

Appendix 1

Baseline macroeconomic and inflation forecast 2007/2

Table 1 Macroeconomic forecast

	B.kr.	Volume change on previous year (%) unless otherwise stated ¹			
		Forecast			
	2006	2006	2007	2008	2009
<i>GDP and its main components¹</i>					
Private consumption	686.5	4.6 (4.6)	1.0 (0.2)	-3.2 (-4.1)	-5.3 (-5.7)
Public consumption	280.7	2.9 (2.9)	3.0 (3.0)	3.0 (3.0)	3.0 (3.0)
Gross fixed capital formation	365.6	13.0 (13.0)	-25.6 (-22.4)	-15.8 (-22.7)	-8.9 (-5.8)
Business sector investment	255.6	13.8 (13.8)	-37.7 (-30.8)	-30.2 (-38.9)	-14.1 (-10.8)
Residential construction	74.8	17.2 (17.2)	1.2 (-4.6)	-9.2 (-8.9)	-9.9 (-8.7)
Public works and buildings	35.2	0.8 (0.8)	5.9 (-2.1)	37.7 (39.7)	4.5 (9.6)
National expenditure	1,346.1	7.4 (7.4)	-6.2 (-5.6)	-4.6 (-6.9)	-4.3 (-3.8)
Exports of goods and services	372.2	-5.6 (-5.6)	12.0 (9.6)	9.5 (16.7)	5.5 (4.5)
Imports of goods and services	576.5	8.8 (8.8)	-9.0 (-10.4)	-4.9 (-5.1)	-2.1 (-2.3)
Gross domestic product	1,141.7	2.6 (2.6)	0.2 (0.8)	0.8 (0.7)	-1.4 (-1.0)
<i>Other key aggregates</i>					
Current account balance (% of GDP)		-26.9 (-26.7)	-15.4 (-15.7)	-11.5 (-11.4)	-8.8 (-11.3)
Current account balance (% of GDP)		3.3 (3.2)	0.4 (1.0)	-0.7 (0.3)	-3.4 (-2.0)
Unit labour cost (change between annual averages in %)		8.9 (8.9)	7.8 (6.8)	3.4 (3.9)	3.5 (3.8)
Real earnings (change between annual averages in %)		6.5 (6.5)	5.0 (4.7)	-2.2 (-2.8)	-1.5 (-3.1)
Unemployment (% of labour force)		1.3 (1.3)	1.5 (2.0)	3.0 (3.5)	4.3 (4.8)
<i>Policy rate and exchange rate</i>					
Central Bank policy interest rate (%)		11.9 (11.9)	13.3 (13.2)	12.4 (11.3)	7.3 (6.8)
Foreign exchange index (Dec. 31. 1991 = 100)		121.4 (121.4)	117.4 (121.0)	119.5 (120.8)	127.9 (125.4)

1. Figures in parentheses show forecast in *Monetary Bulletin* 2007/1.

Table 2 Inflation forecast

Quarter	Change on same period of previous year (%)		Annualised quarterly change (%)
	Forecast MB 2007/2	Forecast MB 2007/1	
	Measured value		Forecast MB 2007/2
2006:1	4.5	4.5	4.5
2006:2	7.5	7.5	14.3
2006:3	8.0	8.0	7.5
2006:4	7.1	7.1	2.3
2007:1	6.5	6.4	2.0
	Forecast value		
2007:2	4.4	3.5	5.9
2007:3	3.7	2.0	4.6
2007:4	3.6	1.7	1.9
2008:1	3.7	2.0	2.4
2008:2	3.2	2.4	3.9
2008:3	2.8	2.3	3.0
2008:4	2.7	2.4	1.5
2009:1	2.6	2.6	2.2
2009:2	2.5	2.7	3.4
2009:3	2.3	2.6	2.1
2009:4	2.2	2.5	1.1
2010:1	2.3	.	2.6
<i>Change year-on-year</i>	Forecast MB 2007/2	Forecast MB 2007/1	
2006	6.8	6.8	
2007	4.5	3.4	
2008	3.1	2.3	
2009	2.4	2.6	