

Weekly Focus

Strong earnings season despite COVID headwinds

A fairly undramatic week is coming to an end where focus continued to be on COVID vaccine and treatment news on top of US fiscal stimulus and the corporate earnings season. Bond yield fell back a bit after US core inflation for January came out weaker than expected at 1.4% y/y down from 1.6% y/y in December while US stock markets lost a bit of steam after hitting a new high on Wednesday. EUR/USD corrected a bit higher again following the recent set back.

The earnings season is running full speed these days and although we still need to see many companies, reporting we can conclude this will be one of the best earning seasons on record. US is further ahead in reporting and here we see the earnings surprise factor of 17.5% and revenues surprise factor of 3.2%. Earnings estimates for 2021 have also been lifted substantially with almost twice as many positive revisions compared to negative revisions. Our long term view on equities remains positive on the back of a robust outlook for the global economy and very low returns on other asset classes.

When it comes to COVID vaccines and treatment, the news have generally been positive. On the treatment front Israeli researchers found that 29 out of 30 seriously ill COVID patients showed significant improvement within 2-3 days after being treated with a relatively unknown cancer drug, see *Cityam*. In addition, a study by researchers at University of Oxford showed that a well known Astma treatment called Pulmicort by AstraZeneca reduced the need for urgent care or hospitalisation by 90%, see *Reuters*. However, on a less positive note a study showed that the AstraZeneca had much reduced effect on the South African variant at least when it comes to mild or moderate cases. However, WHO stated the study was inconclusive on effects on severe cases and it was “plausible” the vaccine would still be efficient against these.

The US House is pushing to pass a USD1.9 trn fiscal relief bill within two weeks after Democrats voted through a resolution that allows them to approve the package with no Republican votes. President Joe Biden still aims for a bill with Republican support but he has paved the way for Democrats passing it on their own through the Budget Reconciliation Bill (read more [here](#) about the reconciliation process).

Focus in the coming week will be on Flash PMI's for February for US and the euro zone, which could very well weaken with the signs of a slowdown in the global manufacturing cycle in Chinese data and parts of the service sector taking a hit from lockdowns. We are in a short term vacuum in the global economy before growth is set to recover once the vaccines have been fully rolled out in US and Europe over the summer. We may see a rebound in US retail sales for January following the pay out of the second round of stimulus checks. Minutes from the recent FOMC meeting will be scrutinized for a discussion on tapering of asset purchases while focus in ECB minutes will be on any exchange of views regarding rate cuts and the strength of the euro at the time of the meeting. There will be no data out of China as the Chinese New Year holiday started yesterday and continues in the coming week.

Key market movers

- Tuesday: US Empire index, German ZEW index
- Wednesday: US retail sales, FOMC minutes,
- Thursday: ECB minutes
- Friday: Flash PMI for Euro and US

Selected reading from Danske Bank

- *FX Forecast Update - Markets increasingly share our view of 2021 USD strength, 12 February 2021*
- *COVID-19 Update: Data from the UK and Israel show that the vaccines are working, 11 February 2021*
- *Flash Comment Riksbank February, 10 February 2021*
- *FX Strategy: USD - At full employment in 6M or not, that is the question, 9 February 2021*
- *Monthly Executive Briefing: Recovery when COVID-19 is suppressed, 2 February 2021*

