

# Nordic Barometer© - March 2013

**\*\*\*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.\*\*\***

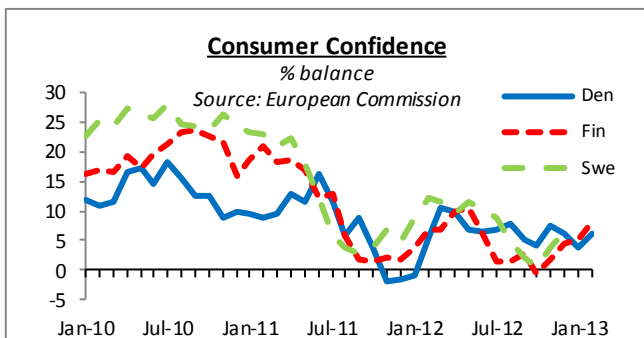
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**Survey Deadline: March 11th, 2013**

## Recent Developments

- **Growth prospects** across the Nordic region have remained largely unchanged this month with forecasting experts having already discounted the bad news witnessed toward the end of last year into their projections for 2013/14.
- **Danish forecasters**, while cautious about developments this year, are **more upbeat** with regard to prospects for **2014**, driven perhaps by the government's new medium-term growth and jobs agenda, which will see Danish corporate income tax reduced by one percentage point a year from 2014 to 2016, lowering it from 25% to 22%.
- Elsewhere, the **outlook for Finland, Norway and Sweden is mostly unchanged**. Forecasters in Finland have again lowered their expectations concerning export growth, Norwegians are a little less optimistic about private consumption (this year at least) and Sweden's experts have toned down their gross fixed investment expectations for 2014.
- Our forecasters also expect the **Norwegian krone** to remain strong this year, appreciating slightly further against the euro.



**Next Month's Survey Deadline:**  
**April 8th, 2013**

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### Calculated Regional Aggregates

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

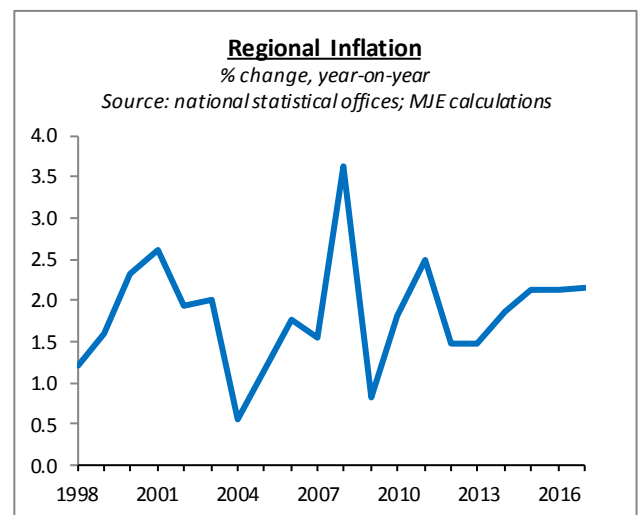
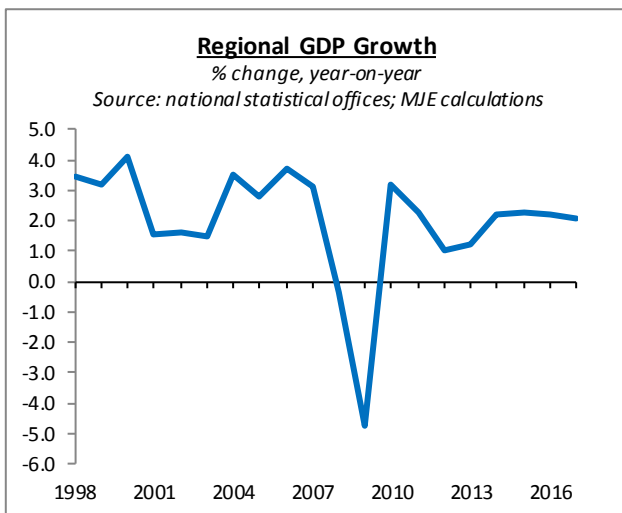
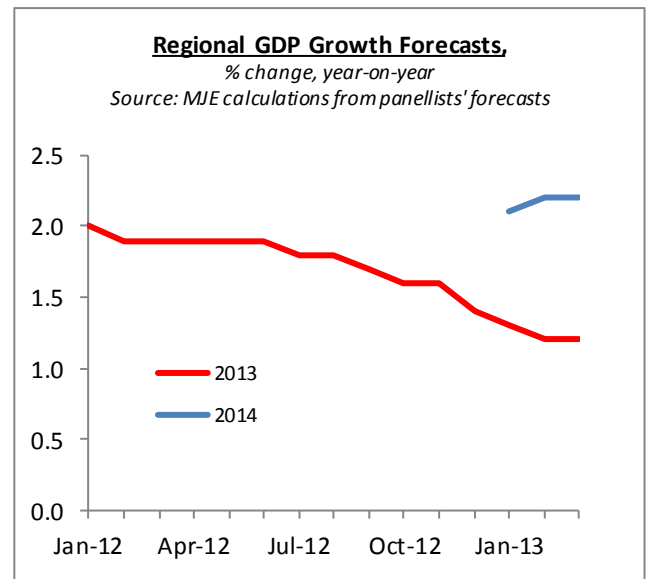
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013f</u>	<u>2014f</u>
<b>Gross Domestic Product</b>	3.2	2.3	1.1	1.2	2.2
<b>Private Consumption</b>	3.3	1.7	1.8	1.7	2.2
<b>Government Consumption</b>	1.1	0.6	1.1	1.2	1.2
<b>Gross Fixed Investment</b>	-0.2	6.1	3.3	2.2	3.4
<b>Unemployment Rate (% of labour force)</b>	6.5	6.0	6.1	6.3	6.1
<b>Consumer Price Inflation</b>	1.8	2.5	1.5	1.5	1.9
<b>General Government Balance (% GDP)</b>	2.4	3.6	3.0	3.5	3.7

Notes: Regional totals are weighted averages calculated from the individual country data, using fixed GDP weights for 2010 and converted to euros at average 2010 exchange rates. f = consensus (mean average) forecast.

#### Cautious optimism prevails

- The region's growth outlook is, broadly speaking, unchanged since last month. Much depends on how the euro zone crisis develops of course, which has implications for trade in particular. However, this month's unchanged GDP growth calculations still predict a moderate incline through to next year. Still, with economic growth remaining weak across parts of the Nordic area, the labour market outlook remains grim and the region is expected to see an average 6.3% unemployment rate this year - better than the euro zone, perhaps, but worse than projected last month.

- Forecasts for 2014 remain tentative at this stage – a small downward revision to investment being the most notable feature thus far.



### Quarterly Forecasts and Historical Data

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

<b>Denmark</b>	<b>Q1'12</b>	<b>Q2'12</b>	<b>Q3'12</b>	<b>Q4'12</b>	<b>Q1'13</b>	<b>Q2'13</b>
Gross Domestic Product	0.1	-1.3	0.0	-1.0	-0.4	0.7
Consumer Prices	2.8	2.2	2.5	2.2	1.5	1.6
3 month Interest Rate, % per annum, end period	0.98	0.58	0.34	0.28	0.36	0.42
10 Year Bond Yield, % per annum, end period	1.81	1.46	1.49	1.38	1.65	1.77
	<b>Q3'13</b>	<b>Q4'13</b>	<b>Q1'14</b>	<b>Q2'14</b>	<b>Q3'14</b>	<b>Q4'14</b>
Gross Domestic Product	0.7	1.3	1.5	1.7	1.9	2.0
Consumer Prices	1.8	1.9	1.9	1.9	1.8	1.7
3 month Interest Rate, % per annum, end period	0.47	0.46	0.55	0.58	0.62	0.67
10 Year Bond Yield, % per annum, end period	1.83	1.79	1.92	2.06	2.09	2.11
	<b>Q1'12</b>	<b>Q2'12</b>	<b>Q3'12</b>	<b>Q4'12</b>	<b>Q1'13</b>	<b>Q2'13</b>
<b>Finland</b>						
Gross Domestic Product	1.8	-0.3	-1.2	-1.5	-1.5	-0.3
Industrial Production	-2.6	-2.4	-1.1	-0.3	1.4	0.7
Consumer Prices	3.1	3.0	2.8	2.4	2.5	2.3
3 month Interest Rate, % per annum, end period	0.78	0.65	0.22	0.19	0.24	0.28
10 Year Bond Yield, % per annum, end period	2.29	1.93	1.76	1.51	1.76	1.85
	<b>Q3'13</b>	<b>Q4'13</b>	<b>Q1'14</b>	<b>Q2'14</b>	<b>Q3'14</b>	<b>Q4'14</b>
Gross Domestic Product	0.8	2.0	2.0	1.5	1.6	1.6
Industrial Production	0.7	1.1	2.6	2.5	2.9	3.1
Consumer Prices	2.3	2.2	2.3	2.1	2.1	2.0
3 month Interest Rate, % per annum, end period	0.32	0.35	0.44	0.54	0.65	0.78
10 Year Bond Yield, % per annum, end period	1.94	2.06	2.05	2.10	2.22	2.35
	<b>Q1'12</b>	<b>Q2'12</b>	<b>Q3'12</b>	<b>Q4'12</b>	<b>Q1'13</b>	<b>Q2'13</b>
<b>Norway</b>						
Gross Domestic Product	4.5	4.7	1.5	2.1	1.3	1.2
Industrial Production	2.8	9.1	-0.4	-1.2	-1.9	-3.6
Consumer Prices	0.8	0.4	0.4	1.2	1.2	1.6
3 month Interest Rate, % per annum, end period	2.28	2.30	1.97	1.83	1.87	1.87
10 Year Bond Yield, % per annum, end period	2.44	2.08	2.14	2.14	2.41	2.38
	<b>Q3'13</b>	<b>Q4'13</b>	<b>Q1'14</b>	<b>Q2'14</b>	<b>Q3'14</b>	<b>Q4'14</b>
Gross Domestic Product	2.3	2.5	2.6	2.6	2.8	2.8
Industrial Production	1.3	2.2	1.4	0.2	0.1	0.3
Consumer Prices	2.2	1.9	1.8	2.0	2.0	2.1
3 month Interest Rate, % per annum, end period	1.89	1.93	2.03	2.22	2.40	2.53
10 Year Bond Yield, % per annum, end period	2.44	2.51	2.56	2.71	2.80	2.98
	<b>Q1'12</b>	<b>Q2'12</b>	<b>Q3'12</b>	<b>Q4'12</b>	<b>Q1'13</b>	<b>Q2'13</b>
<b>Sweden</b>						
Gross Domestic Product	1.6	1.0	0.3	0.5	1.5	1.0
Industrial Production	-4.0	-3.0	-1.6	-3.8	-1.7	-0.6
Consumer Prices	1.8	1.1	0.6	0.1	0.1	0.2
3 month Interest Rate, % per annum, end period	2.27	2.14	1.59	1.29	1.23	1.27
10 Year Bond Yield, % per annum, end period	1.98	1.60	1.47	1.53	1.98	2.03
	<b>Q3'13</b>	<b>Q4'13</b>	<b>Q1'14</b>	<b>Q2'14</b>	<b>Q3'14</b>	<b>Q4'14</b>
Gross Domestic Product	1.2	2.0	2.3	2.5	2.7	2.8
Industrial Production	0.0	2.6	4.0	3.9	3.9	3.7
Consumer Prices	0.7	1.2	1.5	1.8	2.0	2.1
3 month Interest Rate, % per annum, end period	1.26	1.37	1.48	1.69	1.91	2.03
10 Year Bond Yield, % per annum, end period	2.31	2.14	2.34	2.52	2.68	2.74

