



Macro Weekly

Week 40 2026

28/09/2026

Harald Magnus Andreassen
Chief Economist

Phone: +47 24 13 36 21
Mobile: +47 91 14 88 31
E-mail: hma@sb1markets.no

Dane Cekov
Strategist

Phone: +47 24 13 36 84
Mobile: +47 45 12 92 23
E-mail: dane.cekov@sb1markets.no

Last week - markets: another yield 'shock' – with no repercussions (yet)

- **Big picture:**

- **The US 10y gov. bond yield** led the surge in bond yields world-wide, up 16 bps to 5.17% (but it almost reached 5.23% on Thursday). Inflation expectations were unchanged at an OK level, while the 10y real interest rate (TIPS) rose 15 bps to 2.84%. The term premium rose slightly last week but trends flat. There are no other indications of increased credit spread vs. the US public debt. Markets expect higher short-term real rates in the long run – but not high rates, if we look back in history. The strong US PMI contributed strongly to the lift in the bond yield. The increase in the French bond yield may be more worrisome, credit-risk wise.
- **Norges Bank** hiked the policy rate to 4.50% and lifted the rate path by up to 39 bps, mostly due to higher short-term rates abroad and an upwards revision of the longer-term neutral rate (both as we expected). Even so, inflation will remain above the target until 2030. The output gap was revised up (but it remains negative, and unemployment down). The bank is no inflation nutter. Rate expectations rose, and the rate differential to trading partners in the short end of the curve finally widened.
- **Sveriges Riksbank** left the policy rate unchanged at 1.75%, as expected. However, the bank signalled that the rate will be hiked later in 2026.

- **Commodities: energy more down than up**

- **The oil price curve** twisted around the previous week's curve. No trustworthy new from Iran nor the US, and the market did not alter its outlook for oil supply from the Gulf. Even so, European gas prices declined further but remain high – and tanker rates rose further (signalling demand for oil transport). Metal and food prices rose.

- **Equity markets: no bond yield fears**

- The global market was up 0.9%, with the US (and Nasdaq the most, up 3.3%). OSE was suddenly the loser, down 1.6%, even if the oil prices was stable (but gas dropped).

- **Short-term rates: US rate expectations up, NOK up the most**

- The short end (2028–29) of the NOK curve rose by up to above 20 bps, and far more than among our trading partners. The US curve was up 10 bps while rate expectations in Europe were flat (EUR or SEK) or down (UK) in 2026/27 but slightly up in 2028.
- The **2y NOK swap rate differential vs. trading partners** rose 11 bps, still down 50 bps from Jul.
- 1½ hikes are discounted in **US** in 2026, and 2 more in 2027. In **EMU** 1+3; **UK** 1½+3; **Sweden** 1+4.
- **Norway**: a hike in late 2026 or '27 (and no change thereafter).

Policy rates, market exp.	USA	UK	EMU	Sweden	Norway
2024 Peak	5.33	5.25	4.00	4.00	4.50
... Change from peak	-1.45	-1.50	-1.50	-2.25	0.00
Now	3.88	3.75	2.50	1.75	4.50
Change until end of 2026	0.36	0.37	0.30	0.26	0.12
End of 2026 (market)	4.24	4.12	2.80	2.01	4.62
... Change last week	0.01	-0.04	-0.05	-0.03	0.09
Change through 2027	0.51	0.71	0.68	1.01	0.13
End of 2027 (market)	4.75	4.83	3.48	3.01	4.75
... Change last week	0.11	-0.03	0.05	0.03	0.08

- **Long-term rates: sharply up everywhere, the most in USD and NOK**

- The lift in bond yields was broad, in most markets to the highest level in 15–20 years – but still not a high level (*several charts in the market section*).

- **FX: the USD appreciated further, NOK depreciated slightly**

- The USD was supported by higher short-term interest rates, like the previous week. NOK depreciated, even if the rate differential widened, and the oil price was close to unchanged (but European natural gas prices fell). NOK is still the winner among the DM 'commodity' currencies the last month as well as the past 3 months. SEK is the loser and depreciated further last week.

- **Credit spreads: a minor widening**

- ... even if government bond yields and swap rates rose sharply. The **US BBB spread** (over 10y vs. US Treasuries) widened 3 bps to 118 bps and has trended flat since the summer. The Norwegian bank funding benchmark, the bank2 5y spread, rose marginally.

Last week - the economy

- **Flash DM PMIs: up further, and rapidly, in September**

- ... especially in the US, but EMU also contributed to the lift. We estimate a 0.8 p lift in the global composite PMI to 54.4, **signalling 4½% global GDP growth**. Both manufacturing and services contributed, and services are in the lead, growth-wise. The **US composite** jumped 2.4 p to 58.4, confirming the 5% Atlanta Fed GDP growth nowcast, igniting a substantial lift in the yield curve as a small decline was expected. The manufacturing index rose 3.1 p to 57.0 while services rose to 58.7. Other US surveys are so far marginally down in September. In **EMU, the flash composite PMI** estimate was up 1.4 p to 53.0, driven by services in France and Germany. The German manufacturing PMI, at 53.8, signals growth in production. So far, not much is delivered. India also reported faster growth, while UK, Japan and Australia slowed.

- **USA: no weak data collected**

- **New home sales** were stronger than expected in August and have recovered slightly so far in 2025 but prices are heading down, at least the median sales price. Construction costs and standard adjusted new home prices head up though. However, the inventory of unsold homes remain unusually high, and the longer-term trend is sales is down.
- The inflow of **durable goods orders** were a tad better than expected. The trend is rapidly upwards, at least in value terms and barring the recent flattening in computers and electronics. A rapid rise in prices leaves the volume figures less impressive – but the direction is up.

- **Norway: low unemployment but slow employment growth**

- LFS unemployment was unchanged at 4.5% in August. Earlier in 2026, this rate was reported at 4.8% (now revised down to 4.6%). The employment rate trends slowly upwards but without further progress since before the summer.
- As we expected, the large decline in preliminary **payroll data** in July was revised to a small increase. However, growth in payrolls was modest in August (and we suspect a downward revision) and underlying growth has slowed to some 0.3%, which is marginally less than growth in the working-age population. Growth in **monthly cash earnings** has slowed to approx. 3.5%.
- **Credit growth** rose a tad in August, thanks to higher debt growth in the business sector. **Household debt** is up 4.6% y/y, which very likely is below income growth. The **debt/income ratio** is on the way down, as **in all other rich countries**.
- **Consumer confidence** fell further in September, to 1.7 std. dev. below average. Retail sales have fallen so far in 2026.
- **The NHO Q3 survey** reports an uptick, but businesses still report slow growth, and less than the Regional Network signalled.

Week ahead: US Labour Market in focus again

Time	Count	Indicator	Period	Forecast	Prior
Monday 28 Sep					
08:00	NO	Retail Sales MoM	Aug	(0.5%)	-0.7%
Tuesday 29 Sep					
08:00	SW	Economic Tendency Survey	Sep		105.1
11:00	EMU	Economic Confidence	Sep	98.9	98.4
15:00	US	S&P Cotality CS 20-City MoM	Jul	0.2%	0.2%
16:00	US	Consumer Confidence, Conf. Boa	Sep	90.0	89.4
16:00	US	Job Openings, JOLTS	Aug	7225k	7271k
Wednesday 30 Sep					
01:50	JN	Retail Sales MoM	Aug	-1.0%	2.4%
01:50	JN	Industrial Production MoM	Aug P	1.2%	-0.2%
03:30	CN	Manufacturing PMI, NBS	Sep	50.1	49.8
03:30	CN	Non-manufacturing PMI	Sep	49.3	49
03:45	CN	Services PMI, RatingDog	Sep	51.1	51.4
03:45	CN	Manufacturing PMI	Sep	51.6	51.5
08:00	GE	Retail Sales MoM	Aug	1.5%	-3.4%
08:00	SW	Retail Sales MoM	Aug		-0.2%
10:00	NO	Norges Bank Net FX transactions	Oct		NK176m
14:15	US	ADP Employment Change	Sep	70k	38k
14:30	US	Personal Income	Aug	0.5%	0.4%
14:30	US	Personal Spending	Aug	0.9%	0.2%
14:30	US	PCE Price Index MoM	Aug	0.4%	0.2%
14:30	US	Core PCE Price Index YoY	Aug	3.3%	3.3%
14:30	US	Core PCE Price Index MoM	Aug	0.3%	0.2%
14:30	US	GDP Annualized QoQ	2Q T	1.5%	1.5%
14:30	US	Goods Trade Balance, advance	Aug	-\$113.9b	-\$118.8b
Thursday 01 Oct					
08:00	NO	Hotel guest nights	Aug		
08:30	SW	Manufacturing PMI	Sep		56.1
10:00	EMU	Manufacturing PMI	Sep F	52.7	52.7
10:30	UK	Manufacturing PMI	Sep F	52	52
11:00	EMU	Unemployment Rate	Aug	6.4%	6.4%
14:30	US	Initial Jobless Claims	26-Sep		197k
15:45	US	Manufacturing PMI, S&P	Sep F	57.0	57.0
16:00	US	Manufacturing ISM	Sep	55.0	54.6
17:00	WO	Manufacturing PMI	Sep	52.9	xxx
16:00	US	Construction Spending MoM	Aug	0.1%	-0.5%
	US	Vehicle Sales	Sep	16.59m	16.76m
Friday 02 Oct					
08:00	NO	Auto sales	Sep		
08:00	NO	Unemployment Rate SA	Sep	(2.1)	2.1%
11:00	EMU	CPI YoY	Sep P	3.7%	3.2%
11:00	EMU	CPI Core YoY	Sep P	2.5%	2.4%
14:30	US	Nonfarm Payrolls MoM	Sep	90k	162k
14:30	US	Average Hourly Earnings MoM	Sep	0.3%	0.3%
14:30	US	Unemployment Rate	Sep	4.1%	4.1%

• Final manufacturing PMIs + ISM

- **September flash PMIs** were far better than expected, and in the US the PMI ‘shock’ contributed to a substantial lift in the yield curve. Now, final manufacturing data will be reported. Other US September surveys have in average been slightly down, but the manufacturing ISM is expected slightly up to 55.0, but the level will very likely anyway be strong.

• USA

- **Nonfarm payrolls and the unemployment rate** are expected to show that the US labour market remains fine, following much higher job gains than expected the previous months, allowing the Fed remain focused on inflation and to continue hiking the Funds rate. Payrolls are seen rising by 90.000 jobs while the unemployment rate is seen sideways at 4.1%. **Job openings** are expected unchanged at a rather high level. Suprises are bound to happen, but the labour market needs to show clear signs multiple months in a row for the Fed to again be worried and the current rate hike expectations to abate. So far, such sight have not been seen.
- **The Fed’s favoured PCE inflation measure** is expected sideways at 3.7% while core is also seen unchanged at 3.3% y/y. The monthly price rises are however expected to pick up – from 0.2% from 0.3%. The Fed will rightly remain worried about the inflation outlook.

• EMU

- **September CPI** figures are expected to show inflation rising to 3.7% from 3.2%, mainly due to higher energy prices. Core inflation is expected at 2.5% from 2.4%. The ECB is worried about second round effects of the energy price shock, while the economy is showing signs of resilience.
- **The unemployment rate** has been broadly sideways the last four years and is seen unchanged at 6.4%.

• Sweden

- **Retail Sales and Economic Tendency survey** will show if the recovery in the Swedish economy is continuing with a solid pace or if the latest energy price shock has dampened the mood amongst both household and businesses.

• Norway

- **Retail Sales** have been falling so far in 2026, showing more careful consumer spending, especially for durable goods. We expect the decline in retail sales to dampen, but consumer will likely remain cautious in the months to come due to higher rates.
- **Norges Bank FX Transactions** will be broadly unchanged at NOK sales of 176 million/day.
- We expect the **NAV unemployment** to stay at 2.1% (2.05% in August). Norges Bank revised its unemployment forecasts marginally down in the MPR last week. The peak was still estimated at 2.4%, which is below an average level the past two decades. The inflow of new vacancies has slowed slightly lately.

• Central Banks

- **The Reserve Bank of Australia** will hike the key rate for a fourth time this year, from 4.35 to 4.6% as inflation is too high. With this rate hike, the key rate will be higher than during the previous rate hiking cycle after the pandemic and the highest since 2011.

Agenda

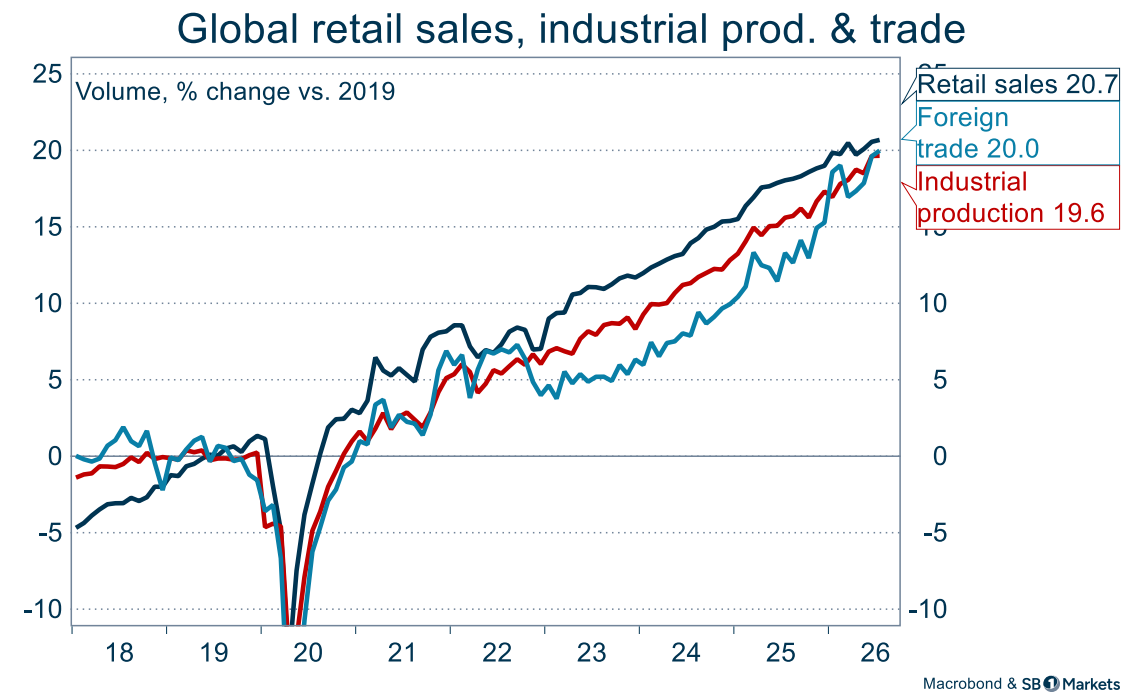
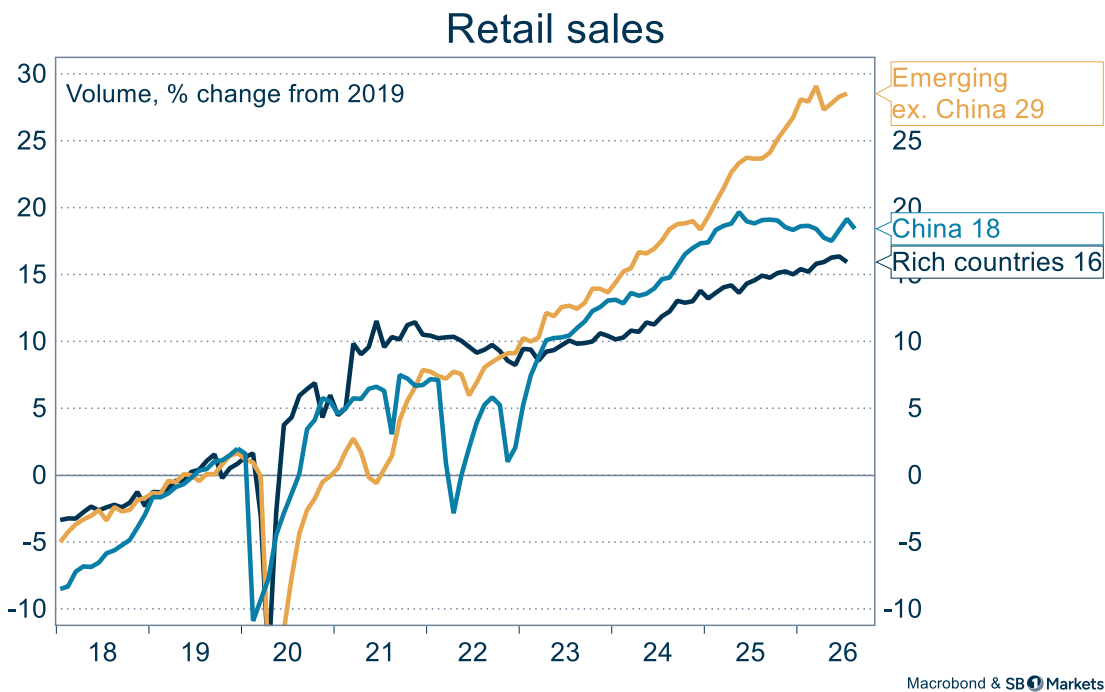
- **Highlights**

- The Norwegian economy
- Major economies
- Financial markets



Global Economy: No signs in industrial production, global trade

Retail trade is mixed: some weakness in EM, recently in EM ex. China and in China not growth since early 2025 (!). DM sales still drift upwards. Global industrial production is still going strong, and global trade is really surging.



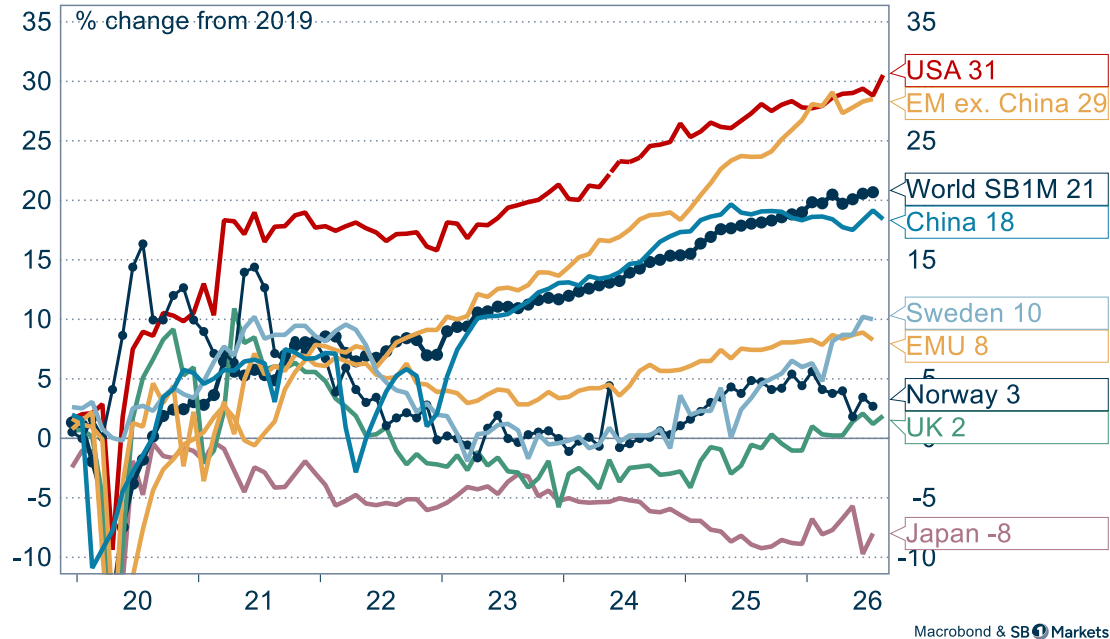
Extremely volatile retail sales data from Thailand have influenced the EM ex. China data series.



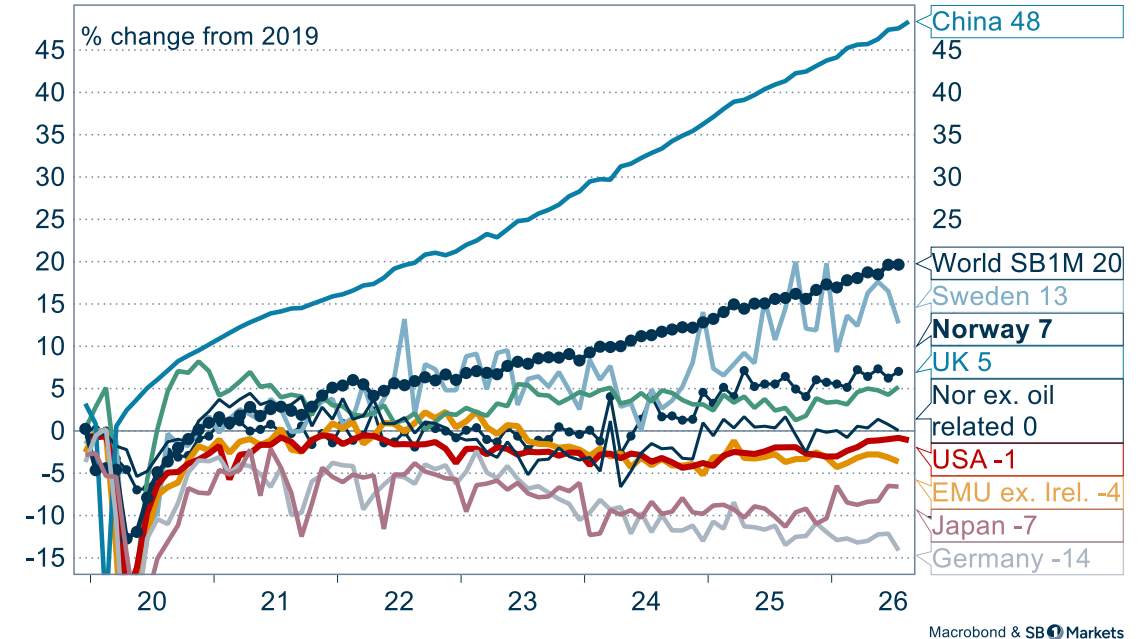
Huge gaps in retail sales and manufacturing production. China leads in manufacturing

... but not in retail sales. The US is among the best in retail sales but not in industrial production (the gap is remarkable). EMU is in line with the US on production, but its retail sales are far weaker. Norway has been the retail trade loser in 2026.

Retail sales volume

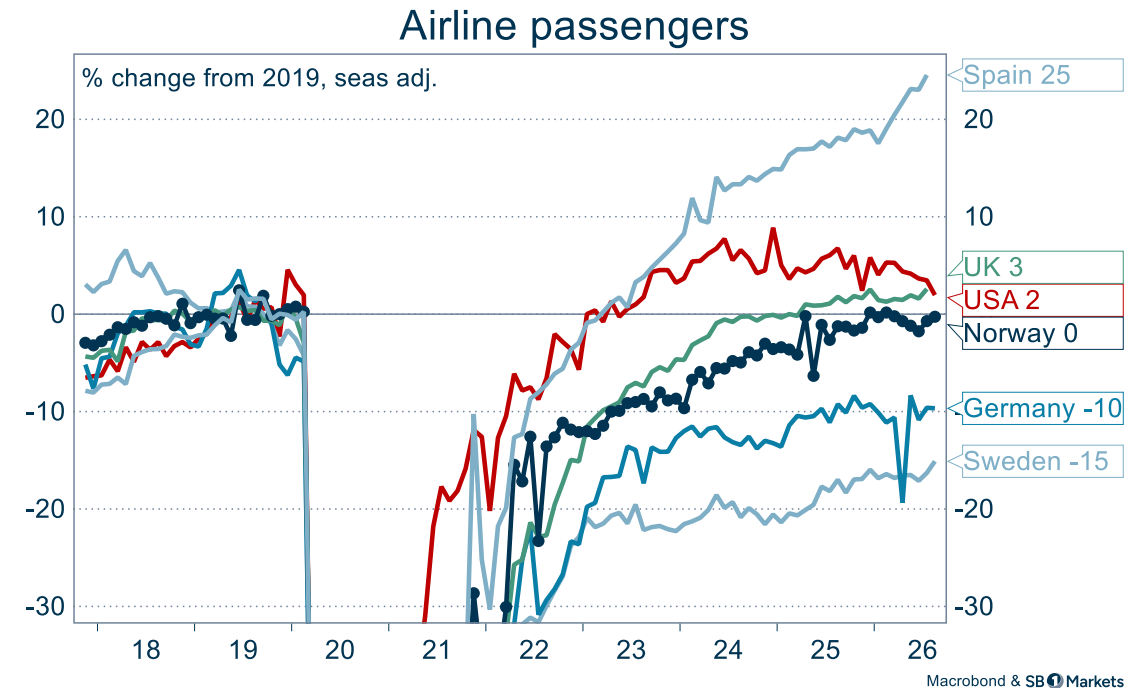
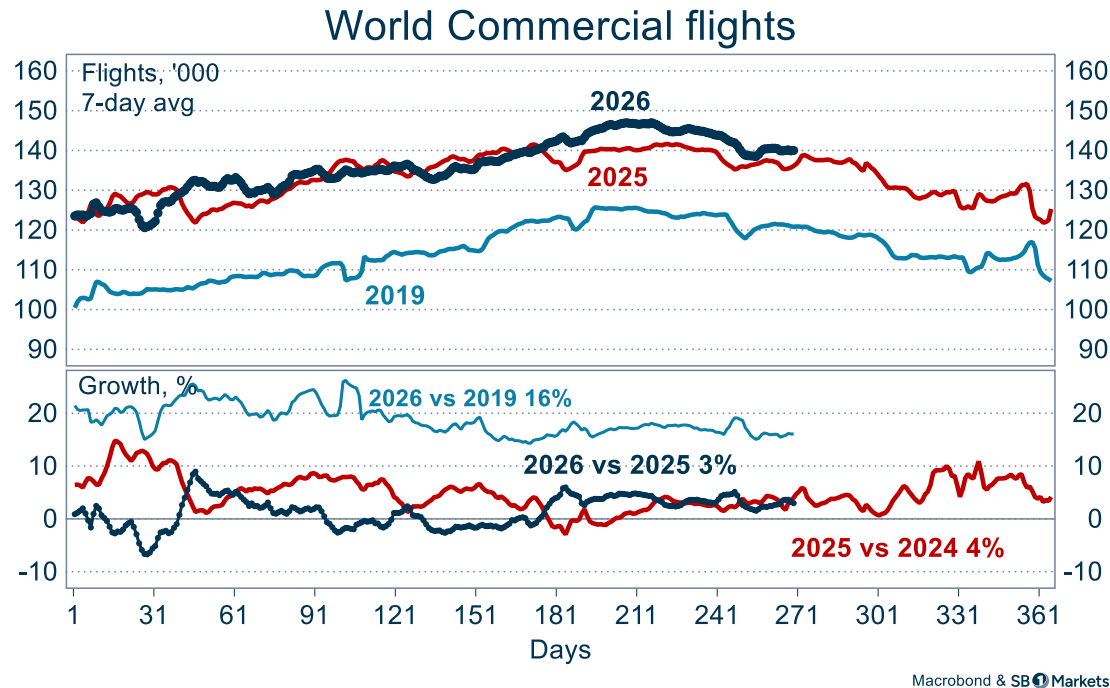


Manufacturing production





Global airline traffic up 3% y/y

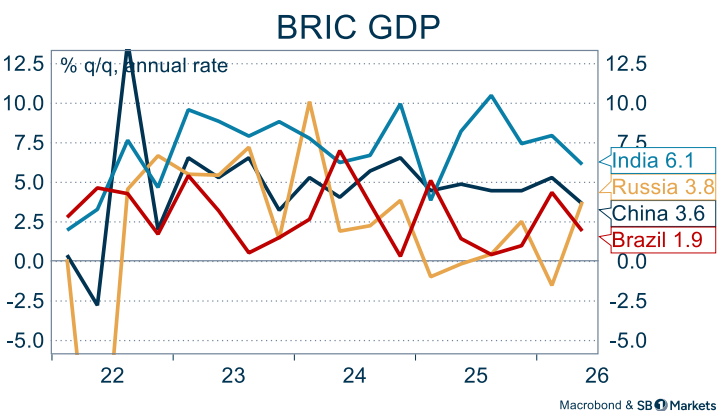
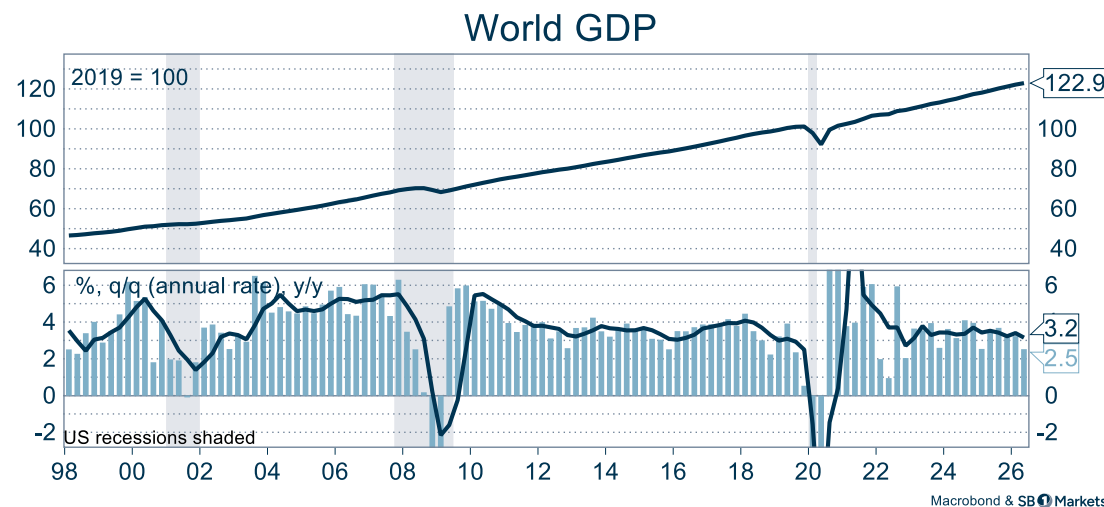
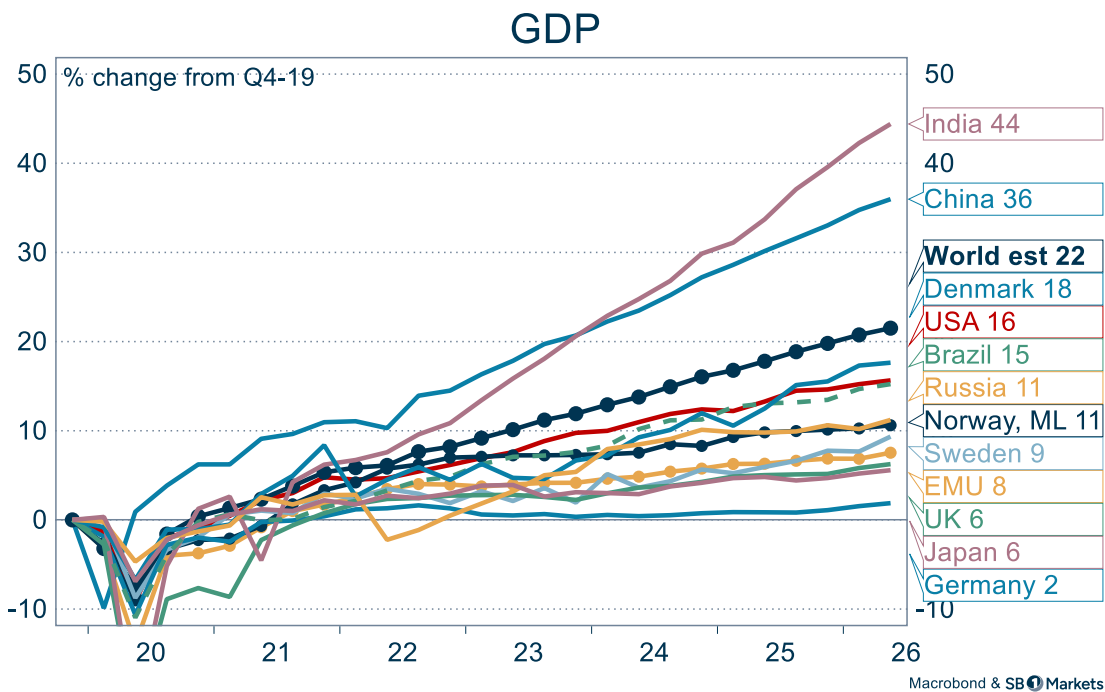


- Passenger numbers are recovering in most Western countries, except for the US, where traffic is declining from previously 'high' figures, almost back to the 2019 level. Sweden is well below the 2019 level, by 15%!
- Norway has returned to the 2019 level, but trends flat. Spain leads with a 25% increase.

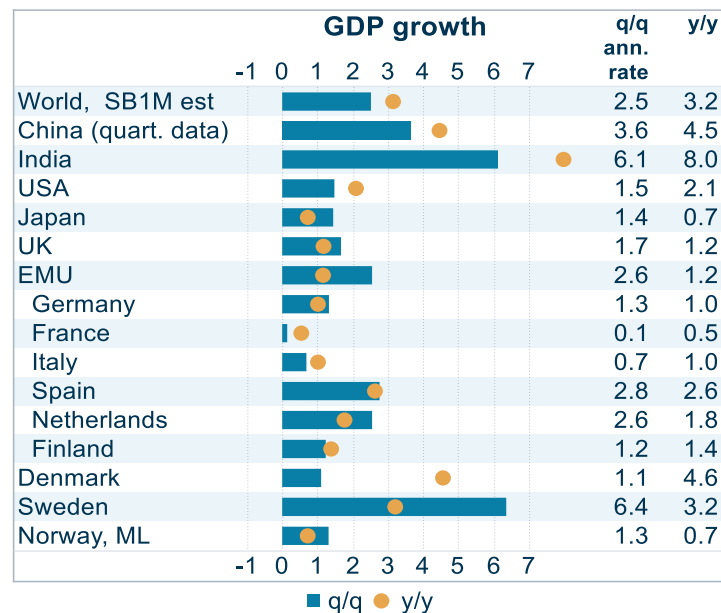


Q2 global GDP growth: down to 2.5%, still up 3.2% y/y

No doubt, the Gulf war and the lift in energy prices lowered growth in Q2. Growth was higher in EMU than in the US (at least before adjusting for useless Irish GDP data). Norway has fallen towards the bottom of the y/y growth ranking. Denmark and Sweden are at the top.



- India reported a 'modest' 6.1% growth in Q2, annualised, which is not that bad compared with the other main countries.
- China and Brazil slowed, Russia accelerated



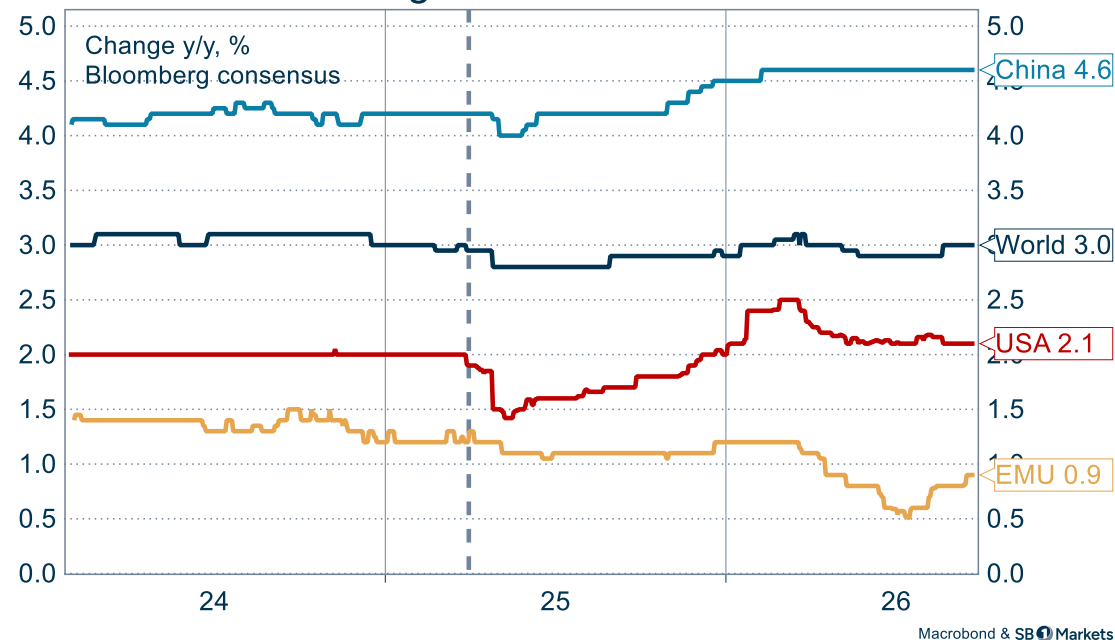
World GDP is estimated by SB1M



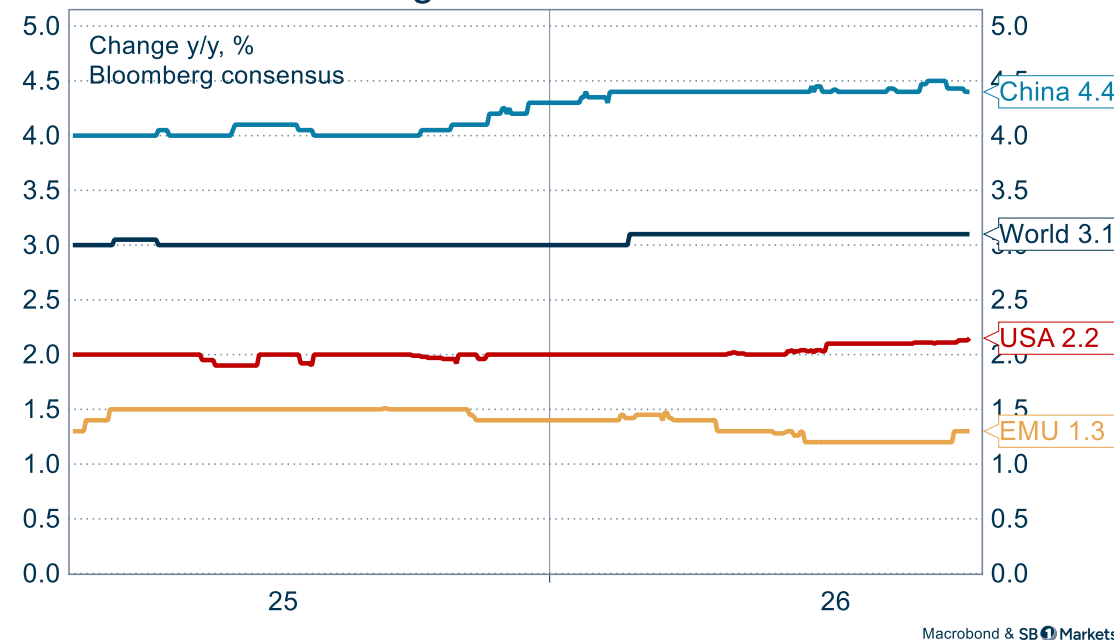
EMU GDP growth has recovered, still well below US growth forecasts

Bloomberg's consensus US forecast is still down 0.4 pp from before the Gulf war, to 2.1%. EMU is down 0.3 pp to 0.9%. Boring (flattish) but decent 2027 forecasts but both EMU and US forecasts trends marginally upwards. Chinese forecasts are not influenced by weak short-term data.

GDP growth forecasts 2026



GDP growth forecasts 2027

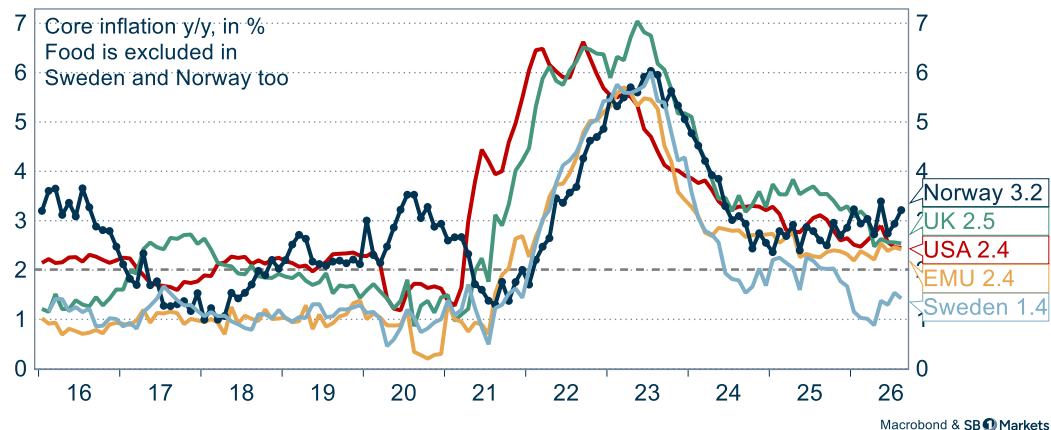




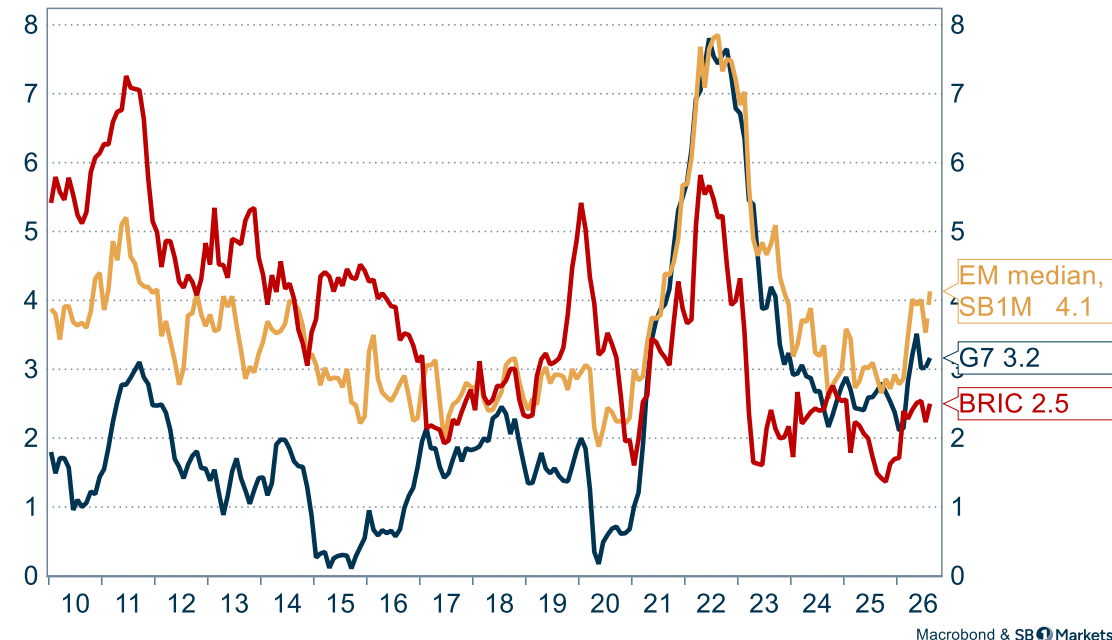
Inflation: underlying core in recent months: between 2 and 3%, and most trend flat

... and at bit too high level, especially in Norway. The US CPI is up 2.6% (in recent months, smoothed and annualised). The US PCE deflator (Fed's target index) is up more than 3%. The target is not met.

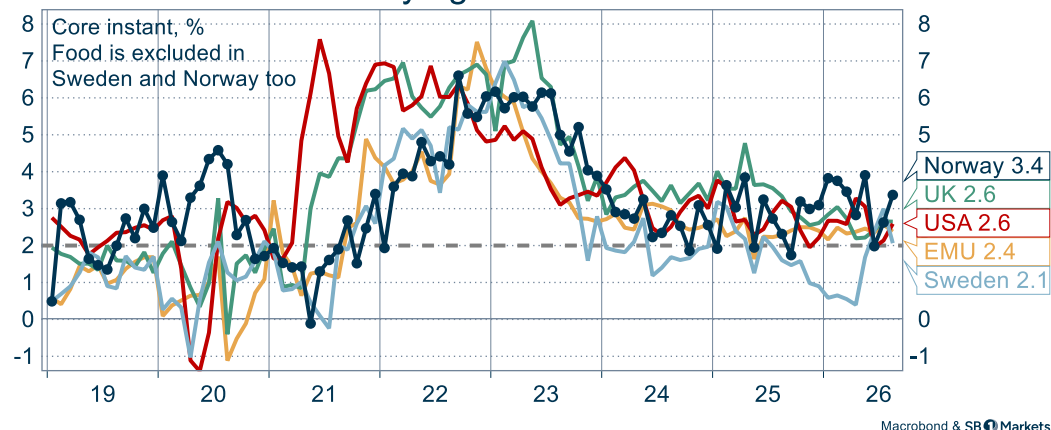
Core CPI Inflation



CPI Inflation



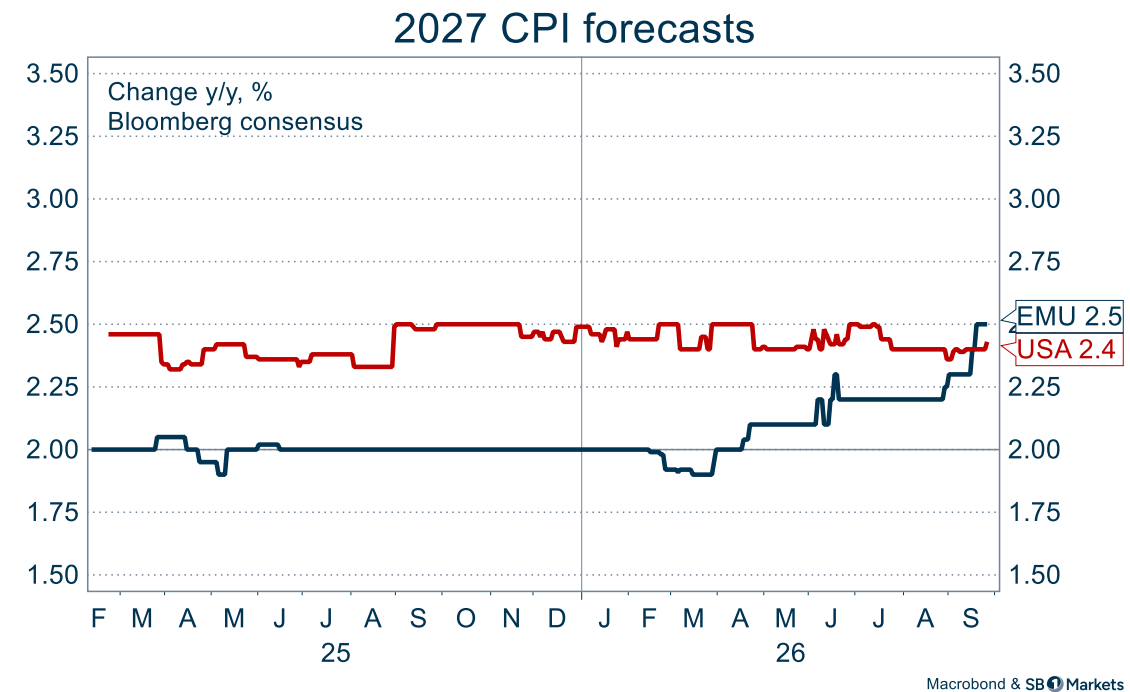
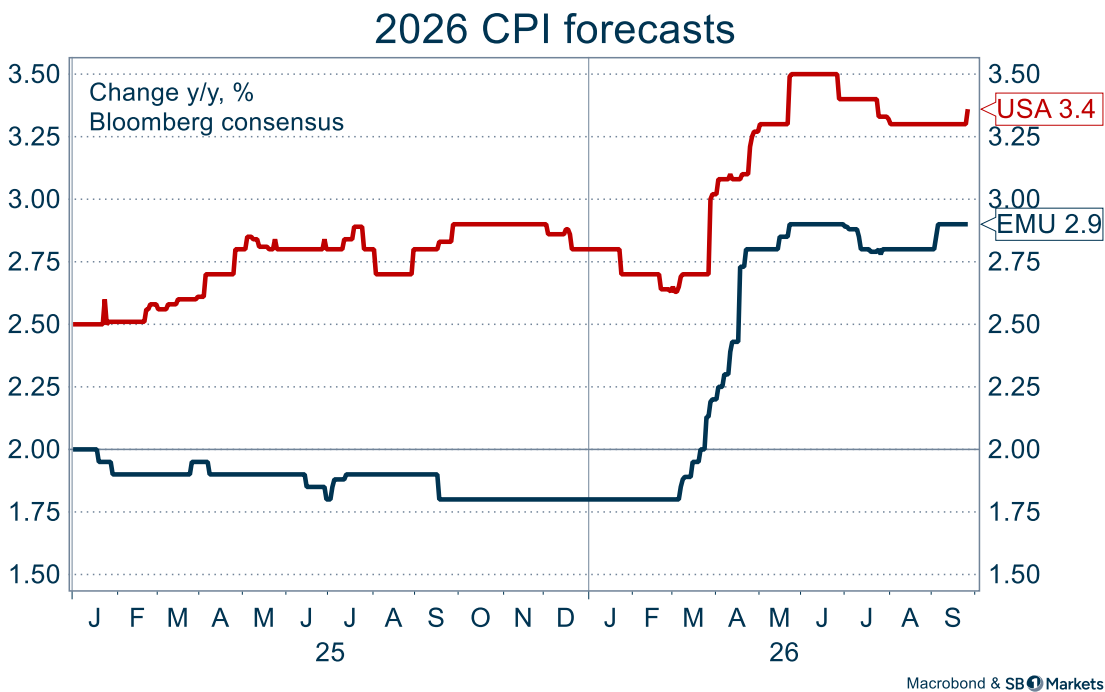
Underlying Core CPI Inflation





US CPI inflation forecasts revised up, the EMU 2027 estimate far more last week (& months)

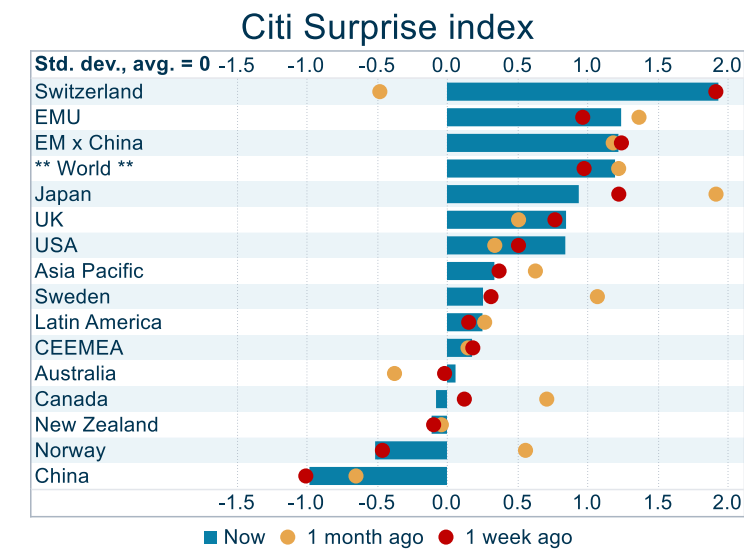
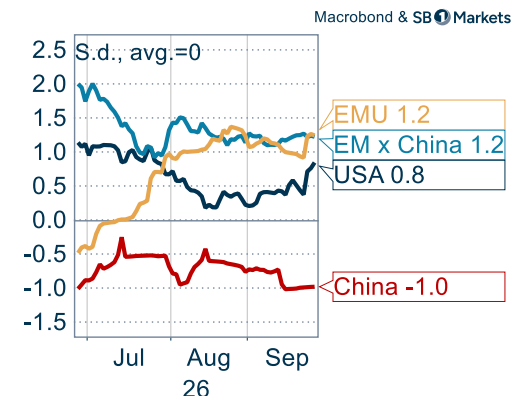
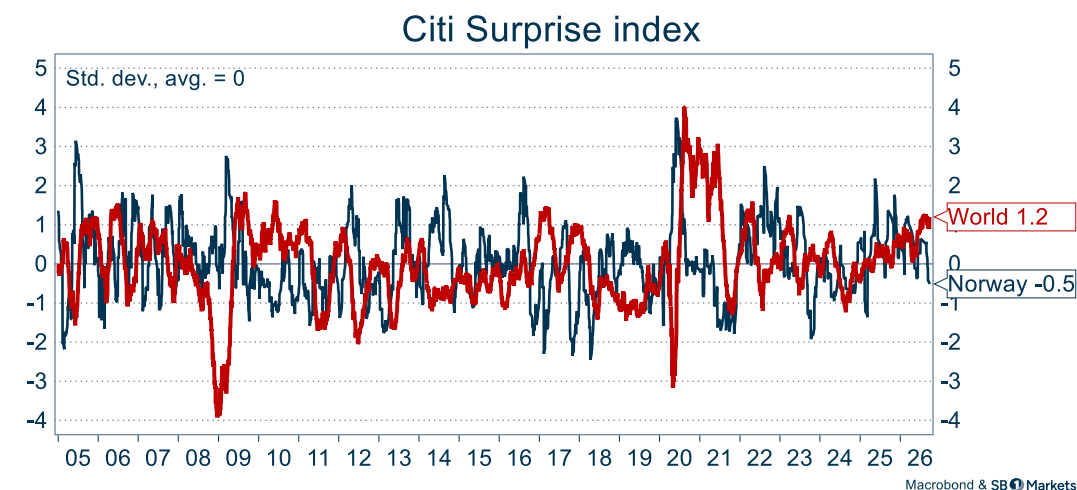
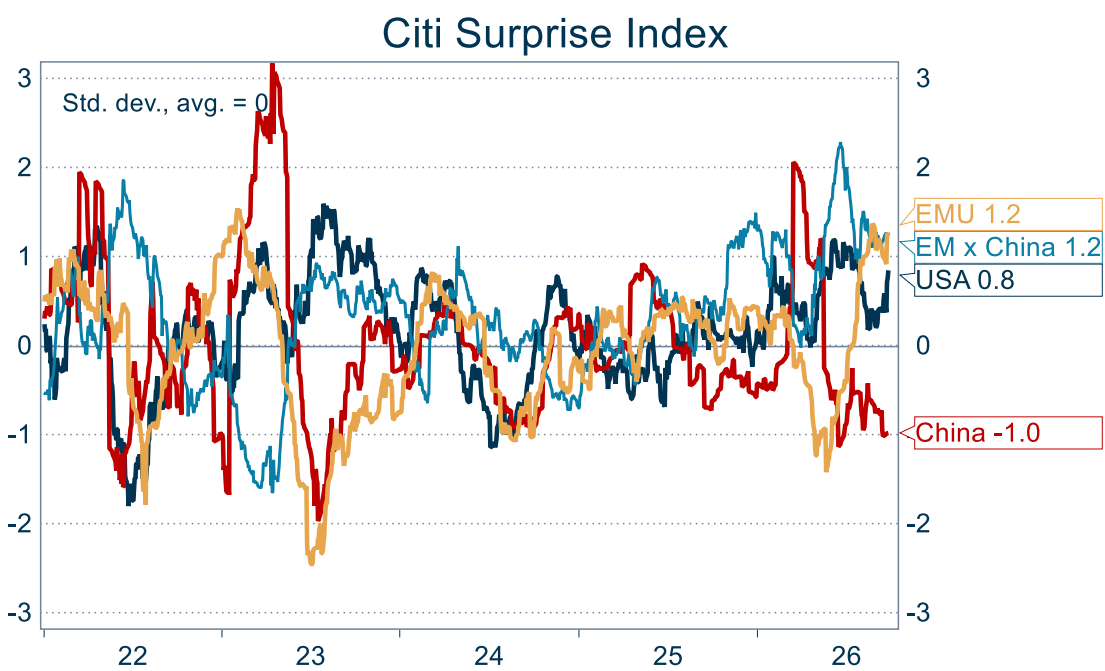
The EMU 2027 HICP forecast before the Gulf war: 1.9%. Now 2.5%. US in unchanged at 2.4%, down from 2.5% in February. Natural gas prices are flat in US, not in Europe.





