

Weekly Focus

Evergrande situation remains unclear

The past week did not provide much clarity around the situation of Evergrande. While market sentiment rebounded strongly, the fate of China's second-largest property developer remains unclear. The Chinese central government could let Evergrande fall, but we think it will likely attempt to ring fence the effects on the country's financial sector to avoid a broader crisis. Furthermore, only USD19bn of Evergrande total debt of USD300bn is denominated in USD, so the direct effect on the rest of the world from the possible bankruptcy should remain limited. Read more in *Research China - The Evergrande situation and what we expect*, 21 September. Next week, more debt payments are due on Wednesday, and markets will also focus on PMIs on Thursday for gauging developments in the broader economy, we expect to see further decline.

Fed took a relatively hawkish stance in its September meeting. While no exact decision was made, Powell gave strong verbal indication that Fed will most likely begin tapering in November, and conclude the process by mid-2022. Fed's median estimate saw core inflation running above 2% through the forecast horizon stretching until 2024, but Powell argued that the current inflationary pressures still mostly reflected transitory factors. Read more in *Fed Research - Review: Fed is about to start a tightening cycle*, 22 September.

Among other central banks, **Norges bank delivered the long-awaited first hike** and a hawkish shift to the rate path, while **Riksbank** maintained its rate path flat, read more in the Scandi section below. Market interpreted **Bank of England's** September interim meeting hawkishly, as 2 members voted for lower asset purchases. Market is now pricing in the first 15bp hike already for March 2022.

Next week, markets will closely follow a series of **Fed speeches** throughout the week, as Powell noted that there was broad-based support for the current tapering plans. On the US data front, private consumption data released on Friday will signal whether US goods consumption has remained elevated. Consensus expects a slight drop in the **September ISM Manufacturing** index released on Friday after Markit's counterparts declined modestly this week. Finally, Fed's preferred measure of inflation, the PCE, will also be released on Friday.

In Europe, **ECB's annual forum** will take place on Tuesday and Wednesday, and the focus will be on the strategy review published last July (for a recap, see *Flash: ECB Research - Strategic Review: Striving for symmetry*, 8 July). While near term monetary policy outlook is not on the agenda, we may receive a number of sources stories and official interviews at the same time. We will also get the **September flash HICP** on Friday where we likely are going to see a further rise in inflation on the back of rising energy and core inflation, not least with the natural gas and electricity price surge. We look for 3.3% for headline and 1.8% for core. We recently revised our Euro Area inflation outlook higher, take a closer look at *Research Euro Area - Rising pipeline pressures for euro inflation*, 17 September.

In Japan, the ruling liberal democratic party will elect a new party president on Wednesday, who will also become the new Prime Minister. For markets, this will primarily be important for the prospects for the green transition.

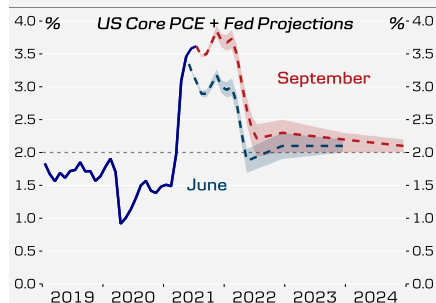
Key market movers

- **During the week:** Development in Chinese financial markets (Evergrande)
- **Tue/Wed:** ECB Annual Forum
- **Thursday:** China official & Caixin Manuf. PMIs, Riksbank Minutes
- **Friday:** Euro Area Flash HICP, US PCE, US ISM Manuf, US Private Consumption

Selected reading from Danske Bank

- *Fed Research - Review: Fed is about to start a tightening cycle*, 22 September
- *Global Inflation Watch - Electricity prices add new upside risks to euro inflation*, 22 September
- *Global Research - Market implications in a global stagflation scenario*, 21 September

Fed sees Core PCE above 2% until 2024



Sources: Macrobond Financial, FOMC, shaded areas represent Central Tendency Range

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Scandi market movers

- In **Denmark**, retail sales figures for August are due on Monday. We saw a fall from June to July of 0.1%. However, retail sales generally remain elevated, so we expect more money to be spent on services as society gradually normalises. That being said, Danes accumulated considerable savings during the corona crisis, while additional savings from subdued travel activity may contribute to keeping retail sales buoyant.