## Denmark: 2013 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	0.7	1.3	0.6	2.1	0.0	1.6	2.9	na
Econ Intelligence Unit	0.8	0.6	0.1	0.4	0.2	1.7	1.7	0.1
Moody's Analytics	0.6	0.6	-0.4	3.5	na	2.2	3.2	na
Morgan Stanley	1.0	1.3	0.9	2.1	0.4	1.4	3.0	-0.7
Nordea	1.5	1.4	0.7	4.7	0.0	2.1	3.0	na
Oxford Economics	0.0	0.4	1.8	1.3	-0.3	-0.1	1.2	-0.6
SEB	0.7	0.0	0.8	0.8	0.1	1.9	1.8	na
<b>Consensus (Mean Average)</b>	<b>0.8</b>	<b>0.8</b>	<b>0.6</b>	<b>2.1</b>	<b>0.1</b>	<b>1.5</b>	<b>2.4</b>	<b>-0.4</b>
Last Month	0.8	0.8	0.6	2.1	0.1	1.9	2.7	-0.5
2 Months Ago	0.7	0.7	0.7	1.8	0.2	1.9	2.6	-0.3
Median	0.7	0.6	0.7	2.1	0.1	1.7	2.9	-0.6
High	1.5	1.4	1.8	4.7	0.4	2.2	3.2	0.1
Low	0.0	0.0	-0.4	0.4	-0.3	-0.1	1.2	-0.7
Standard Deviation	0.5	0.5	0.7	1.5	0.2	0.8	0.8	0.4
Number of Forecasts	7	7	7	7	6	7	7	3
<b>Other Forecasts</b>								
Econ Council (Nov. '12)	1.6	1.8	1.1	4.6	0.4	2.0	4.3	na
Finance Ministry (Dec. '12)	na	na	na	na	na	na	na	na
Nationalbank (Dec. '12)	1.3	1.2	1.2	na	na	2.7	2.9	na
EC (Nov. '12)	1.6	2.2	1.4	6.2	0.1	3.8	6.1	-1.0
IMF (Oct. '12)	1.2	na	na	na	na	na	na	na
OECD (Nov. '12)	1.4	1.6	0.9	2.7	0.0	4.0	4.3	0.0

- While Denmark has retained its triple-A credit ratings, keeping its borrowing costs to a minimum and providing a sign of investor confidence in its comparatively favourable fiscal metrics, the economy ended 2012 on a sour note. Real GDP contracted by 1% in Q4 2012 (unadjusted for seasonal variation) and by 0.6% for the year as a whole.
- The combination of a bursting of Denmark's property market bubble affecting construction and consumer spending, in combination with weakened export markets, has prompted the government to lower corporate tax and other business costs as a means to stimulate the economy while spending cuts are pursued.

### Denmark: Background Information

<b>Government:</b>	Social Democrat led coalition
<b>Next Election:</b>	By September 2015 (parliamentary)
<b>Capital City:</b>	Copenhagen (GMT +1 hour)
<b>Currency:</b>	kroner (pegged to the euro)
<b>Nominal GDP:</b>	Dkr 1789.1bn
<b>Population:</b>	5.47m
<b>Economic Freedom:</b>	11th out of 179 countries
<b>Doing Business:</b>	5th out of 185 countries
<b>Competitiveness:</b>	12th out of 144 countries
<b>Corruption:</b>	2nd out of 182 countries
<b>Total Bank Claims:</b>	79.3% of GDP
<b>Corporate Tax Rate:</b>	25.0%

*Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum & national statistical office.*

## Denmark: 2013 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	6.5	1.5	na	na	4.8	0.3
Econ Intelligence Unit	6.0	2.1	na	na	6.0	-2.1
Moody's Analytics	na	2.5	na	na	na	-2.9
Morgan Stanley	na	1.9	na	na	5.1	-2.6
Nordea	6.5	1.7	1.8	90.0	4.8	-1.9
Oxford Economics	6.4	1.7	2.4	74.8	4.1	-3.9
SEB	na	1.5	1.5	na	6.0	-2.0
<b>Consensus (Mean Average)</b>	<b>6.4</b>	<b>1.8</b>	<b>1.9</b>	<b>82.4</b>	<b>5.1</b>	<b>-2.2</b>
Last Month	6.3	1.8	1.8	95.0	5.6	-2.2
2 Months Ago	6.4	1.7	1.8	96.0	5.5	-2.5
Median	6.5	1.7	1.8	82.4	5.0	-2.1
High	6.5	2.5	2.4	90.0	6.0	0.3
Low	6.0	1.5	1.5	74.8	4.1	-3.9
Standard Deviation	0.2	0.4	0.5	10.7	0.7	1.3
Number of Forecasts	4	7	3	2	6	7
<b>Other Forecasts</b>						
Econ Council (Nov. '12)	na	na	na	65.2	3.5	-2.0
Finance Ministry (Dec. '12)	na	na	na	na	na	-2.5
Nationalbank (Dec. '12)	na	na	na	na	4.8	-2.8
EC (Nov. '12)	na	na	na	na	4.6	-2.0
IMF (Oct. '12)	na	2.0	na	na	4.6	na
OECD (Nov. '12)	na	1.8	na	na	5.3	-2.1

<b>Denmark: Historical Data (% change, year-on-year)</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Gross Domestic Product	-0.8	-5.7	1.6	1.1	-0.6
Private Consumption	-0.3	-3.6	1.7	-0.5	0.5
Government Consumption	1.9	2.1	0.4	-1.5	0.5
Gross Fixed Investment	-4.1	-15.9	-2.4	2.8	1.2
Inventory Building (% contribution)	-0.2	-1.8	0.7	0.3	-0.4
Goods & Services Exports	3.3	-9.5	3.0	6.5	1.1
Goods & Services Imports	3.3	-12.3	3.2	5.6	2.7
Net Exports (% contribution)	0.1	1.2	0.0	0.7	-0.7
Unemployment Rate (% of labour force)	2.7	4.9	6.1	6.0	6.1
Consumer Prices	3.4	1.3	2.3	2.8	2.4
Average Earnings (private sector)	4.4	3.1	2.3	1.8	1.6
Current Account Balance (Dkr bn)	50.5	56.5	103.6	101.2	95.4
- as a % of GDP	2.9	3.4	5.9	5.6	5.3
General Govt Budget Balance (% of GDP)	3.2	-2.7	-2.5	-1.8	-3.8

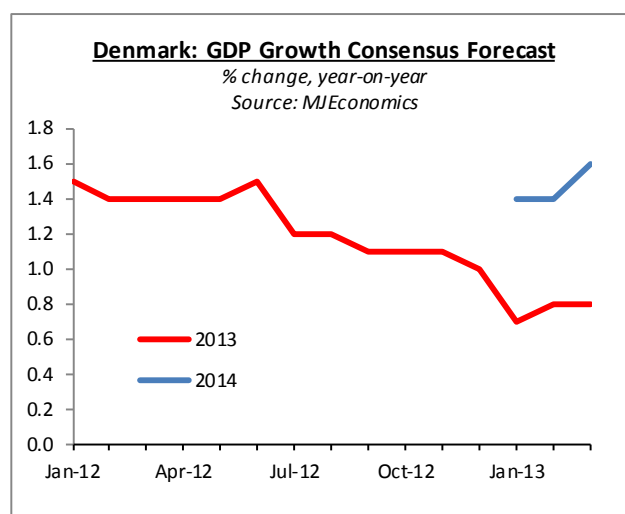
*Source: Eurostat, Statistics Denmark*

## Denmark: 2014 Forecasts

<b>National Accounts (constant prices)</b> <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
<b>Panellists</b>								
Danske Bank	1.6	1.2	0.8	-1.5	0.0	3.6	2.0	na
Econ Intelligence Unit	1.4	1.4	0.3	2.9	0.2	2.3	2.7	-0.1
Moody's Analytics	1.0	2.1	-1.4	3.4	na	2.9	3.8	na
Morgan Stanley	1.6	1.2	0.9	0.6	0.3	3.2	2.8	0.3
Nordea	1.7	1.8	0.8	2.1	0.0	3.1	3.3	na
Oxford Economics	1.9	1.7	1.6	4.3	0.3	4.4	5.7	-0.5
SEB	1.7	1.5	0.6	3.4	0.0	3.3	3.3	na
<b>Consensus (Mean Average)</b>	<b>1.6</b>	<b>1.6</b>	<b>0.5</b>	<b>2.2</b>	<b>0.1</b>	<b>3.3</b>	<b>3.4</b>	<b>-0.1</b>
Last Month	1.4	1.4	0.7	2.2	0.2	3.0	3.3	-0.4
2 Months Ago	1.4	1.2	1.0	2.0	0.2	3.0	3.2	-1.0
Median	1.6	1.5	0.8	2.9	0.1	3.2	3.3	-0.1
High	1.9	2.1	1.6	4.3	0.3	4.4	5.7	0.3
Low	1.0	1.2	-1.4	-1.5	0.0	2.3	2.0	-0.5
Standard Deviation	0.3	0.3	0.9	2.0	0.2	0.6	1.2	na
Number of Forecasts	7.0	7.0	7.0	7.0	6.0	7.0	7.0	3.0
<b>Other Forecasts</b>								
Econ Council (Nov. '12)	<b>1.8</b>	<b>2.5</b>	<b>0.8</b>	<b>1.4</b>	<b>0.1</b>	<b>2.8</b>	<b>3.2</b>	<b>na</b>
Finance Ministry (Dec. '12)	na	na	na	na	na	na	na	na
Nationalbank (Dec. '12)	1.8	1.8	0.8	na	na	3.6	3.8	na
EC (Nov. '12)	1.3	1.6	0.8	2.5	0.0	4.0	4.7	-0.2
IMF (Oct. '12)	na	na	na	na	na	na	na	na
OECD (Nov. '12)	1.7	2.0	0.7	3.9	0.0	5.5	6.3	-0.2

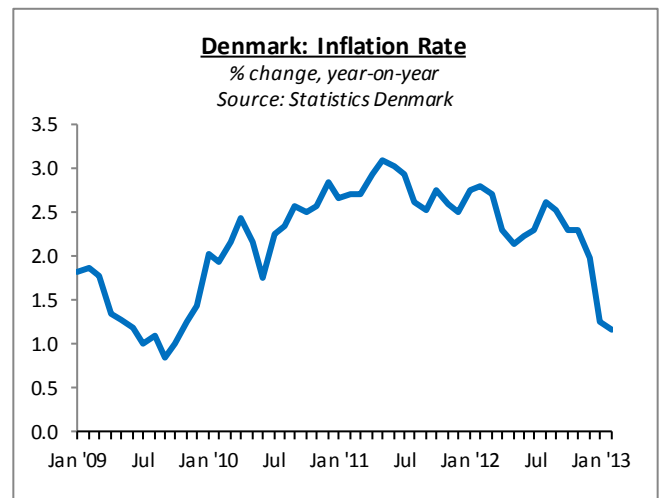
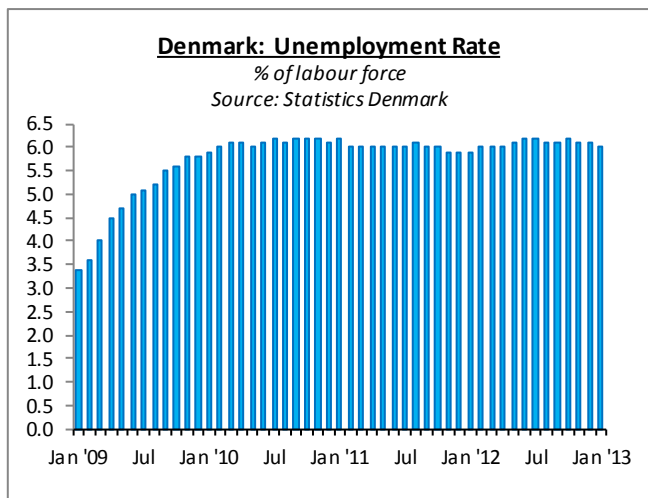
- Confidence indicators are painting a mixed picture for economic prospects. Whereas the hard-pressed construction industry, mired in recession, is far from optimistic, consumer confidence rebounded in February after its post-Christmas slump, and industrial confidence remained slightly positive despite waning a touch.

