

Weekly Focus

Euro area PMI surprise

The COVID-19 situation is challenging in EU with cases still rising in many countries such as Germany, France, Italy, Netherlands, Belgium and Austria. We still see April as the turning point in the crisis in the Northern Hemisphere when it comes to infections and deaths. However, for the EU we see a clear risk that the turning point is delayed into May, as vaccinations are much slower than in UK and the US. The vaccination process continues with Israel leading with a vaccination percent of nearly 114 doses administered per 100 people (first and second doses). The UK is nearly at 46% and the US is at 39%. The EU is still lagging behind at 14%.

This week we released our new global macro outlook, *Big Picture forecast update - Divergent fortunes*, 23 March. We raised our global GDP outlook and now look for growth among G4 (US, China, Euro area and Japan) at a strong 7.2%, higher than consensus at 6.2%. US is the key driver behind our upward revision as the fiscal stimulus and speedy vaccination roll-out is boosting growth there with positive spill-over to the rest of the world. Being ahead in the post-covid recovery, China is the only G4 country where we see slowing growth during 2021. In the euro-area, we expect GDP growth to be 4.4% in 2021 (slightly above consensus 4.2%).

This week brought surprisingly strong euro area releases. The preliminary manufacturing PMI survey for March surged to 62.4 from 58 in February. This is the highest reading since the start of the publication of the figure in 1997. The service index also increased almost 49. The releases suggest that a tentative recovery took shape in the euro area at the end of Q1 with the composite measure at 52.5 back in expansion territory for the first time since September. The German IFO report for March was also stronger than expected.

In financial markets, the US dollar continued to strengthen both against the euro but also CNY and other emerging market currencies. The US 10 year yields fell back this week amid a strong treasury auction and set back in global equity markets.

Next week the key release is the non-farm payroll in the US. We expect a slight increase in employment given the gradual re-opening of the US economy. Also on next Friday, Bank of Japan publishes its big quarterly Tankan survey, which is likely going to show an upbeat manufacturing sector whereas the soft lock down continues to weigh on the service sector. On Thursday, look out for the ISM manufacturing, which should still be at high levels. On Wednesday the euro area March HICP is expected to show a pick-up in headline inflation to 1.3% helped by rising energy prices, but core inflation will likely remain at 1.1%.

In the week of 6-9 April, the non ISM manufacturing on Monday should still be high given the partial reopening of the service sectors in many states. The FED minutes on Wednesday that week may reveal what the Fed is thinking on rate increases also in relation to the e market pricing a hike by February 2023. Central bank meetings in Australia (Tuesday) and Poland (Wednesday) take place, where the impact of surging COVID-19 cases on the Polish economy will be of focus in the latter.

Key market movers week 13

- Wed: Euro area HIPC release
- Thur: US ISM manufacturing
- Fri: US non-farm payroll, Japan Tankan

Key market movers week 14

- Mon: US ISM non-manufacturing
- Tue: Reserve Bank of Australia interest rate decision, euro area Sentix investor confidence
- Wed: FOMC minutes, Polish central bank rate decision
- Thur: German factory orders
- Fri: Michigan sentiment, PCE inflation from the United States, Ifo from Germany

Selected reading from Danske Bank

- *Emerging Markets Monthly: The narrative of strong EM FX is fading*
- *Big Picture forecast update - Divergent fortunes*
- *China Macro Monitor - More signs of slowdown*

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Scandi market movers

- In **Denmark**, we should receive business confidence figures for March and revised national accounts ahead of Easter. We expect the signs to still point up for industry, which is benefiting from the global upswing, while construction is also experiencing a tailwind at the moment. Retail sales remain slightly in the doldrums but are expected to have picked up a little after the partial reopening in March. Significant revisions could be on the cards for the national accounts update. Housing investments, for example, fell in Q4, which did not make much sense given the huge interest in housing. Moreover, a major upward revision of the 2020 current account surplus could lift last year's GDP growth.

Forced sales and bankruptcy figures are scheduled to arrive just after Easter on 8 and 9 April. The number of forced sales has remained very low throughout the crisis, held down by a red-hot housing market, which looks set to continue. Bankruptcy figures rose noticeably during the first two months of the year, presumably as a result of tax payments that fell due in January along with the lockdown, which hit many companies hard, particularly in the service sector. We continue to expect the number of bankruptcies to rise here in H1 2021 as more postponed tax payments fall due.

