

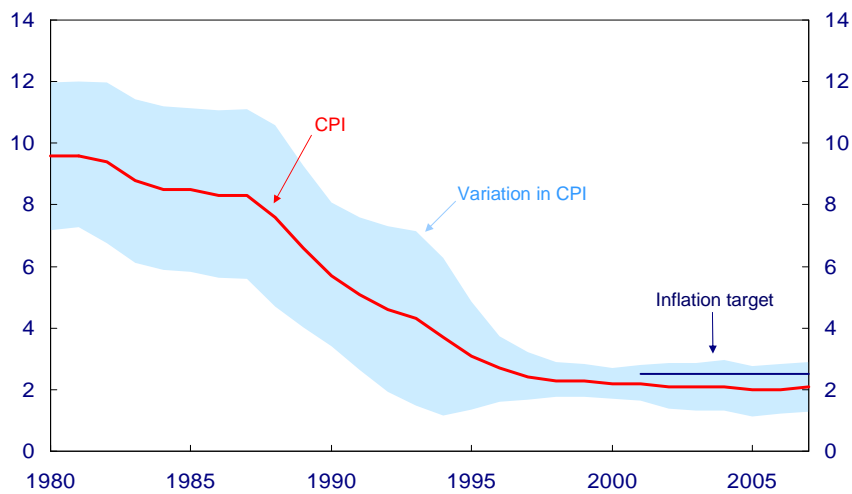
# The economic situation, global uncertainty and monetary policy

Governor Svein Gjedrem

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

## Inflation

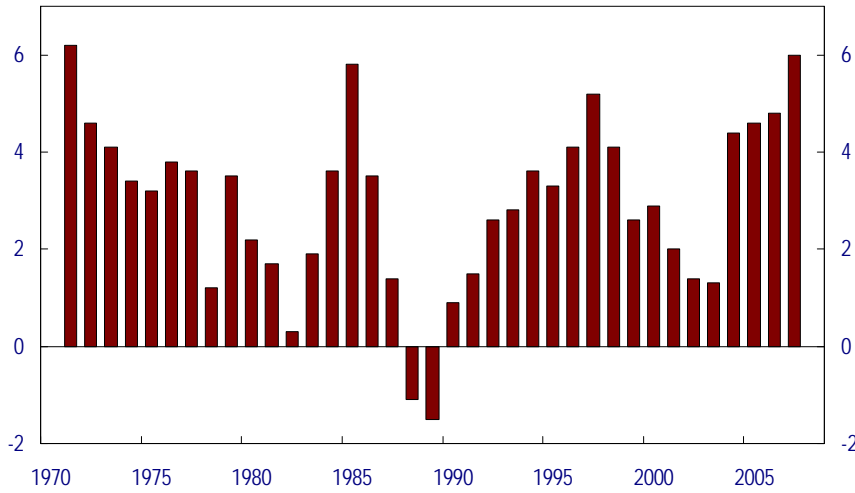
10-year moving average and variation in CPI. Per cent