- However, it remains to be seen if the government's growth and employment programme makes any difference, as it relies on tax cuts and increased spending to reach the 2020 growth and employment goals. Private sector activity will need to step up to counteract a shrinking public sector. The slight drop in the unemployment rate (to 6% in January) is a welcome development.



### Denmark: 2014 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	6.5	1.7	na	na	4.9	-1.8
Econ Intelligence Unit	5.8	2.3	na	na	5.4	-1.4
Moody's Analytics	na	2.3	na	na	na	na
Morgan Stanley	na	1.7	na	na	5.2	-2.7
Nordea	6.3	1.9	2.1	80.0	4.1	-0.5
Oxford Economics	6.4	1.8	2.9	74.5	3.9	-3.3
SEB	na	1.3	1.5	na	6.0	-1.0
<b>Consensus (Mean Average)</b>	<b>6.3</b>	<b>1.9</b>	<b>2.2</b>	<b>77.3</b>	<b>4.9</b>	<b>-1.8</b>
Last Month	6.2	1.9	2.3	92.2	5.3	-1.8
2 Months Ago	6.3	1.8	2.5	97.1	5.2	-1.9
Median	6.4	1.8	2.1	77.3	5.1	-1.6
High	6.5	2.3	2.9	80.0	6.0	-0.5
Low	5.8	1.3	1.5	74.5	3.9	-3.3
Standard Deviation	0.3	0.4	0.7	3.9	0.8	1.1
Number of Forecasts	4.0	7.0	3.0	2.0	6.0	6.0
<b>Other Forecasts</b>						
Econ Council (Nov. '12)	<b>na</b>	<b>na</b>	<b>na</b>	<b>56.8</b>	<b>2.9</b>	<b>-1.4</b>
Finance Ministry (Dec. '12)	na	na	na	na	na	-2.8
Nationalbank (Dec. '12)	na	na	na	na	4.8	-2.8
EC (Nov. '12)	na	na	na	na	4.2	-1.7
IMF (Oct. '12)	na	na	na	na	na	na
OECD (Nov. '12)	na	2.0	na	na	4.9	-1.7



## Finland: 2013 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	0.0	0.5	0.5	0.0	na	1.0	1.5	na
BNP Paribas	1.0	0.7	0.5	-1.0	0.0	2.5	2.0	na
DZ Bank	-0.3	0.6	0.6	1.8	na	1.6	1.9	na
Econ Intelligence Unit	0.0	0.8	-0.2	-2.0	-0.2	-0.5	-0.9	0.1
ETLA	1.0	0.6	0.5	-1.3	0.1	2.7	1.3	0.7
Handelsbanken	1.7	1.4	0.5	2.0	na	5.1	4.0	na
IHS Global Insight	0.3	0.6	0.4	-1.3	na	1.4	1.2	na
Moody's Analytics	0.7	1.6	0.4	3.5	na	0.7	-1.1	na
Nordea	1.0	1.4	0.5	-2.3	0.1	0.9	0.0	0.4
Nykredit	0.1	0.9	-0.3	-1.9	0.5	-1.3	0.3	-0.7
Oxford Economics	-0.2	1.1	-0.1	-2.7	-0.1	-0.4	0.0	-0.2
Sampo Bank (Danske Bank)	0.5	0.8	0.0	-1.0	na	1.5	1.0	na
SEB	0.4	0.8	0.0	1.8	0.0	2.8	4.0	na
<b>Consensus (Mean Average)</b>	<b>0.5</b>	<b>0.9</b>	<b>0.3</b>	<b>-0.3</b>	<b>0.1</b>	<b>1.4</b>	<b>1.2</b>	<b>0.1</b>
Last Month	0.6	0.9	0.4	0.0	-0.1	1.9	1.1	0.6
2 Months Ago	0.6	0.8	0.4	-0.3	-0.1	2.0	1.5	0.5
Median	0.4	0.8	0.4	-1.0	0.0	1.4	1.2	0.1
High	1.7	1.6	0.6	3.5	0.5	5.1	4.0	0.7
Low	-0.3	0.5	-0.3	-2.7	-0.2	-1.3	-1.1	-0.7
Standard Deviation	0.6	0.4	0.3	2.0	0.2	1.7	1.6	0.5
Number of Forecasts	13	13	13	13	7	13	13	5
<b>Other Forecasts</b>								
Bank of Finland (Dec. '12)	0.4	-0.1	1.0	na	na	1.3	1.0	0.1
Finance Ministry (Dec. '12)	0.5	0.6	0.6	-2.8	na	1.1	0.5	na
EC (Nov. '12)	0.8	0.4	0.5	-0.1	0.5	0.7	0.3	0.2
IMF (Oct. '12)	1.3	na	na	na	na	na	na	na
OECD (Nov. '12)	1.1	0.4	1.0	0.9	0.2	3.3	2.7	0.2

- Finland may have avoided a technical recession after its GDP was revised to show a small increase in Q3, but Q4 was particularly depressing with a real and seasonally adjusted contraction of 0.5% q/q. The economy also shrank by 0.2% over the whole of 2012, following two years of growth, weakened by a slump in export trade outweighing the expansion of private consumption.

- The economic downturn worsened Finland's otherwise favourable fiscal position, causing the government's deficit to widen from 0.8% of GDP in 2011 to 1.9% in 2012. The rise in debt from 49% of GDP to 53% over the same period is not critical, but will encourage cautious budgeting.

### Finland: Background Information

<b>Government:</b>	National Coalition Party led coalition
<b>Next Election:</b>	By April 2015 (parliamentary)
<b>Capital City:</b>	Helsinki (GMT +2 hours)
<b>Currency:</b>	Euro (free float)
<b>Nominal GDP:</b>	Eur 191.6bn
<b>Population:</b>	5.33m
<b>Economic Freedom:</b>	17th out of 179 countries
<b>Doing Business:</b>	11th out of 185 countries
<b>Competitiveness:</b>	3rd out of 144 countries
<b>Corruption:</b>	2nd out of 182 countries
<b>Total Bank Claims:</b>	43.2% of GDP
<b>Corporate Tax Rate:</b>	26.0%

*Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum & national statistical office.*



## Finland: 2013 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	8.2	2.6	na	2.7	na	-1.5	-1.1
BNP Paribas	2.0	8.0	2.8	na	na	-2.9	-1.6	-1.2
DZ Bank	na	na	2.7	na	na	na	-0.3	-1.2
Econ Intelligence Unit	-1.4	8.3	2.4	1.9	na	-3.0	-1.5	-1.1
ETLA	0.4	7.9	2.9	1.5	2.9	-0.8	-0.4	-0.9
Handelsbanken	na	8.0	2.6	na	na	na	na	-0.5
IHS Global Insight	1.6	8.1	2.4	na	na	-0.4	-0.2	-1.7
Moody's Analytics	5.7	7.6	2.1	1.8	na	0.7	0.3	-0.2
Nordea	na	8.2	2.6	na	3.0	0.2	0.1	-0.7
Nykredit	na	8.3	2.3	na	na	na	-0.2	-1.6
Oxford Economics	-0.3	7.8	1.7	1.6	1.9	-0.8	-0.4	-0.3
Sampo Bank (Danske Bank)	0.2	8.2	2.5	na	2.7	-2.0	-1.0	-0.7
SEB	na	8.2	2.3	na	3.0	na	-1.2	-1.0
<b>Consensus (Mean Average)</b>	<b>1.2</b>	<b>8.1</b>	<b>2.5</b>	<b>1.7</b>	<b>2.7</b>	<b>-1.1</b>	<b>-0.7</b>	<b>-0.9</b>
Last Month	1.6	8.0	2.6	1.8	2.7	-0.9	-0.6	-0.8
2 Months Ago	1.0	8.1	2.6	1.9	2.9	-1.1	-0.7	-1.0
Median	0.4	8.2	2.5	1.7	2.8	-0.8	-0.4	-1.0
High	5.7	8.3	2.9	1.9	3.0	0.7	0.3	-0.2
Low	-1.4	7.6	1.7	1.5	1.9	-3.0	-1.6	-1.7
Standard Deviation	2.3	0.2	0.3	0.2	0.4	1.4	0.7	0.5
Number of Forecasts	7	12	13	4	6	8	12	13
<b>Other Forecasts</b>								
Bank of Finland (Dec. '12)	na	8.4	2.3	na	2.5	-2.5	-1.3	-1.0
Finance Ministry (Dec. '12)	na	8.1	2.2	na	2.4	-2.4	-1.2	-1.5
EC (Nov. '12)	na	8.1	na	na	na	na	-1.6	-1.2
IMF (Oct. '12)	na	7.8	2.3	na	na	na	-1.7	na
OECD (Nov. '12)	na	8.0	na	na	na	na	-1.2	-1.0

<b>Finland: Historical Data (% change year-on-year)</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Gross Domestic Product	0.3	-8.7	3.5	2.8	-0.2
Private Consumption	1.9	-2.9	3.3	2.3	1.6
Government Consumption	1.9	1.1	-0.3	0.4	0.8
Gross Fixed Investment	-0.6	-13.2	1.9	7.1	-2.9
Inventory Building (% contribution)	-0.7	-2.7	1.0	2.5	-3.2
Goods & Services Exports	5.8	-21.3	7.5	2.9	-1.4
Goods & Services Imports	7.5	-17.2	6.9	6.1	-3.7
Net Exports (% contribution)	-0.1	-3.8	0.7	-1.1	0.9
Industrial Production	0.6	-18.1	5.0	2.2	-1.6
Unemployment Rate (% of labour force)	6.5	8.2	8.4	7.8	7.7
Consumer Prices	4.1	0.0	1.2	3.4	2.8
Producer Prices	4.3	-6.9	5.2	5.6	1.3
Wages and Salaries (private sector)	5.5	4.0	2.6	2.5	3.5
Current Account Balance (Euros bn)	4.5	3.0	2.7	-3.1	-3.3
- as a % of GDP	2.4	1.8	1.5	-1.6	-1.2
General Govt Budget Balance (% of GDP)	4.4	-2.5	-2.5	-0.8	-1.9

