

# Nordic Barometer© - November 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.\*\*\***

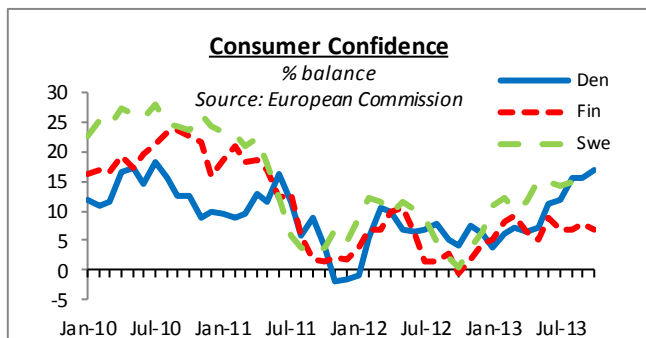
Published by: MJEconomics  
(ISSN 1476-7449) [www.mjeconomics.com](http://www.mjeconomics.com)

Editorial queries: [editor@mjeconomics.com](mailto:editor@mjeconomics.com)  
Subscriptions: [subscriptions@mjeconomics.com](mailto:subscriptions@mjeconomics.com)  
Other enquiries: [admin@mjeconomics.com](mailto:admin@mjeconomics.com)

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

## Denmark strides ahead

- Although the **Danish** growth outlook (for 2014) has remained mostly unchanged this month, forecasters are more confident in their predictions now that background trends are improving, and have raised their investment expectations. Forecasts for next year's unemployment rate have fallen.
- **Finnish** experts have downgraded their growth predictions for next year as the country struggles to come to terms with weakened domestic demand and traditional industries facing strong competition. The unemployment rate forecast has reversed, but inflation is not now a major risk.
- **Norwegian** forecasters remain confident across a range of growth indicators, including exports and investment, while the country's strong budget and current account surpluses will continue given the oil price trend.
- **Sweden's** outlook is both unchanged and favourable, despite the recent economic downturn, with few forecasters altering their prognosis to highlight their confidence in the country's recovery prospects.



**Next Month's Survey Deadline:  
December 9th, 2013**

## Contents

<b>Regional Overview and Aggregates</b>	<b>2</b>
<b>Quarterly Consensus Forecasts</b>	<b>3</b>
<b>Denmark</b>	
2013 Forecasts for National Accounts	<b>4</b>
2013 Forecasts for Other Indicators	<b>5</b>
2014 Forecasts for National Accounts	<b>6</b>
2014 Forecasts for Other Indicators	<b>7</b>
<b>Finland</b>	
2013 Forecasts for National Accounts	<b>8</b>
2013 Forecasts for Other Indicators	<b>9</b>
2014 Forecasts for National Accounts	<b>10</b>
2014 Forecasts for Other Indicators	<b>11</b>
<b>Norway</b>	
2013 Forecasts for National Accounts	<b>12</b>
2013 Forecasts for Other Indicators	<b>13</b>
2014 Forecasts for National Accounts	<b>14</b>
2014 Forecasts for Other Indicators	<b>15</b>
<b>Sweden</b>	
2013 Forecasts for National Accounts	<b>16</b>
2013 Forecasts for Other Indicators	<b>17</b>
2014 Forecasts for National Accounts	<b>18</b>
2014 Forecasts for Other Indicators	<b>19</b>
<b>Iceland Snapshot</b>	<b>20</b>
<b>Interest Rate &amp; Oil Price Forecasts</b>	<b>21</b>
<b>Exchange Rate Forecasts</b>	<b>22</b>
<b>Central Bank Watch</b>	<b>23</b>
<b>Long Term Forecasts</b>	<b>24</b>

© 2013 MJEconomics. All rights reserved. Neither this publication nor any part of it may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of MJEconomics. Information and opinions presented herein have been obtained from sources believed by MJEconomics to be reliable, but MJEconomics, its editors and employees make no representation as to their accuracy, timeliness or completeness and accept no responsibility for the material presented.

### Calculated Regional Aggregates

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

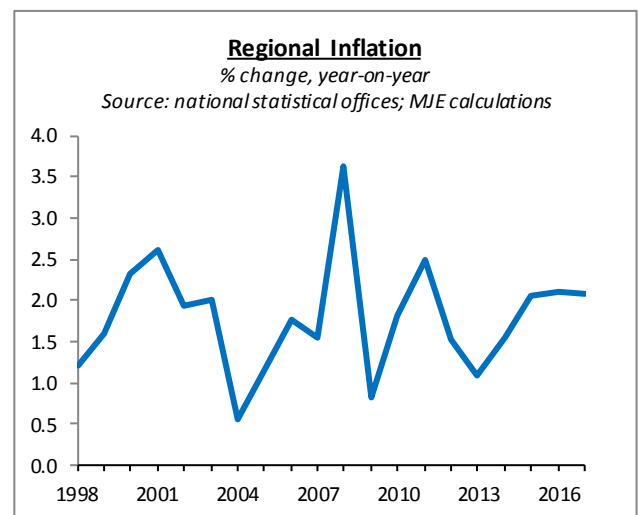
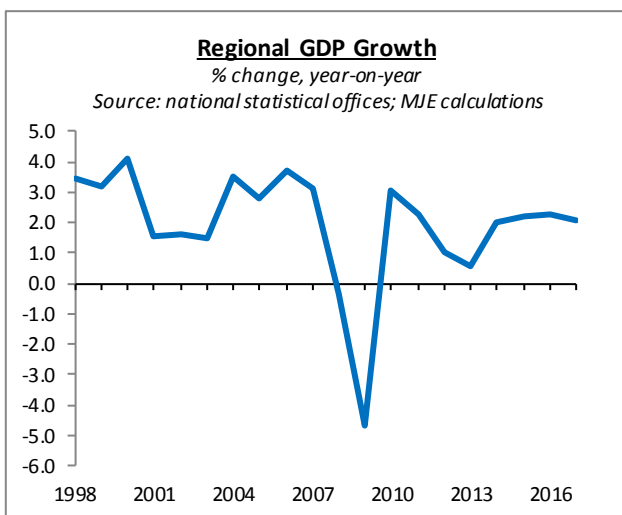
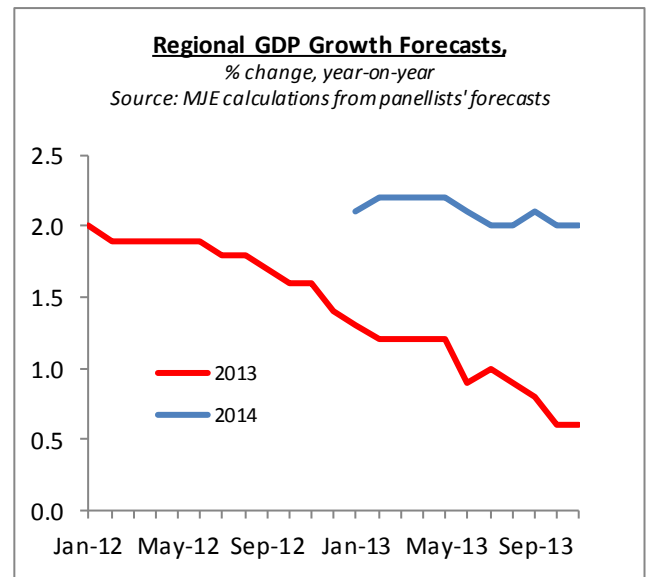
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013f</u>	<u>2014f</u>
<b>Gross Domestic Product</b>	3.1	2.3	1.0	0.6	2.0
<b>Private Consumption</b>	3.3	1.7	1.5	1.5	2.0
<b>Government Consumption</b>	1.1	0.7	1.0	1.1	1.2
<b>Gross Fixed Investment</b>	-0.3	5.8	3.2	0.4	3.1
<b>Unemployment Rate (% of labour force)</b>	6.5	6.0	6.1	6.3	6.2
<b>Consumer Price Inflation</b>	1.8	2.5	1.5	1.1	1.6
<b>General Government Balance (% GDP)</b>	2.4	3.5	2.9	2.2	2.3

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.

#### Growth Outlook Stabilises

- Aggregating our panellists' forecasts gives a remarkably stable picture this month, with the regional growth outlook unchanged compared to October and with few deflation concerns despite the current tendency illustrated by slight falls in the general price level in Sweden. How the recovery pans out will of course partly depend on conditions more widely across Europe where growth seems to be emerging, but slowly and unevenly.

- Nordic regional average forecasts indicate slower growth in government consumption, and by implication a smaller regional general government surplus for next year vis-à-vis our previous survey, but with higher investment spending - almost on a par with 2012.



### 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	0.2	-0.8	0.9	-0.7	-0.2	0.5
Consumer Prices	2.8	2.2	2.5	2.2	1.1	0.9
3 month Interest Rate, % per annum, end period	0.98	0.58	0.34	0.28	0.27	0.27
10 Year Bond Yield, % per annum, end period	1.81	1.46	1.49	1.38	1.43	1.86
	<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	0.2	1.2	1.6	1.4	1.4	1.5
Consumer Prices	0.5	0.7	1.0	1.2	1.4	1.6
3 month Interest Rate, % per annum, end period	0.27	0.28	0.38	0.42	0.42	0.44
10 Year Bond Yield, % per annum, end period	1.97	1.90	2.13	2.25	2.30	2.34
	<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	1.5	-0.7	-1.5	-2.4	-3.3	-0.7
Industrial Production	-2.7	-2.2	-1.1	-0.2	-3.6	-6.8
Consumer Prices	3.1	3.0	2.8	2.4	1.7	1.5
3 month Interest Rate, % per annum, end period	0.78	0.65	0.22	0.19	0.21	0.22
10 Year Bond Yield, % per annum, end period	2.29	1.93	1.76	1.51	1.43	2.02
	<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	-0.5	0.5	0.7	1.4	1.3	1.5
Industrial Production	-2.0	-0.5	2.1	3.3	2.5	2.8
Consumer Prices	1.3	1.6	1.7	1.6	1.7	1.8
3 month Interest Rate, % per annum, end period	0.18	0.22	0.23	0.25	0.27	0.34
10 Year Bond Yield, % per annum, end period	2.00	1.99	2.17	2.29	2.37	2.46
	<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	4.6	1.5	1.9	-2.6	2.6
Industrial Production	2.8	9.1	-0.4	-0.2	-8.9	-5.5
Consumer Prices	0.8	0.4	0.4	1.2	1.2	2.0
3 month Interest Rate, % per annum, end period	2.28	2.30	1.97	1.83	1.87	1.66
10 Year Bond Yield, % per annum, end period	2.44	2.08	2.14	2.14	2.07	2.56
	<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	1.5	1.8	2.3	2.1	2.2	2.3
Industrial Production	-0.5	1.2	7.3	2.3	1.4	1.2
Consumer Prices	3.0	2.3	2.1	2.0	1.9	2.2
3 month Interest Rate, % per annum, end period	1.70	1.78	1.75	1.79	1.89	2.08
10 Year Bond Yield, % per annum, end period	2.83	2.82	2.88	2.91	2.94	3.12
	<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	1.1	1.5	0.7	1.4	1.7	0.6
Industrial Production	-4.2	-3.1	-1.4	-3.8	-3.3	-3.2
Consumer Prices	1.8	1.1	0.6	0.1	-0.1	-0.3
3 month Interest Rate, % per annum, end period	2.27	2.14	1.59	1.29	1.24	1.21
10 Year Bond Yield, % per annum, end period	1.98	1.60	1.47	1.53	1.66	2.20
	<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	0.4	1.3	1.8	2.7	3.0	2.9
Industrial Production	-3.7	-0.8	0.7	4.1	4.0	4.7
Consumer Prices	0.1	0.4	0.5	1.0	1.1	1.7
3 month Interest Rate, % per annum, end period	1.21	1.24	1.23	1.25	1.32	1.61
10 Year Bond Yield, % per annum, end period	2.45	2.37	2.66	2.84	2.93	2.96

