

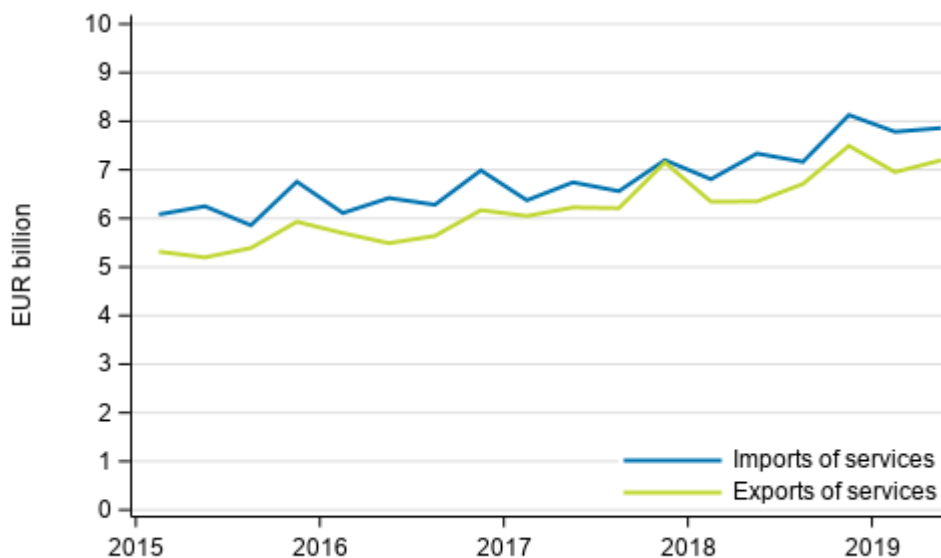
# International trade in goods and services

2019, 2nd quarter

## IT services drove the growth in international trade in services in the second quarter of 2019

Service exports grew by 13 per cent in the second quarter of 2019 compared with the corresponding quarter of the previous year. Service imports grew by seven per cent. Export of IT services grew strongly. In imports, especially other business services grew from the corresponding quarter last year. The data appear from Statistics Finland's statistics on international trade in goods and services, which are part of [balance of payments](#).

**Figure 1. Imports and exports of services quarterly**



The combined exports of goods and services grew by four per cent and imports by five per cent in the second quarter of 2019 compared with the corresponding quarter in 2018. Goods exports remained on level with the corresponding quarter of last year. By contrast, goods imports increased by four per cent.

## The biggest import item was still other business services

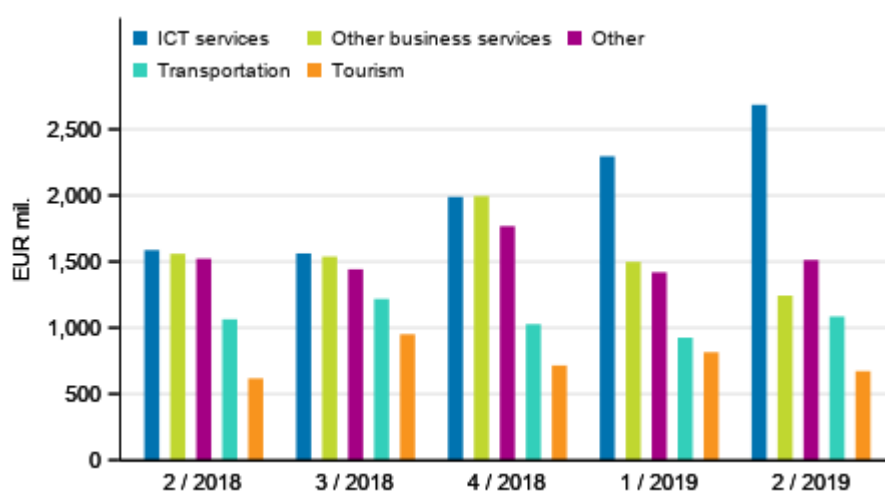
In the second quarter of 2019, other business services represented EUR 2.8 billion of imports, which makes it the biggest import item. The share of other business services in total imports was 35 per cent. Imports of other business services grew by 24 per cent year-on-year.

