



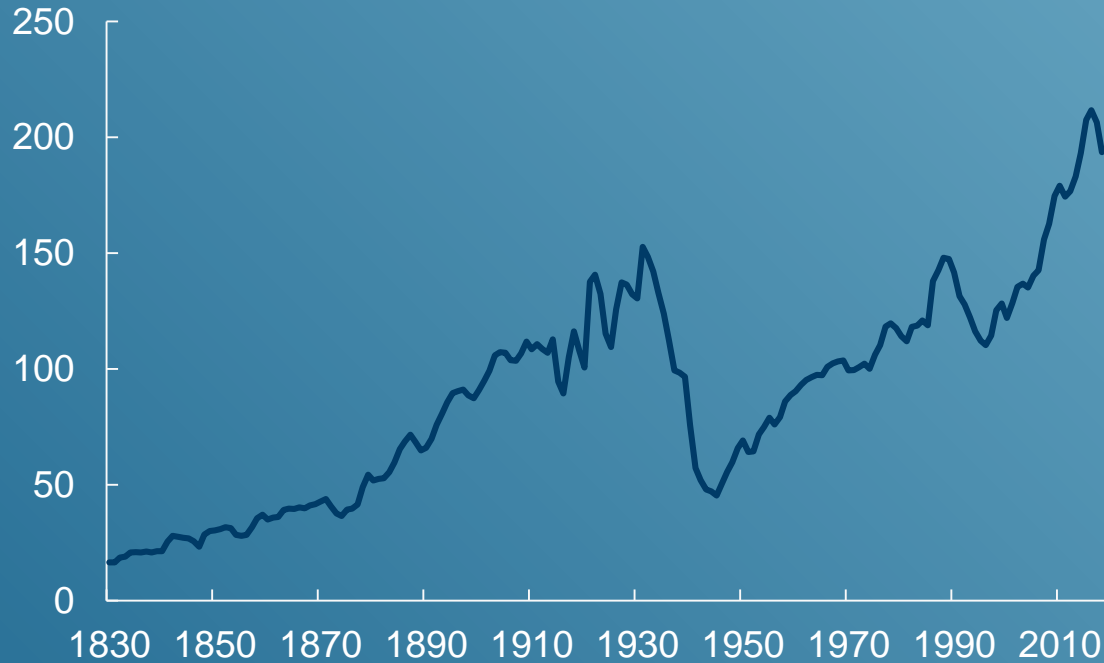
WILL DEBT BE REDUCED?

DEPUTY GOVERNOR JON NICOLAISEN

The Norwegian Academy of Science and Letters,
9 April 2019

Record-high private debt

Percent of GDP



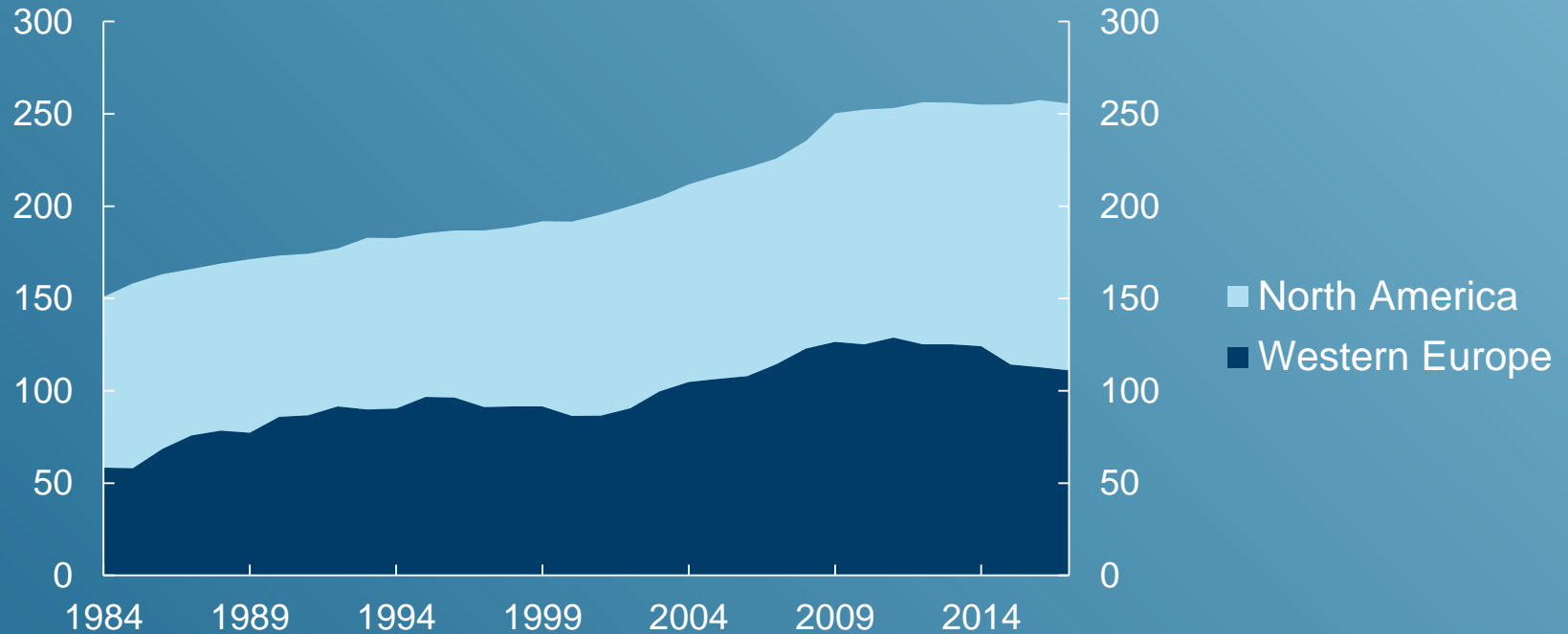
Source: Norge Bank.

