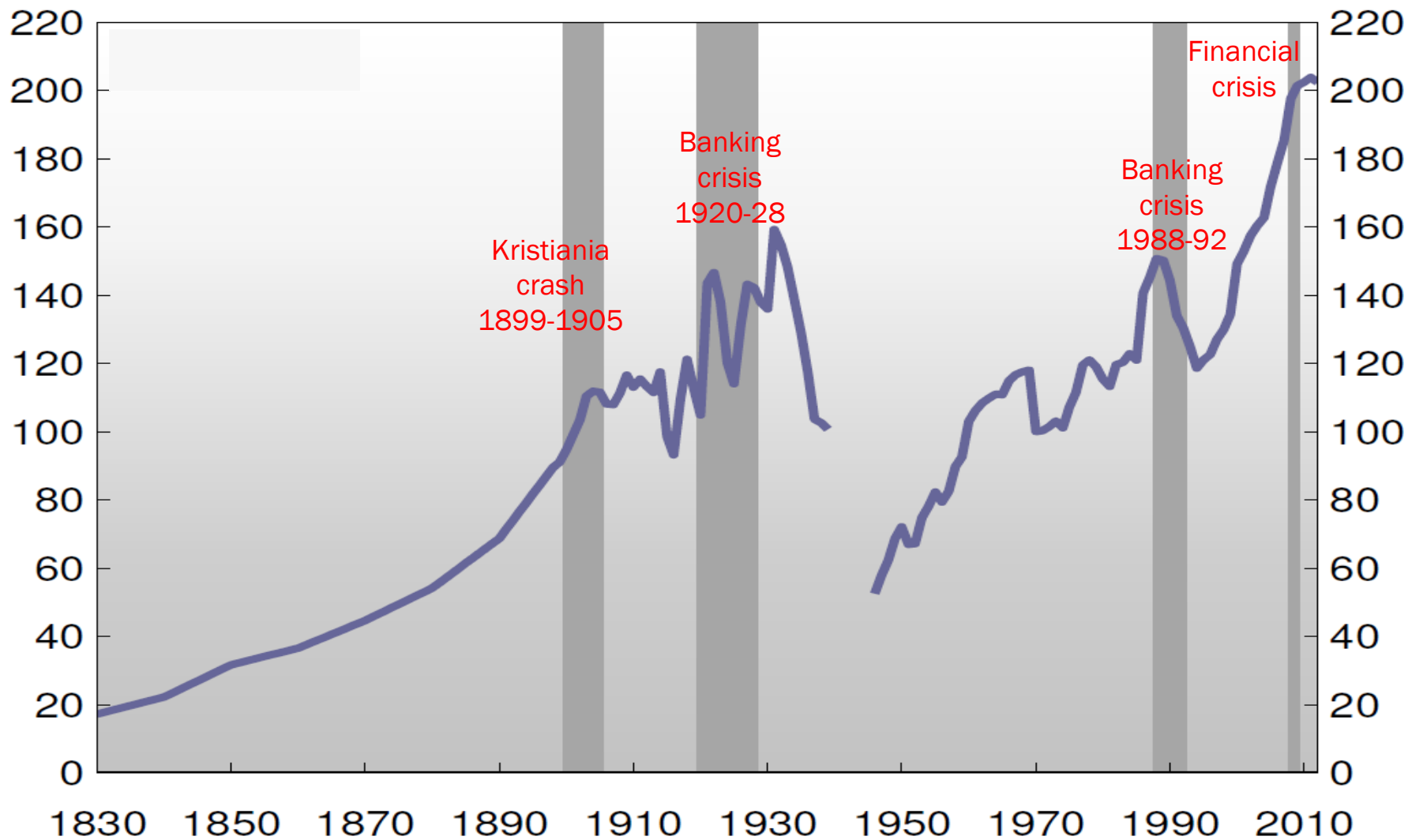




Macroprudential regulation and monetary policy

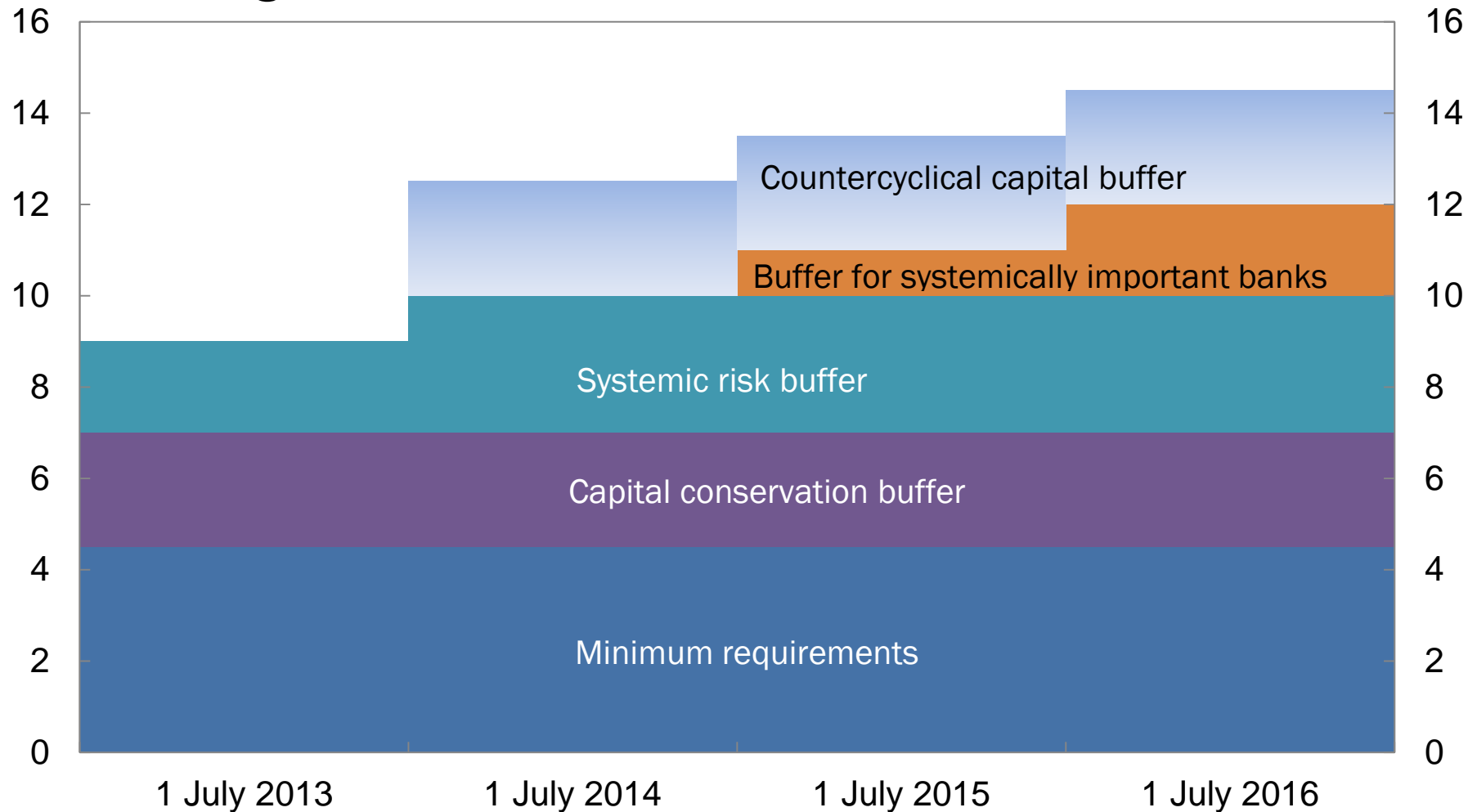
Governor Øystein Olsen
CME, 7 October 2013

Credit-to-GDP ratio



Sources: Statistics Norway and Norges Bank

New CET1 capital requirements for Norwegian banks



Sources: Ministry of Finance and Norges Bank

Criteria for an appropriate countercyclical capital buffer

1. Banks should become more resilient during an upturn
2. The size of the buffer should be viewed in the light of other requirements applying to banks
3. Stress in the financial system should be alleviated