Other large import items are IT services, transport and tourism services. However, the share of these items is much smaller compared to the share of other business services in total imports.

## Export of IT services continued growing

The growth in IT services was extremely strong in the second quarter of 2019. IT services is clearly the largest service export item including, e.g. hardware and software consultancy and implementation services and software programs that improve business productivity, as well as computer game programs. In all, IT services were exported to the tune of EUR 2.7 billion in the second quarter of 2019.

**Figure 2. Exports of services by service item**



## Service exports growth particularly strong to Europe and Asia

Service exports grew extensively to different continents. Service exports to Europe grew by EUR 0.4 billion from the corresponding quarter in 2018 amounting to EUR 4.5 billion. The share of Europe in Finland’s service exports was nearly two-thirds. Service exports to Asia were also strong. Services were exported to Asia for EUR 1.5 billion and growth amounted to close on EUR 0.3 billion year-on-year. Thus, service exports to Asia grew, but goods exports petered out compared to the corresponding quarter one year ago. Asia’s share in service exports was around 20 per cent in the second quarter of 2019.

Service exports to America increased moderately in the second quarter. Services were exported to America for EUR one billion. Examined by continent, America was Finland’s third largest export partner after Europe and Asia. America’s share in service exports was 14 per cent in the second quarter of 2019.

## Exports to Germany decreased for both goods and services

In the second quarter of 2019, exports to Germany fell. Correspondingly, goods exports decreased throughout Europe. Germany’s share in Finland’s exports to Europe was around 13 per cent for both goods and services. The share decreased by good two percentage points compared to the corresponding quarter in 2018.

Imports from Germany also fell for goods and services from the same quarter last year. However, examined by country, most goods were imported from Germany to Finland. Goods imports from Germany was EUR 2.0 billion in the second quarter of 2019. By contrast, goods imports from Europe to Finland grew, but

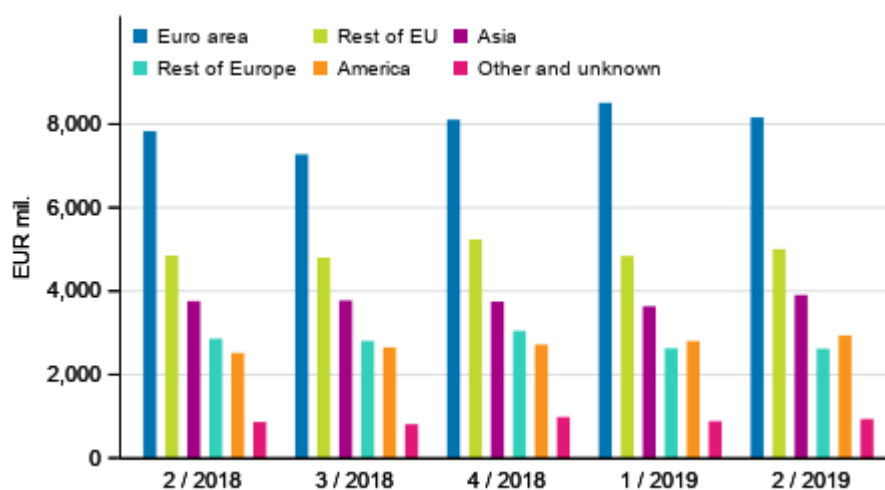
service imports declined. Service imports from Europe to Finland decreased slightly to EUR 5.9 billion. The growth in service imports rested on an increase in imports to Finland from America. Service imports from America amounted to EUR 0.9 billion. Compared to the corresponding quarter of last year, the increase was EUR 0.3 billion.

