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- Declining investment in oil and ocean transport slowed Norway's recovery.
- A rapidly appreciating krone weighs on manufacturing.
- Household consumption is supporting the recovery.
- Private consumption and additional public spending should help Norway outperform the rest of Europe in 2010.

Recent Performance. Slowing oil investment and ocean transport hampered Norway's recovery in the final quarter of 2009. Seasonally adjusted GDP growth slowed to 0.1% on a quarterly basis from 0.5% in the previous stanza. Mainland GDP, which excludes oil and gas industries, grew 0.3% on a quarterly basis, the same rate as in the third quarter. Support from fiscal stimulus is waning, as public consumption slowed noticeably in the fourth quarter. A key worry at this stage of the recovery has been the sluggish state of manufacturing, which is lagging that of the rest of Europe. Since mid-2008, the purchasing managers' index, a key indicator of manufacturing production, recorded marginal growth only in July 2009 and January 2010. In contrast, Sweden's PMI has been in expansionary territory for eight months. The pace of inventory drawdown is slowing but orders remain depressed, indicating extended weakness in the industry.

The 11% appreciation of the krone since July has weakened export competitiveness at a time when weak recovery among its main trading partners is slowing demand for Norwegian nonoil exports. Thus, exports to key trading partners in the euro zone such as Germany stalled in the fourth quarter. Exports of metals and other basic chemicals dropped while exports of traditional goods remained flat in the final three months of 2009. While export growth cooled, the stronger currency helped induce a surge in imports; as a result, net trade made a negative contribution to growth in the fourth quarter.

Household spending has been a key contributor to growth in the fourth quarter, supported by the fiscal stimulus, easing credit conditions, and low borrowing costs. Rebounding retail sales and the government's car scrappage scheme have been important

Strengths & Weaknesses

STRENGTHS

- Growing IT industry.
- Large government pension fund provides a steady income stream.
- Well-educated and productive workforce.

WEAKNESSES

- Aging population generates high pension liabilities.
- Overly dependent on oil industry.
- Strong incentives to claim disability status draining labor resources.

Forecast Risks

Short-Term ↓

Long-Term ↓

UPSIDE

- Public sector expansion supports private consumption growth.
- Rising equity markets rebuild wealth.

DOWNSIDE

- Global recovery falters, weighing on commodity prices and oil investment.
- Stronger krone undermines export competitiveness.

components of private consumption growth. A resilient labor market also has provided strong support. The jobless rate has been remarkably low, averaging 3.2% in the last six months compared with 3.1% in the first half of 2009.

Fixed investment spending edged up slightly in the fourth quarter from the prior quarter because of improving financial and credit conditions. The latest lending survey showed a loosening of bank credit standards for enterprises in the fourth quarter. Risk premiums have fallen while demand for credit by households and firms is rising.

Nurturing the recovery. Norway's recovery has been stronger than its Scandinavian neighbors in large part because the government used its massive oil wealth accumulated prior to the financial crisis to support the domestic economy and avert a severe recession. The 2010 budget boosts spending by 0.6% from fiscal 2009. This year's fiscal stimulus will equal 4.7% of GDP compared with last year's 3%. In particular, a 21% increase in transport and communications spending is planned for this year, as the government seeks to develop the country's rail network and national road system.

Outlook. The Norwegian economy is forecast to grow 1.9% this year, driven by strong public sector expansion and robust private consumption. Norway's growth is expected to outpace that of Europe; the economy was expanding at a brisk pace before the recession, and government stimulus has helped mitigate the severity of the downturn. Indeed, Norway experienced a much milder recession compared with most other industrialized countries. From peak to trough, the economy contracted 2.4%. In comparison, the euro zone economy shrank almost 5% and the U.S. economy almost 4%.

Fiscal expansion will remain the bulwark of Norway's recovery in 2010. Thanks to large oil surpluses that have built up the sovereign wealth fund, the government had the resources to mount an aggressive fiscal stimulus without increasing the public debt burden. In contrast to many of its European neighbors, Norway can maintain an expansionary fiscal stance without risk to its fiscal health. The 2010 budget will increase public spending by 0.6% from the previous fiscal year.

Reinforced by government spending, private consumption also will drive growth

in 2010. Household spending will be supported by historically low interest rates and a rebuilding of wealth. The stock market has recouped almost three-quarters of its prerecession value, helping to rebuild household wealth and strengthening consumer confidence. House prices have now surpassed their prerecession level and are rising; this is an additional boost to consumer optimism.

A strong krone will prevent nonoil exports from rebounding as quickly as imports; moreover, the speed of recovery in the nonoil export sector will depend on recoveries in the U.K., Germany, the Netherlands and France—the destination of two-thirds of Norway's exports. Manufacturing orders are still falling, pointing to industrial weakness in the near term. As a result, capacity utilization will be slow to recover. This will keep fixed investment declining through the year, with steady gains expected only in 2011. Firms will not expand payrolls until the second half of 2010. The unemployment rate is forecast to peak at 3.3% by mid-2010.

Oil investment will likely be restrained this year. Oil producers are adjusting to low crude prices relative to 2008. The supply of crude still outpaces demand; moreover fragile recoveries in the developed economies

and high oil inventories suggest that the price of crude oil will average \$80 per barrel in 2010 and will range as high as \$100 per barrel in the next several years.

Monetary authorities will focus this year on normalizing policy rather than stimulating the economy. The Norges Bank had slashed its key policy rate by 450 basis points from 5.75% in October 2008 to 1.25% in June 2009. Monetary authorities began to unwind monetary stimulus in the fourth quarter when better than expected growth in the third quarter raised inflation expectations. The central bank hiked the policy rate twice in the fourth quarter for a total of 50 basis points. Headline consumer price inflation has risen consistently since October and is now at 2.5%, which is the upper end of the bank's target range. The underlying inflation rate, which excludes energy costs and taxes from the headline figure, is now at 2.3%. The central bank reckoned that as long as oil prices stay near current levels, it could unwind monetary support without derailing the recovery while ensuring that inflation in the medium term does not exceed the target.

