



BANK OF FINLAND

Monthly Bulletin

Invoicing currencies in Finnish foreign trade

Foreign capital movements and their monitoring in Finland during the 1970s

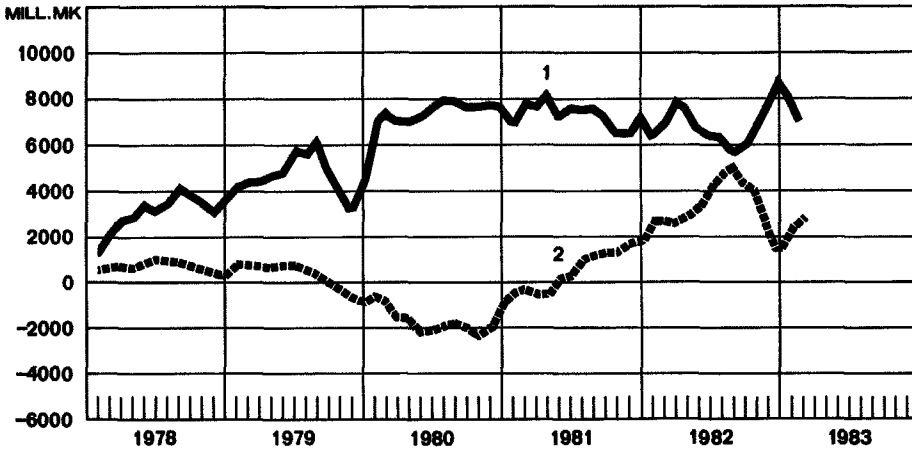
Parliamentary elections of 1983

Commemorative coin of the first World Athletics Championships

APRIL 1983

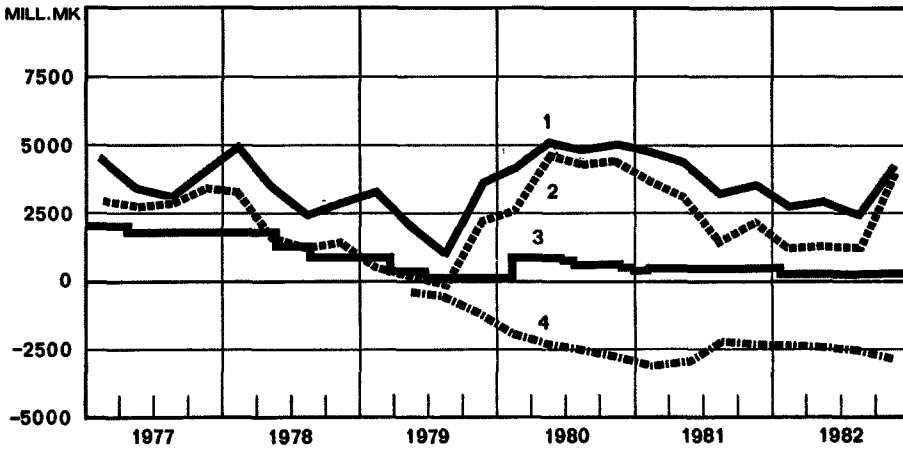
Vol. 57 No. 4

BANK OF FINLAND'S CONVERTIBLE AND TIED FOREIGN EXCHANGE RESERVES, 1978 - 83



- 1. Gold and convertible currencies
- 2. Tied currencies

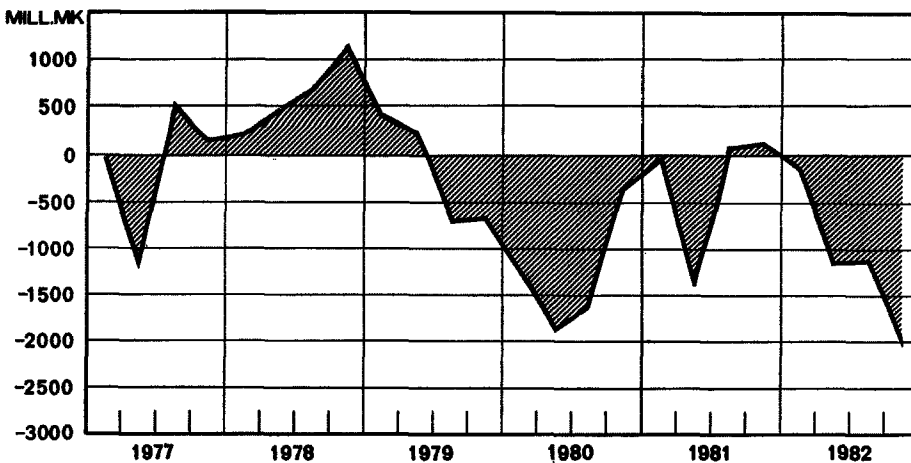
COMMERCIAL BANKS' CENTRAL BANK POSITION, 1977-1982



- 1. Total central bank debt
- 2. Actual central bank debt
- 3. The quotas
- 4. Cash reserve deposits

Quarterly average of daily amounts (1, 2 and 4)

BALANCE OF PAYMENTS CURRENT ACCOUNT SURPLUS/DEFICIT, 1977-82



Seasonally adjusted quarterly figures

INVOICING CURRENCIES IN FINNISH FOREIGN TRADE

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Bank of Finland

Floating exchange rates and a sharp increase in exchange rate variability have added a significant element of uncertainty to foreign trade. As a result, exporters and importers have increasingly turned their attention to the choice of invoicing currencies. In Finland interest in this question has intensified especially since the late 1970s.¹

A Finnish firm engaged in foreign trade is free to agree with its trading partner on the invoicing currency to be used, there being no restrictions in this respect in the foreign exchange regulations. In bilateral trade with the centrally-planned economies, however, the currencies used as units of account in the clearing process — e.g. the clearing rouble in trade with the Soviet Union — are specified in payments agreements between the countries concerned, and therefore influence the choice of invoicing currencies.

For many products, market traditions and international practice have established the use of some specific invoicing currency. Where such arrangements do not exist, market conditions and the relative bargaining power of the buyer or the seller may imply limitation to a certain currency. There is often a trade-off between the choice of the invoicing currency and the price of the product.

A large part of Finnish foreign trade is invoiced in the domestic currency of the foreign buyer or seller. Particularly in trade with major industrial countries, more than half of Finnish exports is invoiced in the domestic currency of the country concerned. In exports to Japan

and Italy, however, the US dollar is the dominant currency.

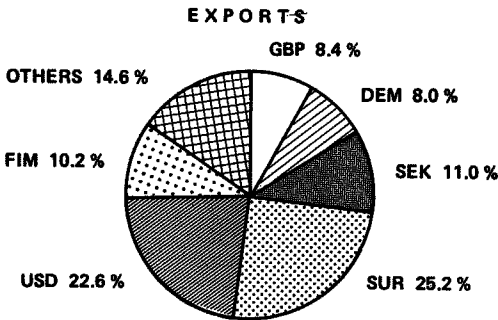
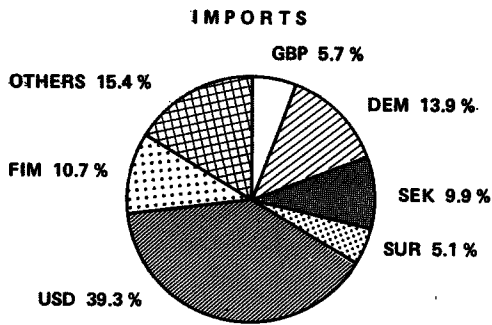
According to quarterly statistics, the distribution of invoicing currencies in Finnish merchandise trade does not seem to be subject to any significant short-run variations. So far as these take place, they largely reflect changes in the product- and country-mix of trade. Clearly, if a currency is subject to exchange rate expectations this may influence its use in invoicing. But, in the short run at least, firms seem to resort to other hedging methods rather than change the invoicing currency.

However, marked structural changes have occurred in the use of invoicing currencies over the longer term. In spite of deficiencies in data for the earlier period, it can be shown that the share of the US dollar, the key invoicing currency, increased throughout the 1970s. For the time being the share of the dollar in total invoicing in Finnish foreign trade appears to have stabilized at one-third. A quarter of exports is invoiced in dollars, whilst in imports the dollar's share is as high as 40 per cent. The US dollar is an important invoicing currency in nearly all product categories. The rise in the energy bill, in particular, has increased the use of the dollar, since most of Finland's energy imports are invoiced in dollars. The expansion of Finnish exports to more distant markets, such as the Arab countries, has served to increase dollar invoicing, a reflection of the dollar's overriding importance as an invoicing currency in exports to such markets.

With the increase in trade with the Soviet Union, the share of the rouble in the invoicing

¹ An added impetus was provided by the publication of the doctoral thesis »Företagets valutastrategi» (Foreign Exchange Strategies of the Firm) by Kari Nars in 1980.

INVOICING CURRENCIES IN FINNISH IMPORTS AND EXPORTS IN 1982, PER CENT



of Finland's total merchandise trade has risen to 15 per cent. Although the rouble is the clearing unit of account for bilateral trade, oil imports from the Soviet Union are nevertheless invoiced in dollars. Therefore invoicing in roubles is used far less in imports than in exports, where the rouble, together with the dollar, occupies the position of the most important invoicing currency.

A third important long-run feature is the substantial decline in the use of the pound sterling throughout the 1970s. Today, the share of sterling in total invoicing stands at 7 per cent, only a third of what it was in the early 1970s. The weakening trend and volatile fluctuations of sterling rates have apparently been a major reason for the decline in its use. For example, in some wood processing products, the use of the pound sterling as a pricing and invoicing currency in international trade was abandoned in the 1970s.

The role of the deutschemark has remained stable at approximately 10 per cent of total Finnish foreign trade. In addition to the trade

with the Federal Republic of Germany, the deutschemark is widely used in invoicing imports from Italy.

The central position of the Swedish krona among the invoicing currencies reflects Sweden's importance as a trading partner of Finland. A sizable proportion of Finnish exports to Denmark is also invoiced in Swedish krona. Moreover, for some export products, such as timber, the Swedish krona is widely used in international trade. Thus, roughly 40 per cent of Finland's timber exports is invoiced in krona.

Until the late 1970s, invoicing in Finnish markka covered only 3—4 per cent of Finnish foreign trade. The markka was used mainly in trade with other Nordic countries, especially with Sweden. In recent years, however, the situation has changed as Finnish firms, in seeking to avoid exchange risks, have strengthened their efforts to secure invoicing in markka.

The Finnish markka has gradually become better known internationally, and today it is regularly quoted in a number of countries. Furthermore, the markka has been a fairly stable currency compared with many others. Following steps taken a few years ago to bring the operation of the forward markets in Finland into line with international practice, it has become easier for foreign companies and banks to obtain forward cover for their markka receivables. In this way, the preconditions for invoicing in markka have been enhanced.

Invoicing in Finnish markka now accounts for some 10 per cent of Finland's total trade. Although the markka is used in trade with all major trading partners, it is still most frequently used for trading with Nordic countries. Approximately a quarter of Finnish exports to Sweden, one-fifth to Norway and one-tenth to Denmark are invoiced in markka. On the imports side, it accounts for a third of imports from Denmark, one-fifth from Sweden and one-eighth from Norway. In trade with most

(continued on page 32)

BANK OF FINLAND

Mill. mk

| | 1982 | | 1983 | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | Mar. 23 | Dec. 31 | Mar. 8 | Mar. 15 | Mar. 23 | Mar. 31 |
| Assets | | | | | | |
| Gold and foreign exchange receivables | 10 831 | 10 552 | 9 863 | 9 336 | 9 206 | 10 201 |
| Gold | 1 382 | 1 382 | 1 382 | 1 382 | 1 382 | 1 382 |
| Special drawing rights | 567 | 609 | 568 | 570 | 571 | 570 |
| IMF reserve tranche | 394 | 453 | 455 | 456 | 457 | 456 |
| Foreign bonds | 1 125 | 765 | 508 | 486 | 279 | 278 |
| Convertible currencies | 4 645 | 5 813 | 3 844 | 3 576 | 3 396 | 4 586 |
| Tied currencies | 2 718 | 1 530 | 3 106 | 2 866 | 3 121 | 2 929 |
| Other foreign receivables | 1 606 | 3 963 | 3 975 | 3 975 | 3 986 | 3 984 |
| Mark subscription to Finland's IMF quota | 1 606 | 1 843 | 1 843 | 1 843 | 1 843 | 1 843 |
| Term receivables | — | 2 120 | 2 132 | 2 132 | 2 143 | 2 141 |
| Receivables from financial institutions | 3 891 | 5 409 | 4 088 | 5 613 | 5 080 | 4 484 |
| Banks' cheque accounts | 380 | 169 | 427 | 443 | 394 | 262 |
| Call money market advances | 2 032 | 3 126 | 1 466 | 2 986 | 2 472 | 2 106 |
| Till-money credits | 756 | 889 | 917 | 871 | 904 | 802 |
| Bonds | 693 | 1 179 | 1 252 | 1 282 | 1 282 | 1 282 |
| Other financial institution receivables | 30 | 46 | 26 | 31 | 28 | 32 |
| Receivables from the public sector | 971 | 1 040 | 1 262 | 1 289 | 1 319 | 1 555 |
| Government promissory notes | — | — | — | — | — | 210 |
| Bonds | 441 | 435 | 636 | 660 | 685 | 707 |
| Total coinage | 520 | 559 | 579 | 583 | 588 | 592 |
| Other public sector receivables | 10 | 46 | 47 | 46 | 46 | 46 |
| Receivables from corporations | 4 701 | 4 990 | 4 945 | 4 996 | 5 024 | 5 001 |
| Financing of exports | 1 734 | 1 788 | 1 746 | 1 774 | 1 790 | 1 762 |
| Financing of domestic deliveries | 2 255 | 2 514 | 2 611 | 2 641 | 2 652 | 2 656 |
| Bonds | 187 | 163 | 158 | 153 | 155 | 157 |
| Other corporate receivables | 525 | 525 | 430 | 428 | 427 | 426 |
| Other assets | 91 | 99 | 100 | 101 | 100 | 100 |
| Total | 22 091 | 26 053 | 24 233 | 25 310 | 24 715 | 25 325 |
| Liabilities | | | | | | |
| Foreign exchange liabilities | 48 | 22 | 45 | 26 | 33 | 36 |
| Convertible accounts | 48 | 17 | 42 | 22 | 28 | 26 |
| Tied accounts | 0 | 5 | 3 | 4 | 5 | 10 |
| Other foreign liabilities | 3 233 | 5 410 | 3 807 | 3 804 | 3 827 | 4 648 |
| IMF mark accounts | 1 812 | 1 927 | 1 890 | 1 890 | 1 890 | 1 890 |
| Allocations of special drawing rights | 726 | 833 | 838 | 840 | 842 | 840 |
| Term liabilities | 695 | 2 650 | 1 079 | 1 074 | 1 095 | 1 918 |
| Notes and coins in circulation | 5 175 | 6 062 | 5 705 | 5 688 | 5 681 | 5 966 |
| Notes | 4 725 | 5 572 | 5 222 | 5 205 | 5 198 | 5 480 |
| Coins | 450 | 490 | 483 | 483 | 483 | 486 |
| Deposit certificates in circulation | 2 300 | 1 700 | 2 450 | 3 450 | 3 050 | 1 800 |
| Claims of financial institutions | 4 553 | 4 791 | 4 089 | 4 165 | 3 905 | 4 518 |
| Banks' cheque accounts | 1 | 6 | 3 | 51 | 5 | 0 |
| Call money market deposits | 1 590 | 1 470 | 685 | 730 | 520 | 710 |
| Cash reserve deposits | 2 644 | 3 132 | 3 294 | 3 293 | 3 293 | 3 727 |
| Capital import deposits | 284 | 177 | 60 | 60 | 60 | 56 |
| Other financial institution claims | 34 | 6 | 47 | 31 | 27 | 25 |
| Claims of the public sector | 211 | 50 | 0 | 0 | 0 | 1 |
| Cheque accounts | 1 | 1 | 0 | 0 | 0 | 1 |
| Counter-cyclical reserves | 117 | — | — | — | — | — |
| Counter-cyclical deposits | 3 | — | — | — | — | — |
| Capital import deposits | 89 | 49 | — | — | — | — |
| Other public sector claims | 1 | 0 | 0 | 0 | 0 | 0 |
| Claims of corporations | 1 431 | 1 687 | 1 553 | 1 540 | 1 541 | 1 718 |
| Deposits for investment and ship purchase | 1 239 | 1 416 | 1 314 | 1 302 | 1 298 | 1 300 |
| Capital import deposits | 183 | 265 | 229 | 229 | 231 | 413 |
| Other corporate claims | 9 | 6 | 10 | 9 | 12 | 5 |
| Other liabilities | 15 | 23 | 20 | 14 | 14 | 15 |
| Equalization accounts | 772 | 1 609 | 1 790 | 1 839 | 1 870 | 1 819 |
| Capital accounts | 4 353 | 4 699 | 4 774 | 4 784 | 4 794 | 4 804 |
| Primary capital | 3 000 | 3 000 | 3 000 | 3 000 | 3 000 | 3 000 |
| Reserve fund | 1 032 | 1 032 | 1 365 | 1 365 | 1 365 | 1 365 |
| Undisposed profits | 281 | — | 334 | 334 | 334 | 334 |
| Net earnings | 40 | 667 | 75 | 85 | 95 | 105 |
| Total | 22 091 | 26 053 | 24 233 | 25 310 | 24 715 | 25 325 |

