which it is more difficult to obtain information or of which less notice is taken. Nevertheless, they exercise a considerable influence on the credit market of the country and its trend. In order to secure a more complete conception of the recent development of credit conditions in Finland an investigation has been made into the volume of credit in 1932—1937 and the results are discussed below. A similar investigation was made some years ago, referring to the years 1927—1931 and an article on it was printed in this Bulletin No. 7, 1933.

For the purposes of the present investigation information was collected in the first place from the actual credit institutions, viz., con-

cerning the credits granted by the Bank of Finland, the Joint Stock and Savings banks, the mortgage institutions, the Co-operative Credit Societies and their central bank. Besides, the credits granted by insurance companies, all pensions and benefit funds, various public funds and the State were taken into account. In addition, there are some other suppliers of credit, but these were not included in the investigation, either because reliable information about them could not be obtained or because of their slight importance.

In order to explain the principles, on which the investigation was based, it should be mentioned briefly that the loans granted by the different institutions and funds and the bonds in their possession were classed as credits. Shares were not taken into account, nor investments made by suppliers of credit for their own purposes, or their bank deposits. Deposits made by one institution or fund in another were deducted in order to arrive at the net amount of credit. As a result of this method the importance of some suppliers of credit to the credit market appears to be slightly less than it was in reality, but this circumstance has no essential influence on the results of the investigation.

### THE TOTAL AMOUNT OF CREDIT AND ITS FLUCTUATIONS.

The total amount of credit and its recent development are shown in the table on the opposite page. It will be seen that the im-

provement in the economic life of the country from the trough of the depression to the peak of the cycle is reflected in the growth of the volume of credit. The total credits reached their lowest point in 1933; the reduction from the previous year was 697.3 million marks or 3.2 per cent. In the following years credits rose, rather slowly at first, until in 1936 there was an abrupt rise. But it was not until 1937 that the demands made on the credit mechanism by economic expansion began to show themselves more clearly in an exceptionally large growth in the volume of credit. In that year credits increased by 2,763.5 million marks or 11.1 per cent. The significance of 1937 for the recent growth in the volume of credit is also evident from the fact that 47.2 per cent of the total growth in the volume of credit during 1933—1937 fell to the share of that year. From 1932 the total credits increased by 5,851.5 million marks or 26.7 per cent.

In order to illustrate the fluctuations of the volume of credit during a longer period, the following table is given, showing the changes in the total credits during 1927—1937.

	Amount Mill. mk	Increase (+) or decrease (-) Mill. mk %	
1927	16,813.4		
1928	19,825.6	+ 3,012.2	+ 17.9
1929	20,937.2	+ 1,111.6	+ 5.6
1930	22,098.3	+ 1,161.1	+ 5.5
1931	22,321.6	+ 223.3	+ 1.0
1932	21,907.6	- 414.0	- 1.9
1933	21,210.3	- 697.3	- 3.2
1934	22,071.6	+ 861.3	+ 4.1
1935	23,186.5	+ 1,114.9	+ 4.8
1936	24,995.7	+ 1,809.2	+ 7.8
1937	27,759.2	+ 2,763.5	+ 11.1

These figures indicate that the changes were in general not very great, except in 1928 and 1937, both of which were years of boom. Over half of the total growth in the volume of credit during 1928—1937 or 52.8 per cent fell to the share of these two years. This fact clearly indicates that the financing of economic

