

Quarterly national accounts

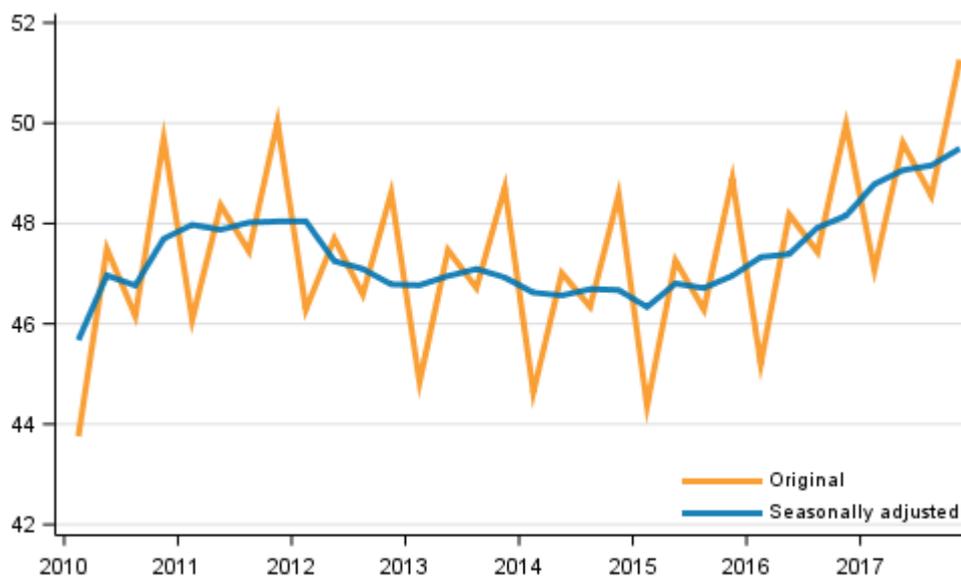
2017, 4th quarter

GDP grew also in the last quarter of 2017

According to Statistics Finland's preliminary data, the volume¹⁾ of Finland's gross domestic product increased in October to December by 0.7 per cent from the previous quarter. Compared with the fourth quarter of 2016, GDP adjusted for working days grew by 2.7 per cent.

The development of Finland's national economy was positive in every quarter of 2017. The volume of GDP grew by 3.0 per cent in the whole year from the year before.

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



According to revised data, GDP grew in the third quarter of 2017 by 0.2 per cent from the previous quarter (was 0.4 %) and by 2.5 per cent from twelve months back (was 3.0 %).

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.

The volume of exports grew by 7.6 per cent and that of imports by 0.7 per cent in October to December year-on-year. Gross fixed capital formation, or investments, grew by 3.2 per cent from one year ago.

The volume of private consumption increased by 0.7 per cent and the volume of public consumption expenditure declined by 0.7 per cent from the previous quarter. Compared with one year ago, private consumption increased by 2.1 per cent and public consumption declined by 0.3 per cent.

Contents

Gross domestic product grew by three per cent in 2017.....	4
Production.....	4
Imports, exports, consumption and investments.....	6
Employment, wages and salaries and national income.....	8
The available data.....	9

