



# BANK OF FINLAND

## MONTHLY BULLETIN

Vol. XXI. Nos. 10—12

OCTOBER—DECEMBER

1947

### THE FINNISH MARKET REVIEW.

#### THE MONEY MARKET.

The Finnish money market has continued to stiffen during the autumn. This was partly a usual seasonal phenomenon, augmented by the collection of various taxes at the end of October and in November. The increases in wages granted in October, being retroactive, also made a great demand on circulating capital. In consequence business enterprises were compelled to draw money on their bank accounts or to get new credits, thus compelling the banks in their turn to resort to the Central Bank. The very great need for investments strained the market at the same time, and the continued inflation greatly encouraged investment; there were even signs of purchasing panics.

The growing rigidity of the money market necessitated a rise in the interest rates in the autumn. On October 9th the joint delegation of the financial institutions took steps to increase the rates on deposits by  $\frac{1}{2}$  per cent, i. e. to 4—4  $\frac{1}{2}$  per cent, and, in order to improve the low productivity especially of the small banks, to increase the rates on credits by  $\frac{3}{4}$  per cent. The rates on cheque accounts were not changed. Two months later the Bank of Finland also increased its rates on credits, its lowest discount rate being 5  $\frac{1}{4}$  per cent as from December 15th. In spite of these increases, it is still necessary to ration credit, in order to direct the small amount of capital available to the most vital objects.

In the beginning of autumn capital still flowed fairly abundantly into the *Commercial Banks*, particularly to cheque accounts, but in October this slackened, and on No-

vember much more was drawn than deposited. Deposit accounts reached their maximum, 19,646 million marks, already at the end of August, then decreased by 548 million up to the end of November. Cheque accounts increased very much in September, i. e., by 1,647 million marks, but in October the increase was only 341 million, these accounts then being 16,767 million marks. In November they were reduced by 550 million. Yet, throughout the year, a fair amount of capital has been collected, 1,534 million on deposit accounts and 2,522 million on cheque accounts as against 455 and 2,046 million in the same months of the previous year. The accounts of the other credit institutions in the Commercial Banks, after having increased all through the year, decreased from 7,059 million marks at the end of August to 5,824 million at the end of November.

On the other hand, the credits granted by the Commercial Banks have substantially increased all through the year as well as in recent months, and the increase would have been still greater had the banks been better able to satisfy the demand for credits. All in all the credits granted by the Commercial Banks increased by 2,308 million marks in the autumn months, being 38,279 million at the end of November, as against an increase of 624 million the year before. The increase since the beginning of the year has been 8,736 million or almost 30 per cent, which clearly shows the intensity of the increase. Thus it is only natural that the Commercial Banks have been compelled more than before to have recourse to the Bank of Fin-

land from which they were already beginning to free themselves in the summer and early autumn. Re-discounts were down to 376 million marks at the end of October, increased to 2,542 million by the end of November and to 4,213 million by the middle of December — a new maximum.

The same stringency of the money market was shown by the weekly reports of the *Bank of Finland*. In addition to the increase in discounts, the note circulation has very much increased all through the year — in the three autumn months by 1,864 million marks, bringing the note circulation to the record amount of 25,809 million at the end of November. The recent increase may be chiefly ascribed to the need of the business concerns for credit; the State, on the other hand, has been able to shorten its debt to the Central Bank by about three thousand million marks, thanks to the collection of sales and other taxes.

#### PRICES.

The rise in prices has continued at an increased rate during the autumn in consequence of the rise in wages and other costs. The cost of living index (August 1938—July 1939 = 100), which passed the 600-line in August, was 617 points in September, 632 in October, 690 in November and 720 in December. In one year the increase was 54 per cent, as against 16 per cent the previous year when conditions were much more stable. The wholesale price index rose from 853 to 1,010 in September—December, being about 39 per cent higher than in December 1946 when the corresponding rise for the year was only 19 per cent. There was an increase in all prices,

but in November it was particularly great for agricultural produce, being nearly 50 per cent in that month alone.

#### TRADE AND INDUSTRY.

Industrial production, after having considerably expanded in the beginning of the year, decreased during the third quarter. According to the Unitas' index the volume of production was 98 points in the third quarter (the level of 1935 = 100), as against 102 and 103 earlier in the year. Yet, this was more than in recent years. The export industry was reduced more than other branches so that its volume index fell from 80 to 74 points. For home market industries the decline was less, from 117 to 116 points, but it should be noted that the textile and building materials industries were unable to maintain the level of the first half of the year. Production was retarded chiefly because of the lack of power, as the low water level has necessitated restrictions in its use in several branches of industry.

This decrease in production has already had time to influence foreign trade. Commercial exports amounted to 14,705 million marks in September—November as against 8,526 million in the same period of 1946. Corresponding figures for imports were 15,394 million and 6,976 million. The increase is partly due to the rise in prices, which was considerable, particularly of export goods, but imports and exports also increased in quantity. In December exports declined very much, and as imports increased the surplus of imports over exports was nearly 1,700 million marks in 1947 as against 1,223 million in the previous year.

## CONTENTS OF THE TABLES.

### I. MONEY MARKET.

#### *Bank of Finland:*

1. Statement.
2. Note issue.
3. Notes in circulation, foreign correspondents and cover for the issue of notes.
4. Note reserve, home loans and re-discounted bills.
5. Treasury bills and balances of current accounts.
6. Rates of exchange.

#### *Commercial Banks:*

7. Home deposits and the credits from the Bank of Finland.
8. Home loans.
9. Position towards foreign countries.
10. Foreign Payment Position of all Banks.
11. Deposits in Post Office Savings Bank.
12. Deposits in the Savings Banks.
13. Deposits in Co-operative Credit Societies and Consumers' Co-operative Societies.
14. Deposits in all Credit Institutions.
15. Insurances in life assurance companies.
16. Changes in number and capital of limited companies.
17. Bankruptcies.
18. Stock Exchange.
19. Stock Exchange index.

### II. STATE FINANCES.

20. Public Debt.
21. State Revenue and Expenditure.
22. Collection of Customs.
23. Collection of Excise dues.

### III. TRADE AND INDUSTRY.

24. Value of imports and exports.
25. Value of imports and exports in different classes of goods.
26. Imports of the most important articles.
27. Exports of the most important articles.
28. Foreign trade with various countries.
29. Unit value index of imports and exports.
30. Total sales of some wholesale firms.
31. Index of industrial production.
32. Building activity.

### IV. TRAFFIC.

33. Foreign shipping.
34. State Railways.

### V. LEVEL OF PRICES.

35. Wholesale price index.
36. Cost of living index.
37. Bank of Finland building cost index.

## SOME ARTICLES IN EARLIER ISSUES OF BANK OF FINLAND MONTHLY BULLETIN.

1946 Nos. 1—3	The Bank of Finland in 1939—1945.	1947 Nos. 1—3	The Bank of Finland in 1946.
" " "	The Present Economic Position in Finland.	" " "	The Economic Position in Finland in 1946.
" " 4—6	Finland's Foreign Trade in 1940—1945.	" " "	General Outlines of Finland's Economic Policy in 1947.
" " "	The Recent Development on the Finnish Money Market.	" " 4—6	The Commercial Banks during and after the War.
" " "	Structural Changes in Finnish Prices.	" " "	Finland's Forest Resources and their Utilization.
" " 7—9	Public Economy of Finland during the War and after the Armistice.	" " "	Finland's Foreign Trade in 1946.
" " "	Industry during the War.	" " 7—9	Public Finances in 1946.
" " "	Finland's Balance of Payments for 1945.	" " "	Finland's Industry since the War.
" " 10—12	Finland's War Indemnity.	" " "	Finland's Balance of Payments for 1946.
" " "	Compensation for Property Lost in the War of 1941—1944.		

## STATISTICS.

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

	1946	1947					
	Mill. mk	Mill. mk					
	31/12	31/7	31/8	30/9	31/10	30/11	31/12
<b>ASSETS.</b>							
I. Gold Reserve .....	2	2	2	2	2	2	2
Foreign Correspondents .....	1 915	1 248	762	776	464	685	621
II. Foreign Bills .....	175	418	410	318	328	328	312
Foreign Bank Notes and Coupons .....	14	10	30	27	24	21	31
Inland Bills .....	28 790	31 613	32 938	32 356	33 290	33 632	34 478
III. Loans on Security .....	63	24	24	24	24	24	24
Advances on Cash Credit .....	556	396	280	479	385	552	395
Bonds in Finnish Currency .....	257	224	224	223	220	218	216
»    » Foreign .....	203	166	167	167	167	166	166
Bank Premises and Furniture .....	32	33	33	33	34	34	—
Sundry Assets .....	1 480	738	704	1 190	1 049	831	1 260
<b>Total</b>	<b>33 487</b>	<b>34 872</b>	<b>35 574</b>	<b>35 595</b>	<b>35 987</b>	<b>36 493</b>	<b>37 505</b>
<b>LIABILITIES.</b>							
Notes in circulation .....	18 233	22 956	23 945	24 484	25 129	25 809	25 162
Other Liabilities payable on demand:							
Balance of Current Accounts due to the Treasury	599	425	62	293	277	872	114
»    »    »    »    » Others .....	1 481	597	1 011	1 301	1 308	633	2 884
Bank-Post-Bills .....	134	89	43	46	51	91	166
Foreign Correspondents .....	185	237	222	184	188	160	136
Foreign Clearing Accounts .....	7 414	4 278	3 920	2 813	2 375	2 262	2 269
Sundry Accounts .....	4	105	32	28	80	19	54
Capital .....	1 250	1 250	1 250	1 250	1 250	1 250	1 250
Reserve Fund .....	1 291	1 412	1 412	1 433	1 433	1 433	1 433
Bank Premises and Furniture .....	32	32	32	32	32	32	—
Earnings less Expenses .....	242	220	247	301	397	493	604
Undisposed Profits .....	—	21	21	—	—	—	—
Sundry Liabilities .....	2 622	3 250	3 377	3 430	3 467	3 439	3 433
<b>Total</b>	<b>33 487</b>	<b>34 872</b>	<b>35 574</b>	<b>35 595</b>	<b>35 987</b>	<b>36 493</b>	<b>37 505</b>

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

	1946	1947					
	Mill. mk	Mill. mk					
	31/12	31/7	31/8	30/9	31/10	30/11	31/12
<b>RIGHT TO ISSUE NOTES.</b>							
Gold Reserve and Foreign Correspondents .....	1 917	1 250	764	778	466	687	623
According to Law of Dec. 13, 1939 <sup>1)</sup> .....	28 979	32 041	33 378	32 701	33 642	33 981	34 821
Additional Right of Issue .....	1 800	1 800	1 800	1 800	1 800	1 800	1 800
<b>Total</b>	<b>32 696</b>	<b>35 091</b>	<b>35 942</b>	<b>35 279</b>	<b>35 908</b>	<b>36 468</b>	<b>37 244</b>
<b>AMOUNT OF ISSUE USED.</b>							
Notes in circulation .....	18 233	22 956	23 945	24 484	25 129	25 809	25 162
Other Liabilities payable on demand .....	9 817	5 731	5 290	4 665	4 279	4 037	5 623
Undrawn Amount of Advances on Cash Credit ....	401	572	686	489	583	376	533
<b>Total</b>	<b>28 451</b>	<b>29 259</b>	<b>29 921</b>	<b>29 638</b>	<b>29 991</b>	<b>30 222</b>	<b>31 318</b>
<b>NOTE RESERVE</b> .....	<b>4 245</b>	<b>5 832</b>	<b>6 021</b>	<b>5 641</b>	<b>5 917</b>	<b>6 246</b>	<b>5 926</b>
<b>Grand total</b>	<b>32 696</b>	<b>35 091</b>	<b>35 942</b>	<b>35 279</b>	<b>35 908</b>	<b>36 468</b>	<b>37 244</b>

<sup>1)</sup> Bills payable abroad in foreign currency, foreign bonds listed on foreign Stock Exchanges, interest coupons in foreign currency which have fallen due for payment, foreign bank notes, and inland bills falling due not later than within three months' time.

**Bank Rate since December 15, 1947, 5 1/4 %.**

### 3. — BANK OF FINLAND. NOTES IN CIRCULATION, FOREIGN CORRESPONDENTS AND COVER FOR THE ISSUE OF NOTES.

End of Month	Notes in Circulation Mill. mk				Foreign Correspondents <sup>1)</sup> Mill. mk				Cover for the Issue of Notes Percentage of Liabilities payable on demand				End of Month
	1945	1946	1947	Monthly Movement	1945	1946	1947	Monthly Movement	1945	1946	1947	Monthly Movement	
Jan.	[15 657]	15 580	17 172	—1 061	[350]	1 611	2 350	+ 435	[99.40]	112.81	110.38	+1.79	Jan.
Febr.	15 255	15 631	18 896	+1 724	324	1 883	2 391	+ 41	111.71	112.75	110.59	+0.21	Febr.
March	16 146	17 323	20 944	+2 048	337	1 216	3 116	+ 725	110.54	113.10	110.07	—0.52	March
April	16 768	18 534	21 566	+ 622	338	1 038	1 931	—1 185	110.71	111.95	111.82	+1.75	April
May	17 055	18 442	21 653	+ 87	339	604	1 893	— 38	109.58	109.97	112.44	+0.62	May
June	16 971	17 657	22 415	+ 762	334	848	1 157	— 736	110.74	109.73	112.18	—0.26	June
July	17 688	17 269	22 956	+ 541	270	775	1 248	+ 91	112.43	108.35	113.78	+1.60	July
Aug.	18 872	17 986	23 945	+ 989	309	1 365	762	— 486	107.71	109.11	114.11	+0.33	Aug.
Sept.	18 113	19 076	24 484	+ 539	346	1 586	776	+ 14	111.15	110.27	112.96	—1.15	Sept.
Oct.	17 259	19 667	25 129	+ 645	430	1 475	464	— 312	109.92	109.92	113.73	+0.77	Oct.
Nov.	17 414	19 492	25 809	+ 680	193	1 977	685	+ 221	107.75	110.62	114.71	+0.98	Nov.
Dec.	13 598	18 233	25 162	— 647	1 283	1 915	621	— 64	115.46	108.59	113.17	—1.54	Dec.

