

# Nordic Barometer© - January 2016

**\*\*\*A monthly survey of economic forecasts and expert opinion for the Nordic area, distributed to subscribers by e-mail within just a few working days of the polling date. Rapid compilation and dissemination make the Nordic Barometer a unique reference tool for investors, traders and corporate planners.\*\*\***

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**Survey Deadline: January 18th, 2016**

## Oil Price Crash Keeps Inflation at Bay

- Our first survey of the new year shifts forward the short-term forecast horizon to show our experts' predictions for 2017, in addition to 2016.
- GDP growth will gradually improve in **Denmark** through to next year. Forecasters have become more pessimistic concerning exports, but with imports also downgraded the contribution from net trade is higher. Inflation pressure will slowly build, but with oil prices falling, forecasts are scaled down.
- **Finland** is still on course for a modest recovery. However, with predictions lowered for private consumption and investment this year the near-term outlook remains uncertain, with the high unemployment rate a stumbling block.
- Falling oil prices have seen investment forecasts scaled down in **Norway** as petroleum companies continue cutting back. Budget and current account projections are lower too this month, although both indicators will remain in surplus.
- **Swedish** growth will slow next year, but from a position of strength with forecasters having upgraded their prognosis for 2016. The unemployment rate will be lower as a result, while inflation pressure remains benign and has influenced our panel's expectations.



**Next Month's Survey Deadline:  
February 15th, 2016**

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### Calculated Regional Aggregates

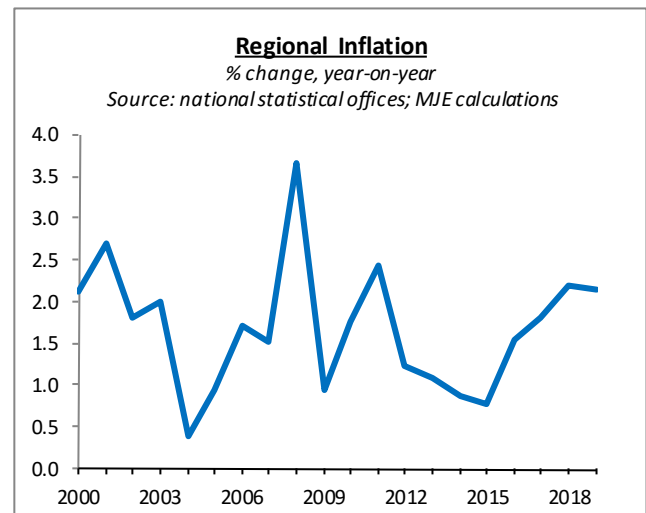
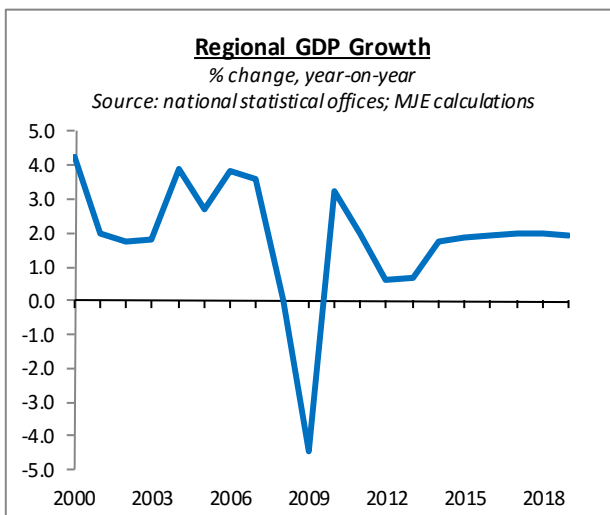
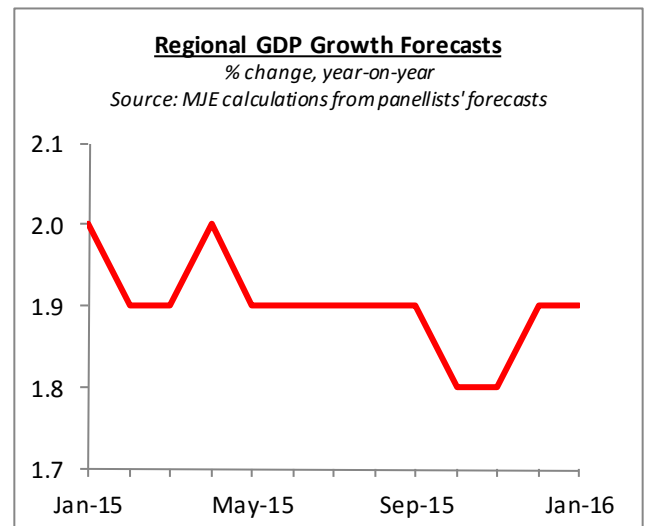
(% change year-on-year, unless otherwise stated)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016f</u>	<u>2017f</u>
<b>Gross Domestic Product</b>	0.7	1.7	1.9	1.9	2.0
<b>Private Consumption</b>	1.7	1.7	2.0	1.8	2.0
<b>Government Consumption</b>	1.1	1.7	1.7	2.1	1.7
<b>Gross Fixed Investment</b>	1.5	2.5	1.1	2.2	2.9
<b>Unemployment Rate (% of labour force)</b>	6.4	6.4	6.7	6.7	6.6
<b>Consumer Price Inflation</b>	1.1	0.9	0.8	1.5	1.8
<b>General Government Balance (% GDP)</b>	2.9	2.0	1.4	1.0	1.3

Notes: Regional totals are weighted averages calculated from the individual country data, using fixed GDP weights for 2014 and converted to euros at average 2014 exchange rates. f = consensus (mean average) forecast.

#### Recovery Continuing into 2017

- Regional average forecasts for 2017, shown for the first time this month, signal a mild acceleration of economic growth as domestic demand improves. Inflation pressure will build, but falling oil prices mean the 2016 prediction has been shaved.
- Forecasts for 2016 are meanwhile largely unchanged from our December survey, showing 1.9% average growth for the region in real terms.
- The prediction for government consumption is higher, but for investment it is lower – reflecting lower corporate spending in Norway and downgraded estimates too for Denmark and Finland.



### Quarterly Forecasts and Historical Data

(% change year-on-year, unless otherwise stated)

<b>Denmark</b>	<b>Q1'15</b>	<b>Q2'15</b>	<b>Q3'15</b>	<b>Q4'15</b>	<b>Q1'16</b>	<b>Q2'16</b>
Gross Domestic Product	1.6	1.7	0.9	1.1	0.9	1.3
Consumer Prices	0.3	0.6	0.6	0.4	0.8	0.8
3 month Interest Rate, % per annum, end period	-0.16	-0.21	-0.05	-0.09	-0.01	-0.02
10 Year Bond Yield, % per annum, end period	0.24	1.01	0.87	0.94	0.94	1.02
	<b>Q3'16</b>	<b>Q4'16</b>	<b>Q1'17</b>	<b>Q2'17</b>	<b>Q3'17</b>	<b>Q4'17</b>
Gross Domestic Product	2.3	2.2	2.0	1.9	1.8	1.7
Consumer Prices	1.0	1.5	1.7	1.8	1.8	1.8
3 month Interest Rate, % per annum, end period	0.00	0.04	0.03	0.07	0.08	0.28
10 Year Bond Yield, % per annum, end period	1.12	1.16	1.43	1.82	2.04	1.77
	<b>Q1'15</b>	<b>Q2'15</b>	<b>Q3'15</b>	<b>Q4'15</b>	<b>Q1'16</b>	<b>Q2'16</b>
<b>Finland</b>						
Gross Domestic Product	0.0	0.5	-0.2	0.0	0.1	0.4
Industrial Production	-2.9	-2.0	-0.2	-1.3	0.6	1.0
Consumer Prices	-0.1	-0.2	-0.3	-0.2	0.7	0.8
3 month Interest Rate, % per annum, end period	0.02	-0.02	-0.04	-0.13	-0.09	-0.10
10 Year Bond Yield, % per annum, end period	0.20	1.00	0.88	0.83	0.97	1.08
	<b>Q3'16</b>	<b>Q4'16</b>	<b>Q1'17</b>	<b>Q2'17</b>	<b>Q3'17</b>	<b>Q4'17</b>
Gross Domestic Product	0.6	1.0	1.2	1.1	2.1	2.0
Industrial Production	1.8	2.9	2.9	2.9	2.2	2.1
Consumer Prices	1.0	0.9	1.1	1.3	1.5	1.8
3 month Interest Rate, % per annum, end period	-0.09	-0.08	-0.04	0.01	0.10	0.25
10 Year Bond Yield, % per annum, end period	1.16	1.37	1.57	1.70	1.96	2.22
	<b>Q1'15</b>	<b>Q2'15</b>	<b>Q3'15</b>	<b>Q4'15</b>	<b>Q1'16</b>	<b>Q2'16</b>
<b>Norway</b>						
Gross Domestic Product	1.6	2.3	3.0	1.1	1.3	1.7
Industrial Production	1.3	1.2	2.7	-2.1	-0.9	-0.1
Consumer Prices	2.0	2.2	2.0	2.5	2.6	2.4
3 month Interest Rate, % per annum, end period	1.48	1.33	1.12	1.13	1.00	0.82
10 Year Bond Yield, % per annum, end period	1.36	1.85	1.47	1.48	1.63	1.63
	<b>Q3'16</b>	<b>Q4'16</b>	<b>Q1'17</b>	<b>Q2'17</b>	<b>Q3'17</b>	<b>Q4'17</b>
Gross Domestic Product	0.9	1.4	1.7	1.7	1.9	2.1
Industrial Production	-3.8	-1.9	-0.6	-0.3	-0.2	-0.1
Consumer Prices	2.5	2.3	2.2	6.5	2.0	2.1
3 month Interest Rate, % per annum, end period	0.79	0.76	0.80	0.91	1.02	1.01
10 Year Bond Yield, % per annum, end period	1.62	1.59	1.91	2.12	2.34	2.44
	<b>Q1'15</b>	<b>Q2'15</b>	<b>Q3'15</b>	<b>Q4'15</b>	<b>Q1'16</b>	<b>Q2'16</b>
<b>Sweden</b>						
Gross Domestic Product	3.1	3.4	3.9	2.8	3.3	3.1
Industrial Production	-2.4	2.7	2.0	3.0	3.5	5.3
Consumer Prices	0.0	-0.1	-0.1	0.1	0.6	0.7
3 month Interest Rate, % per annum, end period	-0.07	-0.22	-0.30	-0.29	-0.33	-0.33
10 Year Bond Yield, % per annum, end period	0.27	0.98	0.69	0.99	1.06	1.26
	<b>Q3'16</b>	<b>Q4'16</b>	<b>Q1'17</b>	<b>Q2'17</b>	<b>Q3'17</b>	<b>Q4'17</b>
Gross Domestic Product	3.3	3.0	2.9	2.6	2.5	2.2
Industrial Production	4.5	4.5	6.2	1.3	3.1	2.7
Consumer Prices	0.9	1.3	1.4	2.0	2.4	2.7
3 month Interest Rate, % per annum, end period	-0.29	0.01	0.03	0.25	0.45	0.90
10 Year Bond Yield, % per annum, end period	1.46	1.71	1.88	2.12	2.37	2.52