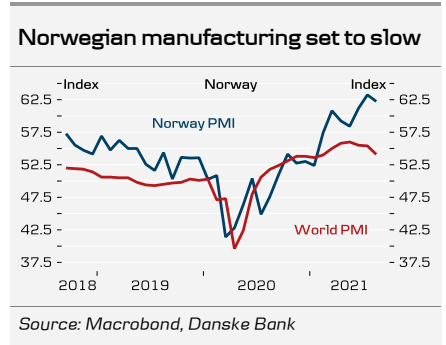
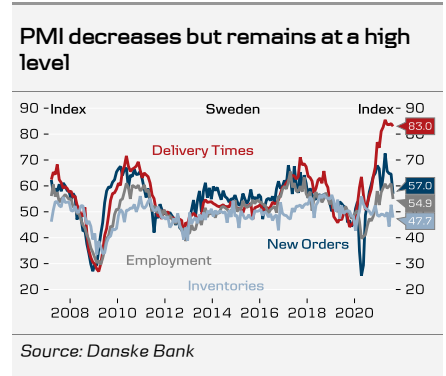
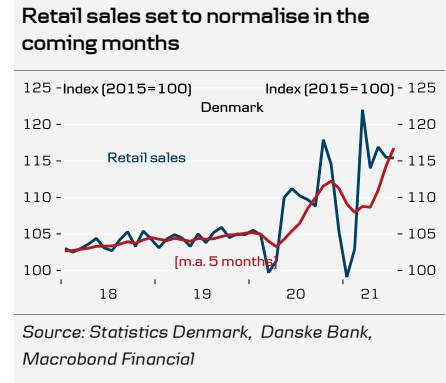
Thursday is scheduled to bring registered unemployment numbers for August. Ministry of Employment figures indicate that unemployment fell by 9,700 between July and August. The number of unemployed often declines between July and August, though usually by less than 9,700, so this could still indicate a fall in seasonally corrected unemployment.

- In terms of economic data there is a quite busy week next week with retail sales (Tuesday), NIER economic tendency survey (Wednesday) and PMI for the manufacturing industry (Friday). Almost all PMI sub-indices eased in August and reinforced the picture that PMI appears to have peaked. But a figure of 60.1 is still a strong number and consistent with a pretty good business conditions. Next week we look for further details about if shortages have dampened production. August number however showed increased production plans. Preliminary September PMIs for Germany (which usually correlates well with Sweden) continued down slightly to 58.5 from earlier 62.6 so again, yes lower PMI numbers but still at a high level is what we look out for.

The NIER survey is broader and here we will especially look out for what happens with the developments in the hardest hit sectors. The survey is for September and as restrictions in Sweden are eased by the end of September this will not be included here, making next month's survey more interesting.

Retail sales account for about 30% of household consumption and thus provide an early indication of how consumption developed during August. Retail sales dropped over the summer but August figures is expected to show an increase of 0.5 m/m and 6.5 y/y.

- In **Norway**, unemployment fell further than many anticipated over the summer, and we expect this to continue in September. Based on the weekly figures, we expect the registered jobless rate to drop to 2.5% (seasonally adjusted), with the risk to the downside. While more of those temporarily laid off have returned to work as restrictions have been eased, there has also been a clear fall in ordinary unemployment, which suggests healthy demand for labour in sectors hit less hard by the pandemic. The manufacturing PMI has also surprised to the upside in recent months, especially given that the global manufacturing cycle appears to have peaked. Part of this is probably down to rising activity in oil-related industries as a result of increased investment by the oil companies. However, we expect the slowdown to show up soon in export-oriented industries, with the PMI probably dipping below 60 in September. Retail sales have been abnormally volatile since the spring but remain extremely high. We still expect them to weaken as spending on services increases with the continued reopening of the economy and increase in mobility. Infections did rise somewhat in August, which may have delayed this effect, but we still expect retail sales to be unchanged month-on-month, although the uncertainty is considerable.