THE VOLUME OF CREDIT IN FINLAND AT THE END OF 1932—1937

Bank or fund	Million marks						Per cent of total					
	1932	1933	1934	1935	1936	1937	1932	1933	1934	1935	1936	1937
Bank of Finland	1 218.2	1 031.2	1 030.3	1 195.8	1 390.0	1 575.6	5.6	4.9	4.7	5.2	5.6	5.7
Joint Stock banks	8 434.1	7 821.1	7 943.0	8 065.5	8 423.4	9 663.8	38.5	36.8	36.0	34.8	33.7	34.8
Savings banks	3 964.0	4 091.8	4 372.7	4 738.4	5 344.7	6 017.2	18.1	19.3	19.8	20.4	21.3	21.7
Total	13 616.3	12 944.1	13 346.0	13 999.7	15 158.1	17 256.6	62.2	61.0	60.5	60.4	60.6	62.2
Mortgage institutions	2 226.7	2 077.4	2 037.5	2 033.8	2 022.7	1 972.2	10.2	9.8	9.2	8.8	8.1	7.1
Co-operative Credit Societies and their central bank	1 436.1	1 418.2	1 439.6	1 474.8	1 624.3	1 868.3	6.5	6.7	6.5	6.3	6.5	6.7
Total	3 662.8	3 495.6	3 477.1	3 508.6	3 647.0	3 840.5	16.7	16.5	15.7	15.1	14.6	13.8
All financial institutions	17 279.1	16 439.7	16 823.1	17 508.3	18 805.1	21 097.1	78.9	77.5	76.2	75.5	75.2	76.0
Life Assurance companies	1 533.3	1 680.3	1 859.3	2 070.8	2 295.5	2 543.7	7.0	7.9	8.4	8.9	9.2	9.2
Fire Insurance companies	386.9	420.3	438.2	550.9	591.1	646.3	1.8	2.0	2.0	2.4	2.4	2.3
Accident Insurance companies	202.9	207.5	217.8	196.0	218.0	232.4	0.9	1.0	1.0	0.9	0.9	0.8
Other Insurance companies	71.4	82.1	89.6	98.8	104.2	140.0	0.3	0.4	0.4	0.4	0.4	0.5
Total	2 194.5	2 390.2	2 604.9	2 916.5	3 208.8	3 562.4	10.0	11.3	11.8	12.6	12.9	12.8
Pensions funds and benefit funds	446.8	495.1	534.9	574.9	619.0	697.1	2.0	2.3	2.4	2.5	2.5	2.5
Public funds	377.5	388.2	409.6	411.4	433.5	453.0	1.7	1.8	1.9	1.8	1.7	1.7
State funds	1 609.7	1 497.1	1 699.1	1 775.4	1 929.3	1 949.6	7.4	7.1	7.7	7.6	7.7	7.0
Total	2 434.0	2 380.4	2 643.6	2 761.7	2 981.8	3 099.7	11.1	11.2	12.0	11.9	11.9	11.2
Grand total	21 907.6	21 210.3	22 071.6	23 186.5	24 995.7	27 759.2	100	100	100	100	100	100

life places greater demands than usual on the credit institutions when the upward trend reaches its highest point. It is also worth noting that the amount of credit increased in 1929, 1930 and 1931 in spite of a downward trend already having set in by that time. This is partly explained by the fact that the economic depression did not affect the demand for long-term credit as adversely as the demand for business credit and partly by the general financial crisis diminishing the supply of foreign credit, so that the Finnish credit institutions were forced to increase their lending as much as possible.

The movement of the volume of credit in 1932 and 1933 coincided with the general cyclical trend in so far as the trough of the depression was reached at that time. Similarly, the influence of the upward trend is visible in the change in credits from 1934 onwards. Nevertheless, although the volume of credit reflects the development of business conditions, it is noticeable that it only adjusts itself slowly to the general cyclical movement. If, further, the size of the total credits in 1928 and 1937 is examined, it will be seen that in the latter year the volume of credit amounted to 7,933.6 million marks or 40.0 per cent more than during the previous boom. This considerable increase was obviously due to the strengthening of the money market, besides the general economic improvement. Thanks to the former it was possible to finance business by means of internal credit without resorting to foreign capital, as had been necessary previously to a large extent.

#### THE DISTRIBUTION OF CREDITS.

The manner, in which the volume of credit was distributed among different sources in 1932—1937, will be seen from the table on the previous page.

The percentages show that some noteworthy changes have occurred in recent years in the structure of the volume of credit. The principal changes refer to the Joint Stock banks,

mortgage institutions, Savings banks and life assurance companies. During the whole period the Joint Stock banks were the largest suppliers of credit in the country. Their importance in the credit market is, however, decreasing slowly. In 1932 the proportion of the Joint Stock banks to the total volume of credit was still 38.5 per cent, but in 1937 only 34.8 per cent. That this is in reality a lasting trend, is seen by examining a longer period. In 1927 the share of the Joint Stock banks represented almost half or 49.0 per cent of the total grants of credit. Since then their share has fallen off regularly year by year with the sole exception of 1937, when it increased slightly.