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

### 4. — BANK OF FINLAND. NOTE RESERVE, HOME LOANS AND RE-DISCOUNTED BILLS.

End of Month	Note Reserve Mill. mk				Home Loans <sup>1)</sup> Mill. mk				Re-discounted Bills (included in Home Loans) Mill. mk				End of Month	
	1945	1946	1947	Monthly Movement	1945	1946	1947	Monthly Movement	1945	1946	1947	Monthly Movement		
Jan.	[1 677]				[19976]					[50]				Jan.
Febr.	4 011	4 379	4 561	+ 816	19 023	22 151	27 452	—1 957		—	968	—1 490		Jan.
March	3 852	4 461	4 737	+176	19 160	21 794	28 699	+1 247		625	2 474	+1 506		Febr.
April	3 768	4 731	4 852	+115	20 213	24 433	30 580	+1 881		949	1 352	—1 122		March
May	3 846	4 687	5 387	+535	20 710	26 429	32 174	+1 594		40	934	998	— 354	April
June	3 676	4 601	5 463	+ 76	21 050	30 726	31 451	— 723		80	2 481	2 257	+1 259	May
July	3 893	4 685	5 397	— 66	21 183	32 283	32 164	+ 713		—	2 874	1 909	— 348	June
Aug.	4 335	4 336	5 332	+435	22 585	32 837	32 033	— 131		—	1 646	687	—1 222	July
Sept.	3 465	4 617	6 021	+189	22 852	32 920	33 242	+1 209		100	2 156	730	+ 43	Aug.
Oct.	4 248	4 989	5 641	—380	23 966	33 043	32 859	— 383		—	1 679	466	— 264	Sept.
Nov.	3 946	4 777	5 917	+276	23 229	31 845	33 699	+ 840		—	1 048	369	— 97	Oct.
Dec.	3 569	4 839	6 246	+329	24 270	30 312	34 208	+ 509		—	1 959	2 537	+2 168	Nov.
	5 018	4 245	5 926	—320	22 397	29 409	34 897	+ 689		—	2 458	3 496	+ 959	Dec.

<sup>1)</sup> Inland bills, loans on security and advances on cash credit.

### 5. — BANK OF FINLAND. TREASURY BILLS AND BALANCES OF CURRENT ACCOUNTS

End of Month	Treasury Bills (included in Home Loans) 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
	1945	1946	1947	Monthly Movement	1945	1946	1947	Monthly Movement	1945	1946	1947	Monthly Movement	
Jan.	[17 750]				[222]				[721]				Jan.
Febr.	16 500	17 950	18 000	+ 80	— 75	— 213	160	—439	635	888	1 087	— 394	Jan.
March	16 500	16 450	16 950	—1 050	— 319	— 69	—567	—727	605	743	789	— 298	Febr.
April	17 700	18 150	19 300	+2 350	— 343	69	—153	+ 414	722	654	1 550	+ 761	March
May	17 700	19 550	20 300	+1 000	— 295	94	556	+709	655	1 068	798	— 752	April
June	17 700	21 750	17 500	—2 800	— 541	— 139	— 17	—573	876	1 047	1 221	+ 423	May
July	17 700	22 500	18 400	+ 900	— 419	64	144	+161	851	860	853	— 368	June
Aug.	19 000	23 900	19 700	+1 300	— 14	195	425	+281	687	855	597	— 256	July
Sept.	19 000	23 500	21 000	+1 300	— 759	— 146	62	—363	382	973	1 011	+ 414	Aug.
Oct.	20 100	24 300	20 800	— 200	143	39	293	+231	1 034	1 036	1 301	+ 290	Sept.
Nov.	19 400	23 520	21 350	+ 550	— 125	147	277	— 16	1 218	1 427	1 308	+ 7	Oct.
Dec.	20 500	20 370	18 800	—2 550	— 416	246	872	+595	1 368	683	633	— 675	Nov.
	18 600	17 920	18 500	— 300	149	599	114	—758	2 685	1 481	2 884	+2 251	Dec.

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

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

	1939 31/12	1945 31/12; 1946 31/1	1946 23/2—30/4	1946 31/5	1946 30/6	1946 31/7	1946 31/8—31/12	1947 31/1—31/12
New York	49:35	136:—	136:—	136:—	136:—	136:—	136:—	136:—
London	197:—	547:—	547:—	547:—	547:—	547:—	547:—	547:—
Stockholm	1 171:—	3 230:—	3 230:—	3 230:—	3 230:—	3 790:—	3 790:—	3 790:—
Berlin	1 982:—	—	—	—	—	—	—	—
Paris	113:50	115:—	114:—	114:—	114:—	114:—	114:—	114:—
Brussels	836:—	310:—	310:—	310:—	310:—	310:—	310:—	310:—
Amsterdam	2 650:—	—	—	—	5 120:—	5 120:—	5 120:—	5 120:—
Basle	1 123:—	3 175:—	3 175:—	3 175:—	3 175:—	3 175:—	3 175:—	3 175:—
Oslo	1 127:—	2 750:—	2 750:—	2 745:—	2 745:—	2 745:—	2 745:—	2 745:—
Copenhagen	954:—	2 830:—	2 830:—	2 830:—	2 830:—	2 830:—	2 830:—	2 830:—
Prague	—	—	—	—	275:—	275:—	275:—	275:—
Rome	260:—	—	—	—	—	—	—	—
Madrid	1) 540:—	—	—	—	—	—	—	—
Montreal	45:25	124:—	124:—	124:—	124:—	135:50	135:50	135:50
Lisbon	—	560:—	560:—	560:—	560:—	560:—	560:—	560:—
Rio de Janeiro	—	—	760:—	760:—	760:—	740:—	765:—	765:—

1) Nominal rate.

## 7. — COMMERCIAL BANKS. HOME DEPOSITS AND CREDITS FROM THE BANK OF FINLAND.

End of Month	Due to the Public				Due to other Credit Institutions		Total			Monthly Movement	Credits from the Bank of Finland		End of Month
	Cheque Accounts Mill. mk		Deposits Mill. mk		Mill. mk		Mill. mk				Mill. mk		
	1946	1947	1946	1947	1946	1947	1945	1946	1947				
	[11 566]		[16 558]		[7 184]		[26 070]				[—]		
Jan.	10 246	13 641	16 508	17 912	6 977	4 055	26 191	33 731	35 608	+ 178	—	722	Jan.
Febr.	9 911	12 507	16 593	18 101	6 329	3 990	26 445	32 833	34 598	—1 010	797	2 438	Febr.
March	9 951	13 301	16 938	18 774	6 425	5 062	27 150	33 314	37 137	+2 539	1 071	1 476	March
April	11 216	13 857	16 969	18 939	5 891	5 515	26 972	34 076	38 311	+1 174	1 066	1 159	April
May	11 009	14 384	17 047	18 955	5 681	5 625	27 400	33 737	38 964	+ 653	2 607	2 257	May
June	11 173	14 657	17 271	18 966	5 231	5 480	28 306	33 675	39 103	+ 139	3 158	1 908	June
July	11 740	14 829	17 234	19 197	5 034	6 001	28 344	34 008	40 027	+ 924	1 930	682	July
Aug.	11 998	14 779	17 286	19 646	4 788	7 059	28 035	34 072	41 484	+1 457	2 312	728	Aug.
Sept.	12 684	16 426	17 249	19 514	4 555	6 867	30 839	34 438	42 807	+1 323	1 703	466	Sept.
Oct.	14 005	16 767	17 185	19 270	4 241	6 933	32 148	35 431	42 970	+ 163	705	374	Oct.
Nov.	13 612	16 217	17 013	19 098	3 813	5 824	32 462	34 438	41 139	—1 831	1 639	2 542	Nov.
Dec.	13 695		17 564		4 171		35 308	35 430			2 896		Dec.

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

## 8. — COMMERCIAL BANKS. HOME LOANS.

End of Month	To the Public				To other Credit Institutions		Total			Monthly Movement		End of Month
	Inland Bills Mill. mk		Other Credits Mill. mk		Mill. mk		Mill. mk					
	1946	1947	1946	1947	1946	1947	1945	1946	1947	1946	1947	
	[7 248]		[14 081]		[964]		[16 822]					
Jan.	8 122	10 345	15 330	19 092	979	658	16 951	24 431	30 095	+ 2 138	+ 566	Jan.
Febr.	7 839	10 818	15 992	19 418	873	614	17 120	24 704	30 850	+ 273	+ 755	Febr.
March	8 435	11 984	16 676	19 280	904	873	17 642	26 015	32 137	+ 1 311	+ 1 287	March
April	9 009	13 707	17 194	19 515	972	942	18 148	27 175	34 164	+ 1 160	+ 2 027	April
May	9 834	14 639	17 702	19 487	1 040	1 086	18 674	28 576	35 212	+ 1 401	+ 1 048	May
June	10 113	14 670	18 007	19 404	939	971	19 134	29 059	35 045	+ 483	— 167	June
July	9 737	15 171	18 382	19 616	928	1 320	20 567	29 047	36 107	— 12	+ 1 062	July
Aug.	9 593	15 543	18 267	19 056	761	1 372	20 403	28 621	35 971	— 426	— 136	Aug.
Sept.	9 560	15 929	18 153	19 163	704	1 322	21 631	28 417	36 414	— 204	+ 443	Sept.
Oct.	9 641	16 236	18 604	19 854	658	1 711	22 935	28 903	37 801	+ 486	+ 1 387	Oct.
Nov.	9 711	16 801	18 876	20 045	658	1 433	22 600	29 245	38 279	+ 342	+ 478	Nov.
Dec.	10 176		18 598		755		22 293	29 529		+ 284		Dec.

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

## 9. — COMMERCIAL BANKS. POSITION TOWARDS FOREIGN COUNTRIES.

End of Month	Claims <sup>1)</sup> Mill. mk				Indebtedness <sup>2)</sup> Mill. mk				Net Claims (+) or Net Indebtedness (—) Mill. mk				Monthly Movement		End of Month
	1944	1945	1946	1947	1944	1945	1946	1947	1944	1945	1946	1947	1946	1947	
Jan.	[140]				[352]				—212]						Jan.
Febr.	141	125	342	2 501	373	251	355	2 299	—232	—126	—13	+ 202	—46	—154	Febr.
March	134	103	473	2 397	390	255	357	2 092	—256	—152	+116	+ 305	+129	+103	March
April	128	84	662	2 322	320	263	720	2 224	—192	—179	—58	+ 98	—174	—207	April
May	131	86	696	2 351	324	276	819	2 309	—193	—190	—123	+ 42	—65	—56	May
June	133	91	781	2 588	356	274	982	2 450	—223	—183	—201	+ 138	—78	+ 96	June
July	133	95	796	2 815	385	283	999	2 474	—252	—188	—203	+ 341	—2	+203	July
Aug.	137	86	672	3 351	518	296	868	2 442	—381	—210	—196	+ 909	+ 7	+568	Aug.
Sept.	127	98	673	3 232	461	292	860	2 230	—334	—194	—187	+1002	+ 9	+ 93	Sept.
Oct.	125	104	859	3 777	425	301	911	2 564	—300	—197	—52	+1 213	+135	+211	Oct.
Nov.	124	176	1 169	3 975	488	313	919	2 792	—314	—137	+250	+1 183	+302	—30	Nov.
Dec.	123	232	1 090	4 150	247	317	932	3 105	—124	—85	+158	+1 045	—92	—138	Dec.
	125	385	2 460		247	352	2 104		—122	+ 33	+356		+198		

<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>

End of Month	Net Claims (+) or Net Indebtedness (—) Mill. mk				Monthly Movement		End of Month
	1944	1945	1946	1947	1946	1947	
Jan.	[—3700]						Jan.
Febr.	—3 488	— 822	—1 166	—4 806	+ 390	+ 347	Febr.
March	—3 273	— 875	— 398	—4 621	+ 768	+ 185	March
April	—2 624	— 991	—1 289	—3 762	— 891	+ 859	April
May	—2 162	— 951	—1 487	—4 572	— 198	— 810	May
June	—1 715	— 887	—6 509	—3 722	—5 022	+ 850	June
July	—1 206	— 929	—8 486	—3 360	—1 977	+ 362	July
Aug.	—1 107	—1 332	—9 289	—1 940	— 803	+1 420	Aug.
Sept.	— 967	—1 379	—8 620	—1 968	+ 669	— 28	Sept.
Oct.	— 982	—1 507	—7 439	— 690	+1 181	+1 278	Oct.
Nov.	—1 095	—1 624	—6 350	— 588	+1 089	+ 102	Nov.
Dec.	— 814	—2 543	—5 595	— 364	+ 755	+ 224	Dec.
	— 813	—1 556	—5 153		+ 442		

<sup>1)</sup> For the Bank of Finland the net result of the debit and credit accounts with foreign correspondents, foreign clearing transactions and foreign commercial debt as well as foreign bills are taken into account, and for the Commercial Banks their net position is taken into account according to table 9 above.

<sup>2)</sup> According to figures supplied by the Post Office Savings Bank.

11. — DEPOSITS IN POST OFFICE SAVINGS BANK.<sup>2)</sup>

End of Month	Deposits Mill. mk				Monthly Movement		End of Month
	1944	1945	1946	1947	1946	1947	
Jan.	[1949]						Jan.
Febr.	2 103	3 355	5 319	7 365	— 98	+152	Febr.
March	2 173	3 337	5 370	7 481	+ 51	+116	March
April	2 305	3 342	5 539	7 574	+219	+ 93	April
May	2 472	3 413	5 712	7 527	+123	— 47	May
June	2 552	3 749	5 784	7 609	+ 72	+ 82	June
July	2 589	4 112	5 846	7 692	+ 62	+ 83	July
Aug.	2 661	4 139	5 940	7 796	+ 94	+104	Aug.
Sept.	2 735	4 130	6 458	8 086	+548	+290	Sept.
Oct.	2 777	4 494	6 647	8 094	+159	+ 8	Oct.
Nov.	2 878	4 681	6 777	8 123	+130	+ 29	Nov.
Dec.	2 857	4 784	6 845	7 956	+ 68	—167	Dec.
	3 170	5 417	7 213		+368		

## 12. — DEPOSITS IN THE SAVINGS BANKS.

End of Month	Savings Accounts Mill. mk			Current Accounts Mill. mk			Total Mill. mk				Monthly Movement		End of Month
	1945	1946	1947	1945	1946	1947	1944	1945	1946	1947	1946	1947	
Jan.	[12 928]			[769]			[11 510]						Jan.
Febr.	13 258	17 465	19 637*	746	916	1 228*	11 687	14 004	18 381	20 865*	—449	+ 84*	Febr.
March	13 455	17 603	19 834*	761	923	1 263*	11 839	14 216	18 526	21 097*	+145	+232*	March
April	13 532	17 770	20 203*	779	981	1 426*	12 068	14 311	18 751	21 629*	+225	+532*	April
May	13 577	17 896	20 530*	757	1 050	1 624*	12 185	14 334	18 946	22 154*	+195	+525*	May
June	13 753	17 884	20 681*	800	1 156	1 654*	12 435	14 553	19 040	22 335*	+ 94	+181*	June
July	14 160	18 303	20 763*	844	1 262	1 669*	12 714	15 004	19 565	22 432*	+525	+ 97*	July
Aug.	14 318	18 431	21 100*	868	1 260	1 787*	12 880	15 186	19 691	22 887*	+126	+455*	Aug.
Sept.	14 456	18 586	21 497*	945	1 353	1 798*	13 169	15 401	19 939	23 295*	+248	+408*	Sept.
Oct.	15 277	18 628	21 567*	1 017	1 409	1 946*	13 352	16 294	20 037	23 513*	+ 98	+218*	Oct.
Nov.	15 807	18 562	21 591*	1 024	1 363	2 132*	13 569	16 831	19 925	23 723*	—112	+210*	Nov.
Dec.	16 167	18 593	21 519*	1 034	1 334	2 082*	13 701	17 201	19 927	23 601*	+ 2	—122*	Dec.
	17 583	19 461		1 247	1 320		13 697	18 830	20 781		+854		

