

Weekly Focus

Focus on US inflation figures

The **Covid-19 situation** has continued to improve in the EU and the United States as weather is warming and most risk groups have now received the first vaccine dose. The situation in India remains difficult, as the number of new infections remain high. Vaccinations generally appear to be effective against the current mutations, including the Indian variant B.1.617. Read more in our *COVID-19 Update: More progress in Europe, vaccination pace slows in the US but new infections decline further*, 6 May.

The **US ISM PMIs** released this week declined modestly against expectations despite US economic activity being generally supported by easing of restrictions. Both manufacturing and services continued to signal higher price pressures as well as longer supplier's delivery times.

Norges Bank's interim meeting was uneventful as expected. The central bank considered that the Norwegian economy has recovered in line with expectations, and maintained the verbal guidance for a rate hike in the latter half of 2021. Read more in our *Norges Bank Review – No change; next big event is Monday's vaccine decision*, 6 May.

Next week **German ZEW** expectations released on Tuesday for May should still paint a constructive picture of the recovery. **ECB minutes** on Friday are not expected to bring much new information as the April meeting was relatively uneventful. Markets will keep an eye on the PEPP discussions in the GC and how confident ECB is on the economic recovery. For a broader picture of economic developments in the Euro Area, see our latest *Euro Area Macro Monitor: Double-dip recession, but spring is in the air*, 5 May.

Base effects will continue to distort the **US April CPI** figures, and while markets are most likely prepared for a higher figure once again, focus will be on any signs of accelerating underlying inflation pressure. Markets will also follow the **US Retail Sales** on Friday to see if the boost from the March stimulus checks carried over to April.

China releases data on **credit growth and inflation**. Credit growth may rebound a bit after hitting quite low levels early in 2021. On inflation, PPI should attract most attention as it is moving higher on the back of the rise in commodity prices and base effects. It is set to rise to 6½-7% y/y from 4.4% in March which would be the highest in four years, and could add to the global inflation scare.

In week 20, China will also release **industrial production and retail sales** data for April. In **Japan, Q1 GDP** figures tick in on 18 May. Following a good comeback in H2 last year, we expect another setback, with an estimated -1% growth, as the state of emergency put in place in early January has caused another plunge in consumption.

Markets will also look for any signals of the future path of Fed's monetary policy from the **FOMC minutes** of the April meeting, released on 19 May. Finally, **Markit Flash PMIs for Euro Area and the United States** are due for release on Friday 21 May, and we expect another set of strong readings as further restrictions have been lifted over the past weeks.

Key market movers for week 19

- **Tue:** Germany ZEW Index
- **Wed:** US CPI
- **Fri:** US Retail Sales & Industrial Production

Key market movers for week 20

- **Mon:** China Retail Sales & Industrial Production
- **Tue:** Japan Q1 GDP
- **Wed:** FOMC Minutes
- **Fri:** Euro Area & US Markit Flash PMIs

Selected reading from Danske Bank

- *Norges Bank Review - No change; next big event is Monday's vaccine decision*, 6 May
- *COVID-19 Update: More progress in Europe, vaccination pace slows in the US but new infections decline further*, 6 May
- *Euro Area Macro Monitor: Double-dip recession, but spring is in the air*, 5 May
- *FX Strategy - Bottlenecks or pent-up demand? It matters for EUR/USD*, 5 May

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Scandi market movers

- In **Denmark** we get CPI inflation for April on Monday. We expect inflation to increase to 1.1% from 1.0% in March. Base effects after last years' huge oil price decline in April is the key contributing factor. The big joker is whether the summer sale in clothing has come early this year in the wake of reopening as we have to some extent imbedded in to our forecast. If this is not the case, we could be looking at a print between 1.2 and 1.3% instead. Air fares will weigh on inflation this month as the imputed price will increase significantly but with a much lower weight compared to last year. With the April prices, the PSO tariff on electricity is once and for all phased out and will thus no longer weigh further on inflation going forward.

Statistics Denmark is set to deliver its first estimate of Q1 GDP growth on Monday 17 May in the form of the so-called GDP indicator. The first quarter of the year was marked by lockdown, which severely dented consumption. In contrast, industry has been running at full steam, and this may compensate somewhat. We expect growth to come in at -0.7% q/q.

