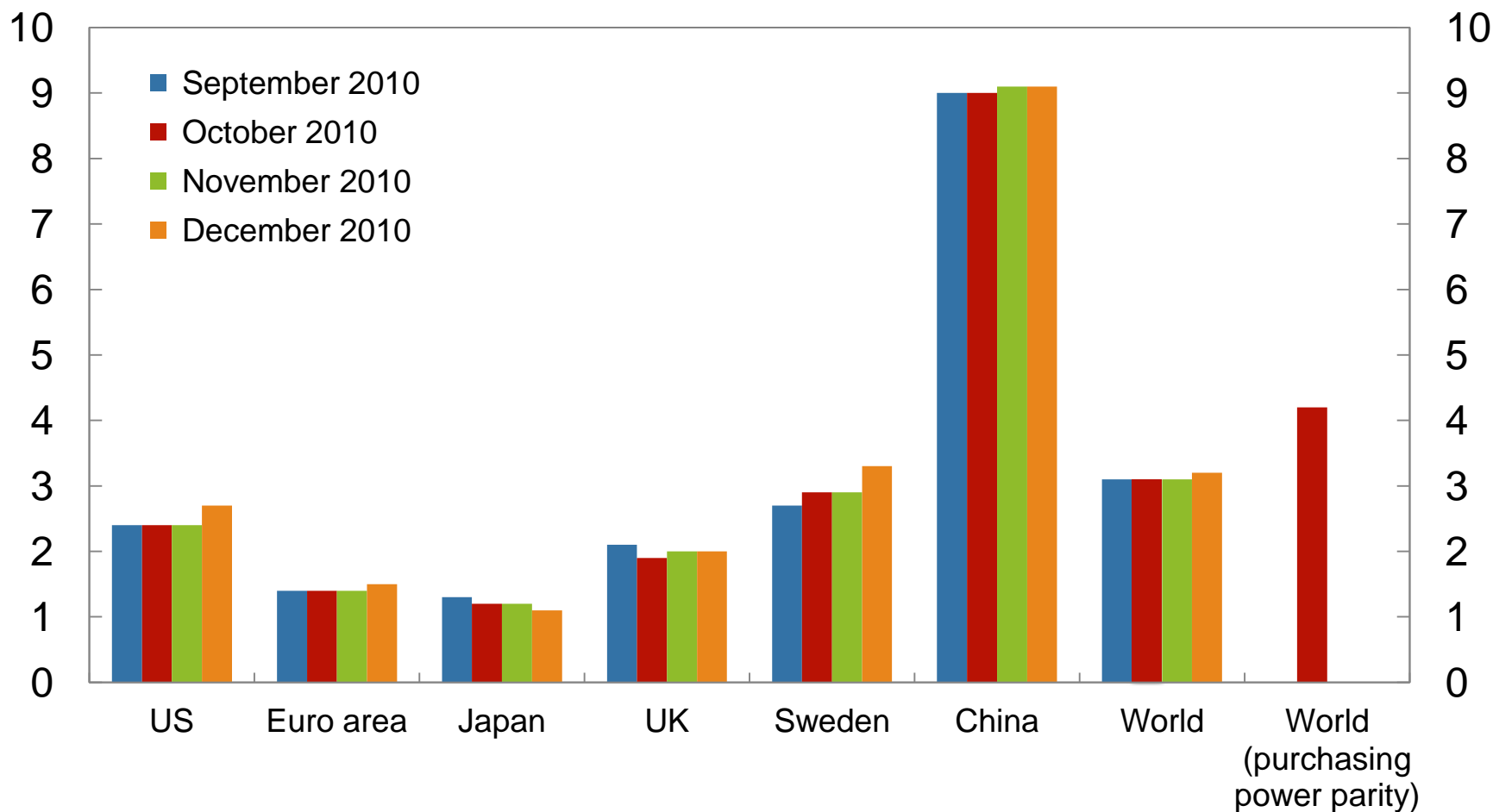


Executive Board Meeting

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Growth projections for 2011 from Consensus Forecasts

Change from previous year. Market prices and purchasing power parity¹⁾. Per cent



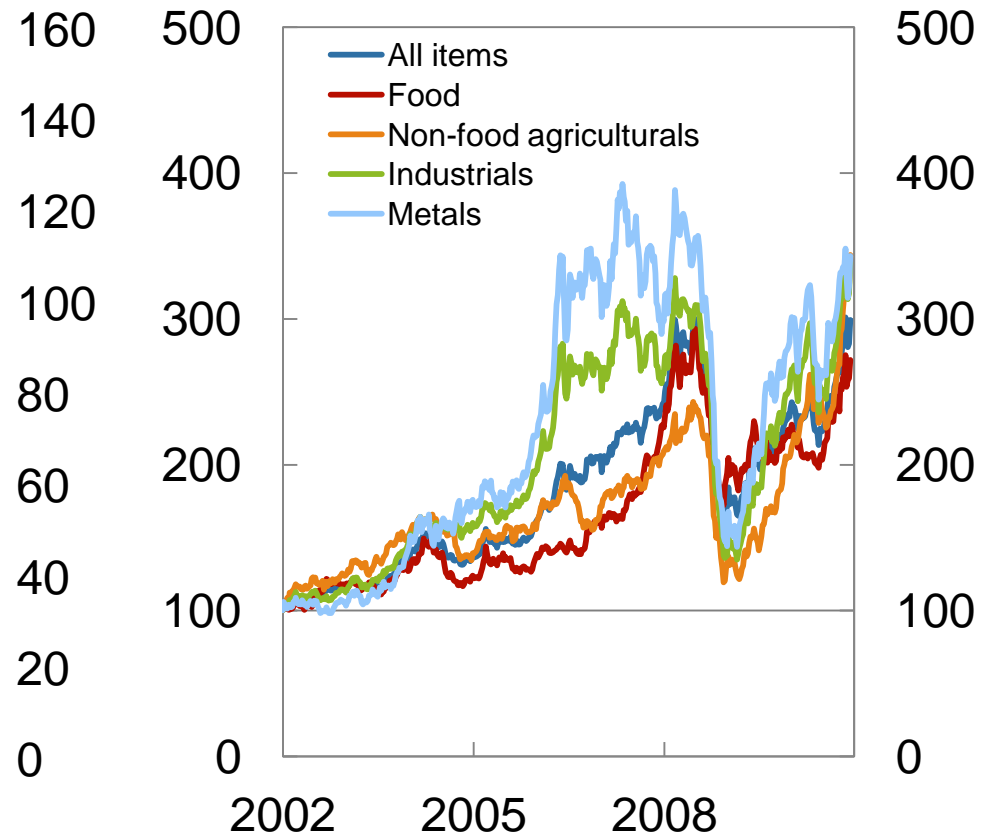
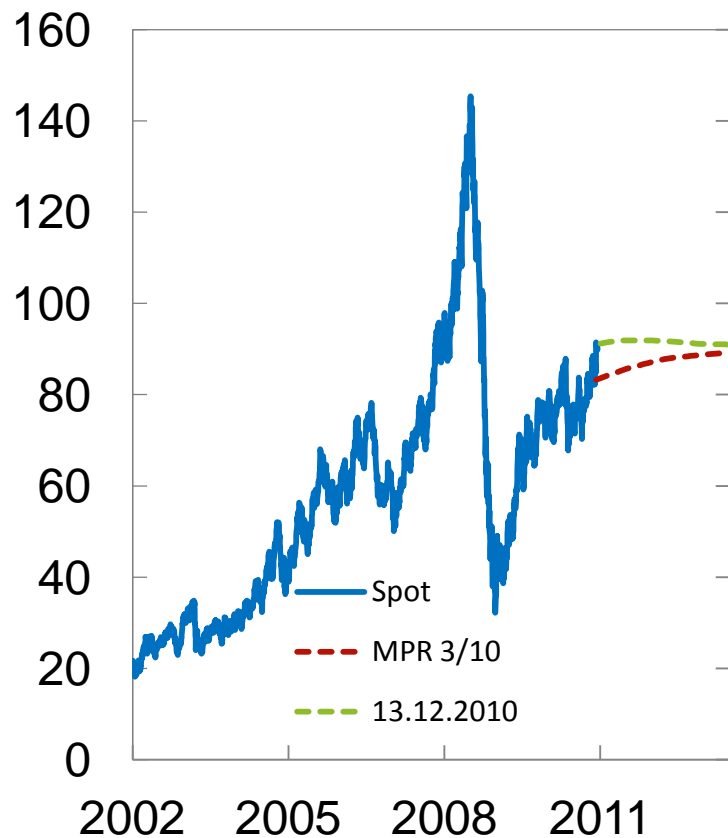
1) Growth projections from IMF