Sources: Statistics Norway and Norges Bank

### Economic growth

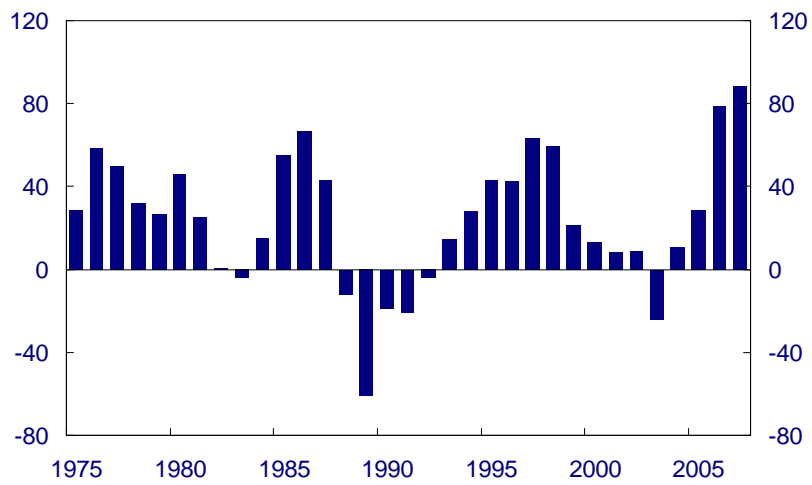
Annual growth. Mainland GDP. Per cent



Sources: Statistics Norway and Norges Bank 3

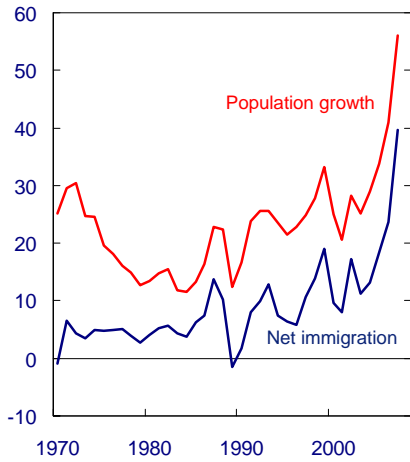
### Change in employment

In thousands

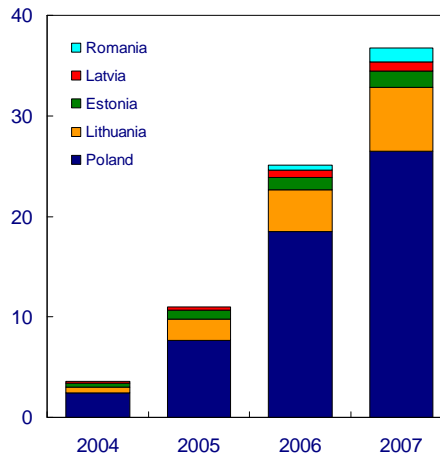


Sources: Statistics Norway and Norges Bank 4

Population growth and net immigration  
In thousands

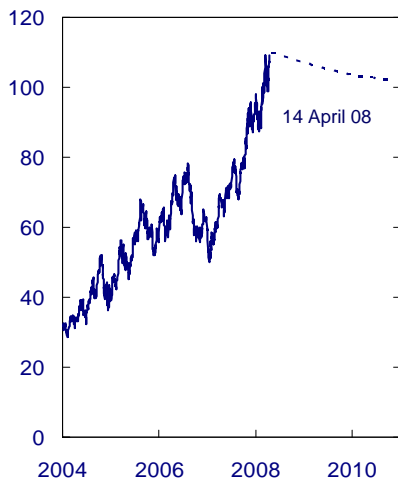


Registered employed from new EU countries  
In thousands

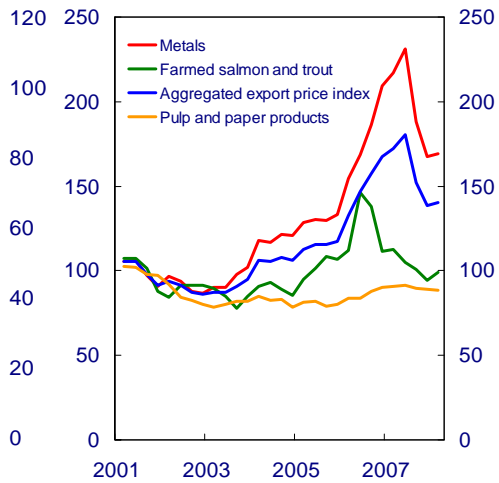


Sources: Statistics Norway and the Central Office - Foreign Tax Affairs 5

Oil price (Brent Blend)  
in USD per barrel  
Futures prices (broken line)

