

Weekly Focus

Energy crunch worsens

As markets continue to price in higher natural gas and electricity prices for the coming year, the euro area looks increasingly more vulnerable and EUR/USD traded below parity to the lowest level in almost 20 years. The energy crisis also spilled over to other markets. Investors are turning more worried about second round effects on inflation and markets' inflation expectations ticked higher. Oil markets were also affected, as the incentive to switch energy source has increased and oil traded back above USD100 per barrel. 10-year US treasuries edged back above 3% for the first time in a month driven by expectations that the hiking cycle from the Federal Reserve is far from over. Also Bunds traded higher as markets are now pricing in 200bps hikes from the ECB as opposed to 130bps two weeks ago.

Higher yields were hard on equity markets, where stagflation fears are dominating, even if China's State Council did step in with a 1 trillion yuan spending package as China is struggling with repeated COVID lockdowns, waning global demand and a vulnerable property market.

PMIs in the euro area were slightly less gloomy than expected, but indicates a slowdown as inflation is digging deep into consumer pockets. In the US, PMIs indicate the service sector is slowing faster than expected. On a positive note, businesses' selling prices are increasing at a softer pace. That said, forward prices in energy markets indicate large heating bills ahead in Europe and we see no signs that wages will cushion the blow to purchasing power much. Euro area negotiated wage growth dropped back to 2.1% in Q2 from 2.8% in Q1, as one-off payments dropped out of the figures. The underlying trend is a moderate increase in wage growth.

With the threat of energy rationing and production cuts later this year still looming, the near-term outlook for the euro area economy remains challenging. Our recession model indicators for the US and Eurozone show that a recession is certainly nearing, especially in the euro area, but the labour markets and investment cycles are still holding up relatively well on both sides of the Atlantic giving some cushion for the time being.

Next week, the most important data out of the euro area will be the inflation figures. We look for a marginal slowdown in core inflation to 3.9%, but a further increase in headline inflation to 9.2% on the back of higher energy prices. In contrast to the US, we have not seen the inflation peak in the euro area yet and we look for further increases to double digit rates in Q4, leaving the pressure on for more ECB hikes.

In the US, markets will be looking out for signs of a looser labour market, as we get both job openings and a jobs report. Consensus is for another 290,000 employed but markets will be looking at the full picture of indicators to decide whether the pricing of Fed is fair. In China, we look for weaker manufacturing PMIs on the back of weaker export orders and a continued weak property market.

Key global views

- High risk of recession in Europe in H2. We expect the US to fall into recession in 2023Q2.
- US inflation to peak in Q3, wage growth to stay high. Euro inflation to stay elevated in H2 on higher electricity and gas prices. Easing pressure from oil, metals, freight and food to pull global inflation lower in 2023.
- Fed to hike by another 125bp this year, then stop. ECB to hike another 100bp this year, then stop

Key market movers

- Tuesday: German CPI, US job openings
- Wednesday: Chinese NBS PMIs
- Thursday: US ISM manufacturing
- Friday: US jobs report

Selected reading from Danske Bank

- *Recession monitor - Closing in*, 26 Aug
- *Global Inflation Watch*, 22 Aug
- *Research China - The risk of a Taiwan war and what it implies - part 2*, 19 Aug

Editor

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Scandi market movers

- In **Denmark**, business tendency surveys for August are due on Tuesday. Business confidence has slipped substantially in recent months, even if it is still some way above previous historical lows. The reason for this is that Danish companies have up to now been affected by rising prices and supply issues. July saw an easing of the labour and materials shortages facing companies. Businesses also reported declining expectations for future sales and employment.

Wednesday should bring the national accounts figures for Q2 22. The GDP indicator showed the Danish economy grew by 0.7%, which is very respectable growth in a quarter when most Danes became poorer due to prices rising more than wages. We have previously seen the initial growth estimate for the Danish economy get revised somewhat, so what will be interesting is whether the national accounts confirm the strong growth figures.