Sources: Consensus Economics and IMF

Oil and commodities prices

Oil price (Brent Blend).
USD/barrel. Jan 2004 – Jul 2013

The Economist commodity price index.
Week 1 2002 = 100. Jan 2002 – Dec 2010

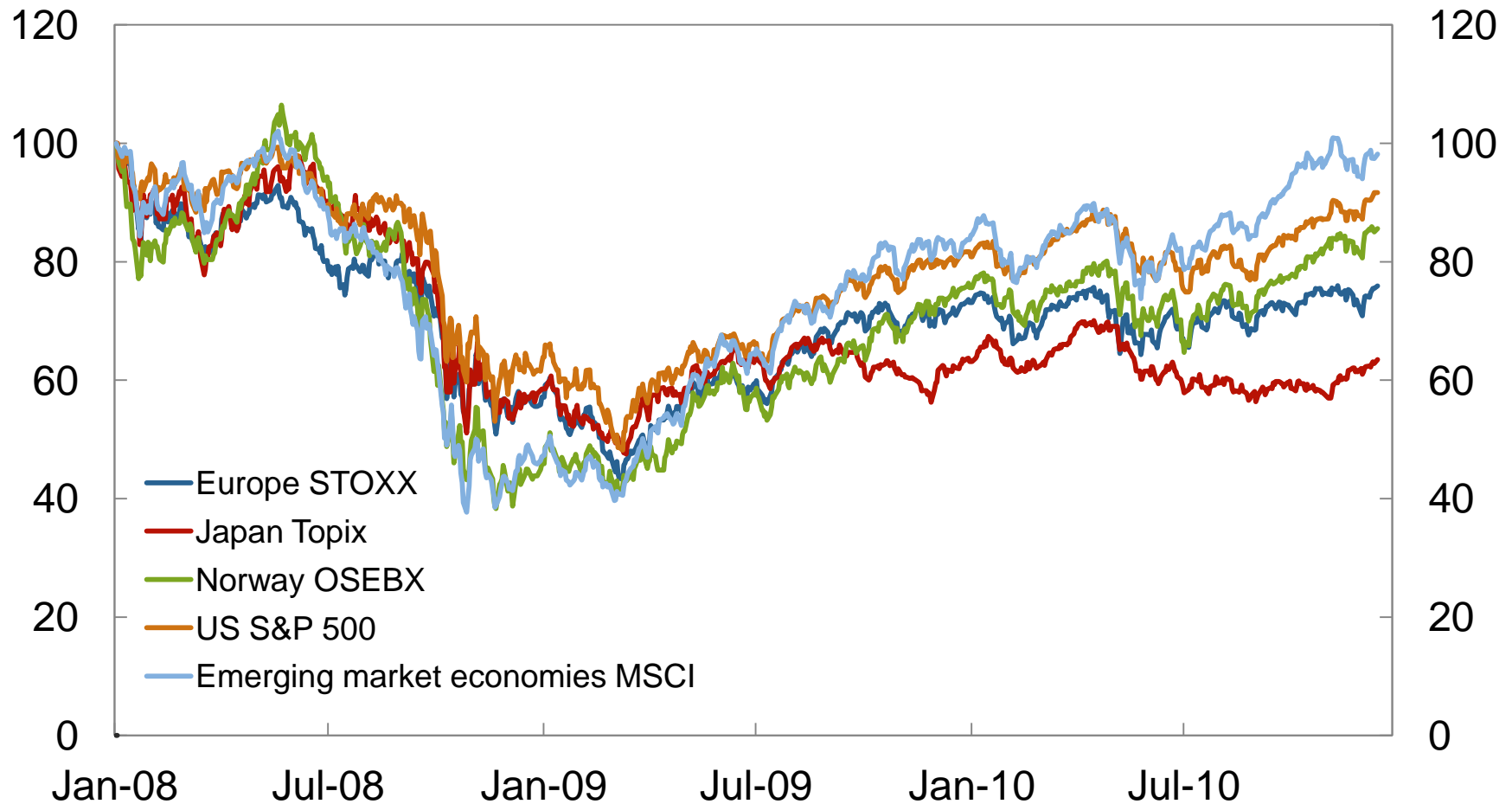


Sources: Thomson Reuters and Norges Bank

Developments in equity markets

Index. 1 January 2008 = 100

1 January 2008 – 13 December 2010

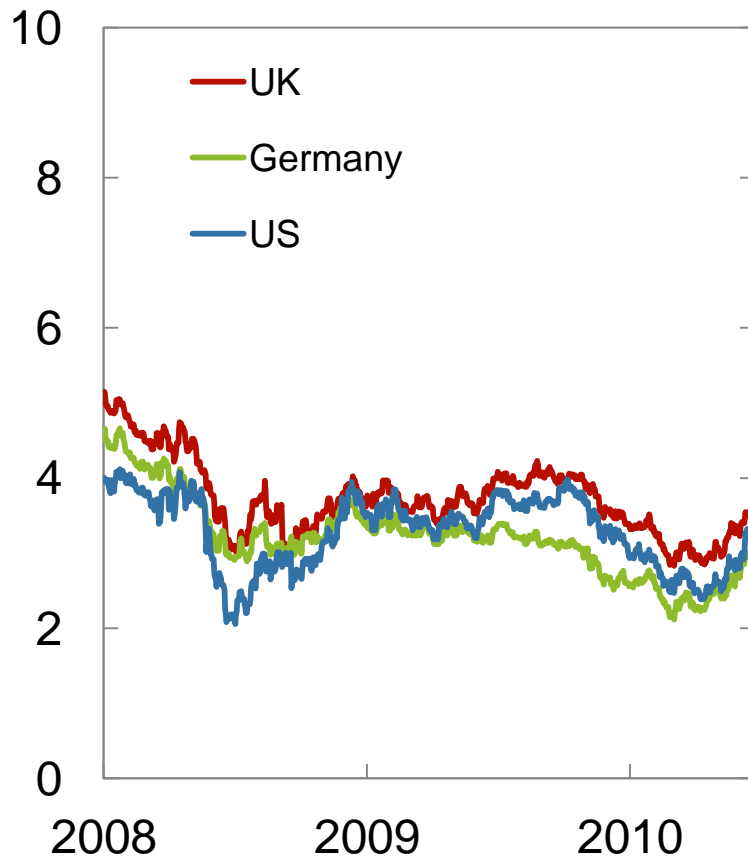


Source: Thomson Reuters

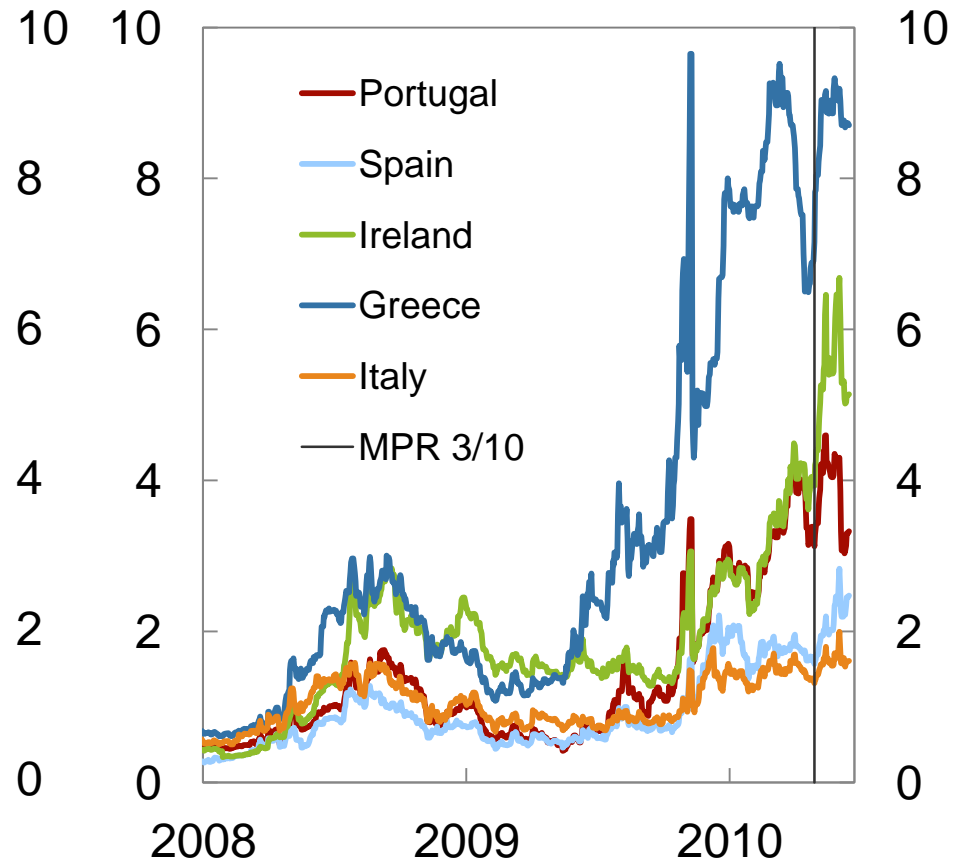
Government bonds

1 January 2008 – 13 December 2010

10-year government bond yields.
US, UK and Germany. Per cent



10-year government bond yields. Spread
against German bonds. Per cent



Source: Bloomberg

Budget deficit, public debt, current account, banks' balance sheets and cost level in 2010

In per cent of country's GDP. 2010

	Budget ¹⁾	Public debt ¹⁾	Current account	Banks' balance sheets 2009	Cost level ²⁾
Greece	-9,6	140,2	-10,6	240	119,2
Portugal	-7,3	82,8	-10,7	310	119,6
Spain	-9,3	64,4	-4,8	350	121,7
Italy	-5,0	118,9	-3,2	250	119,8
Ireland	-32,3 (-13,2) ³⁾	97,4	-1,1	820	98,8
Belgium	-4,8	98,6	1,7	340	120,5

1) Public sector as defined in ESA95 (Maastricht): Central, regional and municipal governments are included
Budget is net borrowing in public sector. Government debt equals nominal value of gross debt in public sector at year end

2) Unit labour cost (LPE), relative to Germany in 2010. Germany = 100. Index. Start year = 2000

