

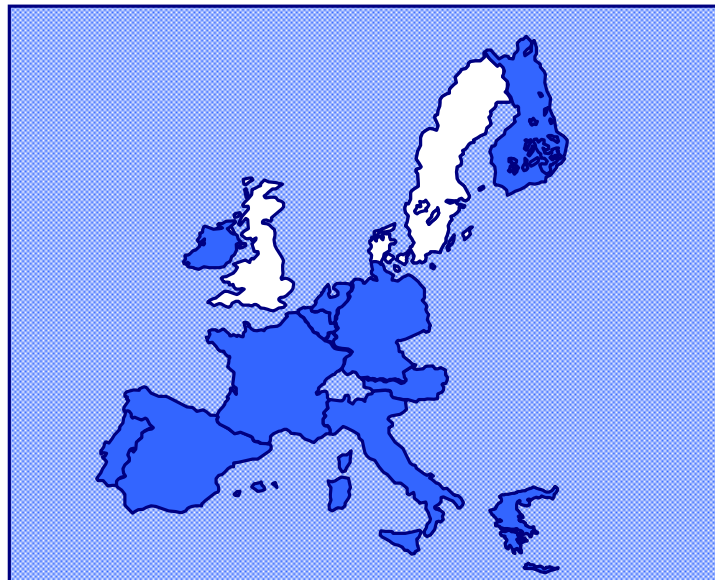


BANK OF FINLAND

Economics Department - Financial Markets Department - Statistics Department

Main Indicators for the Finnish Economy

No 5/2002



21 May 2002

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Monetary policy and market interest rates

Chart 1.

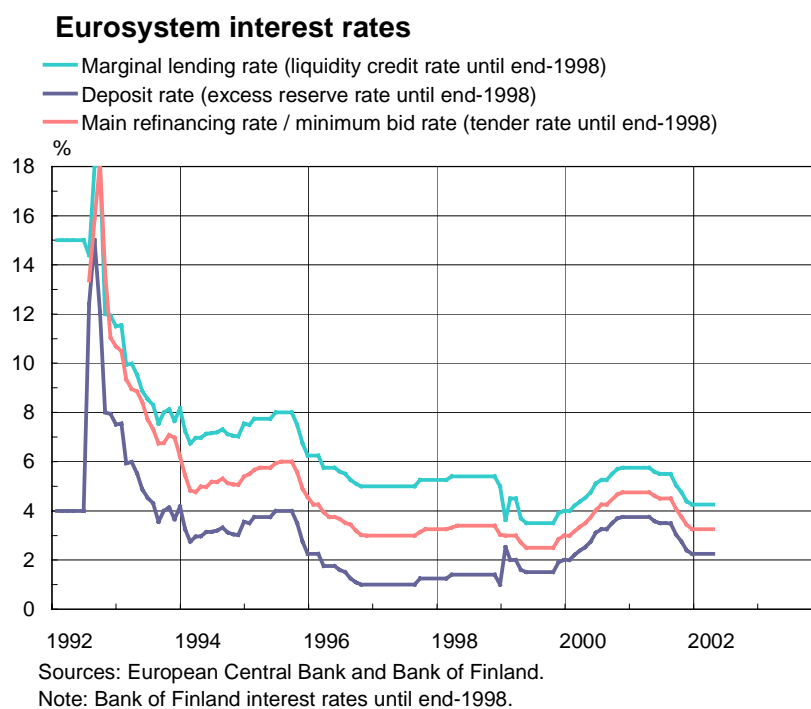


Chart 2.

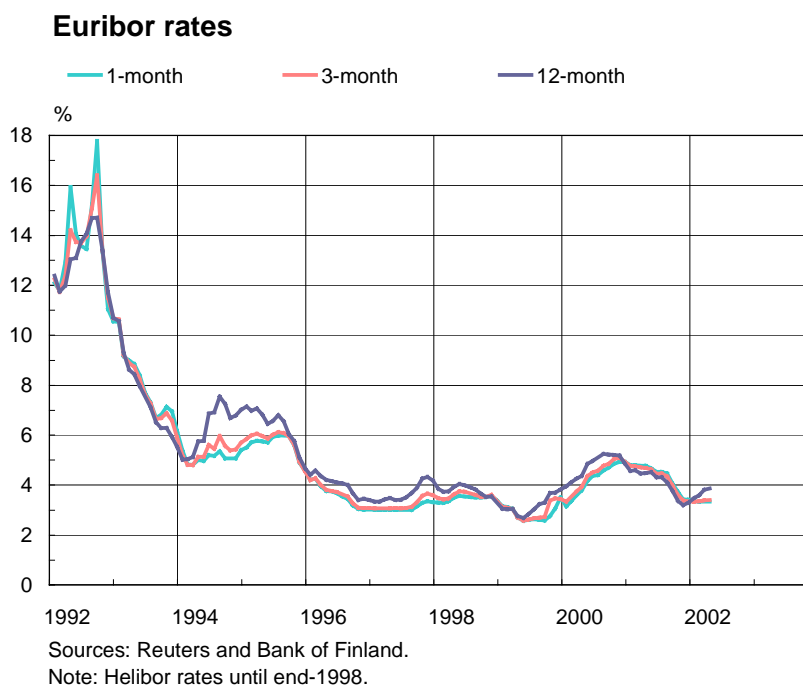
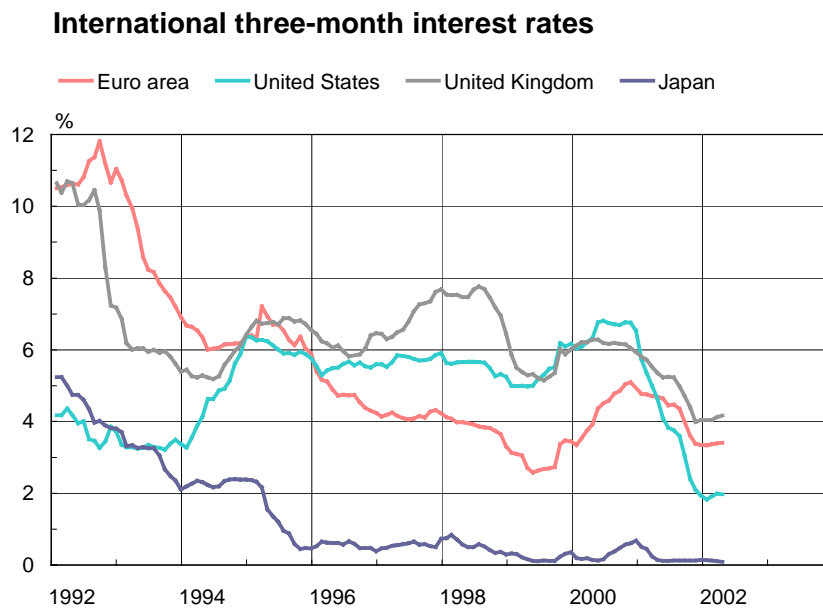


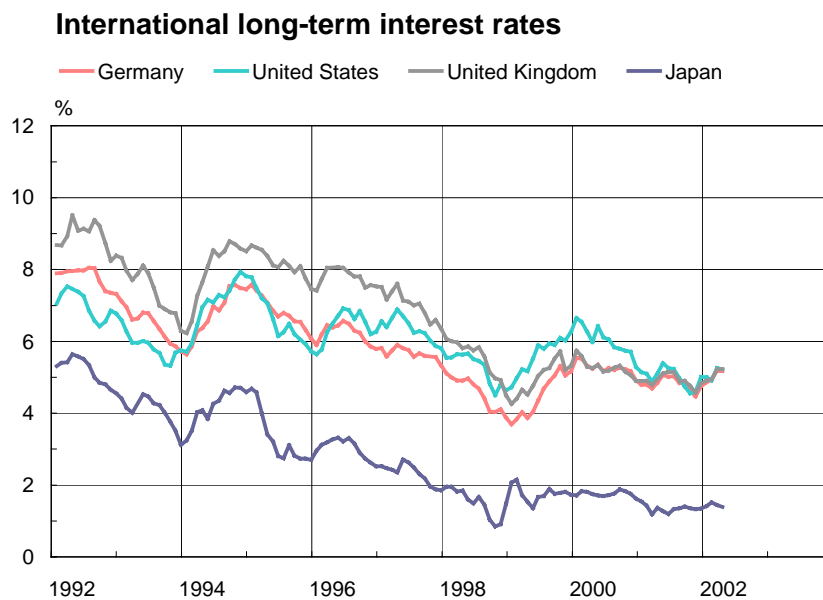
Chart 3.



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.



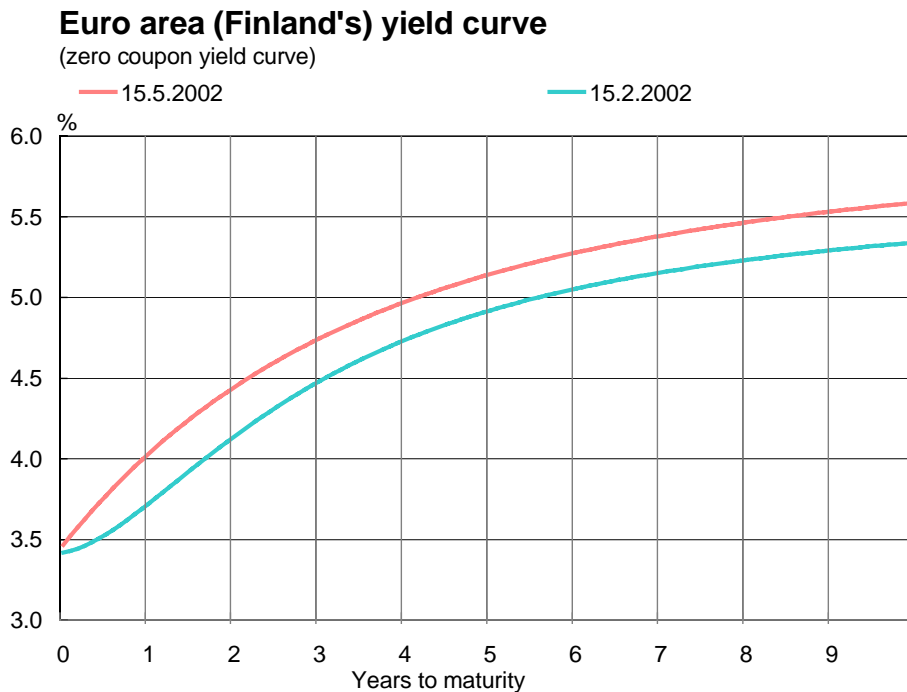
Source: Reuters.

Note: Yield on ten-year government bonds.

Chart 5.



Chart 6.



Source: Bank of Finland.
 Note: BOF estimation using Nelson & Siegel (1987) yield curve model applied to Eonia and Euribor rates and Finnish benchmark government bond yields.

Banking in Finland

Chart 7.

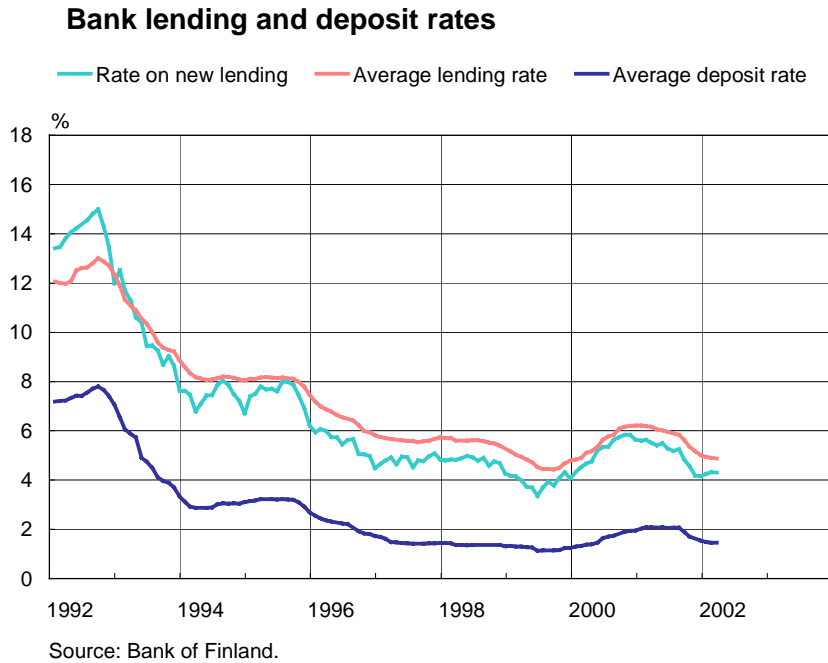


Chart 8.