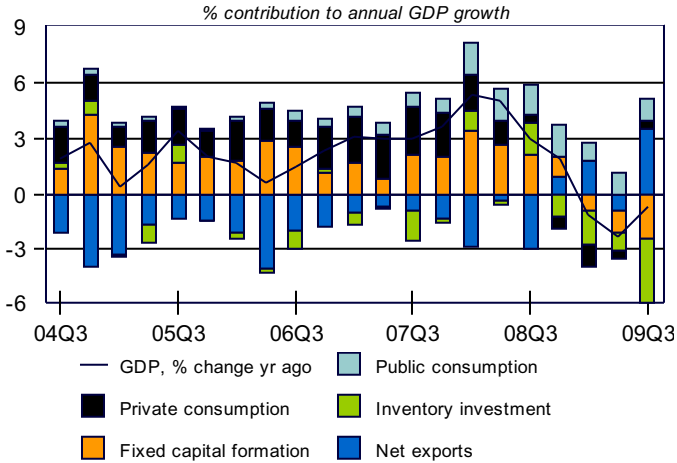
Norges Bank will likely keep its key policy rate on hold in the next couple of months, as fourth quarter growth was less vigorous than expected. Low capacity

utilization and a strong krone will keep inflation subdued in the near term. However, we expect interest rates to rise to 2.5% by year-end, as accelerating growth in the second half of the year adds inflationary pressures. The krone will continue to appreciate through the year as Norwegian interest rates rise relative to those in the euro zone and the U.S. Concerns over the fiscal health of a number of European countries will also lift the krone vis-à-vis the euro.

The risks to the outlook are improving but remain tilted to the downside. Greater than expected appreciation of the krone is a key risk. Because the European Central Bank and the U.S. Federal Reserve are keeping their interest rates low, a sooner than expected rate hike by Norges Bank and stronger risk appetite will add upward pressure on the krone and undermine the recovery by eroding the competitiveness of the nation's nonoil exports.

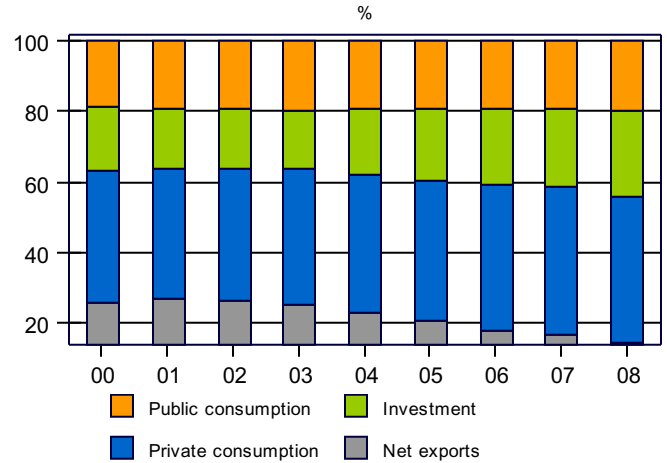
Moreover, the global recovery and its effect on energy demand will be the primary driver of energy prices. Mixed economic news from the U.S. and Europe imply the global recovery is fragile and growth is inconsistent. If the global recovery stumbles, oil price growth will likely be more subdued than expected; this would lead to a substantial decline in oil investment.

Chart 1 Contribution to GDP Growth: Demand Side



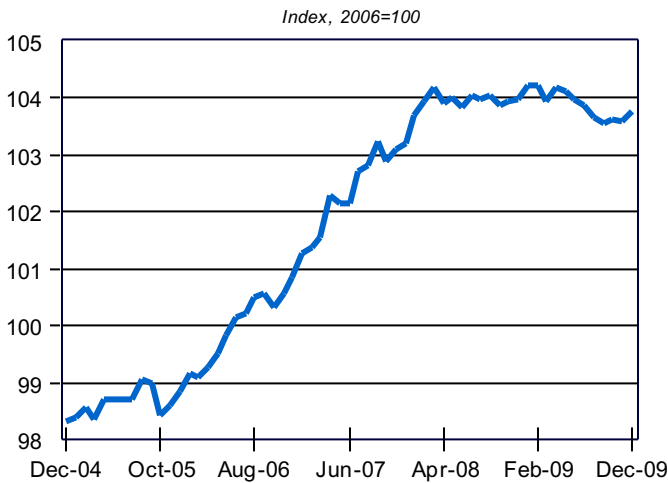
Source: Statistics Norway; Transformation: Moody's Economy.com

Chart 2 Composition of Real GDP: Demand Side



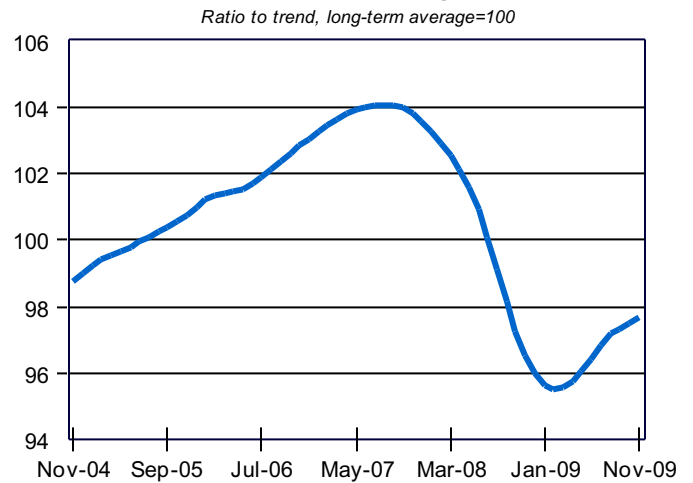
Source: Statistics Norway; Transformation: Moody's Economy.com