Surprise indices: up in US and EMU last week, supported by the PMIs. The world >> avg!

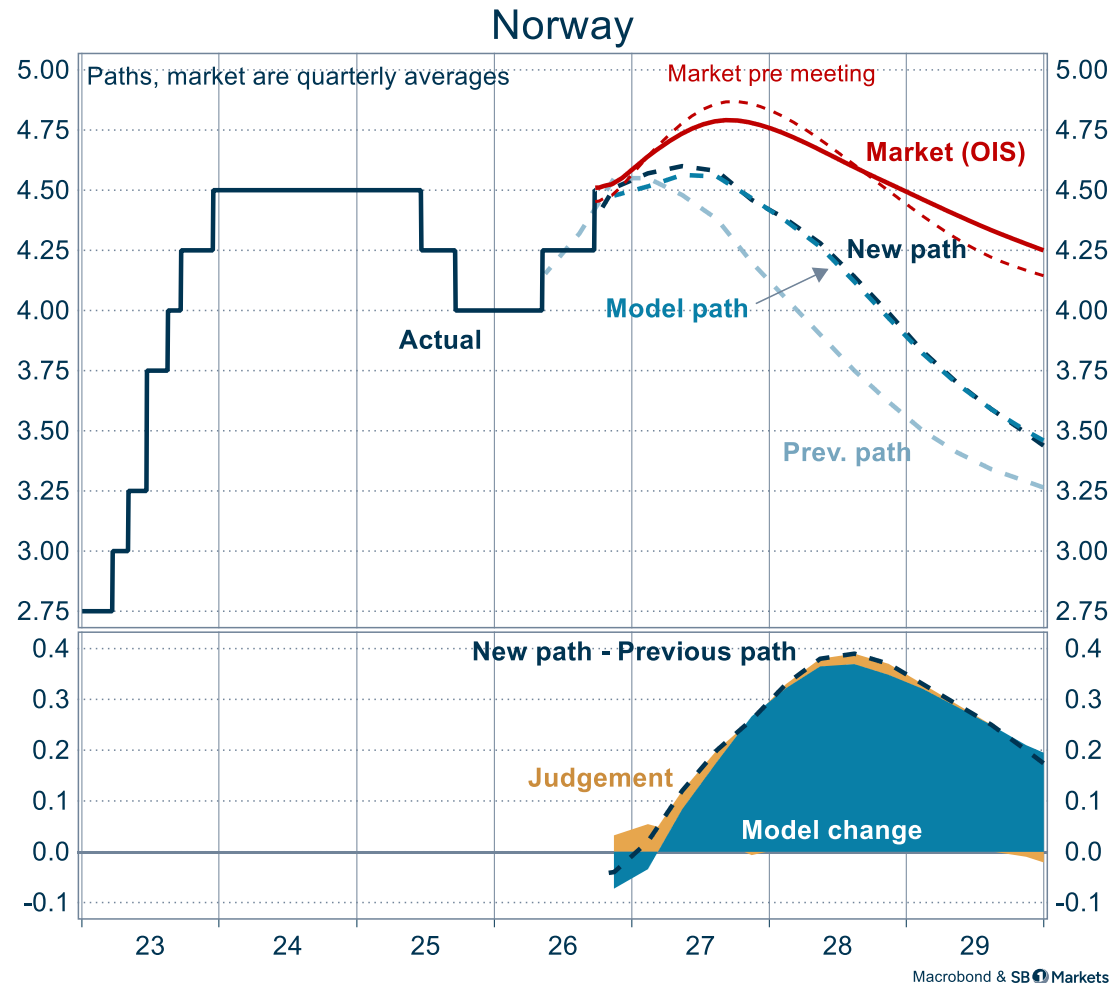
EMU has taken the pole position, with (volatile) Switzerland! The US is also well above average. The Norwegian surprise index has fallen to close to the bottom of the list



Surprise indices measure the difference between economists' expectations and the actual outcome over a 3-month rolling window, calculated by Citi

Norges Bank confirmed its new strategy: Too high inflation has to be addressed

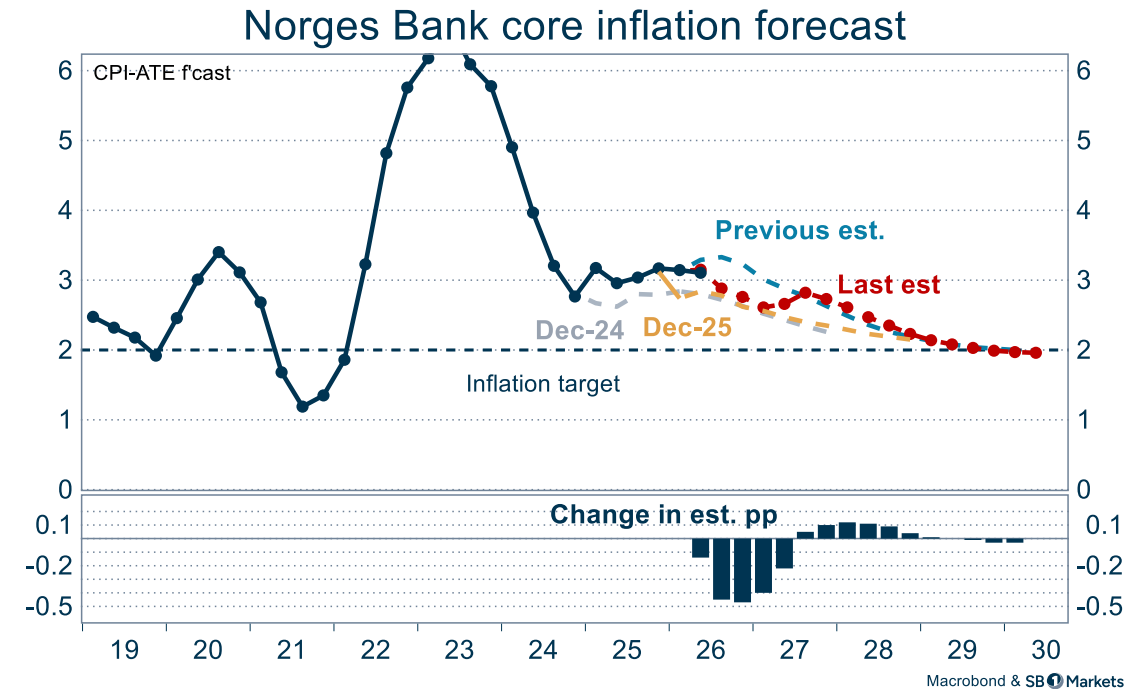
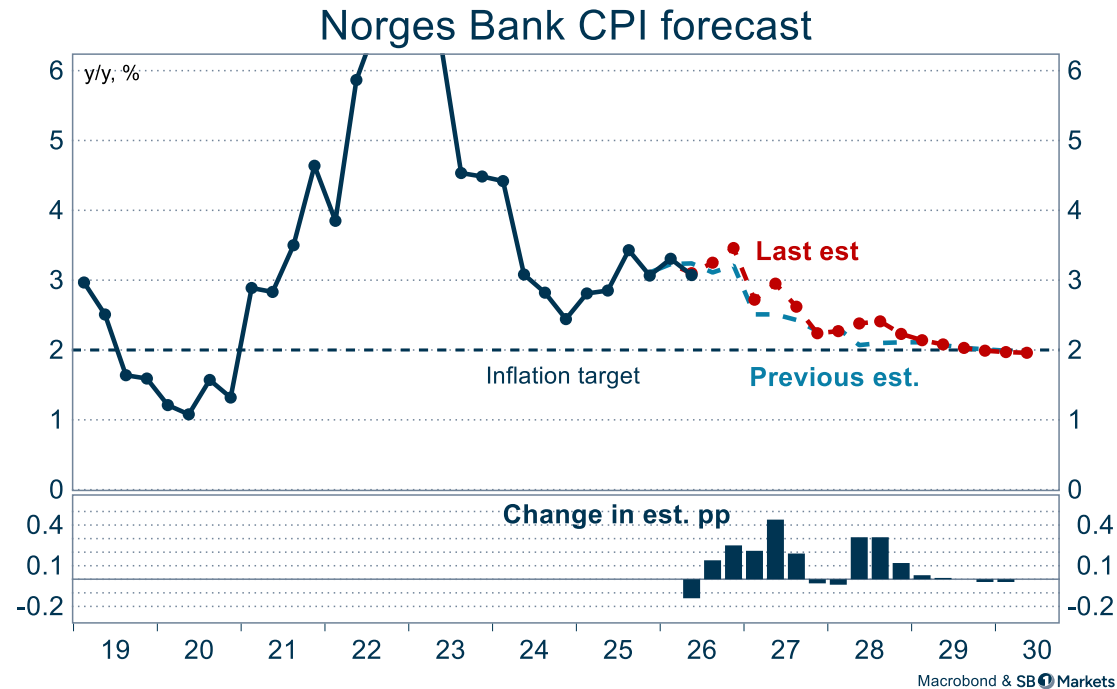
NoBa hiked the policy rate by 25 bps to 4.50% and lifted the rate path by up to 39 bps, due upward revision of the output gap, higher rates abroad and a lift in the neutral rate. Lower inflation and a stronger NOK kept the path in check, in the short end



- The decision was in line with consensus among economists (in the Bloomberg survey) but the group was almost evenly split between hold and hike. The market was 70-30 in favour of a hike. There were discussions in NoBa's MPC but the final call was unanimous.
- The rate path now signals an unchanged policy rate until early 2028 with around 40% probability for a hike to 4.75% in Q1-27, if so to 25 bps above the Dec-23 to March-25 level. The neutral rate estimate was lifted by 20 bps.
- No doubt, Norges Bank has adopted a more aggressive stance since the March meeting as it deems inflation to have been too high for too long. Still, it does not expect to reach the target before 2030. If so, inflation has been above target for 8 years.
 - “Over the summer, underlying inflation moderated and was lower than expected. But the inflation outlook somewhat further ahead does not appear to have changed materially”. Thus: “It will likely be necessary to keep the policy rate elevated for a time, and the Committee is prepared to raise the policy rate further if needed to bring inflation down to the 2% target within a reasonable time horizon”
- **The market:**
 - Rate expectations fell slightly in the Q1-27 to Q3-28 segment after the announcement. However, further out rates are higher, we assume due to the lift in rates abroad. From last Friday, the OIS curve is up 10 – 20 bps.
 - **The NOK** initially appreciated on the ‘hawkish’ Norges Bank signals, but softened later on Thursday, even if the oil price rose, and ended the week weaker than before NoBa's actions, and slightly weaker than the previous week's close.

Headline inflation revised up with energy prices, core inflation first down, then slightly up

The bank's problem: Inflation has been above target since 2022, and will not reach the target before late 2029, according to the last forecast.

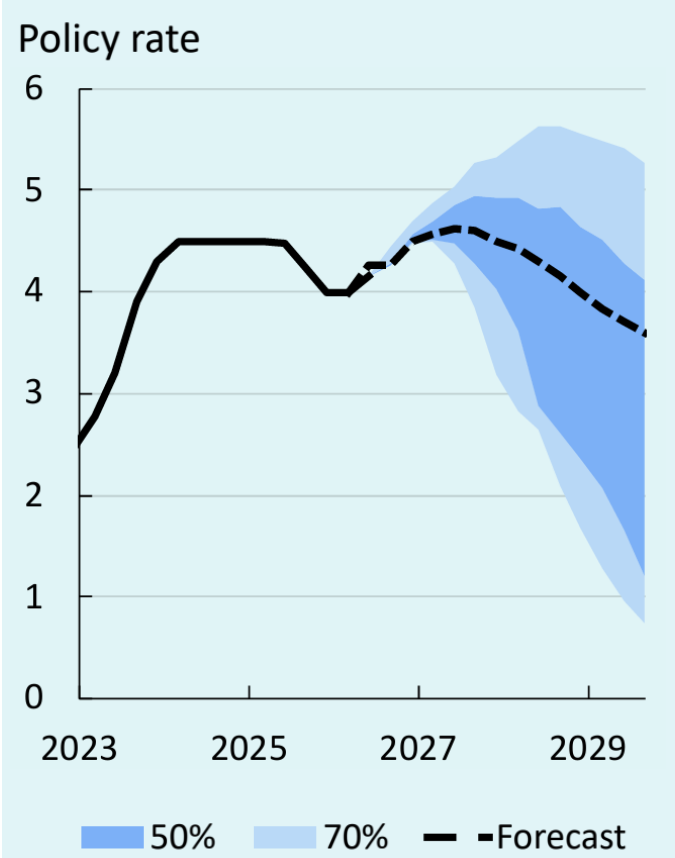
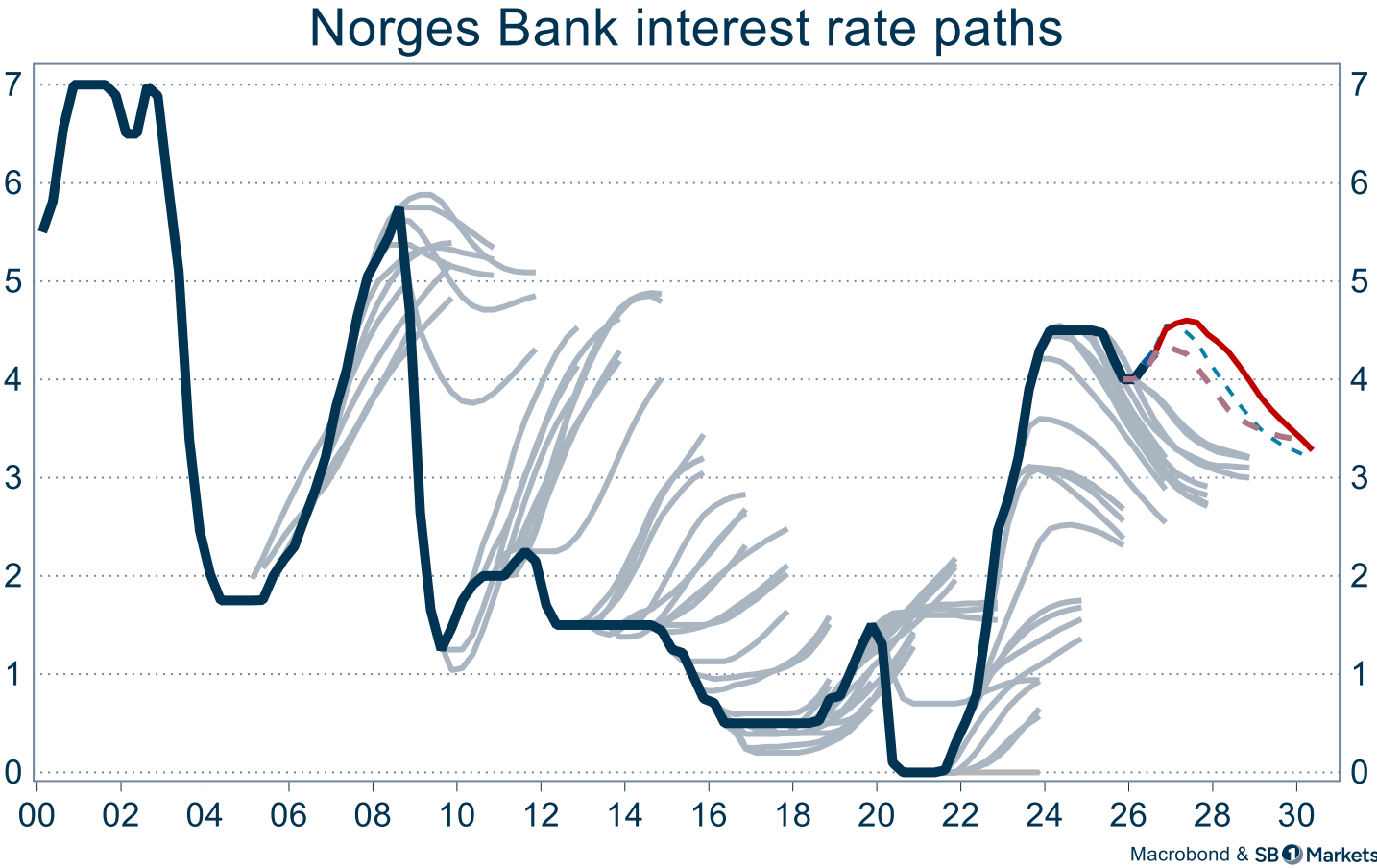


- In addition, the bank has had to recognise that earlier forecasts have turned out to be far too optimistic, inflation has not slowed as the bank expected



The bank has a plan. Until it has another, brand new, and better plan

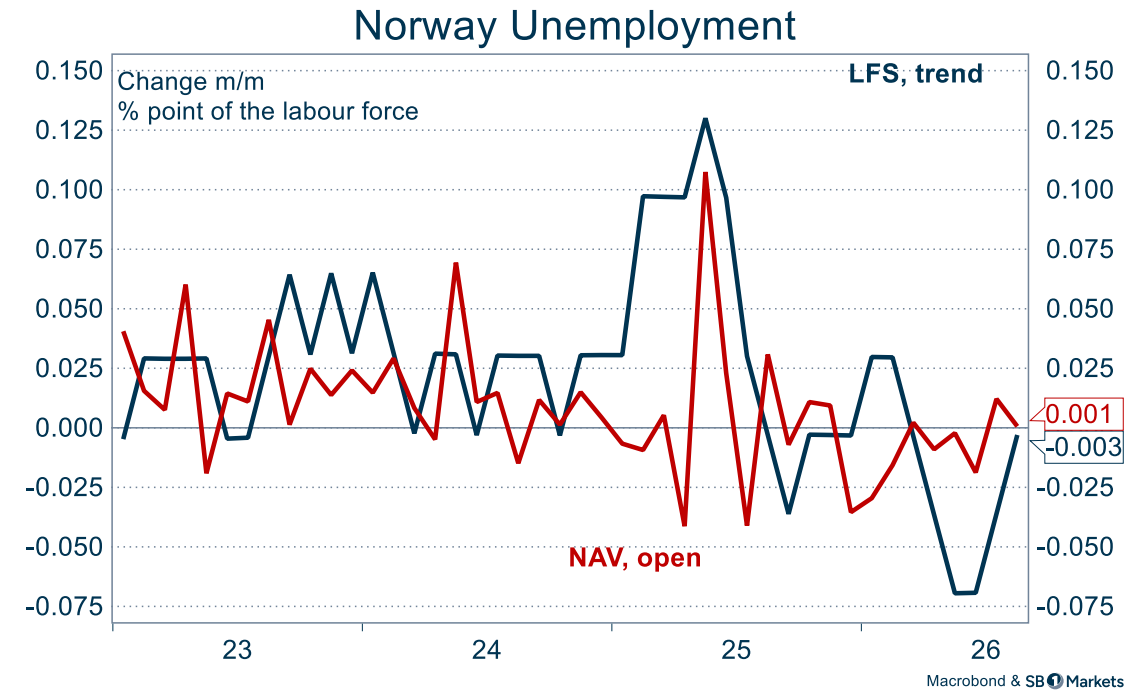
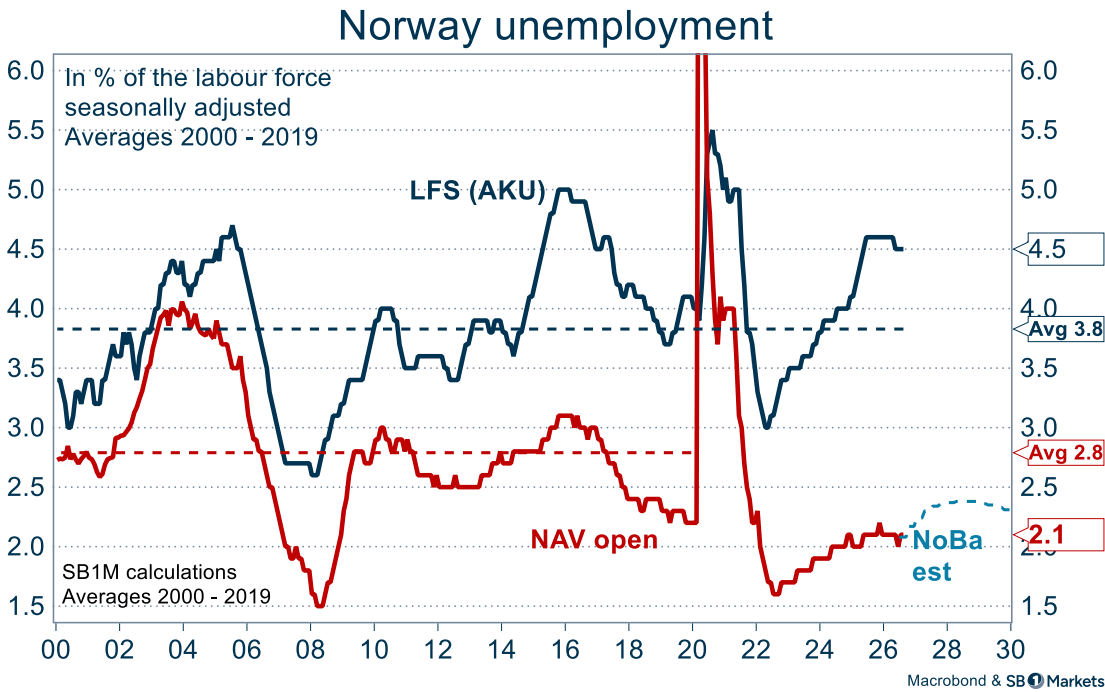
Uncertainty is of course the main message, not the rate forecast.





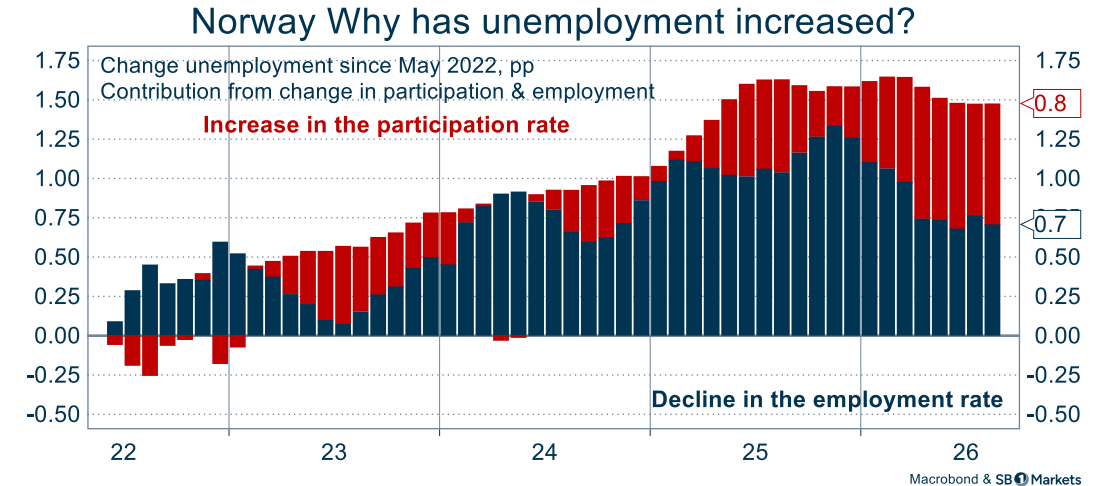
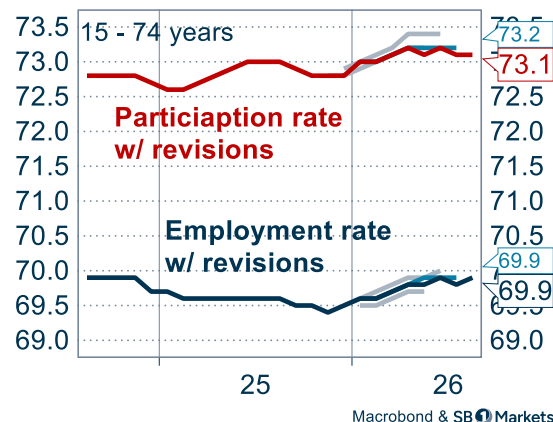
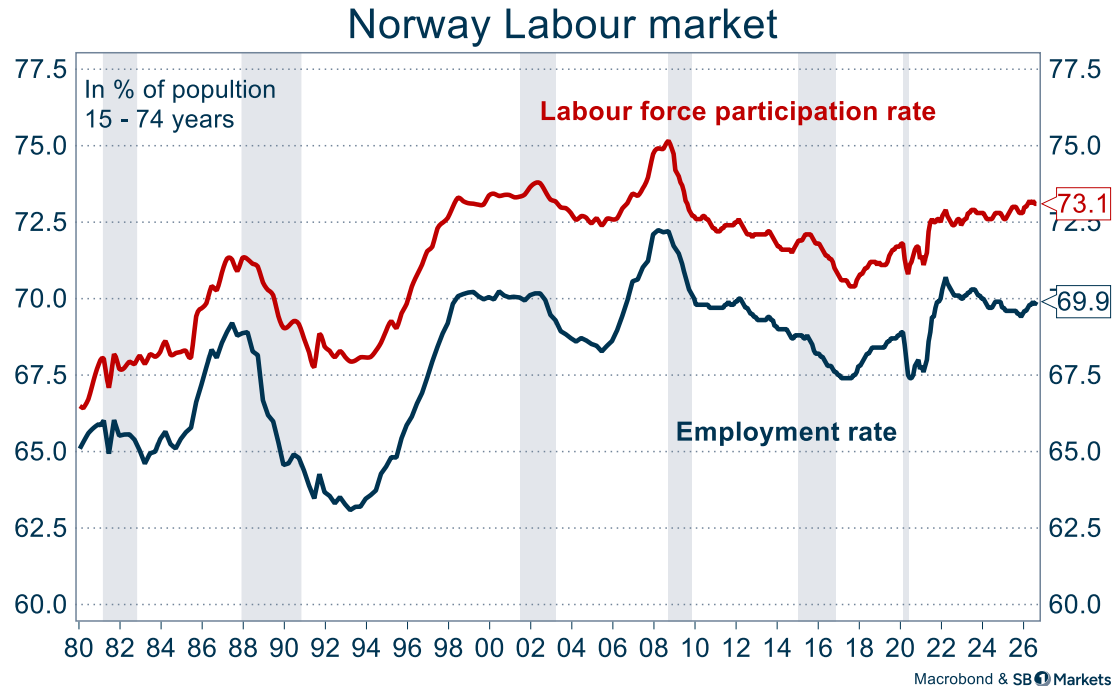
LFS ('AKU') unemployment: flat at 4.5% in August

The recent peak in the trend rate was revised down by 0.1 pp to 4.6% (and earlier from 4.8%). The employment rate rose 0.1 pp but from a 0.1 pp downward revised July level. The trend is slowly upwards, while the participation rate trends even slower upwards.



LFS: both participation and employment rates up far in 2026 but not in recent months

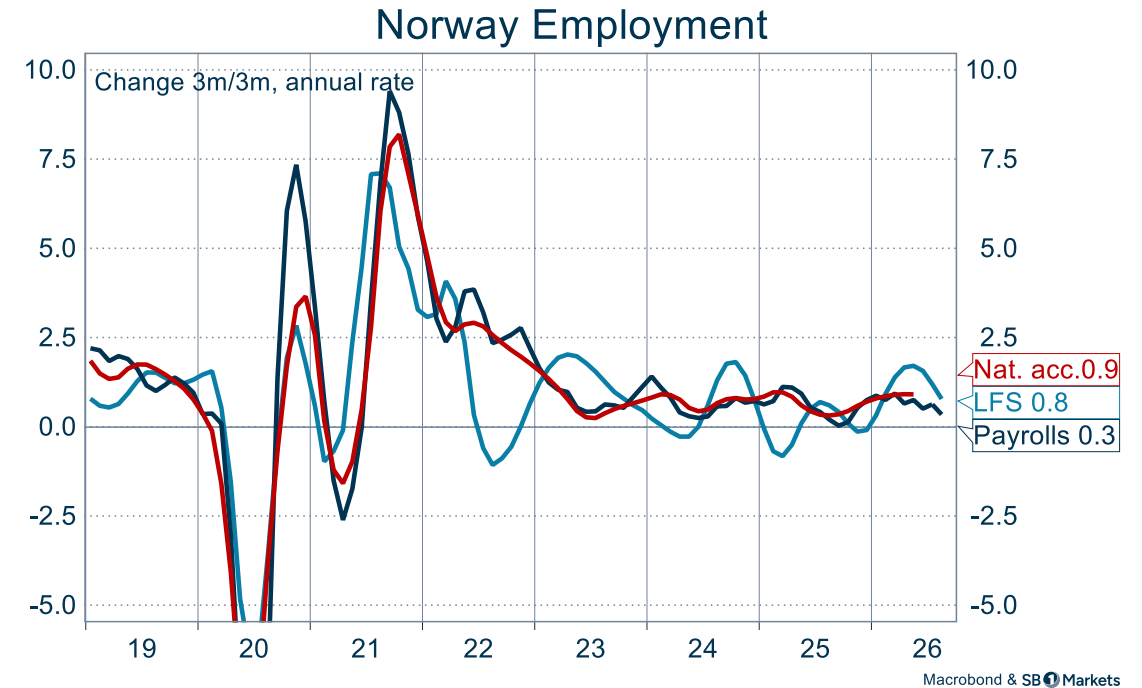
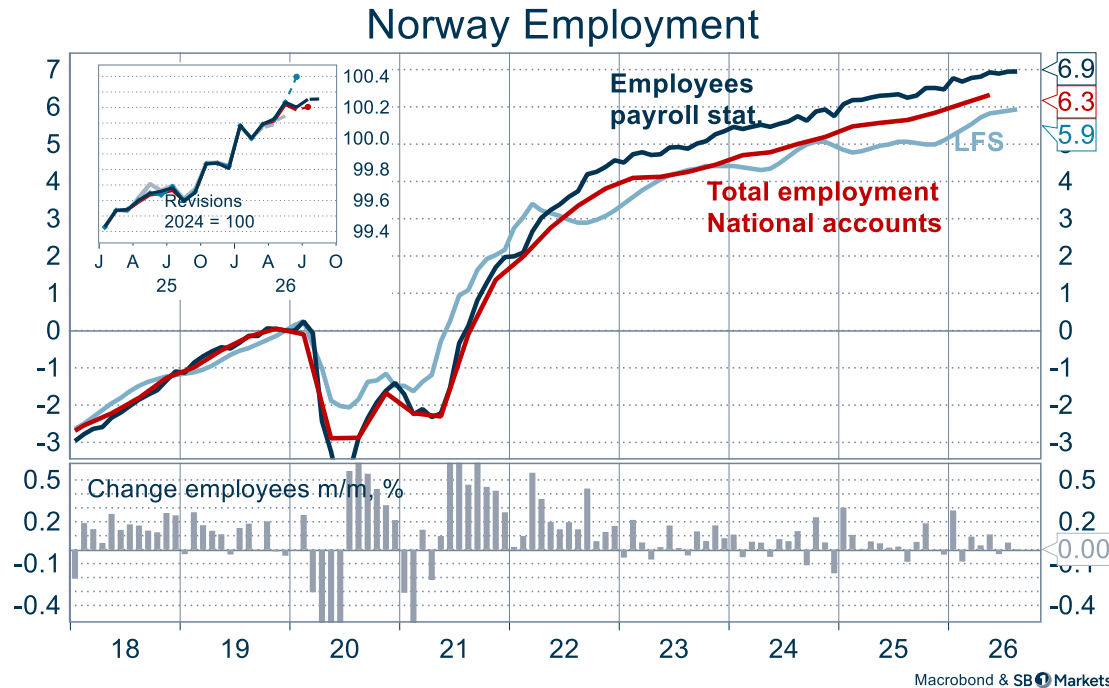
Both rates were revised down in July, while just the employment rate reversed the decline in August. Participation is close to the highest level since '09. More than ½ of the lift in the unempl. rate since 2022 is both due to a lift in the participation rate and a lower employment rate



- The participation rate was flat at 73.1% in August, down 0.1 pp from a previously reported 73.2% in June, a level equal to the best since 2009.
- The employment rate gained 0.1 pp to 69.9%, following a 0.1 pp downward revision of the July level. The rate rose during the first part of 2026, and had **not been higher since 2023**. However, the rate has flattened since June.
 - Ahead of the pandemic, the rate was almost 69% and then fell to 67.4% in early 2021 (equal to the level in 2017, after the 'oil crisis').
 - At the peak (ATH) in 2008, the employment rate was 72%. The employment rate in the 25–54y group is down 3.5 pp from the 2008 level but is higher than before the pandemic.
- Growth in **working-age population** has fallen to 0.5% y/y from up to 1.4% when immigration from Ukraine peaked in 2023.

Payrolls: July 'crash' was revised away, but growth has slowed somewhat

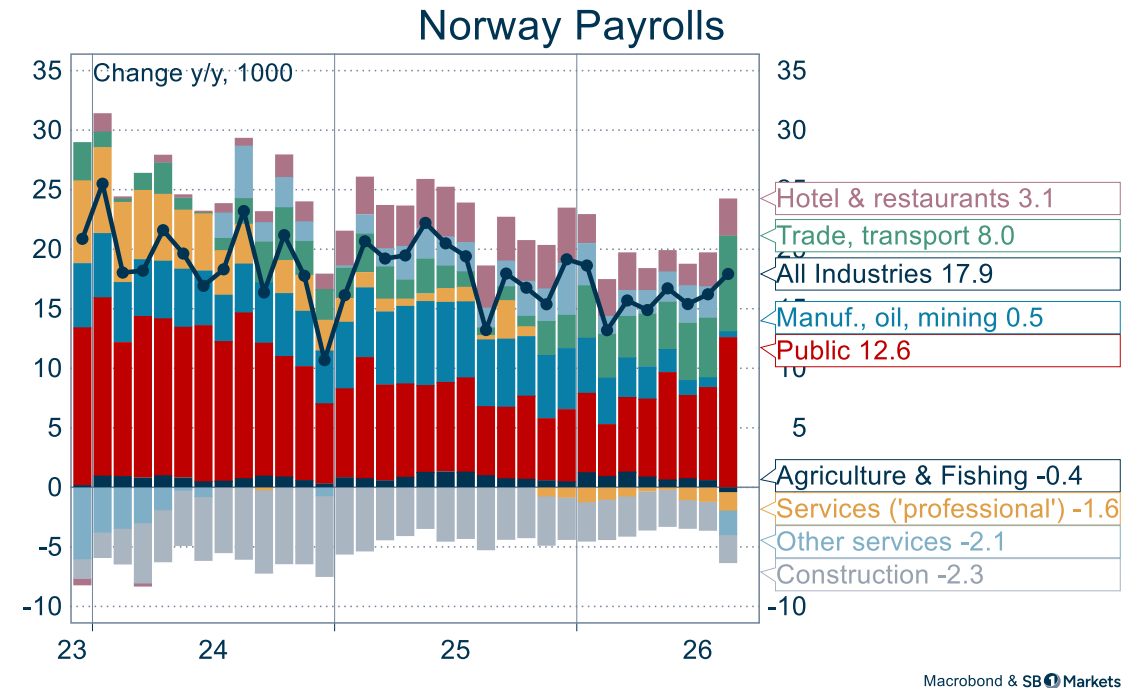
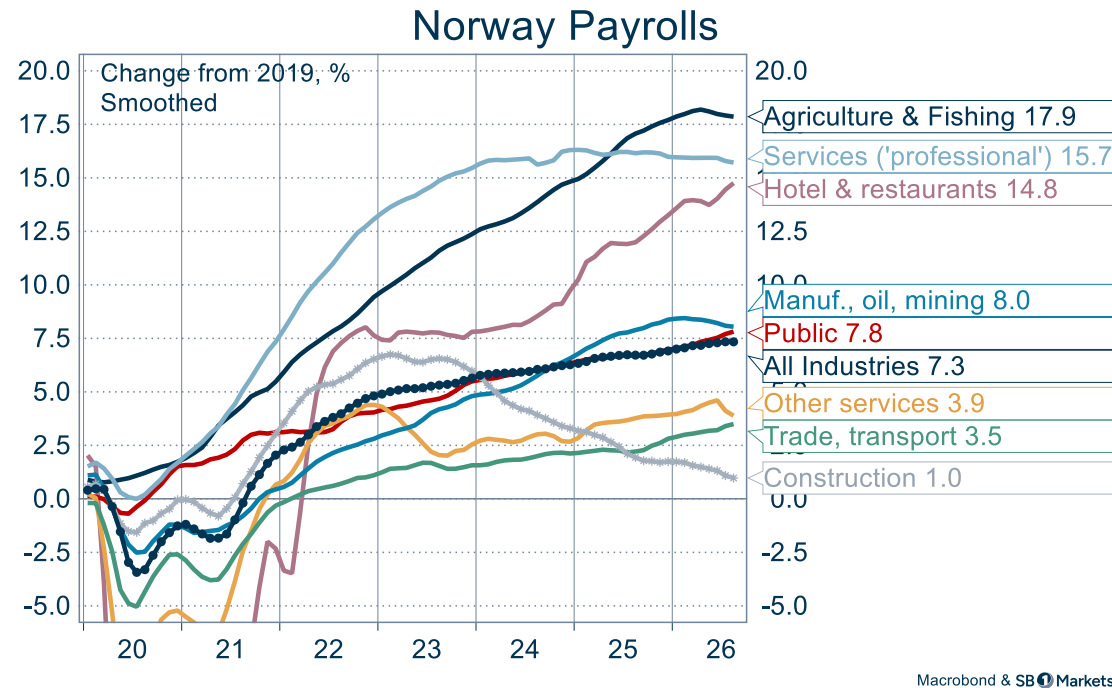
The huge drop in payrolls in July (-0.5% m/m), turned out to be a small uptick, just as we assumed a month ago. In August, probably no growth, and the underlying (3m/3m) growth pace has slowed to 0.3%, marginally below growth in working-age population.



- **SSB's official preliminary statistics** report a 1,000 decline in payrolls in August, following a 2' lift in July (revised from -15!). Payrolls in the health sector were revised sharply up, as we expected (while the August number most likely will be revised down).
 - Payrolls are up 0.7% y/y, but we assume an underlying growth rate at 0.3%, slightly below growth in working-age population.
- The no. of employees is up in most sectors, but construction still heads steadily down (but slower the past year than the previous two), while professional services have turned marginally down as well, alongside manufacturing (lately). Other sectors are trending upwards.
- **Wage inflation** has slowed to 3.5% y/y, measured by monthly cash earnings. National accounts reported a faster growth rate in Q2/H1.
- The **LFS** reports faster growth in total employment, 0.8% in recent months, but data are much more volatile than payroll stats (at least in the final payrolls data). National accounts reported a 0.9% growth rate in Q2 (q/q, annualised).

Construction is still heading down but in sum just by 15', or by 6% (0.5% of total payrolls)

... from the peak in 2023. Professional services are heading slowly down, and lately industry (manuf+oil, mining) is slightly down as well. Hotels and restaurants grow at a fast pace. Public sector turned up in August but will mostly be revised down (*check next page*).

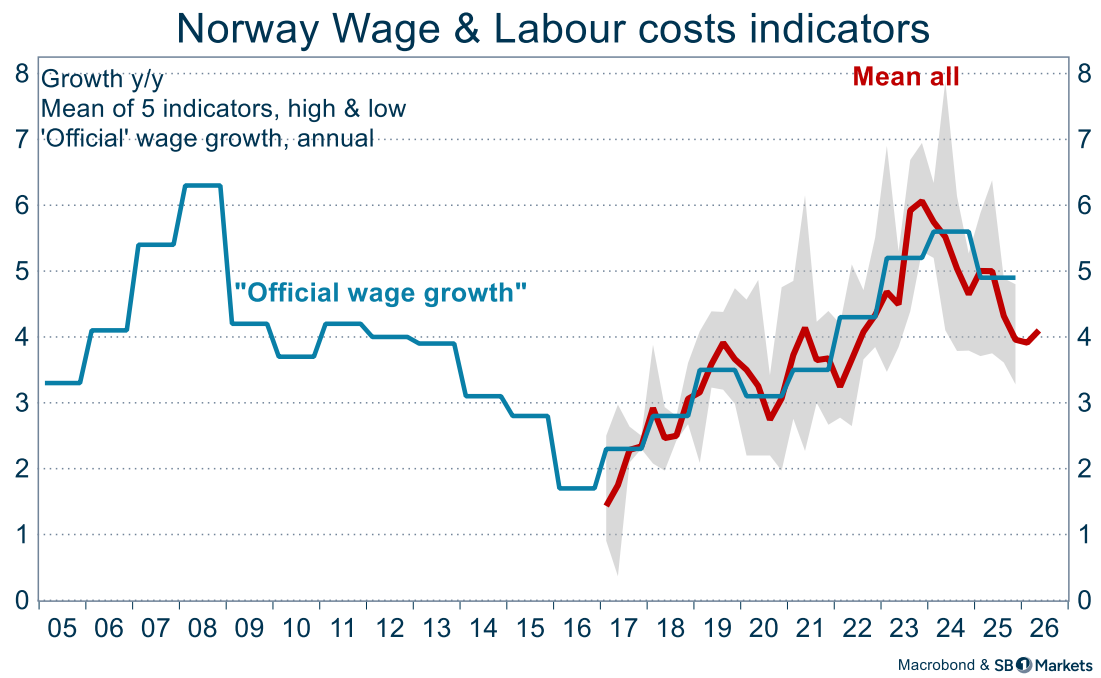
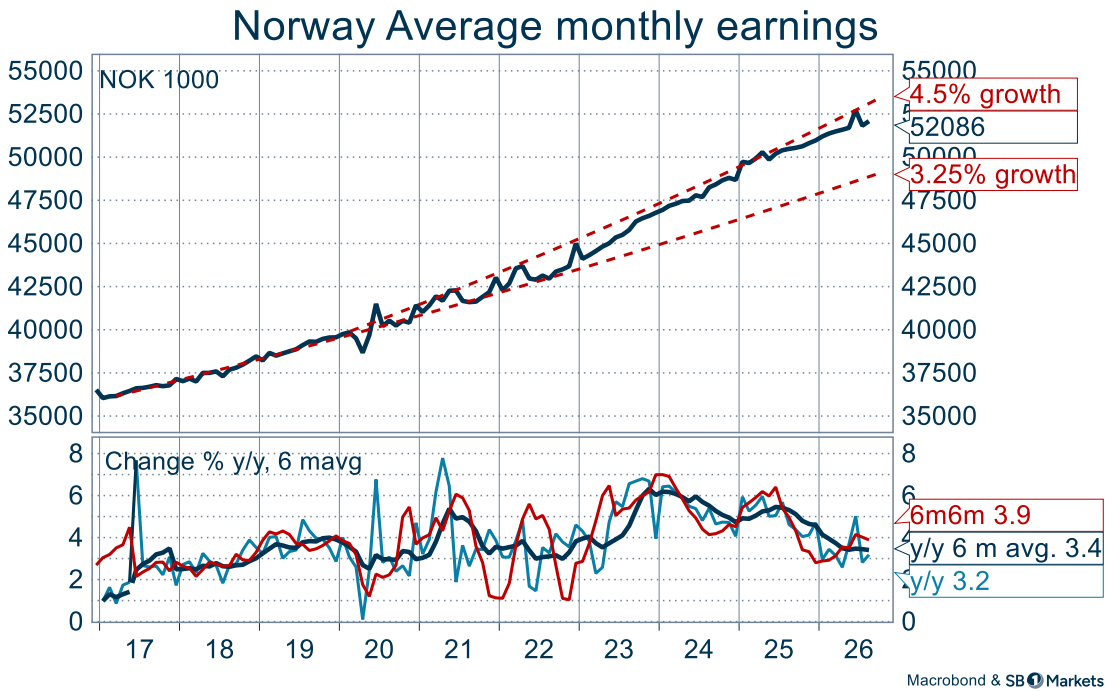


- **Public sector** employment (admin. + health + education) is up 7.8% since before the pandemic, marginally higher growth in the total no. of employees.



Monthly cash wage inflation has slowed substantially, to around 3.5%

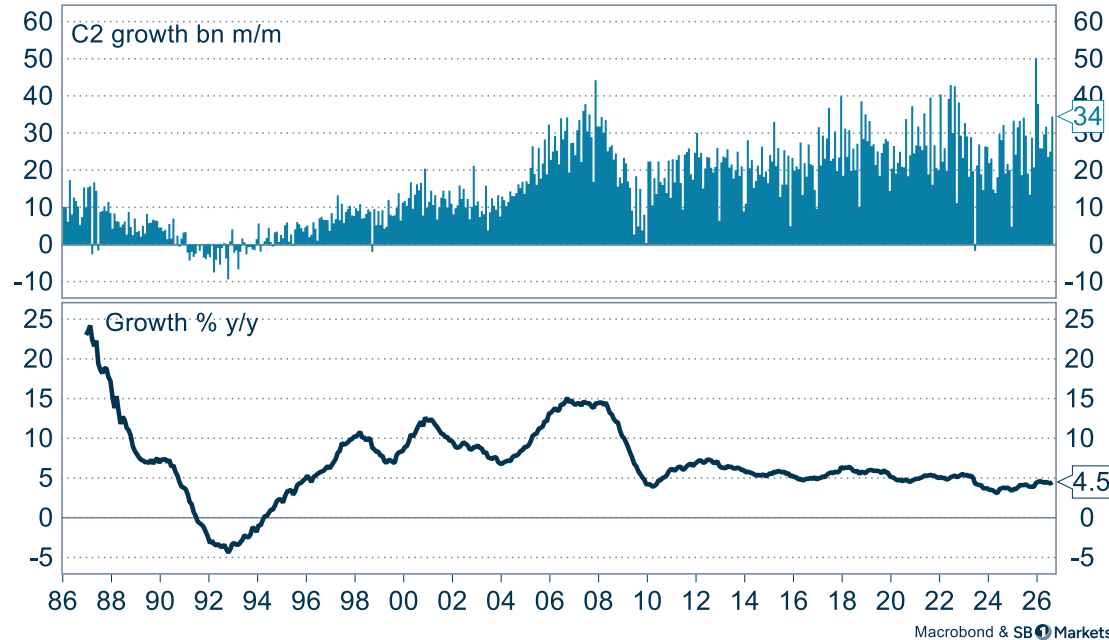
Monthly data based on payrolls stats are volatile, and other wage indicators report faster growth in wages. Still, the average is below Norges Bank's 4.5% 2026 forecast.



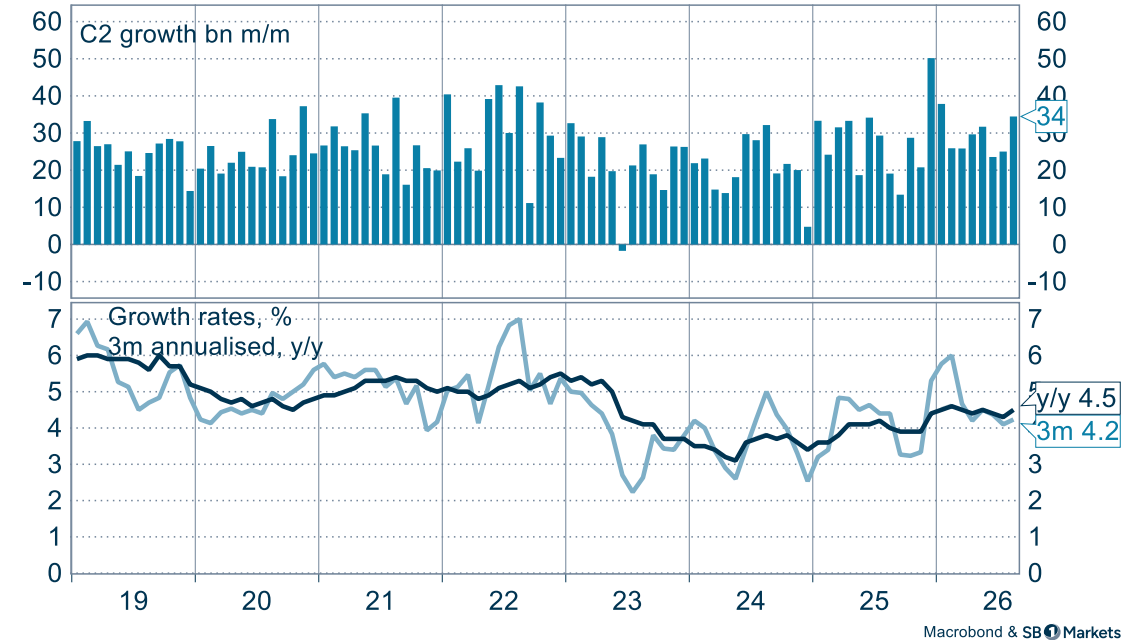
Credit growth a tad up in August, as the business sector borrowed more

Domestic credit (C2) added NOK 34bn in August, or a 5.3% annualised pace. The 3m growth pace stands at 4.2%, while the annual growth rate rose 0.2 pp to 4.5%, we expected 4.4%. The big picture is still: Growth has flattened at a 4½% level: **not too hot/not too cold**

Norway Domestic credit



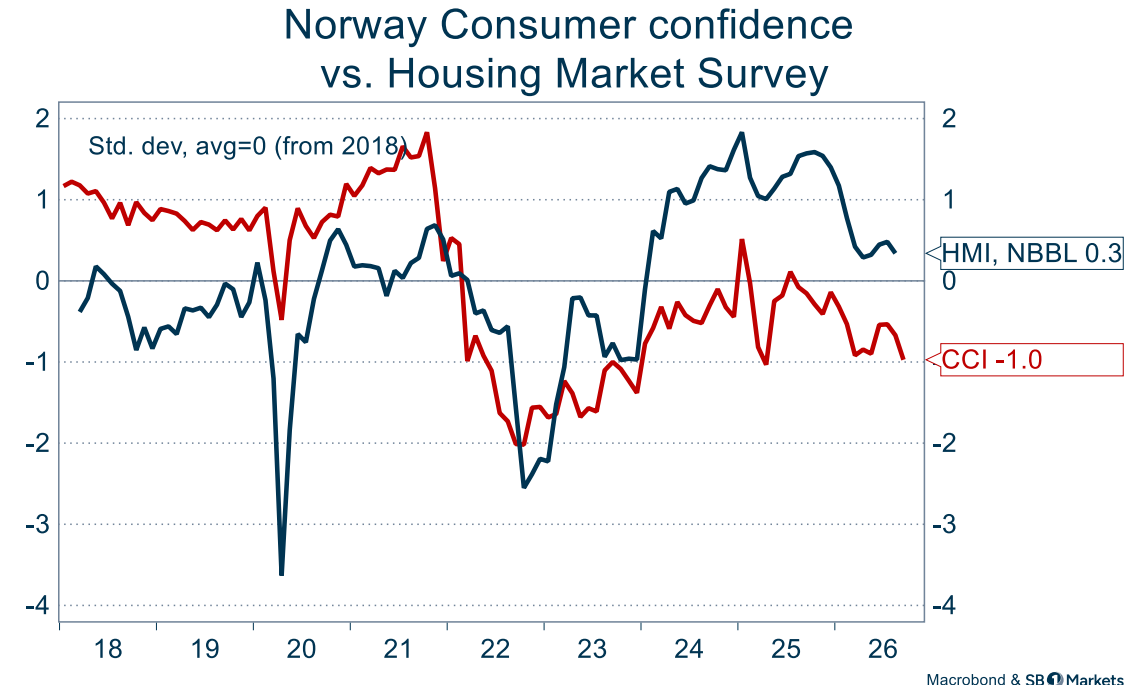
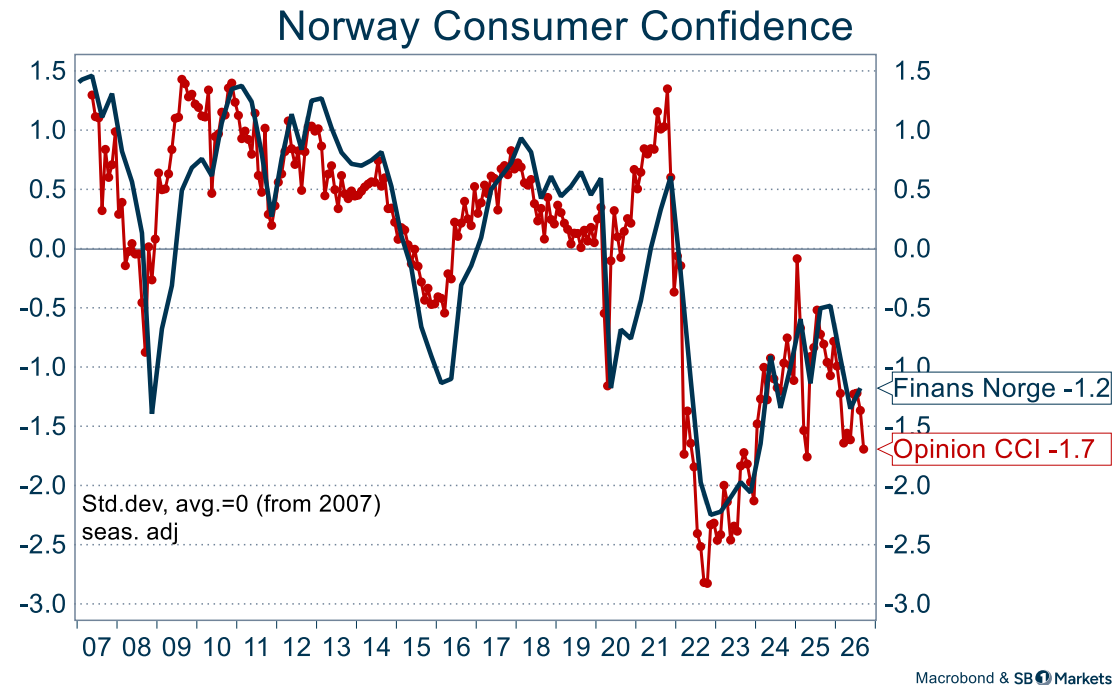
Norway Domestic credit



- **Household credit rose by NOK 17bn in August**, a 4.2% pace, while the y/y rate was flat at 4.6%. Debt growth is below household income growth, and the **LTI ratio is on the way down**, like in all other rich countries.
- **Corporate C2 credit rose NOK 17bn**, a 9% pace. The y/y rate accelerated 0.8 pp to 4.8%. **Mainland businesses' domestic debt** is up 4.6% y/y. If **foreign debt** is included, the **growth rate in C3 was 5.1%** in Q2. **Oil/shipping**: up 8–10% y/y domestically, and including foreign debt.
- **Local government debt increased by NOK 1bn**. The annual rate fell 0.4 pp to 3.0%, **well below their income growth, and their LTI ratio is declining**.
- **In sum: Credit growth is modest and is not by itself an argument hiking the signal rate. But far from so low that it is an argument for cutting.**

Consumer confidence slipped further in September, down 0.3 std. dev. to **-1.7 below par!**

Opinion's Consumer Confidence Index has been trending down since mid-2025. Retail sales have fallen so far in 2026.