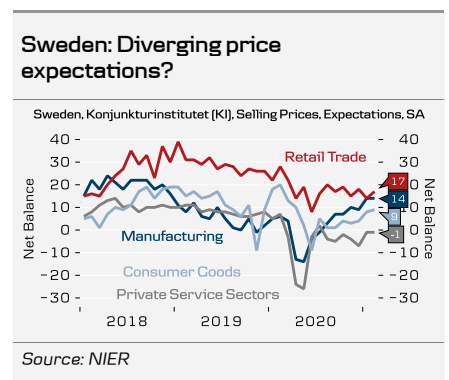
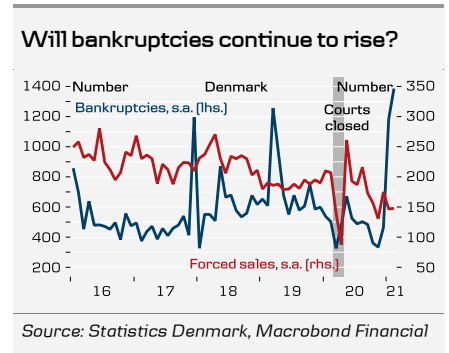
FX reserve figures for March are expected to be announced on the Wednesday after Easter. The DKK has been trading strongly against the EUR in March at around the level where the central bank intervened to buy foreign currency in February. Hence, it will be interested to see whether and to what extent Danmarks Nationalbank has intervened. We should also receive an update on the government's foreign borrowing. The government presumably further reduced the issuance of Commercial Papers in March.

We are set to publish our own forecast for the Nordic economies, Nordic Outlook, on 7 April, in which we present our views on the current state of the economies and where they are headed in the coming years. The National Productivity Board are also scheduled to present their report on 7 April, looking at productivity growth in the Danish economy.

- In **Sweden**, the NIER confidence surveys does not have questions about delivery times which is one of the potential culprits in the short-term macro-economic outlook right now, both when it concerns the lack of semiconductors and more general in terms of the lack of containers, at least in Europe. As we have seen Volvo Trucks reporting it will cease production temporarily, it could very well show up in a drop in manufacturing confidence or expectations. We see no reason for new orders to slow, but some may have been cancelled with a possible impact on order books. Hence, this is what we will look out for.

On the price side, there has (of course) as usual been speculation about a spike in inflation on the back of rising energy, base metal and container prices. To be sure, manufacturing price expectations have been on an upward trend since May last year, now being the highest since late 2018. However, does that mean consumer inflation is about take off? Well, we note that consumer goods price expectations have been moving higher, albeit still being quite low while retail is trending down and services prices even declining (negative prints). Hence, the signals about the price trend appear a bit divergent.

In addition, the March PMI's will be out. Manufacturing has been relatively unaffected since the dip during spring, which is mainly explained by the healthy global sentiment. However, the last month, as mentioned above some alarming signals have arisen about supply chain problems. The order inflow declined in February (although from high

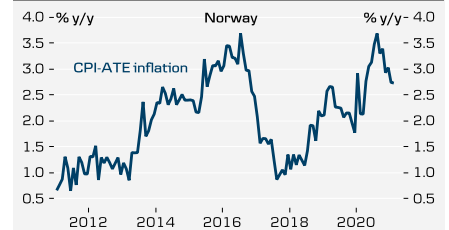


levels), which was primarily driven by lower export orders. Flash-PMIs from Germany, however suggest 1) manufacturing continues to be strong 2) order intake rose further and since Germany is one of Sweden's most important trading partners, this also paves the way for a high order intake for the Swedish manufacturing as well. 3) the most worrying sign, however, was that delivery times skyrocketed, which further confirms that supply chain problems still exist. Manufacturing has been (and is) an important driver for the recovery, meaning, if the delivery problems become more long-lasting, this will be seen in the recovery.

- In **Norway**, inflation has been coming down since the autumn. A stronger krone has pulled down imported inflation, and slower wage growth has put 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 expected last spring. We expect this balancing act to continue, with downward pressure on inflation supported by base effects, but pockets of supply-side pressures. Limited base effects in March nevertheless suggest that core inflation will be unchanged at 2.7% y/y.

