

REPORT
OF THE
BANK OF FINLAND

FOR THE 114TH FINANCIAL YEAR
ENDED 31ST DECEMBER, 1925.



HELSINGFORS
GOVERNMENT PRINTING OFFICE
1926

ASSETS.

[illegible]

31st December, 1925.

LIABILITIES.					
Notes in Circulation					1,309,306,039- -
Balance of Current Accounts	51,391,811	12			
» » » » due to Government	505,670,445	23			
Credit abroad	256,200,000	—			
Bank Post Bills	8,084,053	61			
Bills collected	72,745	08			
Correspondents abroad	10,638,336	11			
Sinking Funds	5,791,632	06			
Sundry Accounts	24,795,591	25			862,644,614 46
Balance of Interest Accrued					723,705 58
 Capital	500,000,000	—			
Reserve Fund	50,682,634	67			550,682,634 67
 Value of Real Estate and Furniture.....					12,000,100 —
 Net Profit for the year 1925					82,673,890 13
Right to issue notes.					
Stock of gold and Assets in foreign currency	Fmk.	1,739,568,438:	93		
Right to issue notes in addition to the above amount (Law of 21/12 1925)	»	1,200,000,000:	—		
Right to issue bank notes.....	<u>Fmk.</u>	<u>2,939,568,438:</u>	<u>93</u>		
 Notes in circulation	Fmk.	1,309,306,039:	—		
Other liabilities payable on demand	»	862,644,614:	46		
Undrawn amount of advances on current accounts ..	•	4,197,200:	67		
Reserve of note issue: immediately at disposal	»	90,607,977:	26		
depending upon increased supplementary cover ..	»	672,812,607:	54		
	<u>Fmk.</u>	<u>2,939,568,438:</u>	<u>93</u>		
	Fmk.				2,818,030.983 84

II. Turnover.

1. Cash Account.

The aggregate Cash turnover in Debit and Credit for 1925 was Fmk. 59,190,769,333:30
of which at the Branches at

Turku (Åbo)	Fmk.	3,257,516,898:67	
Viipuri (Wiborg)	»	3,085,513,901:86	
Tampere (Tammertors)	»	2,149,384,401:68	
Vaasa (Wasa)	»	2,051,033,601:36	
Oulu (Uleåborg)	»	1,755,237,777:70	
Kotka	»	736,599,001:07	
Pori (Björneborg)	»	734,237,768:79	
Kuopio	»	731,583,270:77	
Sortavala (Sordavala)	»	500,485,443:99	
Jyväskylä	»	461,055,013:84	
Mikkeli (St Michel)	»	424,139,366:99	
Joensuu	»	369,913,937:68	
Hämeenlinna (Tavastehus)	»	337,484,034:33	Fmk. 16,594,184,418:73
and at the Head Office at Helsinki (Helsingfors)	»	42,596,584,914:57	
			Fmk. 59,190,769,333:30

Thus the average turnover per day was Fmk. 197,302,564:44
of which at the Head Office » 141,988,616:38
and at the Branches » 55,313,948:06

Cash in hand:	Ultimo Dec. 1924.	Ultimo Dec. 1925.
Gold coin	Fmk. 34,546,690:12	Fmk. 264,802,090:26
Gold bullion	» 8,738,665:28	» 66,832,282:42
Foreign bank notes and coupons	» 882,152:15	» 1,504,370:10
Finnish nickel coin	» 10,711,524:75	» 8,752,665:—
» copper coin	» 404,811:80	» 304,999:59
Silver	» 997,541:80	» 886,531:83
Bank post bills issued by Commercial Banks	» 32,439,187:87	» 54,456,547:65
Own bank notes	» 934,225,649:—	» 524,525,944:—
	Fmk. 1,022,946,222:77	Fmk. 922,065,430:85

2. Stock of Gold.

Balance 31st December 1924	Fmk.	43,285,355:40
Addition in 1925	»	412:53
According to the monetary law for Finland of the 21st December 1925 the booked value of the stock of gold has been increased by	»	288,348,604:75
Balance 31st December 1925	Fmk.	331,634,372:68

