

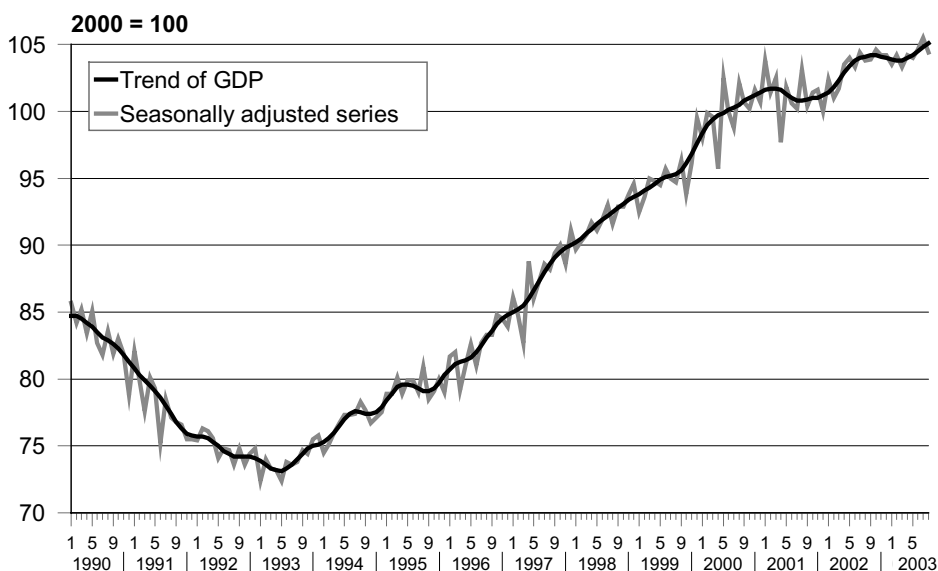
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Volume of GDP grew in August

According to the trend of the Monthly Indicator of GDP calculated by Statistics Finland, the volume of GDP grew by 0.2 per cent in August compared with July. Starting from April, the volume of output produced monthly by the whole economy has always grown compared with the previous month.

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



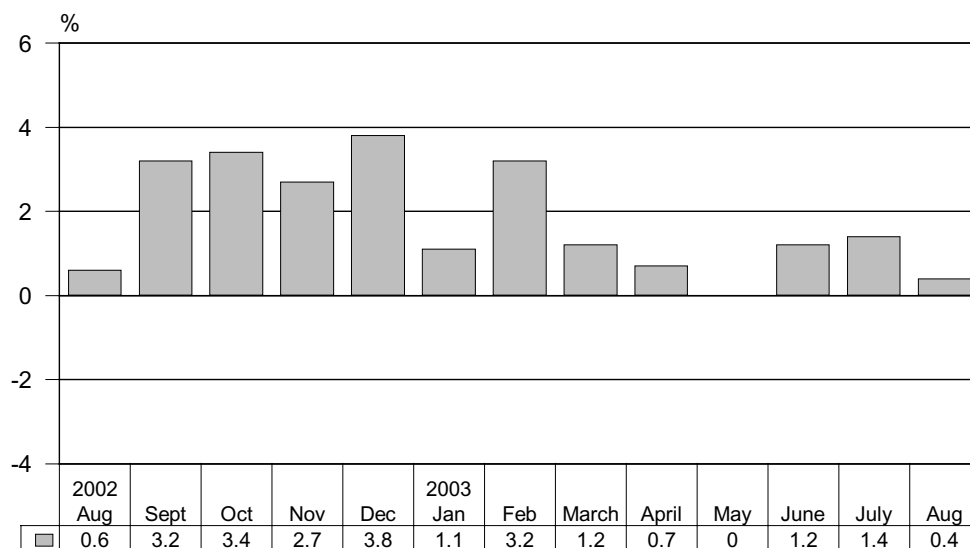
The economic time series can be divided into trend cycle, seasonal variation and random variation components. When the seasonal variation component is removed from the original series of GDP, a seasonally adjusted series is obtained, the changes in which still vary greatly from the previous month. When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

From August 2002, GDP grew by 0.4 per cent

GDP increased by 0.4 per cent compared with the previous year's August. Of the six main industries of the monthly indicator, trade, transport and other service industries grew. In contrast, primary production, manufacturing and construction decreased.

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



Trading day adjusted sale volumes of trade increased by nearly 5 per cent from August 2002. Sale of motor vehicles still accelerated by as much as 21 per cent. Retail trade grew by nearly 6 per cent. Sale volumes of wholesale trade were equal to one year ago.

Industrial output decreased by 0.4 per cent. Metal industry fell by 4 per cent and manufacture of electronic and electrical equipment by good 3 per cent. Output in the wood and paper industry increased by 1 per cent. Output volumes in other manufacturing grew by 3 per cent. Energy supply went up by 22 per cent.

The volume of primary production was 8 per cent lower than in August 2002. Crop cultivation fell by 11 per cent. Meat production went down by 5 per cent and milk production by 2 per cent. Fellings slowed down by 4 per cent.

Transport accelerated by 1 per cent. Output in other service industries was a touch higher than the year before. Construction contracted by under 1 per cent from August 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, August. Statistics Finland