## Denmark: 2016 Forecasts

<b>National Accounts (constant prices)</b> <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product	Private Consump- tion	Govern- ment Consump- tion	Gross Fixed Invest- ment	Stock (inventory) Building, % contribu- tion to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribu- tion to GDP growth
<b>Panellists</b>								
Danske Bank	1.5	2.3	0.6	2.1	0.3	1.7	2.8	-0.4
Econ Intelligence Unit	1.3	1.6	0.8	1.2	-0.1	2.1	2.1	0.1
Handelsbanken	1.0	1.3	0.3	0.8	-0.1	0.8	0.6	na
IHS Economics	1.4	1.0	1.2	4.4	na	2.6	3.3	4.4
Nordea	1.7	2.2	0.7	2.5	0.0	1.3	1.6	na
Nykredit	1.4	1.3	0.2	5.6	na	na	na	-0.1
Oxford Economics	1.9	2.6	1.2	3.1	0.4	1.8	3.4	-0.6
SEB	2.2	3.0	0.0	4.3	0.1	3.4	4.2	na
<b>Consensus (Mean Average)</b>	<b>1.6</b>	<b>1.9</b>	<b>0.6</b>	<b>3.0</b>	<b>0.1</b>	<b>2.0</b>	<b>2.6</b>	<b>0.7</b>
Last Month	1.6	1.8	0.7	3.3	-0.1	2.6	2.8	0.0
2 Months Ago	1.7	1.8	0.9	3.1	0.1	3.2	3.6	-0.1
Median	1.5	1.9	0.7	2.8	0.1	1.8	2.8	-0.1
High	2.2	3.0	1.2	5.6	0.4	3.4	4.2	4.4
Low	1.0	1.0	0.0	0.8	-0.1	0.8	0.6	-0.6
Standard Deviation	0.4	0.7	0.4	1.7	0.2	0.9	1.2	2.1
Number of Forecasts	8	8	8	8	6	7	7	5
<b>Other Forecasts</b>								
Econ Council (November '15)	2.1	2.5	0.9	5.1	0.3	3.3	5.1	na
Finance Min (December '15)	1.9	1.7	0.8	na	0.3	4.3	4.6	na
Nationalbank (December '15)	1.8	2.0	0.5	na	0.2	2.2	2.4	na
EC (November '15)	2.0	2.0	0.3	3.7	0.0	4.4	4.7	0.2
IMF (October '15)	2.0	na	na	na	na	na	na	na
OECD (November '15)	1.8	1.6	0.2	3.0	0.3	3.3	3.5	0.1

- At a time of major concern over Danish economic prospects the recent financial market volatility springing from China's troubles is imbuing experts with a sense of foreboding, not least because of the added threat from Swedish border controls.
- Lengthening journey times across the Oresund link could have damaging effects for the Greater Copenhagen region, deterring Swedes from participating in the Danish labour force, which could hit the services sector. Added to that it gives a bad impression to investors seeking an open market-place.
- This could pare back the recent rise in business confidence, which bounced back in December partly due to manufacturing and construction pessimism abating, but was also down to sentiment improving within the services sector.
- Fortunately, Danish consumers are enjoying the lowest inflation in decades, spurred by oil prices sliding below \$30/barrel, which is lowering energy bills and the cost of transport. Few have enjoyed pay rises of any note in recent years, but negligible inflation is having a real-term impact, and working in conjunction with low borrowing costs and falling unemployment.

## Denmark: 2016 Forecasts

<b>Other Indicators</b> <i>average % change from previous year unless otherwise noted</i>	Unemployment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Average Earnings (private sector)	Current Account Balance (annual total, Dkr bn)	Current Account Balance (% of GDP)	General Government Balance (% of GDP)
<b>Panellists</b>						
Danske Bank	4.4	0.9	na	147.0	7.2	-2.2
Econ Intelligence Unit	4.5	1.3	1.8	126.7	6.1	-2.8
Handelsbanken	na	1.2	2.0	145.0	7.2	-3.2
IHS Economics	na	0.8	na	na	8.9	-1.7
Nordea	4.0	1.1	1.9	143.0	7.0	-2.7
Nykredit	4.4	1.0	na	na	na	-2.8
Oxford Economics	4.5	1.3	na	99.6	4.8	na
SEB	4.2	1.1	2.2	na	6.5	-0.5
<b>Consensus (Mean Average)</b>	<b>4.3</b>	<b>1.1</b>	<b>2.0</b>	<b>132.3</b>	<b>6.8</b>	<b>-2.3</b>
Last Month	4.3	1.2	2.5	136.0	6.7	-2.3
2 Months Ago	4.5	1.3	2.5	115.7	5.8	-2.3
Median	4.4	1.1	2.0	143.0	7.0	-2.7
High	4.5	1.3	2.2	147.0	8.9	-0.5
Low	4.0	0.8	1.8	99.6	4.8	-3.2
Standard Deviation	0.2	0.2	0.2	20.0	1.2	0.9
Number of Forecasts	6	8	4	5	7	7
<b>Other Forecasts</b>						
Econ Council (November '15)	na	1.6	na	121.0	5.9	-3.2
Finance Min (December '15)	na	1.1	na	na	8.7	-2.8
Nationalbank (December '15)	na	na	2.5	na	7.4	-2.8
EC (November '15)	na	na	na	na	6.9	-2.5
IMF (October '15)	na	1.8	na	na	7.2	na
OECD (November '15)	na	0.9	na	na	7.2	-2.8

<b>Denmark: Historical Data (% change, year-on-year)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Gross Domestic Product	1.2	-0.7	-0.5	1.1	1.3
Private Consumption	0.1	0.4	0.0	0.7	2.2
Government Consumption	-1.4	-0.2	-0.5	0.2	1.1
Gross Fixed Investment	0.3	0.6	0.9	4.0	0.6
Inventory Building (% contribution)	0.9	-0.6	-0.2	0.4	-0.4
Goods & Services Exports	7.3	0.1	0.8	2.6	-0.3
Goods & Services Imports	7.2	0.9	1.5	3.8	-1.0
Net Exports (% contribution)	0.5	-0.4	-0.3	-0.4	1.0
Unemployment Rate (% of labour force)	6.0	6.1	5.8	5.1	4.7
Consumer Prices	2.8	2.4	0.8	0.6	0.5
Average Earnings (private sector)	1.8	1.6	1.2	1.3	1.5
Current Account Balance (Dkr bn)	105.3	107.1	135.8	149.9	140.3
- as a % of GDP	5.7	5.7	7.2	7.8	7.3
General Govt Budget Balance (% of GDP)	-2.1	-3.6	-1.3	1.5	-2.4

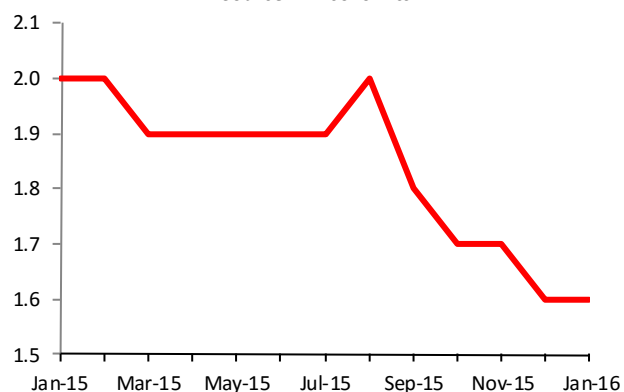
Source: Eurostat, Statistics Denmark

## Denmark: 2017 Forecasts

<b>National Accounts (constant prices)</b> <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product	Private Consump- tion	Govern- ment Consump- tion	Gross Fixed Invest- ment	Stock (inventory) Building, % contribu- tion to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribu- tion to GDP growth
<b>Panellists</b>								
Danske Bank	1.8	2.2	0.1	2.7	0.0	4.2	4.2	0.3
Econ Intelligence Unit	1.7	1.5	0.8	2.1	-0.1	3.1	2.4	0.5
Handelsbanken	0.8	1.0	0.0	0.6	0.0	1.4	1.2	na
IHS Economics	1.6	1.5	1.6	4.4	na	4.1	4.7	4.3
Nordea	1.9	2.1	0.6	3.0	0.0	2.6	2.8	na
Nykredit	1.7	na	na	na	na	na	na	na
Oxford Economics	2.1	2.2	2.0	3.4	0.0	4.7	5.5	-0.2
SEB	2.5	3.0	0.5	5.9	0.0	4.2	5.4	na
<b>Consensus (Mean Average)</b>	<b>1.8</b>	<b>1.9</b>	<b>0.8</b>	<b>3.2</b>	<b>0.0</b>	<b>3.5</b>	<b>3.7</b>	<b>1.2</b>
Last Month	na	na	na	na	na	na	na	na
2 Months Ago	na	na	na	na	na	na	na	na
Median	1.8	2.1	0.6	3.0	0.0	4.1	4.2	0.4
High	2.5	3.0	2.0	5.9	0.0	4.7	5.5	4.3
Low	0.8	1.0	0.0	0.6	-0.1	1.4	1.2	-0.2
Standard Deviation	0.5	0.7	0.7	1.7	0.0	1.2	1.6	2.1
Number of Forecasts	8	7	7	7	6	7	7	4
<b>Other Forecasts</b>								
Econ Council (November '15)	2.3	2.7	0.5	6.8	0.1	4.6	6.1	na
Finance Min (December '15)	2.0	1.8	0.0	na	0.2	4.7	5.6	na
Nationalbank (December '15)	2.0	2.2	0.0	na	0.0	3.6	3.9	na
EC (November '15)	1.8	2.1	0.3	4.1	0.0	3.9	4.4	0.0
IMF (October '15)	na	na	na	na	na	na	na	na
OECD (November '15)	1.9	2.0	0.5	2.9	0.0	4.1	4.1	0.3

### Denmark Growth Forecasts

*% change, year-on-year  
Source: MJEconomics*



### Denmark: Background Information

<b>Government:</b>	Liberal Party minority
<b>Next Election:</b>	2019 (parliamentary)
<b>Capital City:</b>	Copenhagen (GMT +1 hour)
<b>Currency:</b>	Danish Krone (pegged to the euro)
<b>Nominal GDP:</b>	\$342 bn (2014)
<b>Population:</b>	5.7m (1st Jan. 2015)
<b>Economic Freedom:</b>	10th out of 178 countries
<b>Doing Business:</b>	3rd out of 189 countries
<b>Competitiveness:</b>	13th out of 144 countries
<b>Corruption:</b>	1st out of 175 countries
<b>Government Debt:</b>	45.2% of GDP
<b>Corporate Tax Rate:</b>	24.5%

*Sources: Deloitte, IFES Election Guide, Eurostat, FT, Heritage Foundation, MJE, Transparency International, World Bank and World Economic Forum.*

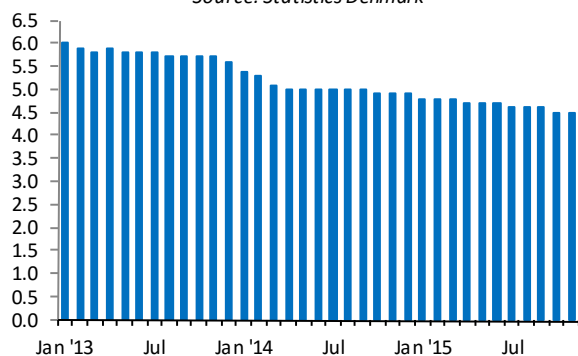
## Denmark: 2017 Forecasts

<b>Other Indicators</b> <i>average % change from previous year unless otherwise noted</i>	Unemployment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Average Earnings (private sector)	Current Account Balance (annual total, Dkr bn)	Current Account Balance (% of GDP)	General Government Balance (% of GDP)
<b>Panellists</b>						
Danske Bank	4.1	1.8	na	151.0	7.2	-1.4
Econ Intelligence Unit	4.4	1.7	2.2	119.0	5.6	-2.6
Handelsbanken	na	1.2	2.2	140.0	6.8	-2.9
IHS Economics	na	1.8	na	na	8.9	-1.3
Nordea	3.6	1.9	2.4	135.0	6.3	-2.3
Nykredit	na	1.4	na	na	na	na
Oxford Economics	4.5	1.7	na	100.5	4.6	na
SEB	4.0	1.6	2.6	na	6.0	0.5
<b>Consensus (Mean Average)</b>	<b>4.1</b>	<b>1.6</b>	<b>2.4</b>	<b>129.1</b>	<b>6.5</b>	<b>-1.7</b>
Last Month	na	na	na	na	na	na
2 Months Ago	na	na	na	na	na	na
Median	4.1	1.7	2.3	135.0	6.3	-1.9
High	4.5	1.9	2.6	151.0	8.9	0.5
Low	3.6	1.2	2.2	100.5	4.6	-2.9
Standard Deviation	0.4	0.2	0.2	19.7	1.4	1.2
Number of Forecasts	5	8	4	5	7	6
<b>Other Forecasts</b>						
Econ Council (November '15)	na	1.8	na	115.0	5.4	-2.0
Finance Min (December '15)	na	1.7	na	na	8.5	-2.0
Nationalbank (December '15)	na	na	2.7	na	7.3	-1.8
EC (November '15)	na	na	na	na	6.5	-1.7
IMF (October '15)	na	na	na	na	na	na
OECD (November '15)	na	1.4	na	na	7.4	-2.8

