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Foreign trade in the Finnish balance
of payments in 1995

A framework for assessing
the equilibrium exchange rate for
the Finnish markka

Foreign trade in the Finnish balance of payments in 1995 by Jorma Hilpinen	3
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A framework for assessing the equilibrium exchange rate for the Finnish markka by Tuomas Saarenheimo	7
--	---

Items:	Finland's balance of payments in 1995	11
	Direct investment capital flows in 1995	
	Portfolio investment in Finland's balance of payment in 1995	
	Publication of the Bank of Finland	

Measures concerning monetary and foreign exchange policy and the financial markets	13
---	----

Finland in brief	16
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Statistics • List of tables on page	S1
-------------------------------------	----

Charts • List of charts on page	S29
---------------------------------	-----

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Foreign trade in the Finnish balance of payments in 1995

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During the last few years the external stability of the Finnish economy has improved markedly. According to preliminary data, the current account surplus was some 3.5 per cent of GDP in 1995, which was the largest in decades. Problems with the official foreign trade statistics¹ necessitated the arrangement of a special survey by the Bank of Finland in order to obtain timely data for the monitoring of foreign balances. The Bank of Finland data have proved to be a reliable source of information on the underlying trends of foreign trade.

Recent developments

The current account has been in surplus since the latter part of 1993, whereas the trade balance turned positive already in 1991. The current account surplus was 1.3 per cent of GDP in 1994 and the trade account surplus almost 7 per cent of GDP. The strengthening of the trade balance has however levelled off in the course of the last 12 months and there is some chance that a weakening is underway.

Finland's output growth reached a peak during the first half of 1995. However, the dichotomy in economic performance persisted; the export sector operated at full capacity whereas the domestic markets experienced only a modest recovery. The buoyant growth of GDP slowed somewhat during the latter half of 1995 due to capacity constraints in the metal working industries and a weakening and distortion in the markets for pulp and paper products.

Supported by good profitability – due to higher export prices – and by very high capacity utilization, fixed investment increased substantially in the manufacturing industries. In the rest of the corporate sector, incentives for investment were not as strong, even though the demand for consumer goods also recovered. Private consumption increased markedly, but households remained somewhat cautious in using consumer credit and making long term commitments.

According to official figures, nominal year-on-year growth of exports was about 18 per cent in the first half of 1995, ie about 11 per cent in real terms when deflated by the export price index. During the latter part of the year nominal growth was some 9 per cent according to the Bank of Finland's foreign trade survey. As export prices continued to rise slightly faster than before, the volume growth decelerated to only one or two per cent. However, there was a substantial improvement in the terms of trade.

The slowdown is partly the result of special timing factors. Most shipbuilding industry deliveries scheduled for 1995 took place during the first half of the year, and some deliveries were delayed to early 1996. The pulp and paper industries experienced production stoppages in autumn 1995 when suppliers tried to maintain price levels.

The official foreign trade statistics show nominal year-on-year import growth of about 11 per cent for the first half of 1995. Import prices have been very stable during the last two years and thus the entire increase reflects volume growth. The survey data collected by the Bank of Finland indicate somewhat higher imports for early 1995 than do the official data. During the latter part of the year, the growth of imports had slowed down according to the Bank of Finland survey but still reached some 12 per cent. According to these preliminary data the trade account surplus has increased slightly to some FIM 42 billion in 1995, equivalent to 7.6 per cent of GDP (Chart 20 on page S37 of this Bulletin).

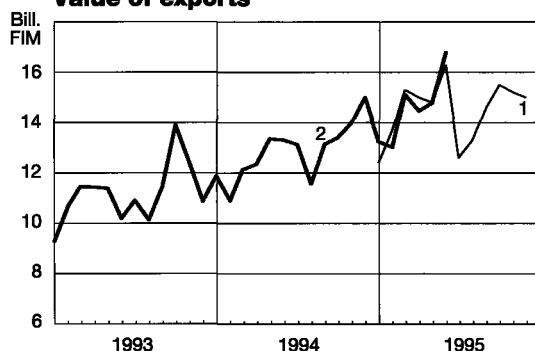
Lack of information on foreign trade

The official foreign trade data for 1995 compiled by the Board of Customs are based on a completely revised information system. Data on intra-EU trade are now based on the Intrastat census system. Moreover, the system covering extra-EU customs statistics has been revised. This discontinuity in the time series and long delays in their compilation do not allow for proper time series analysis and have increased uncertainty in the identification of the cyclical phases of exports and imports. Similarly, detailed information on the commodity structure of foreign trade, reflecting demand and supply developments, is only partially available.

¹ The Board of Customs' statistical system has been completely revised due to Finland's entry into the EU. Data on intra-EU trade are now collected using EU's Intrastat system. The publication of statistics has been delayed by about a half year. According to the Board of Customs, the normal timetable will be resumed gradually during 1996.

Chart 1.

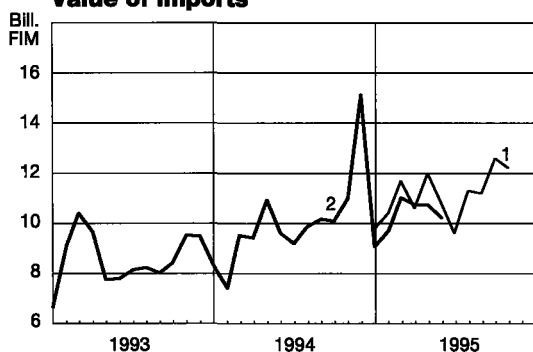
Value of exports



1. Bank of Finland estimates
2. Official figures

Chart 2.

Value of imports



1. Bank of Finland estimates
2. Official figures

Despite extensive efforts the Board of Customs has not yet been able to meet its normal standards of timeliness and accuracy for foreign trade statistics. The latest available observations are from June 1995 and even the figures for earlier months have been subject to repeated revision.

The Bank of Finland survey

In order to secure timely current account estimates and to bridge the information gap which was foreseen already in autumn 1994, the Bank of Finland decided to run a special survey of foreign trade up until such time when the Board of Customs data systems are functioning satisfactorily.

The aim of the survey is to obtain the total values of commodity exports and imports with at most a lag of five weeks, which has been the standard for balance of payments statistics. It was also decided that the survey estimates would be replaced later in the balance of payments statistics by the official foreign trade data. In Finland even the preliminary balance of payments statistics have traditionally been compiled using the foreign trade statistics.

The Bank of Finland foreign trade survey employs a cut-off sample. It was found possible to cover some 70 per cent (1994) of exports and imports with this survey.² The sample is based on those enterprises that already report monthly to the Bank of Finland on their foreign assets and liabilities for the balance of payments. In the course of the year the number of respondents has changed due to mergers and other company reorganizations, but in general the response rate has been 100 per cent.

The fact that only a small fraction of Finnish enterprises accounts for a major part of foreign trade facilitates the use of this kind of survey for obtaining advanced estimates of exports and imports. The sample was kept small by limiting the questions to total values of foreign trade. Thus commodity breakdowns cannot be obtained from the data. Similarly, breakdowns by economic activity are not obtainable, because the sample is not representative on that level. The concept of foreign trade is defined as in the foreign trade statistics, thus producing estimates of fob-value of exports and cif-value of imports.

The grossing-up to population level of the survey results is accomplished by stratifying the samples into two groups according to the amount of the enterprise's exports or imports. This is done partly because of the uneven growth of Finnish exports in the current cyclical situation. The growth of export

² Only 84 industrial and commercial corporations are surveyed for exports and 263 corporations for imports. The total number of operating enterprises in the Register of Enterprises and Establishments is some 260 000 (1995). According to the Board of Customs there were 6 500 exporters and 10 300 importers in Finland whose exports or imports amounted to more than FIM 100 000 in 1993.

value has been very much concentrated on pulp, paper and the new telecommunications industries. In the paper industry prices as well as volumes rose considerably throughout 1995. Firms involved in these activities are also the largest exporters.

Similarly, enterprises can be found whose imports are subject to a high degree of volatility, stemming largely from price movements. Examples of these are crude oil and ore importers, which also are very large importers.

When grossing up the results, the largest firms are included as such whereas the results for the other firms are multiplied by the respective grossing-up factors.

Analysis of the differences in results

Compared to the official foreign trade data now available, to June 1995, no major differences have appeared. With regard to exports, the results are surprisingly similar; even monthly variations have been small and the cumulative difference is less than FIM 0.1 billion. The Bank of Finland survey estimates for imports tend to exceed the Board of Customs census data. The cumulative difference is FIM 3.8 billion. These differences are not shown in the balance of payments statistics because the Bank of Finland's estimates are replaced by the official data as they become available (Charts 1–3).

One can only speculate on the reasons for the differences in import figures; the frame applied in the Bank of Finland survey might be obsolete, and if so the grossing-up procedure will yield increasingly biased results over time. On the other hand, there might be non-response in the Board of Customs census. Exports involving a smaller number of firms may be easier to deal with in either system.

The economic reasoning applied in assessing the validity of the results reveals factors which may support both larger and smaller imports. It has been widely recognized that Finland's propensity to import has grown structurally during the last ten years. In the boom years of the late 1980s, firms started to become more specialized and began to acquire semimanufactures from low-cost countries. The slump of the early 1990s hit most severely the import-competing home market industries, and thus the propensity to import rose further. On the other hand, the accentuated need to economize on production processes may lead to lower imports when inventories are kept at a minimum level.

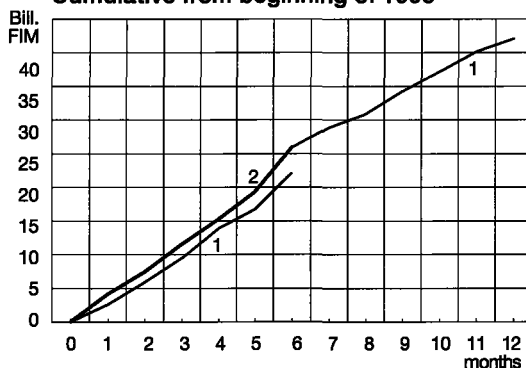
The structure of demand and industrial production in 1995 may support higher rather than lower imports. Major industries – also other than wood based – are working at full capacity. Investment activity has been brisk and consumption is picking up. On the other hand, some import-intensive economic activities are still experiencing low levels of production and investment.

Special short-term timing factors may result in lower-than-expected imports for 1995. The tax

Chart 3.

Trade balance

Cumulative from beginning of 1995



1. Bank of Finland estimates
2. Official figures

Table 1. Strata used in grossing up (1994 data)

	'Exports'		'Imports'	
	number of respondents	per cent of value	number of respondents	per cent of value
Largest firms	7	35	3	15
Other firms				
in the sample	77	34	260	52
Not surveyed	..	31	..	33
Total	..	100	..	100
Grossing-up factors	1.90		1.62	
	((100-35)/34)		((100-15)/52)	

treatment of third country imports as well as of imports from bonded warehouses changed when Finland joined the EU in January 1995 and some import hoarding certainly took place during the latter part of 1994. Moreover, according to the Board of Customs, the revised statistical treatment of imports via bonded warehouses will for technical reasons result in lower imports in 1995.

Concluding remarks

With the above considerations in mind, it may be concluded that the advanced estimates for foreign trade compiled by the Bank of Finland have provided credible information on underlying developments in the external balance. The results for any single month are subject to large irregular variations, as is typical of foreign trade data.

Finland's external balance was very favourable in 1995, the current account having recorded a surplus of FIM 19 billion, ie 3.5 per cent of GDP, while the trade balance showed a surplus of about FIM 42 billion, which was 7.6 per cent of GDP. The differences in the results from the two information sources are of minor importance, since the economy's external balance is so strong.

The situation could have been totally different and market reactions might have occurred because of increased uncertainties in the balance of payments data, if the current account balance had been close to zero or negative. It is imperative that information on economic fundamentals be credible and timely. In order to obtain consistent short-term data on the trade balance, a single reliable information source is no doubt preferable. We are confident that the Board of Customs is making every effort to get its statistical system on stream and that the markets will be able to obtain data that will be as timely and accurate as the prior data have been.

6 February 1996

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- Keywords: foreign trade, balance of payments, exports, imports
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A framework for assessing the equilibrium exchange rate for the Finnish markka

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In economic discussion, currencies are frequently referred to as being 'overvalued' or 'undervalued'. The Finnish markka is often said to have been 'overvalued' before its devaluation in autumn 1991 and 'undervalued' at the beginning of 1993, a few months after it was floated. Implicit in such statements is the idea of an 'equilibrium' level exchange rate, from which the spot rate has deviated. To provide substance to any claim about the 'correctness' of a currency's spot rate, one needs to make explicit the applicable concept of equilibrium rate, the yardstick against which the spot rate is compared. This article presents one approach to calculating such a yardstick for the exchange rate of the Finnish markka in the coming years.¹

The economist's toolbox contains several alternatives for the definition of equilibrium exchange rate. The simplest and probably most commonly used tool for exchange rate evaluations is the concept of Purchasing Power Parity (PPP). PPP assumes that over the long run exchange rates adjust to maintain a rough equality in price levels in different countries. A second method, the portfolio balance approach, seeks to determine the demand for a country's assets and to find the exchange rate at which the demand for assets equals the supply.

This article applies a third approach, the 'fundamental equilibrium exchange rate' approach, sometimes called the 'macroeconomic balance' approach. This approach defines the exchange rate to be at equilibrium when the economy is in balance both internally and externally. Usually one defines internal balance either in terms of employment (unemployment equal to the natural rate) or, as in this article, in terms of inflation (low and stable inflation).² External balance relates to the current account but does not necessarily imply a zero surplus; one may allow a current account deficit or require a surplus, depending on the initial circumstances.

This article deviates from the mainstream tradition in one respect: unlike most of the previous work in the area which has treated the equilibrium rate as a medium- to long-term concept, here internal and external balance are taken as constraints to be fulfilled on a continuous basis from some not-too-distant date onward. For example, the traditional approach could arrive at the result that a country's currency is, at some point in time, ten per cent overvalued. Such a result would however not be terribly informative since a sudden devaluation by ten per cent would likely cause a strong inflationary surge, thereby upsetting the internal balance defined in terms of inflation. In contrast, the approach used in this article would conclude that internal and external balance cannot be simultaneously maintained in the short run, and would instead calculate the exchange rate path that would most quickly and smoothly bring the economy into balance.

Before proceeding, three clarifications are in order. First, it is clear that exchange rate adjustments alone cannot provide both internal and external balance; for two targets one needs two adjusting variables. In the context of this analysis, the second adjusting variable is domestic demand. Thus, we are concerned here as much with equilibrium domestic demand as with the equilibrium exchange rate. Second, this entire exercise is clearly normative: another definition of macroeconomic balance, or different stringency or relative weight assigned to the targets would generally produce different results. Finally, it is essential to understand that the calculated equilibrium path for the exchange rate is not an attempt to forecast future spot rates. Actual domestic demand may differ widely from its calculated equilibrium path, the markets' idea of the fundamentals relevant to the exchange rate may differ from that of the author, and a variety of episodes in the exchange market may keep the spot rate for long periods far from the values pointed to by any fundamentals.

A simulation model of the macroeconomic balance

To facilitate calculation, a small econometric model of the Finnish economy was constructed. The real economy block of the model consists of equations for merchandise imports and exports, industrial

¹ This article is an abridged and updated version of the Bank of Finland discussion paper 29/1995 by the same author. For details of the model and the approach employed, the reader is referred to the original paper.

² If one believes in a tradeoff between unemployment and inflation (in other words, the existence of the Phillips relation), then the two choices should be equivalent.

production, gross domestic product, and several equations for service imports and exports. Together with a set of identities mainly concerning the evolution of external debt and related interest payments, these equations provide – econometrically and intuitively – an adequate picture of the mechanisms governing the Finnish current account.

Modelling the behaviour of wages and prices in Finland proved to be a difficult task. Determining a stable and plausible relation between wages and the limited set of macroeconomic variables included in the model proved to be, for all practical purposes, impossible. Therefore, wages were taken to be exogenous in the model.³ Once wages are treated as a parameter, the price block shrinks to a single equation, modelling the domestic price level as a function of wages, import prices, and domestic activity.

Together these two blocks form a model of the Finnish economy that is sufficiently self-contained to suit the purpose, yet small enough to be transparent. The most important exogenous variables are foreign demand, trade prices (and hence terms of trade) and wages. In addition, domestic demand and exchange rate are treated as adjusting variables (ie policy variables) in the simulations.

For the purposes of model simulations, exact definitions of the external and internal balance are needed. In consonance with the Bank of Finland's official target, internal balance was defined as an inflation rate of two per cent.⁴ For the external balance, a zero current account deficit was considered an insufficient target, given the sizable external debt of the Finnish economy (almost 50 per cent of the GDP). Hence, the – admittedly arbitrary – external balance definition applied was a current account surplus of FIM 10 billion (about two per cent of the GDP).

Four scenarios

For a given set of assumptions about the future development of the exogenous variables, the equilibrium paths of domestic demand and the exchange

Table 1. Annual growth rates of key exogenous variables under different scenarios

		Base-line	Strong export	Weak export	High wages
Foreign imports	1995–99	5.1	6.1	4.1	5.1
Export prices	1995–97	0.0	1.0	–1.0	0.0
(foreign currency)	1998–99	1.0	2.0	0.0	1.0
Import prices	1995–99	2.0	2.0	2.0	2.0
(foreign currency)					
Unit labour costs	1995–99	1.4	1.4	1.4	2.4

rate were simulated so as to bring the economy into balance both internally and externally by the second quarter of 1997 and to maintain the balance thereafter. The simulations were undertaken for four scenarios for the behaviour of the exogenous variables. The assumptions used in each scenario are summarized in Table 1.

The baseline scenario is the author's (subjective) interpretation of the present mainstream view of future developments in world markets and trade prices. Here, the import demand of Finland's trade partners is assumed to grow at an average annual rate of 5.1 per cent. Finnish terms of trade deteriorate as import prices (in foreign currency) increase at a two per cent rate compared to the steady level of export prices until the end of 1997 and a 1 per cent annual increase thereafter. Hence, the terms of trade weaken by about 6 per cent by the end of the decade. Domestic unit labour costs are assumed to increase at a 1.3 per cent rate from the beginning of 1996.

The strong export scenario shows the effects of a better-than-expected demand for Finnish exports. In this scenario, the Finnish export market grows at an annual rate 1 percentage point higher than in the baseline case. Terms of trade are assumed to weaken only slightly as export prices increase first at a 1 per cent and later at a 2 per cent annual rate. These modifications to the baseline scenario are reversed in the *weak export scenario*. Here, the export market grows at only 4.1 per cent annually and Finland's terms of trade deteriorate steadily by a total of ten per cent by the end of 1999.

In the final scenario, labelled *the high wage increases scenario*, export demand and trade prices match the baseline scenario. However, domestic wages are assumed to increase at a rate 1 percentage point higher than in the baseline scenario, bringing the rate of increase of unit labour costs to 2.4 per cent.

Simulation results and Interpretations

In each simulation, inflation and current account adjust smoothly to their respective equilibrium values of 2 per cent and FIM 10 billion and subsequently remain at those values. Charts 1 and 2 il-

³ Treating wages as exogenous is clearly not an ideal solution. The likely cause of the modelling difficulties is that the dynamics of wage formation seem to have undergone a profound structural break during the years of deep recession and unprecedented explosion of unemployment in the early 1990s. If wages continue to be sensitive to the real exchange rate and domestic activity, as is likely, then exchange rate changes are likely to have less of an effect on the current account and more on prices than the model indicates. In such circumstances the model probably also underestimates the effect of domestic demand on both the current account and inflation.

⁴ While it may appear cynical to drop unemployment from the definition of internal balance, it is not meant to downplay the role of high employment as a part of balanced economic development. Unfortunately, we lack sufficient knowledge as to the nature and limits of the effect of the exchange rate on unemployment. It seems likely that the exceptionally high level of unemployment prevailing in Finland is due mostly to structural factors, ie regulation and labour market practices, rather than to cyclical or temporary factors that might be affected by exchange rate changes. Given these ambiguities, the unemployment rate is in the present situation of little use in evaluating the equilibrium exchange rate.

Table 2. Average annual growth rates for key variable from 1995Q4 to 1999Q4

	Base-line	Strong exports	Weak exports	High wages
GDP	4.0	5.1	2.9	2.3
Domestic demand	4.2	5.5	2.9	2.2
Exports, vol.	3.6	4.0	3.2	2.3
Imports, vol.	4.9	6.4	3.3	3.1
Industrial output	3.7	4.3	2.8	2.1

illustrate the behaviour of the control variables: Chart 1 plots the calculated path for equilibrium exchange rate; Chart 2 plots the growth rate of real GDP induced by this exchange rate path and the calculated equilibrium path of domestic demand. In Table 2 the simulation results are summarized from another angle in the form of the average growth rates of certain key endogenous variables.

Baseline scenario: The equilibrium nominal exchange rate depreciates by approximately 1.5 per cent by the end of 1996 but recovers quickly back to a level about a half per cent weaker than the present (2 January 1996) spot rate. The rate of equilibrium GDP growth averages 4 per cent over the four-year period.

Strong exports scenario: After an initial depreciation of 1 per cent, high export revenues raise the equilibrium exchange rate to a level one per cent stronger than at present. The stronger exchange rate allows for a higher non-inflationary rate of growth: the average equilibrium rate of GDP growth reaches 5.1 per cent per annum.

Weak export scenario: To prevent low export revenues from weakening the current account, the equilibrium exchange rate has to depreciate and GDP growth must slow down. The inflation target allows for a depreciation of about 2 per cent. Equilibrium GDP growth averages 2.9 per cent.

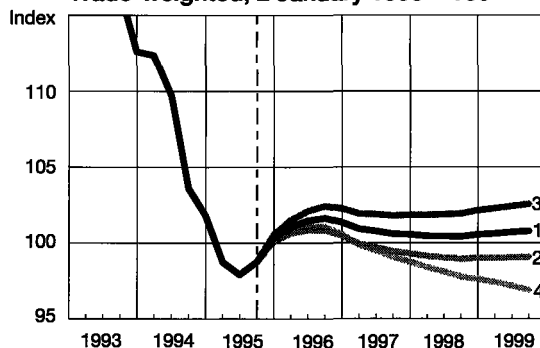
High wages scenario: Wages increase at a rate clearly out of line with the inflation target and developments in foreign trade. To balance the inflationary effect of increasing unit costs, the exchange rate must appreciate (after a small initial depreciation) by a total of 3 per cent from its current level. High wage increases and appreciation weaken competitiveness to the extent that average growth of GDP has to fall to 2.3 per cent to keep the current account at the desired level.

The model suggests that macroeconomic balance should be attainable with an exchange rate close to the current spot rate. The calculated equilibrium rate is rather insensitive to assumptions about foreign trade conditions; the equilibrium rates calculated for very different trade scenarios all fit within a band of less than 5 per cent. Average equilibrium growth rate of GDP in these scenarios varies from 3 to 5 per cent.

Chart 1.

Equilibrium nominal exchange rate

Trade-weighted, 2 January 1996 = 100



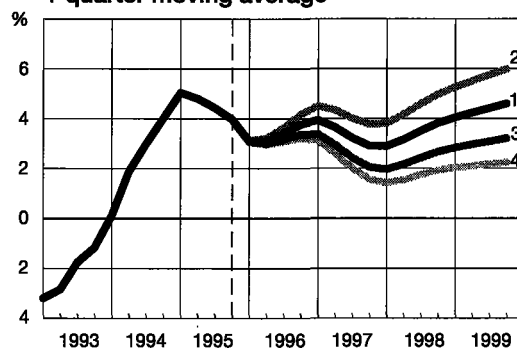
1. Baseline
2. Strong exports
3. Weak exports
4. High wage increases

Actual exchange rate to 1995Q4

Chart 2.

Equilibrium growth of real GDP

4-quarter moving average



1. Baseline
2. Strong exports
3. Weak exports
4. High wage increases

The results illustrate the high cost of attaining low inflation if wage increases are not consistent with the inflation target. To balance a mere 1 percentage point increase in the rate of wage growth, the average GDP growth has to be slashed by 1.7 percentage points.

When interpreting the results, one should not be too concerned with the exact shape of the equilibrium paths. Dips and peaks that coincide in the scenarios are usually simply artifacts brought about by the inflexible manner in which the model treats the targets; ie as binding constraints that have to be met in each period. A slightly more flexible interpretation of the targets would produce smooth equilibrium paths.

