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The Bank of Finland Year Book for 1966 follows the same lines as last year's edition. It contains reviews of the monetary, credit and foreign exchange policies of the Bank, along with a survey of the development of the Bank's accounts during the year under review. In addition, there is an appendix with the temporary revision of § 6 of the Bank of Finland Regulations. The statistical section provides detailed information on the statements of the Bank and various banking transactions during 1966.

The Year Book is published in three parallel editions, in Finnish, Swedish and English. It has been compiled by the Bank of Finland Institute for Economic Research.

Helsinki, May 22, 1966.

TIMO HELELÄ

ERRATUM

Page 3. The date following the preface should be:

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I. A REVIEW OF THE FINNISH ECONOMY IN 1966

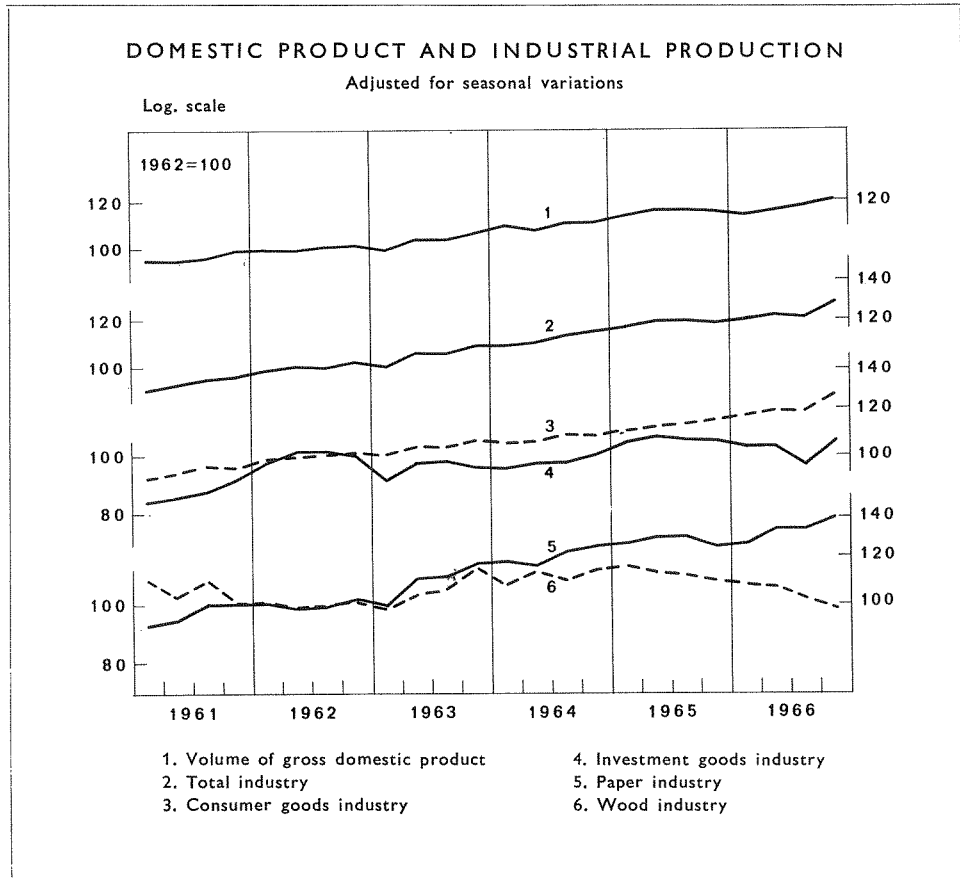
The expansion that started in the middle of 1963 was of short duration and the growth in total production ceased already in the latter half of 1965. In the first quarter of 1966, partly as a result of the severe winter, there was a downward trend in total production. However, during the second quarter productive activity increased considerably and the growth rate accelerated towards the end of the year. The increase in the volume of national product over the whole year was slightly more than 2 per cent compared with about 5 per cent in the previous year.

Since the growth of export earnings slackened and capital imports were small, the adverse balance of payments position persisted, which necessitated the intensification of measures by the Government and the Bank of Finland. In spite of the steps taken, the deficit in the balance of trade in 1966 was nearly as large as the year before.

Despite the slackening in the rate of growth of production the employment situation remained relatively satisfactory in 1966. This was partly due to a slower rate of growth of the working population. The reduction of working hours in the summer months and the expansion of productive activity in labour intensive industries in the latter part of the year, on the other hand, increased the demand for labour. The number of unemployed averaged 1.5 per cent or roughly the same as in the previous year.

In contrast to the year 1965, the main factor on the demand side which checked the growth in production was private investment, the total increase in the volume of which was only about one percentage point against nearly 10 per cent in the previous year. The various types of investment showed diverging trends. Investments in machinery and equipment and in residential building continued to grow, while productive building investments declined. The total volume of private investments in house construction in 1966 remained on roughly the same level as in the previous year.

The percentage increase in the volume of private consumption was considerably more pronounced than that in the national product. Although the real growth in personal disposable income was no more than about 1 per cent, the volume of private consumption expenditure grew by 4 per cent.



The increase in private consumer spending was thus due to a large extent to an increased propensity to consume. The growth in the volume of public consumption expenditure was also 4 per cent.

The slackening in productive activity was most noticeable in the forestry sector, where the volume of production fell by as much as 10 per cent. The volume of house construction, which rose by 14 per cent in 1965, was approximately the same in 1966 as in the previous year. In other industries, the changes in the rate of expansion were less significant; however, developments among the various manufacturing industries were not consistent. The downward trend in the investment goods and in the wood industries which began in 1965, continued. An increase of 7 per cent in the production of consumer goods was recorded. This was partly due to expanding domestic demand and partly to greater opportunities for exports. Slightly more than a 4 per cent increase took place in the paper industry, where there was a

sharp recovery from the low level at the beginning of the year. The total increase in the volume of industrial production was about 4 per cent in 1966, or 2 percentage points less than a year earlier. Production in the services sector grew by an average of 4 per cent.

The pressure of costs in the economy was somewhat greater in 1966 than in the previous year. The rise in costs, however, was not entirely reflected in prices due to the slack demand conditions and the rise in prices in 1966 was therefore smaller than in 1965. The rise in the cost of living index was 3.9 per cent compared with 4.7 per cent a year earlier, and there was an even smaller increase in wholesale prices, or 2.1 per cent against 4.4 per cent in 1965.

The decline in economic activity in those Western countries important for Finnish exports caused a slackening in the rate of growth of export earnings. Although the increase in the volume of exports was approximately as much as in the previous year, that in the value, 5.5 per cent, was only slightly more than one half of the corresponding figure for 1965. The greatest growth occurred in the exports of metal industry products and in the so-called new exports; the value of the latter increased by nearly one fourth. The value of exports of paper industry products grew by 6 per cent, while that of wood industry products and raw timber declined by altogether 6 per cent.

Commodity imports, which during the first half of 1966 were roughly the same as in the previous year, started to expand substantially towards the end of the year. The total value of commodity imports rose to 5 524 million marks or to 5.0 per cent more than in 1965. Since the value of commodity exports was 4 818 million marks, the deficit in the balance of trade was therefore 706 million marks or 6 million marks more than in 1965. Due to increased interest charges, the surplus of other items in the balance of payments on current account remained smaller than in the previous year. The current account deficit, which was 607 million marks in 1965, thus rose to 633 million marks in 1966. Since this could be financed only partly through capital imports, the total gold and foreign exchange reserves of the country declined by 355 million marks in 1966. The fall in the reserve of the Bank of Finland was 321 million marks.

The weakening of the foreign liquidity position of the country resulted in a continuation of the tight conditions on the financial market. The Bank of Finland continued the quantitative regulation of bank advances started in 1965 and took various other steps in order to improve the foreign liquidity position. However, due to the pressure of demand for credits the banking institutions could no longer keep their lending within the limits set during the target period ending in October, and new monetary policy measures extending to June 1967 were introduced; the aims of these were to cut the

rediscounting debt of the banks and to place more emphasis on classifying the different requests for credit according to their importance. The growth of bank advances was 1 376 million marks in 1966 while that of deposits slightly less or 1 253 million marks. The corresponding figures for one year earlier were 1 114 million and 1 029 million marks.

II. CREDIT AND CAPITAL MARKETS

The ends and means of monetary policy

The target period beginning in November 1965 during which the banking institutions should limit their lending ended on April 30, 1966, when the lending of the banking institutions that had exceeded their rediscounting quotas should, according to the regulations of the Bank of Finland, be a maximum of 13 per cent more than the level at the end of 1964. The banks kept their lending within these limits and were entitled to a refund of the additional rates of interest they had paid and to a reduction of the basic rate on rediscounts. The regulations did not concern the savings banks, because their central bank had not exceeded its rediscounting quota. Total advances to the public by the banking institutions calculated according to the above regulations were 12.1 per cent more than at the end of 1964.

Although the growth in bank lending remained within the limits set by the Bank of Finland, the level of rediscounts, however, rose in the opening months of the year and the foreign exchange reserves declined accordingly. Therefore the Bank of Finland considered it necessary to intensify its policy of limiting advances to the public. On April 28 the Bank issued new regulations to the banking institutions for a new target period May—October. In its general directives the Bank emphasized that due to a sharp decline in the foreign exchange reserves the strengthening of the foreign liquidity position gives a narrower scope to both fiscal and monetary policy than before. For this reason, credit policy must try to control more strictly the access of the banking institutions to the funds of the Bank of Finland for increasing their lending. To this end the Bank announced new rediscounting quotas to take effect from May and totalling 696 million marks, or approximately the same as the level of rediscounts at that moment. No instructions were given to those banking institutions which had not rediscounted or whose rediscounts were at least 25 per cent within their quota. Other banking institutions were to limit the growth of their advances so that at the end of the target period their lending was at the most 15 per cent higher than at the end of December 1964. In the case of a bank exceeding its

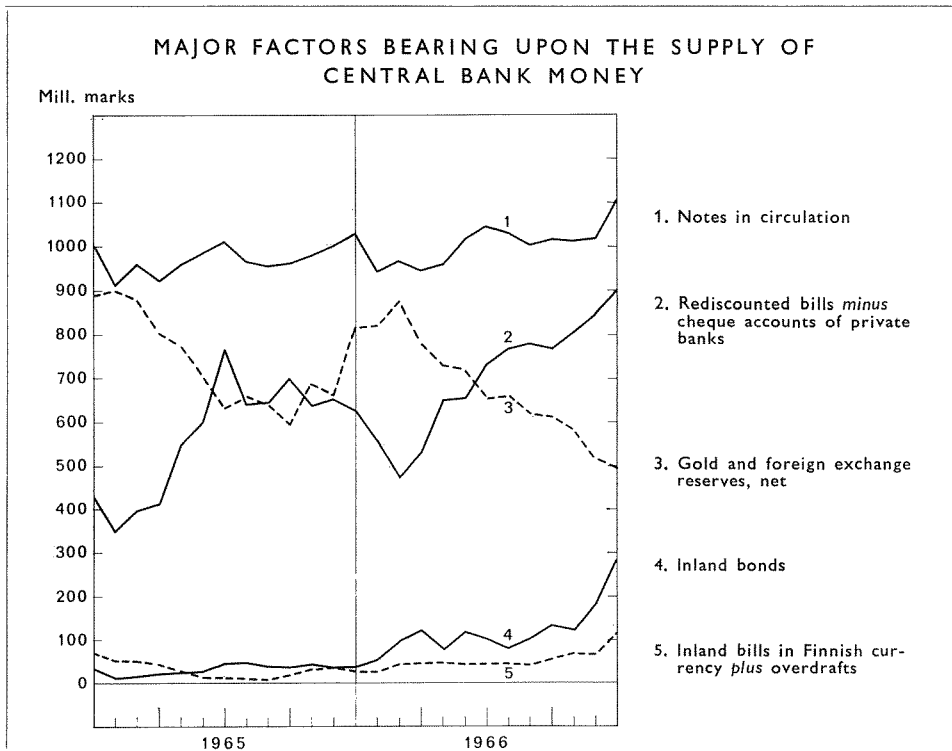
rediscounting quota by more than 25 per cent the Bank of Finland stated that other restrictions could be placed on this bank. The Bank emphasized particularly that the above-mentioned 15 per cent limit for advances may not be exceeded even during the months between the various target periods. In order to ensure that the banks comply with these regulations and that they plan carefully the budgeting of their advances, the Bank of Finland also required them to submit their credit plans for the whole target period; how much detail should be given depended on how far the particular bank exceeded the rediscounting limit.

Aware that the effect of monetary policy measures in preventing a deterioration in the foreign exchange reserves is limited, the Bank of Finland repeatedly reminded the Government during the spring of the importance of stabilising state finances and of implementing a budgetary and trade policy designed to promote exports and decrease expenditure on imports. The Government did introduce several measures to protect the balance of payments and to improve state finances; the tax on passenger cars and some other taxes and charges were raised in the middle of the year.

The foreign exchange reserves of the country had, however, already declined by nearly 240 million marks by the end of June. Also the banking institutions could not resist the pressure of demand for credits which built up from the previous target period, but increased their advances, based mainly on rediscounting. The result was that most banking institutions already exceeded their lending limits towards the end of the summer. Since, however, it was attempted to time the repayment of credits to occur towards the end of the target period, one half of the rediscounting banks were able to remain within the above-mentioned limit of 15 per cent. Total advances of the banks to which the credit limits applied, calculated according to the regulations of the Bank, were 17.8 per cent higher than at the end of 1964. Total advances grew by 20 per cent if those banking institutions to which the regulations did not apply due to their small amount of rediscounting are included. This development was reflected in rediscounts which amounted to 805 million marks on average in October after having been 594 million in April.

In order to protect the foreign exchange reserves the Government prepared the budget for 1967 with a view to balancing the state finances without straining the low capital resources by borrowing too extensively, and at the same time endeavoured to allocate more appropriations for projects designed to maintain production and employment and in particular to promote exports.

In the autumn the Bank of Finland found that several banking institutions had not managed to keep within the limits set for their lending and rediscounts, and therefore the desired reduction in the rate of growth of



lending was not achieved. As a result of the increase in advances due to rediscounting, there was a substantial weakening in external liquidity. Consequently the Bank informed both the banking institutions and the Government that the first and most essential task of credit policy should now be to arrest this trend. The matter was discussed in the Bank Supervisors' meeting on September 23, when in view of the foreign exchange situation, the Bank Supervisors urged the Management of the Bank of Finland to intensify the regulation of bank advances and liquidity so that the rediscounting quotas set would not be exceeded by more than 25 per cent and that total rediscounts at the end of January 1967 would not be more than 800 million marks. Advances should be controlled so as to maintain the level of employment and thus affect categories of secondary importance.

Accordingly, the Bank of Finland issued new credit regulations for the banks on October 28, aiming especially at lowering the prevailing rediscounting level and also requiring the banks to ensure that requests for bank finance are granted in order of importance. The new target period set for the banks was November 1966—June 1967. No further common

maximum level was set for advances but those of each bank were to depend on changes in its deposits, repayments of loans previously granted and the need to cut its rediscounts. According to the new regulations those banks exceeding their rediscounting limits by not more than 25 per cent in October 1966, were to reduce their rediscounts to the limits of their quotas by January 1967 and to keep their rediscounts within these limits from January to the end of the target period. To achieve this, these banks were to follow their credit and financing programmes prepared for the whole period and accepted by the Bank of Finland which were to be revised monthly. The banks could also be required to submit all credits of over one million marks for the approval of the Bank of Finland. A banking institution exceeding its rediscounting limit by more than 25 per cent in October was to decrease its rediscounts so that in January 1967 they should exceed the quota by a maximum of 25 per cent and in June 1967 they should at most equal the quota. A bank belonging to this group was allowed to grant new credits and renew earlier credits only according to a weekly schedule agreed by the Bank of Finland. The Bank did not consider it necessary to make any regulation of the lending of the banks which had kept their advances within their quota provided that they continued to avoid exceeding the quotas in the new target period.

In the new regulations the Bank of Finland also requested all the banks that when granting short-term loans they should give preference to those projects which would maintain and increase supply in general and export production in particular. As far as they were able to make long-term loans, the priority category in building credits should be the ARAVA loans. Those credits which directly or indirectly finance the demand for consumption and investment goods and in particular for imported goods should be restricted. In this connection the Bank of Finland also stated that it was no longer necessary for the banking institutions to submit reports on their building credits as was required in the regulations of November 1965 nor did they have to obtain permission to finance purchases of sites or other landed property or for making similar investments of their own.

A review of the credit policy measures taken by the Bank of Finland during the last year should also cover its relations with the Treasury. Since the beginning of the year the Treasury was in financial difficulties, mainly for the reason that certain expenditures had had to be postponed from 1965 to 1966. In order to ensure a regular flow of payments the Bank of Finland had to arrange short-term finance for the Treasury nearly every month since February, primarily in the form of forward purchases of bonds from the Post Office Savings Bank. In spite of the mid-year rise in taxes and charges mentioned above, the budget deficit of the Treasury continued to grow in the autumn and for several reasons was in fact considerably more

than was estimated when the budget proposal for 1967 was being prepared. In the latter half of November the Ministry of Finance informed the Bank of Finland that this deficit, for which provision had been made neither in the budget for 1966 nor in that for 1967, by that time nearly through Parliament, would be approximately 400 million marks. Considering the serious difficulties that would result from a liquidity crisis of this magnitude the Bank of Finland decided on December 12 to take the exceptional and singular measure of granting the Treasury a loan of up to 300 million marks. This loan which was entered as revenue in the last supplementary budget of 1966 has to be repaid during the period 1968—1970. In order to neutralise the harmful effects unavoidably resulting from such an increase in the supply of central bank funds the Bank of Finland, however, made it a condition that an equivalent amount in the form of deposits of the banking institutions had to be immobilised with the Bank. The Government decided in principle to enforce from the beginning of 1967 a compulsory deposit procedure as laid down in the Act on special deposits to be held by banks at the Bank of Finland, in case the Bank of Finland had not been able to reach a cash reserve agreement with the banks. The Bank of Finland immediately started to negotiate with the banks for a cash reserve agreement, which was reached on December 23. According to the agreement each banking institution starts on February 15, 1967 to deposit monthly in special cash reserve accounts at the Bank of Finland an amount depending on the level of its deposits at the end of 1966 and on the monthly increase in its deposits during 1967. The Bank of Finland pays an annual interest of 7 per cent on the deposits, which the Management of the Bank had already been empowered to do by the Bank Supervisors. The maximum total of these special deposits for all the banks may be 300 million marks or the amount of the loan granted to the Treasury. The maximum for each banking institution is also limited, to 60 per cent of the increase in its deposits during 1967 and 3 per cent of its total deposits at the end of 1966. The funds accumulated on the cash reserve accounts by December 15, 1967 will be at the latest repaid to the banks by the Bank of Finland at the same rate as it is reimbursed by the Treasury on the above-mentioned loan.

Despite the new regulations issued in October the increase in the debt of the banks to the central bank in November—December 1967 was noticeably greater than a year earlier. This was, however, due to certain special factors. The foreign exchange reserves declined by 105 million marks in that period while there was no decline in the reserves in the corresponding period of the previous year. In addition, the seasonal increase in the note circulation in December was substantially greater than previously. Further the postponement of certain payments by the Treasury added to the pressure on the banks. Their situation started to ease only towards the end of Decem-

ber when the Treasury began to draw larger amounts on the loan granted by the Bank of Finland and the note circulation started to decline. The end-of-year figures were, however, exceptionally high both for rediscounts and the note circulation. In contrast to the tight situation in December the position of the banks in January 1967 improved considerably more than a year earlier. This resulted e.g. from the fact that the Treasury used the rest of the above-mentioned loan from the Bank of Finland; also, the note circulation declined by as much as 138 million marks and the foreign exchange reserves of the Bank of Finland increased by 62 million marks during the month. The improvement in the money market situation was especially noticed by the commercial banks. Their lending, which usually grows in January, decreased by 151 million marks this time. This resulted in a decline in the average amount of rediscounts, from 960 million marks in December to 718 million marks in January, i.e. definitely within the target level set by the Bank of Finland.

The changes in the rediscounts of different banks are illustrated in the table on page 17, which compares the amounts in the final months i.e. April and December of the target periods. Since the figures for December are quite exceptional, as was mentioned above, January 1967 has been included in the table. It may be pointed out that, according to the Bank of Finland regulations, until April 30 the rediscounting quotas applied to the daily debt of each bank to the central bank; after this date it was the monthly averages which were affected.

