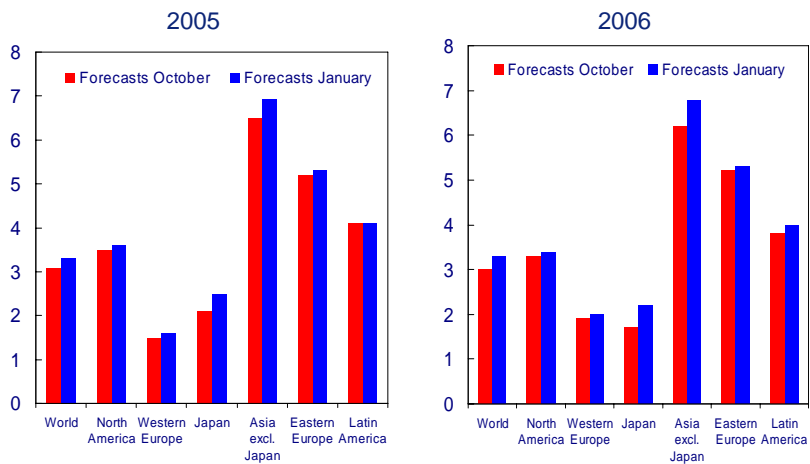


# Executive Board meeting

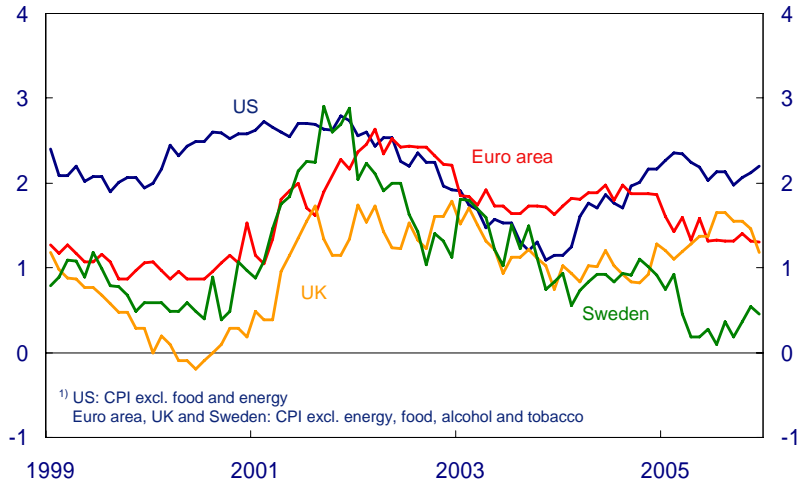
25 January 2006

## Growth forecast Consensus Forecasts



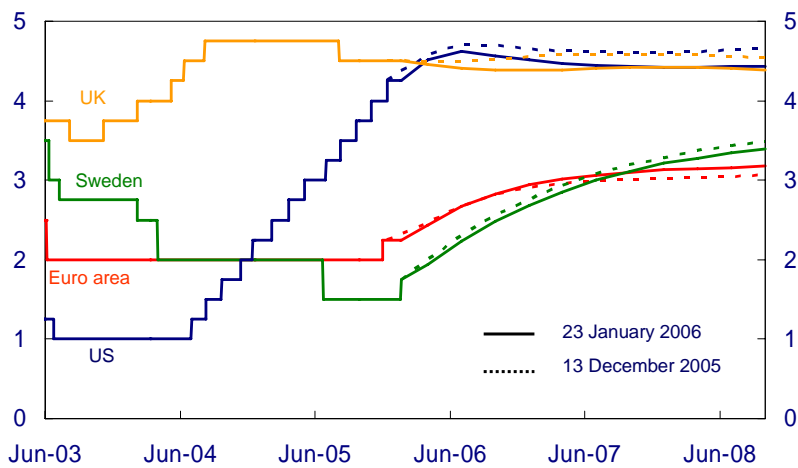
### CPI core<sup>1)</sup>

12-month change. January 1999 – December 2005



Source: EcoWin\ Eurostat