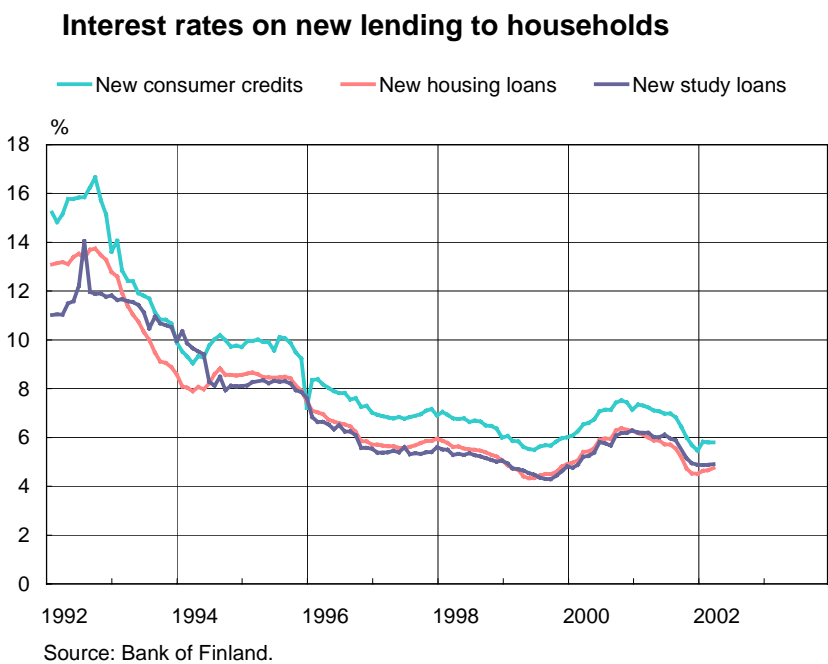


Chart 9.

Stock of bank lending by interest rate linkage

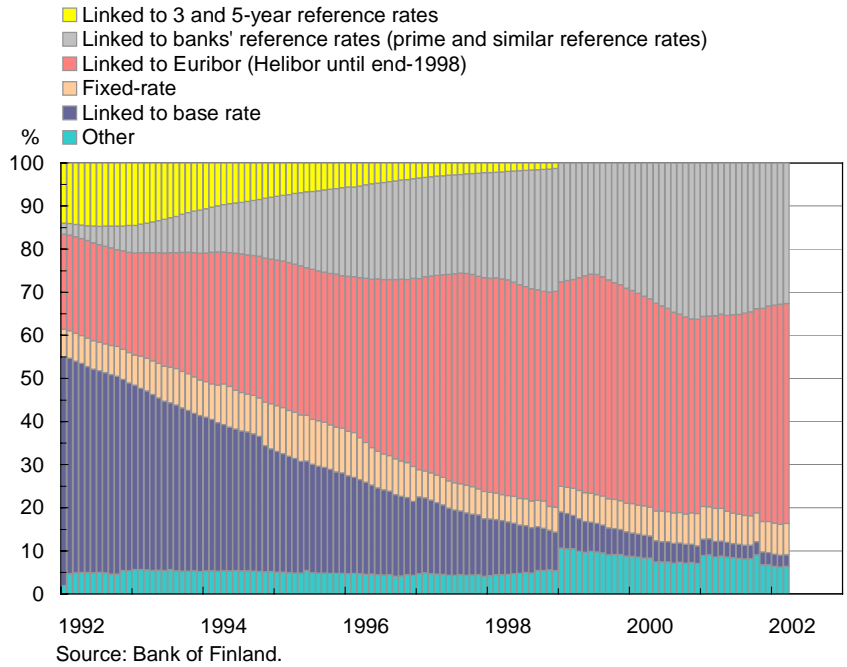


Chart 10.

Stock of bank deposits by interest rate linkage

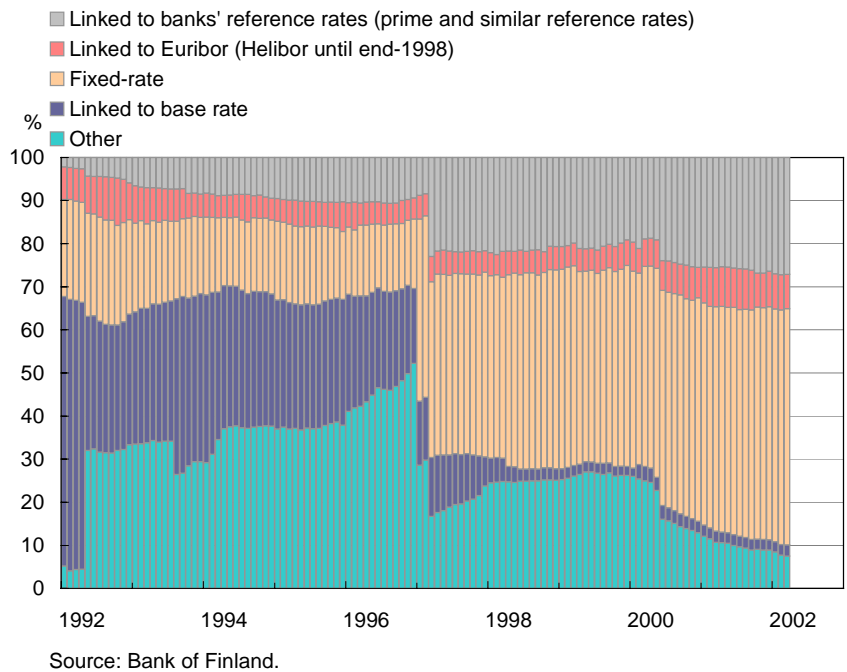


Chart 11.

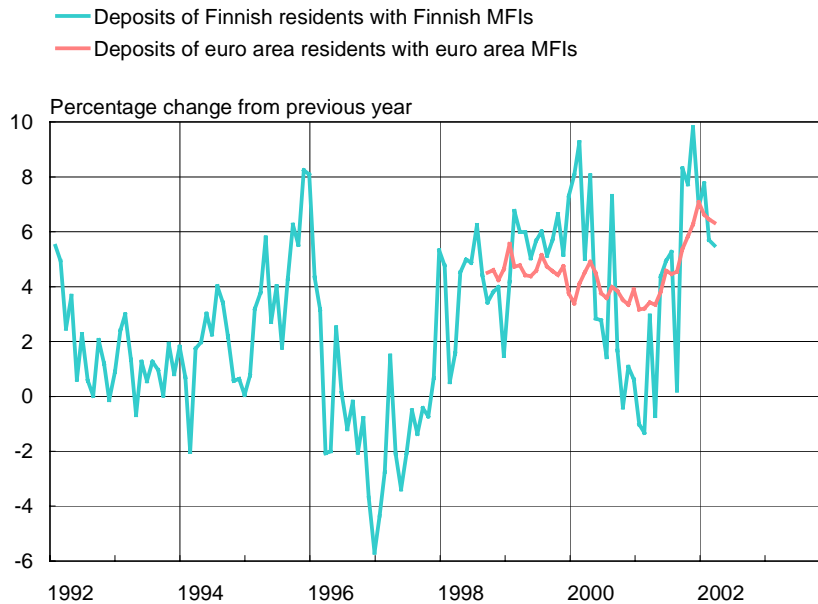
Euro area and Finnish MFIs: growth of deposits

Chart 12.

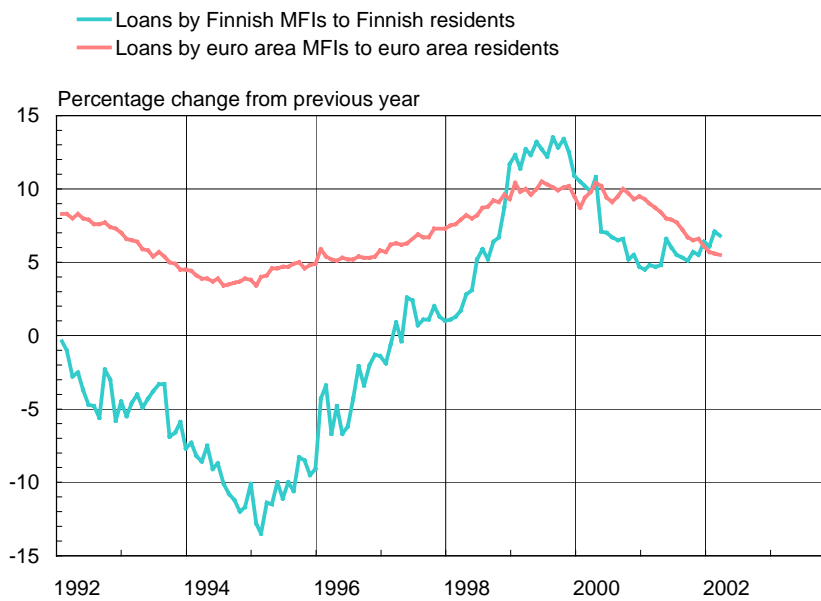
Euro area and Finnish MFIs: growth of loans

Chart 13.

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

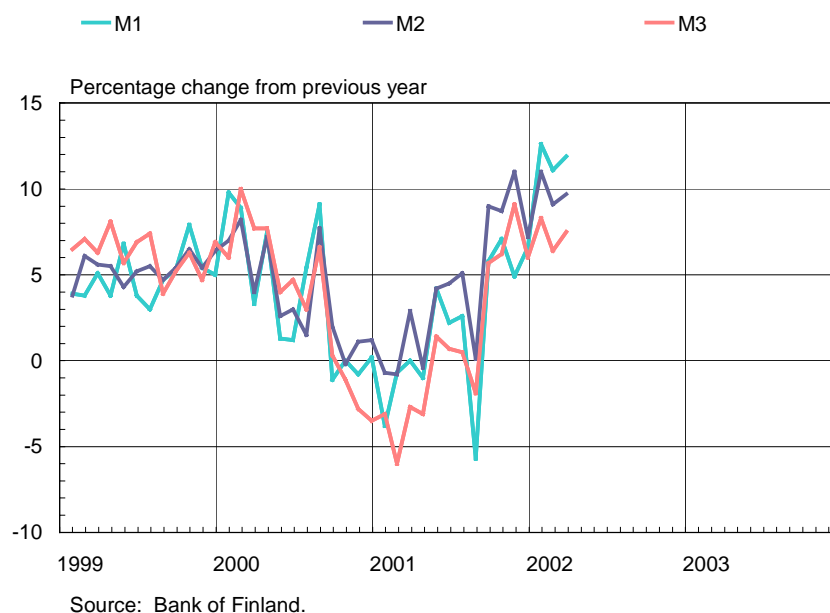
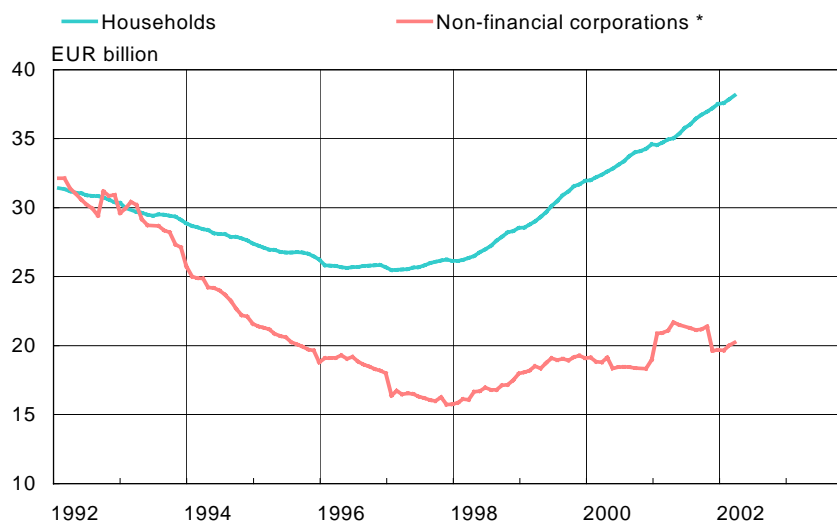


Chart 14.

