

## Chapter 3

# Demand and output

## Fiscal policy

### 3.1 Final central government budget for 2003

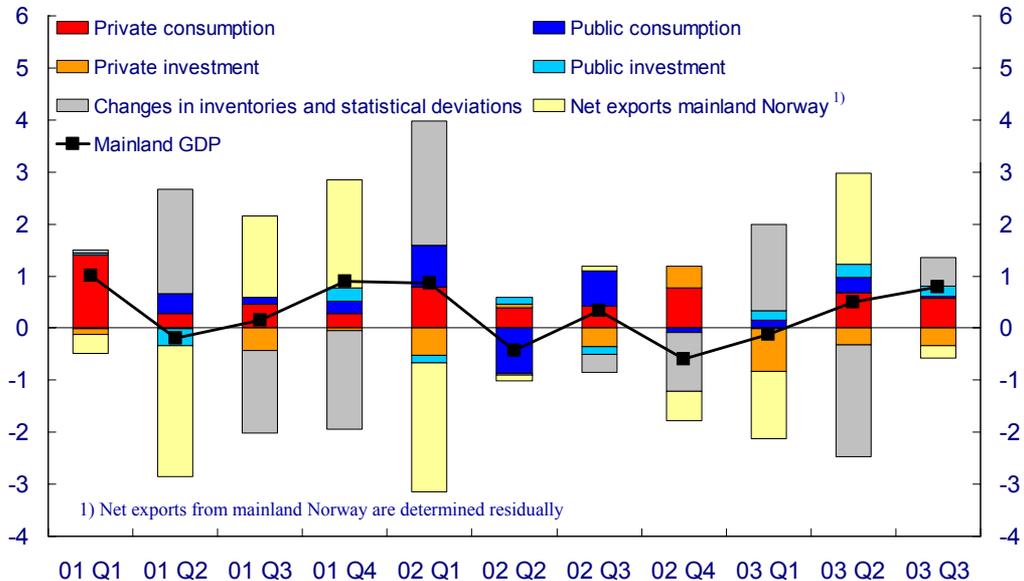
- The structural, non-oil deficit is projected at NOK 44.4 billion
  - NOK 4 billion higher than projected in the National Budget for 2004
  - NOK 6.8 billion higher than projected in the Revised National Budget for 2003
- This is due to:
  - Projection for general tax revenues is approximately NOK 2 billion lower
  - Spending is a little more than NOK 2 billion higher (national insurance and national health enterprises)
- Underlying, real growth in central government spending is projected at 0.4 per cent from the 2002 accounts to the final budget for 2003, 0.3 percentage point higher than projected in the National Budget for 2004

### 3.2 The budget agreement between the Government and the Labour Party concerning the central government budget for 2004

- Increased spending
  - Municipalities receive NOK 2.2 billion more
  - Approximately NOK 1.5 billion has been allocated to measures designed to increase employment
  - Just under NOK 1 billion is being used to reduce user fees on medicines and doctor's visits and to strengthen the financial position of hospitals.
- To be covered by:
  - A number of small spending cuts totaling NOK 1.5 billion, and NOK 1.4 billion less allocated to miscellaneous expenditure
  - The remainder (NOK 1.7 billion) will be covered by increased revenues, including property sales and increased dividends from state-owned enterprises.