### Actual and expected key rates<sup>1)</sup>

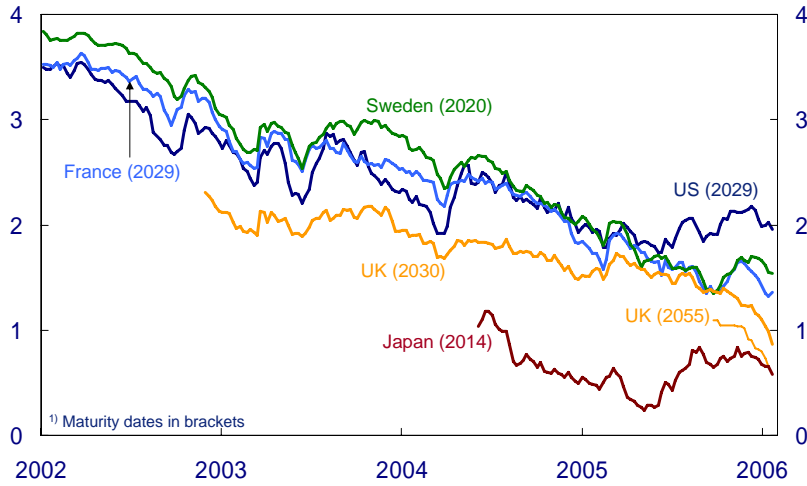


<sup>1)</sup>Not adjusted for credit risk

Sources: Reuters and Norges Bank

### Long-term real interest rates<sup>1)</sup>

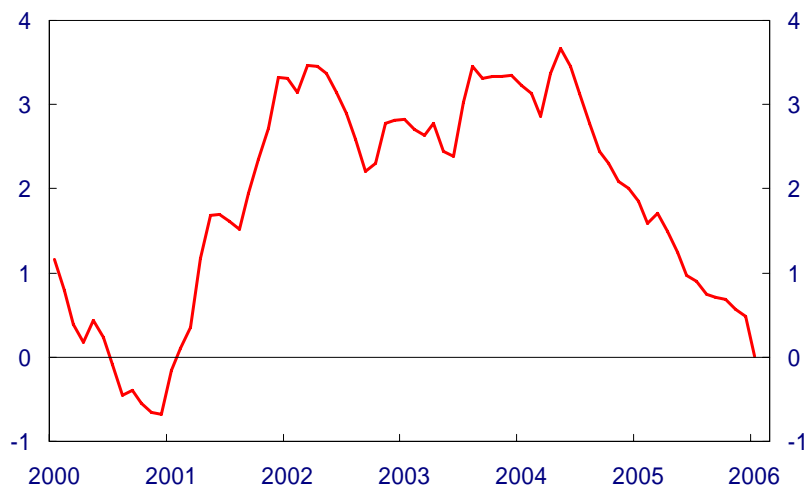
Week 1 2002 – week 3 2006



Source: EcoWin

### Differential between US 10-year and 3-month yields

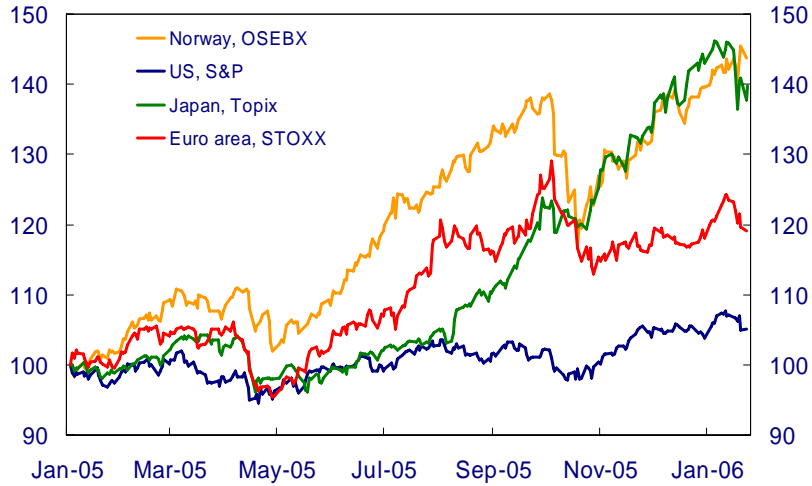
