



BANK OF FINLAND

Monthly Bulletin

Foreign trade

Capital import policy in Finland

Curtailment of the cash payment
scheme for imports

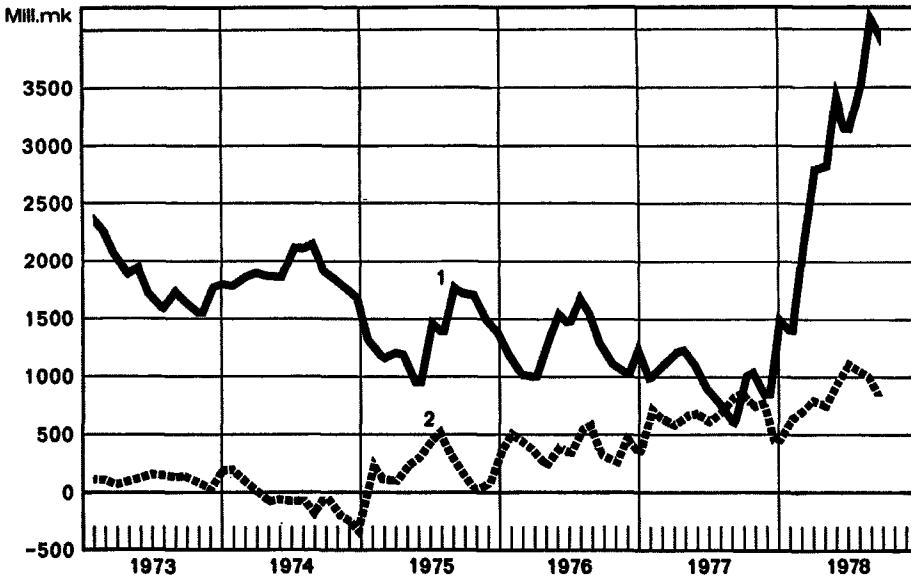
Finland's balance of payments
January—June 1978

Appointment of a Director at the Bank

NOVEMBER 1978

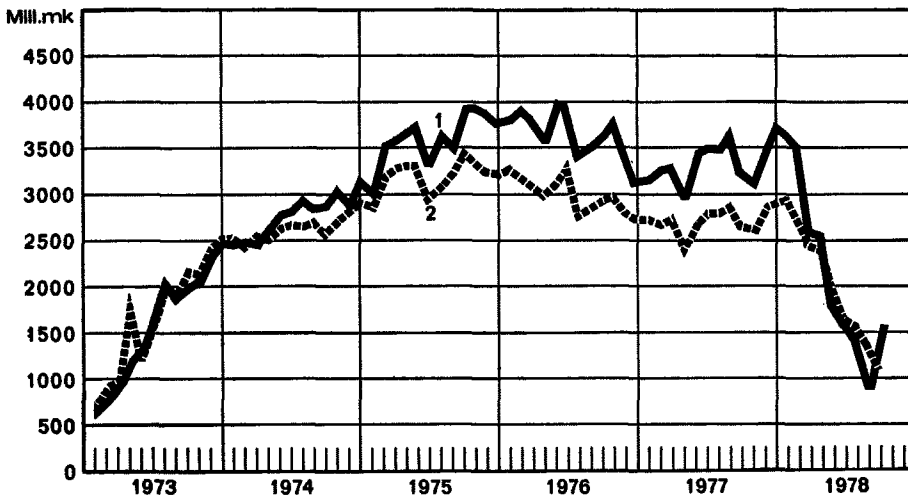
Vol. 52 No. 11

BANK OF FINLAND'S CONVERTIBLE AND TIED FOREIGN EXCHANGE RESERVES, 1973 - 1978



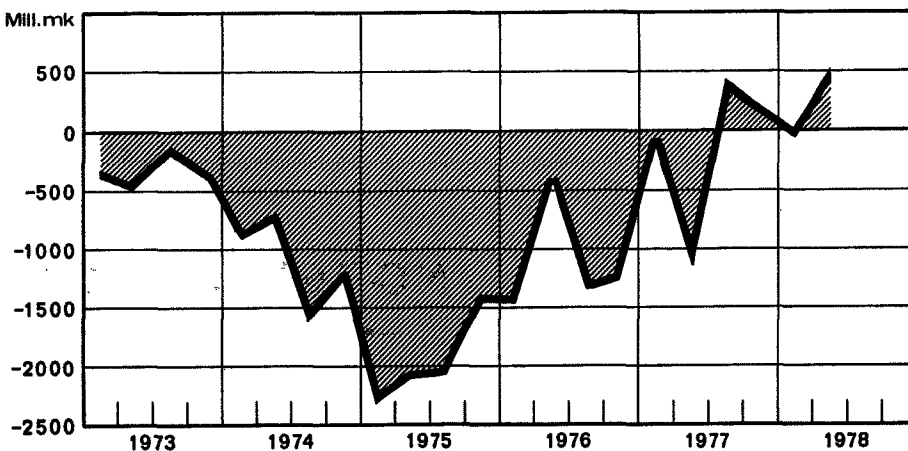
- 1. Gold and convertible currencies
- 2. Tied currencies

BANK OF FINLAND'S POSITION WITH REGARD TO THE DOMESTIC FINANCIAL SECTOR, 1973 - 1978



- 1. Net receivables from the domestic financial sector
 - 2. Discounted and rediscounted bills
- Seasonally adjusted end-of-month figures

BALANCE OF PAYMENTS CURRENT ACCOUNT SURPLUS / DEFICIT, 1973 - 1978



Seasonally adjusted quarterly figures

FOREIGN TRADE

The external balance has improved further in 1978 and a surplus of 1500 million marks was recorded in the trade account during the first three quarters. The surplus in the current account is estimated to have been somewhat smaller but nevertheless more than one per cent of GDP. Exports have expanded at a healthy pace, albeit at largely unsatisfactory prices; in some cases depreciation of the Finnish mark has only partly compensated for the decline in foreign currency prices.¹ At the same time sluggish domestic demand and higher import prices have curbed imports.

After some deceleration in the early months of the year, exports picked up strongly in the second quarter. In the January—September period the mark value of exports was 13 per cent higher than in the corresponding period of last year. Volume is estimated to have grown by some 6 per cent while prices in terms of Finnish marks were roughly 7 per cent higher than in the year before. As the effective exchange rate was on average 11.6 per cent higher than in January—September 1977, prices in foreign currencies actually declined. The value of imports increased by 5 per cent, but since prices are estimated to have been about 11 per cent higher, the volume of commodity imports was more than 5 per cent lower than in the first three quarters of 1977.²

EXPORTS

In the first eight months of the current year the volume as well as the value of forest industry exports was up by a fifth compared with last year; the largest increases were recorded for sawn timber and other building materials as well as for woodpulp, but most paper grades also increased. Part of the increase is undoubtedly due to a replenishment of stocks abroad, sparked off by the Nordic devaluations, and is

therefore transitory. However, a recapturing of market shares primarily from North American producers has occurred, facilitated by persistently strong domestic demand in the United States and by improved competitiveness. Export growth rates are likely to slow down towards the end of the year, but depressed prices at last appear to be turning.

Exports of the basic metal industry increased by a quarter and those of the chemical industry by over two fifths in the January—August period: market outlets for expanded domestic production were found, but at quite unsatisfactory prices. On the other hand, engineering industry exports — accounting for a quarter of total exports — have stagnated. The situation varies according to products, but of the main heavy industries only companies manufacturing machinery for forest industries have received export orders at a satisfactory rate; at shipyards new orders have fallen significantly short of completions. The 14 per cent increase in the value of textile, clothing and leather industry exports largely reflects higher prices; there has been little volume growth. Exports of the foodstuffs industry as well as agricultural exports proper have declined both in value and volume terms.

Viewed regionally, there was some shift in exports towards the EEC, as economic growth in the neighbouring Nordic countries has remained sluggish. In the January—August period the share of the EEC in Finnish exports rose by two percentage points to 39 per cent, whereas there was a corresponding decline in the share of EFTA countries to 21 per cent. Bilateral trade with Eastern Europe accounted for 21 per cent of exports as in the previous year. There was some further growth in the share of other countries, notably OPEC, to 18 per cent of total commodity exports. It is to be noted, however, that many of the Finnish construction and other projects recently undertaken in these countries fall into the services account, and are thus only partly reflected in the exports of goods.

¹ In conjunction with other Nordic devaluations, the Finnish mark was devalued effectively by 5.7 per cent in April 1977, by 3 per cent in September 1977, and by 8 per cent in February 1978.

² Exports f.o.b., imports c.i.f. Graphs and statistics on foreign trade developments are presented on pp. 9—12 and inside back cover of this Bulletin.

IMPORTS

The low level of domestic demand together with relatively higher import prices have restrained the volume of commodity imports, which is now about 15 per cent below the 1974—1975 peak level. In the first eight months of the year the value of imports of raw materials and manufacturing inputs was 6 per cent higher than in January—August last year; the value of crude oil imports was actually 6 per cent lower. Prices of raw materials in terms of foreign currencies were slightly below those of 1977 and thus prices in Finnish marks rose less than the 11.6 per cent increase in the effective exchange rate. The share of raw materials and manufacturing inputs in the value of total imports remained unchanged at 62 per cent. Imports of fuels and lubricants increased on account of larger coal deliveries.

The volume of imports of finished goods decreased further but through higher prices maintained its share in total imports at about 30 per cent, distributed almost evenly between investment and consumer goods. In the first eight months of the year the value of investment goods imports was only 2 per cent up on last year, but this is largely explained by reduced deliveries of ships to Finnish owners; the value of machinery imports was 12 per cent higher than last year.

The value of consumer goods imports rose 7 per cent, with higher than average increases in food and related products and an absolute decline in textiles and clothing. The value of imports of durable consumer goods was 9 per cent higher in January—August than in the same period of 1977.

There was only one notable change in the regional distribution of imports. The share of OPEC declined from 4 to 2 per cent, and the shares of European countries edged up slightly, with the EEC now supplying 36 per cent, EFTA countries 21 per cent and CMEA countries 23 per cent of Finnish imports. The Soviet Union, which also supplies the bulk of Finland's oil under long-term contracts, was again Finland's

largest single trading partner, followed by Sweden, the Federal Republic of Germany, the United Kingdom and the United States.

PROSPECTS

Although remarkable gains have been made in the last two or three years, the volume of exports is still only 15 per cent above the 1973—1974 levels, despite substantial additions to capacity which have taken place in the meantime. Certain structural factors such as the slowing down of bilateral trade towards the end of the current five-year agreement with the USSR as well as declining shipbuilding are depressing overall export growth rates. There are nevertheless some grounds for optimism. As a result of currency adjustments and a marked reduction in domestic inflation, the price competitiveness of Finnish industry has improved some 20 per cent since 1976. Some strengthening of the economic situation in Finland's main markets, combined with increasing efforts in new markets contribute to export expansion. Western exports did increase by 13 per cent in volume terms last year and the growth rate for 1978 is unlikely to be much under 10 per cent, the corresponding figures for total commodity exports being 10 per cent in 1977 and 6—7 per cent in the current year.

