

18 April 2000

No 4/2000

Main Indicators for the Finnish Economy

Charts and tables

		page
Supply, demand and labour market		
Chart 1.1	GDP: Finland and EU countries	1
Chart 1.2	GDP: quarterly and monthly indicator	1
Chart 2	GDP by sectors of origin	2
Chart 3	Manufacturing production: Finland and EU countries	2
Chart 4	Main demand components	3
Chart 5	Household sector's saving ratio	3
Chart 6	Indicators of domestic demand	4
Chart 7	Labour force and employment	5
Chart 8	Unemployment rate: Finland and EU countries	5
Table 1	Supply, demand and labour market indicators	6
External balance and sectoral finance		
Chart 9	Exports of goods, volume	7
Chart 10	Imports of goods, volume	7
Chart 11	Foreign trade prices	8
Chart 12	External balance, trade account, current account	9
Chart 13	Sectoral Debt Ratios	9
Chart 14	Corporate sector borrowing	10
Chart 15	Household's borrowing	10
Chart 16	Central government finance	11
Chart 17	Foreign net debt, international comparison	12
Chart 18	Foreign net debt, per cent of GDP, per cent of exports	12
Table 2	External balance and sectoral finance indicators	13
Costs and prices		
Chart 19	Earnings	14
Chart 20	Relative unit labour costs in manufacturing	14
Chart 21	Producer price indices, Finland and EU countries	15
Chart 22	Consumer prices, Finland and EU countries	15
Chart 23	Import prices and producer prices	16
Chart 24	Harmonized consumer price index, Finland and Euro countries	16
Chart 25	Timber prices and export prices of forest industry products	17
Chart 26	Dwelling prices	17
Table 3	Cost and price indicators	18

Money market and monetary policy

Chart 27	Trade-weighted competitiveness indicator	19
Chart 28	Exchange rates	19
Chart 29	Rates of interest set by eurosystem	20
Chart 30	Key interest rates	20
Chart 31	Short-term domestic and foreign interest rates	21
Chart 31.1	Long-term domestic and foreign interest rates	21
Chart 32	Real and nominal interest rates, 3-month	22
Chart 32.1	Real and nominal interest rates, government bond yields, 10 year	22
Chart 33	Yield curve	23
Table 4	Interest rates and exchange rates	24

Financial market, securities market

Chart 34	Banks' markka lending rates and markka funding rates	25
Chart 35	Banks' interest rate margin	25
Chart 36	Bank funding from the public	26
Chart 37	Bank lending to the public	26
Chart 38	Outstanding bank credit	27
Chart 39	Hex, Helsinki Exchanges: share indices by sector	28
Chart 40	Hex, Helsinki Exchanges: share turnover	28
Chart 41	Hex, Helsinki Exchanges: market value	29
Chart 42	Government benchmark bonds	29
Chart 43	Stock of bonds outstanding in Finland	30
Chart 44	Foreign portfolio investments in Finland	30
Table 5	Key figures for the Finnish deposit banks	31

Chart 1.1

GROSS DOMESTIC PRODUCT: FINLAND AND EU

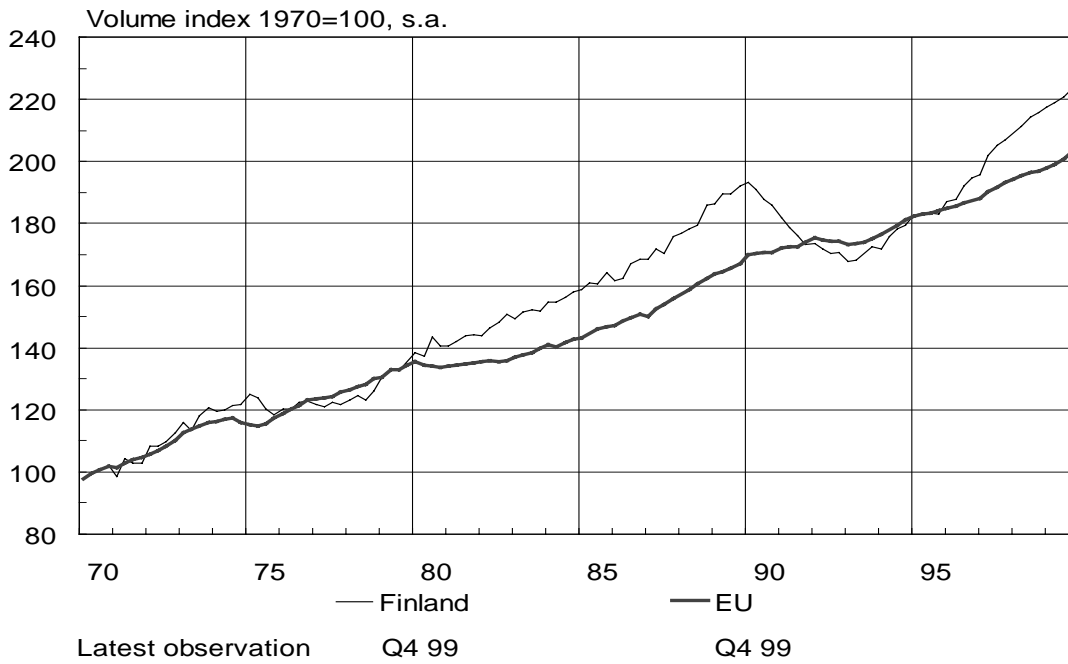


Chart 1.2

GROSS DOMESTIC PRODUCT

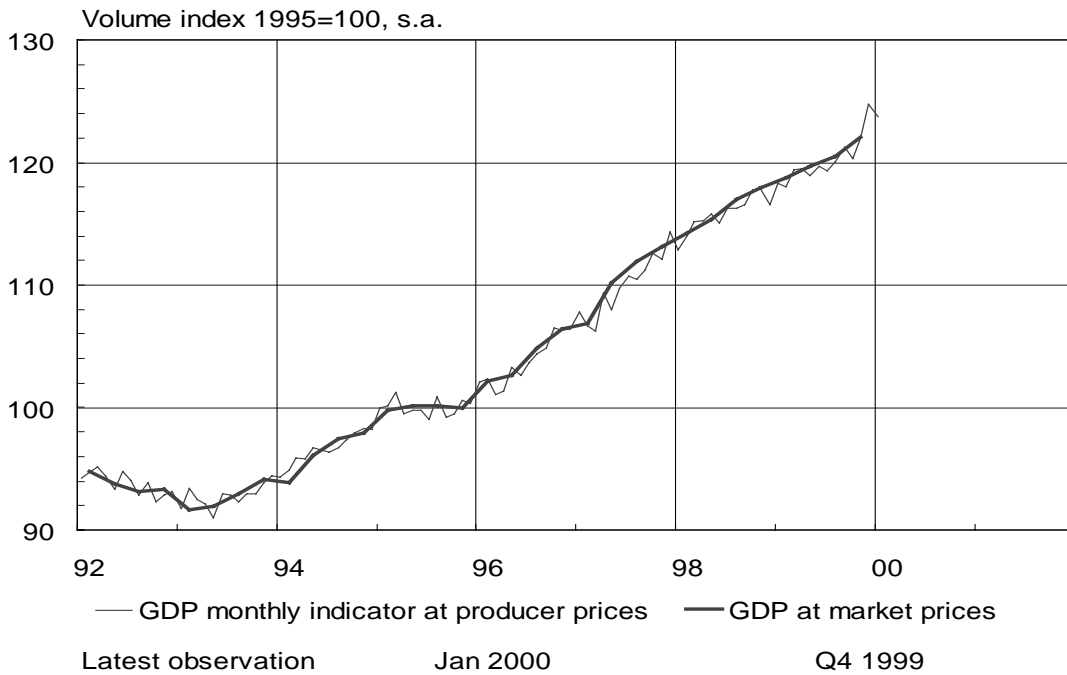


Chart 2.

GDP¹⁾ BY SECTORS OF ORIGIN

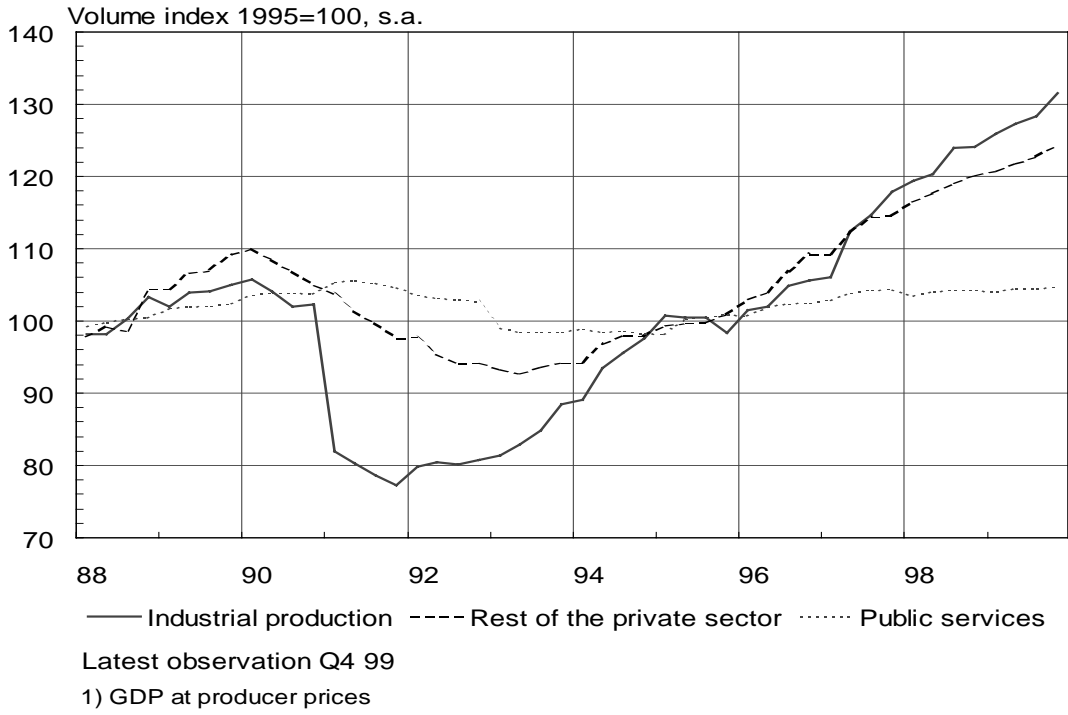


Chart 3.

MANUFACTURING PRODUCTION

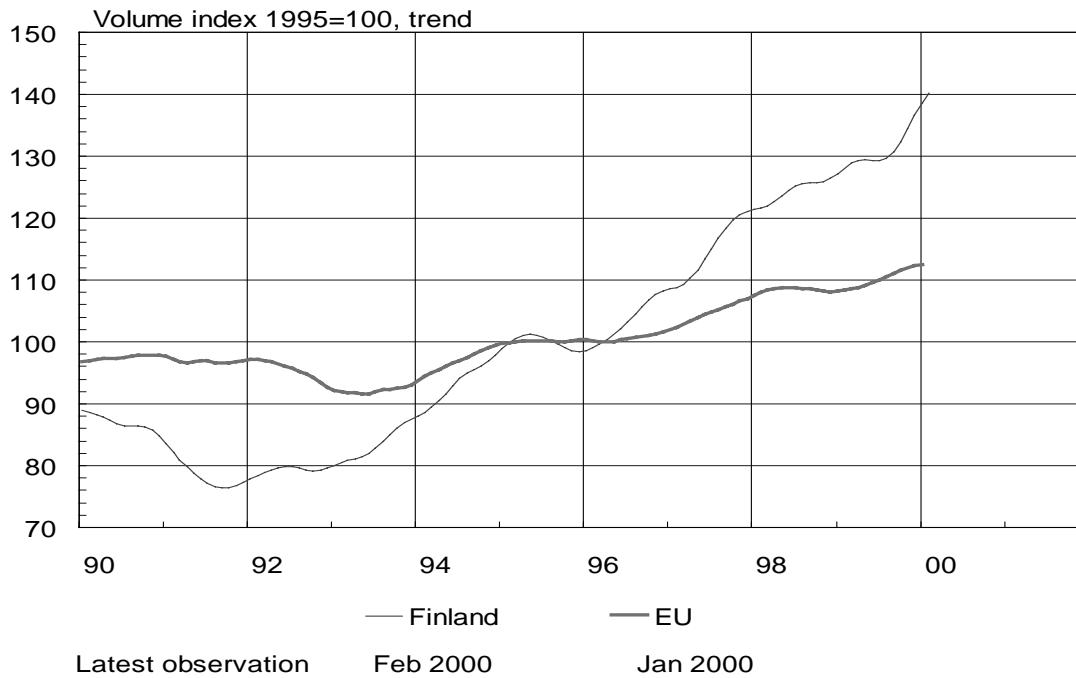


Chart 4.

MAIN DEMAND COMPONENTS

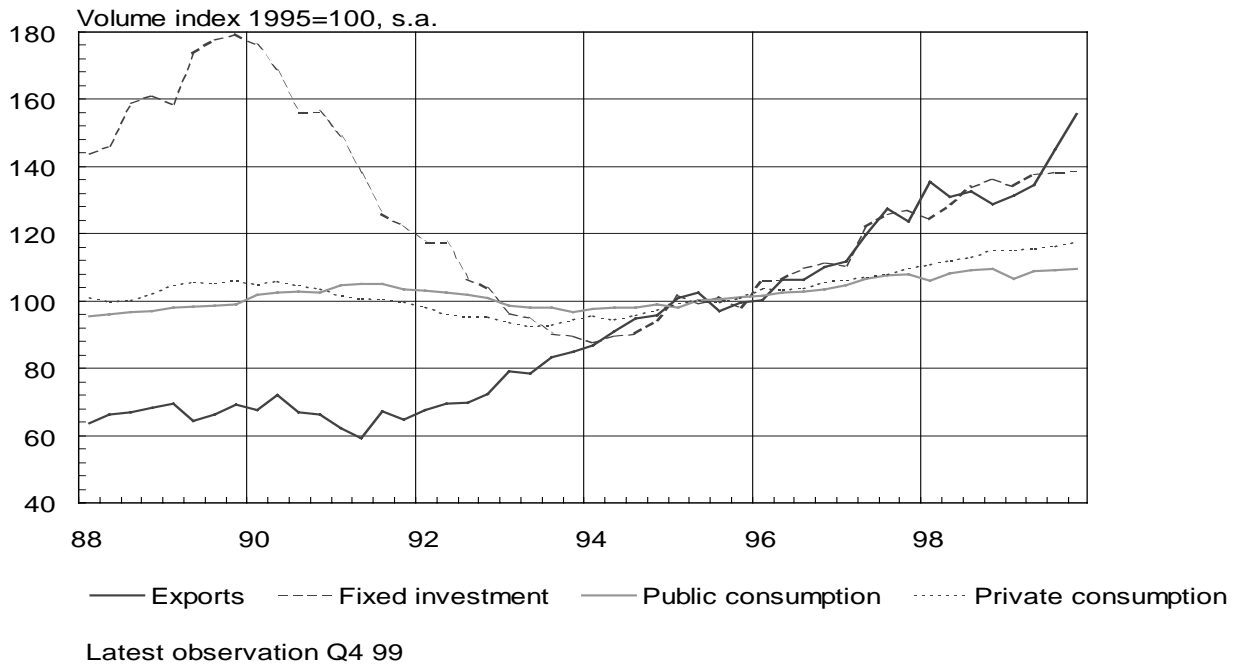


Chart 5.

