# Icelandic Economic Weekly 3 May 2021

Landsbankinn Economic Research



# Macro indicators

### Prices

### Consumer price index



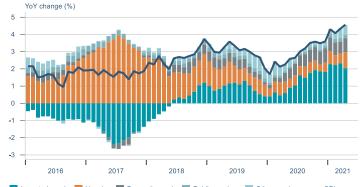
#### CPI by expenditure group



#### Break-even inflation rate

### 

### Contribution to inflation



Imported goods Housing Domestic goods Public services Other services ----- CPI

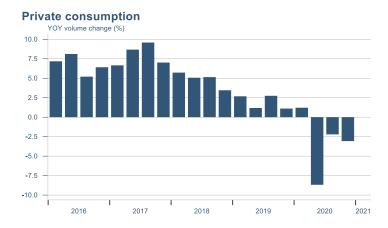
#### Market expectation survey



### Various components



## Households



#### Payment card turnover



#### Deposits and overdrafts



Industry turnover YOY change (deflated with CPI less housing, %) 20 10 -10 -20

2017

2018

----- Retail trade, except of motor vehicles & motorcycles ----- Food & beverage service activities

2019

2020

2021

#### Imports



#### Consumer sentiment survey



auroa : Maarahand

2016

Source : Macrobond

-30

-40

-50

4

## Labour market



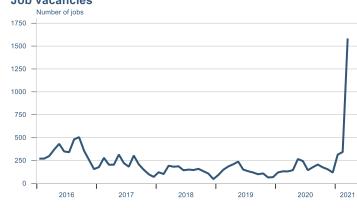
Number of employees YoY change (%)

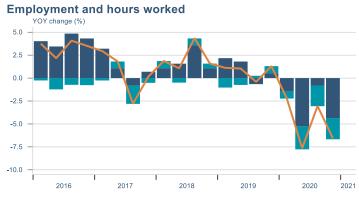


Employment Trend adjusted



Job vacancies









## Real estate market



---- Total ---- Apartment buildings ---- Detached houses

#### Residential property market price index



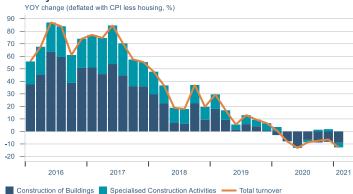
----- Single-flat Houses, Capital Area ----- Multi-flat Houses, Capital Area ----- Outside Capital Area

#### Capital region housing price index



**Rental price index** YOY change (%) 15.0 12.5 10.0 7.5 5.0 2.5 0.0 -2.5 -5.0 - 1 2016 2017 2018 2019 2020 2021



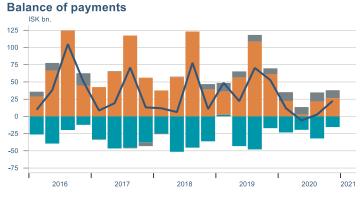


Building supplies



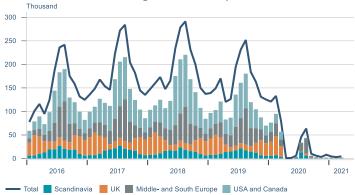
Cement sales (index) - Imported building supplies (tonnes)

## Foreign trade



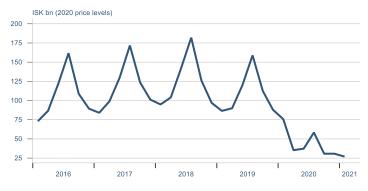
Goods account balance Service account balance Income account ---- Current account

#### Visitors to Iceland through Keflavik Airport



### Turnover in the travel sector

Turnover per VAT period (2 months)