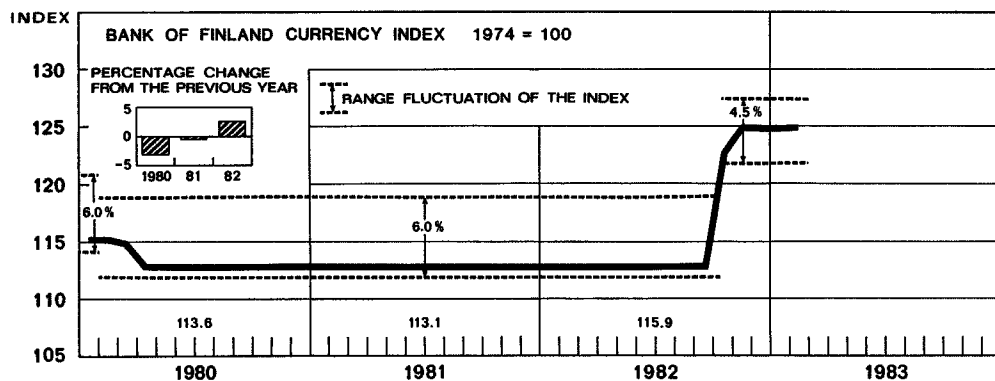
| End of year or month | Foreign sector | | | | | | | Public sector | | | |
|----------------------|--------------------------------|---------------|-----------------------------|------------------------------------|----------------------|------------------------|-------------------------|---------------|-------------|-----------------------|-------------------------------------|
| | Gold SDRs, IMF reserve tranche | Foreign bonds | Convertible currencies, net | Total convertible reserves (1+2+3) | Tied currencies, net | Other receivables, net | Net receivables (4+5+6) | Receivables | Liabilities | Net liabilities (9-8) | Deposit certificates in circulation |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 1977 | 337 | 543 | 1 212 | 2 092 | 496 | -2 031 | 557 | 391 | 328 | - 63 | 200 |
| 1978 | 728 | 872 | 3 080 | 4 680 | 471 | -1 099 | 4 052 | 633 | 114 | -519 | 1 090 |
| 1979 | 1 728 | 1 749 | 2 964 | 6 441 | -678 | -764 | 4 999 | 884 | 387 | -497 | 1 700 |
| 1980 | 1 850 | 2 125 | 3 823 | 7 798 | -757 | -890 | 6 151 | 1 225 | 591 | -634 | 1 900 |
| 1981 | 2 408 | 1 405 | 3 645 | 7 458 | 1 909 | -991 | 8 376 | 1 236 | 578 | -658 | 1 600 |
| 1982 | 2 444 | 765 | 5 796 | 9 005 | 1 525 | -1 447 | 9 083 | 1 040 | 50 | -990 | 1 700 |
| 1982 | | | | | | | | | | | |
| March | 2 343 | 1 125 | 4 597 | 8 065 | 2 718 | -1 627 | 9 156 | 971 | 211 | -760 | 2 300 |
| April | 2 343 | 1 117 | 4 267 | 7 727 | 3 084 | -1 612 | 9 199 | 965 | 195 | -770 | 2 150 |
| May | 2 305 | 1 064 | 3 498 | 6 867 | 3 456 | -1 581 | 8 742 | 964 | 171 | -793 | 2 000 |
| June | 2 286 | 910 | 3 335 | 6 531 | 4 314 | -1 583 | 9 262 | 977 | 143 | -834 | 2 200 |
| July | 2 286 | 899 | 3 280 | 6 465 | 4 909 | -1 583 | 9 791 | 987 | 163 | -824 | 2 000 |
| Aug. | 2 348 | 851 | 2 657 | 5 856 | 5 207 | -1 555 | 9 508 | 985 | 147 | -838 | 1 600 |
| Sept. | 2 348 | 857 | 2 920 | 6 125 | 4 306 | -2 537 | 7 894 | 973 | 107 | -866 | 2 000 |
| Oct. | 2 348 | 709 | 4 042 | 7 099 | 4 128 | -4 427 | 6 800 | 986 | 112 | -874 | 2 000 |
| Nov. | 2 310 | 752 | 4 946 | 8 008 | 2 697 | -3 295 | 7 410 | 978 | 50 | -928 | 2 800 |
| Dec. | 2 444 | 765 | 5 796 | 9 005 | 1 525 | -1 447 | 9 083 | 1 040 | 50 | -990 | 1 700 |
| 1983 | | | | | | | | | | | |
| Jan. | 2 450 | 523 | 5 142 | 8 115 | 2 488 | 121 | 10 724 | 1 113 | 0 | -1 113 | 1 580 |
| Feb. | 2 405 | 600 | 4 109 | 7 114 | 2 922 | 180 | 10 216 | 1 209 | 0 | -1 209 | 1 650 |
| March | 2 408 | 278 | 4 560 | 7 246 | 2 919 | -664 | 9 501 | 1 555 | 1 | -1 554 | 1 800 |

FOREIGN EXCHANGE POSITION

Mill. mk

| | Net holdings, Dec. 31, 1982 | | | Net holdings Feb. 28, 1983 | | | Change | |
|------------------------|-----------------------------|---------|--------|----------------------------|---------|--------|--------|-----------|
| | Bank of Finland | Other | Total | Bank of Finland | Other | Total | Feb. | Jan.-Feb. |
| Gold | 1 382 | — | 1 382 | 1 383 | — | 1 383 | — | +1 |
| Special drawing rights | 609 | — | 609 | 568 | — | 568 | -45 | -41 |
| IMF reserve tranche | 453 | — | 453 | 455 | — | 455 | — | +2 |
| Foreign bonds | 764 | — | 764 | 599 | — | 599 | +76 | -165 |
| Convertible currencies | 5 796 | -11 049 | -5 253 | 4 110 | -10 885 | -6 775 | -325 | -1 522 |
| Total | 9 004 | -11 049 | -2 045 | 7 115 | -10 885 | -3 770 | -294 | -1 725 |
| Tied currencies | 1 526 | -215 | 1 311 | 2 921 | -192 | 2 729 | +458 | +1 418 |
| Grand total | 10 530 | -11 264 | -734 | 10 036 | -11 077 | -1 041 | +164 | -307 |

| End of year or month | Domestic financial sector | | | | | | Corporate sector | | | | Notes and coins in circulation |
|----------------------|-------------------------------------|----------------------------------|--|---------------------------------------|-----------------------|-------------------------|--------------------------------|--------------------------------------|------------------|------------------------|--------------------------------|
| | Dis-counted and redis-counted bills | Cheque account receiv-ables, net | Demand for call money by deposit banks | Supply of call money by deposit banks | Cash reserve deposits | Other liabil-ities, net | Net receiv-ables (1+2+3-4-5-6) | Perma-nent special financing schemes | Liabili-ties net | Net receiv-ables (8-9) | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 1977 | 3 091 | 107 | 1 804 | 850 | — | -74 | 4 226 | 1 416 | 242 | 1 174 | 3 167 |
| 1978 | 970 | 136 | 2 213 | 2 075 | — | 69 | 1 175 | 1 948 | 356 | 1 592 | 3 822 |
| 1979 | — | 229 | 3 870 | 1 131 | 1 764 | -291 | 1 495 | 2 182 | 65 | 2 117 | 4 375 |
| 1980 | — | 480 | 3 674 | 290 | 3 317 | -1 064 | 1 611 | 3 063 | 642 | 2 421 | 4 954 |
| 1981 | — | 495 | 1 796 | 1 080 | 2 492 | -1 174 | -107 | 3 865 | 749 | 3 116 | 5 595 |
| 1982 | — | 163 | 3 126 | 1 470 | 3 132 | -1 931 | 618 | 4 302 | 999 | 3 303 | 6 062 |
| 1982 | | | | | | | | | | | |
| March | — | 379 | 2 032 | 1 590 | 2 644 | -1 161 | -662 | 3 989 | 719 | 3 270 | 5 175 |
| April | — | 305 | 2 069 | 1 600 | 2 644 | -1 360 | -510 | 3 955 | 752 | 3 203 | 5 383 |
| May | — | 511 | 1 888 | 1 420 | 2 707 | -1 510 | -218 | 4 058 | 684 | 3 374 | 5 534 |
| June | — | 429 | 2 006 | 1 640 | 2 732 | -1 568 | -369 | 4 118 | 929 | 3 189 | 5 752 |
| July | — | 290 | 1 223 | 1 042 | 2 777 | -1 467 | -839 | 4 084 | 1 136 | 2 948 | 5 706 |
| Aug. | — | 435 | 929 | 1 260 | 2 783 | -1 461 | -1 218 | 4 117 | 983 | 3 134 | 5 557 |
| Sept. | — | 351 | 2 409 | 290 | 3 095 | -1 537 | 912 | 4 156 | 982 | 3 174 | 5 616 |
| Oct. | — | 328 | 3 867 | 39 | 3 105 | -1 530 | 2 581 | 4 415 | 977 | 3 438 | 5 670 |
| Nov. | — | 311 | 3 902 | — | 3 128 | -1 690 | 2 775 | 4 404 | 973 | 3 431 | 5 663 |
| Dec. | — | 163 | 3 126 | 1 470 | 3 132 | -1 931 | 618 | 4 302 | 999 | 3 303 | 6 062 |
| 1983 | | | | | | | | | | | |
| Jan. | — | 347 | 708 | 1 308 | 3 254 | -2 075 | -1 432 | 4 331 | 994 | 3 337 | 5 711 |
| Feb. | — | 198 | 1 151 | 1 140 | 3 294 | -2 106 | -979 | 4 360 | 871 | 3 489 | 5 803 |
| March | — | 262 | 2 106 | 710 | 3 727 | -2 035 | -34 | 4 418 | 1 135 | 3 283 | 5 966 |



MONETARY POLICY INDICATORS

| Average for period | Total central bank debt of the commercial banks, mill. mk | Actual central bank debt of the commercial banks, mill. mk | Credit quotas of the commercial banks at the Bank of Finland, mill. mk | Cash reserve deposits of the deposit banks mill. mk | Cash reserve deposits of the commercial banks mill. mk | Bank of Finland placements in the call money market, mill. mk | Base rate % | Call money interest rate % | Average cost of total central bank debt % | Average lending rate of the commercial banks ¹ % |
|--------------------|---|--|--|---|--|---|-------------|----------------------------|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1976 | 4 001 | 3 345 | 2 400 | — | — | 79 | 9.25 | 18.40 | 12.38 | 9.69 |
| 1977 | 3 914 | 3 094 | 1 967 | — | — | 149 | 9.00 | 17.20 | 11.82 | 9.54 |
| 1978 | 3 573 | 2 070 | 1 475 | — | — | 90 | 7.58 | 11.99 | 8.88 | 8.22 |
| 1979 | 2 629 | 820 | 475 | 447 | 389 | 321 | 7.46 | 9.74 | 8.99 | 8.03 |
| 1980 | 4 963 | 4 097 | 783 | 2 542 | 2 220 | 3 313 | 9.20 | 12.38 | 12.37 | 9.77 |
| 1981 | 4 087 | 2 754 | 595 | 2 795 | 2 442 | 2 161 | 9.25 | 11.48 | 11.61 | 9.84 |
| 1982 | 3 166 | 1 985 | 417 | 2 777 | 2 426 | 1 571 | 8.81 | 11.64 | 11.99 | 9.33 |

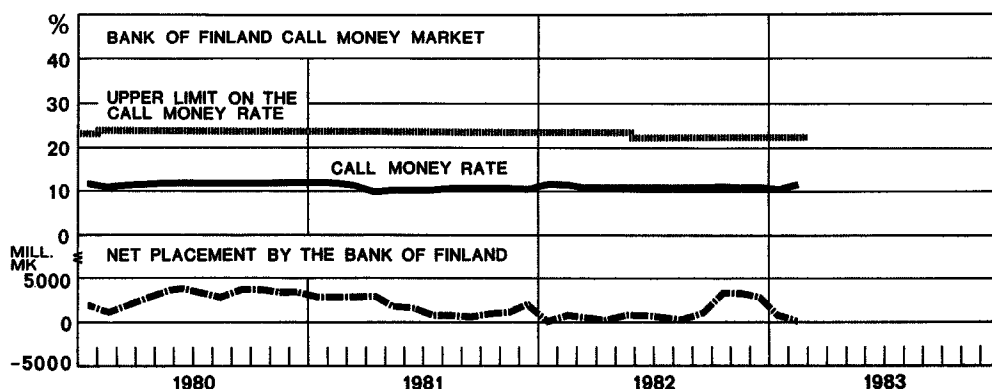
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| | | | | | | | | | | |
|-------|--------------------|-------|-----|-------|-------|-------|------|-------|-------|------|
| March | 3 059 | 1 305 | 400 | 2 630 | 2 290 | 906 | 9.25 | 11.56 | 11.72 | 9.79 |
| April | 3 049 | 1 062 | 400 | 2 637 | 2 299 | 664 | 9.25 | 11.50 | 11.51 | 9.78 |
| May | 2 908 | 1 429 | 400 | 2 645 | 2 313 | 1 034 | 9.25 | 11.50 | 11.64 | 9.77 |
| June | 3 090 | 1 528 | 400 | 2 706 | 2 356 | 1 134 | 8.50 | 11.50 | 11.42 | 9.06 |
| July | 2 686 | 1 213 | 400 | 2 731 | 2 386 | 814 | 8.50 | 11.50 | 11.09 | 9.04 |
| Aug. | 2 312 | 1 010 | 400 | 2 771 | 2 418 | 611 | 8.50 | 11.50 | 10.63 | 8.99 |
| Sept. | 2 703 ¹ | 1 597 | 400 | 2 794 | 2 439 | 1 198 | 8.50 | 11.45 | 11.25 | 8.97 |
| Oct. | 4 412 | 4 148 | 400 | 3 091 | 2 699 | 3 750 | 8.50 | 11.70 | 13.08 | 8.97 |
| Nov. | 4 247 | 4 088 | 400 | 3 100 | 2 714 | 3 690 | 8.50 | 11.50 | 13.24 | 8.95 |
| Dec. | 4 242 | 3 765 | 400 | 3 119 | 2 723 | 3 367 | 8.50 | 11.50 | 13.30 | 8.95 |

1983

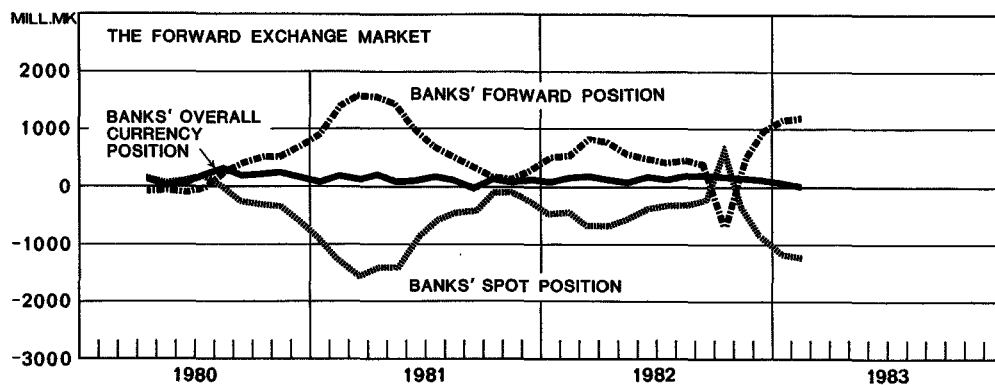
| | | | | | | | | | | |
|-------|-------|-------|-----|-------|-------|-------|------|-------|-------|------|
| Jan. | 2 963 | 1 410 | 400 | 3 135 | 2 751 | 1 011 | 8.50 | 11.00 | 12.10 | 8.99 |
| Feb. | 1 853 | 870 | 400 | 3 240 | 2 853 | 475 | 8.50 | 12.00 | 11.73 | 8.97 |
| March | 2 718 | 1 807 | 400 | 3 308 | 2 888 | 1 408 | 8.50 | 13.00 | .. | .. |

¹ End of period.



FORWARD EXCHANGE MARKETS IN FINLAND

| Period | Banks' Forward Positions in mill. mk with | | | | | | Banks' Forward Selling Rates for USD | | |
|-------------|---|-------------|---------|---------------|-----------------|---------|--|----------|----------|
| | Domestic Firms | | | Foreign Banks | Bank-of Finland | Overall | Deviation from spot rate, per cent per annum | | |
| | Assets | Liabilities | Net | Net | Net | Net | 1 month | 3 months | 6 months |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
| 1981 | 5 183.0 | 1 619.8 | 3 563.2 | -581.0 | -2 346.3 | 583.5 | -4.4 | -4.1 | -3.6 |
| 1982 | 11 128.0 | 2 116.7 | 9 011.4 | -865.1 | -6 827.2 | 1 104.0 | 3.9 | 3.8 | 3.4 |
| 1981 | | | | | | | | | |
| Oct. | 4 776.6 | 1 847.5 | 2 929.1 | -723.4 | -1 812.7 | 301.7 | -2.2 | -2.2 | -2.5 |
| Nov. | 5 267.6 | 1 788.5 | 3 479.2 | -698.6 | -2 424.4 | 291.7 | -0.8 | -0.7 | -0.7 |
| Dec. | 5 183.0 | 1 619.8 | 3 563.2 | -581.0 | -2 346.3 | 583.5 | 0.1 | 0.3 | -0.1 |
| 1982 | | | | | | | | | |
| Jan. | 4 984.2 | 1 581.2 | 3 402.9 | -666.0 | -2 242.9 | 607.4 | -1.3 | -0.7 | -1.0 |
| Feb. | 5 054.0 | 1 666.4 | 3 387.6 | -660.0 | -2 081.1 | 666.8 | -2.6 | -2.3 | -2.4 |
| March | 5 596.8 | 1 693.5 | 3 903.3 | -522.1 | -2 262.1 | 1 292.4 | -1.3 | -1.5 | -1.7 |
| April | 5 936.4 | 1 596.8 | 4 339.6 | -671.8 | -2 879.4 | 666.5 | -1.9 | -1.9 | -2.0 |
| May | 6 035.1 | 1 950.0 | 4 085.1 | -486.4 | -2 953.6 | 559.9 | -1.3 | -1.1 | -1.1 |
| June | 5 942.0 | 1 703.4 | 4 238.6 | -704.5 | -2 797.7 | 637.3 | -1.7 | -1.7 | -1.6 |
| July | 5 781.5 | 1 653.2 | 4 128.3 | -871.0 | -3 004.6 | 322.1 | -0.6 | -0.9 | -1.3 |
| Aug. | 7 045.1 | 1 679.3 | 5 365.8 | -854.4 | -4 114.5 | 309.8 | 2.4 | 1.8 | 1.0 |
| Sept. | 6 618.6 | 2 282.4 | 4 336.1 | -711.3 | -3 947.8 | -306.9 | 2.6 | 2.6 | 2.3 |
| Oct. | 6 898.2 | 2 557.1 | 4 341.1 | -805.2 | -3 937.2 | -395.9 | 4.0 | 4.1 | 4.0 |
| Nov. | 8 921.5 | 2 199.9 | 6 721.6 | -692.8 | -5 027.6 | 917.4 | 4.7 | 4.6 | 4.5 |
| Dec. | 11 128.0 | 2 116.7 | 9 011.4 | -865.1 | -6 827.2 | 1 104.0 | 3.9 | 3.8 | 3.4 |
| 1983 | | | | | | | | | |
| Jan. | 11 271.6 | 2 189.0 | 9 082.6 | -753.6 | -6 643.2 | 1 515.5 | 3.8 | 3.9 | 3.7 |
| Feb. | 10 436.2 | 2 144.9 | 8 291.4 | -960.0 | -6 006.7 | 1 199.1 | 3.7 | 3.8 | 3.4 |



