

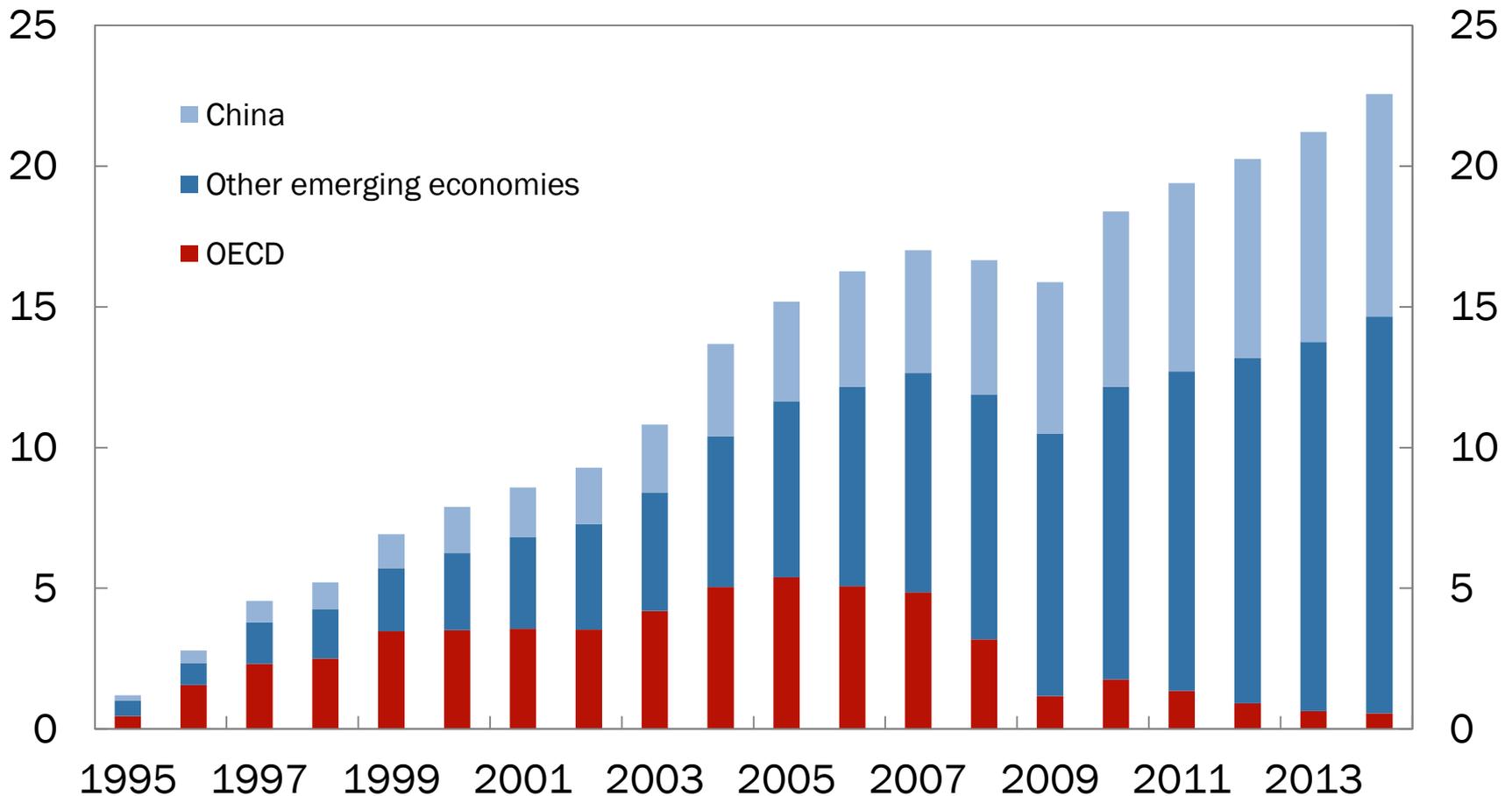


# The economic outlook

Governor Øystein Olsen  
Norges Bank  
4 April 2013

# Emerging economies are driving oil demand

Cumulative growth since 1994.<sup>1)</sup> Millions of barrels per day.