Monthly figures. Per cent



Source: EcoWin

### Developments in international equity indices

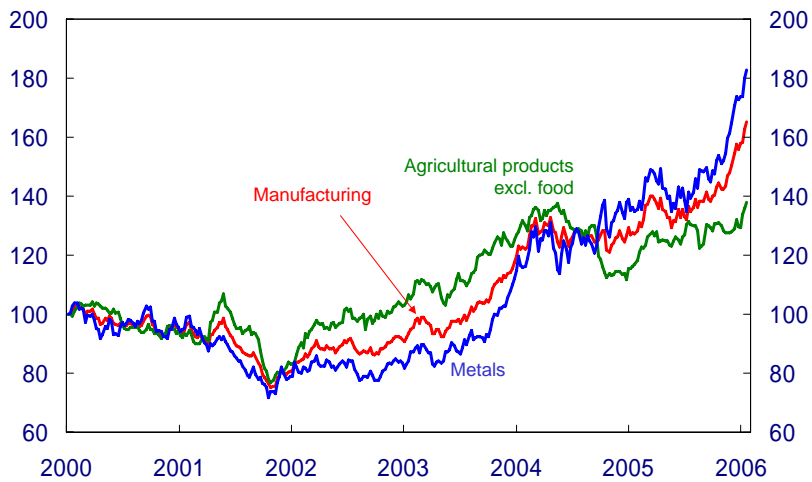
Total return. Indices, 3 January 2005 = 100  
3 January 2005 – 23 January 2006



Source: EcoWin

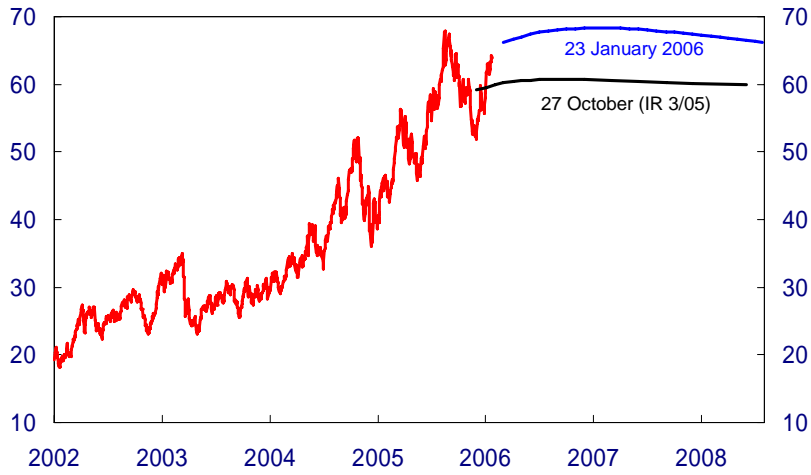
### International commodity prices in USD