The mortgage institutions are comparable to the Joint Stock banks, seeing that their share in the volume of credit in 1932—1937 was also reduced, viz., from 10.2 to 7.1 per cent. It is difficult to say, what conclusions may be drawn from this, for in 1927 the share of the mortgage institutions was 7.7 per cent, or only slightly higher than in 1937. It is worth mentioning that during the depression the credits granted by the mortgage institutions increased very much, principally by means of foreign capital.

The greatest structural change in the volume of credit, apart from the decrease in the importance of the Joint Stock banks, consisted in the striking advance of the Savings banks. Their position in the credit market has improved regularly from year to year. This was the case both as regards 1932—1937 and if the trend since 1927 is examined. In the latter year the share of the Savings banks in the volume of credit represented 17.2 per cent. During 1927—1931 the increase in their share was comparatively slow, but since 1932 it rose more rapidly or from 18.1 to 21.7 per cent in 1937. The regular increase in the importance of the Savings banks indicates that this is a similar lasting phenomenon as in the case of the Joint Stock banks.

The life assurance companies were formerly a factor of rather slight significance in the credit market. In 1927 and 1928, e.g., their



share in the volume of credit was only 4.8 and 4.7 per cent. Subsequently, however, the importance of the life assurance companies, as of insurance companies in general, as a source of credit grew very much. In 1932 their share of the total credits already amounted to 7.0 and in 1936 to 9.2 per cent, a level which they preserved during the following year. Owing to this rapid progress the life assurance companies at present occupy the third place as sources of credit after the Joint Stock banks and the Savings banks.

The other changes in the composition of the volume of credit were fairly slight in comparison with those referred to above. It should be mentioned, however, that in regard to the co-operative credit societies a similar tendency is visible as in the case of the mortgage institutions, seeing that during the depression they, too, attained a fairly prominent position in the credit market by means of foreign capital. Contrary to the mortgage institutions, how-

ever, the co-operative credit societies were able to maintain this position, mainly owing to a large increase in their deposits.

The importance of the principal suppliers of credit in the money and capital markets and the changes in this respect have already been referred to. The manner, in which the credits granted by different categories varied in 1932—1937 in broad lines, is described below.

In general it may be stated that no traces of the cyclical fluctuations worth mentioning can be observed in the investment business of most of the suppliers of credit, which continued, broadly speaking, independently of the cyclical conditions. Only the credits granted by the Bank of Finland and especially by the Joint Stock banks have been susceptible to cyclical fluctuations, principally owing to their position in financing business. The demand for credit for commerce and industry was at its lowest during the trough of the depression. At that

DEVELOPMENT OF THE VOLUME OF CREDIT  
INDICES, 1932 = 100

Bank or fund	1932	1933	1934	1935	1936	1937
I. Bank of Finland .....	100.0	84.6	84.6	98.2	114.1	129.3
Joint Stock banks .....	100.0	92.7	94.2	95.6	99.9	114.6
Savings banks.....	100.0	103.2	110.3	119.5	134.8	151.8
Group I	100.0	95.1	98.0	102.8	111.3	126.7
II. Mortgage institutions .....	100.0	93.3	91.5	91.3	90.8	88.6
Co-operative Credit Societies and their central bank .....	100.0	98.8	100.2	102.7	113.1	130.1
Group II	100.0	95.4	94.9	95.8	99.6	104.9
All financial institutions	100.0	95.1	97.4	101.3	108.8	122.1
III. Life Assurance companies .....	100.0	109.6	121.3	135.1	149.7	165.9
Fire Insurance companies .....	100.0	108.6	113.2	142.4	152.8	167.0
Accident Insurance companies....	100.0	102.3	107.4	96.6	107.5	114.6
Other Insurance companies .....	100.0	115.0	125.4	138.3	146.0	196.0
Group III	100.0	108.9	118.7	132.9	146.2	162.3
IV. Pensions funds and benefit funds	100.0	110.8	119.7	128.7	138.5	156.0
Public funds .....	100.0	102.8	108.5	109.0	114.8	120.0
State funds.....	100.0	93.0	105.6	110.3	119.9	121.1
Group IV	100.0	97.8	108.6	113.5	122.5	127.3
Total credits	100.0	96.8	100.7	105.8	114.1	126.7

