

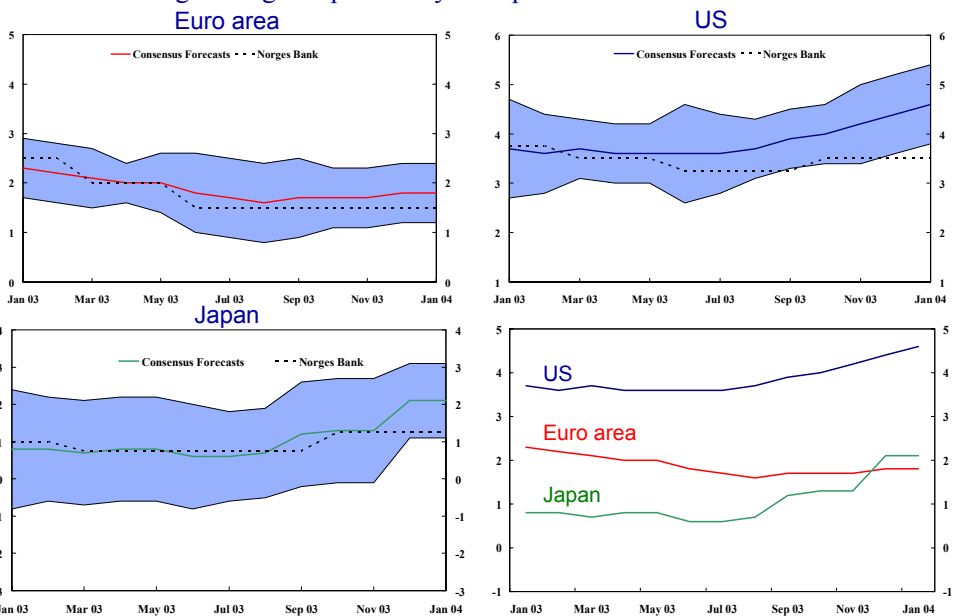
Chapter 1

International economy

Executive Board January 2004

1.1 GDP forecasts for 2004 and the forecast spread

Percentage change on previous year. Spread in CF forecasts shaded¹⁾



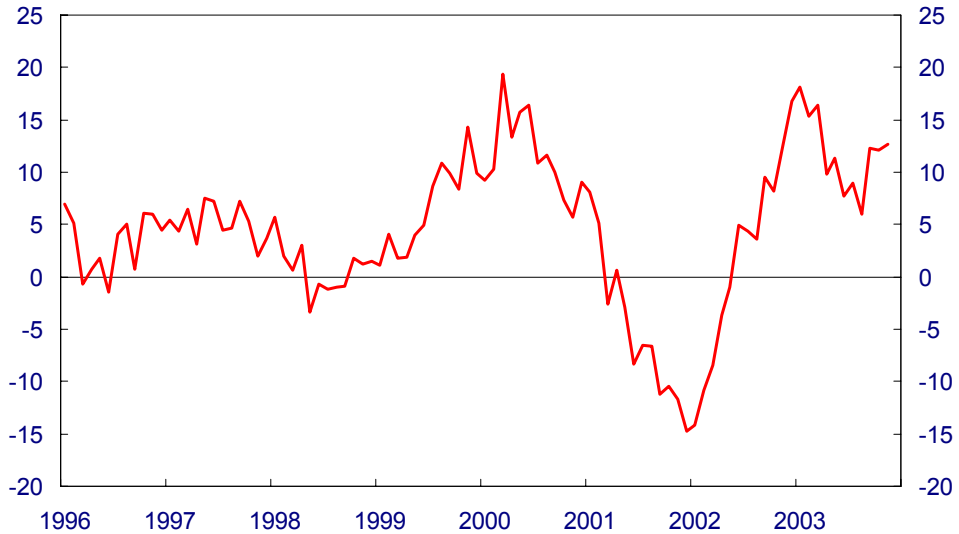
¹⁾ 2*standard deviation

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Sources: Consensus Forecasts and Norges Bank

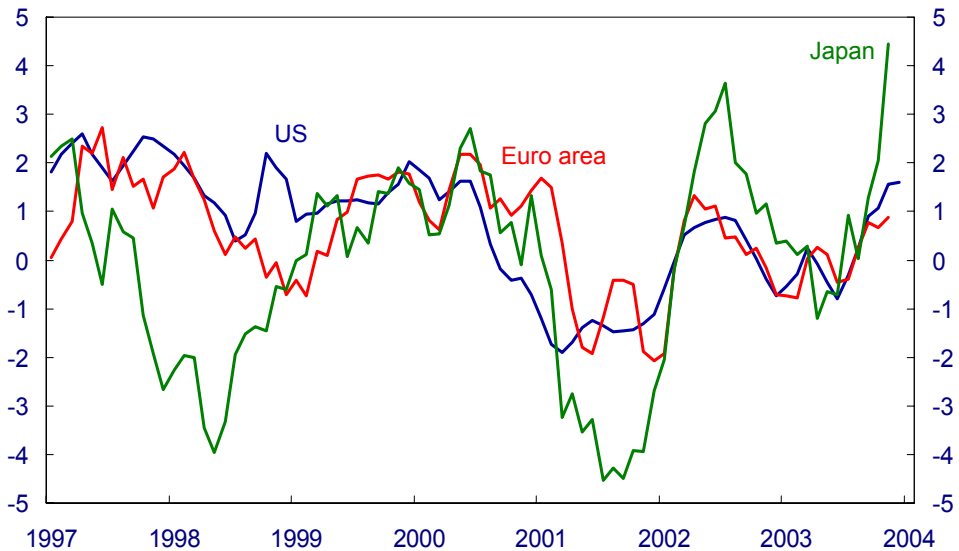
1.2 Global trade indicator

Sum of exports and imports for the US, Japan and Germany in USD.
Monthly figures. Annual percentage change

