

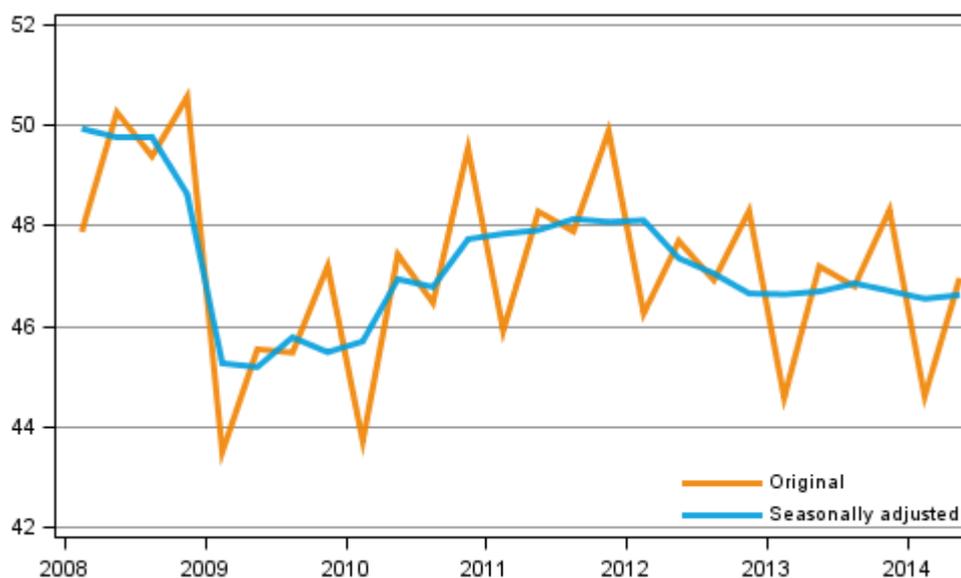
Quarterly national accounts

2014, 2nd quarter

Gross domestic product grew by 0.2 per cent

According to Statistics Finland's preliminary data, the volume of Finland's gross domestic product increased in April to June by 0.2 per cent from the previous quarter. Compared with the second quarter of 2013, GDP adjusted for working days contracted by 0.1 per cent. The second quarter had one fewer working day than one year previously.

Gross domestic product by quarter at reference year 2010 prices (EUR billion)



Revisions put the change in the volume of GDP in the first quarter of 2014 at -0.3 per cent from the previous quarter (was -0.4 per cent) and it remained unchanged at -0.3 per cent from twelve months back.

In the second quarter, the volume of exports grew by 2.2 per cent from the previous quarter and by 0.9 per cent year-on-year. Imports increased by 2.4 per cent from the previous quarter and by 3 per cent year-on-year.

In the second quarter, the volume of private consumption went down by 0.3 per cent from the previous quarter and by 0.2 per cent from twelve months back. Gross fixed capital formation, or investments, grew by 0.5 per cent from the previous quarter but fell by 3.5 per cent year-on-year.

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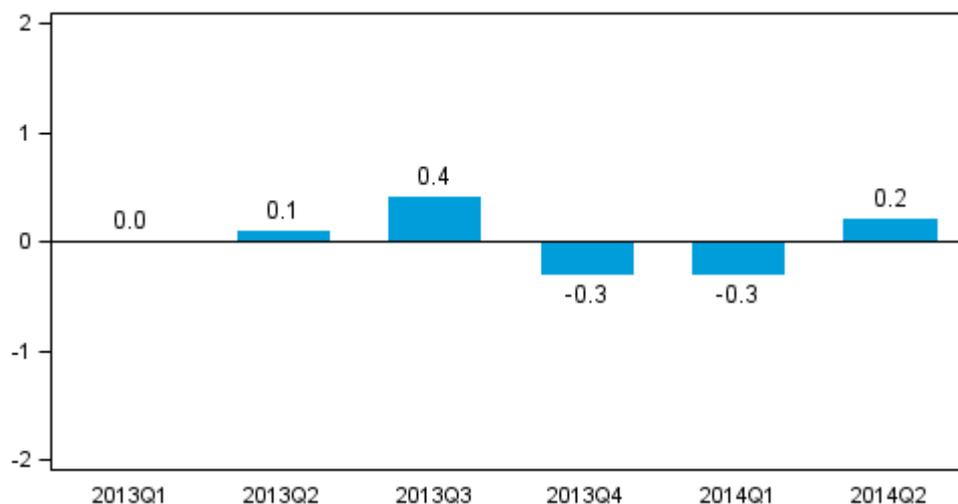
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1. Gross domestic product made a slight upturn driven by exports

In the April to June period, the seasonally adjusted volume of Finland's gross domestic product grew by 0.2 per cent from the previous quarter. Adjusted for working days, gross domestic product was, however, still 0.1 per cent down on the second quarter of 2013. Calculated at current prices, gross domestic product adjusted for working days was 0.8 per cent higher than one year ago.

