Icelandic Economic Weekly 27 December 2021

Landsbankinn Economic Research



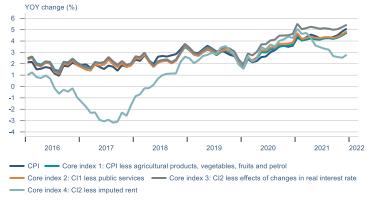
Macro indicators

Prices

Consumer price index

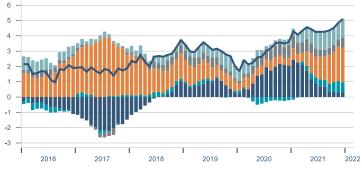


Core indexes



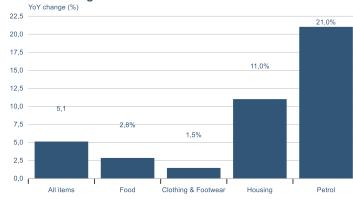
Contribution to inflation



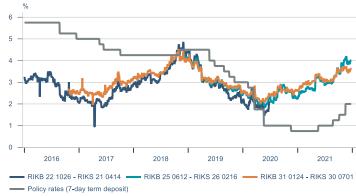


Imported goods less petrol Petrol Housing Domestic goods Services - CPI

Selected categories



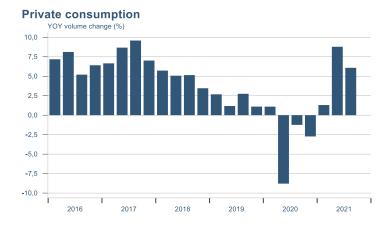
Break-even inflation rate



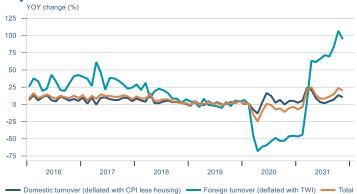
Market expectation survey



Households



Payment card turnover



Deposits and overdrafts



Industry turnover



Imports



---- Passenger motor cars excl. buses ---- Consumer goods, durable ---- Consumer goods, semi-durable

Consumer sentiment survey



Expectations 6 months ahead

Labour market



Number of employers YoY change (%) 12,5 -10,0 7,5 -5,0 -2,5 -0,0 -2.5 --5,0 --7,5 — -11 Т Т 2016 2017 2018 2019 2020 2021 ----- Business sectors ----- Construction ----- Total economy

Employment Trend adjusted



Job vacancies Number of jobs 4500 4000 3500 3000 2500 2000 1500 1000 500 0 + 2016 2017 2018 2020 2021 2019

Employment and hours worked YOY change (%)





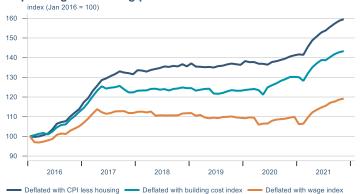
Real estate market

Capital area housing price index YOY change (%) 25,0 -22,5 20,0 17,5 15,0 12,5 10,0 7,5 5,0 2,5 0,0 -2016 2017 2018 2019 2020 2021 ---- Total ---- Apartment buildings ---- Detached houses

Residential property market price index

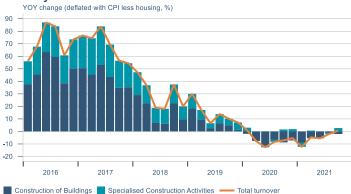


Capital region housing price index



Rental price index YOY change (%) 15,0 12,5 10,0 7,5 5,0 2,5 0,0 -2,5 -5,0 - 1 1 2016 2017 2018 2019 2020 2021

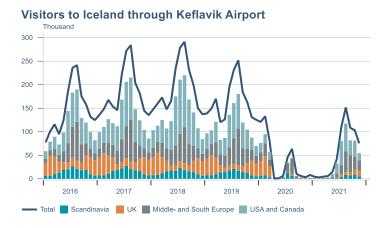
Industry turnover



Building supplies



Tourism industry



Turnover in the travel sector

Turnover per VAT period (2 months)



