



# MONETARY BULLETIN

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## Contents

- 3 Statement of the Monetary Policy Committee
- 5 Strong domestic demand growth and unrest in the labour market
  - 5 Section I Economic outlook and key uncertainties
  - 15 Section II The global economy and terms of trade
  - 21 Section III Monetary policy and domestic financial markets
  - 27 Section IV The domestic real economy
  - 39 Section V Inflation
- 43 Box 1 Risk premia and estimates of inflation expectations in the bond market
- 46 Box 2 Inflation expectations in the run-up to wage settlements: comparison with 2011
- 47 Box 3 New data to estimate slack or tension in the labour market
- 49 Box 4 Monetary Policy Committee voting pattern: six years' experience
- 53 Box 5 Estimating underlying inflation using a dynamic factor model
- 55 Appendix 1 Forecast tables

The objective of the Central Bank of Iceland's monetary policy is to contribute to general economic well-being in Iceland. The Central Bank does so by promoting price stability, which is its main objective. In the joint declaration made by the Government of Iceland and Central Bank of Iceland on 27 March 2001, this is defined as aiming at an average rate of inflation, measured as the 12-month increase in the CPI, of as close to 2½% as possible. Professional analysis and transparency are prerequisites for credible monetary policy. In publishing *Monetary Bulletin* four times a year, the Central Bank aims to fulfil these principles.

*Monetary Bulletin* includes a detailed analysis of economic developments and prospects, on which the Monetary Policy Committee's interest rate decisions are based. It also represents a vehicle for the Bank's accountability towards Government authorities and the public.

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**Icelandic letters:**

ð/Ð (pronounced like th in English this)

þ/Þ (pronounced like th in English think)

In *Monetary Bulletin*, ð is transliterated as d and þ as th in personal names, for consistency with international references, but otherwise the Icelandic letters are retained.