Chart 3 Composite Index of Coincident Indicators



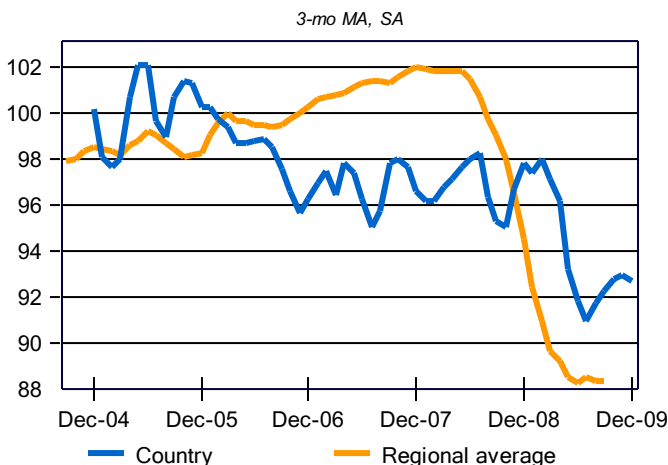
Source: Moody's Economy.com

Chart 4 OECD Composite Leading Indicator



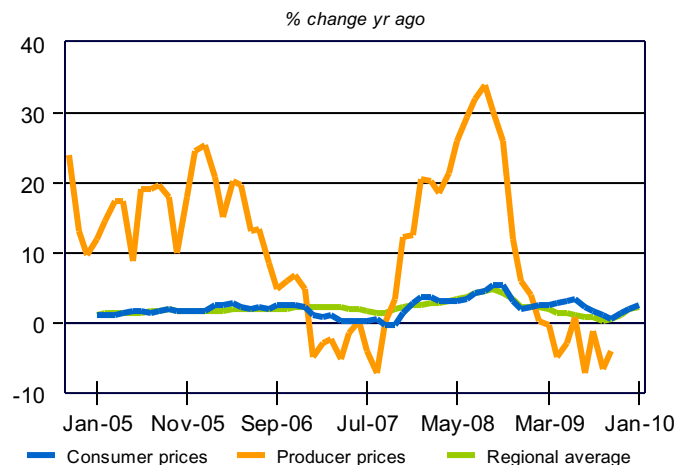
Source: OECD: Main Economic Indicators

Chart 5 Industrial Production Index



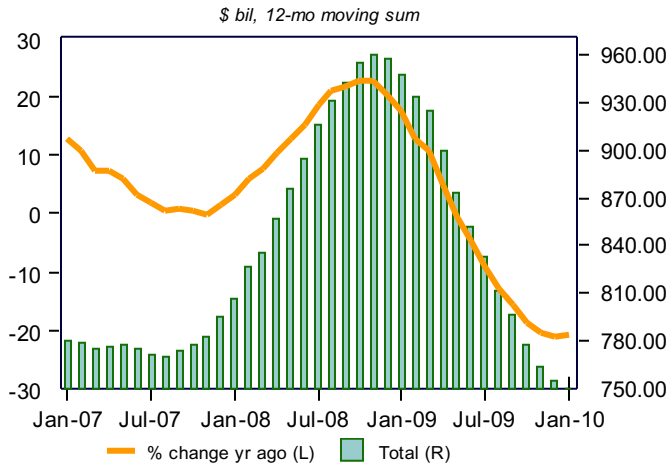
Source: Statistics Norway; Transformation: Moody's Economy.com

Chart 6 Inflation



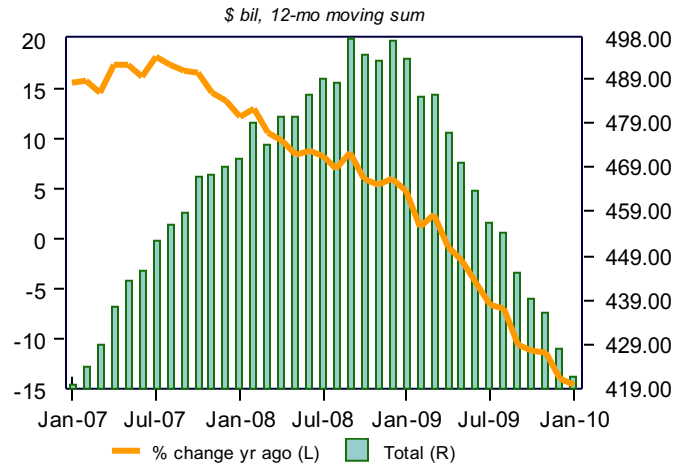
Source: Statistics Norway

Chart 7 Exports



Sources: Statistics Norway, IMF: International Financial Statistics; Transformation: Moody's Economy.com

Chart 8 Imports



Sources: Statistics Norway, IMF: International Financial Statistics; Transformation: Moody's Economy.com

Table 1 Merchandise Exports: Major Commodity

Last updated on: 2/1/2010

Annual Indicators	Units	2009
Commodity		
Mineral Fuels	\$ mil	78,119.9
share of total exports	%	65.0
Manufactured Goods	\$ mil	10,102.6
share of total exports	%	8.4
Machinery and Transport Equipment	\$ mil	13,518.6
share of total exports	%	11.3
Agriculture and Livestock	\$ mil	7,370.4
share of total exports	%	6.1
Chemicals	\$ mil	5,971.3
share of total exports	%	5.0
Total	\$ mil	120,093.3

Source: Statistics Norway

Table 2 Merchandise Imports: Major Commodity

Last updated on: 2/1/2010

Annual Indicators	Units	2009
Commodity		
Machinery and Transport Equipment	\$ mil	27,116.7
share of total imports	%	39.9
Manufactured Goods	\$ mil	10,275.7
share of total imports	%	15.1
Misc. Manufactured Goods	\$ mil	10,654.0
share of total imports	%	15.7
Chemicals and Chemical Products	\$ mil	6,889.7
share of total imports	%	10.1
Inedible Crude Materials	\$ mil	3,957.0
share of total imports	%	5.8
Total	\$ mil	68,034.5

Source: Statistics Norway

Table 3 Merchandise Exports: Major Trading Partners

Last updated on: 2/1/2010

Annual Indicators	Units	2008
Country		
United Kingdom	\$ mil	45,421.3
share of total exports	%	27.0
Germany	\$ mil	21,510.1
share of total exports	%	12.8
Netherlands	\$ mil	17,418.6
share of total exports	%	10.4
France	\$ mil	15,835.9
share of total exports	%	9.4
United States	\$ mil	7,498.9
share of total exports	%	4.5
World	\$ mil	167,975.7

