



BULLETIN

BANK OF FINLAND

January 1995 Vol. 69 No. 1

Statement by the Governor of
the Bank of Finland on
the occasion of the closing of
the accounts for 1994

Government debt and
the structure of
the secondary market

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Editedby the Bank of Finland's
Publication and Language
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ISSN 0784-6509

Printed by Libris Oy,
Helsinki 1995

Statement on the occasion of the closing of the accounts for 1994

by Dr **Sirkka Hämäläinen**,
Governor of the Bank of Finland

The operating environment of the Finnish economy improved in 1994 as a result of a marked pick-up in international demand. Moderate pay developments and the prominence given in the economic policies of western industrialized economies to preventing the emergence of inflationary pressures helped to keep international inflation low. World commodity prices rose considerably, however.

A tightening of US monetary policy led to a rise in long-term interest rates and this, together with stronger economic growth in western European countries, pushed long-term rates substantially higher in Europe, too, in the course of the year. The rise in international interest rates was also reflected in Finnish interest rates but otherwise the outlook for the international environment in the new year is favourable. As economic growth in the industrialized countries is largely based on an increase in investment activity, the chances of continued economic growth are good.

Continued rapid expansion of exports and more robust domestic demand boosted the growth of total output to 4 per cent in Finland in 1994. Growth spread to the domestic service sectors as well, thereby contributing to a slight improvement in employment; in spite of this, the unemployment rate was still just over 17 per cent at the end of 1994. Thanks to the rapid growth of exports, manufacturing continued to account for an increasing share of total output.

The outlook for investment in the manufacturing sector improved notably as profitability increased and indebtedness declined. Capacity utilization rose to a high level and investment activity in the manufacturing sector picked up towards the end of the year.

Indications of growing optimism were also evident in the domestic sector, and domestic demand started to recover after several years of severe recession. Even though both households and companies are still cautious about having recourse to debt financing, households have increased their spending; however, substantial excess capacity continues to restrict investment by companies operating in the domestic market.

A widening of the trade surplus, a swing to a clear surplus on current account and the markka's appreciation led to a contraction in the foreign debt

of the economy. Private sector indebtedness decreased significantly but no turn for the better could yet be discerned in central government finances. In spite of further cuts in government spending, the volume of total government expenditure increased further. Interest expenditure on central government debt and unemployment-related expenditure, in particular, continued to grow rapidly. Because of the rapid growth of debt, debt servicing costs have become a serious constraint on central government finances.

A strengthening in the structure of the economy and thereby in the economy's ability to withstand disturbances calls for better balance in government finances. At the same time, there must be a substantial improvement in the capital position of the private sector. Thus, the current account surplus will have to be maintained in the years ahead.

Thanks to moderate cost developments, substantial growth in productivity and the appreciation of the markka, consumer prices rose only slightly in 1994. The underlying rate of inflation, which is obtained by removing the effects of indirect taxes, subsidies and housing-related capital costs from the CPI, slowed to under 2 per cent at the beginning of the year, and practically all prices remained stable in the latter months of the year. Following Finland's entry into the European Union, prices of agricultural products and food will fall, and this will help to dampen inflation in early 1995.

Recently, however, inflation expectations and uncertainty concerning inflation have increased. The rise in wages and other costs has accelerated and this poses a threat to price stability in the longer term. Furthermore, the sharp increase in world commodity prices is adding to price pressures deriving from abroad. Whether these pressures will be reflected in prices in Finland depends on exchange rate movements.

Monetary policy remained fairly lax throughout 1994. Interest rate policy was eased further at the very beginning of the year but not after February when Finnish long-term interest rates rose along with foreign interest rates, but more rapidly, and there were pressures for a depreciation of the exchange rate. The exchange rate did not start to appreciate or long-term market rates to fall until August, by which time the performance of the economy had improved markedly and confidence in eco-

conomic policy had strengthened. As it became increasingly certain that Finland would join the EU, the exchange rate continued to strengthen and interest rates fell further.

Towards the end of 1994, monetary policy was tightened slightly when inflation expectations and cost pressures strengthened. In December, the Bank of Finland raised the tender rate, which is the key benchmark rate for short-term market rates, by half a percentage point to 5.5 per cent. The markets responded favourably to the rise; long-term market rates fell slightly and the interest rate differential vis-à-vis international interest rates narrowed while conditions in the foreign exchange market remained quiet.

For the same reasons as the tender rate was raised, the Board of the Bank of Finland proposed to the Parliamentary Supervisory Board that the base rate be raised by half a percentage point. The proposal was based on the view that, although the base rate no longer has any great influence on developments in the financial markets, it still had some value as a signal. Nor did the Board consider it appropriate to place assets tied to the base rate in a special position by protecting them from general developments in interest rates. The Parliamentary Supervisory Board did not accept the proposed rate increase, however. In making a proposal which might not be accepted by the Parliamentary Supervisory Board the Board wanted to clarify the division of responsibilities in monetary policy decision-making and to increase openness.

The moderate price developments experienced so far provide a good starting point for the monetary policy target to stabilize inflation at 2 per cent from 1995 onwards. Maintenance of price stability and developments in price expectations and related long-term market rates are dependent on the restoration of balance to central government finances and to a very large degree on pay settlements already reached, on pay negotiations now in progress or to be held next autumn and on stumpage price settlements this coming spring. Given that there is sufficient restraint in the economy to agree on income increases promoting price stability, market interest rates will remain at a moderate level, the economy can continue to grow without interruption and employment to improve.

Finland's entry into the European Union brings with it new goals for economic policy. The new goals – in particular, the goal of restoring balance to central government finances – are fully in harmony with the requirements which Finland's own economic circumstances impose on it. Like the other new EU countries, Finland will shortly draw up its own economic policy convergence programme for transition to the third stage of Economic and Monetary Union (EMU). The programme is based on the convergence criteria laid down in the Maastricht treaty and concern public debt, inflation, exchange rates and long-term interest rates.

The convergence programme will be an important economic policy document, signalling not only Finland's own wish to put its economy back on a sound footing but also its commitment to the EU's rules concerning the pursuit of a single economic policy. As far as inflation and interest rates are concerned, Finland seems to be in a good position to be among the first countries to join the third stage of EMU. It will, however, take several years for the public sector deficit to be reduced to the level required by the criteria.

In December 1994, the Bank of Finland signed the agreements between the central banks of the EU member states on the European Monetary System (EMS) and Short-Term Monetary Support (STMS). The agreements took effect on 1 January 1995. The aim of cooperation within the EMS framework is to promote stable developments in the money and foreign exchange markets. However, for the time being Finland lacks the necessary conditions for joining the European Exchange Rate Mechanism (ERM). Fixing the value of the markka within the ERM, which is largely built around the Deutschmark, requires better overall balance in the economy, ie a simultaneous improvement in the current account, price performance and employment.

9 January 1995

Government debt and the structure of the secondary market

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Rapid growth of central government debt and active participation by the authorities in creating conditions conducive to the efficient functioning of the secondary bond market have all provided impetus to the development of the market for government bonds in Finland. A market for benchmark government bonds was launched in summer 1992 and a market for forward contracts based on benchmark government bonds at the beginning of 1994. More recently, measures have been taken to improve the functioning of the market for Treasury bills. This article reviews these developments and the structural changes that have occurred in the bond market as a result of the growth of central government borrowing.

Rapid build-up of government debt in the 1990s

During the severe recession of the early 1990s, the central government's financial position deteriorated rapidly and central government indebtedness grew sharply. Therefore in fiscal policy a major aim became to curb the growth of indebtedness. In 1992, the Government announced a medium-term fiscal strategy aimed at bringing down real government expenditure to its 1991 level by 1995. Discretionary cuts in government spending made in 1992-94 amounted to some FIM 30-35 billion, about 6 per cent of GDP. However, the tax base narrowed at the same time as unemployment-related expenditure grew. Similarly, interest expenditure rose as a result of the growth of debt on the one hand and higher interest rates and the depreciation of the markka on the other. The net financing requirement also increased because the government had to provide support to the banking sector, the capital position of which had weakened during the prolonged recession. In 1992-93, the central government's net financing requirement was about 14 per cent of GDP.

The improvement in government finances has been slow despite the fact that the Finnish economy started to recover in 1994. So far, however, the recovery has been predominantly export-led and activity in the service sectors dependent on the domestic market is only slowly starting to pick-up. Consequently, the tax base remains rather narrow and a large proportion of government revenue still goes to covering various unemployment-related

costs. Notwithstanding this, the net financing requirement has fallen because of a notable reduction in support provided to the banking sector. The 1995 budget proposal included additional discretionary cuts but because of new expenditure items caused by Finland's joining the European Union the net financing requirement continues to grow.

It is estimated by the Ministry of Finance that government debt accounted for more than 60 per cent of GDP at the end of 1994 and will exceed 70 per cent at the end of 1995. At the end of November 1994, the total debt of the central government sector was FIM 312 billion, of which foreign currency-denominated debt accounted for 57 per cent (Chart 1).

Government borrowing has caused structural change in the financial markets

The net financing requirement was small throughout the 1980s and, in 1988-89, the central government finances actually showed a surplus thanks to the economic boom at the end of the decade. Central government debt remained at a low level by in-

Chart 1.
Central government debt, 1980-94

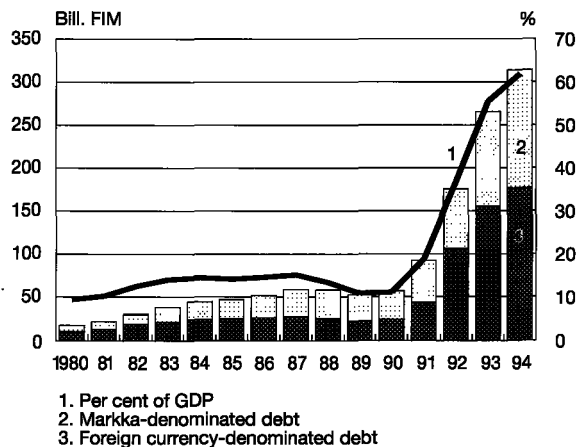
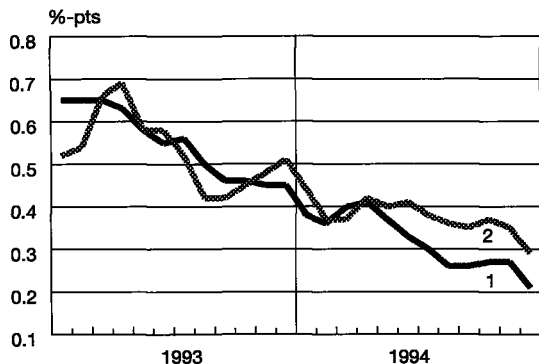


Chart 2.

Finland's risk premium in the international capital markets, 1993-94

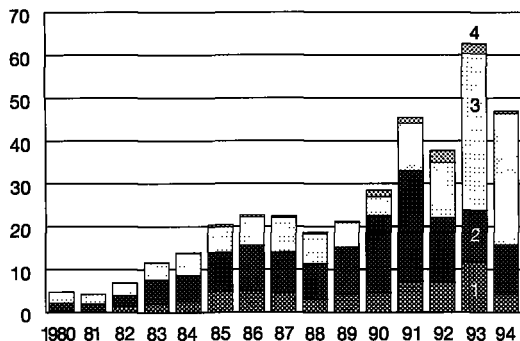


1. Yield differential between USD-bonds issued by the Finnish government and the US government and maturing in 1997
2. Yield differential between DEM-bonds issued by the Finnish government and the German government and maturing in 2000

Chart 3.

Markka bond issues by sector of borrower, 1980-94

Bill. FIM



1. Corporate
2. Financial institutions
3. Central government
4. Local government

international standards – some 10 per cent of GDP – right up until the beginning of the 1990s.

In the 1980s, budget deficits were financed by placing debt in domestic and foreign markets in roughly equal amounts. With the deterioration of the external balance of the economy towards the end of the decade, the emphasis in government borrowing shifted to foreign financing. Markka-denominated borrowing was mainly covered by public offerings of tax-exempt bonds and, to a diminishing degree, by private placements.

Because of the low level of government borrowing, the relative importance of government bonds in the Finnish bond market dwindled throughout the 1980s. By the turn of the decade, the government's share of outstanding bonds had fallen to one-quarter. Liquidity in the bond market was poor, the bulk of tax-exempt bonds was held by households and their turnover in the secondary market was modest. Institutional investors' holdings of government debt consisted primarily of private placements and thus this investor group was virtually absent from the market. Foreign investors were also absent from the market because the sale of markka-denominated bonds to foreign investors was prohibited.

The rapid rise in the financing requirement in the early 1990s led to a sharp increase in foreign currency borrowing. Because of the undeveloped state of the domestic capital market it was hard to place debt on a large scale locally. Over the past two years, the lower risk premium on government bonds has also favoured the raising of funds in the international markets (Chart 2). In addition, long-term domestic interest rates have been distinctly higher than rates abroad.

Domestic debt has primarily been placed in the long-term bond market, Treasury bills currently accounting for about one-quarter of markka-denominated borrowing. With the rise in the central government's financing requirement, there has been a shift in the distribution of holdings of government debt among domestic investors away from households towards the corporate sector and institutional investors.

The growth of government borrowing has led to structural change in the market for long-term debt in Finland. Issues of markka-denominated government bonds, in particular benchmark bonds, have grown rapidly. Issues of local authority debt have also increased although the outstanding amount is still low. In contrast, the outstanding amount of debt securities issued by companies, and by financial institutions in particular, has started to decline (Chart 3).

So far, the central government's sharply higher financing requirement has not had much impact on the ability of companies and banks to raise funds in the bond market. Because of the rapid improvement in profitability and the low level of investment activity, companies have not needed to raise long-term debt financing in the capital market. The

amount of bonds issued by banks has also declined. As a consequence of the banking crisis, banks' opportunities to raise long-term debt financing in the capital market have weakened considerably. Banks' credit ratings have been rapidly downgraded and risk premia in relation to government bonds have increased by about one percentage point. Banks' poor financial performance has reduced investors' interest in bank issues, and the largest commercial banks have not issued eg markka-denominated subordinated debt instruments that could have been used to strengthen their capital. On the other hand, sluggish demand for credit has to some extent reduced banks' need to issue long-term bonds.

With the recovery of the Finnish economy and investment activity, the government's heavy borrowing could lead to heightened competition between the government and the private sector in the capital market. As investment by the corporate sector picks up, companies are likely to turn increasingly to the long-term capital market to satisfy their financing needs since new regulations on credit institutions' risk exposures restrict banks' scope for offering debt financing to the largest companies. Competition is likely to be further intensified by the fact that companies' growing demand for credit will make it difficult for occupational pension institutions to continue increasing the amount of government bonds in their investment portfolios; this is because under Finland's occupational pension scheme a major part of the contributions received by pension institutions are lent back to the corporate sector. As, moreover, the central government borrowing requirement will remain high – budget deficits will decrease only slowly and loan repayments grow significantly – companies may find it increasingly difficult to raise financing directly in the capital market.

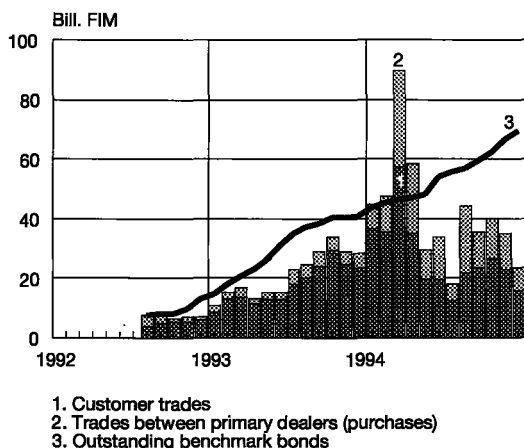
Nowadays, the government places long-term markka-denominated debt in the capital market by issuing serial bonds, which are primarily intended for institutional investors. From the beginning of 1992, sales of serial bonds have involved only four benchmark bonds. The Finnish Housing Fund, which is a government institution, has also issued some serial bonds, one of which is a benchmark bond.

Market for benchmark government bonds continues to grow

At present, benchmark government bonds constitute the core of the Finnish bond market. In recent years, turnover in the secondary market has consisted almost entirely of trading in benchmark bonds. A primary dealer system for benchmark bonds was introduced in August 1992. Primary dealers have undertaken to participate in pre-agreed issues of serial and housing bonds and to maintain a secondary market for them. There are currently five benchmark bonds and ten primary dealers, two of whom are not domiciled in Finland.

Chart 4.

Benchmark government bonds, 1993–94



Benchmark bonds are sold using a Dutch auction system at regular tenders, the timetables for which are announced by the State Treasury 1–2 months in advance. At the end of November 1994, outstanding benchmark bonds totalled nearly FIM 67 billion (Chart 4). This figure is expected to continue growing steadily because the central government borrowing requirement is estimated to remain large for several years to come. As a consequence of the growth in the volume of benchmark bonds and improvement in liquidity, Salomon Brothers included Finnish benchmark government bonds in its bond indices, the Global Government Bond Composite Index and the European Government Composite Index, from the beginning of 1995.

In Finland, trading in benchmark bonds is concentrated in the OTC market maintained by the banks and securities brokers. Primary dealers report their secondary market transactions to the Bank of Finland, which publishes data on market turnover daily. In the course of 1994, the volume of transactions reported by primary dealers increased markedly on the previous year. However, there was considerable volatility in liquidity, which settled at a monthly level of some FIM 40 billion after a quiet period in the summer. About one-third of the transactions reported in 1994 were between primary dealers. The standard trading unit in the secondary market is FIM 10 million or a multiple thereof.

In addition to benchmark bonds, the government places medium-term markka debt by issuing so-called yield bonds, which are mainly intended for households. Yield bonds have been issued to the total value of just over FIM 10 billion. These bonds are quoted on the Helsinki Stock Exchange but the secondary market for them is thin.

At the end of November 1994, markka-denominated government bonds held by the public totalled some FIM 89 billion, which is just under half of the outstanding amount of all markka-denominated bonds. Over the past two years, the relative importance of the government as an issuer has increased; in both 1993 and 1994, it accounted for some 60 per cent of all markka issues.

Number of institutional investors has increased

Previously, the main obstacles to the development of the bond market in Finland were the thinness of the domestic capital market and the small number of institutional investors. This situation has, however, improved over the last few years. The lifting of the ban on sales of markka bonds to foreign investors at the beginning of 1991 attracted new active investors to the Finnish market. The interest of foreign investors has focused mainly on benchmark government bonds. After long-term interest rates soared in early 1994, foreign investors sold markka bonds back to Finland to the value of several billion markkaa in net terms; thereafter, portfolio investment in markka-denominated debt securities was broadly in balance, with purchases and sales more or less offsetting each other. However, uncertainty about Finland's joining the European Union led to markka bonds being sold back to Finland to the value of just under FIM 2 billion in October. At the end of October, just under one-fifth of outstanding markka-denominated government bonds were held by foreign investors.

Among domestic investors, insurance institutions have been particularly active in increasing their holdings of government bonds. Because of slack demand for insurance company loans, insurance companies have had to seek new outlets for their investments, mainly in the bond market. At the end of September 1994, insurance companies' holdings of government bonds amounted to some FIM 30 billion, which is almost one-third of the total outstanding amount of long-term markka-denominated government bonds.

Banks, in particular the major commercial banks that function as primary dealers, have also held large amounts of benchmark bonds in their portfolios. The rise in long-term interest rates in early 1994 caused considerable losses to many banks; in their interim reports published in the autumn the major banks announced losses totalling FIM 700 million arising from their bond portfolios.

The amount of financing channelled to the domestic capital market through Finnish mutual funds (unit trusts) has not been particularly important in spite of the rapid growth of these funds. At the beginning of 1994, the rules governing investment by mutual funds were liberalized by an amendment to the existing legislation which brought the rules into line with the EC Directive on undertakings for collective investment in transferable securities (UCITS).

Since then, several bond funds have been established, some of which have concentrated on benchmark government bonds. At the end of November, mutual funds classified as bond funds had a total value of just under FIM 1 billion.

Bond forwards market launched at the beginning of 1994

In order to enhance the functioning of the secondary market for benchmark government bonds and to improve the opportunities for hedging, the primary dealers and the Bank of Finland launched a market for forward contracts based on benchmark government bonds in January 1994. The first bond forward quoted was based on a benchmark bond maturing in 1997. In April, the range of instruments was expanded when trading began in a bond forward based on a benchmark bond maturing in 2004. The fixing rate for each contract is determined at a fixing arranged and supervised by the Bank of Finland at 1 pm on the fixing date for the contract concerned.

Activity in the bond forwards market has got off to a cautious start. Primary dealers play a key role in maintaining market liquidity with more than half of all transactions taking place between primary dealers.

One shortcoming of the bond forwards market at present is the lack of a centralized clearing and settlement system. However, the bulk of the transactions in the OTC market is cleared and settled at the marketplace maintained by the Finnish Options Market Ltd. Besides the OTC market, the two derivatives exchanges operating in Finland – the Finnish Options Market Ltd and the Finnish Options Exchange – have included bond futures in their product range.

In addition to a centralized clearing and settlement system for bond forwards, the authorities are also involved in projects which seek to enhance the functioning of the market for underlying benchmark bonds. At present, all bonds issued in Finland are physical securities. One of the main aims is to improve the prerequisites for the efficient functioning of the secondary market by transferring bonds, and government bonds in particular, to the book-entry security system.

Risk management both in the bond market and the money market is further hampered by the lack of sufficiently extensive and efficient repo and lending facilities for government debt securities. A major barrier to the expansion of such facilities is problems related to stamp duty and credit tax, which eg restrict banks' potential business with companies. In the present operating environment, insurance institutions are also unable to participate in repo transactions because they are only permitted to borrow for certain strictly defined purposes.

Sharp increase in issues of Treasury bills

Like the bond market, the money market has undergone structural change. The Finnish money market is structured differently from money markets in many other countries. Trading in the secondary market takes place primarily in bank CDs, which were for long also the key instrument by which the central bank implemented its money market operations.

The main reason for Finland's exceptional development was that, when the money market emerged in the mid-1980s, the central government's financial position was good. Hence, the central government did not need to and, moreover, because of existing legislation, was not allowed to issue securities with maturities of less than twelve months. Consequently, the market for Treasury bills remained very small up until 1993.

With the rise in the indebtedness of the central government, conscious efforts have recently been made to increase the size of the Treasury bill market by increasing both the number of auctions and the number of maturities offered. The sharp fall in short-term interest rates and resultant reversal of the yield curve has also favoured the issue of Treasury bills.

The primary dealer system for benchmark government bonds does not cover Treasury bills, and activity in the secondary market has so far been sluggish, partly because of the small outstanding amount of bills. However, the authorities are also seeking to improve the functioning of the secondary market for Treasury bills.

Further support for developing the functioning of the market for Treasury bills is provided by the fact that Treasury bills are gaining more importance as an instrument used by the Bank of Finland in implementing monetary policy. In keeping with its new collateral requirements, the Bank of Finland aims in the future to carry out its money market operations by buying and selling Treasury bills in addition to its own CDs. It also intends to make increasing use of government securities both as collateral for its operations and in repo deals.

At the end of November, the outstanding amount of Treasury bills stood at FIM 32.7 billion.

An estimate of the maximum permissible amount of Treasury bills outstanding is published annually in the budget. A more precise figure for this amount is subsequently set by the Government.

Currently, Treasury bills are issued in weekly tenders. In addition, the State Treasury can also sell Treasury bills outside these tenders. At the tenders, Treasury bills are sold in maturities of 1, 3, 6 and 12 months. Banks and securities brokers designated by the State Treasury can participate in the tenders.

The maturity date for Treasury bills is a weekday in the middle of the month. Treasury bills are book-entry instruments and the clearing and settlement of secondary market transactions takes place at the Helsinki Money Market Center Ltd. At present, only four banks quote Treasury bills. In addition, some other banks trade in Treasury bills both in the interbank market and with customers but so that Treasury bills are treated as equivalent to bank CDs as regards their pricing.

In spite of the growth in the outstanding amount of Treasury bills, their relative importance in the money market has not increased to any significant extent. The main reason for this is the sharp increase in the amount of CDs issued by the Bank of Finland. The Bank has sterilized the increase in liquidity arising from the central government's heavy capital imports by issuing its own CDs. The outstanding amount of bank CDs has also remained large. Banks use CDs in their funding primarily because a large proportion, about one-third, of their outstanding lending is tied to HELIBOR rates, which are calculated on the basis of interbank CD rates. The upward sloping yield curve has also prompted banks to switch part of their funding in the domestic money and capital markets to the CD market.