The decline in imports is expected to reach a turning point in the final months of the year when imports of raw materials and manufacturing inputs especially should rise. This change is in response to a recovery of domestic output and a need to replenish low stocks, a process facilitated by improved liquidity. However, no dramatic changes in import volumes are expected, especially as output growth is concentrated in the forest industry which acquires most of its supplies from the domestic market. Although import growth rates are catching up with the expected moderate expansion of exports, the surplus in the trade account can be expected to continue well into 1979.

October 20, 1978

BANK OF FINLAND

Mill. mk

	1977		1978			
	Oct. 31	Dec. 31	Oct. 6	Oct. 13	Oct. 23	Oct. 31
Assets						
Gold and foreign exchange receivables	1 945	2 139	4 622	4 469	4 482	4 301
Gold	127	133	133	133	133	133
Special drawing rights	191	204	149	149	149	149
IMF reserve tranche	—	—	246	246	246	246
Convertible currencies	803	1 265	3 311	3 167	3 226	3 092
Tied currencies	824	537	783	774	728	681
Other foreign receivables	1 893	1 959	2 467	2 481	2 497	2 551
Foreign bills	443	488	575	585	591	620
Foreign bonds	516	543	782	786	796	821
Mark subscription to Finland's quota in the IMF	934	928	1 110	1 110	1 110	1 110
Receivables from financial institutions	4 535	5 420	3 511	3 250	4 019	3 578
Cheque accounts of the commercial banks	122	110	71	62	64	70
Discounted bills	2 722	3 091	1 300	1 147	1 138	1 113
Bonds	492	354	364	340	360	362
Call money market advances	1 145	1 804	1 760	1 684	2 434	2 013
Other financial institution receivables	54	61	16	17	23	20
Receivables from the public sector	363	391	474	478	475	614
Government promissory notes	—	—	50	50	50	188
Bonds	61	60	90	92	92	93
Total coinage	301	304	331	331	332	332
Other public sector receivables	1	27	3	5	1	1
Receivables from corporations	1 467	1 416	1 327	1 332	1 304	1 298
New export bills	198	194	240	249	248	250
Financing of domestic deliveries	702	714	761	763	764	758
Bonds	230	214	219	220	218	219
Other corporate receivables	337	294	107	100	74	71
Other assets	78	85	63	63	63	64
Total	10 281	11 410	12 464	12 073	12 840	12 406
Liabilities						
Foreign exchange liabilities	100	94	74	69	66	66
Convertible accounts	47	53	54	49	46	48
Tied accounts	53	41	20	20	20	18
Other foreign liabilities	2 134	3 447	2 753	2 749	2 742	2 729
IMF mark accounts	1 772	1 838	2 051	2 051	2 051	2 051
Allocations of special drawing rights	258	300	301	301	301	301
Term liabilities	104	1 309	401	397	390	377
Notes and coins in circulation	3 072	3 167	3 505	3 508	3 489	3 431
Notes	2 808	2 892	3 206	3 209	3 190	3 132
Coins	264	275	299	299	299	299
Deposit certificates in circulation	180	200	1 209	1 209	1 359	1 359
Claims of financial institutions	1 377	1 194	1 819	1 466	2 175	1 883
Cheque account of Postipankki	0	1	1	0	0	5
Cheque accounts of the commercial banks	1	3	0	1	1	1
Call money market deposits	1 091	850	1 383	1 036	1 705	1 413
Capital import deposits	—	246	432	426	424	421
Other financial institution claims	285	94	3	3	45	43
Claims of the public sector	286	328	198	197	194	191
Cheque accounts	0	2	0	1	1	2
Counter-cyclical reserves	34	36	38	38	38	38
Capital import deposits	0	287	159	157	154	150
Other public sector claims	252	3	1	1	1	1
Claims of corporations	305	242	370	361	353	344
Deposits for investment and ship purchase	40	35	46	40	39	39
Capital import deposits	246	181	311	308	302	292
Import levy deposits	12	19	9	9	9	9
Other corporate claims	7	7	4	4	3	4
Other liabilities	13	13	14	14	13	16
Equalization accounts	855	671	471	449	398	336
Capital accounts	1 959	2 054	2 051	2 051	2 051	2 051
Primary capital	1 400	1 400	1 400	1 400	1 400	1 400
Reserve fund	436	436	545	545	545	545
Net earnings	123	218	106	106	106	106
Total	10 281	11 410	12 464	12 073	12 840	12 406

End of year or month	Foreign sector							Public sector			Deposit certificates in circulation
	Gold and convertible exchange receivables	Convertible exchange liabilities	Gold and convertible exchange reserves (1-2)	Tied exchange reserves	Other receivables	Other liabilities	Net receivables (3+4+5-6)	Receivables	Liabilities	Net liabilities (9-8)	
	1	2	3	4	5	6	7	8	9	10	11
1971	2 620	30	2 590	-297	686	704	2 275	148	140	- 8	400
1972	2 613	43	2 570	- 6	757	788	2 533	175	49	-126	790
1973	1 928	65	1 863	210	803	788	2 088	200	534	334	1 450
1974	1 784	62	1 722	-388	1 123	788	1 669	302	560	258	1 040
1975	1 488	78	1 410	368	1 274	1 385	1 667	339	1 301	962	250
1976	1 361	50	1 311	389	1 660	1 923	1 437	447	1 133	686	-
1977	1 602	53	1 549	496	1 959	3 447	557	391	328	- 63	200
1977											
Aug.	697	50	647	841	1 857	2 131	1 214	360	353	- 7	180
Sept.	1 072	51	1 021	878	1 856	2 134	1 621	365	343	- 22	180
Oct.	1 121	47	1 074	771	1 893	2 134	1 604	363	286	- 77	180
Nov.	903	46	857	797	1 912	2 556	1 010	364	407	43	180
Dec.	1 602	53	1 549	496	1 959	3 447	557	391	328	-63	200
1978											
Jan.	1 492	40	1 452	648	1 983	3 360	723	399	320	-79	180
Feb.	2 236	36	2 200	730	2 093	3 393	1 630	401	297	-104	180
March	2 854	40	2 814	822	2 142	3 391	2 387	405	288	-117	0
April	2 890	51	2 839	785	2 187	3 408	2 403	382	289	-93	-
May	3 596	38	3 558	995	2 636	3 914	3 275	382	229	-153	-
June	3 284	98	3 186	1 149	2 641	3 046	3 930	393	222	-171	400
July	3 583	40	3 543	1 084	2 659	3 038	4 248	404	203	-201	760
Aug.	4 237	43	4 194	1 019	2 407	2 786	4 834	453	202	-251	859
Sept.	4 039	53	3 986	842	2 428	2 756	4 500	464	199	-265	1 209
Oct.	3 620	48	3 572	663	2 551	2 729	4 057	614	191	-423	1 359

FOREIGN EXCHANGE SITUATION

Mill. mk

CURRENCY INDEX¹

	Net holdings, Sept. 30, 1978			Change		1974 = 100
	Bank of Finland	Other	Total	Sept.	Jan.—Sept.	
Gold	133	—	133	—	—	1978
Special drawing rights	149	—	149	—	— 55	June 118.5
IMF reserve tranche	246	—	246	—	+ 246	July 118.5
Convertible currencies	3 458	-2 201	1 257	+ 32	+2 830	August 118.5
Total	3 986	-2 201	1 785	+ 32	+3 021	Sept. 118.5
Tied currencies	841	125	966	-215	+324	Oct. 118.7

¹ See page 19, CURRENCY

End of year or month	Domestic financial sector						Corporate sector				Notes and coins in circulation
	Dis-counted and redis-counted bills	Cheque account receiv-ables	Other receiv-ables	Cheque account liabilities to the commer-cial banks	Cheque account liabilities to Posti-pankki	Other liabili-ties	Net receiv-ables (1+2+3-4-5-6)	Receiv-ables	Liabili-ties	Net receiv-ables (8-9)	
	1	2	3	4	5	6	7	8	9	10	11
1971	849	—	—	9	2	—	838	355	385	— 30	1 413
1972	753	5	—	—	2	—	756	321	73	248	1 879
1973	2 556	61	—	—	2	—	2 615	372	259	113	2 082
1974	3 034	114	266	4	4	1	3 405	631	195	436	2 462
1975	3 385	133	646	3	1	25	4 135	933	539	394	2 855
1976	2 920	174	1 580	2	2	1 139	3 531	1 400	308	1 092	2 885
1977	3 091	110	2 219	3	1	1 190	4 226	1 416	242	1 174	3 167
1977											
Aug	2 779	85	1 463	1	1	846	3 479	1 439	260	1 179	3 022
Sept.	2 700	140	1 303	5	0	1 010	3 128	1 476	266	1 210	3 079
Oct.	2 722	122	1 691	1	0	1 376	3 158	1 467	305	1 162	3 072
Nov.	3 058	132	1 809	1	0	1 142	3 856	1 428	236	1 192	3 075
Dec.	3 091	110	2 219	3	1	1 190	4 226	1 416	242	1 174	3 167
1978											
Jan.	3 060	139	2 575	1	0	1 900	3 873	1 439	239	1 200	2 990
Feb.	2 658	149	2 698	1	0	2 440	3 064	1 504	331	1 173	3 040
March	2 454	123	2 288	1	0	2 340	2 524	1 477	386	1 091	3 333
April	2 346	157	2 012	3	0	1 985	2 527	1 483	389	1 094	3 302
May	2 004	120	1 710	1	0	2 223	1 610	1 386	416	970	3 271
June	1 607	109	1 870	2	0	2 042	1 542	1 311	386	925	3 572
July	1 571	84	1 782	1	0	2 031	1 405	1 297	304	993	3 520
Aug.	1 320	80	1 596	1	0	2 102	893	1 288	505	783	3 414
Sept.	1 107	79	2 053	1	0	1 731	1 507	1 311	372	939	3 538
Oct.	1 113	70	2 395	1	5	1 877	1 695	1 298	344	954	3 431

SELLING RATES FOR FOREIGN EXCHANGE

Mk

October 20, 1978

New York ¹	1 \$	3.923	Frankfurt o. M.	100 DM	215.20	Vienna	100 S	29.40
Montreal	1 \$	3.310	Amsterdam	100 Fl	197.00	Lisbon	100 Esc	8.95
London	1 £	7.860	Brussels ²	100 Fr		Madrid	100 Pta	5.69
Stockholm	100 Kr	91.90	Zurich	100 Fr	257.00	Tokyo	100 Y	2,158
Oslo	100 Kr	80.10	Paris	100 FF	93.50	Reykjavik	100 Kr	1.30
Copenhagen	100 Kr	77.50	Rome	100 Lit	0.490	Moscow ³	1 Rbl	5,942

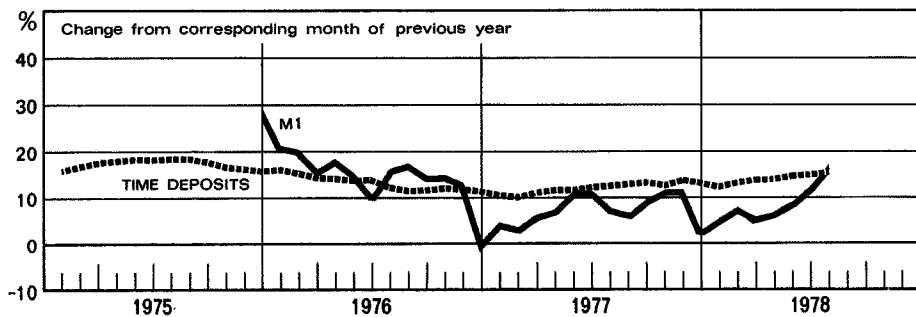
¹ As from Dec. 20, 1971 also applied to clearing accounts with Berlin, Budapest and Sofia.² 13.650 commercial rate; 12.900 financial rate.³ Clearing account.