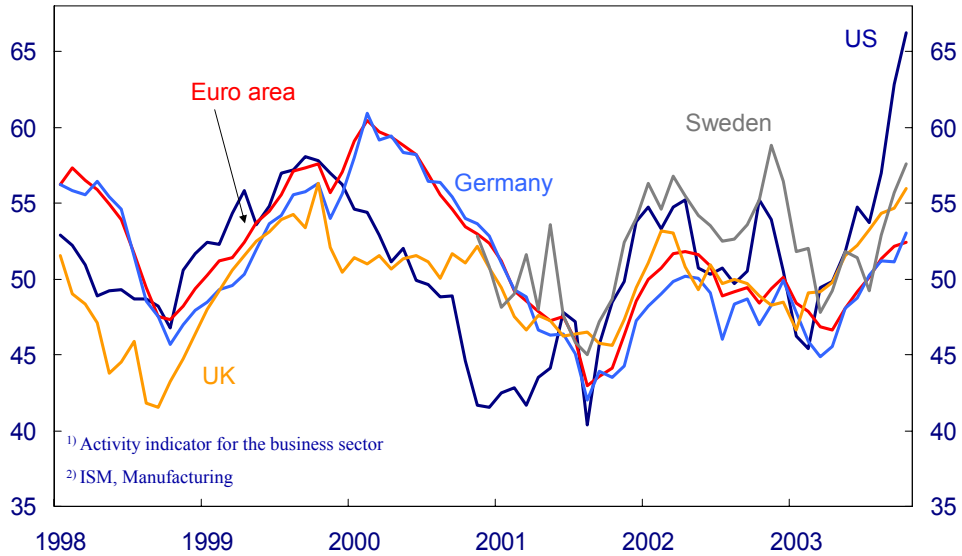


1.3 Industrial output in the US, Japan and the euro area

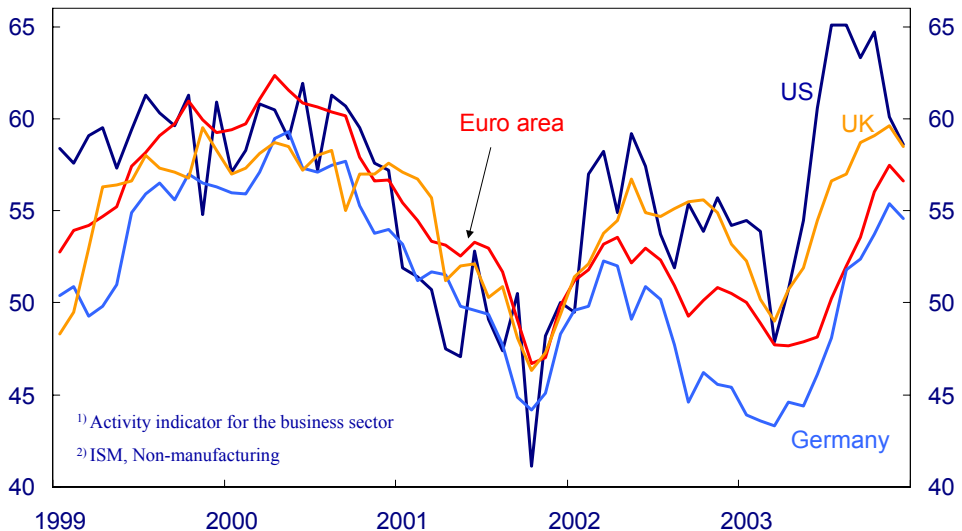
Percentage change on 3 months earlier.
3-month moving average. Seasonally adjusted. Volume



1.4 PMI¹⁾ industry for the US²⁾, the euro area, Germany, Sweden and the UK. Seasonally adjusted. Monthly figures



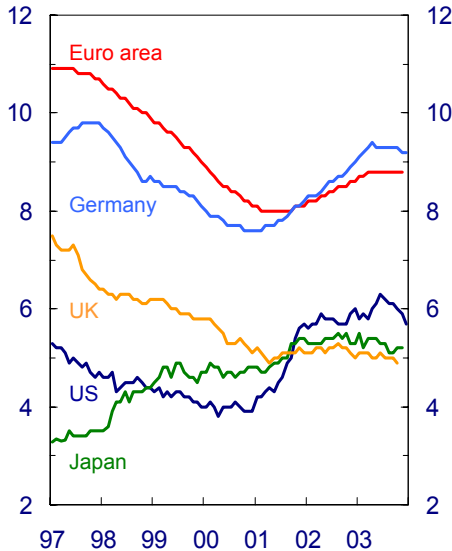
1.5 PMI¹⁾ services for the US²⁾, the euro area, Germany and the UK Seasonally adjusted. Monthly figures