### Denmark: Unemployment Rate

% of labour force

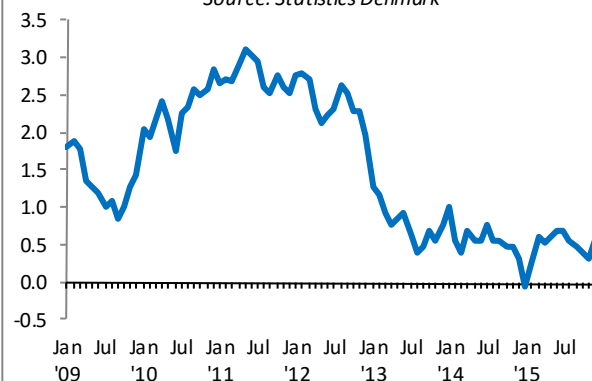
Source: Statistics Denmark



### Denmark: Inflation Rate

% change, year-on-year

Source: Statistics Denmark



## Finland: 2016 Forecasts

<b>National Accounts (constant prices)</b> <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product	Private Consump- tion	Govern- ment Consump- tion	Gross Fixed Invest- ment	Stock (inventory) Building, % contribu- tion to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribu- tion to GDP growth
<b>Panellists</b>								
Aktia Bank	0.5	0.3	-0.5	1.2	na	2.1	1.0	na
Danske Bank	0.6	0.4	-0.2	2.0	na	2.0	2.0	na
DZ Bank	0.5	0.2	0.3	1.4	na	1.6	0.2	na
Econ Intelligence Unit	0.6	0.7	-0.2	1.0	0.0	0.4	1.2	-0.3
ETLA	1.0	0.4	-0.2	2.8	na	2.7	2.5	na
Handelsbanken	1.0	1.0	0.0	3.7	0.0	3.2	3.8	-0.2
IHS Economics	0.8	0.6	0.1	1.3	na	3.1	2.6	na
Nordea	0.5	0.3	-0.2	1.6	0.1	2.2	2.2	na
Oxford Economics	0.3	0.9	0.1	0.9	-0.5	1.4	1.3	0.0
SEB	0.7	0.5	-0.1	1.8	0.0	1.8	1.5	na
<b>Consensus (Mean Average)</b>	<b>0.7</b>	<b>0.5</b>	<b>-0.1</b>	<b>1.8</b>	<b>-0.1</b>	<b>2.1</b>	<b>1.8</b>	<b>-0.2</b>
Last Month	0.7	0.6	-0.1	1.9	-0.2	2.1	1.8	0.1
2 Months Ago	0.9	0.6	0.0	1.9	0.1	2.2	1.9	-0.1
Median	0.6	0.5	-0.2	1.5	0.0	2.1	1.8	-0.2
High	1.0	1.0	0.3	3.7	0.1	3.2	3.8	0.0
Low	0.3	0.2	-0.5	0.9	-0.5	0.4	0.2	-0.3
Standard Deviation	0.2	0.3	0.2	0.9	0.2	0.8	1.0	0.2
Number of Forecasts	10	10	10	10	5	10	10	3
<b>Other Forecasts</b>								
Bank of Fin (December '15)	0.7	0.6	0.6	na	0.1	2.1	3.2	-0.4
Finance Min (December '15)	1.2	0.8	0.2	4.8	na	1.8	2.4	na
EC (November '15)	0.7	0.5	-0.1	3.1	0.0	2.3	2.8	-0.2
IMF (October '15)	0.9	na	na	na	na	na	na	na
OECD (November '15)	1.1	0.4	1.3	3.7	-0.1	3.3	2.6	0.3

- The outlook remains deeply depressing for one of the euro zone's last remaining 'flatliners' as the perfect storm of Russian trade sanctions, euro zone negatives, austerity and restructuring continues to impart a heavy blow on Finland.
- That the picture is undoubtedly bleak is underlined by the latest confidence readings from the European Commission showing a fall in economic sentiment in December. Manufacturers were slightly less pessimistic, but on balance quite downbeat. Confidence in the services sector waned, it fell too in the construction industry and also among consumers following an improvement in November.
- The decline of Finland's proud telecoms flagship, Nokia, and the downsizing of its forestry products sector are only likely to increase the clamour for a withdrawal from the euro by sceptics, despite the fact it remains at present an unlikely prospect.
- However, without an improvement in EU-Russia relations, or the advantage of having its own currency, which Finland could devalue to improve export competitiveness, it is estimated the country will need to drastically reduce labour costs by around 15% in order to catch up with its main trading partners such as Germany and Sweden.



## Finland: 2016 Forecasts

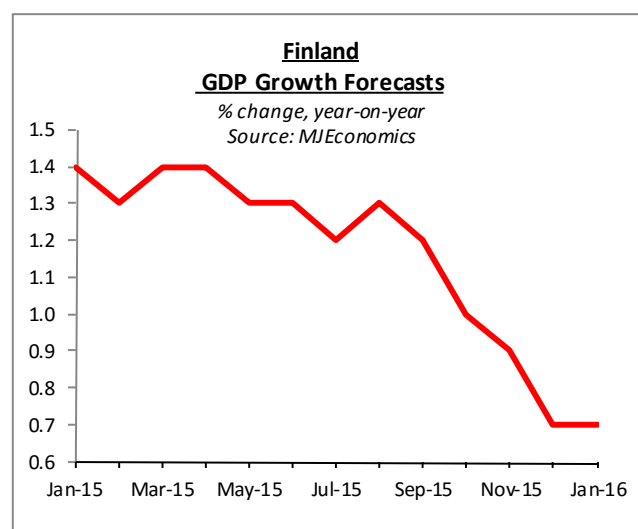
<b>Other Indicators</b> <i>average % change from previous year unless otherwise noted</i>	Industrial Production	Unemploy- ment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Producer Prices (total industry)	Wages & Salaries (private sector)	Current Account Balance (annual total, Euros bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
<b>Panellists</b>								
Aktia Bank	na	9.6	0.8	na	na	0.5	0.2	na
Danske Bank	na	9.8	1.0	na	na	na	0.2	-3.1
DZ Bank	na	9.4	0.7	na	na	na	-0.6	-3.5
Econ Intelligence Unit	1.4	9.4	0.3	0.9	0.8	2.7	1.3	-1.4
ETLA	1.5	9.5	0.7	na	1.1	-1.1	-0.5	-2.6
Handelsbanken	na	9.5	0.8	na	1.0	-0.6	-0.3	-2.8
IHS Economics	1.7	9.2	0.8	na	na	-0.2	-0.1	-2.8
Nordea	1.0	10.0	0.8	na	0.8	-0.2	-0.1	-3.1
Oxford Economics	1.5	9.5	0.8	2.7	2.1	0.0	0.0	-2.9
SEB	na	9.0	0.5	na	1.5	na	-1.8	-2.8
<b>Consensus (Mean Average)</b>	<b>1.4</b>	<b>9.5</b>	<b>0.7</b>	<b>1.8</b>	<b>1.2</b>	<b>0.2</b>	<b>-0.2</b>	<b>-2.8</b>
Last Month	1.3	9.5	0.8	1.8	1.3	0.1	-0.2	-2.8
2 Months Ago	1.7	9.5	0.8	2.2	1.3	-0.8	-0.5	-2.8
Median	1.5	9.5	0.8	1.8	1.1	-0.2	-0.1	-2.8
High	1.7	10.0	1.0	2.7	2.1	2.7	1.3	-1.4
Low	1.0	9.0	0.3	0.9	0.8	-1.1	-1.8	-3.5
Standard Deviation	0.3	0.3	0.2	1.3	0.5	1.2	0.8	0.6
Number of Forecasts	5	10	10	2	6	7	10	9
<b>Other Forecasts</b>								
Bank of Fin (December '15)	na	9.2	0.2	na	1.1	-0.5	-0.2	-2.9
Finance Min (December '15)	na	9.4	0.9	na	1.2	1.2	0.5	-2.9
EC (November '15)	na	9.5	na	na	na	na	-1.0	-2.7
IMF (October '15)	na	9.5	1.3	na	na	na	-0.7	na
OECD (November '15)	na	9.7	0.4	na	na	na	-0.7	-2.7

<b>Finland: Historical Data (% change year-on-year)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Gross Domestic Product	2.6	-1.4	-1.1	-0.4	0.0
Private Consumption	2.9	0.3	-0.3	0.5	0.9
Government Consumption	-0.1	0.5	0.8	-0.2	0.0
Gross Fixed Investment	4.1	-2.2	-5.2	-3.3	-2.3
Inventory Building (% contribution)	1.5	-1.0	0.0	0.5	-0.4
Goods & Services Exports	2.0	1.2	1.1	-0.7	-0.8
Goods & Services Imports	6.0	1.6	0.0	0.0	-2.0
Net Exports (% contribution)	-1.5	-0.2	0.4	-0.3	0.3
Industrial Production	1.7	-1.4	-3.2	-2.1	-1.5
Unemployment Rate (% of labour force)	7.8	7.8	8.2	8.7	9.4
Consumer Prices	3.4	2.8	1.5	1.0	-0.2
Producer Prices	5.6	1.3	-0.4	-0.9	-1.5
Wages and Salaries (private sector)	2.6	2.9	2.2	1.6	1.2
Current Account Balance (Euros bn)	-3.5	-3.9	-3.4	-1.8	-0.3
- as a % of GDP	-1.8	-1.9	-1.7	-0.9	-0.3
General Govt Budget Balance (% of GDP)	-1.0	-2.1	-2.5	-3.3	-3.1

*Source: Eurostat, Statistics Finland*

## Finland: 2017 Forecasts

<b>National Accounts (constant prices)</b> <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product	Private Consump- tion	Govern- ment Consump- tion	Gross Fixed Invest- ment	Stock (inventory) Building, % contribu- tion to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribu- tion to GDP growth
<b>Panellists</b>								
Aktia Bank	na	na	na	na	na	na	na	na
Danske Bank	1.1	0.5	-0.5	3.5	na	4.0	3.5	na
DZ Bank	na	na	na	na	na	na	na	na
Econ Intelligence Unit	1.5	1.6	0.3	2.3	-0.1	2.7	2.3	0.1
ETLA	1.3	0.4	-0.1	3.1	na	2.9	1.9	na
Handelsbanken	1.2	0.7	0.0	4.5	0.0	2.5	3.0	-0.2
IHS Economics	2.0	1.2	-0.1	4.3	na	2.9	3.1	na
Nordea	0.7	0.4	-0.3	2.9	-0.3	2.4	1.8	na
Oxford Economics	1.1	1.0	0.5	1.9	-0.1	2.3	2.0	0.0
SEB	1.3	0.7	0.2	2.2	0.0	3.5	2.5	na
<b>Consensus (Mean Average)</b>	<b>1.3</b>	<b>0.8</b>	<b>0.0</b>	<b>3.1</b>	<b>-0.1</b>	<b>2.9</b>	<b>2.5</b>	<b>0.0</b>
Last Month	na	na	na	na	na	na	na	na
2 Months Ago	na	na	na	na	na	na	na	na
Median	1.3	0.7	-0.1	3.0	-0.1	2.8	2.4	0.0
High	2.0	1.6	0.5	4.5	0.0	4.0	3.5	0.1
Low	0.7	0.4	-0.5	1.9	-0.3	2.3	1.8	-0.2
Standard Deviation	0.4	0.4	0.3	1.0	0.1	0.6	0.6	0.2
Number of Forecasts	8	8	8	8	5	8	8	3
<b>Other Forecasts</b>								
Bank of Fin (December '15)	1.0	0.6	0.6	na	0.0	2.7	2.8	0.0
Finance Min (December '15)	1.2	0.8	0.1	3.6	na	2.9	3.0	na
EC (November '15)	1.1	0.6	-0.1	3.6	0.0	3.8	3.7	0.1
IMF (October '15)	na	na	na	na	na	na	na	na
OECD (November '15)	1.6	0.8	1.0	3.1	0.0	4.0	3.4	0.2