Key indicators

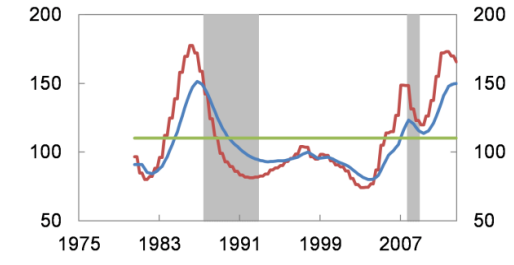
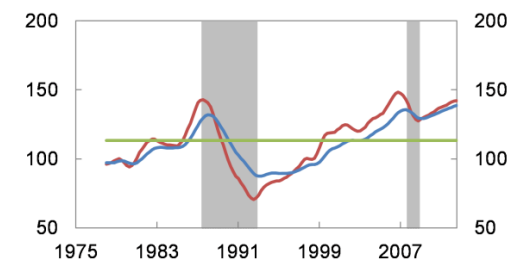
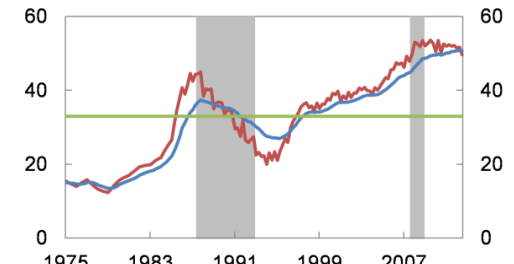
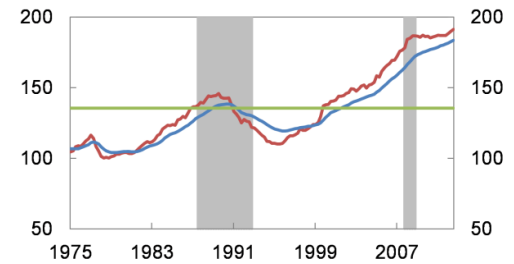
— Indicator
 — Trend
 — Mean
 Financial crises

