

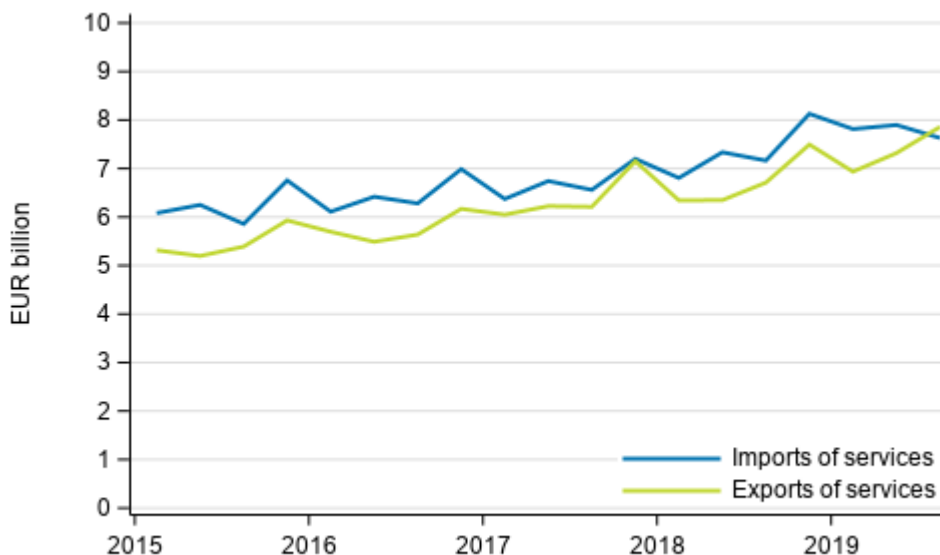
International trade in goods and services

2019, 3rd quarter

IT services explain growth in international trade in services in the third quarter of 2019

Service exports grew by 17 per cent in the third quarter of 2019 compared to the corresponding quarter last year. Service imports grew by five per cent. Service exports were especially boosted by an increase in the export of ICT services. Correspondingly, in imports, the biggest growth measured in euros came from other business services, while measured in relative terms, financial services grew most. Growth in imports was also supported by ICT services. 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

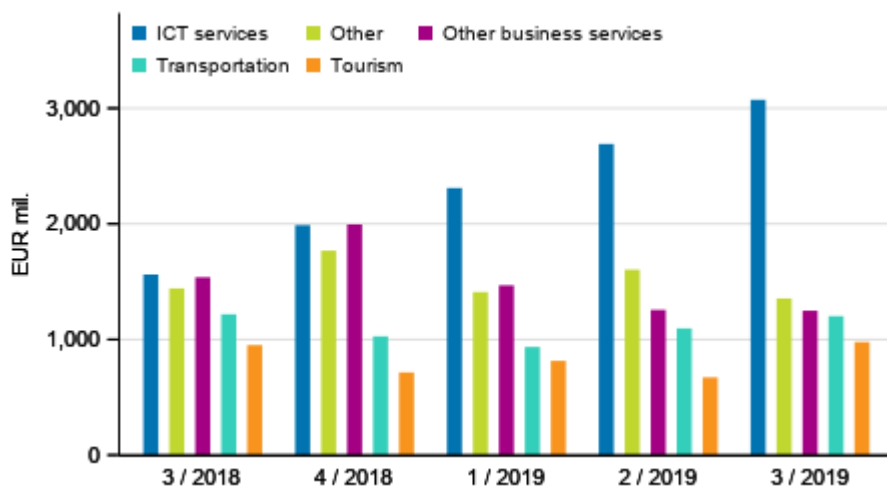


The combined exports of goods and services grew by five per cent and imports by one per cent in the third quarter of 2019 compared with the corresponding quarter in 2018. Goods exports in balance of payments terms remained at last year's level, but goods imports contracted by one per cent.

Growth in exports rested on ICT services

The growth in service exports is explained by increased exports of ICT services: The export of ICT services increased by EUR 1.5 billion over the year while the total volume of exports in international trade in services was EUR 7.9 billion. If ICT services are excluded, the change in service exports compared to the corresponding quarter in 2018 is actually negative. Decrease in service exports compared to the quarter one year ago occurred, in particular, in payments received for intellectual property products and in other business services. For other service items, the changes in exports were moderate.