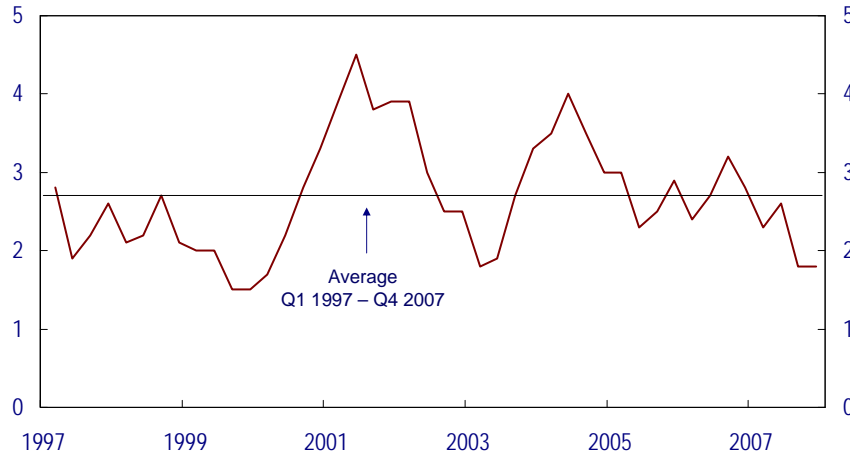


Price indices for Norwegian exports in NOK  
2001=100. Q1 2001 – Q1 2008



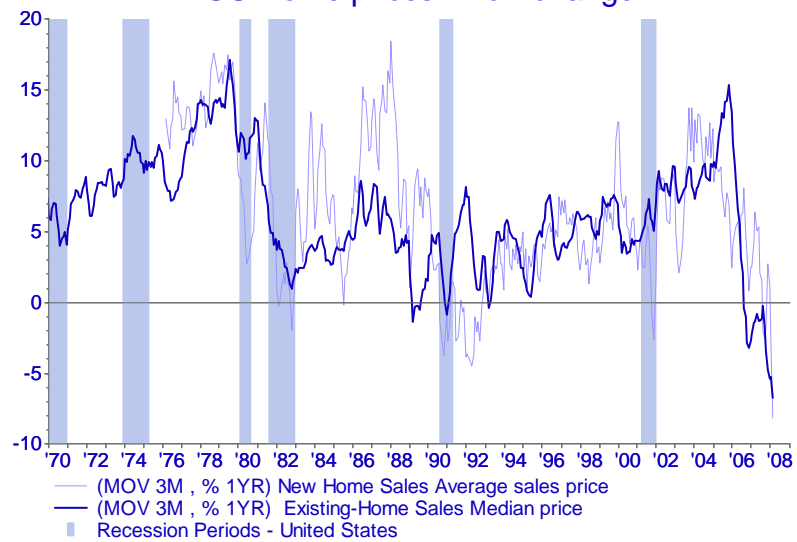
Sources: Reuters (EcoWin), Statistics Norway and Norges Bank 6

### Hourly productivity in mainland Norway 5-quarter moving average. Per cent. 4-quarter change



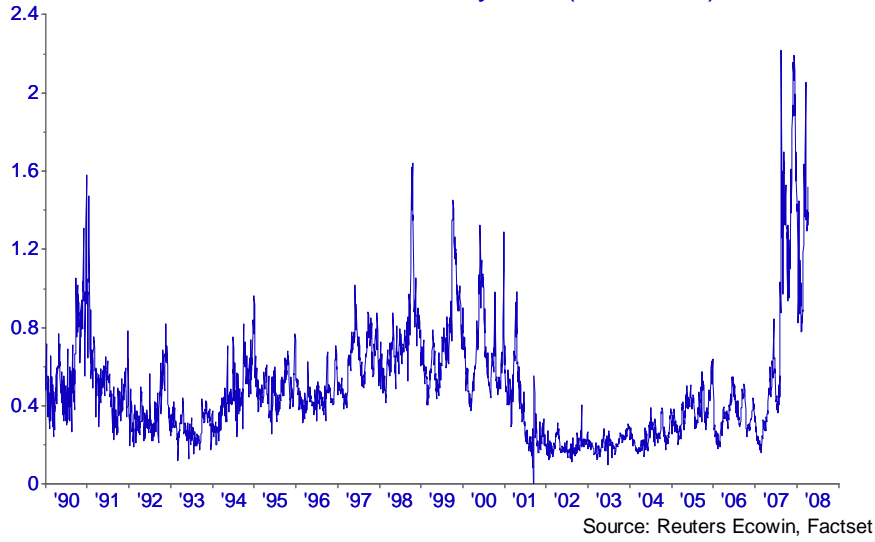
Sources: Statistics Norway and Norges Bank 7