Editor

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Scandi market movers

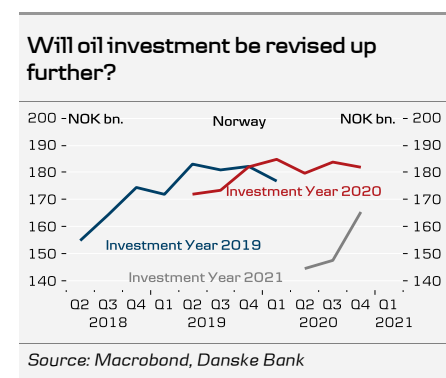
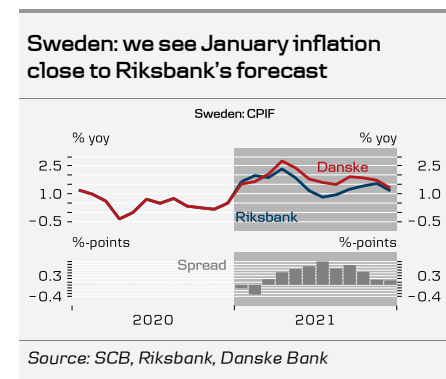
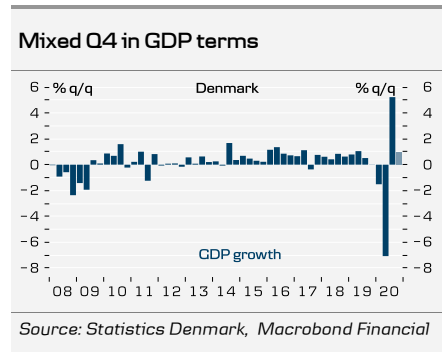
- In **Denmark**, Statistics Denmark's GDP indicator for Q4 is due on Monday. The latter part of Q4 was marked by the second coronavirus lockdown, though consumption had been buoyant up to that point and the global recovery in industry had added momentum to industrial production in Denmark. We estimate growth came in at 1% q/q in Q4, though naturally the degree of uncertainty is higher than normal. Unfortunately, the current quarter is quite another story, as we expect a substantial downturn due to the wide-ranging lockdown.

Thursday is scheduled to bring consumer confidence for February, which we expect to fall to -5.5. Current views on the Danish economy will be the main downward force on this month's figures given the lockdown and reopening still being some way off. However, we estimate the more positive future expectations for the economy will remain in place due to the ongoing vaccine rollout and its expected completion in the summer.

- Forecasting the outcome for January inflation is unusually tricky this year due to the shifting consumer spending pattern on the back of Covid19. Statistics **Sweden** has stated it will move from 2018 weights directly to the average for the first three quarters of 2020 (hence skipping 2019 weights) to better capture the new spending pattern. This is likely to cause a quite unusual positive "basket effect" on January inflation. Instead of trying to calculate this hard caught number, we use the estimate calculated by Riksbank's economists, +0.24 p.p. In addition, January will this year be heavily impacted by the global rise in oil and fuel prices and in particular by soaring electricity prices. The winter has been unusually cold in Sweden. Hence, energy alone is expected to add 0.45 p.p. to the monthly CPIF change. January is normally the month for big sales, especially for clothing. We know that January sales plunged by close to 30 % yoy, but it remain uncertain to what extent this has caused fire sales at already depressed retailers. We have assumed normal sales. It also remains uncertain how SCB's imputations for non-existent prices for charter packages and airline tickets will turn out. Here too, we have assumed a fairly normal pattern. All in all, one should be prepared for a high outcome as seen in many other countries. A low print would be a real surprise. We estimate CPIF and CPIF excl. Energy at 1.5 % yoy and 1.6 % yoy respectively, both a tenth below Riksbank's forecasts.

There's also February money market inflation expectations on the agenda as well as Riksbank Minutes. We look for clues about Board members weigh the possible further use of QE relative to NIRP.

- In **Norway**, we expect a quiet week, the quarterly oil investment survey being the only release of note. We have been assuming that oil investment will fall 6-7% this year due to a number of major projects being completed. It will therefore be very interesting to see whether the combination of higher oil prices and changes to the taxation of the oil industry helps get new projects off the ground as early as this year, leading to a smaller drop in investment.



Scandi update

Denmark – Worst year for industry and exports since the financial crisis – but relatively good performance, nonetheless

Industrial production rose 2.2% from November to December, largely on the back of a 13.2% surge in pharmaceutical production, which thus – as often seen previously – dominated the overall picture. Deducting pharmaceutical production results in a minor decline of 1.2%. Exports of goods and services fell by a similar 1.6%. All in all, 2020 has been the worst year since the financial crisis for both industrial production and exports, which are calculated to have declined 3.6% and 8.1%, respectively. Naturally, that is a pronounced fall, but compared to the rest of the world, Denmark performed relatively well, in part due to Denmark’s mix of cyclically robust sectors plus industry was not put into full lockdown during the first round of closures in the spring, unlike in many other countries.

Inflation rose from 0.5% to 0.6% in January. April’s hike in tobacco duties has now fully passed through to prices and that contributed a full 0.6 percentage points. January sales were very limited compared to the norm due to most shops being closed, which also tended to lift prices. Pulling in the other direction was a marked decline in district heating prices.