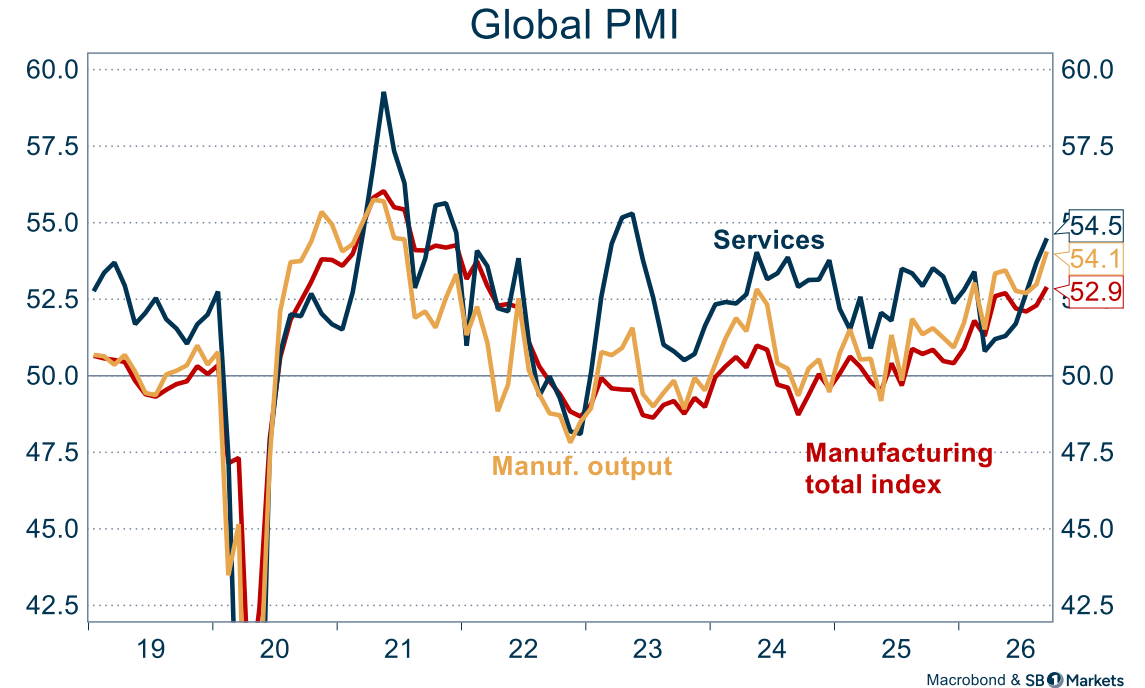
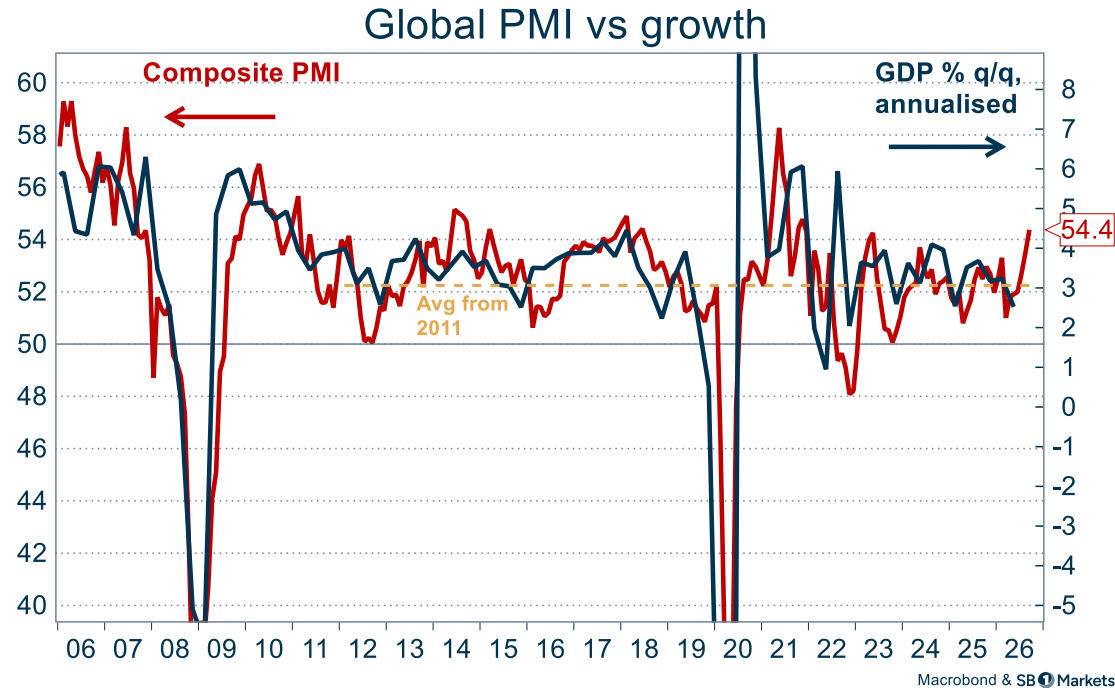


- The CCI is 1.0 std. dev. below the average **since 2018** at the *chart to the right* – to be comparable with NBBL's Housing Market Survey's history. Taking the whole story into account, the CCI is 1.7 std. dev. below average (*at the chart to the left*).
- *The September Housing Market Index is not yet published.*



The global PMI straight up in September, +0.8 to 54.4 → 4½ % *global GDP growth*

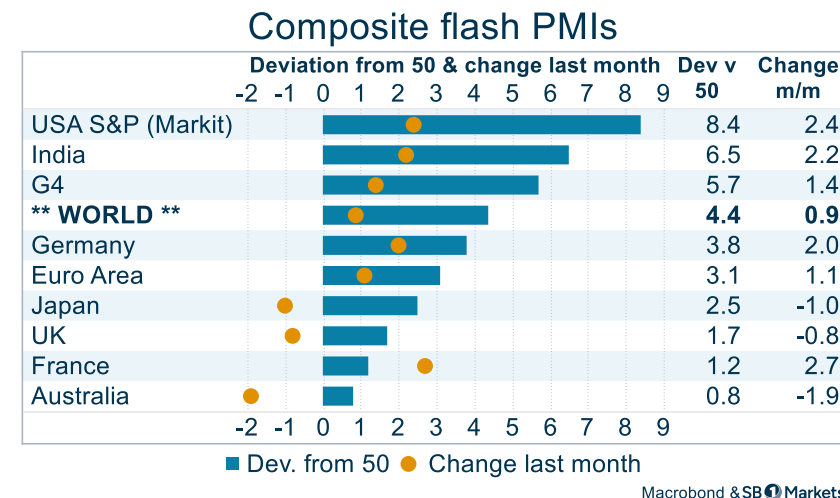
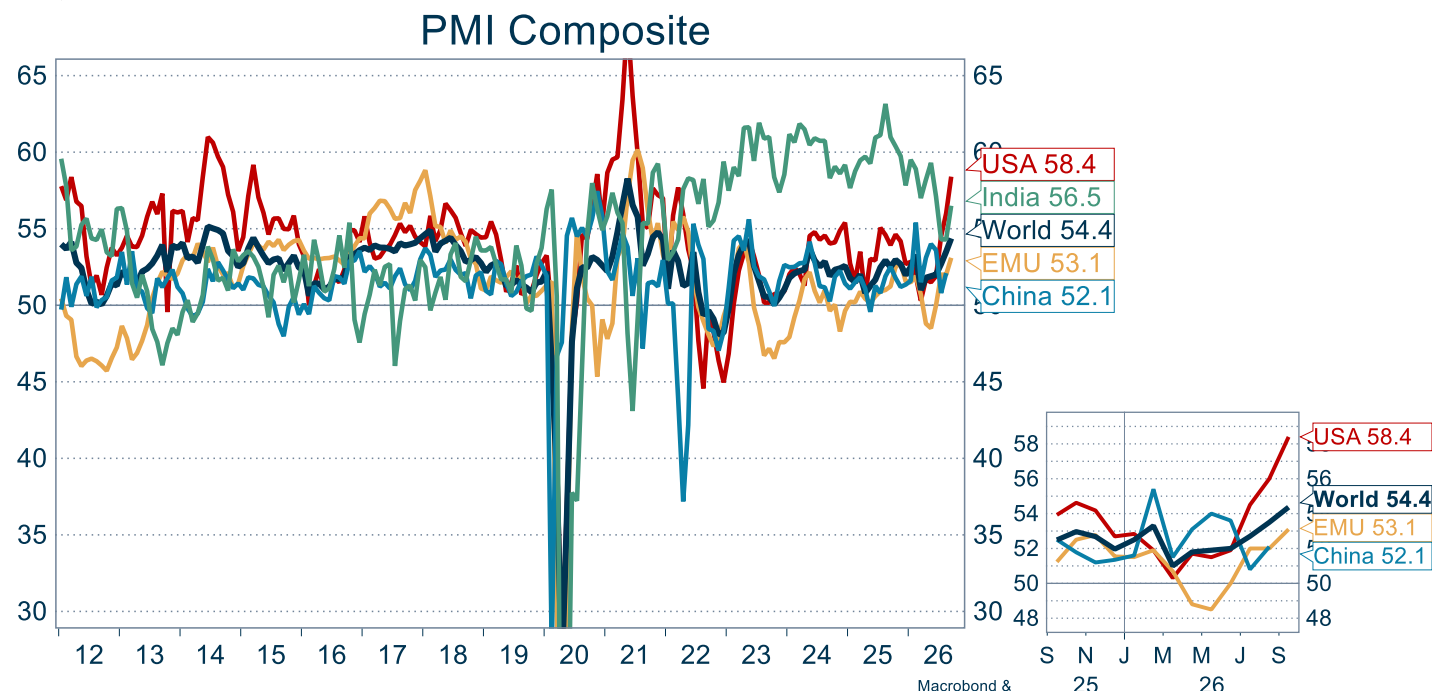
... at **least based on the flash estimates** from most DM + India. The level is the **best since 2021**, and well above average. Services are in the lead but manufacturing reports strong growth as well. Region-wise, the US is in the lead, but the EMU index surprised on the upside as well





PMI: not all were up in September, but EMU and even more US saved the month

India recovered as well but remains at a low level vs. the norm in India the past 3 years (but is still no. 2 on the list). The PMIs fell in UK, Japan and Australia. Australia rules at the bottom of the ranking among the early birds (reporting flash PMIs)

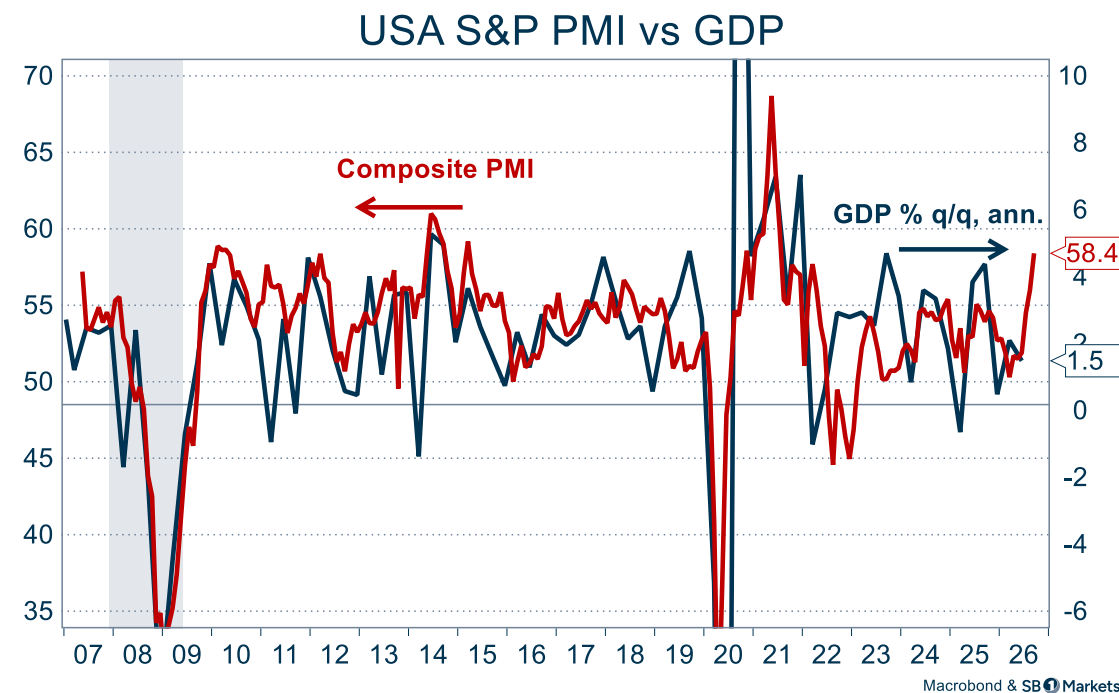
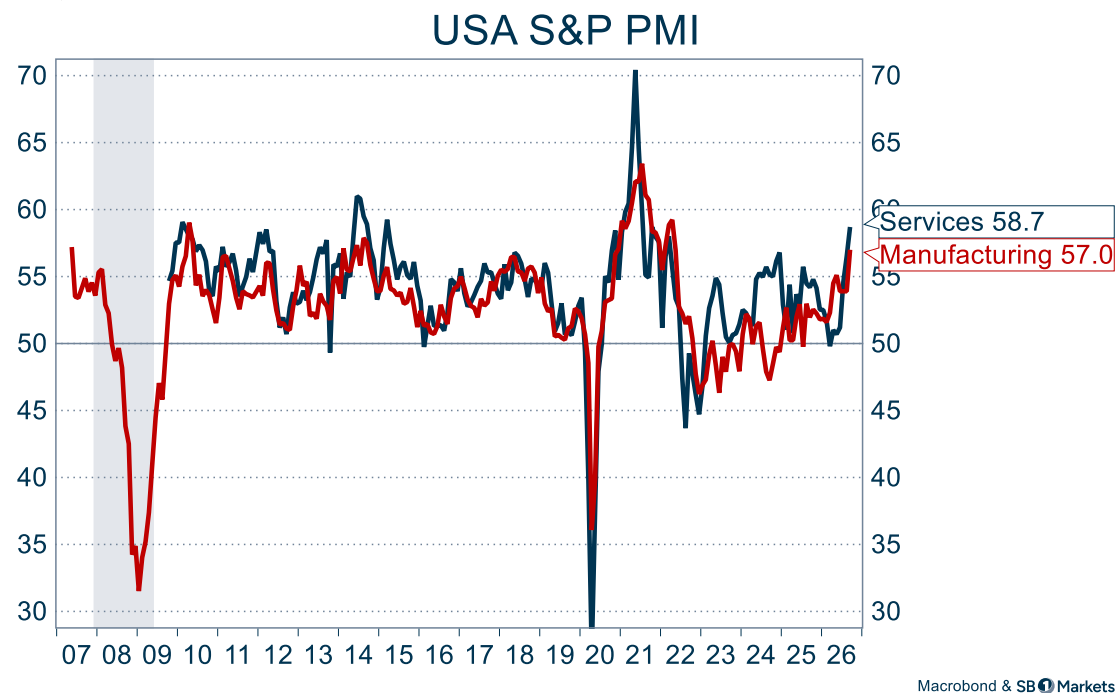


- **China** and most **other emerging markets** have yet to report, except for India. The published data are preliminary estimates, and the final outcome may deviate visibly.



USA composite PMI up 2.4 p to 58.4. → **5% GDP growth** (like Atlanta Fed's nowcast)

Another huge surprise on the upside as a minor decline was expected. Both manufacturing and services contributed, manufacturing the most but services are in the lead. Both are well above average levels, and are at the best levels since 2021 (services) – 2022 (manuf).

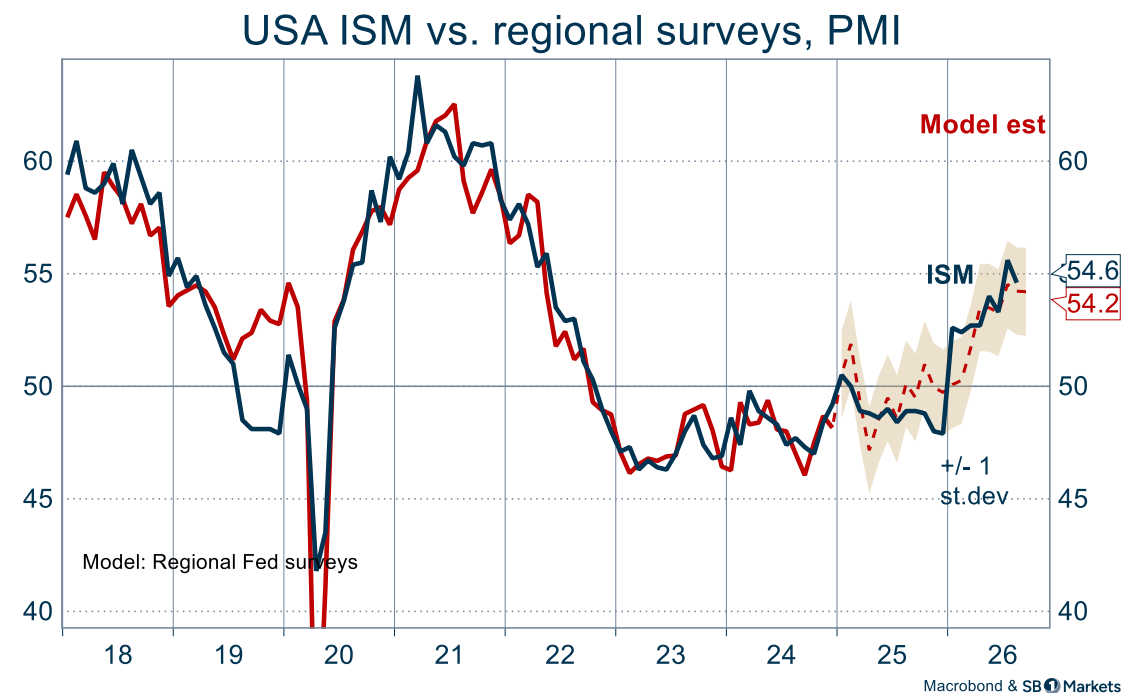
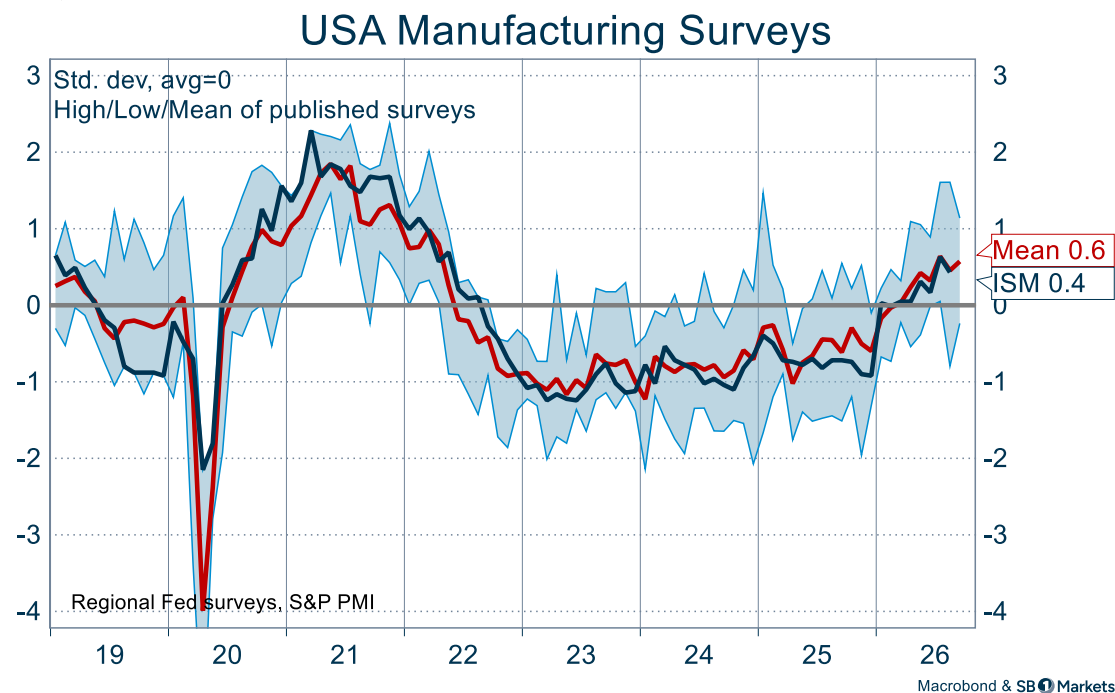




Mixed Sep. manufacturing surveys, so far an unchanged ISM (at a high level) is signalled

3 surveys are down, 2 are up (including the S&P's PMI).

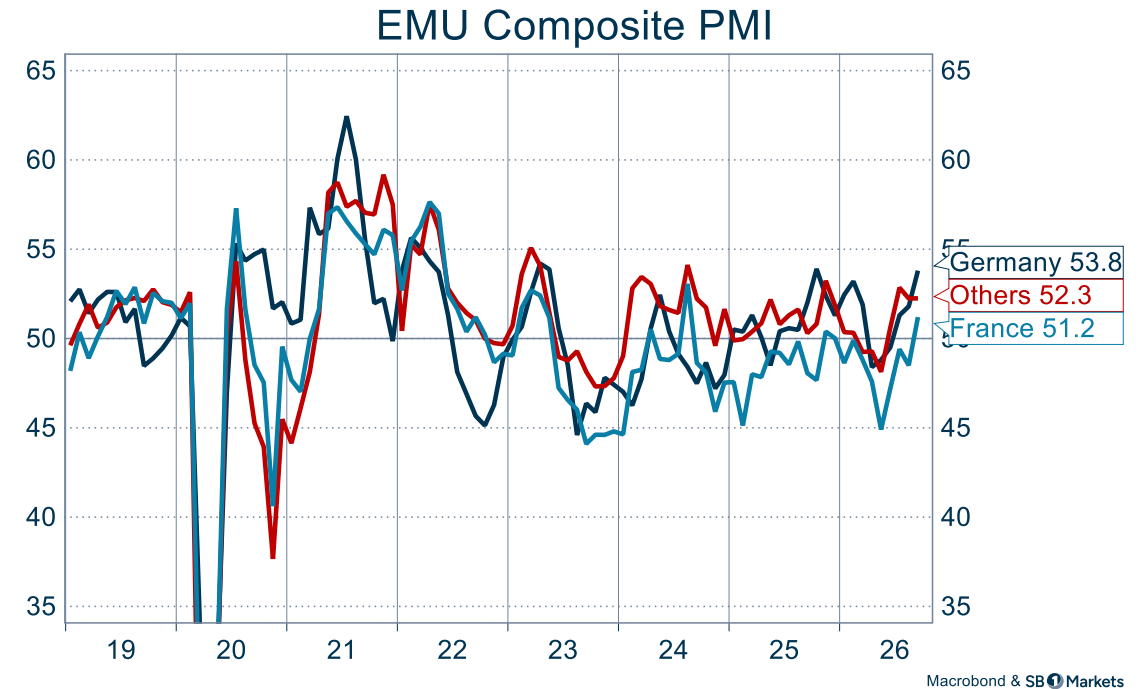
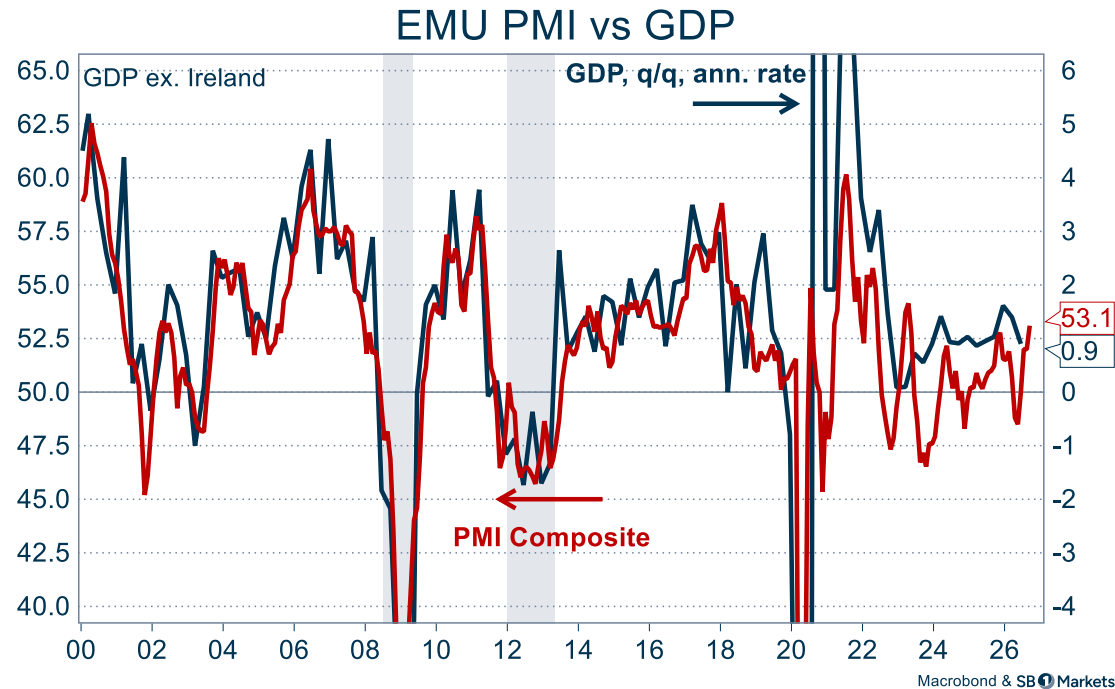
The ISM shot up in July, and fell slightly in August.



- Phil and NY Fed indices are the weighted average of the sub-indices in these surveys.

EMU: the composite PMI up 1.1 p to 53.1, to the best level since '23 → 1½% GDP growth

The outcome was far better than expected. Both Germany and France were up, *both to the best, or equal to the best in 2–3 years!*

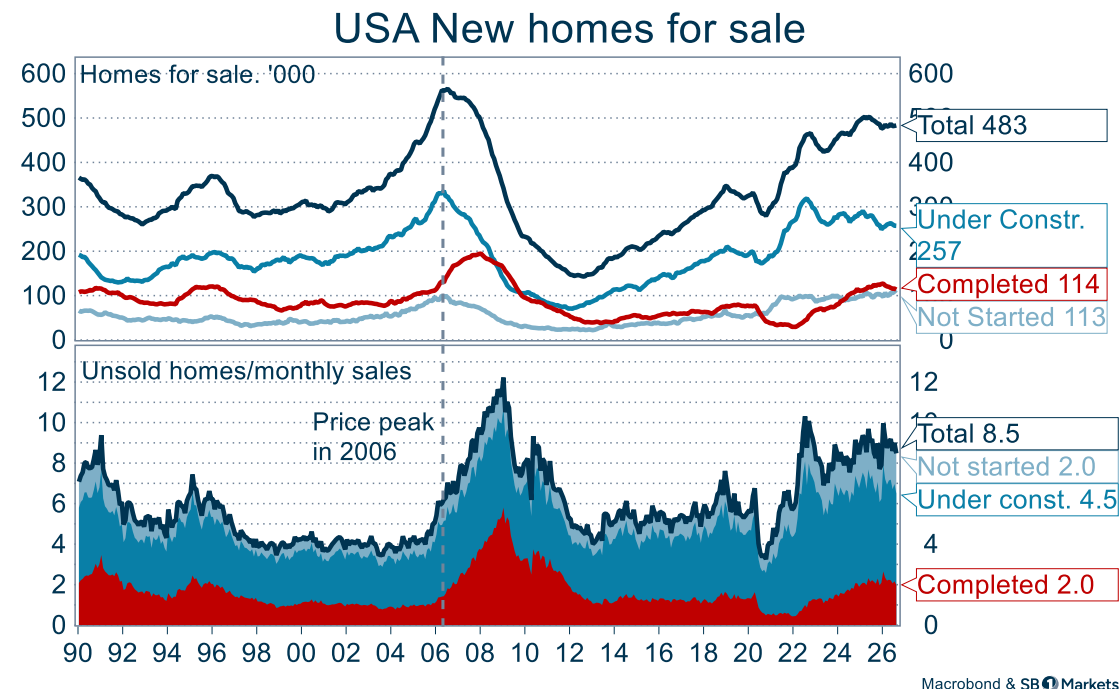
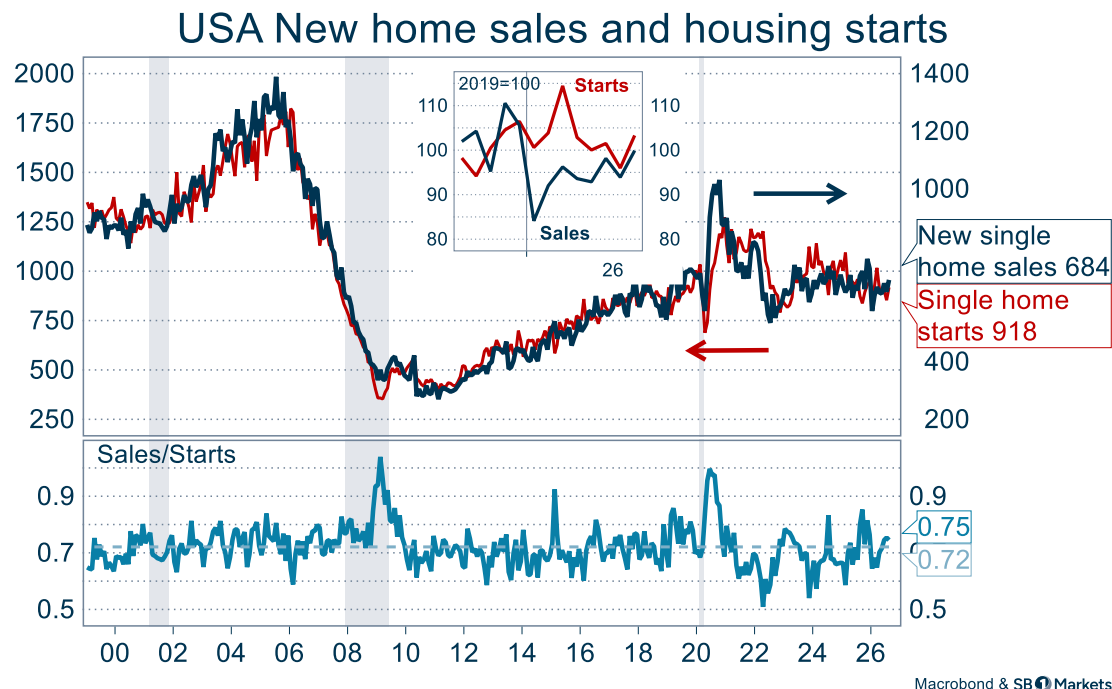


- EMU GDP growth has been *faster than signalled by the PMIs* over the past 2 years.



New home sales are not heading down anymore?

Sales of new single homes rose to 684,000 in August, from 620' in July, expected 620' from previously reported 607'. In sum, 6% higher than assumed/expected, and the trend so far in 2026 is up from a low starting point (and the medium-term trend is up). Prices are still falling.



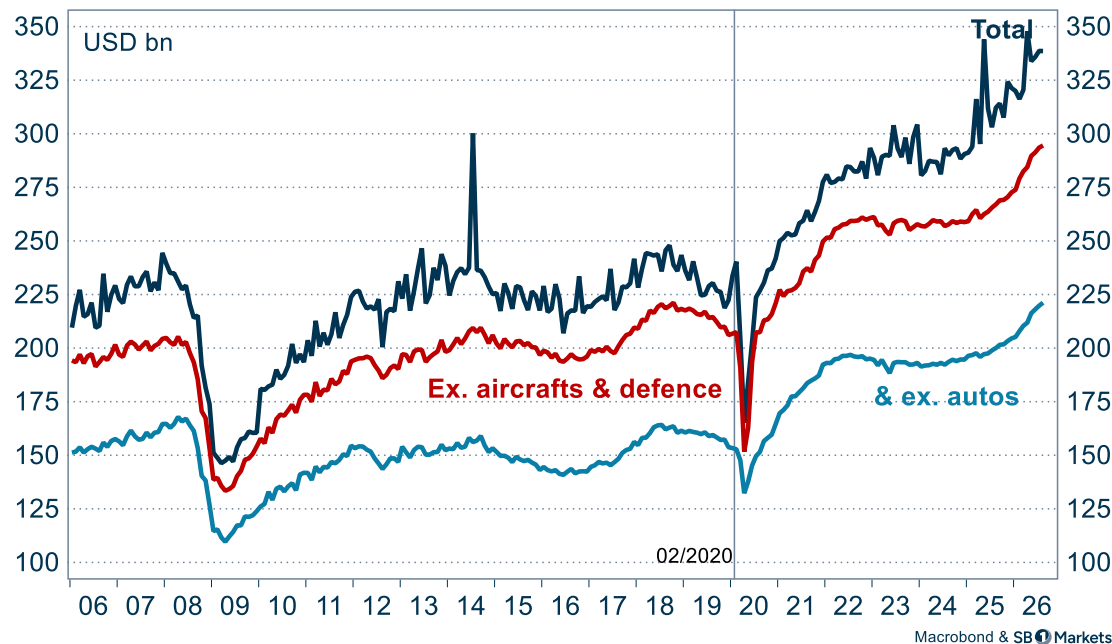
- **New single home sales** are volatile but have increased somewhat in recent months.
- The **inventory of unsold new homes** is close to flat, at a very high level, also vs. sales. The level is still very high and has been substantially higher just once, before and during the first part of the housing crisis almost 20 years ago (aka the great financial crisis). The inventory/sales ratio at 8.5 months is slightly lower than earlier in 2026, but still among the highest on record.
- **New home median price**, a volatile and 'simple' measure (not adjusted for standard/size etc.), has been falling since the peak in 2022 but has flattened recently. Normally, a high inventory puts pressure on sales prices.
- **Construction costs** (adjusted for standard/size) and the total **sales price**, including the cost of land, are trending upwards (but slower than CPI inflation).
- **In sum:** **mixed**. However, August sales do not signal that the lift in mortgage rates through the summer has cooled the housing market. Will the early autumn lift in rates have any impact? Time will tell.



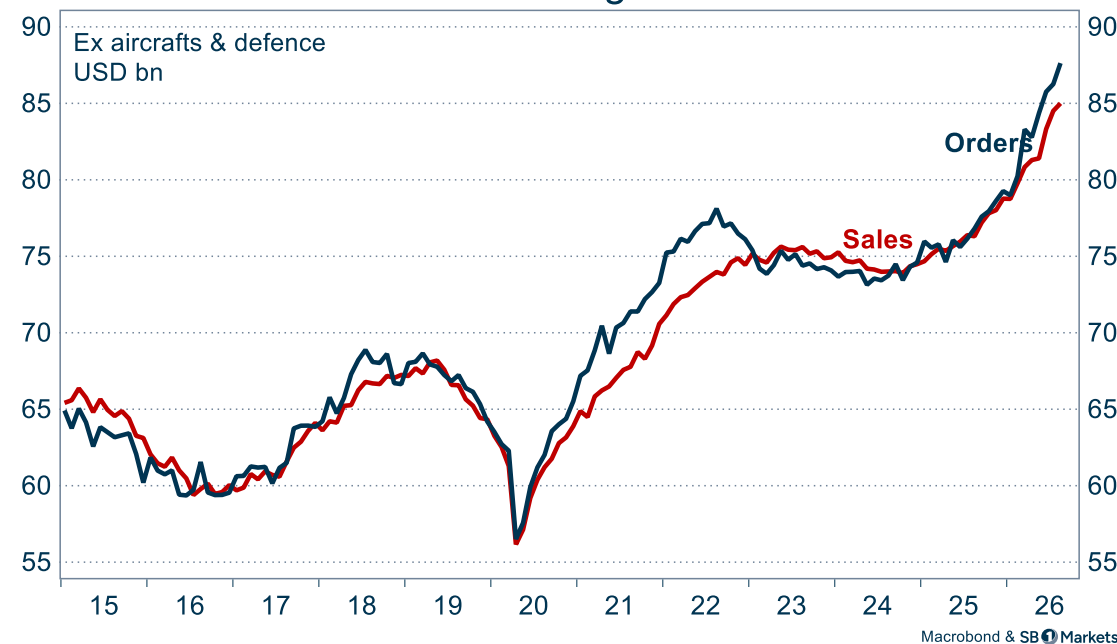
Durable orders are still going strong, especially core capital orders (ex. computers & electr.)

Durable goods orders were flat in August, expected down 0.3%. The underlying trend is still strong. Core orders, ex. aircraft & defence, grew 0.3%, and if autos are excluded 0.5%. Core capital goods orders were up 1.6% (exp. 0.6%) and grow at a 16% pace 3m/3m, nominally that is.

USA Durable orders



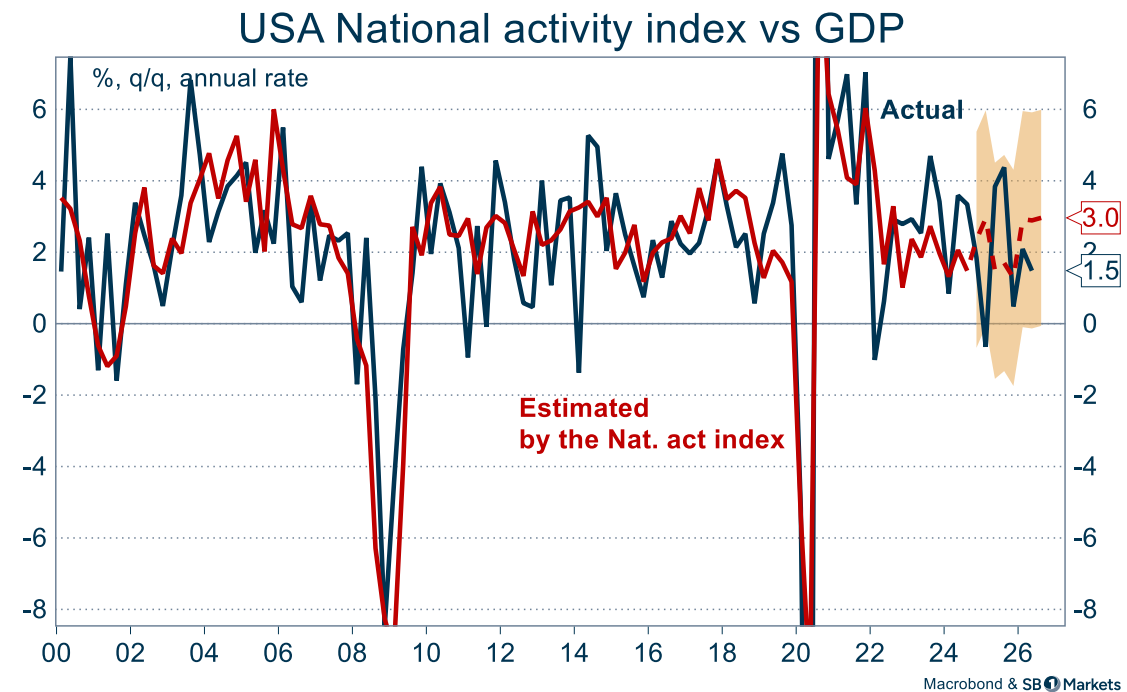
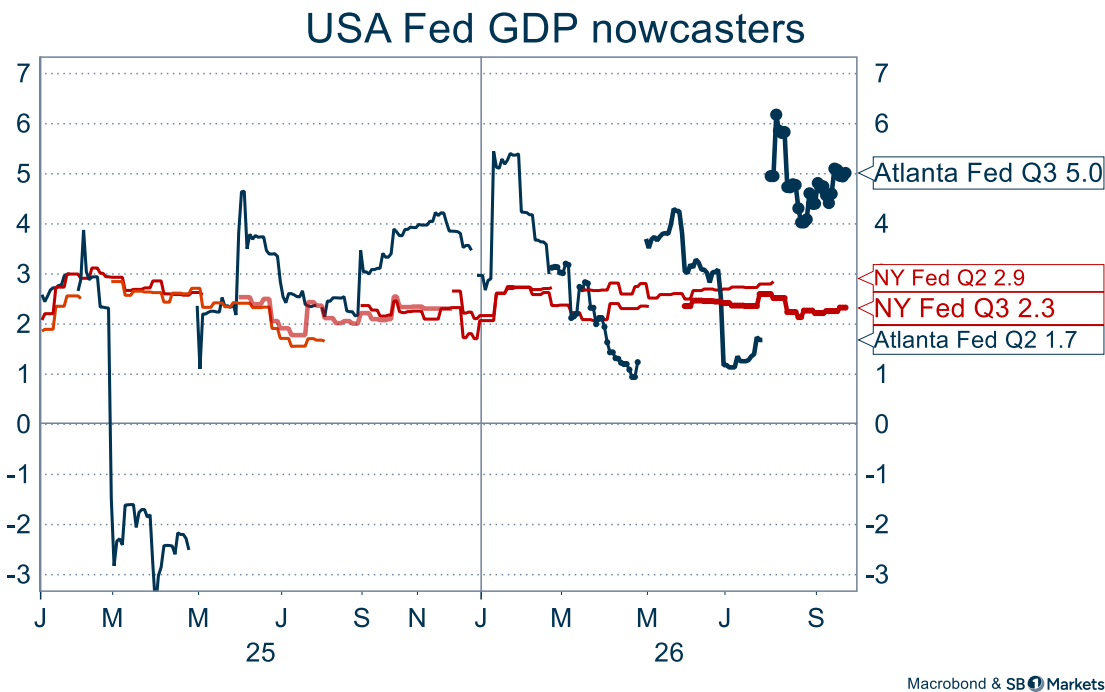
USA Investment goods orders





Atlanta Fed's Q3 GDP nowcast slightly up to above 5%!

Growth is driven by strong growth in consumption as well as in business equipment. Net exports are negative, but inventories are expected to be replenished. The National Activity Index suggests a 3.0% growth pace.

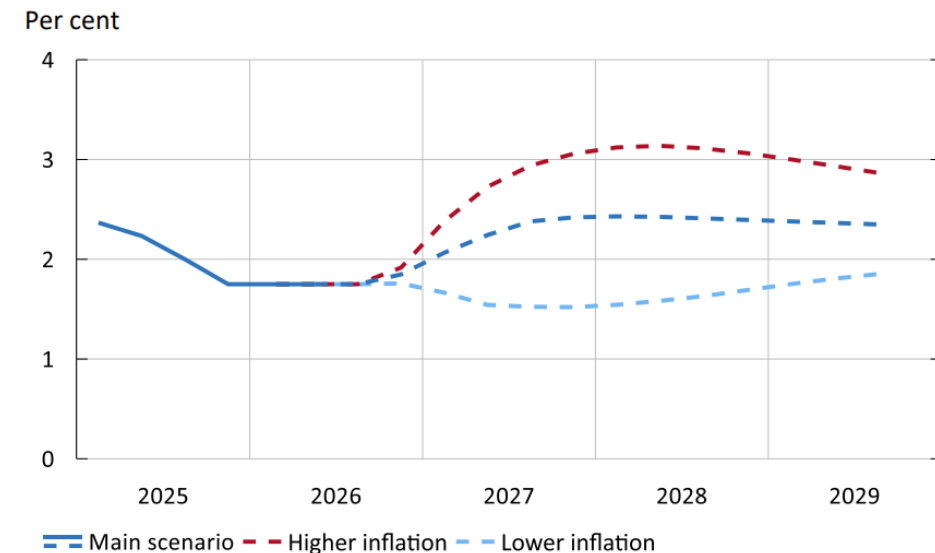


Riksbank keeps policy rate at 1.75% but signals higher rates starting in a few months

Riksbanken says that: “if the outlook for inflation and economic activity remains unchanged, it is expected that the increases to the policy rate will begin this year.”

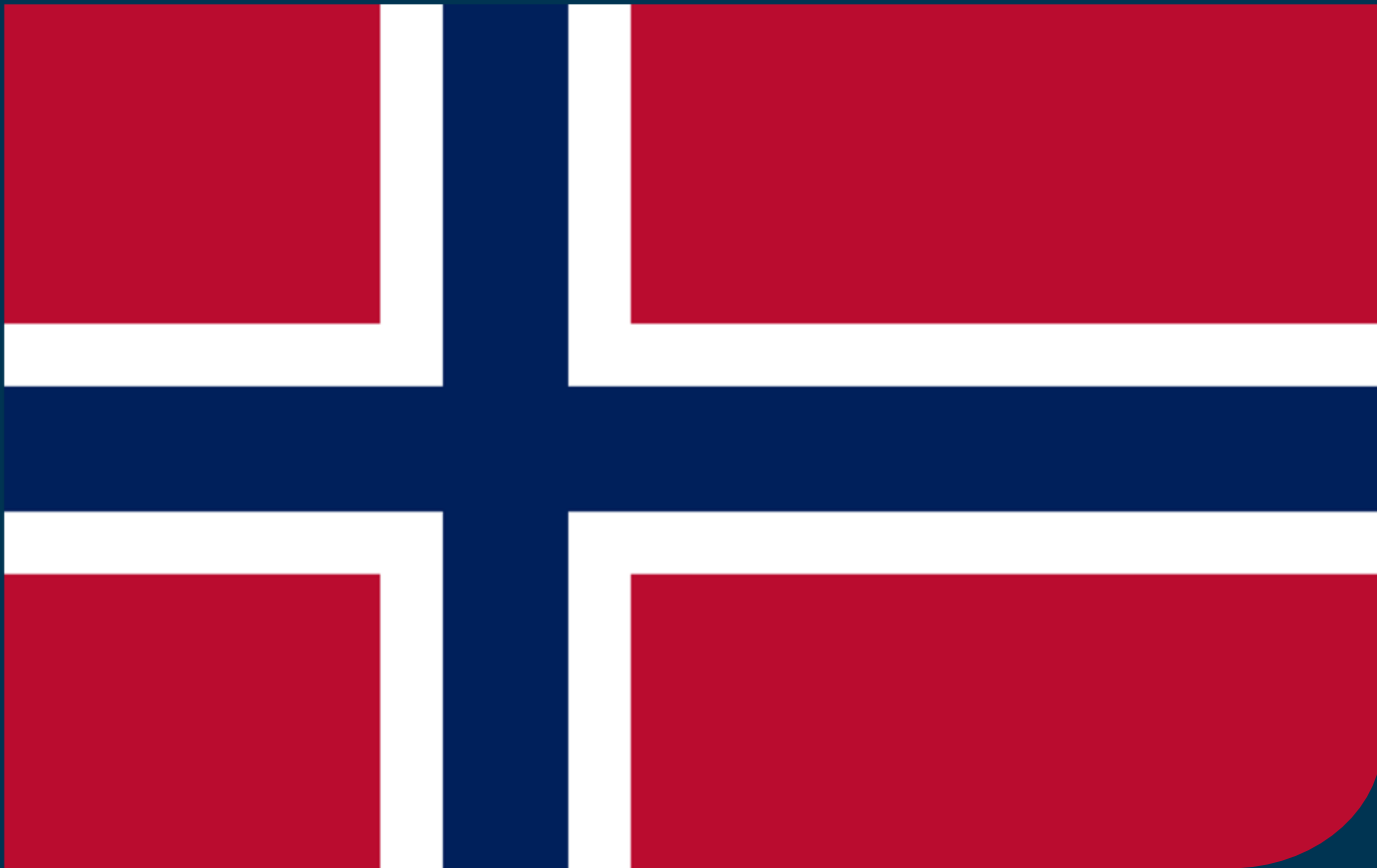
- **Interest rate outlook:** As widely expected, the policy rate remains at 1.75%, but the Riksbank now expects rate hikes to begin later this year if the economic and inflation outlook remains unchanged. Rates are expected to rise more than previously projected as the economy strengthens and underlying inflationary pressures remain elevated.
- **Inflation outlook:** Headline inflation is currently low due largely to temporary fiscal measures, but underlying inflation is closer to 2%, and inflation is expected to rise in the near term. Higher energy prices and the weaker krona add upside pressure, before inflation stabilises around 2% over the medium term.
- **Economic outlook:** The Swedish recovery is stronger and broader than previously expected. GDP growth is forecast at 2.8% in 2026 and 2.4% in 2027, with improving household demand and a gradually strengthening labour market. The economy is expected to return to more normal conditions during 2027.
- **Risks to the rate outlook:** Higher rates could be required if inflation proves more persistent, particularly due to prolonged energy/supply shocks, a weaker krona or stronger domestic demand. Lower rates could become appropriate if the economy or labour market weakens materially, or if the supply shocks fade faster than expected and inflationary pressures decline.

Figure 43. Main scenario and alternative scenarios for the policy rate



Note. The deviations from the main scenario in the alternative scenarios are not necessarily symmetrical, as they illustrate the monetary policy response to specific shocks to the economy. Any asymmetry should therefore not necessarily be interpreted as the Riksbank seeing the risks surrounding the policy rate in the main scenario as unbalanced. Solid line refers to outcomes and dashed lines refer to main scenario and alternative scenarios.

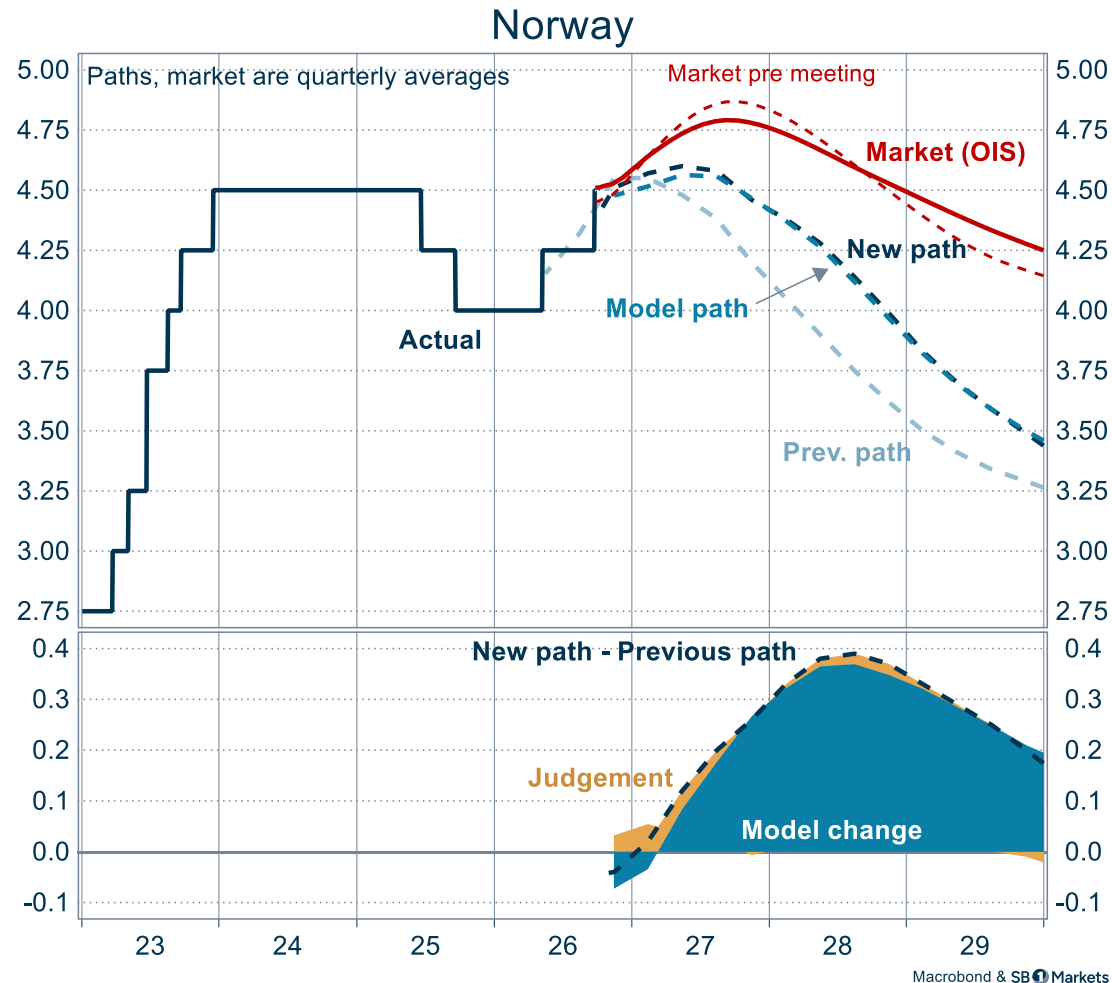
Source: The Riksbank.