FOREIGN EXCHANGE RATES

Average selling rates for foreign exchange, mk

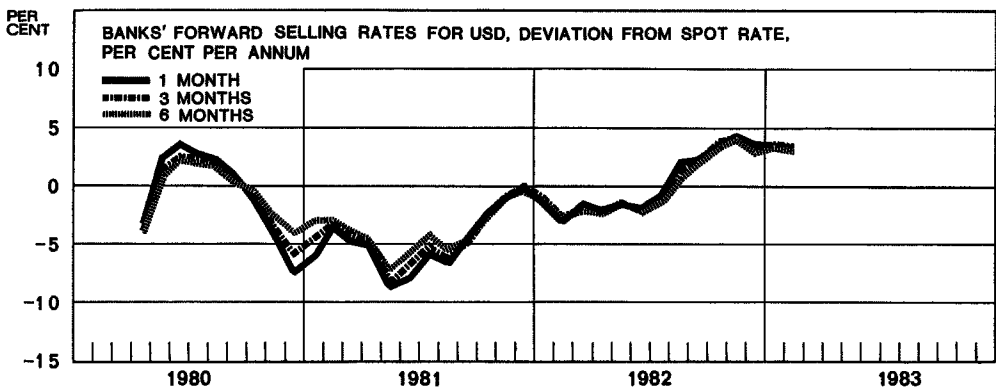
| Period | New York 1 US \$ USD | Montreal 1 C \$ CAD | London 1 £ GBP | Dublin 1 Ir£ IEP | Stockholm 100 Skr SEK | Oslo 100 Nkr NOK | Copenhagen 100 Dkr DKK | Frankfurt 100 DM DEM | Amsterdam 100 Hfl NLG | Brussels 100 FB BEC | BEL |
|--------|----------------------------|---------------------------|----------------------|------------------------|-----------------------------|------------------------|------------------------------|----------------------------|-----------------------------|---------------------------|--------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 1976 | 3.864 | 3.922 | 6.983 | | 88.86 | 70.95 | 64.04 | 153.78 | 146.42 | 10.030 | 9.812 |
| 1977 | 4.029 | 3.791 | 7.042 | | 90.21 | 75.83 | 67.23 | 174.15 | 164.59 | 11.277 | 11.267 |
| 1978 | 4.117 | 3.617 | 7.917 | | 91.43 | 78.93 | 75.06 | 205.53 | 190.77 | 13.152 | 12.959 |
| 1979 | 3.896 | 3.330 | 8.275 | | 91.12 | 77.22 | 74.38 | 212.75 | 194.43 | 13.338 | 12.979 |
| 1980 | 3.730 | 3.194 | 8.691 | 7.689 | 88.43 | 75.81 | 66.53 | 205.58 | 188.02 | 12.818 | 12.635 |
| 1981 | 4.315 | 3.602 | 8.731 | 6.976 | 85.74 | 75.54 | 60.96 | 191.31 | 173.43 | 11.688 | 11.095 |
| 1982 | 4.820 | 3.913 | 8.423 | 6.854 | 77.03 | 74.84 | 57.93 | 198.76 | 180.66 | 10.584 | 9.859 |

1982

| | | | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|
| Feb. | 4.515 | 3.726 | 8.352 | 6.739 | 78.49 | 75.76 | 58.02 | 191.07 | 174.23 | 11.024 | 10.014 |
| March | 4.574 | 3.751 | 8.275 | 6.751 | 78.51 | 76.01 | 57.01 | 192.48 | 174.93 | 10.334 | 9.346 |
| April | 4.613 | 3.772 | 8.179 | 6.675 | 78.12 | 75.94 | 56.66 | 192.74 | 173.74 | 10.214 | 9.228 |
| May | 4.512 | 3.664 | 8.180 | 6.767 | 78.12 | 75.72 | 57.60 | 195.56 | 176.05 | 10.361 | 9.477 |
| June | 4.678 | 3.681 | 8.237 | 6.669 | 77.88 | 75.76 | 56.23 | 193.17 | 174.76 | 10.164 | 9.271 |
| July | 4.735 | 3.729 | 8.224 | 6.624 | 77.56 | 74.65 | 55.57 | 192.36 | 174.14 | 10.086 | 9.376 |
| Aug. | 4.757 | 3.824 | 8.225 | 6.618 | 77.60 | 71.36 | 55.20 | 192.25 | 174.70 | 10.050 | 9.507 |
| Sept. | 4.806 | 3.897 | 8.247 | 6.595 | 77.34 | 69.80 | 54.73 | 192.36 | 175.57 | 9.993 | 9.602 |
| Oct. | 5.358 | 4.362 | 9.104 | 7.223 | 75.18 | 74.80 | 60.21 | 212.11 | 194.50 | 10.952 | 10.472 |
| Nov. | 5.534 | 4.519 | 9.045 | 7.371 | 73.82 | 76.51 | 61.85 | 216.80 | 198.78 | 11.168 | 10.823 |
| Dec. | 5.353 | 4.331 | 8.673 | 7.390 | 72.92 | 76.25 | 62.86 | 221.55 | 200.75 | 11.297 | 10.980 |

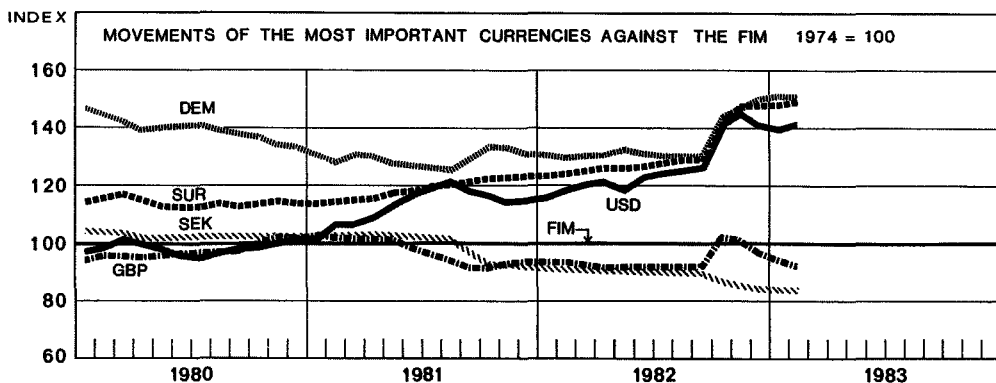
1983

| | | | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|
| Jan. | 5.317 | 4.332 | 8.397 | 7.417 | 72.78 | 75.57 | 63.27 | 222.95 | 202.42 | 11.370 | 10.869 |
| Feb. | 5.389 | 4.395 | 8.270 | 7.391 | 72.62 | 75.88 | 62.91 | 222.26 | 201.55 | 11.314 | 10.898 |
| March | 5.429 | 4.433 | 8.112 | 7.362 | 72.75 | 75.80 | 63.08 | 225.76 | 202.86 | 11.475 | 10.886 |



Average selling rates for foreign exchange, mk

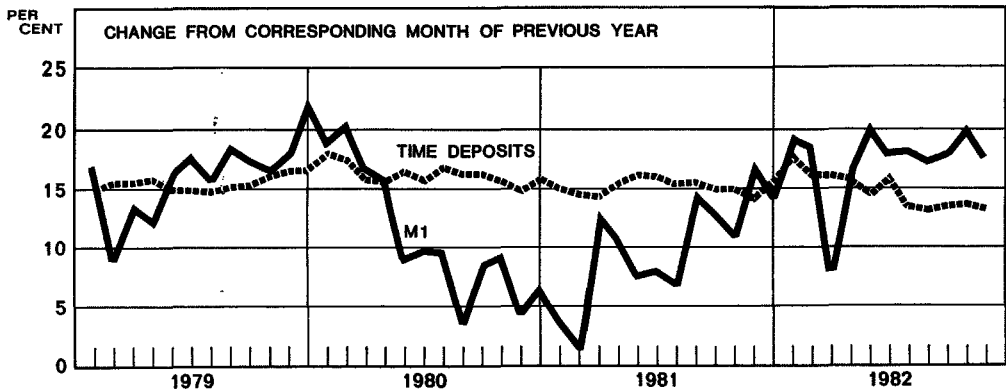
| Zurich 100 Sfr CHF | Paris 100 FF FRF | Rome 100 Lit ITL | Vienna 100 ÖS ATS | Lisbon 100 Esc PTE | Reykjavik 100 lkr ISK | Madrid 100 Ptas ESP | Tokyo 100 Y JPY | Moscow 1 Cl Rbl SUR | 1 special drawing right SDR | Currency index 1974 = 100 |
|--------------------------|------------------------|------------------------|-------------------------|--------------------------|-----------------------------|---------------------------|-----------------------|---------------------------|--------------------------------------|---------------------------------|
| 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 154.86 | 81.09 | 0.468 | 21.59 | 12.89 | 2.14 | 5.80 | 1.307 | 5.125 | 4.450 99 | 99.9 |
| 168.70 | 82.16 | 0.459 | 24.47 | 10.65 | 2.04 | 5.37 | 1.512 | 5.475 | 4.695 56 | 106.1 |
| 231.83 | 91.77 | 0.489 | 28.45 | 9.55 | 1.57 | 5.42 | 1.983 | 6.037 | 5.136 33 | 117.2 |
| 234.36 | 91.88 | 0.473 | 29.19 | 8.13 | 1.14 | 5.84 | 1.797 | 5.941 | 5.016 78 | 117.3 |
| 222.87 | 88.65 | 0.440 | 28.90 | 7.60 | 0.81 | 5.25 | 1.662 | 5.741 | 4.842 55 | 113.6 |
| 220.34 | 79.92 | 0.385 | 27.17 | 7.17 | 60.35 | 4.72 | 1.967 | 5.986 | 5.071 40 | 113.1 |
| 237.79 | 73.65 | 0.358 | 28.31 | 6.13 | 40.79 | 4.41 | 1.943 | 6.624 | 5.305 63 | 115.9 |
| 239.02 | 75.25 | 0.358 | 27.27 | 6.58 | 47.75 | 4.50 | 1.922 | 6.265 | 5.106 00 | 113.1 |
| 242.70 | 74.70 | 0.355 | 27.43 | 6.53 | 45.94 | 4.40 | 1.904 | 6.307 | 5.129 23 | 113.1 |
| 235.81 | 74.09 | 0.351 | 27.45 | 6.42 | 44.99 | 4.37 | 1.896 | 6.378 | 5.138 80 | 113.1 |
| 231.86 | 75.17 | 0.353 | 27.79 | 6.44 | 42.99 | 4.39 | 1.910 | 6.353 | 5.107 78 | 113.1 |
| 225.93 | 71.66 | 0.347 | 27.44 | 6.07 | 42.20 | 4.31 | 1.870 | 6.397 | 5.147 87 | 113.1 |
| 226.29 | 69.30 | 0.344 | 27.36 | 5.66 | 40.60 | 4.26 | 1.862 | 6.458 | 5.159 48 | 113.1 |
| 226.15 | 68.97 | 0.344 | 27.38 | 5.59 | 36.89 | 4.26 | 1.844 | 6.498 | 5.160 27 | 113.1 |
| 225.33 | 68.26 | 0.343 | 27.40 | 5.53 | 33.51 | 4.27 | 1.834 | 6.522 | 5.179 44 | 113.1 |
| 247.28 | 75.17 | 0.374 | 30.21 | 6.02 | 35.48 | 4.67 | 1.983 | 7.219 | 5.724 37 | 122.8 |
| 252.26 | 76.87 | 0.378 | 30.92 | 6.07 | 34.70 | 4.67 | 2.096 | 7.434 | 5.896 66 | 125.1 |
| 261.40 | 78.33 | 0.385 | 31.52 | 5.90 | 32.80 | 4.27 | 2.217 | 7.446 | 5.847 79 | 125.0 |
| 270.53 | 78.77 | 0.389 | 31.79 | 5.79 | 29.19 | 4.21 | 2.289 | 7.450 | 5.837 67 | 125.0 |
| 267.72 | 78.50 | 0.387 | 31.66 | 5.90 | 28.34 | 4.17 | 2.287 | 7.506 | 5.865 42 | 125.1 |
| 263.75 | 77.75 | 0.383 | 32.13 | 5.82 | 26.65 | 4.09 | 2.287 | 7.498 | 5.884 14 | 125.2 |



DEPOSITS BY THE PUBLIC

Mill. mk

| End of year and month | Demand deposits | | | | Time deposits | | | | | Total (4+9) |
|-----------------------|------------------|------------------------------|--------------|-------------------|------------------|---------------|--------------|--------------|-------------------|-------------|
| | Commercial banks | Savings banks & Co-op. banks | Posti-pankki | All deposit banks | Commercial banks | Savings banks | Co-op. banks | Posti-pankki | All deposit banks | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
| 1978 | 3 887 | 1 676 | 2 052 | 7 615 | 17 035 | 14 641 | 11 286 | 4 900 | 47 862 | 65 477 |
| 1979 | 4 697 | 2 255 | 2 714 | 9 666 | 19 794 | 17 177 | 13 348 | 5 599 | 55 918 | 65 584 |
| 1980 | 5 459 | 2 285 | 2 531 | 10 275 | 22 591 | 20 009 | 15 950 | 6 355 | 64 905 | 75 180 |
| 1981 | 5 791 | 2 879 | 2 952 | 11 622 | 26 094 | 22 937 | 18 598 | 7 448 | 75 077 | 86 699 |
| 1981 | | | | | | | | | | |
| Aug. | 5 076 | 2 716 | 3 194 | 10 986 | 24 554 | 22 012 | 17 596 | 7 053 | 71 215 | 82 201 |
| Sept. | 5 070 | 2 804 | 3 226 | 11 100 | 24 239 | 22 056 | 17 723 | 7 058 | 71 076 | 82 176 |
| Oct. | 4 964 | 2 689 | 3 245 | 10 898 | 24 706 | 22 221 | 17 749 | 7 060 | 71 736 | 82 634 |
| Nov. | 5 386 | 2 689 | 3 115 | 11 190 | 24 732 | 22 280 | 17 892 | 7 080 | 71 984 | 83 174 |
| Dec. | 5 791 | 2 879 | 2 952 | 11 622 | 26 094 | 22 937 | 18 598 | 7 448 | 75 077 | 86 699 |
| 1982* | | | | | | | | | | |
| Jan. | 5 103 | 2 641 | 3 734 | 11 478 | 26 143 | 24 721 | 18 870 | 7 651 | 77 385 | 88 863 |
| Feb. | 4 614 | 2 544 | 3 527 | 10 685 | 26 472 | 23 673 | 19 275 | 7 779 | 77 199 | 87 884 |
| March | 5 156 | 2 617 | 3 443 | 11 216 | 26 601 | 23 537 | 19 176 | 7 604 | 76 918 | 88 134 |
| April | 5 098 | 2 768 | 4 023 | 11 889 | 27 175 | 23 891 | 19 511 | 7 678 | 78 255 | 90 144 |
| May | 5 528 | 2 933 | 3 593 | 12 054 | 27 129 | 24 095 | 19 700 | 7 961 | 78 885 | 90 939 |
| June | 5 992 | 3 208 | 3 786 | 12 986 | 27 406 | 24 403 | 19 858 | 8 057 | 79 724 | 92 710 |
| July | 5 573 | 3 252 | 3 668 | 12 493 | 27 395 | 24 709 | 20 058 | 8 096 | 80 258 | 92 751 |
| Aug. | 5 999 | 3 460 | 3 682 | 13 141 | 27 329 | 24 895 | 20 213 | 8 324 | 80 761 | 93 902 |
| Sept. | 6 439 | 3 525 | 3 480 | 13 444 | 27 382 | 24 950 | 20 270 | 8 280 | 80 882 | 94 326 |
| Oct. | 6 093 | 3 654 | 3 807 | 13 554 | 27 894 | 25 102 | 20 437 | 8 304 | 81 737 | 95 291 |
| Nov. | 6 742 | 3 599 | 3 325 | 13 666 | 27 782 | 25 111 | 20 417 | 8 390 | 81 700 | 95 366 |



ADVANCES TO THE PUBLIC—MONEY SUPPLY

Mill. mk

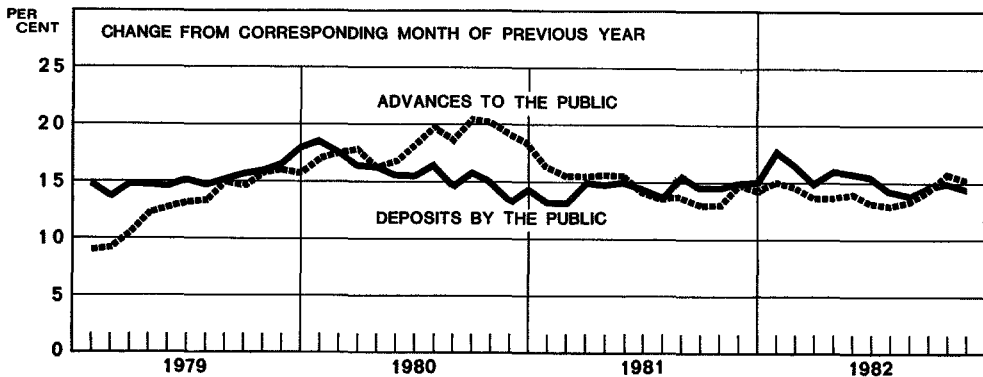
| End of year and month | Advances granted by | | | | Types of advances | | | Total (1 to 4) (5 to 7) | Money Supply | |
|-----------------------|---------------------|---------------|--------------|--------------|------------------------------------|----------------|--------------------------------------|-------------------------|----------------|-----------------------------|
| | Commercial banks | Savings banks | Co-op. banks | Posti-pankki | Loans & bills in domestic currency | Cheque credits | Domestic credits in foreign currency | | M ₁ | M ₁ +Quasi-Money |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | | 8 | 9 |
| 1978 | 26 324 | 14 092 | 12 181 | 6 847 | 52 517 | 1 723 | 5 204 | 59 444 | 11 496 | 60 682 |
| 1979 | 29 844 | 16 535 | 14 258 | 8 299 | 60 971 | 1 955 | 6 010 | 68 936 | 14 087 | 71 157 |
| 1980 | 35 994 | 19 097 | 16 760 | 9 973 | 70 466 | 2 347 | 9 011 | 81 824 | 14 979 | 81 601 |
| 1981 | 40 462 | 22 009 | 20 059 | 11 135 | 80 817 | 2 877 | 9 971 | 93 665 | 17 186 | 94 577 |

1981

| | | | | | | | | | | |
|-------|--------|--------|--------|--------|--------|-------|-------|--------|--------|--------|
| Aug. | 39 011 | 20 845 | 18 686 | 10 474 | 76 295 | 2 948 | 9 773 | 89 016 | 15 856 | 89 507 |
| Sept. | 39 325 | 21 199 | 19 079 | 10 773 | 77 556 | 3 128 | 9 692 | 90 376 | 16 045 | 89 787 |
| Oct. | 40 172 | 21 466 | 19 363 | 10 797 | 78 871 | 3 168 | 9 759 | 91 798 | 15 876 | 90 234 |
| Nov. | 41 040 | 21 732 | 19 730 | 11 129 | 80 208 | 3 495 | 9 928 | 93 631 | 16 128 | 90 514 |
| Dec. | 40 462 | 22 009 | 20 059 | 11 135 | 80 817 | 2 877 | 9 971 | 93 665 | 17 186 | 94 577 |

1982*

| | | | | | | | | | | |
|-------|--------|--------|--------|--------|--------|-------|--------|---------|--------|---------|
| Jan. | 40 501 | 22 278 | 20 279 | 11 064 | 81 630 | 3 140 | 9 352 | 94 122 | 17 114 | 95 468 |
| Feb. | 40 908 | 22 451 | 20 436 | 10 966 | 82 174 | 3 483 | 9 104 | 94 761 | 16 205 | 95 993 |
| March | 41 214 | 22 698 | 20 636 | 10 761 | 82 807 | 3 762 | 8 740 | 95 309 | 16 353 | 95 919 |
| April | 41 818 | 22 974 | 20 916 | 10 835 | 83 816 | 3 821 | 8 906 | 96 543 | 17 340 | 98 004 |
| May | 42 625 | 23 297 | 21 293 | 10 905 | 85 079 | 3 851 | 9 190 | 98 120 | 17 615 | 98 886 |
| June | 42 925 | 23 586 | 21 628 | 11 125 | 86 150 | 3 548 | 9 566 | 99 264 | 18 664 | 100 998 |
| July | 43 078 | 23 861 | 21 935 | 11 290 | 86 835 | 3 763 | 9 566 | 100 164 | 18 339 | 101 351 |
| Aug. | 43 314 | 24 250 | 22 260 | 11 514 | 88 026 | 3 682 | 9 630 | 101 338 | 18 652 | 102 090 |
| Sept. | 44 472 | 24 674 | 22 611 | 11 887 | 89 645 | 3 881 | 10 118 | 103 644 | 18 958 | 102 482 |
| Oct. | 46 174 | 25 069 | 22 964 | 12 295 | 91 156 | 3 813 | 11 533 | 106 502 | 19 091 | 103 523 |
| Nov. | 47 033 | 25 408 | 23 252 | 12 485 | 92 269 | 3 927 | 11 982 | 108 178 | 18 982 | 103 579 |



