

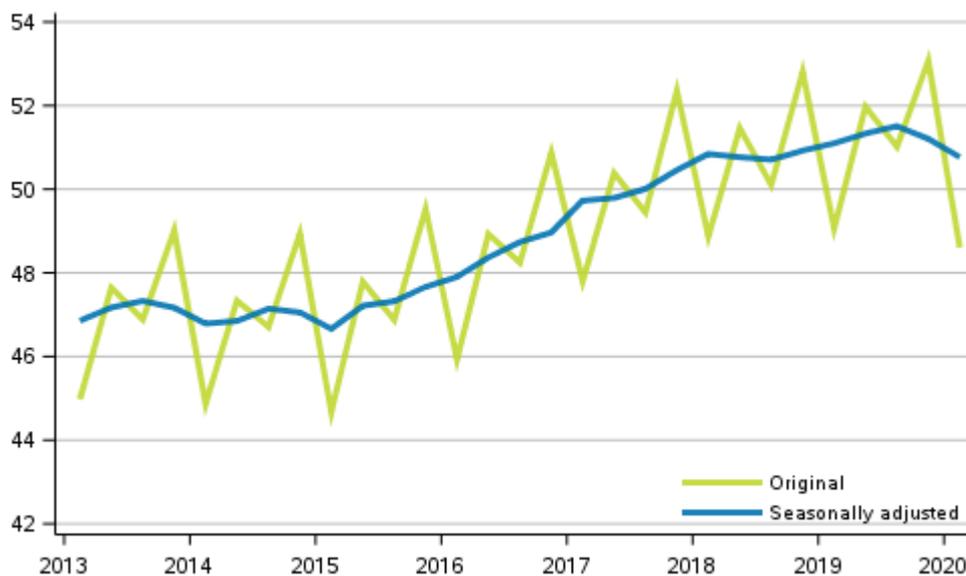
# Quarterly national accounts

2020, 1st quarter

## Gross domestic product contracted by 0.9 per cent from the previous quarter

According to Statistics Finland's preliminary data, the volume<sup>1)</sup> of Finland's gross domestic product decreased in January to March by 0.9 per cent from the previous quarter. Compared with the first quarter of 2019, GDP adjusted for working days decreased by 1.1 per cent.

**Gross domestic product by quarter, volume series, reference year 2010 (EUR bn)**



Finland's national economy is in recession, as gross domestic product has now contracted in two consecutive quarters. According to revised data, the volume of GDP in the last quarter of 2019 contracted by 0.6 per cent from the previous quarter (was -0.8 %) but grew by 0.5 per cent from twelve months back (was 0.4%).

1) Volume refers to data from which the effects of price changes have been eliminated. Volumes (reference year 2010) 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 first quarter of 2020, the volume of exports contracted by 7.4 per cent from the previous quarter and by 8.5 per cent year-on-year. Imports decreased by 3.5 per cent from the previous quarter and by 4.1 per cent year-on-year.

In the first quarter, the volume of private consumption contracted by 0.6 per cent from the previous quarter but grew by 0.1 per cent from twelve months back. Gross fixed capital formation, or investments, fell by 0.5 per cent from the previous quarter and by 1.4 per cent year-on-year.

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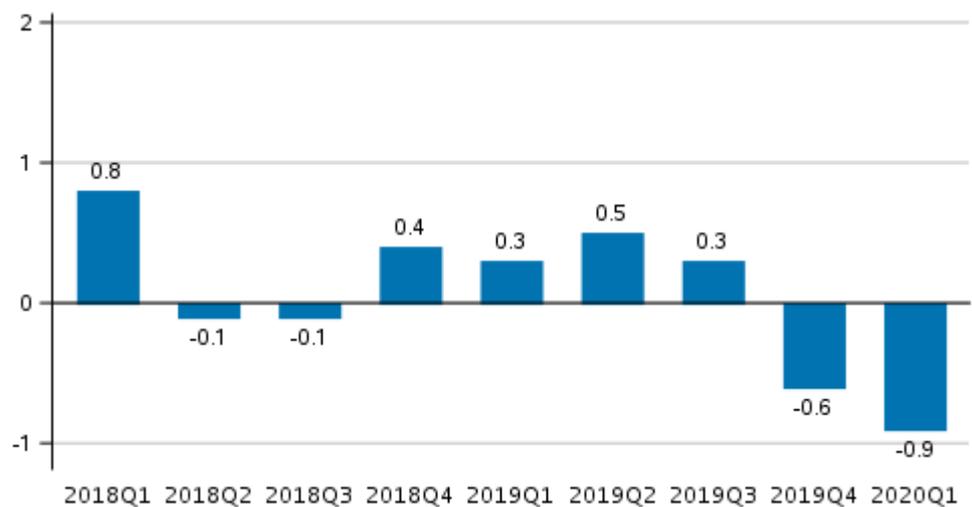
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# Finland's national economy in recession, output contracted in January to March