HOUSEHOLD SECTOR'S SAVING RATIO

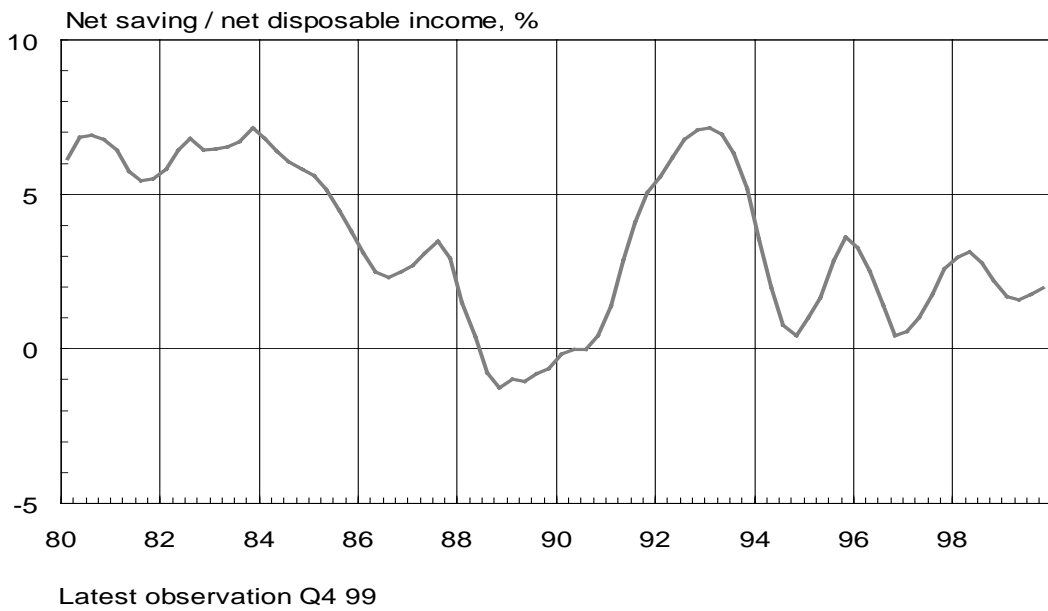
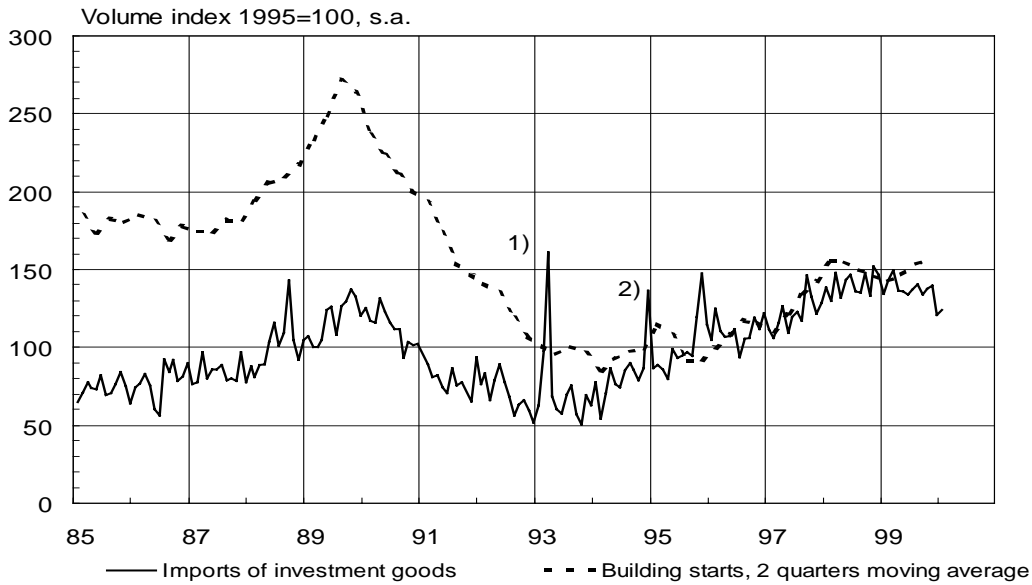


Chart 6.
INDICATORS OF DOMESTIC DEMAND
Private consumption



Fixed investment



Latest observation Jan 2000

Q4 1999

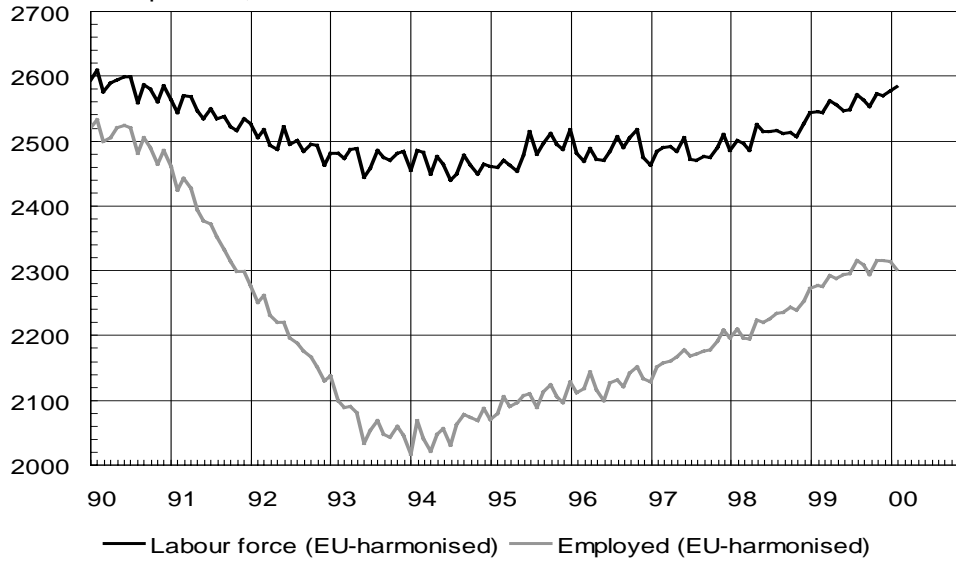
1) Peak in March 1993 due to cruiser ship imports (FIM 1.5 billion)

2) Includes increase caused by the change in statistical periods connected with Finland's entry into the EU

Chart 7.

LABOUR FORCE AND EMPLOYMENT

1000 persons, s.a.

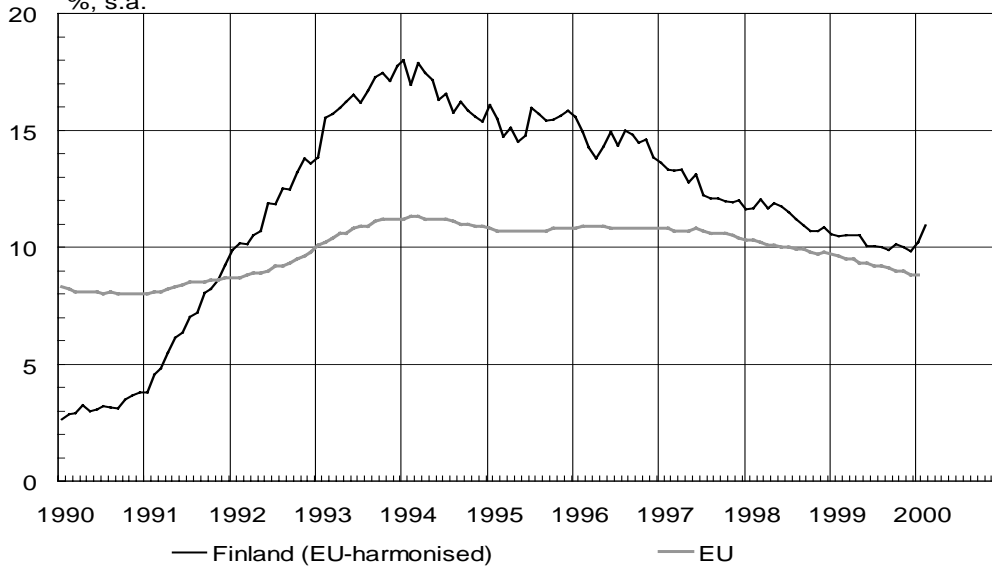


Latest observation Feb 2000

Chart 8.

UNEMPLOYMENT RATE

%, s.a.



Latest observation Feb 2000

Jan 2000

TABLE 1

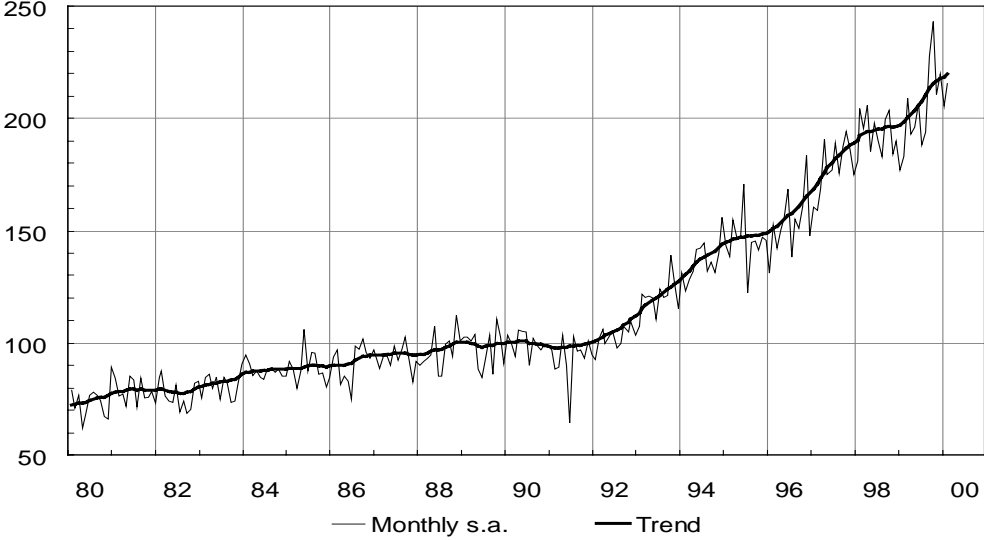
Supply, demand and labour market indicators

	1997	1998	1999	1999/2000	
	Volume change from previous year, per cent				
Gross domestic product 1) at market prices	6.3	5.0	3.5	3.5	Q4
GDP monthly indicator at producer prices	6.0	5.3	3.8	4.6 4.6	M1 M01-M01
Manufacturing production	10.0	8.9	5.7	7.1 7.0	M02 M01-M02
Consumption expenditure 1) private	3.7 3.5	3.7 4.6	2.1 2.9	1.6 2.1	Q4 Q4
government	4.1	1.5	0.3	0.3	Q4
Gross fixed capital formation 1) private	11.9 11.3	7.8 9.6	4.8 7.0	2.4 3.9	Q4 Q4
government	15.0	-0.4	-6.3	-6.6	Q4
Domestic demand 1)	4.7	4.3	1.7	-3.1	Q4
Exports of goods and services 1)	14.1	9.3	7.4	21.0	Q4
Imports of goods and services 1)	11.3	8.5	3.4	7.7	Q4
	Percentage change from previous year				
Employed persons 2)	2.0	2.4	3.3	0.9 1.4	M2 M01-M02
	Per cent				
Unemployment rate 2)	12.6	11.4	10.2	10.9 s.a. 10.6	M2 M01-M02

1) European System of Accounts 1995

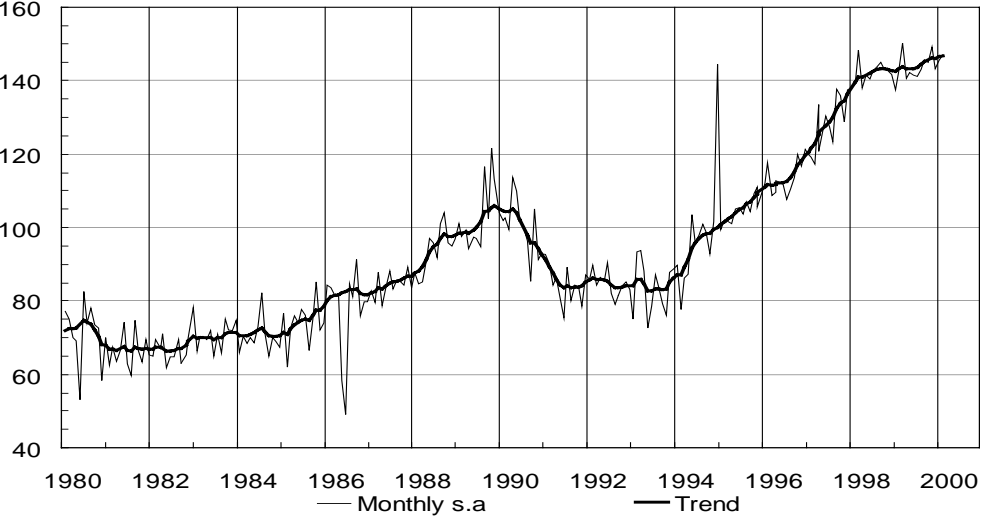
2) EU harmonized figures

Chart 9.
EXPORTS OF GOODS, volume
Index 1990 =100



Latest observation Feb 2000

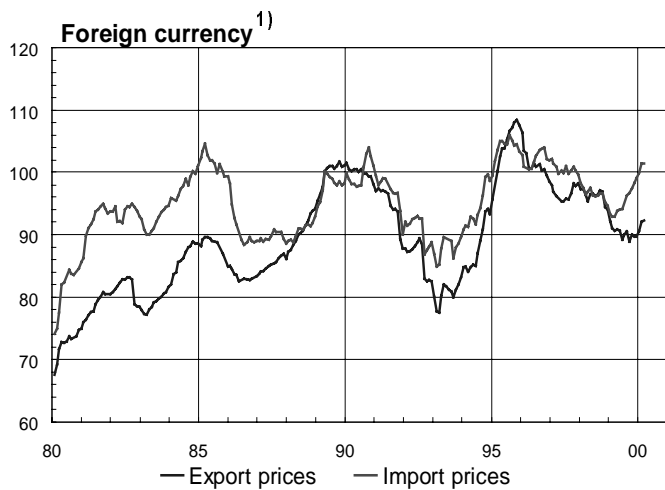
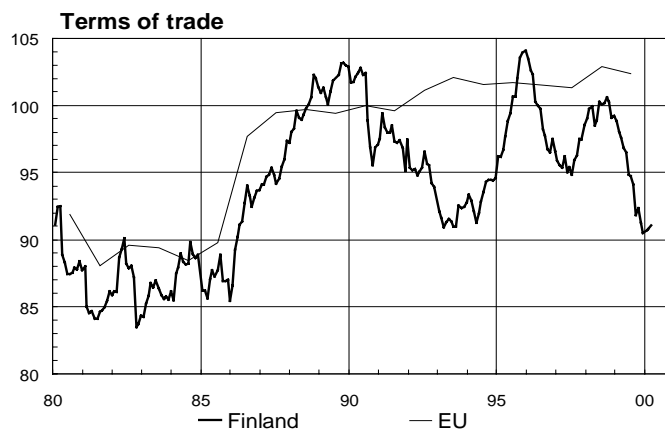
Chart 10.
IMPORTS OF GOODS, volume
Index 1990 =100



Latest observation Feb 2000

The change in statistical periods caused by Finland's entry into the EU has not been taken into account in the seasonally-adjusted figures or in the trend for December 1994

Chart 11.
FOREIGN TRADE PRICES
 Index 1990 = 100



1) FIM prices have been deflated using the payments-weighted currency index.