Among the other monetary and credit policy measures implemented by the Bank of Finland in 1966 it may be mentioned that since the beginning of the year credits were granted for developing the so-called new exports within the framework of the credit procedure created by the Bank at the end of 1965 in collaboration with the banks. The credits were usually granted for 6 months, but they could be renewed either for the same or for different amounts depending on how the new exports of the enterprise in question had developed. The gross amount of credits for new exports granted to altogether 104 firms was 36.9 million marks in 1966. Part of this was already repaid to the Bank during the year under review. At the end of the year the amount drawn on the credits for new exports was 29.2 million marks.

The credits granted to grain wholesalers and mills in the autumn of 1965, the drawings on which at the beginning of 1966 amounted to 25.4 million marks, were refunded to the Bank by the end of August. The Bank already decided in June to participate again in financing grain purchases during the coming harvesting season up to an amount equal to that advanced by the commercial banks and the Central Bank of the Co-operative Credit Societies. Finance was provided for transactions in bread and seed

	Monthly average of rediscounts			Redis- counting quota since		Exceeding quota (+) and within quota (—)	
	Dec. 1965	April 1966	Oct. 1966	Jan. 1967	May 1, 1966	Oct. 1966	Jan. 1967
	Million marks						
Kansallis-Osake-Pankki	253	168	257	203	230	+ 27	— 27
Oy Pohjoismaiden Yhdyspankki	219	241	262	214	230	+ 32	— 16
Helsingin Osakepankki	21	39	28	28	50	— 22	— 22
Ålands Aktiebank	4	6	6	5	6	—	— 1
Central Bank of the Savings Banks	28	2	43	56	90	— 47	— 34
Central Bank of the Co-operative Credit Societies	185	137	209	212	90	+119	+122
	710	593	805	718	696	+109	+ 22

corn and in fodder but no longer for those in oats used for groats. Otherwise the credit procedure was similar to that in the preceding year. The drawings on the loans granted within the framework of this procedure amounted to 28.0 million marks at the end of 1966.

The Bank of Finland continued forward purchases of bonds from the private banking institutions. The total value of the bonds bought by the Bank from the commercial banks according to these regular arrangements was 42 million marks. Further, the Bank occasionally made additional purchases of bonds from some banking institutions, which were short of rediscountable bills of exchange. Purchases of bonds from the Post Office Savings Bank are referred to above.

The credit arrangement for the medium-term suppliers' credits to the engineering industry also continued during the last year, financed entirely by the Bank of Finland, for at the same time as the Bank issued the banks with new regulations governing their lending it released them from their obligation to repurchase bills by which they had financed these credits. The amount of these bills purchased from the commercial banks in the portfolio of the Bank of Finland increased by 17.9 million to 68.1 million marks at the end of the year. In addition, a total of 7.0 million marks was still undrawn on these credits at the end of 1966. It may also be mentioned that according to the forestry financing programme (MERA) the Treasury issued Forestry Improvement Bonds amounting to 20 million marks in 1966; the Bank of Finland subscribed to the bonds at issue according to the agreement and later sold them to the banking institutions and insurance companies.

Among the monetary policy measures of the Bank of Finland have been the temporary amendment of § 6 of the Bank of Finland Regulations. The weakening in the balance of payments and the resultant decline in the foreign exchange reserves caused a considerable decrease in the right of note issue. Although the long run objective is to improve the foreign exchange situation so that the note cover, according to the regulations which were

valid before the amendment, is sufficient, the Bank considered it necessary to raise the upper limit of the note issue temporarily. Consequently the Bank of Finland Regulations were revised so that the Bank's right to issue notes in excess of the ordinary note cover was raised from 500 million marks to 700 million marks. Further, due to considerable seasonal variations in the amount of notes in circulation the amount by which this limit may, on the representation of the Bank Supervisors, be increased for a fixed period by decree, was raised from 80 million to 150 million marks. The Act on the temporary amendment of the Bank of Finland Regulations was issued on November 18 and it will be valid to the end of 1968, after which date § 6 of the Bank of Finland Regulations will come back into force in the same form as it was before the amendment. The Act is to be found in an appendix at the end of the text (p. 48).

In the meeting of December 13 the Management of the Bank of Finland proposed that to commemorate the fiftieth anniversary of Finland's independence in 1967 bonds whose nominal value should be equal to 100 million marks, and the book value of which has been written off completely, be transferred to a special Fund. The Fund would be run by the Bank of Finland and its proceeds would be used, according to rules to be sanctioned by Parliament, and on the decision of the Bank Supervisors, for financing those measures which by supporting the stability of the mark aim at speeding up the economic growth of our country and improving our international competitive position. The Bank Supervisors accepted this proposal. The sanction of Parliament is needed before the funds may be transferred.

Banking institutions

The changes in the balance sheets of the commercial banks are summarized in the following table.

	Change on 1965 Million marks
Cash	— 0.2
Foreign balances, net	— 47.1
Loans to the public	
Bills	+ 149.8
Cheque accounts	+ 57.5
Loans	+ 380.8
Shares and bonds	— 17.1
Assets	+ 523.7

	Change on 1965 Million marks	
Deposits by the public		
Term deposits	+ 477.1	
Cheque accounts	— 40.2	+ 436.9
Payments in transit, net		+ 5.5
Finnish banks, net		— 46.4
Bank of Finland		+ 185.6
Capital accounts		+ 8.9
Other items, net		— 66.8
Liabilities		+ 523.7

In 1966, the growth in commercial bank advances was 151 million marks greater than that of deposits from the public. In 1965 the rise in advances exceeded that in deposits by 37 million marks. There was also a decline in other items on the assets side; foreign assets fell by 47 million marks and the total of shares and bonds was decreased by 17 million marks. On the liabilities side, the outstanding liabilities to the Bank of Finland rose by 186 million marks, while net liabilities to Finnish banks declined by 46 million marks.

The table below shows the changes in total deposits accepted from the public by all the banking institutions in 1965 and 1966.

	Change on the previous year			
	1965		1966	
	Million marks	%	Million marks	%
Commercial banks	+ 325.8	+ 9.3	+ 436.9	+ 11.4
Savings banks	+ 343.1	+ 12.7	+ 405.7	+ 13.3
Co-operative Credit Societies	+ 271.9	+ 15.7	+ 291.6	+ 14.5
Post Office Savings Bank	+ 59.4	+ 8.3	+ 90.4	+ 11.7
Savings Departments of Co-operative Stores	+ 25.8	+ 7.8	+ 23.5	+ 6.6
Central Bank of the Co-operative Credit Societies	+ 2.5	+ 7.9	+ 4.3	+ 12.8
Real Estate Bank in Finland Ltd ...	+ 0.02	+ 5.1	+ 0.5	+ 109.8
Total	+ 1 028.5	+ 11.4	+ 1 252.9	+ 12.5

In absolute terms the increase in total deposits in 1966 was 224.4 million marks more than in the previous year; this means that the annual growth rate accelerated from 11.4 per cent to 12.5 per cent. The cheque accounts, most of which are held at the commercial banks, increased by 6.5 million marks or 0.8 per cent. In the previous year they decreased by 11.8 million marks or 1.4 per cent. The growth in term deposits was 1 246.3 million marks or 13.5 per cent compared with 1 040.4 million marks or 12.8 per cent in the previous year. By the end of 1966 total term deposits amounted to 10 444.9 million marks.

In the composition of term deposits by the public the same tendency prevailed as in the last few years. Throughout the year, the growth of deposits on 100 per cent index-tied A-accounts was more marked than on other deposit accounts. From the beginning of June no further deposits could be made on 50 per cent index-tied B-accounts and consequently the amount on these accounts declined towards the end of the year at the same rate as the 12-month term of the accounts expired. The share of A index deposits in total term deposits rose from 17.3 per cent to 20.9 per cent during the year; that of A and B index deposits together was 21.2 per cent. All term deposits by persons and from the undistributed estates of deceased persons were tax-free during the year under review. The distribution of term deposits is shown in the table below.

	Term deposits by the public		
	Dec. 31, 1965	Dec. 31, 1966	Change
	Million marks		%
Index-tied deposits	1 670.4	2 216.3	+32.7
Accounts A	1 594.5	2 184.4	+37.0
Accounts B	75.9	31.9	-58.0
High-interest deposits	705.8	836.7	+18.5
Total	2 376.2	3 053.0	+28.5
Other	6 822.4	7 391.9	+ 8.3
Grand total	9 198.6	10 444.9	+13.5

The following table illustrates the changes in bank advances in 1965 and 1966.

	Change on the previous year			
	1965		1966	
	Million marks	%	Million marks	%
Commercial banks	+ 363.1	+ 9.3	+ 588.1	+13.7
Savings banks	+ 291.2	+12.6	+ 341.7	+13.1
Co-operative Credit Societies	+ 209.9	+11.5	+ 221.3	+10.9
Post Office Savings Bank	+ 108.8	+17.9	+ 67.4	+ 9.4
Central Bank of the Co-operative				
Credit Societies	+ 81.0	+34.2	+ 19.9	+ 6.3
Mortgage banks	+ 70.1	+ 8.4	+ 9.4	+ 1.0
Total	+1 124.1	+11.6	+1 247.8	+11.5

The absolute increase in the advances of all the banking institutions was greater in 1966 than in the previous year, while that in relative terms remained roughly the same as in 1965.

The interest rates on deposits applied by the banking institutions were changed for index accounts. At the same time as the banks stopped accepting deposits on B index accounts at the beginning of June, the interest rate for A index accounts was raised from 2 ½ per cent to 3 per cent. The rates of interest on different deposit accounts applied during 1966 are shown below.

	Jan 1— May 31, %	June 1— Dec 31, %
12-month deposits (high-interest deposits)	6	6
6-month deposits	4 ½	4 ½
Index-tied deposits		
Accounts A	2 ½	3
Accounts B	4	—
Cheque accounts and postal giro accounts	0	0

The lending rates of interest applied by the banking institutions rose slightly during the year. The rediscounting banks were permitted to charge a maximum rate of 10 per cent within prescribed limits. The weighted average of the lending rates of the commercial banks was 7.46 per cent at the end of 1966, compared with 7.40 per cent at the end of the previous year. The corresponding figures for both the savings banks and the co-operative credit societies were somewhat higher. In addition to normal interest as such, the banking institutions debited index charges on the major proportion of their advances; this, as a rule, amounted to ½ per cent and was intended to cover the index compensation paid on the index-tied deposits. The index compensation was raised and towards the end of the year varied according to the group of banking institutions usually between 0.75 and 1.4 per cent. This was due to the increase in index-tied deposits and a rise in prices followed by a growth in the amount of index compensation to be paid.

The stock market

In 1966 there was evidently somewhat less activity on the stock market than in the previous year. The total turnover on the Helsinki Exchange amounted to 29.2 million marks, or 16.1 per cent less than in 1965. The sale of bonds totalled 5.4 million marks, the increase on the previous year being 2.6 per cent. Dealings in subscription rights and debentures decreased to 2.5 million marks from 5.4 million in 1965. The sale of shares amounting to 21.4 million marks, was 11.8 per cent smaller than in the previous year.

Quotations for bank shares fell throughout the year as in 1965 and were 16.0 per cent lower at the end of the year than a year earlier. Quotations for industrial shares fluctuated with a slight rise in the early part of the year followed by a decline until October and an upturn in November—December; at the end of the year they were 6.4 per cent lower than a year ago. On an annual average the quotations for bank shares were 12:1 per cent and those for industrial shares 6.7 per cent lower than in the previous year. The yearly average of the general index of shares quoted on the Stock Exchange declined by 7.2 per cent on 1965.

In 1966, 1 712 new companies were founded with a total capital of 256.8 million marks. The increase in the share capital of 644 companies was 390.5 million marks. 437 companies with a total capital of 69.2 million marks closed down. Thus the net increase in the total number of companies was 1 275 and that in their total capital 578.1 million marks. The corresponding figures for 1965 were 1 192 and 421.7 million marks. The substantial increase in the capital stocks of companies in 1966 was evidently ascribable to the temporary removal of the stamp duty to be paid at stock issue. This revision will be valid till the end of 1968.

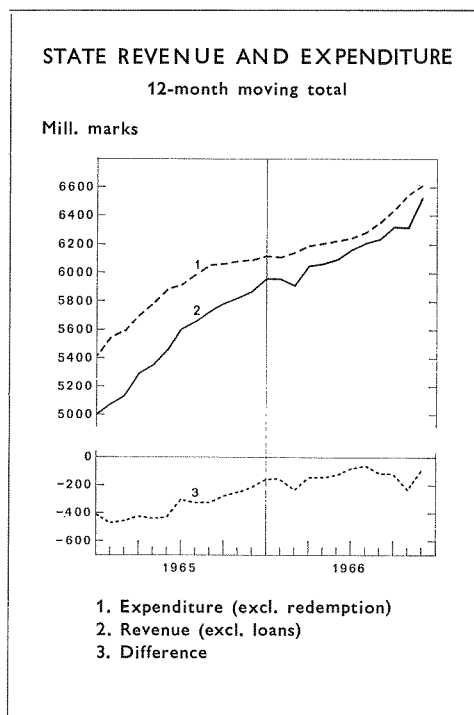
State finances

The budget for 1966 followed the previous basis for revenue and expenditure; the collection of some excise taxes was, however, speeded up in the first half of the year; this was estimated to result in an additional revenue of 60 million marks. An endeavour was made to limit the increases in expenditure so that they would correspond to the rise in costs which had taken place. New expenditure consisted mainly of appropriations for some long-term development programmes and of those for education and export promotion. Civil service salaries were for the first time adjusted according to the Civil Service Salaries Act of 1964. A total of 80 million marks was set aside for the salary arrangements and other salary increases due to this Act; the so-called starting level adjustment was not yet included in this amount. New loans entered in the ordinary budget amounted to 650 million marks or slightly more than the drawings on long-term loans in 1965. The total budget was 6 963 million marks. The increase over the finance report of the previous year was about 2 per cent.

At the end of the first quarter a deficit of 182 million marks was recorded in state finances, if the sales and amortization of tax payment certificates are included in credit transactions. Revenue, excluding loans, increased by 7 per cent and expenditure, excluding amortization, by 5 per cent on the corresponding period of the previous year. The growth on the expenditure side took place mainly in current expenditure and particularly in subsidies, a large amount of which had been postponed until 1966 due to cash difficulties. New domestic loans obtained in the first quarter of 1966 amounted to 161 million marks; of these, loans from the public totalled 120 million, those from the Post Office Savings Bank 25 million and those from other sources 16 million marks. Regarding foreign loans, a total of 21 million marks was drawn on the commodity credit obtained from the Soviet Union and on the Highway Loan granted by the World Bank. The redemption exceeded proceeds from borrowing by 38 million marks in the first quarter.

The employment situation worsened more than was expected in 1966. The number of those employed through employment appropriations from March to November was greater than during the same period in 1965, and during the whole year the average increase was 3 000. It was necessary already during the spring to exceed the appropriations granted for unemployment. Consequently the second supplementary budget in spring (in the first supplementary budget 2 million marks were granted for the Finnish troops in the service of the United Nations) included an additional appropriation of 30 million marks for the maintenance of employment. Further, about 10 million marks were reserved for adjusting the starting level of civil service salaries and 15 million marks for increasing the share capitals of companies in which the majority of shares are owned by the Treasury. The expenditure of this supplementary budget totalled 175 million marks.

The increase in revenue was 7 per cent in the first half of 1966. The yield from the excise tax on tobacco rose by 27 per cent and that on liquid fuels by 35 per cent. The increase in expenditure was no more than 4 per cent; capital expenditure was approximately the same as in the first half of 1965. In January—June the Treasury obtained new domestic long-term credit amounting to 458 million marks. The loans from the public amounted to 380 million and those from the Post Office Savings Bank and other sources to 78 million marks. In February—May tax payment certificates equalling 231 million marks matured; partly to convert these the Treasury issued three loans totalling 145 million marks at an interest rate of 7 ½ per cent, of which 104 million marks were sold to the public. Since there were also difficulties in selling other loans to the public, the Treasury, in order to improve its liquidity, was compelled to offer tax payment certificates at an interest rate of 9 per cent, which then were sold for a value of 120 million marks. Total net borrowing, including foreign credits, was 31 million marks in the first half of 1966.



In July some tax increases were made. Associated mainly with the balance of payments difficulties the Government proposed that the tax on automobiles and motorcycles be raised by 50 per cent; the increase in the excise duty on liquid fuel was principally for fiscal reasons. In addition, the Cabinet decided to raise the excise duty on tobacco. These changes did not, however, come in time to increase the yield from these taxes in the latter half of 1966.

The rate of growth of revenue and expenditure accelerated during the third quarter; so that during the period January—September, revenue was 8 per cent and expenditure was 7 per cent greater than in the corresponding period in 1965. No new loans were issued for public subscription, but the Treasury obtained 25 million marks from the Post Office Savings Bank in September; it also obtained other loans totalling 48 million marks in July—September. The surplus of state finances was 34 million marks or approximately the same as at the end of June. Net borrowing had increased to 66 million marks.

The appropriations granted in the two supplementary budgets in the autumn totalled 282 million marks, of which 74 million was for maintaining employment. The main item on the revenue side was the 300 million mark loan granted to the Treasury by the Bank of Finland in December. The safeguarding of the liquidity position of the Treasury caused great problems during the year and several items of expenditure had to be postponed repeatedly from month to month. In addition, it was necessary to cut the amount of short-term debt because of the tight money market conditions; actually a large part of the new credits entered as loans can be regarded as a conversion of earlier short-term credits.

The surplus in state finances in January—November was 22 million marks, against a deficit of 18 million a year earlier. There was a growth of 10 per cent in revenue. Among the proceeds from taxation, the greatest increase was in the yield from the excise duty on fuels by 30 per cent followed by that on tobacco by 19 per cent and the tax on income and property by 18 per cent. There was, however, a fall in the proceeds from import duties and in the yield from the tax on automobiles. The growth in expenditure was 9 per cent, and current expenditure increased slightly more quickly than capital expenditure; the growth in real investment was no more than 4 per cent. In the twelve-month period December 1965—November 1966 state revenue (excluding borrowing) increased to 6 528 million marks or by 12 per cent and expenditure to 6 616 million marks or by 9 per cent.

The composition of total revenue and expenditure is shown in the table on page 25.

The amount of short-term credit, in the form of Treasury bills etc. declined from 117 million marks to 62 million marks during the year. The

	1966 Ordinary and supplementary budgets	1965 Finance report
Million marks		
Revenue:		
Current revenue	6 290	5 566
Loans, obligations etc. ¹	1 014	1 078
Other capital revenue	219	219
Total	7 523	6 863
Expenditure:		
Current expenditure	5 203	4 571
Redemption	531	408
Other capital expenditure	1 688	1 842
Total	7 422	6 821

cheque account balance of the Treasury with the Bank of Finland was small throughout the year, except on the last day, when it temporarily grew to 40 million marks.

The following figures on the Public Debt are based on the official statement. The figures for 1966 are provisional. The short-term assets and liabilities arising from the cash transactions of the Treasury are not included in the figures.

	Dec. 31, 1965	Dec. 31, 1966
Million marks		
Ordinary loans	1 040	1 043
Liabilities to international organizations	135	297
Foreign debt	1 175	1 340
Ordinary loans	1 431	1 856
Tax payment certificates	231	120
Short-term debt	117	62
Indemnity bonds and similar obligations ²	203	93
Internal debt	1 982	2 131
Total Public Debt	3 157	3 471

The drawings on the Highway Loans granted by the World Bank in 1964 and 1966 amounted to 51 million marks and those on the commodity credit granted by the Soviet Union to 38 million marks. The dollar loan with variable rate of interest which matured in November 1963 was able to be renewed; the amount of the new loan was 16 million marks with an interest rate of 7 per cent and it will mature in 2 years.

At the beginning of November two public domestic bond issues were made by the Treasury. These loans were subscribed to the amount of 43 million marks at the end of the year. In addition, an amount of 25 million

¹ The figure for 1965 includes a loan converted from the postponed sales tax refunds and the arrangements for loans to meet the increase in the Finnish subscriptions to the international financial institutions.

² Includes a loan converted from the postponed sales tax refunds.

marks was obtained from the Post Office Savings Bank. Of the above-mentioned loan granted by the Bank of Finland 205 million marks were drawn in 1966. The estimated total of the new domestic loans was 849 million marks. The net increase in the Public Debt was almost 10 per cent in 1966.

The bond market

In 1966, twenty-seven new loans were issued of which one was issued in foreign currency, Sfrs 4.5 million by Huhtamäki-yhtymä Oy in Switzerland.