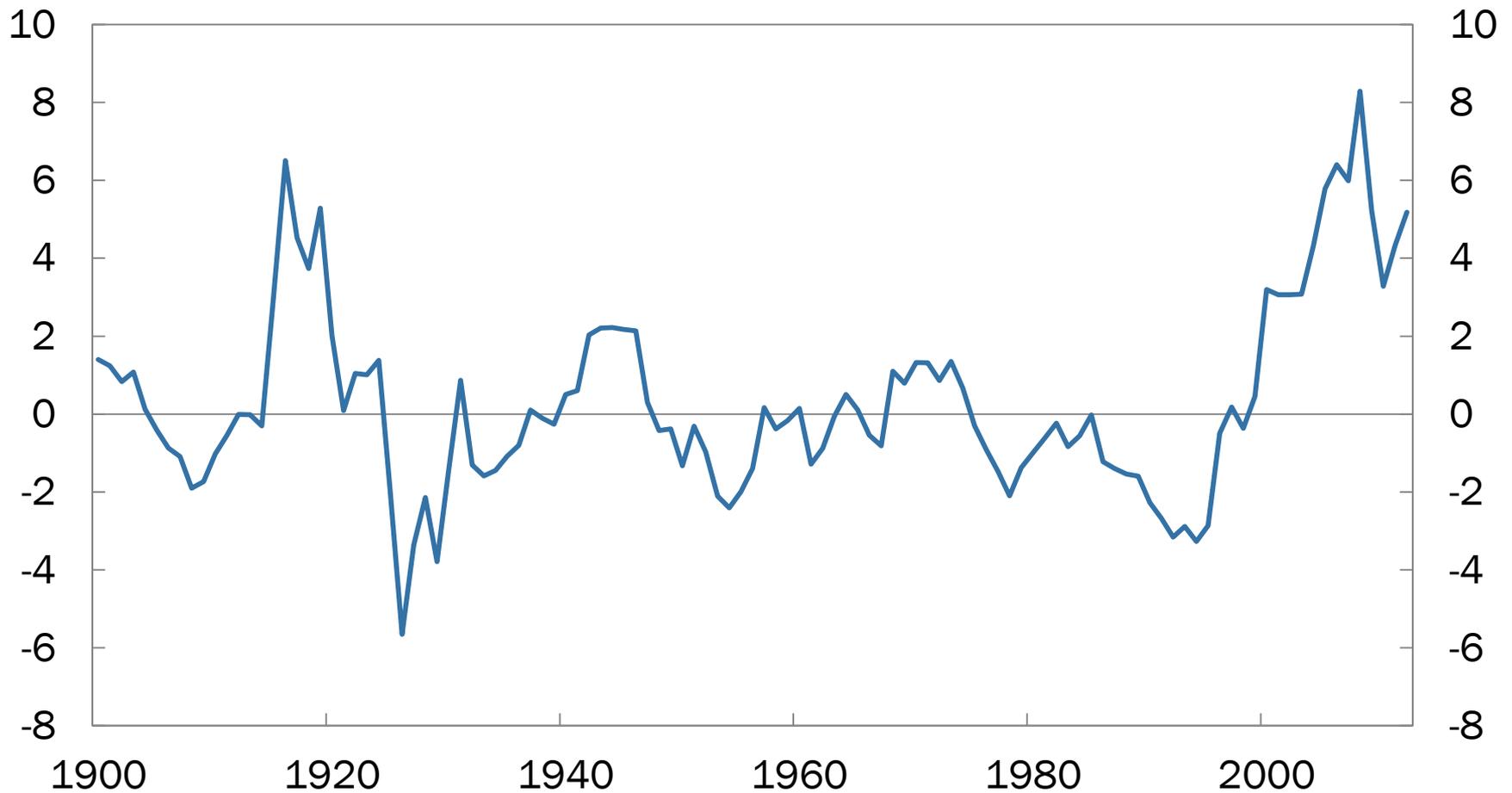


1) Forecasts for 2013 and 2014

Sources: EIA and Norges Bank

# Strong improvement in terms of trade

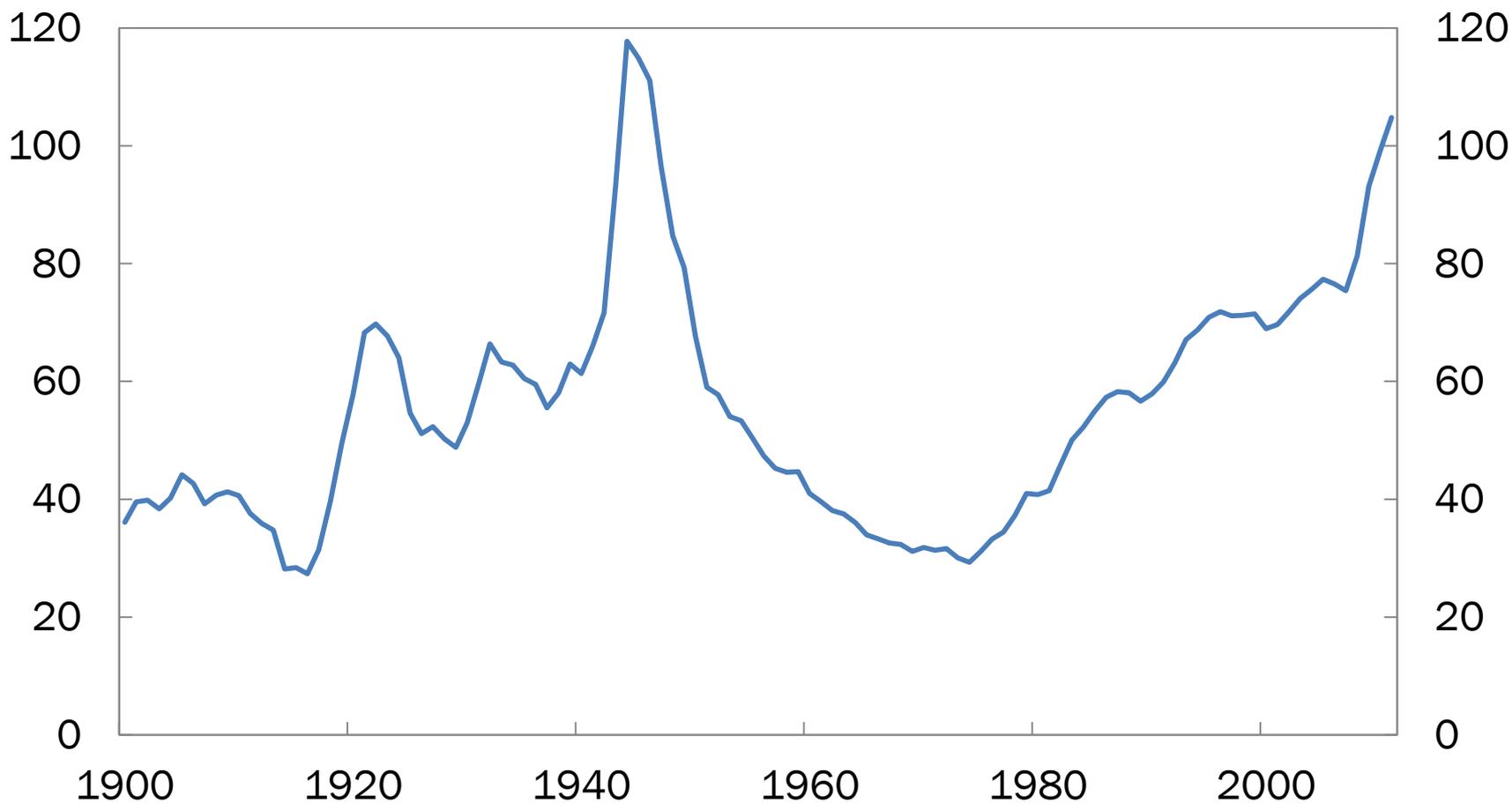
10-year moving average. Annual change. Percent