time, more precisely in 1933, the credits granted by the Joint Stock banks also reached their lowest point, having been reduced since 1929 by 1,874.2 million marks or 19.3 per cent. The general improvement of the following years was reflected in the increased lending business of the Joint Stock banks. At first, it is true, progress was slow and did not become pronounced until 1936 and 1937. In the latter year the credits of the Joint Stock banks grew by 1,240.4 million marks or 14.7 per cent, this increase representing 67.3 per cent of the total growth of credits granted by these banks during 1934—1937. The credits of the Bank of Finland were at their lowest in 1934, so that the upward trend affected them later than the credits of the Joint Stock banks. Subsequently, however, they increased very greatly, the growth being closely connected with the recent increase in the output of the exporting industries, the principal clients of the Bank of Finland.

The credits granted by the Savings banks increased in 1933—1937 by over 2,000 million marks or 51.8 per cent. Of the increase in the total amount of credit since the end of 1932 35.1 per cent fell to the share of the Savings banks and considerably less or 21.0 per cent to the share of the Joint Stock banks. The Savings banks influenced the increase in the volume of credit to the largest extent also in 1928—1937. The proportions are altered, however, if the improvement in 1937 is studied, when the total amount of credit increased more than in the other years reviewed. The greatest part of the increase during that year, 44.9 per cent, referred to the Joint Stock banks, while the corresponding figure for the Savings banks was 24.3 per cent.

As regards the other suppliers of credit, their lending business recorded in general a regular and fairly even increase during the years referred to. The insurance companies, in particular, advanced very much. The largest part, 73.9 per cent, of the increase in credits granted by them referred to the life assurance companies. The mortgage institutions formed

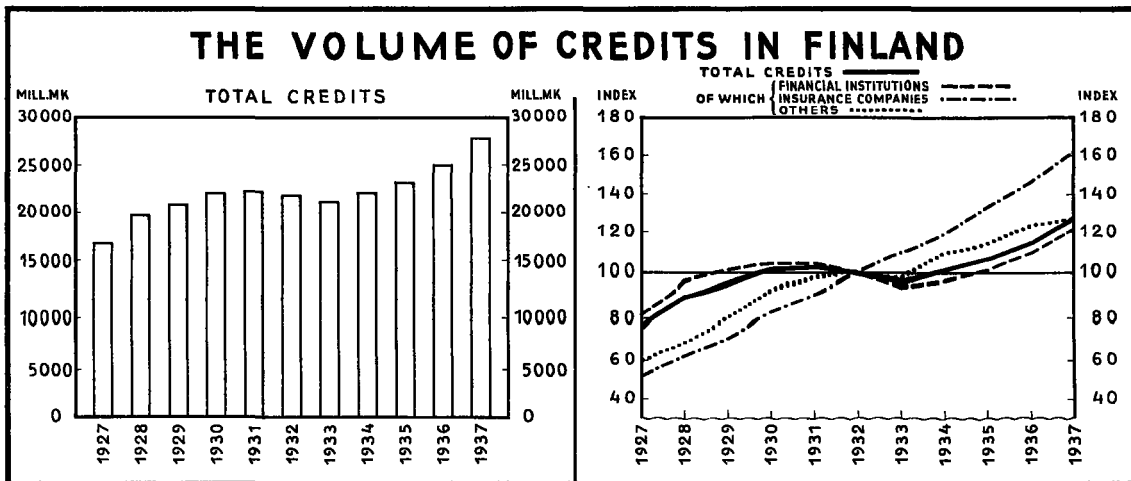
an exception to the general trend, seeing that their grants of credit fell off in 1932—1937, whereas those of other categories recorded a rise.

#### MAIN CAUSES OF CHANGE IN FINNISH CREDIT CONDITIONS.

The principal changes in the structure of the volume of credit consisted of the reduced importance of the Joint Stock banks and the great advance of other sources of credit, especially the Savings banks and insurance companies and, if a longer period is examined, of the co-operative credit societies.

