Icelandic Economic Weekly 14 February 2022

Landsbankinn Economic Research



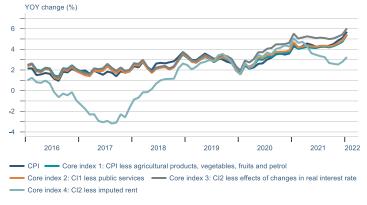
Macro indicators

Prices

Consumer price index

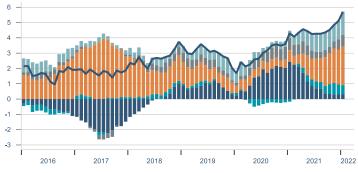


Core indexes



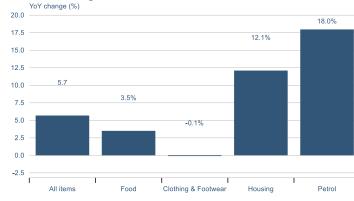
Contribution to inflation



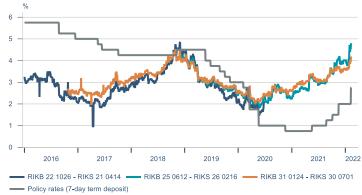


Imported goods less petrol Petrol Housing Domestic goods Services - CPI

Selected categories



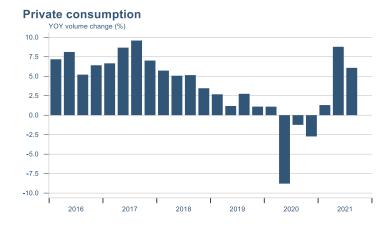
Break-even inflation rate



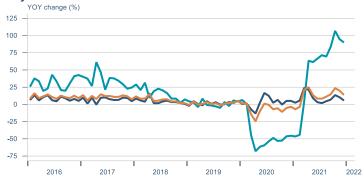
Market expectation survey



Households



Payment card turnover



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

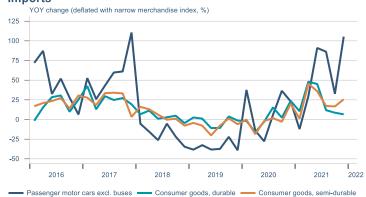
Deposits and overdrafts



Industry turnover



Imports



Consumer sentiment survey



Expectations 6 months ahead

Labour market



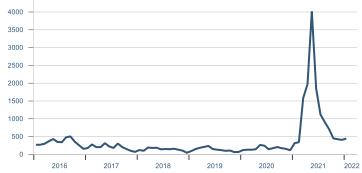
Number of employers YoY change (%) 12.5 -10.0 7.5 -5.0 -2.5 -0.0 -2.5 --5.0 --7.5 — Т -11 Т 1 2021 2016 2017 2018 2019 2020

----- Business sectors ----- Construction ----- Total economy

Employment Trend adjusted



----- Labour force survey (trend seasonally adjusted) ----- Registered









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

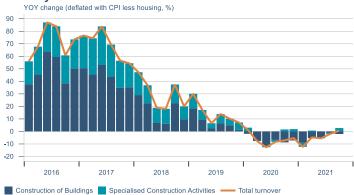


YOY change (%) 15.0 12.5 10.0 7.5 5.0

Rental price index



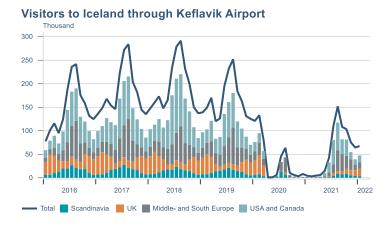
Industry turnover



Building supplies



Tourism industry

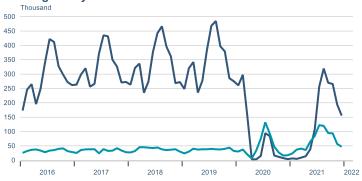


Turnover in the travel sector

Turnover per VAT period (2 months)