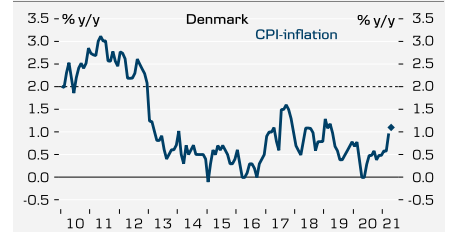
Friday 21 May should bring wage-earner employment figures for March. The labour market was hit by the lockdown in the opening months of the year, but we expect the partial reopening in March has boosted employment. We also expect the further easing of restrictions will continue to have a positive influence in the coming months.

- In **Sweden** Riksbank's Monetary Minutes are released Monday next week. Main focus will Board members' view on the balance of risks with the repo rate (considering it is flat at zero to mid-2024) and the pace of the QE-program against the backdrop of a few other central banks starting to discuss "tapering".

April Prospera money market inflation expectations are likely to rise slightly again given that actual inflation will not be peaking until the April release. April CPI and CPIF excl. Energy is expected to print 2.5 % yoy and 1.6 % yoy, which is 0.2 and 0.1 p.p. above Riksbank's respective forecasts. Several components such as food, recreation and transportation are the main contributors behind the rise in CPIF excl. Energy on the month, while energy in total contributes negatively. April marks the peak in CPIF inflation and is largely the result of base effects. The following week there will be no significant data releases.

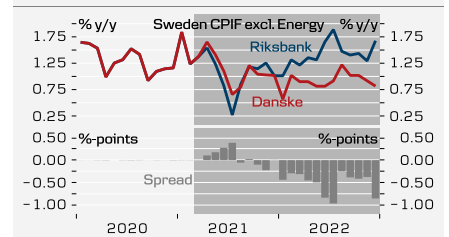
In **Norway**, the coming week's main event could well be the release on Monday of the report of the expert committee assessing whether to use the vector vaccines from AstraZeneca and Johnson & Johnson. The decision will affect the rollout of the vaccination programme over the summer and hence how quickly the economy picks up again. Inflation fell late last year and early this year due to lower imported inflation and to decelerating wage growth putting a damper on domestic inflation. Strong growth in retail sales, higher commodities prices and bottlenecks in parts of the value chain have nevertheless resulted in slightly higher inflation than was expected last spring. In April, however, we will see a significant base effect, and we expect this to pull core inflation down to 2.1% y/y. Sharp downward revisions of the GDP figures for January point to a marked fall in mainland GDP in Q1. The tightening of coronavirus restrictions in mid-March probably also pulled activity down further in March. We therefore expect mainland GDP to fall 0.8% q/q in Q1. That is considerably more than the decrease of 0.4% projected in Norges Bank's monetary policy report in March and spells lower-than-expected capacity utilisation going into Q2. On the other hand, the restrictions are now gradually being relaxed, which will push growth up again in April and, especially, May.

We expect inflation to tick up



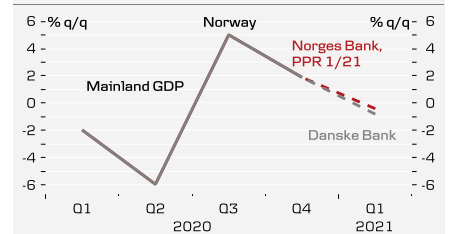
Source: Statistics Denmark, Macrobond Financial

Sweden: core inflation slightly above Riksbank short-term



Source: SCB, Danske Bank, Riksbank

Weaker growth than expected



Source: Macrobond, Danske Bank

Scandi update

Denmark – Still no wave of bankruptcies, but we are pushing the problems ahead of us

Danmarks Nationalbank intervened in the FX market to buy foreign currency for DKK2.2bn in April, which was considerably less than the DKK17bn in March. The DKK was trading throughout the month at close to the strongest level the central bank will in practice accept – and it still is. In our opinion, we are on the path to an interest rate cut to slow the strong DKK, and we expect the central bank’s deposit rate to be cut from -0.5% to -0.6%.