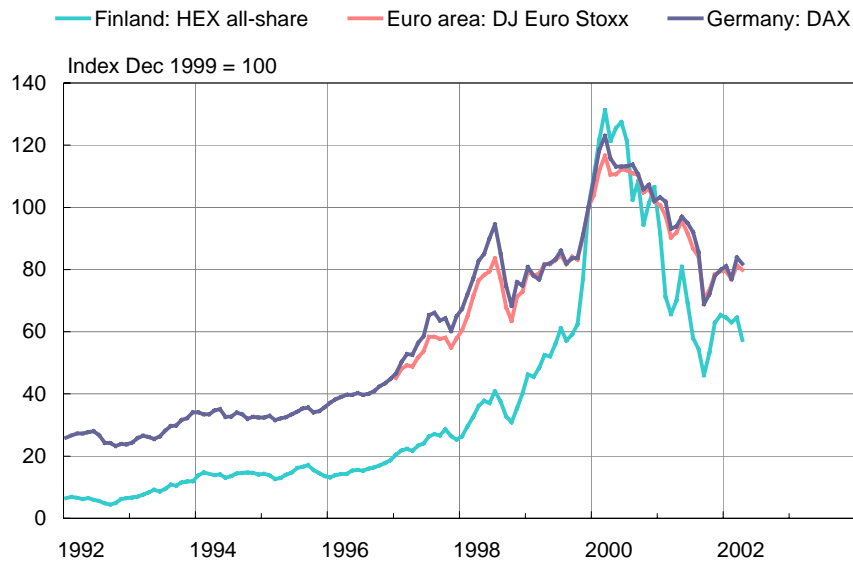
Outstanding bank credit to households and non-financial corporations in Finland



Securities market

Chart 15.

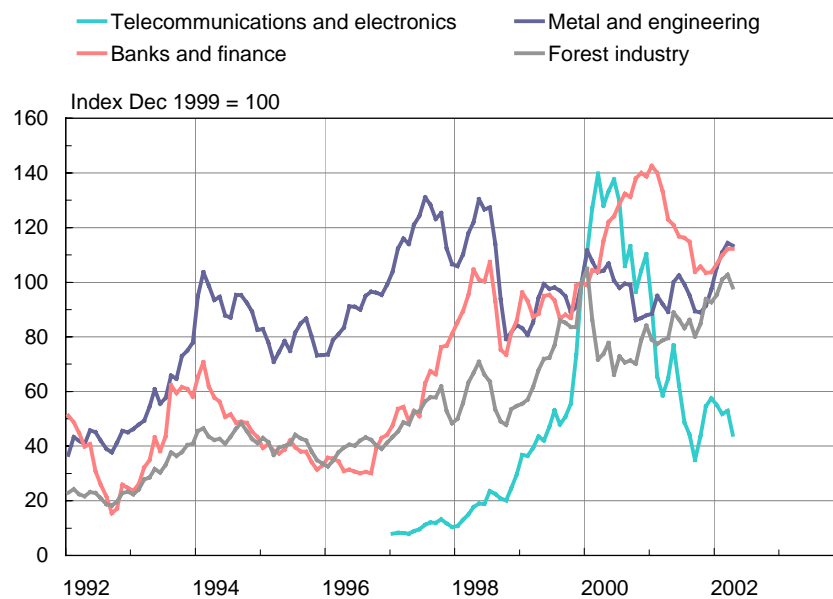
Selected stock price indices in the euro area



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

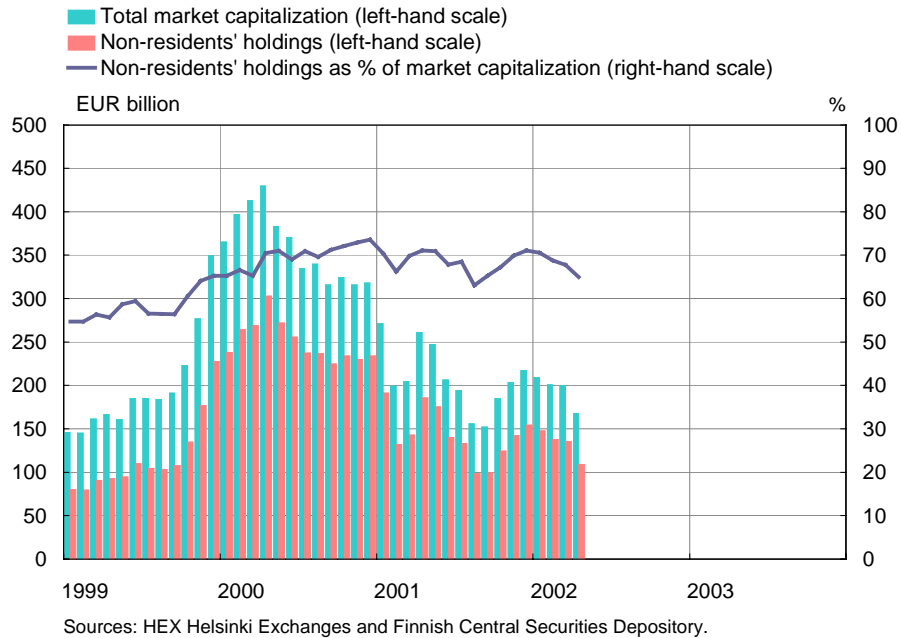


Chart 18.

Non-residents' portfolio investments in Finland

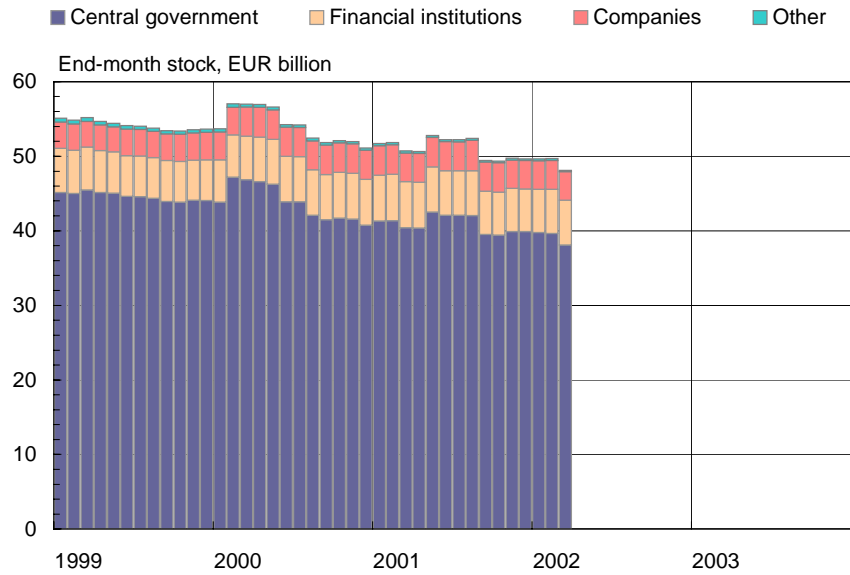
12-month moving totals

- Finnish shares, net purchases
— Finnish bonds and money market paper, net purchases



Chart 19.

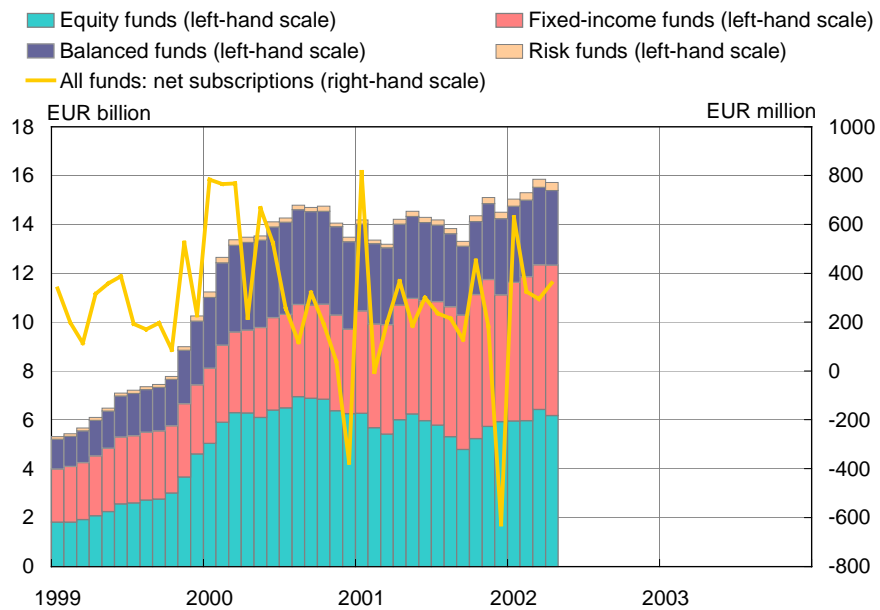
Bonds issued in Finland



Source: Statistics Finland.

Chart 20.

Mutual funds registered in Finland



Sources: HEX Helsinki Exchanges and Finnish Association of Mutual Funds.

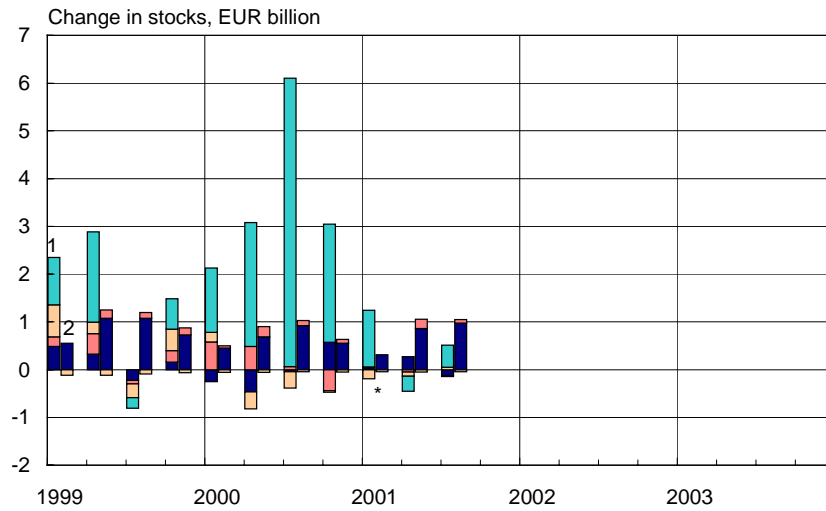
Borrowing by sector in Finland

Chart 21.

Non-financial corporate sector and household borrowing

1 = corporate sector (excl. housing corporations), 2 = households.

■ Banks ■ Other financial institutions ■ General government ■ Rest of the world



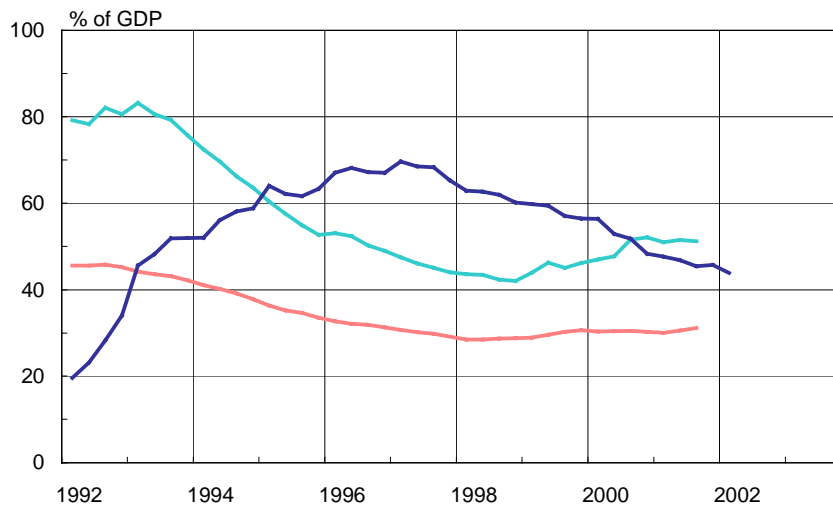
Sources: Bank of Finland and Statistics Finland.