Sweden – Riksbank on hold but rate cut still alive

As expected, Riksbank lifts the forecasts for GDP growth and inflation in 2020 and 2021 with no consequence for the repo rate path. A question is why the RB sees a need for supercharged monetary policy with zero rate and QE despite better growth outlook and (marginally) higher inflation. Well the answer is that the macro/inflation forecasts are conditioned by a monetary policy at full speed ahead. Riksbank is not likely to change strategy any time soon and reiterates that it is fully possible to cut the repo rate if need be.

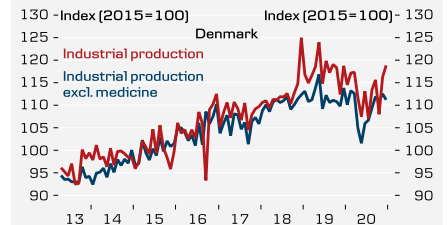
The Riksbank once again decided to front-load QE purchases, and total purchases will amount to SEK100bn during Q2 (down from SEK120bn in Q1). Given that the total QE envelope during 2021 is unchanged, this means that the implied pace of QE purchases during Q3 and Q4 will decline (to on average SEK 70bn / qtr). The Riksbank also announced that the portfolio will be rolled at least during 2022. Currently, the Riksbank holds around SEK120bn that matures in 2022.

Regarding SEK comments, the Riksbank expects that the KIX exchange rate remains at current level throughout 2021. Hence, assumes that the recent SEK rally is done. We basically share this view, and keep our EUR/SEK 1M target at 10.10.

Norway – Uncertain inflation figures

There is always a big question mark over January inflation in Norway, with the impact of the New Year sales varying considerably and making the seasonal effect unclear. This year, the uncertainty was particularly strong, both because prices rose unexpectedly in January last year and because the weights in the CPI have been adjusted to capture the big shift in consumption patterns brought on by the coronavirus pandemic. Core inflation came out at 2.7% y/y, which is more than we expected. This was due partly to the new weights having less of an impact, but also to the seasonal pattern not normalising. With such great uncertainty around the January figures, however, we would want to see the February

Surge in pharmaceutical production buoyed industry



Source: Statistics Denmark, Macrobond

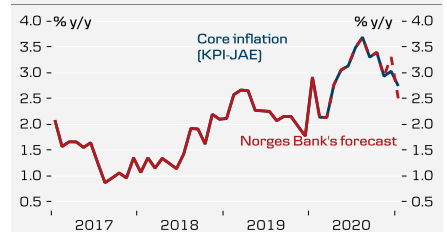
Riksbank macro forecast

| | 2020 | 2021 | 2022 |
|-------------------|-------------|-----------|-----------|
| CPI | 0.5 [0.4] | 1.3 [0.8] | 1.3 [1.2] |
| CPIF | 0.5 [0.4] | 1.5 [0.9] | 1.3 [1.2] |
| GDP | -2.8 [-4.0] | 3.0 [2.6] | 3.9 [5.0] |
| Unemployment rate | 8.3 [8.4] | 8.5 [9.4] | 7.9 [8.5] |
| Repo rate | 0.0 [0.0] | 0.0 [0.0] | 0.0 [0.0] |

*November forecast in brackets

Source: Riksbank

Inflation higher than expected



Source: Macrobond, Danske Bank

numbers too before concluding that the trend has levelled off. We would expect Norges Bank to feel the same.

Mainland GDP grew 1.9% q/q in Q4, which is a lot more than we expected. While the increase was driven to some extent by high power production and fisheries activity, the numbers were still better than expected and mean that the mainland economy contracted by just 2.5% last year (or 3.1% once adjusted for the number of working days). We are therefore much closer to normal activity levels than many had thought, which is an argument in favour of getting started earlier on normalising interest rates. We still have our money on September.

