



BANK OF FINLAND

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THE FINNISH MARKET REVIEW

FOREIGN TRADE

A steady rise from the relatively low level of 1953 was recorded in 1954. The value of exports increased by 25,100 mill. marks to 156,600 million, which was about the same as in 1952, though still some 16 per cent below the Korean peak of 1951. The volume of exports, on the other hand, constituted a new all-time record. Imports, which had soared in 1952 in consequence of the extremely high export earnings of the preceding year, had been pressed down by 60,300 mill. marks to 121,900 million in 1953. They were now allowed to rise considerably and totalled 152,100 million (including '1,155 millions' worth of monetary gold). The balance on trade account thus showed a surplus of about 4,500 mill. marks.

The bulk of the increase in exports fell, quite naturally, to the share of the forest industries and was fairly evenly divided among the different branches. The increase in imports was most marked in the groups of textile raw materials and products and base metals and articles therefrom. The most marked change in the country composition was the drop in the share of the USSR from 23.5 to 19.7 per cent of the total exchange of goods. The United Kingdom, the share of which rose from 19.0 to 20.7 per cent, thus became again the foremost trading partner of Finland. The share of the Eastern Bloc (incl. China) fell from 32.9 to 28.3 per cent.

The prospects for the current year are reassuring so far. The market for the Finnish staple export products still shows a

marked stability, and slight price increases have been recorded in the case of both chemical and mechanical pulp and some paper products. A basis for a steady increase in exports has been provided by the fresh capacity that was added to the Finnish paper industries last year, and these industries will continue to expand in the current year. Production of newsprint, e. g., is expected to grow by some 100,000 tons, which marks a rise of more than 20 per cent from the 1954 level.

A further drop in the share of the Eastern Bloc in Finnish foreign trade is predicted by the trade agreements concluded in January with the two predominant trading partners of Finland, the United Kingdom and the USSR (see Items).

THE FOREIGN PAYMENTS POSITION

The net exchange reserves of the Bank of Finland and the commercial banks grew by 2,500 mill. marks over the last quarter of 1954. The dollar reserves, after having decreased during the third quarter, now increased by 700 mill. marks. The net reserve of EPU currencies grew by 4,900 mill. marks, mainly owing to a reduction of the clearing debt to Western Germany and an increase of balances in Norwegian and Danish crowns. The reserves of Eastern Bloc currencies continued to decrease — particularly the balances in the USSR, which paid another 10 mill. roubles in Western currencies to cover its trade deficit. As for other currencies, the clearing debt to Brazil was further reduced.

During 1954 as a whole the exchange po-

sition was considerably strengthened: the currency reserve increased by a net amount of 8,500 mill. marks to 36,400 million, while its composition improved. Gold and dollar reserves grew by 900 mill. marks to 14,100 million and the reserves of EPU currencies by 12,800 to 17,000 million. The latter net increase was partly due to a clearing debt — that amounted to 5,600 million at the beginning of the year — being almost completely settled. Thus, by the end of the year the clearing debt in EPU currencies had dropped to less than 600 mill. marks, the main part of which consisted of French francs. Balances in Eastern Bloc currencies decreased by 3,100 mill. marks to 8,100 million; 2,300 million of the decrease was due to the payments by the USSR in gold and Western currencies. Apart from the growth of the clearing debts to Argentina and Brazil, the reserves of other currencies were practically unchanged. The net indebtedness in this group increased from 700 to 2,800 mill. marks.

The development of the exchange situation during 1954 was thus nearly as favourable as in the year before. Admittedly, the net reserves grew more in 1953, by 11,800 mill. marks, but on the other hand imports from the West had to be strictly controlled in that year in order to improve the payments position, this resulting in the depletion of previously accumulated stocks of import goods. In 1954, on the contrary, the strengthening of exchange reserves was no more the dominant factor for the foreign exchange policy, but the increase in export receipts was devoted — in consideration of the supply situation and the expansionary tendencies on the money market — in the first place to relaxing import controls.

In October-December licensing in Western currencies, at 28,000 mill. marks, remained on the level of the two preceding quarters. Licensing in these currencies thus rose to 108,000 mill. marks for the whole year, which was 43,000 mill. more than in 1953. Licences issued in dollars increased by 77 per cent, in EPU currencies by 70 per cent and in other Western currencies by 45 per cent. — As for the Eastern Bloc, no currency restrictions were necessary. Import licences were granted to the value of 47,000 mill. marks or 7 per cent less than in 1953.

As payments for imports began to grow during the last quarter of 1954 and an exceptionally high amount of licences expired at the turn of the year, the stock of outstanding licences decreased by 20,000 mill. marks in October-December. It amounted to 42,400 mill. marks at the end of the year or only some 2,000 million more than a year earlier. The share of outstanding licences in Western currencies nevertheless rose from 27,600 to 34,900 mill. marks over the year. As the latter amount, however, included over 9,000 mill. marks in forward licences stipulated by long-term payments schedules, the relation between foreign payments obligations and the payments position may be considered fairly satisfactory in view of the present export conditions.

The recent improvement in the exchange position has made it possible to intensify efforts to get rid of bilateralism in foreign trade and payments. Last September the clearing agreement with Western Germany, providing a swing credit of \$ 20 million, was replaced by a decentralized payments agreement, under which all payments are made in D-Marks with limited convertibility. According to a trade agreement of the same date, only about one fourth of Finland's estimated export receipts are tied to import quotas. The rest of the receipts are freely disposable, whereas under the previous agreement all export earnings had to be used for imports from Germany. — Similarly, the clearing agreement with Norway was replaced, at the beginning of January, by a decentralized payments agreement, according to which any trade balances are to be covered by third country currencies.

The clearing agreements are intended to be systematically terminated as soon as agreement on this point is reached with the trade partners in question. The employment of swing credits for levelling fluctuations in payments is to be abandoned in favour of normal bank credits supplemented — when necessary — for instance with central bank arrangements of stand-by nature. As for trade agreements, the aim is to reduce the fixed import quotas and widen the margin between export earnings and import obligations.

January 31, 1955.

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STATISTICS
1. STATEMENT OF THE BANK OF FINLAND

	1953	1954		1955	
	Mill. mk	Mill. mk		Mill. mk.	
	31/12	23/12	31/12	8/1	15/1
ASSETS					
Gold Reserve	5 862	6 937	6 934	6 931	6 931
Foreign Currency	13 834	24 974	25 159	25 549	25 712
Foreign Bills	6 103	6 966	6 975	7 013	7 037
Foreign Bonds	209	964	857	857	857
Foreign Bank Notes and Coupons	128	85	81	83	80
Foreign Clearing Accounts	9 597	3 725	3 947	4 615	4 209
IMF & IBRD cover	1 662	1 662	1 662	1 662	1 662
Inland Bills	22 080	20 621	20 405	15 009	13 381
Treasury Bond Loan 1953	20 000	20 000	20 000	20 000	20 000
Loans on Security	33	33	33	33	33
Advances on Current Accounts	398	289	—	227	186
Bonds	2 238	2 322	2 248	2 180	2 177
Sundry Assets	912	6 328	245	275	289
Total	83 056	94 906	88 546	84 434	82 554
LIABILITIES					
Notes in circulation	45 019	48 760	47 902	45 121	44 208
Other Liabilities payable on demand:					
Current Account of the Treasury	7 281	23 048	15 470	15 089	14 687
Other Current Accounts less Banker's cheques	3 943	646	3 175	2 606	3 046
Bank-Post-Bills	237	15	63	13	7
Mark Accounts of holders abroad	3 022	892	908	837	813
IMF & IBRD	3 387	2 350	2 350	2 350	2 350
Sundry Accounts	349	158	1 181	944	476
Foreign Debt	5 716	6 505	6 507	6 542	6 566
Equalization Accounts	4 583	2 179	750	655	94
Capital	5 000	5 000	5 000	5 000	5 000
Reserve Fund	2 848	3 683	3 683	4 444	4 444
Earnings less Expenses	1 671	1 634	1 521	37	67
Undisposed Profits	—	36	36	796	796
Total	83 056	94 906	88 546	84 434	82 554

2. NOTE ISSUE OF THE BANK OF FINLAND

	1953	1954		1955	
	Mill. mk	Mill. mk		Mill. mk.	
	31/12	23/12	31/12	8/1	15/1
RIGHT TO ISSUE NOTES					
Gold Reserve and Foreign Balances ¹⁾	26 136	39 926	40 006	40 433	40 617
Additional Right of Issue	50 000	50 000	50 000	50 000	50 000
Total	76 136	89 926	90 006	90 433	90 617
AMOUNT OF ISSUE USED					
Notes in circulation	45 019	48 760	47 902	45 121	44 208
Other Liabilities payable on demand	18 219	27 109	23 147	21 839	21 379
Undrawn Advances on Current Accounts	625	720	1 009	782	823
Total	63 863	76 589	72 058	67 742	66 410
NOTE RESERVE					
Available	4 353	3 958	8 353	7 700	7 588
Dependent on supplementary cover	7 920	9 379	9 595	14 991	16 619
Total	12 273	13 337	17 948	22 691	24 207
Grand total	76 136	89 926	90 006	90 433	90 617

¹⁾ Foreign currency, bills payable abroad in foreign currency, foreign bonds listed on foreign Stock Exchanges, bonds and interest coupons in foreign currency which have fallen due and foreign money.

3. BANK OF FINLAND — NOTES IN CIRCULATION, FOREIGN CURRENCY AND COVER FOR THE ISSUE OF NOTES

End of Month	Notes in circulation Mill. mk				Foreign Currency ¹⁾ Mill. mk				Cover for the Issue of Notes Percentage of Liabilities - payable on demand				End of Month
	1952	1953	1954	Monthly Movement	1952	1953	1954	Monthly Movement	1952	1953	1954	Monthly Movement	
	<i>44 774</i>				<i>24 123</i>				<i>105.2</i>				
Jan.	40 134	41 104	42 230	-2 789	22 496	11 079	14 233	+ 598	107.2	117.2	106.8	±0.0	Jan.
Feb.	43 428	44 238	46 225	+3 995	22 654	11 698	14 800	+ 567	103.8	114.4	103.5	-3.3	Feb.
March	44 044	44 078	44 658	-1 567	20 937	11 620	15 623	+ 823	105.8	110.9	103.0	-0.6	March
April	44 338	43 804	45 508	+ 850	18 005	11 355	14 980	- 643	106.2	111.7	104.5	+1.5	April
May	46 579	45 962	47 169	+1 661	17 400	11 066	14 655	- 325	108.2	113.7	105.6	+1.1	May
June	45 052	43 247	44 605	-2 564	14 478	11 176	15 872	+1 217	112.1	116.7	106.7	+1.1	June
July	44 173	42 615	44 720	+ 115	12 831	11 658	17 811	+1 939	116.2	114.1	108.2	+1.5	July
Aug.	45 193	45 075	45 850	+1 130	11 836	12 821	17 992	+ 181	119.3	112.7	110.3	+2.1	Aug.
Sept.	43 768	43 185	45 080	- 770	9 741	12 882	20 104	+2 112	122.5	110.1	110.5	+0.2	Sept.
Oct.	42 440	42 759	46 498	+1 418	9 467	13 734	21 252	+1 148	119.5	109.0	111.9	+1.4	Oct.
Nov.	45 497	45 590	48 711	+2 213	9 583	13 985	23 778	+2 526	117.7	109.2	113.5	+1.6	Nov.
Dec.	46 153	45 019	47 902	- 809	9 646	13 835	25 159	+1 381	114.7	106.8	111.6	-1.9	Dec.

¹⁾ Net credit balances with foreign correspondents.

4. BANK OF FINLAND — NOTE RESERVE, HOME LOANS AND REDISCOUNTED BILLS

End of Month	Note Reserve Mill. mk			Home Loans ¹⁾ Mill. mk				Rediscounted Bills (Included in Home Loans) Mill. mk				End of Month
	1952	1953	1954	1952	1953	1954	Monthly Movement	1952	1953	1954	Monthly Movement	
	<i>32 359</i>			<i>20 694</i>				<i>16</i>				
Jan.	32 897	18 235	17 587	20 661	41 525	38 298	-5 875	217	14 315	3 068	-5 200	Jan.
Feb.	30 482	18 610	17 756	21 901	39 695	36 442	-1 856	1 995	13 242	1 550	-1 518	Feb.
March	30 467	18 987	15 646	22 961	37 314	38 263	+1 821	4 994	9 781	3 529	+1 979	March
April	29 011	18 195	16 864	24 593	38 653	37 930	- 333	7 655	11 093	2 944	- 585	April
May	26 823	14 429	15 878	28 004	43 711	39 654	+1 724	8 332	9 788	3 677	+ 733	May
June	24 774	16 966	12 794	31 859	42 474	43 543	+3 889	9 961	8 273	7 679	+4 002	June
July	26 091	15 848	19 092	32 311	42 462	37 937	-5 606	7 346	3 756	3 042	-4 637	July
Aug.	21 048	14 838	23 132	39 447	42 926	34 681	-3 256	5 716	1 338	1 084	-1 958	Aug.
Sept.	21 152	15 698	20 100	40 657	42 240	38 767	+4 086	7 411	4 442	5 138	+4 054	Sept.
Oct.	20 223	15 301	22 665	40 199	41 992	36 963	-1 804	8 422	5 665	3 596	-1 542	Oct.
Nov.	15 976	16 445	23 173	44 294	40 993	37 542	+ 579	9 512	5 149	4 342	+ 746	Nov.
Dec.	11 939	12 273	17 948	46 915	44 173	42 101	+4 559	17 217	8 268	8 465	+4 123	Dec.

¹⁾ IMF & IBRD cover, inland bills, loans on security, advances on current accounts and, since Sept. 1953, the Treasury Bond Loan 1953.

5. BANK OF FINLAND — BILLS AND BALANCE OF CURRENT ACCOUNTS

End of Month	Net claims on the State ¹⁾ Mill. mk			Private Bills (Included in Home Loans) Mill. mk			Balance of Current Accounts due to others than the Treasury Mill. mk				End of Month
	1952	1953	1954	1952	1953	1954	1952	1953	1954	Monthly Movement	
	<i>8 686</i>			<i>11 567</i>			<i>4 071</i>				
Jan.	8 115	11 836	14 476	12 253	14 777	13 345	2 599	4 148	2 824	-1 514	Jan.
Feb.	6 656	10 226	16 621	12 803	15 720	12 769	2 160	1 118	2 049	- 775	Feb.
March	4 874	10 701	11 159	12 543	16 347	12 694	2 095	801	2 175	+ 126	March
April	3 180	10 581	12 655	13 247	16 489	12 916	1 171	254	1 887	- 288	April
May	4 153	15 824	14 911	14 973	17 857	13 892	1 517	1 653	2 331	+ 444	May
June	5 443	15 133	7 695	16 134	18 906	14 004	2 671	2 027	3 609	+1 278	June
July	8 769	21 005	11 012	15 752	17 459	13 034	633	4 367	2 101	-1 508	July
Aug.	18 057	25 192	15 809	15 247	16 168	11 894	2 635	4 531	2 306	+ 205	Aug.
Sept.	16 935	19 848	8 013	15 725	15 782	11 548	2 001	5 279	1 618	- 688	Sept.
Oct.	15 874	16 584	10 560	15 406	14 456	11 306	2 584	4 277	1 749	+ 131	Oct.
Nov.	18 983	18 519	11 116	15 230	13 874	11 338	3 389	3 180	1 582	- 167	Nov.
Dec.	14 739	14 381	6 192	14 678	13 812	11 941	4 033	4 338	3 914	+2 332	Dec.

¹⁾ Up to August 1953 Treasury bills; thereafter the Treasury Bond Loan 1953 plus the IMF & IBRD cover minus the Current Account of the Treasury.

The figures in italics indicate the position at the end of the previous year.

6. BANK OF FINLAND FOREIGN CLEARING ACCOUNTS

End of Month	Net Claims (+) or Net Indebtedness (-) Mill. mk				Monthly Movement
	1951	1952	1953	1954	
	-1 662				
Jan.	- 647	+3 361	+4 174	+ 8 840	- 757
Feb.	+ 355	+4 545	+4 666	+ 9 628	+ 788
March	+ 676	+6 427	+6 154	+10 029	+ 401
April	+ 893	+6 930	+6 473	+ 9 940	- 89
May	- 347	+6 269	+5 300	+ 9 678	- 262
June	-1 644	+4 970	+4 434	+ 8 503	-1 175
July	-1 711	+3 859	+5 651	+ 7 962	- 541
Aug.	-1 922	+2 048	+5 938	+ 7 722	- 240
Sept.	- 763	+1 672	+7 016	+ 7 113	- 609
Oct.	+ 846	+3 243	+8 122	+ 6 575	- 538
Nov.	+1 373	+3 867	+8 925	+ 5 392	-1 183
Dec.	+3 297	+4 430	+9 597	+ 3 947	-1 445

7. RATES OF EXCHANGE QUOTED BY THE BANK OF FINLAND

		1955 1 st / ₁
New York	1 Dollar	231:—
London	1 Pound	646:—
Stockholm	100 Kronor	4 450:—
Copenhagen	100 Kroner	3 340:—
Oslo	100 Kroner	3 235:—
Paris	100 Francs	66:—
Brussels	100 Francs	462:—
Amsterdam	100 Guilders	6 090:—
Zürich	100 Francs	5 300:—
Frankfurt a/M	100 DM	5 500:—
Prague	100 Koruny	3 208:—
Montreal, nom.	1 Dollar	238:—
Rio de Janeiro	100 Cruzeiros	1 260:—
Moscow, nom.	100 Rubel	5 775:—

8. COMMERCIAL BANKS — HOME DEPOSITS AND CREDITS FROM THE BANK OF FINLAND

End of Month	Due to the Public				Due to other Credit institutions		Total			Credits from the Bank of Finland		End of Month
	Cheque Accounts		Time Deposits		Mill. mk		Mill. mk			Mill. mk		
	1953	1954	1953	1954	1953	1954	1952	1953	1954	1953	1954	
	<i>28 020</i>		<i>59 742</i>		<i>6 856</i>		<i>97 186</i>			<i>15 294</i>		
Jan.	26 624	32 743	60 629	71 633	8 137	8 785	94 877	95 390	113 161	13 420	2 033	Jan.
Feb.	25 397	31 672	61 798	72 788	8 265	9 862	93 184	95 460	114 322	12 907	1 130	Feb.
March	27 423	31 838	62 734	74 255	8 511	9 893	96 065	98 668	115 986	9 749	3 065	March
April	27 361	31 790	63 489	74 922	8 855	9 950	89 845	99 705	116 662	11 088	2 508	April
May	28 523	33 214	63 906	75 389	8 221	9 436	90 185	100 650	118 039	9 270	3 151	May
June	31 951	34 561	63 922	75 285	8 152	9 064	91 840	104 025	118 910	7 704	4 884	June
July	31 198	34 319	64 781	75 827	10 021	10 481	92 831	106 000	120 627	3 093	3 002	July
Aug.	33 206	34 177	66 183	77 249	9 795	11 302	94 923	109 184	122 728	413	1 108	Aug.
Sept.	33 815	32 891	65 907	76 909	7 847	10 634	95 100	107 569	120 434	1 982	4 477	Sept.
Oct.	35 132	34 832	65 888	77 107	8 014	10 696	92 739	109 034	122 635	2 531	3 431	Oct.
Nov.	34 124	34 008	66 017	77 933	8 032	10 692	94 853	108 223	122 633	2 595	3 524	Nov.
Dec.	32 112	34 914	70 455	83 444	7 502	11 696	94 618	110 069	130 054	5 607	7 564	Dec.