Overnight stays in hotels



----- Foreign nationals ----- Icelanders

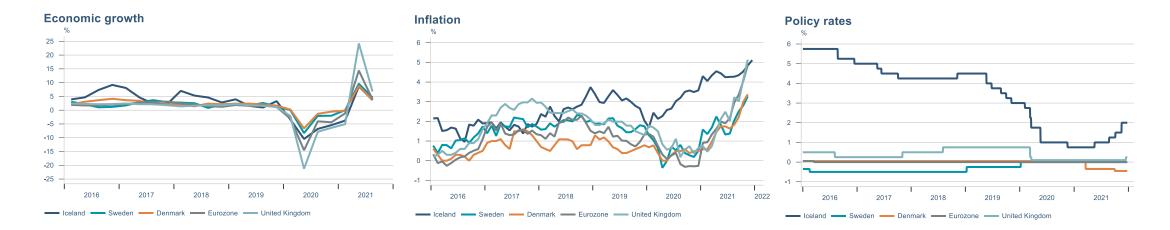
Turnover of foreign payment cards in Iceland

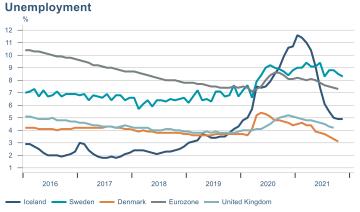


Number of employers in tourism industry

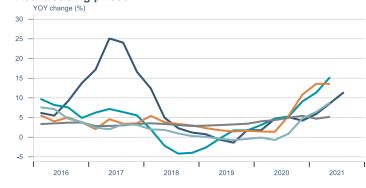


International comparison









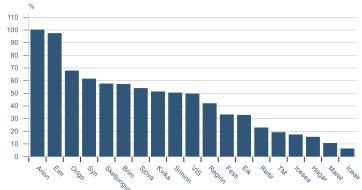


Financial markets

Equity market



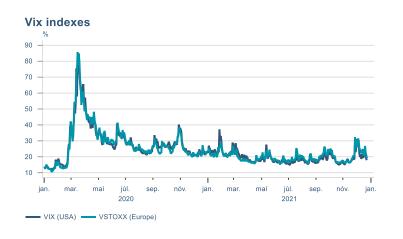
Year to date



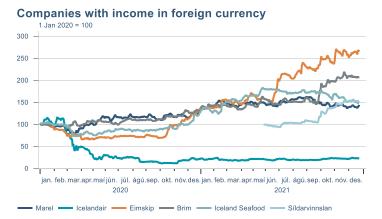
Equity indexes Index (USD, 1 Jan 2020 = 100) 200 175 150 125 100



OMXI10 - OMX NORDIC 40 - S&P 500 - NASDAQ 100 - EUROSTOXX 600
FTSE 500 - Nikkei 225



Equity market



Retail



Technology



- Sýn - Síminn - Origo



Real estate



Fixed income



Inflation-linked treasury bonds



United States government benchmark



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

Nominal covered bonds



Germany government benchmarks % 0,0 --0,1 --0,2 --0,3 -0,4 -0,5 -0,6 -0,7 -0,8 -0,9 --1,0 -1,1 jan. feb. mar. apr. maí jún. júl. ágú. sep. okt. nóv. des. jan. feb. mar. apr. maí jún. júl. ágú. sep. okt. nóv. des. 2020 2021

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

Inflation-linked covered bonds





FX market



Trade-weighted index



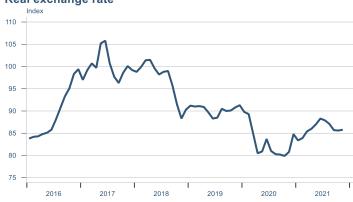
CBI interventions



CBI buys euros 📕 CBI sells euros ----- EURISK (r.axis)



Real exchange rate



ISK EUR interest rate differential



Source : Macrobond

Commodities



Aluminum World 3-month, LME



Crude oil Brent Europe Spot USD/Barrel



Shipping

Baltic exchange index



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