Figures

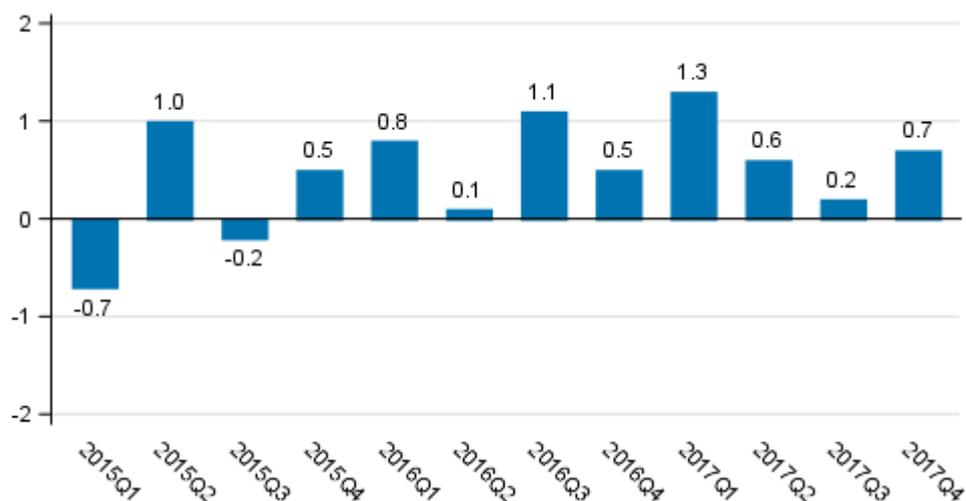
Figure 1. Volume change of GDP from the previous quarter, seasonally adjusted, per cent	4
Figure 2. Changes in the volume of value added generated by industries in 2017 compared to one year ago, per cent.....	5
Figure 3. Changes in the volume of value added generated by industries in the fourth quarter of 2017 compared to one year ago, working-day adjusted, per cent.....	5
Figure 4. Changes in the volume of value added generated by industries in the fourth quarter of 2017 compared to the previous quarter, seasonally adjusted, per cent.....	6
Figure 5. Changes in the volume of main supply and demand items in 2017 compared to one year ago, per cent.....	7
Figure 6. Changes in the volume of main supply and demand items in the fourth quarter of 2017 compared to one year ago, working-day adjusted, per cent.....	7
Figure 7. Changes in the volume of main supply and demand items in the fourth quarter of 2017 compared to the previous quarter, seasonally adjusted, per cent.....	8
Revisions on these statistics.....	10

Gross domestic product grew by three per cent in 2017

The volume of gross domestic product grew by 3.0 per cent last year. Calculated at current prices, gross domestic product was 3.9 per cent higher than in 2016.

In October to December, the gross domestic product grew by 0.7 per cent from the previous quarter and by 2.7 per cent compared to the fourth quarter of 2016. According to preliminary data compiled by Eurostat, GDP in the EU-28 area grew by 0.6 per cent in the fourth quarter of 2017 compared with the previous quarter and by 2.6 per cent compared with one year back.

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



Finland's national economy continued to grow in 2017. The growth in GDP was biggest in the first quarter when growth amounted to 1.3 per cent from the previous quarter. The other quarters also grew clearly, especially compared with one year earlier.

In 2017, GDP increased as a result of heavily growing exports and investments. Among industries, manufacturing, construction and services grew. Employment improved during the year: the employment rate increased and the unemployment rate decreased compared with the previous year.

Production

In the fourth quarter, the combined volume of value added generated by industries grew by 0.7 per cent from the previous quarter. In the whole of 2017, value added was 3.4 per cent higher than in 2016.

Examined in euros, value added grew most in manufacturing, construction and private services. Examined in current prices, especially the metal industry, construction of buildings and trade grew.

Figure 2. Changes in the volume of value added generated by industries in 2017 compared to one year ago, per cent