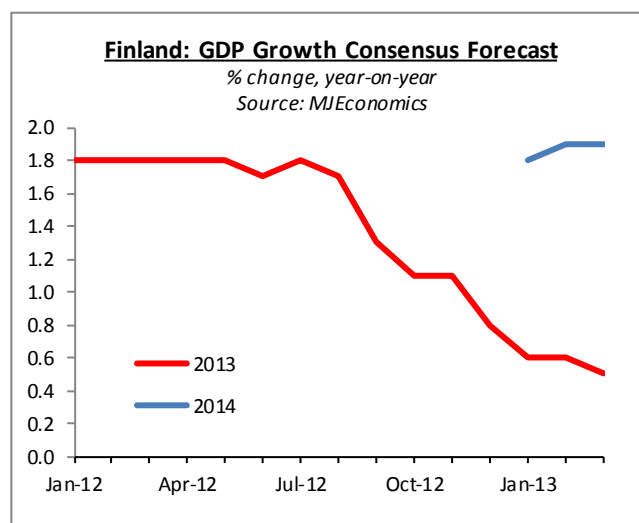
*Source: Eurostat, Statistics Finland*

## Finland: 2014 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	1.6	1.2	1.0	3.0	na	3.5	3.5	na
BNP Paribas	1.5	1.7	0.5	0.1	0.0	3.0	2.0	na
DZ Bank	1.0	1.0	0.9	2.0	na	3.0	3.5	na
Econ Intelligence Unit	1.3	1.3	0.0	2.5	0.2	1.9	2.4	-0.1
ETLA	2.2	1.3	0.7	4.1	na	4.1	3.4	0.5
Handelsbanken	2.8	2.2	0.5	3.9	na	7.1	5.4	na
IHS Global Insight	1.8	1.3	0.6	2.8	na	3.1	3.3	na
Moody's Analytics	2.6	2.0	0.5	3.4	na	1.6	0.9	na
Nordea	na	na	na	na	na	na	na	na
Nykredit	1.9	1.3	0.5	3.9	0.0	3.7	3.3	0.4
Oxford Economics	1.6	1.9	1.1	2.3	-0.3	3.0	3.0	0.2
Sampo Bank (Danske Bank)	2.2	1.3	0.5	2.5	na	4.5	3.0	na
SEB	1.7	1.6	0.2	3.5	0.0	5.8	6.0	na
<b>Consensus (Mean Average)</b>	<b>1.9</b>	<b>1.5</b>	<b>0.6</b>	<b>2.8</b>	<b>0.0</b>	<b>3.7</b>	<b>3.3</b>	<b>0.3</b>
Last Month	1.9	1.6	0.6	2.9	-0.1	3.9	3.4	0.3
2 Months Ago	1.8	1.6	0.6	2.7	-0.1	4.2	3.7	0.3
Median	1.8	1.3	0.5	2.9	0.0	3.3	3.3	0.3
High	2.8	2.2	1.1	4.1	0.2	7.1	6.0	0.5
Low	1.0	1.0	0.0	0.1	-0.3	1.6	0.9	-0.1
Standard Deviation	0.5	0.4	0.3	1.1	0.2	1.5	1.4	0.3
Number of Forecasts	12	12	12	12	5	12	12	4
<b>Other Forecasts</b>								
Bank of Finland (Dec. '12)	1.5	1.2	0.6	na	na	4.3	4.2	0.0
Finance Ministry (Dec. '12)	1.7	1.4	0.8	2.8	na	4.2	3.8	na
EC (Nov. '12)	1.3	1.5	0.8	1.8	0.0	1.5	1.8	-0.1
IMF (Oct. '12)	na	na	na	na	na	na	na	na
OECD (Nov. '12)	2.2	2.0	0.9	2.4	0.0	4.4	3.5	0.3

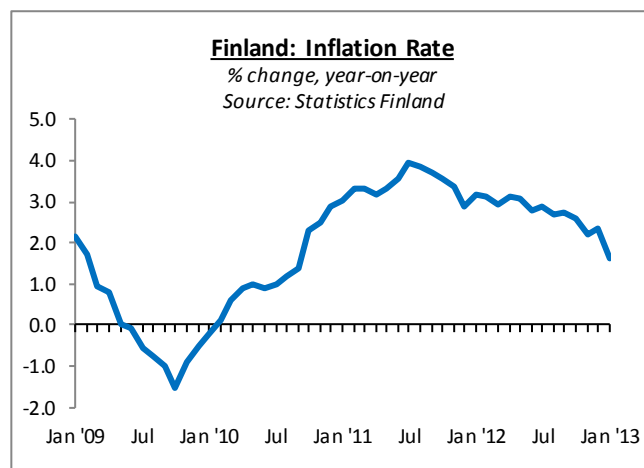
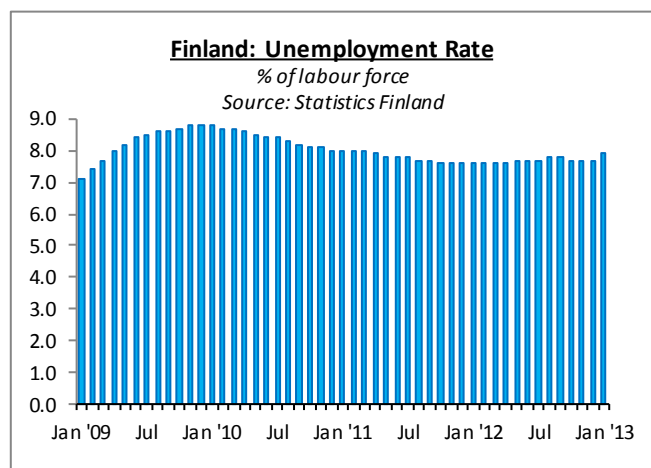
- The latest sentiment indicators from the European Commission reveal a much-improved level of confidence among Finnish manufacturers in February, signalling that the Q4 downturn may prove short-lived. The industry index, though still negative, rose to -5.8 after five months of double-digit gloom; it was the best reading since April of last year.

- The result was surprising given that manufacturing orders continued to slide in January. However, this was confined to a struggling metals industry; orders for other mainstays of the economy, including pulp and paper products, chemicals and textiles, increased.



### Finland: 2014 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	8.0	2.1	na	2.5	na	-1.3	-0.9
BNP Paribas	2.0	7.9	2.5	na	na	-3.7	-2.0	-1.0
DZ Bank	na	na	2.3	na	na	na	0.2	1.0
Econ Intelligence Unit	1.0	8.1	2.2	2.5	na	-4.3	-2.1	-0.7
ETLA	3.7	7.7	1.8	na	2.8	0.2	0.1	-0.5
Handelsbanken	na	7.4	2.4	na	na	na	na	0.5
IHS Global Insight	2.4	7.9	1.9	na	na	1.6	0.8	-0.8
Moody's Analytics	6.4	7.4	1.7	2.0	na	0.2	0.1	0.5
Nordea	na	na	na	na	na	na	na	na
Nykredit	na	8.1	2.2	na	na	na	0.4	-0.9
Oxford Economics	2.2	7.7	1.4	2.0	2.8	1.5	0.8	-0.2
Sampo Bank (Danske Bank)	3.0	7.9	2.0	na	2.5	-1.0	-0.5	-0.5
SEB	na	8.1	2.1	na	3.0	na	-1.0	-0.8
<b>Consensus (Mean Average)</b>	<b>3.0</b>	<b>7.8</b>	<b>2.1</b>	<b>2.2</b>	<b>2.7</b>	<b>-0.8</b>	<b>-0.4</b>	<b>-0.4</b>
Last Month	3.3	7.8	2.1	2.1	2.7	-0.2	-0.3	-0.4
2 Months Ago	2.4	7.8	2.1	1.7	2.7	-0.3	-0.4	-0.6
Median	2.4	7.9	2.1	2.0	2.8	0.2	0.1	-0.6
High	6.4	8.1	2.5	2.5	3.0	1.6	0.8	1.0
Low	1.0	7.4	1.4	2.0	2.5	-4.3	-2.1	-1.0
Standard Deviation	1.7	0.3	0.3	0.3	0.2	2.4	1.0	0.7
Number of Forecasts	7	11	12	3	5	7	11	12
<b>Other Forecasts</b>								
Bank of Finland (Dec. '12)	na	8.2	1.8	na	2.5	-2.6	-1.3	-0.8
Finance Ministry (Dec. '12)	na	8.0	2.1	na	2.5	-1.8	-0.9	-0.9
EC (Nov. '12)	na	8.0	na	na	na	na	-2.0	-1.0
IMF (Oct. '12)	na	na	na	na	na	na	na	na
OECD (Nov. '12)	na	7.8	na	na	na	na	-0.7	-0.4



## Norway: 2013 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	na	3.1	3.5	2.1	5.0	0.1	0.6	4.6	na
DZ Bank	1.6	2.2	2.1	1.3	3.3	0.7	-0.4	2.6	-0.9
Econ Intelligence Unit	2.0	na	3.3	2.0	4.8	-0.6	1.4	2.9	-0.3
Handelsbanken	2.5	2.8	3.2	2.1	5.4	na	na	na	na
Moody's Analytics	1.8	na	3.7	3.0	6.8	na	-1.1	5.9	na
Nykredit	2.1	2.8	2.9	2.0	6.4	0.3	-0.5	3.5	-1.2
Oxford Economics	1.5	1.8	2.2	1.2	3.7	0.6	-0.8	3.0	-1.2
SEB	2.4	2.9	3.2	2.1	6.3	0.0	1.6	4.7	na
Statistics Norway	2.4	2.6	3.3	2.2	6.3	0.1	1.4	5.0	-0.9
Swedbank First Securities	2.1	2.6	3.0	2.3	4.5	-0.3	1.8	3.4	-0.3
<b>Consensus (Mean Average)</b>	<b>2.0</b>	<b>2.6</b>	<b>3.0</b>	<b>2.0</b>	<b>5.3</b>	<b>0.1</b>	<b>0.4</b>	<b>4.0</b>	<b>-0.8</b>
Last Month	2.1	2.7	3.2	2.1	5.1	0.0	0.8	3.9	-0.6
2 Months Ago	2.3	2.7	3.1	2.0	5.1	-0.1	1.1	3.7	-0.6
Median	2.1	2.7	3.2	2.1	5.2	0.1	0.6	3.5	-0.9
High	2.5	3.1	3.7	3.0	6.8	0.7	1.8	5.9	-0.3
Low	1.5	1.8	2.1	1.2	3.3	-0.6	-1.1	2.6	-1.2
Standard Deviation	0.4	0.4	0.5	0.5	1.2	0.4	1.1	1.1	0.4
Number of Forecasts	9	8	10	10	10	8	9	9	6
<b>Other Forecasts</b>									
Finance Ministry (Oct. '12)	2.5	2.9	4.0	2.2	5.8	na	1.4	5.4	na
Norges Bank (Oct. '12)	2.5	3.0	4.3	2.3	na	na	na	5.3	na
EC (Nov. '12)	2.5	na	2.4	2.2	4.5	0.0	2.5	3.2	0.1
IMF (Oct. '12)	2.3	na	na	na	na	na	na	na	na
OECD (Nov. '12)	2.5	3.2	4.3	2.5	5.4	-0.1	0.6	3.7	-0.8

- Concerns continue to be raised about the possibility of an unsustainable boom in Norway caused by cheap credit, leading to “scale-back” problems in the near future. With house prices rising briskly (by 6% in 2012), and personal debts at record high levels, Norges Bank is still reluctant it seems to tighten monetary policy given scant evidence of an inflation problem, and with a strong krone already hurting mainland exports.
- Although economic growth has slowed lately, which could dampen these pressures, the rise in personal debt-to-income to highs exceeding the levels seen in the US just before the 2008 crisis is concerning, particularly with homes so over-valued.