Activity tracker

| Activity tracker | | | | | | | |
|--|----------|--------|---------------|-----------|------------|--------|--|
| Euro area | Last obs | Value | Last 4 months | 1W chg. | 1M chg. | Low | |
| Bundesbank weekly activity index* | Week 6 | -0.60 | | 0.09 | -0.50 | -6.4 | |
| Germany, turnover textiles retail trade, weekly, % y/y | Week 51 | -54.0% | | -42 p.p. | -26 p.p. | -54% | |
| German truck toll mileage (1w m.a.), % y/y | 03-Feb | 0.9% | | 0.1 p.p. | -6.7 p.p. | -16.2% | |
| OpenTable restaurant bookings, Germany (1w m.a.)** | 10-Feb | -99.6% | | 0 p.p. | -0.2 p.p. | -100% | |
| USA | | | | | | | |
| NY Fed weekly economic index* | Week 6 | -2.25 | | -0.38 | -0.59 | -11.5 | |
| Transaction card spending, (1w m.a.), % y/y | 21-Jan | -14.8% | | -0.5 p.p. | 0.4 p.p. | -40.6% | |
| OpenTable restaurant bookings (1w m.a.)** | 10-Feb | -53.5% | | -2.7 p.p. | 6 p.p. | -100% | |
| Google mobility trends retail & recreation (1w m.a.)** | | | | | | | |
| Germany | 08-Feb | -59.1% | | -1.4 p.p. | 1.7 p.p. | -67.3% | |
| France | | -43.4% | | -2 p.p. | -3.9 p.p. | -88.0% | |
| Italy | | -32.7% | | 7.1 p.p. | 12.9 p.p. | -88.9% | |
| Spain | | -49.6% | | 0.3 p.p. | -15.1 p.p. | -91.7% | |
| UK | | -61.9% | | -0.3 p.p. | 0.1 p.p. | -77.6% | |
| Japan | | -21.6% | | 0.4 p.p. | -4.4 p.p. | -37.9% | |
| United States | | -24.4% | | 1.6 p.p. | -1.4 p.p. | -46.1% | |
| Electricity demand (1w m.a.)*** | | | | | | | |
| Germany | 11-Feb | -1.7% | | -0.1 p.p. | 3.3 p.p. | -16.2% | |
| France | | -1.2% | | 7.4 p.p. | -13.5 p.p. | -23.1% | |
| Italy | | -5.3% | | -2.2 p.p. | 1.9 p.p. | -28.2% | |
| Spain | | -5.1% | | 2.1 p.p. | -7.4 p.p. | -24.2% | |
| UK | | 0.8% | | 3.1 p.p. | -0.8 p.p. | -22.1% | |
| Japan | 7.6% | | 2.2 p.p. | 4.5 p.p. | -18.3% | | |
| United States | 11-Feb | 4.4% | | -0.5 p.p. | 2.6 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