$$\frac{\text{Credit}}{\text{GDP}}$$

Banks' wholesale funding ratio

$$\frac{\text{House prices}}{\text{Disposable income}}$$

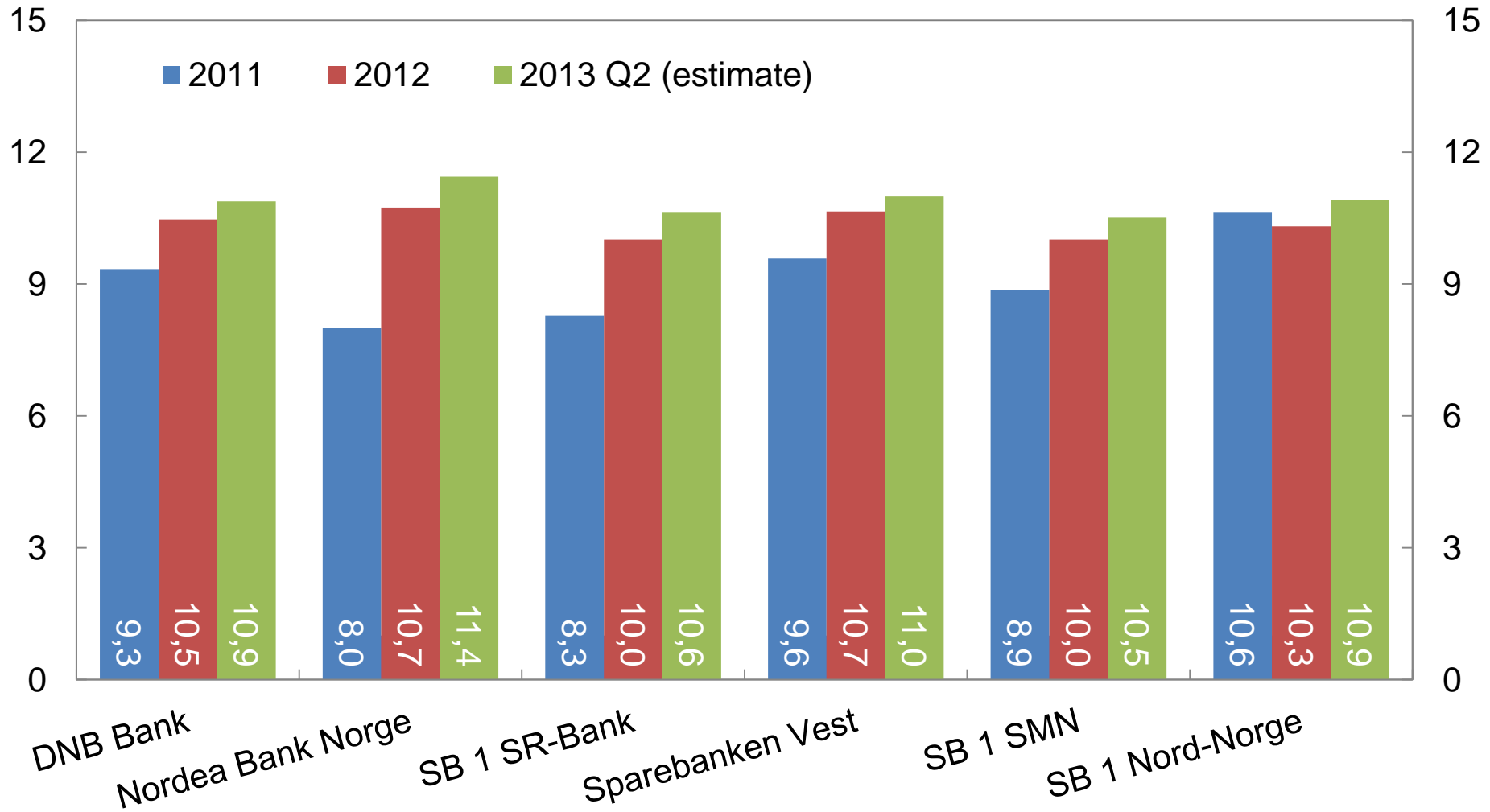
Commercial property prices



Sources: Statistics Norway, IMF, Norwegian