In January to March, the seasonally adjusted volume of Finland's gross domestic product decreased by 0.9 per cent from the previous quarter. GDP adjusted for working days went down by 1.1 per cent compared to the first quarter of 2019. Examined at current prices, gross domestic product adjusted for working days was 0.1 per cent higher than one year ago.

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

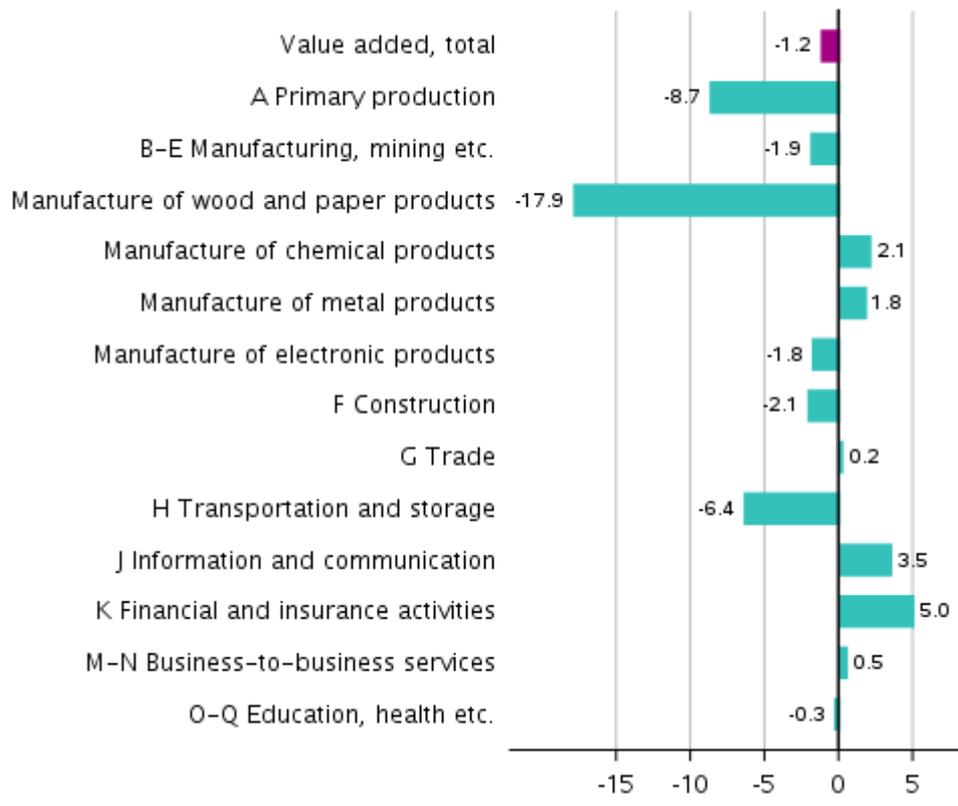


According to preliminary data compiled by Eurostat, GDP in the EU area decreased by 3.3 per cent in the first quarter from the previous quarter and by 2.6 per cent from one year back.