### Finland: Background Information

<b>Government:</b>	Centre Party led coalition
<b>Next Election:</b>	By April 2019 (parliamentary)
<b>Capital City:</b>	Helsinki (GMT +2 hours)
<b>Currency:</b>	Euro (free float)
<b>Nominal GDP:</b>	\$271 bn (2014)
<b>Population:</b>	5.5m (1st Jan. 2015)
<b>Economic Freedom:</b>	19th out of 178 countries
<b>Doing Business:</b>	10th out of 189 countries
<b>Competitiveness:</b>	4th out of 144 countries
<b>Corruption:</b>	3rd out of 175 countries
<b>Government Debt:</b>	59.3% of GDP
<b>Corporate Tax Rate:</b>	20.0%

*Sources: Deloitte, IFES Election Guide, Eurostat, FT, Heritage Foundation, MJE, Transparency International, World Bank and World Economic Forum.*

### Finland: 2017 Forecasts

<b>Other Indicators</b> <i>average % change from previous year unless otherwise noted</i>	Industrial Production	Unemployment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Producer Prices (total industry)	Wages & Salaries (private sector)	Current Account Balance (annual total, Euros bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
<b>Panellists</b>								
Aktia Bank	na	na	na	na	na	na	na	na
Danske Bank	na	9.5	1.2	na	na	na	0.5	-2.8
DZ Bank	na	na	na	na	na	na	na	na
Econ Intelligence Unit	1.9	9.0	0.9	2.2	1.2	2.9	1.3	-0.8
ETLA	1.9	9.5	1.4	na	1.2	0.2	0.1	-2.3
Handelsbanken	na	9.3	1.2	na	1.1	-0.7	-0.3	-2.6
IHS Economics	2.1	8.9	1.2	na	na	-0.2	-0.1	-2.5
Nordea	1.5	10.3	1.0	na	0.7	-0.3	-0.1	-2.9
Oxford Economics	2.8	9.3	1.5	2.2	2.0	0.0	0.0	-2.6
SEB	na	8.7	1.3	na	1.8	na	-1.8	-2.5
<b>Consensus (Mean Average)</b>	<b>2.0</b>	<b>9.3</b>	<b>1.2</b>	<b>2.2</b>	<b>1.3</b>	<b>0.3</b>	<b>-0.1</b>	<b>-2.4</b>
Last Month	na	na	na	na	na	na	na	na
2 Months Ago	na	na	na	na	na	na	na	na
Median	1.9	9.3	1.2	2.2	1.2	-0.1	-0.1	-2.6
High	2.8	10.3	1.5	2.2	2.0	2.9	1.3	-0.8
Low	1.5	8.7	0.9	2.2	0.7	-0.7	-1.8	-2.9
Standard Deviation	0.5	0.5	0.2	0.0	0.5	1.3	0.9	0.7
Number of Forecasts	5	8	8	2	6	6	8	8
<b>Other Forecasts</b>								
Bank of Fin (December '15)	na	9.1	1.0	na	1.3	-0.6	-0.3	-2.7
Finance Min (December '15)	na	9.0	1.4	na	1.2	1.3	0.6	-2.6
EC (November '15)	na	9.4	na	na	na	na	-0.9	-2.3
IMF (October '15)	na	na	na	na	na	na	na	na
OECD (November '15)	na	9.8	0.8	na	na	na	-0.4	-1.6



## Norway: 2016 Forecasts

National Accounts (constant prices) <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product		Private Consumption	Government Consumption	Gross Fixed Investment	Stock (inventory) Building, % contribution to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribution to GDP growth
	Total	Mainland							
<b>Panellists</b>									
Danske Bank	1.5	na	1.6	3.1	-1.4	-0.3	2.5	1.6	na
DNB Markets	1.8	1.2	1.4	3.8	na	na	na	na	na
DZ Bank	1.3	1.6	1.7	2.7	0.6	-0.7	2.6	1.6	0.6
Econ Intelligence Unit	1.9	na	1.7	2.4	-0.7	-0.3	3.0	0.1	1.2
Handelsbanken	0.5	0.7	1.5	2.7	na	na	na	na	na
IHS Economics	1.1	na	1.6	3.3	-1.0	na	1.7	0.7	na
Nordea	1.9	1.4	1.6	3.1	-1.0	0.0	3.2	1.7	na
Nykredit	na	1.2	1.5	2.6	0.5	na	na	na	-0.3
Oxford Economics	0.8	1.3	1.4	2.6	1.0	-1.2	1.6	-0.2	0.7
SEB	1.5	1.8	2.0	2.5	-0.8	0.0	2.1	2.0	na
Statistics Norway	1.7	2.0	1.5	3.5	0.6	-0.1	2.4	2.1	0.4
Swedbank First Securities	0.2	1.0	1.1	3.4	-2.6	-0.4	-0.1	-0.1	0.0
UniCredit Bank	na	1.5	1.9	2.3	0.7	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>1.3</b>	<b>1.4</b>	<b>1.6</b>	<b>2.9</b>	<b>-0.4</b>	<b>-0.4</b>	<b>2.1</b>	<b>1.1</b>	<b>0.4</b>
Last Month	1.3	1.4	1.6	2.8	-0.1	-0.4	1.9	1.1	0.3
2 Months Ago	1.2	1.5	1.8	2.5	-0.3	-0.3	1.7	1.5	0.3
Median	1.5	1.4	1.6	2.7	-0.7	-0.3	2.4	1.6	0.5
High	1.9	2.0	2.0	3.8	1.0	0.0	3.2	2.1	1.2
Low	0.2	0.7	1.1	2.3	-2.6	-1.2	-0.1	-0.2	-0.3
Standard Deviation	0.6	0.4	0.2	0.5	1.1	0.4	1.0	0.9	0.5
Number of Forecasts	11	10	13	13	11	8	9	9	6
<b>Other Forecasts</b>									
Finance Min (October '15)	1.2	1.8	1.9	2.7	0.2	na	1.3	2.7	na
Norges Bank (December '15)	0.9	1.1	1.5	na	na	na	na	-0.8	na
EC (November '15)	1.1	na	0.7	2.3	-2.0	0.0	3.6	2.0	0.8
IMF (October '15)	1.3	na	na	na	na	na	na	na	na
OECD (November '15)	1.1	1.6	1.7	2.7	0.2	-0.6	1.8	1.4	0.3

- Norges Bank Governor Oystein Olsen is doing his utmost to pacify concerns that Norway is facing a huge crisis, pointing to the fact the Bank can introduce more monetary stimulus if necessary to weaken the krone.
- However, the fall in Brent oil prices to \$27/barrel this week in response to China's slowdown and the return of Iran to the global market will undoubtedly send shudders through Norway's offshore industry. Many petroleum firms are planning additional cost-cutting this year, and already there are signs of distress as oil industry suppliers encounter debt problems.
- Unemployment is slowly rising, albeit from a low level, and local housing markets, as in Stavanger where Statoil is based, are weakening, which is slowly spreading out but is not as yet having any effect on the Oslo region where the rising population swelled by immigration is a key factor.
- The oil industry decline will have implications for this hitherto wealthy nation. The reduced inflow of oil wealth bolstering budget revenue will lead to choices over public spending, it will begin to erode the huge sovereign wealth fund and add to social tensions stirred up by the asylum-seeker crisis.

## Norway: 2016 Forecasts

Other Indicators <i>average % change from previous year unless otherwise noted</i>	Industrial Production	Unemploy- ment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Consumer Prices (CPI-ATE index, underlying rate)	Manufac- turing Earnings	Current Account Balance (annual total, Nkr bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
Panellists								
Danske Bank	na	na	2.7	na	na	na	na	na
DNB Markets	na	4.7	2.7	2.7	na	na	na	na
DZ Bank	na	na	na	na	na	na	8.0	6.0
Econ Intelligence Unit	1.6	4.5	2.3	na	3.7	273.6	8.3	5.4
Handelsbanken	na	5.0	2.5	2.5	na	na	na	na
IHS Economics	0.9	5.0	2.2	na	na	na	9.1	6.4
Nordea	na	4.8	2.4	2.4	2.7	191.4	5.6	5.4
Nykredit	na	4.8	2.3	na	na	na	7.2	6.6
Oxford Economics	-1.7	4.7	2.4	na	2.4	141.9	4.4	2.5
SEB	na	4.8	2.5	2.5	2.7	na	na	na
Statistics Norway	na	4.6	2.8	2.6	na	231.2	7.1	na
Swedbank First Securities	-0.9	5.5	3.2	3.2	2.5	198.1	6.2	5.8
UniCredit Bank	na	na	1.9	2.9	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>0.0</b>	<b>4.8</b>	<b>2.5</b>	<b>2.7</b>	<b>2.8</b>	<b>207.2</b>	<b>7.0</b>	<b>5.4</b>
Last Month	0.0	4.8	2.5	2.7	2.8	224.1	6.9	5.6
2 Months Ago	0.6	4.7	2.4	2.6	3.0	201.5	6.6	5.7
Median	0.0	4.8	2.5	2.6	2.7	198.1	7.2	5.8
High	1.6	5.5	3.2	3.2	3.7	273.6	9.1	6.6
Low	-1.7	4.5	1.9	2.4	2.4	141.9	4.4	2.5
Standard Deviation	1.5	0.3	0.3	0.3	0.5	48.9	1.5	1.4
Number of Forecasts	4	10	12	7	5	5	8	7
<b>Other Forecasts</b>								
Finance Min (October '15)	na	4.5	2.5	2.5	na	na	na	5.6
Norges Bank (December '15)	na	4.6	2.8	2.9	na	na	na	na
EC (November '15)	na	4.5	na	na	na	na	9.9	7.7
IMF (October '15)	na	4.3	2.2	na	na	na	5.4	na
OECD (November '15)	na	4.5	2.4	na	na	na	7.1	5.5

<b>Norway: Historical Data (% change year-on-year)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
GDP, total	1.0	2.7	1.0	2.2	1.3
GDP, mainland	1.9	3.8	2.3	2.3	1.4
Private Consumption	2.3	3.5	2.7	1.7	2.3
Government Consumption	1.0	1.6	1.0	2.9	2.5
Gross Fixed Investment	7.4	7.6	6.3	0.0	-3.0
Inventory Building (% contribution)	-0.2	-0.2	0.2	0.5	0.2
Goods & Services Exports	-0.8	1.4	-1.7	2.2	3.3
Goods & Services Imports	4.0	3.1	4.9	1.5	1.1
Net Exports (% contribution)	-1.6	-0.5	-2.3	1.2	0.9
Industrial Production	-4.3	2.7	-4.9	3.6	1.0
Unemployment Rate (% of labour force)	3.3	3.2	3.5	3.5	4.4
Consumer Prices, headline rate	1.2	0.8	2.1	2.0	2.2
Consumer Prices, underlying rate (CPI-ATE)	0.9	1.2	1.6	2.4	2.7
Manufacturing Earnings	4.5	4.4	3.6	2.6	3.0
Current Account Balance (Nkr bn)	344.9	368.6	307.7	297.0	240.7
- as a % of GDP	12.4	12.4	10.0	9.7	7.6
General Govt Budget Balance (% of GDP)	13.4	13.8	10.8	9.1	6.7

