# Icelandic Economic Weekly 31 January 2022

Landsbankinn Economic Research



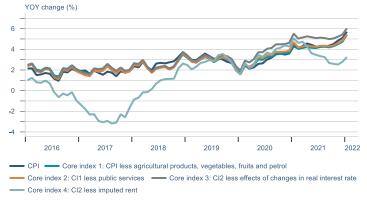
# Macro indicators

### Prices

### Consumer price index

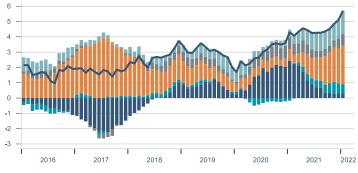


### **Core indexes**



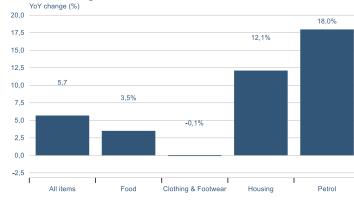
#### Contribution to inflation





Imported goods less petrol Petrol Housing Domestic goods Services - CPI

### Selected categories



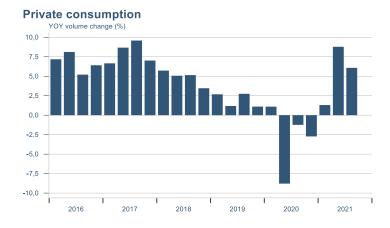
### Break-even inflation rate



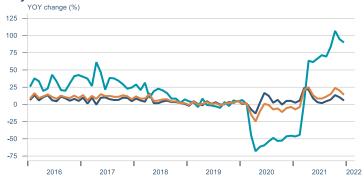
### Market expectation survey



## Households



### Payment card turnover



---- Domestic turnover (deflated with CPI less housing) ----- Foreign turnover (deflated with TWI) ----- Total

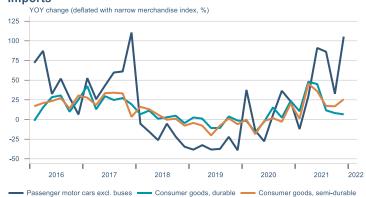
### Deposits and overdrafts



Industry turnover



#### Imports



### **Consumer sentiment survey**



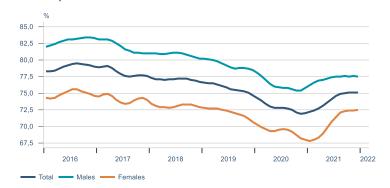
Expectations 6 months ahead

## 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 — Т -11 Т 1 2021 2016 2017 2018 2019 2020 ----- Business sectors ----- Construction ----- Total economy

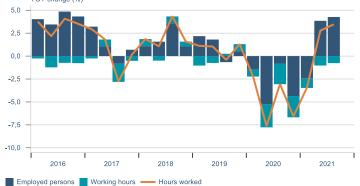
Employment Trend adjusted



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

2019







## 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 2022 ---- Total ---- Apartment buildings ---- Detached houses

### **Residential property market price index**



### Capital region housing price index



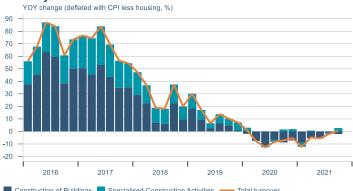
### **Rental price index** YOY change (%) 15,0 12,5 10,0 7,5 5,0 2,5 0,0

2018

2019

2020

### Industry turnover



### **Building supplies**



2021

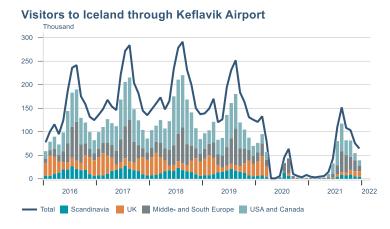
2022

-2,5

-5,0 - 1

2016

## Tourism industry



### Turnover in the travel sector

Turnover per VAT period (2 months)



### Overnight stays in hotels



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

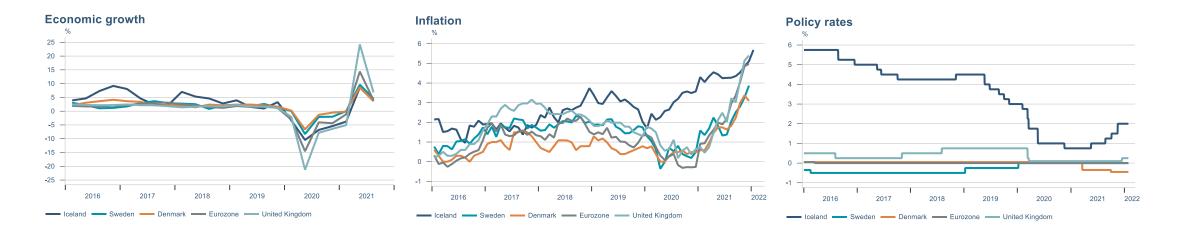
### Turnover of foreign payment cards in Iceland