Source: IMF: Direction of Trade

Table 4 Merchandise Imports: Major Trading Partners

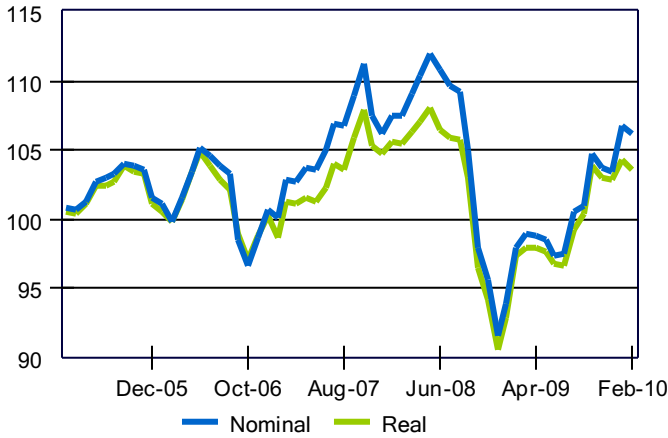
Last updated on: 2/1/2010

Annual Indicators	Units	2008
Country		
Sweden	\$ mil	12,808.4
share of total imports	%	14.4
Germany	\$ mil	11,968.7
share of total imports	%	13.4
Denmark	\$ mil	6,117.4
share of total imports	%	6.9
United Kingdom	\$ mil	5,292.1
share of total imports	%	5.9
China	\$ mil	5,691.4
share of total imports	%	6.4
World	\$ mil	89,077.6

Source: IMF: Direction of Trade

Chart 9 Effective Exchange Rates

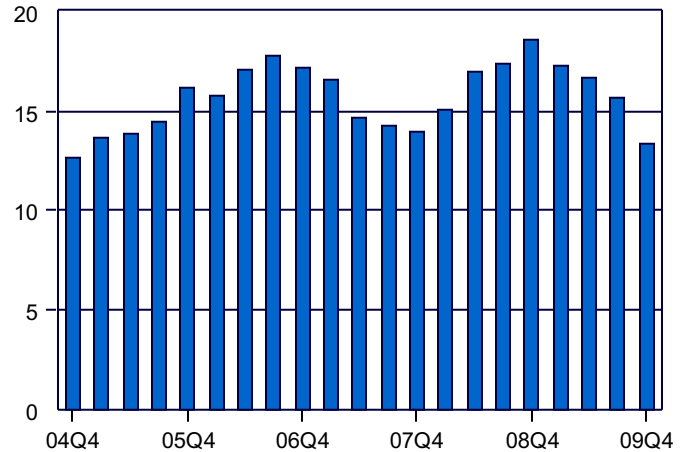
Index, Jan 2005=100



Sources: Bank for International Settlements, IMF, Moody's Economy.com

Chart 10 Current Account Balance

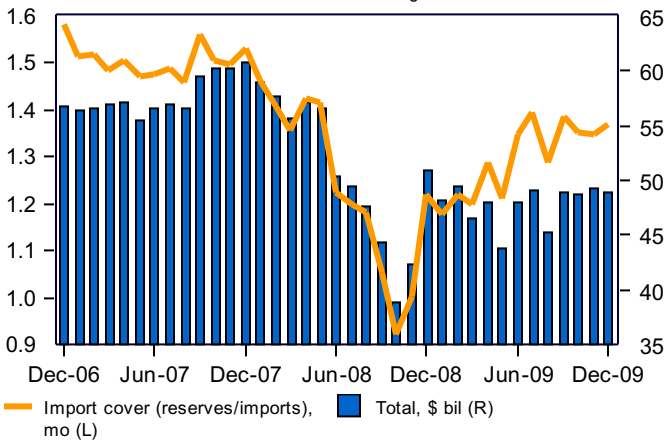
% of nominal GDP, 4-qtr MA



Source: Statistics Norway; Transformation: Moody's Economy.com

Chart 11 Central Bank Reserves

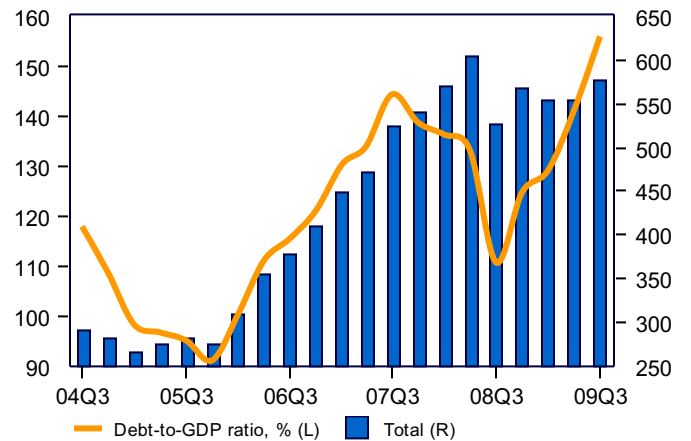
Total reserves minus gold



Source: IMF: International Financial Statistics; Transformation: Moody's Economy.com

