

Quarterly national accounts

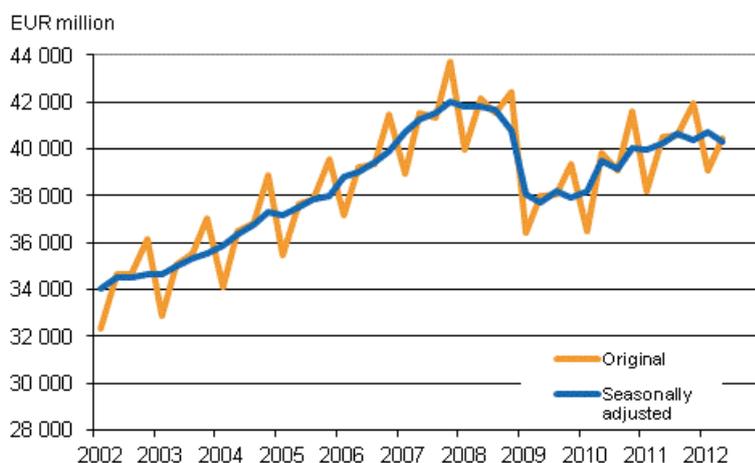
2012, 2nd quarter

Gross domestic product contracted by 1.1 per cent from the previous quarter and by 0.1 per cent year-on-year

Corrected on 5 September 2012 at 9.50. The correction is indicated in red. Was previously second.

According to preliminary data of Statistics Finland, in the April to June period of 2012 the volume of Finland's gross domestic product decreased by 1.1 per cent from the previous quarter. Compared to the second quarter of 2011, working-day adjusted GDP fell 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 2000 prices



Revisions put the change in the volume of GDP in the **first** quarter of 2012 at +0.9 per cent from the previous quarter (was +0.8 %) and at +2.2 per cent from twelve months back (was +1.7 %). The revision was primarily caused by upward revision of taxes on products.

In the second quarter, the volume of exports fell by 2.3 per cent from the previous quarter and by 0.5 per cent year-on-year. Imports decreased by 3.6 per cent from the previous quarter and by 3.1 per cent year-on-year.

In the second quarter, the volume of private consumption went down by 2.2 per cent from the previous quarter and by 0.9 per cent from twelve months back. Investments diminished by 0.7 per cent from the previous quarter and by 0.4 per cent year-on-year.

Volume refers to data adjusted for price changes. Volumes at reference year 2000 prices are expressed relative to the 2000 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.

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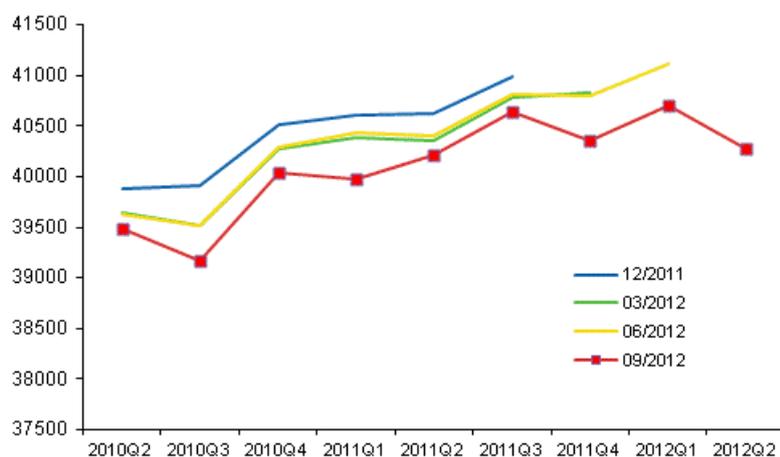
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1. Decrease in exports and slowdown of motor vehicle trade turned GDP to decline

In the second quarter, the volume of Finland's gross domestic product went down by 1.1 per cent from the previous quarter. Adjusted for working days, gross domestic product was 0.1 per cent down on the second quarter of 2011. Calculated at current prices, GDP adjusted for working days grew by 2.4 per cent year-on-year.