In trying to find an explanation of this phenomenon it is worth noting in the first place that the credits of the Joint Stock banks are fairly susceptible to cyclical fluctuations, as has already been mentioned. In consequence of the economic depression the credits granted by the Joint Stock banks fell off to a pronounced extent. This naturally weakened their position in the money and capital markets, more especially as the lending business of some other suppliers of credit increased at that time. During the period of improvement the credits of the Joint Stock banks did not increase enough to enable them to recapture their lost position. Besides, it seems that the credit requirements of commerce and industry, the principal clients of the Joint Stock banks, had begun to show signs of falling off. This refers particularly to direct credits, business having gone over more and more to indirect finance. The increased financial stability of business undertakings has acted in the same direction.

The course of development in credit conditions has evidently been affected decisively by the changes that have occurred in the distribution of accumulated capital. These are illustrated by the table below, from which it will be seen, in what way the deposits in some of the principal financial institutions and the funds of the life assurance companies moved during 1932—1937.



	Deposits in			Funds of
	Joint Stock banks	Savings banks	Co-operative credit societies	life assurance companies
	Mill. mk	Mill. mk	Mill. mk	Mill. mk
1932	6,817.9	4,223.8	424.2	1,434.9
1933	7,038.9	4,413.8	452.8	1,544.4
1934	6,908.5	4,765.4	521.8	1,717.3
1935	7,148.6	5,202.0	615.7	1,891.3
1936	7,673.7	5,873.6	793.9	2,117.2
1937	8,486.6	6,934.3	1,146.7	2,356.4

The increase in deposits was largest, 170.3 per cent, in the case of the co-operative credit societies. The relative increase in the funds of the life assurance companies and in the deposits in the Savings banks was equal or 64.2 per cent. The Joint Stock banks, the deposits in which only grew by 24.5 per cent in these years, fell appreciably short of them. The direction of the trend is also shown by the following figures which indicate the share of these institutions in the total amount of capital accumulated in them. In 1932 this was divided as follows: Joint Stock banks 52.9, Savings banks 32.7, life assurance companies 11.1 and co-operative credit societies 3.3 per cent. In 1937 the corresponding figures were: Joint Stock banks 44.8, Savings banks 36.6, life assurance companies 12.5 and co-operative credit societies 6.1 per cent.

It will be seen that considerable changes occurred in the distribution of accumulated capital in this brief period. It turned towards

the Savings banks and co-operative credit societies and, by means of automatic savings, to the life assurance companies to an appreciably larger extent than to the Joint Stock banks, which was due in a considerable degree to the deposit rates. Thanks to this accumulation of capital the former institutions were also able to increase their grants of credit more extensively, seeing that the share of the Joint Stock banks in the accumulated capital and their consequent ability to grant credit have constantly decreased.

#### BOND CREDIT.

It is characteristic of the Finnish money and capital markets that bonds are of fairly small importance as a form of investment. Very recently, however, a change has been visible, the internal bond market having become far more active and having increased. As there has been a growing supply of idle money in the country, industrial and commercial undertakings as well as the State and the communities have availed themselves of the opportunities of issuing new bond loans. The proceeds have been employed, besides converting and redeeming former bond loans, especially for paying off short-term bank credits and for covering investments made during the period of upswing.

The great advance made by the Finnish bond market during the last few years is shown by the outstanding amount of bonds in Finnish currency having grown in 1932—1937 from 2,048.3 million marks to 6,558.7 million, an increase of over 200 per cent. It can further be quoted in evidence of the strength of the Finnish money market that it has been possible to place as much as 2,000 million marks of bonds in a year in the home market without any great trouble. As a result the bond credit granted by the institutions and funds included in the present investigation have also grown considerably. At the end of 1932 their holdings of bonds — issued in both Finnish and foreign currency — amounted to a booked value of 1,734.3 million marks and by the end of 1937 to 4,847.9 million marks, the increase representing 3,113.6 million marks or 179.5 per cent. This increase was many times larger than the growth of the total volume of credit, which amounted to 26.7 per cent in these years. In the former year bonds represented 7.9 per cent and in the latter year 17.5 per cent of the total credits. This also shows that suppliers of credit had adopted indirect financing on a constantly growing scale.