Sources: Statistics Norway and Norges Bank

# Public debt – highest since WWII

Advanced economies. Debt to GDP ratio.<sup>1)</sup> 1900 - 2011

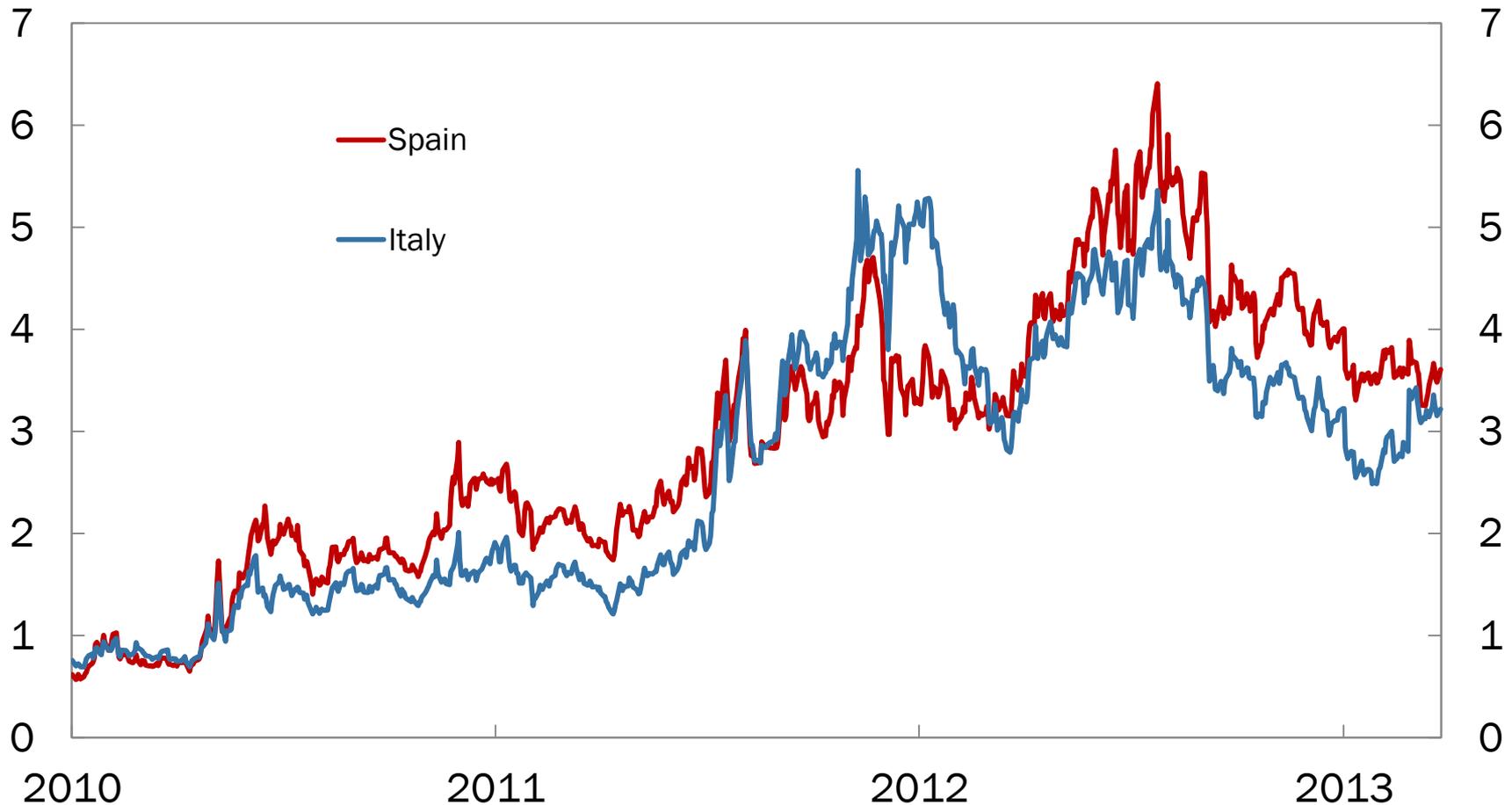


1) 2011 USD GDP-weighted average

Source: IMF

# Euro area crisis – less fear

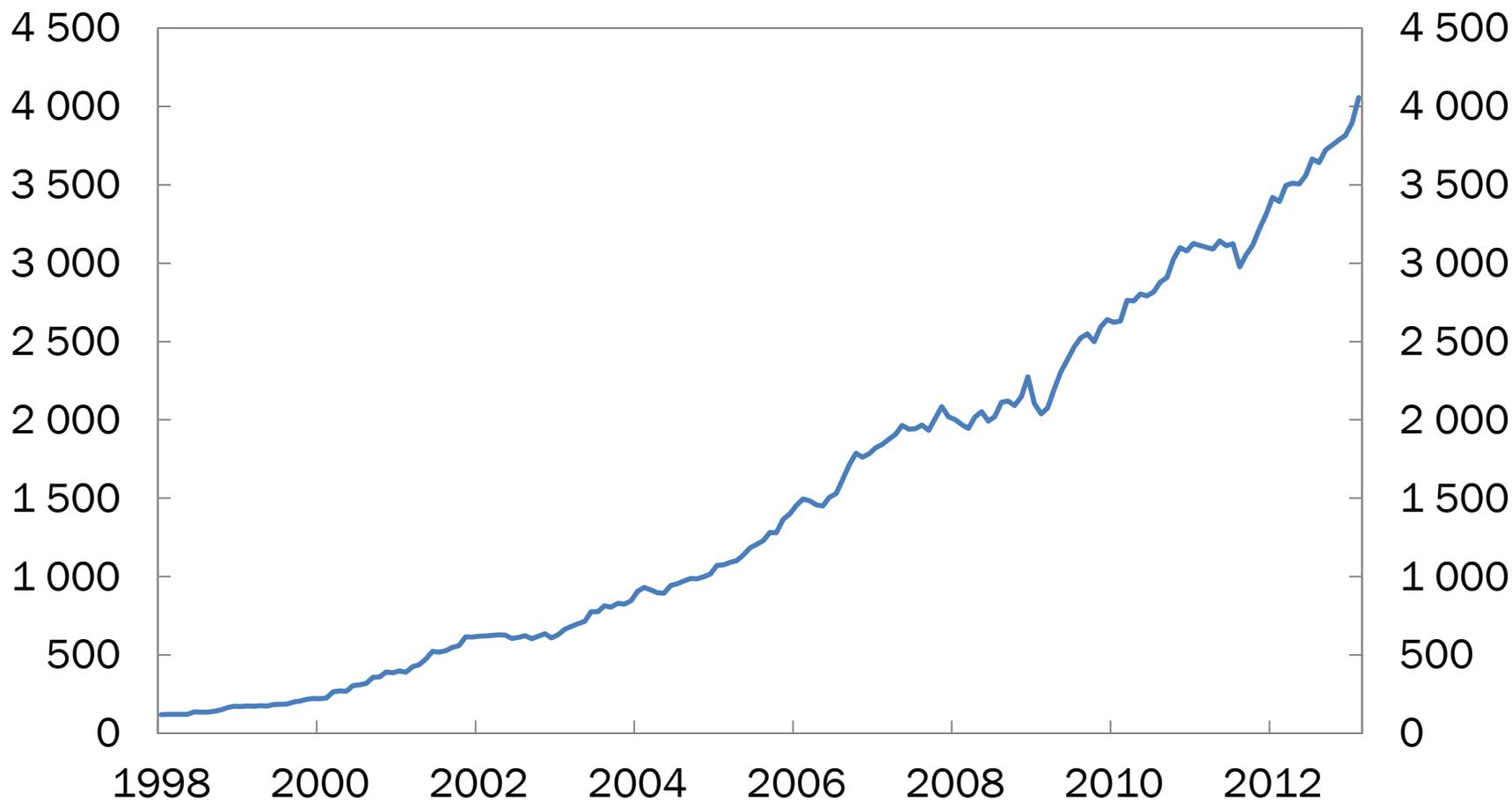
Yield spreads against Germany. 10-year government bonds. Percentage points