Scandi update

Denmark – Job numbers impress again

Wage-earner employment figures showed 7,000 more found work overall in July, which follows record increases in May and June. The rise was driven by growth of 11,000 in the private sector, while 4,000 left the public sector. The public sector is seemingly starting to say goodbye to some of the additional staff employed in connection with the corona crisis. The big question now is whether the labour market is moving too fast. Many companies continue to report labour shortages, but at the same time unemployment remains above pre-corona levels and wage growth has not exploded. This could indicate that the shortage of labour is due to many having to be employed at the same time. Job growth may also be slowed by the industrial sector now being squeezed on several fronts in connection with raw materials, rising energy prices and the slowdown in global industrial growth.

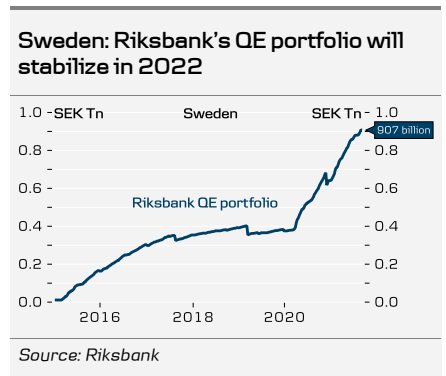
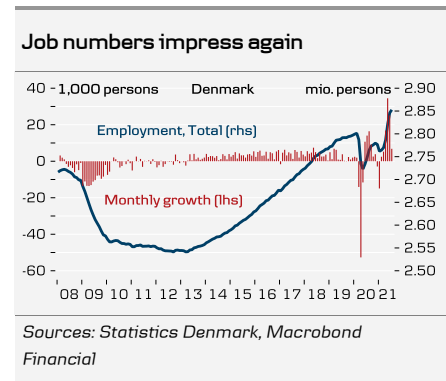
Statistics Denmark’s consumer confidence index rose from 4.4 in August to 8.2 in September, taking it to a near three-year high. Consumer confidence was boosted by the Danes having a more upbeat view on both their own finances and the Danish economy. Danish consumers assess the economy to be in better shape now than prior to corona striking, while expectations for the coming year have shot up. Hence, it would seem the Danes have discovered how well the economy is doing. The signs we have seen of labour market overheating are now being reflected in consumer confidence. Danes’ views on their own finances continue to point to sound financial health, though this has not resulted in a consumption boom.

Public finances for 2020 have been revised, with the deficit reduced from DKK14.0bn to 4.3bn. The downward adjustment was due, in particular, to DKK13.4bn being set aside for losses on corona loan guarantees, which proved too high. Thus, public finances have come through the corona crisis relatively unscathed. The crisis was and still is expensive, but the cost has largely been borne by corporates and employees in the service sector.

Sweden – Relaxed Riksbank

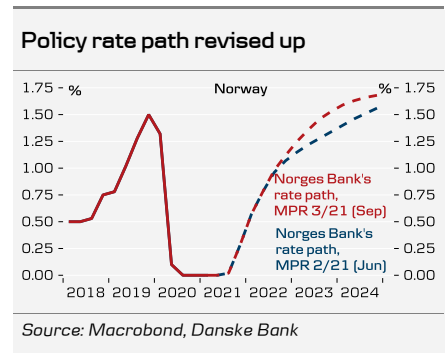
As expected, Riksbank sent a pretty relaxed message the September monetary policy meeting: 1) an extended repo rate path with an unchanged 0% at the new terminal point and 2) unchanged QE tapering plan basically saying that the portfolio of bonds will stabilize in 2022 as Riksbank only intends to reinvest maturing bonds. As Riksbank raised both the GDP and inflation forecasts, CPIF being above 2% for most of the forecast period, the relaxed attitude may come as a surprise. WE believe, however, Riksbank argues that it has plenty of ammunition to counter higher inflation, while the toolbox to counter lower inflation is very limited. Hence, it can afford some moderate overshooting without acting. Looking forward, we expect Riksbank to raise the terminal point of the repo rate path at the next meeting in November. At that occasion it is also likely to specify the QE purchase profile for 2022 and announce a changed composition of purchases as there are restrictions to the size of its possessions of Treasury bonds.