Figure 1. Volume change of GDP from the previous quarter, seasonally adjusted, per cent



The growth in GDP in the second quarter means that technically Finland is no longer in recession. However, no actual growth trend can be detected in the volume of the gross domestic product and during the first half of the year, less GDP was generated than one year ago.

According to preliminary data compiled by Eurostat, GDP in the EU-28 area grew by 0.2 per cent in the second quarter of 2014 compared to the previous quarter.

1.1. Production

The volume of total value added generated by all industries grew by 0.3 per cent from the previous quarter and by 0.1 per cent from twelve months back.

Figure 2. Changes in the volume of value added generated by industries in the second quarter of 2014 compared to one year ago (working day adjusted, per cent)

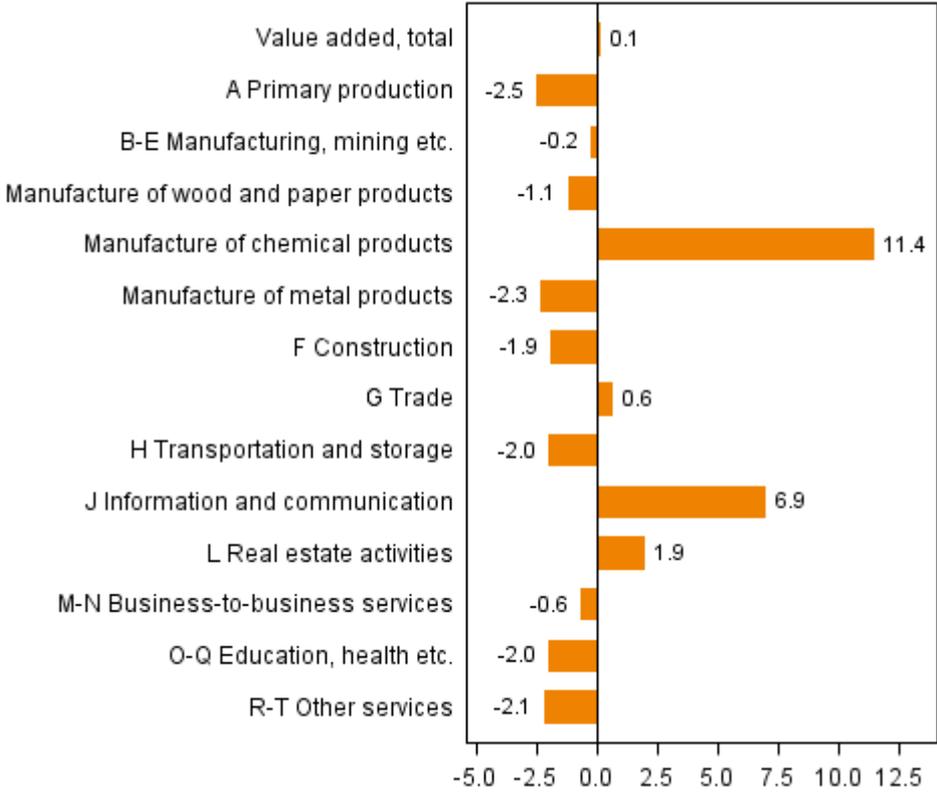
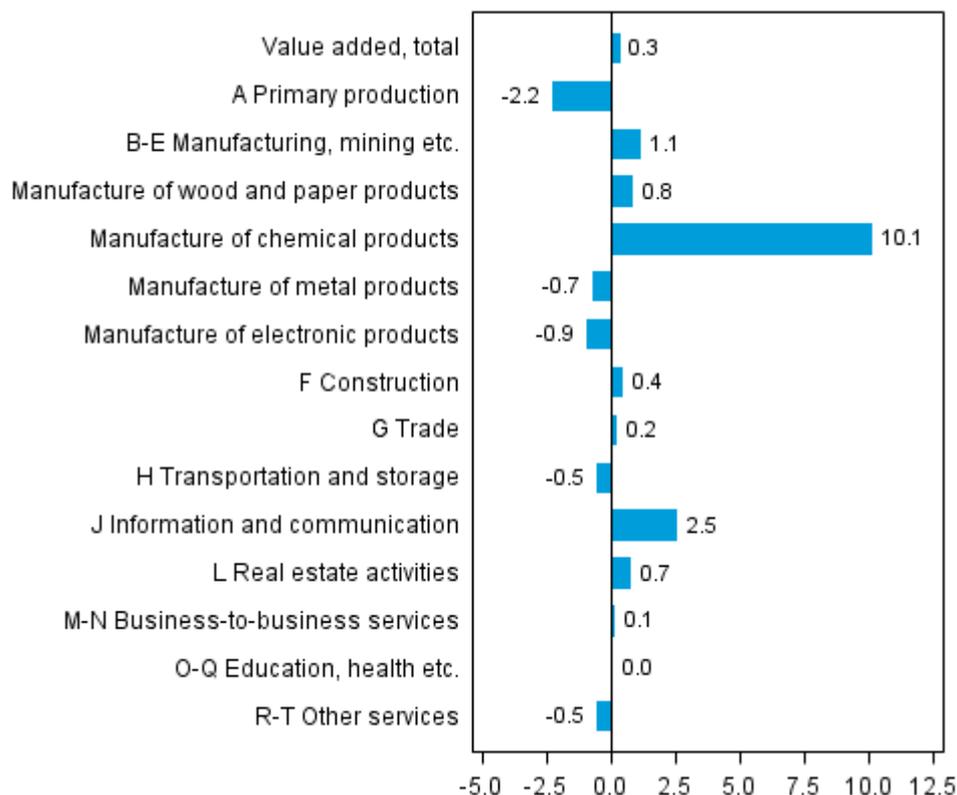


