

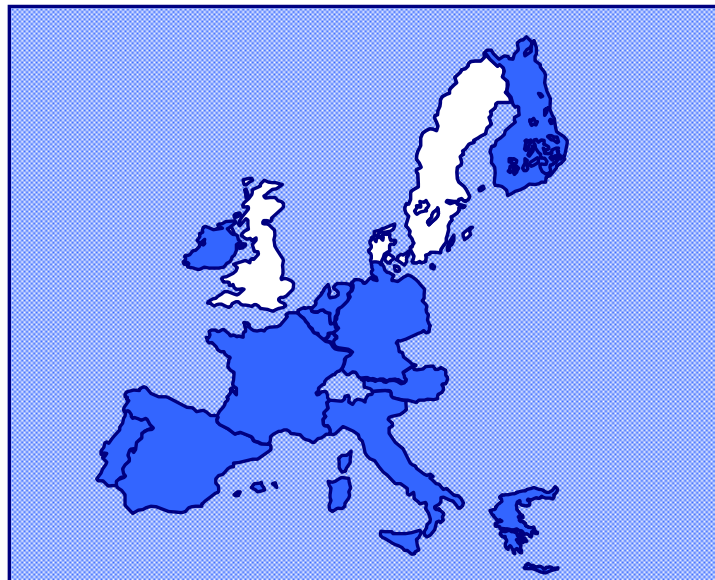


**BANK OF FINLAND**

**Economics Department - Financial Markets Department - Statistics Department**

# **Main Indicators for the Finnish Economy**

No 11/2001



20 Nov 2001

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## Monetary policy and market interest rates

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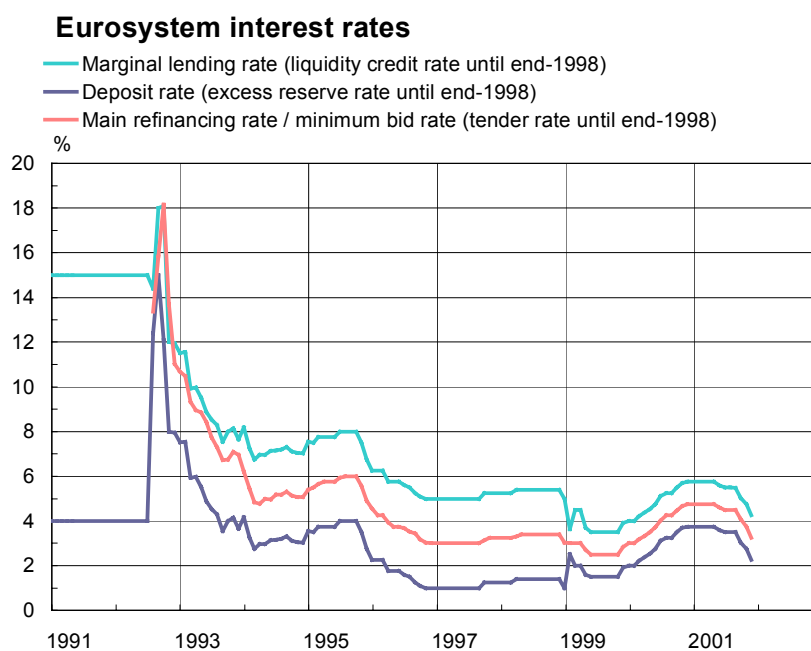


Chart 2.

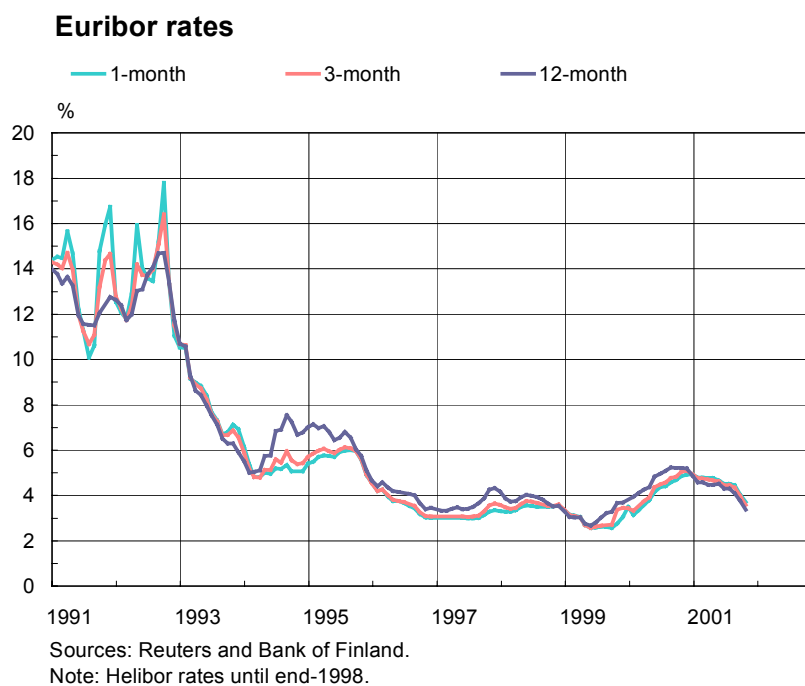
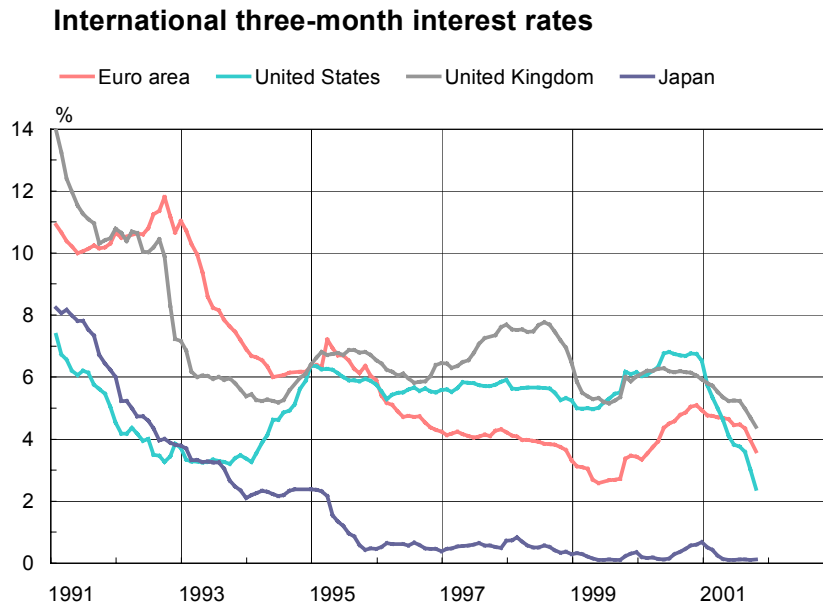


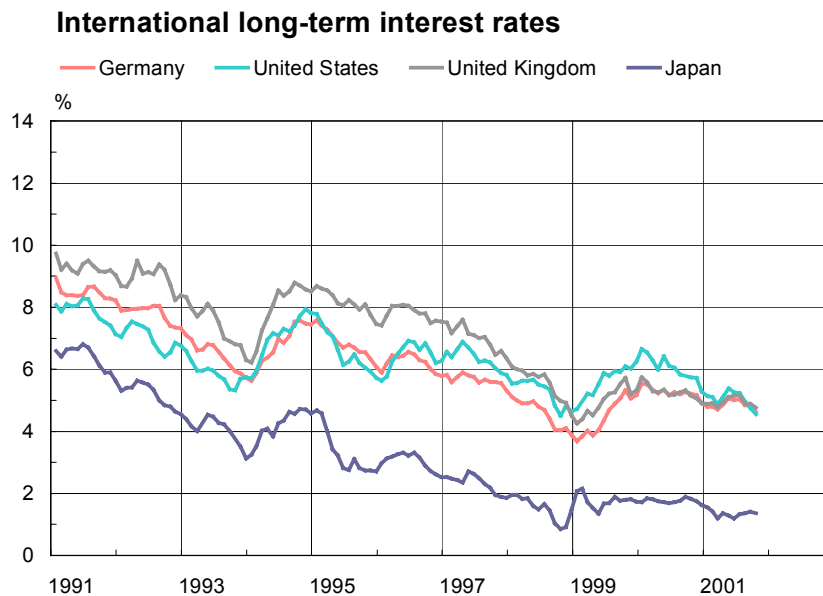
Chart 3.



Sources: Reuters and European Central Bank.

Note: Until end-1998 the euro area rate is calculated as the average of national rates weighted by GDP. Euribor from January 1999.

Chart 4.



Source: Reuters.

Note: Yield on ten-year government bonds.

Chart 5.

### Yield on ten-year Finnish government bonds and differential vs Germany

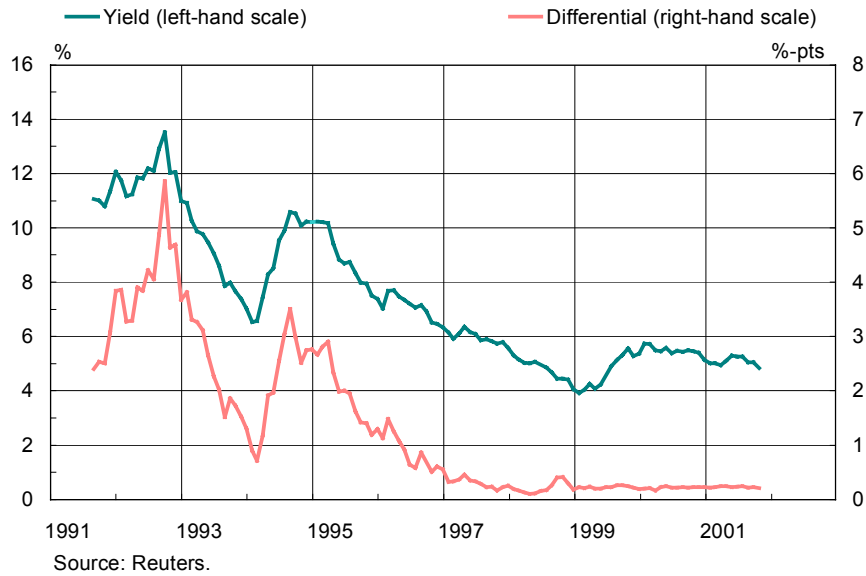


Chart 6.

### Euro area (Finland's) yield curve

(zero coupon yield curve)



# Banking in Finland

Chart 7.

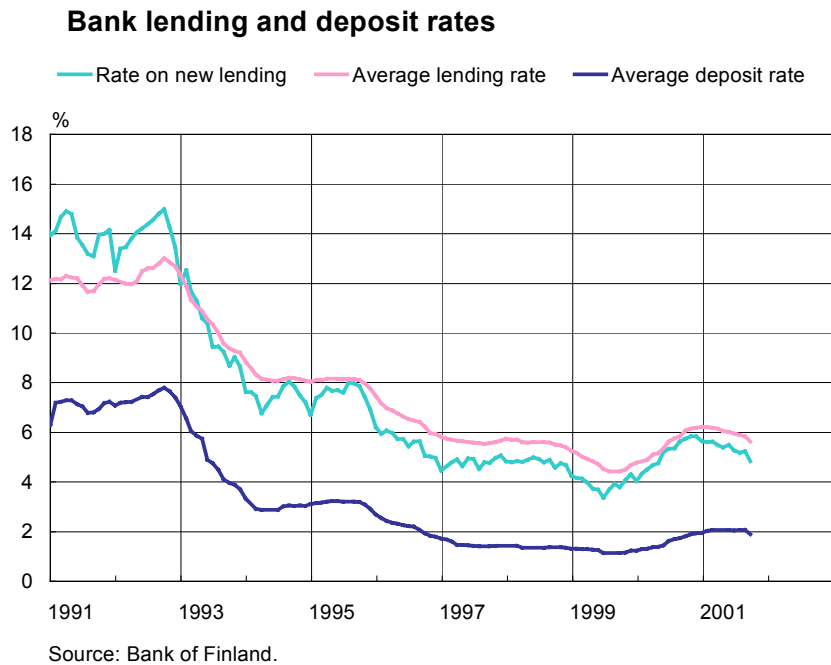


Chart 8.