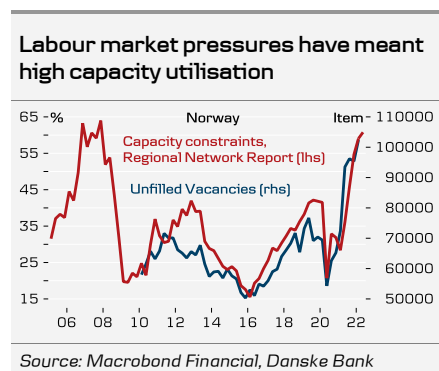
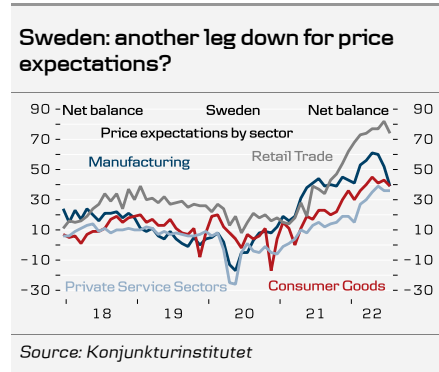
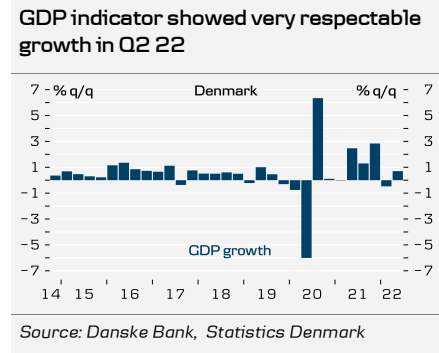
July's gross unemployment figures are also slated for Wednesday. Unemployment rates have risen slightly in recent months, though that has to be seen against the labour force expanding as more Ukrainian refugees entered the Danish labour market. Hence, the Danish labour market continues to look strong. However, challenges for the Danish economy lurk on the horizon and so the question is how long before these impact the labour market. Ministry of Employment figures indicate a rise in jobless numbers of around 4,000 in July but that the upward pressure on unemployment will again ease in August.

- On Monday to Wednesday **Sweden** Riksbank Governors Flodén, Ingves and Breman (speech given Riksbank web site) will give speeches about inflation and monetary policy. Markets will look for clues about the size of repo rate hikes at the upcoming meetings, especially in September and November, as views differ here with our 2*75 bps call currently being the most aggressive.

Q2 GDP release Monday with the Q2 GDP indicator suggesting +1.4 % qoq, sa. Same day SCB also releases July trade balance and retail sales, the latter probably more interesting, giving clues to whether consumers can keep up spending or not.

On Tuesday NIER August confidence survey will be scrutinized for signs of retail trade price expectations turning around and whether hiring is about to slow on the back of weaker demand (orders). On Thursday August manufacturing PMI is at center stage. We expect a drop from the July 53.1 print.

- In **Norway**, much of the reason for Norges Bank's more aggressive tone recently has to do with high capacity utilisation and a tight labour market increasing the risk of high energy prices triggering a wage-price spiral. It will therefore be very interesting to see whether the labour market is cooling or tightening further. Registered unemployment was slightly lower than expected in July, but we expect the improvement to tail off in August, leaving the jobless rate unchanged at 1.6%, which is exactly what Norges Bank projected in the June monetary policy report. More exciting, then, will be whether the number of vacancies has peaked, as this is probably where we will first see the tide turning in a labour market seeing such strong demand for labour – and the monthly figures for new vacancies do seem to have weakened somewhat over the summer. The week also brings PMI data for August. We expect a moderate fall to around 52.5, partly because we have seen the new orders index dropping down towards zero growth in recent months.



