

# Nordic Barometer© - March 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: March 21st, 2016**

## Pessimism Increasing

- Forecasts for GDP growth in **Denmark** this year have been downgraded this month, largely in response to the uncertain global picture dampening the outlook for exports and investment. Forecasters have also lowered their 2016 inflation predictions.
- Our **Finland** contributors, by contrast, are more concerned about recovery prospects for next year, having downgraded their predictions for private consumption, exports and investment. The 2016 inflation outlook, like Denmark's, is also more benign.
- **Norwegian** forecasters have made adjustments to their GDP growth assessments in the light of low oil prices harming investment in the industry. Forecasts for unemployment and inflation are unchanged, however, and the current account surplus remains large, despite being downgraded.
- **Sweden's** growth outlook has improved again, resulting in a faster reduction in unemployment next year. Export growth prospects are substantially upgraded, and inflation expectations for 2017 have fallen.
- This month we also include **new updated, projections from the Danish and Norwegian central banks**. These are shown on the individual country pages in our "Other Forecasts" section.



**Next Month's Survey Deadline:  
April 18th, 2016**

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### Calculated Regional Aggregates

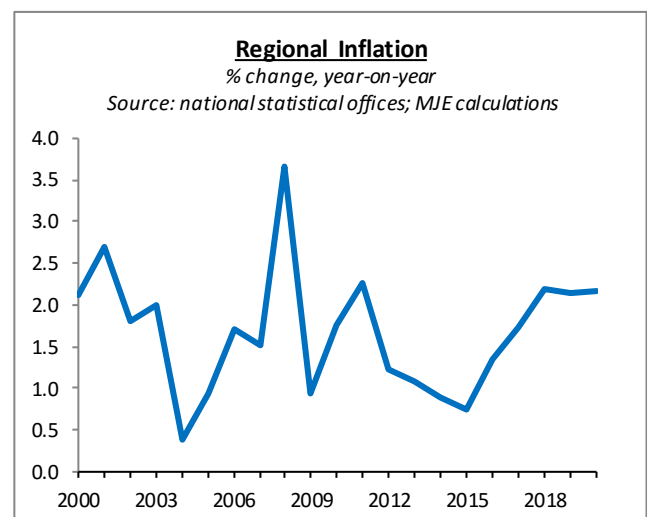
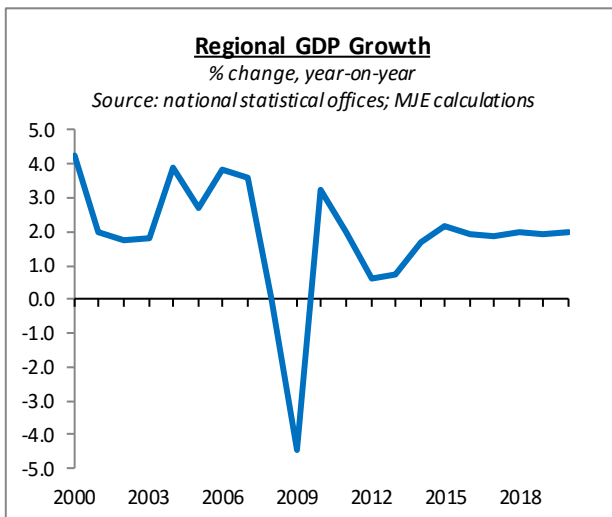
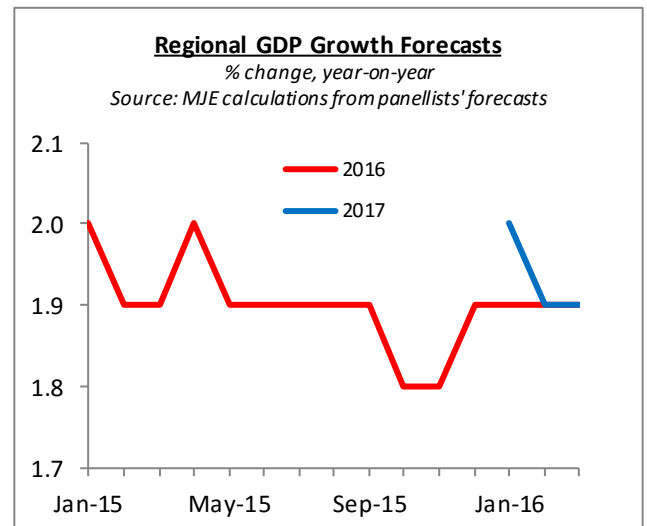
(% change year-on-year, unless otherwise stated)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016f</u>	<u>2017f</u>
<b>Gross Domestic Product</b>	0.7	1.7	2.2	1.9	1.9
<b>Private Consumption</b>	1.7	1.7	2.0	1.9	2.0
<b>Government Consumption</b>	1.1	1.7	1.5	2.3	1.8
<b>Gross Fixed Investment</b>	1.6	2.7	1.4	2.5	2.7
<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	0.7	1.4	1.7
<b>General Government Balance (% GDP)</b>	2.9	2.0	1.5	1.0	1.2

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.

#### Downgraded Inflation Expectations

- Forecasts from around the region this month suggest consumer price inflation will not increase as sharply as had been previously anticipated. Oil prices, although rebounding somewhat from their recent lows, have remained depressed in comparison to their peak levels in 2014, and other commodities are also reined in by reduced Chinese demand.
- The outlook for Nordic area real GDP growth is by contrast unchanged this month, albeit with some small offsetting changes to the various expenditure components. Meanwhile, the unemployment rate forecast for 2017 has slipped and is now showing a fall next year.



### 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	1.8	0.6	0.6	0.7	1.0
Consumer Prices	0.3	0.6	0.6	0.3	0.4	0.4
3 month Interest Rate, % per annum, end period	-0.16	-0.21	-0.05	-0.09	-0.07	-0.09
10 Year Bond Yield, % per annum, end period	0.24	1.01	0.87	0.94	0.55	0.48
	<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	1.9	2.2	2.1	2.1	1.9	1.8
Consumer Prices	0.8	1.1	1.7	1.8	1.7	1.8
3 month Interest Rate, % per annum, end period	-0.09	-0.05	0.02	0.05	0.11	-0.12
10 Year Bond Yield, % per annum, end period	0.55	0.78	0.91	1.12	1.33	1.27
	<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	0.7	0.3	0.7	0.7	0.7
Industrial Production	-3.0	-1.8	-0.3	-0.4	0.9	0.7
Consumer Prices	-0.1	-0.2	-0.3	-0.2	0.2	0.5
3 month Interest Rate, % per annum, end period	0.02	-0.02	-0.04	-0.13	-0.20	-0.24
10 Year Bond Yield, % per annum, end period	0.20	1.00	0.88	0.83	0.57	0.62
	<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	0.5	0.4	0.5	0.8	2.2	2.0
Industrial Production	0.5	1.1	1.8	1.9	2.3	2.1
Consumer Prices	0.5	0.9	1.3	1.4	1.5	1.5
3 month Interest Rate, % per annum, end period	-0.26	-0.24	-0.22	-0.21	-0.17	-0.07
10 Year Bond Yield, % per annum, end period	0.78	0.95	1.03	1.15	1.34	1.50
	<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	2.4	1.3	2.6	0.3	0.6	1.0
Industrial Production	1.3	1.2	2.7	-2.3	-1.1	0.2
Consumer Prices	2.0	2.2	2.0	2.5	2.7	2.4
3 month Interest Rate, % per annum, end period	1.48	1.33	1.12	1.13	1.08	0.78
10 Year Bond Yield, % per annum, end period	1.36	1.85	1.47	1.48	1.42	1.39
	<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	0.4	1.6	1.8	2.0	1.7	1.7
Industrial Production	-3.3	0.0	0.2	0.2	0.2	0.2
Consumer Prices	2.4	2.1	2.2	2.4	2.4	2.4
3 month Interest Rate, % per annum, end period	0.66	0.65	0.54	0.63	0.73	0.85
10 Year Bond Yield, % per annum, end period	1.38	1.44	1.49	1.62	1.77	1.87
	<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	3.0	3.6	4.2	4.5	4.2	3.7
Industrial Production	-2.4	2.6	2.2	3.4	na	na
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	-0.38	-0.34
10 Year Bond Yield, % per annum, end period	0.27	0.98	0.69	0.99	0.87	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	3.4	2.8	2.9	2.7	2.5	2.3
Industrial Production	na	na	na	na	na	na
Consumer Prices	0.9	1.3	1.3	1.4	1.7	2.0
3 month Interest Rate, % per annum, end period	-0.31	-0.31	-0.29	-0.07	0.11	0.21
10 Year Bond Yield, % per annum, end period	1.26	1.28	1.41	1.55	1.73	1.64

## 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	2.2	0.6	2.1	0.3	1.7	2.8	-0.4
Econ Intelligence Unit	1.1	1.6	0.8	1.2	-0.1	1.7	1.9	0.0
Handelsbanken	1.0	1.3	0.3	0.8	-0.1	0.8	0.6	na
IHS Economics	1.4	1.3	1.0	na	na	na	na	na
Nordea	1.3	2.0	0.7	1.5	0.0	0.5	0.9	na
Nykredit	1.4	1.3	0.2	5.6	na	na	na	-0.1
Oxford Economics	1.5	2.4	1.4	2.4	0.1	2.1	3.4	-0.5
SEB	1.8	2.5	0.5	4.1	0.1	1.8	2.8	na
<b>Consensus (Mean Average)</b>	<b>1.4</b>	<b>1.8</b>	<b>0.7</b>	<b>2.5</b>	<b>0.1</b>	<b>1.4</b>	<b>2.1</b>	<b>-0.3</b>
Last Month	1.5	1.9	0.7	2.9	0.1	1.8	2.4	-0.3
2 Months Ago	1.6	1.9	0.6	3.0	0.1	2.0	2.6	0.7
Median	1.4	1.8	0.7	2.1	0.1	1.7	2.4	-0.3
High	1.8	2.5	1.4	5.6	0.3	2.1	3.4	0.0
Low	1.0	1.3	0.2	0.8	-0.1	0.5	0.6	-0.5
Standard Deviation	0.2	0.5	0.4	1.7	0.2	0.6	1.1	0.2
Number of Forecasts	8	8	8	7	6	6	6	4
<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 (March '16)	1.3	1.8	0.7	na	0.0	1.0	1.3	na
EC (February '16)	1.7	2.0	0.8	2.7	0.2	3.7	4.5	-0.1
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

