

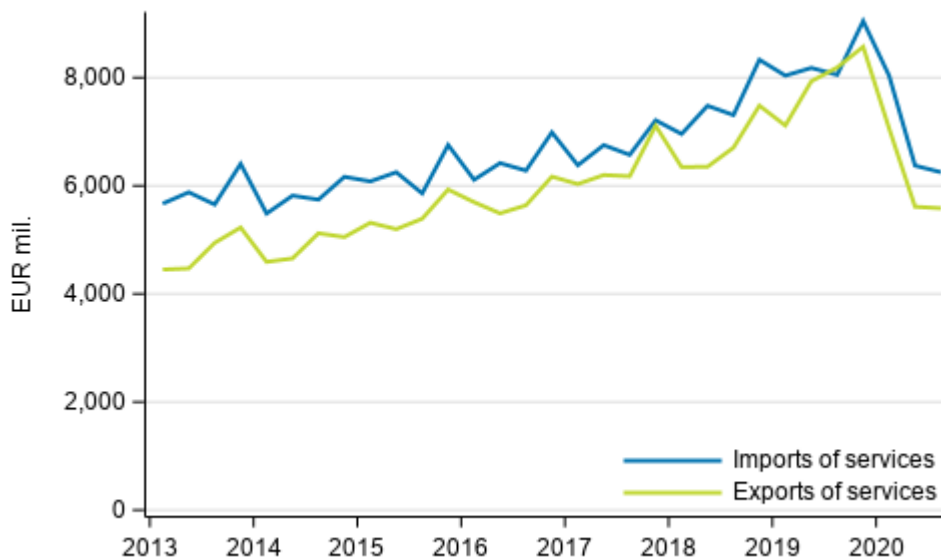
International trade in goods and services

2020, 3rd quarter

Exports did not recover in the third quarter of 2020

International trade in goods and services fell clearly in the third quarter of 2020 compared with the corresponding quarter in the previous year. Compared to the third quarter of 2019, exports of goods and services decreased by 17 per cent in the past quarter, while imports went down by 15 per cent. In other words, the value of exports fell by EUR 4.0 billion year-on-year and imports correspondingly by EUR 3.6 billion. These data derive 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 (Corrected on 10 March 2021)



Goods were both exported from Finland and imported to Finland to the tune of around EUR 14 billion in the third quarter of 2020. Exports of services amounted to EUR 5.6 billion and imports to EUR 6.3 billion. When comparing exports in the past quarter and in the second quarter of 2020, the situation has not changed significantly. In the past quarter, the value of exports of goods was EUR 0.1 billion higher, while exports of services decreased only slightly. The value of service imports fell by EUR 0.1 billion but imports of goods, in turn, were EUR 1.0 billion higher in the third quarter of 2020 than in the second quarter.

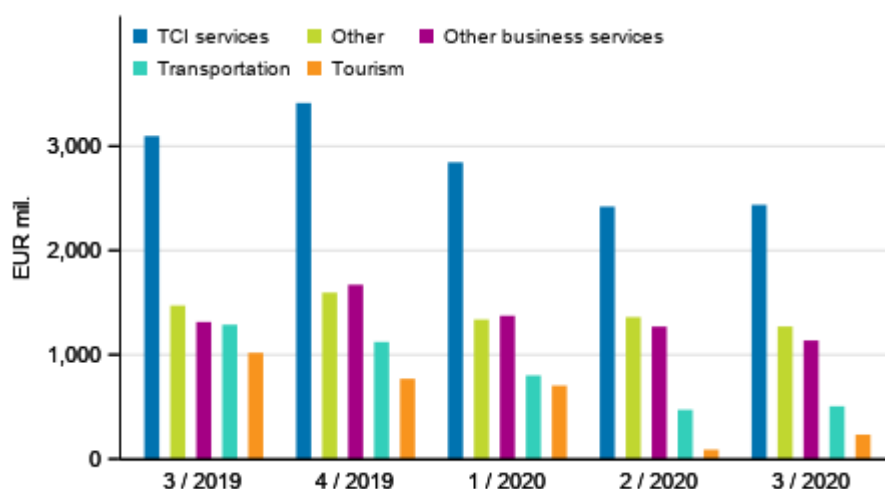
However, compared to the third quarter of 2019, international trade decreased clearly. In addition, the levels of exports and imports were lower in the past quarter than in the corresponding quarters of 2017 and 2018. The contraction of international trade from the previous year was relatively stronger in services than in goods. Exports and imports of services went down by 32 and 22 per cent relative to the quarter one year ago, while exports and imports of goods respectively decreased by 9 and 11 per cent. A large part of the fall in service exports is due to the clear decrease in exports of transport and travel.