The number of bankruptcies among active companies fell to 157 in April from 185 in March. Forced sales also declined and remain at a low level. There is still no sign of a genuine wave of bankruptcies triggered by corona – even now that the bulk of the postponed tax and VAT payments have fallen due. One explanation is that new lending options have been made available to companies, and while the uptake does not match the amount of postponed tax and VAT payments, companies have taken out tax loans for more than DKK26bn that have to be repaid in 2022 and 2023. Hence, we are still pushing the problems ahead of us, and we continue to fear a wave of bankruptcies among restaurants, hotels, in the travel industry and across the culture and leisure sectors, but not more broadly.

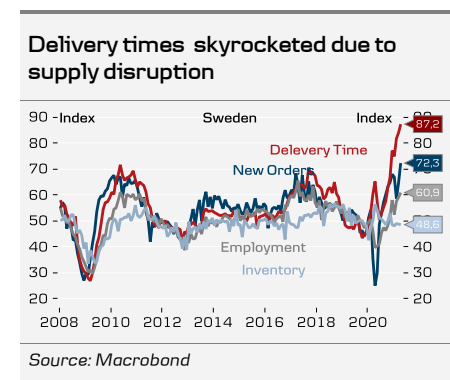
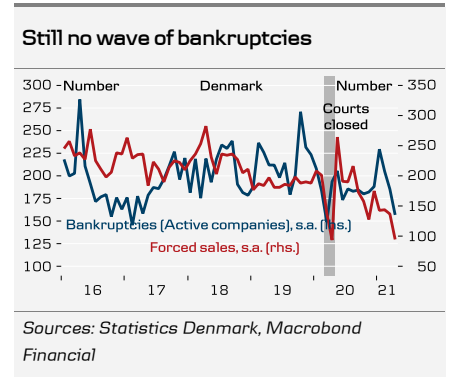
Danske Bank published new figures for real estate chain home’s transactions in April. The housing market is generally still operating at full steam, with a record number of homes sold. However, the number of property showings fell for all housing types, which could be an initial indication that the Danes’ interest in housing has peaked. See more in *Boligbrief*, 5 May 2021.

March proved to be yet another strong month for industry, with production rising by 5% on the back of broadly based growth across the sectors. The figures mark the end of a very strong Q1, when industrial production increased by 6%.

Sweden – A good start to the year but Q2 is more uncertain

A bunch of Swedish data was released this week giving some colours to the Q1 GDP indicator released last week. According to the GDP-indicator, the Swedish economy seems to be back to pre-crisis levels and especially production has continued its strong performance during H2 2020. Jan-Mar 2021 numbers however, show that also household consumption is closing in. Although no further improvement was seen in “stay away-consumption”, this kind of consumption should pick up as well as more and more gets vaccinated.

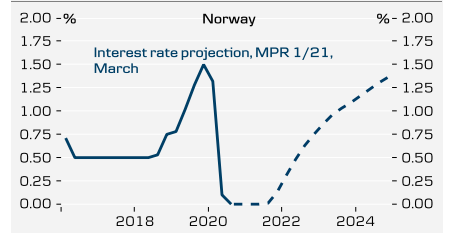
Also April PMI’s were out this week, with the overall index (both regarding manufacturing and services) came out super strong (manufacturing at highest level seen since 1994). On the positive side if looking at manufacturing, employment up and new orders spiked meaning demand is there and together with other labour market indicators, indicate a brighter outlook in near term at the labour market. However, also delivery times spiked (in both manufacturing and services index), pulling the PMI up for the wrong reasons. Furthermore, March ‘hard’ data new orders dropped by 1.8% mom, suggesting some fragility in manufacturing going forward in addition to supply disturbances. All in all, Q1 is good while Q2 is expected to meet some headwinds on the production side.



Norway – Norges Bank repeats March message

As expected, Norges Bank left its policy rate unchanged at 0% at its meeting during the week. This was one of the bank’s interim meetings, with no new monetary policy report or press conference, only a short press release. At the last full meeting in March, the bank signalled that the policy rate would probably go up in H2, with it being 50/50 whether this happens in September or December. Developments since then have been largely as expected. Norges Bank notes that global growth has been slightly higher than expected, while domestic growth has been slightly weaker due to fresh coronavirus restrictions. The bank says that there is greater uncertainty about vaccinations, but that “for now it does not appear that there will be substantial delays in the vaccination programme”. It also writes that “much of the adult population in Norway is expected to be vaccinated by the end of summer. This suggests that economic activity will pick up through the year.” Based on the current vaccination plan and the economic recovery in countries that are ahead on the vaccination front, such as the US and the UK, we believe that we will see a substantial upswing in growth in the Norwegian economy in the period May-July. This would leave ample time for economic data to confirm that activity is normalising before the bank has its September rate-setting meeting. We therefore still expect Norges Bank to raise its policy rate in September.

