



2023 | 1



ECONOMIC INDICATORS

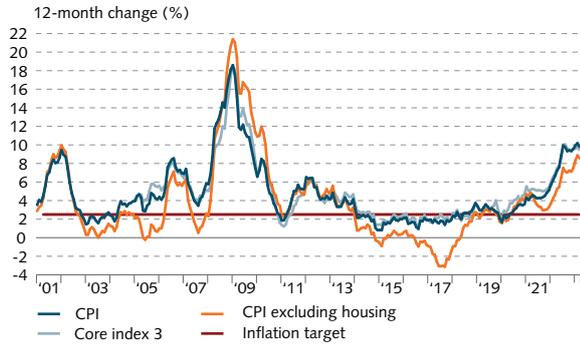
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I Inflation and inflation expectations

I-1

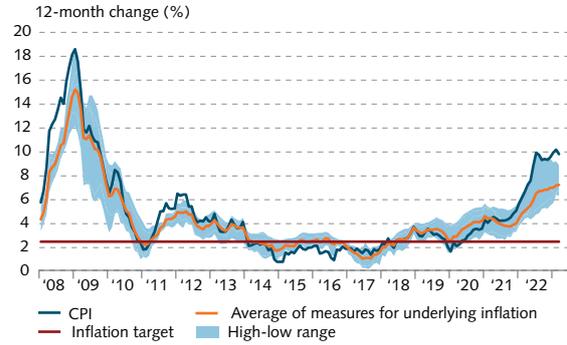
Inflation



Core index 3 excludes the effects of agricultural products, petrol, and public services, as well as real mortgage interest expense. Monthly data.
Sources: Statistics Iceland, Central Bank of Iceland.

I-2

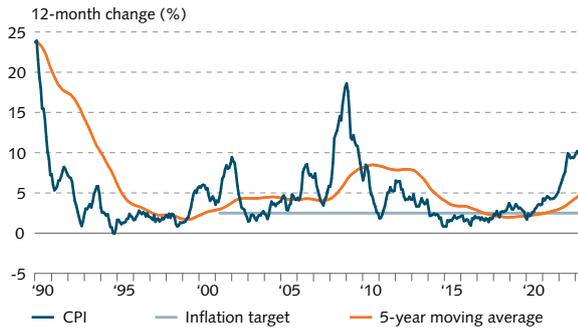
Inflation and underlying inflation



Underlying inflation is measured using core inflation (inflation excluding the effects of indirect taxes, certain groceries, petrol, public services, and the effect of changes in real interest rates on the housing component of the CPI) and various statistical measures (weighted median, trimmed mean, a dynamic factor model, and the common component of the CPI).
Sources: Statistics Iceland, Central Bank of Iceland.

I-3

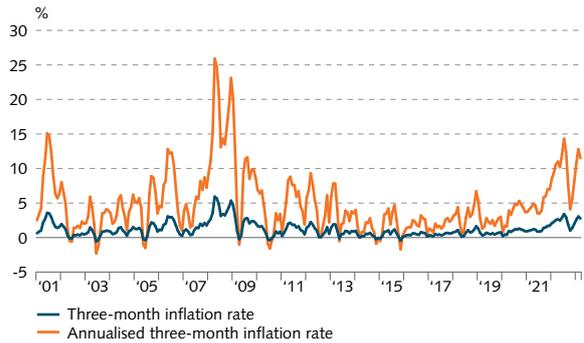
Inflation



Monthly data.
Sources: Statistics Iceland, Central Bank of Iceland.

I-4

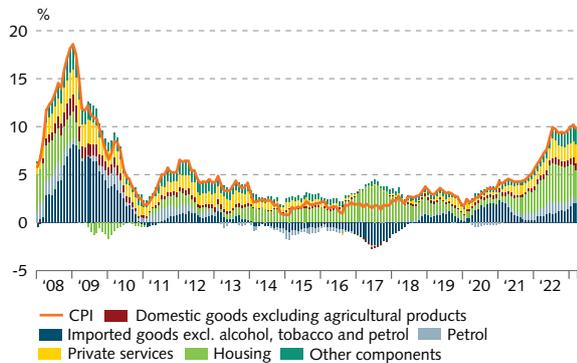
Seasonally adjusted inflation



This inflation measurement is very volatile but indicates how inflation pressures are developing. Monthly data.
Sources: Statistics Iceland, Central Bank of Iceland.

I-5

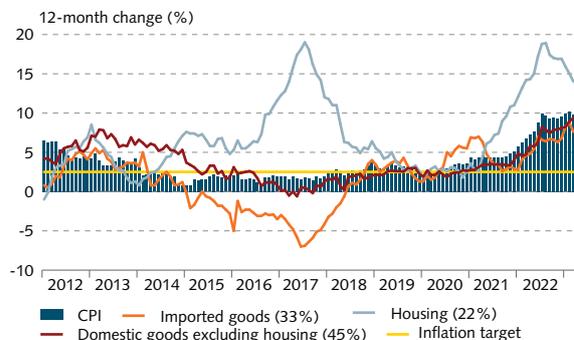
Components of CPI inflation



Contribution of individual items to 12-month inflation. Monthly data.
Source: Statistics Iceland.

I-6

Domestic and imported goods prices

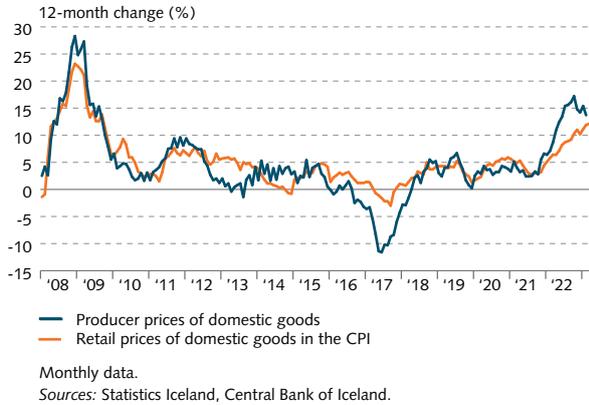


Prices of imported goods are estimated using the prices of imported food and beverages, new motor vehicles and spare parts, petrol, and other imported goods. Prices of domestic goods are estimated using the prices of domestic goods and private and public services. The figures in parentheses show the current weight of these items in the CPI. Monthly data.
Sources: Statistics Iceland, Central Bank of Iceland.

I Inflation and inflation expectations

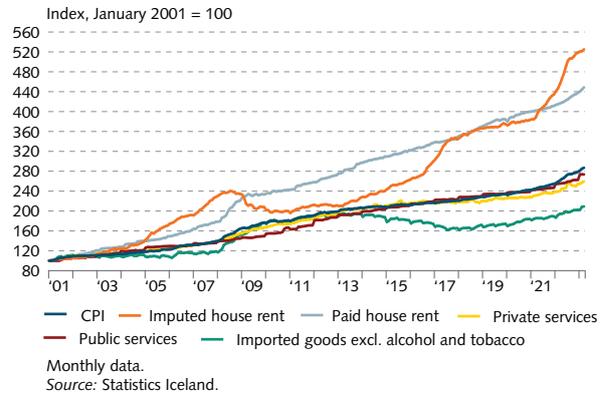
I-7

Production and retail prices of domestic goods



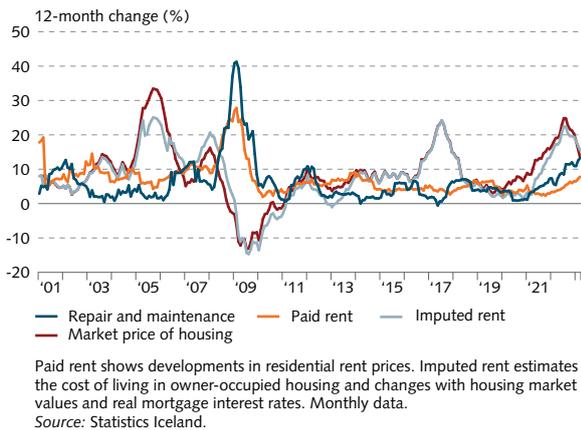
I-8

Price developments: housing, goods and services



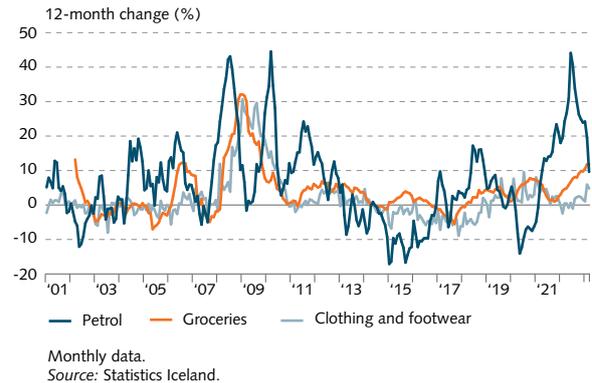
I-9

Price developments: housing



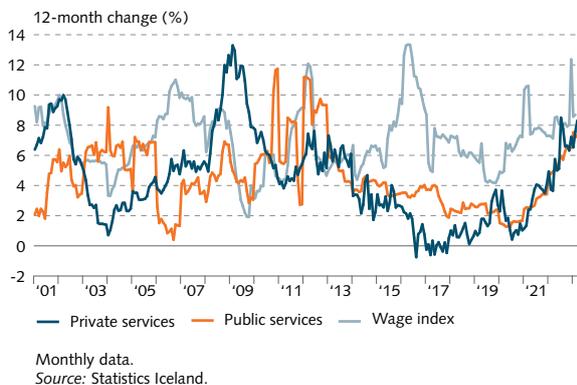
I-10

Price developments: various components



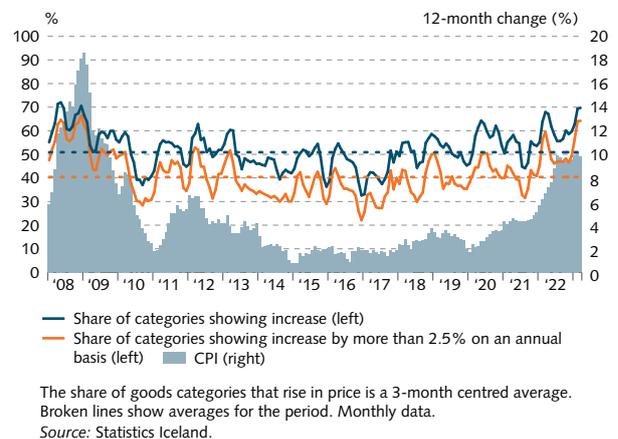
I-11

Price developments: wages and services



I-12

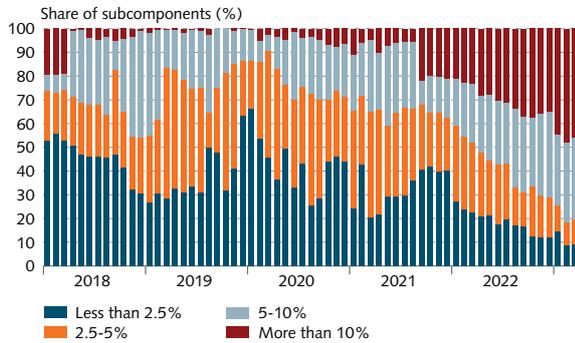
Distribution of price increases in the CPI



I Inflation and inflation expectations

I-13

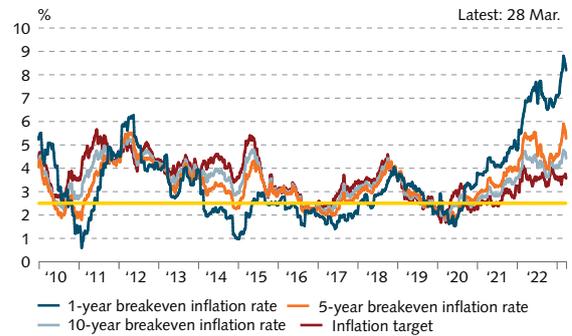
Price increases



The share of CPI subcomponents categorised by their annual increase.
 Sources: Statistics Iceland, Central Bank of Iceland.

I-14

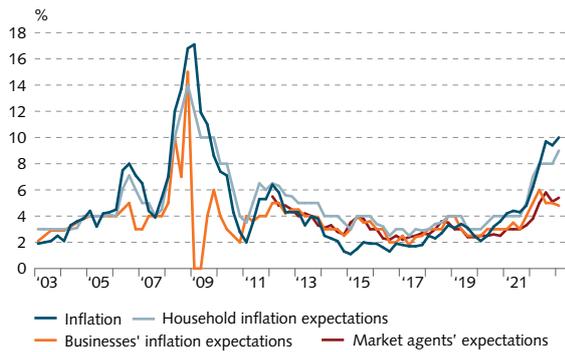
Breakeven inflation rates



Breakeven inflation rates are calculated from yield spreads between nominal and index-linked Government and Government-guaranteed bonds (5-day moving averages). Daily data.
 Source: Central Bank of Iceland.

I-15

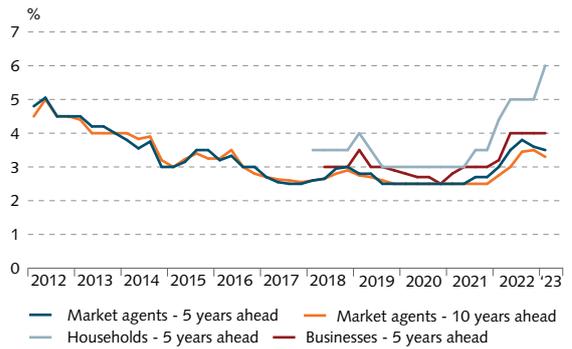
Inflation expectations of businesses, households, and market agents one year ahead and current inflation



Inflation expectations according to surveys carried out by Gallup and the Central Bank. Respondents are asked about inflation 12 months ahead and median figures are used. Businesses' inflation expectations were measured on an irregular basis before Q3/2006 so until then measurements are interpolated. Quarterly data.
 Sources: Gallup, Statistics Iceland, Central Bank of Iceland.

I-16

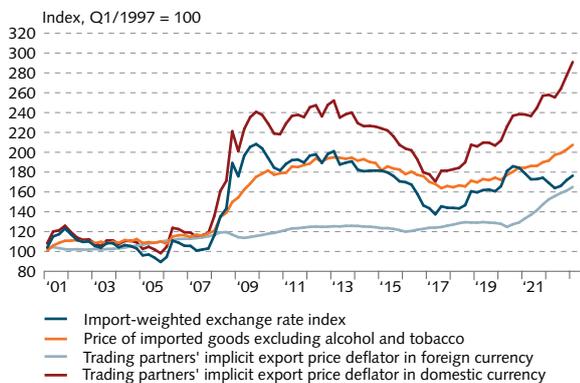
Long-term inflation expectations of businesses, households, and market agents



Inflation expectations according to surveys carried out by Gallup and the Central Bank. Respondents are asked about average inflation 5/10 years ahead and median figures are used. Quarterly data.
 Sources: Statistics Iceland, Central Bank of Iceland.

I-17

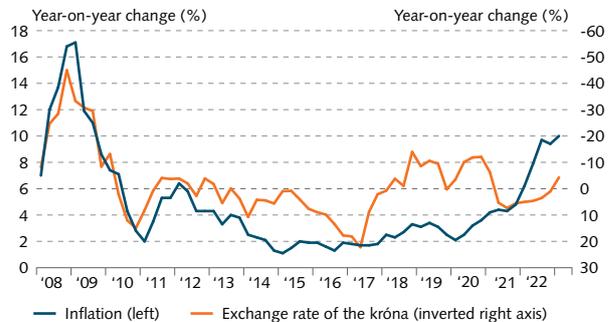
Import price levels and exchange rate developments



Import-weighted exchange rate index and price of imported goods excluding alcohol and tobacco in the CPI. Trading partners' implicit export price deflator is weighted using the import weights from the narrow trade-weighted basket and its latest value is based on the Bank's most recent baseline forecast. Quarterly data.
 Sources: Statistics Iceland, Central Bank of Iceland.

I-18

Inflation and exchange rate of the króna

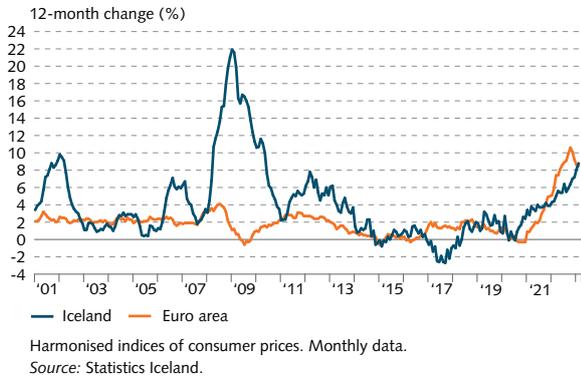


Based on the narrow trade-weighted exchange rate of the króna. Quarterly data.
 Sources: Statistics Iceland, Central Bank of Iceland.

I Inflation and inflation expectations

I-19

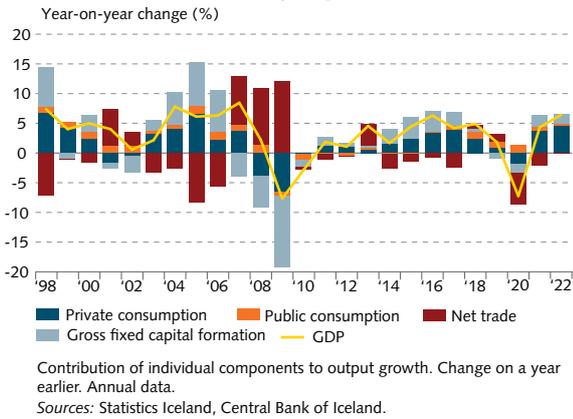
Inflation in Iceland and Europe



II Output and demand

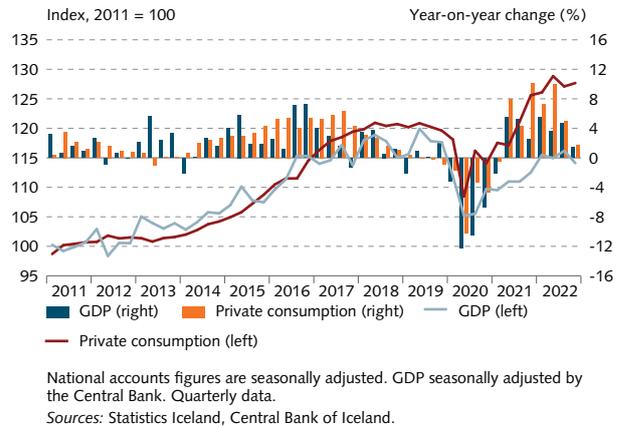
II-1

Contribution of individual components to output growth



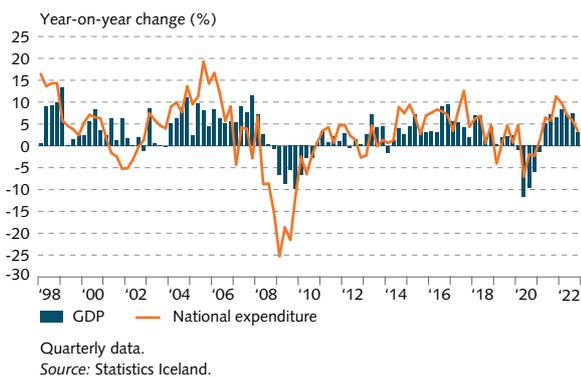
II-2

GDP and private consumption per capita



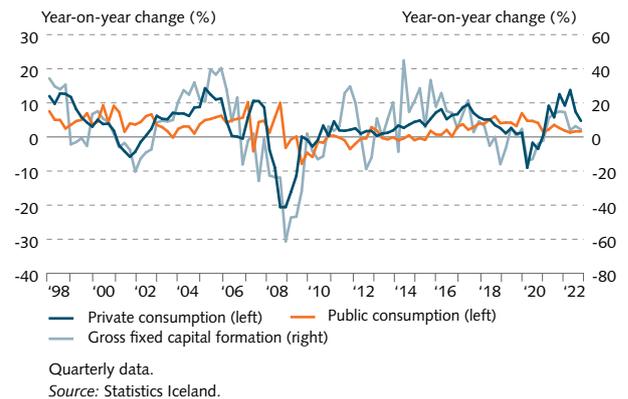
II-3

Output growth and national expenditure



II-4

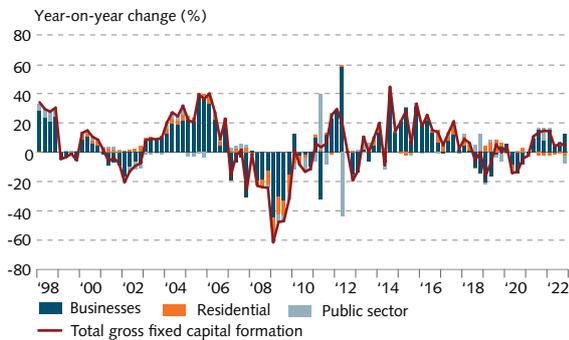
Private consumption, public consumption and gross fixed capital formation



II Output and demand

II-5

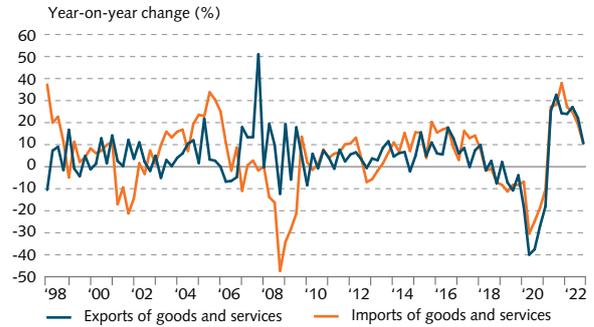
Gross fixed capital formation



Contribution of individual items to gross capital formation. Quarterly data.
Source: Statistics Iceland.