2. Norway

Norges Bank confirmed its new strategy: Too high inflation has to be addressed

NoBa hiked the policy rate by 25 bps to 4.50% and lifted the rate path by up to 39 bps, due upward revision of the output gap, higher rates abroad and a lift in the neutral rate. Lower inflation and a stronger NOK kept the path in check, in the short end



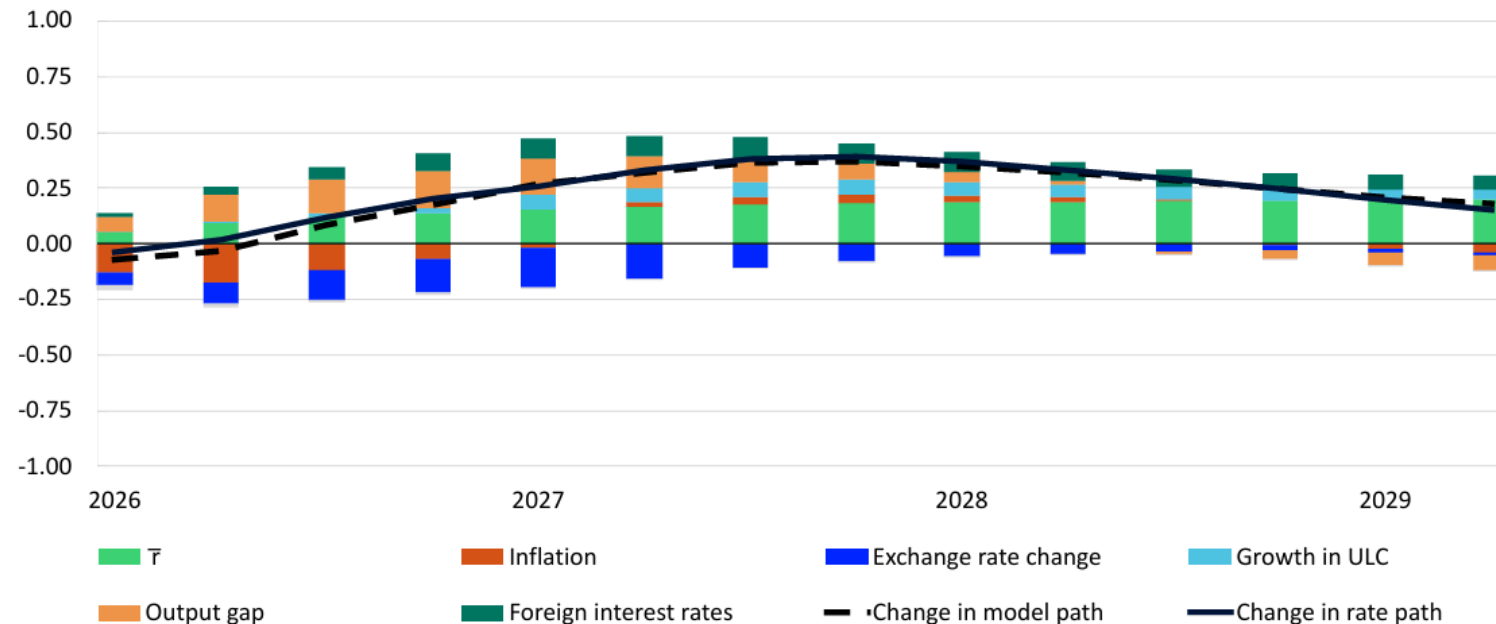
- The decision was in line with consensus among economists (in the Bloomberg survey) but the group was almost evenly split between hold and hike. The market was 70-30 in favour of a hike. There were discussions in NoBa's MPC but the final call was unanimous.
- The rate path now signals an unchanged policy rate until early 2028 with around 40% probability for a hike to 4.75% in Q1-27, if so to 25 bps above the Dec-23 to March-25 level. The neutral rate estimate was lifted by 20 bps.
- No doubt, Norges Bank has adopted a more aggressive stance since the March meeting as it deems inflation to have been too high for too long. Still, it does not expect to reach the target before 2030. If so, inflation has been above target for 8 years.
 - “Over the summer, underlying inflation moderated and was lower than expected. But the inflation outlook somewhat further ahead does not appear to have changed materially”. Thus: “It will likely be necessary to keep the policy rate elevated for a time, and the Committee is prepared to raise the policy rate further if needed to bring inflation down to the 2% target within a reasonable time horizon”
- **The market:**
 - Rate expectations fell slightly in the Q1-27 to Q3-28 segment after the announcement. However, further out rates are higher, we assume due to the lift in rates abroad. From last Friday, the OIS curve is up 10 – 20 bps.
 - **The NOK** initially appreciated on the ‘hawkish’ Norges Bank signals, but softened later on Thursday, even if the oil price rose, and ended the week weaker than before NoBa's actions, and slightly weaker than the previous week's close.

The model rate path lifted by a higher output gap, rates abroad and the neutral rate.

On the downside: Inflation in the coming quarters, and the NOK exchange rate. But that's all. On average, the rate path was lifted by 21 bps, almost entirely due to the shift in the 'model path', the mechanical impact of changes based on new information

3.3 Contributions to changes in the model path based on new information

Cumulative contribution. Percentage points. 2026 Q3 – 2030 Q1

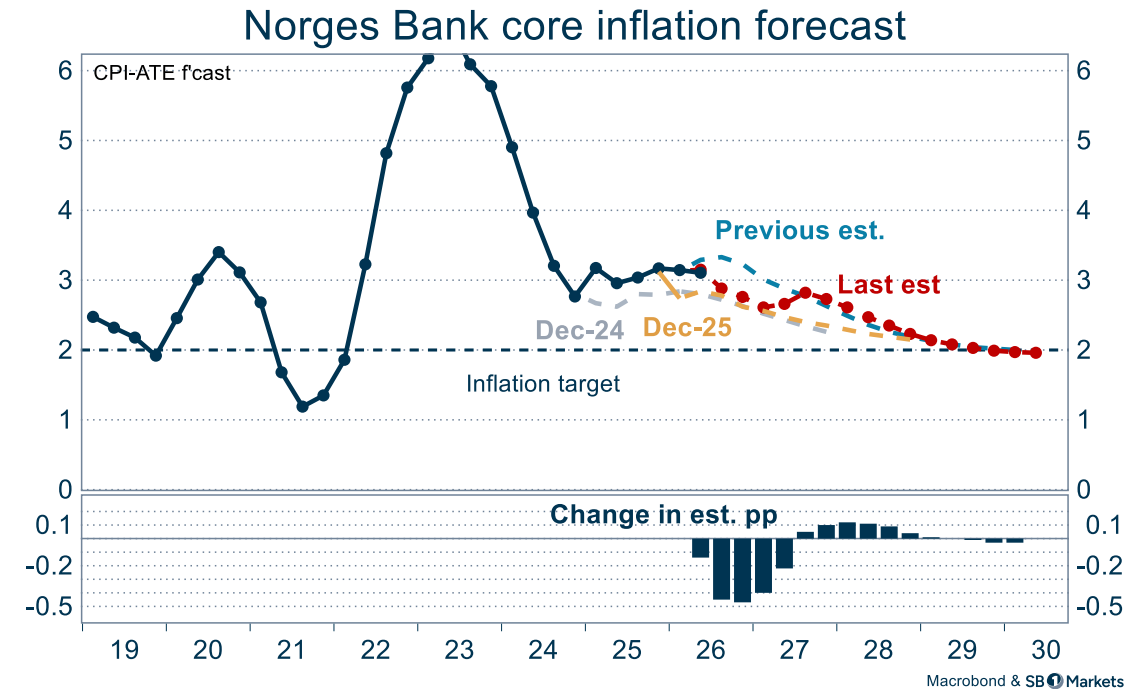
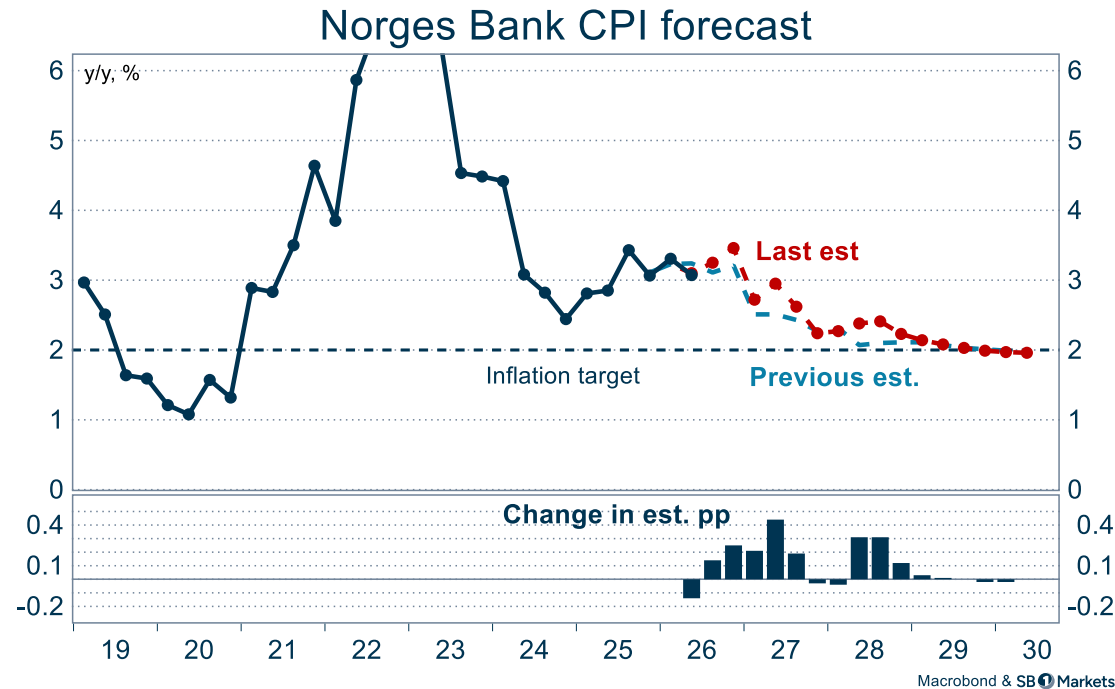


Source: Norges Bank

- The rate path was lowered in the very short end due to higher inflation and the stronger NOK.
- The maximum lift in the rate path was 39 bps, in Q3 2028.
- A possible hike is signalled in Q1 next year.

Headline inflation revised up with energy prices, core inflation first down, then slightly up

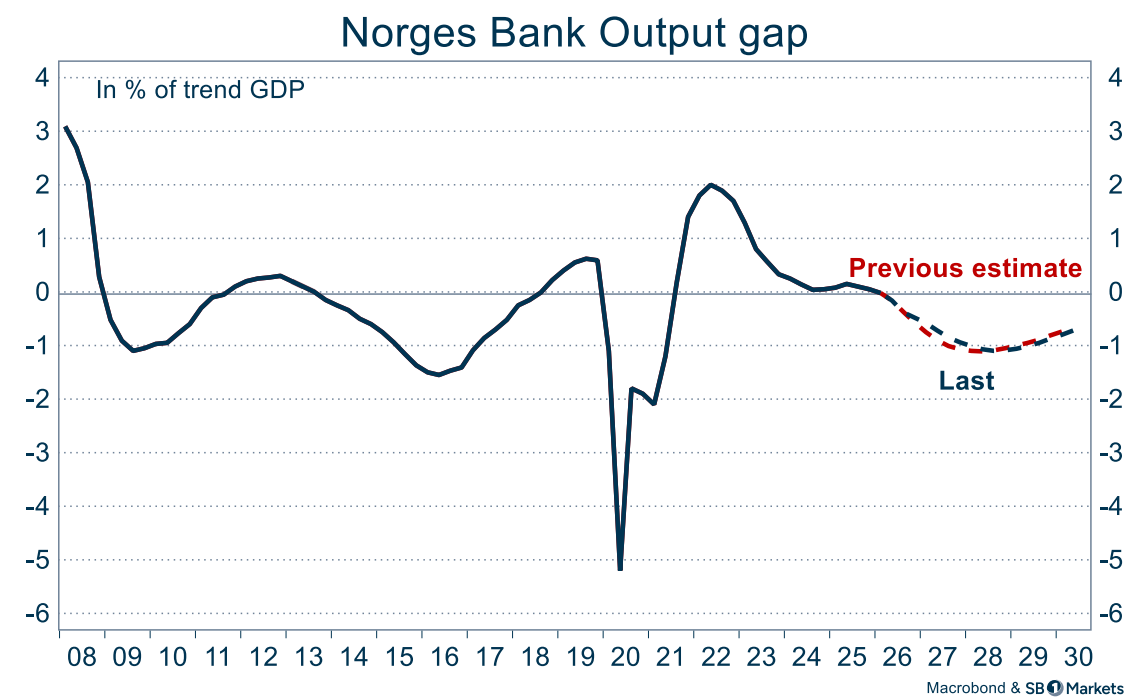
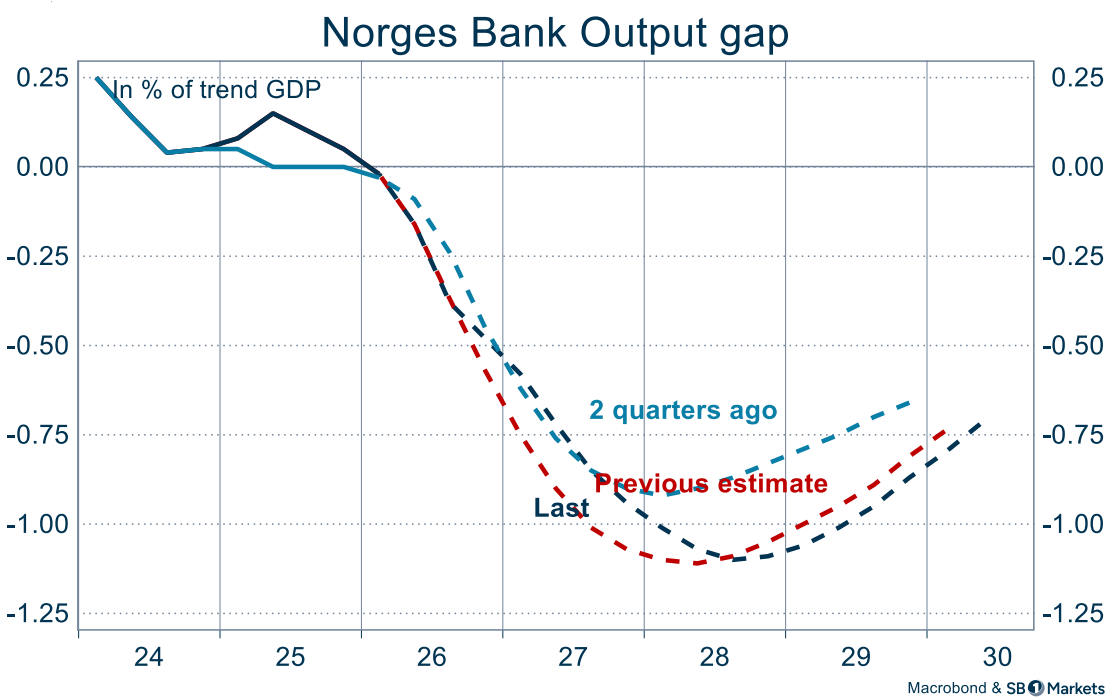
The bank's problem: Inflation has been above target since 2022, and will not reach the target before late 2029, according to the last forecast.



- In addition, the bank has had to recognise that earlier forecasts have turned out to be far too optimistic, inflation has not slowed as the bank expected

The output gap is revised further down in red, but not by much

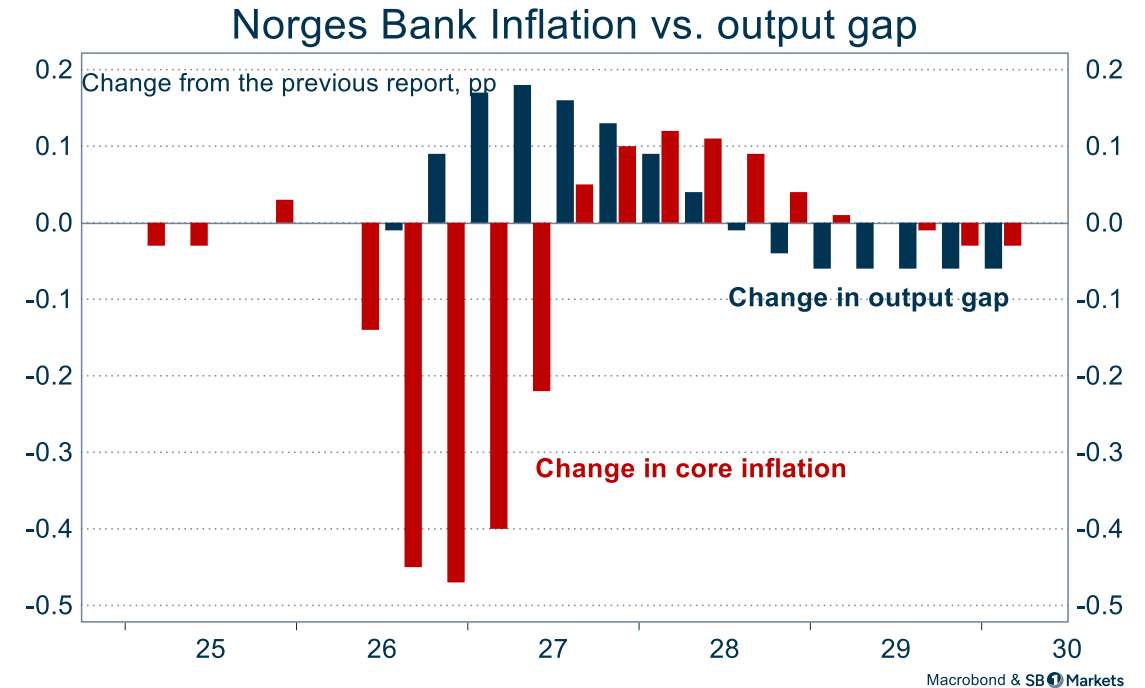
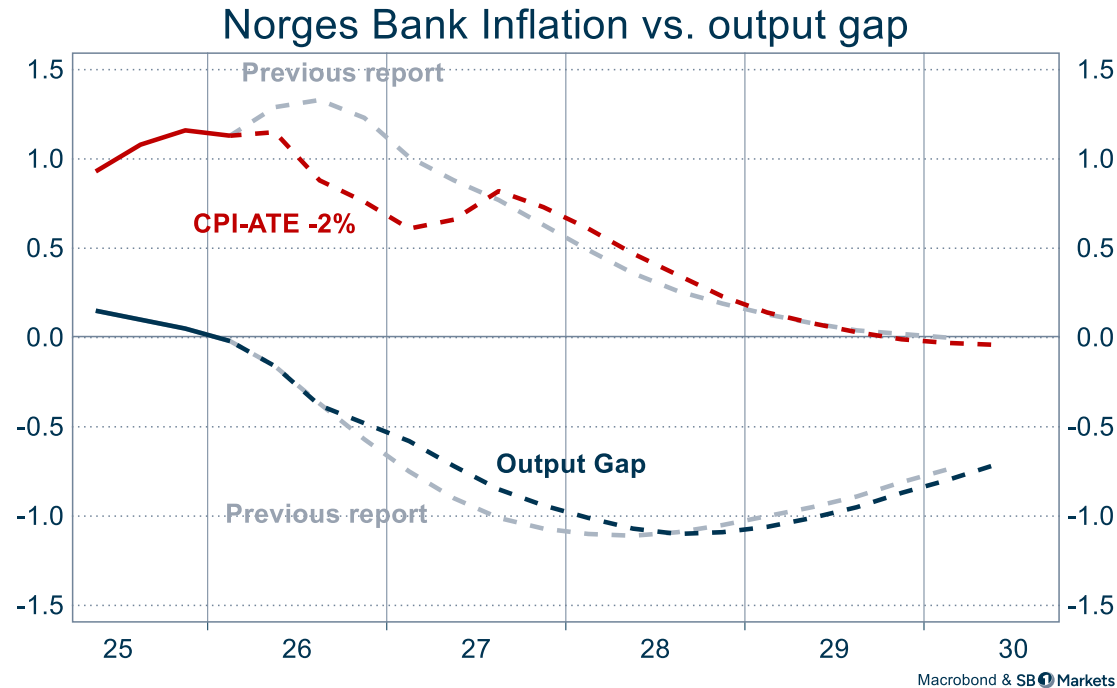
The downward revision a quarter ago was much larger.



Mixed forecast changes: inflation lower in the short end, higher on the 'mid' segment

.while the output gap was revised up in the short and down in the long end.

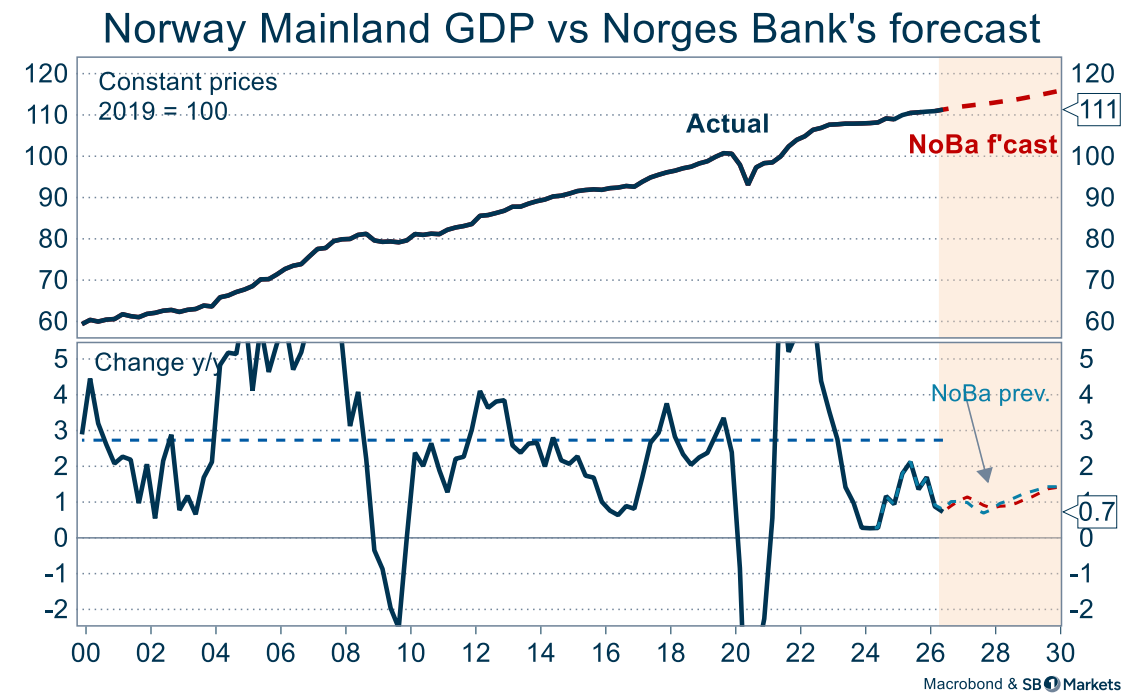
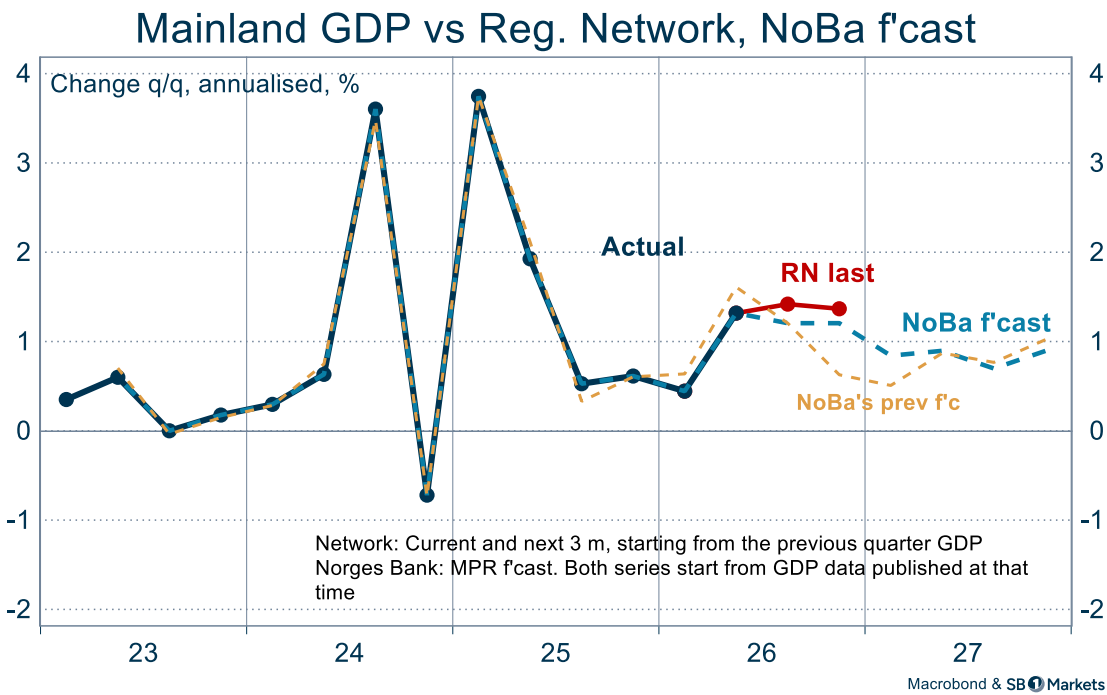
The bank still trades a negative output gap against a positive inflation gap, according to the book.





NoBa: Growth revised up in the 'short end', slightly downward in the 'long end'

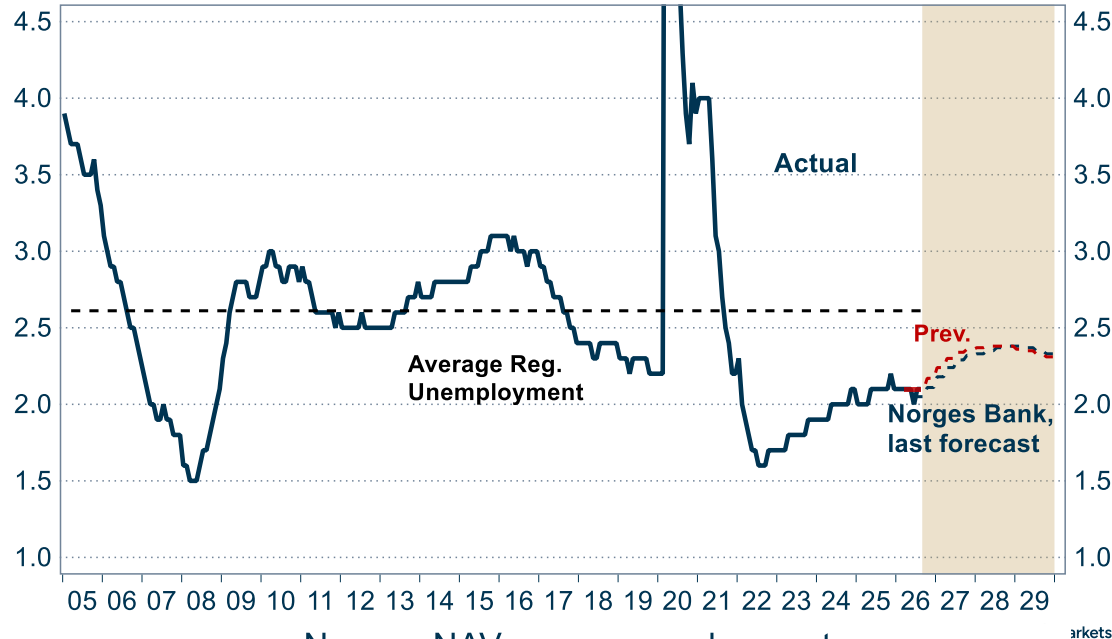
Growth is still expected to remain modest, according to Norges Bank.



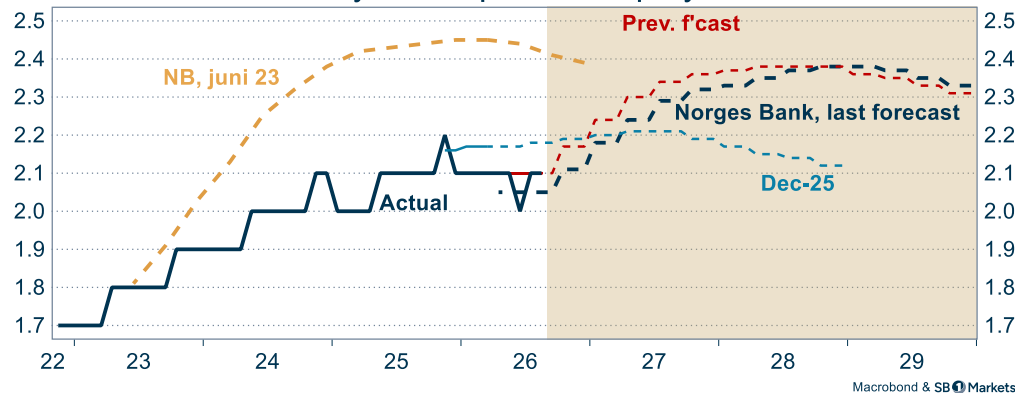
Norges Bank revised the unemployment rate **marginally down** the coming two years

The unemployment forecast was revised down a few bps (6 at the most). The rate is still assumed to peak at 2.4%, up from the current 2.05% level. As NoBa assumes a 'NAIRU' at 2.1%, the bank accepts a minor 'loss', but still minor vs. the inflation 'loss'.

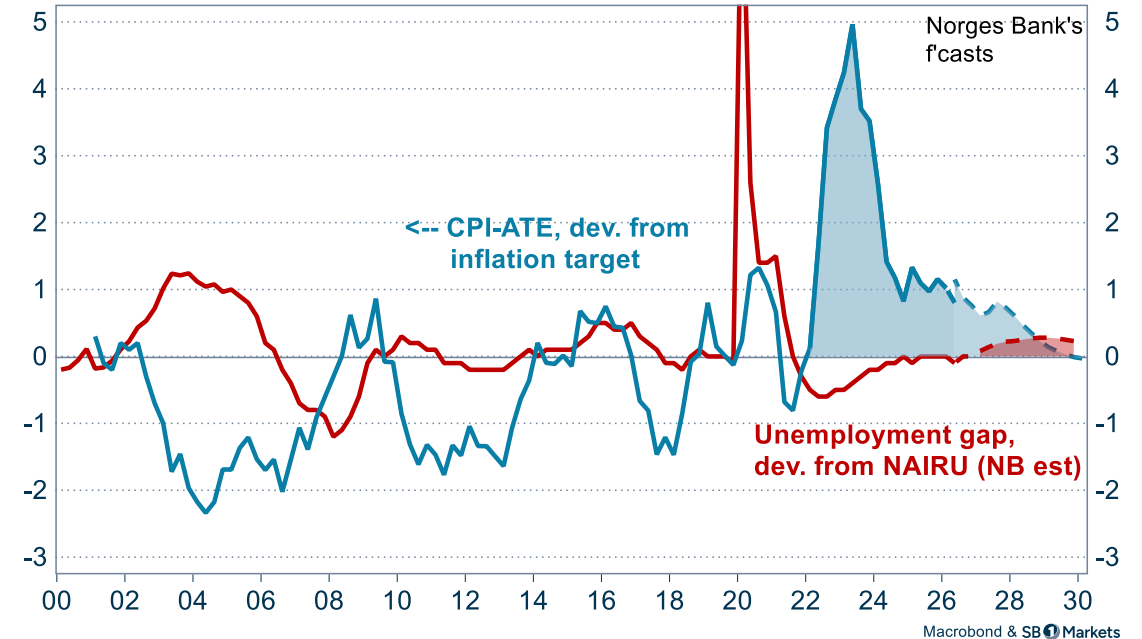
Norway NAV open unemployment



Norway NAV open unemployment



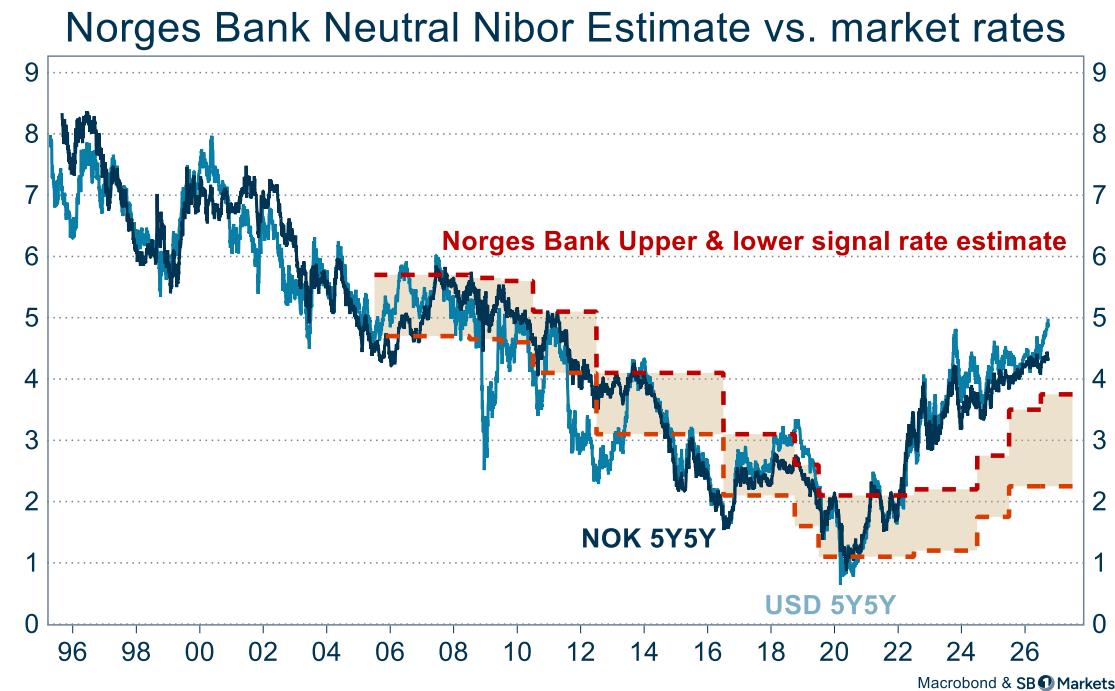
Norges Bank Inflation vs. unemployment



- The unemployment gap is small compared to the output gap, *check the previous page* (a bit suspicious?)
- The average **NAV unemployment** rate has been 2.6% in the 2000–2019 period. Norges Bank has estimated NAIRU (u^*) from 2015, and we have applied this estimate in the chart above, assuming a 2.7% rate before 2015. NoBa now assumes a 2.1% NAIRU, which is a rather low estimate.
- **Actual NAV unemployment** in June, July and August was marginally lower than Norges Bank assumed in March.

The neutral rate corridor was not lifted, but the centre estimate was

The corridor stands at 2.25–3.75%. The 'centre' point estimate was lifted by 20 bps to 3.20%, which contributed to a similar lift in end point of the new rate path.

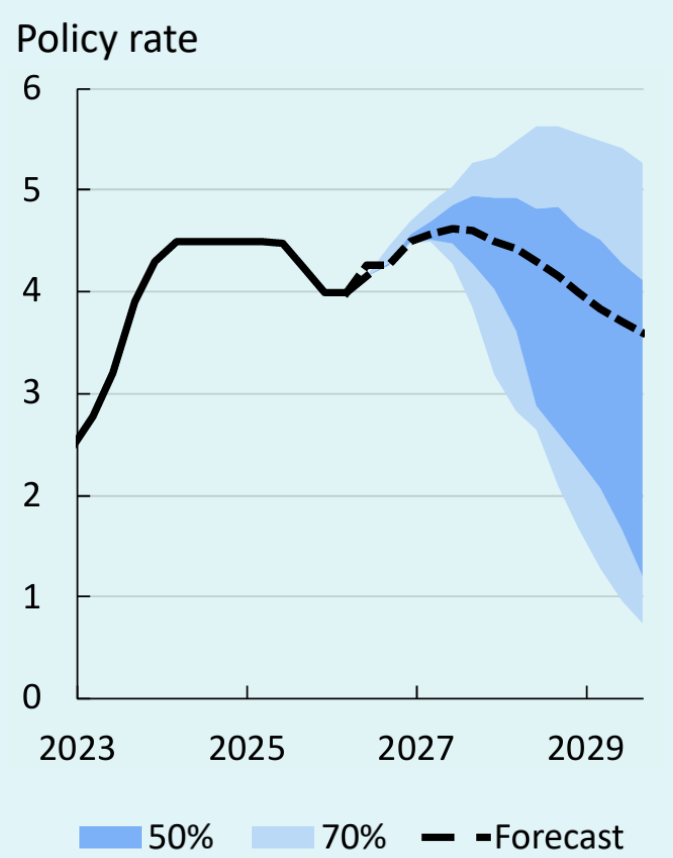
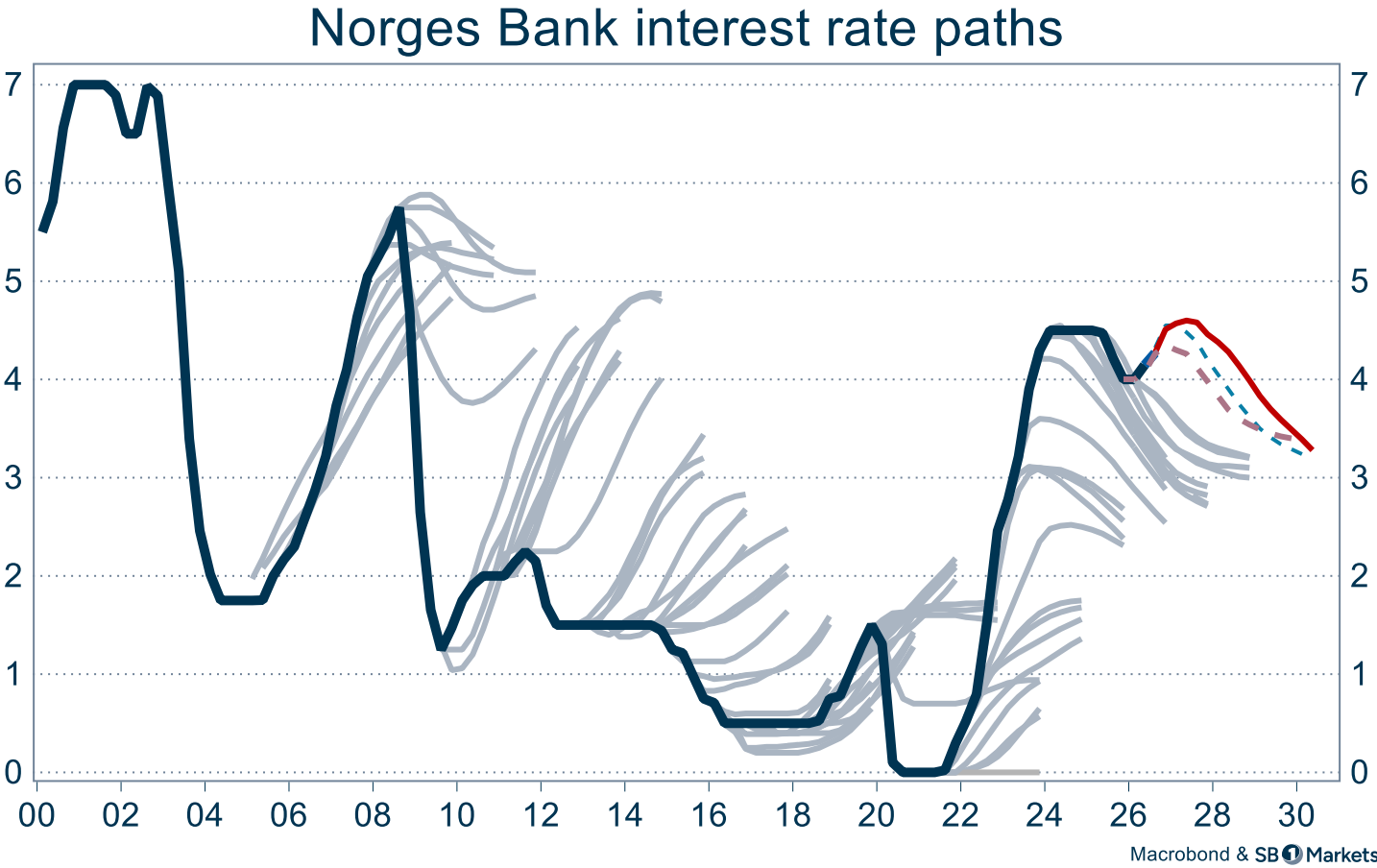


- Market rates are substantially higher, even after subtracting term premia (which are not deducted at the chart to the right).

We have not adjusted the swap rates at the chart above for the term premium

The bank has a plan. Until it has another, brand new, and better plan

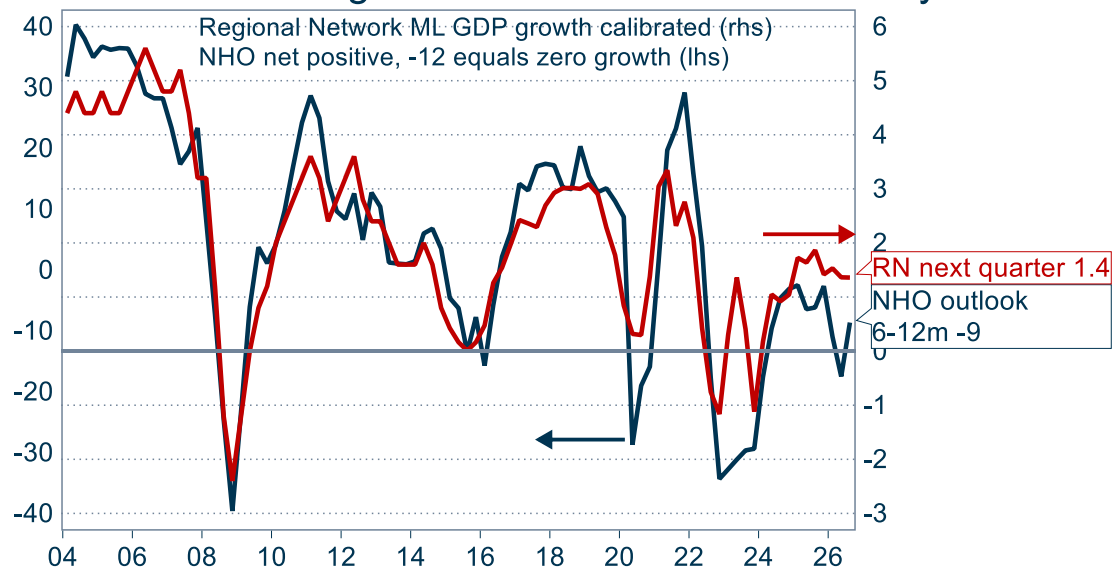
Uncertainty is of course the main message, not the rate forecast.



NHO's Q3 survey slightly up from Q2, still signals just **0.5% Mainland GDP growth**

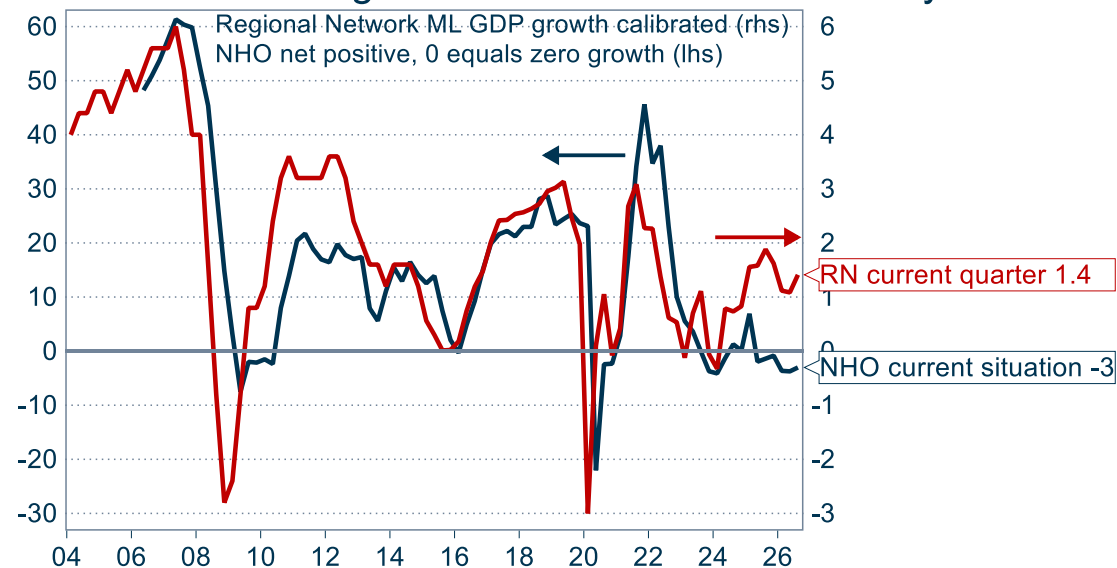
NoBa's network signalled a 1.4% growth rate. However, the NHO survey has been to downbeat vs actual growth the past 2 years.

Business expectations:
NoBa Regional Network vs. NHO survey



Macrobond & SB Markets

Businesses assessment of the current situation:
NoBa Regional Network vs. NHO survey

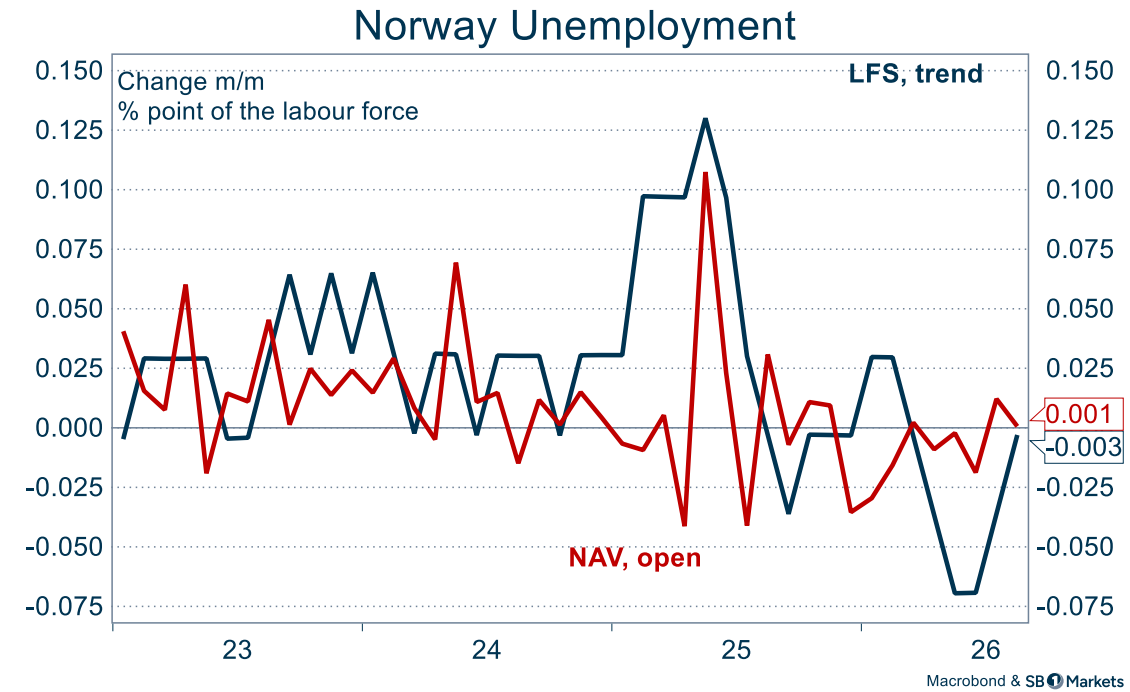
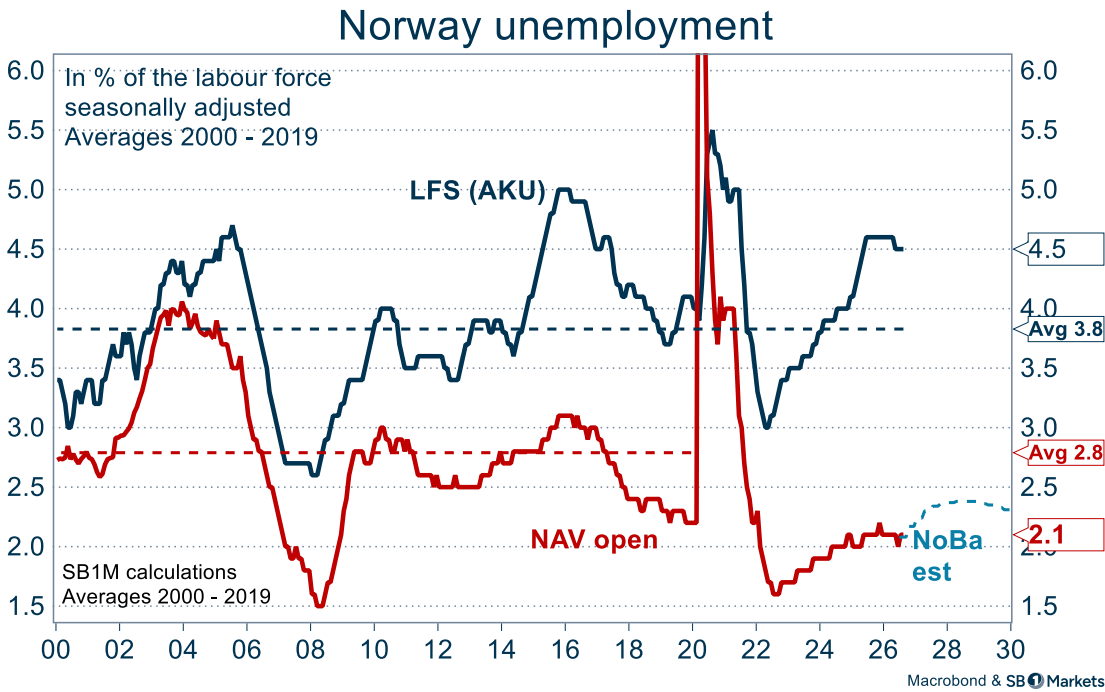


Macrobond & SB Markets



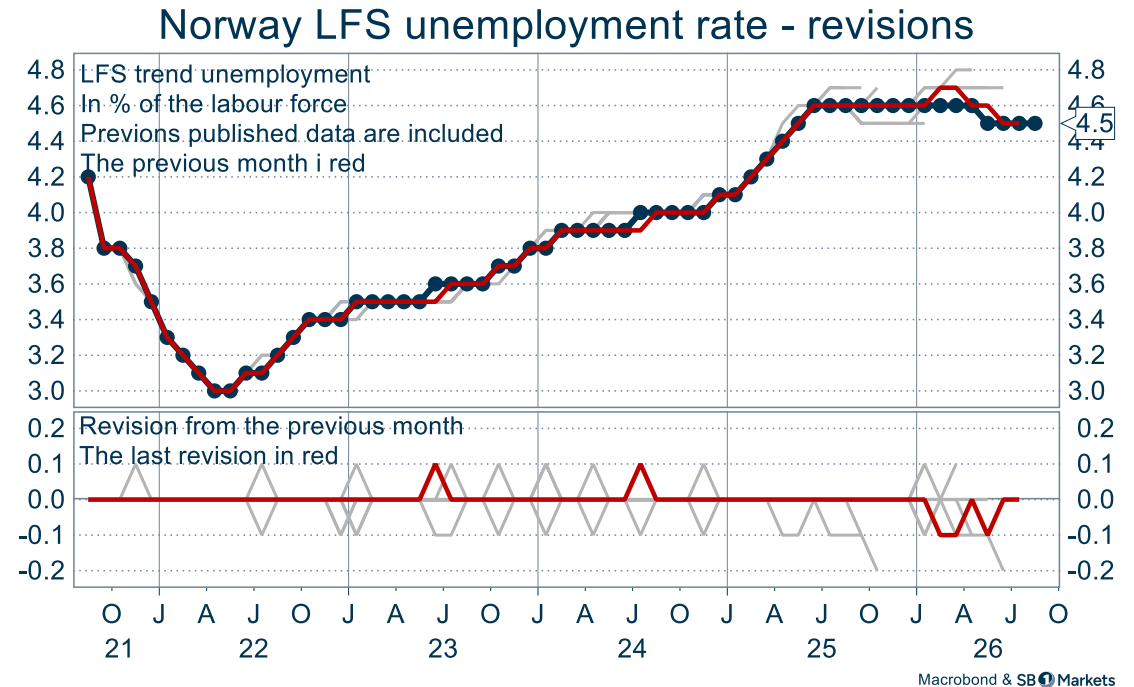
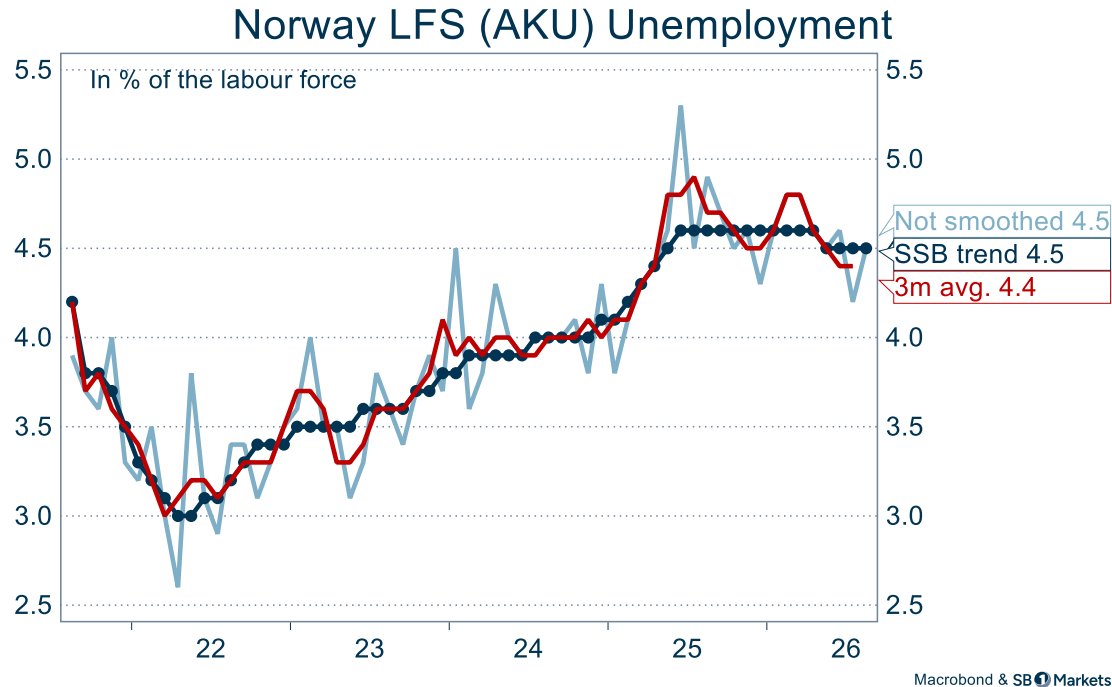
LFS ('AKU') unemployment: flat at 4.5% in August

The recent peak in the trend rate was revised down by 0.1 pp to 4.6% (and earlier from 4.8%). The employment rate rose 0.1 pp but from a 0.1 pp downward revised July level. The trend is slowly upwards, while the participation rate trends even slower upwards.



