

BANK OF FINLAND

1971



YEAR BOOK

VOLUME 52

HELSINKI 1972

HELSINKI 1972
GOVERNMENT PRINTING CENTRE

CONTENTS

	Page
<i>I. A review of the Finnish economy in 1971</i>	5
 <i>II. Credit and capital markets</i>	
The ends and means of monetary policy	10
Banking institutions	14
The stock market	19
State finances	21
 <i>III. Foreign exchange policy and the balance of payments</i>	
Exchange rates	26
Foreign payments	31
The balance of payments, current account and capital movements	32
Foreign exchange situation	35
 <i>IV. Bank of Finland statements</i>	
Foreign accounts	37
Treasury accounts	38
Accounts of the banks	39
Trade and industry accounts	40
Other accounts	41
 <i>V. Finland's relations with international financial institutions</i>	
International Monetary Fund (IMF)	43
World Bank (International Bank for Reconstruction and Development, IBRD)	45
International Finance Corporation (IFC)	47
International Development Association (IDA)	47
Asian Development Bank (ADB)	48
Bank for International Settlements (BIS)	50

Tables: Activity of the Bank of Finland

Page

1. Balance sheet, 1964—1971	2
2. Foreign exchange reserves, at end of year or quarter, 1968—1971	10
3. Profit and loss account, 1966—1971	10
4. Interest rates applied by the Bank of Finland, 1958—1971	11
5. Internal clearing operations: number and value of bank-postbills, cheques and transfers of account, 1968—1971	11
6. Note issue, 1962—1971	12
7. Notes and coins in circulation, end-of-year figures, 1966—1971	14
8. Printing and destruction of notes, 1969—1971	15
9. Notes and coins, 1971	15
10. Exchange rates: selling rates at sight, 1971	16
11. Exchange rates: selling rates at sight, monthly averages, 1969—1971	28
12. Exchange rates: selling rates at sight, 1961—1971	30

Bank Supervisors, Delegated by Parliament, at the end of 1971	32
Bank of Finland at the end of 1971:	
Board of Management, Directors, Head Office, Institute for Economic Research, Managers of Branches	32

I. A REVIEW OF THE FINNISH ECONOMY IN 1971

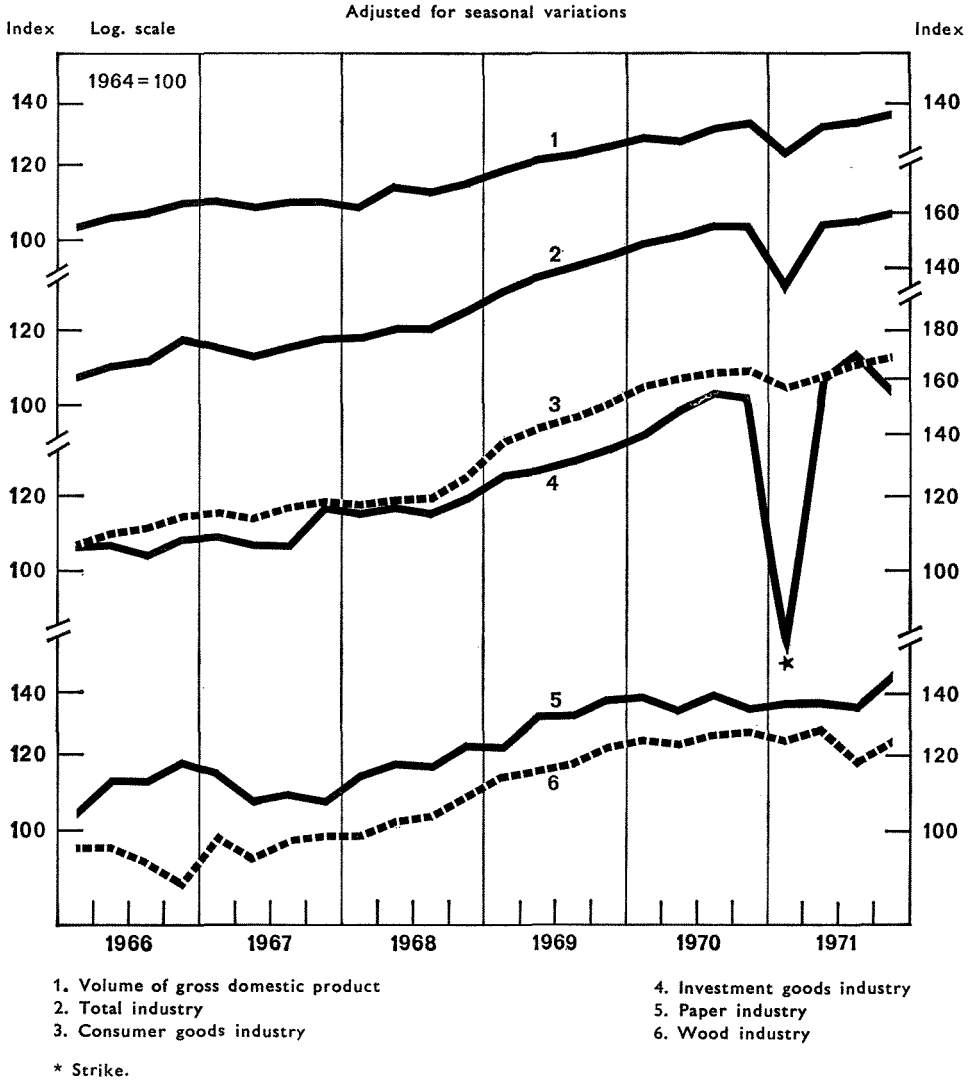
The vigorous economic growth of 1969 and 1970 clearly slowed down in 1971. As a result of the weakening of export demand and work stoppages in the early part of the year, the growth of total production, which had been as high as 8 per cent in 1970, fell to only slightly more than one per cent in 1971. The trade deficit grew as a result of a decrease in the volume of exports although the volume of imports fell as well. As a result of rising import prices and the development of domestic costs, the rise in prices accelerated during 1971.

The growth in private investment activity moderated in the early months of the year, and its volume began to decline during the second half. The volume of private investment in 1971 was approximately the same as in 1970. There was an increase of about one per cent in investment in residential building, mainly because of increased state support, whereas investment in non-residential building declined in line with the general cyclical downswing. Investment in machinery and equipment continued to be relatively brisk since the projects which had been started during the boom had to be completed. The effects of public investment programmes were not felt extensively during the year under review. Furthermore the release of counter-cyclical funds did not yet influence investment activity.

Although growth in real disposable income per capita was considerably less than in the two preceding years, it exceeded the growth of total production. Owing to the cyclical decline in the propensity to consume, private consumption increased by less than disposable income, by about 2 ½ per cent. The fall in the propensity to consume was partly attributable to the 15 per cent supplementary turnover tax imposed on consumer durables. The volume of sales of major durables declined by 10 per cent on that of the previous year and the sales of new passenger cars fell by as much as 17 per cent. The growth rate of services was substantially greater than that of total consumption in 1971, and public consumption grew twice as rapidly as private consumption.

The downturn affected almost all productive activity in 1971. Only in the service sector did the growth of production maintain its pace. The downturn was strongest in forestry where total output was 4 ½ per cent less than in 1970. The volume of construction of buildings fell by 2 ½ per cent

DOMESTIC PRODUCT AND INDUSTRIAL PRODUCTION,
1966—1971



owing to the sharp decline in business and industrial building, whereas residential building remained on almost the same level as in 1970. The decline in the volume of agricultural production continued, and the volume of land and waterway construction decreased only slightly.

A decline of almost one per cent in the volume of industrial production was partly caused by a strike in the metal industry in early spring 1971. Of all the

branches of the metal industry, only the electro-technical industry increased output in 1971. The clothing and chemical industries and the electricity, gas and water sector also increased production, but the volume increase was clearly below the average annual rate of growth. The slackening of growth in the paper and pulp industries, which had set in during 1970, continued. The volume in the consumer goods industry grew slightly whereas output in the investment goods industry and the raw material industries clearly fell.

The deterioration in employment began at the beginning of 1971 and continued throughout the year. The average unemployment rate was 2.2 per cent in 1971. The deterioration in employment occurred almost exclusively in the Northern and Eastern parts of the country. In the North unemployment increased as a result of the decline in emigration to Sweden and, towards the end of the year, return migration.

The GDP deflator rose by 8.0 per cent, the cost of living index by 6.5 per cent and the wholesale price index by 5.1 per cent on average in 1971. From December 1970 to December 1971, the increase in the cost of living index was 8.7 per cent. As a result of a drop in the growth of production which was sharper than expected, the rise in nominal wages negotiated at the beginning of the year substantially exceeded the rise in productivity and thus added to cost pressure. Inflation also had its source in the rise in the international price level and in foreign exchange rates as well as in the measures taken by the central government to improve the trade account.

The comprehensive incomes policy agreement concluded for the period January 1971—March 1972 would have entailed a rise of more than 7 per cent in negotiated wages from March 1971 to March 1972. In many sectors rises exceeded this rate. The average increase in the level of earnings from 1970 to 1971 was 12.8 per cent, of which wage drift accounted for about 3.8 per cent. The average rise in wages was 15.2 per cent and that in salaries 9.4 per cent. The share of earned income in national income rose from 54.4 per cent in 1970 to 56.3 per cent in 1971.

In addition to the rise in the target prices of agricultural products in connection with the comprehensive incomes policy agreement, 20 million marks was appropriated for agriculture in November as acreage subsidies to keep the development of agricultural income in step with that of other sectors.

There was a decline in the volume of exports owing to such factors as the international economic downswing, the strike in the metal industry, and sluggish growth in trade with the socialist countries during the first year of a new five-year trade agreement period. The influence of the first factor was clearest in paper industry products, where the value of exports fell slightly despite price rises. The decline in the value of metal industry exports by as much as 5 per cent was also a result of the strike and the impact of timing of trade with the socialist countries. The growth of exports of other industrial

products continued, although at a lower pace than in 1970. The increase by more than one fourth in the value of exports of agricultural products was almost exclusively caused by the rise in prices. The decline in the total volume of exports was 3 per cent.

The volume of imports decreased in 1971 as a result of the slow growth of total production, the running down of inventories and measures taken to curb the growth in imports. The drop was sharpest in the import of raw materials and production inputs. Volume growth was recorded only in the import of investment goods. The value of imports of investment goods and fuels and lubricants rose considerably because of the strong rise in import prices. The volume of imports of consumer goods decreased slightly on the previous year and that of passenger cars by almost a fifth. The volume of commodity imports declined by 1 ½ per cent on 1970.

Import prices rose markedly because of the rise in exchange rates and in world prices, especially that of oil. The increase was most rapid in the category »Other industrial products» and agricultural produce. As the 7 per cent average rise in import prices exceeded the increase in export prices, which was slightly more than 5 per cent, the terms of trade deteriorated during 1971.

The value of commodity exports grew by 2 per cent in 1971 and totalled 9 845 million marks. As the value of imports increased by 6 per cent to 11 765 million marks, there was deficit of 1 920 million marks on trade account. The current account deficit was 1 437 million marks in 1971 as against 1 005 million in 1970.

In spite of disturbances in foreign exchange relations, the international capital market remained rather easy throughout the year. The net inflow of long-term capital increased to 1 580 million marks from 330 million marks in 1970 and thus exceeded the current account deficit. Most long-term loans were in the form of medium-term financial credits, but considerable increases were also recorded in drawings of commodity credits and the sales of new bond issues. The inflow of short-term capital totalled 578 million marks in 1971. The gold and foreign exchange reserves of the Bank of Finland increased by 555 million marks. As there was a decline of 251 million marks in the net foreign liabilities of the authorized banks, an increase of 806 million marks occurred in the country's total foreign exchange reserves, which totalled 2 433 million at the end of the year.

Bank deposits and lending grew relatively vigorously in 1971, notwithstanding the slow-down in the growth rate of income formation. Deposits from the public grew by 2 529 million marks or by 13.8 per cent and lending by 2 764 million marks or 15.0 per cent. The growth of lending thus exceeded that of deposits by 235 million marks. Demand deposits increased proportionately much faster than time deposits. The share of fixed period

deposits in all time deposits remained unchanged at about one third but a change took place in their structure as the share of 24-month deposits increased. The growth in deposits took place mainly in the latter half of the year. The favourable development of deposits was encouraged by the rise in the interest rate paid on them as well as by the supplementary turnover tax imposed on durables and the inflow of foreign capital.

Because of the completion of investment projects which had been started during the upswing and the rise in costs, the demand for credits remained strong in spite of the considerable increase in the inflow of foreign capital. The increase in domestic lending, which followed the development of deposits, was stronger in the latter half of the year. The share of bill and cheque account credits in total lending increased in comparison with the previous year. According to end-of-year figures for 1970 and 1971, the position of banks towards the central bank remained almost unchanged although for most of the year their central bank credit exceeded the average level of 1970.

II. CREDIT AND CAPITAL MARKETS

The ends and means of monetary policy

A change took place in the direction of the Bank of Finland's monetary policy in 1971: measures aimed at controlling the economic upswing were gradually replaced by a policy designed to increase total demand and employment. The expansive measures were implemented towards the end of the year and were meant to take effect mainly in 1972. The use of monetary policy weapons was limited by the great and persistent current account deficit and by the increase in price and cost pressures. The easing of the international capital market allowed a greater inflow of long-term capital towards the end of the year. Imports of long-term foreign capital were used to increase foreign exchange reserves and to improve the conditions for pursuing a monetary policy designed to alleviate cyclical problems.

The commercial banks' quotas of central bank credit were kept at the level of December 1970 and were thus 10 per cent above the so-called base level of September 1969. The total of the quotas was 898 million marks. As the need of central bank credit declined because of seasonal developments during this period, the Bank of Finland eased its controls slightly.

At the beginning of 1971, the Board of Management of the Bank of Finland was again authorized to charge a maximum penalty rate of 4 per cent in addition to the normal discount rate on the commercial banks' central bank liability. According to the new regulations, however, the penalty rate is not increased gradually as before but in steps. Since the beginning of March the penalty interest has been calculated daily, whereas previously the monthly average of the banks' central bank liability had been used. The purpose of the revision was mainly to simplify the calculation of the average rate and to strengthen the regulation of credits granted above the quotas. In 1971, the quotas were not exceeded to any significant extent, and thus the accrual from the penalty rate of interest was also very small.

The continuously great current deficit seemed to limit the possibilities of pursuing a policy aimed at stimulating demand and supporting employment during a period of anticipated slower economic growth. In May a one per cent increase in the interest rate level was effected primarily to improve the

balance of payments. Although application of the new interest rates was largely started at the beginning of June, the Bank of Finland authorized the banking institutions to charge the higher rate of interest for new and renewed credits from May 24. The official discount rate of the Bank of Finland was raised from 7 per cent to 8 ½ per cent on June 1, 1971.

At the time that the general interest rate level was raised, it was agreed that the banks would reduce personal credits, other than real estate, housing and student loans, to a level at least 5 per cent below that prevailing at the end of 1970 by the close of September and to further reduce these credits to a level at least 15 per cent below that of the end of 1970 by the close of 1971. The aim of this measure was to check the import of consumer durables, the growth of which had worsened the balance of payments.

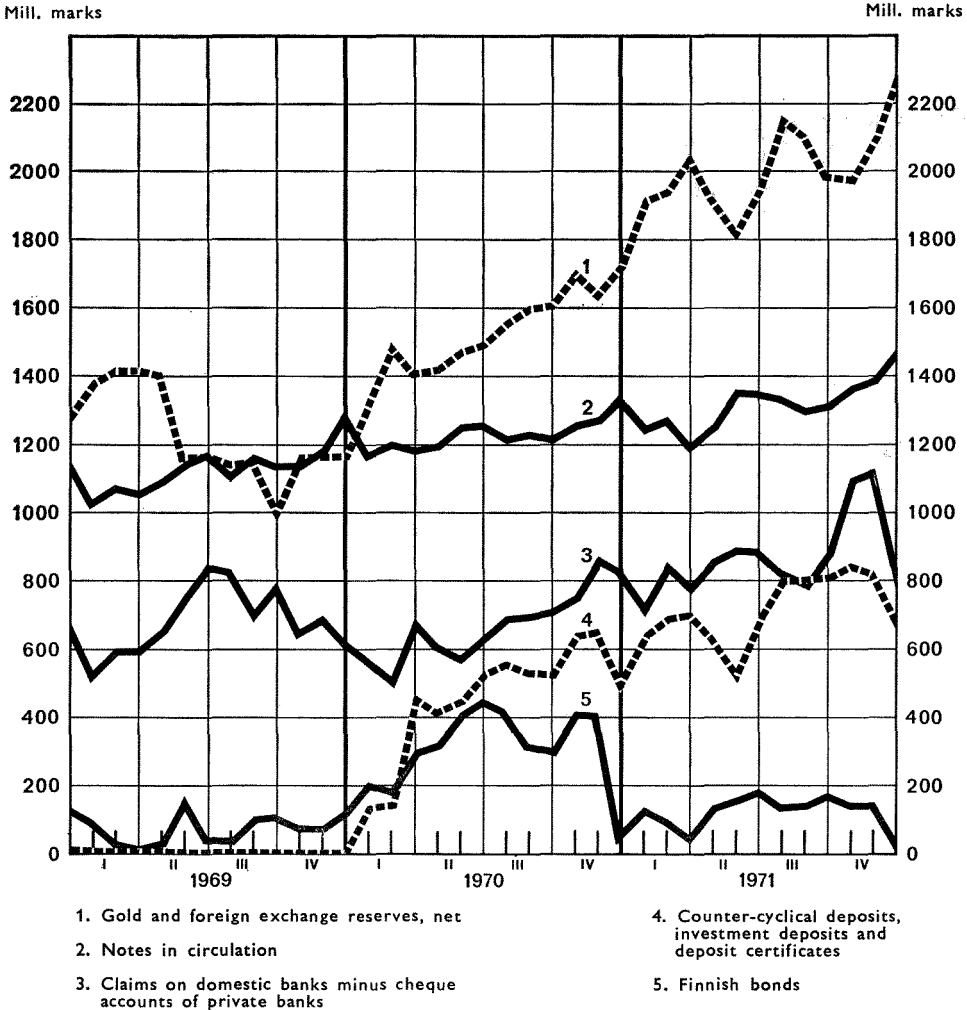
After agreement on the rise in the general interest rate level had been reached, negotiations were started on the interest rate differentiation to be applied. It was concluded that, in principle, consumer credits and credits financing the import of consumer goods should carry the highest rate and export credits and credits for import-substituting production the lowest rate. The new rates were to be applied only for new and renewed credits. This was, however, only a recommendation, and every bank or group of banking institutions could decide on the more detailed application of the new rates. The commercial banks were already differentiating interest rates on their loans according to the guidelines given by the Bank of Finland.

In connection with the interest rate policy measures taken in the spring, the Bank of Finland removed the ceiling on the average lending rate charged by the commercial banks. The regulation of the average lending rate hampered the effectiveness of interest rate differentiation because the structure of credit-granting differs greatly over the various banking institutions, yet the banks pay the same rates for deposits. However, the Bank of Finland continues to follow closely the development of the average lending rate of all banking institutions through the regular reports which the banks have to submit.

To complete the measures taken to improve the balance of payments, the Bank of Finland decided at the end of June to increase its share in the financing of the domestic suppliers' credits from 20 per cent to 30 per cent. At the same time the technical procedure of granting these credits was simplified. The granting of new export credits was also simplified; this is explained in greater detail subsequently.

By the autumn it was deemed necessary to take measures to stimulate demand. At the end of August, the Cabinet decided to release counter-cyclical and investment deposits totalling 330 million marks which had accumulated at the Bank of Finland on the basis of an agreement made in 1969. The decision to release these funds had been announced preliminarily

MAJOR FACTORS BEARING UPON THE SUPPLY OF
CENTRAL BANK MONEY, 1969—1971



in May. Some drawings on the counter-cyclical accounts were permitted towards the end of 1971, but the major part of these funds was scheduled for release in 1972.

To strengthen the impact on investment activity of the release of the counter-cyclical reserves, the quotas of the commercial banks for credit from the central bank were raised at the beginning of October to 1 224 million marks, i.e. 50 per cent above the so-called base level. The prevailing restrictions on personal credits were kept in force so that easier credit conditions

would not lead to increased lending for consumption but would rather facilitate the financing of investment.

In December it was decided to reduce the general interest rate level by $\frac{3}{4}$ percentage units from the beginning of 1972. Import and consumer credits were, however, not affected by this decision, and the difference in interest charges on these credits and credits for other purposes was increased. The lowering of the general level of interest rates was intended to encourage the development of the economy in 1972. The purpose was also to ease pent-up cost and price pressures and to facilitate the reaching of a conclusion in the incomes policy negotiations of spring 1972. The improvement in the country's external liquidity situation had laid the ground for lowering the interest rate level.

It was also decided in December to leave the restrictions on the granting of personal credits in force until the end of June 1972. At the end of 1971, banks were required to hold personal loans 15 per cent below the level prevailing at the end of the previous year. This target level had, however, been reached almost entirely by the end of September. The limits on the granting of personal credits were kept in force in order to check the demand for consumer durables which had been restrained previously by the supplementary turnover tax which lapsed at the end of 1971.

The sale of deposit certificates was continued in 1971, and their total grew from 203 million marks to 400 million during the year.

In 1971 the Bank continued the special arrangement for domestic suppliers' credit. The programme was intensified at the end of June at the same time as measures were taken to improve the balance of payments. The share of the Bank in the financing of these projects was raised from 20 per cent to 30 per cent. The technical procedure for granting the credits was simplified by entrusting decisions on all advances to the private banks providing the rest of the finance. The lower limit for the total value of deliveries to be financed through this arrangement was kept unchanged at 0.5 million marks.

The total value of the deliveries for which credit arrangements had been made within the framework of this programme rose from 1 608 million marks to 1 888 million marks. At the end of 1971 the credit reservations granted by the Bank of Finland amounted to 411 million marks while those granted by other banks totalled 1 059 million marks. Credit reservations were distributed between 51 suppliers and 103 buyers. The outstanding credits of the Bank of Finland in this programme amounted to 174 million marks at the end of the year.

The amount outstanding within the programme begun in 1963 to provide medium-term suppliers' credits to the metal industry was no more than one million marks at the same date.

The granting of new export credits was also continued. In June the provision of these credits was largely entrusted to other banks, but the Bank of Finland continued to finance entirely those projects which fulfilled the conditions which it had set. An upper limit of one million marks per firm was set for such advances. Credits in excess of the limit were to be financed by the commercial banks by the end of the year. The total amount outstanding fell from 66 million to 37 million marks in 1971, primarily as a result of the limitation on the total amount of credit granted to a single enterprise. Altogether 185 different customers made use of this arrangement in 1971.

The Bank Supervisors of Parliament discussed the memorandum on the demand for the financial support provided by the Jubilee Fund for the Fiftieth Anniversary of Finland's Independence (Sitra). As a result, they decided to propose to Parliament that, in connection with the closing of the books of the Bank of Finland in 1971, bonds and similar paper at a nominal value of 100 million marks be transferred to the Fund. This transfer does not constitute a donation from the Bank's funds but is only an internal transfer.

Banking institutions

In spite of the weakening of the economic outlook, the growth in bank deposits and bank lending was almost as vigorous in 1971 as in 1970. The increase in investment arising from the boom of the last few years was still reflected in the demand for credit during the year under review. Although the rate of growth of income formation slowed down, the supply of finance remained adequate because of the substantial inflow of foreign capital.

The table below shows changes in total deposits accepted by the banking institutions from the public in 1970 and 1971.