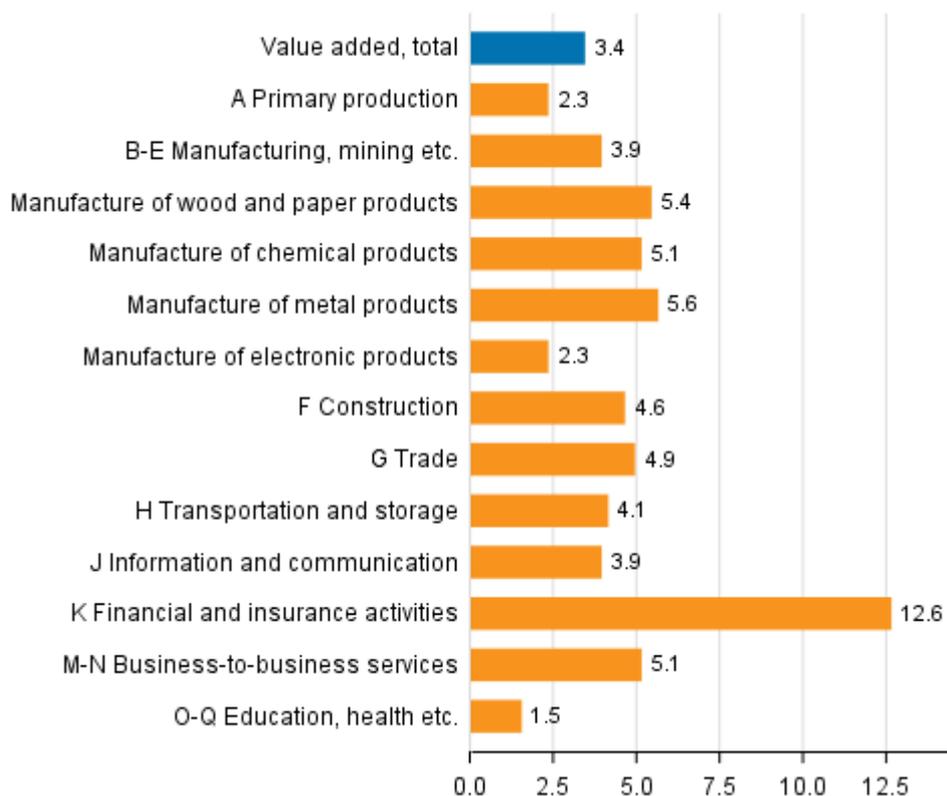


Figure 3. Changes in the volume of value added generated by industries in the fourth quarter of 2017 compared to one year ago, working-day adjusted, per cent

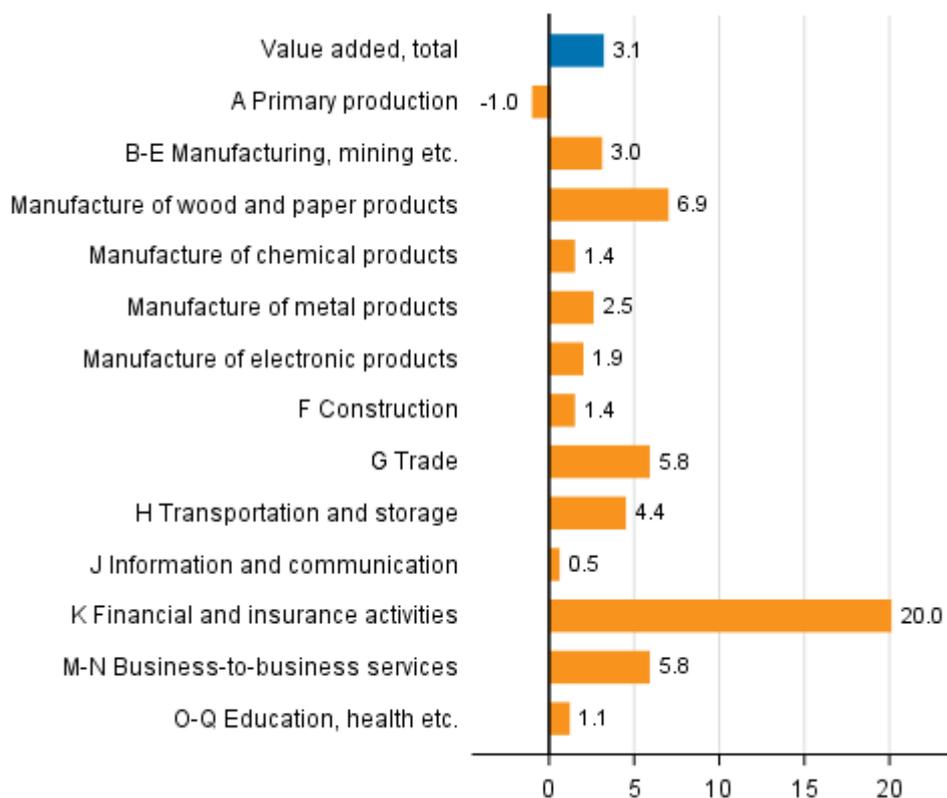
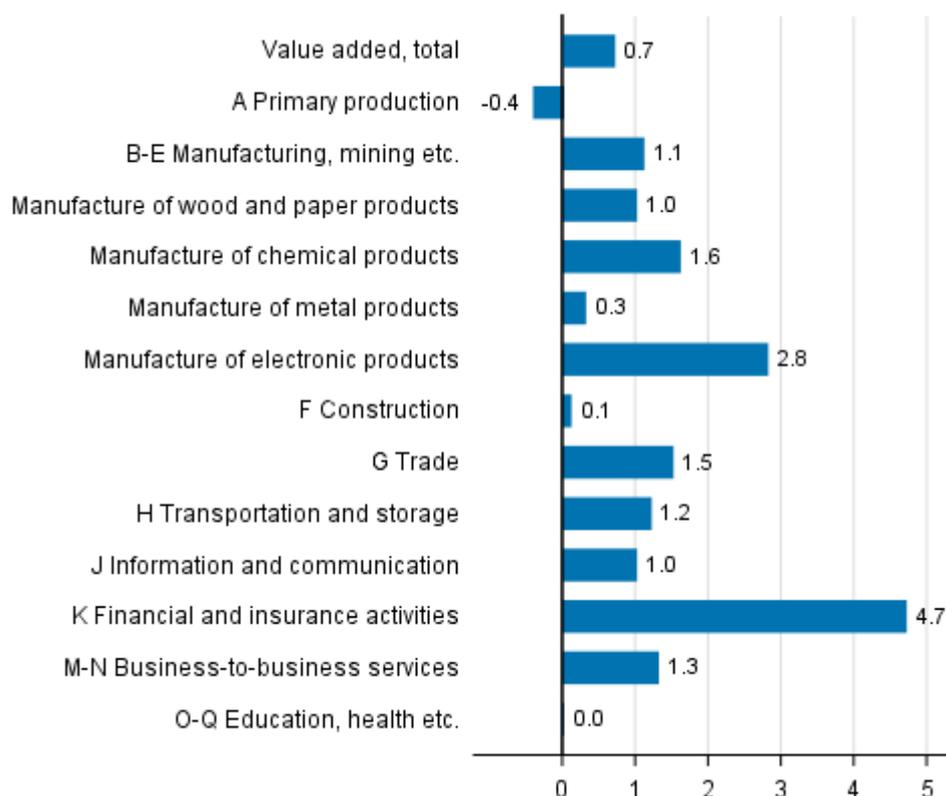