- The economy grew, but weakly in Q4 2015, by 0.2% q/q (and 0.6% y/y) following a decline in Q3, and the latest confidence indicators published by the European Commission show a slide in sentiment, mainly among manufacturers during the first two months of 2016.
- Confidence among consumers has remained stable, however, at a fairly high level, highlighting the effects of improving disposable incomes due to low borrowing rates, negligible inflation and employment growth. Construction sector confidence has improved too due to the demand for housing and favourable credit conditions.
- Danmarks Nationalbank, the Danish central bank, decided not to replicate the European Central Bank's interest rate reduction this month, and instead sought to narrow interest rate differentials to the euro.
- Interest rate policy will be determined by how much the krone reacts to risk appetite in the foreign exchange markets, including the Brexit vote in June. Capital inflows in search of a safe haven would once again threaten the krone's peg to the euro, resulting in some intervention by the central bank and a likely interest rate response, making the deposit rate more negative again.

## Denmark: 2016 Forecasts

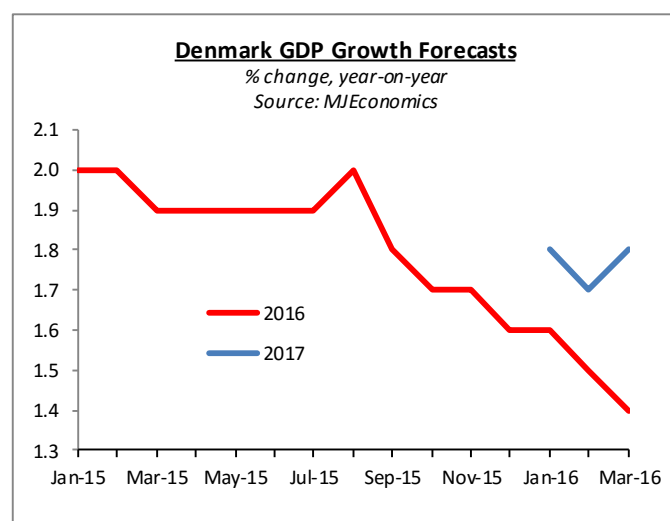
<b>Other Indicators</b> <i>average % change from previous year unless otherwise noted</i>	Unemployment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Average Earnings (private sector)	Current Account Balance (annual total, Dkr bn)	Current Account Balance (% of GDP)	General Government Balance (% of GDP)
<b>Panellists</b>						
Danske Bank	4.4	0.6	1.9	147.0	7.2	-2.2
Econ Intelligence Unit	4.5	0.7	1.7	145.0	7.1	-2.8
Handelsbanken	na	1.2	2.0	145.0	7.2	na
IHS Economics	na	1.0	na	na	na	-1.6
Nordea	4.2	0.6	1.5	148.0	7.3	-2.7
Nykredit	4.4	1.0	na	na	na	-2.8
Oxford Economics	4.4	0.5	na	98.5	4.8	-1.1
SEB	4.2	0.6	2.0	na	6.5	-2.0
<b>Consensus (Mean Average)</b>	<b>4.4</b>	<b>0.8</b>	<b>1.8</b>	<b>136.7</b>	<b>6.7</b>	<b>-2.2</b>
Last Month	4.3	1.0	1.9	131.9	6.5	-2.6
2 Months Ago	4.3	1.1	2.0	132.3	6.8	-2.3
Median	4.4	0.7	1.9	145.0	7.2	-2.2
High	4.5	1.2	2.0	148.0	7.3	-1.1
Low	4.2	0.5	1.5	98.5	4.8	-2.8
Standard Deviation	0.1	0.3	0.2	21.4	1.0	0.7
Number of Forecasts	6	8	5	5	6	7
<b><u>Other Forecasts</u></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 (March '16)	na	na	2.1	na	6.7	-3.2
EC (February '16)	na	na	na	na	7.3	-2.7
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	-0.1	-0.2	1.3	1.2
Private Consumption	0.1	0.2	0.2	0.7	2.2
Government Consumption	-1.4	0.0	-0.7	0.2	1.0
Gross Fixed Investment	0.3	3.9	1.1	3.4	0.2
Inventory Building (% contribution)	0.9	-0.6	-0.1	0.4	-0.4
Goods & Services Exports	7.3	0.6	0.9	3.1	-0.7
Goods & Services Imports	7.2	1.8	1.1	3.3	-1.2
Net Exports (% contribution)	0.5	-0.4	-0.1	0.1	0.2
Unemployment Rate (% of labour force)	6.0	6.1	5.8	5.0	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	138.5
- as a % of GDP	5.7	5.7	7.1	7.7	7.0
General Govt Budget Balance (% of GDP)	-2.1	-3.6	-1.3	1.5	-2.0

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	0.2
Econ Intelligence Unit	1.6	1.5	0.8	2.1	-0.1	2.6	2.2	0.3
Handelsbanken	0.8	1.0	0.0	0.6	0.0	1.4	1.2	na
IHS Economics	2.1	2.0	1.7	na	na	na	na	na
Nordea	1.8	1.9	0.6	3.1	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	2.2	2.8	0.7	4.3	0.0	4.2	5.0	na
<b>Consensus (Mean Average)</b>	<b>1.8</b>	<b>1.9</b>	<b>0.8</b>	<b>2.7</b>	<b>0.0</b>	<b>3.3</b>	<b>3.5</b>	<b>0.1</b>
Last Month	1.7	1.9	0.8	2.9	0.0	3.4	3.7	0.2
2 Months Ago	1.8	1.9	0.8	3.2	0.0	3.5	3.7	1.2
Median	1.8	2.0	0.7	2.9	0.0	3.4	3.5	0.2
High	2.2	2.8	2.0	4.3	0.0	4.7	5.5	0.3
Low	0.8	1.0	0.0	0.6	-0.1	1.4	1.2	-0.2
Standard Deviation	0.4	0.6	0.8	1.3	0.0	1.3	1.7	0.3
Number of Forecasts	8	7	7	6	6	6	6	3
<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 (March '16)	1.8	2.0	0.0	na	0.0	3.3	3.4	na
EC (February '16)	1.9	2.1	0.0	4.1	0.0	4.2	4.4	0.1
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



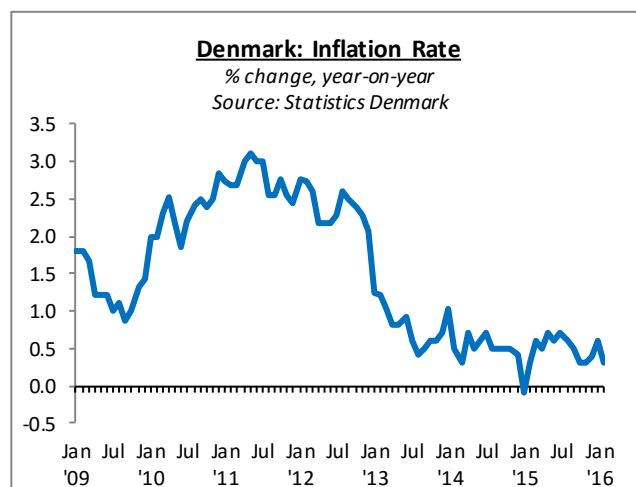
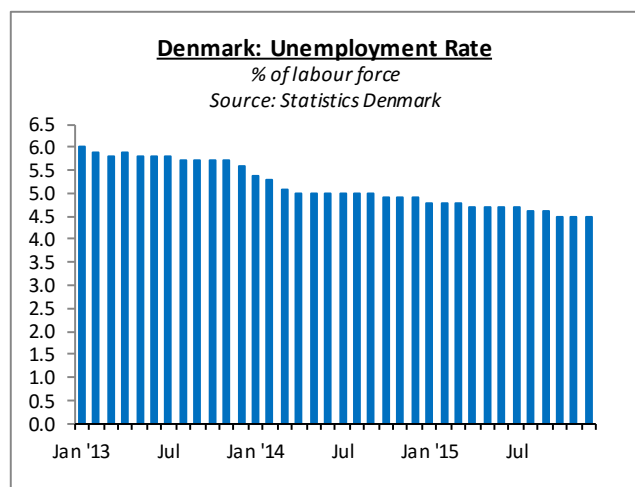
### Denmark: Background Information

