



Forecast tables for 2022–2024 (June 2022)

21 Jun 2022 – Forecast – Finnish economy

The Finnish economy will grow 1.7% in 2022 and 0.5% in 2023.

1. BALANCE OF SUPPLY AND DEMAND AT REFERENCE YEAR 2015 PRICES

% change on previous year

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|-------------------------------|------|-------|-------------------|-------------------|-------------------|
| GDP at market prices | -2.3 | 3.5 | 1.7 | 0.5 | 1.5 |
| Imports of goods and services | -6.6 | 5.3 | 3.5 | 1.0 | 1.8 |
| Exports of goods and services | -7.5 | 4.7 | 1.5 | 2.1 | 3.5 |
| Private consumption | -4.1 | 3.1 | 1.7 | 0.6 | 1.0 |
| Public consumption | 0.4 | 3.2 | 1.8 | -0.3 | 0.5 |
| Private fixed investment | -2.9 | 4.6 | 4.7 | -1.3 | 0.5 |
| Public fixed investment | 11.2 | -12.0 | 6.9 | 2.0 | 2.5 |

^f=forecast

Sources: Bank of Finland and Statistics Finland.

2. CONTRIBUTIONS TO GROWTH¹

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|--|------|------|-------------------|-------------------|-------------------|
| GDP, % change | -2.3 | 3.5 | 1.7 | 0.5 | 1.5 |
| Net exports | -0.3 | -0.2 | -0.8 | 0.5 | 0.7 |
| Domestic demand excl. inventory change | -2.1 | 2.7 | 2.5 | 0.1 | 0.8 |
| of which Consumption | -2.1 | 2.4 | 1.3 | 0.2 | 0.6 |
| Investment | -0.1 | 0.3 | 1.2 | -0.2 | 0.2 |
| Inventory change + statistical discrepancy | 0.2 | 1.0 | 0.0 | 0.0 | 0.0 |

¹Bank of Finland calculations. Annual growth rates using the previous year's GDP shares at current prices as weights.

Sources: Bank of Finland and Statistics Finland.

3. BALANCE OF SUPPLY AND DEMAND, PRICE DEFLATORS

Index 2015 = 100, and % change on previous year

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|-------------------------------------|-------|-------|-------------------|-------------------|-------------------|
| GDP at market prices | 106.1 | 109.0 | 115.2 | 117.9 | 120.3 |
| | 1.6 | 2.7 | 5.7 | 2.4 | 2.0 |
| Imports of goods and services | 99.7 | 109.5 | 124.3 | 126.8 | 127.7 |
| | -5.1 | 9.8 | 13.5 | 2.0 | 0.7 |
| Exports of goods and services | 100.4 | 110.8 | 125.4 | 128.1 | 129.2 |
| | -3.9 | 10.4 | 13.2 | 2.1 | 0.9 |
| Private consumption | 104.1 | 106.1 | 112.0 | 114.6 | 116.7 |
| | 0.5 | 2.0 | 5.6 | 2.3 | 1.8 |
| Public consumption | 106.2 | 108.5 | 112.4 | 115.0 | 117.2 |
| | 3.5 | 2.1 | 3.6 | 2.4 | 1.9 |
| Private fixed investment | 111.1 | 112.5 | 117.0 | 120.2 | 123.3 |
| | 1.3 | 1.3 | 3.9 | 2.8 | 2.6 |
| Public fixed investment | 107.5 | 109.6 | 114.6 | 117.2 | 119.3 |
| | 0.2 | 2.0 | 4.6 | 2.2 | 1.9 |
| Terms of trade (goods and services) | 100.7 | 101.3 | 100.9 | 101.0 | 101.1 |
| | 1.3 | 0.6 | -0.4 | 0.1 | 0.2 |

Sources: Bank of Finland and Statistics Finland.

