

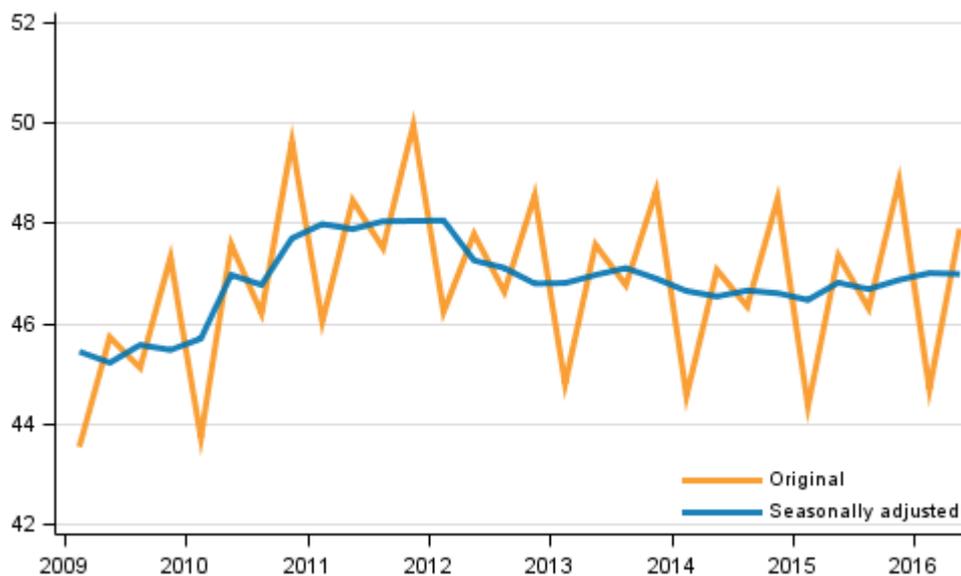
Quarterly national accounts

2016, 2nd quarter

Gross domestic product remained on level with the first quarter in April to June

According to Statistics Finland's preliminary data, the volume¹⁾ of Finland's gross domestic product increased in April to June by 0.0 per cent from the previous quarter. Compared with the second quarter of 2015, GDP adjusted for working days grew by 0.4 per cent.

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 2016 at 0.3 per cent from the previous quarter (was 0.6%) and at 1.2 per cent from twelve months back (was 1.6%).

1) Volume refers to data from which the effects of price changes have been eliminated. Volumes at reference year 2010 prices are expressed relative to the 2010 level at current prices (in EUR). Change percentages from the quarter of the previous year have been calculated from time series adjusted for working days, and change percentages from the previous quarter from seasonally adjusted time series.

In the second quarter, the volume of exports grew by 3.1 per cent from the previous quarter and by 1.6 per cent year-on-year. Imports increased by 4.0 per cent from the previous quarter and by 7.1 per cent year-on-year.

In April to June, the volume of private consumption grew by 0.9 per cent from the previous quarter and by 2.5 per cent from twelve months back. Gross fixed capital formation, or investments, grew by 3.6 per cent from the previous quarter and by 7.1 per cent year-on-year.

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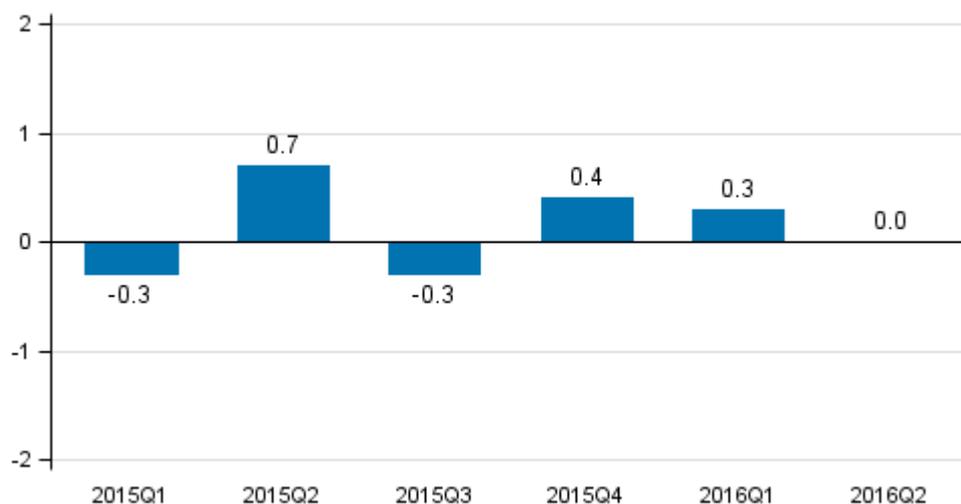
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Output of Finland's national economy on level with the previous quarter but grew from one year ago in April to June

In the April to June period, the seasonally adjusted volume of Finland's gross domestic product grew by 0.0 per cent from the previous quarter. GDP adjusted for working days grew by 0.4 per cent compared to the second quarter of 2015. Calculated at current prices, gross domestic product adjusted for working days was 2.2 per cent higher than one year ago.

