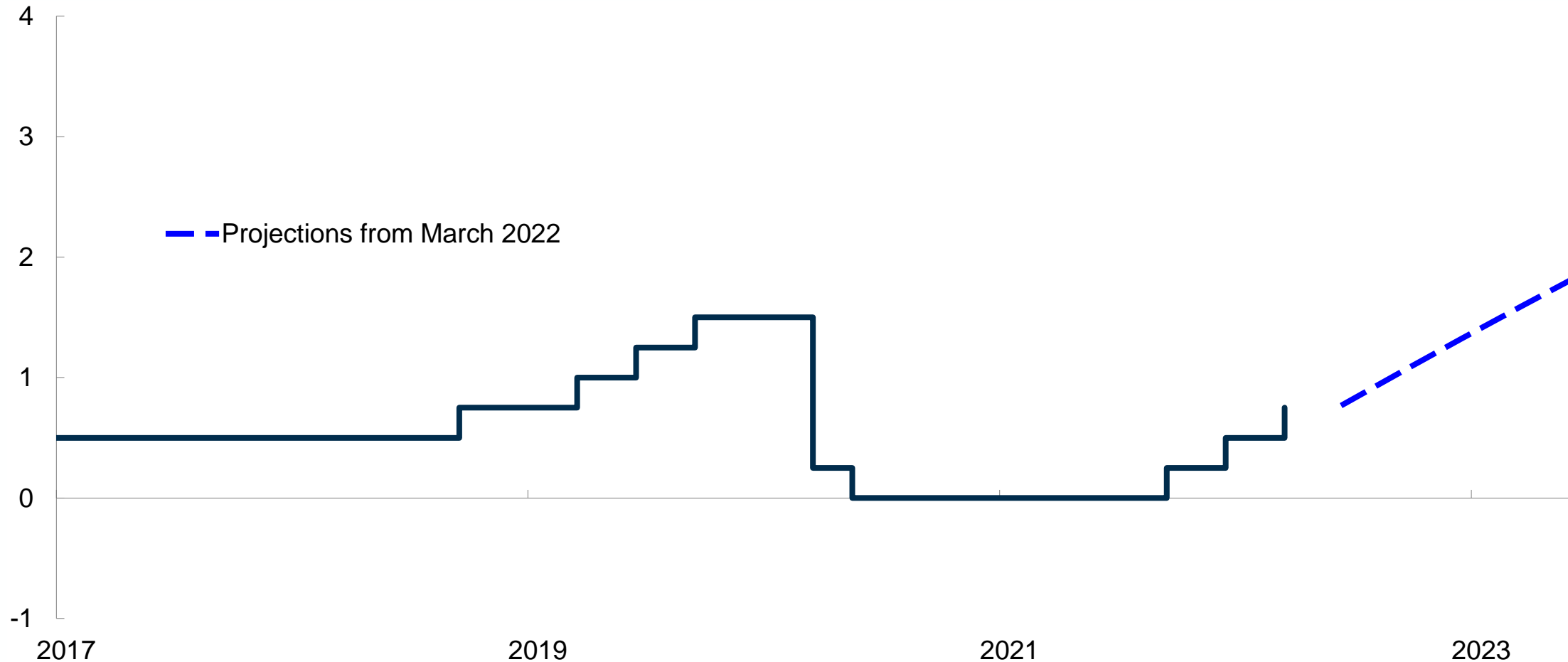


# The conduct of monetary policy

Governor Ida Wolden Bache, 9 May 2023

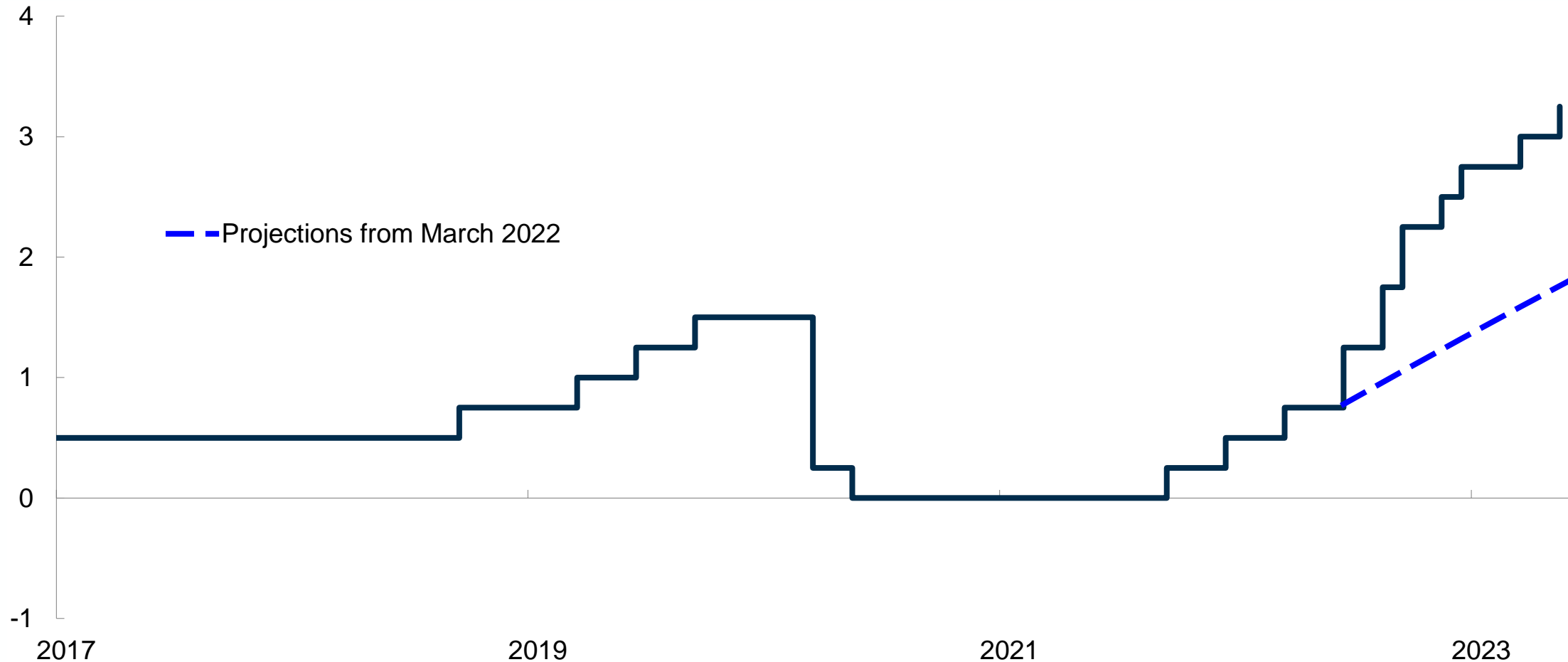
# In March 2022, a gradual rise in the policy rate was envisaged

