

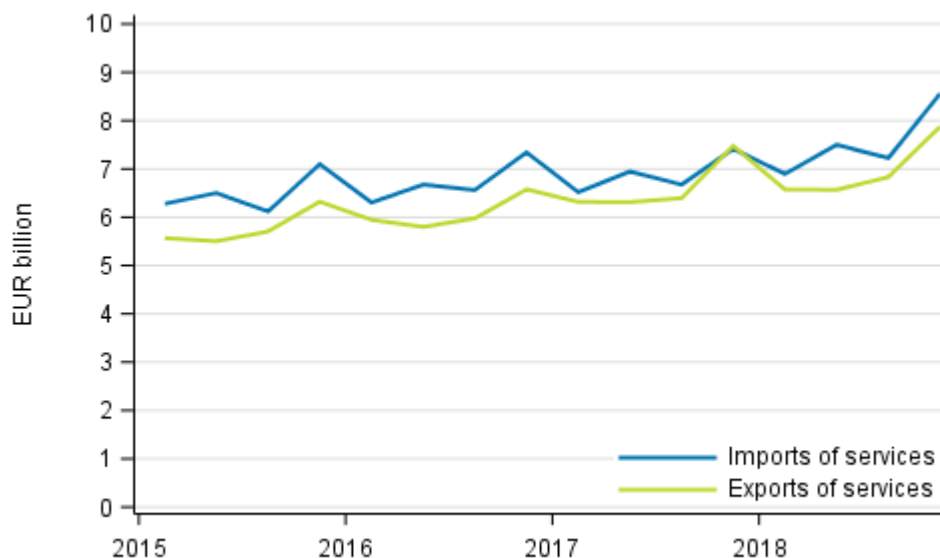
# International trade in goods and services

2018, 4th quarter

## Service imports grew faster than service exports

Service imports grew by 15 per cent in the last quarter of 2018 compared with the corresponding quarter of the previous year. Service exports grew by five per cent. The value of service imports was EUR 8.6 billion and that of exports EUR 7.9 billion. Other business services were imported most. Their imports also grew more than of any other service item. Exports grew most for the biggest export item of service exports, telecommunications, computer and information services. The data appear from Statistics Finland's statistics on international trade in goods and services, which are part of [balance of payments](#).

### Imports and exports of services



The combined exports of goods and services grew by five per cent and imports by 10 per cent in the last quarter of 2018 compared with the corresponding quarter in 2017. In balance of payments terms, goods exports grew by five per cent and goods imports by eight per cent. Goods exports recorded by Finnish Customs grew two percentage points more and imports by two percentage points less than recorded by the balance of payments.

The levels in customs terms and in balance of payments terms can differ, because goods trade in customs terms includes flows of goods where ownership does not change. In contrast, goods trade in balance of payments terms is based on change of ownership. In addition to the changes made to the customs data, goods trade in balance of payments terms includes sales and purchases from aboard to abroad.

According to preliminary data for 2018, the combined exports of goods and services grew by six per cent when comparing exports of the whole 2018 to exports of 2017. In turn, imports of goods and services grew by eight per cent in 2018.

## **Service imports grew more than exports also when examining the whole 2018.**

According to preliminary data for 2018, service imports grew by 10 per cent compared to 2017. Service exports grew by five per cent. Both service exports and imports increased in 2018 due to the growth in international trade in the following items: other business services, transport services and manufacturing services.

In addition, service imports grew on account of purchases of telecommunications, computer and information services from abroad. EUR 0.6 billion more were used for purchasing these services than in 2017, which represents a growth of 20 per cent.

Imports of other business services were over EUR one billion higher in 2018 than one year previously. Imports of other business services grew EUR 0.4 billion more than their exports, but the percentage growth of both imports and exports in these items was the same: 14 per cent. Imports of other business services grew in 2018 in euros almost two times more than telecommunications, computer and information services and over two times more than transport services.

Exports of the most significant item of service exports, telecommunications, computer and information services, remained on level with the previous year in 2018.

## **Growing sales of telecommunications, computer and information services and transport services continued to show growth for service exports**

Exports of telecommunications, computer and information services grew by 12 per cent in the last quarter of 2018. Exports of the second biggest item of service exports, other business services, did not grow in the corresponding period. This is explained by the exceptionally high level of exports in the comparison period, the last quarter of 2017, in the sub-item of other business services, research and development services.