In terms of data, August hours worked fell back sharply and its July/August average is now just a tad above the Q2 average. The biggest drop was in hotels/restaurants, but there were also significant drops in retail trade and cultural services. Going forward it remains to be seen whether this set-back shows up in August PVI (production) and consumption data. There is a definite risk it will moderate GDP growth in Q3 below the widely assumed > 2% qoq sa growth rate on the back of opening up from Covid. As restrictions are abolished by September 29th, this is probably more a case for Q4.



Norway – Rate increases begin

As expected, Norges Bank raised its policy rate to 0.25% at the week’s rate-setting meeting, noting that it will "most likely" go up again in December. This is in line with the signals from the June meeting and monetary policy report, reflecting how developments since then have been more or less as the bank expected. The policy rate path has been revised up slightly in the new monetary policy report and now shows further rate rises in March and June next year along with a third towards the end of the year to take the policy rate to 1.25%. The projections then show the policy rate approaching 1.75% from mid-2024. The path was adjusted in response to slightly higher capacity utilisation, slightly stronger wage and price pressures and a slightly weaker krone than expected. The upward revision was slightly smaller than we had anticipated, which is due entirely to Norges Bank using its discretion to adjust its projections less far than the underlying factors would indicate.



Activity tracker

Euro area	Last obs	Value	Last 4 months	1W chg.	1M chg.	Low
Bundesbank weekly activity index*	Week 38	0.12		0.10	-0.38	-6.1
German truck toll mileage (1w m.a.), % y/y	15-Sep	0.8%		0.5 p.p.	0.4 p.p.	-16.2%
OpenTable restaurant bookings, Germany (1w m.a.)**	22-Sep	25.0%		-5.7 p.p.	-26.9 p.p.	-100%
USA						
NY Fed weekly economic index*	Week 38	7.64		-0.61	-0.26	-11.3
Transaction card spending, (1w m.a.), % y/y	11-Sep	20.8%		0.5 p.p.	-4.7 p.p.	-40.6%
OpenTable restaurant bookings (1w m.a.)**	22-Sep	-11.7%		2.4 p.p.	-0.6 p.p.	-100%
Google mobility trends retail & recreation (1w m.a.)**						
Germany	19-Sep	2.1%		-2.9 p.p.	0 p.p.	-67.3%
France		-3.6%		-3.4 p.p.	-0.7 p.p.	-88.0%
Italy		2.7%		-2.3 p.p.	3.1 p.p.	-88.9%
Spain		-7.7%		-2.4 p.p.	1.7 p.p.	-91.7%
UK		-8.7%		-1 p.p.	-1.9 p.p.	-77.6%
Japan		-15.9%		1.1 p.p.	2.1 p.p.	-37.9%
United States		-5.7%		1.1 p.p.	-1.6 p.p.	-46.1%
Electricity demand (1w m.a.)***						
Germany	23-Sep	-1.3%		0.4 p.p.	1 p.p.	-10.2%
France		-2.8%		-0.6 p.p.	0.2 p.p.	-22.0%
Italy		-0.1%		-0.5 p.p.	-1.7 p.p.	-13.3%
Spain		-5.2%		-5 p.p.	-2.4 p.p.	-23.6%
UK		0.0%		0 p.p.	0 p.p.	-22.2%
Japan	22-Sep	1.4%		2.3 p.p.	1.2 p.p.	-7.3%
United States		1.0%		-1.6 p.p.	-1.8 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
Sat 25	USD	Fed's Williams (voter, neutral) speaks					
Monday, September 27, 2021				Period	Danske Bank	Consensus	Previous
7:00	JPY	Leading economic index, final	Index	Jul			104.1
8:00	DKK	Retail sales	m/mly/y	Aug			-0.1% 4.8%
9:30	SEK	Household lending	y/y	Aug			6.3%
10:00	EUR	Money supply (M3)	y/y	Aug		7.8%	7.6%
10:00	EUR	Loans to households (adj. for sales and sec.)	%	Aug		7.8%	7.6%
10:00	EUR	Loans to NFCs (adj. for sales and sec.)	%	Aug		7.8%	7.6%