<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 167 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	1.6	2.2	151.0	7.2	-1.4
Econ Intelligence Unit	4.4	1.4	1.9	129.7	6.2	-2.8
Handelsbanken	na	1.2	2.2	140.0	6.8	na
IHS Economics	na	2.0	na	na	na	-1.2
Nordea	3.9	1.2	1.8	143.0	6.8	-2.2
Nykredit	na	1.4	na	na	na	na
Oxford Economics	4.3	1.6	na	99.1	4.6	-0.4
SEB	4.0	1.5	2.5	na	6.0	-1.0
<b>Consensus (Mean Average)</b>	<b>4.1</b>	<b>1.5</b>	<b>2.1</b>	<b>132.6</b>	<b>6.3</b>	<b>-1.5</b>
Last Month	4.1	1.5	2.2	128.2	6.1	-2.1
2 Months Ago	4.1	1.6	2.4	129.1	6.5	-1.7
Median	4.1	1.5	2.2	140.0	6.5	-1.3
High	4.4	2.0	2.5	151.0	7.2	-0.4
Low	3.9	1.2	1.8	99.1	4.6	-2.8
Standard Deviation	0.2	0.3	0.3	20.2	0.9	0.9
Number of Forecasts	5	8	5	5	6	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 (March '16)	na	na	2.5	na	6.7	-2.4
EC (February '16)	na	na	na	na	7.2	-1.9
IMF (October '15)	na	na	na	na	na	na
OECD (November '15)	na	1.4	na	na	7.4	-2.8



## 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	0.6	0.6	0.2	2.2	na	1.7	2.6	na
Danske Bank	0.7	na	na	na	na	na	na	na
DZ Bank	0.5	0.2	0.3	1.4	na	1.6	0.2	na
Econ Intelligence Unit	0.4	0.9	-0.2	0.8	0.4	0.5	1.3	-0.3
ETLA	0.9	0.7	0.1	3.7	0.2	0.8	1.8	na
Handelsbanken	1.0	1.0	0.0	3.7	0.0	3.2	3.8	-0.2
IHS Economics	0.6	0.7	0.3	1.3	na	1.4	1.9	na
Nordea	0.5	0.7	0.3	1.7	-0.1	0.6	1.2	na
Oxford Economics	0.7	1.0	0.5	2.3	-0.2	1.0	1.8	-0.3
SEB	0.4	0.5	-0.2	1.0	0.0	1.6	1.6	na
<b>Consensus (Mean Average)</b>	<b>0.6</b>	<b>0.7</b>	<b>0.1</b>	<b>2.0</b>	<b>0.1</b>	<b>1.4</b>	<b>1.8</b>	<b>-0.3</b>
Last Month	0.6	0.5	-0.1	1.7	0.0	2.0	1.8	-0.1
2 Months Ago	0.7	0.5	-0.1	1.8	-0.1	2.1	1.8	-0.2
Median	0.6	0.7	0.2	1.7	0.0	1.4	1.8	-0.3
High	1.0	1.0	0.5	3.7	0.4	3.2	3.8	-0.2
Low	0.4	0.2	-0.2	0.8	-0.2	0.5	0.2	-0.3
Standard Deviation	0.2	0.3	0.2	1.1	0.2	0.8	1.0	0.1
Number of Forecasts	10	9	9	9	6	9	9	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 (February '16)	0.5	0.6	0.1	1.1	0.0	1.5	1.5	0.0
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 economy grew, but at the feeble pace of 0.1% in real terms during Q4 2015, delivering y/y growth of 0.7%, which was higher than in Q3, but similar to the pace during Q2.
- Any improvement at all is welcome for one of Europe's most lacklustre economies, which is still suffering from structural problems and the EU's trade embargo with Russia. Employment growth was flat during Q4 2015, contrasting with growth in the rest of the region, notably in Sweden. The unemployment rate moreover has not budged from 9.4% in recent months, putting the government under pressure to introduce more labour market reforms.
- Business and consumer confidence had improved in January, but fell back in February. As in other parts of Europe sentiment within the manufacturing sector was rocked by talk of the global economy faltering and the accompanying financial market volatility. Retailers also became more despondent.
- The longer Russia remains mired in recession, trade with Europe is affected, and Finland's economy fails to recover properly, the more it will impact on the fiscal projections. It came as no surprise therefore when Fitch removed its triple-A rating this month, following in the footsteps of S&P which did the same in 2014.



## Finland: 2016 Forecasts

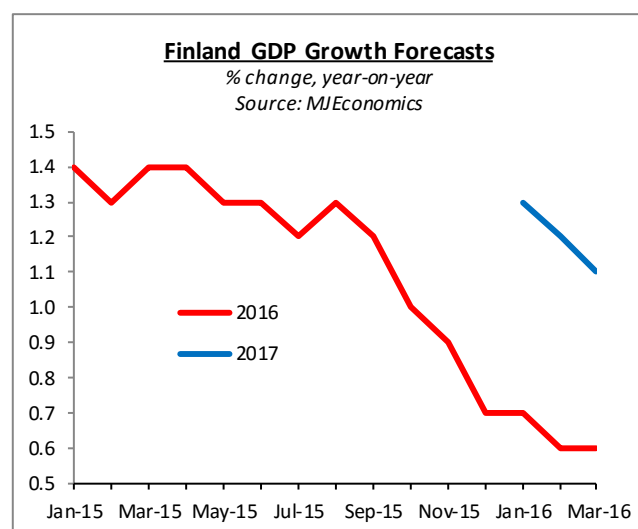
Other Indicators <i>average % change from previous year unless otherwise noted</i>	Industrial Production	Unemploy- ment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Producer Prices (total industry)	Wages & Salaries (private sector)	Current Account Balance (annual total, Euros bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
Panellists								
Aktia Bank	na	9.4	0.1	na	na	na	0.1	-2.9
Danske Bank	na	9.6	0.4	na	1.1	na	0.2	na
DZ Bank	na	9.4	0.7	na	na	na	-0.6	-3.5
Econ Intelligence Unit	0.5	9.4	0.3	-0.5	0.8	0.8	0.4	-2.4
ETLA	1.4	9.4	0.3	na	1.1	na	0.3	-2.7
Handelsbanken	3.5	9.5	0.8	na	1.0	-0.6	-0.3	-2.8
IHS Economics	1.4	9.5	0.6	na	na	0.8	0.8	-2.8
Nordea	1.0	9.5	0.4	na	0.9	-0.3	-0.2	-3.0
Oxford Economics	0.2	9.4	0.4	0.6	2.1	0.0	0.0	-2.8
SEB	na	9.2	0.2	na	1.5	na	-0.9	-2.8
<b>Consensus (Mean Average)</b>	<b>1.3</b>	<b>9.4</b>	<b>0.4</b>	<b>0.1</b>	<b>1.2</b>	<b>0.1</b>	<b>0.0</b>	<b>-2.9</b>
Last Month	1.7	9.5	0.7	0.1	1.2	0.3	0.0	-2.9
2 Months Ago	1.4	9.5	0.7	1.8	1.2	0.2	-0.2	-2.8
Median	1.2	9.4	0.4	0.1	1.1	0.0	0.1	-2.8
High	3.5	9.6	0.8	0.6	2.1	0.8	0.8	-2.4
Low	0.2	9.2	0.1	-0.5	0.8	-0.6	-0.9	-3.5
Standard Deviation	1.2	0.1	0.2	0.8	0.4	0.6	0.5	0.3
Number of Forecasts	6	10	10	2	7	5	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 (February '16)	na	9.4	na	na	na	na	0.4	-2.8
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	-0.8	-0.7	0.5
Private Consumption	2.9	0.3	-0.5	0.6	1.3
Government Consumption	-0.1	0.5	1.1	-0.3	-0.3
Gross Fixed Investment	4.1	-1.9	-4.9	-2.6	-1.1
Inventory Building (% contribution)	1.6	-1.1	0.1	0.0	-0.2
Goods & Services Exports	2.0	1.2	1.1	-0.9	0.4
Goods & Services Imports	6.0	1.6	0.5	0.0	-1.2
Net Exports (% contribution)	-1.4	-0.2	0.2	-0.3	0.4
Industrial Production	1.7	-1.5	-3.2	-1.9	-1.3
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	-1.9
Wages and Salaries (private sector)	2.4	3.0	2.4	1.7	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	0.1
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	0.9	0.3	0.2	2.8	na	2.6	2.2	na
Danske Bank	1.1	na	na	na	na	na	na	na
DZ Bank	na	na	na	na	na	na	na	na
Econ Intelligence Unit	1.2	1.1	0.3	1.9	0.3	1.9	2.3	-0.2
ETLA	1.2	0.1	0.2	3.7	-0.1	3.4	2.1	na
Handelsbanken	1.2	0.7	0.0	4.5	0.0	2.5	3.0	-0.2
IHS Economics	1.3	0.5	-0.2	1.6	na	3.1	3.2	na
Nordea	0.7	0.4	-0.2	2.6	-0.2	2.4	1.8	na
Oxford Economics	1.2	1.0	0.5	1.9	-0.1	2.3	1.9	-0.3
SEB	1.1	0.6	-0.2	2.2	0.0	3.5	2.5	na
<b>Consensus (Mean Average)</b>	<b>1.1</b>	<b>0.6</b>	<b>0.1</b>	<b>2.7</b>	<b>0.0</b>	<b>2.7</b>	<b>2.4</b>	<b>-0.2</b>
Last Month	1.2	0.7	-0.1	2.8	0.0	2.9	2.5	0.1
2 Months Ago	1.3	0.8	0.0	3.1	-0.1	2.9	2.5	0.0
Median	1.2	0.6	0.1	2.4	-0.1	2.6	2.3	-0.2
High	1.3	1.1	0.5	4.5	0.3	3.5	3.2	-0.2
Low	0.7	0.1	-0.2	1.6	-0.2	1.9	1.8	-0.3
Standard Deviation	0.2	0.3	0.3	1.0	0.2	0.6	0.5	0.1
Number of Forecasts	9	8	8	8	6	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 (February '16)	0.9	0.6	-0.1	2.8	0.0	2.8	2.8	0.0
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