	Change on the previous year			
	1970		1971	
	Million marks	%	Million marks	%
Commercial banks	+ 947.7	+ 15.1	+ 1 063.2	+ 14.7
Savings banks	+ 524.7	+ 11.6	+ 625.2	+ 12.4
Co-operative banks	+ 474.7	+ 15.0	+ 417.2	+ 11.5
Post Office Bank	+ 254.1	+ 15.5	+ 354.9	+ 18.8
Savings Departments of Co-operative Stores	+ 52.6	+ 10.1	+ 68.1	+ 11.9
Real Estate Bank in Finland Ltd	— 0.6	— 100.0	—	—
Total	+ 2 253.2	+ 14.0	+ 2 528.6	+ 13.8

Total deposits increased by 2 529 million marks or 13.8 per cent in 1971. Of this, 2 153 million marks was in time deposits and 376 million marks in demand deposits. Time deposits from the public grew by 13.2 per cent and

totalled 18 418 million marks at the end of the year under review. The growth was greatest during the latter half of the year. In the first part of the year the development of time deposits was unfavourably affected by work stoppages in the spring and the increase in the purchase of durables before the enforcement of the supplementary turnover tax in June. The rise in the general interest rate level at the beginning of June, the inflow of foreign capital and the supplementary turnover tax encouraged the growth of time deposits towards the end of the year. Demand deposits increased by 17.8 per cent, i.e., considerably more than in 1970. Total demand deposits, which amounted to 2 487 million marks at the end of the year, have more than doubled over the last four years.

In 1971 the share of fixed period deposits in total time deposits remained unchanged at about one third in spite of the increase in the rate of inflation. At the end of the year, the share of 24-month deposits was slightly more than 72 per cent, that of 12-month deposits slightly less than 25 per cent and of 6-month deposits slightly more than 3 per cent of total fixed period deposits. The 2-year deposits increased their share by slightly less than 4 percentage points, whereas the share of 1-year deposits declined by the same relative amount and that of 6-month deposits remained unchanged. The small offering of bonds for public subscription seems to have accelerated the growth of 24-month deposits.

The distribution of time deposits between the various accounts is shown in the table below.

	Dec. 31, 1970	Dec. 31, 1971	Change	
		Million marks		%
Fixed period deposits:				
24-month deposits	3 584.9	4 297.4	+ 712.5	+19.9
12-month deposits	1 494.1	1 472.5	— 21.6	— 1.4
6-month deposits	154.4	185.4	+ 31.0	+20.1
Total	5 233.4	5 955.3	+ 721.9	+13.8
Other time deposits	11 032.4	12 463.0	+1 430.6	+13.0
Total	16 265.8	18 418.3	+2 152.5	+13.2

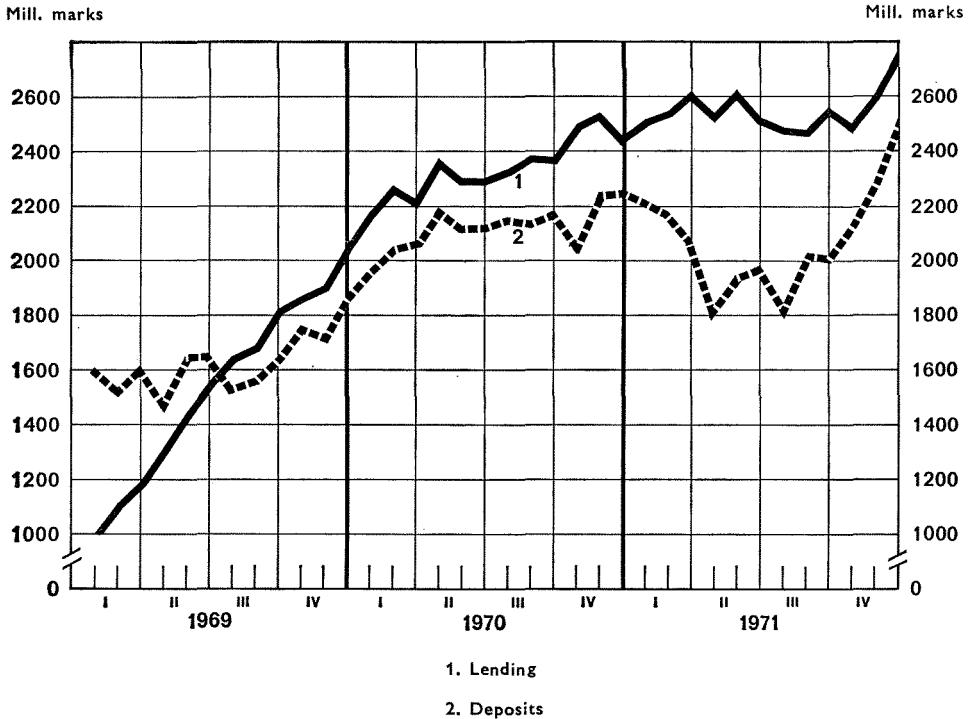
No tax was levied on deposits held by persons or the undistributed estates of deceased persons in 1971.

The following table illustrates changes in bank lending in 1970 and 1971.

	Change on the previous year			
	1970		1971	
	Million marks	%	Million marks	%
Commercial banks	+1 071.3	+15.5	+1 270.2	+16.0
Savings banks	+ 539.3	+14.2	+ 454.1	+10.5
Co-operative banks	+ 481.7	+16.5	+ 432.2	+12.7
Post Office Bank	+ 195.8	+18.7	+ 261.9	+21.0
Mortgage banks	+ 163.6	+12.7	+ 345.1	+23.7
Total	+2 451.7	+15.4	+2 763.5	+15.0

DEPOSITS AND LENDING OF BANKING INSTITUTIONS, 1969—1971

Change on the corresponding month of the previous year

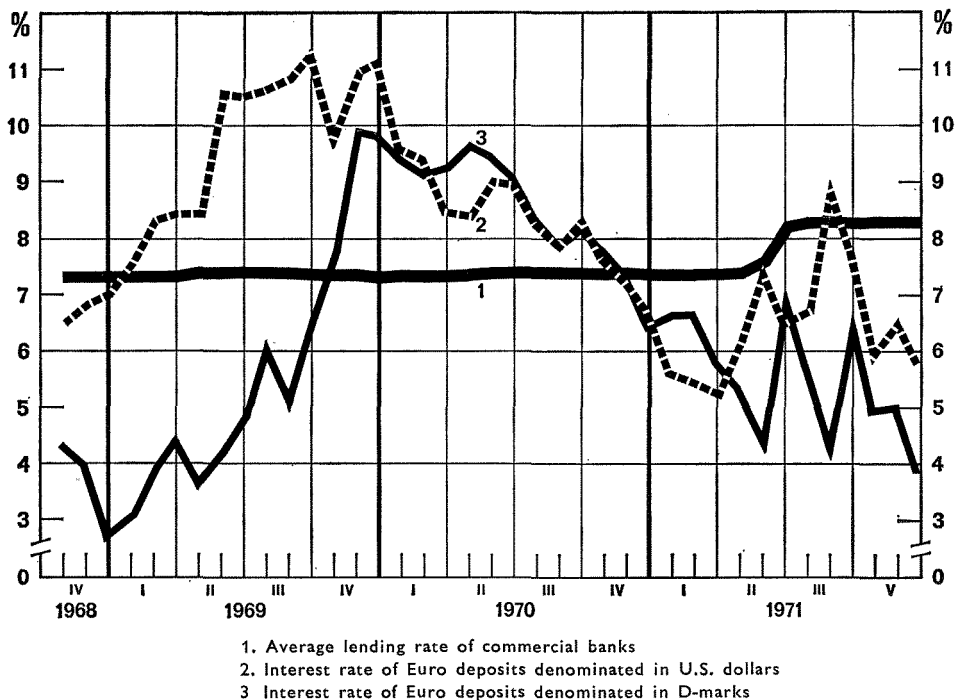


Bank lending to the public increased by 15.0 per cent in 1971, i.e., by slightly less than in the previous year. The growth in bank lending was centred on the latter half of the year. Demand for credits was vigorous throughout the year, mainly because of the need to complete the investment projects which had been started during the boom, but also because of the acceleration in the rise of costs. The share of bill and cheque account credits in the growth of lending was 402 million marks. The increase in bank loans was 2 362 million marks; study loans, the growth of which has been very rapid in the last few years, accounted for 240 million marks of this.

Total outstanding loans amounted to 21 172 million marks at the end of 1971 while outstanding deposits totalled 20 905 million marks.

On the whole, total deposits and total lending grew at about the same rate. However, for the various groups of banking institutions, there were differences in rates of growth of deposits and advances. In commercial banks, the growth of lending exceeded that of deposits considerably, whereas in the savings banks and the Post Office Bank, the increase in deposits exceeded

DEVELOPMENT OF DOMESTIC AND FOREIGN INTEREST LEVEL,
1968—1971



that of lending just as substantially; in the co-operative banks, deposits and lending grew at almost the same rate. The chart on page 16 displays the development of bank lending and deposits as 12-month moving totals.

The interest rates paid on deposits, excluding cheque and postal giro accounts, were increased by 1 percentage point at the beginning of June. The following rates of interest were applied to the various accounts:

	Jan. 1—May 31	June 1—Dec. 31
	%	%
24-month deposits	6	7
12-month deposits	5	6
6-month deposits	4 ½	5 ½
Standard deposits ¹ and service accounts ² ...	4	5
Cheque accounts and postal giro accounts ...	0	0

The rates of interest on loans were raised for new and renewed credits on May 24; for credits granted previously, the rates were raised when the credit

¹ Standard deposits = ordinary deposit and savings accounts.

² The interest on service accounts is calculated on the lowest balance of the month.

terms allowed. The highest annual lending rate was raised from 10 per cent to 11 per cent. The weighted average lending rate at the end of the year was 8.39 per cent in the commercial banks, 9.09 per cent in the savings banks, 9.23 per cent in the co-operative banks, and 8.45 per cent in the Post Office Bank. The ceiling for the average lending rate, which could not be exceeded by banks making use of standing central bank credit arrangements, was removed at the time that the rate of interest on loans was raised.

The chart on page 17 casts light on the developments of domestic and foreign interest rate levels.

Changes in the balance sheets of the commercial banks are summarised in the following table.

	Change on 1970 Million marks	
Cash	+	4.7
Loans to the public		
Bills	+294.6	
Cheque accounts	+25.2	
Loans	+950.9	+1 270.7
Domestic claims in foreign currency, net		— 35.3
Shares and bonds		+ 217.4
Assets		+1 457.5
Deposits by the public		
Term deposits	+862.7	
Cheque accounts	+200.5	+1 063.2
Foreign liabilities, net		— 36.7
Payments in transit, net		+ 66.7
Finnish banks, net		+ 159.9
Bank of Finland		+ 13.4
Capital accounts		+ 107.7
Other items, net		+ 83.3
Liabilities		+1 457.5

In 1971 the growth in commercial bank lending to the public exceeded the growth in deposits by 207 million marks. In the previous year the corresponding figure was 123 million marks. On the assets side, »Loans to the public» increased by 1 271 million marks, while »Shares and bonds» grew by 217 million marks, which was considerably more than the growth in this item in the previous year. Commercial banks' cash holdings grew by 5 million marks after having fallen by 135 million marks in 1970. »Domestic claims in foreign currency, net» declined by 35 million marks after an increase of 185 million in the previous year.

On the liabilities side, there was a 1 063 million mark increase in »Deposits by the public»; in addition, an increase of 160 million marks was recorded in the net liabilities to domestic banks. The latter item declined by 118 million

marks in the previous year. Net foreign liabilities of the commercial banks declined by 37 million marks as against an increase of 350 million marks in 1970. Further, an increase of 67 million marks occurred in »Payments in transit, net», and a 108 million mark increase was recorded in »Capital accounts». The commercial banks' central bank liability in the form of discounts and rediscounts grew by 13 million marks. The average level of debt to the central bank, calculated on the basis of the end-of-month figures, was 240 million marks above the average for 1970.

The stock market

Total turnover on the Helsinki Stock Exchange continued to expand vigorously in 1971 in spite of the marked deterioration in the economic outlook. Turnover amounted to 92.5 million marks, which was 19.7 per cent more than in the previous year. Total turnover has trebled over the last four years, although it is still rather insignificant in comparison with e.g. other Nordic countries. The favourable development of the last few years is explained by such factors as the strong economic upswing, tax reforms and, in 1971, perhaps also the increase in the rate of inflation.

In 1971, shares and subscription rights accounted for 78 per cent and bonds and debentures for 22 per cent of total turnover. The percentage increase in the turnover of bank shares was greater than that in the turnover of industrial shares. The increase in the exchange of shares was 24 per cent and the increase in exchange of bonds 42 per cent. The sale of debentures grew by one fourth whereas the sale of subscription rights declined by almost 40 per cent in 1970. The peaks in turnover occurred in the first quarter and in November—December.

The general share index calculated on the basis of monthly figures rose by 7.1 per cent as against 14.8 per cent in the previous year, and quotations were at their highest in August. The index for bank shares rose by 12.8 per cent. Their quotations remained relatively stable throughout the year, with the exception of the rise in the last two months. The index of industrial shares, which increased by 6.9 per cent, was relatively unstable.

In 1971, 36 new bond loans were issued, of which 29 were denominated in Finnish currency and issued in Finland. The remainder were issued abroad.

The foreign currency bonds comprised a 15 million dollar loan of the city of Helsinki, a 15 million dollar loan of the Mortgage Bank of Finland Oy, a 60 million DM loan issued by the Industrial Mortgage Bank of Finland Ltd and a 60 million DM municipal loan, launched jointly by the Industrial Mortgage Bank of Finland Ltd, the Finnish Real Estate Bank Ltd and the

Land and Industrial Mortgage Bank Ltd. In addition, Imatran Voima Oy issued a 60 million DM loan, and Pekema Oy issued an 8 million Sfr loan and a 15 million dollar loan.

Ten of the domestic issues, with a total nominal value of 574.8 million marks, were launched by the government. Of these, five were meant for public subscription and the remainder for subscription by the banking institutions, insurance companies and pension institutions. Total sales of government bonds amounted to 530.9 million marks in 1971.

The following table shows the domestic bond issues in 1971. Nine of them had a variable rate of interest and twenty a fixed rate, which ranged from 7 ½ per cent to 8 ½ per cent.

Bond issues in 1971

	Total issue	Sold
	Million marks	
Government bonds	574.8	530.9
8 % Bonds	25	19.5
7 ½ % Bonds	150	135.5
Bonds Subscribed by Insurance Companies	44	43.4
Employment Bonds	26	24.9
II 8 % Bonds	20	13.2
II 7 ½ % Bonds	100	84.6
Bonds Subscribed by Labour Pensions Funds	9.8	9.8
III 7 ½ % Bonds	70	70
I Bonds with variable rate of interest subscribed by Banking Institutions	70	70
II Bonds with variable rate of interest subscribed by Banking Institutions	60	60
Bond issues of banking institutions	286	282.7
Land and Industrial Mortgage Bank Ltd	5	3.6
Land and Industrial Mortgage Bank Ltd	20	19.5
Land and Industrial Mortgage Bank Ltd	10	7.5
Land and Industrial Mortgage Bank Ltd	5	1.2
Land and Industrial Mortgage Bank Ltd	20	2.7
Land and Industrial Mortgage Bank Ltd	16	16
Land and Industrial Mortgage Bank Ltd	10	5.2
Finnish Real Estate Bank Ltd	5	2.5
Finnish Real Estate Bank Ltd	6	6
Finnish Real Estate Bank Ltd	19	19
Finnish Real Estate Bank Ltd	10	10
Finnish Real Estate Bank Ltd	10	10
Finnish Real Estate Bank Ltd	15	15
Industrial Mortgage Bank of Finland Ltd	100	79.5
Industrial Mortgage Bank of Finland Ltd	35	35

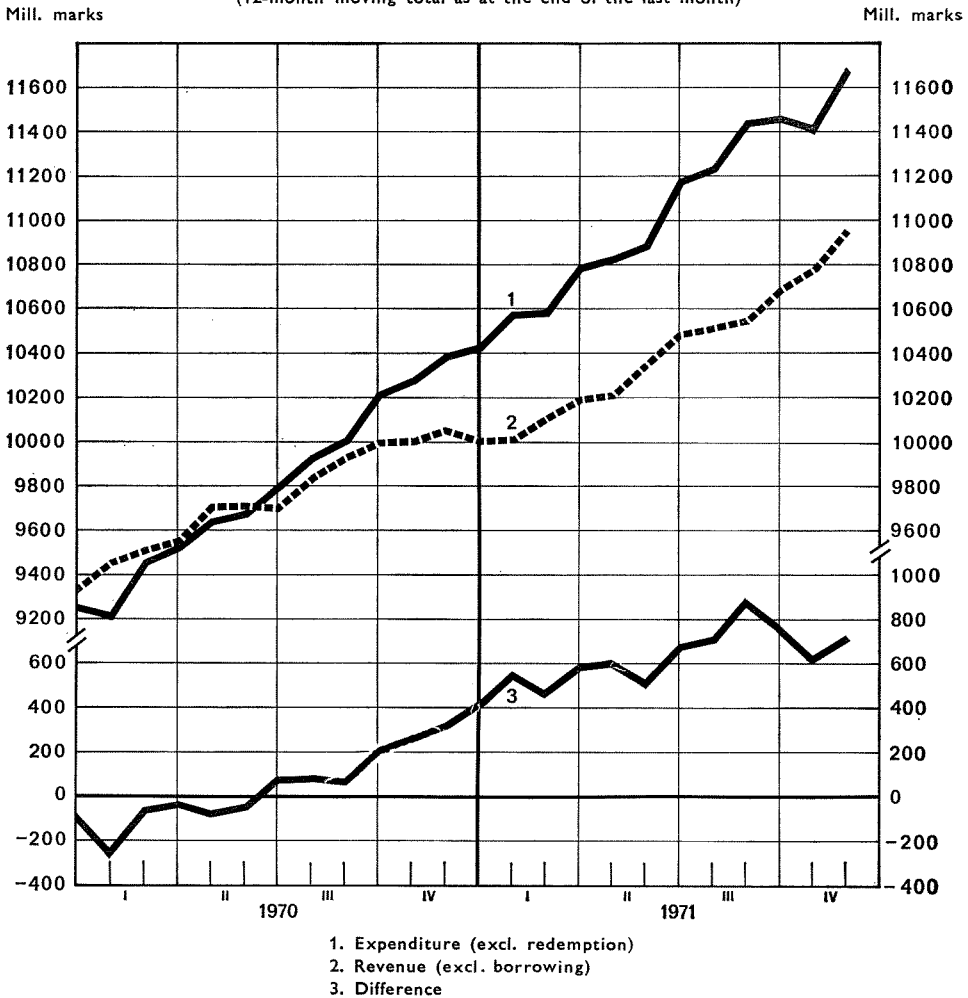
	Total issue	Sold
	Million marks	
Bond issues of industrial companies	42	42
Kemi Oy	10	10
Rauma-Repola Oy	10	10
Upo Osakeyhtiö	12	12
Yhtyneet Paperitehtaat Osakeyhtiö	10	10
	Total 902.8	805.6

State finances

When the 1971 budget was being prepared, there were signs that a turn in the economic upswing of 1968 might come about. Nonetheless, the rather favourable economic situation was expected to continue until mid-1971. The employment situation was forecast to deteriorate only in autumn 1971. According to the forecast of the Ministry of Finance, national product in volume terms was to grow by 5 per cent during the year under review. The restrictive economic policy which had been planned for the first part of the year was to be followed by an expansive policy, in which extensive use of funds earmarked for lending was envisaged.

During the passage of the ordinary budget through Parliament, it was decided to raise excise tax on liquid fuel, railway tariffs and certain other charges. An average rise of 5 per cent in the price of alcoholic beverages was sanctioned. Taxation on lottery winnings was revised. In line with the decisions regarding the development of agricultural income made in connection with the incomes policy agreement of December 1970, it was decided that an excise tax be collected on so-called soft margarines to reduce the price difference between butter and margarine. Corporate income tax was reduced from 47 per cent to 43 per cent at the beginning of 1971 as a result of the removal of the last 4 percentage units of the temporary rise in corporate income tax, imposed in 1968 at the time that corporate property tax was abolished. On the basis of the Kennedy Round, there was a further fall in customs duties at the beginning of the year. The traveller tax, which had been imposed in 1968 and was of minor significance, was abolished at the beginning of the year. Employers' social security contributions were increased by half a percentage unit from the beginning of 1971. The distribution of social security fees between the central government and the National Pensions Institute was changed at the same time. The revenue from child allowance fees fell by one half and that from national pension fees increased. The share of the state in the financing of national pensions declined correspondingly. As a result, total revenue and expenditure were reduced by about 350 million marks.

STATE FINANCES, 1970—1971
(12-month moving total as at the end of the last month)



In order to restrain unemployment in the autumn, appropriations for the maintenance of employment were increased. The amount granted for housing was 580 million marks, i.e., 130 million marks more than in the previous year. In order to intensify regional development policy, previous appropriations were increased and new ones were granted. The expansion of agricultural subsidies was not foreseen as it was considered that problems of excess production had been passed. Social expenditure grew, partly as a result of the increase in child allowances at the beginning of the year.

The total budget approved by Parliament was 11 003 million marks, i.e., 2 per cent more than total expenditure during 1970.

Three proposals for supplementary budgets were made by the Government during 1971. The first, which was passed in April, totalled 291 million marks. A 125 million mark increase in revenue was entered in this supplementary budget as a result of the counter-cyclical tax placed on the wood-processing industry. The decision to collect this tax was made in connection with the comprehensive incomes policy agreement of December 1970, and its yield was to be used for financing rental housing, promotion of vocational training and forest improvement. Another item in this supplementary budget was a 150 million mark transfer to the governmental counter-cyclical fund, which thus totalled 250 million marks.

The second supplementary budget, which was passed in June, amounted to 173 million marks. Of this, 20 million marks was intended to increase the capital of the World Bank and the International Development Association. An amount of 10 million marks had already been granted in the ordinary budget for increasing the capital of the latter. In addition, appropriations were made for the maintenance of Finnish UN troops, for education, agricultural subsidies, support of industry and investment in the highway and railway network.

The third 1971 supplementary budget was passed by Parliament in December. It totalled 708 million marks, and these funds were earmarked for such purposes as education, marketing of agricultural produce, social security, health care and the maintenance of employment. As state revenue developed more favourably than had been expected when the budget was prepared, a total of 976 million marks could be entered as revenue in this budget. The yield from the supplementary turnover tax and the import-equalization tax, which were imposed in June, accounted for 100 million marks of the total revenue. The supplementary turnover tax, which was enforced to restrict the import of consumer durables, was abolished at the end of the year. This tax increased the sales price of such items by 15 per cent and affected 7—8 per cent of total private consumption. The import-equalization tax, which is still in force, was imposed on various final products which carry a hidden turnover tax when they are produced domestically. The tax covers about 60 per cent of total imports, and ranges between 1.2 and 5.0 per cent depending on the commodity.

The table below illustrates the composition of budgeted revenue and expenditure.

Revenue:	Finance	Ordinary and
	accounts for 1970	supplementary budgets, 1971
	Million marks	
Taxes and similar revenue	9 406	10 236
Other revenue	1 099	1 110
Borrowing	751	830
Total	11 256	12 176

Expenditure:	Finance	Ordinary, and
	accounts for 1970	supplementary budgets, 1971
	Million marks	
Consumption expenditure	2 907	3 277
Transfer expenditure	4 988	5 420
Real investment	1 166	1 362
Lending and other financial investment	741	1 097
Other expenditure	300	357
Redemptions	679	662
Total	10 781	12 175

In 1971 the increase in national product was smaller than had been forecast. This was partly attributable to the fiscal policy measures discussed above. However, wage increases and the rise in prices were rapid and led to an expansion of the nominal tax base so that state revenue grew by more than had been expected. The rise in prices and costs did not exert as strong an influence on the expenditure side. Thus revenue (excluding borrowing) increased by 13.1 per cent in January—November 1971 on the same period in 1970, and totalled 10 810 million marks. The growth was especially strong, i.e. 20 per cent, in the proceeds from income and property taxes because the tax rates were kept unchanged. Income from the State Alcohol Monopoly also increased by 20 per cent. The yield from the turnover tax was 15 per cent higher and that from excise duties 12 per cent higher than in the previous year. Expenditure in January—November (excluding redemptions) totalled 9 918 million marks and increased by 10.5 per cent on 1970. The growth of consumption expenditure was 15 per cent, of transfer expenditure 2 per cent and of real investment 7 per cent. The increase in state lending, 18 per cent, exceeded that of these items.

