

Not to be released before 21 January 2004 (8.00 am Finnish time)

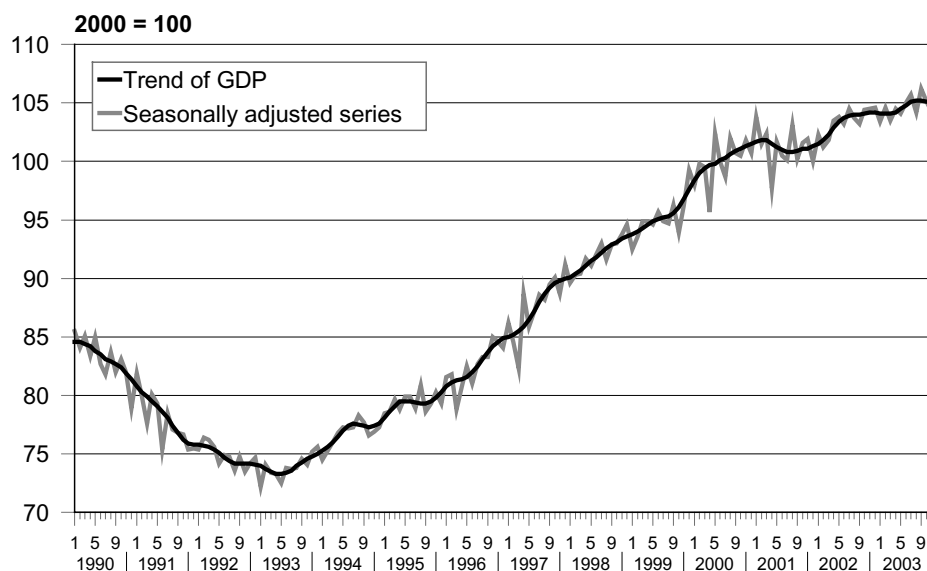
2004:11

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GDP receded in November

According to the trend of the Monthly Indicator of GDP calculated by Statistics Finland, the volume of GDP fell by 0.1 per cent in November compared with October. In practice, this negative trend change of less than one tenth of a per cent indicates that growth compared with the previous month was not achieved in November.

Volume of GDP in 1990-2003, trend and seasonally adjusted series



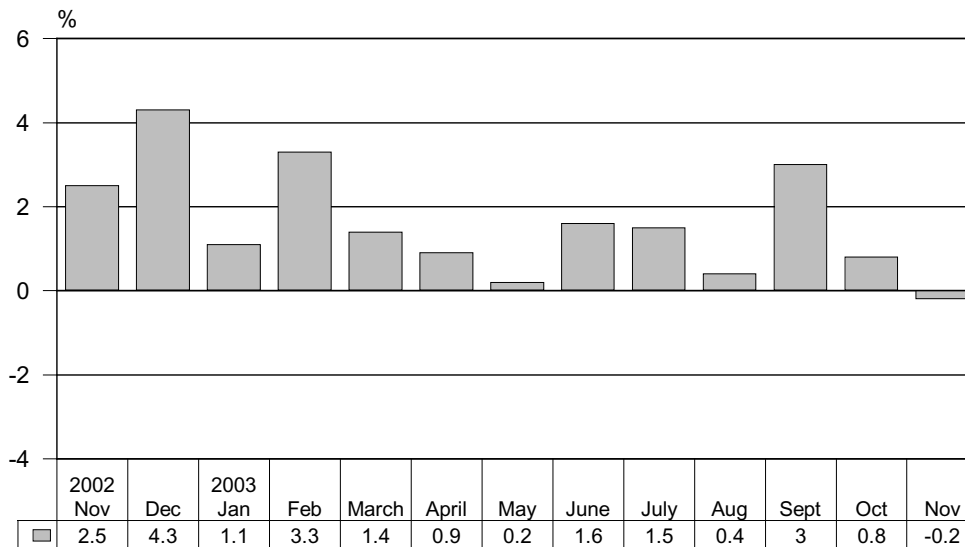
The economic time series can be divided into trend cycle, seasonal variation and random variation components. When the seasonal variation component is removed from the original series of GDP, a seasonally adjusted series is obtained, the changes in which still vary greatly from the previous month. When the seasonally adjusted series is also adjusted for the random variation component, the trend series that describes economic trends the most stably is left over. Seasonal variation and random variation components are removed by X11ARIMA models.

It should be noted that the series adjusted for seasonal and random variation become revised with new observations. The last three point figures of the trend cycle series should be taken with reservations because especially at the turning points new observations can change significantly the figures adjusted for seasonal and random variation.

GDP fell by 0.2 per cent from November 2002

GDP decreased by 0.2 per cent compared with the previous year's November. Of the six main industries of the monthly indicator, construction, trade and other service industries grew. Primary production and manufacturing fell. Transport remained on level with November 2002.

Percentage changes of GDP from the previous year's corresponding month



Industrial output went down by 3.5 per cent from November 2002. The manufacture of electronic and electrical equipment decreased by 11 per cent, while the output volume of the whole metal industry fell by 4 per cent. Output in the wood and paper industry increased by 2 per cent. Output volumes in other manufacturing grew by nearly 1 per cent. Energy supply declined by 2 per cent.

Trading day adjusted sale volumes of trade increased by 4 per cent from November 2002. Sales of motor vehicles grew by 20 per cent and retail trade accelerated by 5 per cent, whereas wholesale trade remained on level with the previous year's November. Trading day adjustment takes into account different numbers of trading days in each month.

The volume of primary production was 7 per cent lower than in November 2002. Fellings slowed by 11 per cent. Both milk and meat production decreased by 1 per cent.

Transport was as busy as in November 2002. Construction grew by almost 4 per cent. Output in other service industries was 1 per cent higher than the year before.

The Monthly Indicator of GDP is based on twelve monthly series on different industries of the economy. The series are summed up by weighting. The purpose of the Monthly Indicator is to anticipate the development of the volume of the quarterly gross domestic product calculated later with more detailed data.

Source: Monthly Indicator of GDP 2003, November. Statistics Finland