¹ Ratio of total debt (C3) to GDP for Norway



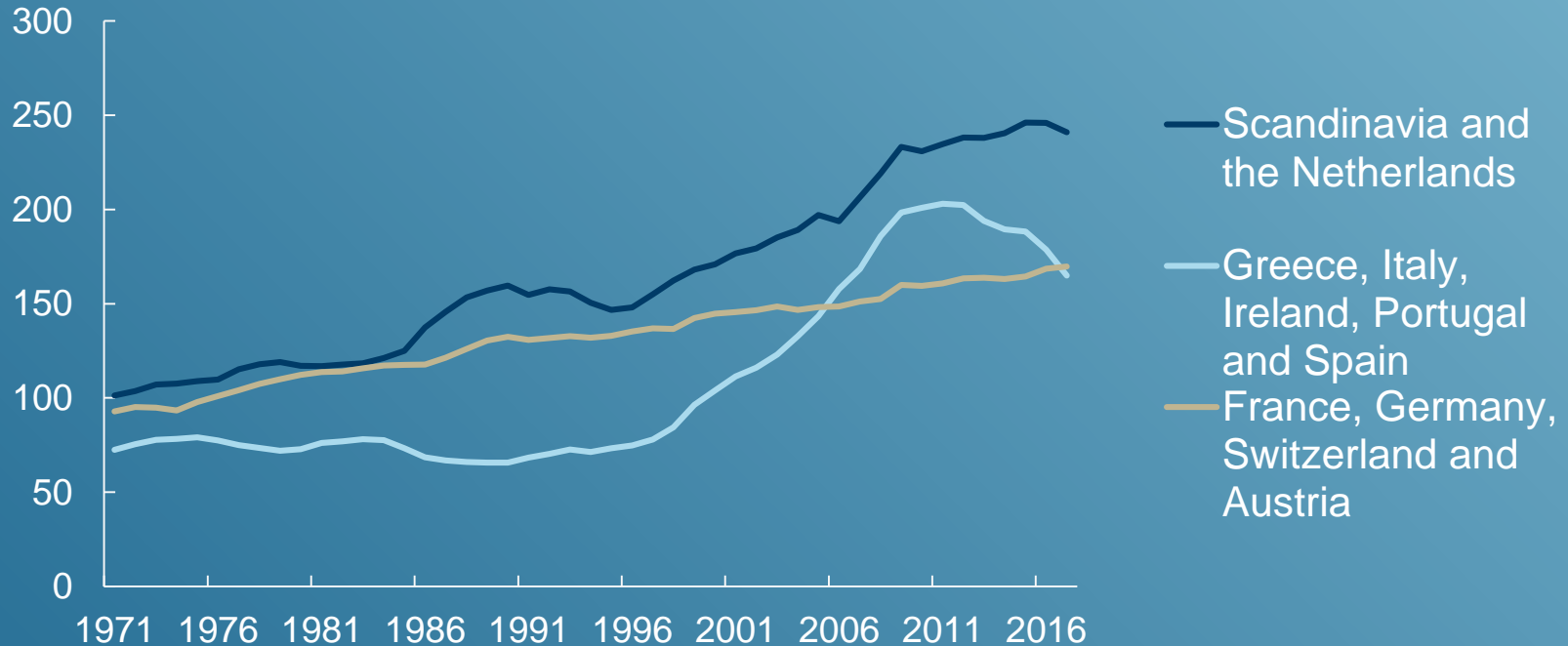
Total debt has barely budged

Western Europe and North America. Percent of GDP



