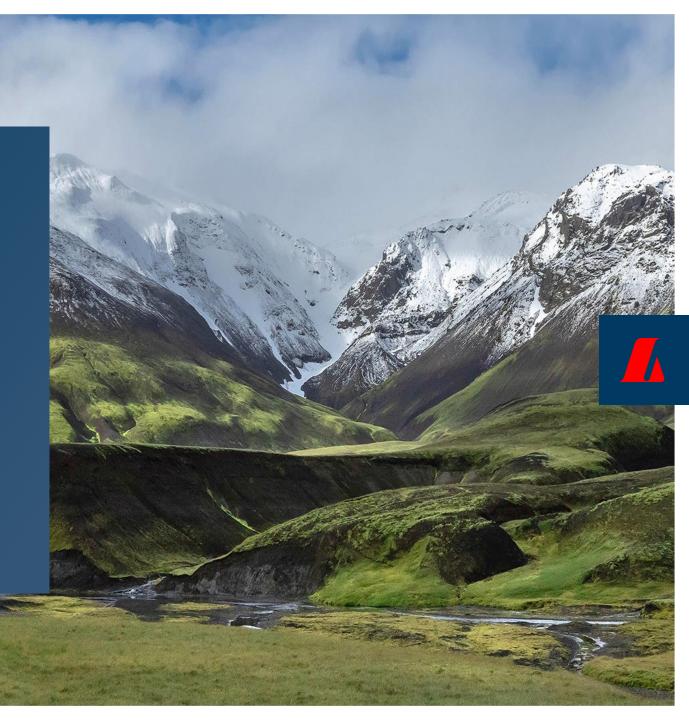
# Icelandic Economic Weekly 7 February 2022

Landsbankinn Economic Research



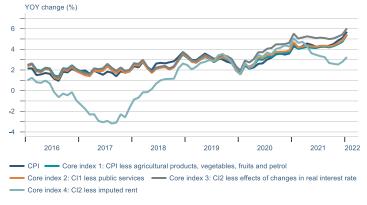
# Macro indicators

## Prices

## Consumer price index

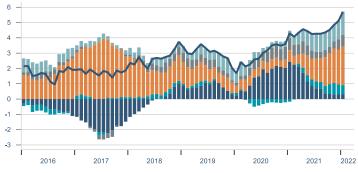


### Core indexes



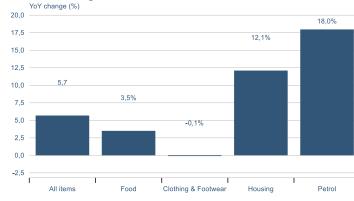
#### Contribution to inflation





Imported goods less petrol Petrol Housing Domestic goods Services - CPI

### Selected categories



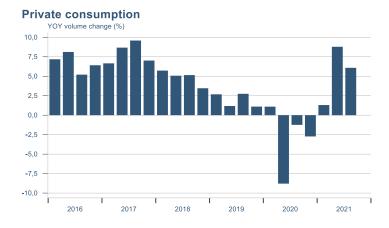
### Break-even inflation rate



### Market expectation survey



## Households



### Payment card turnover



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

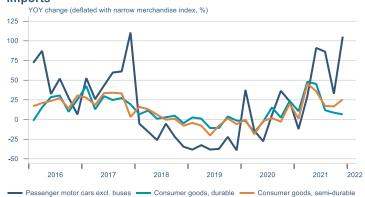
### Deposits and overdrafts



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 2022 2019

## Employment and hours worked





## 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**

Industry turnover

90

YOY change (deflated with CPI less housing, %)



### Capital region housing price index

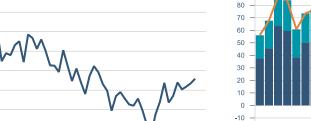


## YOY change (%) 15,0 12,5 10,0 7,5 5,0 2,5 0,0

2018

2019

2020



2021

2022



Construction of Buildings Specialised Construction Activities ----- Total turnover

### **Building supplies**







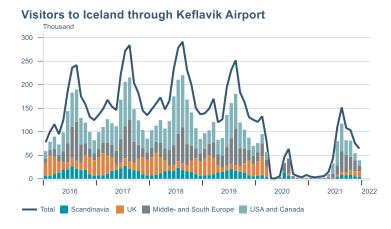
2016

2017

-2,5

-5,0 - 1

## 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

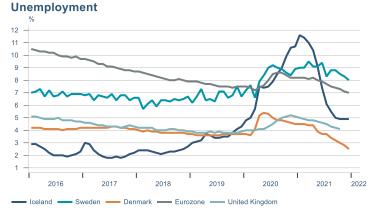


### Number of employers in tourism industry

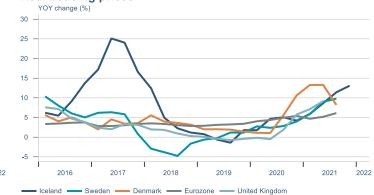


## International comparison





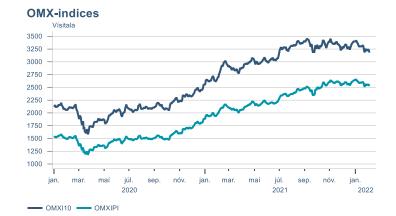
**Real housing prices** 

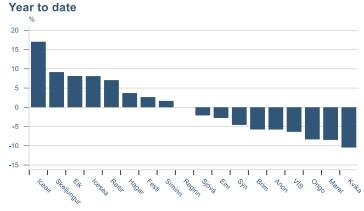




# Financial markets

## Equity market

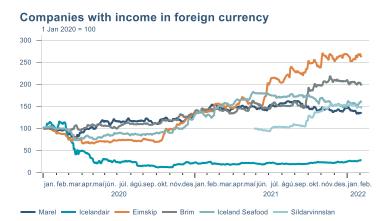








## Equity market



#### Retail



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

#### 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 1 Jan 2020 = 100



## Fixed income

Inflation-linked covered bonds

202

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



### Inflation-linked treasury bonds



## United States government benchmark

%

nóv. ian.

2022

2021



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

#### Nominal covered bonds



## Germany government benchmarks



<sup>----- 6</sup> 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

-0,50

jan. mar

ARION CBI 29

## FX market



Trade-weighted index



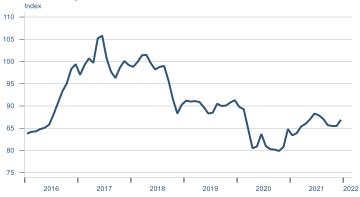
CBI interventions



CBI buys euros EURISK (r.axis)



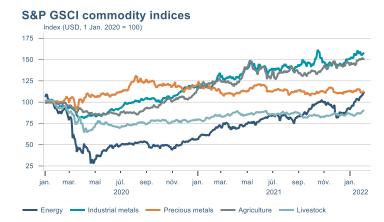
## Real exchange rate



#### **ISK EUR interest rate differential**



## Commodities



### Aluminum World 3-month, LME



Crude oil Brent Europe Spot



## Shipping

Baltic exchange index



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