Tables 8—10 according to Finnish Official Statistics VII, D, Bank Statistics. Mortgage banks are not included.

9. COMMERCIAL BANKS — HOME LOANS

End of Month	To the Public				To other Credit institutions		To the State		Total		End of Month
	Inland Bills		Other Credits		Mill. mk		Mill. mk		Mill. mk		
	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954	
	<i>64 809</i>		<i>40 072</i>		<i>4 595</i>				<i>109 476</i>		
Jan.	65 354	62 713	40 962	44 134	4 901	5 797	—	3 000	111 217	115 644	Jan.
Feb.	66 714	62 470	40 708	45 127	4 489	6 134	—	3 600	111 911	117 331	Feb.
March	67 776	64 814	40 264	46 002	4 470	6 046	—	2 700	112 510	119 562	March
April	68 942	66 671	40 597	46 457	4 429	5 752	—	2 900	113 968	121 780	April
May	68 119	67 351	41 232	46 947	4 601	5 866	—	3 000	113 952	123 164	May
June	66 743	67 805	41 628	49 415	4 761	6 084	—	1 700	113 132	125 004	June
July	65 925	69 351	41 442	49 659	6 224	6 831	—	2 000	113 591	127 841	July
Aug.	64 040	69 736	41 257	50 079	6 269	6 790	2 950	2 500	114 516	129 105	Aug.
Sept.	63 439	70 056	41 810	51 688	5 680	7 392	4 150	1 000	115 079	130 136	Sept.
Oct.	63 568	70 847	42 528	53 145	5 892	7 761	6 000	1 000	117 988	132 753	Oct.
Nov.	63 660	70 659	43 106	54 018	6 443	7 020	4 050	1 000	117 259	132 697	Nov.
Dec.	61 696	73 234	43 963	55 721	5 120	7 166	2 500	500	113 279	136 621	Dec.

The figures in italics indicate the position at the end of the previous year.

10. COMMERCIAL BANKS — POSITION TOWARDS FOREIGN COUNTRIES

End of Month	Claims Mill. mk			Indebtedness Mill. mk			Net Claims (+) or Net Indebtedness (-) Mill. mk				End of Month	
	1952	1953	1954	1952	1953	1954	1952	1953	1954	Monthly Movement		
	<i>10 608</i>			<i>8 202</i>			<i>+2 406</i>					
Jan.	10 052	8 002	5 847	9 238	7 417	4 122	+ 814	+ 585	+ 1 725	+ 662	Jan.	
Feb.	9 535	6 835	6 507	9 572	6 794	5 041	- 37	- 59	+ 1 466	- 259	Feb.	
March	9 078	7 383	6 305	9 834	6 902	5 580	- 756	+ 481	+ 725	- 741	March	
April	7 800	6 952	5 995	11 107	6 200	6 330	-3 307	+ 752	- 335	-1 060	April	
May	7 429	4 581	7 238	10 968	3 824	6 910	-3 539	+ 757	+ 328	+ 663	May	
June	8 158	5 329	6 101	10 016	3 938	6 340	-1 858	+1 391	- 239	- 567	June	
July	8 769	5 717	7 529	9 698	3 923	6 731	- 929	+1 794	+ 798	+1 037	July	
Aug.	8 549	5 556	8 632	8 669	4 165	8 274	- 120	+1 391	+ 358	- 440	Aug.	
Sept.	9 091	4 671	8 613	9 457	3 854	8 383	- 366	+ 817	+ 230	- 128	Sept.	
Oct.	8 906	5 184	7 910	9 276	4 693	7 532	- 370	+ 491	+ 378	+ 148	Oct.	
Nov.	8 338	6 404	8 658	8 125	5 528	7 676	+ 213	+ 876	+ 982	+ 604	Nov.	
Dec.	7 539	6 183	7 889	7 282	5 120	6 500	+ 257	+1 063	+ 1 389	+ 407	Dec.	

11. FOREIGN PAYMENT POSITION OF ALL BANKS ¹⁾

End of Month	Net Claims (+) or Net Indebtedness (-) Mill. mk			
	1952	1953	1954	Monthly Movement
	<i>+27 718</i>			
Jan.	+24 494	+10 250	+19 176	+ 904
Feb.	+24 972	+10 537	+20 514	+1 338
March	+24 214	+12 296	+21 165	+ 651
April	+20 427	+12 471	+20 350	- 815
May	+19 952	+10 477	+20 315	- 35
June	+17 880	+10 415	+20 157	- 158
July	+15 779	+12 518	+22 231	+2 074
Aug.	+12 680	+14 044	+22 280	+ 49
Sept.	+10 030	+15 671	+24 470	+2 190
Oct.	+10 270	+16 724	+25 257	+ 787
Nov.	+10 737	+17 972	+27 371	+2 114
Dec.	+ 9 243	+18 272	+27 704	+ 333

¹⁾ For the Bank of Finland the net result of the debit and credit accounts with foreign correspondents, foreign clearing transactions and the foreign debt as well as foreign bills and the debt to IMF and IBRD are taken into account, and for the Commercial Banks their net position is taken into account according to table 10 above.

²⁾ According to figures supplied by the Post Office Savings Bank. Giro accounts include all private accounts except those of Commercial Banks.

12. POST OFFICE SAVINGS BANK DEPOSITS AND GIRO ACCOUNTS ²⁾

End of Month	Giro Accounts Mill. mk		Deposits Mill. mk				End of Month
	1953	1954	1952	1953	1954	Monthly Movement	
	<i>10 765</i>		<i>18 243</i>				
Jan.	6 366	7 273	19 461	24 190	27 464	+ 390	Jan.
Feb.	6 598	7 296	20 490	24 817	28 259	+ 795	Feb.
March	12 068	12 936	20 849	25 057	28 743	+ 484	March
April	6 619	7 194	20 927	25 014	28 688	- 55	April
May	6 875	7 391	21 087	25 227	28 687	- 1	May
June	16 143	15 263	21 202	25 181	28 432	- 255	June
July	6 851	7 874	21 375	25 072	28 612	+ 180	July
Aug.	6 548	7 592	22 350	25 691	29 088	+ 476	Aug.
Sept.	11 680	13 796	22 449	25 722	28 540	- 548	Sept.
Oct.	7 382	8 470	22 534	25 700	28 644	+ 104	Oct.
Nov.	7 066	7 874	22 826	25 833	28 921	+ 277	Nov.
Dec.	10 672	13 451	23 562	27 074	30 079	+1 158	Dec.

13. DEPOSITS IN THE SAVINGS BANKS

End of Month	Savings Accounts Mill. mk			Current Accounts Mill. mk			Total Mill. mk					End of Month
	1952	1953	1954	1952	1953	1954	1951	1952	1953	1954	Monthly Movement	
	<i>52 307</i>			<i>2 397</i>			<i>41 895</i>					
Jan.	53 546	66 937	78 448	2 862	2 996	3 381	42 585	56 408	69 933	81 829	+ 1 208	Jan.
Feb.	54 870	68 146	80 034	2 815	3 153	3 406	43 293	57 685	71 299	83 440	+ 1 611	Feb.
March	56 054	69 111	81 350	2 977	3 196	3 481	44 155	59 031	72 307	84 831	+ 1 391	March
April	57 223	70 117	82 428	3 476	3 451	3 581	45 215	60 699	73 568	86 009	+ 1 178	April
May	58 137	70 634	83 017	3 201	3 529	3 841	45 765	61 338	74 163	86 858	+ 849	May
June	58 604	70 372	82 630	3 201	3 412	3 699	45 806	61 805	73 784	86 329	- 529	June
July	59 995	71 061	83 348	3 791	3 851	4 061	46 909	63 786	74 912	87 409	+ 1 080	July
Aug.	61 128	71 641	84 218	3 521	4 043	3 901	47 957	64 649	75 684	88 119	+ 710	Aug.
Sept.	61 041	71 452	84 625	3 576	3 689	4 238	48 316	64 617	75 141	88 863	+ 744	Sept.
Oct.	61 783	72 085	85 932	3 987	4 120	4 458	50 343	65 770	76 205	90 390	+ 1 527	Oct.
Nov.	62 289	72 764	87 377	3 557	3 698	4 279	51 498	65 846	76 462	91 656	+ 1 266	Nov.
Dec.	65 799	77 256	92 889*	3 159	3 365	4 157*	55 204	68 958	80 621	97 046*	+ 5 390*	Dec.

According to figures supplied by the Central Statistical Office.

The figures in italics indicate the position at the end of the previous year.

14. DEPOSITS IN CO-OPERATIVE CREDIT SOCIETIES AND CONSUMERS' CO-OPERATIVE SOCIETIES

End of Month	Deposits in Co-operative Credit Societies ¹⁾ Mill. mk					Deposits in Consumers' Co-operative Societies ²⁾ Mill. mk					End of Month
	1951	1952	1953	1954	Monthly Movement	1951	1952	1953	1954	Monthly Movement	
	<i>21 609</i>					<i>5 356</i>					
Jan.	21 887	32 388	39 373	45 174	+ 651	5 528	8 989	11 091	12 213	+ 262	Jan.
Feb.	22 498	33 526	40 291	46 124	+ 950	5 844	9 440	11 621	12 493	+ 280	Feb.
March	23 441	34 639	41 206	47 184	+ 1 060	6 226	9 793	11 696	12 793	+ 300	March
April	24 001	35 426	41 296	47 724	+ 540	6 700	10 047	11 690	12 896	+ 103	April
May	24 401	36 135	41 504	47 973	+ 249	6 794	10 374	11 694	12 867	- 29	May
June	24 549	36 162	41 317	47 550	- 423	6 825	10 260	11 547	12 659	- 208	June
July	25 381	37 040	41 736	48 405	+ 855	6 913	10 293	11 461	12 566	- 93	July
Aug.	27 166	38 517	42 839	49 827	+ 1 422	7 024	10 292	11 461	12 621	+ 55	Aug.
Sept.	27 548	38 106	42 553	50 289	+ 462	7 170	10 204	11 388	12 591	- 30	Sept.
Oct.	28 667	37 753	42 191	50 804	+ 515	7 459	10 200	11 347	12 644	+ 53	Oct.
Nov.	29 645	37 529	42 197	51 616	+ 812	7 781	10 262	11 424	12 809	+ 165	Nov.
Dec.	31 696	39 253	44 523	54 513*	+ 2 897*	8 442	10 798	11 951	13 415	+ 606	Dec.

¹⁾ Figures supplied by the Central Bank for Co-operative Credit Societies. — ²⁾ According to data supplied by the Finnish Co-operative Wholesale Society and the Co-operative Wholesale Association.

15. DEPOSITS IN ALL CREDIT INSTITUTIONS¹⁾

End of Month	Time Deposits Mill. mk		Total Deposits due to the Public Mill. mk		
	1953	1954	1953	1954	Monthly Movement
	<i>197 288</i>		<i>230 719</i>		
Jan.	200 671	232 975	232 406	271 740	+ 4 456
Feb.	205 123	237 802	235 775	275 424	+ 3 684
March	207 991	242 514	241 013	280 423	+ 4 999
April	209 907	244 937	243 171	282 823	+ 2 400
May	211 145	246 185	245 518	285 824	+ 3 001
June	210 395	244 658	248 564	285 593	- 231
July	212 148	246 603	250 795	288 210	+ 2 617
Aug.	215 949	250 831	255 890	292 156	+ 3 946
Sept.	214 996	250 667	255 210	290 844	- 1 312
Oct.	215 271	252 804	257 231	295 142	+ 4 298
Nov.	216 297	256 269	256 854	297 669	+ 2 527
Dec.	229 418	272 011*	267 351	314 152*	+16 483*

¹⁾ Commercial Banks, Post Office Savings Bank excl. postal giro accounts, Savings Banks, Co-operative Credit Societies, Central Bank for Co-operative Credit Societies, Consumers' Co-operative Societies, and Mortgage Banks.

16. INSURANCES IN LIFE ASSURANCE COMPANIES

End of Month	New risks accepted ¹⁾				End of Month
	1953		1954*		
	Number	Amount Mill. mk	Number	Amount Mill. mk	
Jan.	12 706	2 638	9 563	2 283	Jan.
Feb.	13 308	2 794	11 549	2 793	Feb.
March	14 101	2 980	12 172	3 004	March
April	12 956	2 788	11 004	2 645	April
May	11 751	2 471	10 204	2 457	May
June	10 785	2 324	9 593	2 346	June
July	7 916	1 733	7 709	1 921	July
Aug.	9 038	1 826	7 936	1 941	Aug.
Sept.	10 695	2 369	9 430	2 381	Sept.
Oct.	11 968	2 646	11 535	2 910	Oct.
Nov.	12 446	2 719	11 405	2 842	Nov.
Dec.	13 548	3 436	12 152	3 179	Dec.
	141 218	30 724	124 252	30 702	Total

¹⁾ According to information supplied by the Finnish Life Assurance Companies.

17. CHANGES IN NUMBER AND CAPITAL OF LIMITED COMPANIES

Year and Quarter	Founded		With increased Capital		Liquidated or with reduced capital		Net increase (+) or reduction (-)				Year and Quarter
	Num-ber	Capital Mill. mk	Num-ber	Increase of Capital Mill. mk	Num-ber	Reduction of Capital Mill. mk	All companies		Housing companies		
							Num-ber	Capital Mill. mk	Num-ber	Capital Mill. mk	
1950	1 421	3 527	1 079	12 826	255	228	+ 1 209	+ 16 125	+ 243	+ 1 773	1950
1951	1 025	3 288	671	8 475	253	611	+ 783	+ 11 152	+ 172	+ 1 850	1951
1952	1 225	5 530	878	16 980	316	234	+ 916	+ 22 276	+ 237	+ 2 727	1952
1953	1 110	4 414	549	6 981	360	2 230	+ 773	+ 9 165	+ 250	+ 3 150	1953
1953											1953
July-Sept.	253	1 534	90	235	61	720	+ 194	+ 1 049	+ 71	+ 1 160	July-Sept.
Oct. - Dec.	305	827	158	3 976	112	878	+ 203	+ 3 925	+ 64	+ 514	Oct. - Dec.
1954											1954
Jan.-March	321	2 661	114	1 888	116	111	+ 211	+ 4 438	+ 76	+ 939	Jan.-March
April-June	351	1 605	114	1 070	85	56	+ 270	+ 2 619	+ 109	+ 1 202	April-June
July-Sept.	293	1 090	106	649	65	204	+ 230	+ 1 535	+ 82	+ 870	July-Sept.

Figures supplied by the Central Statistical Office.

The figures in italics indicate the position at the end of the previous year.

* Preliminary figures subject to minor alterations.

18. BANKRUPTCIES

Month	Bankruptcies ¹⁾				
	Number				
	1950	1951	1952	1953	1954*
January	48	20	54	32	117
February	55	26	47	75	104
March	55	12	28	43	116
April	38	26	41	26	67
May	21	15	32	24	69
June	19	10	12	23	28
July	15	4	12	38	41
August	5	15	10	11	67
September	44	8	18	50	54
October	36	41	75	112	
November	42	51	56	111	
December	28	11	44	67	
Total	406	239	429	612	
Jan. - Sept.	300	136	254	322	663

¹⁾ Figures compiled by the Central Statistical Office from the reports sent in by the various Courts including all bankruptcy petitions, of which only about half will lead in due course to actual bankruptcy.

19. STOCK EXCHANGE

Turnover of Stock Exchange ¹⁾					Month
Mill. mk					
1950	1951	1952	1953	1954	
148	287	187	106	125	January
155	248	166	127	136	February
235	264	203	127	173	March
358	281	194	214	131	April
299	219	243	172	139	May
226	238	107	201	124	June
185	162	148	207	122	July
235	230	156	301	110	August
318	216	136	233	122	September
340	192	169	118	101	October
228	215	127	144	148	November
229	229	148	135	137	December
2 956	2 781	1 934	2 134	1 569	Total

¹⁾ According to data supplied by the Stock Exchange Committee.

20. STOCK EXCHANGE INDEX 1948 = 100

Month	Share Prices									Month
	All kinds			Bank Shares			Industrial Shares			
	1952	1953	1954	1952	1953	1954	1952	1953	1954	
January	203	164	243	137	124	148	217	169	262	January
February	199	166	236	139	125	148	211	172	253	February
March	194	165	234	130	118	147	207	172	250	March
April	187	176	224	129	126	140	198	185	239	April
May	169	191	219	121	132	133	178	202	234	May
June	166	199	218	119	135	133	174	211	232	June
July	177	203	231	122	140	137	187	215	248	July
August	180	227	238	123	144	141	191	245	256	August
September	177	227	237	123	141	139	187	245	255	September
October	172	226	239	122	142	138	181	243	258	October
November	166	230	243	122	144	139	173	247	262	November
December	164	231	243	121	145	138	170	247	263	December
Whole year	180	200	234	126	135	140	190	213	251	Whole year

*Unitas index based on the prices quoted for the shares of 3 banks and 10 industrial firms.