DEPOSITS BY THE PUBLIC¹

Mill. mk

End of year and month	Demand deposits				Time deposits					Total (4+9)
	Commer- cial banks	Savings banks & Co-op. banks	Posti- pankki	All depos- it banks	Commer- cial banks	Savings banks	Co-op. banks	Posti- pankki	All depos- it banks	
	1	2	3	4	5	6	7	8	9	10
1974	2 723	913	1 638	5 274	10 811	8 279	6 299	2 646	28 035	33 309
1975	3 472	1 181	2 309	6 962	12 176	9 743	7 530	3 200	32 649	39 611
1976	3 071	1 357	2 336	6 764	13 282	11 051	8 610	3 665	36 608	43 372
1977	2 948	1 506	2 212	6 666	14 999	12 671	9 846	4 177	41 693	48 359
1977										
March	2 973	1 342	2 353	6 668	13 371	11 353	8 880	3 825	37 429	44 097
April	3 013	1 299	2 388	6 700	13 557	11 428	9 007	3 825	37 817	44 517
May	3 287	1 359	2 253	6 899	13 598	11 594	9 074	3 850	38 116	45 015
June	3 267	1 406	2 231	6 904	13 740	11 815	9 211	3 909	38 675	45 579
July	3 031	1 407	2 131	6 569	13 828	11 995	9 330	3 954	39 107	45 676
Aug.	3 271	1 486	2 049	6 806	13 960	12 120	9 474	3 989	39 543	46 349
Sept.	3 042	1 431	2 053	6 526	13 966	12 101	9 471	3 978	39 516	46 042
Oct.	3 147	1 495	2 027	6 669	14 167	12 152	9 491	4 012	39 822	46 491
Nov.	3 342	1 508	2 027	6 877	14 382	12 350	9 697	4 066	40 495	47 372
Dec.	2 948	1 506	2 212	6 666	14 999	12 671	9 846	4 177	41 693	48 359
1978										
Jan.	3 096	1 351	2 330	6 777	14 890	12 747	9 903	4 203	41 743	48 520
Feb.	3 106	1 468	2 478	7 052	15 191	12 901	9 996	4 243	42 331	49 383
March	2 922	1 420	2 340	6 682	15 350	13 058	10 107	4 363	42 878	49 560
April	3 068	1 414	2 415	6 897	15 596	13 190	10 225	4 368	43 379	50 276
May	3 550	1 541	2 304	7 395	15 975	13 287	10 277	4 393	43 932	51 327
June	3 713	1 517	2 359	7 589	16 210	13 523	10 458	4 485	44 676	52 265
July	3 712	1 594	2 352	7 658	16 440	13 679	10 567	4 600	45 286	52 944

¹ New series. See explanations on page 18.

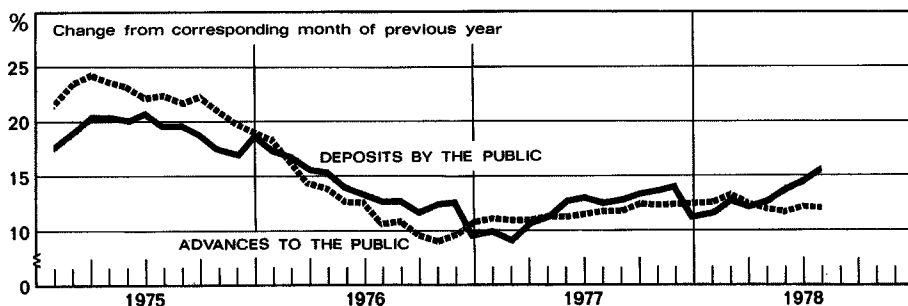


ADVANCES TO THE PUBLIC¹ — MONEY SUPPLY¹

Mill. mk

End of year and month	Advances granted by				Types of advances				Money Supply	
	Commer- cial banks	Savings banks	Co-op. banks	Posti- pankki	Loans & bills in domestic currency	Cheque credits	Domestic credits in foreign currency	Total (1 to 4) (5 to 7)	M ₁	M ₁ +Quasi- Money
	1	2	3	4	5	6	7	8	9	10
1974	17 462	7 715	6 457	4 653	33 261	1 136	1 890	36 287	7 549	35 943
1975	20 799	9 108	7 797	5 597	38 285	1 281	3 735	43 301	9 772	43 165
1976	22 077	10 615	9 247	6 120	42 617	1 569	3 873	48 059	9 601	47 014
1977	24 679	12 312	10 547	6 609	47 355	1 690	5 102	54 147	9 872	52 581
1977										
March	22 703	10 801	9 279	6 293	42 941	1 621	4 514	49 076	9 496	47 693
April	23 175	10 885	9 313	6 242	43 243	1 551	4 821	49 615	9 620	48 164
May	23 240	11 055	9 405	6 337	43 679	1 545	4 813	50 037	9 786	48 845
June	23 469	11 154	9 544	6 352	43 929	1 639	4 951	50 519	9 996	49 380
July	23 475	11 263	9 668	6 312	44 229	1 575	4 914	50 718	9 651	49 509
Aug.	23 598	11 430	9 791	6 351	44 670	1 660	4 840	51 170	9 818	50 103
Sept.	24 063	11 640	9 962	6 476	45 328	1 659	5 154	52 141	9 670	50 258
Oct.	24 149	11 823	10 120	6 598	45 946	1 717	5 027	52 690	9 732	50 614
Nov.	24 440	12 004	10 283	6 676	46 592	1 723	5 088	53 403	9 933	51 436
Dec.	24 679	12 312	10 547	6 609	47 355	1 690	5 102	54 147	9 872	52 581
1978										
Jan.	24 843	12 421	10 575	6 852	47 794	1 763	5 134	54 691	9 875	52 716
Feb.	25 472	12 509	10 636	6 731	47 977	1 787	5 584	55 348	10 137	53 709
March	25 599	12 553	10 650	6 500	47 817	1 732	5 753	55 302	10 058	54 272
April	25 820	12 661	10 743	6 488	48 095	1 641	5 976	55 712	10 272	54 990
May	25 841	12 816	10 878	6 537	48 575	1 655	5 842	56 072	10 679	55 962
June	26 123	12 914	11 023	6 707	48 930	1 771	6 066	56 767	11 247	57 365
July	26 017	13 048	11 148	6 753	49 217	1 761	5 988	56 966	11 351	58 025

¹ New series. See explanations on page 18.



STATE FINANCES

Mill. mk

Revenue	Jan.—Aug.		Expenditure	Jan.—Aug.	
	1977	1978		1977	1978
Income and wealth tax (net)	6 678	5 718	Wages, salaries, pensions etc.	3 822	4 141
Gross receipts	(17 857)	(18 052)	Repair and maintenance	518	542
Refunds & local authorities	(-11 179)	(-12 334)	Other consumption expenditure	1 764	2 066
Other taxes on income and wealth	113	181	Total consumption expenditure	6 104	6 749
Employers' child allowance payments	748	655	State aid to local authorities	4 653	5 447
Sales tax	5 141	6 074	State aid to industries	3 021	3 097
Customs duties and import charges and levies	583	577	of which: agric. price subsidies	(1 677)	(1 686)
Excise duties ¹	3 516	4 000	Child allowances	771	851
Excise duty on alcoholic beverages ¹	1 139	1 281	Share in national pensions and sickness insurance schemes	195	213
Excise duty on tobacco	530	549	Other transfer expenditure	2 591	2 993
Excise duty on liquid fuel	1 168	1 430	Total transfer expenditure	11 231	12 601
Other excise duties ¹	679	740	Machinery and equipment	789	864
Tax on autom. and motor-cycles	576	568	Construction of buildings	379	449
Stamp duties	469	520	Land and waterway construction	935	961
Special diesel etc. vehicles tax	86	100	Total real investment	2 103	2 274
Other taxes and similar revenue ¹	570	524	Interest on State debt	303	352
Total taxes	18 480	18 917	Net deficit of State enterprises	91	— 14
Miscellaneous revenue	1 204	1 403	Other expenditure	32	32
Interest, dividends etc.	454	526	Total other expenditure	426	370
Redemptions of loans granted	220	323	Increase in inventories	35	—114
Total revenue	20 358	21 169	Lending	1 840	1 698
Foreign borrowing	153	2 086	Other financial investment	379	387
Domestic borrowing	728	1 396	Total expenditure	22 118	23 965
Total borrowing	881	3 482	Redemption of foreign loans	72	144
Deficit (+) or surplus (—)	+1 206	—202	Redemption of domestic loans	255	340
			Total redemptions	327	484
Total	22 445	24 449	Total	22 445	24 449

¹ New series.

State debt	1975	1976	1977	1978		
	Dec.	Dec.	Dec.	June	July	Aug.
Foreign debt	1 603	2 248	3 679	5 146	5 617	5 982
Loans	1 645	2 175	2 963	3 624	3 675	3 787
Compensatory obligations	1	1	1	2	1	1
Short-term credit	85	287	175	408	408	313
Cash debt (net)	—242	—643	—669	—392	— 316	—385
Domestic debt	1 489	1 820	2 470	3 642	3 768	3 716
Total State debt	3 092	4 068	6 149	8 788	9 385	9 698
Total debt, mill \$	798	1 069	1 493	2 053	2 230	2 358

FOREIGN TRADE

Mill. mk

Value mill. mk

Period	Value mill. mk		
	Exports f. o. b.	Imports c. i. f.	Surplus of exports (+) or imports (-)
1973	14 605	16 599	-1 994
1974	20 687	25 666	-4 979
1975	20 247	28 002	-7 755
1976	24 505	28 555	-4 050
1977	30 931	30 708	+223

1977

July	2 833	2 442	+391
Aug.	2 240	2 398	-158
Sept.	2 901	2 849	+ 52
Oct.	2 991	2 583	+408
Nov.	2 960	2 891	+ 69
Dec.	3 141	3 050	+91

1978*

Jan.	2 511	2 631	-120
Feb.	2 524	2 188	+336
March	2 750	2 570	+180
April	2 894	2 426	+468
May	2 942	2 935	+7
June	2 823	2 669	+154
July	2 678	2 636	+ 42
Aug.	2 397	2 473	- 76

Jan.-Aug.