II-6

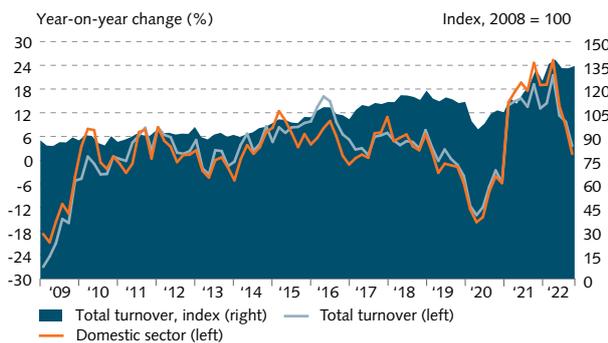
Foreign trade



Quarterly data.
Source: Statistics Iceland.

II-7

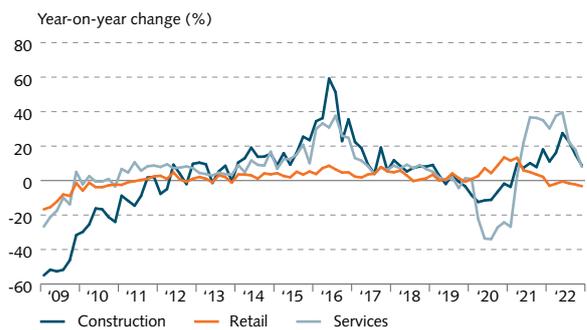
Turnover according to VAT returns



Deflated by the CPI. Seasonally adjusted data for two-month periods.
Sources: Statistics Iceland, Central Bank of Iceland.

II-8

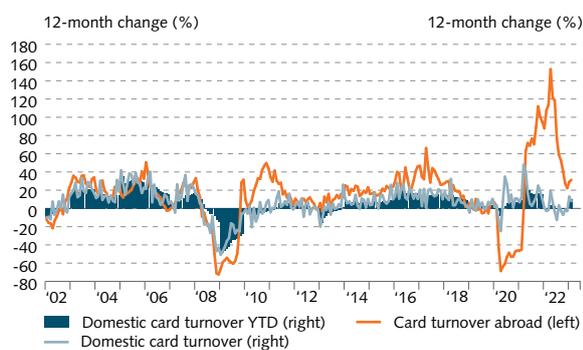
Turnover according to VAT returns



Service sector is deflated by the CPI. Retail sector is deflated by the CPI excluding housing and petrol, and construction sector is deflated by the CPI. Seasonally adjusted data for two-month periods.
Sources: Statistics Iceland, Central Bank of Iceland.

II-9

Payment card turnover



Debit and credit cards issued in Iceland. Card turnover deflated with the CPI excluding housing. Turnover abroad is deflated with the exchange rate index. Monthly data.
Sources: Statistics Iceland, Central Bank of Iceland.

II-10

Total household payment card turnover

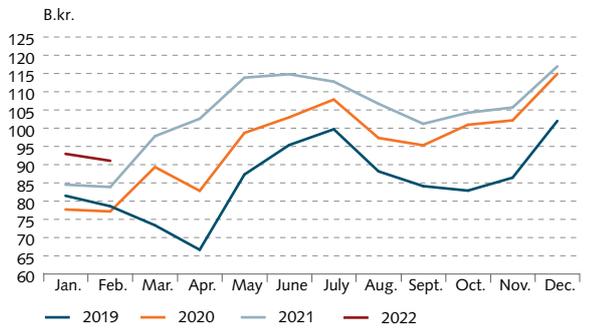


Debit and credit cards issued in Iceland. Seasonally adjusted debit and credit card turnover deflated by the CPI less housing costs. Turnover abroad is deflated by the exchange rate index. Points show 2-month average of values in January and February. Quarterly data.
Sources: Statistics Iceland, Central Bank of Iceland.

II Output and demand

II-11

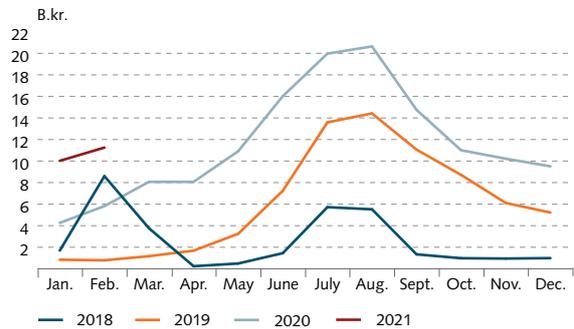
Household payment card turnover



Debit and credit cards issued in Iceland. Domestic card turnover is deflated with the CPI excluding housing. Foreign turnover is deflated with the import-weighted exchange rate index. Based on latest monthly prices and exchange rates. Monthly data.
Sources: Statistics Iceland, Central Bank of Iceland.

II-12

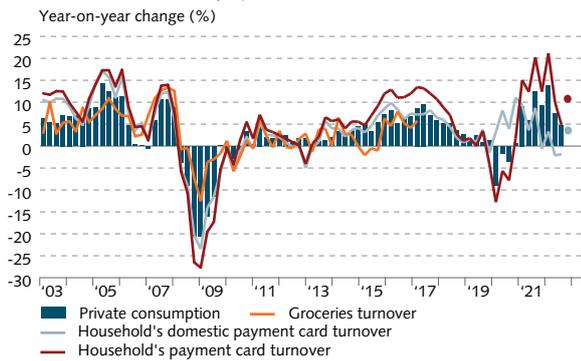
Foreign payment card turnover in Iceland



Foreign payment card turnover deflated by the CPI less housing costs. Monthly data.
Sources: Statistics Iceland, Central Bank of Iceland.

II-13

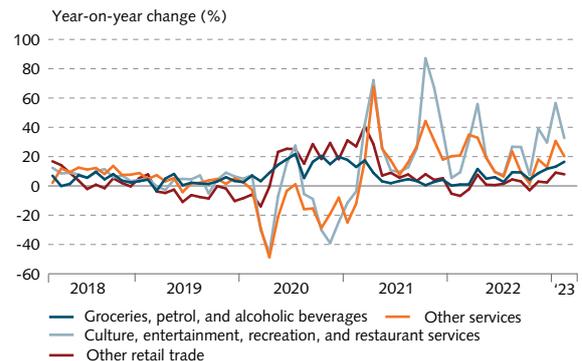
Private consumption, groceries, and payment card turnover



Points show 2-month average values in January and February. Quarterly data.
Sources: Icelandic Centre for Retail Studies, Statistics Iceland, Central Bank of Iceland.

II-14

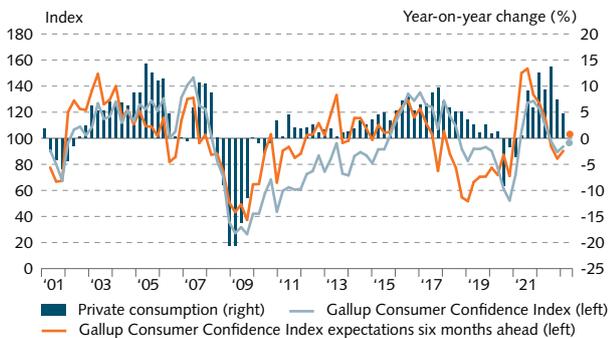
Domestic retail payment intermediation, by category



Domestic payment cards. Monthly data.
Source: Icelandic Centre for Retail Studies.

II-15

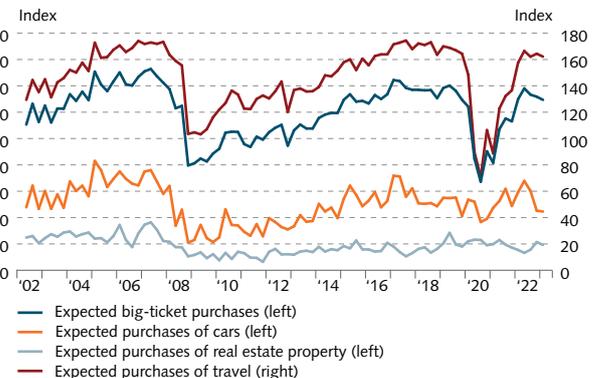
Private consumption and Gallup Consumer Confidence Index



The Gallup Consumer Confidence Index is a measure of general consumers' sentiment towards the economy and the labour market. Points show 2-month average of values in January and February. Quarterly data.
Sources: Gallup, Statistics Iceland.

II-16

Indices of expected big-ticket purchases

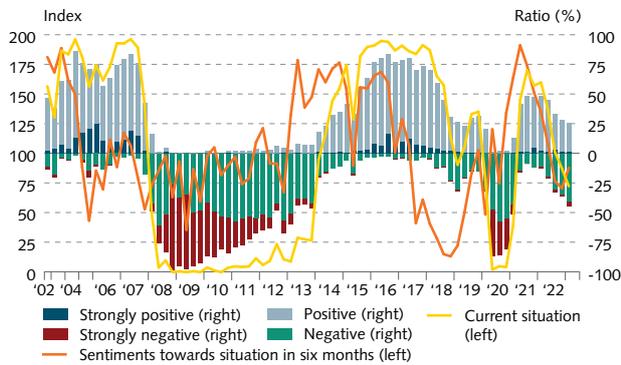


Indices of expected big-ticket purchases are based on Gallup consumer sentiment survey. The index for expected big-ticket purchases is an average of the other three indices. Quarterly data.
Source: Gallup.

II Output and demand

II-17

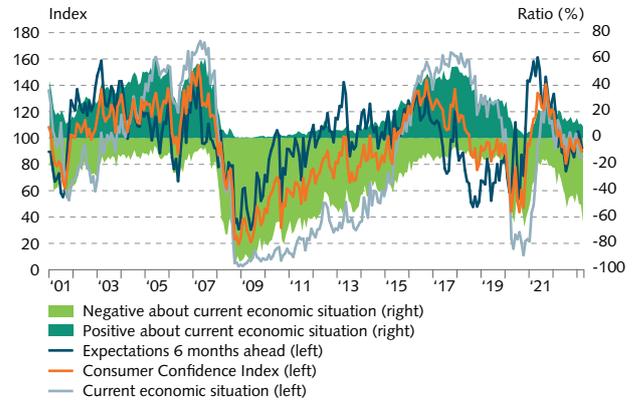
Corporation expectations towards the economic situation and outlook



The Business sentiment indices are based upon Gallup's survey of the largest companies in Iceland, conducted 4 times a year. The columns show the sentiments towards the current situation of the economy.
Source: Gallup.

II-18

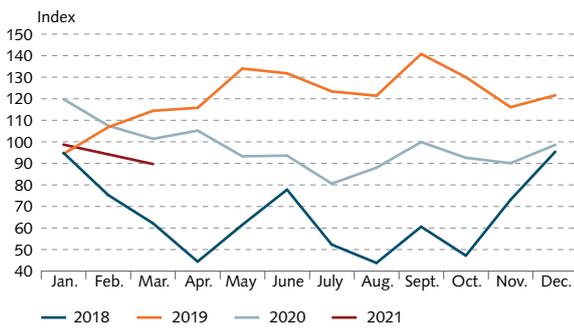
Consumer sentiment (Gallup)



The Gallup Consumer Confidence Index is a measure of general consumers' sentiment towards the economy and the labour market. Monthly data.
Source: Gallup.

II-19

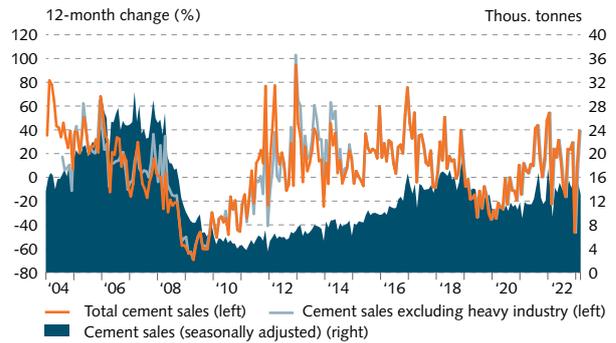
Consumer sentiment (Gallup)



The Gallup Consumer Confidence Index is a measure of general consumers' sentiment towards the economy and the labour market. Monthly data.
Source: Gallup.

II-20

Cement sales



Monthly data.
Sources: Aalborg Portland hf., Semmentsverksmiðjan hf., Central Bank of Iceland.

II-21

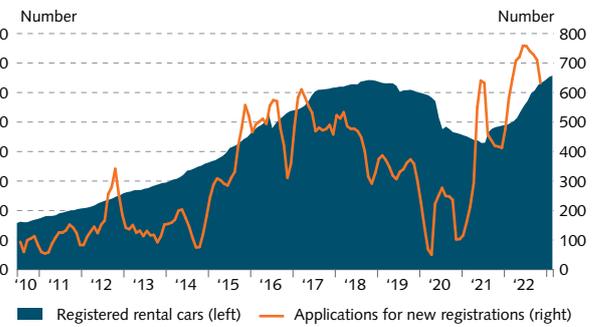
New registration of motor vehicles



New motor vehicle registrations include new and used vehicles in all categories (passenger cars, motor coaches and delivery and transport vehicles). 3-month average. Monthly data.
Sources: The Icelandic Transport Authority, Statistics Iceland, Central Bank of Iceland.

II-22

Rental cars

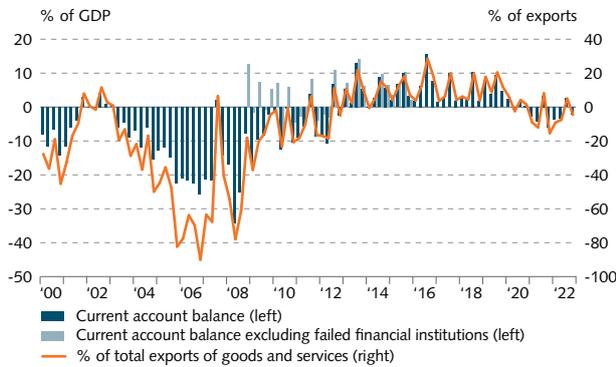


Seasonally adjusted figures. Applications for new registrations are a three-month moving average.
Sources: Statistics Iceland, Central Bank of Iceland.

III Foreign trade and external economic conditions

III-1

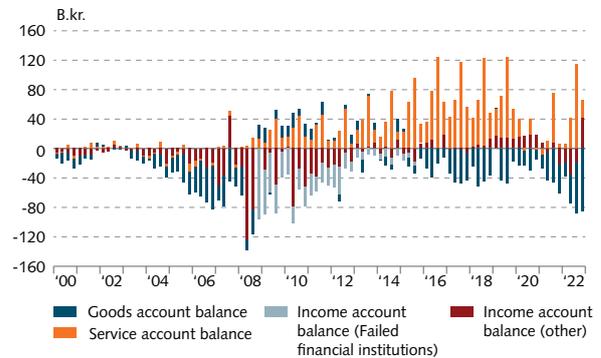
Current account balance



Current account balance excluding failed financial institutions is also adjusted for the failed financial institutions' financial intermediation services indirectly measured (FISIM). From 2016 there is no difference between these figures and official figures for current account balance. Quarterly data.
Sources: Statistics Iceland, Central Bank of Iceland.

III-2

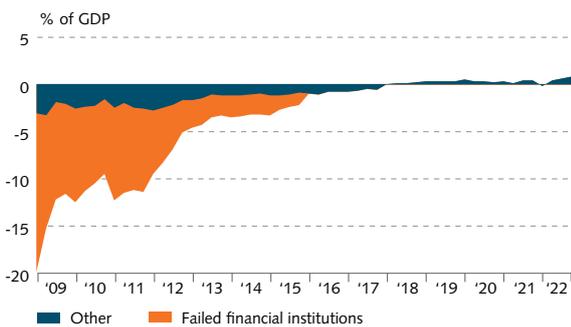
Components of current account



From 2016 there is no difference between income account balance (other) and income account balance total, because the share of failed financial institutions was wound up year-end 2015. Net current transfers are included in primary income. Quarterly data.
Sources: Statistics Iceland, Central Bank of Iceland.

III-3

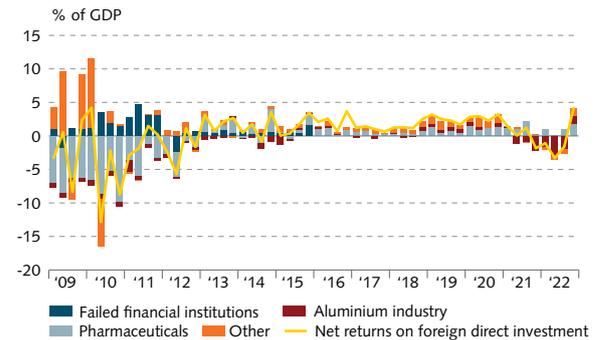
Net foreign interest payments



Including dividends on equity securities. The failed financial institutions were wound up at the end of 2015; therefore, their share is zero from 2016 onwards. Quarterly data.
Sources: Statistics Iceland, Central Bank of Iceland.

III-4

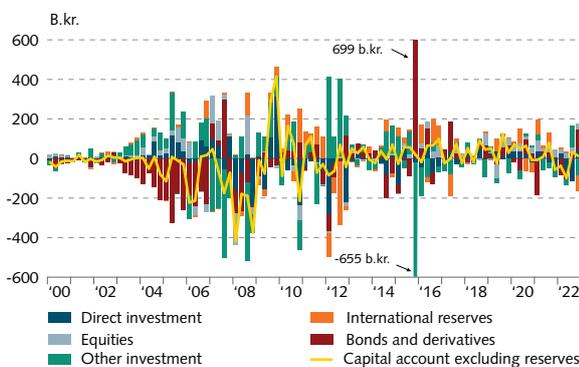
Net returns on foreign direct investment



The failed financial institutions were wound up at the end of 2015; therefore, their share is zero from 2016 onwards. Holding companies that were established to hold the assets and liabilities of the former estates are now categorized as "Other". Quarterly data.
Sources: Statistics Iceland, Central Bank of Iceland.

III-5

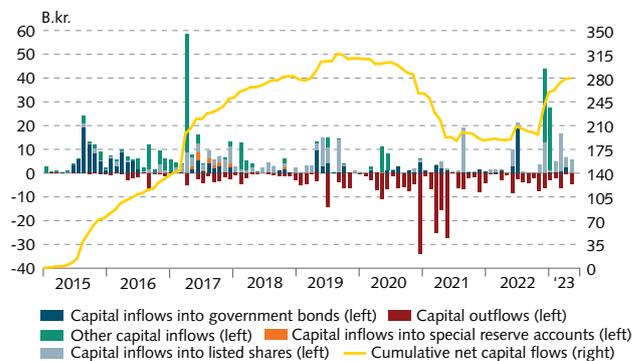
Net capital flows



Capital account balance (net capital outflows) and net capital flows to foreign direct investment, portfolio investment (bonds, derivatives, and equities), and other investment. Positive (negative) numbers represent an increase (decrease) in resident entities' foreign assets or a decrease (increase) in their foreign debt. Large movements in Q4/2015 reflect the settlement of the failed banks' estates. Quarterly data.
Source: Central Bank of Iceland.

III-6

Capital flows due to registered new investment



Other inflows in March 2017 derived almost entirely from non-residents' acquisition of a holding in a domestic commercial bank. Monthly data.
Source: Central Bank of Iceland.

III Foreign trade and external economic conditions

III-7

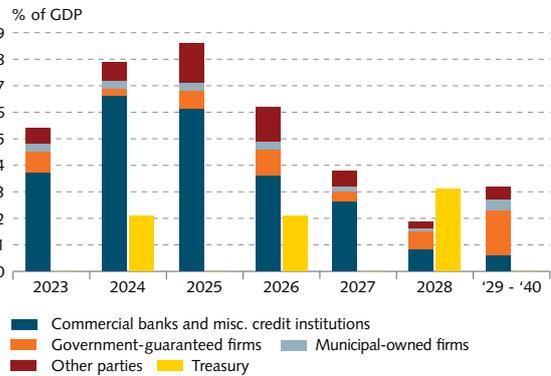
Net international investment position



Based on underlying position from 2008 through end-2015; i.e., adjusted for the effects of settling the failed banks' estates and assuming equal distribution of assets to general creditors. At the end of 2015, the estates of the failed financial institutions reached composition agreements entailing the write-off of a large portion of their debt. As a result, there was no difference between the NIIP and the underlying NIIP. Quarterly data.
Sources: Statistics Iceland, Central Bank of Iceland.

III-8

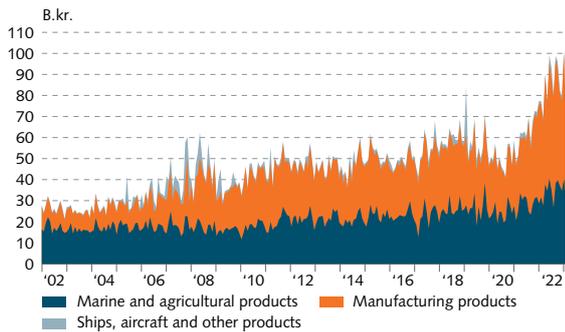
Repayment profile of long-term foreign debt



Based on end-2022 position.
Sources: Statistics Iceland, Central Bank of Iceland.