14:00	USD	Fed's Evans (non-voter, neutral) speaks					
14:30	USD	Core capital goods orders, preliminary	%	Aug			0.1%
15:00	USD	Fed's Williams (voter, neutral) speaks					
18:00	USD	Fed's Williams (voter, neutral) speaks					
18:15	USD	Fed's Brainard (voter, dovish) speaks					
Tuesday, September 28, 2021				Period	Danske Bank	Consensus	Previous
3:30	CNY	Industrial profits	y/y	Aug			16.4%
8:00	NOK	Retail sales, s.a.	m/m	Aug			-3.1%
8:00	DEM	GfK consumer confidence	Net. Bal.	Oct		-1.3	-1.2
8:45	FRF	Consumer confidence	Index	Sep		100.0	99.0
9:30	SEK	Retail sales s.a.	m/mly/y	Aug	0.5% 6.5%		-1.2% 5.4%
9:30	SEK	Trade balance	SEK bn	Aug			7.1
14:30	USD	Advance goods trade balance	USD bn	Aug		-87.0	-86.4
15:00	USD	FHFA house price index	m/m	Jul		1.5%	1.6%
15:00	USD	Fed's Evans (non-voter, neutral) speaks					
16:00	USD	Fed chair Powell (voter, neutral) speaks					
16:00	USD	Conference Board consumer confidence	Index	Sep		114.6	113.8
21:00	USD	Fed's Bostic (non-voter, neutral) speaks					
Wednesday, September 29, 2021				Period	Danske Bank	Consensus	Previous
1:00	USD	Fed's Bullard (non-voter, dovish) speaks					
9:00	ESP	HICP, preliminary	m/mly/y	Sep		0.8% 3.6%	0.4% 3.3%
9:00	SEK	Consumer confidence	Index	Sep			108.6
9:00	SEK	Economic Tendency Survey	Index	Sep			121.1
9:00	SEK	Manufacturing confidence	Index	Sep			129.2
9:15	SEK	NIER economic forecasts					
11:00	EUR	Industrial confidence	Net bal.	Sep		12.5	13.7
11:00	EUR	Economic confidence	Index	Sep		116.9	117.5
11:00	EUR	Consumer confidence, final	Net bal.	Sep			-4.0
11:00	EUR	Service confidence	Net bal.	Sep		16.0	16.8
16:00	USD	Pending home sales	m/mly/y	Aug		1.0%L	-1.8% -9.5%
16:30	USD	DOE U.S. crude oil inventories	K				-3481
20:00	USD	Fed's Bostic (non-voter, neutral) speaks					
Thursday, September 30, 2021				Period	Danske Bank	Consensus	Previous
1:50	JPY	Industrial production, preliminary	m/mly/y	Aug		-0.5% 2.1%	-1.5% 11.6%
1:50	JPY	Retail trade	m/mly/y	Aug		-1.8% -1.3%	1.0% 2.4%
3:00	CNY	PMI manufacturing	Index	Sep		50.2	50.1
3:00	CNY	PMI non-manufacturing	Index	Sep		50.8	47.5
3:45	CNY	Caixin PMI manufacturing	Index	Sep		49.5	49.2
8:00	DKK	GDP, final	q/qly/y	2nd quarter			2.3%L
8:00	NOK	Credit indicator (C2)	y/y	Aug			5.3%
8:00	DKK	Gross unemployment s.a.	K (%)	Aug			0.038
8:00	GBP	GDP, final	q/qly/y	2nd quarter		4.8% 22.2%	4.8% 22.2%
8:45	FRF	Household consumption	m/mly/y	Aug			-2.2% -4.6%
8:45	FRF	HICP, preliminary	m/mly/y	Sep		-0.1% 2.8%	0.7% 2.4%
9:00	CHF	KOF leading indicator	Index	Sep		110.0	113.5
9:30	SEK	Wages (blue collars/white collars)	y/y	Jul			3.4%
9:30	SEK	Riksbank publishes minutes					
9:55	DEM	Unemployment	%	Sep		5.5%	5.5%
10:00	NOK	Norges Bank's daily FX purchases	m	Oct			-1700
11:00	ITL	HICP, preliminary	m/mly/y	Sep		1.7% 2.8%	0.2% 2.5%
11:00	EUR	Unemployment	%	Aug		7.6%	7.6%
14:00	DEM	HICP, preliminary	m/mly/y	Sep		0.1% 3.9%	0.1% 3.4%
14:30	USD	Initial jobless claims	1000				351
14:30	USD	GDP, ___ release	q/q AR	2nd quarter		0.067	0.066
14:30	USD	PCE core	q/q AR	2nd quarter			0.061
15:45	USD	Chicago PMI	Index	Sep		65.2	66.8
16:00	USD	Fed's Williams (voter, neutral) speaks					
17:00	USD	Fed's Bostic (non-voter, neutral) speaks					
18:30	USD	Fed's Evans (non-voter, neutral) speaks					
19:05	USD	Fed's Bullard (non-voter, dovish) speaks					
21:30	USD	Fed's Harker (voter, neutral) speaks					