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



According to preliminary data compiled by Eurostat, GDP in the EU-28 area grew by 0.4 per cent in the second quarter of 2015 compared to the previous quarter.

Production

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

Figure 2. Changes in the volume of value added in the 2nd quarter of 2016 compared to one year ago (working day adjusted, per cent)

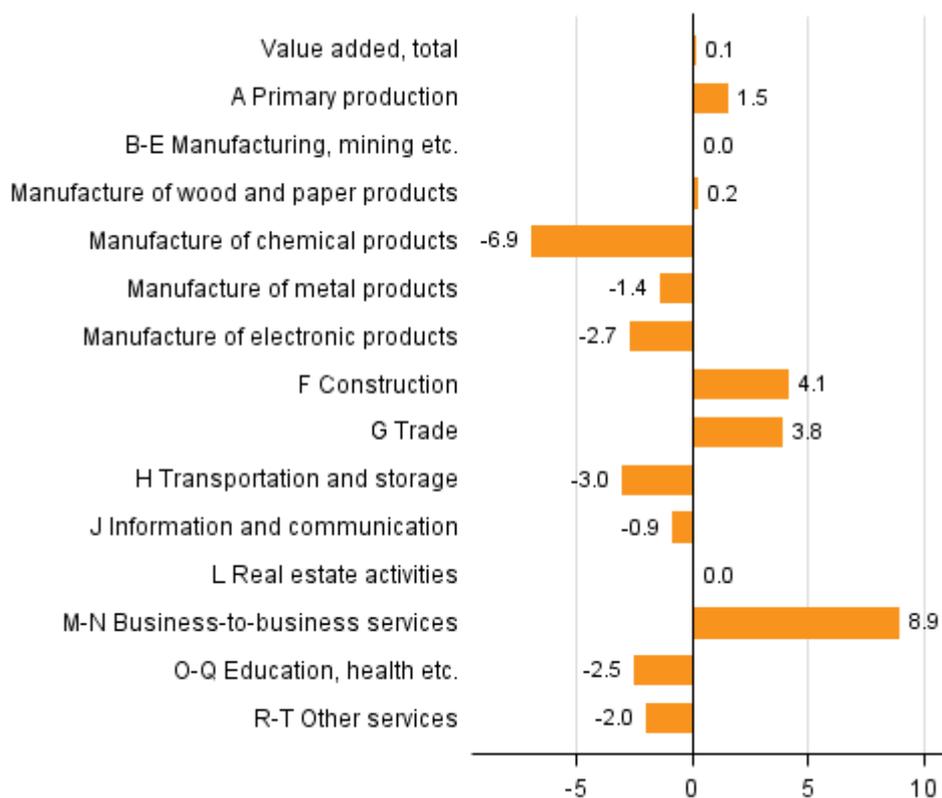
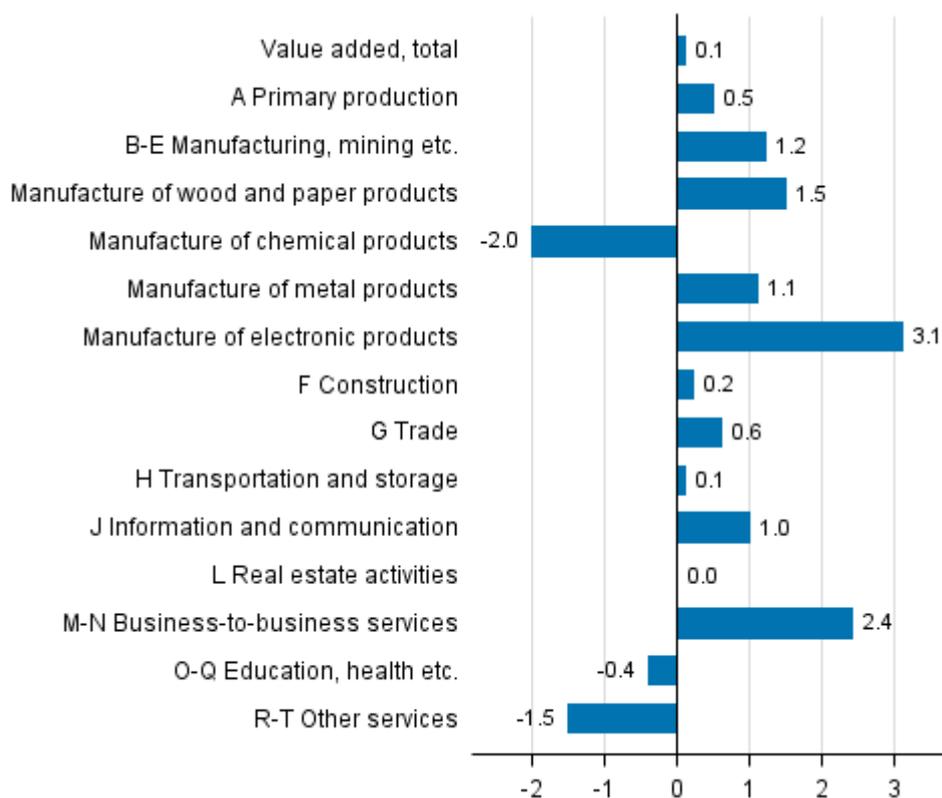