According to 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

### 13. — DEPOSITS IN CO-OPERATIVE CREDIT SOCIETIES AND CONSUMERS' CO-OPERATIVE SOCIETIES.

End of Month	Deposits in Co-operative Credit Societies <sup>1)</sup>				Monthly Movement		Deposits in Consumers' Co-operative Societies <sup>2)</sup>				Monthly Movement		End of Month
	Mill. mk				1946	1947	1944	1945	1946	1947	1946	1947	
	[3434]						[1 039]						
Jan.	3 482	4 602	6 757	8 339	-169	- 18	1 087	1 318	2 031	2 315	- 5	+53	Jan.
Febr.	3 583	4 661	6 838	8 433	+ 81	+ 94	1 108	1 341	2 053	2 354	+ 22	+39	Febr.
March	3 781	4 804	7 118	8 962	+280	+529	1 132	1 354	2 085	2 414	+ 32	+60	March
April	3 888	4 842	7 304	9 292	+186	+330	1 151	1 363	2 112	2 459	+ 27	+45	April
May	4 005	4 978	7 405	9 407	+101	+115	1 171	1 388	2 112	2 473	- 0	+14	May
June	4 110	5 150	7 534	9 604	+129	+197	1 188	1 429	2 138	2 521	+ 26	+48	June
July	4 187	5 246	7 606	9 838	+ 72	+234	1 193	1 447	2 132	2 549	- 6	+28	July
Aug.	4 310	5 332	7 739	10 412	+133	+574	1 209	1 465	2 127	2 573	- 5	+24	Aug.
Sept.	4 374	5 557	7 869	10 618	+130	+206	1 216	1 599	2 126	2 584	- 1	+11	Sept.
Oct.	4 447	5 901	7 883	10 667	+ 14	+ 49	1 232	1 690	2 130	2 586	+ 4	+ 2	Oct.
Nov.	4 453	6 061	7 871	10 597	- 12	- 70	1 244	1 755	2 145	2 595	+ 15	+ 9	Nov.
Dec.	4 507	6 926	8 357		+486		1 268	2 036	2 262		+117		Dec.

<sup>1)</sup> Figures supplied by the Central Bank for Co-operative Credit Societies. — <sup>2)</sup> According to data supplied by the Finnish Co-operative Wholesale Society and the Co-operative Wholesale Association.

### 14. — DEPOSITS IN ALL CREDIT INSTITUTIONS. <sup>1)</sup>

End of Month	Total Deposits due to the Public				Monthly Movement	
	1944	1945	1946	1947	1946	1947
	[36 569]					
Jan.	36 741	45 061	59 332	70 534*	-2 085	+ 551*
Febr.	37 155	45 586	59 378	70 066*	+ 46	- 468*
March	39 065	46 263	60 517	72 866*	+1 139	+2 800*
April	39 579	46 420	62 351	74 405*	+1 834	+1 539*
May	40 596	47 396	62 475	75 290*	+ 124	+ 885*
June	41 924	49 098	63 601	76 046*	+1 126	+ 756*
July	42 539	49 067	64 423	77 264*	+ 822	+1 218*
Aug.	43 883	49 285	65 664	79 070*	+1 241	+1 806*
Sept.	44 452	52 835	66 716	81 102*	+1 052	+2 032*
Oct.	45 266	54 874	67 988	81 388*	+1 272	+ 286*
Nov.	45 535	56 186	67 504	80 303*	- 484	-1 085*
Dec.	44 535	61 417	69 983		+2 479	

<sup>1)</sup> Commercial Banks, Post Office Savings Bank, Savings Banks, Co-operative Credit Societies, Central Bank for Co-operative Credit Societies, Consumers' Co-operative Credit Societies, and Mortgage Banks.

### 15. — INSURANCES IN LIFE ASSURANCE COMPANIES.

New risks accepted <sup>1)</sup>				End of Month
1946		1947		
Number	Amount Mill. mk	Number	Amount Mill. mk	
14 933	689	14 135*	834*	January
17 956	847	15 919*	981*	February
19 586	919	18 070*	1 133*	March
18 290	881	15 669*	1 011*	April
18 045	925	14 406*	944*	May
14 759	758	14 718*	983*	June
11 645	611	9 541*	685*	July
13 222	705	10 838*	787*	August
14 264	801	12 314*	978*	September
17 262	997	15 953*	1 289*	October
17 497	1 025	18 528*	1 541*	November
21 688	1 348			December
199 147	10 506			Total
177 459	9 158	160 091*	11 166*	Jan.—Nov.

<sup>1)</sup> According to information supplied by the Finnish Life Assurance Companies.

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

Year and Quarter	Companies founded		Companies with increased Capital		Companies liquidated		Companies with reduced Capital		Net increase (+) or reduction (-)		Year and Quarter
	Num-ber	Capital Mill. mk	Num-ber	Increase of Capital Mill. mk	Num-ber	Capital Mill. mk	Num-ber	Reduction of Capital Mill. mk	Num-ber	Capital Mill. mk	
1943	866	573	541	1 250	193	134	6	9	+ 673	+1 680	1943
1944	523	238	316	633	176	128	2	1	+ 347	+ 742	1944
1945	1 485	797	428	511	120	111	4	34	+1 365	+1 163	1945
1946	1 355	649	956	3 764	110	51	8	7	+1 245	+4 355	1946
1946											1946
July—Sept.	268	106	182	401	24	6	1	4	+ 244	+ 497	July—Sept.
Oct.—Dec.	357	208	472	2 808	21	16	3	2	+ 336	+2 998	Oct.—Dec.
1947											1947
Jan.—March	289	175	244	544	24	17	1	2	+ 265	+ 700	Jan.—March
April—June	253	176	167	646	10	6	—	—	+ 243	+ 816	April—June
July—Sept.	192	134	194	210	21	6	1	68	+ 171	+ 270	July—Sept.

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. — BANKRUPTCIES.

Month	Bankruptcies <sup>1)</sup>					
	Number					
	1942	1943	1944	1945	1946	1947
January	12	15	7	10	13	15
February	6	8	10	7	8	12
March	18	8	4	6	10	6
April	10	10	12	3	7	10
May	7	13	6	7	11	5
June	6	9	2	12	6	3
July	9	11	9	3	6	5
August	7	4	12	8	6	8
September	17	1	15	2	6	11
October	9	7	10	11	17	
November	7	12	10	2	13	
December	14	11	8	8	5	
Total	117	109	105	79	108	
Jan.—Sept.	87	79	77	58	73	75

<sup>1)</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.

## 18. — STOCK EXCHANGE.

Month	Turnover of Stock Exchange <sup>1)</sup>					
	Mill. mk					
	1942	1943	1944	1945	1946	1947
January	40	24	30	29	54	83
February	51	26	38	41	75	84
March	88	29	44	117	65	70
April	75	34	27	108	57	81
May	75	43	41	81	144	106
June	20	30	49	129	87	75
July	19	28	31	114	59	70
August	19	24	44	132	40	53
September	28	59	51	219	87	166
October	40	37	33	157	170	151
November	29	40	53	94	206	110
December	38	46	47	109	144	200
Total	522	425	488	1330	1188	1249

<sup>1)</sup> According to data supplied by the Stock Exchange Committee.

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

Month	Share Prices												Month
	All kinds				Bank Shares				Industrial Shares				
	1944	1945	1946	1947	1944	1945	1946	1947	1944	1945	1946	1947	
January	244	218	414	324	131	111	143	108	282	262	536	411	January
February	240	214	324	304	126	109	130	106	277	258	407	379	February
March	249	260	293	297	128	122	121	107	289	322	364	366	March
April	255	305	324	310	128	134	124	105	301	383	405	388	April
May	257	352	396	296	127	147	130	104	304	451	519	371	May
June	245	458	436	292	123	160	129	102	287	611	582	365	June
July	239	651	378	282	120	205	122	99	280	878	496	348	July
August	256	691	356	282	122	206	121	98	303	916	462	348	August
September	248	499	358	308	120	167	125	102	294	661	463	384	September
October	235	497	368	337	117	162	123	103	282	648	477	424	October
November	202	417	370	332	108	148	117	103	239	541	481	418	November
December	209	416	340	336	108	140	110	104	250	545	436	423	December
Whole year	240	415	363	308	121	134	125	104	282	540	469	385	Whole year

\* Untas index based on the prices quoted for the shares of 3 banks and 10 industrial firms.

## 20. — PUBLIC DEBT.

End of Year and Month	According to the Finance Accounts Mill. mk <sup>1)</sup>									Mill. Dollars <sup>2)</sup>	End of Year and Month
	Funded Debt			Short-term Credit			Total Public Debt			Total Public Debt	
	Foreign	Internal	Total	Foreign	Internal	Total	Foreign	Internal	Total		
1943	3 321	26 493	29 814	2 070	19 937	22 007	5 391	46 430	51 821	1 050	1943
1944	4 010	38 608	42 618	2 088	22 806	24 894	6 098	61 414	67 512	1 368	1944
1945	15 664	39 994	55 658	4 283	25 782	30 065	19 947	65 776	85 723	630	1945
1946	26 561	51 301	77 862	5 072	22 137	27 209	31 633	73 438	105 071	773	1946
1947											1947
July	33 267	56 098	89 365	5 064	21 435	26 499	38 331	77 533	115 864	852	July
August	33 321	55 781	89 102	5 068	22 715	27 783	38 389	78 496	116 885	860	August
September	33 695	56 133	89 828	5 074	23 390	28 464	38 769	79 523	118 292	870	September
October	33 840	56 770	90 610	5 078	22 395	27 473	38 918	79 165	118 083	869	October
November	33 295	56 980	90 275	5 076	19 935	25 011	38 371	76 915	115 286	848	November

<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 current rates of exchange. — <sup>2)</sup> The outstanding amounts of both internal and foreign loans have been converted into United States dollars at the Helsinki rates of exchange of the respective currencies.

## 21. — STATE REVENUE AND EXPENDITURE.

Year and Month	Total Revenue	Current Revenue <sup>1)</sup> derived from							Capital Revenue	Expenditure			Year and Month
		Income and Property tax <sup>2)</sup>	Excise on spirits, wines, etc.	Stamp duty	Sales tax	Interest and Dividends	Railways, Posts, Telegraphs <sup>3)</sup>	State Forests <sup>4)</sup>		Total	Current	Capital	
Mill. mk								Mill. mk					
1946													1946
Jan.—Oct.	55 572	11 393	327	1 000	6 862	5 683	236	—275	16 717	66 360	59 698	9 662	Jan.—Oct.
Whole year	104 345	19 482	435	1 375	13 536	5 736	249	909	37 945	100 106	76 159	23 947	Whole year
1947													1947
Jan.—Oct.	59 328	13 674	321	1 421	9 144	6 241	823	155	13 264	60 192	47 636	12 556	Jan.—Oct.
1947													1947
Budget	62 558	15 650	354	1 000	11 000	6 834	648	881	13 241	62 532	47 169	15 363	Budget

Tables 21—23 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 tables 22 and 23 below. — <sup>2)</sup> Including special and supplementary taxes on income and property but not the Capital Levy nor the surplus income tax and inheritance tax. — <sup>3)</sup> The figures given refer to net revenue.

## 22. — COLLECTION OF CUSTOMS.

Year and Month	Total Customs Receipts	Customs duty on		Fines, Light Dues, etc.
		Imported goods incl. storage charges	Exported goods	
		Mill. mk		
1946				
Jan.—Nov.	2 047	1 993	0	54
Whole year	2 531	2 470	0	61
1947				
Jan.—Nov.	4 189	4 104	0	85
1947				
Budget	3 522	3 500	1	21

## 23. — COLLECTION OF EXCISE DUES.

Total Excise Dues	Excise on				Year and Month
	Tobacco	Spirits	Beer	Matches	
	Mill. mk				
3 584	2 838	144	183	208	1946
4 430	3 472	198	237	245	Jan.—Oct. Whole year
4 227	3 481	137	184	188	1947 Jan.—Oct.
4 314	3 500	174	180	250	1947 Budget

## 24. — VALUE OF IMPORTS AND EXPORTS.

Month	Imports (c. i. f.) Mill. mk			Exports (f. o. b., free exports) Mill. mk			Surplus of Imports (—) or Exports (+) Mill. mk			Month
	1945	1946	1947	1945	1946	1947	1945	1946	1947	
January	391	944	2 825*	31	957	1 961*	— 360	+ 13	— 864*	January
February	339	884	2 304*	15	681	1 170*	— 324	— 203	— 1 134*	February
March	332	1 330	1 138*	31	1 013	783*	— 301	— 317	— 355*	March
April	368	1 388	1 464*	46	1 067	2 107*	— 322	— 321	+ 643*	April
May	429	1 999	3 843*	67	1 708	4 855*	— 362	— 291	+ 1 012*	May
June	349	2 511	3 939*	127	1 965	4 583*	— 222	— 546	+ 644*	June
July	311	2 988	4 899*	248	2 068	5 768*	— 63	— 920	+ 869*	July
August	662	2 729	4 014*	550	2 505	5 498*	— 112	— 224	+ 1 484*	August
September	512	2 391	5 196*	730	2 379	4 807*	+ 218	— 12	— 389*	September
October	685	2 316	5 218*	1 055	3 240	4 884*	+ 370	+ 924	— 334*	October
November	812	2 269	4 980*	988	2 907	5 014*	+ 176	+ 638	+ 34*	November
December	1 631	2 525	7 078*	1 340	2 561	3 779*	— 291	+ 36	— 3 299*	December
Total	6 821	24 274	46 898*	5 228	23 051	45 209*	— 1 593	— 1 223	— 1 689*	Total