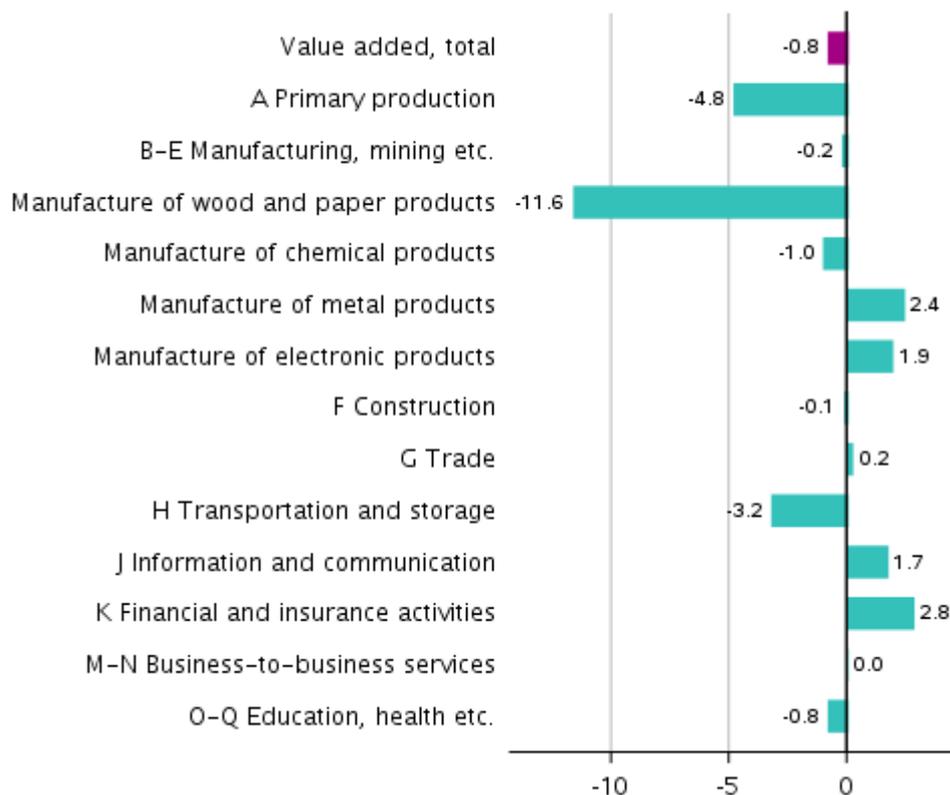
## Output

The volume of total value added generated by all industries decreased by 0.8 per cent from the previous quarter and by 1.2 per cent from twelve months back.

**Figure 2. Changes in the volume of value added generated by industries in the first quarter of 2020 compared to one year ago, working day adjusted, per cent**



**Figure 3. Changes in the volume of value added generated by industries in the first quarter of 2020 compared to the previous quarter, seasonally adjusted, per cent**



The volume of value added in primary production, that is, agriculture, forestry and fishery, declined by nine per cent in January to December from one year ago. Forestry contracted by 12 per cent from one year ago.

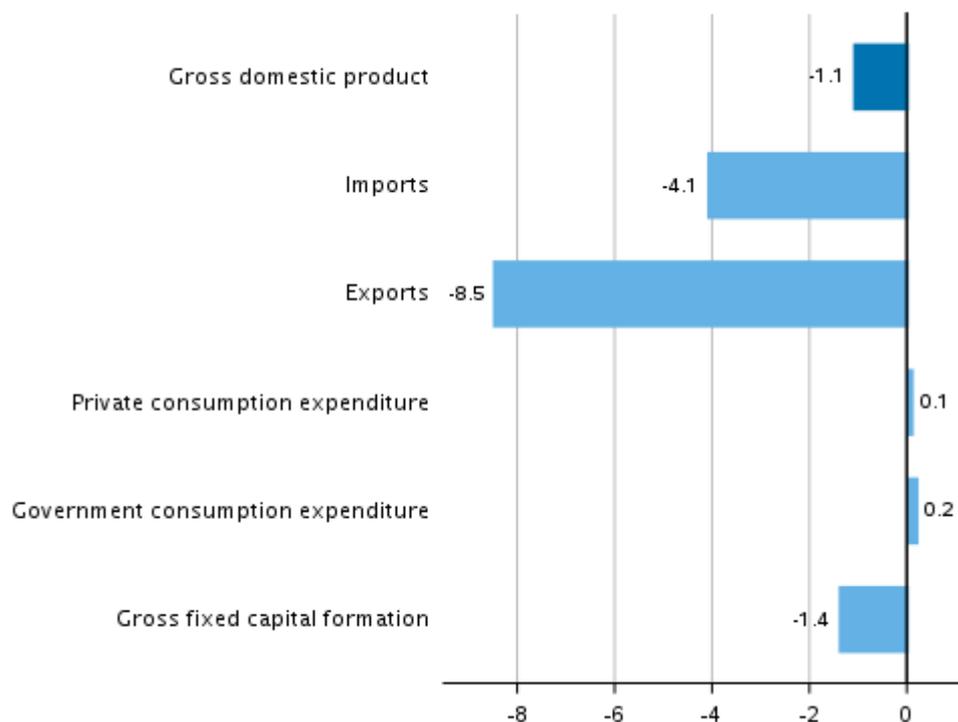
Output in manufacturing industries (incl. mining and quarrying, energy, water supply and waste management) decreased by two per cent in January to March from one year before. The metal and chemical industries grew by two per cent from one year ago. The forest industry had a labour dispute in winter, which partly contributed to the collapse of value added to an 18 per cent lower level than one year ago. Construction declined by two per cent from the previous year.