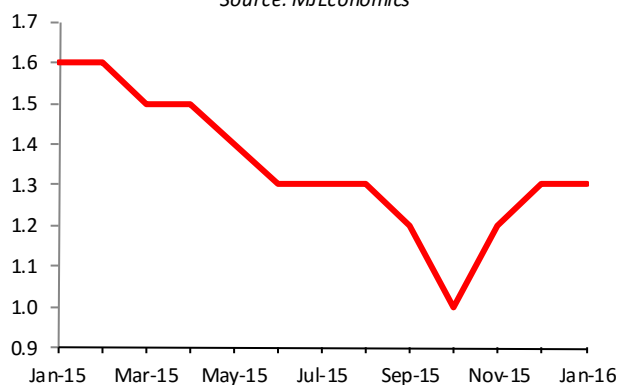
Source: Eurostat, Statistics Norway

## Norway: 2017 Forecasts

National Accounts (constant prices) <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product		Private Consumption	Government Consumption	Gross Fixed Investment	Stock (inventory) Building, % contribution to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribution to GDP growth
	Total	Mainland							
<b>Panellists</b>									
Danske Bank	2.0	na	2.0	2.6	1.0	0.0	1.0	2.2	na
DNB Markets	1.2	1.5	2.2	1.9	na	na	na	na	na
DZ Bank	na	na	na	na	na	na	na	na	na
Econ Intelligence Unit	2.0	na	2.5	2.0	2.2	0.0	2.3	3.2	0.1
Handelsbanken	0.8	1.0	na	na	na	na	na	na	na
IHS Economics	1.6	na	2.1	2.8	-0.4	na	2.2	2.4	na
Nordea	1.4	1.7	2.0	2.9	-0.5	0.0	1.5	1.8	na
Nykredit	na	1.3	na	na	na	na	na	na	na
Oxford Economics	1.5	2.3	1.8	1.8	4.0	-0.7	2.0	2.1	0.2
SEB	1.6	2.3	2.5	2.1	1.7	0.0	1.7	3.4	na
Statistics Norway	2.1	2.6	3.2	2.1	3.3	0.0	1.9	3.9	-0.3
Swedbank First Securities	na	na	na	na	na	na	na	na	na
UniCredit Bank	na	na	na	na	na	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>1.6</b>	<b>1.8</b>	<b>2.3</b>	<b>2.3</b>	<b>1.6</b>	<b>-0.1</b>	<b>1.8</b>	<b>2.7</b>	<b>0.0</b>
Last Month	na	na	na	na	na	na	na	na	na
2 Months Ago	na	na	na	na	na	na	na	na	na
Median	1.6	1.7	2.2	2.1	1.7	0.0	1.9	2.4	0.1
High	2.1	2.6	3.2	2.9	4.0	0.0	2.3	3.9	0.2
Low	0.8	1.0	1.8	1.8	-0.5	-0.7	1.0	1.8	-0.3
Standard Deviation	0.4	0.6	0.4	0.4	1.7	0.3	0.4	0.8	0.3
Number of Forecasts	9	7	8	8	7	6	7	7	3
<b>Other Forecasts</b>									
Finance Min (October '15)	1.6	2.1	2.8	1.4	2.5	na	2.4	4.5	na
Norges Bank (December '15)	1.5	1.9	2.0	na	na	na	na	2.8	na
EC (November '15)	1.9	na	1.1	2.2	-0.7	0.0	5.2	3.3	1.1
IMF (October '15)	na	na	na	na	na	na	na	na	na
OECD (November '15)	1.9	2.2	2.5	1.5	2.3	0.0	2.5	3.1	0.0

### Norway GDP Growth Forecasts

*% change, year-on-year  
Source: MJEconomics*



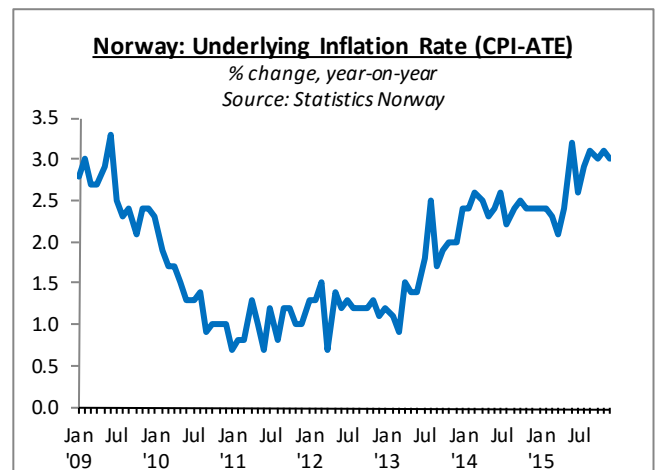
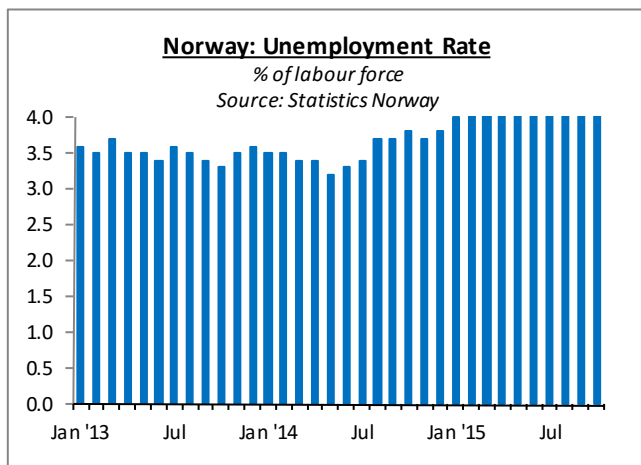
### Norway: Background Information

<b>Government:</b>	Conservative-Progress Party coalition
<b>Next Election:</b>	2017 (parliamentary)
<b>Capital City:</b>	Oslo (GMT +1 hour)
<b>Currency:</b>	Norwegian Krone (free float)
<b>Nominal GDP:</b>	\$500 bn (2014)
<b>Population:</b>	5.2m (1st Jan. 2015)
<b>Economic Freedom:</b>	32nd out of 178 countries
<b>Doing Business:</b>	9th out of 189 countries
<b>Competitiveness:</b>	11th out of 144 countries
<b>Corruption:</b>	5th out of 175 countries
<b>Government Debt:</b>	26.4% of GDP
<b>Corporate Tax Rate:</b>	27.0%

*Sources: Deloitte, IFES Election Guide, Eurostat, FT, Heritage Foundation, MJE, Transparency International, World Bank and World Economic Forum.*

## Norway: 2017 Forecasts

Other Indicators <i>average % change from previous year unless otherwise noted</i>	Industrial Production	Unemploy- ment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Consumer Prices (CPI-ATE index, underlying rate)	Manufac- turing Earnings	Current Account Balance (annual total, Nkr bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
Panellists								
Danske Bank	na	na	2.4	na	na	na	na	na
DNB Markets	na	5.3	1.8	1.5	na	na	na	na
DZ Bank	na	na	na	na	na	na	na	na
Econ Intelligence Unit	1.7	4.4	2.2	na	3.7	316.0	9.1	6.4
Handelsbanken	na	5.2	na	na	na	na	na	na
IHS Economics	1.4	5.3	1.9	na	na	na	9.7	6.6
Nordea	na	4.9	1.5	1.4	2.7	228.4	6.5	6.0
Nykredit	na	na	1.9	na	na	na	na	na
Oxford Economics	-0.5	4.1	2.4	na	3.8	163.9	4.8	4.2
SEB	na	4.6	2.0	2.0	2.8	na	na	na
Statistics Norway	na	4.4	2.1	1.9	na	270.9	7.9	na
Swedbank First Securities	na	na	na	na	na	na	na	na
UniCredit Bank	na	na	na	na	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>0.9</b>	<b>4.8</b>	<b>2.0</b>	<b>1.7</b>	<b>3.3</b>	<b>244.8</b>	<b>7.6</b>	<b>5.8</b>
Last Month	na	na	na	na	na	na	na	na
2 Months Ago	na	na	na	na	na	na	na	na
Median	1.4	4.8	2.0	1.7	3.3	249.7	7.9	6.2
High	1.7	5.3	2.4	2.0	3.8	316.0	9.7	6.6
Low	-0.5	4.1	1.5	1.4	2.7	163.9	4.8	4.2
Standard Deviation	1.2	0.5	0.3	0.3	0.6	64.7	2.0	1.1
Number of Forecasts	3	8	9	4	4	4	5	4
<b>Other Forecasts</b>								
Finance Min (October '15)	na	4.2	2.1	2.1	na	na	na	na
Norges Bank (December '15)	na	4.4	2.5	2.5	na	na	na	na
EC (November '15)	na	4.6	na	na	na	na	11.2	7.5
IMF (October '15)	na	na	na	na	na	na	na	na
OECD (November '15)	na	4.3	2.1	na	na	na	7.1	5.4



## Sweden: 2016 Forecasts

<b>National Accounts (constant prices)</b> <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product	Private Consump- tion	Govern- ment Consump- tion	Gross Fixed Invest- ment	Stock (inventory) Building, % contribu- tion to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribu- tion to GDP growth
<b>Panellists</b>								
Confed of Swe Enterprise	2.9	2.7	2.3	3.9	0.0	4.4	4.6	0.1
Danske Bank	3.3	2.1	3.6	4.3	0.0	5.5	5.2	na
DZ Bank	2.5	2.5	0.8	3.8	-0.4	4.0	3.6	0.3
Econ Intelligence Unit	2.8	2.3	1.3	4.5	0.0	4.0	3.1	0.5
Handelsbanken	3.2	3.2	3.1	4.5	0.1	5.1	5.7	-0.1
IHS Economics	2.4	2.1	1.1	3.7	na	3.4	3.6	na
Morgan Stanley	2.8	2.3	2.8	3.2	na	4.1	3.8	0.3
National Institute - KI	3.7	2.7	4.5	4.8	0.0	4.3	4.5	0.1
Nordea	3.8	2.5	4.0	5.3	0.0	6.0	5.8	na
Nykredit	3.1	2.8	2.8	5.2	na	na	na	-0.2
Oxford Economics	2.9	2.8	1.3	5.3	0.3	3.9	4.9	-0.3
SEB	3.6	3.3	3.5	7.0	0.1	4.9	6.8	na
UniCredit Bank	3.1	3.0	1.2	3.8	-0.1	5.5	5.1	0.0
<b>Consensus (Mean Average)</b>	<b>3.1</b>	<b>2.6</b>	<b>2.5</b>	<b>4.6</b>	<b>0.0</b>	<b>4.6</b>	<b>4.7</b>	<b>0.1</b>
Last Month	3.0	2.6	2.1	4.5	0.0	4.5	4.8	0.0
2 Months Ago	2.8	2.5	1.6	4.5	0.0	4.3	4.5	0.1
Median	3.1	2.7	2.8	4.5	0.0	4.4	4.8	0.1
High	3.8	3.3	4.5	7.0	0.3	6.0	6.8	0.5
Low	2.4	2.1	0.8	3.2	-0.4	3.4	3.1	-0.3
Standard Deviation	0.4	0.4	1.2	1.0	0.2	0.8	1.1	0.3
Number of Forecasts	13	13	13	13	10	12	12	9
<b>Other Forecasts</b>								
Finance Ministry (Sept '15)	2.5	2.5	2.1	3.7	0.0	na	na	0.2
Riksbank (December '15)	3.3	2.8	4.0	5.1	0.1	5.5	6.3	-0.1
EC (November '15)	2.8	2.5	2.6	3.6	0.0	3.9	4.1	0.1
IMF (October '15)	3.0	na	na	na	na	na	na	na
OECD (November '15)	3.1	2.8	2.0	5.1	0.0	3.2	3.5	0.0

- In contrast to Norway, Sweden is a net oil importer, and as such it will benefit from low inflation enticing consumers to spend. With the Riksbank still biased towards monetary policy stimulus to ensure its discredited inflation target is met, manufacturers will benefit from lower energy bills and borrowing rates, as strong domestic demand compensates for any weaknesses in overseas markets.
- The economy will also receive a boost from falling unemployment, increased homebuilding and the influx of refugees bolstering private consumption and government spending.
- Business and consumer confidence levels certainly improved towards the end of the year, according to the latest poll from the European Commission.
- In conjunction with the rising sentiment evinced among Swedish households enjoying greater prosperity, there was a substantial rebound in confidence within the manufacturing sector in December, which had slumped in the previous month. Retailers were also more bullish, no doubt buoyed by decent trading figures through to November, and sentiment remained high within the services sector more generally.