Scandi update

Denmark – Consumers more upbeat about the future but extremely gloomy about the present

The number of wage earners rose by 7,000 in June compared to May. Moreover, the May figure was revised up by 1,600, so yet another month with high job growth. We can only conclude that if a crisis is approaching, no-one has told the Danish labour market. Job growth was apparent right across the private sector, while public sector employment remained stable. These are strong figures that do not reflect the rising pessimism seen in other business statistics that is most likely linked to the fact that pessimism is increasing from a very low level. We should probably also expect employment growth to slow – and eventually turn negative – as the economy shifts down a gear or two. Right now, labour shortages and the number of still unfilled positions are so pronounced that many companies are hiring everyone they can find, even though these are more uncertain times. Nevertheless, some areas are likely to face a harsher downturn, such as construction.

Consumer confidence in Denmark continues to scrape bottom, rising just marginally from -25.6 in July to -25.1 in August. The figures conceal opposing trends. On the upside, Danes are turning significantly more optimistic about the future, not least in terms of the Danish economy. Not since just prior to the war in Ukraine have the Danes been so optimistic – or perhaps more accurately less pessimistic. On the downside, views on the current state of the Danish economy took yet another dive to a new record low.

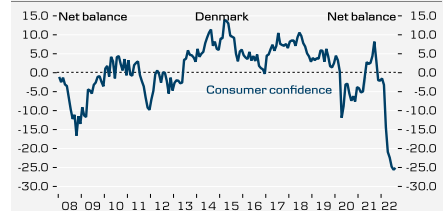
Retail sales printed unchanged between June and July, according to new figures from Statistics Denmark published Friday morning. Hence, July saw a pause in the downward trend that has been in place since the middle of 2021 when the post-pandemic reopening kick-started the normalisation of consumption. Retail sales have fallen 9.1% year-on-year, but remain above pre-pandemic levels. Retail sales not falling more is noteworthy given that Danish household finances are under extreme pressure at the moment due to rising prices on food, energy and pretty much all other goods and services. This suggests that families have not had to reduce consumption by as much as might have been feared in light of the price increases.

Sweden – Further declines

As expected house prices took another hit in July with a downturn of 1.3% s.a compared to June. This means prices are now down by almost 5% s.a this year. The Stockholm region has seen the largest price drop and it is particularly flats that have been the main driver, even if prices have decreased on houses as well. Valueguard also looked on price developments for the first two weeks in August which actually showed that prices in Stockholm have risen somewhat. However, we still see that the turnover is much lower than normal, meaning it is still too early to say if this is a one-off or a change in the trend.

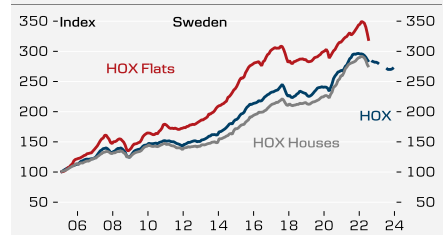
We expect the Riksbank to hike by 2*75 bps, meaning that the floated mortgage rate will see a sharp increase in coming months and as approximately 50% still have floated mortgage rates, this will add pressure to the cost of living shock that households already face. Hence, we believe that prices will decline further over the coming months and the risk is for more than a 10% decline in house prices by the end of 2023.

Consumer confidence continues to scrape bottom



Source: Danske Bank, Macrobond Financial

The risk is for more than 10% decline

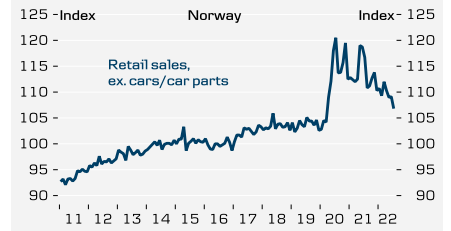


Source: Danske Bank, Valueguard, Macrobond

Norway – Retail headwinds

Retail sales fell 2.1% m/m in July and are now almost 9% down on a year ago. High inflation has led to negative real wage growth, which has combined with higher interest rates and a shift towards consumption of services to give strong headwinds for retailers. Given the prospect of this picture worsening further, there is reason to fear further negative growth in retail sales in the coming months.