## 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	0.3	0.3	-0.1	0.7	0.2	0.7	1.7	na
DZ Bank	0.3	0.5	-0.1	1.1	na	0.4	1.7	na
Econ Intelligence Unit	0.1	0.1	-0.3	-0.1	0.2	0.5	1.3	-0.4
IHS Global Insight	0.4	0.2	-0.6	-0.2	na	2.0	1.9	na
Morgan Stanley	0.0	0.8	0.0	0.3	na	-1.2	0.9	na
Nordea	0.3	0.3	0.4	0.3	0.5	0.4	1.3	na
Nykredit	0.1	0.3	-0.2	0.7	0.2	na	na	-0.4
Oxford Economics	0.2	0.3	0.6	0.1	0.3	0.6	1.6	-0.5
SEB	0.4	1.0	0.0	-0.2	0.6	0.1	2.4	na
<b>Consensus (Mean Average)</b>	<b>0.2</b>	<b>0.4</b>	<b>0.0</b>	<b>0.3</b>	<b>0.3</b>	<b>0.4</b>	<b>1.6</b>	<b>-0.4</b>
Last Month	0.2	0.4	0.0	0.2	0.4	0.3	1.5	-0.5
2 Months Ago	0.2	0.4	0.1	0.4	0.4	-0.1	1.5	-0.7
Median	0.3	0.3	-0.1	0.3	0.3	0.5	1.7	-0.4
High	0.4	1.0	0.6	1.1	0.6	2.0	2.4	-0.4
Low	0.0	0.1	-0.6	-0.2	0.2	-1.2	0.9	-0.5
Standard Deviation	0.1	0.3	0.4	0.5	0.2	0.9	0.5	0.1
Number of Forecasts	9	9	9	9	6	8	8	3
<b>Other Forecasts</b>								
Econ Council (May '13)	0.2	0.6	0.9	na	na	0.7	2.3	na
Finance Ministry (Aug. '13)	0.2	na	na	na	na	na	na	na
Nationalbank (Oct. '13)	0.3	0.4	0.4	na	0.3	0.9	1.8	na
EC (Nov. '13)	0.3	0.3	0.4	0.2	0.3	0.8	1.6	-0.3
IMF (Oct. '13)	0.1	na	na	na	na	na	na	na
OECD (May '13)	0.4	na	na	na	na	na	na	na

- Danish economic sentiment made a substantial leap in October, to suggest that the improvement witnessed in the GDP figures for the second quarter has continued into the second half of this year, providing the government with a much-needed lift.
- The overall economic sentiment indicator for Denmark, compiled by the European Commission, rose for a third consecutive month to 109.4 as manufacturers and services firms (including retailers) became more confident in their prospects. This was matched by a rise in consumer confidence and also within the construction sector, although it continues to lag behind the rest of the economy.
- The Nationalbank is also seemingly more confident in the country's ability to withstand pressures within the banking system, having announced that some of the jobs that were necessary to monitor risks are to be reduced. The unemployment rate throughout the economy, meanwhile, has stabilised at a lower level than the EU average, at 7.1% (on a harmonised basis) compared to 12.2% for the latter and 5.7% on a national basis; pointing downwards as growth continues.
- Inflation remains low, and deflation avoidable, with consumer prices rising by 0.7% y/y in October, according to Statistics Denmark - the seventh successive month below 1%.

## 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	5.7	0.8	na	na	5.1	-2.2
DZ Bank	na	na	na	na	na	na
Econ Intelligence Unit	6.0	0.8	1.1	146.2	6.1	-2.6
IHS Global Insight	na	0.8	na	na	6.0	-2.3
Morgan Stanley	na	0.9	na	na	5.0	-2.0
Nordea	5.9	0.9	1.4	105.0	5.7	-1.4
Nykredit	5.8	0.8	na	na	5.1	-2.1
Oxford Economics	5.8	0.8	1.0	111.7	6.0	-3.9
SEB	na	0.7	1.5	na	6.0	-1.0
<b>Consensus (Mean Average)</b>	<b>5.8</b>	<b>0.8</b>	<b>1.3</b>	<b>121.0</b>	<b>5.6</b>	<b>-2.2</b>
Last Month	5.8	0.8	1.3	120.8	5.6	-2.2
2 Months Ago	5.9	0.9	1.3	118.3	5.4	-2.2
Median	5.8	0.8	1.3	111.7	5.9	-2.2
High	6.0	0.9	1.5	146.2	6.1	-1.0
Low	5.7	0.7	1.0	105.0	5.0	-3.9
Standard Deviation	0.1	0.1	0.2	22.1	0.5	0.9
Number of Forecasts	5	8	4	3	8	8
<b>Other Forecasts</b>						
Econ Council (May '13)	na	na	na	73.0	3.9	-1.5
Finance Ministry (Aug. '13)	na	na	na	na	na	-1.7
Nationalbank (Oct. '13)	na	0.6	na	na	6.1	-1.5
EC (Nov. '13)	na	na	na	na	5.4	-1.7
IMF (Oct. '13)	na	0.8	na	na	4.7	na
OECD (May '13)	na	na	na	na	5.0	-1.8

<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	-0.4
Private Consumption	-0.3	-3.6	1.7	-0.5	0.5
Government Consumption	1.9	2.1	0.4	-1.5	0.7
Gross Fixed Investment	-4.1	-15.9	-2.4	2.8	-0.1
Inventory Building (% contribution)	-0.2	-1.8	0.7	0.3	-0.3
Goods & Services Exports	3.3	-9.5	3.0	6.5	0.3
Goods & Services Imports	3.3	-12.3	3.2	5.6	1.0
Net Exports (% contribution)	0.1	1.2	0.0	0.7	-0.4
Unemployment Rate (% of labour force)	2.7	4.8	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	100.3
- as a % of GDP	2.9	3.4	5.9	5.6	5.5
General Govt Budget Balance (% of GDP)	3.2	-2.7	-2.5	-1.8	-4.0

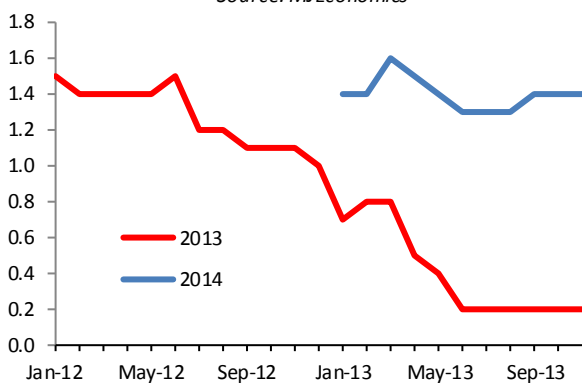
*Source: Eurostat, Statistics Denmark*

## Denmark: 2014 Forecasts

<b>National Accounts (constant prices)</b> <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product	Private 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	1.1	0.4	1.2	-0.2	2.9	1.8	na
DZ Bank	0.9	1.0	0.8	2.5	na	2.9	3.1	na
Econ Intelligence Unit	1.0	1.0	0.3	2.5	0.1	1.5	2.0	-0.2
IHS Global Insight	1.6	0.5	0.7	1.0	na	7.8	4.9	na
Morgan Stanley	1.2	0.9	0.8	1.3	na	2.0	1.2	na
Nordea	1.3	1.5	0.5	3.5	0.0	2.8	3.5	na
Nykredit	1.4	0.9	0.1	5.3	0.2	na	na	0.1
Oxford Economics	1.5	1.5	2.4	3.7	0.0	3.3	4.4	-0.5
SEB	2.0	2.0	1.2	3.6	-0.2	4.3	4.1	na
<b>Consensus (Mean Average)</b>	<b>1.4</b>	<b>1.2</b>	<b>0.8</b>	<b>2.7</b>	<b>0.0</b>	<b>3.4</b>	<b>3.1</b>	<b>-0.2</b>
Last Month	1.4	1.2	0.9	2.5	0.0	3.4	3.1	-0.5
2 Months Ago	1.4	1.2	0.9	2.5	-0.1	3.1	2.9	-0.1
Median	1.4	1.0	0.7	2.5	0.0	2.9	3.3	-0.2
High	2.0	2.0	2.4	5.3	0.2	7.8	4.9	0.1
Low	0.9	0.5	0.1	1.0	-0.2	1.5	1.2	-0.5
Standard Deviation	0.3	0.4	0.7	1.4	0.2	1.9	1.3	na
Number of Forecasts	9.0	9.0	9.0	9.0	6.0	8.0	8.0	3.0
<b>Other Forecasts</b>								
Econ Council (May '13)	1.8	1.7	0.6	na	na	3.1	3.6	na
Finance Ministry (Aug. '13)	1.6	na	na	na	na	na	na	na
Nationalbank (Oct. '13)	1.6	1.5	0.7	na	0.1	3.5	4.2	na
EC (Nov. '13)	1.7	1.4	0.6	2.7	0.0	3.4	3.1	0.3
IMF (Oct. '13)	1.2	na	na	na	na	na	na	na
OECD (May '13)	1.7	na	na	na	na	na	na	na

### Denmark: GDP Growth Consensus Forecast

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



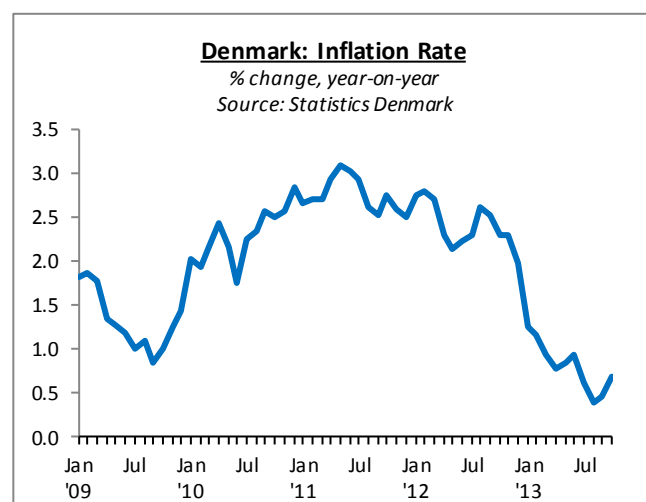
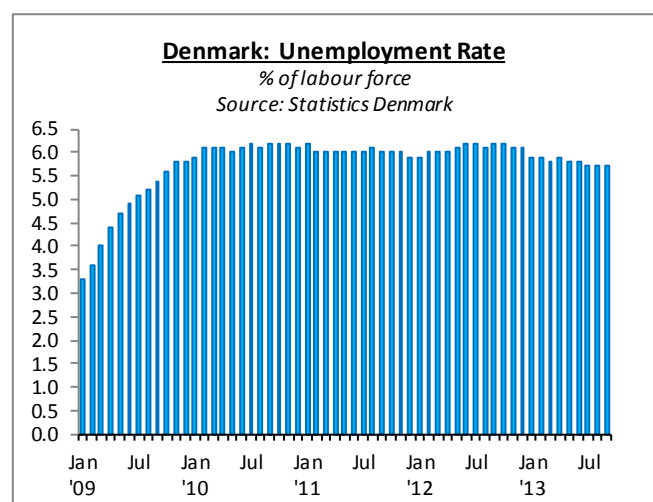
### Denmark: Background Information