1977	18 938	19 337	-399
1978*	21 519	20 528	+991

Indices of exports and
imports 1975 = 100

Period	Volume		Unit value		Terms of trade
	Exports	Imports	Exports	Imports	
	1973	121	93	60	
1974	121	100	85	92	92
1975	100	100	100	100	100
1976	117	96	103	107	97
1977	129	88	119	124	96

1975

Oct.-Dec.	116	100	100	103	97
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1976

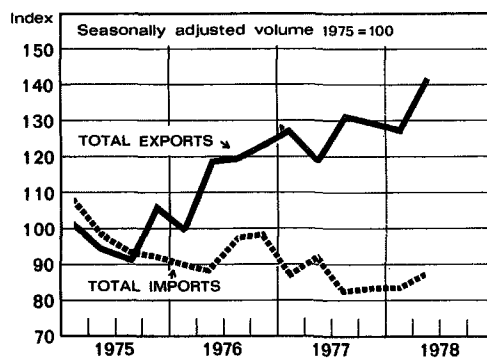
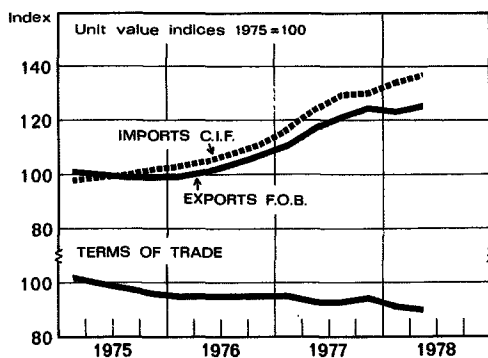
Jan.-March	99	87	100	104	96
Apr.-June	114	84	102	106	96
July-Sept.	116	98	105	109	96
Oct.-Dec.	136	107	108	112	96

1977

Jan.-March	123	83	112	117	96
Apr.-June	115	88	118	125	94
July-Sept.	129	84	122	130	94
Oct.-Dec.	143	93	125	131	95

1978*

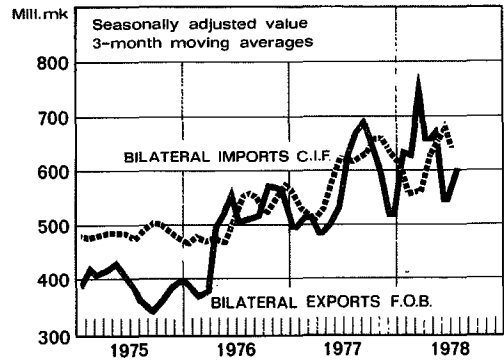
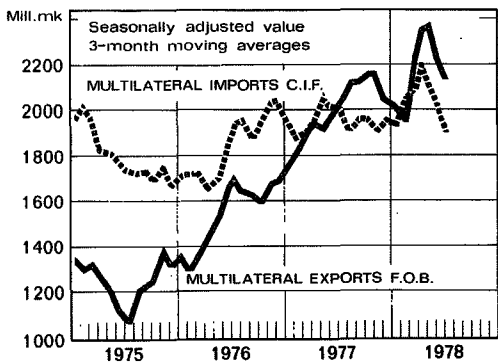
Jan.-March	124	78	124	135	92
Apr.-June	136	83	126	138	91



FOREIGN TRADE BY MAIN GROUPS

Mill. mk

Period	Exports, f.o.b.					Imports, c.i.f.				
	Agricultural and other primary products	Wood industry products	Paper industry products	Metal, engineering industry products	Other goods	Raw materials and producer goods	Fuels and lubricants	Finished goods		Other goods
								Investment goods	Consumer goods	
1973	432	2 458	5 266	2 921	3 528	9 916	729	2 919	2 968	67
1974	464	3 153	7 872	4 245	4 953	16 525	1 978	3 857	3 282	24
1975	449	2 177	7 225	5 357	5 039	17 058	1 670	5 222	3 989	63
1976	804	2 892	7 860	6 891	6 058	17 828	1 581	4 966	4 103	77
1977	1 087	3 854	8 798	9 184	8 008	19 128	2 066	4 828	4 603	83
1977*										
July	87	352	701	1 045	648	1 609	178	318	316	21
Aug.	48	339	674	605	574	1 590	166	276	356	10
Sept.	44	337	794	943	783	1 792	284	371	399	3
Oct.	41	321	753	1 106	770	1 650	222	321	389	1
Nov.	44	417	896	802	801	1 729	198	511	453	0
Dec.	143	346	836	963	853	1 876	230	526	415	3
1978*										
Jan.	160	322	721	656	652	1 567	193	493	376	2
Feb.	34	266	821	727	676	1 395	124	327	340	2
March	153	322	901	546	828	1 569	89	475	436	1
April	19	348	907	799	821	1 445	123	402	455	1
May	113	431	850	729	819	1 823	199	412	501	0
June	40	414	873	810	686	1 733	196	376	362	2
July	44	414	775	748	697	1 701	233	362	325	15
Aug.	33	330	750	553	731	1 558	215	328	370	2
Jan.-Aug.										
1977	815	2 433	5 519	5 370	4 801	12 081	1 132	3 101	2 947	76
1978*	596	2 847	6 598	5 568	5 910	12 791	1 372	3 175	3 165	25



FOREIGN TRADE BY COUNTRIES¹

Mill. mk

Area and country	Exports, f.o.b.				Imports, c.i.f.			
	January—August				January—August			
	1977*		1978*		1977*		1978*	
	%	Mill. mk	%	Mill. mk	%	Mill. mk	%	Mill. mk
OECD countries in Europe	63.6	12 050	62.1	13 372	57.7	11 151	58.9	12 083
Austria	0.8	162	0.7	148	1.4	278	1.3	277
Belgium and Luxembourg	1.9	359	1.9	408	1.9	365	1.8	375
Denmark	4.0	754	4.2	903	2.6	502	2.7	545
France	3.5	655	3.8	825	2.8	543	3.4	689
Federal Republic of Germany	10.4	1 976	10.4	2 243	14.1	2 729	13.7	2 814
Italy	1.3	244	1.7	356	2.2	423	2.4	490
Netherlands	3.7	701	3.8	813	2.6	503	2.8	573
Norway	5.0	942	4.5	972	3.1	591	2.8	585
Portugal	0.3	60	0.2	38	0.4	81	0.4	75
Spain	1.0	190	0.8	175	1.5	294	0.9	186
Sweden	15.6	2 954	14.1	3 039	13.6	2 619	14.5	2 974
Switzerland	1.6	302	1.7	368	2.0	390	2.1	428
United Kingdom	12.5	2 367	12.9	2 774	9.1	1 753	9.5	1 948
Other	2.0	384	1.4	310	0.4	80	0.6	124
OECD countries outside Europe	6.7	1 269	6.7	1 433	8.3	1 602	8.5	1 737
Canada	0.6	121	0.6	119	0.3	53	0.4	79
Japan	0.9	163	0.9	191	2.8	540	2.8	570
United States	4.4	839	4.2	902	5.0	961	5.0	1 036
Other	0.8	146	1.0	221	0.2	48	0.3	52
CMEA countries	21.2	4 008	21.4	4 601	22.1	4 283	23.4	4 801
Czechoslovakia	0.6	86	0.5	102	0.4	86	0.5	106
German Democratic Republic	1.0	204	0.7	156	0.5	107	0.6	127
Poland	0.8	159	0.7	139	2.0	388	2.4	485
Soviet Union	17.9	3 393	18.4	3 964	18.6	3 589	19.0	3 894
Other	0.9	166	1.1	240	0.6	113	0.9	189
Latin America	1.8	337	2.5	546	4.5	864	3.7	771
Argentina	0.2	38	0.2	43	0.2	45	0.3	51
Brazil	0.5	90	0.5	101	0.6	115	0.7	151
Colombia	0.1	13	0.1	25	1.5	294	1.2	253
Other	1.0	196	1.7	377	2.2	410	1.5	316
Other	6.7	1 274	7.3	1 567	7.4	1 437	5.5	1 136
GRAND TOTAL	100.0	18 938	100.0	21 519	100.0	19 337	100.0	20 528
of which								
EFTA countries	23.5	4 443	21.4	4 599	20.6	3 990	21.4	4 386
EEC countries	37.8	7 165	39.4	8 477	35.4	6 849	36.4	7 473
OECD countries	70.3	13 319	68.8	14 805	65.9	12 753	67.4	13 820

¹ New series. See explanations on page 18.

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
1975	20 181	27 939	-7 758	+ 984	+105	+217	-6 452	-1 414	-108	-7 974
1976	24 372	28 472	-4 100	+1 193	+ 22	+245	-2 640	-1 749	-118	-4 507
1977	30 766	30 625	+ 141	+1 392	- 3	+411	+1 941	-2 434	-147	- 640

1975

July-Sept.	4 482	6 649	-2 167	+237	+142	+ 57	-1 731	-308	- 6	-2 045
Oct.-Dec.	5 861	7 234	-1 373	+234	- 7	+206	- 940	-411	-30	-1 381

1976

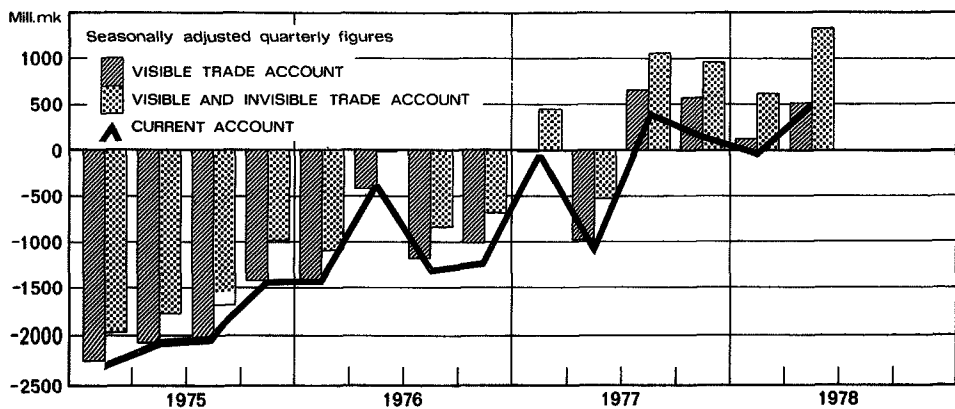
Jan.-March	4 987	6 307	-1 320	+252	- 50	+ 65	-1 053	-347	-35	-1 435
Apr.-June	5 864	6 224	- 360	+252	+ 49	+ 26	- 33	-485	-26	- 544
July-Sept.	6 098	7 515	-1 417	+365	+ 62	+110	- 880	-434	-17	-1 331
Oct.-Dec.	7 423	8 426	-1 003	+324	- 39	+ 44	- 674	-483	-40	-1 197