Eighteen of the domestic loans of a total nominal amount of 680 million marks were issued by the Treasury. Of these twelve were intended for

Bond issues in 1966		Total issue planned	Sold
		Million marks	
State loans		680	596
Loan at variable rate of interest		40	38
8 ¼ per cent loan		40	40
6 ½ per cent loan from banking institutions		25	25
7 ½ per cent loan		45	45
7 per cent loan		20	6
II 8 ¼ per cent loan		30	30
8 per cent loan from banking institutions		20	20
II 7 ½ per cent loan		50	50
III 8 ¼ per cent loan		30	27
Tax payment certificates		120	120
III 7 ½ per cent loan		50	44
II 7 per cent loan		30	28
Labour pensions fund loan at variable rate of interest		10	10
Forest improvement bonds		20	20
II 6 ½ per cent loan from banking institutions		25	25
7 ¼ per cent loan		50	17
III 7 per cent loan		50	26
II 8 per cent loan from banking institution		25	25
Loans from cities		10	1
Helsinki		5	—
Porvoo		2	1
Vaasa		3	—
Bank loans		60	48
Land and Industry Real Estate Bank Ltd		20	19
—»—		10	9
—»—		20	10
Real Estate Bank in Finland Ltd		5	5
—»—		5	5
	Total	750	645

subscription by the public and the remainder for subscription by the banking institutions and labour pensions funds. The total amount of the Treasury bonds sold during the year was 596 million marks, of which the loans intended for the public amounted to 471 million. The bonds in Finnish currency issued in 1966 are listed on page 26.

The nominal rate of interest on domestic bonds varied from 6 $\frac{1}{2}$ per cent to 8 $\frac{1}{4}$ per cent, depending on whether or not they were index-tied. The rate of interest on Tax Payment Certificates was 9 per cent. Twenty loans were provided with a 50 per cent index clause and were tied to the cost of living. Twelve of the Treasury loans, three of the loans by cities and five of the loans by banking institutions had an index clause.

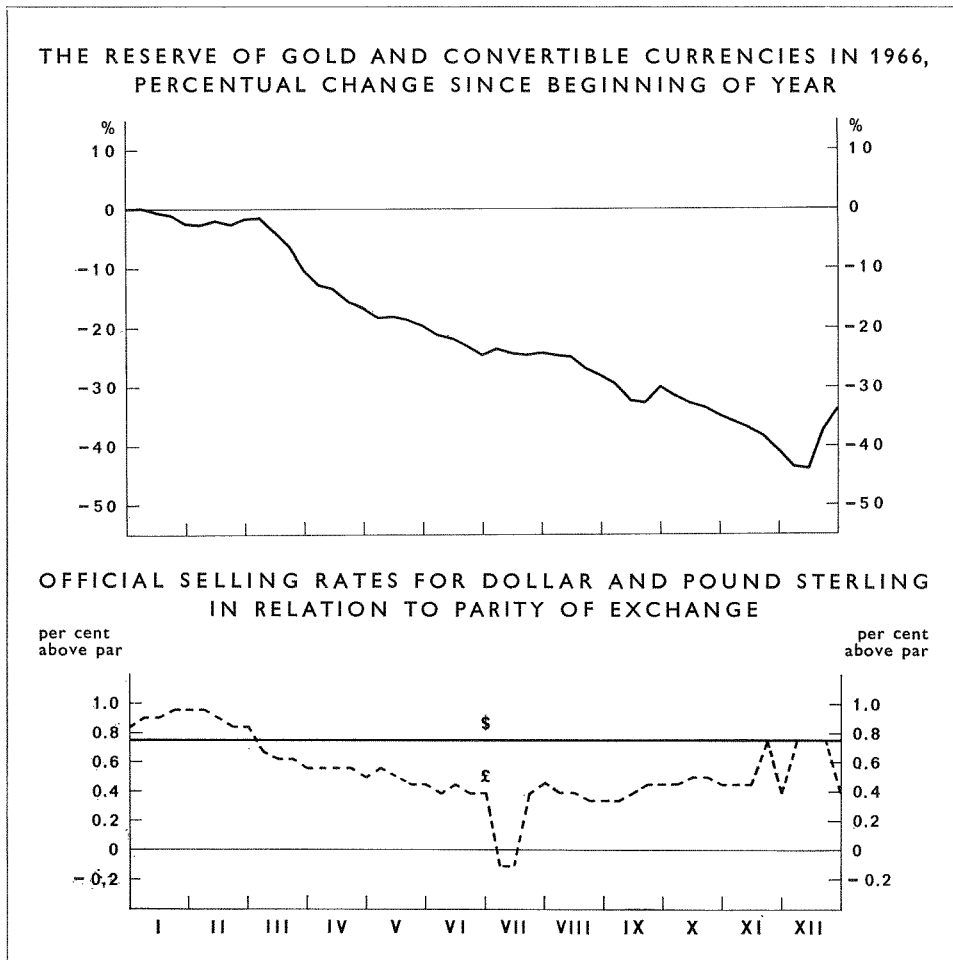
III. FOREIGN EXCHANGE POLICY AND THE BALANCE OF PAYMENTS

Rates of exchange

The rates of exchange quoted by the Bank of Finland are based on the par value of the mark as established in the first paragraph of Article 2 of the Currency Act of March 30, 1962; this par value has been 0.27771 grammes of fine gold to the mark (112 marks to a troy ounce of gold).

The Articles of Agreement of the International Monetary Fund oblige its members to maintain their foreign exchange rates within prescribed limits on either side of their par values and the par rates of exchange based on these. In Finland, the rates of exchange of the convertible currencies are quoted in a meeting of the authorized foreign exchange dealers and the Bank of Finland held daily. The alterations in the rates of exchange become valid upon publication of the Bank of Finland's quotation list. In accordance with the Bank of Finland Regulations, the rates are also published in The Official Gazette (*Virallinen lehti*) and broadcast daily on the radio, through which, for example, the branch offices receive most rapidly the new rates. For the exchange rates of the convertible currencies included in the official quotation list by the Bank of Finland the maximum deviations have been calculated following the practice of the member countries of the European Monetary Agreement (EMA). Thus the maximum variation for the U. S. dollar has been $\frac{3}{4}$ per cent above or below par, the limits for the other variable rates being determined by the limits of the dollar rate applied by the countries concerned. The buying rates for these currencies are calculated on the basis of the selling rates, using the fixed maximum margins established by the Bank of Finland. The ranges of fluctuations of these rates of exchange are seen in the table on page 30, where the lowest buying rate and the highest selling rate for each of these currencies are indicated.

The rate of exchange of the dollar remained at its upper limit throughout the year under review; it had reached this high level as a result of the pronounced decrease in the convertible currency reserves in March 1965. During 1966 the reserves have continued to decline, at first more slowly but at a



faster rate from the beginning of March until the middle of December; this was followed by an increase till the end of the year, partly a seasonal phenomenon due to sales by the commercial banks of foreign exchange assets to the central bank.

While the rate of exchange of the dollar stood at its upper limit the fluctuations in the international quotations were primarily reflected in the mark rates for the pound and other important western currencies. The mark rates for the pound, however, kept above the par rate throughout 1966, except for the middle of July, although the international dollar rate for the pound was noticeably under par since the beginning of March 1966. The value of the pound fell in the spring, especially as a result of the long seamen's strike which started at the beginning of May, to such an extent that not

Variable rates

		Official selling rates		The limits of selling rates at sight		Maximum margins between selling and buying rates during 1966 mk
		Dec. 31. 1965 mk	Dec. 31. 1966 mk	Minimum buying rates mk	Maximum selling rates mk	
New York	1 \$	3.224	3.224	3.176	3.224	— .015
Montreal	1 Can \$	2.998	2.976	2.9085	3.0120	— .015
London	1 £	9.035	8.995	8.829	9.0920	— .04
Stockholm	100 Skr	62.34	62.35	60.930	62.785	— .32
Oslo	100 Nkr	45.14	45.14	44.110	45.475	— .25
Copenhagen	100 Dkr	46.83	46.70	45.645	47.015	— .25
Frankf. o.M.	100 DM	80.60	81.15	78.805	81.210	— .33
Amsterdam	100 Hfl	89.42	89.18	87.070	89.745	— .50
Brussels	100 Bfr	6.497	6.450	6.3045	6.4970	— .035
Zurich	100 Sfr	74.70	74.56	71.370	75.065	— .42
Paris	100 FF	65.80	65.20	63.850	65.800	— .33
Rome	100 Lit	— .5163	— .5165	— .50450	— .51960	— .003
Vienna	100 Sch	12.48	12.48	12.120	12.500	— .08
Lisbon	100 Esc	11.27	11.22	10.920	11.345	— .08
Reykjavik	100 Ikr	7.50	7.50	—	—	— .07
Madrid	100 Ptas	5.42	5.40	5.2500	5.4200	— .10

Fixed rates

Moscow, clearing Bukarest, Peking	1 Rub	3.5667	3.5667	—	—	— .0222 ¹
Clearing dollars . . Ankara (till Sept. 30), Athens (till July 31), Berlin, Bogotá, Buda- pest, Prague, Sofia and Warsaw	1 cl-\$	3.21	3.21	—	—	— .02 ¹

¹ Fixed.

even the purchases made by the Bank of England to support the pound could prevent a sterling crisis in the middle of July. On July 14th the Bank of England raised Bank Rate from 6 per cent to the traditional »crisis level» of 7 per cent, whereby the decline in the dollar rate for the pound stopped.

As regards other convertible currencies the rate of exchange of the D-mark improved markedly while those of the French franc, Canadian dollar and Belgian franc fell the most.

Since the rate of exchange of the dollar was at its upper limit the commercial banks were able to buy dollars from the Bank of Finland at a fixed rate even outside the daily meetings; as a result, the total value of transactions made in the meetings remained at 102 million marks.

Fixed rates were quoted throughout the year for the currencies bound through clearing agreements, namely the Soviet Union rouble and the clearing dollar.

The table above shows the maximum margins between the selling and buying rates quoted by the Bank of Finland. In the case of the rouble and clearing dollar, the countries with which payments agreements are concluded in these currencies are indicated.

Table 10 gives the par rates and the official selling rates quoted by the Bank of Finland on each date marked by a change.

Foreign payments

At the end of 1966 Finland had bilateral payments agreements, which call for payment through clearing accounts, with eight countries of the Eastern Bloc (Bulgaria, China, Czechoslovakia, the Democratic Republic of Germany, Hungary, Poland, Rumania and the Soviet Union) and with one member of the International Monetary Fund (Colombia). The agreement with Colombia was prolonged to the end of 1967 through the exchange of notes on December 3, 1966. The payments agreement with Greece was discontinued during the year under review and since the beginning of August transactions with this country were settled in convertible currencies.

Due to the balance of payments difficulties the Bank of Finland considered that it was not possible to continue the liberalization of its foreign exchange regulations. On the other hand it was not, however, thought appropriate to tighten the regulations to any great extent; the measures of the Government and of the Bank of Finland to support the balance of payments were primarily aimed at reducing the balance of payments deficit indirectly, without resorting to the quantitative restriction of imports or to changing considerably the prevailing regulations regarding the payment of so-called invisible items. Both concerning the quantitative restriction of imports and the method of payment of invisible items Finland has agreed to conform to the provisions of the FINEFTA agreement. The regulations on the latter, included in article 5 and appendix III, were reviewed by EFTA in 1966 in order to find out how much the Finnish foreign exchange regulations differ from the minimum level of liberalization applied within the different EFTA countries. The study will be finished in 1967.

During the year under review only minor changes were made in the foreign exchange regulations of the Bank of Finland, some of which are listed below.

The regulations of the Bank of Finland providing for the payment for certain durables to be made to the foreign seller (or for the corresponding amount to be deposited at the Bank of Finland) before clearance or before the goods are put into bonded warehouses, public or private, were tightened on December 2, 1966. More goods were added to the list and at the same

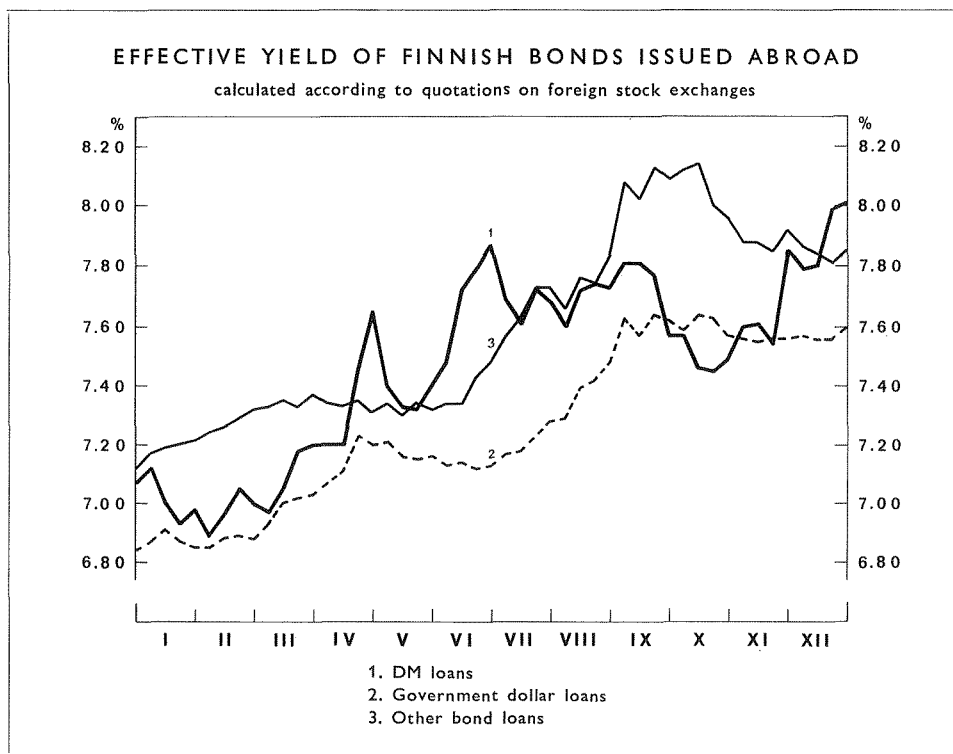
time these regulations were extended to include the storage of goods in a free port or free warehouse, unless the goods are in transit and destined for another country. This amendment was mainly intended to curb the import of passenger cars by preventing the access of the importer to foreign trade credits even when the cars are stored in a free port or a free warehouse.

On December 30, 1966 the Bank decided to restrict the amount which Finnish tourists going abroad can spend on so-called travel services (excluding the costs of transport), to 400 marks per person for trips within Scandinavia and to 800 marks for other countries. Before this, there were no restrictions on expenditure on these services. In case the value of the travel services sold exceeds the above amounts the excess has to be deducted from the maximum travel allowance permitted. The foreign currency limits remained unchanged. The new regulations came into force on January 1, 1967 and were applied to trips starting on or after January 15.

Balance of payments on current account and capital movements

The foreign exchange policy of the Bank was continually characterized by the circumstances of a weakening balance of payments. Despite the measures of the Government and the Bank of Finland aimed at improving the balance of payments, the balance of trade deficit continued to increase and amounted to 758 million marks against 745 million marks in 1965. The surplus in the balance of services declined from 138 million marks in 1965 to 125 million marks. The deficit in the balance of payments on current account amounted to 633 million marks in comparison with 607 million marks in 1965. It should be pointed out, however, that especially towards the end of the year certain special factors (i. a. a marked increase in oil imports) affected the growth of the trade deficit; the weakening in the balance of eastern trade in particular contributed to the growth of the deficit, while the balance of western trade improved by 145 million marks. Since the trade with the countries of the Eastern Bloc is arranged so that it balances after rather short periods, the important problem from the point of view of the balance of payments policy is the reduction of the western trade deficit, where payments are made in convertible currencies, to a level which is in a moderate ratio to the available imports of foreign capital.

As a result of the stringency on the international capital market Finland's opportunities to import foreign capital had, however, already been reduced considerably in 1965 after the post-war record level of 1964. In 1966 the foreign capital markets continued to tighten until the second half of the year. However, due to the relatively favourable development towards the end of the year the drawings on foreign loans amounted to as much as 518 million



marks in 1966, or 84 million marks more than the previous year. The amortizations of old loans decreased slightly (from 273 million marks to 271 million marks). The Finnish long-term foreign debt rose thus by 247 million marks in the year under review, against 161 million marks in 1965, and total long-term debt at the end of 1966 was 2 695 million marks.

Because of the stringent market situation it was almost impossible to issue Finnish bonds abroad. Not one state bond issue could be made on reasonable terms; the only Finnish bond issue abroad in 1966 was therefore the loan of Huhtamäki-yhtymä Oy launched in Swiss francs through a Swiss bank consortium amounting to Sfrs 4.5 million.

The stringency of the foreign capital market and the declining opportunities to obtain foreign loans were clearly reflected in the foreign exchange quotations for Finnish bonds. This development is illustrated by the diagram above, where the effective yield of the individual loans for the remaining loan periods are calculated on the basis of quotations. The quotations showed a general falling trend throughout the year; consequently there was a rise in the average effective yield of all Finnish loans quoted abroad. The quotations

on the Government dollar loans developed relatively steadily while substantial fluctuations took place especially in the quotations for Finnish DM loans.

Owing to the weak situation in the bond market, other sources were tapped for long-term loans. The increase in the so-called finance credits obtained from foreign banking and other financial institutions was especially large. These credits were primarily drawn by Finnish banking institutions and firms; their maturity was considerably shorter than that of bond loans (usually from three to five years) and they were not tied to any commodity deliveries (some of these credits, however, are loans arranged by foreign enterprises either directly or through banking institutions for their Finnish subsidies). The amount of finance credits in 1966 was nearly treble that of the previous year; drawings on these totalled 271 million marks. The drawings on the loans obtained from the World Bank grew slightly on 1965 and amounted to 78 million marks. Drawings on loans granted in the previous years, however, accounted for the greater part of this amount. In 1966 one new loan of 20 million dollars was granted to Finland by the World Bank; it will be used to finance three highway and bridge projects. The rate of interest is 6 per cent and the loan will be repaid in 15 years.¹

The following table illustrates the composition of Finland's long-term foreign debt at the end of 1965 and 1966 together with drawings, repayments and net changes, specified according to the type of loan.

Finnish long-term foreign liabilities

	Dec. 31, 1965	Disbursed in 1966	Repaid in 1966	Dec. 31, 1966	Net change
	Million marks				
Credits granted by foreign					
governments	735	42	70	707	—28
USSR	265	38	39	264	— 1
Sweden	238	—	12	226	—12
United States	233	4	19	218	—15
Credits from international					
monetary institutions	367	78	29	416	+ 49
Bond issues	547	3	6	544	— 3
Other financial credits	478	271	64	685	+ 207
Commodity credits	321	124	102	343	+ 22
Total	2 448	518	271	2 695	+ 247

In its capacity as the authority which administers exchange control the Bank of Finland has continued to supervise Finnish borrowing abroad. The Bank has endeavoured to limit short-term borrowing abroad because it increases the demand for imported goods and repayment is a strain on the

¹ A more detailed summary of the loans of the World Bank and their use is given in the table on page 44.

balance of payments over a short period of time. The most important criteria governing long-term loans have been how moderate are the terms of a loan and how the purpose of the loan fits in with the monetary and foreign exchange policy pursued by the Bank. The Bank has been particularly severe in disallowing loans proposed to finance directly or indirectly imports of consumer goods.

Foreign exchange situation

Although the slight increase in import credits and the advance payments from exports helped the financing of the deficit in the balance of payments on current account, the major part of the deficit had to be met through a decline in the foreign exchange reserves and an increase in the net foreign short-term debt of other holders of foreign exchange. As can be seen from the following table, the foreign exchange situation of the country as a whole weakened by 355 million marks while the net reserves declined from 662 million marks at the end of 1965 to 307 million marks. The reserves which are freely available — gold, the Finnish gold tranche in the International Monetary Fund and convertible currencies — declined by 312 million marks, while the net decrease in other currencies was 43 million marks. The latter includes i.a. the part settlement in convertible currencies of the Finnish claim on Brazil which had arisen in the framework of the old clearing agreement between Brazil and Finland.

The following table indicates, by principal categories of the reserves, the change over the year in the net assets of the Bank of Finland and other holders of foreign exchange (primarily authorized dealers and the Treasury).

	Reserves Dec. 31, 1965			Reserves Dec. 31, 1966			Change		
	Bank of Finland	Others	Total	Bank of Finland	Others	Total	Bank of Finland	Others	Total
	Million marks			Million marks			Million marks		
Gold	267	—	267	144	—	144	—123	—	—123
IMF gold tranche	46	—	46	100	—	100	+ 54	—	+ 54
Convertible currencies . .	483	—155	328	274	—189	85	—209	—34	—243
Total	796	—155	641	518	—189	329	—278	—34	—312
Other currencies	20	— 1	21	—23	1	— 22	— 43	—	— 43
Grand total	816	—154	662	495	—188	307	—321	—34	—355

The net decrease in the gold and foreign exchange reserves of the Bank of Finland was 321 million marks or approximately 40 per cent. When the payment in gold of the increase in the Finnish quota in the International Monetary Fund is included, which only meant a change in the composition

of the reserves, there was a decline of 69 million marks in the gold reserves of the Bank due to the fact that the Bank was compelled to acquire convertible currencies to maintain its normal liquidity.¹ In spite of this a decrease of 209 million marks was recorded in the foreign exchange reserves.