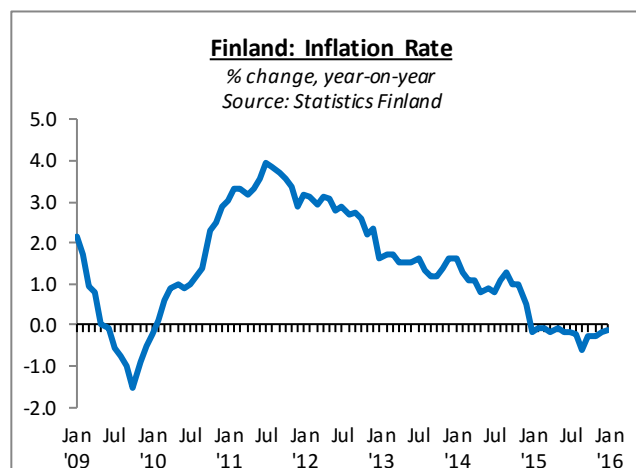
### Finland: Background Information

<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>	2nd out of 167 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

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)	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)
Panellists								
Aktia Bank	na	9.3	1.3	na	na	na	0.1	-2.7
Danske Bank	na	9.4	1.0	na	0.6	na	0.5	na
DZ Bank	na	na	na	na	na	na	na	na
Econ Intelligence Unit	1.9	9.0	0.9	2.2	1.2	0.9	0.4	-1.7
ETLA	2.4	9.3	1.1	na	0.7	na	0.6	-2.6
Handelsbanken	2.5	9.3	1.2	na	1.1	-0.7	-0.3	-2.6
IHS Economics	1.6	9.4	1.1	na	na	1.1	1.0	-2.6
Nordea	1.5	9.5	1.4	na	0.7	-0.8	-0.4	-2.8
Oxford Economics	2.4	9.2	1.8	3.9	2.0	0.0	0.0	-2.5
SEB	na	8.9	1.0	na	1.8	na	-0.9	-2.5
<b>Consensus (Mean Average)</b>	<b>2.1</b>	<b>9.3</b>	<b>1.2</b>	<b>3.1</b>	<b>1.2</b>	<b>0.1</b>	<b>0.1</b>	<b>-2.5</b>
Last Month	2.0	9.4	1.2	2.9	1.3	0.5	0.1	-2.6
2 Months Ago	2.0	9.3	1.2	2.2	1.3	0.3	-0.1	-2.4
Median	2.2	9.3	1.1	3.1	1.1	0.0	0.1	-2.6
High	2.5	9.5	1.8	3.9	2.0	1.1	1.0	-1.7
Low	1.5	8.9	0.9	2.2	0.6	-0.8	-0.9	-2.8
Standard Deviation	0.4	0.2	0.3	1.2	0.6	0.9	0.6	0.3
Number of Forecasts	6	9	9	2	7	5	9	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 (February '16)	na	9.3	na	na	na	na	0.7	-2.5
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

<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
	Total	Mainland							
<b>Panellists</b>									
Danske Bank	1.3	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	1.3	na	1.8	2.0	0.1	-0.8	2.9	0.8	0.9
Handelsbanken	0.5	0.7	1.5	2.7	na	na	na	na	na
IHS Economics	0.7	na	1.8	2.8	-2.0	na	1.5	1.0	na
Nordea	1.2	1.0	1.5	2.9	-1.2	0.0	2.1	1.2	na
Nykredit	na	1.2	1.5	2.6	0.5	na	na	na	-0.3
Oxford Economics	0.8	1.4	1.6	3.1	0.6	-1.5	2.3	0.0	0.9
SEB	1.5	1.6	1.5	3.1	-0.9	0.0	2.2	1.7	na
Statistics Norway	1.2	1.4	1.2	2.7	-1.0	0.0	1.8	1.6	0.3
Swedbank First Securities	0.1	0.7	1.3	2.2	-2.3	-0.4	0.0	0.0	0.0
UniCredit Bank	1.6	1.5	2.3	1.6	6.2	-0.1	4.6	4.1	-0.1
<b>Consensus (Mean Average)</b>	<b>1.1</b>	<b>1.2</b>	<b>1.6</b>	<b>2.7</b>	<b>-0.1</b>	<b>-0.4</b>	<b>2.3</b>	<b>1.4</b>	<b>0.3</b>
Last Month	1.3	1.4	1.6	2.9	0.1	-0.3	2.4	1.3	0.3
2 Months Ago	1.3	1.4	1.6	2.9	-0.4	-0.4	2.1	1.1	0.4
Median	1.3	1.3	1.5	2.7	-0.9	-0.3	2.3	1.4	0.3
High	1.8	1.6	2.3	3.8	6.2	0.0	4.6	4.1	0.9
Low	0.1	0.7	1.2	1.6	-2.3	-1.5	0.0	0.0	-0.3
Standard Deviation	0.5	0.3	0.3	0.6	2.3	0.5	1.2	1.2	0.5
Number of Forecasts	12	10	13	13	11	9	10	10	7
<b>Other Forecasts</b>									
Finance Ministry (Oct '15)	1.2	1.8	1.9	2.7	0.2	na	1.3	2.7	na
Norges Bank (December '15)	-0.1	0.8	1.6	na	na	na	na	1.1	na
EC (February '16)	1.5	na	1.5	3.3	-1.0	-0.2	3.5	2.7	0.5
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

- To date, the mini revival in the price of oil is insufficient to improve the outlook for Norway's economy, which is struggling to grow as petroleum firms cut investment spending.
- Although the non-oil economy is bearing up, with the services sector in particular still growing robustly, the multiplier effects of the oil shock are still causing problems along the supplier chain. This is clear from the latest warnings of job cuts and, worse, of possible default among the various contractors and suppliers to the oil majors, which have been long used to a booming offshore industry.
- Finance Minister Siv Jensen remains ebullient, talking up Norway's prospects and arguing (with some justification) the country is not in crisis. The unemployment rate, at 4.5%, is still remarkably low in comparison with other countries, the standard of living is high, and the country still has a huge sovereign wealth fund, absorbing the shock and avoiding austerity.
- Norges Bank, Norway's central bank, nevertheless decided to lower its policy interest rate to provide sufficient monetary stimulus and entice the krone lower to ensure the economic slowdown does not gravitate into recession.

## Norway: 2016 Forecasts

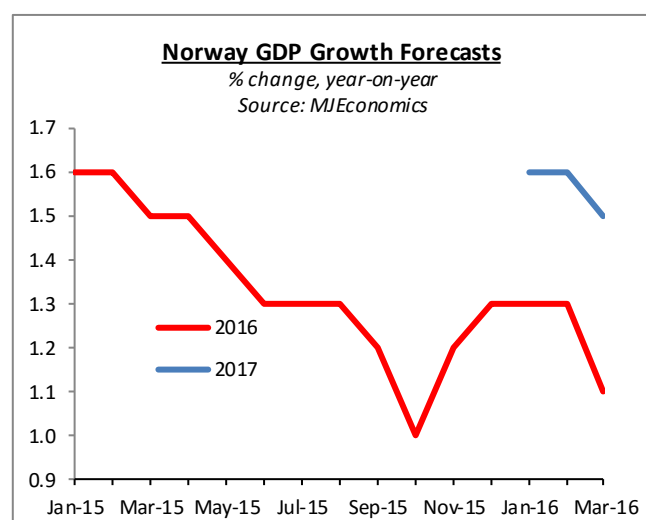
<b>Other Indicators</b> <i>average % change from previous year unless otherwise noted</i>	Industrial Production	Unemploy- ment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Consumer Prices (CPI-ATE index, underlying rate)	Manufac- turing Earnings	Current Account Balance (annual total, Nkr bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
<b>Panellists</b>								
Danske Bank	na	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	0.8	4.5	2.2	na	2.9	194.7	6.2	5.2
Handelsbanken	na	5.0	2.5	2.5	na	na	na	na
IHS Economics	0.4	5.0	2.3	na	na	na	9.3	3.7
Nordea	na	4.8	2.5	2.6	2.5	228.9	7.0	5.7
Nykredit	na	4.8	2.3	na	na	na	7.2	6.6
Oxford Economics	-1.6	4.7	2.3	na	2.1	100.9	3.1	4.7
SEB	na	4.9	2.5	2.7	na	na	na	na
Statistics Norway	na	4.7	2.4	2.5	na	146.9	4.6	na
Swedbank First Securities	-0.5	5.2	2.7	2.8	2.5	204.6	6.5	4.9
UniCredit Bank	na	4.6	1.8	2.4	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>-0.2</b>	<b>4.8</b>	<b>2.4</b>	<b>2.6</b>	<b>2.5</b>	<b>175.2</b>	<b>6.5</b>	<b>5.3</b>
Last Month	-0.3	4.8	2.4	2.6	2.7	187.1	6.6	4.8
2 Months Ago	0.0	4.8	2.5	2.7	2.8	207.2	7.0	5.4
Median	-0.1	4.8	2.5	2.6	2.5	194.7	6.8	5.2
High	0.8	5.2	2.7	2.8	2.9	228.9	9.3	6.6
Low	-1.6	4.5	1.8	2.4	2.1	100.9	3.1	3.7
Standard Deviation	1.1	0.2	0.3	0.1	0.3	51.1	1.9	1.0
Number of Forecasts	4	11	12	7	4	5	8	7
<b>Other Forecasts</b>								
Finance Ministry (Oct '15)	na	4.5	2.5	2.5	na	na	na	5.6
Norges Bank (December '15)	na	4.6	3.1	3.0	na	na	na	na
EC (February '16)	na	4.1	na	na	na	na	7.4	7.2
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	1.6
GDP, mainland	1.9	3.8	2.3	2.3	1.0
Private Consumption	2.3	3.5	2.7	1.7	2.0
Government Consumption	1.0	1.6	1.0	2.9	1.8
Gross Fixed Investment	7.4	7.6	6.3	0.0	-4.0
Inventory Building (% contribution)	-0.2	-0.2	0.2	0.3	0.4
Goods & Services Exports	-0.8	1.4	-1.7	2.2	2.3
Goods & Services Imports	4.0	3.1	4.9	1.5	0.6
Net Exports (% contribution)	-1.6	-0.5	-2.3	0.3	0.7
Industrial Production	-4.3	2.8	-5.0	3.5	0.7
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	2.1
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	2.6
Current Account Balance (Nkr bn)	344.9	368.6	307.7	297.0	282.6
- as a % of GDP	12.4	12.4	10.0	9.7	9.0
General Govt Budget Balance (% of GDP)	13.4	13.8	10.8	9.1	6.9