1977

Jan.-March	6 977	6 765	+ 212	+ 331	- 80	+ 82	+ 545	- 506	-46	- 7
Apr.-June	6 817	7 689	- 872	+ 299	+ 10	+ 49	- 514	- 726	-12	-1 252
July-Sept.	7 931	7 671	+ 260	+ 377	+118	+180	+ 935	- 532	-30	+ 373
Oct.-Dec.	9 041	8 500	+ 541	+ 385	- 51	+100	+ 975	- 670	-59	+ 246

1978*

Jan.-March	7 745	7 359	+ 386	+ 399	- 66	+165	+ 884	- 613	-63	+ 208
Apr.-June	8 610	8 018	+ 592	+ 305	+ 11	+213	+1 121	- 821	-21	+ 279

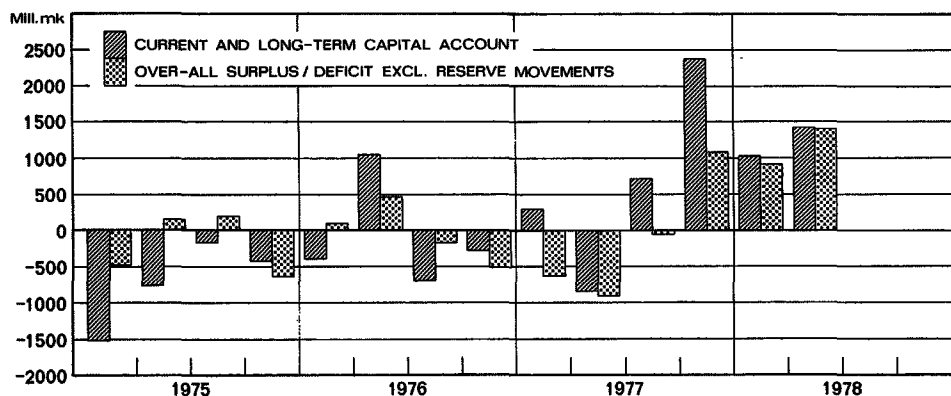


Drawings of long-term loans	Amortizations of long-term loans	Long-term export credits net	Miscellaneous long-term capital items, net ¹	Long-term capital account	Current and long-term capital account	Short-term import credits and prepayments, net	Short-term export credits and prepayments, net	Miscellaneous short-term capital items, incl. errors and omissions	Over-all surplus/deficit excl. reserve movements	Reserve movements	
										Bank of Finland	Other foreign exchange holders
+6 729	-1 445	-214	+ 62	+5 132	-2 842	+ 638	+1 449	+ 8	- 747	- 444	+1 191
+6 130	-1 785	-191	+ 48	+4 202	- 305	+ 138	-1 288	+1 327	- 128	+ 78	+ 50
+6 454	-2 745	-241	-229	+3 239	+2 599	-1 547	- 470	-1 071	- 489	- 170	+ 659
+2 121	- 287	- 3	+ 57	+1 888	- 157	+ 131	- 34	+ 265	+ 205	+ 91	- 296
+1 532	- 415	-139	- 15	+ 963	- 418	+ 337	- 33	- 518	- 632	+ 165	+ 467
+1 404	- 374	+ 5	+ 11	+1 046	- 389	- 628	+ 119	+ 996	+ 98	+ 373	- 471
+2 096	- 394	- 95	- 7	+1 600	+1 056	- 158	+ 120	- 560	+ 458	- 485	+ 27
+1 239	- 568	- 11	- 25	+ 635	- 696	+ 565	- 764	+ 722	- 173	+ 263	- 90
+1 391	- 449	- 90	+ 69	+ 921	- 276	+ 359	- 763	+ 169	- 511	- 73	+ 584
+1 022	- 550	-127	- 24	+ 321	+ 314	- 799	+ 149	- 269	- 605	- 140	+ 745
+1 273	- 857	+ 35	- 37	+ 414	- 838	- 333	+ 149	+ 116	- 906	+ 358	+ 548
+1 252	- 647	-156	- 89	+ 360	+ 733	+ 227	- 384	- 631	- 55	- 319	+ 374
+2 907	- 691	+ 7	- 79	+2 144	+2 390	- 642	- 384	- 287	+1 077	- 69	-1 008
+1 876	- 854	-170	- 14	+ 838	+1 046	- 568	- 402	+ 848	+ 924	-1 556	+ 632
+2 900	-1 733	+ 28	- 51	+1 144	+1 423	+ 232	- 402	+ 147	+1 400	- 687	- 713

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

¹ Including Direct investment, net.

² 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 1973 = 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			
1976	626	646	548	614	707	621	679	594	614	152	142	154
1977	692	713	610	667	804	695	728	654	695	171	154	176
1977												
Nov.	705	723	632	677	830	709	737	665	711	176	157	181
Dec.	705	724	634	677	833	710	735	666	713	176	157	182
1978												
Jan.	706	725	637	675	845	713	730	667	719	177	155	183
Feb.	711	730	639	679	853	719	736	665	727	177	155	183
March	716	731	658	683	869	719	736	670	733	178	155	184
April	717	733	658	683	869	725	740	669	736	178	156	185
May	721	734	669	687	877	726	737	675	741	180	160	185
June	721	734	674	687	884	725	737	673	743	180	160	185
July	730	742	685	691	902	739	752	677	752	180	160	186
Aug.	730	742	686	690	905	739	745	679	756	180	160	186
Sept.	735	747	688	696	909	743	744	681	765	184	168	188

Period	Consumer prices 1972 = 100											
	Cost of living Oct. 1951 = 100	Con- sumer prices Oct.—Dec. 1957 = 100	Total									
				Food	Bever- ages and tobacco	Clothing and foot- wear	Rent	Heating and lighting	Furniture, household equip. and operation	Trans- port	Education and recreation	Other goods and services
1976	449	352	174	182	164	166	171	200	164	174	162	185
1977	506	397	196	216	174	181	183	221	181	197	188	209
1977												
Nov.	524	412	204	226	174	187	192	230	186	203	195	217
Dec.	525	412	204	225	174	186	192	233	187	205	196	217
1978												
Jan.	526	412	204	222	174	183	192	234	188	209	198	218
Feb.	532	417	207	223	190	187	192	235	188	212	198	222
March	533	419	207	224	190	190	192	235	189	212	198	223
April	536	420	208	224	190	192	192	236	190	213	200	223
May	544	427	211	224	204	193	195	235	190	218	201	229
June	544	427	211	224	204	193	195	235	190	218	201	230
July	545	428	212	225	204	187	195	236	190	219	201	234
Aug.	547	430	213	224	204	191	196	236	190	219	209	235
Sept.	551	433	214	227	204	195	196	237	191	219	209	239

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	Industry	Construction							
1976	599	442	428	361	360	353	416	346	441	399
1977*	670	484	456	385	387	375	453	373	479	432
1976										
Oct.-Dec.	639	456	440	364	364	356	426	350	451	407
1977*										
Jan.-March	653	457	440	372	374	364	428	357	453	411
Apr.-June	665	488	454	385	390	378	456	374	484	436
July-Sept.	670	493	463	388	390	379	461	377	488	439
Oct.-Dec.	706	499	468	397	394	380	468	384	492	445
1978*										
Jan.-March	725	501	469	397	395	380	471	385	495	447
Apr.-June	734	509	475	402	401	384	481	391	507	456
July-Sept.	741	528	485	412	410	393	498	402	525	471

PRODUCTION¹

Volume indices of production 1975 = 100

Period	Gross domestic product	Industrial production	Agriculture	Forestry	Construction of buildings	Land and waterway construction	Transport and communications	Commerce	Public sector services	Others
1976*										
Apr.-June	100	103	89	108	70	102	99	100	105	102
July-Sept.	100	89	192	64	92	93	101	100	106	98
Oct.-Dec.	108	110	75	121	107	98	114	111	108	104
1977*										
Jan.-March	97	106	71	110	78	97	94	84	111	101
Apr.-June	100	103	87	112	74	96	97	95	110	103
July-Sept.	100	90	153	63	94	91	106	96	111	100
Oct.-Dec.	108	110	75	110	105	94	114	101	113	106
1978*										
Jan.-March	99	107	71	115	74	93	97	84	114	103
Apr.-June	103	108	89	104	75	96	109	93	113	105

¹ New series.

PRODUCTION

Index of industrial production 1970 = 100

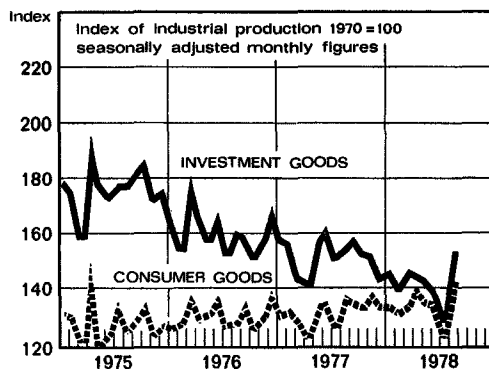
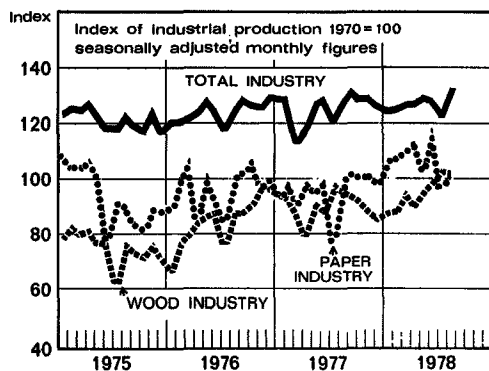
Period	Total	Investment goods	Other producer goods	Consumer goods	Special indices of manufacturing						Total, adjusted for seasonal variations
					Food industry	Wood industry	Paper industry	Chemical industries	Non-metallic mineral industry	Metal industry	
1974	127	141	122	135	112	107	124	154	136	141	127
1975	122	178	110	130	113	76	95	143	128	150	122
1976	125	162	116	132	110	85	99	153	121	150	125
1977*	127	153	119	133	108	91	98	152	119	151	127

1977*

May	136	172	126	143	115	116	104	148	132	167	128
June	123	165	112	135	106	97	81	121	126	161	130
July	66	61	64	74	95	42	59	82	63	56	122
Aug.	129	146	122	140	115	90	111	151	125	146	128
Sept.	140	171	132	146	114	100	117	162	137	167	132
Oct.	139	168	132	145	123	94	113	154	133	165	130
Nov.	142	173	133	149	127	99	112	166	127	172	130
Dec.	129	149	122	135	111	84	94	164	108	152	127

1978*

Jan.	136	159	130	139	103	88	111	175	122	158	126
Feb.	128	147	123	134	94	87	113	164	118	145	126
March	136	156	130	141	104	104	107	183	121	156	127
April	134	147	129	140	106	114	115	179	128	149	128
May	140	159	134	146	119	126	112	165	127	161	130
June	124	145	116	136	113	109	97	126	129	145	129
July	67	52	67	72	101	43	72	98	49	49	125
Aug.	134	145	128	145	124	97	112	177	117	150	133



