Icelandic Economic Weekly 7 June 2022

Landsbankinn Economic Research



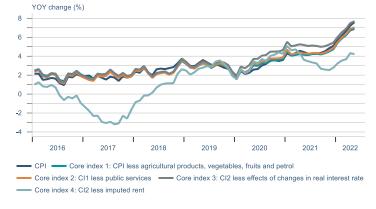
Macro indicators

Prices

Consumer price index

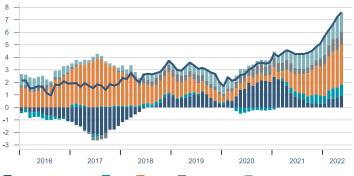


Core indexes



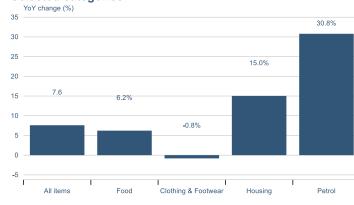
Contribution to inflation





Imported goods less petrol Petrol Housing Domestic goods Services ---- CPI

Selected categories



Break-even inflation rate

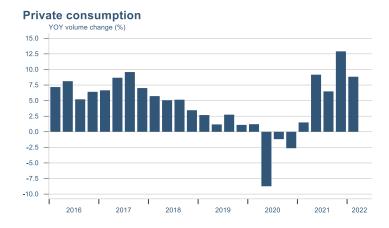


Market expectation survey



Average inflation next 10 years

Households



Payment card turnover



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

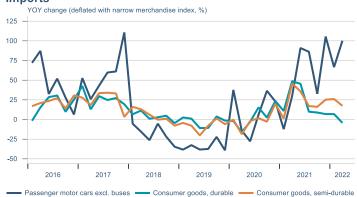
Deposits and overdrafts



Industry turnover



Imports



Consumer sentiment survey



Expectations 6 months ahead

Labour market



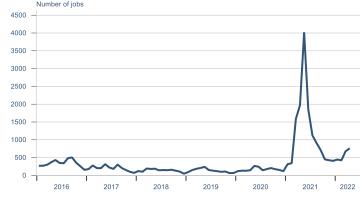
Number of employers YoY change (%) 12.5 10.0 7.5 5.0



Employment Trend adjusted



Job vacancies Number of jobs



Employment and hours worked





Source : Macrobond

Real estate market

Capital area housing price index



----- 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 (%)



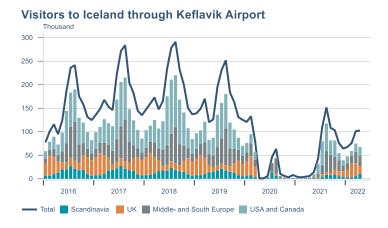
Industry turnover



Building supplies

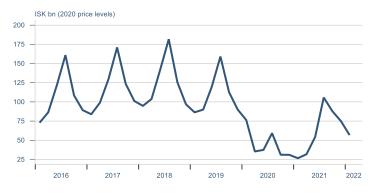


Tourism industry



Turnover in the travel sector

Turnover per VAT period (2 months)



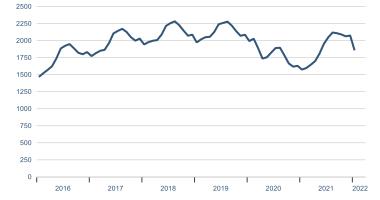
Overnight stays in hotels



Turnover of foreign payment cards in Iceland

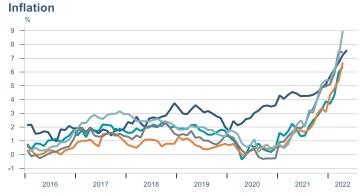


Number of employers in tourism industry



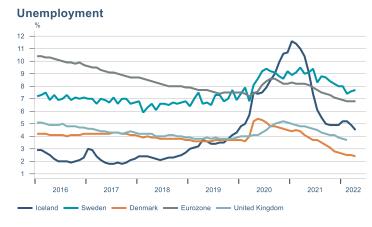
International comparison











Real housing prices



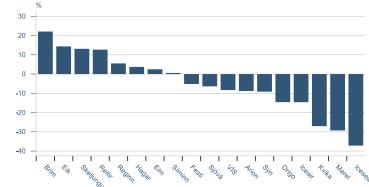
---- Iceland ----- Sweden ----- Denmark ----- Eurozone ----- United Kingdom

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Financial markets

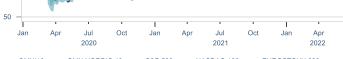
Equity market

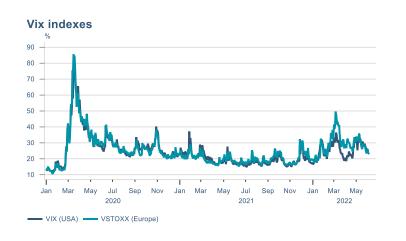




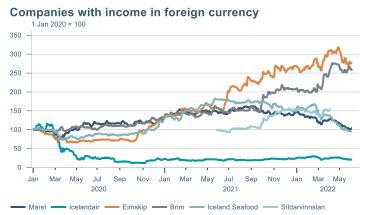
Year to date







Equity market





Jan Mar May Jul Sep Nov Jan Mar May Jul Sep Nov Jan Mar May 2020 2021 2022

Technology 1 Jan 2020 = 100 325 300 275 250 -225 -200 · 175 -150 -125 100 75 50 Jan Mar May Jul Sep Nov Jan Mar May Jul Sep Nov Jan Mar May 2020 2021 2022

- Sýn - Síminn - Origo



Real estate



Fixed income

Inflation-linked covered bonds

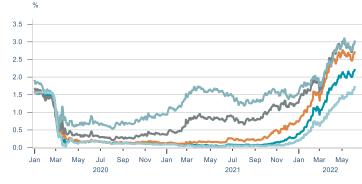
Nominal treasury bonds



Inflation-linked treasury bonds



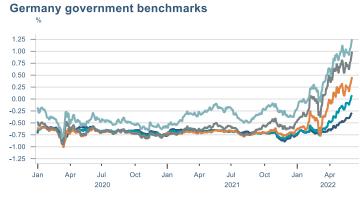
United States government benchmark



----- 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 -0.50 -0.75 Jan Mai Ma May .lan Mar Mav 2020 2021 2022 ARION CBI 26 - ISB CBI 26 - LBANK CBI 26 - ISB CBI 28 - LBANK CBI 28 ARION CBI 29

FX market



Trade-weighted index



CBI interventions



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



Real exchange rate

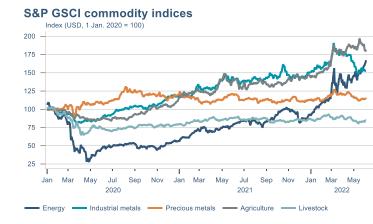


ISK EUR interest rate differential

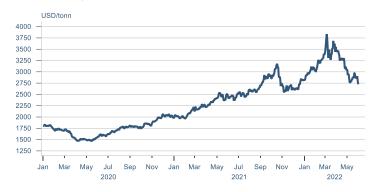


6 month 2 year 5 year

Commodities



Aluminum World 3-month, LME



Crude oil Brent Europe Spot



Shipping





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