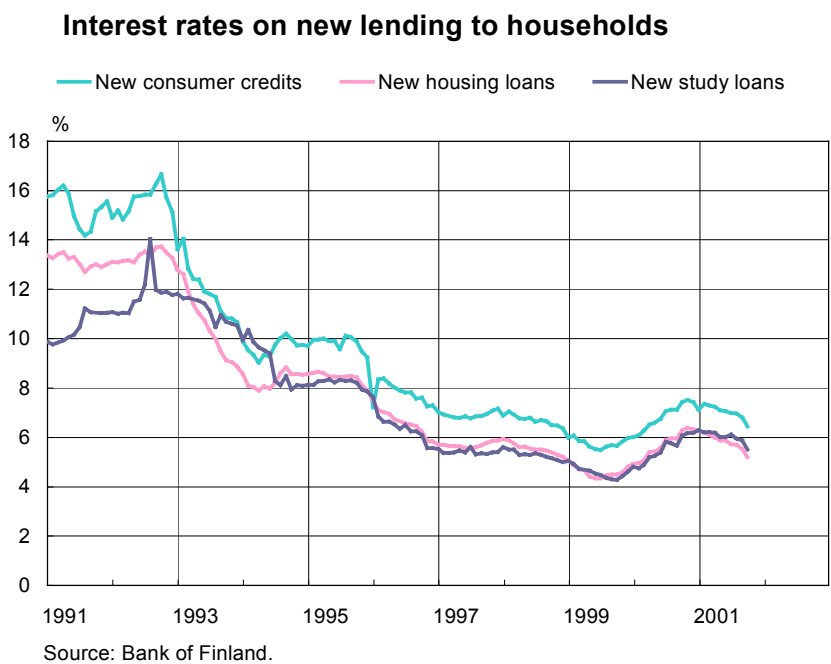
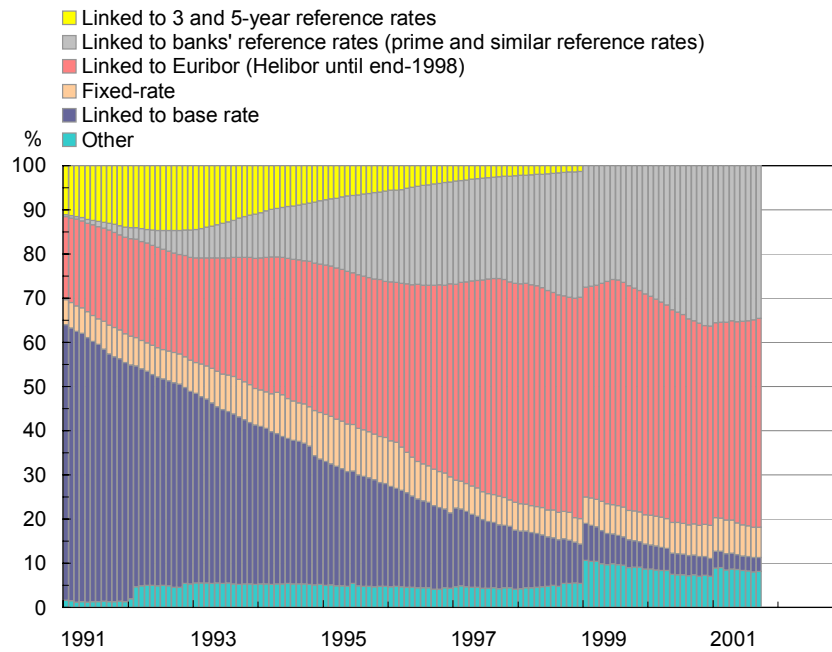


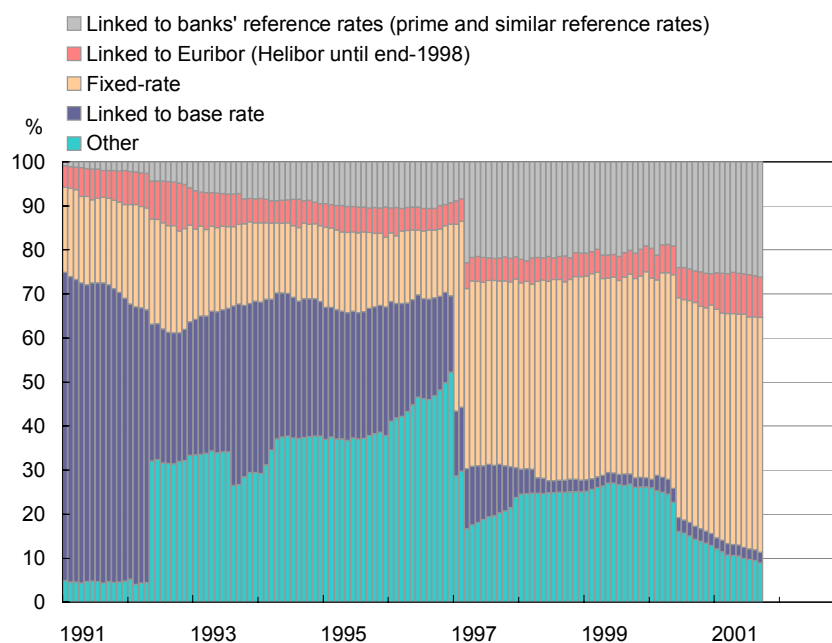


Chart 9.

**Stock of bank lending by interest rate linkage**

Source: Bank of Finland.

Chart 10.

**Stock of bank deposits by interest rate linkage**

Source: Bank of Finland.

Chart 11.



Chart 12.

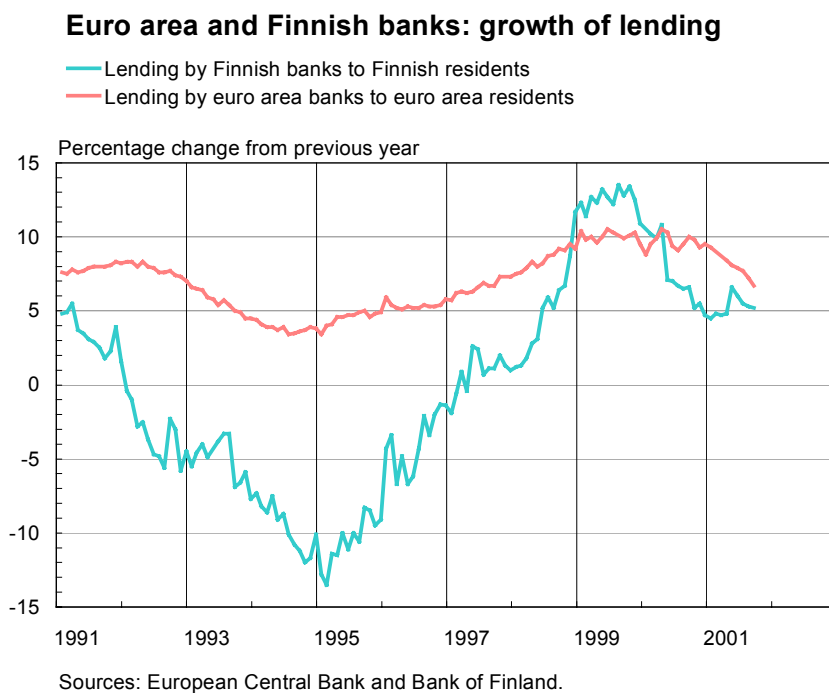
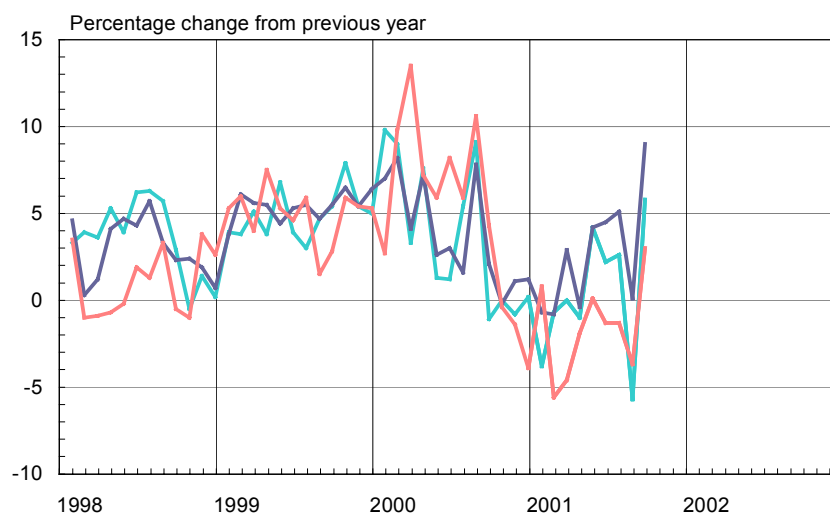


Chart 13.

### Liabilities of Finnish monetary financial institutions included in monetary aggregates for the euro area

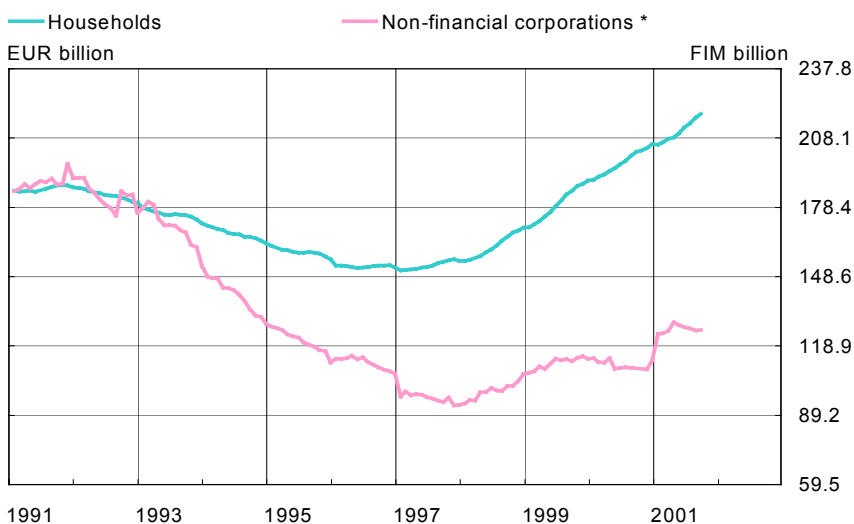
- Items included in M1: transaction accounts (=overnight deposits)
- Items included in M2: all deposits except fixed-term deposits of over 2 years
- Items included in M3: M2 plus certain securities and other items



Source: Bank of Finland.

Chart 14.

### Outstanding bank credit to households and non-financial corporations in Finland



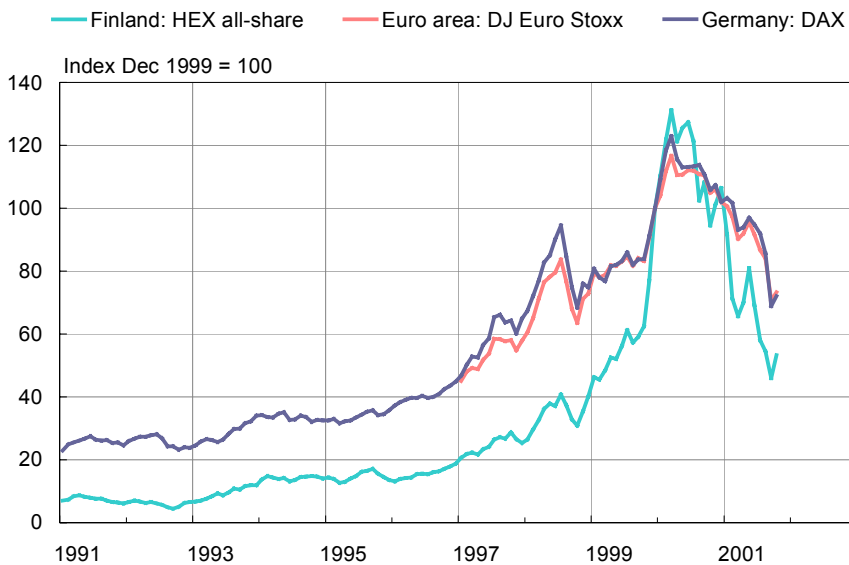
Source: Bank of Finland.