For the nerds: LFS unemployment data are volatile, some sort of smoothing is needed

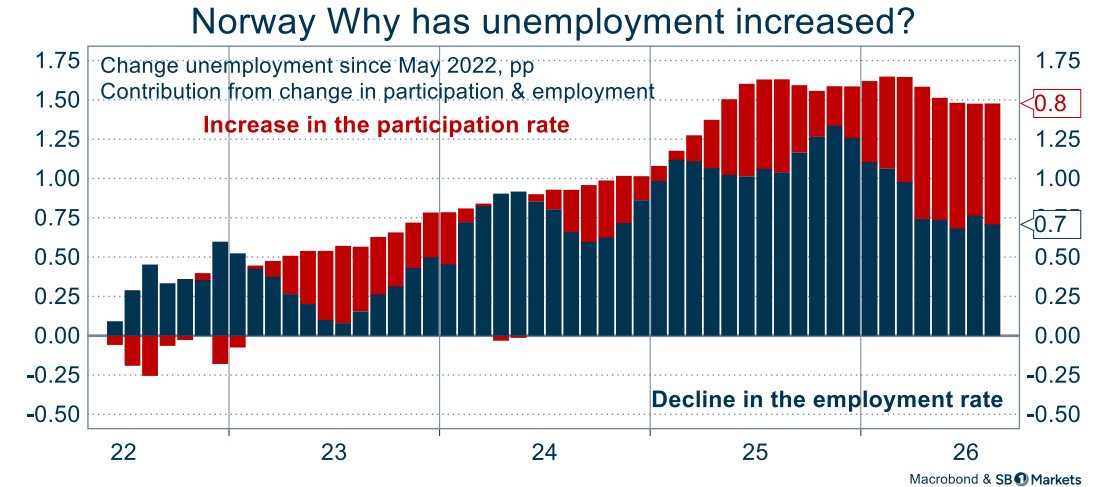
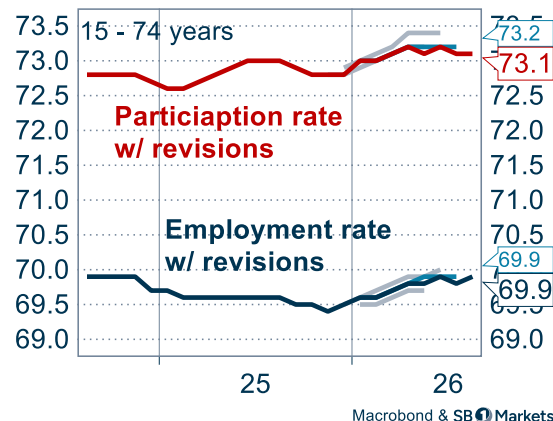
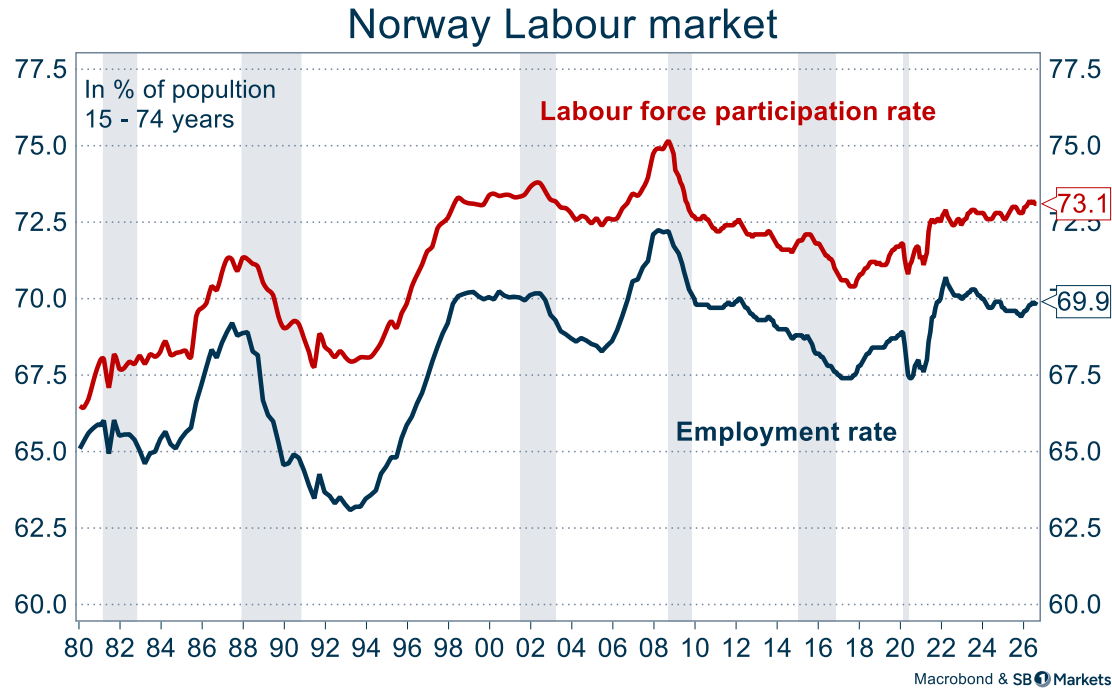
. which often leads to revisions in the 'trend' in the unemployment rate when new data points are added, even if the unsmoothed monthly rate is not revised (and they are usually not). In August, the non-smoothed rate rose 0.3 pp to 4.5%, while the trend was flat at 4.5%.



- **Monthly unsmoothed** data are far too volatile, and some smoothing is needed. We usually refer to SSB's trend estimate. Even this smoothed measure is often revised, check the chart to the right above. The 0.2 pp downward revision of the previous month is rather unusual though.
 - **The trend rate** was initially reported at 4.8% in April, a cycle peak, but has later – in two steps, and the last in the current release – been revised down to 4.6%. A month ago the May level was revised down to 4.6% and a 4.5% level was estimated in July, 0.2 pp below expectations, and it stayed there in August – until further notice, of course.
- **The 3-month average LFS unemployment rate**, which is normally not revised, was unchanged at 4.4%. In the spring, a the rate was 4.8%.
- So, there are good reasons to take the LFS unemployment data with more than **a grain of salt**. What is certain is that the unemployment rate has increased from 3% in early 2022 to 4.5% now – which of course is a substantial lift. However, **LFS unemployment has flattened or fallen slightly since mid-2025.**

LFS: both participation and employment rates up far in 2026 but not in recent months

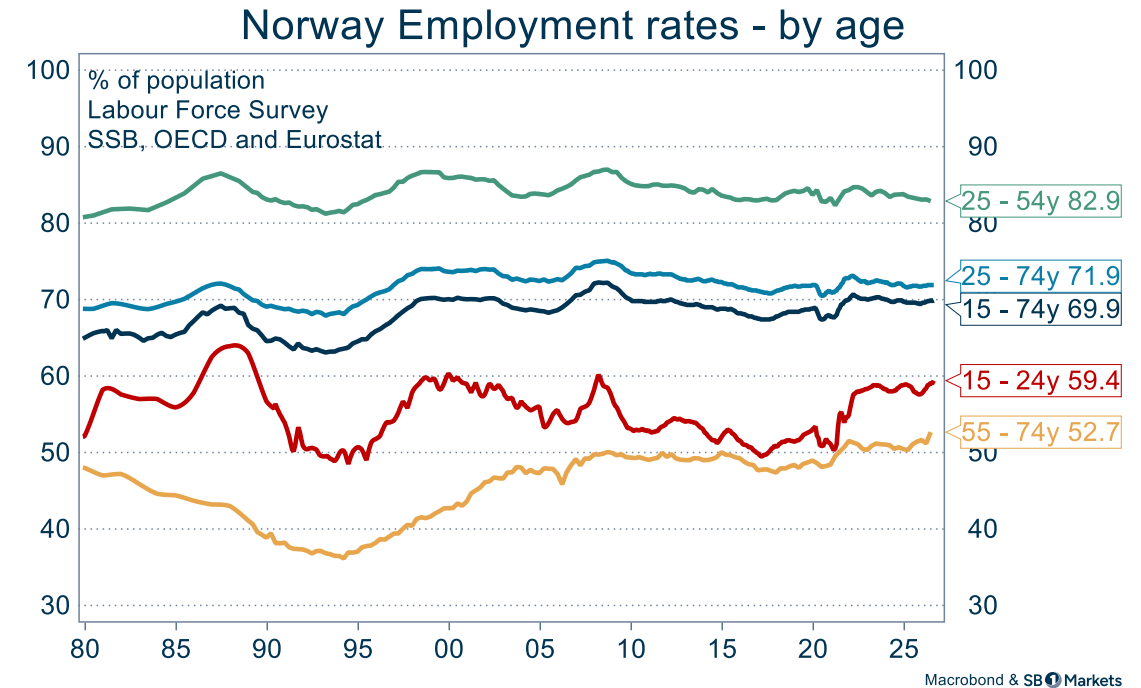
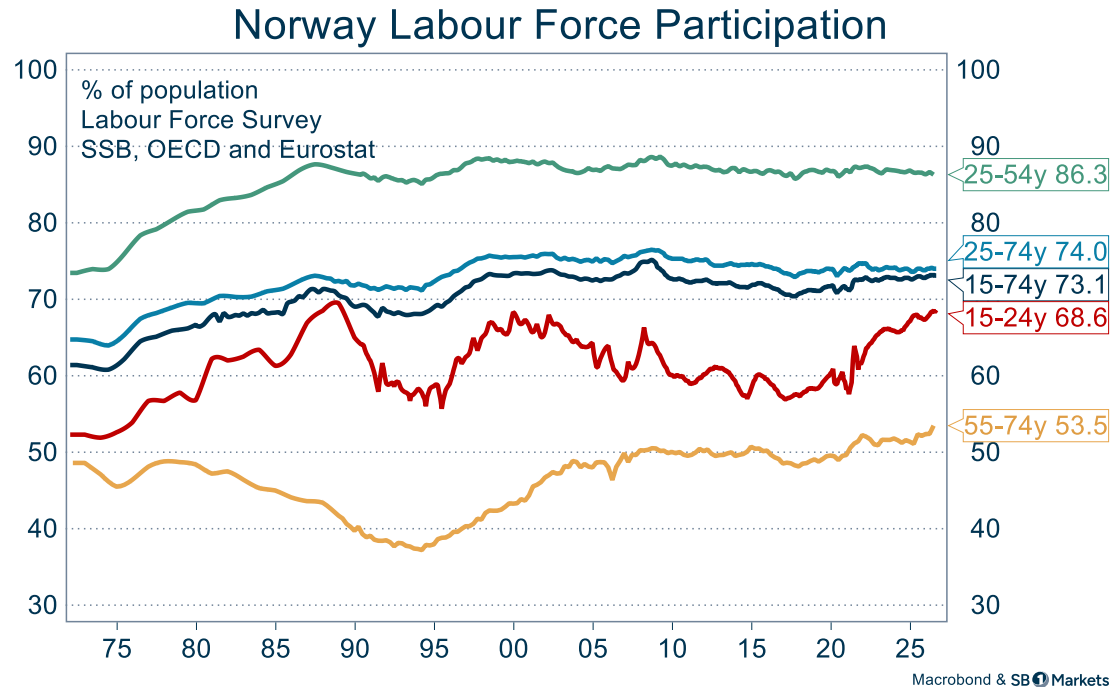
Both rates were revised down in July, while just the employment rate reversed the decline in August. Participation is close to the highest level since '09. More than ½ of the lift in the unempl. rate since 2022 is both due to a lift in the participation rate and a lower employment rate



- The participation rate was flat at 73.1% in August, down 0.1 pp from a previously reported 73.2% in June, a level equal to the best since 2009.
- The employment rate gained 0.1 pp to 69.9%, following a 0.1 pp downward revision of the July level. The rate rose during the first part of 2026, and had **not been higher since 2023**. However, the rate has flattened since June.
 - Ahead of the pandemic, the rate was almost 69% and then fell to 67.4% in early 2021 (equal to the level in 2017, after the 'oil crisis').
 - At the peak (ATH) in 2008, the employment rate was 72%. The employment rate in the 25–54y group is down 3.5 pp from the 2008 level but is higher than before the pandemic.
- Growth in **working-age population** has fallen to 0.5% y/y from up to 1.4% when immigration from Ukraine peaked in 2023.

Youth labour market participation has been surging, and faster than employment

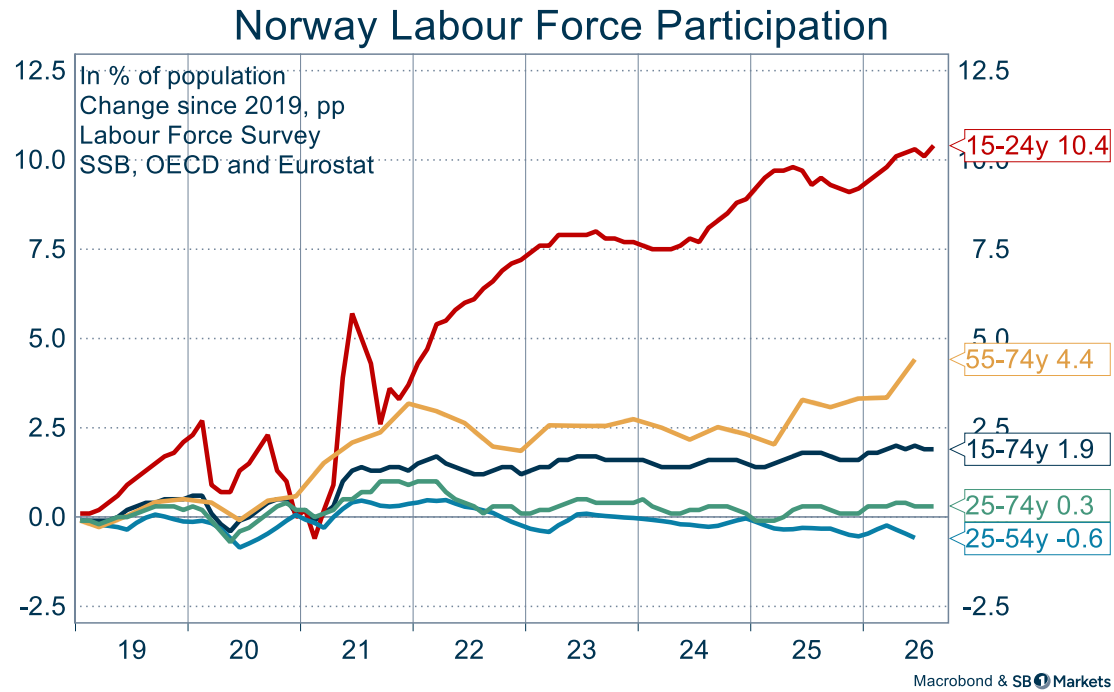
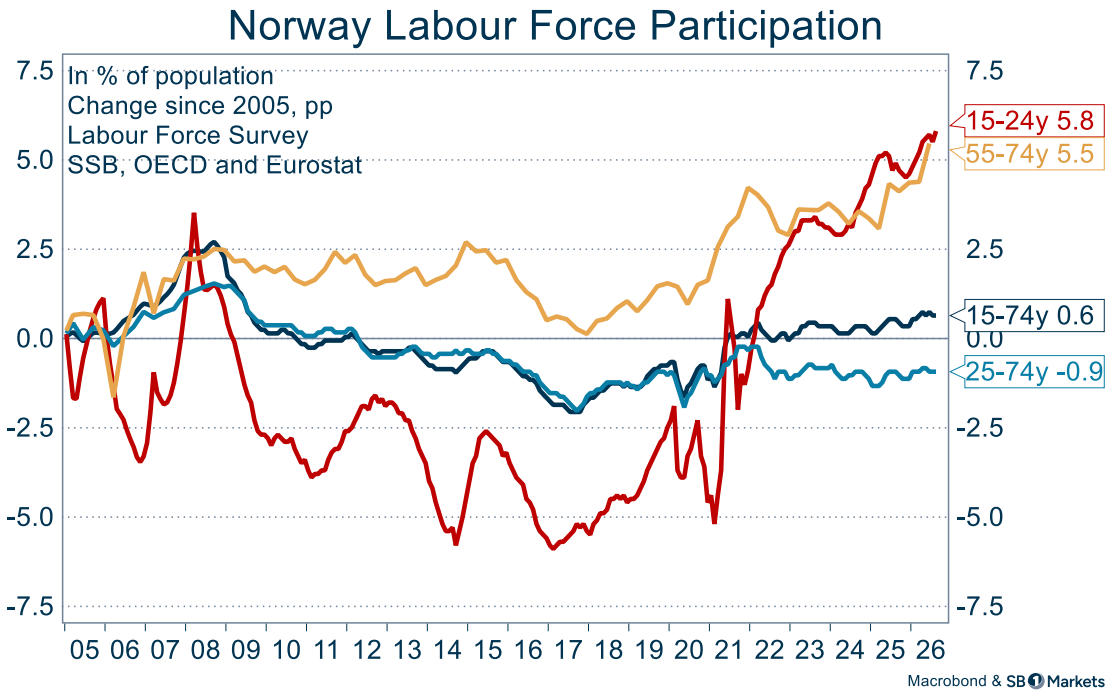
The youth (15–24y) employment increased to the highest since 1990, while the participation rate is close to record high. The employment rate in the core age group (25–54y) trends down though. Participation & employment rates among those above 55y have never been higher.



- The lift in the participation rate in the 15–24y group constitutes a marginal share of the effective labour supply, as their working hours often are low.

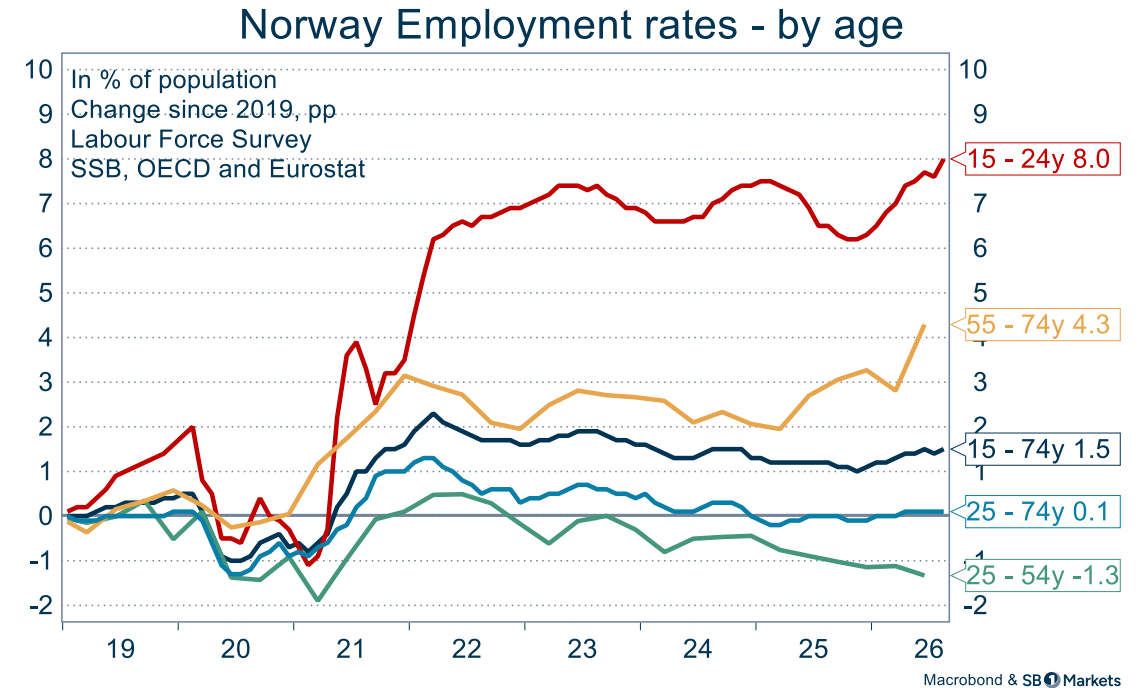
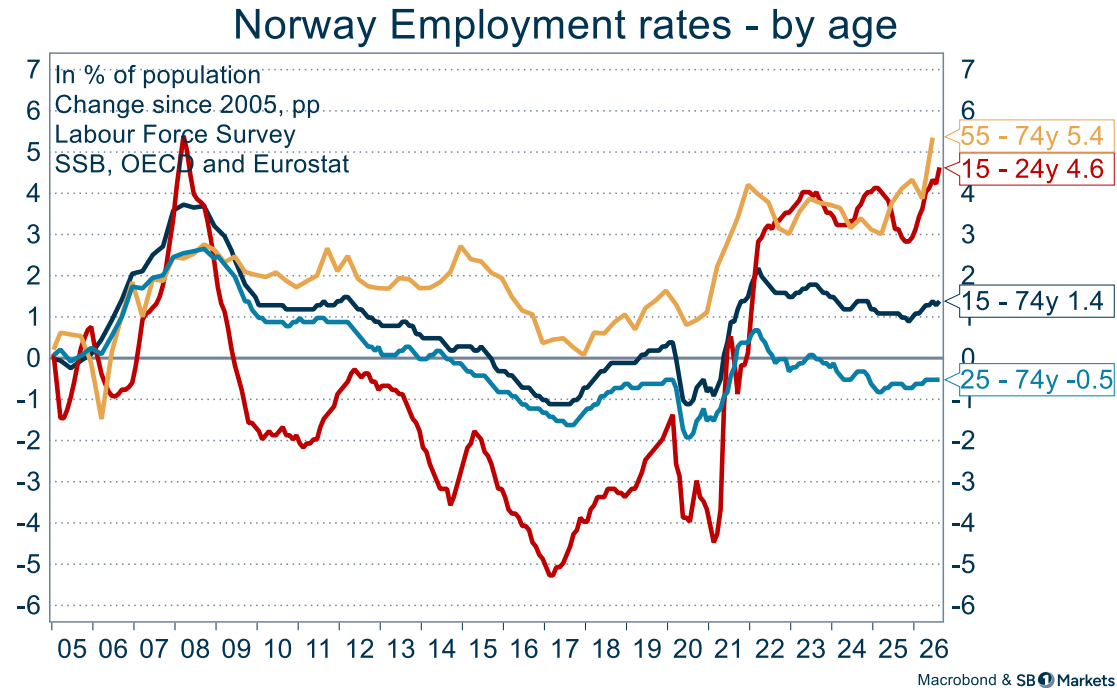


A close up: Changes in (mostly upward drifting) participation rates



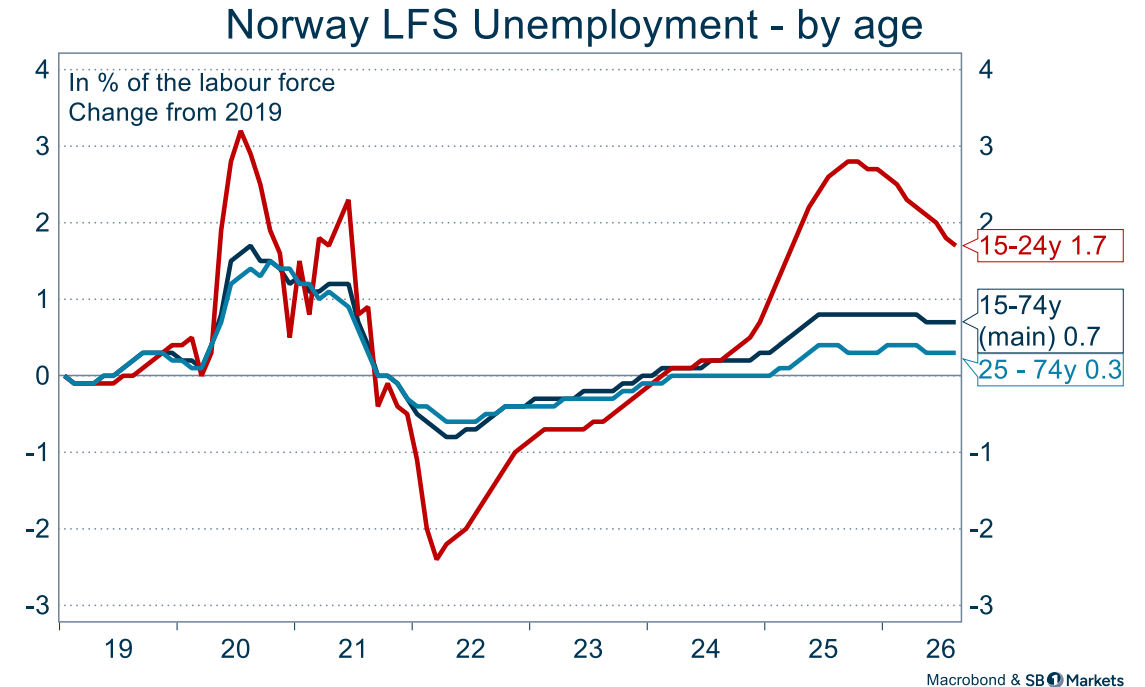
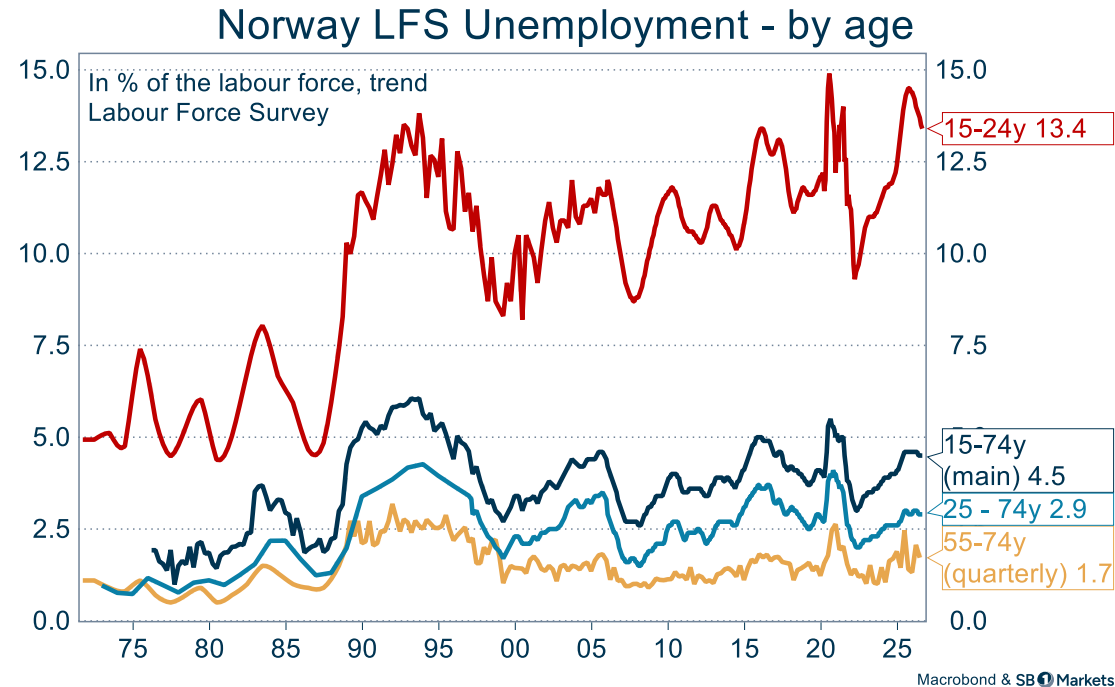
Another close up: Changes in employment rates

The laggards in recent years: the core labour market group, 25–54y segment. **Bad news.** The youths in the lead. And the oldies.



Unemployment has increased among all age groups; the most among the youngest

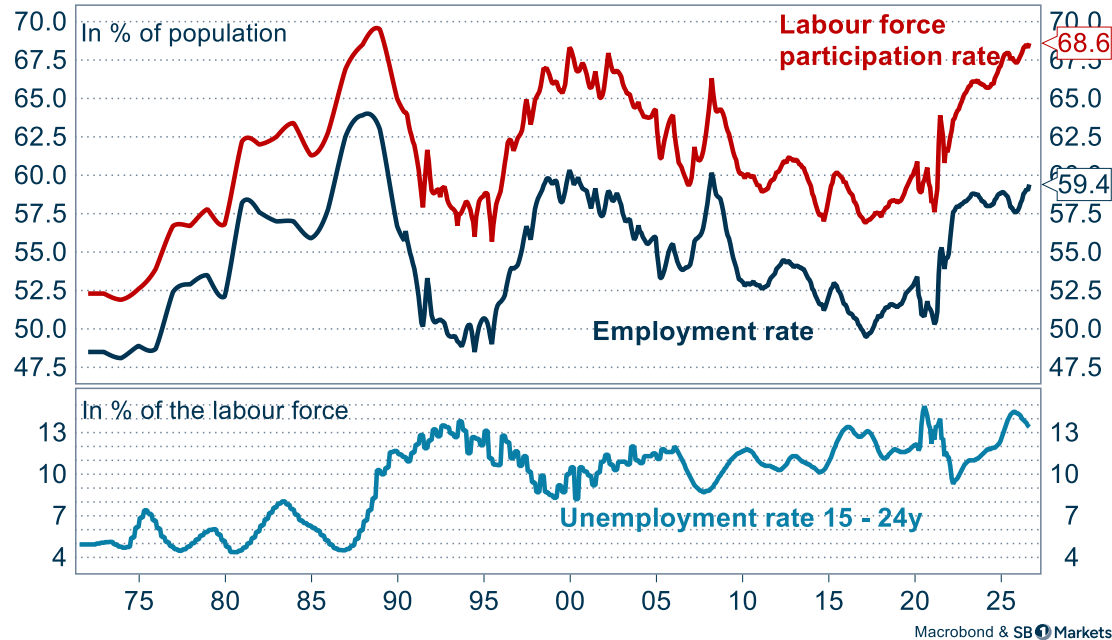
... due to the surge in the participation rate. In 2026, a small decline. Unemployment in the 'core' group, the 25–54y segment, is up as well, but far less than the lift in the overall rate.



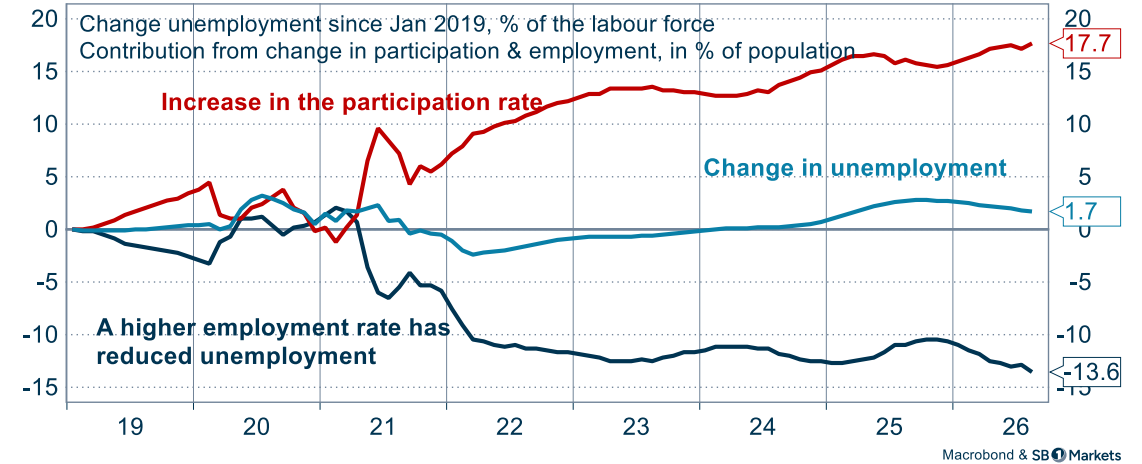
The employment rate among the youth is very high, and participation even higher!

... which has lifted the unemployment rate. The employment rate is up 13 pp since before the pandemic, participation 17.5 pp. The Norwegian NEET (not in education, employment or training) rate is among the lowest in rich countries.

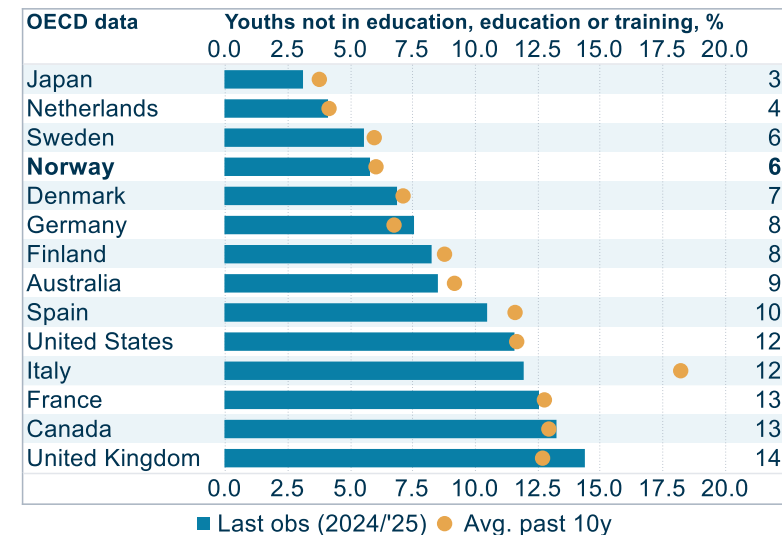
Norway The youth (15 - 24y) labour market



Norway Why has youth unemployment increased?

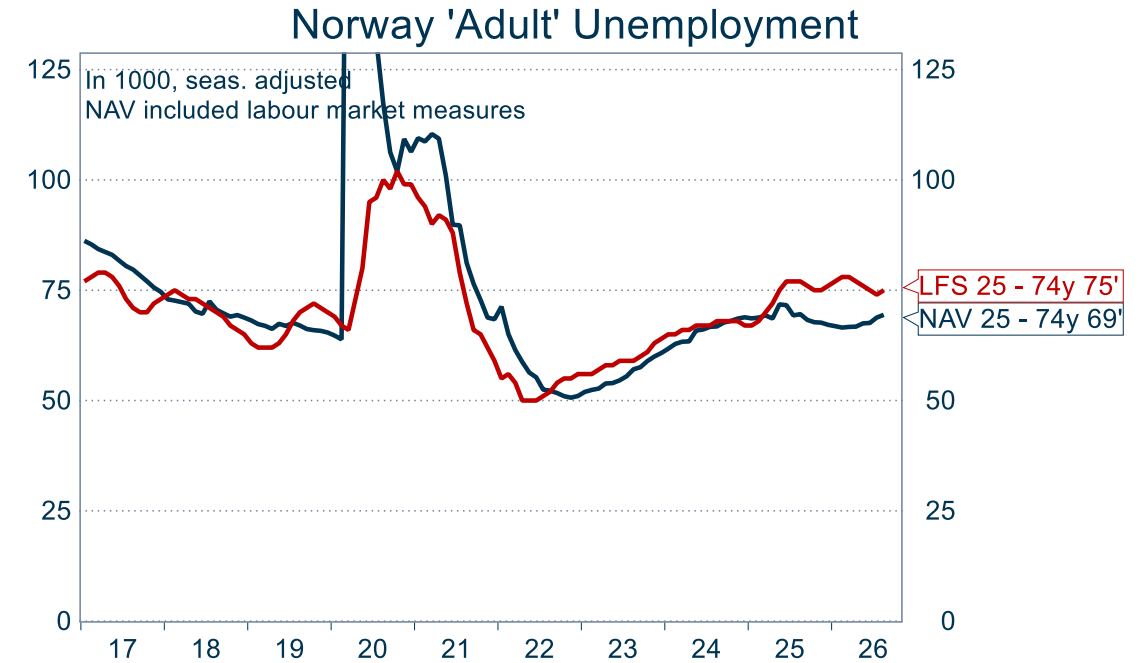
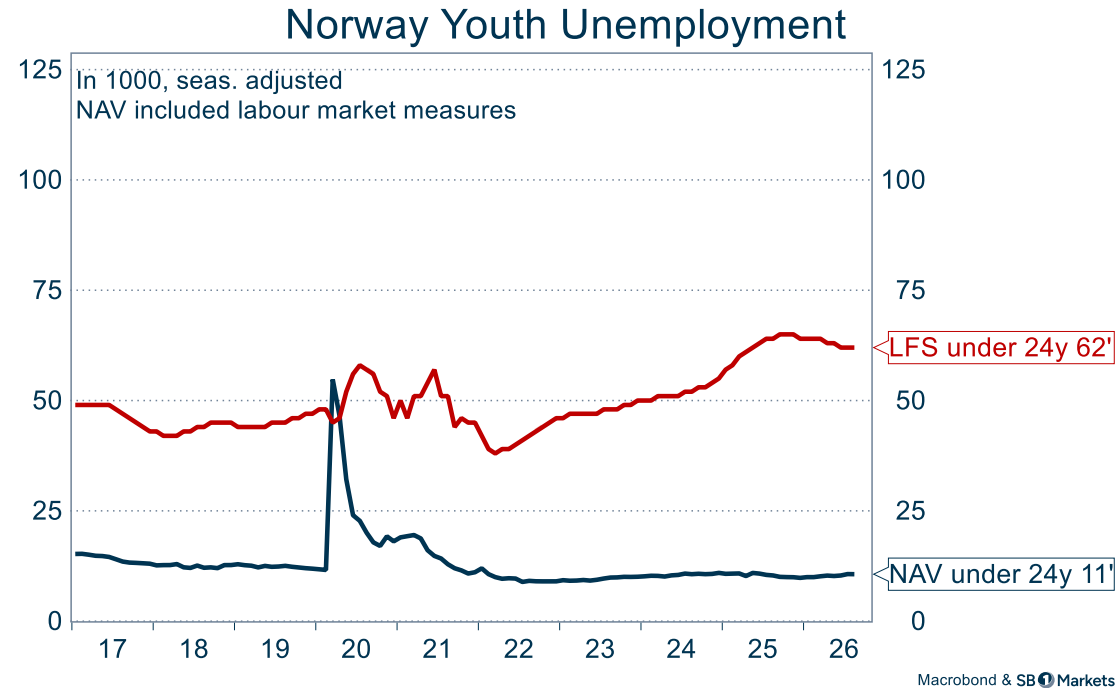


Youth 'NEETs' rates

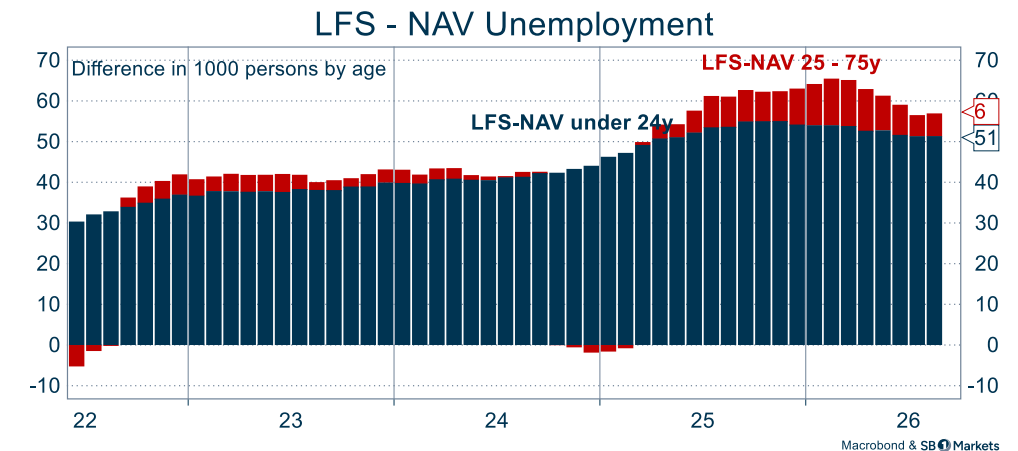


NAV or LFS unemployment? Almost all of the difference is due to youth unemployment

... at least until mid-2025. Following a widening of the gap in the 25–74y segment until early 2026, a narrowing of the gap to NAV again, both due to a narrowing within both segments, the most among the 25+ group.



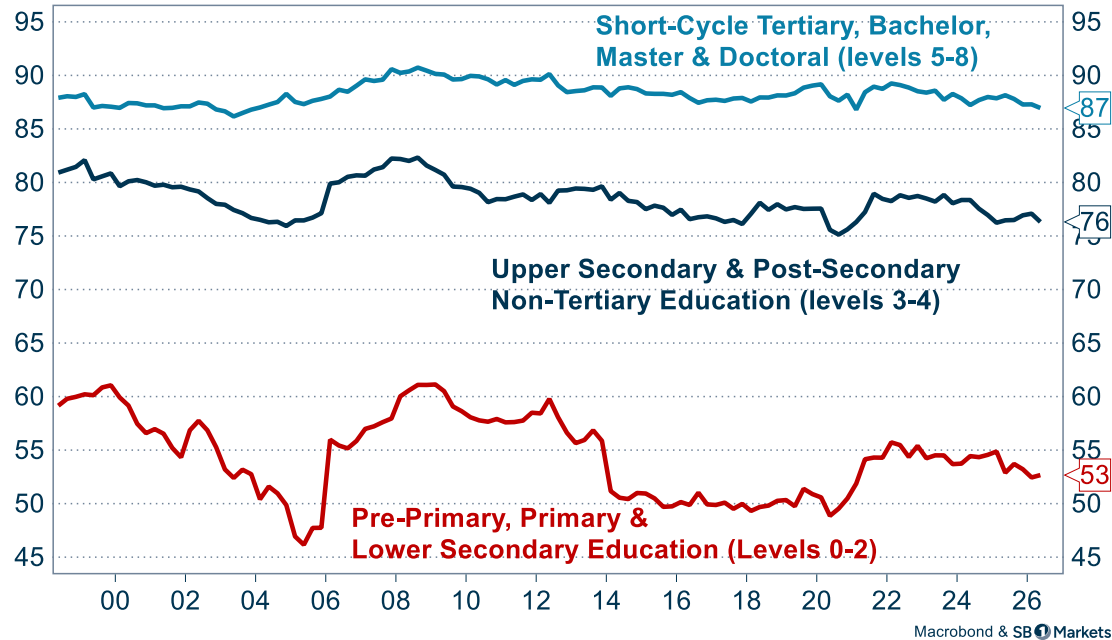
- The effective supply of hours worked for those under 25y is limited (many offer just part-time engagements). In addition, the lift in youth unemployment is not due to a decline in the employment rate; it has increased in recent years. The increase is due to an even larger lift in the participation rate, check the previous pages.
- We have included labour market measures in the NAV figures.



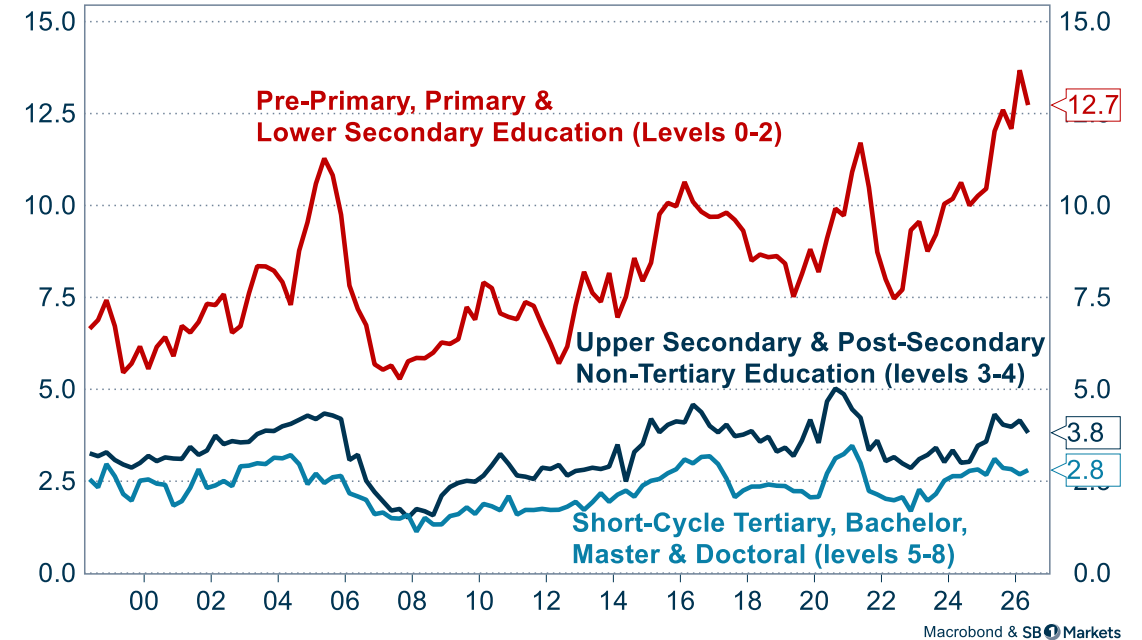
Employment trends down among all educational groups, unemployment has increased

Unemployment has increased rapidly, and much faster than in the total population, for those with the lowest educational level, very likely because those below 25y have increased their participation rate sharply, when still in education.

Norway LFS Employment vs. education



Norway LFS Unemployment vs. education

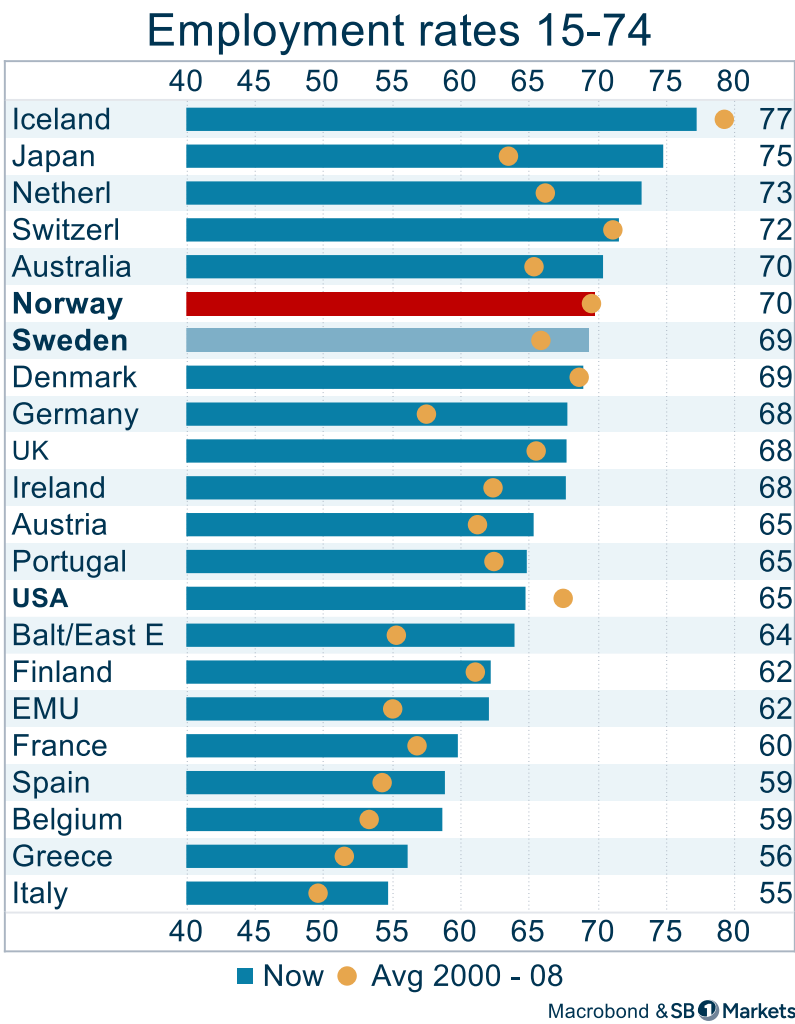
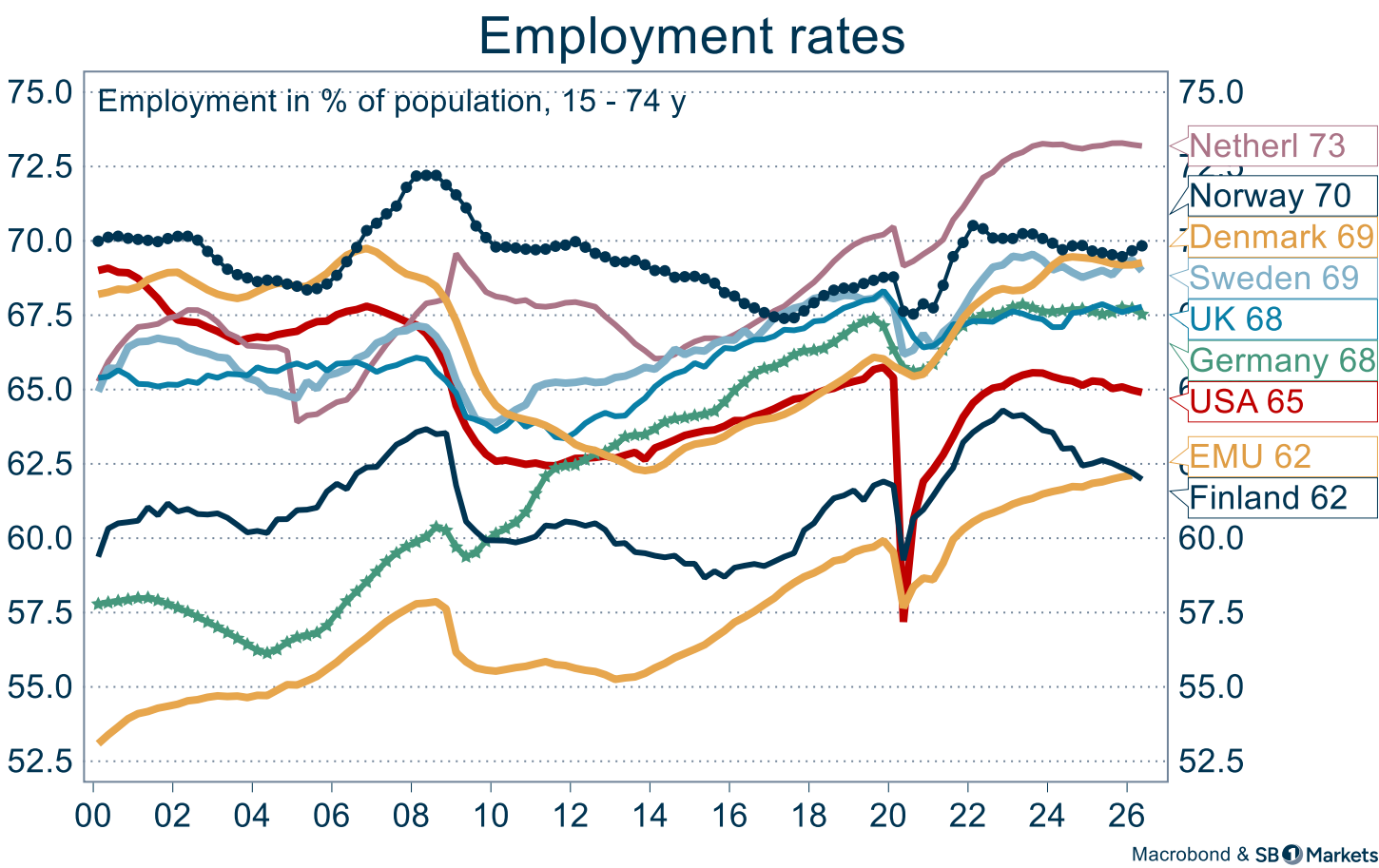


- The normal pecking order is intact: Employment is higher and unemployment is the lowest among those with the highest level of education, and it is at a normal level vs. overall unemployment. Unemployment among those with low education is the highest since the early 90s.



