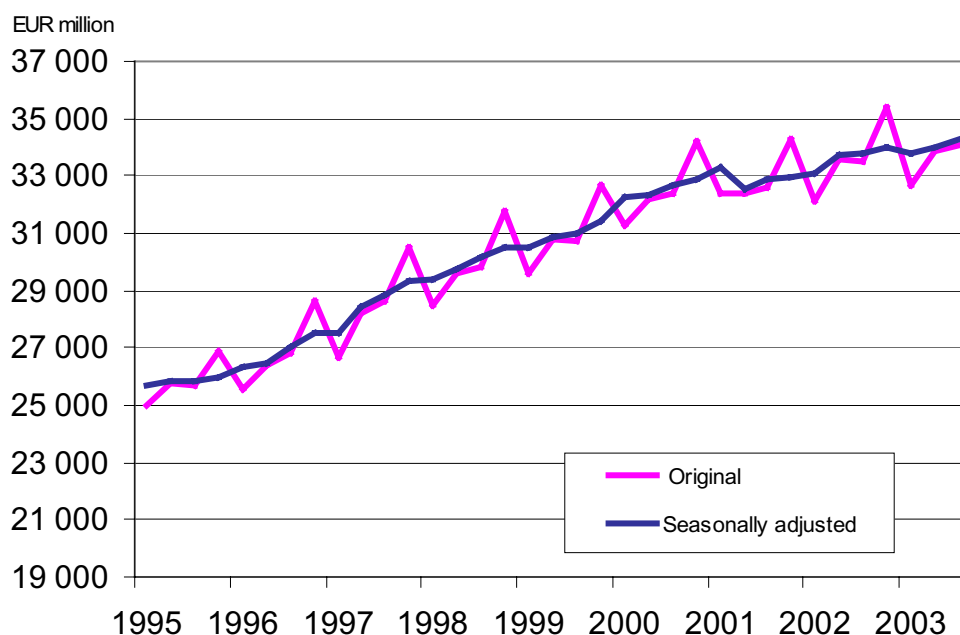


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GDP grew in the third quarter of the year

In the third quarter of 2003, the volume of Finland's gross domestic product grew by 0.8 per cent from the second quarter of 2003. Compared with the third quarter of 2002, GDP was up by 1.6 per cent. According to revised data, in the second quarter of 2003 GDP grew by 0.9 per cent when compared with the corresponding quarter of 2002, and in the January to September period GDP was by 1.5 per cent overall year-on-year. This is indicated by the preliminary National Accounts data compiled by Statistics Finland.

GDP at market prices by quarter calculated at 2000 prices



Growth of the national economy has been depending on the consumption of households. In the third quarter of 2003 households' final consumption expenditure went up by 4 per cent. Especially purchases of durable consumer goods, such as cars, continued plentiful. Investments decreased by under one per cent year-on-year. Investments in machinery and equipment fell to the level where they were six years earlier. The volume of exports grew by one per cent and imports, in turn, decreased by one per cent.

Primary production contracted by 2 per cent. Service industries grew by 1.5 per cent, and in the trade industry the growth amounted to as much as 6 per cent. Output in the processing industries increased by one per cent from last year. In the wood and paper industry output went up by 2 per cent. Output in the metal industry fell by 1.5 per cent in the third quarter of the year. In construction, output stayed at the level of twelve months back. More dwellings but fewer other buildings were built than one year previously.

In the third quarter of the year, the wages and salaries bill of the national economy was 3.5 per cent greater than twelve months before. Operating surplus, which in business bookkeeping roughly corresponds to business profit and households' entrepreneurial income, grew by 2 per cent over the same time period.

According to preliminary data compiled by Eurostat, the Statistical Office of the European Communities, in the third quarter of 2003 GDP grew in the EU area by 0.4 per cent from the previous quarter and was 0.6 per cent up on the corresponding time period of the previous year.

Demand and supply of national economy 2003, 3rd quarter, changes in volume from previous year's corresponding quarter and from previous quarter, per cent

	Change from previous year's corresponding quarter, %	Change from previous quarter, %
Gross domestic product	+1.6	+0.8
Imports	-0.7	+1.8
Exports	+1.1	+0.6
Consumption	+3.1	+0.7
Investments	-0.7	+1.4

Gross domestic product includes all the goods and services produced during the quarter concerned. Change in the amount, or volume, of the GDP refers to a value from which the effect of deterioration in the value of money, i.e. inflation, has been removed. Change from the previous quarter is calculated from seasonally adjusted data.

Seasonally adjusted GDP refers to a value from which the effect of annually occurring regular seasonal variation caused by holiday periods, seasonal weather, etc., has been removed. Seasonally adjusted series become revised as new observations become available. The data on the last quarter, in particular, should be viewed with caution, as new observations especially at turning points of economic development may alter seasonally adjusted figures significantly.

The data on the previous quarters are also checked to correspond to the newest available revised data. At the annual level data are always revised to correspond to the latest annual accounts data. Final data are released with a time lag of approximately two years.

Source: National Accounts 2003, 3rd quarter. Statistics Finland