Retail sales on their way back to "normal"



Source: Macrobond, Danske Bank

Calendar

During the week				Period	Danske Bank	Consensus	Previous
Sat 27	CNY	Industrial profits	y/y	Jul			0.8%
Monday, August 29, 2022				Period	Danske Bank	Consensus	Previous
7:00	JPY	Leading economic index, final	Index	Jun			100.6
8:00	SEK	Retail sales s.a.	m/mly/y	Jul			-1.2% -3.6%
8:00	SEK	GDP	q/qly/y	2nd quarter	1.4% ...	1.4% ..	-0.8% 3.0%
8:00	SEK	Trade balance	SEK bn	Jul			3.1
20:15	USD	Fed's Brainard speaks					
Tuesday, August 30, 2022				Period	Danske Bank	Consensus	Previous
1:30	JPY	Unemployment rate	%	Jul		2.6%	2.6%
1:30	JPY	Job-to-applicant ratio		Jul		1.27	1.27
8:00	SEK	Wages (blue collars/white collars)	y/y	Jun			2.9%
9:00	SEK	Consumer confidence	Index	Aug			54.1
9:00	SEK	Economic Tendency Survey	Index	Aug			101.3
9:00	SEK	Manufacturing confidence	Index	Aug			119.4
9:00	ESP	HICP, preliminary	m/mly/y	Aug		0.2% 10.5%	-0.6% 10.7%
9:00	CHF	KOF leading indicator	Index	Aug		88.4	90.1
11:00	EUR	Industrial confidence	Net bal.	Aug		2.4	3.5
11:00	EUR	Economic confidence	Index	Aug		97.8	99.0
11:00	EUR	Consumer confidence, final	Net bal.	Aug			-24.9
11:00	EUR	Service confidence	Net bal.	Aug		9.2	10.7
14:00	HUF	Central Bank of Hungary rate decision	%			11.8%	10.8%
14:00	USD	Fed's Barkin speaks					
14:00	DEM	HICP, preliminary	m/mly/y	Aug		0.3% 8.7%	0.8% 8.5%
15:00	USD	FHFA house price index	m/m	Jun		0.8%	1.4%
16:00	USD	Conference Board consumer confidence	Index	Aug		97.4	95.7
17:00	USD	Fed's Williams speaks					
Wednesday, August 31, 2022				Period	Danske Bank	Consensus	Previous
1:50	JPY	Industrial production, preliminary	m/mly/y	Jul		-0.5% -2.4%	9.2% -2.8%
1:50	JPY	Retail trade	m/mly/y	Jul		0.3% 1.9%	-1.3% 1.5%
3:30	CNY	PMI manufacturing	Index	Aug		49.3	49.0
3:30	CNY	PMI non-manufacturing	Index	Aug		52.2	53.8
7:00	JPY	Consumer confidence	Index	Aug		29.3	30.2
8:00	DKK	Gross unemployment s.a.	K (%)	Jul	0.026		0.025
8:00	DKK	GDP, preliminary	q/qly/y	2nd quarter			-0.5% ..
8:45	FRF	Household consumption	m/mly/y	Jul			0.2% -4.4%
8:45	FRF	HICP, preliminary	m/mly/y	Aug		0.5% 6.6%	0.3% 6.8%
8:45	FRF	GDP, final	q/qly/y	2nd quarter		0.5% 4.2%	0.5% 4.2%
9:00	CHF	KOF leading indicator	Index	Aug			90.1
9:55	DEM	Unemployment	%	Aug		5.5%	5.4%
10:00	NOK	Norges Bank's daily FX purchases	m	Sep	1500	1500	1500
11:00	ITL	HICP, preliminary	m/mly/y	Aug		-0.2% 8.0%	-1.1% 8.4%
11:00	EUR	HICP inflation, preliminary	m/mly/y	Aug		0.3% ..	0.1% ..
11:00	EUR	HICP - core inflation, preliminary	y/y	Aug	3.9%	4.0%	4.0%
11:00	EUR	HICP inflation, preliminary	y/y	Aug	9.2%	9.0%	8.9%
12:00	EUR	Portugal, GDP, final	q/qly/y	2nd quarter			-0.2% 6.9%
14:00	USD	Fed's Mester speaks					
14:15	USD	ADP employment	1000	Aug			128
14:30	CAD	GDP	m/mly/y	Jun			0.0% 5.6%
15:45	USD	Chicago PMI	Index	Aug		53.1	52.1
16:30	USD	DOE U.S. crude oil inventories	K				-3282