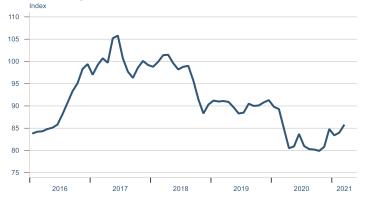
#### **Fish catch** Thousand tonnes

Cod 📕 Blue Whiting 📕 Mackerel 📕 Herring 📕 Capelin ----- Total

#### Marine products price indices



#### Real exchange rate



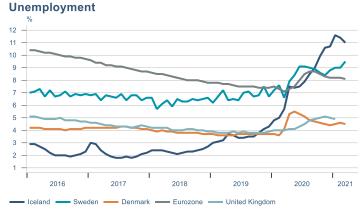
# International comparison











#### **Real housing prices**



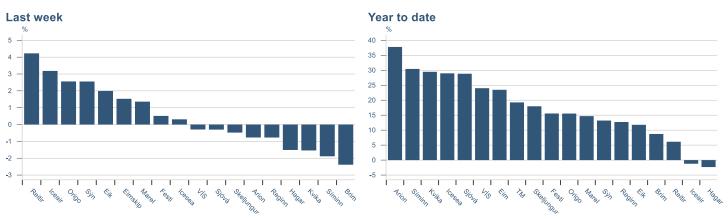


---- Iceland ----- Sweden ----- Denmark ----- Eurozone ----- United Kingdom

# Financial markets

# Equity market





Equity indexes



#### Vix indexes



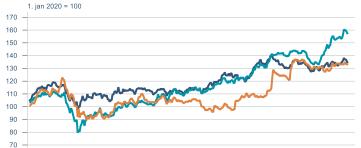
# Equity market

#### Companies with income in foreign currency



---- Marel ---- Icelandair ---- Eimskip ---- Brim ---- Iceland Seafood

#### Retail



Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr 2020 2021



Technology



- Sýn - Síminn - Origo

Financials 1 Jan 2020 = 100 225 200 175 150 125 100 75 50 . . . . . . . . . . . . Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr 2020 2021 Arion Kvika Sjóvá VÍS TM

#### Real estate

------ Hagar ------ Festi ------ Skeljungur



Source : Macrobond

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### Fixed income

Inflation-linked covered bonds



2020

- ARION CBI 26 - ISLA CBI 26 - LBANK CBI 26 - ISLA CBI 28 - LBANK CBI 28

Mar

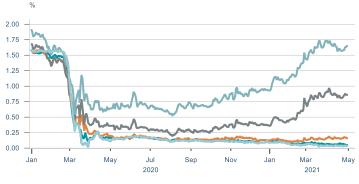
2021

Mav

#### Inflation-linked treasury bonds



#### United States government benchmark



#### ----- 6 month ----- 12 month ----- 2 year ----- 5 year ----- 10 year ----- 6 Month

#### Nominal covered bonds





#### ----- 6 month ----- 12 month ----- 2 year ----- 5 year ----- 10 year

1.75

1.50

1.25

1.00

0.75

0.50

0.25

0.00

-0.25

Jar

ARION CBI 29

## FX market



#### Trade-weighted index



#### CBI interventions



Fx cross pairs 1.45 1.40 1.35 1.30 1.25 1.20 5 1.15 1.10 1.05 May Jul Mar May Jan Mar Sen Nov Jan 2020 2021 - EURUSD - GBPUSD - GBPEUR

#### NOK and SEK



#### ISK EUR interest rate differential

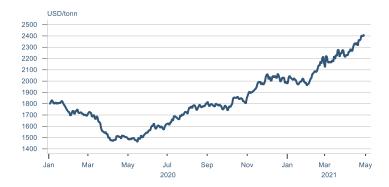


6 month 2 year 5 year

# Commodities



#### Aluminum World 3-month, LME

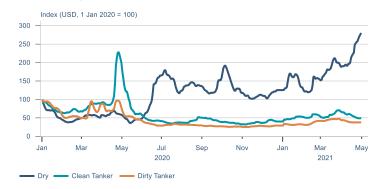


### Crude oil Brent Europe Spot



### Shipping

Baltic exchange index



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