III-9

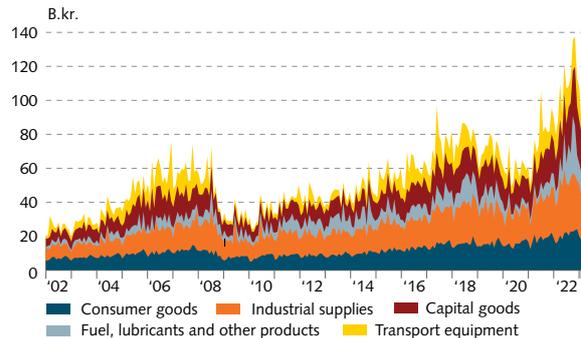
Components of merchandise exports



Merchandise export values at constant exchange rates based on monthly average export-weighted exchange rate index (broad trade basket). Monthly data.
Sources: Statistics Iceland, Central Bank of Iceland.

III-10

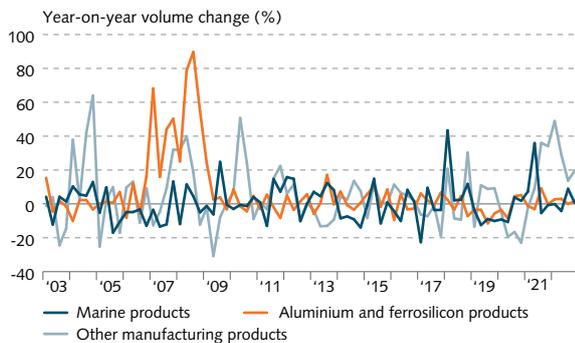
Components of merchandise imports



Merchandise import values at constant exchange rates based on import-weighted exchange rate index (broad trade basket). Monthly data.
Sources: Statistics Iceland, Central Bank of Iceland.

III-11

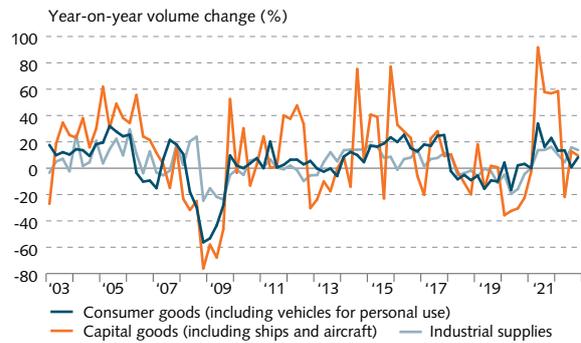
Main export products



Quarterly data.
Source: Statistics Iceland.

III-12

Main import products

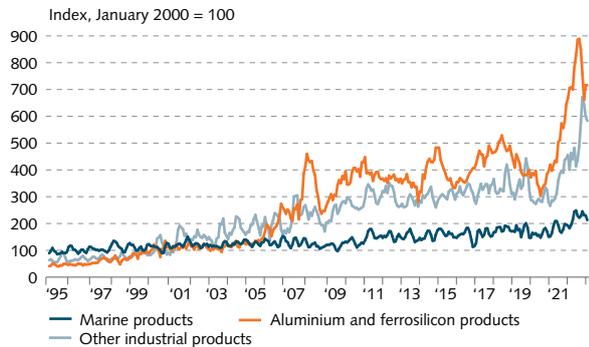


Quarterly data.
Source: Statistics Iceland.

III Foreign trade and external economic conditions

III-13

Merchandise exports by category

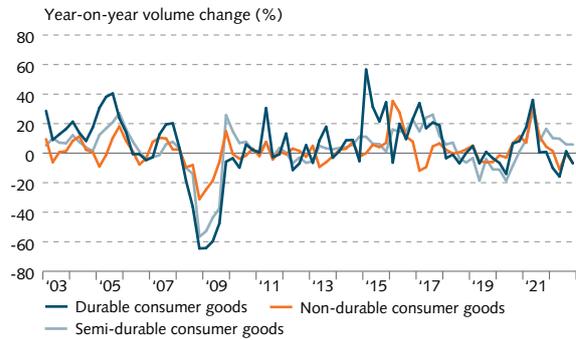


Exported merchandise value calculated as a 3-month moving average at constant exchange rates based on export-weighted exchange rate index (broad trade basket). Monthly data.

Sources: Statistics Iceland, Central Bank of Iceland.

III-14

Imported consumer goods



Non-durable consumer goods are disposable items such as tobacco and pharmaceuticals. Semi-durables are products that are neither disposable nor durable, such as clothing. Consumer durables are products with a long life-time, such as household appliances. Quarterly data.

Source: Statistics Iceland.

III-15

Merchandise exports

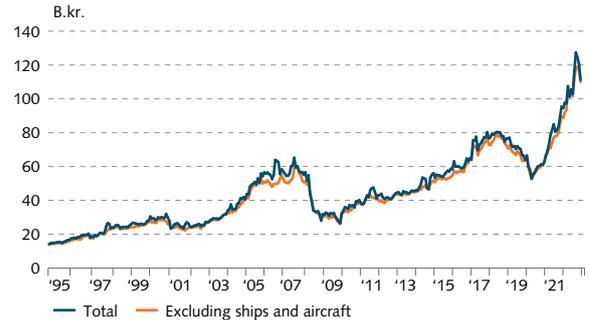


Exported merchandise value calculated as a 3-month moving average at constant exchange rates based on export-weighted exchange rate index (broad trade basket). Monthly data.

Sources: Statistics Iceland, Central Bank of Iceland.

III-16

Seasonally adjusted merchandise imports

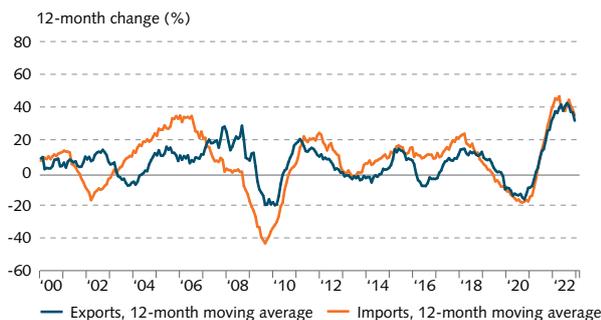


Imported merchandise value calculated as a 3-month moving average at constant exchange rates based on export-weighted exchange rate index (broad trade basket). The index of foreign price levels is calculated by weighting together the consumer price indices in main trading partner countries using a currency basket. Monthly data.

Sources: Statistics Iceland, Central Bank of Iceland.

III-17

Merchandise imports and exports

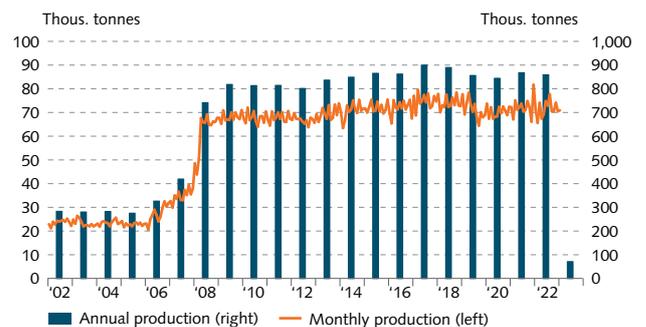


Exchange rate used consists of monthly averages of the broad trade-weighted index. Monthly data.

Sources: Statistics Iceland, Central Bank of Iceland.

III-18

Aluminium production



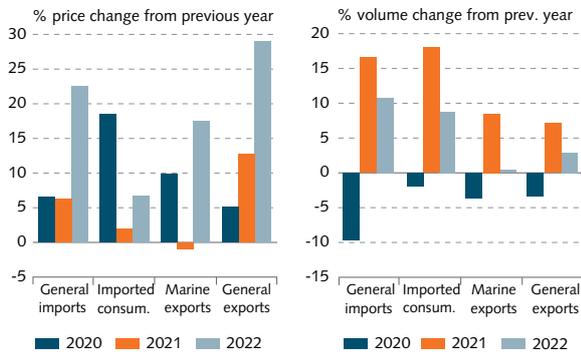
Annual aluminium production for 2023 is January. Monthly data.

Source: Statistics Iceland.

III Foreign trade and external economic conditions

III-19

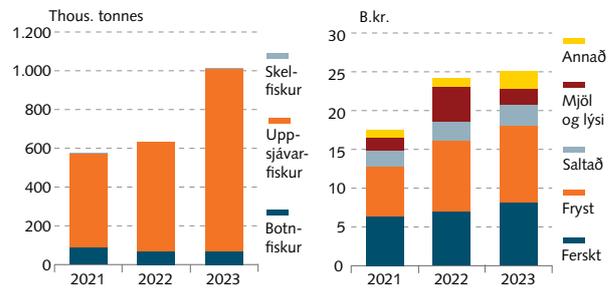
Merchandise trade
First three quarters of the year



General imports are total imports excluding ships, aircraft, and sundry items (residual). General exports are total exports excluding ships, aircraft, and sundry items (residual). Quarterly data.
Source: Statistics Iceland.

III-20

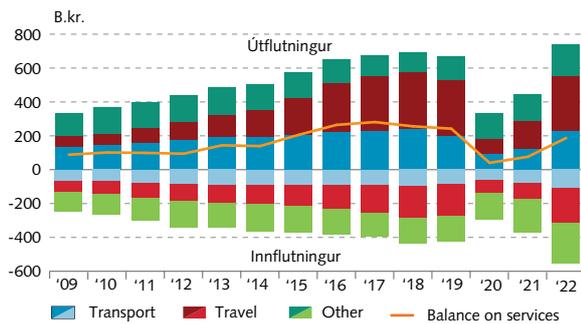
Catch volume and export value of marine products
January-November / January-October



Cumulative catch volume from beginning of year. Cumulative value of marine exports from beginning of year; nominal fob value. Monthly data.
Sources: Directorate of Fisheries, Statistics Iceland.

III-21

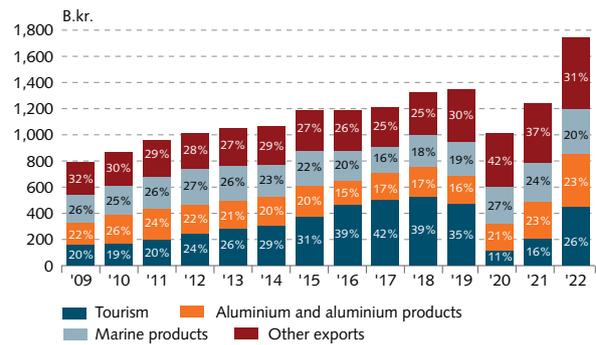
Services imports and exports



Annual and cumulative quarterly data at current prices.
Sources: Statistics Iceland, Central Bank of Iceland.

III-22

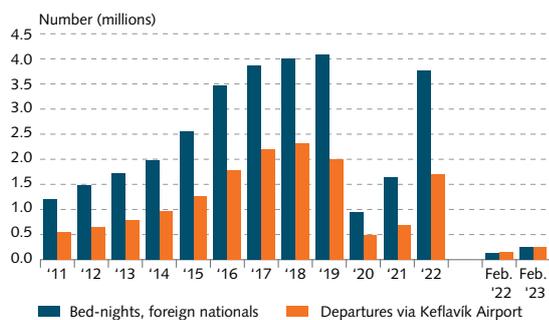
Goods and services exports



Revenues from tourists in Iceland and abroad is the sum of "Travel" and Item 1.2.1, "Passenger transport by air". Annual and cumulative quarterly data.
Sources: Statistics Iceland, Central Bank of Iceland.

III-23

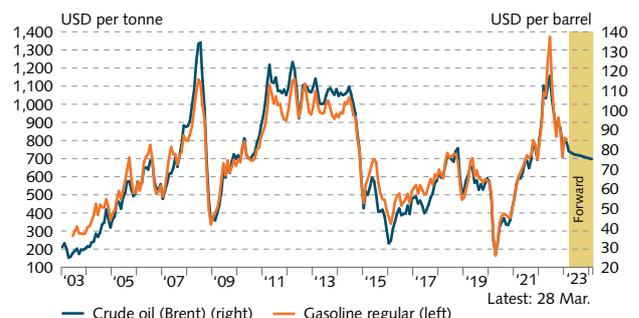
Foreign tourists and hotel bed-nights



Cumulative monthly figures for departures are for January-November but figures for bed-nights are for January-October. Annual and cumulative monthly figures.
Sources: Icelandic Tourist Board, Isavia, Statistics Iceland.

III-24

Global crude oil and gasoline prices

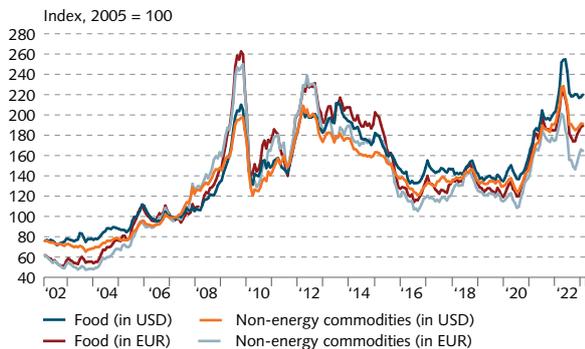


Monthly averages and forward prices 12 months ahead.
Source: Refinitiv.

III Foreign trade and external economic conditions

III-25

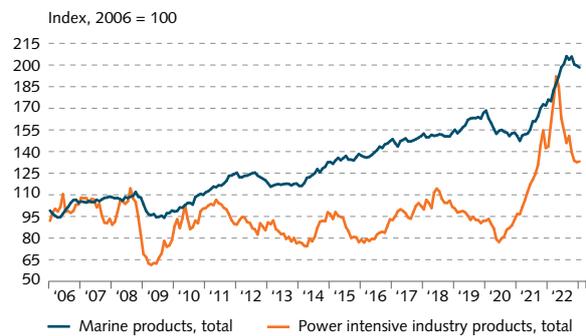
Commodity prices in international markets



Commodity prices excluding energy prices. Monthly data.
Sources: Refinitiv Datastream, World Bank.

III-26

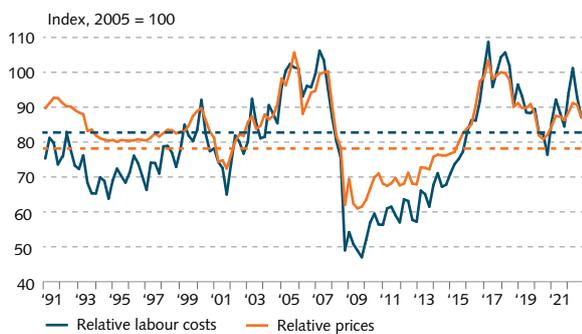
Icelandic export prices



Prices in foreign currency based on export-weighted exchange rate index (broad trade basket). Monthly data.
Source: Statistics Iceland.

III-27

Real exchange rate



Broken lines show 25-year averages. Quarterly data.
Source: Central Bank of Iceland.

III-28

Real exchange rate

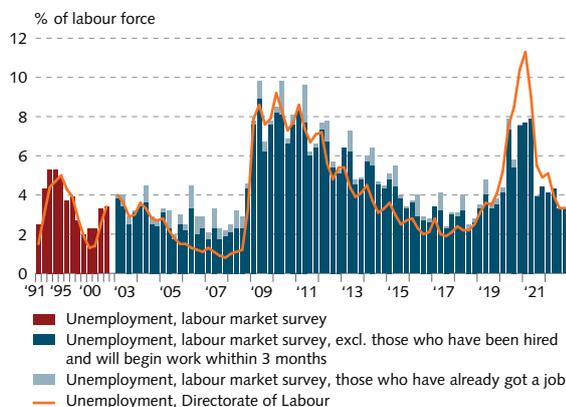


In terms of relative prices. Broken line shows 25-year average. Monthly data.
Source: Central Bank of Iceland.

IV Labour market and wages

IV-1

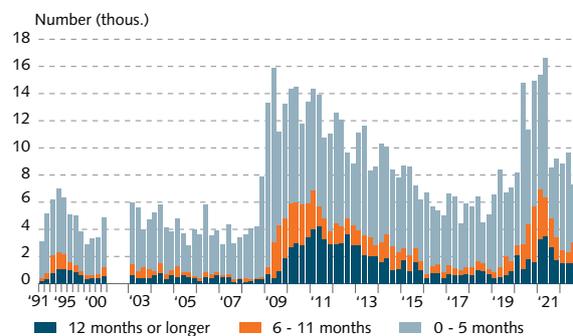
Unemployment rate



Until 2003, the Statistics Iceland labour market survey included only one week in April and one week in November; however, since Jan. 2003, it has been continuous and the results published quarterly. As a result, figures from Jan. 2003 and thereafter are not entirely comparable with earlier figures. Unemployment from the Directorate of Labour excludes persons on the partial unemployment programme from the beginning of year-2020. Quarterly data.
Sources: Directorate of Labour, Statistics Iceland.

IV-2

Unemployment by duration

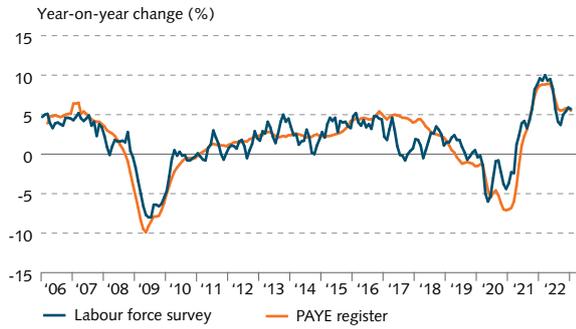


Until 2003, the Statistics Iceland labour market survey included only one week in April and one week in November; however, since January 2003, it has been continuous and the results published quarterly. As a result, figures from January 2003 and thereafter are not entirely comparable with earlier figures. Quarterly data.
Source: Statistics Iceland.

IV Labour market and wages

IV-3

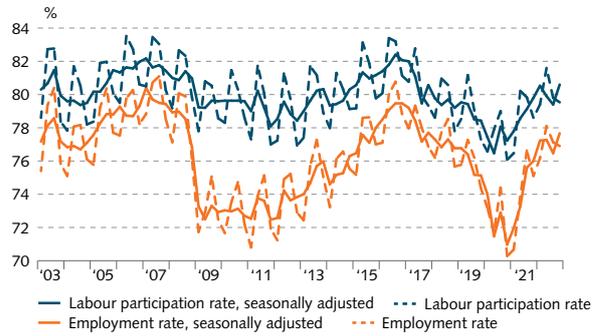
Number of persons employed



Persons 16-74 years old. Tree-month moving average. Monthly data.
Source: Statistics Iceland.

IV-4

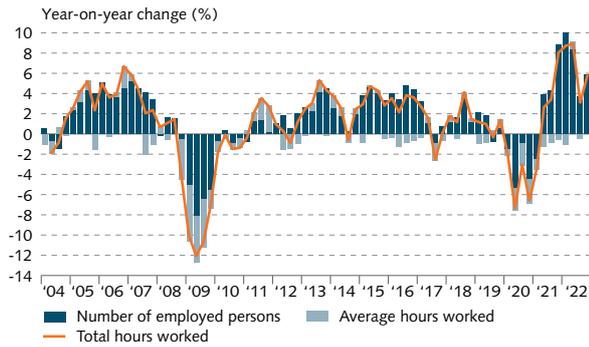
Labour participation rate and employment rate



Quarterly numbers based on monthly data averages.
Source: Statistics Iceland.

IV-5

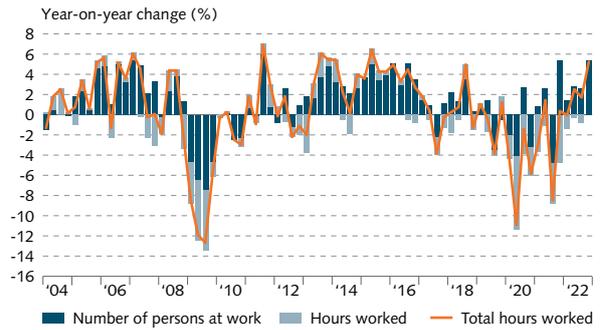
Employment and hours worked for employed persons



Employed persons are those who worked at least one hour during the reference week or were absent from work that they were hired to carry out. Quarterly numbers based on monthly data averages.
Source: Statistics Iceland.

IV-6

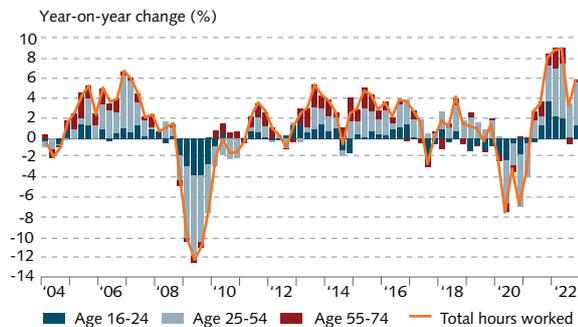
Employment and hours worked for persons at work



Persons at work are those who worked one hour or more during the reference week. There is a break in the series "hours worked" in Q1/2021. Quarterly data.
Source: Statistics Iceland.

IV-7

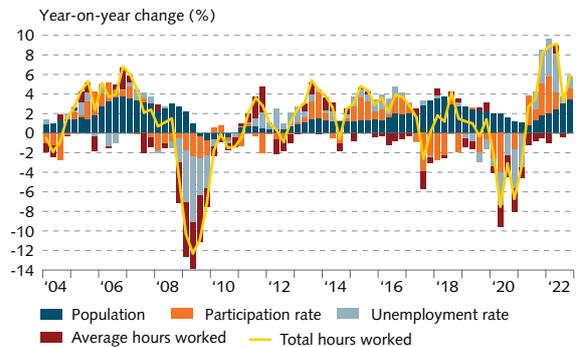
Total working hours



Quarterly data.
Source: Statistics Iceland.