5 January 1995

Items

The Bank of Finland's investment inquiry

Fixed investment¹ in companies' industry started to increase in 1994, and investment plans point to accelerating growth in 1995. The change in industrial investment was bigger than that indicated by the previous inquiry. According to the Bank of Finland's latest investment inquiry, conducted in November-December 1994, fixed investment in manufacturing increased by almost 20 per cent in 1994. Investment plans for 1995 indicate that fixed investment will increase by one-third. The investment ratio – ie the ratio of fixed investment to value added – will rise but will nevertheless remain clearly below its long-term average level. The capacity utilization rate rose in the course of 1994. According to companies' estimates, the capacity utilization rate in manufacturing was 89 per cent on average during the latter half of 1994. In all the main sectors, capacity utilization rates have reached their previous cyclical peaks.

The prospects for investment activity are by and large bright. Expectations of continued growth in demand will speed up the expansion of productive capacity. In addition, companies' profitability has improved and their capital structure has been strengthened. However, there is some uncertainty concerning future developments in domestic costs and interest rates as well as energy management and the adequacy of timber supply.

Table 1. Industrial fixed investment, 1993–1995

	1993 FIM bill.	1994* change in the volume, per cent	1995**
Forest industries	3.7	39	50
Metal and engineering industries	3.3	58	20
Other manufacturing	5.2	-20	30
MANUFACTURING	12.2	19	33
ENERGY AND WATER SUPPLY	5.1	-4	-7
TOTAL INDUSTRY (incl. mining)	17.5	13	23
By type of investment			
Construction	4.5	11	1
Machinery and equipment	13.0	13	31

* Preliminary.

** Planned.

Fixed investment. In 1994, the value of fixed investment in total industry amounted to more than FIM 20 billion, of which manufacturing accounted for slightly over FIM 15 billion. The increase in investment in manufacturing was due to the growth of investment in the exporting industries, ie the forest and metal and engineering industries. In the sector 'other manufacturing', in which most of the output is sold domestically, investment activity has continued to decrease. The value of investment in the energy sector has remained at about FIM 5 billion, whereas the volume has decreased.

In the light of companies' investment plans, the growth of real investment in total industry in 1995 will be more broadly-based and also more uniform than in 1994. Investment will continue to increase rapidly in the exporting industries: in the forest industries by about 50 per cent and in the metal and engineering industries by 20 per cent. The volume of investment should also pick up in the domestic sector: planned investment for 1995 is up by 30 per cent (though from a very low base in 1994). Investment will continue to decrease in the energy sector in 1995.

Of the manufacturing companies included in the survey, almost 60 per cent plan a higher level of investment in 1995 than their realized investment in 1994. However, the major part of the projected FIM 6 billion growth in investment will come from an increase in investment in the pulp and paper industries and in the basic metal industries.

Intangible investment. During the recession, manufacturing companies also reduced their intangible investment, albeit relatively less than their fixed investment. According to the inquiry, intangible investment in 1994 was roughly unchanged from the previous year. Companies plan to increase their intangible investment in 1995².

¹ When comparing the results of the Bank of Finland's investment inquiry with other data on industrial investment it should be noted that the Bank's inquiry covers domestic purchases of new fixed assets. Purchases and sales of used capital goods, acquisitions of building sites and land, business acquisitions and investment abroad fall outside the scope of the inquiry.

² In the Bank of Finland's investment inquiry, the figures for intangible investment tend to be lower than the corresponding figures from other sources as, for instance, those published by Statistics Finland. The results of the Bank's inquiry are largely indicative of the trend in intangible investment.

Table 2. Annual change in the value of intangible investment in manufacturing, 1994–1995, per cent

	1994*	1995**
Forest industries	12	-1
Metal and engineering industries	7	11
Other manufacturing	-8	11
MANUFACTURING	2	9

* Preliminary.
** Planned.

Table 3. Capacity utilization rates in manufacturing, semiannual, 1993–1995, per cent

	1993		1994		1995	
	I	II	I	II	I	II
Forest industries	85	88	90	92	92	93
Metal and engineering industries	85	86	87	92	92	93
Other manufacturing	78	80	81	83	84	85
MANUFACTURING	83	84	86	89	89	90

Capacity utilization. The rapid growth of manufacturing production, which exceeded 10 per cent in 1994, has raised capacity utilization rates to high levels. According to estimates, capacity utilization rates in the latter half of 1994 averaged 92 per cent in the wood and wood products industry and paper industry, 92 per cent in metal and engineering and 83 per cent on average in the other manufacturing industries. These figures correspond to the figures of previous cyclical peaks. Companies expect their capacity utilization rates to rise somewhat further in 1995.

Although the inquiry implies an upturn in the investment ratio, the industrial capital stock will not increase until 1995 and then only slightly. For 1994, capital stock depreciation nearly equalled total new investment³. The relatively long time required for the realization of certain investment projects will also delay the effect on output growth stemming from the new capacity. Consequently, capacity constraints will slow the growth of manufacturing production in the near future. Capacity constraints are the most acutely felt in those manufacturing industries that operate on a round-the-clock basis, especially the pulp and paper and basic metals industries. In many sectors, output can be increased by increasing the number of shifts.

Commemorative coin for the centenary of the birth of A.I. Virtanen

To commemorate the centenary of the birth of the Finnish academician and biochemist Artturi Ilmari Virtanen, the Mint of Finland Ltd has struck a silver coin in the denomination of 100 markkaa.

A.I. Virtanen was awarded the 1945 Nobel Prize for chemistry for his research in the fields of agricultural and food chemistry, and in particular for the silage preservation method developed by him.

The obverse of the commemorative coin shows the profile of A.I. Virtanen. The reverse shows a clover flower and bears the inscription "100 mk, Suomi Finland 1995". The coin has been designed by professor Terho Sakki.

The issue has been limited to 40 000 coins, plus a maximum of 3 000 special quality proof coins. The silver content of the coin is 925 o/oo, the weight 24 grammes and the diameter 35 mm.

The coin was issued on 14 January 1995 and it is legal tender. Foreign sales are handled by the commercial banks and the Mint of Finland Ltd.



³ Reference here is to average depreciation. During an economic upswing, less old capacity is scrapped than during a downswing.

Death of Dr Klaus Waris

The former Governor of the Bank of Finland, Dr Klaus Waris, died in Helsinki on 18 December 1994 at the age of 80. Klaus Waris was acting member of the Board of the Bank from 1952 to 1954 and was appointed Board member and Deputy Governor in 1954. In December 1957, he became Governor of the Bank of Finland, in which capacity he served for the next ten years.

Before joining the Bank, Dr Waris served as head of the economics department of the Ministry of Finance (1946–1949), professor of economics at the University of Technology and member of the board of the Union Bank of Finland. In 1967, before leaving the Bank of Finland, Dr Waris was appointed Chancellor of the Helsinki School of Economics and Business Administration, from which position he retired in 1980.

Publication of the Bank of Finland

A book entitled *Monetary Policy in Finland* has appeared in the Bank of Finland's publication series (A:92). The book has been written by Ari Aaltonen, Esko Aurikko and Jarmo Kontulainen.

The book deals with the Bank of Finland's operating methods and the objectives and implementation of monetary policy. In addition, it discusses the role of the Bank of Finland in the financial markets and explains key concepts related to money supply. Changes in the operating environment of the central bank and the future challenges posed by them are considered.

The current institutional framework for monetary policy and the general principles governing the Bank of Finland's market operations are also examined. However, the objectives, instruments and effects of monetary policy are not discussed from a historical perspective.

Helsinki 1994, 102 p., ISBN 951-686-421-X, ISSN 0355-6034.

Measures concerning monetary and foreign exchange policy and the financial markets

1994

JANUARY

Commencement of trade in bond forwards.

In accordance with an agreement concluded between the Bank of Finland and the primary dealers, the latter begin trading in markka-denominated bond forward contracts on 24 January.

FEBRUARY

Base rate. The Parliamentary Supervisory Board lowers the Bank of Finland's base rate from 5.5 per cent to 5.25 per cent with effect from 1 February.

SEPTEMBER

Increase in the capital of the asset management company Arsenal Ltd. On 8 September, the Government decides to raise the share capital of the asset management company Arsenal Ltd by FIM 6 billion. The capital injection is necessary to cover losses incurred during the year.

NOVEMBER

Banks' access to the Bank of Finland's current account and liquidity credit facilities. At the beginning of November, the Bank of Finland modifies the conditions governing access by banks and other credit institutions to current account and liquidity credit facilities at the central bank. In addition, the partial collateralization

requirement previously imposed on intraday credit limits is replaced by the requirement of full collateralization.

Tax-exempt deposits. On 18 November, Parliament approves an amendment of the law on the tax relief of deposits and bonds whereby the tax-exempt status of 24-month deposits is extended to apply to deposits made up to the end of 1995.

The Bank of Finland decides to sign the EMS agreement without entry into the ERM. On 23 November, the Bank of Finland decides to sign the agreements between the central banks of the EU member states on the European Monetary System (EMS) and Short-Term Monetary Support (STMS). The agreements will enter into force as of the date Finland's membership of the EU becomes effective. The Board of the Bank of Finland also decides to propose to the central banks of the EU member states that the existing bilateral swap agreements with EU central banks be terminated with effect from the date of entry into force of the EMS and STMS agreements.

DECEMBER

Tender rate. On 9 December, the Bank of Finland raises its tender rate 5.0 per cent to 5.5 per cent. The tender rate serves as a benchmark for short-term money market rates.

Support to Skopbank. On 21 December, the Government grants capital support to Skopbank by purchasing preferred capital certificates issued by Skopbank to the total value of FIM 450 million.

Finland in brief

Land, climate and population

Finland covers an area of more than 338 000 square kilometres. The total area is slowly increasing because of the steady uplift of the land since the last glacial era. The country shares frontiers with Sweden in the west, Norway in the north and Russia in the east and has a coastline bordered by the Baltic Sea in the south and west. Agricultural land accounts for 8 % of the total area, forest and other wooded land for 69 % and inland waters for 10 %. Located between latitudes 60° and 70° north, Finland has warm summers and cold winters. Helsinki on the south coast has an average maximum temperature of 22°C (72°F) in July and -4°C (25°F) in February.

Finland has a population of 5 080 100 (31 December 1993) and an average population density of 16.6 per square kilometre. The largest towns are Helsinki (Helsingfors), the capital, with 509 500 inhabitants, Espoo (Esbo) 182 500, Tampere (Tammerfors) 176 600, Vantaa (Vanda) 161 400 and Turku (Åbo) 160 500.

There are two official languages: 93.4 % of the population speaks Finnish as its mother tongue and 5.9 % Swedish. There is a small Lapp population in the north. Finnish is a member of the small Finno-Ugrian group of languages, which also includes Estonian and Hungarian.

Form of government

Finland is a parliamentary democracy with a republican constitution. From the twelfth century to 1809 Finland was part of the Kingdom of Sweden. In 1809, Finland was annexed to Russia as an autonomous Grand Duchy with the Tsar as Grand Duke. On 6 December 1917 Finland declared her independence. The republican constitution adopted in 1919 remains essentially unchanged today.

The legislative power of the country is exercised by Parliament and the President of the Republic. The supreme executive power is vested in the President, who is elected for a period of six years. The President for the current term, 1 March 1994 to 1 March 2000, is Mr Martti Ahtisaari.

Parliament, comprising 200 members, is elected by universal suffrage for a period of four years. Following the parliamentary elections of 1991, the seats of the various parties in Parliament were distributed as follows:

Centre Party 55; Social Democratic Party 48; National Coalition Party 40; Left-Wing Alliance 19; Swedish People's Party 12; The Greens 10; Christian League 8; Rural Party 7; and Liberal Party of Finland 1.

Of the 16 ministerial posts in the present Government 1991, 8 are held by the Centre Party, 6 by the National Coalition Party and 2 by the Swedish People's Party. The Prime Minister is Mr Esko Aho of the Centre Party.

Finland is divided into 461 self-governing municipalities. Members of the municipal council are elected by universal suffrage for a period of four years.

International relations

Finland became a member of the BIS in 1930, the IMF in 1948, the IBRD in 1948, GATT in 1950, the UN in 1955, the Nordic Council in 1955, the IFC in 1956, IDA in 1960, EFTA in 1961, the ADB in 1966, the OECD in 1969, the IDB in 1977, the AfDB in 1982, the MIGA in 1988, the Council of Europe in 1989, the EBRD in 1991 and the EU in 1995.

Having abolished most quantitative restrictions on foreign trade in 1957, Finland first took part in European free trade arrangements under the auspices of EFTA in 1961. Imports from the USSR were also progressively freed from customs duties. Finland's free trade agreement with the EEC entered into force in 1974 and agreements for the removal of trade barriers were concluded with several eastern European countries as well. The agreement on the European Economic Area (EEA) between the member countries of EFTA and the European Union came into effect at the beginning of 1994. Finland's negotiations to join the European Union were concluded in spring 1994. The accession treaty was signed in Corfu in June. In autumn 1994, a consultative referendum was held in which the majority of the voters (56.9 %) were in favour of membership. The Finnish Parliament ratified the accession treaty in November. The accession treaty having been ratified by each Member State, Finland became a member of the European Union on 1 January 1995. Citizens of the five Nordic countries, Denmark, Finland, Iceland, Norway and Sweden, have enjoyed a common labour market, a passport union and reciprocal social security benefits since the mid-1950s.

Finland's development cooperation programmes channel assistance via international organizations and, bilaterally, to a number of African, Asian and Latin American countries.

The economy

Output and employment. Of the gross domestic product of FIM 418 billion in basic values in 1993, 3 % was generated in agriculture and fishing, 2 % in forestry, 26.5 % in industry, 4.5 % in construction, 11 % in trade, restaurants and hotels, 8.5 % in transport and communications, 4 % in finance and insurance, 20.5 % in other private services and 20 % by producers of government services. Of total employment of 2.0 million persons in 1993, 8 % were engaged in primary production, 27 % in industry and construction and 65 % in services.

In 1993, expenditure on the gross domestic product in purchasers' values amounted to FIM 479 billion and was distributed as follows: net exports 5.5 % (exports 33.3 %, imports 27.8 %), gross fixed capital formation 15 %, private consumption 56.5 % and government consumption 23.5 %. Finland's tax ratio (gross taxes including compulsory employment pension contributions relative to GDP) was 47 per cent, which is somewhat below the average for the Nordic countries.

Average annual (compounded) growth of real GDP was 4.7 % in the period 1950-59, 5.0 % in 1960-69, 3.7 % in 1970-79, 3.7 % in 1980-89 and 3.6 % in 1990-93. Finland's GDP per capita in 1993 was USD 16 500.

Foreign trade. OECD countries absorb the bulk of Finnish merchandise exports. In 1989-93, their share was, on average, 78.5 %, of which the share of EC countries was 48.4 percentage points and that of EFTA countries 19.5 percentage points. Over the same period, Finland's exports to East European countries (including the Soviet Union/Russia) accounted for 12.6 % and the rest of the world for 10.7 %. The regional distribution of Finland's merchandise imports has been quite similar to that of exports.

In 1993, the share of forest industry products in total merchandise exports was 36 %, the share of metal and en-

engineering products 45 % and the share of other goods 19 %. Raw materials and intermediate goods (incl. crude oil) accounted for 59 % of merchandise imports, fuels for 5 %, investment goods for 15 % and consumption goods for 20 %.

Forest resources. Finland has fairly abundant forest resources, but only limited amounts of other raw materials. The growing stock comprises 1880 million cubic metres, of which 45 % is pine, 37 % spruce and 18 % broad-leaved species, chiefly birch.

The annual growth increment totals 79 million cubic metres and the total drain calculated on the basis of commercial fellings was 38 million cubic metres in 1993.

Energy. In 1993, gross consumption of primary energy amounted to 30 Mtoe, of which industry accounted for 45 %, heating for 22 %, transportation for 13 % and other purposes for 20 %. The sources of primary energy in 1993 were as follows: oil 28 %, coal 11 %, nuclear power 15 %, hydroelectric power, peat and other indigenous sources 32 %, others 14 %. Compared internationally (1992), Finland's consumption of 5.6 toe (OECD definition) per capita was 1.7 times higher than the average in European OECD countries. The self-sufficiency rate (including nuclear power) in Finland was 42 %, as compared with 61 % in western Europe on average.

Finance and banking

Currency. Finland has had its own monetary system since 1865. The currency unit is the markka (plural: markkaa), abbreviation FIM, which is divided into 100 penniä (singular: penni). From 1 November 1977 to 7 June 1991 the external value of the markka was officially expressed in terms of a trade-weighted currency index, which was permitted to fluctuate within a prescribed range (from 30 November 1988 the range was 6 percentage points). From 7 June 1991 to 7 September 1992, the markka was pegged to the European Currency Unit, the ECU. The fluctuation margins and the midpoint were set so as to correspond to the fluctuation margins and midpoint of the old currency index. The midpoint was first 4.87580 (FIM/ECU). Owing to the devaluation of the markka on 15 November 1991, the midpoint was increased to 5.55841 and the fluctuation limits to 5.39166 and 5.72516. On 8 September 1992, the Bank of Finland decided to temporarily abandon the limits of the fluctuation range and allow the markka to float. On 13 November 1992, the Government, on the basis of the amended Currency Act, authorized the Bank of Finland to float the markka for an indefinite period.

The Central Bank. The Bank of Finland (Suomen Pankki – Finlands Bank), founded in 1811, operates under the supervision of the Parliamentary Supervisory Board, the

nine members of which are entrusted with overall supervision of the Bank and certain specific decisions such as fixing the Bank's base rate and the limits for other rates. The Governor and a maximum of five other Members of the Board are appointed by the President of the Republic. The Board manages all affairs not expressly entrusted to the Parliamentary Supervisory Board, including the terms of banks' central bank finance and open market operations in the money and foreign exchange market. The powers vested in the Bank and its independence of the Government make the Bank of Finland one of the world's stronger central banks. In practice, the Bank liaises closely with the Government, so as to coordinate economic policy. The Bank of Finland has a head office in Helsinki and 4 branch offices in other towns.

Other banks (31 December 1993). Finland has three major groups of deposit banks with a total of about 2 640 offices. There are three big commercial banks with national branch networks and ten smaller ones, one of which is foreign-owned. The commercial banks have a total of 32 foreign branches, subsidiaries and associate banks and 31 representative offices abroad. There are 40 savings banks and 304 cooperative banks with their own extensive branch networks. In addition, foreign banks have three branches and eight representative offices in Finland.

Financial market. Of the total stock of FIM 716 billion in outstanding domestic credit at the end of 1993, 54 % was provided by deposit banks 21 % by insurance companies, 5 % by other private credit institutions, 8 % by public financial institutions and 11 % by the state, local authorities and social security funds. There are no quantitative restrictions or interest rate limitations on lending. Regulation of bank lending rates was progressively relaxed earlier in the 1980s and finally abolished in 1986.

In the money market, 80 % of the instruments, which totalled approximately FIM 189 billion at end-1993, were negotiable instruments such as bank certificates of deposit, commercial paper, Treasury notes and local authority paper. Funds raised through bank trust departments and non-negotiable bank debt instruments make up the bulk of non-negotiable instruments. In its open market operations, the Bank of Finland deals in bank certificates of deposit and also issues its own certificates of deposit.

There are 58 listed companies on the Helsinki Stock Exchange, with a market capitalization value of FIM 136 billion (at end-1993). Domestic bonds and debentures in circulation at end-1993 totalled FIM 190 billion; government bonds made up 39 % of the total. Turnover on the Stock Exchange in 1993 amounted to FIM 106 billion; the share of shares and subscription rights in the total was approximately 44 %.

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1. The balance sheet of the Bank of Finland

1.1 The balance sheet of the Bank of Finland, mill. FIM

	1993		1994		
	31 Dec.	8 Dec.	15 Dec.	23 Dec.	31 Dec.
ASSETS					
Gold and foreign currency claims	33 472	53 768	53 132	51 594	52 743
Gold	2 180	2 180	2 180	2 180	2 180
Special drawing rights	664	1 750	1 589	1 555	1 537
IMF reserve tranche	1 747	1 386	1 391	1 367	1 354
Convertible currencies	28 882	48 451	47 971	46 492	47 672
Other foreign claims	5 058	5 114	5 114	5 114	4 595
Markka subscription to Finland's IMF quota	5 058	5 114	5 114	5 114	4 595
Term credit	—	—	—	—	—
Claims on financial institutions	8 677	1 536	2 819	2 500	2 520
Liquidity credits	1	—	—	—	—
Certificates of deposit	1 844	441	441	441	443
Securities with repurchase commitments	5 493	20	1 316	1 019	1 037
Term credits	—	—	—	—	—
Bonds	1 101	836	824	802	802
Other claims on financial institutions	238	238	238	238	238
Claims on the public sector	1 788	1 887	1 892	1 906	1 806
Treasury bills	—	—	—	—	—
Total coinage	1 788	1 887	1 892	1 906	1 806
Claims on corporations	3 303	3 162	3 162	3 161	3 149
Financing of domestic deliveries (KTR)	496	328	328	328	316
Other claims on corporations	2 807	2 834	2 834	2 834	2 833
Other assets	6 826	4 688	4 687	4 686	6 524
Loans for stabilizing the money market	5 752	4 532	4 532	4 532	4 532
Accrued items	907	—	—	—	1 832
Other assets	166	156	155	154	159
Valuation account	—	—	—	—	—
Capitalized expenditures and losses due to safeguarding the stability of the money market	1 400	1 400	1 400	1 400	1 400
Total	60 524	71 553	72 206	70 361	72 737
LIABILITIES					
Foreign currency liabilities	193	146	129	128	130
Convertible currencies	193	146	129	128	130
Other foreign liabilities	6 189	6 122	6 126	6 108	5 579
IMF markka accounts	5 058	5 114	5 114	5 114	4 595
Allocations of special drawing rights	1 131	1 009	1 012	994	985
Other foreign liabilities	—	—	—	—	—
Notes and coin in circulation	14 994	14 293	14 375	14 814	14 315
Notes	13 442	12 676	12 746	13 176	12 675
Coin	1 552	1 617	1 629	1 637	1 640
Certificates of deposit	14 837	35 206	34 360	34 046	35 236
Liabilities to financial institutions	8 201	7 036	8 143	7 579	7 912
Call money deposits	1 803	362	1 469	905	1 387
Term deposits	—	—	—	—	—
Minimum reserve deposits	6 398	6 674	6 674	6 674	6 526
Other liabilities to financial institutions	—	—	—	—	—
Liabilities to the public sector	784	52	54	103	93
Cheque accounts	8	1	0	0	0
Deposits of the Government Guarantee Fund	776	51	54	103	93
Other liabilities to the public sector	—	—	—	—	—
Liabilities to corporations	2 087	1 597	1 583	1 560	1 548
Deposits for investment and ship purchase	2 087	1 597	1 583	1 560	1 548
Other liabilities	627	37	31	31	461
Accrued items	536	—	—	—	437
Other liabilities	92	37	31	31	24
Valuation account and reserves	6 847	1 301	1 640	228	1 698
Capital accounts	5 764	5 764	5 764	5 764	5 764
Primary capital	5 000	5 000	5 000	5 000	5 000
Reserve fund	764	764	764	764	764
Profit/loss for the accounting year	—	—	—	—	—
Total	60 524	71 553	72 206	70 361	72 737

1.2 Time series for the balance sheet items of the Bank of Finland, mill. FIM

End of period	Foreign sector							Public sector		
	Gold	Special drawing rights	IMF reserve tranche	Convertible currencies	Foreign exchange reserves (1+2+3+4)	Other claims, net	Net claims (5+6)	Claims	Liabilities	Net claims (8-9)
	1	2	3	4	5	6	7	8	9	10
1990	2 180	791	783	33 478	37 232	- 1 273	35 960	1 314	1 321	- 7
1991	2 180	932	1 136	29 381	33 629	- 424	33 204	1 375	3	1 372
1992	2 180	564	1 732	25 041	29 517	- 2 998	26 519	2 446	90	2 356
1993	2 180	664	1 747	28 882	33 473	- 1 324	32 148	1 788	784	1 004
1994	2 180	1 537	1 354	47 672	52 743	- 1 114	51 629	1 806	93	1 713
1993										
Dec.	2 180	664	1 747	28 882	33 473	- 1 324	32 148	1 788	784	1 004
1994										
Jan.	2 180	645	1 697	36 652	41 174	- 1 347	39 827	1 739	904	835
Feb.	2 180	657	1 676	42 067	46 580	- 1 298	45 282	1 768	300	1 468
March	2 180	661	1 688	38 117	42 646	- 1 257	41 389	1 793	251	1 542
April	2 180	650	1 597	37 197	41 623	- 1 229	40 394	1 828	39	1 789
May	2 180	654	1 591	43 303	47 728	- 1 207	46 521	1 827	61	1 766
June	2 180	650	1 514	48 364	52 708	- 1 176	51 532	1 819	526	1 293
July	2 180	645	1 480	51 329	55 634	- 1 261	54 373	1 823	84	1 739
Aug.	2 180	636	1 447	48 794	53 058	- 1 249	51 809	1 817	71	1 746
Sept.	2 180	618	1 407	48 947	53 153	- 1 178	51 975	1 847	60	1 787
Oct.	2 180	1 249	1 338	48 610	53 377	- 1 139	52 238	1 864	115	1 749
Nov.	2 180	1 461	1 388	49 154	54 184	- 1 121	53 063	1 872	51	1 821
Dec.	2 180	1 537	1 354	47 672	52 743	- 1 114	51 629	1 806	93	1 713

End of period	Domestic financial sector					Corporate sector				
	Term claims on deposit banks, net	Liquidity position of deposit banks ¹	Minimum reserve deposits of deposit banks ²	Other claims on financial institutions, net	Net claims (11+12+13+14)	Claims in the form of special financing	Special deposits and other items, net	Net claims (16+17)	Notes and coin in circulation	Out-standing CDs issued by the Bank of Finland
	11	12	13	14	15	16	17	18	19	20
1990	9 411	- 418	- 17 401	5 744	- 2 665	1 477	- 9 724	- 8 247	14 555	-
1991	11 882	- 2 206	- 10 361	5 531	4 846	1 086	- 6 854	- 5 768	14 528	8 880
1992	3 738	- 550	- 13 165	4 572	- 5 405	747	- 2 651	- 1 904	14 508	4 880
1993	7 337	- 1 802	- 6 398	1 339	476	496	720	1 216	14 994	14 837
1994	1 480	- 1 387	- 6 526	1 040	- 5 392	316	1 285	1 601	14 315	35 236
1993										
Dec.	7 337	- 1 802	- 6 398	1 339	476	496	720	1 216	14 994	14 837
1994										
Jan.	4 198	- 889	- 6 393	1 283	- 1 801	482	860	1 342	14 084	22 440
Feb.	1 802	- 426	- 6 346	1 250	- 3 720	466	950	1 416	13 855	26 290
March	3 842	- 1 083	- 6 276	1 241	- 2 276	449	1 003	1 452	14 194	23 435
April	2 093	- 483	- 6 411	1 220	- 3 581	431	1 014	1 445	13 927	21 695
May	3 208	- 485	- 6 360	1 197	- 2 441	413	1 034	1 447	14 164	28 412
June	2 684	- 536	- 6 446	1 162	- 3 137	397	1 066	1 463	14 355	32 108
July	2 488	- 796	- 6 467	1 126	- 3 649	386	1 081	1 467	14 176	35 985
Aug.	4 557	- 2 252	- 6 602	1 120	- 3 177	374	1 104	1 478	13 922	35 040
Sept.	3 485	- 1 421	- 6 550	1 173	- 3 313	360	1 124	1 484	13 906	36 856
Oct.	1 829	- 945	- 7 029	1 111	- 5 034	345	1 186	1 531	13 900	36 948
Nov.	492	- 2 026	- 6 674	1 094	- 7 113	331	1 222	1 553	13 776	34 406
Dec.	1 480	- 1 387	- 6 526	1 040	- 5 392	316	1 285	1 601	14 315	35 236

¹ Call money claims on deposit banks, net, until 2 July 1992.