## Sweden: 2016 Forecasts

<b>Other Indicators</b> <i>average % change from previous year unless otherwise noted</i>	Industrial Prodn (mining & manufac.)	Unemploy- ment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Consumer Prices (CPIF index, underlying rate)	Producer Prices (total industry)	Hourly Earnings (total industry)	Current Account Balance (annual total, Skr bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
<b>Panellists</b>									
Confed of Swe Enterprise	na	7.2	1.0	1.6	na	na	na	na	na
Danske Bank	na	7.2	0.8	na	na	na	na	7.3	-1.3
DZ Bank	na	na	na	na	na	na	na	5.3	-0.7
Econ Intelligence Unit	1.9	7.2	1.2	na	0.7	na	248.2	5.9	-1.1
Handelsbanken	na	6.8	1.8	1.9	na	na	na	na	na
IHS Economics	2.8	6.6	0.7	na	na	na	na	5.6	-0.3
Morgan Stanley	na	7.4	1.1	1.4	na	na	na	6.8	-1.3
National Institute - KI	4.1	6.8	0.9	1.5	na	3.1	267.9	6.1	-1.1
Nordea	na	6.8	1.2	1.6	na	3.2	299.0	6.8	-1.3
Nykredit	na	7.2	1.3	na	na	na	na	6.5	-1.6
Oxford Economics	2.9	6.8	0.9	na	1.4	na	251.8	5.8	-0.6
SEB	na	6.8	1.0	1.5	na	3.2	na	6.0	-1.6
UniCredit Bank	na	7.4	0.9	1.2	na	na	na	6.0	-0.5
<b>Consensus (Mean Average)</b>	<b>2.9</b>	<b>7.0</b>	<b>1.1</b>	<b>1.5</b>	<b>1.1</b>	<b>3.2</b>	<b>266.7</b>	<b>6.2</b>	<b>-1.0</b>
Last Month	2.9	7.2	1.2	1.5	1.4	2.8	258.8	6.4	-1.0
2 Months Ago	3.0	7.2	1.2	1.6	1.4	2.8	278.4	6.3	-0.9
Median	2.9	7.0	1.0	1.5	1.1	3.2	259.9	6.0	-1.1
High	4.1	7.4	1.8	1.9	1.4	3.2	299.0	7.3	-0.3
Low	1.9	6.6	0.7	1.2	0.7	3.1	248.2	5.3	-1.6
Standard Deviation	0.9	0.3	0.3	0.2	0.5	0.1	23.2	0.6	0.4
Number of Forecasts	4	12	12	7	2	3	4	11	11
<b>Other Forecasts</b>									
Finance Ministry (Sept '15)	na	7.1	1.0	na	na	na	na	na	-0.9
Riksbank (December '15)	na	6.8	1.3	1.7	na	3.2	na	5.2	-0.9
EC (November '15)	na	7.7	na	na	na	na	na	5.9	-1.3
IMF (October '15)	na	7.6	1.1	na	na	na	na	6.7	na
OECD (November '15)	na	7.3	1.4	na	na	na	na	5.5	-0.6

<b>Sweden: Historical Data (% change year-on-year)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Gross Domestic Product	2.7	-0.3	1.2	2.3	3.3
Private Consumption	1.9	0.8	1.9	2.2	2.3
Government Consumption	0.8	1.1	1.3	1.6	1.8
Gross Fixed Investment	5.7	-0.2	0.6	7.6	6.3
Inventory Building (% contribution)	0.5	-1.1	0.2	0.1	0.0
Goods & Services Exports	6.1	1.0	-0.8	3.5	4.1
Goods & Services Imports	7.3	0.5	-0.1	6.3	3.6
Net Exports (% contribution)	-0.2	0.2	-0.3	-0.9	0.3
Industrial Production	3.0	-3.2	-2.5	-3.8	2.2
Unemployment Rate (% of labour force)	7.5	7.9	8.0	7.9	7.4
Consumer Prices (headline rate)	3.0	0.9	0.0	-0.2	0.0
Consumer Prices (underlying rate, CPIF)	1.4	1.0	0.9	0.5	0.9
Producer Prices	0.4	-0.9	-2.8	1.8	0.6
Labour Costs (mining and manufacturing)	2.7	3.2	2.6	3.0	2.7
Current Account Balance (Skr bn)	251.6	244.2	252.6	242.9	256.6
- as a % of GDP	6.9	6.6	6.7	6.2	6.4
General Govt Budget Balance (% of GDP)	-0.1	-0.9	-1.4	-1.7	-1.2

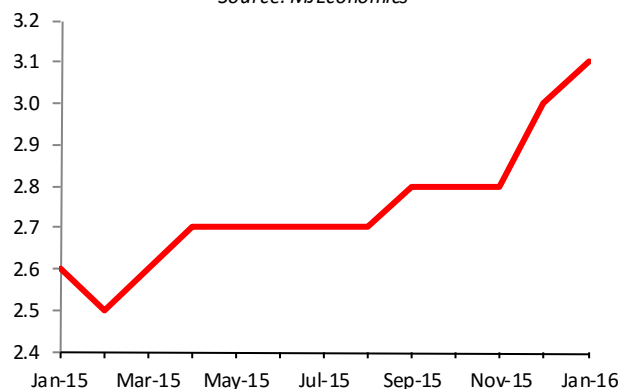
Source: Eurostat, Statistics Sweden

## Sweden: 2017 Forecasts

<b>National Accounts (constant prices)</b> <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product	Private Consump- tion	Govern- ment Consump- tion	Gross Fixed Invest- ment	Stock (inventory) Building, % contribu- tion to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribu- tion to GDP growth
<b>Panellists</b>								
Confed of Swe Enterprise	na	na	na	na	na	na	na	na
Danske Bank	2.5	1.6	2.5	3.1	0.0	4.6	4.0	na
DZ Bank	na	na	na	na	na	na	na	na
Econ Intelligence Unit	2.7	2.4	1.2	3.9	0.0	4.1	3.2	0.5
Handelsbanken	2.7	2.7	2.7	3.5	0.0	3.6	4.0	0.0
IHS Economics	2.2	1.9	1.5	3.2	na	3.5	3.3	na
Morgan Stanley	2.6	2.4	1.7	3.8	na	5.1	5.3	0.2
National Institute - KI	2.7	2.7	2.9	4.4	0.0	4.0	5.2	-0.3
Nordea	2.4	2.1	2.5	3.1	0.0	3.7	3.8	na
Nykredit	3.2	na	na	na	na	na	na	na
Oxford Economics	2.3	2.6	1.5	4.0	0.0	4.6	5.5	-0.2
SEB	2.8	2.8	2.5	6.0	0.0	4.6	6.4	na
UniCredit Bank	na	na	na	na	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>2.6</b>	<b>2.4</b>	<b>2.1</b>	<b>3.9</b>	<b>0.0</b>	<b>4.2</b>	<b>4.5</b>	<b>0.0</b>
Last Month	na	na	na	na	na	na	na	na
2 Months Ago	na	na	na	na	na	na	na	na
Median	2.7	2.4	2.5	3.8	0.0	4.1	4.0	0.0
High	3.2	2.8	2.9	6.0	0.0	5.1	6.4	0.5
Low	2.2	1.6	1.2	3.1	0.0	3.5	3.2	-0.3
Standard Deviation	0.3	0.4	0.6	0.9	0.0	0.6	1.1	0.3
Number of Forecasts	10	9	9	9	7	9	9	5
<b>Other Forecasts</b>								
Finance Ministry (Sept '15)	2.8	2.8	1.1	3.5	0.0	na	na	0.2
Riksbank (December '15)	3.2	3.0	2.5	4.7	0.0	4.4	5.4	-0.3
EC (November '15)	2.7	2.6	2.2	3.7	0.0	4.4	4.7	0.1
IMF (October '15)	na	na	na	na	na	na	na	na
OECD (November '15)	3.0	2.8	1.5	4.7	0.0	3.4	3.4	0.1

### Sweden GDP Growth Forecasts

*% change, year-on-year  
Source: MJEconomics*



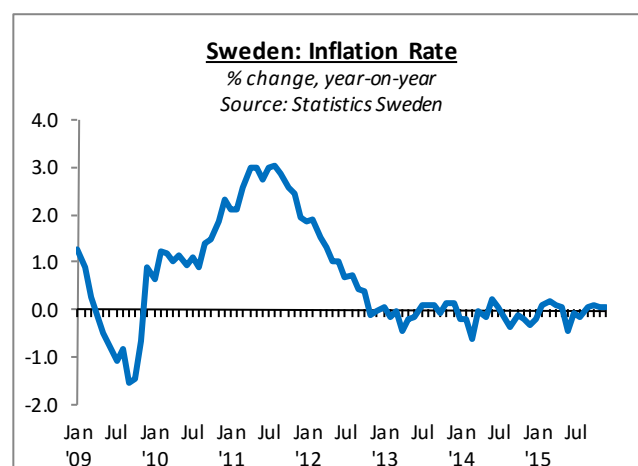
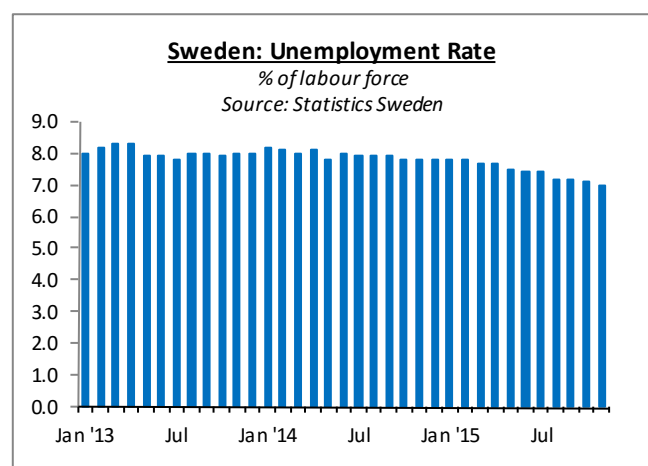
### Sweden: Background Information

<b>Government:</b>	Social Democratic-Green coalition
<b>Next Election:</b>	By September 2018 (parliamentary)
<b>Capital City:</b>	Stockholm (GMT + 1 hour)
<b>Currency:</b>	Swedish Krona (free float)
<b>Nominal GDP:</b>	\$571 bn (2014)
<b>Population:</b>	9.8m (1st Jan. 2015)
<b>Economic Freedom:</b>	20th out of 178 countries
<b>Doing Business:</b>	8th out of 189 countries
<b>Competitiveness:</b>	10th out of 144 countries
<b>Corruption:</b>	4th out of 175 countries
<b>Government Debt:</b>	43.9% of GDP
<b>Corporate Tax Rate:</b>	22.0%

*Sources: Deloitte, IFES Election Guide, Eurostat, FT, Heritage Foundation, MJE, Transparency International, World Bank and World Economic Forum.*