Source: Danske Bank

Calendar

Friday, October 1, 2021			Period	Danske Bank	Consensus	Previous
-	EUR	S&P may publish France's debt rating				
-	USD	Total vehicle sales	m	Sep	13.35	13.06
1:30	JPY	Unemployment rate	%	Aug	2.9%	2.8%
1:30	JPY	Job-to-applicant ratio		Aug	1.14	1.15
1:50	JPY	Tankan large manufacturers index (outlook)	Index	3rd quarter	13.0	14.0 13.0
1:50	JPY	Tankan large non-manufacturers index (outlook)	Index	3rd quarter	0.0	1.0 3.0
2:30	JPY	Nikkei Manufacturing PMI, final	Index	Sep		51.2
7:00	JPY	Consumer confidence	Index	Sep	38.0	36.7
8:00	DEM	Retail sales	m/m y/y	Aug	1.5% 0.9%	-4.5% 0.4%
8:30	SEK	PMI manufacturing	Index	Sep		60.1
9:15	ESP	PMI manufacturing	Index	Sep	58.2	59.5
9:45	ITL	PMI manufacturing	Index	Sep	59.5	60.9
9:50	FRF	PMI manufacturing, final	Index	Sep	55.2	55.2
9:55	DEM	PMI manufacturing, final	Index	Sep	58.5	58.5
10:00	EUR	PMI manufacturing, final	Index	Sep	58.7	58.7
10:00	NOK	Unemployment	%	Sep	2.5%	2.5%
10:00	NOK	PMI manufacturing	Index	Sep		62.2
10:30	GBP	PMI manufacturing, final	Index	Sep	56.3	56.3
11:00	EUR	HICP inflation, preliminary	m/m y/y	Sep	0.5%	0.4%
11:00	EUR	HICP - core inflation, preliminary	y/y	Sep	1.8%	1.8%
11:00	EUR	HICP inflation, preliminary	y/y	Sep	3.3%	3.0%
14:30	USD	PCE headline	m/m y/y	Aug	0.2% 4.1%	0.3% 4.2%
14:30	USD	Personal spending	m/m	Aug	0.7%	0.3%
14:30	CAD	GDP	m/m y/y	Jul		0.7% 8.0%
14:30	USD	PCE core	m/m y/y	Aug	0.1% 3.4%	0.2% 3.6%
15:30	CAD	RBC manufacturing PMI	Index	Sep		57.2
15:45	USD	Markit PMI manufacturing, final	Index	Sep		60.5
16:00	USD	Construction spending	m/m	Aug	0.3%	0.3%
16:00	USD	ISM manufacturing	Index	Sep	59.5	59.9
16:00	USD	University of Michigan Confidence, final	Index	Sep	71.0	71.0
17:00	USD	Fed's Harker (voter, neutral) speaks				