Chart 12 Gross External Debt

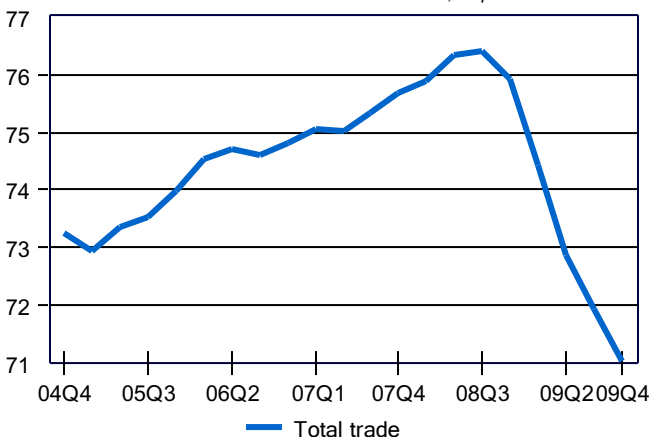
\$ bil



Source: World Bank

Chart 13 Economic Openness

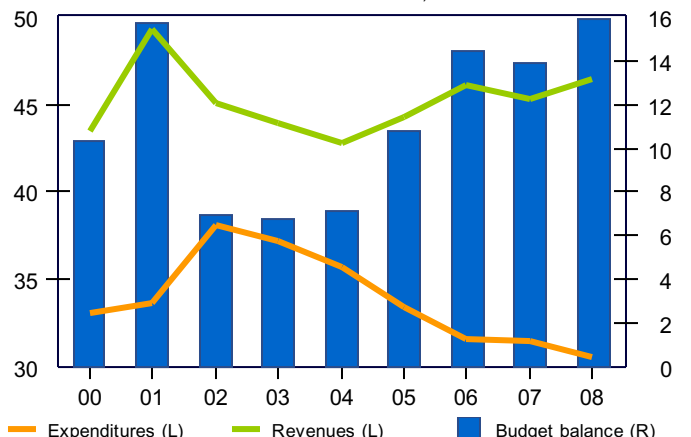
Total trade as a share of real GDP, 4-qtr MA



Source: Statistics Norway; Transformation: Moody's Economy.com

Chart 14 Government Budget Balance

Share of nominal GDP, %



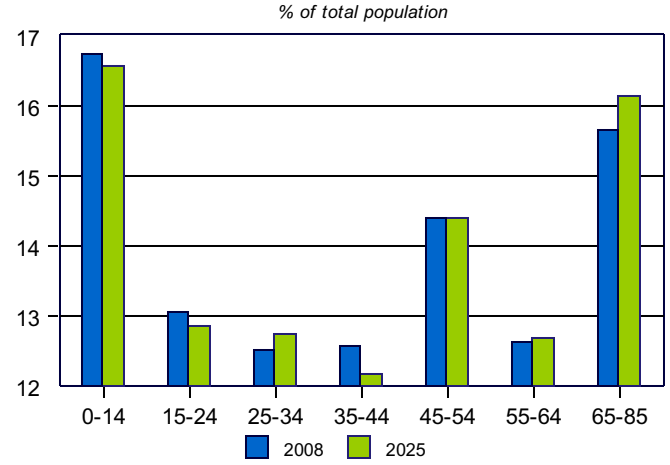
Source: Statistics Norway; Transformation: Moody's Economy.com

Chart 15 Labor Force Projections



Source: U.S. Census Bureau

Chart 16 Demographic Change by Population Cohort



Source: U.S. Census Bureau

Norway - Recent Performance Indicators

Last updated on: 2/24/2010

							Average Values		
Weekly Indicators	Units	20Feb10	13Feb10	6Feb10	30Jan10	23Jan10	3m	6m	12m
Exchange Rates									
Norwegian Krone per U.S. Dollar	NOK/USD	5.967	5.914	6.017	5.920	5.790	5.812	5.787	6.124
Norwegian Krone per Euro	NOK/EUR	8.106	8.063	8.220	8.212	8.196	8.274	8.370	8.597
Stock Market (end of week)									
PSI General Index	Index	403.43	387.97	396.40	408.92	405.64	410.38	393.41	353.55
Monthly Indicators									
Industrial Production Index (SA)	Units	Jan 10	Dec 09	Nov 09	Oct 09	Sep 09	3m	6m	12m
Total	2005=100	na	92.5	93.0	92.6	93.1	92.7	92.5	93.5
change	%MA	na	-0.5	0.4	-0.5	0.5	-0.2	0.2	-0.5
year-over-year change	%YA	na	-5.7	-4.6	-5.4	-1.6	-5.2	-4.2	-3.6
Foreign Trade (NSA)									
Exports	Mil NOK	63,505	64,517	66,060	65,157	59,718	64,694.1	62,790.3	62,536.3
change	%MA	-1.6	-2.3	1.4	9.1	3.3	-0.8	0.2	-0.4
year-over-year change	%YA	-7.2	-12.2	-16.1	-23.1	-20.4	-11.8	-17.6	-20.5
Imports	Mil NOK	29,307	32,494	37,176	39,241	38,518	32,992.3	35,173.2	35,127.6
change	%MA	-9.8	-12.6	-5.3	1.9	12.3	-9.2	-1.5	-1.3
year-over-year change	%YA	-18.0	-20.6	-7.3	-12.9	-18.8	-15.3	-14.0	-14.3
Trade Balance	Mil NOK	34,199	32,023	28,884	25,916	21,200	31,701.8	27,617.1	27,408.7
Labor Force Statistics (SA)									
Unemployment Rate	%	na	3.3	3.2	3.3	3.2	3.3	3.2	3.1
Unemployment	Ths	na	86.0	84.0	85.0	83.0	85.0	83.0	81.2
change	%MA	na	2.4	-1.2	2.4	2.5	1.2	1.9	1.4
year-over-year change	%YA	na	17.8	12.0	18.1	25.8	16.0	22.7	25.4
Labor Force	Ths	na	2,586	2,579	2,579	2,574	2,581.3	2,579.2	2,586.3
change	%MA	na	0.3	0.0	0.2	0.0	0.2	-0.0	-0.0
year-over-year change	%YA	na	-0.4	-0.7	-0.5	-0.6	-0.5	-0.4	0.3
Employment	Ths	na	2,500	2,495	2,494	2,491	2,496.3	2,496.2	2,505.3
change	%MA	na	0.2	0.0	0.1	-0.0	0.1	-0.1	-0.1
year-over-year change	%YA	na	-0.9	-1.0	-1.1	-1.3	-1.0	-1.0	-0.4
Retail Sales Index (NSA)									