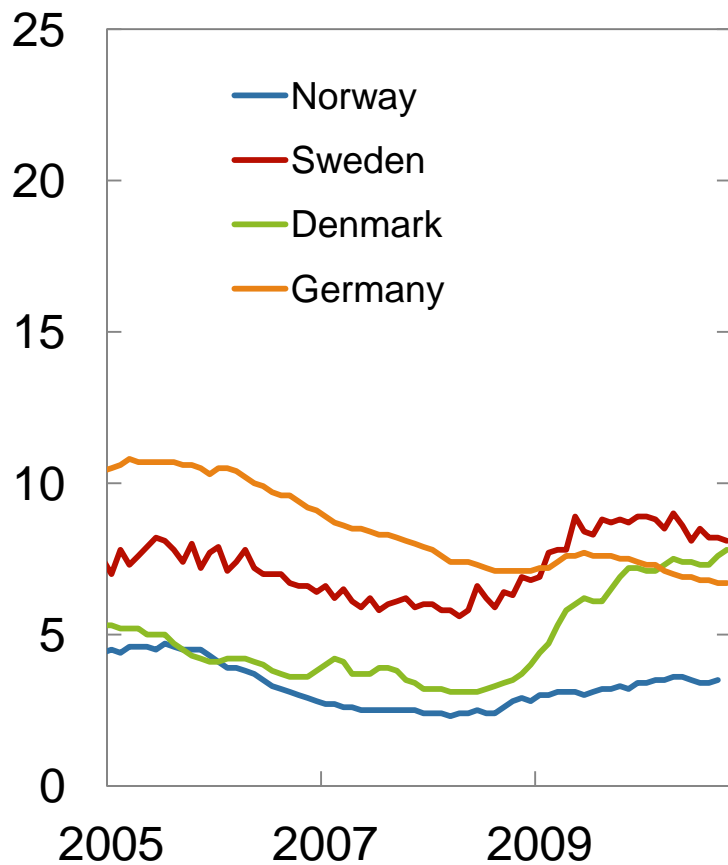
3) Excluding bank rescue package

Source: European Commission

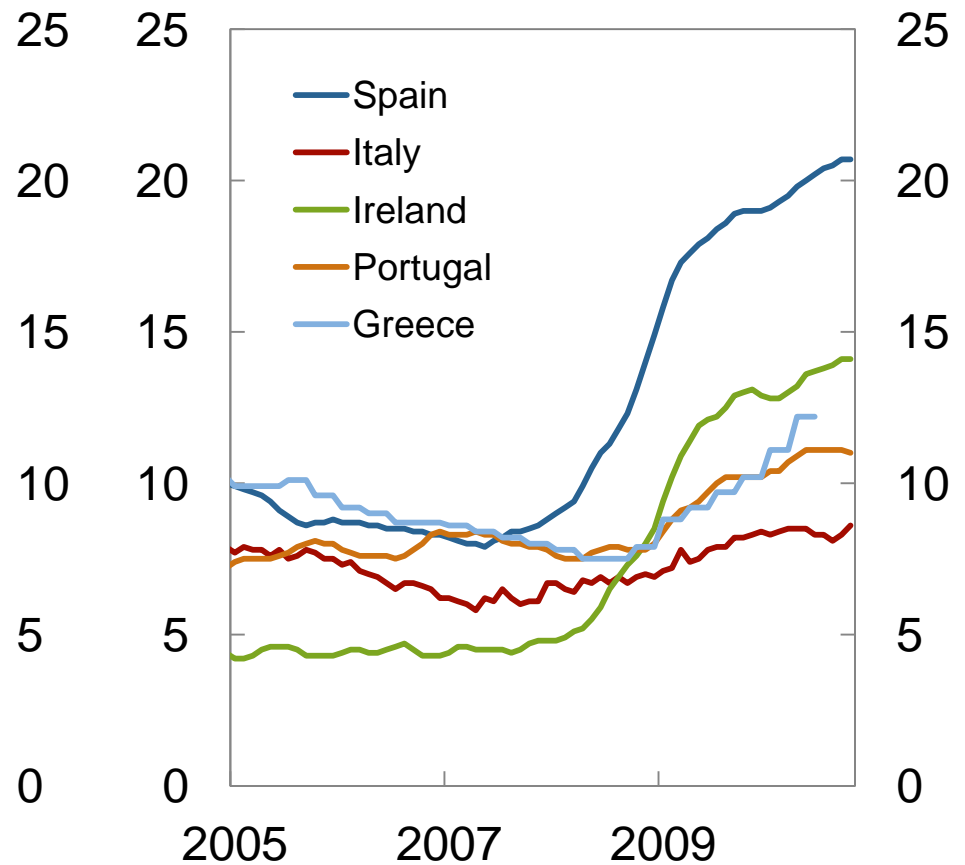
Unemployment

Per cent of labour force. Seasonally adjusted. January 2005 – October 2010

Scandinavia and Germany



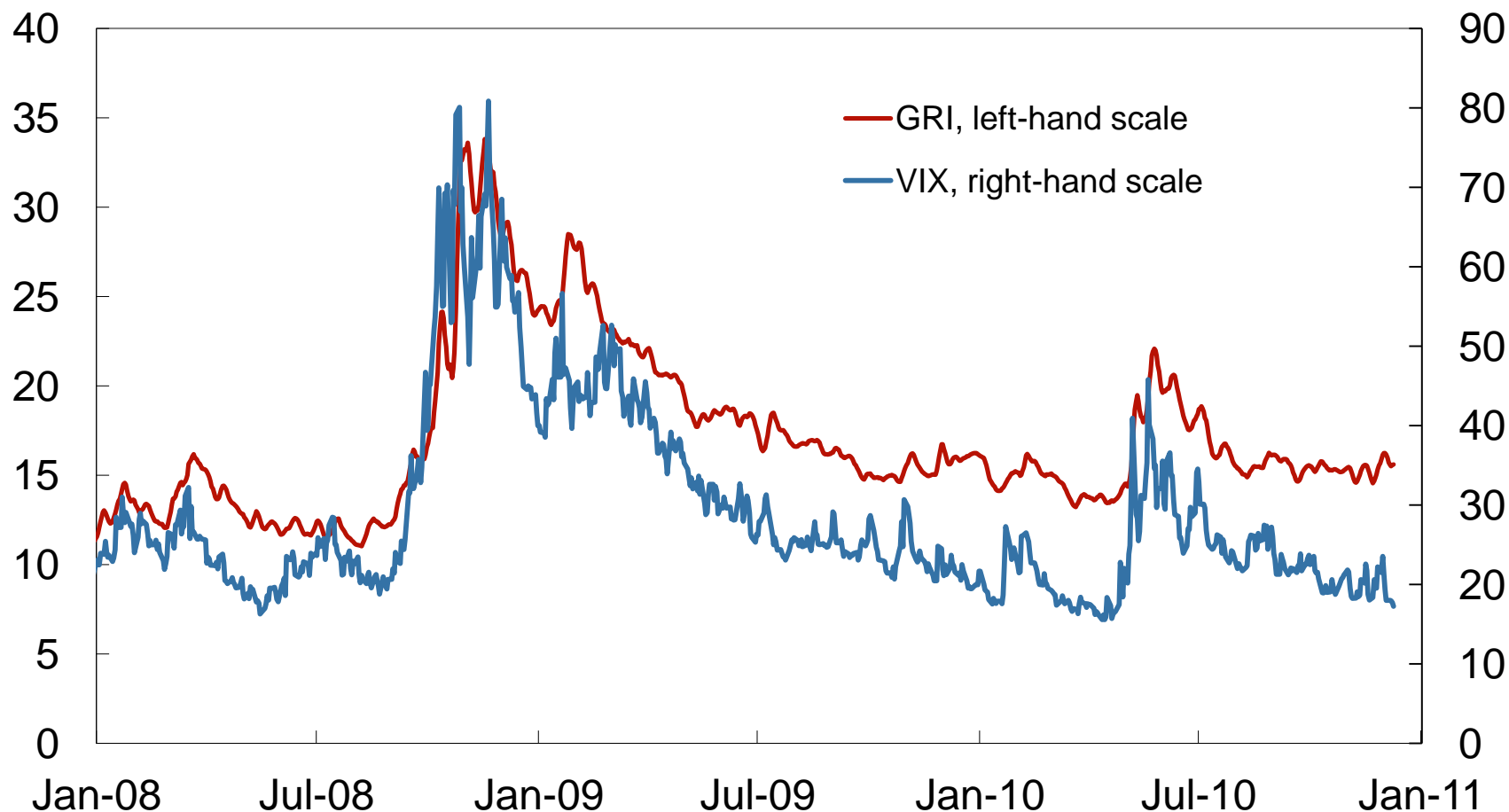
PIIGS countries



Source: Thomson Reuters

Risk in equity and foreign exchange markets

VIX¹⁾ and GRI²⁾. Per cent. 1 January 2008 – 13 December 2010



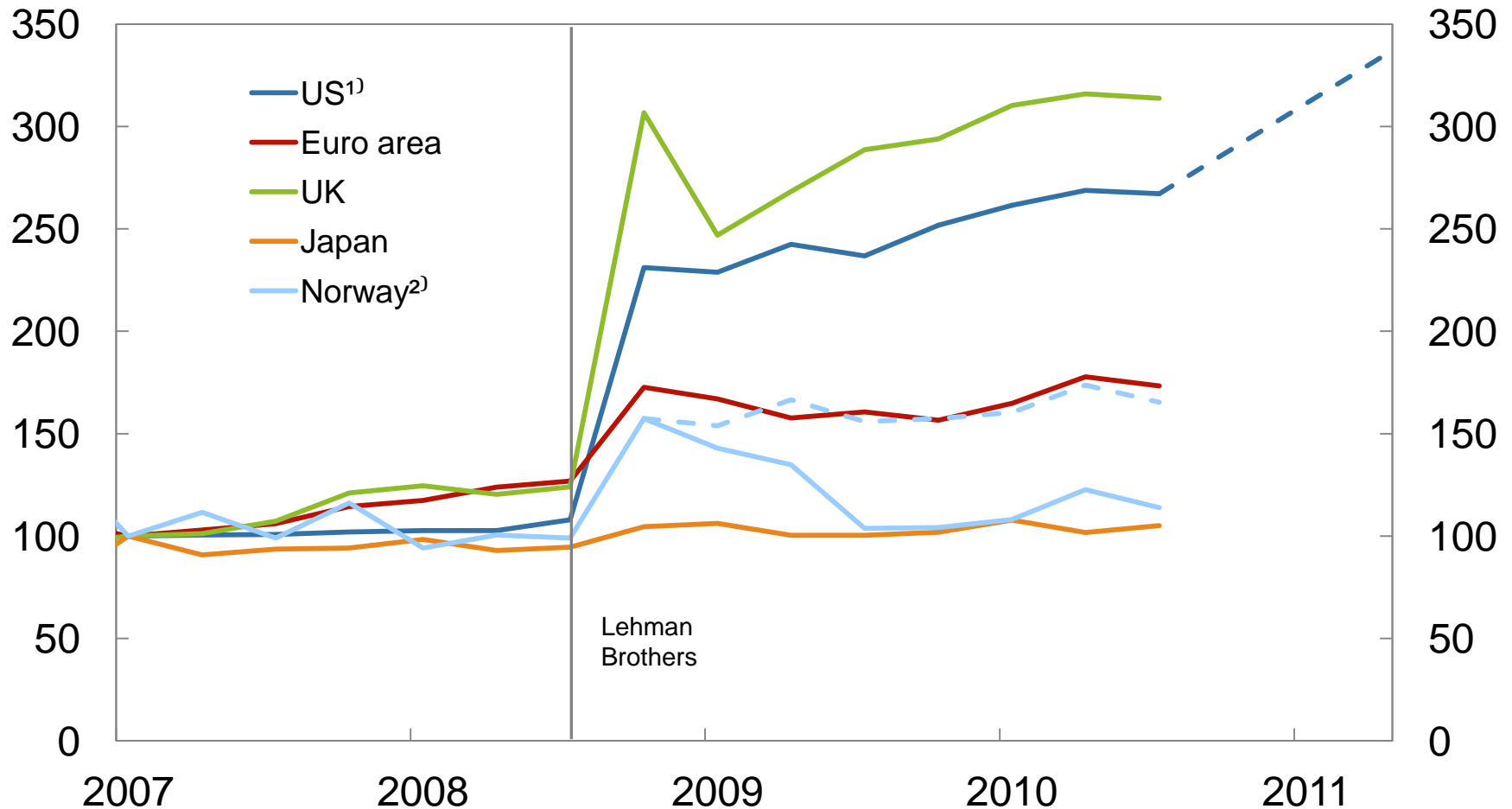
1) Measure of expected volatility in the share price index, S&P500, where increase indicates higher expected volatility

2) GRI reflects uncertainty in foreign exchange markets by weighting implied volatility from options on exchange rates between the US dollar, euro and yen

Sources: Bloomberg and Thomson Reuters

Central bank balance sheets

Index. 2007 Q1 = 100. 2007 Q1 – 2010 Q3



1) Broken line includes Federal Reserve's announced purchase of government bonds

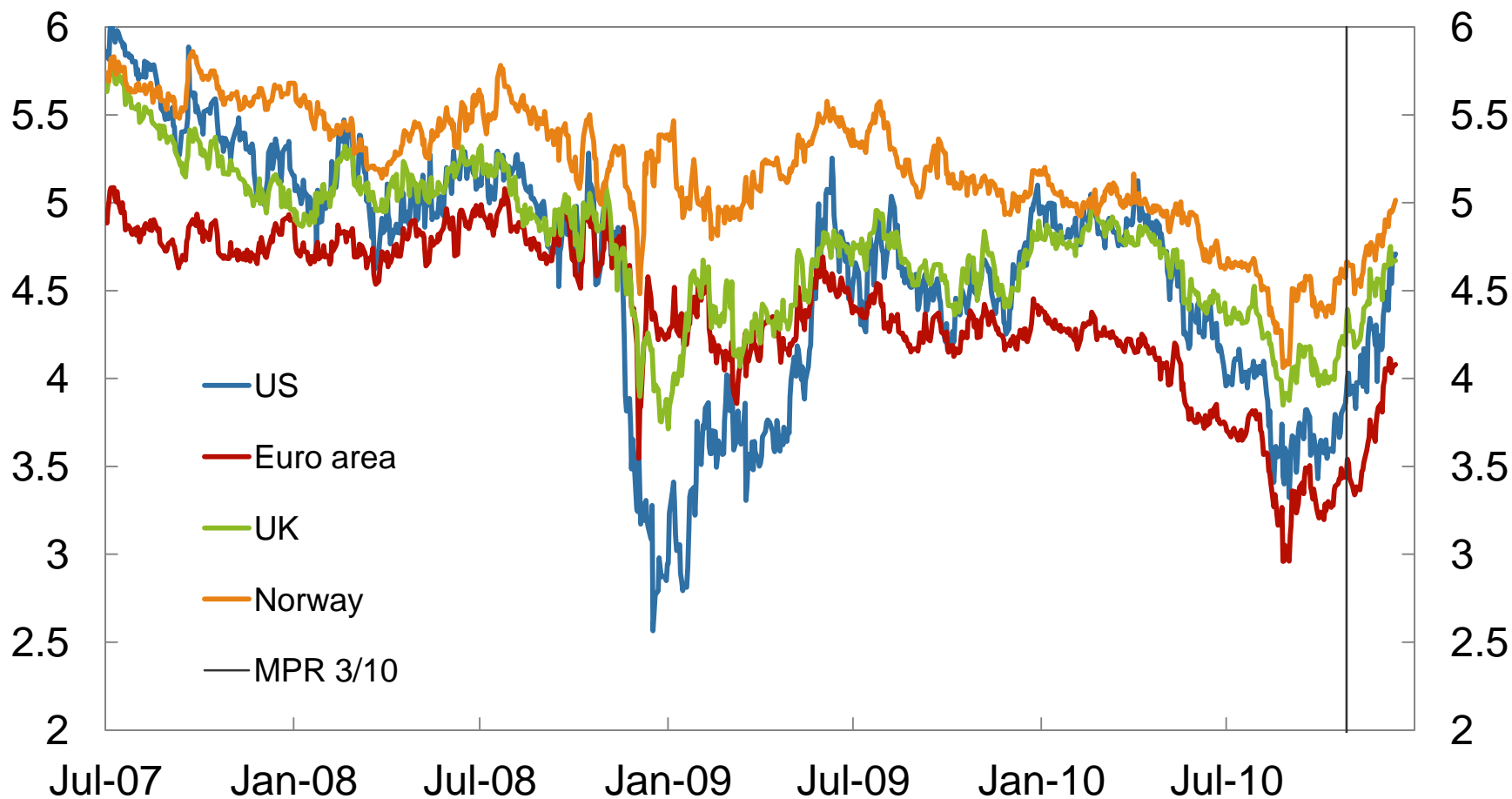
2) Broken line includes swap arrangement

Sources: Thomson Reuters and Norges Bank

Long term nominal forward rates

5-year 5 years ahead. Swap rates.