Norges Bank signalling rate hike in H2



Source: Macrobond, Danske Bank

Activity tracker

Euro area	Last obs	Value	Last 4 months	1W chg.	1M chg.	Low
Bundesbank weekly activity index*	Week 18	0.31		0.13	0.66	-6.0
German truck toll mileage (1w m.a.), % y/y	28-Apr	22.3%		-1.8 p.p.	0.2 p.p.	-16.2%
OpenTable restaurant bookings, Germany (1w m.a.)**	05-May	-97.0%		0.6 p.p.	1.4 p.p.	-100%
USA						
NY Fed weekly economic index*	Week 18	12.23		0.23	2.38	-11.4
Transaction card spending, (1w m.a.), % y/y	21-Apr	52.8%		-5.8 p.p.	13.8 p.p.	-40.6%
OpenTable restaurant bookings (1w m.a.)**	05-May	-19.5%		1.2 p.p.	-0.7 p.p.	-100%
Google mobility trends retail & recreation (1w m.a.)**						
Germany	03-May	-40.7%		-4.4 p.p.	-5.3 p.p.	-67.3%
France		-44.6%		0 p.p.	-7.7 p.p.	-88.0%
Italy		-26.4%		6 p.p.	15 p.p.	-88.9%
Spain		-25.1%		5 p.p.	2.1 p.p.	-91.7%
UK		-28.6%		0.6 p.p.	18 p.p.	-77.6%
Japan		-10.3%		2.4 p.p.	-2.7 p.p.	-37.9%
United States		-7.0%		1.7 p.p.	-0.6 p.p.	-46.1%
Electricity demand (1w m.a.)***						
Germany	06-May	7.5%		5.6 p.p.	13.3 p.p.	-16.2%
France		5.9%		10.2 p.p.	12.3 p.p.	-23.1%
Italy		1.5%		-6.8 p.p.	8.3 p.p.	-28.2%
Spain		1.4%		-0.1 p.p.	12.1 p.p.	-24.2%
UK		-1.3%		2.8 p.p.	7.1 p.p.	-22.1%
Japan	05-May	3.5%		0.6 p.p.	7.2 p.p.	-18.3%
United States		0.4%		-0.4 p.p.	0.6 p.p.	-12.5%

*NOWcast, Actual index value, **Relative to same day/week in 2019, *** Relative to same day/week in 15-19 avg.

Source: Google mobility data, ENTSO-E, EIA, Open Table, Statistisches Bundesamt, TextilWirtschaft, Bundesbank, NY Fed, Macrobond Financial