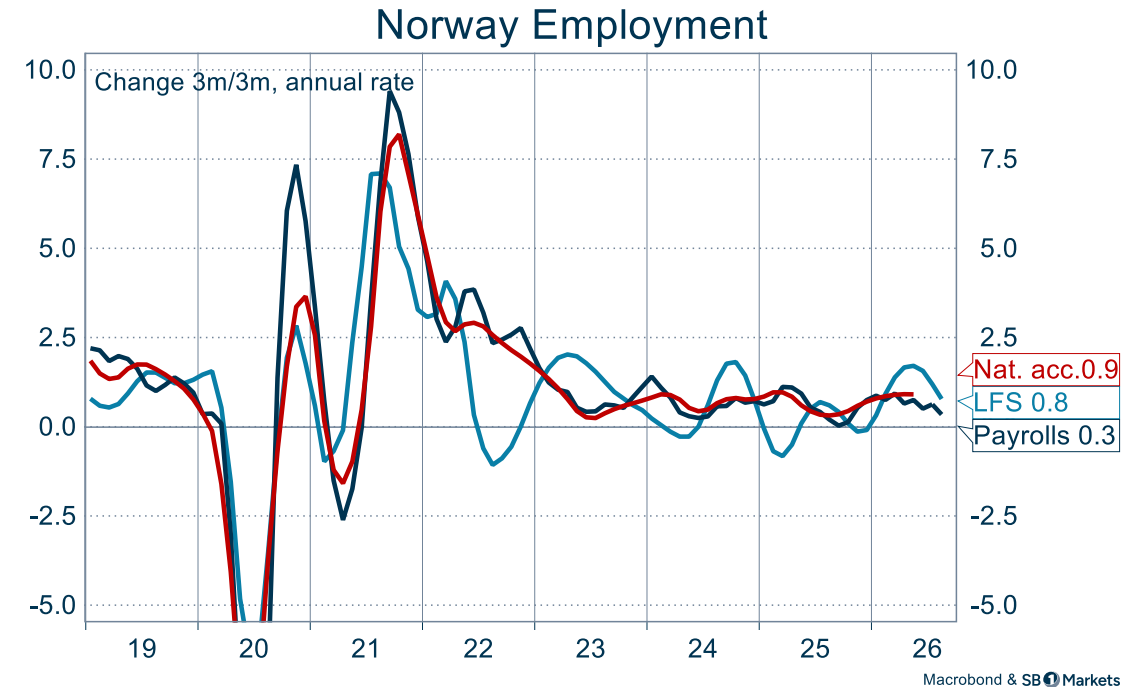
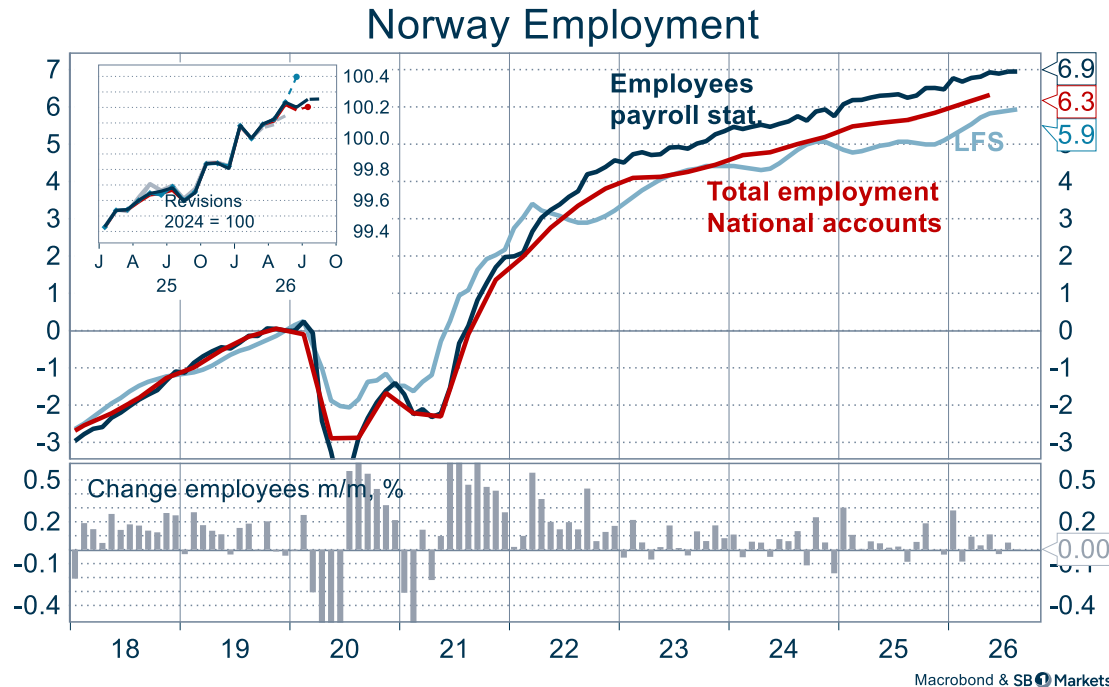
The Norwegian employment rate is not that low, according to OECD

However, several European countries are on the way up, and some have overtaken Norway in recent years. The Netherlands is the most impressive (and Sweden is not that impressive).



Payrolls: July 'crash' was revised away, but growth has slowed somewhat

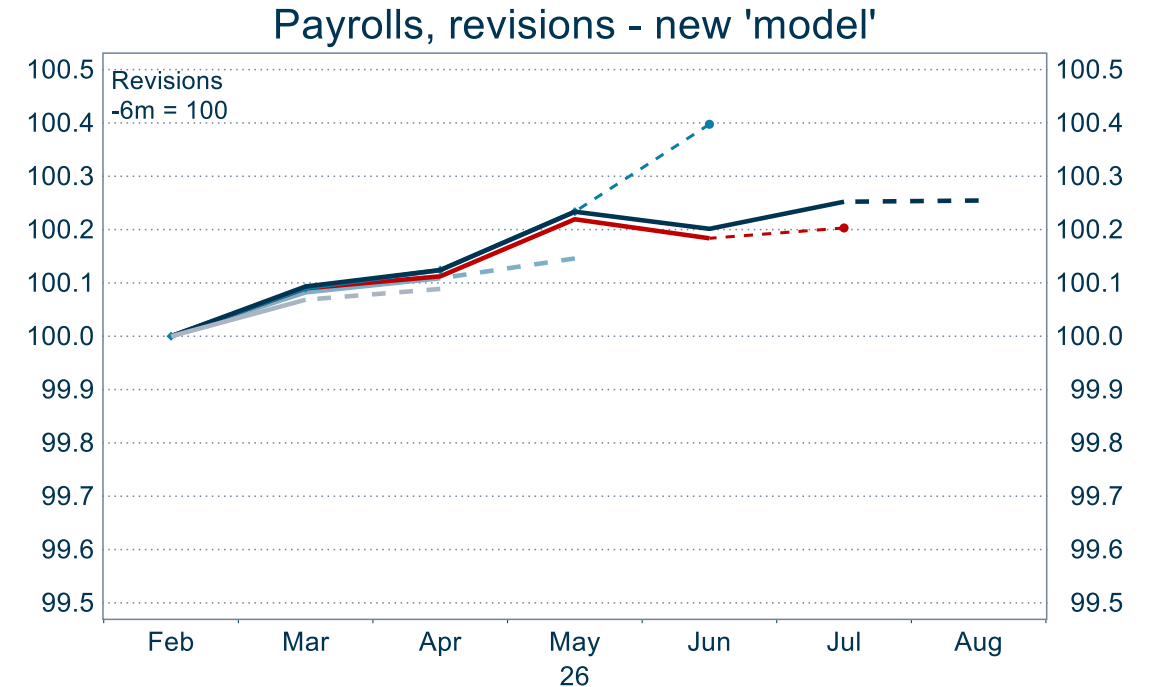
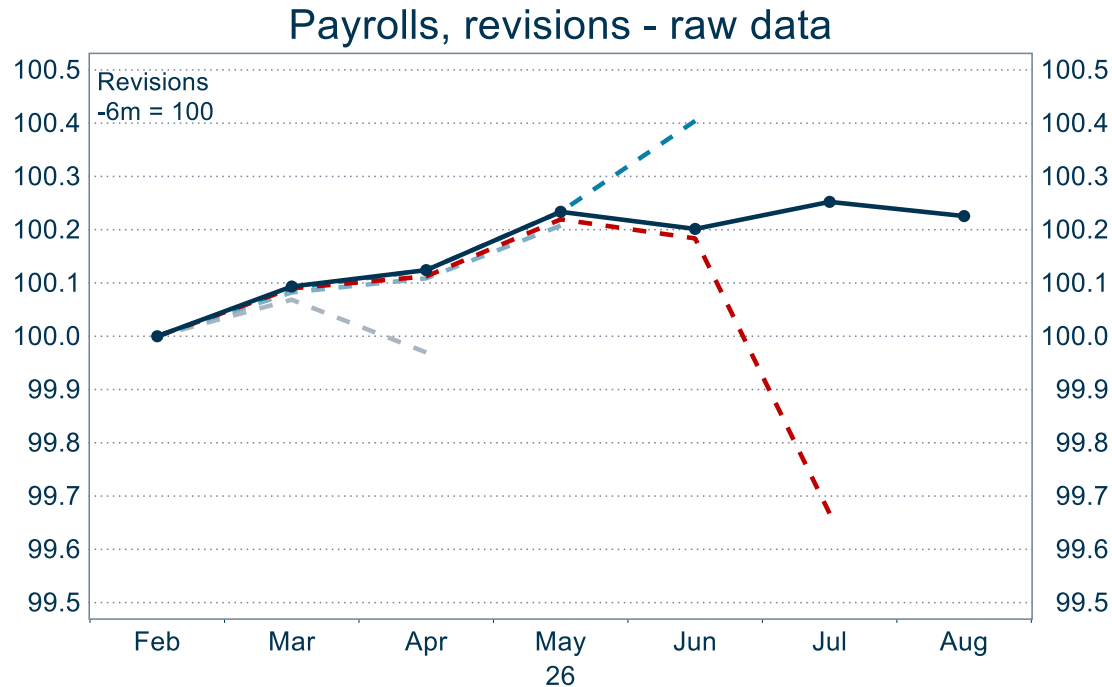
The huge drop in payrolls in July (-0.5% m/m), turned out to be a small uptick, just as we assumed a month ago. In August, probably no growth, and the underlying (3m/3m) growth pace has slowed to 0.3%, marginally below growth in working-age population.



- **SSB's official preliminary statistics** report a 1,000 decline in payrolls in August, following a 2' lift in July (revised from -15!). Payrolls in the health sector were revised sharply up, as we expected (while the August number most likely will be revised down).
 - Payrolls are up 0.7% y/y, but we assume an underlying growth rate at 0.3%, slightly below growth in working-age population.
- The no. of employees is up in most sectors, but construction still heads steadily down (but slower the past year than the previous two), while professional services have turned marginally down as well, alongside manufacturing (lately). Other sectors are trending upwards.
- **Wage inflation** has slowed to 3.5% y/y, measured by monthly cash earnings. National accounts reported a faster growth rate in Q2/H1.
- The **LFS** reports faster growth in total employment, 0.8% in recent months, but data are much more volatile than payroll stats (at least in the final payrolls data). National accounts reported a 0.9% growth rate in Q2 (q/q, annualised).

For the nerds: Payrolls data are not easy to handle...

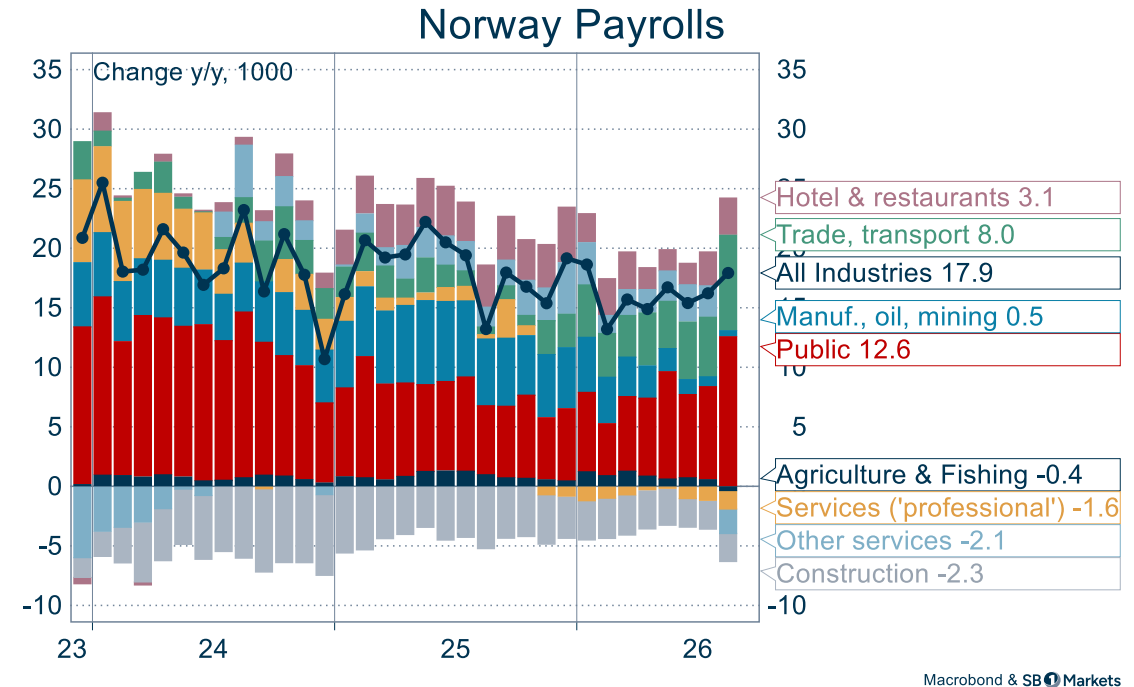
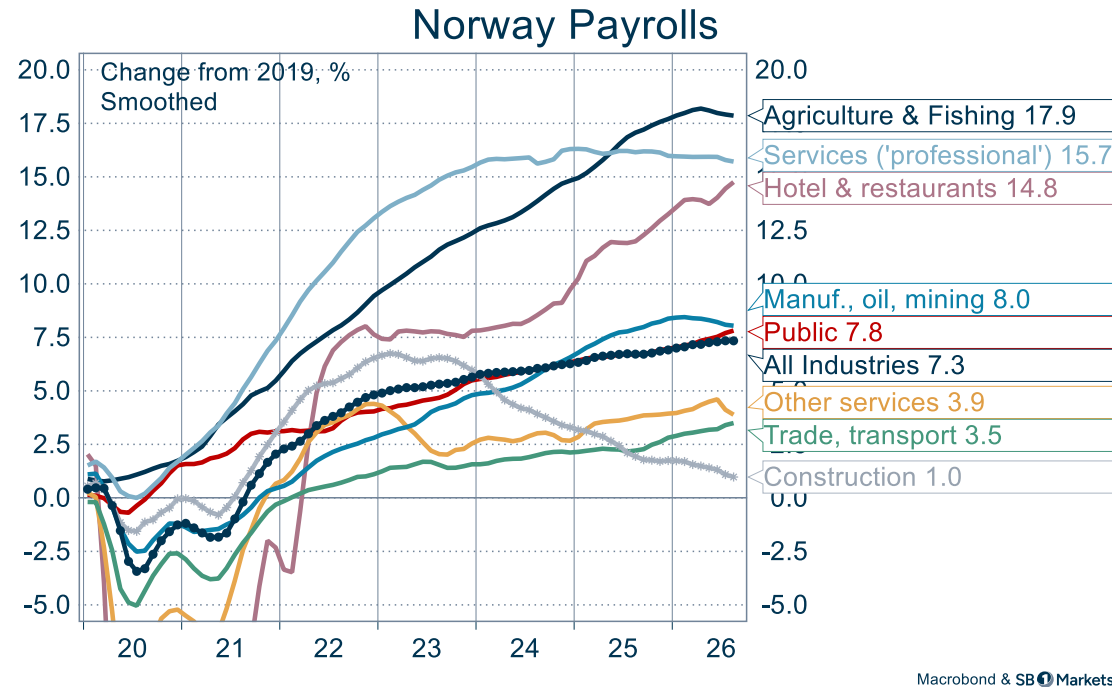
Data are volatile and, from time to time, heavily revised. Our error correction model has yielded far better estimates of monthly changes than SSB's 'raw' data – so we stick to it. It even 'managed' to adjust the large drop in the preliminary July to a small uptick, which was correct.



- We suspect that our model's August estimate may be on the high side.

Construction is still heading down but in sum just by 15', or by 6% (0.5% of total payrolls)

... from the peak in 2023. Professional services are heading slowly down, and lately industry (manuf+oil, mining) is slightly down as well. Hotels and restaurants grow at a fast pace. Public sector turned up in August but will mostly be revised down (*check next page*).

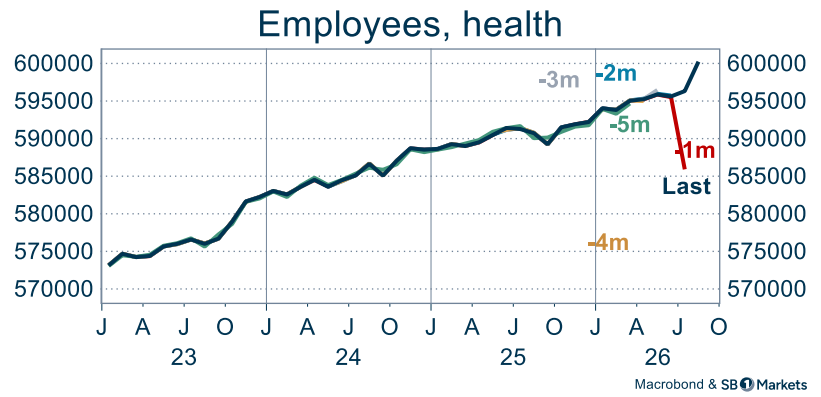
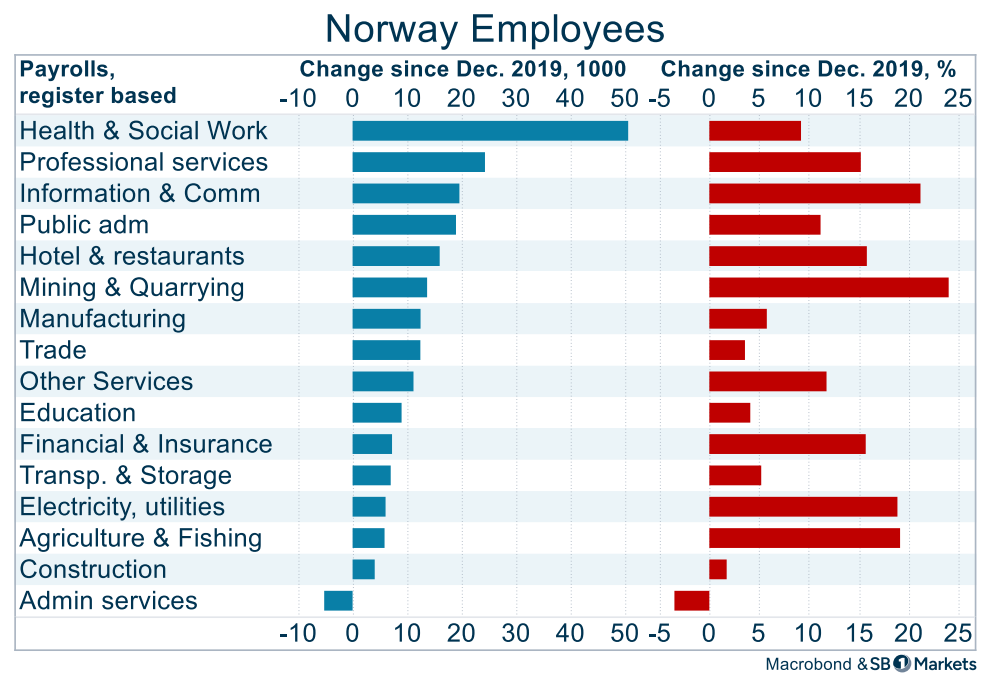
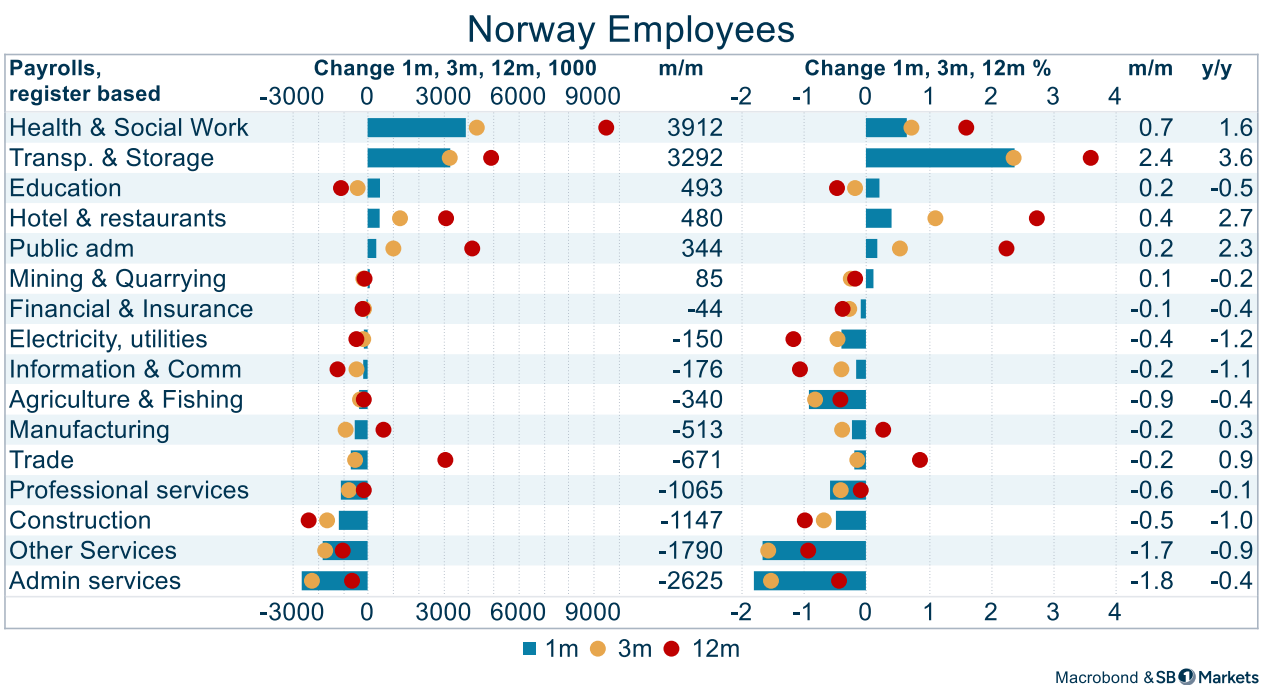


- **Public sector** employment (admin. + health + education) is up 7.8% since before the pandemic, marginally higher growth in the total no. of employees.



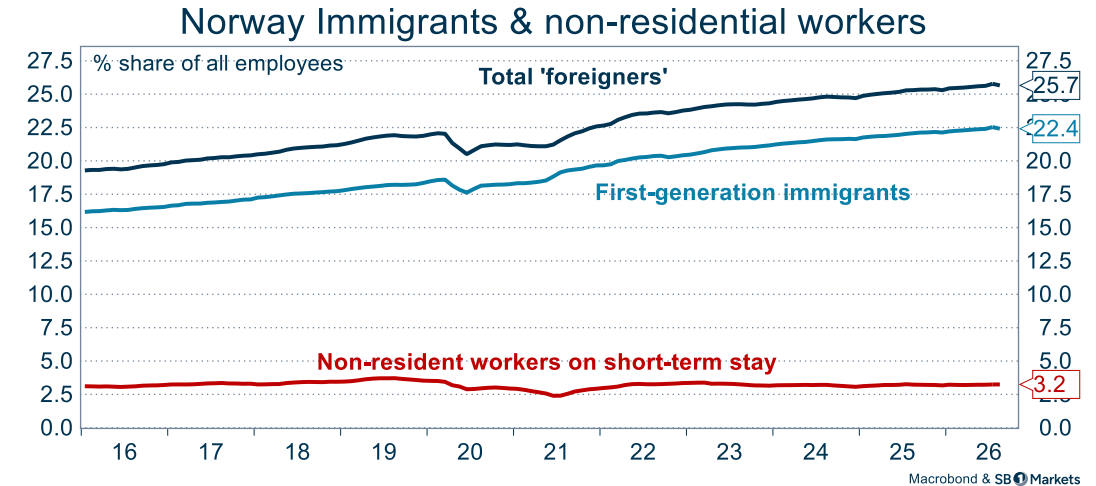
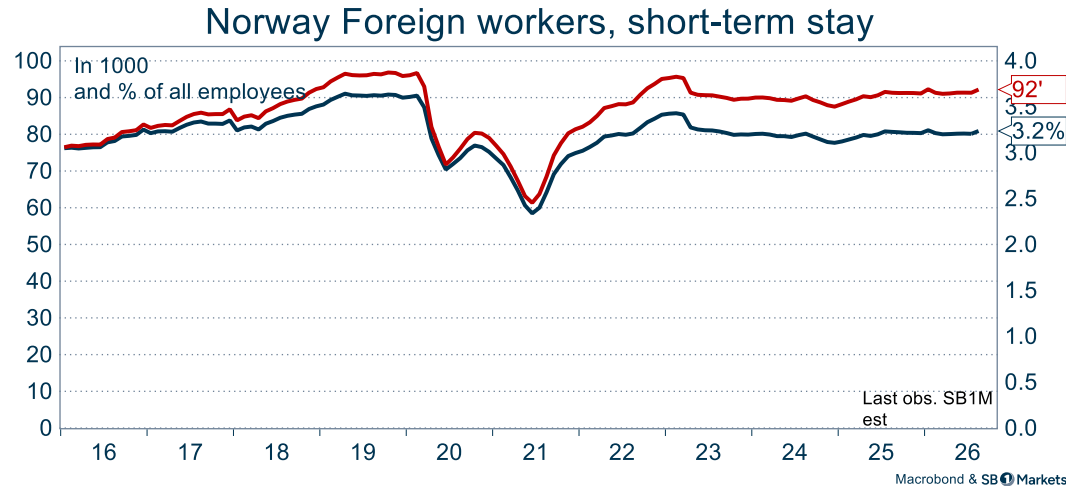
For the nerds: as we assumed, the steep decline in health in July was a ‘fake’

The revision was large (+1.7%) and health returned to the pole position (from the bottom of the list). The August figure looks suspicious too, on the upside this time (*check the chart at the bottom*).

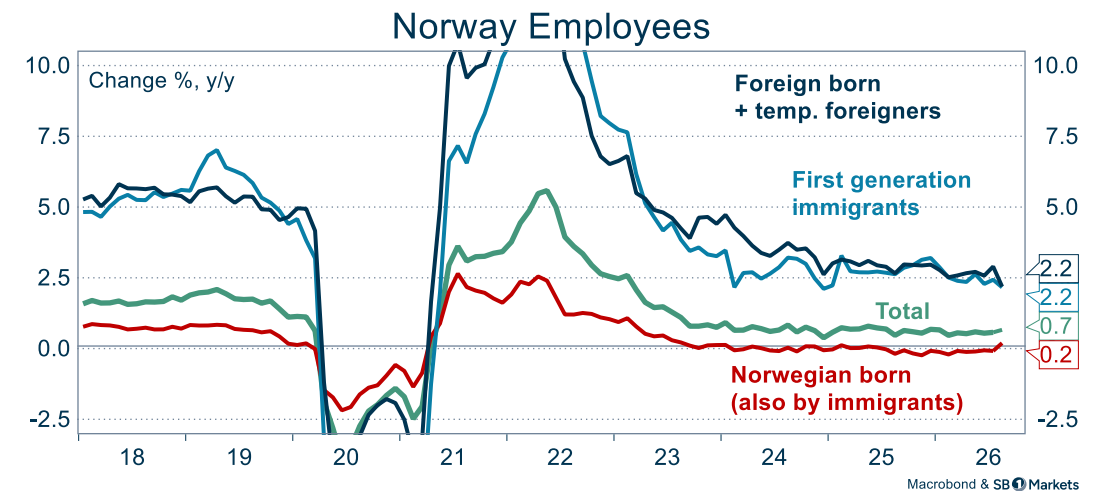


Foreigners are still coming to Norway

Both the number of employed first-time immigrants and foreigners on temporary stay are up 2.2% y/y. Together, they constitute 26% of the number of employees.



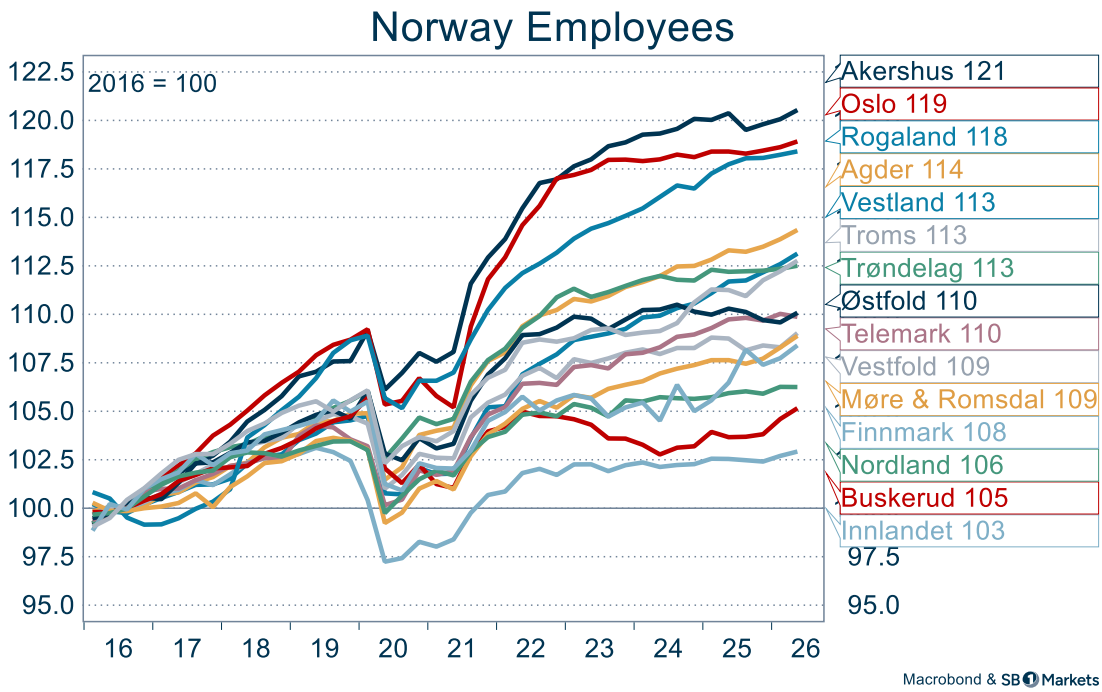
- The share of **foreigners on short-term stay** has flattened at close to 3% of total payrolls, slightly down from the 3.5% peak in 2019.
- The share of **first-generation immigrants** in payrolls equals 22.4% of all employees and has trended up by some 0.4 pp per year (more than 20' persons per year).
- Payrolls among **Norwegian-born residents** trend close to flat. Since 2019, a 2% lift.
- The **total number of employees** is up 7.4% from 2019, of which ¾ due to the lift in first-generation immigrants.



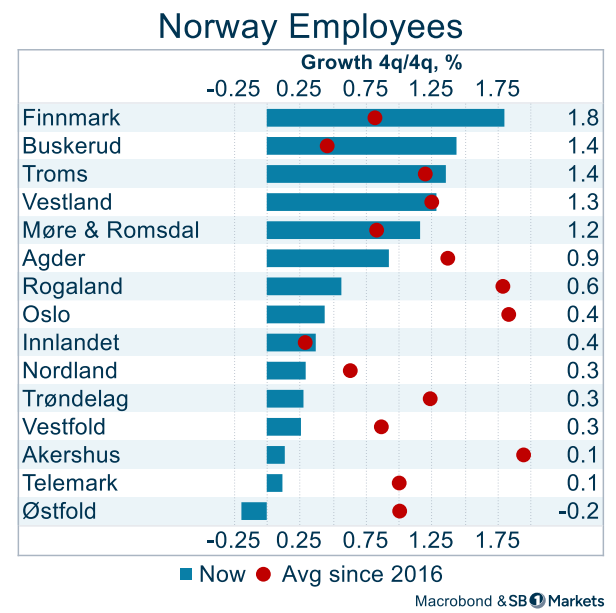
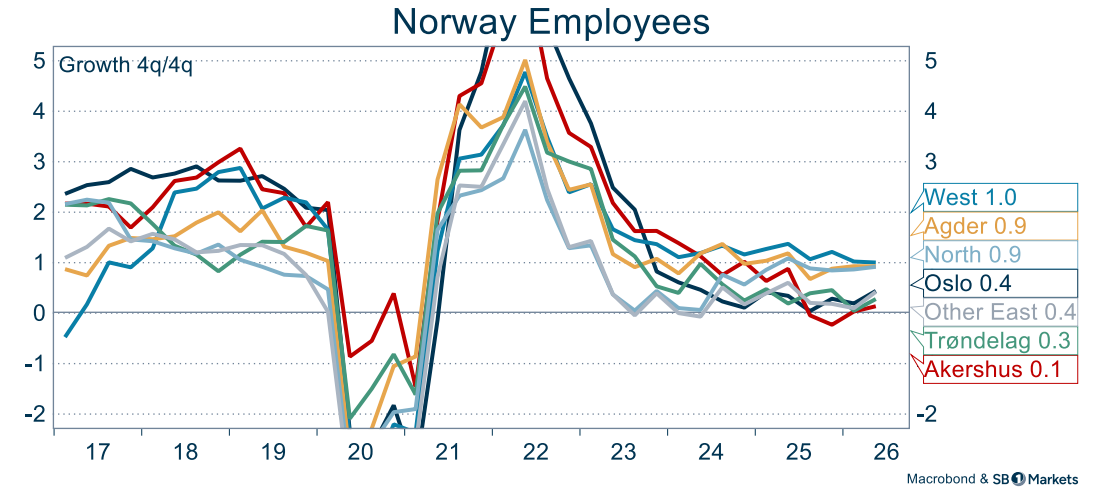


Payrolls: East is still the laggard, but just Østfold heads down

All counties but Telemark reported growth q/q in Q2. All but Østfold are up 4q/4q. West, south, and north trend up 0.9–1%. Oslo and Akershus have turned up recently, up 0.4% and 0.1% resp. (4q/4q). Longer-term: Buskerud and Innlandet at the bottom. O/A, Rog. at the top.



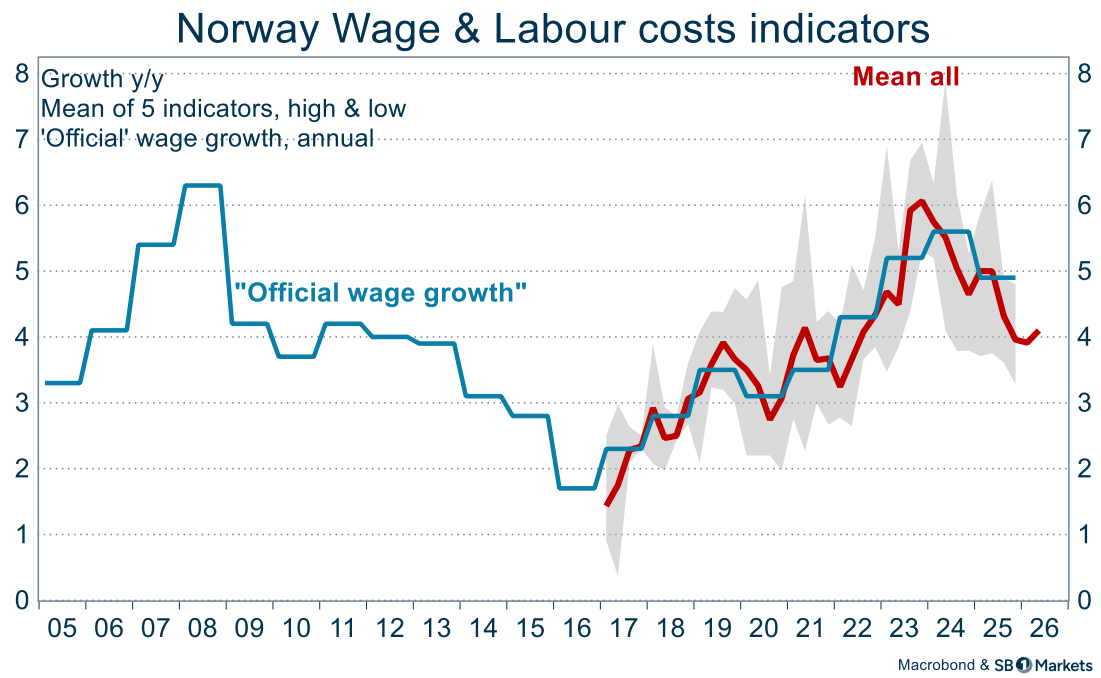
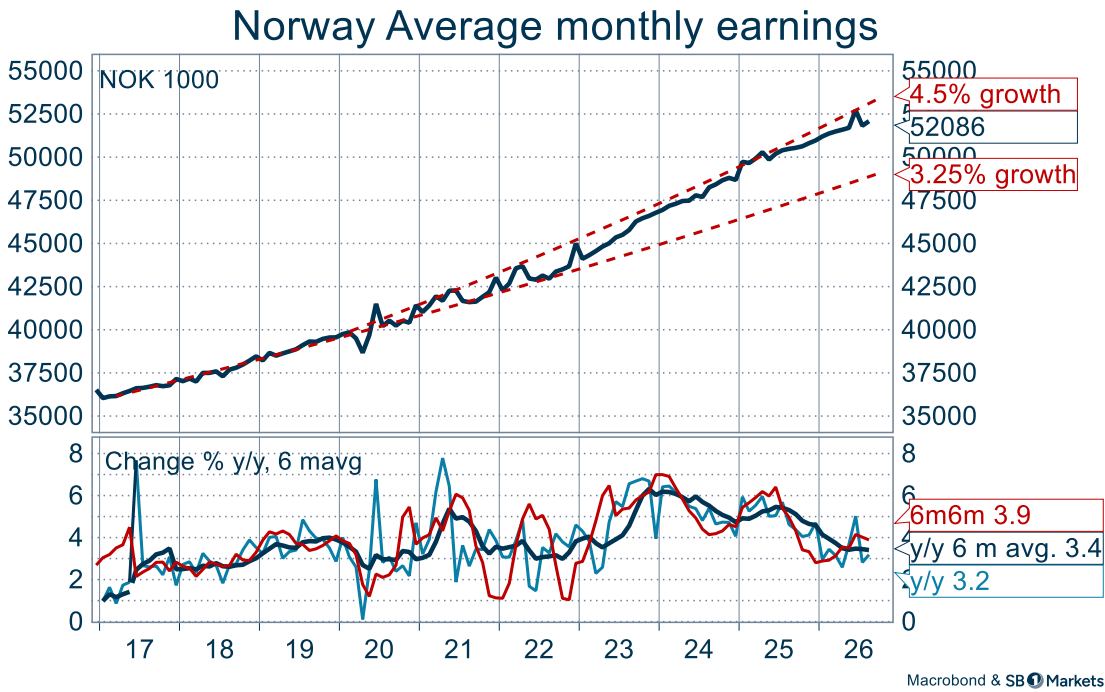
• Quarterly data, the last is Q2–26.





Monthly cash wage inflation has slowed substantially, to around 3.5%

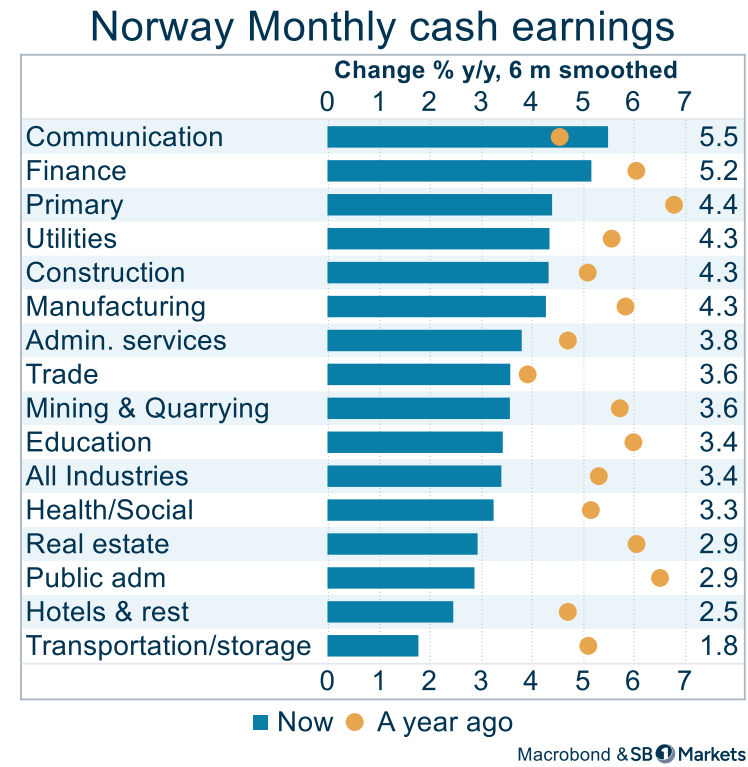
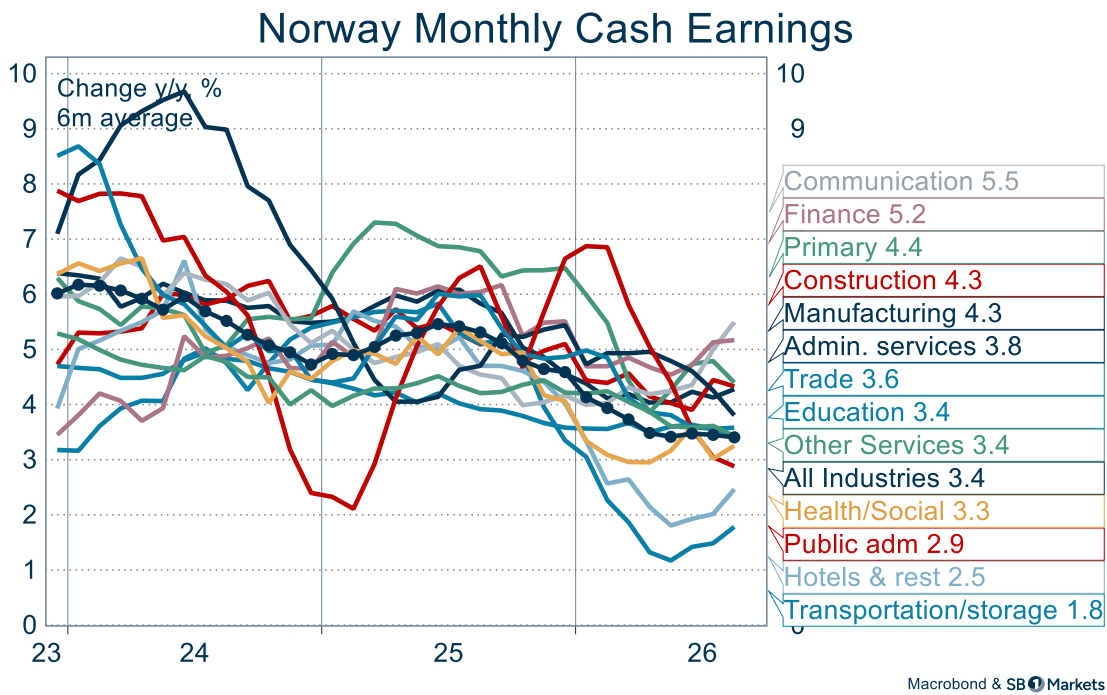
Monthly data based on payrolls stats are volatile, and other wage indicators report faster growth in wages. Still, the average is below Norges Bank's 4.5% 2026 forecast.





Wage inflation has slowed but not further recently, according to payrolls-based stats

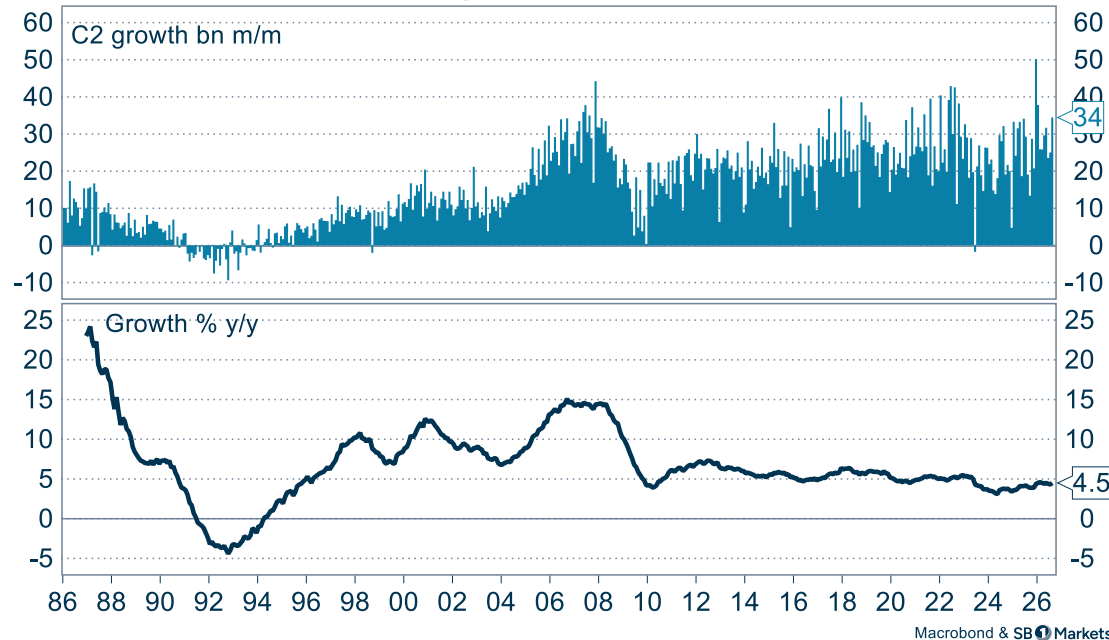
The decline in cash wage inflation has been broad.



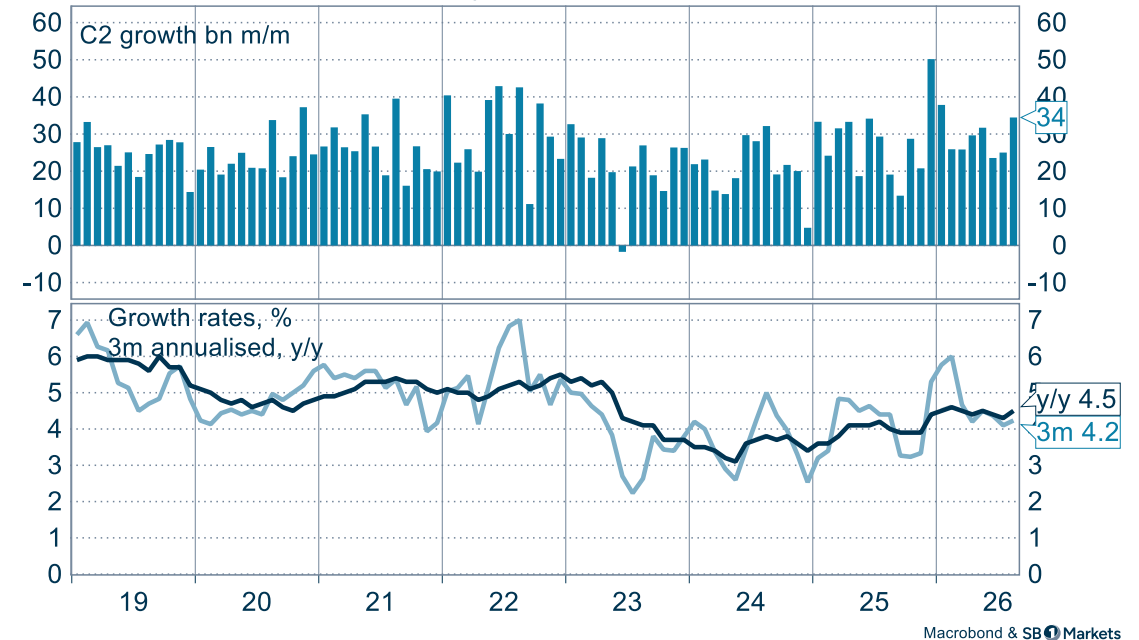
Credit growth a tad up in August, as the business sector borrowed more

Domestic credit (C2) added NOK 34bn in August, or a 5.3% annualised pace. The 3m growth pace stands at 4.2%, while the annual growth rate rose 0.2 pp to 4.5%, we expected 4.4%. The big picture is still: Growth has flattened at a 4½% level: **not too hot/not too cold**

Norway Domestic credit



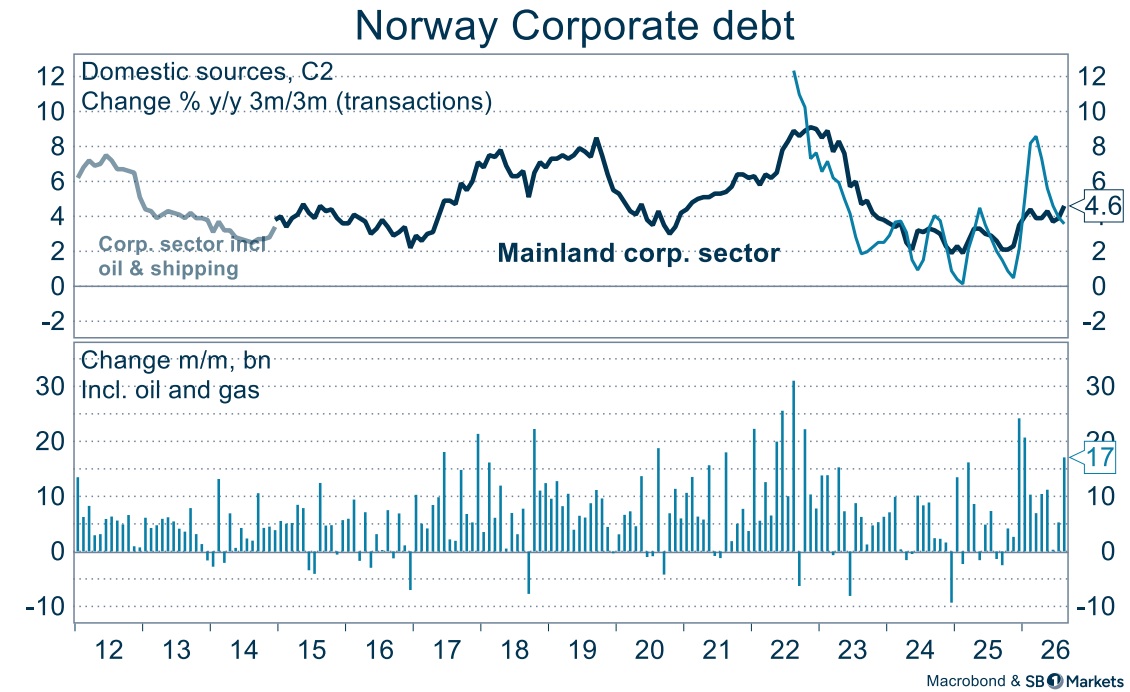
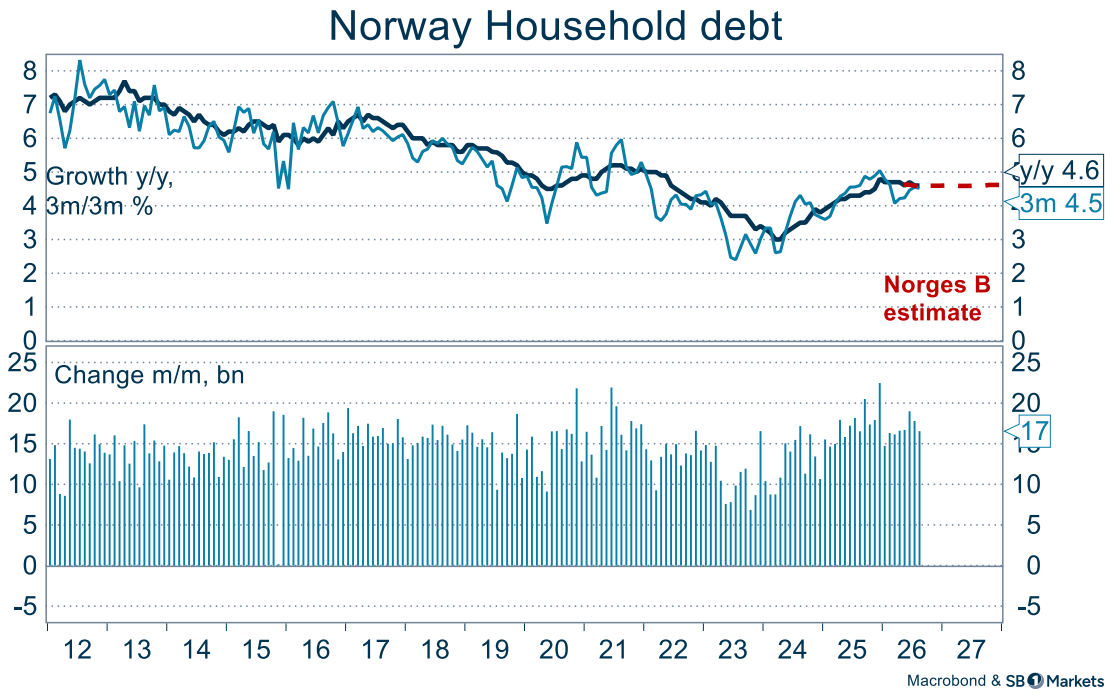
Norway Domestic credit



- **Household credit rose by NOK 17bn in August**, a 4.2% pace, while the y/y rate was flat at 4.6%. Debt growth is below household income growth, and the **LTI ratio is on the way down**, like in all other rich countries.
- **Corporate C2 credit rose NOK 17bn**, a 9% pace. The y/y rate accelerated 0.8 pp to 4.8%. **Mainland businesses' domestic debt** is up 4.6% y/y. If **foreign debt** is included, the **growth rate in C3 was 5.1%** in Q2. **Oil/shipping**: up 8–10% y/y domestically, and including foreign debt.
- **Local government debt increased by NOK 1bn**. The annual rate fell 0.4 pp to 3.0%, **well below their income growth, and their LTI ratio is declining**.
- *In sum: Credit growth is modest and is not by itself an argument hiking the signal rate. But far from so low that it is an argument for cutting.*

Household credit growth is stabilising?