<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>	Danish Krone (pegged to the euro)
<b>Nominal GDP:</b>	\$314 bn
<b>Population:</b>	5.6 m
<b>Economic Freedom:</b>	9th out of 177 countries
<b>Doing Business:</b>	5th out of 189 countries
<b>Competitiveness:</b>	15th out of 148 countries
<b>Corruption:</b>	Joint 1st out of 174 countries
<b>Government Debt:</b>	46% of GDP
<b>Corporate Tax Rate:</b>	25.0%

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

## Denmark: 2014 Forecasts

Other Indicators <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)
Panellists						
Danske Bank	5.5	1.6	na	na	5.2	-1.6
DZ Bank	na	na	na	na	na	na
Econ Intelligence Unit	5.9	1.5	2.3	149.9	6.3	-2.3
IHS Global Insight	na	1.2	na	na	6.9	-1.8
Morgan Stanley	na	1.4	na	na	5.1	-0.8
Nordea	5.9	1.3	1.7	90.0	4.8	-1.6
Nykredit	5.6	1.4	na	na	4.8	-0.6
Oxford Economics	6.2	1.7	2.4	97.4	5.1	-3.4
SEB	na	0.9	1.5	na	6.0	-0.5
<b>Consensus (Mean Average)</b>	<b>5.8</b>	<b>1.4</b>	<b>2.0</b>	<b>112.4</b>	<b>5.5</b>	<b>-1.6</b>
Last Month	5.9	1.5	2.2	111.7	5.4	-1.7
2 Months Ago	6.0	1.6	2.2	110.3	5.3	-1.7
Median	5.9	1.4	2.0	97.4	5.2	-1.6
High	6.2	1.7	2.4	149.9	6.9	-0.5
Low	5.5	0.9	1.5	90.0	4.8	-3.4
Standard Deviation	0.3	0.2	0.4	32.7	0.8	1.0
Number of Forecasts	5.0	8.0	4.0	3.0	8.0	8.0
<b>Other Forecasts</b>						
Econ Council (May '13)	na	na	na	60.0	3.2	-1.6
Finance Ministry (Aug. '13)	na	na	na	na	na	-1.2
Nationalbank (Oct. '13)	na	1.8	na	na	4.9	-2.0
EC (Nov. '13)	na	na	na	na	5.6	-1.7
IMF (Oct. '13)	na	1.9	na	na	4.8	na
OECD (May '13)	na	na	na	na	4.7	-1.8



## 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	-0.8	-0.2	0.5	-2.5	na	-1.5	-3.0	na
DZ Bank	0.0	0.4	-0.3	-2.9	na	-1.4	-3.0	na
Econ Intelligence Unit	-1.0	-0.4	0.0	-1.4	-1.3	-1.0	-3.0	0.8
ETLA	-0.4	-0.4	1.4	-4.3	-1.2	-0.8	-4.7	1.3
Handelsbanken	-0.2	0.5	0.7	-2.5	na	-1.3	-3.5	na
IHS Global Insight	-0.7	0.0	0.6	-2.4	na	-1.5	-3.3	na
Nordea	-0.5	0.4	0.5	-2.1	-0.2	-1.4	-2.1	na
Nykredit	-1.1	-0.4	0.6	-0.7	-1.3	-1.2	-6.5	2.2
Oxford Economics	-1.1	-0.4	0.6	-1.4	-2.3	-1.9	-5.9	1.6
Sampo Bank (Danske Bank)	-0.7	0.0	0.8	-3.0	na	-1.3	-3.0	na
SEB	-0.3	0.0	0.0	-0.2	0.0	0.3	na	na
<b>Consensus (Mean Average)</b>	<b>-0.6</b>	<b>0.0</b>	<b>0.5</b>	<b>-2.1</b>	<b>-1.1</b>	<b>-1.2</b>	<b>-3.8</b>	<b>1.5</b>
Last Month	-0.6	-0.1	0.5	-2.5	-1.0	-1.4	-3.5	1.6
2 Months Ago	-0.4	0.1	0.2	-2.4	-0.5	-1.3	-2.9	0.6
Median	-0.7	0.0	0.6	-2.4	-1.3	-1.3	-3.2	1.5
High	0.0	0.5	1.4	-0.2	0.0	0.3	-2.1	2.2
Low	-1.1	-0.4	-0.3	-4.3	-2.3	-1.9	-6.5	0.8
Standard Deviation	0.4	0.4	0.5	1.2	0.8	0.6	1.4	0.6
Number of Forecasts	11	11	11	11	6	11	10	4
<b>Other Forecasts</b>								
Bank of Finland (June '13)	-0.8	-0.9	0.8	na	na	1.2	0.8	0.2
Finance Ministry (June '13)	-0.4	0.3	1.2	-3.8	na	0.0	-0.1	na
EC (Nov. '13)	-0.6	-0.6	0.7	-1.1	-0.4	-1.4	-1.9	0.2
IMF (Oct. '13)	-0.6	na	na	na	na	na	na	na
OECD (May '13)	0.0	na	na	na	na	na	na	na

- Various economic indicators, from retail sales to industrial production, continue to show Finland's economy struggling with weak domestic demand, and its exports hampered by fragile conditions abroad and strong competition for market share in traditional niches, such as electronics and forestry products.
- Statistics Finland's monthly output indicator (a proxy for GDP) contracted in September by a seasonally-adjusted 0.2% m/m and by 0.3% y/y (calendar-adjusted). The statistical office does note that seasonally adjusted growth of around 0.4% is implied for Q3, but the September fall highlights the vulnerability to setbacks.
- Fortunately confidence improved in October after languishing at a lower level previously. Finland's economic sentiment indicator increased to 93.7, according to the European Commission, which apart from a lack of confidence among consumers, sprang from a broad-based upturn, notably in the construction industry.
- A recovery gaining momentum should be sufficient for Finland to retain its triple-A credit ratings, recently confirmed by Fitch, although adverse fiscal trends require monitoring with debt rising above the EU's 60% of GDP limit by next year.



## 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	1.5	na	2.1	na	-1.5	-2.5
DZ Bank	na	na	2.2	na	na	na	-0.7	-1.6
Econ Intelligence Unit	-2.2	8.1	2.2	1.1	2.4	-1.5	-0.8	-2.2
ETLA	-2.4	8.2	1.7	-0.5	2.4	-1.6	-0.8	-2.3
Handelsbanken	na	8.2	1.8	na	2.4	na	na	na
IHS Global Insight	-2.7	8.1	1.6	na	na	-3.0	-1.5	-2.5
Nordea	-5.0	8.2	1.6	na	2.0	-2.9	-1.5	-2.2
Nykredit	na	8.1	2.3	na	na	na	-1.0	-2.2
Oxford Economics	-3.4	8.1	1.4	-0.3	2.1	-1.3	-0.7	-3.2
Sampo Bank (Danske Bank)	na	8.3	1.4	na	2.2	-1.5	-0.8	-2.1
SEB	na	na	2.2	na	2.2	na	-2.0	na
<b>Consensus (Mean Average)</b>	<b>-3.1</b>	<b>8.2</b>	<b>1.8</b>	<b>0.1</b>	<b>2.2</b>	<b>-2.0</b>	<b>-1.1</b>	<b>-2.3</b>
Last Month	-3.9	8.2	1.8	0.0	2.2	-2.0	-1.1	-2.4
2 Months Ago	-3.4	8.3	1.9	0.5	2.1	-2.2	-1.2	-2.2
Median	-2.7	8.2	1.7	-0.3	2.2	-1.6	-0.9	-2.2
High	-2.2	8.3	2.3	1.1	2.4	-1.3	-0.7	-1.6
Low	-5.0	8.1	1.4	-0.5	2.0	-3.0	-2.0	-3.2
Standard Deviation	1.1	0.1	0.4	0.9	0.2	0.8	0.5	0.4
Number of Forecasts	5	9	11	3	8	6	10	9
<b>Other Forecasts</b>								
Bank of Finland (June '13)	na	8.5	1.7	na	1.7	-3.0	-1.5	-2.5
Finance Ministry (June '13)	na	8.3	1.7	na	2.1	-2.5	-1.3	-2.5
EC (Nov. '13)	na	8.2	na	na	na	na	-1.2	-2.2
IMF (Oct. '13)	na	8.0	na	na	na	na	-1.6	na
OECD (May '13)	na	8.2	na	na	na	na	-1.6	-2.3

<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	-8.5	3.4	2.7	-0.8
Private Consumption	1.9	-2.9	3.3	2.6	0.2
Government Consumption	1.9	1.1	-0.4	0.5	0.6
Gross Fixed Investment	-0.6	-13.2	1.7	5.7	-1.0
Inventory Building (% contribution)	-0.7	-2.7	1.1	1.8	-1.1
Goods & Services Exports	5.8	-21.3	7.9	2.7	-0.2
Goods & Services Imports	7.5	-17.2	6.8	6.2	-1.0
Net Exports (% contribution)	-0.1	-3.8	0.9	-1.2	0.4
Industrial Production	0.6	-18.0	5.0	2.2	-1.5
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	-2.9	-3.4
- as a % of GDP	2.4	1.8	1.5	-1.5	-1.2
General Govt Budget Balance (% of GDP)	4.4	-2.5	-2.5	-0.8	-1.9

