



# BANK OF FINLAND

*Monthly Bulletin*

Stepping up the activities of the  
Mortgage Bank of Finland Oy

The Helsinki Stock Exchange

Trade agreement

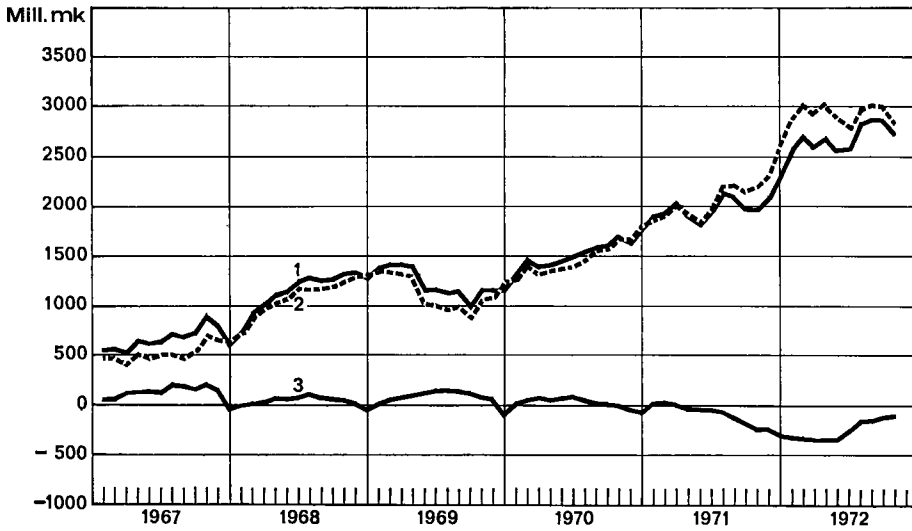
New current coin

Reorganization at the Bank

DECEMBER 1972

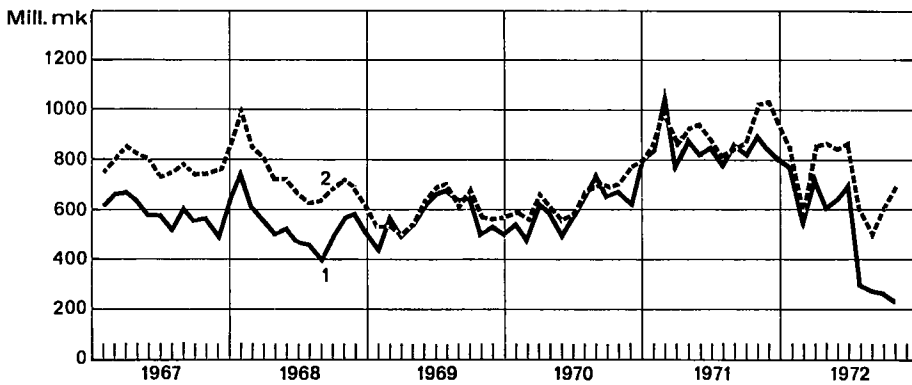
Vol. 46 No. 12

Bank of Finland foreign exchange reserve, 1967-1972



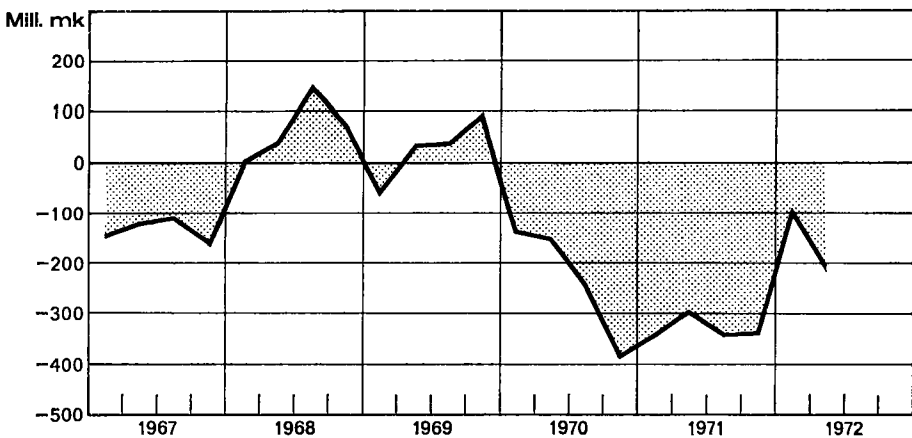
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# STEPPING UP THE ACTIVITIES OF THE MORTGAGE BANK OF FINLAND Oy

The Mortgage Bank of Finland Oy, established in 1956 as a subsidiary of the Bank of Finland, increased its share capital about a year ago to 27 million marks. Simultaneously new policy objectives were adopted.

The Bank was initially set up to relend to Finnish industry funds borrowed from the World Bank. Earlier this relending had been carried out by the Bank of Finland itself. The last World Bank loan was taken by the Mortgage Bank in 1962, and in all US \$ 102 million in World Bank loans was channelled through the Bank. Since then, the Bank has turned to the international capital market for most of its external finance. By the end of 1971, three public issues, totalling \$ 27 million and DM 60 million, had been launched. In addition the Bank has borrowed from the Agency for International Development (AID) and the Kreditanstalt für Wiederaufbau.

This year the Bank has been particularly active, arranging altogether five medium- or long-term loans of up to 20 years' duration. They are all privately placed and denominated in US dollars, the total to date coming to \$ 45 million. One of these loans introduced the Mortgage Bank to US institutional investors, and another loan was the first of its kind to be placed in Japan by any Nordic country.

This year borrowing has been relatively high despite rather weak demand for such credits in Finland. From 1969 to 1971, Finnish industry invested heavily in new production facilities. Now these investments are more or less completed, and at this time many of the major companies rather prefer a breathing pause.

Nevertheless, some twenty projects have been financed by the Mortgage Bank during the current year. Of these, three have been granted to refinance earlier credits, while the others are for new projects. In selecting them, importance has been attached not only to profitability, but also to the incremental capital-output ratio, i.e., to the ratio of the investment to the estimated increase in value added which it will produce.

When the Bank adopted new objectives in 1971, it announced that preference would be given to enterprises planning to expand in new areas of manufacturing, to start new processes, to change their product line or to rationalize production. Most of the projects financed so far fulfil one or another of these requirements. There are, e.g., two new plants for production of research-intensive products, both in the foodstuffs industry. However, a major part of the funds has been allocated to the engineering, metal manufacturing and shipbuilding industries. A common feature of production in these sectors is its labour-intensity. Since Finland's wage level is comparatively low, the output of these industries is competitive in international markets.

But capital-intensive processing industries have also been financed, e.g., basic petrochemical plants, which represent a new type of activity for Finnish industry, and one plastic product project. Some credits have been given to the traditional paper industry, this time, however, mostly in order to create capacity for producing still higher grades of paper and to diversify production. It may be recalled that in order to maintain a balance between the supply of and demand for timber wood the Bank of Finland has adopted a very strict attitude towards any

expansion of pulp and low grade paper mills. The investments in this important branch of Finnish industry are therefore now down to a rather low level, and new investments are intended mostly for further refining and product development.

The Bank has quantitatively appraised every project in light of various criteria. Among these, the return on capital employed is, naturally, of primary importance. For half of the projects, it is in fact over 20 per cent. Only exceptionally have projects with a yield of less than ten per cent been considered eligible for Mortgage Bank financing. The pay-off periods are normally under ten years.

Using the size of investment as a weight, the average capital-output ratio is 2.2 for all projects — excluding two complementary credits for projects approved earlier. This means that an investment of 220 million marks in fixed assets is needed in order to produce an increase of 100 million marks in value added in manufacturing. Most of the projects promise a ratio well below 2.0. Only two projects have a ratio just over 3.0.

The value added per employee is expected to be around 100 000 marks in most cases. The »cost» of creating a job varies greatly, from

100 000 up to 900 000 marks in more capital-intensive production. The average cost is about 200 000 marks.

Although the Mortgage Bank has often been the key source of capital for the firms making the investment, it has rarely been the sole long-term lender. The Bank has co-operated closely with other lenders such as the Post Office Bank, the Industrialization Fund of Finland, the Regional Development Fund, the Industrial Mortgage Bank of Finland and the commercial banks, which normally provide the working capital needed for the new projects.

In addition to settling upon suitable projects for immediate financing as a result of the programme of this year, the Bank has also learned of some major projects to be carried out in the more distant future. The Bank considers knowledge of the future plans of industry very valuable, and the corporations for their part have obviously appreciated the opportunity to discuss the financing of their long-term projects well in advance.

As a whole the operations of the Mortgage Bank under the new policies have come up to expectations, and the response in the industrial community has been favourable.

December 1, 1972

## BANK OF FINLAND

Mill. mk

	1971		1972			
	Nov. 30	Dec. 31	Nov. 8	Nov. 15	Nov. 23	Nov. 30
<b>Assets</b>						
Gold and other foreign assets	2 502	2 776	3 144	3 143	3 135	3 001
Gold	205	205	205	205	205	205
Special drawing rights	197	197	283	283	283	283
IMF gold tranche	268	268	268	268	268	268
Foreign exchange	1 694	1 950	2 177	2 174	2 166	2 035
Foreign bills	99	119	103	105	105	102
Foreign bonds	39	37	108	108	108	108
Claims on domestic banks	1 129	849	687	617	837	805
Discounted bills	1 109	848	660	599	827	787
Rediscounted bills	1	1	1	1	1	1
Cheque accounts	19	—	26	17	9	17
Other lending	344	340	320	320	316	317
Inland bills discounted						
In foreign currency	—	—	—	—	—	—
In Finnish marks	152	121	64	64	59	57
Loans	192	219	256	256	257	260
Other assets	714	597	728	710	708	698
Finnish bonds	153	38	162	144	142	132
Finnish coin	17	14	31	31	31	31
Currency subscription to Finland's quota						
in the IMF	530	530	530	530	530	530
Other claims	14	15	5	5	5	5
	Total 4 689	4 562	4 879	4 790	4 996	4 821
<b>Liabilities</b>						
Notes in circulation	1 396	1 479	1 463	1 474	1 493	1 556
Liabilities payable on demand	477	358	681	578	766	518
Foreign exchange accounts	233	297	96	109	75	101
Mark accounts of holders abroad	28	30	45	44	44	45
Cheque accounts						
Treasury	39	2	43	41	41	47
Post Office Bank	162	2	484	371	592	312
Private banks	—	9	—	—	—	—
Other	3	3	2	1	3	2
Other sight liabilities	12	15	11	12	11	11
Term liabilities	1 004	905	936	930	927	926
Foreign	—	—	—	—	—	—
Domestic	1 004	905	936	930	927	926
IMF mark accounts	530	530	530	530	530	530
Allocations of special drawing rights	173	174	258	258	258	258
Equalization accounts	407	400	274	281	281	289
Bank's own funds	702	716	737	739	741	744
Capital	600	600	600	600	600	600
Reserve fund	32	32	74	74	74	74
Profits undisposed	—	—	—	—	—	—
Earnings less expenses (Dec. 31, Net profit)	70	84	63	65	67	70
	Total 4 689	4 562	4 879	4 790	4 996	4 821