Source: Danske Bank

Calendar

Thursday, September 1, 2022				Period	Danske Bank	Consensus	Previous
-	EUR	Ireland, GDP	q/q y/y	2nd quarter			10.8% 11.0%
-	USD	Total vehicle sales	m	Aug		136	1335
0:30	USD	Fed's Bostic speaks					
2:30	JPY	Nikkei Manufacturing PMI, final	Index	Aug			51.0
3:45	CNY	Caixin PMI manufacturing	Index	Aug		50.1	50.4
8:00	SEK	Current account	SEK bn	2nd quarter			57.5
8:00	DEM	Retail sales	m/m y/y	Jul		-0.4% -6.8%	-1.5% -9.6%
8:30	CHF	CPI	m/m y/y	Aug		0.2% 3.4%	0.0% 3.4%
8:30	SEK	PMI manufacturing	Index	Aug			53.1
9:00	EUR	S&P may publish Netherlands's debt rating		Aug		53.1	54.5
9:15	ESP	PMI manufacturing	Index	Aug		48.5	48.7
9:15	EUR	S&P may publish Spain's debt rating		Aug		48.5	48.7
9:45	EUR	S&P may publish Italy's debt rating		Aug		48.4	48.5
9:45	ITL	PMI manufacturing	Index	Aug		48.4	48.5
9:50	EUR	S&P may publish France's debt rating, final		Aug		49	49
9:50	FRF	PMI manufacturing, final	Index	Aug		49.0	49.0
9:55	EUR	S&P may publish Germany's debt rating, final		Aug		49.8	49.8
9:55	DEM	PMI manufacturing, final	Index	Aug		49.8	49.8
10:00	EUR	S&P may publish <PLACE>'s debt rating, final		Aug		49.7	49.7
10:00	EUR	PMI manufacturing, final	Index	Aug		49.7	49.7
10:00	EUR	S&P may publish Greece's debt rating		Aug			49.1
10:00	NOK	PMI manufacturing	Index	Aug	52.5		54.6
10:30	GBP	PMI manufacturing, final	Index	Aug		46.0	46.0
11:00	EUR	Unemployment	%	Jul		6.6%	6.6%
11:00	ITL	GDP, final	q/q y/y	2nd quarter		1.0% 4.6%	1.0% 4.6%
14:30	USD	Unit labour cost, final	q/q	2nd quarter		10.8%	10.8%
14:30	USD	Initial jobless claims	1000				243
15:30	CAD	RBC manufacturing PMI	Index	Aug			52.5
15:45	USD	Markit PMI manufacturing, final	Index	Aug			51.3
16:00	USD	Construction spending	m/m	Jul		-0.1%	-1.1%
16:00	USD	ISM manufacturing	Index	Aug		52.1	52.8
21:30	USD	Fed's Bostic speaks					
Friday, September 2, 2022				Period	Danske Bank	Consensus	Previous
10:00	NOK	Unemployment	%	Aug	1.6%	1.6%	1.7%
11:00	EUR	PPI	m/m y/y	Jul		36.4% 2.5%	35.8% 1.1%
14:30	USD	Unemployment	%	Aug		3.5%	3.5%
14:30	USD	Average hourly earnings, non-farm	m/m y/y	Aug		0.4% 5.3%	0.5% 5.2%
14:30	USD	Non farm payrolls	1000	Aug	300	300	528
16:00	USD	Core capital goods orders, final	%	Jul			0.4%
17:00	DKK	Currency reserves	DKK bn	Aug			533.4