### **Norway: Background Information**

<b>Government:</b>	Labour Party led coalition
<b>Next Election:</b>	By September 2013 (parliamentary)
<b>Capital City:</b>	Oslo (GMT +1 hour)
<b>Currency:</b>	Norwegian Krone (free float)
<b>Nominal GDP:</b>	Nkr 2710.7bn
<b>Population:</b>	4.81m
<b>Economic Freedom:</b>	40th out of 179 countries
<b>Doing Business:</b>	6th out of 185 countries
<b>Competitiveness:</b>	15th out of 144 countries
<b>Corruption:</b>	6th out of 182 countries
<b>Total Bank Claims:</b>	36.4% of GDP
<b>Corporate Tax Rate:</b>	28.0%

*Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum & national statistical office.*

## Norway: 2013 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)	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)
<b>Panellists</b>								
Danske Bank	na	3.0	na	na	na	na	na	13.6
DZ Bank	na	na	na	na	na	na	15.0	12.0
Econ Intelligence Unit	-0.3	3.3	1.8	na	na	391.1	13.2	14.5
Handelsbanken	na	3.3	1.5	1.3	na	na	na	na
Moody's Analytics	-1.1	3.0	1.5	na	na	396.6	13.6	25.5
Nykredit	na	3.3	1.7	na	na	na	12.1	15.2
Oxford Economics	-0.6	3.0	1.9	na	4.0	361.4	12.0	11.8
SEB	na	3.3	1.7	1.3	na	na	na	na
Statistics Norway	na	3.4	1.5	1.2	na	335.0	12.3	na
Swedbank First Securities	na	3.5	1.8	1.3	4.0	361.1	12.1	12.4
<b>Consensus (Mean Average)</b>	<b>-0.7</b>	<b>3.2</b>	<b>1.7</b>	<b>1.3</b>	<b>4.0</b>	<b>369.0</b>	<b>12.9</b>	<b>15.0</b>
Last Month	-1.3	3.1	1.6	1.4	4.0	363.8	13.2	15.2
2 Months Ago	0.4	3.2	1.6	1.4	4.0	344.7	13.0	12.6
Median	-0.6	3.3	1.7	1.3	4.0	361.4	12.3	13.6
High	-0.3	3.5	1.9	1.3	4.0	396.6	15.0	25.5
Low	-1.1	3.0	1.5	1.2	4.0	335.0	12.0	11.8
Standard Deviation	0.4	0.2	0.2	0.1	0.0	25.1	1.1	4.8
Number of Forecasts	3	9	8	4	2	5	7	7
<b>Other Forecasts</b>								
Finance Ministry (Oct. '12)	na	3.2	1.9	1.7	na	na	na	12.0
Norges Bank (Oct. '12)	na	3.0	2.0	1.5	na	na	na	na
EC (Nov. '12)	na	na	na	na	na	na	14.3	13.9
IMF (Oct. '12)	na	3.1	2.2	na	na	na	15.6	na
OECD (Nov. '12)	na	3.1	1.3	na	na	na	14.9	16.0

<b>Norway: Historical Data (% change year-on-year)</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
GDP, total	0.0	-1.6	0.5	1.2	3.2
GDP, mainland	1.5	-1.6	1.7	2.5	3.5
Private Consumption	1.8	3.0	3.8	2.5	3.0
Government Consumption	2.7	4.3	1.3	1.8	2.1
Gross Fixed Investment	0.2	-7.5	-8.0	7.6	8.1
Inventory Building (% contribution)	na	na	na	0.1	0.1
Goods & Services Exports	0.1	-4.2	0.4	-1.8	2.2
Goods & Services Imports	3.9	-12.5	9.0	3.8	3.3
Net Exports (% contribution)	na	na	na	-1.8	-0.2
Industrial Production	0.2	-3.5	-5.4	-4.4	3.1
Unemployment Rate (% of labour force)	2.6	3.2	3.6	3.3	3.1
Consumer Prices, headline rate	3.8	2.1	2.4	1.2	0.7
Consumer Prices, underlying rate (CPI-ATE)	2.6	2.6	1.4	0.9	1.2
Manufacturing Earnings	5.6	4.3	3.6	4.5	4.4
Current Account Balance (Nkr bn)	408.3	279.3	303.2	374.0	401.5
- as a % of GDP	na	11.7	11.9	13.6	14.4
General Govt Budget Balance (% of GDP)	18.8	10.6	11.2	13.6	14.4

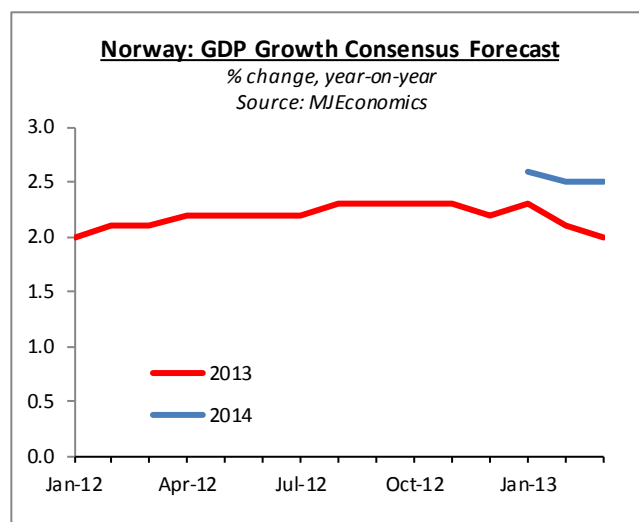
*Source: Eurostat, Statistics Norway*

## Norway: 2014 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	na	3.4	3.5	2.0	6.0	0.0	1.5	5.0	na
DZ Bank	2.5	2.4	2.0	0.4	2.3	0.3	4.4	3.2	0.7
Econ Intelligence Unit	2.4	na	3.5	1.7	6.6	-0.8	2.4	3.4	-0.1
Handelsbanken	2.4	3.2	3.4	3.0	4.7	na	na	na	na
Moody's Analytics	2.3	na	3.7	1.2	5.3	na	1.0	4.9	na
Nykredit	3.3	3.3	3.4	2.4	6.8	0.0	2.4	3.7	-0.2
Oxford Economics	2.2	2.9	2.5	1.7	3.3	-0.5	3.6	2.8	0.5
SEB	2.3	2.9	3.1	2.2	4.5	0.0	2.1	4.3	na
Statistics Norway	2.6	3.1	4.2	2.4	5.3	-0.2	1.1	3.8	-0.7
Swedbank First Securities	2.3	2.8	3.1	2.3	3.7	0.2	1.6	3.9	-0.5
<b>Consensus (Mean Average)</b>	<b>2.5</b>	<b>3.0</b>	<b>3.2</b>	<b>1.9</b>	<b>4.9</b>	<b>-0.1</b>	<b>2.2</b>	<b>3.9</b>	<b>-0.1</b>
Last Month	2.5	3.2	3.2	2.0	5.0	0.0	2.2	3.7	-0.1
2 Months Ago	2.6	3.2	3.2	2.1	4.9	-0.1	2.3	3.5	-0.3
Median	2.4	3.0	3.4	2.1	5.0	0.0	2.1	3.8	-0.2
High	3.3	3.4	4.2	3.0	6.8	0.3	4.4	5.0	0.7
Low	2.2	2.4	2.0	0.4	2.3	-0.8	1.0	2.8	-0.7
Standard Deviation	0.3	0.3	0.6	0.7	1.5	0.4	1.1	0.7	0.6
Number of Forecasts	9	8	10	10	10	8	9	9	6
<b>Other Forecasts</b>									
Finance Ministry (Oct. '12)	na	na	na	na	na	na	na	na	na
Norges Bank (Oct. '12)	2.3	2.8	3.8	na	na	na	na	na	na
EC (Nov. '12)	2.3	na	2.3	2.2	2.9	0.0	2.4	2.6	0.3
IMF (Oct. '12)	na	na	na	na	na	na	na	na	na
OECD (Nov. '12)	2.0	3.1	4.6	1.6	4.6	0.0	0.8	5.7	-1.2

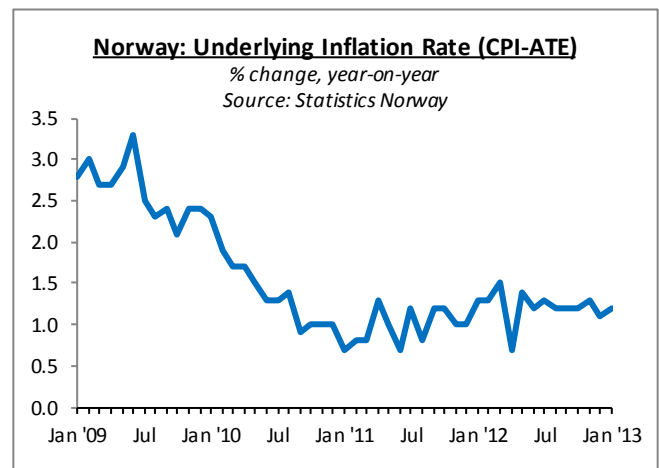
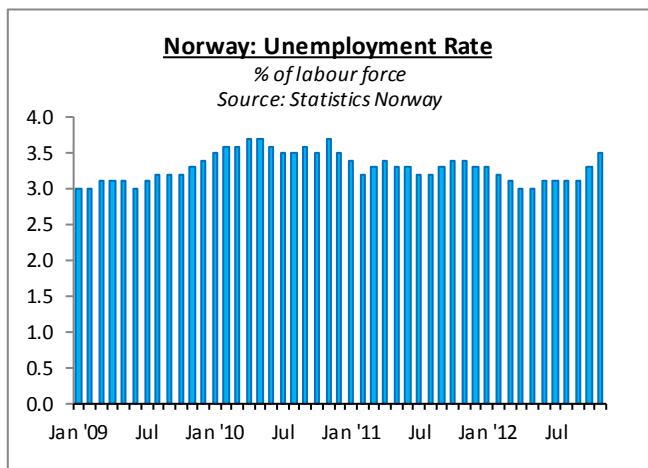
- Despite facing an election in September, and with public opinion still (just) tilting in favour of a new Conservative-led administration, Prime Minister Jens Stoltenberg has taken a pessimistic (yet realistic) line on Norway's prospects, pointing to the on-going problems in Europe as negative for Norwegian trade in fish, metals, paper and so on.

- But the ancillary oil industry is struggling, too, if recent orders are an accurate gauge with domestic oil-rig manufacturers losing out recently to lower-cost Asian suppliers, even though the oil and gas sector is still the main powerhouse driving the economy and producing the wealth.



### Norway: 2014 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)	Consumer Prices (CPI-ATE index, underlying rate)	Manufacturing Earnings	Current Account Balance (annual total, Nkr bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
<b>Panellists</b>								
Danske Bank	na	3.0	na	na	na	na	na	12.5
DZ Bank	na	na	na	na	na	na	16.0	13.0
Econ Intelligence Unit	-1.4	3.2	2.2	na	na	416.3	13.4	13.5
Handelsbanken	na	3.3	1.9	1.9	na	na	na	na
Moody's Analytics	2.4	3.0	1.8	na	na	417.4	13.4	25.2
Nykredit	na	3.2	1.9	na	na	na	11.7	16.2
Oxford Economics	0.2	2.8	2.6	na	4.5	447.8	14.3	11.4
SEB	na	3.4	1.8	1.9	na	na	na	na
Statistics Norway	na	3.4	1.4	1.6	na	293.0	10.5	na
Swedbank First Securities	na	3.6	1.9	1.6	3.5	350.4	11.3	10.5
<b>Consensus (Mean Average)</b>	<b>0.4</b>	<b>3.2</b>	<b>1.9</b>	<b>1.8</b>	<b>4.0</b>	<b>385.0</b>	<b>12.9</b>	<b>14.6</b>
Last Month	2.2	3.1	2.0	1.7	4.1	374.0	13.3	15.0
2 Months Ago	-0.3	3.1	2.0	1.7	4.3	342.9	13.1	12.5
Median	0.2	3.2	1.9	1.8	4.0	416.3	13.4	13.0
High	2.4	3.6	2.6	1.9	4.5	447.8	16.0	25.2
Low	-1.4	2.8	1.4	1.6	3.5	293.0	10.5	10.5
Standard Deviation	1.9	0.2	0.3	0.2	0.7	62.5	1.9	5.0
Number of Forecasts	3	9	8	4	2	5	7	7
<b>Other Forecasts</b>								
Finance Ministry (Oct. '12)	na	na	na	na	na	na	na	na
Norges Bank (Oct. '12)	na	3.0	2.0	2.0	na	na	na	na
EC (Nov. '12)	na	na	na	na	na	na	14.3	13.7
IMF (Oct. '12)	na	na	na	na	na	na	na	na
OECD (Nov. '12)	na	3.0	2.0	na	na	na	13.6	16.8