*Note: Corrected for changes in sectoral classification.

Chart 22.

Sectoral debt ratios in Finland

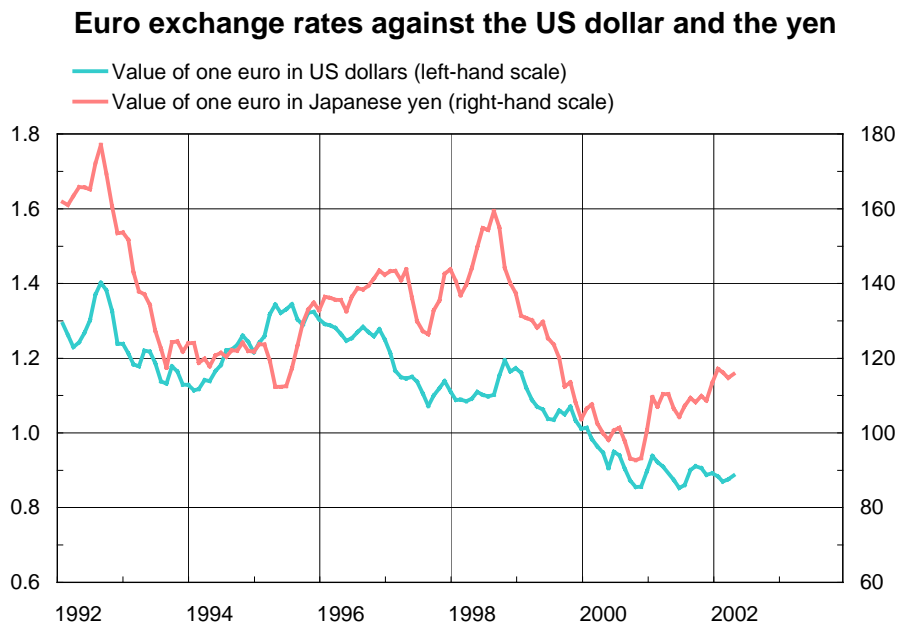
— Non-financial corporate sector excl. housing corporations
— Household sector
— Central government



Sources: Statistics Finland, State Treasury and Bank of Finland.

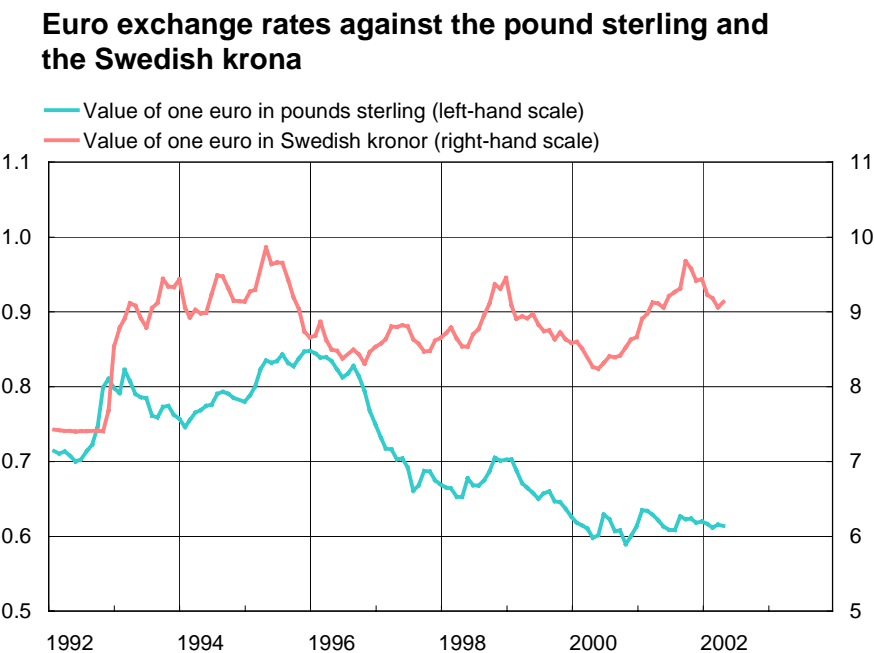
Exchange rates

Chart 23.



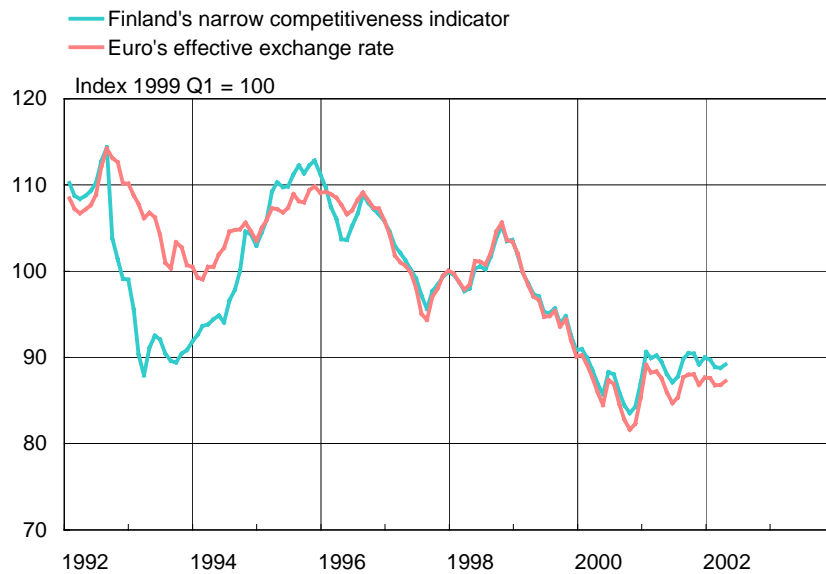
Sources: European Central Bank and Reuters.
Note: ECU exchange rate until end-1998.

Chart 24.



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

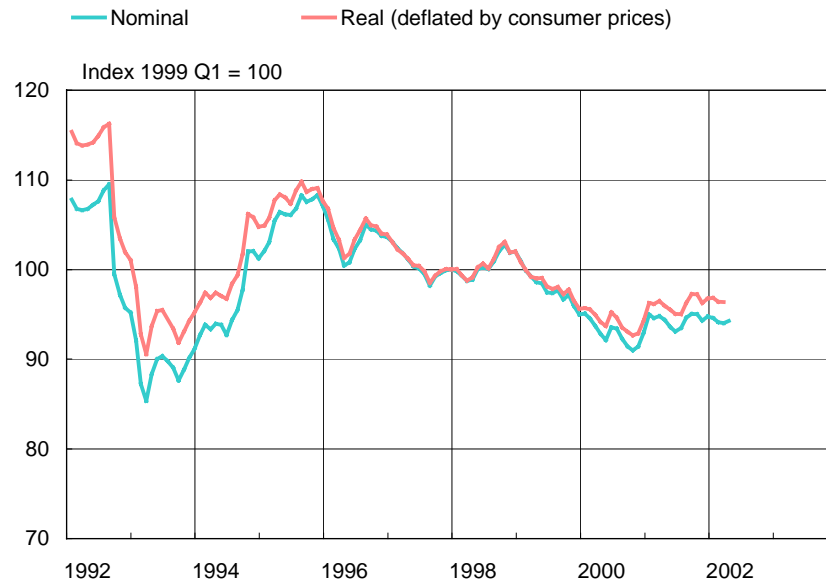
Chart 25.

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.

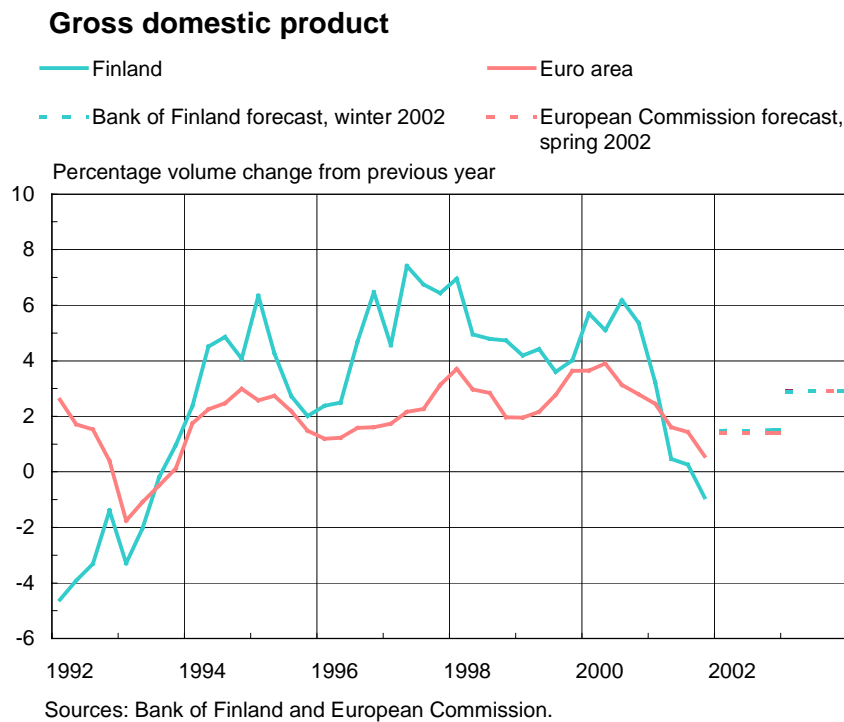


Chart 28.

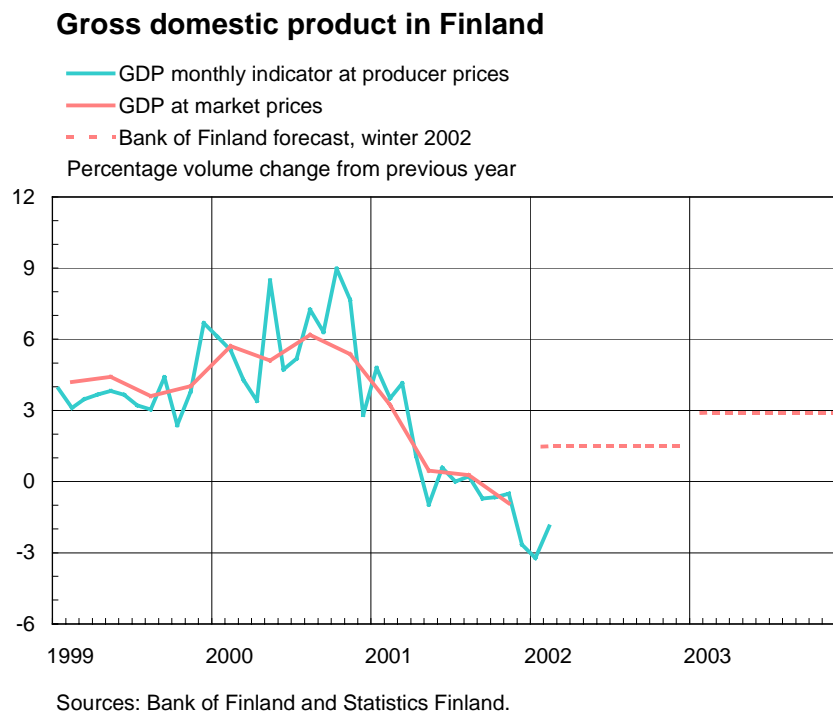


Chart 29.