International trade in transport and travel services is still on a low level

In the previous quarters of 2020, the levels of travel exports and imports have been below the previous year's figures and the third quarter was no exception in this respect. In the third quarter of 2019, income from travel exports was still around EUR one billion, while in the past quarter, income to Finland in euros was only EUR 0.2 billion. The corresponding values for travel imports were EUR 1.4 billion and EUR 0.2 billion. Travel exports and imports, which include consumption related to both leisure and business travel, were, however, slightly higher in their value in the past quarter than in the second quarter of 2020.

In addition to travel, the development of international trade in transport services has also been weak during 2020. In the third quarter of 2019, the value of transport exports was EUR 1.3 billion, while one year later its value was only EUR 0.5 billion. Thus, the drop was around EUR 0.8 billion. Transport imports declined less than transport exports but their level was also 28 per cent lower than one year previously.

Figure 2. Exports of services by service item



Service imports grew moderately in certain items, the fall in service exports was larger

In addition to exports of travel and transport, the value of exports of other service items also fell from one year ago, although less than the items mentioned. Of other service items, exports of telecommunications, computer and information services (TCI) decreased most, by 21 per cent amounting to EUR 2.4 billion in the third quarter of 2020. On the other hand, its level was still higher than in the third quarter of 2018 when the value of TCI exports had been EUR 1.7 billion. In addition, TCI exports still remained clearly the largest service item of exports in the past quarter. The second biggest service item in exports was other business services.

In the past quarter, exports of other business services had fallen by EUR 0.2 billion year-on-year and thus stood at EUR 1.1 billion. Exports of manufacturing services, which are lower in their value, decreased by EUR 0.1 billion to close on EUR 0.4 billion. In other service items, the drop was either lower than this or the level of exports remained roughly unchanged relative to the third quarter of 2019.

Although the total imports of services decreased from twelve months back, the imports of some service items increased. In the past quarter, TCI imports were valued at EUR 1.0 billion and they grew by around EUR 0.1 billion relative to the third quarter of 2019. Imports of manufacturing services and financial and insurance services also grew slightly, by nine and eight per cent. Other business services, which has been the biggest single service item in imports in recent years, were imported to the tune of EUR 2.6 billion in the past quarter. Thus, it remained the biggest item in service imports even though the value of its imports decreased by EUR 0.3 billion.

Decrease in exports concerned all continents

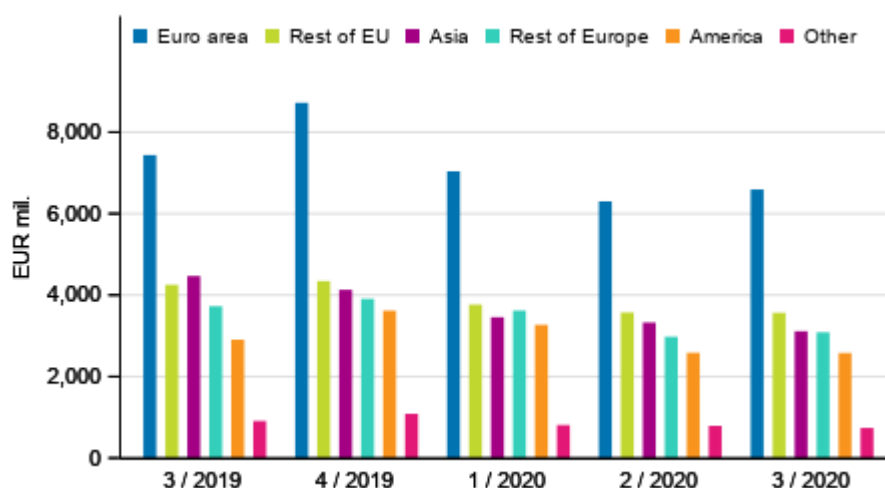
Combined exports of goods and services fell widely in the third quarter of 2020, because exports to Asia, Africa, America and Europe contracted from the third quarter of 2019. Europe was still Finland's largest export market and covered 67 per cent of all exports. In the third quarter of 2020, goods and services were exported to Europe from Finland to the value of EUR 13.2 billion. Compared to the corresponding quarter of the year before, the value of exports fell by EUR 2.2 billion or 14 per cent. The value of exports to Sweden decreased by EUR 0.4 billion, while exports to Germany declined more moderately by EUR 0.1 billion.