STATE FINANCES

Mill. mk

| Revenue | Jan.-Nov. | | Expenditure | Jan.-Nov. | |
|--|---------------|---------------|---|---------------|---------------|
| | 1981 | 1982 | | 1981 | 1982 |
| Income and wealth tax (net) | 16 134 | 16 307 | Wages, salaries, pensions etc. | 8 353 | 9 654 |
| Gross receipts | 37 218 | 39 051 | Repair and maintenance | 1 074 | 1 162 |
| Refunds & local authorities | -21 084 | -22 744 | Other consumption expenditure | 4 748 | 5 741 |
| Other taxes on income and wealth | 281 | 379 | Total consumption expenditure | 14 175 | 16 557 |
| Employers' child allowance payments | 58 | 1 | State aid to local authorities | 10 661 | 12 240 |
| Sales tax | 12 484 | 14 017 | State aid to industries | 7 477 | 8 738 |
| Customs duties and import charges and levies | 1 292 | 1 483 | of which: agric. price subsidies | 3 245 | 3 694 |
| Excise duties | 9 117 | 10 414 | Child allowances | 1 668 | 1 611 |
| Excise duty on alcoholic beverages | 2 742 | 3 078 | Share in national pensions and sickness insurance schemes | 504 | 769 |
| Excise duty on tobacco | 1 141 | 1 297 | Other transfer expenditure | 6 420 | 7 667 |
| Excise duty on liquid fuel | 2 761 | 3 117 | Total transfer expenditure | 26 730 | 31 025 |
| Other excise duties | 2 473 | 2 922 | Machinery and equipment | 1 467 | 1 536 |
| Tax on autom. and motor-cycles | 1 517 | 1 732 | Construction of buildings | 703 | 790 |
| Stamp duties | 1 082 | 1 261 | Land and waterway construction | 1 841 | 2 042 |
| Special diesel etc. vehicles tax | 174 | 199 | Total real investment | 4 011 | 4 368 |
| Other taxes and similar revenue | 1 155 | 1 330 | Interest on State debt | 1 284 | 2 047 |
| Total taxes | 43 294 | 47 123 | Net deficit of State enterprises | -128 | -121 |
| Miscellaneous revenue | 3 105 | 3 456 | Other expenditure | 24 | 25 |
| Interest, dividends etc. | 977 | 1 439 | Total other expenditure | 1 180 | 1 951 |
| Redemptions of loans granted | 776 | 932 | Increase in inventories | -122 | -105 |
| Total revenue | 48 152 | 52 950 | Lending | 3 003 | 3 541 |
| Foreign borrowing | 2 635 | 3 304 | Other financial investment | 497 | 530 |
| Domestic borrowing | 2 409 | 4 186 | Total expenditure | 49 474 | 57 867 |
| Total borrowing | 5 044 | 7 490 | Redemption of foreign loans | 352 | 899 |
| Deficit (+) or surplus (-) | -2 021 | 172 | Redemption of domestic loans | 1 349 | 1 846 |
| Total | 51 175 | 60 612 | Total redemptions | 1 701 | 2 745 |
| | | | Total | 51 175 | 60 612 |

| State debt | 1979 | 1980 | 1981 ¹ | 1982 | | |
|-------------------------|---------------|---------------|-------------------|---------------|---------------|---------------|
| | Dec. | Dec. | Dec. | Sept. | Oct. | Nov. |
| Foreign debt | 8 964 | 10 341 | 13 331 | 16 331 | 18 339 | 18 302 |
| Long-term debt | 6 051 | 7 585 | 8 762 | 9 955 | 10 425 | 10 945 |
| Short-term credit | 174 | 40 | 9 | 62 | 73 | 90 |
| Domestic debt | 6 225 | 7 625 | 8 771 | 10 017 | 10 498 | 11 035 |
| Total State debt | 15 189 | 17 966 | 22 102 | 26 348 | 28 837 | 29 337 |
| Total debt mill. \$ | 4 061 | 4 642 | 5 052 | 5 482 | 5 382 | 5 301 |

¹ Since December 1981 State debt has been expressed in gross terms. As a result cash assets are no longer deducted from domestic debt; foreign debt is unaffected by the change. The short-term debt of the State Granary is excluded from the figures.

FOREIGN TRADE

Mill. mk

Value, mill. mk

| Period | Value, mill. mk | | |
|--------|-----------------|----------------|---------------------------------------|
| | Exports f.o.b. | Imports c.i.f. | Surplus of exports (+) or imports (-) |
| 1977 | 30 931 | 30 708 | +223 |
| 1978 | 35 206 | 32 338 | +2 868 |
| 1979 | 43 430 | 44 222 | -792 |
| 1980 | 52 795 | 58 250 | -5 455 |
| 1981 | 60 308 | 61 269 | -961 |
| 1982* | 63 026 | 64 751 | -1 725 |

| 1981 | | | |
|--------|----------------|----------------|---------------------------------------|
| Period | Exports f.o.b. | Imports c.i.f. | Surplus of exports (+) or imports (-) |
| Dec. | 4 944 | 5 712 | -768 |

| 1982* | | | |
|--------|----------------|----------------|---------------------------------------|
| Period | Exports f.o.b. | Imports c.i.f. | Surplus of exports (+) or imports (-) |
| Jan. | 5 330 | 5 004 | +326 |
| Feb. | 5 472 | 4 786 | +686 |
| March | 5 294 | 4 982 | +312 |
| April | 5 079 | 5 379 | -300 |
| May | 5 118 | 4 918 | +200 |
| June | 5 416 | 4 985 | +431 |
| July | 4 284 | 4 849 | -565 |
| Aug. | 4 260 | 5 461 | -1 201 |
| Sept. | 4 785 | 5 004 | -219 |
| Oct. | 5 625 | 5 858 | -233 |
| Nov. | 6 338 | 6 174 | +164 |
| Dec. | 6 025 | 7 351 | -1 326 |

| 1983* | | | |
|--------|----------------|----------------|---------------------------------------|
| Period | Exports f.o.b. | Imports c.i.f. | Surplus of exports (+) or imports (-) |
| Jan. | 5 027 | 5 548 | -521 |

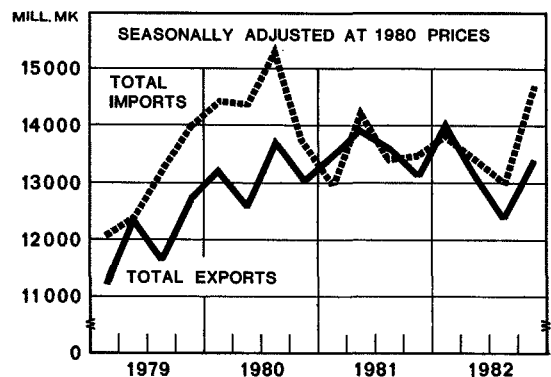
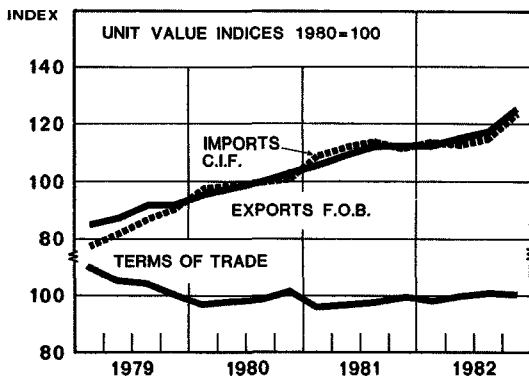
Indices of exports and imports
1980 = 100

| Period | Volume | | Unit value | | Terms of trade |
|--------|---------|---------|------------|---------|----------------|
| | Exports | Imports | Exports | Imports | |
| | 1977 | 78 | 79 | 75 | |
| 1978 | 84 | 75 | 80 | 74 | 108 |
| 1979 | 92 | 89 | 90 | 86 | 105 |
| 1980 | 100 | 100 | 100 | 100 | 100 |
| 1981 | 103 | 94 | 111 | 112 | 99 |
| 1982* | 101 | 95 | 118 | 117 | 101 |

| 1980 | | | | | |
|------------|----------------|----------------|--------------------|--------------------|----------------|
| Period | Volume Exports | Volume Imports | Unit value Exports | Unit value Imports | Terms of trade |
| July-Sept. | 97 | 107 | 100 | 100 | 100 |
| Oct.-Dec. | 107 | 101 | 104 | 102 | 102 |

| 1981 | | | | | |
|------------|----------------|----------------|--------------------|--------------------|----------------|
| Period | Volume Exports | Volume Imports | Unit value Exports | Unit value Imports | Terms of trade |
| Jan.-March | 102 | 84 | 107 | 110 | 97 |
| Apr.-June | 106 | 95 | 110 | 113 | 98 |
| July-Sept. | 95 | 94 | 113 | 115 | 99 |
| Oct.-Dec. | 108 | 100 | 114 | 113 | 100 |

| 1982* | | | | | |
|------------|----------------|----------------|--------------------|--------------------|----------------|
| Period | Volume Exports | Volume Imports | Unit value Exports | Unit value Imports | Terms of trade |
| Jan.-March | 106 | 88 | 114 | 115 | 99 |
| Apr.-June | 103 | 92 | 115 | 114 | 101 |
| July-Sept. | 86 | 91 | 118 | 116 | 102 |
| Oct.-Dec. | 108 | 107 | 126 | 124 | 102 |



FOREIGN TRADE BY MAIN GROUPS

Mill. mk

| Period | Exports, f.o.b. | | | | | Imports, c.i.f. | | | | |
|--------|---|------------------------|-------------------------|--------------------------------------|-------------|----------------------------------|----------------------|------------------|----------------|-------------|
| | Agricultural and other primary products | Wood industry products | Paper industry products | Metal, engineering industry products | Other goods | Raw materials and producer goods | Fuels and lubricants | Finished goods | | Other goods |
| | | | | | | | | Investment goods | Consumer goods | |
| 1977 | 1 087 | 3 854 | 8 798 | 9 184 | 8 008 | 19 128 | 2 066 | 4 828 | 4 603 | 83 |
| 1978 | 966 | 4 641 | 10 402 | 9 593 | 9 604 | 20 431 | 2 224 | 4 801 | 4 830 | 52 |
| 1979 | 1 366 | 6 073 | 12 992 | 10 342 | 12 657 | 28 878 | 3 401 | 5 719 | 6 133 | 91 |
| 1980 | 1 403 | 7 742 | 15 751 | 11 546 | 16 353 | 38 622 | 4 088 | 7 989 | 7 440 | 111 |
| 1981 | 2 036 | 6 852 | 17 127 | 14 858 | 19 435 | 39 156 | 5 115 | 8 877 | 8 015 | 106 |
| 1982* | 1 676 | 6 278 | 17 502 | 18 908 | 18 662 | 41 144 | 4 869 | 9 195 | 9 130 | 413 |

1981

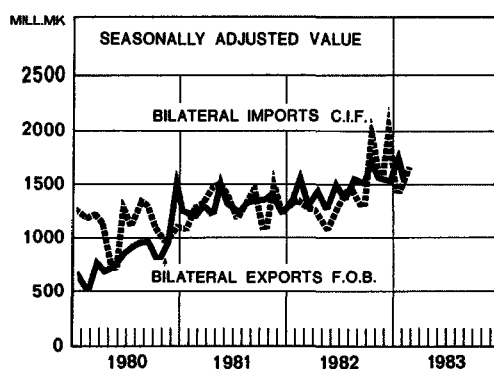
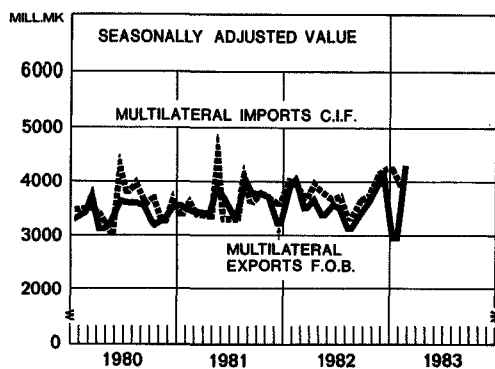
| | | | | | | | | | | |
|------|-----|-----|-------|-------|-------|-------|-----|-----|-----|----|
| Dec. | 325 | 538 | 1 400 | 1 217 | 1 464 | 3 818 | 426 | 825 | 632 | 11 |
|------|-----|-----|-------|-------|-------|-------|-----|-----|-----|----|

1982*

| | | | | | | | | | | |
|-------|-----|-----|-------|-------|-------|-------|-----|-----|-----|-----|
| Jan. | 60 | 460 | 1 546 | 1 427 | 1 837 | 3 153 | 224 | 991 | 631 | 5 |
| Feb. | 352 | 457 | 1 438 | 1 398 | 1 827 | 3 089 | 267 | 649 | 778 | 3 |
| March | 356 | 461 | 1 622 | 1 240 | 1 615 | 3 189 | 231 | 736 | 823 | 3 |
| April | 57 | 569 | 1 453 | 1 266 | 1 734 | 3 492 | 265 | 777 | 843 | 2 |
| May | 220 | 536 | 1 469 | 1 280 | 1 613 | 3 249 | 267 | 701 | 682 | 19 |
| June | 80 | 583 | 1 445 | 1 789 | 1 519 | 3 231 | 470 | 639 | 639 | 6 |
| July | 45 | 421 | 1 293 | 1 570 | 955 | 3 047 | 449 | 713 | 613 | 27 |
| Aug | 58 | 481 | 1 398 | 1 029 | 1 294 | 3 583 | 499 | 626 | 728 | 25 |
| Sept. | 64 | 517 | 1 375 | 1 346 | 1 483 | 3 158 | 391 | 640 | 771 | 44 |
| Oct. | 62 | 566 | 1 586 | 1 724 | 1 687 | 3 607 | 559 | 764 | 845 | 83 |
| Nov. | 56 | 596 | 1 355 | 2 674 | 1 657 | 3 602 | 657 | 975 | 895 | 45 |
| Dec. | 266 | 631 | 1 522 | 2 165 | 1 441 | 4 744 | 590 | 984 | 882 | 151 |

1983*

| | | | | | | | | | | |
|------|----|-----|-------|-------|-------|-------|-----|-----|-----|----|
| Jan. | 60 | 466 | 1 313 | 1 720 | 1 468 | 3 408 | 348 | 825 | 921 | 46 |
|------|----|-----|-------|-------|-------|-------|-----|-----|-----|----|



FOREIGN TRADE BY COUNTRIES

Mill. mk

| Area and country | Exports, f.o.b. | | | | Imports, c.i.f. | | | |
|--------------------------------------|-----------------|----------|-------|----------|-----------------|----------|-------|----------|
| | January | | | | January | | | |
| | 1981 | | 1982* | | 1981 | | 1982* | |
| | % | Mill. mk | % | Mill. mk | % | Mill. mk | % | Mill. mk |
| OECD countries in Europe | 59.3 | 3 159 | 51.4 | 2 583 | 53.4 | 2 672 | 51.8 | 2 874 |
| Austria | 0.7 | 35 | 0.7 | 33 | 1.1 | 53 | 1.3 | 71 |
| Belgium and Luxembourg | 1.2 | 62 | 1.6 | 81 | 1.7 | 84 | 2.0 | 108 |
| Denmark | 5.2 | 276 | 2.6 | 132 | 1.8 | 90 | 2.5 | 140 |
| France | 5.8 | 311 | 3.9 | 198 | 3.1 | 157 | 3.5 | 194 |
| Federal Republic of Germany | 10.9 | 582 | 10.5 | 526 | 11.5 | 575 | 13.9 | 770 |
| Italy | 2.3 | 124 | 1.8 | 92 | 2.2 | 112 | 3.5 | 193 |
| Netherlands | 2.9 | 155 | 3.0 | 152 | 2.5 | 123 | 2.9 | 161 |
| Norway | 3.6 | 192 | 3.4 | 170 | 2.3 | 116 | 2.1 | 116 |
| Portugal | 0.2 | 10 | 0.2 | 10 | 0.4 | 22 | 0.5 | 30 |
| Spain | 0.7 | 38 | 0.6 | 32 | 0.6 | 30 | 0.9 | 49 |
| Sweden | 11.5 | 614 | 11.7 | 588 | 18.1 | 905 | 10.3 | 570 |
| Switzerland | 1.0 | 52 | 1.2 | 58 | 1.5 | 74 | 1.7 | 96 |
| United Kingdom | 10.0 | 533 | 9.1 | 455 | 6.1 | 305 | 6.2 | 347 |
| Other | 3.3 | 175 | 1.1 | 56 | 0.5 | 26 | 0.5 | 29 |
| OECD countries outside Europe | 5.9 | 318 | 5.3 | 266 | 12.5 | 624 | 13.6 | 755 |
| Canada | 0.8 | 43 | 0.4 | 20 | 1.5 | 73 | 0.6 | 35 |
| Japan | 0.8 | 44 | 0.7 | 36 | 4.9 | 245 | 6.0 | 331 |
| United States | 2.8 | 151 | 3.0 | 152 | 6.1 | 304 | 6.8 | 378 |
| Other | 1.5 | 80 | 1.2 | 58 | 0.0 | 2 | 0.2 | 11 |
| CMEA countries | 24.3 | 1 295 | 34.5 | 1 735 | 23.6 | 1 183 | 23.2 | 1 286 |
| Czechoslovakia | 0.1 | 7 | 1.0 | 52 | 0.6 | 29 | 0.6 | 31 |
| German Democratic Republic | 0.6 | 34 | 0.4 | 18 | 0.5 | 26 | 0.7 | 41 |
| Poland | 0.1 | 6 | 0.2 | 9 | 0.2 | 11 | 0.9 | 49 |
| Soviet Union | 22.5 | 1 196 | 32.7 | 1 643 | 20.8 | 1 040 | 20.5 | 1 138 |
| Other | 1.0 | 52 | 0.2 | 13 | 1.5 | 77 | 0.5 | 27 |
| Latin America | 1.1 | 62 | 1.6 | 78 | 1.0 | 50 | 2.1 | 119 |
| Argentina | 0.1 | 7 | 0.3 | 14 | 0.0 | 2 | 0.0 | 2 |
| Brazil | 0.2 | 12 | 0.3 | 13 | 0.3 | 15 | 0.4 | 20 |
| Colombia | 0.0 | 2 | 0.3 | 13 | 0.2 | 10 | 0.7 | 37 |
| Other | 0.8 | 41 | 0.7 | 38 | 0.5 | 23 | 1.0 | 60 |
| Other | 9.4 | 496 | 7.2 | 365 | 9.5 | 475 | 9.3 | 514 |
| GRAND TOTAL | 100.0 | 5 330 | 100.0 | 5 027 | 100.0 | 5 004 | 100.0 | 5 548 |
| of which | | | | | | | | |
| EFTA countries | 17.0 | 908 | 17.2 | 863 | 23.5 | 1 176 | 16.0 | 887 |
| EEC countries | 41.1 | 2 191 | 33.5 | 1 685 | 29.2 | 1 463 | 34.9 | 1 935 |
| OECD countries | 65.2 | 3 477 | 56.7 | 2 849 | 65.9 | 3 296 | 65.4 | 3 629 |