² Cash reserve deposits prior to 1 July 1993.

2. The Bank of Finland's operations in the money and foreign exchange markets and the banks' forward exchange position

2.1 Banks' liquidity position at the Bank of Finland, mill. FIM

Average of daily observations	Call money deposits	Liquidity credits'	Liquidity position, net' (1-2)
	1	2	3
1990	806	132	674
1991	881	985	- 103
1992	2 103	437	1 666
1993	831	425	407
1994	1 393	10	1 383
1993 Dec.	955	103	852
1994 Jan.	933	105	828
Feb.	767	0	767
March	715	0	715
April	1 275	0	1 275
May	891	16	875
June	1 821	0	1 821
July	1 014	0	1 014
Aug.	2 575	0	2 575
Sept.	2 089	0	2 089
Oct.	1 442	0	1 442
Nov.	2 038	0	2 038
Dec.	1 160	0	1 160

¹ Call money credits and call money position until 2 July 1992.

2.2 The Bank of Finland's minimum reserve system²

End of period	Reserve requirement			Cash reserve requirement, %	Deposits, mill. FIM Total
	On liquid deposits, %	On other deposits, %	On domestic debt capital, %		
	1	2	3	4	5
1990	.	.	.	7.0	17 401
1991	.	.	.	4.0	10 361
1992	.	.	.	5.0	13 165
1993	2.0	1.5	1.0	.	6 398
1994	2.0	1.5	1.0	.	6 526
1993 Dec.	2.0	1.5	1.0	.	6 398
1994 Jan.	2.0	1.5	1.0	.	6 393
Feb.	2.0	1.5	1.0	.	6 346
March	2.0	1.5	1.0	.	6 276
April	2.0	1.5	1.0	.	6 411
May	2.0	1.5	1.0	.	6 360
June	2.0	1.5	1.0	.	6 446
July	2.0	1.5	1.0	.	6 467
Aug.	2.0	1.5	1.0	.	6 602
Sept.	2.0	1.5	1.0	.	6 550
Oct.	2.0	1.5	1.0	.	7 029
Nov.	2.0	1.5	1.0	.	6 674
Dec.	2.0	1.5	1.0	.	6 526

² Cash reserve system prior to 1 July 1993.

2.3 The Bank of Finland's money market transactions, mill. FIM

During period	Purchases of money market instruments	Sales of money market instruments	Matured money market instruments, net	Money market transactions, net (1-2-3)
	1	2	3	4
1990	163 326	26 379	160 797	- 23 850
1991	109 568	30 380	81 969	- 2 781
1992	76 230	137 940	- 60 417	- 1 293
1993	86 521	146 899	- 50 486	- 9 892
1994	35 540	351 820	- 295 165	- 21 115
1993 Dec.	9 250	9 690	1 250	- 1 690
1994 Jan.	5 720	17 000	- 3 130	- 8 150
Feb.	3 940	19 430	- 10 230	- 5 260
March	5 770	22 180	- 21 540	5 130
April	4 080	17 730	- 13 435	- 215
May	2 000	27 940	- 20 790	- 5 150
June	2 870	32 690	- 24 980	- 4 840
July	2 000	34 770	- 29 180	- 3 590
Aug.	5 140	35 040	- 32 970	3 070
Sept.	590	36 860	- 33 510	- 2 760
Oct.	330	38 290	- 36 210	- 1 750
Nov.	1 630	35 210	- 34 400	820
Dec.	1 470	34 680	- 34 790	1 580

2.4 The Bank of Finland's transactions in convertible currencies, mill. FIM

During period	Intervention in the foreign exchange market			Spot transactions related to forward contracts, net	Central government's foreign exchange transactions, net
	Spot purchases	Spot sales	Forward exchange intervention = change in forward exchange position		
	1	2	3	4	5
1991	35 120	- 69 940	- 14 820	12 820	12 260
1992	20 050	- 70 640	- 1 650	390	45 060
1993	25 120	- 45 080	7 460	- 6 910	33 240
1993					
Nov.	2 270	- 70	- 40	-	- 1 170
Dec.	3 720	-	370	- 340	1 430
1994					
Jan.	12 550	-	2 720	- 2 680	- 1 490
Feb.	1 310	- 750	- 270	280	4 670
March	-	- 2 200	-	-	- 1 800
April	-	-	330	- 330	- 700
May	-	- 920	110	- 110	6 810
June	-	- 1 350	-	-	6 360
July	-	- 930	-	-	4 610
Aug.	-	- 4 270	- 2 960	2 990	- 530
Sept.	-	- 1 440	2 420	- 2 340	5 350
Oct.	5 110	- 220	5 070	- 5 090	2 280
Nov.	210	- 520	770	- 530	60

2.5 Forward exchange contracts, mill. FIM

Stock at end of period	Finnish banks' forward contracts							Non-residents' forward contracts with Finnish customers (excl. Finnish banks)			
	With Finnish customers (excl. Finnish banks)			With foreign customers			With the Bank of Finland	Total			
	Currency purchases from Finnish customers	Currency sales to Finnish customers	Net (1-2)	Currency purchases from foreign customers	Currency sales to foreign customers	Net (4-5)	Net forward purchases from the Bank of Finland	Net (3+6+7)	Currency purchases from Finnish customers	Currency sales to Finnish customers	Net (9-10)
1	2	3	4	5	6	7	8	9	10	11	
1989	10 531	3 563	6 967	44 885	36 854	8 031	205	15 204	..	..	..
1990	11 609	4 979	6 631	21 179	11 079	10 100	- 6 098	10 633	237	55	183
1991	33 004	36 352	- 3 348	40 056	37 505	2 550	8 953	8 155	1 404	645	759
1992	39 195	32 939	6 256	21 142	32 339	- 11 197	7 133	2 192	1 614	1 929	- 315
1993	38 373	23 721	14 652	14 346	21 895	- 7 548	1 939	9 043	11 632	2 173	9 459
1993											
Nov.	36 988	26 544	10 444	14 010	26 027	- 12 018	2 527	953	8 755	1 840	6 915
Dec.	38 373	23 721	14 652	14 346	21 895	- 7 548	1 939	9 043	11 632	2 173	9 459
1994											
Jan.	43 162	19 298	23 864	13 803	23 618	- 9 815	439	14 488	13 494	2 622	10 872
Feb.	41 288	16 030	25 258	17 043	23 240	- 6 197	489	19 550	14 542	2 903	11 639
March	42 814	16 519	26 295	18 003	24 476	- 6 473	489	20 311	14 280	2 599	11 682
April	40 494	15 128	25 366	15 807	22 872	- 7 065	135	18 436	16 236	4 104	12 133
May	40 529	13 887	26 643	17 151	25 046	- 7 894	0	18 749	15 321	3 859	11 462
June	41 191	15 124	26 067	18 939	25 421	- 6 481	0	19 586	15 155	4 417	10 739
July	40 536	16 619	23 917	17 436	27 166	- 9 730	0	14 187	14 746	4 000	10 746
Aug.	39 846	19 930	19 916	19 572	32 036	- 12 464	3 002	10 454	14 542	3 735	10 807
Sept.	40 197	20 368	19 829	18 637	29 261	- 10 624	671	9 876	14 177	3 389	10 788
Oct.	44 821	19 418	25 403	20 662	30 252	- 9 589	- 4 436	11 378	14 945	2 659	12 286
Nov.	46 460	21 508	24 952	18 515	28 808	- 10 293	- 4 980	9 679	16 058	4 036	12 023

3. Rates of interest

3.1 Money market rates and rates applied by the Bank of Finland, percent

Average of daily observations	Interbank overnight rate	HELIBOR				Bank of Finland rates		
		1 month	3 months	6 months	12 months	Liquidity credit rate ¹	Call money deposit rate	Base rate
	1	2	3	4	5	6	7	8
1990	10.57	13.63	13.99	14.16	14.39	15.00	4.00	8.50
1991	14.89	13.64	13.07	12.69	12.53	15.48	4.00	8.50
1992	13.32	13.49	13.27	13.08	12.96	14.90	7.41	9.17
1993	7.71	7.85	7.73	7.59	7.47	8.95	4.95	6.85
1994	4.38	5.11	5.35	5.78	6.33	7.11	3.11	5.27
1993								
Dec.	6.22	6.16	5.90	5.68	5.52	8.21	4.21	5.50
1994								
Jan.	5.63	5.38	5.19	5.05	5.01	7.44	3.44	5.50
Feb.	4.52	4.82	4.82	4.88	5.05	6.84	2.84	5.25
March	4.39	4.82	4.80	4.88	5.12	6.76	2.76	5.25
April	4.31	5.01	5.13	5.43	5.75	6.99	2.99	5.25
May	4.29	4.97	5.14	5.46	5.78	6.97	2.97	5.25
June	3.93	5.20	5.61	6.24	6.86	7.18	3.18	5.25
July	4.61	5.17	5.46	6.13	6.91	7.17	3.17	5.25
Aug.	3.91	5.35	5.96	6.77	7.54	7.32	3.32	5.25
Sept.	4.07	5.07	5.57	6.36	7.25	7.13	3.13	5.25
Oct.	4.10	5.07	5.39	5.82	6.69	7.08	3.08	5.25
Nov.	4.30	5.07	5.43	6.05	6.79	7.06	3.06	5.25
Dec.	4.57	5.41	5.70	6.18	7.02	7.38	3.38	5.25

¹ Call money credit rate until 2 July 1992.

3.2 The Bank of Finland's liquidity facility

The Bank of Finland's tender rate, %	Liquidity credit: interest rate margin, %-points	Liquidity credit: maturity, days	Call money deposits: interest rate margin, %-points	Average of daily observations	Commercial ECU		
					1	2	3
1992 ¹	13.85	1992	+1.00	7	-3.00		
1993	7.87	1993	+2.00	7	-2.00		
1993		1993					
Dec.	6.21	Dec.	+2.00	7	-2.00		
1994		1994					
Jan.	5.44	Jan.	+2.00	7	-2.00		
Feb.	4.84	Feb.	+2.00	7	-2.00		
March	4.76	March	+2.00	7	-2.00		
April	4.99	April	+2.00	7	-2.00		
May	4.97	May	+2.00	7	-2.00		
June	5.18	June	+2.00	7	-2.00		
July	5.17	July	+2.00	7	-2.00		
Aug.	5.32	Aug.	+2.00	7	-2.00		
Sept.	5.13	Sept.	+2.00	7	-2.00		
Oct.	5.08	Oct.	+2.00	7	-2.00		
Nov.	5.06	Nov.	+2.00	7	-2.00		
Dec.	5.38	Dec.	+2.00	7	-2.00		
01.12.1994	5.02						
08.12.1994	5.01						
09.12.1994	5.50						
29.12.1994	5.55						

¹ July - December.

3.3 Weighted Eurorates and commercial ECU interest rate, percent

Average of daily observations	ECU	3 currencies		Commercial ECU
		1	2	
1990	10.5	9.1	10.4	
1991	10.1	8.5	9.9	
1992	10.4	7.8	10.6	
1993	8.0	6.0	8.1	
1994	5.9	5.2	6.1	
1993				
Dec.	6.5	5.2	6.5	
1994				
Jan.	6.3	5.1	6.4	
Feb.	6.3	5.1	6.4	
March	6.2	5.2	6.3	
April	6.0	5.1	6.2	
May	5.7	5.0	5.9	
June	5.6	4.9	6.0	
July	5.6	5.0	6.0	
Aug.	5.7	5.0	6.0	
Sept.	5.8	5.2	5.9	
Oct.	5.8	5.4	6.0	
Nov.	5.8	5.5	5.9	
Dec.	6.1	5.8	6.3	

3.4 Rates of interest applied by banks, per cent

Average for period	Lending						Markka deposits and other markka funding					
	New credits				Average lending rate	Of which: Commercial banks	24-month tax-exempt deposits ¹	36-month tax-exempt deposits ¹	Other tax-exempt deposits, max. rate of interest ¹	Average rate of interest on deposits	Average rate of interest on other funding	Average rate of interest on markka funding
	Cheque account and postal giro credits	Bills of exchange	Loans	New lending, total								
	1	2	3	4	5	6	7	8	9	10	11	12
1989	12.97	13.47	11.58	12.07	10.56	10.40	7.50	.	4.50	5.67	11.92	7.37
1990	13.24	15.62	13.33	13.85	11.84	11.61	7.50	.	4.50	6.43	13.55	8.41
1991	13.63	15.88	13.40	13.84	12.08	11.80	7.50	.	4.50	7.10	13.22	8.97
1992	14.04	15.86	13.32	13.75	12.46	12.13	7.50	8.50	4.50	7.41	12.84	9.14
1993	9.69	13.55	9.40	9.75	10.20	9.92	3.50	4.50	2.00	4.78	8.86	6.15
1993												
Nov.	9.51	12.77	8.29	8.64	9.21	8.90	4.00	5.00	2.00	3.71	7.44	5.04
Dec.	8.83	11.55	7.32	7.62	8.85	8.48	3.50	4.50	2.00	3.33	6.94	4.55
1994												
Jan.	8.09	11.25	7.35	7.62	8.58	8.22	3.50	4.50	2.00	3.11	6.41	4.19
Feb.	8.25	11.92	7.14	7.46	8.34	7.97	3.25	4.25	2.00	2.93	5.95	3.92
March	4.99	11.73	6.73	6.78	8.17	7.79	3.25	4.25	2.00	2.88	5.77	3.85
April	7.29	11.68	6.87	7.10	8.12	7.91	3.25	4.25	2.00	2.88	5.79	3.85
May	7.63	11.66	7.18	7.43	8.08	7.87	3.25	4.25	2.00	2.88	5.67	3.86
June	7.19	11.70	7.25	7.44	8.09	7.88	3.25	4.25	2.00	2.89	5.77	3.92
July	8.25	11.76	7.58	7.86	8.14	7.90	3.25	4.25	2.00	3.01	5.85	4.03
Aug.	8.37	11.80	7.81	8.04	8.20	7.97	3.25	4.25	2.00	3.05	5.98	4.11
Sept.	7.61	11.75	7.66	7.86	8.19	7.96	3.25	4.25	2.00	3.04	5.99	4.11
Oct.	8.26	11.61	7.28	7.49	8.15	7.91	3.25	4.25	2.00	3.05	6.10	4.10
Nov.	7.75	11.72	7.01	7.21	8.09	7.83	3.25	4.25	2.00	3.04	6.09	4.08

¹ End of period.

3.5 Yields on bonds and shares, per cent

Period	Bonds						Shares
	Reference rates calculated by the Bank of Finland		Taxable government bonds		Taxable public issues	Taxfree public issues	Share yield
	3 years	5 years	5 years	10 years			
	1	2	3	4	5	6	7
1989	12.2	12.0	12.1	.	11.9	8.1	2.7
1990	13.7	13.5	13.2	.	13.3	9.2	4.0
1991	12.3	12.2	11.7	.	12.6	10.0	3.9
1992	13.1	13.0	12.0	11.5 ¹	13.8	9.9	3.1
1993	8.5	8.9	8.2	8.8	10.3	6.6	1.8
1993							
Nov.	6.8	7.2	6.5	7.4	9.0	5.3	1.5
Dec.	6.5	7.0	6.2	7.0	9.2	4.9	1.4
1994							
Jan.	6.1	6.6	5.8	6.5	7.8	4.7	1.1
Feb.	6.1	6.6	5.9	6.6	7.8	4.8	1.1
March	6.6	7.5	6.7	7.5	7.7	4.8	1.2
April	7.7	8.6	7.6	8.3	7.2	4.8	1.4
May	7.9	8.9	7.9	8.5	7.4	4.8	1.4
June	9.1	10.0	9.0	9.5	8.6	4.6	1.5
July	9.7	10.4	9.3	9.9	10.4	6.1	1.5
Aug.	10.3	11.0	10.0	10.6	8.8	5.2	1.4
Sept.	10.2	11.0	9.9	10.5	10.3	5.3	1.4
Oct.	9.5	10.5	9.4	10.1	10.5	6.5	1.5
Nov.	9.6	10.5	9.5	10.2	9.0	5.9	1.5

¹ November and December only.

4. Rates of exchange

4.1 Middle rates, FIM

Average of daily quotations	New York 1 USD	Montreal 1 CAD	London 1 GBP	Dublin 1 IEP	Stockholm 1 SEK	Oslo 1 NOK	Copen- hagen 1 DKK	Frankfurt aM 1 DEM	Amster- dam 1 NLG	Brussels 1 BEF	Zurich 1 CHF	Paris 1 FRF
	1	2	3	4	5	6	7	8	9	10	11	12
1990	3.8233	3.277	6.808	6.325	0.6459	0.6110	0.6181	2.3664	2.1002	0.1145	2.7576	0.7024
1991	4.0457	3.533	7.131	6.511	0.6684	0.6236	0.6322	2.4380	2.1634	0.1184	2.8208	0.7169
1992	4.4835	3.706	7.875	7.636	0.7714	0.7222	0.7444	2.8769	2.5552	0.1397	3.2000	0.8486
1993	5.7189	4.434	8.582	8.371	0.7350	0.8059	0.8822	3.4584	3.0787	0.1655	3.8706	1.0096
1994	5.2184	3.824	7.982	7.799	0.6758	0.7393	0.8207	3.2169	2.8684	0.1561	3.8179	0.9406
1993												
Dec.	5.7548	4.320	8.578	8.159	0.6887	0.7753	0.8585	3.3645	3.0038	0.1611	3.9282	0.9840
1994												
Jan.	5.6920	4.324	8.496	8.138	0.7001	0.7580	0.8407	3.2662	2.9173	0.1571	3.8683	0.9612
Feb.	5.5838	4.165	8.257	7.930	0.6992	0.7451	0.8245	3.2147	2.8669	0.1560	3.8297	0.9462
March	5.5326	4.057	8.248	7.932	0.6992	0.7530	0.8343	3.2688	2.9089	0.1586	3.8681	0.9591
April	5.4911	3.974	8.139	7.885	0.6965	0.7455	0.8246	3.2336	2.8795	0.1571	3.8174	0.9438
May	5.4072	3.918	8.134	7.956	0.7008	0.7529	0.8335	3.2629	2.9075	0.1585	3.8275	0.9531
June	5.4276	3.925	8.267	8.102	0.6945	0.7660	0.8486	3.3262	2.9676	0.1615	3.9399	0.9737
July	5.2014	3.762	8.036	7.939	0.6695	0.7573	0.8430	3.3120	2.9526	0.1607	3.9249	0.9666
Aug.	5.1384	3.728	7.927	7.826	0.6640	0.7490	0.8310	3.2852	2.9259	0.1594	3.8980	0.9589
Sept.	4.9691	3.669	7.767	7.667	0.6591	0.7303	0.8128	3.2038	2.8578	0.1557	3.8447	0.9367
Oct.	4.6761	3.464	7.506	7.416	0.6440	0.7061	0.7855	3.0745	2.7443	0.1494	3.6959	0.8983
Nov.	4.7172	3.458	7.500	7.385	0.6418	0.7015	0.7833	3.0659	2.7353	0.1490	3.6448	0.8930
Dec.	4.8455	3.488	7.554	7.435	0.6447	0.7068	0.7864	3.0823	2.7528	0.1499	3.6450	0.8949

Average of daily quotations	Rome 1 ITL	Vienna 1 ATS	Lisbon 1 PTE	Reykjavik 1 ISK	Madrid 1 ESP	Athens 1 ORD	Tullian 1 EEK	Tokyo 1 JPY	Mel- bourne 1 AUD	ECU Commer- cial 1 XEU	SDR 1 XDR
	13	14	15	16	17	18	19	20	21	22	23
1990	0.00319	0.3363	0.0268	0.0656	0.0375	..	.	0.02647	2.988	4.864	5.18322
1991	0.00326	0.3464	0.0280	0.0684	0.0389	0.022	.	0.03008	3.152	5.003	5.52771
1992	0.00364	0.4088	0.0332	0.0778	0.0438	0.024	0.4060	0.03546	3.289	5.798	6.31546
1993	0.00364	0.4916	0.0356	0.0846	0.0451	0.025	0.4323	0.05168	3.885	6.685	7.98728
1994	0.00324	0.4573	0.0314	0.0745	0.0390	0.021	0.4021	0.05106	3.814	6.175	7.46629
1993											
Dec.	0.00341	0.4785	0.0330	0.0800	0.0410	0.023	0.4206	0.05237	3.874	6.494	7.95965
1994											
Jan.	0.00335	0.4647	0.0323	0.0779	0.0398	0.023	0.4083	0.05109	3.962	6.339	7.81835
Feb.	0.00331	0.4573	0.0318	0.0764	0.0395	0.022	0.4018	0.05251	4.000	6.236	7.74733
March	0.00332	0.4647	0.0318	0.0767	0.0398	0.022	0.4086	0.05264	3.937	6.309	7.75651
April	0.00338	0.4597	0.0317	0.0761	0.0398	0.022	0.4042	0.05310	3.934	6.251	7.71250
May	0.00339	0.4639	0.0316	0.0762	0.0396	0.022	0.4079	0.05215	3.916	6.288	7.65245
June	0.00340	0.4729	0.0321	0.0772	0.0404	0.0221	0.4158	0.05281	3.981	6.398	7.74158
July	0.00332	0.4708	0.0322	0.0759	0.0401	0.0219	0.4140	0.05276	3.821	6.329	7.57829
Aug.	0.00325	0.4669	0.0322	0.0749	0.0396	0.0217	0.4107	0.05147	3.805	6.261	7.47292
Sept.	0.00317	0.4552	0.0314	0.0731	0.0386	0.0211	0.4005	0.05029	3.684	6.113	7.27337
Oct.	0.00302	0.4369	0.0301	0.0697	0.0370	0.0201	0.3843	0.04747	3.452	5.865	6.90651
Nov.	0.00298	0.4355	0.0300	0.0699	0.0368	0.0199	0.3832	0.04813	3.559	5.838	6.93950
Dec.	0.00297	0.4379	0.0301	0.0704	0.0366	0.0199	0.3853	0.04838	3.752	5.874	7.03528