21. PUBLIC DEBT

	1951	1952	1953	1954				
	Dec.	Dec.	Dec.	July	Aug.	Sept.	Oct.	Nov.
	1 000 mill. mk							
Foreign debt	74.6	67.7	65.0	64.0	63.8	63.2	63.0	62.7
Ordinary loans	30.5	30.4	31.4	30.8	34.2	34.6	34.7	35.4
Indemnity bonds and similar obligations	12.6	11.4	10.1	10.2	8.7	8.7	8.7	8.8
Treasury bills	—	—	3.4	2.7	2.7	1.1	1.0	1.0
Cash debt (net)	6.9	11.7	11.4	6.5	11.5	10.2	6.5	8.1
Debt to the Bank of Finland (net)	8.7	14.9	14.4	11.0	15.8	8.0	10.6	11.1
Cash debt to the Post Office Savings Bank	19.0	20.1	16.9	9.2	6.5	14.4	9.8	9.3
less: Cash holdings	-20.8	-23.3	-19.9	-13.7	-10.8	-12.2	-13.9	-12.2
Domestic debt	50.0	53.5	56.3	50.2	57.1	54.6	50.9	53.3
Total debt	124.6	121.2	121.3	114.2	120.9	117.8	113.9	116.0
Total debt, mill. dollars	539.6	524.5	525.2	494.4	523.5	510.1	493.0	502.1

Adjusted figures, see Items

22. STATE REVENUE AND EXPENDITURE

Revenue	Nov.	Jan. - Nov.		Expenditure	Nov.	Jan. - Nov.	
	1954	1954	1953		1954	1954	1953
1 000 mill. mk				1 000 mill. mk			
Income and property tax (net) ..	5.0	41.1	44.8	Interest on public debt	0.1	4.7	4.1
Gross collections	5.1	74.4	78.1	Child allowances	4.7	19.4	19.0
Refunds and share of communes	- 0.1	-33.3	-33.3	Old age allowances	0.6	2.6	2.8
Other direct taxes	0.1	0.8	0.8	Compensations to disabled persons	0.4	5.2	5.2
Sales tax	4.9	50.3	46.2	Transfer of national pensions pre-			
Import duties	1.5	16.9	14.9	miums to N. P. Fund	0.0	3.4	2.9
Revenue from Alcohol Monopoly	0.7	14.3	14.5	Subsidies	2.9	9.7	6.7
Excise on tobacco	1.0	9.6	9.0	Payments from price equalization			
Other excises	0.2	3.6	3.9	fund	0.8	3.3	1.7
Stamp duty	0.4	6.0	5.5	Reimbursement of 1951 export tax	—	4.1	—
Payments for child allowances				State aid to agriculture	0.5	4.6	5.4
and national pensions	1.6	16.4	15.7	State aid to communal and private			
Receipts of price equalization fund	0.5	5.3	4.6	schools	1.0	12.5	12.9
Other revenue similar to taxes ..	0.5	3.8	2.9	Net losses of State business under-			
Total taxes	16.4	168.6	162.8	takings	—	—	1.5
Interest and dividends	0.1	2.3	1.9	Maintenance of roads	0.6	4.2	3.7
Net profits of State business				Total	11.6	73.7	65.9
undertakings	0.5	0.9	—	Other current expenditure	5.4	51.9	51.8
Other current revenue	0.4	5.0	5.0	Current expenditure	17.0	125.6	117.7
Current revenue	17.4	176.8	169.7	Real investments	1.7	26.5	28.4
Capital revenue proper	0.2	4.1	3.2	(of which: unemployment relief) ..	(0.4)	(14.4)	(12.9)
Decrease in inventories	0.2	8.9	0.3	Other capital expenditure	1.2	22.1	21.7
Capital revenue	0.4	13.0	3.5	Capital expenditure	2.9	48.6	50.1
Total revenue	17.8	189.8	173.2	Total expenditure	19.9	174.2	167.8
Foreign loans	—	0.0	0.0	Redemption of foreign loans ...	0.3	2.8	2.2
Domestic loans	0.8	10.3	3.1	Redemption of domestic loans ...	0.0	6.2	2.4
Loans	0.8	10.3	3.1	Redemption of indemnity bonds			
Treasury bills (incr. +)	—	-2.4	+4.9	and similar obligations	0.0	2.1	2.2
Deficit (+) or surplus (-)	+1.6	-3.9	+2.1	Index premiums on II Indemnity			
Total	20.2	193.8	183.3	Bonds	0.0	8.5	8.7
				Redemptions	0.3	19.6	15.5
				Total	20.2	193.8	183.3

Adjusted figures, see Items

23. VALUE OF IMPORTS AND EXPORTS

Month	Imports (s. i. l.) Mill. mk			Exports (f. o. b., commercial exports) Mill. mk			Surplus of Imports (-) or Exports (+) Mill. mk			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	15 197	12 051	10 775	14 637	8 417	9 219	- 560	- 3 634	- 1 556	January
February	15 763	7 273	9 761	13 144	5 847	7 996	- 2 619	- 1 426	- 1 765	February
March	16 287	9 761	10 698	11 559	9 750	9 327	- 4 728	- 11	- 1 371	March
April	17 305	11 767	11 220	11 389	9 345	10 404	- 5 916	- 2 422	- 816	April
May	19 513	10 093	11 831	13 010	9 186	12 431	- 6 503	- 907	+ 600	May
June	18 176	9 986	11 874	12 291	12 180	14 557	- 5 885	+ 2 194	+ 2 683	June
July	16 809	9 630	12 723	14 157	13 801	16 445	- 2 652	+ 4 171	+ 3 722	July
August	12 190	9 719	12 032	12 658	12 900	14 788	+ 468	+ 3 181	+ 2 756	August
September	11 894	9 388	14 322	13 537	11 815	15 854	+ 1 643	+ 2 427	+ 1 532	September
October	12 093	10 636	14 067	14 332	13 683	15 792	+ 2 239	+ 3 047	+ 1 725	October
November	13 278	9 406	14 505	13 333	12 543	15 927	+ 55	+ 3 137	+ 1 422	November
December	13 681	12 150	18 329	12 782	12 088	13 878	- 899	- 62	- 4 451	December
Total	182 186	121 860	152 137	156 829	131 555	156 618	-25 357	+ 9 695	+ 4 481	Total

Tables 23—28 according to Finnish Official Statistics I, A, Foreign Trade of Finland, Monthly Reports.

* Preliminary figures subject to minor alterations.

24. VALUE OF IMPORTS AND EXPORTS IN DIFFERENT CLASSES OF GOODS

Classes of Goods	Imports (c. i. f.) Mill. mk					Exports (f. o. b.) Mill. mk				
	Whole year					Whole year				
	1950	1951	1952	1953	1954*	1950	1951	1952	1953	1954*
Dairy produce, eggs, honey	589	1 554	473	412	40	1 750	1 816	2 826	2 094	2 933
Other animal products, live animals	527	939	638	709	621	270	286	153	187	1 036
Vegetables	64	178	123	93	76	24	0	—	1	1
Eatable fruit	1 283	1 260	3 594	2 150	3 173	66	98	152	10	29
Coffee, tea, spices	3 387	4 397	5 896	6 855	10 299	—	—	0	—	0
Cereals, milling products..	5 361	9 955	15 911	10 641	7 079	350	189	643	1 164	493
Certain seeds and fruit, plants for industrial purposes	239	457	483	591	1 205	216	304	472	636	125
Raw materials for tanning and dyeing	100	141	65	85	120	—	—	1	3	3
Animal and vegetable fats	2 253	3 478	2 678	2 530	2 310	18	6	21	33	370
Meat and fish products ..	153	345	593	432	344	6	3	3	0	0
Sugar, sweets	3 533	4 360	4 611	3 722	2 673	20	26	19	22	17
Beverages, vinegars	315	758	739	547	820	650	992	438	234	400
Fodder	789	1 973	2 593	1 109	1 267	—	—	89	196	21
Tobacco	931	1 284	1 551	1 554	1 635	—	—	—	—	0
Minerals, ore	1 208	2 377	2 049	1 198	1 855	287	365	693	1 120	1 244
Mineral fuel and oils	10 937	20 672	22 715	16 396	18 118	5	2	10	30	25
Chemical and pharmaceutical products	2 783	5 048	4 445	3 663	6 592	296	324	246	256	254
Tanning and dyeing extracts, varnishes	1 918	3 045	1 645	1 321	1 925	2	7	6	6	6
Casein, albumen, glues	404	691	407	336	538	1	0	3	2	13
Fertilizers	2 206	3 799	4 272	2 662	3 312	1	—	0	1	0
Hides, skins, leather and furs; manufactures of these materials	1 484	2 945	1 788	1 562	1 892	674	426	881	672	477
Rubber and rubber articles	1 126	3 840	1 941	1 359	2 247	20	6	7	18	18
Wood and wood goods ..	154	312	248	234	306	35 585	73 407	70 312	53 085	62 191
Woodpulp	3	7	14	11	7	18 789	61 818	36 307	22 256	29 880
Cardboard and paper, their applications	120	179	209	116	212	16 273	37 290	30 077	26 530	32 909
Textile materials, textile goods	16 021	26 907	24 081	14 883	20 077	1 142	1 257	1 213	1 115	1 726
Footwear	55	118	108	46	55	7	12	21	23	101
Articles of stone and of other mineral material, glass	752	1 126	1 313	793	1 360	511	600	494	466	556
Base metals; articles made therefrom	12 397	22 229	29 628	13 987	20 828	1 216	2 067	1 823	2 588	2 317
Machinery, apparatus	7 399	10 262	15 570	11 525	12 579	1 298	1 952	3 122	5 702	5 559
Electric machinery and apparatus	3 812	4 887	6 777	4 780	6 047	356	666	755	1 034	793
Transport material	4 086	11 258	19 975	11 851	15 761	1 049	2 301	5 083	11 077	12 066
Instruments, clocks and watches, musical instruments	721	1 172	1 676	1 082	1 634	27	48	62	54	94
All others	2 038	3 511	3 377	2 625	5 130	570	615	897	935	961
Total	89 148	155 464	182 186	121 860	152 137	81 479	186 883	156 829	131 555	156 618
Reparation deliveries						7 846	12 396	8 215	—	—

* Preliminary figures subject to minor alterations.

25. IMPORTS OF THE MOST IMPORTANT ARTICLES

Month	Wheat Tons			Coffee Tons			Sugar Refined and unrefined Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	20 001	20 956	9 376	1 409	2 075	2 083	6 758	5 725	4 206	January
February	24 219	793	20 531	2 116	1 791	1 250	8 507	7 469	3 995	February
March	30 649	17 208	21 393	1 771	1 583	2 980	7 635	7 771	6 621	March
April	34 448	54 317	13 317	1 187	1 917	1 867	9 921	13 572	7 540	April
May	38 863	35 461	12 539	2 271	1 841	2 448	9 368	12 360	15 092	May
June	31 078	26 780	11 540	1 847	1 988	1 942	13 710	13 820	10 409	June
July	22 783	30 041	21 274	1 949	1 827	2 807	15 540	10 187	16 550	July
August	16 028	23 694	3 804	1 688	1 914	1 709	10 417	14 353	11 602	August
September	1 898	15 726	6 611	1 689	1 779	2 969	8 963	10 924	14 036	September
October	13 302	5 975	3 298	1 841	920	2 485	8 795	11 391	7 360	October
November	42 158	6 952	32 565	2 219	2 501	2 455	13 720	5 995	2 012	November
December	40 521	11 260	54 402	1 804	2 881	2 961	7 180	9 568	2 972	December
Total	315 948	249 163	210 650	21 791	23 017	27 956	120 514	123 135	102 395	Total

Month	Raw Tobacco Tons			Coal and Coke Tons			Petrol Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	443	411	402	245 332	188 777	187 653	20 012	15 094	23 447	January
February	425	396	464	190 350	99 657	98 357	17 260	20 200	25 760	February
March	387	407	492	120 097	82 223	91 244	20 436	19 680	25 419	March
April	362	399	470	173 122	84 619	76 466	20 787	25 797	22 585	April
May	461	367	402	253 915	87 770	135 382	24 681	20 251	25 333	May
June	435	375	332	308 438	165 568	145 935	26 130	39 597	31 661	June
July	240	229	381	250 309	193 076	173 954	28 099	31 299	20 089	July
August	443	455	475	300 973	203 479	219 231	19 213	30 141	38 031	August
September	469	497	475	234 381	230 275	173 527	29 688	28 333	36 074	September
October	511	395	456	115 359	245 954	374 019	35 408	22 907	34 313	October
November	430	439	461	223 464	253 010	279 933	20 780	21 638	25 731	November
December	266	362	311	180 654	191 188	317 827	21 771	28 690	31 114	December
Total	4 872	4 732	5 121	2 601 394	2 025 596	2 273 528	284 265	303 627	339 557	Total

Month	Mineral oils Tons			Fertilizers Tons			Raw Cotton Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	24 460	32 420	47 937	43 900	5 286	31 024	597	1 020	4 405	January
February	33 365	40 823	45 711	26 194	2 362	32 209	1 401	1 524	732	February
March	26 832	28 171	56 082	23 591	22 526	26 080	876	1 293	2 595	March
April	33 223	25 588	57 560	47 921	15 813	53 312	2 244	463	980	April
May	22 801	30 205	39 571	62 156	44 074	41 288	1 335	724	762	May
June	27 219	41 881	39 074	45 710	27 578	28 217	1 149	518	393	June
July	25 050	25 557	38 505	63 132	36 172	40 932	1 631	—	2 614	July
August	20 192	23 031	35 528	52 957	40 683	33 673	1	2 369	1 939	August
September	27 424	40 861	47 784	45 426	19 214	51 843	554	348	0	September
October	36 572	44 061	54 699	36 704	56 144	38 254	1 082	—	414	October
November	30 830	40 739	68 391	46 336	38 715	38 344	2 416	371	1 469	November
December	36 118	42 061	63 614	35 410	34 319	28 510	984	1 607	3 002	December
Total	344 086	415 398	594 456	529 437	342 886	443 686	14 270	10 237	19 305	Total

* Preliminary figures subject to minor alterations.

25. IMPORTS OF THE MOST IMPORTANT ARTICLES — Continued

Month	Pig Iron Tons			Bar Iron and Bar Steel Tons			Sheet Iron and Steel Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	1 630	124	2 018	10 512	9 388	4 517	11 066	7 846	8 178	January
February	1 515	20	1 451	11 258	3 614	3 319	13 689	7 893	6 450	February
March	50	30	3 436	14 462	2 813	5 906	12 356	7 605	6 839	March
April	3 339	130	4 594	11 628	2 841	7 657	11 779	5 968	13 889	April
May	3 016	57	3 623	11 746	3 037	9 674	12 377	6 518	8 844	May
June	1 274	50	5 123	15 493	2 320	7 656	12 004	2 786	11 452	June
July	4 757	327	8 086	12 469	1 945	9 169	11 276	5 899	10 924	July
August	2 073	5	5 870	11 355	1 588	8 978	6 657	3 660	14 055	August
September	2 703	272	1 699	10 813	1 519	10 342	8 829	4 731	14 107	September
October	968	150	1 712	8 680	2 768	8 322	7 735	5 655	21 137	October
November	80	1 857	3 765	7 384	4 083	6 176	8 278	8 905	19 436	November
December	70	3 424	9 026	7 096	4 189	13 324	8 500	11 890	22 537	December
Total	21 475	6 446	50 403	132 896	40 105	95 040	124 546	79 356	157 848	Total

26. EXPORTS OF THE MOST IMPORTANT ARTICLES ¹⁾

Month	Wooden Houses and Huts Floor area 1 000 m ²			Round Timber All kinds excl. fuel 1 000 m ³			Sawn Timber ²⁾ All kinds 1 000 standards			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	43	19	49	144	47	116	35	49	39	January
February	88	36	88	137	24	60	23	13	21	February
March	70	126	89	139	76	74	21	27	12	March
April	129	115	72	148	66	127	13	34	21	April
May	80	49	95	617	172	276	32	40	36	May
June	62	6	73	678	318	467	40	79	78	June
July	76	93	53	888	381	623	71	120	113	July
August	57	103	37	874	349	558	71	85	102	August
September	53	74	53	666	297	468	76	67	89	September
October	144	113	66	477	262	397	92	56	85	October
November	133	78	76	203	208	274	73	63	76	November
December	114	80	37	141	188	180	64	55	61	December
Total	1 049	897	788	5 112	2 388	3 620	611	688	733	Total

Month	Matches Tons			Plywood 1 000 m ³			Bobbins (spools) Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	239	83	111	27	17	16	169	148	81	January
February	190	78	82	19	11	17	137	44	125	February
March	54	127	199	20	22	25	99	83	151	March
April	72	61	73	24	20	27	80	78	172	April
May	117	111	114	19	15	30	80	166	104	May
June	50	104	70	18	17	25	97	67	156	June
July	61	128	67	15	21	26	117	53	179	July
August	37	29	47	10	10	15	42	107	38	August
September	106	82	18	17	16	30	77	56	158	September
October	83	134	86	16	23	21	125	131	133	October
November	123	125	122	20	19	30	76	95	160	November
December	136	116	75	17	25	36	68	115	80	December
Total	1 268	1 178	1 064	222	216	298	1 167	1 143	1 542	Total

¹⁾ Commercial exports. — ²⁾ 1 standard sawn timber = 4.872 m³.

* Preliminary figures subject to minor alterations.