Calendar – 9-14 May

During the week					Period	Danske Bank	Consensus	Previous
Sun 09	CNY	Money supply M2		y/y	Apr		9.2%	9.4%
Monday, May 10, 2021					Period		Consensus	Previous
8:00	NOK	CPI		m/mly/y	Apr			-0.3% 3.1%
8:00	NOK	PPI		m/mly/y	Apr			-0.2% 18.4%
8:00	DKK	Current account (nsa sa)		DKK bn	Mar			... 16.5
8:00	DKK	CPI		m/mly/y	Apr	... 1.1%		0.1% 1.0%
8:00	DKK	Trade balance ex ships		DKK bn	Mar			8
8:00	DKK	Exports		m/m	Mar			
8:00	NOK	Core inflation (CPI-ATE)		m/mly/y	Apr		... 2.1%	0.3% 2.7%
9:30	SEK	Riksbank publishes minutes						
10:30	EUR	Sentix Investor Confidence		Index	May		15.8	13.1
20:00	USD	Fed's Evans (non-voter, neutral) speaks						
Tuesday, May 11, 2021					Period	Danske Bank	Consensus	Previous
3:30	CNY	CPI		y/y	Apr		1.0%	0.4%
3:30	CNY	PPI		y/y	Apr		6.5%	4.4%
8:00	SEK	Prospera inflation expectations						
11:00	DEM	ZEW current situation		Index	May		-42.6	-48.8
11:00	DEM	ZEW expectations		Index	May		71.4	70.7
12:00	USD	NFIB small business optimism		Index	Apr		100.8	98.2
16:30	USD	Fed's Williams (voter, neutral) speaks						
18:00	USD	Fed's Brainard (voter, dovish) speaks						
19:00	USD	Fed's Daly (non-voter, neutral) speaks						
Wednesday, May 12, 2021					Period	Danske Bank	Consensus	Previous
7:00	JPY	Leading economic index, preliminary		Index	Mar		102.9	98.7
8:00	NOK	GDP (mainland)		q/q	1st quarter			1.9%
8:00	NOK	GDP (mainland)		m/m	Mar			-0.5%
8:00	DEM	HICP, final		m/mly/y	Apr		0.5% 2.1%	0.5% 2.1%
8:00	GBP	GDP, preliminary		q/qly/y	1st quarter		-1.7% -6.1%	1.3% -7.3%
8:00	GBP	Monthly GDP estimate		m/m q/q	Mar		0.013 ...	0.004 ...
8:00	GBP	Index of services		m/m 3m/3m	Mar		2.3% ...	0.2% -1.9%
8:00	NOK	GDP (total)		q/q	1st quarter			0.6%
8:45	FRF	HICP, final		m/mly/y	Apr		0.3% 1.7%	0.3% 1.7%
9:30	SEK	CPI		m/mly/y	Apr	0.3% 2.3%	0.2% 2.3%	0.2% 1.7%
9:30	SEK	Underlying inflation CPIF		m/mly/y	Apr	0.3% 2.5%	0.2% 2.5%	0.2% 1.9%
11:00	EUR	Industrial production		m/mly/y	Mar		0.7% 11.7%	-1.0% -1.6%
14:30	USD	CPI headline		m/mly/y	Apr		0.2% 3.6%	0.6% 2.6%
14:30	USD	CPI core		m/mly/y	Apr		0.3% 2.3%	0.3% 1.6%
15:00	USD	Fed vice chair Clarida (voter, neutral) speaks						
20:00	USD	Budget statement		USD bn	Apr			-659.6
Thursday, May 13, 2021					Period	Danske Bank	Consensus	Previous
1:01	GBP	RICS house price balance		Index	Apr		0.6	0.6
14:30	USD	PPI		m/mly/y	Apr		0.3% 5.8%	1.0% 4.2%
14:30	USD	PPI core		m/mly/y	Apr		0.3% 3.7%	0.7% 3.1%
20:00	USD	Fed's Bullard (non-voter, dovish) speaks						
Friday, May 14, 2021					Period	Danske Bank	Consensus	Previous
-	EUR	S&P may publish Netherlands's debt rating						
-	EUR	Fitch may publish Portugal's debt rating						
9:00	ESP	HICP, final		m/mly/y	Apr		... 1.9%	1.1% 1.9%
14:30	USD	Retail sales control group		m/m	Apr		1.0%	6.9%
14:30	USD	Import prices		m/mly/y	Apr		0.6% ...	1.2% 6.9%
15:00	USD	Industrial production		m/m	Apr		1.3%	1.4%
15:15	USD	Manufacturing production		m/m	Apr		2.5%	2.7%
15:15	USD	Capacity utilization		%	Apr		75.3%	74.4%
16:00	USD	University of Michigan Confidence, preliminary		Index	May		90.0	88.3
19:00	USD	Fed's Kaplan (voter, neutral) speaks						