IV-8

Total working hours

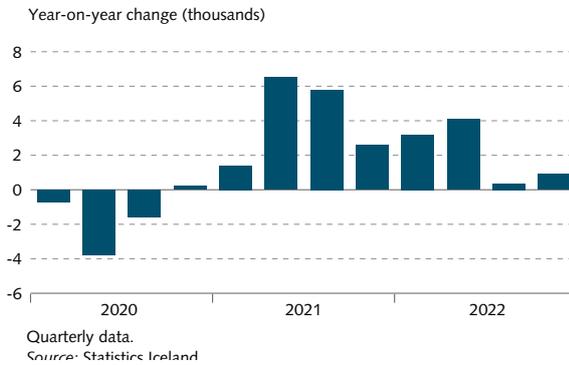


Increase in unemployment shows as a negative contribution to an increase in total working hours. Quarterly numbers based on monthly data averages.
Sources: Statistics Iceland, Central Bank of Iceland.

IV Labour market and wages

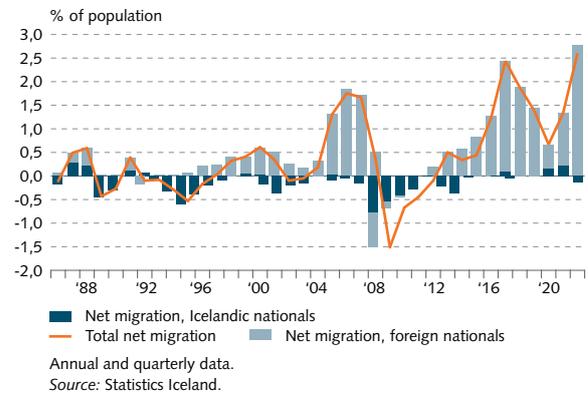
IV-9

Job vacancies



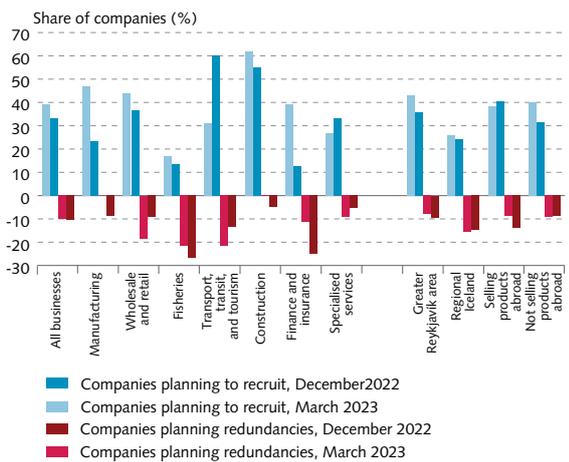
IV-10

Migration



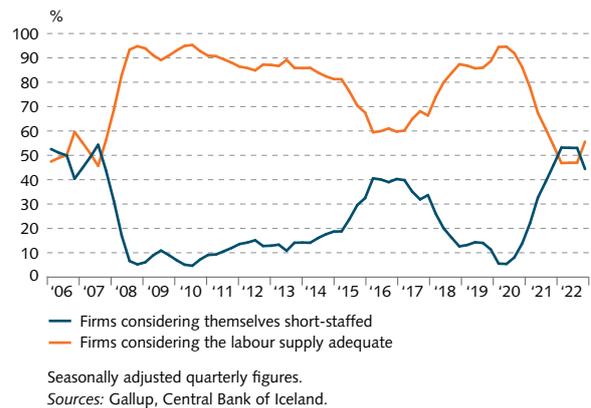
IV-11

Companies planning to change staffing levels during the next 6 months



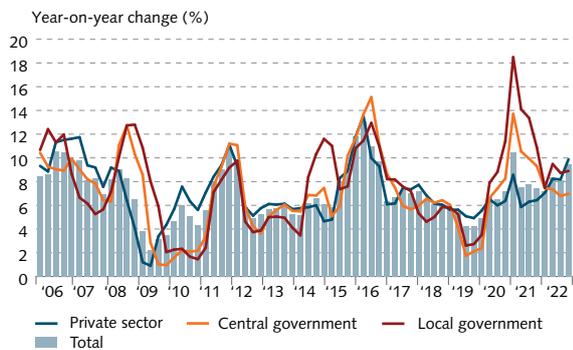
IV-12

Labour supply



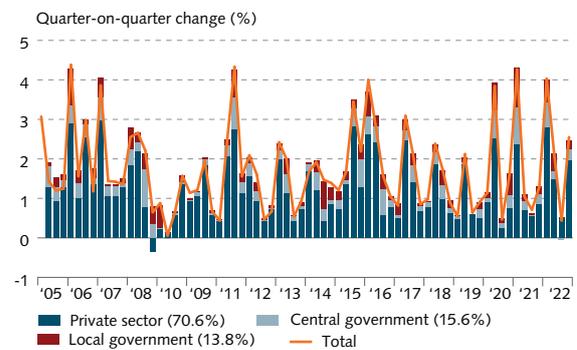
IV-13

Wage changes by sector



IV-14

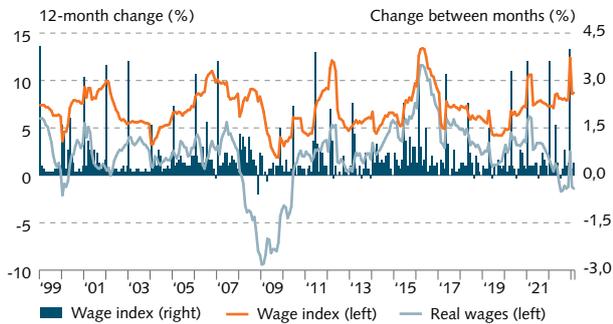
Sectoral contribution to wage growth



IV Labour market and wages

IV-15

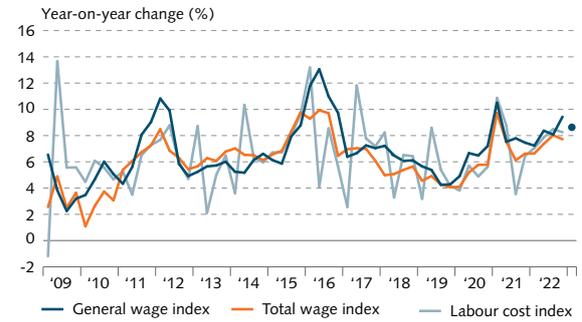
Nominal and real wages



Real wages are the wage index deflated by the CPI. Monthly data.
Source: Statistics Iceland.

IV-16

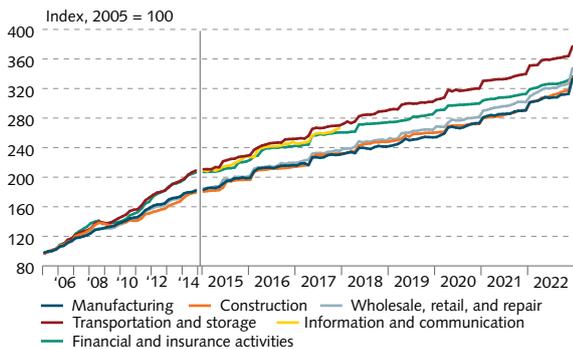
Wage indices



The Labour Cost Index is published by Eurostat and covers sector B-S according to NACE Rev. 2, the statistical classification of economic activities. The dot shows figures based on January-February averages. Quarterly data.
Sources: Eurostat, Statistics Iceland.

IV-17

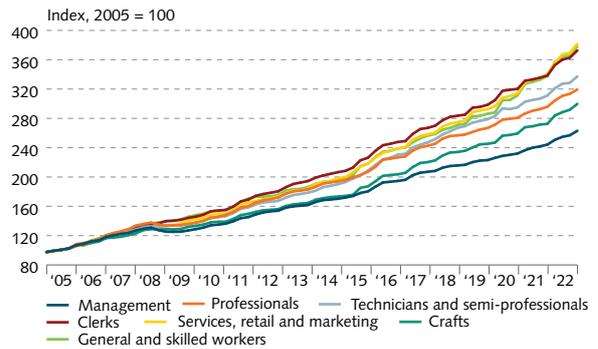
Private sector wage index by selected sectors



Quarterly data for 2005-2014 based on ISAT95 classification system, but monthly data from beginning of 2015 onwards based on ISAT2008 classification system. Due to changes in classification and sampling the data are not fully comparable between these periods.
Source: Statistics Iceland.

IV-18

Private sector wage index by occupational group

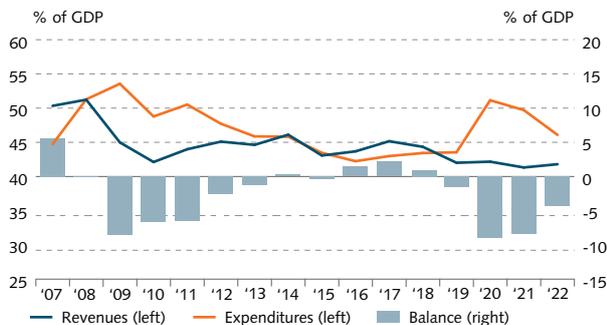


Occupational groups are defined according to ÍSTARF 95 classification system. Quarterly data.
Source: Statistics Iceland.

V Public finances

V-1

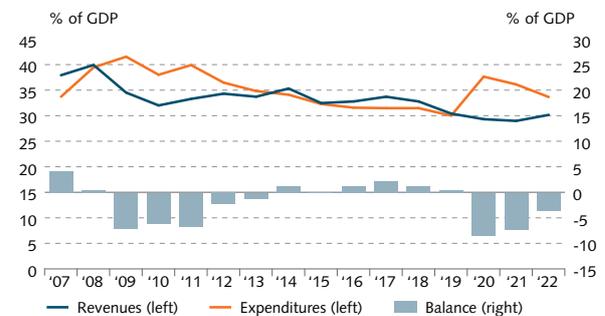
General government revenues, expenditures and balance



Lines and columns show annual data. Treasury revenues are adjusted for 384.3 b.kr. stability contributions in Q1/2016. Treasury expenditures are adjusted for 105.1 b.kr. special payment to LSR A-division in Q4/2016. Annual data.
Source: Statistics Iceland.

V-2

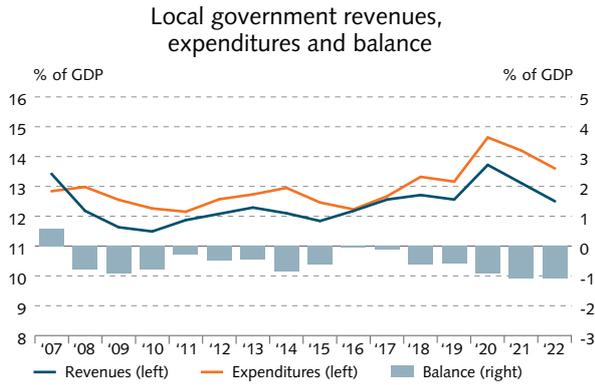
Treasury revenues, expenditures and balance



Treasury revenues are adjusted for 384.3 b.kr. stability contributions in Q1/2016. Treasury expenditures are adjusted for 105.1 b.kr. special payment to LSR A-division in Q4/2016. Annual data.
Source: Statistics Iceland.

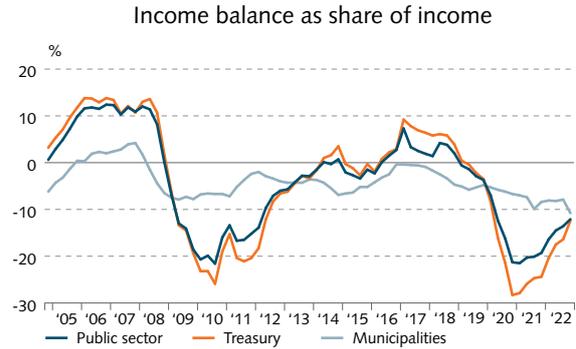
V Public finances

V-3



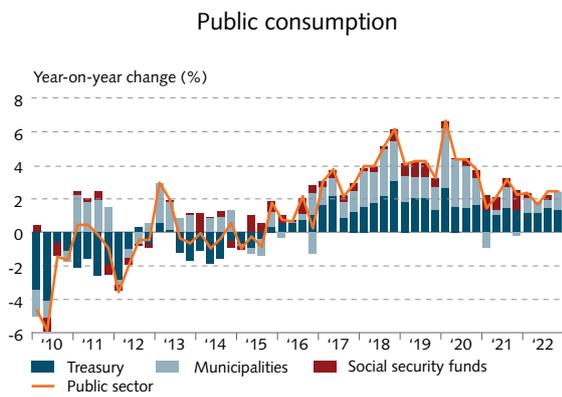
Lines and columns show annual data. Expenditures are adjusted for a 32 b.kr. special payment to the pension fund Brú in Q2/2017. Annual data.
Source: Statistics Iceland.

V-4



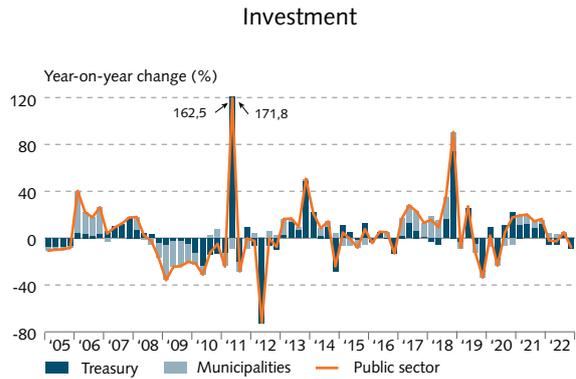
Treasury revenues are adjusted for stability contributions. Treasury expenditures are adjusted for transfers due to the Central Bank and LSR A-division and local government expenditures are adjusted for special payment to the pension fund Brú. Four quarter moving average. Quarterly data.
Source: Statistics Iceland.

V-5



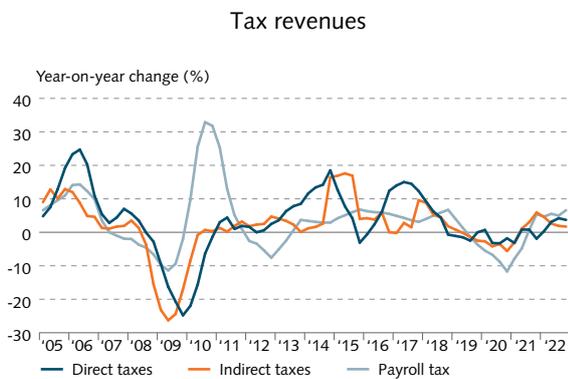
Quarterly data.
Source: Statistics Iceland.

V-6



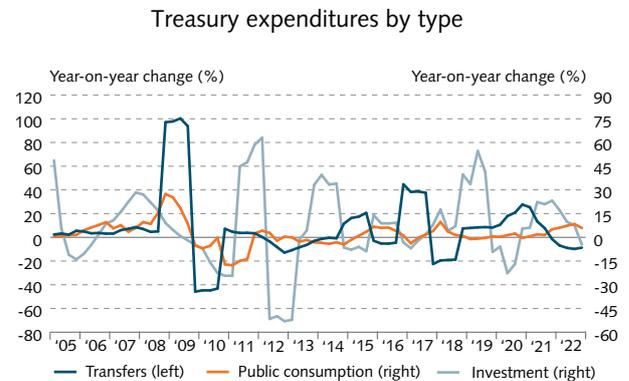
Quarterly data.
Source: Statistics Iceland.

V-7



Direct taxes are adjusted for 384.3 b.kr. stability contributions in Q1/2016. Four quarter moving averages, deflated by the CPI. Quarterly data.
Source: Statistics Iceland.

V-8

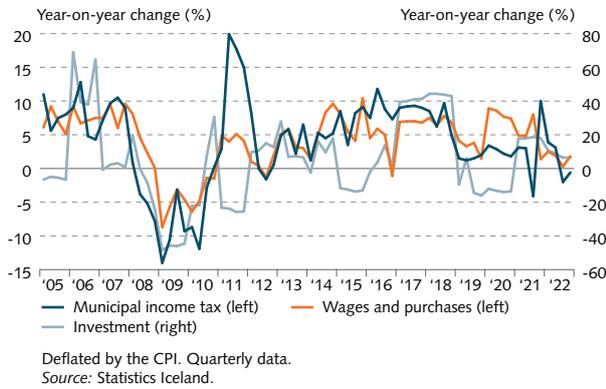


Four quarter moving averages, deflated by the CPI. Quarterly data.
Source: Statistics Iceland.

V Public finances

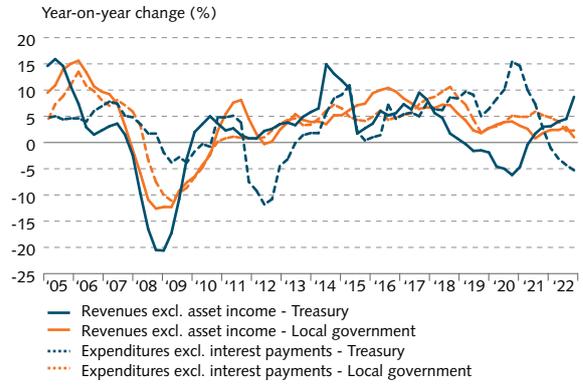
V-9

Local government revenues and expenditures



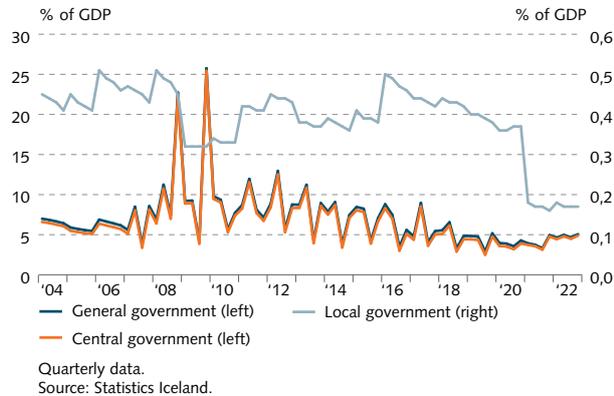
V-10

Treasury and local government revenues and expenditures



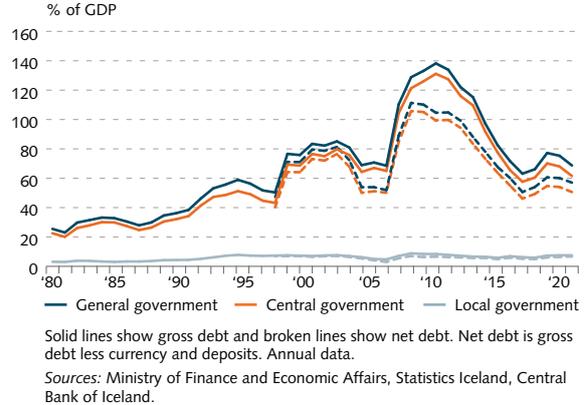
V-11

Interest expense of general, central, and local government



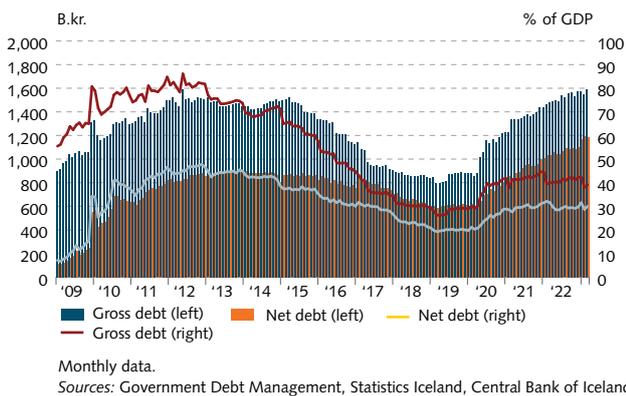
V-12

Debt of general, central, and local government



V-13

Central government debt



V-14

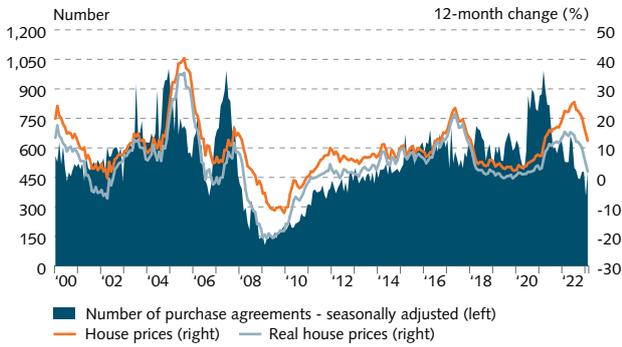
State guarantees and gross debt



VI Asset markets

VI-1

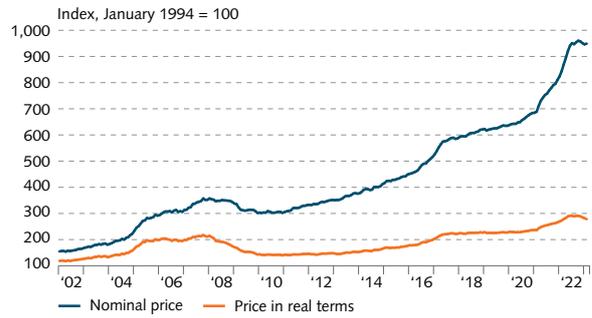
Housing market prices and activity in greater Reykjavík



Number of purchase agreements on the date of purchase. Monthly data.
Sources: Housing and Construction Authority, Statistics Iceland, Central Bank of Iceland.