Concluding remarks

The analysis above suggests that Finland's current exchange rate is well in harmony with low inflation and sustained current account surplus. With the anticipated development of the world economy, a steady exchange rate would allow for a 4 per cent average non-inflationary growth rate of GDP. Changes in export conditions have only a modest effect on the calculated equilibrium exchange rate.

The simulations underline the pivotal role played by wage formation in determining inflation. If the rate of wage increases is not in line with the inflation target, then delivering the target inflation will involve a high welfare cost. To counterbalance the

inflationary effect of a mere 1 percentage point increase in the growth rate of wages, the equilibrium growth rate of GDP must fall by 1.7 percentage points.

It is important to stress that the equilibrium paths calculated above are not forecasts of the GDP or the exchange rate. Nor does the analysis imply that fixing the nominal exchange rate at the calculated equilibrium level would necessarily generate the desired balanced economic development. Rather, the calculations can be interpreted as predicting that if exchange rate and domestic demand behave as calculated for the given development of the world economy and domestic wages, then the economy should stay fairly close to what was defined as internal and external balance; namely a rate of inflation around 2 per cent and a steady, positive current account balance.

30 January 1996

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- Keywords: equilibrium exchange rate, inflation, current account balance
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Items

Finland's balance of payments in 1995

Current account. For 1995, the current account showed a surplus of FIM 19.1 billion. The trade balance registered a surplus of 41.9 billion, or 8 per cent of GDP. Net payments of investment income abroad amounted to FIM 19.0 billion, reflecting a decrease of FIM 3 billion from the previous year. Transfers from and to the EU amounted to approximately FIM 5 billion, respectively.

Goods. The value of exports grew by 13 per cent and the value of imports by 9 per cent. The trade figures for July–December 1995 have been estimated on the basis of a survey of firms carried out by the Bank of Finland. The publication of Board of Customs trade figures, on which these figures normally are based, has been delayed due to revision of statistical systems related to Finland's entry into the EU.

Services. The deficit on the services account was FIM 0.1 billion, as against FIM 0.9 billion in 1994. The surplus on the transport account was FIM 6.1 billion. The FIM 2.9 billion deficit on travel account

increased by FIM 1.5 billion as receipts increased by 3 per cent and expenditure by 20 per cent. The other services account deficit was FIM 3.3 billion.

Capital and financial account. Net exports of capital amounted to FIM 20.6 billion in 1995. The central government exported capital totalling FIM 0.6 billion.

Finnish direct investment abroad totalled FIM 6.6 billion in net terms. In the previous year, direct investment abroad had totalled FIM 22.4 billion.

Foreign direct investment in Finland amounted to FIM 4.0 billion. Net capital exports in the form of portfolio investment amounted to FIM 0.1 billion in 1995 against capital imports of FIM 39.2 billion in 1994. Other capital exports (incl. loans, trade credits and short-term items of banks) amounted to FIM 11.7 billion in net terms. The Bank of Finland's foreign exchange reserves decreased by FIM 1.5 billion. At the end of the year, the foreign exchange reserves amounted to FIM 48.9 billion.

Net international investment position. At the end of 1995 Finland's net international investment position showed a debt of FIM 240.6 billion, which was equivalent to 44 per cent of GDP. Net foreign debt decreased by FIM 26.5 billion. The central government's share in the net debt position was FIM 178.3 billion.

Table. Finland's balance of payments in 1995

	1994	1995
	mill. FIM	
CURRENT ACCOUNT	6 627	19 094
Trade account	33 339	41 860
(incl. adjustment items)		
Services account	-851	-72
Investment income	-22 184	-18 966
Unrequited transfers and other items	-3 676	-3 728
CAPITAL AND FINANCIAL ACCOUNT		
Direct investment	-14 207	-2 618
Portfolio investment	39 217	-57
Loans	8 107	-4 639
Trade credits	287	-3 483
Other (incl. errors and omissions)	-14 526	-9 778
FOREIGN EXCHANGE RESERVES	-25 504	1 480
(increase -)		

Direct investment capital flows in 1995

In 1995, net capital flows in connection with Finnish direct investment abroad and foreign direct investment in Finland contracted markedly on the previous year.

Finnish direct investment abroad. In 1995, Finnish companies exported equity and loan capital to subsidiaries and associates abroad totalling FIM 5.1 billion in net terms. Hence, capital exports were FIM 17.6 billion less than in 1994, when intra-group loan arrangements led to an exceptionally sharp increase in the outflow of capital. When the retained earnings of Finnish-owned companies in 1995, an estimated FIM 1.5 billion, are added to the net outflow of capital, the result is a net outflow of direct investment capital of FIM 6.6 billion in the

balance of payments¹. This represents some 1 per cent of GDP and approximately 15 per cent of companies' fixed investment in Finland. Dividend and interest income from foreign subsidiaries and associates amounted to FIM 2.5 billion in net terms.

Eighty-three per cent of the net capital outflow went to EU countries. Net exports of capital by manufacturing companies totalled FIM 4.2 billion, whereas financial and insurance institutions repatriated from abroad FIM 0.9 billion worth of capital in net terms.

Foreign direct investment in Finland. In 1995, foreign companies imported capital to subsidiaries and associates in Finland totalling FIM 1.6 billion in net terms, as against FIM 6.6 billion in 1994. Equity capital was imported to the value of FIM 2.3 billion and loan repayments amounted to FIM 0.7 billion. When the retained earnings of foreign companies in Finland, an estimated FIM 2.4 billion, are added to the net inflow of capital, the result is a net direct investment capital inflow of FIM 4 billion in the balance of payments¹. Dividend and interest payments to foreign investors amounted to FIM 1.6 billion in net terms.

Capital was imported from Sweden and Great Britain each to the value of FIM 0.8 billion. In net terms, manufacturing companies returned a small amount of capital to foreign investors.

Portfolio investment in Finland's balance of payment in 1995

Redemptions and repurchases of Finnish securities from foreign investors amounted to FIM 4.3 billion in net terms in 1995. In the previous year, Finnish securities were sold on net to foreign investors to the value of FIM 33.8 billion. Foreign investors continued to show interest in Finnish shares, though repurchases slightly exceeded sales in December 1995. Markka-denominated bonds were repurchased from abroad but to a lesser extent than in 1994. At the end of 1995, foreign investors held FIM 291.3 billion worth of Finnish shares and bonds and Finnish investors held FIM 7.7 billion worth of foreign shares and bonds.

Shares. There were no share issues targeted at foreign investors after June. The value of Finnish shares sold abroad totalled FIM 39.9 billion in 1995 while repurchases totalled FIM 30.4 billion. Hence, there was a net capital inflow of FIM 9.5 billion, which is about FIM 4 billion less than in 1994. At the end of 1995, the value of Finnish shares held by

nonresidents stood at FIM 63.7 billion, ie just over FIM 3 billion more than a year earlier. In the final quarter of 1995, total market capitalization fell by some FIM 30 billion due to a sharp decline in share prices, particularly those of Nokia.

Bonds. Redemptions and repurchases of Finnish bonds held by nonresidents amounted to FIM 18.2 billion in net terms. Bond issues aimed at foreign investors were undertaken only by the central government and financial institutions. During the course of 1995, the central government raised only FIM 6.4 billion in international bond markets, ie some FIM 33 billion less than in 1994.

Transactions in markka-denominated government bonds picked up towards the end of the year. In 1995, sales abroad of markka-denominated government bonds amounted to FIM 129.6 billion and repurchases to FIM 131.9 billion, ie repurchases exceeded sales by FIM 2.3 billion. At end-1995, nonresidents' holdings of Finnish markka-denominated bonds totalled some FIM 19 billion, of which government bonds accounted for FIM 12.6 billion.

Publication of the Bank of Finland

A new publication has appeared in the Bank of Finland's A series: *Russia's Financial Markets and the Banking Sector in Transition*, edited by Jouko Rautava (A:95)

Financial markets are crucial for the development of the Russian economy as they influence two major factors underpinning economic growth, ie the accumulation and efficient use of capital. Until now, high inflation has been seen as a major threat to the development of Russia's financial markets and economy for there is hardly any institution, sector or activity that has not been afflicted by high inflation. Yet, in the face of high inflation and many other problems, Russia's financial markets and the banking sector have rapidly evolved into some of the most dynamic influences in the Russian economy.

Nevertheless, Russian financial markets are still exceptionally fragile. Their problems are compounded by extremely rapid growth, lack of experience, inadequate legislation, poor implementation of laws, an unclear regulatory framework and an unstable economic environment. In particular, there is a clear and present need for structural reform in the banking sector. Government actions will largely determine how this ongoing restructuring process will proceed and what its impact will be on other sectors of the economy.

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- Keywords: banking, economic reform, financial markets, inflation, Russia.

¹ Preliminary data on reinvested earnings in 1995 will be available in mid-August 1996.

Measures concerning monetary and foreign exchange policy and the financial markets

1995

FEBRUARY

Tender rate. On 10 February, the Bank of Finland raises its tender rate from 5.50 per cent to 5.75 per cent.

MARCH

Increase in the capital of Asset Management Company Arsenal Ltd. On 23 March, the Government decides to raise the share capital of Asset Management Company Arsenal Ltd by FIM 8 billion. The capital injection is necessary to cover losses incurred during the year.

APRIL

Long-term reference rates. On 21 April, the Bank of Finland recommends that the three- and five-year reference rates calculated by it should no longer be used as reference rates for new loans.

JUNE

HELIBOR rates. As from 1 June, the method of calculating the HELIBOR rates is revised. As a rule, all the banks which have been accepted by the Bank of Finland as counterparties in its money market operations are taken into account in the calculation; the highest and lowest rates quoted for each maturity are omitted.

Counterparties in the Bank of Finland's money market operations and the instruments employed. On 1 June, the Bank of Finland revises the criteria applied in the selection of counterparties for its money market operations and accords priority status to risk-free securities.

Weekly repo auctions discontinued. On 1 June, the Bank of Finland discontinues the weekly tenders (repo auctions) which it arranges for market makers in benchmark government bonds.

Skopbank to be sold to Svenska Handelsbanken. On the proposal of the Government Guarantee Fund, the Government approves, on 2 June, an arrangement whereby the sound parts of Skopbank will be sold to the Swedish bank Svenska Handelsbanken. The deal involves mainly the parent bank Skopbank's good loans and

guarantees as well as the share capital of Industrialization Fund of Finland Ltd and SKOP Finance Ltd., which are part of the Skopbank group. Also included in the deal are Skopbank subsidiaries Finnish Real Estate Bank Ltd and the credit card company Aktiiviraha Oy.

Tender rate. On 9 June, the Bank of Finland raises its tender rate from 5.75 per cent to 6.00 per cent.

OCTOBER

The minimum reserve system. The Bank of Finland decides to revise the banks' minimum reserve system as from 2 October so that the minimum reserve requirement is henceforth based on a monthly average.

Tender rate. On 5 October, the Bank of Finland lowers its tender rate from 6.0 per cent to 5.5 per cent. In addition, the interest rate on banks' excess reserves is cut from 4.0 per cent to 3.5 per cent.

NOVEMBER

Base rate. The Parliamentary Supervisory Board lowers the Bank of Finland's base rate from 5.25 per cent to 5.00 per cent with effect from 1 November.

Tender rate. The Bank of Finland lowers its tender rate from 5.50 per cent to 5.00 per cent on 1 November and from 5.00 per cent to 4.75 per cent on 20 November. In addition, the interest rate on banks' excess reserves is cut from 3.50 per cent to 3.00 per cent on 1 November and from 3.00 per cent to 2.75 per cent on 20 November.

The Savings Bank of Finland – SBF and Siltapankki become asset management companies. The Ministry of Finance revokes the authorization of the Savings Bank of Finland and Siltapankki as from 30 November. In addition, Siltapankki is transferred to the Arsenal Group.

DECEMBER

Base rate. The Parliamentary Supervisory Board lowers the Bank of Finland's base rate from 5.00 per cent to 4.75 per cent with effect from 15 December.

Tender rate. On 19 December, the Bank of Finland lowers its tender rate from 4.75 per cent to 4.25 per cent. In addition, the interest rate on banks' excess reserves is cut from 2.75 per cent to 2.25 per cent.

1996

JANUARY

Reorganization of the responsibilities of the government and the Bank of Finland. On 9 January, the Cabinet Economic Policy Committee took the following decisions in principle:

– responsibility for the Sponda group, which is owned by the Bank of Finland and which was set up to manage Skopbank's assets (real estate and shares), will be transferred to the Council of State

– the government will settle its coinage-related debt to the Bank of Finland in the amount of some FIM 2 billion.

The required measures will be prepared in connection with the first supplementary budget for 1996.

The Government Guarantee Fund. On 9 January, the Cabinet Economic Policy Committee decided to propose that the Government Guarantee Fund be transferred to the authority of the Council of State as from the beginning of April.

FEBRUARY

Base rate. The Parliamentary Supervisory Board lowers the Bank of Finland's base rate from 4.75 per cent to 4.50 per cent with effect from 1 February.

Finland in brief

Land, climate and population

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

Finland has a population of 5 098 427 (31 December 1994) and an average population density of 16.6 per square kilometre. The largest towns are Helsinki (Helsingfors), the capital, with 516 100 inhabitants, Espoo (Esbo) 186 600, Tampere (Tammerfors) 179 300, Vantaa (Vanda) 164 600 and Turku (Åbo) 162 300.

There are two official languages: 93.1 % of the population speaks Finnish as its mother tongue and 5.8 % Swedish. There is a small Lapp population in the north. Finnish is a member of the small Finno-Ugrian group of languages, which also includes Estonian and Hungarian.

Form of government

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

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

Parliament, comprising 200 members, is elected by universal suffrage for a period of four years. Following the parliamentary elections of 1995, the seats of the various parties in Parliament are distributed as follows:

Social Democratic Party 63; Centre Party 44; National Coalition Party 39; Left Wing Alliance 22; Swedish People's Party 12; Green League 9; Christian League 7; Progressive Finnish Party 2; Rural Party 1; and Ecological Party 1.

Of the 18 ministerial posts in the present Government appointed in April 1995, 7 are held by the Social Democratic Party, 5 by the National Coalition Party, 2 by the Left Wing Alliance, 2 by the Swedish People's Party, 1 by the Green League and 1 by an expert with no party affiliation. The Prime Minister is Mr Paavo Lipponen of the Social Democratic Party.

Finland is divided into 455 self-governing municipalities. Members of the municipal council are elected by universal suffrage for a period of four years.

International relations

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

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

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

The economy

Output and employment. Of the gross domestic product of FIM 444 billion in basic values in 1994, 3 % was generated in agriculture and fishing, 3 % in forestry, 25 % in industry, 5 % in construction, 11 % in trade, restaurants and hotels, 9 % in transport and communications, 3 % in finance and insurance, 21 % in other private services and 20 % by producers of government services. Of total employment of 2.0 million persons in 1994, 8 % were engaged in primary production, 27 % in industry and construction and 65 % in services.

In 1994, expenditure on the gross domestic product in purchasers' values amounted to FIM 508 billion and was distributed as follows: net exports 6 % (exports 35.7 %, imports -29.5 %), gross fixed capital formation 14 %, private consumption 56 % and government consumption 22 %. Finland's tax ratio (gross taxes including compulsory employment pension contributions relative to GDP) was 47 per cent, which is somewhat below the average for the Nordic countries.

Average annual (compounded) growth of real GDP was 4.7 % in the period 1950-59, 5.0 % in 1960-69, 3.7 % in 1970-79, 3.7 % in 1980-89 and 3.6 % in 1990-94. Finland's GDP per capita in 1994 was USD 19 100.

Foreign trade. OECD countries absorb the bulk of Finnish merchandise exports. In 1990–94, their share was, on average, 78.3 %, of which the share of EC countries was 48.8 percentage points and that of EFTA countries 18.8 percentage points. Over the same period, Finland's exports to East European countries (including the Soviet Union/Russia) accounted for 9.9 % and the rest of the world for 11.8 %. The regional distribution of Finland's merchandise imports has been quite similar to that of exports.

In 1994, the share of forest industry products in total merchandise exports was 36 %, the share of metal and engineering products 44 % and the share of other goods 20 %. Raw materials and intermediate goods (incl. crude oil) accounted for 60 % of merchandise imports, fuels for 5 %, investment goods for 14 % and consumption goods for 20 %.

Forest resources. Finland has fairly abundant forest resources, but only limited amounts of other raw materials. The growing stock comprises 1 910 million cubic metres, of which 45 % is pine, 37 % spruce and 18 % broad-leaved species, chiefly birch.

The annual growth increment totals 78 million cubic metres and the total drain was about 62 million cubic metres in 1994.

Energy. In 1994, gross consumption of primary energy amounted to 31.6 Mtoe, of which industry accounted for 46 %, heating for 22 %, transportation for 13 % and other purposes for 19 %. The sources of primary energy in 1993 were as follows: oil 28 %, coal 13 %, nuclear power 14 %, hydro-electric power, peat and other indigenous sources 31 %, others 14 %. Compared internationally (1993), Finland's consumption of 5.7 toe (OECD definition) per capita was 1.7 times higher than the average in European OECD countries. The self-sufficiency rate (including nuclear power) in Finland was 41 %, as compared with 62 % in western Europe on average.

Finance and banking

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

temporarily abandon the limits of the fluctuation range and allow the markka to float. On 13 November 1992, the Government, on the basis of the amended Currency Act, authorized the Bank of Finland to float the markka for an indefinite period.

The Central Bank. The Bank of Finland (Suomen Pankki – Finlands Bank), founded in 1811, operates under the supervision of the Parliamentary Supervisory Board, the nine members of which are entrusted with overall supervision of the Bank and certain specific decisions such as fixing the Bank's base rate and the limits for other rates. The Governor and a maximum of five other Members of the Board are appointed by the President of the Republic. The Board manages all affairs not expressly entrusted to the Parliamentary Supervisory Board, including the terms of banks' central bank finance and open market operations in the money and foreign exchange market. The powers vested in the Bank and its independence of the Government make the Bank of Finland one of the world's stronger central banks. In practice, the Bank liaises closely with the Government, so as to coordinate economic policy. The Bank of Finland has a head office in Helsinki and 4 branch offices in other towns.

Other banks (31 December 1994). Finland has three major groups of deposit banks with a total of about 2 149 offices. There are three big commercial banks with national branch networks and ten smaller ones. The commercial banks have a total of 27 foreign branches, subsidiaries and associate banks and 31 representative offices abroad. There are 40 savings banks and 302 cooperative banks with their own extensive branch networks. In addition, foreign banks have four branches and eight representative offices in Finland.

Financial market. Of the total stock of FIM 679 billion in outstanding domestic credit at the end of September 1995, 50 % was provided by deposit banks, 26 % by insurance companies, 5 % by other private credit institutions, 6 % by public financial institutions and 12 % by the state, local authorities and social security funds. There are no quantitative restrictions or interest rate limitations on lending. Regulation of bank lending rates was progressively relaxed earlier in the 1980s and finally abolished in 1986.

In the money market, 69 % of the instruments, which totalled approximately FIM 142 billion at end-1995, were bank certificates of deposit (including central bank paper). Other negotiable money market instruments consist of Treasury bills, commercial paper and local authority paper.

There are 73 listed companies on the Helsinki Stock Exchange, with a market capitalization value of FIM 191 billion (at end-1995). Domestic bonds and debentures in circulation at end-1995 totalled FIM 234 billion; government bonds made up 62 % of the total. Turnover on the Stock Exchange in 1995 amounted to FIM 84 billion; the share of shares and subscription rights in the total was approximately 99 %.

1. The balance sheet of the Bank of Finland	S2
1.1 The balance sheet of the Bank of Finland	S2
1.2 Time series for the balance sheet items of the Bank of Finland	S3
2. The Bank of Finland's operations in the money and foreign exchange markets and the banks' forward exchange position	S4
2.1 Banks' liquidity position at the Bank of Finland	S4
2.2 The Bank of Finland's minimum reserve system	S4
2.3 The Bank of Finland's money market transactions	S4
2.4 The Bank of Finland's transactions in convertible currencies	S5
2.5 Forward exchange contracts	S5
3. Rates of interest	S6
3.1 Money market rates and rates applied by the Bank of Finland	S6
3.2 The Bank of Finland's liquidity facility	S6
3.3 Weighted Eurorates and commercial ECU interest rate	S6
3.4 Rates of interest applied by banks	S7
3.5 Yields on bonds and shares	S7
4. Rates of exchange	S8
4.1 Middle rates	S8
4.2 Markka value of the ECU and currency indices	S9
5. Other domestic financing	S10
5.1 Bank funding from the public	S10
5.2 Bank lending to the public	S10
5.3 Money supply and monetary aggregates	S11
5.4 Liabilities and assets of the central government	S11
5.5 Markka bond market	S12
a) Issues	S12
b) Stock	S12
c) Turnover	S13
5.6 Helsinki Stock Exchange	S13
6. Balance of payments, foreign liabilities and assets	S14
6.1 Current account	S14
6.2 Capital and financial account	S15
6.3 Finland's international investment position	S16
6.4 Finland's net international investment position (liabilities less assets), by sector	S17
7. Foreign trade	S18
7.1 Exports, imports and the trade balance	S18
7.2 Foreign trade: indices of volume, unit value and terms of trade	S18
7.3 Foreign trade by main groups	S18
7.4 Foreign trade by regions and countries	S19
8. Domestic economic developments	S20
8.1 Supply and use of resources	S20
8.2 Volume of industrial production	S20
8.3 Indicators of domestic supply and demand	S21
8.4 Wages and prices	S22
8.5 Labour, employment and unemployment	S23
8.6 Central government finances: revenue, expenditure and financial balance	S24
Notes and explanations to the statistical section	S25

1. The balance sheet of the Bank of Finland

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

	1995	1996			
	31 Dec.	8 Jan.	15 Jan.	23 Jan.	31 Jan.
ASSETS					
Gold and foreign currency claims	48 865	48 483	47 881	49 002	43 993
Gold	1 742	1 742	1 742	1 742	1 742
Special drawing rights	1 569	1 555	1 455	1 157	1 174
IMF reserve tranche	1 685	1 670	1 673	1 710	1 716
ECU-claim on the European Monetary Institute	3 363	3 354	3 299	3 348	3 337
Foreign currency claims	40 506	40 162	39 711	41 045	36 023
Other foreign claims	3 969	3 969	3 969	3 970	3 969
Markka subscription to Finland's quota in the IMF	3 911	3 911	3 911	3 911	3 911
Share in the European Monetary Institute	58	58	58	59	59
Claims on financial institutions	8 831	5 279	2 984	2 686	4 907
Liquidity credits	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Securities with repurchase commitments	7 076	3 530	1 259	961	3 182
Term credits	—	—	—	—	—
Bonds	417	411	386	386	386
Other claims on financial institutions	1 339	1 339	1 339	1 339	1 339
Claims on the public sector	1 882	1 882	1 883	1 879	1 879
Treasury bills	—	—	—	—	—
Total coinage	1 882	1 882	1 883	1 879	1 879
Claims on corporations	2 886	2 874	2 874	2 874	2 870
Financing of domestic deliveries (KTR)	185	173	173	173	170
Other claims on corporations	2 700	2 700	2 700	2 700	2 700
Other assets	5 645	5 611	5 548	5 498	5 534
Loans for stabilizing the money market	4 532	4 532	4 532	4 532	4 532
Accrued items	972	943	880	831	864
Other assets	141	136	135	135	138
Valuation account	643	840	791	—	—
Capitalized expenditures and losses due to safeguarding the stability of the money market	1 400	1 400	1 400	1 400	1 400
Total	74 121	70 337	67 329	67 308	64 551
LIABILITIES					
Foreign currency liabilities	1 214	443	430	459	493
Other foreign liabilities	4 837	4 829	4 831	4 851	4 854
IMF markka accounts	3 911	3 911	3 911	3 911	3 911
Allocations of special drawing rights	927	918	920	940	944
Other foreign liabilities	—	—	—	—	—
Notes and coin in circulation	15 611	14 986	14 780	14 481	14 293
Notes	13 868	13 253	13 061	12 768	12 584
Coin	1 743	1 732	1 719	1 713	1 709
Certificates of deposit	27 090	33 880	33 880	31 745	16 743
Liabilities to financial institutions	16 777	7 657	4 877	6 986	19 256
Reserve deposits	15 676	6 556	3 776	5 885	18 155
Term deposits	—	—	—	—	—
Other liabilities to financial institutions	1 101	1 101	1 101	1 101	1 101
Liabilities to the public sector	75	75	75	75	132
Cheque accounts	0	0	0	0	0
Deposits of the Government Guarantee Fund	75	75	75	75	132
Other liabilities to the public sector	—	—	—	—	—
Liabilities to corporations	994	959	955	950	944
Deposits for investment and ship purchase	994	959	955	950	944
Other liabilities	327	314	306	306	294
Accrued items	300	282	282	282	269
Other liabilities	27	32	24	24	25
Valuation account	—	—	—	260	346
Provisions	1 431	1 431	1 431	1 431	1 431
Pension provision	1 431	1 431	1 431	1 431	1 431
Other provisions	—	—	—	—	—
Capital accounts	5 764	5 764	5 764	5 764	5 764
Primary capital	5 000	5 000	5 000	5 000	5 000
Reserve fund	764	764	764	764	764
Net earnings	—	—	—	—	—
Total	74 121	70 337	67 329	67 308	64 551