Retail sales dropped back sharply at the end of a fantastic 2020. The new year began relatively cautiously, but extended restrictions on consumption of services probably brought a moderate rise in retail sales in February, and we predict an increase of 0.7% m/m.

Inflation on the way down



Source: Macrobond, Danske Bank

Scandi update

Denmark – Lockdown triggers pronounced fall in employment

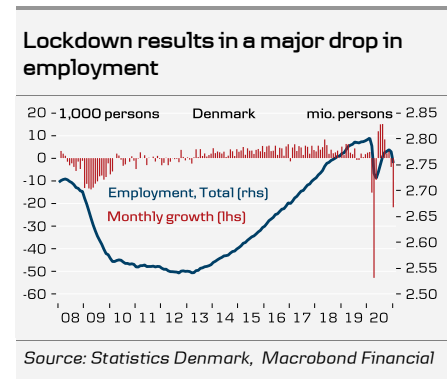
The past week saw the release of wage-earner employment for January. The figures showed a pronounced fall of 22,000 or 0.9% – the second-worst decline ever, exceeded only by April last year. The reason for the fall was the lockdown in December, which further hit the service sector in particular. In contrast, employment rose in industry and construction, evidence that things are going well in those parts of the economy that are not shut down.

Statistics Denmark’s consumer confidence indicator came in at -5.0 for March, largely unchanged from -5.2 in February. It appears the partial reopening of the retail sector has not boosted consumer expectations. Danes are very critical about the current state of the Danish economy and expect the economy to be in a slightly worse state in a year’s time. We do not share this opinion, as we expect to see a marked pick-up in the economy when the reopening really gains traction. Likewise, we expect consumer confidence to increase significantly in the coming months as vaccines are rolled out and society reopens.

Statistics Denmark also announced the government deficit in 2020 was DKK26.7bn, which was considerably below the DKK80bn pencilled in by the Ministry of Finance in December. The deficit equates to 1.2% of GDP, which was surpassed as recently as 2015 and far exceeded in 2012, when the deficit amounted to 3.5% of GDP. Unemployment expenses and the decline in tax revenues were not as great as expected, plus the relief packages were not used to the extent envisaged. Moreover, government coffers received much more from so-called PAL (pension return) taxes, as both equities and bonds had a fine year. Nevertheless, the crisis has proved extremely expensive. Our best estimate is that the crisis will end up costing Denmark DKK230bn in lost production and income, or DKK40,000 per inhabitant.

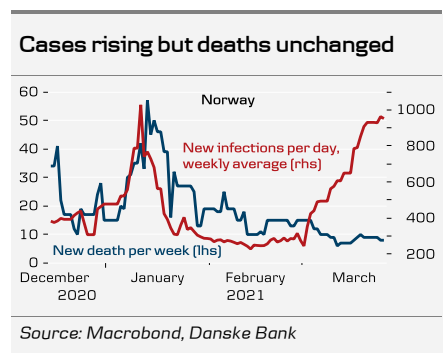
Sweden – quiet week

There is no news on the Swedish economy this week.



Norway – Rising infections bring fresh restrictions

A sharp rise in the number of new coronavirus cases over the past couple of weeks has resulted in a further round of national and local countermeasures. Besides steps to limit social mobility, it is primarily the national ban on serving alcohol that will hit the economy and the labour market, as large parts of the restaurant industry will be shut until at least the weekend after Easter. Together with the closure of non-essential retail in Oslo and Viken, which account for 35% of the country’s population, this will result in a sharp increase in the number of workers laid off from mid-March until mid-April. We have therefore revised down our growth forecast for both months. Some slight positives are that growth is still solid in other sectors, there are signs of infections levelling off, and – last but not least – the rise in the number of deaths is far smaller than last year. This latter factor suggests that vaccination of the most vulnerable groups is having a positive effect.