Association of Real Estate Agents (NEF), Eiendomsmeglerforetakenes forening (EFF), Finn.no, Eiendomsverdi, Dagens Næringsliv, OPAK, and Norges Bank

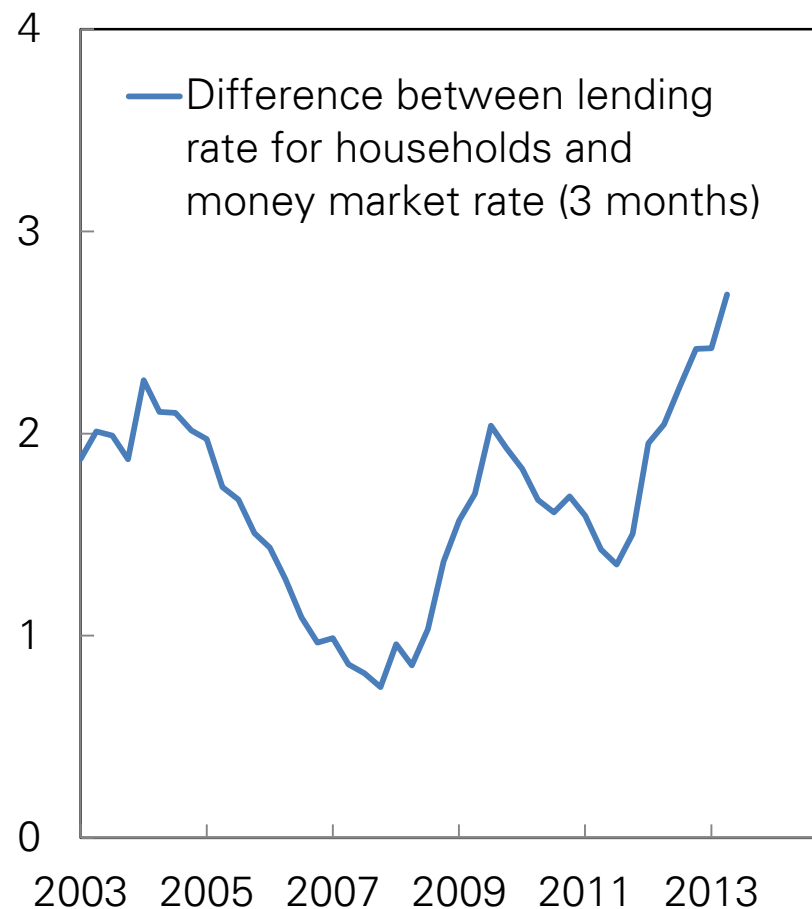
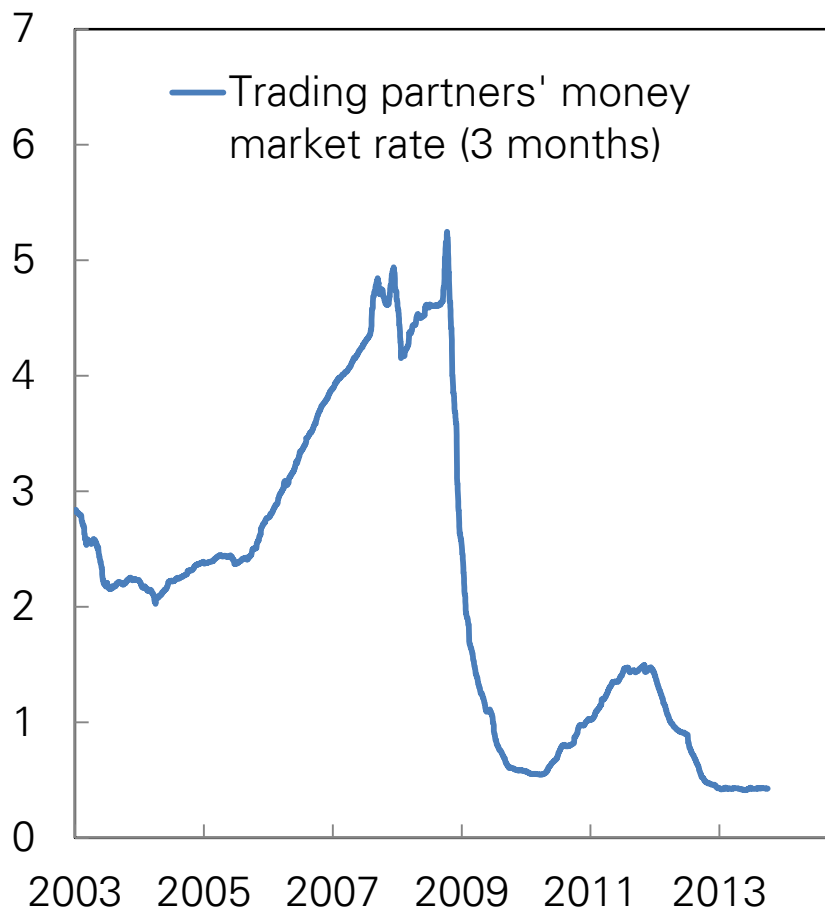
CET1 capital ratios