Total	2005=100	na	159.9	122.3	126.9	120.9	136.4	130.6	121.9
change	%MA	na	30.7	-3.6	5.0	-3.7	10.7	4.2	1.4
year-over-year change	%YA	na	6.0	4.3	5.8	2.8	5.4	4.0	2.3
Consumer Price Index (NSA)									
All Items	1998=100	127.1	126.9	126.6	126.2	126.4	126.9	126.4	126.0
change	%MA	0.2	0.2	0.3	-0.2	0.8	0.2	0.2	0.2
year-over-year change	%YA	2.5	2.0	1.5	0.6	1.2	2.0	1.6	2.2
Producer Price Index (NSA)									
Total	2000=100	189.3	182.2	182.9	176.6	174.0	184.8	181.7	176.0
change	%MA	3.9	-0.4	3.6	1.5	-6.0	2.4	1.3	1.2
year-over-year change	%YA	13.8	10.0	4.8	-4.1	-6.7	9.5	2.8	0.2
Money and Finance (NSA)									
Monetary Base: M0	Mil NOK	na	134,564.0	82,755.0	113,701.0	105,325.0	110,340.0	116,693.0	128,742.2
change	%MA	na	62.6	-27.2	8.0	9.3	14.4	3.5	2.1
year-over-year change	%YA	na	-13.7	-43.6	-21.2	22.7	-26.2	13.2	48.4
Quarterly Indicators									
Balance of Payments (NSA)	Units	09Q4	09Q3	09Q2	09Q1	08Q4	6m	12m	
Current Account Balance	Mil NOK	na	82,987	93,272	67,428	140,822	88,129.5	96,127.3	
National Accounts (Constant Prices, SA)									
Gross Domestic Product	Mil 2000 NOK	569,411	568,841	565,763	572,526	576,574	569,126.0	569,135.3	
Annualized growth	%AR	0.4	2.2	-4.6	-2.8	0.7	1.3	-1.2	
year-over-year change	%YA	-1.2	-1.2	-2.4	-0.9	-0.1	-1.2	-1.4	
Household Consumption	Mil 2000 NOK	232,366	229,464	226,668	224,383	225,016	230,915.0	228,220.3	
Annualized growth	%AR	5.2	5.0	4.1	-1.1	-3.9	5.1	3.3	
year-over-year change	%YA	3.3	1.0	-1.3	-3.0	-2.1	2.1	-0.0	
Government Consumption	Mil 2000 NOK	123,232	123,087	121,631	119,834	117,504	123,159.5	121,946.0	
Annualized growth	%AR	0.5	4.9	6.1	8.2	2.4	2.7	4.9	
year-over-year change	%YA	4.9	5.4	5.2	4.5	3.6	5.1	5.0	
Gross Fixed Capital Formation	Mil 2000 NOK	114,696	114,328	120,244	120,893	126,786	114,512.0	117,540.3	
Annualized growth	%AR	1.3	-18.3	-2.1	-17.3	-8.3	-8.5	-9.1	
year-over-year change	%YA	-9.5	-11.8	-5.8	-4.6	-4.9	-10.6	-7.9	
Changes in Stocks and Statistical Discrepancy	Mil 2000 NOK	-1,910	-641	1,398	1,387	4,712	-1,275.5	58.5	
% of GDP	%	-0.3	-0.1	0.2	0.2	0.8	-0.2	0.0	
Exports of Goods & Services	Mil 2000 NOK	255,052	252,618	244,512	251,913	261,031	253,835.0	251,023.8	
Annualized growth	%AR	3.9	13.9	-11.2	-13.3	7.1	8.9	-1.7	
year-over-year change	%YA	-2.3	-1.6	-8.4	-4.4	-0.6	-1.9	-4.2	
Imports of Goods & Services	Mil 2000 NOK	164,189	159,961	158,497	155,592	167,963	162,075.0	159,559.8	
Annualized growth	%AR	11.0	3.7	7.7	-26.4	-22.5	7.4	-1.0	
year-over-year change	%YA	-2.2	-10.7	-11.3	-13.9	-7.1	-6.4	-9.5	