Latest observation Mar 2000 Year 99 EU

Chart 12.
EXTERNAL BALANCE
12-month moving totals

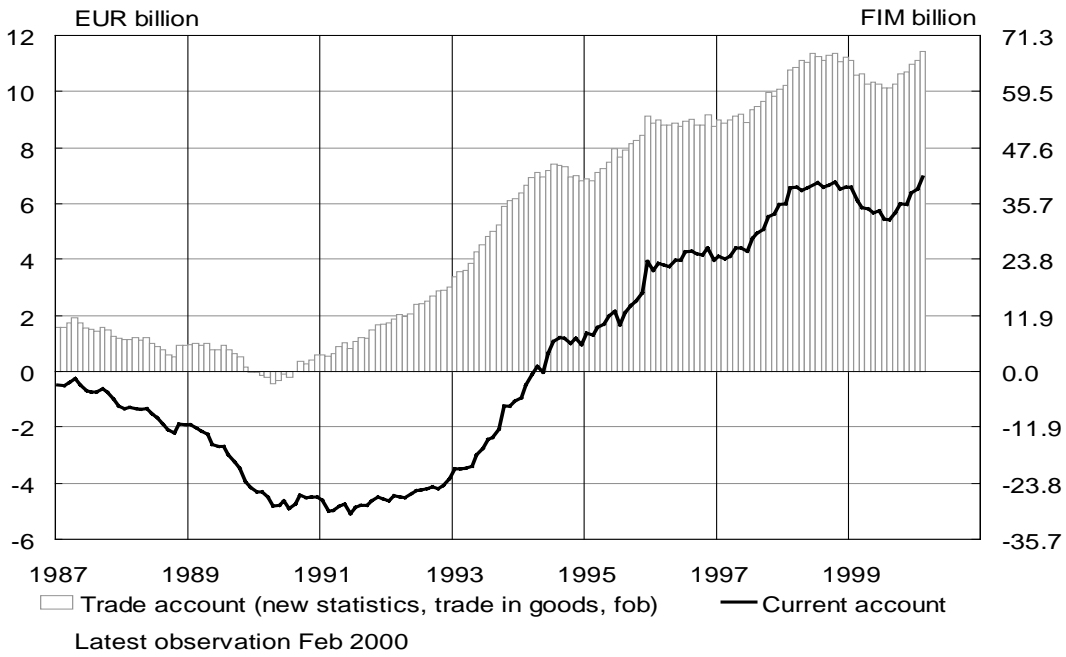


Chart 13.
SECTORAL DEBT RATIOS

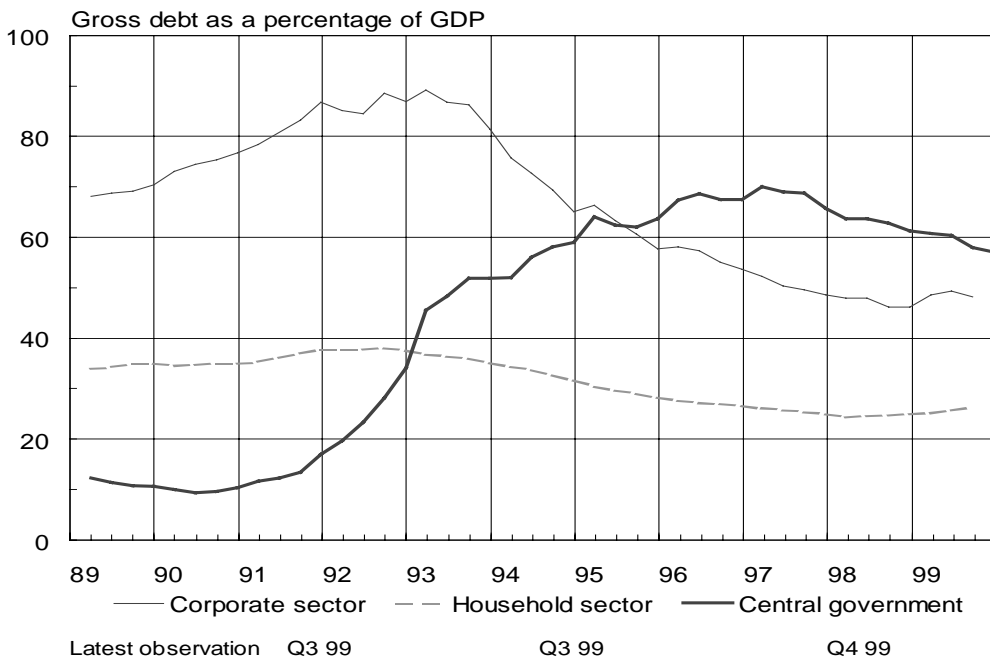


Chart 14.
CORPORATE SECTOR BORROWING

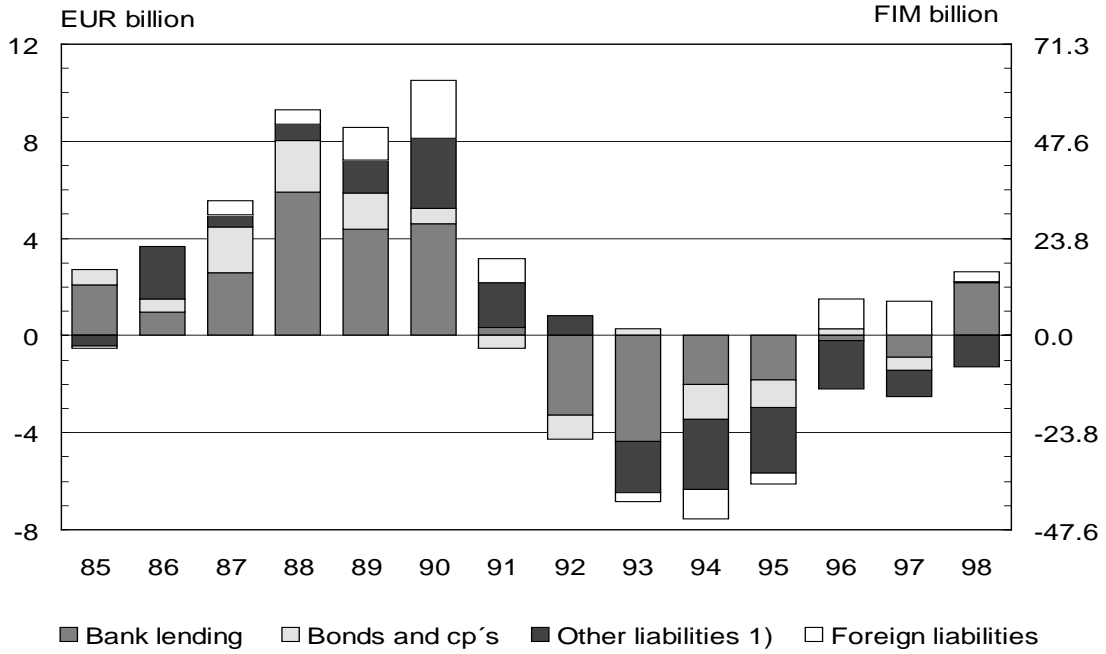
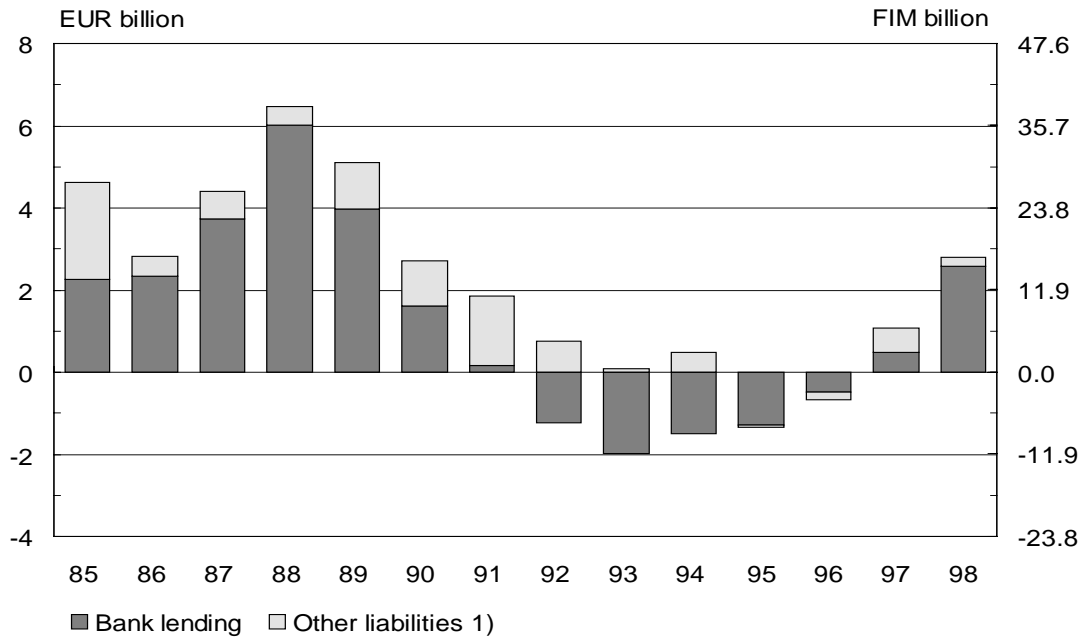


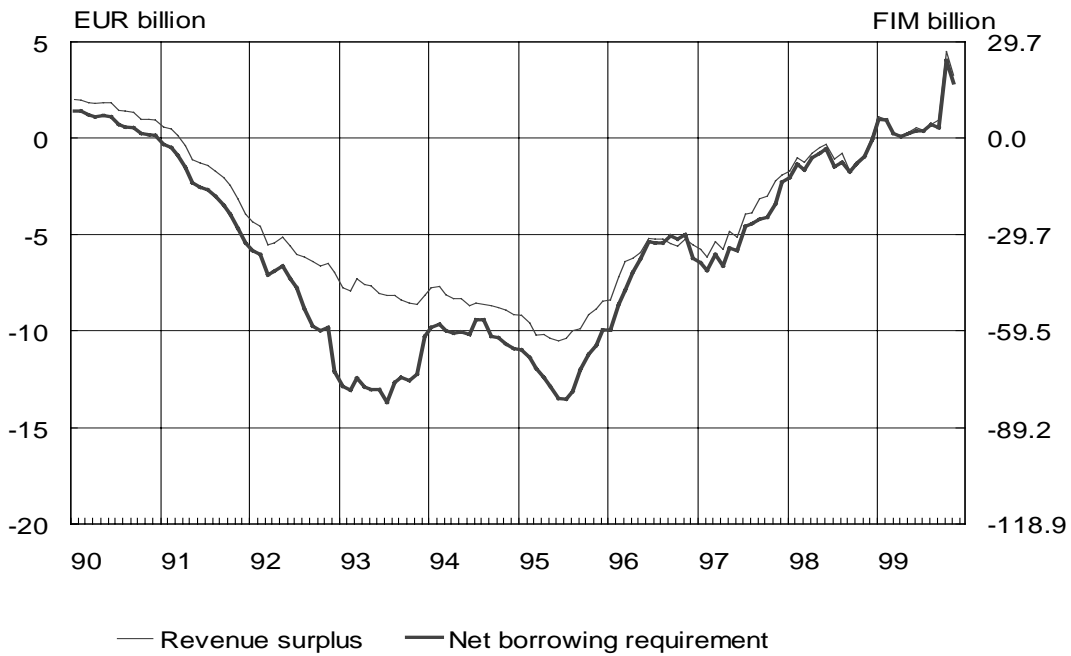
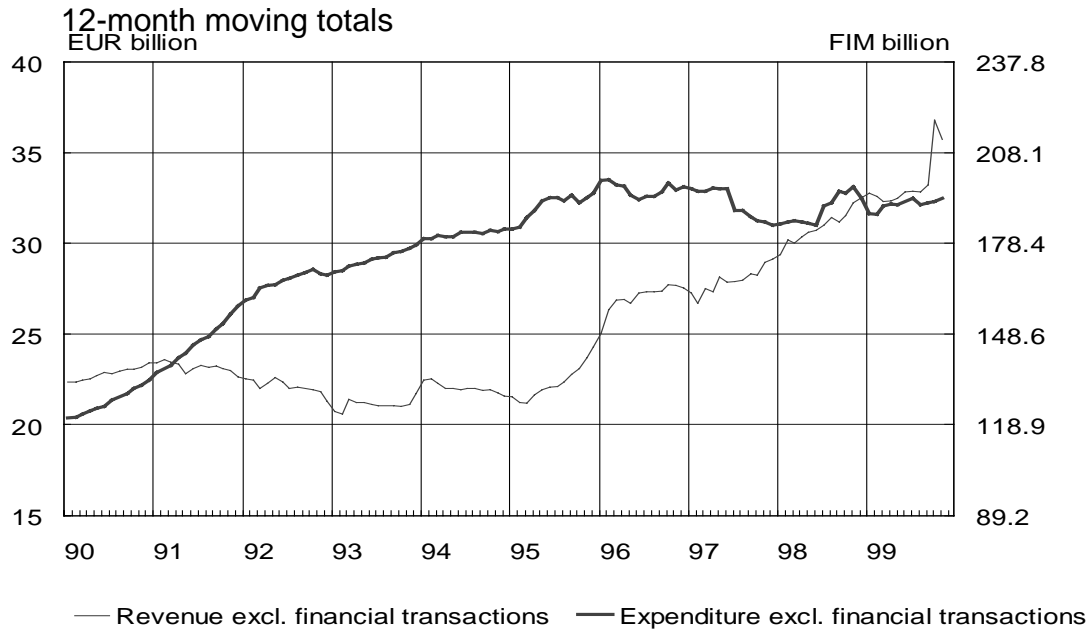
Chart 15.
HOUSEHOLDS' BORROWING



1) Due to a change (1996) in how the sectoral breakdown is made, there was a FIM 3.5 billion shift from households to the corporate sector.