During 1966 the share of gold in the total gold and foreign exchange reserves of the Bank of Finland declined from 33 per cent to 29 per cent. Since there was a shift in tied currencies from net assets to net liabilities, the share of the currencies freely available grew from 64 per cent to 78 per cent.

The net liabilities of the authorized foreign exchange dealers grew considerably in 1965; by the end of the year they had doubled. During the year under review, however, the Bank of Finland endeavoured to limit short-term borrowing especially of the so-called euro deposits more strictly than before; this was both to curb the growth of the country's short-term foreign debt and to restrict the increase in the domestic advances of the authorized banks. Consequently the net liabilities of the authorized banks increased by only 34 million marks in 1966.

¹ A small amount of the gold was, however, sold to Finnish design and other industries.

IV. BANK OF FINLAND STATEMENTS

Details of the statements of the Bank of Finland are given in the statistical section of the Year Book. Some additional data are provided below on the contents of the individual items in these statements, and the changes that have occurred in them.

Foreign accounts

	Dec. 31, 1965	Dec. 31, 1966	Change
		Million marks	
Gold	267.5	143.9	—123.6
Gold tranche at the International Monetary Fund	45.6	100.0	+ 54.4
Foreign exchange	547.8	312.0	—235.8
Foreign bills	54.7	56.4	+ 1.7
Foreign bonds	29.1	24.9	— 4.2
Assets	944.7	637.2	—307.5
Foreign exchange accounts	44.8	61.2	+ 16.4
Mark accounts of holders abroad	10.9	16.2	+ 5.3
Foreign term liabilities	45.6	84.6	+ 39.0
Liabilities	101.3	162.0	+ 60.7
Net foreign assets	843.4	475.2	—368.2

The gold reserves of the Bank decreased by 123.6 million marks during the year under review. The decline was partly due to the fact that the equivalent of 54.4 million marks of the increase in the Finnish quota in the International Monetary Fund was paid in gold; in the accounts of the Bank a corresponding growth was recorded in the item »Gold Tranche in the International Monetary Fund». If this measure is excluded, the gold reserves of the Bank decreased by 69.2 million marks during the year. Gold was used primarily for purchases of convertible currencies. The 4.2 million mark fall in foreign bonds was caused by the fact that the Bank transferred funds obtained from matured bonds to the actual foreign exchange reserves. The liabilities of the Bank with a longer maturity showed an increase of 39 million marks, occurring in foreign term liabilities.

The gold and foreign exchange reserves of the Bank, obtained by deducting the liabilities of foreign exchange accounts from the total of the gold holdings, the gold tranche and the foreign exchange assets, amounted to 495 million marks at the end of the year at book valuation. The reserves declined by 321 million marks during the year. The composition of the reserve and the changes that occurred in it are shown in greater detail in Table 2.

Treasury accounts

	Dec. 31, 1965	Dec. 31, 1966	Change
	Million marks		
Assets: IBRD bill	—	11.5	+ 11.5
Cheque accounts	1.1	39.8	+ 38.7
Export levy account	1.1	1.1	—
Liabilities	2.2	40.9	+ 38.7
Net assets of the Treasury	2.2	29.4	+ 27.2

In connection with the increase in the Finnish subscription to the World Bank in March the Bank of Finland transferred 16.5 million marks to the account of the World Bank and obtained a corresponding bill from the Treasury. In July the Treasury paid 5 million marks of this loan. The bill is entered in »Other claims» in the Balance Sheet. The Treasury's export levy account, included among »Finnish term liabilities», remained unchanged during the year. The table does not include the Treasury bonds held by the Bank and purchased either from the banks or direct from the Treasury. Similar to these are the Treasury bills owned by the bearer, which were obtained against the 300 million mark loan granted to the Treasury by the Bank and which are freely marketable. The amount of these Treasury bills held by the Bank at the end of the year equalled 205 million marks, or the same as the amount drawn on the loan at that time.

Accounts of the banks

	Dec. 31, 1965	Dec. 31, 1966	Change
	Million marks		
Rediscounted bills	640.6	915.2	+ 274.6
Mortgage Bank of Finland Oy	—	1.3	+ 1.3
Assets	640.6	916.5	+ 275.9
Cheque account of Post Office Savings			
Bank	8.3	17.3	+ 9.0
Cheque accounts of private banks	11.9	13.8	+ 1.9
Mortgage Bank of Finland Oy	0.2	—	— 0.2
Liabilities	20.4	31.1	+ 10.7
Net indebtedness of banks	620.2	885.4	+ 265.2

The weekly average of the rediscounts amounted to 724 million marks during the year under review, which is 152 million marks more than in the previous year. The basic rate of interest on rediscounts was 7 per cent and the upper limit of the penalty rate on rediscounts to be charged when the quota set is exceeded, was set at 4 per cent. From January 1 to October 31, however, a 6 per cent rate applied to those banking institutions which had kept their lending within the limits set by the Bank of Finland. These banks were also refunded the penalty rates of interest charged during the period November 1965—April 1966.

The account of the Mortgage Bank of Finland Oy, shown in the above table, is entered among »Other liabilities payable on demand». The table does not include the bonds temporarily purchased from the banks.

Accounts of trade and industry

	Dec. 31, 1965	Dec. 31, 1966	Change
		Million marks	
Bills in Finnish currency	26.0	112.2	+ 86.2
Cheque accounts	1.9	2.1	+ 0.2
Bills in foreign currency	45.5	36.3	— 9.2
Other claims	74.5	113.2	+ 38.7
Assets	147.9	263.8	+ 115.9
Cheque accounts	1.2	2.8	+ 1.6
Other liabilities payable on demand	0.7	10.3	+ 9.6
Finnish term liabilities	10.5	40.6	+ 30.1
Liabilities	12.4	53.7	+ 41.3
Net loans to trade and industry	135.5	210.1	+ 74.6

The increase in bill credits in Finnish currency granted to trade and industry was to a great extent caused by the credits for new exports granted for the first time in 1966 and distributed through the commercial banks and the Central Bank of the Co-operative Credit Societies; these credits amounted to 29.2 million marks at the end of the year. The credits granted to grain wholesalers grew from 25.4 million marks to 28.0 million. The major part of the increase in bills in Finnish currency was, however, attributable to the growth of other clients' credits. The bills in foreign currency which cover loans granted by the Bank out of World Bank credits continued to be reduced by amortization payments. The increase in »Other claims» is mainly due to medium-term suppliers' credits for the metal industry, which rose by 17.9 million marks. The growth in »Finnish term liabilities» was made up

of an increase of 4.7 million marks in the investment deposits of the mining industry and one of 9.2 million marks in the amount of and interest on the investment deposits transferred from the Treasury to the Bank of Finland at the beginning of the year.

Other accounts

The portfolio of Finnish bonds grew from 36.9 million marks to 284.8 million during the last year. The major part of this increase was due to the stock obtained against the loan granted to the Treasury and mentioned above. Finnish coin, booked under »Other assets» in the Balance Sheet relates to the metal coinage held by the Bank. Coins in circulation, which do not appear in the Balance Sheet, increased from 67.9 million marks to 79.9 million during 1966. The movement and composition of coins in circulation are shown in Tables 7 and 9.

The total visible capital of the Bank, excluding the annual profit of 1966 totalled 412.6 million marks or 14.7 million marks more than at the end of the previous year. This increase of 14.7 million marks occurred in the reserve fund, to which one half of the profit of 1965 was transferred. The equalization accounts, which were primarily affected by changes in the structure of the Bank's portfolio of bonds, grew from 165.1 million marks to 266.9 million.

The Profit and Loss Account of the Bank of Finland is shown in Table 3. Earnings were 53.2 million marks or 6.6 million marks more than the previous year. There was an increase of 10.4 million marks in the interest earnings on domestic credit, while the income from foreign correspondents decreased by 3.5 million marks, mainly because of a decline in the foreign exchange assets. Expenses were 19.3 million marks or 1.9 million marks greater than the previous year. The interest payments on investment deposits, which were not charged a year earlier, accounted for the greatest increase in expenses.

The profit of the Bank amounted to 33.9 million marks. According to the Bank of Finland Regulations one-half of the annual profit was transferred to the reserve fund. The disposal of the other half will be decided by Parliament.

V. FINLAND'S RELATIONS WITH INTERNATIONAL FINANCIAL INSTITUTIONS

The Bank of Finland acts as an agent for the Government in contacts with the International Monetary Fund, the World Bank (International Bank for Reconstruction and Development), the International Finance Corporation and the International Development Association, in all of which Finland is a member; further, the Bank of Finland is a shareholder in the Bank for International Settlements. In addition, Finland became a member of the Asian Development Bank, which was founded in 1966.

International Monetary Fund (IMF)

The Board of Governors of the International Monetary Fund approved the proposal of the Executive Board regarding the increase in the quotas of the Fund members on March 31, 1965. This was followed by a general increase of 25 per cent in the quotas of all the member countries and a special increase in the quotas of 16 members. Finland participated in both increases, which came into force on March 21, 1966. Thus the Finnish quota was raised from 57 million dollars to 125 million; 43 million dollars in accordance with the resolution on special increases and 25 million dollars in accordance with the general increase. On September 9 the Government decided that the payment of the increase of 68 million dollars in the quota, equivalent to 217 600 000 marks, would be effected as follows: 25 per cent or 54 400 000 marks in gold, 1 per cent or 2 176 000 marks in Finnish marks to the account of the International Monetary Fund with the Bank of Finland, and 74 per cent or 161 024 000 marks by a Government issue of non-interest-bearing, non-negotiable notes payable on demand.

That part of the increase in the quota to be settled in gold was paid from the gold reserves of the Bank of Finland. On the basis of a parliamentary decision the Government agreed, on behalf of the State that the right to decide on the drawings from the Fund within Finland's gold tranche belongs to the Board of Management of the Bank of Finland, which may

freely decide in this matter in the same manner as in the case of the Bank's other foreign exchange assets. If Finland should withdraw from the Fund and if the Government should then be reimbursed by the Fund for payments related to Finland's membership, or if the Bank of Finland should incur a loss for any other reason for the payment of the gold tranche, the State will refund the Bank of Finland the equivalent of the gold tranche (whose nominal value at the current par value and after the increase of the quota is put into effect stands at 100 million marks).

At the end of 1966, Finland's quota represented 0.61 per cent of the total quotas of the 105 member countries of the Fund, which amounted to 20 500 million dollars. The member countries make no contributions to the budget of the Fund, which is financed entirely out of its current receipts. Article XIV of the Fund Agreement (Treaty Roll No. 3/1948) provides that Finland shall annually consult the Fund as to the further retention of foreign exchange restrictions. These consultations were held in Helsinki from February 28 to March 10, 1966. With a decision reached on June 6, 1966 the Board of Executive Directors of the Fund accepted the foreign exchange regulations applied by Finland.

The annual meeting of the Board of Governors of the Fund was held in Washington from September 26 to 30. Finland was represented by Dr. KLAUS WARIS, Governor of the Bank of Finland, with JOUKO J. VOUTILAINEN, Director of the Bank of Finland, as his alternate. In addition, OLAVI MUNKKI, Finland's Ambassador to the United States, and PENTTI UUSIVIRTA, Counsellor of the Embassy participated as advisers.

The problem of international liquidity and the creation of additional reserves have been the principal issues both in the International Monetary Fund and in the so-called Group of Ten countries¹. Discussions have centred around the necessity of increasing international reserves and the technical arrangements for this.

KURT EKLÖF of Sweden served as Executive Director, elected by the five Nordic countries to October 31, while OTTO SCHELIN of Denmark served as alternate. For the new two-year term that started November 1 TORBEN FRIIS of Denmark was elected Executive Director; JORMA ARANKO, B.Sc. (Econ.), Secretary of the Bank of Finland, was appointed his alternate.

World Bank (International Bank for Reconstruction and Development, IBRD)

The special increase in the Finnish quota in the International Monetary Fund called for a corresponding increase in the Finnish subscription to the World Bank. After parliamentary approval of the capital subscription, at

¹ Representatives from Belgium, Britain, Canada, the Federal Republic of Germany, France, Italy, Japan, the Netherlands, Sweden and the United States belong to this negotiating body.

the same time as the second supplementary budget was passed on May 14, 1965, the Government decided to increase Finland's subscription to the World Bank, in accordance with the conditions laid down in the resolution of the Board of Governors of the World Bank on September 9, 1965. Consequently the Treasury subscribed to the new shares of the World Bank for an amount of 57.3 million dollars on October 25, 1965 which raised the total Finnish subscription to 133.3 million dollars. This increase did not, however, become valid until March 21, 1966, when the majority of member countries' consents, required for the increases in the subscriptions to become valid, was secured. The Treasury accordingly settled one per cent of the increase or 1 833 600 marks in dollars. In addition, 9 per cent of the increase or 16 502 400 marks was paid in marks to the account of the World Bank with the Bank of Finland. The Bank of Finland credited the account of the World Bank with this amount in a manner accepted by Parliament and obtained a non-interest-bearing note for the corresponding amount from the Treasury. The remainder, 165 024 000 marks, does not have to be paid for the time being; it will only add to the guarantee obligation securing the liabilities of the World Bank.

The part of the increase paid in marks, 16.5 million marks, may be utilised by the World Bank without any restrictions for loans to the other member countries to be used for the payment of deliveries from Finland. By virtue of the Government's decision on May 26, 1966 the World Bank may also transfer 5 million marks of these funds to convertible currencies in 1966 and an annual amount of 3.2 million subsequently. The liability of the Treasury to the Bank of Finland, being paid at the same rate as the corresponding funds are used, amounted to 11.5 million marks at the end of the year under review and will be refunded by the year 1970 at the latest.

Finland's subscription to the World Bank was 0.59 per cent of the total capital of the World Bank of 22 623.5 million dollars. On the same date, the World Bank had 105 members. Like the International Monetary Fund, the World Bank finances its annual budget from current receipts, without recourse to contributions from the member countries.

During the year under review Finland obtained its thirteenth loan from the World Bank, amounting to 20 million dollars or 64 million marks for developing the highway network in Finland. This was the second highway loan granted to Finland by the World Bank, and Finland had requested it already in 1965. The final negotiations were completed in 1966 and the loan agreement was signed by OLAVI MUNKKI, Finland's Ambassador to the United States, representing the Finnish Government and J. BURKE KNAPP, Vice President, representing the World Bank.

The total of the thirteen loans made to Finland by the World Bank by the end of 1966 is 221 779 464 dollars, or 709 694 285 marks at the par

value of the mark. The loans from the World Bank are drawn upon as and when the relevant investments require financing, so that a proportion of the most recent loans is still unutilised. The following table gives some particulars of the loans obtained by Finland from the World Bank.

Date of loan	Nominal value \$	Rate of interest %	Term, years	Repaid by Dec. 31, 1966 \$	Outstanding on Dec. 31, 1966 \$	Undisbursed balance on Dec. 31, 1966 \$
1. 8. 1949	12 500 000	4	15	12 500 000	—	—
17. 10. 1949	2 300 000	3	2	2 300 000 ¹	—	—
30. 4. 1952	20 000 000	4 $\frac{3}{4}$	18	14 007 000	5 993 000	—
13. 11. 1952	3 479 464	4 $\frac{3}{4}$	18	2 436 398 ²	1 043 066	—
24. 3. 1955	12 000 000	4 $\frac{5}{8}$	15	7 923 000	4 077 000	—
22. 5. 1956	15 000 000	4 $\frac{3}{4}$	20	5 365 000	9 635 000	—
16. 3. 1959	37 000 000	5 $\frac{3}{4}$	15	10 427 000	26 573 000	—
9. 8. 1961	25 000 000	5 $\frac{3}{4}$	15	3 081 000	21 919 000	—
15. 8. 1962	25 000 000	5 $\frac{3}{4}$	20	900 000	24 100 000	—
18. 9. 1963	7 000 000	5 $\frac{1}{2}$ —6	12.5	322 125	6 546 717	131 158
10. 7. 1964	28 500 000	5 $\frac{1}{2}$	15	—	20 669 657	7 830 343
30. 6. 1965	14 000 000	5 $\frac{1}{2}$	17	56 000	5 388 577	8 555 423
27. 4. 1966	20 000 000	6	15	—	3 059 233	16 940 767
	221 779 464			59 317 523	129 004 250	33 457 691

The annual meeting of the Board of Governors of the World Bank was held in Washington simultaneously with the annual meeting of the International Monetary Fund. Finland was represented by MAUNO KOIVISTO, Minister of Finance, with ESKO REKOLA, Chief to the Prime Minister's Office, as his alternate. OLAVI MUNKKI, Finland's Ambassador to the United States, and JOUKO J. VOUTILAINEN, Director of the Bank of Finland, participated as advisers.

VILHJÁLMUR THÓR, of Iceland, served as Executive Director elected by the five Nordic countries to October 31, while ODD HØKEDAL, of Norway, served as alternate. For the new two-year term that started on November 1 KARL SKJERDAL, of Norway, was elected Executive Director. VILHJÁLMUR THÓR, of Iceland, served as his alternate.

International Finance Corporation (IFC)

Finland's subscription to the International Finance Corporation is 421 000 U.S. dollars equivalent to 1 347 000 marks at the current par value of the mark. This amount was paid in full on the accession of Finland to the Corporation at the time of its foundation in 1956. The capital of the Corporation amounts to 99.9 million dollars. At the end of 1966, the Corpora-

Of which \$ 197 869 was cancelled. — ² Of which \$ 1 416 was cancelled.

tion, which is affiliated to the World Bank, had 83 member countries. The Finnish representatives on the Board of Governors were *ex officio* those occupying the corresponding posts in the World Bank.

The International Finance Corporation was established with the object of providing funds for private enterprise and development finance institutions extending long-term finance to industry without a guarantee from the Government of the country concerned.

The International Finance Corporation has granted altogether three loans to Finnish companies, of which two have already been repaid; at the end of 1966 an amount of 2 million marks was drawn on the third one, which was granted to Huhtamäki-yhtymä Oy. In addition, the Corporation has subscribed an amount of 502 000 marks to the shares of the Industrialization Fund (Teollistamisrahasto Oy) and an amount of 320 000 marks to those of Huhtamäki-yhtymä Oy.

International Development Association (IDA)

Finland joined the International Development Association as an original member on its establishment in 1960. At the end of 1966, the Association had 97 member countries. The basic capital of the Association is almost one thousand million dollars, of which the original Finnish subscription amounted to 3.83 million dollars.

Finland participated in the general increase of the funds of the International Development Association, decided in 1964, with an amount of 2 298 000 dollars. This amount will be paid in three equal instalments in 1965—1967. Thus Finland paid 766 000 dollars to the Association in 1966, which at the par value of the mark is equivalent to 2 451 200 marks.

Finland has not received financial assistance from the International Development Association, which grants very long-term and interest-free loans to developing countries only.

The Finnish representatives on the Board of Governors and on the Board of Executive Directors were *ex officio* those occupying the corresponding posts in the World Bank.

Asian Development Bank (ADB)

The covenant of the Asian Development Bank came into force on August 22, 1966. 19 Asian countries and 12 industrialized countries outside Asia participated in the first subscription of the basic capital. It amounts to

1 000 million dollars, of which the member countries have subscribed an amount of 675.6 million dollars or 67.6 per cent. The Asian Development Bank was founded on the initiative of Asian states, but when the plan was being realized an important contribution was made by the ECAFE, the Economic Commission of Asia and the Far East and its member countries. Later, in the middle of 1965 many industrialized countries, i.a. Finland, were given an opportunity to participate.

The headquarters of the Asian Development Bank, which started to operate on December 19, 1966, are in Manila, in the Philippines. The purpose of the new Bank is to promote economic development in the Far East. Its task is to channel public and private capital for both national and local development plans of the different countries, to promote trade between these countries, to cooperate in the coordination of their trade policies and to provide technical aid for the developing countries. The Bank is an entirely nonpolitical institution and its decisions may be affected only by economic considerations.