26. EXPORTS OF THE MOST IMPORTANT ARTICLES — Continued

Month	Mechanical Pulp ¹⁾ Tons			Sulphite Cellulose ¹⁾ Tons			Sulphate Cellulose ¹⁾ Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	6 914	18 038	16 843	49 647	39 984	36 898	29 197	22 268	24 091	January
February	11 830	6 911	12 277	48 897	23 542	37 106	24 524	13 872	19 313	February
March	8 124	12 420	14 696	41 843	50 328	44 431	15 118	41 821	26 761	March
April	14 456	19 496	11 639	48 180	37 233	49 246	20 198	25 483	32 780	April
May	20 286	18 892	25 425	29 725	35 430	47 679	19 799	22 964	37 073	May
June	8 835	14 839	20 297	26 413	33 103	55 658	13 174	36 780	35 071	June
July	9 000	13 244	17 857	17 867	27 655	47 789	8 091	22 974	32 100	July
August	2 834	17 498	10 381	22 976	49 017	45 106	7 967	23 254	26 020	August
September	11 549	26 622	17 056	39 765	43 035	48 440	23 077	29 309	34 194	September
October	17 632	18 656	13 604	49 671	42 922	55 249	17 229	27 801	29 650	October
November	17 709	20 739	17 068	52 881	36 351	53 070	32 691	26 153	38 821	November
December	14 274	16 177	16 034	48 637	45 524	59 723	34 353	30 244	39 118	December
Total	143 443	203 532	193 177	476 502	464 124	580 395	245 423	322 923	374 992	Total

Month	Cardboard All kinds Tons			Paper All kinds Tons			Newsprint (included in previous column) Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	13 285	9 983	11 230	52 270	48 944	56 245	35 768	35 637	33 686	January
February	11 547	8 666	10 235	44 992	30 401	51 092	27 795	18 699	28 520	February
March	9 074	11 096	13 712	41 623	68 284	59 241	25 338	42 733	32 169	March
April	10 474	9 906	16 345	47 864	57 866	67 053	36 967	34 040	36 115	April
May	7 419	9 004	12 633	50 133	55 299	63 333	39 000	34 553	34 043	May
June	6 339	10 711	12 118	36 184	56 412	56 371	28 576	32 564	28 360	June
July	6 107	9 984	13 329	44 957	53 396	62 681	34 731	33 697	30 559	July
August	4 729	7 011	10 558	37 083	62 111	60 904	28 773	35 279	33 373	August
September	6 794	9 630	13 326	50 557	53 196	64 763	34 865	31 377	33 708	September
October	10 350	10 866	15 322	59 928	67 726	79 172	38 814	36 762	40 419	October
November	11 479	11 545	14 899	54 134	58 849	56 064	32 932	32 222	24 192	November
December	11 604	12 414	16 438	49 363	64 109	73 871	28 833	34 618	36 606	December
Total	109 201	120 816	160 695	569 088	676 593	750 840	392 442	402 181	391 750	Total

¹⁾ Dry weight.

27. UNIT VALUE INDEX OF IMPORTS AND EXPORTS 1935-100

Year and Month	Total Imports	Groups of Imported Goods				Total Exports	Principal Exported Goods				Year and Month
		Raw ma- terials	Mach- inery	Food- stuffs	Other con- sumption goods		Sawn timber	Mechan- ical pulp	Dry cellu- lose	Paper	
1949	1 105	1 117	1 134	1 089	1 043	1 336	1 440	1 249	1 144	1 199	1949
1950	1 403	1 358	1 395	1 590	1 257	1 500	1 663	1 386	1 355	1 347	1950
1951	1 946	2 133	1 585	1 955	1 594	2 801	2 605	3 253	3 835	2 374	1951
1952	1 841	1 946	1 586	2 017	1 396	2 614	2 457	2 797	2 900	2 298	1952
1953	1 695	1 677	1 633	1 935	1 361	2 074	2 499	2 011	1 702	1 762	1953
1954											1954
Jan. - May	1 686	1 580	1 831	1 956	1 368	1 903	2 509	2 006	1 884	1 819	Jan. - May
Jan. - June	1 684	1 575	1 793	1 974	1 366	1 930	2 569	2 010	1 889	1 822	Jan. - June
Jan. - July	1 678	1 564	1 762	1 987	1 384	2 053	2 583	2 006	1 896	1 822	Jan. - July
Jan. - Aug.	1 663	1 538	1 752	2 002	1 363	2 093	2 582	2 003	1 908	1 821	Jan. - Aug.
Jan. - Sept.	1 665	1 533	1 782	2 019	1 347	2 119	2 591	2 003	1 916	1 825	Jan. - Sept.
Jan. - Oct.	1 656	1 519	1 777	2 018	1 347	2 132	2 599	2 004	1 917	1 829	Jan. - Oct.
Jan. - Nov.	1 637	1 501	1 776	1 984	1 335	2 133	2 601	2 006	1 919	1 831	Jan. - Nov.
Jan. - Dec.	1 631	1 497	1 786	1 962	1 331	2 123	2 602	2 008	1 924	1 835	Jan. - Dec.

Calculated by the Statistical Department of the Board of Customs. For details concerning the calculation of the indices see article in this Bulletin No. 4, 1939.

* Preliminary figures subject to minor alterations.

28. FOREIGN TRADE WITH VARIOUS COUNTRIES

Country	Imports (c. i. f.)					Exports (f. o. b., commercial exports)				
	Whole year					Whole year				
	1951	1952	1953	1954*		1951	1952	1953	1954*	
Europe:	%	%	%	Mill. mk	%	%	%	%	Mill. mk	%
Belgium — Luxembourg ..	5.9	3.3	2.7	4 550	3.0	3.0	2.7	2.8	4 610	2.9
Bulgaria	0.1	0.0	0.1	233	0.2	0.0	0.1	0.2	114	0.1
Czechoslovakia	1.0	1.5	3.4	4 181	2.7	0.6	0.4	0.6	1 044	0.7
Denmark	5.7	3.7	3.0	3 584	2.4	4.5	3.4	3.5	5 395	3.4
France	6.8	10.1	5.7	9 215	6.1	5.9	7.0	4.5	7 301	4.7
Germany, Democratic Rep.	0.2	0.5	1.9	3 943	2.6	0.2	0.4	1.4	2 701	1.7
Federal Rep.	9.5	12.4	7.7	10 149	6.7	7.1	9.2	7.0	11 580	7.4
Greece	0.4	0.5	0.8	692	0.4	0.5	0.4	0.5	672	0.4
Holland	7.6	5.6	6.2	9 826	6.5	5.0	4.9	4.6	7 083	4.5
Italy	3.0	1.3	1.1	1 780	1.2	2.3	1.2	0.9	2 139	1.4
Jugoslavia	0.1	0.1	0.1	176	0.1	0.1	0.0	0.0	245	0.2
Norway	1.3	1.7	1.6	2 883	1.9	1.8	1.2	0.8	2 055	1.3
Poland	6.5	5.0	6.8	6 316	4.2	2.0	2.1	2.1	3 354	2.1
Rumania	0.0	0.0	0.0	210	0.1	0.1	0.0	0.1	521	0.3
Sweden	5.6	5.8	4.3	6 933	4.5	3.1	4.0	3.2	4 295	2.7
Switzerland	0.7	1.2	1.6	1 757	1.1	1.1	1.3	0.3	1 091	0.7
Turkey	0.6	0.5	0.9	1 089	0.7	0.4	0.7	1.3	2 292	1.5
United Kingdom	21.1	18.8	15.8	28 598	18.8	30.8	23.8	22.0	35 169	22.5
USSR	7.6	12.1	21.4	27 073	17.8	8.3	17.5	25.4	33 720	21.5
Rest of Europe	1.7	1.9	2.8	4 785	3.1	1.8	1.8	2.6	5 286	3.4
Total for Europe	85.4	86.0	87.9	127 973	84.1	78.6	82.1	83.8	130 667	83.4
Argentina	3.4	1.4	1.5	3 108	2.1	5.6	5.1	0.9	2 738	1.8
Brazil	1.1	1.4	2.3	8 369	5.5	1.9	1.5	1.3	3 352	2.1
Canada	0.3	0.3	0.2	92	0.0	0.0	0.0	0.1	144	0.1
United States	6.3	7.7	5.0	7 040	4.6	6.8	5.5	7.2	9 023	5.8
Rest of America	0.8	0.9	0.6	369	0.3	0.8	0.9	0.9	1 373	0.9
Africa	0.6	0.9	0.4	788	0.5	2.9	1.5	2.2	3 665	2.3
Asia	1.8	1.3	2.1	4 359	2.9	2.1	2.8	3.3	4 826	3.1
Australia & New Zealand ..	0.3	0.1	0.0	39	0.0	1.3	0.6	0.3	830	0.5
Grand total	100.0	100.0	100.0	152 137	100.0	100.0	100.0	100.0	156 618	100.0

The country of import indicates the land in which goods were purchased, the country of export the land to which goods were sold.

29. WHOLESALE TRADE

Month	Total Sales Mill. mk			
	1951	1952	1953	1954
January	14 541	17 974	15 944	16 207
February	16 375	19 836	16 998	17 949
March	17 820	20 304	19 134	21 288
April	20 765	21 092	19 966	22 604
May	20 584	22 994	20 502	23 228
June	19 785	19 702	20 893	21 658
July	17 070	20 980	19 821	21 723
August	20 620	20 054	22 475	23 587
September	20 544	23 320	24 088	24 258
October	21 667	23 018	22 730	22 475
November	23 363	21 355	20 937	24 013
December	21 722	20 551	22 589	
Total	234 856	251 230	246 077	
Jan. - Nov.	213 134	230 679	223 488	238 990

Calculated by the «Unst Suomi». The figures represent about 50 % of the turnover of all wholesalers in Finland.

* Preliminary figures subject to minor alterations.

30. SALES OF PETROL

Wholesale for Traffic 1 000 tons					Month
1950	1951	1952	1953	1954	
34.4	17.4	15.2	22.2	20.7	January
9.1	16.8	18.4	21.0	21.6	February
16.1	18.3	19.2	21.6	23.6	March
18.3	19.3	20.0	22.2	26.4	April
25.4	22.5	26.1	29.5	27.7	May
21.0	24.2	27.0	29.0	30.9	June
23.3	26.1	28.4	23.8	31.3	July
21.5	24.7	28.1	28.4	29.8	August
19.9	23.4	25.6	27.9	28.9	September
21.5	24.8	25.7	28.8	28.6	October
18.7	23.0	20.9	24.5	27.8	November
22.8	26.2	22.1	30.4		December
252.5	266.7	276.7	309.3		Total
229.7	240.5	254.6	278.9	297.3	Jan. - Nov.

Figures supplied by the Ministry of Communications and Public Works.

31. VOLUME INDEX OF INDUSTRIAL PRODUCTION 1948 - 100

Month	Total Industry			Home Market Industry			Export Industry			Month
	1952	1953*	1954*	1952	1953*	1954*	1952	1953*	1954*	
January	136	121	129	139	127	131	129	106	126	January
February	134	118	133	138	122	134	124	108	129	February
March	133	126	147	138	129	146	122	117	149	March
April	124	124	139	133	132	142	104	106	132	April
May	135	123	148	143	132	150	118	105	144	May
June	114	122	135	124	134	140	90	97	126	June
July	94	101	116	102	102	109	76	99	134	July
August	108	124	143	118	131	145	86	109	139	August
September	130	140	156	142	145	159	102	127	148	September
October	139	149	159	150	156	160	113	133	159	October
November	136	140	158	144	145	161	119	128	149	November
December	122	135	146	128	139	149	110	124	139	December
Whole year	125	127	142	133	133	144	108	113	140	Whole year

Calculated by the Central Statistical Office.

32. BUILDING ACTIVITY

Quarter	Consumption of Cement in Finland ¹⁾ 1 000 tons						Buildings completed in towns and market towns ²⁾ 1 000 m ³						Quarter
							Total			Dwelling houses			
	1949	1950	1951	1952	1953	1954	1952	1953	1954*	1952	1953	1954*	
Jan.-March	100	103	125	194	95	91	1 535	1 396	1 712	922	991	1 033	Jan.-March
April-June	192	240	201	205	272	345	1 190	1 489	1 081	566	691	610	April-June
July-Sept.	219	237	274	219	329	310	1 659	1 709	1 907	885	924	986	July-Sept.
Oct.-Dec.	133	182	205	133	160	186	2 556	2 355	2 723	1 288	1 079	1 466	Oct.-Dec.
Total	644	762	805	751	856	932	6 990	6 949	7 423	3 661	3 685	4 145	Total

¹⁾ Comprising the total quantity of cement delivered by the country's 2 cement companies and including the quantity imported which is, however, only a negligible part of the total consumption. — ²⁾ Compiled by the Research Office of the Ministry for Social Affairs.

33. FOREIGN SHIPPING

Year and Month	Vessels arrived				Vessels departed				Goods transported 1 000 tons		Year and Month
	Number		1 000 net reg. tons		Number		1 000 net reg. tons		Imports	Exports	
	Total	Finnish	Total	with Cargo	Total	Finnish	Total	with Cargo			
1950	7 118	2 845	4 876	2 948	7 088	2 823	4 834	4 199	4 021	6 001	1950
1951	9 079	3 051	5 853	3 590	9 052	3 051	5 846	4 978	5 537	7 527	1951
1952	8 443	3 131	5 946	4 046	8 426	3 094	5 957	4 607	5 475	5 911	1952
1953	6 693	2 624	5 045	3 198	6 721	2 629	5 055	4 321	3 950	5 518	1953
1953											1953
Jan. - Nov.	6 183	2 395	4 592	2 894	6 186	2 400	4 585	3 942	3 530	5 023	Jan. - Nov.
1954											1954
Aug.	1 006	305	707	364	971	293	653	582	456	804	Aug.
Sept.	844	278	655	395	850	263	650	547	589	781	Sept.
Oct.	771	251	622	407	803	270	659	538	664	748	Oct.
Nov.	613	217	578	397	642	216	552	444	586	629	Nov.
Jan. - Nov.	6 853	2 394	5 463	3 484	6 884	2 418	5 418	4 608	4 722	6 165	Jan. - Nov.

Figures supplied by the Statistical Office of the Shipping Board.

* Preliminary figures subject to minor alterations.

34. STATE RAILWAYS

Month	Weight of goods transported 1 000 tons			Axle-kilometres of goods trucks Mill. km			Revenue (less Re-imburements) Mill. mk			Regular Expenditure Mill. mk			Month
	1952	1953	1954	1952	1953	1954	1952	1953	1954	1952	1953	1954	
January	1 622	1 145	1 292	87	63	69	2 178	1 666	1 646	1 667	1 609	1 510	January
February	1 483	1 019	1 333	79	63	78	2 015	1 531	1 705	1 981	1 922	1 868	February
March	1 473	1 328	1 492	80	80	91	2 082	1 899	1 996	1 957	1 965	1 759	March
April	1 385	1 200	1 386	75	70	76	2 101	1 843	1 925	1 940	1 849	1 753	April
May	1 565	1 233	1 470	75	68	77	2 058	1 753	1 896	2 193	2 175	2 043	May
June	1 421	1 390	1 549	72	71	78	2 046	2 012	2 112	2 045	2 059	1 919	June
July	1 419	1 355	1 581	74	74	85	2 180	2 125	2 245	1 990	1 820	1 745	July
August	1 246	1 285	1 497	69	72	80	2 034	1 947	2 051	1 870	1 810	1 753	August
September	1 341	1 398	1 589	73	75	83	1 893	1 806	2 160	1 945	1 868	1 847	September
October	1 441	1 478	1 645	78	77	86	1 965	1 878	1 990	1 976	1 823	1 866	October
November	1 466	1 438	1 613	74	73	80	1 864	1 732	1 952	1 973	1 793	2 024	November
December	1 316	1 285		65	67		1 983	2 425		2 465	2 332		December
Total	17 178	15 554		901	853		24 399	22 617		24 002	23 025		Total
Jan.-Nov.	15 862	14 269	16 447	836	786	883	22 416	20 192	21 678	21 537	20 693	20 087	Jan.-Nov.

According to Monthly Statistics of the Finnish State Railways.

35. WHOLESALE PRICE INDEX 1935 = 100

Month	Index for Goods in Finnish Wholesale trade										Articles of Import (e. i. f.)		Articles of Export (f. o. b.)		Month		
	Finnish Goods										Imported Goods						
	Total index		Total		Products of agriculture		Products of forestry		Products of industry								
	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954			
Jan.	1 765	1 869	1 707	3 026	1 531	1 542	1 679	1 983	Jan.								
Feb.	1 769	1 733	1 884	1 844	1 733	1 726	3 073	2 884	1 530	1 531	1 525	1 495	1 674	1 539	1 972	1 988	Feb.
March	1 771	1 733	1 891	1 846	1 765	1 735	3 065	2 892	1 535	1 529	1 516	1 492	1 653	1 553	1 977	2 022	March
April	1 755	1 738	1 866	1 847	1 717	1 740	2 988	2 892	1 534	1 529	1 517	1 504	1 653	1 519	1 970	2 036	April
May	1 752	1 731	1 869	1 850	1 736	1 735	2 988	2 929	1 534	1 523	1 502	1 477	1 629	1 590	1 963	2 060	May
June	1 738	1 732	1 856	1 851	1 743	1 736	2 920	2 935	1 534	1 522	1 484	1 480	1 590	1 588	1 952	2 063	June
July	1 726	1 733	1 843	1 855	1 725	1 757	2 865	2 935	1 535	1 521	1 477	1 475	1 566	1 597	1 933	2 067	July
Aug.	1 714	1 727	1 824	1 846	1 744	1 775	2 759	2 877	1 534	1 521	1 478	1 471	1 574	1 581	1 915	2 097	Aug.
Sept.	1 699	1 725	1 803	1 845	1 757	1 773	2 631	2 877	1 539	1 520	1 475	1 468	1 566	1 545	1 914	2 102	Sept.
Oct.	1 687	1 722	1 789	1 836	1 723	1 675	2 596	2 937	1 538	1 516	1 469	1 478	1 556	1 521	1 907	2 093	Oct.
Nov.	1 703	1 740	1 811	1 865	1 703	1 732	2 734	3 044	1 534	1 510	1 474	1 472	1 549	1 531	1 920	2 118	Nov.
Dec.	1 703	1 694	1 820	1 811	1 712	1 674	2 806	3 052	1 521	1 436	1 455	1 446	1 534	1 515	1 939	2 116	Dec.
Whole year	1 709	1 684	1 825	1 797	1 701	1 684	2 856	3 039	1 516	1 415	1 461	1 442	1 534	1 519	1 967	2 129	Whole year
Whole year	1 727	1 724	1 840	1 841	1 730	1 728	2 857	2 941	1 532	1 506	1 486	1 475	1 590	1 550	1 944	2 074	Whole year

Calculated by the Central Statistical Office. For details concerning the calculation of the index see article in this Bulletin No. 4, 1939.