BALANCE OF PAYMENTS

| Period | Visible exports f.o.b. | Visible imports c.i.f. | Visible trade account | Transport, net | Travel, net | Other services, net | Visible and invisible trade account | Investment income net | Unrequited transfers net | Other, net | Current account |
|--------|------------------------|------------------------|-----------------------|----------------|-------------|---------------------|-------------------------------------|-----------------------|--------------------------|------------|-----------------|
| 1979 | 43 302 | 44 430 | -1 128 | +3 010 | +157 | +359 | +2 398 | -2 840 | -430 | +111 | -761 |
| 1980 | 52 860 | 58 315 | -5 455 | +3 064 | +320 | +587 | -1 484 | -3 308 | -454 | +91 | -5 155 |
| 1981* | 60 260 | 61 688 | -1 428 | +3 367 | +405 | +1 104 | +3 448 | -4 359 | -495 | +134 | -1 272 |
| 1982* | 62 950 | 65 200 | -2 250 | +3 200 | -350 | +900 | +1 500 | -5 500 | -600 | +100 | -4 500 |

1979

| | | | | | | | | | | | |
|-----------|--------|--------|------|------|----|-----|-----|------|-----|-----|------|
| Oct.-Dec. | 12 562 | 13 496 | -934 | +821 | +5 | +36 | -72 | -550 | -84 | +29 | -677 |
|-----------|--------|--------|------|------|----|-----|-----|------|-----|-----|------|

1980

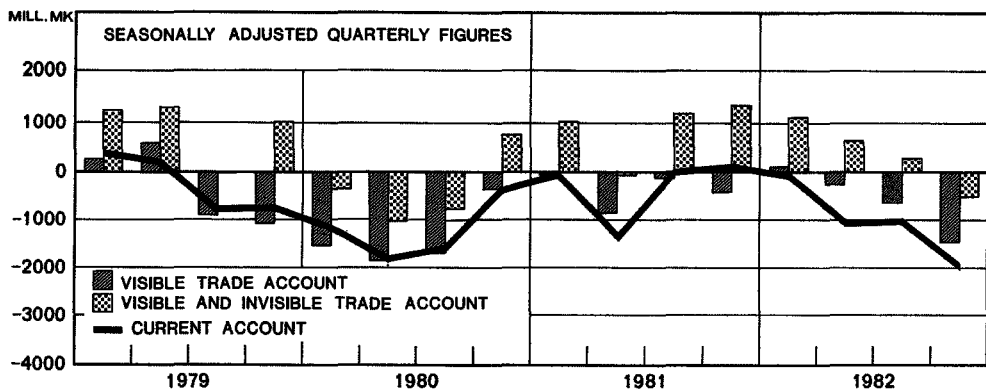
| | | | | | | | | | | | |
|------------|--------|--------|--------|------|------|------|--------|--------|------|-----|--------|
| Jan.-March | 12 788 | 13 608 | -820 | +878 | -103 | +338 | +293 | -787 | -169 | -5 | -668 |
| Apr.-June | 12 470 | 14 029 | -1 559 | +567 | +80 | +83 | -829 | -723 | -100 | +55 | -1 597 |
| July-Sept. | 12 864 | 15 643 | -2 779 | +855 | +298 | +100 | -1 526 | -765 | -102 | +34 | -2 359 |
| Oct.-Dec. | 14 738 | 15 035 | -297 | +764 | +45 | +66 | +578 | -1 033 | -83 | +7 | -531 |

1981*

| | | | | | | | | | | | |
|------------|--------|--------|--------|------|------|------|--------|--------|------|-----|------|
| Jan.-March | 14 469 | 13 620 | +849 | +883 | -87 | +104 | +1 749 | -984 | -129 | +10 | +646 |
| Apr.-June | 15 489 | 15 808 | -319 | +827 | +78 | -145 | +441 | -1 252 | -127 | +50 | -888 |
| July-Sept. | 14 100 | 15 736 | -1 636 | +882 | +443 | +422 | +111 | -1 023 | -108 | +54 | -966 |
| Oct.-Dec. | 16 202 | 16 524 | -322 | +775 | -29 | +723 | +1 147 | -1 100 | -131 | +20 | -64 |

1982*

| | | | | | | | | | | | |
|------------|--------|--------|--------|------|------|------|--------|--------|------|-----|--------|
| Jan.-March | 16 089 | 14 895 | +1 194 | +803 | -158 | +282 | +2 121 | -1 097 | -213 | -2 | +809 |
| Apr.-June | 15 592 | 15 421 | +171 | +870 | -95 | +97 | +1 043 | -1 643 | -185 | +60 | -725 |
| July-Sept. | 13 318 | 15 447 | -2 129 | +864 | +140 | +263 | -862 | -1 290 | -160 | +70 | -2 242 |
| Oct.-Dec. | 17 951 | 19 437 | -1 486 | +663 | -237 | +258 | -802 | -1 470 | -42 | -28 | -2 342 |



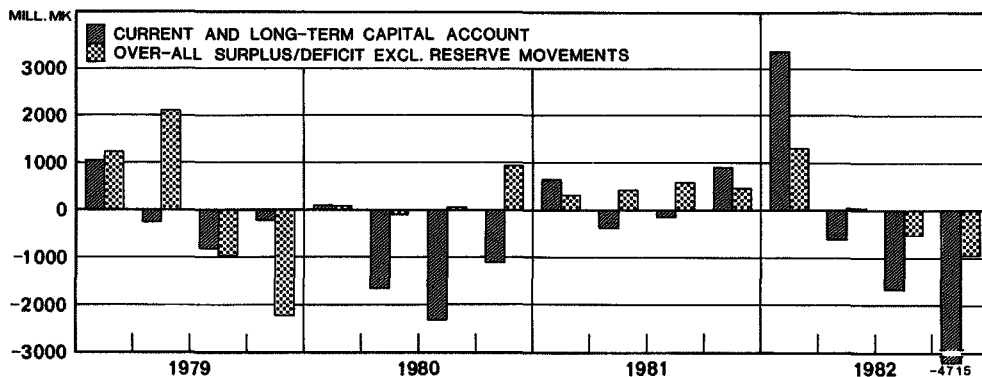
| Drawings of long-term loans | Amortizations of long-term loans | Long-term export credits, net | Miscellaneous long-term capital items, net ¹ | Long-term capital account | Current and long-term capital account | Short-term import credits and prepayments, net | Short-term export credits and prepayments, net | Short-term capital of authorized banks, net ² | Miscellaneous, short-term capital terms, incl. errors, and omissions ² | Over-all surplus deficit excl. reserve movements ² | Bank of Finland foreign exchange reserves |
|-----------------------------|----------------------------------|-------------------------------|---|---------------------------|---------------------------------------|--|--|--|---|---|---|
| +6 230 | -4 843 | -541 | -337 | +509 | -252 | +831 | -834 | +1 211 | -834 | +122 | -122 |
| +5 183 | -4 140 | -433 | -428 | +182 | -4 973 | +3 255 | -967 | +3 930 | -250 | +995 | -995 |
| +8 312 | -4 643 | -518 | -826 | +2 325 | +1 053 | -1 067 | +437 | -406 | +1 786 | +1 803 | -1 803 |
| +10 213 | -4 712 | -1 000 | -3 601 | +900 | -3 600 | -700 | 0 | +1 900 | +2 274 | -126 | +126 |
| +1 503 | -872 | +21 | -187 | +465 | -212 | +389 | -355 | -474 | -1 573 | -2 225 | +2 225 |
| +2 108 | -1 113 | -171 | -65 | +759 | +91 | +302 | -31 | +518 | -797 ³ | +83 | -83 |
| +1 076 | -997 | -39 | -86 | -46 | -1 643 | +1 498 | -32 | +1 666 | -1 584 | -95 | +95 |
| +1 126 | -913 | -36 | -146 | +31 | -2 328 | +711 | -452 | +1 189 | +934 | +54 | -54 |
| +873 | -1 117 | -187 | -131 | -562 | -1 093 | +744 | -452 | +557 | +1 197 | +953 | -953 |
| +1 404 | -955 | -227 | -235 | -13 | +633 | -473 | +789 | -163 | -477 ³ | +309 | -309 |
| +1 948 | -1 213 | +11 | -233 | +513 | -375 | +867 | +790 | -21 | -831 | +430 | -430 |
| +1 932 | -797 | -91 | -200 | +844 | -122 | +95 | -571 | -822 | +2 008 | +588 | -588 |
| +3 028 | -1 678 | -211 | -158 | +981 | +917 | -1 556 | -571 | +600 | +1 086 | +476 | -476 |
| +3 637 | -806 | -114 | -166 | +2 551 | +3 360 | -971 | +569 | -1 509 | -137 | +1 312 | -1 312 |
| +2 332 | -1 555 | -328 | -323 | +126 | -599 | -30 | +571 | +108 | -5 | +45 | -45 |
| +1 859 | -883 | -127 | -253 | +596 | -1 646 | -632 | +507 | -516 | +1 743 | -544 | +544 |
| +2 385 | -1 468 | -431 | -2 859 | -2 373 | -4 715 | +933 | -1 647 | +3 817 | +673 | -939 | +939 |

Assets: increase —, decrease +. Liabilities: increase +, decrease —

¹ Including direct investment, net.

² Reserve movements of other foreign exchange holders have been transferred to the short-term capital account. The short-term capital of the authorized banks is shown separately.

³ Including allocations of special drawing rights: 139 million in 1979, 133 million in 1980 and 131 million in 1981.



FINLAND'S FOREIGN ASSETS AND LIABILITIES

| End of year and month | Long-term assets | | | | Long-term liabilities | | | | | Net long-term liabilities (9-4) |
|-----------------------|------------------|-------------------|-------|----------------|-----------------------|----------------|-------------------|-------|----------------|---------------------------------|
| | Export credits | Direct investment | Other | Total (1 to 3) | Financial loans | Import credits | Direct investment | Other | Total (5 to 8) | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1979 | 3 389 | 2 324 | 983 | 6 696 | 28 194 | 4 898 | 1 979 | 300 | 35 371 | 28 675 |
| 1980 | 3 872 | 2 806 | 1 051 | 7 729 | 29 730 | 4 377 | 2 075 | 340 | 36 522 | 28 793 |
| 1981 | 4 673 | 3 426 | 1 317 | 9 416 | 35 536 | 4 444 | 2 183 | 391 | 42 554 | 33 138 |
| 1982* | 6 628 | 4 626 | 3 796 | 15 050 | 47 547 | 4 608 | 2 223 | 752 | 55 130 | 40 080 |

1980

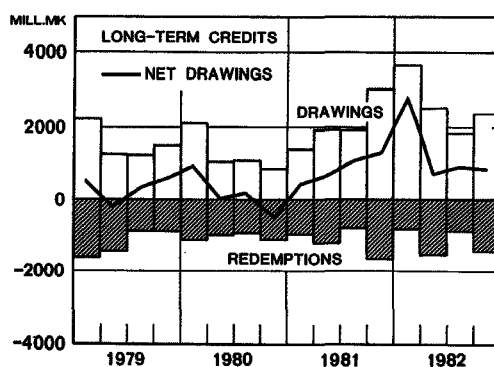
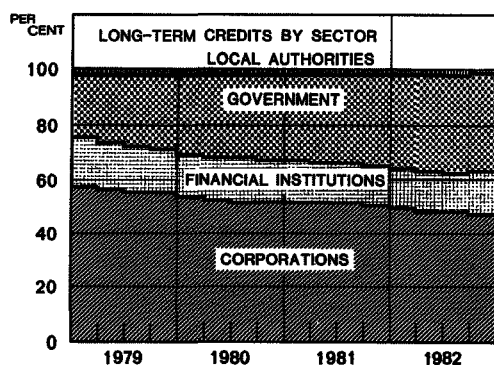
| | | | | | | | | | | |
|-------|-------|-------|-------|-------|--------|-------|-------|-----|--------|--------|
| March | 3 625 | 2 456 | 932 | 7 013 | 29 122 | 4 692 | 1 971 | 288 | 36 073 | 29 060 |
| June | 3 534 | 2 539 | 967 | 7 040 | 28 887 | 4 517 | 1 990 | 268 | 35 662 | 28 622 |
| Sept. | 3 594 | 2 649 | 972 | 7 215 | 29 251 | 4 482 | 2 029 | 278 | 36 040 | 28 825 |
| Dec. | 3 872 | 2 806 | 1 051 | 7 729 | 29 730 | 4 377 | 2 075 | 340 | 36 522 | 28 793 |

1981

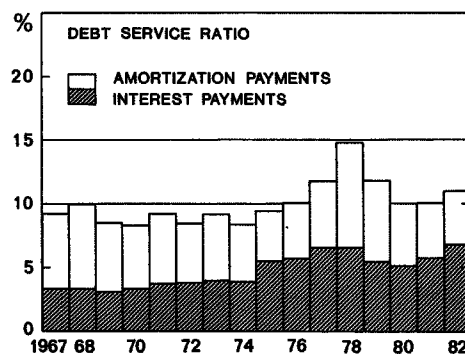
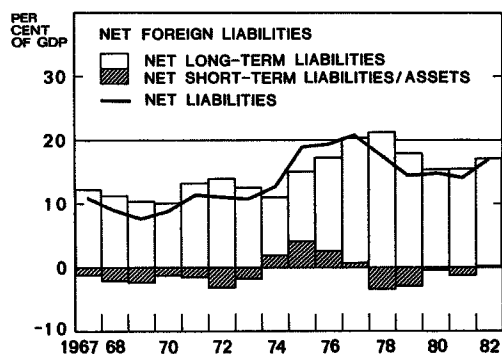
| | | | | | | | | | | |
|-------|-------|-------|-------|-------|--------|-------|-------|-----|--------|--------|
| March | 4 254 | 2 945 | 1 229 | 8 428 | 30 523 | 4 455 | 2 138 | 442 | 37 558 | 29 130 |
| June | 4 473 | 3 161 | 1 278 | 8 912 | 32 814 | 4 467 | 2 180 | 406 | 39 867 | 30 955 |
| Sept. | 4 559 | 3 329 | 1 282 | 9 170 | 34 414 | 4 377 | 2 168 | 392 | 41 351 | 32 181 |
| Dec. | 4 673 | 3 426 | 1 317 | 9 416 | 35 536 | 4 444 | 2 183 | 391 | 42 554 | 33 138 |

1982*

| | | | | | | | | | | |
|-------|-------|-------|-------|--------|--------|-------|-------|-----|--------|--------|
| March | 4 960 | 3 616 | 1 415 | 9 991 | 38 669 | 4 623 | 2 263 | 709 | 46 264 | 36 273 |
| June | 5 361 | 3 741 | 1 471 | 10 573 | 39 847 | 4 456 | 2 313 | 696 | 47 312 | 36 739 |
| Sept. | 5 556 | 4 084 | 1 466 | 11 106 | 41 198 | 4 515 | 2 345 | 687 | 48 745 | 37 639 |
| Dec. | 6 628 | 4 626 | 3 796 | 15 050 | 47 547 | 4 608 | 2 223 | 752 | 55 130 | 40 080 |



| Short-term assets | | | | Short-term liabilities | | | | Net short-term liabilities (18-14) | Net liabilities (10+19) | Debt service, flow | Of which amortization payments, flow |
|-------------------|---|------------------|------------------|------------------------|---|------------------|------------------|------------------------------------|-------------------------|--------------------|--------------------------------------|
| Bank of Finland | Authorized banks and other foreign exchange holders | Corporate sector | Total (11 to 13) | Bank of Finland | Authorized banks and other foreign exchange holders | Corporate sector | Total (15 to 17) | | | | |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 7 918 | 6 579 | 9 970 | 24 467 | 2 340 | 9 333 | 7 816 | 19 489 | -4 978 | 23 697 | 6 457 | 3 472 |
| 9 895 | 9 560 | 12 532 | 31 987 | 3 089 | 16 240 | 11 849 | 31 178 | -809 | 27 984 | 6 716 | 3 274 |
| 11 362 | 13 749 | 14 176 | 39 287 | 2 427 | 20 218 | 13 538 | 36 183 | -3 104 | 30 034 | 7 930 | 3 494 |
| 12 749 | 20 600 | 14 601 | 47 950 | 5 348 | 29 800 | 12 722 | 47 870 | -80 | 40 000 | 8 800 | 3 300 |
| 8 708 | 6 936 | 10 224 | 25 868 | 3 113 | 10 179 | 7 865 | 21 157 | -4 711 | 24 349 | 1 756 | 937 |
| 9 279 | 7 133 | 10 509 | 26 921 | 3 727 | 11 970 | 9 545 | 25 242 | -1 679 | 26 943 | 1 518 | 730 |
| 9 250 | 7 478 | 11 469 | 28 197 | 3 605 | 13 539 | 10 567 | 27 711 | -486 | 28 339 | 1 554 | 761 |
| 9 895 | 9 560 | 12 532 | 31 987 | 3 089 | 16 240 | 11 849 | 31 178 | -809 | 27 984 | 1 888 | 846 |
| 9 701 | 10 149 | 12 357 | 32 207 | 2 680 | 16 543 | 12 409 | 31 632 | -575 | 28 555 | 1 735 | 732 |
| 10 125 | 11 464 | 12 299 | 33 888 | 2 437 | 18 080 | 14 102 | 34 619 | 731 | 31 686 | 2 170 | 897 |
| 10 817 | 12 627 | 13 152 | 36 596 | 2 403 | 18 487 | 14 690 | 35 580 | -1 016 | 31 165 | 1 638 | 595 |
| 11 362 | 13 749 | 14 176 | 39 287 | 2 427 | 20 218 | 13 538 | 36 183 | -3 104 | 30 034 | 2 387 | 1 270 |
| 12 795 | 13 614 | 13 583 | 39 992 | 3 074 | 18 592 | 12 318 | 33 984 | -6 008 | 30 265 | 1 776 | 600 |
| 12 846 | 14 322 | 13 118 | 40 286 | 3 077 | 19 349 | 12 530 | 34 956 | -5 330 | 31 409 | 2 691 | 1 017 |
| 12 456 | 17 078 | 12 512 | 42 046 | 4 097 | 21 737 | 12 068 | 37 902 | -4 144 | 33 495 | 1 843 | 542 |
| 12 749 | 20 600 | 14 601 | 47 950 | 5 348 | 29 800 | 12 722 | 47 870 | -80 | 40 000 | 2 490 | 1 141 |