The improvement in state finances was also reflected in the decline in borrowing. In February 1971, the World Bank granted Finland a 13 million dollar highway loan, of which an amount equalling 20 million marks had been drawn before the end of the year. The state did not take any other foreign loans in the year under review. Redemptions of foreign loans in 1971 totalled 140 million marks. The final settlement of the so-called Skr united credits, amounting to 154 million marks, was agreed upon with the Swedish government in June. Interest payments and redemptions had been reduced before, e.g. in 1969, when 81 million marks of the debt was cancelled. In the 1971 agreement, Finland undertook to defray the cost of an icebreaker, 65 million marks, and to grant 7 million marks to the Finnish-Swedish Cultural Fund. The Swedish government cancelled the remainder of the loan. The donation to the Fund was made in 1971, and the icebreaker will be paid for in 1971—1974.

Sales of long-term domestic bonds amounted to 531 million marks, which was 131 million marks less than in 1970. Borrowing from the public was restricted, and bonds sold to the public were launched only in January, May and October. These bonds were sold up to a value of 323 million marks. The sales of insurance company and similar loans totalled 78 million marks, and at the end of the year the Post Office Bank subscribed for two loans with a total value of 130 million marks. Amortizations of domestic loans amounted to 501 million marks.

The cash surplus in state finances, which reflects the net increase in the cash and other liquid reserves of the state as well as the net decline of short-term and similar credits, amounted to 743 million marks in January—November as against 465 million marks one year earlier. These reserves include, e.g., export levy funds, the use of which was 28 million marks in January—November (103 million marks during the whole year) and counter-cyclical tax funds, the accrual of which was 84 million marks in January—November (114 million marks over the whole of 1971).

Total State Debt declined by 233 million marks. The table below illustrates its development in 1971. The united Skr credits are included in foreign debt at the end of 1971.

	Dec. 31, 1970	Dec. 31, 1971
	Million marks	
Loans	1 548	1 510
Promissory notes given to international organizations	9	14
Short-term credit	—	—
Foreign debt	1 557	1 524
Loans	2 437	2 467
Compulsory stock etc.	3	2
Short-term credit	46	61
Cash debt, net	—284	—528
— current account debt and cheque account credits	209	—
— minus cash, postal giro and cheque account holdings	—375	—399
— minus export levy holdings and counter-cyclical reserves	—118	—129
Domestic debt	2 202	2 002
Total debt	3 759	3 526

The cheque account balance of the Treasury at the Bank of Finland was 2 million marks at the end of the year.

III. FOREIGN EXCHANGE POLICY AND THE BALANCE OF PAYMENTS

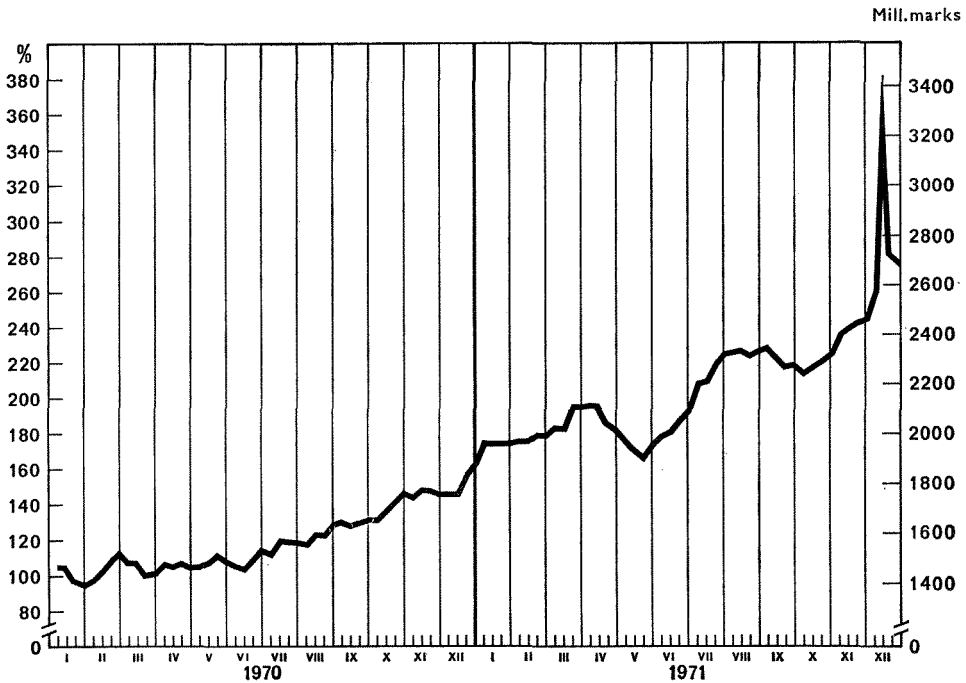
Exchange rates

The international par value of the mark, as provided for in the first clause of Paragraph 2 of the Currency Act of March 30, 1962 and in accordance with the Articles of Agreement of the International Monetary Fund (Treaty Roll No. 45/1969), is 0.211590 grams of fine gold to the mark, which is equal to 146.999 marks to a troy ounce of gold (4.19997 marks to a U.S. dollar). On the basis of the decision of the Board of Executive Directors of the International Monetary Fund [3463—(71/126)] of December 18, the Bank of Finland adopted on December 20, a central rate of 4.10 marks per U.S. dollar. The central rate was to be used temporarily in place of the par value as the basis for determining the daily limits for exchange rate variation. At the same time these limits were changed so that the rate could vary up to $2\frac{1}{4}$ per cent on either side of the central rate for the U.S. dollar. The exchange rate for other currencies could thus vary up to $4\frac{1}{2}$ per cent.

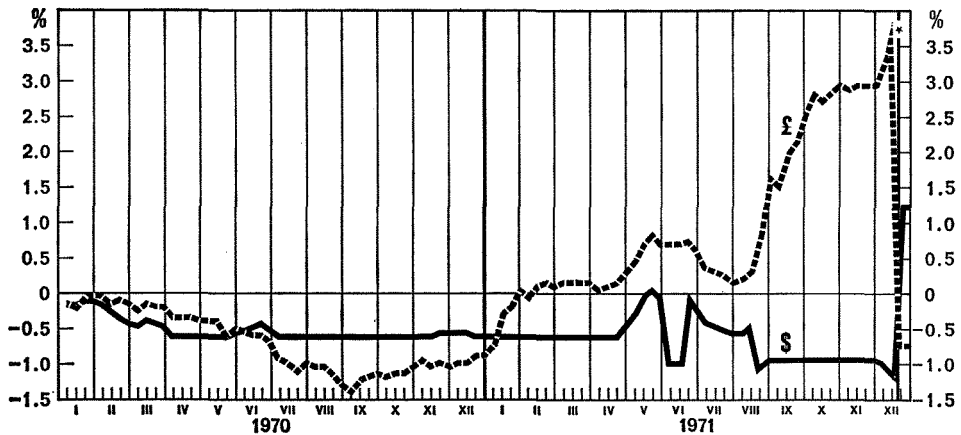
The lack of equilibrium in the international payments system, which has been felt for several years, became even more pronounced after the opening months of the year. By the beginning of May, the disturbances had become so serious that, on May 10, the Federal Republic of Germany and the Netherlands ceased to hold exchange rate quotations for their currencies within the limits set by the International Monetary Fund. During the preceding weekend, the Swiss franc and the Austrian schilling were revalued by 7.07 per cent and 5.05 per cent respectively. The Bank of Finland was compelled to suspend quotation of rates for the EEC countries, Switzerland and Austria on May 5. When quotations were resumed on May 10, the limits of the mark rates for the D-mark and the Dutch gulden were no longer observed.

As the balance of payments deficit of the United States grew at an increasing pace and the gold reserves of the country approached and fell below the critical 10 000 million dollar limit, the U.S. government decided, on August 15, to suspend the convertibility of the dollar into gold. When foreign exchange markets re-opened after a hiatus of a week, almost all of the leading IMF countries ceased to keep the exchange rates of their currencies within the

THE CHANGE IN THE RESERVES OF GOLD AND
CONVERTIBLE CURRENCIES, 1970—1971



DEVIATION OF SELLING RATES FOR DOLLAR AND POUND STERLING
FROM PAR EXCHANGE RATES (CENTRAL RATES), 1970—1971



* The deviation is totally altered for dollar rates and almost totally altered for sterling rates as a result of the adoption of central rates.

Changes in the buying rates in terms of marks

	Official buying rate		Percentage changes	
	May 3, 1971	December 29, 1971	June 1	July 1
New York	4.164	4.134	+0.4	+0.1
London	10.072	10.530	+0.4	+0.20
Stockholm	80.62	84.15	+0.4	+0.2
Oslo	58.33	60.80	+0.7	+0.6
Copenhagen	55.50	58.05	+0.5	+0.2
Frankfurt o. M.	114.65	125.50	+2.7	+4.0
Amsterdam	115.72	125.85	+1.4	+1.0
Zürich ²	96.82	105.10	+5.2	+5.1
Paris ³	75.49	78.95	+0.1	+0.1
Moscow	4.653	4.932	0	0
				Average weighted
Weighted by the share of each currency in total invoicing of exports			0.80	0.81
Weighted by the share of each currency in the total ex- change of goods			0.95	1.03
Weighted by the share of each currency in total imports ..			1.06	1.19
Weighted by the share of each currency in total exports ..			0.83	0.85

established limits. In order to be able to quote rates for these currencies, other member countries had to follow suit. Finland, together with other Nordic countries, followed the example of the Great Britain and ceased to apply the lower limit for the dollar. The quotation for the dollar fell under this limit; however, the drop was less in Finland than in other European countries. The decline in the average international value of the mark towards the end of 1971, which was a result of these events, has been calculated using different weights and is shown in the table above.

Daily exchange rates were quoted on the old basis until August 13. As international foreign exchange markets were closed in August, the only foreign exchange dealings which took place in Finland were those required by exceptional need. The value in marks, which was used in these transactions, was the one quoted on August 13. However, in large transactions, it was agreed to make final settlements according to the rates first determined when foreign exchange markets re-opened.

When quotations were resumed on August 23, an official selling rate was confirmed only for the U.S. dollar, the clearing dollar, and the rouble; other rates were to be calculated as stipulated in paragraph 12 of the Law on Trade in Foreign Exchange. The Bank of Finland and the authorized banks

¹ A positive change indicates a decline in the value of the mark and a negative change an increase with regard to the currency in question.

² The revaluation of the Swiss franc on May 9, 1971, has been taken into account.

³ Commercial rate.

from the beginning of May to the end of 1971

in the buying rates from the beginning of May 1971 ¹

Aug. 2	Sept. 1	Oct. 1	Nov. 1	Dec. 1	Dec. 17	Dec. 29
—0.1	—0.5	—0.5	—0.5	—0.5	— 0.7	—0.7
—0.15	+1.0	+2.2	+2.5	+2.5	+ 3.8	+4.5
0	+1.1	+2.3	+2.3	+3.8	+ 4.8	+4.4
+0.3	+2.9	+3.2	+3.3	+3.5	+ 4.8	+4.2
—0.1	+1.5	+2.3	+2.6	+3.2	+ 4.0	+4.6
+4.9	+6.3	+8.6	+8.1	+9.0	+10.5	+9.5
+1.1	+3.8	+5.9	+6.6	+7.8	+ 8.9	+8.8
+5.1	+6.9	+7.7	+6.6	+7.7	+ 9.6	+8.6
—0.1	—0.5	—0.6	—0.7	—0.5	— 0.5	+4.7
0	0	0	0	0	0	+6.0

change in the rate, per cent

0.76	1.48	2.33	2.32	2.77	3.48	4.27
1.04	2.07	3.16	3.12	3.73	4.65	5.65
1.23	2.27	3.36	3.31	3.95	4.89	5.83
0.81	1.84	2.86	2.89	3.46	4.35	5.51

agreed that these rates should be fixed through co-operation. It was considered necessary to change the method of quotation because the drift in the dollar rate for different currencies varied and put increasing demands on the flexibility of the system. Both a commercial and a financial rate for the French franc were quoted in Finland from August 23. In order to remove the difference between the U.S. dollar and the clearing dollar resulting from the drift of the former, the Bank of Finland ceased, on December 20, to quote a separate rate for the clearing dollar and began to apply the U.S. dollar rate for dealings in clearing dollars. The rate for the rouble rose by 5.99 per cent on December 28, when the Gosbank reduced the rouble rate for the dollar from 90 kopeks to 82.9 kopeks.

In 1958 the foreign exchange regulations of the Bank of Finland were altered so that foreign exchange could be sold on a forward basis. However, foreign exchange dealings of this type did not become very significant owing to the structure of the Finnish foreign exchange market and the relative stability of foreign exchange rates. As disturbances in the functioning of the international foreign exchange system and changes which these brought about became more frequent, uncertainty about the development of exchange rates increased so much that the Bank of Finland regarded it necessary to encourage forward exchange transactions towards the end of the year. Since December 13 the Bank has quoted forward rates for the U.S. dollar, usually for a period of 1, 2, 3, 6, 9 or 12 months. In special cases

		Official selling rates		The limits of selling rates at sight				Maximum margins between selling and buying rates, Dec. 31, 1971, mk
		Dec. 31, 1970	Dec. 31, 1971	Aug. 13, 1971		Dec. 20—Dec. 31, 1971		
				Minimum buying rates	Maximum selling rates	Minimum buying rates	Maximum selling rates	
Variable rates		mk	mk	mk	mk	mk	mk	mk
New York . . .	1 US \$	4.176	4.152	4.158	4.242	4.008	4.192	— .018
Montreal . . .	1 C \$	4.135	4.148	3.808 ¹	3.963 ¹	—	—	— .020
London . . .	1 £	9.995	10.605	9.895	10.265	10.209	11.168	— .050
Stockholm .	100 Skr	80.90	85.40	79.77	82.60	81.47	89.09	— .50
Oslo	100 Nkr	58.55	61.95	57.75	59.83	58.99	64.54	— .50
Copenhagen	100 Dkr	55.78	58.80	55.03	56.98	56.16	61.43	— .50
Frankfurt								
o. M.	100 DM	114.60	127.15	112.69 ²	116.85 ²	121.64	133.07	— .80
Amsterdam	100 Hfl	116.12	127.85	114.00 ²	118.07 ²	126.36	132.16	— .90
Brussels . . .	100 FB	8.405	9.270	8.254	8.548	8.747	9.569	— .10
Zürich	100 Sfr	96.90	106.00	99.95 ³	105.79 ³	102.08	111.68	— .90
Paris	100 FF	75.65	79.70 ⁴	74.31	76.95	76.63	83.83	— .45 ⁴
			79.50 ⁵					— .80 ⁵
Rome	100 Lit	— .6700	— .6995	— .6606	— .6836	— .6741	— .7375	— .007
Vienna	100 ÖS	16.18	17.55	16.63 ³	17.31 ³	16.83	18.40	— .20
Lisbon	100 Esc	14.64	15.35	14.30	14.92	14.39	15.73	— .30
Reykjavik .	100 Ikr	4.76	4.77	4.72	4.82	4.510	4.811	— .05
Madrid	100 Ptas	6.03	6.32	5.90	6.10	6.080	6.650	— .10
Fixed rates								
Moscow,								
clearing .	1 Rub	4.6799	4.960	4.6533	4.6799	4.932 ⁶	4.960 ⁶	— .028
Bucharest								
Clearing								
dollar ⁷ . .	1 cl-\$	4.212	4.152	4.188	4.212	—	—	— .018
Berlin, Buda- pest and Sofia								

transactions up to 2 years can also be arranged. By the end of the year, the scale of forward transactions between the Bank of Finland and the authorized banks reflected the lively interest of the export sector.

As mentioned above, the official relationship between gold and national currencies had been broken on August 15 when the U.S. government decided to suspend convertibility of the dollar into gold. On December 18 the U.S. government promised to propose to Congress that the price of a troy ounce

¹ The limits to the spot selling rate of the Canadian dollar are not in force for the time being because Canada decided on June 1, 1970 not to maintain them.

² Until May 10, 1971.

³ Until May 10, 1971 the lowest buying rate for the Swiss franc was 93.44 and the highest selling rate 98.76. These rates for the Ö.S. schilling were 15.87 and 16.44 respectively.

⁴ Commercial rate.

⁵ Financial rate.

⁶ Since December 28, 1971.

⁷ The quotation of the clearing dollar was discontinued on December 20, 1971 and the U.S. dollar rate was used instead.

of gold be raised from 35 dollars to 38 dollars. This entailed a 8.57 per cent rise in the price of gold and a devaluation of the dollar by 7.89 per cent. Congressional action was, however, postponed until 1972. At the same time several other leading industrial countries found themselves obliged to change the par value of their currencies once the new par value for the dollar was confirmed. The free market price of gold was at its lowest in January when it reached 34.75 dollars per troy ounce, but it rose to 44 dollars by the end of the year.

As a result of the disturbances in foreign exchange markets and the sharp increase in foreign exchange reserves, the value of the foreign exchange transactions concluded in the daily meetings of the authorized foreign exchange dealers and the Bank of Finland was high; over the year it totalled 778 million marks.

The table on page 30 shows the official selling rates quoted by the Bank of Finland at the end of 1970 and 1971 and the limits within which they varied to August 13 and from December 20 to the end of 1971. In addition, it gives the maximum spread between the buying and selling rates as applied at the end of the year.

Foreign payments

Settlements under bilateral payments agreements, which, at the end of 1971, Finland had with Bulgaria, the Democratic Republic of Germany, Hungary, Roumania and the Soviet Union, were made, as before, with the rouble and the clearing dollar. Payments to and from the People's Republic of China were made in marks through a bilateral clearing account. The experiment in the use of the U.S. dollar in trade with Poland and Czechoslovakia was continued.

On the proposal of the Bank of Finland, the Law on the Regulation of Foreign Exchange of December 4, 1959 was extended to the end of 1972 by a law passed on December 30, 1970. Paragraph 2 of this law and paragraph 23 of the Cabinet decision on foreign exchange regulation of December 17, 1959 were revoked at the same date. Their application was deemed incompatible with some international agreements which Finland had signed. In May 1971, changes were made in provisions of the previous year which required that payment be made before certain commodities falling under specific customs tariff headings, primarily consumer goods, could be cleared through customs or placed in a warehouse. After this change, it was no longer necessary to pay for the goods or make a deposit before placing such imports in a public or private bonded warehouse or in a free port. However, the provision on effecting payment before customs clearance remained in force.

The balance of payments, current account and capital movements

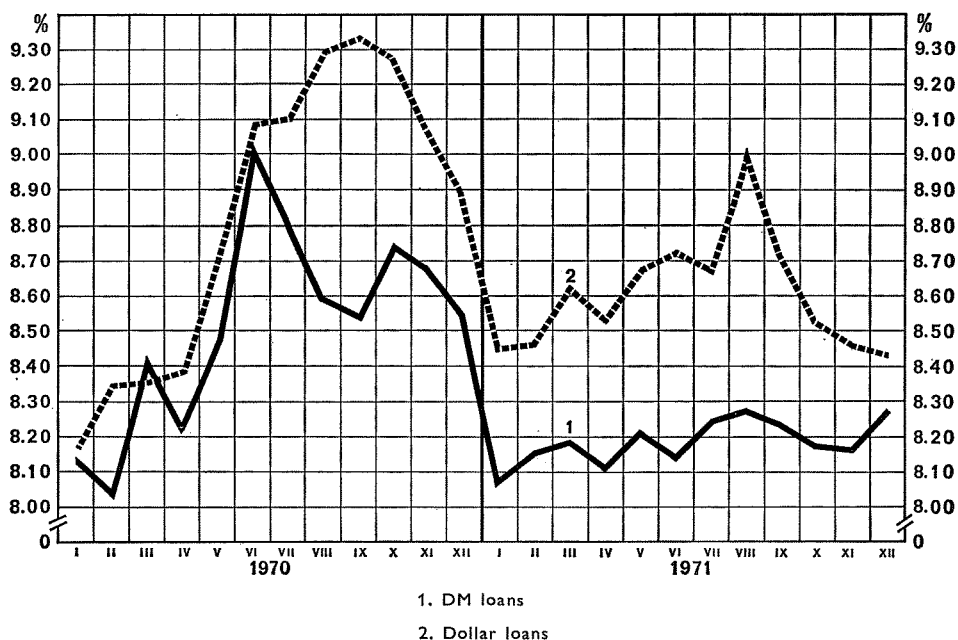
The unfavourable development of the current account continued in 1971. The current deficit increased by more than 40 per cent on the previous year, mainly because of the record trade deficit. The value of exports grew by 2 per cent, while the value of imports increased by 6 per cent on 1970. The volume of both exports and imports declined by a few percentage points. The development of exports was affected above all by the international economic downswing, the timing of deliveries to the Eastern Bloc and the strike in the metal industry. The increase in the value of imports was partly a result of the rise in the price of oil, whereas the decline in their volume could be traced to the slow growth of total production and, to some extent, to the economic policy measures taken. The value of exports was 9 845 million marks in 1971 and that of imports 11 765 million marks; hence a trade deficit of 1 920 million marks was recorded. As the other balance of payments items gave rise to a surplus of 483 million marks, the total deficit on current account was 1 437 million marks.

The stability of foreign exchange rates in 1970, which was brought about by very considerable capital movements, ended in a crisis which undermined the whole foreign exchange system. The flow of dollars from the United States to Europe, which had started in 1970, gained strength in 1971 and, together with unstable foreign exchange rates, created an abundance of speculative capital in Euro-markets. As a result of the easing of the financial situation, the volume of new bond issues in the international Euro-bond market increased to a record level. About two thirds of the new issues were made in U.S. dollars. The great relative share of the dollar loans was a result not only of the higher interest yield but also of the selectivity of the Federal Republic of Germany in allowing foreign borrowers to enter its bond market. In 1971 more than a half of Finland's new long-term foreign loans were denominated in dollars. The easing of foreign capital markets affected the structure of capital imports into Finland from the last quarter of 1970 when the inflow of long-term foreign capital began to grow sharply.

In 1971 drawings of new long-term foreign loans, which amounted to 2 769 million marks, were almost twice as great as in the previous year. Redemptions totalled 882 million marks as against 694 million in 1970. The net inflow of long-term capital thus amounted to 1 887 million marks, which is 1 102 million marks more than in the previous year. These funds went almost entirely to the business sector; central and local government foreign borrowing was insignificant.

The foreign exchange crisis also affected the amount of outstanding foreign debt in terms of marks. When the 289 million mark increase in the book value resulting from changes in foreign exchange rates is taken into

EFFECTIVE YIELD OF FINNISH BONDS ISSUED ABROAD, 1970—1971
calculated according to quotations on foreign stock exchanges



account, total outstanding foreign debt, calculated on the basis of central rates, rose from 5 774 million marks to 7 950 million marks in 1971.

Seven new bond issues totalling 432 million marks were made abroad in 1971. Of these, three were Euro-dollar loans, three DM-loans and one a Sfr-loan. In February the Mortgage Bank of Finland launched a 15 million dollar loan through a consortium headed by Banque Lambert S.C.S. A 60 million DM-loan of Imatran Voima Oy was issued through a consortium headed by Westdeutsche Landesbank Girozentrale in March, and in May the issue of a 60 million DM municipal loan was made through a consortium headed by Berliner Handels-Gesellschaft-Frankfurter Bank. Pekema Oy made two bond issues, one of which was for 8 million Sfr and the other for 15 million dollars. The Sfr issue was arranged by five Swiss banks and the dollar loan by a consortium headed by Hill Samuel & Co. Ltd. The City of Helsinki made a 15 million dollar issue through a consortium headed by S. G. Warburg & Co. in November. In December, a 60 million DM loan of the Industrial Mortgage Bank of Finland Ltd was launched through a consortium headed by Berliner Handels-Gesellschaft-Frankfurter Bank. Generally the period for these bonds is 15 years, but the municipal loan runs for 12 years. Amortizations of outstanding bond loans amounted to 67 million marks.

Finland's long-term foreign debt and assets according to type of loan, million marks

	Dec. 31, 1970	Drawings	Amortiza- tions	Changes in 1971		Changes in foreign exchange rates	Dec. 31, 1971
				Net change			
Credits from foreign governments	567	—	79	—	79	+ 15	503
of which:							
Soviet Union	230	—	41		—41	+ 11	200
Sweden	159	—	9		— 9	+ 8	158
United States	178	—	29		—29	— 4	145
International Mone- etary Institutions	546	54	31	+	23	+ 21	590
Bond loans	1 612	432	67	+	365	+ 130	2 107
Financial credits	2 196	1 716	422	+	1 294	+ 60	3 550
Commodity credits	853	567	283	+	284	+ 63	1 200
Long-term debt	5 774	2 769	882	+	1 887	+ 289	7 950
Long-term assets	1 143	1 505
Net long-term debt	4 631	6 445

The situation in the international capital markets is illustrated by the chart on page 33, which shows the effective yield on Finnish bonds issued abroad by type of loan, calculated on the basis of quotations on foreign stock exchanges. It can be seen from the chart that, taking into account the effect of the foreign exchange crisis, the international interest rate level remained comparatively stable and that the interest rate differential that had appeared between the dollar and DM loans around mid-1971 levelled off toward the end of the year.