Chart 16.

CENTRAL GOVERNMENT FINANCES



Latest observation November 99

Chart 17.

NET INTERNATIONAL INVESTMENT POSITION, international comparison

Per cent of exports of goods and services in 1998

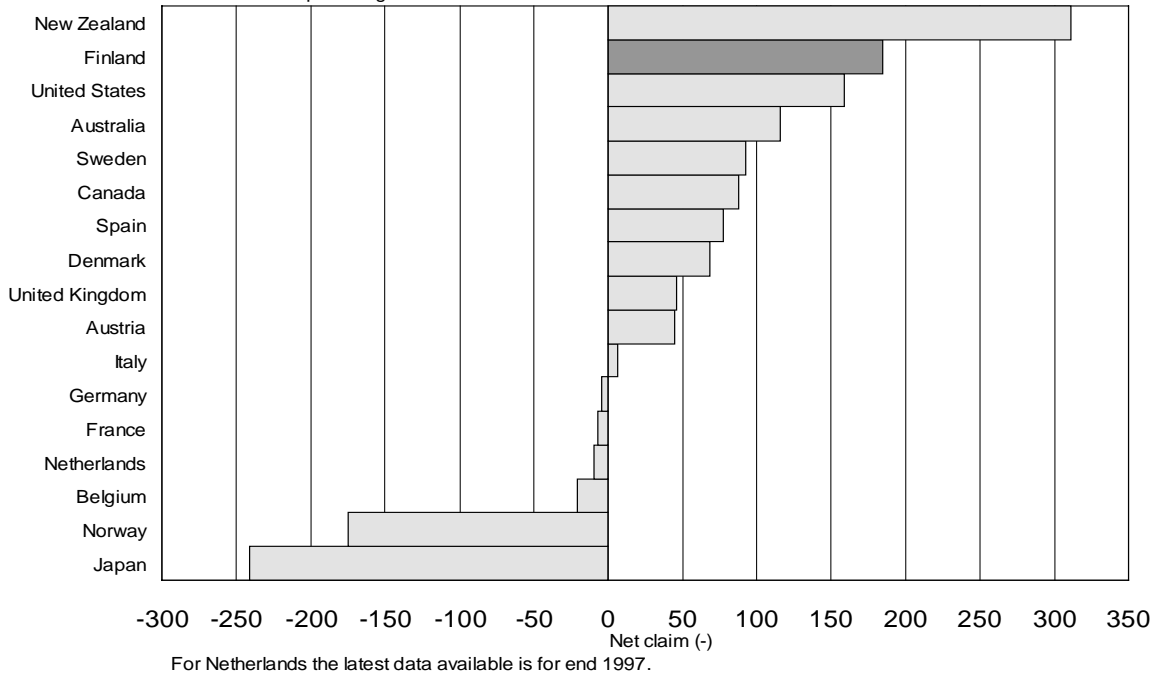


Chart 18.

FINLAND'S NET INTERNATIONAL INVESTMENT POSITION



TABLE 2

External balance and sectoral finance indicators

	1996	1997	1998	1999	2000
Trade account					
EUR billion	8.8	10.1	11.2	11.0	1.9 M01-M02 1.0 M02
per cent of GDP	8.9	9.5	9.7	9.1	
Current account					
EUR billion	4.0	6.0	6.6	6.4	1.0 M01-M02 0.7 M02
per cent of GDP	4.0	5.6	5.7	5.3	
Capital account. EUR billion	-6.3	-4.2	-6.4	-6.3	-0.8 M01-M02 -0.7 M02
General government	1.1	-1.0	-4.0	-4.5	0.3 M01-M02 3.0 M02
Direct investment					
to Finland	0.9	1.8	10.9	2.8	5.3 M01-M02 0.4 M02
abroad	2.8	4.6	16.8	3.9	1.6 M01-M02 0.8 M02
Shares	0.9	2.0	5.0	5.4	-1.5 M01-M02 2.5 M02
Other capital (incl. errors and omissions)	-6.5	-2.4	-1.5	-6.1	-3.4 M01-M02 -5.9 M02
Foreign exchange reserve (increase -)	2.4	-1.8	-0.2	-0.1	-0.2 M01-M02 0.0 M02
Net lending (saving minus investment)					
Private sector					
EUR billion	7.1	7.6	5.1	3.6	
per cent of GDP	7.2	7.1	4.4	3.0	
General government					
EUR billion	-3.1	-1.6	1.5	2.7	
per cent of GDP	-3.2	-1.5	1.3	2.3	
Central government					
EUR billion	-7.1	-3.9	-1.7	-0.7	
per cent of GDP	-7.2	-3.7	-1.5	-0.6	
Local government					
EUR billion	0.8	-0.7	-0.4	-0.3	
per cent of GDP	0.8	-0.7	-0.3	-0.2	
Social security funds					
EUR billion	3.2	3.0	3.6	3.8	
per cent of GDP	3.3	2.8	3.1	3.1	
Net foreign debt					
per cent of GDP	41.9	41.0	71.9	175.6	
per cent of exports of goods and services	111.6	105.0	184.3	465.4	
Sectoral debt ratios (gross debt per cent of GDP)					
Non-financial corporate sector	48.6	43.6	41.6		
Household sector	42.0	39.7	39.2		
General government (EMU)	57.1	54.1	49.0	47.1	
Central government	66.8	65.3	63.0		

Chart 19.

EARNINGS

Percentage change from previous year

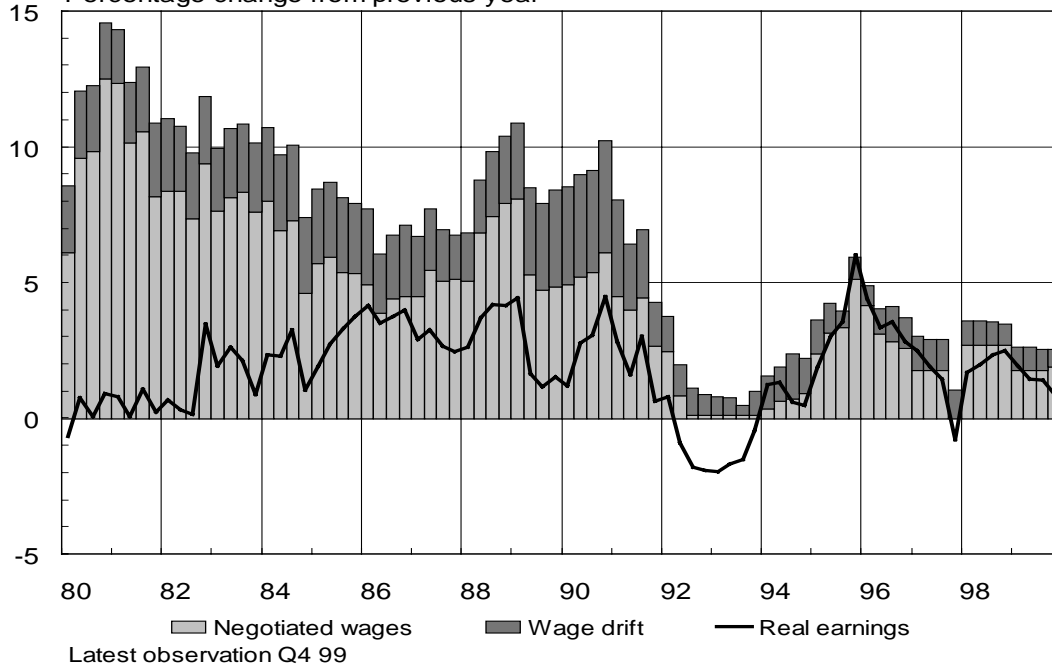
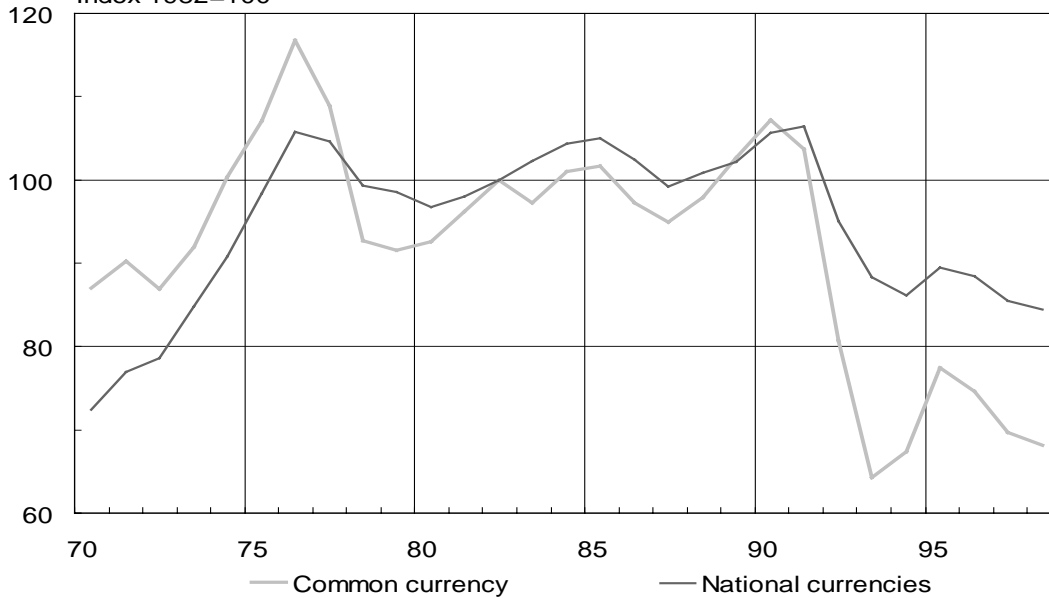


Chart 20.