VI-2

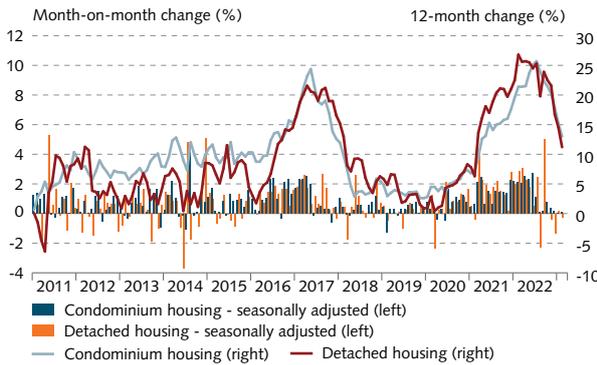
Housing market prices in greater Reykjavík



The Housing market price index shows changes to weighted average of prices per sq.m. Monthly data.
Sources: Housing and Construction Authority, Statistics Iceland.

VI-3

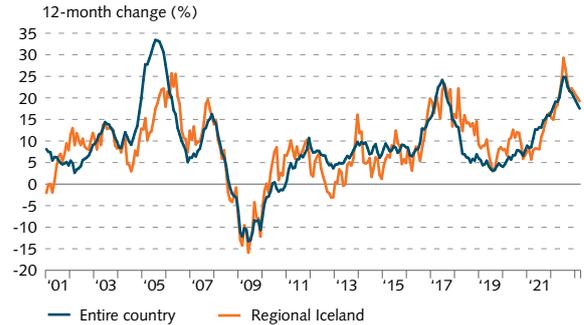
House prices in greater Reykjavík



Monthly data.
Sources: Housing and Construction Authority, Central Bank of Iceland.

VI-4

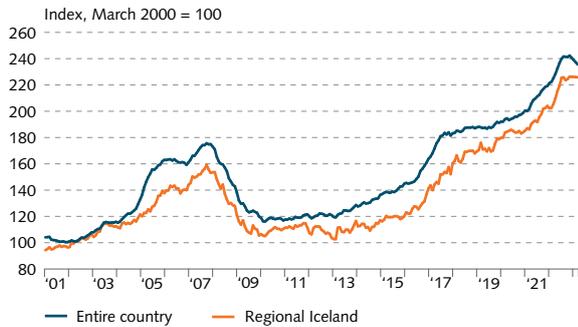
Market price of residential housing



Monthly data.
Source: Statistics Iceland.

VI-5

Market price of residential housing - in real terms



Monthly data.
Source: Statistics Iceland.

VI-6

Rent price in greater Reykjavík

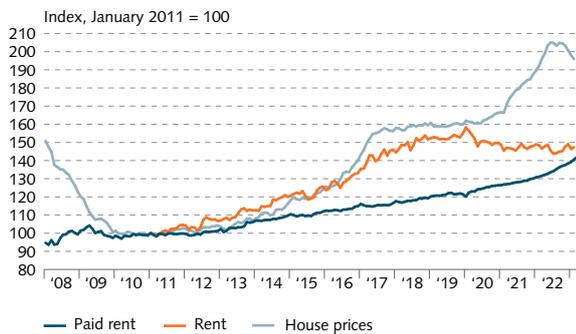


Monthly data.
Source: Housing and Construction Authority.

VI Asset markets

VI-7

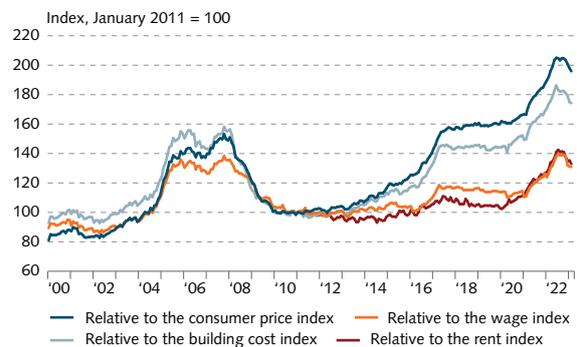
Rent, house prices, and paid rent in real terms



Rent and house prices are for greater Reykjavík, paid rent is for the whole country. Monthly data.
Sources: Housing and Construction Authority, Statistics Iceland.

VI-8

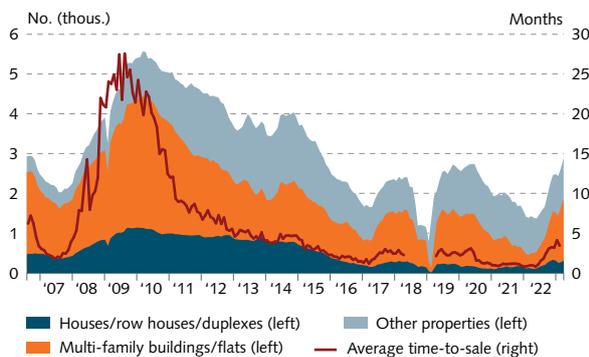
Capital area house prices relative to macroeconomic fundamentals



Monthly figures.
Sources: Housing and Construction Authority, Statistics Iceland.

VI-9

Advertised capital area property and average time to sale

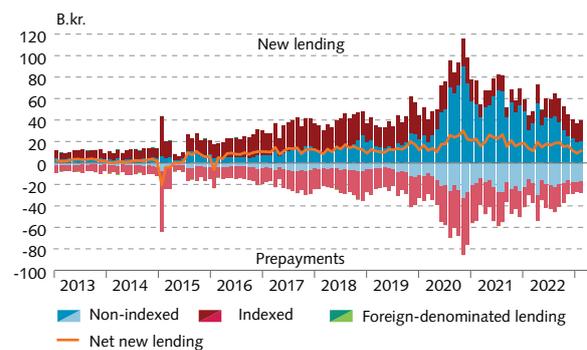


Monthly average of advertisements on Morgunbladið real estate website. The count is carried out by property code so as to avoid a repeat count of the same property. Monthly seasonally adjusted turnover is according to the number of officially registered purchase agreements. The average time to sale is the length of time (in months) that it takes to sell advertised property divided by the turnover for the month in question. From May 2018 through March 2019 there was an error in the data; therefore, the average time-to-sale is not calculated for that period.

Sources: Housing and Construction Authority, Morgunbladið Real Estate Website (mbl.is).

VI-10

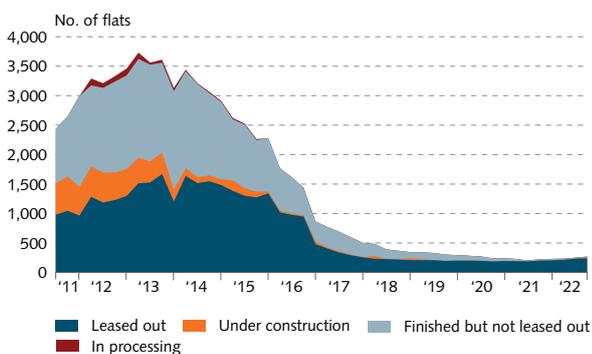
New DMB, pension funds, and HCA mortgage lending to households and prepayments of older loans



Net new lending consist of new lending net of prepayments of older loans. Figures for new mortgage lending of pension funds are from September 2015. Most recent figures are preliminary. Monthly data.
Source: Central Bank of Iceland.

VI-11

Residential housing owned by financial institutions nationwide

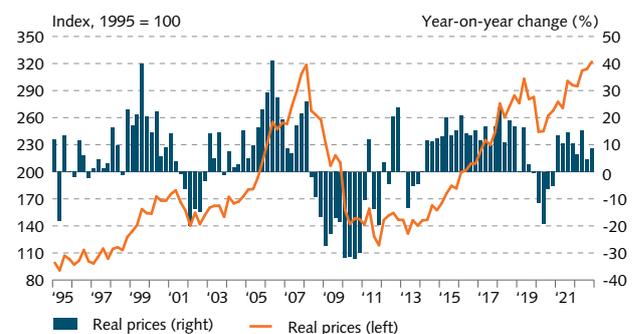


Classified by status. The financial institutions are: Arion Bank, Hilda, Hömlur, Íslandsbanki, Housing Financing Fund, Klettur, Landey, and Kvika Bank. Quarterly data.

Source: Central Bank of Iceland.

VI-12

Commercial property real prices in greater Reykjavík



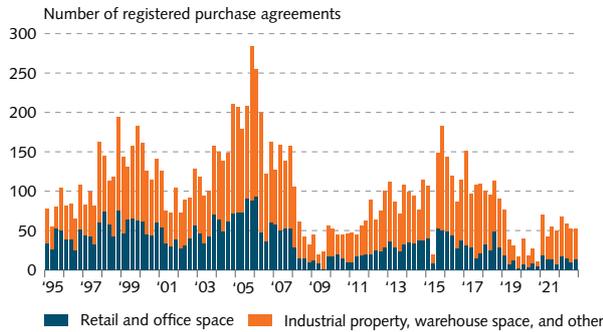
Weighted average of industrial, retail, and office housing. Data are subject to uncertainty due to sparsity and divergence of measurements. Latest figures are preliminary. Quarterly data.

Sources: Housing and Construction Authority, Central Bank of Iceland.

VI Asset markets

VI-13

Commercial real estate market activity

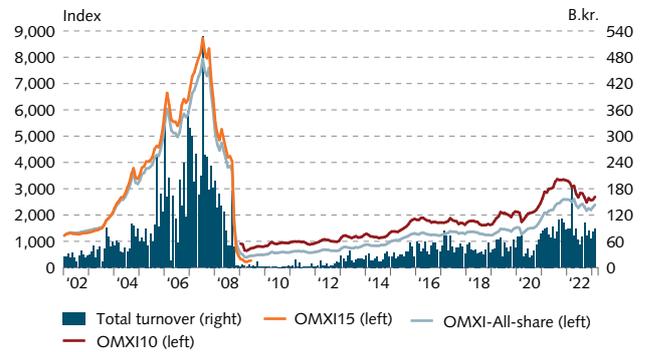


Before June 2006, the total is based on the date of purchase. From June 2006 onwards, it is based on the date the purchase agreement was registered. Quarterly data.

Sources: Housing and Construction Authority, Central Bank of Iceland.

VI-14

Equity market

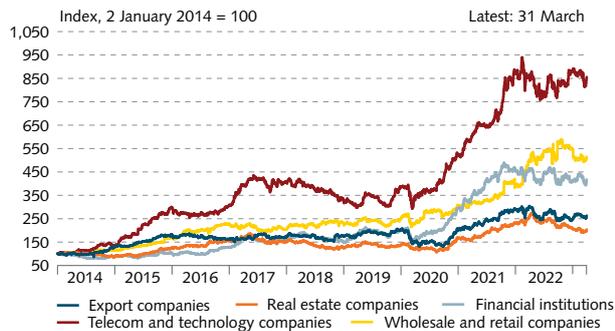


Total monthly volume of listed shares and monthly average of main stock indices.

Source: Nasdaq Iceland.

VI-15

Share prices by sector



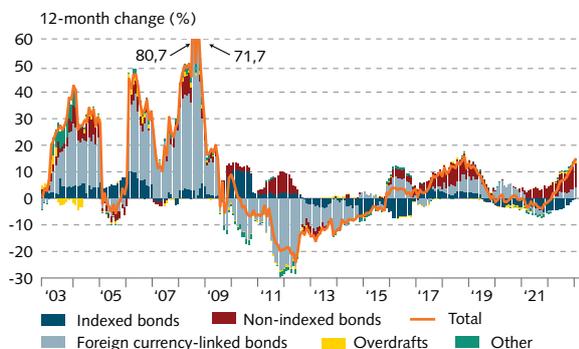
Average change in share price of listed companies by sector, adjusted for dividend payments and share capital reductions. Daily data.

Sources: Kodiak Excel, Nasdaq Iceland.

VII Households and businesses

VII-1

Credit system lending to businesses

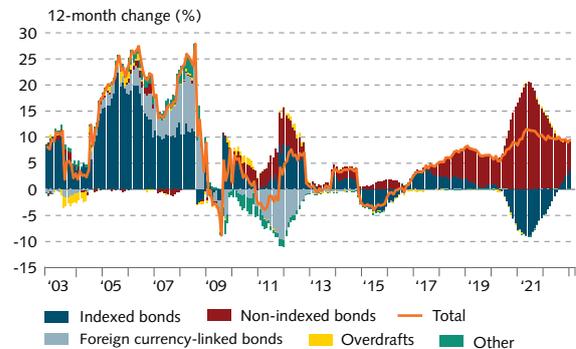


Stock of loans from DMBs, the HFF and other credit institutions, pension funds, insurance companies, and State credit funds. Contribution of individual components to lending growth. Loans are assessed at claim value. The category labelled "other" includes bills of exchange, redeemed guarantees, and asset financing agreements. Changes have been made to loan classification during the period shown. The data are therefore not fully comparable within the period. Further information can be found on the monetary statistics pages of the Central Bank website. Most recent figures are preliminary. Monthly data.

Source: Central Bank of Iceland.

VII-2

Credit system lending to households



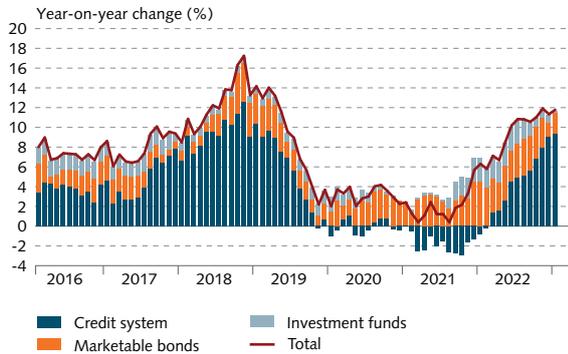
Stock of loans from DMBs, the HFF and other credit institutions, pension funds, insurance companies, and State credit funds. Contribution of individual components to lending growth. Loans are assessed at claim value. The category labelled "other" includes bills of exchange, redeemed guarantees, and asset financing agreements. Changes have been made to loan classification during the period shown. The data are therefore not fully comparable within the period. Further information can be found on the monetary statistics pages of the Central Bank website. Most recent figures are preliminary. Monthly data.

Source: Central Bank of Iceland.

VII Households and businesses

VII-3

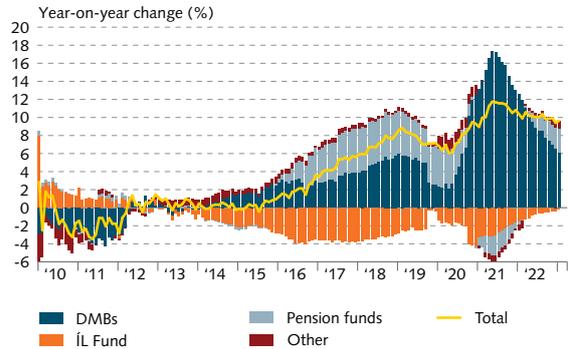
Lending to businesses



Source: Central Bank of Iceland.

VII-4

Credit system lending to households

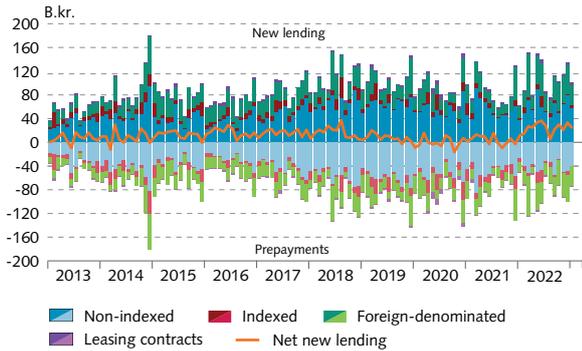


Credit stock adjusted for reclassification and Government debt relief measures. "Other" consists of the public sector (excluding IL Fund), insurance companies and other credit institutions.

Source: Central Bank of Iceland.

VII-5

Net new lending from DMBs and HCA to firms

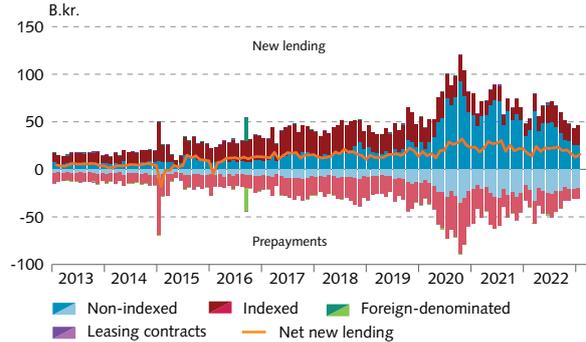


Net new lending consists of new lending net of prepayments of older loans. Most recent figures are preliminary. Monthly data.

Source: Central Bank of Iceland.

VII-6

Net new lending from DMBs, pension funds, and HCA to households

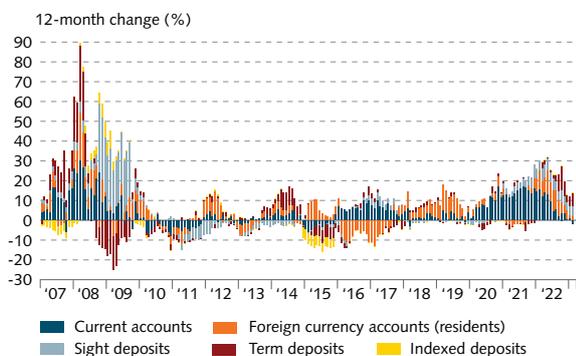


Net new lending consist of new lending net of prepayments of older loans. Figures new lending of pension funds are from September 2015. Most recent figures are preliminary. Monthly data.

Source: Central Bank of Iceland.

VII-7

Companies' deposits

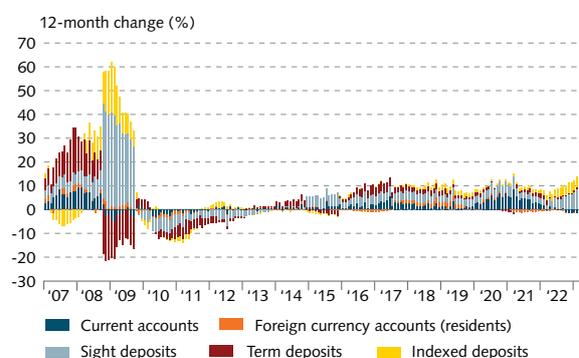


Contribution of individual components to deposit growth. Term deposits include money market accounts and other non-sight deposits. Further information can be found on the monetary statistics pages of the Central Bank website. Most recent figures are preliminary. Monthly data.

Source: Central Bank of Iceland.

VII-8

Household deposits



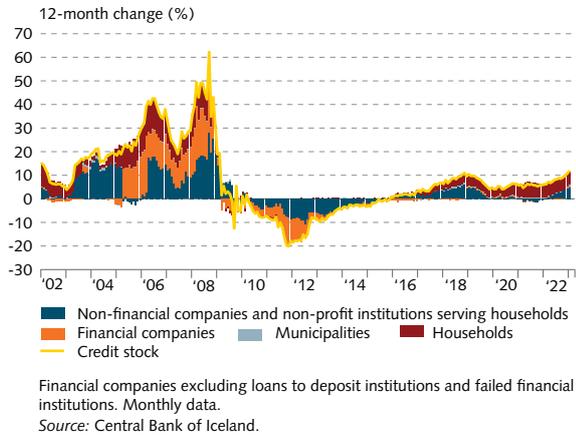
Contribution of individual components to deposit growth. Term deposits include money market accounts and other non-sight deposits. Indexed deposits include pension savings, indexed vacation allowance accounts, and other indexed savings. Further information can be found on the monetary statistics pages of the Central Bank website. Most recent figures are preliminary. Monthly data.

Source: Central Bank of Iceland.