Figure 1. Revisions - seasonally adjusted volume of GDP by release



According to preliminary data compiled by Eurostat, GDP in the EU-27 area fell by 0.2 per cent in the second quarter of 2012.

1.1. Production

In primary production, that is, agriculture, forestry and fishing, the volume of value added was 3.8 per cent higher in the second quarter than in the previous quarter and 20.3 per cent higher than one year earlier.

Value added in manufacturing (industries B-E) was 0.2 per cent up on the previous quarter but 1.1 per cent down on the respective quarter twelve months back.

In the wood and paper industry, value added went up by 2.1 per cent from the previous quarter but decreased by 4.4 per cent year-on-year.

In the metal industry (excl. electrical and electronics industry), value added fell by 2.7 per cent from the previous quarter but increased by 1.6 per cent from one year back.

In connection with the release of annual accounts in July, value added in the electrical and electronics industry became considerably revised downwards as concerns the year 2011, when the first data on intermediate consumption became available. In the second quarter, value added in the electrical and electronics industry increased by 4.2 per cent from the previous quarter but contracted by 2.9 per cent from twelve months back.

In the April to June period, output in construction increased by 1.1 per cent from the previous quarter and by 1.3 per cent from one year back.

Value added in services fell by 0.1 per cent from the previous quarter but grew by 0.5 per cent year-on-year. In the second quarter, value added in private services decreased by 0.3 per cent from the previous quarter but increased by 0.9 per cent year-on-year.

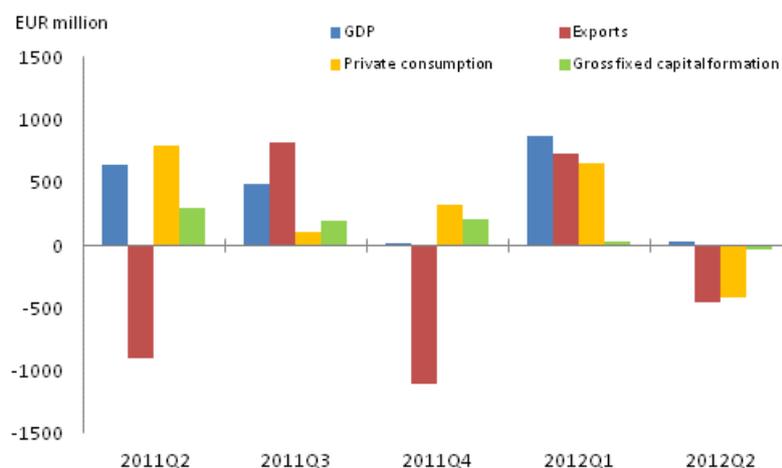
Value added in trade was 2.1 per cent lower than in the previous quarter, but it grew by 0.3 per cent from one year back. The change in motor vehicle tax that took effect on 1 April 2012 increased motor vehicle trade in the first quarter, but correspondingly, clearly fewer cars than normal were sold in the second quarter.

The volume of total value added generated by all industries went down by 0.2 per cent from the previous quarter but grew by 0.6 per cent from twelve months back.

1.2. Imports, exports, consumption and investments

In the second quarter, total demand went down by 2.2 per cent from the previous quarter and by 2.4 per cent year-on-year. All demand components contracted in the second quarter.

Figure 2. GDP and expenditure components, change from previous quarter (seasonally adjusted, at current prices)



In April to June, the volume of exports fell by 2.3 per cent from the previous quarter and was 0.5 per cent lower than twelve months earlier. Exports of goods decreased by 3.2 per cent from the previous quarter but exports of services grew by 1.6 per cent.

The volume of imports fell by 3.6 per cent from the previous quarter and was 3.1 per cent smaller than twelve months back. Imports of goods decreased by 3.2 per cent and imports of services by 4.3 per cent from the previous quarter.

The volume of private consumption fell by 2.2 per cent from the previous quarter and by 0.9 per cent from twelve months back. The fall was strongest in durable goods due to the change in motor vehicle tax. The volume of public consumption expenditure went down by 0.9 per cent from the previous quarter and by 1.3 per cent year-on-year.