36. COST OF LIVING INDEX

Month	October 1951 = 100 ¹⁾		August 1939 = 100		1935 = 100										Month		
					Total index		Foodstuffs		Rent		Fuel and light		Clothing			Taxes	
	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954		1953	1954
Jan.	102	102	1 117	1 110	1 217	1 210	1 375	1 373	554	554	2 575	2 400	1 441	1 431	2 431	2 062	Jan.
Feb.	102	104	1 119	1 110	1 219	1 210	1 394	1 375	554	554	2 567	2 397	1 441	1 429	2 431	2 062	Feb.
March	103	103	1 119	1 108	1 219	1 207	1 396	1 366	554	554	2 555	2 373	1 440	1 429	2 431	2 062	March
April	103	104	1 119	1 115	1 219	1 215	1 399	1 388	554	554	2 544	2 367	1 428	1 426	2 431	2 062	April
May	103	104	1 122	1 114	1 223	1 214	1 406	1 384	554	554	2 546	2 360	1 433	1 426	2 431	2 062	May
June	103	103	1 117	1 109	1 217	1 208	1 393	1 377	554	554	2 521	2 259	1 439	1 428	2 431	2 062	June
July	103	104	1 121	1 114	1 221	1 213	1 402	1 388	554	554	2 492	2 254	1 437	1 427	2 431	2 062	July
Aug.	103	104	1 125	1 117	1 225	1 217	1 408	1 398	554	554	2 487	2 249	1 448	1 429	2 431	2 062	Aug.
Sept.	103	104	1 125	1 111	1 225	1 211	1 406	1 384	554	554	2 487	2 222	1 450	1 429	2 431	2 062	Sept.
Oct.	104	104	1 130	1 112	1 231	1 211	1 414	1 374	616	616	2 425	2 221	1 454	1 419	2 287	2 017	Oct.
Nov.	103	98	1 112	1 045	1 212	1 138	1 380	1 276	616	616	2 413	2 231	1 441	1 235	2 287	2 017	Nov.
Dec.	102	98	1 106	1 043	1 205	1 136	1 364	1 270	616	616	2 408	2 239	1 443	1 234	2 287	2 017	Dec.
Whole year	103	103	1 119	1 101	1 219	1 199	1 395	1 363	569	569	2 500	2 298	1 441	1 395	2 395	2 051	Whole year

Calculated by the Research Office of the Ministry for Social Affairs according to monthly reports from 33 different centres. — ¹⁾ This index does not include taxes.

The figures in italics indicate the position at the end of the previous year.

37. BUILDING COST INDEX 1951 = 100

Month	Total index				Building Materials			Average hourly earnings			Index of the Contractor ¹⁾			Month
	1952	1953	1954	1955	1953	1954	1955	1953	1954	1955	1953	1954	1955	
Jan.	103	101	100	101	102	99	95	97	100	109	101	101	101	Jan.
Feb.	102	100	99		102	99		95	98		101	100		Feb.
March	102	100	100		102	99		97	100		101	101		March
April	103	101	99		102	98		100	100		102	100		April
May	104	100	99		101	98		98	100		101	100		May
June	103	101	101		101	98		100	106		102	102		June
July	105	100	102		101	98		98	110		101	103		July
Aug.	104	101	102		101	98		101	108		102	102		Aug.
Sept.	104	101	102		101	98		102	109		102	102		Sept.
Oct.	103	101	101		100	98		102	108		102	102		Oct.
Nov.	103	101	101		99	98		103	108		102	102		Nov.
Dec.	101	100	101		99	96		99	109		101	102		Dec.
Whole year	103	101	101		101	98		99	105		101	101		Whole year

Up to the end of 1954, calculated by the Bank of Finland, from 1955 onwards by the Central Statistical Office.

¹⁾ Total index less experts' fees and interest on building capital.

38. INDEX OF WORKING HOURS IN INDUSTRY

Quarter	All industries			Branch of Industry								Quarter	
	Total	Home Industries	Exporting Industries	Metal	Glass, Stone, etc.	Chemicals	Foodstuffs and luxuries	Leather	Textile	Paper	Timber		
1952													1952
Oct.-Dec.	93.7	95.9	88.5	96.4	81.3	83.6	96.6	101.0	100.2	95.3	83.0		Oct.-Dec.
1953													1953
Jan.-March	93.8	95.3	90.0	94.5	76.3	85.7	96.3	108.9	100.9	93.2	87.2		Jan.-March
April-June	93.7	94.3	91.9	89.7	73.7	92.1	96.4	114.0	104.3	90.7	93.0		April-June
July-Sept.	96.8	95.5	100.3	89.9	91.8	98.6	101.9	108.9	99.8	97.4	103.0		July-Sept.
Oct.-Dec.	97.8	99.1	94.4	96.6	98.3	104.1	108.9	108.1	97.1	93.8	95.0		Oct.-Dec.
1954													1954
Jan.-March	97.9	98.5	96.3	96.6	99.7	104.8	101.1	103.9	98.3	96.0	96.7		Jan.-March
April-June	101.6	102.5	99.3	103.3	110.5	107.1	105.2	106.3	96.5	98.7	99.9		April-June
July-Sept.	105.4	106.3	103.2	107.3	110.2	108.9	102.8	112.1	103.2	102.0	104.2		July-Sept.
Oct.-Dec.	104.0	103.1	106.3	103.0	104.5	106.3	97.6	105.7	103.8	99.9	112.2		Oct.-Dec.

The index, which is based on the number of working hours during the corresponding quarters in the previous year, is calculated by the Research Office of the Ministry for Social Affairs.

39. NUMBER OF UNEMPLOYED

End of Month	Unemployed qualified for registration					
	Total			On Relief Work		
	1952	1953	1954	1952	1953	1954
January	7 763	54 207	51 916	5 703	39 244	42 438
February	10 368	65 726	52 840	8 600	54 822	46 538
March	12 224	61 582	49 837	10 752	56 324	46 091
April	8 273	40 181	36 985	7 765	38 077	34 180
May	2 514	21 457	11 010	2 444	20 978	10 388
June	151	2 390	268	148	2 285	211
July	58	696	—	55	514	—
August	37	1 056	—	37	614	—
September	1 068	5 562	—	627	3 224	—
October	4 139	16 037	1 886	2 960	9 146	667
November	17 208	34 630	6 751	9 747	22 130	4 022
December	35 501	46 096	12 649	21 946	34 432	8 890

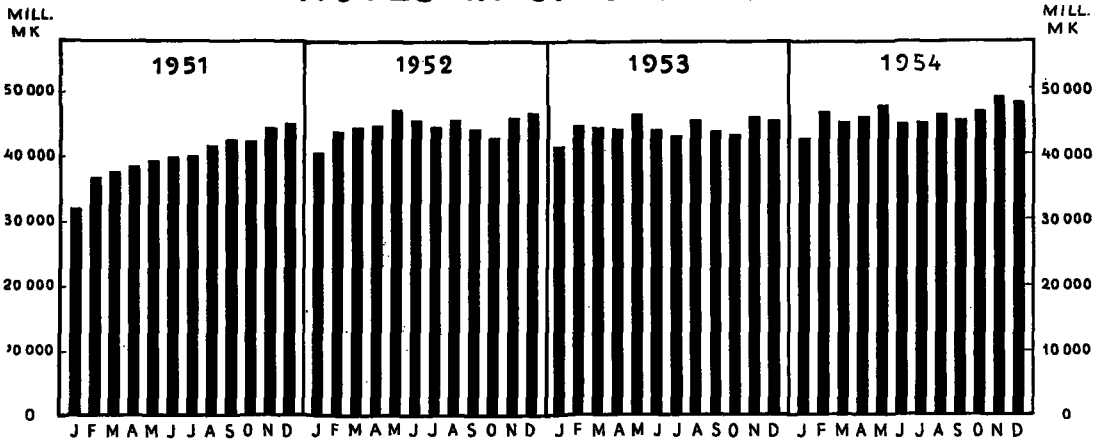
Statistics supplied by the Ministry of Communications and Public Works according to the Unemployment Records.

40. CESSATION OF WORK

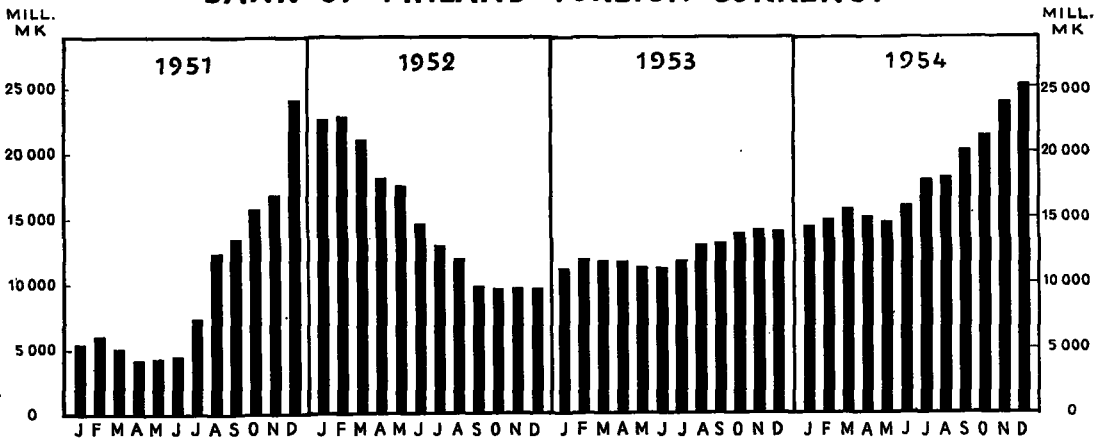
Month	1953		1954*	
	Employers affected	Work-people affected	Employers affected	Work-people affected
January	4	1 113	2	68
February	14	1 572	7	774
March	8	736	3	100
April	10	804	2	157
May	50	5 363	73	10 530
June	12	1 228	41	784
July	29	1 025	3	220
August	4	541	2	64
September	7	1 101	5	290
October	11	1 462	2	3 432
November	3	465	—	—
December	2	32	—	—

The above particulars, which refer to cessations initiated during the month, are compiled by the Research Office of the Ministry for Social Affairs.