The Treasury has taken up a total of 5 million dollars of the share capital of the Asian Development Bank; of this amount one half is a part of the share capital that has to be paid while the remainder forms the guarantee fund of the Bank. The payment of the former is made in equal annual instalments of 500 000 dollars over a period of five years; one half of this is in gold or convertible currencies and one half in claims on the Treasury. Consequently the Treasury paid an amount of 250 000 dollars, equivalent to 800 000 marks, to the Asian Development Bank in 1966, and, in addition, gave a non-negotiable, non-interest-bearing note, equivalent to 800 000 marks and payable on demand, to the Bank. Both these transactions were effected on September 21, 1966.

The part of the share capital payable on demand forms a guarantee obligation, the payment of which the Bank may require only in case it is compelled to do so in order to meet its own obligations.

The inauguration of the Asian Development Bank was held in Manila from November 24 to 26. Finland was represented by PEKKA MALINEN, Counsellor of the Embassy, who served as a member of the Board of Governors of the Bank with EERO ASP from Suomen Vientiluotto Oy (Finnish Export Credit Ltd.) as his alternate.

* * *

The following table shows the amounts and method of payment of Finland's subscriptions to the five international financial institutions discussed above, as at December 31, 1966.

	IMF	IBRD	IFC	IDA	ADB	Total
			1 000 marks			
Subscription	400 000	426 560	1 347	19 609	16 000	863 516
a) paid						
— in gold or convertible currencies	100 000	4 266	1 347	1 226	800	107 639
— in marks to account at the Bank of Finland	4 084	38 390	—	15 932	—	58 406
— in Government notes	295 916	—	—	—	800	296 716
b) unmatured	—	—	—	2 451	6 400	8 851
c) guarantee amount	—	383 904	—	—	8 000	391 904

Appendix

Act on a temporary revision of the Regulations for the Bank of Finland

Issued in Helsinki on November 18, 1966.

In accordance with the decision of the Diet, § 6 of the Regulations for the Bank of Finland issued on December 21, 1925, having been amended in the Act (744/65) issued on December 30, 1965, is revised and now states the following:

§ 6

The amount of the Bank's notes in circulation may not exceed the aggregate amount of the gold holdings of the Bank and the undisputed balances of the Bank with its foreign correspondents by more than seven hundred million marks. The undisputed balances include bills payable abroad in foreign currency, foreign bonds listed on foreign Stock Exchanges, bonds and interest coupons in foreign denominations which have fallen due, and foreign currency.

In the event of the Bank's notes in circulation exceeding the total amount of the assets specified in Clause 1, the cover for the notes must consist of domestic bills maturing not later than within three months for the payment of which at least two reliable persons or firms are responsible.

The drafts of the Bank in Finnish currency and other liabilities payable on demand, as well as the undrawn amounts on cheque credits shall be included in the note circulation.

If circumstances render it unavoidably necessary, the maximum amount specified in Clause 1 may, on the representation of the Bank Supervisors, be increased for a fixed period by decree to a limit of eight hundred and fifty million marks.

The gold holdings of the Bank shall be recorded at a value equivalent to the par value of the mark.

The assets of the Bank in foreign currency specified in Clause 1 shall be recorded at not more than their current value or at cost price, if the latter is below the current value, but bonds shall be recorded at not more than their nominal value.

This act is valid until the end of 1968, after which § 6 will come back into force in the same form as it was before this temporary Act.

Tables:

Activity of the Bank of Finland

In the statistical section, all figures stated in marks are given in the new monetary unit, one new mark being equivalent to one hundred old marks. This also applies to the rates of exchange quoted in Table 12. In Tables 7—9, which relate to bank notes and coins, denominations in old marks or old pennies are indicated by omk and op respectively.

1. Balance sheet, 1959—1966

	31/ 12 1959	31/ 12 1960	30/ 12 1961	31/ 12 1962	31/ 12 1963	31/ 12 1964	
ASSETS							
1	<i>Ordinary note cover</i>	766,9	753,1	779,0	705,4	817,8	1 049,7
2	Gold ¹	84,5	91,2	104,2	135,2	134,5	189,6
3	IMF gold tranche	—	—	—	—	—	—
4	Foreign exchange	646,1	594,8	587,3	502,5	617,7	783,8
5	Foreign bills	3,7	8,7	10,0	17,7	26,2	29,7
6	Foreign bonds	32,6	58,4	77,5	50,0	39,4	46,6
7	<i>Supplementary note cover</i>	270,2	419,9	472,2	516,5	451,2	570,7
	Inland bills discounted						
8	In foreign currency	115,3	105,0	94,3	81,8	68,7	55,2
9	In Finnish currency	38,9	72,3	70,8	33,5	57,2	67,1
10	Rediscounted bills	47,2	205,1	294,6	401,2	325,3	448,4
11	Treasury Bond Loan	68,8	37,5	12,5	—	—	—
12	<i>Other assets</i>	181,0	78,2	62,3	88,0	138,8	97,4
13	Finnish bonds	26,2	30,7	19,7	34,7	89,5	35,8
14	Cheque accounts	2,7	4,2	6,1	3,6	1,7	2,5
15	Finnish coin	6,5	7,2	7,5	5,5	3,6	3,8
16	Other claims	145,6	36,1	29,0	44,2	44,0	55,3
17	Total	1 218,1	1 251,2	1 313,5	1 309,9	1 407,8	1 717,8
LIABILITIES							
18	<i>Notes in circulation</i>	694,4	727,4	837,1	774,4	943,7	1 002,7
19	<i>Liabilities payable on demand</i>	178,1	166,8	73,2	112,6	59,2	186,8
20	Foreign exchange accounts	21,2	40,6	13,4	17,1	18,2	84,7
21	Mark accounts of holders abroad	47,8	42,4	37,7	35,8	33,6	28,5
	Cheque accounts						
22	Treasury	64,2	61,9	1,1	5,5	0,2	5,4
23	Post Office Savings Bank ...	—	—	—	53,3	3,0	49,6
24	Private banks	38,5	16,8	5,7	—4,0	1,3	16,4
25	Other	2,3	1,7	1,8	0,8	0,4	0,7
26	Other sight liabilities	4,1	3,4	13,5	4,1	2,5	1,5
27	<i>Term liabilities</i>	140,9	106,3	135,8	80,2	68,0	55,4
28	Foreign	110,6	100,3	90,7	79,1	66,9	54,3
29	Finnish	30,3	6,0	45,1	1,1	1,1	1,1
30	<i>Equalization accounts</i>	54,8	90,8	95,2	157,5	141,0	261,8
31	<i>Bank's own funds</i>	149,9	159,9	172,2	185,2	195,9	211,1
32	Capital	100,0	100,0	100,0	100,0	100,0	100,0
33	Reserve fund	37,4	43,6	51,8	62,0	73,6	84,8
34	Profits undisposed	—	—	—	—	—	—
35	Earnings less expenses	12,5	16,3	20,4	23,2	22,3	26,3
36	Total	1 218,1	1 251,2	1 313,5	1 309,9	1 407,8	1 717,8

¹ Increased book value from December 31, 1965.

Million marks

31/12 1965	31/12 1966	1966						
		8/1	15/1	22/1	31/1	8/2	15/2	
<i>944,7</i>	<i>637,2</i>	<i>940,7</i>	<i>950,0</i>	<i>951,7</i>	<i>944,1</i>	<i>982,4</i>	<i>993,4</i>	1
267,5	143,9	267,5	267,5	267,5	267,5	267,5	267,5	2
45,6	100,0	45,6	45,6	45,6	45,6	45,6	45,6	3
547,8	312,0	544,1	553,4	555,0	548,4	587,4	598,5	4
54,7	56,4	54,4	54,4	54,5	53,5	52,8	52,7	5
29,1	24,9	29,1	29,1	29,1	29,1	29,1	29,1	6
<i>712,1</i>	<i>1 063,7</i>	<i>647,4</i>	<i>609,2</i>	<i>698,5</i>	<i>640,0</i>	<i>580,9</i>	<i>550,9</i>	7
45,5	36,3	45,5	45,5	45,5	45,5	45,5	45,5	8
26,0	112,2	26,7	26,6	24,8	24,8	32,0	35,0	9
640,6	915,2	575,2	537,1	628,2	569,7	503,4	470,4	10
—	—	—	—	—	—	—	—	11
<i>119,5</i>	<i>424,6</i>	<i>126,7</i>	<i>122,0</i>	<i>119,7</i>	<i>151,3</i>	<i>143,8</i>	<i>171,2</i>	12
36,9	284,8	24,1	14,1	22,1	51,6	45,0	75,0	13
1,9	2,1	1,5	1,9	1,4	1,4	1,6	1,4	14
6,2	11,7	6,5	7,3	8,1	8,7	8,7	9,0	15
74,5	126,0	94,6	98,7	88,1	89,6	88,5	85,8	16
1 776,3	2 125,5	1 714,8	1 681,2	1 769,9	1 735,4	1 707,1	1 715,5	17
<i>1 028,5</i>	<i>1 106,2</i>	<i>971,9</i>	<i>940,1</i>	<i>938,0</i>	<i>943,1</i>	<i>919,5</i>	<i>918,6</i>	18
<i>98,3</i>	<i>179,6</i>	<i>96,3</i>	<i>95,2</i>	<i>146,7</i>	<i>92,6</i>	<i>91,1</i>	<i>100,5</i>	19
44,8	61,2	46,8	43,7	43,6	42,3	40,6	40,7	20
10,9	16,2	11,2	11,1	10,9	10,7	10,8	7,5	21
1,1	39,8	0,2	0,2	27,8	1,6	0,3	0,6	22
8,3	17,3	0,1	2,5	36,3	3,9	1,0	2,0	23
11,9	13,8	14,8	15,8	6,3	12,1	16,4	24,6	24
1,2	2,8	2,2	1,2	1,2	1,4	1,4	1,4	25
20,1	28,5	21,0	20,7	20,6	20,6	20,6	23,7	26
<i>57,2</i>	<i>126,3</i>	<i>71,4</i>	<i>71,4</i>	<i>71,4</i>	<i>85,3</i>	<i>83,1</i>	<i>83,1</i>	27
45,6	84,6	45,6	45,6	45,6	45,6	45,6	45,6	28
11,6	41,7	25,8	25,8	25,8	39,7	37,5	37,5	29
<i>165,1</i>	<i>266,9</i>	<i>147,5</i>	<i>146,2</i>	<i>184,8</i>	<i>184,9</i>	<i>183,5</i>	<i>182,8</i>	30
<i>427,2</i>	<i>446,5</i>	<i>427,7</i>	<i>428,3</i>	<i>429,0</i>	<i>429,5</i>	<i>429,9</i>	<i>430,5</i>	31
300,0	300,0	300,0	300,0	300,0	300,0	300,0	300,0	32
97,9	112,6	112,6	112,6	112,6	112,6	112,6	112,6	33
—	—	14,7	14,7	14,7	14,7	14,7	14,7	34
29,3	33,9	0,4	1,0	1,7	2,2	2,6	3,2	35
1 776,3	2 125,5	1 714,8	1 681,2	1 769,9	1 735,4	1 707,1	1 715,5	36

1. (Cont.) Balance sheet, 1959—1966

		1966					
		23/2	28/2	8/3	15/3	23/3	31/3
ASSETS							
1	<i>Ordinary note cover</i>	997,3	996,0	988,2	954,9	942,4	903,6
2	Gold	267,6	267,6	267,6	267,6	213,2	184,4
3	IMF gold tranche	45,6	45,6	45,6	45,6	100,0	100,0
4	Foreign exchange	602,8	601,0	594,0	561,2	548,6	535,5
5	Foreign bills	52,2	52,7	51,9	51,4	51,5	54,6
6	Foreign bonds	29,1	29,1	29,1	29,1	29,1	29,1
7	<i>Supplementary note cover</i>	560,8	571,7	596,3	599,6	698,0	641,0
	Inland bills discounted						
8	In foreign currency	45,5	45,5	45,5	45,5	45,5	45,5
9	In Finnish currency	38,4	41,6	42,0	40,7	41,8	40,9
10	Rediscounted bills	476,9	484,6	508,8	513,4	610,7	554,6
11	Treasury Bond Loan	—	—	—	—	—	—
12	<i>Other assets</i>	172,6	189,2	140,2	153,5	120,4	236,6
13	Finnish bonds	77,0	94,7	44,7	44,8	9,4	119,0
14	Cheque accounts	2,1	1,5	2,4	2,9	3,7	3,6
15	Finnish coin	8,8	8,7	8,6	9,0	9,1	9,5
16	Other claims	84,7	84,3	84,5	96,8	98,2	104,5
17	Total	1 730,7	1 756,9	1 724,7	1 708,0	1 760,8	1 781,2
LIABILITIES							
18	<i>Notes in circulation</i>	932,6	968,4	924,9	925,3	937,4	946,8
19	<i>Liabilities payable on demand</i>	101,6	87,5	93,1	74,9	107,0	112,1
20	Foreign exchange accounts	39,5	39,8	42,7	41,7	43,1	41,4
21	Mark accounts of holders abroad	7,4	7,2	7,0	6,8	25,2	25,0
	Cheque accounts						
22	Treasury	7,5	2,5	0,7	0,9	2,4	0,5
23	Post Office Savings Bank ...	8,0	3,2	9,2	1,4	10,2	1,1
24	Private banks	13,9	7,7	11,2	2,2	3,4	21,5
25	Other	1,5	2,9	1,7	1,5	2,1	2,0
26	Other sight liabilities	23,8	24,2	20,6	20,4	20,6	20,6
27	<i>Term liabilities</i>	82,5	82,5	82,5	82,2	82,2	82,2
28	Foreign	45,6	45,6	45,6	45,6	45,6	45,6
29	Finnish	36,9	36,9	36,9	36,6	36,6	36,6
30	<i>Equalization accounts</i>	182,8	186,8	191,7	192,2	200,0	205,4
31	<i>Bank's own funds</i>	431,2	431,7	432,5	433,4	434,2	434,7
32	Capital	300,0	300,0	300,0	300,0	300,0	300,0
33	Reserve fund	112,6	112,6	112,6	112,6	112,6	112,6
34	Profits undisposed	14,7	14,7	14,7	14,7	14,7	14,7
35	Earnings less expenses	3,9	4,4	5,2	6,1	6,9	7,4
36	Total	1 730,7	1 756,9	1 724,7	1 708,0	1 760,8	1 781,2

Million marks

1966								
$7/4$	$15/4$	$23/4$	$30/4$	$7/5$	$14/5$	$23/5$	$31/5$	
894,9	892,8	873,5	856,7	847,3	850,9	855,2	847,1	1
184,4	177,2	177,2	177,2	177,2	177,3	177,3	177,3	2
100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	3
522,7	526,3	505,9	490,3	481,9	486,3	491,2	483,3	4
58,7	60,2	61,3	60,1	59,4	59,4	58,8	58,6	5
29,1	29,1	29,1	29,1	28,8	27,9	27,9	27,9	6
678,7	647,5	725,1	728,1	757,3	783,5	825,0	751,8	7
45,5	44,7	43,7	43,7	43,7	43,7	43,7	43,7	8
44,1	47,4	45,1	44,3	42,6	43,4	46,3	43,3	9
589,1	555,4	636,3	640,1	671,0	696,4	735,0	664,8	10
—	—	—	—	—	—	—	—	11
231,0	238,7	193,9	194,2	201,2	171,6	181,9	215,7	12
107,0	114,6	69,1	76,6	93,6	73,6	83,6	116,7	13
9,6	3,1	3,0	15,8	2,7	1,3	1,7	2,1	14
9,0	9,5	9,8	9,8	9,5	10,0	9,5	9,5	15
105,4	111,5	112,0	92,0	95,4	86,7	87,1	87,4	16
1 804,6	1 779,0	1 792,5	1 779,0	1 805,8	1 806,0	1 862,1	1 814,6	17
969,6	944,3	946,2	962,4	964,2	971,2	993,0	1 019,1	18
111,6	107,7	137,3	99,1	118,4	109,3	142,0	99,6	19
42,5	38,0	39,1	39,0	38,4	38,0	41,1	40,6	20
25,0	24,8	24,6	24,5	24,1	24,1	23,9	23,7	21
—	1,3	6,6	6,6	1,1	1,7	25,2	0,7	22
0,3	12,5	34,7	5,2	2,5	1,4	26,1	0,9	23
21,9	5,2	8,6	—	27,4	19,6	1,4	10,8	24
1,6	2,0	1,7	1,9	2,0	1,8	1,7	1,8	25
20,3	23,9	22,0	21,9	22,9	22,7	22,6	21,1	26
80,8	79,1	79,1	79,1	79,1	79,1	79,1	74,7	27
45,6	43,9	43,9	43,9	43,9	43,9	43,9	41,6	28
35,2	35,2	35,2	35,2	35,2	35,2	35,2	33,1	29
207,2	211,6	192,7	200,5	205,5	207,0	207,8	180,2	30
435,4	436,3	437,2	437,9	438,6	439,4	440,2	441,0	31
300,0	300,0	300,0	300,0	300,0	300,0	300,0	300,0	32
112,6	112,6	112,6	112,6	112,6	112,6	112,6	112,6	33
14,7	14,7	14,7	14,7	14,7	14,7	14,7	14,7	34
8,1	9,0	9,9	10,6	11,3	12,1	12,9	13,7	35
1 804,6	1 779,0	1 792,5	1 779,0	1 805,8	1 806,0	1 862,1	1 814,6	36

1. (Cont.) Balance sheet, 1959—1966

		1966					
		8/6	15/6	23/6	30/6	8/7	15/7
ASSETS							
1	Ordinary note cover	822,6	809,3	800,8	785,7	796,8	798,1
2	Gold	177,3	177,3	177,3	177,3	177,3	177,3
3	IMF gold tranche	100,0	100,0	100,0	100,0	100,0	100,0
4	Foreign exchange	460,2	446,2	434,4	420,7	433,6	433,8
5	Foreign bills	57,2	57,9	61,2	59,8	58,0	59,1
6	Foreign bonds	27,9	27,9	27,9	27,9	27,9	27,9
7	Supplementary note cover	778,9	776,2	883,2	848,4	893,5	814,5
	Inland bills discounted						
8	In foreign currency	40,9	40,9	40,9	40,9	40,9	40,9
9	In Finnish currency	43,8	49,1	39,9	41,2	39,4	37,8
10	Rediscounted bills	694,2	686,2	802,4	766,3	813,2	735,8
11	Treasury Bond Loan	—	—	—	—	—	—
12	Other assets	186,0	202,9	177,4	242,5	192,9	227,8
13	Finnish bonds	80,7	92,7	45,5	101,2	47,6	95,7
14	Cheque accounts	1,6	1,9	3,1	3,3	3,6	2,7
15	Finnish coin	9,7	10,2	9,6	9,2	10,0	10,1
16	Other claims	94,0	98,1	119,2	128,8	131,7	119,3
17	Total	1 787,5	1 788,4	1 861,4	1 876,6	1 883,2	1 840,4
LIABILITIES							
18	Notes in circulation	986,4	987,1	1 049,0	1 046,7	1 040,0	1 018,8
19	Liabilities payable on demand	99,9	96,2	104,5	116,2	100,7	93,2
20	Foreign exchange accounts	37,9	37,2	40,5	41,4	41,4	44,6
21	Mark accounts of holders abroad	23,6	23,0	22,7	17,4	17,8	17,7
	Cheque accounts						
22	Treasury	12,1	1,0	0,9	0,2	1,6	0,6
23	Post Office Savings Bank ...	2,0	2,7	1,9	4,7	0,6	2,8
24	Private banks	0,2	9,1	15,1	29,5	16,5	4,9
25	Other	1,8	1,7	1,6	1,2	1,1	1,2
26	Other sight liabilities	22,3	21,5	21,8	21,8	21,7	21,4
27	Term liabilities	74,1	74,1	74,1	74,1	74,1	74,1
28	Foreign	41,0	41,0	41,0	41,0	41,0	41,0
29	Finnish	33,1	33,1	33,1	33,1	33,1	33,1
30	Equalization accounts	185,3	188,9	191,1	196,2	224,1	224,1
31	Bank's own funds	441,8	442,1	442,7	443,4	444,3	430,2
32	Capital	300,0	300,0	300,0	300,0	300,0	300,0
33	Reserve fund	112,6	112,6	112,6	112,6	112,6	112,6
34	Profits undisposed	14,7	14,7	14,7	14,7	14,7	—
35	Earnings less expenses	14,5	14,8	15,4	16,1	17,0	17,6
36	Total	1 787,5	1 788,4	1 861,4	1 876,6	1 883,2	1 840,4