Figure 4. Changes in the volume of value added generated by industries in the fourth quarter of 2017 compared to the previous quarter, seasonally adjusted, per cent



The volume of primary production, that is, agriculture, forestry and fishery, went down by 0.4 per cent in October to December from the previous quarter.

Primary production grew by 2.3 per cent over the whole of 2017. Production in agriculture decreased by one per cent measured by volume but grew by 1.2 per cent examined at current prices. The volume of the production of the forest industry increased by 4.1 per cent.

In the fourth quarter, value added in total manufacturing (industries B-E) increased by 1.1 per cent from the previous quarter and by 3.0 per cent from twelve months back.

Output grew in all manufacturing industries in 2017, the growth amounted to 3.9 per cent. The metal industry grew by 5.6 per cent, the forest industry by 5.4 per cent and the chemical industry by 5.1 per cent.

In October to December, the volume of value added in construction increased by 1.4 per cent year-on-year.

The volume of construction went up by 4.6 per cent in the whole of 2017. Both building construction and civil engineering grew clearly.

The volume of value added in service industries increased by 0.8 per cent in October to December from the previous quarter and by 3.1 per cent from one year ago.

In 2017, service industries grew by a total of 3.2 per cent. Private services grew by 3.8 per cent and general government services by 1.8 per cent. Growth was biggest in trade industries, in financial intermediation and insurance activities and in business activities (industries M-N). Other service activities also grew, apart from education that decreased a little.

Imports, exports, consumption and investments

In 2017, total demand in the national economy grew by 3.7 per cent from the previous year. Demand was particularly boosted by growth in exports and increased investments.