Figure 3. Changes in the volume of value added in the 2nd quarter of 2016 compared to the previous quarter (seasonally adjusted, per cent)



In primary production, that is, agriculture, forestry and fishing, the volume of value added grew in the second quarter of 2016 by 0.5 per cent from the previous quarter and by 1.5 per cent from one year previously. The value added in agriculture declined by 0.8 per cent year-on-year but forestry increased by 3.3 per cent from the level in the second quarter of 2015.

In April to June, the value added of manufacturing industries grew by 1.2 per cent from the previous quarter and remained unchanged year-on-year. Mining and quarrying, whose share in the value added of manufacturing industries is, however, relatively small, grew by as much as 44.1 per cent year-on-year. Total manufacturing output increased by 1.6 per cent from the previous quarter and by 0.1 per cent compared to the second quarter of 2015. Among its sub-industries, the volume of forest industry increased by 0.2 per cent year-on-year, but the volume of the chemical industry contracted by 6.9 per cent and the volume of the metal industry (excl. electrical and electronics industry) by 1.4 per cent from one year ago. The volume of value added in the electrical and electronics industry decreased by 2.7 per cent from one year back.

The construction industry grew by 0.2 per cent in April to June from the previous quarter and by 4.1 per cent year-on-year. Especially building construction continued to grow strongly.

In service industries, value added grew by 0.3 per cent from the previous quarter but decreased by 0.2 per cent from twelve months back. Compared with the previous year, value added in private services grew by 1.1 per cent but value added in public services fell by 2.0 per cent.

The value added of trade was 0.6 per cent up on the previous quarter and 3.8 per cent up year-on-year. Motor vehicle trade has been especially lively already for a year, and in April to June it grew by as much as 4.3 per cent from the previous quarter and by 12.7 per cent from the corresponding quarter in 2015. Wholesale trade grew by 3.2 per cent and retail trade by 2.9 per cent from one year ago. Business activities (industries M and N) grew by 2.4 per cent from the previous quarter and by 8.9 per cent from one year ago.

Imports, exports, consumption and gross fixed capital formation

In April to June, total demand grew by 1.9 per cent both from the previous quarter and from twelve months back. The growth in gross fixed capital formation and private consumption expenditure increased the demand in the national economy.

Figure 4. Changes in the volume of main supply and demand items in the 2nd quarter of 2016 compared to one year ago (working day adjusted, per cent)