Tables 24—29 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

## 25. — VALUE OF IMPORTS AND EXPORTS IN DIFFERENT CLASSES OF GOODS.

Classes of Goods	Imports (c. i. f.) Mill. mk					Exports (f. o. b.) Mill. mk				
	Whole year		Jan.—Nov.			Whole year		Jan.—Nov.		
	1945	1946	1945	1946	1947*	1945	1946	1945	1946	1947*
Dairy produce, eggs, honey	274	702	123	402	201	57	107	44	89	34
Other animal products, live animals .....	264	606	234	483	549	18	67	15	51	1 091
Vegetables .....	78	9	68	7	12	—	0	—	0	17
Eatable fruit .....	4	74	3	42	140	0	14	0	14	9
Coffee, tea, spices .....	13	171	8	123	284	—	—	—	—	—
Cereals, milling products ..	1 365	3 088	1 004	3 058	5 597	0	—	0	—	0
Certain seeds and fruit, plants for industrial purposes ..	46	153	39	151	253	2	29	2	25	8
Raw materials for tanning and dyeing .....	3	78	2	51	112	0	—	0	—	—
Animal and vegetable fats ..	269	333	265	300	1 091	—	0	—	0	0
Meat and fish products ...	81	62	52	62	90	—	0	—	0	—
Sugar, sweets .....	272	846	217	817	1 216	—	—	—	—	7
Beverages, vinegars .....	0	166	0	140	161	—	19	—	12	121
Fodder .....	2	143	2	143	368	0	0	0	0	—
Tobacco .....	195	415	176	391	581	—	—	—	—	—
Minerals, ore .....	207	864	168	747	848	85	76	79	71	57
Mineral fuel and oils .....	531	3 643	409	3 296	5 246	2	0	2	0	0
Chemical and pharmaceutical products .....	274	1 010	195	871	1 527	20	39	17	29	116
Tanning and dyeing extracts, varnishes .....	73	340	53	302	663	1	2	1	2	11
Caseine, albumine, glues ..	116	263	87	217	365	—	1	—	1	0
Fertilizers .....	157	854	138	786	1 956	0	—	0	—	—
Hides, skins, leather and furs; manufactures of these materials .....	45	215	30	199	559	0	97	0	87	247
Rubber and rubber articles	77	656	21	614	838	2	0	2	0	1
Wood and wooden goods ..	3	21	2	19	44	1 908	9 744	1 428	8 602	17 746
Woodpulp .....	4	1	4	1	10	1 217	4 285	904	3 802	9 989
Cardboard and paper; their applications .....	6	38	5	36	51	1 312	6 915	890	6 195	10 010
Textile materials, textile goods .....	567	1 719	379	1 592	3 303	206	646	184	585	680
Footwear .....	40	101	29	61	192	0	4	0	3	0
Articles of stone and of other mineral material, glass ..	48	222	41	202	284	62	204	54	180	308
Base metals; articles made therefrom .....	1 092	3 433	860	3 090	6 223	120	445	69	410	510
Machinery, apparatus .....	364	1 428	284	1 223	2 089	88	41	82	35	95
Electrical machinery and apparatus .....	123	535	90	488	897	23	46	20	43	76
Transport material .....	52	1 533	44	1 358	3 282	3	10	3	9	21
Instruments, clocks and watches, musical instruments .....	31	111	28	100	212	1	5	1	5	8
All others .....	145	441	130	377	576	101	255	91	240	268
Total free trade	6 821	24 274	5 190	21 749	39 820	5 228	23 051	3 888	20 490	41 430
Reparation deliveries .....						8 172	8 775	6 793	7 497	9 488
Restitution goods .....						1 284	655	1 145	655	—

\* Preliminary figures subject to minor alterations.

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

Month	Wheat Tons			Rye Tons			Sugar Refined and unrefined Tons			Month
	1945	1946	1947	1945	1946	1947	1945	1946	1947	
January	11 133	5 242	17 065*	12 764	22 724	14 341*	2 278	1 659	1 501*	January
February	7 326	4 764	—	5 889	2 403	12 817*	1 679	2 276	1 587*	February
March	11 378	3 953	7 774*	12 887	14 924	2 467*	1 563	2 161	1 431*	March
April	3 384	4 435	3 657*	12 994	1 049	18 239*	1 305	2 020	626*	April
May	2 221	0	12 700*	25 967	9 459	2 601*	538	1 963	2 529*	May
June	45	16 011	2 099*	16 632	40 308	9 333*	997	2 410	7 802*	June
July	1 270	17 454	11 005*	12 732	21 047	9 192*	1 910	4 892	6 040*	July
August	—	30 274	9 488*	19 175	15 312	14 257*	1 355	3 690	5 168*	August
September	3 450	12 735	9 434*	5 748	19 861	26 608*	795	3 112	3 773*	September
October	6 645	1 551	90*	2 200	8 829	30 138*	1 361	3 531	13 765*	October
November	6 370	—	18 476*	5 910	213	7 533*	389	3 656	3 892*	November
December	16 504	—	—	17 015	—	—	1 992	1 128	—	December
Total	69 726	96 419	—	149 863	156 129	—	16 162	32 498	—	Total
Jan.—Nov.	53 222	96 419	91 788*	132 848	156 129	147 526*	14 170	31 370	48 114*	Jan.—Nov.

Month	Raw Tobacco Tons			Coal and Coke Tons			Petrol Tons			Month
	1945	1946	1947	1945	1946	1947	1945	1946	1947	
January	119	167	215*	36 322	19 422	40 835*	113	—	7 545*	January
February	108	142	205*	6 726	23 868	50 620*	177	191	7 404*	February
March	96	152	254*	3 012	46 747	5 013*	88	36	8 697*	March
April	93	166	232*	—	73 911	61*	228	386	9 989*	April
May	60	197	247*	—	88 959	24 555*	196	1 201	10 137*	May
June	96	144	245*	—	70 041	112 824*	208	4 122	12 854*	June
July	91	102	124*	—	154 693	223 939*	259	5 279	15 221*	July
August	203	208	345*	—	95 672	140 047*	386	6 969	16 454*	August
September	128	198	328*	—	126 632	233 278*	525	5 819	16 086*	September
October	157	192	353*	20 123	95 977	245 516*	316	6 315	15 637*	October
November	159	182	331*	32 948	62 322	164 655*	419	6 457	12 428*	November
December	89	108	—	12 167	79 719	—	1 720	5 554	—	December
Total	1 399	1 958	—	111 298	937 963	—	4 635	42 329	—	Total
Jan.—Nov.	1 310	1 850	2 879*	99 131	858 244	1 246 346*	2 915	36 775	132 452*	Jan.—Nov.

Month	Raw Cotton Tons			Fig Iron Tons			Bar Iron and Bar Steel Tons			Month
	1945	1946	1947	1945	1946	1947	1945	1946	1947	
January	908	1 137	1 088*	—	101	10*	116	654	3 193*	January
February	692	441	3 430*	—	—	5*	826	1 825	3 789*	February
March	196	276	1 451*	—	150	20*	3 291	2 124	846*	March
April	314	1 402	—	—	660	100*	3 201	2 694	1 005*	April
May	286	423	1 871*	—	150	920*	2 414	4 467	7 890*	May
June	836	719	1 263*	—	220	270*	1 586	3 491	7 759*	June
July	257	502	—	150	69	40*	691	6 531	6 736*	July
August	278	2 583	93*	99	100	2 255*	1 169	3 820	5 427*	August
September	367	118	—	125	—	3 902*	1 156	4 218	9 532*	September
October	646	647	587*	—	471	4 985*	1 295	4 173	10 064*	October
November	556	203	12*	227	65	1 040*	952	7 100	8 977*	November
December	543	67	—	100	242	—	605	4 152	—	December
Total	5 879	8 518	—	701	2 228	—	17 302	45 249	—	Total
Jan.—Nov.	5 336	8 451	9 795*	601	1 986	13 547*	16 697	41 097	65 218*	Jan.—Nov.

\* Preliminary figures subject to minor alterations.

27. — EXPORTS OF THE MOST IMPORTANT ARTICLES.<sup>1)</sup>

Month	Copper Ore Tons			Round Timber All kinds excl. fuel 1 000 m <sup>3</sup>			Sawn Timber All kinds 1 000 standards			Month
	1945	1946	1947	1945	1946	1947	1945	1946	1947	
January	3 150	—	—	1	24	30*	—	2	16*	January
February	69	—	—	—	9	15*	0	0	5*	February
March	129	—	—	—	15	—	—	0	5*	March
April	3 367	—	—	0	26	1*	—	0	4*	April
May	100	—	—	0	74	33*	0	6	9*	May
June	97	—	—	1	88	118*	1	20	34*	June
July	153	—	—	1	153	387*	3	31	66*	July
August	45	—	—	14	258	391*	6	34	73*	August
September	54	—	—	35	187	415*	14	43	63*	September
October	158	—	—	138	235	280*	34	64	53*	October
November	118	—	—	63	149	178*	16	48	58*	November
December	249	—	—	26	121	—	22	30	—	December
Total	7 689	—	—	279	1 339	—	96	278	—	Total
Jan.—Nov.	7 440	—	—	253	1 218	1 848*	74	248	386*	Jan.—Nov.

1 standard sawn timber = 4.072 m<sup>3</sup>.

Month	Matches Tons			Plywood 1 000 m <sup>3</sup>			Bobbins (spools) Tons			Month
	1945	1946	1947	1945	1946	1947	1945	1946	1947	
January	—	24	205*	0	2	8*	—	41	67*	January
February	—	78	114*	0	1	7*	—	65	46*	February
March	—	53	4*	1	10	1*	—	256	—	March
April	—	301	105*	0	9	10*	—	108	212*	April
May	—	126	424*	1	16	22*	—	212	511*	May
June	—	260	196*	1	12	20*	9	123	252*	June
July	—	148	36*	1	8	14*	—	212	145*	July
August	—	180	81*	2	9	12*	—	86	154*	August
September	89	154	31*	5	10	10*	—	162	363*	September
October	116	278	47*	7	14	17*	3	146	246*	October
November	72	114	6*	5	9	15*	45	158	460*	November
December	72	87	—	6	10	—	55	217	—	December
Total	349	1 803	—	29	110	—	112	1 786	—	Total
Jan.—Nov.	277	1 716	1 249*	23	100	136*	57	1 569	2 456*	Jan.—Nov.

Month	Mechanical Pulp <sup>2)</sup> Tons			Sulphite Cellulose <sup>2)</sup> Tons			Sulphate Cellulose <sup>2)</sup> Tons			Month
	1945	1946	1947	1945	1946	1947	1945	1946	1947	
January	—	4 838	4 075*	—	14 419	19 410*	—	10 154	10 653*	January
February	—	1 697	1 162*	—	7 816	9 742*	—	7 785	8 591*	February
March	—	1 598	—	—	11 082	1 166*	—	8 170	1 806*	March
April	—	1 037	142*	—	15 897	10 328*	—	11 546	10 750*	April
May	—	7 221	13 011*	—	27 990	45 150*	—	24 109	35 379*	May
June	—	11 836	8 405*	—	23 778	34 597*	—	15 731	25 657*	June
July	4 017	10 090	15 137*	7 412	11 798	44 240*	6 125	15 082	50 147*	July
August	9 674	11 190	9 667*	9 721	17 309	24 695*	9 684	22 642	34 002*	August
September	2 739	4 053	4 877*	3 209	10 823	24 468*	9 121	12 521	31 523*	September
October	2 062	5 304	4 873*	9 275	19 880	22 423*	5 930	15 916	23 378*	October
November	4 742	4 187	3 411*	18 699	19 562	33 237*	18 735	16 965	26 712*	November
December	15 611	3 207	—	16 242	22 211	—	9 633	20 327	—	December
Total	38 845	66 258	—	64 736	202 565	—	60 177	180 948	—	Total
Jan.—Nov.	23 234	63 051	64 760*	48 494	180 354	269 456*	50 544	160 621	258 598*	Jan.—Nov.

<sup>2)</sup> Free exports. — <sup>2)</sup> Dry weight.

\* Preliminary figures subject to minor alterations.

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

Month	Cardboard All kinds Tons			Paper All kinds Tons			Newsprint (included in previous column) Tons			Month
	1945	1946	1947	1945	1946	1947	1945	1946	1947	
January	—	5 834	7 891*	42	23 867	24 094*	—	16 551	12 880*	January
February	—	3 761	2 675*	40	14 376	9 300*	—	7 588	4 953*	February
March	—	9 870	812*	79	20 378	9 890*	—	13 321	7 270*	March
April	29	9 486	8 170*	65	20 783	24 521*	—	13 354	15 389*	April
May	—	7 056	16 957*	57	26 621	55 029*	—	16 496	32 863*	May
June	119	7 783	11 103*	5 360	29 129	43 875*	3 631	19 113	26 861*	June
July	486	8 214	8 510*	7 467	29 463	40 110*	6 280	19 667	29 713*	July
August	2 833	9 425	7 161*	13 022	29 125	45 278*	7 879	20 925	32 561*	August
September	2 212	7 105	8 266*	15 055	27 526	28 040*	10 610	17 864	18 318*	September
October	4 613	8 123	10 857*	12 814	33 035	36 402*	7 769	20 953	23 358*	October
November	3 863	6 889	11 711*	11 236	33 568	37 101*	6 999	22 120	23 749*	November
December	11 393	8 187	—	17 304	29 762	—	12 422	19 559	—	December
Total	25 548	91 733	—	82 541	317 633	—	55 590	207 511	—	Total
Jan.—Nov.	14 155	83 546	97 113*	65 237	287 871	353 640*	43 168	187 952	227 915*	Jan.—Nov.

## 28. — FOREIGN TRADE WITH VARIOUS COUNTRIES.

Country	Imports (c. i. f.)					Exports (f. o. b., free exports)				
	Whole year		Jan.—Nov.			Whole year		Jan.—Nov.		
	1945	1946	1946	1947*		1945	1946	1946	1947*	
Europe:	%	%	%	Mill. mk	%	%	%	%	Mill. mk	%
Belgium .....	0.3	5.8	5.9	3 008	7.6	1.6	7.3	7.5	2 150	5.2
Bulgaria .....	0.6	0.1	0.2	8	0.0	—	0.0	0.0	2	0.0
Czechoslovakia .....	—	0.1	0.1	221	0.6	—	0.1	0.1	140	0.3
Denmark .....	15.2	10.3	9.1	2 433	6.1	10.9	11.1	11.2	3 071	7.4
France .....	0.0	2.6	2.5	1 694	4.3	0.3	3.8	3.6	1 648	4.0
Germany .....	1.6	0.1	0.0	9	0.0	—	—	—	27	0.1
Great Britain .....	10.7	21.4	21.4	7 031	17.6	35.2	26.7	26.8	12 373	29.9
Greece .....	0.0	0.0	0.0	107	0.3	0.1	0.3	0.3	284	0.7
Holland .....	0.2	1.8	1.7	1 822	4.6	0.5	3.1	2.6	1 718	4.2
Italy .....	0.0	0.0	0.0	110	0.3	0.0	0.3	0.3	631	1.5
Norway .....	0.3	2.7	2.6	1 541	3.9	0.2	2.4	2.6	681	1.6
Poland .....	0.0	0.1	0.0	1 327	3.3	0.0	0.0	0.0	921	2.2
Rumania .....	0.2	0.0	0.0	0	0.0	—	—	—	0	0.0
Soviet Union .....	19.0	21.4	22.6	4 971	12.5	29.6	20.1	20.3	5 230	12.6
Sweden .....	51.3	10.0	10.5	1 950	4.9	15.9	9.4	9.8	2 577	6.2
Switzerland .....	0.0	0.4	0.4	296	0.7	0.2	1.0	1.0	366	0.9
Turkey .....	0.4	0.4	0.4	207	0.5	0.6	0.0	0.0	153	0.4
Other European countries ..	0.2	0.3	0.1	142	0.4	0.2	1.2	1.1	705	1.7
Total for Europe	100.0	77.5	77.5	26 877	67.6	95.3	86.8	87.2	32 677	78.9
Asia .....	0.0	0.0	0.0	98	0.2	—	1.2	1.1	638	1.5
Africa .....	0.0	0.1	0.1	42	0.1	0.1	1.9	1.9	1 218	2.9
United States .....	0.0	19.5	19.5	9 957	25.0	1.9	6.9	6.7	4 841	11.7
Other States of North America .....	—	0.0	0.0	168	0.4	0.1	0.1	0.1	60	0.1
South America .....	0.0	2.9	2.9	2 669	6.7	2.6	3.0	2.9	1 679	4.1
Australia .....	—	0.0	0.0	10	0.0	—	0.1	0.1	317	0.8
Grand total	100.0	100.0	100.0	39 821	100.0	100.0	100.0	100.0	41 430	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.