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	1.9	na	2.0	2.0	2.1	0.0	2.5	2.9	0.2
Handelsbanken	0.8	1.0	na	na	na	na	na	na	na
IHS Economics	1.5	na	2.1	2.8	-0.4	na	2.0	2.4	na
Nordea	1.4	1.6	2.0	3.0	-1.0	0.0	1.7	1.8	na
Nykredit	na	1.3	na	na	na	na	na	na	na
Oxford Economics	1.8	2.5	1.7	2.0	4.3	-0.6	2.2	2.1	0.3
SEB	1.6	2.2	2.3	2.5	1.3	0.0	1.8	3.2	na
Statistics Norway	1.9	2.3	2.8	2.2	2.5	0.0	1.4	2.8	-0.2
Swedbank First Securities	1.1	1.4	1.5	2.2	-1.1	0.2	1.3	1.7	0.1
UniCredit Bank	1.8	2.0	3.0	1.2	3.8	-0.1	5.5	5.1	0.0
<b>Consensus (Mean Average)</b>	<b>1.5</b>	<b>1.8</b>	<b>2.2</b>	<b>2.2</b>	<b>1.4</b>	<b>-0.1</b>	<b>2.2</b>	<b>2.7</b>	<b>0.1</b>
Last Month	1.6	1.8	2.3	2.2	1.5	-0.1	2.2	2.8	0.0
2 Months Ago	1.6	1.8	2.3	2.3	1.6	-0.1	1.8	2.7	0.0
Median	1.6	1.6	2.1	2.2	1.3	0.0	1.8	2.4	0.1
High	2.0	2.5	3.0	3.0	4.3	0.2	5.5	5.1	0.3
Low	0.8	1.0	1.5	1.2	-1.1	-0.6	1.0	1.7	-0.2
Standard Deviation	0.4	0.5	0.5	0.5	2.0	0.2	1.3	1.0	0.2
Number of Forecasts	11	9	10	10	9	8	9	9	5
<b>Other Forecasts</b>									
Finance Ministry (Oct '15)	1.6	2.1	2.8	1.4	2.5	na	2.4	4.5	na
Norges Bank (December '15)	1.2	1.8	2.2	na	na	na	na	2.7	na
EC (February '16)	2.2	na	2.0	3.0	-0.1	0.0	4.9	4.0	0.7
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



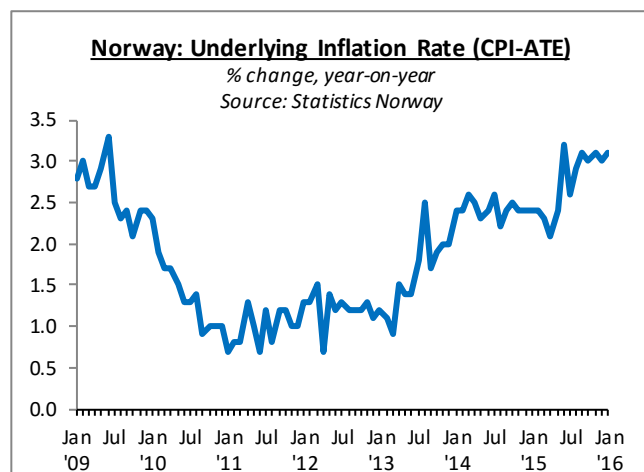
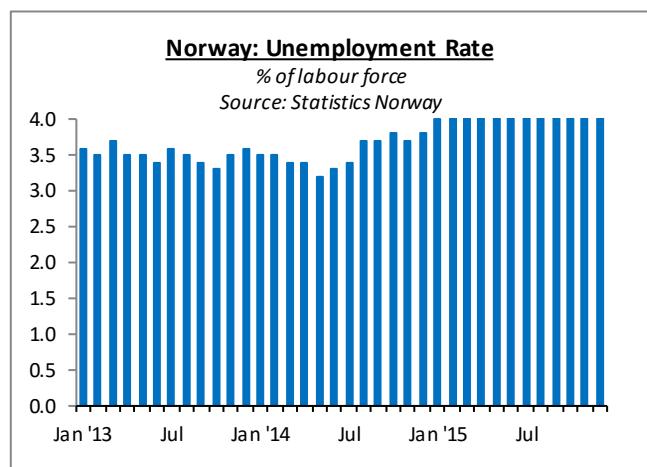
### Norway: Background Information

<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 167 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

<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	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	3.4	4.4	2.2	na	3.0	249.1	7.4	6.3
Handelsbanken	na	5.2	na	na	na	na	na	na
IHS Economics	1.4	5.3	1.9	na	na	na	9.9	4.2
Nordea	na	4.9	1.9	1.5	2.5	257.9	7.6	6.3
Nykredit	na	na	1.9	na	na	na	na	na
Oxford Economics	-0.5	4.1	2.4	na	4.7	100.5	3.0	4.0
SEB	na	4.9	2.1	2.1	na	na	na	na
Statistics Norway	na	4.5	2.0	1.8	na	154.0	4.7	na
Swedbank First Securities	0.9	5.4	3.0	2.9	2.5	261.0	7.9	6.1
UniCredit Bank	na	4.5	2.4	2.7	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>1.3</b>	<b>4.9</b>	<b>2.2</b>	<b>2.1</b>	<b>3.2</b>	<b>204.5</b>	<b>6.8</b>	<b>5.4</b>
Last Month	0.8	4.9	2.2	2.1	3.4	230.6	7.3	5.1
2 Months Ago	0.9	4.8	2.0	1.7	3.3	244.8	7.6	5.8
Median	1.2	4.9	2.1	2.0	2.8	249.1	7.5	6.1
High	3.4	5.4	3.0	2.9	4.7	261.0	9.9	6.3
Low	-0.5	4.1	1.8	1.5	2.5	100.5	3.0	4.0
Standard Deviation	1.6	0.5	0.4	0.6	1.0	73.1	2.5	1.2
Number of Forecasts	4	10	11	6	4	5	6	5
<b>Other Forecasts</b>								
Finance Ministry (Oct '15)	na	4.2	2.1	2.1	na	na	na	na
Norges Bank (December '15)	na	4.4	2.3	2.5	na	na	na	na
EC (February '16)	na	4.3	na	na	na	na	7.9	7.0
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	3.1	2.9	2.9	5.5	-0.2	4.9	4.5	0.3
Handelsbanken	3.2	3.2	3.1	4.5	0.1	5.1	5.7	-0.1
IHS Economics	2.9	2.1	1.7	4.4	na	4.8	5.0	na
Morgan Stanley	3.8	3.2	3.5	5.2	0.0	6.3	6.5	0.2
National Institute - KI	3.7	2.7	4.5	4.8	0.0	4.3	4.5	0.1
Nordea	3.8	2.8	3.8	5.0	0.0	7.3	6.5	na
Nykredit	3.1	2.8	2.8	5.2	na	na	na	-0.2
Oxford Economics	3.5	2.9	2.9	5.8	0.0	5.7	6.4	0.0
SEB	3.7	3.0	3.5	7.3	0.1	5.8	7.3	na
UniCredit Bank	3.1	2.8	3.1	4.5	-0.2	4.8	4.9	0.0
<b>Consensus (Mean Average)</b>	<b>3.3</b>	<b>2.7</b>	<b>3.0</b>	<b>4.9</b>	<b>-0.1</b>	<b>5.2</b>	<b>5.4</b>	<b>0.1</b>
Last Month	3.1	2.6	2.6	4.6	0.0	4.7	4.8	0.1
2 Months Ago	3.1	2.6	2.5	4.6	0.0	4.6	4.7	0.1
Median	3.2	2.8	3.1	4.8	0.0	5.0	5.1	0.1
High	3.8	3.2	4.5	7.3	0.1	7.3	7.3	0.3
Low	2.5	2.1	0.8	3.8	-0.4	4.0	3.6	-0.2
Standard Deviation	0.4	0.3	1.0	0.9	0.2	0.9	1.1	0.2
Number of Forecasts	13	13	13	13	11	12	12	9
<b>Other Forecasts</b>								
Finance Ministry (Dec '15)	2.9	2.6	3.8	2.6	0.1	na	na	0.2
Riksbank (December '15)	3.3	2.9	4.0	4.8	0.1	5.6	6.3	-0.1
EC (February '16)	3.2	2.6	3.6	4.2	0.0	4.1	4.3	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

- The Swedish economy became even stronger during Q4 2015, with GDP growing by 1.3% in real terms, and by 4.5% y/y, adding to fears of overheating, not least because of the bias towards monetary easing from the Riksbank, the central bank, which remains at pains to meet its inflation target.
- The unemployment rate has levelled off in recent months at 7%, but employment is rising at a decent pace and the labour market has been swelled by thousands of immigrants, highlighting the large intake of refugees in relation to the size of the population.
- Newcomers will bolster domestic demand, as they and the government spend more, but generally speaking the economy looks likely to settle into a more normal growth pattern as exports ease.
- As in other parts of Europe business sentiment tailed off in February and other activity measures, including the purchasing managers' index and the Tendency Indicator compiled by one of our contributors, the National Institute of Economic Research, are signalling a softening of the rapid pace of growth, which will come as a relief to the Riksbank.