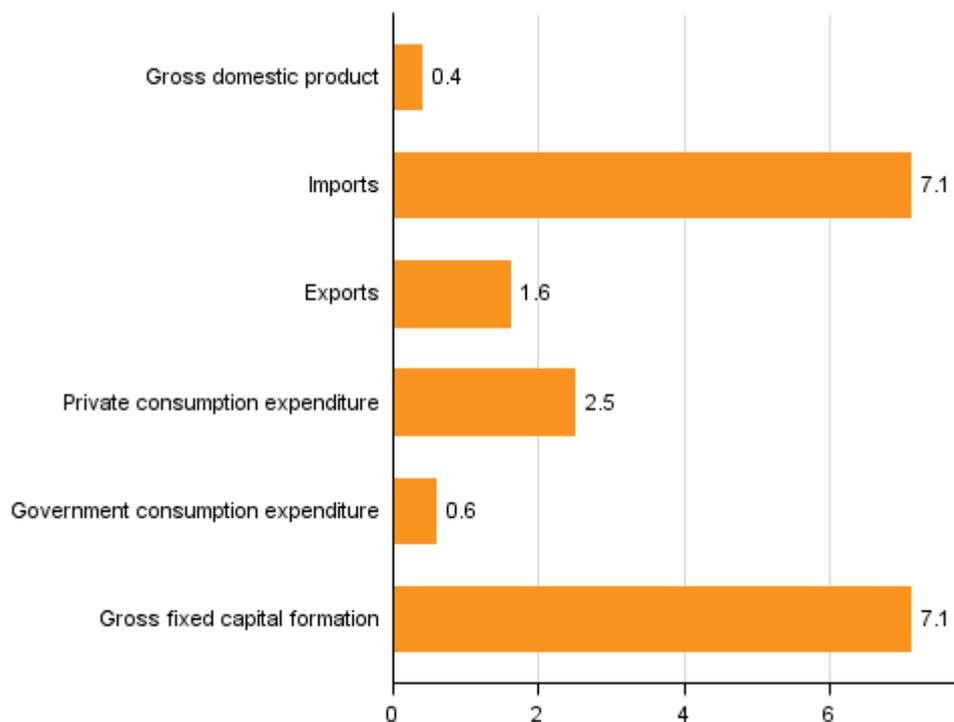
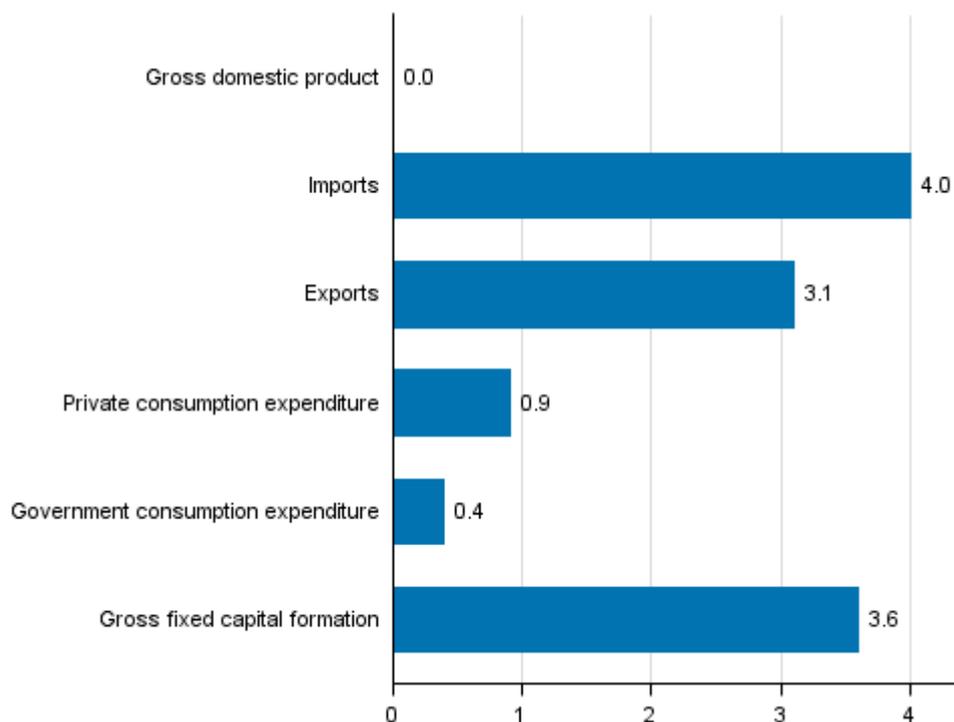


Figure 5. Changes in the volume of main supply and demand items in the 2nd quarter of 2016 compared to the previous quarter (seasonally adjusted, per cent)



The volume of exports grew by 3.1 per cent from the previous quarter in April to June. Compared to one year ago, the volume grew by 1.6 per cent but calculated at current prices, exports decreased by 2.5 per

cent. Decreasing prices were visible in goods exports, the volume of which increased by 3.3 per cent but the current priced value contracted by 2.3 per cent year-on-year. The volume of exports of services decreased by 2.6 per cent year-on-year.