Norway - Forecast Table

Last updated on: 2/23/2010

Quarterly Indicators	Units	History						Forecast					
		08Q4	09Q1	09Q2	09Q3	09Q4F	10Q1F	10Q2F	10Q3F	10Q4F	11Q1F	11Q2F	11Q3F
National Accounts													
Gross Domestic Product	Bil 05 NOK	576.1	572.2	566.8	571.7	569.7	575.2	577.4	582.9	587.0	591.3	595.6	599.5
change	%YA	1.8	-1.1	-2.3	-0.7	-1.1	0.5	1.9	2.0	3.0	2.8	3.2	2.8
Private Consumption	Bil 05 NOK	234.7	234.0	236.5	239.1	239.3	241.7	244.2	246.8	249.4	251.4	253.2	254.9
change	%YA	-1.5	-2.8	-1.1	1.0	2.0	3.3	3.3	3.2	4.2	4.0	3.7	3.3
Fixed Investment	Bil 05 NOK	127.5	121.1	120.5	114.7	119.4	118.0	117.8	117.6	117.8	118.6	119.6	120.8
change	%YA	4.9	-4.3	-5.5	-11.0	-6.3	-2.6	-2.3	2.6	-1.4	0.5	1.5	2.7
Changes in Inventories	Bil 05 NOK	3.9	3.3	3.4	-2.2	-0.3	2.8	3.0	5.1	5.5	6.4	7.2	7.7
% of GDP	%	0.7	0.6	0.6	-0.4	-0.1	0.5	0.5	0.9	0.9	1.1	1.2	1.3
Total Investment	Bil 05 NOK	131.4	124.5	123.9	112.5	119.1	120.8	120.7	122.7	123.3	124.9	126.8	128.4
change	%YA	-0.7	-11.2	-8.9	-23.1	-9.3	-2.9	-2.6	9.0	3.5	3.4	5.0	4.7
Government Expenditures	Bil 05 NOK	117.7	120.3	122.5	123.9	125.6	126.1	127.1	128.1	129.1	130.1	131.0	131.8
change	%YA	8.6	5.0	5.9	6.1	6.7	4.8	3.8	3.4	2.8	3.2	3.1	2.9
Domestic Demand	Bil 05 NOK	483.7	478.8	482.9	475.5	484.0	488.6	492.1	497.6	501.8	506.5	511.0	515.2
change	%YA	1.0	-3.4	-1.6	-4.9	0.1	2.0	1.9	4.7	3.7	3.7	3.9	3.5
Exports	Bil 05 NOK	261.3	249.2	242.0	253.0	245.2	249.4	250.6	252.1	253.6	255.2	256.7	258.3
change	%YA	0.5	-5.4	-9.6	-0.9	-6.2	0.1	3.6	-0.4	3.4	2.3	2.4	2.4
Imports	Bil 05 NOK	168.9	155.8	158.1	156.8	159.5	162.8	165.3	166.8	168.5	170.4	172.1	174.0
change	%YA	-2.5	-13.7	-11.3	-12.5	-5.6	4.5	4.6	6.4	5.6	4.7	4.2	4.3
Net Exports	Bil 05 NOK	92.3	93.4	83.9	96.2	85.7	86.6	85.3	85.3	85.2	84.8	84.6	84.3
Trade													
Current Account	Bil NOK	140.8	67.4	93.3	83.0	73.1	84.4	83.9	82.1	80.2	79.9	78.9	82.0
% of GDP	%	21.6	11.1	16.0	14.1	12.2	13.9	13.7	13.2	12.7	12.5	12.2	12.6
Prices													
CPI	1998=100	124.8	124.7	125.8	125.8	126.6	126.9	127.5	128.1	128.7	129.5	130.2	131.0
change	%YA	3.6	2.4	3.1	1.8	1.4	1.8	1.3	1.8	1.7	2.0	2.2	2.3
PPI	2000=100	174.8	163.8	173.5	178.5	180.5	160.9	172.6	182.4	183.9	169.0	180.3	190.0
change	%YA	14.4	1.3	-2.2	-5.0	3.3	-1.8	-0.5	2.1	1.9	5.0	4.4	4.2
GDP Deflator	2004=100	113.1	106.4	102.8	103.2	105.4	105.9	106.4	106.8	107.2	107.7	108.2	108.4
change	%YA	2.5	0.4	-7.9	-5.8	-6.8	-0.4	3.5	3.5	1.8	1.6	1.8	1.4
Export Deflator	2004=100	116.9	104.3	98.4	96.8	103.3	103.9	103.9	103.8	104.3	104.3	105.5	106.3
change	%YA	5.8	-7.5	-17.6	-17.8	-11.6	-0.4	5.6	7.3	0.9	0.4	1.5	2.4
Import Deflator	2004=100	109.4	101.3	103.4	107.2	105.7	106.1	106.5	107.0	107.5	108.0	108.4	108.9
change	%YA	2.9	5.9	-1.4	0.6	-3.3	4.7	3.0	-0.2	1.7	1.8	1.8	1.8
Labor Markets													
Unemployment Rate	%	2.8	3.1	3.1	3.2	3.2	3.3	3.3	3.2	3.2	3.1	3.1	3.0
Employment	Mil	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
change	%YA	1.6	0.4	0.0	-1.0	-0.6	-0.7	-0.7	0.4	0.0	0.4	0.9	-0.2
Unemployment	Mil	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
change	%YA	17.2	31.2	26.9	28.1	12.7	7.1	7.2	1.6	0.2	-5.5	-5.3	-6.6
Labor Force	Mil	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6
change	%YA	2.0	1.2	0.7	-0.3	-0.2	-0.4	-0.5	0.4	0.0	0.2	0.7	-0.5
Wages and Salaries	Bil NOK	928	952	977	987	954	957	953	957	964	971	980	981
change	%YA	-8.2	-7.4	-7.4	-4.7	2.8	0.5	-2.4	-3.0	1.1	1.6	2.7	2.4
Production													
Total Production	2000=100	97.8	97.0	91.8	92.3	92.7	92.7	93.0	93.3	93.7	94.0	94.4	94.8
change	%YA	1.3	0.2	-6.3	-3.2	-5.3	-4.5	1.3	1.1	1.0	1.5	1.6	1.6
Financial Markets													
Money Supply	Bil NOK	1,491	1,500	1,507	1,515	1,516	1,529	1,466	1,481	1,651	1,446	1,671	1,220
change	%YA	6.2	4.4	4.3	3.5	1.7	1.9	-2.8	-2.2	8.9	-5.5	14.0	-17.7
Monetary Policy Rate	%	5.73	3.66	2.67	2.25	2.47	1.75	2.00	2.16	2.40	2.54	3.20	3.44
Norwegian Kroner per U.S. Dollar	NOK/USD	6.80	6.87	6.50	6.11	5.68	5.96	5.75	5.60	5.51	5.63	5.74	5.80
change	%YA	24.9	29.4	27.9	13.7	-16.5	-13.3	-11.5	-8.3	-2.9	-5.5	-0.2	3.5
Norway - Oslo All Share Index	Index	278	269	316	349	398	334	442	393	348	424	519	428
change	%YA	-51.2	-44.6	-42.0	-24.6	43.1	24.2	39.8	12.7	-12.7	26.9	17.3	8.8
Conversions													
Nominal GDP	Bil NOK	651.6	608.9	582.6	589.9	600.3	609.4	614.2	622.8	629.4	636.6	644.6	649.7
change	%YA	4.4	-0.7	-10.0	-6.5	-7.9	0.1	5.4	5.6	4.8	4.5	5.0	4.3
Real GDP in Dollar Terms	Bil 05 USD	81.8	81.3	80.5	81.2	80.9	81.7	82.0	82.8	83.4	84.0	84.6	85.1
change	%YA	1.8	-1.1	-2.3	-0.7	-1.1	0.5	1.9	2.0	3.0	2.8	3.2	2.8
Nominal GDP in Dollar Terms	Bil USD	95.9	88.6	89.6	96.6	105.8	102.3	106.7	111.2	114.2	113.0	112.2	112.0
change	%YA	-16.4	-23.2	-29.6	-17.8	10.3	15.4	19.1	15.1	8.0	10.5	5.1	0.8

