Appendix 1

Baseline macroeconomic and inflation forecast 2008/2

Table 1 Macroeconomic forecast[1]

GDP and its main components	B.kr. 2007	2007	Forecast 2008	Forecast 2009	Forecast 2010
		Volume change on previous year (%) unless otherwise stated			
Private consumption	746.6	4.2 (4.2)	-0.9 (0.3)	-7.7 (-7.0)	-7.8 (-6.6)
Public consumption	314.4	3.3 (3.3)	3.5 (3.5)	4.0 (4.0)	3.5 (3.5)
Gross fixed capital formation	351.6	-14.9 (-14.9)	-9.0 (-5.2)	1.3 (-0.4)	1.8 (-2.4)
Business sector investment	213.1	-25.4 (-25.4)	-16.6 (-16.2)	0.1 (4.1)	6.4 (1.9)
Residential construction	90.6	13.2 (13.2)	-5.3 (5.7)	-7.5 (-11.9)	-9.3 (-7.2)
Public works and buildings	47.9	4.3 (4.3)	21.2 (29.4)	16.9 (1.5)	0.3 (-10.6)
National expenditure	1,415.6	-2.3 (-2.3)	-1.9 (-0.3)	-3.3 (-3.3)	-2.7 (-3.2)
Exports of goods and services	451.7	18.1 (18.1)	4.7 (4.5)	-1.0 (0.2)	3.9 (4.2)
Imports of goods and services	587.9	-1.4 (-1.4)	-4.1 (-2.6)	-4.2 (-2.2)	1.1 (-0.6)
Gross domestic product	1,279.4	3.8 (3.8)	1.1 (2.2)	-2.0 (-2.5)	-1.9 (-1.5)
Other key aggregates					
Current account balance (% of GDP)		-15.6 (-15.6)	-17.4 (-16.6)	-13.3 (-12.2)	-10.7 (-9.9)
Output gap (% of potential output)		3.3 (3.1)	1.9 (2.6)	-1.2 (-1.9)	-4.2 (-4.6)
Unit labour cost (change between annual averages in %)		7.0 (6.9)	7.6 (5.9)	6.2 (4.7)	3.8 (4.1)
Real earnings (change between annual averages in %)		5.8 (5.8)	-5.3 (-3.1)	-5.4 (-3.2)	-0.3 (0.8)
Unemployment (% of labour force)		1.0 (1.0)	1.5 (2.1)	3.2 (3.5)	4.2 (4.1)
Foreign exchange index (Dec. 31, 1991 = 100)		118.4 (118.4)	148.8 (142.6)	149.5 (140.5)	146.8 (142.6)

1. Figures in parentheses show forecast in *Monetary Bulletin* 2008/1.

Table 2 Inflation and policy rate forecast (%)[2]

Quarter	Policy rate	Inflation (Change on same period of previous year)	Annualised quarterly inflation
Measured value			
2007:1	13.3 (13.3)	6.5 (6.5)	2.0 (2.0)
2007:2	13.3 (13.3)	4.4 (4.4)	5.8 (5.8)
2007:3	13.3 (13.3)	3.9 (3.9)	5.6 (5.6)
2007:4	13.6 (13.6)	5.4 (5.4)	8.4 (8.4)
2008:1	14.2 (14.2)	7.0 (7.0)	8.2 (8.2)
2008:2	15.5 (15.8)	12.0 (9.7)	27.0 (17.0)
Forecast value			
2008:3	15.5 (15.8)	13.3 (10.7)	10.8 (9.3)
2008:4	15.5 (15.1)	12.8 (9.9)	6.4 (5.3)
2009:1	15.4 (13.8)	12.3 (8.9)	6.4 (4.6)
2009:2	15.0 (11.9)	7.6 (6.0)	6.7 (4.7)
2009:3	13.5 (10.1)	6.0 (4.8)	4.4 (4.4)
2009:4	11.4 (8.7)	4.9 (4.1)	2.0 (2.7)
2010:1	9.6 (7.6)	4.0 (3.5)	2.8 (2.3)
2010:2	8.0 (6.8)	3.4 (3.2)	4.2 (3.3)
2010:3	7.0 (6.3)	2.6 (2.5)	1.4 (1.6)
2010:4	6.5 (6.3)	2.2 (2.2)	0.6 (1.5)
2011:1	6.5 (6.3)	2.0 (2.0)	2.0 (1.4)
2011:2	6.5	2.0	4.2

Annual average	Policy rate	Inflation
2007	13.4 (13.4)	5.0 (5.0)
2008	15.2 (15.2)	11.3 (9.3)
2009	13.9 (11.1)	7.6 (5.9)
2010	7.8 (6.7)	3.0 (2.8)

2. Figures in parentheses show forecast in *Monetary Bulletin* 2008/1.