3. Correspondents abroad.

Balance in favour of the Bank:		1924.	1925.
At the end of January	Fmk.	660,337,303:39	Fmk. 862,122,718:28
» February.....	»	918,151,908:07	» 899,913,369:42
» March	»	787,527,226:17	» 853,977,716:81
» April	»	649,386,917:72	» 1,126,796,219:38
» May	»	529,306,084:46	» 1,082,685,381:79
» June	»	347,465,736:50	» 1,011,514,891:30
» July.....	»	547,831,313:69	» 1,019,925,433:97
» August	»	450,820,458:06	» 993,182,956:27
» September	»	426,782,556:44	» 1,082,818,153:98
» October	»	498,630,374:78	» 1,261,247,972:86
» November	»	602,846,021:30	» 1,300,098,906:63
» December	»	787,304,792:05	» 1,397,295,730:14

For the time being the Bank of Finland has correspondents at the following places abroad: New York, Chicago, Boston, London, Stockholm, Oslo, Copenhagen, Berlin, Amsterdam, Paris, Brussels, Basle, Milan, Madrid, Vienna, Prague, Warsaw, Riga and Reval.

4. Foreign Bills Discounted.

In portfolio 31st December 1924.....	Fmk.	9,173,903:01
Discounted during 1925	»	434,860,047:93
	Fmk.	44,033,950:94
Sent for collection and sold during 1925	»	342,484,534:92
In portfolio 31st December 1925		Fmk. 101,549,416:02

5. Inland Bills Discounted.

In portfolio 31st December 1924	Fmk.	539,580,083:50
Discounted during 1925	»	2,293,469,593:05
	Fmk.	2,833,049,676:55
Paid during 1925	»	2,408,916,070:21
In portfolio 31st December 1925		Fmk. 424,133,606:34

The discount rates have been, according to the quality and currency of the bills, 9. 9 1/2 and 10 % until the 15th August, 8, 8 1/2 and 9 % until the 29th October and after that date 7 1/2, 8 and 8 1/2 %.

6. Inland Bills Protested.

Outstanding 31st December 1924	Fmk.	—
Protested during 1925	»	612,359:37
	Fmk.	612,359:37
Paid during 1925.....	»	612,359:37
Outstanding 31st December 1925		Fmk. —

7. Loans on Security.

Balance 31st December 1924	Fmk.	4,320,002:—
Effectuated during 1925	»	48,964,550:—
	Fmk.	53,284,552:—
Repaid during 1925	»	22,190,002:—
	Balance 31st December 1925	Fmk. 31,094,550:—

The rates of interest for loans have been according to security, 9, 9 1/2 and 10 % until the 15th August, 8, 8 1/2 and 9 % until the 29th October and after that date 7 1/2, 8 and 8 1/2 %.

Securities held against these loans consisted of:

Bonds	Fmk.	6,494,550:—
Mortgages	»	24,600,000:—
	Fmk.	31,094,550:—

8. Advances on Current Accounts.

Balance of amount allowed 31st December 1924	Fmk.	10,223,000:—
» » » » » 1925	»	27,870,000:—
Balance of amount used 31st December 1924	Fmk.	7,211,914:39
Withdrawn during 1925	»	106,010,193:64
	Fmk.	113,222,108:03
Paid in during 1925	»	89,549,308:70
	Balance 31st December 1925	Fmk. 23,672,799:33

The rates of interest for advances on current accounts during 1925 have been the same as those for loans on security. A commission of 1 % per year has been charged until the 15th August and after that date a commission of 1/2 %.

Securities held against these advances:

Bonds	Fmk.	10,620,000:—
Mortgages	»	17,250,000:—
	Fmk.	27,870,000:—

9. Bonds.

Balance 31st December 1924	Fmk.	451,306,338:50
Bought during 1925	Fmk.	17,635,105:68
Profit on sold and drawn bonds	»	17,544,579:51
	Fmk.	35,179,685:19
	Fmk.	486,486,023:69
Sold and drawn during 1925	Fmk.	94,798,662:81
Written off during 1925	»	36,372,302:88
	Fmk.	131,170,965:69
	Balance 31st December 1925	Fmk. 355,315,058:—
of which Finnish State Bonds in Finnish currency	Fmk.	325,238,906:25
other Bonds in Finnish currency	»	12,480,568:25
Bonds in foreign currency	»	17,595,583:50
	Fmk.	355,315,058:—

10. Government's Short Term Liabilities.

Balance 31st December 1924	Fmk.	48,000,000:—
Paid during 1925	»	12,000,000:—
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Balance 31st December 1925	Fmk.	36,000,000:—