Figure 5. Changes in the volume of main supply and demand items in 2017 compared to one year ago, per cent

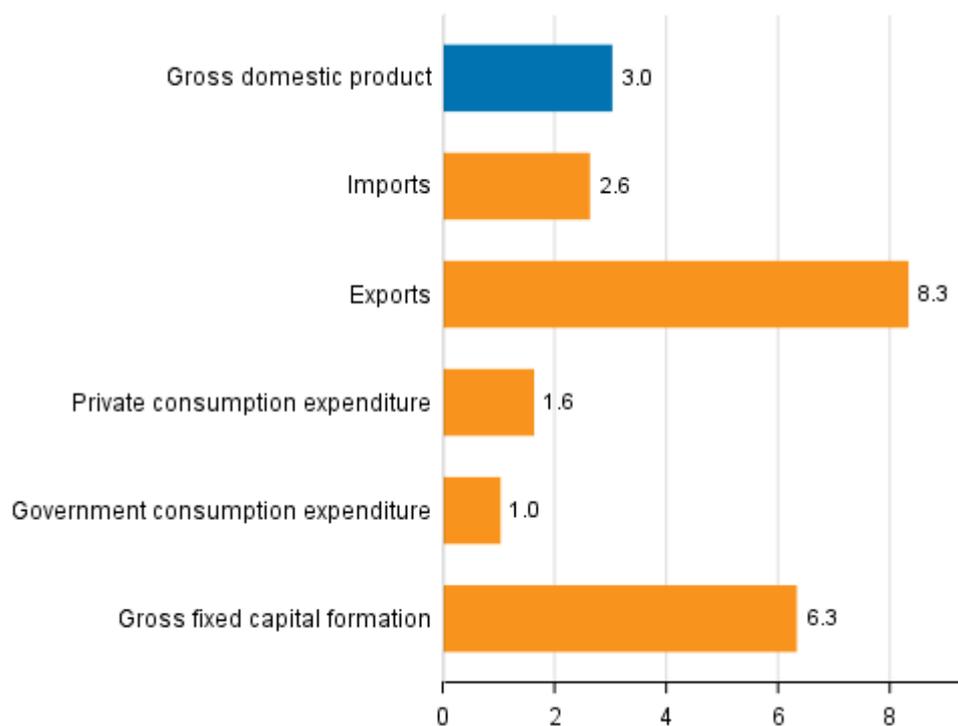


Figure 6. Changes in the volume of main supply and demand items in the fourth quarter of 2017 compared to one year ago, working-day adjusted, per cent