Source: Thomson Reuters

# Government Pension Fund Global

Market value at end of month.<sup>1)</sup> In billions of NOK

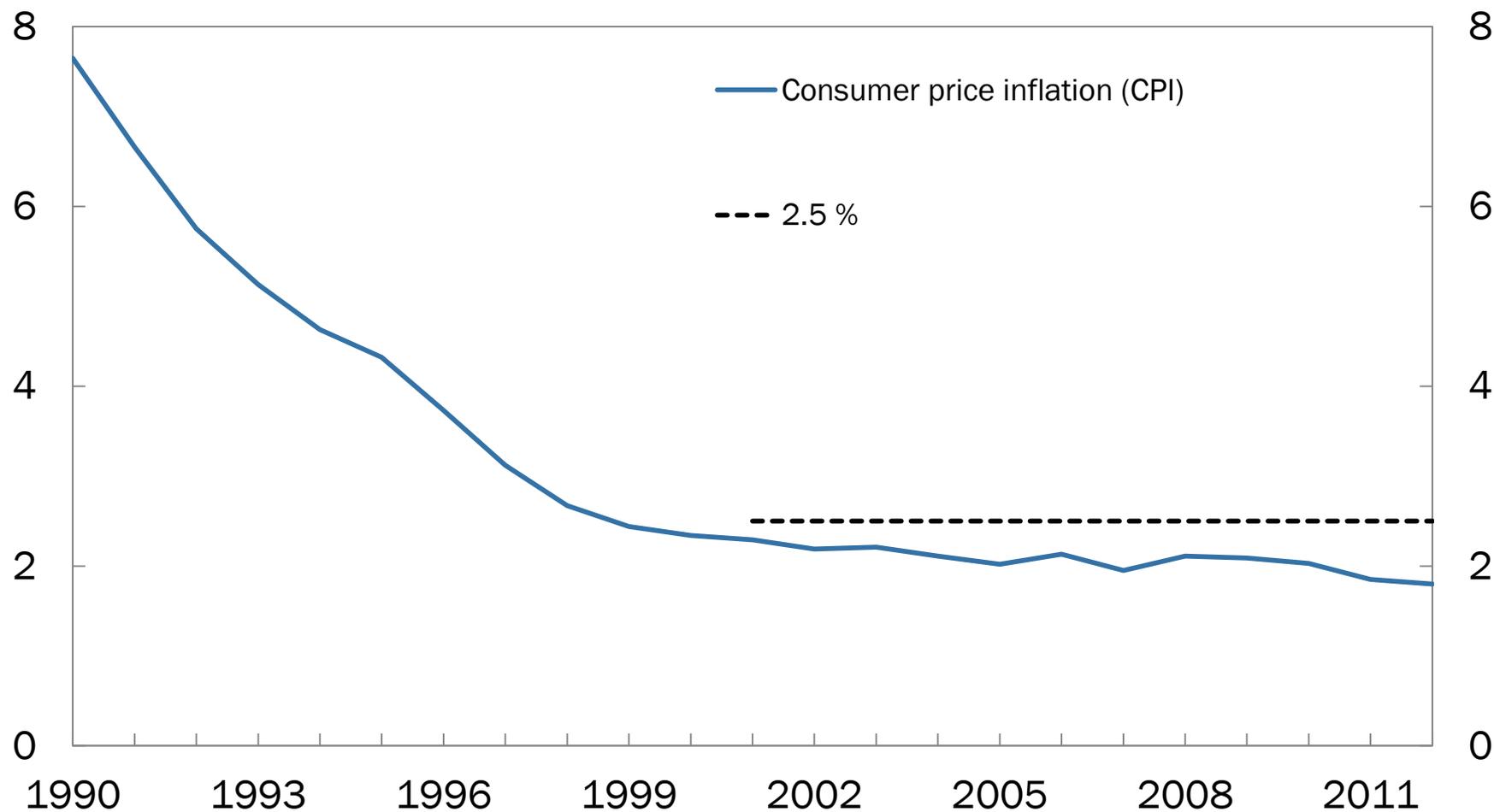


1) Figures for October 2012 – February 2013 unrevised

Source: Norges Bank

# Rise in consumer prices

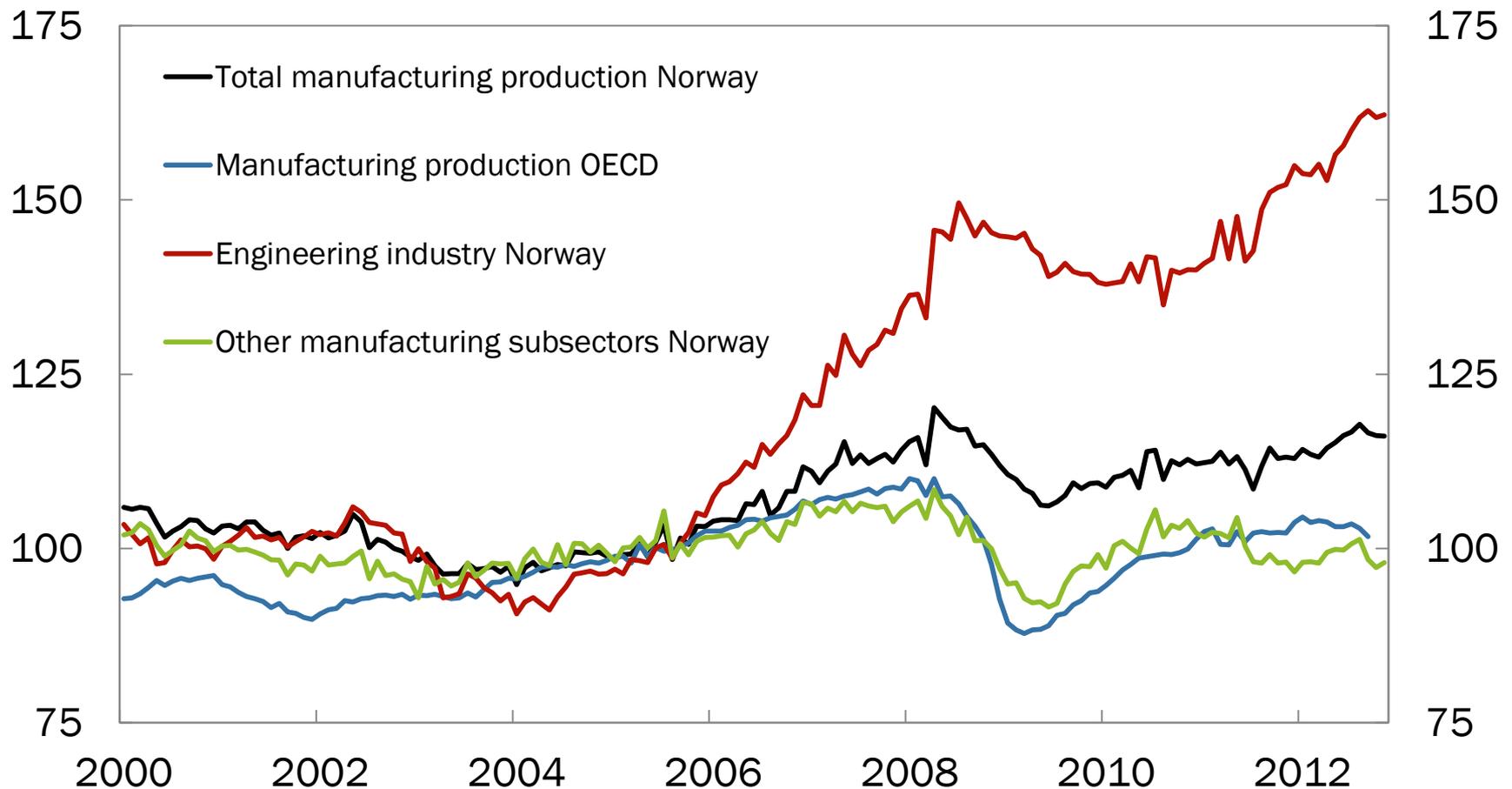
10-year moving average. Percent. 1990 - 2012



