

Not to be released before 24 July 2003

(8.00 am Finnish time)

2003:155

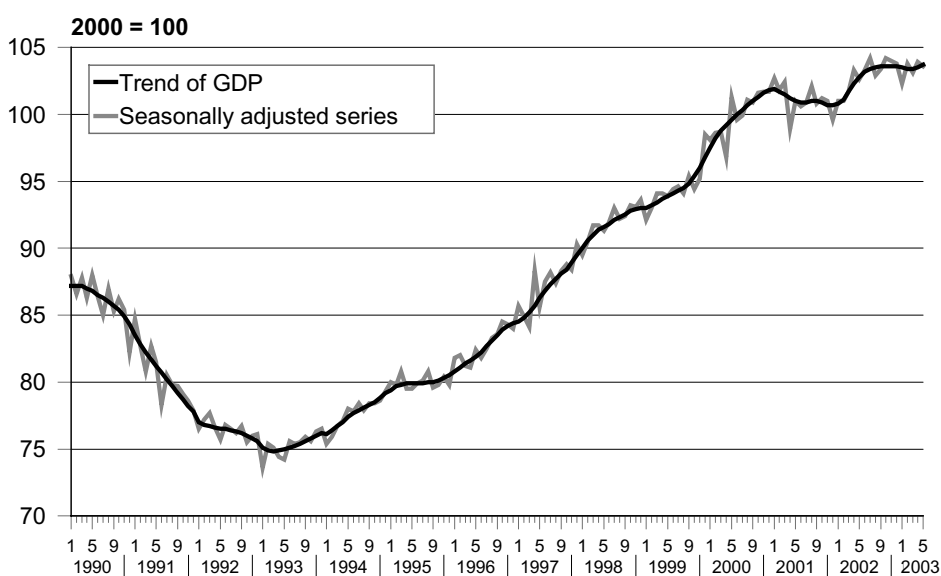
Inquiries: Mr Arto Kokkinen +358 9 1734 3355

Director in charge: Mr Ari Tyrkkö

Volume of GDP grew in May

According to the trend of the Monthly Indicator of GDP calculated by Statistics Finland, the volume of GDP increased by 0.2 per cent in May compared with April. The output volume also rose in April from the previous month. Before April to May, the trend last went up in autumn 2002.

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



When totalled up, seasonally adjusted GDP for the March to May period rose slightly from the preceding three-month period. However, seasonally adjusted GDP for the January to May period this spring was slightly smaller than for the August to December period last autumn.

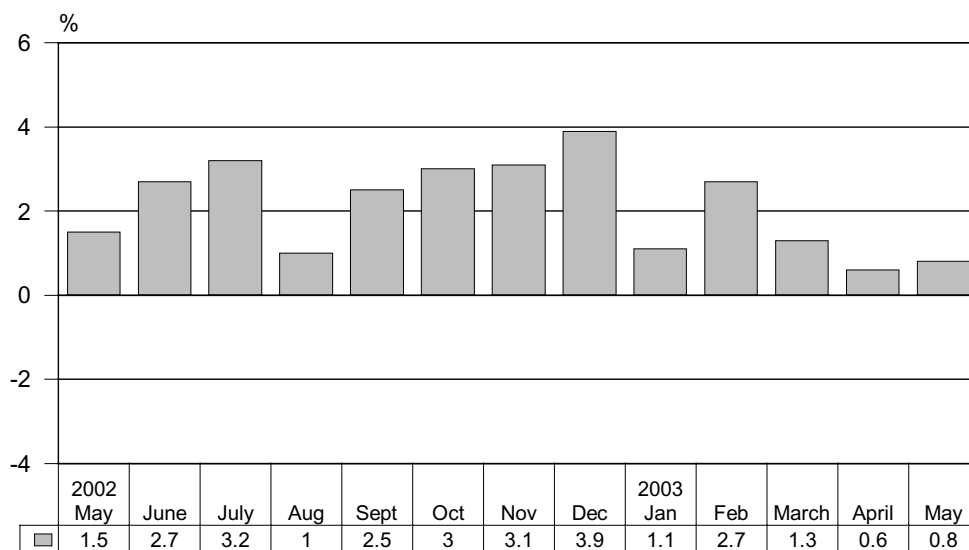
The economic time series can be divided into trend cycle, seasonal variation and random variation components. When the seasonal variation component is removed from the original series of GDP, a seasonally adjusted series is obtained, the changes in which still vary greatly from the previous month. When 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 went up by 0.8 per cent from May 2002

In May 2003, GDP increased by 0.8 per cent compared with the previous year's May. Primary production, trade, transport and other service industries grew. Manufacturing and construction contracted.

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



Trading day adjusted sale volumes of trade increased by 3 per cent from May 2002. Sales of motor vehicles accelerated by 13 per cent and retail trade by 4 per cent. Wholesale trade declined by 1 per cent.

Industrial output as calculated per working day fell by 1.7 per cent. The metal industry decreased by 6 per cent and the manufacture of electronic and electrical equipment by 8 per cent. Output in the wood and paper industry increased by 4 per cent. Energy supply grew by 26 per cent.

Output in agriculture and forestry was 10 per cent higher than in May last year. Fellings strengthened by as much as 24 per cent. Meat production increased by 4 per cent and milk production fell by 3 per cent.

Transport accelerated by 2 per cent. Output in other service industries rose by good 1 per cent. Construction contracted by almost 2 per cent from May 2002.

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 published later.

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