## Sweden: 2013 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	0.3	1.6	1.4	-1.5	-0.4	-1.8	-1.7	-0.1
Danske Bank	1.2	1.8	0.7	0.4	0.1	1.9	2.4	na
DZ Bank	1.2	1.2	1.2	0.3	0.1	1.1	1.0	0.1
Econ Intelligence Unit	1.4	1.2	1.4	1.1	-0.1	0.8	0.4	0.2
Handelsbanken	2.0	1.9	1.9	1.6	0.0	4.1	3.7	0.4
IHS Global Insight	1.4	1.1	1.7	1.8	na	1.2	0.4	na
Moody's Analytics	1.4	1.4	1.9	1.0	na	0.6	1.1	na
Morgan Stanley	1.4	1.7	1.0	1.6	0.2	1.5	2.2	-0.2
National Institute - KI	0.8	2.0	0.9	0.7	-0.2	1.1	2.1	-0.4
Nordea	0.8	1.4	0.7	-2.5	0.0	-1.1	-2.1	0.4
Nykredit	1.8	2.3	1.2	3.1	-0.3	1.8	1.8	0.2
Oxford Economics	0.9	1.7	1.5	0.1	0.0	0.6	1.6	-0.4
SEB	1.2	2.0	0.8	2.0	-0.2	2.0	2.6	na
<b>Consensus (Mean Average)</b>	<b>1.2</b>	<b>1.6</b>	<b>1.3</b>	<b>0.7</b>	<b>-0.1</b>	<b>1.1</b>	<b>1.2</b>	<b>0.0</b>
Last Month	1.1	1.5	1.3	0.5	0.0	0.9	1.3	-0.1
2 Months Ago	1.1	1.5	1.3	0.5	0.0	1.1	1.4	-0.1
Median	1.2	1.7	1.2	1.0	0.0	1.1	1.6	0.1
High	2.0	2.3	1.9	3.1	0.2	4.1	3.7	0.4
Low	0.3	1.1	0.7	-2.5	-0.4	-1.8	-2.1	-0.4
Standard Deviation	0.4	0.4	0.4	1.5	0.2	1.4	1.6	0.3
Number of Forecasts	13	13	13	13	11	13	13	9
<b>Other Forecasts</b>								
Finance Ministry (Dec. '12)	1.1	na	na	na	na	na	na	na
Riksbank (Dec. '12)	1.2	1.5	0.9	0.3	0.0	2.2	1.9	0.3
EC (Nov. '12)	1.9	1.6	0.9	2.9	0.0	3.1	2.7	0.4
IMF (Oct. '12)	2.2	na	na	na	na	na	na	na
OECD (Nov. '12)	1.9	1.8	0.8	1.7	0.1	3.6	2.8	0.5

- Finance Minister Anders Borg has signalled the government's intention is to support the economy through Europe's crisis, by indicating that the forthcoming autumn budget will contain targeted measures (meaning tax cuts) aimed at providing some stimulus. His message comes against the backdrop of weakened economic activity and a sub-par expansion of some 1.1% predicted by his ministry for 2013 (1.2% according to our own panel).
- Indications that Sweden may be avoiding a more substantial hit from Europe's problems are evident in the latest statistics showing the country avoiding deflation and contraction, while managing to keep the unemployment rate stable at 8%.

### Sweden: Background Information

<b>Government:</b>	Moderate Party led coalition
<b>Next Election:</b>	By September 2014 (parliamentary)
<b>Capital City:</b>	Stockholm (GMT + 1hour)
<b>Currency:</b>	Swedish Krona (free float)
<b>Nominal GDP:</b>	Skr 3495.1bn
<b>Population:</b>	9.25m
<b>Economic Freedom:</b>	21st out of 179 countries
<b>Doing Business:</b>	13th out of 185 countries
<b>Competitiveness:</b>	4th out of 144 countries
<b>Corruption:</b>	4th out of 182 countries
<b>Total Bank Claims:</b>	52.8% of GDP
<b>Corporate Tax Rate:</b>	26.3%

*Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum & national statistical office.*



## Sweden: 2013 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	-2.8	8.2	0.3	1.1	na	na	240.0	6.5	na
Danske Bank	na	8.5	na	na	na	na	na	7.5	-1.1
DZ Bank	na	na	na	na	na	na	na	6.2	-0.2
Econ Intelligence Unit	na	8.0	0.6	na	-2.1	1.6	331.3	9.0	-0.3
Handelsbanken	-1.2	8.5	0.2	0.7	na	2.9	268.0	7.2	-1.1
IHS Global Insight	1.0	7.5	1.1	na	0.5	na	na	7.1	-0.6
Moody's Analytics	3.4	7.7	0.6	na	2.8	na	180.3	4.9	-0.4
Morgan Stanley	na	7.7	0.5	0.9	na	na	247.6	6.7	-0.7
National Institute - KI	0.1	8.3	0.4	1.0	na	2.8	231.9	6.4	-1.2
Nordea	na	8.4	0.3	1.1	na	2.8	244.0	6.7	-1.2
Nykredit	-0.7	8.1	0.4	0.8	na	3.0	na	7.1	-0.8
Oxford Economics	0.2	8.1	0.6	na	-0.7	na	243.1	6.7	-1.4
SEB	na	8.2	0.1	1.1	na	na	na	6.3	-1.3
<b>Consensus (Mean Average)</b>	<b>0.0</b>	<b>8.1</b>	<b>0.5</b>	<b>1.0</b>	<b>0.1</b>	<b>2.6</b>	<b>248.3</b>	<b>6.8</b>	<b>-0.9</b>
Last Month	0.5	8.1	0.5	1.0	0.7	2.9	227.4	6.5	-0.8
2 Months Ago	-0.4	8.1	0.5	1.0	0.1	2.9	237.9	6.7	-0.8
Median	0.1	8.2	0.4	1.0	-0.1	2.8	243.6	6.7	-1.0
High	3.4	8.5	1.1	1.1	2.8	3.0	331.3	9.0	-0.2
Low	-2.8	7.5	0.1	0.7	-2.1	1.6	180.3	4.9	-1.4
Standard Deviation	1.9	0.3	0.3	0.2	2.1	0.6	41.9	0.9	0.4
Number of Forecasts	7	12	11	7	4	5	8	13	12
<b>Other Forecasts</b>									
Finance Ministry (Dec. '12)	na	8.2	na	0.6	na	na	na	na	-1.3
Riksbank (Dec. '12)	na	8.1	0.3	0.9	na	2.8	na	7.3	-0.9
EC (Nov. '12)	na	7.4	na	na	na	na	na	6.5	-0.3
IMF (Oct. '12)	na	7.7	2.0	na	na	na	na	7.8	na
OECD (Nov. '12)	na	7.9	0.9	na	na	na	na	6.0	-0.8

<b>Sweden: Historical Data (% change year-on-year)</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Gross Domestic Product	-0.6	-5.0	6.6	3.7	0.8
Private Consumption	0.0	-0.3	4.0	2.1	1.5
Government Consumption	1.0	2.2	2.1	1.1	0.8
Gross Fixed Investment	1.4	-15.5	7.2	6.4	3.4
Inventory Building (% contribution)	-0.4	-1.7	2.3	0.5	-1.1
Goods & Services Exports	1.7	-13.8	11.4	7.1	0.7
Goods & Services Imports	3.5	-14.3	12.0	6.3	-0.1
Net Exports (% contribution)	-0.6	-0.6	0.4	0.7	0.4
Industrial Production	-3.4	-19.3	8.7	6.8	-3.1
Unemployment Rate (% of labour force)	6.1	8.3	8.4	7.5	7.9
Consumer Prices (headline rate)	3.4	-0.3	1.3	3.0	0.9
Consumer Prices (underlying rate, CPIF)	2.7	1.7	2.0	1.4	1.0
Producer Prices	4.3	1.1	1.0	0.4	-0.9
Labour Costs (mining and manufacturing)	4.3	3.4	2.6	2.7	3.2
Current Account Balance (Skr bn)	281.3	218.7	222.2	245.9	254.5
- as a % of GDP	8.8	7.0	6.7	7.0	7.2
General Govt Budget Balance (% of GDP)	2.2	-0.7	0.3	0.4	-0.4

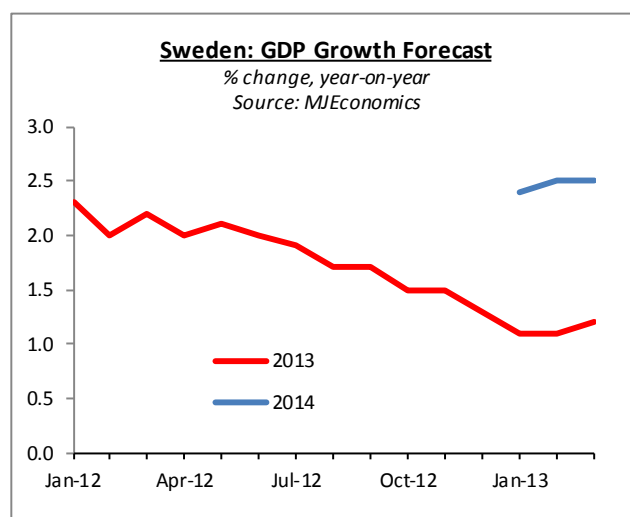
Source: Eurostat, Statistics Sweden

## Sweden: 2014 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	2.1	2.6	1.6	3.0	0.0	2.8	3.5	-0.1
Danske Bank	2.0	1.5	0.5	0.8	-0.1	3.8	1.8	na
DZ Bank	2.5	1.4	0.4	2.1	0.4	5.5	4.2	1.0
Econ Intelligence Unit	3.1	2.5	1.2	5.4	0.0	4.7	4.0	0.6
Handelsbanken	3.4	2.5	2.5	1.7	0.2	6.8	6.6	0.6
IHS Global Insight	1.9	1.4	1.5	3.5	na	1.0	1.2	na
Moody's Analytics	3.1	2.6	2.2	2.6	na	3.3	1.9	na
Morgan Stanley	2.3	2.0	0.7	2.9	0.4	3.2	3.0	0.3
National Institute - KI	2.2	3.1	0.6	3.6	0.0	4.2	5.1	-0.2
Nordea	2.4	1.8	1.4	3.0	0.0	4.5	3.9	0.6
Nykredit	3.0	2.6	1.2	4.9	0.0	5.4	5.1	0.5
Oxford Economics	2.2	2.4	1.4	3.2	0.3	3.8	4.9	-0.3
SEB	2.7	2.3	0.8	3.0	0.1	4.3	3.7	na
<b>Consensus (Mean Average)</b>	<b>2.5</b>	<b>2.2</b>	<b>1.2</b>	<b>3.1</b>	<b>0.1</b>	<b>4.1</b>	<b>3.8</b>	<b>0.3</b>
Last Month	2.5	2.2	1.4	3.3	0.1	4.1	3.7	0.3
2 Months Ago	2.4	2.2	1.3	3.5	0.0	4.3	4.1	0.2
Median	2.4	2.4	1.2	3.0	0.0	4.2	3.9	0.5
High	3.4	3.1	2.5	5.4	0.4	6.8	6.6	1.0
Low	1.9	1.4	0.4	0.8	-0.1	1.0	1.2	-0.3
Standard Deviation	0.5	0.5	0.6	1.2	0.2	1.4	1.5	0.4
Number of Forecasts	13	13	13	13	11	13	13	9
<b>Other Forecasts</b>								
Finance Ministry (Dec. '12)	3.0	na	na	na	na	na	na	na
Riksbank (Dec. '12)	2.7	2.7	0.7	4.6	0.1	5.6	5.9	0.3
EC (Nov. '12)	2.5	2.5	0.9	4.4	0.0	5.6	6.0	0.2
IMF (Oct. '12)	na	na	na	na	na	na	na	na
OECD (Nov. '12)	3.0	3.1	1.1	5.5	0.0	5.8	6.2	0.2

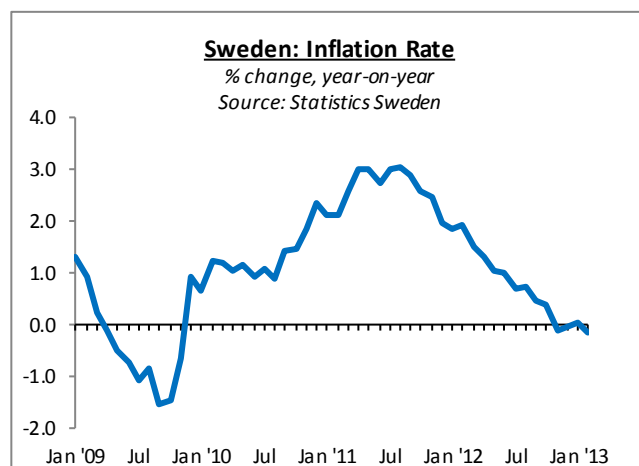
- Sweden's economic sentiment index, compiled by the European Commission, rose for the third consecutive month to 98.7 in February, its highest level since September. While sentiment among retailers remained weak, and the construction sector was decidedly downbeat, confidence among consumers, within the wider services sector and among manufacturers improved.