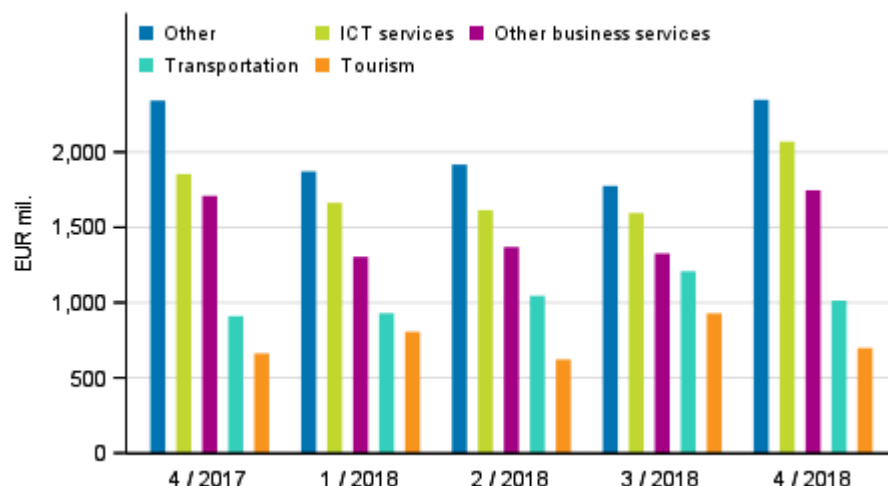
Transport services were still the third biggest item of exports. Their exports grew by 11 per cent in the last quarter of 2018.

The 15 per cent growth in service imports in the last quarter of 2018 was boosted particularly by three service items: other business services, telecommunications, computer and information services, and transport services.

Imports of other business services grew by 30 per cent. Other business services include research and development services, technical, trade-related and other business services, and professional and management consulting services.

Imports of telecommunications, computer and information services grew by 28 per cent, but EUR 0.4 billion less than imports of other business services.

## Exports of services by service item



## One-third of services bought in Finland are exported to three countries.

In 2018, the most important service export countries for Finland were Sweden, the United States and Germany. Around one-third of Finland's total service exports were exported to these countries. The share of service exports to the United States was some 40 per cent in 2018. For Sweden and Germany, the shares of service exports in total exports were around one third.

Exports to Sweden and Germany thus follow the same structure as Finland's current exports of goods and services where the share of service exports is around one-third of total exports.

According to preliminary data, service exports to Germany grew by 16 per cent in 2018 from the previous year. Goods exports to Germany in balance of payments terms grew less: by nine per cent. Service exports to Sweden grew less in percentages than to Germany according to preliminary data for 2018. The growth to Sweden was four per cent, but exports of services there were EUR 1.3 billion higher than to Germany.

According to preliminary data, service exports appear to have picked up for the United States in the latter half of 2018, when they grew by 13 per cent compared to the corresponding period of the previous year. However, the growth for the whole year remained at three per cent. Goods exports to the United States grew less than service exports in the latter half of 2018: by seven per cent.

Correspondingly, imports from the United States grew in the two last quarters of 2018 compared to the corresponding period of 2017. During the period, service imports grew by 18 per cent and goods imports in balance of payments terms by as much as 28 per cent.

## Imports from Russia growing

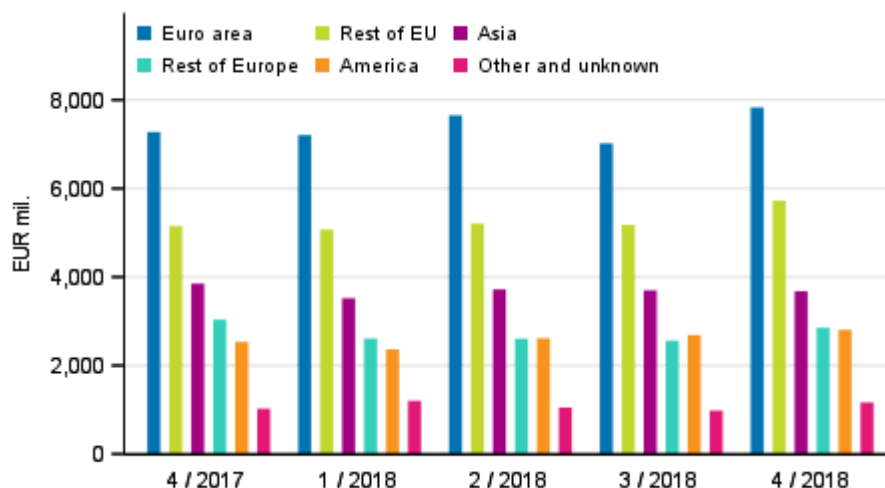
In addition to the United States, imports from Russia also grew for both goods and services. The growth was also faster for Russia in the latter half of 2018 than in the early part of the year. The growth in the whole 2018 for services was 15 per cent compared to the previous year, while in the latter part of the year the growth was 19 per cent.