## 29. — UNIT 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		Sawn timber	Mechanical pulp	Dry cellulose	Paper	
1943	420	457	346	486	324	304	277	271	320	311	1943
1944	457	468	360	560	400	323	292	309	337	314	1944
1945	709	729	798	713	447	452	433	597	436	445	1945
1946	896	888	888	947	846	799	802	835	700	777	1946
1946											1946
Jan.—Nov.	896	882	891	954	847	792	793	774	694	770	Jan.—Nov.
1947											1947
Jan.—July	934	926	821	1078	864	1 118	1 124	1 200	1 084	1 011	Jan.—July
Jan.—Aug.	941	927	847	1 075	880	1 140	1 153	1 216	1 101	1 024	Jan.—Aug.
Jan.—Sept.	947	941	861	1 062	878	1 151	1 161	1 230	1 117	1 025	Jan.—Sept.
Jan.—Oct.	954	945	903	1 047	891	1 158	1 163	1 243	1 131	1 027	Jan.—Oct.
Jan.—Nov.	950	946	876	1 037	903	1 167	1 171	1 254	1 140	1 031	Jan.—Nov.

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.

## 30. — TOTAL SALES OF WHOLESALE FIRMS.

Month	Total Sales Mill. mk						Month
	1942	1943	1944	1945	1946	1947	
January	677	981	1 046	1 412	2 840	3 456	January
February	821	1 073	1 206	1 482	2 957	3 897	February
March	923	1 306	1 360	1 585	3 470	4 617	March
April	914	1 266	1 246	1 626	3 680	4 296	April
May	1 007	1 329	1 411	1 848	4 089	5 327	May
June	1 138	1 099	1 043	1 759	3 731	4 675	June
July	1 186	1 106	948	1 400	3 402	4 634	July
August	1 072	1 167	1 229	1 847	3 911	5 302	August
September	1 125	1 308	1 023	2 420	4 040	6 438	September
October	1 098	1 337	1 077	2 954	4 622	6 470	October
November	1 076	1 302	1 191	3 186	4 551	6 415	November
December	1 183	1 429	1 419	3 267	5 024		December
Total	12 225	14 703	14 199	24 786	46 267		Total
Jan.—Nov.	11 037	18 736	12 780	21 519	41 243	55 527	Jan.—Nov.

Calculated by the «Unsi Suomi». The figures represent approximately 95% of the turnover of all wholesalers in Finland.

## 31. — INDEX OF INDUSTRIAL PRODUCTION. 1935=100.

Month	Home Industries										Exporting Industries					Month
	Value index					Volume index					Volume index					
	1943	1944	1945	1946	1947	1943	1944	1945	1946	1947	1943	1944	1945	1946	1947	
January	204	244	221	530	624	97	97	76	94	105	48	47	40	55	75	January
February	257	288	264	607	814			89	107	137	49	48	38	55	76	February
March	237	265	220	548	749			73	94	125	50	51	40	57	79	March
April	203	211	220	582	733			70	97	123	54	53	44	59	79	April
May	208	222	220	528	681			69	88	113	52	51	47	66	80	May
June	201	199	239	561	691	89	76	69	93	115	40	40	50	63	80	June
July	226	239	213	582	655			56	97	107	42	31	47	65	67	July
August	194	235	309	620	732			69	103	113	45	33	48	62	73	August
September	184	199	341	676	799			72	112	123	48	32	52	70	82	September
October	179	195	390	609				76	101		50	32	56	69		October
November	205	230	484	669		75	72	89	111		49	32	54	70		November
December	221	221	470	713				85	118		46	38	51	71		December
Whole year	208	225	303	607		82	80	76	102		48	40	47	64		Whole year

«Unitas» index based on seasonally adjusted monthly figures.

## 82. — 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'						Month
		1942	1943	1944	1945	1946	1947	1942	1943	1944	1945	1946	1947	
January	}	23	28	31	46	27	54	92.2	7.1	0.6	64.7	105.6	39.2*	January
February								88.3	18.3	0.3	35.5	91.8	28.4*	February
March								3.9	—	25.6	71.9	39.2	37.5*	March
April	}	76	73	60	89	79	112	12.1	4.8	2.9	116.8	97.1	64.3*	April
May								72.4	196.6	8.1	229.7	54.5	67.6*	May
June								35.1	19.9	70.2	101.7	56.9	62.2*	June
July	}	96	79	52	83	127	151	8.5	82.7	1.5	126.5	119.9	64.1*	July
August								8.9	11.5	6.9	42.5	87.4	72.5*	August
September								1.5	1.2	0.0	12.6	57.8	65.5*	September
October	}	53	46	44	63	96		12.1	12.7	1.7	47.7	101.6	122.5*	October
November								9.9	2.0	40.6	150.9	73.2	37.9*	November
December								9.3	0.5	42.0	36.1	119.2	28.0*	December
Total		248	226	187	281	329		354.2	357.3	200.4	1 036.6	1 004.2	689.7*	Total
Jan.—Sept.		195	180	143	218	233	317							

<sup>1)</sup> Comprising the total quantity of cement delivered by the country's 2 cement factories and including the quantity imported which is, however, only a negligible part of the total consumption. — <sup>2)</sup> According to data compiled by the Municipal Building Surveyor's Office in Helsinki.

## 83. — FOREIGN SHIPPING.

Year and Month	Arrivals				Sailings				Year and Month
	Number of vessels		Net reg. tons		Number of vessels		Net reg. tons		
	Total	of which Finnish	Total	of which with Cargo	Total	of which Finnish	Total	of which with Cargo	
1944	1 659	1 053	1 272 138	987 883	1 639	1 038	1 268 918	979 070	1944
1945	1 360	768	950 358	884 412	1 412	810	973 256	823 805	1945
1946	3 024	1 557	2 338 761	1 482 639	3 020	1 571	2 332 110	1 844 150	1946
1946									1946
Jan.—Nov.	2 799	1 429	2 140 053	1 330 465	2 798	1 463	2 098 323	1 664 858	Jan.—Nov.
1947									1947
July	639	266	511 187	294 751	664	298	522 942	436 659	July
August	623	282	507 044	274 820	650	286	541 480	437 036	August
September	556	252	415 596	255 899	531	222	450 095	361 133	September
October	466	226	422 725	283 284	486	229	409 884	298 254	October
November	407	223	358 528	246 735	403	193	389 681	304 073	November
Jan.—Nov.	3 758	1 752	3 270 369	2 092 818	3 706	1 734	3 174 737	2 493 784	Jan.—Nov.

Figures supplied by the Statistical Office of the Shipping Board.

## 84. — 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
	1944	1945	1946	1947	1946	1947	1944	1945	1946	1947	1944	1945	1946	1947	
Jan.	714	752	995	1 144	62	70	136	189	414	477	178	197	495	480	Jan.
Febr.	673	703	855	1 022	56	62	134	162	370	443	209	230	509	557	Febr.
March	807	886	1 052	1 118	68	69	169	203	459	479	209	218	479	587	March
April	1 091	947	1 073	1 166	70	73	284	224	500	552	209	237	465	540	April
May	1 354	988	1 189	1 326	75	77	274	236	484	616	224	367	520	693	May
June	580	1 046	1 231	1 282	67	68	158	279	575	646	213	314	497	782	June
July	1 428	996	1 363	1 492	70	68	411	294	596	880	242	284	511	703	July
Aug.	1 150	1 079	1 391	1 395	72	70	236	377	600	877	210	376	558	608	Aug.
Sept.	666	971	1 261	1 439	70	69	282	331	528	827	211	548	582	696	Sept.
Oct.	2 139	986	1 375	1 408	74	69	290	347	513	840	202	488	512	681	Oct.
Nov.	671	1 036	1 182	1 203	69	64	210	333	515	721	213	538	627	692	Nov.
Dec.	878	1 212	1 094		67		470	492	532		368	696	731		Dec.
Total	12 151	11 602	14 061		520		3 054	3 467	6 086		2 688	4 493	6 486		Total
Jan.—Nov.	11 273	10 390	12 967	13 995	753	759	2 584	2 975	5 554	7 358	2 320	3 797	5 755	7 019	Jan.—Nov.

According to Monthly Statistics of the Finnish State Railways.

\*Preliminary figures subject to minor alterations.



## 35. — WHOLESALE PRICE INDEX. 1935—100.

Month	Index for Goods in Finnish Wholesale trade																Articles of Export (l. o. b.)		Month
	Total Index					Finnish Goods								Imported Goods					
						Total		Products of agri- culture		Products of forestry		Products of industry							
	1943	1944	1945	1946	1947	1946	1947	1946	1947	1946	1947	1946	1947	1946	1947	1946	1947		
Jan.	263	293	322	614	721	615	666	616	655	771	901	565	593	595	860	723	1 027	Jan.	
Febr.	263	295	326	619	726	621	673	629	681	775	903	568	596	597	860	735	1 040	Febr.	
March	264	303	331	633	759	637	717	661	903	775	903	585	598	602	860	746	1 041	March	
April	268	304	343	690	766	645	726	663	941	775	903	598	599	803	866	762	1 159	April	
May	272	304	348	687	775	645	729	627	946	802	903	599	603	791	889	763	1 158	May	
June	274	304	383	695	781	656	735	652	970	832	909	600	603	791	895	769	1 162	June	
July	275	306	421	702	799	661	755	648	967	855	982	603	613	802	909	807	1 175	July	
Aug.	282	308	489	708	853	668	824	663	1 015	871	1 169	603	649	807	926	820	1 171	Aug.	
Sept.	284	309	515	716	862	670	836	660	1 034	887	1 207	603	650	830	926	827	1 171	Sept.	
Oct.	286	309	577	720	882	672	858	664	982	891	1 271	603	681	840	940	884	.	Oct.	
Nov.	290	310	596	720	968	673	973	671	1 453	891	1 322	603	704	837	957	885	.	Nov.	
Dec.	291	314	607	725	1 010	672	1 029	667	1 571	891	1 386	603	738	859	962	883	.	Dec.	
Whole year	276	305	438	686	825	653	793	652	1 010	834	1 063	594	636	763	904	800	.	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	Aug. 1938— July 1939 = 100			1935 = 100														Month
	Total Index			Total Index				Foodstuffs		Rent		Fuel and light		Clothing		Taxes		
	1945	1946	1947	1944	1945	1946	1947	1946	1947	1946	1947	1946	1947	1946	1947	1946	1947	
Jan.	204	423	471	216	222	461	513	505	556	144	144	855	968	479	554	652	786	Jan.
Febr.	204	423	482	217	222	460	525	499	579	144	144	856	968	497	556	652	786	Febr.
March	205	431	524	217	223	470	571	515	675	144	144	856	970	505	557	652	786	March
April	207	434	546	218	225	473	594	513	727	144	144	858	971	514	560	680	725	April
May	210	437	559	218	228	476	609	517	753	144	144	859	970	523	566	680	725	May
June	243	450	567	218	264	490	618	541	771	144	144	901	973	530	567	680	725	June
July	281	463	595	219	306	504	648	536	786	144	161	921	976	540	570	916	1 103	July
Aug.	313	466	607	219	341	507	661	536	805	144	161	939	1 010	548	582	916	1 103	Aug.
Sept.	325	469	617	220	354	511	672	541	809	144	161	943	1 037	557	595	916	1 103	Sept.
Oct.	387	469	632	221	422	511	689	537	829	144	161	960	1 054	562	603	916	1 155	Oct.
Nov.	398	467	690	221	434	508	751	531	946	144	161	968	1 069	565	642	916	1 155	Nov.
Dec.	404	468	720	221	440	509	785	533	994	144	161	968	1 211	568	679	916	1 155	Dec.
Whole year }	282	450	584	219	307	490	636	525	769	144	152	907	1 015	532	586	791	942	{ Whole year

Calculated by the Research Office of the Ministry for Social Affairs according to monthly reports from 32 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 BUILDING COST INDEX. 1935—100.

Year	Total Index					Index of the Contractor					Index of Overhead Costs					Year
	I	II	III	IV	Aver.	I	II	III	IV	Aver.	I	II	III	IV	Aver.	
1937	.	.	.	.	120	.	.	.	.	120	.	.	.	.	115	1937
1938	.	.	.	.	127	.	.	.	.	127	.	.	.	.	121	1938
1939	129	130	134	141	134	130	130	134	141	134	124	124	128	134	128	1939
1940	151	157	165	172	161	152	158	165	173	162	141	147	154	157	150	1940
1941	180	189	195	199	191	181	191	196	201	192	164	173	178	182	174	1941
1942	212	226	231	243	228	213	227	233	245	230	193	206	204	215	205	1942
1943	244	252	259	264	255	246	254	261	266	257	216	223	230	233	226	1943
1944	267	271	272	283	273	269	273	274	286	276	236	240	241	245	241	1944
1945	299	396	503	529	432	302	399	507	534	436	259	342	435	457	373	1945
1946	564	613	657	683	629	570	619	664	689	636	489	530	569	591	545	1946
1947	706	733	781	935	789	708	734	782	937	790	679	715	762	911	767	1947

Quarterly indices and yearly averages of them. For details concerning the calculation of the index see p. 35 in this Bulletin Nos. 4—6, 1946.

## 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 6, 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 Juho Kusti Paasikivi is elected for the term March 11, 1946, to March 1st, 1952.