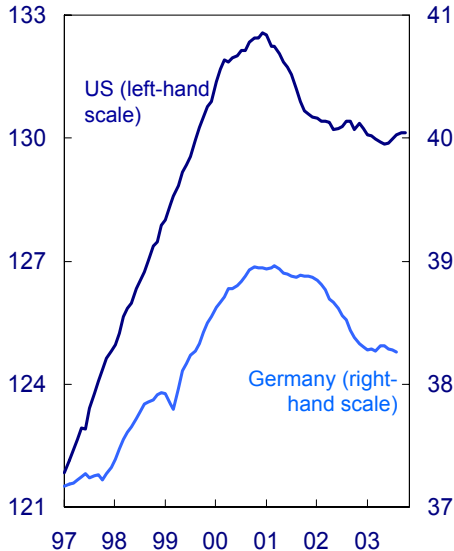
1.6 Unemployment and employment

Seasonally adjusted

a. Unemployment as a share of the labour force

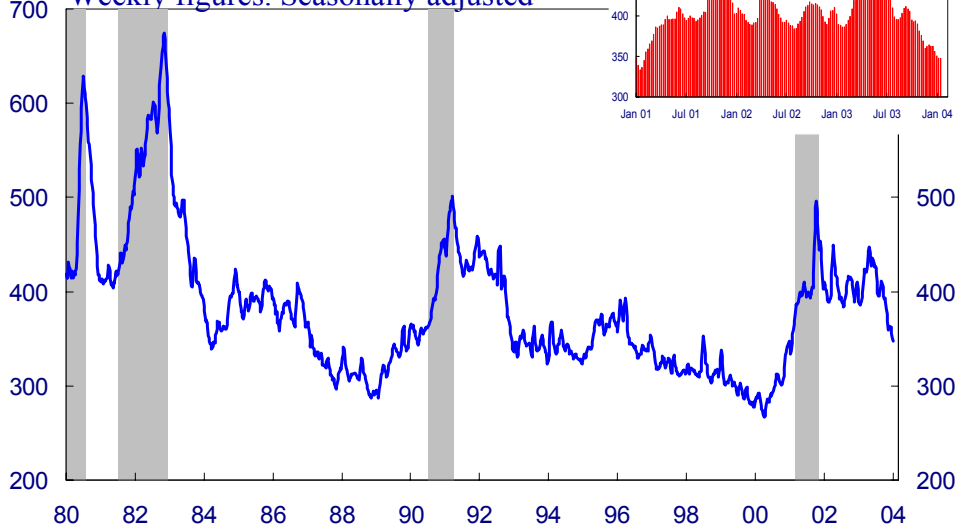


b. Employment in millions

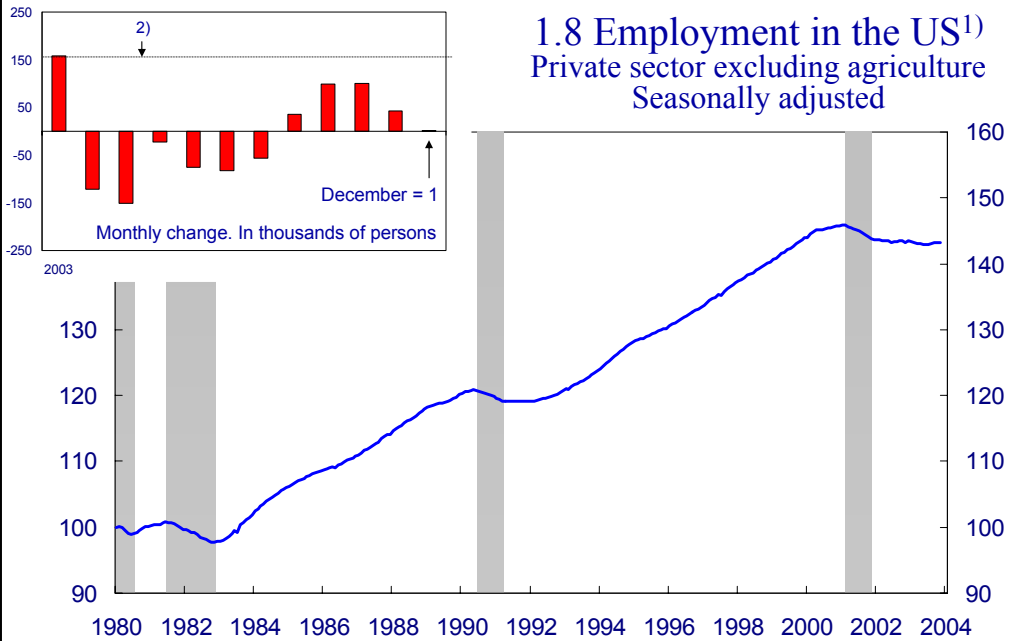


1.7 New applicants for unemployment benefits in the US¹⁾

In thousands. 4-week moving average.
Weekly figures. Seasonally adjusted

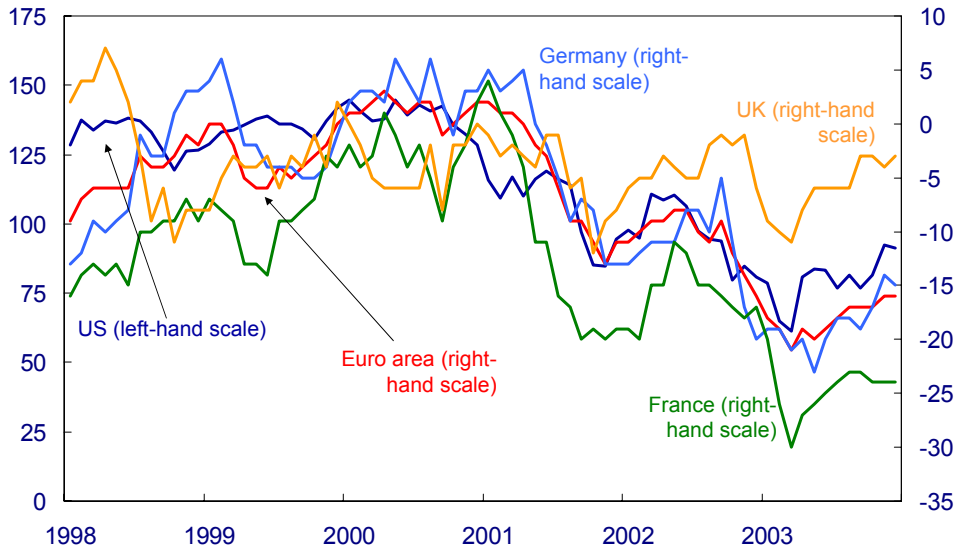


¹⁾ Grey columns mark recessions



- 1) Index. January 1980 = 100. Grey columns mark recessions
- 2) Employment growth necessary to compensate for trend growth in the labour force

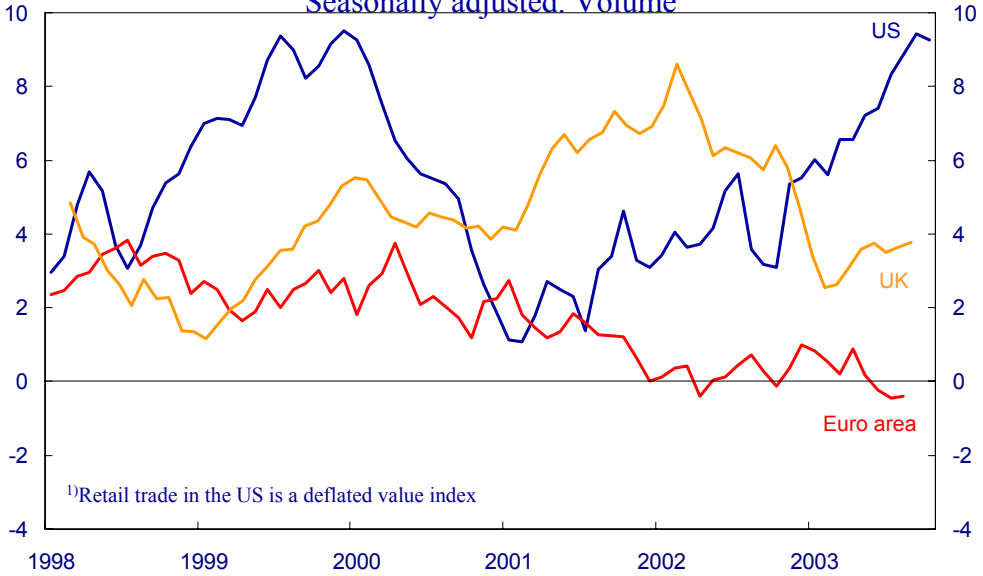
1.9 Consumer confidence indicators in the US, Germany, France, the euro area and the UK Seasonally adjusted diffusion index. Monthly figures