High private debt in Northern Europe

Percent of GDP



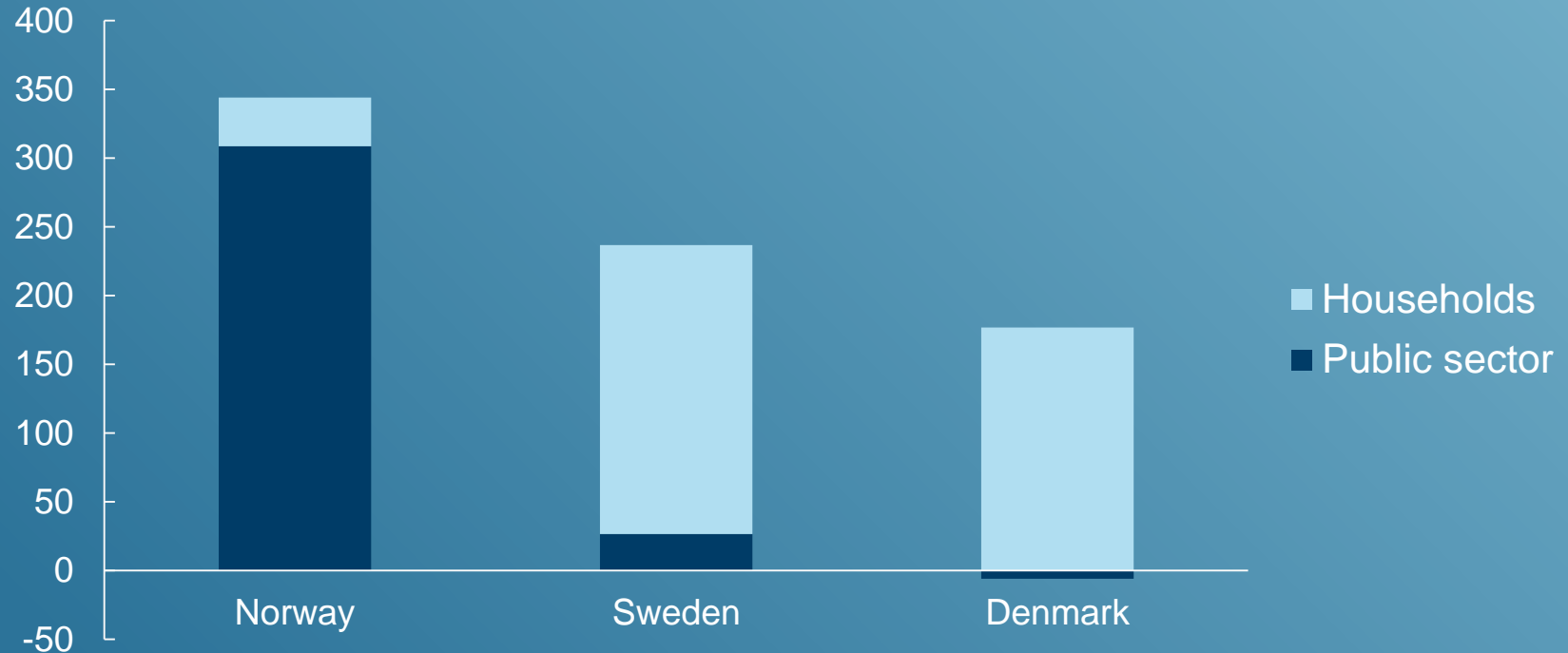
Sources: IMF Global Debt Database and Norges Bank