Per cent. 1 July 2007 – 13 December 2010

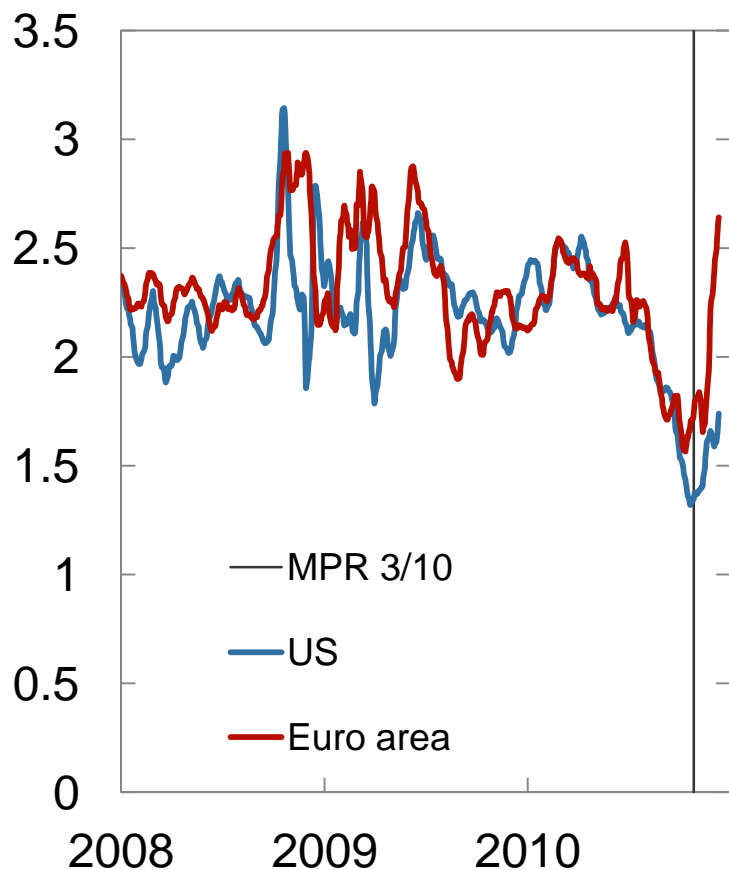


Source: Thomson Reuters

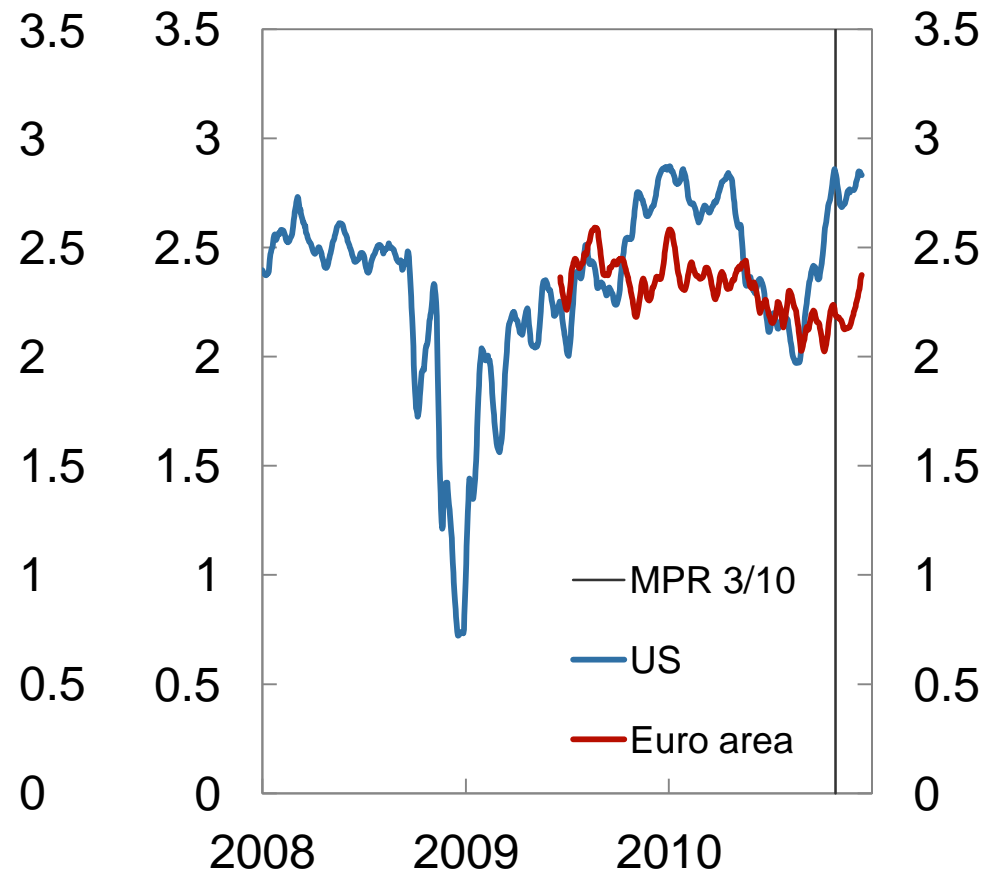
Real interest rates and inflation expectations¹⁾

5-year 5 years ahead. Per cent. 1 January 2008 – 10 December 2010
10-day moving average

Real interest rates



Inflation expectations

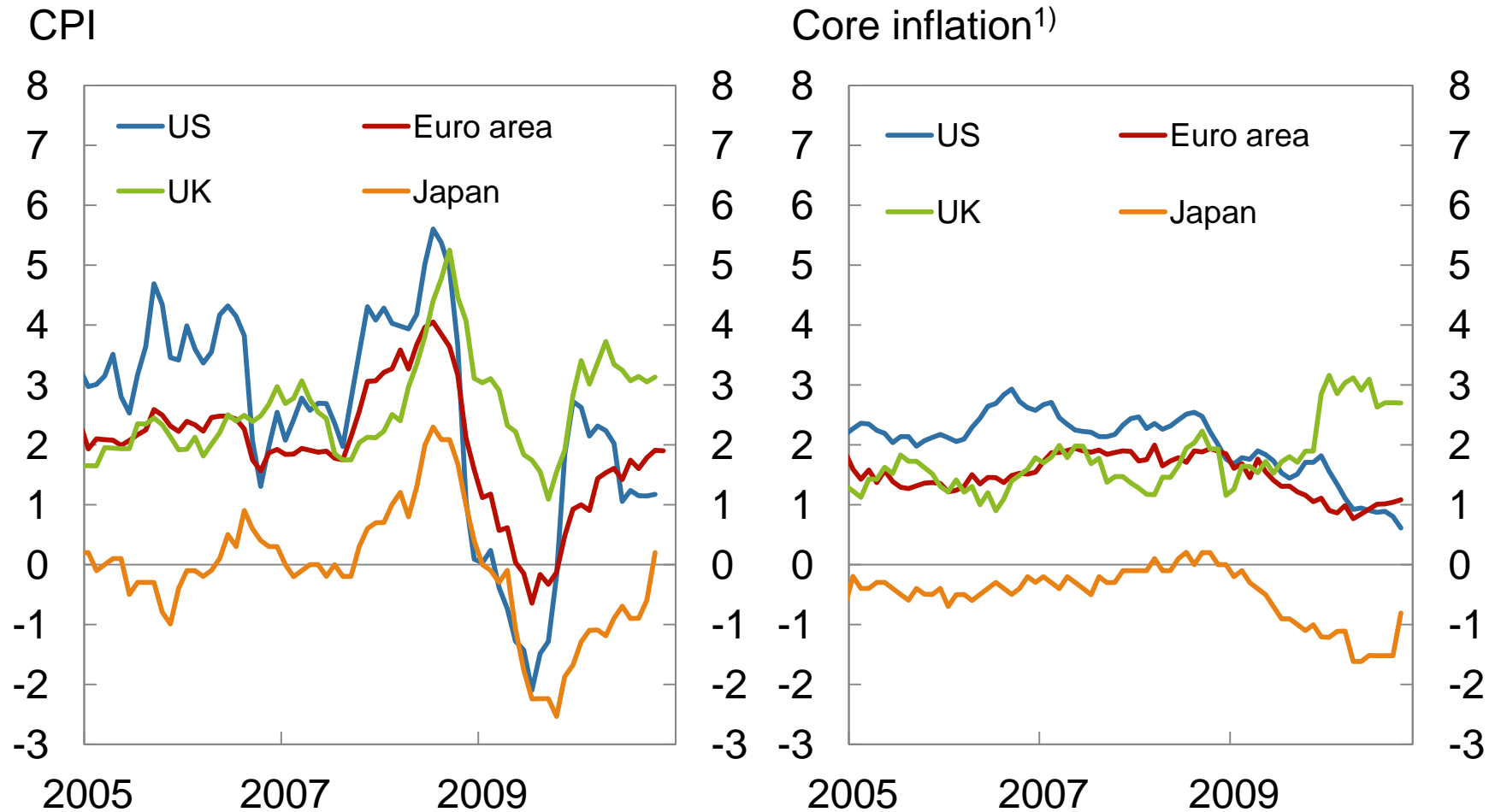


1) Inflation expectations (break-even inflation) derived from the government securities market