The policy rate with forecast from *Monetary Policy Report 1/22*. Percent



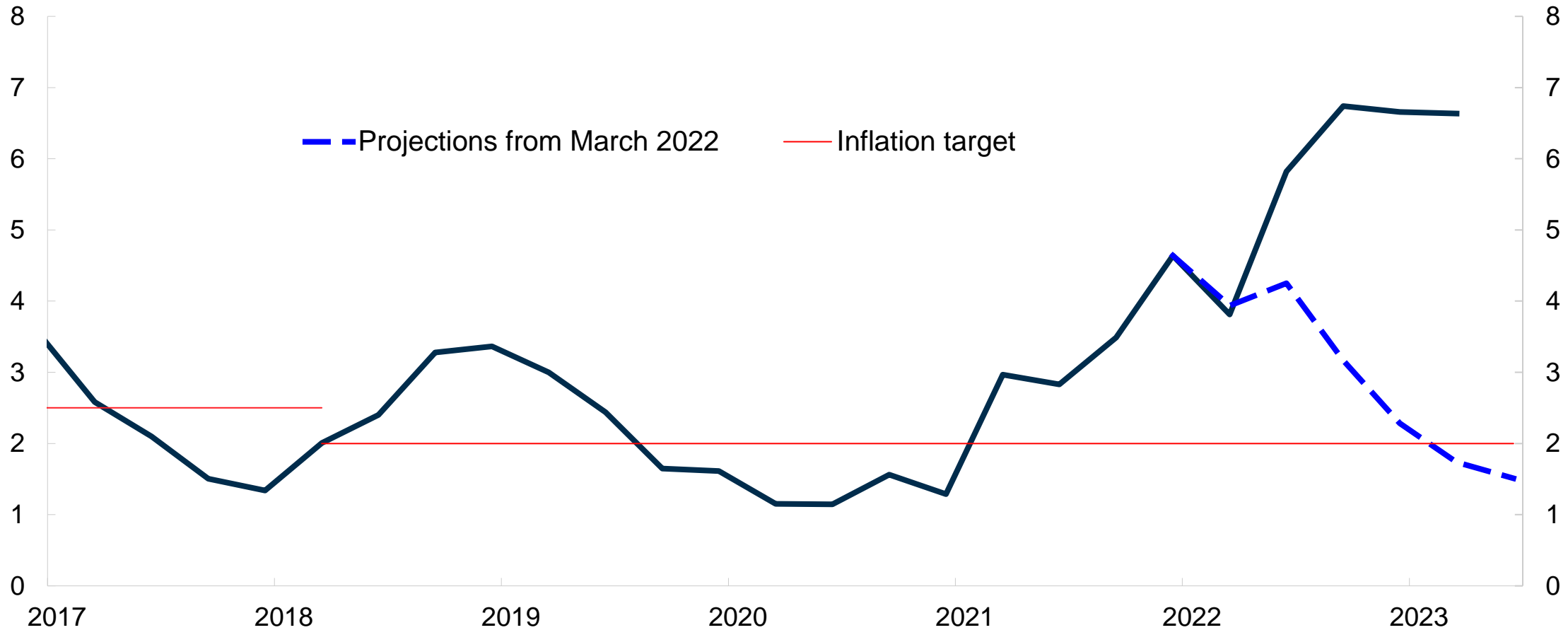
# The policy rate has been raised more than projected a year ago

The policy rate with forecast from *Monetary Policy Report 1/22*. Percent



