

Not to be released before 24 September 2003 (8.00 am Finnish time)

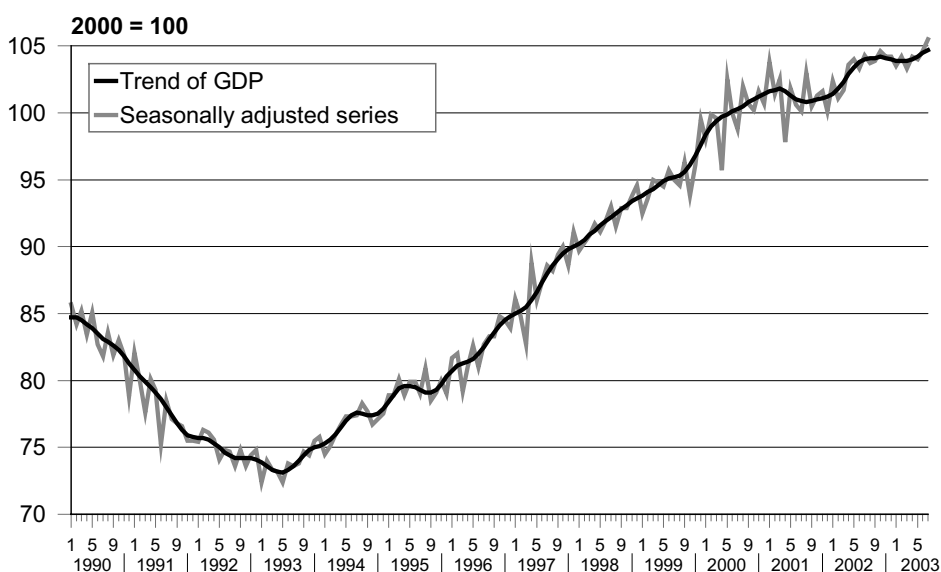
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## Volume of GDP grew in July

According to the trend of the Monthly Indicator of GDP calculated by Statistics Finland, the volume of GDP increased by 0.2 per cent in July compared with June. The volume of GDP has grown from the previous month in four consecutive months.

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



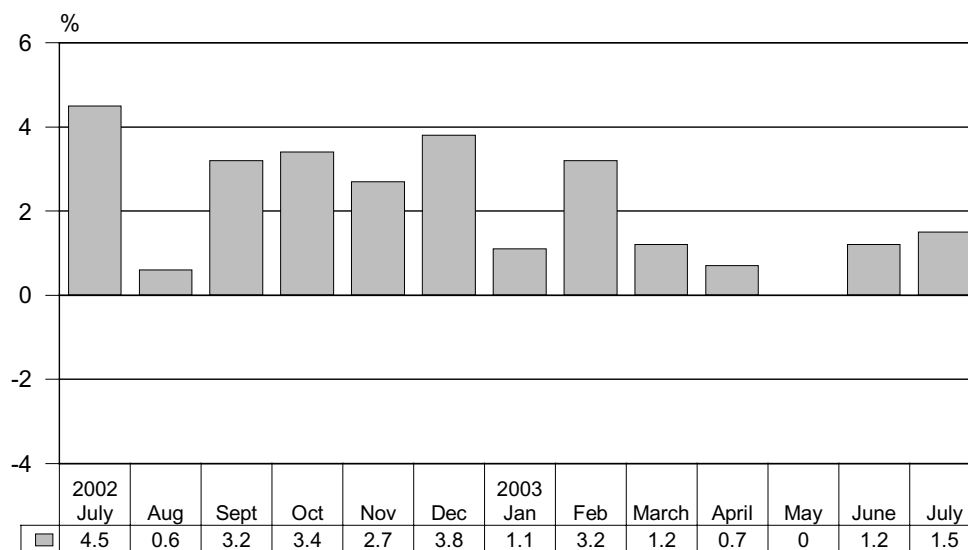
*The economic time series can be divided into trend cycle, seasonal variation and random variation components. When the seasonal variation component is removed from the original series of GDP, a seasonally adjusted series is obtained, the changes in which still vary greatly from the previous month. When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

## GDP went up by 1.5 per cent from July 2002

GDP increased by 1.5 per cent compared with the previous year's July. Of the six main industries of the monthly indicator, manufacturing, trade, transport and other service industries grew. The volume of primary production was on level with last year's July. Construction contracted.

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



Trading day adjusted sale volumes of trade increased by nearly 7 per cent from July 2002. Sales of motor vehicles accelerated by as much as 22 per cent. Retail trade grew by good 6 per cent and wholesale trade by over 2 per cent.

Industrial output increased by 2.1 per cent. The metal industry fell by 1 per cent although the manufacture of electronic and electrical equipment increased by nearly 4 per cent. Output in the wood and paper industry increased by 2 per cent. Output volumes in other manufacturing grew by close on 2 per cent. Energy supply went up by 16 per cent. The growth of industrial output in July is partly attributable to different timing of summer holidays compared with last year.

The volume of primary production was equal to July 2002. Meat production grew by 2 per cent but milk production fell by 3 per cent. Fellings increased by one per cent.

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

*From the data of June 2003 onwards, the previous years (1990-2002) of the total index of the monthly indicator have been matched to the market price volume of GDP of the quarterly national accounts. The current year is calculated in the monthly indicator independently on the basis of the indicator describing the development of twelve different industries of the economy.*

**Source: Monthly Indicator of GDP 2003, July. Statistics Finland**