Figure 3. Changes in the volume of value added generated by industries in the second quarter of 2014 compared to the previous quarter (seasonally adjusted, per cent)



In primary production, that is, agriculture, forestry and fishing, the volume of value added contracted in the second quarter by 2.2 per cent from the previous quarter and by 2.5 per cent from one year previously. Low felling volumes decreased forestry’s output.

Manufacturing output grew in April to June mainly thanks to the chemical industry. Value added in manufacturing (industries B-E) was 1.1 per cent up on the previous quarter but still 0.2 per cent down on the respective quarter twelve months back. Output of manufacturing industries (C) increased by 0.8 per cent from the previous quarter but was 0.1 per cent lower than one year ago.

Output in construction increased by 0.4 per cent in April to June from the previous quarter but decreased by 1.9 per cent year-on-year.

Value added in services went up by 0.4 per cent from the previous quarter and by 0.5 per cent from the quarter twelve months back. The volume in services was boosted particularly by information and communication services and financial intermediation. Compared with the previous quarter, value added in private services grew by 0.9 per cent but value added in public services remained unchanged.

Value added in trade was 0.2 per cent higher than in the previous quarter and 0.6 per cent higher than in the second quarter of 2013.

1.2. Imports, exports, consumption and gross fixed capital formation

In the second quarter of 2014, total demand grew by one per cent from the previous quarter and was at the same level as twelve months ago. Exports of goods boosted demand in the national economy.

Figure 4. Changes in the volume of main supply and demand items in the second quarter of 2014 compared to one year ago (working day adjusted, per cent)