Compared to the third quarter of 2019, exports both to EU countries and to Great Britain and Russia fell. During the past quarter, goods and services amounting to EUR 0.9 billion were exported to Great Britain, which was EUR 0.2 billion less than in the previous year. In turn, the value of exports to Russia was EUR 0.8 billion and it decreased by EUR 0.3 billion, which corresponds to a fall of around 29 per cent.

The value of Finland's exports to America amounted to EUR 2.6 billion in the past quarter, which was EUR 0.3 billion less than in the third quarter of 2019. The decline is primarily explained by a decrease of close on EUR 0.3 billion in exports to the United States. In turn, the value of exports to Asia was EUR 3.1 billion and their value contracted by EUR 1.4 billion compared to the third quarter of 2019. In the past quarter, exports of goods and services to China amounted to EUR 1.0 billion, which was 28 per cent less than in the corresponding quarter of the year before. Exports to Japan had also fallen from one year ago, but on the other hand, compared to the situation in 2018, the contraction of exports was relatively lower for Japan, China and Asia as a whole.

Imports from Asia also fell in the third quarter of 2020 relative to one year ago, but less than exports. Imports of goods and services to Finland from Asia amounted to EUR 3.3 billion, which was eight per cent less than in the corresponding quarter of the year before. Imports from America, the value of which was EUR 1.3 billion in the past quarter, decreased, in turn, by EUR 0.5 billion. Imports from Europe went down by EUR 2.8 billion but still stood at EUR 15.4 billion. In other words, imports from Europe still covered 76 per cent of Finland's total imports. The decrease in imports from Sweden, Germany and Great Britain was relatively more moderate compared to Russia, from where imports to Finland went down by as much as EUR 0.8 billion.

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 description of definitions described in the quality description 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.

	2019		2020		
	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter
1 Goods and services total	23,702	25,807	21,963	19,554	19,676
1.1 Goods trade in balance of payment terms	15,514	17,236	14,902	13,943	14,092
1.1.1 Goods trade in customs terms	15,454	16,535	14,429	13,015	13,713
1.1.2 Factoryless goods production, goods sent abroad for processing and merchandising	59	700	473	928	380
1.2 Services total	8,188	8,572	7,061	5,611	5,584
1.2.1 Manufacturing services	456	442	394	346	356
1.2.2 Transport	1,288	1,122	801	472	506
1.2.3 Travel	1,018	769	704	89	234
1.2.4 Construction	60	74	67	61	62
1.2.5 Financial and insurance services	106	121	102	117	107
1.2.6 Charges for the use of intellectual property n.i.e.	643	743	618	644	609
1.2.7 Telecommunications, computer and information services	3,097	3,414	2,845	2,420	2,437
1.2.8 Other business services	1,314	1,671	1,374	1,270	1,137
1.2.8.1 Research and development services	214	211	257	203	171
1.2.8.2 Professional and management consulting services	374	509	344	349	316
1.2.8.3 Technical, trade-related and other business services	725	950	772	717	650
1.2.9 Other services	206	216	157	193	137