Indices, Week 1 2000 = 100. Week 1 2000 – Week 3 2006



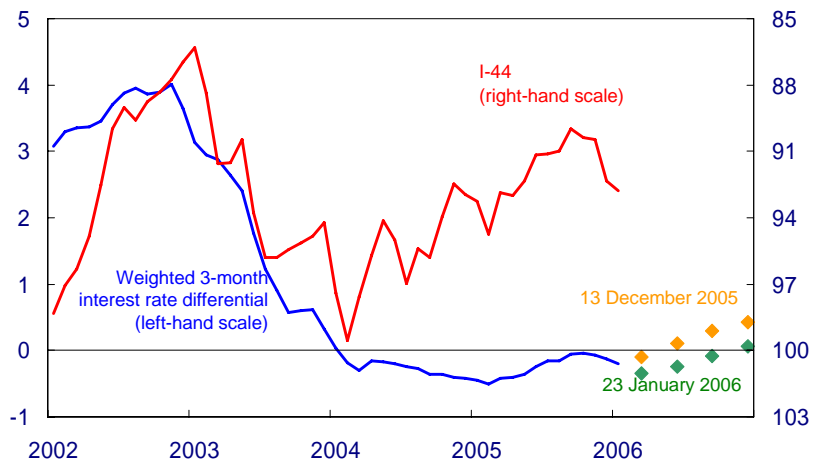
Source: EcoWin / The Economist

### Oil price Brent Blend and futures prices USD per barrel



Sources: Telerate, IPE and Norges Bank 9

### 3-month interest rate differential and import-weighted exchange rate (I-44)<sup>1)</sup> Monthly figures. January 2002 – January 2006

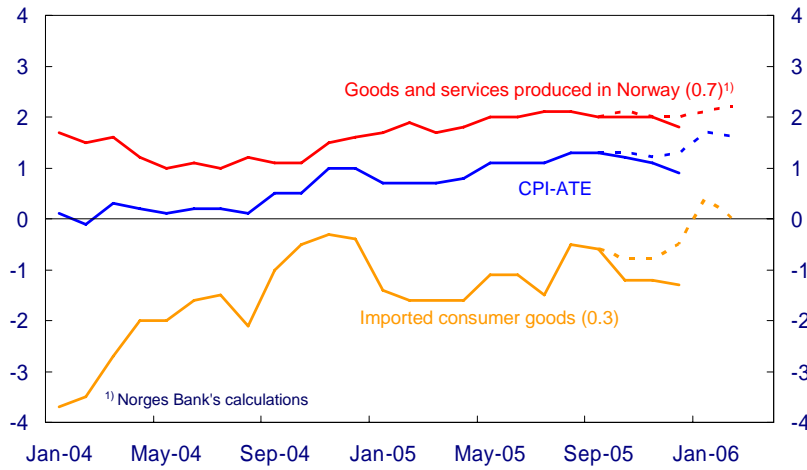


<sup>1)</sup> A rising curve denotes a stronger krone exchange rate

Sources: Bloomberg and Norges Bank 10

### CPI-ATE

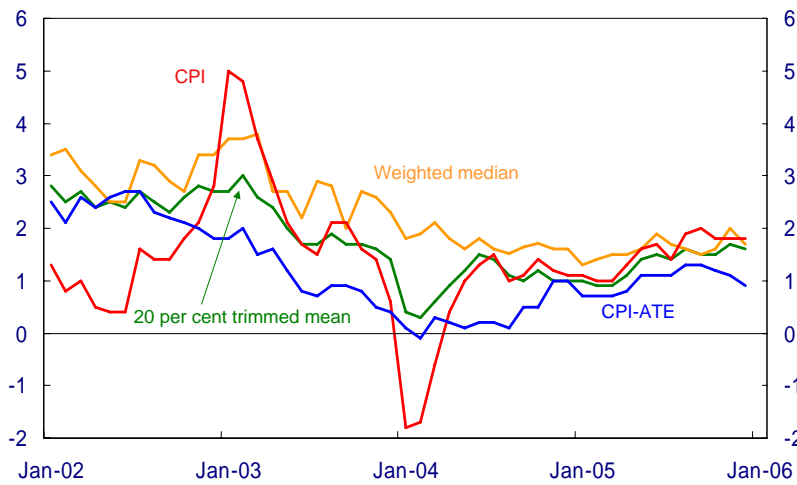
12-month change. Per cent. Broken lines are projections from IR 3/05  
January 2004 – December 2005