LABOUR—TIMBER FELLINGS—INTERNAL TRADE

Period	Population of working age 1 000 persons	Total labour force, 1 000 persons	Employed 1 000 persons	Un-employed 1 000 persons	Unemployment, % of total labour force	Commercial timber fellings 1 000 solid cu. m	Retailers' sales volume index 1972 = 100	Wholesalers' sales volume index 1972 = 100
1975	3 513	2 272	2 221	51	2.2	29 133	122	127
1976	3 547	2 254	2 163	91	4.0	27 305	123	127
1977	3 561	2 248	2 111	137	6.1	27 814	113	120
1977								
Sept.	3 565	2 222	2 100	122	5.5	1 824	117	130
Oct.	3 567	2 218	2 092	126	5.7	2 090	113	123
Nov.	3 567	2 195	2 050	145	6.6	2 355	111	125
Dec.	3 570	2 210	2 051	159	7.2	2 714	139	133
1978*								
Jan.	3 572	2 199	2 007	192	8.7	2 625	94	102
Feb.	3 571	2 187	2 001	186	8.5	3 076	92	110
March	3 572	2 195	2 007	188	8.5	3 641	105	123
April	3 576	2 172	2 004	168	7.7	3 443	107	120
May	3 575	2 228	2 073	155	7.0	2 436	112	124
June	3 576	2 420	2 241	179	7.4	1 379	111	120
July	3 579	2 418	2 243	175	7.2	613	109	95
Aug.	3 579	2 326	2 171	155	6.7	1 080

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											
1974	53.23	22.35	3.26	21.30	3.52	46.50	21.54	2.75	17.04	3.14	52.84
1975	51.42	19.65	3.79	21.62	3.39	47.85	20.59	2.80	18.68	3.64	52.45
1976	46.89	19.95	3.93	15.81	3.84	41.25	17.74	3.16	15.40	2.59	51.85
1977*	41.62	18.82	4.23	11.90	3.72	43.12	17.89	3.01	16.57	3.28	48.38
1977*											
Jan.-March	6.73	2.92	0.66	1.91	0.83	9.43	3.59	0.47	4.51	0.57	47.95
Apr.-June	13.22	7.00	1.71	2.69	0.80	8.76	4.16	0.38	2.76	0.99	51.52
July-Sept.	11.20	4.67	1.06	3.70	0.91	10.92	4.04	1.05	4.02	0.99	52.69
Oct.—Dec.	10.47	4.23	0.80	3.60	1.18	14.01	6.10	1.11	5.28	0.73	48.38
1978*											
Jan.-March	10.21	3.72	1.02	4.06	0.92	8.36	3.81	0.66	2.80	0.75	45.37
Apr.-June	12.92	6.51	2.17	2.59	0.69	9.54	4.21	0.54	3.38	0.91	47.13

EXPLANATIONS RELATING TO THE STATISTICAL SECTION

BANK OF FINLAND

The balance sheet of the Bank of Finland was revised on Dec. 31, 1974 in connection with the revision of accounting legislation. New series have been built according to the revision. When the figures are not fully comparable to the previous ones, the series is broken by a line.

Page 4. *Foreign sector*: Gold and convertible exchange receivables = Gold + Special drawing rights + IMF gold tranche + Convertible currencies.

Gold and convertible exchange reserve = Gold and convertible exchange receivables — Liabilities in convertible currencies.

Non-convertible exchange reserve = Receivables in tied currencies — Liabilities in tied currencies.

Other receivables = Foreign bills + Foreign bonds + Currency subscription to Finland's quota in the IMF.

Other liabilities = IMF mark accounts + Allocations of special drawing rights + Term liabilities.

Public sector: Receivables = Total coinage + Other public sector receivables + Bonds.

Liabilities = Cheque accounts + Counter-cyclical reserves + Capital import deposits + Other public sector claims.

Deposit certificates are interest bearing, freely transferable, term liabilities of the Bank of Finland. Their maturities range from one week to one year.

Page 5. *Domestic financial sector*: Other receivables = Call money market advances + Bonds + Other financial institution receivables. Other liabilities = Call money market deposits + Capital import deposits + Other financial institution claims.

Corporate sector: Receivables = New export bills + Financing of suppliers credits + Other corporate receivables + Bonds.

Liabilities = Investment deposits + Counter-cyclical withholdings + Capital import deposits + Import levy deposits + Other corporate claims.

DEPOSITS BY THE PUBLIC —

ADVANCES TO THE PUBLIC — MONEY SUPPLY

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

Page 6. *Deposits by the public*. The central government and the financial institutions are mainly excluded from the public.

From 1974 deposits include domestic deposits denominated in foreign currency.

Page 7. *Advances to the public*. The central government and the financial institutions are not included in the public.

Postipankki's (Post Office Bank's) advances do not include loans granted by the State Investment Fund (INRA). Domestic credits in foreign currency are mainly granted by the commercial banks and the rest by Postipankki.

Money Supply. M_1 = Finnish notes and coins in circulation — Finnish notes and coins held by the banks + demand deposits held by the public (incl. demand deposits at the Bank of Finland) Quasi-Money = Time deposits held by the public (incl. time deposits at the Bank of Finland)

Note: Domestic deposits in foreign currency included in money supply since 1974. In the money supply the public includes non-monetary financial institutions.

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 Postipankki 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 volume indices are calculated according to the Paasche formula and the unit value indices according to the Laspeyres formula. *Terms of trade*: the ratio of export indices to import indices. *Foreign trade by countries* (p. 11): from January 1978 imports by countries of origin exports by countries of consumption.

BALANCE OF PAYMENTS

Pages 12—13. Figures are calculated by the Bank of Finland. 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 Standard Industrial Classification (SIC) which is a version of the 1968 edition of the ISIC. The SIC facilitates international comparisons between Finnish statistics and corresponding data from countries which use the ISIC. The seasonally adjusted series is calculated by the Bank of Finland 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 7.0, other producer goods weight 67.0 and consumer goods weight 26.0. The weights for the special manufacturing indices are food manufacturing (SIC 311-2) 9.8, manufacture of wood, and wood and cork products (SIC 311-2) 8.0, manufacture of paper and paper products (SIC 341) 15.2, manufacture of industrial chemicals (SIC 351-2) 5.2, manufacture of non-metallic mineral products except products of petroleum and coal (SIC 361-9) 3.6 and metal industry (SIC 37-38) 25.9.

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. *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. Mr. Urho Kekkonen has been President since 1956 and he was re-elected for the period March 1, 1978, to March 1, 1984.

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 1975 is as follows: Social Democrats 54, Centre Party 41, People's Democrats 40, Conservatives 35, Swedish Party 10, Liberal Party 8, Christian League 8, Finnish Farmers Party 2 and Finnish People's Constitutional Party 2.

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, OECD 1969, and IDB 1977.

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 (1976): 4.7 million. Sweden 8.2, Switzerland 6.4, Denmark 5.1 and Norway 4.0 million.

DENSITY OF POPULATION (1976): In South Finland 46.2, in East and Central Finland 13.9, in North Finland 4.0 and in the whole country an average of 15.5 inhabitants to the square kilometre.

DISTRIBUTION BY AREA (1976): 41 % of the population inhabit the rural areas, 59 % towns and urban districts. The largest towns are: Helsinki (Helsingfors), the capital 493 324 inhabitants. Tampere (Tammerfors) 166 179, Turku (Åbo) 164 520.

EMPLOYMENT (1976): Agriculture and forestry 14 %, industry and construction 35 %, commerce 15 %, transport and communication 8 % services 28 %.

LANGUAGE (1975): Finnish speaking 93.3 %, Swedish speaking 6.4 %, others 0.3 %.

EDUCATION (1977): Practically all persons over 15 years of age are literate. There are 6 universities (the oldest founded in 1640) and 14 colleges of university standard.

CHANGE OF POPULATION (1976): births 14.0 ‰, deaths 9.4 ‰, change + 2.7 ‰, net emigration 2.0 ‰. Deaths in France 10.5 ‰ and Great Britain 12.2 ‰.

TRADE AND TRANSPORT

NATIONAL INCOME (1977, in million marks): Gross domestic product at factor cost by industrial origin: agriculture 6 308 (6 %), forestry and fishing 5 345 (5 %), manufacturing 33 593 (30 %), construction 9 979 (9 %), transport and communication 11 604 (11 %), commerce, banking and insurance 14 903 (14 %), public administration 5 956 (5 %), ownership of dwellings 4 030 (4 %), services 17 543 (16 %), total 109 261. Index of real domestic product 163 (1964 = 100).

FOREST RESOURCES (1976): The growing stock comprised of 1 520 million m³ (solid volume with bark) of which 45 % was pine and 37 % spruce, the remaining 18 % being broad-leaved trees, chiefly birch. Of the growing stock, 637 million m³ was up to the standard required for logs, 56 % of these being pine. The annual growth was 57.4 million m³ and the total removal, calculated on the basis of roundwood consumption, was 42.4 million m³.

AGRICULTURE (1976): Cultivated land 2.3 million hectares. Number of holdings 242 700 of which 164 600 are of more than 5 ha. Measure of self-sufficiency in bread cereals 150 % in the crop year 1976/77.

INDUSTRY (1976): Gross value of industrial production 95 790 mill. marks, number of workers 412 718, salaried employees 136 890, motive power (1976) 6.8 mill. kW. Index of industrial production 125 for 1976 (1970 = 100).

STATE RAILWAYS (Jan. 1, 1978): Length 6 063 km.

MERCHANT FLEET (Sept. 30, 1978): Passenger vessels 119 (185 172 gross reg. tons), tankers 50 (1 153 350 gross reg. tons), dry cargo vessels 213 (980 962 gross reg. tons), other vessels 76 (10 041 gross reg. tons), total 458 (2 329 525 gross reg. tons).

MOTOR VEHICLES (Dec. 31, 1977): Passenger cars 1 075 400, lorries and vans 136 200, buses 8 800, others 7 200, total 1 227 600.

FINNISH AIRLINES (Aug. 1, 1978): Finnair and Kar-Air have in use 4 DC-8, 1 DC-6-ST, 8 Super Caravelles, 9 DC-9s, 6 DC-9-51s, 2 DC-10-30 and 4 Convair Metropolitans. Companies have scheduled traffic outside of Finland to 30 airports and to 20 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). The last par value of the mark was set on Oct. 12, 1967 and was 0.21159 grams of fine gold per mark (equivalent, at the time, to 4.20 marks per U.S. dollar). Since Nov. 1, 1977 the external value of the mark has been officially expressed in terms of a currency index. This index is trade-weighted and indicates the average change in the currencies which are important in Finnish foreign trade. The permissible range of fluctuation is 2.25 per cent on either side of the arithmetic mean. The fluctuation limits are 121.7 and 116.4.

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, 1977). There are two big and five small commercial banks with in all 858 offices, 280 savings banks 376 co-operative banks, six mortgage banks. Posti-pankki and three development credit institutions. The co-operative stores accept deposits from their members. The Social Insurance Institution and fifty-eight private insurance companies also grant credits.