Norway - Forecast Table

Last updated on: 2/23/2010

Annual Indicators	Units	History				Forecast			Averages (%)	
		2006	2007	2008	2009F	2010F	2011F	2012F	02-04	05-07
National Accounts										
Gross Domestic Product	Bil 05 NOK	2,158.6	2,226.9	2,310.7	2,280.4	2,322.5	2,389.1	2,445.1		
<i>change</i>	%YA	1.5	3.2	3.8	-1.3	1.8	2.9	2.3	1.8	2.2
Private Consumption	Bil 05 NOK	882.6	935.8	951.3	948.9	982.1	1,016.0	1,041.5		
<i>change</i>	%YA	4.8	6.0	1.7	-0.2	3.5	3.4	2.5	3.5	5.0
Fixed Investment	Bil 05 NOK	423.8	459.7	510.5	475.8	471.2	480.9	505.6		
<i>change</i>	%YA	11.7	8.5	11.0	-6.8	-1.0	2.1	5.1	3.0	10.9
Changes in Inventories	Bil 05 NOK	48.9	35.2	43.3	4.3	16.3	29.1	32.4		
% of GDP	%	2.3	1.6	1.9	0.2	0.7	1.2	1.3	na	na
Total Investment	Bil 05 NOK	472.7	494.9	553.8	480.0	487.5	510.0	538.0		
<i>change</i>	%YA	8.5	4.7	11.9	-13.3	1.6	4.6	5.5	6.2	7.9
Government Expenditures	Bil 05 NOK	412.8	427.0	464.6	492.3	510.4	525.2	534.8		
<i>change</i>	%YA	1.8	3.4	8.8	5.9	3.7	2.9	1.8	1.4	2.0
Domestic Demand	Bil 05 NOK	1,768.1	1,857.7	1,969.8	1,921.2	1,980.1	2,051.3	2,114.3		
<i>change</i>	%YA	5.1	5.1	6.0	-2.5	3.1	3.6	3.1	3.5	5.0
Exports	Bil 05 NOK	1,002.6	1,027.2	1,047.9	989.4	1,005.7	1,030.0	1,047.0		
<i>change</i>	%YA	-0.5	2.4	2.0	-5.6	1.6	2.4	1.6	-0.1	0.7
Imports	Bil 05 NOK	612.1	658.0	706.9	630.2	663.3	692.1	716.2		
<i>change</i>	%YA	8.4	7.5	7.4	-10.9	5.3	4.3	3.5	3.1	8.0
Net Exports	Bil 05 NOK	390.5	369.2	341.0	359.2	342.4	337.9	330.8		
Trade										
Current Account	Bil NOK	372.1	320.5	472.8	316.8	330.6	321.1	329.7		
% of GDP	%	17.2	14.1	18.6	13.3	13.4	12.4	12.0		
Prices										
CPI	1998=100	117.7	118.6	123.1	125.7	127.8	130.6	133.7		
<i>change</i>	%YA	2.3	0.7	3.8	2.2	1.6	2.2	2.4		
PPI	2000=100	142.9	142.8	175.4	174.1	175.0	182.9	193.9		
<i>change</i>	%YA	12.9	-0.1	22.9	-0.8	0.5	4.5	6.0		
GDP Deflator	2004=100	100.0	102.0	110.1	104.4	106.6	108.3	112.0		
<i>change</i>	%YA	9.3	1.9	7.9	-5.1	2.1	1.6	3.5		
Export Deflator	2004=100	100.0	101.2	116.7	100.7	104.0	105.8	109.0		
<i>change</i>	%YA	16.1	1.2	15.3	-13.7	3.2	1.8	3.0		
Import Deflator	2004=100	100.0	105.0	104.1	104.4	106.8	108.7	111.0		
<i>change</i>	%YA	3.2	5.0	-0.9	0.3	2.3	1.8	2.1		
Labor Markets										
Unemployment Rate	%	3.4	2.5	2.5	3.1	3.3	3.1	2.9		
Employment	Mil	2.4	2.4	2.5	2.5	2.5	2.5	2.5		
<i>change</i>	%YA	2.8	3.5	3.1	-0.3	-0.2	0.2	0.0		
Unemployment	Mil	0.1	0.1	0.1	0.1	0.1	0.1	0.1		
<i>change</i>	%YA	-23.1	-24.6	3.2	24.2	4.0	-6.0	-5.0		
Labor Force	Mil	2.4	2.5	2.6	2.6	2.6	2.6	2.6		
<i>change</i>	%YA	1.6	2.6	3.1	0.3	-0.1	0.0	-0.1		
Wages and Salaries	Bil NOK	882.6	975.1	1,011.3	967.3	957.9	979.0	1,007.4		
<i>change</i>	%YA	8.9	10.5	3.7	-4.4	-1.0	2.2	2.9		
Production										
Total Production	2000=100	98.0	96.8	97.0	93.4	93.1	94.6	95.9		
<i>change</i>	%YA	-2.2	-1.2	0.2	-3.6	-0.3	1.5	1.4		
Financial Markets										
Money Supply	Bil NOK	1,148.35	1,335.32	1,459.35	1,509.73	1,531.83	1,593.25	1,643.90		
<i>change</i>	%YA	11.5	16.3	9.3	3.5	1.5	4.0	3.2		
Monetary Policy Rate	%	4.74	5.58	6.29	2.76	2.08	3.30	4.61		
Norwegian Kroner per U.S. Dollar	NOK/USD	6.41	5.86	5.64	6.29	5.71	5.76	5.56		
<i>change</i>	%YA	-0.5	-8.6	-3.8	11.5	-9.3	1.0	-3.5		
Norway - Oslo All Share Index	Index	441	549	443	333	379	432	469		
<i>change</i>	%YA	41.0	24.6	-19.2	-24.8	13.8	14.0	8.6		
Conversions										
Nominal GDP	Bil NOK	2,159.6	2,271.6	2,543.2	2,381.7	2,475.7	2,586.5	2,739.7		
<i>change</i>	%YA	11.0	5.2	12.0	-6.3	3.9	4.5	5.9		
Real GDP in Dollar Terms	Bil 05 USD	306.6	316.3	328.2	323.9	329.9	339.3	347.3		
<i>change</i>	%YA	1.5	3.2	3.8	-1.3	1.8	2.9	2.3		
Nominal GDP in Dollar Terms	Bil USD	336.9	389.5	456.2	380.6	434.4	448.7	492.9		
<i>change</i>	%YA	11.6	15.6	17.1	-16.6	14.1	3.3	9.9		

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