# Price inflation turned out to be considerably higher than projected

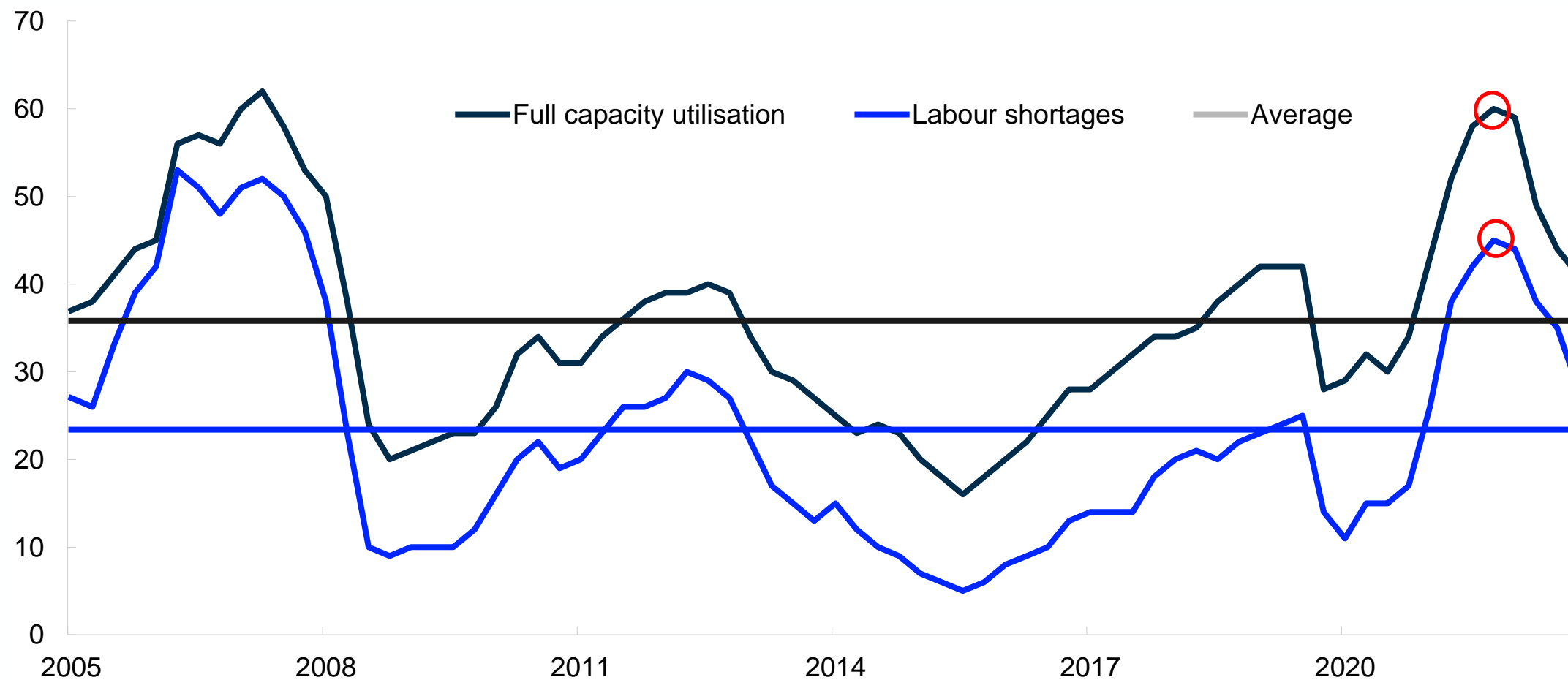
Consumer price index. Four-quarter-change. Forecast from *MPR* 1/2022. Percent