Sources: Thomson Reuters and Bloomberg

Consumer prices

12-month change. Per cent. January 2005 – October/November 2010

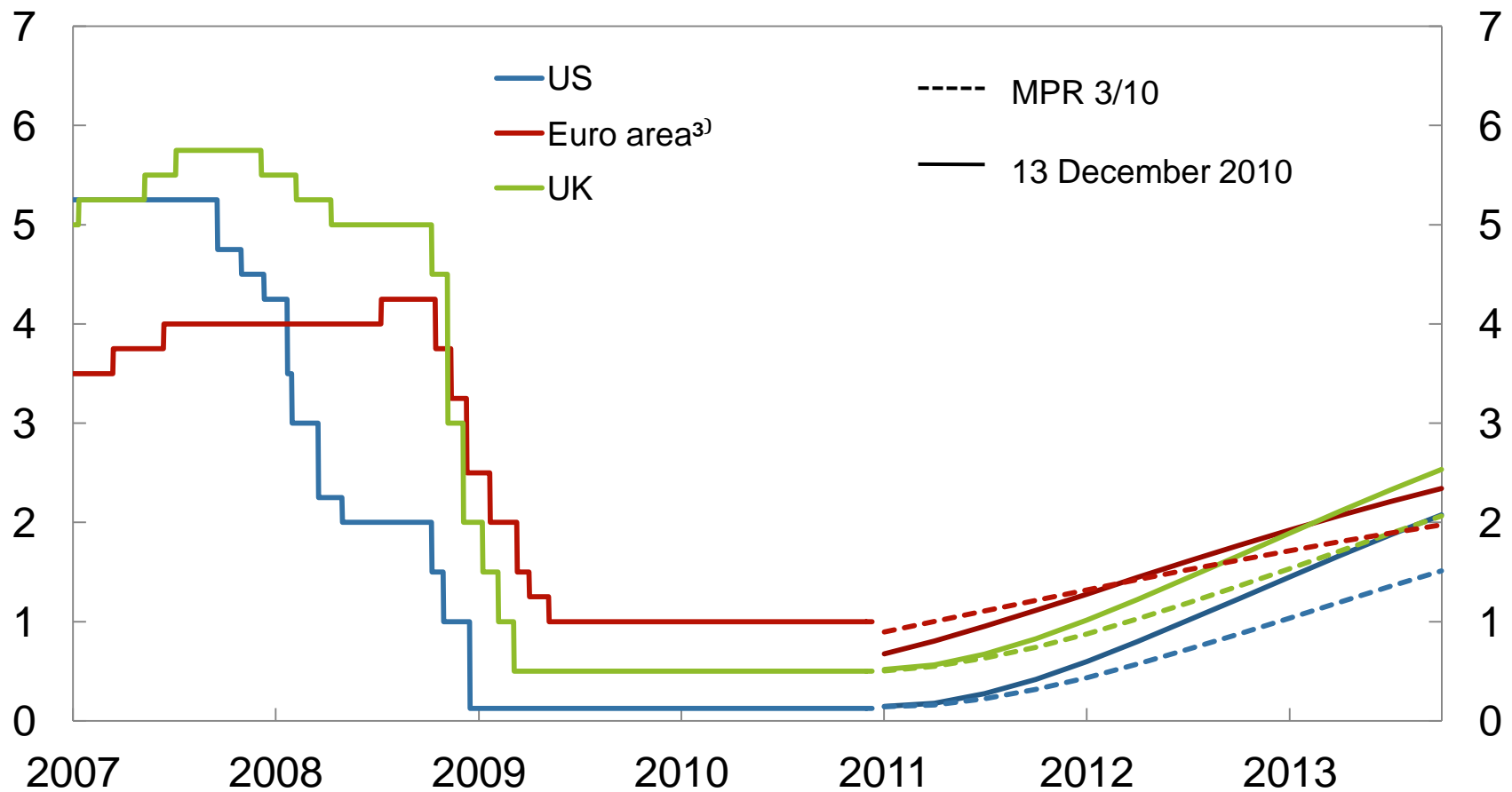


1) CPI/HICP excluding energy and food for the US og Japan, and excluding food, energy, alcohol and tobacco for the euro area and UK

Sources: Thomson Reuters

Key rates and estimated forward rates as at 21 October and 13 December 2010¹⁾

Per cent. 1 January 2007 – 31 December 2013²⁾



1) Forward rates are based on Overnight Indexed Swap (OIS) rates

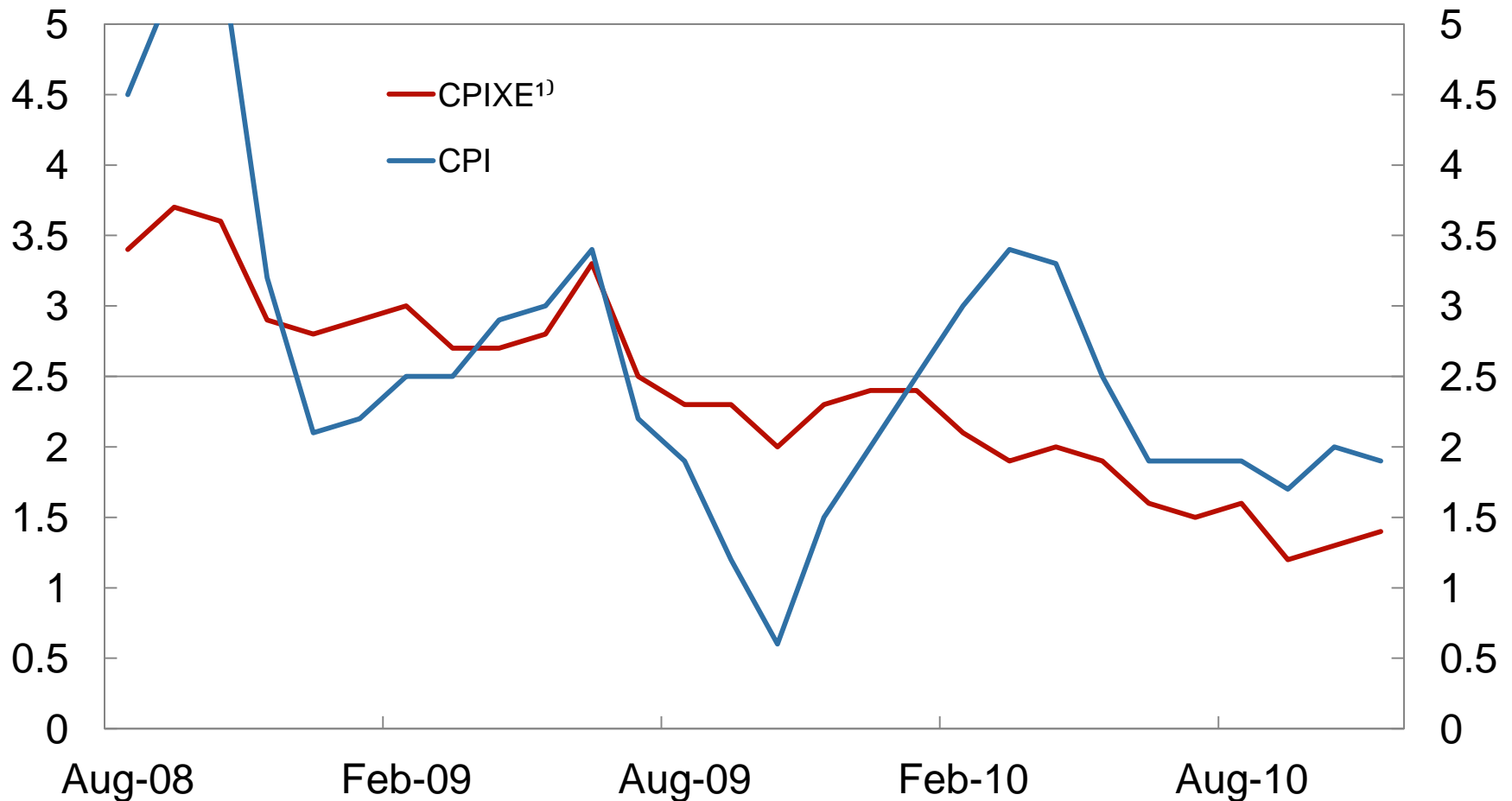
2) Daily figures from 1 January 2007 and quarterly figures as at 13 December 2010

3) EONIA in euro area

Sources: Bloomberg and Norges Bank

Consumer prices

12-month change. Per cent. August 2008 – November 2010



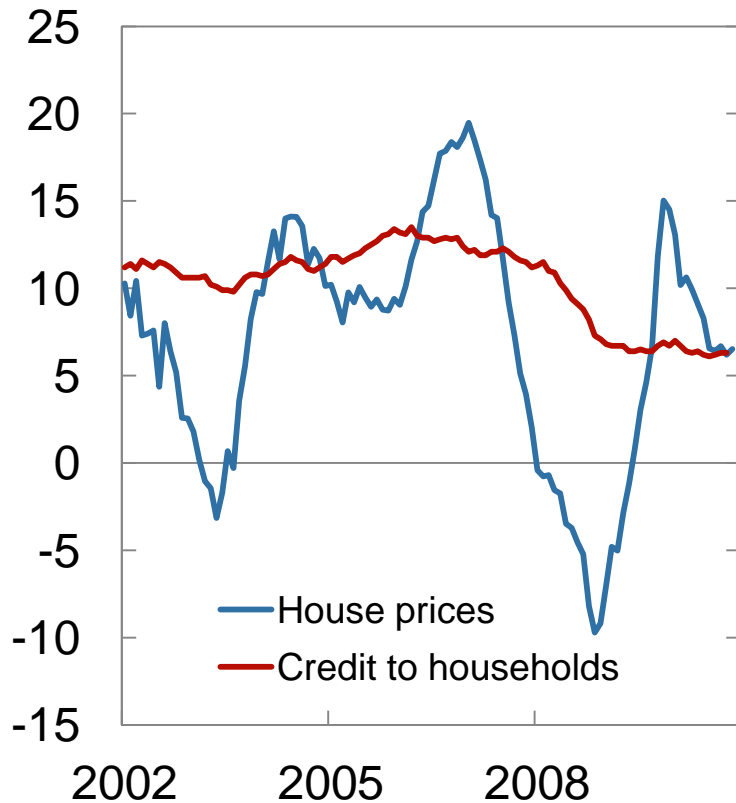
1) CPI adjusted for tax changes and excluding temporary changes in energy prices

Sources: Statistics Norway and Norges Bank

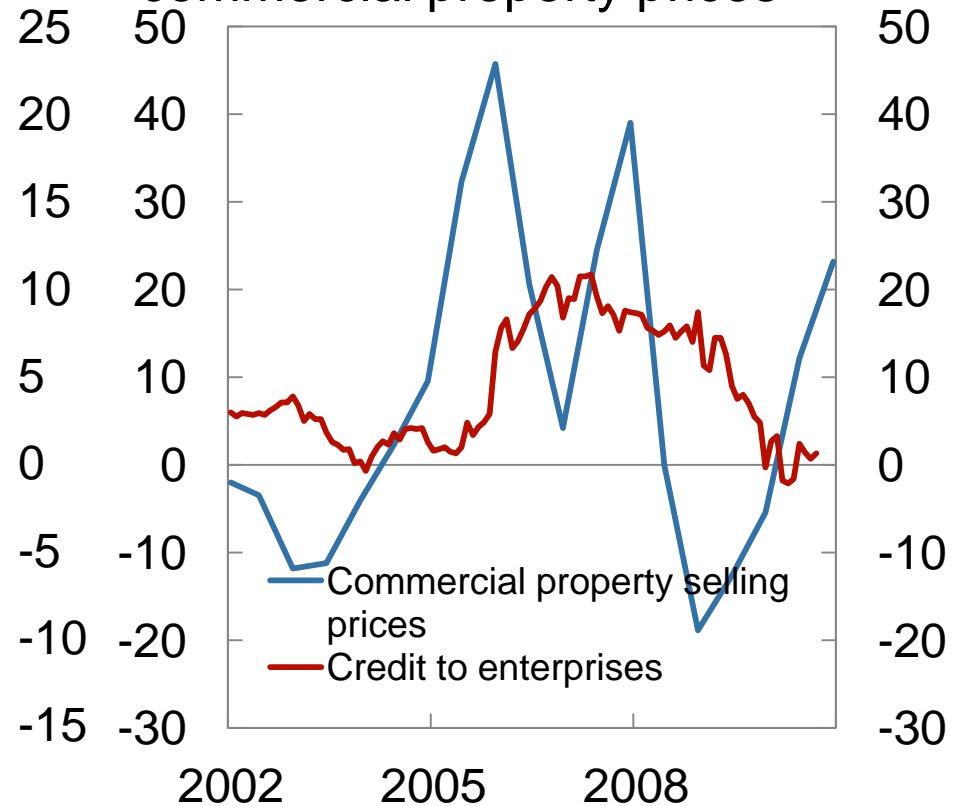
Credit and property prices

12-month change. Per cent. January 2002 – November 2010

Credit to households¹⁾ and house prices²⁾



Credit to enterprises¹⁾ and commercial property prices³⁾



- 1) Households; C2, Enterprises; C3, mainland Norway
- 2) House prices to November. Credit growth to October
- 3) Semiannual figures to end of 2010. Credit growth to September

Sources: Statistics Norway, OPAK, real estate industry (NEF, EFF, FINN.no og ECON Pöyry), OBOS and Norges Bank

“I take Norges Bank with a pinch of salt. They have delivered predictions that have not come true before.” 1)

Ellen Solheim, Deputy Chairman of Rogaland County Council

1) Local politician's response when questioned about future spending plans in the light of Norges Bank's key policy rate forecast

Renteøkning. Hvilken renteøkning?