VII Households and businesses

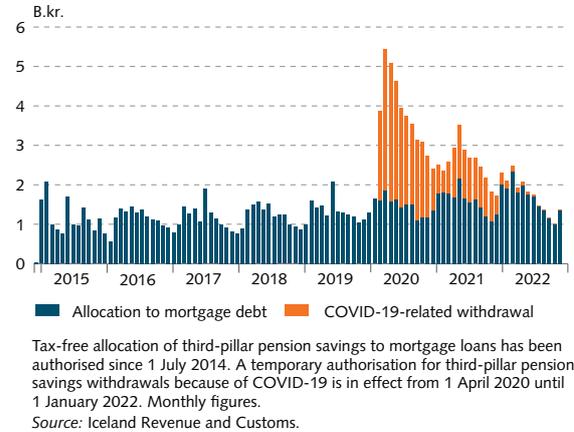
VII-9

Credit system lending to resident borrowers



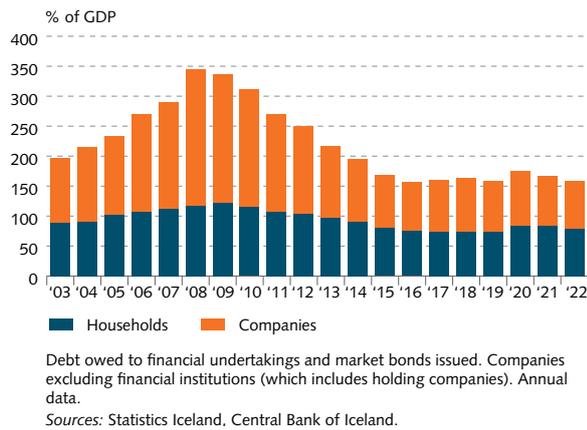
VII-8

Third-pillar pension savings withdrawals



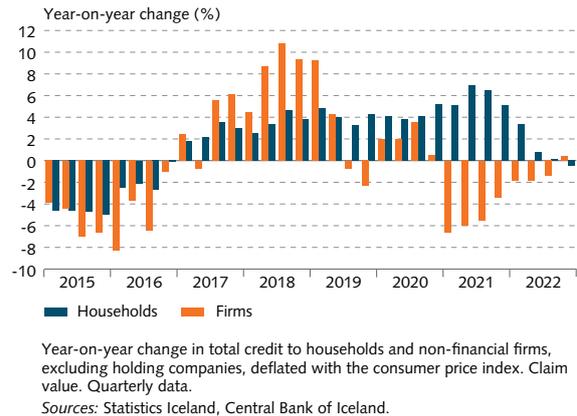
VII-11

Household and non-financial corporate debt



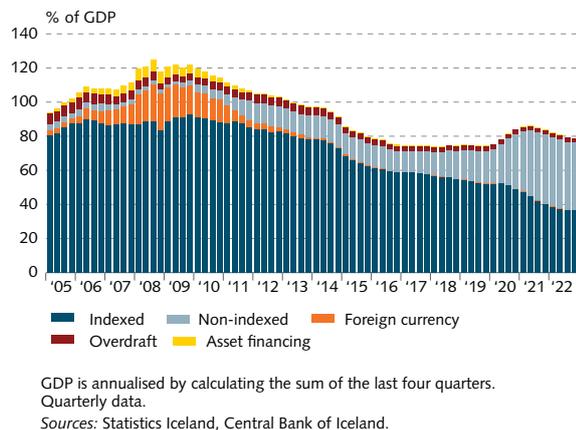
VII-12

Real credit growth to households and firms



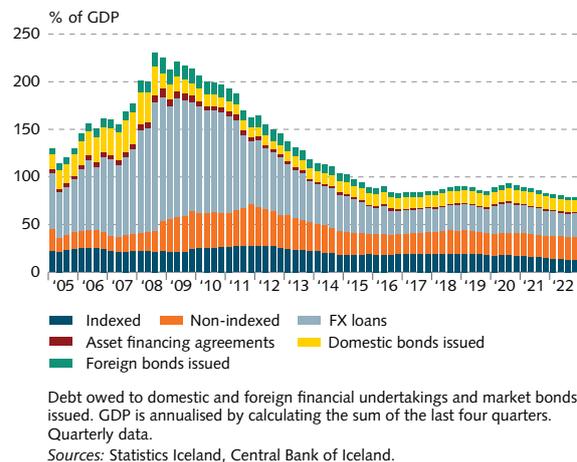
VII-13

Household debt



VII-14

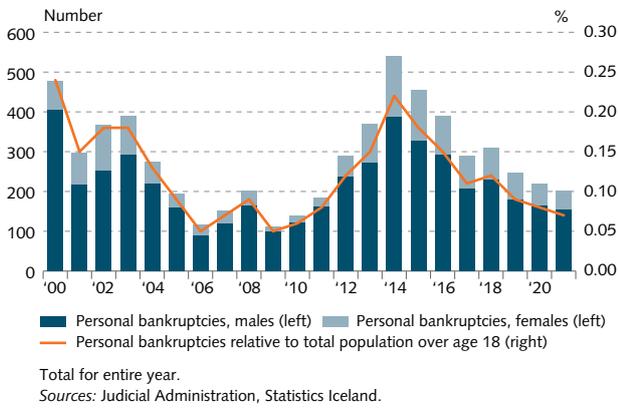
Companies debt



VII Households and businesses

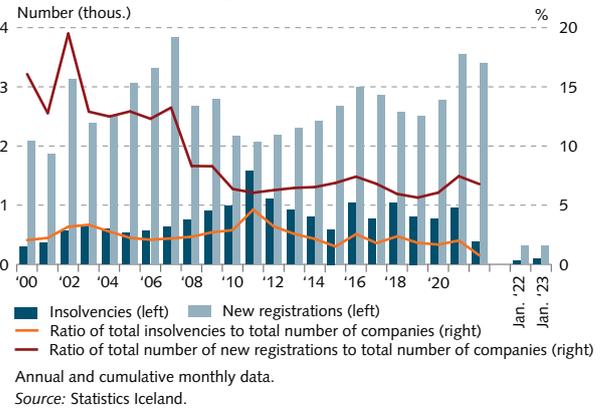
VII-15

Personal bankruptcies



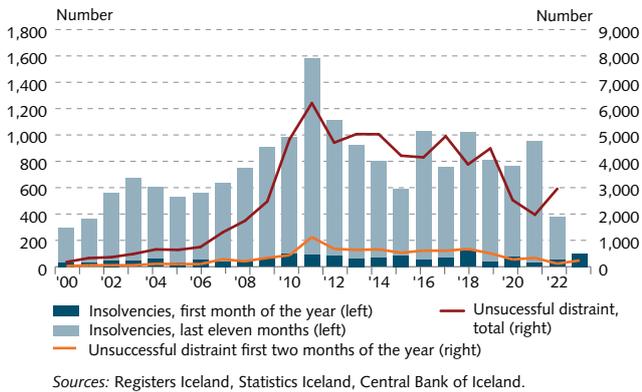
VII-16

Corporate insolvencies and new company registrations



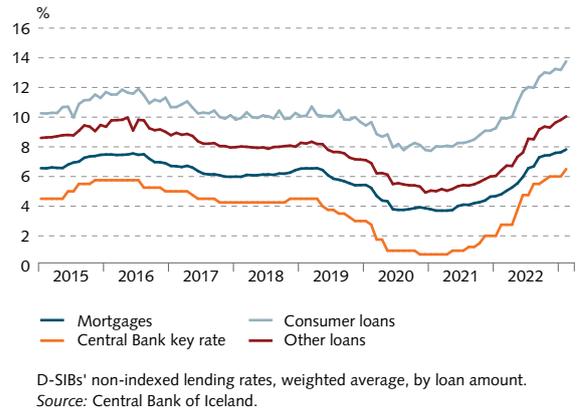
VII-17

Companies insolvencies and unsuccessful distraint actions



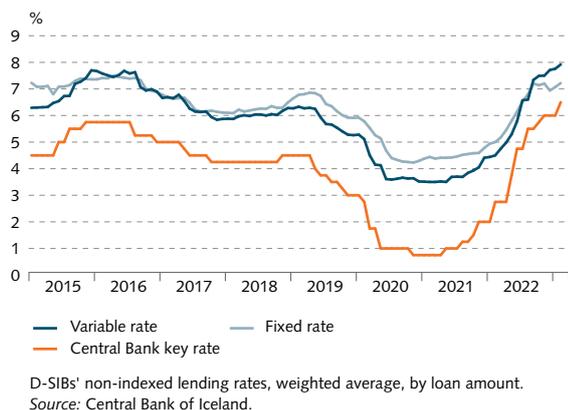
VII-18

Interest rates on new non-indexed loans to households



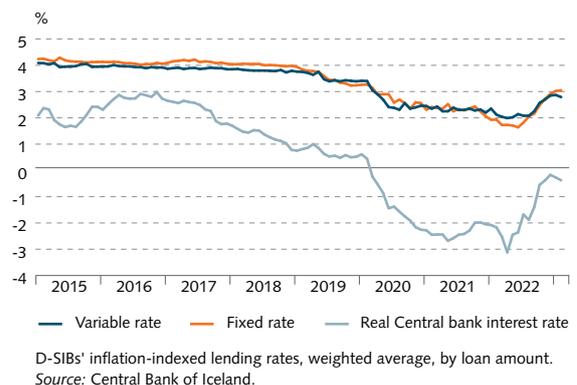
VII-19

Interest rates on new non-indexed mortgages



VII-20

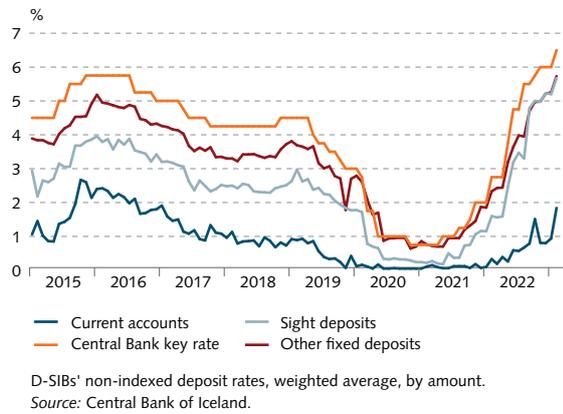
Interest rates on new inflation-indexed mortgages



VII Households and businesses

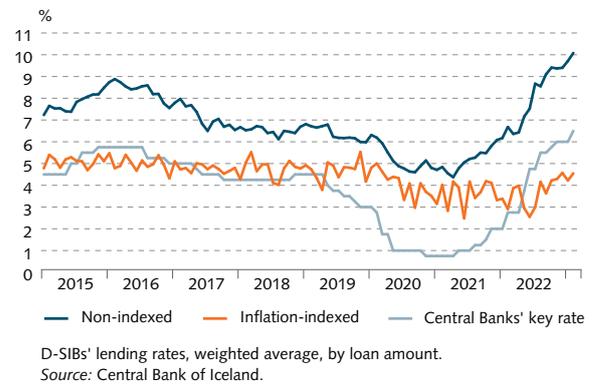
VII-21

Interest rates on households' new non-indexed deposits



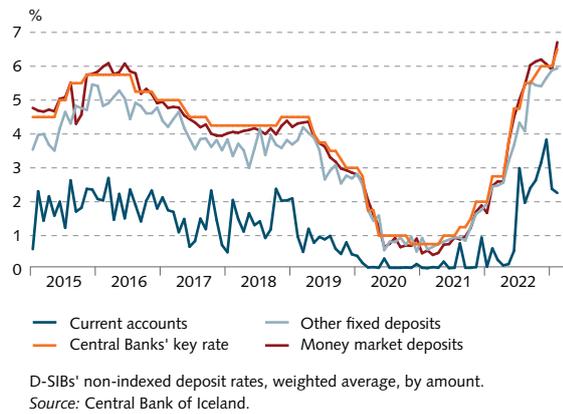
VII-22

Interest rates on new loans to companies



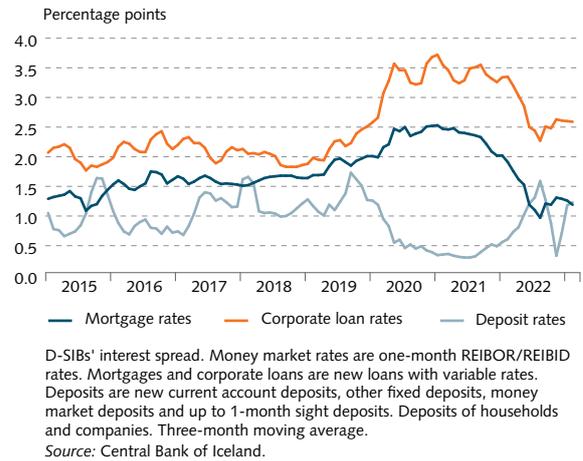
VII-23

Interest rates on companies new non-indexed deposits



VII-24

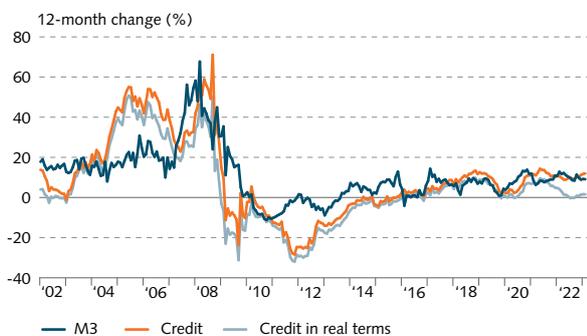
Interest spread based on money market rates



VIII Financial markets

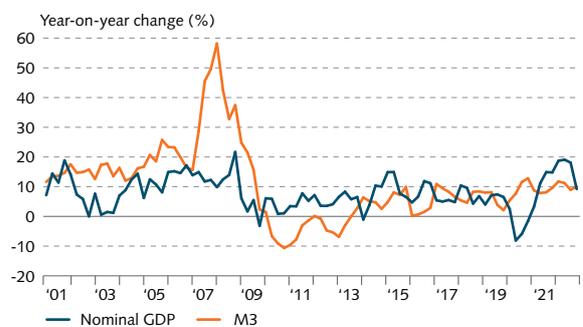
VIII-1

M3 and domestic bank credit



VIII-2

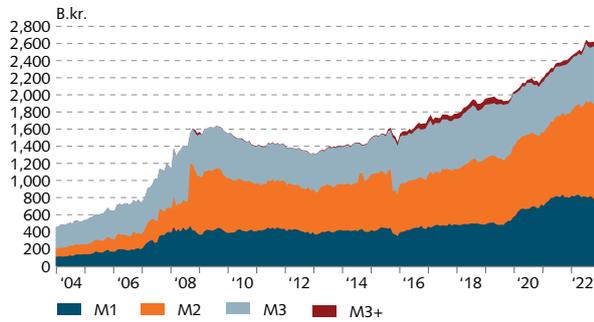
Nominal GDP and M3



VIII Financial markets

VIII-3

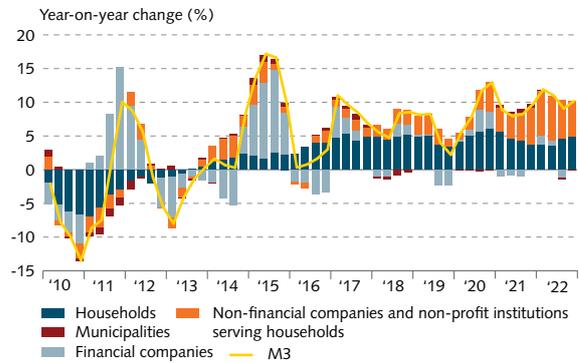
Money holdings



Money holdings are adjusted for deposits of failed financial institutions from December 2008 onwards. Most recent figures are preliminary. Monthly data. Source: Central Bank of Iceland.

VIII-4

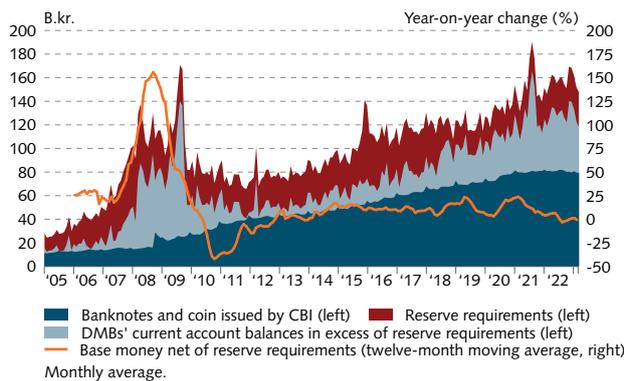
Money holdings by parties



M3 is adjusted for deposits of failed financial institutions. Quarterly data. Source: Central Bank of Iceland.

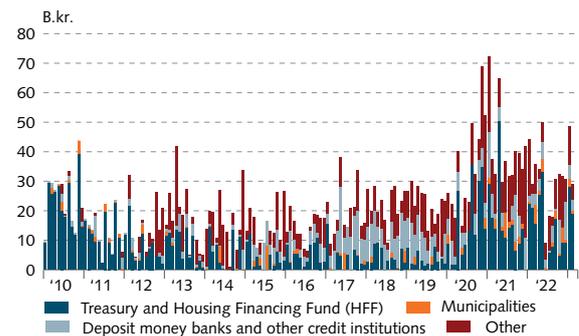
VIII-5

Components of Central Bank base money (M0)



VIII-6

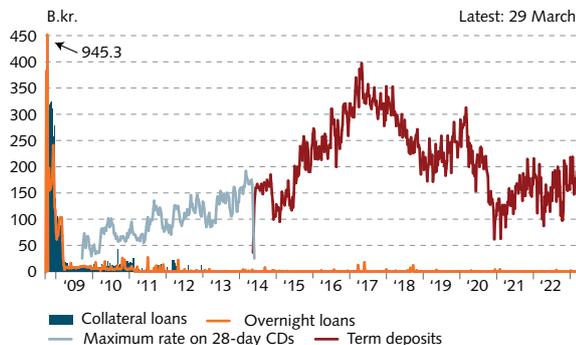
Bond auctions



Information on auctions of other issuers' marketable bonds does not necessarily include all of their issued bonds. Monthly data. Sources: Icelandic Securities Depository, Central Bank of Iceland.

VIII-7

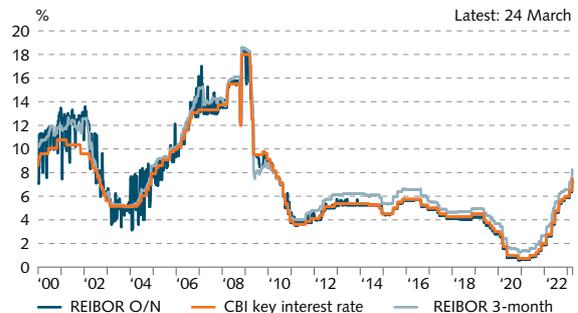
Transactions between financial institutions and the Central Bank



Weekly data. Source: Central Bank of Iceland.

VIII-8

Central Bank key interest rate and money market interest rates

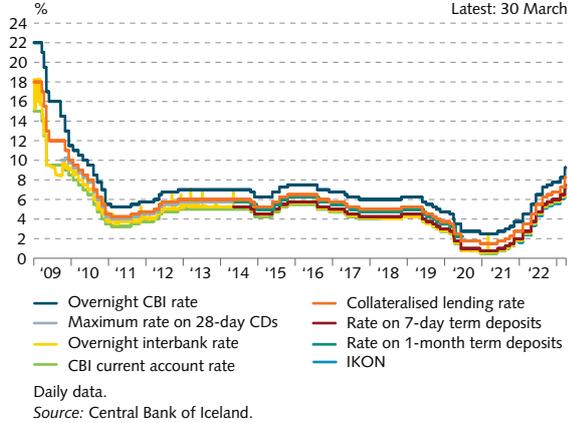


Until April 2009, the Bank's effective policy rate was the seven-day collateralised lending rate, and from April to September 2009 it was the current account rate. From September 2009 to May 2014, the effective policy rate was the average of the current account rate and the maximum rate on 28-day CDs. From May 2014, the effective rate is the Bank's seven day term deposit rate. Weekly data. Source: Central Bank of Iceland.

VIII Financial markets

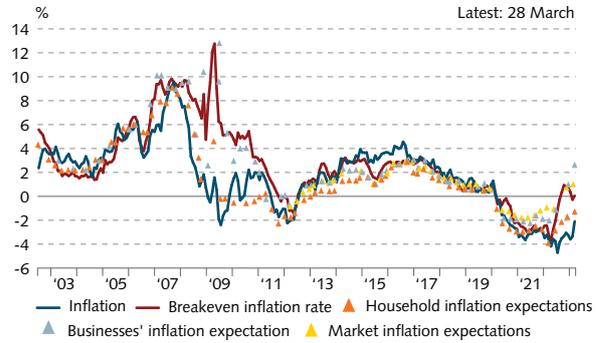
VIII-9

Central Bank of Iceland and short-term market interest rates



VIII-10

Central Bank of Iceland real interest rates

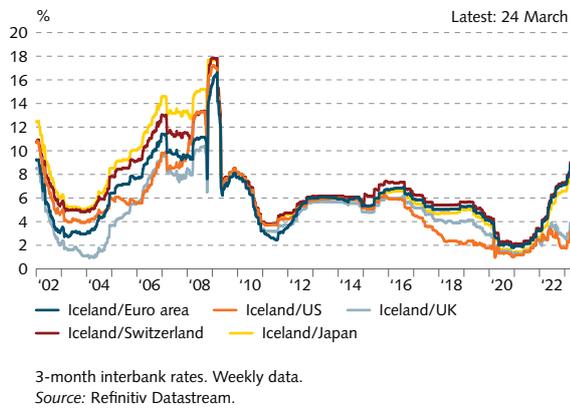


According to 12-month inflation and 1-year inflation expectations. Real interest rates according to breakeven inflation rate on Treasury notes are calculated based on Treasury note (RIKB 13 0517) and Treasury bond (RIKS 15 1001) yields until June 2004, and on the difference between the nominal and indexed yield curves onwards (monthly average). Until April 2009, the Bank's effective policy rate was the seven-day collateralised lending rate, and from April to September 2009 it was the current account rate. From September 2009 to May 2014, the effective policy rate was the average of the current account rate and the maximum rate on 28-day CDs. From May 2014, the effective rate is the Bank's seven day term deposit rate. Monthly data.

Sources: Gallup, Statistics Iceland, Central Bank of Iceland.