¹ Unweighted averages for each group



Substantial wealth – different composition

Net financial wealth as a percentage of GDP¹. 2017



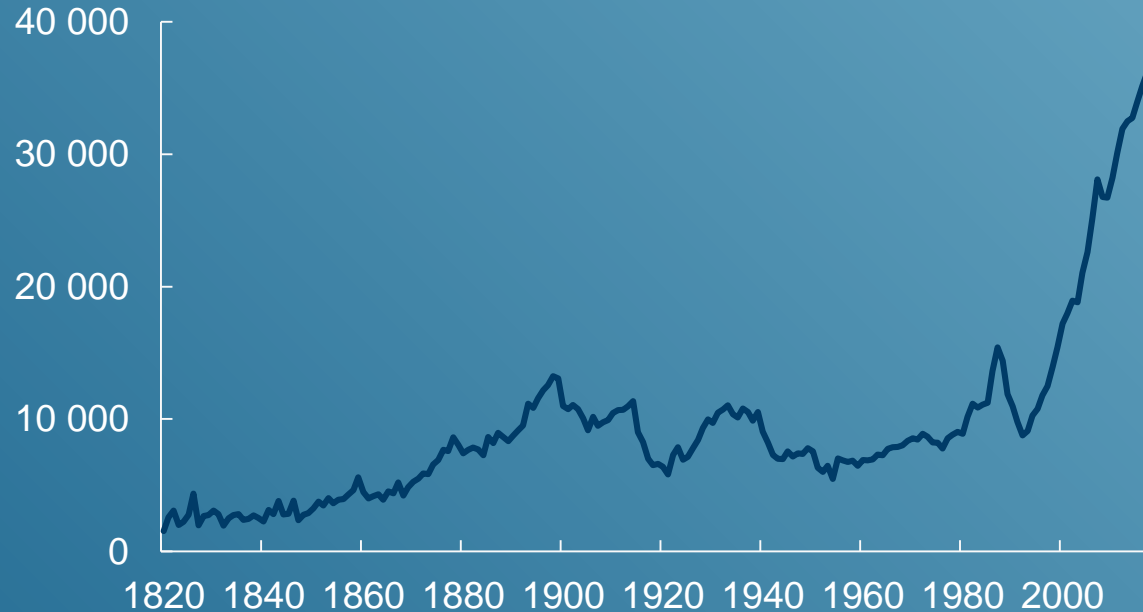
Sources: Statistics Denmark, Statistics Norway, Statistics Sweden and Norges Bank