RELATIVE UNIT LABOUR COSTS IN MANUFACTURING

Finland / competitor countries
 Index 1982=100

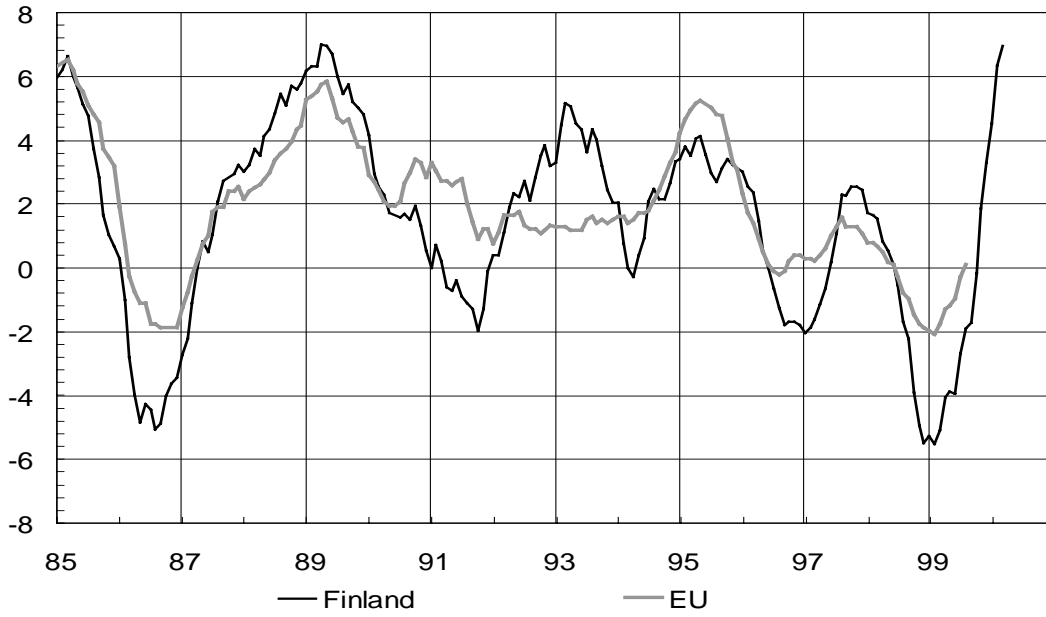


Latest observation year 1998

A fall indicates improvement in competitive position

Chart 21.
PRODUCER PRICE INDICES

12-month percentage change

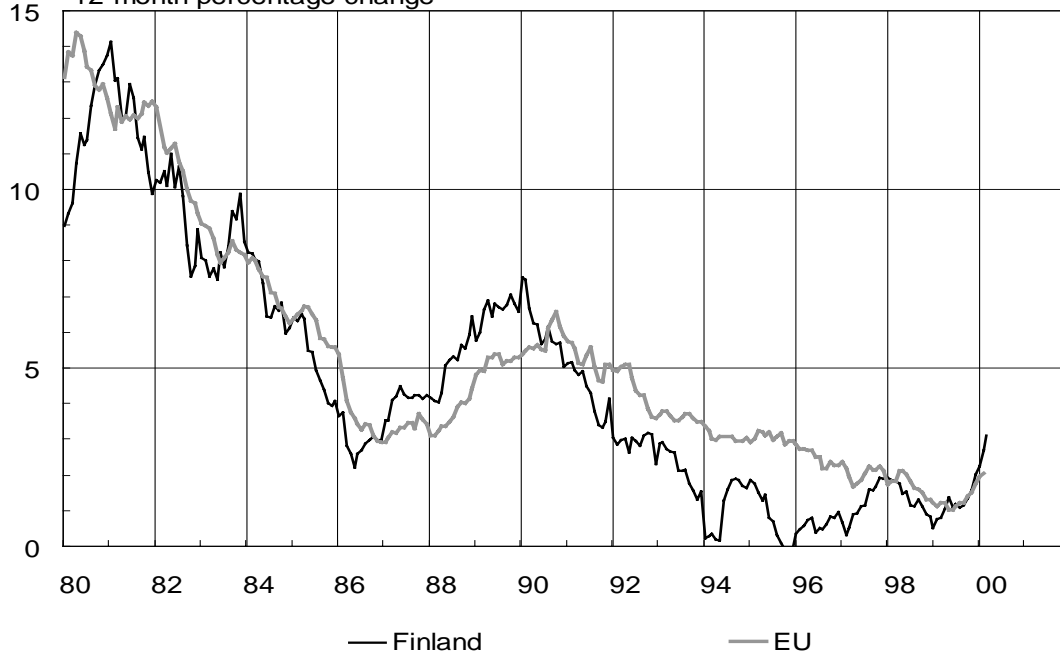


Latest observation Mar 2000

Aug 1999

Chart 22.
CONSUMER PRICES

12-month percentage change



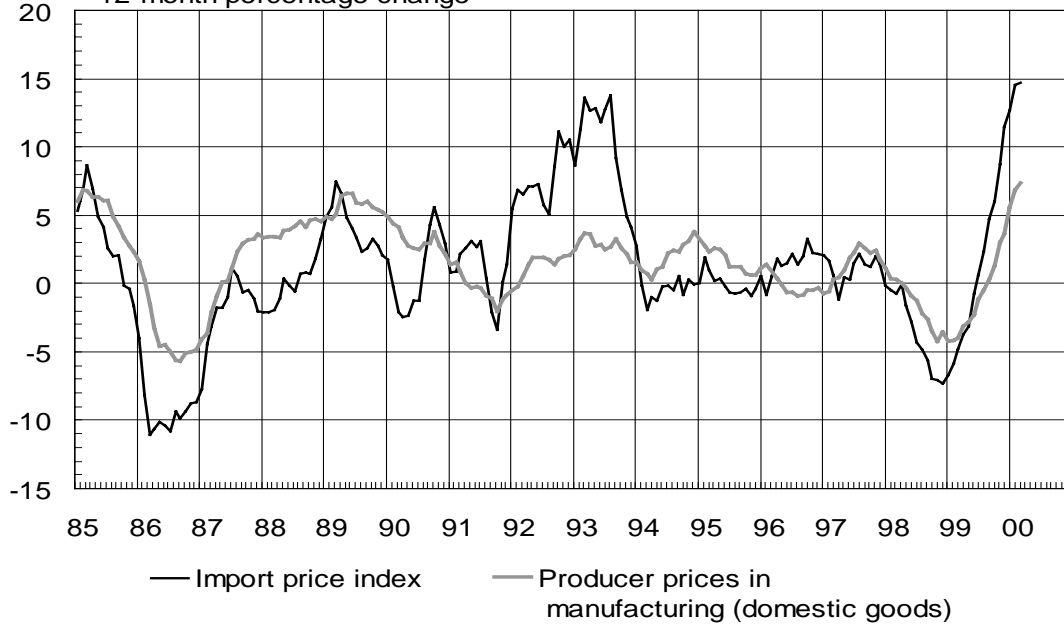
Latest observation Mar 2000

Feb 2000

Chart 23 .

IMPORT PRICES AND PRODUCER PRICES

12-month percentage change

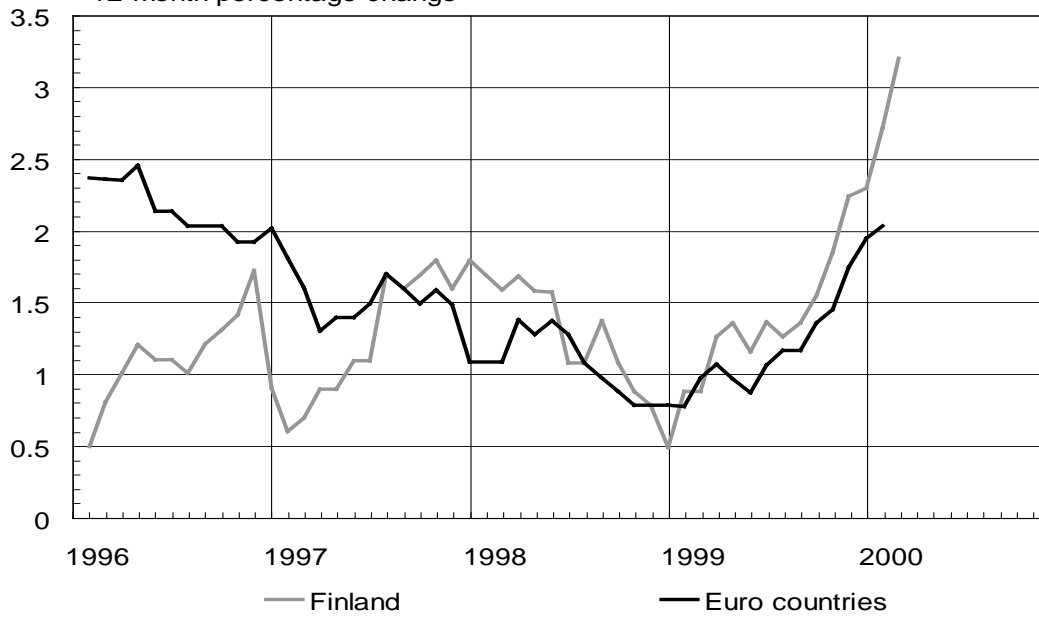


Latest observation Mar 2000

Chart 24.

HARMONIZED CONSUMER PRICE INDEX

12-month percentage change

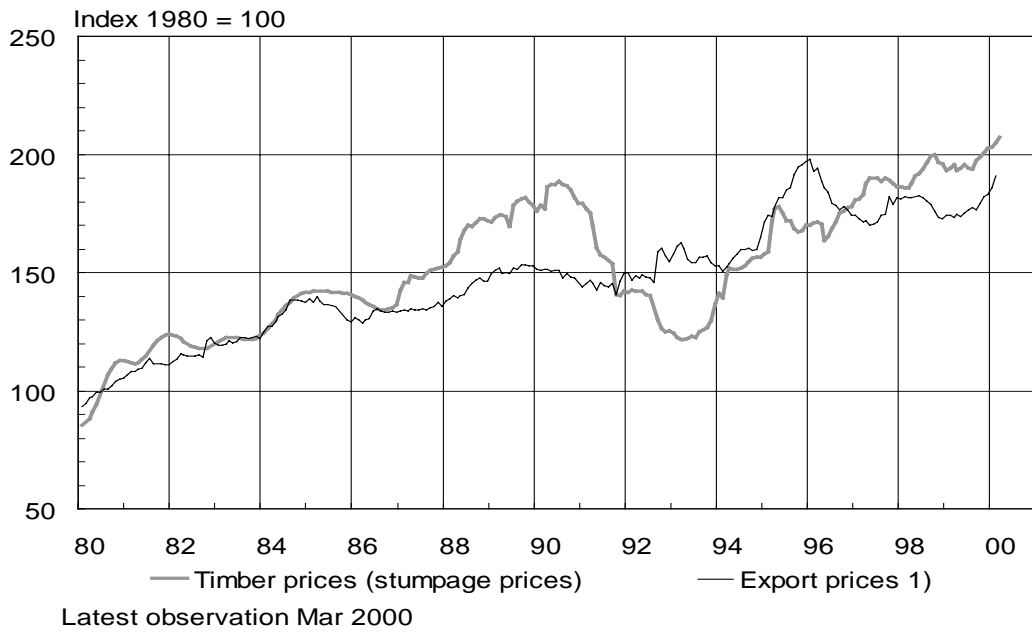


Latest observation Mar 2000

Feb 2000

Chart 25.

TIMBER PRICES AND EXPORT PRICES OF FOREST INDUSTRY PRODUCTS



1) Export price index of Statistics Finland from beginning of 1995

Chart 26.

DWELLING PRICES

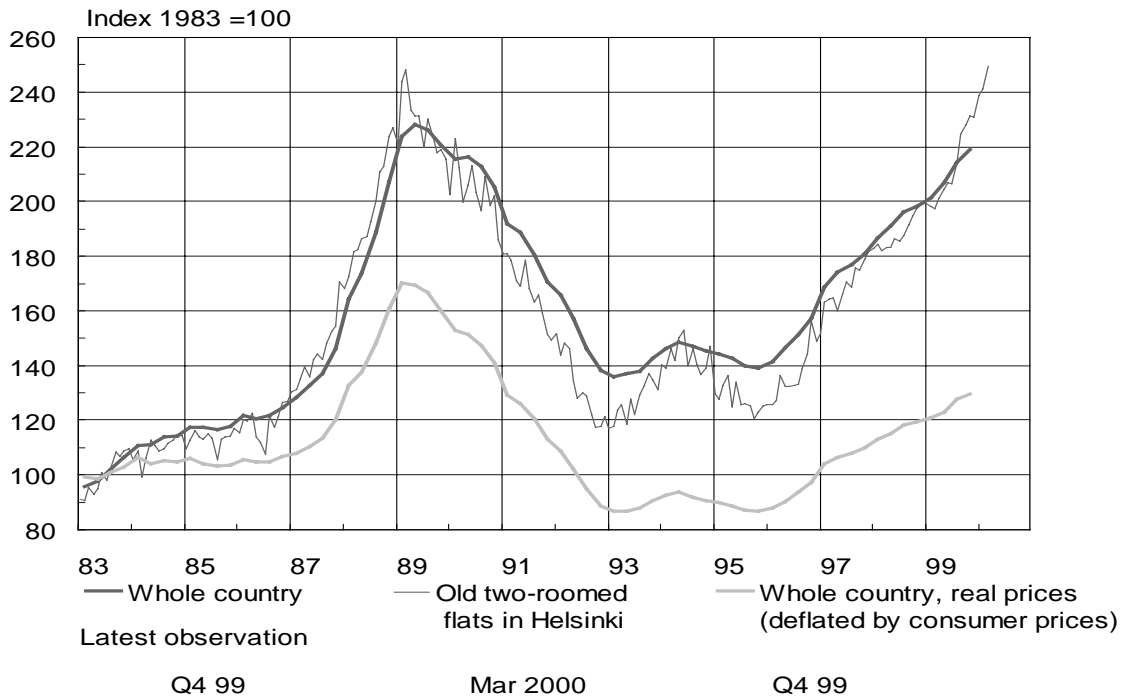


TABLE 3

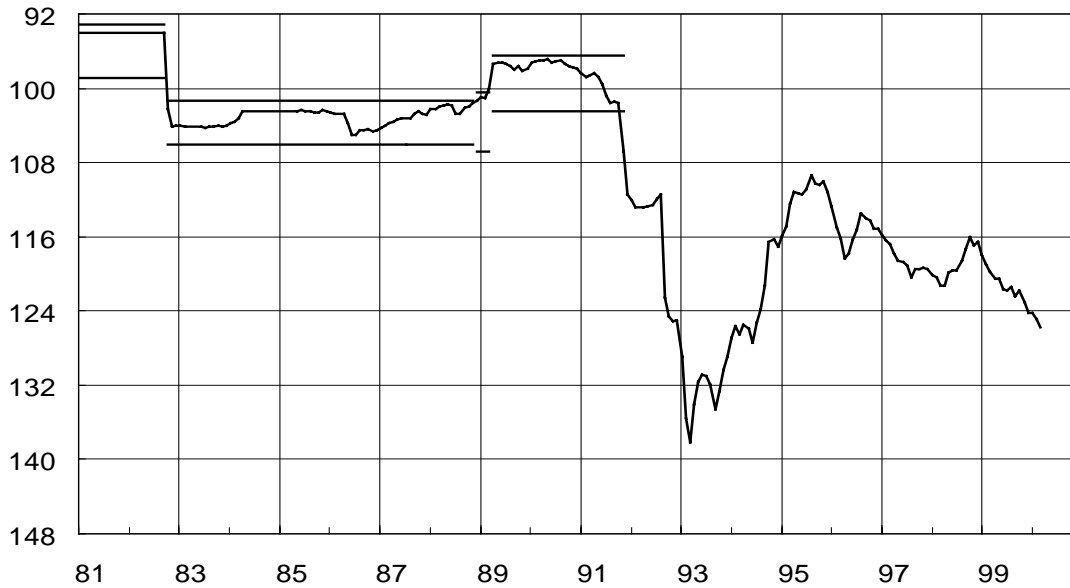
Cost and price indicators, percentage change

	1998	1999	2000
Labour costs			
Index of wages and salaries	3.5	2.6	2.5 99Q4
Unit labour costs			
Whole economy	1.9	2.2	..
Manufacturing	-1.0	0.6	..
Price indices			
Export prices	0.0	-4.4	7.0 M03 5.4 M01-M03
Import prices	-3.5	0.6	14.6 M03 13.9 M01-M03
Producer prices	-1.1	-2.5	7.4 M03 6.6 M01-M03
Wholesale prices	-1.5	-0.1	8.2 M03 7.5 M01-M03
Consumer prices	1.4	1.2	3.1 M03 2.7 M01-M03
Indicator of the underlying inflation	1.0	1.3	3.0 M02 2.7 M01-M02
Asset prices			
Stumpage prices	3.0	1.6	5.9 M03 5.5 M01-M03
Dwelling prices	10.2	8.9	9.1 99Q4
Share prices	41.6	72.1	171.0 M03 159.1 M01-M03

Chart 27.

**TRADE-WEIGHTED COMPETITIVENESS INDICATOR
(OLD BANK OF FINLAND CURRENCY INDEX)**

Index 1982=100



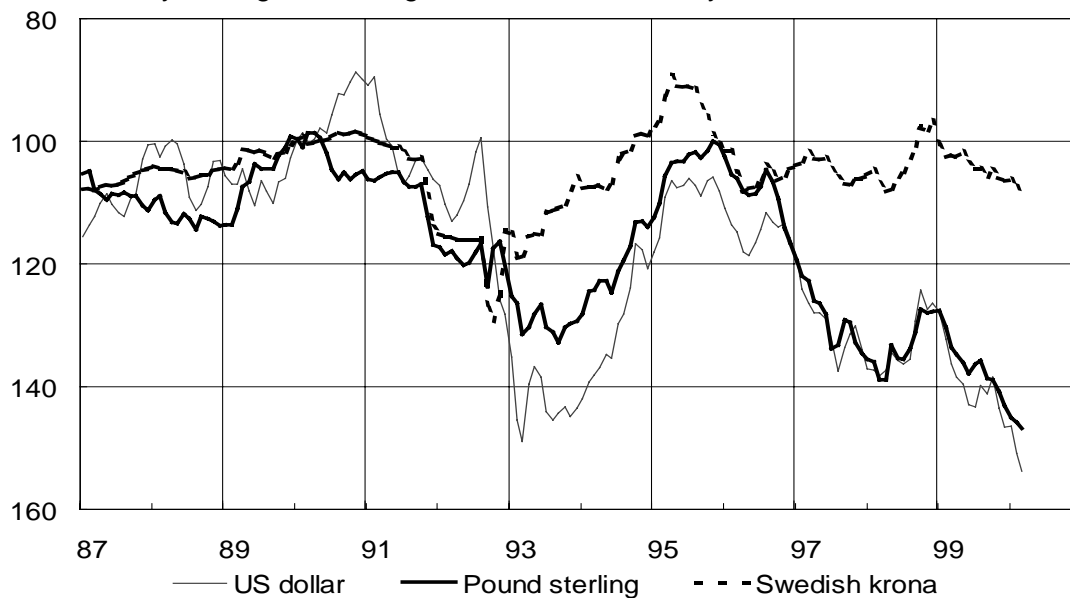
Latest observation Mar 2000

Chart 28.