End of year and month	Gold and foreign accounts						Treasury		
	Gold and foreign exchange	Liabilities on foreign exchange and mark accounts	Foreign exchange reserve (1—2)	Other foreign assets	Other foreign liabilities	Net foreign assets (3+4—5)	Claims on Treasury	Liabilities, Cheque account	Net claims on the Treasury (7—8)
	1	2	3	4	5	6	7	8	9
1965	861	45	816	84	57	843	— 1	1	— 2
1966	556	61	495	81	101	475	10	40	— 30
1967	701	75	626	98	354	370	— 7	4	— 11
1968	1 353	62	1 291	125	34	1 382	—354	3	—357
1969	1 268	92	1 176	517	360	1 333	—196	4	—200
1970	1 844	106	1 738	639	518	1 859	—118	2	—120
1971	2 620	327	2 293	686	530	2 449	— 15	2	— 17
1971									
Sept.	2 180	192	1 988	661	530	2 119	— 96	0	— 96
Oct.	2 227	246	1 981	664	530	2 115	— 92	22	—114
Nov.	2 364	261	2 103	668	530	2 241	— 90	39	—129
Dec.	2 620	327	2 293	686	530	2 449	— 15	2	— 17
1972									
Jan.	2 935	349	2 586	682	530	2 738	— 15	17	— 32
Feb.	3 080	360	2 720	695	530	2 885	— 3	26	— 29
March	2 991	370	2 621	708	530	2 799	— 3	30	— 33
April	3 079	372	2 707	707	530	2 884	— 3	37	— 40
May	2 941	370	2 571	725	530	2 766	— 3	32	— 35
June	2 865	282	2 583	732	530	2 785	— 3	36	— 39
July	3 028	181	2 847	748	530	3 065	— 3	35	— 38
Aug.	3 073	175	2 898	743	530	3 111	— 3	43	— 46
Sept.	3 034	137	2 897	741	530	3 108	— 2	48	— 50
Oct.	2 881	134	2 747	742	530	2 959	— 2	43	— 45
Nov.	2 791	146	2 645	740	530	2 855	— 2	47	— 49

## FOREIGN EXCHANGE SITUATION

Mill. mk

	Net holdings, Dec. 31, 1971			Net holdings, October 31, 1972			Change	
	Bank of Finland	Other	Total	Bank of Finland	Other	Total	Oct.	Jan.—Oct.
Gold	205	—	205	205	—	205	—	—
Special drawing rights	197	—	197	283	—	283	—	+86
IMF gold tranche	268	—	268	268	—	268	—	—
Convertible currencies	1 920	143	2 063	2 087	287	2 374	+ 53	+311
Other currencies	—297	— 3	—300	— 97	—18	—115	+ 9	+185
Total	2 293	140	2 433	2 746	269	3 015	+ 62	+582



End of year and month	Domestic banks						Other					Notes in circulation
	Dis-counted bills	Redis-counted bills	Cheque accounts <sup>1</sup>	Liabilities, Cheque accounts		Net claims on the banks (1+2+3-4-5)	Inland bills in Finnish marks	Other advances	Liabilities	Net claims on the rest of economy (7+8-9)		
				Private banks <sup>2</sup>	Post Office Bank <sup>2</sup>							
1	2	3	4	5	6	7	8	9	10	11		
1965	—	641	—	12	8	621	76	72	32	116	1 029	
1966	—	915	—	14	17	884	180	85	72	193	1 106	
1967	—	868	—	155	35	678	197	383	56	524	1 052	
1968	—	618	107	163	16	546	186	195	43	338	1 160	
1969	—	550	87	93	12	532	192	269	25	436	1 298	
1970	827	9	3	1	4	834	137	246	528	-145	1 344	
1971	848	1	—	9	2	838	121	234	908	-553	1 479	
<b>1971</b>												
Sept.	866	1	15	—	0	882	180	208	918	-530	1 322	
Oct.	1 097	1	5	—	79	1 024	188	207	950	-555	1 373	
Nov.	1 109	1	19	—	162	967	152	206	929	-571	1 396	
Dec.	848	1	—	9	2	838	121	234	908	-553	1 479	
<b>1972</b>												
Jan.	714	1	22	—	71	666	117	226	1 002	-659	1 369	
Feb.	522	1	18	—	101	440	116	238	977	-623	1 377	
March	786	1	—	5	48	734	89	242	1 110	-779	1 423	
April	807	1	5	—	207	606	85	249	1 087	-753	1 451	
May	796	1	6	—	74	729	79	254	1 067	-734	1 450	
June	860	1	—	6	154	701	67	261	1 096	-768	1 555	
July	616	1	19	—	347	289	63	256	1 072	-753	1 513	
Aug.	488	1	5	—	249	245	63	256	1 057	-738	1 474	
Sept.	661	1	15	—	388	289	63	248	977	-666	1 557	
Oct.	753	1	29	—	507	276	65	262	949	-622	1 507	
Nov.	787	1	17	—	312	493	57	265	937	-615	1 556	

<sup>1</sup> Including special index accounts.<sup>2</sup> Including cash reserve accounts.SELLING RATES FOR FOREIGN EXCHANGE<sup>1</sup>

Mk

December 1, 1972

New York <sup>2</sup>	1 \$	4.172	Frankfurt o. M.	100 DM	130.76	Vienna	100 S	18.04
Montreal	1 \$	4.196	Amsterdam	100 Fl	129.50	Lisbon	100 Esc	15.56
London	1 £	9.800	Brussels <sup>3</sup>	100 Fr		Reykjavik	100 Kr	4.79
Stockholm	100 Kr	88.00	Zurich	100 Fr	110.62	Madrid	100 Pta	6.58
Oslo	100 Kr	63.40	Paris <sup>4</sup>	100 FF		Moscow <sup>5</sup>	1 Rbl	4.960
Copenhagen	100 Kr	60.75	Rome	100 Lit	0.7136			

<sup>1</sup> Rates for New York and Moscow are official, others unofficial.<sup>2</sup> As from Dec. 20, 1971 also applied to clearing accounts with Berlin, Budapest and Sofia.<sup>3</sup> 9.475 commercial rate; 9.440 financial rate.<sup>4</sup> 82.65 commercial rate; 82.70 financial rate.<sup>5</sup> Clearing account; also Bucharest.

DEPOSITS BY THE PUBLIC

Mill. mk

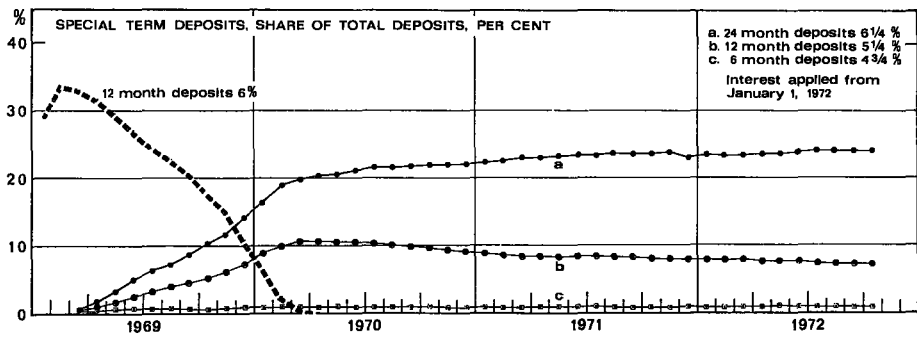
End of year and month	Sight deposits			Term deposits						Total (2+3+9)
	Cheque accounts		Postal giro accounts	Commer- cial banks	Savings banks	Co-op. banks	Post Office Bank	Co-op. stores	All credit institutions	
	Commer- cial banks	All credit institutions								
	1	2	3	4	5	6	7	8	9	10
1965	676.9	843.7	309.4	3 182.6	2 954.4	1 931.0	773.2	357.2	9 198.6	10 351.7
1966	639.8	849.4	318.0	3 660.9	3 329.9	2 202.1	863.6	380.7	10 437.3	11 604.7
1967	661.5	834.0	340.9	4 103.1	3 644.6	2 417.3	941.2	431.3	11 537.9	12 712.8
1968	856.2	1 087.6	428.4	4 597.8	3 966.4	2 683.1	1 027.2	465.0	12 739.8	14 255.8
1969	1 057.4	1 373.9	520.8	5 236.3	4 333.1	3 021.6	1 116.0	521.6	14 228.7	16 123.4
1970	1 142.7	1 507.7	603.3	6 098.7	4 846.9	3 458.4	1 287.6	574.2	16 265.8	18 376.8
1971*	1 343.2	1 732.7	754.4	6 961.4	5 447.0	3 876.2	1 491.4	642.3	18 418.3	20 905.4

1971\*

Aug.	1 201.2	1 542.6	610.4	6 284.1	5 061.4	3 626.3	1 359.5	590.2	16 921.5	19 074.5
Sept.	1 195.8	1 553.2	637.4	6 361.7	5 119.9	3 676.7	1 371.0	608.3	17 137.6	19 328.2
Oct.	1 175.9	1 514.0	612.2	6 425.4	5 177.3	3 720.5	1 390.6	617.8	17 331.6	19 457.8
Nov.	1 322.4	1 663.1	624.3	6 534.2	5 252.3	3 774.1	1 418.9	619.4	17 598.9	19 886.3
Dec.	1 343.5	1 732.7	754.4	6 961.4	5 447.0	3 876.2	1 491.4	642.3	18 418.3	20 905.4

1972\*

Jan.	1 456.2	1 805.2	721.2	6 970.3	5 480.9	3 930.1	1 520.8	648.4	18 550.5	21 076.9
Feb.	1 456.3	1 820.1	772.5	7 021.9	5 540.5	4 008.4	1 548.9	658.5	18 778.2	21 370.8
March	1 421.2	1 767.8	782.6	7 052.8	5 572.5	4 040.8	1 566.2	663.4	18 895.7	21 446.1
April	1 374.8	1 714.7	798.0	7 112.5	5 611.9	4 080.0	1 577.5	670.2	19 052.1	21 564.8
May	1 497.3	1 882.8	763.6	7 206.3	5 662.4	4 133.3	1 586.1	674.5	19 262.6	21 909.0
June	1 542.5	1 927.3	850.0	7 236.5	5 675.7	4 106.5	1 599.3	674.5	19 292.5	22 069.8
July	1 655.1	2 046.3	779.9	7 341.4	5 728.4	4 150.2	1 619.5	677.1	19 516.6	22 342.8
Aug.	1 637.3	2 078.4	793.6	7 418.0	5 813.8	4 218.5	1 634.3	678.4	19 763.0	22 635.0
Sept.	1 568.9	2 009.4	852.1	7 491.7	5 882.5	4 270.0	1 669.2	695.4	20 008.8	22 870.3
Oct.	1 735.6	2 181.9	793.0	7 567.4	5 934.6	4 311.5	1 693.8	697.2	20 204.5	23 179.4