¹ GDP for Norway overall. Households include non-profit foundations



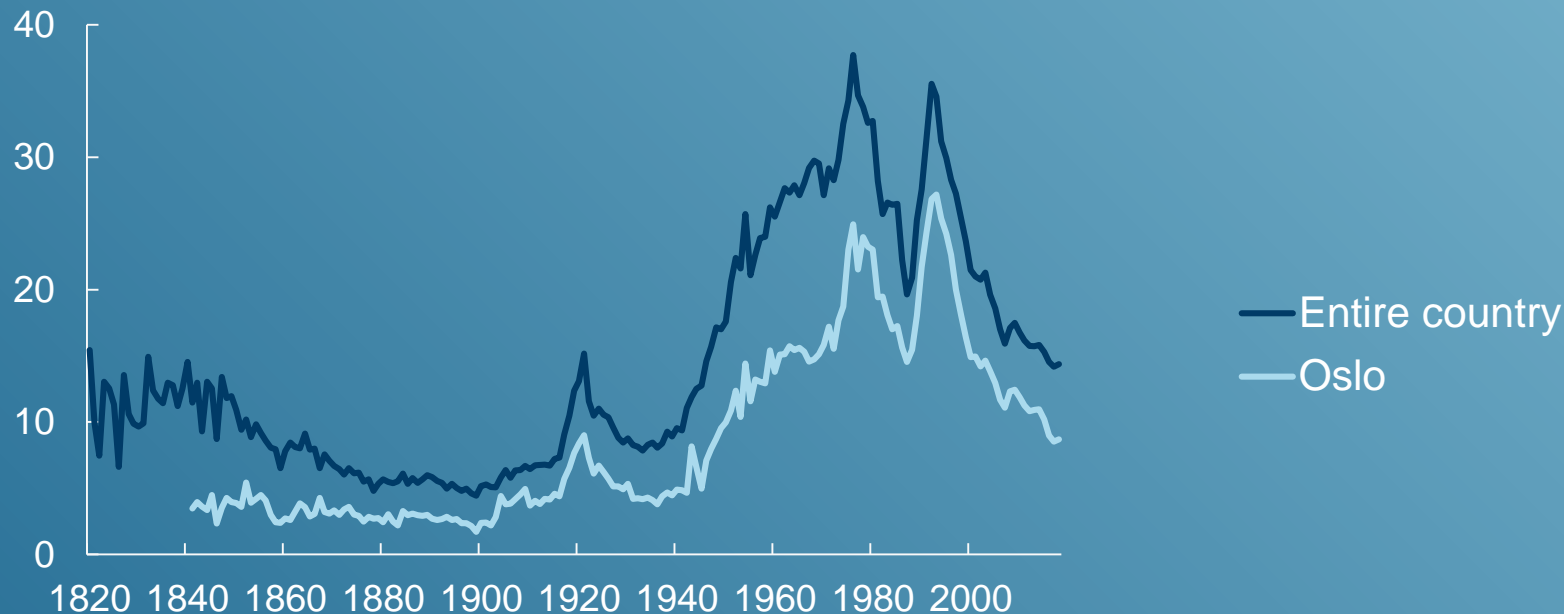
Strong house price inflation

Real price per square metre. National average in 2015 NOK



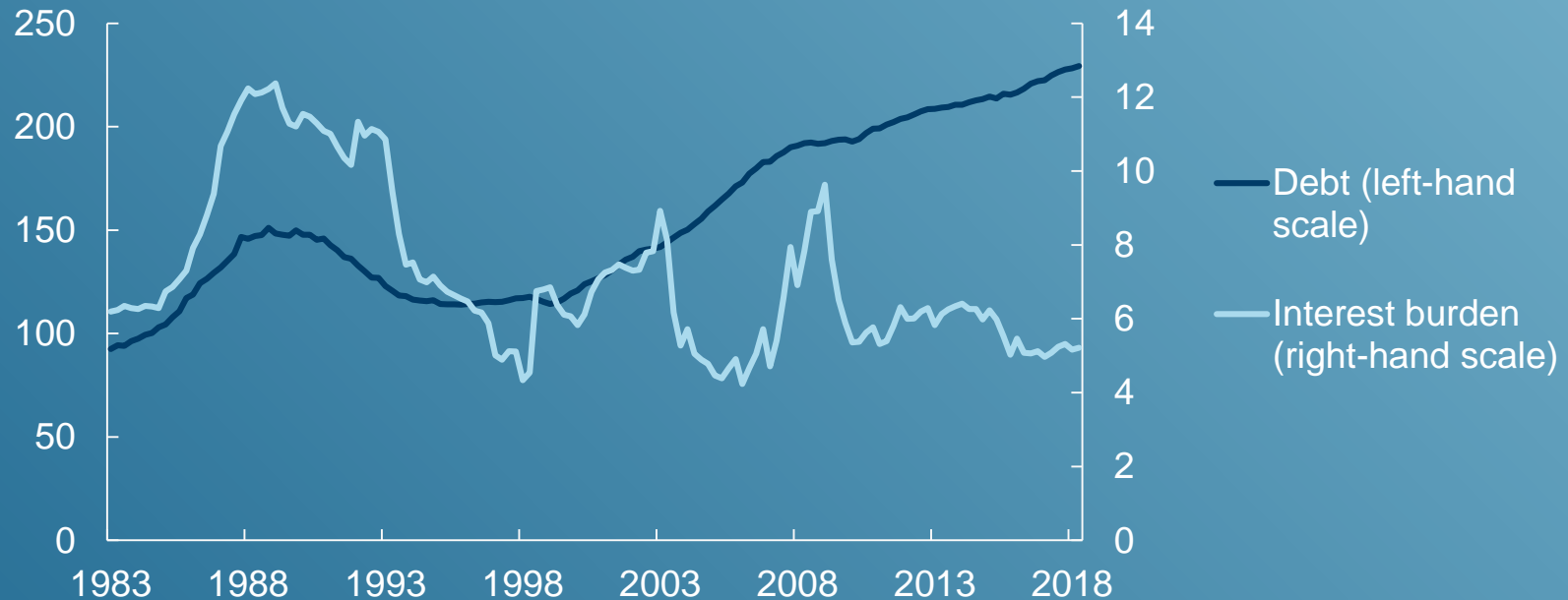
How much housing can an average wage buy?

Number of square metres of housing for an average wage



Higher debt – lower interest burden

Household debt as a percentage of disposable income. Interest expense as a percentage of after-tax income





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