RATES OF INTEREST (May 1, 1978). 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 ¼ %. The range of rates for other credits granted by the Bank of Finland is between 5 ½ and 8 ½ %. Other credit institutions time deposits 3 ¼ %; 6 month deposits 4 ¼ %; 12 month deposits 5 ½ %; 24 month deposits 6 ½ %; 36 month deposits 7 ¼ % + savings premium; 36 month deposits 7 ¼ % + tax concession. The highest lending rate 10 ½ %.

CAPITAL IMPORT POLICY IN FINLAND

by Peter Nyberg, Pol. Lic.
Exchange Policy Department
Bank of Finland

Imports of capital are, by law, regulated by the Bank of Finland. In practice, all long-term (exceeding 12 months) capital imports and some short-term capital imports require central bank permission. In the main, however, short-term trade-related capital movements are unregulated. This article focusses on the development of long-term foreign flows to and from Finland, as well as on the objectives and instruments used in regulating these flows. Only those instruments specifically used to influence capital flows are discussed. The question of the co-ordination between domestic monetary policy and capital import policy is, however, considered at the outset.

THE VOLUME OF FOREIGN CAPITAL FLOWS 1960—1977

Capital imports and exports have, in the last two decades, increased markedly in Finland (Table 1). In 1960 net foreign liabilities were only 100 million US dollars, or 2.4 per cent of Finland's GDP. By 1977 net foreign liabilities had increased to 6 800 million dollars or 22.7 per cent of GDP.

TABLE 1. FINLAND'S FOREIGN LIABILITIES AND ASSETS 1960—1977, '000 MILLION US DOLLARS

	1960	1965	1970	1975	1977
Long-term capital					
liabilities	0.4	0.8	1.4	5.1	7.5
assets	0.1	0.1	0.3	0.9	1.1
net liabilities	0.3	0.7	1.1	4.2	6.4
Short-term capital					
liabilities	0.2	0.4	1.2	4.1	4.0
assets	0.4	0.5	1.3	2.9	3.6
net liabilities	-0.2	-0.1	-0.1	1.2	0.4
Total net liabilities	0.1	0.6	1.0	5.4	6.8

Capital imports grew especially rapidly after the mid-1960s, when Finnish firms gained access

to international capital markets. This led to a rapid diversification of credit instruments and markets used by Finnish borrowers. In 1963 the share of Finnish financial debt extended by foreign private institutions was, for instance, only 25 per cent of all foreign loans. In 1967 this share had increased to 49 per cent and in 1977 to 76 per cent.

TABLE 2. DISTRIBUTION OF LONG-TERM LOANS TO FINLAND BY TYPE IN 1963, 1967 AND 1977, PER CENT

	1963	1967	1977
Foreign governments	43.7	19.8	0.3
International organizations	17.5	20.1	3.1
Financial loans	25.0	49.1	76.0
bonds	5.0	20.5	22.7
others	20.0	28.6	54.3
Trade credits	13.8	11.0	20.6
Total	100.0	100.0	100.0

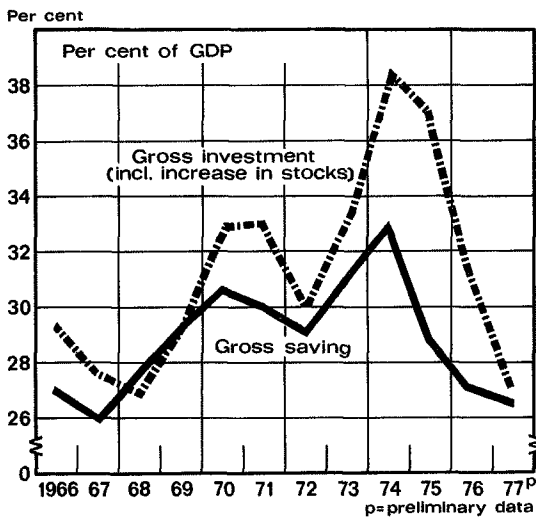
As the number of markets used increased, the currency structure of the debt changed (Table 3). Though the shares of the US dollar and the Deutschemarek have not changed appreciably the shares of the Swedish krona, pound sterling and the rouble have diminished sharply. At the same time the share of other currencies has grown, indicating a greater spreading of exchange risks.

TABLE 3. CURRENCY STRUCTURE OF THE FINNISH GROSS LONG-TERM DEBT IN 1967 AND 1977, PER CENT

	1967	1977
US \$	43	46
DM	14	16
Swedish krona	12	4
£	10	1
Rouble	9	3
Others	12	30
Total	100	100

The increase in capital imports reflects an increased reliance, especially in the business sector, on foreign capital markets made possible by the expansion of these markets. In the period, during which capital imports grew fastest (1966—1975), the business sector's investment exceeded its savings by some 80 per cent. The savings ratio of other sectors in the economy, though quite high by international standards, was not sufficient to finance the deficit of the business sector. In a national accounting sense, gross investment expenditure tended continually to exceed gross saving (Chart 1).

CHART 1. GROSS SAVING AND INVESTMENT IN FINLAND, 1966—1977



Several reasons exist for this continuing difference between domestic investment and saving. Economic policy was consciously geared towards full employment at a time when the structural transformation from primary to secondary and tertiary sectors was especially rapid. The rapidity of structural change in Finland is illustrated by the fact that the primary sector accounted for 31 per cent of total labour input in 1960, but for only 13 per cent in 1977. Capital deepening in the primary sector together with increasing capital requirements in the sectors receiving labour could not take place without an exceptionally high investment ratio. Continuing inflation together with rather inflexible nominal interest rates have kept the real cost of debt financing very low. Further,

the sectors favoured by Finland's traditionally export oriented economic policy are, on the whole, capital-intensive.

Domestic credit markets in Finland are characterized by relatively stable nominal interest rates and substantial credit rationing. Demand for credit normally exceeds supply. The rationing agents in the domestic market are mainly private banks, while the Bank of Finland regulates capital imports. Recourse to foreign capital markets is one way for firms to ease the domestic credit availability constraint. Insofar as the availability of credit affects domestic economic activity, the regulation of capital imports is thus an important part of general economic policy. In addition since allocation in the rationed market does not necessarily depend on the overall potential profitability of various investment projects, selectivity in the regulation of capital imports may be important.

THE OBJECTIVES OF CAPITAL IMPORTS POLICY

The Bank of Finland influences both the volume and the characteristics of capital imports. Capital imports policy has therefore a dual role as an instrument for both cyclical and structural economic policy.

A main objective of capital imports policy is to ensure control over the credit supply. In a general sense capital imports policy must thus be seen as a part of monetary policy. Absence of control over capital imports would, in a capital rationing economy, imply that variations in the supply of domestic credit could largely be offset by changes in net capital movements. This, of course, would mean a loss of monetary autonomy and a decrease in the number of policy parameters available to the authorities.

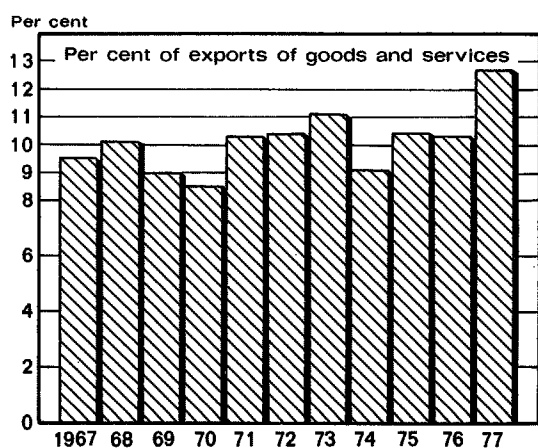
Increased exposure by foreign lenders to Finnish assets makes it necessary for the Bank of Finland to ensure the continuing creditworthiness of both the borrowing firm and of the country as a whole. This can be achieved primarily by restricting access to markets to

large and financially sound Finnish firms. Surveillance is needed also to avoid excessive bunching of borrowings by Finnish companies.

Another task of the Bank of Finland is to guarantee that the credit structure both of firms and of the economy as a whole remains viable over a somewhat longer term. This has an obvious bearing on the creditworthiness of the borrowers, but equally on the growth potential and liquidity position of the debtors. Thus, only part of a company's debt financing is allowed to come from foreign sources. Also, those raising foreign capital should thereby, ideally, acquire foreign exchange earning potential, thus lessening exchange risks.

These conditions aim to ensure that the servicing costs of foreign debt for the country as a whole do not rise faster than export earnings. This has been achieved in the last ten years, during which the debt-service ratio has remained virtually stable. (Chart 2).

CHART 2. GROSS LONG-TERM FOREIGN DEBT SERVICING COSTS, 1967—1977



Continued creditworthiness and a viable credit structure require that the investment projects undertaken by the firm are profitable both in a microeconomic and a macroeconomic sense. By screening the applications for long-term capital imports not only on an individual company basis, but on the merits of each individual project, the Bank of Finland tries to

ensure the exclusion of inefficient investment undertakings.

In practice, therefore, foreign borrowing has been allowed for rather large companies with good domestic credit standing for projects which increase their export capacity. Borrowings by public authorities and special credit institutions have been comparatively small until recent years and have often been used for further loans to smaller firms unable to go abroad themselves. Long-term borrowing has been favoured, causing a slow lengthening of the average repayment period, from the middle of the 1960s to the middle of the 1970s. Since then the repayment time has shortened slightly, in response to the shorter maturity structure in international capital markets. The sectoral impact of capital imports is presented in Table 4.

TABLE 4. THE SECTORAL DISTRIBUTION OF FINNISH GROSS LONG-TERM FOREIGN DEBT IN 1977, PER CENT

Primary sector	—
Secondary sector	54.9
wood and paper industry	13.5
chemical industry	6.0
metal industry	9.6
other manufacturing industry	7.1
electricity, gas and water services	18.3
construction	0.4
Tertiary sector (services)	45.1
Total	100.0

About one quarter of the total gross debt is accounted for by Finland's main export industries (wood and paper industry as well as metal industry) alone. The large share of foreign capital in energy production is partly explained by the fact that Finnish capital markets are too thin to accommodate investment projects of the magnitude required in this sector. The tertiary sector here includes the whole banking sector. Over 38 per cent of the gross foreign long-term debt was guaranteed by the government at the end of 1977, although the government share of the debt was less than 11 per cent. The share of credit institutions in the gross debt was 23 per cent and of enterprises 63 per cent.

THE INSTRUMENTS OF CAPITAL IMPORTS POLICY

Central bank regulation of capital imports permits is, of course, the main instrument influencing the volume, as well as the timing and structure of gross capital imports. Gross long-term foreign capital outflows are somewhat less sensitive to policy measures, as they include contractual repayments.

The volume of capital imports is necessarily determined simultaneously with total domestic credit demand and supply. The desired level of capital imports is therefore dependent on the degree of tightness thought appropriate for the domestic credit market. Given this target for the domestic market as well as forecasts for total credit supply and demand in the country, long-term capital imports targets can be defined. As unforeseen swings may occur in domestic developments, in short-term capital movements, or in conditions in foreign capital markets, these targets are periodically reviewed.