## Sweden is still Finland's main export partner

Sweden's share in Finland's service exports was 12 per cent and 13 per cent in goods exports in the second quarter of 2019. Thus, Sweden was the most important export country for Finland. The corresponding shares of the second most important country of exports, the United States, were 11 per cent in services and nine per cent in goods.

Service exports decreased slightly from one year ago, but goods exports to Sweden grew. Goods exports grew by some EUR 0.2 billion and goods were exported to Sweden for EUR 2.2 billion in the second quarter of 2019. Exports of services, in turn, amounted to EUR 0.9 billion.

**Figure 3. Exports of goods and services in balance of payments terms by area**



## Time series revision on the data of the balance of payments and international investment position in the September 2019 release

The data of the statistics on balance of payments and international investment position have been level revised for 2006 to 2019. The main goal of the time series revision is to promote cohesion between balance of payments and international investment position and national accounts. In addition, the temporal comparability of the data has been improved and new data sources have been utilised in connection with the time series revision.

The biggest change in goods and services is directed at the treatment of so-called project deliveries. Previously the income from project deliveries were recorded as construction and project delivery exports and the costs as construction and project delivery imports. In connection with the time series revision, net recording was adopted, which decreases the levels of service exports and imports by at most EUR 1.3 billion in 2016. Another important change in recording methods that lowers the levels of exports and imports is how recordings related to international trade are made, which decreases goods exports and imports by at most EUR 0.4 billion in 2014. The above-mentioned revisions do not affect the level of net exports.

The changes that affect net exports most were directed at goods trade related to global production and weakened net exports by at most EUR 0.5 billion in 2016.

## 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.

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# Appendix tables

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

	2018			2019	
	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter
1 Goods and services total	22,687	22,128	23,848	23,307	23,568
1.1 Goods trade in balance of payment terms	16,338	15,418	16,353	16,355	16,372
1.1.1 Goods trade in customs terms	16,408	15,306	16,536	16,458	16,535
1.1.2 Factoryless goods production, goods sent abroad for processing and merchandising	-70	112	-183	-104	-163
1.2 Services total	6,348	6,709	7,494	6,953	7,196
1.2.1 Manufacturing services	417	373	446	422	438
1.2.2 Transport	1,064	1,218	1,027	925	1,085
1.2.3 Travel	617	951	715	815	672
1.2.4 Construction	89	92	93	46	50
1.2.5 Financial and insurance services	126	124	143	118	144
1.2.6 Charges for the use of intellectual property n.i.e.	702	692	897	670	720
1.2.7 Telecommunications, computer and information services	1,587	1,562	1,989	2,296	2,685
1.2.8 Other business services	1,559	1,538	1,995	1,498	1,243
1.2.8.1 Research and development services	168	139	191	148	163
1.2.8.2 Professional and management consulting services	467	494	631	394	345
1.2.8.3 Technical, trade-related and other business services	925	904	1,173	956	735
1.2.9 Other services	188	161	189	163	160

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

	2018			2019	
	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter
1 Goods and services total	22,814	22,784	24,509	23,294	23,988
1.1 Goods trade in balance of payment terms	15,479	15,620	16,381	15,512	16,128
1.1.1 Goods trade in customs terms	16,669	16,351	17,219	16,203	16,641
1.1.2 Goods sent abroad for processing	-690	-265	-325	-198	-10
1.1.3 CIF-FOB conversion	-1,006	-990	-1,038	-975	-1,008
1.1.4. Other differences	505	525	525	482	504
1.2 Services total	7,335	7,164	8,128	7,783	7,860
1.2.1 Manufacturing services	379	369	434	378	378
1.2.2 Transport	1,532	1,542	1,592	1,444	1,493
1.2.3 Travel	1,383	1,404	1,301	1,078	1,279
1.2.4 Construction	114	112	121	88	81
1.2.5 Financial and insurance services	252	248	355	350	373
1.2.6 Charges for the use of intellectual property n.i.e.	209	193	247	248	220
1.2.7 Telecommunications, computer and information services	997	834	992	1,102	1,029
1.2.8 Other business services	2,243	2,235	2,842	2,877	2,782
1.2.8.1 Research and development services	393	388	574	839	794
1.2.8.2 Professional and management consulting services	622	593	783	752	673
1.2.8.3 Technical, trade-related and other business services	1,228	1,254	1,485	1,287	1,315
1.2.9 Other services	227	227	243	217	224