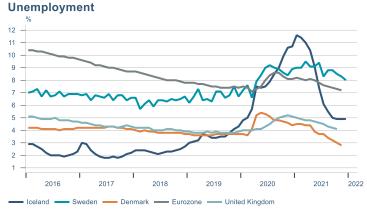


### Number of employers in tourism industry



## International comparison





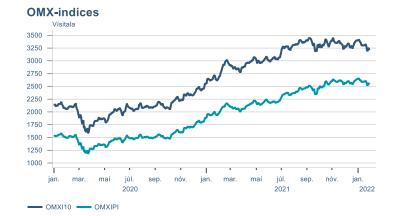


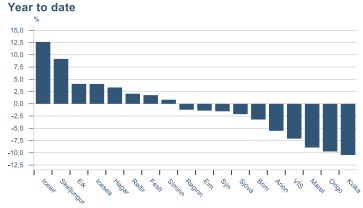


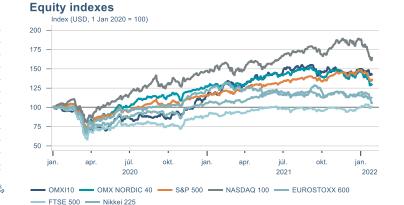


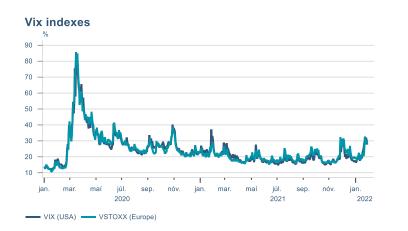
# Financial markets

## Equity market

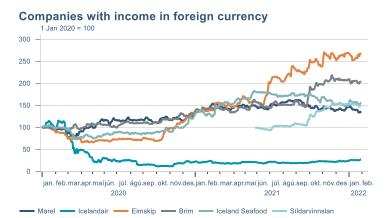








## Equity market



#### Retail



jan. feb.mar.apr.maíjún. júl. ágú.sep. okt. nóv.des.jan. feb.mar.apr.maíjún. júl. ágú.sep. okt. nóv.des.jan. feb. 2020 2021

#### Technology 1 Jan 2020 = 100 300 275 250 225 200 175 150 125 100 75 50 jan. feb.mar.apr.maíjún. júl. ágú.sep. okt. nóv.des.jan. feb.mar.apr.maíjún. júl. ágú.sep. okt. nóv.des.jan. feb. 2020 2021 2022

- Sýn - Síminn - Origo



### Real estate



Eik Reginn Reitir

### Fixed income

Inflation-linked covered bonds

2020

### Nominal treasury bonds % 4.5 4.0 3.5 3.0 2.5 2.0 1.5 1.0 0.5

### jan. mar. maí júl. sep. nóv. jan. mar. maí júl. sep. nóv. jan. 2020 2021 2022 — RIKB 21 0805 — RIKB 22 1026 — RIKB 23 0515 — RIKB 25 0612 — RIKB 28 1115 — RIKB 31 0124

ARION CBI 26 - ISB CBI 26 - LBANK CBI 26 - ISB CBI 28 - LBANK CBI 28

### Inflation-linked treasury bonds



### United States government benchmark

%

ian.

2022

2021

#### 2,00 -1,75 1,50 1,25 -1,00 -0,75 · 0,50 0,25 0,00 ian. mar. iúl sep nóγ ian mar. maí iúl. sei nóv. ian. 2020 2021 2022

#### ----- 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

### Source : Macrobond

1,75

1,50

1,25

1,00

0,75

0,50

0,25

0,00

-0,25

-0,50

jan. mar

ARION CBI 29

### FX market



### Trade-weighted index



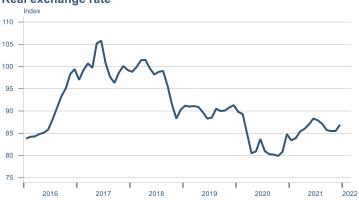
### CBI interventions



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





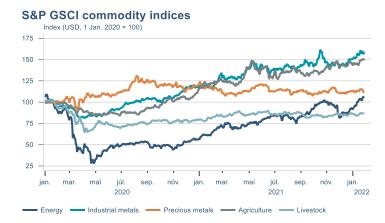


### ISK EUR interest rate differential

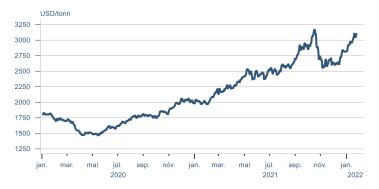


Source : Macrobond

## Commodities



### Aluminum World 3-month, LME



Crude oil Brent Europe Spot



Shipping





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