However, the major part of the inflow of foreign capital was in the form of so-called direct financial credits as can be seen from the table above. Drawings on these credits totalled 1 716 million marks, which is 881 million marks more than in 1970. The net inflow of these funds was 1 294 million marks, and the net inflow of long-term capital in the form of commodity credits was 284 million marks. Redemptions of credits granted to Finland by the World Bank and foreign governments exceeded drawings by 56 million marks during the year under review. Of total outstanding foreign loans at the end of 1971, 40 per cent was in dollars, 30 per cent in D-marks, 10 per cent in Swiss francs, 6 per cent in pounds sterling, 5 per cent in Swedish crowns and 3 per cent in roubles. The remainder was distributed among various currencies, and the amount repayable in marks was 3 million marks.

The relative burden of service charges, i.e. interest charges and amortizations, on Finland's long-term foreign debt which must be paid in foreign

currency, showed a declining trend in 1969 and 1970. In 1971 this item, calculated as a percentage of balance of payments receipts, increased as a result of weak export performance so that the ratio was about the same as in 1968, i.e. slightly less than 10 per cent. Total service charges on long-term foreign debt amounted to 1 284 million marks in 1971, i.e. 26 per cent more than in 1970.

The long-term foreign assets of Finland consist mainly of export credits granted by Finnish companies to their subsidiaries abroad. Net long-term foreign debt was 6 445 million marks at the end of the year under review, i.e. 1 814 million marks more than one year earlier.

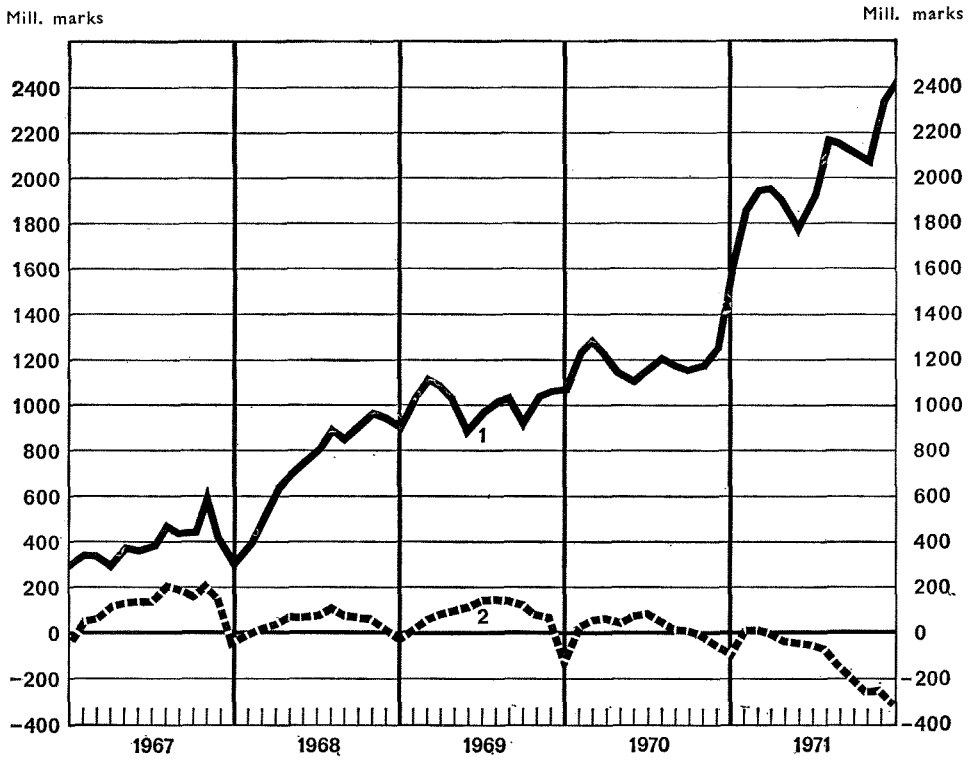
Foreign exchange situation

The net assets of the Bank of Finland and other foreign exchange holders are illustrated in the table below and the chart on page 36.

	Reserves Dec. 31, 1970			Reserves Dec. 31, 1971			Change		
	Bank of Finland	Others	Total	Bank of Finland	Others	Total	Bank of Finland	Others	Total
	Million marks			Million marks			Million marks		
Gold	121	—	121	205	—	205	+ 84	—	+ 84
Special drawing rights	98	—	98	197	—	197	+ 99	—	+ 99
IMF gold tranche	280	—	280	268	—	268	— 12	—	— 12
Convertible currencies	1 302	—103	1 199	1 920	143	2 063	+618	+246	+864
Other currencies .	—63	—8	—71	—297	— 3	—300	—234	+ 5	—229
Total	1 738	—111	1 627	2 293	140	2 433	+555	+251	+806

In spite of the increase in the trade deficit, the foreign exchange reserves of the country rose by 806 million marks to 2 433 million marks, an amount which would pay for the imports of about 11 weeks, as a result of the sharp increase in the inflow of foreign capital. At the end of 1971, slightly less than 9 per cent of the gold and foreign exchange reserves of the Bank of Finland was in gold; SDRs also amounted to slightly less than 9 per cent, the gold tranche in the International Monetary Fund to almost 12 per cent and convertible currencies to almost 84 per cent. Total liabilities in other currencies equalled approximately 13 per cent of the Bank's total gold and foreign exchange reserves.

FOREIGN EXCHANGE SITUATION, 1967—1971



1. Reserves of the Bank of Finland and the authorized banks

2. Of this, tied currencies

IV. BANK OF FINLAND STATEMENTS

Details of the statement of the Bank of Finland are given in the statistical section of the Year Book. The following tables provide information on individual items in the statement and the changes that have occurred in them.

Foreign accounts

Changes in the foreign accounts of the Bank in 1971:

	Dec. 31, 1970	Dec. 31, 1971 Million marks	Change
Gold	121	205	+ 84
Special drawing rights	98	197	+ 99
IMF gold tranche	280	268	— 12
Foreign exchange	1 344	1 950	+606
Foreign bills	85	119	+ 34
Foreign bonds	37	37	+ 0
Currency subscription to Finland's quota in the IMF	518	530	+ 12
Assets	2 483	3 306	+823
Foreign exchange accounts	94	297	+203
Mark accounts of holders abroad	12	30	+ 18
IMF mark accounts	518	530	+ 12
Allocations of special drawing rights	88	174	+ 86
Liabilities	712	1 031	+319
Net foreign assets	1 771	2 275	+504

The gold reserves of the Bank of Finland declined in 1970 because Finland's gold tranche in the International Monetary Fund was paid from the Bank's gold reserves. For this reason, and because the Bank's foreign exchange reserves increased and uncertainty prevailed in the international foreign exchange market, the Bank decided in August 1971 to exchange 20

million U.S. dollars against gold. The transaction with the United States Treasury was made on August 11. As a result, the Bank's gold reserves increased by 84 million marks. Holdings of special drawing rights rose by 86 million marks as a result of the second allocation of SDRs at the beginning of the year; a corresponding entry was made on the liabilities side of the Balance Sheet as well. In addition, the Bank of Finland's holdings of SDRs rose in 1971 because of the sale of Finnmarks to the Fund and interest earnings on the »super gold tranche» and on previously purchased SDRs. Purchases of marks by the Fund can also be seen in the Balance Sheet in the decline of the gold tranche and the 12 million mark increase in the currency subscription to Finland's quota and the IMF mark accounts.

The foreign exchange assets of the Bank increased by 606 million marks and the foreign exchange liabilities by 221 million marks. Thus there was a net increase of 555 million marks in the gold and foreign exchange reserves of the Bank, which totalled 2 293 million marks at the end of the year.

Treasury accounts

The following table casts light on the development of the central government accounts in the Bank:

	Dec. 31, 1970	Dec. 31, 1971 Million marks	Change
Cheque account	2	2	+ 0
Export levy account	118	15	—103
Counter-cyclical tax account	—	114	+ 114
Governmental counter-cyclical fund	—	9	+ 9
Liabilities	120	140	+ 20

The export levy account, which is entered in the Balance Sheet under »Domestic term liabilities», declined by 103 million marks and totalled 15 million marks at the end of the year. Counter-cyclical taxes held by the Bank amounted to 114 million marks. These funds are also included in »Domestic term liabilities».

Most of the governmental counter-cyclical funds had been invested by the Bank of Finland in foreign assets. These investments are not shown in the Bank of Finland's Balance Sheet. At the end of the year there was 9 million marks on the governmental counter-cyclical account, which is also included in »Domestic term liabilities».

The table does not include Treasury bonds held by the Bank and deposit certificates sold to the central government.

Accounts of the banks

The following table illustrates the position of the banking institutions towards the Bank of Finland:

	Dec. 31, 1970	Dec. 31, 1971	Change
	Million marks		
Discounted bills	827	848	+ 21
Rediscounted bills	9	1	— 8
Special index accounts	3	—	— 3
Assets	839	849	+ 10
Cheque account of the Post Office Bank ..	4	2	— 2
Cheque accounts of private banks	1	9	+ 8
Mortgage Bank of Finland Oy	1	1	+ 0
Liabilities	6	12	+ 6
Net indebtedness of banks	833	837	+ 4

The amount of discounted bills increased by 21 million marks in 1971 whereas the amount of rediscounted bills declined from 9 million marks to 1 million marks. In January the banks repaid the 3 million mark outstanding credit which had been granted them by the Bank of Finland to enable them to pay the index compensation due to depositors in connection with the stabilization measures. This credit was included in cheque account credits in the Balance Sheet.

On the liabilities side, the cheque accounts of private banks increased by 8 million marks, whereas the cheque account of the Post Office Bank declined by 2 million marks.

The net liability of the banking institutions to the Bank of Finland increased by 4 million marks and amounted to 837 million marks at the end of 1971. This figure has been calculated excluding bonds issued by various banking and credit institutions and held by the Bank of Finland as well as the Bank of Finland's deposit certificates sold to these institutions.

When considering the position of the banking institutions, account must be taken of the liabilities which have been incurred by the banks as a result of various special credit arrangements and not included in the table. These include the new export credits mentioned above, credits in the form of bills granted by the Bank on the basis of the 1963 suppliers' credit arrangement and export bills in foreign currency. The latter account for the major part of »Foreign bills» in the Balance Sheet. In addition, these liabilities comprise bills arising from the 1967 suppliers' credit arrangement and issued against the guarantee of the banking institutions as well as bonds temporarily purchased from the banks under the repurchase obligation.

Trade and industry accounts

The following table indicates the development of the accounts of the business sector:

	Dec. 31, 1970	Dec. 31, 1971	Change
	Million marks		
Bills in Finnish currency	137	121	—16
Cheque accounts	0	0	+ 0
Loans	146	219	+ 73
Other claims	100	15	—85
Assets	388	355	—28
Cheque accounts	2	3	+ 1
Other liabilities payable on demand	1	5	+ 4
Domestic term liabilities	311	367	+ 56
Liabilities	314	375	+ 61
Net loans to trade and industry	69	—20	—89

The new export credits, which are made available through the commercial banks and included in »Bills in Finnish currency» declined by 29 million marks and totalled 37 million at the end of the year. The major part of »Loans» consisted of advances made on the basis of the 1967 suppliers' credit arrangement, which increased by 77 million marks to 174 million marks.

New investment deposits included in »Domestic term liabilities» grew from 81 million marks to 98 million marks. Old investment deposits amounted to 10 million marks at the end of the year, and the total of all investment deposits was 108 million marks. While 27 million marks of counter-cyclical deposits included in this item accrued in January—February 1971, use of these deposits began in October, and 61 million marks had been drawn by the end of the year; 184 million marks of counter-cyclical deposits remained with the Bank at the same date. In addition, »Domestic term liabilities» comprised 2 million marks of special deposits made by ship-owners for the acquisition of new vessels in a programme similar to the counter-cyclical deposit scheme.

Total net lending by the Bank of Finland to the business sector declined by 89 million marks. Net claims of trade and industry on the Bank of Finland amounted to 20 million marks at the end of 1971.

Other accounts

Changes in the items on the assets side not dealt with above include a fall in holdings of domestic bonds from 64 million marks to 38 million marks. »Finnish coin», entered under »Other assets» in the Balance Sheet, includes all coinage held by the Bank. Coins in circulation, which do not appear in the Balance Sheet, increased from 127 million marks to 150 million. The circulation of coins is shown in Tables 7 and 9.

Notes in circulation, according to the Balance Sheet, amounted to 1 479 million marks at the end of the year. The Balance Sheet item »Other sight liabilities» also includes 10 million marks of notes denominated in the old monetary unit. Total note circulation was thus 1 489 million marks at the end of 1971. Total note circulation increased by 135 million marks or 10 per cent during the year under review.

Primary note cover, which includes gold and other foreign assets of the Bank, grew by 811 million marks and amounted to 2 776 million marks at the end of 1971. Since 1969 the Bank has had the right, according to the Regulations for the Bank of Finland, to issue 500 million marks of notes in excess of primary cover. As primary note cover and liabilities payable on demand grew by 368 million marks altogether, the unused right of note issue grew by 443 million marks and totalled 1 438 million marks at the end of the year under review. Table 6 provides information on this point.

The capital of the Bank of Finland was increased to 600 million marks by parliamentary decision at the end of 1969. The Bank's visible own funds, excluding the profits for the year, were 600 million marks at the beginning of the year under review and 32 million marks more, i.e. 632 million marks, at the end of it. The increase was the result of a transfer of one-half of the 1970 profits to the reserve fund at the beginning of 1971. Apart from these funds the Bank has capital items which are not shown in its Balance Sheet. These include, e.g., equalization reserves and office buildings as well as the note-printing works and other real property and share-holdings which are indispensable for the operations of the Bank, e.g. ownership of the majority of shares in Tervakoski Oy.

The Profit and Loss Account of the Bank of Finland is shown in Table 3. Total earnings increased by 37 million marks. Interest earnings on domestic credit grew by 26 million marks and interest income from foreign exchange claims by 14 million marks. Interest earnings on bonds declined by 5 million marks. Total expenses were 78 million marks, i.e. 16 million marks more than in 1970. Interest expenses on deposits rose by 13 million marks, and there were no interest payments on foreign credits in the year under review.

Wage and salary expenditure grew by 2 million marks. There was also a 2 million mark increase in depreciation. Expenditure on note printing fell by

1 million marks. The profits of the Bank of Finland amounted to 84 million marks. In accordance with the Regulations for the Bank of Finland, one half of the annual profit were 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 its relations 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. In addition, the Bank of Finland is a shareholder in the Bank for International Settlements. Finland is also a member of the Asian Development Bank.

International Monetary Fund (IMF)

The International Monetary Fund was founded on December 27, 1945, and began operations on March 9, 1946. Its purpose is to promote international monetary co-operation in order to facilitate the expansion of international trade and to contribute thereby to member countries' economic development. From its resources, collected in the form of members' subscriptions to quotas, the Fund grants short-term loans through its General Account to those member countries having temporary balance of payments difficulties and provides machinery for consultation and co-operation on international monetary problems as well as expertise on economic questions. In addition, it carries out research and provides training facilities. Apart from the General Account, the Fund has a Special Drawing Account, created on February 28, 1969 when the Articles of Agreement were amended. This account is used for the allocation of special drawing rights to support the external liquidity of the member countries participating in the SDR scheme.

Finland joined the International Monetary Fund on January 14, 1948. Three new members joined the Fund during the course of the year under review, and the number of member countries totalled 120 at the end of the year.

In settlement of its subscription, each member pays 25 per cent of its quota in gold and 75 per cent in its own currency. The Articles of Agreement

of the Fund stipulate that the quotas are to be reviewed at least every five years. The Finnish quota, initially 38 million dollars, was raised to 57 million dollars in September 1959. In the following review of March, 1966, the Finnish quota was increased to 125 million dollars. In February, 1970 the Board of Governors of the Fund approved the increase in quotas proposed by the Executive Directors raising the total quota of all member countries from 21 300 million dollars to 28 900 million dollars. The increase in the Finnish quota, which amounted to 65 million dollars, was paid on December 1, 1970. One fourth of the increase, 16.25 million dollars, was paid in gold from the Bank's reserves; the remainder, equivalent to 48.75 million dollars, was transferred to the Fund's mark account with the Bank. The Finnish quota now amounts to 190 million dollars.

Subscriptions to quotas totalled 28 800 million dollars at the end of 1971. Drawings during the year amounted to 1 900 million dollars. As repayments of previous drawings equalled 2 800 million dollars, the amount held by member countries at the end of the year was 3 700 million dollars.

As a rule, the funds in the General Account of the Fund are used to provide stand-by credits. In 1971 Finland made no use of Fund credit. Nor did the Fund allocate Finnmarks to other member countries, but it did buy 12.6 million marks with 3 million SDRs. As a result, Finland's so-called »super gold tranche» declined. The mark holdings of the Fund totalled 66 per cent of the Finnish quota at the end of 1971.

By the end of 1971, 112 members were participating in the special drawing rights scheme. Notification of Finnish participation was given in September 1969. During the year under review, Finland received 20.3 SDRs, which is equivalent to 86 million marks; in addition, Finland acquired the above mentioned 3 million SDRs and a small amount of interest earnings in the form of SDRs. At the end of the year, there was 47 million SDRs in the country's foreign exchange reserves, which is equivalent to 197.4 million marks; of this, 41.3 million had been received through allocation and 5.7 million had been purchased.

In May and August 1971, major member countries of the IMF ceased to hold their exchange rates within the established bands, and other member countries found themselves compelled to follow suit. To improve the situation, the Board of Governors of the Fund on October 1, 1971 called upon member countries to devise a system which would maintain exchange rate movements within appropriate limits. Once the major countries had reached unanimity on the relative values of their currencies and on the limits to be applied, the Board of Executive Directors came to a decision on December 18 which defined the measures to be taken by member countries. According to this decision, member countries were to establish limits for the rate of exchange of the intervention currency, either on the basis of the par value

of their currency or on the basis of a temporary central rate. In conformity with the majority of OECD countries, Finland and other Nordic countries established temporary central rates for the U.S. dollar in terms of their currencies. On December 20, 1971, the Bank of Finland informed the International Monetary Fund of the temporary central rate for the Finnmark, which is 4.10 marks per U.S. dollar. At the same time it was announced that Finland would apply a 2 ¼ per cent limit on each side of the central rate and that the value of the Finnmark with respect to gold would remain unchanged.

The consultations required by Article XIV of the Articles of Agreement were held from November 17 to 26, 1971, when the delegation of the Fund visited Finland. The subsequent report was discussed by the Executive Directors on March 1, 1972.

The annual meeting of the Board of Governors of the Fund was held in Washington D.C. from September 27 to October 1, 1971. Finland was represented on the Board of Governors by MAUNO KOIVISTO, Governor of the Bank of Finland, with JAAKKO LASSILA, Member of the Board of Management of the Bank of Finland, as alternate. At the annual meeting Finland was represented by KOIVISTO and LASSILA, PÄIVIÖ HETEMÄKI, Member of the Board of Management of the Bank of Finland, JORMA ARANKO, Director of the Bank of Finland, as well as OLAVI MUNKKI, Finland's Ambassador in Washington D.C. and ERIK TÖRNQVIST, Head of the Economic Department of the Ministry of Finance.

ERIK BROFOSS of Norway served as Executive Director, elected by the five Nordic countries, and SIGURGEIR JÓNSSON of Iceland acted as his alternate.

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

The International Bank for Reconstruction and Development or the World Bank was founded on December 27, 1945 at the same time as the International Monetary Fund. Finland became a member in 1948. Her subscription was 133.3 million dollars at the beginning of 1971 and 162.1 million dollars at the end of it. The total capital of the World Bank amounted to more than 24 000 million dollars, and there were 117 member countries at the end of 1971.

One per cent of the Finnish subscription has been paid in gold and dollars and 9 per cent in marks to the account of the World Bank at the Bank of Finland. The payment of the remaining 90 per cent of the Finnish subscription can be required only if the World Bank's own obligations necessitate it. The Finnish subscription was increased by 28.8 million dollars during the

year under review. The payment of the increase, of which one per cent will be made in gold and dollars and 9 per cent in marks, was postponed to 1972.

The member countries of the World Bank make no contribution to the budget of the Bank, which finances its administrative costs from its current income.

The World Bank raises funds for its loans mainly through bond issues on the international capital markets but also by drawing on its own capital. In this way the World Bank, which enjoys a high reputation in the market, may obtain funds from public and private investors which would perhaps not otherwise be available for loans to developing countries.

The table below gives some particulars on the loans granted to Finland by the World Bank as they stood on December 31, 1971.

Loan agreement signed	Nominal value \$	Rate of interest %	Term, years	Repaid by Dec. 31, 1971 \$	Outstanding on Dec. 31, 1971 \$	Undisbursed balance on Dec. 31, 1971 \$
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	20 000 000	—	—
13. 11. 1952	3 479 464	4 $\frac{3}{4}$	18	3 479 464 ²	—	—
24. 3. 1955	12 000 000	4 $\frac{5}{8}$	15	12 000 000	—	—
22. 5. 1956	15 000 000	4 $\frac{3}{4}$	20	9 901 000	5 099 000	—
16. 3. 1959	37 000 000	5 $\frac{3}{4}$	15	25 601 000	11 399 000	—
9. 8. 1961	25 000 000	5 $\frac{3}{4}$	15	12 497 000	12 503 000	—
15. 8. 1962	25 000 000	5 $\frac{3}{4}$	20	6 245 000	18 755 000	—
18. 9. 1963	7 000 000	5 $\frac{1}{2}$	16	3 198 800	3 801 200	—
10. 7. 1964	28 500 000	5 $\frac{1}{2}$	15	7 565 000 ³	20 935 000	—
30. 6. 1965	14 000 000	5 $\frac{1}{2}$	17	5 463 311 ⁴	8 536 689	—
27. 4. 1966	20 000 000	6	15	2 910 000	17 090 000	—
24. 1. 1969	22 000 000	6 $\frac{1}{2}$	17	1 102 116	19 804 430	1 093 454
15. 10. 1970	20 000 000	7 $\frac{1}{4}$	17	—	3 443 061	16 556 939
17. 2. 1971	13 000 000	7 $\frac{1}{4}$	15	—	4 801 544	8 198 456
	276 779 464			124 762 691	126 167 924	25 848 849

During the year under review, Finland obtained a loan of 13 million dollars, her sixteenth loan from the World Bank. It was granted to the Finnish government for the improvement of the highway network of the country. The sixteen loans granted to Finland by the World Bank by the end of 1971 total 277 million dollars. The loans from the World Bank are drawn on as and when the relevant investment requires financing; thus almost 26 million dollars of the loans granted during the last few years were still unused at the end of 1971.

The annual meeting of the Board of Governors of the World Bank was held in Washington D.C. between September 27 and October 1. Finland was

¹ Of this \$ 197 869 cancelled. — ² Of this \$ 1 416 cancelled. — ³ Of this \$ 45 834 cancelled. — ⁴ Of this \$ 7 500 cancelled.

represented by CARL OLOF TALLGREN, M.Pol.Sc., and OSMO KALLIALA, State Counsellor, served as his alternate. PÄIVIÖ HETEMÄKI, Member of the Board of Management of the Bank of Finland, JORMA ARANKO, Director of the Bank of Finland and ERIK TÖRNQVIST, Executive Director of the World Bank as well as OLAVI MUNKKI, Finland's Ambassador in Washington D.C., served as advisers.

ERIK TÖRNQVIST of Finland served as Executive Director elected by the five Nordic countries while CARL ÖHMAN of Sweden served as his alternate.