# Quarterly national accounts Q3

## 3.3 Quarterly change in mainland GDP Contribution to growth in volume. Per cent. Seasonally adjusted



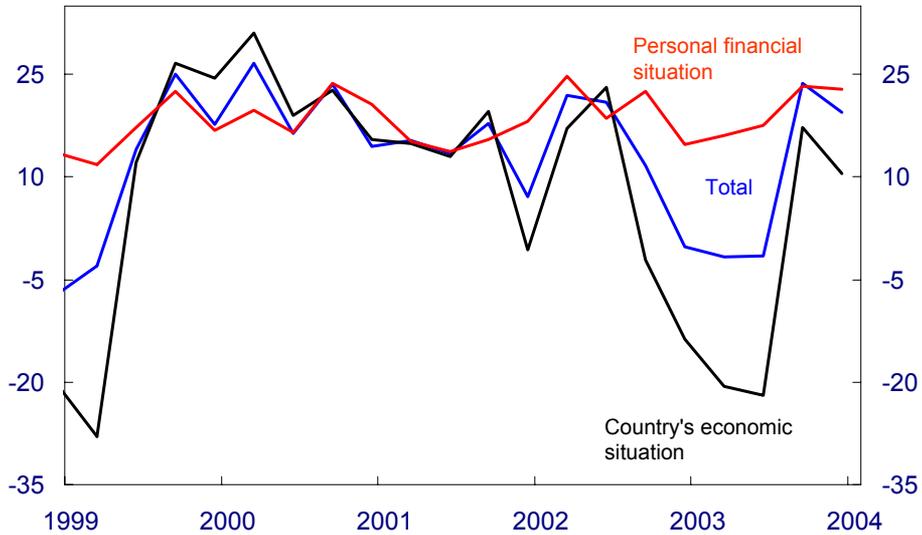
### 3.4 The national accounts

	Growth from Q2 to Q3, seas. adj.	Growth from Q1-Q3 2002 to Q1-3 2003	Overhang with zero growth for rest of year	Projections IR 2/03	What must growth be in Q4
Private consumption	1.0	3.0	2.9	3¼	1.5
Public consumption	0.1	1.7	1.7	1	-2.7
Mainland gross investment	-1.0	-4.0	-4.1	-5	-4
Exports trad. goods	0.6	-0.4	0.8	1	0.8
Total imports	-1.5	1.8	1.2	2	3.1
Mainland GDP	0.8	0.0	0.3	¼ <sup>1)</sup>	-0.1

<sup>1)</sup> Adjusted for electricity production

## Households

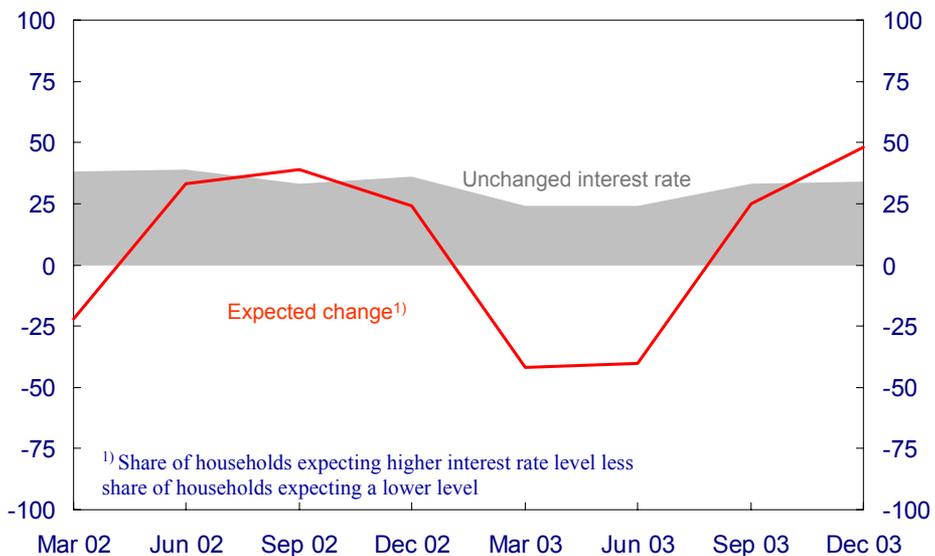
### 3.6 Consumer confidence indicator Unadjusted figures



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Sources: Technical Reporting Committee on Income Settlements and Norges Bank