| During the week | | | | Period | Danske Bank | Consensus | Previous |
|-------------------------------------|-----|---|------------|-------------|-------------|-------------|---------------|
| Mon 15 | EUR | Eurogroup meeting | | | | | |
| Monday, February 15, 2021 | | | | Period | Danske Bank | Consensus | Previous |
| - | EUR | Eurogroup meeting | | | | | |
| 0:50 | JPY | GDP deflator, preliminary | y/y | 4th quarter | | 0.5% | 1.2% |
| 0:50 | JPY | GDP, preliminary | q/qlann. | 4th quarter | | 2.4% 10.1% | 5.3% 22.9% |
| 5:30 | JPY | Industrial production, final | m/m y/y | Dec | | | -1.6% -3.2% |
| 8:00 | DKK | GDP indicator | q/q | 4th quarter | 1.0% | | 4.9% |
| 8:00 | NOK | Trade balance | NOK bn | Jan | | | 12.1 |
| 11:00 | EUR | Industrial production | m/m y/y | Dec | | -0.5% -0.2% | 2.5% -0.6% |
| 11:00 | EUR | Trade balance | EUR bn | Dec | | | 25.1 |
| Tuesday, February 16, 2021 | | | | Period | Danske Bank | Consensus | Previous |
| - | EUR | ECOFIN meeting | | | | | |
| 7:30 | FRF | ILO unemployment | % | 4th quarter | | 9.2% | 9.0% |
| 11:00 | DEM | ZEW current situation | Index | Feb | | -66.3 | -66.4 |
| 11:00 | DEM | ZEW expectations | Index | Feb | | 60.0 | 61.8 |
| 11:00 | EUR | GDP, preliminary | q/q y/y | 4th quarter | | -0.7% -5.1% | -0.7% -5.1% |
| 11:00 | EUR | Employment, preliminary | q/q y/y | 4th quarter | | | 1.0% -2.3% |
| 14:30 | USD | Empire Manufacturing PMI | Index | Feb | | 6.0 | 3.5 |
| 22:00 | USD | TICS international capital flow, Net inflow | USD bn | Dec | | | 214.1 |
| Wednesday, February 17, 2021 | | | | Period | Danske Bank | Consensus | Previous |
| 0:50 | JPY | Exports | y/y (%) | Jan | | 0.1 | 0.0 |
| 0:50 | JPY | Import | y/y (%) | Jan | | -0.1 | -0.1 |
| 0:50 | JPY | Trade balance, s.a. | JPY bn | Jan | | 477.8 | 477.1 |
| 8:00 | GBP | CPI | m/m y/y | Jan | | -0.4% 0.5% | 0.3% 0.6% |
| 8:00 | GBP | CPI core | y/y | Jan | | 1.3% | 1.4% |
| 8:00 | SEK | Prospera inflation expectations | | | | | |
| 8:00 | NOK | Oil investment survey | | | | | |
| 14:30 | USD | PPI | m/m y/y | Jan | | 0.4% 0.8% | 0.3% 0.8% |
| 14:30 | USD | PPI core | m/m y/y | Jan | | 0.2% 1.1% | 0.1% 1.2% |
| 14:30 | USD | Retail sales control group | m/m | Jan | | 0.9% | -1.9% |
| 14:30 | CAD | CPI | m/m y/y | Jan | | | .. 0.7% |
| 15:15 | USD | Fed's Rosengren (non-voter, hawk) speaks | | | | | |
| 15:15 | USD | Capacity utilization | % | Jan | | 74.8% | 74.5% |
| 15:15 | USD | Industrial production | m/m | Jan | | 0.4% | 1.6% |
| 15:15 | USD | Manufacturing production | m/m | Jan | | 0.7% | 0.9% |
| 16:00 | USD | NAHB Housing Market Index | Index | Feb | | 83.0 | 83.0 |
| 20:00 | USD | FOMC minutes | | | | | |
| Thursday, February 18, 2021 | | | | Period | Danske Bank | Consensus | Previous |
| 1:30 | AUD | Employment change | 1000 | Jan | | 30 | 50 |
| 8:00 | DKK | Consumer confidence | Net. bal. | Feb | -5.5 | | -4.1 |
| 9:30 | SEK | Underlying inflation CPIF | m/m y/y | Jan | .. 1.6% | -0.3% 1.7% | 0.7% 0.5% |
| 9:30 | SEK | CPI | m/m y/y | Jan | .. 1.5% | .. 1.5% | 0.7% 0.5% |
| 12:00 | TRY | Central Bank of Turkey rate decision | % | | | 17.0% | 17.0% |
| 14:00 | USD | Fed's Brainard (voter, dovish) speaks | | | | | |
| 14:30 | USD | Building permits | 1000 (m/m) | Jan | | 1670 | 1704.0 (4.2%) |
| 14:30 | USD | Housing starts | 1000 (m/m) | Jan | | 1651 | 1669.0 (5.8%) |
| 14:30 | USD | Philly Fed index | Index | Feb | | 19.8 | 26.5 |
| 14:30 | USD | Initial jobless claims | 1000 | | | | 793 |
| 14:30 | USD | Import prices | m/m y/y | Jan | | 1.0% .. | 0.9% -0.3% |
| 16:00 | USD | Fed's Bostic (non-voter, neutral) speaks | | | | | |
| 16:00 | EUR | Consumer confidence, preliminary | Net bal. | Feb | | -15.0 | -15.5 |
| 17:00 | USD | DOE U.S. crude oil inventories | K | | | | -6645 |