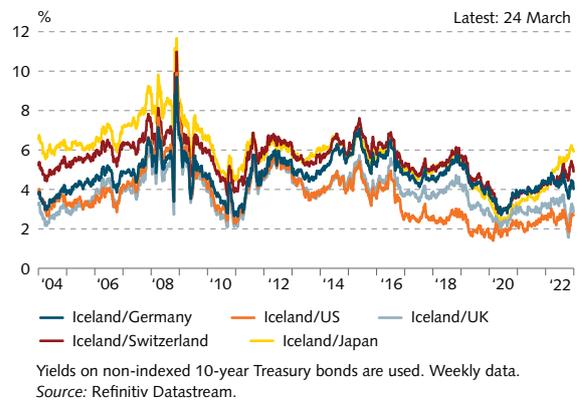
VIII-11

Short-term interest rate differential



VIII-12

Long-term interest rate differential



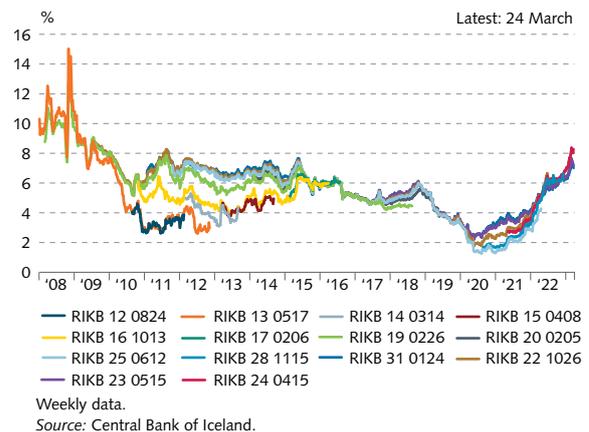
VIII-13

Government-guaranteed bond yields



VIII-14

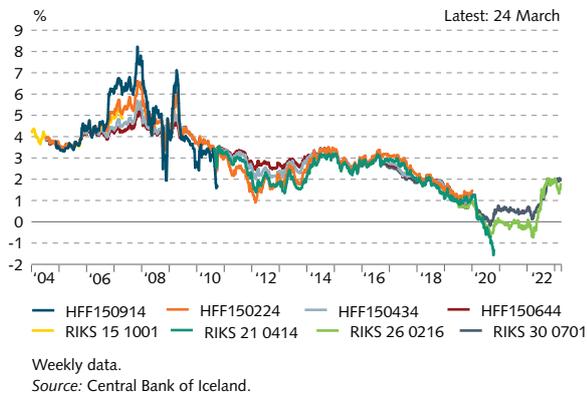
Yields on nominal Treasury bonds



VIII Financial markets

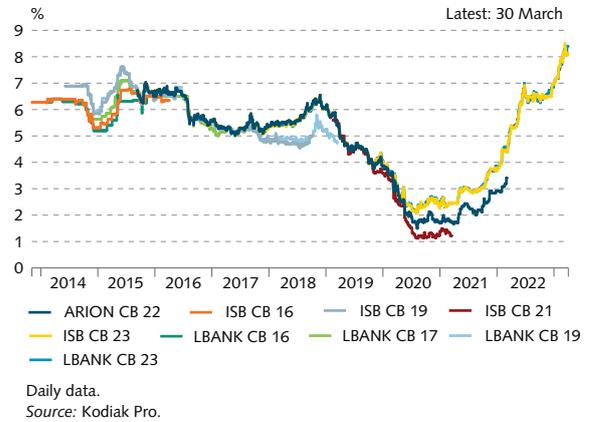
VIII-15

Yields on indexed Treasury and HFF bonds



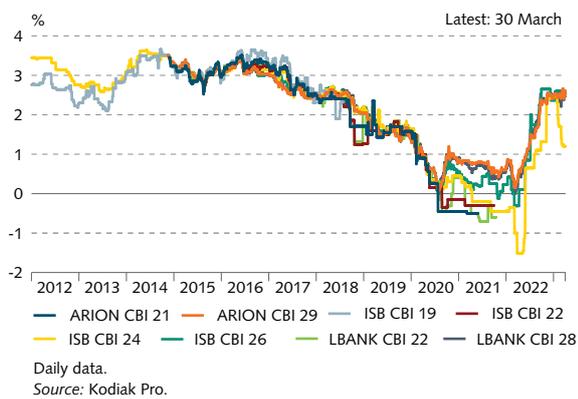
VIII-16

Yields on DMB nominal covered bonds



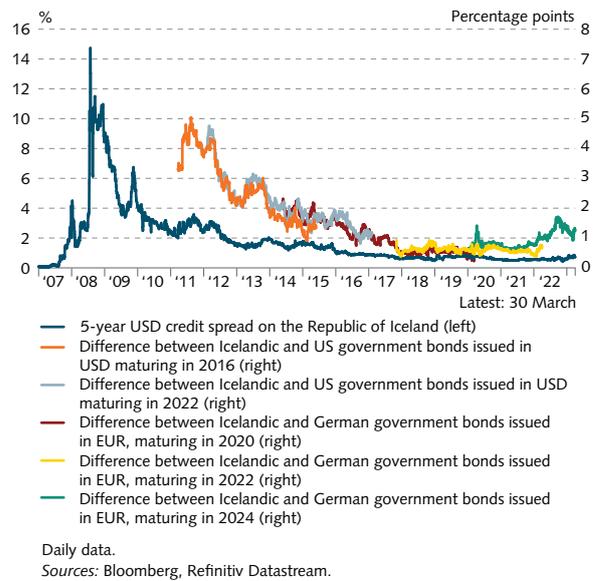
VIII-17

Yields on DMB indexed covered bonds



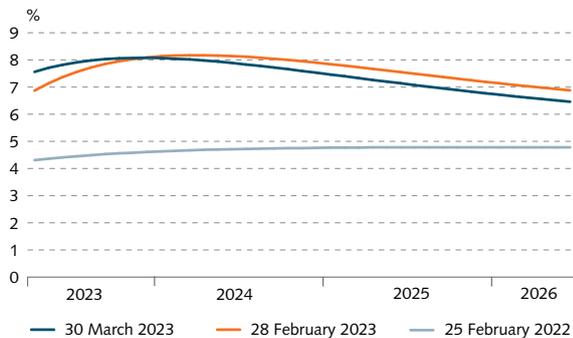
VIII-18

Risk premia on the Icelandic Treasury



VIII-19

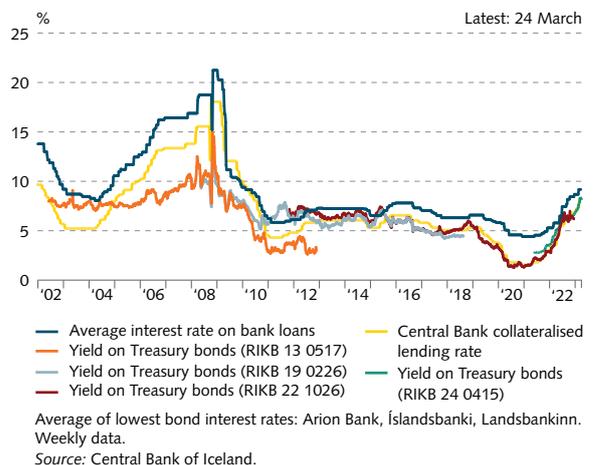
Forward market interest rates



The Central Bank's key interest rate and Treasury bond yields were used to estimate the yield curve, using the Nelson-Siegel method. The valuation is subject to some uncertainty because of the small number of Treasury notes underlying the calculations.
Source: Central Bank of Iceland.

VIII-20

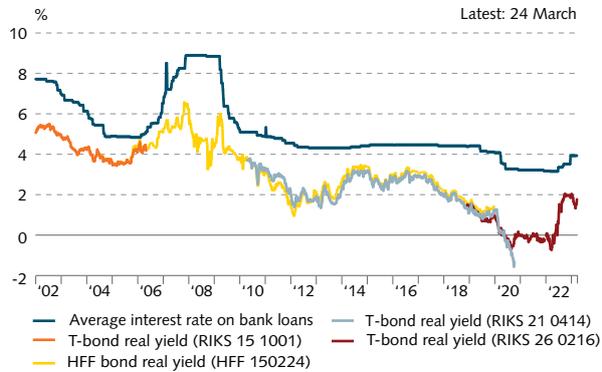
Nominal interest rates



VIII Financial markets

VIII-21

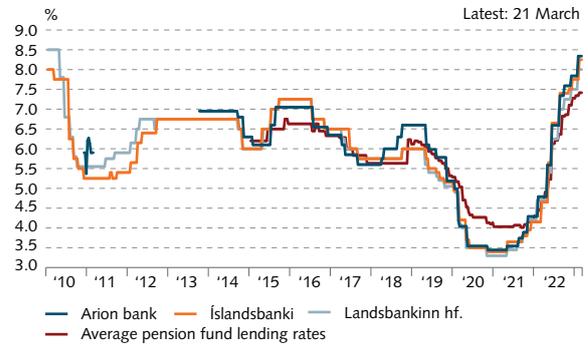
Indexed interest rates



Average of lowest bond interest rates: Arion Bank, Íslandsbanki, Landsbankinn.
 Weekly data.
 Source: Central Bank of Iceland.

VIII-22

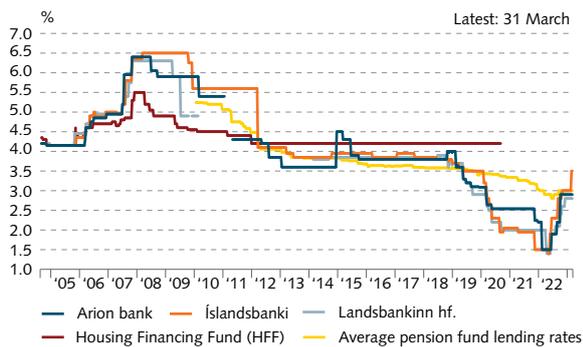
Interest rates on nominal housing loans



Lowest floating rates for non-indexed housing loans. No data for Arion bank for the time periods 11 March 2010 - 11 February 2011 and 11 May - 1 December 2013. Average pension fund lending rates is the average of the lending rates charged by Gildi, Lífsværk and LSR. 10-day data except for pension fund data, which are monthly.
 Source: Central Bank of Iceland.

VIII-23

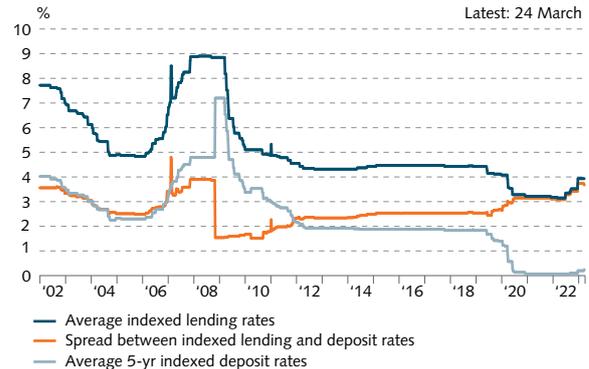
Interest rates on indexed housing loans



Lowest fixed rates for indexed housing loans. Housing Financing Fund interest rates are indexed housing loan rates with prepayment penalty for December 2005 onwards, and without prepayment before that time. Average pension fund lending rates is the average of the lending rates charged by Almenni, Festa, Frjálsi, Gildi, Lífsværk, LSR, The pension fund of commerce, Stapi, and Söfnunarsjóður lífeyrisréttinda. 10-day data except for pension fund data, which are monthly.
 Sources: Housing Financing Fund, Central Bank of Iceland.

VIII-24

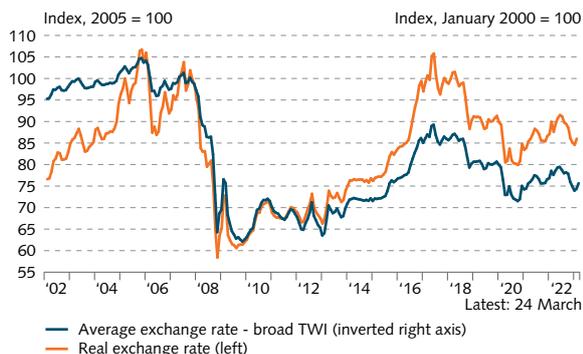
Banks' indexed lending and deposit rates



Average interest rates: Arion Bank, Íslandsbanki, Landsbankinn. Weekly data.
 Source: Central Bank of Iceland.

VIII-25

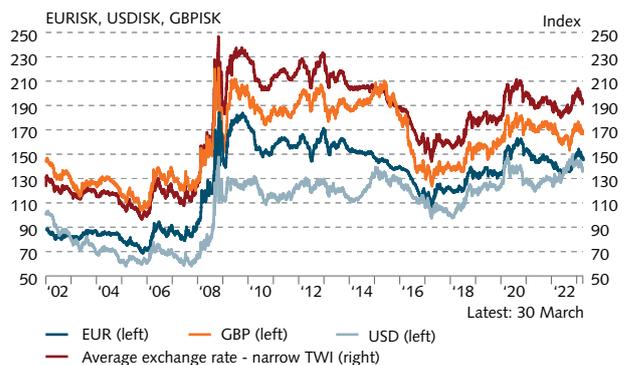
Nominal and real effective exchange rate of the króna



Monthly data.
 Source: Central Bank of Iceland.

VIII-26

Exchange rate of foreign currencies against the króna

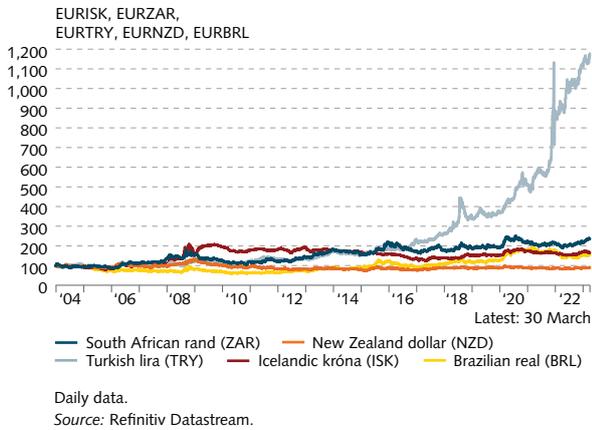


Daily data.
 Source: Central Bank of Iceland.

VIII Financial markets

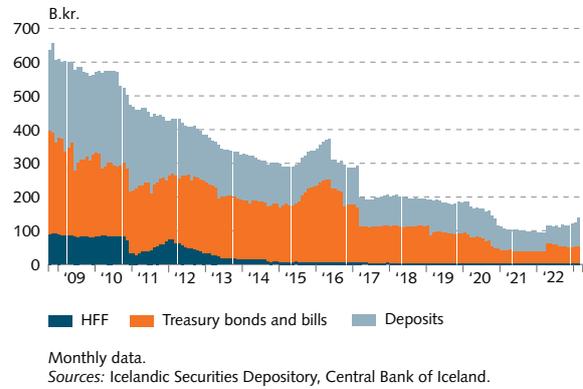
VIII-27

Exchange rate of the euro against other currencies



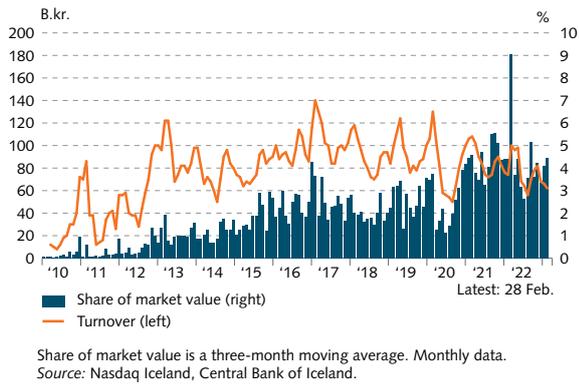
VIII-28

Non-residents' króna assets



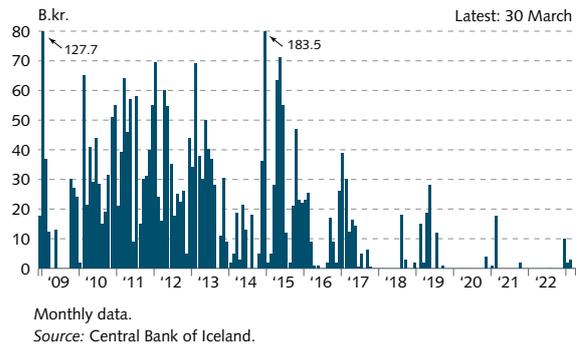
VIII-29

Equity market turnover



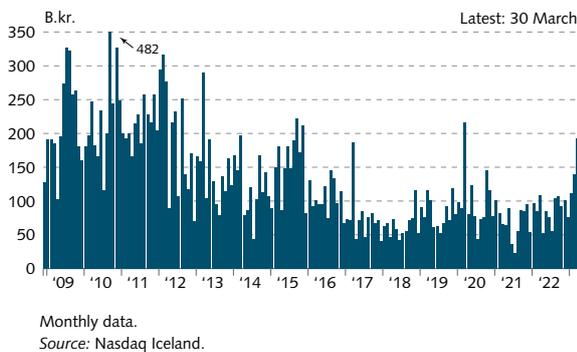
VIII-30

Turnover on the interbank market for krónur



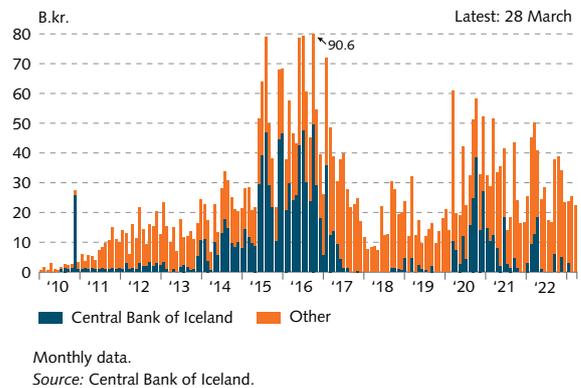
VIII-31

Bond market turnover



VIII-32

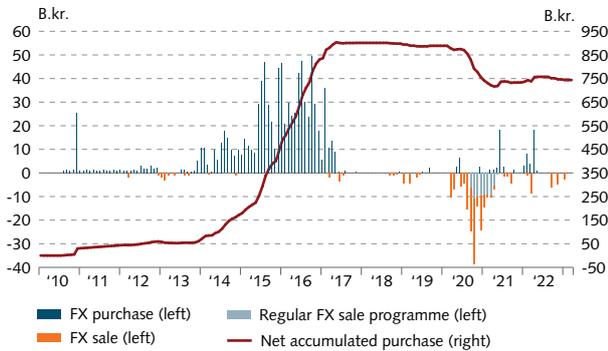
Foreign exchange market turnover



VIII Financial markets

VIII-33

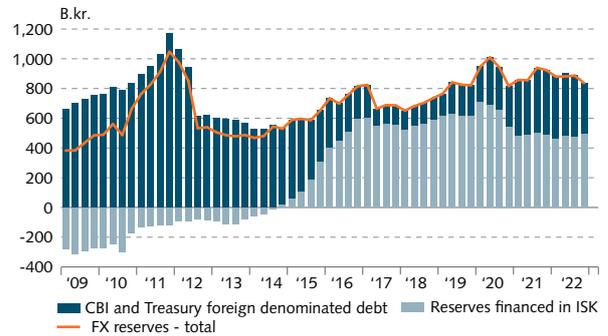
Central Bank intervention in foreign exchange market



Monthly data.
Source: Central Bank of Iceland.

VIII-34

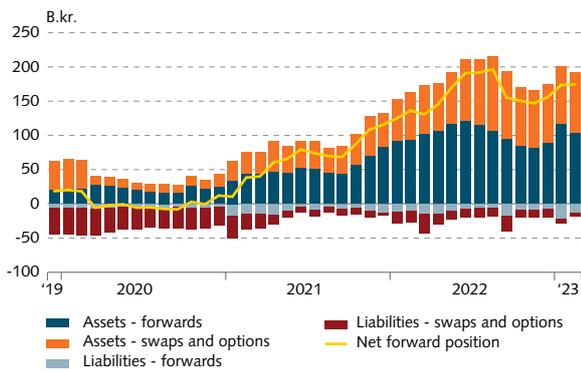
Central Bank of Iceland foreign exchange reserves



Reserves financed in ISK are foreign exchange reserves net of Central Bank and Treasury foreign-denominated debt. Quarterly data.
Source: Central Bank of Iceland.

VIII-35

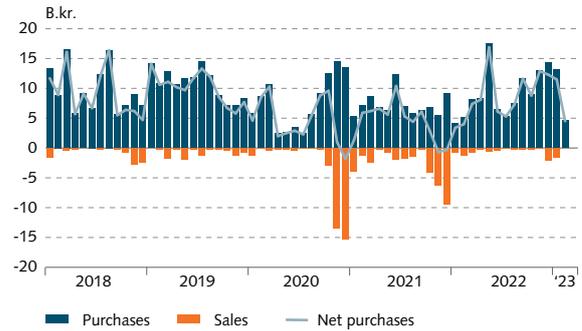
Commercial banks' forward foreign exchange position involving the króna against foreign currency



A forward position refers to transactions in foreign currency that are settled three business days or more after their trade date, including forwards, swaps and options. Assets (liabilities) refers to assets (liabilities) of a commercial bank in foreign currency. Outstanding trades at the end of each month. Parent companies. Monthly figures.
Source: Central Bank of Iceland.

VIII-36

Pension funds' foreign currency transactions

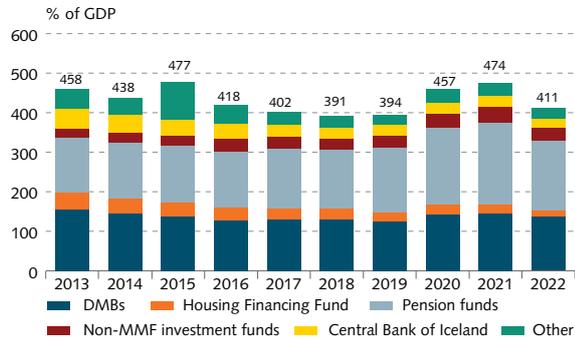


Source: Central Bank of Iceland.