Preliminary data indicate that goods imports from Russia in turn grew by 23 per cent in 2018. In the latter half of 2018, goods imports increased by 32 per cent.

Exports of services to Russia reflected the general growth in service exports in 2018. They grew by six per cent, or one percentage point more than service exports to the whole world.

Goods imports in balance of payments terms from the United Kingdom have remained on level with 2017 in 2018. However, preliminary data indicate that six per cent more services were imported from the United Kingdom. In turn, goods exports to the United Kingdom grew by 10 per cent in 2018, while five per cent less services were exported than in 2017.

### Exports of goods and services in balance of payments terms by area



### Statistics on international trade

The statistics on international trade in goods and services are part of [balance of payments](#). The statistics comprise breakdowns of goods and services on a more detailed level. The guidelines and recommendations of the Balance of Payments Manual (BPM6) applied to balance of payments are consistent with the European System of Accounts (ESA 2010). National Accounts are published [on quarterly](#) and [annual levels](#). [Finnish Customs](#) publishes data on goods trade across borders. Goods trade published by Finnish Customs is used as source data for the statistics on international trade in goods and services. Removals and additions caused by definitions are made to them to achieve goods trade in balance of payments terms.

Finnish Customs' statistical service, [tilastot@tulli.fi](mailto:tilastot@tulli.fi), +358 29 552 335.

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# Appendix tables

**Appendix table 1. Export in balance of payments terms, EUR mil.**

	2017	2018			
	4th quarter	1st quarter	2nd quarter	3rd quarter	4th quarter
1 Goods and services total	22,874	21,975	22,850	22,126	24,056
1.1 Goods trade in balance of payment terms	15,397	15,403	16,283	15,294	16,183
1.1.1 Goods trade in customs terms	15,415	15,528	16,487	15,343	16,485
1.1.2 Factoryless goods production, goods sent abroad for processing and merchandising	-18	-126	-204	-49	-302
1.2 Services total	7,477	6,572	6,567	6,832	7,873
1.2.1 Manufacturing services	428	397	414	379	452
1.2.2 Transport	910	929	1,045	1,208	1,013
1.2.3 Travel	662	806	622	928	698
1.2.4 Construction and project deliveries	700	583	547	486	740
1.2.5 Financial and insurance services	114	86	88	82	102
1.2.6 Charges for the use of intellectual property n.i.e.	945	641	697	690	887
1.2.7 Telecommunications, computer and information services	1,854	1,663	1,614	1,595	2,069
1.2.8 Other business services	1,709	1,304	1,369	1,326	1,746
1.2.8.1 Research and development services	517	170	193	154	208
1.2.8.2 Professional and management consulting services	449	437	481	497	663
1.2.8.3 Technical, trade-related and other business services	743	697	694	675	875
1.2.9 Other services	155	164	171	138	166

**Appendix table 2. Import in balance of payments terms, EUR mil.**

	2017	2018			
	4th quarter	1st quarter	2nd quarter	3rd quarter	4th quarter
1 Goods and services total	22,503	22,002	22,823	22,691	24,812
1.1 Goods trade in balance of payment terms	15,088	15,105	15,323	15,466	16,257
1.1.1 Goods trade in customs terms	16,213	16,320	16,636	16,335	17,179
1.1.2 Goods sent abroad for processing	-596	-679	-803	-389	-396
1.1.3 CIF-FOB conversion	-974	-984	-1,004	-989	-1,036
1.1.4. Other differences	445	449	494	510	509
1.2 Services total	7,415	6,897	7,500	7,225	8,556
1.2.1 Manufacturing services	358	341	352	340	410
1.2.2 Transport	1,399	1,390	1,513	1,499	1,512
1.2.3 Travel	1,304	1,063	1,383	1,404	1,301
1.2.4 Construction and project deliveries	505	382	405	352	520
1.2.5 Financial and insurance services	251	222	225	217	329
1.2.6 Charges for the use of intellectual property n.i.e.	278	275	223	203	232
1.2.7 Telecommunications, computer and information services	858	875	982	827	1,098
1.2.8 Other business services	2,254	2,137	2,203	2,173	2,921
1.2.8.1 Research and development services	462	465	396	386	573
1.2.8.2 Professional and management consulting services	601	544	597	573	784
1.2.8.3 Technical, trade-related and other business services	1,192	1,128	1,210	1,214	1,564
1.2.9 Other services	208	212	215	210	231