Activity tracker

Euro area	Last obs	Value	Last 4 months	1W chg.	1M chg.	Low
Bundesbank weekly activity index*	Week 12	-0.82		-0.04	-0.51	-5.9
German truck toll mileage (1w m.a.), % y/y	17-Mar	4.9%		1.9 p.p.	4.3 p.p.	-16.2%
OpenTable restaurant bookings, Germany (1w m.a.)**	24-Mar	-98.7%		0.2 p.p.	0.8 p.p.	-100%
USA						
NY Fed weekly economic index*	Week 12	4.14		4.47	6.80	-11.5
Transaction card spending, (1w m.a.), % y/y	19-Mar	17.1%		9.3 p.p.	21.5 p.p.	-40.6%
OpenTable restaurant bookings (1w m.a.)**	24-Mar	-29.1%		3.8 p.p.	18.1 p.p.	-100%
Google mobility trends retail & recreation (1w m.a.)**						
Germany	21-Mar	-38.6%		1.4 p.p.	15 p.p.	-67.3%
France		-41.6%		-0.7 p.p.	-0.7 p.p.	-88.0%
Italy		-50.1%		-10.3 p.p.	-18.3 p.p.	-88.9%
Spain		-31.9%		1 p.p.	10.6 p.p.	-91.7%
UK		-51.3%		1.6 p.p.	6.1 p.p.	-77.6%
Japan		-11.0%		1 p.p.	9.3 p.p.	-37.9%
United States		-8.4%		4.7 p.p.	20.1 p.p.	-46.1%
Electricity demand (1w m.a.)***						
Germany	25-Mar	2.0%		1.7 p.p.	7.3 p.p.	-16.2%
France		6.0%		1.8 p.p.	14.1 p.p.	-23.1%
Italy		4.2%		3.6 p.p.	7.7 p.p.	-28.2%
Spain		-0.6%		0.2 p.p.	2.1 p.p.	-24.2%
UK		-4.9%		2 p.p.	1.5 p.p.	-22.1%
Japan	24-Mar	-1.8%		-1.2 p.p.	-7.6 p.p.	-18.3%
United States		-2.0%		1.4 p.p.	-14.6 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 – 30 March – 2 April

Tuesday, March 30, 2021

				Period	Danske Bank	Consensus	Previous
1:30	JPY	Unemployment rate	%	Feb		3.0%	2.9%
1:30	JPY	Job-to-applicant ratio		Feb		1.1	1.1
1:50	JPY	Retail trade	m/m/y/y	Feb		0.8% -2.8%	-1.7% -2.4%
8:00	NOK	Retail sales, s.a.	m/m	Feb	0.7%		-0.1%
8:45	FRF	Consumer confidence	Index	Mar		90.0	91.0
9:00	SEK	Consumer confidence	Index	Mar			97.5
9:00	SEK	Economic Tendency Survey	Index	Mar			103.6
9:00	SEK	Manufacturing confidence	Index	Mar			114.6
9:00	ESP	HICP, preliminary	m/m/y/y	Mar		1.7% 0.9%	-0.6% -0.1%
9:00	CHF	KOF leading indicator	Index	Mar		104.1	102.7
11:00	EUR	Industrial confidence	Net bal.	Mar		0.0	-3.3
11:00	EUR	Economic confidence	Index	Mar		95.0	93.4
11:00	EUR	Consumer confidence, final	Net bal.	Mar			-10.8
11:00	EUR	Service confidence	Net bal.	Mar		-16.0	-17.1
14:00	DEM	HICP, preliminary	m/m/y/y	Mar		0.5% 2.0%	0.6% 1.6%
15:00	USD	Fed's Quarles (voter, neutral) speaks					
15:00	USD	FHFA house price index	m/m	Jan		1.3%	1.1%
16:00	USD	Conference Board consumer confidence	Index	Mar		96.0	91.3
20:30	USD	Fed's Williams (voter, neutral) speaks					