Million marks

1966								
$\frac{22}{7}$	$\frac{29}{7}$	$\frac{8}{8}$	$\frac{15}{8}$	$\frac{23}{8}$	$\frac{31}{8}$	$\frac{8}{9}$	$\frac{15}{9}$	
791,1	789,7	786,3	774,1	753,9	742,3	725,3	695,1	1
177,3	177,3	177,3	177,3	177,3	177,3	177,3	177,3	2
100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	3
426,9	426,6	423,4	411,6	392,0	380,6	360,5	330,7	4
59,0	57,9	57,7	57,3	56,7	56,5	59,6	59,2	5
27,9	27,9	27,9	27,9	27,9	27,9	27,9	27,9	6
918,8	864,8	862,1	869,5	932,0	892,5	892,5	908,7	7
40,9	40,9	40,9	40,9	40,9	40,9	40,9	40,9	8
39,5	42,2	41,4	39,5	39,2	40,1	41,6	45,5	9
838,4	781,7	779,8	789,1	851,9	811,5	810,0	822,3	10
—	—	—	—	—	—	—	—	11
183,8	207,5	191,2	183,6	179,7	225,7	205,2	218,4	12
50,7	80,7	74,5	71,6	66,6	101,6	79,6	87,3	13
3,3	3,2	2,9	2,0	3,0	2,7	1,9	1,7	14
9,7	9,5	9,3	9,8	10,0	10,4	10,7	11,2	15
120,1	114,1	104,5	100,2	100,1	111,0	113,0	118,2	16
1 893,7	1 862,0	1 839,6	1 827,2	1 865,6	1 860,5	1 823,0	1 822,2	17
1 028,1	1 031,8	999,2	993,0	997,8	1 005,2	988,8	986,6	18
133,3	96,3	104,7	97,9	127,7	113,3	87,3	82,3	19
44,2	43,1	37,4	37,8	36,5	38,6	39,0	38,5	20
17,6	17,4	17,8	17,7	17,5	17,2	16,9	16,8	21
16,6	0,9	3,3	4,5	12,1	3,1	0,6	0,5	22
6,6	1,5	4,6	12,0	25,1	4,2	1,1	0,2	23
25,3	10,6	18,4	5,4	14,9	29,4	8,4	5,4	24
1,5	1,5	1,5	1,5	1,8	1,0	1,4	1,0	25
21,5	21,3	21,7	19,0	19,8	19,8	19,9	19,9	26
74,1	74,1	74,1	74,1	74,1	74,1	74,1	74,1	27
41,0	41,0	41,0	41,0	41,0	41,0	41,0	41,0	28
33,1	33,1	33,1	33,1	33,1	33,1	33,1	33,1	29
227,5	228,4	229,6	229,9	233,3	234,8	238,8	244,3	30
430,7	431,4	432,0	432,3	432,7	433,1	434,0	434,9	31
300,0	300,0	300,0	300,0	300,0	300,0	300,0	300,0	32
112,6	112,6	112,6	112,6	112,6	112,6	112,6	112,6	33
—	—	—	—	—	—	—	—	34
18,1	18,8	19,4	19,7	20,1	20,5	21,4	22,3	35
1 893,7	1 862,0	1 839,6	1 827,2	1 865,6	1 860,5	1 823,0	1 822,2	36

1. (Cont.) Balance sheet, 1959—1966

		1966					
		23/9	30/9	8/10	15/10	22/10	31/10
ASSETS							
1	<i>Ordinary note cover</i>	703,7	736,8	717,6	714,5	721,2	705,3
2	Gold	177,3	177,3	173,1	173,1	173,2	173,2
3	IMF gold tranche	100,0	100,0	100,0	100,0	100,0	100,0
4	Foreign exchange	338,6	372,1	357,7	354,9	360,1	344,3
5	Foreign bills	59,9	59,5	58,9	58,6	60,0	60,1
6	Foreign bonds	27,9	27,9	27,9	27,9	27,9	27,7
7	<i>Supplementary note cover</i>	973,3	876,1	905,7	896,3	979,0	908,5
	Inland bills discounted						
8	In foreign currency	40,9	40,9	40,9	39,6	39,1	39,1
9	In Finnish currency	50,4	53,7	61,0	61,7	63,4	61,9
10	Rediscounted bills	882,0	781,5	803,8	795,0	876,5	807,5
11	Treasury Bond Loan	—	—	—	—	—	—
12	<i>Other assets</i>	185,2	277,0	244,9	262,0	216,2	276,7
13	Finnish bonds	38,3	130,1	92,1	109,0	62,5	121,2
14	Cheque accounts	2,5	2,0	3,8	3,6	4,2	5,0
15	Finnish coin	11,8	12,3	12,3	12,8	13,0	12,9
16	Other claims	132,6	132,6	136,7	136,6	136,5	137,6
17	Total	1 862,2	1 889,9	1 868,2	1 872,8	1 916,4	1 890,5
LIABILITIES							
18	<i>Notes in circulation</i>	1 004,2	1 017,2	1 008,0	1 008,6	1 016,0	1 011,7
19	<i>Liabilities payable on demand</i>	84,3	97,1	79,4	81,3	125,5	98,0
20	Foreign exchange accounts	37,5	37,4	35,5	36,7	36,3	35,7
21	Mark accounts of holders abroad	16,5	16,4	16,6	16,5	16,0	15,9
	Cheque accounts						
22	Treasury	2,5	3,0	0,3	0,2	4,2	3,5
23	Post Office Savings Bank ...	1,3	8,4	1,4	0,5	40,0	21,5
24	Private banks	6,1	10,4	3,0	3,8	6,3	—
25	Other	0,8	1,9	1,0	0,6	1,4	1,4
26	Other sight liabilities	19,6	19,6	21,6	23,0	21,3	20,0
27	<i>Term liabilities</i>	74,1	74,1	74,1	73,7	67,0	67,0
28	Foreign	41,0	41,0	41,0	40,6	39,2	39,2
29	Finnish	33,1	33,1	33,1	33,1	27,8	27,8
30	<i>Equalization accounts</i>	263,6	264,9	269,2	271,0	269,0	273,8
31	<i>Bank's own funds</i>	436,0	436,6	437,5	438,2	438,9	440,0
32	Capital	300,0	300,0	300,0	300,0	300,0	300,0
33	Reserve fund	112,6	112,6	112,6	112,6	112,6	112,6
34	Profits undisposed	—	—	—	—	—	—
35	Earnings less expenses	23,4	24,0	24,9	25,6	26,3	27,4
36	Total	1 862,2	1 889,9	1 868,2	1 872,8	1 916,4	1 890,5

Million marks

1966								
8/11	15/11	23/11	30/11	8/12	15/12	23/12	31/12	
698,9	680,0	670,8	649,0	619,9	608,7	656,6	637,2	1
173,2	173,2	173,2	162,4	162,4	161,9	143,9	143,9	2
100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	3
338,9	320,9	311,5	298,3	272,6	263,1	332,4	312,0	4
59,9	59,0	59,2	61,4	60,0	58,8	55,4	56,4	5
26,9	26,9	26,9	26,9	24,9	24,9	24,9	24,9	6
941,5	927,1	980,0	949,8	1 014,3	1 066,7	1 108,4	1 063,7	7
39,1	39,1	39,1	39,1	36,2	36,2	36,2	36,3	8
61,3	60,7	60,8	62,0	65,4	65,4	68,5	112,2	9
841,1	827,3	880,1	848,7	912,7	965,1	1 003,7	915,2	10
—	—	—	—	—	—	—	—	11
235,4	267,9	272,0	339,2	294,3	298,1	343,6	424,6	12
77,9	109,4	108,7	178,3	132,2	135,4	202,5	284,1	13
8,2	4,2	7,1	4,7	3,7	3,7	4,1	2,7	14
12,3	12,9	12,8	12,9	12,5	12,1	10,9	11,8	15
137,0	141,4	143,4	143,3	145,9	146,9	126,1	126,0	16
1 875,8	1 875,0	1 922,8	1 938,0	1 928,5	1 973,5	2 108,6	2 125,5	17
1 012,7	997,8	1 005,7	1 016,5	1 042,9	1 065,4	1 178,4	1 106,2	18
80,9	88,8	129,8	128,7	83,2	102,0	88,7	179,6	19
39,8	40,1	40,4	43,3	42,6	41,0	43,0	61,2	20
16,5	16,3	16,2	16,2	16,5	16,5	16,3	16,2	21
1,0	0,5	11,0	4,3	1,0	1,8	0,2	39,8	22
1,4	3,6	40,3	44,4	0,8	18,1	0,6	17,3	23
—	6,1	—	—	—	2,5	6,6	13,8	24
1,7	2,2	1,9	1,7	2,4	1,3	1,8	2,8	25
20,5	20,0	20,0	18,8	19,9	20,8	20,2	28,5	26
64,7	64,7	64,7	64,7	61,7	61,7	110,1	126,3	27
39,2	39,2	39,2	39,2	36,2	36,2	84,6	84,6	28
25,5	25,5	25,5	25,5	25,5	25,5	25,5	41,7	29
277,0	283,0	281,5	286,3	297,7	300,2	286,0	266,9	30
440,5	440,7	441,1	441,8	443,0	444,2	445,4	446,5	31
300,0	300,0	300,0	300,0	300,0	300,0	300,0	300,0	32
112,6	112,6	112,6	112,6	112,6	112,6	112,6	112,6	33
—	—	—	—	—	—	—	—	34
27,9	28,1	28,5	29,2	30,4	31,6	32,8	33,9	35
1 875,8	1 875,0	1 922,8	1 938,0	1 928,5	1 973,5	2 108,6	2 125,5	36

2. Foreign exchange reserve, at end of year or quarter, 1963—1966

Million marks

Currencies	1963	1964	1965				1966			
			I	II	III	IV	I	II	III	IV
Gold ¹	135	190	190	188	188	267	184	177	177	144
IMF gold tranche ...	—	—	—	—	—	46	100	100	100	100
Convertible	478	708	650	443	418	483	423	316	272	273
Bilateral	121	—9	—37	2	—12	20	71	64	63	—22
Total	734	889	803	633	594	816	778	657	612	495

¹ Increased book value from December 31, 1965.

3. Profit and loss account, 1961—1966

Million marks

	1961	1962	1963	1964	1965	1966
EARNINGS						
Interest on internal loans	9,5	21,5	18,1	19,7	28,1	38,5
Interest on foreign exchange holdings	13,4	7,4	7,3	10,2	7,7	4,2
Interest on bonds	4,7	2,9	3,1	5,5	4,9	5,0
Commission	1,3	1,2	1,7	1,8	2,0	1,7
Agio	2,4	2,5	1,9	2,0	2,1	1,7
Other earnings	1,4	1,5	1,6	1,7	1,8	2,1
Total earnings	32,7	37,0	33,7	40,9	46,6	53,2
EXPENSES						
Interest on investment deposits	—	—	—	—	—	1,8
Salaries	4,6	5,2	5,6	6,3	6,8	7,3
Pensions	0,4	0,4	0,5	0,6	0,6	0,7
Family pensions	0,1	0,2	0,2	0,2	0,2	0,2
Fees and expenses of Bank Supervisors ..	0,0	0,0	0,0	0,0	0,0	0,0
Fees of Branch controllers	0,0	0,0	0,0	0,0	0,0	0,0
Social security contributions.....	0,2	0,3	0,3	0,4	0,4	0,4
Interest on cash reserve accounts	0,5	2,5	—	—	—	—
Printing of bank notes	2,3	2,8	2,3	2,4	3,2	2,9
Other expenses	1,5	1,5	2,0	1,7	1,8	2,0
Amounts written off and depreciation ...	2,7	0,9	0,5	3,0	4,3	4,0
Total expenses	12,3	13,8	11,4	14,6	17,3	19,3
Net profit	20,4	23,2	22,3	26,3	29,3	33,9
Grand total	32,7	37,0	33,7	40,9	46,6	53,2

4. Interest rates applied by the Bank of Finland, 1948—1966

Per cent

From	Range of discount rate set by Bank Supervisors		Discount rate actually charged		Rediscount rate ¹
	Minimum	Maximum	3-month trade bills	3-month financial bills	
6. II 1948	7 ¹ / ₄	8 ¹ / ₄	7 ¹ / ₄	8 ¹ / ₄	7 ¹ / ₄
1. II 1949	6 ³ / ₄	7 ³ / ₄	6 ³ / ₄	7 ³ / ₄	6 ³ / ₄
1. VII 1949	5 ³ / ₄	6 ³ / ₄	5 ³ / ₄	6 ³ / ₄	5 ³ / ₄
3. XI 1950	7 ³ / ₄	8 ³ / ₄	7 ³ / ₄	8 ³ / ₄	7 ³ / ₄
16. XII 1951	5 ³ / ₄	6 ³ / ₄	5 ³ / ₄	6 ³ / ₄	5 ³ / ₄
1. XII 1954	5	7 ¹ / ₂	5 ³ / ₄ —6	6 ¹ / ₂ —7 ¹ / ₂	»
19. IV 1956	6 ¹ / ₂	8	6 ¹ / ₂ —7 ¹ / ₂	7 ¹ / ₄ —8	6 ¹ / ₂
8. XI 1956	»	»	7 ¹ / ₂	8	7 ¹ / ₂
1. X 1958	»	»	»	»	7 ¹ / ₄
7. I 1959	»	»	7	7 ¹ / ₂	»
1. III 1959	6	7 ¹ / ₂	»	»	»
1. IV 1959	»	»	6 ³ / ₄	7	6 ³ / ₄
30. III 1962	7	8 ¹ / ₂	»	»	8
2. IV 1962	»	»	7 ³ / ₄	8	»
28. IV 1962	6	7 ¹ / ₂	6 ³ / ₄	7	7 ² / ₄

¹ Until September 30, 1958, the rediscount rate was tied to the rate at which the bill was first discounted by the credit institution. For that period, the table gives the minimum rediscount rate applied in practice. Since October 1, 1958, a fixed rediscount rate has been applied, independent of the original discount rate. — In addition to the basic rate the Bank of Finland charges a penalty rate when the debt of a credit institution exceeds certain limits (See text).

² In certain cases a lower rate of interest, 6 per cent, has been applied from November 1, 1965 to October 31, 1966 (See the text).

5. Internal clearing operations: number and value of bank-post-bills, cheques and transfers of account, 1963—1966

Number in thousands

Value in million marks

	Head office		Branch offices		Total	
	Number	Amount	Number	Amount	Number	Amount
1966						
I— III	1 943	6 086,5	732	1 614,7	2 675	7 701,2
IV— VI	2 004	6 672,5	784	1 828,8	2 788	8 501,3
VII— IX	1 962	6 404,6	774	1 785,1	2 736	8 189,7
X—XII	2 283	7 350,5	881	1 977,7	3 164	9 328,2
Total	8 192	26 514,1	3 171	7 206,3	11 363	33 720,4
1965	7 260	24 022,9	2 795	6 596,2	10 055	30 619,1
1964	6 304	21 015,9	2 395	5 708,3	8 699	26 724,2
1963	5 404	17 464,8	2 150	5 511,4	7 554	22 976,2

6. Note issue, 1957—1966

Date	Right of note issue			Used right of issue				Note reserve
	Ordinary cover	Supplementary cover ¹	Total	Notes in circulation	Liabilities payable on demand	Undrawn on cheque credits	Total	
31. XII								
1957	413,4	580,0	993,4	606,4	205,8	6,2	818,4	175,0
1958	606,4	470,5	1 076,9	650,8	180,5	8,1	839,4	237,5
1959	766,9	270,2	1 037,1	694,4	178,1	9,3	881,8	155,3
1960	753,1	419,9	1 173,0	727,4	166,8	9,8	904,0	269,0
1961	779,0	472,2	1 251,2	837,1	73,2	8,9	919,2	332,0
1962	705,4	500,0	1 205,4	774,4	112,6	4,3	891,3	314,1
1963	817,8	451,2	1 269,0	943,7	59,2	5,8	1 008,7	260,3
1964	1 049,7	500,0	1 549,7	1 002,7	186,8	5,0	1 194,5	355,2
1965	944,7	500,0	1 444,7	1 028,5	98,3	5,1	1 131,9	312,8
1966	637,2	700,0	1 337,2	1 106,2	179,6	4,9	1 290,7	46,5
1966								
8. I	940,7	500,0	1 440,7	971,9	96,3	5,5	1 073,7	367,0
15.	950,0	500,0	1 450,0	940,1	95,2	5,1	1 040,4	409,6
22.	951,7	500,0	1 451,7	938,0	146,7	5,6	1 090,3	361,4
31.	944,1	500,0	1 444,1	943,1	92,6	5,6	1 041,3	402,8
8. II	982,4	500,0	1 482,4	919,5	91,1	5,4	1 016,0	466,4
15.	993,4	500,0	1 493,4	918,6	100,5	5,7	1 024,8	468,6
23.	997,3	500,0	1 497,3	932,6	101,6	4,9	1 039,1	458,2
28.	996,0	500,0	1 496,0	968,4	87,5	5,6	1 061,5	434,5
8. III	988,2	500,0	1 488,2	924,9	93,1	4,7	1 022,7	465,5
15.	954,9	500,0	1 454,9	925,3	74,9	4,1	1 004,3	450,6
23.	942,4	500,0	1 442,4	937,4	107,0	3,3	1 047,7	394,7
31.	903,6	500,0	1 403,6	946,8	112,1	3,5	1 062,4	341,2
7. IV	894,9	500,0	1 394,9	969,6	111,6	4,4	1 085,6	309,3
15.	892,8	500,0	1 392,8	944,3	107,7	3,9	1 055,9	336,9
23.	873,5	500,0	1 373,5	946,2	137,3	4,1	1 087,6	285,9
30.	856,7	500,0	1 356,7	962,4	99,1	3,9	1 065,4	291,3
7. V	847,3	500,0	1 347,3	964,2	118,4	4,4	1 087,0	260,3
14.	850,9	500,0	1 350,9	971,2	109,3	5,7	1 086,2	264,7
23.	855,2	500,0	1 355,2	993,0	142,0	5,3	1 140,3	214,9
31.	847,1	500,0	1 347,1	1 019,1	99,6	4,9	1 123,6	223,5
8. VI	822,6	500,0	1 322,6	986,4	99,9	5,4	1 091,7	230,9
15.	809,3	500,0	1 309,3	987,1	96,2	5,2	1 088,5	220,8
23.	800,8	500,0	1 300,8	1 049,0	104,5	3,9	1 157,4	143,4
30.	785,7	500,0	1 285,7	1 046,7	116,2	3,8	1 166,7	119,0

Million marks

Date	Right of note issue			Used right of issue				Note reserve
	Ordinary cover	Supplementary cover ¹	Total	Notes in circulation	Liabilities payable on demand	Undrawn on cheque credits	Total	
1966								
8. VII	796,8	500,0	1 296,8	1 040,0	100,7	3,5	1 144,2	152,6
15.	798,1	500,0	1 298,1	1 018,8	93,2	4,3	1 116,3	181,8
22.	791,1	500,0	1 291,1	1 028,1	133,3	3,7	1 165,1	126,0
29.	789,7	500,0	1 289,7	1 031,8	96,3	3,9	1 132,0	157,7
8. VIII	786,3	500,0	1 286,3	999,2	104,7	4,2	1 108,1	178,2
15.	774,1	500,0	1 274,1	993,0	97,9	5,0	1 095,9	178,2
23.	753,9	500,0	1 253,9	997,8	127,7	4,0	1 129,5	124,4
31.	742,3	500,0	1 242,3	1 005,2	113,3	4,3	1 122,8	119,5
8. IX	725,3	500,0	1 225,3	988,8	87,3	5,2	1 081,3	144,0
15.	695,1	500,0	1 195,1	986,6	82,3	5,3	1 074,2	120,9
23.	703,7	500,0	1 203,7	1 004,2	84,3	4,6	1 093,1	110,6
30.	736,8	500,0	1 236,8	1 017,2	97,1	5,0	1 119,3	117,5
8. X	717,6	500,0	1 217,6	1 008,0	79,4	3,2	1 090,6	127,0
15.	714,5	500,0	1 214,5	1 008,6	81,3	3,4	1 093,3	121,2
22.	721,2	500,0	1 221,2	1 016,0	125,5	2,9	1 144,4	76,8
31.	705,3	500,0	1 205,3	1 011,7	98,0	3,0	1 112,7	92,6
8. XI	698,9	500,0	1 198,9	1 012,7	80,9	2,7	1 096,3	102,6
15.	680,0	500,0	1 180,0	997,8	88,8	2,9	1 089,5	90,5
23.	670,8	500,0	1 170,8	1 005,7	129,8	3,0	1 138,5	32,3
30.	649,0	700,0	1 349,0	1 016,5	128,7	2,8	1 148,0	201,0
8. XII	619,9	700,0	1 319,9	1 042,9	83,2	4,0	1 130,1	189,8
15.	608,7	700,0	1 308,7	1 065,4	102,0	3,3	1 170,7	138,0
23.	656,6	700,0	1 356,6	1 178,4	88,7	2,9	1 270,0	86,6
31.	637,2	700,0	1 337,2	1 106,2	179,6	4,9	1 290,7	46,5
Average	809,5	520,8	1 330,3	993,4	104,7	4,3	1 102,4	227,9
Fluctuation	388,6	200,0	326,5	259,8	104,7	3,0	286,4	436,3

¹ The upper limit of the supplementary note cover was 580 million marks in 1957-1959, 500 million marks from the beginning of 1960 to November 23, 1966, and has been 700 million marks since then.