Source: Danske Bank

Calendar – 17-21 May

During the week				Period	Danske Bank	Consensus	Previous
Mon 17	EUR	Eurogroup meeting in Lisbon					
Monday, May 17, 2021				Period		Consensus	Previous
-	EUR	Eurogroup meeting in Lisbon					
4:00	CNY	Fixed assets investments	y/y	Apr		20.0%	25.6%
4:00	CNY	Industrial production	y/y	Apr		9.9%	14.1%
4:00	CNY	Retail sales	y/y	Apr		25.0%	34.2%
8:00	DKK	GDP indicator	q/q	1st quarter	-0.7%		0.6%
10:00	ITL	HICP, final	m/m/y/y	Apr			..11.0%
14:30	USD	Empire Manufacturing PMI	Index	May		23.0	26.3
16:00	USD	NAHB Housing Market Index	Index	May			83.0
16:05	USD	Fed vice chair Clarida (voter, neutral) speaks					
16:25	USD	Fed vice chair Clarida (voter, neutral) speaks					
16:25	USD	Fed's Bostic (non-voter, neutral) speaks					
22:00	USD	TICS international capital flow, Net inflow	USD bn	Mar			72.6
Tuesday, May 18, 2021				Period	Danske Bank	Consensus	Previous
-	EUR	ECOFIN meeting					
1:50	JPY	GDP deflator, preliminary	y/y	1st quarter		-0.1%	0.3%
1:50	JPY	GDP, preliminary	q/qlann.	1st quarter		-1.1% -4.5%	2.8% 11.7%
8:00	GBP	Unemployment rate (3M)	%	Mar			4.9%
8:00	GBP	Average weekly earnings ex bonuses (3M)	y/y	Mar			4.4%
8:00	NOK	Trade balance	NOK bn	Apr			25.4
9:00	SEK	NIER economic forecasts					
11:00	EUR	Trade balance	EUR bn	Mar			18.4
11:00	EUR	GDP, preliminary	q/q/y/y	1st quarter			-0.6% -1.8%
11:00	EUR	Employment, preliminary	q/q/y/y	1st quarter			0.3% -1.9%
14:30	USD	Building permits	1000 (m/m)	Apr		1775	1759.0 (2.3%)
14:30	USD	Housing starts	1000 (m/m)	Apr		1700	1739.0 (19.4%)
17:05	USD	Fed's Kaplan (voter, neutral) speaks					
Wednesday, May 19, 2021				Period	Danske Bank	Consensus	Previous
6:30	JPY	Industrial production, final	m/m/y/y	Mar			2.2% 4.0%
8:00	GBP	CPI	m/m/y/y	Apr			0.3% 0.7%
8:00	GBP	CPI core	y/y	Apr			1.1%
11:00	EUR	HICP inflation, final	m/m/y/y	Apr			0.6% 1.3%
11:00	EUR	HICP - core inflation, final	y/y	Apr			0.8%
14:30	CAD	CPI	m/m/y/y	Apr			.. 2.2%
16:30	USD	DOE U.S. crude oil inventories	K				
20:00	USD	FOMC minutes					
Thursday, May 20, 2021				Period	Danske Bank	Consensus	Previous
-	SEK	Wages (blue collars/white collars)					2.1%
1:50	JPY	Exports	y/y (%)	Apr			0.2
1:50	JPY	Import	y/y (%)	Apr			0.1
1:50	JPY	Trade balance, s.a.	JPY bn	Apr			297.8
3:30	AUD	Employment change	1000	Apr			70.7
10:00	EUR	Current account	EUR bn	Mar			25.9
14:30	USD	Initial jobless claims	1000				
14:30	USD	Philly Fed index	Index	May		45.0	50.2
Friday, May 21, 2021				Period	Danske Bank	Consensus	Previous
-	EUR	Moody's may publish Greece's debt rating					
1:01	GBP	GfK consumer confidence	Index	May			-15.0
1:30	JPY	CPI - national	y/y	Apr			-0.2%
1:30	JPY	CPI - national ex. fresh food	y/y	Apr			-0.1%
2:30	JPY	Nikkei Manufacturing PMI, preliminary	Index	May			53.6
2:30	JPY	Markit PMI services, preliminary	Index	May			49.5
8:00	GBP	Retail sales ex fuels	m/m/y/y	Apr			4.9% 7.9%
8:00	DKK	Consumer confidence	Net. bal.	May			-1.1
9:15	FRF	PMI manufacturing, preliminary	Index	May			58.9
9:15	FRF	PMI services, preliminary	Index	May			50.3
9:30	SEK	Capacity utilization, industry	%	1st quarter			87.9%
9:30	DEM	PMI manufacturing, preliminary	Index	May			66.2
9:30	DEM	PMI services, preliminary	Index	May			49.9
10:00	EUR	PMI manufacturing, preliminary	Index	May			62.9
10:00	EUR	PMI composite, preliminary	Index	May			53.8
10:00	EUR	PMI services, preliminary	Index	May			50.5
10:30	GBP	PMI manufacturing, preliminary	Index	May			60.9
10:30	GBP	PMI services, preliminary	Index	May			61.0
14:30	CAD	Retail sales	m/m	Mar			4.8%
15:45	USD	Markit PMI manufacturing, preliminary	Index	May			60.5
15:45	USD	Markit PMI service, preliminary	Index	May			64.7
16:00	EUR	Consumer confidence, preliminary	Net bal.	May			-8.1
16:00	USD	Existing home sales	m (m/m)	Apr		6.05	6.01 -0.037