PRICE INDICES

| Period | Wholesale price index 1949 = 100 | Basic price index for domestic supply 1975 = 100 | | | | | | Building costs 1980 = 100 | | |
|--------|----------------------------------|--|----------------|----------------|---------------|----------------|------------------|---------------------------|-------------------------|--------------------|
| | | Total | Origin | | Purpose | | | Total | Wages in building trade | Building materials |
| | | | Domestic goods | Imported goods | Raw materials | Consumer goods | Investment goods | | | |
| 1980 | 919 | 160.7 | 156.6 | 175.0 | 160.1 | 167.7 | 155.9 | 100.0 | 100.0 | 100.0 |
| 1981 | 1 044 | 182.4 | 178.6 | 196.0 | 185.3 | 185.3 | 173.3 | 110.1 | 109.6 | 110.0 |
| 1982 | 1 122 | 196.2 | 194.0 | 203.6 | 197.9 | 202.7 | 186.6 | 117.7 | 116.8 | 117.8 |

1982

| | | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| July | 1 120 | 195.8 | 194.4 | 200.7 | 196.8 | 203.7 | 186.8 | 117.4 | 116.1 | 117.7 |
| Aug. | 1 118 | 195.4 | 194.1 | 200.2 | 195.6 | 204.3 | 187.7 | 118.1 | 116.1 | 118.6 |
| Sept. | 1 124 | 196.4 | 194.9 | 201.6 | 196.5 | 205.6 | 188.6 | 118.6 | 116.1 | 119.2 |
| Oct. | 1 150 | 200.9 | 196.4 | 216.8 | 202.6 | 208.5 | 190.4 | 120.7 | 120.4 | 120.7 |
| Nov. | 1 157 | 202.2 | 197.2 | 219.9 | 203.8 | 209.2 | 192.5 | 121.2 | 120.4 | 121.6 |
| Dec. | 1 163 | 203.3 | 199.3 | 217.4 | 205.2 | 209.6 | 193.4 | 121.5 | 120.4 | 122.0 |

1983

| | | | | | | | | | | |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Jan. | 1 169 | 204.4 | 200.9 | 216.7 | 205.9 | 211.9 | 194.3 | 123.3 | 118.9 | 123.9 |
| Feb. | 1 170 | 204.4 | 201.9 | 213.4 | 204.8 | 213.2 | 196.1 | 123.8 | 118.9 | 124.6 |

Consumer prices 1977 = 100

| Period | Total | Food | Beverages and tobacco | Clothing and footwear | Rent | Heating and lighting | Household goods and services | Health and medical services | Transport and communication | Education and recreation | Other goods and services |
|--------|-------|-------|-----------------------|-----------------------|-------|----------------------|------------------------------|-----------------------------|-----------------------------|--------------------------|--------------------------|
| 1980 | 129.3 | 122.8 | 140.9 | 131.9 | 122.4 | 141.1 | 127.4 | 137.6 | 136.4 | 123.4 | 132.6 |
| 1981 | 144.8 | 138.9 | 157.4 | 146.6 | 140.4 | 168.1 | 138.0 | 150.1 | 148.9 | 136.3 | 150.8 |
| 1982 | 158.3 | 155.7 | 177.7 | 156.0 | 155.1 | 181.0 | 146.7 | 164.7 | 158.8 | 146.2 | 165.3 |

1982

| | | | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| July | 160.1 | 161.1 | 176.5 | 154.7 | 159.2 | 178.4 | 147.8 | 167.1 | 158.9 | 146.1 | 166.1 |
| Aug. | 159.7 | 157.6 | 176.4 | 156.2 | 159.2 | 178.8 | 148.3 | 166.3 | 158.5 | 148.2 | 167.7 |
| Sept. | 160.1 | 158.0 | 176.6 | 159.4 | 158.3 | 179.4 | 148.8 | 166.3 | 158.8 | 149.0 | 167.9 |
| Oct. | 160.7 | 158.8 | 176.6 | 160.4 | 158.3 | 182.8 | 149.3 | 165.1 | 159.9 | 148.9 | 168.7 |
| Nov. | 161.3 | 159.6 | 176.6 | 161.8 | 158.3 | 181.6 | 149.6 | 166.4 | 160.4 | 150.3 | 169.5 |
| Dec. | 163.4 | 157.7 | 190.2 | 161.4 | 158.4 | 188.9 | 149.7 | 166.4 | 166.5 | 150.6 | 171.6 |

1983

| | | | | | | | | | | | |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Jan | 164.8 | 158.7 | 190.3 | 157.6 | 158.4 | 190.1 | 152.4 | 176.5 | 170.4 | 152.6 | 174.1 |
| Feb. | 165.7 | 160.3 | 190.3 | 160.9 | 158.4 | 190.3 | 153.2 | 176.6 | 171.1 | 152.8 | 175.2 |

WAGES

Index of wage and salary earnings 1975 = 100

| Period | By industries | | | By institutional sectors | | | All salary earners | All wage earners | All employees | |
|--------------|-----------------|----------|--------------|--------------------------|-----------------|---------------------|--------------------|------------------|---------------|-----------------------------|
| | Wage earners in | | | Employees in services | State employees | Municipal employees | | | | Employees in private sector |
| | Agriculture | Industry | Construction | | | | | | | |
| 1980 | 179.3 | 170.4 | 146.3 | 166.0 | 161.9 | 156.8 | 169.8 | 166.3 | 167.5 | 166.8 |
| 1981 | 201.3 | 192.5 | 165.6 | 186.1 | 182.2 | 174.8 | 191.9 | 187.4 | 188.8 | 188.1 |
| 1982* | 219.8 | 213.2 | 181.6 | 206.9 | 201.2 | 194.8 | 211.9 | 207.6 | 208.4 | 208.0 |
| 1981 | | | | | | | | | | |
| July-Sept. | 201.0 | 193.7 | 166.9 | 187.7 | 183.5 | 175.7 | 193.8 | 189.2 | 190.4 | 189.8 |
| Oct.-Dec. | 210.9 | 198.9 | 173.6 | 192.3 | 187.0 | 179.3 | 199.0 | 193.8 | 195.2 | 194.5 |
| 1982* | | | | | | | | | | |
| Jan.-March | 215.1 | 206.6 | 176.7 | 197.3 | 192.5 | 185.0 | 204.1 | 198.6 | 200.9 | 199.7 |
| Apr.-June | 223.1 | 214.1 | 179.0 | 206.8 | 200.7 | 195.0 | 212.2 | 207.4 | 208.8 | 208.1 |
| July-Sept. | 226.3 | 210.7 | 181.4 | 207.2 | 201.0 | 194.8 | 211.7 | 207.8 | 207.7 | 207.8 |
| Oct.-Dec. | 233.6 | 221.4 | 189.4 | 216.4 | 210.8 | 204.4 | 220.0 | 216.5 | 216.5 | 216.5 |

PRODUCTION

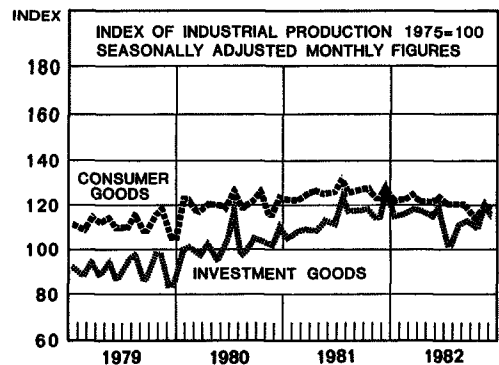
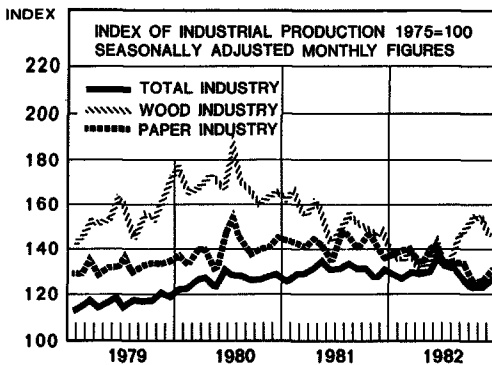
Volume indices of production 1975 = 100

| Period | Gross domestic product | Industrial production | Agriculture | Forestry | Construction of buildings | Land and waterway construction | Transport and communication | Commerce | Public sector services | Others |
|--------------|------------------------|-----------------------|-------------|----------|---------------------------|--------------------------------|-----------------------------|----------|------------------------|--------|
| 1980 | | | | | | | | | | |
| July-Sept. | 117 | 116 | 193 | 96 | 111 | 90 | 123 | 107 | 125 | 114 |
| Oct.-Dec. | 126 | 136 | 84 | 168 | 121 | 92 | 131 | 114 | 127 | 120 |
| 1981* | | | | | | | | | | |
| Jan.-March | 114 | 129 | 73 | 143 | 79 | 89 | 111 | 95 | 129 | 116 |
| Apr.-June | 118 | 132 | 90 | 155 | 76 | 93 | 119 | 107 | 129 | 121 |
| July-Sept. | 116 | 119 | 160 | 80 | 100 | 91 | 124 | 108 | 130 | 117 |
| Oct.-Dec. | 128 | 141 | 80 | 149 | 122 | 96 | 134 | 116 | 132 | 124 |
| 1982* | | | | | | | | | | |
| Jan.-March | 114 | 129 | 70 | 135 | 74 | 88 | 113 | 96 | 134 | 119 |
| Apr.-June | 119 | 131 | 80 | 138 | 73 | 92 | 122 | 108 | 134 | 125 |
| July-Sept. | 117 | 115 | 193 | 66 | 100 | 93 | 122 | 110 | 136 | 121 |

PRODUCTION

Index of industrial production 1975 = 100

| Period | Total | Investment goods | Consumer goods | Other producer goods | Special indices of manufacturing | | | | | | Total adjusted for seasonal variations |
|--------------|-------|------------------|----------------|----------------------|----------------------------------|---------------|----------------|---------------------|-------------------------------|----------------|--|
| | | | | | Food industry | Wood industry | Paper industry | Chemical industries | Non-metallic mineral industry | Metal industry | |
| 1978 | 107.0 | 85.6 | 108.1 | 111.9 | 103.9 | 130.3 | 118.2 | 109.6 | 93.5 | 99.6 | 108.2 |
| 1979 | 118.3 | 93.7 | 113.7 | 127.0 | 110.8 | 155.6 | 134.0 | 123.7 | 102.3 | 110.3 | 119.0 |
| 1980 | 127.5 | 105.0 | 122.9 | 135.7 | 117.2 | 170.6 | 142.6 | 135.3 | 117.6 | 123.3 | 127.8 |
| 1981* | 131.6 | 115.9 | 127.1 | 138.0 | 123.3 | 154.8 | 144.4 | 144.2 | 117.8 | 131.6 | 131.9 |
| 1982* | 129.9 | 116.2 | 122.0 | 137.4 | 121.6 | 143.0 | 136.2 | 133.4 | 115.1 | 132.4 | 130.1 |
| 1981* | | | | | | | | | | | |
| Dec. | 134.4 | 132.8 | 132.7 | 135.6 | 125.8 | 133.1 | 130.7 | 124.4 | 108.9 | 146.3 | 132.1 |
| 1982* | | | | | | | | | | | |
| Jan. | 130.7 | 115.8 | 125.6 | 137.3 | 108.1 | 120.6 | 145.8 | 134.8 | 98.2 | 134.5 | 130.1 |
| Feb. | 125.6 | 117.3 | 119.9 | 130.5 | 100.9 | 129.2 | 135.2 | 129.6 | 96.5 | 133.5 | 128.5 |
| March | 142.9 | 128.6 | 136.9 | 149.7 | 122.8 | 167.3 | 150.4 | 155.7 | 118.0 | 147.4 | 131.0 |
| April | 128.0 | 117.4 | 123.5 | 133.0 | 113.0 | 146.8 | 120.6 | 146.9 | 109.8 | 136.2 | 130.4 |
| May | 135.8 | 124.6 | 127.5 | 142.8 | 119.8 | 164.4 | 139.6 | 149.8 | 117.5 | 145.2 | 131.0 |
| June | 134.6 | 130.9 | 123.1 | 141.0 | 122.4 | 156.6 | 124.9 | 129.4 | 119.1 | 144.6 | 139.5 |
| July | 88.0 | 50.6 | 75.9 | 104.0 | 108.8 | 56.5 | 137.1 | 81.1 | 71.6 | 55.0 | 134.0 |
| Aug. | 131.9 | 107.6 | 121.4 | 143.6 | 121.4 | 138.3 | 147.3 | 136.5 | 125.8 | 124.6 | 131.4 |
| Sept. | 136.3 | 125.1 | 127.1 | 143.7 | 128.1 | 173.2 | 137.5 | 137.6 | 144.3 | 141.8 | 127.5 |
| Oct. | 133.7 | 119.9 | 126.9 | 140.6 | 141.3 | 167.3 | 134.1 | 134.7 | 133.5 | 136.7 | 124.1 |
| Nov. | 139.3 | 134.2 | 132.0 | 144.0 | 146.1 | 166.7 | 135.1 | 137.2 | 125.8 | 148.2 | 124.1 |
| Dec. | 130.1 | 118.4 | 123.2 | 136.6 | 126.4 | 129.5 | 126.9 | 127.7 | 120.9 | 136.9 | 127.8 |



LABOUR—TIMBER FELLINGS—INTERNAL TRADE

| Period | Population of working age, 1 000 persons | Total labour force, 1 000 persons | Employed, 1 000 persons | Un-employed, 1 000 persons | Unemployment, % of total labour force | Commercial timber fellings, 1 000 solid cu. m | Retail sales volume index 1972 = 100 | Whole-sale volume index 1972 = 100 |
|--------|--|-----------------------------------|-------------------------|----------------------------|---------------------------------------|---|--------------------------------------|------------------------------------|
| 1979 | 3 593 | 2 223 | 2 134 | 139 | 6.1 | 44 020 ^r | 117 | 135 |
| 1980 | 3 606 | 2 315 | 2 203 | 112 | 4.8 | 47 840 ^r | 119 | 141 |
| 1981 | 3 629 | 2 369 | 2 244 | 125 | 5.3 | 44 360 ^r | 125 | 141 |
| 1982* | 3 659 | 2 430 | 2 280 | 150 | 6.2 | 41 435 | 130 | 144 |

1982*

| | | | | | | | | |
|-------|-------|-------|-------|-----|-----|-------|-----|-----|
| Jan. | 3 648 | 2 376 | 2 204 | 172 | 7.2 | 3 278 | 108 | 115 |
| Feb. | 3 649 | 2 378 | 2 219 | 159 | 6.9 | 4 260 | 107 | 126 |
| March | 3 654 | 2 335 | 2 175 | 160 | 6.9 | 5 781 | 120 | 148 |
| April | 3 656 | 2 363 | 2 201 | 162 | 6.8 | 5 243 | 125 | 142 |
| May | 3 655 | 2 406 | 2 276 | 130 | 5.4 | 3 564 | 125 | 142 |
| June | 3 659 | 2 574 | 2 436 | 138 | 5.4 | 2 582 | 131 | 144 |
| July | 3 659 | 2 586 | 2 441 | 145 | 5.6 | 1 167 | 136 | 123 |
| Aug. | 3 659 | 2 512 | 2 368 | 144 | 5.8 | 1 383 | 130 | 145 |
| Sept. | 3 663 | 2 436 | 2 295 | 141 | 5.8 | 2 401 | 130 | 156 |
| Oct. | 3 667 | 2 399 | 2 255 | 144 | 6.0 | 3 164 | 140 | 160 |
| Nov. | 3 667 | 2 401 | 2 255 | 146 | 6.1 | 4 165 | 137 | 160 |
| Dec. | 3 669 | 2 388 | 2 231 | 157 | 6.6 | 4 793 | 173 | 171 |

CONSTRUCTION OF BUILDINGS

| Period | Building permits granted | | | | | Buildings completed | | | | | Building-works under construction |
|----------------------|--------------------------|-----------------------|----------------|-----------------------------------|------------------|---------------------|-----------------------|----------------|-----------------------------------|------------------|-----------------------------------|
| | Total | Residential buildings | Farm buildings | Industrial and business buildings | Public buildings | Total | Residential buildings | Farm buildings | Industrial and business buildings | Public buildings | |
| Million cubic metres | | | | | | | | | | | |
| 1979 | 48.64 | 19.83 | 6.34 | 16.46 | 3.46 | 38.30 | 17.49 | 4.39 | 11.76 | 2.75 | 47.62 |
| 1980 | 50.53 | 20.71 | 5.49 | 17.69 | 3.55 | 42.11 | 18.04 | 4.82 | 13.94 | 3.26 | 49.57 |
| 1981 | 44.92 | 18.76 | 5.78 | 14.65 | 2.75 | 41.08 | 17.20 | 4.39 | 14.35 | 3.01 | 47.14 |
| 1981 | | | | | | | | | | | |
| Apr.-June | 16.95 | 7.85 | 2.79 | 4.74 | 0.65 | 8.04 | 3.91 | 0.58 | 2.64 | 0.52 | 50.83 |
| July-Sept. | 10.77 | 4.64 | 1.16 | 3.37 | 0.72 | 9.50 | 3.69 | 1.40 | 2.93 | 0.82 | 53.71 |
| Oct.-Dec. | 9.95 | 3.20 | 0.89 | 4.23 | 0.92 | 14.89 | 5.78 | 1.83 | 5.72 | 0.87 | 47.14 |
| 1982* | | | | | | | | | | | |
| Jan.-March | 8.53 | 3.16 | 1.27 | 3.01 | 0.69 | 6.80 | 3.11 | 0.59 | 2.45 | 0.27 | 46.13 |
| Apr.-June | 18.46 | 7.66 | 3.09 | 5.78 | 0.74 | 8.45 | 3.71 | 0.60 | 2.91 | 0.74 | 50.72 |
| July-Sept. | 12.35 | 4.41 | 1.35 | 4.53 | 1.03 | 8.33 | 3.41 | 1.44 | 2.11 | 0.84 | 56.60 |

EXPLANATIONS RELATING TO THE STATISTICAL SECTION

BANK OF FINLAND

Page 4. *Public sector*: Receivables = Government promissory notes + Bonds + Total coinage + Other public sector receivables. Liabilities = Cheque accounts + Counter-cyclical reserves + Counter-cyclical deposits + Capital import deposits + Other public sector claims.

Deposit certificates are interest bearing, freely transferable, term liabilities of the Bank of Finland. Their maturities range from one week to one year.

Page 5. *Domestic financial sector*: Other liabilities, net = Capital import deposits + Other financial institution claims — Till-money credits — Bonds — Other financial institution receivables.

Corporate sector: Permanent special financing schemes = Foreign bills + New export bills + Financing of suppliers credits. Liabilities, net = Deposits for investment and ship purchase + Counter-cyclical withholdings + Capital import deposits + Import levy deposits + Export deposits + Other corporate claims — Bonds — Other corporate receivables.

MONETARY POLICY INDICATORS

Page 6. All the figures except the Average lending rate of the commercial banks are mean values of daily figures for the month or year in question. The Average lending rate of the commercial banks is the mean value of end of the month lending rates weighted by credit outstanding. The annual figure of the Average lending rate is an unweighted average of the weighted average monthly rates.

Total central bank debt of the commercial banks = Discounted and rediscounted bills (until 30. 6. 1979, subsequently the banks have not been allowed to discount or rediscount bills) + net cheque account receivables from the commercial banks + call money debt + bond transactions with repurchase obligation — call money deposits by the commercial banks.