Source: Statistics Norway

# Divergence in manufacturing

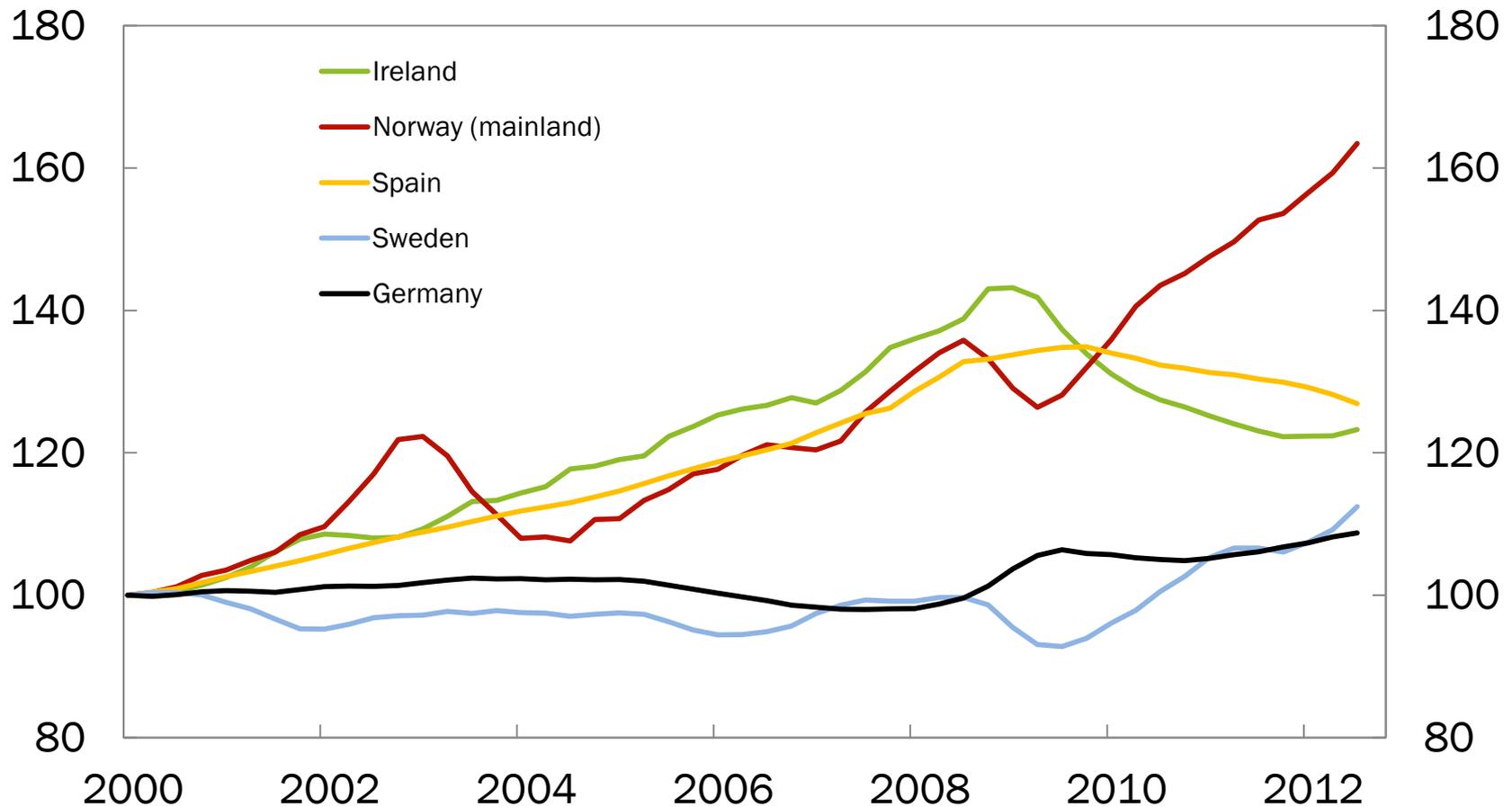
Production. 2005 = 100



Sources: Statistics Norway and OECD

# Norwegian labour is expensive

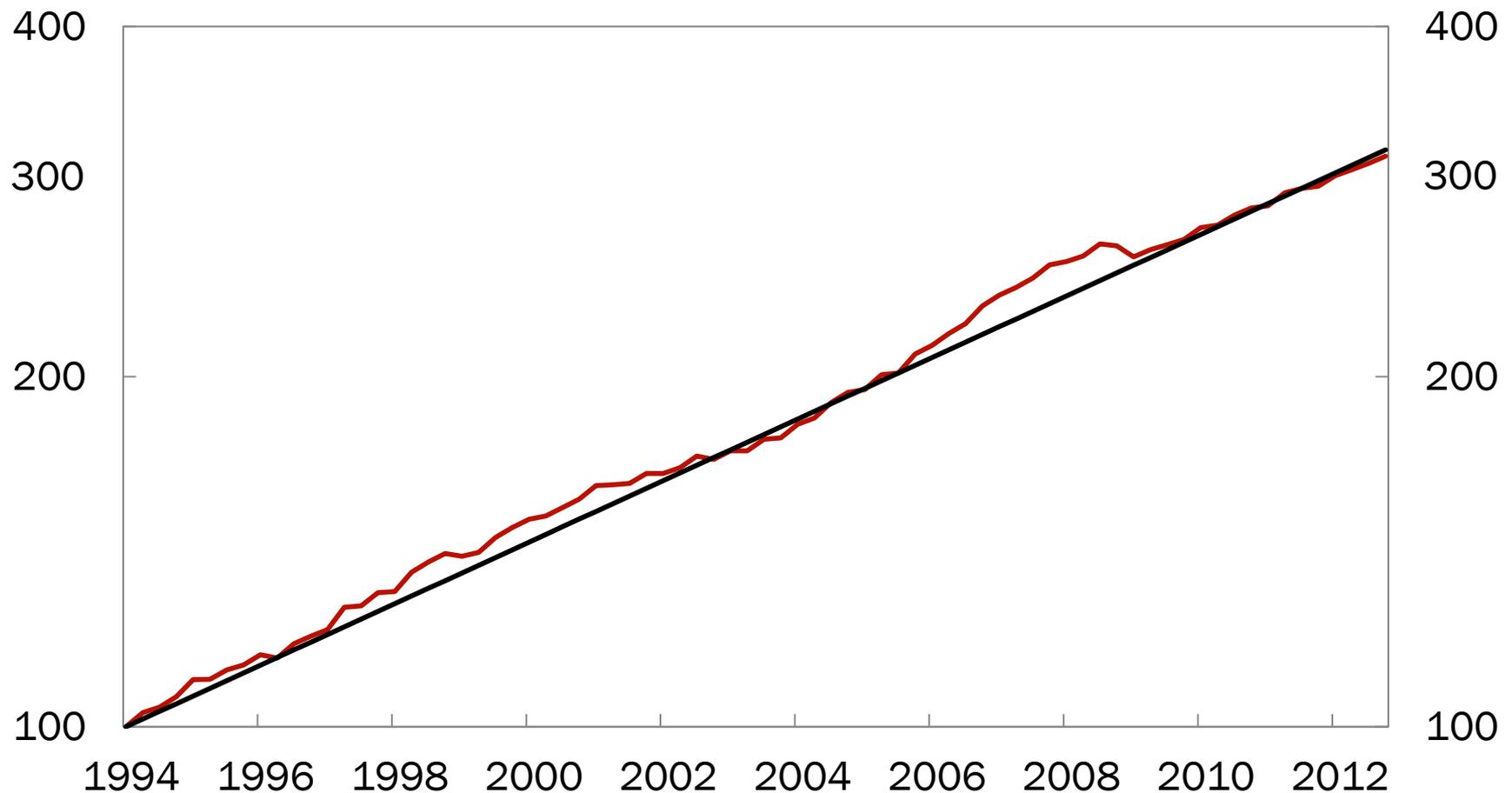
Unit labour costs in a common currency. 2000 Q1 = 100