11. Current Accounts.

Balance 31st December 1924	Fmk.	45,743,517:60
Paid in during 1925	»	15,293,569,343:98
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	Fmk.	15,339,312,861:58
Withdrawn during 1925	»	15,287,921,050:46
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Outstanding 31st December 1925	Fmk.	51,391,811:12

12. Current Accounts due to Government.

Balance 31st December 1924	Fmk.	158,009,468:96
Paid in during 1925	»	2,693,535,275:44
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	Fmk.	2,851,544,744:40
Withdrawn during 1925	»	2,345,874,299:17
	<hr/>	
Balance 31st December 1925	Fmk.	505,670,445:23

13. Bank Post Bills.

Outstanding 31st December 1924	Fmk.	8,086,570:02
Issued during 1925	»	1,031,149,901:74
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	Fmk.	1,039,236,471:76
Redeemed during 1925	»	1,031,152,418:15
	<hr/>	
Balance 31st December 1925	Fmk.	8,084,053:61

14. Bills for Collection.

Balance 31st December 1924	Fmk.	741,710:20
Collected during 1925	»	101,582,331:13
	<hr/>	
	Fmk.	102,324,041:33
Covered by remittance during 1925	»	102,251,296:25
	<hr/>	
Balance 31st December 1925	Fmk.	72,745:08

15. Bank Notes.

a) Finnish Mark Notes.

	Number of 1 Mark notes.	Number of 3 Mark notes.	Number of 5 Mark notes.	Number of 10 Mark notes.	Number of 12 Mark notes.	Number of 20 Mark notes.	Number of 40 Mark notes.	Number of 50 Mark notes.	Number of 100 Mark notes.	Number of 500 Mark ¹⁾ notes.	Number of 1000 Mark notes.	Total. Fmk.
Notes in hand and in circulation 31st De- cember 1924:												
old issues	3,403,892	52,648	1,136,856	190,923	8,243	271,705	232	422,138	567,836	50,799	15,211	135,198,642
1922 issue	—	—	8,049,902	12,302,998	—	—	—	3,773,802	6,547,100	607,998	735,998	2,046,676,590
Printed in 1925.												
1922 issue	—	—	3,972,000	4,044,000	—	—	—	308,000	1,886,000	—	—	264,300,000
Total	3,403,892	52,648	13,158,758	16,537,921	8,243	271,705	232	4,503,940	9,000,936	658,797	751,209	2,446,175,232
Destroyed during 1925:												
old issues	83,090	5	335,885	159,525	10	68,490	—	273,420	270,100	28,160	5,096	64,584,700
1922 issue	—	—	4,515,060	6,515,060	—	—	—	1,490,062	1,927,060	68,060	161,060	550,025,000
Notes in hand and in circulation 31st De- cember 1925	3,320,802	52,643	8,307,813	9,863,336	8,233	203,215	232	2,740,458	6,803,776	562,577	585,053	1,831,565,532
Total	3,403,892	52,648	13,158,758	16,537,921	8,243	271,705	232	4,503,940	9,000,936	658,797	751,209	2,446,175,232
At the Bank 31st De- cember 1925:												
old issues	30,846	56	17,211	9,768	77	11,325	2	11,421	13,581	1,863	835	4,137,903
1922 issue	—	—	2,424,343	2,694,340	—	—	—	544,440	1,770,243	126,500	213,799	520,360,415
In circulation 31st De- cember 1925:												
old issues	3,289,956	52,587	783,760	21,630	8,156	191,890	230	137,297	2,411,555	20,776	9,280	66,476,039
1922 issue	—	—	5,082,499	7,137,598	—	—	—	2,047,300	4,735,797	413,438	361,139	1,240,591,175

b) Penni Notes.

	Number of 25 Penni notes.	Number of 50 Penni notes.	Total. Fmk.
Notes in hand and in circulation 31st Dec. 1924	4,906,196	1,721,998	2,087,548
Destroyed in 1925	64,060	26,060	29,045
Notes in hand and in circulation 31st Dec. 1925	4,842,136	1,695,938	2,058,503
At the Bank 31st December 1925	42,394	26,927	24,062
In circulation »	4,799,742	1,669,011	2,034,441

c) Rouble Notes.