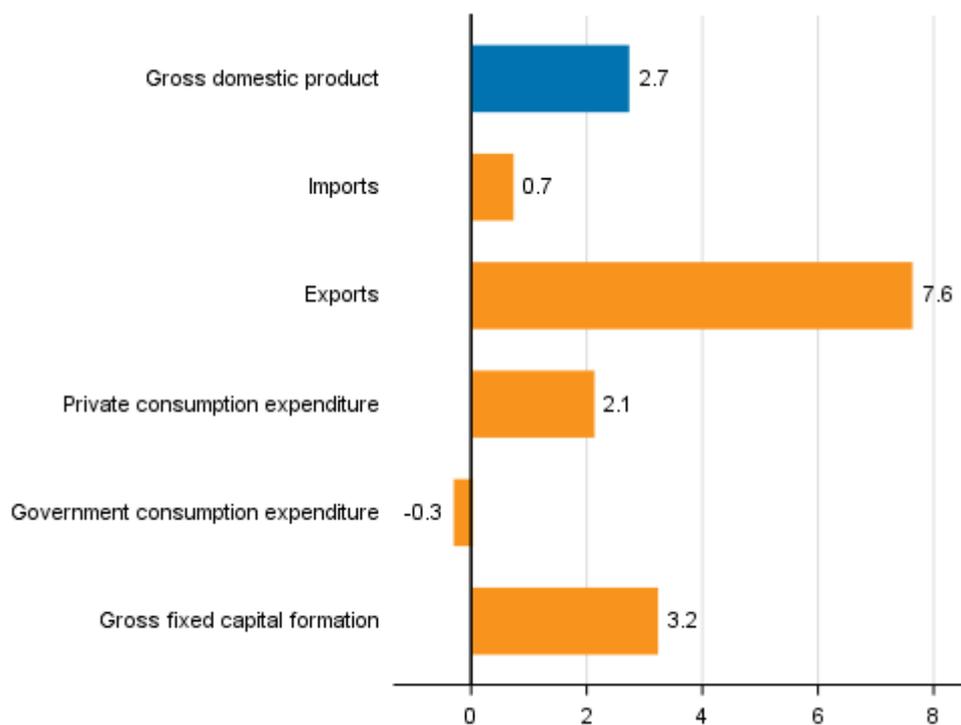
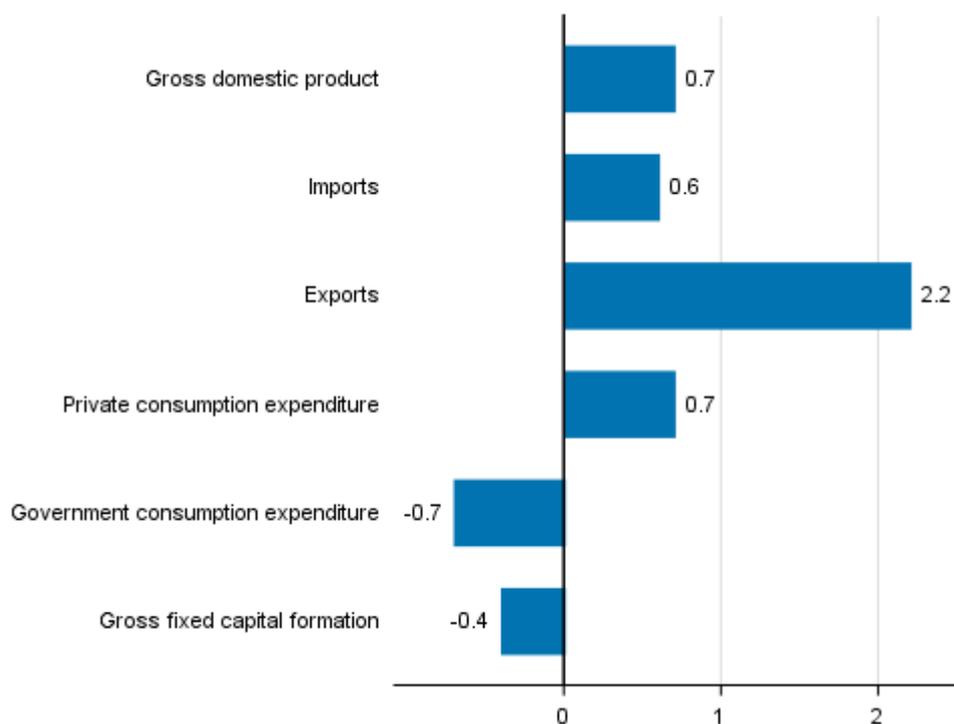


Figure 7. Changes in the volume of main supply and demand items in the fourth quarter of 2017 compared to the previous quarter, seasonally adjusted, per cent



The volume of exports grew by 2.2 per cent and that of imports by 0.6 per cent in October to December from the previous quarter.

In the full year 2017, the volume of exports grew by 8.3 per cent: the volume of goods exports went up by 8.1 per cent and that of service exports by 8.6 per cent. The volume of imports went up by 2.6 per cent. The volume of goods imports increased by 4.2 per cent but that of service imports decreased by 0.6 per cent.

In the fourth quarter, the volume of private consumption increased by 0.7 per cent from the previous quarter and by 2.1 per cent from twelve months back. The volume of public consumption expenditure went down by 0.7 per cent from the previous quarter and by 0.3 per cent year-on-year.

In the full year, the volume of private consumption expenditure grew by 1.6 per cent. Consumption of durable consumer goods continued to grow like in 2016. The volume of public consumption expenditure increased by one per cent in 2017 from 2016 but decreased by 0.6 per cent when examined at current prices.