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	2021	4.9	4.3	4.2	6.2	8.0	8.0	1.9	3.0	3.7	2.6	36.7	8.3
	2022	3.5	2.1	-0.3	3.3	4.1	1.9	7.5	3.7	2.5	1.0	31.9	8.8
	2023	0.7	1.3	0.9	-0.4	2.2	2.5	3.4	4.0	2.7	0.7	29.9	8.1
Sweden	2021	4.8	6.1	2.6	5.9	7.6	9.3	2.2	2.7	8.8	-0.2	37.3	5.2
	2022	1.1	2.6	0.1	-0.3	5.4	6.3	6.4	2.0	7.4	-0.3	33.0	4.9
	2023	1.6	1.7	1.2	1.3	3.9	3.4	3.5	2.1	7.2	0.3	31.0	5.2
Norway	2021	4.1	4.9	3.8	-0.9	4.7	2.3	3.5	3.5	3.2	-	-	-
	2022	3.6	6.7	1.3	3.1	6.0	7.5	4.6	3.7	1.8	-	-	-
	2023	1.6	2.5	1.3	2.0	4.0	4.0	2.0	3.7	2.1	-	-	-

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	2021	5.3	3.6	3.9	3.9	10.4	8.1	2.6	4.1	7.7	-5.1	97.4	3.2
	2022	2.8	2.5	1.4	3.1	5.6	7.0	8.5	3.2	6.7	-3.7	94.7	2.4
	2023	0.3	0.3	2.4	2.2	2.6	4.8	4.9	3.4	6.8	-2.5	92.7	2.9
Germany	2021	2.6	0.4	3.8	1.0	9.5	8.9	3.2	3.4	3.6	-3.7	69.3	7.4
	2022	1.3	2.4	0.7	2.6	1.8	6.8	7.9	3.3	2.9	-2.5	66.4	6.4
	2023	-0.2	-0.1	2.8	2.5	2.1	4.8	4.8	3.9	3.0	-1.0	64.5	6.8
Finland	2021	3.0	3.6	2.7	1.1	5.6	5.6	2.2	2.3	7.7	-2.6	72.3	0.9
	2022	1.5	1.6	1.5	4.0	1.0	2.5	6.0	2.8	6.4	-2.8	65.0	-0.6
	2023	1.6	2.5	1.0	2.5	2.0	3.5	2.5	2.6	6.3	-2.3	64.8	-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	2021	5.7	7.9	0.5	7.8	4.5	14.0	4.7	4.2	5.4	-12.4	126.9	-3.5
	2022	1.6	2.4	-1.4	1.4	5.8	9.5	7.9	5.2	3.6	-4.2	124.0	-3.5
	2023	-0.2	-0.1	0.9	-2.9	-1.4	-3.4	3.7	4.2	3.9	-3.8	121.0	-3.2
China	2021	8.0	10.2	-	5.2	-	-	0.7	5.0	-	-5.6	68.9	3.0
	2022	2.8	4.8	-	3.0	-	-	2.5	5.0	-	-7.7	77.8	1.1
	2023	5.7	6.5	-	5.0	-	-	2.5	5.5	-	-7.1	81.8	1.0
UK	2021	7.4	6.2	14.3	5.9	-1.3	3.8	2.6	5.1	4.5	-5.4	95.6	-2.6
	2022	4.0	4.8	1.3	8.1	0.7	14.7	8.4	4.4	3.6	-3.9	95.5	-4.8
	2023	-0.2	-0.3	1.2	-1.9	-2.4	-2.4	5.6	3.3	4.1	-1.9	97.0	-3.7
Japan	2021	1.7	1.1	2.1	-1.3	11.9	5.1	-0.2	-	2.8	-	-	-
	2022	1.7	3.3	1.4	-1.8	3.6	4.1	1.6	-	2.5	-	-	-
	2023	1.8	1.6	0.7	1.7	2.9	1.1	1.1	-	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-Aug	2.50	3.01	3.72	3.16	100.1	-	742.8	965.3	1056.4
	+3m	3.50	3.96	3.75	3.30	98.0	-	758.9	1061.2	1081.6