1.10a Retail trade

in the US¹⁾, the euro area and the UK

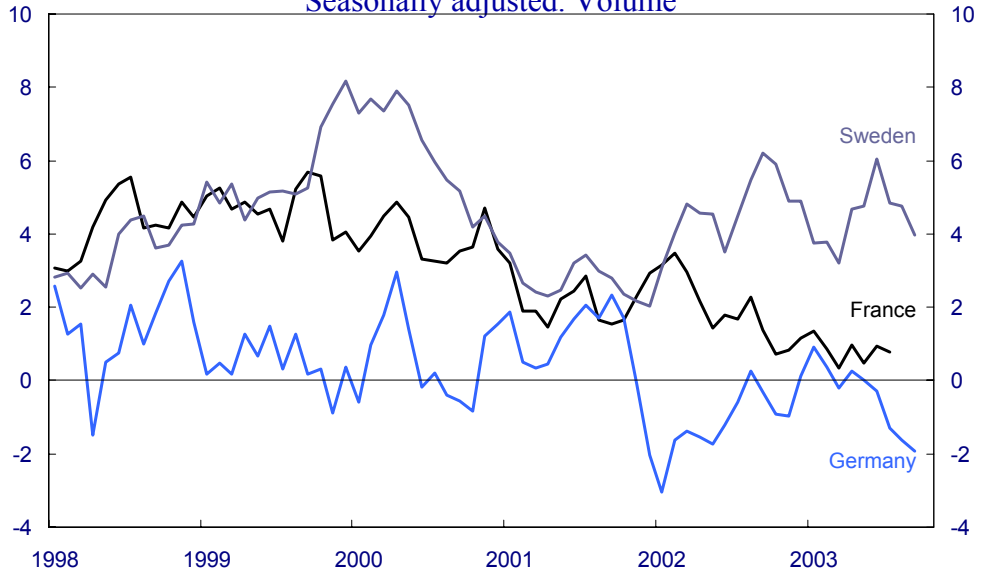
Percentage change on same month previous year. 3-month moving average.
Seasonally adjusted. Volume



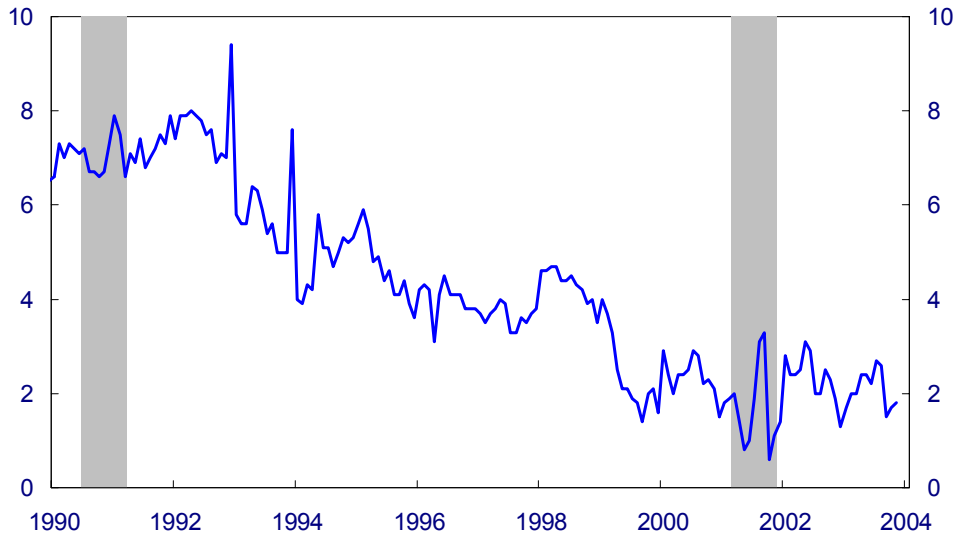
1.10b Retail trade

in Germany, France and Sweden

Percentage change on same month previous year. 3-month moving average.
Seasonally adjusted. Volume