4.2 Markka value of the ECU and currency indices

Average of daily observations	Markka value of the ECU FIM/ECU	Currency indices, 1982=100		
		Trade-weighted currency index	Payments currency index	MERM index
	1	2	3	4
1990	4.85697	97.3	96.8	97.3
1991	5.00580	101.4	101.4	102.8
1992	5.80140	116.4	115.7	117.3
1993	6.69420	132.4	136.1	141.8
1994	6.19108	123.2	125.8	131.8
1993				
Dec.	6.49606	128.9	133.9	139.8
1994				
Jan.	6.34072	126.9	131.8	137.7
Feb.	6.23914	125.6	129.8	136.4
March	6.31275	126.5	130.2	136.6
April	6.25477	125.5	129.2	135.8
May	6.29981	125.9	129.0	135.3
June	6.41394	127.4	130.3	136.6
July	6.35263	125.2	127.2	133.6
Aug.	6.28705	123.8	125.8	131.9
Sept.	6.13918	121.3	122.7	128.7
Oct.	5.89314	116.5	117.2	122.6
Nov.	5.86886	116.3	117.3	122.9
Dec.	5.89101	117.0	118.8	124.2

5. Other domestic financing

5.1 Bank funding from the public, mill. FIM

End of period	Cheque and giro deposits	Transaction deposits	Time deposits	Other deposits	Markka deposits, total (1+2+3+4)	Foreign currency deposits	Total deposits (5+6)	Other funding	Total funding (7+8)
	1	2	3	4	5	6	7	8	9
1989	28 942	85 396	125 748		240 085	7 358	247 444	35 298	282 742
1990	30 953	96 176	124 930		252 058	6 818	258 876	38 835	297 711
1991	33 619	86 442	122 126	19 615	261 802	13 151	274 953	52 760	327 713
1992	34 832	88 526	114 771	21 218	259 347	14 626	273 973	65 557	339 530
1993	36 379	92 357	112 413	21 766	262 915	14 883	277 798	63 173	340 971
1993									
Oct.	35 746	89 439	109 350	22 387	256 922	16 192	273 114	67 314	340 428
Nov.	36 098	87 692	109 769	21 451	255 010	15 799	270 809	64 128	334 937
Dec.	36 379	92 357	112 413	21 766	262 915	14 883	277 798	63 173	340 971
1994									
Jan.	38 657	94 042	108 694	22 740	264 133	14 050	278 183	70 115	348 298
Feb.	37 462	96 507	106 185	22 548	262 702	12 324	275 027	68 874	343 901
March	38 058	97 847	105 867	22 734	264 506	13 201	277 708	72 348	350 056
April	38 242	98 146	106 551	22 748	265 687	13 574	279 261	75 636	354 897
May	41 132	97 145	106 163	22 337	266 778	14 281	281 059	75 753	356 811
June	42 094	98 377	105 973	21 679	268 123	14 353	282 476	72 209	354 685
July	43 391	98 775	106 511	21 391	270 067	16 517	286 584	70 634	357 218
Aug.	44 503	97 970	107 529	20 969	270 970	14 957	285 927	64 382	350 309
Sept.	40 588	97 976	107 427	20 722	266 712	12 839	279 551	69 158	348 709
Oct.	41 393	98 519	107 168	20 272	267 352	14 479	281 832	67 795	349 627

5.2 Bank lending to the public, mill. FIM

End of period	Cheque account and postal giro credits	Bills of exchange	Loans	Markka lending, total (1+2+3)	Foreign currency credits	Total lending (4+5)
	1	2	3	4	5	6
1989	15 270	5 650	257 768	278 688	73 176	351 864
1990	19 152	5 777	260 790	285 720	103 134	388 853
1991	18 037	4 712	262 859	285 609	107 714	393 323
1992	16 045	3 335	252 163	271 544	95 168	366 712
1993	14 217	2 223	248 406	264 846	66 931	331 777
1993						
Oct.	15 094	2 780	251 342	269 216	75 184	344 401
Nov.	14 872	2 664	250 554	268 090	73 810	341 899
Dec.	14 217	2 223	248 406	264 846	66 931	331 777
1994						
Jan.	14 081	2 248	247 259	263 587	64 220	327 807
Feb.	14 120	2 008	247 884	264 012	63 158	327 170
March	14 125	1 942	247 795	263 862	61 114	324 976
April	13 971	1 759	247 095	262 825	59 077	321 902
May	14 079	1 736	246 531	262 345	58 233	320 578
June	14 139	1 763	245 939	261 841	57 756	319 597
July	14 061	1 733	245 591	261 386	56 128	317 513
Aug.	13 859	1 680	244 474	260 013	53 977	313 990
Sept.	14 068	1 642	243 874	259 584	51 258	310 842
Oct.	13 583	1 594	244 191	259 368	47 775	307 143

5.3 Money supply and monetary aggregates, mill. FIM

End of period	Foreign assets, net	Domestic credit			Other items, net	M ₁	M ₂ (1+4+5)	M ₃
		Claims on the central government	Claims on the public	Total (2+3)				
	1	2	3	4	5	6	7	8
1989	- 59 049	- 18 691	408 344	389 653	- 79 084	124 295	251 519	272 603
1990	- 82 881	- 19 072	453 720	434 648	- 85 385	141 524	266 383	291 045
1991	- 86 555	- 6 516	470 852	464 336	- 102 540	130 644	275 241	310 924
1992	- 68 099	81	439 937	440 018	- 97 909	134 829	274 011	310 733
1993*	- 25 989	1 848	403 742	405 589	- 100 006	141 759	279 595	322 408
1993*								
Nov.	- 23 710	3 430	417 372	420 803	- 125 479	137 095	271 614	312 034
Dec.	- 25 989	1 848	403 742	405 589	- 100 006	141 759	279 595	322 408
1994*								
Jan.	- 23 257	57	399 446	399 503	- 96 011	145 301	280 234	328 482
Feb.	- 18 440	475	397 458	397 932	- 100 871	146 600	278 621	327 591
March	- 19 743	1 066	397 300	398 365	- 97 626	148 907	280 996	333 304
April	- 23 247	3 499	392 564	396 063	- 91 234	148 783	281 582	335 879
May	- 14 545	5 940	391 346	397 286	- 100 115	150 750	282 626	338 847
June	- 6 902	2 244	389 636	391 880	- 100 498	153 365	284 480	338 345
July	7 521	- 880	387 027	386 147	- 107 408	155 001	286 260	340 445
Aug.	4 260	655	383 389	384 044	- 101 500	154 836	286 804	336 027
Sept.	12 224	- 2 597	374 668	372 071	- 101 574	151 193	282 721	333 572
Oct.	12 826	2 998	370 656	373 654	- 102 813	152 568	283 668	335 896
Nov.	..	..	..	..	..	152 726	284 228	331 032

5.4 Liabilities and assets of the central government, mill. FIM

End of period	Foreign currency-denominated debt			Markku-denominated debt				Total central government debt (3+8)	Out-standing lending	Cash funds	
	Bonds	Other debt	Total (1+2)	Public bonds	Other long-term liabilities	Treasury notes and bills	Miscellaneous items				Total (4+5+6+7)
	1	2	3	4	5	6	7	8	9	10	11
1989	18 505	4 281	22 786	24 126	5 750	250	.	30 126	52 912	43 499	21 248
1990	20 917	3 876	24 793	23 982	8 263	-	.	32 245	57 038	48 121	23 114
1991	38 703	4 943	43 646	31 018	12 208	5 180	.	48 406	92 052	55 165	15 956
1992	100 244	6 143	106 387	40 578	13 555	14 762	.	68 895	175 282	61 671	19 781
1993	142 824	12 753	155 577	71 082	16 060	22 824	.	109 966	265 543	64 233	36 487
1993											
Nov.	144 122	13 020	157 142	71 833	15 313	22 647	.	109 793	266 935	64 381	47 493
Dec.	142 824	12 753	155 577	71 082	16 060	22 824	.	109 966	265 543	64 233	36 487
1994											
Jan.	140 312	10 565	150 877	72 215	18 260	19 629	.	110 104	260 981	64 706	24 095
Feb.	148 138	9 990	158 128	74 481	18 260	19 391	- 5 524	106 608	264 736	65 008	31 679
March	147 889	9 894	157 783	75 083	18 230	19 182	- 5 409	107 086	264 869	65 686	20 834
April	146 940	10 891	157 831	76 001	17 541	18 625	- 5 384	106 943	264 774	65 807	18 547
May	156 684	11 106	167 790	76 282	17 442	19 704	- 5 379	108 049	275 839	66 000	22 405
June	163 930	11 658	175 588	77 129	16 901	24 915	- 5 410	113 535	289 123	65 006	30 119
July	169 523	11 952	181 475	78 286	16 891	30 159	- 5 440	119 896	301 371	64 436	41 465
Aug.	165 170	11 698	176 868	79 587	16 870	28 551	- 5 485	119 523	296 391	64 697	37 525
Sept.	167 196	12 111	179 307	82 349	16 865	31 514	- 5 455	125 273	304 580	65 078	41 848
Oct.	160 626	15 042	175 668	84 786	16 865	31 666	- 5 487	127 830	303 498	65 253	39 910
Nov.	163 035	16 371	179 406	88 690	16 794	32 656	- 5 479	132 661	312 067	..	42 051

5.5 Markka bond market

A) Issues, mill. FIM

During period	By sector					By type of loan			Total (1+2+3+4+5) = (6+7+8)
	Corporations	Financial institutions	Central government	Local government	Others	Public issues		Private placements	
						Taxable	Taxfree		
	1	2	3	4	5	6	7	8	9
1989	4 204	11 022	5 717	233	13	11 146	2 997	7 046	21 189
1990	4 640	17 891	4 420	490	1 007	17 234	607	10 607	28 447
1991	7 277	25 737	11 073	1 320	-	30 160	-	15 247	45 407
1992	6 984	15 043	12 965	2 674	4	23 858	-	13 812	37 671
1993*	11 691	12 134	36 512	2 235	63	51 179	-	11 456	62 634
1993*									
Nov.	989	4 160	2 793	18	50	7 828	-	182	8 010
Dec.	477	1 753	600	205	-	2 769	-	266	3 034
1994*									
Jan.	-	2 000	2 216	45	-	4 261	-	-	4 261
Feb.	560	7	2 359	280	-	3 206	-	-	3 206
March	2 311	713	2 555	190	-	5 769	-	-	5 769
April	100	1 480	942	-	-	2 522	-	-	2 522
May	373	2 226	1 348	30	-	3 977	-	-	3 977
June	500	160	2 673	62	-	3 394	-	-	3 394
July	-	-	1 171	-	-	1 171	-	-	1 171
Aug.	-	2 130	2 410	-	-	4 540	-	-	4 540
Sept.	-	310	4 173	-	-	4 483	-	-	4 483
Oct.	-	940	3 044	-	-	3 984	-	-	3 984
Nov.	400	716	4 137	-	-	5 252	-	-	5 252

B) Stock, mill. FIM

End of period	By sector					By type of loan			Total (1+2+3+4+5) = (6+7+8)
	Corporations	Financial institutions	Central government	Local government	Others	Public issues		Private placements	
						Taxable	Taxfree		
	1	2	3	4	5	6	7	8	9
1989	21 463	50 216	29 381	1 555	290	41 162	27 742	34 001	102 906
1990	23 522	59 756	28 812	1 756	1 298	52 273	22 970	39 902	115 145
1991	26 632	76 701	35 195	2 766	3 726	76 346	18 096	50 578	145 020
1992	26 617	82 319	44 005	5 237	3 358	89 534	13 917	58 085	161 536
1993*	32 996	74 372	73 682	6 894	2 009	120 571	10 391	58 991	189 953
1993*									
III	33 334	77 791	67 504	6 517	2 018	113 846	10 727	62 591	187 164
IV	32 996	74 372	73 682	6 894	2 009	120 571	10 391	58 991	189 953
1994*									
I	34 235	72 084	77 676	7 255	1 007	126 390	8 898	56 969	192 258
II	33 236	71 920	78 990	7 297	964	130 760	8 584	53 063	192 407
III	31 117	70 899	84 211	7 134	963	135 008	7 848	51 468	194 324

C) Turnover, mill. FIM

During period	Interbank	Between banks and customers	Primary dealers' transactions in benchmark government bonds		
			Purchases from other primary dealers	Purchases from others	Sales to others
	1	2	3	4	5
1990	5 401	6 058	.	.	.
1991	3 343	29 134	.	.	.
1992	18 221	58 594	10 744	12 156	13 354
1993	45 966	241 273	42 945	95 647	117 489
1994	181 742	340 813	173 096	150 908	176 647
1993					
Dec.	6 012	26 948	5 414	10 765	12 500
1994					
Jan.	8 899	41 502	8 437	17 411	19 133
Feb.	14 265	40 081	12 427	16 883	18 485
March	34 926	56 958	32 256	28 635	28 693
April	24 666	37 825	23 300	17 241	17 960
May	10 588	20 896	9 731	8 753	10 958
June	14 560	20 091	14 132	8 225	11 496
July	5 171	12 950	5 081	4 961	7 745
Aug.	22 933	21 706	22 791	10 728	10 987
Sept.	12 357	23 278	12 307	9 424	13 922
Oct.	13 493	26 807	13 361	12 045	14 624
Nov.	12 220	22 667	11 742	9 818	13 363
Dec.	7 664	16 052	7 531	6 784	9 281

5.6 Helsinki Stock Exchange

Average of daily observations	Share prices									Turnover ¹ , mill. FIM		
	HEX index (28 Dec., 1990=1000)									Shares and sub- scrip- tion rights	Bonds and debentures	Total
	All-share index	By ownership		By industry					Of which:			
		Re- stricted	Non- re- stricted	Banks and finance	Insurance and investment	Manu- facturing	Forest industries	Metal and engineering					Con- glomerates
	1	2	3	4	5	6	7	8	9	10	11	12
1990	1 332	1 324	1 393	1 263	1 185	1 376	1 436	1 282	1 474	15 521	4 550	20 071
1991	962	949	1 062	901	898	1 003	1 075	1 076	1 021	6 339	1 315	7 655
1992	772	759	868	425	467	943	1 123	1 206	890	10 277	15 377	25 654
1993	1 240	.	.	608	644	1 601	1 695	1 749	1 751	46 337	59 977	106 314
1994	1 847	.	.	719	802	2 464	2 284	2 675	3 068	68 671	2 147	70 818
1993												
Dec.	1 549	.	.	773	801	2 003	2 114	2 240	2 209	4 810	6 375	11 185
1994												
Jan.	1 797	.	.	870	952	2 315	2 357	2 733	2 537	8 781	276	9 057
Feb.	1 917	.	.	942	1 011	2 462	2 410	2 982	2 704	6 395	558	6 953
March	1 861	.	.	824	948	2 422	2 250	2 841	2 792	7 060	334	7 394
April	1 815	.	.	771	914	2 377	2 189	2 689	2 818	4 849	107	4 956
May	1 839	.	.	749	862	2 427	2 207	2 723	2 891	4 035	71	4 105
June	1 709	.	.	676	726	2 271	2 113	2 526	2 732	3 719	49	3 768
July	1 776	.	.	688	727	2 377	2 253	2 503	2 987	3 891	99	3 990
Aug.	1 877	.	.	647	759	2 536	2 405	2 742	3 185	6 594	134	6 728
Sept.	1 908	.	.	652	697	2 601	2 513	2 738	3 336	4 856	132	4 988
Oct.	1 917	.	.	645	714	2 612	2 351	2 657	3 512	7 761	216	7 977
Nov.	1 907	.	.	604	694	2 617	2 207	2 567	3 672	5 629	102	5 731
Dec.	1 832	.	.	576	640	2 524	2 128	2 375	3 589	5 100	70	5 170

¹ During period.

6. Balance of payments, foreign liabilities and assets

6.1 Current account, mill.FIM

During period	Exports of goods, feb	Transport receipts	Travel receipts	Other services receipts	Services receipts, total (2+3+4)	Exports of goods and services (1+5)	Investment income	Transfers and other income	Current account receipts (6+7+8)	Imports of goods, cif	Transport expenditure	Travel expenditure	Other services expenditure
	1	2	3	4	5	6	7	8	9	10	11	12	13
1989	98 265	7 662	4 497	6 277	18 436	116 701	10 212	3 779	130 692	104 400	3 869	8 969	8 759
1990	99 750	8 347	4 650	6 081	19 077	118 827	12 739	4 601	136 166	101 967	4 363	10 766	9 503
1991	91 100	7 508	5 044	5 636	18 189	109 289	10 003	5 336	124 628	86 348	3 974	11 089	11 011
1992	105 809	8 643	6 089	7 730	22 462	128 272	6 423	5 920	140 614	93 187	4 360	10 962	13 369
1993*	132 550	10 430	7 079	9 379	26 888	159 438	7 624	6 506	173 567	101 559	5 537	9 237	17 008
1992													
I	24 783	2 002	1 159	1 702	4 863	29 645	2 301	1 367	33 313	22 698	1 001	2 725	3 422
II	26 452	2 152	1 493	1 681	5 326	31 778	1 269	1 374	34 421	24 180	1 064	2 813	3 039
III	24 820	2 323	1 958	1 923	6 203	31 023	1 204	1 480	33 707	20 677	1 119	2 853	3 242
IV	29 754	2 167	1 480	2 424	6 071	35 825	1 649	1 699	39 173	25 632	1 176	2 572	3 666
1993*													
I	31 016	2 366	1 351	2 778	6 495	37 511	2 233	1 470	41 215	25 715	1 279	2 401	4 445
II	32 625	2 646	1 763	2 281	6 690	39 315	2 125	1 756	43 196	24 818	1 325	2 276	4 015
III	32 116	2 832	2 203	2 102	7 138	39 253	1 622	1 584	42 460	23 992	1 444	2 242	4 206
IV	36 793	2 586	1 761	2 218	6 565	43 358	1 643	1 695	46 696	27 034	1 489	2 319	4 341
1994*													
I	34 536	2 602	1 425	2 444	6 471	41 006	1 974	1 597	44 577	24 852	1 314	1 899	4 233
II	38 519	2 923	1 740	2 172	6 835	45 354	3 673	1 496	50 523	29 488	1 483	2 036	3 974
III	37 405	3 127	2 063	2 523	7 713	45 118	2 618	1 498	49 234	28 866	1 425	2 097	3 836

During period	Services expenditure, total (11+12 +13)	Imports of goods and services (10+14)	Investment expenditure (15+16 +17)	Transfers and other expenditure (18)	Current account expenditure (15+16 +17)	Trade account (1-10)	Transport (2-11)	Travel (3-12)	Other services (4-13)	Services account (20+21 +22)	Goods and services account (19+23)	Investment income, net (7-16)	Transfers and others, net (8-17)	Current account (24+25 +26) = (9-18)
	14	15	16	17	18	19	20	21	22	23	24	25	26	27
1989	21 596	125 996	21 882	7 689	155 566	-6 134	3 793	-4 471	-2 482	-3 160	-9 294	-11 670	-3 910	-24 874
1990	24 632	126 599	26 973	9 107	162 680	-2 218	3 984	-6 117	-3 422	-5 555	-7 772	-14 234	-4 506	-26 513
1991	26 074	112 421	28 674	10 229	151 325	4 752	3 534	-6 044	-5 374	-7 885	-3 132	-18 671	-4 893	-26 696
1992	28 690	121 878	30 424	10 347	162 649	12 622	4 283	-4 873	-5 639	-6 228	6 394	-24 001	-4 428	-22 035
1993*	31 782	133 341	34 580	10 390	178 311	30 991	4 893	-2 159	-7 629	-4 894	26 097	-26 956	-3 885	-4 744
1992														
I	7 148	29 845	8 435	3 124	41 405	2 085	1 001	-1 566	-1 720	-2 285	-200	-6 134	-1 758	-8 092
II	6 916	31 096	7 400	2 381	40 877	2 272	1 087	-1 320	-1 358	-1 590	682	-6 131	-1 007	-6 456
III	7 214	27 891	6 765	2 402	37 058	4 143	1 204	-895	-1 319	-1 011	3 132	-5 561	-922	-3 351
IV	7 413	33 045	7 824	2 440	43 309	4 122	991	-1 092	-1 241	-1 342	2 780	-6 174	-741	-4 136
1993*														
I	8 125	33 840	10 137	2 808	46 785	5 301	1 087	-1 049	-1 667	-1 630	3 672	-7 904	-1 338	-5 570
II	7 616	32 434	10 493	2 393	45 321	7 806	1 322	-512	-1 735	-926	6 881	-8 368	-637	-2 124
III	7 892	31 884	6 805	2 640	41 330	8 124	1 388	-39	-2 104	-755	7 369	-5 183	-1 055	1 131
IV	8 149	35 183	7 145	2 549	44 876	9 760	1 097	-558	-2 123	-1 584	8 175	-5 502	-854	1 820
1994*														
I	7 446	32 298	9 181	2 948	44 427	9 684	1 288	-474	-1 789	-976	8 708	-7 207	-1 351	150
II	7 494	36 982	8 523	2 223	47 728	9 031	1 439	-296	-1 802	-659	8 372	-4 850	-727	2 795
III	7 359	36 225	6 173	2 247	44 646	8 539	1 702	-34	-1 314	354	8 893	-3 555	-750	4 588

6.2 Capital and financial account, mill. FIM

During period	Imports of capital												Total (1+7+12)
	Direct investment in Finland	Portfolio investment					Total (2+3+5+6)	Other investment				Total (8+9+10+11)	
		Shares	Bonds	Of which: market-denominated bonds	Money market instruments	Financial derivatives		Trade credits	Loans	Currency and deposits	Other		
1	2	3	4	5	6	7	8	9	10	11	12	13	
1989	2 095	1 309	13 447	- 214	1 329	..	16 085	1 445	10 807	406	4 696	17 355	35 535
1990	3 010	376	22 280	1 440	- 923	..	21 733	1 156	16 635	- 725	17 307	34 372	59 115
1991	- 997	47	38 751	11 786	- 4 511	..	34 287	- 3 987	7 496	131	- 9 737	- 6 098	27 192
1992*	1 822	397	39 309	- 5 312	- 1 791	..	37 915	3 639	2	1 690	- 17 415	- 12 084	27 653
1993*	4 945	12 748	30 353	3 616	- 4 382	..	38 719	4 467	5 357	- 5 347	- 24 454	- 19 977	23 687
1992*													
I	563	199	4 102	- 1 545	1 244	..	5 545	385	111	- 1 050	952	398	6 506
II	74	145	13 023	114	- 3 179	..	9 990	- 678	- 395	801	- 5 471	- 5 743	4 321
III	340	6	5 474	- 2 712	- 485	..	4 995	2 755	16	828	648	4 248	9 583
IV	845	47	16 710	- 1 169	629	..	17 386	1 178	270	1 110	- 13 544	- 10 986	7 244
1993*													
I	439	1 405	15 542	320	- 2 314	..	14 632	1 900	7 326	901	- 8 593	1 533	16 604
II	927	1 515	16 269	3 420	- 1 348	..	16 435	- 196	815	- 1 268	- 6 612	- 7 261	10 101
III	631	6 529	2 267	2 523	- 2 755	..	6 041	- 836	- 1 495	1 671	- 8 143	- 8 803	- 2 131
IV	2 948	3 300	- 3 725	- 2 646	2 036	..	1 611	3 599	- 1 289	- 6 650	- 1 106	- 5 446	- 887
1994*													
I	3 664	4 389	3 196	- 944	- 2 101	31	5 515	- 879	- 3 980	772	6 665	2 578	11 757
II	3 010	2 292	6 906	- 2 244	3 074	272	12 544	- 852	1 258	- 1 748	- 3 077	- 4 420	11 134
III	2 242	5 181	16 297	552	- 2 036	- 499	18 943	364	- 1 257	964	- 5 536	- 5 465	15 720