# A year ago the economy was in high gear

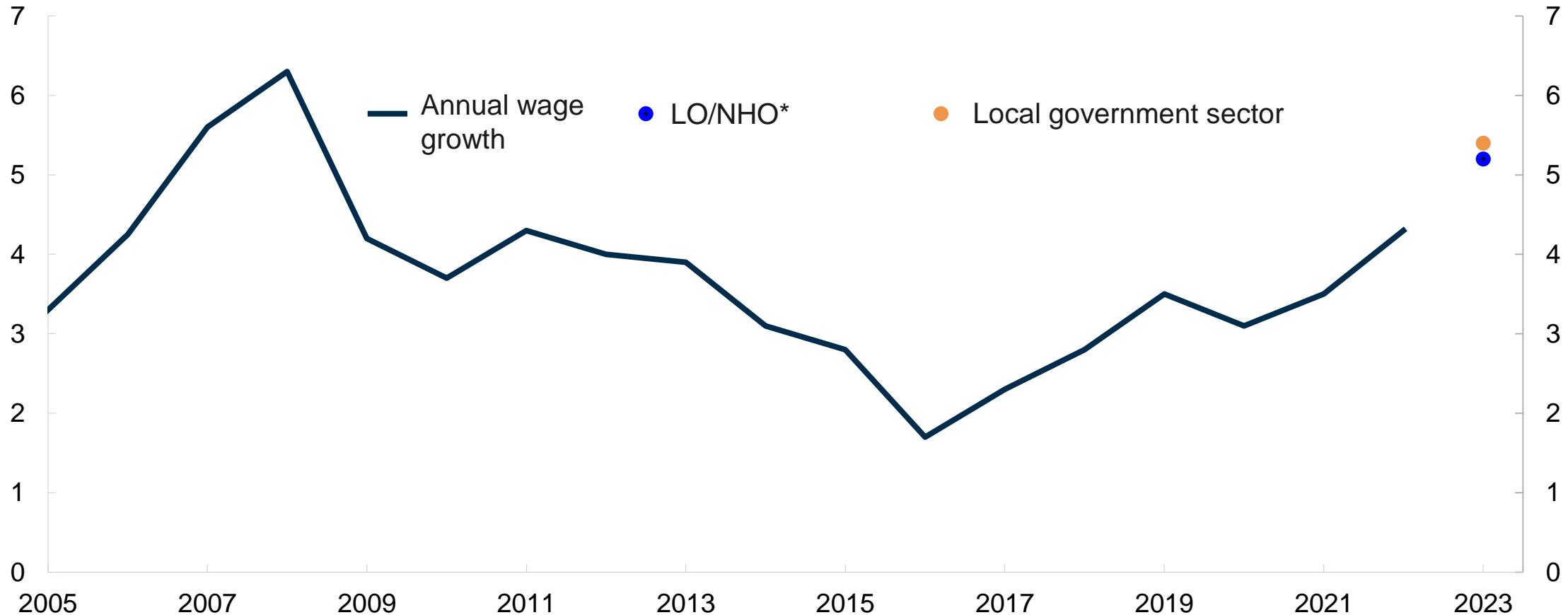
Source: Norges Bank

Capacity utilisation and labour shortages according to the Regional Network. Percentage shares