The volume of service industries diminished by one per cent from the previous quarter. Especially transport and accommodation and food service activities already suffered from the coronavirus crisis in the first quarter. In contrast, the volume of retail trade grew in January to March from the previous year. The industries of information and communication activities, as well as financing and insurance activities also grew.

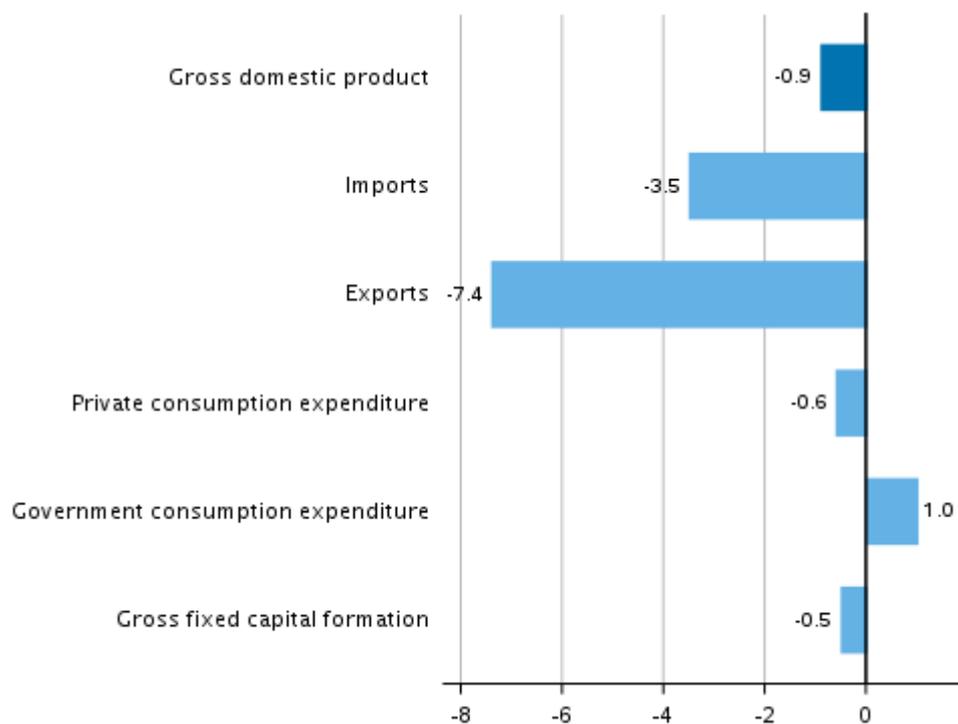
### Imports, exports, consumption and investments

Total demand contracted by 2.2 per cent in January to March from one year back.

**Figure 4. Changes in the volume of main supply and demand items in the first quarter of 2020 compared to one year ago, working day adjusted, per cent**



**Figure 5. Changes in the volume of main supply and demand items in the first quarter of 2020 compared to the previous quarter, seasonally adjusted, per cent**



In the January to March period, the volume of exports decreased by seven per cent from the previous quarter. Compared to the first quarter of 2019, exports of goods contracted by 12 per cent but exports of

services remained on level with one year back. Imports decreased by four per cent year-on-year: imports of goods decreased by five per cent and imports of services by two per cent.