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

End of period	Foreign sector								Public sector		
	Gold	Special drawing rights	IMF reserve tranche	ECU-claim on the European Monetary Institute	Foreign currency claims	Foreign exchange reserves (1+2+3+4+5)	Other claims, net	Net claims (6+7)	Claims	Liabilities	Net claims (9-10)
	1	2	3	4	5	6	7	8	9	10	11
1991	2 180	932	1 136	.	29 381	33 629	- 424	33 204	1 375	3	1 372
1992	2 180	564	1 732	.	25 041	29 517	-2 998	26 519	2 446	90	2 356
1993	2 180	664	1 747	.	28 882	33 473	-1 324	32 148	1 788	784	1 004
1994	2 180	1 537	1 354	.	47 672	52 743	-1 114	51 629	1 806	93	1 713
1995	1 742	1 569	1 685	3 363	40 506	48 865	-2 082	46 783	1 882	75	1 807
1995											
Jan.	1 742	1 370	1 366	3 700	46 627	54 805	-1 490	53 315	1 767	184	1 583
Feb.	1 742	1 775	1 326	3 606	45 608	54 058	-1 544	52 514	1 765	68	1 697
March	1 742	1 616	1 329	3 619	45 185	53 492	-1 149	52 343	1 763	68	1 695
April	1 742	1 295	1 290	3 460	42 535	50 321	-1 583	48 738	1 773	101	1 672
May	1 742	1 028	1 437	3 481	42 847	50 536	-1 644	48 892	1 772	194	1 578
June	1 742	1 278	1 425	3 477	43 484	51 407	-1 617	49 790	1 793	554	1 239
July	1 742	1 383	1 518	3 361	43 659	51 662	-1 945	49 717	1 797	53	1 744
Aug.	1 742	1 275	1 584	3 333	43 816	51 750	-1 902	49 848	1 804	56	1 748
Sept.	1 742	1 457	1 579	3 323	40 294	48 395	-1 829	46 566	1 797	76	1 721
Oct.	1 742	1 385	1 671	3 315	39 624	47 738	-1 954	45 784	1 801	76	1 725
Nov.	1 742	1 421	1 666	3 279	42 396	50 503	-2 113	48 390	1 819	75	1 744
Dec.	1 742	1 569	1 685	3 363	40 506	48 865	-2 082	46 783	1 882	75	1 807
1996											
Jan.	1 742	1 174	1 716	3 337	36 023	43 993	-1 378	42 615	1 879	132	1 747

End of period	Domestic financial sector					Corporate sector				
	Term claims on deposit banks, net	Liquidity position of deposit banks ¹	Reserve deposits of deposit banks ¹	Other claims on financial institutions, net	Net claims ² (12+13+14+15)	Claims in the form of special financing	Special deposits and other items, net	Net claims (17+18)	Notes and coin in circulation	Out-standing CDs issued by the Bank of Finland
	12	13	14	15	16	17	18	19	20	21
1991	11 882	-2 206	-10 361	5 531	4 846	1 086	-6 854	-5 768	14 528	8 880
1992	3 738	- 550	-13 165	4 572	-5 405	747	-2 651	-1 904	14 508	4 880
1993	7 337	-1 802	-6 398	1 339	476	496	720	1 216	14 994	14 837
1994	1 480	-1 387	-6 526	1 040	-5 392	316	1 285	1 601	14 315	35 236
1995	7 076	-15 676	-15 676	655	-7 945	185	1 706	1 891	15 611	27 090
1995										
Jan.	944	- 719	-6 511	1 003	-5 284	307	1 354	1 661	13 592	36 282
Feb.	2 328	-1 618	-6 521	947	-4 863	295	1 447	1 742	14 087	36 943
March	2 701	-1 048	-6 516	937	-3 926	285	1 501	1 786	13 846	37 991
April	2 922	-1 124	-6 798	906	-4 094	273	1 561	1 834	14 121	35 448
May	2 242	- 794	-6 523	886	-4 189	259	1 599	1 858	14 270	34 742
June	3 019	- 707	-6 646	852	-3 482	244	1 638	1 882	14 374	35 555
July	3 425	- 525	-6 765	829	-3 037	235	1 653	1 888	14 544	36 982
Aug.	3 053	- 624	-6 574	823	-3 322	224	1 669	1 893	14 325	36 809
Sept.	6 261	-672	-6 557	779	- 189	217	1 692	1 909	14 229	37 321
Oct.	6 178	-5 768	-5 768	728	1 138	202	1 752	1 954	14 129	37 596
Nov.	5 409	-7 011	-7 011	711	- 891	192	1 631	1 823	14 321	38 082
Dec.	7 076	-15 676	-15 676	655	-7 945	185	1 706	1 891	15 611	27 090
1996										
Jan.	3 182	-18 155	-18 155	624	-14 349	170	1 756	1 926	14 293	16 743

¹ From October 1995, the liquidity position of deposit banks largely consists of minimum reserve deposits (see also Table 2.1).

² From October 1995, net claims is the sum of columns 12, 13 and 15.

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

2.1 Banks' liquidity position

at the Bank of Finland, mill. FIM

Average of daily observations	Minimum reserve deposits	Call money deposits	Liquidity credits	Liquidity position, net
1	2	3	4	
1991	.	881	985	-103
1992	.	2 103	437	1666
1993	.	831	425	407
1994	.	1 393	10	1383
1995	..r	..r	102r	2 439r
1995				
Jan.	.	1 196	0	1 196
Feb.	.	1 210	4	1 206
March	.	1 750	0	1 750
April	.	853	0	853
May	.	833	2	831
June	.	607	30	577
July	.	803	0	803
Aug.	.	873	204	669
Sept.	.	1 067	874	193
Oct.	6 736	.	0	6 736
Nov.	6 632	.	110	6 522
Dec.	7 933	.	0	7 933
1996				
Jan.	6 875	.	0	6 875

2.2 The Bank of Finland's minimum reserve system

End of period	Reserve requirement			Mill. FIM	Reserve deposits, mill. FIM ¹	Excess reserves, mill. FIM ¹ (5-4)
	On deposits repayable on demand, %	On other deposits, %	On other items, %			
	1	2	3	4	5	6
1993	2.0	1.5	1.0	6 398	6 398	.
1994	2.0	1.5	1.0	6 526	6 526	.
1995 I-IX	2.0	1.5	1.0	6 557	6 557	.
1995 X-XII	2.0	1.5	1.0	6 530	7 146	616
1995						
Jan.	2.0	1.5	1.0	6 511	6 511	.
Feb.	2.0	1.5	1.0	6 521	6 521	.
March	2.0	1.5	1.0	6 516	6 516	.
April	2.0	1.5	1.0	6 798	6 798	.
May	2.0	1.5	1.0	6 523	6 523	.
June	2.0	1.5	1.0	6 646	6 646	.
July	2.0	1.5	1.0	6 765	6 765	.
Aug.	2.0	1.5	1.0	6 574	6 574	.
Sept.	2.0	1.5	1.0	6 557	6 557	.
Oct.	2.0	1.5	1.0	6 557	6 697	140
Nov.	2.0	1.5	1.0	6 545	6 741	196
Dec.	2.0	1.5	1.0	6 487	7 999	1 512
1996						
Jan.	2.0	1.5	1.0	6 541	6 758	217

¹ Daily averages as from 2 October 1995.

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

During period	Purchases of money market instruments	Sales of money market instruments	Matured money market instruments, net	Money market transactions, net (1-2-3)
1	2	3	4	
1991	109 568	30 380	81 969	-2 781
1992	76 230	137 940	-60 417	-1 293
1993	86 521	146 899	-50 486	-9 892
1994	35 540	351 820	-295 165	-21 115
1995	50 435	434 810	-393 930	9 555
1995				
Jan.	2 580	36 050	-31 590	-1 880
Feb.	3 490	36 940	-34 710	1 260
March	4 260	40 440	-35 360	-820
April	2 400	34 970	-35 680	3 110
May	3 710	32 780	-28 590	-480
June	3 060	35 560	-32 400	-100
July	3 385	36 980	-32 530	-1 065
Aug.	3 040	36 810	-33 550	-220
Sept.	9 350	37 350	-33 740	5 740
Oct.	5 380	37 610	-28 110	-4 120
Nov.	4 680	38 080	-30 380	-3 020
Dec.	5 100	31 240	-37 290	11 150
1996				
Jan.	3 250	26 000	-22 850	100

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

During period	Intervention in the foreign exchange market			Spot transactions related to forward contracts, net	Central government's foreign exchange transactions, net
	Spot purchases	Spot sales	Forward exchange intervention = change in forward exchange position		
	1	2	3	4	5
1991	35 120	-69 940	-14 820	12 820	12 260
1992	20 050	-70 640	-1 650	390	45 060
1993	25 120	-45 080	7 460	-6 910	33 240
1994	20 930	-12 900	9 060	-8 930	24 660
1995	4 910	-5 470	-6 170	9 170	-10 135
1994					
Dec.	1 750	- 300	870	-1 120	- 960
1995					
Jan.	-	- 190	3 290	-3 260	4 360
Feb.	-	-90	- 280	-90	720
March	-	-1 440	-1 710	1 350	-50
April	400	-	-2 650	6 290	-6 010
May	-	-	-1 230	1 300	-1 040
June	-	-	-1 120	1 110	- 813
July	-	-	-2 470	2 450	-2 072
Aug.	4 000	- 780	3 510	-3 410	-70
Sept.	450	-1 970	- 100	-	-2 640
Oct.	-	- 180	- 830	860	- 330
Nov.	60	-	-2 580	2 570	120
Dec.	-	- 820	-	-	-2 310

2.5 Forward exchange contracts between Finnish markkaa and other currencies, mill. FIM

Stock at end of period	Finnish banks' forward contracts							Non-residents' forward contracts with Finnish customers (excl. Finnish banks)			The Bank of Finland's forward contracts
	With Finnish customers (excl. Finnish banks)			With foreign customers			Total	Currency purchases from Finnish customers	Currency sales to Finnish customers	Net	
	Currency purchases from Finnish customers	Currency sales to Finnish customers	Net	Currency purchases from foreign customers	Currency sales to foreign customers	Net					
	1	2	3	4	5	6	7	8	9	10	11
1991	33 004	36 352	-3 348	40 056	37 505	2 550	- 798	1 404	645	759	8 953
1992	39 195	32 939	6 256	21 142	32 339	-11 197	-4 941	1 614	1 929	- 315	7 133
1993	38 373	23 721	14 652	14 346	21 895	-7 548	7 104	11 632	2 173	9 459	1 939
1994	51 096	22 093	29 003	19 236	32 791	-13 555	15 448	18 372	4 780	13 592	-6 080
1995	60 280	19 095	41 185	31 837	48 906	-17 069	24 116	12 829	6 871	5 957	0
1994											
Dec.	51 096	22 093	29 003	19 236	32 791	-13 555	15 448	18 372	4 780	13 592	-6 080
1995											
Jan.	53 808	22 928	30 880	21 342	31 748	-10 407	20 473	19 972	4 698	15 274	-9 436
Feb.	54 500	23 006	31 494	21 161	36 433	-15 273	16 221	20 618	3 533	17 086	-9 485
March	57 611	25 712	31 899	23 283	36 466	-13 182	18 717	20 806	4 775	16 030	-8 055
April	57 779	24 331	33 447	22 063	33 135	-11 073	22 374	19 221	5 194	14 027	-4 909
May	59 058	24 236	34 822	23 178	33 876	-10 698	24 124	17 363	5 967	11 395	-3 562
June	56 010	21 745	34 265	22 744	36 052	-13 308	20 957	17 184	5 360	11 824	-2 461
July	54 311	20 649	33 662	22 825	33 288	-10 463	23 199	16 028	4 688	11 340	0
Aug.	58 236	19 237	39 000	24 721	37 101	-12 379	26 621	16 288	5 142	11 146	-3 416
Sept.	58 838	21 341	37 497	23 891	38 339	-14 448	23 049	13 840	6 002	7 838	-3 416
Oct.	56 689	20 187	36 503	25 509	39 525	-14 015	22 488	14 986	6 228	8 758	-2 572
Nov.	58 789	21 279	37 510	29 384	45 295	-15 911	21 599	15 154	6 539	8 615	0
Dec.	60 280	19 095	41 185	31 837	48 906	-17 069	24 116	12 829	6 871	5 957	0

3. Rates of interest

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

Average of daily observations	Interbank overnight rate	HELIBOR				Bank of Finland rates		
		1 month	3 months	6 months	12 months	Liquidity credit rate ¹	Excess-reserve rate ²	Base rate
	1	2	3	4	5	6	7	8
1991	14.89	13.64	13.07	12.69	12.53	15.48	4.00	8.50
1992	13.32	13.49	13.27	13.08	12.96	14.90	7.41	9.17
1993	7.71	7.85	7.73	7.59	7.47	8.95	4.95	6.85
1994	4.38	5.11	5.35	5.78	6.33	7.11	3.11	5.27
1995	5.26	5.63	5.76	5.97	6.34	7.63	3.63	5.20
1995								
Jan.	4.43	5.50	5.85	6.32	7.14	7.50	3.50	5.25
Feb.	5.27	5.71	5.99	6.32	6.97	7.66	3.66	5.25
March	4.66	5.78	6.06	6.48	7.07	7.75	3.75	5.25
April	5.00	5.75	5.97	6.31	6.82	7.75	3.75	5.25
May	5.06	5.72	5.87	6.06	6.45	7.75	3.75	5.25
June	5.77	5.93	6.02	6.21	6.57	7.93	3.93	5.25
July	5.40	5.97	6.13	6.40	6.80	8.00	4.00	5.25
Aug.	6.04	5.99	6.08	6.25	6.56	8.00	4.00	5.25
Sept.	6.20	5.97	5.95	5.97	6.04	8.00	4.00	5.25
Oct.	5.61	5.58	5.61	5.65	5.76	7.57	3.57	5.25
Nov.	4.90	4.90	4.93	4.99	5.11	6.90	2.90	5.00
Dec.	4.60	4.56	4.54	4.57	4.66	6.56	2.56	4.86
1996								
Jan.	4.30	4.21	4.20	4.24	4.41	6.25	2.25	4.75

¹ Call money credit rate until 2 July 1992.

² Call money deposit rate until 2 October 1995.

3.2 The Bank of Finland's liquidity facility

	The Bank of Finland's tender rate, %	Liquidity credit: interest rate margin, %-points	Liquidity credit: maturity, days	Call money deposits: interest rate margin, %-points	Excess-reserve rate
	1	2	3	4	5
1992 ¹	13.85	1992 +1.00	7	-3.00	.
1993	7.87	1993 +2.00	7	-2.00	.
1994	5.11	1994 +2.00	7	-2.00	.
1995	5.63	1995 +2.00	7	.	2.25
1995		1995			
Jan.	5.50	Jan. +2.00	7	-2.00	.
Feb.	5.66	Feb. +2.00	7	-2.00	.
March	5.75	March +2.00	7	-2.00	.
April	5.75	April +2.00	7	-2.00	.
May	5.75	May +2.00	7	-2.00	.
June	5.93	June +2.00	7	-2.00	.
July	6.00	July +2.00	7	-2.00	.
Aug.	6.00	Aug. +2.00	7	-2.00	.
Sept.	6.00	Sept. +2.00	7	-2.00	.
Oct.	5.57	Oct. +2.00	7	.	3.50
Nov.	4.90	Nov. +2.00	7	.	2.75
Dec.	4.56	Dec. +2.00	7	.	2.25
1996		1996			
Jan.	4.25	Jan. +2.00	7	.	2.25
19.12.1995	4.25	19.12.1995			2.25

3.3 Weighted Eurorates and commercial ECU interest rate, per cent

Average of daily observations	ECU	3 currencies	Commercial ECU
	3 months		
	1	2	3
1991	10.1	8.5	9.9
1992	10.4	7.8	10.6
1993	8.0	6.0	8.1
1994	5.9	5.2	6.1
1995	5.9	5.2	6.0
1995			
Jan.	6.0	5.6	6.3
Feb.	6.0	5.6	6.1
March	6.7	5.6	6.9
April	6.3	5.3	6.4
May	6.2	5.2	6.3
June	6.1	5.2	6.2
July	5.9	5.2	6.1
Aug.	5.7	5.1	5.9
Sept.	5.6	4.9	5.6
Oct.	5.7	4.9	5.8
Nov.	5.5	4.8	5.5
Dec.	5.3	4.7	5.3
1996			
Jan.	4.9	4.5	4.9

¹ July-December.

3.4 Rates of interest applied by banks, per cent

Average for period	Lending					Markka deposits and other markka funding						
	New credits				Average lending rate	Of which: Commercial banks	24-month tax-exempt deposits ¹	36-month tax-exempt deposits ¹	Other tax-exempt deposits, max. rate of interest ¹	Average rate of interest on deposits	Average rate of interest on other funding	Average rate of interest on markka funding
	Cheque account and postal giro credits	Bills of exchange	Loans	New lending, total								
	1	2	3	4	5	6	7	8	9	10	11	12
1991	13.63	15.88	13.40	13.84	12.08	11.80	7.50		4.50	7.10	13.22	8.97
1992	14.04	15.86	13.32	13.75	12.46	12.13	7.50	8.50	4.50	7.41	12.84	9.14
1993	9.69	13.55	9.40	9.75	10.20	9.92	3.50	4.50	2.00	4.78	8.86	6.15
1994	7.32	11.55	7.13	7.35	8.18	7.91	3.25	4.25	2.00	2.99	5.96	4.01
1995	7.86	11.33	7.30	7.46	8.04	7.75	2.75	3.75	2.00	3.13	6.29	4.08
1994 Dec.	7.62	10.69	6.44	6.71	8.05	7.76	3.25	4.25	2.00	3.11	6.17	4.10
1995 Jan.	7.79	11.55	7.22	7.40	8.11	7.84	3.25	4.25	2.00	3.15	6.27	4.18
Feb.	8.46	11.54	7.29	7.50	8.11	7.83	3.25	4.25	2.00	3.17	6.33	4.18
March	8.40	11.58	7.62	7.80	8.16	7.89	3.25	4.25	2.00	3.22	6.41	4.22
April	7.80	11.39	7.54	7.68	8.17	7.90	3.25	4.25	2.00	3.23	6.45	4.23
May	8.15	11.52	7.54	7.71	8.16	7.89	3.25	4.25	2.00	3.23	6.45	4.23
June	8.13	11.61	7.43	7.60	8.14	7.85	3.25	4.25	2.00	3.21	6.53	4.13
July	9.68	11.63	7.81	8.00	8.16	7.87	3.25	4.25	2.00	3.22	6.54	4.15
Aug.	8.98	11.58	7.80	7.98	8.14	7.84	3.25	4.25	2.00	3.21	6.52	4.16
Sept.	8.46	11.63	7.68	7.86	8.11	7.82	3.25	4.24	2.00	3.20	6.35	4.14
Oct.	7.73	11.56	7.28	7.43	7.98	7.68	3.25	4.25	2.00	3.09	6.19	4.03
Nov.	6.86	11.48	6.80	6.92	7.78	7.45	3.00	4.00	2.00	2.92	6.04	3.81
Dec.	6.55	9.30	6.09	6.21	7.46	7.13	2.75	3.75	2.00	2.69	5.28	3.38

¹ End of period.

3.5 Yields on bonds and shares, per cent

Period	Bonds				Shares
	Reference rates calculated by the Bank of Finland		Taxable government bonds		Share yield
	3 years	5 years	5 years	10 years	
	1	2	3	4	5
1991	12.3	12.2	11.8		3.9
1992	13.1	13.0	12.0	11.5 ¹	3.1
1993	8.5	8.9	8.2	8.8	1.8
1994	8.5	9.3	8.4	9.0	1.4
1995	8.2	8.9	7.9	8.8	2.6
1994 Dec.	9.6	10.5	9.5	10.2	1.7
1995 Jan.	9.5	10.3	9.4	10.2	1.3
Feb.	9.3	10.2	9.3	10.2	1.5
March	9.2	10.1	9.2	10.2	2.3
April	8.7	9.4	8.4	9.4	2.6
May	8.2	8.9	7.8	8.8	3.3
June	8.3	8.9	7.7	8.7	3.1
July	8.5	9.0	7.8	8.7	2.8
Aug.	8.1	8.6	7.3	8.3	2.7
Sept.	7.6	8.1	7.2	8.0	2.6
Oct.	7.4	8.0	7.5	7.9	2.6
Nov.	6.7	7.5	7.0	7.5	3.1
Dec.	6.5	7.3	6.7	7.4	3.5

¹ November and December only.