International Finance Corporation (IFC)

The International Finance Corporation was founded as an affiliate of the World Bank in 1956 with an initial capital of 100 million dollars. The purpose of the Corporation is to invest funds in private enterprises in member countries and in the development credit institutions of developing countries or regions. The IFC may, unlike the World Bank, also invest without guarantee or mortgage security from a member country. The funds may be invested either in the form of loans or of share capital. The rate of interest may, depending on the risk, be higher than that on the World Bank loans. It is usually fixed and close to the lending rate of the banks in the borrowing country.

Finland's subscription to the International Finance Corporation is 421 000 dollars. The subscription was paid in full when Finland joined the Corporation at the time of its founding in 1956.

The number of member countries was 96 at the end of the year under review. The capital of the Corporation amounted to 107 million dollars at the same date. In addition, it has obtained a total of about 200 million dollars from the World Bank for its lending activities.

The International Finance Corporation has granted three loans to Finnish companies, all of which have already been repaid.

The Corporation has invested 502 000 marks in the shares of the Industrialization Fund and 320 000 marks in those of Huhtamäki-yhtymä Oy.

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

International Development Association (IDA)

Finland joined the International Development Association as a founding member at its establishment in 1960. Membership in the Association is open only to countries which are members of the World Bank. At the end of 1970

there were 107 member countries in the Association. Its basic capital is approximately 1 000 million dollars. Member country shares in the basic capital are in proportion to their shares in the World Bank.

Finland's original share was 3.8 million dollars. According to the Articles of Agreement of the Association funds can be raised through financial aid provided by the developed countries as well as through member countries' subscriptions. The funds of the Association have been replenished twice, and Finland's total contribution amounted to 6.3 million dollars. In December 1969 negotiations were inaugurated on a third replenishment of the funds of the IDA. The proposal arising from the negotiations was that member countries' subscriptions be increased by 400 million dollars annually in the three-year period 1971—1973. This item was presented for member countries' approval during the year under review. The revision will take effect only when at least 12 countries representing at least 950 million dollars of the total capital, have sanctioned it. By the end of 1971, the majority of countries which were expected to participate in the replenishment programme had announced their approval. But as the total value of the shares of the member countries which had approved the rise in the capital of the Association did not amount to 950 million dollars, the revision did not come into force. In order to secure the continuance of the operations of the Association, some countries participating in the new replenishment programme, including Finland, made the first payment in 1971, before the scheme became valid. Finland's share in the increase totals 12.2 million dollars and the first payment was thus 4.1 million dollars.

Finland has not obtained financial support from the International Development Association because its principal purpose is to make very long-term loans to developing countries with a shortage of capital. It is the aim of the Association to apply loan terms that are more flexible and less onerous to the balance of payments than those of regular loans. Since its foundation, the IDA has lent about 3 400 million dollars to developing countries.

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

Asian Development Bank (ADB)

The Charter of the Asian Development Bank was signed by the member countries and came into force on August 22, 1966. The Development Bank set up headquarters in Manila and started operations on December 21 of the same year. Altogether thirtyfive countries belong to the Asian Development Bank, of which thirteen, mainly industrialized countries are non-Asian. The

authorized capital of the ADB was initially set at a thousand million dollars, which was raised to 1 100 million dollars in November 1966.

The Asian Development Bank aims at regional co-operation in its programme designed to channel public and private capital into the development schemes for Asia and the Far East. The Development Bank also uses its own funds for financing the development plans of the poor countries in its area. In addition, it endeavours to promote economic research and to provide technical aid to member countries which receive its services.

Finland has taken up 5 million dollars of the share capital of the Asian Development Bank, one half of which, according to the Charter, is paid; the remainder is to be paid on demand. Upon becoming a member, Finland undertook to contribute 500 000 dollars annually for five years, one half in gold or in convertible currencies and the remainder in convertible marks. The last payment was made in 1970. The half of the share capital payable on demand, 2.5 million dollars, forms part of the guarantee fund for the ADB. Drawings can be made only in order to allow the ADB to meet its own obligations.

The fourth annual meeting of the ADB was held in Singapore from 15th to 17th of April. Finland was represented by PENTTI UUSIVIRTA, Head of the Commercial Department of the Ministry for Foreign Affairs, and EERO ASP, M.Pol.Sc.

* * *

The following table shows the amounts of Finland's subscriptions to the five international financial institutions discussed above as well as the financial aid received from these institutions as of December 31, 1970.

	IMF	IBRD	IFC	IDA	ADB ²	Total ²
Subscription	190.0	162.1	0.4	22.5 ¹	5.0	380.0
a) paid						
— in gold and convertible currencies . .	47.5	1.3	0.4	14.3	1.2	64.7
— in marks	142.5	12.0	—	—	1.2	155.7
b) unmatured	—	2.9	—	8.2	—	11.1
c) guarantee amount	—	145.9	—	—	2.5	148.4
Obtained as loans, credits and investment	98.8	276.8	2.9	—	—	378.5
— Drawn	98.8	251.0	2.7	—	—	352.5
— Repaid	98.8	124.8	2.7	—	—	226.3
— Outstanding	—	126.2	—	—	—	126.2
— Undrawn	—	25.8	—	—	—	25.8
— Invested	—	—	0.2	—	—	0.2

¹ Of this, the actual subscription accounts for 3.8 million dollars and the additional payment obligation for 18.7 million dollars. This figure includes the third replenishment of the funds of the IDA.

² The figures have been rounded separately. Therefore the totals do not equal the respective subscriptions.

Bank for International Settlements (BIS)

The Bank for International Settlements, which is situated in Basle, was founded on February 27, 1930 to promote international co-operation and to take care of certain special tasks of an international nature. The Bank of Finland has been a member since the year of foundation and held 10 008 shares, of which 8 000 carry voting rights, at the end of 1971.

The Bank for International Settlements buys and sells gold, foreign exchange and securities either on its own account or on the account of central banks. In addition, it functions as an agent for, e.g., the European Monetary Agreement (EMA), which was founded after the dissolution of the European Payments Union and operates within the framework of the OECD. The duties of the BIS include keeping the accounts of the EMA. The meetings of the Board of Governors of the Bank have become a forum for important discussions on the international payments system.

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, 1964—1971

	31/12 1964	31/12 1965	31/12 1966	30/12 1967	31/12 1968	31/12 1969	
ASSETS							
1	<i>Gold and other foreign assets</i>	1 050	945	637	799	1 477	1 433
2	Gold ¹	190	267	144	189	190	189
3	Special drawing rights	—	—	—	—	—	—
4	IMF gold tranche	—	46	100	—	—	173
5	Foreign exchange	784	548	312	512	1 163	905
6	Foreign bills	30	55	56	73	76	107
7	Foreign bonds	46	29	25	25	48	59
8	<i>Claims on domestic banks</i>	448	640	915	867	725	637
9	Discounted bills	—	—	—	—	—	—
10	Rediscounted bills	448	640	915	867	618	550
11	Cheque accounts	—	—	—	—	107	87
12	<i>Other lending</i>	144	133	261	425	314	318
	Inland bills discounted						
13	In foreign currency	55	46	36	123	25	7
14	In Finnish currency	79	76	180	197	186	192
15	Loans	10	11	45	105	103	119
16	<i>Other assets</i>	76	58	312	546	222	627
17	Finnish bonds	36	37	285	371	136	127
18	Finnish coin	4	6	12	12	12	5
19	Currency subscription to Finland's quota in the IMF	—	—	—	—	—	352
20	Other claims	36	15	15	163	74	143
21	Total	1 718	1 776	2 125	2 637	2 738	3 015
LIABILITIES							
22	<i>Notes in circulation</i>	1 003	1 029	1 106	1 052	1 160	1 298
23	<i>Liabilities payable on demand</i>	187	98	180	140	137	124
24	Foreign exchange accounts	85	31	51	65	57	81
25	Mark accounts of holders abroad	28	25	26	24	18	12
	Cheque accounts						
26	Treasury	5	1	40	4	3	4
27	Post Office Bank	50	8	17	17	4	4
28	Private banks	16	12	14	10	39	10
29	Other	1	1	3	2	2	1
30	Other sight liabilities	2	20	29	18	14	12
31	<i>Term liabilities</i>	55	57	126	553	546	308
32	Foreign	54	45	84	339	21	8
33	Domestic	1	12	42	214	525	300
34	<i>IMF mark accounts</i>	—	—	—	—	—	352
35	<i>Allocations of special drawing rights</i>	—	—	—	—	—	—
36	<i>Equalization accounts</i>	262	165	267	422	400	405
37	<i>Bank's own funds</i>	211	427	446	470	495	528
38	Capital	100	300	300	300	300	300
39	Reserve fund	85	98	112	129	150	173
40	Profits undisposed	—	—	—	—	—	—
41	Earnings less expenses	26	29	34	41	45	55
42	Total	1 718	1 776	2 125	2 637	2 738	3 015

¹ Increased book value from December 31, 1965.

Million marks

³¹ / ₁₂ 1970	³¹ / ₁₂ 1971	1971						
		⁸ / ₁	¹⁵ / ₁	²² / ₁	²⁹ / ₁	⁸ / ₂	¹⁵ / ₂	
1 965	2 776	2 055	2 099	2 102	2 110	2 114	2 110	1
121	205	121	121	121	121	121	121	2
98	197	183	183	183	183	183	183	3
280	268	280	280	280	280	280	280	4
1 344	1 950	1 347	1 392	1 396	1 408	1 414	1 410	5
85	119	87	86	85	81	79	79	6
37	37	37	37	37	37	37	37	7
339	349	694	590	844	736	881	801	8
827	848	678	587	839	731	853	792	9
9	1	11	3	4	2	7	3	10
3	—	5	0	1	3	21	6	11
283	340	283	281	275	271	248	234	12
—	—	—	—	—	—	—	—	13
137	121	134	132	127	123	108	99	14
146	219	149	149	148	148	140	135	15
639	597	752	738	673	769	661	734	16
64	38	124	109	43	138	30	108	17
7	14	9	11	13	14	14	15	18
518	530	518	518	518	518	518	518	19
100	15	101	100	99	99	99	93	20
3 776	4 562	3 784	3 708	3 894	3 886	3 904	3 879	21
1 344	1 479	1 270	1 245	1 237	1 255	1 195	1 202	22
126	358	92	90	107	96	129	97	23
94	297	61	60	60	66	65	69	24
12	30	13	14	11	11	11	11	25
2	2	2	0	11	2	26	3	26
4	2	1	0	11	3	13	2	27
1	9	—	1	—	—	—	—	28
3	3	4	4	3	3	3	1	29
10	15	11	11	11	11	11	11	30
633	905	660	608	788	771	822	822	31
—	—	—	—	—	—	—	—	32
633	905	660	608	788	771	822	822	33
518	530	518	518	518	518	518	518	34
88	174	173	173	173	173	173	173	35
404	400	406	408	404	404	397	396	36
663	716	665	666	667	669	670	671	37
600	600	600	600	600	600	600	600	38
0	32	32	32	32	32	32	32	39
—	—	32	32	32	32	32	32	40
63	84	1	2	3	5	6	7	41
3 776	4 562	3 784	3 708	3 894	3 886	3 904	3 879	42

1. (Cont.) Balance sheet, 1964—1971

		1971					
		2 ³ / ₂	2 ⁶ / ₂	8/ ₃	1 ⁵ / ₃	2 ³ / ₃	3 ¹ / ₃
ASSETS							
1	<i>Gold and other foreign assets</i>	2 150	2 137	2 186	2 187	2 267	2 261
2	Gold	121	121	121	121	121	121
3	Special drawing rights	183	183	183	183	183	183
4	IMF gold tranche	280	280	280	280	280	280
5	Foreign exchange	1 453	1 440	1 483	1 483	1 562	1 553
6	Foreign bills	76	76	82	83	84	87
7	Foreign bonds	37	37	37	37	37	37
8	<i>Claims on domestic banks</i>	918	856	789	788	864	792
9	Discounted bills	905	848	770	778	859	785
10	Rediscounted bills	4	7	5	1	2	1
11	Cheque accounts	9	1	14	9	3	6
12	<i>Other lending</i>	233	232	231	231	233	229
	Inland bills discounted						
13	In foreign currency	—	—	—	—	—	—
14	In Finnish currency	100	101	100	96	98	95
15	Loans	133	131	131	135	135	134
16	<i>Other assets</i>	665	731	682	679	654	656
17	Finnish bonds	38	105	56	78	52	54
18	Finnish coin	15	15	15	15	15	15
19	Currency subscription to Finland's quota in the IMF	518	518	518	518	518	518
20	Other claims	94	93	93	68	69	69
21	Total	3 966	3 956	3 888	3 885	4 018	3 938
LIABILITIES							
22	<i>Notes in circulation</i>	1 207	1 280	1 210	1 206	1 192	1 204
23	<i>Liabilities payable on demand</i>	181	96	100	99	239	133
24	Foreign exchange accounts	68	67	70	70	77	76
25	Mark accounts of holders abroad	10	10	10	11	10	10
	Cheque accounts						
26	Treasury	85	3	4	3	91	14
27	Post Office Bank	4	2	1	1	47	18
28	Private banks	—	—	—	—	—	—
29	Other	3	3	3	1	3	4
30	Other sight liabilities	11	11	12	13	11	11
31	<i>Term liabilities</i>	821	821	820	821	826	832
32	Foreign	—	—	—	—	—	—
33	Domestic	821	821	820	821	826	832
34	<i>IMF mark accounts</i>	518	518	518	518	518	518
35	<i>Allocations of special drawing rights</i>	173	173	173	173	173	173
36	<i>Equalization accounts</i>	394	395	392	391	392	399
37	<i>Bank's own funds</i>	672	673	675	677	678	679
38	Capital	600	600	600	600	600	600
39	Reserve fund	32	32	32	32	32	32
40	Profits undisposed	32	32	32	32	32	32
41	Earnings less expenses	8	9	11	13	14	15
42	Total	3 966	3 956	3 888	3 885	4 018	3 938

Million marks

1971								
$\frac{8}{4}$	$\frac{15}{4}$	$\frac{23}{4}$	$\frac{30}{4}$	$\frac{7}{5}$	$\frac{14}{5}$	$\frac{21}{5}$	$\frac{28}{5}$	
2 252	2 262	2 162	2 131	2 046	1 978	1 953	2 012	1
121	121	121	121	121	121	121	121	2
183	183	183	192	192	192	193	193	3
280	280	280	272	272	272	272	272	4
1 545	1 552	1 455	1 425	1 345	1 274	1 246	1 302	5
86	89	86	85	80	83	85	88	6
37	37	37	36	36	36	36	36	7
839	821	876	864	873	815	897	898	8
831	807	870	856	870	810	892	893	9
2	2	3	1	2	1	1	1	10
6	12	3	7	1	4	4	4	11
232	233	234	228	230	231	229	298	12
—	—	—	—	—	—	—	—	13
98	100	100	93	95	96	95	164	14
134	133	134	135	135	135	134	134	15
638	631	619	703	672	704	682	726	16
38	34	67	144	110	143	121	165	17
13	12	13	13	13	14	13	14	18
518	518	518	526	526	526	526	526	19
69	67	21	20	23	21	22	21	20
3 961	3 947	3 891	3 926	3 821	3 728	3 761	3 934	21
1 237	1 217	1 233	1 259	1 260	1 270	1 301	1 360	22
114	118	108	102	75	80	78	72	23
75	77	76	76	47	50	45	45	24
10	10	10	11	11	14	15	11	25
9	7	4	2	1	1	1	1	26
4	7	2	0	1	0	1	0	27
—	—	—	—	—	—	—	—	28
5	5	4	2	3	3	4	3	29
11	12	12	11	12	12	12	12	30
834	834	764	764	678	579	579	690	31
—	—	—	—	—	—	—	—	32
834	834	764	764	678	579	579	690	33
518	518	518	526	526	526	526	526	34
173	173	173	173	173	173	173	173	35
405	406	413	418	424	414	417	424	36
680	681	682	684	685	686	687	689	37
600	600	600	600	600	600	600	600	38
32	32	32	32	32	32	32	32	39
32	32	32	32	32	32	32	32	40
16	17	18	20	21	22	23	25	41
3 961	3 947	3 891	3 926	3 821	3 728	3 761	3 934	42

1. (Cont.) Balance sheet, 1964—1971

		1971					
		8/6	15/6	23/6	30/6	8/7	15/7
ASSETS							
1	Gold and other foreign assets	2 037	2 052	2 098	2 138	2 251	2 274
2	Gold	121	121	121	121	121	121
3	Special drawing rights	193	193	193	193	193	193
4	IMF gold tranche	272	272	272	272	272	272
5	Foreign exchange	1 330	1 342	1 385	1 425	1 537	1 559
6	Foreign bills	85	88	91	91	92	93
7	Foreign bonds	36	36	36	36	36	36
8	Claims on domestic banks	847	791	842	894	840	794
9	Discounted bills	835	783	841	877	833	789
10	Rediscounted bills	1	1	1	1	1	1
11	Cheque accounts	11	7	—	16	6	4
12	Other lending	318	318	355	347	363	367
	Inland bills discounted						
13	In foreign currency	—	—	—	—	—	—
14	In Finnish currency	179	179	217	209	207	209
15	Loans	139	139	138	138	156	158
16	Other assets	651	743	772	762	722	732
17	Finnish bonds	89	172	201	191	151	162
18	Finnish coin	15	18	18	19	19	18
19	Currency subscription to Finland's quota in the IMF	526	526	526	526	526	526
20	Other claims	21	27	27	26	26	26
21	Total	3 853	3 904	4 067	4 141	4 176	4 167
LIABILITIES							
22	Notes in circulation	1 265	1 285	1 344	1 355	1 332	1 324
23	Liabilities payable on demand	77	83	87	141	89	92
24	Foreign exchange accounts	51	58	61	50	58	64
25	Mark accounts of holders abroad	10	9	9	9	10	10
	Cheque accounts						
26	Treasury	0	1	1	23	3	2
27	Post Office Bank	0	1	0	44	3	1
28	Private banks	—	—	1	—	—	—
29	Other	4	3	4	4	4	4
30	Other sight liabilities	12	11	11	11	11	11
31	Term liabilities	690	750	851	852	962	957
32	Foreign	—	—	—	—	—	—
33	Domestic	690	750	851	852	962	957
34	IMF mark accounts	526	526	526	526	526	526
35	Allocations of special drawing rights	173	173	173	173	173	173
36	Equalization accounts	432	428	425	432	431	431
37	Bank's own funds	690	659	661	662	663	664
38	Capital	600	600	600	600	600	600
39	Reserve fund	32	32	32	32	32	32
40	Profits undisposed	32	—	—	—	—	—
41	Earnings less expenses	26	27	29	30	31	32
42	Total	3 853	3 904	4 067	4 141	4 176	4 167

Million marks

1971								
$\frac{23}{7}$	$\frac{30}{7}$	$\frac{6}{8}$	$\frac{13}{8}$	$\frac{23}{8}$	$\frac{31}{8}$	$\frac{8}{9}$	$\frac{15}{9}$	
2 338	2 374	2 372	2 363	2 337	2 372	2 381	2 334	1
121	121	121	205	205	205	205	205	2
193	197	197	197	197	197	197	197	3
272	268	268	268	268	268	268	268	4
1 624	1 660	1 660	1 567	1 551	1 580	1 587	1 535	5
92	92	90	90	80	86	88	89	6
36	36	36	36	36	36	36	40	7
875	829	840	823	848	800	775	792	8
866	821	837	820	848	785	759	783	9
1	1	1	—	0	0	0	—	10
8	7	2	3	—	15	16	9	11
381	380	382	379	377	379	407	421	12
—	—	—	—	—	—	—	—	13
222	221	222	219	215	214	214	228	14
159	159	160	160	162	165	193	193	15
728	716	722	725	722	714	729	752	16
159	145	152	154	158	149	163	188	17
17	14	14	15	15	15	16	17	18
526	530	530	530	530	530	530	530	19
26	27	26	26	19	20	20	17	20
4 322	4 299	4 316	4 290	4 284	4 265	4 292	4 299	21
1 330	1 341	1 319	1 314	1 311	1 307	1 273	1 285	22
236	201	249	204	196	182	191	207	23
83	65	104	121	102	133	153	179	24
15	16	11	9	9	9	9	10	25
12	43	24	15	20	14	5	1	26
111	62	94	44	47	11	10	2	27
—	—	—	—	3	—	—	—	28
4	4	4	4	4	4	3	4	29
11	11	12	11	11	11	11	11	30
956	955	956	995	996	995	1 045	1 044	31
—	—	—	—	—	—	—	—	32
956	955	956	995	996	995	1 045	1 044	33
526	530	530	530	530	530	530	530	34
173	173	173	173	173	173	173	173	35
435	432	421	404	407	406	408	387	36
666	667	668	670	671	672	672	673	37
600	600	600	600	600	600	600	600	38
32	32	32	32	32	32	32	32	39
—	—	—	—	—	—	—	—	40
34	35	36	38	39	40	40	41	41
4 322	4 299	4 316	4 290	4 284	4 265	4 292	4 299	42

1. (Cont.) Balance sheet, 1964—1971

		1971					
		23/9	30/9	8/10	15/10	22/10	29/10
ASSETS							
1	<i>Gold and other foreign assets</i>	2 317	2 311	2 280	2 319	2 335	2 361
2	Gold	205	205	205	205	205	205
3	Special drawing rights	197	197	197	197	197	197
4	IMF gold tranche	268	268	268	268	268	268
5	Foreign exchange	1 518	1 510	1 478	1 508	1 524	1 557
6	Foreign bills	89	91	92	101	101	94
7	Foreign bonds	40	40	40	40	40	40
8	<i>Claims on domestic banks</i>	851	882	1 076	1 051	1 155	1 103
9	Discounted bills	845	866	1 074	1 047	1 147	1 097
10	Rediscounted bills	1	1	1	1	1	1
11	Cheque accounts	5	15	1	3	7	5
12	<i>Other lending</i>	417	372	386	378	380	380
	Inland bills discounted						
13	In foreign currency	—	—	—	—	—	—
14	In Finnish currency	224	180	193	186	187	188
15	Loans	193	192	193	192	193	192
16	<i>Other assets</i>	725	743	726	722	723	715
17	Finnish bonds	161	178	160	158	160	152
18	Finnish coin	18	19	19	19	19	18
19	Currency subscription to Finland's quota in the IMF	530	530	530	530	530	530
20	Other claims	16	16	17	15	14	15
21	Total	4 310	4 308	4 468	4 470	4 593	4 559
LIABILITIES							
22	<i>Notes in circulation</i>	1 294	1 322	1 320	1 331	1 346	1 373
23	<i>Liabilities payable on demand</i>	203	208	323	319	425	363
24	Foreign exchange accounts	166	183	204	231	238	236
25	Mark accounts of holders abroad	8	9	10	11	10	10
	Cheque accounts						
26	Treasury	6	0	20	13	26	22
27	Post Office Bank	8	0	72	48	134	79
28	Private banks	—	—	—	—	—	—
29	Other	4	4	3	2	3	2
30	Other sight liabilities	11	12	14	14	14	14
31	<i>Term liabilities</i>	1 044	998	1 039	1 033	1 032	1 026
32	Foreign	—	—	—	—	—	—
33	Domestic	1 044	998	1 039	1 033	1 032	1 026
34	<i>IMF mark accounts</i>	530	530	530	530	530	530
35	<i>Allocations of special drawing rights</i>	173	173	173	173	173	173
36	<i>Equalization accounts</i>	391	399	402	401	401	404
37	<i>Bank's own funds</i>	675	678	681	683	686	690
38	Capital	600	600	600	600	600	600
39	Reserve fund	32	32	32	32	32	32
40	Profits undisposed	—	—	—	—	—	—
41	Earnings less expenses	43	46	49	51	54	58
42	Total	4 310	4 308	4 468	4 470	4 593	4 559