Percent



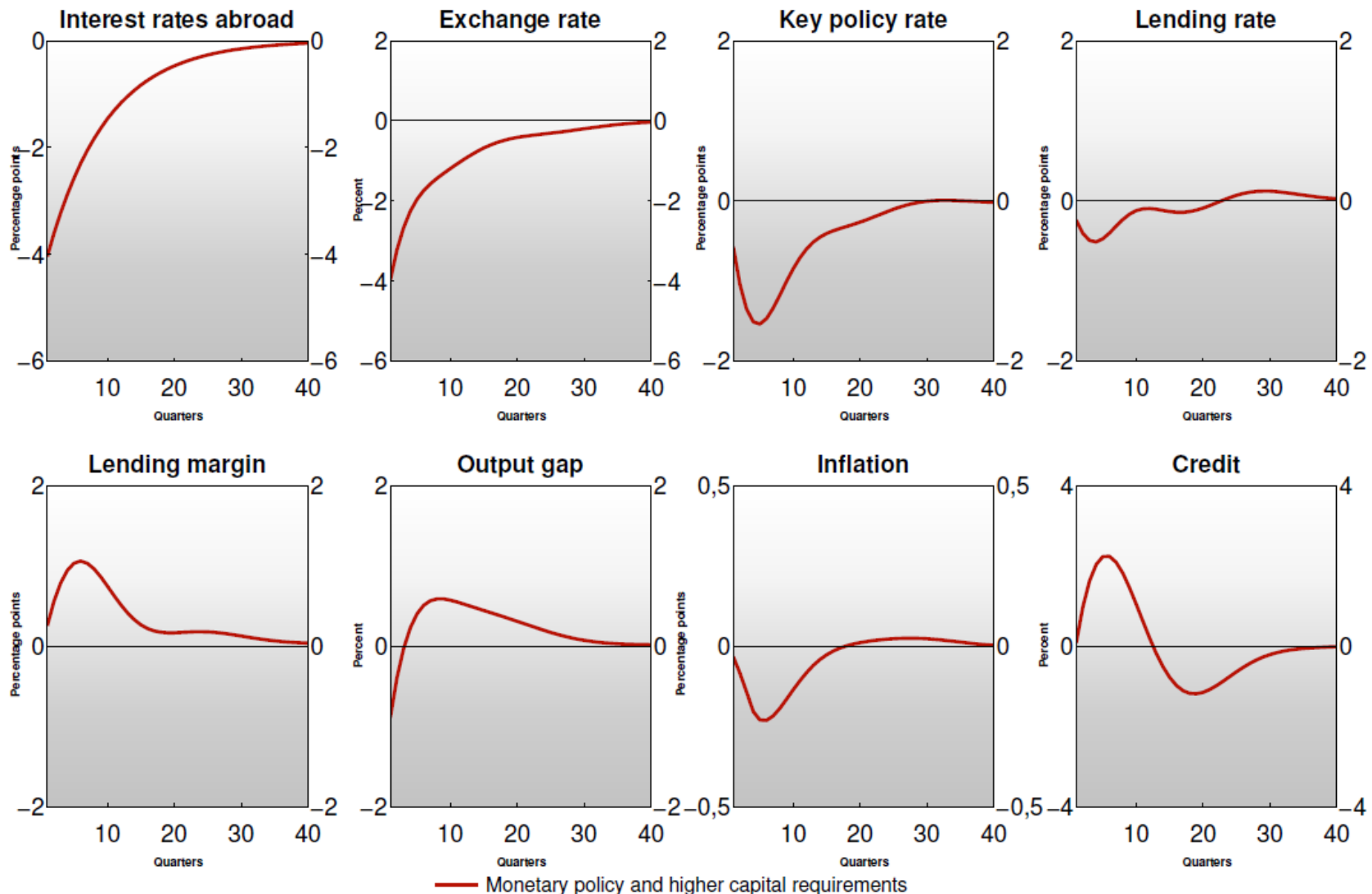
Sources: Banking groups' financial statements and Norges Bank