During period	Exports of capital											Errors and omissions	Change in central bank's reserve assets (In-crowd-)	
	Direct investment abroad	Portfolio investment					Total (15+16+17+18)	Other investment						Total (14+19+24)
		Shares	Bonds	Money market instruments	Financial derivatives	Trade credits		Loans	Currency and deposits	Other				
14	15	16	17	18	19	20	21	22	23	24	25	26	27	
1989	12 715	264	- 84	87	..	267	567	5 155	116	1 831	7 669	20 650	5 457	4 532
1990	10 353	2	575	1 171	..	1 748	- 1 565	2 953	935	- 3 480	- 1 157	10 944	- 6 240	- 15 417
1991	- 501	- 369	- 3	1 499	..	1 128	- 726	2 341	1 054	6 587	9 256	9 883	2 012	7 375
1992*	- 3 372	46	321	2 748	..	3 115	3 634	3 409	3 745	3 259	14 048	13 790	- 1 008	9 180
1993*	9 537	873	767	1 932	..	3 571	1 923	- 839	- 6 063	14 698	9 720	22 828	5 104	- 1 219
1992*														
I	- 581	27	155	91	..	273	835	1 229	2 528	- 4 078	515	206	170	1 623
II	- 1 544	- 19	1 161	- 1 490	..	- 348	- 314	- 807	522	- 439	- 1 038	- 2 931	- 1 810	1 015
III	- 552	13	- 895	786	..	- 96	1 313	553	2 619	3 501	7 986	7 338	- 4 944	6 051
IV	- 695	25	- 100	3 361	..	3 286	1 799	2 435	- 1 924	4 276	6 586	9 177	5 577	492
1993*														
I	985	158	2 823	- 577	..	2 404	1 623	- 726	- 1 516	15 515	14 896	18 285	1 665	5 586
II	1 081	2	- 1 095	- 972	..	- 2 065	518	- 185	247	- 3 766	- 3 186	- 4 171	- 1 464	- 10 684
III	- 473	77	- 841	3 975	..	3 211	- 190	- 1 008	1 514	9 514	9 829	12 567	2 549	11 019
IV	7 944	636	- 120	- 494	..	21	- 28	1 081	- 6 308	- 6 564	- 11 819	- 3 854	2 354	- 7 141
1994*														
I	5 333	43	- 662	211	- 201	- 609	- 1 329	- 1 279	2 612	- 5 779	- 5 774	- 1 050	- 2 679	- 10 279
II	4 788	- 68	- 3 273	- 4 446	- 27	- 7 814	1 737	- 1 349	- 460	6 181	6 110	3 084	- 672	- 10 172
III	4 385	- 18	- 1 231	420	- 52	- 881	- 437	- 110	- 268	9 875	9 060	12 563	- 3 824	- 3 921

6.3 Finland's international investment position, mill. FIM

Position at end of period	Liabilities												
	Direct investment in Finland	Portfolio investment					Other investment					Total liabilities (1+7+12)	
		Shares	Bonds	Of which: market denominated bonds	Money market instruments	Financial derivatives	Total (2+3+5+6)	Trade credits	Loans	Currency and deposits	Other		Total (8+9+10+11)
1	2	3	4	5	6	7	8	9	10	11	12	13	
1989	16 093	8 146	74 167	3 906	4 050	..	86 363	14 064	40 210	870	92 620	147 764	250 220
1990	18 651	5 052	95 530	6 385	23 856	..	124 438	13 915	51 937	7 969	89 662	163 483	306 572
1991	17 443	4 149	141 055	19 036	22 079	..	167 283	9 532	68 892	8 555	84 036	171 015	355 741
1992*	19 348	5 138	211 361	14 366	19 391	..	235 889	13 305	78 330	11 880	78 804	182 320	437 557
1993*	24 391	30 375	265 571	27 149	15 034	- 6 103	304 877	18 206	91 380	4 025	55 478	169 089	498 356
1992*													
I	18 027	4 279	150 644	17 366	15 612	..	170 535	9 868	69 353	7 607	96 351	183 178	371 740
II	18 122	4 083	160 415	17 851	18 160	..	182 658	9 219	66 741	8 275	81 099	165 333	366 113
III	18 483	3 367	184 851	15 547	18 023	..	206 242	12 019	72 530	9 942	89 639	184 130	408 855
IV	19 348	5 138	211 361	14 366	19 391	..	235 889	13 305	78 330	11 880	78 804	182 320	437 557
1993*													
I	19 812	8 121	253 159	16 281	17 007	..	278 287	15 193	97 042	13 135	76 093	201 462	499 561
II	20 763	11 901	254 886	21 118	15 573	..	282 360	14 897	93 680	11 461	67 494	187 532	490 654
III	21 418	22 725	265 540	23 460	13 090	..	301 355	14 091	95 614	13 276	61 106	184 087	506 860
IV	24 391	30 375	265 571	27 149	15 034	- 6 103	304 877	18 206	91 380	4 025	55 478	169 089	498 356
1994*													
I	27 562	39 079	266 694	28 087	12 244	- 8 855	309 162	17 145	85 626	4 724	60 047	167 543	504 267
II	30 584	42 719	272 980	24 622	15 286	- 7 931	323 054	16 275	86 792	2 964	56 729	162 759	516 398
III	32 731	56 036	272 703	26 697	11 851	- 6 893	333 697	16 532	80 213	3 752	48 448	148 946	515 373

Position at end of period	Assets											
	Direct investment abroad	Portfolio investment					Other investment					Total assets (14+20+21+22+23)
		Shares	Bonds	Money market instruments	Financial derivatives	Total (15+16+17+18)	Trade credits	Loans	Currency and deposits	Other	Total (20+21+22+23)	
14	15	16	17	18	19	20	21	22	23	24	25	
1989	32 221	388	7 292	1 576	..	9 256	22 320	20 060	748	59 372	102 500	143 977
1990	40 800	762	6 447	2 173	..	9 383	16 549	24 825	5 726	65 754	112 854	163 037
1991	44 823	426	7 004	4 154	..	11 584	16 388	28 504	7 647	72 498	125 037	181 444
1992*	44 921	469	8 697	7 917	..	17 083	21 389	35 251	12 665	76 647	145 952	207 955
1993*	54 577	1 285	10 706	11 028	446	23 465	26 350	34 018	5 701	89 301	155 370	233 412
1992*												
I	43 876	428	7 472	4 550	..	12 450	17 401	30 223	10 193	68 559	126 376	182 702
II	41 966	408	8 681	2 881	..	11 970	17 034	28 128	10 558	65 437	121 157	175 094
III	45 982	442	8 176	4 032	..	12 650	18 898	30 676	14 188	68 323	132 085	190 718
IV	44 921	469	8 697	7 917	..	17 083	21 389	35 251	12 665	76 647	145 952	207 955
1993*												
I	51 946	676	11 952	7 766	..	20 394	23 664	36 976	12 275	92 392	165 307	237 648
II	48 465	671	10 801	6 627	..	18 099	23 888	34 148	12 159	97 321	167 516	234 080
III	49 447	759	10 074	10 689	..	21 522	23 857	34 208	13 929	98 044	170 039	241 008
IV	54 577	1 285	10 706	11 028	446	23 465	26 350	34 018	5 701	89 301	155 370	233 412
1994*												
I	59 366	1 296	9 576	10 910	622	22 403	24 479	31 396	8 107	91 319	155 301	237 070
II	64 301	1 211	5 953	6 338	550	14 052	26 155	29 866	7 449	106 714	170 183	248 536
III	65 883	1 116	4 175	6 087	561	11 939	24 480	28 376	6 957	113 281	173 094	250 916

6.4 Finland's net international investment position (liabilities less assets), by sector, mill. FIM

Position at end of period	Corporate sector	Banks	Bank of Finland	Other financial institutions	Central government	Local government	Net (1+2+3+4+5+6)	Net interest and dividend expenditure	Net interest and dividend expenditure in relation to current account receipts, %
	1	2	3	4	5	6	7	8	9
1989	24 142	88 931	- 23 561	- 3 108	19 264	575	106 243	10 453	8.0
1990	34 853	110 111	- 36 700	9 910	24 751	610	143 535	13 130	9.7
1991	28 483	107 434	- 34 046	18 960	52 748	719	174 298	15 671	12.7
1992*	30 501	82 343	- 27 546	28 283	113 674	2 347	229 602	19 011	13.6
1993*	49 897	48 189	- 33 279	29 737	167 444	2 956	264 944	21 897	12.7
1992*									
I	28 610	110 668	- 33 471	20 750	60 859	1 623	189 038	4 887	14.7
II	28 737	94 368	- 31 437	21 931	75 717	1 703	191 019	4 883	14.2
III	30 741	83 775	- 16 715	24 364	94 016	1 958	218 138	4 314	12.8
IV	30 501	82 343	- 27 546	28 283	113 674	2 347	229 602	4 926	12.6
1993*									
I	35 085	65 514	- 27 782	29 660	156 500	2 937	261 914	6 640	16.1
II	37 112	61 511	- 37 288	27 269	165 160	2 810	256 574	7 103	16.4
III	45 024	44 622	- 27 318	27 224	173 332	2 967	265 852	3 918	9.2
IV	49 897	48 189	- 33 279	29 737	167 444	2 956	264 944	4 237	9.1
1994*									
I	58 950	53 526	- 42 504	27 717	166 274	3 233	267 196	6 607	14.8
II	58 214	52 727	- 52 617	25 280	181 009	3 248	267 861	4 250	8.4
III	70 192	34 296	- 52 998	24 271	185 627	3 069	264 457	2 955	6.0

7. Foreign trade

7.1 Exports, imports and the trade balance, mill. FIM

During period	Exports, feb	Imports, cif	Balance (1-2)
	1	2	3
1989	99 784	105 516	- 5 732
1990	101 327	103 027	- 1 700
1991	92 842	87 744	5 098
1992	107 463	94 947	12 516
1993*	133 927	103 078	30 849
1993*			
Nov.	12 402	9 522	2 880
Dec.	10 880	9 473	1 407
1994*			
Jan.	11 888	8 324	3 563
Feb.	10 917	7 423	3 493
March	12 133	9 520	2 612
April	12 352	9 417	2 934
May	13 374	10 933	2 440
June	13 314	9 603	3 710
July	13 142	9 169	3 972
Aug.	11 567	9 877	1 689
Sept.	13 119	10 126	2 993
Oct.	13 373	10 080	3 293
Nov.	13 949	10 948	3 001

7.2 Foreign trade: indices of volume, unit value and terms of trade, 1980=100

Period	Volume		Unit value		Terms of trade
	Exports	Imports	Exports	Imports	
	1	2	3	4	5
1989	121	144	156	126	123
1990	125	138	154	128	120
1991	114	115	154	131	118
1992	124	112	164	145	113
1993	147	109	172	163	106
1992					
II	125	118	162	143	113
III	117	102	163	142	115
IV	133	116	171	154	111
1993					
I	135	108	176	165	106
II	143	105	174	165	105
III	141	101	174	165	105
IV	165	116	170	161	105
1994*					
I	155	107	170	161	106
II	168	129	175	158	111
III	161	124	178	161	111

7.3 Foreign trade by main groups, mill. FIM

During period	Exports by industries, feb					Imports by use of goods, cif				
	Wood industry products	Paper industry products	Chemical industry products	Metal and engineering industry products	Other goods	Raw materials (excl. crude oil)	Crude oil, fuels and lubricants	Finished goods	Consumer goods	Other goods
	1	2	3	4	5	6	7	8	9	10
1989	7 416	32 513	8 844	32 682	18 329	51 786	8 310	20 606	24 055	759
1990	7 811	31 658	9 540	35 493	16 825	49 210	9 829	19 364	23 888	736
1991	6 984	29 695	10 539	29 188	16 436	42 505	9 399	13 973	21 195	672
1992	7 892	32 587	12 172	35 741	19 071	49 514	9 745	13 348	20 826	1 514
1993*	10 889	37 410	14 192	48 099	23 337	54 778	10 911	15 337	21 045	1 007
1993*										
Nov.	1 068	3 300	1 361	4 486	2 187	4 977	1 255	1 287	1 949	54
Dec.	964	2 954	1 069	3 766	2 127	5 013	1 113	1 356	1 895	96
1994*										
Jan.	978	3 009	1 282	4 272	2 347	4 537	693	1 206	1 820	68
Feb.	1 018	3 060	1 060	3 741	2 038	4 229	608	925	1 621	40
March	1 026	3 623	1 248	4 061	2 175	5 198	752	1 314	2 206	50
April	1 165	3 487	1 156	4 338	2 206	4 823	968	1 662	1 913	51
May	1 431	3 506	1 511	4 538	2 388	6 075	1 290	1 317	2 232	19
June	1 318	3 358	1 289	4 882	2 467	5 513	867	1 192	1 950	81
July	1 015	3 287	1 315	5 802	1 723	4 823	955	1 227	1 792	372
Aug.	935	3 437	1 258	3 816	2 121	5 419	1 029	1 386	2 031	12
Sept.	1 313	3 586	1 354	4 320	2 546	5 656	1 054	1 384	2 027	5
Oct.	1 268	3 566	1 313	4 937	2 289	5 645	803	1 485	2 051	96
Nov.	1 357	3 719	1 453	4 968	2 452	6 191	1 012	1 557	2 180	8

7.4 Foreign trade by regions and countries

Region and country	Exports, fob				Imports, cif			
	1993 *		1994 *		1993 *		1994 *	
	Mill. FIM	Percentage share	Mill. FIM	Percentage change from the corresponding period of the previous year	Mill. FIM	Percentage share	Mill. FIM	Percentage change from the corresponding period of the previous year
1	2	3	4	5	6	7	8	
All OECD countries	102 135	76.3	104 660	11.0	81 607	79.2	81 668	10.0
OECD Europe	86 513	64.6	88 678	11.2	66 956	65.0	65 643	7.8
Of which:								
Austria	1 427	1.1	1 468	9.8	1 179	1.1	1 194	13.3
Belgium and Luxembourg	2 955	2.2	3 118	15.4	3 008	2.9	2 887	6.6
Denmark	4 479	3.3	4 822	16.8	3 231	3.1	3 224	8.1
France	7 114	5.3	7 015	7.9	4 716	4.6	4 350	2.1
Germany	17 628	13.2	18 733	15.5	16 901	16.4	15 591	0.7
Italy	4 350	3.2	4 162	3.2	3 811	3.7	4 184	21.1
Netherlands	6 729	5.0	7 155	16.2	3 847	3.7	3 850	8.8
Norway	4 277	3.2	4 402	13.0	5 010	4.9	4 947	10.4
Spain	3 263	2.4	3 179	3.8	1 245	1.2	1 400	27.1
Sweden	14 855	11.1	15 195	10.9	10 531	10.2	11 055	16.2
Switzerland	2 111	1.6	2 104	7.3	2 044	2.0	1 890	0.6
United Kingdom	14 020	10.5	14 454	11.0	9 160	8.9	8 757	5.2
Other OECD	15 622	11.7	15 982	9.7	14 651	14.2	16 024	19.7
Of which:								
Canada	1 075	0.8	946	-6.8	724	0.7	715	7.1
Japan	2 187	1.6	2 869	44.3	5 958	5.8	6 655	22.4
United States	10 506	7.8	10 240	3.6	7 498	7.3	8 035	17.6
Non-OECD European countries	12 679	9.5	16 391	46.6	11 207	10.9	13 050	28.5
Of which:								
Russia	6 051	4.5	7 182	38.2	7 813	7.6	9 241	29.5
Other countries	19 113	14.3	18 108	2.7	10 264	10.0	10 716	16.2
Of which:								
OPEC countries	3 266	2.4	2 258	-24.6	542	0.5	504	17.0
TOTAL	133 927	100.0	139 159	13.0	103 078	100.0	105 433	12.6
Of which:								
EC countries	62 850	46.9	64 819	11.9	47 974	46.5	46 312	5.9
EFTA countries	22 799	17.0	23 284	10.8	18 831	18.3	19 164	12.8

8. Domestic economic developments

8.1 Supply and use of resources, mill. FIM, 1990 prices (seasonally adjusted figures)

Period	Consumption expenditure		Fixed investment		Change in stocks, incl. statistical discrepancy	Domestic demand (1+2+3+4+5)	Exports	Imports	GDP (6+7-8)
	Private	Public	Private	Public					
	1	2	3	4	5	6	7	8	9
1989	269 879	104 526	129 905	15 149	5 975	525 434	117 241	127 311	515 364
1990	269 754	108 535	121 858	17 286	5 769	523 202	118 828	126 600	515 430
1991	260 031	111 256	93 722	17 243	-2 451	479 801	110 965	111 755	479 011
1992	247 363	108 799	75 338	16 899	4 534	452 933	122 059	112 989	462 003
1993*	237 793	103 004	61 105	13 959	10 064	425 925	142 459	113 752	454 632
1992									
II	61 884	27 267	20 146	4 377	202	113 876	30 299	28 725	115 450
III	61 470	27 118	18 088	4 076	979	111 731	30 636	27 580	114 787
IV	61 081	27 032	16 406	4 264	2 241	111 024	31 431	27 859	114 596
1993*									
I	59 869	25 940	16 015	3 642	2 713	108 179	34 737	29 764	113 152
II	59 251	25 836	15 363	3 442	1 252	105 144	34 514	27 041	112 617
III	58 962	25 666	15 013	3 539	3 272	106 452	36 320	28 565	114 207
IV	59 711	25 562	14 714	3 336	2 827	106 150	36 888	28 382	114 656
1994*									
I	60 802	25 197	15 651	3 254	1 261	106 165	37 739	28 351	115 553
II	60 013	25 075	16 113	3 108	4 608	108 917	40 035	31 193	117 759
III	60 423	24 879	16 825	3 005	5 757	110 889	40 873	32 372	119 390

8.2 Volume of industrial production, 1990=100 (seasonally adjusted figures)

Period	Total industry	Mining and quarrying	Manufacturing	Wood and paper industries	Metal and engineering industries	Other manufacturing	Energy and water supply
	(100.0)	(1.3)	(89.6)	(16.8)	(31.3)	(41.5)	(9.1)
	1	2	3	4	5	6	7
1989	100.3	101.9	100.5	102.3	99.6	100.8	97.9
1990	100.2	99.8	100.2	100.1	100.4	100.1	100.0
1991	91.2	91.3	89.9	91.5	85.6	92.6	103.6
1992	92.4	88.4	91.4	94.6	91.1	90.2	103.0
1993*	97.1	85.8	96.2	104.3	99.4	90.4	107.9
1993*							
Oct.	100.7	83.8	100.1	110.3	105.0	92.2	110.6
Nov.	101.2	83.4	100.3	109.3	104.9	93.7	109.7
Dec.	101.8	84.9	100.6	109.4	106.9	93.1	113.1
1994*							
Jan.	102.0	82.0	101.0	111.3	103.5	93.8	113.0
Feb.	103.1	74.9	101.6	109.6	109.6	93.0	119.2
March	103.0	82.0	102.0	111.1	112.2	88.7	116.2
April	105.2	86.8	104.7	111.6	112.7	96.2	114.5
May	108.1	85.2	106.4	113.3	116.9	97.7	116.1
June	107.7	101.0	107.3	113.2	116.3	98.0	117.4
July	108.6	220.2	106.1	120.0	111.0	96.9	113.1
Aug.	107.5	175.0	105.1	113.0	114.2	94.5	125.7
Sept.	112.4	101.4	112.2	115.4	131.1	96.7	118.8
Oct.	112.7	84.8	113.2	117.6	131.5	97.6	113.1

8.3 Indicators of domestic supply and demand, 1985=100 (seasonally adjusted figures)

Period	Volume of wholesale trade	Volume of retail trade	Volume of construction of buildings	Of which:			Imports of investment goods	Monthly indicator of GDP
				Residential buildings	Industrial buildings	Other buildings		
	1	2	3	4	5	6	7	8
1989	124.2	117.0	130.3	132.9	137.6	125.2	161.4	116.7
1990	119.9	111.6	127.3	124.8	161.7	122.1	144.6	117.5
1991	99.4	103.5	103.9	94.4	127.7	109.9	102.1	110.3
1992	87.2	92.9	79.5	72.1	76.2	87.5	84.5	107.0
1993*	82.5	87.6	59.5	58.7	52.9	59.8	83.0	105.5
1993*								
Sept.	81.7	85.5	..	..	..	..	..	105.5
Oct.	80.6	85.9	..	..	..	..	..	105.6
Nov.	83.2	86.9	..	..	..	..	..	107.1
Dec.	84.0	88.9	..	..	..	..	..	107.6
1993*								
III	83.0	85.6	59.3	56.0	47.8	59.3	60.7	105.2
IV	82.6	87.3	56.7	55.2	61.5	51.4	78.7	106.8
1994*								
Jan.	82.5	88.6	..	..	..	..	..	107.3
Feb.	83.6	89.1	..	..	..	..	..	107.5
March	83.9	92.5	..	..	..	..	..	109.1
April	82.2	87.6	..	..	..	..	..	109.8
May	89.4	90.9	..	..	..	..	..	110.8
June	88.2	89.6	..	..	..	..	..	109.7
July	85.7	85.0	..	..	..	..	..	109.8
Aug.	92.5	88.9	..	..	..	..	..	110.2
Sept.	90.4	91.1	..	..	..	..	..	110.7
1994*								
I	83.4	90.1	53.7	59.7	40.3	50.2	72.7	108.0
II	86.6	89.4	48.1	54.9	42.2	44.8	97.3	110.1
III	89.5	88.3	52.5	50.8	68.3	44.8	84.5	110.3

8.4 Wages and prices, 1990=100

Period	Index of wage and salary earnings	By sectors			Consumer price index	Indicator of underlying inflation	Basic price index for domestic supply	By origin		Producer price index for manufacturing	By marketing area		Building cost index
		Private	Of which: Manufacturing (SIC3)	Public				Domes- tic goods	Import- ed goods		Export- ed goods	Home market goods	
	1	2	3	4	5	6	7	8	9	10	11	12	13
1989	91.5	91.7	91.1	91.2	94.2	94.9	96.6	96.9	99.1	98.1	100.5	96.9	94.1
1990	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1991	106.4	106.4	106.1	106.4	104.3	104.1	100.0	99.8	100.8	99.4	98.5	99.8	102.2
1992	108.4	108.1	108.3	109.0	107.4	107.1	101.4	99.5	108.5	101.6	102.7	101.1	100.4
1993¹	109.2	108.8	110.0	110.1	109.7	109.9	104.8	100.8	119.3	105.5	109.2	103.9	100.7
1993													
Nov.	..	..	..	..	109.7	110.8	104.7	101.0	118.3	105.6	109.4	104.0	101.0
Dec.	..	..	..	..	109.7	110.6	104.5	100.8	118.2	105.2	109.2	103.5	100.8
1993¹													
III	108.9	108.2	109.6	110.2	109.6	110.2	105.0	100.9	119.9	105.7	109.4	104.1	100.8
IV	109.9	109.6	111.5	110.7	109.8	110.7	104.7	101.0	118.5	105.6	109.6	103.9	100.9
1994													
Jan.	..	..	..	..	109.4	110.3	104.8	101.2	117.8	105.5	109.4	103.9	101.6
Feb.	..	..	..	..	109.8	110.8	105.1	101.7	117.4	105.5	108.4	104.3	101.6
March	..	..	..	..	110.0	111.0	105.4	101.9	118.1	105.7	108.0	104.7	101.7
April	..	..	..	..	110.2	111.3	105.8	102.1	119.2	105.8	108.0	104.8	101.7
May	..	..	..	..	110.3	111.3	105.8	102.2	119.1	106.4	109.0	105.2	101.9
June	..	..	..	..	111.3	111.3	106.1	102.5	119.5	107.0	110.3	105.6	102.2
July	..	..	..	..	111.4	111.5	106.6	103.1	119.3	107.7	110.9	106.3	102.1
Aug.	..	..	..	..	111.6	111.7	106.8	103.3	119.5	108.2	112.0	106.5	102.4
Sept.	..	..	..	..	111.8	112.0	107.0	103.7	119.3	108.4	112.0	106.8	102.5
Oct.	..	..	..	..	111.9	112.1	107.1	104.0	118.2	108.4	111.0	107.3	102.9
Nov.	..	..	..	..	111.6	..	107.1	104.1	118.5	108.4	111.3	107.2	102.9
1994¹													
I	110.4	110.3	113.1	110.9	109.7	110.7	105.1	101.6	117.8	105.6	108.6	104.3	101.6
II	110.9	110.9	114.4	111.0	110.6	111.3	105.9	102.3	119.3	106.4	109.1	105.2	101.9
III	111.1	111.0	114.9	111.2	111.6	111.7	106.8	103.4	119.4	108.1	111.6	106.5	102.3

¹ Preliminary figures for columns 1-4.