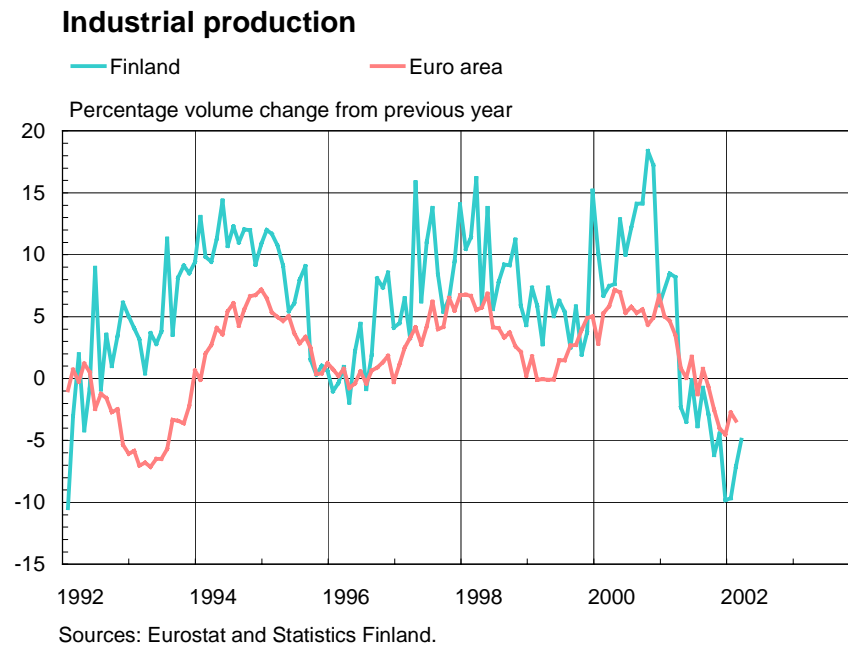


Chart 30.

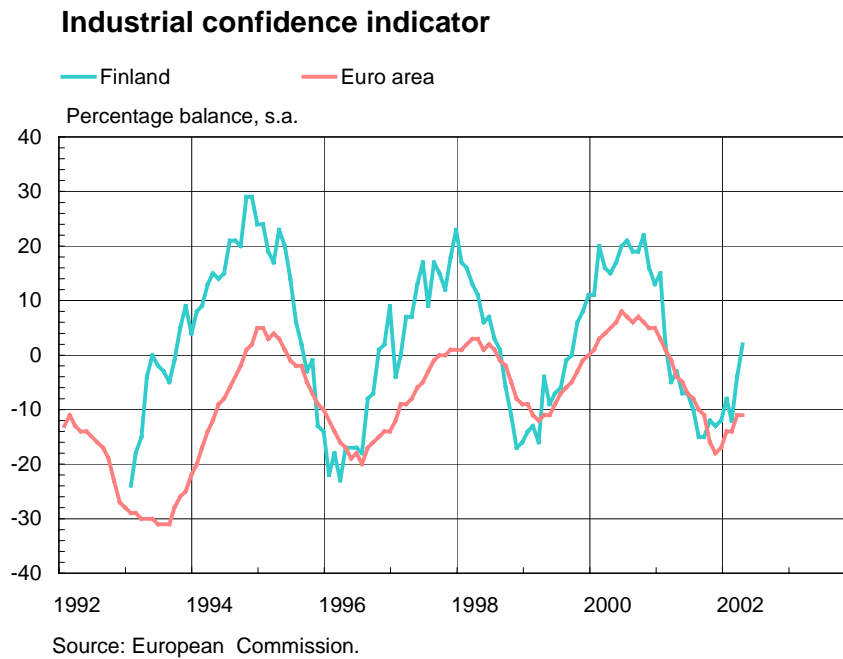


Chart 31.

Manufacturing production by sector in Finland

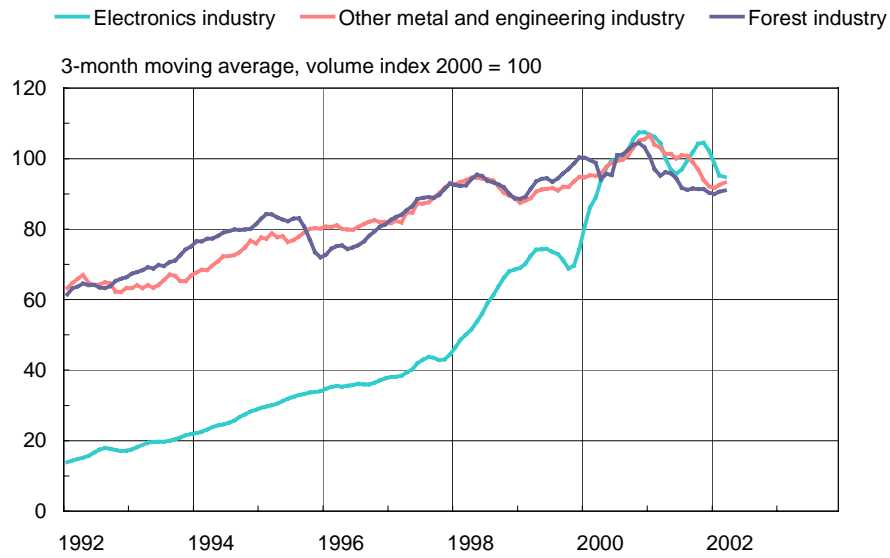


Chart 32.

Finland's imports of goods

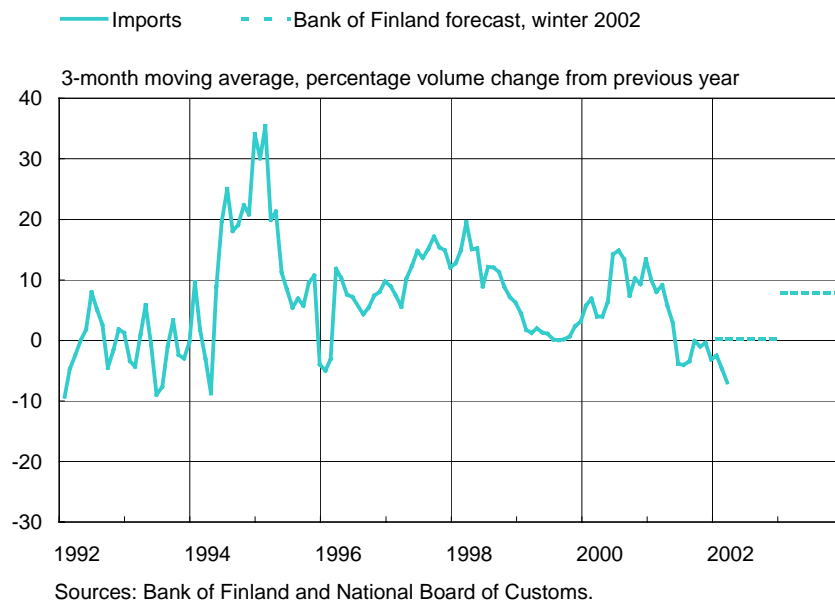


Chart 33.

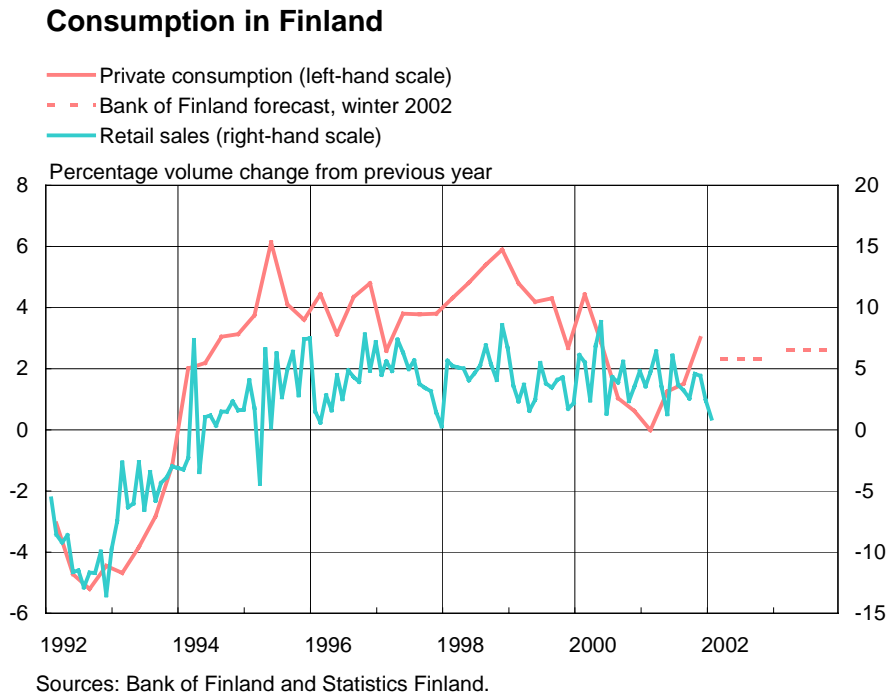


Chart 34.

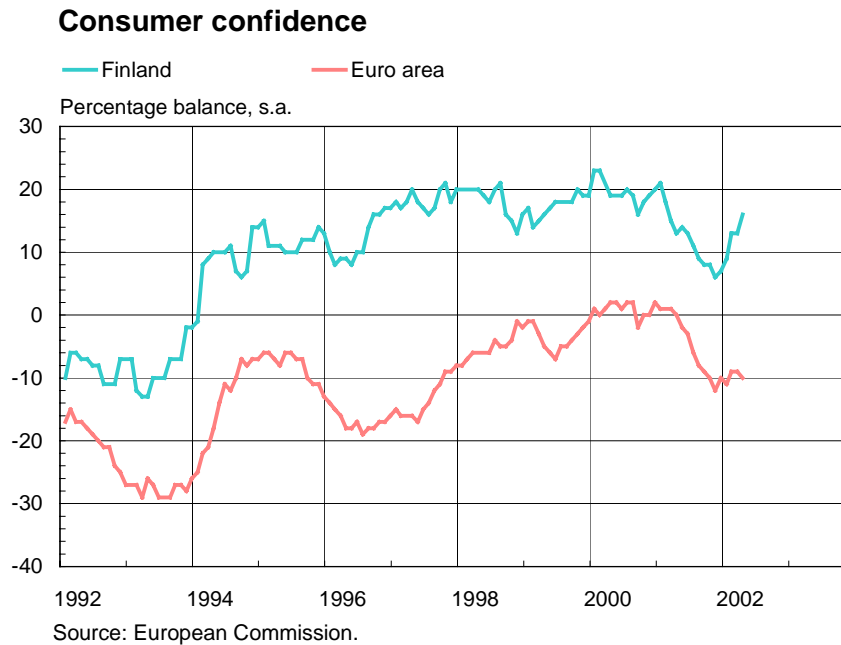


Chart 35.

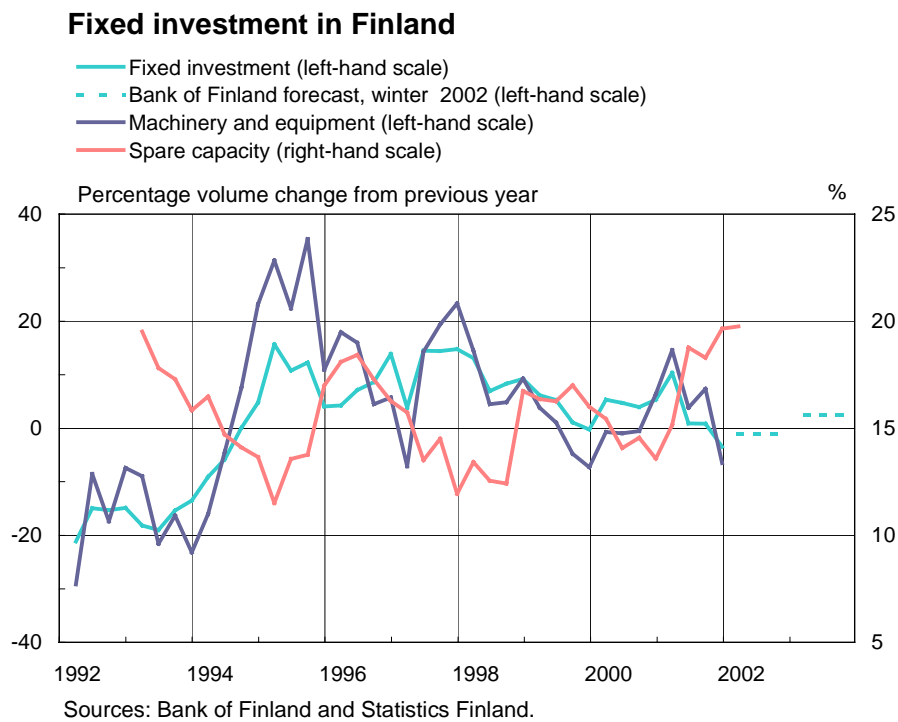


Chart 36.