4. Rates of exchange

4.1 Middle rates, FIM

Average of daily quotations	New York 1 USD	Montreal 1 CAD	London 1 GBP	Dublin 1 IEP	Stockholm 1 SEK	Oslo 1 NOK	Copenhagen 1 DKK	Reykjavik 1 ISK	Frankfurt am Main 1 DEM	Amsterdam 1 NLG	Brussels 1 BEF	Zurich 1 CHF
	1	2	3	4	5	6	7	8	9	10	11	12
1991	4.0457	3.533	7.131	6.511	0.6684	0.6236	0.6322	0.0684	2.4380	2.1634	0.1184	2.8208
1992	4.4835	3.706	7.875	7.636	0.7714	0.7222	0.7444	0.0778	2.8769	2.5552	0.1397	3.2000
1993	5.7189	4.434	8.582	8.371	0.7350	0.8059	0.8822	0.0846	3.4584	3.0787	0.1655	3.8706
1994	5.2184	3.824	7.982	7.799	0.6758	0.7393	0.8207	0.0745	3.2169	2.8684	0.1561	3.8179
1995	4.3658	3.181	6.891	6.999	0.6123	0.6889	0.7790	0.0674	3.0471	2.7202	0.1481	3.6941
1995												
Jan.	4.7358	3.352	7.458	7.375	0.6344	0.7071	0.7851	0.0698	3.0930	2.7591	0.1501	3.6782
Feb.	4.6433	3.315	7.300	7.256	0.6288	0.7041	0.7832	0.0697	3.0913	2.7576	0.1501	3.6526
March	4.3769	3.111	7.004	6.993	0.6021	0.6979	0.7770	0.0680	3.1138	2.7768	0.1509	3.7378
April	4.2650	3.096	6.862	6.948	0.5810	0.6889	0.7855	0.0676	3.0947	2.7641	0.1505	3.7580
May	4.3155	3.172	6.854	6.999	0.5919	0.6860	0.7832	0.0673	3.0663	2.7390	0.1490	3.6980
June	4.2983	3.120	6.853	7.004	0.5920	0.6891	0.7858	0.0678	3.0668	2.7406	0.1493	3.7104
July	4.2488	3.121	6.776	6.968	0.5917	0.6882	0.7852	0.0674	3.0587	2.7305	0.1488	3.6755
Aug.	4.3000	3.173	6.743	6.902	0.5949	0.6784	0.7680	0.0666	2.9773	2.6583	0.1448	3.5959
Sept.	4.3717	3.240	6.810	6.953	0.6127	0.6829	0.7710	0.0665	2.9902	2.6693	0.1454	3.6750
Oct.	4.2696	3.174	6.738	6.890	0.6248	0.6845	0.7776	0.0661	3.0188	2.6953	0.1468	3.7265
Nov.	4.2400	3.134	6.629	6.814	0.6427	0.6785	0.7724	0.0656	2.9934	2.6724	0.1456	3.7109
Dec.	4.3351	3.165	6.669	6.893	0.6531	0.6822	0.7766	0.0663	3.0083	2.6866	0.1464	3.7246
1996												
Jan.	4.4425	3.251	6.797	7.032	0.6608	0.6923	0.7859	0.0673	3.0398	2.7145	0.1479	3.7670

Average of daily quotations	Paris 1 FRF	Rome 1 ITL	Vienna 1 ATS	Lisbon 1 PTE	Madrid 1 ESP	Athens 1 GRD	Tallinn 1 EEK	Tokyo 1 JPY	Melbourne 1 AUD	ECU Commercial 1 XEU	SDR 1 XDR
	13	14	15	16	17	18	19	20	21	22	23
1991	0.7169	0.00326	0.3464	0.0280	0.0389	0.022		0.03008	3.152	5.003	5.52771
1992	0.8486	0.00364	0.4088	0.0332	0.0438	0.024	0.4060	0.03546	3.289	5.798	6.31546
1993	1.0096	0.00364	0.4916	0.0356	0.0451	0.025	0.4323	0.05168	3.885	6.685	7.98641
1994	0.9406	0.00324	0.4573	0.0314	0.0390	0.0215	0.4021	0.05106	3.814	6.175	7.46629
1995	0.8748	0.00268	0.4331	0.0291	0.0350	0.0189	0.3809	0.04663	3.238	5.644	6.61196
1995											
Jan.	0.8946	0.00294	0.4396	0.0300	0.0357	0.0199	0.3866	0.04752	3.625	5.859	6.94337
Feb.	0.8889	0.00287	0.4393	0.0299	0.0356	0.0197	0.3864	0.04725	3.460	5.811	6.86328
March	0.8790	0.00259	0.4424	0.0296	0.0341	0.0192	0.3892	0.04833	3.216	5.700	6.72357
April	0.8814	0.00249	0.4398	0.0293	0.0343	0.0190	0.3868	0.05101	3.139	5.671	6.71986
May	0.8670	0.00261	0.4360	0.0291	0.0350	0.0189	0.3833	0.05078	3.143	5.647	6.72395
June	0.8736	0.00262	0.4362	0.0291	0.0353	0.0190	0.3833	0.05083	3.094	5.665	6.72042
July	0.8788	0.00264	0.4349	0.0291	0.0355	0.0189	0.3823	0.04871	3.088	5.662	6.61807
Aug.	0.8654	0.00268	0.4234	0.0287	0.0349	0.0185	0.3722	0.04547	3.186	5.569	6.49492
Sept.	0.8670	0.00271	0.4251	0.0287	0.0348	0.0186	0.3738	0.04353	3.298	5.580	6.40629
Oct.	0.8643	0.00266	0.4290	0.0287	0.0349	0.0184	0.3773	0.04242	3.237	5.546	6.39697
Nov.	0.8677	0.00266	0.4255	0.0285	0.0348	0.0181	0.3742	0.04162	3.160	5.496	6.33703
Dec.	0.8733	0.00272	0.4276	0.0287	0.0354	0.0182	0.3760	0.04258	3.213	5.530	6.43793
1996											
Jan.	0.8878	0.00281	0.4323	0.0293	0.0361	0.0185	0.3800	0.04206	3.293	5.609	6.51994

4.2 Markka value of the ECU and currency indices

Average of daily observations	Markka value of the ECU FIM/ECU	Currency indices, 1982=100	
		Trade-weighted currency index	Payments currency index
	1	2	3
1991	5.00580	101.4	101.4
1992	5.80140	116.4	115.7
1993	6.69420	132.4	136.0
1994	6.19108	123.2	125.5
1995	5.70936	111.6	111.5
1995			
Jan.	5.87972	115.9	117.1
Feb.	5.84352	114.9	115.8
March	5.76731	112.4	112.3
April	5.72937	111.2	110.5
May	5.70402	111.3	110.9
June	5.71859	111.5	110.8
July	5.71263	110.9	110.1
Aug.	5.60862	109.4	109.4
Sept.	5.63392	110.3	110.6
Oct.	5.64587	110.4	110.0
Nov.	5.61404	110.0	109.5
Dec.	5.65470	111.2	111.0
1996			
Jan.	5.73809	112.7	112.9

5. Other domestic financing

5.1 Bank funding from the public, mill. FIM

End of period	Cheque and giro deposits	Transaction deposits	Time deposits	Other deposits	Markka deposits, total (1+2+3+4)	Foreign currency deposits	Total deposits (5+6)	Other funding	Total funding (7+8)
	1	2	3	4	5	6	7	8	9
1990	30 953	96 176	124 930		252 058	6 818	258 876	38 835	297 711
1991	33 619	86 442	122 126	615	261 802	13 151	274 953	52 760	327 713
1992	34 832	88 526	114 771	21 218	259 347	14 626	273 973	65 557	339 530
1993	36 379	92 357	112 413	21 766	262 915	14 883	277 798	63 173	340 971
1994	41 200	99 691	108 922	19 838	269 650	12 774	282 424	44 228	326 651
1994									
Sept.	40 588	97 976	107 427	20 722	266 712	12 839	279 551	56 424	335 974
Oct.	41 393	98 519	107 168	20 272	267 352	14 479	281 832	52 354	334 186
Nov.	42 319	98 059	107 511	20 141	268 030	11 895	279 925	46 810	326 735
Dec.	41 200	99 691	108 922	19 838	269 650	12 774	282 424	44 228	326 651
1995									
Jan.	41 912	100 114	109 274	19 729	271 028	11 588	282 616	37 173	319 788
Feb.	42 583	103 613	108 069	19 960	274 225	12 844	287 069	44 259	331 328
March	43 698	104 071	108 784	20 259	276 812	12 769	289 581	47 289	336 870
April	45 487	104 920	108 622	20 467	279 495	11 987	291 483	55 118	346 601
May	45 373	103 337	108 316	20 671	277 697	12 264	289 961	48 998	338 959
June	47 640	105 219	108 954	20 606	282 418	12 759	295 177	44 648	339 825
July	48 359	105 161	108 755	20 811	283 087	12 420	295 507	62 174	357 681
Aug.	46 983	105 397	108 792	20 795	281 966	12 488	294 454	62 337	356 791
Sept.	44 089	105 789	108 047	20 852	278 776	12 165	290 941	57 174	348 115

5.2 Bank lending to the public, mill. FIM

End of period	Cheque account and postal giro credits	Bills of exchange	Loans	Markka lending, total (1+2+3)	Foreign currency credits	Total lending (4+5)
	1	2	3	4	5	6
1990	19 152	5 777	260 790	285 720	103 134	388 853
1991	18 037	4 712	262 859	285 609	107 714	393 323
1992	16 045	3 335	252 163	271 544	95 168	366 712
1993	14 217	2 223	248 406	264 846	66 931	331 777
1994	13 241	1 301	242 417	256 958	45 138	302 096
1994						
Sept.	14 068	1 642	243 874	259 584	51 258	310 842
Oct.	13 583	1 594	244 191	259 368	47 775	307 143
Nov.	13 274	1 522	244 044	258 840	46 902	305 742
Dec.	13 241	1 301	242 417	256 958	45 138	302 096
1995						
Jan.	12 991	1 240	242 556	256 787	43 726	300 513
Feb.	12 951	1 190	242 803	256 944	42 579	299 523
March	12 797	1 157	242 000	255 954	42 316	298 270
April	12 657	1 159	242 911	256 727	39 550	296 277
May	12 448	1 145	242 338	255 930	38 260	294 190
June	12 216	1 070	241 834	255 120	37 831	292 951
July	11 845	1 074	242 045	254 963	36 353	291 316
Aug.	11 860	1 058	242 323	255 242	36 230	291 472
Sept.	12 317	1 004	241 909	255 230	35 166	290 396

5.3 Money supply and monetary aggregates, mill. FIM

End of period	Foreign assets, net	Domestic credit			Other items, net	M ₁	M ₂ (1+4+5)	M ₃
		Claims on the central government	Claims on the public	Total (2+3)				
	1	2	3	4	5	6	7	8
1990	-82 881	-19 072	453 720	434 648	-85 385	141 524	266 383	291 045
1991	-86 555	-6 516	470 852	464 336	-102 540	130 644	275 241	310 924
1992	-68 099	81	439 937	440 018	-97 909	134 829	274 011	310 733
1993	-25 989	1 848	403 742	405 589	-100 006	141 759	279 595	322 408
1994*	12 844	6 092	365 712	371 804	-97 953	154 357	286 696	328 509
1994*								
Dec.	12 844	6 092	365 712	371 804	-97 953	154 357	286 696	328 509
1995*								
Jan.	28 939	9 037	370 373	379 410	-122 578	153 993	285 771	325 743
Feb.	25 494	14 141	370 920	385 061	-121 310	158 107	289 245	328 804
March	23 412	10 068	372 468	382 536	-113 733	159 929	292 215	332 244
April	20 550	6 676	376 188	382 863	-107 834	163 101	295 579	331 882
May	13 031	9 645	374 729	384 374	-103 383	162 089	294 022	332 613
June	16 161	14 239	371 622	385 860	-105 467	164 865	296 555	340 057
July	20 128	15 666	370 015	385 681	-109 496	164 621	296 313	342 997
Aug.	22 843	15 688	369 481	385 169	-112 785	163 475	295 227	337 391
Sept.	25 915	18 221	367 613	385 834	-119 082	161 659	292 667	338 041
Oct.	..	..	..	..	..	163 296	292 334	334 382
Nov.	..	..	..	..	..	167 783	295 871	328 101
Dec.	..	..	..	..	..	175 852	303 754	329 785

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

End of period	Foreign currency-denominated debt			Markka-denominated debt					Total central government debt (3+8)	Out-standing lending	Cash funds
	Bonds	Other debt	Total (1+2)	Public bonds	Other long-term liabilities	Treasury notes and bills	Miscellaneous items	Total (4+5+6+7)			
	1	2	3	4	5	6	7	8	9	10	11
1991	38 703	4 943	43 646	31 018	12 208	5 180	.	48 406	92 052	55 165	15 956
1992	100 244	6 143	106 387	40 578	13 555	14 762	.	68 895	175 282	61 671	19 781
1993	142 824	12 753	155 577	71 082	16 060	22 824	.	109 966	265 543	66 439	36 487
1994	160 587	15 975	176 562	93 008	17 100	33 153	-5 945	137 316	313 878	67 658	43 012
1995	158 545	13 756	172 301	143 948	17 492	37 864	-5 609	193 695	365 996	..	..
1994											
Dec.	160 587	15 975	176 562	93 008	17 100	33 153	-5 945	137 316	313 878	66 851	43 012
1995											
Jan.	167 765	16 137	183 902	96 649	17 080	38 658	-6 019	146 368	330 270	67 993	52 460
Feb.	165 516	15 884	181 400	105 442	17 080	37 320	-6 039	153 803	335 203	68 189	54 954
March	166 342	17 306	183 648	115 230	17 053	38 990	-6 041	165 232	348 880	68 400	47 978
April	163 779	14 335	178 114	119 148	16 433	41 596	-5 599	171 578	349 692	68 916	47 895
May	164 510	14 515	179 025	121 943	16 399	40 535	-5 585	173 292	352 317	68 574	43 954
June	164 086	14 555	178 641	122 461	15 788	36 529	-5 587	169 191	347 832	68 921	32 648
July	160 563	14 192	174 755	122 953	15 781	35 526	-5 627	168 633	343 388	68 754	30 029
Aug.	159 404	13 799	173 203	129 417	17 531	34 804	-5 641	176 111	349 314	68 778	31 864
Sept.	159 093	13 532	172 625	134 142	17 530	31 525	-5 649	177 552	350 177	69 233	35 250
Oct.	158 207	14 100	172 307	134 673	17 530	34 287	-5 692	180 798	353 105	69 391	32 117
Nov.	156 263	14 145	170 408	139 244	17 503	38 769	-5 675	189 841	360 249	67 750	45 082
Dec.	158 545	13 756	172 301	143 948	17 492	37 864	-5 609	193 695	365 996	..	..

5.5 Markka bond market

A) Issues, mill. FIM

During period	Corporations	Financial institutions	Central government	Local government	Others	Total (1+2+3+4+5)
	1	2	3	4	5	6
1991	7 277	25 737	11 073	1 320	—	45 407
1992	6 984	15 043	12 965	2 674	4	37 671
1993	11 691	10 481	36 512	2 235	63	60 981
1994	4 053	9 899	31 553	593	—	46 099
1995*	741	5 552	66 557	26	—	72 876
1994 Dec.	—	663	4 525	—	—	5 187
1995*						
Jan.	100	333	5 109	—	—	5 542
Feb.	53	244	9 230	—	—	9 526
March	354	459	10 543	26	—	11 382
April	1	118	3 943	—	—	4 061
May	22	228	3 852	—	—	4 103
June	100	1 115	2 329	—	—	3 544
July	—	—	505	—	—	505
Aug.	1	101	6 796	—	—	6 898
Sept.	110	1 980	9 752	—	—	11 842
Oct.	—	150	5 020	—	—	5 170
Nov.	—	600	4 761	—	—	5 361
Dec.	—	225	4 717	—	—	4 942

B) Stock, mill. FIM

During period	By sector					By type of loan			Total (1+2+3+4+5) = (6+7+8)
	Corpo- rations	Financial institutions	Central government	Local government	Others	Public issues		Private placings	
						Taxable	Taxfree		
	1	2	3	4	5	6	7	8	9
1991	26 632	76 701	35 195	2 766	3 726	76 346	18 096	50 578	145 020
1992	26 624	82 153	44 005	5 238	3 358	89 382	13 918	58 078	161 378
1993	32 459	73 893	73 682	6 884	2 009	119 552	10 391	58 984	188 927
1994	30 179	66 467	94 865	6 981	953	141 935	7 581	49 929	199 445
1995*	26 468	55 166	145 177	6 914	357	187 830	5 034	41 218	234 082
1994									
Dec.	30 179	66 467	94 865	6 981	953	141 935	7 581	49 929	199 445
1995*									
Jan.	29 808	66 232	98 507	6 879	953	145 960	6 946	49 473	202 379
Feb.	29 569	63 945	107 300	6 841	933	153 376	6 715	48 498	208 588
March	29 286	62 312	117 085	6 849	926	162 629	6 234	47 596	216 458
April	29 110	61 856	120 406	6 841	925	166 382	6 223	46 533	219 138
May	28 789	61 418	123 166	6 500	918	168 582	5 885	46 324	220 791
June	28 448	61 539	123 685	6 439	916	169 327	5 877	45 823	221 027
July	27 777	60 876	124 177	6 387	666	169 253	5 873	44 757	219 889
Aug.	27 557	59 771	130 640	6 378	666	174 867	5 545	44 600	225 012
Sept.	27 635	60 015	135 365	7 372	665	181 295	5 251	44 506	231 052
Oct.	27 602	59 561	135 897	7 463	363	181 435	5 058	44 393	230 886
Nov.	27 233	57 647	140 404	7 462	359	184 619	4 976	43 510	233 105
Dec.	26 468	55 166	145 177	6 914	357	187 830	5 034	41 218	234 082

C) *Turnover, mill. FIM*

During period	Interbank transactions	Transactions between banks and customers	Primary dealers' transactions in benchmark government bonds		
			Purchases from other primary dealers	Purchases from others	Sales to others
	1	2	3	4	5
1991	3 343	29 134			
1992	18 383	58 757	10 744	12 156	13 354
1993	47 803	246 104	42 945	95 647	117 489
1994	184 599	359 697	173 096	150 908	176 647
1995	147 037	436 052	133 357	190 069	215 879
1995					
Jan.	8 855	30 706	8 481	12 246	16 423
Feb.	7 716	28 452	7 287	10 833	14 291
March	14 858	35 736	11 622	14 835	19 126
April	16 904	32 257	14 802	12 917	15 353
May	12 869	39 905	10 693	16 951	17 208
June	14 530	33 598	12 355	14 317	14 300
July	5 792	17 266	5 681	7 115	9 607
Aug.	11 210	42 367	10 698	20 105	20 057
Sept.	19 708	50 201	18 676	22 799	24 815
Oct.	11 843	40 102	11 615	17 944	21 776
Nov.	10 782	40 739	10 060	18 386	21 090
Dec.	11 970	44 723	11 387	21 621	21 833
1996					
Jan.	22 987	59 858	22 069	26 431	29 781

5.6 *Helsinki Stock Exchange*

Average of daily observations	Share prices							Turnover ¹ , mill. FIM		
	HEX index (28 Dec., 1990=1000)							Shares and sub- scrip- tion rights	Bonds and debentures	Total
	All-share index	By industry								
		Banks and finance	Insurance and investment	Manufacturing	Of which:					
					Forest industries	Metal and engineering	Conglomerates			
	1	2	3	4	5	6	7	8	9	10
1991	962	901	898	1 003	1 075	1 076	1 021	6 339	1 315	7 655
1992	772	425	467	943	1 123	1 206	890	10 277	15 377	25 654
1993	1 240	608	644	1 601	1 695	1 749	1 751	46 337	59 977	106 314
1994	1 847	719	802	2 464	2 284	2 675	3 068	68 671	2 147	70 818
1995	1 918	500	638	2 741	2 062	2 255	4 251	83 019	1 075	84 094
1995										
Jan.	1 869	524	598	2 616	2 224	2 381	3 788	5 582	130	5 712
Feb.	1 802	543	577	2 512	2 146	2 240	3 645	7 016	132	7 148
March	1 648	509	533	2 292	1 905	2 038	3 343	5 464	76	5 540
April	1 688	497	556	2 365	2 040	2 138	3 408	5 340	92	5 432
May	1 829	516	613	2 587	2 072	2 259	3 896	5 823	122	5 946
June	1 919	560	631	2 731	2 113	2 154	4 401	7 843	65	7 908
July	2 107	526	694	3 066	2 289	2 346	4 858	7 114	24	7 138
Aug.	2 155	506	709	3 149	2 218	2 443	4 832	7 010	56	7 066
Sept.	2 231	504	751	3 276	2 176	2 492	5 045	8 649	59	8 708
Oct.	2 031	455	688	2 955	1 967	2 309	4 716	8 721	60	8 781
Nov.	1 887	417	657	2 708	1 807	2 105	4 478	6 942	132	7 074
Dec.	1 769	437	635	2 496	1 740	2 109	4 448	7 515	126	7 641
1996										
Jan.	1 710	476	671	2 363	1 686	2 116	4 452	7 241	62	7 302

¹ During period.

6. Balance of payments, foreign liabilities and assets

6.1 Current account, mill. FIM

During period	Exports of goods, fob	Transport receipts	Travel receipts	Other services receipts	Services receipts, total (2+3+4)	Exports of goods and services (1+5)	Investment income	Transfers and other income	Current account receipts (6+7+8)	Imports of goods, cif	Transport expenditure	Travel expenditure	Other services expenditure
	1	2	3	4	5	6	7	8	9	10	11	12	13
1991	91 100	7 508	5 044	5 636	18 189	109 289	10 003	5 336	124 628	86 348	3 974	11 089	11 011
1992	105 809	8 643	6 089	7 730	22 462	128 272	6 423	5 920	140 614	93 187	4 360	10 962	13 369
1993	132 550	10 430	7 079	9 379	26 888	159 438	6 137	6 506	172 080	101 559	5 646	9 237	17 008
1994*	152 022	11 385	7 314	11 808	30 508	182 530	9 617	4 919	197 067	118 684	5 862	8 697	16 800
1995*	172 408	12 222	7 495	15 355	35 071	207 479	13 000	9 056	229 536	130 548	6 095	10 404	18 644
1993													
III	32 116	2 832	2 203	2 102	7 138	39 253	1 250	1 584	42 088	23 992	1 473	2 242	4 206
IV	36 793	2 586	1 761	2 218	6 565	43 358	1 271	1 695	46 324	27 034	1 520	2 319	4 341
1994*													
I	34 382	2 663	1 524	2 839	7 026	41 408	1 764	1 289	44 462	24 767	1 295	1 998	4 213
II	38 486	2 902	1 860	2 649	7 411	45 897	2 802	1 190	49 889	29 458	1 455	2 151	3 967
III	37 322	3 092	2 230	2 960	8 282	45 604	2 027	1 180	48 811	28 743	1 549	2 256	3 899
IV	41 832	2 728	1 700	3 360	7 788	49 620	3 025	1 260	53 905	35 716	1 563	2 291	4 721
1995*													
I	40 773	2 862	1 499	3 979	8 340	49 113	3 298	1 609	54 021	29 304	1 479	2 325	4 921
II	45 435	3 148	1 891	3 680	8 719	54 154	3 435	1 616	59 204	31 244	1 565	2 639	4 743
III	40 500	3 327	2 242	3 828	9 397	49 897	2 891	2 210	54 999	32 100	1 598	2 706	4 275
IV	45 700	2 885	1 862	3 868	8 615	54 315	3 376	3 621	61 311	37 900	1 453	2 734	4 704

During period	Services expenditure, total (11+12+13)	Imports of goods and services (10+14)	Investment expenditure	Transfers and other expenditure	Current account expenditure (15+16+17)	Trade account (1-10)	Transport (2-11)	Travel (3-12)	Other services (4-13)	Services account (20+21+22)	Goods and services account (19+23)	Investment income, net (7-18)	Transfers and others, net (8-17)	Current account (24+25+26)= (9-18)
	14	15	16	17	18	19	20	21	22	23	24	25	26	27
1991	26 074	112 421	28 674	10 229	151 325	4 752	3 534	-6 044	-5 374	-7 885	-3 132	-18 671	-4 893	-26 696
1992	28 690	121 878	30 424	10 347	162 649	12 622	4 283	-4 873	-5 639	-6 228	6 394	-24 001	-4 428	-22 035
1993	31 891	133 450	34 580	10 390	178 421	30 991	4 784	-2 159	-7 629	-5 004	25 988	-28 443	-3 885	-6 340
1994*	31 359	150 043	31 801	8 596	190 440	33 339	5 523	-1 382	-4 992	-851	32 487	-22 184	-3 676	6 627
1995*	35 143	165 691	31 967	12 784	210 442	41 860	6 127	-2 910	-3 288	-72	41 788	-18 966	-3 728	19 094
1993														
III	7 921	31 913	6 805	2 640	41 358	8 124	1 360	-39	-2 104	-783	7 341	-5 555	-1 055	730
IV	8 180	35 213	7 145	2 549	44 907	9 760	1 066	-558	-2 123	-1 615	8 145	-5 874	-854	1 417
1994*														
I	7 506	32 274	9 423	2 683	44 380	9 614	1 368	-474	-1 374	-480	9 134	-7 659	-1 393	82
II	7 573	37 031	8 733	1 959	47 722	9 028	1 447	-291	-1 318	-162	8 866	-5 930	-769	2 167
III	7 704	36 447	6 246	1 971	44 664	8 580	1 542	-26	-939	578	9 157	-4 220	-791	4 147
IV	8 575	44 291	7 399	1 984	53 673	6 117	1 166	-591	-1 361	-787	5 330	-4 375	-724	231
1995*														
I	8 726	38 030	9 205	3 350	50 585	11 469	1 383	-826	-942	-385	11 084	-5 906	-1 741	3 436
II	8 946	40 190	9 972	3 104	53 266	14 191	1 584	-748	-1 063	-228	13 963	-6 538	-1 488	5 938
III	8 579	40 679	6 571	3 006	50 255	8 400	1 729	-464	-447	819	9 219	-3 679	-796	4 743
IV	8 892	46 792	6 219	3 324	56 336	7 800	1 431	-872	-836	-277	7 523	-2 843	297	4 976

6.2 Capital and financial account, mill. FIM

During period	Imports of capital												
	Direct investment in Finland	Portfolio investment					Other investment					Total (1+7+12)	
		Shares	Bonds	Of which: markka denominated bonds	Money market instruments	Financial derivatives	Total (2+3+5+6)	Trade credits	Loans	Currency and deposits	Other		Total (8+9+10+11)
	1	2	3	4	5	6	7	8	9	10	11	12	13
1991	- 997	47	38 751	11 786	-4 511	..	34 287	-3 987	7 496	131	-9 737	-6 098	27 192
1992	1 822	397	39 309	-5 312	-1 791	..	37 915	3 639	2	1 690	-17 415	-12 084	27 653
1993	4 945	12 748	30 353	3 616	-4 382	..	38 719	4 467	5 357	-5 347	-24 454	-19 977	23 687
1994*	8 240	13 400	21 977	-5 783	-1 565	-65	33 748	2 722	647	-232	-1 160	1 977	43 965
1995*	4 006	9 506	-18 180	-4 186	1 857	2 545	-4 271	-777	-7 342	-768	9 083	196	-69
1993													
III	631	6 529	2 267	2 523	-2 755	..	6 041	-836	-1 495	1 671	-8 143	-8 803	-2 131
IV	2 948	3 300	-3 725	-2 646	2 036	..	1 611	3 599	-1 289	-6 650	-1 106	-5 446	-887
1994*													
I	3 844	4 389	4 669	526	-1 587	31	7 501	-908	-3 980	772	6 687	2 572	13 917
II	3 029	2 404	5 341	-3 808	3 118	268	11 132	-868	1 312	-1 748	-3 078	-4 383	9 778
III	2 372	5 181	16 528	783	-2 253	-383	19 073	177	-1 363	964	-5 534	-5 756	15 689
IV	-1 005	1 426	-4 562	-3 283	-843	20	-3 958	4 321	4 678	-220	765	9 544	4 581
1995*													
I	2 516	392	150	-1 432	-1 999	184	-1 273	-2 622	-333	9	8 540	5 594	6 837
II	-1 330	3 482	-9 390	-3 556	-620	633	-5 894	843	-3 206	-766	-1 369	-4 499	-11 723
III	88	3 580	-2 518	917	1 623	921	3 606	-1 033	-3 192	-200	-544	-4 969	-1 275
IV	2 732	2 052	-6 422	-115	2 853	808	-710	2 034	-611	190	2 457	4 069	6 092