## Sweden: 2016 Forecasts

Other Indicators <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)
Panellists									
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	3.0	7.2	0.7	na	-0.2	1.5	251.4	5.8	-0.9
Handelsbanken	na	6.8	1.8	1.9	na	na	na	na	na
IHS Economics	2.0	6.7	0.7	na	na	na	na	6.6	-0.4
Morgan Stanley	na	7.2	1.0	1.3	na	na	247.2	5.6	-0.9
National Institute - KI	4.1	6.8	0.9	1.5	na	3.1	267.9	6.1	-1.1
Nordea	na	6.8	0.9	1.3	na	3.2	279.7	6.4	-0.9
Nykredit	na	7.2	1.3	na	na	na	na	6.5	-1.6
Oxford Economics	2.1	6.8	0.7	na	1.2	na	240.1	5.5	-0.6
SEB	na	6.7	0.6	1.2	na	3.1	na	5.8	-1.1
UniCredit Bank	na	7.0	0.5	0.8	na	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>2.8</b>	<b>7.0</b>	<b>0.9</b>	<b>1.4</b>	<b>0.5</b>	<b>2.7</b>	<b>257.3</b>	<b>6.1</b>	<b>-1.0</b>
Last Month	3.2	7.0	0.9	1.4	0.7	2.7	263.7	6.2	-1.0
2 Months Ago	2.9	7.0	1.1	1.5	1.1	3.2	266.7	6.2	-1.0
Median	2.6	6.9	0.9	1.3	0.5	3.1	251.4	6.0	-0.9
High	4.1	7.2	1.8	1.9	1.2	3.2	279.7	7.3	-0.4
Low	2.0	6.7	0.5	0.8	-0.2	1.5	240.1	5.3	-1.6
Standard Deviation	1.0	0.2	0.4	0.3	1.0	0.8	16.2	0.6	0.3
Number of Forecasts	4	12	12	7	2	4	5	10	10
<b>Other Forecasts</b>									
Finance Ministry (Dec '15)	na	7.0	0.9	na	na	na	na	na	-0.9
Riksbank (December '15)	na	6.8	0.7	1.3	na	3.2	na	5.3	-0.8
EC (February '16)	na	6.9	na	na	na	na	na	5.3	-1.1
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

Sweden: Historical Data (% change year-on-year)	2011	2012	2013	2014	2015
Gross Domestic Product	2.7	-0.3	1.2	2.3	3.5
Private Consumption	1.9	0.8	1.9	2.2	2.4
Government Consumption	0.8	1.1	1.3	1.6	2.2
Gross Fixed Investment	5.7	-0.2	0.6	7.6	7.3
Inventory Building (% contribution)	0.5	-1.1	0.2	0.1	-0.1
Goods & Services Exports	6.1	1.0	-0.8	3.5	4.9
Goods & Services Imports	7.3	0.5	-0.1	6.3	4.4
Net Exports (% contribution)	-0.2	0.2	-0.3	-0.9	0.4
Industrial Production	3.0	-3.2	-2.5	-3.8	1.5
Unemployment Rate (% of labour force)	7.5	7.9	8.0	7.9	7.4
Consumer Prices (headline rate)	2.6	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	0.7
Labour Costs (mining and manufacturing)	2.7	3.2	2.6	3.0	2.5
Current Account Balance (Skr bn)	251.6	244.2	252.6	242.9	241.6
- as a % of GDP	6.9	6.6	6.7	6.2	5.8
General Govt Budget Balance (% of GDP)	-0.1	-0.9	-1.4	-1.7	-1.1

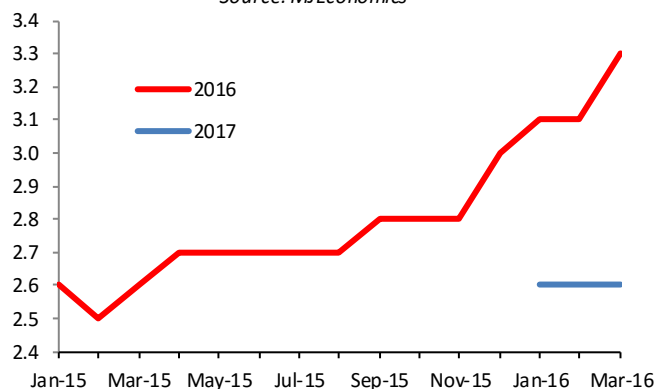
Source: Eurostat, Statistics Sweden

## 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	2.6	2.4	1.5	4.0	0.0	4.0	3.7	0.3
Handelsbanken	2.7	2.7	2.7	3.5	0.0	3.6	4.0	0.0
IHS Economics	2.2	1.9	1.6	2.8	na	3.5	3.2	na
Morgan Stanley	2.8	2.5	2.1	3.8	-0.1	5.4	5.3	0.2
National Institute - KI	2.7	2.7	2.9	4.4	0.0	4.0	5.2	-0.3
Nordea	2.2	1.8	2.5	3.1	0.0	3.0	3.9	na
Nykredit	3.2	na	na	na	na	na	na	na
Oxford Economics	2.4	2.7	1.6	4.2	-0.1	4.6	5.5	-0.2
SEB	2.8	2.8	2.5	6.0	0.0	4.6	6.4	na
UniCredit Bank	2.9	2.9	1.9	4.3	-0.1	4.0	4.1	0.0
<b>Consensus (Mean Average)</b>	<b>2.6</b>	<b>2.4</b>	<b>2.2</b>	<b>3.9</b>	<b>0.0</b>	<b>4.1</b>	<b>4.5</b>	<b>0.0</b>
Last Month	2.6	2.4	2.1	3.9	0.0	4.2	4.5	0.0
2 Months Ago	2.6	2.4	2.1	3.9	0.0	4.2	4.5	0.0
Median	2.7	2.6	2.3	3.9	0.0	4.0	4.1	0.0
High	3.2	2.9	2.9	6.0	0.0	5.4	6.4	0.3
Low	2.2	1.6	1.5	2.8	-0.1	3.0	3.2	-0.3
Standard Deviation	0.3	0.5	0.5	0.9	0.1	0.7	1.0	0.2
Number of Forecasts	11	10	10	10	9	10	10	6
<b>Other Forecasts</b>								
Finance Ministry (Dec '15)	2.9	2.8	2.2	2.7	0.0	na	na	0.2
Riksbank (December '15)	3.0	3.0	2.5	4.6	0.0	4.4	5.5	-0.3
EC (February '16)	2.9	2.8	2.5	3.7	0.0	4.5	4.8	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



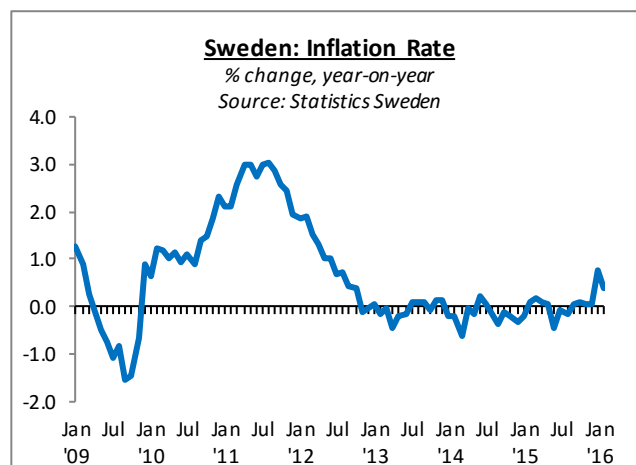
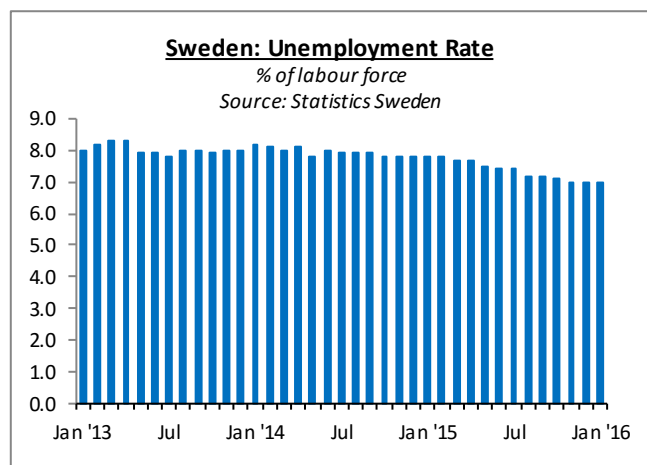
### Sweden: Background Information