IX The financial system

IX-1

Financial system assets relative to GDP

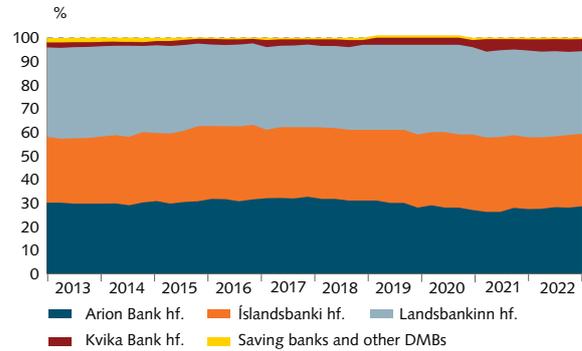


Parent companies. Other: Failed financial institutions that have undergone composition are included with other financial institutions as of the time their composition agreements were approved. The Central Bank of Iceland Holding Company ehf. (ESI) is also included with other financial institutions from its establishment in December 2009 until its dissolution in February 2019. The Housing Financing Fund (HFF) merged with the Iceland Construction Authority on 1 January 2020. HFF assets from 2020 onwards are the assets of the ÍL Fund, which took over the processing of the HFF's assets and liabilities at the beginning of 2020. Annual data.

Sources: Statistics Iceland, Central Bank of Iceland.

IX-2

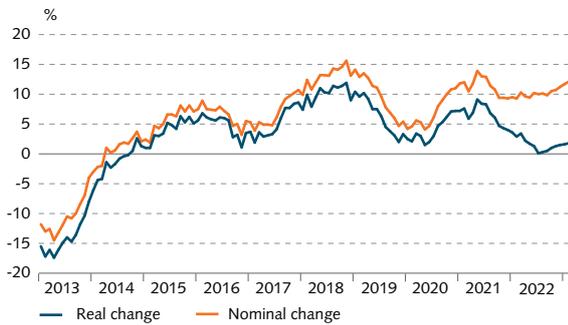
DMBs share of total assets



Parent companies. Quarterly data.
Source: Central Bank of Iceland.

IX-3

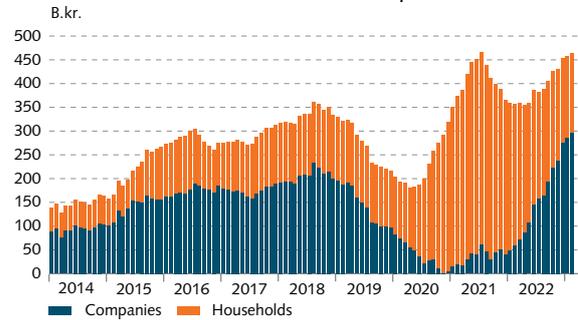
D-SIB lending to households and companies



Annualised changes. Adjusted for Government debt relief measures.
Source: Central Bank of Iceland.

IX-4

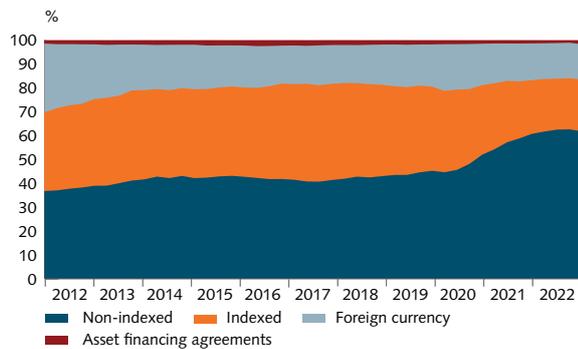
D-SIB net new lending to households and companies



12-month moving total. New loans less loan retirement and loan prepayments in excess of contractual requirements.
Source: Central Bank of Iceland.

IX-5

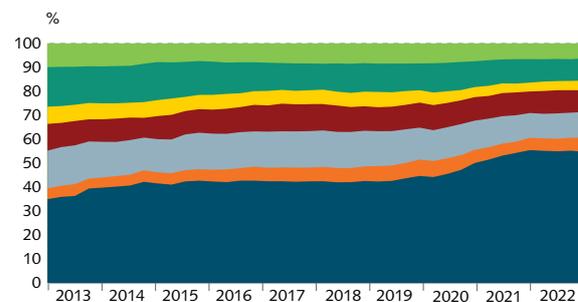
DMB distribution of loans by type



Parent companies. Loans by each type as a share of total lending to households and operating companies. Foreign currency loans include exchange rate-linked loans. Quarterly data.
Source: Central Bank of Iceland.

IX-6

D-SIB lending classified by borrower

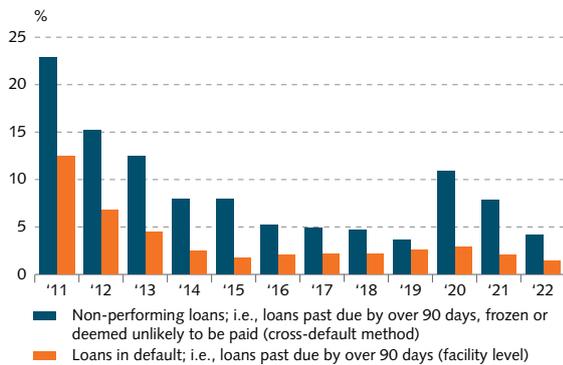


Loans to each sector as a share of total lending to households and operating companies. Quarterly data.
Source: Central Bank of Iceland.

IX The financial system

IX-7

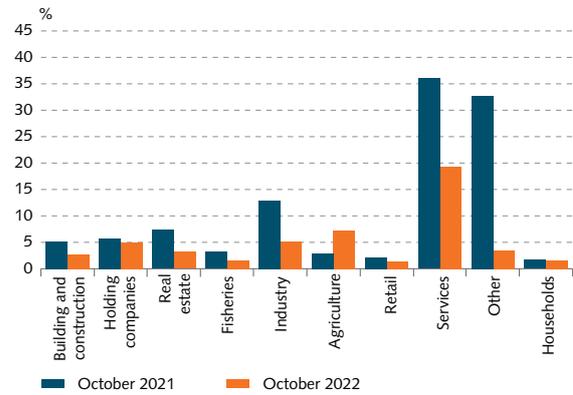
D-SIB default ratios



Parent companies, book value. EBA definition for non-performing loans used from 2018 onwards (red). According to the cross-default method, all of a borrower's loans are considered non-performing if one loan is frozen or in arrears by 90 days or more, or if the borrower is deemed unlikely to pay their obligations when due. Annual data. Source: Central Bank of Iceland.

IX-8

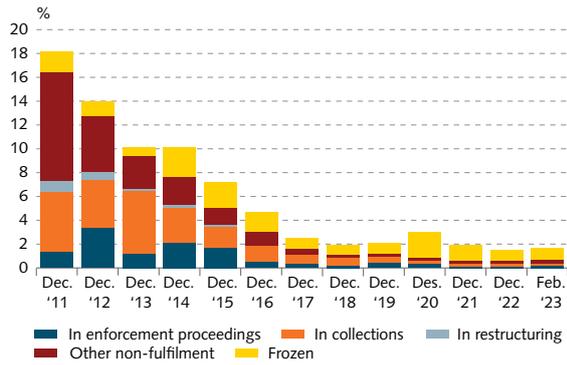
D-SIB non-performing loan ratios



Parent companies, book value. Non-performing loans according to the cross-default method, according to which all of a borrower's loans are considered non-performing if one loan is frozen or in arrears by 90 days or more, or if the borrower is deemed unlikely to pay their obligations when due. Source: Central Bank of Iceland.

IX-9

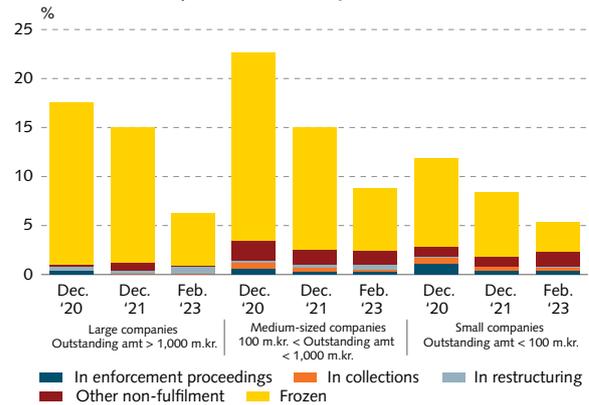
Status of D-SIBs non-performing loans to households



Parent companies, book value. Non-performing loans according to the cross-default method, according to which all of a borrower's loans are considered non-performing if one loan is frozen or in arrears by 90 days or more, or if the borrower is deemed unlikely to pay their obligations when due. Source: Central Bank of Iceland.

IX-10

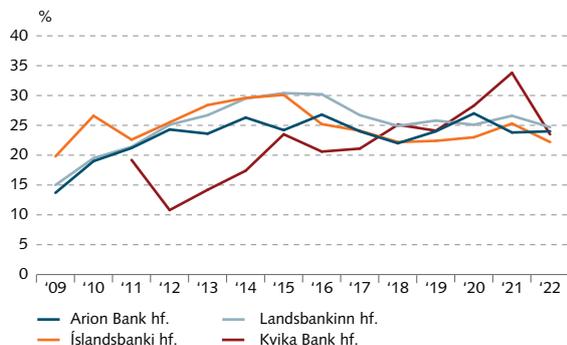
Status of D-SIBs non-performing corporate loans, by claim amount



Percentage of total loans in each size category. Parent companies, book value. Non-performing loans according to the cross-default method, according to which all of a borrower's loans are considered non-performing if one loan is frozen or in arrears by 90 days or more, or if the borrower is deemed unlikely to pay their obligations when due. Source: Central Bank of Iceland.

IX-11

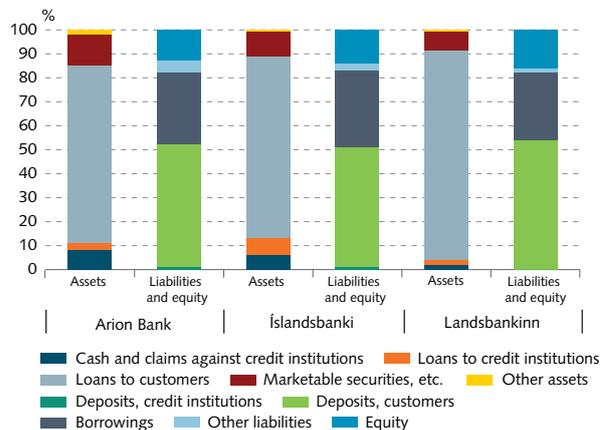
Commercial bank's capital adequacy ratios



Consolidated figures. Capital base as % of risk-weighted base. CAR for MP Bank until end of year 2014. Annual data. Sources: Commercial banks' financial statements.

IX-12

D-SIB assets and liabilities

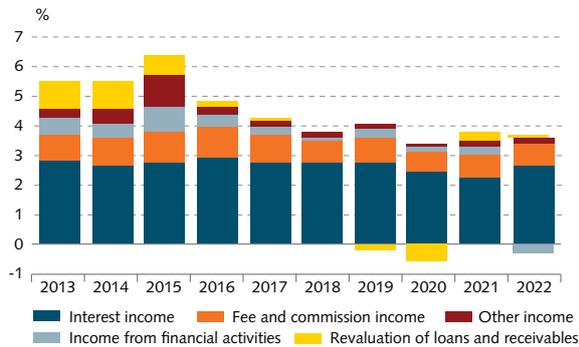


End of Q4 2022. Consolidated accounts. Sources: Commercial banks' financial statements, Central Bank of Iceland.

IX The financial system

IX-13

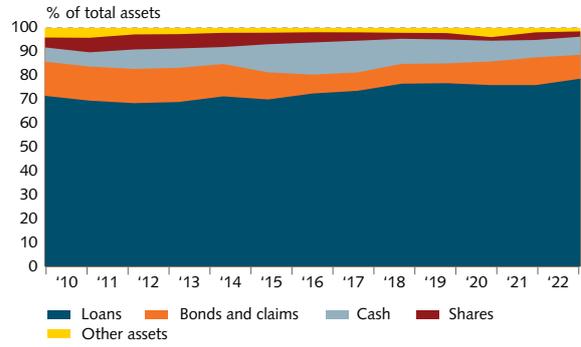
Ratio of D-SIB operating income to total assets



Consolidated figures. Annual data.
Sources: Commercial banks' financial statements, Central Bank of Iceland.

IX-14

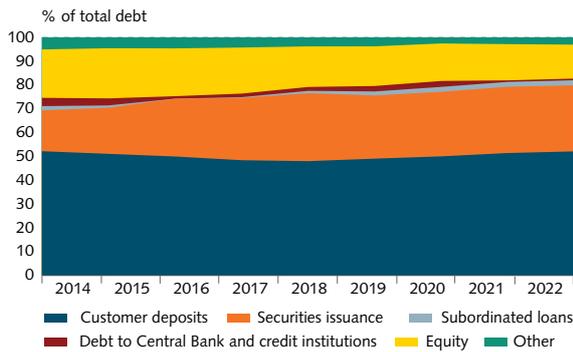
D-SIB assets



Parent companies. Annual data.
Source: Central Bank of Iceland.

IX-15

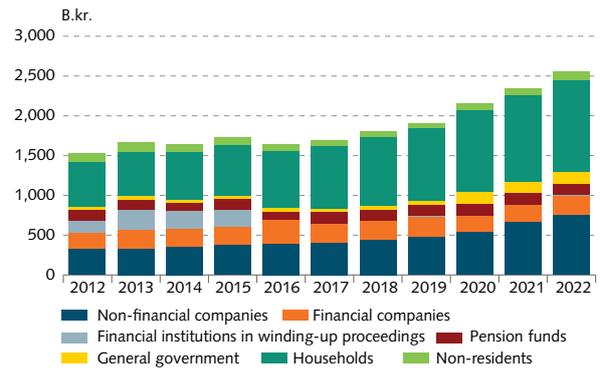
D-SIB funding



Parent companies. Annual data.
Sources: Statistics Iceland, Central Bank of Iceland.

IX-16

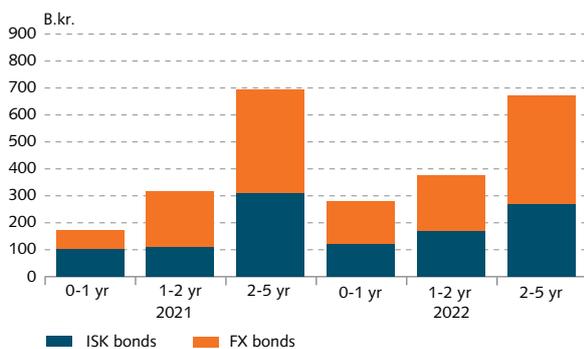
D-SIB depositors



Parent companies. Annual data.
Source: Central Bank of Iceland.

IX-17

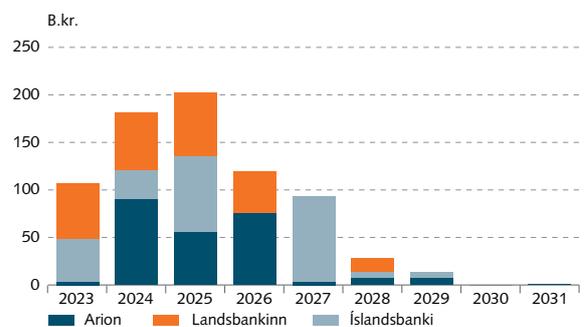
D-SIB bond maturities



Instalments and interest. Parent companies figures. As of end-January each year.
Source: Central Bank of Iceland.

IX-18

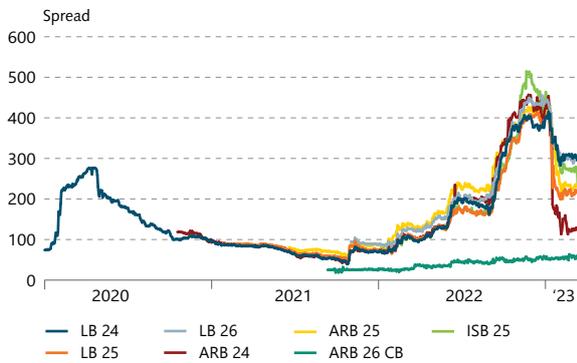
D-SIB foreign bonds by maturity



At 20 March 2023 exchange rate. Not included in the chart is AT1 issuance from Arion Bank and Íslandsbanki.
Source: Nasdaq Iceland.

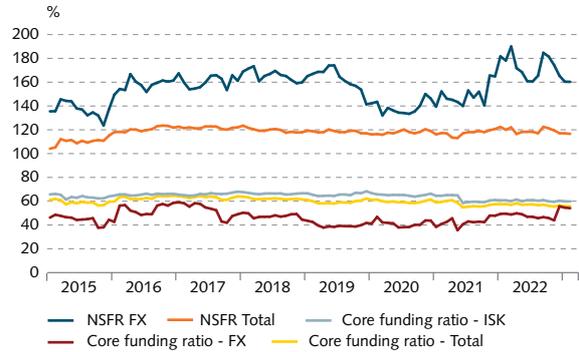
IX The financial system

IX-19
D-SIB spread on listed foreign bonds, EUR



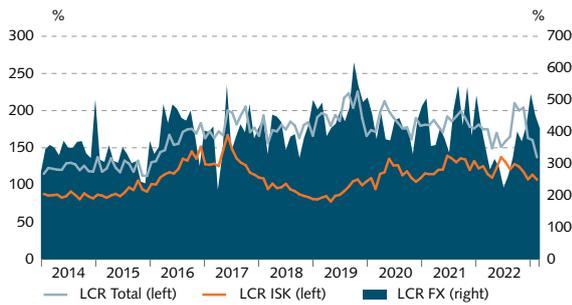
Spread on Euro benchmark curve. Daily data.
Source: Refinitiv Datastream.

IX-20
D-SIB NSFR ratio and ratio of core funding to total funding



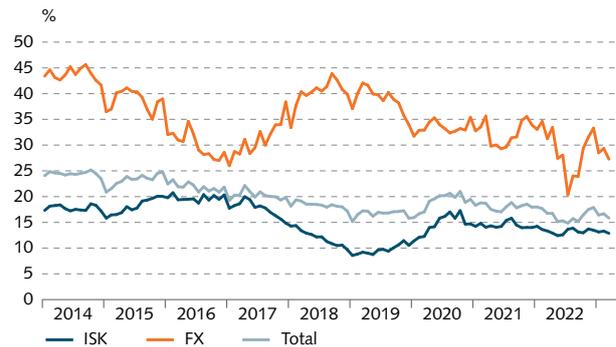
Core funding is defined here as deposits held by resident individuals and non-financial companies (excluding pension funds), plus capital, subordinated loans, and issued negotiable securities with a residual maturity of more than three years. According to Central Bank rules on stable funding, the Bank also monitors the NSFR for all currencies combined. New NSFR rules were implemented in June 2021. Monthly data.
Source: Central Bank of Iceland.

IX-21
D-SIB liquidity coverage ratio



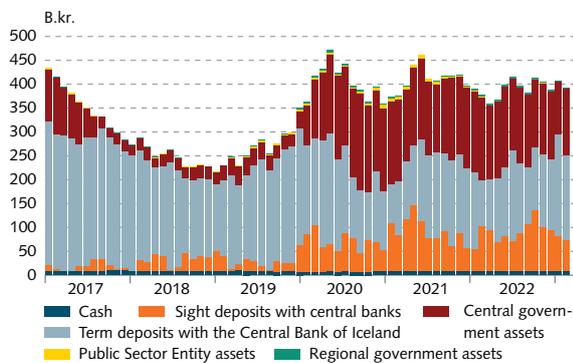
Consolidated figures. Monthly data.
Source: Central Bank of Iceland.

IX-22
DMB's ratio of liquid assets to total assets



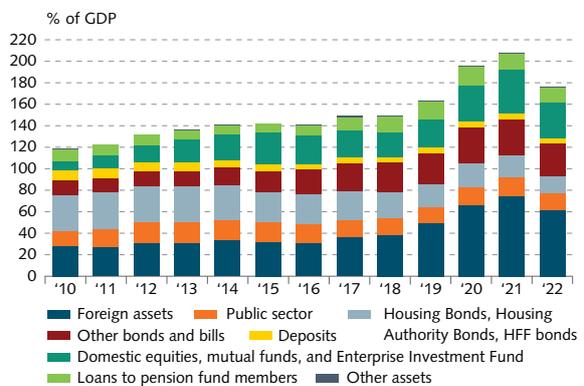
Parent companies. Monthly data.
Source: Central Bank of Iceland.

IX-23
D-SIB liquid assets



Liquid assets in Icelandic krónur. Parent companies. Monthly data.
Source: Central Bank of Iceland.

IX-24
Pension funds' distribution of assets

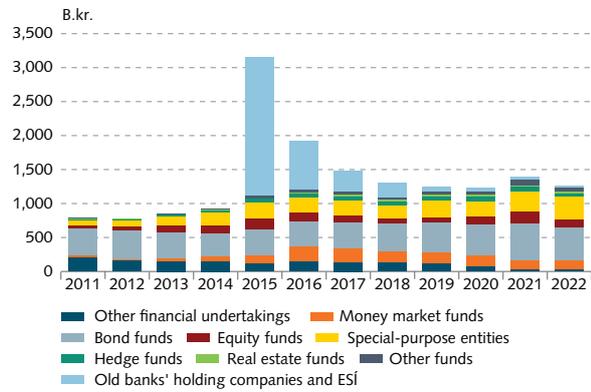


2022 based on preliminary figures. Annual data.
Sources: Statistics Iceland, Central Bank of Iceland.

IX The financial system

IX-25

Size of other financial intermediaries



Constant prices. Other financial intermediaries are mutual funds (UCITS), investment funds, and institutional investment funds; special purpose vehicles, securities companies, brokers, and miscellaneous credit institutions. Annual data.

Source: Central Bank of Iceland.