Private consumption remained on level with the previous year in the first quarter but diminished from the previous quarter. Households' consumption expenditure on semi-durable goods decreased clearly, the consumption of services also diminished slightly. Government consumption expenditure increased from the previous quarter.

Gross fixed capital formation, or investments, fell by half a per cent from the previous quarter and by one-and-a-half per cent from the year before. Private investments decreased by three per cent, but public investments grew by five per cent compared with January to March 2019. The volume of investments in machinery, equipment and transport equipment decreased by five per cent from the previous year. Investments in residential buildings remained on level with the previous year but investments in non-residential buildings diminished. Investments in civil engineering grew clearly.

## Employment, wages and salaries and national income

In January to March the number of employed persons grew by 0.6 per cent and that of hours worked by 0.1 per cent from one year back.

According to Statistics Finland's Labour Force Survey, the unemployment rate was 7.1 per cent in January to March, which is the same as in the corresponding period last year.

In the January to March period, the nominal wages and salaries bill of the national economy grew by 1.0 per cent from the previous quarter and by 3.0 per cent year-on-year. Social contributions paid by employers grew by 1.9 per cent from one year back.

The operating surplus (net), which in business bookkeeping corresponds roughly with operating profit, grew in the first quarter by 3.3 per cent from twelve months back. Gross national income calculated at current prices was 1.4 per cent lower 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 22 May 2020. The annual level data for 1990 to 2018 correspond with the National Accounts data released on 16 March 2020, 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. More detailed data for 2019 will be published on 18 June 2020, when the quarterly accounts database tables will also be updated.

Data concerning the second quarter of 2020 will be released on 28 August 2020. A flash estimate on GDP development for April to June will be released in connection with the June data of the [the Trend Indicator of Output](#) on 14 August 2020.

Due to the benchmarking and seasonal adjustment methods, quarterly data 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 is available on Statistics Finland's website:

<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, %	2019Q1	0.2	0.3	0.3	0.1
	2019Q2	0.5	0.6	0.5	0.0
	2019Q3	0.7	0.4	0.3	-0.4
	2019Q4	-0.8	-0.8	-0.6	0.2
Working day adjusted year-on-year change, %	2019Q1	1.2	0.3	0.4	-0.8
	2019Q2	1.2	1.3	1.1	-0.1
	2019Q3	2.2	1.9	1.7	-0.5
	2019Q4	0.4	0.4	0.5	0.1

## Revision of volume changes in export

		1. release	Previous release	Latest release	Revision, %-points
Seasonally adjusted quarter-on-quarter change, %	2019Q1	3.0	5.3	8.5	5.5
	2019Q2	-0.5	-0.8	-3.3	-2.8
	2019Q3	0.5	2.0	2.0	1.5
	2019Q4	2.5	2.5	1.3	-1.2
Working day adjusted year-on-year change, %	2019Q1	3.9	5.7	5.8	1.9
	2019Q2	4.1	5.8	5.9	1.8
	2019Q3	5.3	8.5	8.6	3.3
	2019Q4	8.2	8.2	8.3	0.1

## Revision of volume changes in import

		1. release	Previous release	Latest release	Revision, %-points
Seasonally adjusted quarter-on-quarter change, %	2019Q1	-5.7	-1.1	-0.8	4.9
	2019Q2	2.8	1.4	1.1	-1.7
	2019Q3	1.2	0.3	0.4	-0.8
	2019Q4	-1.4	-1.4	-1.9	-0.5
Working day adjusted year-on-year change, %	2019Q1	-1.9	2.1	1.8	3.7
	2019Q2	2.8	4.7	4.2	1.4
	2019Q3	4.2	4.1	3.9	-0.3
	2019Q4	-0.6	-0.6	-0.8	-0.2

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

	Average revision (absolute values)	Average revision
Seasonally adjusted quarter-on-quarter change	0.4	0.1
Working day adjusted year-on-year change	0.7	0.1

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Source: National Accounts 2020, 1st quarter. Statistics Finland