	+6m	3.75	4.00	3.75	3.30	96.0	-	775.5	1062.5	1125.0
	+12m	3.75	3.99	3.40	2.80	95.0	-	784.2	1031.6	1157.9
EUR	26-Aug	0.00	0.54	1.84	2.24	-	100.1	743.8	966.7	1057.9
	+3m	0.75	1.02	1.70	2.15	-	98.0	743.8	1040.0	1060.0
	+6m	1.00	1.12	1.80	2.20	-	96.0	744.5	1020.0	1080.0
	+12m	1.00	1.12	1.70	2.00	-	95.0	745.0	980.0	1100.0
JPY	26-Aug	-0.10	-0.01	0.11	0.43	120.5	136.9	617	8.02	8.78
	+3m	-0.10	-	-	-	131.3	134.0	566	7.92	8.07
	+6m	-0.10	-	-	-	127.7	133.0	583	7.99	8.46
	+12m	-0.10	-	-	-	118.8	125.0	627	8.25	9.26
GBP*	26-Aug	1.75	-	3.66	2.86	84.6	118.4	879.0	1142.4	1250.2
	+3m	2.50	-	2.55	2.30	86.0	114.0	864.8	1209.3	1232.6
	+6m	2.50	-	2.55	2.35	85.0	112.9	875.9	1200.0	1270.6
	+12m	2.50	-	2.35	2.05	84.0	113.1	886.9	1166.7	1309.5
CHF*	26-Aug	-0.75	-	1.00	1.66	96.5	96.3	771.1	1002.1	1096.7
	+3m	0.25	-	-	-	95.0	96.9	782.9	1094.7	1115.8
	+6m	0.75	-	-	-	94.0	97.9	792.0	1085.1	1148.9
	+12m	0.75	-	-	-	93.0	97.9	801.1	1053.8	1182.8
DKK	26-Aug	-0.10	0.86	2.14	2.51	743.81	742.78	-	129.96	142.23
	+3m	0.65	1.21	2.00	2.45	743.75	758.93	-	139.83	142.52
	+6m	0.90	1.30	2.10	2.50	744.50	775.52	-	137.00	145.06
	+12m	0.90	1.30	2.00	2.30	745.00	784.21	-	131.54	147.65
SEK	26-Aug	0.75	1.22	2.95	2.79	1057.9	1056.4	70.3	91.4	100.0
	+3m	1.50	1.95	2.70	2.40	1060.0	1081.6	70.2	98.1	-
	+6m	2.25	2.50	2.65	2.50	1080.0	1125.0	68.9	94.4	-
	+12m	2.25	2.50	2.50	2.40	1100.0	1157.9	67.7	89.1	-
NOK	26-Aug	1.75	2.59	3.89	3.53	966.7	965.3	76.9	100.0	109.4
	+3m	1.75	2.56	3.05	3.35	1040.0	1061.2	71.5	-	101.9
	+6m	2.25	2.60	2.95	3.40	1020.0	1062.5	73.0	-	105.9
	+12m	2.25	2.60	2.85	3.20	980.0	1031.6	76.0	-	112.2

*Notes: GBP swaps are SONIA and CHF swaps are SHARON.

We have updated our Norges Bank forecasts after yesterday's Norges Bank meeting but not yet our Norwegian yield outlook

Commodities												
	26-Aug	2022				2023				Average		
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2022	2023	
ICE Brent	101	98	112	115	100	95	95	95	95	106	95	

Source Danske Bank

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