7. Notes and coins in circulation, end-of-year figures, 1961—1966

Million marks

Denomination	1961	1962	1963	1964	1965	1966
Notes						
New						
100 mk	—	—	474,2	537,7	591,9	656,7
50 »	—	—	239,5	240,4	238,4	248,5
10 »	—	—	145,3	148,9	153,1	162,0
5 »	—	—	29,4	30,8	31,5	33,4
1 »	—	—	27,1	23,7	13,6	5,6
Total	—	—	915,5	981,5	1 028,5	1 106,2
Old						
10 000 omk	395,3	362,4	14,3	10,5	9,6	9,1
5 000 »	248,0	226,9	5,4	3,6	2,9	2,5
1 000 »	140,9	134,4	3,6	2,9	2,6	2,5
500 »	27,7	26,5	1,2	0,9	0,9	0,9
100 »	24,0	23,0	2,5	2,1	2,0	2,0
50, 20, 10, 5 »	1,2	1,2	1,2	1,2	1,2	1,2
Total	837,1	774,4	28,2	21,2	19,2	18,2
Grand total	837,1	774,4	943,7	1 002,7	1 047,7	1 124,4
Coins						
New						
1 mk	—	—	—	9,5	24,4	34,0
50 p	—	—	8,0	8,6	8,4	8,8
20 »	—	—	7,0	8,4	8,8	9,5
10 »	—	—	3,5	4,0	4,2	4,6
5 »	—	—	2,2	3,0	3,3	3,8
1 »	—	—	1,3	1,9	2,4	2,8
Total	—	—	22,0	35,4	51,5	63,5
Old						
1 000 omk	2,0	1,9	1,8	1,7	1,7	1,7
500 »	3,0	2,9	2,8	2,8	2,9	2,9
200 »	7,3	5,9	1,8	1,7	1,6	1,5
100 »	4,7	3,8	1,1	0,9	0,8	0,8
50 »	7,8	7,7	1,7	1,4	1,4	1,3
20 »	7,5	7,7	2,1	1,8	1,6	1,6
10 »	4,7	4,8	1,8	1,5	1,5	1,4
5 »	4,0	3,9	2,0	1,9	1,8	1,8
1 »	4,0	4,1	3,0	2,8	2,6	2,6
50, 25, 10, 5, 1 op	0,5	0,5	0,5	0,5	0,5	0,5
Total	45,5	43,2	18,6	17,0	16,4	16,1
Grand total	45,5	43,2	40,6	52,4	67,9	79,6

8. Printing and destruction of notes, 1964—1966 Million marks

Denomination	Notes printed			Notes cancelled		
	1964	1965	1966	1964	1965	1966
Notes						
New						
100 mk	348,0	341,0	630,0	175,0	210,0	445,0
50 »	149,5	155,0	215,0	145,0	167,5	317,4
10 »	158,0	298,0	243,0	213,0	201,0	272,5
5 »	52,0	83,0	82,0	50,0	57,0	68,1
1 »	80,9	73,3	10,9	99,2	61,7	18,4
Total	788,4	950,3	1 180,9	682,2	697,2	1 121,4
In millions	113,5	126,2	62,2	135,1	98,7	70,0
Old						
Total	—	—	—	7,3	2,1	1,0
In millions	—	—	—	1,0	0,2	0,0
Grand total	788,4	950,3	1 180,9	689,5	699,3	1 122,4
In millions	113,5	126,2	62,2	136,1	98,9	70,0

9. Notes and coins, 1966 Million marks

Denomination	Total issue 31. XII 1965	Issued in 1966	Destroyed in 1966	Total issue 31. XII 1966	Held by the Bank of Finland 31. XII 1966	In circulation 31. XII 1966
Notes						
New						
100 mk	1 121,2	630,0	445,0	1 306,2	649,5	656,7
50 »	497,0	215,0	317,4	394,6	146,1	248,5
10 »	317,6	243,0	272,5	288,1	126,1	162,0
5 »	69,2	82,0	68,1	83,1	49,7	33,4
1 »	43,4	10,9	18,4	35,9	30,3	5,6
Total	2 048,4	1 180,9	1 121,4	2 107,9	1 001,7	1 106,2
In millions	110,1	62,2	70,0	102,3	62,2	40,1
Old						
Total	19,2	—	1,0	18,2	—	18,2
In millions	11,6	—	0,0	11,6	—	11,6
Grand total	2 067,6	1 180,9	1 122,4	2 126,1	1 001,7	1 124,4
In millions	121,7	62,2	70,0	113,9	62,2	51,7
Coins						
New						
1 mk	25,1	15,2	—	40,3	6,3	34,0
50 p	11,0	0,6	—	11,6	2,8	8,8
20 »	10,0	0,8	—	10,8	1,3	9,5
10 »	5,0	0,3	—	5,3	0,7	4,6
5 »	3,8	0,3	—	4,1	0,3	3,8
1 »	2,6	0,4	—	3,0	0,2	2,8
Total	57,5	17,6	—	75,1	11,6	63,5
Old						
1 000—100 omk	7,2	—	0,2	7,0	0,1	6,9
50 omk—1 op	9,3	—	0,1	9,2	0,0	9,2
Total	16,5	—	0,3	16,2	0,1	16,1
Grand total	74,0	17,6	0,3	91,3	11,7	79,6

10. Rates of exchange: par rates and selling rates at sight¹, 1966

Date	1 Dollar New York	1 Dollar Montreal	1 Pound sterling London	100 Kronor Stockholm	100 Kroner Oslo	100 Kroner Copen- hagen	100 D. Mark Frankfurt o.M.	100 Guldens Amster- dam
Par rate	3,20	2,96	8,96	61,86	44,80	46,33	80,00	88,40
Selling rate								
1. I	3,224	2,998	9,035	62,34	45,14	46,83	80,60	89,42
3.	3,224	2,998	9,035	62,34	45,14	46,83	80,54	89,35
7.	3,224	3,000	9,040	62,34	45,14	46,83	80,48	89,35
11.	3,224	3,002	9,040	62,34	45,14	46,83	80,42	89,28
17.	3,224	3,002	9,040	62,42	45,14	46,83	80,42	89,28
18.	3,224	3,000	9,040	62,42	45,14	46,83	80,42	89,21
19.	3,224	3,000	9,045	62,42	45,14	46,83	80,42	89,21
31.	3,224	3,000	9,045	62,37	45,14	46,83	80,36	89,14
1. II	3,224	3,000	9,045	62,37	45,14	46,83	80,36	89,07
2.	3,224	3,000	9,045	62,37	45,14	46,83	80,36	89,07
3.	3,224	3,000	9,045	62,37	45,14	46,83	80,36	89,14
11.	3,224	3,000	9,040	62,37	45,14	46,79	80,36	89,07
14.	3,224	3,000	9,040	62,37	45,14	46,79	80,30	89,00
15.	3,224	2,997	9,040	62,37	45,14	46,79	80,30	89,00
18.	3,224	2,995	9,040	62,42	45,14	46,79	80,36	89,07
22.	3,224	2,995	9,035	62,42	45,14	46,79	80,36	89,07
23.	3,224	2,995	9,035	62,47	45,14	46,79	80,42	89,07
1. III	3,224	2,995	9,030	62,47	45,14	46,75	80,42	89,07
2.	3,224	2,995	9,030	62,52	45,14	46,75	80,42	89,07
4.	3,224	2,995	9,030	62,52	45,14	46,75	80,42	89,18
7.	3,224	2,995	9,025	62,52	45,14	46,75	80,42	89,18
8.	3,224	2,995	9,020	62,52	45,14	46,75	80,42	89,18
9.	3,224	2,997	9,015	62,47	45,10	46,75	80,42	89,25
10.	3,224	2,997	9,010	62,47	45,10	46,75	80,42	89,25
11.	3,224	2,997	9,015	62,47	45,10	46,75	80,42	89,25
15.	3,224	2,997	9,015	62,55	45,10	46,75	80,42	89,25
16.	3,224	2,997	9,020	62,55	45,10	46,75	80,42	89,25
17.	3,224	2,997	9,015	62,60	45,10	46,75	80,42	89,18
18.	3,224	2,997	9,015	62,65	45,10	46,75	80,42	89,18
22.	3,224	2,997	9,015	62,70	45,10	46,79	80,42	89,18
24.	3,224	2,997	9,010	62,65	45,10	46,79	80,42	89,11
25.	3,224	2,997	9,010	62,60	45,10	46,79	80,42	89,04
29.	3,224	2,995	9,010	62,55	45,10	46,79	80,36	88,97
30.	3,224	2,993	9,010	62,50	45,10	46,73	80,36	88,97
31.	3,224	2,993	9,010	62,50	45,10	46,73	80,30	88,97
5. IV	3,224	2,993	9,010	62,55	45,10	46,73	80,36	88,97
12.	3,224	2,993	9,010	62,55	45,10	46,73	80,36	88,90
13.	3,224	2,993	9,010	62,55	45,10	46,73	80,36	88,90

¹ Quotations for the days on which rates were changed.

Marks

100 Francs Brussels	100 Francs Zurich	100 Francs Paris	100 Lire Rome	100 Schilling Vienna	100 Escudos Lisbon	100 Kronur Reykja- vik	100 Pesetas Madrid	Date
6,40	73,18	64,82	0,5120	12,31	11,13	7,44	5,33	Par rate Selling rate
6,497	74,70	65,80	0,5163	12,48	11,27	7,50	5,42	1. I
6,497	74,70	65,80	0,5163	12,48	11,27	7,50	5,42	3.
6,492	74,64	65,80	0,5163	12,48	11,28	7,50	5,42	7.
6,492	74,58	65,80	0,5163	12,48	11,28	7,50	5,42	11.
6,492	74,52	65,80	0,5163	12,48	11,28	7,50	5,42	17.
6,482	74,46	65,80	0,5163	12,48	11,28	7,50	5,42	18.
6,482	74,52	65,80	0,5163	12,48	11,28	7,50	5,42	19.
6,477	74,46	65,80	0,5163	12,48	11,28	7,50	5,42	31.
6,482	74,46	65,80	0,5163	12,48	11,28	7,50	5,42	1. II
6,487	74,52	65,80	0,5163	12,48	11,28	7,50	5,42	2.
6,492	74,52	65,80	0,5163	12,47	11,28	7,50	5,42	3.
6,492	74,52	65,80	0,5163	12,47	11,28	7,50	5,42	11.
6,492	74,40	65,80	0,5163	12,47	11,28	7,50	5,42	14.
6,487	74,40	65,80	0,5163	12,47	11,28	7,50	5,42	15.
6,487	74,46	65,80	0,5163	12,48	11,27	7,50	5,42	18.
6,487	74,46	65,80	0,5163	12,48	11,27	7,50	5,42	22.
6,487	74,40	65,80	0,5163	12,48	11,27	7,50	5,42	23.
6,487	74,40	65,80	0,5163	12,48	11,27	7,50	5,42	1. III
6,487	74,40	65,80	0,5163	12,48	11,27	7,50	5,42	2.
6,487	74,40	65,80	0,5163	12,49	11,27	7,50	5,42	4.
6,487	74,40	65,80	0,5163	12,49	11,27	7,50	5,42	7.
6,487	74,40	65,80	0,5163	12,49	11,27	7,50	5,42	8.
6,487	74,40	65,80	0,5163	12,49	11,27	7,50	5,42	9.
6,487	74,40	65,80	0,5163	12,49	11,25	7,50	5,42	10.
6,487	74,40	65,80	0,5163	12,49	11,25	7,50	5,42	11.
6,482	74,34	65,80	0,5163	12,49	11,25	7,50	5,42	15.
6,482	74,34	65,80	0,5163	12,49	11,25	7,50	5,42	16.
6,482	74,34	65,80	0,5163	12,49	11,25	7,50	5,42	17.
6,482	74,34	65,80	0,5163	12,49	11,25	7,50	5,42	18.
6,482	74,34	65,80	0,5163	12,49	11,25	7,50	5,42	22.
6,482	74,34	65,80	0,5163	12,49	11,25	7,50	5,42	24.
6,482	74,34	65,80	0,5163	12,48	11,24	7,50	5,42	25.
6,482	74,34	65,80	0,5163	12,48	11,24	7,50	5,42	29.
6,477	74,34	65,80	0,5163	12,49	11,24	7,50	5,42	30.
6,477	74,28	65,80	0,5163	12,49	11,24	7,50	5,42	31.
6,472	74,34	65,80	0,5163	12,48	11,24	7,50	5,42	5. IV
6,467	74,34	65,80	0,5163	12,48	11,24	7,50	5,42	12.
6,467	74,46	65,80	0,5163	12,48	11,24	7,50	5,42	13.

10. (Cont.) Rates of exchange: par rates and selling rates at sight, 1966

Date	1 Dollar New York	1 Dollar Montreal	1 Pound sterling London	100 Kronor Stockholm	100 Kroner Oslo	100 Kroner Copen- hagen	100 D. Mark Frankfurt o.M.	100 Guldens Amster- dam
18. IV	3,224	2,993	9,010	62,55	45,10	46,73	80,36	88,90
19.	3,224	2,995	9,010	62,55	45,10	46,73	80,36	88,90
22.	3,224	2,995	9,010	62,55	45,10	46,73	80,36	88,83
25.	3,224	2,995	9,010	62,55	45,10	46,73	80,36	88,76
26.	3,224	2,995	9,005	62,50	45,10	46,69	80,30	88,76
2. V	3,224	2,995	9,010	62,50	45,10	46,69	80,30	88,76
3.	3,224	2,995	9,010	62,50	45,10	46,69	80,30	88,76
4.	3,224	2,995	9,010	62,50	45,10	46,69	80,30	88,76
5.	3,224	2,995	9,010	62,50	45,10	46,69	80,30	88,83
10.	3,224	2,995	9,010	62,60	45,10	46,69	80,30	88,83
12.	3,224	2,995	9,010	62,65	45,10	46,69	80,30	88,83
13.	3,224	2,995	9,005	62,65	45,06	46,65	80,30	88,83
17.	3,224	2,993	9,000	62,65	45,06	46,61	80,30	88,90
26.	3,224	2,995	9,000	62,60	45,06	46,61	80,30	88,90
31.	3,224	2,995	9,000	62,60	45,06	46,61	80,36	88,90
1. VI	3,224	2,993	9,000	62,60	45,06	46,61	80,42	88,90
3.	3,224	2,993	9,000	62,55	45,06	46,61	80,42	88,99
6.	3,224	2,993	9,000	62,55	45,06	46,61	80,42	89,06
7.	3,224	2,993	8,995	62,55	45,06	46,61	80,42	89,11
9.	3,224	2,993	8,995	62,55	45,06	46,61	80,48	89,11
15.	3,224	2,993	9,000	62,55	45,06	46,65	80,54	89,11
17.	3,224	2,995	9,000	62,55	45,06	46,65	80,54	89,25
20.	3,224	2,995	8,995	62,55	45,06	46,65	80,54	89,25
21.	3,224	2,997	8,995	62,55	45,06	46,65	80,54	89,32
27.	3,224	2,997	8,995	62,50	45,06	46,65	80,54	89,25
28.	3,224	2,997	8,995	62,50	45,06	46,65	80,54	89,18
1. VII	3,224	2,997	8,995	62,45	45,06	46,65	80,65	89,30
5.	3,224	2,997	8,995	62,45	45,06	46,65	80,71	89,37
6.	3,224	2,997	8,990	62,40	45,06	46,65	80,71	89,44
13.	3,224	2,997	8,990	62,40	45,06	46,65	80,85	89,44
19.	3,224	3,000	8,990	62,40	45,06	46,61	80,85	89,51
20.	3,224	3,000	8,990	62,45	45,06	46,57	80,85	89,51
22.	3,224	3,000	8,995	62,45	45,06	46,57	80,85	89,51
25.	3,224	3,000	9,000	62,45	45,06	46,57	80,85	89,44
27.	3,224	3,002	9,000	62,45	45,06	46,57	80,85	89,37
2. VIII	3,224	3,002	8,995	62,45	45,06	46,57	80,85	89,37
5.	3,224	3,002	8,995	62,45	45,10	46,57	80,85	89,44
10.	3,224	3,000	8,995	62,45	45,10	46,57	80,79	89,37
16.	3,224	3,000	8,995	62,45	45,10	46,57	80,85	89,44
17.	3,224	3,000	8,995	62,50	45,10	46,57	80,85	89,37
19.	3,224	3,000	8,990	62,50	45,10	46,57	80,85	89,27

Marks

100 Francs Brussels	100 Francs Zurich	100 Francs Paris	100 Lire Rome	100 Schilling Vienna	100 Escudos Lisbon	100 Kronur Reykja- vik	100 Pesetas Madrid	Date
6,467	74,56	65,80	0,5163	12,48	11,24	7,50	5,42	18. IV
6,467	74,62	65,80	0,5163	12,49	11,24	7,50	5,42	19.
6,467	74,62	65,80	0,5163	12,49	11,24	7,50	5,42	22.
6,467	74,62	65,80	0,5163	12,49	11,24	7,50	5,42	25.
6,467	74,62	65,80	0,5163	12,49	11,24	7,50	5,42	26.
6,472	74,62	65,80	0,5163	12,49	11,24	7,50	5,42	2. V
6,477	74,68	65,80	0,5163	12,49	11,24	7,50	5,42	3.
6,484	74,68	65,80	0,5163	12,48	11,24	7,50	5,42	4.
6,484	74,74	65,80	0,5167	12,48	11,24	7,50	5,42	5.
6,484	74,74	65,80	0,5167	12,48	11,24	7,50	5,42	10.
6,484	74,74	65,80	0,5167	12,48	11,24	7,50	5,42	12.
6,484	74,74	65,80	0,5163	12,48	11,23	7,50	5,42	13.
6,476	74,74	65,80	0,5163	12,48	11,23	7,50	5,42	17.
6,480	74,74	65,80	0,5163	12,49	11,23	7,50	5,42	26.
6,480	74,74	65,80	0,5163	12,49	11,23	7,50	5,42	31.
6,484	74,74	65,80	0,5163	12,48	11,22	7,50	5,42	1. VI
6,480	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	3.
6,480	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	6.
6,480	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	7.
6,480	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	9.
6,480	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	15.
6,480	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	17.
6,480	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	20.
6,474	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	21.
6,474	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	27.
6,470	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	28.
6,470	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	1. VII
6,475	74,74	65,80	0,5167	12,50	11,22	7,50	5,42	5.
6,475	74,74	65,80	0,5167	12,50	11,22	7,50	5,42	6.
6,485	74,74	65,80	0,5171	12,50	11,22	7,50	5,42	13.
6,480	74,74	65,80	0,5171	12,50	11,21	7,50	5,42	19.
6,485	74,74	65,80	0,5171	12,50	11,21	7,50	5,42	20.
6,490	74,74	65,80	0,5171	12,49	11,22	7,50	5,42	22.
6,497	74,74	65,80	0,5171	12,49	11,22	7,50	5,42	25.
6,497	74,68	65,80	0,5171	12,50	11,22	7,50	5,42	27.
6,497	74,68	65,80	0,5171	12,50	11,22	7,50	5,42	2. VIII
6,497	74,62	65,80	0,5171	12,50	11,22	7,50	5,42	5.
6,497	74,56	65,80	0,5171	12,50	11,22	7,50	5,42	10.
6,497	74,56	65,80	0,5175	12,50	11,22	7,50	5,42	16.
6,497	74,56	65,80	0,5175	12,50	11,22	7,50	5,42	17.
6,492	74,56	65,80	0,5175	12,50	11,22	7,50	5,42	19.