- The Riksbank (Swedish central bank) has signalled that it will not raise interest rates for the foreseeable future until signs of sustainable economic growth emerge, particularly with inflationary pressure remaining so weak.



### Sweden: 2014 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	2.8	8.2	1.9	1.7	na	na	239.0	6.2	na
Danske Bank	na	8.0	na	na	na	na	na	7.1	-1.0
DZ Bank	na	na	na	na	na	na	na	7.0	0.3
Econ Intelligence Unit	na	7.7	2.1	na	1.9	3.2	382.7	9.7	0.8
Handelsbanken	5.0	8.4	1.4	1.2	na	3.0	257.0	6.6	-0.9
IHS Global Insight	2.1	6.7	1.6	na	1.6	na	na	7.2	0.2
Moody's Analytics	3.3	6.8	1.1	na	4.3	na	149.7	3.9	na
Morgan Stanley	na	7.3	1.8	1.4	na	na	262.7	6.9	-0.7
National Institute - KI	3.4	8.4	1.2	1.4	na	2.7	227.4	6.0	-1.1
Nordea	na	8.4	1.8	1.4	na	2.8	263.0	6.9	-1.5
Nykredit	6.1	7.8	2.2	1.6	na	3.2	na	7.4	0.2
Oxford Economics	3.4	7.8	2.4	na	2.1	na	237.1	6.3	-0.6
SEB	na	8.2	1.3	1.5	na	na	na	6.4	-1.3
<b>Consensus (Mean Average)</b>	<b>3.7</b>	<b>7.8</b>	<b>1.7</b>	<b>1.5</b>	<b>2.5</b>	<b>3.0</b>	<b>252.3</b>	<b>6.7</b>	<b>-0.5</b>
Last Month	3.6	7.8	1.8	1.5	2.7	3.0	226.9	6.5	-0.6
2 Months Ago	3.6	7.9	1.8	1.5	1.9	2.9	240.8	6.8	-0.4
Median	3.4	7.9	1.8	1.4	2.0	3.0	248.0	6.9	-0.7
High	6.1	8.4	2.4	1.7	4.3	3.2	382.7	9.7	0.8
Low	2.1	6.7	1.1	1.2	1.6	2.7	149.7	3.9	-1.5
Standard Deviation	1.4	0.6	0.4	0.2	1.2	0.2	64.1	1.3	0.8
Number of Forecasts	7	12	11	7	4	5	8	13	11
<b>Other Forecasts</b>									
Finance Ministry (Dec. '12)	na	8.3	na	1.3	na	na	na	na	-0.6
Riksbank (Dec. '12)	na	7.6	2.3	2.0	na	3.2	na	7.3	-0.3
EC (Nov. '12)	na	6.9	na	na	na	na	na	6.5	0.4
IMF (Oct. '12)	na	na	na	na	na	na	na	na	na
OECD (Nov. '12)	na	7.6	1.7	na	na	na	na	5.9	-0.2



### Iceland Forecasts

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

<b>GDP Growth</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	2.5	2.9	3.5
EC	2.7	2.3	2.9
IMF	2.9	2.6	na
OECD	2.5	2.7	2.7
SI	2.7	2.5	2.9
<b>Private Consumption</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	3.0	2.9	3.3
EC	3.6	2.7	3.2
IMF	na	na	na
OECD	3.5	2.5	3.0
SI	3.5	2.5	3.1
<b>Fixed Investment</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	9.2	5.3	18.3
EC	9.3	8.9	12.3
IMF	na	na	na
OECD	8.4	4.8	17.0
SI	10.3	4.3	19.7
<b>Export Volume</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	4.6	1.7	1.5
EC	4.2	3.9	3.9
IMF	na	na	na
OECD	4.9	3.0	2.9
SI	5.0	3.0	2.8
<b>Import Volume</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	5.6	1.0	3.7
EC	5.7	5.3	5.7
IMF	na	na	na
OECD	6.6	2.1	6.1
SI	6.7	2.2	6.7
<b>Consumer Price Inflation</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	5.2	3.6	2.7
EC	5.6	4.4	4.4
IMF	5.6	4.4	na
OECD	5.2	4.1	3.5
SI	5.3	4.1	3.1
<b>Current Acc. (% of GDP)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	-8.1	-3.7	-4.1
EC	-7.3	-7.5	-7.8
IMF	-2.7	-2.1	na
OECD	-8.4	-3.8	-4.7
SI	-7.5	-4.0	-5.5
<b>Budget Balance (% of GDP)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	na	na	na
EC	-3.4	-2.4	-1.2
IMF	na	na	na
OECD	-1.8	-0.4	0.7
SI	na	na	na

#### Sources:

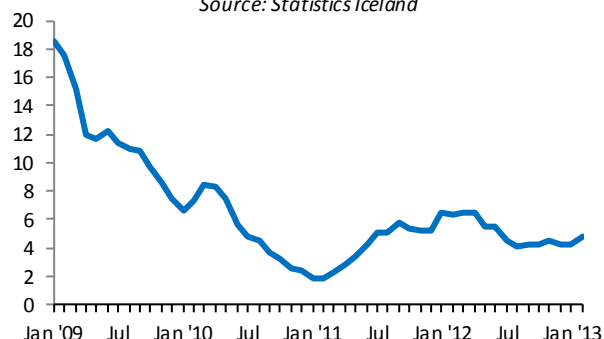
Central Bank of Iceland, November 2012  
 European Commission, November 2012  
 IMF, World Economic Outlook, October 2012  
 OECD, Economic Outlook, December 2012  
 Statistics Iceland, November 2012

### Iceland Snapshot

- Contrasting with many of its European neighbours Iceland registered 0.5% q/q GDP growth in Q4 2012, and a rise of 1.4% y/y. The full-year average outturn was 1.6%, which was lower than expected and a dip in growth compared to the stronger 2.9% expansion in 2011, but still extends Iceland's recovery phase.
- Despite this, the left-leaning government of Prime Minister Johanna Sigurdardottir is struggling to regain popularity in time for next month's parliamentary elections on April 27<sup>th</sup>, which could see the return of the main opposition Independence Party that presided over Iceland's crisis and largely took the blame for the mess that it created.
- Whichever party comes to power will face difficult decisions in dealing with creditors' krona claims on failed banks, which must be written off to complete the crisis resolution programme.

#### Iceland: Inflation Rate

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



#### Iceland: Background Information

<b>Government:</b>	Social Democratic Alliance led coalition.
<b>Next Election:</b>	2013 (parliamentary)
<b>Capital City:</b>	Reykjavic (GMT time)
<b>Currency:</b>	Icelandic Krona (capital controls)
<b>Nominal GDP:</b>	Isk 1630.2bn
<b>Population:</b>	0.3m
<b>Economic Freedom:</b>	27th out of 179 countries
<b>Doing Business:</b>	14th out of 185 countries
<b>Competitiveness:</b>	30th out of 144 countries
<b>Corruption:</b>	13th out of 182 countries
<b>Total Bank Claims:</b>	84.7% of GDP
<b>Corporate Tax Rate:</b>	20.0%

Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum & national statistical office.

**Interest Rate Forecasts**

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

Rate on Survey Date: **0.28**

	<u>2013</u>	<u>2014</u>
Mean Average	0.46	0.67
High	0.51	0.70
Low	0.40	0.64
Standard Deviation	0.08	0.04

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

Rate on Survey Date: **1.68**

	<u>2013</u>	<u>2014</u>
Mean Average	1.79	2.11
High	1.97	2.24
Low	1.60	1.90
Standard Deviation	0.19	0.19

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

Rate on Survey Date: **0.20**

	<u>2013</u>	<u>2014</u>
Mean Average	0.35	0.78
High	0.50	1.75
Low	0.10	0.20
Standard Deviation	0.13	0.51

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

Rate on Survey Date: **1.68**

	<u>2013</u>	<u>2014</u>
Mean Average	2.06	2.35
High	2.12	2.75
Low	2.00	2.00
Standard Deviation	0.06	0.33

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

Rate on Survey Date: **1.84**

	<u>2013</u>	<u>2014</u>
Mean Average	1.93	2.53
High	2.01	2.86
Low	1.85	2.35
Standard Deviation	0.08	0.24

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

Rate on Survey Date: **2.34**

	<u>2013</u>	<u>2014</u>
Mean Average	2.51	2.98
High	2.85	3.45
Low	2.29	2.38
Standard Deviation	0.30	0.46

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

Rate on Survey Date: **1.26**

	<u>2013</u>	<u>2014</u>
Mean Average	1.37	2.03
High	1.80	3.57
Low	1.09	1.25
Standard Deviation	0.24	0.84

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

Rate on Survey Date: **1.98**

	<u>2013</u>	<u>2014</u>
Mean Average	2.14	2.74
High	2.30	3.35
Low	1.90	2.40
Standard Deviation	0.16	0.37

**Oil Price Forecasts**

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

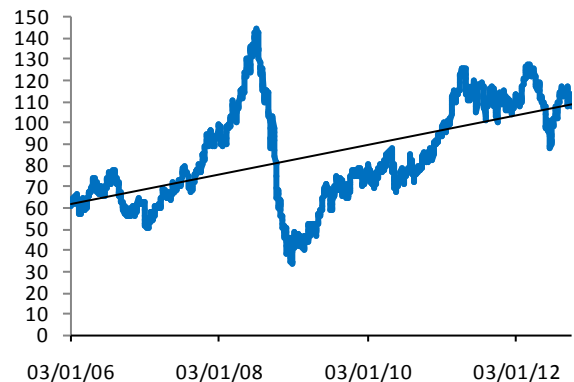
Price on Survey Date: **109.0**

	<u>2013</u>	<u>2014</u>
Mean Average	111.5	112.1
High	125.0	125.0
Low	96.8	90.3
Standard Deviation	7.1	8.9

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: **7.458**

	<u>2013</u>	<u>2014</u>
Mean Average	7.414	7.522
High	7.517	7.820
Low	7.100	7.450
Standard Deviation	0.141	0.136

**US Dollar/Euro Exchange Rate**

Rate on Survey Date: **1.302**

	<u>2013</u>	<u>2014</u>
Mean Average	1.290	1.266
High	1.350	1.400
Low	1.200	1.100
Standard Deviation	0.046	0.082

**Norwegian Krone/Euro Exchange Rate**

Rate on Survey Date: **7.457**

	<u>2013</u>	<u>2014</u>
Mean Average	7.384	7.441
High	7.668	8.071
Low	7.250	7.150
Standard Deviation	0.135	0.294