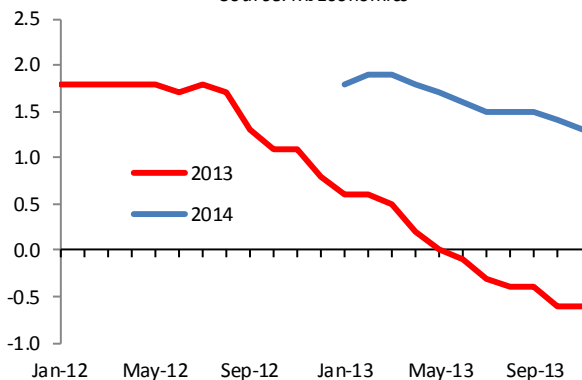
Source: Eurostat, Statistics Finland

## 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	1.2	0.3	0.5	2.0	na	2.5	2.0	na
DZ Bank	1.0	0.1	0.3	1.0	na	2.4	3.3	na
Econ Intelligence Unit	1.1	1.0	-0.2	2.0	0.2	2.8	3.2	0.0
ETLA	1.6	1.2	0.4	0.7	0.5	3.5	3.5	0.3
Handelsbanken	2.0	1.0	0.5	3.5	na	4.6	3.0	na
IHS Global Insight	1.2	1.0	0.3	2.3	na	2.7	2.9	na
Nordea	1.5	1.1	0.5	1.4	0.2	3.9	3.8	na
Nykredit	1.0	0.4	0.4	1.7	0.0	2.9	2.8	0.3
Oxford Economics	1.3	0.7	0.7	0.4	1.1	2.0	3.3	-0.4
Sampo Bank (Danske Bank)	1.5	0.5	0.3	2.5	na	3.0	2.0	na
SEB	1.3	0.9	0.2	2.5	0.0	3.3	na	na
<b>Consensus (Mean Average)</b>	<b>1.3</b>	<b>0.7</b>	<b>0.4</b>	<b>1.8</b>	<b>0.3</b>	<b>3.1</b>	<b>3.0</b>	<b>0.1</b>
Last Month	1.4	0.8	0.6	1.8	0.3	3.1	3.0	0.1
2 Months Ago	1.5	1.0	0.3	2.4	0.1	3.1	2.8	0.2
Median	1.3	0.9	0.4	2.0	0.2	2.9	3.1	0.2
High	2.0	1.2	0.7	3.5	1.1	4.6	3.8	0.3
Low	1.0	0.1	-0.2	0.4	0.0	2.0	2.0	-0.4
Standard Deviation	0.3	0.4	0.2	0.9	0.4	0.7	0.6	0.3
Number of Forecasts	11	11	11	11	6	11	10	4
<b>Other Forecasts</b>								
Bank of Finland (June '13)	0.7	0.2	0.1	na	na	3.5	2.8	0.2
Finance Ministry (June '13)	1.2	0.8	0.8	-0.3	na	3.7	3.1	na
EC (Nov. '13)	0.6	0.3	0.9	1.0	0.2	3.5	4.1	-0.3
IMF (Oct. '13)	1.1	na	na	na	na	na	na	na
OECD (May '13)	1.7	na	na	na	na	na	na	na

### Finland: GDP Growth Consensus Forecast

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



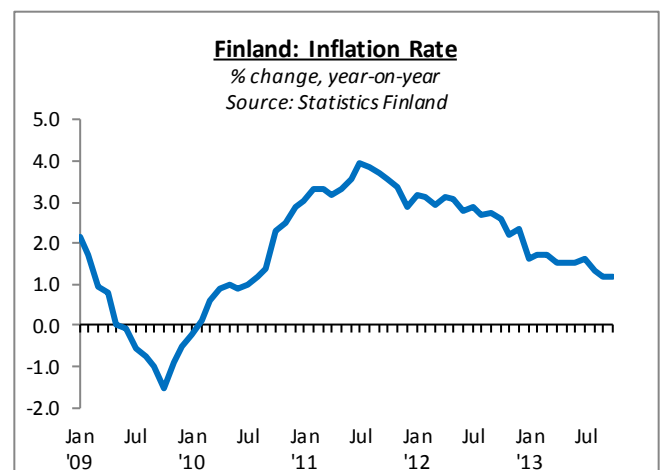
### Finland: Background Information

<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>	\$250 bn
<b>Population:</b>	5.4 m
<b>Economic Freedom:</b>	16th out of 177 countries
<b>Doing Business:</b>	12th out of 189 countries
<b>Competitiveness:</b>	3rd out of 148 countries
<b>Corruption:</b>	Joint 1st out of 174 countries
<b>Government Debt:</b>	53% of GDP
<b>Corporate Tax Rate:</b>	24.5%

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

## Finland: 2014 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	8.2	1.5	na	1.4	na	-1.3	-2.1
DZ Bank	na	na	1.9	na	na	na	0.0	-1.3
Econ Intelligence Unit	5.0	8.1	1.8	2.9	1.8	-2.7	-1.3	-2.0
ETLA	3.1	8.2	1.7	-0.5	1.3	-0.2	-0.1	-1.9
Handelsbanken	na	8.0	2.2	na	1.7	na	na	na
IHS Global Insight	2.6	8.1	2.1	na	na	-2.5	-1.3	-2.5
Nordea	2.0	8.3	1.8	na	1.6	-2.8	-1.4	-2.0
Nykredit	na	8.3	1.8	na	na	na	-0.7	-2.4
Oxford Economics	2.6	8.0	1.2	0.5	2.6	0.3	0.2	-4.1
Sampo Bank (Danske Bank)	na	8.3	1.3	na	1.5	-1.2	-0.6	-1.5
SEB	na	na	1.9	na	2.2	na	-2.0	na
<b>Consensus (Mean Average)</b>	<b>3.1</b>	<b>8.2</b>	<b>1.7</b>	<b>1.0</b>	<b>1.8</b>	<b>-1.5</b>	<b>-0.9</b>	<b>-2.2</b>
Last Month	2.5	8.1	1.8	1.0	1.8	-1.5	-0.9	-2.2
2 Months Ago	2.5	8.2	1.9	1.6	2.0	-1.5	-0.8	-1.9
Median	2.6	8.2	1.8	0.5	1.7	-1.9	-1.0	-2.0
High	5.0	8.3	2.2	2.9	2.6	0.3	0.2	-1.3
Low	2.0	8.0	1.2	-0.5	1.3	-2.8	-2.0	-4.1
Standard Deviation	1.2	0.1	0.3	1.7	0.4	1.4	0.7	0.8
Number of Forecasts	5	9	11	3	8	6	10	9
<b>Other Forecasts</b>								
Bank of Finland (June '13)	na	8.6	1.9	na	1.9	-2.7	-1.3	-2.5
Finance Ministry (June '13)	na	8.1	2.1	na	2.1	-2.0	-1.0	-2.1
EC (Nov. '13)	na	8.3	na	na	na	na	-1.3	-2.3
IMF (Oct. '13)	na	7.9	na	na	na	na	-1.8	na
OECD (May '13)	na	8.1	na	na	na	na	-0.9	-1.8



## 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	2.4	2.2	2.4	5.5	-0.5	-2.5	0.6	na
DZ Bank	1.2	2.2	2.4	2.2	5.3	-0.7	-1.7	0.4	-0.8
Econ Intelligence Unit	1.7	na	2.5	2.4	5.4	-0.5	-0.1	2.0	-0.6
Handelsbanken	2.2	2.7	2.9	1.9	5.3	0.0	1.3	4.2	na
Nordea	1.2	2.0	2.6	2.3	5.7	-0.8	-1.4	1.0	na
Nykredit	0.8	1.8	2.3	2.4	6.0	-1.0	-2.1	4.0	-0.9
Oxford Economics	0.7	1.6	2.2	2.3	6.1	-0.9	-2.6	0.4	-1.1
SEB	1.1	2.1	3.0	2.3	5.8	-0.9	-1.5	1.5	na
Statistics Norway	1.7	2.4	3.5	2.5	5.4	0.0	-0.3	4.5	-1.4
Swedbank First Securities	0.1	1.8	2.3	2.4	5.9	-1.6	-2.1	0.7	-1.0
<b>Consensus (Mean Average)</b>	<b>1.2</b>	<b>2.1</b>	<b>2.6</b>	<b>2.3</b>	<b>5.6</b>	<b>-0.7</b>	<b>-1.3</b>	<b>1.9</b>	<b>-1.0</b>
Last Month	1.2	2.1	2.6	2.3	5.5	-0.6	-1.4	1.5	-1.0
2 Months Ago	1.4	2.3	2.8	2.3	5.7	-0.5	-1.1	2.1	-1.0
Median	1.2	2.1	2.5	2.4	5.6	-0.8	-1.6	1.3	-1.0
High	2.2	2.7	3.5	2.5	6.1	0.0	1.3	4.5	-0.6
Low	0.1	1.6	2.2	1.9	5.3	-1.6	-2.6	0.4	-1.4
Standard Deviation	0.6	0.4	0.4	0.2	0.3	0.5	1.2	1.7	0.3
Number of Forecasts	9	9	10	10	10	10	10	10	6
<b>Other Forecasts</b>									
Finance Ministry (Oct. '13)	0.9	2.2	2.3	2.6	5.1	na	-1.6	3.3	na
Norges Bank (Oct. '13)	0.3	1.8	2.3	2.5	na	na	na	0.0	na
EC (Nov. '13)	1.9	na	2.3	2.2	3.7	0.0	1.3	3.0	-0.3
IMF (Oct. '13)	1.6	na	na	na	na	na	na	na	na
OECD (May '13)	1.3	na	na	na	na	na	na	na	na

- Economic trends remain generally favourable in Norway, with retail sales growth recorded for September, the manufacturing sector enjoying a pick-up in export orders and the construction sector still outperforming most other European countries.
- As a consequence, labour market trends remain positive, with the unemployment rate held at 3.5% in August. However, this is also spurring wage demands, which, with a rising underlying inflation trend and the prospect of tax cuts, amid a continuing fiscal expansionary bias, means that Norges Bank may decide to normalise interest rates earlier rather than later in 2014 to quell domestic credit pressures.
- However, the government's first budget (for 2014), now approved, which provides for a basic rate tax cut, as expected, along with a reprioritisation of spending on infrastructure, keeps well within the fiscal envelope permitted by the fiscal guidelines.
- With the ECB lowering its own policy interest rate, which having widened the interest rate differential may well lend support to the krone to contain import costs, there is no great urgency for Norges Bank to tighten monetary policy, especially with inflation falling from its recent peak. On a harmonised basis, inflation slipped to 2.3% y/y in October from 2.6% in September and 3.3% in August.

## Norway: 2013 Forecasts

Other Indicators <i>average % change from previous year unless otherwise noted</i>	Industrial Production	Unemploy- ment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Consumer Prices (CPI-ATE index, underlying rate)	Manufac- turing Earnings	Current Account Balance (annual total, Nkr bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
Panellists								
Danske Bank	na	3.4	na	na	na	na	na	na
DZ Bank	na	na	na	na	na	na	na	na
Econ Intelligence Unit	-4.5	3.6	1.9	na	3.7	391.1	13.1	13.1
Handelsbanken	na	3.4	1.3	1.1	na	na	na	na
Nordea	na	3.6	2.2	1.6	na	335.7	11.4	11.5
Nykredit	na	3.6	2.2	na	na	na	11.2	11.3
Oxford Economics	-3.2	3.5	2.2	na	5.3	345.1	11.6	12.2
SEB	na	3.5	2.0	1.5	na	na	na	na
Statistics Norway	na	3.6	1.8	1.4	na	320.0	10.7	na
Swedbank First Securities	0.0	3.5	2.1	1.6	3.7	343.7	11.8	12.4
<b>Consensus (Mean Average)</b>	<b>-2.6</b>	<b>3.5</b>	<b>2.0</b>	<b>1.4</b>	<b>4.2</b>	<b>347.1</b>	<b>11.6</b>	<b>12.1</b>
Last Month	-3.3	3.5	2.0	1.4	4.2	339.8	11.6	12.3
2 Months Ago	-3.4	3.5	1.9	1.4	4.2	339.4	11.6	12.6
Median	-3.2	3.5	2.1	1.5	3.7	343.7	11.5	12.2
High	0.0	3.6	2.2	1.6	5.3	391.1	13.1	13.1
Low	-4.5	3.4	1.3	1.1	3.7	320.0	10.7	11.3
Standard Deviation	2.3	0.1	0.3	0.2	0.9	26.5	0.8	0.7
Number of Forecasts	3	9	8	5	3	5	6	5
<b>Other Forecasts</b>								
Finance Ministry (Oct. '13)	na	3.4	1.9	1.5	na	na	11.1	11.5
Norges Bank (Oct. '13)	na	3.5	2.3	1.8	na	na	na	na
EC (Nov. '13)	na	3.1	na	na	na	na	13.2	13.2
IMF (Oct. '13)	na	3.3	1.8	na	na	na	11.8	na
OECD (May '13)	na	3.2	1.3	na	na	na	13.3	12.3