Sources: OECD, Statistics Norway and Norges Bank

# Mainland GDP – stable nominal growth

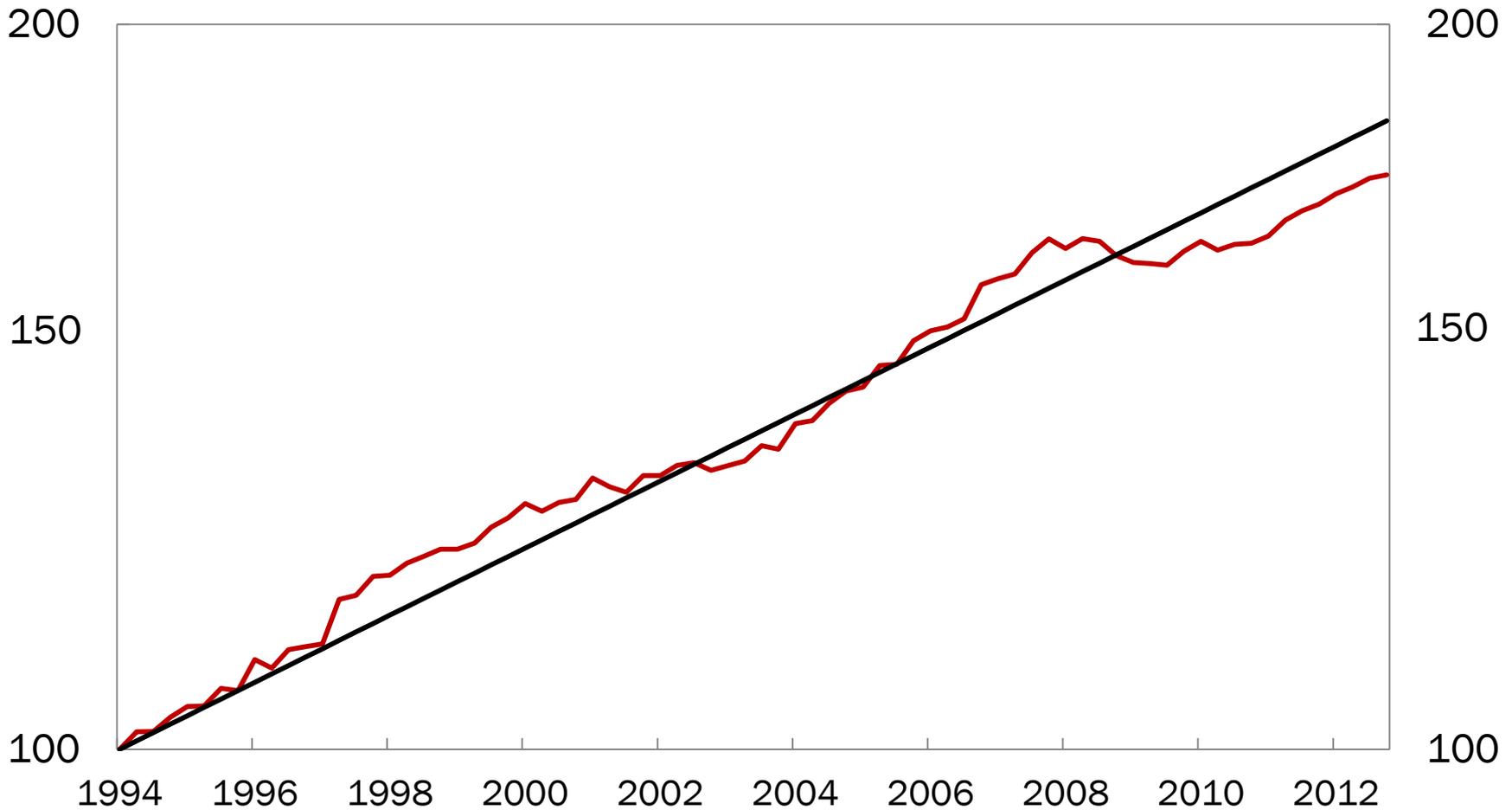
1994 = 100. Linear trend 1990 – 2006. Logarithmic scale



Sources: Statistics Norway and Norges Bank

# Mainland GDP – slump in economic activity

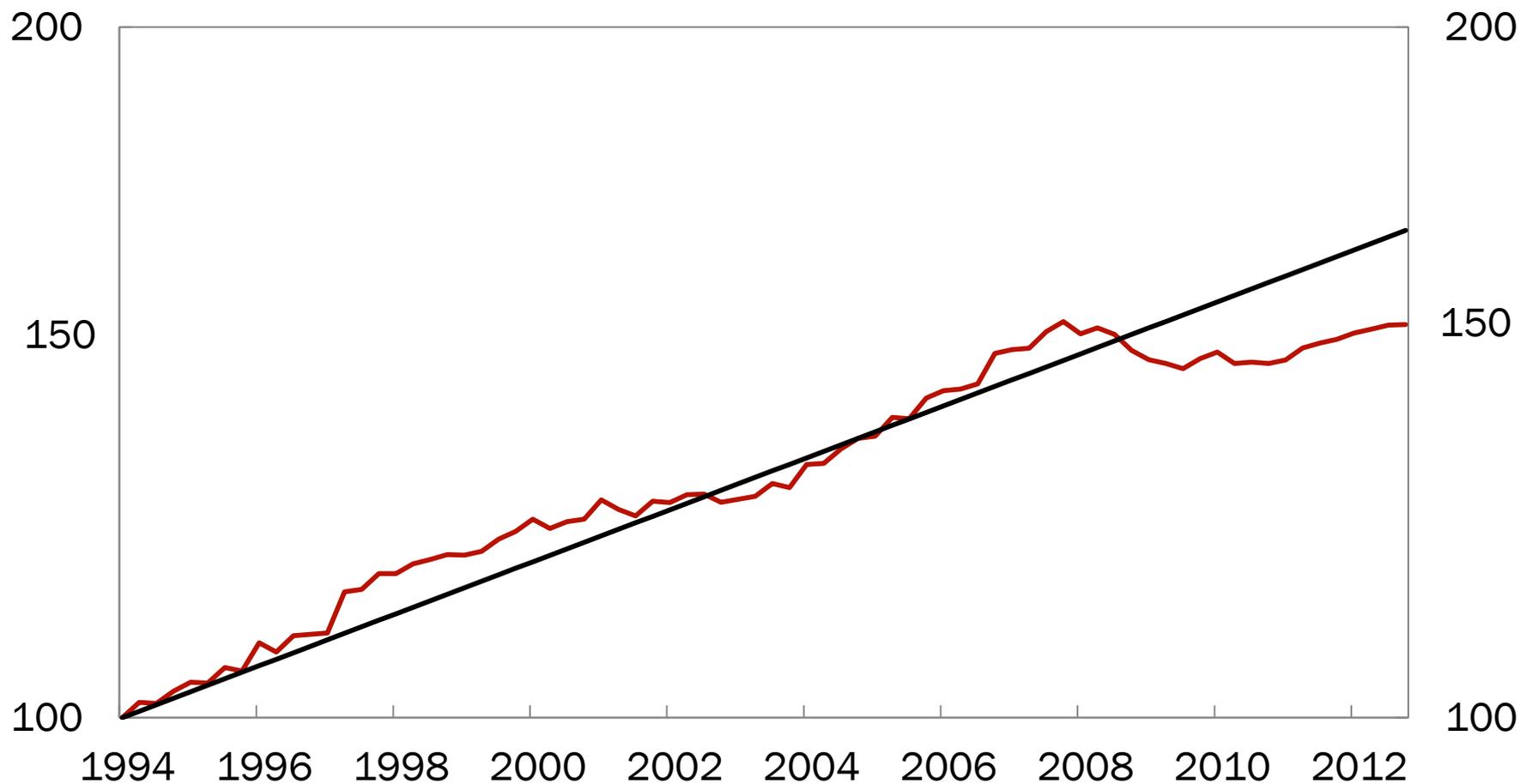
Volume. 1994=100. Linear trend 1990-2006. Logarithmic scale