Source: Danske Bank

Calendar

Friday, February 19, 2021

| | | | | Period | Danske Bank | Consensus | Previous |
|-------|-----|--|---------|-------------|-------------|-----------|------------|
| 0:30 | JPY | CPI - national ex. fresh food | y/y | Jan | | -0.7% | -1.0% |
| 0:30 | JPY | CPI - national | y/y | Jan | | -0.7% | -1.2% |
| 1:01 | GBP | GfK consumer confidence | Index | Feb | | -25.0 | -28.0 |
| 1:30 | JPY | Nikkei Manufacturing PMI, preliminary | Index | Feb | | | 49.8 |
| 1:30 | JPY | Markit PMI services, preliminary | Index | Feb | | | 46.1 |
| 8:00 | GBP | Retail sales ex fuels | m/m y/y | Jan | | -1.0% ... | 0.4% 6.4% |
| 8:45 | FRF | HICP, final | m/m y/y | Jan | | 0.3% 0.8% | 0.3% 0.8% |
| 9:15 | FRF | PMI manufacturing, preliminary | Index | Feb | | 51.0 | 51.6 |
| 9:15 | FRF | PMI services, preliminary | Index | Feb | | 47.0 | 47.3 |
| 9:30 | SEK | Capacity utilization, industry | % | 4th quarter | | | 86.8% |
| 9:30 | DEM | PMI manufacturing, preliminary | Index | Feb | | 56.5 | 57.1 |
| 9:30 | DEM | PMI services, preliminary | Index | Feb | | 46.5 | 46.7 |
| 9:30 | SEK | Riksbank publishes minutes | | | | | |
| 10:00 | ITL | HICP, final | m/m y/y | Jan | | | ... 0.5% |
| 10:00 | EUR | PMI manufacturing, preliminary | Index | Feb | | 54.3 | 54.8 |
| 10:00 | EUR | PMI composite, preliminary | Index | Feb | | 48.0 | 47.8 |
| 10:00 | EUR | PMI services, preliminary | Index | Feb | | 45.9 | 45.4 |
| 10:00 | EUR | Current account | EUR bn | Dec | | | 24.6 |
| 10:30 | GBP | PMI manufacturing, preliminary | Index | Feb | | 53.0 | 54.1 |
| 10:30 | GBP | PMI services, preliminary | Index | Feb | | 41.5 | 39.5 |
| 14:30 | CAD | Retail sales | m/m | Dec | | | 1.3% |
| 15:45 | USD | Markit PMI manufacturing, preliminary | Index | Feb | | 58.5 | 59.2 |
| 15:45 | USD | Markit PMI service, preliminary | Index | Feb | | 58.0 | 58.3 |
| 16:00 | USD | Existing home sales | m(m/m) | Jan | | 6.56 | 6.76 0.007 |
| 17:00 | USD | Fed's Rosengren (non-voter, hawk) speaks | | | | | |

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 | -3.7 | -3.1 | -1.2 | 0.8 | -8.8 | -6.6 | 0.4 | 2.5 | 4.6 | -2.6 | 42.5 | 7.4 |
| | 2021 | 2.3 | 3.0 | 1.6 | 3.1 | 3.6 | 4.7 | 0.8 | 2.0 | 4.7 | -1.9 | 41.1 | 6.9 |
| | 2022 | 3.4 | 3.6 | 0.4 | 3.8 | 7.2 | 6.4 | 1.2 | 1.8 | 3.8 | -1.2 | 40.7 | 7.7 |
| Sweden | 2020 | -3.2 | -4.7 | -0.2 | -1.4 | -5.5 | -6.8 | 0.5 | 2.0 | 8.3 | -3.0 | 39.0 | 5.3 |
| | 2021 | 3.3 | 3.8 | 2.4 | 4.1 | 6.9 | 7.6 | 1.2 | 1.9 | 8.3 | -2.8 | 40.0 | 5.1 |
| | 2022 | 2.6 | 3.0 | 1.5 | 2.7 | 3.9 | 3.9 | 0.8 | 1.9 | 7.3 | -1.0 | 39.0 | 5.1 |
| Norway | 2020 | -2.5 | -7.6 | 1.7 | -3.9 | -0.9 | -12.2 | 1.3 | 2.0 | 5.0 | - | - | - |
| | 2021 | 4.0 | 8.0 | 2.0 | 1.0 | 5.8 | 5.0 | 2.5 | 2.3 | 3.3 | - | - | - |
| | 2022 | 3.3 | 5.5 | 2.0 | 2.0 | 4.5 | 6.0 | 2.1 | 2.9 | 2.6 | - | - | - |

