

Appendix 1

Baseline macroeconomic and inflation forecast 2007/3

Table 1 Macroeconomic forecast

	B.kr.	Volume change on previous year (%) unless otherwise stated ¹				
		Forecast				
	2006	2006	2007	2008	2009	2010
<i>GDP and its main components</i>						
Private consumption	685.6	4.4 (4.6)	3.6 (1.0)	-1.7 (-3.2)	-6.5 (-5.3)	-1.5
Public consumption	285.4	3.9 (2.9)	3.2 (3.0)	3.4 (3.0)	3.0 (3.0)	3.0
Gross fixed capital formation	388.0	19.8 (13.0)	-19.5 (-25.6)	-15.3 (-15.8)	-11.4 (-8.9)	11.5
Business sector investment	271.0	20.0 (13.8)	-30.7 (-37.7)	-28.3 (-30.2)	-22.7 (-14.1)	24.4
Residential construction	75.2	17.8 (17.2)	9.5 (1.2)	1.9 (-9.2)	-4.3 (-9.9)	-3.0
Public works and buildings	41.9	22.3 (0.8)	2.0 (5.9)	14.0 (37.7)	10.5 (4.5)	4.7
National expenditure	1,372.5	9.2 (7.4)	-3.4 (-6.2)	-3.7 (-4.6)	-5.7 (-4.3)	2.2
Exports of goods and services	374.0	-5.1 (-5.6)	4.2 (12.0)	14.1 (9.5)	5.0 (5.5)	5.2
Imports of goods and services	583.6	10.1 (8.8)	-8.6 (-9.0)	-0.1 (-4.9)	-4.9 (-2.1)	4.6
Gross domestic product	1,162.9	4.2 (2.6)	0.9 (0.2)	0.4 (0.8)	-2.0 (-1.4)	2.3
<i>Other key aggregates</i>						
Current account balance (% of GDP)		-25.5 (-26.9)	-18.0 (-15.4)	-14.4 (-11.5)	-10.5 (-8.8)	-10.0
Output gap (% of potential GDP)		4.1 (3.3)	1.9 (0.4)	-0.3 (-0.7)	-4.1 (-3.4)	-3.4
Unit labour costs (change between annual averages in %)		9.4 (8.9)	8.3 (7.8)	4.2 (3.4)	2.0 (3.5)	2.5
Real disposable income (change between annual averages in %)		6.0 (5.1)	5.6 (5.0)	-2.8 (-2.2)	-2.8 (-1.5)	0.7
Unemployment (% of labour force)		1.3 (1.3)	1.1 (1.5)	2.7 (3.0)	4.2 (4.3)	4.0
<i>Policy rate and exchange rate</i>						
Central Bank policy interest rate (%)		11.9 (11.9)	13.3 (13.3)	13.3 (12.4)	6.7 (7.3)	4.1
Foreign exchange index (Dec. 31. 1991 = 100)		121.4 (121.4)	118.0 (117.4)	118.8 (119.5)	127.3 (127.9)	135.8

1. Figures in parentheses show forecast in Monetary Bulletin 2007/2.

Table 2 Inflation forecast

	Change on same period of previous year (%)		Annualised quarterly change (%)
	Forecast MB 2007/3	Forecast MB 2007/2	Forecast MB 2007/3
Quarter	Measured value		
2007:1	6.5	6.5	2.0
2007:2	4.4	4.4	5.8
2007:3	3.9	3.7	5.6
	Forecast value		
2007:4	4.8	3.6	5.9
2008:1	4.9	3.7	2.2
2008:2	4.5	3.2	4.1
2008:3	3.9	2.8	3.4
2008:4	3.1	2.7	2.7
2009:1	3.2	2.6	2.6
2009:2	2.9	2.5	2.9
2009:3	2.5	2.3	1.8
2009:4	2.4	2.2	2.1
2010:1	2.3	2.3	2.2
2010:2	2.4	.	3.4
2010:3	2.5	.	2.4
Change year-on-year	Forecast MB 2007/3	Forecast MB 2007/2	
2007	4.9	4.5	
2008	4.1	3.1	
2009	2.7	2.4	
2010	2.4	.	