<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>	3rd out of 167 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.)	Unemployment 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	3.7	6.9	0.8	na	1.7	1.5	241.0	5.4	-0.6
Handelsbanken	na	7.3	2.3	1.8	na	na	na	na	na
IHS Economics	2.3	6.4	1.7	na	na	na	na	7.8	0.0
Morgan Stanley	na	7.0	1.3	1.1	na	na	248.0	5.4	-0.8
National Institute - KI	3.7	6.5	2.2	1.7	na	3.4	243.1	5.3	-0.9
Nordea	na	6.9	1.5	1.6	na	3.4	269.7	5.9	-1.1
Nykredit	na	na	1.9	na	na	na	na	na	na
Oxford Economics	2.6	6.6	1.7	na	2.6	na	234.1	5.1	-0.2
SEB	na	6.6	1.6	1.5	na	3.4	na	5.5	-1.3
UniCredit Bank	na	6.9	1.5	1.5	na	na	na	na	na
<b>Consensus (Mean Average)</b>	<b>3.1</b>	<b>6.8</b>	<b>1.6</b>	<b>1.5</b>	<b>2.2</b>	<b>2.9</b>	<b>247.2</b>	<b>5.9</b>	<b>-0.8</b>
Last Month	3.3	6.9	1.8	1.6	2.5	3.1	256.4	6.0	-0.8
2 Months Ago	3.1	6.9	1.9	1.6	2.5	3.4	260.2	6.1	-0.9
Median	3.2	6.9	1.6	1.6	2.2	3.4	243.1	5.5	-0.9
High	3.7	7.3	2.3	1.8	2.6	3.4	269.7	7.8	0.0
Low	2.3	6.4	0.8	1.1	1.7	1.5	234.1	5.1	-1.3
Standard Deviation	0.7	0.3	0.5	0.2	0.6	0.9	13.5	0.9	0.5
Number of Forecasts	4	10	11	6	2	4	5	8	8
<b>Other Forecasts</b>									
Finance Ministry (Dec '15)	na	6.5	1.8	na	na	na	na	na	-0.8
Riksbank (December '15)	na	6.7	2.1	2.1	na	3.5	na	4.8	-0.7
EC (February '16)	na	6.7	na	na	na	na	na	5.3	-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	4.1	4.2	3.4
EC	4.1	3.3	2.3
IMF	4.8	3.7	na
OECD	4.1	3.7	2.9
SI	4.2	4.0	3.1

<b>Private Consumption</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	4.9	5.3	4.2
EC	4.2	3.6	3.4
IMF	na	na	na
OECD	4.6	4.3	3.1
SI	4.7	5.2	4.2

<b>Fixed Investment</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	19.6	12.4	6.1
EC	16.0	12.0	5.5
IMF	na	na	na
OECD	13.7	14.4	8.0
SI	19.1	13.2	7.7

<b>Export Volume</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	6.7	6.4	2.1
EC	7.5	5.2	4.7
IMF	na	na	na
OECD	7.9	2.7	2.3
SI	6.7	5.3	3.4

<b>Import Volume</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	12.8	8.7	3.1
EC	10.7	8.0	6.7
IMF	na	na	na
OECD	11.3	6.0	4.0
SI	11.2	9.1	5.7

<b>Consumer Price Inflation</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	1.6	2.3	4.1
EC	0.3	2.5	2.7
IMF	2.1	4.5	na
OECD	1.9	6.0	6.0
SI	1.6	2.5	3.9

<b>Current Acc. (% of GDP)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	2.7	3.5	2.3
EC	2.8	1.9	1.2
IMF	4.6	3.4	na
OECD	3.5	2.5	1.9
SI	3.2	3.3	1.9

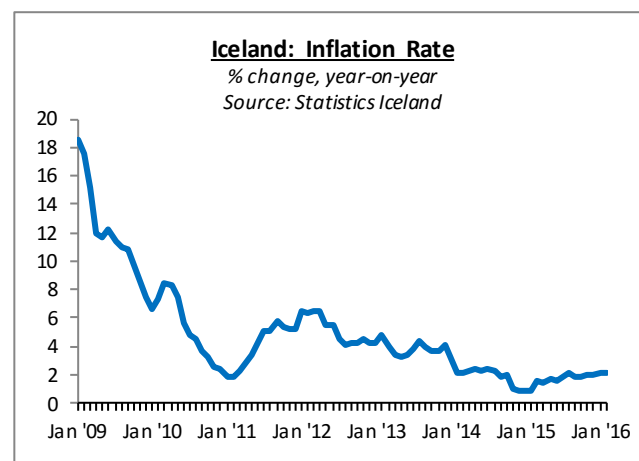
<b>Budget Balance (% of GDP)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
CBol	na	na	na
EC	-1.0	-0.5	-0.5
IMF	na	na	na
OECD	0.3	0.3	0.7
SI	na	na	na

#### Sources:

Central Bank of Iceland, March 2016  
 European Commission, February 2016  
 IMF, World Economic Outlook, October 2015  
 OECD, Economic Outlook, December 2015  
 Statistics Iceland, February 2016

### Iceland Snapshot

- GDP increased by 3.2% y/y in Q4 2015, culminating in a 4% annual average growth rate which underlines the strength of an economy now revitalised after the banking crisis in 2008 caused such devastation for years.
- GDP actually declined on a seasonally-adjusted basis during Q4, but only because of very strong domestic demand (private consumption and investment), which led to an upsurge in import volume outpacing moderate exports growth.
- Tourism remains strong and the unemployment rate is now down to a low level, but now the fear is of wage growth contributing to inflation resulting in higher interest rates which could cause the economy to weaken abruptly.



### 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:** 13th out of 167 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: **-0.09**

	<u>2016</u>	<u>2017</u>
Mean Average	-0.05	-0.12
High	0.00	0.16
Low	-0.13	-0.40
Standard Deviation	0.07	0.40

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

Rate on Survey Date: **0.50**

	<u>2016</u>	<u>2017</u>
Mean Average	0.78	1.27
High	0.85	1.54
Low	0.70	1.00
Standard Deviation	0.08	0.38

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

Rate on Survey Date: **-0.24**

	<u>2016</u>	<u>2017</u>
Mean Average	-0.24	-0.07
High	0.00	0.70
Low	-0.60	-0.30
Standard Deviation	0.15	0.27

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

Rate on Survey Date: **0.36**

	<u>2016</u>	<u>2017</u>
Mean Average	0.95	1.50
High	1.10	1.78
Low	0.74	1.10
Standard Deviation	0.19	0.36

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

Rate on Survey Date: **1.02**

	<u>2016</u>	<u>2017</u>
Mean Average	0.65	0.85
High	0.90	1.57
Low	0.42	0.30
Standard Deviation	0.22	0.49

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

Rate on Survey Date: **1.27**

	<u>2016</u>	<u>2017</u>
Mean Average	1.44	1.87
High	1.60	2.31
Low	1.12	1.56
Standard Deviation	0.22	0.33

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

Rate on Survey Date: **-0.47**

	<u>2016</u>	<u>2017</u>
Mean Average	-0.31	0.21
High	-0.30	0.78
Low	-0.32	-0.20
Standard Deviation	0.01	0.51

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

Rate on Survey Date: **0.55**

	<u>2016</u>	<u>2017</u>
Mean Average	1.28	1.64
High	1.80	2.22
Low	0.80	1.00
Standard Deviation	0.48	0.61

**Oil Price Forecasts**

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

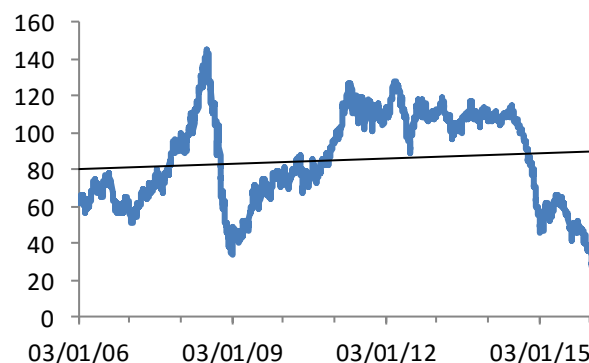
Price on Survey Date: **41.3**

	<u>2016</u>	<u>2017</u>
Mean Average	40.9	48.6
High	50.0	60.0
Low	30.9	36.2
Standard Deviation	5.6	7.1

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: **7.454**

	<u>2016</u>	<u>2017</u>
Mean Average	7.468	7.471
High	7.500	7.500
Low	7.455	7.454
Standard Deviation	0.022	0.025

**US Dollar/Euro Exchange Rate**

Rate on Survey Date: **1.126**

	<u>2016</u>	<u>2017</u>
Mean Average	1.087	1.112
High	1.200	1.200
Low	1.010	1.010
Standard Deviation	0.046	0.052

**Norwegian Krone/Euro Exchange Rate**

Rate on Survey Date: **9.455**

	<u>2016</u>	<u>2017</u>
Mean Average	9.252	9.000
High	9.400	9.400
Low	9.100	8.500
Standard Deviation	0.106	0.321