Low interest rates abroad and higher bank lending margins in Norway

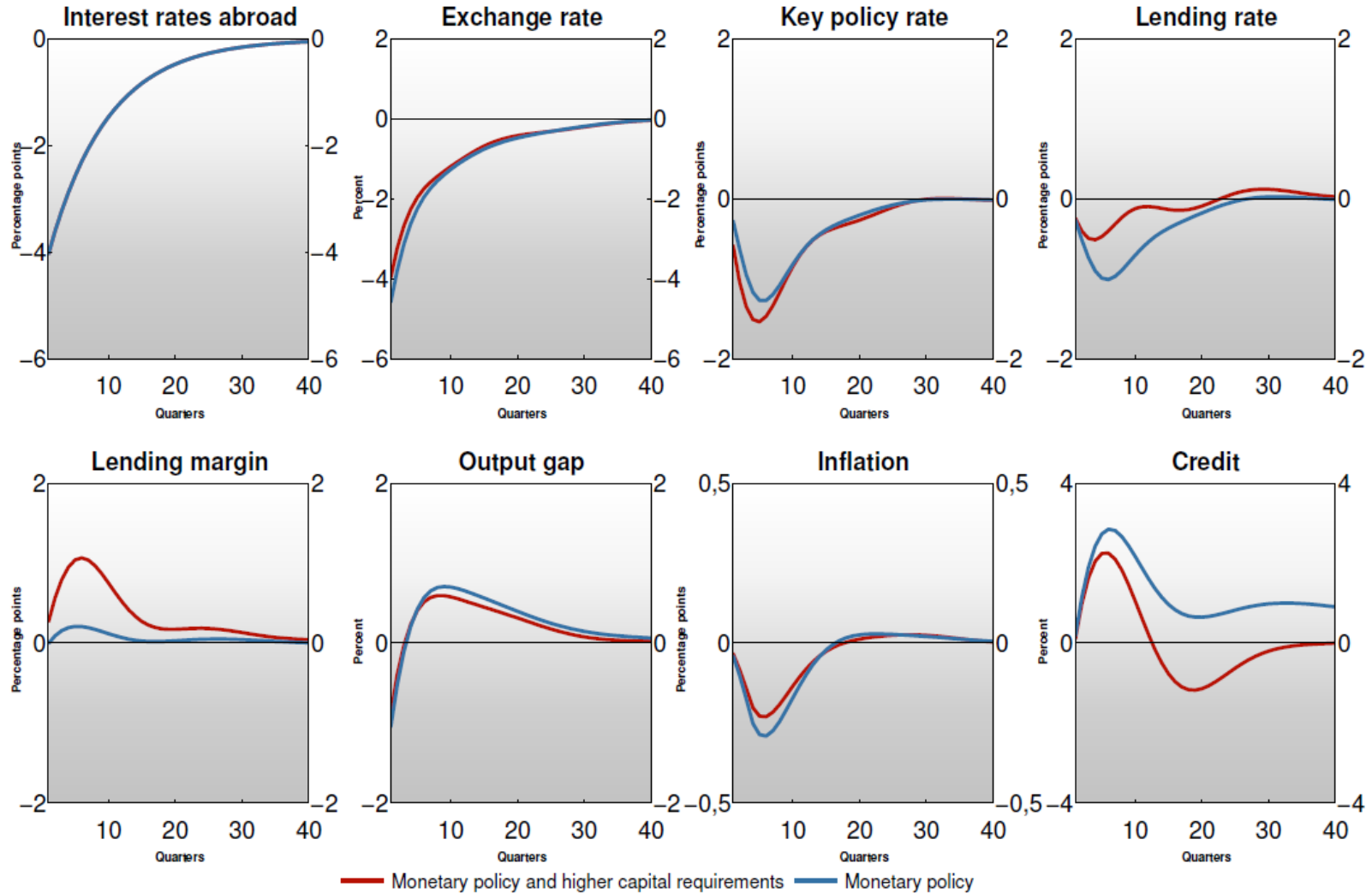


Sources: Thomson Reuters and Norges Bank

Lower interest rates abroad and higher capital requirements

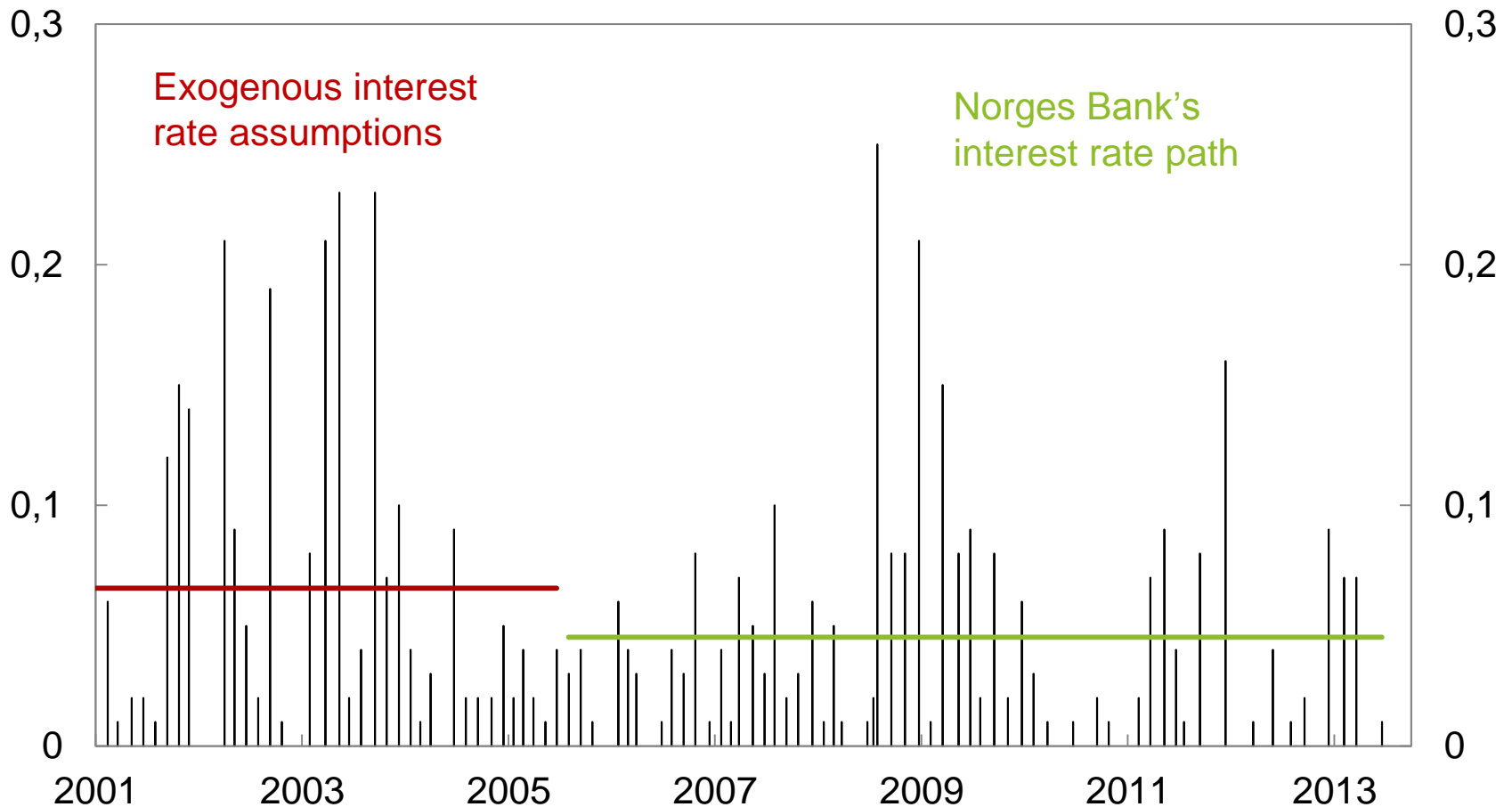