Ingen kommer i avisa for å tette huller i asfalten. Men er det så sikkert at en stadig økende lånegjeld vil gi dagens politikere framtidig heder og ære?



KOMMENTAR

FYLKESTINGET: I over ett år har Rogalands fylkespolitikere vært mofromt opptatt av et skolebygg på nye, skolen som i fyr skapte et nytt fiertall og reduserte fylkesordfører med nesten til en slags seremonimester skaper fortsatt vordt bid i fylkestinget, til de grader at en hal dagssesjon om neste års fylkesbudsjett koker ned til en reprise av foranrets krangel: Ny videregående skole eller ikke ny videregående skole på en ny.

Før eller siden når også Rogaland brattbakken. Når sant skal sies, står vi nok ved foten av bakken allerede.

AP, VENSTRE, SP OG SV som er kommet i mindretall etter at Eiken Solheim jury, lot dem i skolen og slo seg sammen med Høyre og rp, beskylder det nye fiertallet for økonomisk uansvarlighet.

De får svar på littale, for hvor er mindretallets visjoner, spør Eiken Solheim.

Ingen kan beskylde fylkets varaordførere for å manglet visjoner, men det er grunn for å tro at ikke alle Solheims nye politiske visjoner deler dem.

Om Norges banks prognoser for økt rente, gjengitt på bankens hjemmesider og referert i fylkestinget i går, så Eiken Solheim:

«Jeg tar Norges bank med en klype salt, de har levert spådommer som ikke har slått til før, de.»

Ingen i Høyre, et parti som kanskje mest av alt er kjent for økonomisk adferdighet, kommenterte gjensidig tapreste forsvor for å øke fylkets allerede så høyne lånegjeld, det betyr imidlertid ikke at Janne Johnsen, erlend Jostad og de andre på Høyre benken like det de har.

I 2015 VIL ROGALAND ha en lånegjeld som tilsvarer mer enn hundre prosent av driftsinntektene.

Det er ikke politikernes ansvar, skal vi tro Høyre, det vil si, ikke Rogalands politikere. «Venger som er skapt i næringslivet Rogaland blir mindret av Eiken som bruker dem på uttømming», står sagthid om munden fast.

Det er ikke urealistisk å tro at høyrenden skal holde til neste stortingsvalg, spørsmålet er om det er realistisk å tro at en eventuell Høyre-rp-regjering vil tilgodese landets fylkeskommuner med mer penger enn dagens styvrygde kommunaldirektørene gjør.

OMFORDELING og fattigens fattigdom eller ikke, kommunenes og innvandringsorganisasjonens har for lenget tenkt det røde lys. Norske kommuner skylder så mye penger at bare en brosjert renteøkning vil bety en milliard i økte utgifter.

Før eller siden når også Rogaland brattbakken. Når sant skal sies, står vi nok ved foten av bakken allerede, til likes med stavanger som kuttet i tjenes tabibudet til sine annehjggere i går, og Sandnes som har mullet kuttet til beome, innvekler også fylkeskommunens budsjett kutt som rammer hardt der de tas, der er knapt for skjøtter i fiertallet og mindretallets alternativet, nullst og

hermet er det de videregående skolen, som får mindre å rutte med neste år.

NOEN ÅR FRAM i tid, vil kampen hardne til. Hver prosent rentestigning betyr at Rogaland fylkeskommune får 4 millioner kroner mindre til drift av skoler og vedlikehold av veier.

Det kan være vanskelig å forsvare investeringsgjaver med et slikt bakslapp. Det er om Rogaland har råd til å bygge enda en skole, for mer enn 100 millioner kroner, handlet da holder ikke i særlig grad om behovet, men om løftet fylket har gitt rime kommuner.

Da er det vel ikke annet å vente, som at de politiske visne forsvarer i solvestilberedte stork, fra bygge lagene.

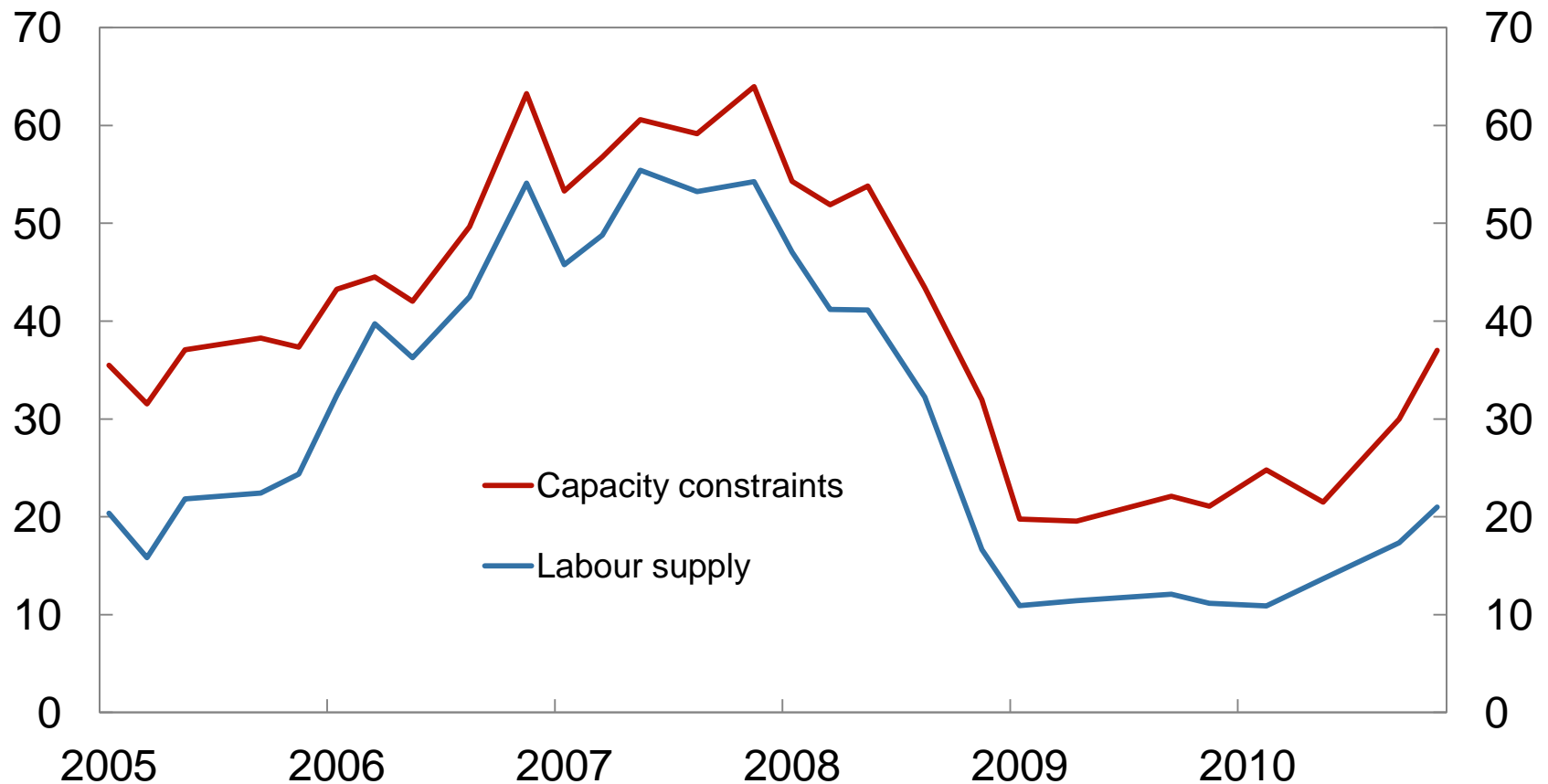
“Jeg tar Norges Bank med en klype salt. De har levert spådommer som ikke har slått til før, de.”

Fylkesvaraordfører Ellen Solheim

Source: Stavanger Aftenblad Wednesday, 8 December 2010

Regional network. Capacity constraints¹⁾ and labour supply²⁾

Per cent. January 2005 – November 2010



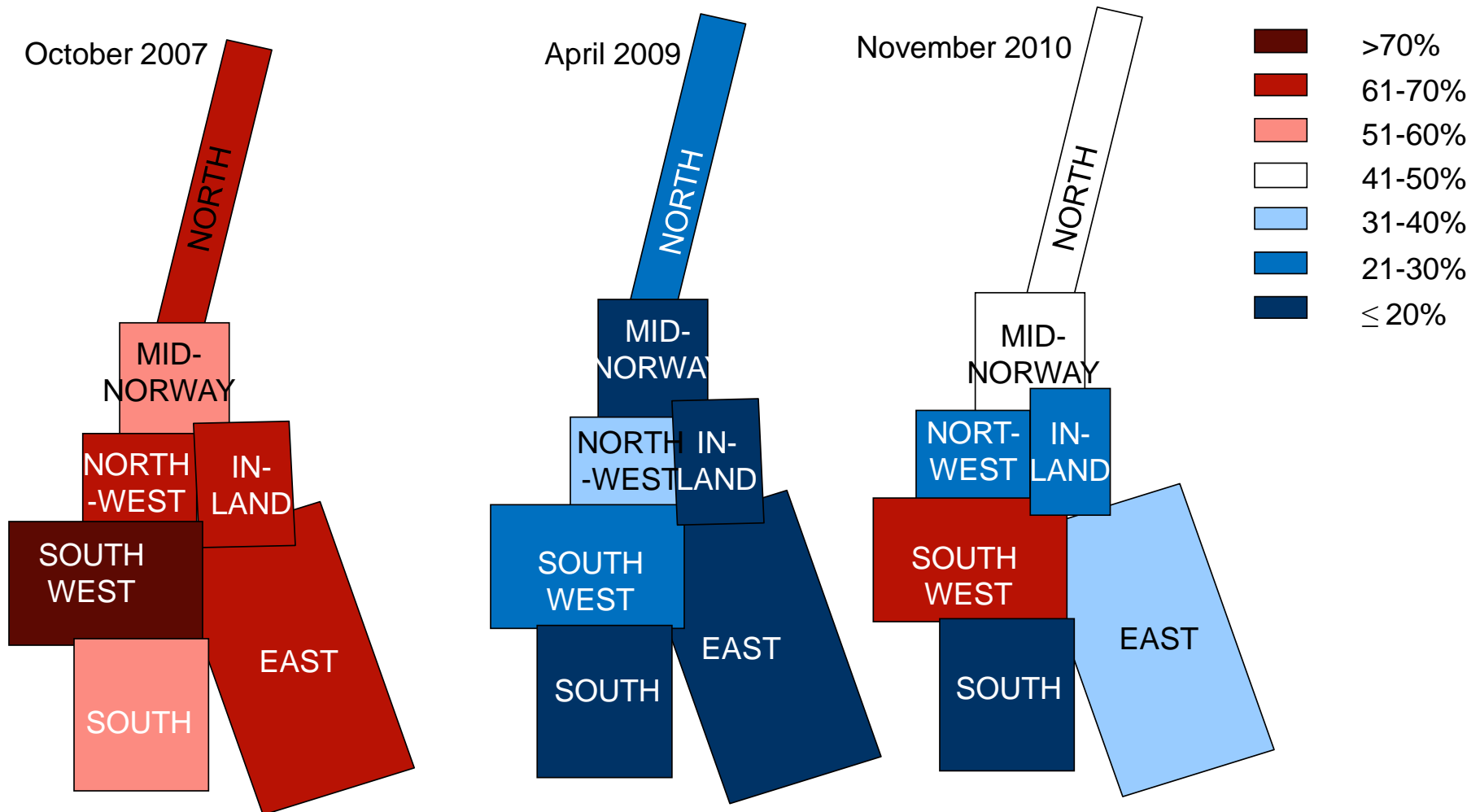
1) Share of contacts that will have some or considerable problems accommodating an (unexpected/expected) increase in demand.