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 | -6.8 | -8.8 | -0.8 | -13.7 | -9.1 | -10.5 | 0.3 | -1.0 | 8.0 | -8.8 | 101.7 | 2.6 |
| | 2021 | 4.9 | 4.5 | 3.2 | -1.2 | 13.1 | 10.6 | 1.1 | 1.0 | 8.9 | -6.2 | 102.1 | 2.6 |
| | 2022 | 3.4 | 5.3 | 1.8 | 2.1 | 3.5 | 4.3 | 1.1 | 1.0 | 8.6 | -4.4 | 102.3 | 2.8 |
| Germany | 2020 | -5.3 | -5.9 | 4.5 | -3.7 | -10.2 | -8.8 | 0.4 | -0.1 | 4.2 | -6.0 | 71.2 | 6.0 |
| | 2021 | 4.0 | 3.2 | 4.1 | 2.8 | 13.8 | 10.9 | 1.2 | -0.1 | 4.2 | -4.0 | 70.1 | 6.3 |
| | 2022 | 2.2 | 3.3 | 1.4 | 2.1 | 3.3 | 4.3 | 1.3 | -0.1 | 3.7 | -2.5 | 69.0 | 6.1 |
| Finland | 2020 | -3.3 | -4.0 | 0.0 | -2.5 | -10.0 | -8.0 | 0.3 | 1.9 | 7.8 | -8.0 | 68.6 | -0.6 |
| | 2021 | 2.2 | 3.5 | 1.5 | 2.0 | 5.0 | 5.0 | 1.0 | 2.5 | 8.0 | -4.1 | 71.0 | -0.6 |
| | 2022 | 2.8 | 2.7 | 1.0 | 3.0 | 6.0 | 5.0 | 1.5 | 2.5 | 7.2 | -2.4 | 70.8 | -0.6 |