Lower interest rates abroad with and without higher capital requirements



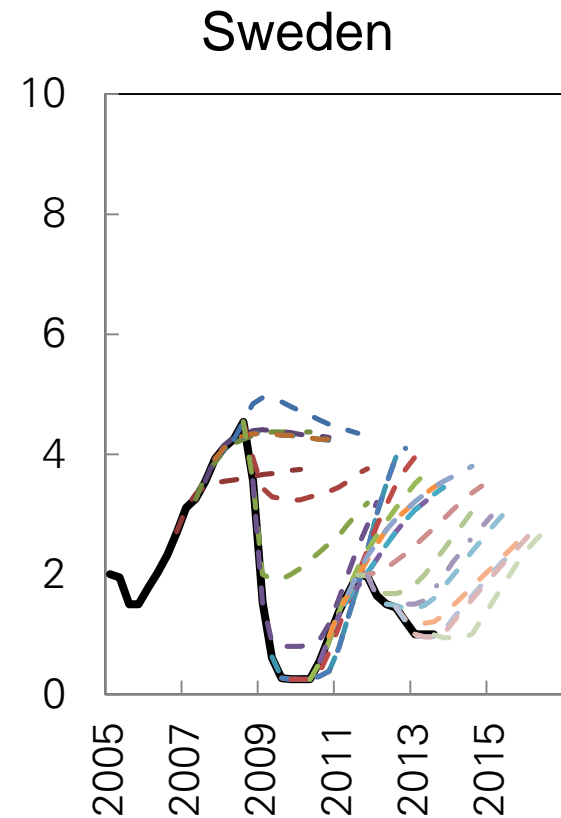
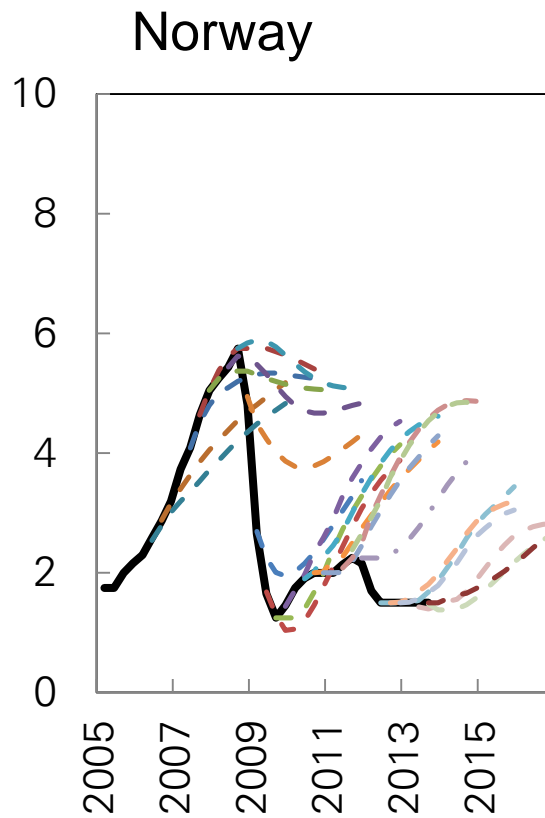
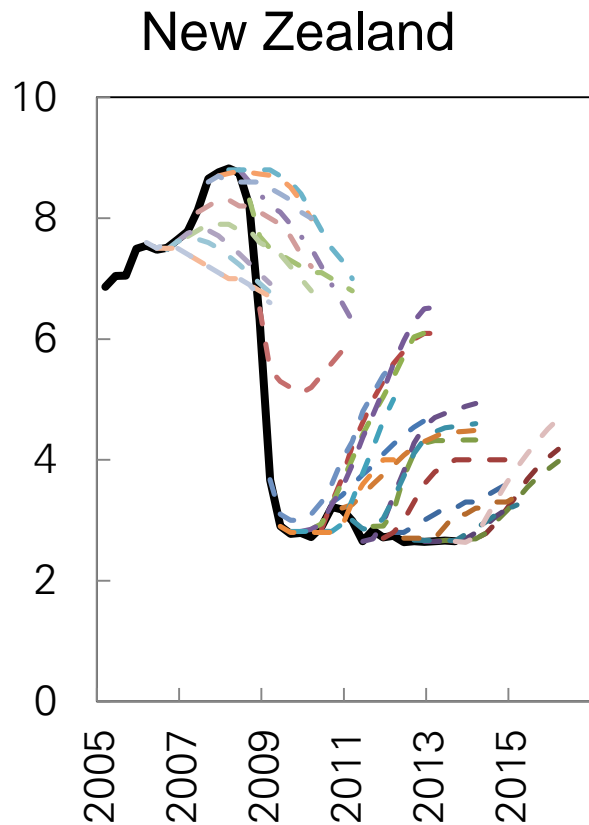
Changes in money market rates after interest rate decision announcements

Absolute values. Percentage points. 12-mth NIBOR. March 2001 – September 2013



Sources: Thomson Reuters and Norges Bank

Interest rate assumptions and actual developments



Sources: BIS and Norges Bank