Timing of private capital imports or its liquidity effects has frequently been influenced by the central bank, using capital import deposits,

reserve credit operations as well as informal negotiations. Capital import deposits have occasionally been required of a firm importing capital before the projected time of need. The proceeds of the loan are then placed in the central bank for a mutually agreed period, interest being payable at the most at the same rate as for the loan itself. This operation makes it possible to borrow when conditions are favourable but without directly influencing domestic liquidity. As an alternative to using capital import deposits, however, many borrowers find it more expedient to negotiate a time of borrowing suitable both to itself and the central bank.

Before giving permission for a foreign borrowing the Bank of Finland also considers its primary structural impact. The economic implications of the project to be financed are considered both for the company and for the economy as a whole. Among the micro-economic indicators profitability and financial soundness are important. The relative weight of diverse macroeconomic criteria, among which can be mentioned future currency receipts, resource availability and employment effects depends on prevailing economic conditions.

ITEMS

Curtailement of the cash payment scheme for imports. The Bank of Finland has decided to curtail its cash payment scheme for imports as from November 1, 1978. This measure is in accordance with the general aim of monetary policy to maintain the underlying ease in the financial market. The last reduction in the coverage of the cash payment scheme occurred in May this year.

The goods which are to be exempted from the cash payment obligation include raw materials used in the food processing and clothing industries, most of the products of the wood, paper and chemical industries, certain metal, stone and glass wares, and a great deal of machinery and equipment. Imports of these goods may henceforth be financed by means of customary import credits.

The total annual value of the products to be removed from the cash payment list approaches 2 800 million marks, or one third of current coverage by value. The scheme therefore affects no more than about 18 per cent of the value of visible imports.

Finland's balance of payments January—June 1978. According to the Bank of Finland's preliminary figures, the current account showed a surplus of 487 million marks for the first half of this year. In the corresponding period of 1977, the current account showed a deficit of 1 259 million marks. In January—June 1978, the net inflow of long-term capital amounted to 1 982 million marks and the short-term foreign debt declined by 145 million marks. Total foreign exchange reserves of the Bank of Finland increased by 2 243 million marks.

The visible trade account showed a surplus of 978 million marks for January—June 1978, as compared with a deficit of 660 million marks in the same period of 1977. The value of visible exports increased by 19 per cent, of which the increase in the volume accounted for 10 per cent. The volume of the forest industries' exports was 21 per cent larger than a year earlier, whereas the exports of the metal and machine industries declined markedly. The value of imports rose by 6 per cent, although the volume decreased by 5 per cent due to price increases. Imports of raw materials, including fuel and lubricants, remained constant, while imports of capital goods, transport equipment especially, fell distinctly.

The surplus on the invisible trade account increased by over 300 million marks to 1 027 million marks from the corresponding period in 1977. Travel receipts grew by 22 per cent, 5 per cent faster than travel expenditure, but the travel account still showed a deficit. The surpluses on the transport account and the 'other services' account increased mainly as a result of an increase in contracted exports.

Interest payments on borrowing abroad, grew noticeably and although interest earnings from foreign receivables increased slightly, the investment income deficit was 20 per cent larger than a year earlier, totalling 1 434 million marks. Transfer payments also increased to some extent.

In January—June 1978, the net inflow of long-term foreign capital was 1 982 million marks, 1 200 million marks more than for the first half of 1977. Drawings of long-term foreign loans totalled 4 776 million marks and amortizations 2 587 million marks. The Central Government's net drawings of long-term loans amounted to

**MAJOR BALANCE OF PAYMENTS ITEMS,
JANUARY—JUNE 1978, MILL. MK ¹**

	Receipts	Expendi- ture	Net
Visible trade (exports f.o.b., imports c.i.f.)	16 444	15 419	1 025
Adjustment items	— 89	— 42	— 47
Visible trade account	16 355	15 377	978
Transport (c.i.f.)	1 321	617	704
Travel	722	777	— 55
Other services	1 753	1 375	378
Invisible trade account	3 796	2 769	1 027
VISIBLE AND INVISIBLE TRADE ACCOUNT	20 151	18 146	2 005
Investment income, net	276	1 710	—1 434
Transfer payments	65	149	— 84
A. CURRENT ACCOUNT	20 492	20 005	487
	Change in receiv- ables	Change in liabilities	Net
Long-term financial loans and suppliers' credits: drawings	—448	4 776	4 328
redemptions	306	—2 587	—2 281
Direct investment	—134	112	— 22
Other long-term capital	— 57	14	— 43
B. LONG-TERM CAPITAL ACCOUNT	—333	2 315	1 982
BASIC BALANCE (A+B)			2 469
Prepayments and liabilities related to imports		—336	—336
Prepayments and receiv- ables related to exports	—300	—504	—804
Errors and omissions			1 256
Other short-term capital			—261
C. SHORT-TERM CAPITAL ACCOUNT			—145
OVERALL BALANCE (A+B+C)			2 324
Change in the foreign exchange reserves of the Bank of Finland			—2 243
Change in net short-term foreign receivables of other foreign exchange holders			— 81

Receivables: increase —, decrease +
Liabilities: increase + decrease —

¹ Preliminary figures

1 300 million marks. Long-term export credits granted to foreign customers amounted to 448 million marks, while redemption of similar loans totalled 306 million marks. Finnish direct investment abroad amounted to 134 million marks, whereas foreign direct investment in Finland was 112 million marks.

All in all, the short-term capital account (incl. statistical discrepancy) declined by 145 million marks. The short-term trade credit debt decreased by 1 140 million marks. Short-term prepayments and liabilities related to imports fell by 336 million marks, and export-related short-term prepayments by 504 million marks, whereas receivables related to exports grew by 300 million marks. The decrease in the trade credit debt is attributable to the rapid increase in exports.

The overall balance showed a surplus of 2 324 million marks. The convertible foreign exchange reserves of the Bank of Finland increased by 1 613 million marks and the Bank's tied foreign exchange receivables by 630 million marks. The net foreign debt of other foreign exchange holders declined by 81 million marks. Increases in the mark value of the reserves caused by exchange rate changes have not been taken into account in the figures for the changes in the foreign exchange reserves. At the end of June 1978, the convertible foreign exchange reserves of the Bank of Finland (allowing for the devaluation in February) amounted to 3 186 million marks.

According to revised figures, the current account surplus for 1977 was 640 million marks.

Appointment of a Director at the Bank.
On October 6, 1978, the Bank Supervisors delegated by Parliament appointed Mr. Antti Lehtinen, M. Sc. (Econ.), Head of the Capital Transfers Department, to the post of Director of the Bank of Finland from November 1, 1978.

BANK OF FINLAND

Board of Management

Mauno Koivisto

Governor

Ahti Karjalainen

Pentti Uusivirta

Rolf Kullberg

Ele Alenius

Harri Holkeri

Directors

Markku Puntila

Seppo Lindblom

Eino Helenius

Pentti Koivikko

Kari Nars

Antti Lehtinen

Senior officials

Pertti Kukkonen

Director, ADP-planning

Ralf Pauli

Deputy, Monetary Policy

Kari Pekonen

Foreign Exchange Policy

Raine Panula

Foreign Exchange

Kari Holopainen

Eastern Trade

Pekka Tukiainen

Capital Transfers

J. Ojala

Foreign Exchange Control

Kari Puumanen

Economics Dept.

Heikki Koskenkylä

Research Dept.

Markku Pietinen

Information and Publications

H. T. Hämäläinen

Administration and Legal Affairs

Antti Saarlo

Foreign Correspondence

Timo Männistö

Internal Audit

U. Levo

International Legal Affairs

K. Eirola

Automatic Data Processing

Pauli Kanerva

*Personnel Administration and
General Affairs*

Stig G Björklund

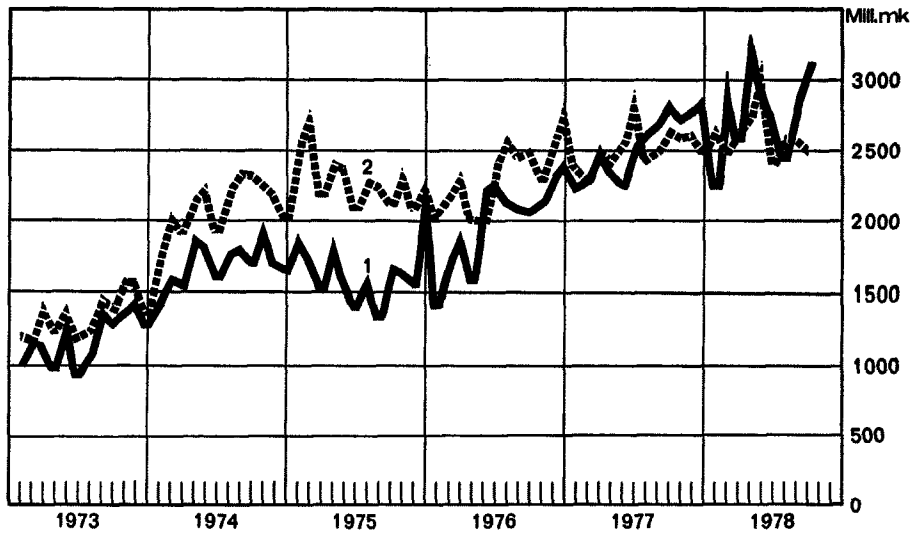
Banking Services

Antti Luukka

Cash

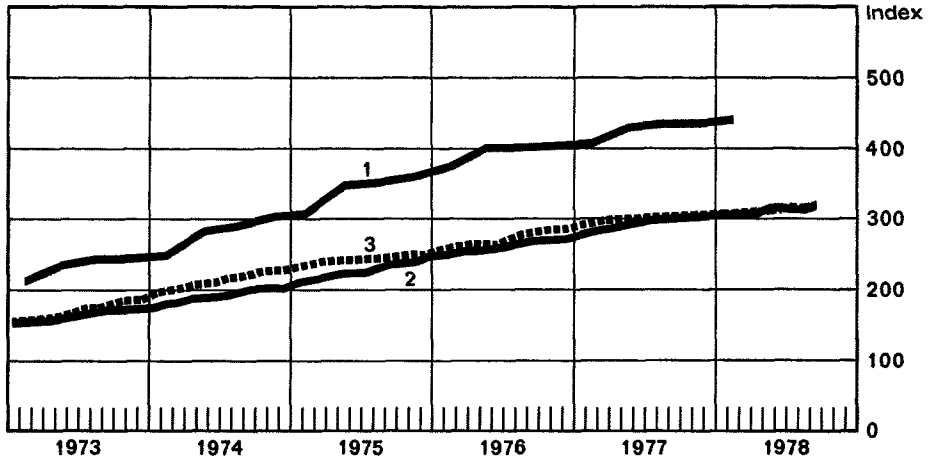
FOREIGN TRADE, 1973 - 1978

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



PRICES AND WAGES, 1973 - 1978

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



PRODUCTION, 1973 - 1978

- 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