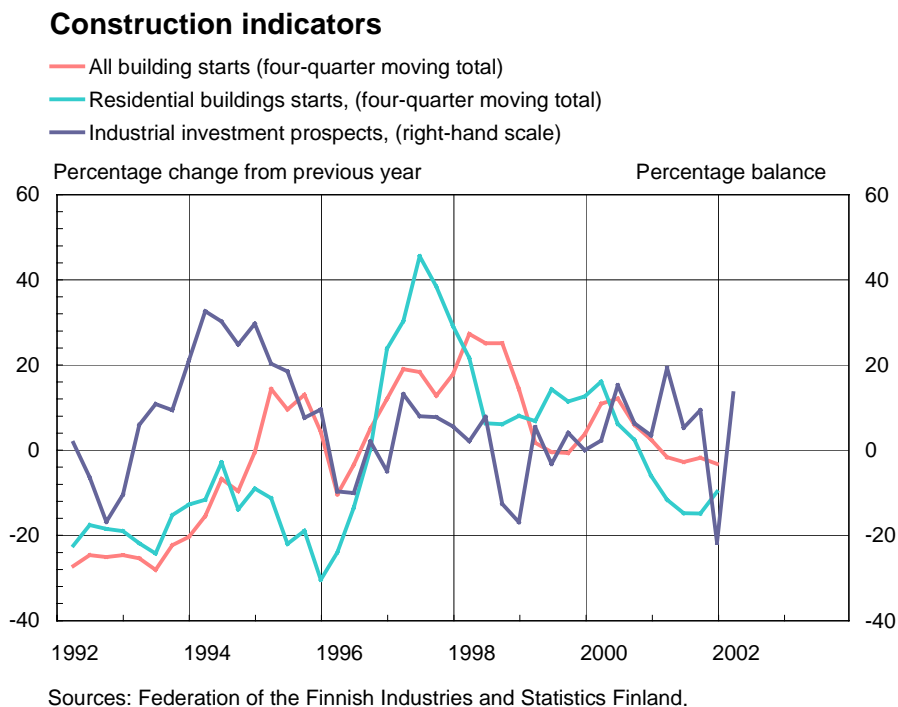
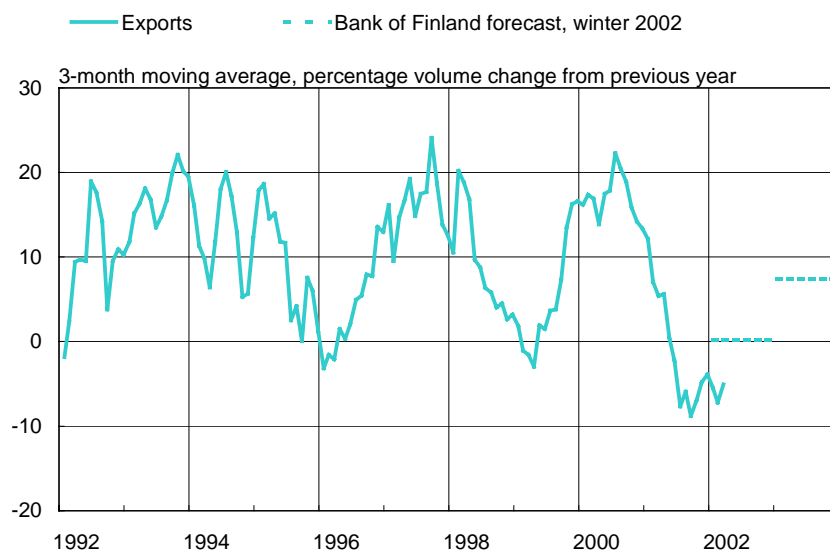
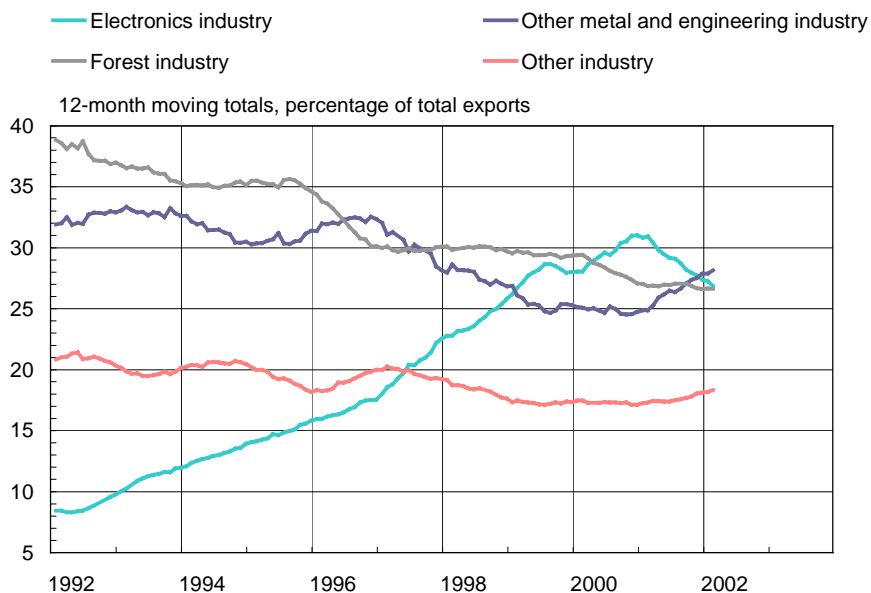


Chart 37.

Finland's exports of goods

Sources: Bank of Finland and National Board of Customs.

Chart 38.

Finland's exports by industry

Source: National Board of Customs.

Table 1.

Supply, demand and labour market indicators

	2000	2001	2001/2002 Actual		2002*	2003*
Supply and demand						
<i>percentage volume change from previous year</i>						
Gross domestic product at market prices	5.6	0.7	-0.9	Q4	1.5	2.9
			0.7	Q1-Q4		
GDP monthly indicator at producer prices	5.9	0.7	-1.9	M2		
			-2.6	M1-M2		
Manufacturing production	12.7	-1.6	-4.5	M3		
			-7.6	M1-M3		
Consumption expenditure	1.5	1.5	2.6	Q4	2.5	2.4
			1.5	Q1-Q4		
- private	2.2	1.4	3.0	Q4	2.3	2.6
			1.4	Q1-Q4		
- general government	-0.2	1.7	1.7	Q4	3.1	2.1
			1.7	Q1-Q4		
Gross fixed capital formation	4.8	2.1	-3.9	Q4	-1.1	2.5
			2.1	Q1-Q4		
- private	6.8	1.8	-5.0	Q4	-2.0	2.5
			1.8	Q1-Q4		
- general government	-6.3	3.9	4.4	Q4	4.2	2.3
			3.9	Q1-Q4		
Domestic demand	3.3	0.8	-3.4	Q4	1.5	2.4
			0.8	Q1-Q4		
Exports of goods and services	18.2	-0.7	-1.3	Q4	0.3	6.8
			-0.7	Q1-Q4		
Imports of goods and services	16.2	-1.0	-7.2	Q4	0.1	6.9
			-1.0	Q1-Q4		
Labour market indicators						
Employed persons	1.7	1.4	0.6	M4	0.2	0.7
<i>percentage change from previous year</i>			0.8	M1-M4		
Unemployment rate, s.a. **	9.8	9.1	9.3	M4	9.5	9.3
			9.2	M1-M4		

Source: Statistics Finland.

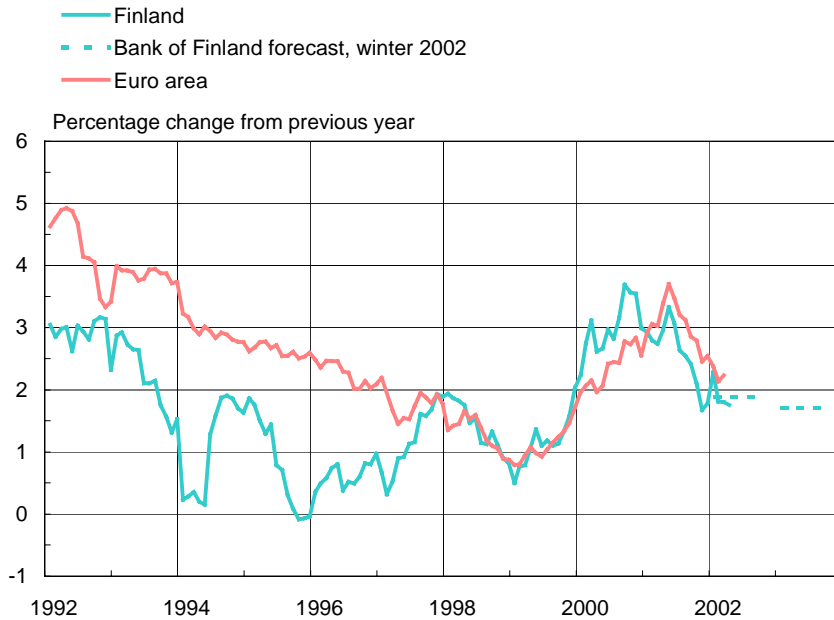
* Bank of Finland forecast, winter 2002.

** Seasonally adjusted by the Bank of Finland.

Prices and costs

Chart 39.

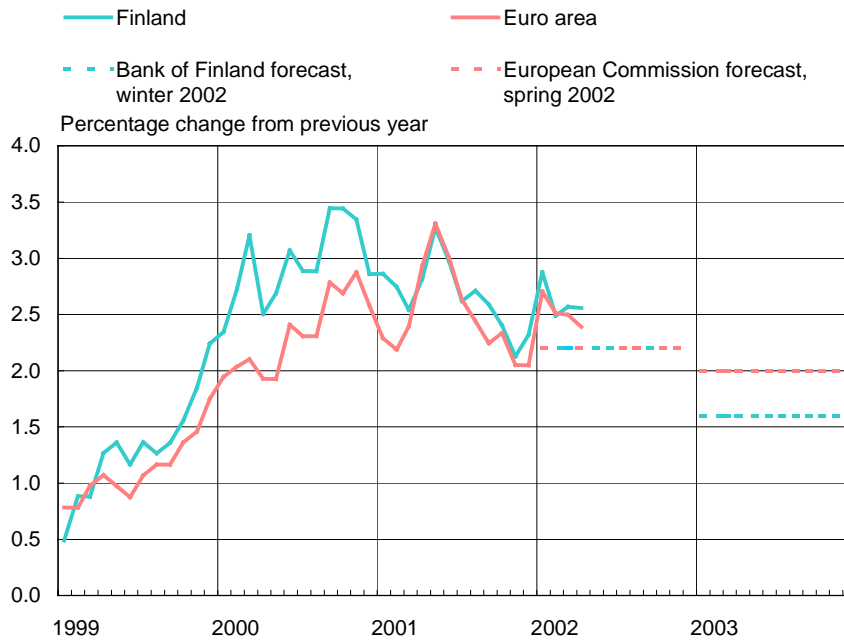
Consumer prices (CPI)



Sources: Bank of Finland, European Commission, Eurostat and Statistics Finland.

Chart 40.

Harmonized index of consumer prices (HICP)



Sources: Bank of Finland, European Commission, Eurostat and Statistics Finland.

Chart 41.

Inflation rates in the euro area (HICP)

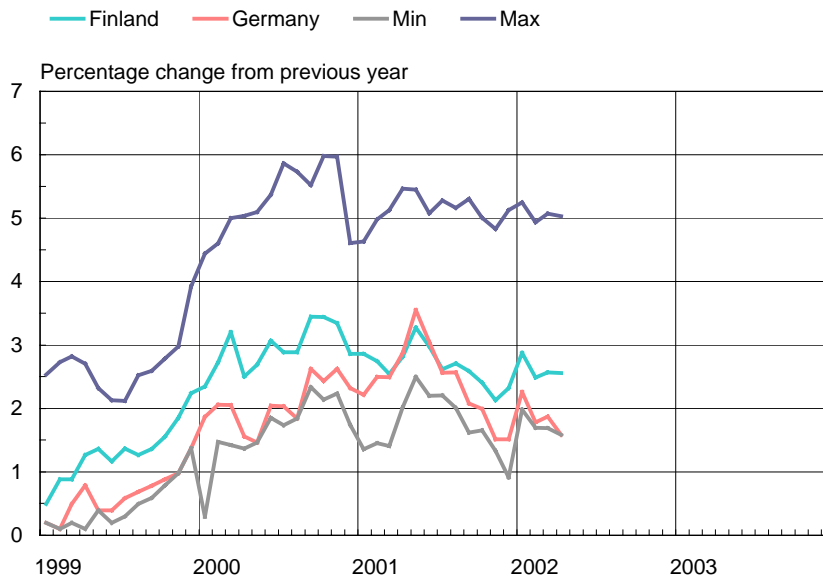


Chart 42.