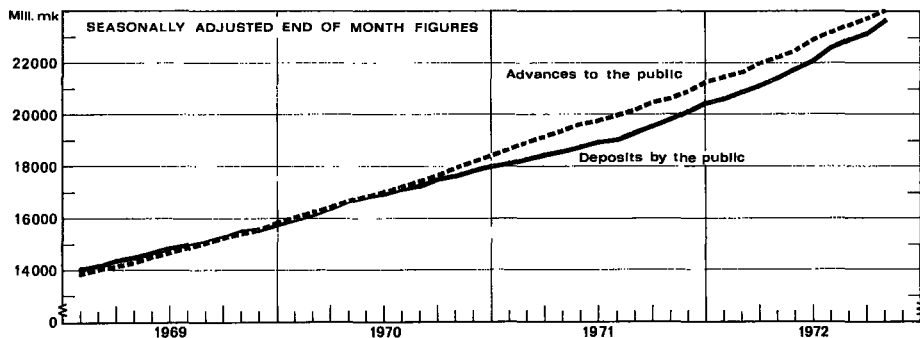


# ADVANCES TO THE PUBLIC—MONEY SUPPLY

Mill. mk

End of year and month	Advances granted by					Types of advances		Total (1 to 5) (6 and 7)	Money Supply
	Commercial banks	Savings banks	Co-op. banks	Post Office Bank <sup>1</sup>	Mortgage banks	Loans & Bills	Cheque credits		
	1	2	3	4	5	6	7	8	9
1965	4 597.4	2 609.2	2 030.6	707.4	899.4	10 420.4	423.6	10 844.0	2 074
1966	5 205.4	2 951.4	2 261.0	779.6	908.8	11 618.1	488.1	12 106.2	2 181
1967	5 558.9	3 247.7	2 424.3	864.9	1 026.9	12 583.8	538.9	13 122.7	2 146
1968	5 865.5	3 448.4	2 600.5	927.9	1 053.0	13 392.0	503.3	13 895.3	2 642
1969	6 892.2	3 802.8	2 922.1	1 039.8	1 290.4	15 354.4	592.9	15 947.3	3 126
1970	7 963.5	4 342.1	3 403.8	1 341.9	1 454.0	17 814.9	690.4	18 505.3	3 445
1971*	9 233.7	4 796.2	3 836.0	1 746.6	1 799.1	20 643.2	768.4	21 411.6	4 025
1971*									
Aug.	8 539.0	4 604.7	3 631.4	1 668.0	1 660.1	19 327.4	775.8	20 103.2	3 384
Sept.	8 811.6	4 655.6	3 686.1	1 742.1	1 657.0	19 747.3	805.1	20 552.4	3 415
Oct.	8 956.0	4 712.2	3 739.1	1 755.6	1 662.5	20 026.2	799.2	20 825.4	3 495
Nov.	9 071.0	4 770.5	3 793.6	1 737.0	1 760.3	20 352.2	780.2	21 132.4	3 606
Dec.	9 233.7	4 796.2	3 836.0	1 746.6	1 799.1	20 643.2	768.4	21 411.6	4 025
1972*									
Jan.	9 262.7	4 851.8	3 884.0	1 782.7	1 808.1	20 838.9	750.4	21 589.3	3 821
Feb.	9 283.7	4 874.0	3 895.8	1 813.6	1 795.0	20 903.2	758.9	21 662.1	3 930
March	9 417.3	4 912.2	3 941.0	1 838.6	1 831.1	21 144.3	795.9	21 940.2	3 950
April	9 583.6	4 954.0	3 976.1	1 879.5	1 869.7	21 432.3	830.6	22 262.9	3 964
May	9 671.5	5 011.3	4 034.2	1 918.8	1 908.3	21 725.5	818.6	22 544.1	4 018
June	9 887.3	5 052.3	4 074.7	1 943.4	1 975.1	22 074.8	858.0	22 932.8	4 275
July	9 867.9	5 101.2	4 124.7	1 963.3	2 086.5	22 332.1	811.5	23 143.6	4 247
Aug.	9 865.5	5 167.3	4 187.4	2 022.3	2 103.7	22 540.1	806.1	23 346.2	4 268
Sept.	10 038.7	5 253.3	4 269.7	2 095.4	2 135.6	22 957.3	835.4	23 792.7	4 408
Oct.	10 214.8	5 335.2	4 357.3	2 087.0	2 171.6	23 370.8	795.1	24 165.9	4 422

<sup>1</sup> New series.





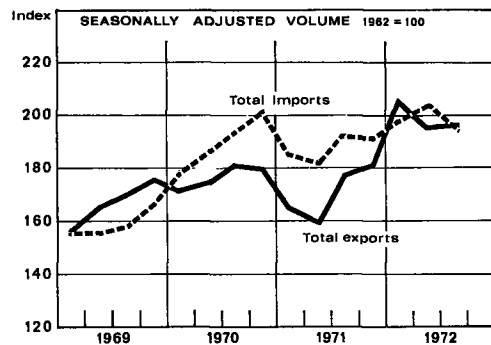
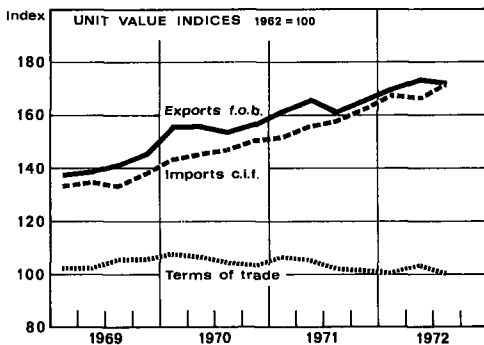
# FOREIGN TRADE

Mill. mk

Period	Value mill. mk		
	Exports f. o. b.	Imports c. i. f.	Surplus of exports (+) or imports (-)
1966	4 816.9	5 524.4	-707.5
1967	5 231.2	5 794.4	-563.2
1968	6 874.2	6 710.9	+163.3
1969	8 344.7	8 504.8	-160.1
1970	9 686.7	11 071.4	-1 384.7
1971*	9 897.2	11 734.4	-1 837.2
1971*			
Nov.	961.2	1 023.6	- 62.4
Dec.	1 017.6	1 458.8	-441.2
1972*			
Jan.	872.3	957.5	- 85.2
Feb.	963.2	958.1	+ 5.1
March	1 049.9	1 032.5	+ 17.4
April	856.9	1 092.7	-235.8
May	891.6	1 080.3	-188.7
June	1 122.7	1 116.2	+ 6.5
July	993.4	1 100.1	-106.7
Aug.	832.1	1 000.9	-168.8
Sept.	1 171.3	1 092.6	+ 78.7
Jan.-Sept.			
1971*	6 997.3	8 177.4	-1 180.1
1972*	8 753.4	9 430.9	- 677.5

Period	Indices of exports and imports 1962 = 100				
	Volume		Unit value		Terms of trade
	Exports	Imports	Exports	Imports	
1966	122	135	112	104	108
1967	129	135	115	110	105
1968	143	129	136	132	103
1969	167	160	141	135	104
1970	176	192	156	147	106
1971	171	190	164	157	104
1970					
Apr.-June	178	189	156	146	107
July-Sept.	182	186	154	147	105
Oct.-Dec.	193	228	157	151	104
1971					
Jan.-Mar.	152	169	162	152	107
Apr.-June	157	182	166	156	106
July-Sept.	176	184	162	158	103
Oct.-Dec.	198	223	166	163	102
1972 <sup>1</sup>					
Jan.-Mar.	192	179	170	168	101
Apr.-June	187	200	174	167	104
July-Sept.	197	189	173	172	101

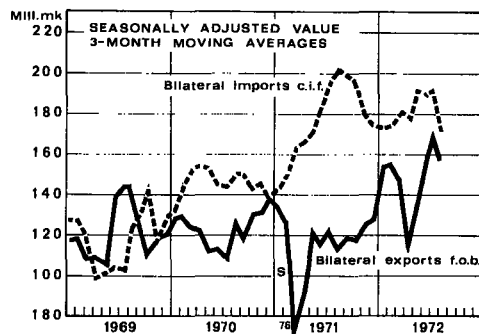
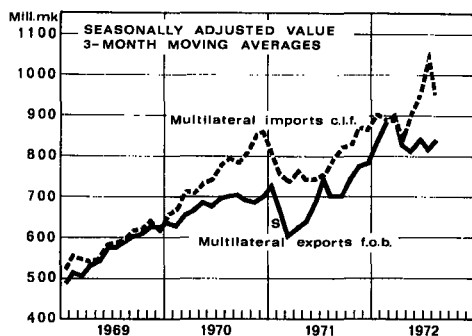
<sup>1</sup> The 1972 figures have been calculated by converting the final 1971 Fisher index with the percentage change in the 1972-1971 Laspeyres index.



# FOREIGN TRADE BY MAIN GROUPS

Mill. mk

Period	Exports, f.o.b.						Imports, c.i.f.			
	Agricultural products	Round and hewn timber	Wood industry products	Paper industry products	Metal, engineering industry products	Other goods	Raw materials and producer goods	Fuels and lubricants	Finished goods	
									Investment goods	Consumer goods
1966	264.0	59.0	863.5	2 297.0	877.2	456.2	2 450.5	589.8	1 448.5	1 035.6
1967	261.4	54.3	865.7	2 384.5	1 080.6	584.7	2 545.9	668.2	1 462.8	1 117.5
1968	327.1	55.5	1 157.7	2 994.0	1 566.4	773.5	3 023.1	874.0	1 524.2	1 289.6
1969	360.2	71.9	1 400.4	3 373.9	2 011.8	1 126.5	3 692.9	948.6	2 229.4	1 633.9
1970	426.3	88.0	1 544.0	3 789.4	2 437.2	1 401.8	4 918.2	1 243.4	2 905.5	2 004.3
1971*	546.8	88.5	1 653.3	3 720.7	2 323.0	1 564.9	4 638.6	1 556.5	3 428.4	2 110.9
<b>1971*</b>										
Nov.	47.3	7.3	165.5	322.5	255.3	163.3	412.4	133.4	291.7	186.1
Dec.	74.5	6.6	168.6	359.5	254.8	153.6	601.7	175.4	431.1	250.6
<b>1972*</b>										
Jan.	72.8	3.2	132.7	320.7	226.5	116.4	360.9	136.6	294.3	165.7
Feb.	38.5	3.9	115.4	341.4	312.4	151.6	387.3	83.9	290.9	196.0
March	88.3	0.7	114.3	377.9	287.4	181.3	437.0	75.7	279.7	240.1
April	32.6	3.4	118.5	309.8	235.5	157.1	395.6	104.7	364.7	227.7
May	64.6	3.5	127.7	268.7	273.9	153.2	419.3	125.3	318.3	217.4
June	47.5	5.3	153.3	371.2	375.4	170.0	463.3	156.7	290.8	205.4
July	46.1	8.9	172.8	363.4	267.0	135.2	399.8	188.0	312.8	199.5
Aug.	30.4	4.5	144.8	318.9	172.4	161.1	412.9	146.3	240.6	201.1
Sept.	55.2	6.6	199.5	420.0	247.9	242.1	451.0	143.6	269.1	228.9
<b>Jan.-Sept.</b>										
1971*	380.0	66.6	1 153.1	2 687.7	1 616.6	1 093.3	3 190.2	1 105.4	2 388.3	1 493.5
1972*	476.0	40.0	1 297.0	3 092.0	2 398.4	1 468.0	3 727.1	1 160.8	2 661.2	1 881.8