1.11 Saving ratio in the US¹⁾ Monthly figures Seasonally adjusted



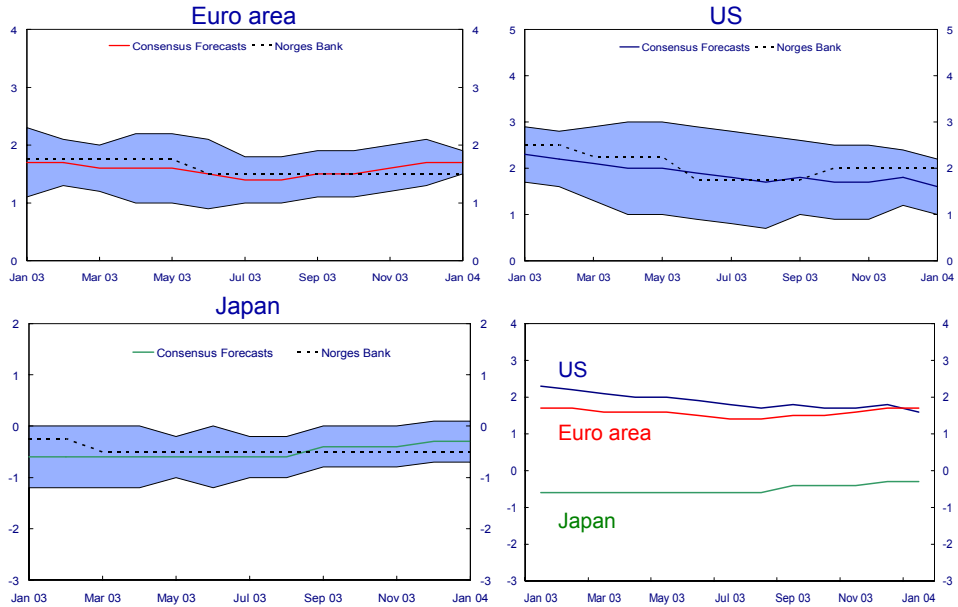
¹⁾ Grey columns mark recessions

Sources: EcoWin / FED and NBER

The global inflation picture

1.12 CPI forecasts for 2004 and the forecast spread

Percentage change on previous year. Spread in CF forecasts shaded¹⁾



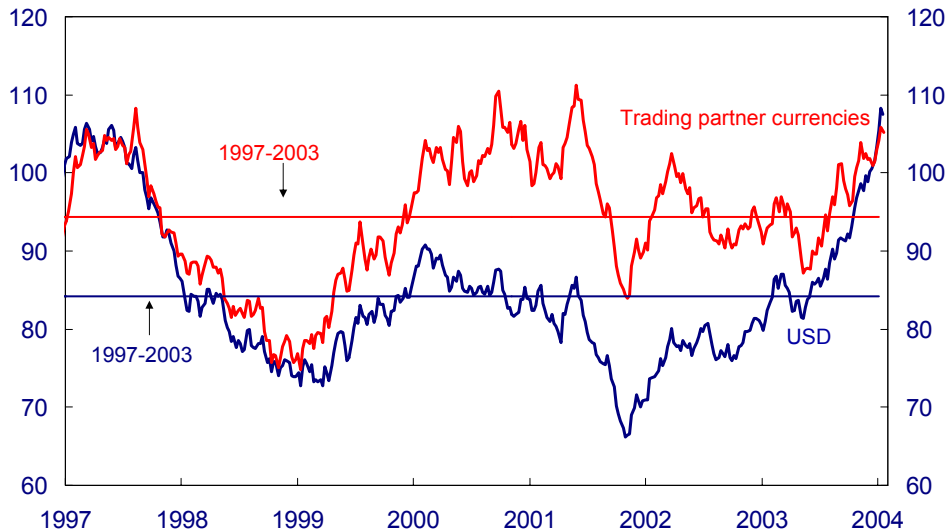
1) $2 \times$ standard deviation

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Sources: Consensus Forecasts and Norges Bank

1.13 International commodity prices

Index. 1997=100

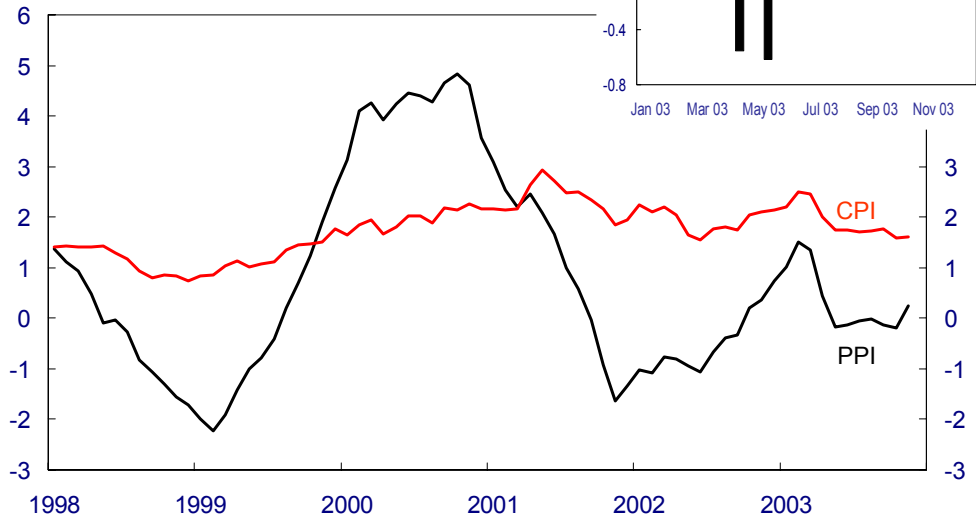


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Sources: EcoWin, Norges Bank and The Economist

1.14 Consumer and producer prices

Trading partners. Percentage change on same month previous year



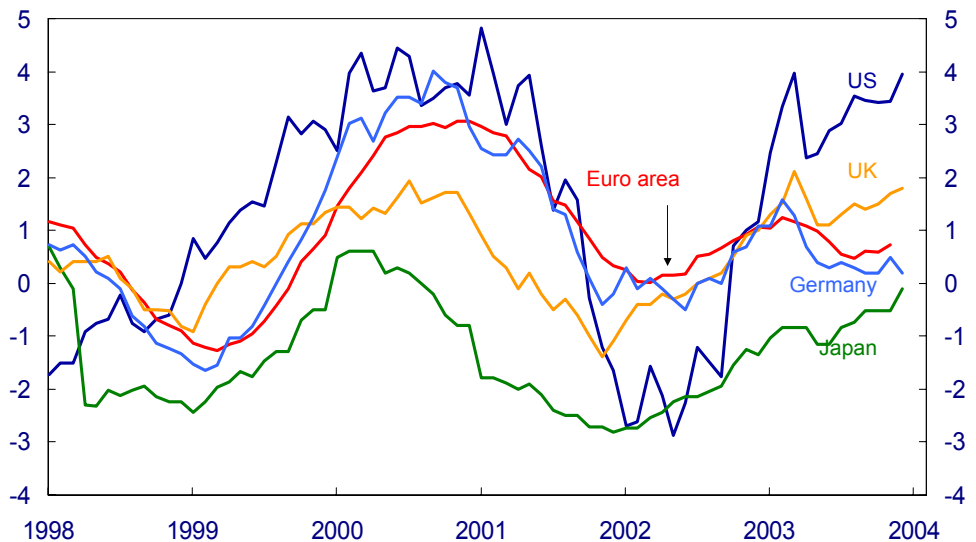
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Sources: EcoWin and Norges Bank