Million marks

1971								
$\frac{8}{11}$	$\frac{15}{11}$	$\frac{23}{11}$	$\frac{30}{11}$	$\frac{8}{12}$	$\frac{15}{12}$	$\frac{23}{12}$	$\frac{31}{12}$	
2 437	2 466	2 484	2 502	2 628	2 659	2 781	2 776	1
205	205	205	205	205	205	205	205	2
197	197	197	197	197	197	197	197	3
268	268	268	268	268	268	268	268	4
1 634	1 663	1 680	1 694	1 814	1 842	1 970	1 950	5
94	94	95	99	108	111	105	119	6
39	39	39	39	36	36	36	37	7
1 105	1 114	1 138	1 129	1 011	1 054	921	849	8
1 087	1 091	1 134	1 109	987	1 039	898	848	9
1	1	1	1	1	1	1	1	10
17	22	3	19	23	14	22	—	11
352	352	348	344	354	365	342	340	12
—	—	—	—	—	—	—	—	13
162	161	155	152	159	169	131	121	14
190	191	193	192	195	196	211	219	15
717	728	724	714	725	721	778	597	16
155	166	162	153	165	163	222	38	17
18	18	18	17	16	14	12	14	18
530	530	530	530	530	530	530	530	19
14	14	14	14	14	14	14	15	20
4 611	4 660	4 694	4 689	4 718	4 799	4 822	4 562	21
1 328	1 333	1 326	1 396	1 471	1 555	1 610	1 479	22
459	502	543	477	479	474	401	358	23
226	246	236	233	256	270	352	297	24
27	27	29	28	31	31	30	30	25
25	35	31	39	34	34	0	2	26
166	179	232	162	143	125	1	2	27
—	—	—	—	—	—	—	9	28
4	3	3	3	3	2	2	3	29
11	12	12	12	12	12	16	15	30
1 023	1 020	1 014	1 004	997	989	1 019	905	31
—	—	—	—	—	—	—	—	32
1 023	1 020	1 014	1 004	997	989	1 019	905	33
530	530	530	530	530	530	530	530	34
173	173	173	173	173	173	173	174	35
405	406	409	407	363	369	377	400	36
693	696	699	702	705	709	712	716	37
600	600	600	600	600	600	600	600	38
32	32	32	32	32	32	32	32	39
—	—	—	—	—	—	—	—	40
61	64	67	70	73	77	80	84	41
4 611	4 660	4 694	4 689	4 718	4 799	4 822	4 562	42

2. Foreign exchange reserves, at end of year or quarter, 1968—1971

Million marks

Currencies	1968	1969	1970				1971			
			I	II	III	IV	I	II	III	IV
Gold	190	189	189	189	189	121	121	121	205	205
Special drawing rights	—	—	92	93	98	98	183	193	197	197
IMF gold tranche ..	—	173	173	173	189	280	280	272	268	268
Convertible	1 113	893	883	950	1 108	1 302	1 449	1 400	1 496	1 919
Bilateral	- 13	- 80	78	96	33	- 63	19	- 33	-178	-296
Total	1 290	1 175	1 415	1 501	1 617	1 738	2 052	1 953	1 988	2 293

3. Profit and loss account, 1966—1971

Million marks

	1966	1967	1968	1969	1970	1971
EARNINGS						
Interest on internal loans	38.5	55.5	52.2	43.0	56.2	81.9
Interest on foreign exchange claims	4.2	6.0	15.7	26.0	40.1	53.7
Interest on bonds	5.0	7.7	13.5	10.5	20.7	16.2
Commission	1.7	1.9	2.8	3.4	3.5	3.7
Agio	1.7	2.5	1.1	2.3	1.3	2.3
Other earnings	2.1	2.1	2.4	2.7	3.8	4.5
Total earnings	53.2	75.7	87.7	87.9	125.6	162.3
EXPENSES						
Interest on deposits	1.8	9.1	12.7	9.0	27.8	40.5
Salaries	7.3	8.4	9.7	10.5	11.5	13.1
Pensions, family pensions and allowances	0.9	1.2	1.4	1.6	1.9	2.2
Social security contributions.....	0.4	0.6	0.7	0.7	0.8	1.0
Interest on foreign credits	—	4.4	5.4	0.5	0.1	—
Printing of bank notes	2.9	2.3	3.7	3.4	6.0	5.4
Other expenses	2.0	2.3	2.7	2.7	3.2	3.7
Amounts written off and depreciation ...	4.0	6.5	6.0	4.2	10.9	12.6
Total expenses	19.3	34.8	42.3	32.6	62.2	78.5
Net profit	33.9	40.9	45.4	55.3	63.4	83.8
Grand total	53.2	75.7	87.7	87.9	125.6	162.3

4. Interest rates applied by the Bank of Finland, 1958—1971

Per cent

From	Official discount rate of the Bank of Finland ¹	Range of discount rate set by Bank Supervisors	
		Minimum	Maximum
1. X 1958	7 1/4	6 1/2	8
1. III 1959	»	6	7 1/2
1. IV 1959	6 3/4	»	»
30. III 1962	8	7	8 1/2
28. IV 1962	7 ²	6	7 1/2
12. XII 1969	»	»	9
1. VI 1971	8 1/2	»	»

¹ In addition to the basic rate, the Bank of Finland has charged a penalty rate when the debt of a credit institution has exceeded certain limits. This was not followed in 1970.

² In certain cases a lower rate of interest, 6 per cent, was applied from November 1, 1965 to October 31, 1966.

5. Internal clearing operations: number and value of bank-postbills, cheques and transfers of account, 1968—1971

Number in thousands

Value in million marks

Month and year	Head office		Branch offices		Total	
	Number	Amount	Number	Amount	Number	Amount
1971						
I	1 167	4 111	549	1 066	1 716	5 177
II	1 214	3 851	578	1 016	1 792	4 867
III	1 419	4 203	673	1 125	2 092	5 328
IV	1 386	3 999	626	1 042	2 012	5 041
V	1 278	4 121	599	1 091	1 877	5 212
VI	1 451	4 652	666	1 228	2 117	5 880
VII	1 363	4 417	603	1 114	1 966	5 531
VIII	1 332	4 009	613	1 091	1 945	5 100
IX	1 439	4 399	646	1 163	2 085	5 562
X	1 366	4 416	646	1 189	2 012	5 605
XI	1 504	4 588	712	1 249	2 216	5 837
XII	1 506	5 578	704	1 372	2 210	6 950
Total	16 425	52 344	7 615	13 746	24 040	66 090
1970	14 450	45 610	6 663	12 625	21 117	58 325
1969	12 531	36 598	5 247	11 078	17 778	47 676
1968	10 256	32 905	4 170	9 156	14 426	42 061

6. Note issue, 1962—1971

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								
1962	705	500	1 205	774	113	4	891	314
1963	818	451	1 269	944	59	6	1 009	260
1964	1 050	500	1 550	1 003	187	5	1 195	355
1965	945	500	1 445	1 029	98	5	1 132	313
1966	637	700	1 337	1 106	180	5	1 291	46
1967	799	700	1 499	1 052	140	3	1 195	304
1968	1 477	700	2 177	1 160	137	5	1 302	875
1969	1 433	500	1 933	1 298	124	0	1 422	511
1970	1 965	500	2 465	1 344	126	0	1 470	995
1971	2 776	500	3 276	1 479	358	1	1 838	1 438
1971								
8. I	2 055	500	2 555	1 270	91	1	1 362	1 193
15.	2 099	500	2 599	1 245	90	0	1 335	1 264
22.	2 102	500	2 602	1 237	107	1	1 345	1 257
29.	2 110	500	2 610	1 255	96	1	1 352	1 258
8. II	2 114	500	2 614	1 195	129	1	1 325	1 289
15.	2 110	500	2 610	1 202	97	1	1 300	1 310
23.	2 150	500	2 650	1 207	181	0	1 388	1 262
26.	2 137	500	2 637	1 280	96	1	1 377	1 260
8. III	2 186	500	2 686	1 210	100	1	1 311	1 375
15.	2 187	500	2 687	1 206	99	1	1 306	1 381
23.	2 267	500	2 767	1 192	239	1	1 432	1 335
31.	2 261	500	2 761	1 204	133	1	1 338	1 423
8. IV	2 252	422	2 674	1 237	114	1	1 352	1 322
15.	2 262	429	2 691	1 217	118	1	1 336	1 355
23.	2 162	430	2 592	1 233	108	0	1 341	1 251
30.	2 131	428	2 559	1 259	102	1	1 362	1 197
7. V	2 046	500	2 546	1 260	75	1	1 336	1 210
14.	1 978	500	2 478	1 270	80	0	1 350	1 128
21.	1 953	500	2 453	1 301	78	1	1 380	1 073
28.	2 012	500	2 512	1 360	72	1	1 433	1 079
8. VI	2 037	500	2 537	1 265	77	0	1 342	1 195
15.	2 052	500	2 552	1 285	83	0	1 368	1 184
23.	2 098	500	2 598	1 344	87	0	1 431	1 167
30.	2 138	500	2 638	1 355	141	1	1 497	1 141

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	
1971								
8. VII	2 251	500	2 751	1 332	89	1	1 422	1 329
15.	2 274	500	2 774	1 324	92	0	1 416	1 358
23.	2 338	500	2 838	1 330	236	1	1 567	1 271
30.	2 374	500	2 874	1 341	201	0	1 542	1 332
6. VIII	2 372	500	2 872	1 319	249	1	1 569	1 303
13.	2 363	500	2 863	1 314	204	1	1 519	1 344
23.	2 337	500	2 837	1 311	196	0	1 507	1 330
31.	2 372	500	2 872	1 307	182	1	1 490	1 382
8. IX	2 381	500	2 881	1 273	191	1	1 465	1 416
15.	2 334	500	2 834	1 285	207	1	1 493	1 341
23.	2 317	500	2 817	1 294	203	1	1 498	1 319
30.	2 311	500	2 811	1 322	208	1	1 531	1 280
8. X	2 280	500	2 780	1 320	323	1	1 644	1 136
15.	2 319	500	2 819	1 331	319	0	1 650	1 169
22.	2 335	500	2 835	1 346	425	0	1 771	1 064
29.	2 361	500	2 861	1 373	363	2	1 738	1 123
8. XI	2 437	500	2 937	1 328	459	1	1 788	1 149
15.	2 466	500	2 966	1 333	502	0	1 835	1 131
23.	2 484	500	2 984	1 326	543	1	1 870	1 114
30.	2 502	500	3 002	1 396	477	2	1 875	1 127
8. XII	2 628	500	3 128	1 471	479	1	1 951	1 177
15.	2 659	500	3 159	1 555	474	1	2 030	1 129
23.	2 781	500	3 281	1 610	401	1	2 012	1 269
31.	2 776	500	3 276	1 479	358	1	1 838	1 438
Average	2 270	494	2 764	1 306	208	1	1 515	1 249
Fluctuation	828	78	828	418	471	2	730	374

¹ The upper limit of the supplementary note cover was 500 million marks from the beginning of 1960 to November 23, 1966 and thereafter 700 million marks to the end of 1968. Since the beginning of 1969 the 500 million mark limit has again been in force.

7. Notes and coins in circulation, end-of-year figures, 1966—1971

Million marks

Denomination	1966	1967	1968	1969	1970	1971
Notes						
New						
100 mk	656.7	613.3	708.1	814.2	857.3	970.7
50 »	248.5	237.5	246.7	267.7	266.4	277.6
10 »	162.0	164.0	166.8	175.8	178.5	187.6
5 »	33.4	34.5	35.6	38.3	39.1	40.3
1 »	5.6	2.8	2.4	2.4	2.5	2.9
Total	1 106.2	1 052.1	1 159.6	1 298.4	1 343.8	1 479.1
Old						
10 000 omk	9.1	1.9	1.6	1.5	1.5	1.4
5 000 »	2.5	2.2	2.1	2.0	2.0	2.0
1 000 »	2.5	2.4	2.3	2.3	2.2	2.2
500 »	0.9	0.8	0.8	0.8	0.8	0.8
100 »	2.0	2.0	2.0	2.0	1.9	2.0
50, 20, 10, 5 »	1.2	1.2	1.2	1.2	1.2	1.2
Total	18.2	10.5	10.0	9.8	9.6	9.6
Grand total	1 124.4	1 062.6	1 169.6	1 308.2	1 353.4	1 488.7
Coins						
New						
10 mk	—	9.8	9.9	10.0	15.8	24.8
1 mk	34.0	39.3	42.0	47.4	53.1	60.5
50 p	8.8	9.5	10.8	12.4	13.7	15.9
20 »	9.5	9.8	9.7	10.2	11.1	12.3
10 »	4.6	4.9	5.4	6.0	6.5	7.2
5 »	3.8	4.1	4.5	5.0	5.7	6.5
1 »	2.8	3.5	4.2	5.1	5.7	6.6
Total	63.5	80.9	86.5	96.1	111.6	133.8
Old						
1 000 omk	1.7	1.7	1.8	1.8	1.8	1.8
500 »	2.9	2.9	2.9	2.9	2.9	2.9
200 »	1.5	1.5	1.5	1.5	1.5	1.5
100 »	0.8	0.8	0.8	0.8	0.8	0.8
50 »	1.3	1.3	1.2	1.2	1.2	1.2
20 »	1.6	1.5	1.5	1.5	1.5	1.5
10 »	1.4	1.4	1.4	1.4	1.4	1.4
5 »	1.8	1.8	1.7	1.7	1.7	1.7
1 »	2.6	2.5	2.5	2.5	2.5	2.5
50, 25, 10, 5, 1 op	0.5	0.5	0.5	0.5	0.5	0.5
Total	16.1	15.9	15.8	15.8	15.8	15.8
Grand total	79.6	96.8	102.3	111.9	127.4	149.6

8. Printing and destruction of notes, 1969—1971 Million marks

Denomination	Notes printed			Notes cancelled			
	1969	1970	1971	1969	1970	1971	
Notes							
New	100 mk	680.0	430.0	660.0	400.0	530.0	575.0
	50 »	244.5	295.5	235.0	252.5	290.0	262.5
	10 »	191.4	362.8	327.6	293.0	277.0	287.5
	5 »	68.9	121.0	167.4	82.5	94.0	98.2
	1 »	—	0.2	—	1.8	1.4	1.0
	Total	1 184.8	1 209.5	1 390.0	1 029.8	1 192.4	1 224.2
	In millions	44.6	70.9	77.6	56.7	59.0	60.5
Old	Total	—	—	—	0.2	0.2	0.0
	In millions	—	—	—	0.0	0.0	0.0
	Grand total	1 184.8	1 209.5	1 390.0	1 030.0	1 192.6	1 224.2
	In millions	44.6	70.9	77.6	56.7	59.0	60.5

9. Notes and coins, 1971 Million marks

Denomination	Total issue 31. XII 1970	Issued in 1971	Destroyed in 1971	Total issue 31. XII 1971	Held by the Bank of Finland 31. XII 1971	In circulation 31. XII 1971	
Notes							
New	100 mk	1 566.2	660.0	575.0	1 651.2	680.5	970.7
	50 »	482.0	235.0	262.5	454.5	176.9	277.6
	10 »	351.1	327.6	287.5	391.2	203.6	187.6
	5 »	87.8	167.4	98.2	157.0	116.7	40.3
	1 »	18.5	—	1.0	17.5	14.6	2.9
	Total	2 505.6	1 390.0	1 224.2	2 671.4	1 192.3	1 479.1
	In millions	96.5	77.6	60.5	113.6	68.6	45.0
Old	Total	9.6	—	0.0	9.6	0.0	9.6
	In millions	11.5	—	0.0	11.5	0.0	11.5
	Grand total	2 515.2	1 390.0	1 224.2	2 681.0	1 192.3	1 488.7
	In millions	108.0	77.6	60.5	125.1	68.6	56.5
Coins							
New	10 mk	16.0	10.0	—	26.0	1.2	24.8
	1 mk	59.5	19.7	10.0	69.2	8.7	60.5
	50 p	13.9	5.0	0.0	18.9	3.0	15.9
	20 »	11.4	1.1	0.0	12.5	0.2	12.3
	10 »	6.6	1.5	0.0	8.1	0.9	7.2
	5 »	5.8	1.0	0.0	6.8	0.3	6.5
	1 »	6.0	0.7	0.0	6.7	0.1	6.6
	Total	119.2	39.0	10.0	148.2	14.4	133.8
Old	1 000—100 omk	7.0	—	0.0	7.0	0.0	7.0
	50 omk—1 op	8.8	—	0.0	8.8	0.0	8.8
	Total	15.8	—	0.0	15.8	0.0	15.8
	Grand total	135.0	39.0	10.0	164.0	14.4	149.6

10. Exchange rates: selling rates at sight¹, 1971

Date ²	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
Selling rate								
4. I	4.176	4.130	9.995	80.90	58.55	55.78	114.60	116.12
5.	4.176	4.130	9.995	80.90	58.51	55.78	114.60	116.12
7.	4.176	4.124	10.000	80.90	58.51	55.78	114.60	116.19
8.	4.176	4.114	10.010	80.90	58.51	55.78	114.66	116.19
11.	4.176	4.110	10.015	80.90	58.51	55.78	114.66	116.19
12.	4.176	4.116	10.020	80.90	58.51	55.78	114.75	116.19
13.	4.176	4.126	10.025	80.90	58.51	55.82	114.75	116.19
14.	4.176	4.120	10.035	80.90	58.51	55.82	114.75	116.19
15.	4.176	4.126	10.055	80.90	58.51	55.82	114.81	116.19
18.	4.176	4.126	10.050	80.90	58.51	55.82	114.81	116.19
19.	4.176	4.126	10.050	80.90	58.47	55.82	114.87	116.19
20.	4.176	4.128	10.050	80.90	58.47	55.82	114.87	116.19
22.	4.176	4.128	10.065	80.90	58.47	55.82	115.00	116.19
25.	4.176	4.128	10.075	80.90	58.47	55.82	115.00	116.19
26.	4.176	4.132	10.090	80.90	58.47	55.82	115.00	116.19
27.	4.176	4.135	10.090	80.90	58.47	55.82	115.06	116.19
29.	4.176	4.140	10.090	80.85	58.47	55.78	115.06	116.12
1. II	4.176	4.140	10.095	80.75	58.47	55.78	115.00	116.05
2.	4.176	4.140	10.095	80.65	58.47	55.78	114.94	116.12
3.	4.176	4.140	10.095	80.70	58.47	55.78	115.00	116.12
5.	4.176	4.145	10.085	80.70	58.47	55.78	115.00	116.12
8.	4.176	4.145	10.080	80.65	58.47	55.78	115.00	116.12
9.	4.176	4.145	10.090	80.60	58.47	55.78	115.00	116.20
11.	4.176	4.145	10.090	80.65	58.47	55.78	115.00	116.10
15.	4.176	4.138	10.095	80.65	58.47	55.78	115.00	116.10
16.	4.176	4.142	10.100	80.65	58.47	55.78	115.00	116.17
17.	4.176	4.142	10.100	80.75	58.47	55.78	115.00	116.17
19.	4.176	4.142	10.100	80.80	58.47	55.78	115.00	116.17
22.	4.176	4.150	10.100	80.80	58.47	55.78	115.00	116.17
23.	4.176	4.160	10.100	80.85	58.47	55.78	115.00	116.17
24.	4.176	4.153	10.100	80.90	58.47	55.82	115.00	116.17
25.	4.176	4.153	10.100	80.85	58.47	55.82	115.00	116.17
26.	4.176	4.148	10.095	80.85	58.47	55.82	114.94	116.17
1. III	4.176	4.148	10.090	80.85	58.47	55.82	114.88	116.17
2.	4.176	4.148	10.095	80.90	58.47	55.82	114.96	116.17
3.	4.176	4.148	10.100	80.90	58.51	55.82	115.02	116.17
4.	4.176	4.148	10.095	80.90	58.51	55.82	115.02	116.17
8.	4.176	4.160	10.100	80.90	58.51	55.82	115.02	116.17
9.	4.176	4.165	10.100	80.90	58.51	55.82	115.02	116.17
11.	4.176	4.154	10.095	80.90	58.51	55.82	115.02	116.17
12.	4.176	4.154	10.100	80.90	58.51	55.82	114.96	116.17

¹ From August 23, 1971 the official exchange rate was quoted only for the US dollar and the USSR rouble.² Quotations for the days on which rates were changed. The quotations are made at 12.00 unless otherwise

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
								Selling rate
8.405	96.80	75.65	0.6700	16.16	14.64	4.76	6.03	4. I
8.405	96.74	75.65	0.6700	16.16	14.64	4.76	6.03	5.
8.405	96.86	75.65	0.6700	16.16	14.64	4.76	6.03	7.
8.410	96.86	75.65	0.6700	16.16	14.64	4.76	6.03	8.
8.410	96.86	75.65	0.6700	16.16	14.64	4.76	6.03	11.
8.410	96.92	75.65	0.6700	16.16	14.64	4.76	6.03	12.
8.415	96.92	75.65	0.6700	16.16	14.64	4.76	6.03	13.
8.415	96.92	75.65	0.6700	16.16	14.64	4.76	6.03	14.
8.415	96.92	75.65	0.6705	16.16	14.66	4.76	6.03	15.
8.415	97.00	75.65	0.6705	16.16	14.66	4.76	6.03	18.
8.415	97.06	75.65	0.6705	16.16	14.68	4.76	6.03	19.
8.415	97.12	75.70	0.6705	16.16	14.68	4.76	6.03	20.
8.415	97.12	75.70	0.6705	16.16	14.70	4.76	6.03	22.
8.415	97.12	75.70	0.6705	16.15	14.70	4.76	6.03	25.
8.415	97.12	75.70	0.6700	16.15	14.70	4.76	6.03	26.
8.415	97.18	75.70	0.6700	16.15	14.70	4.76	6.03	27.
8.415	97.18	75.70	0.6700	16.15	14.70	4.76	6.03	29.
8.415	97.18	75.70	0.6700	16.14	14.70	4.76	6.03	1. II
8.415	97.18	75.70	0.6690	16.14	14.70	4.76	6.03	2.
8.415	97.18	75.70	0.6690	16.14	14.70	4.76	6.03	3.
8.415	97.18	75.70	0.6690	16.13	14.70	4.76	6.03	5.
8.415	97.18	75.70	0.6690	16.13	14.68	4.76	6.03	8.
8.415	97.18	75.70	0.6690	16.13	14.68	4.76	6.03	9.
8.415	97.18	75.70	0.6690	16.13	14.68	4.76	6.03	11.
8.415	97.18	75.70	0.6695	16.13	14.68	4.76	6.03	15.
8.415	97.18	75.70	0.6695	16.13	14.68	4.76	6.03	16.
8.415	97.18	75.70	0.6700	16.13	14.68	4.76	6.03	17.
8.415	97.18	75.70	0.6700	16.14	14.68	4.76	6.03	19.
8.415	97.18	75.70	0.6710	16.14	14.68	4.76	6.03	22.
8.415	97.18	75.70	0.6715	16.14	14.68	4.76	6.03	23.
8.415	97.24	75.70	0.6715	16.14	14.70	4.76	6.03	24.
8.415	97.10	75.70	0.6715	16.14	14.70	4.76	6.03	25.
8.415	97.10	75.70	0.6710	16.14	14.70	4.76	6.03	26.
8.415	97.00	75.70	0.6700	16.14	14.70	4.76	6.03	1. III
8.415	97.00	75.70	0.6695	16.14	14.70	4.76	6.03	2.
8.415	97.00	75.70	0.6700	16.14	14.70	4.76	6.03	3.
8.415	97.00	75.70	0.6700	16.14	14.70	4.76	6.03	4.
8.415	97.00	75.70	0.6710	16.14	14.70	4.76	6.03	8.
8.415	97.10	75.70	0.6710	16.15	14.70	4.76	6.03	9.
8.415	97.03	75.70	0.6710	16.15	14.70	4.76	6.03	11.
8.415	97.10	75.70	0.6710	16.15	14.70	4.76	6.03	12.

Other rates were unofficial.
announced.