# In 2022 wage growth reached its highest level since 2011

Annual wage growth. Norms for the wage settlements for 2023. Percent

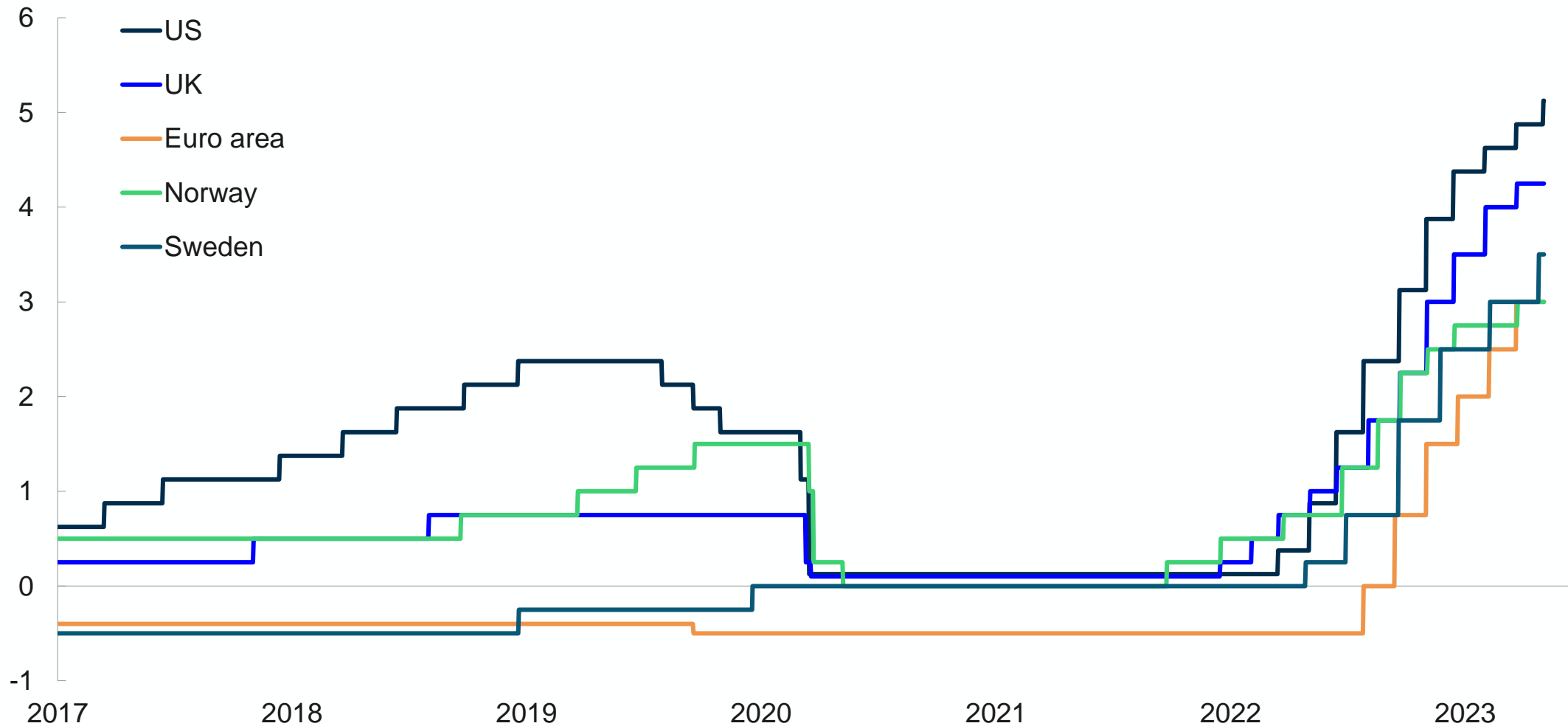


\* Norwegian Confederation of Trade Unions (LO)/Confederation of Norwegian Enterprise (NHO).