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

		2018			2019	
		2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter
Import	Total	22,814	22,784	24,509	23,294	23,988
	..Europe	18,074	17,847	19,172	17,866	18,507
	..EU28	14,961	14,228	15,712	14,613	15,176
	.....Euro area	9,885	9,264	10,219	9,571	10,200
	.....Netherlands	1,427	1,307	1,446	1,234	1,348
	.....Germany	2,836	2,641	2,882	2,590	2,704
	.....Rest of EU28 (non Euro area)	5,076	4,964	5,494	5,043	4,976
	.....United Kingdom	1,011	948	998	996	912
	.....Sweden	2,833	2,818	3,163	2,906	2,874
	....Rest of Europe (non EU28)	3,113	3,620	3,460	3,253	3,331
	.....Russia	2,110	2,416	2,231	2,217	2,241
	..America	1,403	1,503	1,634	1,651	1,840
	.....United States	966	1,074	1,110	1,141	1,323
	..Africa	303	239	248	210	161
	..Asia	2,977	3,136	3,363	3,194	3,085
	.....China	1,311	1,426	1,510	1,346	1,369
	.. Other and unknown	58	59	92	374	396
Export	Total	22,687	22,128	23,848	23,307	23,568
	..Europe	15,545	14,889	16,396	15,983	15,787
	..EU28	12,684	12,081	13,347	13,353	13,167
	.....Euro area	7,834	7,278	8,109	8,511	8,162
	.....Netherlands	1,124	1,218	1,409	1,390	1,316
	.....Germany	2,328	1,652	1,821	2,378	2,012
	.....Rest of EU28 (non Euro area)	4,851	4,803	5,239	4,842	5,005
	.....United Kingdom	1,070	1,003	1,189	1,074	1,091
	.....Sweden	2,870	2,893	3,099	2,962	3,059
	....Rest of Europe (non EU28)	2,861	2,809	3,048	2,631	2,619
	.....Russia	1,325	1,335	1,447	1,028	1,019
	..America	2,517	2,652	2,720	2,805	2,938
	.....United States	1,871	2,020	2,036	2,192	2,262
	..Africa	542	509	612	535	527
	..Asia	3,760	3,775	3,749	3,636	3,907
	.....China	1,090	1,072	1,024	1,112	1,258
	.. Other and unknown	323	302	371	349	410

# Revisions in these statistics

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

		1. release	Previous release (2019-06-14)	Latest release (2019-09-20)	Revision
Import of goods	2018Q1	15,117	15,127	15,212	95
	2018Q2	15,041	15,349	15,479	438
	2018Q3	15,423	15,478	15,620	197
	2018Q4	16,257	16,272	16,381	124
	2019Q1	14,858	14,858	15,512	654
Export of goods	2018Q1	15,450	15,326	15,405	-45
	2018Q2	16,004	16,213	16,338	334
	2018Q3	15,191	15,267	15,418	227
	2018Q4	16,183	16,230	16,353	170
	2019Q1	15,977	15,977	16,355	378
Import of services	2018Q1	6,776	6,898	6,806	30
	2018Q2	7,465	7,501	7,335	-130
	2018Q3	7,225	7,226	7,164	-61
	2018Q4	8,556	8,557	8,128	-428
	2019Q1	7,496	7,496	7,783	287
Export of services	2018Q1	6,378	6,572	6,344	-34
	2018Q2	6,770	6,567	6,348	-422
	2018Q3	6,716	6,832	6,709	-7
	2018Q4	7,873	7,873	7,494	-379
	2019Q1	7,040	7,040	6,953	-87



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