During period	Exports of capital											Total (14+19+24)	Errors and omissions	Change in central bank's reserve assets (increase -)
	Direct investment abroad	Portfolio investment				Other investment								
		Shares	Bonds	Money market instruments	Financial derivatives	Total (15+16+17+18)	Trade credits	Loans	Currency and deposits	Other	Total (20+21+22+23)			
	14	15	16	17	18	19	20	21	22	23	24	25	26	27
1991	- 501	-369	-3	1 499	..	1 128	- 726	2 341	1 054	6 587	9 256	9 883	2 012	7 375
1992	-3 372	46	321	2 748	..	3 115	3 634	3 409	3 745	3 259	14 048	13 790	-1 008	9 180
1993	8 050	873	767	1 932	..	3 571	1 923	- 839	-6 063	14 698	9 720	21 341	5 214	-1 219
1994*	22 447	291	-4 625	- 855	-279	-5 469	2 435	-7 460	1 856	5 826	2 657	19 636	-5 452	-25 504
1995*	6 624	-109	1 543	-5 484	-165	-4 215	2 705	-2 703	- 579	12 429	11 852	14 261	-6 243	1 480
1993														
III	- 845	77	-841	3 975	..	3 211	-190	-1 008	1 514	9 514	9 829	12 195	2 577	11 019
IV	7 572	636	-120	-494	..	21	-28	1 081	-6 308	-6 564	-11 819	-4 226	2 385	-7 141
1994*														
I	5 401	356	-558	215	-202	-188	-1 294	-1 849	2 612	-5 814	-6 345	-1 132	-4 852	-10 279
II	4 808	-41	-3 337	-4 448	-27	-7 854	1 735	-2 625	-460	6 191	4 841	1 796	23	-10 172
III	4 897	-45	-1 166	422	-53	-842	-414	-251	-268	9 847	8 914	12 968	-2 946	-3 921
IV	7 341	20	437	2 956	2	3 415	2 408	-2 734	-28	-4 399	-4 753	6 003	2 323	-1 132
1995*														
I	2 147	-240	1 275	-2 249	-45	-1 259	929	-1 234	-2 174	11 503	9 025	9 913	1 331	-1 691
II	1 309	0	-86	-2 798	31	-2 853	2 369	-150	-427	-7 437	-5 645	-7 188	-2 692	1 288
III	1 086	121	-409	521	-37	196	-590	1 044	867	2 863	4 184	5 465	405	1 592
IV	2 082	10	764	-958	-115	-299	-3	-2 364	1 155	5 500	4 288	6 072	-5 287	291

6.3 Finland's international investment position, mill. FM

Position at end of period	Liabilities												Total liabilities (1+7+12)
	Direct investment in Finland	Portfolio investment					Total (2+3+5+6)	Other investment				Total (8+9+10+11)	
		Shares	Bonds	Of which: markka-denominated bonds	Money market instruments	Financial derivatives		Trade credits	Loans	Currency and deposits	Other		
	1	2	3	4	5	6	7	8	9	10	11	12	13
1991	17 443	4 149	141 055	19 036	22 079	..	167 283	9 532	68 892	8 555	84 036	171 015	355 741
1992	19 348	5 138	211 361	14 366	19 391	..	235 889	13 305	78 330	11 880	78 804	182 320	437 557
1993	24 391	30 375	263 864	26 288	14 995	-6 103	303 131	18 206	93 124	4 025	54 188	169 543	497 064
1994*	31 846	60 558	256 499	21 252	10 450	-6 877	320 630	20 527	84 826	3 430	46 566	155 350	507 826
1995*	35 666	63 746	227 556	19 115	10 727	- 390	301 640	19 514	71 067	2 568	53 363	146 512	483 818
1993													
III	21 418	22 725	265 540	23 460	13 090	..	301 355	14 091	95 327	13 276	61 106	183 799	506 573
IV	24 391	30 375	263 864	26 288	14 995	-6 103	303 131	18 206	93 124	4 025	54 188	169 543	497 064
1994*													
I	27 918	39 079	266 672	28 950	12 244	-8 855	309 140	17 116	87 372	4 724	58 746	167 958	505 016
II	30 846	42 719	269 689	22 831	15 286	-8 809	318 885	16 230	88 589	2 964	55 420	163 203	512 934
III	33 010	56 036	269 901	24 895	11 909	-7 591	330 255	16 277	81 907	3 752	47 152	149 088	512 353
IV	31 846	60 558	256 499	21 252	10 450	-6 877	320 630	20 527	84 826	3 430	46 566	155 350	507 826
1995*													
I	34 243	53 488	252 618	20 319	7 287	-7 754	305 640	17 830	81 319	3 369	53 433	155 951	495 833
II	32 873	79 430	241 326	16 939	6 133	-8 525	318 364	18 641	77 588	2 580	51 169	149 977	501 214
III	32 931	93 020	230 971	19 116	7 848	-2 278	329 561	17 561	71 059	2 364	50 032	141 015	503 507
IV	35 666	63 746	227 556	19 115	10 727	- 390	301 640	19 514	71 067	2 568	53 363	146 512	483 818

Position at end of period	Assets											Total assets (14+ 19+24)
	Direct invest- ment abroad	Portfolio investment					Other investment					
		Shares	Bonds	Money market instruments	Financial deri- vatives	Total (15+16+ 17+18)	Trade credits	Loans	Curren- cy and deposits	Other	Total (20+21+ 22+23)	
	14	15	16	17	18	19	20	21	22	23	24	25
1991	44 823	426	7 004	4 154	..	11 584	16 388	28 504	7 647	72 498	125 037	181 444
1992	44 921	469	8 697	7 917	..	17 083	21 389	35 251	12 665	76 647	145 952	207 955
1993	53 090	1 285	10 706	11 028	446	23 465	26 350	35 981	5 701	88 579	156 611	233 166
1994	59 451	1 866	4 778	9 115	488	16 246	26 678	24 847	7 055	106 465	165 046	240 743
1995*	64 756	1 686	6 065	2 688	180	10 619	28 958	20 980	6 678	111 253	167 869	243 244
1993												
III	48 332	759	10 074	10 689	..	21 522	23 857	34 208	13 929	98 044	170 039	239 893
IV	53 090	1 285	10 706	11 028	446	23 465	26 350	35 981	5 701	88 579	156 611	233 166
1994*												
I	54 424	2 047	9 576	10 911	622	23 156	24 718	32 788	8 107	90 621	156 234	233 813
II	58 238	1 984	5 961	6 339	550	14 834	26 392	29 981	7 449	105 988	169 811	242 883
III	58 314	1 866	4 319	6 087	561	12 833	24 682	28 350	6 955	112 579	172 566	243 713
IV	59 451	1 866	4 778	9 115	488	16 246	26 678	24 847	7 055	106 465	165 046	240 743
1995*												
I	60 188	1 480	5 516	5 835	160	12 991	27 297	22 668	4 985	115 389	170 339	243 518
II	60 718	1 481	5 694	2 977	118	10 271	29 456	22 142	4 602	105 086	161 286	232 275
III	61 224	1 630	5 162	3 503	203	10 497	28 648	22 978	5 477	104 365	161 467	233 188
IV	64 756	1 686	6 065	2 688	180	10 619	28 958	20 980	6 678	111 253	167 869	243 244

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

Position at end of period	Corporate sector	Households and nonprofit institutions	Banks	Bank of Finland	Other financial institutions	Central government	Local government	Net (1+2+3+4+5+6+7)	Net interest and dividend expenditure	Net interest and dividend expenditure in relation to current account receipts, %
	1	2	3	4	5	6	7	8	9	10
1991	31 277 r	-2 794	107 434	-34 046	18 960	52 748	719	174 298	15 671	12.7
1992	33 761 r	-3 260	82 343	-27 546	28 283	113 674	2 347	229 602	19 011	13.6
1993	54 315 r	-2 933	45 658	-33 279	29 737	167 444	2 956	263 898	21 897	12.8
1994*	81 284	-3 503	34 022	-52 606	22 381	182 517	2 987	267 083	20 296	10.5
1995*	71 998	-2 406	18 492	-47 708	18 959	178 260	2 979	240 574	18 066	7.9
1993										
III	48 980 r	-3 129	44 622	-27 318	27 224	173 332	2 967	266 680	3 918	9.3
IV	54 315 r	-2 933	45 658	-33 279	29 737	167 444	2 956	263 898	4 237	9.1
1994*										
I	64 083	-3 692	52 013	-42 504	28 987	169 083	3 233	271 203	7 187	16.2
II	64 500	-3 781	51 328	-52 617	26 252	181 120	3 248	270 051	5 458	10.9
III	76 629	-3 564	34 084	-52 998	25 118	186 302	3 069	268 640	3 748	7.7
IV	81 284	-3 503	34 022	-52 606	22 381	182 517	2 987	267 083	3 903	7.2
1995*										
I	72 239	-3 362	23 277	-53 298	21 144	189 262	3 053	252 315	5 681	10.5
II	93 527	-3 498	26 972	-50 742	19 907	179 575	3 199	268 940	6 313	10.7
III	102 343	-3 712	20 128	-47 488	19 798	176 129	3 121	270 319	3 454	6.3
IV	71 998	-2 406	18 492	-47 708	18 959	178 260	2 979	240 574	2 618	4.3

7. Foreign trade

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

During period	Exports, fob	Imports, cif	Balance (1-2)
	1	2	3
1991	92 842	87 744	5 098
1992	107 463	94 947	12 516
1993	134 112	103 165	30 947
1994*	154 134	120 612	33 522
1995*	172 408	130 479	41 929
1994*			
Dec. ¹	14 993	15 105	- 112
1995 ¹			
Jan.	13 250	9 105	4 145
Feb.	13 023	9 731	3 292
March	15 113	11 050	4 063
April	14 468	10 784	3 684
May	14 785	10 784	4 001
June	16 776	10 047	6 729
July	11 408	8 753	2 655
Aug.	13 300	11 300	2 000
Sept.	14 600	11 200	3 400
Oct.	15 500	12 600	2 900
Nov.	15 200	12 200	3 000
Dec.	15 000	13 100	1 900

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

Period	Volume		Unit value		Terms of trade
	Exports	Imports	Exports	Imports	
	1	2	3	4	5
1990	125	138	154	128	120
1991	114	115	154	131	118
1992	124	112	164	145	113
1993	147	109	172	163	106
1994*	166	130	175	158	111
1992					
III	117	102	163	142	115
IV	133	116	171	154	111
1993					
I	135	108	176	165	106
II	143	105	174	165	105
III	141	101	174	165	105
IV	165	116	170	161	105
1994*					
I	155	107	170	161	106
II	168	129	175	158	111
III	161	124	178	161	111
IV	180	156	176	158	112

¹ See Notes and explanations to the statistical section.

7.3 Foreign trade by main groups, mill. FIM

During period	Exports by industries, fob					Imports by use of goods, cif				
	Wood industry products	Paper industry products	Chemical industry products	Metal and engineering industry products	Other goods	Raw materials (excl. crude oil)	Crude oil, fuels and lubricants	Finished goods		Other goods
	1	2	3	4	5	6	7	Investment goods	Consumer goods	8
1990	7 811	31 658	9 540	35 493	16 825	49 210	9 829	19 364	23 888	736
1991	6 984	29 695	10 539	29 188	16 436	42 505	9 399	13 973	21 195	672
1992	7 892	32 587	12 172	35 741	19 071	49 514	9 745	13 348	20 826	1 514
1993	10 910	37 430	14 205	48 158	23 409	54 792	10 904	15 396	21 066	1 007
1994*	14 114	41 300	15 639	55 558	27 523	65 899	11 628	17 147	24 606	1 332
1994*										
July	1 017	3 263	1 314	5 817	1 719	4 834	950	1 231	1 799	365
Aug.	935	3 437	1 258	3 816	2 114	5 419	1 029	1 386	2 031	18
Sept.	1 313	3 586	1 354	4 320	2 564	5 656	1 054	1 384	2 027	44
Oct.	1 268	3 566	1 313	4 937	2 315	5 645	803	1 485	2 051	110
Nov.	1 357	3 719	1 453	4 968	2 497	6 191	1 012	1 557	2 180	39
Dec.	1 290	3 662	1 400	5 883	2 758	7 790	1 597	2 492	2 783	443
1995*										
Jan.	1 235	4 376	1 230	4 725	1 684	5 255	419	1 278	1 769	384
Feb.	1 164	2 650	1 132	4 864	3 213	5 366	331	1 313	1 946	775
March	1 298	4 184	1 328	5 548	2 755	6 203	515	1 508	2 362	462
April	1 255	3 946	1 229	5 772	2 266	5 717	718	1 367	1 987	995
May	1 193	4 105	1 304	5 834	2 349	6 100	633	1 555	1 922	574
June	1 248	4 175	1 641	7 015	2 697	6 022	593	1 359	1 856	217
July	730	3 941	1 179	3 774	1 784	4 948	668	1 183	1 783	171

7.4 Foreign trade by regions and countries

Region and country	Exports, fob				Imports, cif			
	1994 ¹		July 1994 – June 1995*		1994 ¹		July 1994 – June 1995*	
	Mill. FIM	Percentage share	Mill. FIM	Year-on-year change calculated from 12-month moving total	Mill. FIM	Percentage share	Mill. FIM	Year-on-year change calculated from 12-month moving total
	1	2	3	4	5	6	7	8
All OECD countries	115 696	75.1	126 194	15.7	93 316	77.4	99 464	18.2
EU	71 562	46.4	96 345	15.1	52 567	43.6	74 561	22.4
Austria	1 600	1.0	1 914	31.6	1 349	1.1	1 470	20.0
Belgium and Luxembourg	3 461	2.2	4 512	39.0	3 291	2.7	3 821	13.7
Denmark	5 287	3.4	5 501	11.1	3 668	3.0	4 098	17.0
France	7 784	5.0	8 071	4.9	4 911	4.1	5 569	8.4
Germany	20 678	13.4	21 973	17.1	17 736	14.7	19 809	22.5
Greece	893	0.6	909	7.4	328	0.3	393	6.4
Ireland	708	0.5	722	0.6	896	0.7	966	34.0
Italy	4 605	3.0	5 162	21.8	4 685	3.9	5 017	22.0
Netherlands	7 874	5.1	7 829	10.1	4 352	3.6	4 998	18.1
Portugal	805	0.5	921	7.8	1 092	0.9	1 119	5.2
Spain	3 550	2.3	4 130	34.3	1 587	1.3	1 850	12.0
Sweden	16 846	10.9	17 429	11.3	12 576	10.4	14 312	25.2
United Kingdom	15 917	10.3	17 273	16.3	10 021	8.3	11 138	7.3
Other OECD countries	44 135	28.6	29 848	16.6	40 748	33.8	24 903	19.2
Of which:								
Australia	1 963	1.3	2 234	25.8	694	0.6	736	61.3
Canada	1 035	0.7	1 167	18.5	839	0.7	819	9.1
Japan	3 186	2.1	3 747	35.7	7 838	6.5	8 187	29.6
Norway	4 881	3.2	5 220	14.1	5 761	4.8	5 719	7.9
Switzerland	2 325	1.5	2 364	8.0	2 109	1.7	2 153	4.2
United States	11 037	7.2	13 013	9.8	9 202	7.6	8 807	13.7
Other countries	38 438	24.9	41 136	20.4	27 296	22.6	98 984	20.5
Of which:								
Estonia	3 381	2.2	3 748	43.9	1 127	0.9	1 345	61.2
Czech Republic	855	0.6	842	44.4	438	0.4	460	16.6
Hungary	1 163	0.8	1 107	35.3	410	0.3	418	29.2
Poland	2 551	1.7	2 545	23.7	1 549	1.3	1 524	13.1
Russia	8 029	5.2	7 927	10.1	10 697	8.9	11 042	39.0
China	2 261	1.5	2 584	54.9	1 830	1.5	1 813	16.2
Hongkong	1 827	1.2	2 153	66.1	840	0.7	874	31.8
Korea	2 124	1.4	2 233	40.6	916	0.8	944	30.4
Malaysia	824	0.5	856	8.7	909	0.8	957	27.6
Singapore	1 440	0.9	1 530	17.1	631	0.5	636	9.7
Thailand	1 103	0.7	1 514	23.4	516	0.4	520	23.1
Taiwan	766	0.5	840	4.4	1 146	1.0	1 169	13.1
Brazil	569	0.4	751	53.1	907	0.8	803	29.0
TOTAL	154 134	100.0	167 628	16.8	120 612	100.0	126 908	20.2
Of which:								
Africa	2 650	1.7	2 589	-3.7	774	0.6	761	2.6
The Americas	14 561	9.4	17 947	19.7	13 101	10.9	12 296	13.7
Asia	18 274	11.9	20 288	16.9	16 171	13.4	16 728	22.7
Europe	116 505	75.6	124 332	16.8	89 697	74.4	96 192	20.4
Oceania	2 174	1.4	2 501	25.1	868	0.7	930	13.3

¹ In 1994 Sweden and Austria were not EU members.

8. Domestic economic developments

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

Period	Consumption expenditure		Fixed investment		Change in stocks, incl. statistical discrepancy	Domestic demand (1+2+3+4+5)	Exports	Imports	GDP (6+7-8)
	Private	Public	Private	Public					
	1	2	3	4	5	6	7	8	9
1990	269 754	108 535	121 858	17 286	5 769	523 202	118 828	126 600	515 430
1991	260 031	111 256	93 722	17 243	-2 451	479 801	110 965	111 755	479 011
1992	247 363	108 799	75 338	16 899	4 534	452 933	122 059	112 989	462 003
1993	240 177	103 028	60 638	13 890	10 221	427 954	142 459	113 842	456 571
1994*	244 558	103 931	60 445	13 893	20 520	443 347	161 134	127 893	476 588
1993									
II	59 500	25 791	15 513	3 358	1 289	105 451	34 330	26 821	112 960
III	59 857	25 738	14 735	3 592	3 365	107 287	36 199	28 548	114 938
IV	60 670	25 560	14 579	3 318	2 825	106 952	37 202	28 368	115 786
1994*									
I	61 097	25 683	14 316	3 536	1 664	106 296	37 977	28 785	115 488
II	60 262	25 901	14 599	3 531	5 415	109 708	40 135	30 972	118 871
III	61 195	25 909	15 623	3 464	6 038	112 229	41 120	32 506	120 843
IV	62 004	26 438	15 907	3 362	7 403	115 114	41 902	35 630	121 386
1995*									
I	63 147	25 582	17 403	3 054	4 578	113 764	43 473	33 533	123 704
II	63 849	26 158	17 009	2 959	4 273	114 248	44 700	34 775	124 173
III	63 903	26 179	17 502	2 860	7 202	117 646	42 853	36 054	124 445

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

Period	Total industry (100.0)	Mining and quarrying (1.3)	Manufacturing (89.6)	Wood and paper industries (16.8)	Metal and engineering industries (31.3)	Other manufacturing (41.5)	Energy and water supply (9.1)
	1	2	3	4	5	6	7
1990	100.2	99.8	100.2	100.1	100.4	100.1	100.0
1991	91.2	91.3	89.9	91.5	85.6	92.6	103.6
1992	92.4	88.4	91.4	94.6	91.1	90.2	103.0
1993	97.4	86.1	96.4	104.5	99.7	90.8	107.9
1994	107.9	96.1	107.4	115.5	118.4	95.8	114.3
1994							
Nov.	112.5	95.3	113.1	116.3	132.0	98.1	110.0
Dec.	111.8	91.3	111.9	120.1	129.0	96.5	112.9
1995							
Jan.	114.0	82.5	114.4	118.7	134.0	97.6	113.1
Feb.	114.7	87.6	115.9	120.6	135.1	99.5	106.9
March	116.9	88.7	117.8	120.2	137.4	99.1	111.2
April	115.9	83.7	116.4	119.4	138.9	97.8	113.5
May	116.7	67.2	117.6	119.4	144.0	97.1	115.3
June	116.4	82.4	117.2	118.7	141.2	98.0	114.3
July	114.2	90.8	114.5	125.8	129.2	98.8	117.8
Aug.	117.0	158.1	116.7	120.7	139.1	96.7	112.8
Sept.	117.0	98.3	118.3	115.1	152.1	96.3	108.0
Oct.	114.1	87.8	115.5	109.0	143.6	96.8	103.4
Nov.	116.4	95.6	117.8	106.8	154.4	95.2	106.7

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

Period	Volume of wholesale trade	Volume of retail trade	Volume of construction of buildings	Of which:			Imports of investment goods	Monthly indicator of GDP
				Residential buildings	Industrial buildings	Other buildings		
	1	2	3	4	5	6	7	8
1990	119.9	111.6	127.3	124.8	161.7	122.1	144.6	117.5
1991	99.4	103.5	103.9	94.4	127.7	109.9	102.1	110.3
1992	87.2	92.9	79.5	73.8	76.2	87.5	84.5	107.0
1993	82.5	87.6	59.5	60.5	52.9	59.8	83.2	105.6
1994*	87.6	89.3	53.5	56.7	57.2	48.7	97.3	109.9
1994*								
Oct.	89.1	89.0	..	..	..	..	..	112.0
Nov.	91.6	89.9	..	..	..	..	..	112.4
Dec.	90.4	91.3	..	..	..	..	..	112.6
1994*								
III	89.4	89.1	54.1	57.8	64.4	47.9	84.4	110.3
IV	90.4	90.1	53.7	53.1	71.0	48.9	132.9	112.4
1995*								
Jan.	90.2	92.8	..	..	..	..	..	114.2
Feb.	91.0	93.3	..	..	..	..	..	113.8
March	90.1	91.5	..	..	..	..	..	115.4
April	87.7	92.2	..	..	..	..	..	114.2
May	91.6	94.1	..	..	..	..	..	114.4
June	89.8	92.7	..	..	..	..	..	113.4
July	90.5	87.8	..	..	..	..	..	113.0
Aug.	95.4	90.6	..	..	..	..	..	114.7
Sept.	89.9	94.1	..	..	..	..	..	114.6
Oct.	93.0	90.5	..	..	..	..	..	114.9
1995*								
I	90.4	92.5	52.5	54.5	79.3	42.2	..	114.5
II	89.7	93.0	54.5	56.0	95.1	44.4	..	114.0
III	91.9	90.8	49.5	46.4	88.3	43.4	..	114.1

8.4 Wages and prices, 1990=100

Period	Index of wage and salary earnings	By sectors			Consumer price index	Indicator of underlying inflation	Basic price index for domestic supply	By origin		Producer price index for manufacturing	By marketing area		Building cost index
		Private	Of which: Manufacturing (SIC 3)	Public				Domestic goods	Imported goods		Exported goods	Home market goods	
	1	2	3	4	5	6	7	8	9	10	11	12	13
1990	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1991	106.4	106.4	106.1	106.4	104.3	104.1	100.0	99.8	100.8	99.4	98.5	99.8	102.2
1992	108.4	108.1	108.3	109.0	107.4	107.1	101.4	99.5	108.5	101.6	102.7	101.1	100.4
1993	109.2	108.8	110.0	110.1	109.7	109.9	104.8	100.8	119.3	105.5	109.2	103.9	100.7
1994¹	111.4	111.6	115.0	111.1	110.9	111.4	106.2	102.8	118.7	107.1	110.1	105.8	102.2
1994 Dec.	..	..	..	..	111.5	111.7	107.2	104.3	118.0	108.7	111.5	107.4	102.8
1994¹ III	111.5	111.7	115.3	111.1	111.6	111.7	106.8	103.4	119.4	108.1	111.6	106.5	102.3
IV	112.4	112.8	116.7	111.4	111.7	111.8	107.1	104.1	118.2	108.5	111.3	107.3	102.9
1995 Jan.	..	..	..	..	111.4	110.8	107.0	104.1	117.8	109.1	113.2	107.3	103.2
Feb.	..	..	..	..	111.8	111.5	107.5	104.2	119.5	109.5	114.7	107.2	103.6
March	..	..	..	..	111.8	111.4	107.5	104.4	119.1	109.4	114.6	107.1	103.5
April	..	..	..	..	111.9	111.5	108.0	104.9	119.2	110.1	116.0	107.5	103.7
May	..	..	..	..	112.0	111.4	108.3	105.2	119.5	110.8	117.6	107.8	103.6
June	..	..	..	..	112.4	111.5	108.1	105.2	119.1	110.8	117.9	107.8	103.5
July	..	..	..	..	112.3	111.4	107.8	104.9	118.5	110.9	118.7	107.6	103.6
Aug.	..	..	..	..	112.1	111.2	105.8	102.4	118.5	111.1	118.9	107.8	103.6
Sept.	..	..	..	..	112.2	111.3	106.0	102.7	118.4	111.8	120.4	108.1	103.7
Oct.	..	..	..	..	112.2	111.4	105.9	102.7	117.7	112.1	121.3	108.1	103.4
Nov.	..	..	..	..	111.9	111.1	105.7	102.5	117.4	111.9	121.4	107.9	103.2
Dec.	..	..	..	..	111.8	..	105.7	102.5	117.4	112.1	121.5	108.1	103.2
1995¹ I	114.6	115.6	121.0	112.5	111.7	111.2	107.3	104.2	118.8	109.3	114.2	107.2	103.4
II	116.0	116.8	122.9	114.2	112.1	111.5	108.1	105.1	119.3	110.6	117.2	107.7	103.6
III	116.4	117.3	122.9	114.7	112.2	111.3	106.5	103.3	118.5	111.3	119.3	107.8	103.6

¹ Preliminary figures for columns 1-4.