### US Home prices - YoY change



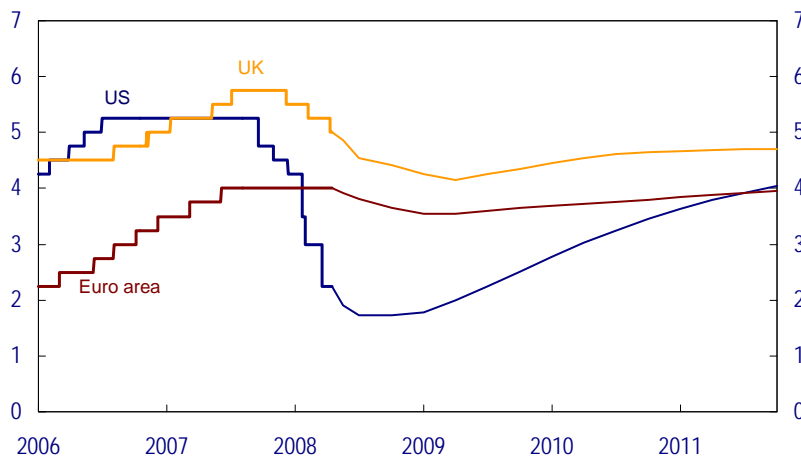
Source: Reuters Ecowin, Factset

### Interest spread USD LIBOR - Treasury bills (3 months)



Source: Reuters Ecwin, Factset

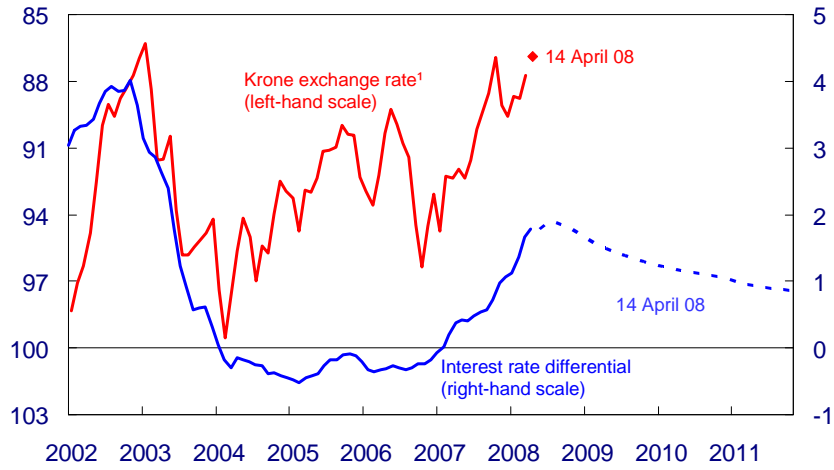
### Policy rates and estimated forward rates on 14 April 2008 Per cent