In the second quarter, the volume of investments fell by 0.7 per cent from the previous quarter and by 0.4 per cent year-on-year. Construction investments grew by 0.3 per cent from the previous quarter but fell by 0.1 per cent from one year back.

The volume of investments in machinery, equipment and transport equipment decreased by 8.2 per cent from the previous quarter and by 6.8 per cent year-on-year. Private investments remained on level with the previous quarter but public investments fell by 5.1 per cent.

1.3. Employment, wages and salaries and national income

In the second quarter, the number of employed persons went up by 0.2 per cent from the previous quarter and was 0.1 per cent higher than one year previously. The number of hours worked in the national economy decreased by 1.1 per cent from the previous quarter and by 1.6 per cent from one year back.

According to Statistics Finland's Labour Force Survey, the unemployment rate for the April to June period was 8.6 per cent. In the corresponding period of last year it stood at 8.8 per cent.

In the April to June period, the nominal wages and salaries bill of the national economy grew by 1.1 per cent from the previous quarter and by 4.8 per cent year-on-year.

The operating surplus (net), which roughly corresponds with business profit in business bookkeeping, decreased by 4.4 per cent at current prices from twelve months back. Gross national income calculated at current prices was as high as one year previously.

1.4. The available data

These preliminary data on the second quarter of 2012 are based on the source information on economic development that had become available by 24 August 2012.

The annual level data for 1990 to 2011 correspond with the National Accounts data released on 12 July 2012. Data on the third quarter of 2012 will be released on 5 December 2012, when the data for previous quarters will also be revised.

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://tilastokeskus.fi/til/ntp/laa.html>

Methodological description of Quarterly National Accounts: http://tilastokeskus.fi/til/ntp/men_en.html

Revisions on these statistics

Revision of volume changes in GDP

		2011Q2	2011Q3	2011Q4	2012Q1
Seasonally adjusted quarter-on-quarter change, %	1. release	0,6	0,9	0,1	0,8
	Previous release	-0,1	1,0	-0,0	0,8
	Latest release	0,6	1,0	-0,7	0,9
	Revision, %-points	0,0	0,1	-0,8	0,1
Working day adjusted year-on-year change, %	1. release	2,9	2,7	1,4	1,7
	Previous release	2,0	3,4	1,3	1,7
	Latest release	1,6	4,0	0,9	2,2
	Revision, %-points	-1,3	1,3	-0,5	0,5

Revision of volume changes in export

		2011Q2	2011Q3	2011Q4	2012Q1
Seasonally adjusted quarter-on-quarter change, %	1. release	-7,1	2,4	-0,7	3,7
	Previous release	-5,5	2,1	-0,3	3,7
	Latest release	-5,3	5,2	-3,7	0,5
	Revision, %-points	1,8	2,8	-3,0	-3,2
Working day adjusted year-on-year change, %	1. release	-6,8	-2,7	-7,1	-0,2
	Previous release	-5,4	-2,4	-7,1	-0,2
	Latest release	-2,7	2,2	-6,2	-3,5
	Revision, %-points	4,1	4,9	0,9	-3,3

Revision of volume changes in import

		2011Q2	2011Q3	2011Q4	2012Q1
Seasonally adjusted quarter-on-quarter change, %	1. release	-0,0	-1,7	3,8	-1,3
	Previous release	0,2	-1,6	3,7	-1,3
	Latest release	1,2	-1,1	2,9	-1,1
	Revision, %-points	1,2	0,6	-0,9	0,2
Working day adjusted year-on-year change, %	1. release	1,1	-7,1	-1,9	0,9
	Previous release	1,3	-5,8	-1,7	0,9
	Latest release	6,0	-1,1	3,6	1,8
	Revision, %-points	4,9	6,0	5,5	0,9

GDP at reference year 2000 prices, average revision starting from 2010Q1, %-points

	Average revision (absolute values)	Average revision
Seasonally adjusted quarter-on-quarter change	0,6	0,1
Working day adjusted year-on-year change	0,6	0,3

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Source: National Accounts 2012, 2nd quarter. Statistics Finland