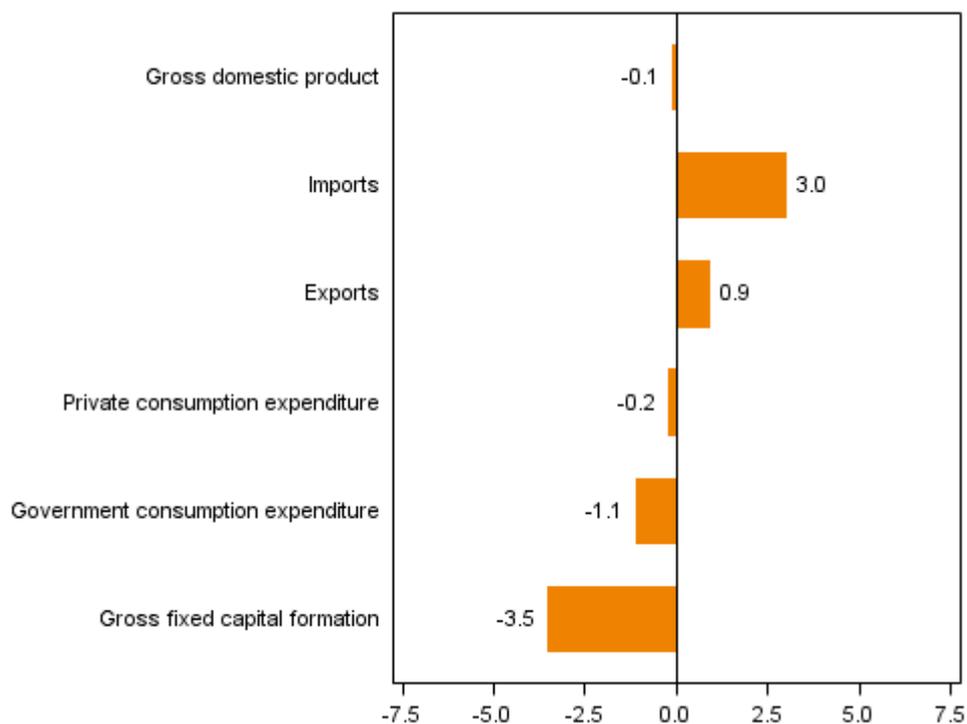
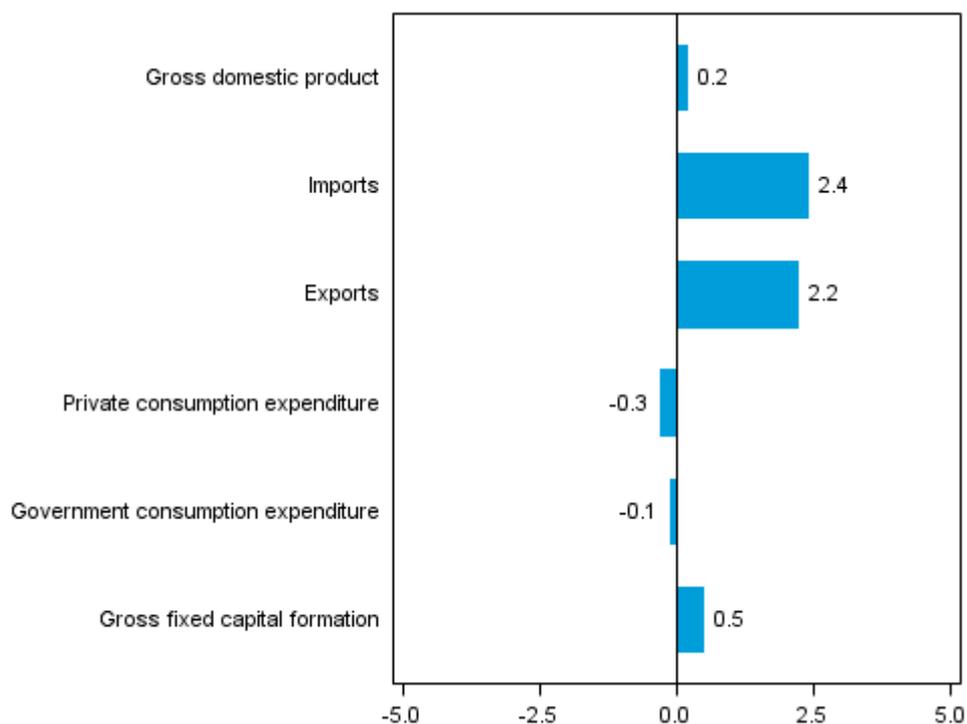


Figure 5. Changes in the volume of main supply and demand items in the second quarter of 2014 compared to the previous quarter (seasonally adjusted, per cent)



The volume of exports grew by 2.2 per cent from the previous quarter. Compared to twelve months ago, the volume of exports increased by 0.9 per cent in April to June. Exports of goods grew by 2.8 per cent but those of services fell by 4.3 per cent year-on-year.

Imports increased by 2.4 per cent from the previous quarter and by 3 per cent year-on-year. Imports of goods increased by 4.1 per cent and those of services by 0.5 per cent year-on-year.

In the second quarter, the volume of private consumption went down by 0.3 per cent from the previous quarter and by 0.2 per cent from twelve months back. Public consumption expenditure decreased by 0.1 per cent from the previous quarter and by 1.1 per cent from the corresponding quarter last year.

Gross fixed capital formation, or investments, grew by 0.5 per cent from the previous quarter but fell by 3.5 per cent year-on-year. Construction investments grew by 0.7 per cent from the previous quarter but fell by 2 per cent from one year back. The volume of investments in machinery, equipment and transport equipment decreased by 0.7 per cent from the previous quarter and by 10.5 per cent year-on-year.