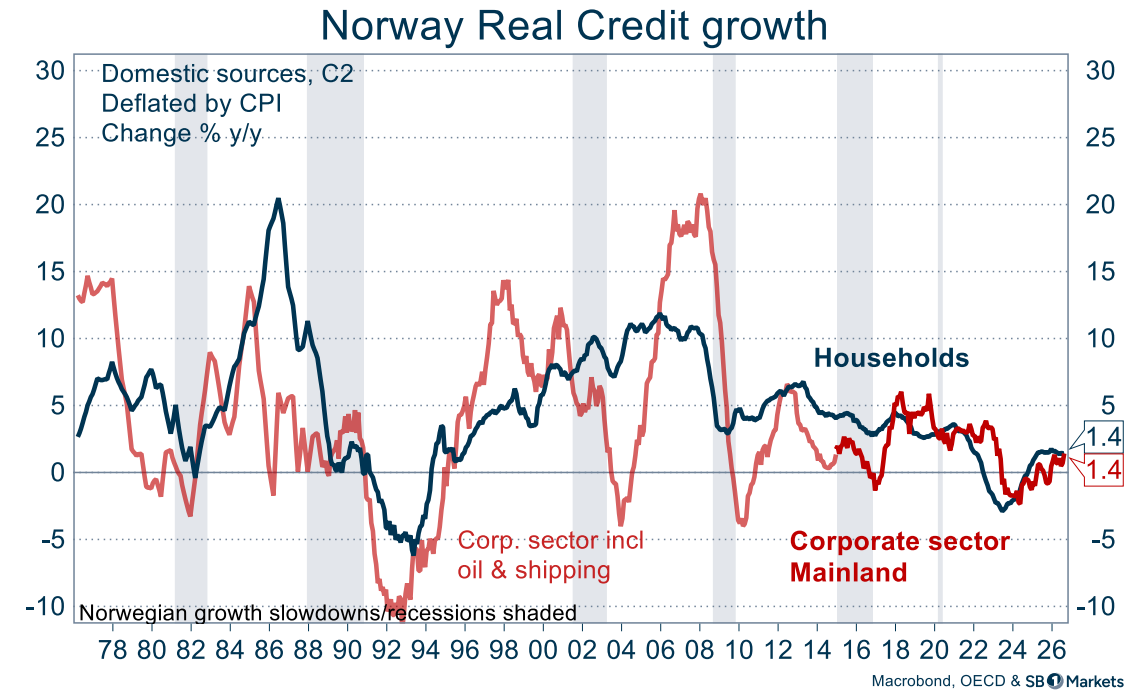
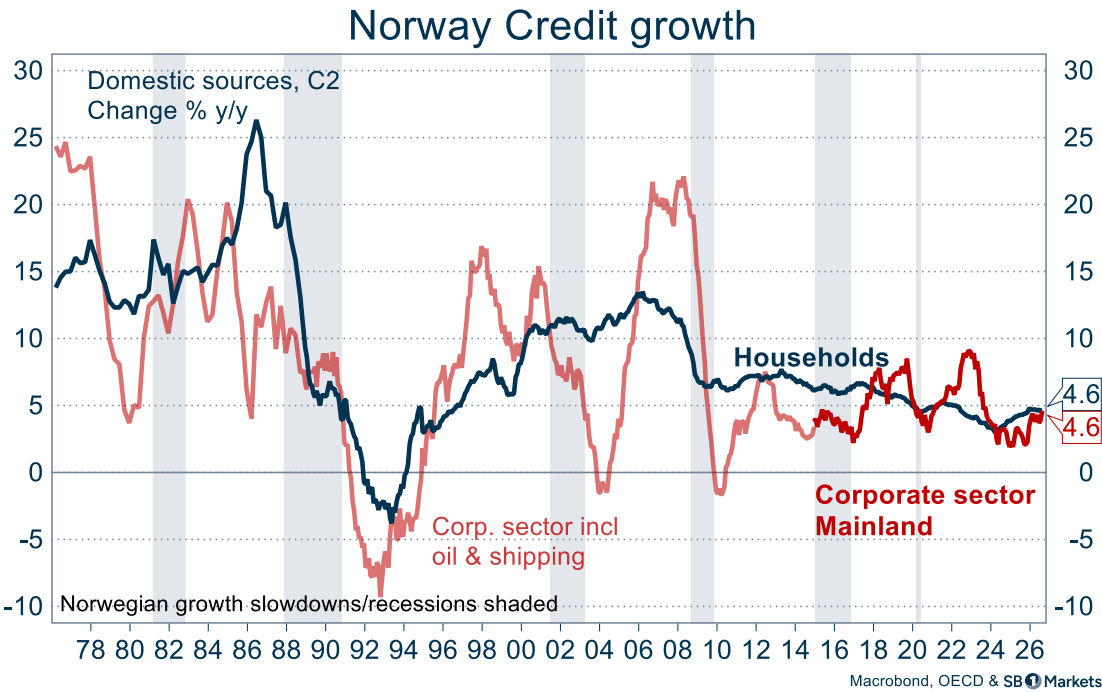
Growth in household debt is close to 4.5%, and stable. Growth in Mainland corporate credit is far more volatile and was low the previous 2 months before the lift in August. The 3m/3m rate has fallen to 4% from 8% in early 2026.





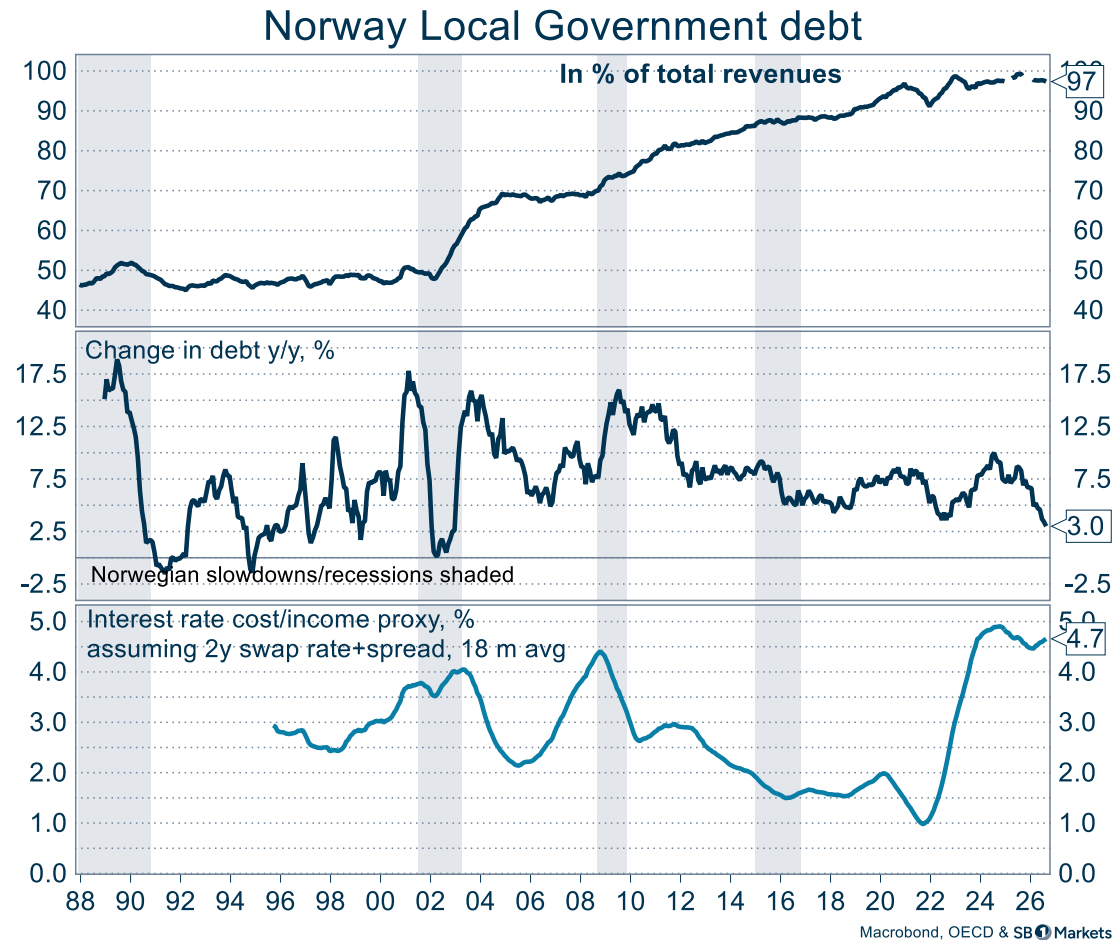
Nominal credit growth remains modest, and debt is growing slowly in real terms

... but it is growing again!



Growth in local government debt slows rapidly, and their debt ratio is finally declining!

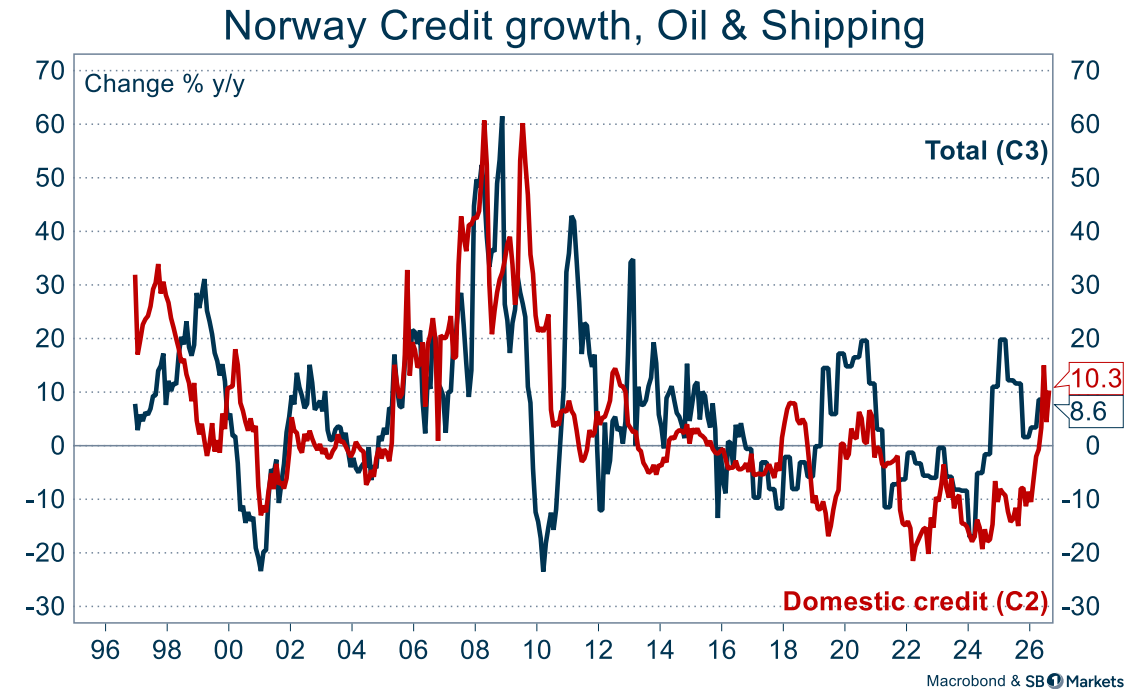
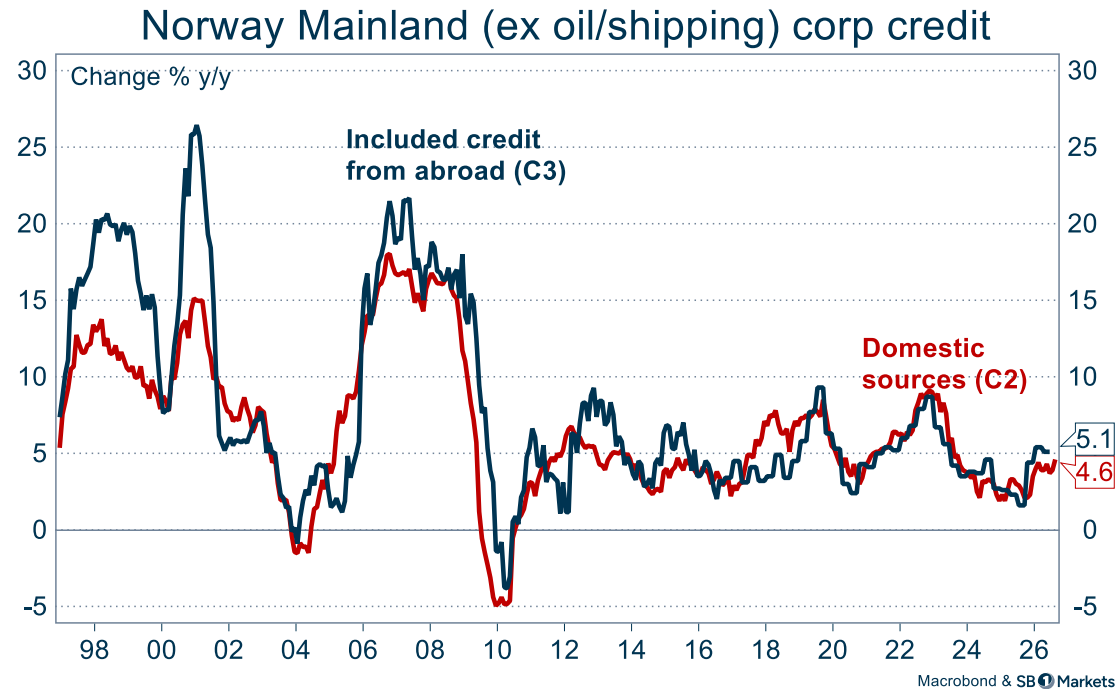
... following more than 2 decades with a rapidly expanding debt ratio.



- Debt is up 3.0% y/y, below growth in the local government's incomes.
- The debt/income ratio is still close to 100%.
- We estimate a 4.7% average borrowing rate, down from almost 5% at the peak in 2024. But still way up from the spectacular 1% rate back in 2021. The interest debt burden, interest rate payment/income, sits at 4.6%, from 1.0% at the bottom.

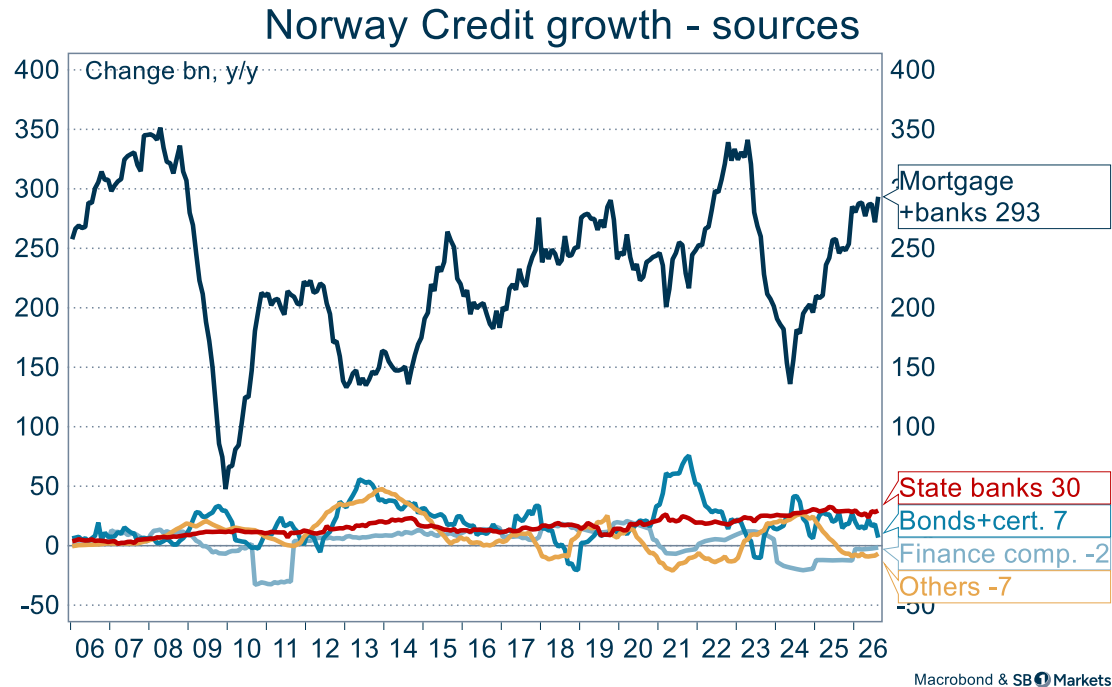
Mainland corporates increased their total debt (incl. foreign credit) by 5.1% in Q2

Oil & shipping total debt was up 9% in Q2 (and 10% from domestic sources).

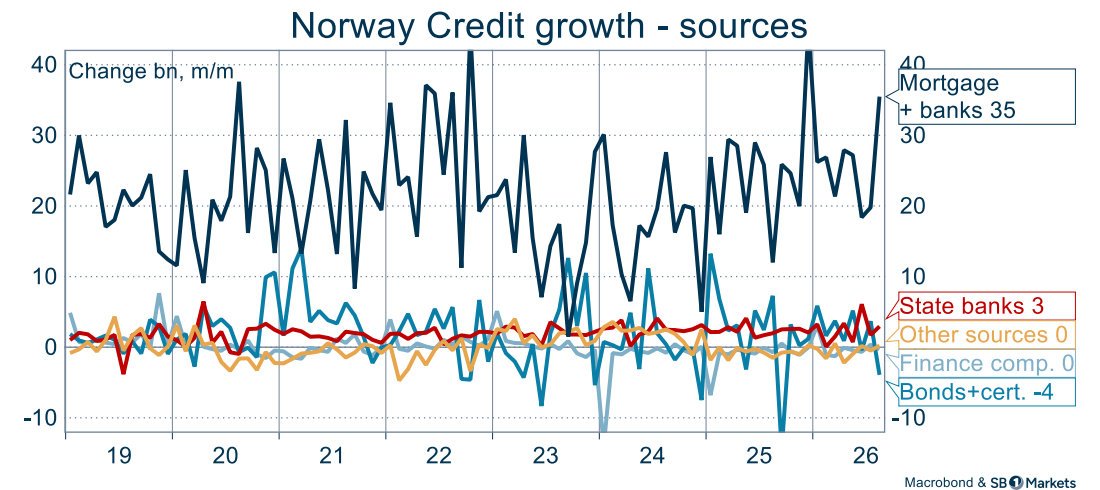
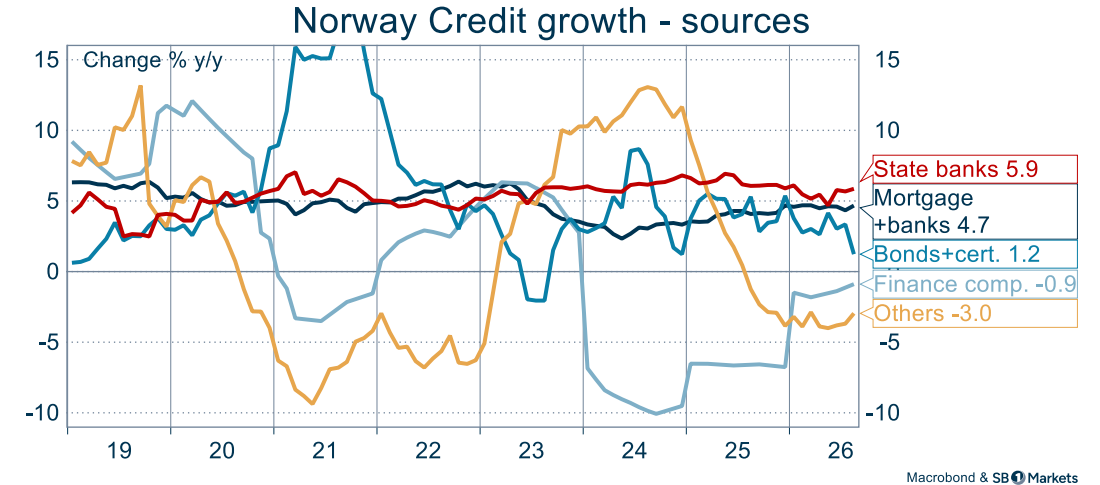


Growth in bank/mortgage companies' loans on the way up again? Now to 4.7% y/y

Private sector banks & their mortgage companies totally dominate the credit market.



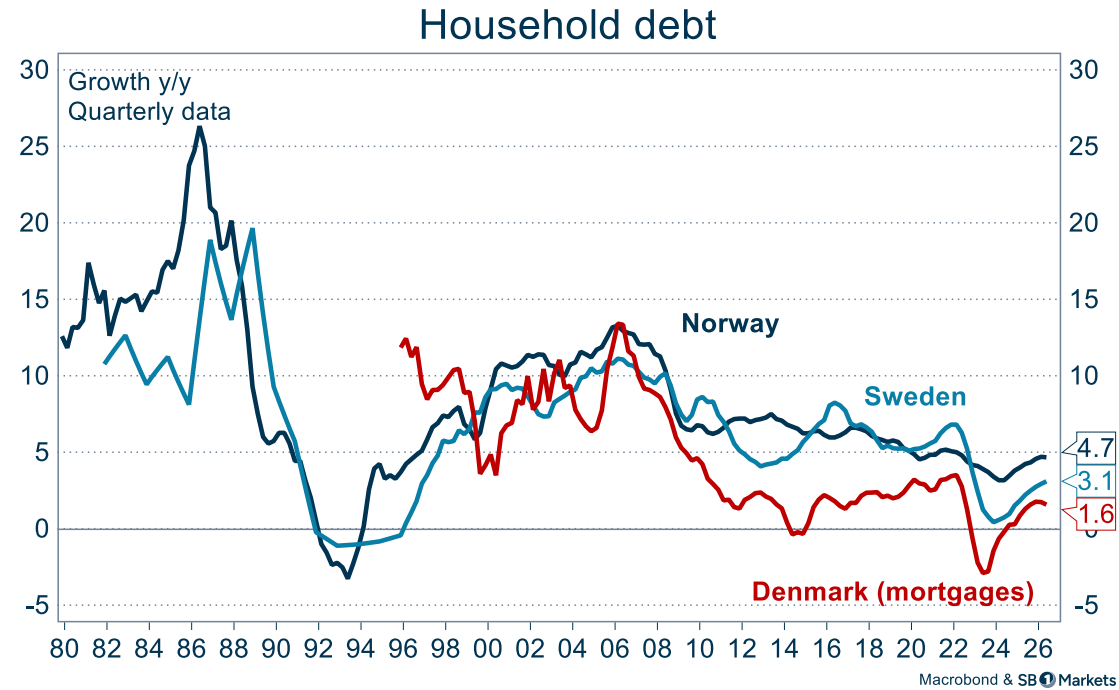
- Loans from **banks/mortgage companies** were up NOK 293bn y/y in August. The annual growth rate was slightly up to 4.7% earlier in 2026.
- Net issuance of bonds (+ bills, to the non-financial sector) is at NOK 7bn in the last 12m (-4bn m/m) and the outstanding amount is up just 1.2%.
- Credit from **finance companies** is close to zero y/y (and m/m).
- Loans from **state-owned banks** are up NOK 30bn, or 5.9%, and still the leader of the pack, in percentage terms.
- All 'others'** have reduced their lending by NOK 7bn, or down 3.0% y/y.



The seasonally adjusted 'sum of the parts' credit supply does not exactly equal changes in the total C2 seasonally adjusted. Consumer banks are included in 'banks and mortgage companies'

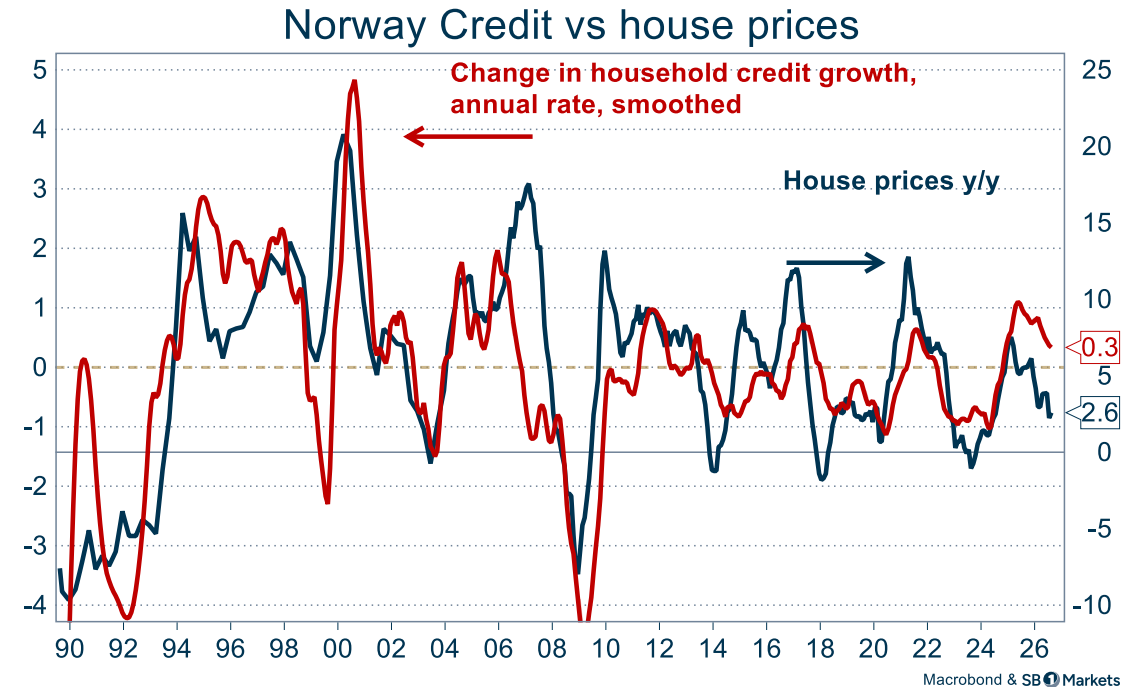
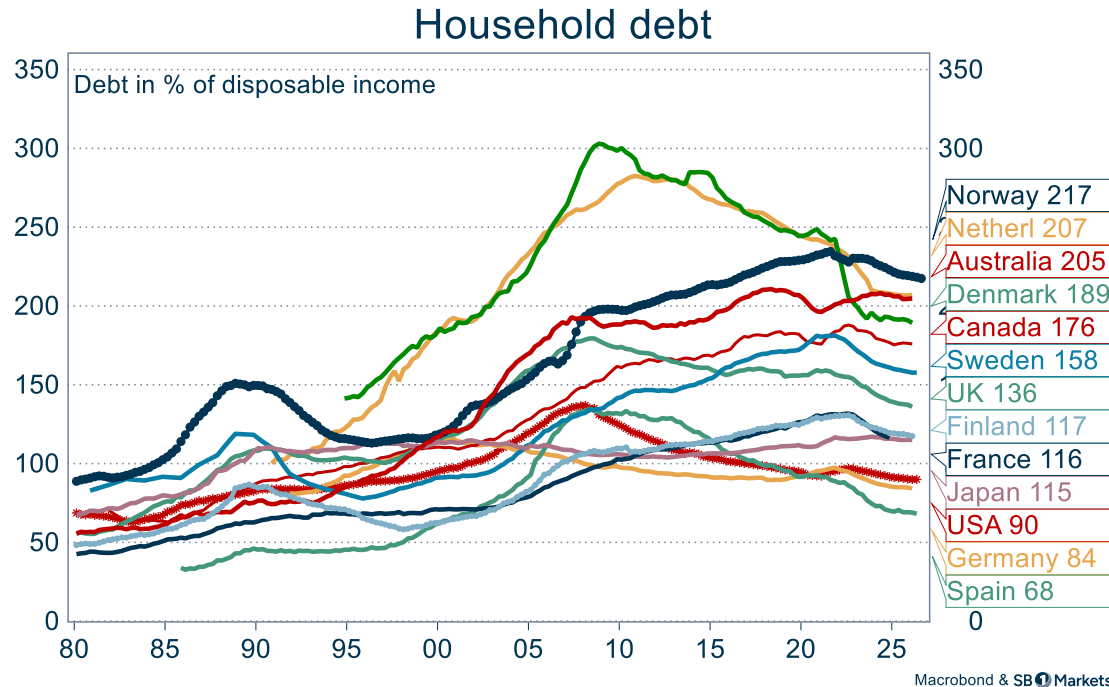


The Scandics: Slow growth in household debt – but it is slowly accelerating again!



Households' debt/income ratios are falling everywhere

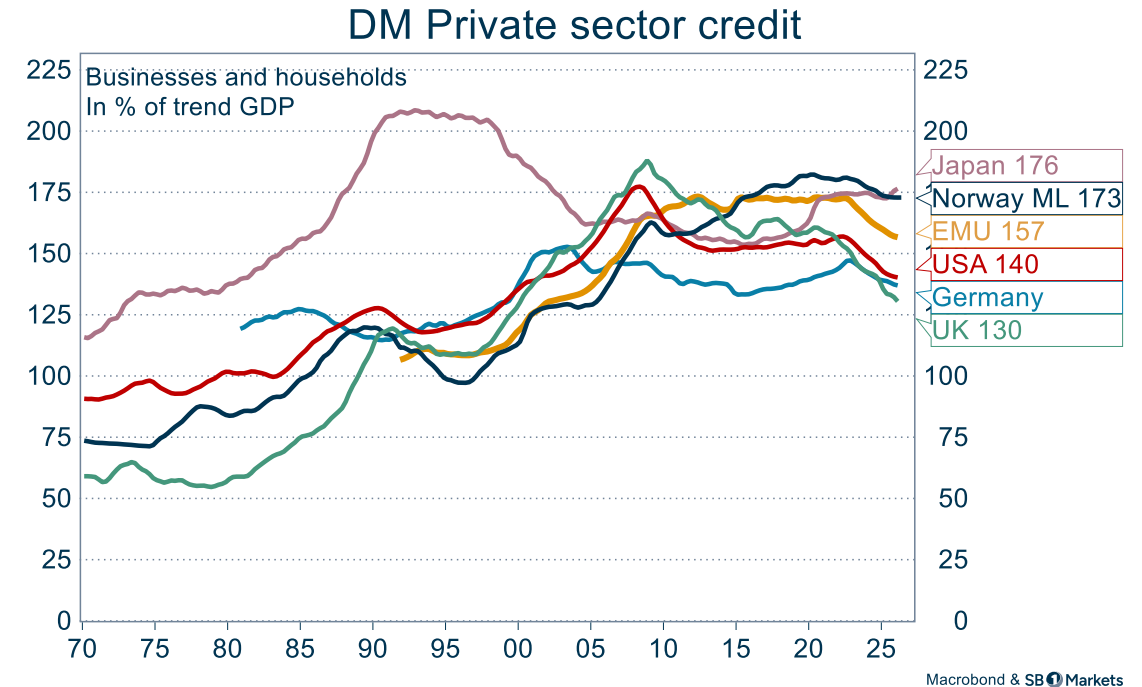
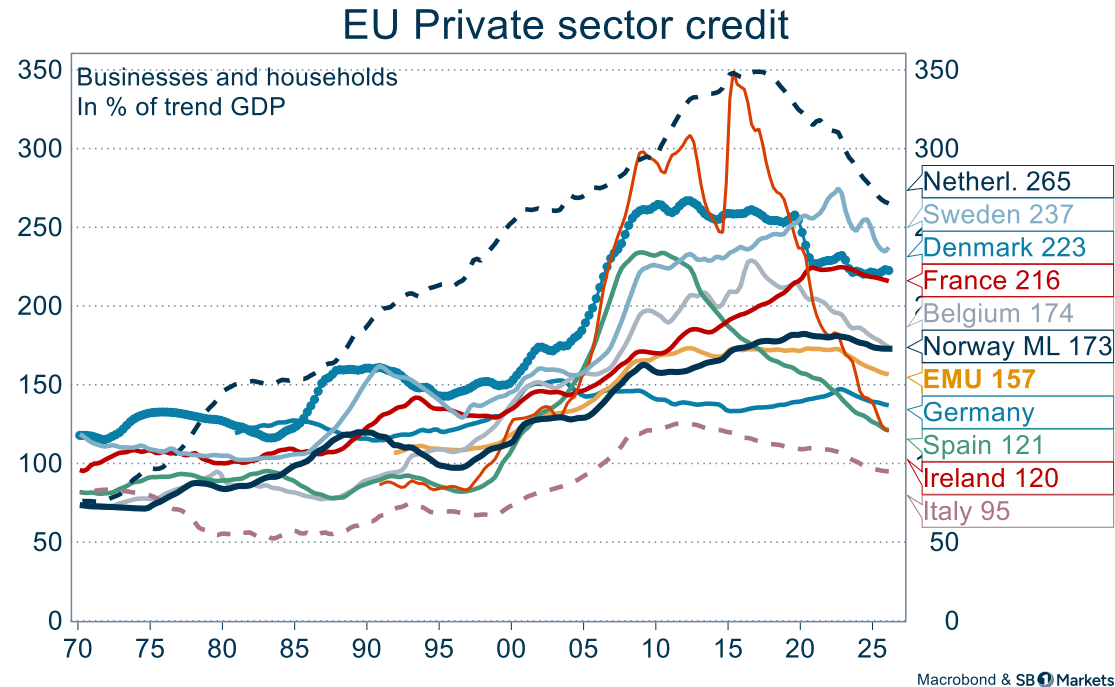
The LTI ratio is declining even in Norway! However, our average debt-to-income ratio is still the highest in the world, and a further consolidation is not unlikely. The housing market decides? The recent slowdown in prices may **indicate lower debt growth**.



- **Changes** in credit **growth** (the 2nd derivative) are usually correlated with economic growth, and asset markets – including **growth** (the 1st derivative) in house prices.
 - A gradual retreat in the debt ratio will probably be healthy in the long run, and if managed carefully, it need not be painful – not even for the housing market.
 - If credit growth **slows less than 1 pp per year** (e.g. from 4% growth this year to 3% next year, then down to 2%, etc.), **house prices should just flatten**. Recently, growth has accelerated by 0.4 pp (though from 1 pp last year).
- Households' LTI debt ratios are on the way **down in all DM countries**, and most have been on the way down the past 15–20 years.

This is not the time to fear a DM *private sector* 'created' financial crisis?

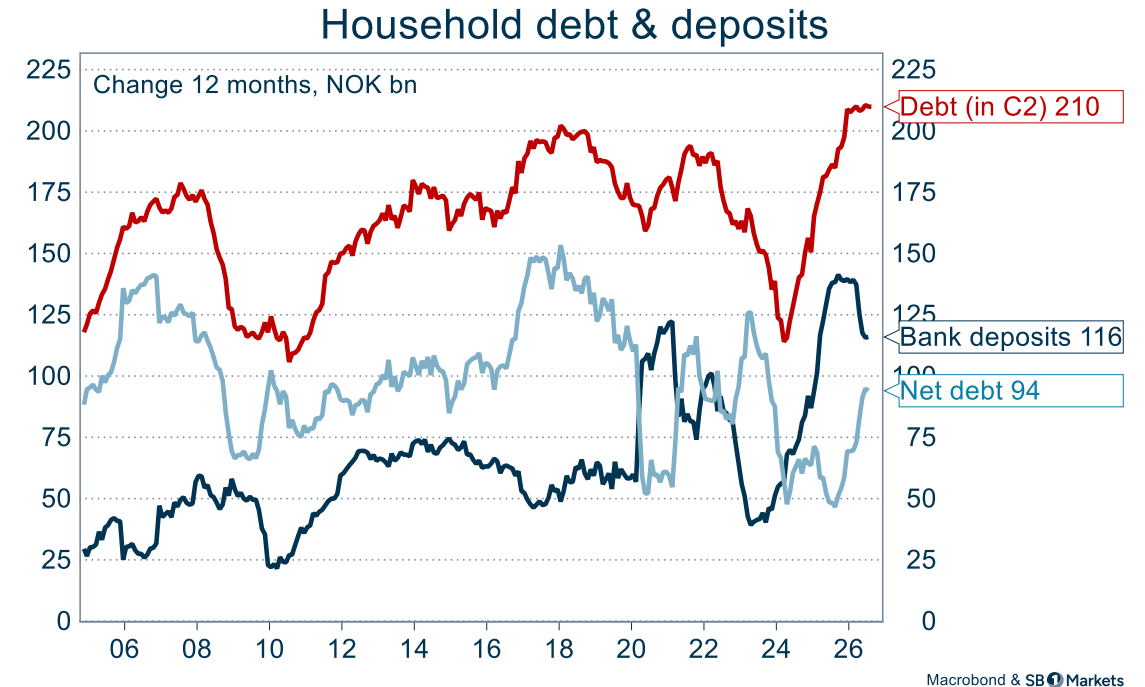
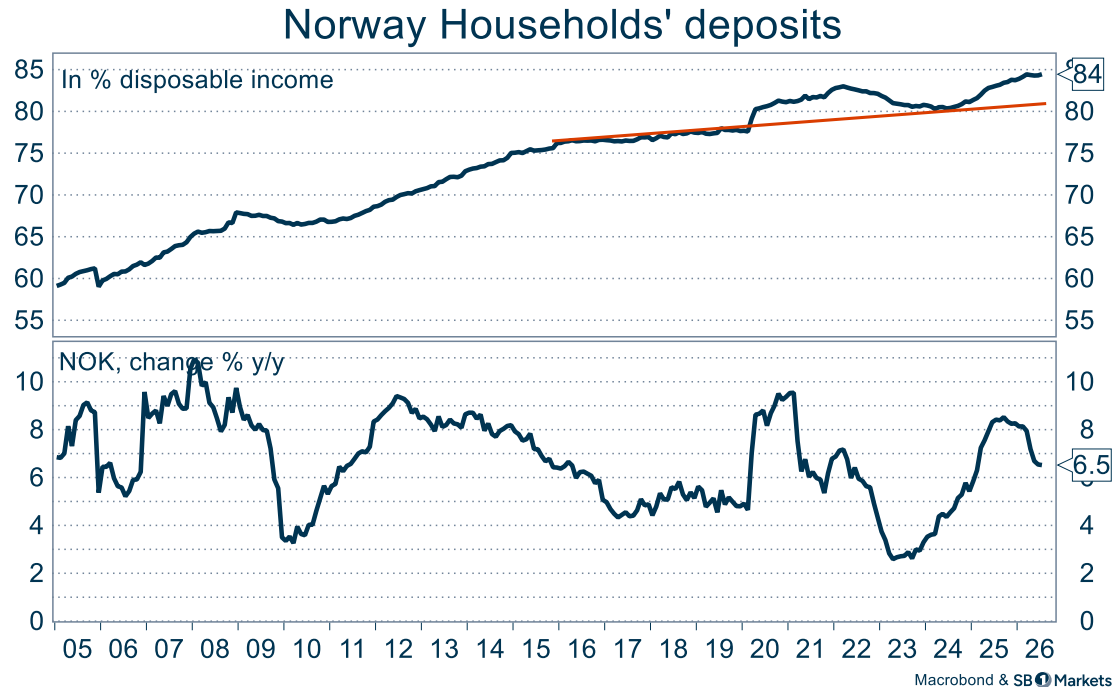
Private sector debt ratios are on the way down, almost everywhere. (The same cannot be said about public debt ratios everywhere).



- The household sector has reduced debt-to-income ratios almost everywhere over the past 15–20 years – with some exceptions: Norway, Sweden and Canada started just a few years ago when interest rates were normalised, and Australia joined last year. So now, we are on the way down!
 - Private sector debt in Sweden has fallen sharply in recent quarters. The level is still very high (the 2nd highest on our list) due to high debt in the corporate sector (which has also funded parts of the housing market in Sweden). Cross border corporate debt makes comparisons more uncertain than vs. household debt.

Growth in households' bank deposits slows, now down to 6.5%

Deposit growth, measured in %, is still higher than growth in disposable income. Although debt continues to rise faster than deposits in NOK billions, the rise in net debt last year slowed to the lowest level in decades. Now, net debt is accelerating again



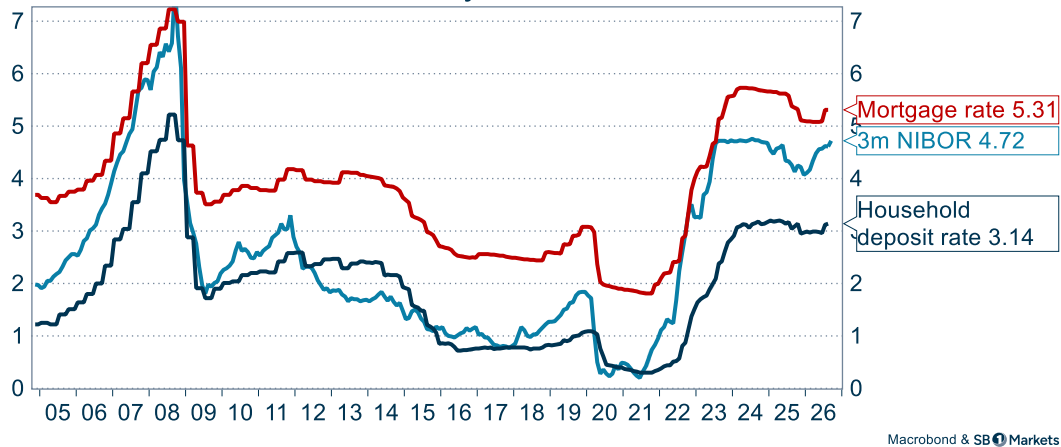
- **Households' total deposits** were up 6.5% y/y in July, down from 8.5% at the local peak last September but still well off from 3% at the bottom in 2023.
 - Deposits are still well **above a normal level** vs. household incomes, due to the rapid increase in savings during the pandemic and the drag from higher net interest payments over the past two years. Now, deposits are climbing faster than normal growth in household income again, without any external 'trigger' (besides higher interest rates).
- **Households' debt** is growing faster than deposits, measured in NOK, and the gap has widened again slightly in recent months. Households are investing in other financial assets, like pension funds, mutual funds, equities etc.



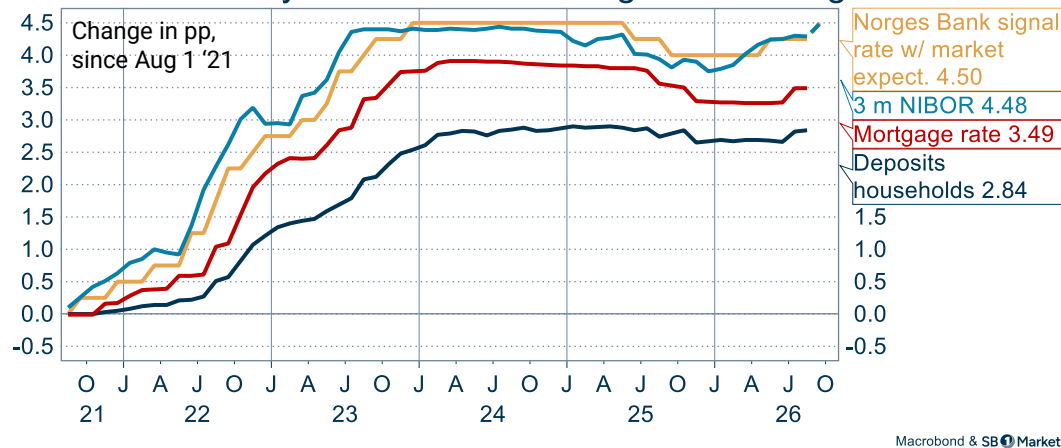
(Almost) No change in lending or deposit rates in August. The next move is up, of course

The average mortgage lending rate was flat at 5.31% (outstanding loans), the average deposit rate (households) was up 2 bps to 2.84%. The lending margin vs. NIBOR is very low, at 70 bps, while the deposit margin remains unusually rich at 147 bps.

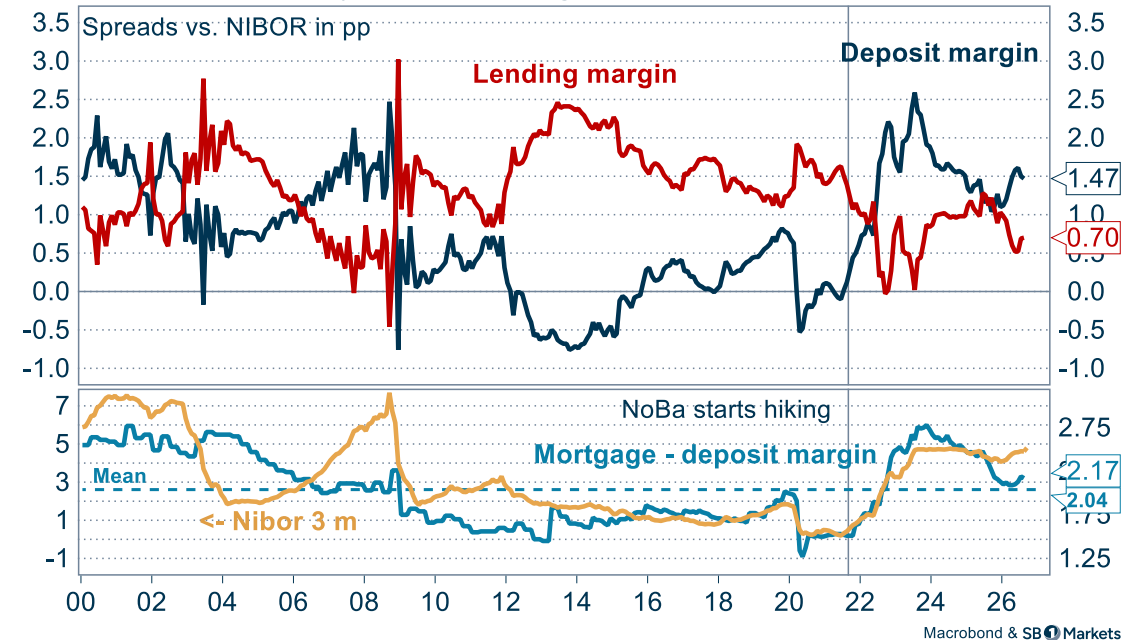
Norway Interest rates



Norway Interest rates change from 1 Aug '21



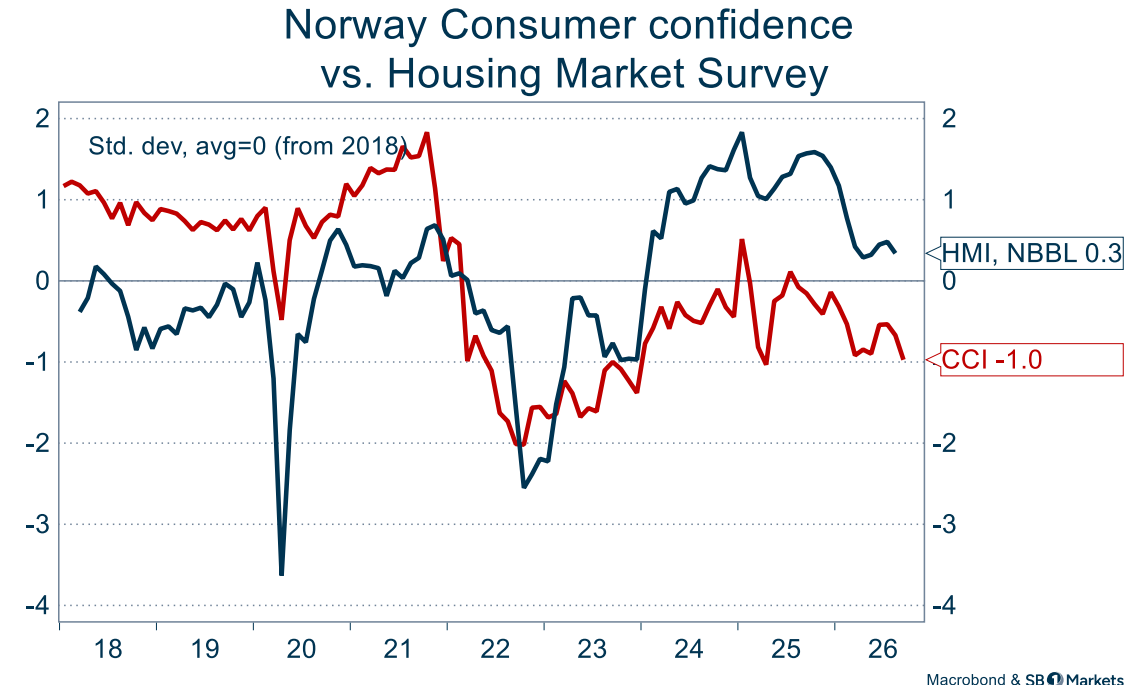
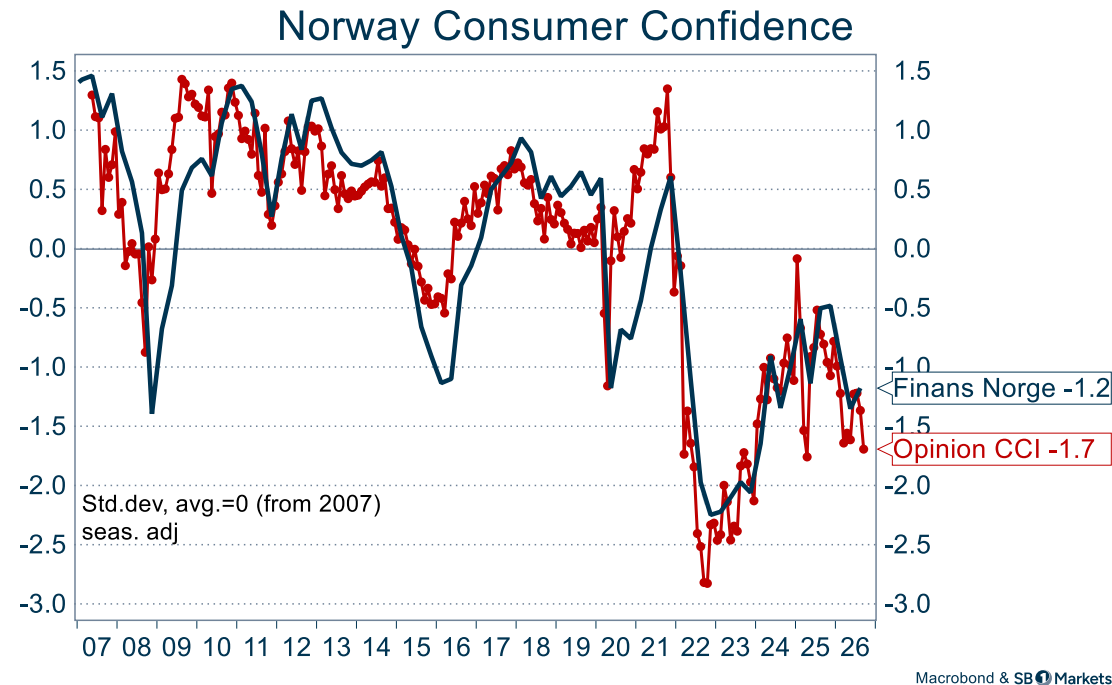
Norway Bank margins vs. households



- **The mortgage-deposit margin** at 2.17 pp is marginally above an average level
- Since before NoBa started its hiking cycle in September 2021, the signal rate was up by 4.25 pp per August (now 4.50 pp)
 - The 3 m NIBOR is was up 4.29 pp
 - The average mortgage rate was up 3.49 pp
 - The deposit rate was up 2.84 pp
 - Modification: The lending margin was higher than normal in August 2021, and the deposit margin was negative! The mortgage- deposit margin was way below normal

Consumer confidence slipped further in September, down 0.3 std. dev. to **-1.7 below par!**

Opinion's Consumer Confidence Index has been trending down since mid-2025. Retail sales have fallen so far in 2026.