EXCHANGE RATES

Rising curve=EURO strenghtens

Monthly averages of selling rates in EURO, January 1990=100



Exchange rates until 31 Dec 1998 are based on corresponding Finnish markka rates converted into euro rates at the fixed conversion rate 5.94573.
Latest observation Mar 2000

Chart 29.

RATES OF INTEREST SET BY EUROSYSTEM

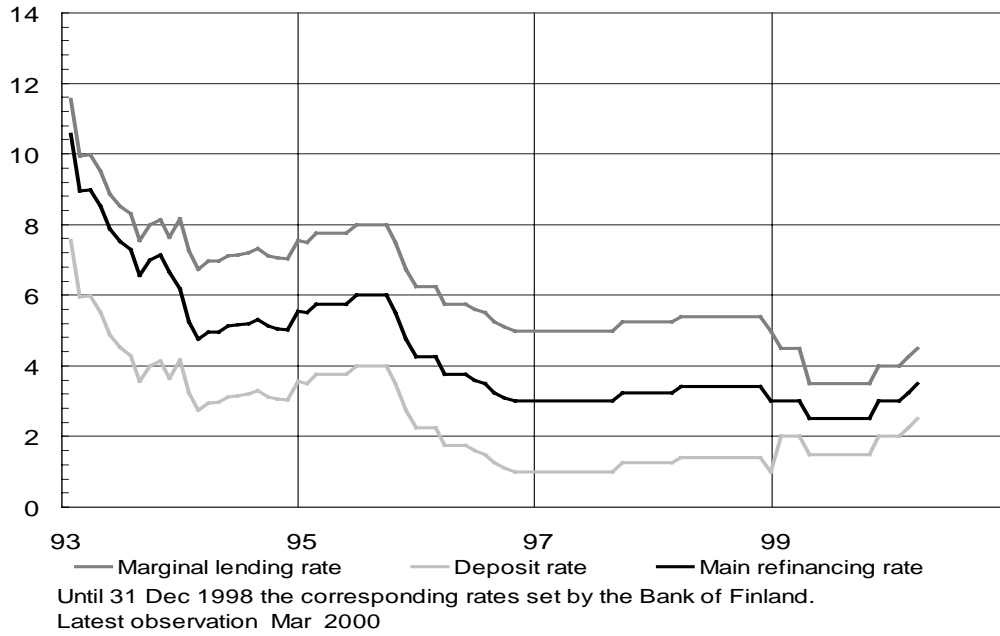


Chart 30.

KEY INTEREST RATES

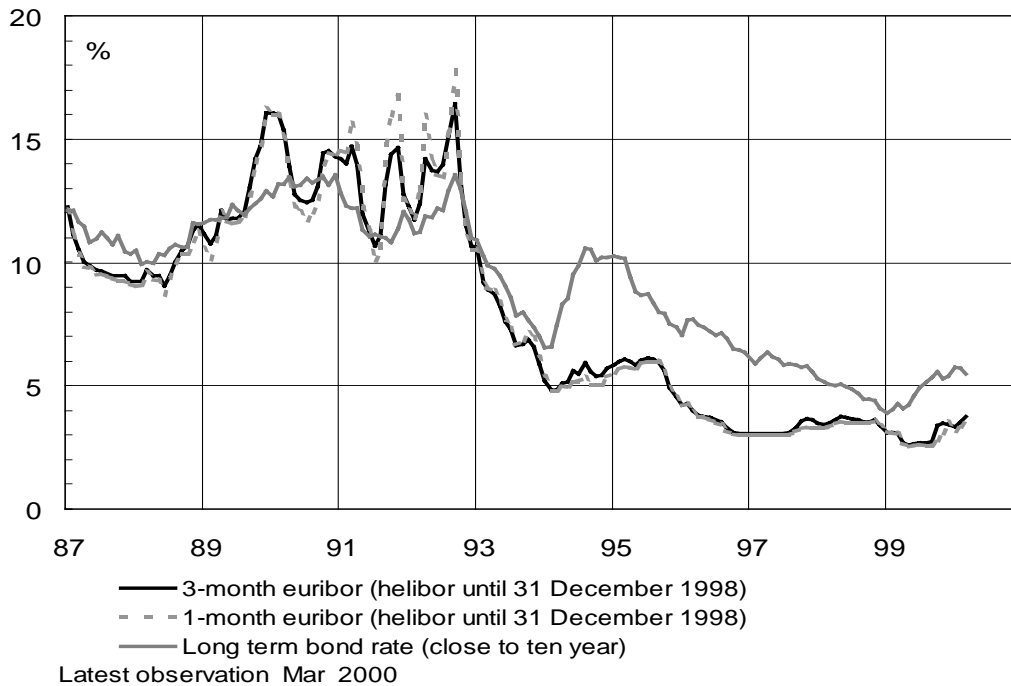


Chart 31.

SHORT-TERM DOMESTIC AND FOREIGN INTEREST RATES

3-month interest rates, %

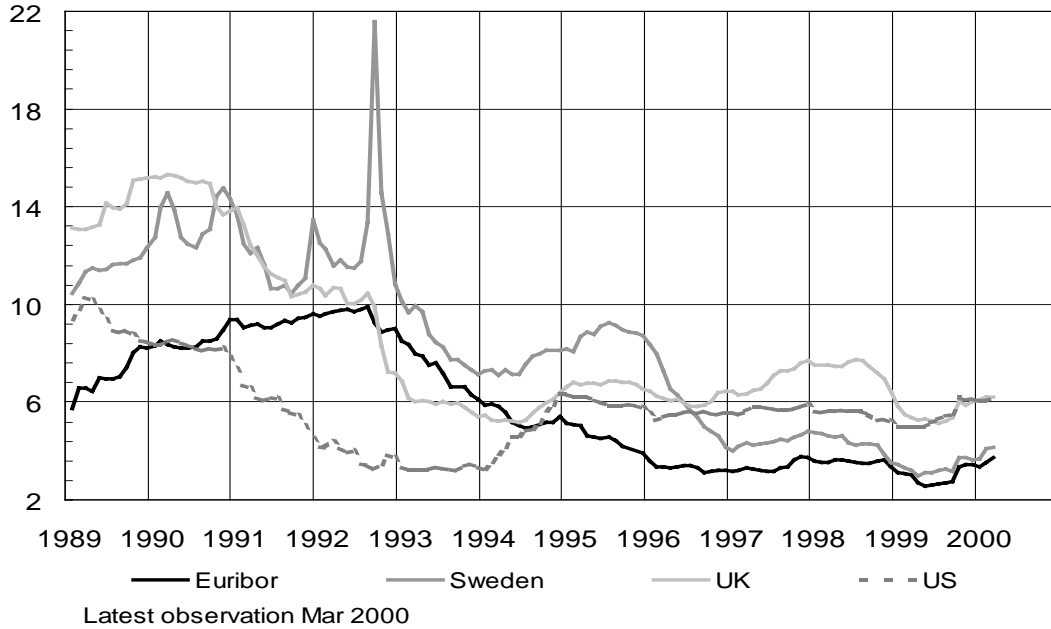


Chart 31.1.

LONG-TERM DOMESTIC AND FOREIGN INTEREST RATES

Government bond yields, close to 10 year, %

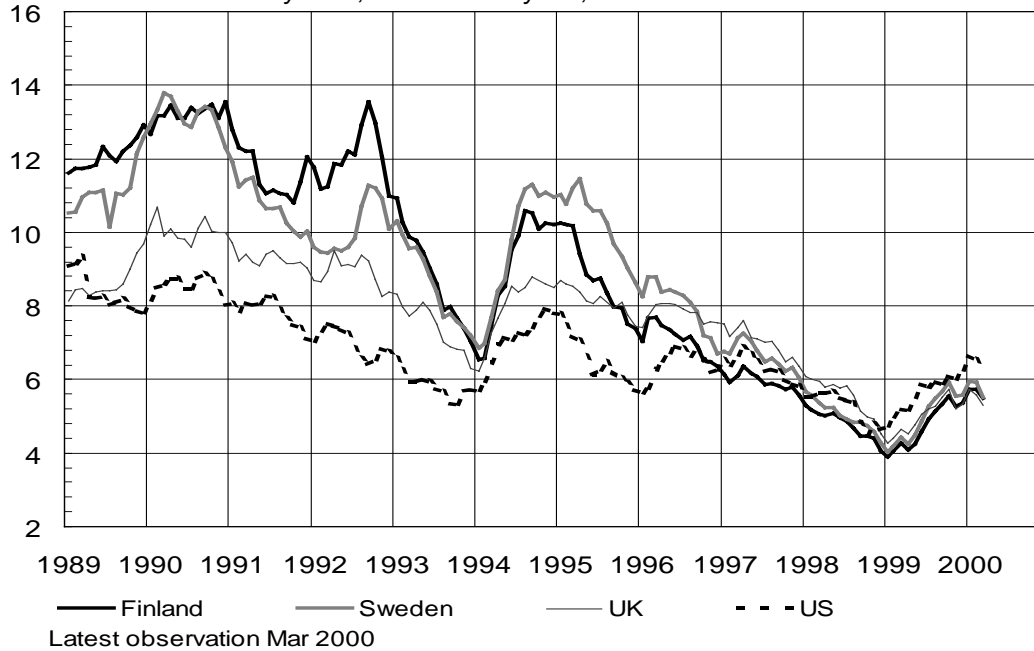
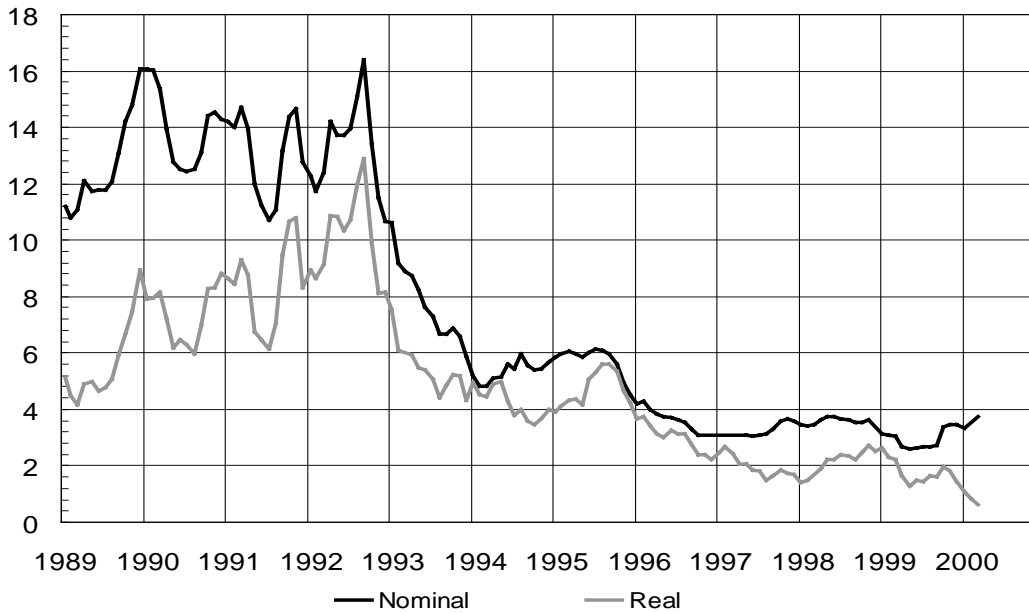


Chart 32.

REAL AND NOMINAL INTEREST RATES

3-month interest rates, %

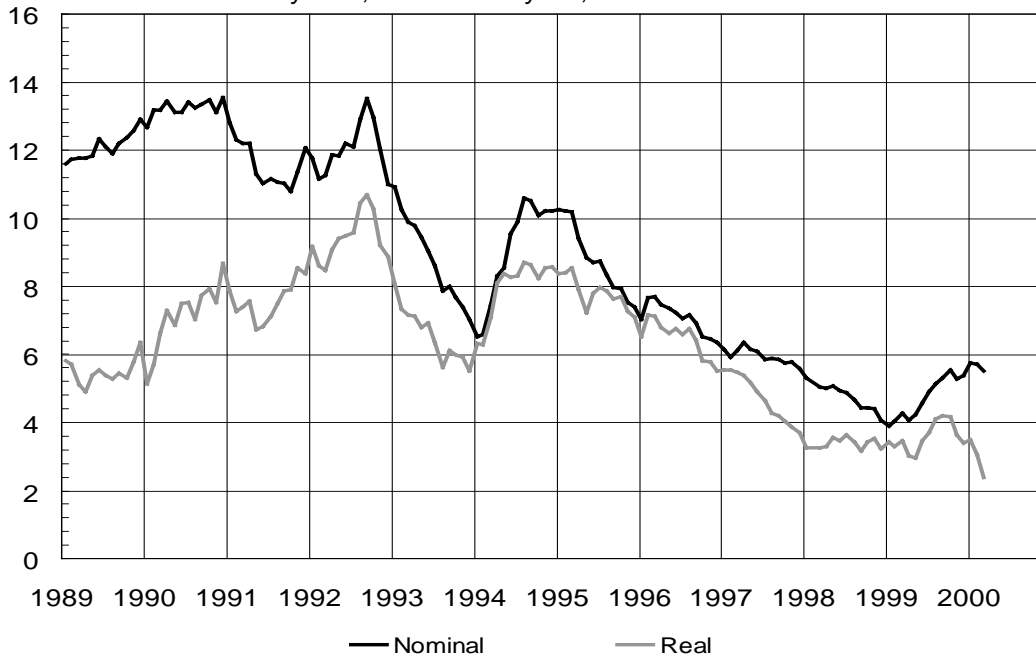


3-month euribor (from January 1999)
 Latest observation Mar 2000

Chart 32.1.

REAL AND NOMINAL INTEREST RATES

Government bond yields, close to 10 year, %



Latest observation Mar 2000

Chart 33.