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

	2019		2020		
	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter
1 Goods and services total	23,811	24,635	22,963	19,344	20,214
1.1 Goods trade in balance of payment terms	15,757	15,587	14,927	12,972	13,965
1.1.1 Goods trade in customs terms	16,459	16,318	15,809	13,357	14,764
1.1.2 Goods sent abroad for processing	-248	-261	-393	93	-259
1.1.3 CIF-FOB conversion	-982	-980	-953	-802	-879
1.1.4. Other differences	528	509	465	323	338
1.2 Services total	8,054	9,048	8,036	6,372	6,250
1.2.1 Manufacturing services	376	558	499	422	408
1.2.2 Transport	1,550	1,513	1,384	1,032	1,117
1.2.3 Travel	1,409	1,307	979	92	224
1.2.4 Construction	109	118	124	128	104
1.2.5 Financial and insurance services	368	383	391	409	396
1.2.6 Charges for the use of intellectual property n.i.e.	196	278	240	226	206
1.2.7 Telecommunications, computer and information services	921	1,207	1,217	1,124	998
1.2.8 Other business services	2,879	3,421	2,955	2,716	2,579
1.2.8.1 Research and development services	832	827	851	703	766
1.2.8.2 Professional and management consulting services	710	920	764	714	602
1.2.8.3 Technical, trade-related and other business services	1,337	1,674	1,339	1,300	1,212
1.2.9 Other services	245	262	247	226	217

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

		2019		2020		
		3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter
Import	Total	23,811	24,635	22,963	19,344	20,214
	..Europe	18,205	18,812	17,751	14,800	15,357
	..EU27 (2020)	13,830	14,551	13,863	12,062	12,160
	.....Euro area	8,915	9,354	9,085	7,752	7,788
	.....Netherlands	1,275	1,275	1,401	1,214	1,157
	.....Germany	2,790	2,978	2,797	2,449	2,548
	.....Rest of EU27 (2020 non Euro area)	4,915	5,196	4,778	4,309	4,372
	.....Sweden	2,857	3,059	2,848	2,481	2,529
	....Rest of Europe (non EU)	4,375	4,261	3,888	2,738	3,198
	.....United Kingdom	961	1,021	1,042	804	873
	.....Russia	2,243	2,193	1,757	1,087	1,426
	..America	1,810	1,925	1,717	1,484	1,346
	.....United States	1,331	1,425	1,236	1,121	1,031
	..Africa	153	227	151	122	145
	..Asia	3,521	3,543	3,164	2,847	3,253
	.....China	1,660	1,606	1,404	1,546	1,677
	.. Other and unknown	122	128	180	91	112
Export	Total	23,702	25,807	21,963	19,554	19,676
	..Europe	15,417	16,971	14,425	12,852	13,245
	..EU27 (2020)	11,690	13,063	10,805	9,874	10,158
	.....Euro area	7,437	8,720	7,038	6,301	6,592
	.....Netherlands	1,166	1,264	1,341	1,124	1,134
	.....Germany	1,960	2,080	1,898	1,646	1,818
	.....Rest of EU27 (2020 non Euro area)	4,253	4,343	3,766	3,574	3,566
	.....Sweden	2,910	3,006	2,581	2,486	2,480
	....Rest of Europe (non EU)	3,727	3,908	3,620	2,978	3,087
	.....United Kingdom	1,117	1,231	1,088	774	893
	.....Russia	1,140	1,188	1,012	771	813
	..America	2,906	3,619	3,271	2,584	2,578
	.....United States	2,088	2,776	2,470	1,735	1,808
	..Africa	470	643	438	489	437
	..Asia	4,469	4,130	3,457	3,327	3,113
	.....China	1,359	1,168	921	1,174	979
	.. Other and unknown	440	444	371	302	303

Revisions in these statistics

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

		1. release	Previous release (2020-09-18)	Latest release (2020-12-18)	Revision
Import of goods	2019Q3	15,462	15,753	15,757	295
	2019Q4	15,554	15,579	15,587	33
	2020Q1	14,402	14,898	14,927	525
	2020Q2	12,844	12,844	12,972	128
Export of goods	2019Q3	15,399	15,513	15,514	115
	2019Q4	17,099	17,236	17,236	137
	2020Q1	14,303	14,849	14,902	599
	2020Q2	13,838	13,838	13,943	105
Import of services	2019Q3	7,630	8,046	8,054	424
	2019Q4	8,806	9,039	9,048	242
	2020Q1	7,808	7,982	8,036	228
	2020Q2	6,392	6,392	6,372	-19
Export of services	2019Q3	7,856	8,178	8,188	332
	2019Q4	8,392	8,561	8,572	180
	2020Q1	6,761	6,698	7,061	300
	2020Q2	5,730	5,730	5,611	-119

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