<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	0.1	-1.6	0.5	1.2	3.1
GDP, mainland	1.5	-1.6	1.7	2.5	3.4
Private Consumption	1.8	0.0	3.8	2.5	3.0
Government Consumption	2.7	4.3	1.3	1.8	1.8
Gross Fixed Investment	0.2	-7.5	-8.0	7.6	8.0
Inventory Building (% contribution)	-0.1	-2.1	2.6	0.1	-0.2
Goods & Services Exports	0.1	-4.2	0.4	-1.8	1.8
Goods & Services Imports	3.9	-12.5	9.0	3.8	2.4
Net Exports (% contribution)	-1.2	2.3	-2.5	-2.0	-0.1
Industrial Production	0.1	-3.6	-5.5	-4.2	2.8
Unemployment Rate (% of labour force)	2.6	3.2	3.6	3.3	3.2
Consumer Prices, headline rate	3.8	2.1	2.4	1.2	0.8
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	351.4	412.0
- as a % of GDP	na	11.7	11.9	12.8	14.2
General Govt Budget Balance (% of GDP)	18.8	10.5	11.1	13.4	14.4

*Source: Eurostat, Statistics Norway*

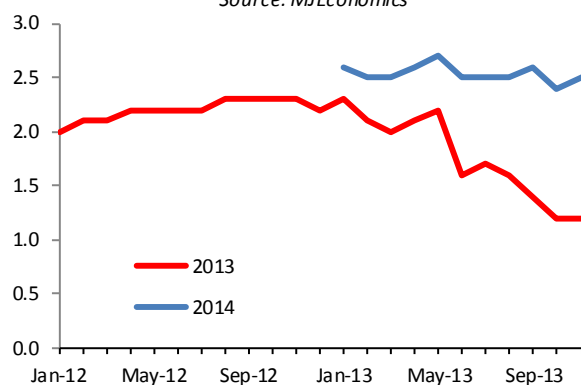
## Norway: 2014 Forecasts

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	3.0	3.0	2.3	5.5	-0.1	1.5	4.0	na
DZ Bank	2.8	3.1	2.7	0.6	3.2	0.5	3.9	4.0	0.3
Econ Intelligence Unit	3.6	na	2.8	2.0	6.1	0.2	3.6	3.4	0.4
Handelsbanken	2.3	2.9	3.0	2.5	4.1	0.0	1.6	3.3	na
Nordea	2.2	2.3	2.4	2.5	1.6	0.3	1.7	2.5	na
Nykredit	2.1	2.2	1.9	2.1	3.8	-0.1	2.3	2.8	0.0
Oxford Economics	2.0	2.2	2.1	1.7	3.6	0.1	1.7	3.1	-0.2
SEB	2.7	2.7	3.2	2.2	4.5	0.2	2.6	4.8	na
Statistics Norway	2.7	3.0	4.3	2.4	4.0	0.0	2.1	4.5	-0.6
Swedbank First Securities	2.4	2.3	2.2	2.3	0.7	0.2	3.0	2.0	0.6
<b>Consensus (Mean Average)</b>	2.5	2.6	2.8	2.1	3.7	0.1	2.4	3.4	0.1
Last Month	2.4	2.7	2.7	2.1	3.5	0.2	2.2	3.3	0.0
2 Months Ago	2.6	2.8	3.0	2.1	3.9	0.1	2.4	3.4	0.1
Median	2.4	2.7	2.8	2.3	3.9	0.2	2.2	3.4	0.2
High	3.6	3.1	4.3	2.5	6.1	0.5	3.9	4.8	0.6
Low	2.0	2.2	1.9	0.6	0.7	-0.1	1.5	2.0	-0.6
Standard Deviation	0.5	0.4	0.7	0.6	1.6	0.2	0.9	0.9	0.4
Number of Forecasts	9	9	10	10	10	10	10	10	6
<b>Other Forecasts</b>									
Finance Ministry (Oct. '13)	2.7	2.7	2.7	2.2	5.1	na	3.2	4.3	na
Norges Bank (Oct. '13)	2.0	2.3	2.5	2.8	na	na	na	4.0	na
EC (Nov. '13)	2.6	na	2.3	2.0	3.9	0.0	3.2	3.0	0.4
IMF (Oct. '13)	2.3	na	na	na	na	na	na	na	na
OECD (May '13)	3.0	na	na	na	na	na	na	na	na

### Norway: GDP Growth Consensus Forecast

% change, year-on-year

Source: MJEconomics



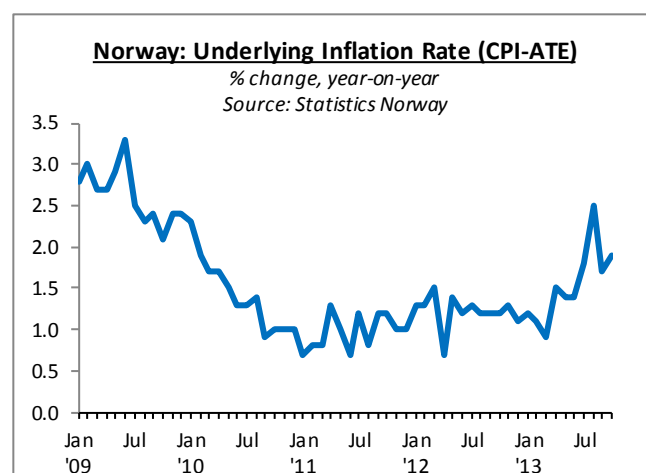
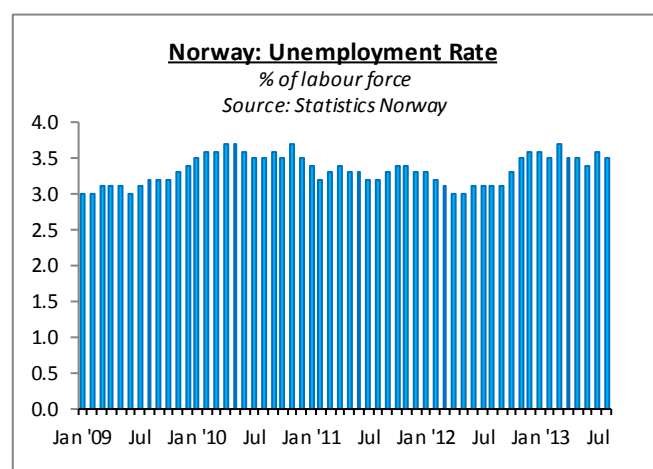
### Norway: Background Information

<b>Government:</b>	Conservative Party led 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
<b>Population:</b>	5.0 m
<b>Economic Freedom:</b>	31st out of 177 countries
<b>Doing Business:</b>	9th out of 189 countries
<b>Competitiveness:</b>	11th out of 148 countries
<b>Corruption:</b>	Joint 7th out of 174 countries
<b>Government Debt:</b>	30% of GDP
<b>Corporate Tax Rate:</b>	28.0%

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

## Norway: 2014 Forecasts

Other Indicators <i>average % change from previous year unless otherwise noted</i>	Industrial Production	Unemploy- ment Rate (% of labour force)	Consumer Prices (national index, headline rate)	Consumer Prices (CPI-ATE index, underlying rate)	Manufac- turing Earnings	Current Account Balance (annual total, Nkr bn)	Current Account Balance (% of GDP)	General Govt Balance (% of GDP)
Panellists								
Danske Bank	na	3.3	na	na	na	na	na	na
DZ Bank	na	na	na	na	na	na	na	na
Econ Intelligence Unit	0.8	3.5	2.3	na	4.3	402.4	12.6	12.9
Handelsbanken	na	3.5	1.5	1.5	na	na	na	na
Nordea	na	3.8	1.6	1.8	na	391.6	12.4	12.1
Nykredit	na	3.7	2.3	na	na	na	12.3	11.5
Oxford Economics	3.1	3.2	2.4	na	3.9	300.6	9.7	12.3
SEB	na	3.5	1.8	1.9	na	na	na	na
Statistics Norway	na	3.5	1.9	1.9	na	275.0	8.9	na
Swedbank First Securities	na	3.8	1.8	1.9	3.5	349.7	11.6	10.6
<b>Consensus (Mean Average)</b>	2.0	3.5	2.0	1.8	3.9	343.9	11.3	11.9
Last Month	0.9	3.5	2.0	1.8	3.9	339.4	11.2	12.1
2 Months Ago	0.7	3.5	1.9	1.8	3.9	347.3	11.4	12.5
Median	2.0	3.5	1.9	1.9	3.9	349.7	12.0	12.1
High	3.1	3.8	2.4	1.9	4.3	402.4	12.6	12.9
Low	0.8	3.2	1.5	1.5	3.5	275.0	8.9	10.6
Standard Deviation	1.6	0.2	0.3	0.2	0.4	55.6	1.6	0.9
Number of Forecasts	2	9	8	5	3	5	6	5
<b>Other Forecasts</b>								
Finance Ministry (Oct. '13)	na	3.5	1.6	1.8	na	na	10.5	10.2
Norges Bank (Oct. '13)	na	3.5	2.3	2.3	na	na	na	na
EC (Nov. '13)	na	3.3	na	na	na	na	13.0	13.0
IMF (Oct. '13)	na	3.3	1.8	na	na	na	11.3	na
OECD (May '13)	na	3.3	1.7	na	na	na	12.9	11.8



**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	0.9	2.0	1.0	-2.0	0.2	-1.1	-1.0	-0.1
Danske Bank	1.0	2.0	1.2	-3.1	0.4	-1.1	-0.8	na
DZ Bank	0.7	1.7	1.2	-3.5	0.6	-1.0	-0.6	-0.2
Econ Intelligence Unit	1.5	1.9	1.4	-3.5	0.5	-1.9	-3.0	0.4
Handelsbanken	0.9	2.0	1.2	-3.2	0.4	-0.9	-0.7	-0.1
Morgan Stanley	0.6	1.9	1.1	-3.3	0.5	-1.5	-0.7	-0.4
National Institute - KI	1.1	2.4	1.1	-2.6	0.4	-2.0	-1.8	-0.2
Nordea	0.8	1.8	1.1	-3.5	0.4	-1.0	-0.8	-0.1
Nykredit	0.7	1.9	1.2	-3.5	0.3	-1.8	-1.5	-0.2
Oxford Economics	0.7	1.8	1.2	-3.2	0.5	-1.5	-0.7	-0.4
SEB	1.2	2.0	0.8	-3.0	0.3	-0.4	-1.2	na
<b>Consensus (Mean Average)</b>	<b>0.9</b>	<b>1.9</b>	<b>1.1</b>	<b>-3.1</b>	<b>0.4</b>	<b>-1.3</b>	<b>-1.2</b>	<b>-0.1</b>
Last Month	0.9	2.0	1.2	-3.1	0.4	-1.3	-1.1	-0.2
2 Months Ago	1.3	2.2	1.1	-2.8	0.5	-1.7	-2.0	0.0
Median	0.9	1.9	1.2	-3.2	0.4	-1.1	-0.8	-0.2
High	1.5	2.4	1.4	-2.0	0.6	-0.4	-0.6	0.4
Low	0.6	1.7	0.8	-3.5	0.2	-2.0	-3.0	-0.4
Standard Deviation	0.3	0.2	0.2	0.5	0.1	0.5	0.7	0.2
Number of Forecasts	11	11	11	11	11	11	11	9
<b>Other Forecasts</b>								
Finance Ministry (Aug. '13)	1.2	2.1	1.0	-2.4	0.4	-2.3	-2.7	0.0
Riksbank (Sep. '13)	1.2	2.0	0.9	-2.7	0.5	-2.2	-2.5	0.0
EC (Nov. '13)	1.1	2.0	1.0	-2.6	0.5	-2.1	-2.1	-0.1
IMF (Oct. '13)	0.9	na	na	na	na	na	na	na
OECD (May '13)	1.3	na	na	na	na	na	na	na