8.5 Labour, employment and unemployment (seasonally adjusted figures)

Period	Labour force participation rate among 15-74 year olds	Labour force	Total employment (4+5) = (6+7+8+9)	By industrial status			By industry			Unemployed	Unemployment rate
				Self-employed	Wage and salary earners	Agriculture and forestry	Industry	Construction	Service industries		
										%	
	1	2	3	4	5	6	7	8	9	10	11
1989	68.7	2 559	2 470	367	2 104	218	561	199	1 492	89	3.5
1990	68.4	2 556	2 467	360	2 108	207	556	205	1 500	88	3.4
1991	67.4	2 533	2 340	340	2 000	197	502	179	1 461	193	7.6
1992	66.1	2 502	2 174	325	1 849	188	454	150	1 382	328	13.1
1993	65.3	2 484	2 041	312	1 729	173	423	124	1 319	444	17.9
1993											
Nov.	65.4	2 490	2 025	295	1 730	181	413	121	1 310	464	18.6
Dec.	65.2	2 485	2 013	319	1 694	180	420	113	1 300	472	19.0
1994											
Jan.	64.7	2 467	1 992	354	1 638	174	409	116	1 294	475	19.2
Feb.	65.5	2 496	2 029	299	1 731	173	418	111	1 327	466	18.7
March	65.2	2 489	2 014	314	1 701	177	423	108	1 307	475	19.1
April	64.6	2 469	2 002	312	1 691	164	420	112	1 306	467	18.9
May	64.9	2 483	2 018	309	1 708	173	419	114	1 311	465	18.7
June	64.9	2 483	2 026	315	1 712	153	421	105	1 348	457	18.4
July	64.5	2 470	2 010	302	1 707	140	422	119	1 328	460	18.6
Aug.	64.6	2 471	2 026	306	1 720	165	431	113	1 317	445	18.0
Sept.	65.0	2 491	2 040	311	1 729	178	446	112	1 304	451	18.1
Oct.	64.8	2 481	2 039	301	1 738	158	436	120	1 325	441	17.8
Nov.	64.5	2 472	2 036	307	1 729	181	431	111	1 314	436	17.6

8.6 Central government finances: revenue, expenditure and financial balance,

mill. FIM, cash flow basis

During period	Revenue							Expenditure			
	Direct taxes	Indirect taxes	Other taxes and similar revenue	Other revenue	Revenue before financial transactions (1+2+3+4)	Redemptions of loans granted by the state	Revenue before borrowing (5+6)	Consumption	Transfers and subsidies	Of which:	
										Local government	Other domestic sectors
	1	2	3	4	5	6	7	8	9	10	11
1989	39 397	76 458	471	15 990	132 316	3 926	136 241	35 082	72 008	33 244	35 715
1990	42 611	77 364	953	18 423	139 351	4 260	143 611	41 535	81 190	37 646	40 313
1991	41 054	73 251	1 136	19 182	134 624	4 442	139 069	45 085	101 220	42 297	55 160
1992	34 312	69 541	1 512	21 251	126 616	5 054	131 669	49 291	105 184	42 990	59 180
1993	31 667	67 291	1 443	28 823	129 224	7 366	136 593	46 880	108 608	42 720	63 535
1993											
Oct.	2 774	5 548	118	1 072	9 512	64	9 576	3 381	9 774	3 375	6 235
Nov.	2 736	5 757	147	2 672	11 312	2 638	13 952	3 708	9 371	3 437	5 820
Dec.	2 078	6 543	115	5 142	13 878	759	14 637	4 256	10 357	3 609	6 318
1994											
Jan.	2 827	6 024	67	1 857	10 775	27	10 802	3 699	9 936	3 118	6 609
Feb.	2 757	5 500	115	1 770	10 142	83	10 224	3 090	8 334	3 084	4 939
March	3 774	4 727	100	2 283	10 884	2 382	13 265	4 097	9 474	3 521	5 820
April	2 374	5 134	100	1 945	9 553	208	9 759	3 320	9 049	3 849	5 068
May	2 567	5 970	98	2 717	11 352	241	11 592	3 633	8 999	3 684	5 166
June	2 786	5 511	524	1 977	10 798	1 503	12 300	4 654	9 930	3 725	6 028
July	3 059	5 980	237	1 756	11 032	898	11 929	4 200	8 475	3 195	5 083
Aug.	2 915	6 837	138	1 336	11 226	198	11 424	3 046	8 170	3 115	4 806
Sept.	2 671	5 289	127	1 489	9 576	81	9 658	3 866	8 399	3 147	5 182
Oct.	2 736	5 834	101	1 243	9 914	228	10 141	3 859	11 109	3 138	7 867

During period	Expenditure					Financial balance			
	Fixed investment	Other expenditure	Expenditure before financial transactions (8+9+12+13)	Lending and other financial investment	Expenditure before redemptions of state debt (14+15)	Revenue surplus (5-14)	Net borrowing requirement (7-16)	Net borrowing	Cash surplus (18+19)
1989	8 393	5 343	120 826	7 566	128 390	11 490	7 851	- 4 009	3 842
1990	5 962	4 927	133 614	9 319	142 934	5 737	678	1 201	1 879
1991	5 370	6 368	158 044	13 328	171 372	- 23 420	- 32 304	25 659	- 6 645
1992	5 042	8 499	168 016	35 501	203 516	- 41 400	- 71 847	70 691	- 1 155
1993	4 306	18 076	177 870	19 753	197 623	- 48 646	- 61 030	84 036	23 009
1993									
Oct.	369	2 497	16 021	740	16 761	- 6 509	- 7 185	6 076	- 1 109
Nov.	349	771	14 199	767	14 966	- 2 887	- 1 014	1 230	216
Dec.	477	1 744	16 834	2 491	19 325	- 2 956	- 4 688	91	- 4 596
1994									
Jan.	187	3 336	17 158	545	17 703	- 6 383	- 6 901	519	- 6 383
Feb.	224	1 202	12 850	631	13 482	- 2 708	- 3 258	7 659	4 402
March	245	3 120	16 936	3 111	20 047	- 6 052	- 6 782	- 41	- 6 823
April	227	2 081	14 677	1 434	16 112	- 5 124	- 6 353	789	- 5 563
May	257	1 438	14 327	717	15 045	- 2 975	- 3 453	9 209	5 756
June	342	2 424	17 350	663	18 013	- 6 552	- 5 713	13 429	7 716
July	353	1 181	14 209	365	14 575	- 3 177	- 2 646	14 635	11 990
Aug.	298	1 216	12 730	633	13 363	- 1 504	- 1 939	- 1 348	- 3 287
Sept.	321	1 748	14 334	6 490	20 824	- 4 758	- 11 166	13 203	2 037
Oct.	314	1 705	16 987	555	17 541	- 7 073	- 7 400	4 430	- 2 969

Notes and explanations to the statistical section

General

Source

Unless otherwise stated, the source or compiler of figures is the Bank of Finland.

Symbols used

- * Preliminary
- r Revised
- 0 Less than half the final digit shown
- .
- .. Logically impossible
- .. Data not available
- Nil
- S Affected by strike
- Break in series

Owing to rounding of figures, the sum of the individual items in the tables may differ from the total shown.

Notes and explanations to tables

1 The balance sheet of the Bank of Finland

Table 1.2 Domestic financial sector. Term claims on deposit banks, net (Column 11) = bank certificates of deposit held by the Bank of Finland + securities with repurchase commitments + term credits - term deposits. Liquidity position of deposit banks (Column 12): see explanation to Table 2.1. Other claims on financial institutions, net (Column 14) = till-money credits to deposit banks (until May 1993) + bonds + other claims on financial institutions - other liabilities to financial institutions.

2 The Bank of Finland's operations in the money and foreign exchange markets and the banks' forward exchange position

Table 2.1 Banks with access to central bank financing can make call money deposits with the Bank of Finland without limit. They can also obtain liquidity credit with a maturity of 1 day, 7 days, 14 days, 21 days or 28 days. The maturity is determined by the Bank of Finland.

Table 2.2 The minimum reserve requirement is reported for the month by the end of which the deposit must be made with the Bank of Finland. The requirement is determined on the basis of the reserve base for the previous month. No interest is paid on minimum reserve deposits. The cash reserve figures for 1989 include the additional deposit requirement of 1.1 per cent under the supplementary cash reserve agreement in force at the time, together with the corresponding non-interest-bearing deposits of FIM 3 159 million.

Table 2.3 Money market instruments are the instruments used by the Bank of Finland in its money market operations. Matured money market instruments, net, comprise both instruments purchased and sold. Money market transactions are recorded according to trade dates.

Table 2.4 Foreign exchange transactions are recorded according to trade dates. In addition to spot transactions (Columns 1, 2, 4 and 5) the Bank of Finland's foreign ex-

change reserves are affected by interest payment and by changes in both the prices of securities and exchange rates. Spot transactions related to forward contracts (Column 4) refer to the combined effects on the foreign exchange reserves of forward transactions in the form of swaps and maturing forward transactions. The central government's foreign exchange transactions (Column 5) comprise transactions related to drawings and redemptions of government loans and associated interest payments.

Table 2.5 The markka value of forward contracts is given.

3 Rates of interest

Table 3.1 The interbank overnight rate (Column 1) is weighted using amounts of interbank deposits as weights. HELIBOR (Helsinki Interbank Offered Rate) (Columns 2-5): The HELIBOR rate for each maturity is calculated by the Bank of Finland as the average of the offered rates for certificates of deposit quoted daily at 1 p.m. by the five largest banks.

Table 3.2 The Bank of Finland's tender rate (Column 1) is determined in tenders held by the Bank of Finland, in which the banks are asked to make bids or offers for money market instruments with a maturity of one month. The tender rate is the weighted average of accepted bids or offers, expressed as a simple annual interest rate. If, when requesting bids or offers, the Bank of Finland announces an acceptable interest rate (fixed-rate tender), the tender rate is the same as the rate announced by the Bank. The monthly and annual values for the tender rate are the arithmetic means of calendar day figures.

Banks with access to central bank financing can make call money deposits with the Bank of Finland without limit. In addition, they can obtain liquidity credit from the Bank of Finland with a maturity of 1 day, 7 days, 14 days, 21 days or 28 days. The maturity of liquidity credit is determined by the Bank of Finland. The rate of interest on liquidity credit is obtained by adding together the Bank of Finland's tender rate and the interest rate margin for liquidity credit. The call money deposit rate is obtained by subtracting the interest rate margin for call money deposits from the Bank of Finland's tender rate. The monthly and annual values for maturity and interest rate margins are the last values recorded in each month or year.

Table 3.3 The rates shown are based on the lending rates quoted for the respective currencies in the Euro-market. ECU (Column 1): the weights of the ECU basket. 3 currencies (Column 2): DEM 60, USD 30 and GBP 10 per cent.

Table 3.4 Lending. New credits (Columns 1-4): rates of interest on new credits drawn during the month are average monthly rates weighted by loan amounts. Annual rates are arithmetic average of monthly observations until 1987 after which they are weighted by loan amounts. Average lending rates (Columns 5 and 6) are all weighted by loan amounts. As from January 1989, the loans of Postipankki Ltd have been included in the commercial banks' outstanding stock of loans. *Deposits.* 24-month and 36-month tax-exempt deposits (Columns 7 and 8): from May (September) 1992, 24-month (36-month) deposits are tax-exempt if they carry a rate of interest which is at most the Bank of Finland's base rate less two percentage points (one percentage point). In the period from January 1989 to April 1992, 24-month de-

posits (Column 7) were tax-exempt if they carried a rate of interest which was at most the Bank of Finland's base rate less one percentage point. Other tax-exempt deposits (Column 9): in the period from January 1989 to April 1992, deposits other than 24-month deposits were tax-exempt if they carried a rate of interest which was at most the Bank of Finland's base rate less 4 percentage points. From May 1992, deposits other than 24-month or 36-month deposits are tax-exempt if they carry a maximum rate of interest as prescribed by law. The maximum rate was first set at 4.5 per cent. From 6 May 1993 it has been 2.5 per cent. All markka deposits (Column 10): the stock of deposits comprises all markka deposits by the public. The monthly and annual average rates of interest are weighted by deposit amounts. Other funding (Column 11): CDs outstanding + promissory notes + bonds. The average rate of interest is weighted by amounts. Total markka funding (Column 12); markka deposits by the public + banks' other markka funding. The rate of interest is weighted by amounts.

Table 3.5 Reference rates (Columns 1 and 2) are calculated by the Bank of Finland as the monthly averages of the offered rates for taxable, fixed-rate bonds quoted daily by the five largest banks. Yields on taxable government bonds (Columns 3 and 4) are calculated by the Bank of Finland in a similar fashion. Until January 1992, the yield on 5-year taxable government bonds (Column 3) was calculated on a bullet bond due on 15 March 1994 with a coupon rate of 13 per cent. From February 1992 onwards the yield is calculated on a bullet bond due on 15 January 1999 with a coupon rate of 11 per cent. Until June 1993, the yield on 10-year taxable government bonds (Column 4) is calculated on a housing bond (bullet) due on 15 March 2002 with a coupon rate of 10.75 per cent. From July 1993 onwards the yield is calculated on a bullet bond due on 15 March 2004 with a coupon rate of 9.50 per cent. The yield on taxable public issues (Column 5) is calculated as the arithmetic mean of yields on fixed-rate ordinary bonds, debentures and other bonds (excl. zero coupon loans, bonds with equity warrants and convertible debentures) issued by all issuers except the central government with a remaining maturity of between 3 and 6 years. The yield on taxfree public issues (Column 6) is calculated as the arithmetic mean of yields on fixed-rate public bonds with a remaining maturity of between 4 and 5 years. The Bank of Finland calculates the yields for columns 5 and 6 once a week on the basis of the trading quotations of the Helsinki Stock Exchange. Monthly observations are the averages of weekly observations and annual observations are the averages of monthly observations. The share yield (Column 7) is the weighted effective yield on shares quoted on the Helsinki Stock Exchange. Source: Statistics Finland.

4 Rates of exchange

Table 4.2 FIM/ECU (Column 1): The markka value of the ECU is calculated as the sum of the dollar amounts of the currencies in the ECU valued at current market rates, for which daily quotations at noon Finnish time are used. Since 8 September 1992 the markka has been floating. Trade-weighted currency index (Column 2): The weights are moving averages of the shares of (currently) 14 countries in Finland's foreign merchandise trade (only convertible currencies are included). The payments currency index (Column 3): The weights are moving averages of shares of payments currencies (14 convertible currencies) in Finland's foreign trade. The MERM index (Column 4): The weights are fixed 1977 weights computed on the basis of the IMF's world trade model; 14 currencies are included in this index.

5 Other domestic financing

Table 5.1 Source: Statistics Finland. The public comprises households and non-profit institutions, enterprises (excl. fi-

nanacial institutions) and the local government sector. The table is based on new classifications of Statistics Finland applied since March 1991. Series before March 1991 have been reclassified by the Bank of Finland to conform with the present table, except for columns 3 and 4 where disaggregation was not possible and combined figures are shown. Time deposits (Column 3) consist of all fixed-term deposits. Other deposits (Column 4) include mainly investment accounts with no specific time-period. Other funding (Column 8) comprises CDs, promissory notes and bonds. The figures for banks' holdings of CDs issued by other banks, as well as the CD holdings of the Bank of Finland and the central government have been netted out; netting out is done by the Bank of Finland. Hence, this column includes some liabilities held by entities not covered by the above definition of the public.

Table 5.2 Source: Statistics Finland. The public comprises households and non-profit institutions, enterprises (excl. financial institutions) and local government. Foreign currency credits (Column 5) are mainly granted by commercial banks and Postipankki.

Table 5.3 Foreign assets, net (Column 1) = the Bank of Finland's foreign claims + banks' foreign claims (incl. foreign claims of banks' foreign branches) - the Bank of Finland's foreign liabilities - banks' foreign liabilities (incl. foreign liabilities of banks' foreign branches). Domestic credit. Claims on the central government, net (Column 2) = the Bank of Finland's claims on the central government + banks' claims on the central government - the central government's deposits with the Bank of Finland and Postipankki - loans granted from state funds through banks. Claims on the public (incl. local government), (Column 3) = the Bank of Finland's claims on the private sector + banks' claims on the private sector (loans to the public, bonds and debentures (excl. government bonds and bank debentures), claims on other financial institutions, shares held by banks). Other items, net (Column 5) = capital accounts and other items of the Bank of Finland (incl. private sector time deposits with the Bank of Finland) + capital accounts of deposit banks + unclassified assets and liabilities of deposit banks, net (bank debentures, bank CDs held by the public, other market funding and foreign currency deposits by the public). M_1 (Column 6) = currency in circulation - banks' till money + markka cheque and postal giro account deposits and transactions account deposits held by the public. M_2 (Column 7) = M_1 + quasi-money (markka time deposits held by the public, excl. deposits with the Bank of Finland). M_3 (Column 8) = M_2 + bank CDs held by the public.

Table 5.4 Source: State Treasury Office. Other foreign currency-denominated debt (Column 2) consists of other bonds and debentures and longterm promissory notes. Other bonds and debentures are so-called private placings; long-term promissory notes are bank loans. Miscellaneous items (Column 7) include, inter alia, the liability for coinage (total coinage), promissory notes given to international financial organizations and, as a minus item, the liability to the State Pension Fund. Outstanding lending (Column 10) comprises the stock of loans granted from the central government budget and from extra-budgetary funds. Cash funds (Column 11) comprise the cash funds held in central government accounting offices, funds held in cheque and postal giro accounts, as well as placements of central government cash funds. The main part of the latter is reserved for covering transferable allocations budgeted in previous years (for details, see the article "State Borrowing and Cash Management" by Pekka Laajanen and Pekka Saarinen in the August 1987 issue of the Bulletin). Transferable allocations amounted to FIM 8.1 billion at the end of 1988.

Table 5.5 Source: Table B: Statistics Finland from the beginning of 1991. Tables A and B include markka-denominated bonds issued by Finnish issuers in Finland and

abroad as well as those issued by foreign issuers in Finland. Table C includes transactions in markka-denominated bonds outside the Helsinki Stock Exchange. Interbank transactions (Column 1) and transactions (purchases and sales) between banks and customers (Column 2) are transactions by the banks entitled to central bank financing. As from 5 September 1994 the following act as primary dealers: Evli Fixed Income Securities, Goldman Sachs International, Handelsbanken Finland, Kansallis-Osake-Pankki, Okobank, Postipankki, Skopbank, Union Bank of Finland and Unibors Securities. The primary dealers' quotes are published daily (page JVKD on Reuters). Purchases from and sales to others (Columns 4 and 5) consist of transactions in benchmark government bonds between primary dealers and other parties. Other parties refer to all parties that are not primary dealers.

Table 5.6 Source: The Helsinki Stock Exchange.

6 Balance of payments, foreign liabilities and assets

Table 6.1 The figures for the trade and goods and services accounts are compiled in accordance with the System of National Accounts. The figures for investment income and expenditure (Columns 7 and 16) include reinvested earnings on direct investment. Preliminary data on reinvested earnings in the previous year have been included in the current account figures. (The annual figure is divided evenly between quarterly figures.)

Tables 6.2–6.4 Since the beginning of 1994, the former capital account of Finland's balance of payments has been compiled according to the IMF's new recommendations (IMF Balance of Payments Manual, Fifth Edition, 1993). As a result of the new classification, the contents of many of the items in the capital and financial account have been revised to some extent. In the same context, a number of other revisions and clarifications have been made. The main changes are listed below.

Table 6.2 Short-term foreign exchange transfers related to cash management flows between direct investors and their direct investment enterprises are classified as direct investment (Columns 1 and 14). Loans received by resident direct investors from group 'in-house' finance companies located abroad (intra-group loans) are also classified as direct investment (Column 14). Money market instruments are classified as portfolio investment (Columns 5 and 17). Premiums and margin payments arising from transactions in financial derivatives are included as a new item under portfolio investment (Columns 6 and 18). Financial derivatives also include payments arising from currency and interest rate swaps related to loans, i.e. outstanding loans are recorded according to the original loan contract. Medium-term notes (MTNs) are included under bonds (Columns 3 and 16). The category other investment (Columns 8–12 and 20–24) covers transactions related to trade credits, loans, currency and deposits and other assets and liabilities. Transactions in assets and liabilities related to short- and long-term supplier credits and advance payments related to imports and exports are recorded under

trade credits (Columns 8 and 20). The item 'Other' (Columns 11 and 23) includes transactions in short- and long-term assets and liabilities of different sectors not covered by any of the items above. In addition, this category includes changes in the central government's subscriptions to and quotas in international organizations as well as transactions in the Bank of Finland's short- and long-term assets and liabilities (excl. reserve items). The most important sub-item under the item 'other' comprises banks' other short-term assets and liabilities (in practice interbank deposits). The central bank's reserve assets (Column 27) comprise gold, special drawings rights (SDRs), the reserve position in the IMF and convertible currency claims. A negative figure implies an increase in reserves.

Table 6.3 The data are classified as in Table 6.2. The items have been translated into markkaa using the spot rates for each date; thus the figures include the impact of changes in exchange rates.

Table 6.4 This contains data on Finland's net international investment position (liabilities less assets) classified by sector.

7 Foreign trade

Source: The National Board of Customs. All tables refer to foreign trade in goods.

Table 7.2 The volume indices (Columns 1 and 2) are calculated according to the Paasche formula and the unit value indices (Columns 3 and 4) according to the Laspeyres formula. The terms of trade (Column 5) is the ratio of the export unit value index to the import unit value index multiplied by one hundred.

Table 7.4 The regional and country grouping is based on the classification according to Finnish Official Statistics I A.

8 Domestic economic developments

Tables 8.1–8.5 Source: Statistics Finland. Seasonal adjustment is carried out by the Bank of Finland.

Table 8.2 The indices of industrial production are adjusted for the number of working days in each month. This causes in small differences the annual averages from the corresponding unadjusted figures. For this reason the indices for 1990 also differ marginally from conventional base-year figures, i.e. 100.0.

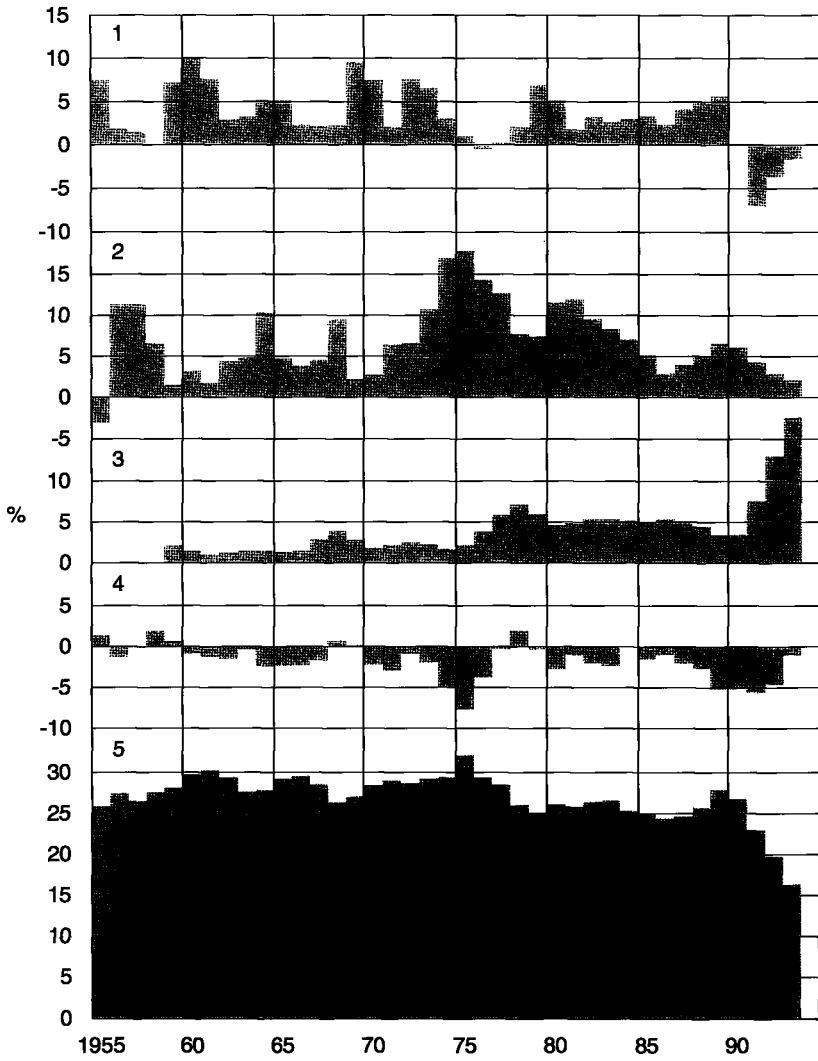
Table 8.3 The monthly indicator of GDP (Column 8) is weighted together from 11 readily available indicators of developments in output in various industries.