Actual central bank debt of the commercial banks = Total central bank debt — Postipankki's call money placements (or + Postipankki's call money overdrafts). Postipankki accounts for the bulk of the supply of call money from the deposit banks (supply of call money, see column 4 on page 5).

Credit quotas of the commercial banks at the Bank of Finland are the sum of individual quotas specifying the amount each bank eligible for central bank credit can borrow at the base rate. Before July 1979, a progressively rising interest rate was charged on credit in excess of the quota up to an absolute ceiling on quota-related debt. From July 1979, no bank may exceed its quota on average over the month. On any given day quota-related borrowing may not exceed 1.3 times the quota. The interest on this borrowing is the base rate.

Bank of Finland placements in the call money market = Demand for call money by the deposit banks — Supply of call money by the deposit banks. Average cost of the total central bank debt of the commercial banks: Net costs paid to the Bank of Finland by the commercial banks, as a percentage of their total central bank debt, per annum.

FORWARD EXCHANGE MARKETS IN FINLAND

Page 7. The figures for columns 1—6 are calculated by the Bank of Finland on the basis of monthly reports from the banks on their outstanding forward exchange positions at the end of each month. The figures for columns 7—9 are based on monthly averages of daily representative quotations, as reported by the banks to the Bank of Finland.

The banks' foreign currency positions shown in the chart at the bottom of page 7 are monthly averages of daily spot and forward positions vis-à-vis the Finnish mark as reported by the commercial banks to the Bank of Finland. The spot position includes all foreign currency-denominated assets and liabilities of the banks, excluding their outstanding forward contracts.

FOREIGN EXCHANGE RATES

Pages 8—9 *Exchange rates* are annual and monthly averages of the Bank of Finland's daily quotations. *Currency index* is annual and monthly average of daily index numbers. The chart at the bottom of page 8 shows the banks' forward selling rates for the US dollar as deviations from the spot rate.

DEPOSITS BY THE PUBLIC — ADVANCES TO THE PUBLIC — MONEY SUPPLY

Figures for deposits and advances are supplied by the Central Statistical Office.

Page 10. *Deposits by the public*. The central government and the financial institutions are mainly excluded from the public. From 1974 deposits include domestic deposits denominated in foreign currency.

Page 11. *Advances to the public*. The central government and the financial institutions are not included in the public. Postipankki's advances do not include loans granted by the State Investment Fund (INRA). Domestic credits in foreign currency are mainly granted by the commercial banks and the rest by Postipankki.

Money Supply M₁ = Finnish notes and coins in circulation — Finnish notes and coins held by the banks + Demand deposits held by the public (incl. Demand deposits at the Bank of Finland). Quasi-Money = Time deposits held by the public (incl. Time deposits at the Bank of Finland).

Note: Domestic deposits in foreign currency included in money supply since 1974. In the money supply the public includes non-monetary financial institutions.

STATE FINANCES

Page 12. Official figures computed by the Economics Department of the Ministry of Finance. Revenue and expenditure: Extra-budgetary funds and the aggregated net current deficit of State enterprises are included. Figures are reported on a cash payment basis. Debt: Foreign debt includes promissory notes given to international organizations.

FOREIGN TRADE

Pages 13—15. Figures supplied by the Board of Customs *Indices* (p. 13): The volume indices are calculated according to the Paasche formula and the unit value indices according to the Laspeyres formula. *Terms of trade*: the ratio of export indices to import indices. *Foreign trade by countries*: (p. 15): from January 1980 imports by countries of origin exports by countries of consignment.

BALANCE OF PAYMENTS

Pages 16—17. Figures are calculated by the Bank of Finland. In the current account, the figures for visible and invisible trade have been revised from 1970 so that they are in accordance with the revised System of National Accounts. In addition to the Board of Customs figures, exports include fuel for carriers but exclude stevedoring expenses and imports include seamen's duty-free imports, fuel for carriers and adjusted allowance for smuggling. On Jan. 1, 1980, foreign bonds were included in the convertible foreign exchange reserves of the Bank of Finland and not in the short-term capital account as earlier. The figures for other years have also been revised accordingly.

FOREIGN ASSETS AND LIABILITIES

Pages 18—19. Figures calculated by the Bank of Finland. Long-term assets: Other = financial loans development credits + Finland's subscriptions to international financial institutions. Long-term liabilities: Other = Leasing credits + subscriptions to international financial institutions paid in the form of bonds. Short-term assets: From 1978 the Bank of Finland's foreign bills are included in financing of exports and reclassified under the corporate sector.

Column 21. Debt service = Net investment income of short-term and long-term assets and liabilities + net amortisation payment of long-term foreign assets and liabilities, excl. amortisation payments of the Bank of Finland's reserves and oil credits.

Columns 21 and 22 during the year and the quarter.

Chart Debt service ratio: Debt service as a per cent of current account earnings. 1978 and 1979 debt service does not include amortisation of the Bank of Finland's reserve and oil credits.

PRICE INDICES

Page 20. All indices calculated by the Central Statistical Office.

WAGES — PRODUCTION

Pages 21—22. Figures supplied by the Central Statistical Office. Page 22. *Index of industrial production* calculated by the Central Statistical Office. The grouping, by branches of industry is in accordance with the Standard Industrial Classification (SIC) which is a version of the 1968 edition of the ISIC. The SIC facilitates international comparisons between Finnish statistics and corresponding data from countries which use the ISIC. The seasonally adjusted series is calculated by the Bank of Finland on the basis of the index of industrial production per working day according to a method resembling the U.S. Bureau of Census Method II.

LABOUR — TIMBER FELLINGS — INTERNAL TRADE — CONSTRUCTION OF BUILDINGS

Page 23. *Labour* figures supplied by the Central Statistical Office. *Commercial timber fellings* compiled by the Forest Research Institute, *Retailers' and Wholesalers' volume indices* supplied by the Central Statistical Office. *Construction of buildings* figures calculated by the Central Statistical Office.

SYMBOLS USED: * Preliminary, r Revised, 0 Less than half the final digit shown, . Logically impossible, .. Not available, — Nil S affected by strike — Break in series.

SOME PARTICULARS ABOUT FINLAND

FORM OF GOVERNMENT

From 1 155 to 1 809 Finland formed a part of the kingdom of Sweden. Connected from 1 809 with Russia, Finland was an autonomous country with the Emperor as Grand Duke until December 6, 1917, the date of Finland's declaration of independence. The republican constitution was adopted in 1919. The legislative power of the country is vested in Parliament and the President. The highest executive power is held by the President, elected for a period of 6 years. The President for the current term, January 27, 1982, to March 1, 1988, is Mauno Koivisto.

Parliament, comprising 200 members is elected by universal suffrage for a period of 4 years. The number of seats of the different parties in Parliament elected in 1983 is as follows: Social Democratic Party of Finland 57, National Coalition Party 44, Centre Party 38, Democratic League of the People of Finland 27, Finnish Rural Party 17, Swedish People's Party 11, Christian League of Finland 3, The Greens 2 and Finnish People's Constitutional Party 1

INTERNATIONAL ORGANIZATIONS

Finland became a member of BIS 1930, IMF 1948, IBRD 1948, GATT 1950, UN 1955, IFC 1956, IDA 1960, EFTA 1961, ADB 1966, OECD 1969, IDB 1977 and AfDB 1982.

LAND

THE AREA is 337 000 square kilometres (Great Britain's area is 244 000 sq. km and Italy's area 301 000 sq. km). Of the total, inland waters form 9.4%. Of the land area (1980) 2.6 mill. ha (8.2%) are cultivated and 19.7 mill. ha (64.5%) are covered by forests.

OWNERSHIP OF LAND (1970). The total land area was distributed among different classes of owners approximately as follows: private 60.7%, State 29.4%, joint stock companies etc. 8.0%, municipalities and parishes 1.9%.

POPULATION

NUMBER OF INHABITANTS (1980): 4.8 million. Sweden 8.3, Switzerland 6.4, Denmark 5.1, and Norway 4.1 million.

DENSITY OF POPULATION (1980): In South Finland 46.8, in East and Central Finland 14.0, in North Finland 4.1 and in the whole country an average of 15.7 inhabitants to the square kilometre.

DISTRIBUTION BY AREA (1980): 40% of the population inhabit the rural areas, 60% towns and urban districts. The largest towns are: Helsinki (Helsingfors), the capital, 483 036 inhabitants, Tampere (Tammerfors) 166 228, Turku (Åbo) 163 680.

EMPLOYMENT (1981): Agriculture and forestry 11%, industry and construction 35%, commerce 14%, transport and communication 8%, financing, insurance, real estate and business services 6%, community and personal services 26%.

LANGUAGE (1980): Finnish speaking 93.5%, Swedish speaking 6.3%, others 0.2%.

EDUCATION (1981): Practically all persons over 15 years of age are literate. There are 6 universities (the oldest founded in 1 640) and 14 colleges of university standard.

CHANGE OF POPULATION (1980): births 13.2‰ deaths 9.3‰, change + 2.8‰, net immigration — 0.3‰. Deaths in France 10.1‰ and Great Britain 11.8‰.

TRADE AND TRANSPORT

NATIONAL INCOME (1981). in million marks: Gross domestic product at factor cost by industrial origin: agriculture 6 758 (4%) forestry and fishing 9 590 (5%), manufacturing 60 991 (33%), construction 13 447 (7%), trade, restaurants and hotels 21 508 (11%), transport and communication 15 358 (8%), banking and insurance 7 816 (4%), ownership of dwellings 13 066 (7%) other services 40 280 (21%), total 188 814. Index of real domestic product 121 (1975 = 100).

FOREST RESOURCES (1980). The growing stock comprised of 1 631 million m³ (solid volume with bark) of which 44% was pine and 38% spruce the remaining 18% being broad-leaved trees chiefly birch. Of the growing stock 690 million m³ was up to the standard required for logs, 56% of these being pine. The annual growth was 65 million m³ and the total drain calculated on the basis of roundwood consumption was 59 million m³

AGRICULTURE (1980). Cultivated land 2.3 million hectares. Number of holdings 224 721 of which 155 277 are of more than 5 ha. Measure of self-sufficiency in bread cereals 70%.

INDUSTRY (1981). Gross value of industrial production 193 314 mill. marks number of workers 419 443, salaried employees 144 692, motive power 8.0 mill. kW. Index of industrial production 132 for 1981 (1975 = 100).

STATE RAILWAYS (Dec. 31, 1982): Length 6 071 km

MERCHANT FLEET (Dec. 31, 1982): Passenger vessels 153 (257 015 gross reg. tons), tankers 45 (1 094 675 gross reg. tons), dry cargo vessels 188 (842 959 gross reg. tons), other vessels 97 (15 146 gross reg. tons), total 483 (2 209 795 gross reg. tons).

MOTOR VEHICLES (Dec. 31, 1981): Passenger cars 1 279 192, lorries and vans 155 001, buses 9 054, others 9 384, total 1 452 631.

FINNISH AIRLINES (April 1, 1982): Finnair and Kar-Air have in use 2 DC-8, 1 DC-6-ST, 3 Super Caravelles, 9 DC-9-14/15, 5 DC-9-41, 12 DC-9-51, 3 DC-10-30, 2 Fokker F-27 and 2 Embraer Bandeirante. Companies have scheduled traffic outside of Finland, to 38 airports and to 20 domestic airports.

FINANCE AND BANKING

CURRENCY. Since 1860, Finland has had its own monetary system. From 1877 until 1914 the country was on the gold standard, and returned to it in 1926. In 1931, the Central Bank's duty to redeem bank notes in gold was suspended and at the end of 1962 was entirely cancelled. The monetary unit is the mark (Finnish markka). The last par value of the mark was set on Oct. 12, 1967 and was 0.21159 grams of fine gold per mark (equivalent, at the time, to 4.20 marks per U.S. dollar). Since Nov. 1, 1977 the external value of the mark has been officially expressed in terms of a currency index. This index is trade-weighted and indicates the average change in the currencies which are important in Finnish foreign trade. The present currency weights are Rbl 24.2 Skr 16.4, £ 13.2, DM 13.2, \$ 8.9, other currencies 24.1. The permissible range of fluctuation is about 2.25 per cent of either side of the arithmetic mean. The fluctuation limits are 127.5 and 121.9.

THE CENTRAL BANK. The Bank of Finland (estab. 1811) functions under the guarantee and supervision of Parliament. Its Board of Management is appointed by the President of the Republic; the Bank Supervisors, nine in number, are elected by Parliament. The Bank has a head office in Helsinki and 12 branches in other towns.

OTHER CREDIT INSTITUTIONS (Dec. 31, 1982). There are two big and five small commercial banks with in all 900 offices, 272 savings banks, 371 co-operative banks, five mortgage banks, Posti-pankki and three development credit institutions. The co-operative stores accept deposits from their members. The Social Insurance Institution and fifty-four private insurance companies also grant credits.

RATES OF INTEREST (June 1, 1982). The base rate applied by the Bank of Finland on credit extended to the banks in the context of the quota facility is 8 ¼%. The range of rates for other credits granted by the Bank of Finland is between 6% and 11%. Other credit institutions: time deposits 4 ¼%; 6 month deposits 5 ½%; 12 month deposits 7%; 24 month deposits 8 ¼% and sight deposits 1 ¼%. The highest lending rate 12 ¼%.

FOREIGN CAPITAL MOVEMENTS AND THEIR MONITORING IN FINLAND DURING THE 1970s

by Juhani Laurila, M.Pol.Sc.

Foreign Financing Department
Bank of Finland

In Finland domestic bank credit is, together with foreign credits and loans, the major source of finance for the corporate sector. The domestic securities market is small and offers a comparatively narrow range of negotiable debt instruments, with, it would seem, a fairly low degree of substitutability. Therefore, this market has so far had no impact on either the financing of economic activity or the regulation of liquidity in the economy. The absence of any notable foreign debt arising from direct investment and portfolio investment, which are large capital account items in many other countries, can also be attributed to the special institutional features of the Finnish financial markets.

During the 1970s, the Bank of Finland influenced foreign capital flows by focussing restrictive measures on gross long-term borrowing. By so doing, the entire change in the country's net foreign debt could be influenced, since other gross flows were negligible either in gross terms (portfolio and direct investment) or in net terms (short-term capital flows).¹

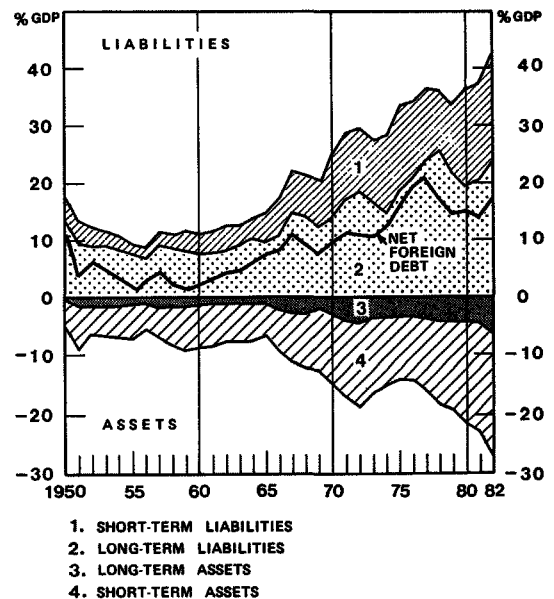
GROWTH OF FOREIGN DEBT

Finland's net foreign debt, which had started to grow in the mid-1960s, rose rapidly in the 1970s. Net foreign debt as a percentage of GDP at market prices increased from about 8 per cent in 1965 to a peak figure of 21 per

cent in 1977 (see Chart 1). The growth of the gross long-term debt was largely due to long-term foreign borrowing. Other debt items were of only minor significance or negligible.

It is possible to identify certain supply and demand factors which contributed to the unanticipated growth in the importation of foreign, and particularly long-term, capital during the 1970s. On the supply side, the most salient features were the rapid expansion of international capital markets, especially that of the euro-market, and the relatively low

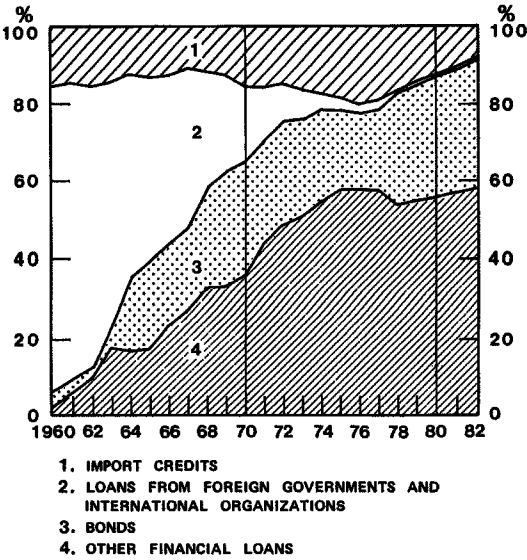
CHART 1. SHARES OF FINLAND'S LONG- AND SHORT-TERM FOREIGN ASSETS AND LIABILITIES IN GDP AT MARKET PRICES IN 1950—1982¹



¹ For a detailed description of the conceptual framework applied at the Bank of Finland in compiling statistics on foreign assets and liabilities and monitoring total credit expansion and debt serving obligations, the interested reader is referred to Juhani Laurila: Foreign Capital Movements in Finland during the 1970s (with English summary), Bank of Finland A: 54, 1982.

¹ The figures for assets and liabilities in 1950—1969 are derived from Reino Airikkala & Tuomas Sukselainen (eds): Main Trends in Finland's Balance of Payments in 1950—1974, Bank of Finland, Series A: 41, 1976. The data on GDP at market prices in 1950—1969 is based on an unrevised series, while that for 1970—1982 is based on the series revised by the Central Statistical Office.

CHART 2. DISTRIBUTION OF FINLAND'S LONG-TERM FOREIGN DEBT BY TYPE OF LOAN IN 1960—1982



interest rates, which served to increase the availability of foreign financing to Finnish borrowers. The demand for long-term foreign financing had its origins in the inadequacy of domestic savings for financing the infrastructural investments necessitated by the comparatively rapid structural changes in the economy in 1965—1976 and the fairly heavy energy investment programmes carried out in 1974—1976.

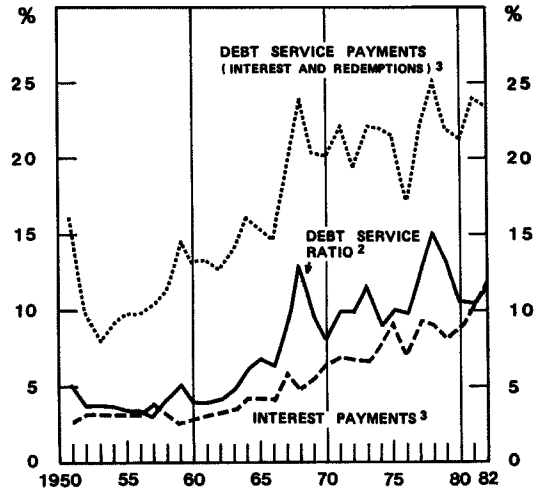
In addition, there was further capital deepening in the traditionally capital-intensive export industries towards the end of the 1970s.