Sources: Reuters (EcoWin) and Norges Bank

### Krone exchange rate and interest rate differential<sup>1)</sup>

Index and per cent

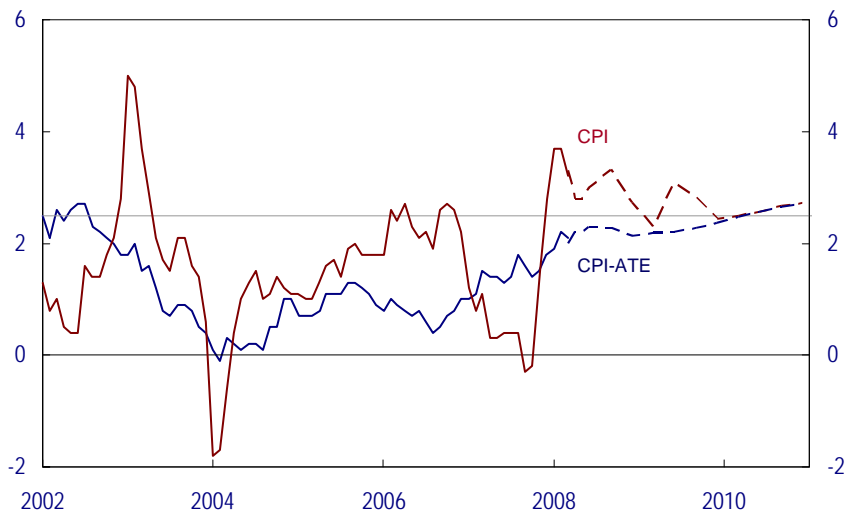


<sup>1)</sup> A rising curve denotes an appreciation of the krone

Sources: Bloomberg, Reuters (EcoWin) and Norges Bank 11

### Consumer prices<sup>1)</sup>

12-month change in CPI and CPI-ATE. Per cent. Jan 02 – Dec 11<sup>2)</sup>

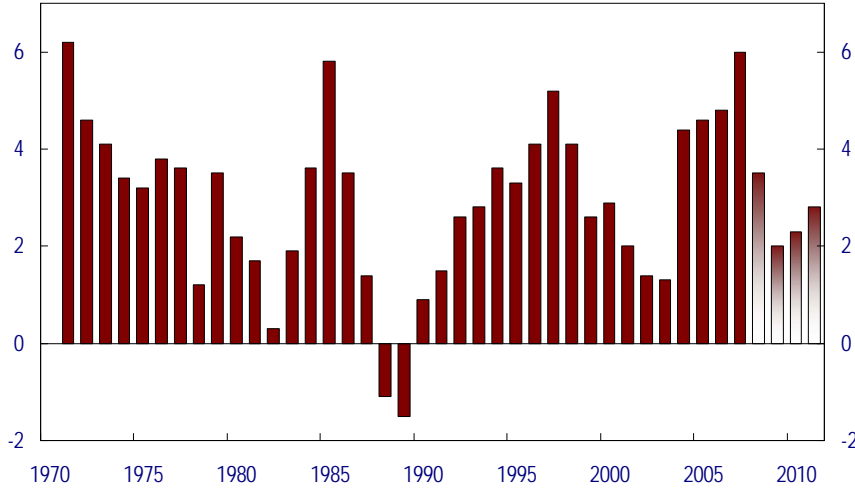


<sup>1)</sup> CPI-ATE: CPI adjusted for tax changes and excluding energy products

<sup>2)</sup> Projections for Apr 08 – Dec 11

Sources: Statistics Norway and Norges Bank 12

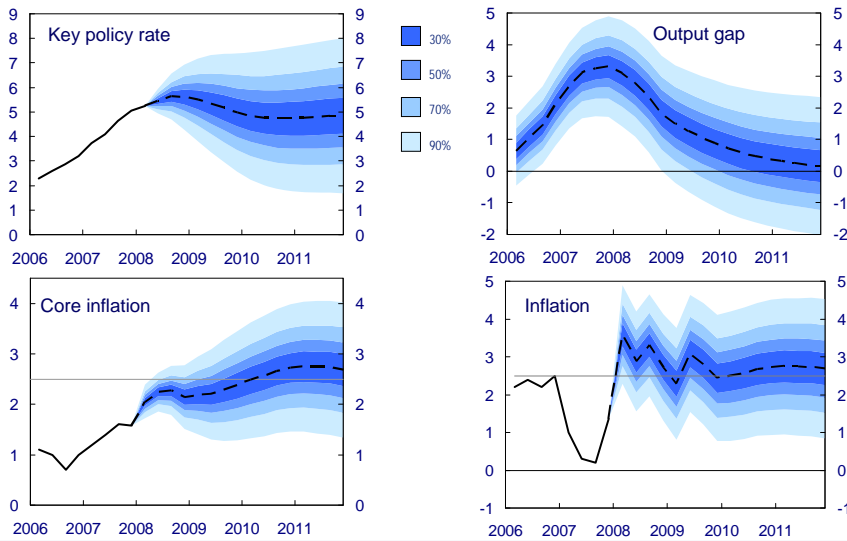
### Strong economic growth<sup>1)</sup> Annual growth. Mainland GDP. Per cent