4. BALANCE OF SUPPLY AND DEMAND, AT CURRENT PRICES

EUR million and % change on previous year

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|--|---------|---------|-------------------|-------------------|-------------------|
| GDP at market prices | 238,079 | 253,023 | 272,018 | 279,970 | 289,963 |
| | -0.8 | 6.3 | 7.5 | 2.9 | 3.6 |
| Imports of goods and services | 84,537 | 97,881 | 114,764 | 118,254 | 121,196 |
| | -11.3 | 15.8 | 17.2 | 3.0 | 2.5 |
| Total supply | 322,532 | 350,815 | 386,685 | 398,124 | 411,056 |
| | -3.8 | 8.8 | 10.2 | 3.0 | 3.2 |
| Exports of goods and services | 85,104 | 98,474 | 112,888 | 117,738 | 122,877 |
| | -11.0 | 15.7 | 14.6 | 4.3 | 4.4 |
| Consumption | 179,310 | 188,751 | 201,513 | 206,877 | 212,482 |
| | -1.3 | 5.3 | 6.8 | 2.7 | 2.7 |
| Private | 121,502 | 127,838 | 137,272 | 141,282 | 145,261 |
| | -3.6 | 5.2 | 7.4 | 2.9 | 2.8 |
| Public | 57,808 | 60,913 | 64,241 | 65,595 | 67,221 |
| | 3.9 | 5.4 | 5.5 | 2.1 | 2.5 |
| Fixed investment | 57,553 | 59,070 | 64,580 | 65,809 | 68,000 |
| | 0.8 | 2.6 | 9.3 | 1.9 | 3.3 |
| Private | 45,875 | 48,591 | 52,862 | 53,593 | 55,253 |
| | -1.6 | 5.9 | 8.8 | 1.4 | 3.1 |
| Public | 11,678 | 10,479 | 11,718 | 12,216 | 12,747 |
| | 11.4 | -10.3 | 11.8 | 4.2 | 4.4 |
| Inventory change + statistical discrepancy | 565 | 4,520 | 7,704 | 7,701 | 7,697 |
| % of previous year's total demand | 0.0 | 1.2 | 0.9 | 0.0 | 0.0 |
| Total demand | 322,532 | 350,815 | 386,685 | 398,124 | 411,056 |
| | -3.8 | 8.8 | 10.2 | 3.0 | 3.2 |
| Total domestic demand | 237,428 | 252,341 | 273,797 | 280,386 | 288,179 |
| | -0.9 | 6.3 | 8.5 | 2.4 | 2.8 |

Sources: Bank of Finland and Statistics Finland.

5. BALANCE OF SUPPLY AND DEMAND

% in proportion to GDP at current prices

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|---|-------|-------|-------------------|-------------------|-------------------|
| GDP at market prices | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Imports of goods and services | 35.5 | 38.7 | 42.2 | 42.3 | 41.8 |
| Exports of goods and services | 35.8 | 38.9 | 41.5 | 42.1 | 42.4 |
| Consumption | 75.3 | 74.6 | 74.1 | 73.9 | 73.3 |
| Private | 51.1 | 50.5 | 50.5 | 50.5 | 50.1 |
| Public | 24.3 | 24.1 | 23.6 | 23.4 | 23.2 |
| Fixed investment | 24.2 | 23.4 | 23.7 | 23.5 | 23.5 |
| Private | 19.3 | 19.2 | 19.4 | 19.1 | 19.1 |
| Public | 4.9 | 4.1 | 4.3 | 4.4 | 4.4 |
| Inventory change + statistical discrepancy, | 0.2 | 1.8 | 2.8 | 2.8 | 2.7 |
| Total demand | 135.5 | 138.7 | 142.2 | 142.3 | 141.8 |
| Total domestic demand | 99.8 | 99.8 | 100.7 | 100.2 | 99.4 |

Sources: Bank of Finland and Statistics Finland.