10. (Cont.) Rates of exchange: par rates and selling rates at sight, 1966

Date	1 Dollar New York	1 Dollar Montreal	1 Pound sterling London	100 Kronor Stockholm	100 Kroner Oslo	100 Kroner Copen- hagen	100 D. Mark Frankfurt o.M.	100 Guldens Amster- dam
25. VIII	3,224	3,000	8,990	62,50	45,10	46,57	80,85	89,20
26.	3,224	3,000	8,990	62,45	45,10	46,57	80,85	89,20
30.	3,224	2,998	8,990	62,35	45,10	46,57	80,79	89,10
1. IX	3,224	2,998	8,990	62,35	45,10	46,57	80,85	89,17
7.	3,224	2,998	8,990	62,35	45,10	46,61	80,85	89,17
8.	3,224	2,998	8,990	62,35	45,10	46,61	80,85	89,17
9.	3,224	2,998	8,990	62,40	45,10	46,61	80,85	89,17
12.	3,224	2,998	8,990	62,45	45,10	46,65	80,85	89,17
13.	3,224	2,996	8,990	62,45	45,10	46,65	80,85	89,10
14.	3,224	2,996	8,990	62,45	45,10	46,65	80,85	89,10
15.	3,224	2,996	8,995	62,45	45,10	46,65	80,85	89,10
20.	3,224	2,996	9,000	62,45	45,10	46,65	80,85	89,10
21.	3,224	2,996	9,000	62,45	45,10	46,65	80,85	89,03
26.	3,224	2,996	9,000	62,45	45,10	46,70	80,85	89,03
27.	3,224	2,996	9,000	62,40	45,10	46,70	80,85	89,03
29.	3,224	2,994	9,000	62,40	45,10	46,70	80,85	89,03
30.	3,224	2,994	9,000	62,40	45,10	46,70	80,85	89,10
3. X	3,224	2,994	9,000	62,40	45,10	46,70	80,85	89,10
6.	3,224	2,990	9,000	62,40	45,10	46,70	80,85	89,10
7.	3,224	2,990	9,000	62,40	45,10	46,70	80,85	89,10
12.	3,224	2,985	9,005	62,35	45,10	46,70	80,85	89,10
14.	3,224	2,989	9,005	62,35	45,10	46,70	80,92	89,10
18.	3,224	2,987	9,005	62,35	45,10	46,70	81,00	89,10
20.	3,224	2,987	9,005	62,35	45,14	46,74	81,00	89,10
21.	3,224	2,987	9,005	62,35	45,14	46,74	81,10	89,10
24.	3,224	2,987	9,000	62,35	45,14	46,74	81,10	89,10
27.	3,224	2,987	9,000	62,35	45,14	46,74	81,10	89,10
1. XI	3,224	2,984	9,000	62,35	45,14	46,70	81,10	89,17
7.	3,224	2,984	9,000	62,35	45,14	46,66	81,10	89,17
10.	3,224	2,982	9,000	62,35	45,14	46,66	81,10	89,11
14.	3,224	2,978	9,000	62,35	45,14	46,66	81,10	89,11
16.	3,224	2,978	9,000	62,35	45,14	46,66	81,10	89,11
17.	3,224	2,976	9,000	62,40	45,14	46,66	81,10	89,11
23.	3,224	2,980	9,000	62,40	45,14	46,70	81,10	89,18
25.	3,224	2,980	9,000	62,40	45,14	46,70	81,16	89,18
29.	3,224	2,980	8,995	62,40	45,14	46,70	81,16	89,11
1. XII	3,224	2,978	8,995	62,40	45,14	46,70	81,16	89,11
2.	3,224	2,976	9,000	62,40	45,14	46,70	81,16	89,11
8.	3,224	2,976	9,000	62,40	45,14	46,74	81,21	89,18
12.	3,224	2,976	8,995	62,40	45,14	46,74	81,15	89,11
13.	3,224	2,976	8,995	62,35	45,10	46,74	81,15	89,11

Marks

100 Francs Brussels	100 Francs Zurich	100 Francs Paris	100 Lire Rome	100 Schilling Vienna	100 Escudos Lisbon	100 Kronur Reykja- vik	100 Pesetas Madrid	Date
6,487	74,56	65,75	0,5175	12,50	11,21	7,50	5,42	25. VIII
6,487	74,56	65,75	0,5175	12,50	11,21	7,50	5,42	26.
6,475	74,48	65,70	0,5175	12,50	11,21	7,50	5,42	30.
6,475	74,48	65,70	0,5175	12,50	11,21	7,50	5,42	1. IX
6,475	74,48	65,65	0,5175	12,50	11,21	7,50	5,42	7.
6,470	74,48	65,60	0,5175	12,50	11,21	7,50	5,40	8.
6,465	74,48	65,60	0,5175	12,50	11,21	7,50	5,40	9.
6,465	74,48	65,60	0,5175	12,50	11,21	7,50	5,40	12.
6,465	74,48	65,65	0,5175	12,50	11,21	7,50	5,40	13.
6,460	74,48	65,60	0,5175	12,50	11,21	7,50	5,40	14.
6,460	74,54	65,60	0,5175	12,50	11,21	7,50	5,40	15.
6,460	74,54	65,60	0,5175	12,50	11,21	7,50	5,40	20.
6,460	74,54	65,50	0,5175	12,50	11,21	7,50	5,40	21.
6,465	74,60	65,55	0,5170	12,50	11,22	7,50	5,40	26.
6,465	74,60	65,50	0,5170	12,50	11,22	7,50	5,40	27.
6,460	74,60	65,20	0,5170	12,50	11,22	7,50	5,40	29.
6,455	74,55	65,20	0,5170	12,49	11,22	7,50	5,40	30.
6,450	74,50	65,30	0,5165	12,49	11,22	7,50	5,40	3. X
6,450	74,44	65,30	0,5165	12,49	11,22	7,50	5,40	6.
6,450	74,38	65,30	0,5160	12,49	11,22	7,50	5,40	7.
6,450	74,32	65,30	0,5160	12,49	11,22	7,50	5,40	12.
6,450	74,38	65,30	0,5160	12,49	11,23	7,50	5,40	14.
6,450	74,38	65,30	0,5160	12,49	11,23	7,50	5,40	18.
6,450	74,38	65,30	0,5160	12,49	11,23	7,50	5,40	20.
6,450	74,38	65,30	0,5160	12,49	11,23	7,50	5,40	21.
6,450	74,38	65,30	0,5160	12,49	11,23	7,50	5,40	24.
6,450	74,44	65,30	0,5160	12,49	11,23	7,50	5,40	27.
6,450	74,38	65,30	0,5160	12,48	11,22	7,50	5,40	1. XI
6,450	74,50	65,25	0,5160	12,48	11,22	7,50	5,40	7.
6,450	74,56	65,30	0,5160	12,48	11,22	7,50	5,40	10.
6,450	74,62	65,30	0,5160	12,48	11,22	7,50	5,40	14.
6,455	74,68	65,30	0,5160	12,48	11,22	7,50	5,40	16.
6,460	74,68	65,30	0,5160	12,48	11,23	7,50	5,40	17.
6,460	74,68	65,30	0,5160	12,47	11,22	7,50	5,40	23.
6,460	74,74	65,25	0,5160	12,47	11,22	7,50	5,40	25.
6,455	74,74	65,25	0,5160	12,47	11,22	7,50	5,40	29.
6,455	74,68	65,20	0,5160	12,47	11,22	7,50	5,40	1. XII
6,455	74,62	65,20	0,5160	12,47	11,22	7,50	5,40	2.
6,450	74,62	65,20	0,5164	12,47	11,22	7,50	5,40	8.
6,445	74,56	65,20	0,5160	12,47	11,22	7,50	5,40	12.
6,440	74,56	65,15	0,5160	12,47	11,22	7,50	5,40	13.

10. (Cont.) Rates of exchange: par rates and selling rates at sight, 1966

Date	1 Dollar New York	1 Dollar Montreal	1 Pound sterling London	100 Kronor Stockholm	100 Kroner Oslo	100 Kroner Copen- hagen	100 D. Mark Frankfurt o.M.	100 Guldens Amster- dam
14. XII	3,224	2,976	9,000	62,35	45,10	46,74	81,15	89,11
16.	3,224	2,978	9,000	62,35	45,10	46,74	81,21	89,18
23.	3,224	2,978	9,000	62,35	45,14	46,74	81,21	89,18
27.	3,224	2,978	8,995	62,35	45,14	46,70	81,21	89,18
29.	3,224	2,978	8,995	62,35	45,14	46,70	81,15	89,18
31.	3,224	2,976	8,995	62,35	45,14	46,70	81,15	89,18

The clearing dollar was quoted at 3,21 mk. Clearing agreements based on the dollar were in force with the following countries: Bulgaria, Czechoslovakia, Colombia, German Democratic Republic, Greece, Hungary and Poland. The clearing agreements with China, Roumania and USSR were based on the rouble, quoted at 3,5667 mk to one rouble.

11. Rates of exchange: selling rates at sight, monthly averages, 1965—1966

Month	1 Dollar New York	1 Dollar Montreal	1 Pound sterling London	100 Kronor Stockholm	100 Kroner Oslo	100 Kroner Copen- hagen	100 D. Mark Frankfurt o.M.	100 Guldens Amster- dam
1965								
I	3,217	2,996	8,977	62,62	44,98	46,50	80,90	89,54
II	3,217	2,992	8,990	62,62	44,98	46,51	80,87	89,54
III	3,222	2,980	8,996	62,74	45,03	46,57	81,02	89,53
IV	3,224	2,986	9,014	62,75	45,08	46,63	81,13	89,60
V	3,224	2,987	9,021	62,65	45,10	46,66	81,02	89,61
VI	3,224	2,982	9,006	62,52	45,10	46,56	80,72	89,49
VII	3,224	2,978	9,001	62,45	45,10	46,54	80,56	89,54
VIII	3,224	2,987	9,000	62,40	45,10	46,49	80,42	89,66
IX	3,224	2,995	9,015	62,43	45,10	46,60	80,42	89,60
X	3,224	2,998	9,040	62,41	45,14	46,77	80,51	89,58
XI	3,224	3,000	9,040	62,34	45,14	46,77	80,60	89,50
XII	3,224	2,997	9,035	62,34	45,14	46,82	80,61	89,44
1966								
I	3,224	3,000	9,042	62,38	45,14	46,83	80,44	89,26
II	3,224	2,998	9,041	62,40	45,14	46,81	80,36	89,08
III	3,224	2,996	9,017	62,56	45,11	46,76	80,41	89,14
IV	3,224	2,994	9,009	62,53	45,10	46,72	80,34	88,88
V	3,224	2,994	9,005	62,59	45,08	46,65	80,30	88,85
VI	3,224	2,995	8,997	62,55	45,06	46,63	80,49	89,14
VII	3,224	2,999	8,993	62,43	45,06	46,62	80,79	89,43
VIII	3,224	3,000	8,993	62,46	45,09	46,57	80,83	89,32
IX	3,224	2,997	8,995	62,41	45,10	46,64	80,85	89,11
X	3,224	2,989	9,002	62,37	45,12	46,72	81,00	89,10
XI	3,224	2,980	9,000	62,37	45,14	46,68	81,11	89,14
XII	3,224	2,977	8,998	62,37	45,13	46,72	81,18	89,15

Marks

100 Francs Brussels	100 Francs Zurich	100 Francs Paris	100 Lire Rome	100 Schilling Vienna	100 Escudos Lisbon	100 Kronur Reykja- vik	100 Pesetas Madrid	Date
6,445	74,56	65,15	0,5160	12,47	11,22	7,50	5,40	14. XII
6,445	74,62	65,10	0,5165	12,47	11,22	7,50	5,40	16.
6,445	74,62	65,20	0,5165	12,48	11,22	7,50	5,40	23.
6,450	74,56	65,20	0,5165	12,48	11,22	7,50	5,40	27.
6,450	74,56	65,20	0,5165	12,48	11,22	7,50	5,40	29.
6,450	74,56	65,20	0,5165	12,48	11,22	7,50	5,40	31.

100 Francs Brussels	100 Francs Zurich	100 Francs Paris	100 Lire Rome	100 Schilling Vienna	100 Escudos Lisbon	100 Kronur Reykja- vik	100 Pesetas Madrid	100 Koruny Prague	Month
									1965
6,484	74,50	65,65	0,5147	12,46	11,20	7,50	5,42	44,58	I
6,483	74,35	65,65	0,5147	12,45	11,21	7,50	5,42	44,58	II
6,490	74,22	65,73	0,5155	12,47	11,22	7,50	5,42	44,58	III
6,497	74,27	65,80	0,5160	12,48	11,24	7,50	5,42	—	IV
6,497	74,22	65,80	0,5163	12,49	11,25	7,50	5,42	—	V
6,497	74,47	65,80	0,5163	12,49	11,24	7,50	5,42	—	VI
6,497	74,56	65,80	0,5163	12,49	11,23	7,50	5,42	—	VII
6,497	74,73	65,80	0,5163	12,50	11,23	7,50	5,42	—	VIII
6,495	74,71	65,80	0,5163	12,50	11,24	7,50	5,42	—	IX
6,492	74,67	65,80	0,5163	12,49	11,26	7,50	5,42	—	X
6,496	74,64	65,80	0,5163	12,49	11,28	7,50	5,42	—	XI
6,497	74,70	65,80	0,5163	12,48	11,27	7,50	5,42	—	XII
									1966
6,487	74,56	65,80	0,5163	12,48	11,28	7,50	5,42	—	I
6,489	74,46	65,80	0,5163	12,47	11,28	7,50	5,42	—	II
6,484	74,36	65,80	0,5163	12,49	11,25	7,50	5,42	—	III
6,469	74,50	65,80	0,5163	12,49	11,24	7,50	5,42	—	IV
6,480	74,73	65,80	0,5164	12,48	11,23	7,50	5,42	—	V
6,478	74,74	65,80	0,5167	12,49	11,22	7,50	5,42	—	VI
6,484	74,73	65,80	0,5169	12,50	11,22	7,50	5,42	—	VII
6,493	74,58	65,78	0,5173	12,50	11,22	7,50	5,42	—	VIII
6,465	74,52	65,57	0,5174	12,50	11,21	7,50	5,40	—	IX
6,450	74,41	65,30	0,5161	12,49	11,23	7,50	5,40	—	X
6,455	74,60	65,28	0,5160	12,48	11,22	7,50	5,40	—	XI
6,448	74,60	65,17	0,5163	12,47	11,22	7,50	5,40	—	XII

12. Rates of exchange: selling rates at sight, 1956—1966

Year	1 Dollar New York			1 Pound sterling London			100 Kronor Stockholm		
	Maximum	Minimum	Average	Maximum	Minimum	Average	Maximum	Minimum	Average
1956	2,31	2,31	2,31	6,46	6,44	6,4525	44,79	44,40	44,58
1957	3,21	2,31	2,5731	8,9850	6,44	7,2009	62,10	44,56	49,75
1958	3,21	3,2040	3,2099	8,9850	8,94	8,9667	62,10	61,80	61,92
1959	3,2060	3,2020	3,2028	9,0200	8,96	8,9960	61,97	61,85	61,92
1960	3,2120	3,2020	3,2072	9,0350	8,96	9,0049	62,32	61,85	62,07
1961	3,2220	3,2050	3,2146	9,0550	8,9700	9,0088	62,45	61,95	62,23
1962	3,2230	3,2170	3,2209	9,0600	9,0250	9,0437	62,66	62,05	62,50
1963	3,223	3,221	3,223	9,045	9,010	9,027	62,35	62,05	62,16
1964	3,224	3,216	3,220	9,020	8,950	8,990	62,78	62,00	62,52
1965	3,224	3,216	3,223	9,045	8,975	9,011	62,78	62,33	62,52
1966	3,224	3,224	3,224	9,045	8,990	9,007	62,70	62,34	62,45

Year	100 Kroner Oslo			100 Kroner Copenhagen			100 D. Mark Frankfurt o. M.		
	Maximum	Minimum	Average	Maximum	Minimum	Average	Maximum	Minimum	Average
1956	32,42	32,20	32,28	33,46	33,27	33,35	55,19	55,01	55,11
1957	45,00	32,27	36,04	46,40	33,31	37,14	76,76	55,09	61,37
1958	44,90	44,78	44,83	46,44	46,28	46,36	76,71	76,27	76,55
1959	45,00	44,84	44,94	46,56	46,42	46,49	76,78	76,54	76,64
1960	45,09	44,80	44,97	46,73	46,39	46,54	77,04	76,78	76,91
1961	45,25	44,90	45,02	46,84	46,38	46,57	81,07	76,80	80,06
1962	45,20	45,08	45,14	46,84	46,58	46,69	80,90	80,36	80,60
1963	46,16	45,01	45,11	46,77	46,65	46,71	81,09	80,48	80,88
1964	45,09	44,89	44,99	46,69	46,37	46,56	81,12	80,86	81,01
1965	45,14	44,98	45,08	46,83	46,46	46,62	81,16	80,35	80,73
1966	45,14	45,06	45,10	46,83	46,57	46,69	81,21	80,30	80,68

Marks

Year	100 Guildens Amsterdam			100 Francs Brussels			100 Francs Zurich		
	Maximum	Minimum	Average	Maximum	Minimum	Average	Maximum	Minimum	Average
1956	60,91	60,49	60,66	4,6350	4,6050	4,6269	52,97	52,63	52,78
1957	84,75	60,56	67,68	6,4250	4,5990	5,1359	73,70	52,77	58,83
1958	84,84	84,43	84,70	6,4450	6,4200	6,4325	73,55	73,15	73,32
1959	85,02	84,75	84,87	6,4250	6,3900	6,4112	74,40	73,68	74,13
1960	85,18	84,82	85,05	6,4550	6,4000	6,4337	74,62	73,80	74,74
1961	89,69	84,70	88,58	6,4750	6,4100	6,4501	74,66	74,18	74,44
1962	89,69	88,86	89,42	6,4850	6,4650	6,4747	74,72	74,02	74,51
1963	89,76	89,20	89,55	6,485	6,455	6,467	74,72	74,44	74,62
1964	89,54	88,98	89,29	6,490	6,455	6,473	74,70	74,34	74,56
1965	89,70	89,42	89,55	6,497	6,480	6,494	74,76	74,16	74,51
1966	89,51	88,76	89,14	6,497	6,440	6,474	74,74	74,28	74,57

Year	100 Francs ¹ Paris			100 Lire Rome			100 Schilling Vienna		
	Maximum	Minimum	Average	Maximum	Minimum	Average	Maximum	Minimum	Average
1956	0,6600	0,6554	0,6574	—	—	—	8,90	8,90	8,90
1957	0,7650	0,5482	0,6779	0,5135	0,5125	0,5135	12,40	8,90	9,91
1958	0,7645	0,6498	0,7625	0,5155	0,5115	0,5142	12,39	12,32	12,36
1959	0,6498	0,6498	0,6498	0,5165	0,5135	0,5160	12,42	12,34	12,38
1960	65,55	65,20	65,41	0,5176	0,5156	0,5168	12,45	12,31	12,36
1961	65,75	65,32	65,54	0,5192	0,5160	0,5179	12,50	12,32	12,40
1962	65,80	65,60	65,74	0,5193	0,5180	0,5190	12,49	12,46	12,48
1963	65,80	65,75	65,79	0,5193	0,5176	0,5188	12,50	12,46	12,49
1964	65,80	65,65	65,71	0,5176	0,5147	0,5157	12,50	12,45	12,47
1965	65,80	65,65	65,77	0,5163	0,5147	0,5160	12,50	12,44	12,48
1966	65,80	65,10	65,64	0,5175	0,5160	0,5165	12,50	12,47	12,49

¹ New Francs since 1 Jan. 1960.

Bank Supervisors, Delegated by Parliament, at the End of 1966

KOKKOLA, VEIKKO, *Chairman*
SAARINEN, AARNE, *Vice Chairman*
KAASALAINEN, NESTORI
JUNNILA, T.
PAASIO, RAFAEL
UUSITALO, EINO
LEHTO, OIVA
KORSBÄCK, VERNER
SALONEN, OLAVI

Bank of Finland at the End of 1966

Board of Management

WARIS, KLAUS, *Governor*
LEINONEN, ESKO K.
SIMONEN, A., Minister of Justice (leave of absence)
KARJALAINEN, AHTI, Minister for Foreign Affairs (leave of absence)
ROSSI, REINO
VALVANNE, HEIKKI, *ad int.*

Directors

VALVANNE, HEIKKI
VOUTILAINEN, JOUKO J.

Secretaries

VATANEN, U. A., Credits
TAMMIVUORI, PERTTI, Administration
IGNATIUS, K., Administration
ARANKO, JORMA, Foreign exchange (leave of absence)

Head Office

Chief Accountant

ENGBERG, G.

Heads of Department

SUNDMAN, C. G., Foreign exchange (trade)
BLOMQUIST, P., Central Accounting
ÖSTERLUND, P.-E., Foreign exchange (services)
KAJANTIE, A., Internal Audit
LINDSTRÖM, HELGE, Credits
EIROLA, K., Accounts
NENONEN, A., Foreign correspondence
SUOMELA, EINO, Office

Chief cashier

TÖRNROTH, STIG

Institute for Economic Research

HELELÄ, TIMO, *Director*