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 | -13.0 | -9.3 | 1.2 | 4.6 | 8.1 | -16.0 | 126.4 | -2.1 |
| | 2021 | 3.3 | 4.6 | 1.4 | 4.6 | 1.7 | 6.6 | 1.6 | 2.0 | 6.5 | -12.2 | 132.3 | -2.1 |
| | 2022 | 3.8 | 4.3 | 2.1 | 4.3 | 2.0 | 3.8 | 1.6 | 2.3 | 5.3 | -7.2 | 131.9 | -2.1 |
| China | 2020 | 1.7 | 1.5 | - | 3.0 | - | - | 3.0 | 7.5 | - | -11.9 | - | 0.6 |
| | 2021 | 9.2 | 9.0 | - | 10.0 | - | - | 2.0 | 7.0 | - | -11.8 | - | 0.4 |
| | 2022 | 5.5 | 7.0 | - | 4.0 | - | - | 2.5 | 7.0 | - | 10.9 | - | 0.4 |
| UK | 2020 | -9.9 | -14.4 | -9.9 | -8.7 | -12.5 | -21.1 | 0.9 | 2.0 | 4.4 | -19.0 | 109.1 | -2.0 |
| | 2021 | 5.2 | 4.2 | 4.0 | 6.2 | 6.4 | 6.1 | 1.6 | 1.2 | 4.9 | -7.7 | 109.3 | -3.8 |
| | 2022 | 6.9 | 8.3 | 2.1 | 11.9 | 5.9 | 8.2 | 1.9 | 1.6 | 4.6 | -4.5 | 108.3 | -3.6 |
| Japan | 2020 | -5.6 | -7.0 | 1.9 | -5.7 | -12.8 | -7.5 | -0.2 | - | 2.8 | - | - | - |
| | 2021 | 2.7 | 2.4 | 1.8 | -1.0 | 9.1 | 1.5 | 0.3 | - | 2.7 | - | - | - |
| | 2022 | 2.5 | 2.7 | -1.1 | 3.7 | 5.3 | 3.0 | 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 | 12-Feb | 0.25 | 0.20 | 0.20 | 1.22 | 121.1 | - | 614.3 | 850.2 | 832.7 |
| | +3m | 0.25 | 0.20 | 0.25 | 1.15 | 122.0 | - | 610.0 | 828.0 | 820.0 |
| | +6m | 0.25 | 0.20 | 0.30 | 1.25 | 119.0 | - | 626.0 | 857.0 | 857.0 |
| | +12m | 0.25 | 0.20 | 0.35 | 1.60 | 116.0 | - | 642.0 | 888.0 | 888.0 |
| EUR | 12-Feb | -0.50 | -0.55 | -0.52 | -0.13 | - | 121.1 | 743.7 | 1029.2 | 1008.1 |
| | +3m | -0.50 | -0.55 | -0.55 | -0.25 | - | 122.0 | 744.0 | 1010.0 | 1000.0 |
| | +6m | -0.50 | -0.55 | -0.55 | -0.10 | - | 119.0 | 744.5 | 1020.0 | 1020.0 |
| | +12m | -0.50 | -0.55 | -0.50 | 0.05 | - | 116.0 | 744.5 | 1030.0 | 1030.0 |
| JPY | 12-Feb | -0.10 | -0.09 | -0.05 | 0.09 | 127.2 | 105.0 | 5.85 | 8.09 | 7.93 |
| | +3m | -0.10 | - | - | - | 124.0 | 102.0 | 5.98 | 8.12 | 8.04 |
| | +6m | -0.10 | - | - | - | 120.0 | 101.0 | 6.19 | 8.49 | 8.49 |
| | +12m | -0.10 | - | - | - | 117.0 | 101.0 | 6.35 | 8.79 | 8.79 |
| GBP | 12-Feb | 0.10 | 0.05 | 0.16 | 0.68 | 87.8 | 137.8 | 846.8 | 1171.9 | 1147.9 |
| | +3m | 0.10 | 0.07 | 0.10 | 0.50 | 86.0 | 142.0 | 865.0 | 1174.0 | 1163.0 |
| | +6m | 0.10 | 0.07 | 0.15 | 0.65 | 85.0 | 140.0 | 876.0 | 1200.0 | 1200.0 |
| | +12m | 0.10 | 0.07 | 0.15 | 0.65 | 85.0 | 136.0 | 876.0 | 1212.0 | 1212.0 |
| CHF | 12-Feb | -0.75 | -0.76 | -0.69 | -0.14 | 108.1 | 89.3 | 688.2 | 952.4 | 932.9 |
| | +3m | -0.75 | - | - | - | 108.0 | 89.0 | 689.0 | 935.0 | 926.0 |
| | +6m | -0.75 | - | - | - | 110.0 | 92.0 | 677.0 | 927.0 | 927.0 |
| | +12m | -0.75 | - | - | - | 110.0 | 95.0 | 677.0 | 936.0 | 936.0 |
| DKK | 12-Feb | -0.60 | -0.23 | -0.17 | 0.12 | 743.68 | 614.33 | - | 138.39 | 135.55 |
| | +3m | -0.60 | -0.27 | -0.20 | 0.00 | 744.00 | 610.00 | - | 136.00 | 134.00 |
| | +6m | -0.60 | -0.27 | -0.20 | 0.15 | 744.50 | 626.00 | - | 137.00 | 137.00 |
| | +12m | -0.60 | -0.30 | -0.20 | 0.25 | 744.50 | 642.00 | - | 138.00 | 138.00 |
| SEK | 12-Feb | 0.00 | -0.03 | -0.02 | 0.53 | 1008.1 | 832.7 | 73.8 | 102.1 | 100.0 |
| | +3m | 0.00 | -0.05 | -0.05 | 0.43 | 1000.0 | 820.0 | 74.0 | 101.0 | - |
| | +6m | 0.00 | -0.05 | -0.05 | 0.45 | 1020.0 | 857.0 | 73.0 | 100.0 | - |
| | +12m | 0.00 | -0.05 | -0.05 | 0.55 | 1030.0 | 888.0 | 72.0 | 100.0 | - |
| NOK | 12-Feb | 0.00 | 0.46 | 0.70 | 1.52 | 1029.2 | 850.2 | 72.3 | 100.0 | 97.9 |
| | +3m | 0.00 | 0.42 | 0.60 | 1.40 | 1010.0 | 828.0 | 74.0 | - | 99.0 |
| | +6m | 0.00 | 0.58 | 0.80 | 1.45 | 1020.0 | 857.0 | 73.0 | - | 100.0 |
| | +12m | 0.25 | 0.71 | 1.05 | 1.75 | 1030.0 | 888.0 | 72.0 | - | 100.0 |

Commodities

| | 12-Feb | 2021 | | | | 2022 | | | | Average | |
|-----------|--------|------|----|----|----|------|----|----|----|---------|------|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | 2021 | 2022 |
| ICE Brent | 61 | 55 | 55 | 60 | 60 | 65 | 65 | 65 | 65 | 58 | 65 |

Source Danske Bank

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