1.15 Producer prices

in the US¹, the euro area, Germany, the UK and Japan

Percentage change on same month previous year

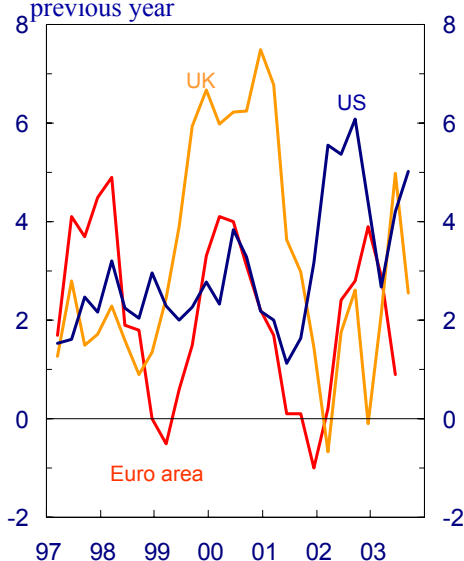


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Sources: EcoWin / National statistics

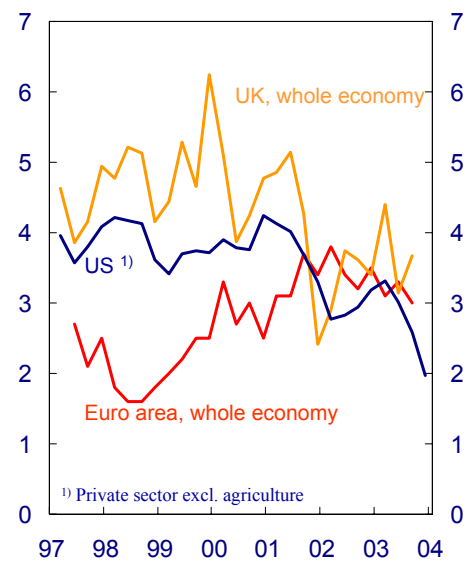
1.16a. Labour productivity, manufacturing

Percentage change on same quarter previous year



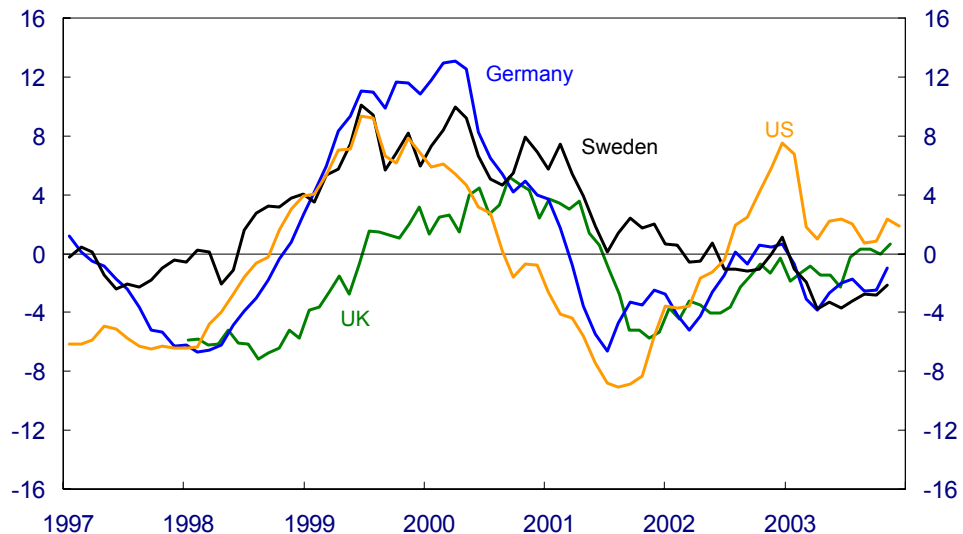
1.16b. Wage growth

Percentage change on same quarter previous year

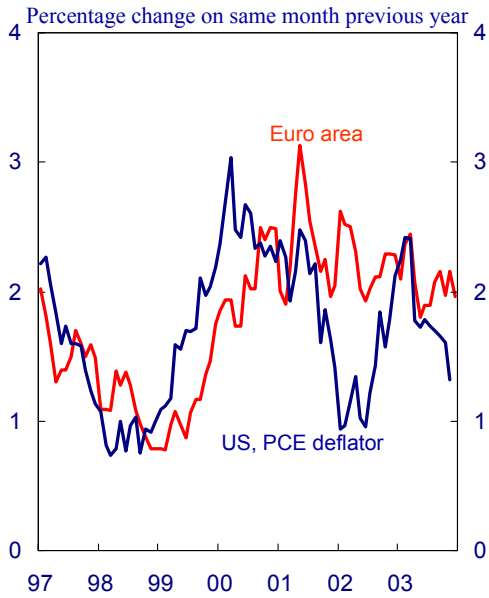


1.17 Price index for all imported goods in Germany, Sweden and the UK

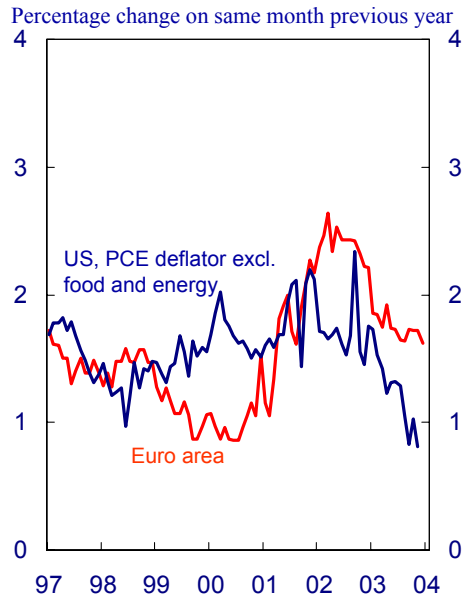
Percentage rise on same month previous year