# Policy rates have been raised more abroad than in Norway

Policy rates. Percent



# The krone has depreciated

Source: Norges Bank

Import-weighted exchange rate index. I-44





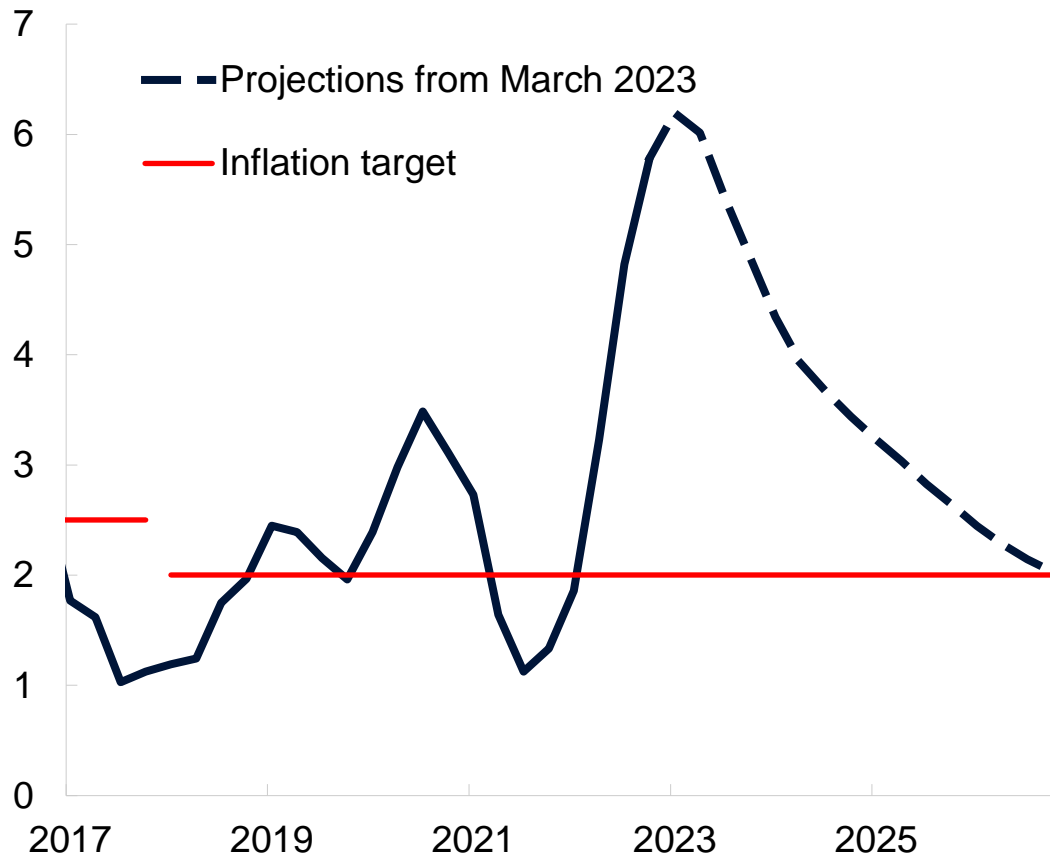
# Prospects for lower price inflation and somewhat higher unemployment

Forecasts from *MPR 1/23*

Sources: Norwegian Labour and Welfare Administration (NAV), Statistics Norway and Norges Bank