	Number of 3 Rouble notes.	Number of 5 Rouble notes.	Number of 10 Rouble notes.	Number of 25 Rouble notes.	Total. Fmk.
Notes in hand and in circulation 31st Dec. 1924	8,544	2,355	762	289	209,008
Destroyed in 1925	5	—	—	10	1,060
Notes in hand and in circulation 31st Dec. 1925	8,539	2,355	762	279	207,948
At the Bank 31st December 1925	12	4	1	33	3,564
In circulation »	8,527	2,351	761	246	204,384

The Notes of the Bank in Finnish Marks, Pennis and Roubles on 31st December 1925 amounted to Fmk. 1,833,831,983: —
of which in hand Fmk. 524,525,944: —
» » » circulation Fmk. 1,309,306,039: —

III. Summary of the Bank's Monthly Returns in 1925.

Month.	Stock of gold.	Assets in Foreign Currency.	Home Credits.	Government's Short Term Liabilities and State Bonds in Finnish Currency.	Other Assets.	Notes in Circulation.	Other Liabilities.	Undrawn amount of advances on current accounts.	Unused Amount of Issue.
	Fmk.	Fmk.	Fmk.	Fmk.	Fmk.	Fmk.	Fmk.	Fmk.	Fmk.
January	43,285,355	873,701,741	613,529,484	470,141,806	102,652,482	1,205,463,842	617,128,174	1,559,308	165,773,986
February ..	43,285,355	912,881,368	604,529,307	470,141,806	98,135,952	1,287,963,178	559,513,353	9,489,808	171,073,920
March	43,285,355	861,915,264	653,062,263	470,141,806	113,402,527	1,383,733,206	470,032,733	8,519,708	162,351,364
April	43,285,373	1,132,994,248	544,565,489	401,391,806	164,967,461	1,381,974,868	617,033,269	4,273,679	110,991,394
May	43,285,449	1,098,395,996	437,893,558	401,391,806	171,401,385	1,336,093,870	519,005,073	10,060,000	115,488,825
June	43,285,526	1,048,726,999	420,111,974	395,131,806	197,993,196	1,286,034,173	501,074,950	9,780,000	100,006,061
July	43,285,659	1,068,822,085	371,233,807	395,131,806	188,847,725	1,252,085,314	487,925,326	7,040,000	120,699,374
August	43,285,689	1,057,384,302	389,889,029	395,131,806	194,500,974	1,268,212,113	480,544,280	1,848,484	119,171,090
September..	43,285,726	1,156,779,968	377,540,953	395,131,806	236,126,697	1,279,457,747	597,735,714	7,000,520	82,281,648
October	43,285,754	1,331,185,657	350,106,916	395,131,806	117,447,251	1,271,214,406	623,126,290	3,842,997	213,443,425
November ..	43,285,756	1,418,520,782	363,755,376	395,131,806	108,771,944	1,253,093,341	728,621,732	6,215,667	215,999,177
December ..	*)331,634,373	1,510,987,852	478,900,956	361,238,906	135,268,897	1,309,306,039	863,368,320	4,197,201	90,607,975

*) Booked according to the monetary law for Finland of the 21st December 1925.

IV. Clearing.

The Clearing Department's turnover amounted in the different months of 1925 and at the different Offices to:

Month.	Head Office at Helsinki (Helsingfors)	Turku (Åbo)	Vapuri (Wiborg)	Tampere (Tammerfors)	Vaasa (Wasa)	Oulu (Uleåborg)
	Fmk.	Fmk.	Fmk.	Fmk.	Fmk.	Fmk.
January	1,067,999,858 23	104,582,979 18	72,867,086 98	65,463,419 55	50,792,479 56	32,198,186 89
February	884,717,492 68	77,611,781 65	66,082,600 33	51,900,414 01	48,093,653 64	34,293,318 28
March	884,969,491 64	85,048,892 36	62,724,084 16	56,358,591 35	45,165,593 29	35,635,921 12
April	990,033,433 76	86,858,386 48	60,049,546 39	57,565,501 80	51,162,979 66	33,943,853 39
May	926,570,753 42	85,796,941 72	67,562,108 79	67,665,391 33	55,758,987 45	25,921,513 97
June	919,213,535 19	93,205,855 47	68,226,926 98	65,171,586 85	62,793,899 92	29,189,120 29
July	1,028,854,318 94	84,687,351 24	68,433,491 56	63,173,409 18	68,093,286 07	31,120,408 90
August	945,573,501 15	78,380,965 22	67,682,935 01	56,067,230 15	51,873,161 05	25,796,273 67
September	1,034,033,524 13	85,420,642 58	65,677,775 74	61,094,675 57	50,542,849 44	32,584,554 41
October	1,251,874,705 03	93,781,699 96	69,626,781 51	82,741,728 30	76,311,470 21	43,982,173 25
November	1,022,325,954 69	98,970,883 20	88,369,205 61	73,916,973 57	59,858,890 87	46,779,707 93
December	1,181,747,815 77	114,336,701 50	83,710,531 65	82,093,085 57	78,223,086 06	35,120,946 85
	12,137,914,384 63	1,088,683,080 56	841,013,074 71	783,212,007 23	698,670,337 22	406,565,978 95