6. PRICES

Index 2015 = 100, and % change on previous year

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|--|-------|-------|-------------------|-------------------|-------------------|
| Harmonised index of consumer prices, 2005=100 | 104.0 | 106.1 | 112.1 | 114.7 | 116.8 |
| | 0.4 | 2.1 | 5.6 | 2.4 | 1.8 |
| Consumer price index, 2005=100 | 103.5 | 105.8 | 111.5 | 114.1 | 116.1 |
| | 0.3 | 2.2 | 5.4 | 2.3 | 1.8 |
| Private consumption deflator | 104.1 | 106.1 | 112.0 | 114.6 | 116.7 |
| | 0.5 | 2.0 | 5.5 | 2.3 | 1.8 |
| Private investment deflator | 111.1 | 112.5 | 117.0 | 120.2 | 123.3 |
| | 1.3 | 1.3 | 3.9 | 2.8 | 2.6 |
| Exports of goods and services deflator | 100.4 | 110.8 | 125.4 | 128.1 | 129.2 |
| | -3.9 | 10.4 | 13.2 | 2.1 | 0.9 |
| Imports of goods and services deflator | 99.7 | 109.5 | 124.3 | 126.8 | 127.7 |
| | -5.1 | 9.8 | 13.5 | 2.0 | 0.7 |
| Value-added deflators | | | | | |
| Value-added, gross at basic prices | 106.4 | 109.5 | 115.2 | 117.8 | 120.2 |
| | 1.8 | 3.0 | 5.2 | 2.2 | 2.0 |
| Private sector | 106.3 | 109.8 | 115.9 | 118.5 | 121.0 |
| | 1.2 | 3.3 | 5.6 | 2.3 | 2.1 |
| Public sector | 106.8 | 108.3 | 112.1 | 114.1 | 116.2 |
| | 4.7 | 1.4 | 3.5 | 1.8 | 1.8 |

Sources: Bank of Finland and Statistics Finland.

7. WAGES AND PRODUCTIVITY

% change on previous year

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|---|------|------|-------------------|-------------------|-------------------|
| Whole economy | | | | | |
| Index of wage and salary earnings | 1.9 | 2.3 | 2.8 | 3.0 | 2.4 |
| Compensation per employee | 0.4 | 4.4 | 3.4 | 3.8 | 3.0 |
| Unit labour costs | 0.7 | 3.6 | 4.1 | 3.3 | 2.0 |
| Labour productivity per employed person | -0.3 | 0.8 | -0.7 | 0.5 | 0.9 |

Sources: Bank of Finland and Statistics Finland.

8. LABOUR MARKET

1,000 persons and % change on previous year

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|--|-------|-------|-------------------|-------------------|-------------------|
| Labour force survey (15–74-year-olds) | | | | | |
| Employed persons | 2,482 | 2,547 | 2,610 | 2,611 | 2,627 |
| | -2.0 | 2.6 | 2.4 | 0.1 | 0.6 |
| Unemployed persons | 208 | 210 | 182 | 183 | 181 |
| | 14.7 | 0.7 | -13.5 | 0.7 | -0.9 |
| Labour force | 2,691 | 2,757 | 2,791 | 2,794 | 2,808 |
| | -1.0 | 2.5 | 1.2 | 0.1 | 0.5 |
| Working-age population (15–64-year-olds) | 3,421 | 3,417 | 3,418 | 3,417 | 3,416 |
| | -0.2 | -0.1 | 0.0 | 0.0 | 0.0 |
| Labour force participation rate, % | 65.1 | 66.9 | 67.8 | 68.0 | 68.5 |
| Unemployment rate, % | 7.8 | 7.6 | 6.5 | 6.5 | 6.4 |
| Employment rate (15–64-year-olds), % | 70.7 | 72.2 | 73.7 | 73.8 | 74.3 |

Sources: Bank of Finland and Statistics Finland.