8.5 Labour, employment and unemployment *(seasonally adjusted figures)*

Period	Labour force participation rate among 15-74 year olds	Labour force	Total employment (4+5) = (6+7+8+9)	By industrial status		By industry				Unem- ployed	Unem- ployment rate
				Self-employed	Wage and salary earners	Agriculture and forestry	Industry	Construction	Service industries		
				%	1000 persons						
	1	2	3	4	5	6	7	8	9	10	11
1991	67.4	2 533	2 340	340	2 000	197	502	179	1 461	193	7.6
1992	66.1	2 502	2 174	325	1 849	188	454	150	1 382	328	13.1
1993	65.3	2 484	2 041	312	1 729	173	423	124	1 319	444	17.9
1994	64.8	2 480	2 024	312	1 712	167	426	113	1 317	456	18.4
1995	65.1	2 497	2 068	304	1 764	158	457	120	1 334	430	17.2
1994											
Dec.	65.0	2 490	2 055	311	1 744	166	440	121	1 328	435	17.5
1995											
Jan.	64.8	2 484	2 046	302	1 744	163	445	123	1 315	439	17.7
Feb.	64.5	2 474	2 049	293	1 756	164	435	119	1 331	425	17.2
March	64.9	2 489	2 069	298	1 772	161	453	124	1 331	420	16.9
April	65.3	2 506	2 068	305	1 763	161	456	123	1 328	438	17.5
May	65.5	2 512	2 067	313	1 754	163	454	114	1 336	445	17.7
June	65.3	2 505	2 073	307	1 766	161	462	122	1 328	432	17.3
July	65.5	2 517	2 078	303	1 776	153	466	119	1 340	439	17.4
Aug.	64.8	2 487	2 064	315	1 749	159	449	119	1 336	424	17.0
Sept.	65.0	2 496	2 074	305	1 769	157	449	119	1 349	422	16.9
Oct.	65.3	2 508	2 084	308	1 777	154	489	120	1 322	424	16.9
Nov.	65.0	2 499	2 075	303	1 772	154	457	121	1 342	423	16.9
Dec.	64.8	2 490	2 066	294	1 772	149	462	112	1 343	424	17.0

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

mill FIM, cash flow basis

During period	Revenue							Expenditure			
	Direct taxes	Indirect taxes	Other taxes and similar revenue	Other revenue	Revenue before financial transactions (1+2+3+4)	Redemptions of loans granted by the state	Revenue before borrowing (5+6)	Consumption	Transfers and subsidies	Of which:	
										Local government	Other domestic sectors
	1	2	3	4	5	6	7	8	9	10	11
1990	42 611	77 364	953	18 423	139 351	4 260	143 611	41 535	81 190	37 646	40 313
1991	41 054	73 251	1 136	19 182	134 624	4 442	139 069	45 085	101 220	42 297	55 160
1992	34 312	69 541	1 512	21 251	126 616	5 054	131 669	49 291	105 184	42 990	59 180
1993	31 667	67 291	1 443	28 823	129 224	7 366	136 593	46 880	108 608	42 720	63 535
1994	34 588	68 124	1 792	24 095	128 599	7 308	135 900	48 750	108 155	40 388	65 519
1994											
Nov.	2 632	5 608	72	1 956	10 268	975	11 243	4 013	8 368	3 164	5 009
Dec.	3 490	5 710	113	3 766	13 079	484	13 563	7 273	7 912	3 648	3 942
1995											
Jan.	2 850	6 369	80	1 059	10 358	31	10 388	3 190	9 872	3 099	5 712
Feb.	- 924	6 038	93	3 238	8 445	62	8 507	4 109	7 744	3 020	4 092
March	4 153	3 485	30	2 688	10 356	171	10 528	4 627	11 724	3 410	8 061
April	3 055	5 675	59	3 621	12 410	2 738	15 147	4 162	10 804	4 578	5 480
May	4 352	5 120	58	3 588	13 118	713	13 832	4 240	11 641	4 358	6 634
June	3 068	4 755	958	2 619	11 400	87	11 486	4 581	10 309	3 382	6 293
July	3 578	5 996	52	1 851	11 477	481	11 958	4 686	7 838	3 104	4 126
Aug.	3 365	6 294	142	2 654	12 455	173	12 628	3 668	6 995	2 256	4 253
Sept.	3 014	5 827	63	3 228	12 132	299	12 431	3 732	8 566	3 104	4 942
Oct.	3 237	5 825	51	2 752	11 865	405	12 270	4 090	8 265	3 110	4 484
Nov.	4 994	5 972	74	2 838	13 878	2 165	16 044	4 514	9 696	2 768	6 481

During period	Expenditure					Financial balance			
	Fixed investment	Other expenditure	Expenditure before financial transactions (8+9+12+13)	Lending and other financial investment	Expenditure before redemptions of state debt (14+15)	Revenue surplus (5-14)	Net borrowing requirement (7-16)	Net borrowing	Cash surplus (18+19)
	12	13	14	15	16	17	18	19	20
1990	5 962	4 927	133 614	9 319	142 934	5 737	678	1 201	1 879
1991	5 370	6 368	158 044	13 328	171 372	-23 420	-32 304	25 659	-6 645
1992	5 042	8 499	168 016	35 501	203 516	-41 400	-71 847	70 691	-1 155
1993	4 306	18 076	177 870	19 753	197 623	-48 646	-61 030	84 036	23 009
1994	3 737	22 358	183 000	17 886	200 760	-54 401	-64 860	73 193	8 336
1994									
Nov.	344	1 060	13 785	587	14 372	-3 517	-3 129	5 473	2 344
Dec.	625	1 718	17 528	2 155	19 683	-4 449	-6 120	5 236	-884
1995									
Jan.	180	4 018	17 260	407	17 668	-6 902	-7 280	13 669	6 389
Feb.	244	1 367	13 464	647	14 111	-5 019	-5 604	9 435	3 832
March	187	3 601	20 139	443	20 583	-9 783	-10 055	12 242	2 186
April	158	2 007	17 131	7 292	24 423	-4 721	-9 276	2 225	-7 051
May	218	1 445	17 544	2 454	19 999	-4 426	-6 167	1 719	-4 448
June	262	3 222	18 374	2 487	20 861	-6 974	-9 375	-3 851	-13 226
July	258	1 361	14 143	707	14 851	-2 666	-2 893	-1 344	-4 236
Aug.	223	784	11 670	468	12 140	785	488	5 741	6 230
Sept.	227	3 574	16 099	814	16 913	-3 967	-4 482	1 450	-3 033
Oct.	332	1 755	14 442	614	15 056	-2 577	-2 786	2 191	-595
Nov.	315	1 113	15 638	590	16 228	-1 760	-184	8 689	8 505

Notes and explanations to the statistical section

General

Source

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

Symbols used

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

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

Notes and explanations to tables

1 The balance sheet of the Bank of Finland

Table 1.2 Domestic financial sector. Term claims on deposit banks, net (Column 12) = bank certificates of deposit held by the Bank of Finland + securities with repurchase commitments + term credits – term deposits. Liquidity position of deposit banks (Column 13): see explanation to Table 2.1. Other claims on financial institutions, net (Column 15) = till-money credits to deposit banks (until May 1993) + bonds + other claims on financial institutions – other liabilities to financial institutions.

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

Table 2.1 Minimum reserve deposits (Column 1): See explanations to Table 2.2. Liquidity credits (Column 3): see explanations to Table 3.2. Liquidity position, net (Column 4) is obtained by subtracting Column 3 from Column 1.

Table 2.2 From 2 October 1995, banks fulfil their minimum reserve requirement as a monthly average of deposits. From October 1995, the requirement and deposits are shown for the month during which the requirement is to be fulfilled. Before deposits were shown for the previous month, because deposits were matched with the requirement on the last banking day of that month. The requirement is determined on the basis of the reserve base two months earlier (up to September 1995 one month earlier). The reserve base was changed on 31 March 1995 to comply with the new balance sheet format.

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

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

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

Table 2.5 The markka value of forward contracts is given.

3 Rates of interest

Table 3.1 The interbank overnight rate (Column 1) is weighted using amounts of interbank deposits as weights. Since 1 June 1995, HELIBOR rates (Helsinki Interbank Offered Rate) (Columns 2–5) have been calculated on the basis of the bid rates (offered rates for funds) quoted for their own certificates of deposit by all the banks that have been accepted by the Bank of Finland as counterparties in money market operations. An additional condition is that a bank gives regular quotations. The highest and lowest rates quoted for each maturity are omitted and an arithmetic average calculated for the remaining rates. The quotations are taken daily at 1 p.m.

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

Banks with access to central bank financing can obtain liquidity credit from the Bank of Finland to fulfil their minimum reserve requirement. They can obtain liquidity credit with a maturity of 1 day, 7 days, 14 days, 21 days or 28 days. The maturity of liquidity credit is determined by the Bank of Finland. The rate of interest on liquidity credit is obtained by adding together the Bank of Finland's tender rate and the interest rate margin for liquidity credit. The call money deposit rate in use prior to October 1995 was obtained by subtracting the interest rate margin for call money deposits from the Bank of Finland's tender rate. From 2 October 1995, the interest rate paid on excess reserves is determined separately by the Bank of Finland. The values for maturity and interest rate margins are the last values recorded in each period.

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

Table 3.4 Lending. New credits (Columns 1–4): rates of interest on new credits drawn during the month are average monthly rates weighted by loan amounts. Annual rates are arithmetic average of monthly observations until 1987 after which they are weighted by loan amounts. Average lending rates (Columns 5 and 6) are all weighted by loan amounts. As from January 1989, the loans of Posti-

pankki Ltd have been included in the commercial banks' outstanding stock of loans. **Deposits.** 24-month and 36-month tax-exempt deposits (Columns 7 and 8): from May (September) 1992, 24-month (36-month) deposits are tax-exempt if they carry a rate of interest which is at most the Bank of Finland's base rate less two percentage points (one percentage point). In the period from January 1989 to April 1992, 24-month deposits (Column 7) were tax-exempt if they carried a rate of interest which was at most the Bank of Finland's base rate less one percentage point. Other tax-exempt deposits (Column 9): in the period from January 1989 to April 1992, deposits other than 24-month deposits were tax-exempt if they carried a rate of interest which was at most the Bank of Finland's base rate less 4 percentage points. From May 1992, deposits other than 24-month or 36-month deposits are tax-exempt if they carry a maximum rate of interest as prescribed by law. The maximum rate was first set at 4.5 per cent. From 6 May 1993 it has been 2.5 per cent. All markka deposits (Column 10): the stock of deposits comprises all markka deposits by the public. The monthly and annual average rates of interest are weighted by deposit amounts. Other funding (Column 11): CDs outstanding + promissory notes + bonds. The average rate of interest is weighted by amounts. Total markka funding (Column 12): markka deposits by the public + banks' other markka funding. The rate of interest is weighted by amounts.

Table 3.5 Reference rates (Columns 1 and 2) are calculated by the Bank of Finland as the monthly averages of the offered rates for taxable, fixed-rate bonds quoted daily by the five largest banks. The yields on five-year and ten-year government bonds (Columns 3 and 4) are calculated by the Bank of Finland as averages of the bid rates quoted daily by the primary dealers. The five-year yield is based on quotations for a fixed-rate bullet serial bond (1/94, 15 September 1994 – 15 September 2001). The ten-year yield is based on quotations for a fixed-rate bullet housing bond (1/92, 15 March 1992 – 15 March 2002). As from 1 June 1993, the ten-year yield is based on quotations for a fixed-rate bullet serial bond (1/93, 15 March 1993 – 15 March 2004). The share yield (Column 5) is the weighted effective yield on shares quoted on the Helsinki Stock Exchange. Source: Statistics Finland.

4 Rates of exchange

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

5 Other domestic financing

Table 5.1 Source: Statistics Finland. The public comprises households and non-profit institutions, enterprises (excl. financial institutions) and the local government sector. The table is based on new classifications of Statistics Finland applied since March 1991. Series before March 1991 have been reclassified by the Bank of Finland to conform with the present table, except for columns 3 and 4 where disaggregation was not possible and combined figures are shown. Time deposits (Column 3) consist of all fixed-term deposits. Other deposits (Column 4) include mainly investment accounts with no specific time-period. Other funding (Column 8) comprises CDs, promissory

notes and bonds. The figures for banks' holdings of CDs issued by other banks, as well as the CD holdings of the Bank of Finland and the central government have been netted out; netting out is done by the Bank of Finland. Hence, this column includes some liabilities held by entities not covered by the above definition of the public.

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

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

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

Table 5.5 Source: Table A: Financial Supervision from the beginning of 1994. Table B: Statistics Finland from the beginning of 1991. Tables A and B include markka-denominated bonds issued by Finnish issuers in Finland and abroad as well as those issued by foreign issuers in Finland. Table C includes transactions in markka-denominated bonds outside the Helsinki Stock Exchange. Interbank transactions (Column 1) and transactions (purchases and sales) between banks and customers (Column 2) are transactions by primary dealers and banks entitled to central bank financing. As from 14 July 1995 the following act as primary dealers: Alfred Berg Pankkiiriliike Oy, Evli

Fixed Income Securities, Goldman Sachs International, Merita Bank, Okobank, Postipankki, Skandinaviska Enskilda Banken, Svenska Handelsbanken AB (publ), Branch Operation in Finland and Unibank A/S. Purchases from and sales to others (Columns 4 and 5) consist of transactions in benchmark government bonds between primary dealers and other parties. Other parties refer to all parties that are not primary dealers. Bank of Finland releases data daily (page SPFI on Reuters and page 20981 on Telerate) on the trading in benchmark government bonds among primary dealers and between primary dealers and their customers.

Table 5.6 Source: The Helsinki Stock Exchange.

6 Balance of payments, foreign liabilities and assets

Table 6.1 The figures for the trade and goods and services accounts are compiled in accordance with the System of National Accounts. The trade figures for 1995 have been estimated on the basis of a survey of firms carried out by the Bank of Finland. The official foreign trade statistics published by the Board of Customs are delayed owing to changes in statistical systems caused by Finland's entry into the EU. The figures for investment income and expenditure (Columns 7 and 16) include reinvested earnings on direct investment. Preliminary data on reinvested earnings in the previous year have been included in the current account figures. (The annual figure is divided evenly between quarterly figures.)

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

Table 6.2 Short-term foreign exchange transfers related to cash management flows between direct investors and their direct investment enterprises are classified as direct investment (Columns 1 and 14). Loans received by resident direct investors from group 'in-house' finance companies located abroad (intra-group loans) are also classified as direct investment (Column 14). Money market instruments are classified as portfolio investment (Columns 5 and 17). Premiums and margin payments arising from transactions in financial derivatives are included as a new item under portfolio investment (Columns 6 and 18). Financial derivatives also include payments arising from currency and interest rate swaps related to loans, i.e. outstanding loans are recorded according to the original loan contract. Medium-term notes (MTNs) are included under bonds (Columns 3 and 16). The category other investment (Columns 8-12 and 20-24) covers transactions related to trade credits, loans, currency and deposits and other assets and liabilities. Transactions in assets and liabilities related to short- and long-term supplier credits and advance payments related to imports and exports are recorded under trade credits (Columns 8 and 20). The item 'Other' (Columns 11 and 23) includes transactions in short- and long-term assets and liabilities of different sectors not covered by any of the items above. In addition, this category includes changes in the central government's subscriptions to and quotas in international organizations as well as transactions in the Bank of

Finland's short- and long-term assets and liabilities (excl. reserve items). The most important sub-item under the item 'other' comprises banks' other short-term assets and liabilities (in practice interbank deposits). The central bank's reserve assets (Column 27) comprise gold, special drawing rights (SDRs), the reserve position in the IMF and convertible currency claims. A negative figure implies an increase in reserves.

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

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

7 Foreign trade

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

Table 7.1 The exceptionally large foreign trade figures for December 1994 are largely due to a one-off timing change in the compilation of foreign trade statistics caused by Finland's entry into the EU. This increased the value of imports by some FIM 3 billion and the value of exports by just under FIM 1 billion.

The trade figures for August-December 1995 have been estimated on the basis of a survey of firms carried out by the Bank of Finland. The official foreign trade statistics published by the Board of Customs are delayed owing to changes in statistical systems caused by Finland's entry into the EU.

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

Table 7.4 In addition to all EU countries, those countries are listed whose combined shares of Finland's exports and imports are at least 1 per cent.

8 Domestic economic developments

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

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

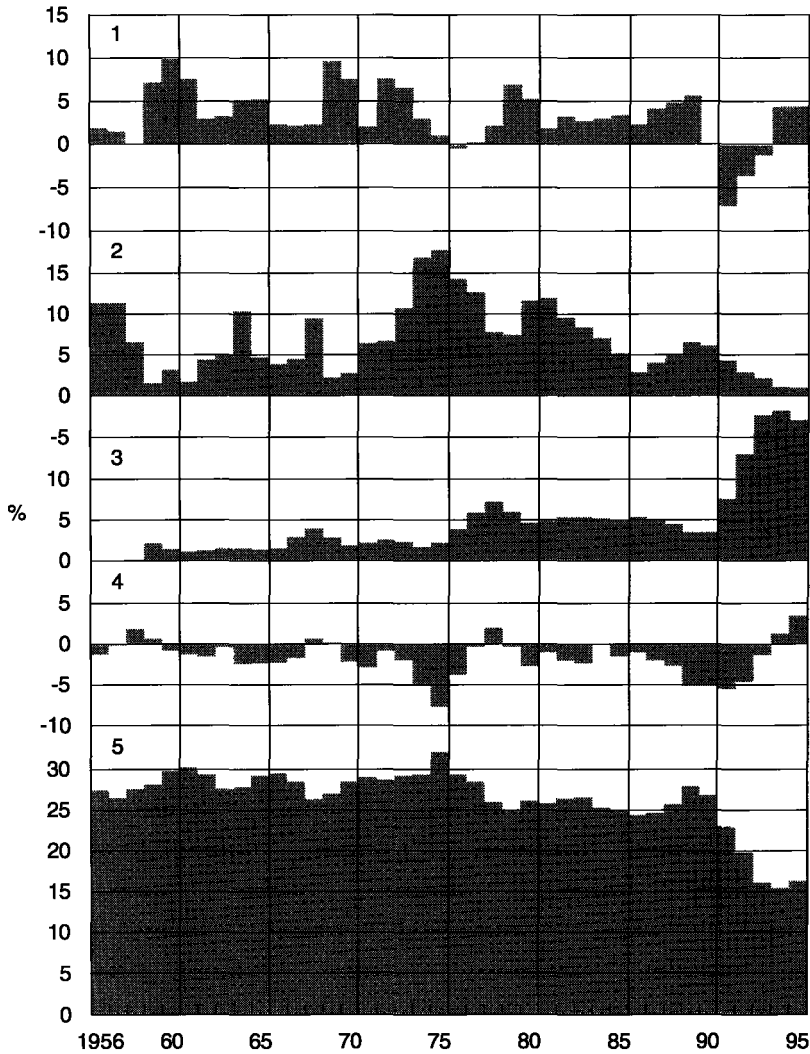
Table 8.3 The monthly indicator of GDP (Column 8) is weighted together from 11 readily available indicators of developments in output in various industries.

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

Table 8.6 **Source:** Ministry of Finance.