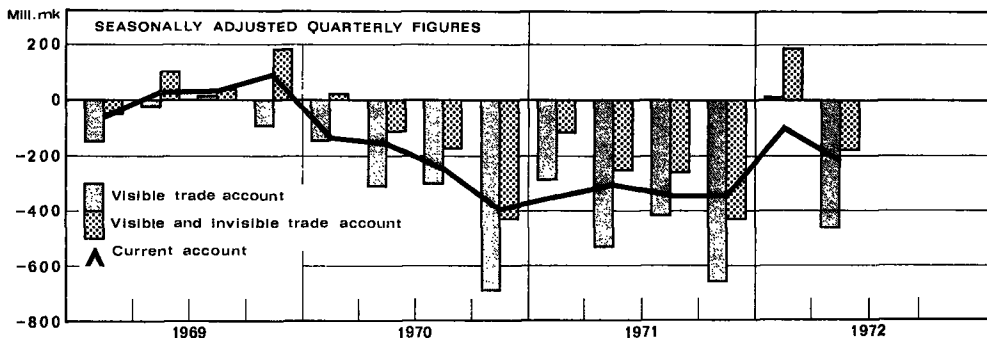
## FOREIGN TRADE BY COUNTRIES

Mill. mk

Area and country	Exports, f.o.b.				Imports, c.i.f.			
	January — September				January — September			
	1971*		1972*		1971*		1972*	
	%	Mill. mk	%	Mill. mk	%	Mill. mk	%	Mill. mk
<b>OECD countries in Europe</b>	72.3	5 061.7	72.5	6 341.2	72.5	5 930.6	74.4	7 014.1
Austria	1.0	68.3	1.0	82.8	1.5	122.0	1.5	145.5
Belgium-Luxembourg	1.8	123.1	2.0	175.7	1.6	131.7	1.8	173.3
Denmark	3.9	276.8	3.8	328.3	3.3	267.7	3.2	296.4
France	3.9	270.6	4.0	352.8	3.2	262.1	3.7	349.7
Federal Republic of Germany	10.5	736.2	10.3	902.0	16.4	1 345.1	17.9	1 691.2
Italy	2.1	149.1	1.5	130.2	2.0	166.2	2.0	188.0
Netherlands	4.4	309.3	3.6	317.1	3.5	286.2	3.7	344.9
Norway	4.1	285.8	3.9	337.0	2.5	205.4	3.0	281.3
Portugal	0.2	16.8	0.3	25.2	0.6	46.4	0.8	70.3
Spain	0.9	64.5	1.0	87.6	0.7	59.0	0.6	51.7
Sweden	16.0	1 117.9	18.3	1 600.5	18.1	1 476.1	18.6	1 757.7
Switzerland	2.1	146.1	2.0	178.5	3.6	298.0	3.4	321.9
United Kingdom	19.3	1 347.3	18.3	1 601.2	15.2	1 244.8	13.9	1 313.2
Other	2.1	149.9	2.5	222.3	0.3	19.9	0.3	29.0
<b>OECD countries outside Europe</b>	6.2	436.0	6.1	536.9	6.9	564.9	6.4	599.9
Canada	0.8	55.1	0.8	68.0	0.3	20.3	0.3	25.1
Japan	0.1	11.1	0.4	41.1	2.2	181.4	1.9	182.3
United States	5.3	369.8	4.9	427.8	4.4	363.2	4.2	392.5
<b>Eastern Bloc</b>	13.9	969.5	14.7	1 283.5	18.3	1 495.4	15.6	1 469.2
Czechoslovakia	0.6	43.4	0.5	43.7	0.1	5.1	0.5	46.1
Democratic Republic of Germany	0.6	42.3	0.5	40.2	0.6	49.3	0.6	57.7
People's Republic of China	0.4	29.3	0.6	54.5	0.5	38.4	0.3	31.5
Poland	1.1	73.8	0.8	66.4	2.1	171.9	1.3	117.0
Soviet Union	10.3	719.7	11.6	1 012.7	14.1	1 155.5	11.9	1 123.6
Other	0.9	61.0	0.7	66.0	0.9	75.2	1.0	93.3
<b>Latin America</b>	2.5	172.3	2.0	178.0	0.9	69.8	1.6	156.1
Argentina	0.8	51.4	0.4	34.0	0.1	9.1	0.1	10.4
Brazil	0.7	47.0	0.7	65.1	0.1	4.4	0.4	44.2
Colombia	0.2	15.2	0.2	16.3	0.1	7.8	0.5	47.1
Other	0.8	58.7	0.7	62.6	0.6	48.5	0.6	54.4
<b>Other</b>	5.1	357.8	4.7	413.8	1.4	116.7	2.0	191.6
<b>GRAND TOTAL</b>	100.0	6 997.3	100.0	8 753.4	100.0	8 177.4	100.0	9 430.9
of which								
<b>EFTA countries</b>	46.8	3 271.5	47.6	4 167.2	44.9	3 671.1	44.6	4 199.5
<b>EEC countries</b>	22.7	1 588.3	21.5	1 877.8	26.8	2 191.3	29.1	2 747.1
<b>OECD countries</b>	78.5	5 497.7	78.6	6 878.1	79.4	6 495.5	80.8	7 614.0

# BALANCE OF PAYMENTS

Period	Visible exports f.o.b.	Visible imports c.i.f.	Visible trade account	Transport, net	Travel, net	Other services, net	Visible and invisible trade account	Investment income, net	Transfer payments, net	Current account
1969	8 296	8 528	-232	+579	+ 4	-13	+338	-323	+72	+ 87
1970	9 634	11 099	-1 465	+716	+142	+17	-590	-397	-18	-1 005
1971	9 845	11 762	-1 917	+660	+247	+66	-944	-477	- 1	-1 422
<b>Jan.-Mar</b>										
1969	1 696	1 944	-248	+128	- 20	-11	-151	- 57	+80	-128
1970 <sup>f</sup>	2 074	2 309	-235	+192	- 9	- 3	- 55	- 86	-11	-152
1971	2 168	2 536	-368	+198	- 13	+19	-164	-135	- 1	-300
1972*	2 870	2 960	- 90	+217	+ 3	+ 1	+131	-142	-22	- 33
<b>Apr.-June</b>										
1969	2 002	2 008	- 6	+140	- 17	- 6	+111	- 84	- 7	+ 20
1970 <sup>f</sup>	2 429	2 721	-292	+180	+ 10	+ 0	-102	- 96	+ 1	-197
1971	2 291	2 777	-486	+175	+ 47	+21	-243	-118	- 1	-362
1972*	2 856	3 298	-442	+162	+ 57	+68	-155	-155	- 8	-318
<b>July-Sept.</b>										
1969	2 168	2 022	+146	+116	+ 38	-14	+286	- 80	+ 1	+207
1970 <sup>f</sup>	2 469	2 690	-221	+180	+109	- 4	+ 64	-110	- 1	- 47
1971	2 502	2 883	-381	+178	+166	+16	- 21	-120	- 4	-145
<b>Oct.-Dec.</b>										
1969	2 430	2 554	-124	+195	+ 3	+18	+ 92	-102	- 2	- 12
1970 <sup>f</sup>	2 662	3 379	-717	+164	+ 32	+24	-497	-105	- 7	-609
1971	2 884	3 566	-682	+109	+ 47	+10	-516	-104	+ 5	-615



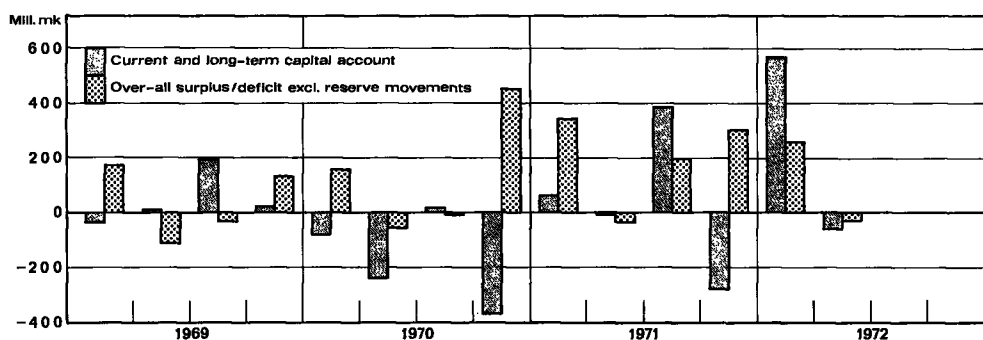


Drawings of long-term loans	Amortizations of long-term loans	Long-term export credits, net	Miscellaneous long-term capital items, net <sup>1</sup>	Long-term capital account	Current and long-term capital account	Short-term import credits and pre-payments, net	Short-term export credits and pre-payments, net	Miscellaneous short-term capital items incl. errors and omissions	Over-all surplus/deficit excl. reserve movements	Reserve movements	
										Bank of Finland	Other foreign exchange holders
+1 055	-723	-180	- 51	+101	+188	+284	-311	- 6	+155	+115	-270
+1 479	-694	-253	-202	+330	-675	+751	+237	+232 <sup>2</sup>	+545	-563	+ 18
+2 730	-855	-208	- 85	+1 582	+160	+387	+197	+ 62 <sup>2</sup>	+806	-555	-251
+ 311	-201	- 8	-15	+ 87	- 41	+112	+147	- 46	+172	-135	- 37
+ 278	-158	- 51	+ 1	+ 70	- 82	- 9	+225	+ 23	+157	-240	+ 83
+ 610	-228	- 5	-18	+359	+ 59	+ 20	+329	- 66	+342	-314	- 28
+ 968	-273	-115	+17	+597	+564	-152	- 27	-124 <sup>2</sup>	+261	-327	+ 66
+ 279	-155	- 98	-39	- 13	+ 7	- 23	- 92	- 6	-114	+252	-138
+ 220	-191	- 69	- 4	- 44	-241	+142	+ 42	- 4	- 61	- 86	+147
+ 595	-200	- 11	-29	+355	- 7	-157	+144	- 17	- 37	+ 99	- 62
+ 655	-180	-193	-26	+256	- 62	+ 92	+ 25	- 84	- 29	+ 37	- 8
+ 146	-146	- 17	+ 6	- 11	+196	+ 34	-284	+ 19	- 35	+151	-116
+ 359	-175	- 60	-58	+ 66	+ 19	+ 87	+ 5	-119	- 8	-116	+124
+ 868	-252	- 89	+ 5	+532	+387	- 40	+ 21	-169	+199	- 35	-164
+ 319	-221	- 57	- 3	+ 38	+ 26	+161	- 82	+ 27	+132	-153	+ 21
+ 622	-170	- 73	-141	+238	-371	+531	- 35	+332	+457	-121	-336
+ 657	-175	-103	- 43	+336	-279	+564	-297	+314	+302	-305	+ 3

Assets: increase —, decrease +. Liabilities: increase +, decrease —.

<sup>1</sup> Including Direct investment, net.

<sup>2</sup> Including Allocations of special drawing rights 88 million in 1970, 85 million in 1971 and 85 million in 1972.