Sources: Statistics Norway and Norges Bank 11

### Various inflation indicators

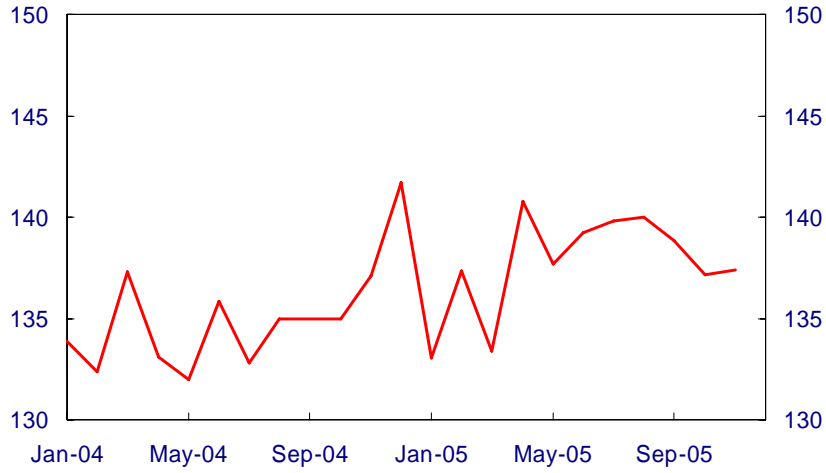
12-month change. Per cent



Source: Statistics Norway 12

### Goods consumption index

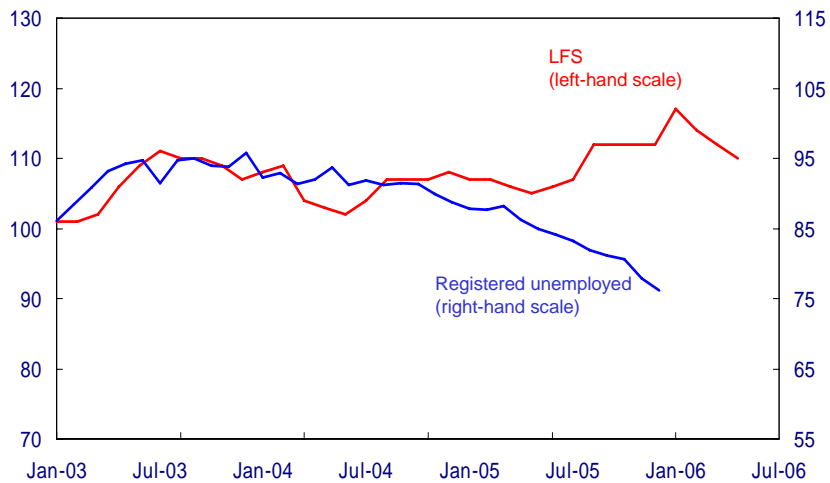
Seasonally adjusted index. January 2004 – November 2005