9. GENERAL GOVERNMENT REVENUE, EXPENDITURE, BALANCE AND DEBT

% relative to GDP

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|--|------|------|-------------------|-------------------|-------------------|
| General government revenue | 51.5 | 52.3 | 51.1 | 51.2 | 50.8 |
| General government expenditure | 57.0 | 54.9 | 53.1 | 52.9 | 52.4 |
| General government primary expenditure | 56.4 | 54.4 | 52.6 | 52.4 | 51.8 |
| General government interest expenditure | 0.7 | 0.5 | 0.5 | 0.5 | 0.6 |
| General government net lending | -5.5 | -2.6 | -1.9 | -1.8 | -1.6 |
| Central government | -5.5 | -3.2 | -2.5 | -2.0 | -1.9 |
| Local government | -0.1 | -0.3 | -0.7 | -0.8 | -0.8 |
| Social security funds | 0.0 | 1.0 | 1.2 | 1.0 | 1.1 |
| General government primary balance | -4.9 | -2.1 | -1.5 | -1.2 | -1.0 |
| General government structural balance ¹ | -4.3 | -2.0 | -2.0 | -1.7 | -1.6 |
| General government debt (EDP) | 69.0 | 65.8 | 64.4 | 65.4 | 66.1 |
| Central government debt | 52.5 | 50.9 | 50.1 | 51.0 | 51.7 |
| Tax ratio | 41.8 | 42.7 | 41.3 | 41.3 | 41.1 |

Current prices, EUR billion

| | | | | | |
|--------------------------------|-------|-------|-------|-------|-------|
| General government net lending | -13.1 | -6.5 | -5.3 | -4.9 | -4.7 |
| Central government | -13.1 | -8.1 | -6.7 | -5.6 | -5.5 |
| Local government | -0.1 | -0.8 | -1.9 | -2.2 | -2.3 |
| Social security funds | 0.1 | 2.4 | 3.3 | 2.9 | 3.1 |
| General government debt (EDP) | 164.2 | 166.4 | 175.0 | 182.9 | 191.6 |

¹ Based on the cyclical adjustment method used by the European System of Central Banks.

Sources: Bank of Finland and Statistics Finland.

10. BALANCE OF PAYMENTS

| EUR billion | | | | | |
|--|------|------|-------------------|-------------------|-------------------|
| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
| Exports of goods and services (SNA) | 85.1 | 98.5 | 112.9 | 117.7 | 122.9 |
| Imports of goods and services (SNA) | 84.5 | 97.9 | 114.8 | 118.3 | 121.2 |
| Goods and services account (SNA) | 0.6 | 0.6 | -1.9 | -0.5 | 1.7 |
| % to GDP | 0.2 | 0.2 | -0.7 | -0.2 | 0.6 |
| Investment income and other items, net (+ statistical discrepancy) | 4.0 | 4.3 | 1.7 | 1.7 | 1.7 |
| Current transfers, net | -2.9 | -3.1 | -2.6 | -2.7 | -3.1 |
| Current account, net | 1.7 | 1.8 | -2.8 | -1.5 | 0.3 |
| Net lending, % to GDP | | | | | |
| Private sector | 6.2 | 3.3 | 0.9 | 1.2 | 1.7 |
| Public sector | -5.5 | -2.6 | -2.0 | -1.8 | -1.6 |
| Current account, % to GDP | 0.7 | 0.7 | -1.0 | -0.6 | 0.1 |

Sources: Bank of Finland and Statistics Finland.

11. INTEREST RATES

| % | | | | | |
|---|------|------|-------------------|-------------------|-------------------|
| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
| 3-month Euribor ¹ | -0.4 | -0.5 | 0.0 | 1.3 | 1.6 |
| Average interest rate on new loan drawdowns ² | 1.5 | 1.5 | 1.9 | 2.7 | 3.0 |
| Average interest rate on the stock of loans ² | 1.3 | 1.2 | 1.5 | 2.6 | 2.8 |
| Average interest rate on the stock of deposits ³ | 0.0 | 0.0 | 0.2 | 1.0 | 1.1 |
| Yield on Finnish 10-year government bonds ¹ | 1.4 | -0.1 | 1.2 | 1.7 | 1.8 |

¹Technical assumption derived from market expectations.

²Finnish credit institutions' loans to households and non-financial corporations (excl. overdrafts, credit card credits and repurchase agreements).

³Finnish credit institutions' deposits from households and non-financial corporations.

Sources: Bank of Finland and Statistics Finland.