# PRICE INDICES

Period	Wholesale prices 1949 = 100									Building costs 1964 = 100		
	Total	Origin		Purpose			Stage of processing			Total	Wages in building trade	Building materials
		Domes- tic goods	Im- ported goods	Pro- ducer goods	Machin- ery & transport equipm.	Con- sumer goods	Raw materials and com- modities	Simply pro- cessed goods	More elab- orately processed goods			
1969	285	288	271	283	291	285	313	276	273	131	139	119
1970	297	300	286	299	317	290	329	290	283	138	146	126
1971	312	315	302	309	361	304	346	295	303	149	162	134
1972												
Jan.	323	325	315	317	390	312	352	302	318	154	170	137
Feb.	328	331	319	320	394	323	357	306	326	154	170	137
March	330	334	317	321	394	326	360	309	326	154	170	137
April	334	337	321	324	395	330	364	313	329	157	174	140
May	335	338	322	326	397	329	365	313	330	162	187	140
June	335	338	322	325	400	331	366	313	331	162	187	140
July	339	343	325	329	401	337	373	318	333	163	187	142
Aug.	340	344	325	329	401	338	372	319	334	164	187	142
Sept.	343	347	328	334	402	340	375	324	337	164	187	144
Oct.	346	350	334	339	406	341	379	328	339	165	187	144

Period	Cost of living Oct. 1951 = 100	Con- sumer prices Oct.-Dec. 1957 = 100	Consumer prices 1967 = 100									
			Total	Food	Bever- ages and tobacco	Clothing and foot- wear	Rent	Heating and lighting	Furniture, household equip. and operation	Traffic	Education and recreation	Other goods and services
1969	217	170	112	115	111	108	111	109	110	110	110	112
1970	223	175	115	116	115	109	115	121	115	113	113	115
1971	237	186	122	121	119	112	125	141	119	125	119	125
1972												
Jan.	242	190	125	124	120	115	126	145	121	128	125	128
Feb.	245	192	126	126	120	115	126	147	122	131	126	129
March	247	194	127	127	120	116	126	147	122	133	127	131
April	251	197	129	131	126	117	128	148	123	133	127	133
May	253	199	130	131	126	117	131	147	125	134	129	135
June	254	199	131	132	126	118	131	148	126	134	129	135
July	256	201	132	134	126	118	132	146	126	138	129	137
Aug.	257	202	133	135	126	119	132	146	127	137	129	138
Sept.	259	203	133	137	126	121	132	146	128	137	129	138
Oct.	260	204	134	137	126	121	134	146	128	138	129	139

## WAGES

Index of salary and wage earnings 1964 = 100

Period	By industries			By institutional sectors			All salary earners	All wage earners	All employees	
	Wage earners in			Employees in services	State employees	Municipal employees				Employees in private sector
	Agriculture	Manufacturing	Construction							
1969	162	154	149	155	151	158	150	149	153	151
1970	181	170	170	164	161	165	164	157	169	164
1971	210	195	195	180	176	178	188	171	195	185
1970										
Oct.-Dec.	187	175	179	165	162	165	168	158	174	167
1971										
Jan.-Mar.	200	184	182	176	173	174	180	169	185	178
Apr.-June	209	193	193	177	175	175	187	169	195	183
July-Sept.	210	199	200	180	178	178	192	171	200	188
Oct.-Dec.	219	205	207	185	181	184	196	177	204	192
1972*										
Jan.-Mar.	236	207	206	186	182	185	197	177	205	193
Apr.-June	251	225	217	196	192	194	213	188	223	207

## PRODUCTION

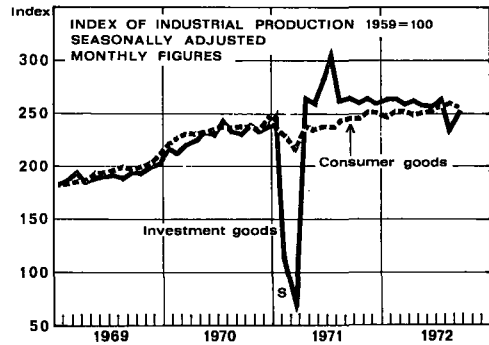
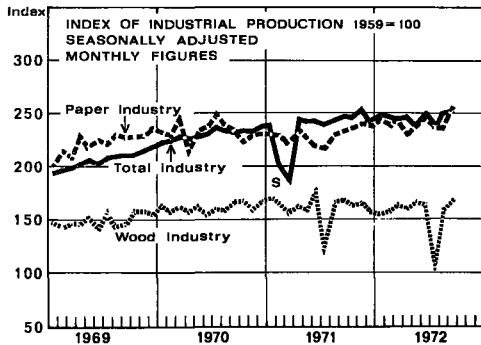
Volume indices of production 1964 = 100

Period	Gross domestic product	Industrial production	Agriculture	Forestry	House construction	Land and waterway construction	Transport and communications	Commerce, banking and insurance	Ownership of dwellings	Public admin. and defence	Services
1969	123	138	97	102	123	104	124	123	123	123	127
1970	132	154	96	111	141	98	132	132	129	128	134
1971*	135	158	96	106	137	97	134	139	136	134	140
1971*											
Apr.-June	136	161	86	119	129	98	135	142	135	133	140
July-Sept.	138	150	175	55	161	99	138	135	136	134	140
Oct.-Dec.	139	173	66	90	164	97	136	148	138	135	142
1972*											
Jan.-Mar.	139	175	59	133	101	101	132	144	141	138	146
Apr.-June	141	168	85	109	137	104	141	146	142	138	147

# PRODUCTION

Index of industrial production 1959 = 100

Period	Total	Investment goods	Other producer goods	Consumer goods	Special indices of manufacturing						Total, adjusted for seasonal variations
					Food industry	Wood industry	Paper industry	Chemical industry	Non-metallic mineral industry	Metal industry	
1968	182	175	191	164	163	132	202	253	240	177	181
1969	207	194	214	196	173	151	223	285	281	199	207
1970	232	230	223	235	182	164	234	336	341	233	232
1971*	238	235	229	241	192	164	231	363	360	231	238
<b>1971*</b>											
July	183	172	188	166	177	106	217	311	324	154	242
Aug.	241	246	229	252	192	138	241	331	381	242	245
Sept.	256	283	244	258	192	170	241	374	378	278	248
Oct.	264	288	256	257	229	173	250	375	394	282	248
Nov.	269	289	260	264	234	166	251	389	370	283	256
Dec.	251	274	242	250	188	159	223	375	305	272	245
<b>1972*</b>											
Jan.	257	286	246	249	171	164	256	418	308	277	249
Feb.	258	280	245	257	175	171	245	402	321	273	248
March	277	295	261	280	190	188	262	423	372	287	245
April	254	270	236	265	183	180	218	386	349	267	248
May	259	271	242	271	213	191	231	394	350	270	250
June	244	247	226	262	207	164	220	371	340	250	251
July	180	144	178	178	183	91	235	238	325	139	240
Aug.	254	233	234	283	217	138	247	325	421	236	251
Sept.	260	267	246	265	195	168	261	326	425	266	254



# LABOUR—TIMBER FELLINGS—INTERNAL TRADE—TRAFFIC

Period	Total labour force, 1 000 persons	Employed 1 000 persons	Unemployed 1 000 persons	Unemployment, % of total labour force	Commercial timber fellings 1 000 solid cu. m	Retailers' sales volume index 1968 = 100	Wholesalers' volume index 1968 = 100	Indicator of traffic activity 1964 = 100
1968	2 188	2 100	88	4.0	31 859	100	100	106
1969	2 189	2 127	62	2.8	35 338	108	117	118
1970	2 194	2 153	41	1.9	39 267	114	130	125
1971*	2 199	2 150	49	2.2	36 238	118	137	122
1971*								
Aug.	2 285	2 243	42	1.8	1 290	124	160	130
Sept.	2 194	2 154	40	1.8	1 794	115	149	124
Oct.	2 179	2 138	41	1.9	2 274	120	142	128
Nov.	2 177	2 131	47	2.2	2 616	117	144	123
Dec.	2 175	2 122	53	2.4	3 233	156	155	121
1972*								
Jan.	2 134	2 063	71	3.3	3 009	110	126	121
Feb.	2 128	2 055	73	3.4	3 927	110	137	116
March	2 126	2 053	73	3.4	4 658	119	152	125
April	2 142	2 078	64	3.0	3 774	114	143	125
May	2 192	2 141	51	2.3	2 842	123	152	130
June	2 355	2 303	52	2.2	1 854	133	149	144
July	2 359	2 305	54	2.3	768	126	132	127
Aug.	2 276	2 225	51	2.2	1 185	129	159	136
Sept.	2 198	2 153	45	2.0	1 637	..	..	..

## CONSTRUCTION OF BUILDINGS

Period	Building permits granted					Buildings completed					Building works under construction
	Total	Residential buildings	Farm buildings	Industrial and business buildings	Public buildings	Total	Residential buildings	Farm buildings	Industrial and business buildings	Public buildings	
Million cubic metres											
1969	38.95	15.38	3.88	15.29	2.12	32.03	12.85	3.15	10.95	3.32	36.40
1970	41.42	17.96	3.72	15.56	23.6	38.55	16.41	4.29	12.59	3.35	36.56
1971*	42.63	19.54	3.10	15.18	26.0	37.00	15.67	3.12	13.71	2.91	37.64
1971*											
Apr.-June	13.59	5.54	1.59	5.06	0.58	8.60	3.49	0.44	3.76	0.57	37.90
July-Sept.	12.90	6.66	0.61	4.18	0.89	8.78	3.65	1.01	2.64	0.84	41.76
Oct.-Dec.	9.62	4.48	0.38	3.49	0.80	12.67	5.35	1.12	5.03	0.76	37.64
1972*											
Jan.-Mar.	7.31	2.73	0.55	3.20	0.48	7.75	3.16	0.33	3.34	0.73	34.34
Apr.-June	13.52	6.22	1.55	3.91	0.85	8.02	4.08	0.35	2.56	0.65	38.57

# EXPLANATIONS RELATING TO THE STATISTICAL SECTION

## BANK OF FINLAND

Page 4. Since Dec. 31, 1969, *Gold and foreign exchange* = Gold (valued on basis of the value of the mark) + Special drawing rights + IMF gold tranche + Foreign exchange. *Liabilities on foreign exchange and mark accounts* = Foreign exchange accounts + Mark account of holders abroad. *Other foreign assets* = Foreign bills + Foreign bonds + Currency subscription to Finland's quota in the IMF. *Other foreign liabilities* = Foreign term liabilities + IMF mark accounts. *Claims on Treasury* = Treasury bills covering certain IMF and IBRD accounts + Advances for stand-by stocks — Export levies (net). *Foreign exchange situation*: Gold holdings are valued on basis of the par value of the mark. Gold tranche position measures that part of Finland's quota which may be drawn essentially automatically in convertible exchange against payment in marks.

Page 5. *Other advances* = Inland bills discounted in foreign currency + Loans + Other claims (excl. Treasury's IMF and IBRD bills and Advances for stand-by stocks). *Liabilities* = Other cheque accounts + Other sight liabilities + Domestic term liabilities — Cash reserve accounts — Export levies (net).

## DEPOSITS BY THE PUBLIC — ADVANCES TO THE PUBLIC — MONEY SUPPLY

Figures for deposits and advances are supplied by the Central Statistical Office.

Page 6. *Cheque accounts in all credit institutions* relates to commercial banks, savings banks and co-operative banks.

Page 7. *Money supply* = Finnish notes and coins in circulation — Finnish notes and coins held by the banks + Cheque accounts of the public + Postal giro accounts of the public.

## STATE FINANCES

Page 8. Official figures computed by the Economic Department of the Ministry of Finance. First date of publication: Bulletin No. 8, 1968. Revenue and expenditure: Extra-budgetary funds and the aggregated net current deficit of State enterprises are included. Figures are reported on a cash payment basis. Debt: Foreign debt includes promissory notes given to international organizations. Index-tied bond loans are taken at nominal values. Cash debt (net) = net debt to the Bank of Finland plus short-term debt to the Post Office Bank less cash holdings (net) of State departments and funds.