## Sweden: 2017 Forecasts

<b>Other Indicators</b> <i>average % change from previous year unless otherwise noted</i>	Industrial Prodn (mining & manufac.)	Unemploy- ment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Consumer Prices (CPIF index, underlying rate)	Producer Prices (total industry)	Hourly Earnings (total industry)	Current Account Balance (annual total, Skr bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
<b>Panellists</b>									
Confed of Swe Enterprise	na	na	na	na	na	na	na	na	na
Danske Bank	na	7.1	0.9	na	na	na	na	6.9	-1.1
DZ Bank	na	na	na	na	na	na	na	na	na
Econ Intelligence Unit	4.3	6.9	1.9	na	2.3	na	251.3	5.8	-0.6
Handelsbanken	na	7.3	2.3	1.8	na	na	na	na	na
IHS Economics	2.2	6.4	1.7	na	na	na	na	6.3	0.3
Morgan Stanley	na	7.3	1.6	1.2	na	na	na	6.7	-1.2
National Institute - KI	3.7	6.5	2.2	1.7	na	3.4	243.1	5.3	-0.9
Nordea	na	6.9	1.8	1.7	na	3.4	303.4	6.7	-1.6
Nykredit	na	na	1.9	na	na	na	na	na	na
Oxford Economics	2.3	6.6	2.6	na	2.6	na	243.0	5.4	-0.2
SEB	na	6.8	1.9	1.7	na	3.4	na	5.5	-1.8
UniCredit Bank	na	na	na	na	na	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>3.1</b>	<b>6.9</b>	<b>1.9</b>	<b>1.6</b>	<b>2.5</b>	<b>3.4</b>	<b>260.2</b>	<b>6.1</b>	<b>-0.9</b>
Last Month	na	na	na	na	na	na	na	na	na
2 Months Ago	na	na	na	na	na	na	na	na	na
Median	3.0	6.9	1.9	1.7	2.5	3.4	247.2	6.1	-1.0
High	4.3	7.3	2.6	1.8	2.6	3.4	303.4	6.9	0.3
Low	2.2	6.4	0.9	1.2	2.3	3.4	243.0	5.3	-1.8
Standard Deviation	1.0	0.3	0.5	0.2	0.2	0.0	29.1	0.7	0.7
Number of Forecasts	4	9	10	5	2	3	4	8	8
<b>Other Forecasts</b>									
Finance Ministry (Sept '15)	na	6.5	1.9	na	na	na	na	na	-0.5
Riksbank (December '15)	na	6.7	2.5	2.2	na	3.5	na	4.6	-0.7
EC (November '15)	na	7.4	na	na	na	na	na	5.8	-1.2
IMF (October '15)	na	na	na	na	na	na	na	na	na
OECD (November '15)	na	6.7	2.2	na	na	na	na	5.5	-0.3



**Iceland Forecasts***% change, year-on-year, unless otherwise stated*

<b>GDP Growth</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	4.6	3.2	2.9
EC	4.0	3.2	2.5
IMF	4.8	3.7	na
OECD	4.1	3.7	2.9
SI	4.3	3.5	2.8

<b>Private Consumption</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	4.6	4.3	4.1
EC	4.0	3.5	3.0
IMF	na	na	na
OECD	4.6	4.3	3.1
SI	4.4	4.7	4.2

<b>Fixed Investment</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	20.9	11.4	3.8
EC	18.0	15.0	8.0
IMF	na	na	na
OECD	13.7	14.4	8.0
SI	17.7	15.5	5.7

<b>Export Volume</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	6.8	4.7	2.9
EC	8.2	5.2	4.5
IMF	na	na	na
OECD	7.9	2.7	2.3
SI	6.9	3.6	2.9

<b>Import Volume</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	12.1	7.3	3.9
EC	12.5	9.4	6.9
IMF	na	na	na
OECD	11.3	6.0	4.0
SI	10.8	8.6	4.8

<b>Consumer Price Inflation</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	1.7	3.3	4.0
EC	1.8	3.2	3.5
IMF	2.1	4.5	na
OECD	1.9	6.0	6.0
SI	1.7	3.2	3.7

<b>Current Acc. (% of GDP)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	2.8	2.2	1.4
EC	2.4	1.1	0.1
IMF	4.6	3.4	na
OECD	3.5	2.5	1.9
SI	3.7	1.9	1.2

<b>Budget Balance (% of GDP)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	0.0	0.2	0.6
EC	-0.5	0.0	0.0
IMF	na	na	na
OECD	0.3	0.3	0.7
SI	na	na	na

**Sources:**

Central Bank of Iceland, November 2015  
 European Commission, November 2015  
 IMF, World Economic Outlook, October 2015  
 OECD, Economic Outlook, December 2015  
 Statistics Iceland, November 2015

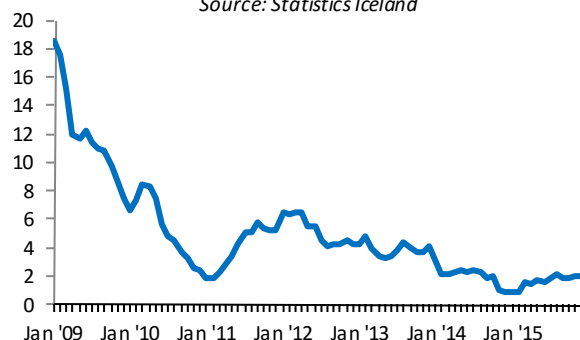
**Iceland Snapshot**

- The country's BBB+ investment grade rating received an endorsement from Fitch last week. The credit rating agency estimated the fiscal deficit to be 0.2% of GDP last year, similar to 2014, but believes the liberalisation of capital controls will improve the fiscal situation further this year as the resolution of creditor claims on the banks provides a boost to government revenue.

- The economy is already delivering higher tax revenue, as is clear from the 3.4% y/y rise in VAT receipts during the twelve months to October 2015. New business registrations increased by 11% in the twelve months to November, while corporate insolvencies declined by 24%. The unemployment rate meanwhile slipped to 4% (seasonally-adjusted) in November. Other positive indicators include a 21.8% rise in the total fish catch last year.

**Iceland: Inflation Rate**

*% change, year-on-year*  
 Source: Statistics Iceland

**Iceland: Background Information**

**Government:** Progressive Party led coalition  
**Next Election:** By June 2016 (presidential)  
**Capital City:** Reykjavic (GMT time)  
**Currency:** Icelandic Krona (capital controls)

**Nominal GDP:** \$17 bn (2014)  
**Population:** 0.3m (1st Jan. 2015)

**Economic Freedom:** 23rd out of 178 countries  
**Doing Business:** 19th out of 189 countries  
**Competitiveness:** 30th out of 144 countries  
**Corruption:** 12th out of 175 countries  
**Government Debt:** 86.4% of GDP  
**Corporate Tax Rate:** 20.0%

Sources: Deloitte, IFES Election Guide, Eurostat, FT, Heritage Foundation, MJE, Transparency International, World Bank and World Economic Forum.

**Interest Rate Forecasts**

**3-month Danish CIBOR Rate, %**

Rate on Survey Date: **-0.06**

	<u>2016</u>	<u>2017</u>
Mean Average	0.04	0.28
High	0.10	0.40
Low	0.00	0.15
Standard Deviation	0.05	0.18

**10 Year Danish Govt Bond Yield, %**

Rate on Survey Date: **0.83**

	<u>2016</u>	<u>2017</u>
Mean Average	1.16	1.77
High	1.43	2.23
Low	0.80	1.30
Standard Deviation	0.32	0.66

**3-month Euro Area EURIBOR Rate, %**

Rate on Survey Date: **-0.14**

	<u>2016</u>	<u>2017</u>
Mean Average	-0.08	0.25
High	0.10	1.20
Low	-0.25	-0.25
Standard Deviation	0.11	0.45

**10 Year Finnish Govt Bond Yield, %**

Rate on Survey Date: **0.71**

	<u>2016</u>	<u>2017</u>
Mean Average	1.37	2.22
High	1.52	2.67
Low	1.10	1.60
Standard Deviation	0.20	0.45

**3-month Norwegian NIBOR Rate, %**

Rate on Survey Date: **1.19**

	<u>2016</u>	<u>2017</u>
Mean Average	0.76	1.01
High	0.87	1.65
Low	0.67	0.70
Standard Deviation	0.09	0.44

**10 Year Norwegian Govt Bond Yield, %**

Rate on Survey Date: **1.37**

	<u>2016</u>	<u>2017</u>
Mean Average	1.59	2.44
High	1.75	2.80
Low	1.40	2.20
Standard Deviation	0.18	0.32

**3-month Swedish STIBOR Rate, %**

Rate on Survey Date: **0.21**

	<u>2016</u>	<u>2017</u>
Mean Average	0.01	0.90
High	0.40	1.50
Low	-0.26	0.20
Standard Deviation	0.34	0.66

**10 Year Swedish Govt Bond Yield, %**

Rate on Survey Date: **0.78**

	<u>2016</u>	<u>2017</u>
Mean Average	1.71	2.52
High	1.85	2.70
Low	1.41	2.30
Standard Deviation	0.18	0.17

**Oil Price Forecasts**

**Oil Prices, Brent Blend, US\$ per barrel**

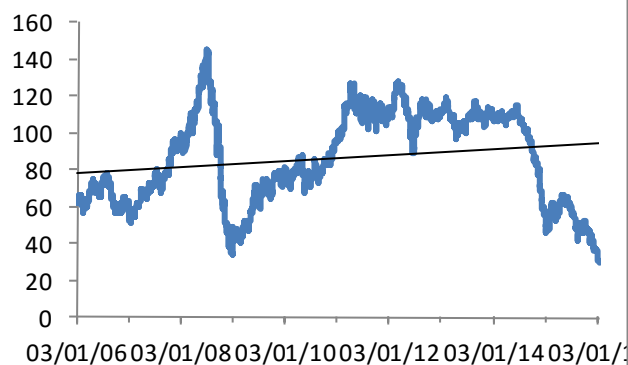
Price on Survey Date: **29.3**

	<u>2016</u>	<u>2017</u>
Mean Average	48.2	55.3
High	58.0	69.5
Low	36.7	43.9
Standard Deviation	6.8	9.2

Notes: The consensus (mean average) is based on responses from panellists in our Nordic Barometer survey and those in our companion publication, the Euro Zone Barometer. Forecasts are for end period.

**Oil Price Trend**

Brent Blend, US\$ per barrel  
Source: FT



**Exchange Rate Forecasts**

**Danish Krone/Euro Exchange Rate**

Rate on Survey Date: **7.463**

	<u>2016</u>	<u>2017</u>
Mean Average	7.465	7.469
High	7.500	7.500
Low	7.449	7.454
Standard Deviation	0.020	0.021

**US Dollar/Euro Exchange Rate**

Rate on Survey Date: **1.088**

	<u>2016</u>	<u>2017</u>
Mean Average	1.075	1.107
High	1.200	1.250
Low	0.900	0.950
Standard Deviation	0.064	0.076

**Norwegian Krone/Euro Exchange Rate**

Rate on Survey Date: **9.677**

	<u>2016</u>	<u>2017</u>
Mean Average	9.123	8.856
High	9.551	9.100
Low	8.800	8.500
Standard Deviation	0.280	0.249