1.18a CPI in the US and the euro area



1.18b Core inflation in the US and the euro area



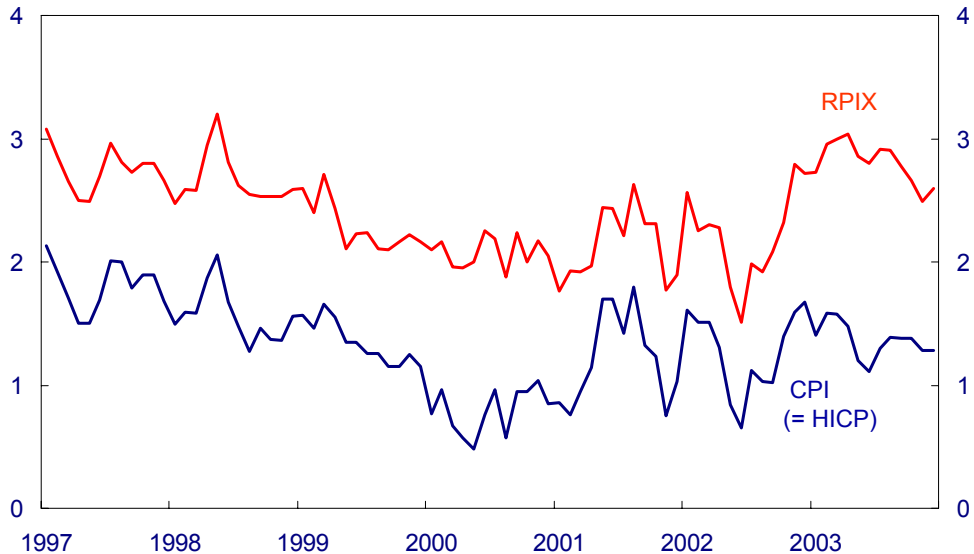
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Sources: Bureau of Labor Statistics, Eurostat and Office for National Statistics

1.19 Consumer prices in the UK

New (CPI) and old (RPIX) target variable

Percentage change on same month previous year

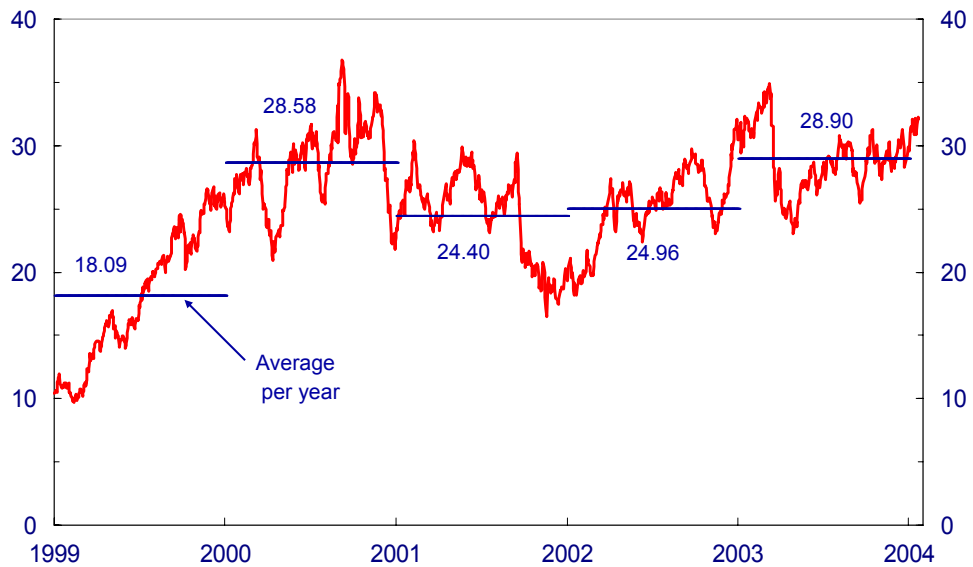


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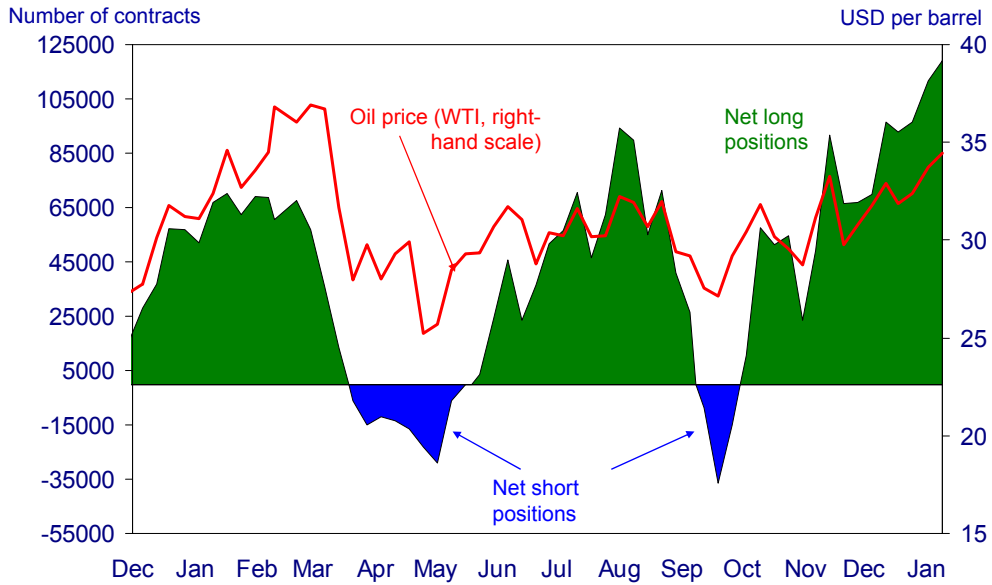
Sources: EUR-OP / EUROSTAT and Office for National Statistics