Sources: Statistics Norway and Norges Bank 13

### Number of unemployed

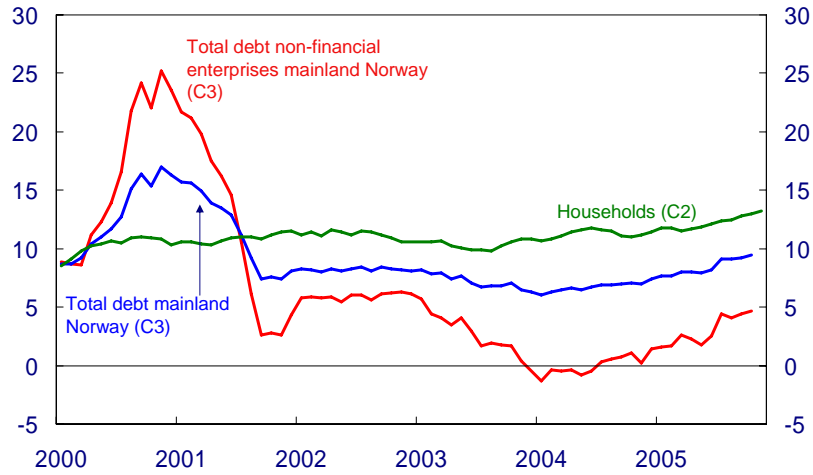
In thousands. Seasonally adjusted



Sources: Directorate of Labour, Statistics Norway and Norges Bank 14

### Credit growth

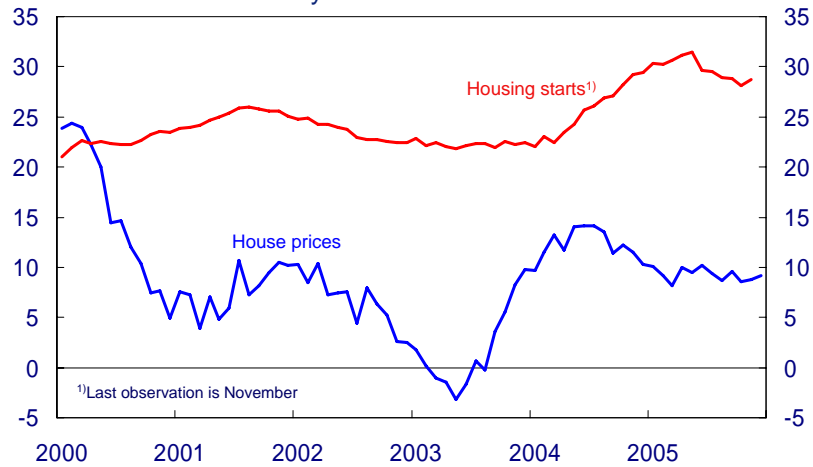
Total debt mainland Norway (C3). Domestic credit to households (C2)  
12-month change. Per cent



Sources: Statistics Norway and Norges Bank 15

### House prices and housing starts

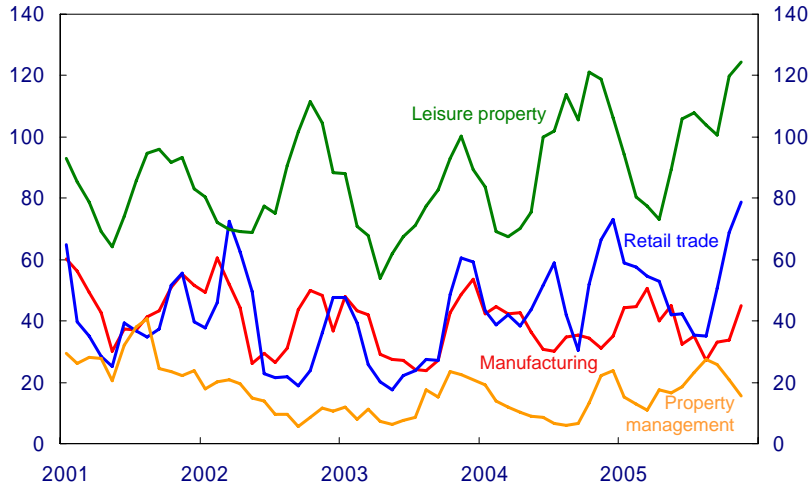
Housing starts measured as total over 12 months. In thousands  
12-month change in house prices. Per cent  
January 2000 – December 2005



Sources: Associations of Norwegian real estate agents (NEF, EFF) and Statistics Norway 16