\* Note: The series includes structural changes.

# Securities market

Chart 15.

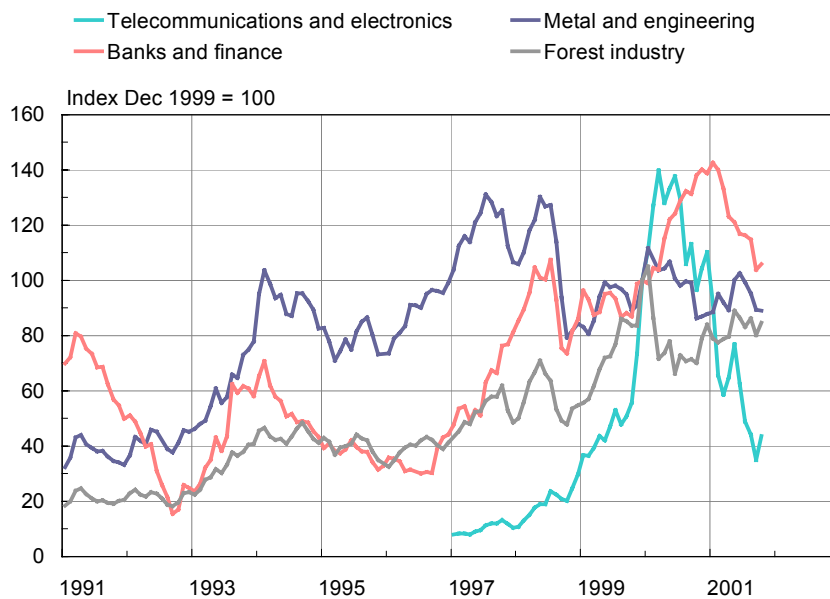
## Selected stock price indices in the euro area



Sources: Bloomberg and HEX Helsinki Exchanges.

Chart 16.

## HEX Helsinki Exchanges: share indices by sector



Source: HEX Helsinki Exchanges.

Chart 17.

### Listed shares in Finland: total market capitalization and non-residents' holdings

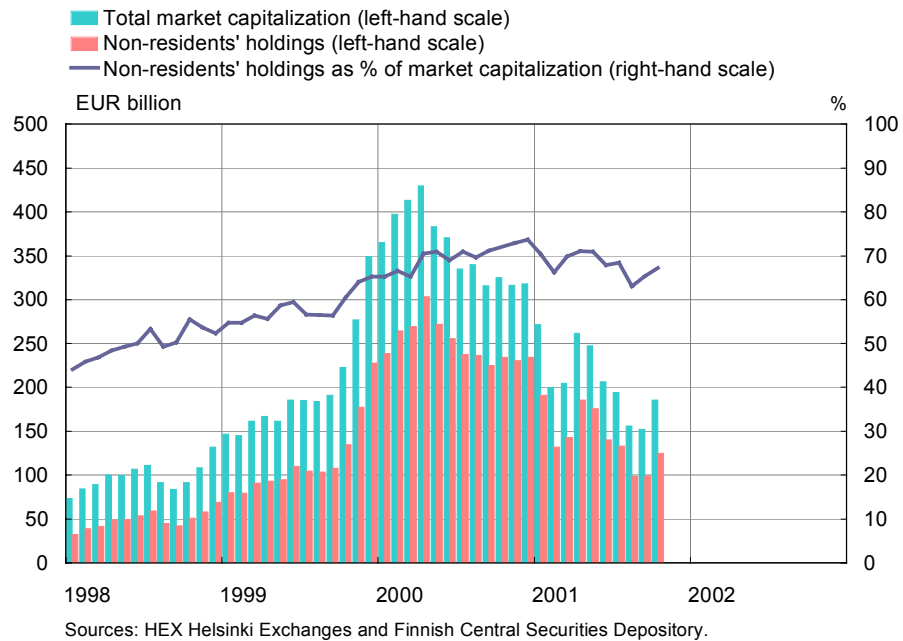


Chart 18.

### Non-residents' portfolio investments in Finland

12-month moving totals

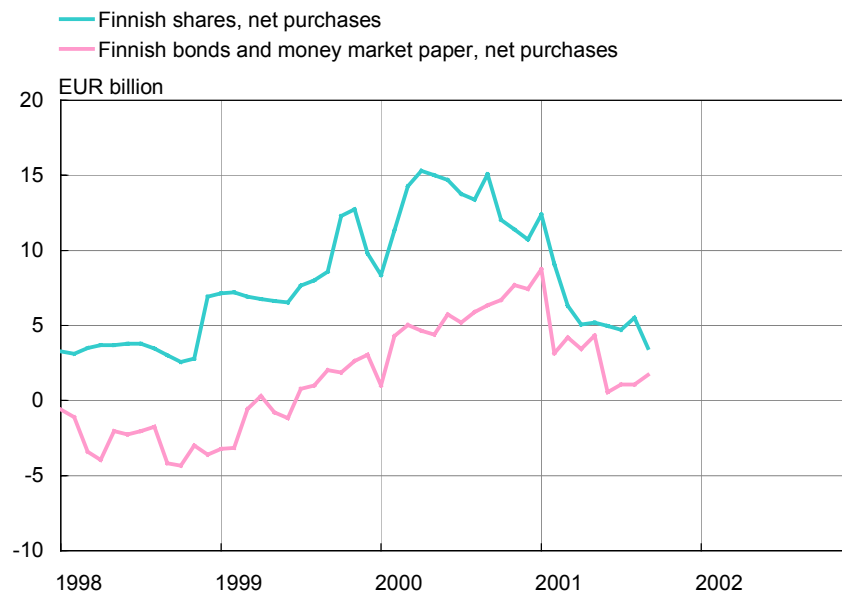
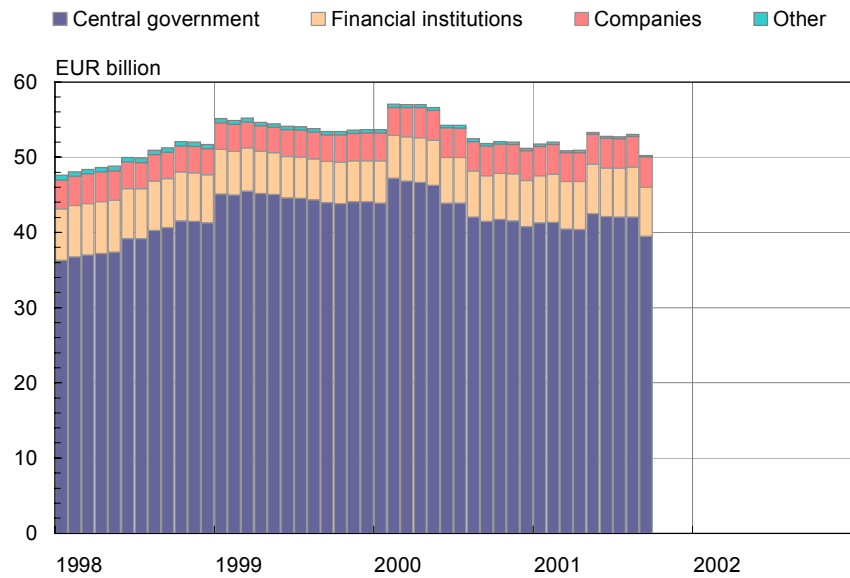


Chart 19.

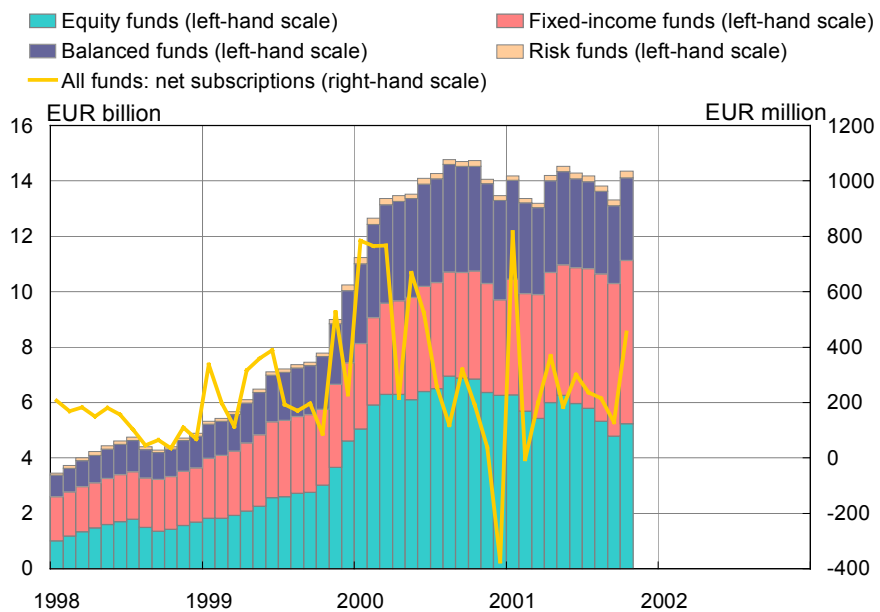
### Bonds issued in Finland



Source: Statistics Finland.  
Note: End-month stock.

Chart 20.

### Mutual funds registered in Finland



Source: HEX Helsinki Exchanges.

## Borrowing by sector in Finland

Chart 21.