Source: Danske Bank

Macroeconomic forecast

Macro forecast. Scandinavia

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
Denmark	2020	-2.7	-2.0	-0.1	2.1	-7.7	-4.8	0.4	2.3	4.6	-1.1	42.2	7.8
	2021	3.0	2.5	1.5	4.4	5.1	5.7	0.9	2.2	4.6	-2.5	40.0	7.9
	2022	3.4	4.0	-0.3	3.5	6.8	5.9	1.2	2.2	4.0	-1.0	37.6	8.2
Sweden	2020	-3.1	-4.7	-0.5	0.6	-5.2	-5.8	0.5	2.0	8.3	-3.1	37.9	1.3
	2021	3.4	3.2	1.6	3.6	7.5	7.3	1.2	1.9	8.5	-1.7	39.0	5.1
	2022	3.3	4.2	1.5	3.2	4.1	4.1	0.8	1.9	7.3	-0.4	36.0	5.1
Norway	2020	-2.5	-7.6	1.7	-3.9	-0.9	-12.2	1.3	3.1	5.0	-	-	-
	2021	3.7	6.0	2.0	1.0	2.6	5.0	2.8	2.6	3.3	-	-	-
	2022	3.4	7.0	2.0	2.0	6.0	6.0	1.4	3.0	2.5	-	-	-

Macro forecast. Euroland

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
Euro area	2020	-6.7	-8.0	1.2	-8.4	-9.6	-9.2	0.3	-0.7	8.0	-7.2	98.0	2.6
	2021	4.3	2.6	4.0	5.4	13.3	11.6	1.8	3.6	8.5	-6.2	102.1	2.6
	2022	4.1	5.7	1.8	2.1	4.6	4.3	1.3	2.0	8.3	-4.4	102.3	2.8
Germany	2020	-5.1	-6.3	3.3	-3.9	-10.2	-9.0	0.4	0.0	4.2	-4.2	69.8	6.9
	2021	3.3	-0.7	2.1	3.0	15.6	10.7	2.5	1.2	4.3	-4.0	70.1	6.3
	2022	4.0	5.1	1.4	2.1	5.0	4.3	1.6	1.8	3.8	-2.5	69.0	6.1
Finland	2020	-2.8	-4.9	2.3	-3.1	-6.6	-6.6	0.3	1.8	7.8	-5.4	69.2	0.3
	2021	2.3	4.0	1.5	2.0	3.5	5.0	1.4	2.5	8.0	-3.5	70.0	-0.2
	2022	3.0	3.0	1.0	3.0	6.0	5.0	1.5	2.5	7.2	-2.3	69.6	-0.2

Macro forecast. Global

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
USA	2020	-3.5	-3.9	1.1	-1.8	-12.9	-9.3	1.2	4.6	8.1	-16.0	126.4	-2.1
	2021	7.5	8.4	1.6	8.9	5.6	11.2	2.3	2.0	4.7	-12.2	132.3	-2.1
	2022	5.3	6.7	3.1	3.7	2.0	4.4	1.7	2.3	3.5	-7.2	131.9	-2.1
China	2020	2.3	1.5	-	3.0	-	-	3.0	7.5	-	-11.9	-	0.6
	2021	9.0	9.0	-	10.0	-	-	2.0	7.0	-	-11.8	-	0.4
	2022	5.4	7.0	-	4.0	-	-	2.5	7.0	-	10.9	-	0.4
UK	2020	-9.8	-10.6	-6.5	-8.8	-15.8	-17.8	0.9	2.0	4.5	-12.3	109.1	-2.0
	2021	5.2	4.2	4.0	6.2	6.4	6.1	1.5	1.2	4.9	-7.7	109.3	-3.8
	2022	6.9	8.3	2.1	11.9	5.9	8.2	1.8	1.6	4.6	-4.5	108.3	-3.6
Japan	2020	-4.9	-6.4	2.7	-4.2	-12.4	-6.8	-0.2	-	2.8	-	-	-
	2021	3.1	1.3	3.3	3.3	10.5	2.5	0.3	-	2.7	-	-	-
	2022	2.0	2.4	-1.1	3.2	4.1	3.5	0.6	-	2.5	-	-	-

Source: OECD and Danske Bank. 1) % y/y. 2) % contribution to GDP growth. 3) % of labour force. 4) % of GDP.