12. INTERNATIONAL ENVIRONMENT

The Eurosystem staff projections

| | 2020 | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|--|-------|-------|-------------------|-------------------|-------------------|
| GDP, % change on previous year | | | | | |
| World | -2.8 | 6.3 | 3.0 | 3.3 | 3.4 |
| USA | -3.4 | 5.7 | 2.5 | 1.9 | 2.0 |
| Euro area | -6.5 | 5.4 | 2.8 | 2.1 | 2.1 |
| Japan | -4.7 | 1.7 | 1.7 | 1.9 | 1.1 |
| Imports, % change on previous year | | | | | |
| World | -8.3 | 11.4 | 4.3 | 3.2 | 3.6 |
| USA | -8.9 | 14.0 | 9.0 | 2.0 | 3.2 |
| Euro area | -9.3 | 8.8 | 4.1 | 3.5 | 3.4 |
| Japan | -7.3 | 5.1 | 5.1 | 4.2 | 4.2 |
| Index, 2015 = 100, and % change on previous year | | | | | |
| Import volume in Finnish export markets | 105.9 | 117.0 | 119.3 | 122.0 | 126.2 |
| | -8.3 | 10.5 | 2.0 | 2.2 | 3.5 |
| Export prices (excl. oil) of Finland's trading partners, national currencies | 105.5 | 116.6 | 133.2 | 136.1 | 137.1 |
| | -1.4 | 10.6 | 14.2 | 2.2 | 0.8 |
| Export prices (excl. oil) of Finland's trading partners, in euro | 97.1 | 106.6 | 124.7 | 128.3 | 129.3 |
| | -3.8 | 9.8 | 16.9 | 2.9 | 0.8 |
| Industrial raw materials (excl. energy), HWWA index, in US dollars | 119.9 | 173.7 | 184.4 | 173.5 | 166.5 |
| | 1.2 | 44.9 | 6.2 | -5.9 | -4.0 |
| Oil price, USD per barrel ¹ | 41.5 | 71.1 | 105.8 | 93.4 | 84.3 |
| | -33.9 | 66.5 | 49.1 | -11.7 | -9.8 |
| Finland's nominal competitiveness indicator ² | 109.2 | 109.9 | 107.4 | 106.6 | 106.6 |
| | 2.5 | 0.7 | -2.3 | -0.8 | 0.0 |
| US dollar value of one euro ¹ | 1.14 | 1.18 | 1.07 | 1.05 | 1.05 |
| | 2.0 | 3.5 | -9.5 | -1.8 | 0.0 |

Sources: Bank of Finland and Statistics Finland.

12. INTERNATIONAL ENVIRONMENT

¹Technical assumption derived from market expectations.

²Narrow plus euro area, 1999Q1 = 100

Sources: Bank of Finland and Statistics Finland.

13. Current and December 2021 forecast

| | 2021 | 2022 ^f | 2023 ^f | 2024 ^f |
|--|------|-------------------|-------------------|-------------------|
| GDP, % change | 3.5 | 1.7 | 0.5 | 1.5 |
| December 2021 | 3.5 | 2.6 | 1.5 | 1.3 |
| Inflation (HICP), % | 2.1 | 5.6 | 2.4 | 1.8 |
| December 2021 | 2.1 | 2.0 | 1.6 | 1.8 |
| Employment rate, % | 72.2 | 73.7 | 73.8 | 74.3 |
| December 2021 | 72.0 | 72.8 | 73.3 | 73.6 |
| Unemployment rate, % | 7.6 | 6.5 | 6.5 | 6.4 |
| December 2021 | 7.7 | 7.1 | 6.6 | 6.6 |
| Current account, % to GDP | 0.7 | -1.0 | -0.6 | 0.1 |
| December 2021 | 1.5 | 0.0 | 0.1 | 0.1 |
| General government net lending, % to GDP | -2.6 | -1.9 | -1.8 | -1.6 |
| December 2021 | -2.9 | -1.9 | -1.3 | -1.2 |
| General government debt (EDP), % to GDP | 65.8 | 64.4 | 65.4 | 66.1 |
| December 2021 | 66.9 | 66.5 | 67.1 | 67.5 |

Source: Bank of Finland.

Tags

economic outlook, forecast, indicators, economic situation, economic forecast