**Appendix table 3. International trade in balance of payments terms by region, EUR mil.**

		2017	2018			
		4th quarter	1st quarter	2nd quarter	3rd quarter	4th quarter
Import	Total	22,503	22,002	22,823	22,691	24,812
	..Europe	17,450	17,125	18,026	17,722	19,366
	..EU28	14,500	13,704	14,846	14,038	15,766
	.....Euro area	8,703	8,459	9,046	8,325	9,338
	.....Netherlands	1,214	1,209	1,389	1,250	1,404
	.....Germany	2,938	2,736	2,814	2,609	2,861
	.....Rest of EU28 (non Euro area)	5,797	5,246	5,801	5,714	6,428
	.....United Kingdom	1,017	948	1,029	956	1,024
	.....Sweden	2,876	2,591	2,817	2,823	3,227
	....Rest of Europe (non EU28)	2,950	3,421	3,179	3,683	3,600
	.....Russia	1,847	2,229	2,079	2,414	2,254
	..America	1,544	1,320	1,452	1,511	1,672
	.....United States	971	875	966	1,066	1,107
	..Africa	257	355	326	282	268
	..Asia	3,139	3,103	2,911	3,069	3,310
	.....China	1,372	1,235	1,269	1,385	1,476
	.. Other and unknown	114	99	108	108	197
Export	Total	22,874	21,975	22,850	22,126	24,056
	..Europe	15,467	14,889	15,465	14,760	16,408
	..EU28	12,431	12,279	12,859	12,197	13,557
	.....Euro area	7,277	7,207	7,653	7,020	7,831
	.....Netherlands	1,159	1,357	1,233	1,330	1,512
	.....Germany	1,919	1,853	2,458	1,784	1,945
	.....Rest of EU28 (non Euro area)	5,153	5,072	5,207	5,177	5,725
	.....United Kingdom	1,207	1,092	1,110	1,033	1,232
	.....Sweden	2,783	2,722	2,848	2,835	3,097
	....Rest of Europe (non EU28)	3,037	2,610	2,605	2,563	2,852
	.....Russia	1,241	1,100	1,105	1,138	1,279
	..America	2,534	2,365	2,616	2,688	2,806
	.....United States	1,914	1,801	1,891	2,008	2,032
	..Africa	649	767	570	557	656
	..Asia	3,850	3,520	3,720	3,698	3,678
	.....China	942	1,016	1,099	1,061	1,032
	.. Other and unknown	374	434	479	423	508

# Revisions in these statistics

## Revision of goods and services in balance of payment terms, EUR million

		1. release	Previous release (2018-12-14)	Latest release (2019-03-15)	Revision
Import of goods	2017Q1	13,978	14,047	14,042	64
	2017Q2	14,678	14,583	14,583	-95
	2017Q3	13,740	14,303	14,303	563
	2017Q4	14,962	15,087	15,088	126
	2018Q1	15,117	15,044	15,105	-12
	2018Q2	15,041	15,148	15,323	282
	2018Q3	15,423	15,423	15,466	43
Export of goods	2017Q1	14,461	14,399	14,399	-62
	2017Q2	15,514	15,136	15,136	-378
	2017Q3	14,405	14,797	14,797	392
	2017Q4	15,380	15,397	15,397	17
	2018Q1	15,450	15,410	15,403	-47
	2018Q2	16,004	16,275	16,283	279
	2018Q3	15,191	15,191	15,294	103
Import of services	2017Q1	6,284	6,519	6,520	236
	2017Q2	6,720	6,946	6,946	226
	2017Q3	6,515	6,676	6,677	162
	2017Q4	7,452	7,415	7,415	-37
	2018Q1	6,776	6,786	6,897	121
	2018Q2	7,465	7,451	7,500	35
	2018Q3	7,225	7,225	7,225	0
Export of services	2017Q1	5,900	6,316	6,316	416
	2017Q2	6,184	6,311	6,312	128
	2017Q3	6,282	6,395	6,395	113
	2017Q4	7,449	7,477	7,477	28
	2018Q1	6,378	6,462	6,572	194
	2018Q2	6,770	6,434	6,567	-203
	2018Q3	6,716	6,716	6,832	116



## Inquiries

Tommi Kaatrasalo      029 551 3320  
Terhi Tulonen        029 551 3604  
Director in charge:  
Ville Vertanen

[www.stat.fi](http://www.stat.fi)

Source: International trade in goods and services 2018, Statistics Finland