Sources: Statistics Norway and Norges Bank

# Mainland GDP – per capita

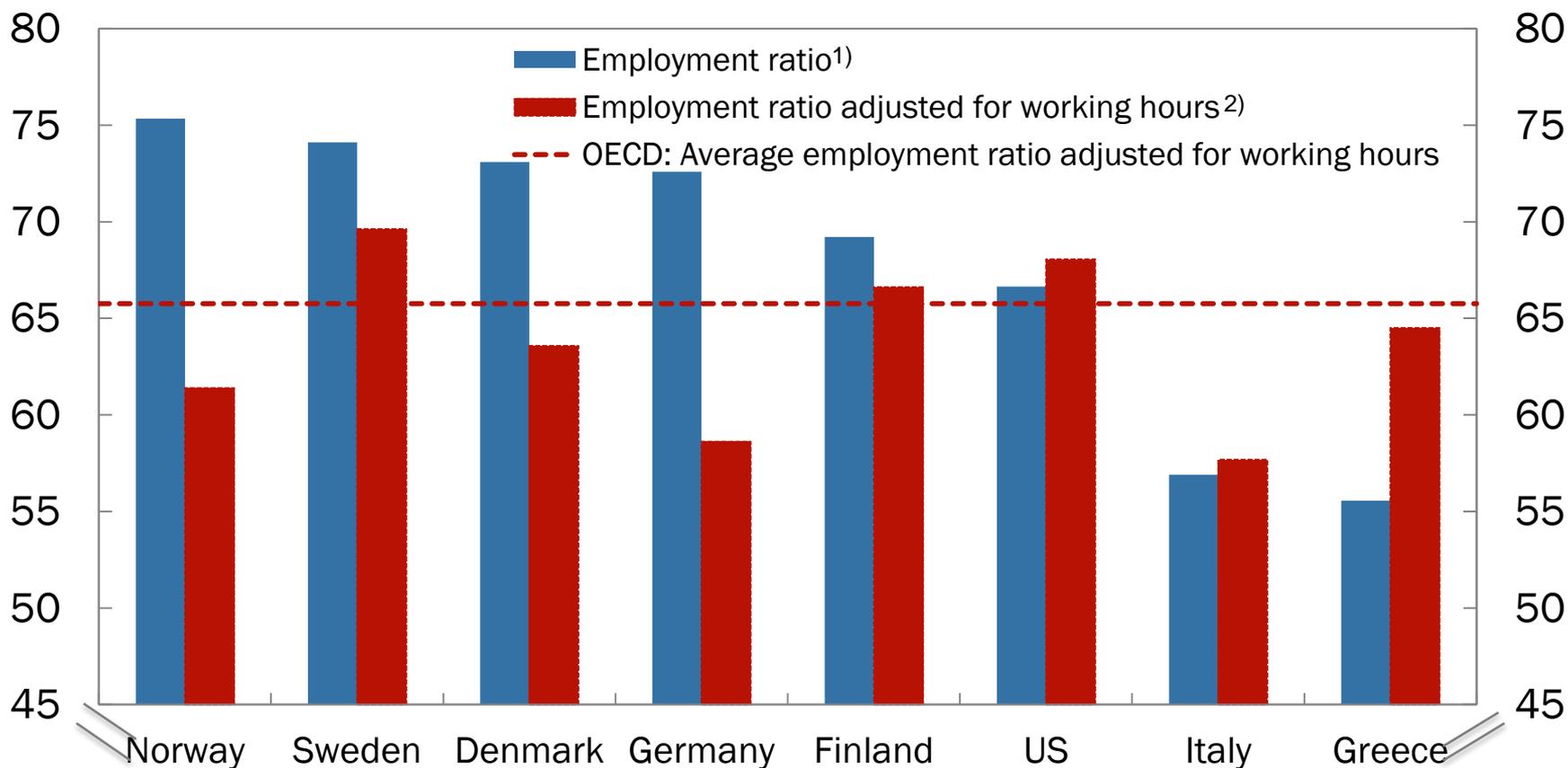
Volume. 1994=100. Linear trend 1990-2006. Logarithmic scale