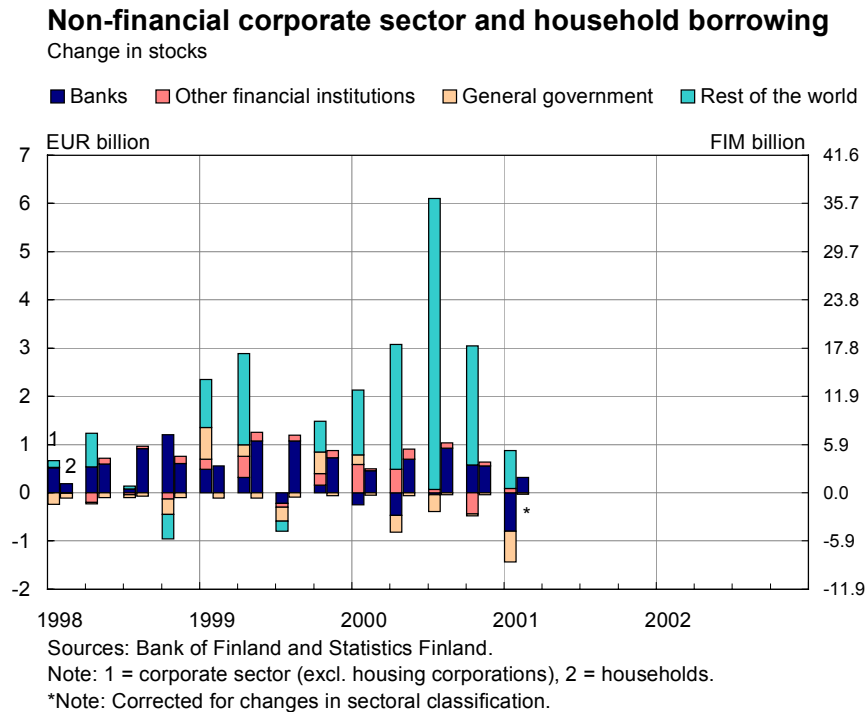
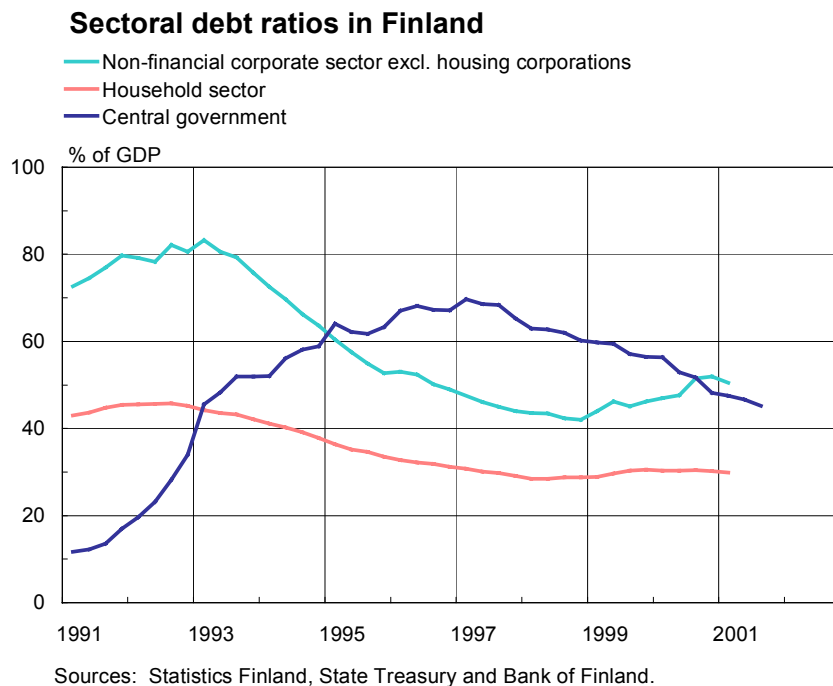
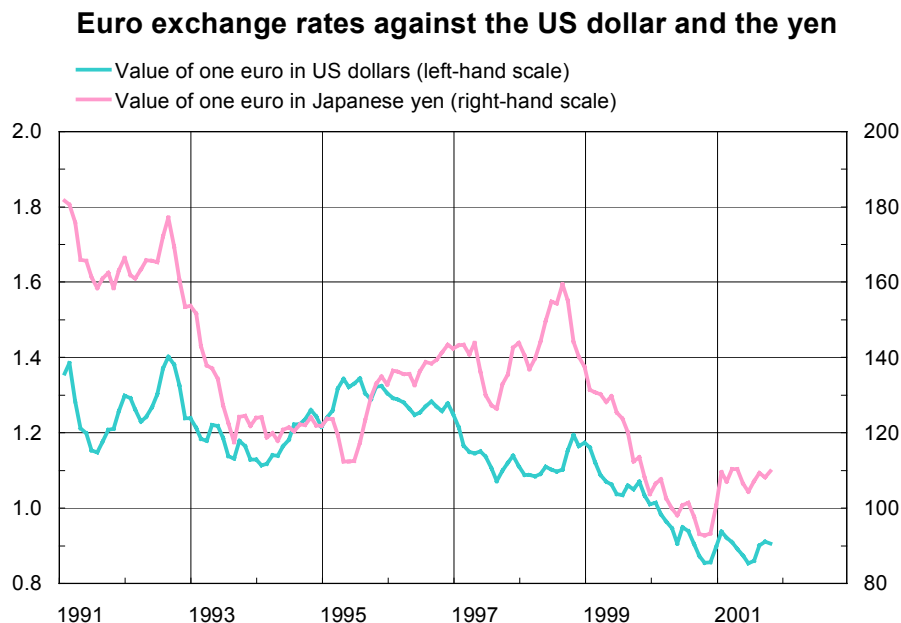


Chart 22.



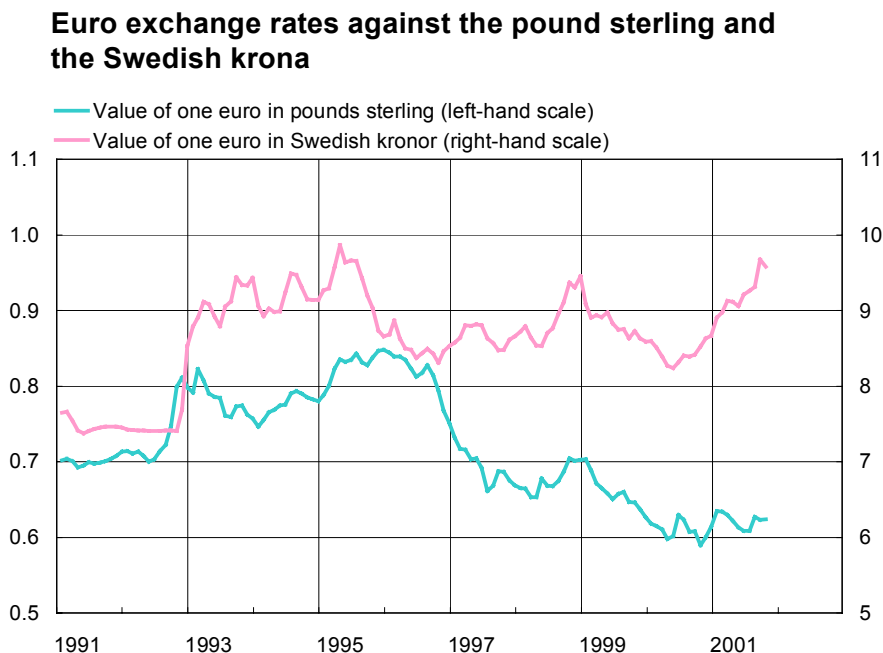
## Exchange rates

Chart 23.



Sources: European Central Bank and Reuters.  
 Note: ECU exchange rate until end-1998.

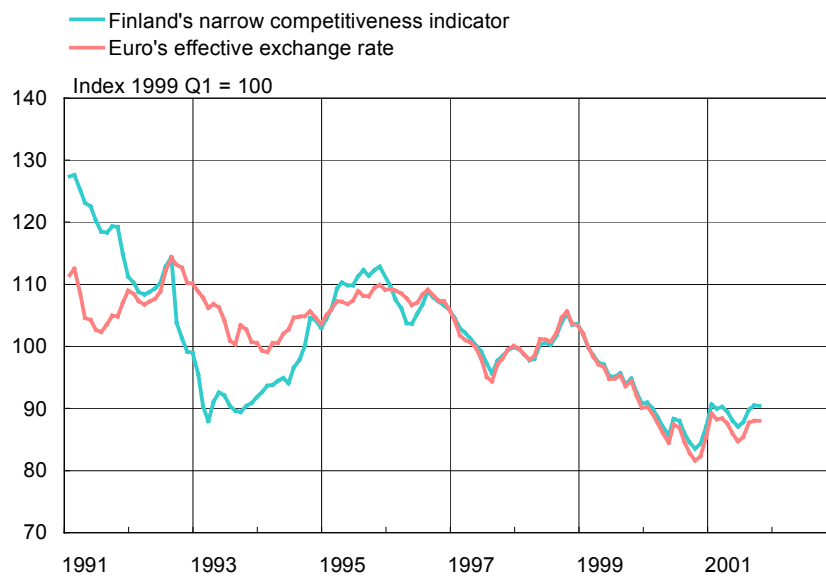
Chart 24.



Sources: European Central Bank and Reuters.  
 Note: ECU exchange rate until end-1998.



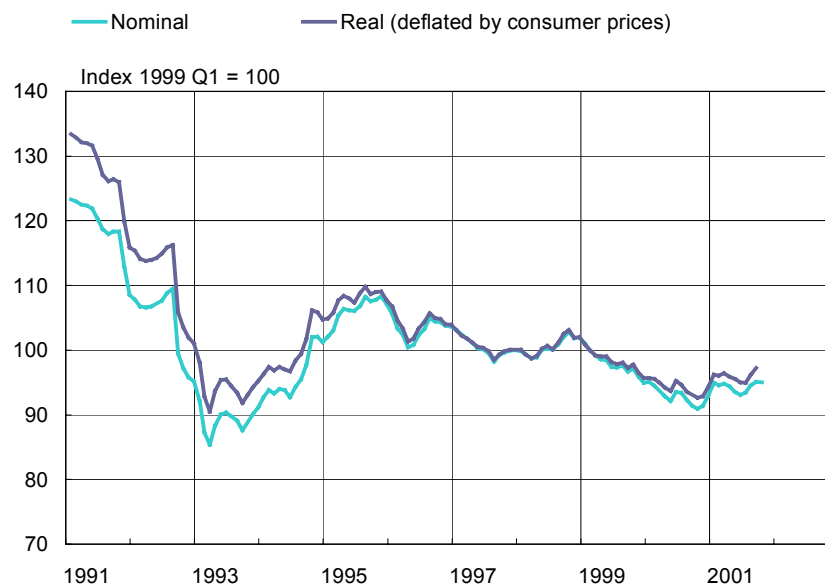
Chart 25.

**Euro's external value and Finland's competitiveness indicator**

Sources: European Central Bank and Bank of Finland.

Note: An upward movement of the index represents an appreciation of the euro/  
a weakening in Finnish competitiveness. The method of calculation is described in the  
Bank of Finland Bulletin 1/2000.

Chart 26.

**Competitiveness indicators for Finland**

Source: Bank of Finland.

Note: Narrow plus euro area competitiveness indicator. See also note in Chart 25.

# Real economy

Chart 27.

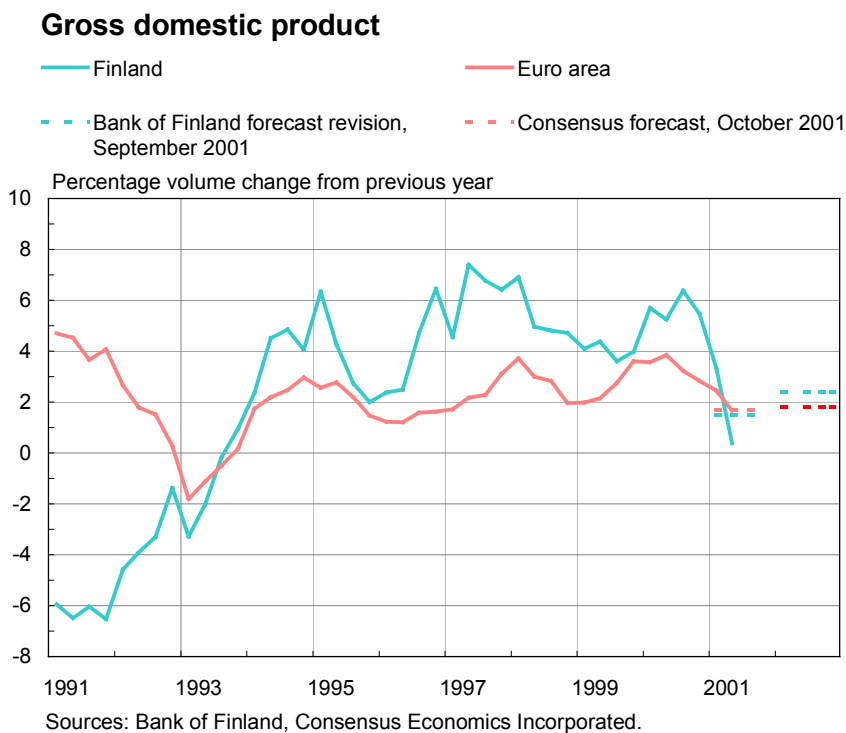


Chart 28.