Financial forecast

Bond and money markets										
		Key interest rate	3m interest rate	2-yr swap yield	10-yr swap yield	Currency vs EUR	Currency vs USD	Currency vs DKK	Currency vs NOK	Currency vs SEK
USD	07-May	0.25	0.17	0.27	1.56	120.8	-	615.4	830.7	839.3
	+3m	0.25	0.20	0.30	1.90	118.0	-	630.5	872.9	864.4
	+6m	0.25	0.20	0.40	2.05	117.0	-	636.3	888.9	880.3
	+12m	0.25	0.20	0.70	2.25	115.0	-	647.4	913.0	904.3
EUR	07-May	-0.50	-0.53	-0.48	0.12	-	120.8	743.6	1003.6	1014.0
	+3m	-0.50	-0.54	-0.45	0.25	-	118.0	744.0	1030.0	1020.0
	+6m	-0.50	-0.54	-0.45	0.25	-	117.0	744.5	1040.0	1030.0
	+12m	-0.50	-0.54	-0.40	0.55	-	115.0	744.5	1050.0	1040.0
JPY	07-May	-0.10	-0.09	-0.03	0.12	120.5	109.1	6.17	8.33	8.41
	+3m	-0.10	-	-	-	129.8	110.0	5.73	7.94	7.86
	+6m	-0.10	-	-	-	129.9	111.0	5.73	8.01	7.93
	+12m	-0.10	-	-	-	128.8	112.0	5.78	8.15	8.07
GBP	07-May	0.10	0.08	0.30	1.03	86.8	139.2	856.7	1156.3	1168.3
	+3m	0.10	0.07	0.40	1.25	85.0	138.8	875.3	1211.8	1200.0
	+6m	0.10	0.07	0.45	1.35	84.0	139.3	886.3	1238.1	1226.2
	+12m	0.10	0.07	0.60	1.45	83.0	138.6	897.0	1265.1	1253.0
CHF	07-May	-0.75	-0.75	-0.65	0.04	109.6	90.7	678.2	915.4	924.9
	+3m	-0.75	-	-	-	111.0	94.1	670.3	927.9	918.9
	+6m	-0.75	-	-	-	112.0	95.7	664.7	928.6	919.6
	+12m	-0.75	-	-	-	113.0	98.3	658.8	929.2	920.4
DKK	07-May	-0.50	-0.21	-0.14	0.39	743.60	615.44	-	134.97	136.37
	+3m	-0.60	-0.34	-0.17	0.50	744.00	630.51	-	138.44	137.10
	+6m	-0.60	-0.34	-0.17	0.50	744.50	636.32	-	139.69	138.35
	+12m	-0.60	-0.34	-0.12	0.80	744.50	647.39	-	141.03	139.69
SEK	07-May	0.00	-0.03	0.03	0.81	1014.0	839.3	73.3	99.0	100.0
	+3m	0.00	-0.05	-0.05	0.73	1020.0	864.4	72.9	101.0	-
	+6m	0.00	-0.05	-0.05	0.80	1030.0	880.3	72.3	101.0	-
	+12m	0.00	-0.05	0.00	0.95	1040.0	904.3	71.6	101.0	-
NOK	07-May	0.00	0.27	0.82	1.72	1003.6	830.7	74.1	100.0	101.0
	+3m	0.00	0.40	1.00	2.10	1030.0	872.9	72.2	-	99.0
	+6m	0.25	0.65	1.10	2.10	1040.0	888.9	71.6	-	99.0
	+12m	0.50	0.90	1.30	2.25	1050.0	913.0	70.9	-	99.0

Commodities												
		2021				2022				Average		
	07-May	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2021	2022	
ICE Brent	68	55	65	70	70	73	73	73	73	65	73	

Source Danske Bank

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Report completed: 7 May 2021, 14:00 CET

Report first disseminated: 7 May 2021, 14:15 CET