### 3.7 Expected interest rate in 12 months Households



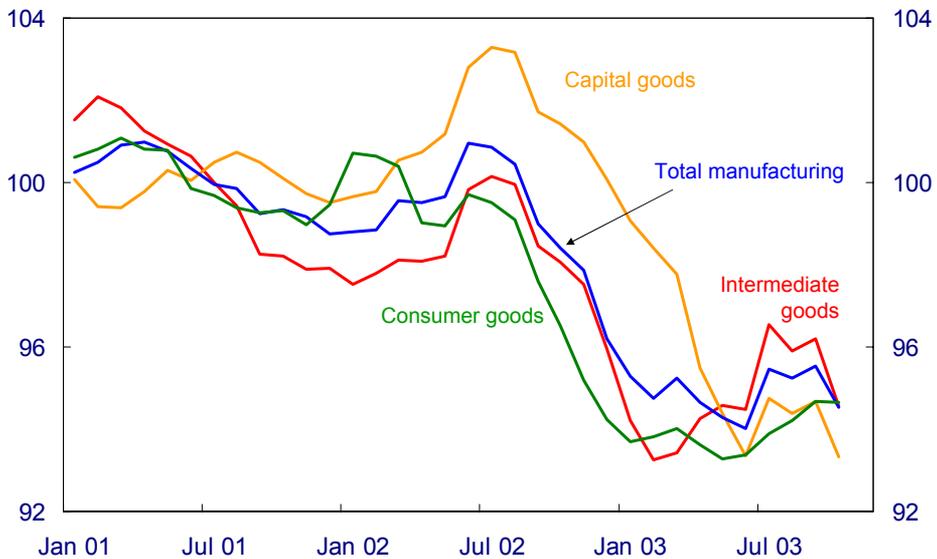
<sup>1)</sup> Share of households expecting higher interest rate level less share of households expecting a lower level

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Sources: TNS Gallup and Norges Bank