The increase in bond credits was largest in the case of the Joint Stock banks. Their bond portfolio increased in 1933—1937 by 1,129.7 million marks or 473.0 per cent. The largest share in the total growth of bond credit or 36.3 per cent also referred to the Joint Stock banks. Their growing importance as suppliers of indirect credit is also indicated by the fact that in 1932 they held 13.7 per cent of the total quantity of bonds in the hands of creditors, but in 1937 as much as 28.2 per cent, representing 1,368.5 million marks. In the latter year the life assurance companies had the next largest amount of bonds, 748.4 million marks, followed by the Savings banks with 691.8 million. The bond portfolios of these institutions, too, had grown appreciably in 1933—1937, the former by 518.7 million marks or 225.8 per cent and the latter by 447.1 mil-

lion or 182.7 per cent. The amount of bonds held by the pensions funds also increased very greatly, viz., by 208.0 per cent.

In examining the extent to which different suppliers of credit invested their funds in bonds, considerable differences are noticeable. If 1937 is taken as the point of investigation and the bonds in the possession of the different institutions and funds are compared to their total credits, the following results are obtained. Relatively this form of credit was employed most by the insurance companies and public funds, about 30—40 per cent of their investments in credits referring to bonds. The pensions funds also granted bond credit on a large scale. Thus it was mainly such suppliers of credit that resorted to this form of credit as had to consider the question of safety above all in their investments. The actual financial institutions hold bonds to a smaller extent, excepting the Bank of Finland, the bonds held by it constituting 31.5 per cent of its total credits in 1937. The corresponding figure for the Joint Stock banks was 14.1, for the Savings banks 11.5, for the mortgage institutions 12.2 and for the co-operative credit societies 4.3 per cent.

#### FOREIGN AND INTERNAL CREDIT.

It is highly illustrative of the recent development of the Finnish money and capital markets that, while internal credit increased in 1932—1937 by about 6,000 million marks, the foreign indebtedness of Finland constantly decreased. In former conditions, as a rule, the country's foreign indebtedness tended to increase appreciably during an upward trend. The last boom formed an exception, however, in that the extensive investment activity it caused was financed entirely by means of internal capital and the foreign indebtedness was greatly reduced at the same time. During 1932—1937 Finland's gross foreign indebtedness decreased from about 10,000 million marks to 4,600 million. If the short-term foreign balances of the

country are taken into account, Finland's net foreign indebtedness, which still amounted to about 9,000 million marks in 1932, had been reduced to about 1,600 million marks by the end of 1937.

If the net foreign indebtedness of the country is compared with the amount of internal credit, it will be found that in 1932 the former represented 41.1 per cent of the latter, but in

1937 only 5.8 per cent. At present therefore the country is to a large extent self-supporting in regard to credit. If it is further considered that the credit-granting ability of most of the suppliers of credit has increased very largely, it may be concluded that even an appreciably greater demand for credit than that which occurred in reality could have been satisfied during these years by means of internal capital.

**(The Finnish Market Review, continued.)**

278.9 million marks, whereas in the two preceding years there was a considerable surplus of imports for that period amounting to 371.5 and 229.7 million marks.

The market for Finland's principal articles of export did not experience any great change in August, excepting that the fall in the value of sterling tended to reduce exporters' profits. On the other hand events in the outer world brought about a stagnation of trade at the end of the month. It is generally expected that the difficulties of shipping in the North Sea will result in reduced exports and consequently in enforced restriction in the exporting industries. At some mills work has already been stopped. To avoid unemployment industrial companies have endeavoured to organise temporary work for their workpeople. The great demand for timber, which characterised the situation in August, has ceased and contracts are only made in exceptional cases. While very

lively lumber work was expected before in connection with the exporting industries, it is now clear that it will, on the contrary, have to be considerably restricted. At the same time felling for firewood has been started in various parts of the country.

**THE LABOUR MARKET.**

The labour market was lively up to the end of August and considerable difficulty was experienced in obtaining labour. Nevertheless, signs could be observed of the usual seasonal deterioration, the number of people on the unemployment register increasing to 2,466 from 2,165 at the end of July. During the first weeks of September the international political conditions brought about a change for the worse. As, consequently, a further decline in the labour market is to be expected, the State and the communities are preparing to prevent any serious unemployment.