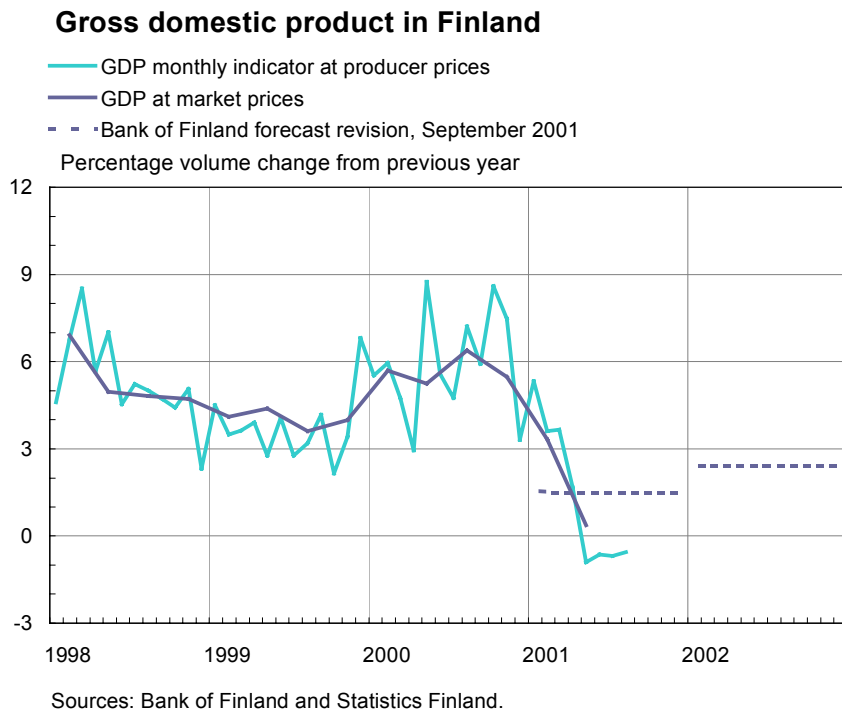


Chart 29.

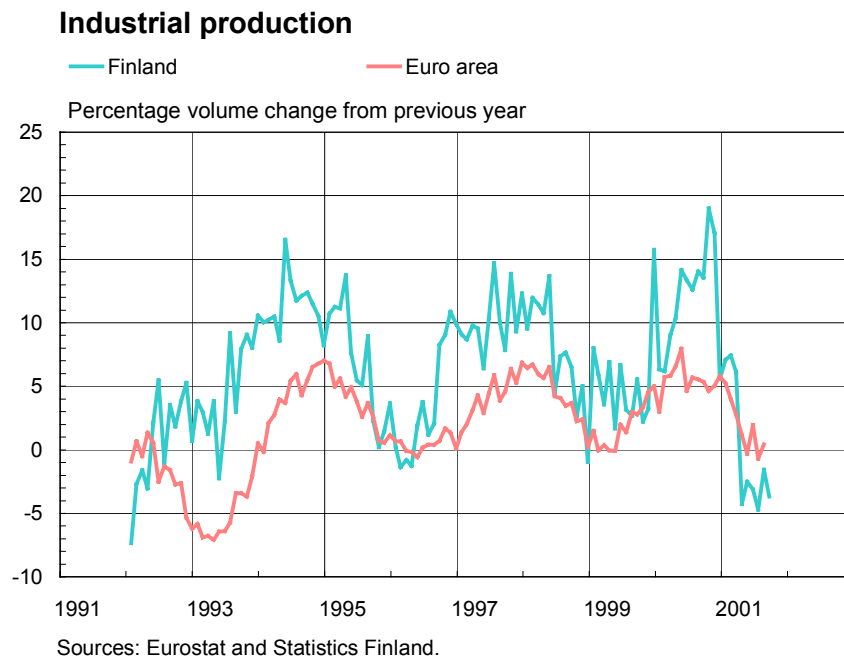


Chart 30.

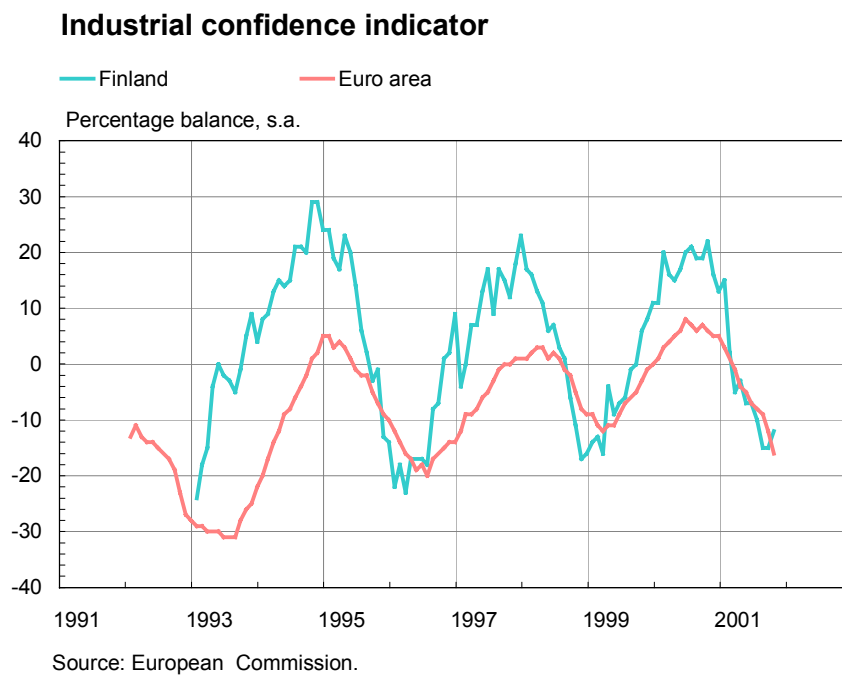


Chart 31.

### Manufacturing production by sector in Finland

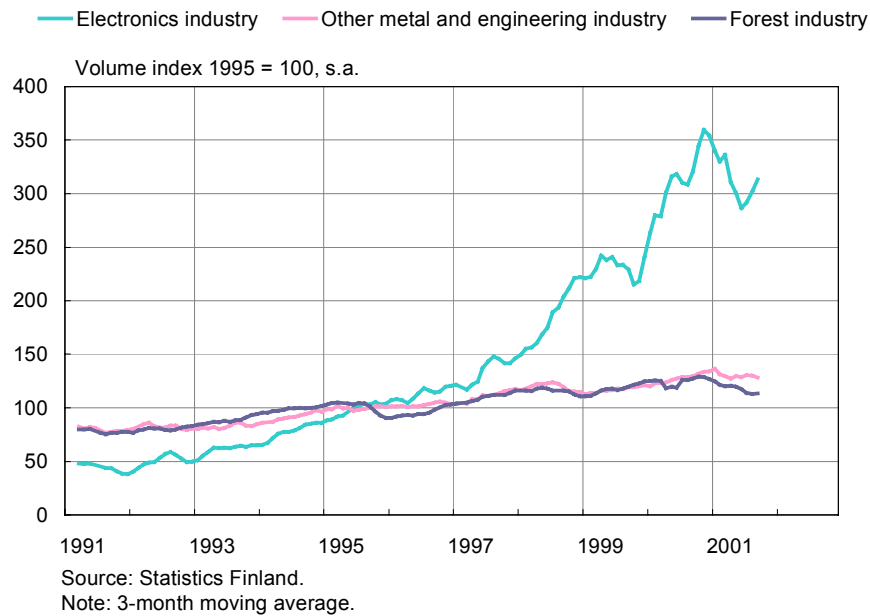


Chart 32.

### Finland's imports of goods

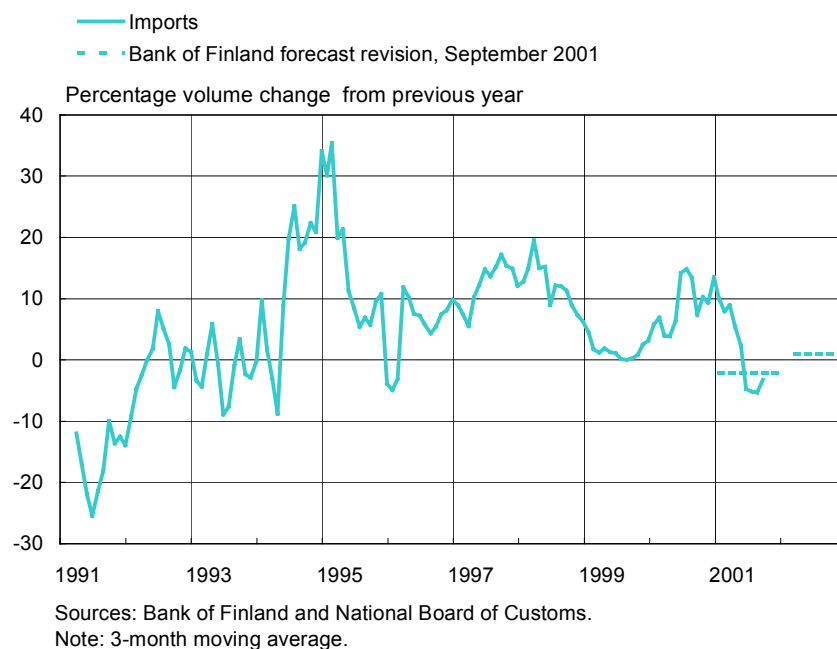


Chart 33.

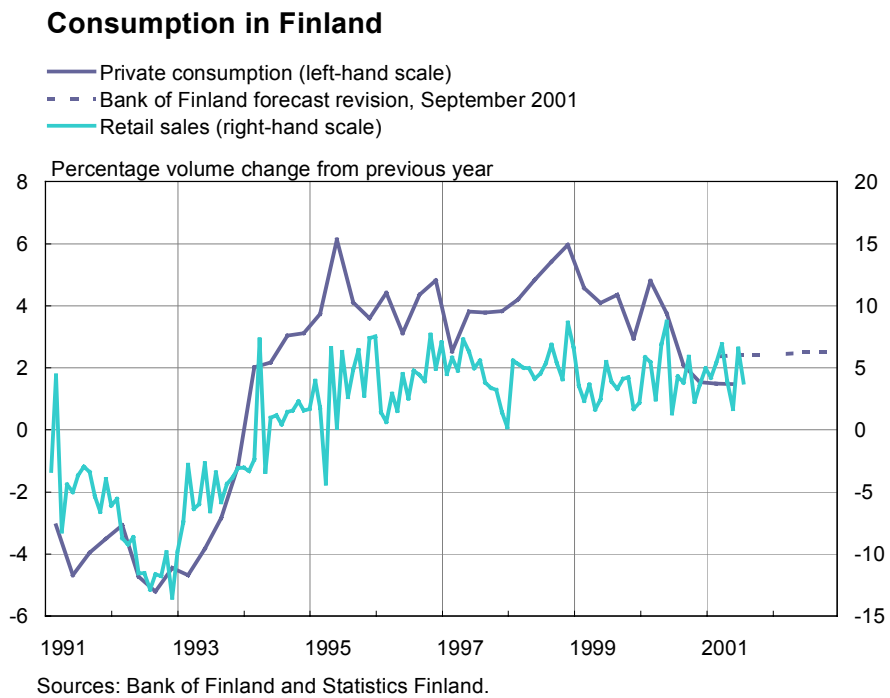


Chart 34.

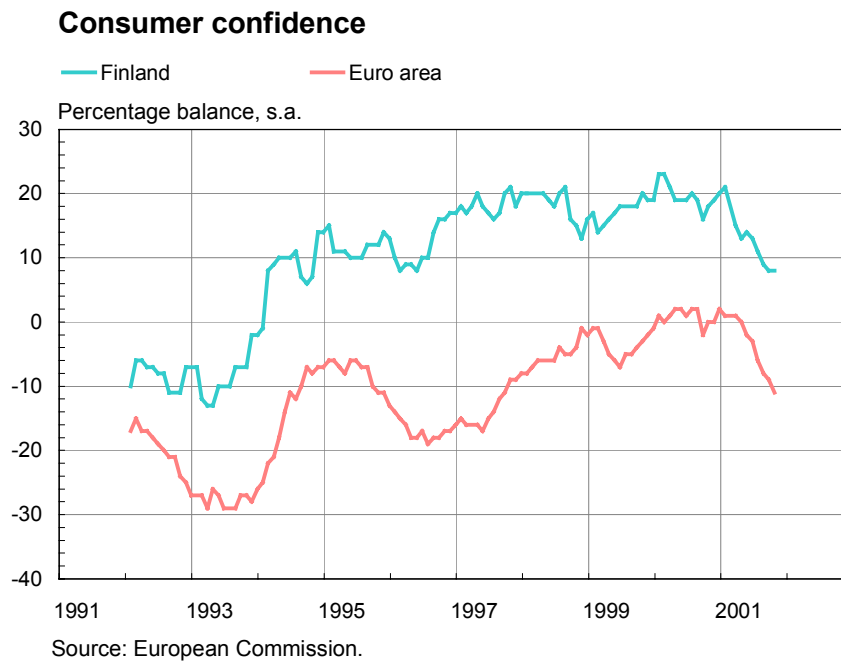


Chart 35.