19:00	USD	Fed's Mester (voter, hawkish) 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	-2.1	-1.4	-1.7	5.1	-7.0	-4.1	0.4	2.3	46	-0.6	42.2	8.1
	2021	3.0	3.0	0.9	3.0	9.7	8.1	1.5	2.7	4.4	-2.1	38.7	8.4
	2022	3.5	4.0	0.2	3.5	7.0	6.4	1.3	2.5	3.8	-0.4	37.3	8.5
Sweden	2020	-3.1	-4.7	-0.5	0.6	-5.2	-5.8	0.5	2.0	8.3	-3.1	37.7	1.4
	2021	3.7	3.4	1.7	2.5	8.8	7.0	1.3	1.9	8.5	-0.6	38.0	6.6
	2022	3.4	4.1	1.4	3.7	4.0	4.1	0.7	1.9	7.3	0.1	35.0	6.4
Norway	2020	-2.5	-6.9	1.7	-3.8	-0.5	-11.9	1.3	3.1	5.0	-	-	-
	2021	3.7	5.0	2.5	1.0	2.7	3.5	3.1	2.7	3.3	-	-	-
	2022	3.7	7.4	1.8	2.0	6.5	7.0	1.7	3.1	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	-6.5	-8.0	1.4	-7.5	-9.3	-9.2	0.3	-0.6	7.9	-7.2	98.0	3.0
	2021	5.3	3.6	3.3	3.8	9.5	6.7	2.2	3.1	7.8	-7.8	102.2	3.1
	2022	4.2	5.9	1.8	2.1	4.5	4.3	1.7	2.0	7.5	-4.4	102.3	3.1
Germany	2020	-4.9	-6.1	3.5	-3.0	-10.1	-9.2	0.4	0.0	3.9	-4.2	69.8	6.9
	2021	3.4	0.0	2.7	2.2	9.1	8.4	2.7	1.2	3.7	-7.5	73.0	7.5
	2022	4.4	5.4	2.1	2.0	4.7	3.8	1.7	1.8	3.4	-2.5	72.1	6.9
Finland	2020	-2.7	-4.8	0.5	-0.7	-6.8	-6.5	0.3	1.8	7.8	-5.4	69.5	0.8
	2021	3.3	4.0	2.5	4.0	3.5	4.5	1.9	2.5	7.7	-4.4	70.5	0.6
	2022	3.0	3.5	1.0	4.0	6.5	6.5	1.8	2.7	7.1	-2.6	70.5	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	-3.4	-3.8	2.5	-2.7	-13.6	-8.9	1.2	4.6	8.1	-16.0	126.4	-2.1
	2021	5.6	7.8	0.8	8.9	4.3	13.7	4.4	2.0	4.7	-12.2	132.3	-2.1
	2022	3.3	2.6	0.8	4.1	2.4	3.6	3.1	2.3	3.5	-7.2	131.9	-2.1
China	2020	2.4	1.5	-	3.0	-	-	3.0	7.5	-	-11.9	-	0.6
	2021	8.3	9.0	-	10.0	-	-	2.0	7.0	-	-11.8	-	0.4
	2022	5.2	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	-12.2	104.5	-2.0
	2021	7.5	5.1	10.2	10.2	-0.5	0.2	2.4	1.2	4.7	-13.9	97.6	-3.8
	2022	6.4	7.9	2.1	9.7	5.5	8.0	2.7	1.6	4.1	-3.2	99.4	-3.6
Japan	2020	-4.7	-6.5	2.8	-4.3	-11.8	-7.3	-0.2	-	2.8	-	-	-
	2021	2.4	2.0	1.9	0.5	13.2	7.6	-0.2	-	2.8	-	-	-
	2022	2.6	3.8	1.4	0.7	4.7	3.8	0.4	-	2.6	-	-	-