2) Share of contacts where production is constrained by labour supply

Source: Norges Bank's regional network

Capacity constraints

Share of contacts that will have some or considerable problems accommodating an increase in demand

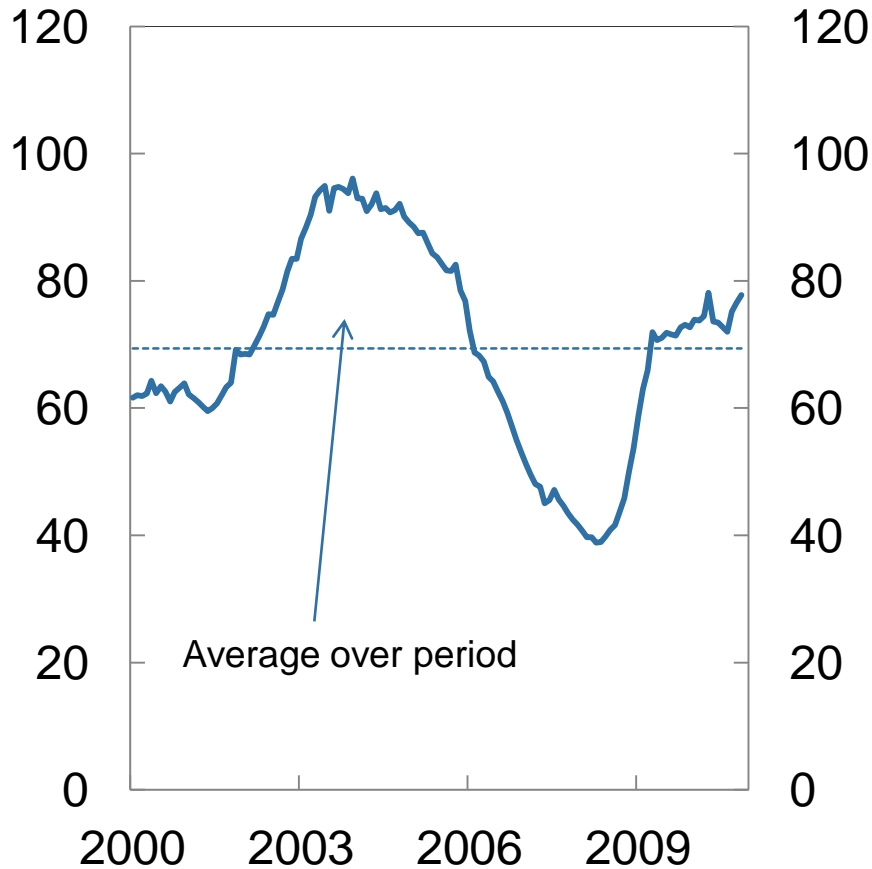


Source: Norges Bank's regional network

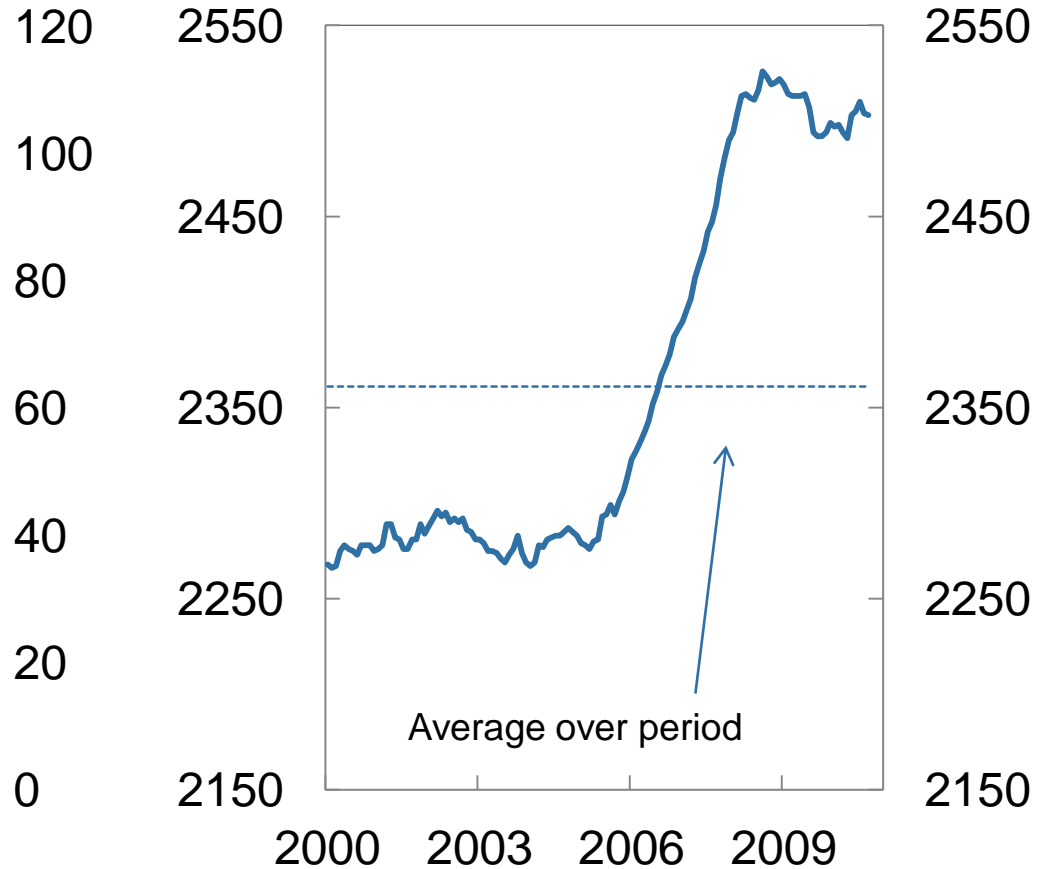
Unemployment and employment

In thousands. Seasonally adjusted. January 2000 – November 2010

Registered unemployment



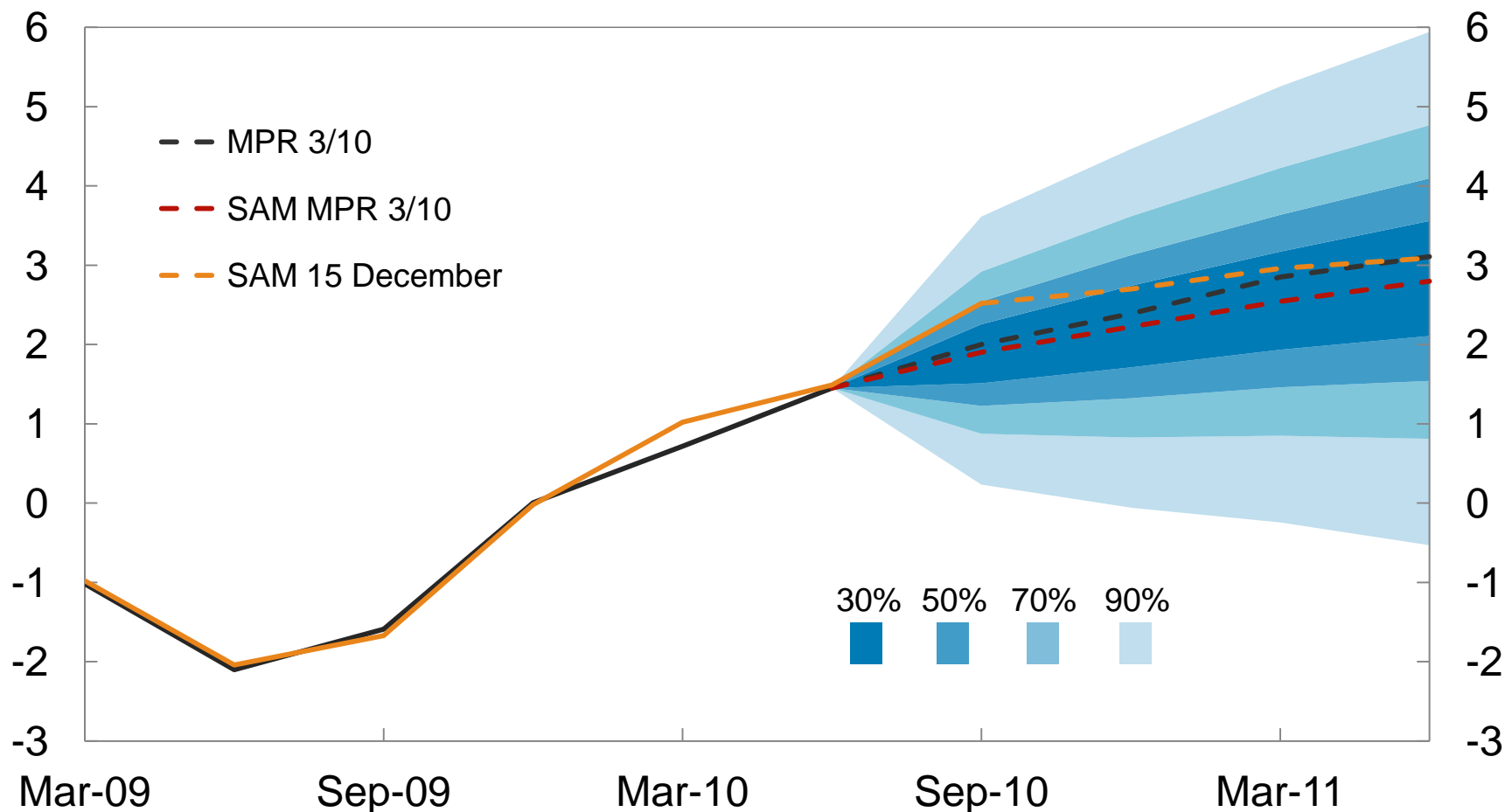
Employment (LFS)



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

Projections for mainland GDP growth

Projections from SAM¹⁾ with fan charts from MPR 3/10 and SAM as at 15 December 2010²⁾. Four-quarter change. Per cent