The total turnover in 1925 amounted thus to Fmk 15,956,058,863:30

V. The Year's Results.

Profit and Loss Account.

Credit.

Interest on Home Credits	Fmk. 42,992,958: 12	
» » Current Accounts abroad.....	» 30,029,545: 18	
" » Bonds	» 25,165,922: 66	
Agio	» 9,231,344: 66	
Commission	» 5,915,655: 37	
Bad and Doubtful Debts paid.....	» 13,451: 06	Fmk. 113,348,877: 05

Debit.

Salaries	Fmk. 6,617,482: 23	
Pensions and Supports	» 341,415: 18	
Fees to the Bank Supervisors and their expenses	» 76,386: 25	
Cost of manufacturing Bank Notes.....	» 2,758,372: 66	
Miscellaneous Expenses	» 2,093,506: 21	
Written off on Bonds and Shares	» 18,670,224: 37	
Depreciation of Furniture	» 117,600: 02	Fmk. 30,674,986: 92
Net Profit for the Year 1925	» 82,673,890: 13	Fmk. 113,348,877: 05

VI. Capital.

The capital amounted on the 31st December 1924 to	Fmk. 100,000,000: —
Addition in 1925 by increase of the booked value of the stock of gold according to the monetary law for Finland of the 21st December 1925	» 288,348,604: 75
In 1925 has been transferred from Profit Reserve Account	» 111,651,395: 25
Balance 31st December 1925	Fmk. 500,000,000: —

VII. Reserve Fund.

The Reserve Fund amounted on the 31st December 1924 to	Fmk. 62,000,100: —
In 1925 has been transferred from Profit Reserve Account	» 682,634: 67
	Fmk. 62,682,734: 67
Of which the value of the Real Estate and Furniture is deducted, according to § 4 of the Bank's Regulations dated December 21st 1925	» 12,000,100: —
Balance 31st December 1925	Fmk. 50,682,634: 67

VIII. Profit Reserve Account.

The Profit Reserve Account amounted on the 31st December 1924 to	Fmk.	46,960,400: 92
In 1925 has been transferred as per resolution of the Diet of the 11th		
November 1925 from Undisposed Profit Account	„	65,373,629: —
	Fmk.	112,334,029: 92
In 1925 has been transferred to the Capital	Fmk.	111,651,395: 25
„ „ „ „ „ „ Reserve Fund.. „	„	682,634: 67
		„ 112,334,029: 92
Balance 31st December 1925	Fmk.	—

IX. Undisposed Profit Account.

The Undisposed Profit Account amounted on the 31st December 1924 to ..	Fmk.	65,373,629: —
In 1925 has been transferred as per resolution of the Diet of the 11th No-		
vember 1925 to the Profit Reserve Account	„	65,373,629: —
Balance 31st December 1925	Fmk.	—

X. Bank Offices.

Head Office at Helsinki (Helsingfors) and Branches at Turku (Åbo), Pori (Björneborg) Vaasa (Wasa), Oulu (Uleåborg), Kuopio, Joensuu, Sortavala (Sordavala), Viipuri (Wiborg), Mikkeli (St Michel), Tampere (Tammerfors), Hämeenlinna (Tavastehus), Jyväskylä and Kotka.

Helsingfors, January 12th. 1926.

The Board of Management of the Bank of Finland

RISTO RYTI

ERNST GRÅSTEN

LAURI af HEURLIN

HARRY BROMS

JOHN HAMMARÉN