Producer prices

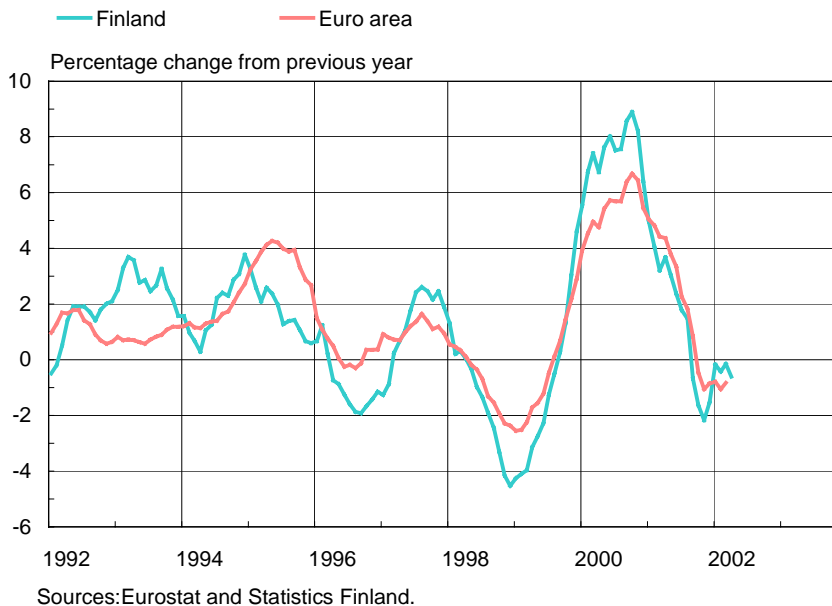


Chart 43.

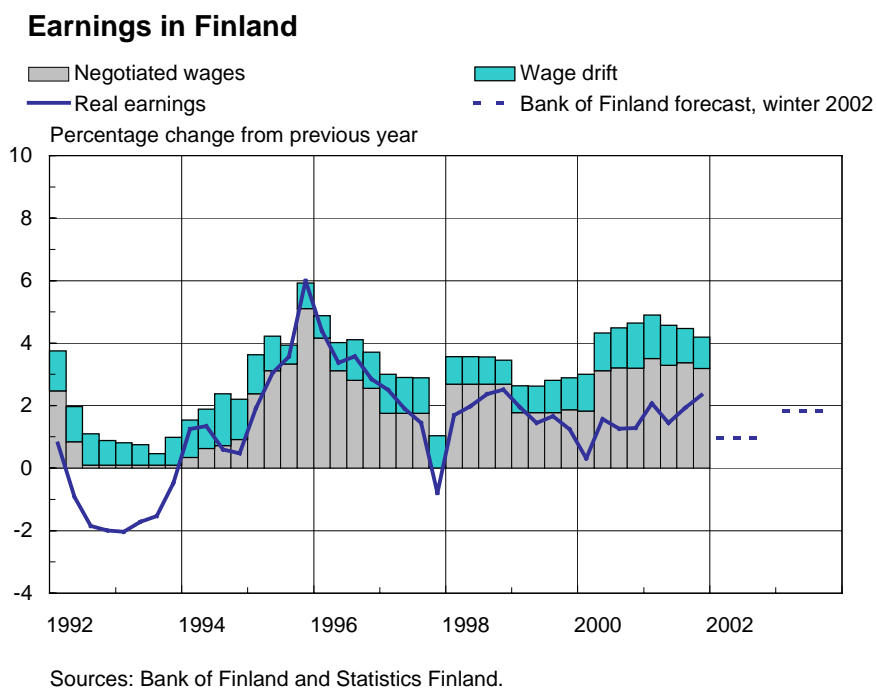


Chart 44.

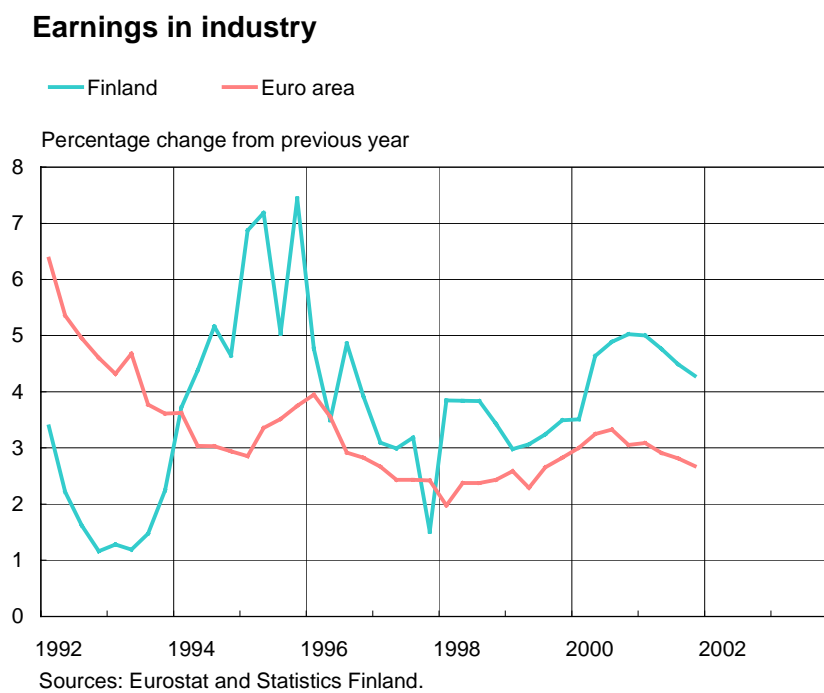


Chart 45.

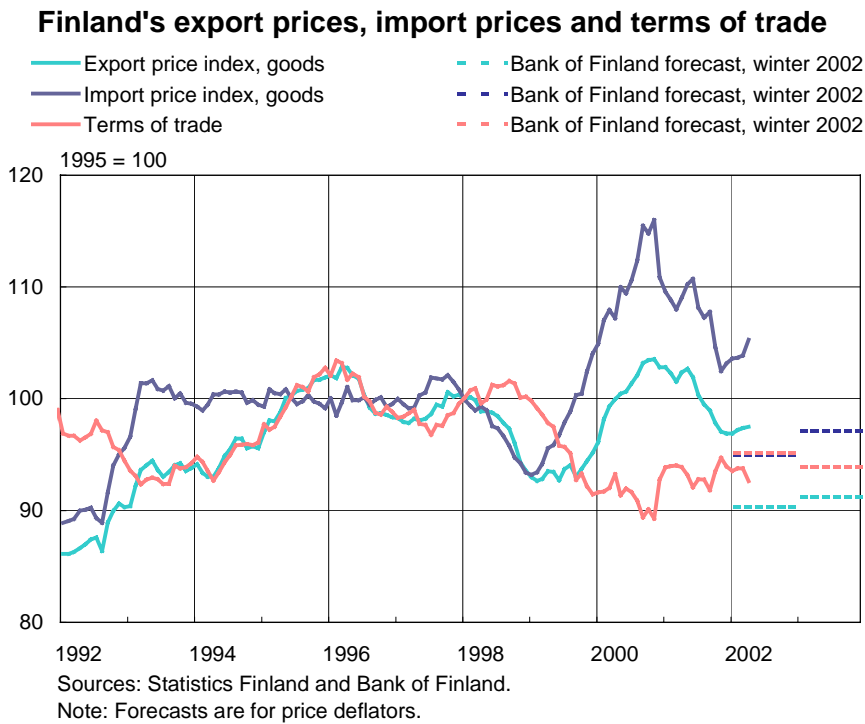


Chart 46.

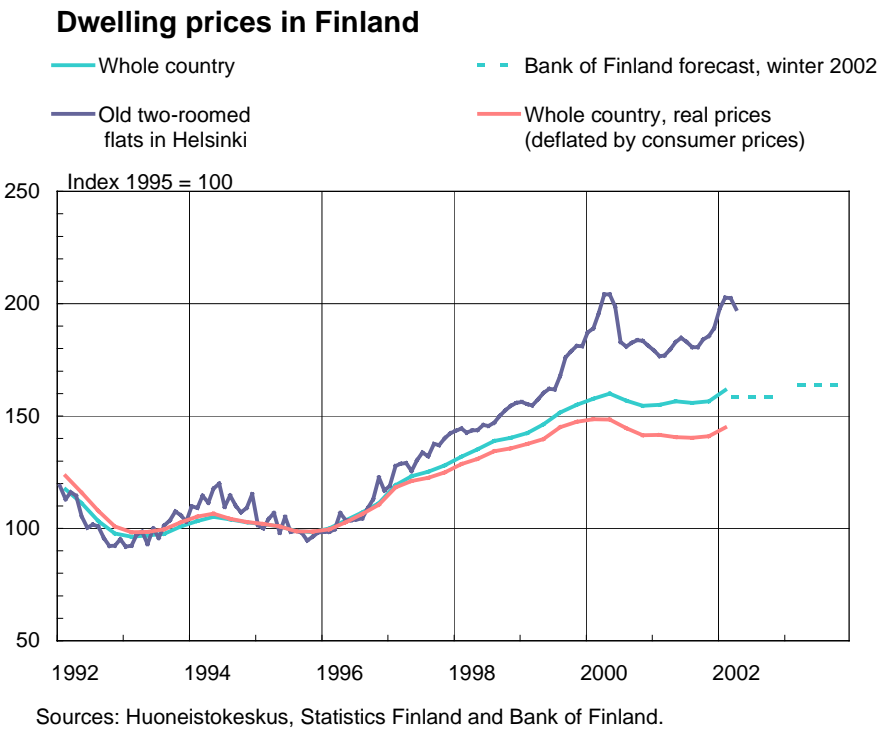


Table 2.

Cost and price indicators*Percentage change from previous year*

	2000	2001	2001/2002 Actual	2002*	2003*
Labour costs					
Index of wages and salaries	4.1	4.5	4.2 Q4	2.8	3.7
Unit labour costs					
- whole economy	0.0	5.6	7.1 Q4	1.7	1.8
- manufacturing	-5.5	6.6	11.9 Q4		
Price indices					
Export prices (goods)					
- export price index	7.9	-0.6	-4.7 M04 -4.9 M01-M04		
- export price deflator	4.4	-3.0	-7.7 Q4	-1.4	1.0
Import prices (goods)					
- import price index	13.1	-2.8	-3.4 M04 -4.4 M01-M04		
- import price deflator	6.4	-2.9	-6.3 Q4	-1.4	2.3
Producer prices	7.4	1.5	-0.6 M04 -0.3 M01-M04		
Wholesale prices	8.1	0.3	-1.0 M04 -1.1 M01-M04		
Consumer prices					
- consumer price index	3.4	2.6	1.8 M04 1.9 M01-M04	1.9	1.7
- harmonized index of consumer prices	3.0	2.7	2.6 M04 2.6 M01-M04	2.2	1.6
- indicator of underlying inflation	3.6	3.1	2.5 M12	1.7	1.8
Asset prices					
Stumpage prices	6.0	-1.9	-1.5 M04 -3.6 M01-M04		
Dwelling prices, whole country	5.7	-0.8	4.2 Q1	1.6	3.5
Share prices	91.1	-42.5	-18.0 M04 -16.5 M01-M04		

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

* Bank of Finland forecast, winter 2002.

Labour market

Chart 47.