1.3. Employment, wages and salaries and national income

In the second quarter, the number of employed persons grew by 0.2 per cent from the previous quarter. The number of employed persons was 0.7 per cent lower than one year earlier. The number of hours worked in the national economy grew by 1.2 per cent from the previous quarter but declined by 0.2 per cent from one year back.

According to Statistics Finland's Labour Force Survey, the unemployment rate for the April to June period was 9.6 per cent. In the corresponding period of last year it stood at 9.1 per cent.

In the April to June period, the nominal wages and salaries bill of the national economy grew by 0.5 per cent from the previous quarter and by 0.9 per cent year-on-year. Social contributions paid by employers grew by 2.8 per cent from last year.

Gross national income calculated at current prices was 1.5 per cent higher one year previously.

1.4. The available data

These preliminary data on the first quarter of 2013 are based on the source information on economic development that had become available by 27 August 2014.

The annual level data for 1990 to 2013 correspond with the National Accounts data released on 11 July 2014, except for those on the rest of the world sector (imports, exports, primary income from/to the rest of the world), which may have become revised.

Data on the third quarter of 2014 will be released on 5 December 2014, when the data for previous quarters will also be revised. A flash estimate on GDP development for July to September will be released in connection with [the Trend Indicator of Output](#) on 14 November 2014.

Due to the benchmarking and seasonal adjustment methods, quarterly data in the entire time series may become slightly revised in connection with each release. However, the largest revisions take place during the two to three years following the release on a quarter, because final annual accounts data are published at a lag of around two years from the end of the statistical reference year. Seasonally adjusted and trend time series always become revised against new observations irrespective of whether the original time series becomes revised or not.

The quality description can be accessed at (in Finnish): <http://www.tilastokeskus.fi/til/ntp/laa.html>.
[Methodological description of Quarterly National Accounts.](#)

Revisions on these statistics

Revision of volume changes in GDP

		1. release	Previous release	Latest release	Revision, %-points
Seasonally adjusted quarter-on-quarter change, %	2013Q2	0,1	0,1	0,1	0,0
	2013Q3	0,3	0,3	0,4	0,1
	2013Q4	-0,3	-0,3	-0,3	0,0
	2014Q1	-0,4	-0,4	-0,3	0,1
Working day adjusted year-on-year change, %	2013Q2	-1,5	-1,5	-1,4	0,1
	2013Q3	-0,3	-0,3	-0,2	0,1
	2013Q4	0,1	0,1	0,0	-0,1
	2014Q1	-0,3	-0,3	-0,3	0,0

Revision of volume changes in export

		1. release	Previous release	Latest release	Revision, %-points
Seasonally adjusted quarter-on-quarter change, %	2013Q2	-0,6	-0,6	-0,6	0,0
	2013Q3	1,2	1,2	1,2	0,0
	2013Q4	-0,4	-0,4	-0,4	0,0
	2014Q1	-1,7	-1,7	-1,8	-0,1
Working day adjusted year-on-year change, %	2013Q2	2,9	2,9	2,9	0,0
	2013Q3	0,5	0,5	0,5	0,0
	2013Q4	0,4	0,4	0,4	0,0
	2014Q1	2,0	2,0	2,0	0,0

Revision of volume changes in import

		1. release	Previous release	Latest release	Revision, %-points
Seasonally adjusted quarter-on-quarter change, %	2013Q2	-0,5	-0,5	-0,6	-0,1
	2013Q3	5,9	5,9	6,0	0,1
	2013Q4	-2,3	-2,3	-2,2	0,1
	2014Q1	-2,9	-2,9	-2,9	0,0
Working day adjusted year-on-year change, %	2013Q2	-5,8	-5,8	-5,8	0,0
	2013Q3	4,0	4,0	4,0	0,0
	2013Q4	0,7	0,7	0,7	0,0
	2014Q1	0,0	0,0	0,0	0,0

GDP at reference year 2000 prices, average revision starting from 2014Q1, %-points

	Average revision (absolute values)	Average revision
Seasonally adjusted quarter-on-quarter change	0,0	0,0
Working day adjusted year-on-year change	0,0	-0,0

Suomen virallinen tilasto
Finlands officiella statistik
Official Statistics of Finland

National Accounts 2014

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Source: National Accounts 2014, 2nd quarter. Statistics Finland