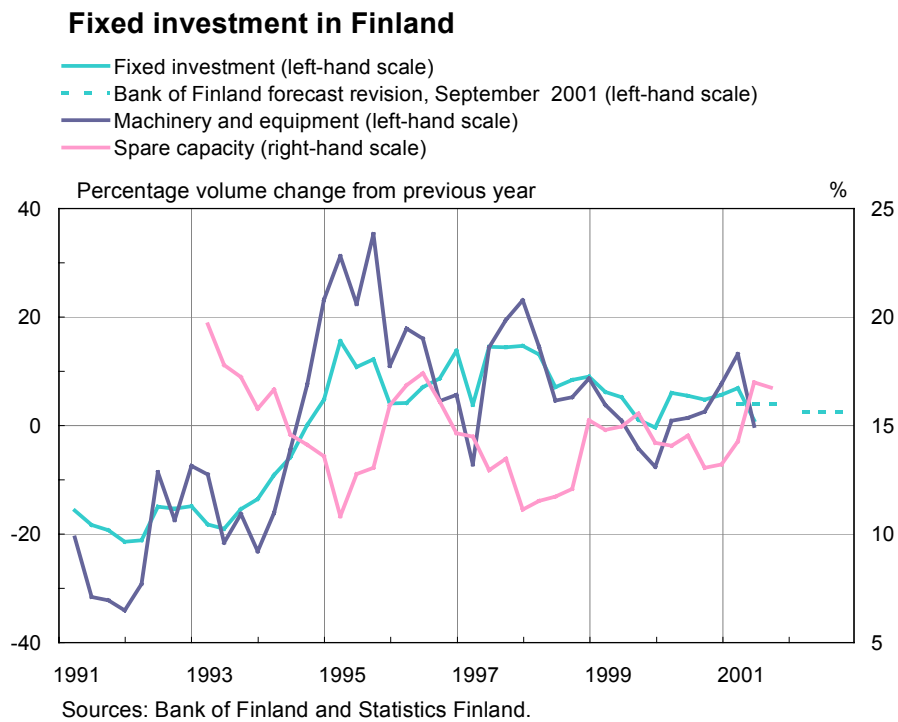


Chart 36.

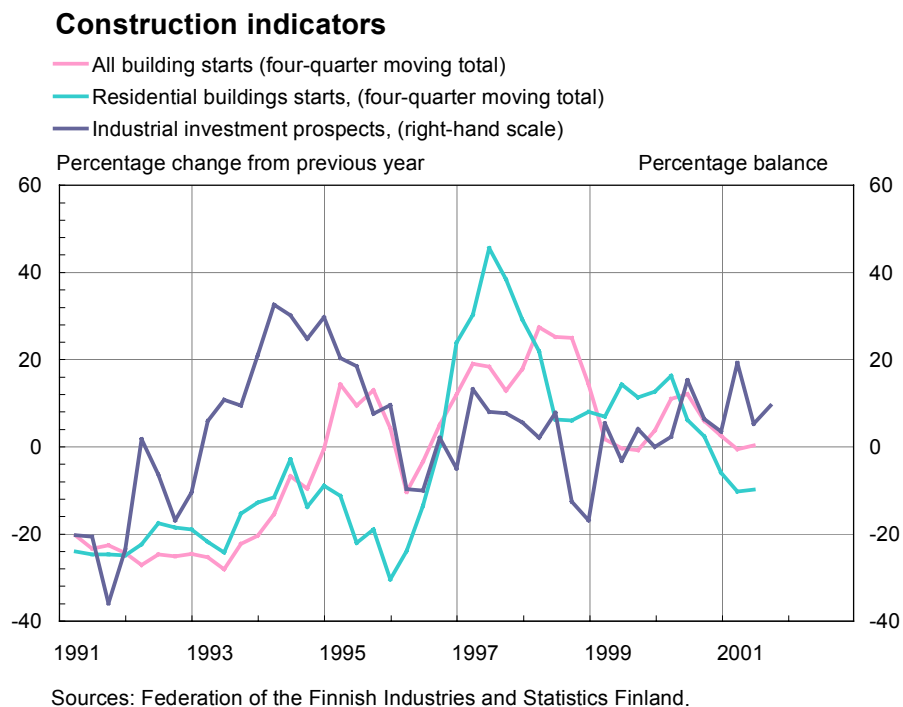


Chart 37.



Chart 38.

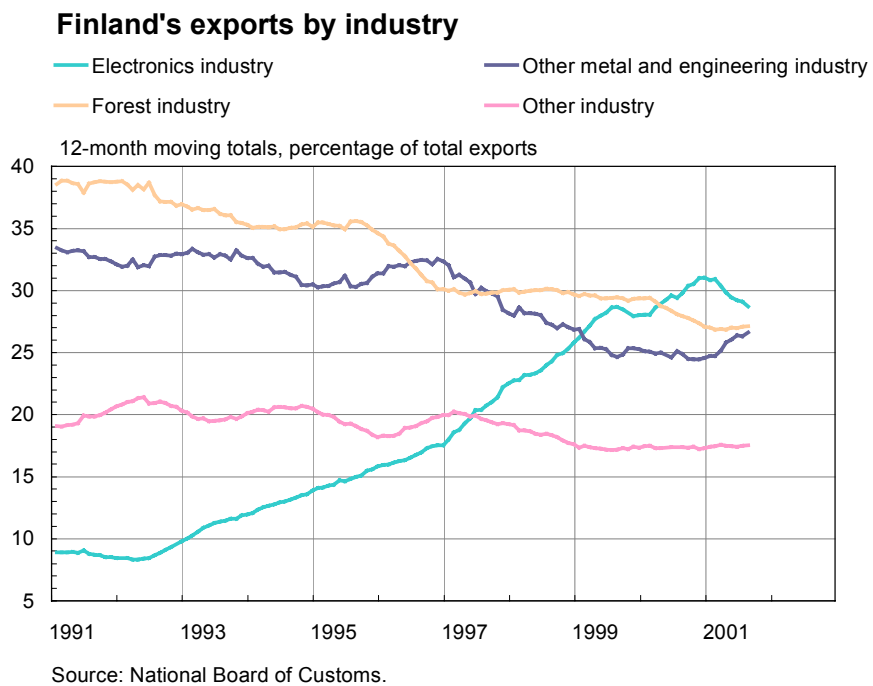


Table 1.

**Supply, demand and labour market indicators**

	1999	2000	2001 Actual		2001*	2002*
<b>Supply and demand</b>						
<i>percentage volume change from previous year</i>						
Gross domestic product at market prices	4.0	5.7	0.3	Q2	1.5	2.4
GDP monthly indicator at producer prices	3.7	5.9	-0.7	M8		
			1.7	M01-M08		
Manufacturing production	5.7	12.7	-3.4	M09		
			-0.1	M01-M09		
Consumption expenditure	3.4	2.3	1.6	Q2	2.2	2.3
- private	4.0	3.0	1.3	Q2	2.4	2.5
- general government	1.9	0.7	2.2	Q2	1.9	2.0
Gross fixed capital formation	3.0	5.5	0.6	Q2	4.1	2.6
- private	3.9	7.4	2.3	Q2	4.5	2.7
- general government	-2.2	-5.4	-7.0	Q2	1.3	1.5
Domestic demand	2.7	3.3	0.0	Q2	2.3	2.3
Exports of goods and services	6.8	18.1	-2.3	Q2	-3.5	1.7
Imports of goods and services	4.0	15.7	-3.8	Q2	-3.4	1.2
<b>Labour market indicators</b>						
Employed persons	3.3	1.7	1.9	M10	1.0	-0.4
<i>percentage change from previous year</i>			1.5	M01-M10		
Unemployment rate, s.a. **	10.2	9.8	8.9	M10	9.4	10.0
			9.1	M01-M10		

Source: Statistics Finland.

\* Bank of Finland forecast revision, September 2001.

\*\* Seasonally adjusted by the Bank of Finland.



## Prices and costs

Chart 39.

### Consumer prices (CPI)

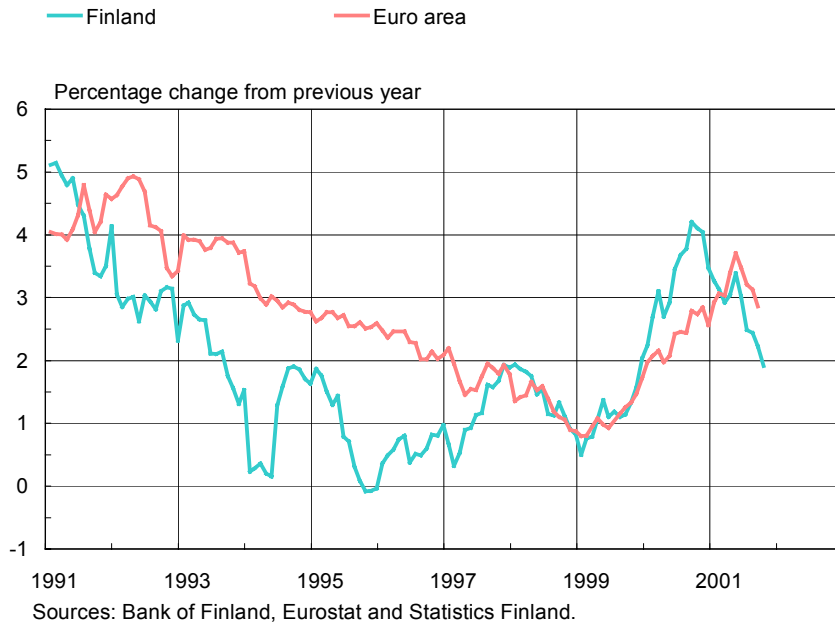


Chart 40.

### Harmonized index of consumer prices (HICP)

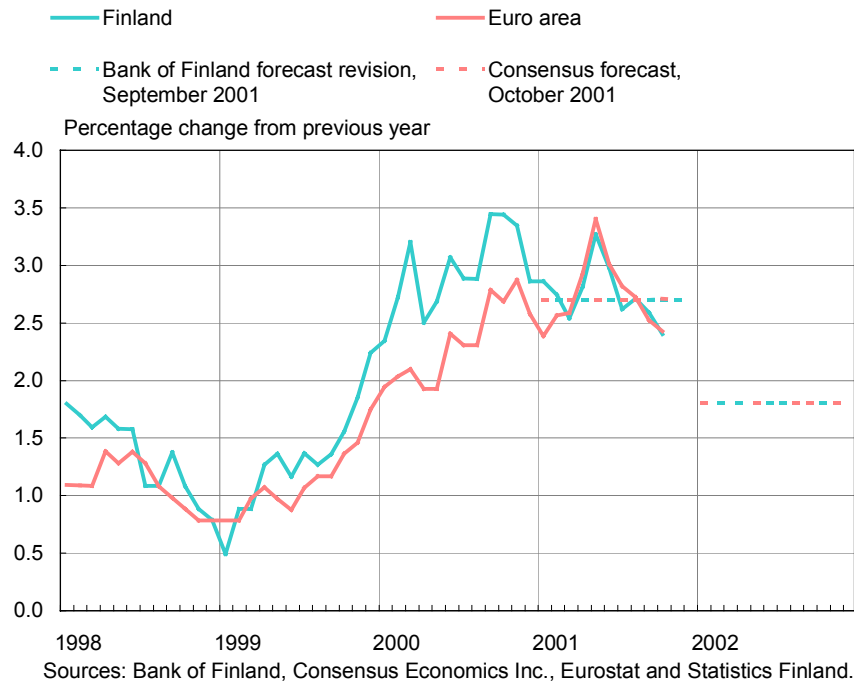


Chart 41.