**Swedish Krona/Euro Exchange Rate**

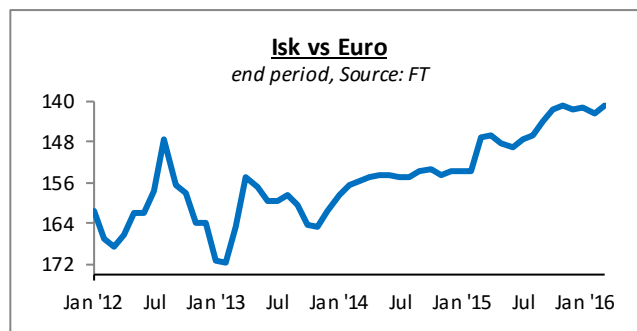
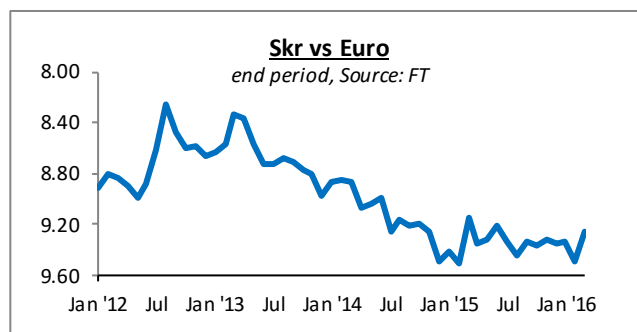
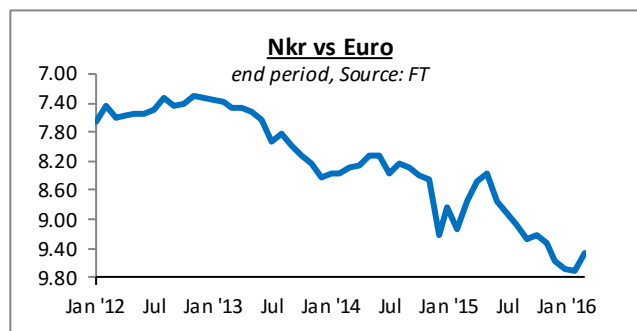
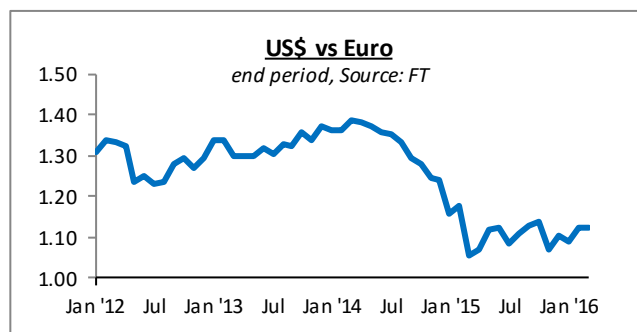
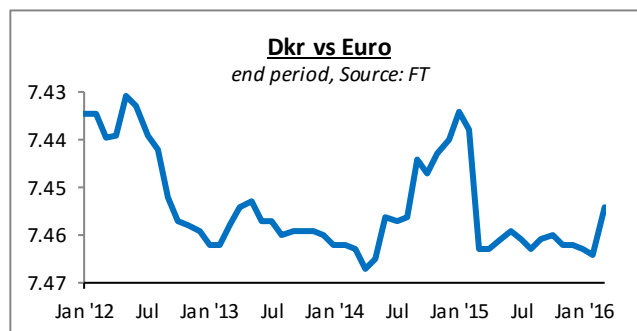
Rate on Survey Date: **9.254**

	<u>2016</u>	<u>2017</u>
Mean Average	9.267	9.160
High	9.600	9.600
Low	8.900	8.700
Standard Deviation	0.206	0.323

**Icelandic Krona/Euro Exchange Rate**

Rate on Survey Date: **140.9**

	<u>2016</u>	<u>2017</u>
Mean Average	141.4	141.2
High	141.7	141.4
Low	141.0	141.0
Standard Deviation	0.5	0.3



**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>40%</b>
<b>INCREASE?</b>	<b>0%</b>
Likely increase?	na
<b>DECREASE?</b>	<b>60%</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**

- Falling inflation expectations caused by the extended negative commodity price shock and uncertain global economic environment prompted central banks to introduce more monetary policy stimulus this month.
- The European Central Bank reduced its main intervention rates, and increased and extended its asset purchase programme of quantitative easing last week, on the heels of the announcement by the Riksbank in February. Norges Bank also reduced its deposit rate to half a percent the day after the ECB's decision. The Danish central bank refrained, however, preferring to allow interest rate differentials to narrow.

**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**  
March 16th, 2016

A reduction in the deposit rate from -0.30% to -0.40%, and the repo rate from 0.05% to 0.00%.

**Norway: Norges Bank**  
March 17th, 2016

A reduction in the sight deposit rate from 0.75% to 0.50%.

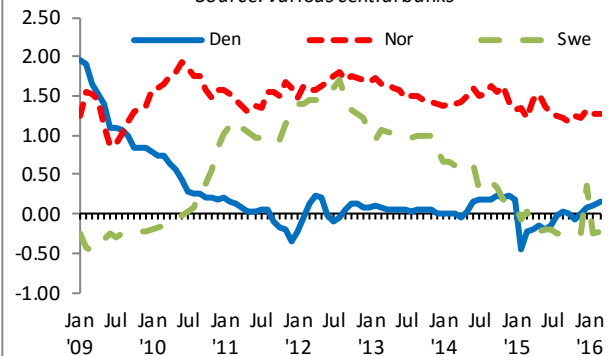
**Sweden: Sveriges Riksbank**  
February 11th, 2016

A reduction in the repo rate from -0.35% to -0.50%.

**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.

<b>Denmark</b>						
<i>(% change year-on-year, unless otherwise stated)</i>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Gross Domestic Product</b>	1.2	1.4	1.8	1.8	1.7	1.7
<b>Private Consumption</b>	2.2	1.8	1.9	1.8	1.7	1.9
<b>Gross Fixed Investment</b>	0.2	2.5	2.7	2.9	2.9	2.8
<b>Unemployment Rate (% of labour force)</b>	4.7	4.4	4.1	4.9	4.9	4.9
<b>Consumer Prices</b>	0.5	0.8	1.5	1.8	1.9	1.9
<b>Current Account (annual total, Dkr bn)</b>	138.5	136.7	132.6	107.6	104.7	100.0
<b>Current Account (% of GDP)</b>	7.0	6.7	6.3	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, % per annum</b>	-0.09	-0.05	-0.12	0.75	0.90	1.30
<b>10 Year Bond Yield, % per annum</b>	0.94	0.78	1.27	2.00	2.40	2.50
<b>Yield Differential</b>	1.03	0.83	1.39	1.25	1.50	1.20
<b>Dkr per Euro Exchange Rate</b>	7.462	7.468	7.471	7.471	7.471	7.457
<hr/>						
<b>Finland</b>						
<i>(% change year-on-year, unless otherwise stated)</i>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Gross Domestic Product</b>	0.5	0.6	1.1	1.7	1.7	1.9
<b>Private Consumption</b>	1.3	0.7	0.6	1.1	1.2	1.6
<b>Gross Fixed Investment</b>	-1.1	2.0	2.7	2.7	2.5	2.4
<b>Industrial Production</b>	-1.3	1.3	2.1	2.4	2.6	2.8
<b>Unemployment Rate (% of labour force)</b>	9.4	9.4	9.3	8.8	8.4	7.7
<b>Consumer Prices</b>	-0.2	0.4	1.2	1.6	1.7	1.8
<b>Current Account (annual total, Euros bn)</b>	0.3	0.1	0.1	1.1	1.8	1.4
<b>Current Account (% of GDP)</b>	0.1	0.0	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, % per annum</b>	-0.13	-0.24	-0.07	1.10	1.54	2.04
<b>10 Year Bond Yield, % per annum</b>	0.83	0.95	1.50	2.93	3.33	3.47
<b>Yield Differential</b>	0.96	1.19	1.57	1.83	1.79	1.43
<b>US\$ per Euro Exchange Rate</b>	1.091	1.087	1.112	1.143	1.195	1.226
<hr/>						
<b>Norway</b>						
<i>(% change year-on-year, unless otherwise stated)</i>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Gross Domestic Product, total</b>	1.6	1.1	1.5	1.9	1.9	2.0
<b>Private Consumption</b>	2.0	1.6	2.2	2.6	2.4	2.2
<b>Gross Fixed Investment</b>	-4.0	-0.1	1.4	2.5	3.0	3.2
<b>Industrial Production</b>	0.7	-0.2	1.3	1.2	1.5	1.5
<b>Unemployment Rate (% of labour force)</b>	4.4	4.8	4.9	4.6	4.6	4.0
<b>Consumer Prices</b>	2.1	2.4	2.2	1.9	2.0	2.3
<b>Current Account (annual total, Nkr bn)</b>	282.6	175.2	204.5	267.5	263.8	282.3
<b>Current Account (% of GDP)</b>	9.0	6.5	6.8	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, % per annum</b>	1.13	0.65	0.85	1.38	2.08	2.90
<b>10 Year Bond Yield, % per annum</b>	1.48	1.44	1.87	2.55	3.35	3.65
<b>Yield Differential</b>	0.35	0.79	1.02	1.17	1.28	0.75
<b>Nkr per Euro Exchange Rate</b>	9.631	9.252	9.000	8.691	8.522	8.292
<hr/>						
<b>Sweden</b>						
<i>(% change year-on-year, unless otherwise stated)</i>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Gross Domestic Product</b>	3.5	3.3	2.6	2.2	2.1	2.0
<b>Private Consumption</b>	2.4	2.7	2.4	2.2	2.0	2.0
<b>Gross Fixed Investment</b>	7.3	4.9	3.9	3.1	2.6	2.6
<b>Industrial Production</b>	1.5	2.8	3.1	2.8	2.3	2.4
<b>Unemployment Rate (% of labour force)</b>	7.4	7.0	6.8	6.4	6.4	6.5
<b>Consumer Prices</b>	0.0	0.9	1.6	2.7	2.5	2.2
<b>Current Account (annual total, Skr bn)</b>	241.6	257.3	247.2	243.0	246.5	252.3
<b>Current Account (% of GDP)</b>	5.8	6.1	5.9	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, % per annum</b>	-0.29	-0.31	0.21	1.43	1.87	2.50
<b>10 Year Bond Yield, % per annum</b>	0.99	1.28	1.64	3.10	3.77	4.00
<b>Yield Differential</b>	1.29	1.59	1.43	1.67	1.90	1.50
<b>Skr per Euro Exchange Rate</b>	9.197	9.267	9.160	8.954	8.800	8.734

Note: forecasts = consensus (mean average).



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