Figure 2. Exports of services by service item



Exports to Asia growing briskly, trade with Sweden slowing down

Nearly two-thirds of service exports were directed at Europe and one-half at EU countries. The share of Europe in total service exports has, however, decreased by three percentage points from 2018. Asian exports increased by 30 per cent from the corresponding quarter of last year. Exports to Asia cover 22 per cent of total exports

When examining the growth components of service exports the importance of Asia is emphasised: only slightly under one-half of the good EUR one billion growth in exports came from growth in European exports, while good one-third is explained by growth in Asian exports. For example, exports to China grew by EUR 170 million or 42 per cent from the respective quarter in the year before

Exports to Great Britain growing

Service exports to Great Britain went up by 21 per cent from the corresponding quarter of the year before. The share of Great Britain in total service exports has remained at four per cent as in 2018. Service imports from Great Britain has not changed from one year ago.

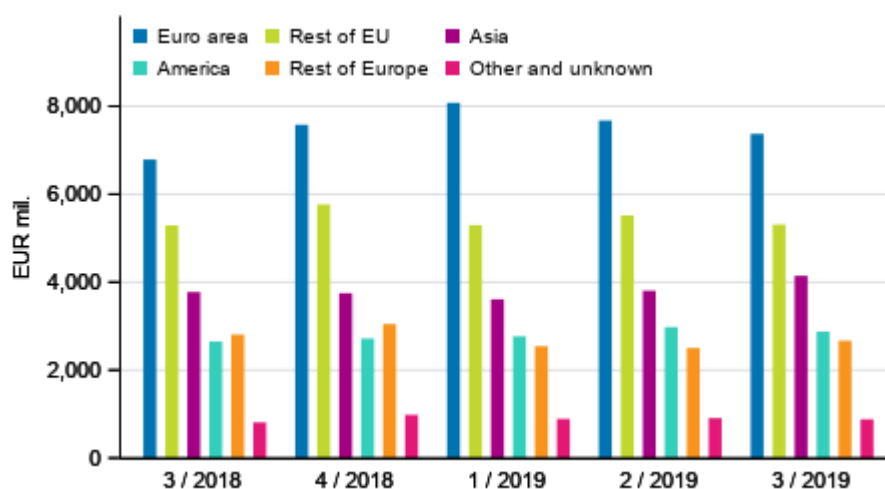
Balance of services turned into surplus

Statistics Finland has published statistics on international trade in services since 2015. Even though the balance of goods has fluctuated between being in surplus and deficit, the balance of services has been in deficit from one quarter to another. However, in the third quarter of 2019 the balance of services turned positive to around EUR 200 million.

Within the service items, most surplus was found in ICT services, where exports amounted to EUR 3.1 billion and imports to EUR 0.9 billion. Thus, the surplus was around EUR 2.2 billion. The surplus has grown clearly this year as one year ago the surplus of ICT services was good EUR 700 million. The change

is explained by strong growth in the exports of ICT services. In addition, the balance of payments received for intellectual property products is good EUR 400 million in surplus. Other business services show the highest deficit (EUR 1.4 billion). In this item, the deficit has more than doubled compared to the corresponding quarter last year. The deficit increased due to both the imports of other business services increasing by one-fifth and the exports decreasing by one-fifth. The deficits in tourism and transport services were more moderate.

Figure 3. 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.

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Appendix tables

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

	2018		2019		
	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter
1 Goods and services total	22,128	23,848	23,186	23,389	23,256
1.1 Goods trade in balance of payment terms	15,418	16,353	16,250	16,071	15,399
1.1.1 Goods trade in customs terms	15,306	16,536	16,455	16,561	15,388
1.1.2 Factoryless goods production, goods sent abroad for processing and merchandising	112	-183	-205	-490	11
1.2 Services total	6,709	7,494	6,936	7,318	7,856
1.2.1 Manufacturing services	373	446	420	436	365
1.2.2 Transport	1,218	1,027	935	1,096	1,202
1.2.3 Travel	951	715	815	672	978
1.2.4 Construction	92	93	39	49	74
1.2.5 Financial and insurance services	124	143	118	142	125
1.2.6 Charges for the use of intellectual property n.i.e.	692	897	673	801	643
1.2.7 Telecommunications, computer and information services	1,562	1,989	2,310	2,691	3,073
1.2.8 Other business services	1,538	1,995	1,468	1,256	1,249
1.2.8.1 Research and development services	139	191	140	178	195
1.2.8.2 Professional and management consulting services	494	631	391	339	337
1.2.8.3 Technical, trade-related and other business services	904	1,173	936	738	716
1.2.9 Other services	161	189	160	176	148