YIELD CURVE

Maturities over one year based on government benchmark bonds, %

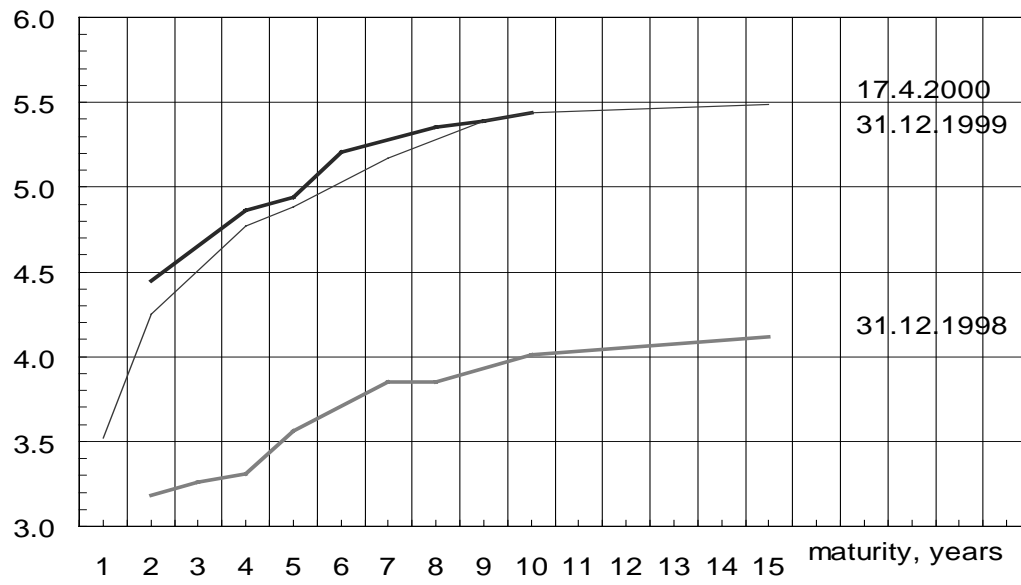


TABLE 4

Interest rates and exchange rates

Market rates , %, daily averages	1999	9/99	10/99	11/99	12/99	1/2000	2/2000	3/2000
EURIBOR (Helibor until 31 December 1998)								
1 month	2.862	2.584	2.763	3.061	3.509	3.150	3.359	3.589
3 months	2.961	2.727	3.376	3.468	3.446	3.343	3.537	3.747
6 months	3.054	3.107	3.457	3.484	3.512	3.556	3.735	3.936
12 months	3.183	3.301	3.684	3.689	3.826	3.949	4.111	4.267
Yields on government bonds								
5 years	4.07	4.60	4.93	4.72	4.79	5.12	5.19	5.04
10 years	4.74	5.32	5.56	5.27	5.36	5.75	5.72	5.50

Exchange rates, daily averages

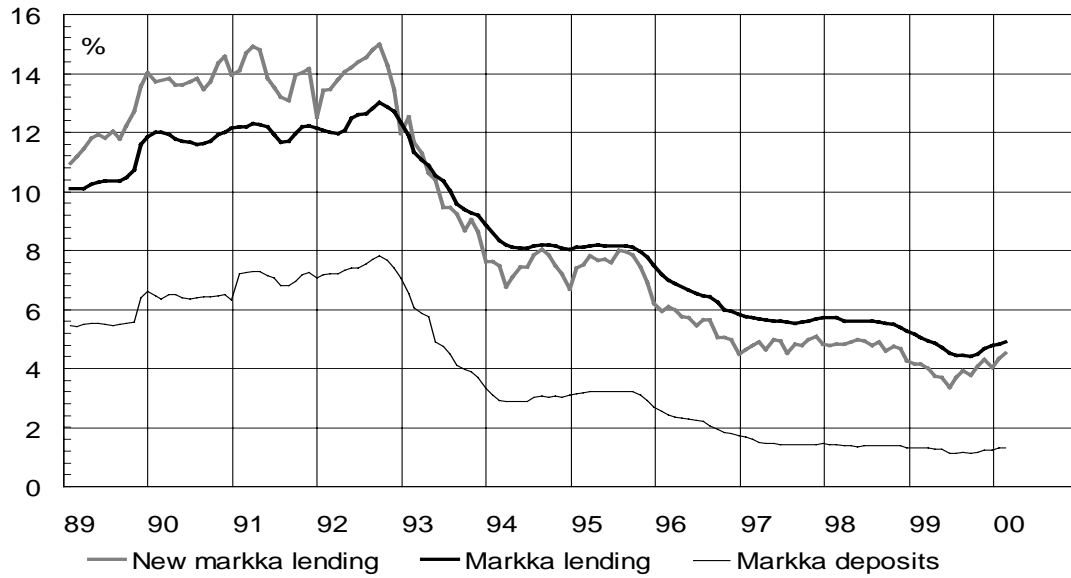
Exchange rates until 31 December 1998 are based on corresponding Finnish markka rates converted into euro rates at the fixed conversion rate 5.94573

EUR exchange rate against
US dollar, Pound sterling and Swedish krona

Daily average								
US dollar	1.066	1.050	1.071	1.034	1.011	1.014	0.983	0.964
Pound sterling	0.659	0.647	0.646	0.637	0.626	0.618	0.615	0.611
Swedish krona	8.807	8.634	8.727	8.633	8.586	8.597	8.511	8.388
Trade-weighted competitiveness indicator 1982=100								
	121.2	122.5	121.8	123.1	124.2	124.2	124.8	125.8

Chart 34.

BANKS' MARKKA LENDING RATES AND MARKKA FUNDING RATES

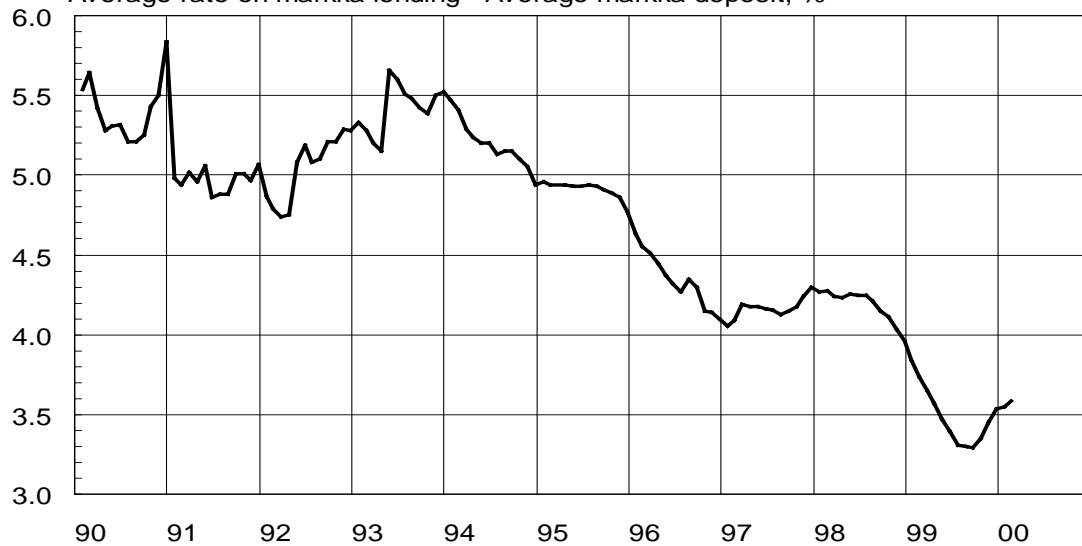


Latest observation Feb 2000

Chart 35.

BANKS' INTEREST RATE MARGIN

Average rate on markka lending - Average markka deposit, %

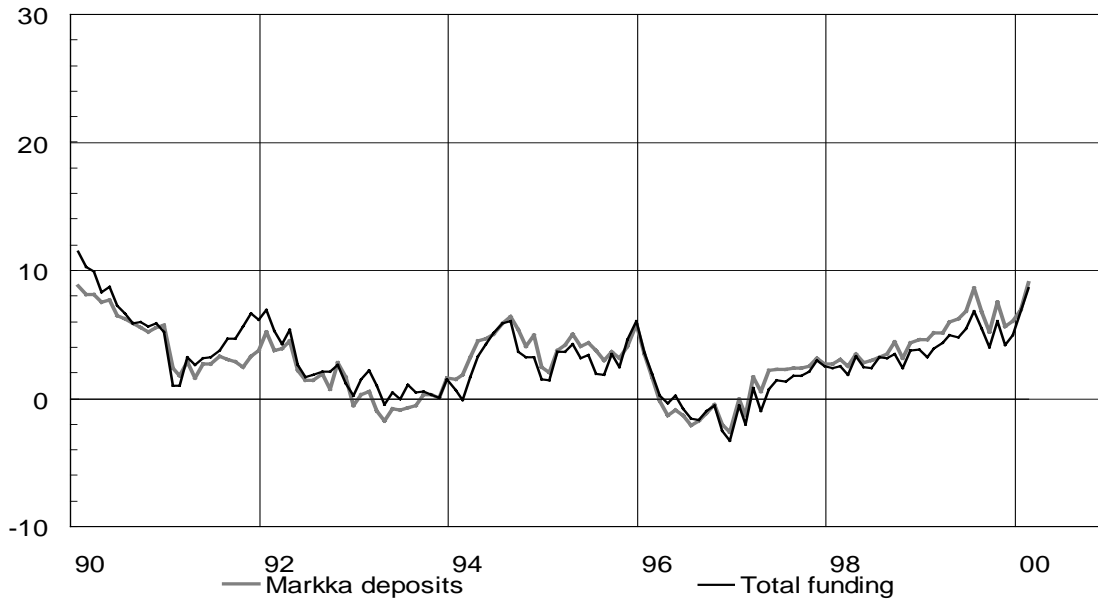


Latest observation Feb 2000

Chart 36.

BANK FUNDING FROM THE PUBLIC

12-month change, %

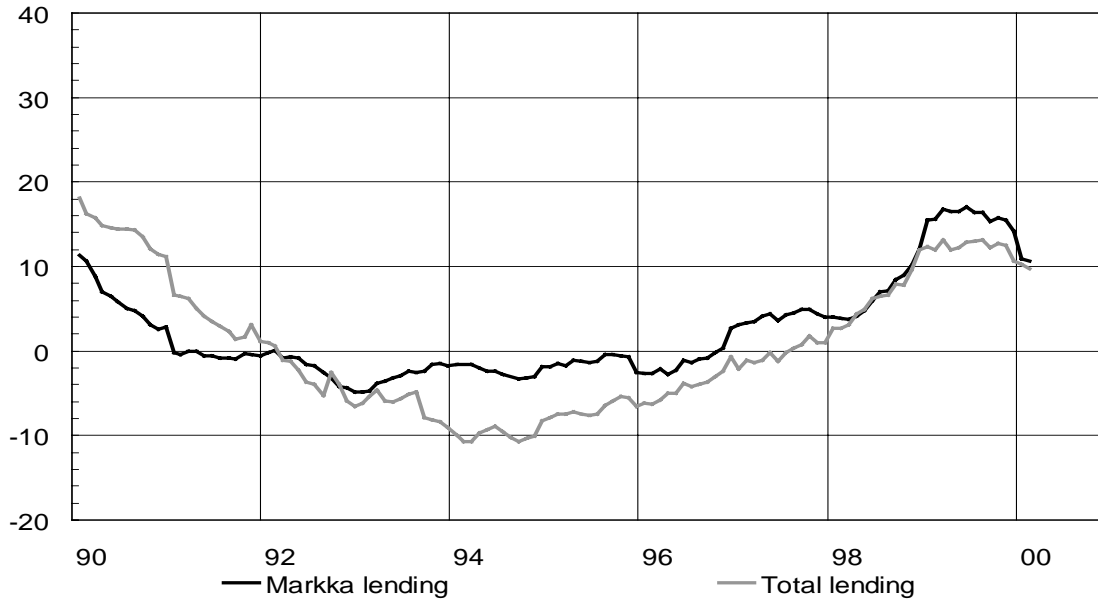


Latest observation Feb 2000

Chart 37.

BANK LENDING TO THE PUBLIC

12-month change, %



Latest observation Feb 2000

Chart 38.