Overnight stays in hotels



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

Turnover of foreign payment cards in Iceland

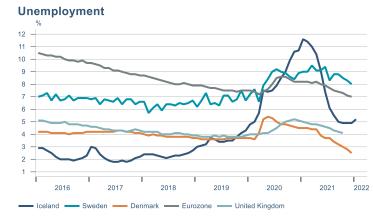


Number of employers in tourism industry

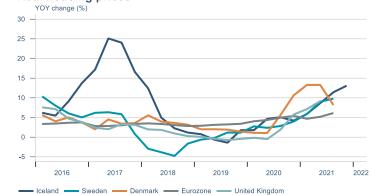


International comparison









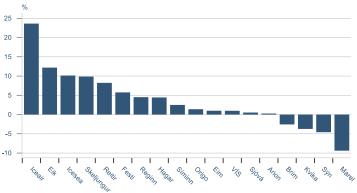


Financial markets

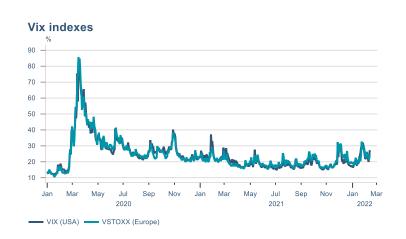
Equity market



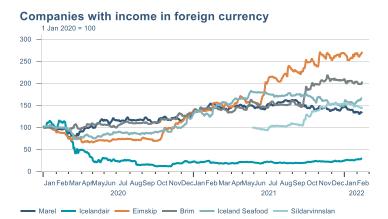
Year to date



Equity indexes Index (USD, 1 Jan 2020 = 100) 200 175 150 125 100 75 50 Jan Jul Oct Oct Apr Apr Jul Jan Jan 2020 2021 2022



Equity market



Retail



Jan FebMarApıMayJun Jul AugSep Oct NovDecJan FebMarApıMayJun Jul AugSep Oct NovDecJan Feb 2020 2021 2022

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

Technology 1 Jan 2020 = 100 300 275 250 225 200 175 150 125 100 75 50 Jan Feb Mar Apr MayJun Jul Aug Sep Oct NovDec Jan Feb Mar Apr MayJun Jul Aug Sep Oct NovDec Jan Feb 2020 2021 2022

- Sýn - Síminn - Origo



Real estate

1 Jan 2020 = 100



Fixed income



Oct

2021

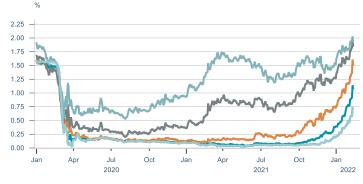
Jan

2022

Inflation-linked treasury bonds



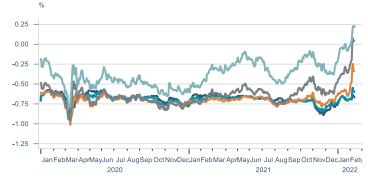
United States government benchmark



Nominal covered bonds



Germany government benchmarks



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

1.75 1.50 1.25 1.00 0.75

2020

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

Inflation-linked covered bonds

Source : Macrobond

0.50

0.25

0.00

-0.25

-0.50

Jan

ARION CBI 29

FX market



Trade-weighted index



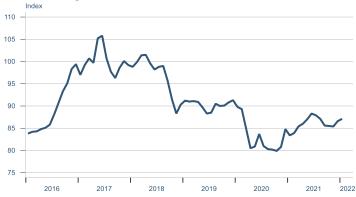
CBI interventions



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



Real exchange rate

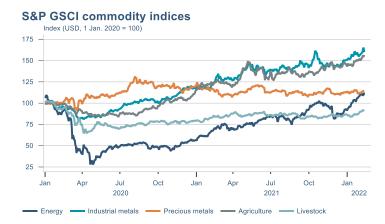


ISK EUR interest rate differential

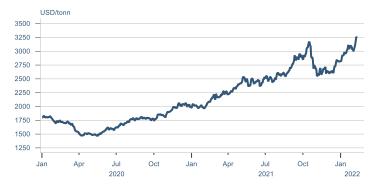


6 month 2 year 5 year

Commodities



Aluminum World 3-month, LME

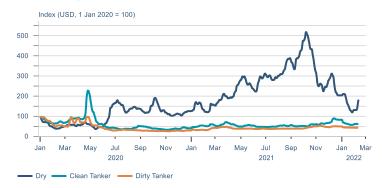


Crude oil Brent Europe Spot



Shipping





Issuer: Landsbankinn Economic Research – hagfraedideild@landsbankinn.is

The contents and form of this document were produced by employees of Landsbankinn Economic Research and are based on information available to the public when the analysis was compiled. Assessment of this information reflects the views of Economic Research's employees on the analysis date, which may change without notice.

Neither Landsbankinn hf. nor its personnel can be held responsible for transactions based on the information and opinions expressed here.

Attention should be drawn to the fact that Landsbankinn hf. may, at any time, have direct or indirect interests at stake either on its own behalf or through its subsidiaries or customers, for instance as an investor, creditor or service provider. Nonetheless, all analyses are prepared independently by Landsbankinn Economic Research and in accordance with the bank's rules on separation of activities accessible on the Landsbankinn website.