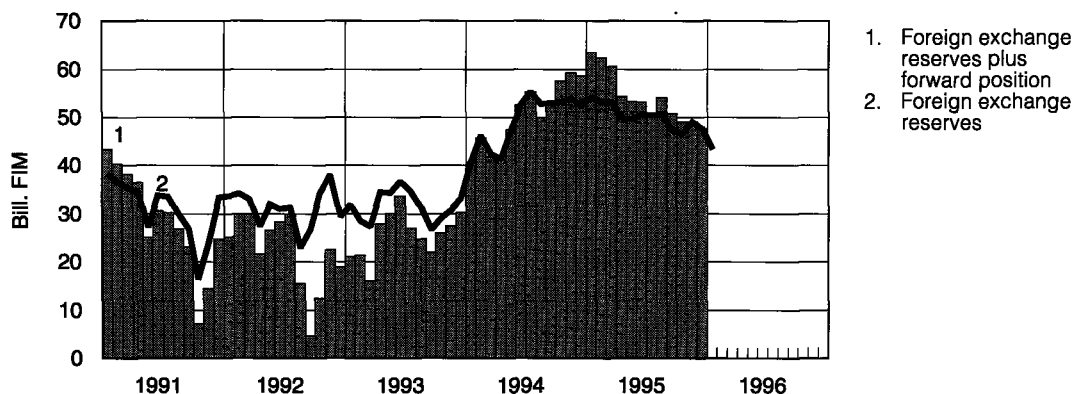
1. Long-term indicators	S30
2. The Bank of Finland's foreign exchange reserves and forward position	S31
3. Forward market	S31
4. Rates of interest set by the Bank of Finland	S31
5. Banks' liquidity position with the Bank of Finland	S32
6. Liquidity management interest rates	S32
7. HELIBOR rates of interest, daily	S32
8. HELIBOR rates of interest, monthly	S33
9. Differential between Finnish and German interest rates	S33
10. Bond yields	S33
11. Bank of Finland currency index and the markka value of the ECU	S34
12. Daily spot rates for the markka against the Deutschemark and the US dollar	S34
13. Daily spot rates for the markka against the pound sterling and the Swedish krona	S34
14. Monthly spot rates for the markka against the Deutschemark and the US dollar	S35
15. Monthly spot rates for the markka against the pound sterling and the Swedish krona	S35
16. Banks' markka lending rates and markka funding rates	S35
17. Bank funding from the public	S36
18. Bank lending to the public	S36
19. Money supply	S36
20. Current account	S37
21. Net interest and dividend expenditure	S37
22. Balance of payments	S38
23. Finland's net international investment position	S38
24. Foreign trade	S39
25. Foreign trade: prices and terms of trade	S39
26. Finland's export performance	S39
27. Production	S40
28. Fixed investment	S40
29. Employment and the unemployment rate	S41
30. Prices and wages	S41
31. Central government finances	S42
32. Central government debt	S42

1. Long-term indicators

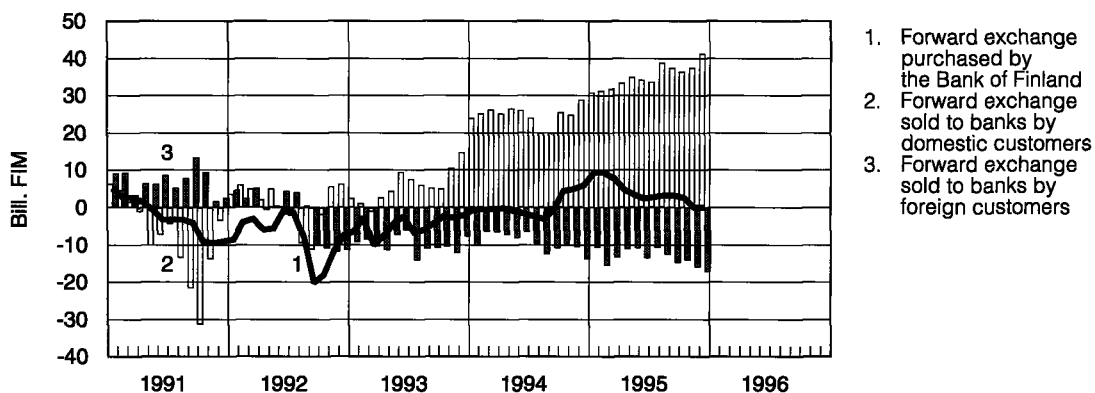


1. GDP, change in volume from the previous year, per cent
2. Consumer prices, change from the previous year, per cent
3. Unemployment rate, per cent
4. Current account, as a percentage of GDP
5. Fixed investment, as a percentage of GDP

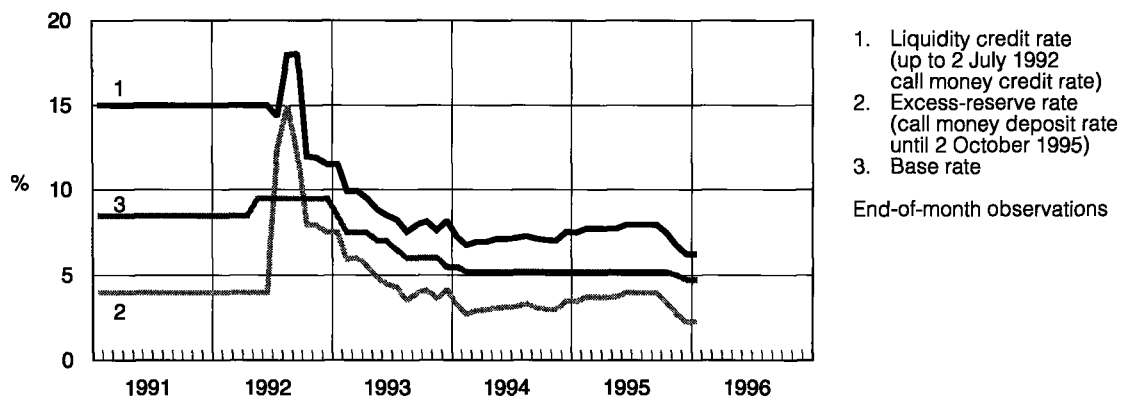
2. The Bank of Finland's foreign exchange reserves and forward position



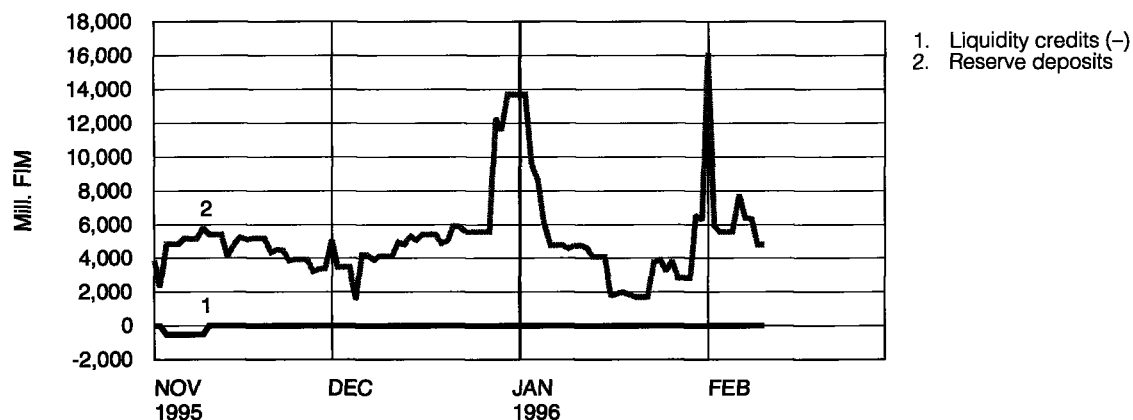
3. Forward market



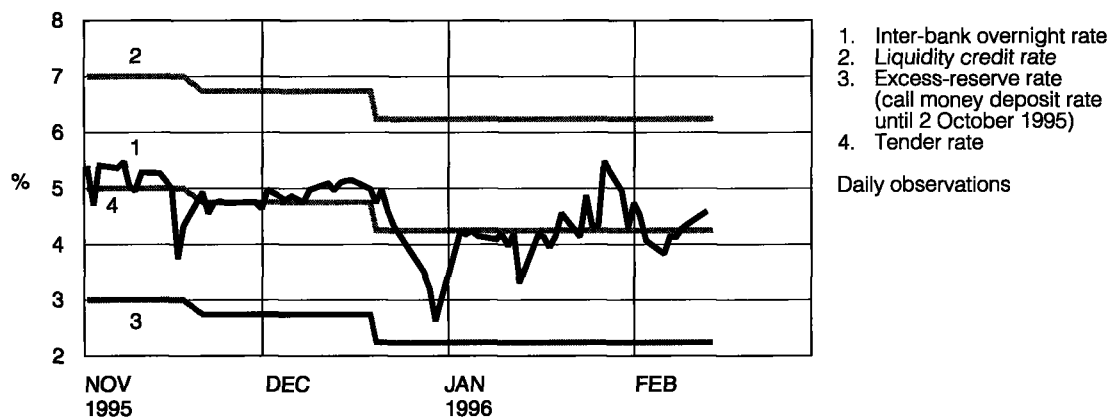
4. Rates of interest set by the Bank of Finland



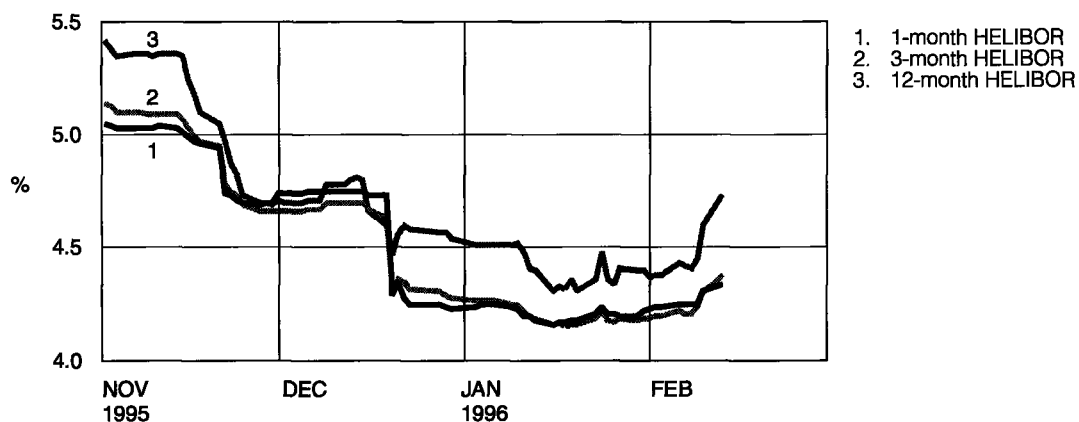
5. Banks' liquidity position at the Bank of Finland



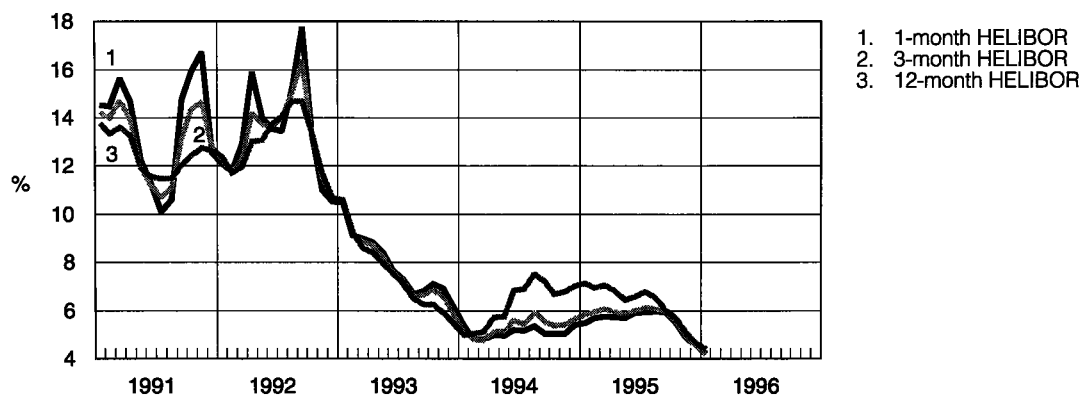
6. Liquidity management interest rates



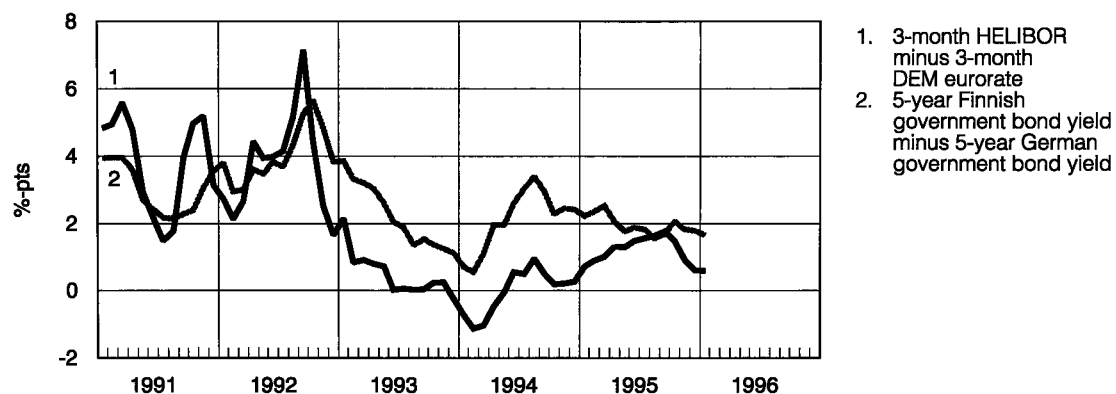
7. HELIBOR rates of interest, daily



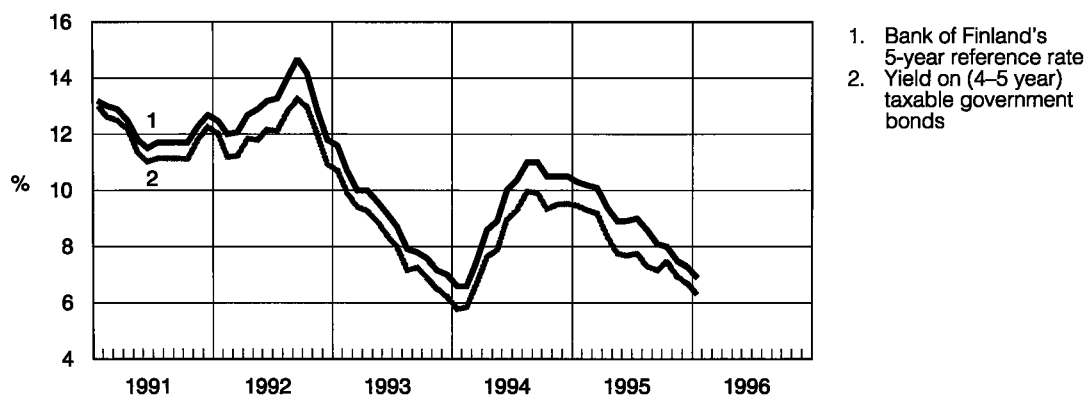
8. HELIBOR rates of interest, monthly



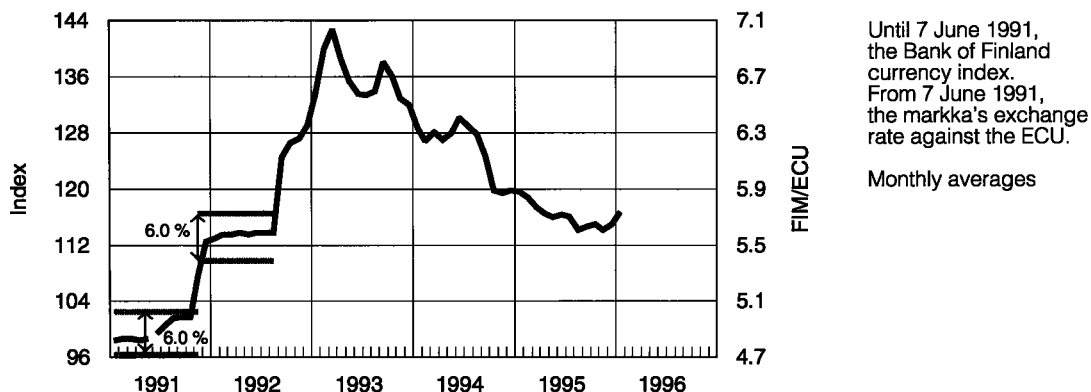
9. Differential between Finnish and German interest rates



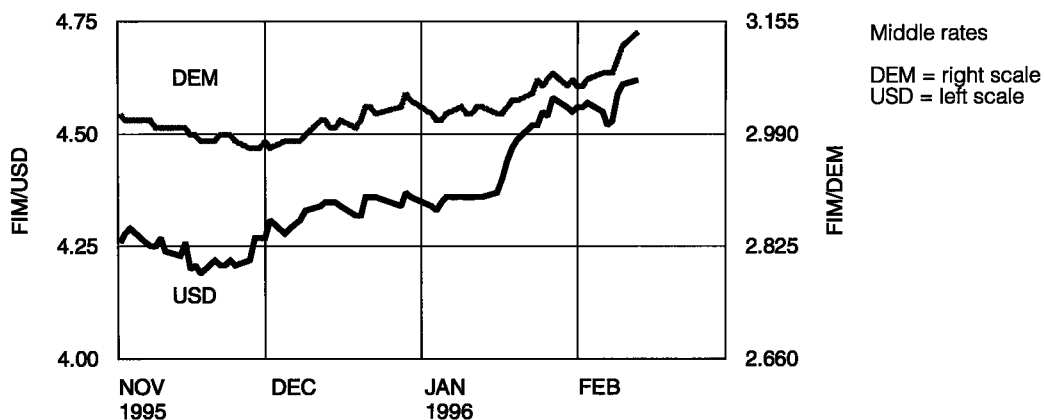
10. Bond yields



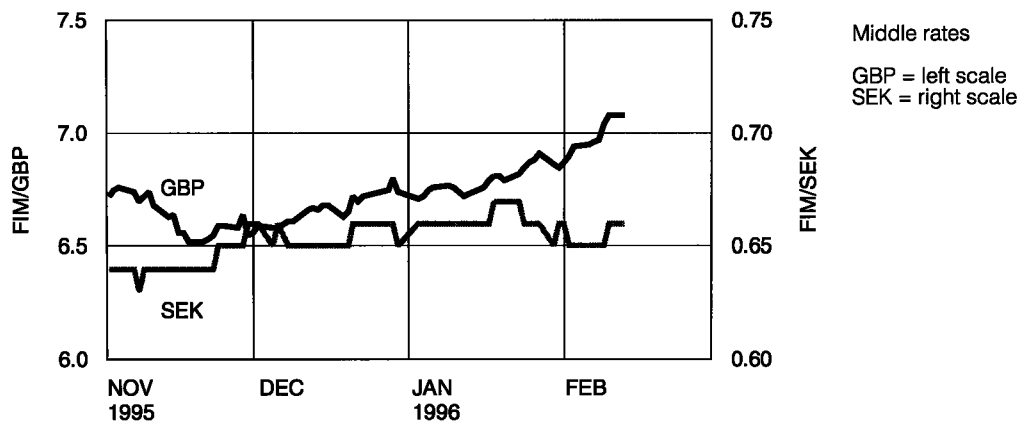
11. Bank of Finland currency index and the markka value of the ECU



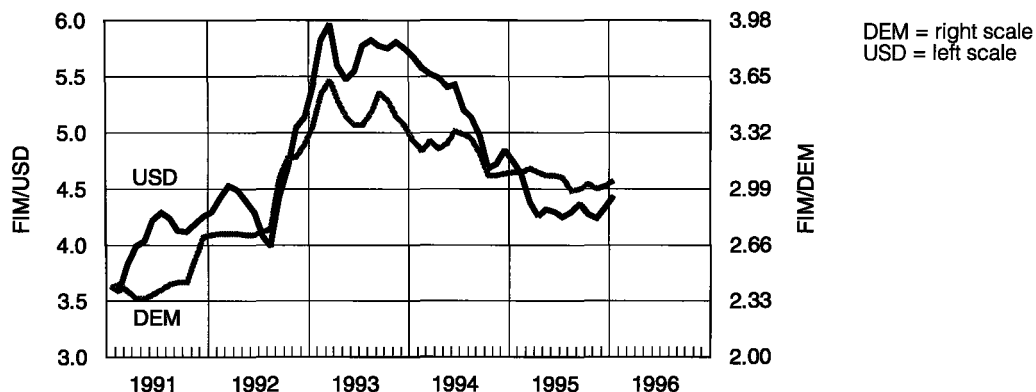
12. Daily spot rates for the markka against the Deutschemark and the US dollar



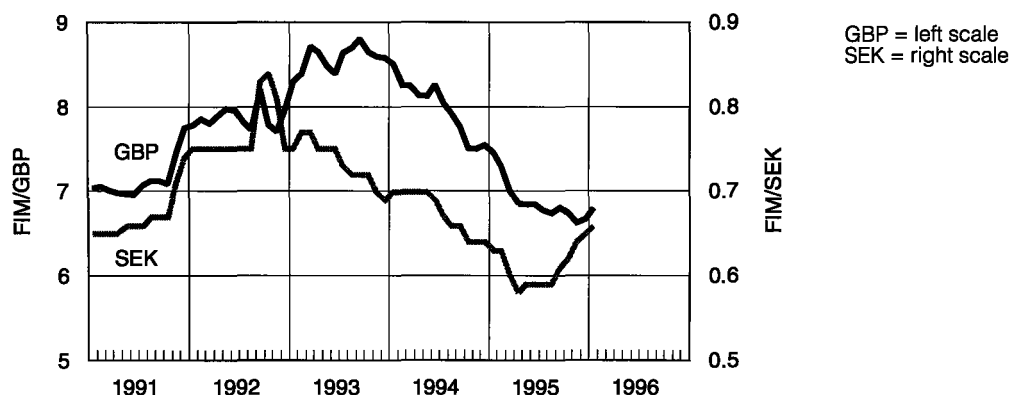
13. Daily spot rates for the markka against the pound sterling and the Swedish krona



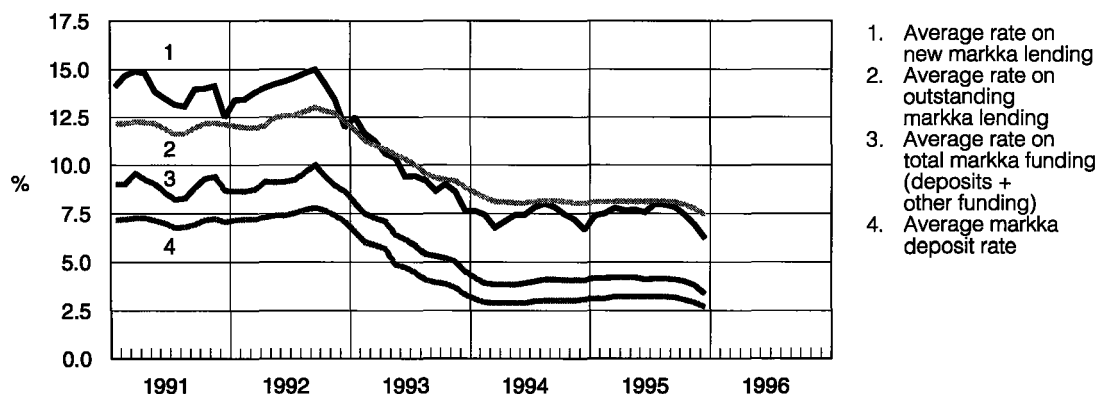
14. Monthly spot rates for the markka against the Deutschemark and the US dollar



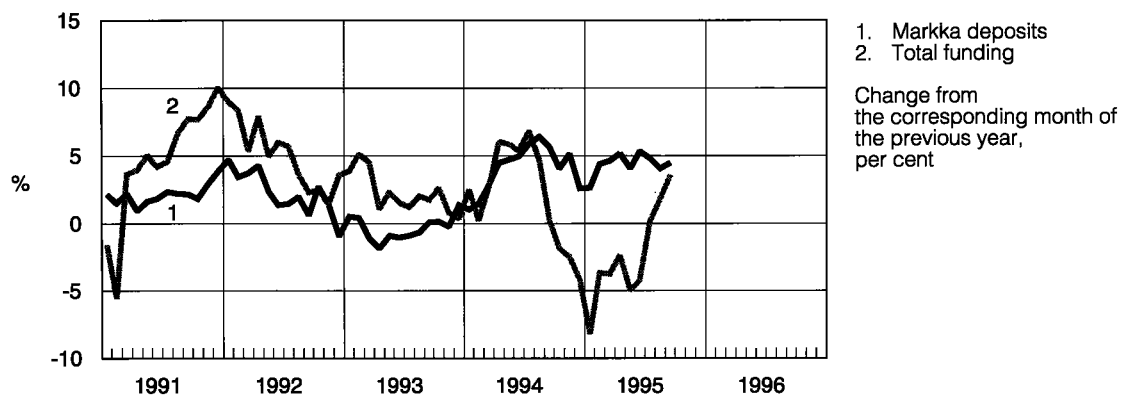
15. Monthly spot rates for the markka against the pound sterling and the Swedish krona



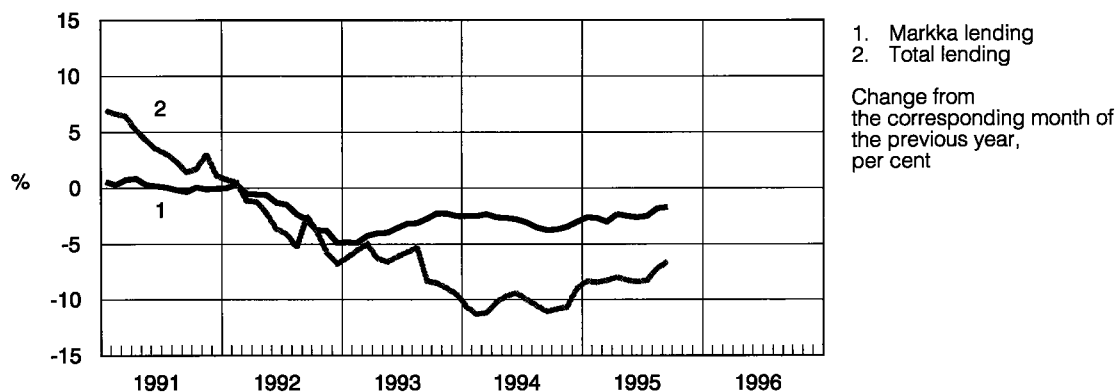
16. Banks' markka lending rates and markka funding rates