Oil

1.20 Oil price Daily figures and yearly average in USD per barrel (Brent Blend)

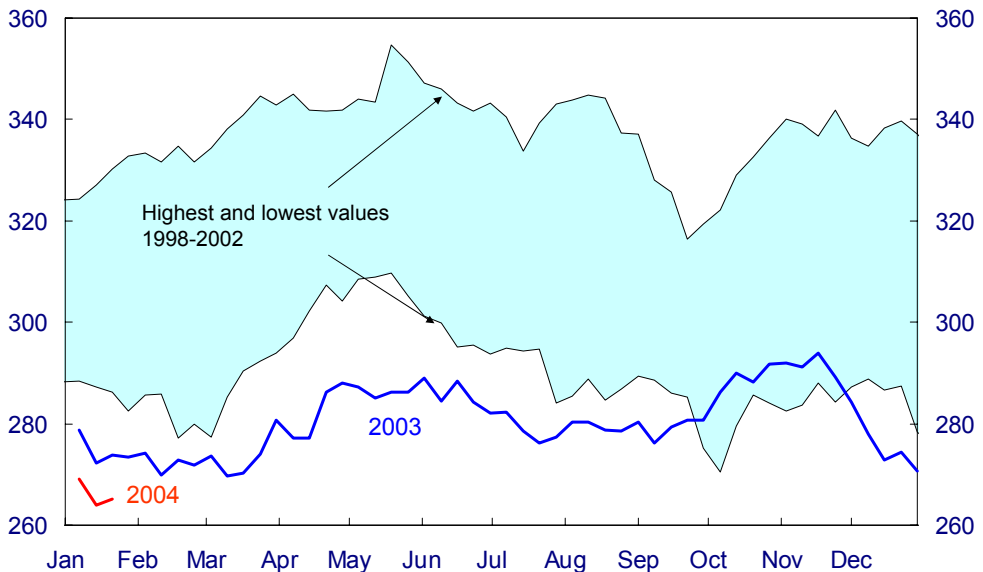


1.21 Non-commercial traders' net positions in the WTI¹⁾ futures and options market since December 2002



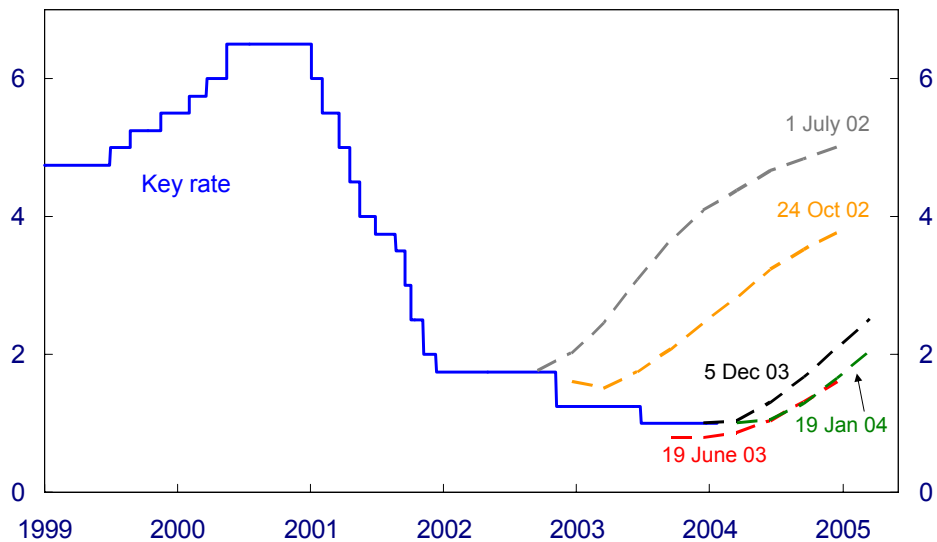
¹⁾ West Texas Intermediate, reference price for crude oil in the US

1.22 Stocks of crude oil in the US In million barrels. Weekly figures

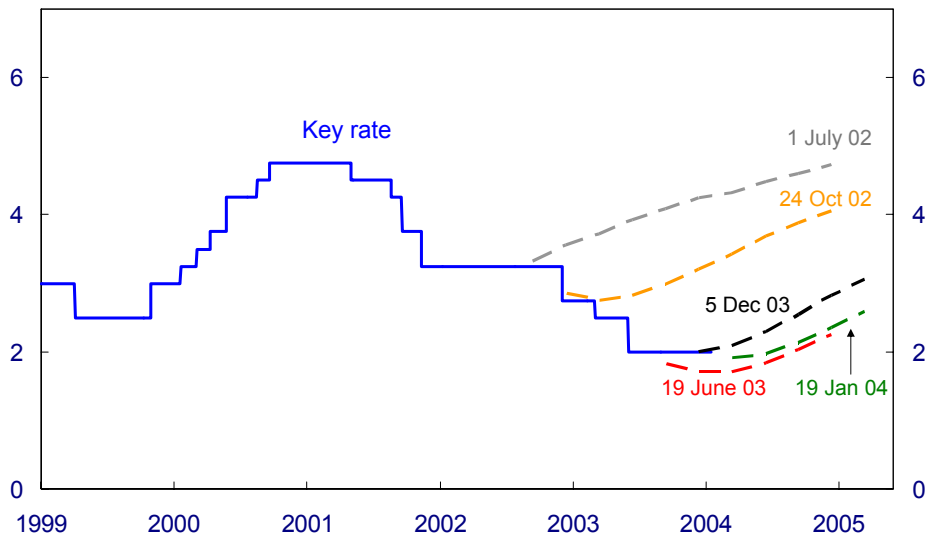


Interest rate expectations

1.23 Interest rate expectations in the US Actual developments and expected federal funds rate



1.24 Interest rate expectations in the euro area Actual developments and expected key rate



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Source: Norges Bank

1.25 Key rates and expected change in selected countries

	Key rate	Change since 01.01.03	Change since Executive Board meeting 17.12.03	Expected level in 3 mos (MAR.04)	12 mos ¹⁾ (DEC.04)
US	1.00	-0.25	None	1	1 ¼
	Towards zero				
Japan	2.00	0	None	0	0
Euro area	2.00	-0.75	None	2	2 ¼
UK	3.75	-0.25	None	4	4 ½
Sweden	2.75	-1.00	None	2 ½	3
Denmark	2.00	-0.75	None	2	2 ¼
Switzerland	0.00-0.75	-0.50	None	n.a.	n.a.
Iceland	5.30	-0.50	None	n.a.	n.a.
Canada	2.50	-0.25	-0,25	2 ¼	2 ½
Australia	5.25	+0.50	None	5 ½	5 ¾
New Zealand	5.00	-0.75	None	5 ¼	5 ¾

¹⁾ Not adjusted for any maturity premium

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Sources: Reuters, Bloomberg and Norges Bank