- The latest data point to continuing weaknesses in retail trade and manufacturing indicators in Sweden, which, on the back of a disappointing second quarter and evident deflationary tendencies, according to the latest consumer price index readings, highlight substantial spare capacity that will take time to resolve.
- The data seem at odds with government pronouncements of a strong economy. However, encouragingly, Sweden's economic sentiment indicator staged a rebound in October, according to the European Commission, rising to 104.3 on the back of improved confidence in the manufacturing and services sectors, but not in construction where confidence waned.
- Consumer confidence also held up in October, to signal better prospects on the horizon, certainly where retail spending is concerned.
- The Riksbank is not taking any chances, however, having resolved to keeping interest rates at their current levels until the economy gathers strength and inflation returns. Indeed, the central bank has indicated that, in the light of recent trends, its own forecasts for growth and inflation having been lowered, and no doubt also in light of the ECB's decision to relax monetary policy, that it has no intention of tightening early. This suggests that the first move to normalise the policy rate will not be until towards the end of 2014, perhaps later.



## 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	-1.4	8.5	0.3	0.8	na	na	250.0	6.8	na
Danske Bank	na	7.9	0.1	na	na	na	na	5.3	-1.2
DZ Bank	na	na	na	na	na	na	na	na	na
Econ Intelligence Unit	-1.7	8.1	0.0	na	-4.0	2.3	256.6	7.1	-2.0
Handelsbanken	-3.4	8.1	0.0	0.9	na	2.6	205.0	6.3	-1.1
Morgan Stanley	na	8.3	0.1	1.0	na	na	na	6.2	-2.1
National Institute - KI	-1.2	8.0	0.1	1.0	na	2.8	218.0	6.0	-1.3
Nordea	na	8.0	0.0	0.9	na	3.1	224.0	6.2	na
Nykredit	-3.1	8.0	0.0	0.9	na	2.8	na	5.8	-1.2
Oxford Economics	-4.0	8.0	0.1	na	-2.3	na	188.5	5.2	-1.9
SEB	na	8.1	0.0	0.9	na	2.7	na	6.3	-2.1
<b>Consensus (Mean Average)</b>	<b>-2.5</b>	<b>8.1</b>	<b>0.1</b>	<b>0.9</b>	<b>-3.2</b>	<b>2.7</b>	<b>223.7</b>	<b>6.1</b>	<b>-1.6</b>
Last Month	-2.6	8.1	0.1	0.9	-3.2	2.7	221.9	6.2	-1.5
2 Months Ago	-2.0	8.2	0.1	0.9	-3.2	2.8	221.3	6.5	-1.4
Median	-2.4	8.1	0.1	0.9	-3.2	2.8	221.0	6.2	-1.6
High	-1.2	8.5	0.3	1.0	-2.3	3.1	256.6	7.1	-1.1
Low	-4.0	7.9	0.0	0.8	-4.0	2.3	188.5	5.2	-2.1
Standard Deviation	1.2	0.2	0.1	0.1	1.2	0.3	26.1	0.6	0.4
Number of Forecasts	6	10	10	7	2	6	6	10	8
<b>Other Forecasts</b>									
Finance Ministry (Aug. '13)	na	8.2	0.1	na	na	na	na	na	-1.5
Riksbank (Sep. '13)	na	8.1	0.1	1.0	na	2.8	na	6.3	-1.4
EC (Nov. '13)	na	8.1	na	na	na	na	na	5.9	-0.9
IMF (Oct. '13)	na	8.0	0.2	na	na	na	na	5.7	na
OECD (May '13)	na	8.2	0.2	0.9	na	na	na	7.1	-1.6

<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	-0.9	-4.9	6.3	3.7	1.1
Private Consumption	0.0	-0.3	4.0	2.1	1.5
Government Consumption	1.0	2.2	2.1	1.1	0.7
Gross Fixed Investment	1.4	-15.5	7.2	6.4	3.2
Inventory Building (% contribution)	-0.4	-1.7	2.3	0.5	-1.1
Goods & Services Exports	1.7	-13.8	11.4	7.1	0.8
Goods & Services Imports	3.5	-14.3	12.0	6.3	0.0
Net Exports (% contribution)	-0.6	-0.6	0.4	0.7	0.4
Industrial Production	-3.1	-19.6	8.7	6.9	-3.1
Unemployment Rate (% of labour force)	6.1	8.3	8.4	7.5	8.0
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	245.8
- as a % of GDP	8.8	7.0	6.7	7.0	6.9
General Govt Budget Balance (% of GDP)	2.2	-0.7	0.3	0.2	-0.5

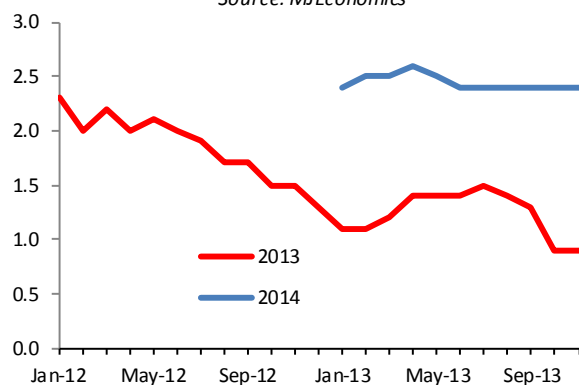
Source: Eurostat, Statistics Sweden

**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	3.1	0.0	2.8	3.5	-0.1
Danske Bank	2.4	3.1	0.8	4.8	-0.1	4.6	5.3	na
DZ Bank	2.3	1.4	0.8	1.9	0.3	5.0	4.0	0.7
Econ Intelligence Unit	2.5	2.2	1.8	1.7	0.0	3.5	2.5	0.6
Handelsbanken	2.9	2.7	1.2	4.8	0.0	5.2	5.2	0.3
Morgan Stanley	2.2	2.3	0.7	4.1	0.0	3.7	3.9	0.1
National Institute - KI	2.6	3.3	0.8	5.1	-0.1	3.9	4.6	-0.1
Nordea	2.5	2.6	1.4	2.9	0.0	4.1	4.0	0.3
Nykredit	2.4	2.6	1.1	3.3	-0.1	3.3	3.0	0.3
Oxford Economics	2.3	2.7	1.4	4.0	0.4	3.2	4.9	-0.5
SEB	2.7	2.7	0.8	3.0	0.1	4.3	4.0	na
<b>Consensus (Mean Average)</b>	2.4	2.6	1.1	3.5	0.0	4.0	4.1	0.2
Last Month	2.4	2.5	1.1	3.5	0.0	3.8	3.9	0.2
2 Months Ago	2.4	2.5	1.1	3.5	0.0	3.9	4.0	0.2
Median	2.4	2.6	1.1	3.3	0.0	3.9	4.0	0.3
High	2.9	3.3	1.8	5.1	0.4	5.2	5.3	0.7
Low	2.1	1.4	0.7	1.7	-0.1	2.8	2.5	-0.5
Standard Deviation	0.2	0.5	0.4	1.1	0.2	0.8	0.9	0.4
Number of Forecasts	11	11	11	11	11	11	11	9
<b>Other Forecasts</b>								
Finance Ministry (Aug. '13)	2.6	3.1	1.1	4.3	-0.1	3.0	3.3	0.0
Riksbank (Sep. '13)	2.8	3.1	0.7	5.2	-0.1	4.0	4.2	0.2
EC (Nov. '13)	2.8	3.3	1.1	5.1	-0.1	3.5	3.9	0.1
IMF (Oct. '13)	2.3	na	na	na	na	na	na	na
OECD (May '13)	2.5	na	na	na	na	na	na	na

**Sweden: GDP Growth Forecast**

% change, year-on-year  
Source: MJEconomics

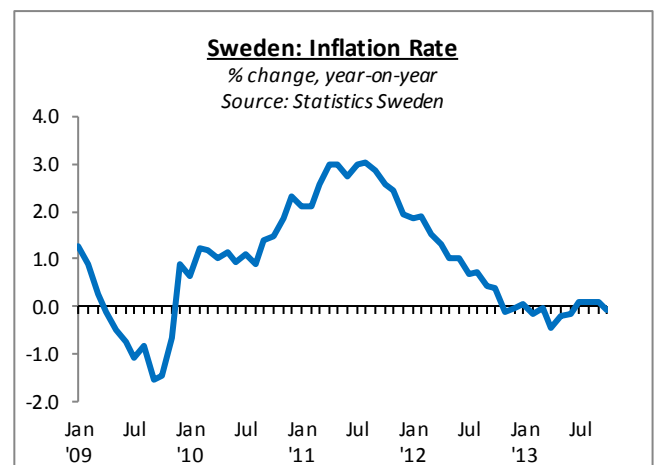
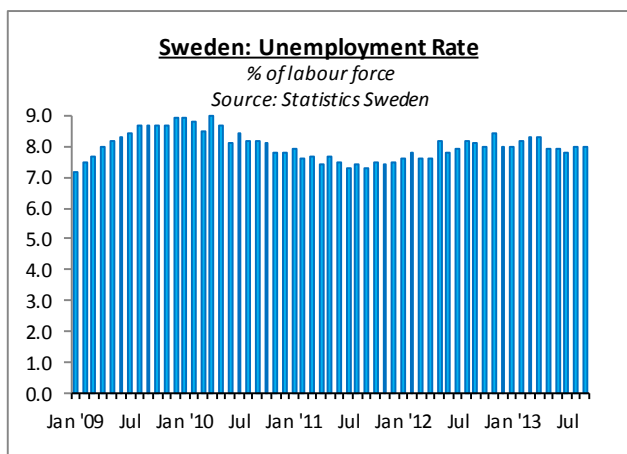
**Sweden: Background Information**

<b>Government:</b>	Moderate Party led coalition
<b>Next Election:</b>	By September 2014 (parliamentary)
<b>Capital City:</b>	Stockholm (GMT + 1 hour)
<b>Currency:</b>	Swedish Krona (free float)
<b>Nominal GDP:</b>	\$526 bn
<b>Population:</b>	9.5m
<b>Economic Freedom:</b>	18th out of 177 countries
<b>Doing Business:</b>	14th out of 189 countries
<b>Competitiveness:</b>	6th out of 148 countries
<b>Corruption:</b>	4th out of 174 countries
<b>Government Debt:</b>	38% of GDP
<b>Corporate Tax Rate:</b>	22.0%