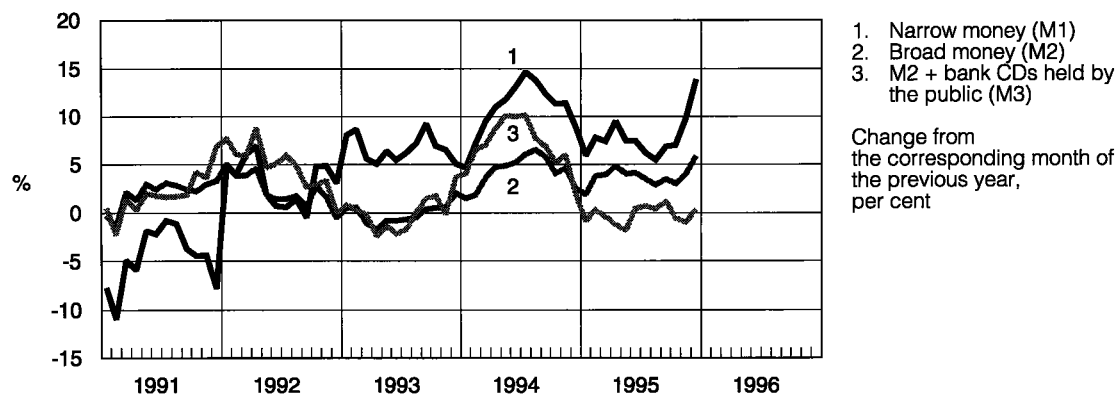
17. Bank funding from the public



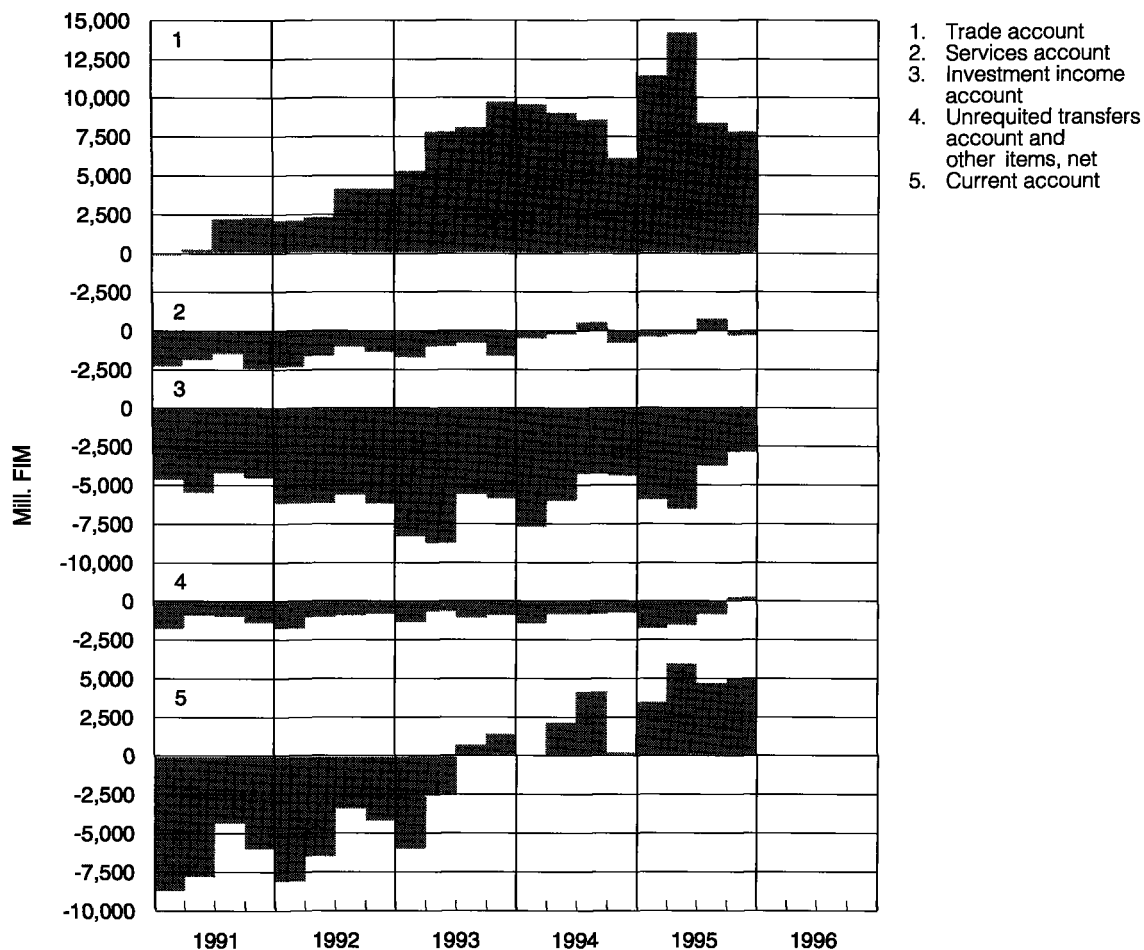
18. Bank lending to the public



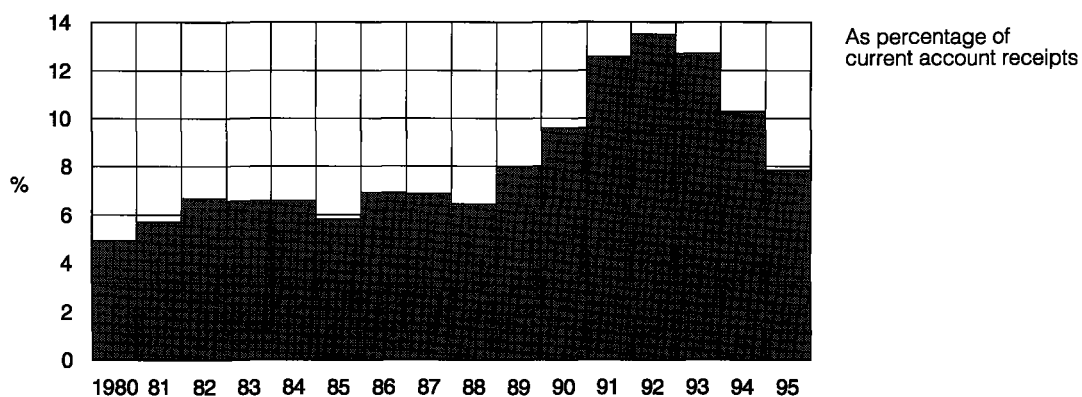
19. Money supply



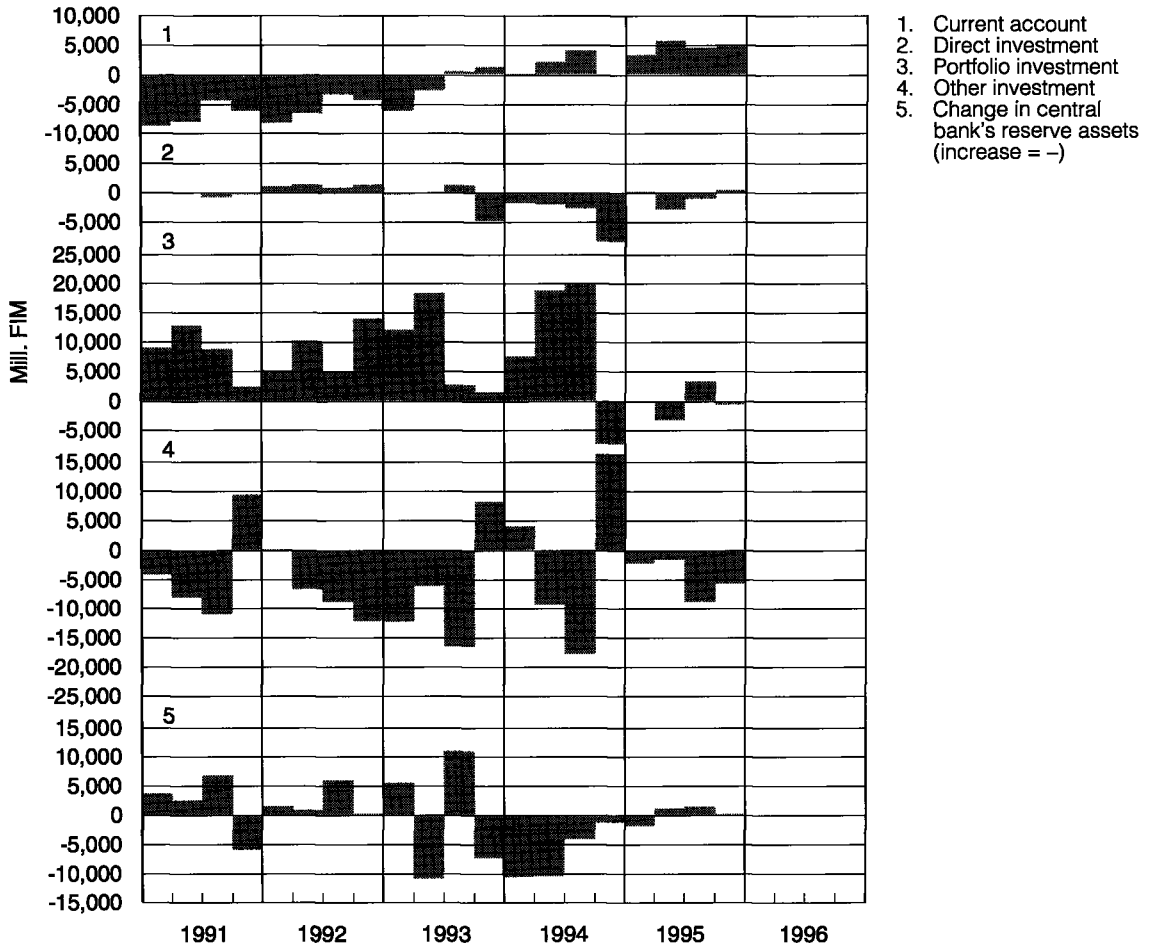
20. Current account



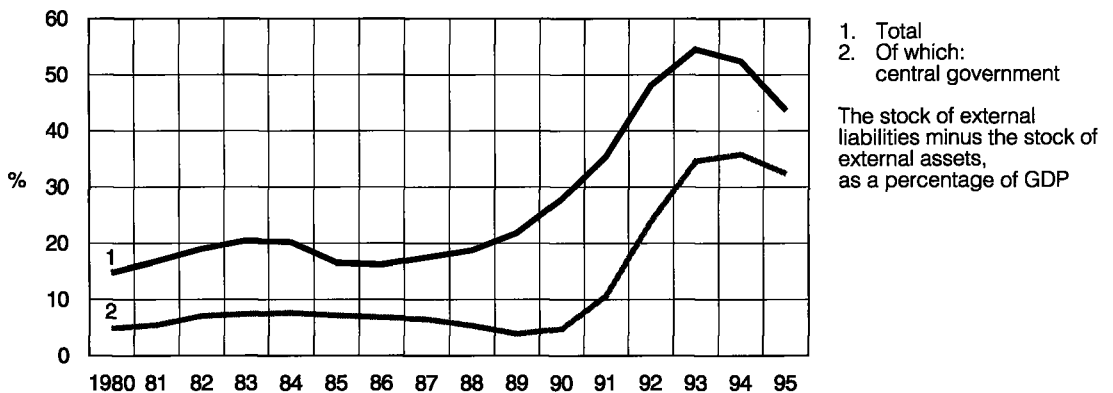
21. Net interest and dividend expenditure



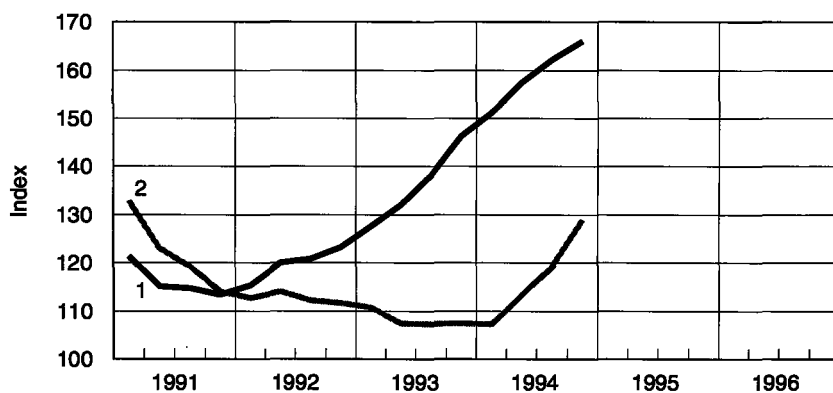
22. Balance of payments



23. Finland's net international investment position



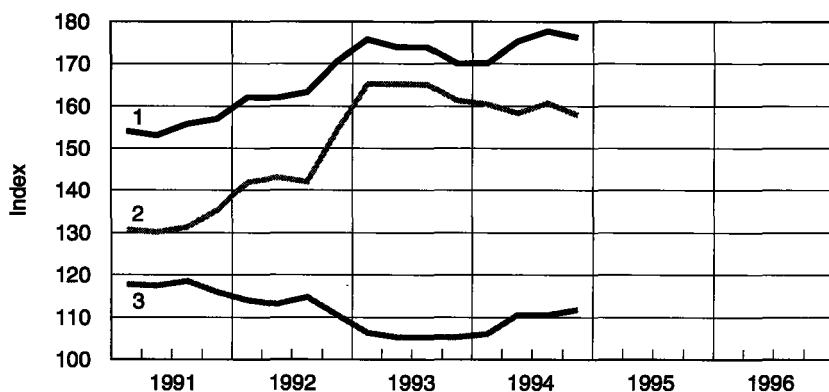
24. Foreign trade



1. Total exports
2. Total imports

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

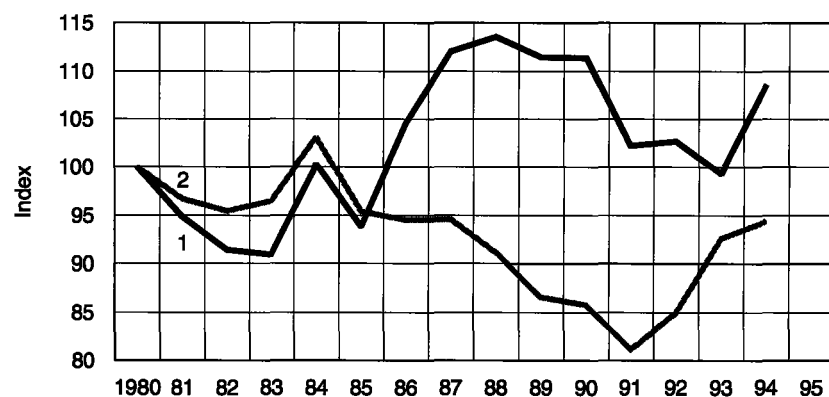
25. Foreign trade: prices and terms of trade



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

1980 = 100

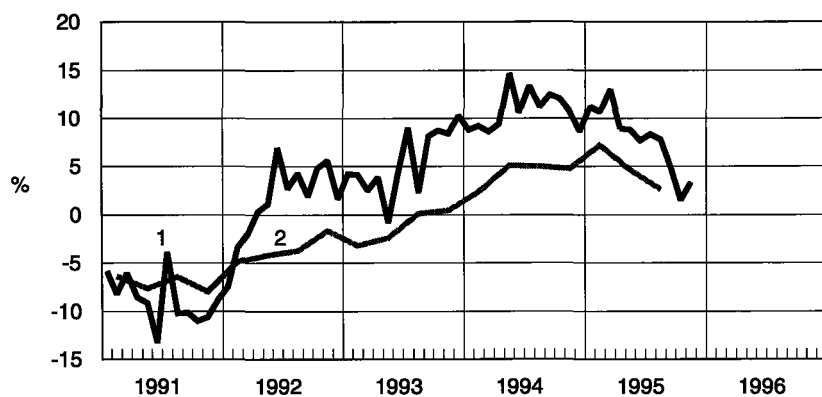
26. Finland's export performance



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

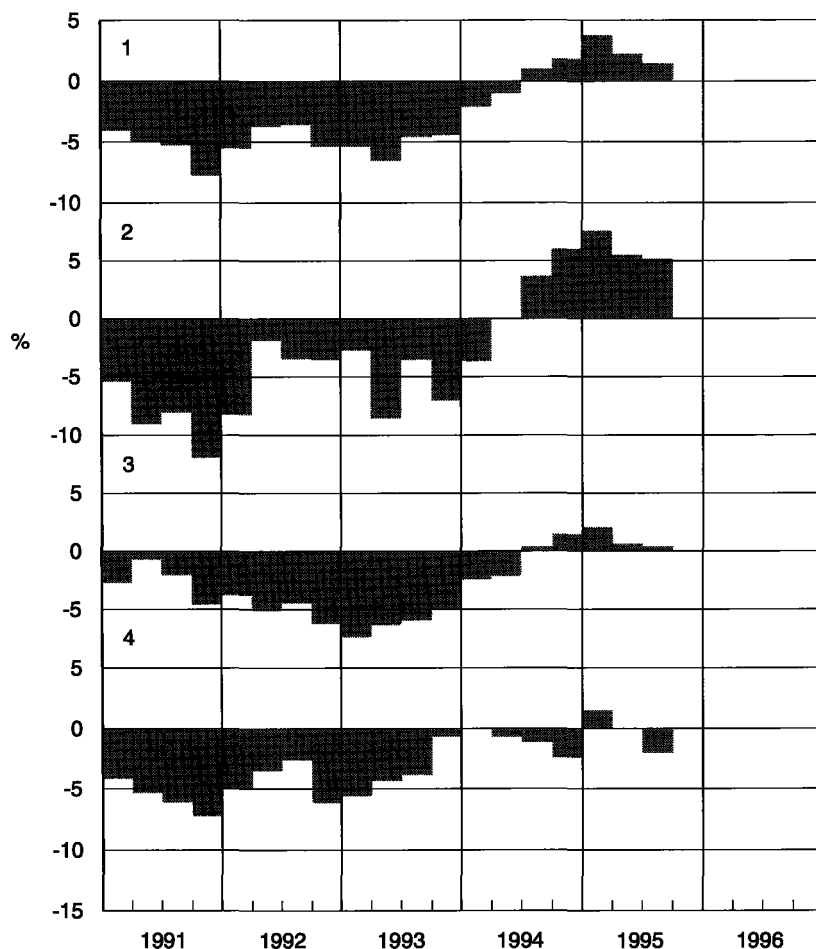
1980 = 100

27. Production



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

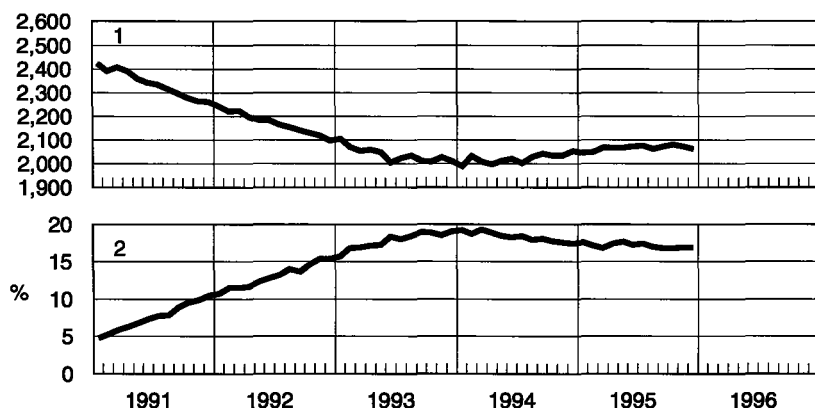
28. Fixed investment



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

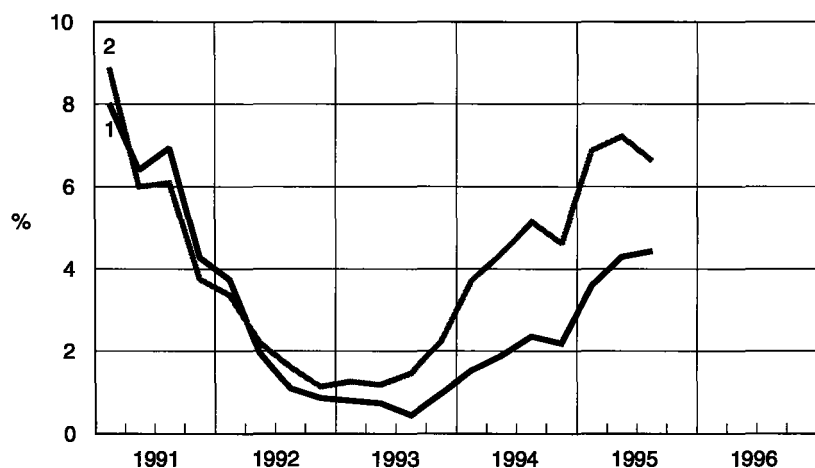
Volume changes calculated from four-quarter moving totals and plotted at the last quarter, per cent

29. Employment and unemployment rate



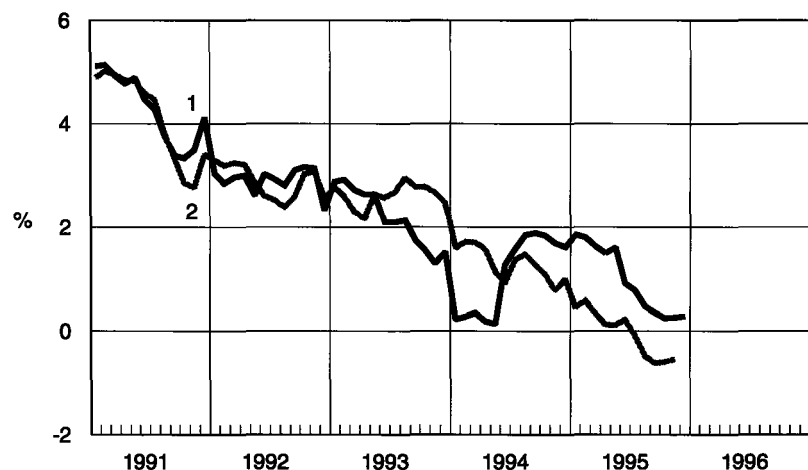
1. Employment, 1000 persons
2. Unemployment rate, per cent

30. Prices and wages



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

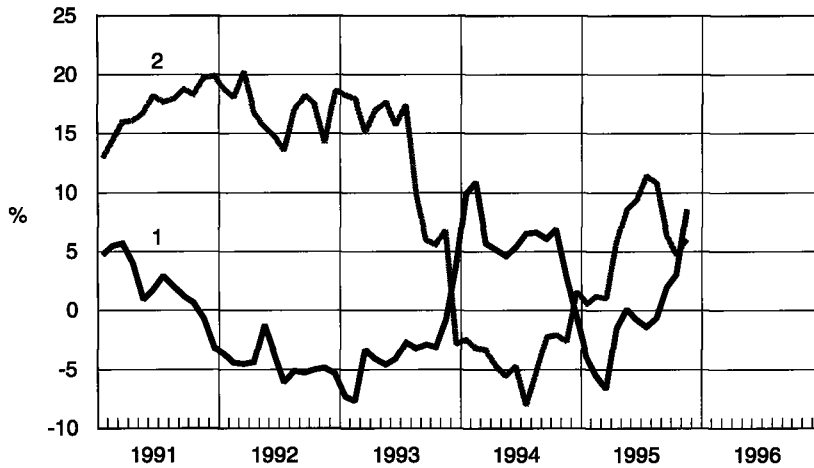
Change from the corresponding quarter of the previous year, per cent



1. Consumer price index
2. Indicator of underlying inflation

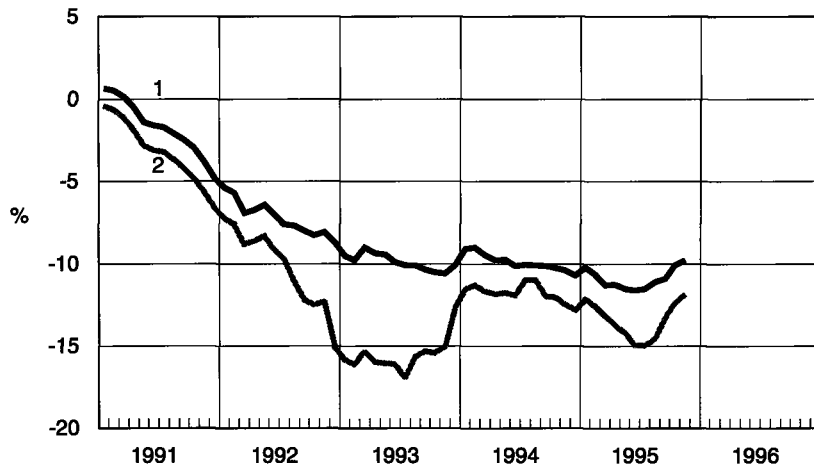
Change from the corresponding month of the previous year, per cent

31. Central government finances



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

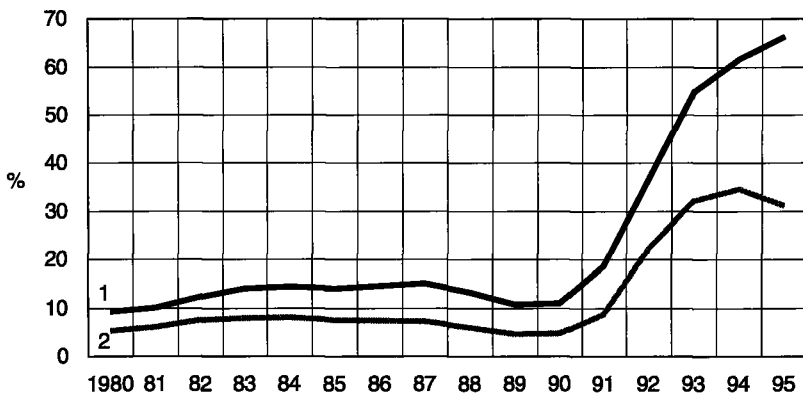
12-month changes calculated from 12-month moving totals and plotted at the last month, per cent



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

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

32. Central government debt



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

As a percentage of GDP

BANK OF FINLAND

1 February 1996

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