## ITEMS.

**The Diet and the organisation of emergency measures.** The new Diet, elected in the summer, met for the first time on September 1st, when it elected the same Speaker and Deputy Speakers as in the last Diet. To a great extent the work of the Diet has been concerned with Government bills and motions with the object of organising national supplies, protection of the civil population and other matters calling for urgent measures owing to the war in Central Europe. During the first weeks of September the Diet passed several new laws, of which the following should be mentioned.

Simultaneously with the President of the Republic issuing a proclamation to the effect that Finland would observe complete *neutrality* during the war, the neutrality regulations published in the statute-book came into force.

On September 1st it was prescribed by decree that *exports* of scrap iron and other scrap metal were prohibited until further notice (No. 240). — On September 2nd exports of many kinds of goods were prohibited (No. 245). At the same time a licensing board was appointed with authority to grant exceptions to the export prohibitions. The prohibition of exports is principally intended to safeguard the country's own supplies of foodstuffs, raw materials and machinery. On September 12th wood, timber, woodpulp and newsprint were added to the prohibited list. It is by no means intended to prevent exports of these important articles, but these exports must be subjected to Government control, as the demands for reciprocity in trade have become more insistent than before and the imports that are of such importance to Finland can only be maintained by exchanging them for exported goods. — On September 16th an order was issued prohibiting all *imports* and storage in bond of foreign

goods until further notice, unless a special import licence has been obtained from the licensing board referred to (No. 281). This measure was necessary in order to ensure equilibrium in the country's balance of trade even after the reduction of exports on account of the interruption of communications with other countries.

On September 4th an order was issued (No. 255) for the control of sales of crude *mineral oil*, *petrol* and other liquid fuel with a view to restricting their consumption. — Mention should also be made of the law concerning the prevention of unfair prices, which is to be in force up to the end of 1940, as well as certain stipulations about *visas for foreign passports*, and *notification* of the possession of foreign currency, balances, shares, bonds or other securities issued in foreign currency, foreign balances in Finnish marks and of gold deposited abroad, and of debts in foreign currency and of foreign debts in Finnish currency (No. 266).

Finally it should be mentioned that, after the Diet had passed the Government bills regarding the number of ministries and the method of dealing with business by the Government, an order was issued for the establishment of a *Ministry of Supply*. The new ministry is to deal with matters connected with ensuring the livelihood of the population, the control of economic life and the employment of labour during the war. The President of the Republic has appointed Mr *Rainer von Fieandt* to take charge of the Ministry of Supply and to be a member of the Government.

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**The Budget.** When the Diet met, the Government introduced the Budget Estimates for 1940. The most important items were as follows,

compared with the corresponding figures in the Budget passed for the current year.

	1940 Mül. mk	1939 Mül. mk
<i>Revenue</i>		
Current revenue .....	4,908.2	4,502.2
Loans issued .....	700.0	550.0
Other capital revenue .....	159.1	159.1
Total	5,767.3	5,211.3
<i>Expenditure</i>		
Current expenditure .....	3,793.7	3,475.9
Redemption of loans .....	342.6	301.9
Transfer to the Budget Equalisation Fund .....	1.0	100.0
Other capital expenditure ....	1,615.0	1,332.1
Total	5,752.3	5,209.9
Surplus .....	15.0	1.4
Grand total	5,767.3	5,211.3

However, as the change in the political situation abroad is bound to exercise a profound effect on economic activity in Finland and consequently on the revenue and expenditure of the State, the Budget Estimates of the Government will on this occasion have to be revised very considerably by the Diet.

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**Rates of exchange.** During the last week in August sterling showed signs of enduring weakness. On account of this the Bank of Finland, in view of its duty of maintaining the value of the Finnish mark in all circumstances and of preventing severe fluctuations in the domestic price level, decided in consultation with the central banks in Denmark, Norway and Sweden to give up maintaining an unchanged sterling rate and allow it to drop from the level, mk 227:—, which had been maintained since March 3rd, 1933. For a couple of days the rates of exchange were nominal, and on August 28th the sterling rate was lowered to mk 210:—. At the same time the dollar rate, which had stood at mk 48:60 for several months, was raised to mk 49:20. In the next few days the sterling rate recovered slightly, on August 31st to mk 217:—.

