The economic situation, global uncertainty and monetary policy

Governor Svein Gjedrem
Norwegian Public Service Pension Fund conference in Sandefjord on 16 April 2008

Sources: Statistics Norway and Norges Bank
Economic growth
Annual growth. Mainland GDP. Per cent

Sources: Statistics Norway and Norges Bank

Change in employment
In thousands

Sources: Statistics Norway and Norges Bank
Hourly productivity in mainland Norway
5-quarter moving average. Per cent. 4-quarter change

Sources: Statistics Norway and Norges Bank

US Home prices - YoY change

Source: Reuters Ecowin, Factset
Interest spread
USD LIBOR - Treasury bills (3 months)

Source: Reuters Ecowin, Factset

Policy rates and estimated forward rates
on 14 April 2008
Per cent

Sources: Reuters (EcoWin) and Norges Bank
Krone exchange rate and interest rate differential

Index and per cent

Krone exchange rate (left-hand scale)

Interest rate differential (right-hand scale)

Sources: Bloomberg, Reuters (EcoWin) and Norges Bank

1) A rising curve denotes an appreciation of the krone

Consumer prices

12-month change in CPI and CPI-ATE. Per cent. Jan 02 – Dec 11

CPI

CPI-ATE

Sources: Statistics Norway and Norges Bank

1) CPI-ATE: CPI adjusted for tax changes and excluding energy products

2) Projections for Apr 08 – Dec 11
Strong economic growth¹)
Annual growth, Mainland GDP. Per cent

1) Projections for 2008 - 2011

Baseline scenario in MPR 1/08
Per cent. Q1 2006 – Q4 2011

Sources: Statistics Norway and Norges Bank
Key policy rate
Actual developments, strategy intervals and baseline scenarios in MPR 1/08 and MPR 3/07

S&P500 expected volatility

Source: Norges Bank

Source: Reuters Ecowin, Factset
The global equity market

Source: FTSE, Factset

Accumulated asset value (31.12.1997 = 100)

Accumulated asset value

Year


Equity
Fixed Income
Total Portfolio

Source: FTSE, Factset