Wednesday, March 31, 2021

				Period	Danske Bank	Consensus	Previous
1:50	JPY	Industrial production, preliminary	m/m/y/y	Feb		-1.3% -2.0%	4.3% -5.2%
3:00	CNY	PMI manufacturing	Index	Mar		51.2	50.6
3:00	CNY	PMI non-manufacturing	Index	Mar		52.3	51.4
8:00	GBP	GDP, final	q/q/y/y	4th quarter		1.0% -7.8%	1.0% -7.8%
8:00	DKK	Gross unemployment s.a.	K (%)	Feb			0.044
8:00	DKK	GDP, final	q/q/y/y	4th quarter			0.6% ...
8:45	FRF	Household consumption	m/m/y/y	Feb			-4.6% 0.0%
8:45	FRF	HICP, preliminary	m/m/y/y	Mar		0.8% 1.4%	0.0% 0.8%
9:15	SEK	NIER economic forecasts					
9:55	DEM	Unemployment	%	Mar		6.0%	6.0%
10:00	NOK	Norges Bank's daily FX purchases	m	Apr			-1700
11:00	ITL	HICP, preliminary	m/m/y/y	Mar		2.0% 1.1%	-0.2% 1.0%
11:00	EUR	HICP inflation, preliminary	m/m/y/y	Mar		1.0% ...	0.2% ...
11:00	EUR	HICP - core inflation, preliminary	y/y	Mar	1.1%	1.1%	1.1%
11:00	EUR	HICP inflation, preliminary	y/y	Mar	1.3%	1.3%	0.9%
14:15	USD	ADP employment	1000	Mar		500	117
14:30	CAD	GDP	m/m/y/y	Jan			0.1% -3.0%
15:45	USD	Chicago PMI	Index	Mar		60.0	59.5
16:00	USD	Pending home sales	m/m/y/y	Feb		-2.7% ...	-2.8% 8.2%
16:30	USD	DOE U.S. crude oil inventories	K				1912

Thursday, April 1, 2021

				Period	Danske Bank	Consensus	Previous
-	USD	Total vehicle sales	m	Mar		16.45	15.67
-	COM	OPEC+ meeting					
1:50	JPY	Tankan large manufacturers index (outlook)	Index	1st quarter		-1.0	-10.0 -8.0
1:50	JPY	Tankan large non-manufacturers index (outlook)	Index	1st quarter		-5.0	-5.0 -6.0
2:30	JPY	Nikkei Manufacturing PMI, final	Index	Mar			52.0
3:45	CNY	Caixin PMI manufacturing	Index	Mar		51.3	50.9
8:00	DEM	Retail sales	m/m/y/y	Feb		1.5% -6.4%	-6.5% -9.3%
8:30	CHF	CPI	m/m/y/y	Mar		0.4% -0.2%	0.2% -0.5%
8:30	SEK	PMI manufacturing	Index	Mar			61.6
9:15	ESP	PMI manufacturing	Index	Mar		55.0	52.9
9:45	ITL	PMI manufacturing	Index	Mar		59.4	56.9
9:50	FRF	PMI manufacturing, final	Index	Mar		58.8	58.8
9:55	DEM	PMI manufacturing, final	Index	Mar		66.6	66.6
10:00	EUR	PMI manufacturing, final	Index	Mar		62.4	62.4
10:30	GBP	PMI manufacturing, final	Index	Mar		57.9	57.9
14:30	USD	Initial jobless claims	1000				684
15:30	CAD	RBC manufacturing PMI	Index	Mar			54.8
15:45	USD	Markit PMI manufacturing, final	Index	Mar			59.0
16:00	USD	Construction spending	m/m	Feb		-0.8%	1.7%
16:00	USD	ISM manufacturing	Index	Mar		61.0	60.8
19:00	USD	Fed's Harker (voter, neutral) speaks					

Friday, April 2, 2021

				Period	Danske Bank	Consensus	Previous
14:30	USD	Unemployment	%	Mar		6.0%	6.2%
14:30	USD	Average hourly earnings, non-farm	m/m/y/y	Mar		0.2% 4.5%	0.2% 5.3%
14:30	USD	Non farm payrolls	1000	Mar		600	379