The Diet, composed of 200 members, is elected by universal suffrage. The proportions of the different parties in the Diet elected in 1945 are at present as follows:

	Number
Democratic League .....	50
Agrarian party .....	48
Social-Democratic party .....	48
Unionist party .....	29
Swedish party .....	14
Progressive party .....	9
Swedish Left .....	1
Outside of the Parliamentary groups .....	1

### 2. LAND.

THE AREA is 337 113 square kilometres (Great Britain's area is 245 000 sq. km and Italy's area 310 000 sq. km). Of the total area 9.4 % are inland waters. On an average 13.5 % of the land in the South of Finland is cultivated, 1.6 % in the North, 7.5 % of the whole land. Of the land area 21.7 mill. ha (53.5 mill. acres) or 70.9 % are covered by forests.

### 3. POPULATION.

NUMBER OF INHABITANTS (1945): 4.0 millions (of whom 0.2 million emigrants). Sweden (1945) 6.7, Switzerland (1945) 4.4, Denmark (1945) 4.1 and Norway (1941) 3.0 millions.

DENSITY OF POPULATION (1945): In South Finland 22.1, in North Finland 3.1 and in the whole country an average of 12.3 inhabitants to the square kilometre.

DISTRIBUTION (1945): 78.1 % of the population inhabit the country, 23.9 % the towns and urban districts. The largest towns are (1945): Helsinki (Helsingfors), the capital, 338 836 inhabitants, Tampere (Tammerfors) 87 123, Turku (Åbo) 81 494.

OCCUPATION (1940): agriculture 51.5 %, industry and manual labour 21.0 %, commerce 5.1 %, transport 4.6 %, other occupations 17.8 %.

LANGUAGE (1940): Finnish speaking 90.0 %, Swedish speaking 9.6 %, others 0.4 %.

RELIGION (1945): Lutheran 96.0 %, Greek-Orthodox 1.8 %, others 2.2 %.

EDUCATION (1945): Practically all persons over 15 years of age are literate. There are three universities (the oldest founded in 1640) and 7 colleges of university standard.

INCREASE OF POPULATION (1945): Births 24.1 ‰, deaths 12.7 ‰ (deaths in France in 1943 16.4 ‰ and in England in 1943 12.1 ‰), natural increase 11.5 ‰.

### 4. TRADE AND COMMUNICATIONS.

FOREST RESOURCES (1945): The growing stock of the forests is 1 370 million cub. m (48 379 million cub. feet). The stock of standing timber measuring 6 in. at a height of 18 ft. amounts to 1 031 million trees. Of this number pine is represented by 63.6 %, spruce by 30.1 %, the conifers thus constituting 93.7 % or 966 million trees; leaf-trees mostly birch,

6.3 % or 65 million trees. The annual increment is 41 million cub. m (1 441 million cub. ft.). The total removal in the felling season 1945/46 was 47 million m<sup>3</sup> (1 672 million cub. ft.).

AGRICULTURE (1945): Cultivated land 2.3 million hectares, divided as follows: area under cultivation under 10 hectares 33.1 %, 10—50 ha 54.4 %, 50—100 ha 7.2 %, over 100 ha 5.3 %. Cultivated land is divided between the different kinds of crops as follows: 56.2 % hay, 13.2 % oats, 6.2 % rye, 6.1 % wheat, 5.9 % barley, 3.0 % potatoes, 9.4 % other. The number of dairies in 1944 amounted to 512.

OWNERSHIP OF LAND (1941): The land area is distributed among different classes of owners approximately as follows: private 49.2 %, State 41.6 %, Joint Stock Companies etc. 7.1 %, communities 2.1 %.

INDUSTRY (1944): Number of industrial concerns 4 559, workpeople 180 546, gross value of products of industry 37 872 million marks.

LENGTH OF RAILWAYS (1946): 4 928 km, of which 4 687 km State railways and 241 km private. The gauge is in general 1,524 m.

MERCHANT FLEET (1946): Steamships 333 (279 523 gross reg. tons), motor vessels 68 (23 750 gross reg. tons), sailing ships with auxiliary engine 135 (13 681 gross reg. tons), other sailing ships 13 (2 794 gross reg. tons). Total 549 (329 758 gross reg. tons).

### 5. FINANCE AND BANKING.

CURRENCY. Since 1860 Finland has its own monetary system. From 1877 up to 1914 the currency maintained its stable gold value, and after the disturbances caused by the war a gold standard was again introduced from January 1st, 1926. The unit of currency is the mark (Finnish markka = 100 penni). According to the monetary law of December 21, 1925, a gold coin of 100 marks' value shall contain 3 <sup>11</sup>/<sub>16</sub> grams of fine gold. Since October 12, 1931, the redemption of bank notes in gold is, however, suspended.

STATE FINANCES. According to the finance accounts for 1946 the State revenue was 104 345 million marks of which 66 400 million marks were current revenue, and State expenditure 100 106 million marks, of which 76 159 million marks were current expenditure. The principal sources of revenue were as follows: direct taxes 30 724, indirect taxes 6 866 sales tax 13 536 interest and dividends, etc. 5 836, State property and undertakings (net) 2 073, and capital revenue 37 945. For Public Debt see table 20 in this issue.

MUNICIPAL FINANCES. According to the finance accounts for 1943 expenditure amounted to 4 792 million marks. Income from taxation was 2 360 million marks, taxed income 29 308 million marks. The municipal income tax (non-progressive) averaged 8.1 % 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, Mikkeli (St. Michel), Tampere (Tammerfors), Hämeenlinna (Tavastehus), Jyväskylä, Kotka and Lahti (Lahtis).

THE COMMERCIAL BANKS (1946): Number 7, possess 460 offices, where all kinds of banking business is transacted. There is one banking establishment per 8 095 inhabitants.

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

OTHER BANKS (1945): Mortgage banks 5, Savings banks 470, Co-operative Credit Societies 927 and a Central Bank for the latter.

## EXPORTS AND THE ECONOMIC DEVELOPMENT IN FINLAND.

BY

PROFESSOR A. E. TUDEER,

HEAD OF THE BANK OF FINLAND INSTITUTE FOR ECONOMIC RESEARCH.

### TOTAL EXPORTS.

Finnish economic life is closely connected with foreign trade, and in particular with exports. Exports reflect industrial activity, the structural changes in production and the living standard of the population, but at the same time they transmit to the Finnish market the influences of foreign economic fluctuations. Some aspects of the variations in Finnish exports during the years of independence will here be studied from this particular angle.

The fluctuations in the value of exports appear in the graph on page 21, which also illustrates the changes in their volume and in their price index. The survey goes back to 1925, the year which saw the return of normal conditions in foreign trade and a stabilization of the Finnish mark after the transition period following World War I.

The graph clearly shows three distinct cycles and the beginning of a fourth rise in export values. In 1925 they were valued at 5,570 million marks; in 1927 they had increased to a peak of 6,320 millions and in 1929 to 6,430 millions. The subsequent decline was steep and the minimum, 4,460 million marks, was reached in 1931. They were still low in 1932, but then advanced step by step to a new record of 9,380 million marks in 1937. In recent years exports have fluctuated under the influence of war-time conditions, but we shall revert to this period after examining the first two cycles of the graph.

These cycles coincide on the whole with the ebb and flow of Finnish economy which, as is well-known, is largely conditioned by foreign trade in general and exports in particular. By reason of the small compass of economic activities in Finland home conditions are seldom the cause of booms and depressions which in this country are largely due to international market fluctuations. When times are good abroad, the demand for com-

modities rises and prices are firm, and then Finland's export trade is prosperous, its volume swells and also its value. The money which thus flows into the country spreads to all classes of the population and thus improves their purchasing power and standard of living. When the tide turns abroad and Finland's main markets are affected by the depression, her products are in less demand, exports decline in volume and still more in value, and a general depression sets in. This rule is, of course, not without exceptions.

The value of Finnish exports increased about 15 per cent between 1925 and 1929. This was due solely to a 21 per cent increase in volume, for prices were mostly unchanged or slightly lower. The world depression actually began in 1928, but Finnish exports did not react before the following year. In 1929 and 1930 the value of exports dropped 31 per cent, mainly owing to the 24 per cent slump in prices, but also to a 10 per cent decline in volume. Prices tended to fall for another few years, but the value of the exports soon began to rise largely owing to big shipments of timber in connection with the slum-clearance in England. The subsequent recovery abroad was also reflected in Finnish exports. Prices had risen nearly 30 per cent by 1937, but as exports at the same time increased by almost 70 per cent in volume their value actually more than doubled. This improvement, however, can be ascribed only in part to better market conditions abroad; it was more a result of the structural change that took place in Finnish industry, viz. the general industrialization which increased both imports and exports. This statement is confirmed by the fact that exports were 46 per cent larger in 1939 than in 1929, and this despite lower average prices. The decline in the value of exports after 1937 was due exclusively to reduced quantities as the uncertain situation in international politics tended to drive prices upwards.

The new war affected export returns as early as 1939, but the consequences were not fully seen before 1940 when the value of exports, in spite of higher prices, was only 31 per cent of the former peak figure; the volume had declined more than 75 per cent. In the following years the value figures began to soar again, but the rise was more or less delusive. Exports increased but slightly in volume, and although rising prices were partly due to the great shortage of commodities abroad, they mainly reflected the depreciation of the Finnish mark. For this reason the third wave described in the graph does not reflect a business cycle in the ordinary sense; it only shows the changes in the volume of exports, in prices and in the value of the Finnish mark caused by the war-time conditions. The set-back which followed was due to the radical change in Finland's political position in the autumn of 1944. Trade with Germany and her allies came to a complete standstill and not until the last weeks of December of the same year could new trade relations be established.

In 1945 the volume of exports was much smaller than ever before and even their value fell, despite rising prices. A new, fourth rise started in 1946 when their volume was substantially higher than in 1945 and their value soared by reason of the steep inflationary rise in prices. In the first seven months of 1947 the volume index for exports was 62, i. e. exports were still only half of what they had been during the last pre-war boom. The main reason for this is obviously that industrial production in Finland has not yet fully recovered. It should be noted, however, that this index and the corresponding value figures do not include shipments of war reparation goods or similar deliveries that do not give an income. The former no doubt greatly influence the volume and composition of free, or commercial exports, but they will not be dealt with here.

Apart from the sharp fluctuations due to acute cyclical changes, exports show a distinct primary trend in that the value of exports averaged 6,042 million marks in the first five-year period under review, but 7,790 million marks in the last five-year period before the war. This increase,

1,748 million or 29 per cent, would have been larger still had not export prices declined at the same time. The changes in the composition of exports will be examined later.

Foreign trade means more for economic life in Finland than in most other countries, owing to the one-sidedness of her industrial production. In the last pre-war years the value of exports was between 20 and 24 per cent of the total national product, but if the comparison is made with the production of potential export goods only, the percentual figure is very much higher. Thus exports are about half the value of the total net yield of agriculture, fishery and hunting, forestry and industrial activities, fluctuating before the war between 48 and 53 per cent. These two percentage series resemble fairly closely the general trend in international trade, rising when times were good and declining when they were bad.

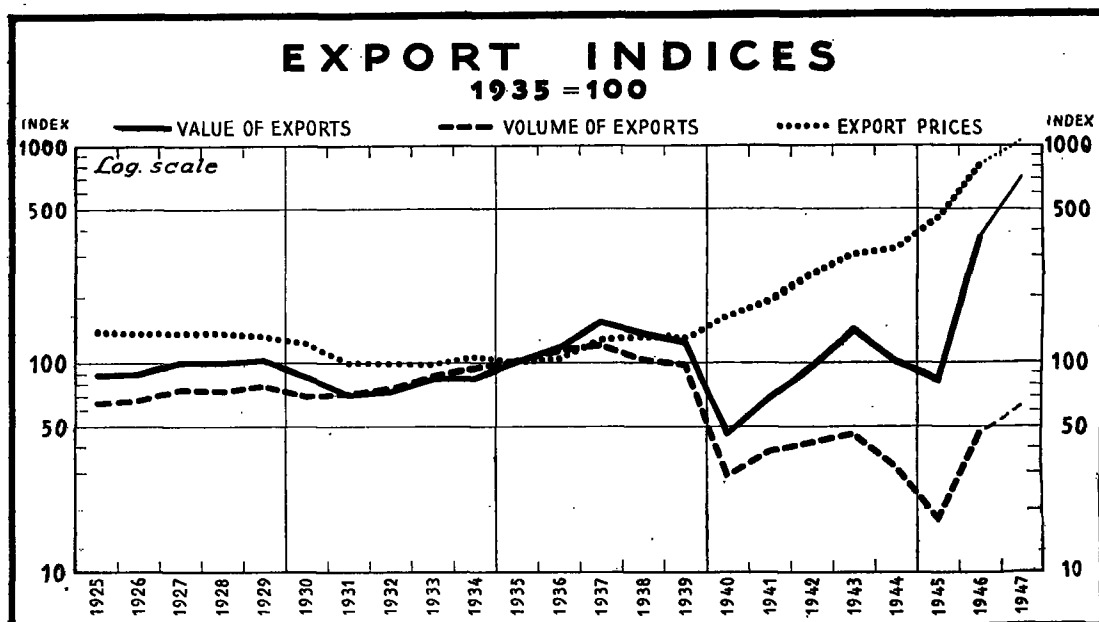
#### MAIN GROUPS OF EXPORT COMMODITIES.

Let us now examine the division of exports between the four main sectors of production. The graph on page 23 shows the exports of 1) timber and wood manufactures, 2) paper industry products, 3) animal foodstuffs, and 4) other goods.

A rapid glance at the graph reveals more or less pronounced fluctuations in all the main groups, partly following the general business cycles and partly under the influence of the long-range development of the country's economic structure.

The graph shows that the first two groups, viz. timber and wood products, and paper industry products, completely dominate Finnish exports. For the whole twenty-year period the former were, on the average, 44.5 per cent, and the latter 37.3 per cent of all exports; thus more than four-fifths of the exports were forest products. Compared with these two groups the others were very small. Exports of animal foodstuffs averaged 6.7, and of other goods 11.5 per cent of all exports.

The proportions of these four groups, however, did not remain the same during the whole period under review in which the most striking feature was the growing importance in exports, both absolutely and



relatively, of paper industry products. While they formed 28.5 per cent of total exports between 1925 and 1929, they increased to 41.9 per cent between 1935 and 1939. In 1938 and 1939 these exports were for the first time larger than those of timber and wood products. The latter declined from an average of 3,368 million marks in the five-year period 1925—1929 to 3,217 million marks in that of 1935—1939 and thus reached their maximum in the late 1920's. Exports of paper industry products, on the other hand, increased from an average of 1,722 million marks in 1925—1929 to 3,176 millions in 1935—1939.

During the war exports in both these groups fell sharply, paper exports were at first more than timber exports, but in 1943 and 1944 the former were again the largest group. This relative increase in the paper sector is economically advantageous, as it means that a greater proportion of Finland's principal wealth, wood, is now exported ready manufactured. This trend has appeared since the war, as is revealed by the fact that these products accounted for no less than 48.6 per cent of all free exports in 1946.