## FOREIGN TRADE

Pages 9—11. Figures supplied by the Board of Customs. *Indices* (p. 9): The indices are calculated according to the Laspeyres formula. At the end of the year the arithmetic mean of the Laspeyres indices corresponds to the annual level of the Fisher index formula. *Terms of trade*: the ratio of export indices to import indices. *Foreign trade by countries* (p. 11): imports by countries of purchase, exports by countries of sale.

## BALANCE OF PAYMENTS

Pages 12—13. Figures are calculated by the Bank of Finland Institute for Economic Research. In addition to the Board of Customs figures, exports include grants in kind but exclude stevedoring expenses and imports include seamen's duty-free imports, non-monetary gold, grants in kind and adjusted allowance for smuggling.

## PRICE INDICES

Page 14. All indices calculated by the Central Statistical Office.

## WAGES — PRODUCTION

Pages 15—16. Figures supplied by the Central Statistical Office. Page 16. *Index of industrial production* calculated by the Central Statistical Office. The grouping by branches of industry is in accordance with the international nomenclature (ISIC). The seasonally adjusted series is calculated by the Bank of Finland Institute for Economic Research on the basis of the index of industrial production per working day according to a method resembling the U.S. Bureau of Census Method II. Commodities according to use: investment goods weight 14.3, other producer goods weight 57.0 and consumer goods weight 28.7. Special manufacturing indices: food industry ISIC no. 20, weight 11.2, wood industry no. 25, weight 6.6, paper industry no. 27, weight 13.1, chemical industry no. 31, weight 5.2, non-metallic mineral industry no. 33, weight 3.6 and metal industry nos. 34—38, weight 23.5

## LABOUR — TIMBER FELLINGS — INTERNAL TRADE — TRAFFIC — CONSTRUCTION OF BUILDINGS

Page 17. *Labour* figures supplied by the Central Statistical Office. *Commercial timber fellings* compiled by the Ministry of Labour. *Retailers' and Wholesalers' volume indices* supplied by the Central Statistical Office. *Indicator of traffic activity* calculated by the Bank of Finland Institute for Economic Research. Figures are weighted averages of the sea, air, railway and road traffic. *Construction of buildings* figures calculated by the Central Statistical Office.

## SYMBOLS USED

- \* Preliminary
- r Revised
- 0 Less than half the final digit shown
- . Logically impossible
- .. Not available
- Nil
- S affected by strike

# SOME PARTICULARS ABOUT FINLAND

## FORM OF GOVERNMENT

From 1155 to 1809 Finland formed a part of the kingdom of Sweden. Connected from 1809 with Russia, Finland was an autonomous country with the Emperor as Grand Duke until December 6, 1917, the date of Finland's declaration of independence. The republican constitution was adopted in 1919. The legislative power of the country is vested in Parliament and the President. The highest executive power is held by the President, elected for a period of 6 years. The President for the current period, March 1, 1968, to March 1, 1974, is Urho Kekkonen.

Parliament, comprising 200 members, is elected by universal suffrage for a period of 4 years. The number of seats of the different parties in Parliament elected in 1972 were as follows: Social Democrats 55, People's Democrats 37, Centre Party 35, Conservatives 34, Finnish Farmers' Party 18, Swedish Party 10, Liberal Party 7 and Christian League 4.

## INTERNATIONAL ORGANIZATIONS

Finland became a member of BIS 1930, IMF 1948, IBRD 1948, GATT 1950, UN 1955, IFC 1956, IDA 1960, EFTA 1961, ADB 1966 and OECD 1969.

## LAND

THE AREA is 337 000 square kilometres (Great Britain's area is 245 000 sq. km and Italy's area 301 000 sq. km). Of the total, inland waters form 9.4 %. Of the land area (1970) 2.7 mill. ha (9.6 %) are cultivated and 19.1 mill. ha (68.4 %) are covered by forests.

OWNERSHIP OF LAND (1970): The total land area was distributed among different classes of owners approximately as follows: private 60.7 %, State 29.4 %, joint stock companies etc. 8.0 %, municipalities and parishes 1.9 %.

## POPULATION

NUMBER OF INHABITANTS (1971): 4.6 million. Sweden 8.1, Switzerland 6.3, Denmark 5.0 and Norway 3.9 million.

DENSITY OF POPULATION (1971:) In South Finland 44.2 in East and Central Finland 14.2, in North Finland 3.9 and in the whole country an average of 15.2 inhabitants to the square kilometre.

DISTRIBUTION BY AREA (1971): 52 % of the population inhabit the rural areas, 48 % towns and urban districts. The largest towns are: Helsinki (Helsingfors), the capital 519 900 inhabitants, Tampere (Tammerfors) 159 600, Turku (Åbo) 159 900.

EMPLOYMENT (1971): Agriculture and forestry 21 %, industry and construction 36 %, commerce 15 %, transport and communications 7 %, services 21 %.

LANGUAGE (1970): Finnish speaking 93.3 %, Swedish speaking 6.5 %, others 0.2 %.

EDUCATION (1971): Practically all persons over 15 years of age are literate. There are 6 universities (the oldest founded in 1640), 10 colleges of university standard, and 2 teacher training colleges, besides teacher training departments in two of the universities.

CHANGE OF POPULATION (1971): births 13.3 ‰, deaths 9.9 ‰, change + 3.3 ‰, net emigration 0.0 ‰. Deaths in France 10.7 ‰ and Great Britain 11.6 ‰.

## TRADE AND TRANSPORT

NATIONAL INCOME (1971, in million marks): Gross domestic product at factor cost by industrial origin: agriculture 2 857 (7 %),

forestry and fishing 2 922 (7 %), manufacturing 12 695 (30 %), construction 4 066 (10 %), transport and communication 4 084 (10 %), commerce, banking and insurance 5 226 (12 %), public administration 1 931 (5 %), ownership of dwellings 2 326 (5 %), services 6 103 (14 %), total 42 209. Index of real domestic product 135 (1964 = 100).

FOREST RESOURCES (1971). The growing stock comprised 1 448 million of solid cu. m incl. bark (51 135 million cu.ft), of which pine 44 % and spruce 37 %, the remaining 19 % being broad-leaf-trees, chiefly birch. Of the growing stock 17 386 million cu. ft, 48 % of them pine, was up to the standard required for logs. The annual growth is 47.6 million solid cu. m green wood excl. bark (1 681 mill. cu. ft). The total removal calculated according to the use of wood was 48.4 million cu. m excl. bark (1 709 million cu. ft).

AGRICULTURE (1971): Cultivated land 2.7 million hectares. Number of holdings 297 257, of which 188 461 are of more than 5 ha. Measure of self-sufficiency in bread cereals 97 % in the crop year 1970/71 and 115 % in 1971/72.

INDUSTRY (1970): Gross value of industrial production 35 577 mill. marks, number of workers 502 981, salaried employees 103 449, motive power (1970) 5.1 mill. kW. Index of industrial production 238 for 1971 (1959 = 100).

STATE RAILWAYS (Jan. 1, 1972): Length 5 874 km.

MERCHANT FLEET (Oct. 31, 1972): Steamers 39 (43 719 gross reg. tons), motor vessels 393 (812 809 gross reg. tons), tankers 59 (747 792 gross reg. tons), sailing vessels with auxiliary engines 3 (499 gross reg. tons). Total 494 (1 604 819 gross reg. tons).

MOTOR VEHICLES (Dec. 31, 1971): Passenger cars 753 000, lorries and vans 113 600, buses 8 200, others 5 200. Total 880 000.

FINNISH AIRCRAFT (May 1972): Finnish Airlines, Finnair and Kar-Air have in use 3 DC-8-62s, 2 DC-6s, 8 Super Caravelles 8 DC-9s and 7 Convair Metropolitans. Companies have scheduled traffic outside of Finland to 24 airports and to 17 domestic airports.

## FINANCE AND BANKING

CURRENCY. Since 1860, Finland has had its own monetary system. From 1877 until 1914 the country was on the gold standard, and returned to it in 1926. In 1931, the Central Bank's duty to redeem bank notes in gold was suspended and at the end of 1962 was entirely cancelled. The monetary unit is the mark (Finnish markka). Since Oct. 12 1967, the par value of the mark is 0.21159 grams of fine gold per mark (equivalent to 4.20 marks per U.S. dollar). Since Dec. 20, 1971 a temporary central rate of 4.10 marks to one U.S. dollar has been applied.

THE CENTRAL BANK. The Bank of Finland (estab. 1811) functions under the guarantee and supervision of Parliament. Its Board of Management is appointed by the President of the Republic; the Bank Supervisors, nine in number, are elected by Parliament. The Bank has a head office in Helsinki and 12 branches in other towns.

OTHER CREDIT INSTITUTIONS (Dec. 31, 1971). There are two big and five small commercial banks with in all 833 offices, 306 savings banks, 424 co-operative banks, six mortgage banks, and Post Office Bank. The co-operative stores accept deposits from their members. The National Pension Institute and fifty-nine private insurance companies also grant credits.

RATES OF INTEREST (Jan. 1, 1972). The official discount rate of the Bank of Finland (the basic rate applied by the Bank of Finland for discounts and rediscounts of commercial banks) is 7 <sup>3</sup>/<sub>4</sub> %. The range of rates for other credits granted by the Bank of Finland is between 6 and 9 %. Other credit institutions: term deposits 4 <sup>1</sup>/<sub>4</sub> %, 6 month deposits 4 <sup>3</sup>/<sub>4</sub> %, 12 month deposits 5 <sup>1</sup>/<sub>4</sub> %, 24 month deposits 6 <sup>1</sup>/<sub>4</sub> %; highest lending rate 11 %.

# THE HELSINKI STOCK EXCHANGE

by Raimo Ilaskivi, D. Pol. Sc.

Managing Director of the Helsinki Stock Exchange

## FOUNDATION AND ORGANIZATION

Sixty years ago, in 1912, a number of Helsinki merchants founded the Helsinki Stock Exchange. They had a building of their own constructed and donated it to the newly established institution. Earlier, in the 19th century, trading in securities had taken place in Helsinki according to the continental pattern, but this activity did not lead to the establishment of a permanent stock exchange.

The Helsinki Stock Exchange played an important financial rôle in the years before 1920. Indeed, if adjustments are made for inflation, it becomes clear that annual turnover on the Stock Exchange at that time was nearly three times as large as it is today. The number of stockbrokers, which at one point reached 66, has also dropped, and at present there are 12 members of the Exchange. In the 1930's, the Helsinki Stock Exchange was transformed into a so-called silent stock exchange, on the lines of the Stockholm Stock Exchange. Small stock exchanges are usually so-called call-over exchanges. In a silent stock exchange the bidding and offering is carried out electro-mechanically. The brokers present, on the proposal of the managing director of the stock exchange, their buying bids and selling offers for each listed bond and security by pushing buttons on their desks so that bids and offers appear on a lighted board.

The convergence of buying bids and selling offers indicates that a transaction is taking place, and the size of the transaction is stated by the brokers. The manager of the stock exchange confirms the completed transaction by reading aloud the names of the parties, the price and the quantity exchanged. After the first

transaction is completed, the same security will be quoted until no further trading takes place. It is then possible to quote buying and selling rates, which the manager of the Exchange also confirms.

The daily session of the Helsinki Stock Exchange comprises the call-over time during which prices are fixed, and the so-called after-session, which is reserved for very big or very small deals. This phase is, however, of minor importance, and the majority of the daily transaction are completed during the call-over time.

In the beginning of 1972, the Helsinki Stock Exchange listed the shares of 46 corporations, some subscription rights, three debentures, and 43 bond loans, of which 32 were issued by the Government, nine by mortgage credit institutions, and two by industrial corporations.