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

## 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	3.3	8.4	1.9	1.7	na	na	247.0	6.5	na
Danske Bank	na	7.3	1.4	na	na	na	na	5.3	-1.0
DZ Bank	na	na	na	na	na	na	na	na	na
Econ Intelligence Unit	2.3	7.9	1.4	na	0.3	2.4	260.6	6.9	-1.7
Handelsbanken	2.4	8.1	1.1	1.1	na	2.9	194.0	5.7	-0.9
Morgan Stanley	na	8.1	1.1	1.3	na	na	na	6.3	-1.5
National Institute - KI	3.5	7.8	0.8	1.2	na	2.8	217.1	5.7	-1.5
Nordea	na	7.8	1.0	1.1	na	2.8	238.0	6.3	na
Nykredit	4.3	7.7	1.1	1.2	na	2.9	na	6.1	-0.9
Oxford Economics	2.7	7.6	0.9	na	1.6	na	168.3	4.5	-1.7
SEB	na	8.0	1.0	1.3	na	2.8	na	6.4	-2.2
<b>Consensus (Mean Average)</b>	3.1	7.9	1.2	1.3	1.0	2.8	220.8	6.0	-1.4
Last Month	3.1	7.9	1.2	1.3	1.0	2.8	217.9	6.1	-1.2
2 Months Ago	3.6	8.0	1.3	1.3	1.0	2.8	217.6	6.4	-1.0
Median	3.0	7.9	1.1	1.2	1.0	2.8	227.6	6.2	-1.5
High	4.3	8.4	1.9	1.7	1.6	2.9	260.6	6.9	-0.9
Low	2.3	7.3	0.8	1.1	0.3	2.4	168.3	4.5	-2.2
Standard Deviation	0.8	0.3	0.3	0.2	0.9	0.2	34.8	0.7	0.5
Number of Forecasts	6	10	10	7	2	6	6	10	8
<b>Other Forecasts</b>									
Finance Ministry (Aug. '13)	na	8.1	0.9	na	na	na	na	na	-1.4
Riksbank (Sep. '13)	na	7.9	1.3	1.4	na	3.1	na	6.2	-0.9
EC (Nov. '13)	na	7.9	na	na	na	na	na	5.6	-1.2
IMF (Oct. '13)	na	7.7	1.6	na	na	na	na	5.5	na
OECD (May '13)	na	8.1	1.3	1.3	na	na	na	7.0	-1.1



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

<b>GDP Growth</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	1.6	1.9	2.8
EC	1.4	1.7	2.3
IMF	1.6	1.9	2.1
OECD	1.6	1.9	2.6
SI	1.6	1.7	2.7
<b>Private Consumption</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	2.7	2.0	2.6
EC	2.4	1.3	1.5
IMF	na	na	na
OECD	na	na	na
SI	2.7	1.9	3.0
<b>Fixed Investment</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	4.4	-9.4	13.0
EC	5.0	-4.0	12.0
IMF	na	na	na
OECD	4.4	-3.7	15.3
SI	4.4	-3.6	14.1
<b>Export Volume</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	3.9	4.4	1.8
EC	3.8	2.5	3.3
IMF	na	na	na
OECD	3.9	2.0	2.1
SI	3.9	2.3	2.6
<b>Import Volume</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	4.8	1.2	3.0
EC	4.7	0.0	4.2
IMF	na	na	na
OECD	4.8	0.0	4.5
SI	4.8	0.2	4.5
<b>Consumer Price Inflation</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	5.0	3.8	3.1
EC	na	na	na
IMF	5.2	4.7	4.0
OECD	5.2	4.0	3.2
SI	5.2	3.5	3.0
<b>Current Acc. (% of GDP)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	-4.9	0.3	-3.0
EC	-5.5	-0.2	-0.7
IMF	-4.9	-2.8	-1.7
OECD	-4.9	-2.1	-2.4
SI	-4.9	-1.0	-3.4
<b>Budget Balance (% of GDP)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
CBol	na	na	na
EC	-3.8	-2.0	-0.7
IMF	na	na	na
OECD	-3.4	-0.2	0.8
SI	na	na	na

**Sources:**

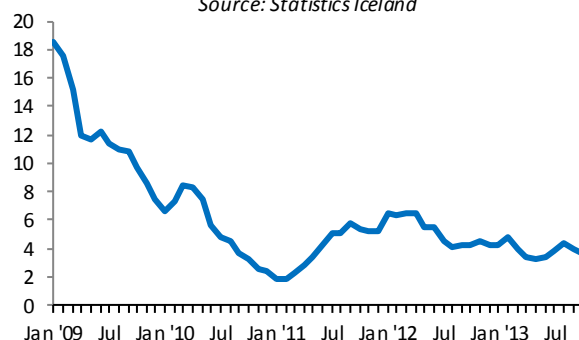
Central Bank of Iceland, August 2013  
 European Commission, November 2013  
 IMF, World Economic Outlook, October 2013  
 OECD, Economic Outlook, May 2013  
 Statistics Iceland, June 2013

**Iceland Snapshot**

- The government's decision to stop EU accession negotiations, effectively ending Iceland's ambitions of joining the single trade area, has met with a backlash from Iceland's business community, despite its popularity among Icelanders generally. Many are concerned that the economic upturn is fragile, with no plan on how to dismantle the capital controls imposed following the banking crisis.
- The latest trade figures show a solid surplus on merchandise goods of Isk44.4bn during the first nine months of this year, but down by over 9% y/y. The 3.4% y/y fall in export earnings was shared among manufactured goods and agricultural products, but not marine exports which increased in value. The imports bill also shrank, though mainly because of a halving of transport equipment purchases (ships and aircraft) compared to last year.

**Iceland: Inflation Rate**

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

**Iceland: Background Information**

<b>Government:</b>	Progressive Party led coalition
<b>Next Election:</b>	By June 2016 (presidential)
<b>Capital City:</b>	Reykjavic (GMT time)
<b>Currency:</b>	Icelandic Krona (capital controls)
<b>Nominal GDP:</b>	\$14 bn
<b>Population:</b>	0.3m
<b>Economic Freedom:</b>	23rd out of 177 countries
<b>Doing Business:</b>	13th out of 189 countries
<b>Competitiveness:</b>	31st out of 148 countries
<b>Corruption:</b>	11th out of 174 countries
<b>Government Debt:</b>	99% of GDP
<b>Corporate Tax Rate:</b>	20.0%

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

**Interest Rate Forecasts****3-month Danish CIBOR Rate, %**Rate on Survey Date: **0.26**

	<u>2013</u>	<u>2014</u>
Mean Average	0.28	0.44
High	0.33	0.53
Low	0.20	0.33
Standard Deviation	0.06	0.09

**10 Year Danish Govt Bond Yield, %**Rate on Survey Date: **1.83**

	<u>2013</u>	<u>2014</u>
Mean Average	1.90	2.34
High	2.08	2.50
Low	1.60	2.20
Standard Deviation	0.19	0.11

**3-month Euro Area EURIBOR Rate, %**Rate on Survey Date: **0.22**

	<u>2013</u>	<u>2014</u>
Mean Average	0.22	0.34
High	0.45	0.55
Low	0.10	0.10
Standard Deviation	0.08	0.13

**10 Year Finnish Govt Bond Yield, %**Rate on Survey Date: **1.97**

	<u>2013</u>	<u>2014</u>
Mean Average	1.99	2.46
High	2.10	3.00
Low	1.73	2.00
Standard Deviation	0.12	0.26

**3-month Norwegian NIBOR Rate, %**Rate on Survey Date: **1.65**

	<u>2013</u>	<u>2014</u>
Mean Average	1.78	2.08
High	1.90	2.22
Low	1.70	1.75
Standard Deviation	0.10	0.22

**10 Year Norwegian Govt Bond Yield, %**Rate on Survey Date: **2.87**

	<u>2013</u>	<u>2014</u>
Mean Average	2.82	3.12
High	2.95	3.50
Low	2.60	2.71
Standard Deviation	0.15	0.40

**3-month Swedish STIBOR Rate, %**Rate on Survey Date: **1.20**

	<u>2013</u>	<u>2014</u>
Mean Average	1.24	1.61
High	1.30	2.20
Low	1.20	1.25
Standard Deviation	0.05	0.41

**10 Year Swedish Govt Bond Yield, %**Rate on Survey Date: **2.41**

	<u>2013</u>	<u>2014</u>
Mean Average	2.37	2.96
High	2.50	3.44
Low	2.20	2.65
Standard Deviation	0.13	0.34

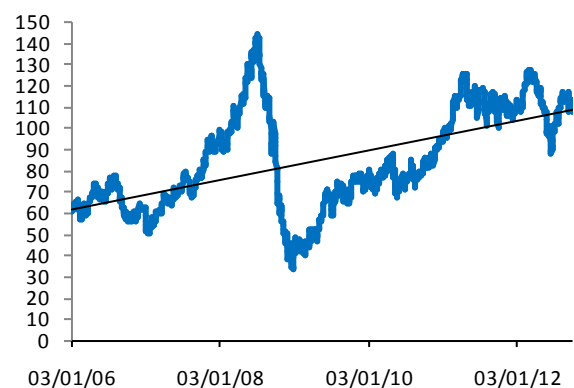
**Oil Price Forecasts****Oil Prices, Brent Blend, US\$ per barrel**Price on Survey Date: **106.1**

	<u>2013</u>	<u>2014</u>
Mean Average	108.1	105.4
High	112.3	116.0
Low	100.0	100.0
Standard Deviation	3.0	4.6

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: **7.459**

	<u>2013</u>	<u>2014</u>
Mean Average	7.449	7.455
High	7.460	7.460
Low	7.421	7.450
Standard Deviation	0.014	0.004

**US Dollar/Euro Exchange Rate**

Rate on Survey Date: **1.341**

	<u>2013</u>	<u>2014</u>
Mean Average	1.322	1.258
High	1.370	1.320
Low	1.280	1.100
Standard Deviation	0.025	0.045

**Norwegian Krone/Euro Exchange Rate**

Rate on Survey Date: **8.219**

	<u>2013</u>	<u>2014</u>
Mean Average	7.922	7.833
High	8.100	8.250
Low	7.515	7.500
Standard Deviation	0.233	0.294