In October to December, the volume of gross fixed capital formation, that is, investments decreased by 0.4 per cent from the previous quarter but increased by 3.2 per cent year-on-year.

In 2017, investments increased by 6.3 per cent. The volume of construction investments was 4.6 per cent and the volume of investments in machinery and equipment was 12.4 per cent higher than in 2016. Investments in research, development and software also increased on an annual level for the first time since 2010.

Employment, wages and salaries and national income

The number of employed persons was 1.2 per cent higher than in the previous quarter. The number of hours worked in the national economy increased by 0.3 per cent from the previous quarter.

In 2017, the number of employed persons grew by 1.2 per cent and the number of hours worked by 0.7 per cent from the year before. According to Statistics Finland's Labour Force Survey, the unemployment rate was 7.6 per cent in October to December and 8.6 per cent in the whole year, having been 8.0 per cent in October to December 2016 and 8.8 per cent in the whole year 2016.

Labour productivity, or the volume of gross value added per hour worked, grew by 2.7 per cent last year. The nominal wages and salaries bill of the national economy grew by 2.6 per cent. Social contributions paid by employers declined by 5.4 per cent from last year.

The operating surplus (net), which in business bookkeeping corresponds roughly with operating profit, grew by 13.7 per cent from 2016. Gross national income was 4.6 per cent higher in nominal terms than in the previous year.

The available data

The preliminary data are based on the source information on economic development available on 22 February 2018. The annual level data for 1990 to 2016 correspond with the National Accounts data released on 31 January 2018, 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.

The preliminary data for 2017 that contain more detailed data on general government and other sector accounts will be released on 16 March 2018. The data of this release will be revised at that time. The revised data will also be updated in the database tables of the Quarterly National Accounts but no actual release of the Quarterly National Accounts will be compiled.

National Accounts for 2017 with more detailed data contents will be released on 12 July 2018.

Data concerning the first quarter of 2018 will be released on 31 May 2018, when the data for previous quarters will also be revised. A flash estimate on GDP development for January to March will be released in connection with [the Trend Indicator of Output](#) on 15 May 2018.

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, %	2016Q4	0.0	0.6	0.5	0.5
	2017Q1	1.2	1.2	1.3	0.1
	2017Q2	0.4	0.8	0.6	0.2
	2017Q3	0.4	0.4	0.2	-0.2
Working day adjusted year-on-year change, %	2016Q4	1.3	2.2	2.4	1.1
	2017Q1	2.7	2.9	3.2	0.5
	2017Q2	3.0	3.6	3.6	0.6
	2017Q3	3.0	3.0	2.5	-0.5

Revision of volume changes in export

		1. release	Previous release	Latest release	Revision, %-points
Seasonally adjusted quarter-on-quarter change, %	2016Q4	0.6	1.0	1.1	0.5
	2017Q1	5.0	7.1	6.5	1.5
	2017Q2	-0.1	-0.1	-0.4	-0.3
	2017Q3	-2.0	-2.0	-0.7	1.3
Working day adjusted year-on-year change, %	2016Q4	0.4	0.8	2.9	2.5
	2017Q1	8.8	12.1	11.5	2.7
	2017Q2	7.9	8.8	7.9	0.0
	2017Q3	5.8	5.8	6.4	0.6

Revision of volume changes in import

		1. release	Previous release	Latest release	Revision, %-points
Seasonally adjusted quarter-on-quarter change, %	2016Q4	1.9	2.0	2.3	0.4
	2017Q1	-1.0	-1.0	-1.5	-0.5
	2017Q2	2.7	2.2	3.0	0.3
	2017Q3	-2.5	-2.5	-1.4	1.1
Working day adjusted year-on-year change, %	2016Q4	0.2	2.6	5.0	4.8
	2017Q1	3.6	3.7	3.4	-0.2
	2017Q2	4.2	3.4	4.1	-0.1
	2017Q3	0.5	0.5	2.3	1.8

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	0.2
Working day adjusted year-on-year change	0.6	0.1

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Source: National Accounts 2017, 4th quarter. Statistics Finland