Movements of secondary importance are the comparative decline in exports of animal foodstuffs in the latter half of the

1930's and the general increase in „other goods". These trends were still more accentuated during the war. Exports of cattle products the value of which had been 600—700 millions in the last pre-war years fell to practically nothing, Finland being actually compelled to import butter to secure the regular distribution of the small rations, and exports of other goods increased very sharply already before the war becoming about one-fourth of all exports in the last years of the war. In the 1920's „other exports" varied between 300 and 400 million marks per year, in the last pre-war years they were already 900 million marks, and in 1943 as much as 2,000 million marks. The last figure can partly be explained by inflationary prices, but the great increase is nevertheless chiefly to be ascribed to the exceptional war conditions. If war reparations goods were included in the statistics this fourth group would obviously have occupied a still larger place in total exports in the last three years. On the whole it can be said that the structural change now taking place in Finnish economic and industrial activities will lead to greater differentiation in future exports.

We shall now examine the sensitiveness of exports in the above commodity groups

to the influence of business cycles. Exports of animal foodstuffs do not seem to have been much affected. This is indeed quite natural as the output is primarily conditioned by non-economic factors such as weather and crops. Also, the possible effect exercised on demand and prices by market fluctuations abroad is counteracted by similar market fluctuations at home, and therefore export figures in this sector cannot vary much in good and bad times.

The group of timber and wood products is, on the other hand, most sensitive to the influence of business cycles. Exports in this group first rose from 3,012 million marks in 1925 to 3,711 million marks in 1927, but declined already the following year, i.e., earlier than those in the other groups. The minimum was reached in 1932 when exports amounted to 1,657 million marks, which is 55 per cent less than the peak figure of 3,711. They then advanced during the following years, when building began again in England. They reached 3,020 million marks in 1934 and, after a minor set-back, a new all-time peak of 4,157 million marks in 1937. By timber exports the country thus earned 2,500 million marks more in 1937 than in 1932. Needless to say this meant very much for prosperity in Finland. During the last years of peace exports in this group declined by approximately one-third.

In examining exports of the paper industry products group, we shall find that although market conditions may cause exports to advance or decline temporarily, the long-range trend is distinctly upwards. From 1,537 million marks in 1925 they increased to 1,901 millions in 1929. The decline here was quite insignificant during the depression. Exports in this group totalled 1,828 million marks in 1931, which means a decrease of only 4 per cent compared with 55 per cent in the timber group. After that paper exports increased very fast. The peak was reached in 1937 when they were 3,630 million marks, or nearly twice as much as in 1931. Between 1937 and 1939 they declined 7 per cent, this being again substantially less than in the timber sector.

In the fourth group, that of „other goods”, fluctuations due to cyclical changes, although noticeable, were not very great.

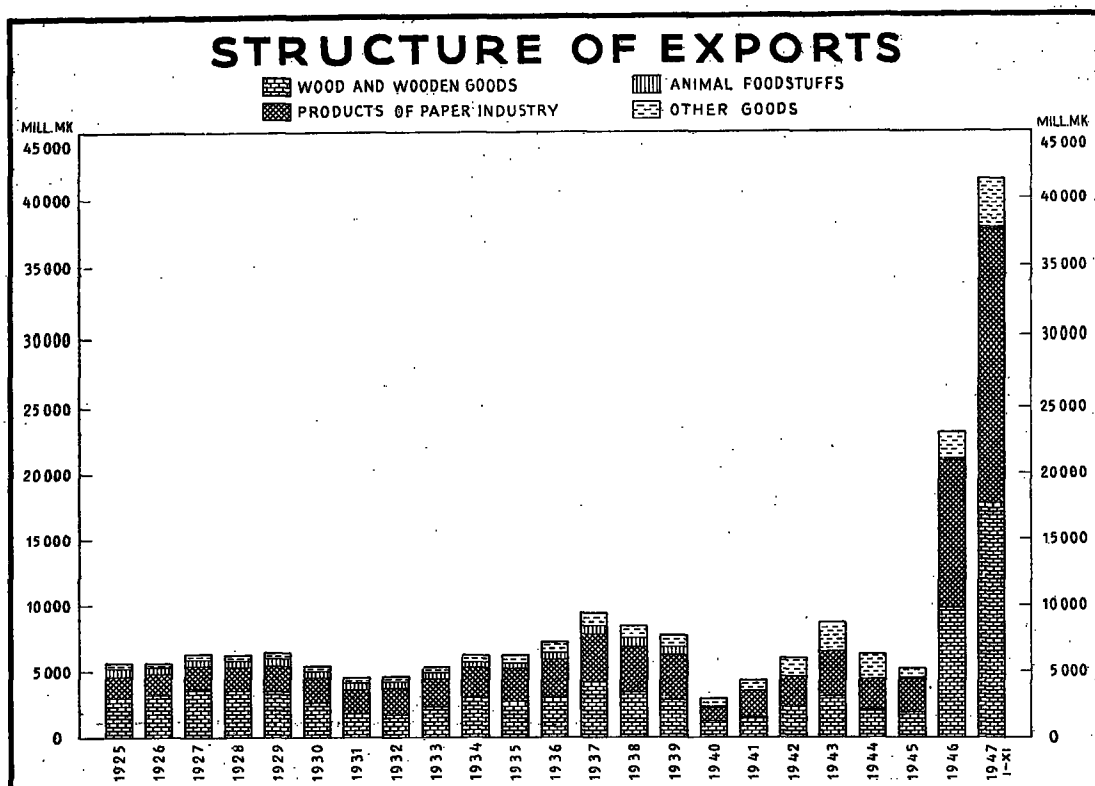
The lowest export figure, 324 million marks, was registered in 1926. The pre-depression peak of 448 million marks was reached in 1929, and after a decline that lasted two years exports again increased until 1937 when they totalled 981 million marks. In the last pre-war years exports decreased in this group too, but not more than 9 per cent.

Here we may omit the examination of the third wave in this movement, as the changes were conditioned more by typical war-time circumstances than by regular business cycles. The same applies to the post-war period which does not form a complete cycle and during which exports were conditioned by quite particular factors.

#### THE PRINCIPAL COMMODITIES EXPORTED.

The schematic division of exports into the four main groups conveys a very incomplete idea of their structure and fluctuation. A more accurate picture can be obtained only if the principal commodities under each heading are examined individually.

It has been pointed out that exports of timber and wood products declined somewhat in value before the war, and the same can generally be said of the exports of the various products in this group. Between the five-year period 1925—1929 and the five-year period 1935—1939 exports of pulpwood declined from 1,500,000 to 1,100,000 cu. m. (26.3 per cent); deals from 1,900,000 to 1,500,000 cu. m. (21.6 per cent); boards from 2,400,000 to 1,900,000 cu. m. (21.5 per cent); and spools from 6,000 to 5,700 tons (4.8 per cent). On the other hand, exports of pitprops increased from 1,400,000 cu. m. to 1,700,000 cu. m. (22.0 per cent). Exports of certain manufactured wood products increased still more. This applies also to plywood, for which the corresponding annual average figures were 66,000 and 152,000 tons and indicated an advance of about 130 per cent. It may also be noted that war-time exports of plywood declined far less than those of other timber products, which in some cases reached but one-fifth, or even one-tenth, of the pre-war volume. Exports of „other timber products” followed quite a different line. From a fairly constant pre-war annual



volume of 4,000 tons they suddenly swelled to an annual average of 54,000 tons for the whole war period. The highest figure, nearly 100,000 tons, was registered in 1943. This enormous increase was chiefly due to large exports of prefabricated houses and barracks.

In the second largest group, that of paper industry products, we find that exports of each of the commodities increased two or three times; exports of mechanical woodpulp from an average of 109,000 tons in 1925—1929 to 258,000 tons in 1935—1939, or by 136 per cent; exports of cellulose increased still more, viz. from 389,000 to 1,060,000 tons, or by 172 per cent; exports of printing paper more than doubled, rising from 158,000 to 357,000 tons; exports of other kinds of paper, as well as of pulpboard, increased comparatively less, or by slightly more than 70 per cent, the former from 66,000 to 112,000 tons and the latter from 46,000 to 80,000 tons. After the outbreak of war this spectacular rise ended abruptly and in the following year exports

of all these commodities amounted to a fraction only of the pre-war quantities, chiefly because of production difficulties. The decline was small in respect of „other kinds of paper” and pulpboard (35 and 39 per cent respectively), and large, between 74 and 85 per cent, for the main articles included in the group.

Since the end of the war the output of the principal export commodities has as yet been so low that their export figures are still far from those of pre-war years. The only exceptions are prefabricated houses and barracks, the exports of which have exceeded all previous records.

Animal foodstuffs used to be called Finland's „natural” export products, and this was no doubt true some 50—60 years ago. Four items deserve mention: first butter, of which quite considerable quantities were regularly exported. During the past decades butter exports fluctuated very little and amounted to approximately 14,000 tons annually. Other exports in the same group increased greatly in the 1920's and

1930's. Cheese more than doubled, from an average of 2,700 tons in 1925—1929 to 5,700 in 1935—1939; and meat practically quadrupled from 2,300 to 8,700 tons. It is interesting to note that large quantities of American lard still had to be imported in the 1920's, but in the last years before World War II meat exports consisted chiefly of pork and bacon. In eggs the development was still more spectacular. Being practically nil in the 1920's, egg exports rose to about 8,000 tons during the last years of peace. This must be regarded in the light of the fact that Finland not long ago had to import large quantities from Russia for domestic needs.

Exports of animal foodstuffs practically ceased during the war and Finland was, and still is, compelled to import such foodstuffs as were available, in order to improve her difficult situation.

The fourth main group in exports, „other goods”, comprises a great variety of commodities including the following sub-groups (1938 exports): metals and metal goods 242 million marks, hides and skins 107 million marks, stone and minerals, crude and manufactured, 102 million marks, machinery, plant and vehicles 68 million marks, yarns and twine 50 million marks, textiles 43 million marks, explosives, ammunition and fuse material 39 million marks, asphalt, tar, etc. 31 million marks, berries and vegetables 28 million marks, and so on.

Some of the commodities in this group deserve closer examination. Copper exports

increased from an average of only a few hundred tons in the 1920's to an average of 9,000 tons in the late 1930's being in 1938 and 1939 more than 13,000 tons. In 1940, they were no less than 15,000 tons but subsequently declined rapidly. Large quantities have been registered for a long time for unhewn granite, a heavy article. More interesting are exports of finished granite products which rose from an annual 3,300 tons to 20,000 tons. Exports of tar increased 50 per cent, or from 800 tons to 1,200 tons. It may further be noted that exports increased quite considerably in certain industrial sectors, for most articles alike. Thus exports of mineral industry products increased four times in value, those of metal industry products about six times, and those of textile industry products more than seven times. However, as these exports were quite insignificant in the 1920's, they are still small regardless of the comparatively large percentual increases. Exports in the metal industry and machinery sector, on the other hand, have greatly increased since the war, if reparations are taken into account.

This article has tried to show the intimate connection between exports and business cycles, and how the structural changes in Finnish economic life is revealed in export returns. Yet the picture is not complete without a corresponding analysis of imports and for this a separate article would be necessary.

## THE STATE OF FINNISH AGRICULTURE AT THE END OF 1947.

BY

E. J. KORPELA, MAG. PHIL.

Agricultural production has not yet recovered from its war-time depression although industry greatly expanded in 1946 and 1947. Hopes of increasing crops per hectare by means of larger imports of fertilizers have not yet materialized, nor can any improvement be noticed in the output of animal husbandry as a whole.

### THE WEATHER.

The weather was very capricious in Summer 1947. Snow had been exceptionally scarce in the winter, particularly in the southern and western regions, and the cold severe. Consequently, the soil froze to a considerable depth and it was feared that autumn-sown crops would suffer. These



apprehensions, however, proved entirely unjustified; rye wintered better than for years and autumn wheat also gave a good crop. Clover, on the other hand, died over vast areas, no doubt because of the severe frost.

The growing season proper enjoyed, in most parts of the country, dry and comparatively warm weather. May and August in particular were dry everywhere, and June also except in the Aaland Islands and in Lapland. Fortunately the rainfall was abundant in most places in July and this saved the potato and spring wheat crops, except in the important farming districts of West Finland, where rain was scarce.

	Rainfall in per cent of normal precipitation	
	Southern Finland	Northern Finland
May .....	23	28
June .....	74	106
July .....	116	159
August .....	19	39

It may also be noted that the severe drought persisted throughout the autumn — a very abnormal occurrence — and thus seriously interfered with autumn sowing.

#### CROP RETURNS.

The most signal changes in comparison with the results of the preceding year were the 26 per cent increase in the yield per hectare of rye and the 14 per cent decline for hay. The considerable fall in „other root vegetables” was of no great importance. The preliminary estimates of the yield per hectare for the principal crops are (in kilogrammes):

	In per cent of		
	1947	1946	1930—39 av
Autumn wheat ...	1,292	97	69
Spring wheat ....	1,181	106	71
Rye .....	1,242	126	81
Barley .....	1,138	106	77
Oats .....	1,154	111	76
Peas .....	1,203	121	83
Potatoes .....	12,243	106	84
Turnips .....	18,476	97	71
Other root vegetables .....	14,729	85	67
Cultivated hay ..	1,940	86	65
fodder units			
Total crop .....	949	103	65

The cultivation of spring wheat has increased in a remarkable way. The area cultivated was for the first time

larger than that of rye, and this in spite of the fact that the latter had also increased after many years of continued decline. An extension can also be noted of the cultivated areas of oats, potatoes and sugar beets — for the latter this was due to the agreements signed between the new raw sugar factory in South Häme and numerous farmers.

The changes in total crop figures since 1946 are provisionally given as follows: bread grain, 13 per cent rise; oats, 21 per cent rise; potatoes, 22 per cent rise. The hay crop declined 17 per cent, owing to which total fodder units were only 3 per cent higher than in 1946.

#### FERTILIZERS.

Apart from the unfavourable weather the shortage of fertilizers was the main reason for the low hectare yield of recent years. The situation was much better this year, although it was not good enough to carry out all the plans made for it. This was largely because the shipments contracted for distribution in the spring arrived too late owing to the abnormal ice-blockade in the Baltic last winter. The quantity of fertilizers to be supplied for the 1947/48 season — much of it has already arrived — will allow of their much more extensive use than ever before. The following table shows fluctuations in their use since 1938 (kilogrammes per hectare cultivated field):

Year	Nitrogen N	Phosphoric Acid P <sub>2</sub> O <sub>5</sub>	Potash K <sub>2</sub> O <sub>2</sub>
1938 .....	2.9	14.7	6.3
1939 .....	3.1	13.0	6.1
1940 .....	3.4	5.9	3.8
1941 .....	4.4	4.8	10.8
1942 .....	4.2	0.6	6.3
1943 .....	4.9	0.6	10.3
1944 .....	3.6	—	8.6
1945 .....	1.4	0.8	3.2
1946 .....	1.4	3.9	0.9
1947 .....	2.2	13.8	9.6
1948 (scheduled)	5.9	31.8	12.5

One sign of the radical improvement in the fertilizer situation is that the rationing of phosphatic and potassic fertilizers could be abolished in the autumn of 1947; that of nitrogenous fertilizers has still to be maintained on account of their continued shortage. Here it should be noted that the use of ammonium nitrate is gradually superseding that of nitrate of lime.