The volume of imports increased by 4.0 per cent from the previous quarter and by 7.1 per cent from a year ago. Imports of goods grew by 10.7 per cent but those of services fell by 0.5 per cent year-on-year.

In the second quarter, the volume of private consumption grew by 0.9 per cent from the previous quarter and by 2.5 per cent from the corresponding quarter in 2015. Public consumption expenditure grew by 0.4 per cent from the previous quarter and by 0.6 per cent from the second quarter of 2015.

Gross fixed capital formation, or investments, grew by 3.6 per cent from the previous quarter and by 7.1 per cent year-on-year. Private investments increased by 7.9 per cent and government investments by 3.5 per cent year-on-year.

Investments in residential buildings grew by 11.7 per cent from the second quarter in 2015, other building construction investments by 10.6 per cent and civil engineering investments by 4.5 per cent. The volume of investments in machinery, equipment and transport equipment grew by 11.1 per cent from year ago. The growth is explained by air transport investments that contributed to transport equipment investments being doubled from the level of the second quarter in 2015.

Employment, wages and salaries and national income

The number of employed persons remained on level with the previous quarter and increased by 0.5 per cent from twelve months back. The number of hours worked in the national economy went down by 0.1 per cent from the previous quarter, but grew by 1.4 per cent from one year back.

According to Statistics Finland's Labour Force Survey, the unemployment rate for the April to June period was 10.0 per cent. In the corresponding period of last year it stood at 10.7 per cent.

In the second quarter, the nominal wages and salaries bill of the national economy grew by 0.3 per cent from the previous quarter and by 1.3 per cent year-on-year. Social contributions paid by employers grew by 2.2 per cent from last year.

The operating surplus (net), which in business bookkeeping corresponds roughly with operating profit, grew by 4.7 per cent from twelve months back. Gross national income calculated at current prices was 4.1 per cent higher than one year previously.

The available data

These preliminary quarterly data are based on the source information on economic development that had become available by 30 August 2016.

The annual level data for 1990 to 2015 correspond with the National Accounts data released on 14 July 2016, 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 2016 will be released on 2 December 2016, 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 15 November 2016.

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, %	2015Q2	0,2	0,6	0,7	0,5
	2015Q3	-0,5	-0,1	-0,3	0,2
	2015Q4	0,1	0,5	0,4	0,3
	2016Q1	0,6	0,6	0,3	-0,3
Working day adjusted year-on-year change, %	2015Q2	0,1	0,9	0,7	0,6
	2015Q3	-0,2	0,4	0,0	0,2
	2015Q4	0,6	1,2	0,6	0,0
	2016Q1	1,6	1,6	1,2	-0,4

Revision of volume changes in export

		1. release	Previous release	Latest release	Revision, %-points
Seasonally adjusted quarter-on-quarter change, %	2015Q2	0,5	-0,6	0,2	-0,3
	2015Q3	-0,7	-1,5	-2,2	-1,5
	2015Q4	0,6	0,6	2,9	2,3
	2016Q1	-1,1	-1,1	-2,1	-1,0
Working day adjusted year-on-year change, %	2015Q2	1,2	-1,2	0,2	-1,0
	2015Q3	3,5	2,4	3,6	0,1
	2015Q4	-0,7	-0,7	-1,6	-0,9
	2016Q1	2,6	2,6	1,3	-1,3

Revision of volume changes in import

		1. release	Previous release	Latest release	Revision, %-points
Seasonally adjusted quarter-on-quarter change, %	2015Q2	-5,0	-4,7	-4,7	0,3
	2015Q3	1,8	2,4	3,6	1,8
	2015Q4	1,6	2,0	4,0	2,4
	2016Q1	-1,8	-1,8	-4,4	-2,6
Working day adjusted year-on-year change, %	2015Q2	-8,8	-5,2	-3,7	5,1
	2015Q3	-3,4	-1,5	0,7	4,1
	2015Q4	0,5	1,4	5,4	4,9
	2016Q1	-2,2	-2,2	-1,9	0,3

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

	Average revision (absolute values)	Average revision
Seasonally adjusted quarter-on-quarter change	0,3	0,0
Working day adjusted year-on-year change	0,5	-0,3

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Source: National Accounts 2016, 2nd quarter. Statistics Finland