Parliament has never passed an act governing the activities of the Stock Exchange. The Rules of the Helsinki Stock Exchange were confirmed at the time that Finland was a Grand Duchy under the hegemony of Russia. The legal status of the Stock Exchange is comparable to that of an economic society. The Stock Exchange is controlled and administered by a 12-member Stock Exchange Committee. The procedure for the election of the members dates from the foundation of the Stock Exchange: The Helsinki Chamber of Commerce elects six members, the Finnish Bankers' Association three members, and the brokers who do not belong to the Finnish Bankers' Association three members. The Committee decides whether new bonds and securities will be listed and also appoints members of the Stock Exchange, i.e. the brokers. The Rules of the Stock Exchange give the Stock Exchange Committee



a rather free hand to decide upon the listing of new shares. In 1927 the Committee decided upon standards to be met before a company is listed: the company should be on a sound financial footing and have distributed dividends from profits during the preceding year; furthermore the likelihood should exist that the shares will be traded.

In the near future, revisions in the law that will bring the Stock Exchange into the limelight are expected. During the past few years, much work has been done to establish investment trusts in Finland in order to facilitate and promote stock exchange trading. The proposal is based on an American model of the unit trust or mutual fund, in which one part of the company's capital is fixed and the rest is variable.

#### THE GROWTH OF TURNOVER

During the first two decades of the existence of the Helsinki Stock Exchange trading in securities was very lively. However, World War II, and particularly its aftermath, interrupted this activity. In the 1950's, dealing in securities reached its low point at a time of strikes and other economic adversities. The downswing on the Stock Exchange continued into the 1960's, even though this period witnessed very favourable general economic development.

The evolution of the Stock Exchange in Finland has been affected by the concentration of private savings in bank deposits and by the large share of outside financing in total entrepreneurial investment. The small size of the Finnish securities market is as much a result of prejudices of private investors as of the unwillingness of enterprises to increase the number of their shareholders. Furthermore, the effects of taxation should also be taken into account especially when comparing the costs to the enterprise of various types of finance.

However, in 1968 trade in securities began to pick up, and this uninterrupted upward trend has now continued for five years. It is based mainly on the economic turn-round produced by the devaluation of the autumn of 1967 and the stabilization policy pursued subsequently. In spite of the downswing in the international business cycle in 1970—71, the upward rise continued on the Helsinki Stock Exchange. This rise was primarily caused by sharp increases in new issues, particularly in 1971—1972, as is shown in the table below:

**TABLE 1. ANNUAL TURNOVER ON THE HELSINKI STOCK EXCHANGE, MILL. MK**

	1960	1968	1969	1970	1971	January— October 1972
Shares	23.68	27.82	36.75	53.16	66.10	80.93
Subscription Rights	1.45	4.83	5.34	9.24	5.64	29.56
Bonds	1.15	6.94	8.34	12.94	18.35	14.45
Debentures	·	4.20	3.28	1.93	2.40	3.30
Total	26.28	43.79	53.71	77.27	92.49	128.24

The revival in activity, which has taken place during the last few years, has been centred on shares, and particularly on subscription rights. The exchange of bonds has also developed favourably, although their share in total turnover has fallen slightly. The growth in the turnover of shares is affected by the distinct rise in the share index, which has been boosted by numerous new issues. It is estimated that about 70 per cent of the increase in the value of annual turnover in 1968—1972 was a result of price rises, and the remaining 30 per cent the result of growth in volume.

#### THE RISE IN THE SHARE INDEX

Following a long recession, turnover was relatively meagre in 1967, and the share index was at a rather low level. Subsequently, the UNITAS share index, calculated by Pohjoismaiden Yhdyspankki Oy/Nordiska Föreningsbanken Ab, has climbed very fast, as is indicated by the table below:

**TABLE 2. UNITAS SHARE INDICES IN  
1968–1972 (1970 = 100<sup>1</sup>)**

	1968	1969	1970	1971	1972 October
Banks	85.9	98.7	104.4	134.1	189.7
Industry	72.5	91.5	110.3	119.6	164.1
Trade <sup>2</sup>	—	—	100.0	115.1	175.7
General index	73.4	92.0	108.1	122.0	170.7

<sup>1</sup> The base for the index is average share prices in 1970; the figures in the table refer to the last trading day of the year/month.

<sup>2</sup> Not calculated before 1970.

The listing of new securities on the Stock Exchange and expectations about future issues strengthened public demand and raised share prices. It is considered that, despite new issues, faster growth of turnover on the Helsinki Stock Exchange has been checked by a shortage of securities.

The increased interest of the public in shares has been affected by a large number of factors and not only the profitability of shares in comparison with other assets at a time when other types of saving are threatened by strengthening inflation. In 1968, index tied deposit accounts were abolished; they had long been a preferred way to save since they were proof of inflationary loss. However, it was gradually realized that the index linkages themselves contributed to inflation, and they were thus abolished. The tax-free shares of housing corporations, which had been another popular way to save, lost their tax exemption, and a part of the funds invested in these shares was redirected to other assets, such as bonds and shares of corporations listed on the Stock Exchange. The channelling of savings to securities has been promoted by the information made available by the Stock Exchange and its members. The Government has also made efforts to encourage small savers to invest in shares by granting certain tax exemptions, although these have been offset to some extent by greater double taxation. In 1971, a committee was appointed to prepare an integrated report on the taxation of capital income in Finland.

#### TAXES AND OTHER TRANSACTION EXPENSES

From 1945, capital on deposit and interest from deposits have been exempt from both

national and local taxes. In 1969 a similar tax exemption was extended to include bonds issued for public subscription, irrespective of the issuer of the bonds. Earlier only Government bonds had been eligible for tax relief.

On the other hand, a sort of double taxation applies to shares. Shareholders pay a wealth tax on the shares they own. The corporations' wealth tax was abolished in 1968. Shareholders normally pay income tax on any dividend income in excess of 500 marks. Each family member is entitled to a tax exemption of 500 marks on dividend income. The 15 per cent exemption on all dividend income earlier allowed, was removed for income received in 1972. Dividends attract tax relief only for the purpose of national taxation.

At present corporations pay income tax on their profits at a rate of 43 per cent. In addition, there are local taxes and certain other levies. In order to encourage the issuing of new securities, the stamp duty was removed in 1969. Another reform was implemented to bolster the security market: dividends from new issues of payable shares attract tax relief during the year of issue and during the five following years. At the same time, a further reform was carried out, according to which corporations are allowed to deduct 40 per cent of distributed dividends from income liable to national taxation. These reforms have led corporations to issue an exceptional number of new shares. There was a particular need for this development, for in 1970 the share of own funds in total assets of industrial corporations was less than 26 per cent. Ten years earlier the corresponding figure was almost 32 per cent.

The expenses paid by the investor on stock exchange transactions amount to 1.5 per cent of the value of the deal. The broker charges both the buyer and the seller a commission of one per cent. The stamp duty of one per cent is divided evenly between the buyer and the seller. No stamp duty is levied on dealings in bonds. The stamp duty on transactions in unlisted shares is higher: 1.2 per cent of the

value of the deal. On the other hand, the Government uses the share indices for fixing the annual taxation value of both listed and unlisted shares.

In Finland the increase in the value of shares is liable to capital gains taxation, if the shareholder selling the shares has owned them for less than five years. In contrast to the situation in many other countries, such capital gains are treated as earned income and attract taxation at the taxpayer's marginal rate. However, capital gains are exempted from taxation if the shares were received as a gift, inheritance, etc. The taxation of capital gains, coupled with other expenses, has made short-term investment in shares on the Helsinki Exchange not overly attractive. Moreover speculation is largely held in check by the Rules of the Stock Exchange. There is no futures market, and shares may not be bought on margin. However, an investor able to anticipate the rapid rise in share prices and predict new issues has been able to earn significant returns, even in the very short run.

## SHARE ISSUES

The few cyclical down-turns of the 1960's hampered rights issues. It was not until the incentives mentioned above began to have an effect that the companies started to increase their share capital in order to better balance their asset portfolios. Most of the share issues have thus been aimed at changing company asset structure. However, share issues have also been used, more than in the past, to finance investment at times when other financial markets have been tight. Rights issues take two forms in Finland: the shareholder may receive the right to buy a certain number of shares at a fixed price (payable issue) or he may receive shares free of charge (non-payable issue). The payable and non-payable issues of companies listed on the Stock Exchange are shown by type of company in the table below:

**TABLE 3. SHARE ISSUES OF COMPANIES LISTED ON THE HELSINKI STOCK EXCHANGE IN 1964—1971, MILL. MK**

Year	Industry		Banks		Other		Total		
	Pay-able	Non-pay-able	Pay-able	Non-pay-able	Pay-able	Non-pay-able	Pay-able	Non-pay-able	
1964	19	4	—	—	10	—	29	4	33
1965	11	6	96	—	—	3	107	9	116
1966	10	19	—	—	—	—	10	19	29
1967	33	61	—	—	—	7	33	69	101
1968	47	57	—	—	2	39	49	96	145
1969	35	58	15	—	—	—	50	58	108
1970	93	68	56	—	18	—	167	68	235
1971	22	27	87	39	16	—	125	66	191

During the years of low economic activity in the middle of the 1960's, non-payable issues were more significant than payable issues. In 1970—1972, there have been rather many payable issues, although they have often been partly non-payable. This has made it easier to place them since the shareholder's dividend earnings are increased directly by non-payable issues. On the other hand, dividends tend to follow trends in the economy very slowly. Companies alter only infrequently the dividend rate; instead, they rather seem to prefer to set aside a part of their profits in good years and deal them out from their reserve funds as dividends in years of poor performance. The share capital of companies listed on the Helsinki Stock Exchange is indicated in the table below:

**TABLE 4. THE SHARE CAPITAL OF COMPANIES LISTED ON THE HELSINKI STOCK EXCHANGE IN 1960, 1970, AND 1971, MILL. MK**

	1960	1970	1971
Banks	82.5	298.5	424.8
Industry	487.6	1 200.9	1 232.7
Other	57.1	113.2	145.7
Total	627.2	1 612.6	1 803.2

**TABLE 5. THE TEN MOST TRADED SHARES IN 1971, 1 000 MK**

Company	
PYP/NFB	9 421
Kymi Oy	6 224
Nokia Oy-Ab	5 951
KOP	5 383
Wärtsilä Oy-Ab	5 156
Ford Oy-Ab	5 038
Tampella Oy-Ab	3 228
Paraisten Kalkki Oy	3 081
Yhtyneet Paperitehtaot Oy	2 917
Rauma-Repola Oy	2 526

The table above lists the ten companies whose shares give rise to the greatest volume on the Helsinki Stock Exchange in 1971. The ranking of the companies does not fluctuate very much annually; however, certain major transactions or new issues during any given year may raise the volume of trading in a particular share. The statistical data available indicate that only twenty companies have been included in the »top ten» since the Exchange was founded. The demand for shares is thus highly stable, although companies with a large share capital and many shareholders seem to stand out clearly from the rest.

Furthermore, table 5 indicates that the various groupings were well represented on the list of most actively traded shares. The shares of industrial companies, which attract investors through frequent new issues, occupy a prominent position. Corporations which pay a high dividend, particularly the commercial banks, are well placed on the league table. If no new issue is expected in the near future, trading in the shares of these firms is fairly even. Price fluctuations are not significant, and the dividend rate is rather stable. Furthermore, the volume of trade in these shares makes them a rather liquid investment. However, as a result of the vigorous upswing on the Stock Exchange it has become more difficult to sketch the features of different types of shares.