**Swedish Krona/Euro Exchange Rate**

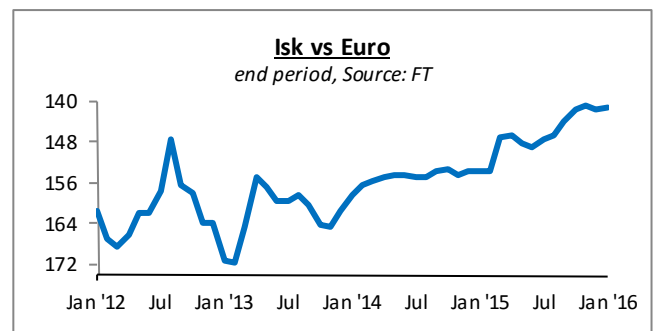
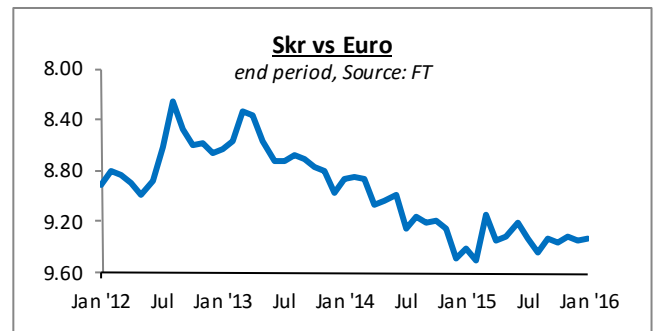
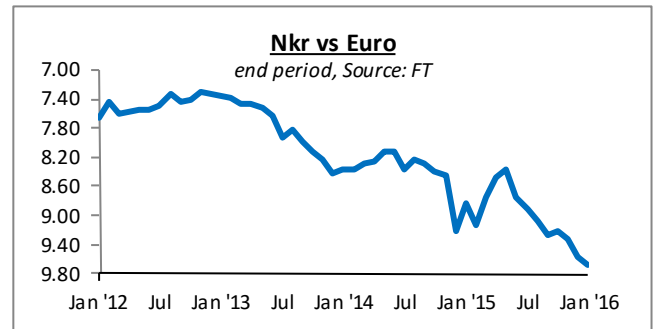
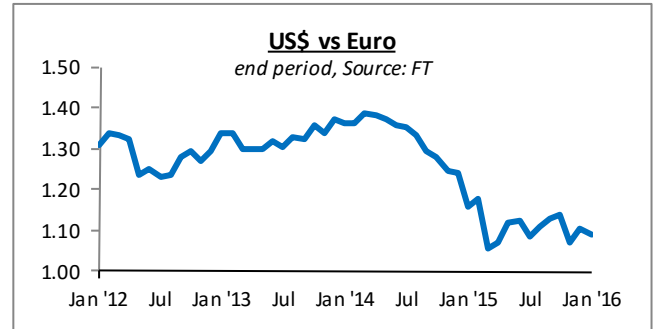
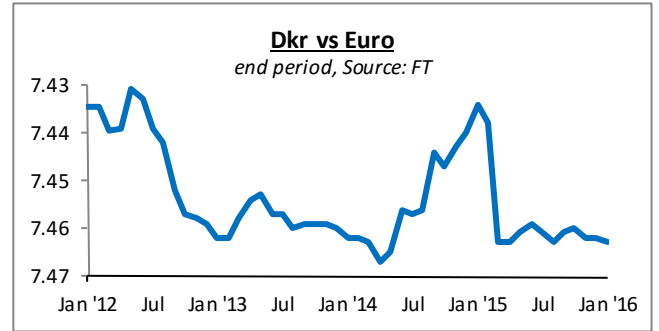
Rate on Survey Date: **9.341**

	<u>2016</u>	<u>2017</u>
Mean Average	9.203	9.096
High	9.650	9.600
Low	8.700	8.600
Standard Deviation	0.262	0.365

**Icelandic Krona/Euro Exchange Rate**

Rate on Survey Date: **141.4**

	<u>2016</u>	<u>2017</u>
Mean Average	140.2	139.4
High	141.6	141.4
Low	138.0	135.9
Standard Deviation	1.9	3.1



**The Nordic Barometer Monthly**  
**Qualitative Interest Rate Poll**

Share of respondents anticipating that between now and our next survey the **DANISH POLICY RATE** will:

<b>Remain UNCHANGED?</b>	<b>100%</b>
<b>INCREASE?</b>	<b>0%</b>
Likely increase?	na
<b>DECREASE?</b>	<b>0%</b>
Likely decrease?	na

Share of respondents anticipating that between now and our next survey the **DANISH LENDING RATE** will:

<b>Remain UNCHANGED?</b>	<b>100%</b>
<b>INCREASE?</b>	<b>0%</b>
Likely increase?	na
<b>DECREASE?</b>	<b>0%</b>
Likely decrease?	na

Share of respondents anticipating that between now and our next survey the **EURO AREA POLICY RATE** will:

<b>Remain UNCHANGED?</b>	<b>100%</b>
<b>INCREASE?</b>	<b>0%</b>
Likely increase?	na
<b>DECREASE?</b>	<b>0%</b>
Likely decrease?	na

Share of respondents anticipating that between now and our next survey the **NORWEGIAN POLICY RATE** will:

<b>Remain UNCHANGED?</b>	<b>50%</b>
<b>INCREASE?</b>	<b>0%</b>
Likely increase?	na
<b>DECREASE?</b>	<b>50%</b>
Likely decrease?	25bps

Share of respondents anticipating that between now and our next survey the **SWEDISH POLICY RATE** will:

<b>Remain UNCHANGED?</b>	<b>100%</b>
<b>INCREASE?</b>	<b>0%</b>
Likely increase?	na
<b>DECREASE?</b>	<b>0%</b>
Likely decrease?	na

**Central Bank Watch**

- This week’s policy meeting at the ECB is not expected to deliver a reduction in the repo rate, although it could see the governing board following recent convention by perhaps lowering the deposit rate further into negative territory. There is speculation too the ECB’s QE programme might be extended to keep downward pressure on the euro in an attempt to deter deflation and ensure the euro zone continues to grow.
- Other than that Norges Bank is the more likely of the central banks to pursue extra monetary stimulus - similarly to lower the krone and shield the economy from the ravages of the oil sector investment cuts causing problems for suppliers.

**The Most Recent Interest Rate Changes**

**Denmark: Danmarks Nationalbank**  
January 7th, 2016

An increase in the certificates of deposit rate from -0.75% to -0.65%, the discount rate and current-account rate left unchanged at 0.00%, and the lending rate unchanged at 0.05%.

**Finland: European Central Bank**  
December 9th, 2015

A reduction in the deposit rate from -0.20% to -0.30%, and the repo rate left unchanged at 0.05%.

**Norway: Norges Bank**  
September 24th, 2015

A reduction in the sight deposit rate from 1.00% to 0.75%.

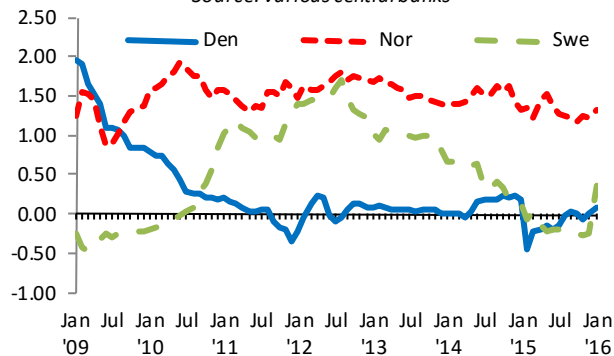
**Sweden: Sveriges Riksbank**  
July 1st, 2015

A reduction in the repo rate from -0.25% to -0.35%.

**Short Term Interest Rate Spreads vs Euro**

three month interbank rates, % p.a.

Source: various central banks



**Long Term Forecasts**

Forecasts for 2018 to 2020 are taken from our January 2016 special long term forecasts survey.

**Denmark***(% change year-on-year, unless otherwise stated)*

	2015	2016	2017	2018	2019	2020
<b>Gross Domestic Product</b>	1.3	1.6	1.8	1.8	1.7	1.7
<b>Private Consumption</b>	2.2	1.9	1.9	1.8	1.7	1.9
<b>Gross Fixed Investment</b>	0.6	3.0	3.2	2.9	2.9	2.8
<b>Unemployment Rate</b> (% of labour force)	4.7	4.3	4.1	4.9	4.9	4.9
<b>Consumer Prices</b>	0.5	1.1	1.6	1.8	1.9	1.9
<b>Current Account</b> (annual total, Dkr bn)	140.3	132.3	129.1	107.6	104.7	100.0
<b>Current Account</b> (% of GDP)	7.3	6.8	6.5	6.2	6.0	5.7
<i>(end period)</i>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>3 Month Interest Rate</b> , % per annum	-0.09	0.04	0.28	0.75	0.90	1.30
<b>10 Year Bond Yield</b> , % per annum	0.94	1.16	1.77	2.00	2.40	2.50
<b>Yield Differential</b>	1.03	1.12	1.49	1.25	1.50	1.20
<b>Dkr per Euro Exchange Rate</b>	7.462	7.465	7.469	7.471	7.471	7.457

**Finland***(% change year-on-year, unless otherwise stated)*

	2015	2016	2017	2018	2019	2020
<b>Gross Domestic Product</b>	0.0	0.7	1.3	1.7	1.7	1.9
<b>Private Consumption</b>	0.9	0.5	0.8	1.1	1.2	1.6
<b>Gross Fixed Investment</b>	-2.3	1.8	3.1	2.7	2.5	2.4
<b>Industrial Production</b>	-1.5	1.4	2.0	2.4	2.6	2.8
<b>Unemployment Rate</b> (% of labour force)	9.4	9.5	9.3	8.8	8.4	7.7
<b>Consumer Prices</b>	-0.2	0.7	1.2	1.6	1.7	1.8
<b>Current Account</b> (annual total, Euros bn)	-0.3	0.2	0.3	1.1	1.8	1.4
<b>Current Account</b> (% of GDP)	-0.3	-0.2	-0.1	0.5	0.8	0.6
<i>(end period)</i>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>3 Month Interest Rate</b> , % per annum	-0.13	-0.08	0.25	1.10	1.54	2.04
<b>10 Year Bond Yield</b> , % per annum	0.83	1.37	2.22	2.93	3.33	3.47
<b>Yield Differential</b>	0.96	1.45	1.97	1.83	1.79	1.43
<b>US\$ per Euro Exchange Rate</b>	1.091	1.075	1.107	1.143	1.195	1.226

**Norway***(% change year-on-year, unless otherwise stated)*

	2015	2016	2017	2018	2019	2020
<b>Gross Domestic Product, total</b>	1.3	1.3	1.6	1.9	1.9	2.0
<b>Private Consumption</b>	2.3	1.6	2.3	2.6	2.4	2.2
<b>Gross Fixed Investment</b>	-3.0	-0.4	1.6	2.5	3.0	3.2
<b>Industrial Production</b>	1.0	0.0	0.9	1.2	1.5	1.5
<b>Unemployment Rate</b> (% of labour force)	4.4	4.8	4.8	4.6	4.6	4.0
<b>Consumer Prices</b>	2.2	2.5	2.0	1.9	2.0	2.3
<b>Current Account</b> (annual total, Nkr bn)	240.7	207.2	244.8	267.5	263.8	282.3
<b>Current Account</b> (% of GDP)	7.6	7.0	7.6	8.2	8.1	8.1
<i>(end period)</i>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>3 Month Interest Rate</b> , % per annum	1.13	0.76	1.01	1.38	2.08	2.90
<b>10 Year Bond Yield</b> , % per annum	1.48	1.59	2.44	2.55	3.35	3.65
<b>Yield Differential</b>	0.35	0.83	1.43	1.17	1.28	0.75
<b>Nkr per Euro Exchange Rate</b>	9.631	9.123	8.856	8.691	8.522	8.292

**Sweden***(% change year-on-year, unless otherwise stated)*

	2015	2016	2017	2018	2019	2020
<b>Gross Domestic Product</b>	3.3	3.1	2.6	2.2	2.1	2.0
<b>Private Consumption</b>	2.3	2.6	2.4	2.2	2.0	2.0
<b>Gross Fixed Investment</b>	6.3	4.6	3.9	3.1	2.6	2.6
<b>Industrial Production</b>	2.2	2.9	3.1	2.8	2.3	2.4
<b>Unemployment Rate</b> (% of labour force)	7.4	7.0	6.9	6.4	6.4	6.5
<b>Consumer Prices</b>	0.0	1.1	1.9	2.7	2.5	2.2
<b>Current Account</b> (annual total, Skr bn)	256.6	266.7	260.2	243.0	246.5	252.3
<b>Current Account</b> (% of GDP)	6.4	6.2	6.1	5.8	5.7	5.6
<i>(end period)</i>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>3 Month Interest Rate</b> , % per annum	-0.29	0.01	0.90	1.43	1.87	2.50
<b>10 Year Bond Yield</b> , % per annum	0.99	1.71	2.52	3.10	3.77	4.00
<b>Yield Differential</b>	1.29	1.70	1.62	1.67	1.90	1.50
<b>Skr per Euro Exchange Rate</b>	9.197	9.203	9.096	8.954	8.800	8.734

Note: forecasts = consensus (mean average).



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