Sources: Statistics Norway and Norges Bank

# Employment ratio is high, but hours worked are low

Employment rate as percentage of working-age population. Percent. 2011



1) Proportion of working-age population (15-64 years) that is employed

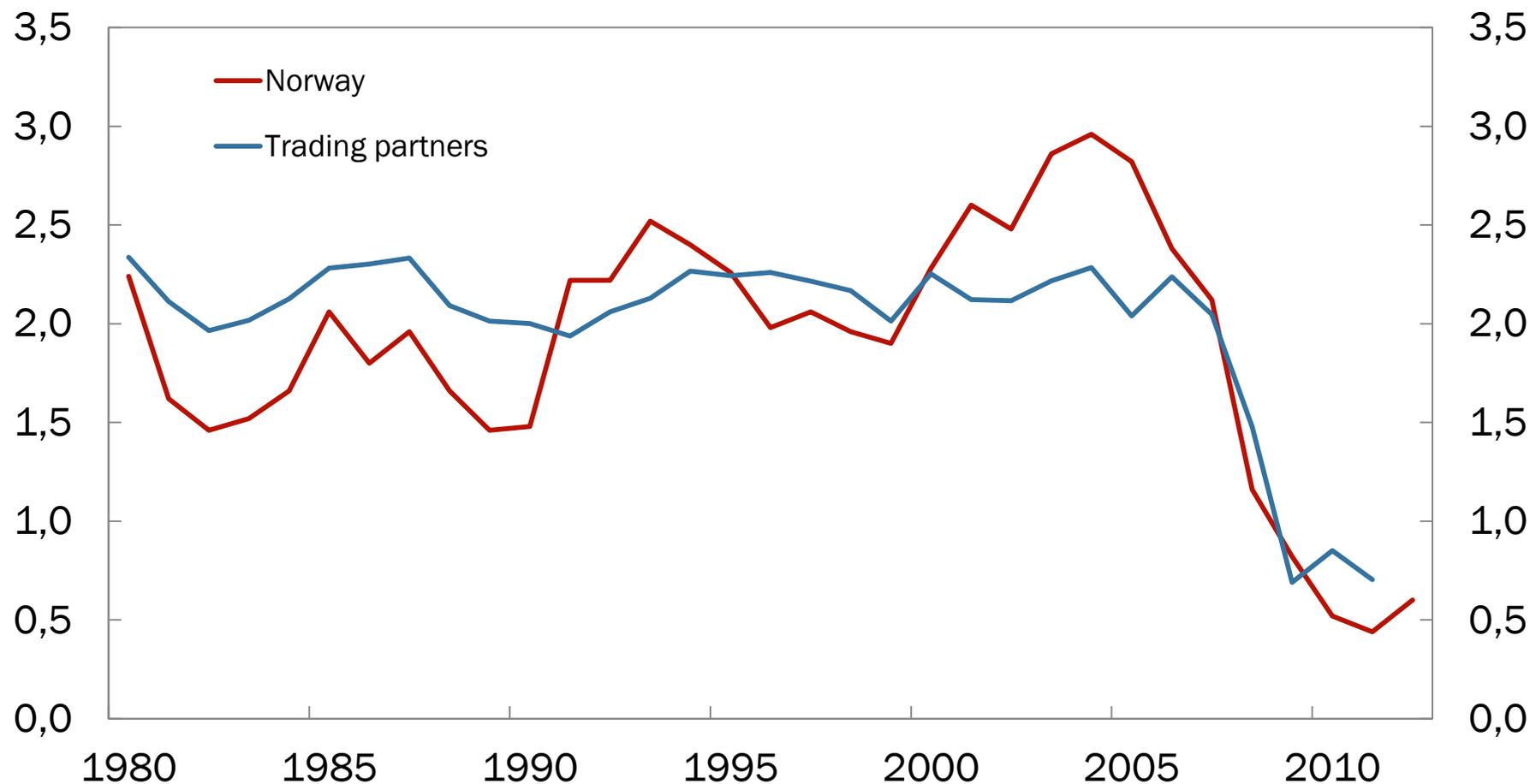
2) Hours worked per person (15-64 years), as share of normal working year of 1750 hours

Similar analysis has also been done by Hilde C. Bjørnland

Sources: OECD and Norges Bank

# Productivity growth has declined

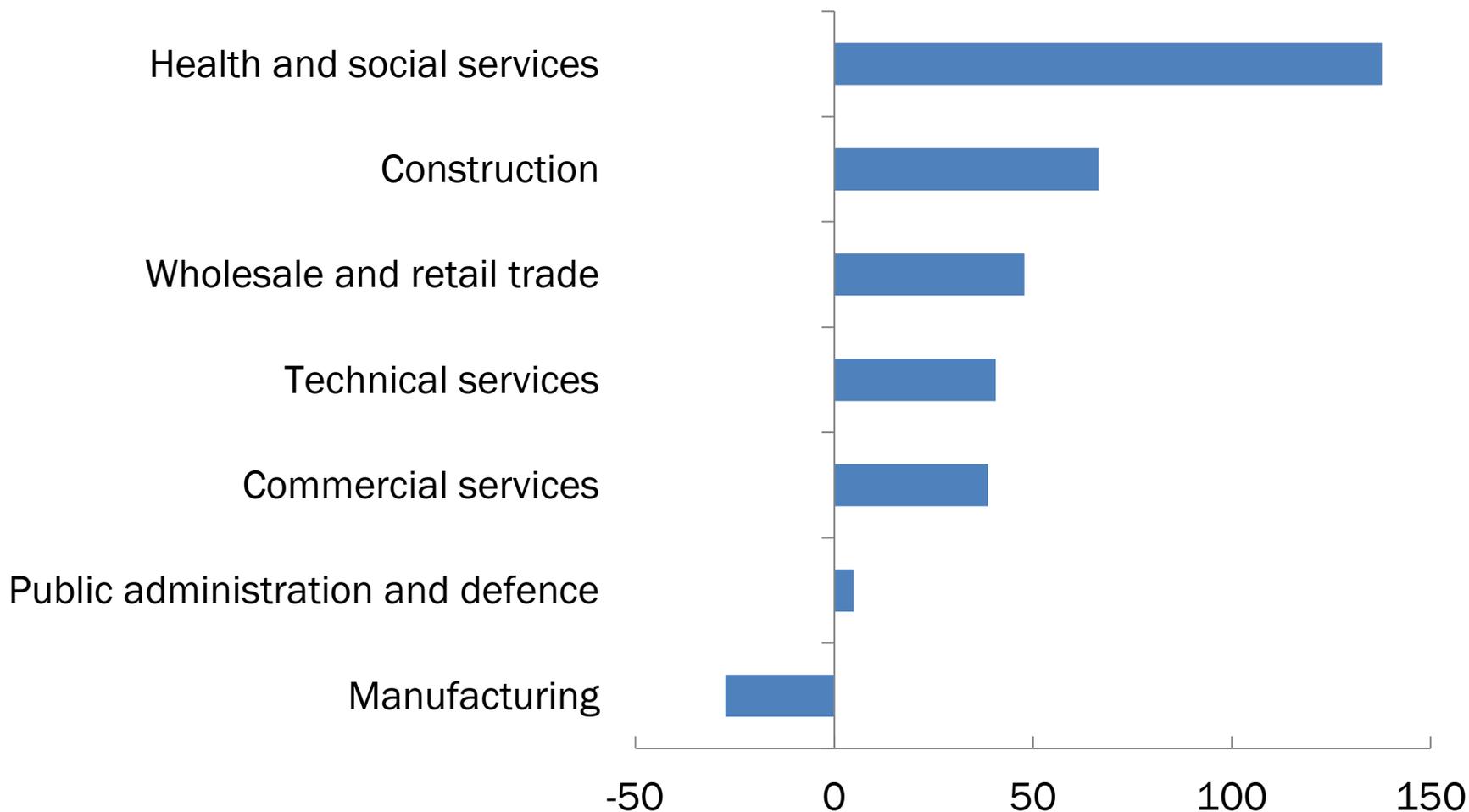
Change in gross value added per unit of labour. Constant prices. 5-year moving average



Sources: Statistics Norway, TBU, OECD and Norges Bank

# High employment growth in labour-intensive sectors

Growth. 1000s person years. 2000 - 2012



Source: Statistics Norway



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