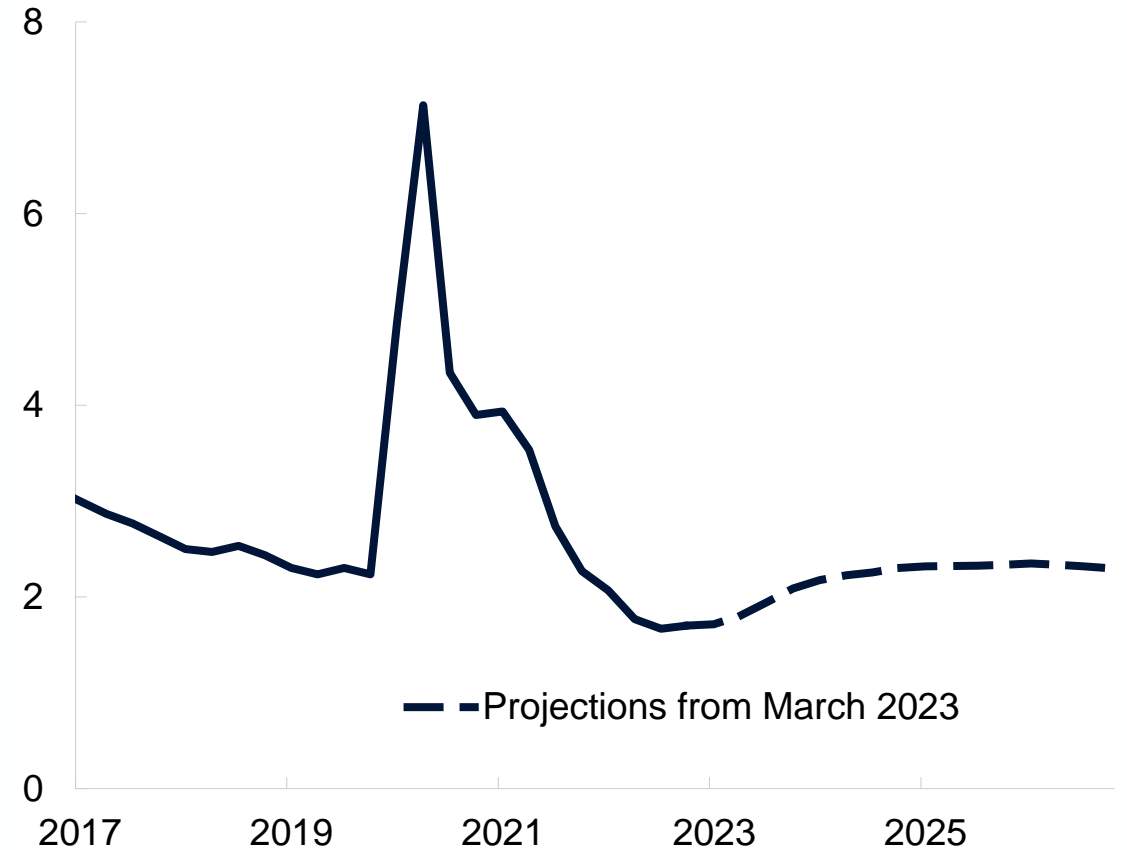
## Inflation

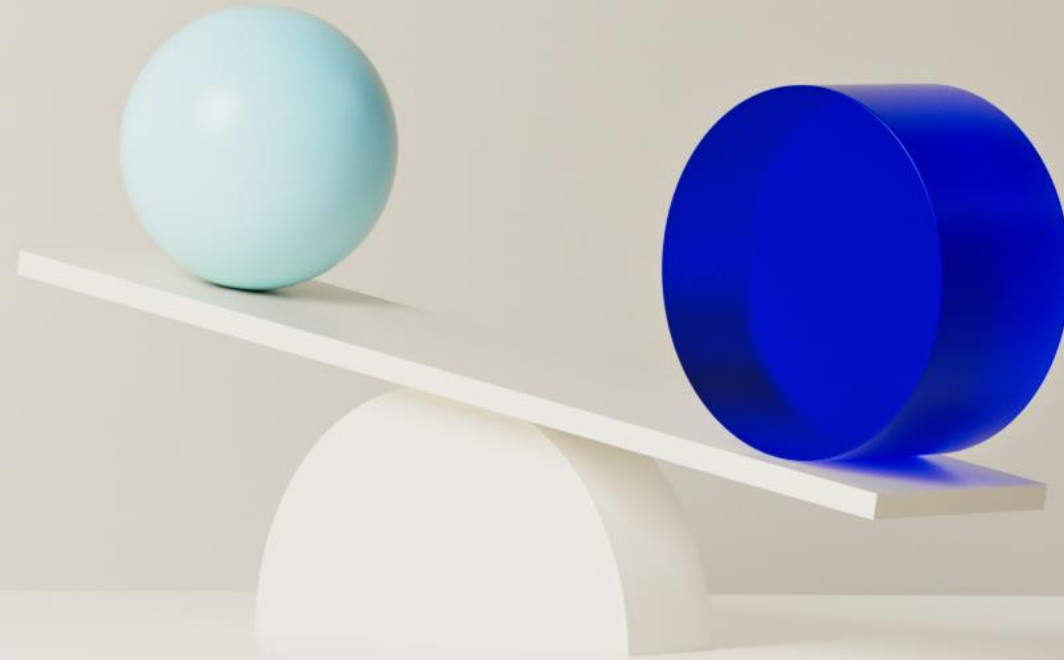
CPI-ATE. Four-quarter-change. Percent



## Registered unemployed

Share of labour force. Seasonally adjusted. Percent





# The conduct of monetary policy

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