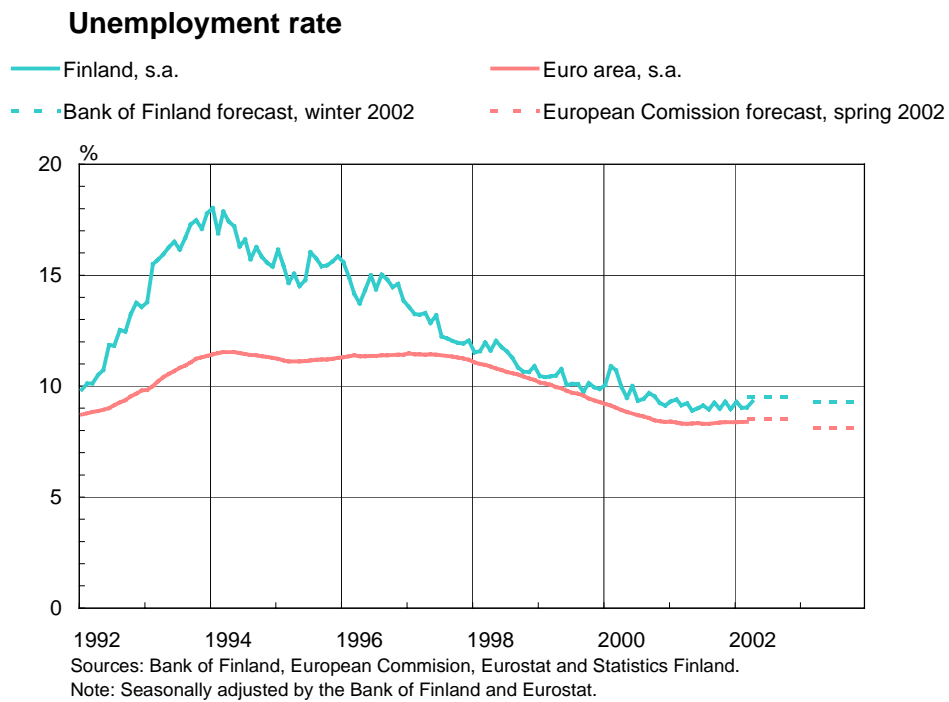
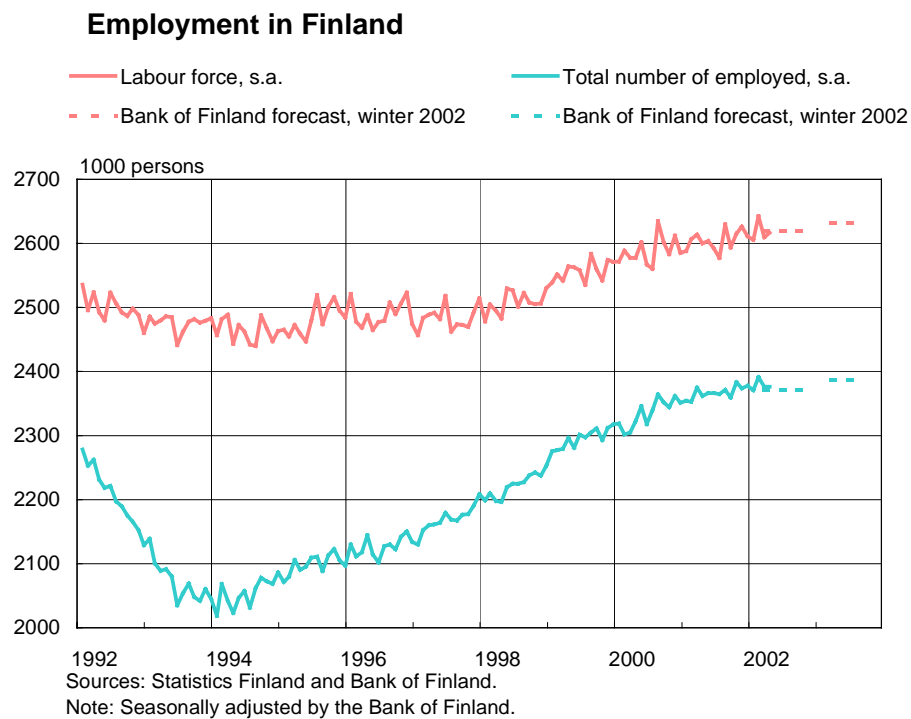
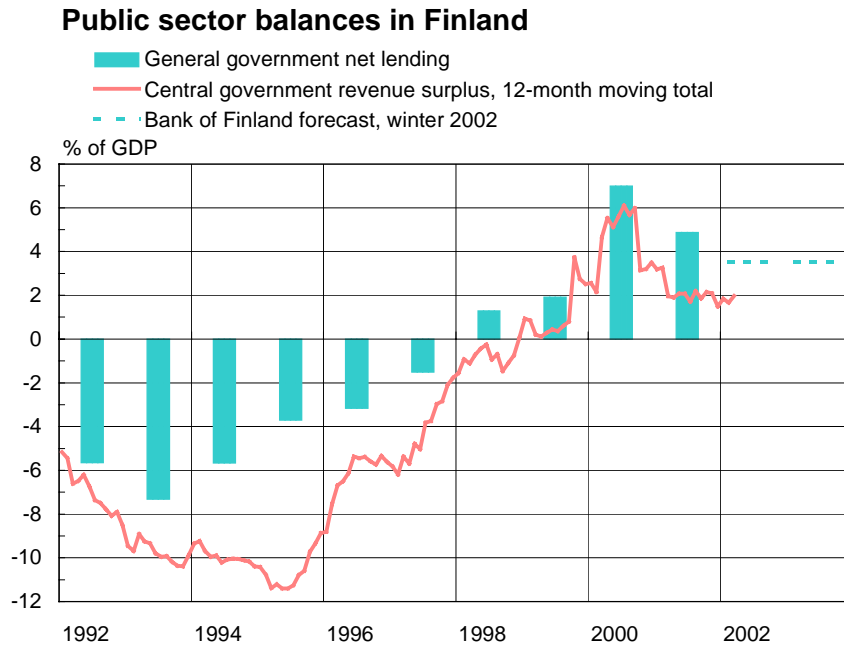


Chart 48.



Public finances

Chart 49.



Sources: Statistics Finland, State Treasury and Bank of Finland.

Chart 50.



Sources: Statistics Finland, State Treasury and Bank of Finland.

External balance

Chart 51.

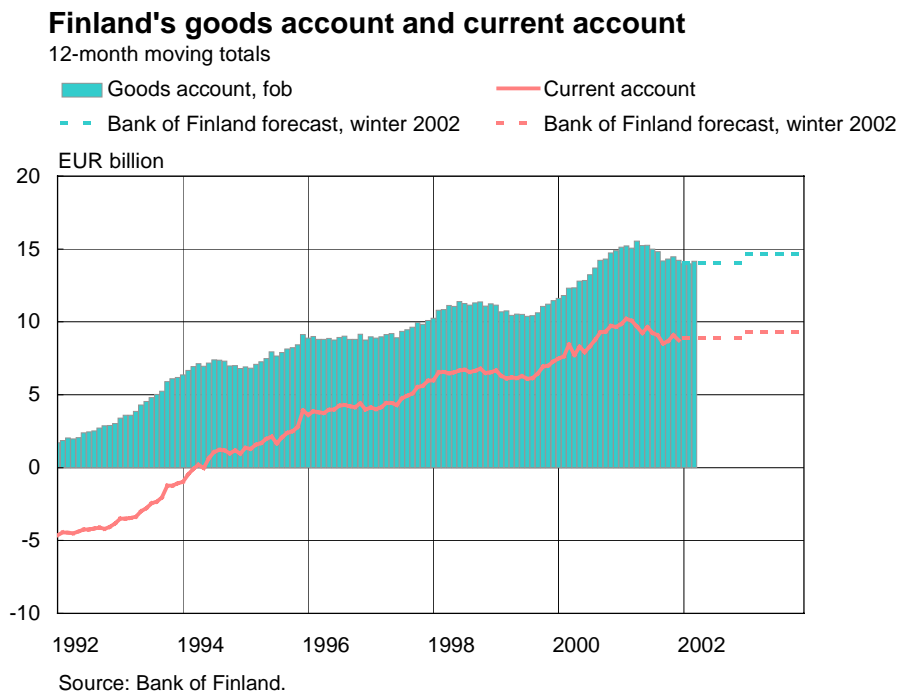


Chart 52.

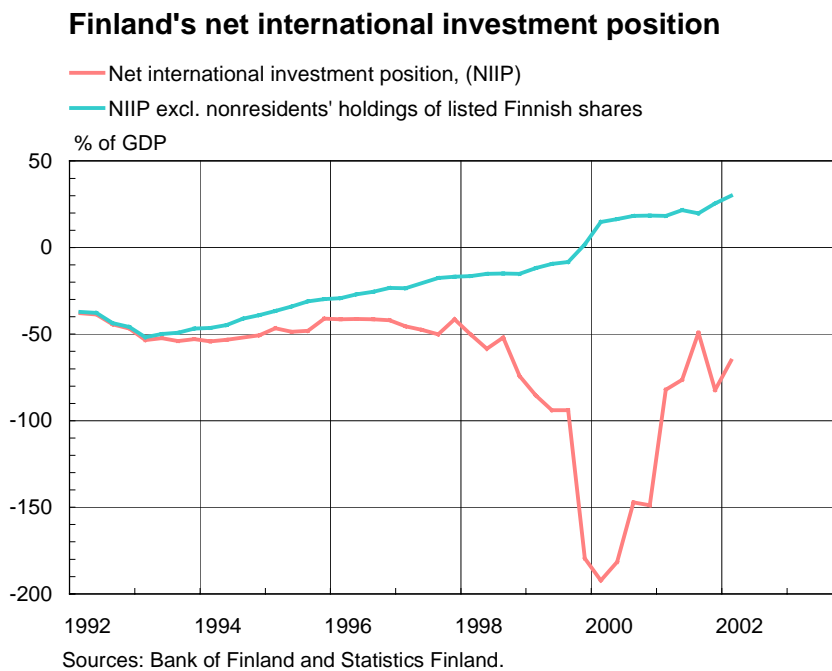


Table 3.

External balance and sectoral balances indicators

	2000	2001	2002 Actual	2002*	2003*
Goods account					
EUR billion	14.9	14.2	1.4 M03 3.3 M01-M03	14.1	14.7
per cent of GDP	11.4	10.5		10.2	10.1
Current account					
EUR billion	9.7	8.7	0.9 M03 2.1 M01-M03	8.9	9.3
per cent of GDP	7.4	6.5		6.4	6.4
Financial account					
EUR billion	-9.3	-8.3	-0.9 M03 -1.9 M01-M03		
General government	-11.0	-10.0	1.1 M03 -1.6 M01-M03		
Direct investment in Finland	9.6	4.0	-0.8 M03 1.3 M01-M03		
abroad	26.1	8.1	-0.5 M03 1.9 M01-M03		
Shares	3.2	-1.3	-0.2 M03 -0.9 M01-M03		
Other capital (incl. errors and omissions)	15.1	7.2	-1.5 M03 1.3 M01-M03		
Foreign exchange reserves (increase -)	-0.4	-0.5	-0.1 M03 -0.2 M01-M03		
Net lending, saving minus investment					
Private sector					
EUR billion	0.5	2.2		4.0	4.2
per cent of GDP	0.4	1.6		2.9	2.9
General government					
EUR billion	9.2	6.6		4.9	5.1
per cent of GDP	7.0	4.9		3.5	3.5
Central government					
EUR billion	4.5	2.5		1.1	1.2
per cent of GDP	3.4	1.9		0.8	0.8
Local government					
EUR billion	0.3	-0.4		-0.3	-0.4
per cent of GDP	0.2	-0.3		-0.2	-0.3
Social security funds					
EUR billion	4.3	4.5		4.1	4.2
per cent of GDP	3.3	3.3		3.0	2.9
Net foreign debt					
per cent of GDP	148.8	82.2			
per cent of exports of goods and services	346.9	203.6			
Sectoral debt ratios, gross debt, per cent of GDP					
Non-financial corporate sector **	52.1				
Household sector	30.3				
General government (Maastricht definition)	44.0	43.6		43.6	42.1

Sources: Bank of Finland and Statistics Finland.

* Bank of Finland forecast, winter 2002.

** Excl. housing corporations.