Owing to the increase in the supply of commercially available international credits and the increased wealth and international competitiveness of the Finnish economy in 1965—1976, the share of credits and loans provided by foreign governments and international organisations fell to almost zero and long-term foreign borrowing on commercial terms in international capital markets became commonplace (Chart 2). The higher interest rates and shorter maturities of loans and credits obtained on commercial terms also explain the upward trend of the share of debt service charges in

gross long-term foreign borrowing: capital charges (interest, commissions and realised profits or losses from exchange rate changes) accounted on average for 4.5 per cent of total long-term borrowing in the 1960s and 7.0 per cent in the 1970s (Chart 3). The corresponding figures for gross long-term foreign borrowing from foreign governments and international institutions were 3.5 and 5.7 per cent, respectively. The general rise in international interest rates also contributed to the upward trend in capital charges towards the end of the 1970s.

The structure of Finland's foreign debt in the 1970s was considered good since about two-thirds of the total gross liabilities had long- or medium-term maturities, whereas four-fifths of the total gross assets had short-term maturities. Higher oil and other import prices, together with the financing needs engendered by the high level of investment, led to a sharp rise

CHART 3. GROSS DEBT SERVICE PAYMENTS AND GROSS DEBT SERVICE RATIO IN 1951—1979¹



¹ The gross measure of debt service payments and the debt service ratio is a narrower concept than the net measure since in the latter redemptions of and interest receipts from loans granted abroad by Finland are deducted from debt service payments. As used here, gross long-term debt excludes foreign direct investment in Finland in the form of equity capital, Finland's subscriptions to international organizations and the Bank of Finland's stand-by and Oil Facility credits; similarly, the share of these items in interest payments and redemptions is excluded.
² Gross debt service payments (interest, commissions and redemptions) as per cent of exports of goods and services in the same year.
³ Per cent of gross debt outstanding at the end of the previous year.

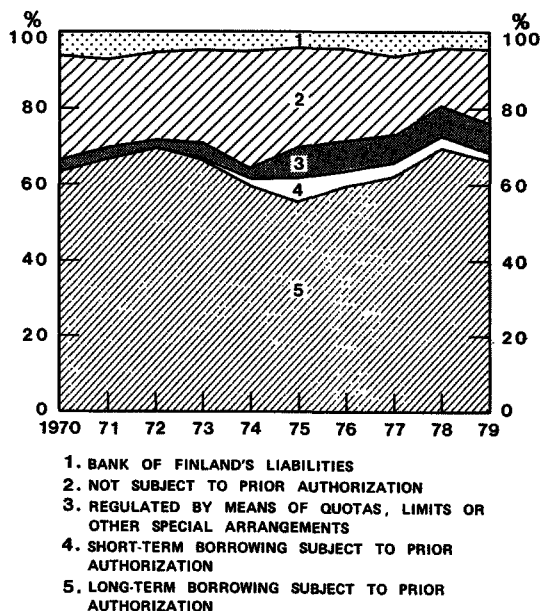
in the foreign debt in 1974—1975. Also contributing to the increase was the fact that, owing to strong foreign demand for Finnish forest exports and the relatively low level of interest rates abroad, Finland's gross foreign assets were run down at the same time. Hence, the net foreign debt grew more rapidly than would otherwise have been the case, giving rise to concerns about Finland's ability to service her foreign debt without jeopardizing her reputation as a good borrower.

These trends were reversed in 1976—1978, thus supporting the central bank's measures aimed at curbing excessive foreign borrowing and thereby the growth of foreign debt. Investment activity slackened, reducing the need for foreign credits and loans. At the same time, foreign demand for Finnish exports weakened and increased the need to extend suppliers' credits to foreign customers. Hence, foreign short-term assets started to grow in gross terms and this, together with the reduction in long-term borrowing abroad, first slowed the growth of net foreign debt in 1976 and 1977 and then reversed it in 1978 and 1979. Reinforcing to some extent the fall in net foreign debt was the rise in interest rate levels abroad, which both reduced the willingness to borrow abroad and increased the willingness to extend trade credits to foreign customers. The external value of the Finnish markka became more unstable: during the latter half of the 1970s, there were, in all, three devaluations (5.7 per cent, 3 per cent and 8 per cent) and one revaluation (almost 2 per cent). It was then that large, speculative short-term capital movements, mainly in the form of the leading and lagging of trade credits, were experienced for the first time.

FOREIGN CAPITAL CONTROLS AND THEIR APPLICATION

The procedures employed for controlling foreign capital flows during the 1970s were prior individual authorization, limits or quotas, and direct prohibitions. In accordance with the »Foreign Exchange Regulations» the practical

CHART 4. DISTRIBUTION OF GROSS FOREIGN DEBT BY TYPE OF AUTHORIZATION PROCEDURE APPLIED, 1970—1979¹



¹ Short-term liabilities subject to authorization included in full from end-1975 onwards.

application of these controls is vested in the Bank of Finland.

Approximately two-thirds of foreign liabilities were subject to prior authorization during the 1970s. Virtually all these liabilities were accrued through long-term borrowing abroad in the form of financial loans, bond issues, debenture issues, private placement loans, import credits and leasing credits. The remainder consisted chiefly of short-term debt, of which about 30 per cent, on average, was unregulated or liberally controlled, and less than 10 per cent belonged to the gross foreign exchange reserve liabilities of the central bank (see Chart 4).

On the assets side the prior individual authorization procedure was applied to only about 20 per cent of total gross foreign assets. The remainder either consisted of the foreign exchange reserves of the central bank or were exempt from control (see Chart 5). Hence, virtually all short-term capital movements were free from restrictive controls. Limits or quotas were applied restrictively to some short-term

borrowing for temporary financing purposes which would have preferably been financed from domestic sources, as for instance, the building up pulp and paper inventories during periods of recession and high unemployment.

Other limits and quotas were applied only as a means of ensuring that the volume of short-term capital flows stayed in proper proportion to the volume of activities financed in this way.

Direct prohibitions were applied sparingly during the 1970s. The only measure worth mentioning in this context is the so-called cash payments requirement, according to which imports of certain categories of goods, for instance, cars, computers and some household durables, had to be paid for in cash by importers. This scheme had been gradually dismantled by March 1, 1979.

Indicative of the key position which long-term borrowing assumed from the viewpoint of capital controls is the fact that a major part, 2.6 billion marks, of the gross annual average capital inflow of 4.2 billion marks was long-

CHART 5. DISTRIBUTION OF GROSS FOREIGN ASSETS BY TYPE OF AUTHORIZATION PROCEDURE APPLIED, 1970-1979

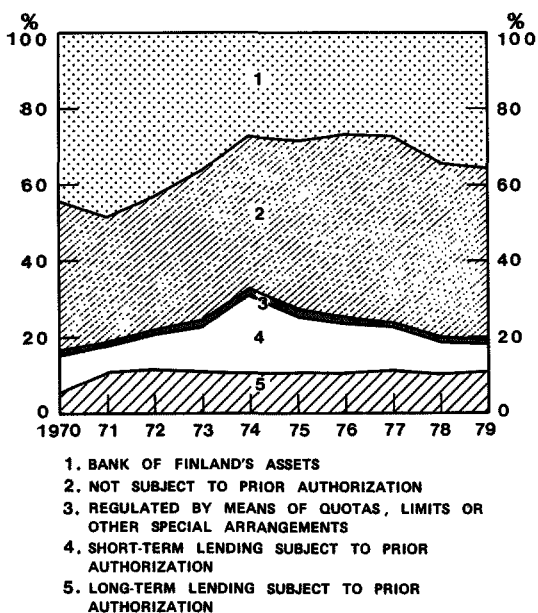
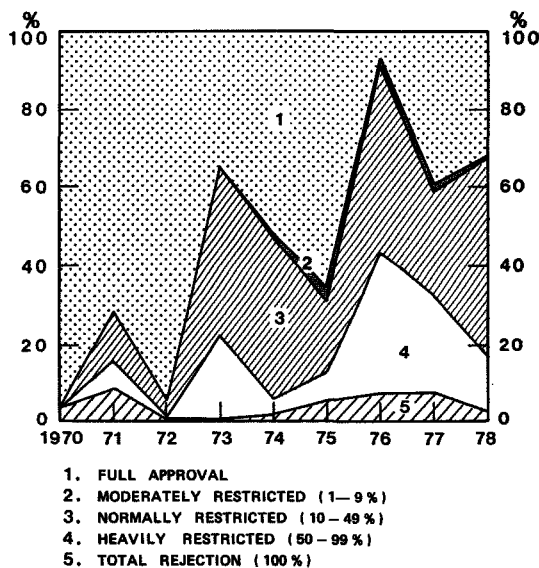


CHART 6. FINLAND'S LONG-TERM FOREIGN BORROWING: APPLICATIONS CLASSIFIED ACCORDING TO DEGREE OF RESTRICTIVENESS APPLIED IN AUTHORIZATION, 1970-1978¹



¹ The percentages in parentheses in the chart refer to the proportion of the loan applied for which was rejected.

term, whereas of the gross annual average outflow of 2.5 billion marks, short-term flows accounted for 1.9 billion marks. Moreover short-term capital movements were, by and large, free from restrictive controls.

In view of its central role in financing the growth of the Finnish economy, long-term borrowing abroad was never restricted prohibitively during the 1970s. The degree of restrictiveness applied to long-term foreign borrowing was determined by the desired growth of total domestic credit and the need to maintain the country's foreign borrowing potential in the future. For these reasons, the degree of restrictiveness applied in authorizing long-term foreign borrowing reached its peak in 1976 (as shown in Chart 6) when the Bank of Finland introduced a policy of restrictive demand management aimed at curbing consumption and investment. The other occasion when slightly more restrictive practices were applied in controlling long-term foreign borrowing was in 1973. During the preceding two years the import of long-term capital had

increased at a time when domestic market conditions were relatively easy but international capital markets were characterized by disturbances and uncertainties.

One should be cautioned here against drawing the conclusion that there was a general upward trend in the degree of restrictiveness during the 1970s. It seems likely that the apparent rising trend reflects the fact that long-term foreign borrowing became an increasingly attractive source of financing for

Finnish borrowers towards the end of decade, without any rise in the degree of restrictiveness. The more adept applicants become in learning to anticipate the controlling authority's behaviour, the worse are the drawbacks of this kind of restrictive measure. The kind of representation used in Chart 6 is justified only because of the lack of better statistical measures. It does, however, at least indicate the timing and direction of sudden changes in restrictive practices.

ITEMS

Parliamentary elections of 1983. Parliamentary elections were held on March 20th and 21st 1983. Of the 3 956 713 persons eligible to vote 80.5 per cent cast ballots (81.2 per cent in the last election in 1979). The following table shows the percentage distribution of votes in 1983 and 1979.

| | 1983* | 1979 |
|--|-------|-------|
| Social Democratic Party of Finland | 26.7 | 23.9 |
| National Coalition Party | 22.1 | 21.7 |
| Centre Party (incl. Liberal Party) | 17.6 | 21.0 |
| Democratic League of the People of Finland | 14.0 | 17.9 |
| Finnish Rural Party | 9.7 | 4.6 |
| Swedish People's Party | 4.9 | 4.5 |
| Christian League of Finland | 3.0 | 4.8 |
| Finnish People's Constitutional Party | 0.4 | 1.2 |
| Others (mainly the Greens) | 1.6 | 0.4 |
| Total | 100.0 | 100.0 |

The seats in Parliament were divided as follows:

| | 1983* | 1979 |
|--|-------|------|
| Social Democratic Party of Finland | 57 | 52 |
| National Coalition Party | 44 | 47 |
| Centre Party | 38 | 40 |
| Democratic League of the People of Finland | 27 | 35 |
| Finnish Rural Party | 17 | 7 |
| Swedish People's Party | 11 | 10 |
| Christian League of Finland | 3 | 9 |
| The Greens | 2 | — |
| Finnish People's Constitutional Party | 1 | — |
| Total | 200 | 200 |

The new Parliament will assemble for its first session on April 8.

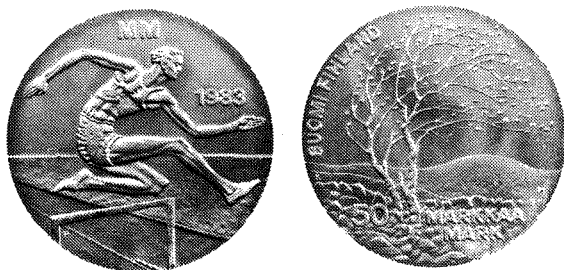
Commemorative coin of the first World Athletics Championships. The first World Championships in the history of athletics will

be held in Helsinki from August 7 to August 14, 1983. To mark the occasion the Mint of Finland has struck a commemorative silver coin in the denomination of 50 Finnish marks. This coin, which will be for sale as from May 16, 1983, is legal tender. A delivery charge will be added to the price for sale abroad.

The coin has been designed by the sculptors Pertti Mäkinen and Toivo Pelkonen and the issue comprises 450 000 pieces.

The obverse depicts a hurdler clearing a hurdle, with the text MM 1983. The reverse shows a birch tree bent by the wind in Finland's northern fell region and bears the legend 50 MARKKAA MARK and SUOMI FINLAND.

The silver content is 500^o/₁₀₀, the weight 22 grammes and the diameter 35 mm.



The World Athletics Championships will be the biggest sporting event held in Finland since the Olympic Games in 1952. Finland, whose athletes have won more than 100 gold medals in athletics, is especially well-known for its long-distance runners such as Hannes Kolehmainen, Paavo Nurmi and Lasse Virén.

(continued from page 2)

other EEC and EFTA countries, the markka is the third currency after the domestic currency of the country concerned and the US dollar.

Of the total exports of both the textile and the metal and engineering industries, approximately one-fifth is invoiced in Finnish markka. In some of the smaller export branches, its share is even higher; for instance, two-thirds of exports in forestry and one-third in mining and quarrying are invoiced in markka. On the imports side, one-fifth of consumer goods imports is invoiced in markka, and a significant proportion of raw material imports — especially for the textile industry — takes place in markka terms.

March 21, 1983

BANK OF FINLAND

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Chairman

Rolf Kullberg

Vice Chairman

Pentti Uusivirta

Ele Alenius

Harri Holkeri

Seppo Lindblom

Directors

Markku Puntila

Eino Helenius

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Kari Nars

Antti Lehtinen

Sirkka Hämäläinen

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Accounting

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Kari Holopainen

Bilateral Trade

Pekka Tukiainen

Foreign Financing

J. Ojala

Exchange Control

Seppo Kostiainen

Deputy, Economics Dept.

Markku Pietinen

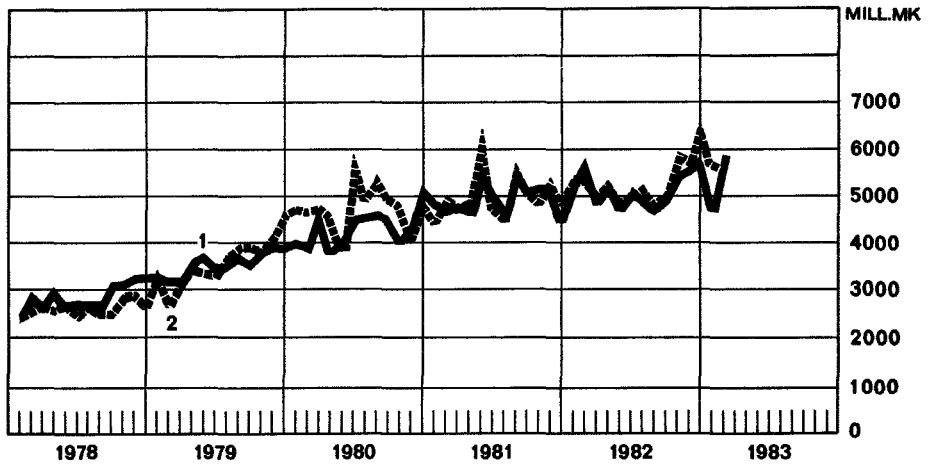
Information

Erkki Vehkamäki

Data Processing

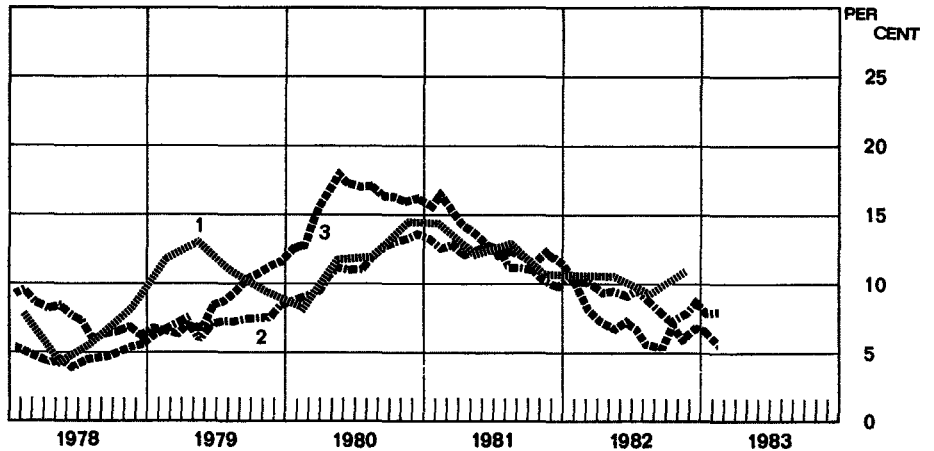
FOREIGN TRADE, 1978-83

- 1. Exports f.o.b.
 - 2. Imports c.i.f.
- Seasonally adjusted monthly figures



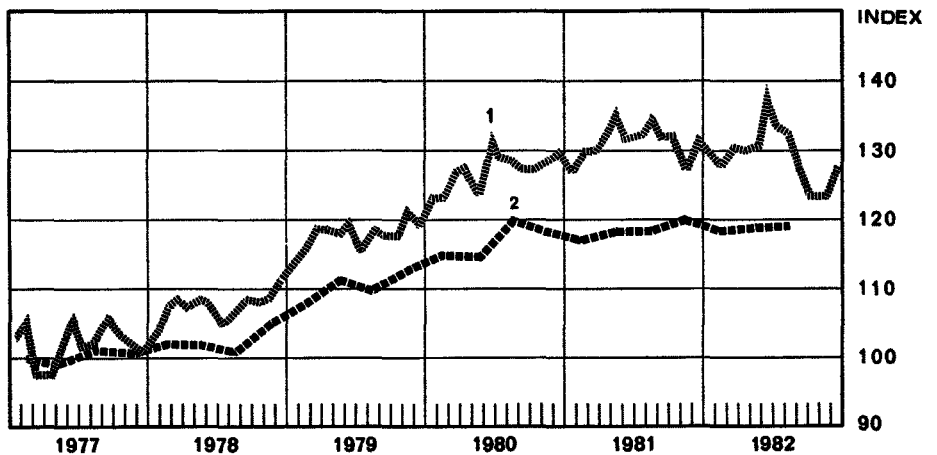
PRICES AND WAGES, 1978 - 83

- 1. Index of wage and salary earnings 1975 = 100, quarterly figures
 - 2. Consumer price index 1977 = 100, monthly figures
 - 3. Basic price index for domestic supply 1975 = 100, monthly figures
- Percentage change on previous year



PRODUCTION, 1977-82

- 1. Total index of industrial production 1975 = 100, seasonally adjusted monthly figures
- 2. Volume index of gross domestic product 1975 = 100, seasonally adjusted quarterly figures



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