Table 8.4 The indicator of underlying inflation (Column 6) is the consumer price index from which the effect of indirect taxes, subsidies and housing-related capital costs (house prices and mortgage interest payments) has been removed (see the article by Pentti Pikkarainen and Timo Tyrväinen in the June – July 1993 issue of the Bulletin). Statistics Finland calculates the indicator and publishes it together with the consumer price index on the 15th of every month (or the next business day). It is lagged by one month in comparison with the consumer price index.

Table 8.6 Source: Ministry of Finance.

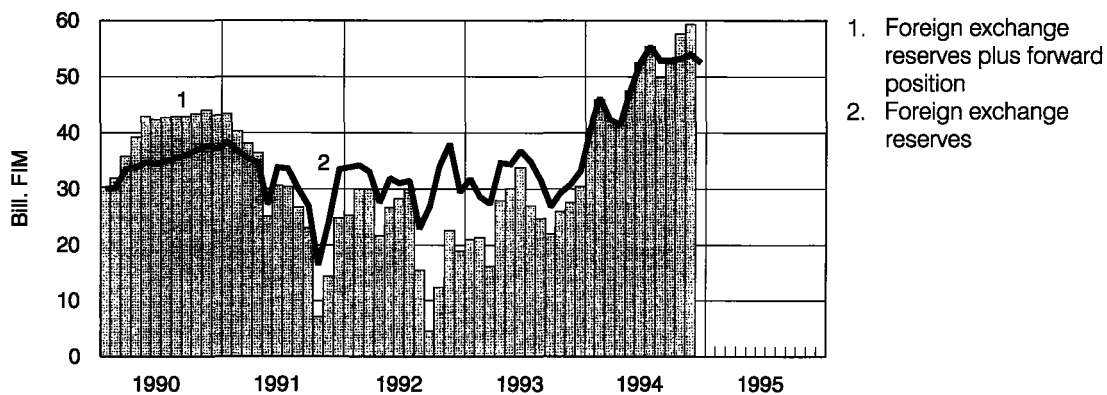
1. Long-term indicators	S30
2. The Bank of Finland's foreign exchange reserves and forward position	S31
3. Forward market	S31
4. Rates of interest set by the Bank of Finland	S31
5. Banks' liquidity position with the Bank of Finland	S32
6. Liquidity management interest rates	S32
7. HELIBOR rates of interest, daily	S32
8. HELIBOR rates of interest, monthly	S33
9. Differential between Finnish and German interest rates	S33
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12. Daily spot rates for the markka against the Deutschmark and the US dollar	S34
13. Daily spot rates for the markka against the pound sterling and the Swedish krona	S34
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16. Banks' markka lending rates and markka funding rates	S35
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25. Foreign trade: prices and terms of trade	S39
26. Finland's export performance	S39
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28. Fixed investment	S40
29. Employment and the unemployment rate	S41
30. Prices and wages	S41
31. Central government finances	S42
32. Central government debt	S42

1. LONG-TERM INDICATORS

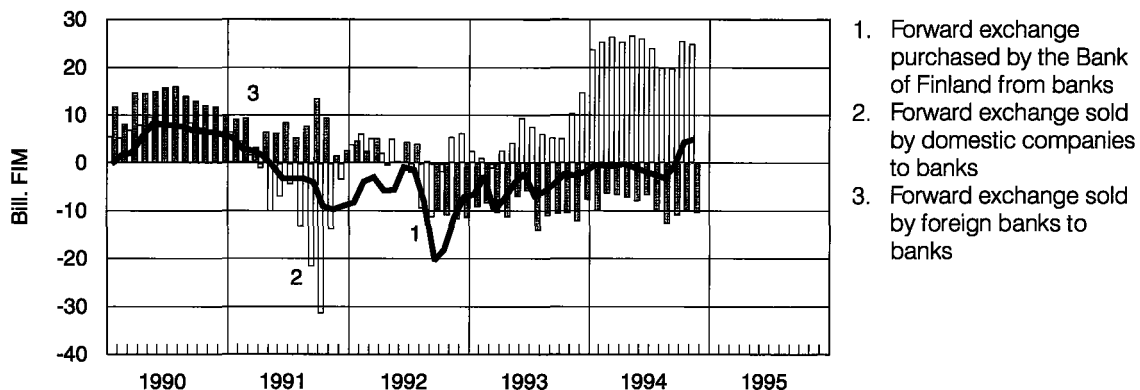


1. GDP, change in volume from the previous year, per cent
2. Consumer prices, change from the previous year, per cent
3. Unemployment rate, per cent
4. Current account, as a percentage of GDP
5. Fixed investment, as a percentage of GDP

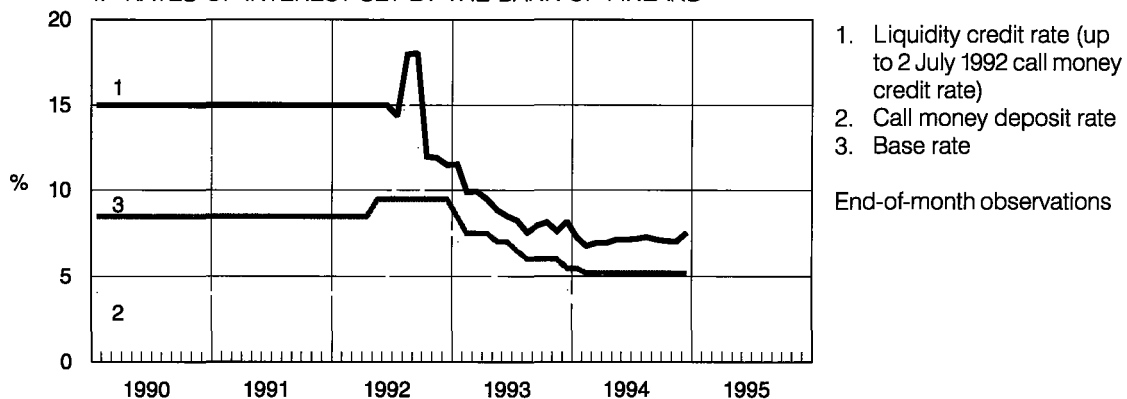
2. THE BANK OF FINLAND'S FOREIGN EXCHANGE RESERVES AND FORWARD POSITION



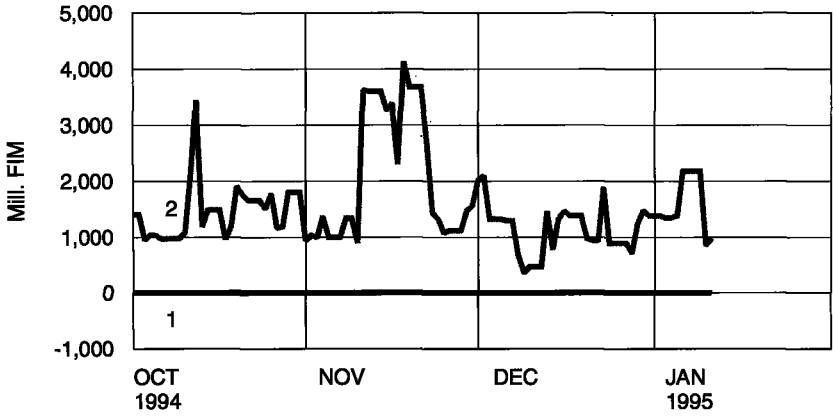
3. FORWARD MARKET



4. RATES OF INTEREST SET BY THE BANK OF FINLAND

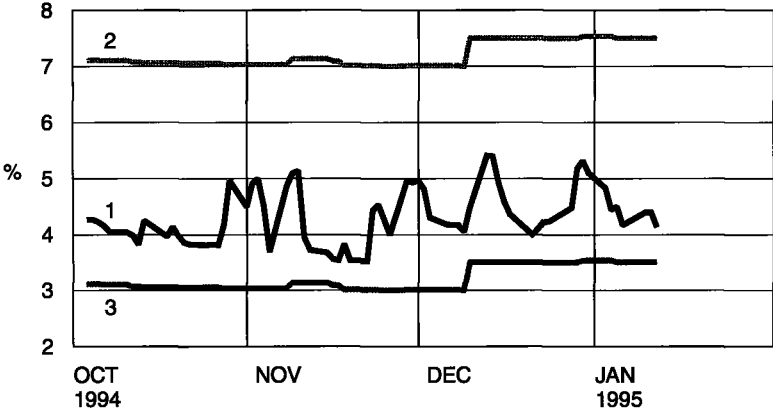


5. BANKS' LIQUIDITY POSITION WITH THE BANK OF FINLAND



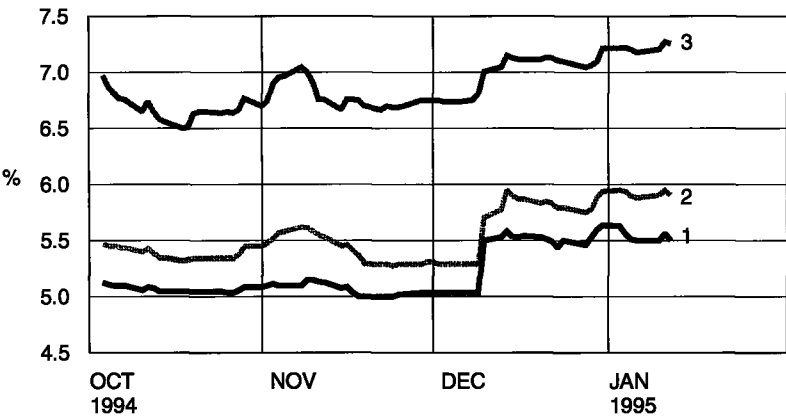
- 1. Liquidity credits (-)
- 2. Call money deposits

6. LIQUIDITY MANAGEMENT INTEREST RATES



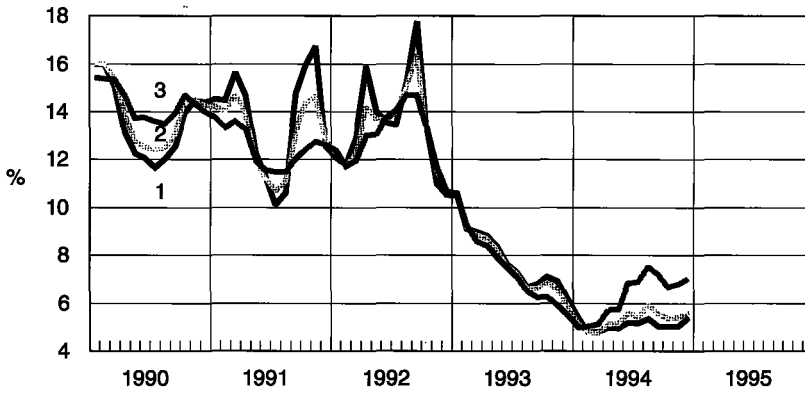
- 1. Inter-bank overnight rate
 - 2. Liquidity credit rate
 - 3. Call money deposit rate
- Daily observations

7. HELIBOR RATES OF INTEREST, DAILY



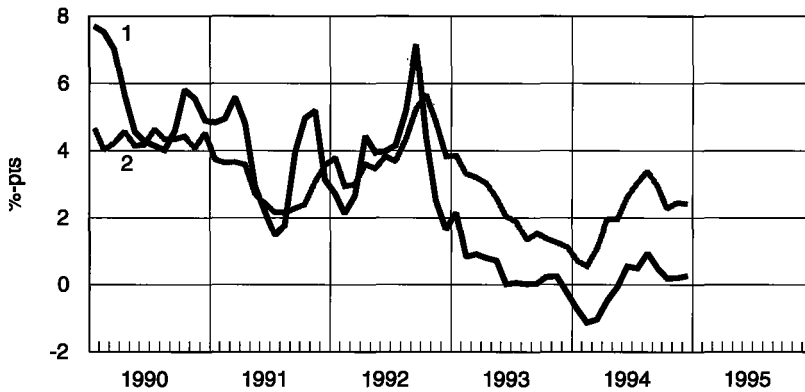
- 1. 1-month HELIBOR
- 2. 3-month HELIBOR
- 3. 12-month HELIBOR

8. HELIBOR RATES OF INTEREST, MONTHLY



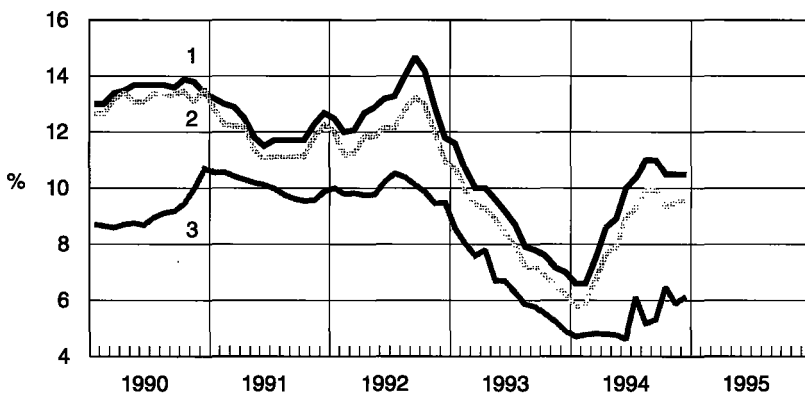
- 1. 1-month HELIBOR
- 2. 3-month HELIBOR
- 3. 12-month HELIBOR

9. DIFFERENTIAL BETWEEN FINNISH AND GERMAN INTEREST RATES



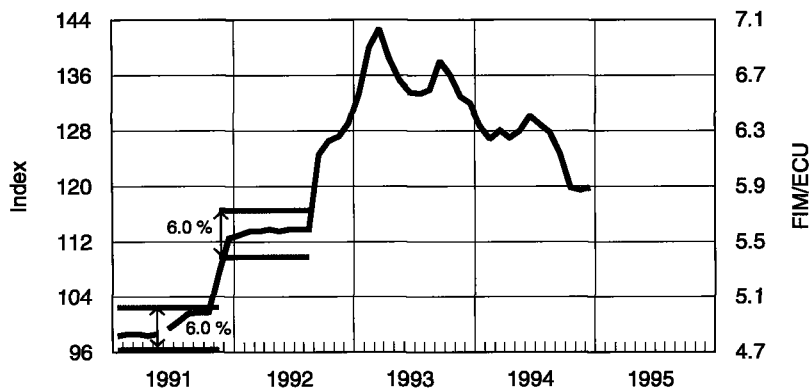
- 1. 3-month HELIBOR *minus* 3-month DEM eurorate
- 2. 5-year Finnish government bond yield *minus* 5-year German government bond yield

10. YIELDS ON BONDS



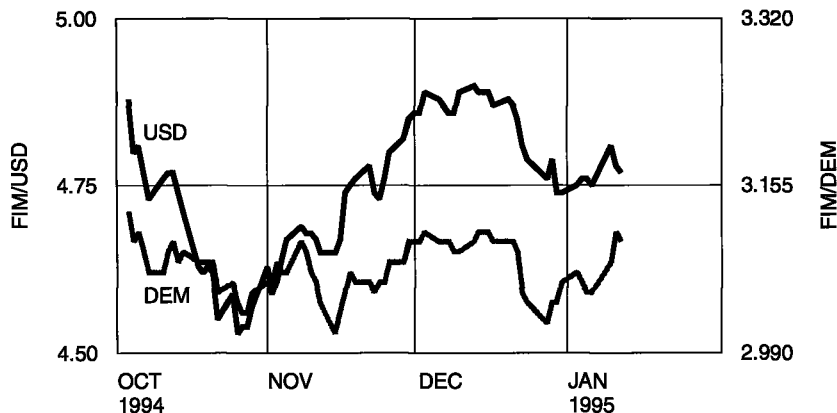
- 1. Bank of Finland's 5-year reference rate
- 2. Yield on (4-5 year) taxable government bonds
- 3. Yield on (4-5 year) taxfree government bonds

11. BANK OF FINLAND CURRENCY INDEX AND THE MARKKA VALUE OF THE ECU



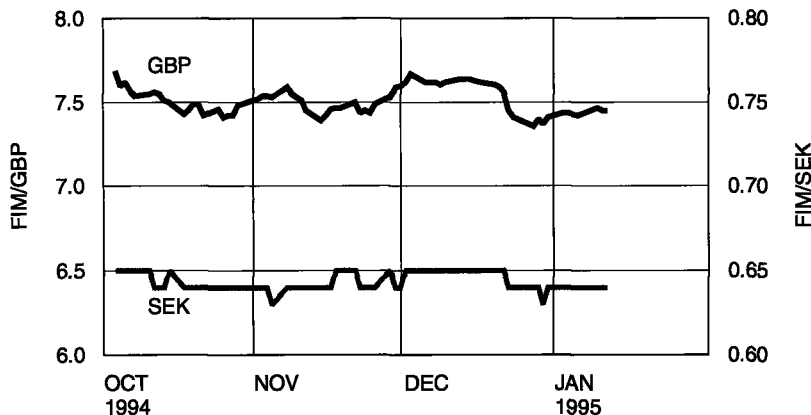
Until 7 June 1991, the Bank of Finland currency index. From 7 June 1991, the markka's exchange rate against the ECU, the fluctuation limits of which were 4.72953–5.02207 in the period 7 June – 14 November 1991, and 5.39166–5.72516 in the period 15 November 1991 – 7 September 1992. Since 8 September 1992, the limits have been temporarily abandoned. Monthly averages

12. DAILY SPOT RATES FOR THE MARKKA AGAINST THE DEUTSCHMARK AND THE US DOLLAR



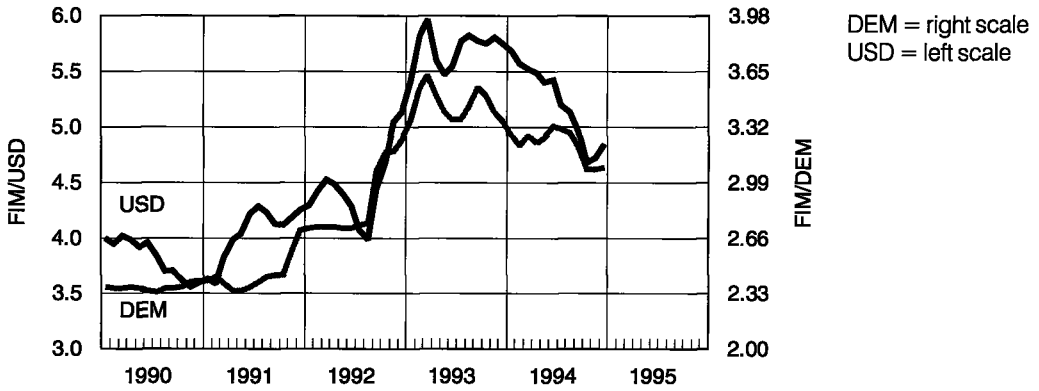
Middle rates
DEM = right scale
USD = left scale

13. DAILY SPOT RATES FOR THE MARKKA AGAINST THE POUND STERLING AND THE SWEDISH KRONA

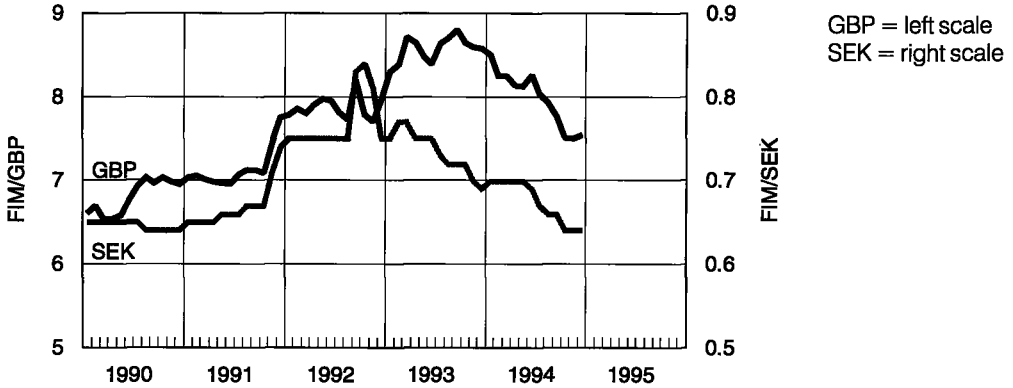


Middle rates
GBP = left scale
SEK = right scale

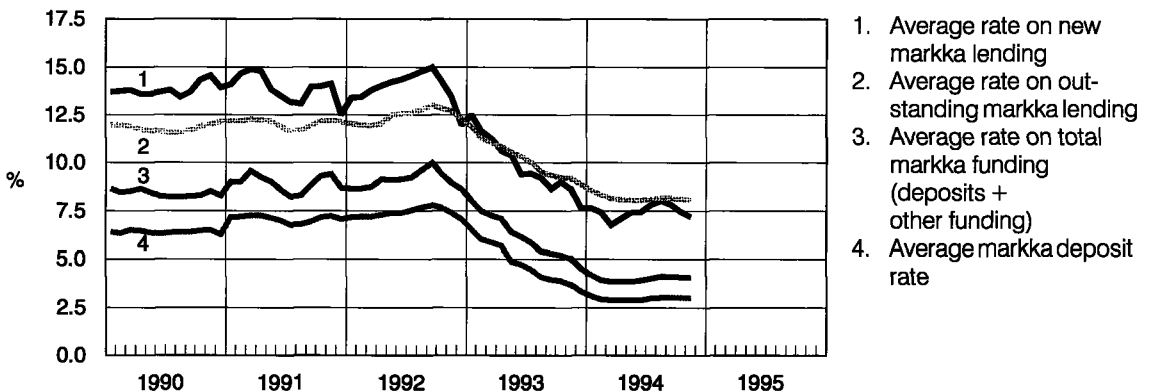
14. MONTHLY SPOT RATES FOR THE MARKKA AGAINST THE DEUTSCHMARK AND THE US DOLLAR



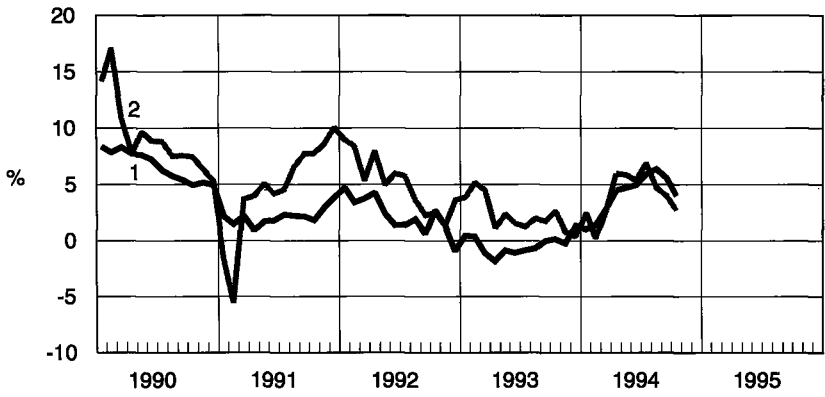
15. MONTHLY SPOT RATES FOR THE MARKKA AGAINST THE POUND STERLING AND THE SWEDISH KRONA