10. (Cont.) Exchange rates: selling rates at sight, 1971

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
15. III	4.176	4.154	10.100	80.90	58.51	55.82	114.90	116.17
17.	4.176	4.154	10.100	80.90	58.51	55.86	114.98	116.17
18.	4.176	4.154	10.100	80.90	58.51	55.86	115.04	116.17
19.	4.176	4.150	10.100	80.90	58.51	55.82	115.04	116.17
22.	4.176	4.138	10.100	80.90	58.47	55.82	115.04	116.17
23.	4.176	4.148	10.100	80.90	58.47	55.82	115.04	116.17
24.	4.176	4.148	10.100	80.90	58.51	55.82	115.04	116.17
26.	4.176	4.148	10.100	80.90	58.51	55.82	115.04	116.17
29.	4.176	4.148	10.100	80.90	58.55	55.82	115.04	116.17
1. IV	4.176	4.148	10.095	80.90	58.55	55.82	115.04	116.17
2.	4.176	4.148	10.080	80.90	58.55	55.82	115.04	116.24
5.	4.176	4.148	10.085	80.90	58.55	55.82	115.04	116.24
6.	4.176	4.148	10.095	80.90	58.59	55.78	115.04	116.17
8. ¹	4.176	4.148	10.090	80.90	58.59	55.78	114.98	116.05
13.	4.176	4.148	10.090	80.90	58.59	55.78	114.92	115.98
14.	4.176	4.148	10.095	80.90	58.59	55.78	114.92	115.80
16.	4.176	4.148	10.100	80.90	58.59	55.78	114.98	116.00
19.	4.176	4.148	10.100	80.90	58.59	55.78	114.90	115.90
20.	4.176	4.148	10.100	80.90	58.59	55.78	114.70	115.83
21.	4.176	4.148	10.100	80.90	58.63	55.78	114.80	115.90
22.	4.176	4.148	10.100	80.90	58.63	55.78	114.86	115.97
23.	4.176	4.148	10.100	80.90	58.59	55.78	114.80	115.97
26.	4.178	4.142	10.105	80.95	58.59	55.78	114.80	115.97
27.	4.180	4.142	10.110	81.00	58.63	55.78	114.96	116.04
28.	4.180	4.142	10.110	81.00	58.63	55.78	114.96	116.04
29.	4.182	4.142	10.115	81.00	58.63	55.78	115.15	116.25
3. V	4.182	4.142	10.115	81.00	58.63	55.78	115.15	116.32
4.	4.184	4.147	10.120	81.05	58.67	55.82	115.27	116.45
5.	4.186	4.150	10.125	81.10	58.67	55.82	—	—
6.	4.190	4.160	10.125	81.05	58.80	55.82	—	—
7.	4.190	4.160	10.130	81.00	58.80	55.82	—	—
10. ²	4.192	4.160	10.135	81.15	58.95	55.86	119.50	119.20
11.	4.196	4.164	10.140	81.15	59.00	55.86	119.30	119.10
12.	4.196	4.162	10.145	81.15	59.00	55.90	118.50	118.70
13.	4.198	4.162	10.150	81.30	59.00	55.94	118.90	118.90
14.	4.200	4.162	10.155	81.30	59.05	55.98	119.10	119.10
17.	4.202	4.162	10.165	81.40	59.05	55.98	118.90	118.90
18.	4.204	4.168	10.170	81.45	59.10	56.02	118.90	118.90
19.	4.204	4.168	10.170	81.45	59.14	56.06	119.20	118.90
21.	4.204	4.168	10.170	81.45	59.14	56.06	119.90	119.15
24.	4.204	4.168	10.170	81.45	59.18	56.06	120.20	119.50
25.	4.204	4.168	10.170	81.45	59.18	56.10	119.60	118.90

¹ From 11.00 o'clock. — ² From 14.00 o'clock.

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
8.415	97.10	75.70	0.6710	16.15	14.69	4.76	6.03	15. III
8.415	97.10	75.70	0.6710	16.15	14.69	4.76	6.03	17.
8.415	97.18	75.70	0.6710	16.16	14.69	4.76	6.03	18.
8.415	97.18	75.70	0.6710	16.16	14.69	4.76	6.03	19.
8.415	97.18	75.70	0.6710	16.16	14.69	4.76	6.03	22.
8.415	97.18	75.70	0.6715	16.16	14.69	4.76	6.03	23.
8.415	97.18	75.70	0.6720	16.16	14.69	4.76	6.03	24.
8.410	97.18	75.70	0.6715	16.16	14.69	4.76	6.03	26.
8.410	97.24	75.70	0.6715	16.17	14.69	4.76	6.03	29.
8.415	97.24	75.70	0.6715	16.17	14.69	4.76	6.03	1. IV
8.415	97.24	75.70	0.6715	16.17	14.68	4.76	6.03	2.
8.415	97.24	75.75	0.6715	16.17	14.68	4.76	6.03	5.
8.415	97.24	75.75	0.6715	16.17	14.68	4.76	6.03	6.
8.415	97.24	75.75	0.6715	16.18	14.68	4.76	6.03	8.
8.410	97.18	75.75	0.6710	16.18	14.68	4.76	6.03	13.
8.410	97.12	75.65	0.6710	16.18	14.66	4.76	6.03	14.
8.410	97.18	75.70	0.6715	16.18	14.66	4.76	6.03	16.
8.410	97.10	75.70	0.6710	16.18	14.66	4.76	6.03	19.
8.410	97.04	75.70	0.6710	16.18	14.66	4.76	6.03	20.
8.415	97.04	75.70	0.6710	16.18	14.66	4.76	6.03	21.
8.415	97.10	75.70	0.6710	16.18	14.66	4.76	6.03	22.
8.415	97.10	75.70	0.6710	16.18	14.66	4.76	6.03	23.
8.415	97.10	75.70	0.6715	16.18	14.66	4.76	6.03	26.
8.420	97.20	75.75	0.6715	16.19	14.66	4.76	6.03	27.
8.420	97.26	75.80	0.6720	16.20	14.68	4.76	6.03	28.
8.425	97.32	75.85	0.6720	16.20	14.68	4.76	6.03	29.
8.425	97.32	75.85	0.6720	16.20	14.70	4.76	6.03	3. V
8.430	97.40	75.90	0.6720	16.20	14.70	4.76	6.03	4.
—	—	—	—	—	14.70	4.76	6.03	5.
—	—	—	—	—	—	4.76	6.03	6.
—	—	—	—	—	—	4.76	—	7.
—	102.80	76.05	0.6755	16.80	—	4.76	6.10	10.
8.453	102.80	76.05	0.6755	16.82	14.75	4.76	6.10	11.
8.453	102.60	76.00	0.6745	16.82	14.75	4.76	6.07	12.
8.460	102.60	76.05	0.6745	16.82	14.78	4.76	6.07	13.
8.465	102.90	76.05	0.6750	16.82	14.78	4.76	6.07	14.
8.470	102.90	76.05	0.6750	16.82	14.85	4.76	6.07	17.
8.470	103.05	76.05	0.6755	16.82	14.92	4.76	6.07	18.
8.470	103.05	76.00	0.6755	16.82	14.92	4.76	6.07	19.
8.470	103.15	76.10	0.6755	16.82	14.92	4.76	6.07	21.
8.470	103.35	76.10	0.6755	16.82	14.92	4.76	6.07	24.
8.470	103.00	76.10	0.6750	16.82	14.92	4.76	6.07	25.

10. (Cont.) Exchange rates: selling rates at sight, 1971

Date	1 Dollar New York	1 Dollar Montreal	1 Pound sterling London	100 Kroner Stockholm	100 Kroner Oslo	100 Kroner Copen- hagen	100 D. Mark Frankfurt o.M.	100 Guldens Amster- dam
26. V	4.200	4.168	10.165	81.40	59.10	56.06	118.80	118.20
27.	4.200	4.168	10.160	81.35	59.10	56.06	119.00	118.40
28.	4.200	4.168	10.155	81.35	59.06	56.06	118.60	118.10
1. VI	4.200	4.156	10.155	81.35	59.06	56.06	118.30	117.95
2.	4.200	4.145	10.150	81.30	59.06	56.02	117.80	117.45
3.	4.200	4.145	10.155	81.30	59.06	56.02	119.00	118.60
4.	4.198	4.135	10.155	81.30	59.02	56.02	119.30	118.80
8.	4.198	4.135	10.155	81.30	59.02	56.02	119.30	118.30
9.	4.198	4.128	10.155	81.30	59.02	56.02	119.50	118.20
10.	4.200	4.118	10.160	81.36	59.07	56.02	119.65	118.20
11.	4.198	4.100	10.160	81.36	59.07	56.02	119.75	118.30
14.	4.198	4.100	10.155	81.31	59.07	56.02	119.75	118.10
15.	4.198	4.100	10.155	81.31	59.07	56.02	119.75	117.80
16.	4.200	4.100	10.160	81.36	59.07	56.06	119.81	117.80
17.	4.202	4.106	10.165	81.41	59.07	56.10	119.81	117.65
18.	4.202	4.106	10.165	81.41	59.07	56.10	120.00	117.75
21.	4.200	4.106	10.160	81.41	59.07	56.10	119.90	117.68
22.	4.200	4.106	10.160	81.41	59.07	56.06	119.90	117.68
23.	4.200	4.106	10.160	81.41	59.07	56.06	120.05	117.80
24.	4.200	4.104	10.160	81.41	59.07	56.06	120.20	118.15
28.	4.198	4.104	10.155	81.36	59.07	56.02	120.05	117.75
29.	4.194	4.104	10.145	81.31	59.03	55.98	119.85	117.55
30.	4.192	4.104	10.145	81.31	59.03	55.94	119.91	117.62
1. VII	4.188	4.098	10.135	81.20	58.97	55.88	119.75	117.50
2.	4.186	4.098	10.130	81.15	58.93	55.88	119.65	117.50
5.	4.186	4.098	10.125	81.15	58.93	55.84	119.65	117.43
6.	4.186	4.093	10.125	81.10	58.93	55.84	119.65	117.43
7.	4.184	4.093	10.120	81.05	58.93	55.84	119.65	117.36
8.	4.184	4.093	10.120	81.05	58.89	55.80	119.59	117.36
12.	4.184	4.093	10.120	81.00	58.89	55.80	119.59	117.36
13.	4.184	4.093	10.120	80.95	58.89	55.80	119.59	117.36
14.	4.184	4.093	10.120	81.00	58.89	55.80	119.65	117.44
15.	4.182	4.093	10.115	81.05	58.89	55.80	120.00	117.60
16.	4.182	4.088	10.115	81.05	58.89	55.80	120.25	117.80
19.	4.180	4.088	10.115	81.00	58.89	55.76	120.65	117.95
20.	4.180	4.094	10.110	81.00	58.85	55.76	120.45	117.75
21.	4.180	4.098	10.110	81.00	58.85	55.76	120.39	117.65
22.	4.180	4.098	10.110	81.00	58.85	55.76	120.60	117.65
23.	4.180	4.118	10.110	81.00	58.85	55.76	120.66	117.58
26.	4.178	4.112	10.105	81.00	58.80	55.76	120.66	117.58
27.	4.178	4.105	10.100	81.00	58.80	55.72	120.72	117.58

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
8.465	102.90	76.10	0.6740	16.82	14.92	4.76	6.07	26. V
8.465	102.90	76.10	0.6735	16.82	14.92	4.76	6.07	27.
8.465	102.45	76.05	0.6735	16.82	14.85	4.76	6.07	28.
8.460	102.39	75.95	0.6730	16.82	14.85	4.76	6.07	1. VI
8.460	102.39	75.90	0.6725	16.82	14.85	4.76	6.07	2.
8.460	102.80	75.90	0.6725	16.82	14.85	4.76	6.07	3.
8.460	102.80	75.90	0.6730	16.82	14.85	4.76	6.07	4.
8.455	102.80	75.95	0.6725	16.82	14.85	4.76	6.07	8.
8.455	102.74	76.00	0.6725	16.82	14.85	4.76	6.07	9.
8.455	102.74	76.00	0.6725	16.82	14.85	4.76	6.07	10.
8.450	102.80	76.00	0.6725	16.82	14.85	4.76	6.07	11.
8.450	102.80	76.00	0.6725	16.82	14.85	4.76	6.07	14.
8.450	102.70	76.00	0.6725	16.82	14.85	4.76	6.07	15.
8.440	102.70	75.95	0.6725	16.82	14.85	4.76	6.07	16.
8.440	102.80	76.00	0.6725	16.84	14.82	4.76	6.07	17.
8.440	102.70	76.00	0.6725	16.84	14.82	4.76	6.07	18.
8.440	102.70	76.00	0.6720	16.84	14.82	4.76	6.07	21.
8.430	102.60	76.00	0.6720	16.84	14.81	4.76	6.07	22.
8.445	102.60	76.00	0.6725	16.84	14.81	4.76	6.07	23.
8.450	102.60	76.05	0.6730	16.84	14.80	4.76	6.07	24.
8.450	102.50	76.05	0.6725	16.84	14.80	4.76	6.07	28.
8.420	102.35	76.00	0.6725	16.84	14.80	4.76	6.07	29.
8.420	102.35	76.00	0.6725	16.82	14.80	4.76	6.07	30.
8.420	102.25	75.90	0.6720	16.81	14.80	4.76	6.07	1. VII
8.420	102.25	75.90	0.6720	16.81	14.80	4.76	6.07	2.
8.415	102.10	75.90	0.6720	16.81	14.76	4.76	6.07	5.
8.415	102.04	75.90	0.6720	16.81	14.76	4.76	6.07	6.
8.415	102.04	75.90	0.6720	16.79	14.76	4.76	6.07	7.
8.415	101.98	75.90	0.6720	16.79	14.76	4.76	6.07	8.
8.420	101.92	75.90	0.6720	16.79	14.74	4.76	6.07	12.
8.430	101.98	75.90	0.6720	16.78	14.75	4.76	6.07	13.
8.430	102.04	75.90	0.6720	16.78	14.75	4.76	6.07	14.
8.430	102.15	75.90	0.6715	16.78	14.75	4.76	6.07	15.
8.430	102.15	75.90	0.6710	16.78	14.75	4.76	6.07	16.
8.425	102.21	75.85	0.6710	16.78	14.75	4.76	6.07	19.
8.425	102.21	75.85	0.6710	16.78	14.75	4.76	6.07	20.
8.425	102.21	75.85	0.6710	16.78	14.75	4.76	6.07	21.
8.420	102.35	75.80	0.6710	16.78	14.75	4.76	6.07	22.
8.420	102.29	75.80	0.6710	16.77	14.74	4.76	6.06	23.
8.420	102.29	75.80	0.6710	16.77	14.74	4.76	6.06	26.
8.420	102.29	75.80	0.6705	16.77	14.74	4.76	6.06	27.

10 (Cont.) Exchange rates: selling rates at sight, 1971

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 Guilders Amster- dam
28. VII	4.178	4.095	10.100	81.00	58.80	55.72	120.78	117.58
30.	4.178	4.102	10.100	81.00	58.80	55.72	120.78	117.65
3. VIII	4.178	4.100	10.100	81.00	58.80	55.72	120.72	117.65
4.	4.178	4.100	10.100	81.00	58.80	55.72	121.00	117.80
5.	4.178	4.108	10.105	81.00	58.80	55.72	121.40	118.50
6.	4.178	4.108	10.105	81.00	58.84	55.72	121.30	118.40
9.	4.178	4.108	10.105	81.00	58.84	55.72	122.10	119.00
9. ¹	4.178	4.108	10.105	81.00	58.84	55.72	122.10	119.00
10.	4.180	4.120	10.110	81.00	58.90	55.76	122.80	119.70
11.	4.180	4.125	10.110	81.00	58.90	55.76	122.80	119.77
12.	4.180	4.125	10.110	81.00	58.90	55.76	123.20	120.80
13.	4.182	4.135	10.115	81.10	58.98	55.84	124.09	121.90
16. ²	—	—	—	—	—	—	—	—
23. ³	4.158	—	—	—	—	—	—	—
24.	4.160	4.103	10.170	81.80	60.55	56.40	122.85	120.50
25.	4.160	4.106	10.215	81.90	60.50	56.35	122.95	120.80
26.	4.160	4.106	10.260	82.10	60.70	56.35	123.25	121.05
27.	4.162	4.106	10.302	82.30	60.60	56.80	122.50	120.50
30.	4.162	4.118	10.302	82.35	60.60	56.75	122.75	121.20
31.	4.162	4.118	10.250	82.15	60.50	56.70	122.55	121.00
1. IX	4.162	4.100	10.220	81.90	60.30	56.60	122.35	120.70
2.	4.162	4.100	10.230	81.90	60.15	56.65	122.85	121.10
3.	4.162	4.100	10.245	82.00	60.30	56.75	122.92	121.10
6.	4.162	4.098	10.250	82.00	60.30	56.80	122.92	120.90
7.	4.162	4.095	10.245	82.00	60.20	56.80	122.92	120.90
8.	4.162	4.095	10.240	81.90	60.15	56.80	122.85	120.80
9.	4.162	4.095	10.235	81.75	60.10	56.80	122.75	120.80
10.	4.162	4.095	10.235	81.75	60.10	56.80	122.75	120.90
13.	4.162	4.095	10.245	81.90	60.10	56.80	123.00	121.05
14.	4.162	4.100	10.245	82.00	60.10	56.80	123.40	121.50
15.	4.162	4.106	10.285	82.10	60.25	56.90	123.65	121.70
16.	4.162	4.106	10.285	82.10	60.25	56.90	123.55	121.60
17.	4.162	4.106	10.285	82.10	60.30	57.00	123.55	121.50
20.	4.162	4.110	10.290	82.15	60.40	57.00	123.90	121.65
21. ⁴	4.162	4.110	10.290	82.15	60.52	57.00	124.20	122.00
21.	4.162	4.116	10.300	82.35	60.52	57.20	124.50	122.50
22.	4.162	4.114	10.300	82.30	60.52	56.90	124.30	122.40
23.	4.162	4.114	10.300	82.25	60.52	57.00	124.65	122.85
24. ⁴	4.162	4.114	10.310	82.35	60.52	57.20	125.15	123.10
24.	4.162	4.130	10.335	82.75	60.75	57.35	126.05	124.15
27.	4.162	4.130	10.330	82.55	60.75	57.25	125.60	123.85

¹ From 15.00 o'clock. — ² From 9.00 o'clock. — ³ From 15.00 o'clock. — ⁴ From 9.00 o'clock.

Marks

100 Francs Brussels	100 Francs Zurich	100 Francs, ¹ commer- cial	Paris finan- cial	100 Lire Rome	100 Schilling Vienna	100 Escudos Lisbon	100 Kronur Reyk- javik	100 Pesetas Madrid	Date
8.420	102.29	75.80		0.6705	16.77	14.74	4.76	6.06	28. VII
8.420	102.29	75.80		0.6705	16.77	14.74	4.76	6.06	30.
8.420	102.23	75.80		0.6705	16.77	14.74	4.76	6.06	3. VIII
8.420	102.23	75.80		0.6705	16.77	14.74	4.76	6.06	4.
8.420	102.90	75.80		0.6720	16.77	14.74	4.76	6.06	5.
8.420	102.84	75.80		0.6751	16.77	14.74	4.76	6.06	6.
8.420	—	75.80		0.6720	16.78	14.74	4.76	6.06	9.
8.420	103.10	75.80		0.6720	16.78	14.74	4.76	6.06	9.
8.420	103.10	75.80		0.6725	16.79	14.74	4.76	6.06	10.
8.420	103.00	75.80		0.6730	16.79	14.74	4.76	6.06	11.
8.420	103.10	75.80		0.6735	16.79	14.74	4.76	6.06	12.
8.425	103.64	75.90		0.6740	16.80	14.74	4.76	6.06	13.
—	—	—		—	—	—	—	—	16.
—	—	—		—	—	—	—	—	23.
8.620	104.60	75.40	76.70	0.6815	17.19	15.30	4.80	6.08	24.
8.620	105.05	75.40	77.20	0.6840	17.19	15.30	4.80	6.08	25.
8.630	105.40	75.45	77.40	0.6800	17.10	15.34	4.80	6.05	26.
8.630	105.00	75.45	76.80	0.6800	17.10	15.34	4.80	6.05	27.
8.635	104.90	75.50	77.80	0.6790	17.10	15.34	4.80	6.03	30.
8.650	104.60	75.50	78.30	0.6790	17.05	16.80	4.80	6.03	31.
8.610	104.00	75.50	78.05	0.6790	17.00	16.65	4.80	6.03	1. IX
8.630	104.50	75.50	78.25	0.6790	17.00	16.50	4.80	6.03	2.
8.635	104.40	75.50	78.45	0.6785	17.03	16.20	4.78	6.03	3.
8.625	104.50	75.50	78.45	0.6780	17.03	16.20	4.78	6.03	6.
8.625	104.50	75.50	78.20	0.6780	17.03	16.20	4.78	6.03	7.
8.620	104.40	75.50	78.20	0.6780	17.03	16.20	4.78	6.03	8.
8.620	104.40	75.50	77.65	0.6780	17.00	16.00	4.78	6.03	9.
8.620	104.30	75.50	78.25	0.6780	17.00	15.50	4.78	6.03	10.
8.625	104.20	75.50	77.70	0.6775	17.00	15.50	4.78	6.03	13.
8.660	104.50	75.50	78.00	0.6780	17.03	15.20	4.78	6.03	14.
8.675	104.60	75.50	78.00	0.6785	17.05	15.20	4.78	6.03	15.
8.670	104.60	75.50	78.00	0.6790	17.08	15.30	4.78	6.03	16.
8.670	104.50	75.50	78.00	0.6790	17.08	15.30	4.78	6.03	17.
8.680	104.50	75.45	77.90	0.6790	17.08	15.40	4.78	6.03	20.
8.715	104.75	75.45	77.90	0.6790	17.08	15.40	4.78	6.03	21.
8.755	105.00	75.40	77.90	0.6800	17.20	15.40	4.78	6.03	21.
8.800	104.80	75.40	77.95	0.6800	17.18	15.40	4.77	6.03	22.
8.800	105.00	75.40	77.90	0.6800	17.19	15.40	4.77	6.03	23.
8.815	105.00	75.40	77.90	0.6800	17.19	15.40	4.77	6.03	24.
8.880	105.40	75.40	77.90	0.6805	17.33	15.45	4.77	6.03	24.
8.855	105.00	75.35	77.10	0.6805	17.25	15.35	4.77	6.03	27.

¹ On August 13, 1971 only one exchange rate was quoted for one French franc. Since August 24, 1971 two rates have been quoted, viz. a commercial and a financial rate.

10 (Cont.) Exchange rates: selling rates at sight, 1971

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
28. IX	4.162	4.123	10.325	82.55	60.60	57.05	125.60	123.85
29.	4.162	4.118	10.325	82.65	60.60	57.10	125.80	123.85
30.	4.162	4.123	10.340	82.80	60.70	57.20	125.90	124.00
1. X	4.162	4.123	10.345	82.87	60.70	57.20	125.30	123.50
4.	4.162	4.132	10.355	83.02	60.75	57.25	125.25	123.50
5.	4.162	4.132	10.355	82.97	60.80	57.25	125.25	123.50
6.	4.162	4.132	10.370	83.05	60.80	57.40	125.55	123.80
7.	4.162	4.132	10.350	83.00	60.80	57.30	125.55	123.70
8.	4.162	4.138	10.370	83.00	60.85	57.35	125.75	124.00
11.	4.162	4.138	10.370	83.00	60.85	57.35	125.45	123.85
12.	4.162	4.143	10.365	82.95	60.85	57.35	125.20	123.85
13.	4.162	4.143	10.360	82.85	60.90	57.30	125.10	123.85
14.	4.162	4.143	10.355	82.75	60.85	57.30	125.10	123.95
15.	4.162	4.143	10.360	82.75	60.85	57.30	124.80	123.85
18.	4.162	4.143	10.360	82.80	60.80	57.30	125.00	123.95
19.	4.162	4.146	10.360	82.80	60.75	57.30	125.30	124.05
20. ¹	4.162	4.146	10.360	82.80	60.75	57.30	125.30	124.05
20.	4.162	4.146	10.365	82.80	60.75	57.30	125.55	124.30
21.	4.162	4.151	10.365	82.80	60.75	57.30	125.40	124.30
22.	4.162	4.155	10.370	82.90	60.75	57.35	125.10	124.15
25.	4.162	4.155	10.370	82.90	60.75	57.35	124.90	124.15
26.	4.162	4.155	10.375	83.00	60.75	57.35	124.90	124.15
27.	4.162	4.158	10.380	83.00	60.80	57.35	124.80	124.22
28.	4.162	4.158	10.380	83.00	60.75	57.35	124.86	124.22
29.	4.162	4.160	10.380	82.95	60.75	57.40	124.70	124.22
1. XI	4.162	4.145	10.375	82.85	60.75	57.35	124.70	124.22
2.	4.162	4.145	10.375	82.85	60.75	57.31	124.80	124.29
3.	4.162	4.145	10.375	82.85	60.70	57.26	124.80	124.29
4.	4.162	4.145	10.375	82.85	60.65	57.15	124.70	124.36
5.	4.162	4.145	10.375	82.92	60.65	57.15	124.70	124.50
8.	4.162	4.140	10.375	82.92	60.65	57.15	124.60	124.62
9.	4.162	4.140	10.375	82.92	60.65	57.15	124.48	124.62
10.	4.162	4.140	10.375	82.92	60.65	57.15	124.40	124.55
11.	4.162	4.140	10.375	82.92	60.60	57.15	124.26	124.55
12.	4.162	4.140	10.380	83.04	60.60	57.15	124.50	124.70
15.	4.162	4.145	10.380	83.04	60.60	57.15	124.70	124.77
16.	4.162	4.150	10.375	83.04	60.60	57.15	124.70	124.77
17.	4.162	4.150	10.375	83.13	60.60	57.25	124.70	124.77
18.	4.162	4.150	10.375	83.13	60.60	57.30	124.55	124.60
19.	4.162	4.150	10.380	83.20	60.60	57.40	125.20	125.22
22.	4.162	4.150	10.380	83.20	60.60	57.40	125.10	125.12

¹ From 9.30 o'clock.