Source: Danske Bank

Calendar – 5-9 April 2021

Monday, April 5, 2021					Period	Consensus	Previous	
2:30	JPY	Markit PMI services, final	Index	Mar		46.5		
15:45	USD	Markit PMI service, final	Index	Mar		60.0		
16:00	USD	Core capital goods orders	%	Feb			-0.8%	
16:00	USD	ISM non-manufacturing	Index	Mar		57.3	55.3	
Tuesday, April 6, 2021					Period	Danske Bank	Consensus	Previous
1:30	JPY	Labour cash earnings	y/y	Feb				-0.8%
3:45	CNY	Caixin PMI service	Index	Mar		52.1	51.5	
6:30	AUD	Reserve Bank of Australia rate decision	%		0.1%		0.1%	
8:30	SEK	PMI services	Index	Mar			62.7	
10:00	NOK	PMI manufacturing	Index	Mar			56.1	
10:30	EUR	Sentix Investor Confidence	Index	Apr			5.0	
11:00	EUR	Unemployment	%	Feb			8.1%	
Wednesday, April 7, 2021					Period	Danske Bank	Consensus	Previous
-	DKK	Danske Bank publish Nordic Outlook						
-	DKK	The National Productivity Board to publish report						
-	CNY	Foreign exchange reserves	USD bn	Mar				3205.0
-	PLN	Polish central bank rate decision	%					0.1%
6:00	SEK	Maklarstatistik Swedish housing price data						
7:00	JPY	Leading economic index, preliminary	Index	Feb				98.5
9:15	ESP	PMI services	Index	Mar				43.1
9:45	ITL	PMI services	Index	Mar				48.8
9:50	FRF	PMI services, final	Index	Mar				47.8
9:55	DEM	PMI services, final	Index	Mar				50.8
10:00	EUR	PMI composite, final	Index	Mar				52.5
10:00	EUR	PMI services, final	Index	Mar				48.8
10:30	GBP	PMI services, final	Index	Mar				56.8
14:30	USD	Trade balance	USD bn	Feb		-68.3		-68.2
15:00	USD	Fed's Evans (non-voter, neutral) speaks						
17:00	DKK	Currency reserves	DKK bn	Mar				429.4
20:00	USD	FOMC minutes						
21:00	USD	Consumer credit	USD bn	Feb				-1.3
Thursday, April 8, 2021					Period	Danske Bank	Consensus	Previous
1:01	GBP	RICS house price balance	Index	Mar				0.5
7:00	JPY	Consumer confidence	Index	Mar				33.8
8:00	DKK	Enforced sales [s.a.]		Mar				
8:00	DEM	Factory orders	m/m/y/y	Feb				1.4% 2.5%
8:00	NOK	Manufacturing production	m/m/y/y	Feb				2.5% 1.0%
8:00	NOK	Industrial production	m/m/y/y	Feb				1.1% 5.9%
9:00	CHF	SNB balance sheet, intervention	CHF bn	Mar				914.2
9:30	SEK	Industrial orders	m/m/y/y	Feb				0.6% 8.5%
9:30	SEK	Private Sector Production	m/m/y/y	Feb				0.1% -2.9%
9:30	SEK	Household consumption	m/m/y/y	Feb				1.8% -3.8%
10:30	GBP	PMI construction	Index	Mar				53.3
11:00	EUR	PPI	m/m/y/y	Feb				0.0% 1.4%
17:00	USD	Fed's Bullard (non-voter, dovish) speaks						
Friday, April 9, 2021					Period	Danske Bank	Consensus	Previous
-	CNY	Money supply M2	y/y	Mar				10.1%
3:30	CNY	PPI	y/y	Mar				1.7%
3:30	CNY	CPI	y/y	Mar				-0.2%
7:45	CHF	Unemployment	%	Mar				3.6%
8:00	NOK	Core inflation (CPI-ATE)	m/m/y/y	Mar	.. 2.7%			0.4% 2.7%
8:00	DEM	Trade balance	EUR bn	Feb				13.8
8:00	DKK	Bankruptcies [s.a.]		Mar				
8:00	DKK	Trade balance ex ships	DKK bn	Feb				7
8:00	DKK	Exports		Feb				
8:00	NOK	CPI	m/m/y/y	Mar				0.7% 3.3%
8:00	NOK	PPI	m/m/y/y	Mar				5.4% 9.7%
8:00	DKK	Current account [nsa]sa	DKK bn	Feb				.. 16.8
8:00	DEM	Industrial production	m/m/y/y	Feb				-2.5% -3.9%
8:45	FRF	Industrial production	m/m/y/y	Feb				3.3% -0.2%
9:30	SEK	Budget balance	SEK bn	Mar				47.3
14:30	USD	PPI	m/m/y/y	Mar		0.5% ...		0.5% 2.8%
14:30	USD	PPI core	m/m/y/y	Mar		0.2% ...		0.2% 2.5%
14:30	CAD	Net change in full time employment	1000	Mar				88.2