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	24-Sep	0.25	0.13	0.37	1.43	117.3	-	633.9	859.5	863.8
	+3m	0.25	0.11	0.30	1.50	116.0	-	641.4	896.6	879.3
	+6m	0.25	0.11	0.40	1.55	114.0	-	653.1	929.8	903.5
	+12m	0.25	0.19	0.90	2.05	113.0	-	658.8	929.2	929.2
EUR	24-Sep	-0.50	-0.54	-0.43	0.12	-	117.3	743.6	1008.3	1013.4
	+3m	-0.50	-0.54	-0.50	0.12	-	116.0	744.0	1040.0	1020.0
	+6m	-0.50	-0.54	-0.50	0.15	-	114.0	744.5	1060.0	1030.0
	+12m	-0.50	-0.54	-0.40	0.45	-	113.0	744.5	1050.0	1050.0
JPY	24-Sep	-0.10	-0.07	0.01	0.10	120.5	110.4	6.17	8.37	8.41
	+3m	-0.10	-	-	-	128.8	111.0	5.78	8.08	7.92
	+6m	-0.10	-	-	-	126.5	111.0	5.88	8.38	8.14
	+12m	-0.10	-	-	-	126.6	112.0	5.88	8.30	8.30
GBP	24-Sep	0.10	0.07	0.66	1.08	85.6	137.0	868.6	1177.8	1183.7
	+3m	0.10	0.07	0.60	1.15	84.0	138.1	885.7	1238.1	1214.3
	+6m	0.10	0.07	0.55	1.25	84.0	135.7	886.3	1261.9	1226.2
	+12m	0.10	0.07	0.70	1.55	83.0	136.1	897.0	1265.1	1265.1
CHF	24-Sep	-0.75	-0.75	-0.58	0.07	108.3	92.3	686.6	931.0	935.6
	+3m	-0.75	-	-	-	109.0	94.0	682.6	954.1	935.8
	+6m	-0.75	-	-	-	110.0	96.5	676.8	963.6	936.4
	+12m	-0.75	-	-	-	111.0	98.2	670.7	945.9	945.9
DKK	24-Sep	-0.50	-0.22	-0.10	0.40	743.62	633.90	-	135.59	136.28
	+3m	-0.60	-0.28	-0.20	0.39	744.00	641.38	-	139.78	137.10
	+6m	-0.60	-0.28	-0.22	0.40	744.50	653.07	-	142.38	138.35
	+12m	-0.60	-0.28	-0.12	0.70	744.50	658.85	-	141.03	141.03
SEK	24-Sep	0.00	-0.02	0.11	0.81	1013.4	863.8	73.4	99.5	100.0
	+3m	0.00	-0.04	0.07	0.70	1020.0	879.3	72.9	102.0	-
	+6m	0.00	-0.04	0.05	0.80	1030.0	903.5	72.3	102.9	-
	+12m	0.00	-0.04	0.05	0.85	1050.0	929.2	70.9	100.0	-
NOK	24-Sep	0.00	0.53	1.27	1.74	1008.3	859.5	73.7	100.0	100.5
	+3m	0.50	0.40	1.25	1.80	1040.0	896.6	71.5	-	98.1
	+6m	0.25	1.18	1.55	1.90	1060.0	929.8	70.2	-	97.2
	+12m	0.50	0.90	1.85	2.20	1050.0	929.2	70.9	-	100.0

Commodities												
		2021				2022				Average		
	24-Sep	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2021	2022	
ICE Brent	77	55	65	70	70	73	73	73	73	65	73	

Source Danske Bank

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