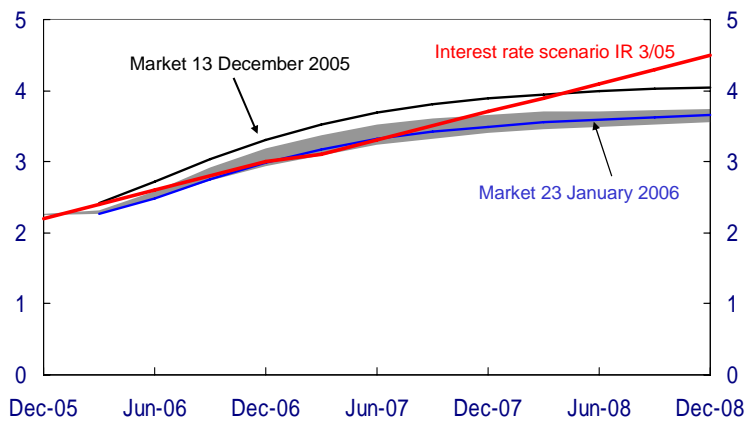


### Non-residential building starts Area (1000 m<sup>2</sup>). 3-month moving average January 2001 – November 2005



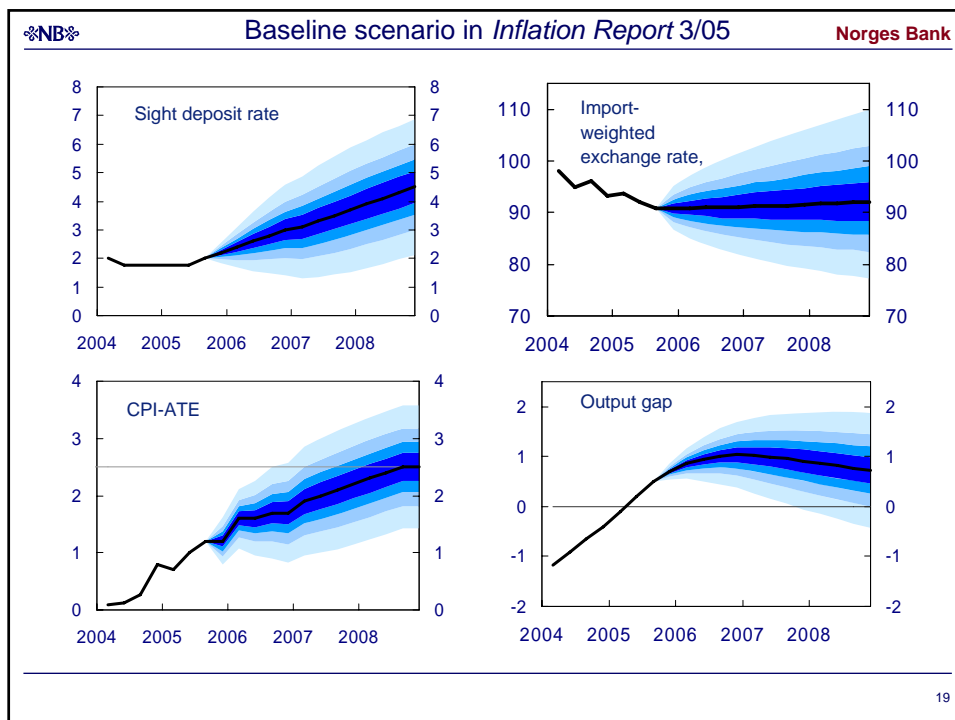
Source: Statistics Norway 17

### Norges Bank's and the market's overnight deposit rate scenario<sup>1)</sup>



<sup>1)</sup>The black and blue lines indicate market participants' interest rate expectations on 13 December 2005 and 23 January 2006 respectively. A credit risk premium and technical difference of 0.20 percentage point were deducted in calculating the sight deposit rate. The grey, shaded interval shows the highest and lowest interest rates in the market's sight deposit rate path in the last 10 days up to 23 January.

Sources: Norges Bank 18



⌘NB⌘ Norges Bank

## Monetary Policy Strategy - Inflation Report 3/05

- "The Executive Board's assessment is that the sight deposit rate should be in the interval 2 - 3 per cent in the period to the publication of the next Inflation Report on 16 March 2006, conditional on economic developments that are broadly in line with the projections."
- The Executive Board's assessment is that the interest rate may gradually, in small, not too frequent steps, be brought back towards a more normal level. The objective of bringing inflation back to target and anchoring inflation expectations nevertheless implies that monetary policy remains expansionary.

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