**Inflation rates in the euro area (HICP)**

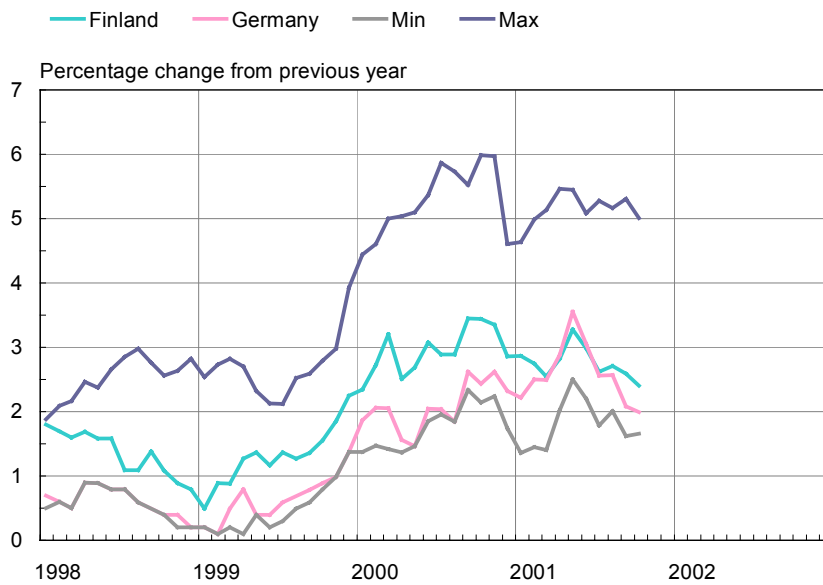


Chart 42.

**Producer prices**

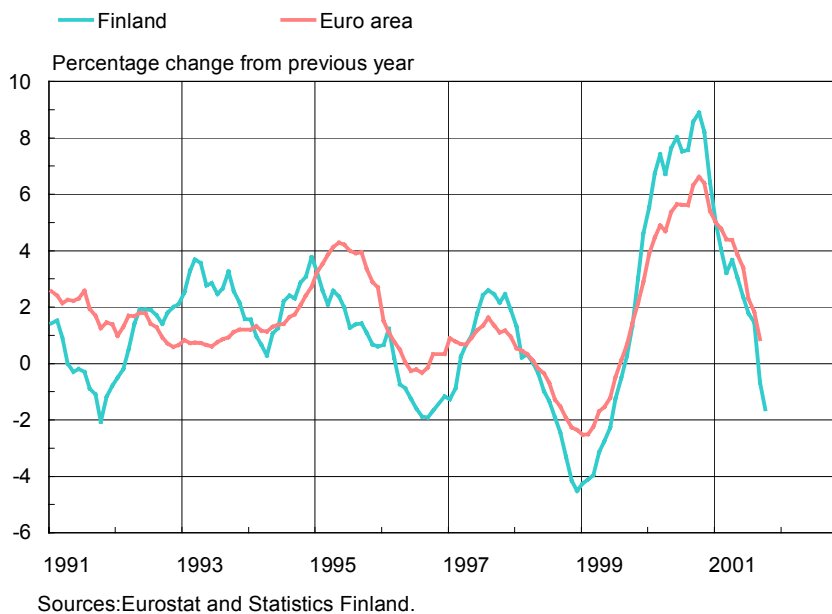


Chart 43.

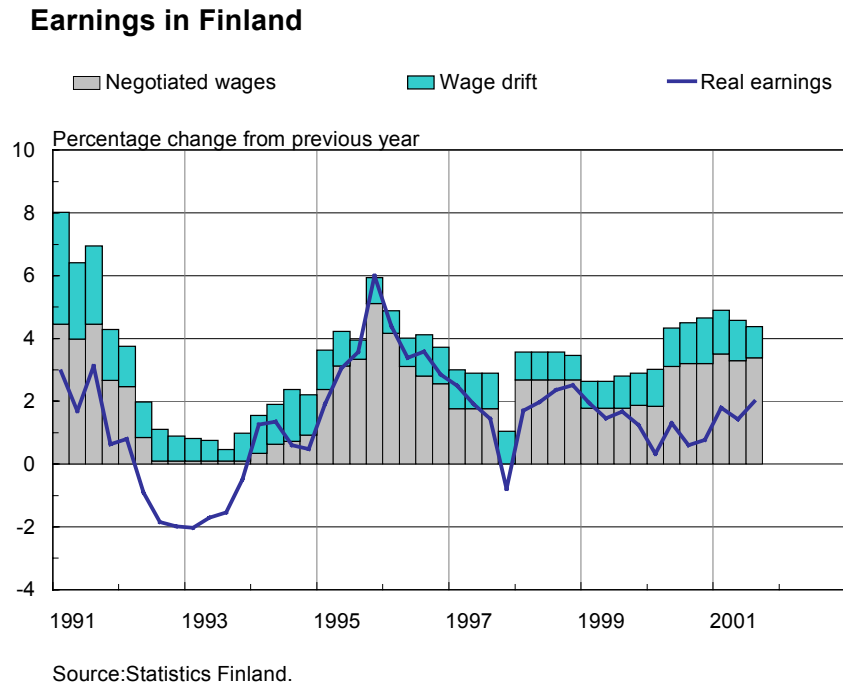


Chart 44.

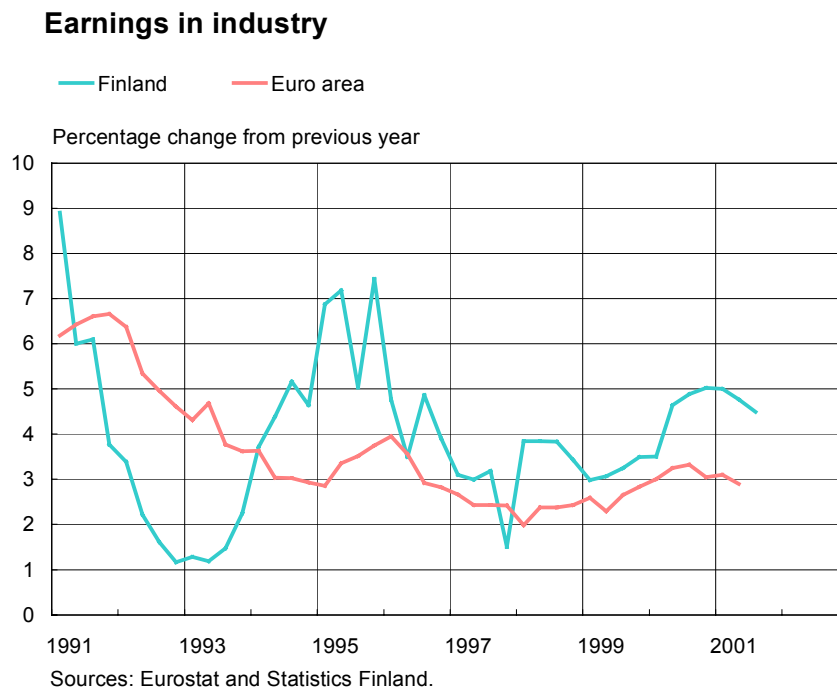


Chart 45.

**Finland's export prices, import prices and terms of trade**

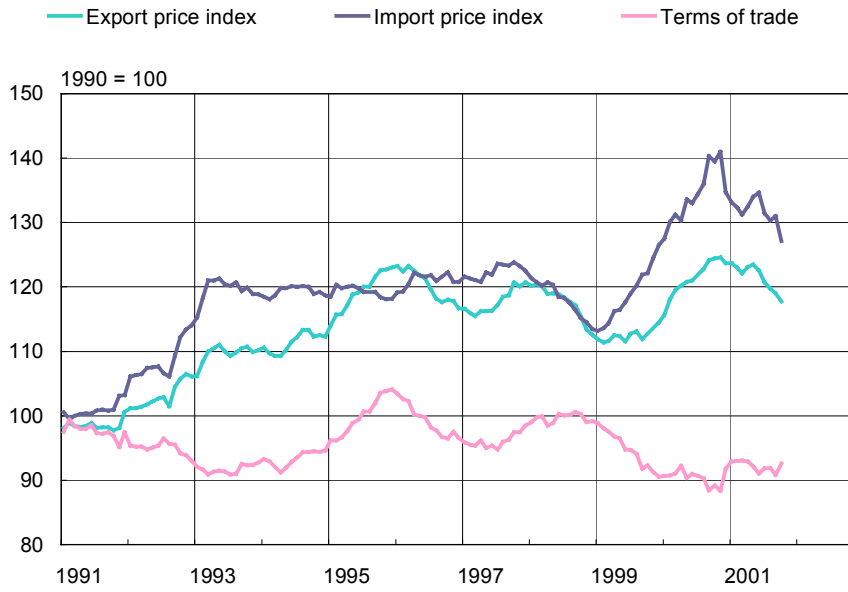


Chart 46.

**Dwelling prices in Finland**

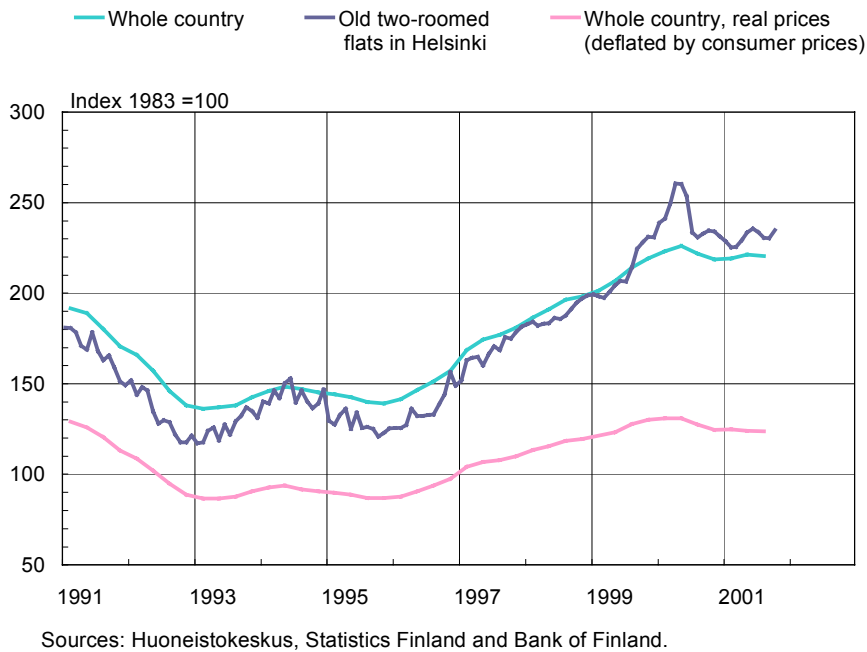


Table 2.

**Cost and price indicators***Percentage change from previous year*

	1999	2000	2001 Actual	2001*	2002*
<b>Labour costs</b>					
Index of wages and salaries	2.7	4.1	4.4 Q3 -64.9 Q1-Q3		
Unit labour costs					
- whole economy	0.6	-0.2	6.6 Q2 -43.8 Q1-Q2		
- manufacturing	-3.6	-5.7	9.2 Q2 -41.5 Q1-Q2		
<b>Price indices</b>					
Export prices					
- export price index	-4.4	7.9	-5.4 M10 0.5 M01-M10		
- export price deflator	-5.6	4.4	1.4 Q2 -49.5 Q1-Q2		
Import prices					
- import price index	0.6	13.1	-8.9 M10 -1.4 M01-M10		
- import price deflator	-1.7	6.4	-1.7 Q2 -50.6 Q1-Q2		
Producer prices					
	-1.1	7.4	-1.6 M10 2.2 M01-M10		
Wholesale prices					
	-0.2	8.1	-3.5 M10 1.1 M01-M10		
Consumer prices					
- consumer price index	1.2	3.4	1.9 M10 2.8 M01-M10		
- harmonized index of consumer prices	1.3	3.0	2.4 M10 2.8 M01-M10	2.7	1.8
- indicator of underlying inflation	1.3	3.6	2.8 M09 3.3 M01-M09		
<b>Asset prices</b>					
Stumpage prices					
	1.9	6.0	-4.8 M10 -1.2 M01-M10		
Dwelling prices, whole country					
	8.9	5.7	-0.6 Q3 -67.2 Q1-Q3		
Share prices					
	72.1	91.1	-43.7 M10 -43.3 M01-M10		

Sources: Finnish Forest Research Institute, HEX Helsinki Exchanges, National Board of Customs and Statistics Finland.