16. BANKS' MARKKA LENDING RATES AND MARKKA FUNDING RATES



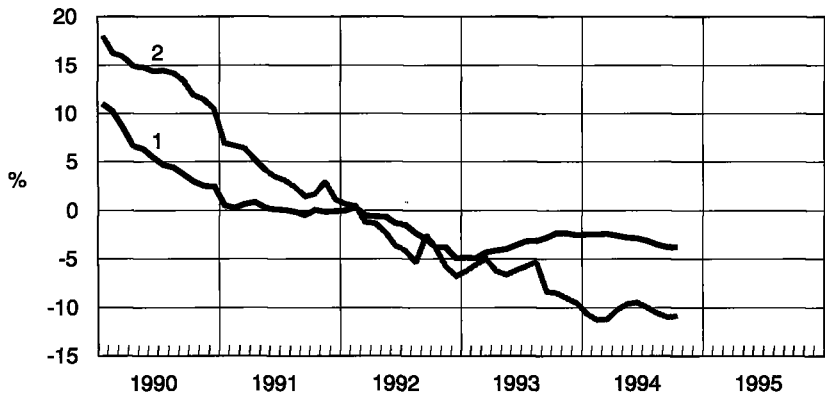
17. BANK FUNDING FROM THE PUBLIC



- 1. Markka deposits
- 2. Total funding

Change from the corresponding month of the previous year, per cent

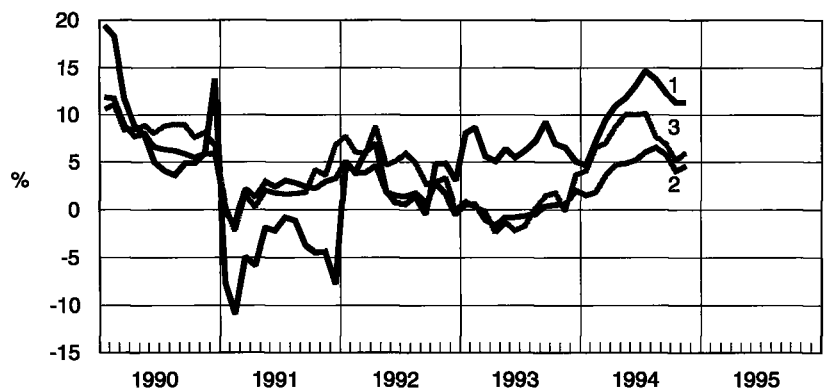
18. BANK LENDING TO THE PUBLIC



- 1. Markka lending
- 2. Total lending

Change from the corresponding month of the previous year, per cent

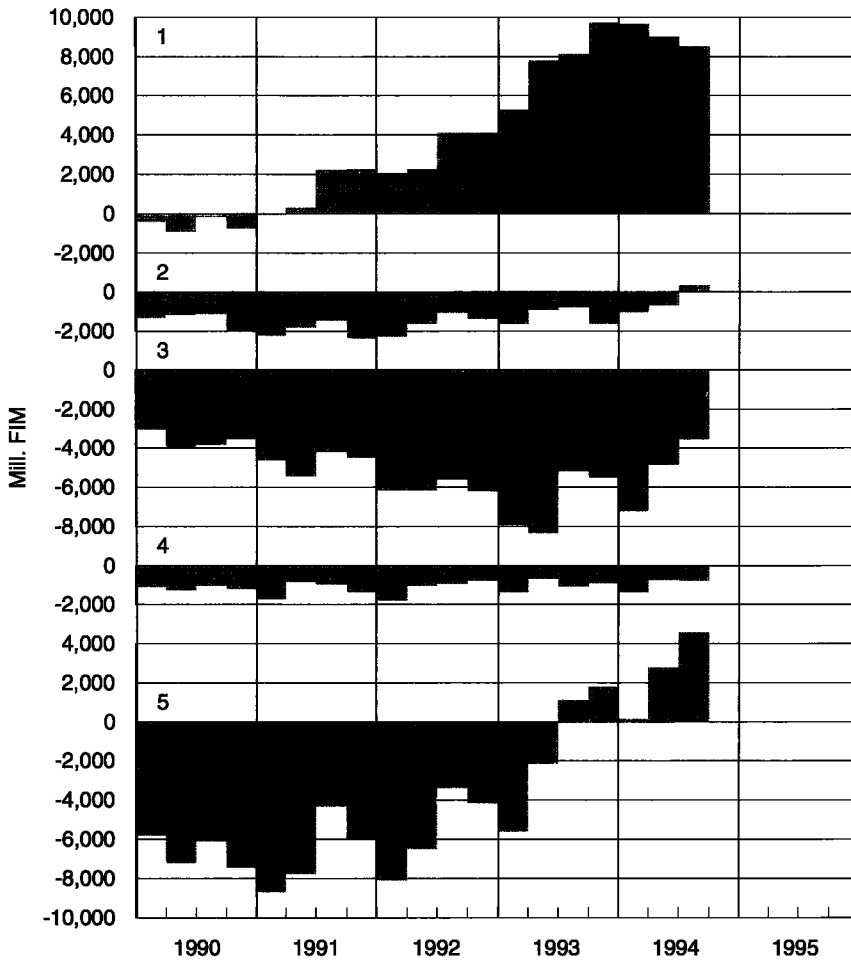
19. MONEY SUPPLY



- 1. Narrow money (M1)
- 2. Broad money (M2)
- 3. M2 + bank CDs held by the public (M3)

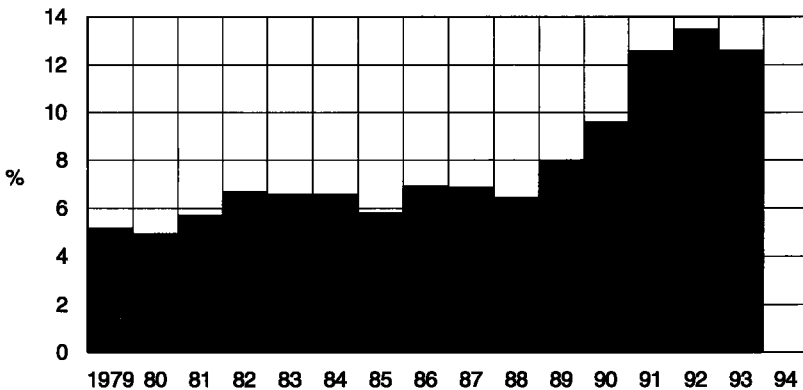
Change from the corresponding month of the previous year, per cent

20. CURRENT ACCOUNT



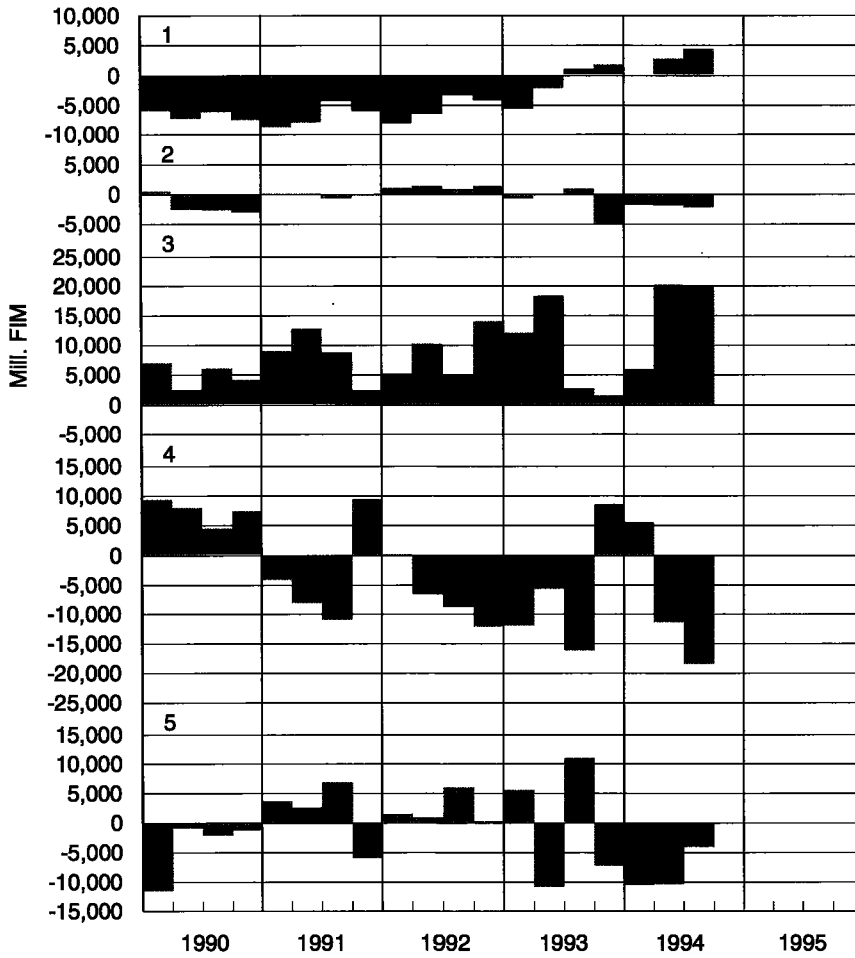
1. Trade account
2. Services account
3. Investment income account
4. Unrequited transfers account and other items, net
5. Current account

21. NET INTEREST AND DIVIDEND EXPENDITURE



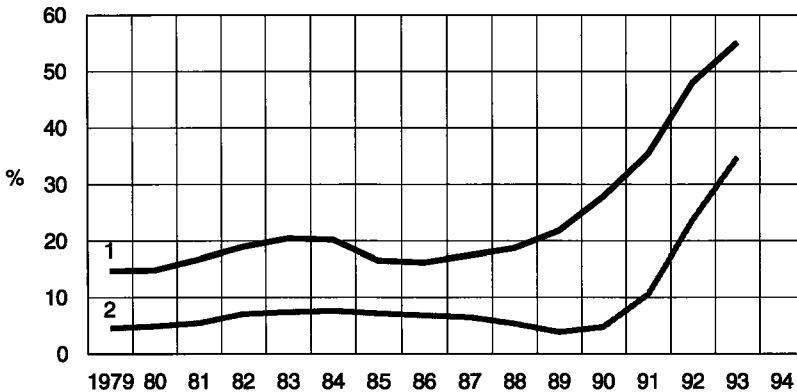
As a percentage of current account receipts

22. BALANCE OF PAYMENTS



1. Current account
2. Direct investment
3. Portfolio investment
4. Other investment
5. Change in central bank's reserve assets
(increase = -)

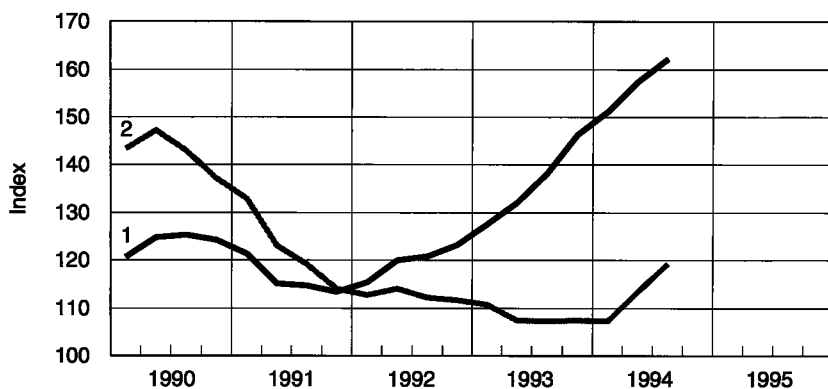
23. FINLAND'S NET INTERNATIONAL INVESTMENT POSITION



1. Total
2. Of which:
central government

The stock of external liabilities minus the stock of external assets, as a percentage of GDP

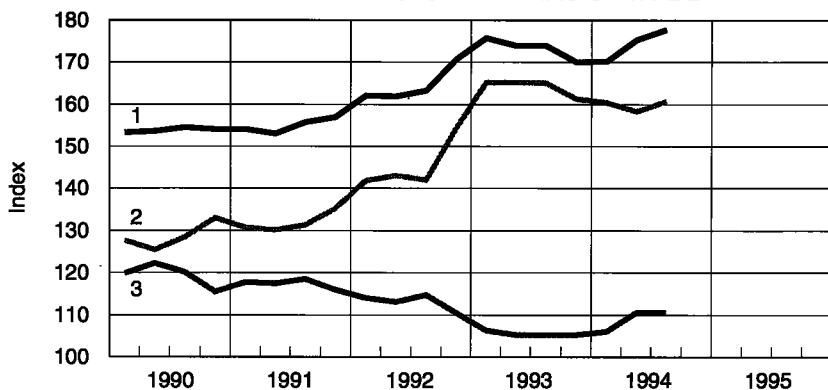
24. FOREIGN TRADE



1. Total exports
2. Total imports

Volume index, 1980 = 100, four-quarter moving average plotted at the last quarter

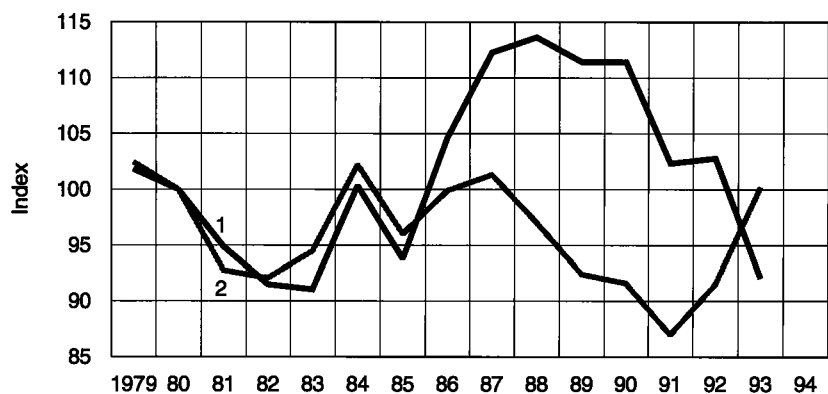
25. FOREIGN TRADE: PRICES AND TERMS OF TRADE



1. Unit value index of exports
2. Unit value index of imports
3. Terms of trade

1980 = 100

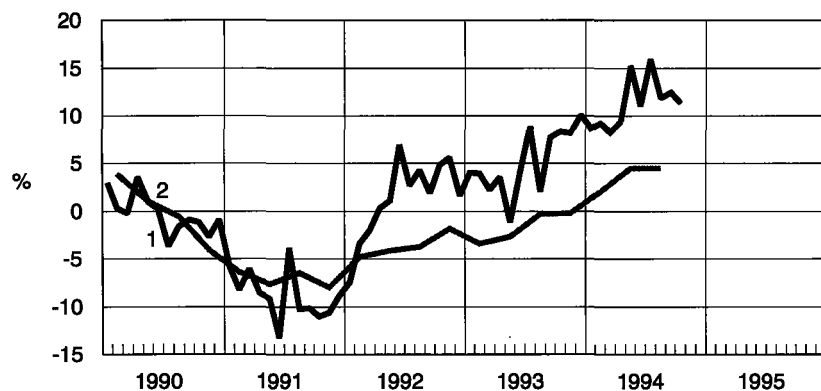
26. FINLAND'S EXPORT PERFORMANCE



1. Value of exports to OECD countries in relation to imports of OECD countries
2. Volume of exports to OECD countries in relation to imports of OECD countries

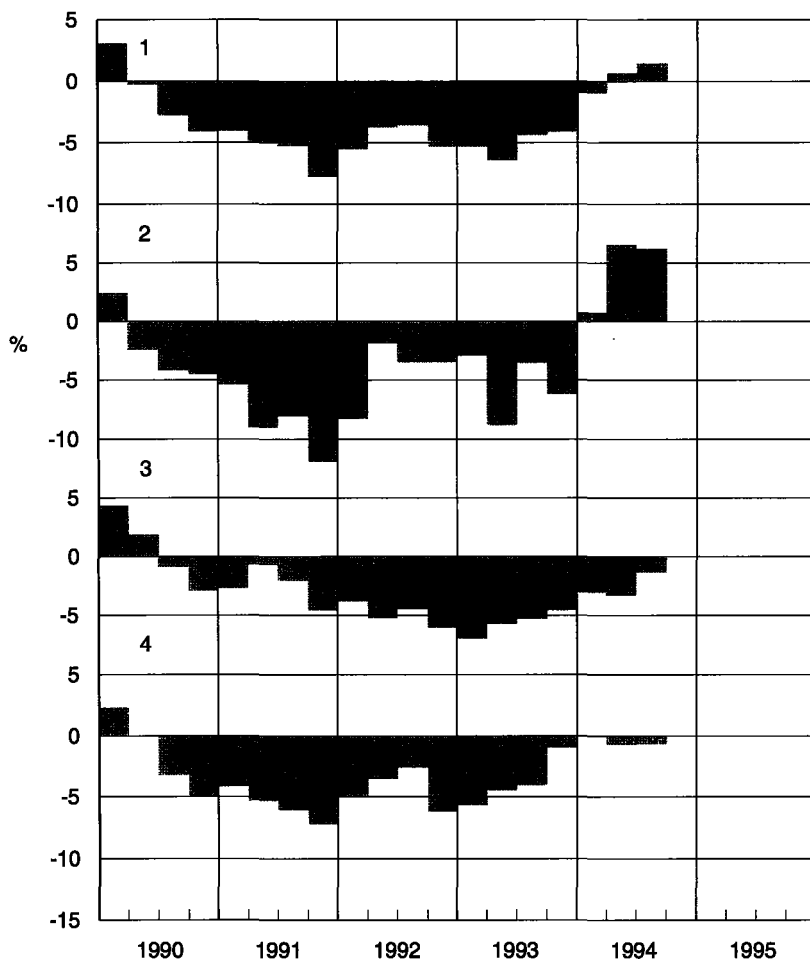
1980 = 100

27. PRODUCTION



1. Industrial production, change in volume from the corresponding month of the previous year, per cent
2. GDP, change in volume from the corresponding quarter of the previous year, per cent

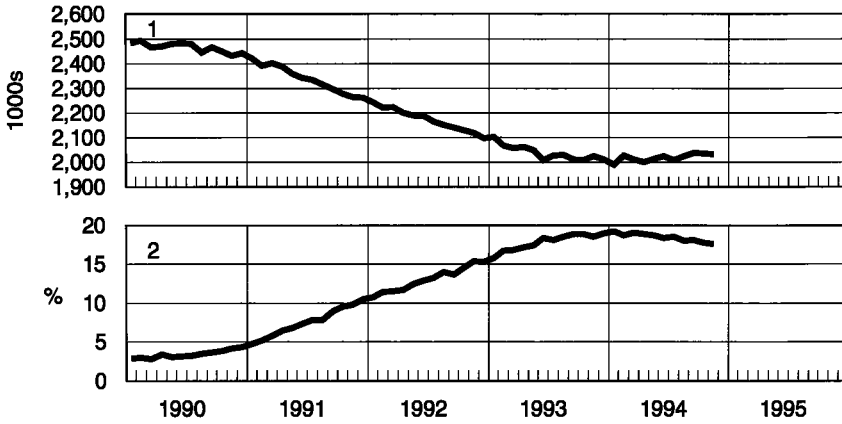
28. FIXED INVESTMENT



1. Total fixed investment
2. Investment in machinery and equipment
3. Building investment, excl. residential buildings
4. Residential buildings

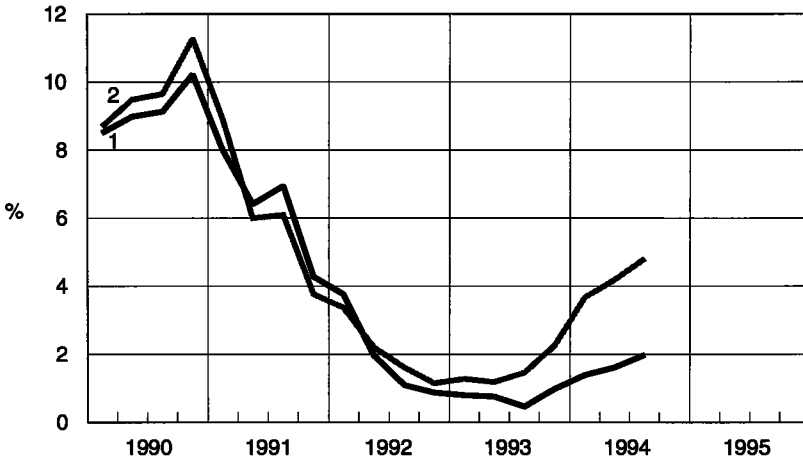
Volume changes calculated from four-quarter moving totals and plotted at the last quarter, per cent

29. EMPLOYMENT AND THE UNEMPLOYMENT RATE



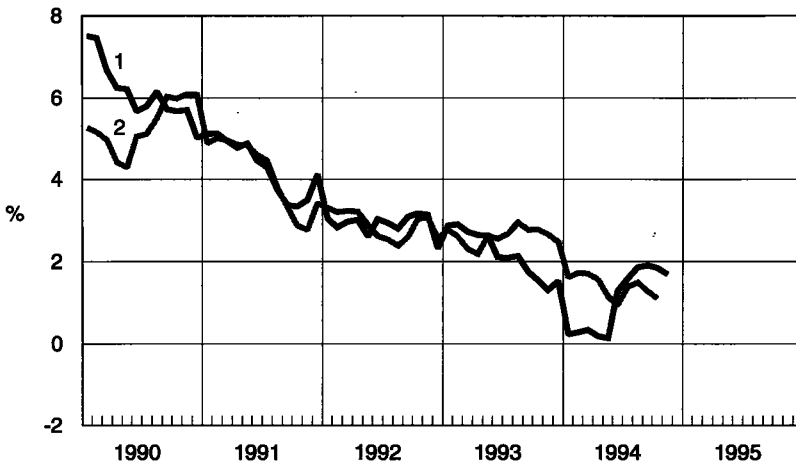
- 1. Employment, 1000 persons
- 2. Unemployment rate, per cent

30. PRICES AND WAGES



- 1. Index of wage and salary earnings, all wage and salary earners
- 2. Index of wage and salary earnings, manufacturing workers

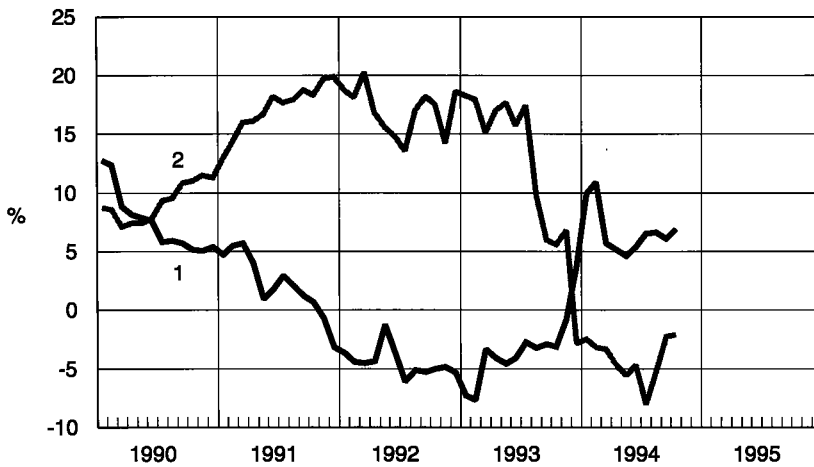
Change from the corresponding quarter of the previous year, per cent



- 1. Consumer price index
- 2. Indicator of underlying inflation

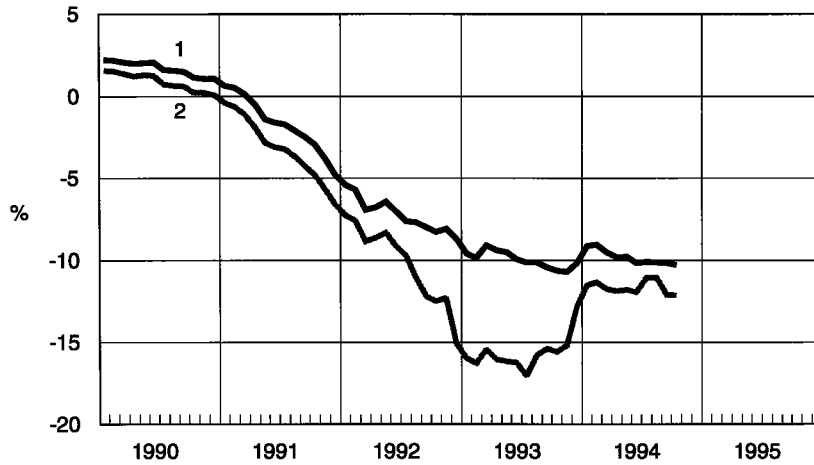
Change from the corresponding month of the previous year, per cent

31. CENTRAL GOVERNMENT FINANCES



1. Revenue excl. borrowing
2. Expenditure excl. redemptions of central government debt

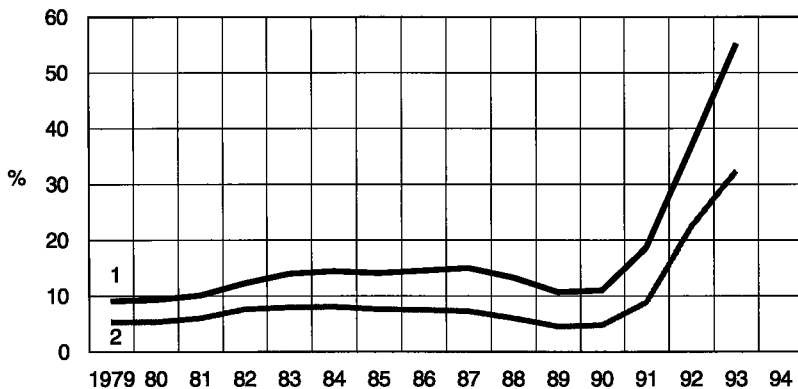
12-month changes calculated from 12-month moving totals and plotted at the last month, per cent



1. Revenue surplus (revenue less expenditure excl. financial transactions) (surplus = +)
2. Net borrowing requirement (net borrowing = -)

12-month moving total as a percentage of GDP, plotted at the last month

32. CENTRAL GOVERNMENT DEBT



1. Total debt
2. Of which: foreign currency-denominated debt

As a percentage of GDP

BANK OF FINLAND

30 June 1994

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