**Swedish Krona/Euro Exchange Rate**

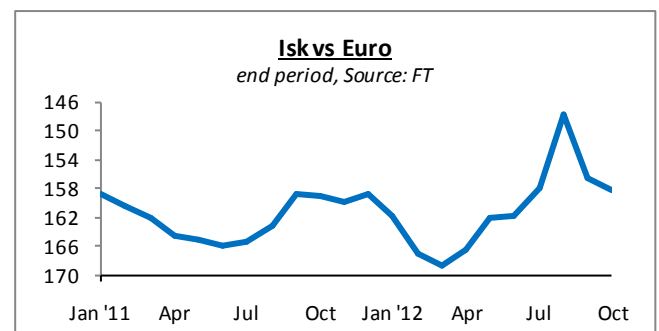
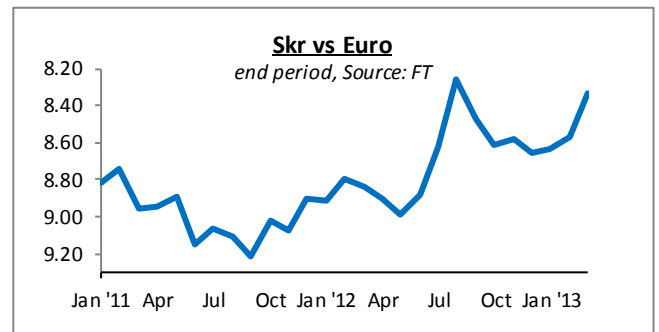
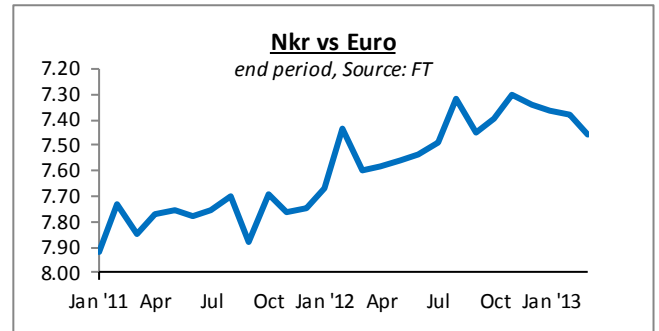
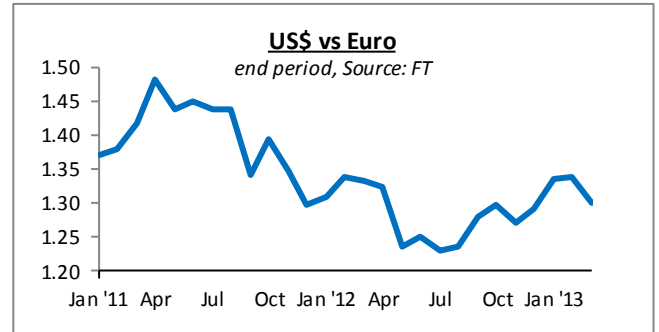
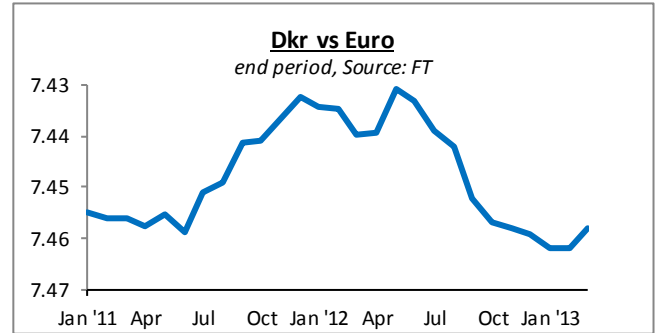
Rate on Survey Date: **8.333**

	<u>2013</u>	<u>2014</u>
Mean Average	8.447	8.337
High	8.900	8.900
Low	8.100	8.000
Standard Deviation	0.237	0.264

**Icelandic Krona/Euro Exchange Rate**

Rate on Survey Date: **164.7**

	<u>2013</u>	<u>2014</u>
Mean Average	163.9	157.7
High	174.6	169.1
Low	154.7	141.6
Standard Deviation	10.0	14.3



**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>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 **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**

- Central banks across the region are refraining from either providing more monetary stimulus or tightening policy prematurely until economic trends become clearer.

- That inflation has become a less serious risk of late (with attentions more focused on the growth situation) has been evident from statements by ECB members and the latest policy decision from Norges Bank. Its Executive Board not only held Norway's main policy interest rate stable at 1.5% this week, but also reduced the projected interest rate path quite substantially. This suggests that interest rates will be kept at a low level for longer than previously assumed, particularly given the strong krone.

**The Most Recent Interest Rate Changes**

**Denmark: Danmarks Nationalbank**  
January 24th, 2013

An increase in the interest rate on certificates of deposit from -0.20% to -0.10% and the lending rate from 0.20% to 0.30%. The discount rate and current account rate are unchanged at 0.00%, with effect from January 25th, 2013.

**Finland: European Central Bank**  
July 5th, 2012

A reduction in the repo rate from 1.00% to 0.75% with effect from July 11th, 2012.

**Norway: Norges Bank**  
March 14th, 2012

A reduction in the sight deposit rate from 1.75% to 1.50% with effect from March 15th, 2012.

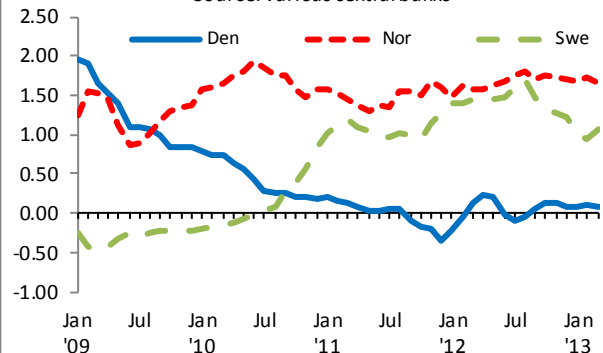
**Sweden: Sveriges Riksbank**  
December 17th, 2012

A reduction in the repo rate from 1.25% to 1.00% with effect from December 19th, 2012.

**Short Term Interest Rate Spreads vs Euro**

three month interbank rates, % p.a.

Source: various central banks



### Long Term Forecasts

Forecasts for 2015 to 2017 are taken from our January 2013 special long term forecasts survey.

<b>Denmark</b>						
<i>(% change year-on-year, unless otherwise stated)</i>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Gross Domestic Product</b>	-0.6	0.8	1.6	1.8	1.9	1.8
<b>Private Consumption</b>	0.5	0.8	1.6	1.7	1.9	1.9
<b>Gross Fixed Investment</b>	1.2	2.1	2.2	3.2	3.6	2.6
<b>Unemployment Rate</b> (% of labour force)	6.1	6.4	6.3	5.8	5.3	5.8
<b>Consumer Prices</b>	2.4	1.8	1.9	2.0	1.9	1.7
<b>Current Account</b> (annual total, Dkr bn)	95.4	82.4	77.3	93.5	96.6	101.8
<b>Current Account</b> (% of GDP)	5.3	5.1	4.9	4.7	4.7	4.8
<i>(end period)</i>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>3 Month Interest Rate</b> , % per annum	0.28	0.46	0.67	1.27	1.95	2.33
<b>10 Year Bond Yield</b> , % per annum	1.38	1.79	2.11	3.03	3.67	3.90
<b>Yield Differential</b>	1.10	1.33	1.44	1.76	1.72	1.57
<b>Dkr per Euro Exchange Rate</b>	7.461	7.414	7.522	7.451	7.451	7.451
<hr/>						
<b>Finland</b>						
<i>(% change year-on-year, unless otherwise stated)</i>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Gross Domestic Product</b>	-0.2	0.5	1.9	2.4	2.2	2.0
<b>Private Consumption</b>	1.6	0.9	1.5	1.9	1.9	1.8
<b>Gross Fixed Investment</b>	-2.9	-0.3	2.8	3.6	2.9	1.9
<b>Industrial Production</b>	-1.6	1.2	3.0	3.3	3.1	2.5
<b>Unemployment Rate</b> (% of labour force)	7.7	8.1	7.8	7.5	7.2	7.2
<b>Consumer Prices</b>	2.8	2.5	2.1	1.9	2.0	1.9
<b>Current Account</b> (annual total, Euros bn)	-3.3	-1.1	-0.8	1.7	2.1	3.3
<b>Current Account</b> (% of GDP)	-1.2	-0.7	-0.4	0.0	0.1	0.7
<i>(end period)</i>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>3 Month Interest Rate</b> , % per annum	0.19	0.35	0.78	1.47	2.15	2.52
<b>10 Year Bond Yield</b> , % per annum	1.51	2.06	2.35	2.97	3.50	3.60
<b>Yield Differential</b>	1.32	1.71	1.57	1.50	1.35	1.08
<b>US\$ per Euro Exchange Rate</b>	1.318	1.290	1.266	1.257	1.266	1.281
<hr/>						
<b>Norway</b>						
<i>(% change year-on-year, unless otherwise stated)</i>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Gross Domestic Product, total</b>	3.2	2.0	2.5	2.2	2.3	2.2
<b>Private Consumption</b>	3.0	3.0	3.2	3.2	2.8	2.5
<b>Gross Fixed Investment</b>	8.1	5.3	4.9	3.9	4.3	2.7
<b>Industrial Production</b>	3.1	-0.7	0.4	0.6	0.6	0.9
<b>Unemployment Rate</b> (% of labour force)	3.1	3.2	3.2	3.0	3.1	3.2
<b>Consumer Prices</b>	0.7	1.7	1.9	2.4	2.4	2.5
<b>Current Account</b> (annual total, Nkr bn)	401.5	369.0	385.0	354.7	391.3	377.1
<b>Current Account</b> (% of GDP)	14.4	12.9	12.9	12.3	13.4	10.5
<i>(end period)</i>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>3 Month Interest Rate</b> , % per annum	1.83	1.93	2.53	3.50	4.10	4.30
<b>10 Year Bond Yield</b> , % per annum	2.14	2.51	2.98	3.15	3.60	4.00
<b>Yield Differential</b>	0.31	0.58	0.45	-0.35	-0.50	-0.30
<b>Nkr per Euro Exchange Rate</b>	7.337	7.384	7.441	7.599	7.715	7.886
<hr/>						
<b>Sweden</b>						
<i>(% change year-on-year, unless otherwise stated)</i>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Gross Domestic Product</b>	0.8	1.2	2.5	2.7	2.4	2.2
<b>Private Consumption</b>	1.5	1.6	2.2	2.6	2.5	2.2
<b>Gross Fixed Investment</b>	3.4	0.7	3.1	4.5	4.0	2.9
<b>Industrial Production</b>	-3.1	0.0	3.7	3.3	2.4	2.0
<b>Unemployment Rate</b> (% of labour force)	7.9	8.1	7.8	7.0	6.6	6.4
<b>Consumer Prices</b>	0.9	0.5	1.7	2.1	2.1	2.3
<b>Current Account</b> (annual total, Skr bn)	254.5	248.3	252.3	230.2	225.6	226.8
<b>Current Account</b> (% of GDP)	7.2	6.8	6.7	6.8	6.8	5.8
<i>(end period)</i>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>3 Month Interest Rate</b> , % per annum	1.29	1.37	2.03	2.40	3.07	3.57
<b>10 Year Bond Yield</b> , % per annum	1.53	2.14	2.74	3.48	4.08	4.30
<b>Yield Differential</b>	0.24	0.77	0.71	1.08	1.01	0.73
<b>Skr per Euro Exchange Rate</b>	8.577	8.447	8.337	8.418	8.380	8.386
<i>Note: forecasts = consensus (mean average).</i>						



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