On the outbreak of war on September 1st quotations for foreign exchange were temporarily suspended. When the first excitement had

been allayed and quotations had been resumed in the principal centres abroad, the Bank of Finland again began to quote foreign exchange on September 9th. The dollar rate was raised to mk 49:35 and this rate has since remained unaltered. The international weakness of sterling was reflected in the Finnish rates of exchange. At first the sterling rate was mk 202:50, but then dropped to mk 184:— on September 18th, recovering, however, to mk 199:— on September 22nd.

The collaboration between the central banks of the Northern countries is visible in the fact that Swedish crowns were quoted all the time without change at mk 1,171:— and that the quotations for Danish and Norwegian crowns have remained unchanged since September 9th after a slight fluctuation.

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**Manufacture of sulphite spirit.** Owing to the shortage of liquid fuel some industrial companies have taken steps to manufacture sulphite spirit. Sulphite pulp waste, of which no use was made formerly, is used as raw material. *Rauma Oy* is planning to establish a factory in Rauma (Raumo) with a yearly output of 2 million kg. *Kajaanin Puutavara Oy* is building a factory in Kajaani (Kajana) with a capacity of 3 million kg annually, while *Yhtyneet Paperitehtaat Oy* are extending their sulphite mill at Valkeakoski by adding a factory for producing about 1.7 million kg of sulphite spirit a year. By this means the output of sulphite spirit, which amounts to about 2 million kg at present, will be increased to almost 9 million kg. The work of building has already started and contracts have been placed for the necessary machinery. It is calculated that manufacture will start in about six months.

The shortage of liquid fuel has also directed increased attention to *charcoal generators*. The Government has appointed a commission to propose measures for the more extended employment of a Finnish patent in this sphere. The mass production of charcoal generators, to be

used principally on motor lorries, is likely to be started in a short time.

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**Launch of a motor vessel.** The „Astrea”, a new vessel of the *Finland Steamship Company Ltd.*, was launched recently at Turku (Åbo), where it was constructed in the Crichton-Vulcan docks. The vessel is 313 feet long, about 3,000 tons gross weight and has a capacity of 2,000 tons d.w. It is intended for the company's line to England. This will be the first passenger ship of the Finland Steamship Company to be propelled by motors. Its engines are intended to develop 3,700 ind. HP and its speed is to be 14 1/2 knots. The order stipulates for the highest class at Lloyds and protection against ice in accordance with the company's own exacting specification. It is expected that the vessel will be delivered in the spring of 1940.

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**Weather conditions and the harvest.** The mean temperature in August was higher than in any previous year, for which statistics are available. At the same time the month was poorer in rainfall than any August within human memory. During the first half of September, too, the mean temperature was above normal, but frost occurred locally, on September 2nd even generally. The dry weather was

very favourable to harvesting. On the other hand potatoes and root vegetables, especially, as well as the second crop on the meadows and pasturage grounds suffered from the lack of water. The autumn sowings also germinated unsatisfactorily in many places. The crop of autumn wheat is now estimated, according to the crop figures, slightly higher than a month ago, but potatoes and root vegetables slightly lower. It is considered that rye and wheat will yield a good crop as regards quality.

According to the preliminary estimates of the Board of Agriculture the crop prospects were as follows in the middle of September. A scale of figures is employed in the table, 8 signifying a very good crop, 7 a good crop, 6 above medium, 5 medium, 4 below medium, 3 a poor crop, 2 almost a failure of crop and 1 a failure of crop.

	Middle of September			
	1939	1938	1937	1936
Autumn wheat .....	5.1	5.7	6.2	5.2
Spring wheat .....	5.3	6.1	5.5	5.6
Rye .....	4.9	4.9	6.5	4.9
Barley .....	5.5	5.9	4.9	5.4
Oats .....	5.5	6.1	5.3	5.6
Potatoes .....	5.8	4.7	5.1	6.2
Hay .....	4.6	6.6	5.5	5.8

According to this the harvest in general is estimated to be medium and slightly smaller than last year. It is only potatoes that are expected to yield a larger crop than in the last two years.

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