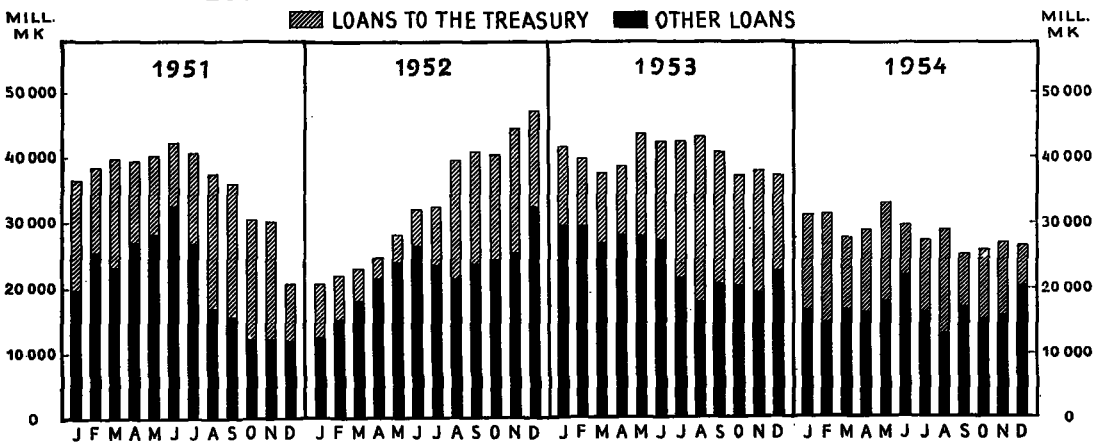
NOTES IN CIRCULATION



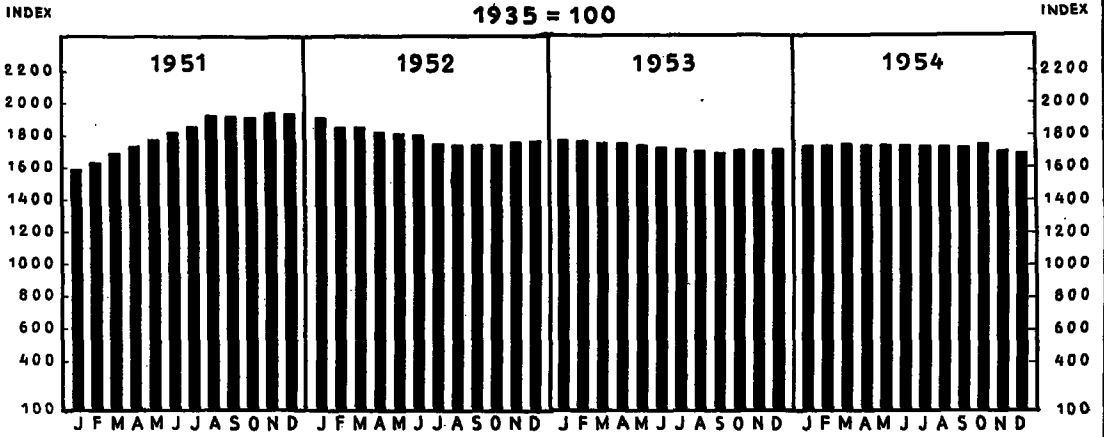
BANK OF FINLAND FOREIGN CURRENCY



BANK OF FINLAND INTERNAL LOANS

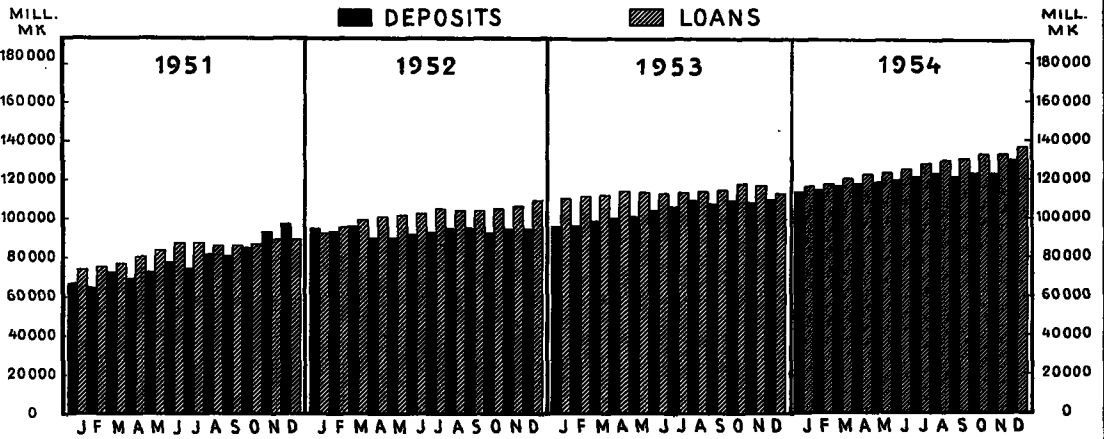


WHOLESALE PRICE INDEX 1935 = 100

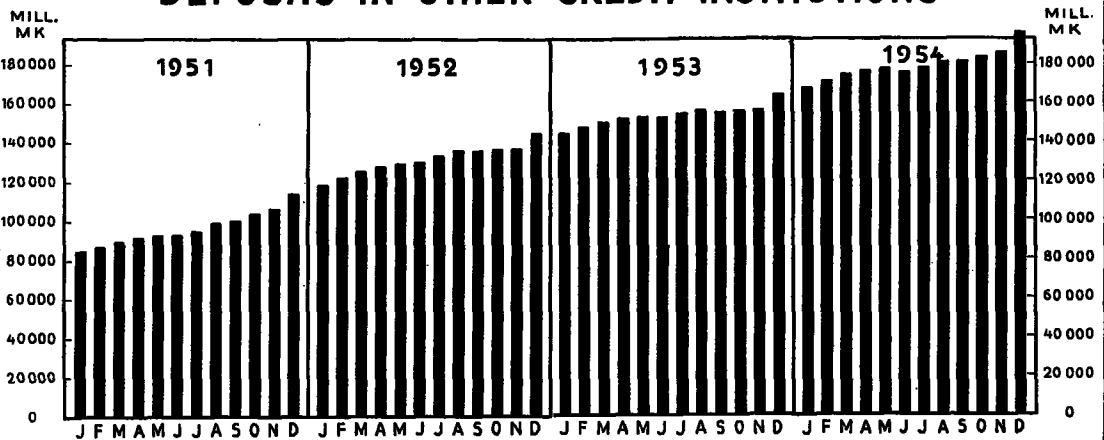


COMMERCIAL BANKS

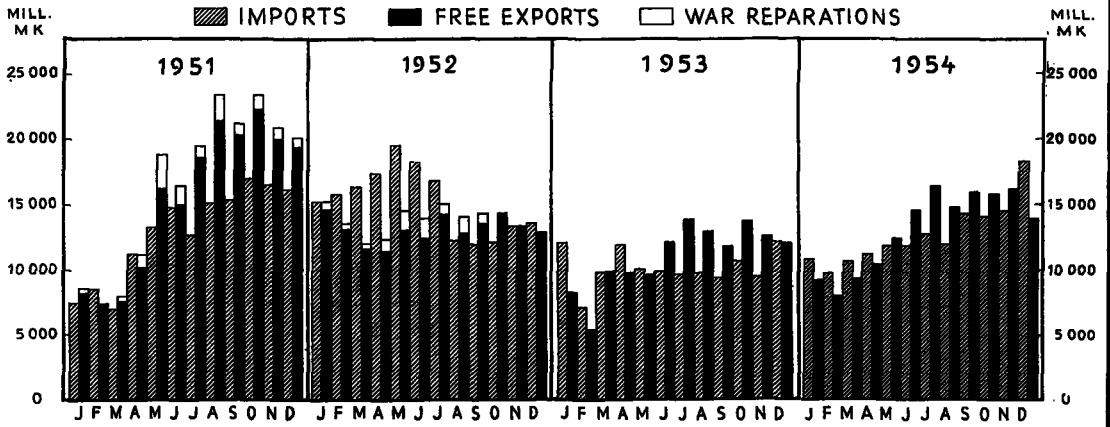
■ DEPOSITS ▨ LOANS



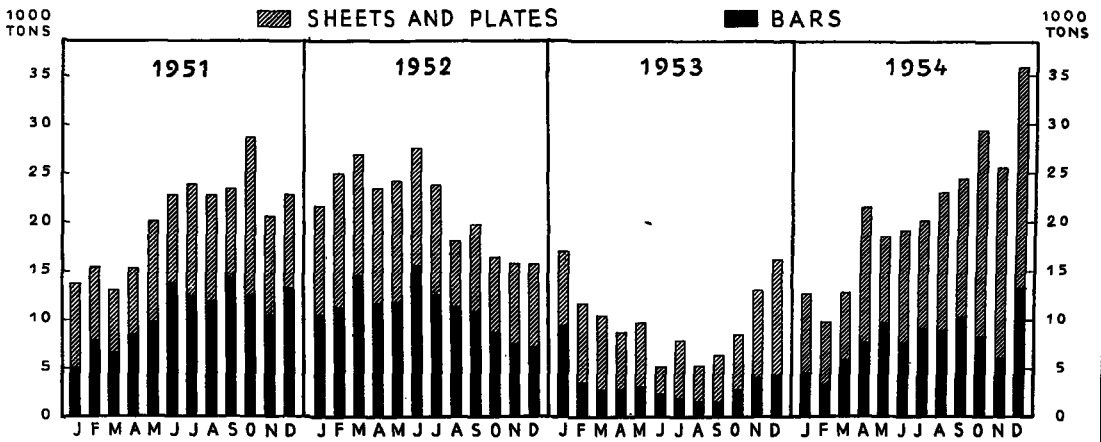
DEPOSITS IN OTHER CREDIT INSTITUTIONS



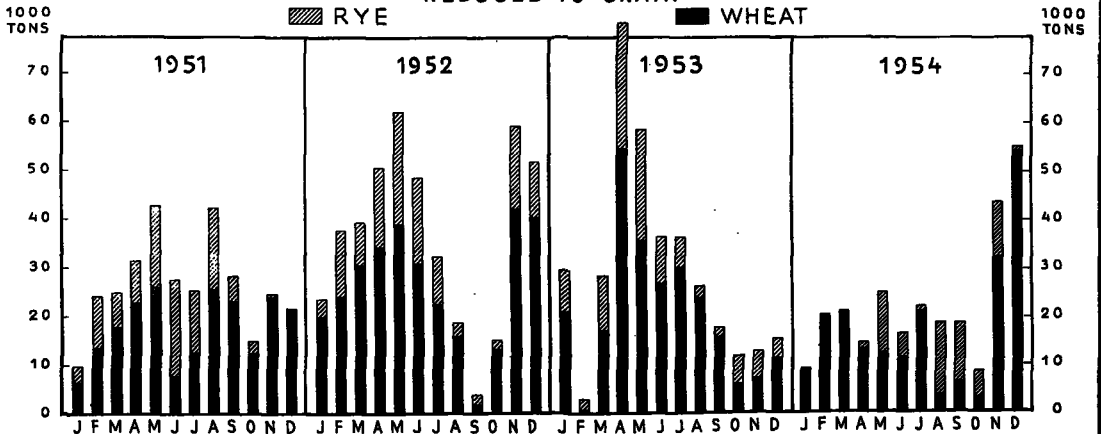
VALUE OF IMPORTS AND EXPORTS



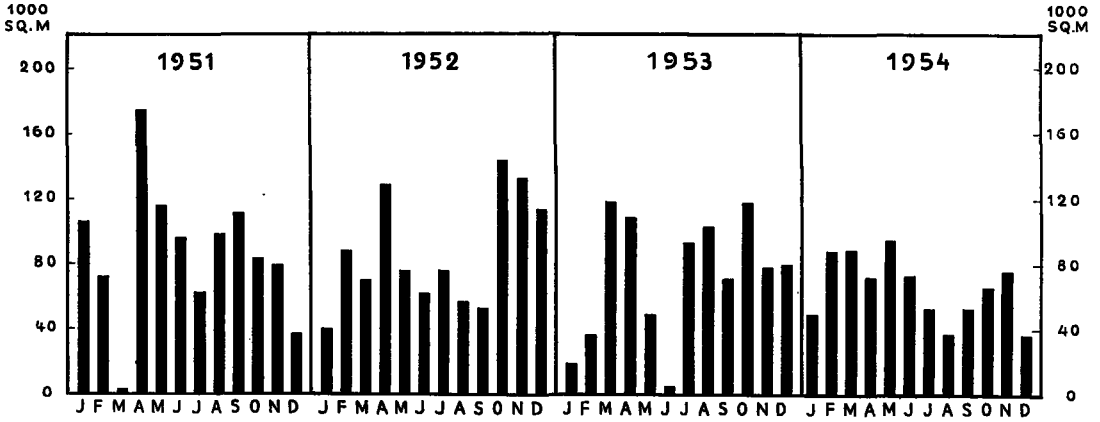
IMPORTS OF IRON AND STEEL



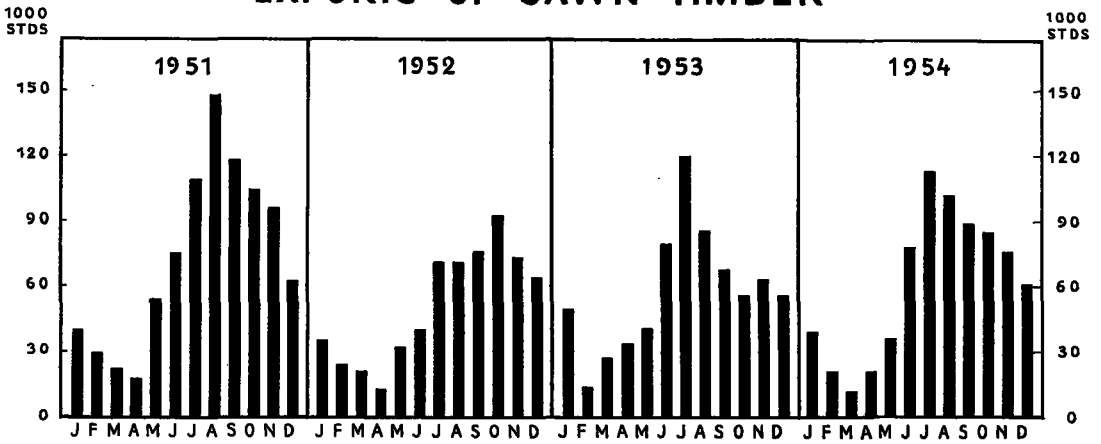
IMPORTS OF WHEAT AND RYE REDUCED TO GRAIN



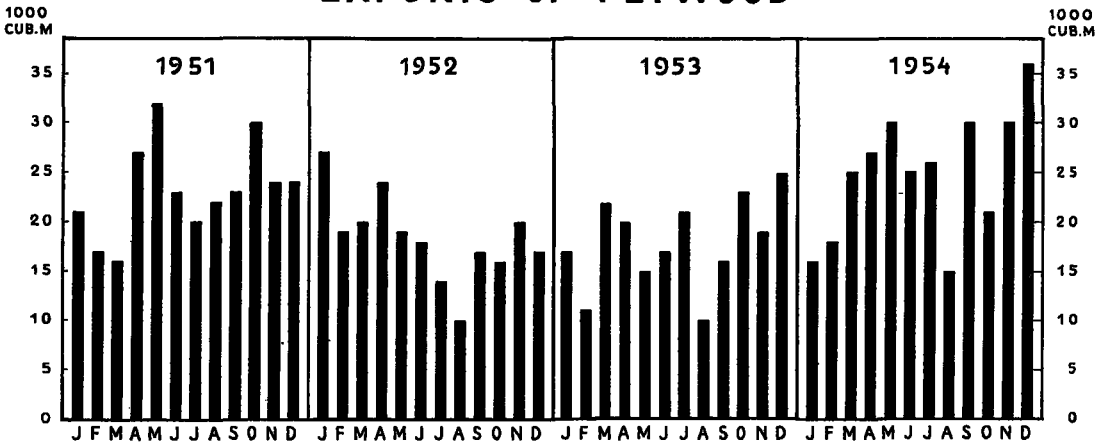
EXPORTS OF PREFABRICATED HOUSES

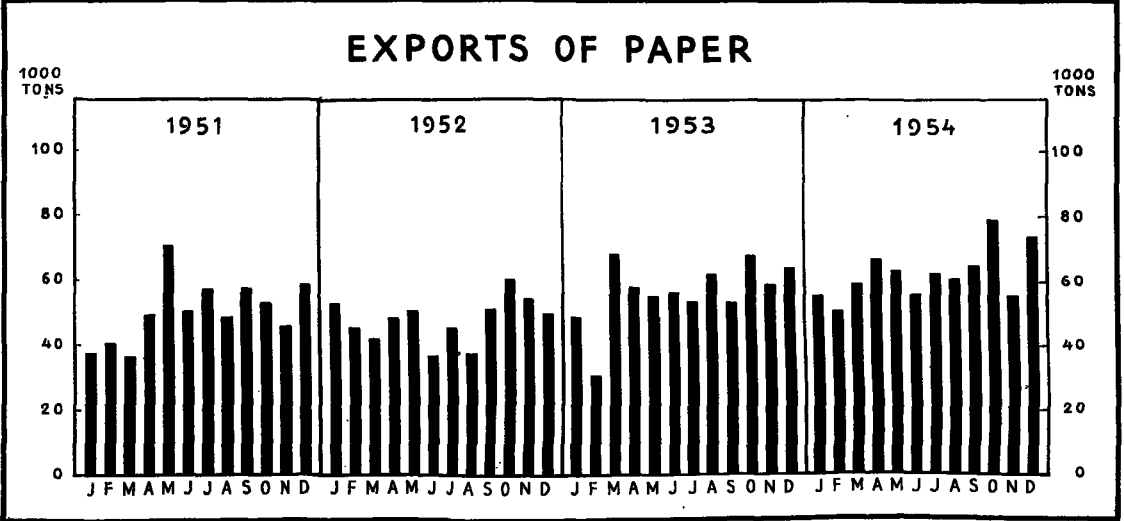
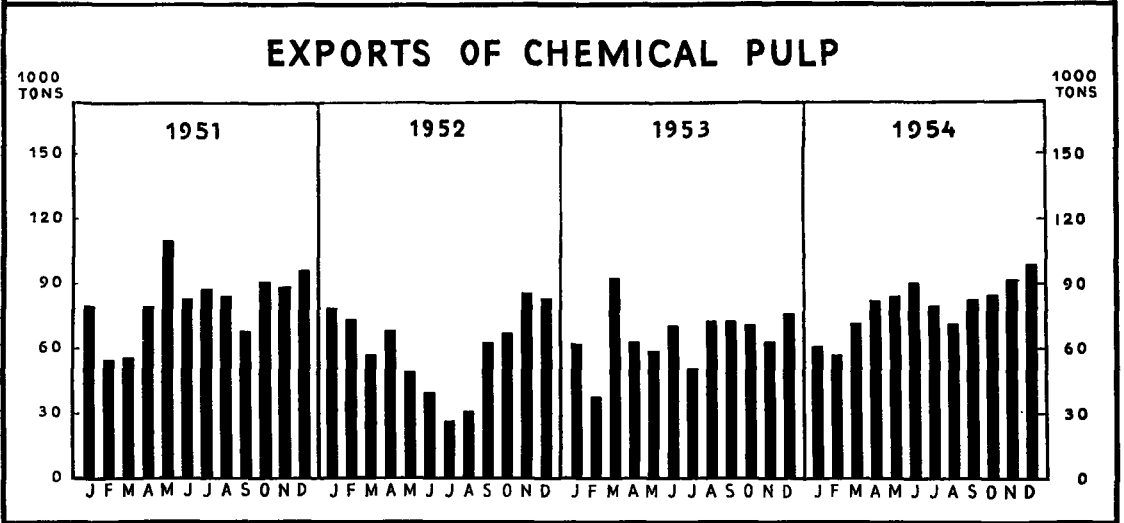
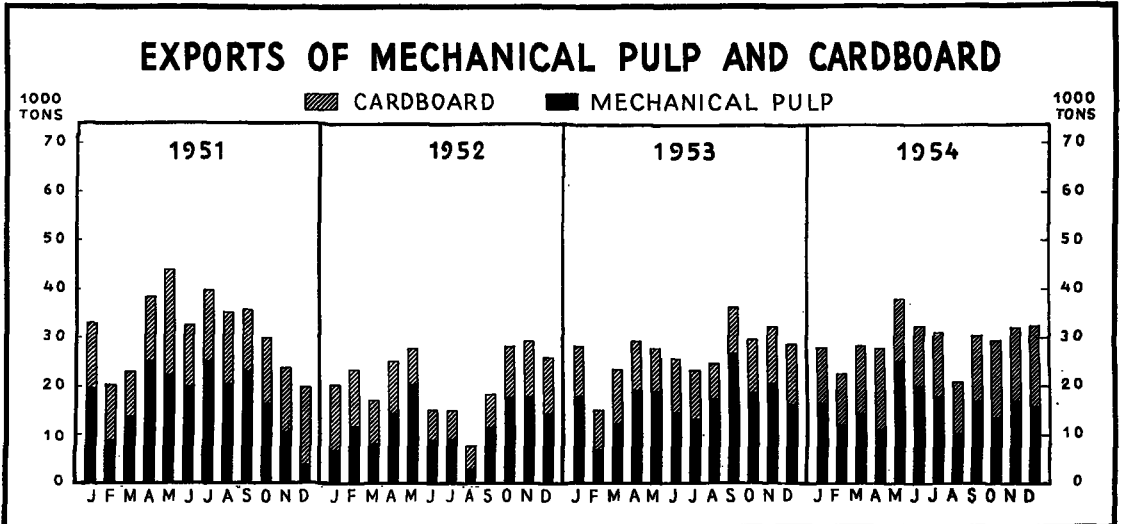


EXPORTS OF SAWN TIMBER



EXPORTS OF PLYWOOD





CERTAIN PARTICULARS ABOUT FINLAND

1. FORM OF GOVERNMENT

Finland formed a part of the kingdom of Sweden from 1154 to 1809; from 1809 it was an autonomous Grand Duchy connected with Russia up to December 6, 1917, when Finland declared its independence, which was acknowledged by all the Powers including Soviet Russia. It became a republic in 1919. The legislative power of the country is vested in the Diet and the President. The highest executive power is held by the President chosen for a period of 6 years. The President for the current period, March 1, 1950, to March 1, 1956, is Juho Kusti Paasikivi who has been in office since March 11, 1946.

The Diet, composed of 200 members, is elected by universal suffrage. The number of seats of the different parties in the Diet elected in 1954 are as follows: Social Democrats 54, Agrarians 53, People's Democrats 43, Conservatives 24, Swedish Party 13, Finnish People's Party (former Liberal Party) 13.

2. LAND

THE AREA is 337,009 square kilometres (Great Britain's area is 245,000 sq. km and Italy's area 301,000 sq. km). Of the total area 9.4 % are inland waters. On an average 14.4 % of the land in the South of Finland is cultivated (1949), 2.0 % in the North, 8.2 % of the whole land. Of the land area 21.7 mill. ha (53.5 mill. acres) or 70.9 % are covered by forests.

3. POPULATION

NUMBER OF INHABITANTS (1953): 4.1 millions. Sweden (1952) 7.1, Switzerland (1953) 4.8, Denmark (1952) 4.3 and Norway (1952) 3.3 millions.

DENSITY OF POPULATION (1953): In South Finland 23.4, in North Finland 3.7 and in the whole country an average of 13.7 inhabitants to the square kilometre.

DISTRIBUTION (1953): 66.8 % of the population inhabit the country, 33.2 % the towns and market towns. The largest towns are (1953): Helsinki (Helsingfors), the capital 394,500 inhabitants, Turku (Åbo) 106,800, Tampere (Tammerfors) 105,000.

OCCUPATION (1950): Agriculture and forestry 42 %, industry 29 %, commerce 7 %, transport and communication 6 %, services 9 %, other economically active persons 1 %, economically inactive persons 6 %.

LANGUAGE (1950): Finnish speaking 91.1 %, Swedish speaking 8.6 %, others 0.3 %.

EDUCATION (1952): Practically all persons over 15 years of age are literate. There are three universities (the oldest founded in 1640) and 12 colleges of university standard.

INCREASE OF POPULATION (1952): Births 23.0 ‰, deaths 9.5 ‰, increase 12.8 ‰. Deaths in France (1952) 12.3 ‰ and in Great Britain (1952) 11.4 ‰.

4. TRADE AND COMMUNICATIONS

NATIONAL INCOME (1953, in thousand million marks): Gross national income at market price 805. Net national product at factor cost, by origin: agriculture 81 (13 %), forestry and fishing 61 (10 %), manufacturing 195 (32 %), construction 60 (10 %), transport and communications 41 (7 %), commerce, banking and insurance 77 (13 %), public activities 59 (10 %), other services 34 (5 %), total 608. Volume index 122 (1948 = 100).

FOREST RESOURCES (1950): The growing stock comprises 1,370 million of solid cub. m. incl. bark (48,384 million cub. ft), of which pine is 45.5 %, spruce 32.3 %, the rest 22.3 % being leaf-trees, chiefly birch. Of the growing stock 7,471 million cub. ft, 65.0 % of them pines, are up to the standard required for logs (minimum for sawmill logs 18' x 6" and for veneer logs 18' x 7"). The annual growth is about 41 million of solid cub. m. green wood excl. bark (1,448 mill. cub. ft). The

total removal in 1949 calculated according to the use of wood was 40 million cub. m. (1,413 million cub. ft). In the years 1923 to 1938 in the then area of the country, it averaged 41 million cub. m. (1,448 million cub. ft) per year, the corresponding yearly growth being 46 million cub. m. (1,624 million cub. ft).

AGRICULTURE (1950): Cultivated land 2.5 million hectares, divided as follows: area under cultivation under 10 hectares 41.2 %, 10—50 ha 53.6 %, 50—100 ha 3.6 %, over 100 ha 1.6 %. Cultivated land (1953) is divided between the different kinds of crops as follows: 43.4 % hay, 7.7 % temporary grassland for grazing, 19.0 % oats, 5.0 % wheat, 3.7 % rye, 6.7 % barley, 3.7 % potatoes, 10.8 % others. Dairy units in operation in 1953 amount to 459.

OWNERSHIP OF LAND (1950): The land area is distributed among different classes of owners approximately as follows: private 56.9 %, State 35.0 %, joint stock companies etc. 6.4 %, communities 1.7 %.