\* Bank of Finland forecast revision, September 2001.

# Labour market

Chart 47.

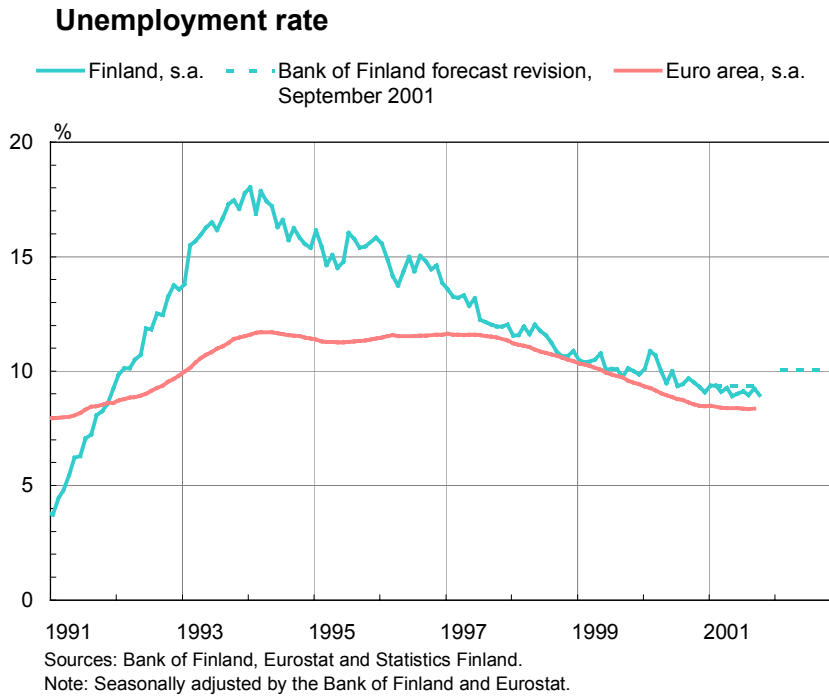
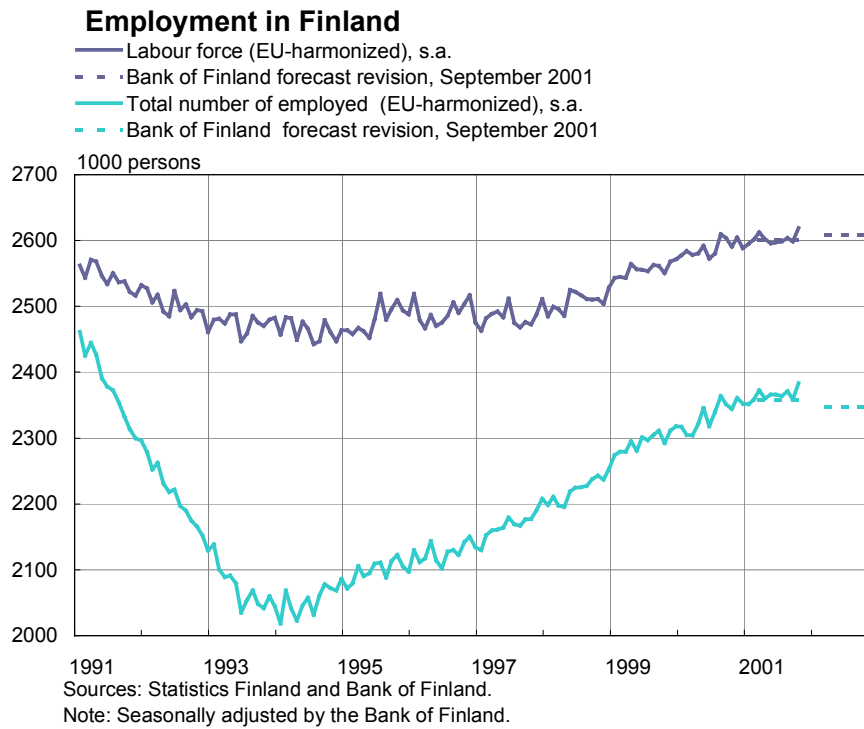


Chart 48.

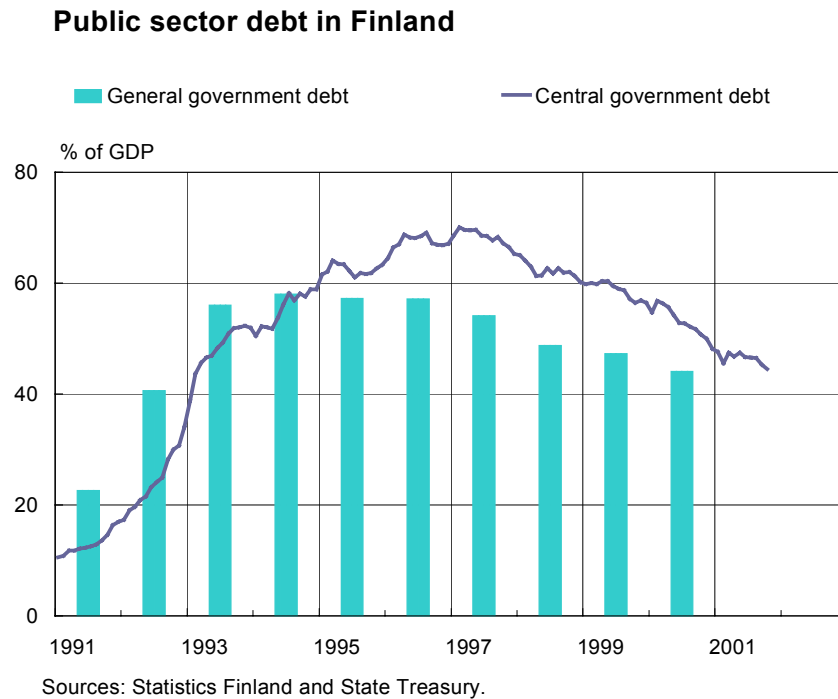


## Public finances

Chart 49.



Chart 50.



## External balance

Chart 51.

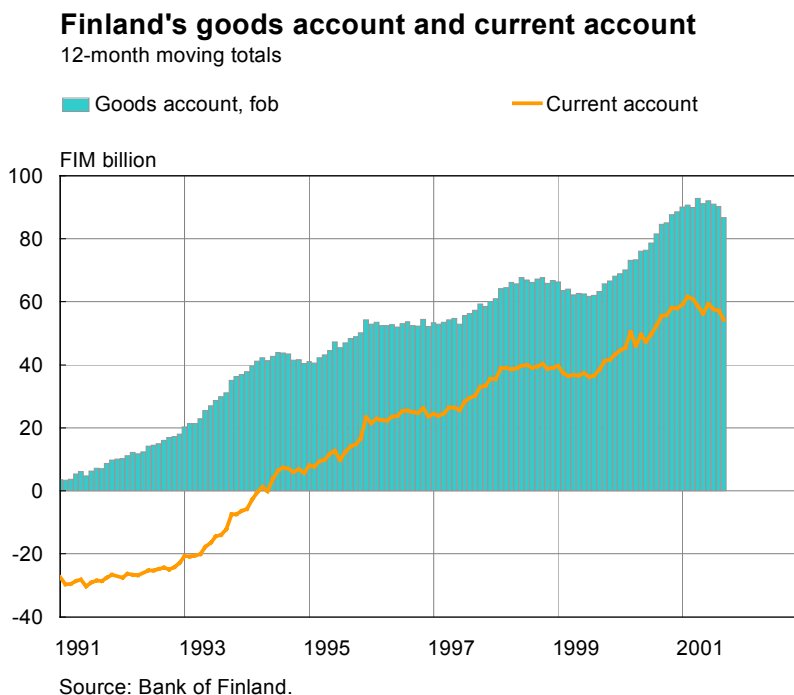


Chart 52.

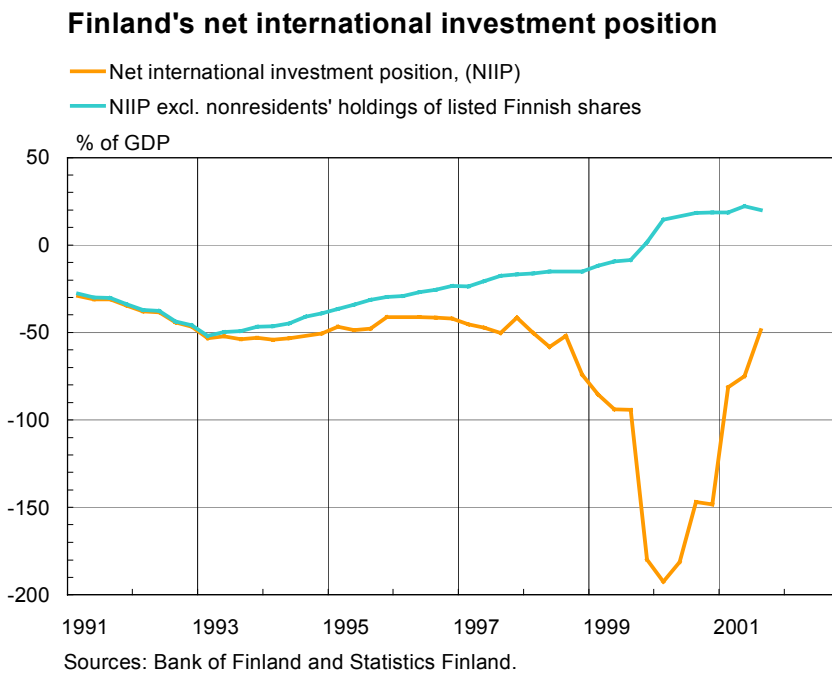




Table 3.

**External balance and sectoral balances indicators**

	1999	2000	2001 Actual
<b>Goods account</b>			
EUR billion	11.5	14.9	1.1 M09 10.4 M01-M09
per cent of GDP	9.5	11.3	
<b>Current account</b>			
EUR billion	7.3	9.7	0.9 M09 5.8 M01-M09
per cent of GDP	6.0	7.4	
<b>Financial account</b>			
EUR billion	-7.1	-9.3	-1.0 M09 -5.4 M01-M09
General government	-5.4	-11.0	1.5 M09 -9.1 M01-M09
Direct investment			
in Finland	4.3	9.6	0.1 M09 1.7 M01-M09
abroad	6.2	26.1	2.1 M09 3.0 M01-M09
Shares	4.6	2.3	-0.2 M09 -2.6 M01-M09
Other capital (incl. errors and omissions)	-4.4	15.8	-0.2 M09 7.7 M01-M09
Foreign exchange reserves (increase -)	-0.2	-0.4	0.0 M09 -0.4 M01-M09
<b>Net lending, saving minus investment</b>			
Private sector			
EUR billion	5.0	0.7	
per cent of GDP	4.1	0.5	
General government			
EUR billion	2.3	9.0	
per cent of GDP	1.9	6.9	
Central government			
EUR billion	-0.9	4.6	
per cent of GDP	-0.7	3.5	
Local government			
EUR billion	-0.3	0.2	
per cent of GDP	-0.3	0.1	
Social security funds			
EUR billion	3.5	4.3	
per cent of GDP	2.9	3.3	
<b>Net foreign debt</b>			
per cent of GDP	179.7	148.2	
per cent of exports of goods and services	475.2	346.9	
<b>Sectoral debt ratios, gross debt, per cent of GDP</b>			
Non-financial corporate sector *	46.2	51.9	
Household sector	30.6	30.2	
General government (Maastricht definition)	47.3	44.0	

Sources: Bank of Finland and Statistics Finland.

\* Excl. housing corporations.