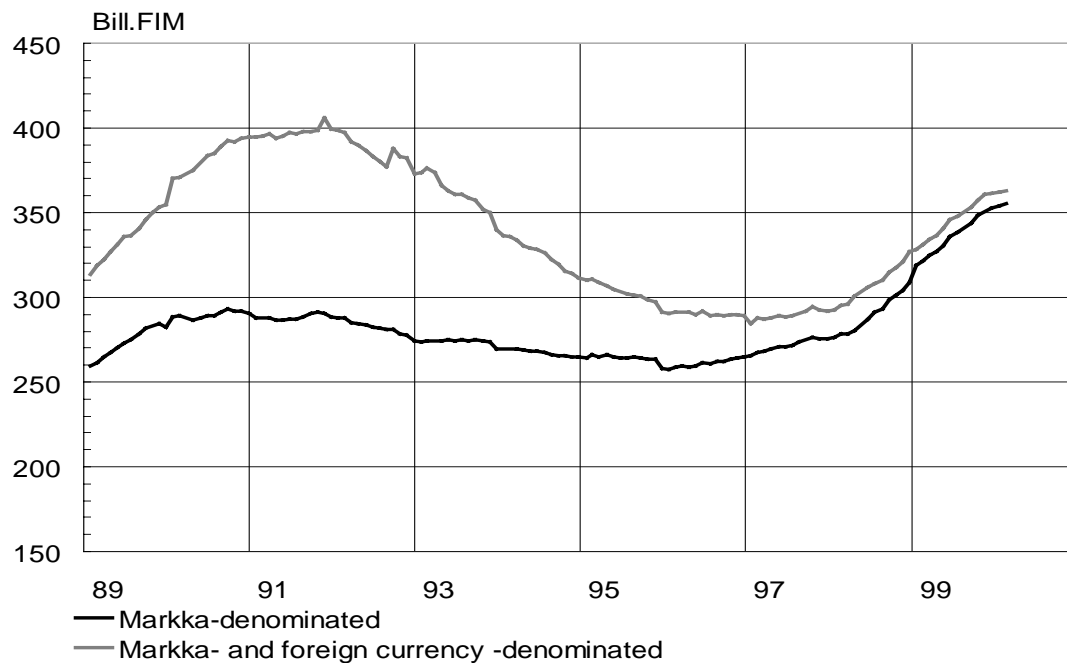
OUTSTANDING BANK CREDIT

Chart 39.
HEX, HELSINKI EXCHANGES
Share indices by sector

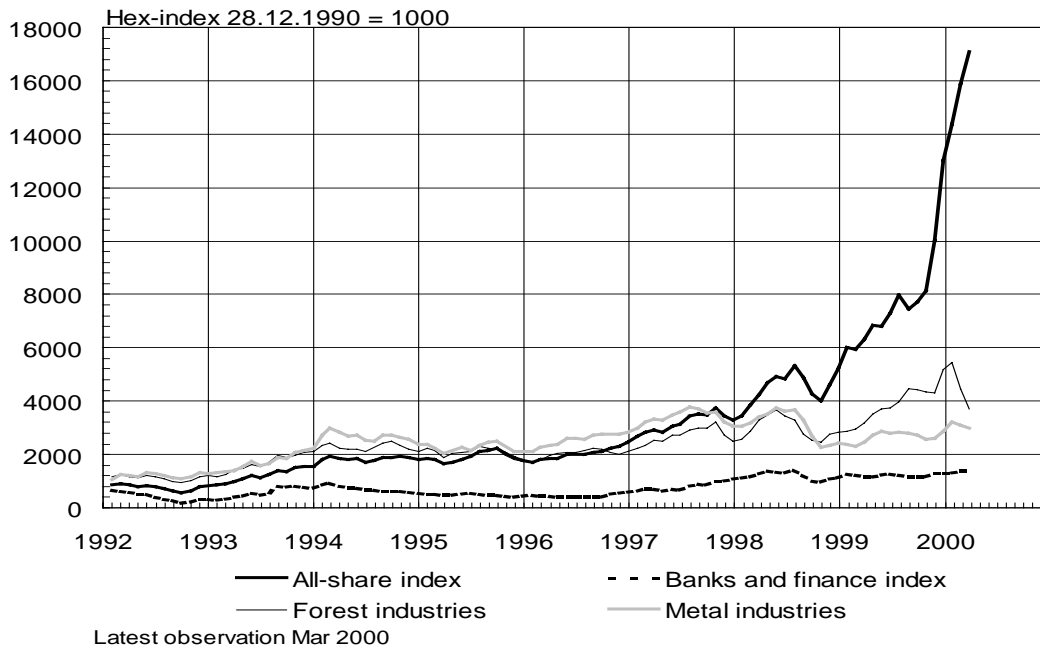


Chart 40.
HEX HELSINKI EXCHANGES
Share turnover

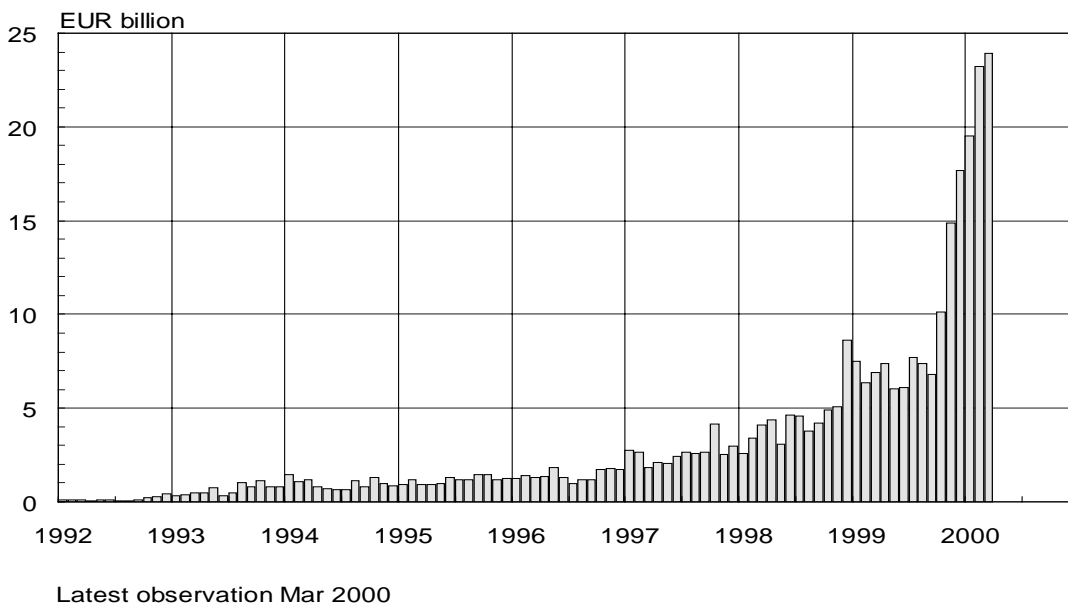


Chart 41.
HEX, HELSINKI EXCHANGES
Market Value

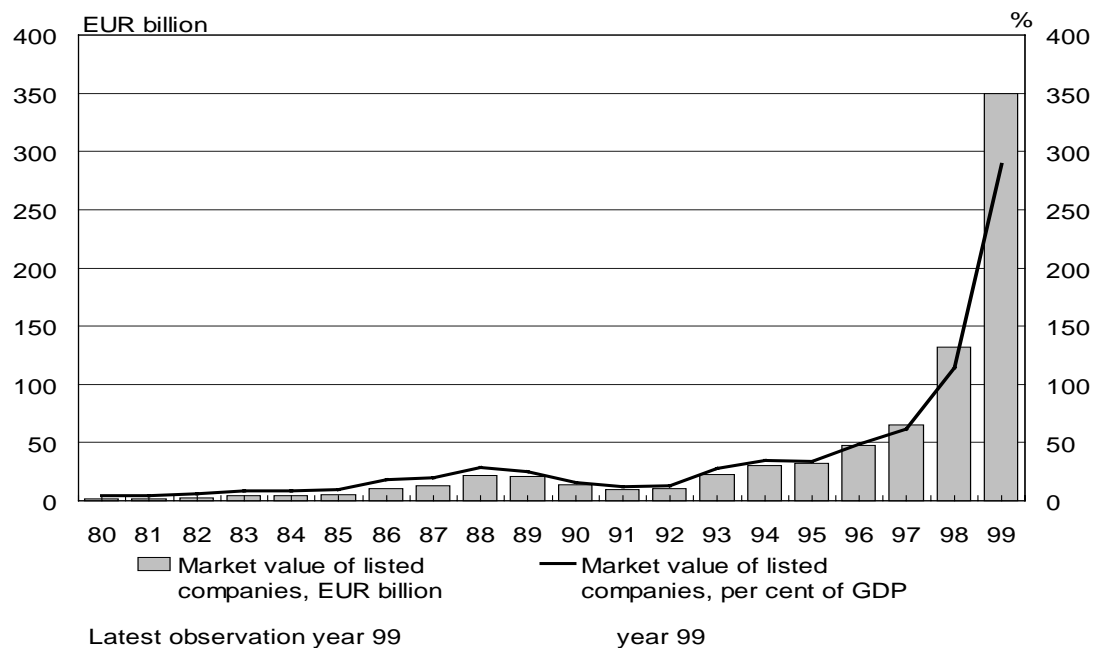
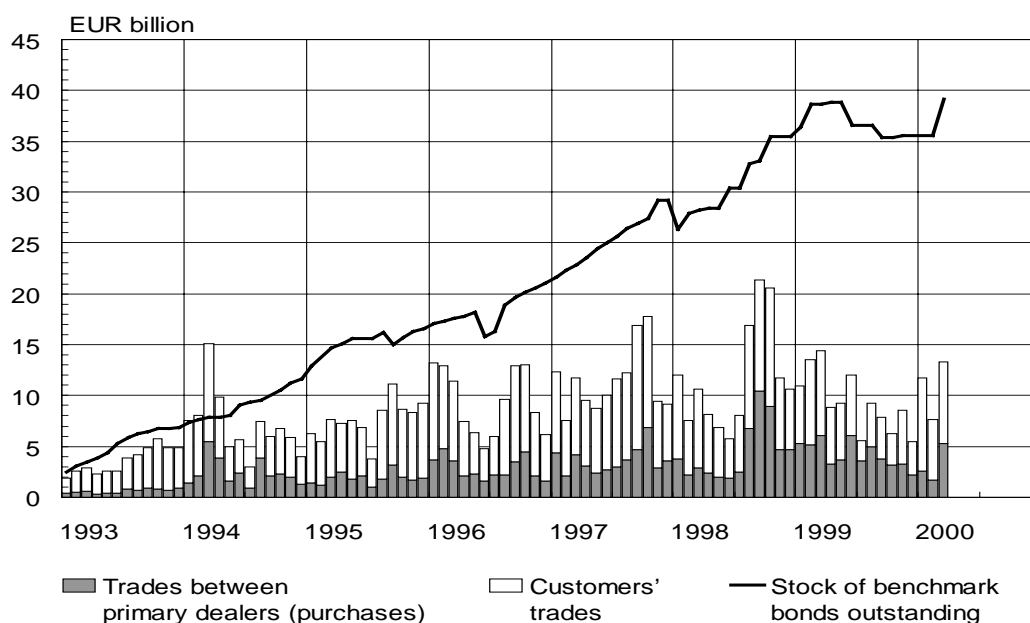


Chart 42.
GOVERNMENT BENCHMARK BONDS



Latest observation Mar 2000

Chart 43.

STOCK OF BONDS OUTSTANDING IN FINLAND

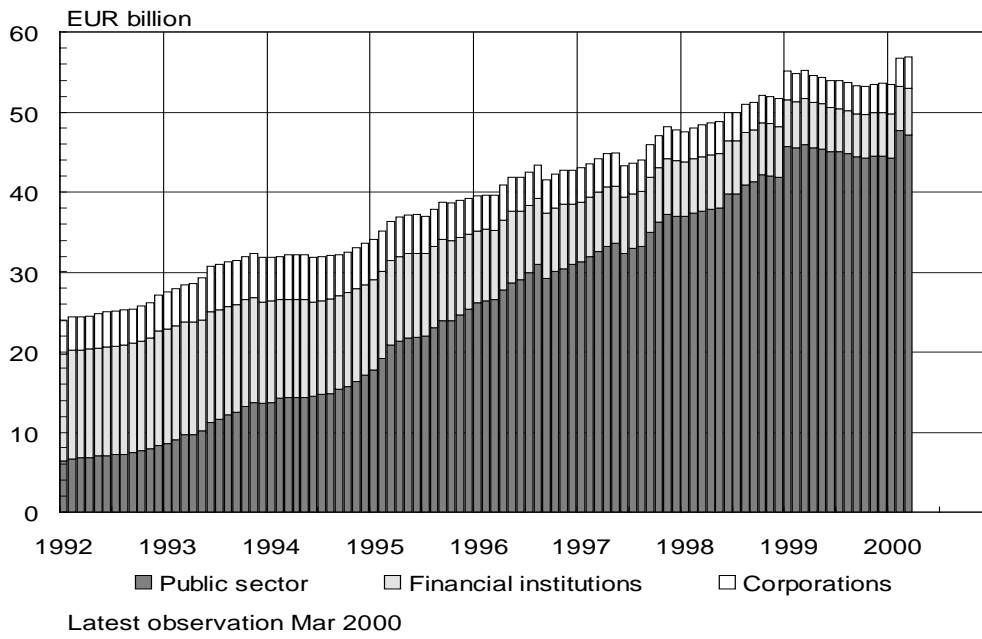


Chart 44.

FOREIGN PORTFOLIO INVESTMENTS IN FINLAND

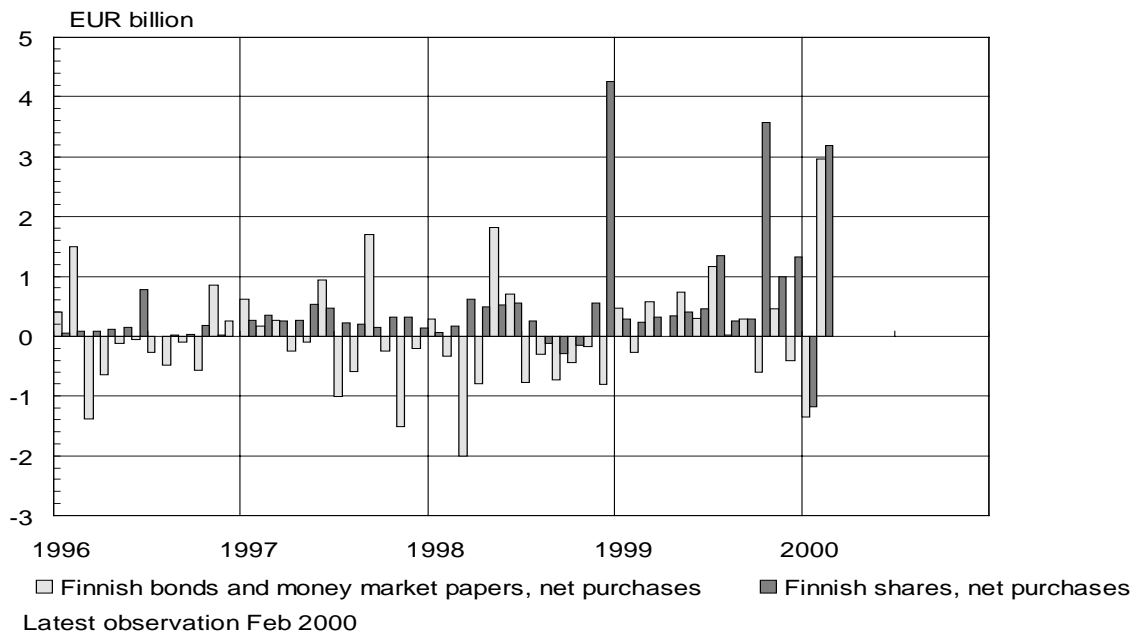


TABLE 5

Key figures for the Finnish deposit banks, billions of FIM*

All deposit banks	1992	1993	1994	1995	1996*	1997*	1998*	1999*	
Income from financial operations	10.7	13.0	13.7	12.4	11.0	11.7	13.5	13.5	
Other income	9.5	9.7	8.6	8.2	10.2	10.2	8.4	8.2	
Total income	20.2	22.7	22.3	20.6	21.2	21.9	21.9	21.7	
Expenses	14.9	15.3	16.4	15.5	12.8	12.0	11.4	11.5	
- pensionfund surplus refunded					1.2	1.5	0.6		
Depreciation	1.9	1.9	1.5	1.7	2.1	2.5	1.3	1.2	
Profit before credit and guarantee losse	3.4	5.5	4.4	3.4	7.5	8.9	9.2	9.0	
Credit and guarantee losses	14.0	14.7	11.2	6.2	3.7	2.4	1.8	0.5	
Profit before extraordinary items, appropriations and taxes	-10.6	-9.2	-6.8	-2.8	3.8	6.5	7.3	8.5	
Total assets	688.9	726.8	667.8	616.6	578.2	608.4	643.4	701.0	
Non-performing assets, net		35.9	25.4	19.6	12.3	8.3	5.5	4.8	
Capital adequacy, %	10.7	10.7	11.7	12.0	11.4	11.6	11.5	11.7	
	1992	1993	1994	1995	1996	1997	1998	1999	Feb 2000
Markka deposits of the public	264.6	268.8	275.4	291.4	283.7	291.1	304.7	323.2	330.2
- 12-month percentage change	-0.5	1.6	2.5	5.8	-2.7	2.6	4.6	6.1	9.1
Markka lending to the public	274.4	269.8	264.7	258.0	265.0	275.7	309.1	353.1	355.6
- 12-month percentage change	-4.9	-1.7	-1.9	-2.5	2.7	4.0	12.1	14.2	10.7
Lending to the public (total)	373.2	339.6	311.8	291.5	289.1	292.0	326.8	361.6	363.1
- 12-month percentage change	-6.5	-9.0	-8.2	-6.5	-0.7	1.0	11.9	10.6	9.7

* groups consolidated

* For 1996 and 1997, the figures for the new cooperative banks group are used, previously separate figures for the OKO group and cooperative banks

* For 1998, the figures of Merita Pankki Oyj are used, previously figures for the Merita Oyj