## THE NUMBER OF SHAREHOLDERS

The Helsinki Stock Exchange has carried out three inquiries into the number of shareholders and the distribution of share capital. The latest inquiry was made in the summer of 1972 and indicated that more than 423 000 shareholders owned the 46 listed companies. The number of shareholders had increased by more than 51 000 from 1969, when the last inquiry was made. The number of shareholders was increased by new issues, because new shareholders are automatically entered in the share register of the company when the new share certificates are distributed. However, the new holders might have bought their shares much earlier, since the registration of shares is not

compulsory in Finland. The number of shareholders is clearly biased upward since no adjustment is made for one person owning the shares of more than one company. Although it is difficult to present accurate figures, it is safe to say that the major commercial banks and some industrial corporations have, about 100 000 shareholders. The average number of shareholders of large industrial corporations is around 10 000. The distribution of the share capital of the companies listed on the Stock Exchange between various groups of owners and the number of shareholders in the groups are indicated in the table below:

**TABLE 6. DISTRIBUTION OF THE SHARE CAPITALS OF THE COMPANIES LISTED ON THE STOCK EXCHANGE, IN THE SUMMER OF 1972**

Groups of owners	Number of shareholders	Nominal value of shares owned	
		Mill. mk	%
Corporations and similar enterprises	10 500	267.0	14.8
Financial institutions	500	187.7	10.4
Public organizations	500	96.4	5.4
Private foundations	11 700	345.6	19.2
Private households	397 400	847.1	47.0
Foreign shareholders	2 700	57.1	3.2
Total	423 000	1 800.9	100.0

Although the number of shareholders has gone up during the last three years, total share value has grown so fast that the value of shares owned by the average shareholder has slightly increased to about 4 300 marks. The average value of shares owned by private persons was, however, 2 100 marks. Institutional investors owned more than 50 per cent of the share capital, and this accounts for the high average value of share ownership for all shareholders.

The inquiry indicates that share ownership spread over a greater number of shareholders. At present, on average 57 per cent of the shares of companies listed on the Stock Exchange are owned by shareholders who own less than one per cent of the share capital of the company, 26 per cent by those who own more than one but less than ten per cent of the share capital, and 17 per cent by those who own more than ten per cent of the share capital. During the last three years there

has been a pronounced decline in the concentration of share ownership.

The greatest concentration in share ownership is to be found in small companies with rather few shareholders, since they have been listed on the Stock Exchange for only a short time. In addition, this group includes a few old family companies, the shares of which have stayed in the hands of relatively few shareholders. There are numerous non-listed companies of this type whose financial standing would make them eligible for listing; however, their admission is impeded by their articles of association, which often have a clause of redemption hindering the sale of shares to persons not already holding shares in the company.

However, in order to secure the future development of the Helsinki Stock exchange and to boost its turnover, it is vital that new companies be listed and that their shares be traded. Furthermore, to promote equity trading and investment in securities, it is necessary that legislation governing investment trusts be brought in as soon as possible. Investment trusts would contribute to investment in shares by small savers and bolster turnover, which in turn would increase the supply of securities and bring new investors into the market. In addition, as investment trusts are able to invest a significant part of their funds in non-listed enterprises, they might foster new, expanding companies and push them onto the Stock Exchange.

# ITEMS

**Trade agreement.** On November 23, 1972, an agreement was signed in Helsinki between Finland and the U.S.S.R. governing the exchange of goods for the year 1973. This is the third agreement within the framework of the fifth five-year pact covering the period 1971—1975 and signed in August, 1969. The value of the total exchange of goods in 1973 is estimated to reach about 3 400 million marks (ca. 680 million roubles) which would mean a 10 per cent rise over the current year.

The Finnish quotas for exports of machines and equipment were increased by about 70 per cent and those for ships by as much as 150 per cent. Finland will export seven chipboard factories, one pulp-mill waste water purification plant, the complete equipment for six copying paper and special printing paper mills, various machinery for different industries, lifting and transport equipment, cables, radio signalling equipment, pumps, electrical machinery and machinery for power stations, household appliances, other machinery and metal equipment. The export list includes 28 ships: ten timber transport vessels, five ocean-going tankers, six ocean and river motorships, six house boats and one cable vessel. Export quotas for various types of paper have been fixed at a lower level than those for the current year. Exports of agricultural products will increase.

The Soviet export quotas for machines and equipment were increased by about 50 per cent. The list includes rolling and metallurgical machines and equipment, machines, equipment and fuel for a nuclear power station, cutting and pressing machine tools for metal working, vessels and machines including main engines, railway rolling stock and engines, helicopters and equipment for civil aviation, equipment and accessories for the construction of a gas

pipe line, 10 000 passenger cars and solid fuels. Exports of crude oil and oil products, iron and steel and coloured metals and apatite will increase considerably.

Payments for construction work done by the Soviet Union in Finland, material deliveries and compensation for construction work done by Finnish firms in the U.S.S.R. and frontier trade between the two countries will be agreed separately.

In the twelfth meeting of the permanent Commission for Economic Co-operation between the Finnish and Soviet governments in Helsinki on November 20—23, a long-term programme to further develop co-operation on economic and commercial questions as well as in the area of productive activity was approved. The aim of the programme is to implement the agreement on the development of economic, technical and industrial co-operation between the two countries signed on April 20, 1971.

**New current coin.** A five mark coin has been minted by the Republic of Finland and put into circulation as from December 11, 1972.

The obverse of the coin shows in relief an ice-breaker symbolizing Finnish industry, trade and navigation. The legend under the ice-breaker reads SUOMI FINLAND, and the year of coinage is also shown. The reverse has a large-sized figure 5 set on a background of migrating birds. The word MARKKAA is placed below this figure.

The coin is round, but varies in diameter so that it appears to be slightly heptagonal. The text SUOMEN TASAVALTA REPUBLIKEN FINLAND and two heraldic roses are engraved on the edge of the coin. The coin has a diameter of 26.3 mm, weights 8.0 grammes

and is made of an alloy composed of 930/1 000 copper, 50/1 000 aluminium and 20/1 000 nickel.

The coin was designed by Heikki Häivöja.



**Reorganization at the Bank.** Some rearrangements have been made at the Bank of Finland in order to carry on the reorganization started towards the end of 1971. According to the rearrangements, the Economics Department and the Research Department will function as separate departments, and the name Institute for Economic Research will no longer be used. In addition a separate project group will be set up to carry on and develop the quarterly model of the Finnish economy, the construction of which was started in 1970. These rearrangements took effect on December 1, 1972.

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# BANK OF FINLAND

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## Board of Management

Mauno Koivisto

*Governor*

A. Simonen

*Deputy Governor*

Ahti Karjalainen

*Absent as a Member  
of Government*

Heikki Valvanne

Jaakko Lassila

Päiviö Hetemäki

Timo Helelä

*ad int.*

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## Directors

Jouko J. Voutilainen

Timo Helelä

Jorma Aranko

Pertti Tammivuori

Markku Puntila

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## Senior officials

Pertti Kukkonen

*Director, ADP-planning*

Pauli Kanerva

*Administration*

K. Ignatius

*Personnel*

Antti Lehtinen

*Domestic financial  
operations*

Helge Lindström

*Credits and securities*

Kalle Koski

*Foreign credits*

P.-E. Österlund

*Direct investments and  
capital transfers*

Kari Nars

*Foreign exchange policy*

J. Ojala

*Foreign exchange control*

Kari Puumanen

*Economics dept., ad int.*

Henri J. Vartiainen

*Research dept.*

Stig Törnroth

*Cash*

K. Eirola

*Automatic Data Processing*

A. Nenonen

*Foreign correspondence*

Väinö Heiskanen

*Banking services*

Eino Suomela

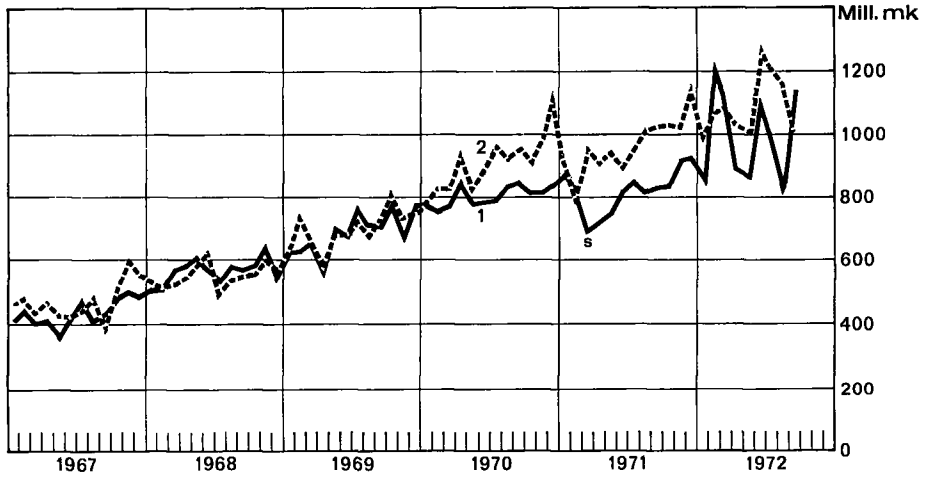
*Internal Audit*

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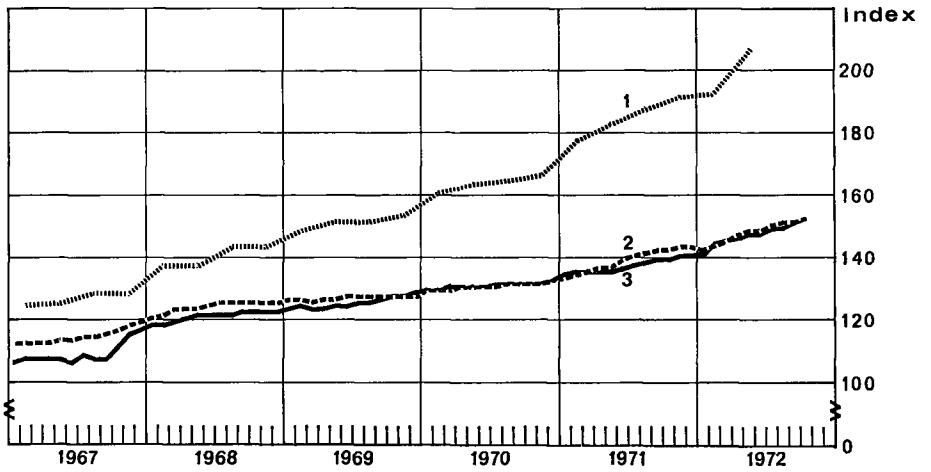
### Foreign trade, 1967 - 1972

1. Exports f.o.b.
  2. Imports c.i.f.
- Seasonally adjusted monthly figures



### Prices and wages, 1967 - 1972

1. Index of salary and wage earnings 1964 = 100, quarterly
2. Cost of living index 1964 = 100, monthly
3. Wholesale price index 1964 = 100, monthly



### Production, 1967 - 1972

1. Total index of industrial production 1964 = 100, seasonally adjusted monthly figures
2. Volume index of gross domestic product 1964 = 100, seasonally adjusted quarterly figures