One reason for the prospective improvement in the supply of fertilizers is that Finland's third superphosphate factory will be completed in 1948. This is to operate in conjunction with the Harjavalta copper refinery and sulphuric acid plant, and will have an annual capacity of 120,000 tons of superphosphates, a quantity equal to the joint capacity of the factories in Kotka and Kokkola. An interesting fact is that these factories have quite recently again started to make the so-called Kotka phosphate instead of superphosphate. The former was very popular in the 1930's and requires less sulphuric acid.

A domestic production of nitrogenous fertilizers has long been planned, but no concrete results have yet been reached. Finland's water power resources will be insufficient to meet future needs even when all the rapids are fully exploited, and therefore nitrogen production will have to be based on imported coke and not on electric energy, as first planned.

A carbide factory has been built this year by Kymi Oy. at Voikka. Its annual capacity is 10,000 tons of calcium cyanamide, making nearly 2,000 tons of nitrogen. Production has not yet been started because of the shortage of lime and electric energy.

#### ANIMAL HUSBANDRY.

In the past years the main classes of live-stock have fluctuated in number as follows (in thousands):

Year	Horses	Cows	Young cattle	Sheep	Pigs	Fowls
1939	388	1,378	540	1,000	519	2,765
1940	356	1,179	359	767	339	2,081
1941	359	1,143	428	717	259	1,964
1942	359	1,081	445	678	213	1,415
1943	363	1,072	634	789	263	1,078
1944	358	1,117	726	965	364	1,082
1945	385	1,121	552	1,015	229	993
1946	404	1,121	537	1,099	254	1,167
1947	404	1,074	478	982	335	1,446

Here it should first be noted that up to 1940 the statistics were based on numbers registered in the rural communes on September 1; since 1941 the figures show the position in all communes on March 1. The figures for 1939 and 1940 therefore do not include the comparatively small number of animals found in town and borough communes. This change of date from autumn to spring is very important because the live-stock is always largest in the early

autumn and then decreases rapidly with the seasonal slaughtering. The regular fluctuations are largest in respect of pigs, next come sheep and fowls, but they are noticeable in the other groups also.

The large number of horses registered is very noteworthy, especially remembering the ten per cent reduction of the country's cultivated area since 1939. It must be ascribed partly to the fear of inflation, and also to the fact that the division of large farms into smaller ones necessarily increases the need for horses. Finland exported 16,400 horses in 1947, most of them to Russia and the rest to Poland.

The present stock of cattle must be regarded as satisfactory under present circumstances, although it is obviously too large for the fodder available for the indoor feeding season 1947/48. This winter and spring milk production will no doubt be smaller than in any recent year, not only because of the poor hay crop, but also because the increasing number of horses, pigs and fowls mean a large demand on the small resources of concentrated fodder. Higher prices have greatly stimulated the production of pork and eggs, and less grain is consequently available for cattle food. Another reason for the low milk production is that cows had so little food from the sun scorched pastures, and the effects will be felt throughout the winter. The drought also meant a decrease in the output of AIV-ensiled fodder.

#### RICH FODDER.

The poor domestic hay crop has much accentuated the already great need for imported rich fodder. The Government have done their best to facilitate imports, but the difficulties are due not only to the general world shortage of this commodity, but perhaps still more to Finland's lack of "hard money". Argentine, the largest exporter, demands very high prices; albuminous fodder costs 24 marks and bran 14 marks per kilogramme, a fact which requires considerable price adjustment premiums from the Government.

In spite of these adverse factors imports of rich fodder were a good deal higher in 1947 than in the preceding years. Imports on 1947 are estimated to have been 37 million kilogrammes of oilcake, 47

million kilogrammes of bran, and 58 million kilogrammes of oats.

In addition, 18 million kilogrammes of maize were imported in January—September, but this had to be used for human food. The same applies to that part of the oats which were rolled.

#### IMPORTS AND EXPORTS.

The reviving Finnish exports in 1946 and 1947 together with higher export prices made it possible greatly to increase imports of farm produce and agricultural accessories. It is in fact indicative of the low state of Finnish agriculture that these imports need to be so large. The following import figures are for the twelve months October 1946—September 1947.

	Volume Metr. tons	Value Mill. mk
Meat, meat products .....	3,432	307
Butter .....	2,183	488
Eggs .....	200	21
Wheat, grain and flour .....	102,362	1,478
Rye, grain and flour .....	140,206	2,170
Barley, grain and flour .....	8,571	120
Oats, grain and flour .....	57,839	722
Maize .....	20,953	259
Bran .....	2,689	24
Vegetable and animal fats ..	11,654	960
Sugar .....	49,006	1,210
Oilcake .....	20,024	367
Nitrogenous fertilizers .....	53,529	471
Phosphatic fertilizers .....	228,680	1,025
Potassic fertilizers .....	82,139	473
Other fertilizers .....	8,081	52
Hides .....	3,490	294
Wool .....	2,967	662
Total		11,103

For the same period exports of farm produce were insignificant and included, in addition to the horses referred to above, only cheese, calf-hides and furs. Although the above list of imports is not complete, it represents no less than 28 per cent of Finland's total imports in the same period, 39,636 million marks, and thus is ample evidence of the present poor position of Finland's self-sufficiency in regard to agricultural products. No accurate figures are available as to how much of the food consumed in Finland is at present produced within the country, but 60 per cent may be considered a fair estimate.

#### WAGES AND PRICES.

The continuing monetary depreciation in Finland is also reflected in agriculture.

The following indices (1937—1939 = 100) illustrate the movement of prices for agricultural products:

Year	Vegetable produce	Animal produce	General index of farm produce
1940 .....	130	130	130
1941 .....	148	175	165
1942 .....	175	203	193
1943 .....	205	260	240
1944 .....	229	313	282
1945 .....	346	524	459
1946 .....	482	712	628
1947 (Sept.) ..	483	1,369	1,046

Since September agricultural prices have advanced considerably in two instances. On December 1, cereals went up by an average of 4 marks per kilogramme and milk by 2 marks per kilogramme. This means that the general index has risen roughly 15 per cent since September and was probably about 1,200 in December. The rise of agricultural prices has thus been much steeper than that of average wholesale prices, and steeper too than that of agricultural implements.

Despite the present high prices obtained by the farmers their profits are still very low. This is chiefly due to the sharp decline in fertility and a steep rise in wages. The extent of the former, and its reasons have already been described. Wages again have risen much more on an average in farming than for instance in industry. In September 1947, when the general price index of farm produce was 1,046, the wage index for male farm workers was 906 and for female farm workers 1,089, the average being 971. After the general wage advance which took place in October, men's wages rose to 1,161, women's to 1,406, and average farm wages to 1,250. No account has been taken in these indices of the children's allowances to be paid in virtue of a recent decision of the Government, as it is not yet exactly known what they are to be and how paid to agricultural workers; but they are expected to raise the general index by 4 per cent, or to about 1,300.

Formerly the relation between prices of different agricultural products was quite stable; now that has completely changed. The price index of cereals is not more than 611 (433 before the last increase), but that of meat and eggs has already sky-rocketed to 2,000, and even more. Therefore the profitability of individual farms now-

adays largely depends, not only on the fertility of the fields, but also on how much high-priced produce they can sell.

#### THE RE-SETTLEMENT.

Of all questions affecting the development of Finnish agriculture the re-settlement in consequence of the Land Expropriation Act is the most momentous.<sup>1)</sup> The law came into force July 1, 1945, and by the end of October 1947 land had been surrendered and expropriated as follows:

Tilled land .....	226,700 ha
Pastures .....	26,645 "
Reclaimable land .....	148,186 "
Forest land .....	968,665 "
Waste land .....	26,404 "
Total 1,396,550 ha	

In the same period the following new land units were created:

Farms proper .....	23,710
Mixed farming and dwelling sites .....	10,949
Dwelling sites .....	19,205
Building plots .....	23,930
Fishing sites .....	550
Pasturages .....	949
Joint ownership forest-lands .....	15
Others .....	1,110
Supplementary lands .....	12,899
Total number 93,317	

<sup>1)</sup> As to the provisions of this Act see article in Nos. 10—12, 1946, of this Bulletin, pp. 22—26.

Farmers displaced from the ceded territories are the most important class of persons entitled to new land, and an examination of the re-settlement of the displaced population reveals, at the end of October 1947, the following situation in respect of farms proper and mixed farming and dwelling sites, the two types which mean most for agricultural production:

	Farms proper	Mixed estates
Owner by allotment .....	11,043	3,852
Owner by free purchase .....	5,985	1,855
Relinquished right to obtain land	1,634	1,199
Refused to sign occupation agreement .....	1,362	450
Unplaced .....	1,476	3,394
Total number		21,500 10,750

As at the same time a further number of 3,070 expropriated farms and 1,438 expropriated mixed farming and dwelling sites were still in the making, the re-settlement of evacuees has reached its final phase. On the other hand the necessary farm buildings and the clearing of reclaimable land are barely properly started. The risk of spoiling incalculable economic values and in general jeopardizing the profitability of husbandry make it imperative, even now, to proceed with the utmost care in arranging for new farms.

## ITEMS.

**Supplementary Budgets for 1947.** In addition to the ordinary Budget for 1947 six supplementary budgets have been passed by the Diet. Total expenditure for the year will exceed that of the ordinary budget by 17,795 million marks, the additional income being 6,664 million in all. The real surplus of income over the sum of the ordinary Budget, however, is greater than the latter figure. This is due to the fact that many income items will exceed the figures in the ordinary Budget.

**Bank rates.** In accordance with the decision of the Supervisors of the Bank of Finland the bank rates have been raised

by three-quarters of one per cent as from December 15th. The previous rates, 4 1/2—5 1/2 per cent, have been in force since June 6th, 1947. Thus the present rates are as follows.

	%
For purely commercial bills at not more than three months' date .....	5 1/4
For other bills, according to the class and maturity date .....	5 3/4—6 1/4
For loans on security and advances on cash credit, according to the nature and security of the credit .....	5 1/4—6 1/4

**Local elections.** These were held on December 4th and 5th all over the country. According to the figures available, which

are still subject to minor changes, the elected local government representatives, 10,637 in all (the representatives in Aaland not included), are grouped as follows: 6,179 in non-socialist parties, 2,210 in the Social-Democratic Party and 1,767 in the Democratic League, the rest having been elected from among candidates of these two leftist parties in common. In Aaland the number of representatives elected was 172, the majority of which belong to the Swedish Party. In the local elections of 1945 the total number of representatives elected was 10,003. Of these, 5,403 belonged to non-socialist parties, 2,255 to the Social Democratic Party and 2,330 to the Democratic League. It should be noticed that because at local elections all candidates are not grouped according to political parties, this party alignment is but approximate.

\*

**New foreign credits.** The United States has made available to the Finnish State a credit of 10 million dollars through the War Assets Administration. This is granted for the purchase of army surplus property in the United States, and its interest is 3 per cent. Redemption will begin in 1950 and end in 1963.

Federación Nacional de Cafeteros de Colombia has granted a credit of 5 million United States dollars to the Finnish State for the purchase of coffee in Colombia. The loan will be redeemed in 1951—1960. Interest is 3 1/2 per cent.

\*

**Floating and lumbering.** The results of the floating season of 1947 were not quite good except in North Finland where the target was nearly reached. In the other parts of the country the shortage of water much hampered the floating, and only a little more than 70 per cent of the target was reached.

As previously stated (in Nos. 4—6, 1947 of this Bulletin), forestry has been free from all trading control since June 1st, 1947, and therefore no official target was set for this season's lumbering. According to estimates, however, fellings of 45 million cub. metres seem possible, and are being

attempted. (For the two previous seasons the targets were 53 and 52 million cub. metres.)

According to information available at the beginning of December it seems probable that the quantities aimed at will be reached except in firewood, yet the general shortage of man-power also hampers lumbering, because in addition to the 80,000 men already at work there is need for about 25,000 more.

\*

**The merchant fleet.** At the end of 1947 the merchant fleet totalled 644 vessels (489,966 gross reg. tons) the increase during the year having been 95 vessels (160,208 gross reg. tons). On the eve of World War II the number of sea-going vessels — 500 gross reg. tons or more — was 284 (593,800 gross reg. tons), and at the end of the war only 125 (220,290 gross reg. tons); at the end of 1947 they numbered 193 (428,138 gross reg. tons).

\*

**Proposed bank merger.** The management of Helsingfors Aktiebank — Helsingin Osakepankki has suggested to Oy Pohjoismaiden Yhdyspankki — Ab Nordiska Föreningsbanken the amalgamation of these two banks; this is because the inflation has lowered the value of the funds and the deposits of the banks. Constantly rising wages, other expenses and high taxation lower the possibilities of the banks to grant credits, making rationalization measures necessary. The management of Pohjoismaiden Yhdyspankki has agreed to the suggestion. The two banks will operate on a common account as from January 1st, 1948. The final decision will be made at the meetings of the shareholders of the two banks.

\*

**Bank of Finland Monthly Bulletin.** This Bulletin, which has been published quarterly for two years will appear as six double numbers in 1948. The table of contents for 1946 and 1947 is distributed with the present issue.

\*

## BANK OF FINLAND

(Cable address Suomenpankki)

### BOARD OF MANAGEMENT:

Tuomioja, Sakari, Governor  
Kivialho, K.  
Raittinen, Paavo  
Kekkonen, Urho  
Sundman, C. G., ad. int.

### HEADS OF DEPARTMENTS:

Suviranta, Br., Economic Adviser	Österlund, P.-E., Clearing
Leinonen, Esko K., Secretariate	Kajantie, A., Control
Tudeer, A. E., Institute for Economic Research	Tauriala, T., Foreign currency
Engberg, G., Personnel	Wahlman, Rob., Cash
Westling, Gunnar, Office	Jens, J., Foreign correspondence
Blomquist, P., Accounts	Helander, J., Foreign currency control
	Räikkönen, P., Documentary credits

---

## THE BANK OF FINLAND MONTHLY BULLETIN

is sent free of charge to anyone wishing to receive it. Finnish booksellers are, however, allowed to sell it at a price of 20 marks per copy. Should extracts from the Bulletin be printed, the source should be stated. Correspondence with regard to the Bulletin should be addressed to the Bank of Finland Institute for Economic Research.

Helsinki (Helsingfors), Finland.