INDUSTRY (1952): Number of industrial concerns 5,994, workpeople 270,453, gross value of products of industry 508,355 million marks.

LENGTH OF RAILWAYS (1954): 5,046 km, of which 4,859 km State railways and 187 km private. The gauge is in general 1,524 m.

MERCHANT FLEET (1. 4. 1954): Steamers 327 (419,890 gross reg. tons), motor vessels 145 (236,320 gross reg. tons), sailing vessels with auxiliary engines 124 (11,797 gross reg. tons). Total 596 (668,007 gross reg. tons).

5. FINANCE AND BANKING

CURRENCY. Since 1860 Finland has its own monetary system. From 1877 up to 1914 the currency maintained its stable gold value, and after the disturbances caused by the war a gold standard was again introduced from January 1, 1926. The unit currency is the mark (Finnish «markka» = 100 penniä). Since October 12, 1931, the redemption of bank notes in gold is, however, suspended. In 1948 Finland joined the International Monetary Fund and on June 27, 1951, the official par value of the mark was established at 230 marks per one U. S. dollar, the selling rate of the Bank of Finland being 231 marks and its buying rate 229 marks.

STATE FINANCES. According to the finance accounts for 1953 the State revenue was 223,795 million marks, of which 185,969 million marks were current revenue, and State expenditure 221,167 million marks, of which 141,943 million marks were current expenditure. See tables 21—23 in this issue.

MUNICIPAL FINANCES. According to the finance accounts for 1952 expenditure amounted to 98,483 million marks. Total revenue was 100,367 million marks, of which income from taxation was 57,895 million marks. The municipal income tax (non-progressive) averaged 10.9 % of the ratepayers income.

THE BANK OF ISSUE. The Bank of Finland (founded in 1811) is a State Bank. Its head office is in Helsinki (Helsingfors) with branches in Turku (Åbo), Porl (Björneborg), Vaasa (Vasa), Oulu (Uleåborg), Kuopio, Joensuu, Mikkeli (S:t Michel), Tampere (Tammerfors), Hämeenlinna (Tavastehus), Jyväskylä, Kotka and Lahti.

THE COMMERCIAL BANKS (1954): Number 6, possess 511 offices, where all kinds of banking business is transacted. There is one banking establishment per 8,200 inhabitants.

The largest banks are Kansallis-Osake-Pankki, Oy Pohjois- maiden Yhdyspankki — Ab Nordiska Föreningsbanken and Helsingin Osakepankki — Helsingfors Aktiebank, all with head offices in the capital.

OTHER BANKS (1954): Mortgage Banks 5, Savings banks 431, Co-operative Credit Societies 604 and a Central Bank for the latter.

THE BANK OF FINLAND IN 1954

BY

PROFESSOR A. E. TUDEER,

HEAD OF THE INSTITUTE FOR ECONOMIC RESEARCH OF THE BANK OF FINLAND

THE MONEY MARKET

Economic life during the past year was characterized by the favourable tendencies that prevailed in Europe and were, in turn, strengthened by the fact that the much foretold and feared depression in the United States did not set in. These circumstances also had a favourable influence on Finland's economy, most spheres of which flourished to an extent that partly surpassed the peak of 1951. Without dwelling further on the phenomena that are discussed in the next article, it need only be said that the growth of productive activity led to the disappearance of the considerable unemployment that occurred early in the year. As a result, there was a powerful increase in both consumption and investment, an expansion of the volume of credit, continued stringency on the money market and some increase in inflationary pressure.

While primarily endeavouring to keep the expansion in check, the Bank of Finland, on the other hand, also availed itself of the favourable export conditions to strengthen its reserve of foreign currency in order to be in a position to meet the seasonal and cyclical fluctuations in foreign trade. Building up the reserves had, however, to be kept within strict limits, for otherwise, by increasing the flow of means of payment, it would have outweighed the anti-inflationary measures of the Bank.

In these circumstances the central bank was unable to support the demands for lowering the rates of interest. But in order to enable the Bank of Finland to pursue a more flexible interest policy the Bank Supervisors of the Diet decided, on the proposal of the Board of Management of the Bank, to lower the minimum lending rate to 5 per cent and raise the maximum rate to 7½ per cent. The main object was to

afford the Bank greater opportunities for varying the interest according to the length and purposes of credits. The proposal of the central bank that the cash reserve requirements of financial institutions should be amended to the effect that they would provide a weapon against excessive lending, was under discussion throughout the year. This did not, however, yield any result before the year ended.

THE BALANCE SHEET

The changes that occurred in the position of the Bank of Finland are illustrated by the following table and by the diagram on page 27, which shows the movement of the principal accounts week by week in 1953 and 1954.

ASSETS			
	1953	1954	
	Dec. 31	Dec. 31	
	Mill. mk	Mill. mk	
<i>Ordinary cover for the note issue</i>			
Gold reserve	5,862	6,934	
Foreign currency	13,834	25,159	
Foreign bills	6,103	6,975	
Foreign bonds	209	857	
Foreign bank notes and coupons	128	81	
	Total 26,136	40,006	
<i>Supplementary cover</i>			
Inland bills	13,812	11,940	
Rediscounted bills	8,268	8,465	
Treasury bond loan	20,000	20,000	
	Total 42,080	40,405	
<i>Other assets</i>			
Loans on security	33	33	
Advances on current accounts	398	—	
Foreign clearing accounts	9,597	3,947	
Bonds in Finnish currency ..	1,978	1,984	
Bonds in foreign currency	260	264	
Advances on documentary credits	230	—	
Cover for IMF and IBRD			
accounts	1,662	1,662	
Sundry assets	682	245	
	Grand total 83,056	88,546	

LIABILITIES

<i>Payable on demand</i>	1953	1954
	Dec. 31 Mill. mk	Dec. 31 Mill. mk
Notes in circulation	45,019	47,902
Current account of the Treasury	7,281	15,470
Current accounts of the commercial banks	2,157	2,187
Other current accounts	1,787	988
Bank-post-bills	237	63
Mark accounts of holders abroad	3,022	908
International Monetary Fund & International Bank for Reconstruction and Development	3,387	2,350
Foreign debt	5,716	6,507
Sundry accounts	349	1,181
	Total 68,955	77,556
<i>Other liabilities</i>		
Capital	5,000	5,000
Reserve Fund	2,847	3,683
Sundry liabilities	4,583	786
Profit and Loss Account	1,671	1,521
	Grand total 83,056	88,546

THE FOREIGN CURRENCY POSITION

The greatest change in the position of the Bank of Finland consisted in the growth of the foreign currency reserve as a result of the favourable export conditions and the cautious import policy pursued. The increase in foreign currency amounted to 11,325 mill. marks. At the same time the gold reserve grew by 1,072 million. Besides, the debt to foreign correspondents decreased by 2,114 mill. marks and to the International Monetary Fund by 1,037 million. On the other hand, the Bank's balances on clearing accounts were reduced by 5,650 mill. marks. Thus, the net short-term foreign balances of the Bank increased from 22,884 mill. marks at the beginning of the year under review to 32,782 million at its end. The increase represented 9,898 mill. marks or fully 43 per cent.

In the long-term foreign debt of the Bank a growth of 791 mill. marks occurred, but this was very nearly balanced by the investments in foreign bonds increasing by 648 million. If, in addition, the slight change in notes and coupons in foreign currency is taken into account, the final result is that the net foreign balances of the Bank of Finland, which amounted to 17,505 mill. marks at the end of 1953, increased by 9,708 mill. marks according to the booked values and totalled 27,213 million on the

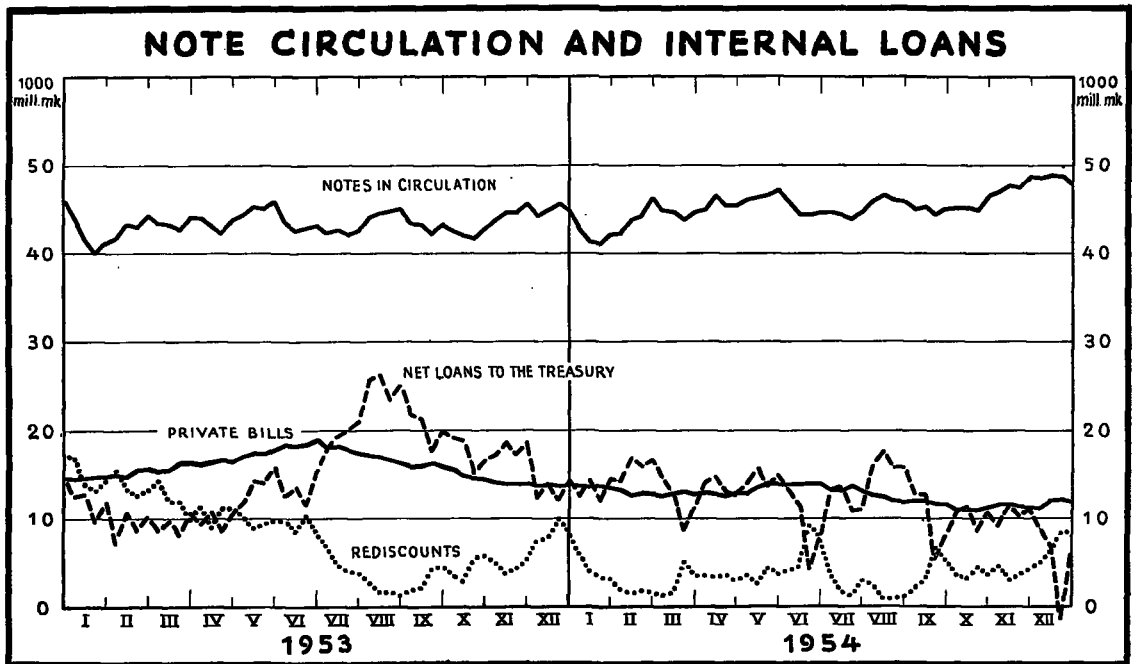
last day of 1954. The corresponding rise in 1953, achieved mainly by import restriction, had been 6,984 million.

The position in regard to foreign currency was strengthened not only by the considerable increase in the foreign balances, but also by the composition of the foreign currency reserve having improved. Thus, in addition to the gold reserve and clearing balances, there was freely — or at any rate fairly freely — convertible foreign currency on the Bank's books to the value of 20,900 mill. marks, whereas the corresponding figure a year before amounted to 14,200 million. Even the present reserve is not, however, very ample, but it should suffice to meet the normal seasonal fluctuations. It also provides a better support for the efforts to relax the control of foreign trade.

LENDING OPERATIONS

As rising activity and the economic policy of the Government threatened the value of the currency by increasing demand, the Bank of Finland, in order to avert the danger, endeavoured to restrict an expansion of credits. This was most directly visible in the Bank's own grants of loans to the business world, grants which remained throughout the year at a lower level than in the previous year. At the end of 1954 these loans amounted in all to 11,973 mill. marks in comparison with 14,243 million a year before. Thus the reduction attained in the course of the year was 2,270 mill. marks or almost 16 per cent. The amount of rediscounted bills also remained for the greater part of the year at a lower level than in the previous year, but in December it rose and on the last day of the year totalled 8,465 mill. marks or 197 million more than at the end of 1953.

The third category of loans granted by the Bank of Finland does not depend to any particular extent on the policy of the Bank, but on the Treasury's cash requirements. In the statements of the Bank, loans to the Treasury figure at a sum of 20,000 mill. marks, while the changes in the Treasury's net borrowing from the Bank appear among the Bank's liabilities, on current account. Taking this into account, it may be said that the indebtedness of the



Treasury to the Bank of Finland stood at an appreciably lower level during the past year than in 1953. It amounted to 12,719 mill. marks at the beginning of the year under review and only to 4,530 million at the end, the decrease being 8,189 million or about two thirds. This has been a very healthy reaction to the increased money supply. The figures quoted above exclude the Treasury bill of 1,662 mill. marks covering the Finnish subscription payment to the IMF and IBRD, which officially is included in the Treasury's debt to the Bank of Finland.

LIABILITIES

Reference has already been made to some of the more important items among the liabilities and the changes in them. In addition, some other facts should be mentioned.

The note circulation increased to some extent, as will be seen in the table given above. The increase amounted to 2,883 mill. marks or fully 6 per cent. This growth is a natural consequence of the greater activity of the economy, though it cannot be denied that it may be partly a sign of an excessive increase in the supply of money.

The capital of the Bank remained unaltered, but, as usual, the reserve fund was increased. The transfer of half of the profits for 1953, or 836 mill. marks, to the reserve fund at the beginning of the year raised it to 3,683 mill. marks.

RIGHT OF NOTE ISSUE

The changes in the position of the Bank of Finland that are described above in their turn caused changes in the Bank's right of issuing notes and in the note reserve. These are illustrated in the following table.

	RIGHT TO ISSUE NOTES	
	1953 Dec. 31 Mill. mk	1954 Dec. 31 Mill. mk
Gold reserve and foreign bal- ances	26,136	40,006
Additional right of issue	50,000	50,000
Total right to issue notes	76,136	90,006
AMOUNT OF ISSUE USED		
Notes in circulation	45,019	47,902
Other liabilities payable on demand	18,219	23,147
Undrawn amount of advances on current accounts	625	1,009
Total amount used	63,863	72,058
Note reserve	12,273	17,948
Total	76,136	90,006

The considerable growth of the right to issue notes, 13,870 mill.marks, was naturally due to the increase in the gold and foreign currency reserve. The amount of issue used also increased, but considerably less or by 8,195 million. As a result, the note reserve increased by 5,675 mill. marks or about 46 per cent and amounted to 17,948 million at the end of 1954.

PROFIT AND LOSS ACCOUNT

The following table gives a general idea of the receipts and expenditure of the Bank for the year under review compared with the corresponding figures for the two previous years.

The most appreciable change is the decrease in the receipts in interest. The reason is, of course, the reduction of loans referred to above, as the level of rates of interest remained unaltered. Although the amount written off from the interest account before the books were closed was less than in the previous year, the receipts in interest fell off by 210 million marks. The receipts in interest on foreign balances also declined to some extent. Altogether the amount of booked receipts was 228 mill. marks less than in 1953, yet about 200 million larger than in 1952.

On the expenditure side the changes were quite small. The principal change was a drop in the cost of printing bank notes consequent on the increasing withdrawal of small notes from circulation in favour of metal

	CREDIT		
	1952 Mill. mk	1953 Mill. mk	1954 Mill. mk
Interest on internal loans	1,108	1,373	1,163
Interest on current accounts abroad	129	208	146
Interest on bonds	108	163	204
Sundry income	71	72	61
Agio	496	561	577
Commission	220	192	190
Total	2,132	2,569	2,341

	DEBIT		
	1952 Mill. mk	1953 Mill. mk	1954 Mill. mk
Salaries	289	294	294
Pensions	23	24	26
Cost of manufacturing bank notes	157	132	118
Sundry expenses	73	80	70
Written off building costs	355	353	305
Depreciation of furniture	23	15	7
Total	920	898	820
Net profit	1,212	1,671	1,521
Total	2,132	2,569	2,341

coins. The sums written off the building costs of the Bank were also smaller than in the previous year. The largest item among them concerned the new building for the printing works.

The net profit of the Bank of Finland amounted to 1,521 mill. marks or in other words 150 million less than for 1953. In accordance with the regulations half of this has been placed at the disposal of the Government, while the other half has been transferred to the reserve fund, which now amounts to 4,444 mill. marks.

THE FINNISH ECONOMY IN 1954

BY

PROFESSOR A. E. TUDEER

HEAD OF THE BANK OF FINLAND INSTITUTE FOR ECONOMIC RESEARCH

During the course of 1954, Finnish economy developed more favourably than had been expected at the beginning of the year. Unemployment, after having been considerable early in the year, declined in the later months as activity rose, and in the autumn the overall situation was marked by full employment. The expansionary trend was a direct consequence of the development in the world market for forestry products, the stimulating effects of which spread to all spheres of production. Internal demand received a further impetus from the realization of the Cabinet Programme of October which involved considerable price reductions and subsidies. In spite of these fresh inflationary impulses the value of the currency remained stable. National income increased, according to preliminary estimates, by about 6 per cent over the year and reached a peak of approximately 650,000 million marks.

FOREIGN TRADE

Within foreign trade, a change for the better had already occurred during the latter half of 1953, and the revival continued with greater force during the year under review. The value of exports increased by 19 per cent, from 131,555 million marks in 1953 to 156,618 million in 1954. This increase was mainly due to a growth in volume that was made possible by expanding production and livelier demand. The volume index of exports (1935=100) grew from 102 in 1953 to 118. Prices for Finnish exports advanced throughout the year, but the rise was mostly a slow one and did

not make itself fully felt in the year's shipments. The average price index for exports was 2,123 in comparison with 2,074 in 1953. In volume exports were larger than in any previous year, but in value they were 16 per cent below the peak of 1951.

The volume of exports grew last year in almost all spheres, the main exceptions being prefabricated houses and various joinery products. The most striking increase related to chemical pulp and paper products. Exports of sawn and round timber surpassed the quantities of 1953, but did not reach those recorded in 1951.

The value of imports amounted to 152,137 million marks last year (incl. 1,155 million of monetary gold) or 25 per cent more than in the year before. In comparison with the figures for 1952 — the highest attained so far — last year's value was about 17 per cent lower. The volume of imports grew slightly more; the index was 177 as against only 137 for the previous year, the increase being about 30 per cent. On the other hand, prices of imported goods were on an average slightly lower than in 1953.

The growth of the volume of imports related particularly to raw materials and semifinished goods in the textile and metal trades. Imports of machinery and other technical apparatus as well as finished consumer goods also recorded a slight increase. There was an appreciable drop in imports of grain and other foodstuffs.

As in the previous year, exports exceeded imports, but the surplus was considerably smaller, chiefly owing to unexpectedly heavy imports in December. In spite of the

improvement in the terms of trade, the surplus only amounted to 4,481 million marks or less than half the surplus for 1953, 9,695 million.