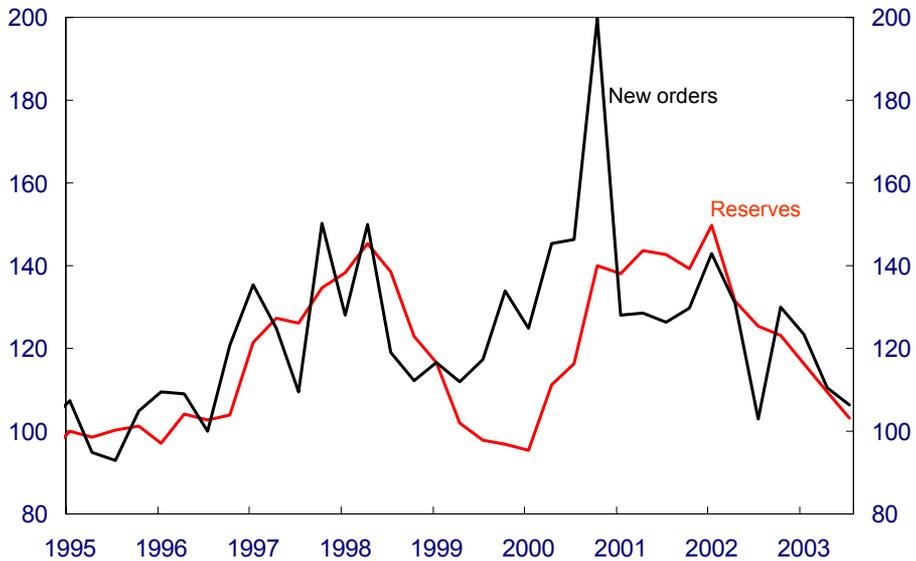
# Enterprise sector

## 3.8 Production index for manufacturing by goods sector 2001 = 100. Seasonally adjusted, 3-month moving average



### 3.9 Order statistics for manufacturing

Index. 1995 = 100. Quarterly figures

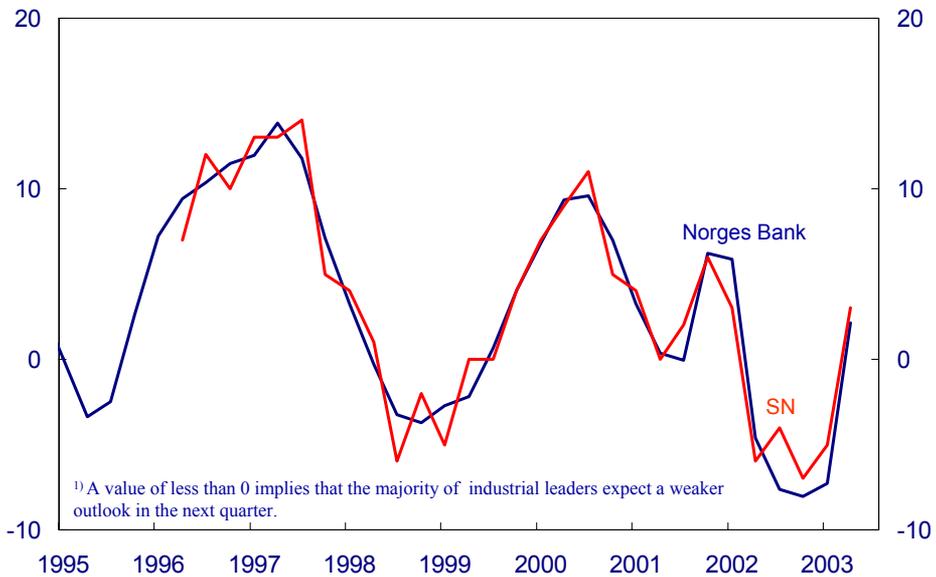


### 3.10 Order reserves in construction

Percentage increase on same quarter previous year. Value



### 3.11 Business confidence indicators for manufacturing Seasonally adjusted diffusion index <sup>1)</sup>



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Sources: Statistics Norway and Norges Bank

### 3.12 Business sector economic barometer (Confederation of Norwegian Business and Industry)

Accounting statistics companies > 5 employees

Survey companies > 10 employees

#### All companies excluding oil and energy

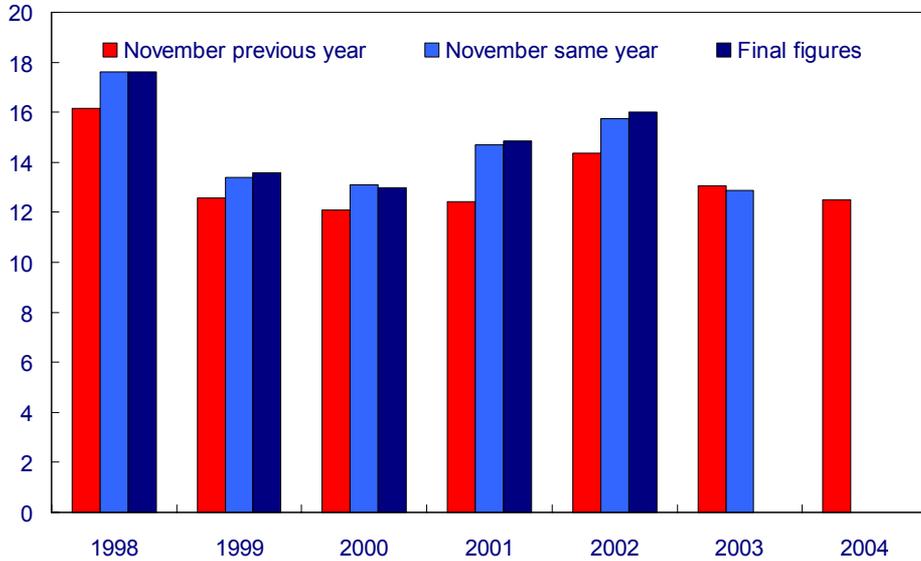
	2000	2001	2002	First half of 2003	First half of 2003
Number of enterprises	5547	5547	5547	1250	1250
Turnover <sup>1)</sup>	n.a.	4.8	-1.0	0.6	2.8
Operating margin	4.6	3.6	3.1	2.8	3.5
Net profit ratio	4.4	3.3	2.8	2.5	3.1

<sup>1)</sup> Percentage change on same period previous year

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### 3.13 Investment intentions survey from Statistics Norway Manufacturing

Assumed and actual investment. In billions of NOK



### 3.14 Investment intentions survey from Statistics Norway Petroleum activities

Assumed and actual investment. In billions of NOK