Marks

100 Francs Brussels	100 Francs Zurich	100 Francs, commer- cial		100 Lire Rome	100 Schilling Vienna	100 Escudos Lisbon	100 Kronur Reyk- javik	100 Pesetas Madrid	Date
8.840	105.00	75.30	76.50	0.6800	17.25	15.35	4.77	6.03	28. IX
8.845	105.10	75.30	76.50	0.6800	17.25	15.35	4.77	6.03	29.
8.855	105.40	75.35	77.25	0.6805	17.28	15.35	4.77	6.03	30.
8.855	105.30	75.40	77.70	0.6805	17.25	15.35	4.77	6.03	1. X
8.855	105.20	75.40	77.60	0.6805	17.25	15.35	4.77	6.03	4.
8.850	105.20	75.35	77.50	0.6805	17.25	15.35	4.77	6.03	5.
8.860	105.20	75.35	77.50	0.6805	17.25	15.35	4.77	6.03	6.
8.860	105.20	75.30	77.20	0.6805	17.25	15.30	4.77	6.03	7.
8.900	105.10	75.30	77.20	0.6800	17.25	15.30	4.77	6.03	8.
8.910	105.00	75.30	77.05	0.6800	17.25	15.30	4.77	6.03	11.
8.905	104.90	75.25	77.05	0.6800	17.25	15.30	4.77	6.03	12.
8.905	104.84	75.25	76.95	0.6800	17.22	15.30	4.77	6.03	13.
8.890	104.70	75.20	77.35	0.6795	17.20	15.30	4.77	6.03	14.
8.880	104.55	75.20	77.00	0.6795	17.20	15.30	4.77	6.03	15.
8.880	104.62	75.12	77.10	0.6800	17.18	15.30	4.77	6.03	18.
8.890	104.75	75.12	76.80	0.6800	17.20	15.30	4.77	6.03	19.
8.890	104.75	75.12	76.80	0.6800	17.20	15.30	4.77	6.08	20.
8.905	104.85	75.07	76.45	0.6800	17.24	15.30	4.77	6.08	20.
8.905	104.75	75.07	76.45	0.6800	17.24	15.30	4.77	6.08	21.
8.910	104.65	75.47	76.85	0.6800	17.24	15.30	4.77	6.08	22.
8.910	104.50	75.47	76.85	0.6800	17.24	15.30	4.77	6.08	25.
8.910	104.40	75.42	76.85	0.6800	17.24	15.30	4.77	6.08	26.
8.925	104.30	75.37	76.65	0.6800	17.24	15.30	4.77	6.08	27.
8.925	104.30	75.30	76.65	0.6800	17.22	15.25	4.77	6.08	28.
8.925	104.30	75.30	76.80	0.6800	17.20	15.25	4.77	6.08	29.
8.925	104.20	75.30	76.80	0.6800	17.20	15.25	4.77	6.08	1. XI
8.930	104.39	75.30	76.80	0.6800	17.20	15.25	4.77	6.08	2.
8.945	104.30	75.30	76.85	0.6800	17.20	15.25	4.77	6.08	3.
8.960	104.36	75.25	76.85	0.6800	17.20	15.25	4.77	6.08	4.
8.970	104.36	75.25	77.05	0.6800	17.18	15.25	4.77	6.08	5.
8.980	104.30	75.30	77.05	0.6795	17.18	15.25	4.77	6.08	8.
8.980	104.24	75.30	77.05	0.6795	17.18	15.25	4.77	6.08	9.
8.980	104.24	75.25	77.05	0.6795	17.18	15.25	4.77	6.08	10.
8.980	104.18	75.25	77.05	0.6790	17.17	15.20	4.77	6.08	11.
8.960	104.25	75.25	77.05	0.6790	17.17	15.20	4.77	6.08	12.
8.960	104.25	75.25	77.05	0.6790	17.17	15.20	4.77	6.08	15.
8.960	104.25	75.25	76.85	0.6790	17.18	15.20	4.77	6.08	16.
8.960	104.25	75.25	76.75	0.6790	17.18	15.20	4.77	6.08	17.
8.960	104.19	75.25	76.75	0.6790	17.18	15.20	4.77	6.08	18.
8.970	104.65	75.50	76.95	0.6795	17.20	15.20	4.77	6.08	19.
9.010	104.65	75.50	76.80	0.6795	17.20	15.30	4.77	6.08	22.

10. (Cont.) Exchange rates: selling rates at sight, 1971

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
23. XI	4.162	4.150	10.380	83.40	60.65	57.45	125.20	125.22
24.	4.162	4.150	10.380	83.58	60.90	57.70	125.40	125.55
25.	4.162	4.150	10.380	83.72	60.90	57.65	125.95	126.40
26.	4.162	4.150	10.380	84.05	60.90	57.75	125.95	126.40
29.	4.162	4.150	10.380	84.20	61.00	57.80	125.89	126.15
30.	4.162	4.150	10.380	83.90	60.95	57.70	125.89	125.85
1. XII	4.160	4.145	10.375	84.06	60.90	57.65	125.80	125.70
2.	4.160	4.150	10.375	84.55	61.05	57.80	126.50	126.10
3.	4.160	4.150	10.375	84.55	61.10	57.70	126.80	126.00
7. ¹	4.160	4.158	10.400	84.80	61.25	57.90	128.20	127.10
7. ²	4.160	4.158	10.410	85.38	61.30	58.00	128.50	127.30
8.	4.160	4.158	10.415	85.20	61.50	57.90	127.00	126.25
9.	4.158	4.160	10.450	85.00	61.50	57.90	127.45	126.60
10.	4.158	4.176	10.470	84.95	61.50	57.90	127.15	126.60
13.	4.158	4.172	10.475	85.00	61.50	57.90	126.80	126.50
14.	4.156	4.166	10.470	84.95	61.57	57.85	127.00	126.80
15.	4.154	4.170	10.470	85.00	61.70	57.95	127.90	127.30
16.	4.152	4.166	10.465	84.95	61.60	57.90	127.70	127.00
17.	4.152	4.166	10.505	84.95	61.65	58.10	127.50	126.90
21.	4.152	4.176	10.610	85.10	61.50	58.50	127.15	126.70
22.	4.152	4.165	10.610	85.40	61.95	58.80	127.40	127.00
23.	4.152	4.156	10.605	85.25	62.00	58.80	127.40	127.15
27.	4.152	4.156	10.595	85.05	62.00	58.70	126.95	127.05
28.	4.152	4.152	10.585	84.95	61.90	58.60	126.80	126.97
29.	4.152	4.148	10.580	84.75	61.60	58.55	126.50	126.85
30.	4.152	4.148	10.590	85.05	61.95	58.70	127.00	127.25
31.	4.152	4.148	10.605	85.40	61.95	58.80	127.15	127.85

The clearing dollar was quoted at 4.212 mk until December 17, 1971 after which no special fixed rate was quoted. Clearing agreements with Bulgaria, the German Democratic Republic and Hungary were based on the dollar, December 23, 1971 and at 4.960 mk from December 28, 1971. The clearing agreement with the People's

¹ From 9.30 o'clock. — ² From 12.00 o'clock.

Marks

100 Francs Brussels	100 Francs Zurich	100 Francs, Paris commer- cial finan- cial		100 Lire Rome	100 Schilling Vienna	100 Escudos Lisbon	100 Kronur Reyk- javik	100 Pesetas Madrid	Date
9.030	104.80	75.50	76.80	0.6795	17.22	15.25	4.77	6.08	23. XI
9.050	105.25	75.50	77.05	0.6795	17.30	15.30	4.77	6.08	24.
9.080	105.35	75.50	77.05	0.6795	17.32	15.30	4.77	6.08	25.
9.065	105.42	75.50	77.05	0.6800	17.32	15.30	4.77	6.08	26.
9.030	105.35	75.50	76.75	0.6820	17.32	15.30	4.77	6.08	29.
9.010	105.35	75.50	76.90	0.6820	17.32	15.30	4.77	6.08	30.
9.000	105.25	75.45	76.90	0.6820	17.30	15.30	4.77	6.08	1. XII
9.060	106.00	75.50	77.60	0.6855	17.38	15.30	4.77	6.08	2.
9.100	106.15	75.50	77.60	0.6855	17.38	15.30	4.77	6.08	3.
9.135	107.05	75.50	77.60	0.6875	17.38	15.30	4.77	6.08	7.
9.160	107.25	75.20	77.15	0.6875	17.55	15.35	4.77	6.08	7.
9.125	106.50	75.45	77.30	0.6875	17.55	15.35	4.77	6.08	8.
9.100	106.75	75.45	77.40	0.6870	17.50	15.35	4.77	6.08	9.
9.085	106.75	75.45	77.70	0.6885	17.50	15.40	4.77	6.08	10.
9.100	106.50	75.45	77.70	0.6885	17.44	15.40	4.77	6.08	13.
9.110	106.60	75.40	77.25	0.6860	17.50	15.40	4.77	6.12	14.
9.150	107.20	75.45	78.55	0.6960	17.60	15.40	4.77	6.12	15.
9.125	107.10	75.45	78.80	0.6910	17.60	15.40	4.77	6.20	16.
9.125	107.10	75.45	79.10	0.6925	17.60	15.45	4.77	6.30	17.
9.150	107.00	79.60	79.30	0.7000	17.50	—	—	—	21.
9.160	107.00	79.60	79.70	0.7000	17.58	15.80	—	6.40	22.
9.160	106.90	79.50	79.40	0.7000	17.60	15.60	4.77	6.35	23.
9.185	106.00	79.50	79.40	0.6990	17.55	15.45	4.77	6.32	27.
9.190	106.00	79.45	79.35	0.6990	17.52	15.45	4.77	6.32	28.
9.180	106.10	79.45	79.20	0.6985	17.49	15.35	4.77	6.32	29.
9.190	106.00	79.50	79.45	0.6990	17.49	15.35	4.77	6.32	30.
9.270	106.00	79.70	79.50	0.6995	17.55	15.35	4.77	6.32	31.

for the clearing dollar. Instead current exchange rates for the US dollar were followed in bilateral payments. and clearing agreements with the USSR and Roumania were based on the rouble quoted at 4.6799 mk until Republic of China was based on the mark.

11. Exchange rates: selling rates at sight, monthly averages,

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
1969								
I	4.187	3.904	9.994	81.00	58.59	55.78	104.60	115.78
II	4.187	3.899	10.012	80.96	58.55	55.66	104.24	115.51
III	4.187	3.891	10.012	81.00	58.63	55.79	104.22	115.44
IV	4.187	3.891	10.021	81.03	58.65	55.65	104.37	115.29
V	4.199	3.899	10.017	81.21	58.78	55.73	105.35	115.40
VI	4.210	3.901	10.061	81.38	59.00	55.92	105.26	115.45
VII	4.213	3.898	10.072	81.47	59.01	55.97	105.38	115.70
VIII	4.213	3.908	10.051	81.53	58.99	55.96	105.74	116.45
IX	4.213	3.907	10.041	81.47	58.97	56.00	106.26	116.57
X	4.214	3.908	10.057	81.61	58.95	56.04	113.04	117.19
XI	4.209	3.913	10.087	81.48	58.91	56.11	114.12	116.84
XII	4.202	3.911	10.072	81.33	58.84	56.11	114.06	116.18
1970								
I	4.196	3.910	10.073	81.24	58.69	56.00	113.87	115.54
II	4.190	3.905	10.075	80.94	58.65	55.92	113.65	115.22
III	4.184	3.900	10.066	80.47	58.59	55.83	113.89	115.19
IV	4.177	3.893	10.051	80.35	58.50	55.68	114.70	115.03
V	4.176	3.892	10.039	80.34	58.44	55.66	114.97	115.16
VI	4.181	4.033	10.027	80.56	58.50	55.77	115.11	115.38
VII	4.176	4.046	9.985	80.54	58.46	55.70	115.01	115.65
VIII	4.176	4.091	9.973	80.64	58.46	55.68	115.02	116.00
IX	4.176	4.110	9.959	80.31	58.45	55.70	115.00	116.04
X	4.176	4.089	9.969	80.53	58.44	55.69	114.99	116.03
XI	4.177	4.095	9.984	80.71	58.47	55.72	115.03	116.11
XII	4.177	4.103	9.987	80.79	58.56	55.79	114.67	115.98
1971								
I	4.176	4.126	10.045	80.90	58.49	55.80	114.83	116.18
II	4.176	4.145	10.095	80.72	58.47	55.79	114.99	116.14
III	4.176	4.151	10.099	80.90	58.51	55.82	115.01	116.17
IV	4.177	4.146	10.099	80.92	58.60	55.79	114.95	116.04
V	4.196	4.161	10.149	81.26	58.98	55.95	118.68	118.54
VI	4.199	4.116	10.156	81.35	59.06	56.04	119.57	118.00
VII	4.182	4.097	10.115	81.04	58.87	55.79	120.14	117.55
VIII	4.171	4.112	10.160	81.42	59.51	56.05	122.32	119.76
IX	4.162	4.107	10.276	82.16	60.36	56.92	123.87	121.95
X	4.162	4.144	10.365	82.91	60.79	57.32	125.18	123.95
XI	4.162	4.146	10.377	83.21	60.71	57.35	124.96	124.98
XII	4.155	4.159	10.502	84.96	61.58	58.20	127.12	126.79

1969—1971

Marks

100 Francs Brussels	100 Francs Zurich	100 Francs ¹ Paris	100 Lire Rome	100 Schilling Vienna	100 Escudos Lisbon	100 Kronur Reykja- vik	100 Pesetas Madrid	Month
1969								
8.345	96.96	84.59	0.6710	16.20	14.67	4.76	6.02	I
8.348	96.90	84.54	0.6695	16.17	14.68	4.76	6.02	II
8.330	97.38	84.46	0.6666	16.17	14.70	4.76	6.02	III
8.334	96.88	84.37	0.6680	16.18	14.71	4.76	6.02	IV
8.367	97.17	84.40	0.6685	16.20	14.73	4.76	6.02	V
8.367	97.62	84.65	0.6715	16.27	14.79	4.76	6.03	VI
8.379	97.72	84.74	0.6715	16.31	14.81	4.76	6.04	VII
8.381	97.88	78.50	0.6710	16.33	14.81	4.78	6.05	VIII
8.371	98.04	75.90	0.6701	16.31	14.83	4.80	6.05	IX
8.433	97.93	75.47	0.6710	16.31	14.84	4.80	6.05	X
8.473	97.31	75.49	0.6726	16.26	14.83	4.80	6.05	XI
8.462	97.56	75.46	0.6711	16.27	14.82	4.80	6.04	XII
1970								
8.448	97.29	75.56	0.6672	16.24	14.81	4.80	6.03	I
8.440	97.51	75.59	0.6662	16.22	14.79	4.79	6.03	II
8.427	97.10	75.48	0.6656	16.18	14.76	4.77	6.03	III
8.412	97.09	75.49	0.6642	16.14	14.75	4.77	6.03	IV
8.411	96.92	75.64	0.6641	16.13	14.71	4.77	6.03	V
8.422	96.93	75.74	0.6648	16.16	14.70	4.76	6.03	VI
8.415	97.04	75.69	0.6641	16.17	14.66	4.76	6.03	VII
8.415	97.09	75.63	0.6653	16.18	14.65	4.76	6.03	VIII
8.415	97.00	75.66	0.6685	16.18	14.63	4.76	6.03	IX
8.415	96.45	75.60	0.6705	16.18	14.62	4.76	6.03	X
8.416	96.72	75.67	0.6711	16.17	14.62	4.76	6.03	XI
8.414	96.91	75.65	0.6703	16.18	14.62	4.76	6.03	XII
1971								
8.413	97.00	75.67	0.6702	16.16	14.67	4.76	6.03	I
8.415	97.18	75.70	0.6698	16.14	14.69	4.76	6.03	II
8.414	97.11	75.70	0.6710	16.15	14.69	4.76	6.03	III
8.415	97.18	75.73	0.6714	16.18	14.67	4.76	6.03	IV
8.460	102.20	76.04	0.6745	16.74	14.83	4.76	6.06	V
8.447	102.65	75.98	0.6725	16.83	14.83	4.76	6.07	VI
8.421	102.16	75.86	0.6714	16.78	14.75	4.76	6.07	VII
8.499	103.62	75.68 76.39	0.6754	16.91	15.05	4.78	6.06	VIII
8.706	104.65	75.45 77.82	0.6790	17.10	15.65	4.78	6.03	IX
8.893	104.79	75.29 77.03	0.6800	17.23	15.30	4.77	6.05	X
8.986	104.57	75.35 76.93	0.6797	17.22	15.25	4.77	6.08	XI
9.136	106.50	77.08 78.43	0.6926	17.50	15.41	4.77	6.20	XII

¹ Since August a commercial and a financial rate.

12. Exchange rates: selling rates at sight, 1961—1971

Year	1 Dollar New York			1 Pound sterling London			100 Kronor Stockholm		
	Maximum	Minimum	Average	Maximum	Minimum	Average	Maximum	Minimum	Average
1961	3.222	3.205	3.215	9.055	8.970	9.009	62.45	61.95	62.23
1962	3.223	3.217	3.221	9.060	9.025	9.044	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
1967	4.206	3.224	3.448	11.655	8.975	9.430	81.55	62.30	66.81
1968	4.206	4.187	4.190	10.145	9.975	10.033	81.55	80.95	81.10
1969	4.215	4.187	4.201	10.095	9.985	10.079	81.75	80.95	81.28
1970	4.197	4.176	4.180	10.080	9.945	10.014	81.30	80.15	80.62
1971	4.204	4.152	4.174	10.610	9.995	10.205	85.40	80.60	81.82

Year	100 Kroner Oslo			100 Kroner Copenhagen			100 D. Mark Frankfurt o. M.		
	Maximum	Minimum	Average	Maximum	Minimum	Average	Maximum	Minimum	Average
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
1967	58.88	45.06	48.24	60.42	46.45	49.25	105.63	80.47	86.53
1968	58.88	58.63	58.68	56.45	55.66	56.00	105.50	104.16	104.98
1969	59.06	58.55	58.82	56.15	55.59	55.68	114.62	104.00	106.29
1970	58.82	58.41	58.52	56.07	55.63	55.76	115.21	113.44	114.67
1971	62.00	58.47	59.50	58.80	55.72	56.41	128.50	114.60	120.17

Marks

Year	100 Guildens Amsterdam			100 Francs Brussels			100 Francs Zurich		
	Maximum	Minimum	Average	Maximum	Minimum	Average	Maximum	Minimum	Average
1961	89.69	84.70	88.58	6.475	6.410	6.450	74.66	74.18	74.44
1962	89.69	88.86	89.42	6.485	6.465	6.475	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
1967	116.95	89.18	95.73	8.470	6.440	6.940	97.43	74.21	79.69
1968	116.95	114.93	115.80	8.470	8.320	8.396	97.49	96.47	97.08
1969	117.34	115.16	115.98	8.480	8.320	8.381	98.10	96.70	97.44
1970	116.15	114.86	115.62	8.455	8.405	8.421	97.65	96.30	97.00
1971	127.85	115.80	119.72	9.270	8.405	8.607	107.20	96.74	101.63

Year	100 Francs ¹ Paris			100 Lire Rome			100 Schilling Vienna		
	Maximum	Minimum	Average	Maximum	Minimum	Average	Maximum	Minimum	Average
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
1967	85.80	65.15	70.11	0.6750	0.5156	0.5527	16.29	12.47	13.35
1968	85.70	84.21	84.66	0.6740	0.6705	0.6723	16.29	16.19	16.22
1969	84.80	75.40	81.16	0.6735	0.6660	0.6702	16.33	16.16	16.25
1970	75.80	75.40	75.62	0.6718	0.6641	0.6669	16.27	16.13	16.18
1971	79.70	75.07	75.78	0.7000	0.6690	0.6765	17.60	16.13	16.75

¹ After the introduction of the dual rate system on August 13, 1971 the so-called commercial rate has been used in the 1971 calculations.

Bank Supervisors, Delegated by Parliament, at the End of 1971

HARRI HOLKERI, M.Pol.Sc., M.P., *Chairman*

JUSSI LINNAMO, Lic.Soc.Sc., Chief Director of the Bank Inspectorate,
Vice chairman

AARO LINTILÄ, M.P.

VEIKKO VENNAMO, Lic.Jur., M.P.

INGVAR S. MELIN, Lic.Sc. (Econ.), Director of the Finnish Employers'
Confederation, M.P.

T. JUNNILA, Ph.D., Member of the Board of Management of
Kansallis-Osake-Pankki, M.P.

SYLVI SILTANEN, M.P.

HEIKKI HYKKÄÄLÄ, M.P.

AARNE SAARINEN, Chairman of the People's Democratic Party

Bank of Finland at the End of 1971

Board of Management

MAUNO KOIVISTO, Ph.D., *Governor*

A. SIMONEN, LL. M.

AHTI KARJALAINEN, D.Pol.Sc.

HEIKKI VALVANNE, D.Pol.Sc.

JAAKKO LASSILA, D.Sc. (Econ.)

PÄIVIÖ HETEMÄKI, LL.M., absent as Member of Government

TIMO HELELÄ, D.Pol.Sc., ad int.

Directors

JOUKO J. VOUTILAINEN, M.A.

TIMO HELELÄ, D.Pol.Sc.

JORMA ARANKO, B.Sc. (Econ.)

PERTTI TAMMIVUORI, LL.M.

Head Office

Heads of Department

PAULI KANERVA, LL.M., *Administration*
K. IGNATIUS, LL.M., *Personnel*
MARKKU PUNTILA, D.Pol.Sc., *Monetary Policy*
ANTTI LEHTINEN, M. Sc. (Econ.), *Domestic Financial Operations*
HELGE LINDSTRÖM, Lic.Jur., *Credits and Securities*
KALLE KOSKI, *Foreign Credits*
P.-E. ÖSTERLUND, *Direct Investments and Capital Transfers*
LEO LINDSTRÖM, LL.M., *Foreign Exchange Control*
STIG TÖRNROTH, M.A., *Cash*
K. EIROLA, B.Sc. (Econ.), *Automatic Data Processing*
A. NENONEN, M.Phil., *Correspondence*
VÄINÖ HEISKANEN, LL.M., *Banking Services*
EINO SUOMELA, *Internal Audit*
A. KAJANTIE, M.A., *Organization*

Institute for Economic Research

PERTTI KUKKONEN, D.Pol.Sc., *Director*
HENRI J. VARTIAINEN, D.Pol.Sc., *Head of Research Department*, on leave
of absence

Managers of Branches

V. LEHTO, *Joensuu*
E. M. TAMMI, Dip. in law, *Jyväskylä*
V. KAARNAKORPI, *Kotka*
O. KANERVA, M.A., *Kuopio*
R. KOTKASAARI, *Lahti*
S. PAAVOLA, LL.M., *Mikkeli*
E. VUORELA, *Oulu*
K. PAANANEN, B.Sc. (Econ.), *Pori*
M. HANNULA, *Rovaniemi*
P. O. HÄLLSTEN, Dip. in law, *Tampere*
OLAVI VAINIO, M.Sc. (Econ.), *Turku*
O. SUNDSTRÖM, LL.M., *Vaasa*