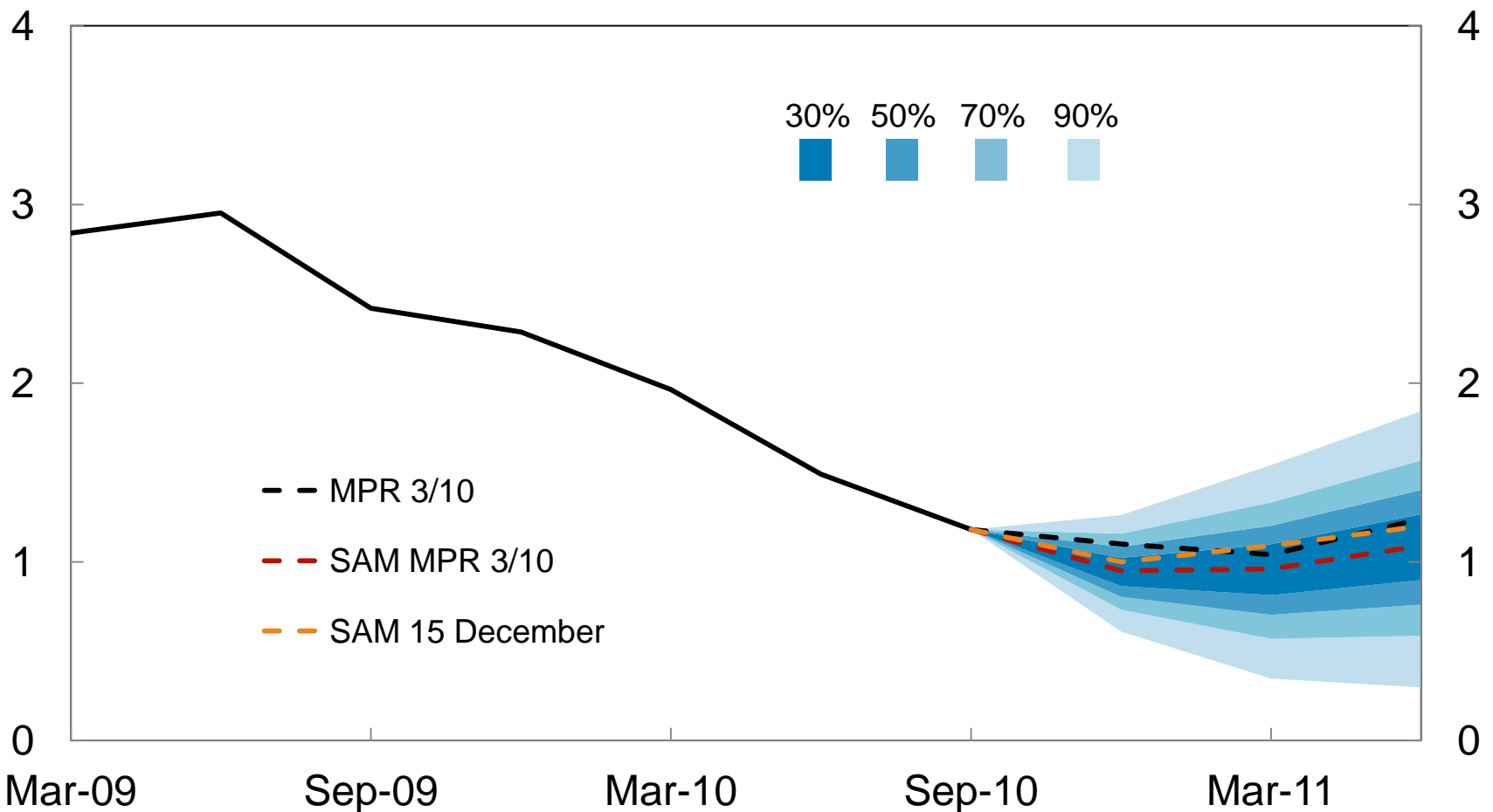
1) System for Averaging Models

2) Projections for 2010 Q4 – 2011 Q2 (broken)

Sources: Statistics Norway and Norges Bank

Projections for CPI-ATE

Projections from SAM¹⁾ with fan charts from MPR 3/10 and SAM as at 15 December 2010²⁾. Four-quarter change. Per cent



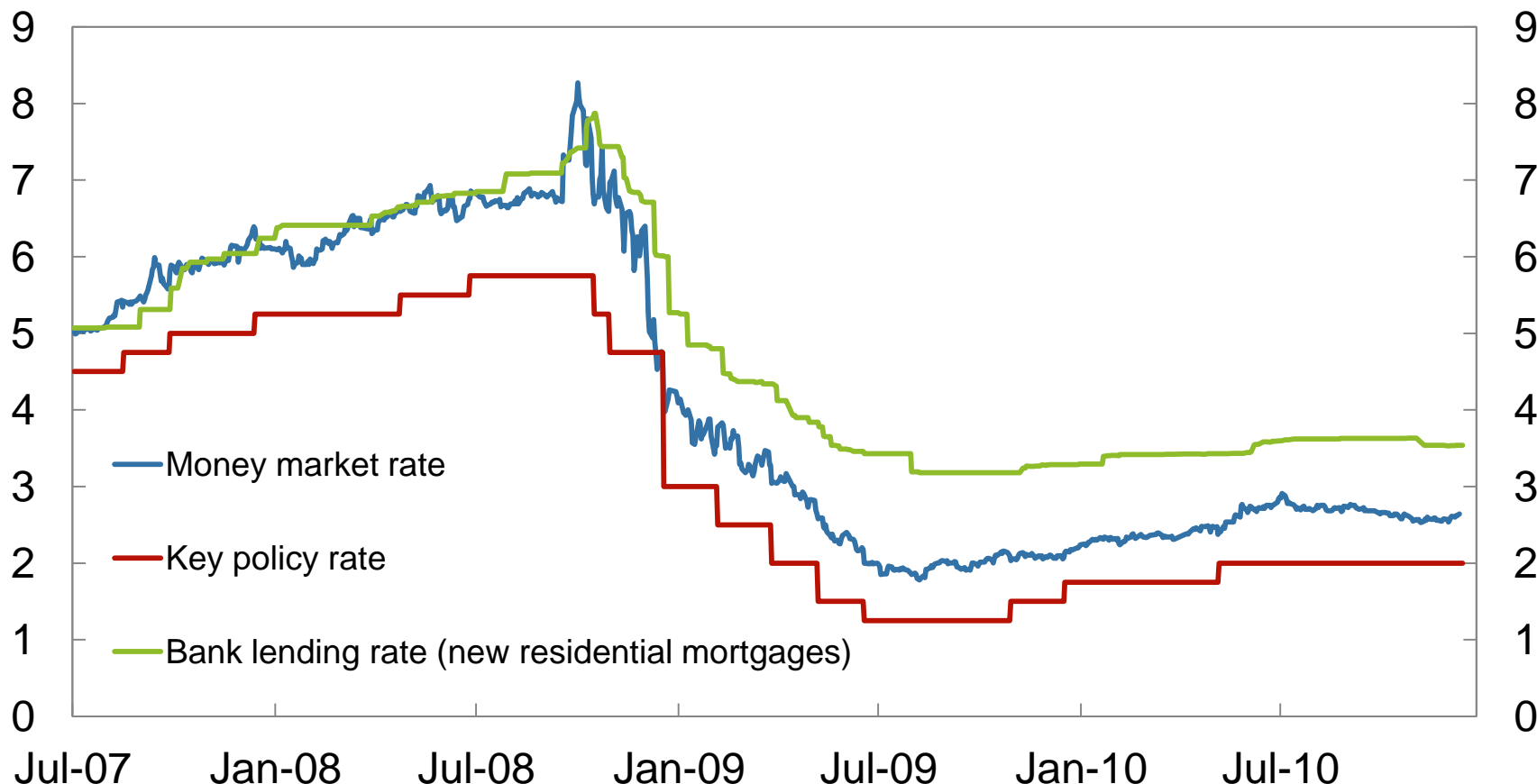
1) System for Averaging Models

2) Projections for 2010 Q4 – 2011 Q2 (broken)

Sources: Statistics Norway and Norges Bank

Key policy rate, money market rate¹⁾ and weighted bank lending rates²⁾

Per cent. 1 July 2007 – 13 December 2010



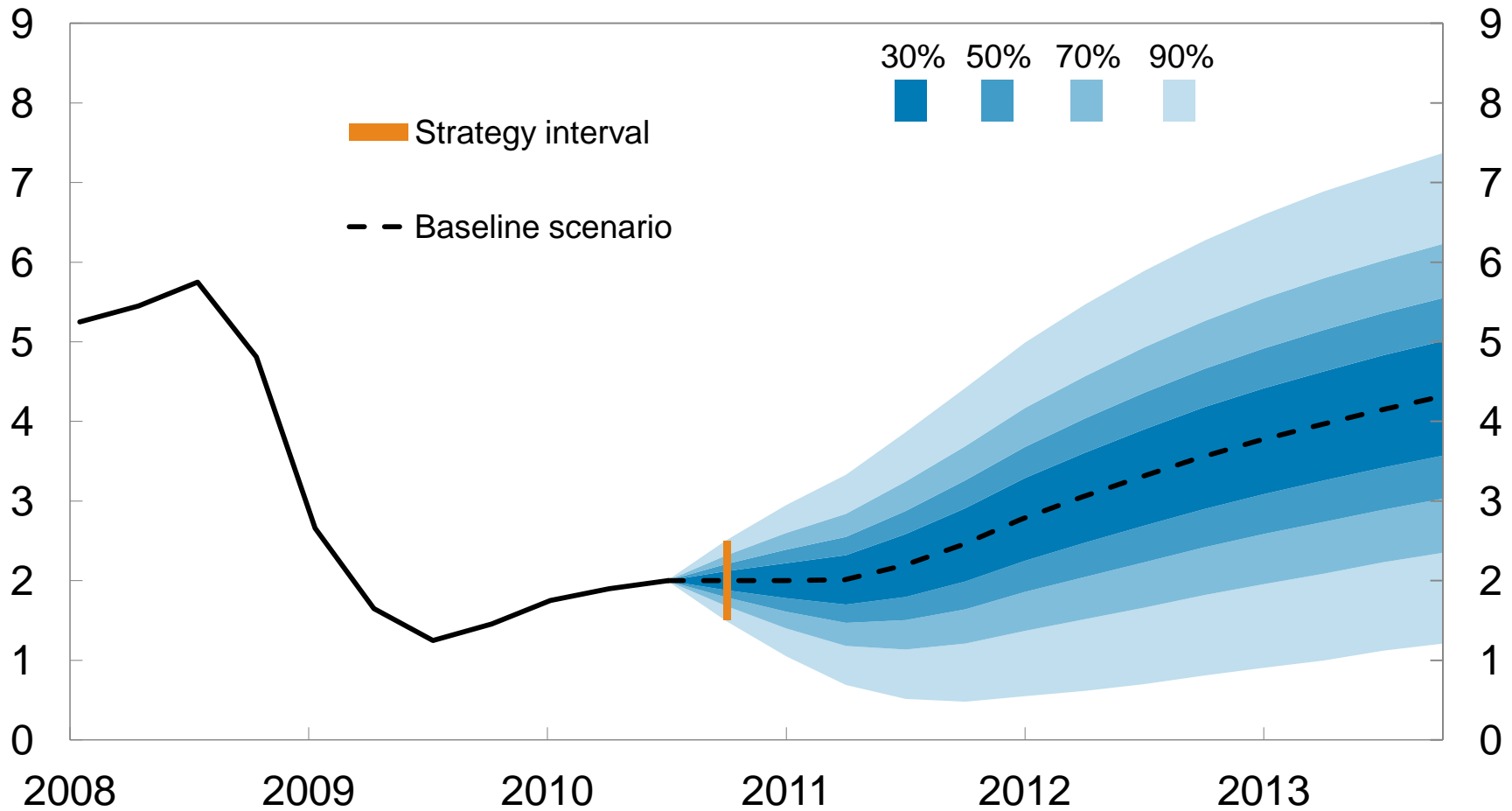
1) 3-month NIBOR (effective)

2) Interest rate on new residential mortgages of NOK 1m within 60% of purchase price with variable interest rate. Figures for the 20 largest banks, weighted according to market share

Sources: Norsk familieøkonomi AS, Statistics Norway and Norges Bank

Norges Bank's key policy rate

Per cent. 2008 Q1 – 2013 Q4



Source: Norges Bank

Executive Board Meeting

15 December 2010