No particular changes occurred last year in the country distribution of foreign trade. The leading buyers were the United Kingdom and the USSR, to each of which about 22 per cent of the total exports were despatched, whereas in 1953 the share of the USSR was rather higher, about 25 per cent. Western Germany and the United States came next last year, as in 1953. In regard to imports, too, there was a considerable increase in the case of the United Kingdom, about 19 per cent of the total imports being purchased there as against 16 per cent in the previous year. The USSR occupied the second place with 18 per cent. Next in order of importance came the Netherlands, the Federal Republic of Germany, France and Brazil.

AGRICULTURE

The weather conditions were unfavourable during the last growing season. At the end of June an almost uninterrupted period of rain set in that continued up to the second half of September. The excess of rainfalls, as compared with normal conditions, varied from 30 to 200 per cent in different parts of the country. The excessive humidity, particularly during the harvesting season, lowered the quality of the crops from the previous year, besides reducing the yield per hectare.

Total crops have been estimated at 3,700 million fodder units which is 4.4 per cent less than in 1953. However, bearing in mind that crops were exceptionally large in 1953, the present result cannot be considered very small. The output of bread grains was larger than in the previous year or 386 million kg as against 348 million in 1953. The increase was due to the greater area of cultivation, the average yield per hectare being slightly reduced. The crops of oats and barley fell off, of oats by about 16 per cent and of barley by 8 per cent, mainly owing to the yield per hectare having decreased. The potato crop amounted to 1,079 million kg or about 22 per cent less than in the previous year. The fodder crop was also poor. Although, e.g., the hay crop was

estimated in kilogrammes at about the same quantity as in 1953, the quality was worse.

On account of the poor fodder crop and the unfavourable weather during pasturage the output of milk, which had recorded high figures in the initial months of the year, fell towards the end of the year below its normal seasonal level. According to preliminary estimates the output of milk amounted to 2,900 million kg as compared with 2,850 million produced in 1953.

The output of butter showed tendencies similar to those of milk production. It is estimated to have risen from 48.4 million kg to 51.2 million. Early in the year there was a considerable overproduction of butter, so that about 3,200 tons were exported owing to storing difficulties. The decrease in output towards the end of the year combined with the reduction in the consumer price of butter caused stocks to decrease rapidly. At the end of the year butter had to be ordered from abroad.

The output of cheese is estimated at 230 million kg in comparison with 22.0 million in the previous year. Cheese is exported regularly from Finland, the quantity in 1954 having been 11,300 tons and in 1953 10,800 tons. The output of eggs also increased last year, and exports of 205 tons were subsidized.

Regarding the production of meat the figures record a powerful rise in the output of pork. To prevent the level of prices falling too much, exports amounting to 6,000 tons were subsidized. The output of other meat has slightly increased.

INDUSTRY

The capacity of the exporting industry was raised by means of extensions and new constructions and, owing to the livelier demand, production attained fresh peaks in many spheres. The index of production in the exporting industry (1948=100) for January—November rose to 140 as against 112 for the previous year the increase being 25 per cent. A continued rising tendency is indicated by the fact that the index for November was 149 points. In the home market industry, too, output increased, though at a slower rate, by 8 per cent. The index of total industrial production stood at 142

compared with 126 for 1953, so that there was an increase of 13 per cent.

In regard to the most important achievements of the exporting industry the following preliminary figures can be mentioned. The output of chemical pulp advanced to 1,550,000 tons from 1,133,000 tons in the previous year. Of paper 850,000 tons were manufactured compared with 795,000 tons, the increase being particularly large in the case of kraft paper. The output of cardboard increased from 197,000 to 250,000 tons, of plywood from 244,000 to 325,000 tons, and of fibre board from 103,800 to 125,000 tons. The output of sawn timber grew to over a million standards as against 870,000 stds in the previous year. The output of prefabricated houses formed an exception, as it decreased from 926,000 sq. m of floor space to 842,000 sq. m.

The expansionary trend and the consequent growth of purchasing power and demand were also reflected in most branches of the home market industry. As imports were restricted, demand was concentrated on home-manufactured products, and the volume indices of most of the branches of industry rose and exceeded the levels of all previous years.

The favourable export conditions also set their mark on lumber work. This was already visible in the felling season that ended in May 1954 but still more clearly in the autumn, when the improved conditions encouraged lumbering. The final result for the season referred to amounted to 33.4 million cu. m, piled measure, whereas the corresponding figure for the previous felling season was 28.3 million cu. m. Considerably more timber of all kinds, excepting fuelwood, was cut than during 1952/53. Owing to the great improvement in the plywood market, fellings of heavy broadleaved timber were actually doubled. Partly on account of favourable snow and weather conditions and partly because of work being rationalized and efficiency increased, the demand for labour did not grow to the same extent as fellings. For this reason the state of employment did not prove as good in the late winter as might have been expected on the sole basis of the growth of production in the branches of industry concerned.

During the current felling season, which

started last June, lumber work has proceeded more rapidly and on a broader front. Both the quantities cut and the numbers employed in lumber work have been, month by month, on a higher level than the corresponding figures for the year before. At present it even seems as though the results for the record winter of 1951/52 would be attained or even, perhaps, slightly exceeded. By the turn of the year, up to which time fellings were concentrated on piled timber, 13.4 million cu. m, had been cut or nearly 19 per cent more than at the corresponding date a year earlier. At the end of December 1954 there were 112,000 men employed in lumber work; a year before the corresponding number was 85,000.

BUILDING ACTIVITY

Housebuilding, which in 1953 exceeded the 1952 level by 4.5 per cent, continued to expand last year. The total volume amounted to 22.11 million cu. m as against 21.05 million in 1953. It thus fell short of the peak in 1951 by 2 per cent only. The value of housebuilding amounted to 110,340 million marks as against 99,830 million in the previous year and exceeded the 1951 figure by 13 per cent. This higher rate of growth in value is due to the substitution of stone for wood as building material as well as to the increase in the relative share of the more expensive types of building.

There was in 1954 a marked shift from rural towards urban building. Of the buildings completed during the year, 36 per cent were in urban districts as compared with 32 per cent in 1953. Simultaneously the relative share of dwelling houses and industrial and business premises grew, that of the former from 42 to 43 per cent and that of the latter from 13 to 16 per cent, whereas the share of agricultural buildings fell from 28 to 24 per cent.

The total of dwelling units completed, 31,009 as against 29,142 in 1953, constituted a new peak. Of the total, 10,552 were so-called Arava-dwellings, the construction of which is supported by cheap Government loans. About 46 per cent of the total number of dwellings were in urban districts as compared with 38 per cent in the previous

year. The average floor space of the dwelling units has continuously declined over the last few years, and was now 59 m² as against 63 m² in 1953.

THE LABOUR MARKET

The number of registered unemployed at the beginning of 1954 was fully 46,000, which was considerably more than a year before. In the beginning of the year the number of unemployed increased, but much more slowly than in the previous year, and work was organized for the majority of them by the Government and the communes. The peak was reached in the first half of March, about 54,000 unemployed, while the corresponding maximum in February 1953 had been as high as 65,700. In the following months the number of unemployed fell off rapidly and in the summer there was no unemployment whatsoever.

Last autumn the employment situation remained good. The registration of unemployed started later than usual and at the end of October only 2,000 persons were on the register. By the end of December

this number had risen to 12,600, or a little more than one-fourth of the corresponding figure a year earlier.

THE MONEY MARKET

The money market, which had relaxed to some extent in 1953, nevertheless was fairly tight throughout the year. Owing to the livelier economic activity the demand for credit was very large, and despite considerable accumulation of savings the credit institutions were by no means able to satisfy the total credit requirements. The favourable export conditions did, indeed, bring funds into the country, but stocks were replenished in many spheres, which again tended to strain the position.

The activity of the Bank of Finland is dealt with in the first article in this Bulletin and need not be referred to here. The accumulation of savings in the commercial banks and other monetary institutions that accept deposits is illustrated by the following table, in which particulars for 1953 and 1952 are included for the sake of comparison.

DEPOSITS BY THE PUBLIC

	1954		Fluctuations					
	31/12 1954 Mill. mk	1954 Mill. mk	%	1953		1952		
				Mill. mk	%	Mill. mk	%	
Commercial Banks	118,358	+15,791	+15.4	+14,805	+16.9	-1,684	-1.9	
Savings Banks	97,046	+16,425	+20.4	+11,664	+16.9	+13,753	+24.9	
Post Office Savings Bank	30,079	+3,005	+11.1	+3,512	+14.9	+5,319	+29.2	
Co-operative Credit Societies	54,513	+9,990	+22.5	+5,270	+13.3	+7,557	+23.9	
Central Bank of the Co-operative Credit Societies ..	702	+126	+21.9	+235	+69.1	-225	-39.8	
Consumers' Co-operative Societies	13,415	+1,464	+12.3	+1,153	+10.7	+2,356	+27.9	
Total	314,113	+46,801	+17.5	+36,639	+15.9	+27,076	+13.3	

Deposits increased in absolute figures rather more than in the previous years, and also the proportionate increase was larger. In comparison with the peak year of 1951, when there was a strong tendency towards inflation, last year's relative increase was very moderate. The favourable bond loans offered by the Treasury evidently tended to reduce the accumulation of funds in the credit institutions. The growth of deposits related to time deposits whereas current accounts were almost the same at the end of 1954 as at the beginning.

In examining loans, however, it is noticeable that they increased appreciably

more than in the previous year. The increase amounted to about 48,000 million marks as against 28,000 million in 1953. The change was due entirely to the commercial banks, which were obliged in 1953 to employ considerable sums in order to reduce their rediscounted bills at the Bank of Finland. During the year under review rediscounts were generally on a considerably lower level than in the previous year, although in December, mainly owing to an improvement in the cash position of the Treasury, they rose again to the same level as a year before.

In the autumn the question of lowering rates of interest came up in connection with

the new Cabinet Programme, but the credit institutions stressed the fact that there was no reason for this during a strong expansionary trend and under the threat of inflation.

PRICES AND WAGES

The price level in Finland remained in broad lines unaltered. The cost of living index stood at 104 up to October (Oct. 1951 = 100), but, as some prices rose slightly, it was feared that the index would rise to 105, in which case wages would have to be raised by five per cent. To prevent this it was agreed in the autumn, when the new Cabinet was formed, to reduce certain prices. From November the price of i.a. dairy produce, sausages and bread was lowered by means of subsidies and the sales tax was abolished on some textiles. Thus, the index was pressed down to 98.

Wholesale prices, too, remained steady for the greater part of the year; only wood products formed an exception, the trend of the world market causing their prices to rise. The reduction of prices undertaken in November also influenced wholesale prices, though by no means to the same extent as it affected the cost of living. Under the influence of these price movements the general index for home market goods rose slightly at first, from 1,709 points in Decem-

ber 1953 to 1,740 points last October, but then fell to 1,684 points in December.

Wages remained unchanged on the whole with the exception of a very small inclination upwards and a rise in real wages due to the price adjustments referred to. The average hourly wages of industrial workers are estimated to have risen by 2—3 per cent, if the change in real wages is left out of account. Notwithstanding these increases, considerable demands for higher wages were presented at the end of the year, when a large number of collective agreements had to be renewed. A decision was, however, deferred till the following year.

CONCLUSION

The cyclical development of the world market last year once again proved favourable to Finland. Now, early in 1955, the signs are still promising. The „costs crisis”, which was mainly due to production costs in Finland being higher in many spheres than in other countries, has receded, but the fact cannot be ignored that it still exists in latent form and that a fresh change of trend in the world market may again bring it into the open. It is most important therefore to establish the economy before that on as secure a foundation as possible.

ITEMS

Bank of Finland, Change of Governor. Mr Sakari Tuomioja has been released from his duties as Governor of the Bank of Finland from March 1, when he will enter his post as Finnish Ambassador to London. The President of the Republic has appointed Mr Rainer von Fieandt Governor of the Bank of Finland from the same day. Mr von Fieandt has been member of the Board of Management of the OY Pohjoismaiden Yhdyspankki — AB Nordiska Föreningsbanken, one of the two leading commercial banks, since 1925 and Chief General Manager of the same bank since 1945.

At the same time Mr Penna Tervo, Minister of Finance, was appointed member of the Board of Management of the Bank of Finland.

*

The Budget. The Budget for 1955 was passed by the Diet in December. Revenue amounts to 196,300 mill. marks, of which 18,800 million are capital revenue, and expenditure to 196,300 mill. marks, of which 53,900 million are capital expenditure. For technical reasons the subsidies decided on last October are not included. They will be submitted to the Diet in a supplementary budget in February. Not until then can a general idea of total Government revenue and expenditure be obtained.

*

Trade Agreements. Finland has recently concluded trade agreements with the following countries.

United Kingdom, on January 14, 1955. Period: 1955. Finnish exports to the United Kingdom and other sterling area countries are estimated at £70 mill. Of these, £40 mill. are earmarked for purchases from the United Kingdom. The remainder will be freely available for purchases from the sterling or transferable sterling area or for strengthening the Finnish exchange reserves.

USSR, on January 24, 1955. Period: 1955. The agreement forms part of the five-year trade pact concluded in 1950 and the supplementary agreement of 1952. Finnish exports are fixed at 32,100 mill. marks and imports at 23,500 million. Of the Finnish export surplus, 2,300 mill. marks will be paid in Western currencies. The rest will be settled within triangular agreements, by imports from Poland, Rumania, Czechoslovakia and Eastern Germany. The most notable changes in comparison with 1954 are that exports of prefabricated houses are reduced from 750,000 m² to 250,000 m² and those of sawn-wood from 60,000 std to 47,500 std, and that the value of the deliveries of vessels will increase from 10,000 to 11,800 mill. marks. Imports of rye will increase from 50,000 to 100,000 tons, while the value of naphtha imports will decrease from 5,200 to 4,200 mill. marks. Further, 1,000 tons of aluminium, 2,000 tons of zinc, 40,000 m³ of pulpwood and 80,000 m³ of sawlogs will be imported; these articles have not been imported from the USSR before.

*

New loan from the USSR. In January, the USSR granted Finland a stand-by credit amounting to 40 million roubles (\$10 mill.). The credit may be drawn in gold, U. S. dollars or other currencies. It is repayable in ten years from the date when drawn, either in gold or in the respective currencies. The rate of interest is 2½ per cent.

The previous USSR stand-by credit, of equally 40 million roubles, granted in February 1954 is expected to be drawn upon in the near future and the amount drawn will be lent to the Bank of Finland. One half of the loan will be kept in the foreign exchange reserves of the Bank and the other half will be used for productive purposes, i. e. allocated for imports of capital equipment.

*

Rearrangement of Statistical Tables. The official monthly figures of Government revenue and expenditure as hitherto published in this Bulletin do not as such — i. a. on account of the structure of the budget — provide a suitable basis for judging the development of Government finances. For that reason the former tables 21, 22 and 23, which were drawn up according to the Treasury accounts, will be replaced by tables 21 and 22, containing figures adjusted by the Bank of Finland Institute for Economic Research. The adjustment has been made as far as possible in accordance with the principles for adjusting the annual figures presented every year in a separate article. Owing to the lack of data, the monthly figures cannot, however, be as accurately adjusted and will therefore not be fully comparable with the annual figures. As, besides, the latter are not available until rather late in the year, they will not be published in table 22 but, as previously, in an article. For 1953, see this Bulletin No. 8, 1954, p. 20.

Table 21 still relates to the public debt, but the figures have been so adjusted as to agree with those concerning Government loans and redemptions in table 22. As to the breakdown, „Indemnity bonds and similar obligations” includes all indebtedness — except the Holding certificates — that the Government has incurred without recompense. The bonds of the index-tied Second Indemnity Loan are included at their nominal amount. „Treasury bills” relate only to bills held by private credit institutions (not by the Bank of Finland). „Debt to the Bank of Finland (net)” is in accordance with table 5. „Cash holdings” includes the Treasury postal giro accounts.

Table 22 gives consolidated figures of Government revenue and expenditure on a payment basis. The figures include the employment of appropriations transferred from previous years, transactions of extra-budgetary funds and all other receipts and payments outside the budget. All transactions are reported as of the month when they actually occurred. With regard to separate items the following should be mentioned.

„Gross collections” of income and property tax includes the communal tax and the National Pensions premiums deducted from wages. When credited, quarterly, to the

communes, they appear under „Refunds and share of communes”. „Revenue from Alcohol Monopoly” comprises the surplus of the Monopoly, its prepayments of the surplus and its income and property tax. „Capital revenue proper” covers provision for depreciation in State business undertakings, sales of State property and repayment of loans. The inventories reported under „Decrease in inventories” consist mainly of the stores of the State Granary and the fuel stocks of State Railways. Among expenditure, the item „Unemployment relief” under „Real investments” concerns only such relief work as is financed out of unemployment grants proper. The item „Other capital expenditure” con-

sists for the main part of loans and is at the same time the residual of the table.

The figures of Government borrowing and redemptions correspond, with slight differences only, to those given in table 21. The sole exception concerns „Indemnity bonds and similar obligations”, in that table 22 gives only the amounts redeemed but not the new bonds issued, which do not in fact imply receipts of the Treasury. „Redemptions” in table 22 also includes the index premiums paid on the bonds of the Second Indemnity Loan. „Deficit or Surplus” in table 22 is equivalent to the change in „Cash debt (net)” in table 21.

BANK OF FINLAND

(Cable address Suomenpankki)

BOARD OF MANAGEMENT

Tuomioja, Sakari, Governor
 Waris, Klaus, Deputy Governor
 Jutila, K. T.
 Kekkonen, Urho, absent as Prime Minister
 Leinonen, Esko K., ad int.
 Sundman, C. G., ad int.

HEADS OF DEPARTMENT

Leinonen, Esko K., Secretariat	Tauriala, T., Foreign currency
Tudeer, A. E., Institute for Economic Research	Aspelund, Arthur, Cash
Engberg, G., Personnel	Helander, J., Foreign currency control
Sundman, C. G., Foreign currency	Österlund, P.-E., Foreign currency
Blomquist, P., Accounts and Control	Jussila, Eino, Office
Kajantie, A., Documentary credits	Nononen, A., Foreign correspondence

THE BANK OF FINLAND MONTHLY BULLETIN

is sent free of charge to anyone wishing to receive it. Finnish booksellers are, however, allowed to sell it at a price of 20 marks per copy. Should extracts from the Bulletin be printed, the source should be stated. Correspondence with regard to the Bulletin should be addressed to the Bank of Finland Institute for Economic Research, Helsinki, Finland.