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	-3.3	-3.0	-0.1	1.7	-8.5	-5.6	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	1.3
	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	-8.1	1.1	-8.5	-9.8	-9.3	0.3	-0.7	7.9	-8.8	101.7	2.6
	2021	4.4	2.8	4.2	5.1	12.9	11.3	1.6	3.6	8.5	-6.2	102.1	2.6
	2022	4.1	5.7	1.8	2.1	4.6	4.3	1.1	1.0	8.3	-4.4	102.3	2.8
Germany	2020	-5.3	-6.3	3.3	-3.9	-10.2	-9.0	0.4	0.0	4.2	-6.0	71.2	6.0
	2021	3.2	-0.7	2.1	3.0	14.7	10.7	2.5	0.0	4.4	-4.0	70.1	6.3
	2022	3.9	5.1	1.4	2.1	4.7	4.3	1.3	0.0	3.8	-2.5	69.0	6.1
Finland	2020	-2.8	-4.9	2.3	-3.1	-6.6	-6.6	0.3	1.9	7.8	-8.0	69.2	0.8
	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	-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	9.2	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	4.5	-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	26-Mar	0.25	0.20	0.27	1.71	117.7	-	631.5	860.9	865.0
	+3m	0.25	0.20	0.30	1.75	118.0	-	630.5	855.9	855.9
	+6m	0.25	0.20	0.35	1.85	117.0	-	636.3	871.8	871.8
	+12m	0.25	0.20	0.60	2.15	115.0	-	647.4	895.7	904.3
EUR	26-Mar	-0.50	-0.54	-0.51	0.03	-	117.7	743.6	1013.7	1018.6
	+3m	-0.50	-0.55	-0.50	0.10	-	118.0	744.0	1010.0	1010.0
	+6m	-0.50	-0.55	-0.40	0.25	-	117.0	744.5	1020.0	1020.0
	+12m	-0.50	-0.55	-0.30	0.45	-	115.0	744.5	1030.0	1040.0
JPY	26-Mar	-0.10	-0.07	-0.03	0.12	120.5	109.7	6.17	8.41	8.45
	+3m	-0.10	-	-	-	129.8	110.0	5.73	7.78	7.78
	+6m	-0.10	-	-	-	129.9	111.0	5.73	7.85	7.85
	+12m	-0.10	-	-	-	128.8	112.0	5.78	8.00	8.07
GBP	26-Mar	0.10	0.09	0.27	1.01	85.5	137.7	869.9	1185.8	1191.5
	+3m	0.10	0.07	0.30	1.20	85.0	138.8	875.3	1188.2	1188.2
	+6m	0.10	0.07	0.35	1.30	84.0	139.3	886.3	1214.3	1214.3
	+12m	0.10	0.07	0.45	1.40	83.0	138.6	897.0	1241.0	1253.0
CHF	26-Mar	-0.75	-0.76	-0.66	-0.01	110.8	94.1	671.2	915.0	919.3
	+3m	-0.75	-	-	-	111.0	94.1	670.3	909.9	909.9
	+6m	-0.75	-	-	-	112.0	95.7	664.7	910.7	910.7
	+12m	-0.75	-	-	-	113.0	98.3	658.8	911.5	920.4
DKK	26-Mar	-0.50	-0.21	-0.16	0.29	743.61	631.54	-	136.32	136.97
	+3m	-0.50	-0.21	-0.15	0.35	744.00	630.51	-	135.75	135.75
	+6m	-0.50	-0.22	-0.05	0.50	744.50	636.32	-	137.00	137.00
	+12m	-0.50	-0.23	0.00	0.65	744.50	647.39	-	138.35	139.69
SEK	26-Mar	0.00	-0.02	0.01	0.75	1018.6	865.0	73.0	99.5	100.0
	+3m	0.00	-0.05	-0.05	0.78	1010.0	855.9	73.7	100.0	-
	+6m	0.00	-0.05	-0.05	0.95	1020.0	871.8	73.0	100.0	-
	+12m	0.00	-0.05	0.00	1.15	1040.0	904.3	71.6	99.0	-
NOK	26-Mar	0.00	0.38	0.86	1.80	1013.7	860.9	73.4	100.0	100.5
	+3m	0.00	0.40	0.95	1.95	1010.0	855.9	73.7	-	100.0
	+6m	0.25	0.65	1.05	2.00	1020.0	871.8	73.0	-	100.0
	+12m	0.50	0.90	1.25	2.10	1030.0	895.7	72.3	-	101.0

Commodities

	26-Mar	2021				2022				Average	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2021	2022
ICE Brent	63	55	55	60	60	65	65	65	65	58	65

Source Danske Bank

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