<sup>1)</sup> Projections for 2008 - 2011

Sources: Statistics Norway and Norges Bank 13

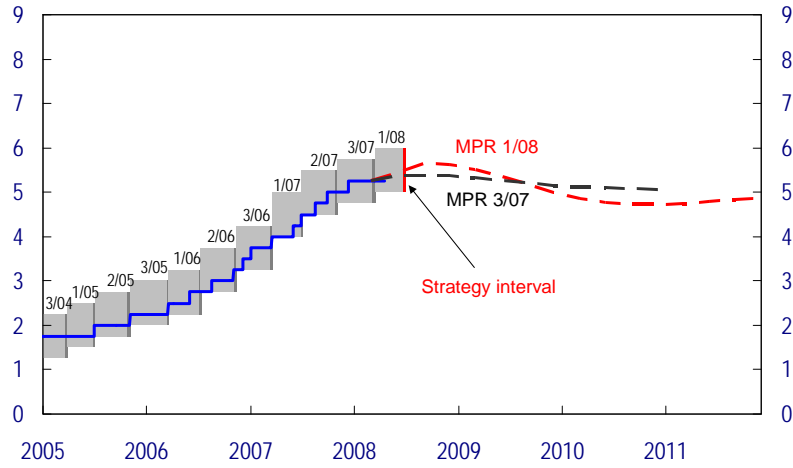
### Baseline scenario in MPR 1/08 Per cent. Q1 2006 – Q4 2011



Sources: Statistics Norway and Norges Bank 14

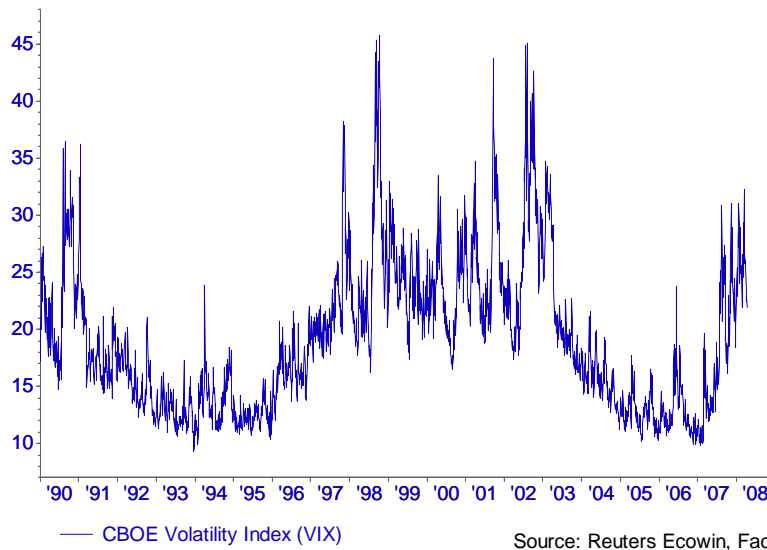
### Key policy rate

Actual developments, strategy intervals and baseline scenarios in MPR 1/08 and MPR 3/07



Source: Norges Bank 15

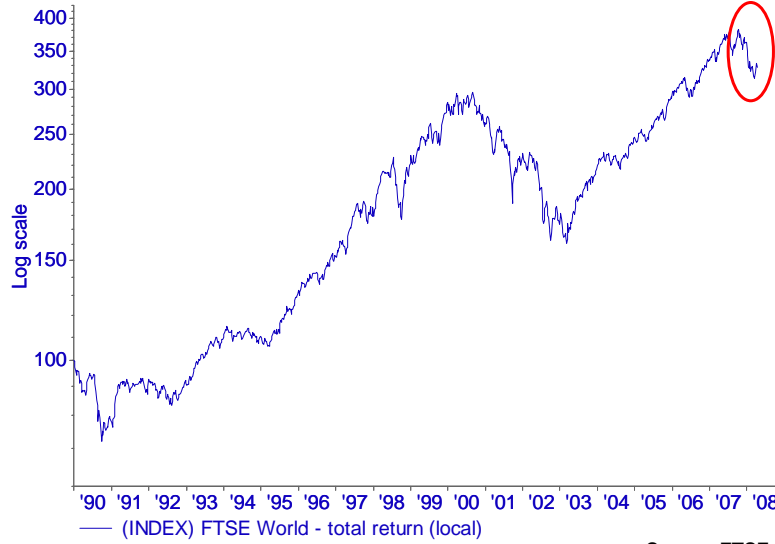
### S&P500 expected volatility



Source: Reuters Ecowin, Factset



### The global equity market



Source: FTSE, Factset

### Accumulated asset value (31.12.1997 = 100)