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

	2018		2019		
	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter
1 Goods and services total	22,784	24,509	22,939	23,650	23,092
1.1 Goods trade in balance of payment terms	15,620	16,381	15,126	15,753	15,462
1.1.1 Goods trade in customs terms	16,351	17,219	16,201	16,678	16,276
1.1.2 Goods sent abroad for processing	-265	-325	-583	-420	-333
1.1.3 CIF-FOB conversion	-990	-1,038	-975	-1,009	-970
1.1.4. Other differences	525	525	482	504	490
1.2 Services total	7,164	8,128	7,814	7,897	7,630
1.2.1 Manufacturing services	369	434	368	362	334
1.2.2 Transport	1,542	1,592	1,445	1,492	1,463
1.2.3 Travel	1,404	1,301	1,078	1,279	1,409
1.2.4 Construction	112	121	92	91	96
1.2.5 Financial and insurance services	248	355	361	360	338
1.2.6 Charges for the use of intellectual property n.i.e.	193	247	247	212	208
1.2.7 Telecommunications, computer and information services	834	992	1,110	1,037	905
1.2.8 Other business services	2,235	2,842	2,896	2,846	2,669
1.2.8.1 Research and development services	388	574	839	805	818
1.2.8.2 Professional and management consulting services	593	783	742	691	611
1.2.8.3 Technical, trade-related and other business services	1,254	1,485	1,314	1,349	1,241
1.2.9 Other services	227	243	216	217	208

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

		2018		2019		
		3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter
Import	Total	22,784	24,509	22,939	23,650	23,092
	..Europe	17,851	19,177	17,739	18,401	17,615
	..EU28	14,228	15,712	14,511	15,087	14,323
	.....Euro area	8,424	9,326	8,735	9,242	8,636
	.....Netherlands	1,307	1,446	1,277	1,359	1,239
	.....Germany	2,641	2,882	2,626	2,749	2,723
	.....Rest of EU28 (non Euro area)	5,804	6,386	5,776	5,844	5,687
	.....United Kingdom	948	998	1,005	922	902
	.....Sweden	2,818	3,163	2,831	2,804	2,787
	...Rest of Europe (non EU28)	3,623	3,464	3,229	3,314	3,292
	.....Russia	2,416	2,231	2,215	2,239	2,188
	..America	1,503	1,634	1,665	1,862	1,754
	.....United States	1,074	1,110	1,146	1,334	1,275
	..Africa	239	248	195	161	148
	..Asia	3,136	3,363	3,246	3,117	3,469
	.....China	1,426	1,510	1,370	1,374	1,628
	.. Other and unknown	55	88	93	109	106
Export	Total	22,128	23,848	23,186	23,389	23,256
	..Europe	14,889	16,396	15,917	15,697	15,354
	..EU28	12,081	13,347	13,374	13,194	12,684
	.....Euro area	6,789	7,579	8,078	7,676	7,373
	.....Netherlands	1,218	1,409	1,395	1,327	1,153
	.....Germany	1,652	1,821	2,382	2,029	1,839
	.....Rest of EU28 (non Euro area)	5,292	5,768	5,296	5,518	5,310
	.....United Kingdom	1,003	1,189	1,081	1,087	1,103
	.....Sweden	2,893	3,099	2,889	3,026	2,890
	...Rest of Europe (non EU28)	2,809	3,048	2,543	2,503	2,671
	.....Russia	1,335	1,447	1,044	1,036	1,094
	..America	2,652	2,720	2,768	2,978	2,875
	.....United States	2,020	2,036	2,148	2,299	2,083
	..Africa	509	612	566	528	473
	..Asia	3,775	3,749	3,611	3,805	4,144
	.....China	1,072	1,024	1,094	1,254	1,465
	.. Other and unknown	302	371	324	380	409

Revisions in these statistics

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

		1. release	Previous release (2019-09-20)	Latest release (2019-12-13)	Revision
Import of goods	2018Q1	15,117	15,212	15,212	95
	2018Q2	15,041	15,479	15,479	438
	2018Q3	15,423	15,620	15,620	197
	2018Q4	16,257	16,381	16,381	124
	2019Q1	14,858	15,512	15,126	268
	2019Q2	16,128	16,128	15,753	-375
Export of goods	2018Q1	15,450	15,405	15,405	-45
	2018Q2	16,004	16,338	16,338	334
	2018Q3	15,191	15,418	15,418	227
	2018Q4	16,183	16,353	16,353	170
	2019Q1	15,977	16,355	16,250	273
	2019Q2	16,372	16,372	16,071	-301
Import of services	2018Q1	6,776	6,806	6,806	30
	2018Q2	7,465	7,335	7,335	-130
	2018Q3	7,225	7,164	7,164	-61
	2018Q4	8,556	8,128	8,128	-428
	2019Q1	7,496	7,783	7,814	318
	2019Q2	7,860	7,860	7,897	37
Export of services	2018Q1	6,378	6,344	6,344	-34
	2018Q2	6,770	6,348	6,348	-422
	2018Q3	6,716	6,709	6,709	-7
	2018Q4	7,873	7,494	7,494	-379
	2019Q1	7,040	6,953	6,936	-104
	2019Q2	7,196	7,196	7,318	122

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