**Swedish Krona/Euro Exchange Rate**

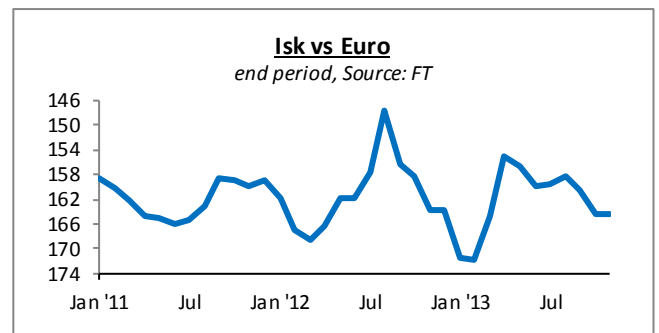
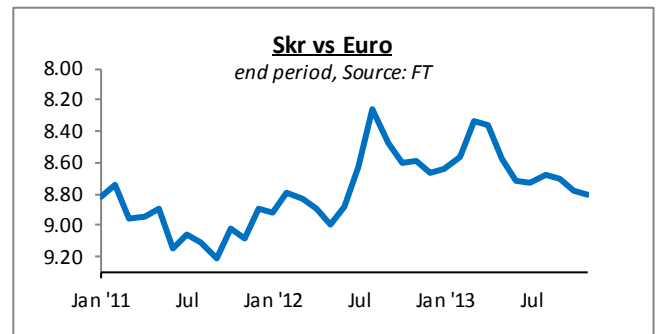
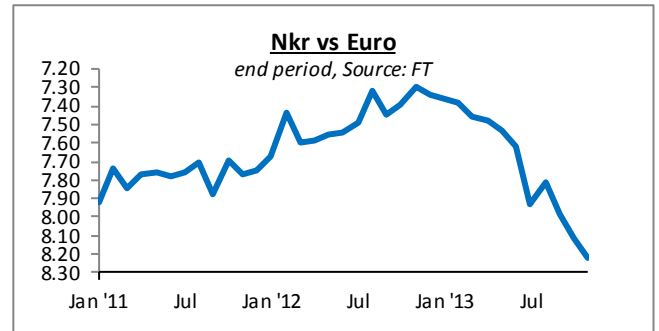
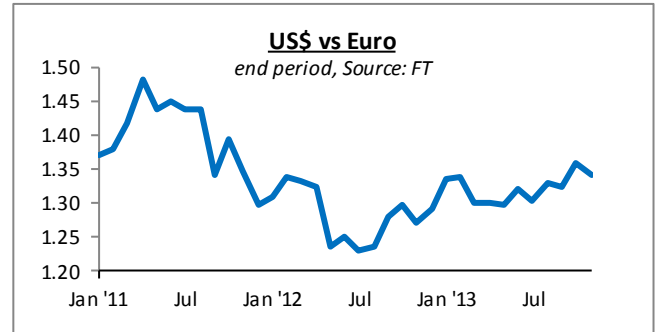
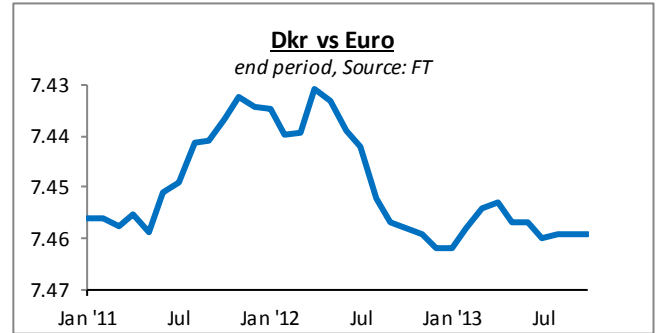
Rate on Survey Date: **8.802**

	<u>2013</u>	<u>2014</u>
Mean Average	8.632	8.459
High	8.900	8.899
Low	8.400	7.875
Standard Deviation	0.125	0.270

**Icelandic Krona/Euro Exchange Rate**

Rate on Survey Date: **164.5**

	<u>2013</u>	<u>2014</u>
Mean Average	162.2	158.2
High	165.0	165.0
Low	160.0	151.7
Standard Deviation	2.6	6.7



**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**

- The region succumbed to not one, but two surprises this month. Not only did the European Central Bank announce a 25bp reduction in its main refinancing rate (the repo), to bring it down to a record low of 25 basis points, but also, unusually, the Nationalbank decided not to follow suit, thus narrowing the Dkr/€ interest rate differential.
- The Danish decision prevents the lending rate from moving into negative territory and will provide support for the krone, which has been trading on the weaker side of its pegged exchange rate against the euro lately. No further moves in interest rates are predicted by our experts before our next survey on December 9<sup>th</sup>.

**The Most Recent Interest Rate Changes**

**Denmark: Danmarks Nationalbank**  
May 2nd, 2013

A decrease in the lending rate from 0.30% to 0.20%, with effect from May 3rd, 2013.  
The discount rate and current-account rate are unchanged at 0.00%, and the interest rate on certificates of deposit at -0.10%.

**Finland: European Central Bank**  
November 7th, 2013

A reduction in the repo rate from 0.50% to 0.25% with effect from November 13th, 2013.

**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.

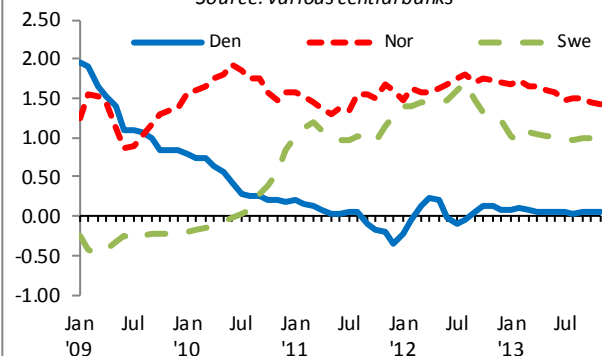
**Sweden: Sveriges Riksbank**  
December 17th, 2012

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 October 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>	-0.4	0.2	1.4	1.7	1.9	1.8
<b>Private Consumption</b>	0.5	0.4	1.2	1.5	1.8	1.7
<b>Gross Fixed Investment</b>	-0.1	0.3	2.7	2.8	3.5	3.2
<b>Unemployment Rate (% of labour force)</b>	6.1	5.8	5.8	6.5	6.6	6.4
<b>Consumer Prices</b>	2.4	0.8	1.4	1.9	1.9	1.9
<b>Current Account (annual total, Dkr bn)</b>	100.3	121.0	112.4	98.7	117.5	120.8
<b>Current Account (% of GDP)</b>	5.5	5.6	5.5	4.9	5.3	5.3
<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, % per annum</b>	0.28	0.28	0.44	0.83	1.31	2.08
<b>10 Year Bond Yield, % per annum</b>	1.38	1.90	2.34	2.64	2.99	3.35
<b>Yield Differential</b>	1.10	1.62	1.90	1.81	1.68	1.27
<b>Dkr per Euro Exchange Rate</b>	7.461	7.449	7.455	7.455	7.448	7.462
<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>	-0.8	-0.6	1.3	2.2	2.2	2.0
<b>Private Consumption</b>	0.2	0.0	0.7	1.7	1.9	1.8
<b>Gross Fixed Investment</b>	-1.0	-2.1	1.8	3.6	3.3	2.9
<b>Industrial Production</b>	-1.5	-3.1	3.1	3.9	3.5	3.3
<b>Unemployment Rate (% of labour force)</b>	7.7	8.2	8.2	7.8	7.5	7.3
<b>Consumer Prices</b>	2.8	1.8	1.7	1.9	1.9	1.9
<b>Current Account (annual total, Euros bn)</b>	-3.4	-2.0	-1.5	-0.6	-0.4	-0.2
<b>Current Account (% of GDP)</b>	-1.2	-1.1	-0.9	-0.5	-0.3	-0.3
<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, % per annum</b>	0.19	0.22	0.34	0.99	1.77	1.92
<b>10 Year Bond Yield, % per annum</b>	1.51	1.99	2.46	2.97	3.53	3.83
<b>Yield Differential</b>	1.32	1.77	2.12	1.98	1.76	1.91
<b>US\$ per Euro Exchange Rate</b>	1.318	1.322	1.258	1.244	1.270	1.282
<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>	3.1	1.2	2.5	2.3	2.5	2.4
<b>Private Consumption</b>	3.0	2.6	2.8	3.0	3.1	2.9
<b>Gross Fixed Investment</b>	8.0	5.6	3.7	2.7	3.8	3.7
<b>Industrial Production</b>	2.8	-3.9	2.0	0.4	0.2	0.4
<b>Unemployment Rate (% of labour force)</b>	3.2	3.5	3.5	3.6	3.6	3.7
<b>Consumer Prices</b>	0.8	2.0	2.0	2.3	2.3	2.3
<b>Current Account (annual total, Nkr bn)</b>	412.0	347.1	343.9	339.9	334.5	345.1
<b>Current Account (% of GDP)</b>	14.2	11.6	11.3	10.6	10.0	9.7
<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, % per annum</b>	1.83	1.78	2.08	2.96	3.54	3.98
<b>10 Year Bond Yield, % per annum</b>	2.14	2.82	3.12	3.60	4.10	4.33
<b>Yield Differential</b>	0.31	1.04	1.04	0.64	0.56	0.35
<b>Nkr per Euro Exchange Rate</b>	7.337	7.922	7.833	7.738	7.766	7.750
<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>	1.1	0.9	2.4	2.4	2.4	2.1
<b>Private Consumption</b>	1.5	1.9	2.6	2.4	2.0	1.9
<b>Gross Fixed Investment</b>	3.2	-3.1	3.5	4.7	3.4	2.9
<b>Industrial Production</b>	-3.1	-2.5	3.1	3.5	2.7	2.9
<b>Unemployment Rate (% of labour force)</b>	8.0	8.1	7.9	7.5	7.0	6.7
<b>Consumer Prices</b>	0.9	0.1	1.2	2.0	2.2	2.1
<b>Current Account (annual total, Skr bn)</b>	245.8	223.7	220.8	209.2	218.2	226.2
<b>Current Account (% of GDP)</b>	6.9	6.1	6.0	6.0	6.0	5.9
<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, % per annum</b>	1.29	1.24	1.61	2.59	3.33	3.77
<b>10 Year Bond Yield, % per annum</b>	1.53	2.37	2.96	3.36	4.02	4.05
<b>Yield Differential</b>	0.24	1.13	1.35	0.77	0.69	0.28
<b>Skr per Euro Exchange Rate</b>	8.577	8.632	8.459	8.451	8.584	8.608
<i>Note: forecasts = consensus (mean average).</i>						



## Membership Form Single User Licence

I would like to sign up for Membership to the MJEconomics website for a 12 month period. I understand that this entitles me to receive a copy of Nordic Barometer every month by e-mail in PDF format, along with the preliminary survey results rushed out in advance by e-mail in Excel format. Membership also provides access to all MJEconomics files and any additional information provided by third-party providers for personal use in the members' area of the website (including our sister publication Euro Zone Barometer). By submitting this form, I agree to be bound by the terms and conditions of Membership of MJEconomics. These state that all material in the Members' Area is copyright of MJEconomics and may be downloaded and used only by me, the paying subscriber. I agree not to reproduce, re-transmit, distribute, publish, sell or broadcast to other persons without the express permission of MJEconomics.

**Membership cost:** €425, £335, or \$529 per user per year.

**Please fill out the details below and return the entire page to us (we will invoice you for payment)**

Name..... Position.....

Organisation..... Department.....

Address.....

City..... Post/Zip Code.....

Country.....

e-mail address.....

(Please print clearly, confirmation of your subscription will be sent by e-mail)

Telephone..... Fax.....

**Value-Added Tax is levied on electronic distribution to all EU subscribers. If you are resident in the EU, but not in the UK, you may prefer not to pay VAT by filling out your VAT registration number below:**

.....

Signature..... Date.....

**Mail this form to: MJEconomics, 1 Seagrave Close, Kingsmead, CW9 8UR, UK, or you can request membership directly via our website at: [www.mjeconomics.co.uk](http://www.mjeconomics.co.uk)**

### **Finally, contact us:**

- If you would like to distribute our work to a wider audience via site licence;
- If you would like information about consultancy work undertaken by MJEconomics;
- If you would like information about our annual **country risk reports** and/or monthly **country risk updates** covering over 180 countries worldwide (sample copies available).