

Appendix 1

Baseline macroeconomic and inflation forecast 2008/3

Table 1 Macroeconomic forecast¹

	B.kr.	Volume change on previous year (%) unless otherwise stated				
		Forecast				
GDP and its main components	2007	2007	2008	2009	2010	2011
Private consumption	749.0	4.3 (4.2)	-7.6 (-0.9)	-24.8 (-7.7)	-3.8 (-7.8)	9.9
Public consumption	316.8	4.2 (3.3)	3.5 (3.5)	2.9 (4.0)	2.9 (3.5)	2.9
Gross fixed capital formation	356.9	-13.7 (-14.9)	-19.2 (-9.0)	-20.2 (1.3)	6.9 (1.8)	-21.2
Business sector investment	211.6	-26.0 (-25.4)	-21.7 (-16.6)	-26.2 (0.1)	21.1 (6.4)	-31.6
Residential construction	90.6	13.2 (13.2)	-32.4 (-5.3)	-24.4 (-7.5)	-10.4 (-9.3)	13.3
Public works and buildings	54.7	19.2 (4.3)	11.4 (21.2)	1.4 (16.9)	-12.9 (0.3)	-13.5
National expenditure	1,429.4	-1.4 (-2.3)	-8.3 (-1.9)	-17.6 (-3.3)	0.6 (-2.7)	0.8
Exports of goods and services	451.7	18.1 (18.1)	9.6 (4.7)	-0.5 (-1.0)	2.6 (3.9)	5.5
Imports of goods and services	587.9	-1.4 (-1.4)	-16.8 (-4.1)	-24.5 (-4.2)	10.6 (1.1)	-0.1
Gross domestic product	1,293.2	4.9 (3.8)	1.8 (1.1)	-8.3 (-2.0)	-1.7 (-1.9)	3.2
<i>Other key aggregates</i>						
Trade balance (% of GDP)		-10.5 (-10.6)	-1.6 (-9.1)	9.3 (-7.4)	6.6 (-6.2)	8.5
Current account balance (% of GDP)		-15.4 (-15.6)	-16.3 (-17.4)	-1.3 (-13.3)	-2.0 (-10.7)	3.4
Output gap (% of potential output)		3.2 (3.3)	3.1 (1.9)	-4.7 (-1.2)	-5.8 (-4.2)	-4.2
Unit labour cost (change between annual averages in %)		6.8 (7.0)	7.1 (7.6)	6.3 (6.2)	4.4 (3.8)	2.4
Real earnings (change between annual averages in %)		8.0 (5.8)	-8.2 (-5.3)	-13.7 (-5.4)	5.6 (-0.3)	8.1
Unemployment (% of labour force)		1.0 (1.0)	1.4 (1.5)	6.3 (3.2)	8.1 (4.2)	5.1
EURISK exchange rate		87.4 (87.4)	124.6 (115.0)	141.1 (115.9)	129.7 (113.8)	133.0

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

Table 2 Inflation forecast (%)²

Quarter	Inflation (Change on same period of previous year)	Annualised quarterly inflation
		Measured value
2007:1	6.5 (6.5)	2.0 (2.0)
2007:2	4.4 (4.4)	5.8 (5.8)
2007:3	3.9 (3.9)	5.6 (5.6)
2007:4	5.4 (5.4)	8.4 (8.4)
2008:1	7.0 (7.0)	8.2 (8.2)
2008:2	12.0 (12.0)	27.0 (27.0)
2008:3	13.7 (13.3)	12.1 (10.8)
Forecast value		
2008:4	19.1 (12.8)	30.7 (6.4)
2009:1	22.7 (12.3)	21.7 (6.4)
2009:2	17.0 (7.6)	5.0 (6.7)
2009:3	12.6 (6.0)	-3.7 (4.4)
2009:4	5.5 (4.9)	0.6 (2.0)
2010:1	2.7 (4.0)	9.4 (2.8)
2010:2	2.6 (3.4)	4.6 (4.2)
2010:3	2.3 (2.6)	-4.9 (1.4)
2010:4	2.2 (2.2)	0.2 (0.6)
2011:1	2.0 (2.0)	8.7 (2.0)
2011:2	1.9 (2.0)	4.0 (4.2)
2011:3	2.4	-3.0
<i>Annual average</i>		
2007	5.0 (5.0)	
2008	13.0 (11.3)	
2009	14.1 (7.6)	
2010	2.4 (3.0)	
2011	2.2	

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