- The CCI is 1.0 std. dev. below the average **since 2018** at the *chart to the right* – to be comparable with NBBL's Housing Market Survey's history. Taking the whole story into account, the CCI is 1.7 std. dev. below average (*at the chart to the left*).
- *The September Housing Market Index is not yet published.*



3. Major economies

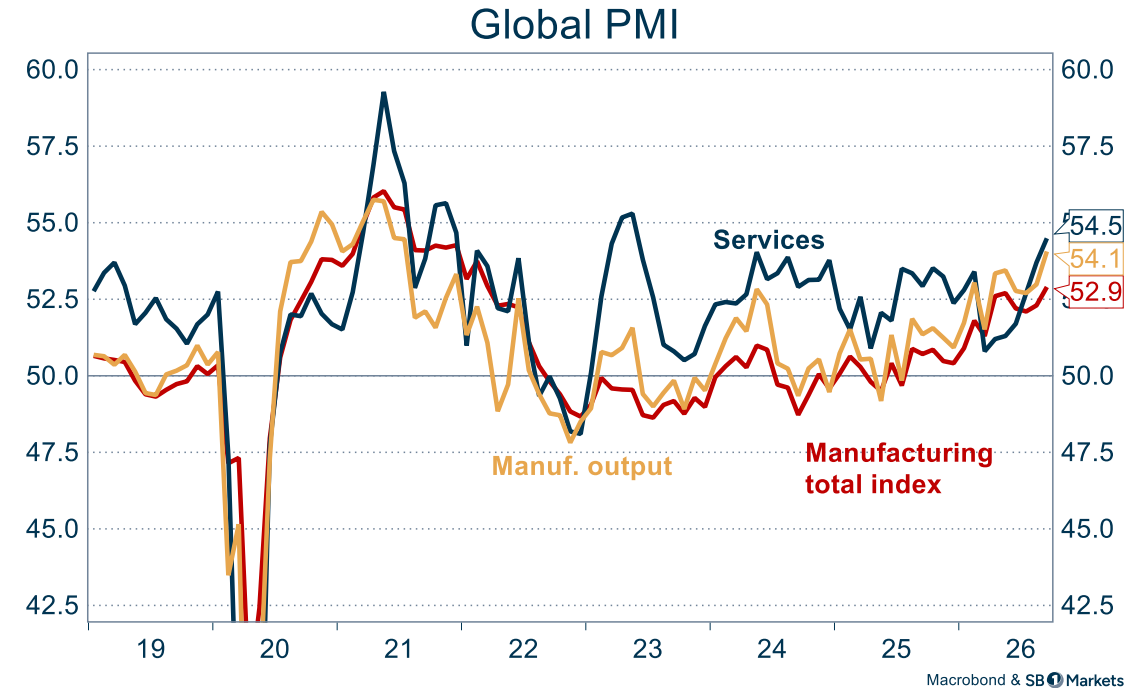
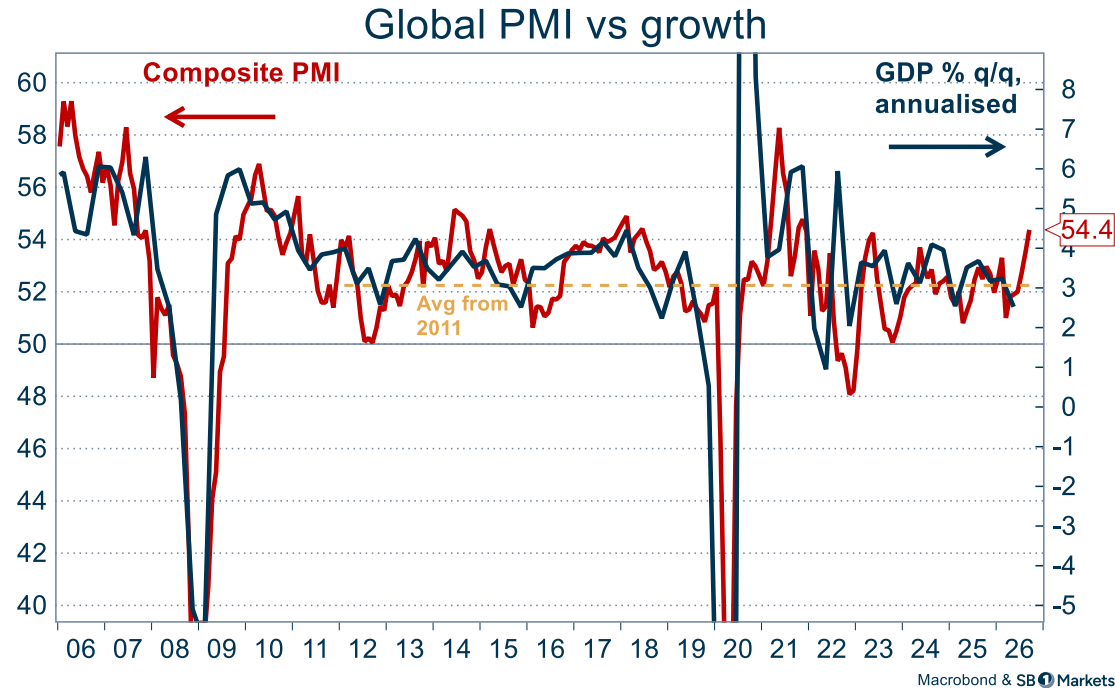


FLASH PMI



The global PMI straight up in September, +0.8 to 54.4 → 4½ % *global GDP growth*

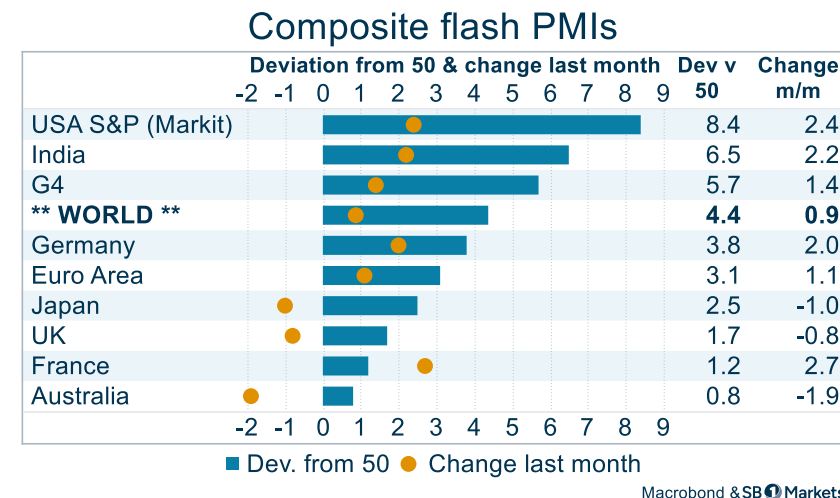
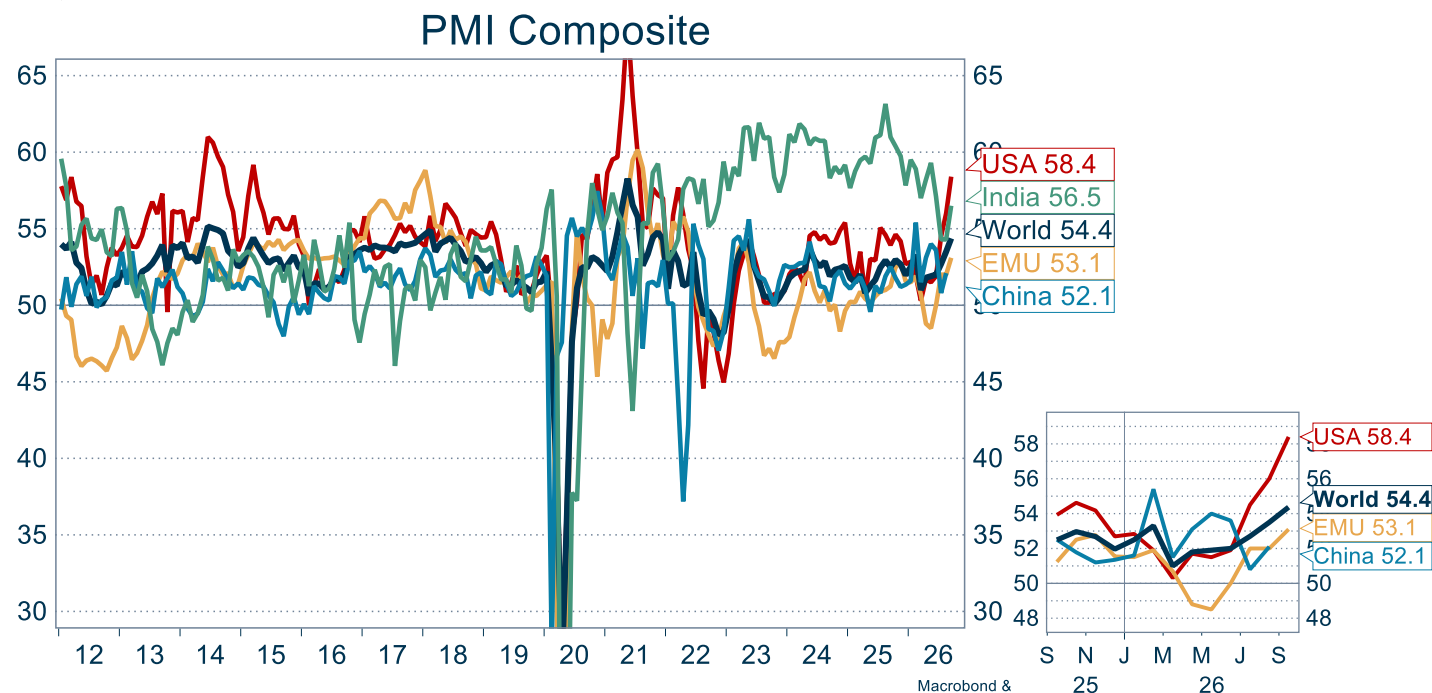
... at **least based on the flash estimates** from most DM + India. The level is the **best since 2021**, and well above average. Services are in the lead but manufacturing reports strong growth as well. Region-wise, the US is in the lead, but the EMU index surprised on the upside as well





PMI: not all were up in September, but EMU and even more US saved the month

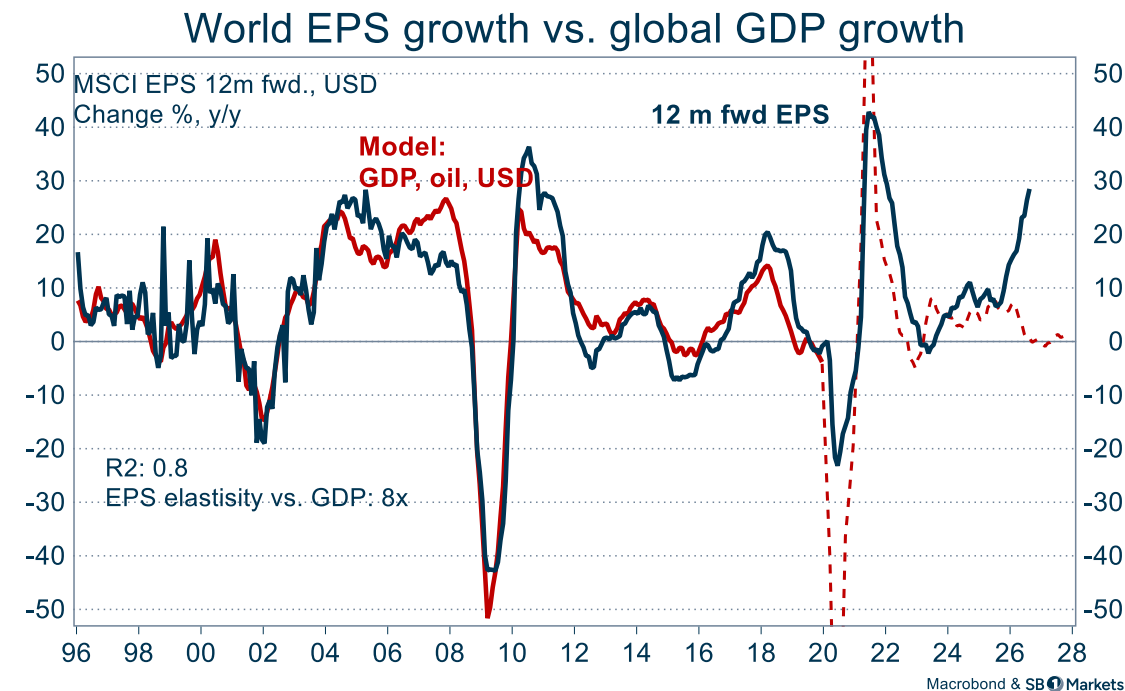
India recovered as well but remains at a low level vs. the norm in India the past 3 years (but is still no. 2 on the list). The PMIs fell in UK, Japan and Australia. Australia rules at the bottom of the ranking among the early birds (reporting flash PMIs)



- **China** and most **other emerging markets** have yet to report, except for India. The published data are preliminary estimates, and the final outcome may deviate visibly.



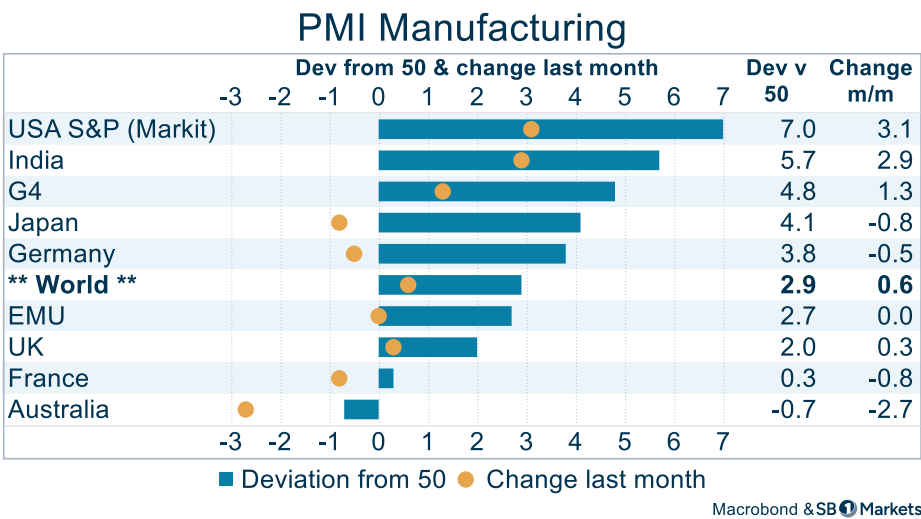
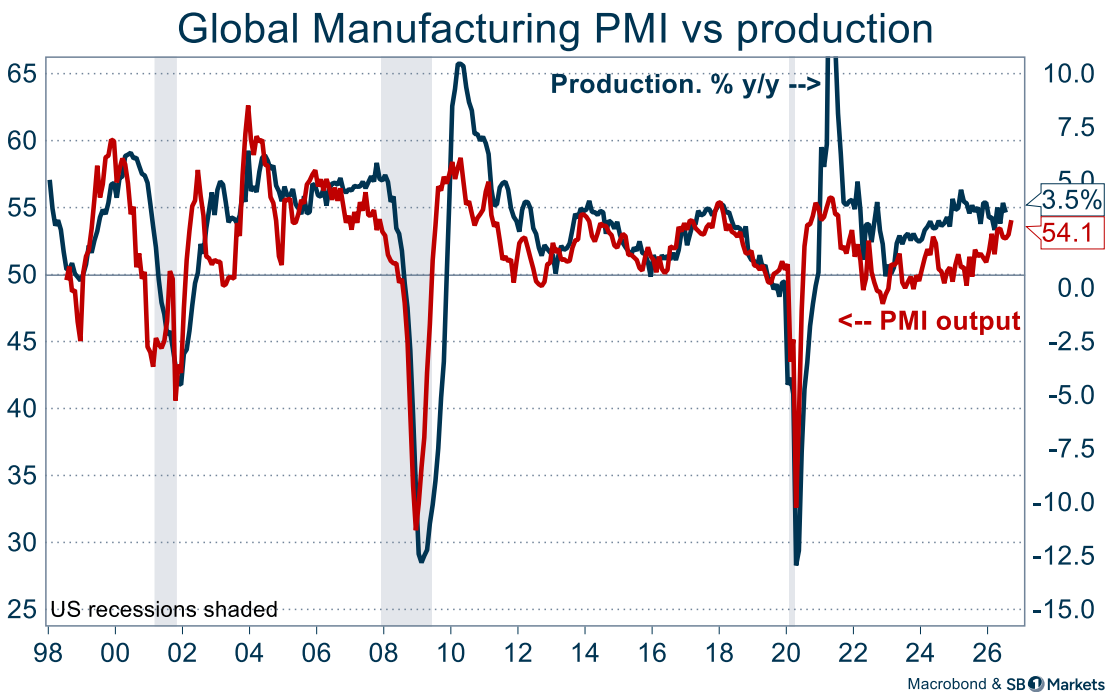
Growth in expected earnings rather upbeat vs. a) global PMI b) actual GDP growth





The global manufacturing PMI up 0.6 p to 52.1 The US PMI up 3.1 p to 57, expected down!

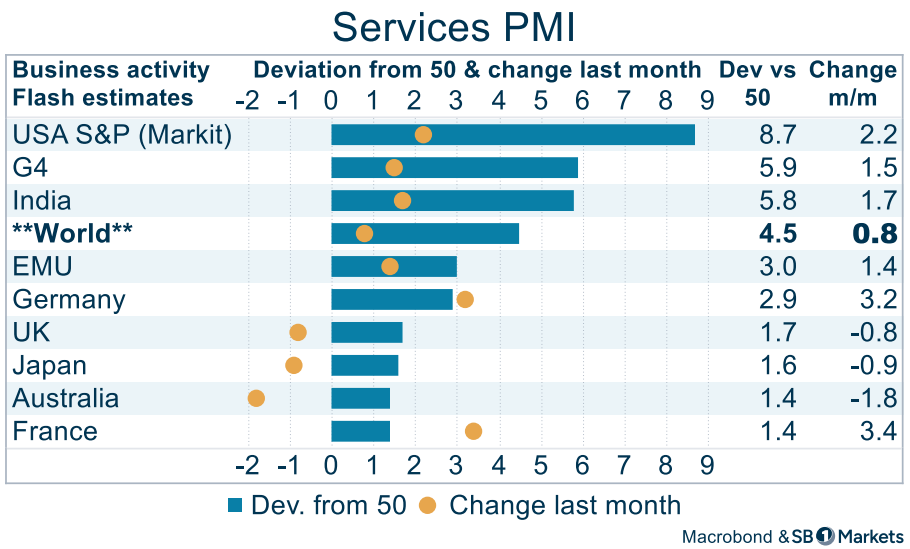
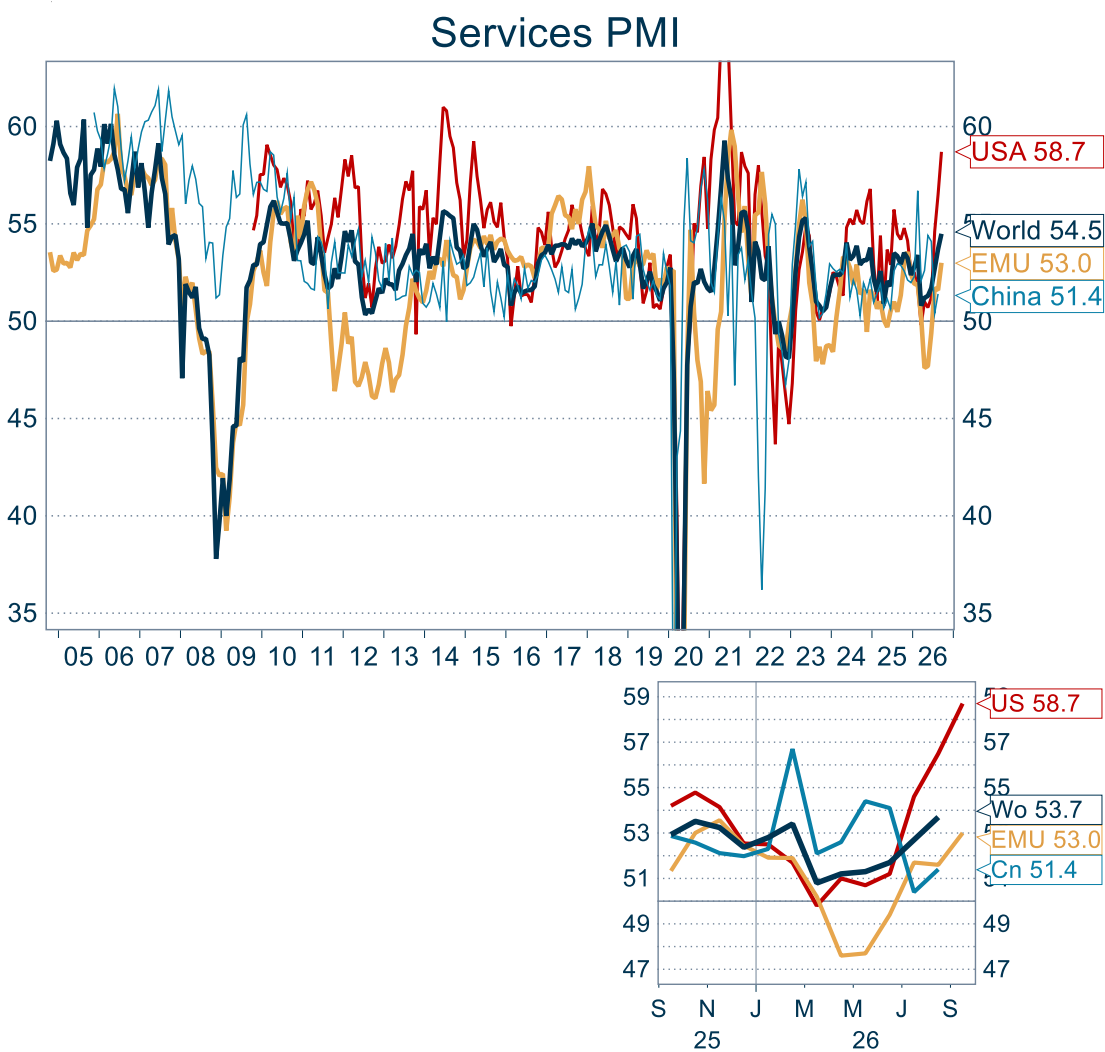
The EMU index was flat at 52.7, with Germany at 53.8, a rather strong print. The global index is at the best level since 2021 (estimate based on the flash PMIs). The manufacturing output index rose to 54.1, the best since 2021.





Flash PMI Services: another substantial lift in September, up 0.8 p to 54.5, best since 2023

The US index surged 2.2 p to 58.7, an unusually high level! The EMU index rose 1.4 p to 53.0, supported by a 3.2 p lift in Germany, to 52.9.

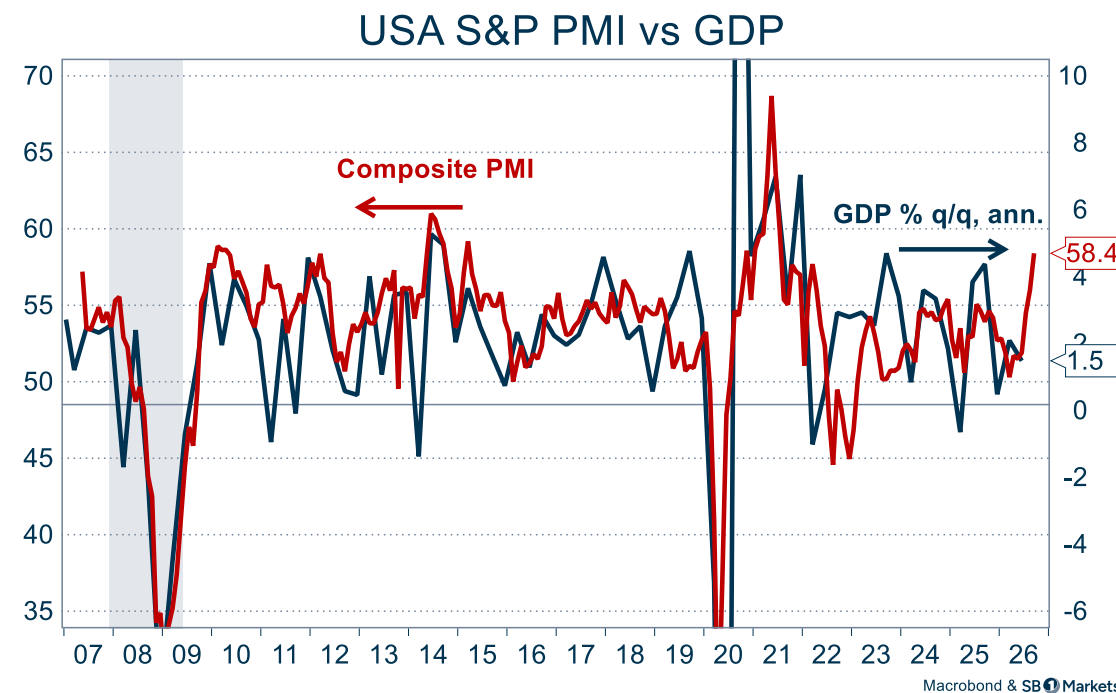
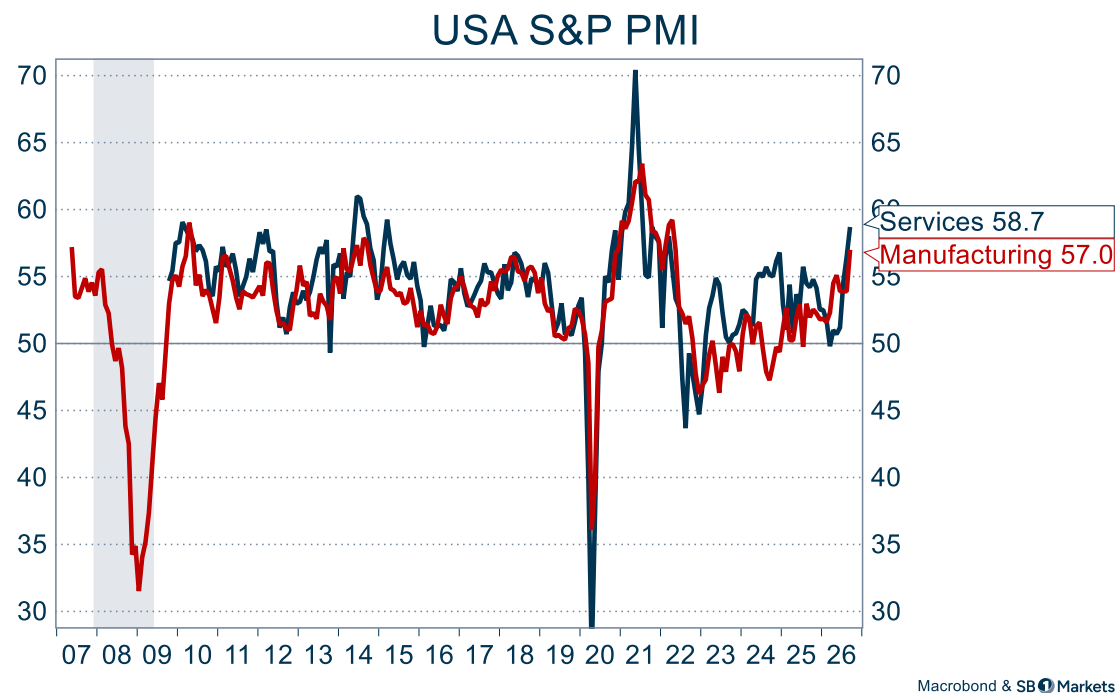


The global PMI is our estimate



USA composite PMI up 2.4 p to 58.4. → **5% GDP growth** (like Atlanta Fed's nowcast)

Another huge surprise on the upside as a minor decline was expected. Both manufacturing and services contributed, manufacturing the most but services are in the lead. Both are well above average levels, and are at the best levels since 2021 (services) – 2022 (manuf).

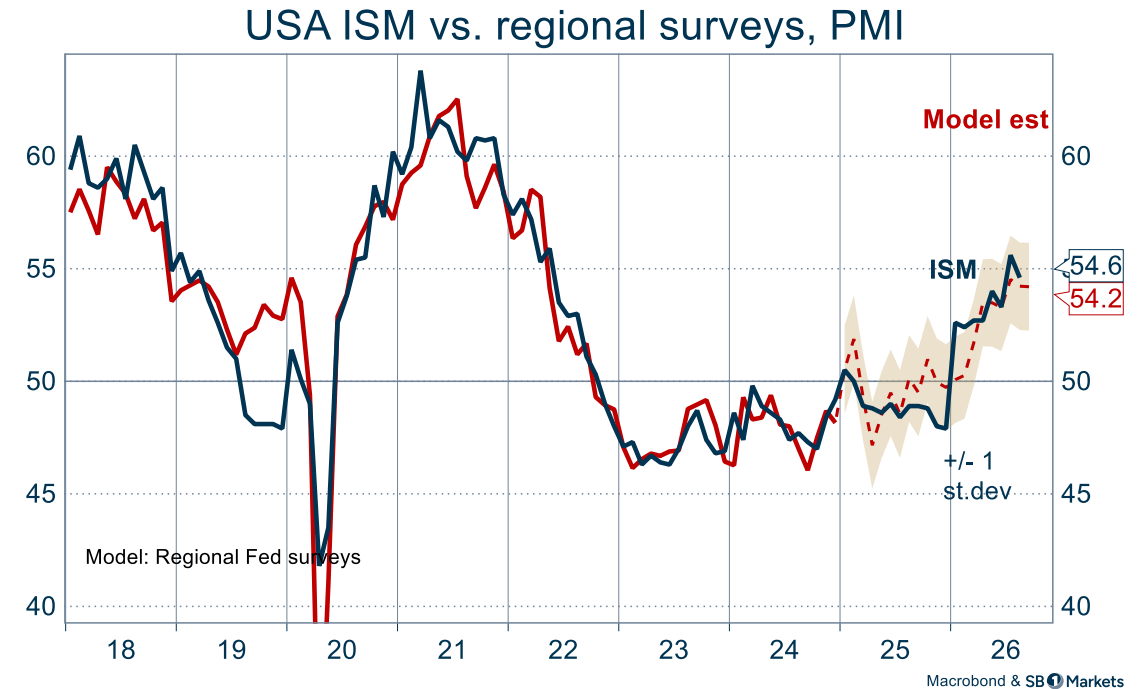
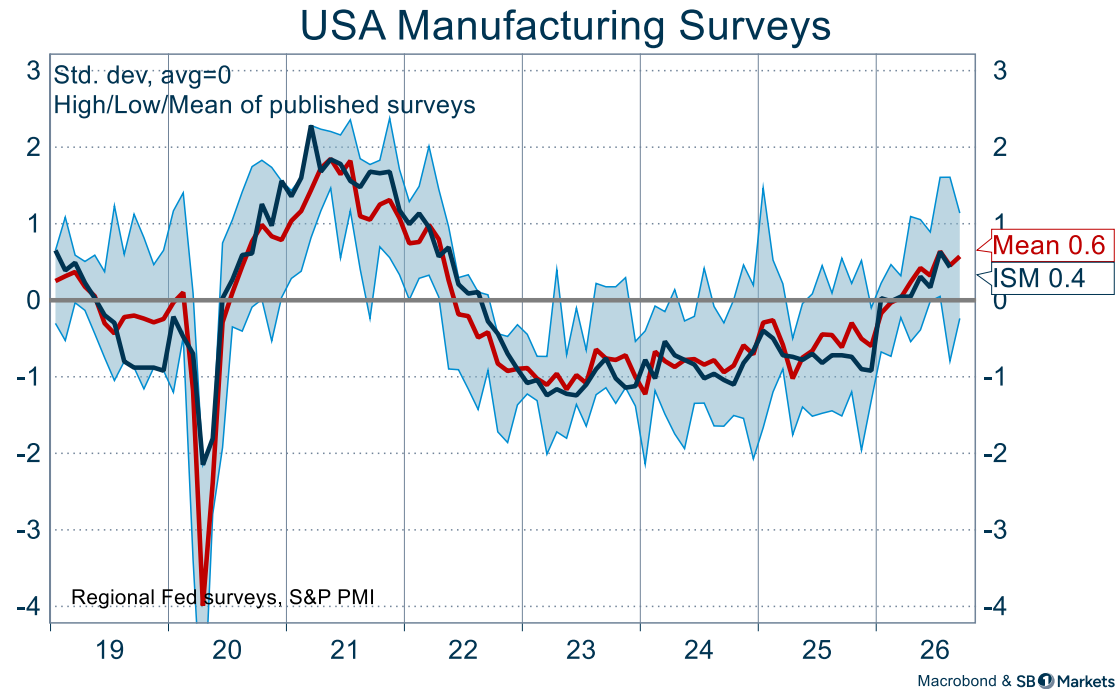




Mixed Sep. manufacturing surveys, so far an unchanged ISM (at a high level) is signalled

3 surveys are down, 2 are up (including the S&P's PMI).

The ISM shot up in July, and fell slightly in August.

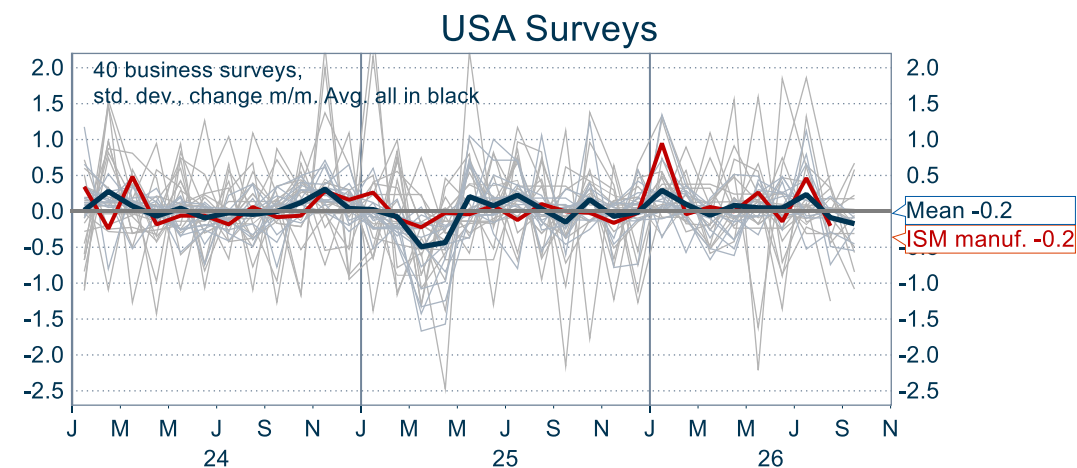
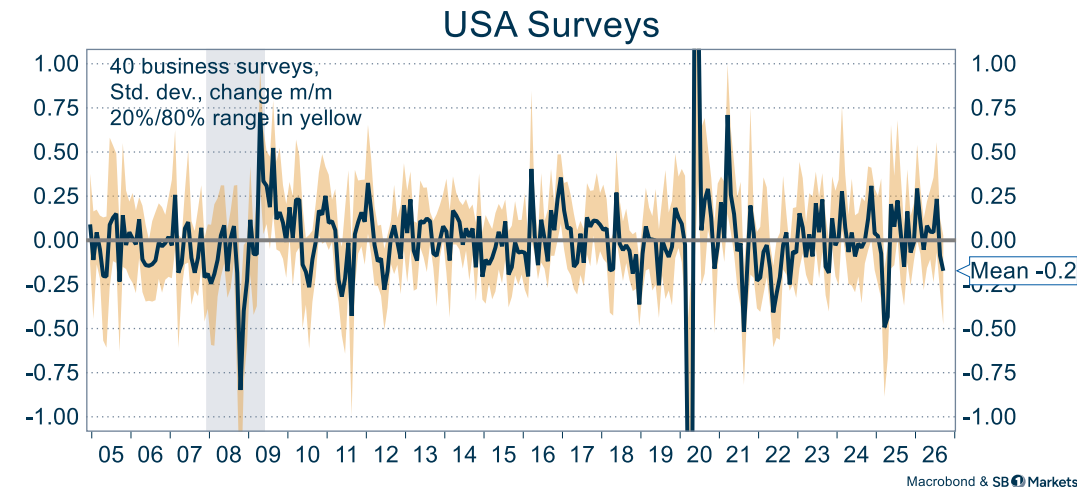
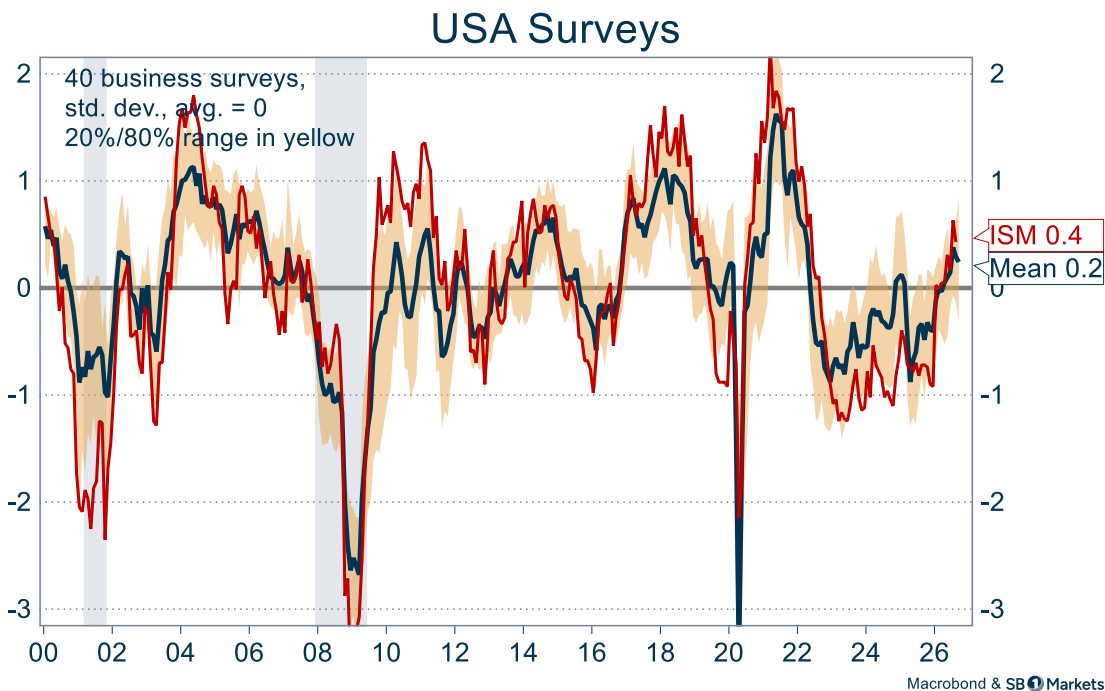


- Phil and NY Fed indices are the weighted average of the sub-indices in these surveys.



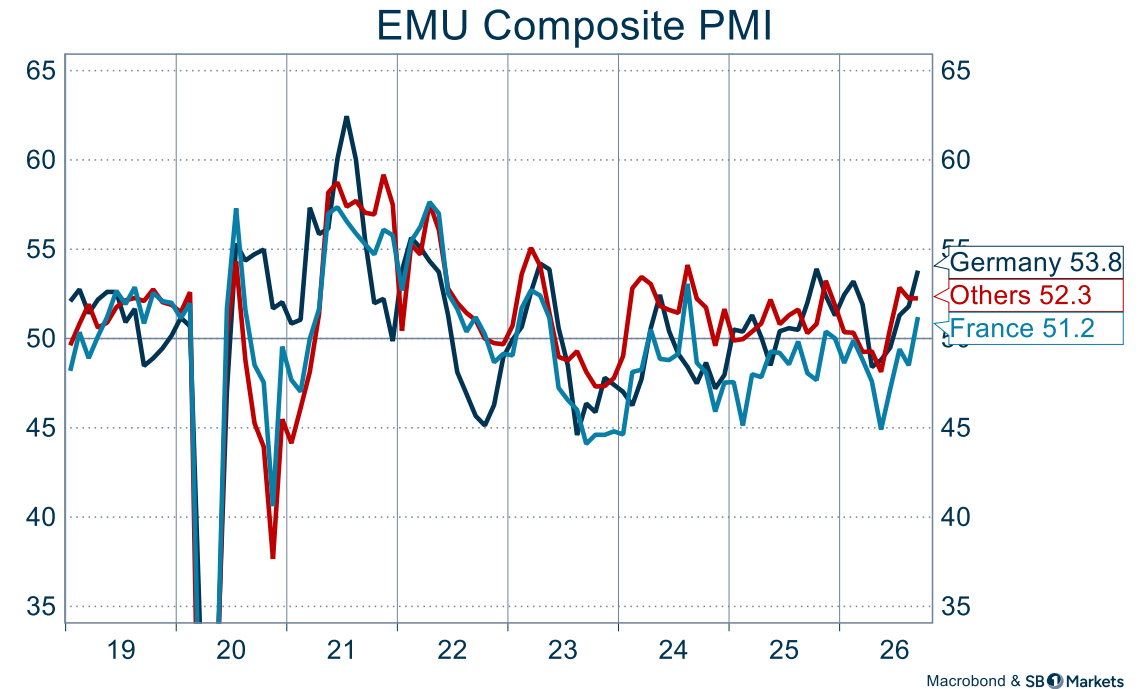
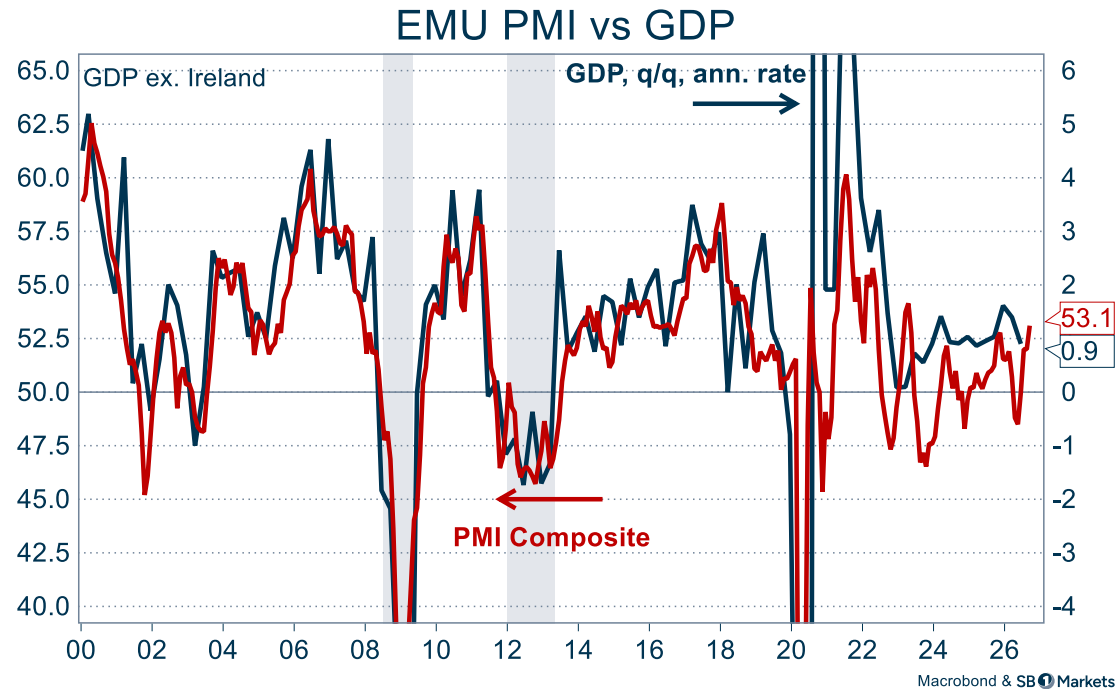
The average of all September business surveys: down, like in August. Still above average

... based on surveys published so far.



EMU: the composite PMI up 1.1 p to 53.1, to the best level since '23 → **1½% GDP growth**

The outcome was far better than expected. Both Germany and France were up, **both to the best, or equal to the best in 2–3 years!**

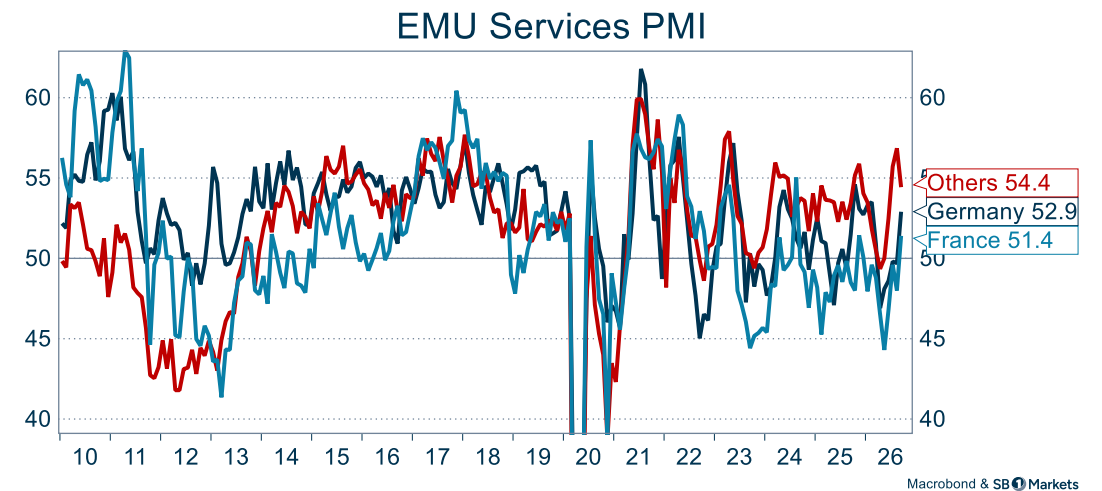
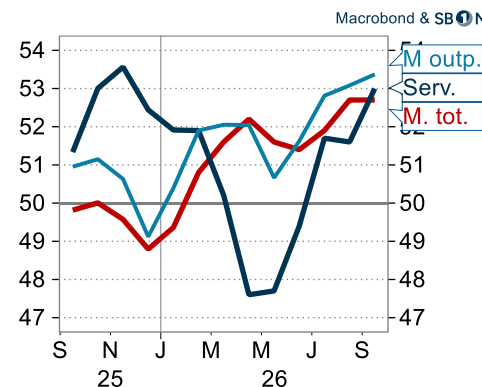
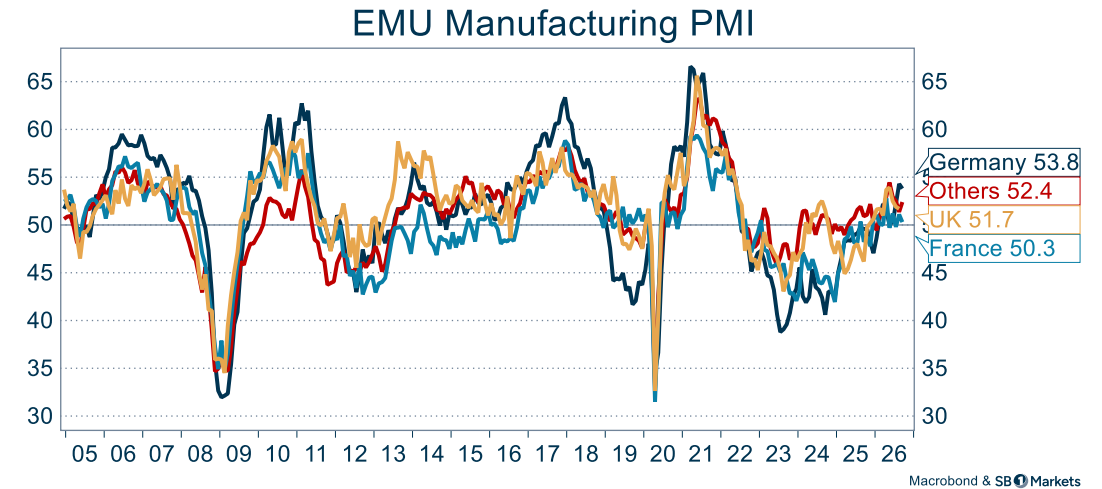
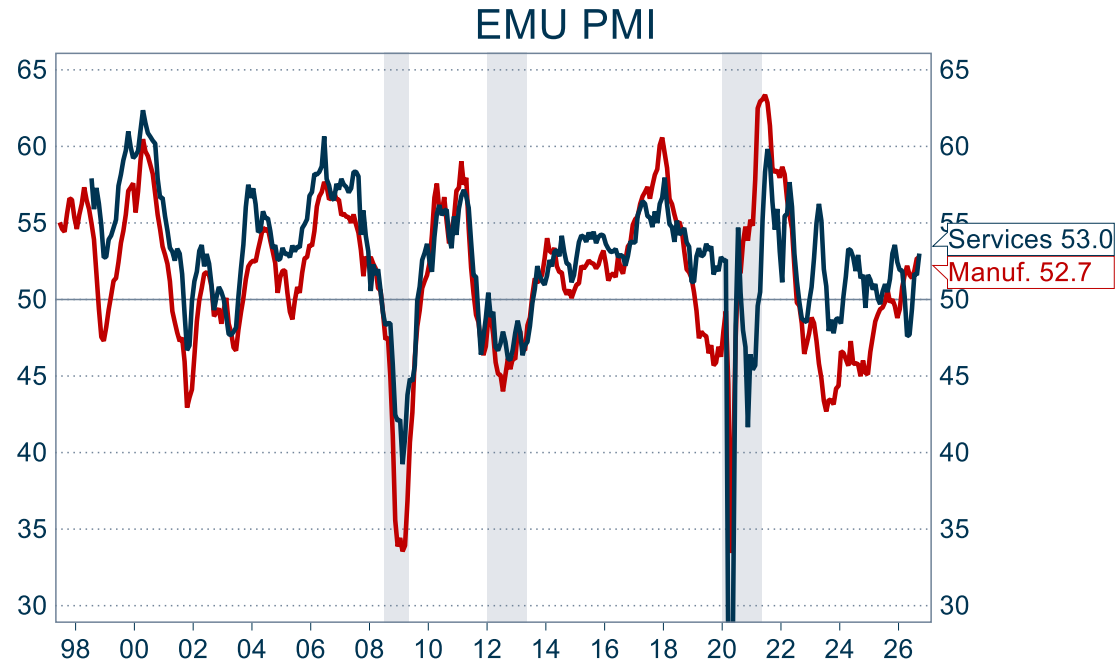


- EMU GDP growth has been **faster than signalled by the PMIs** over the past 2 years.



EMU services did the heavy lifting in September, manufacturing reports OK growth

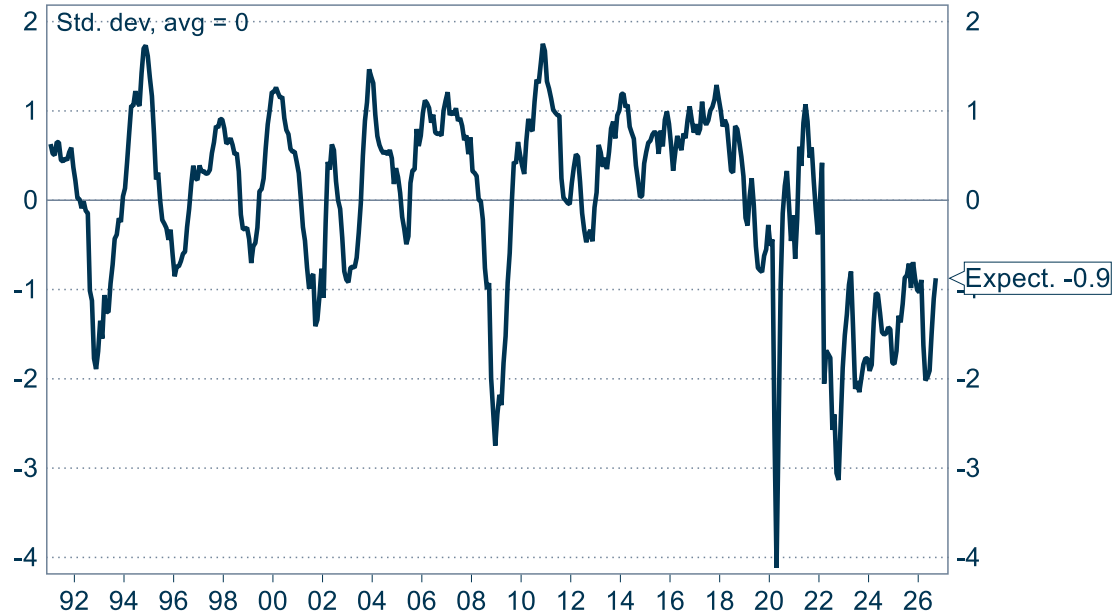
The service sector PMI rose 1.4 p to 53.0, thanks to Germany and France (the avg. of the rest was down). The manufacturing total index was flat at 52.7, while the output index rose further. The manuf. indices trend up, with **Germany in the lead**, now at 53.8, the best since 2022.



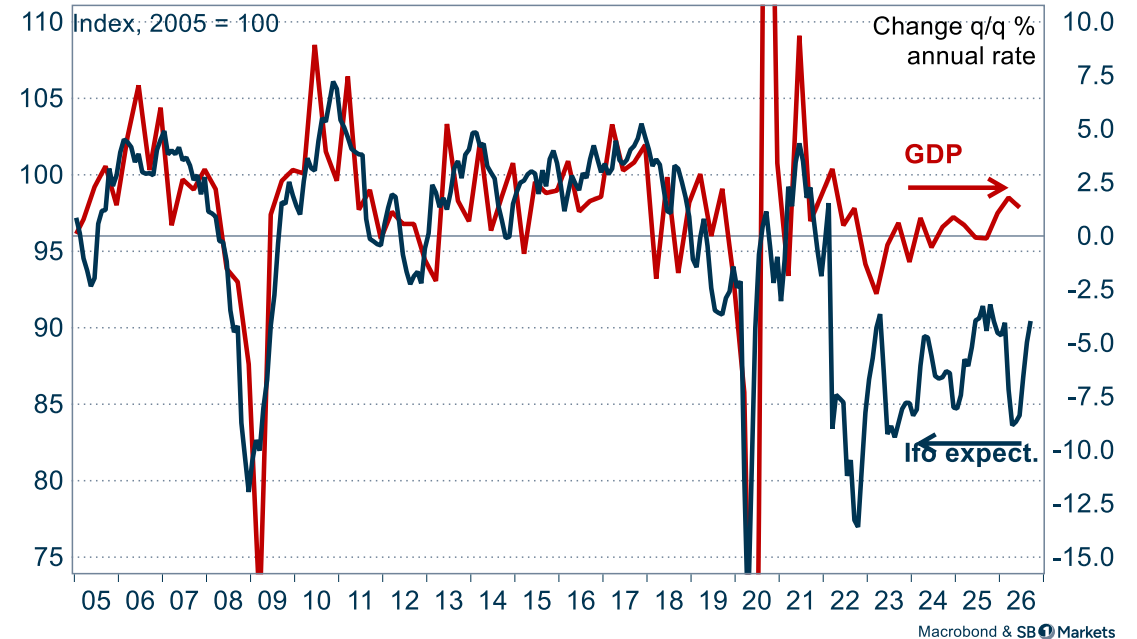
Germany: Ifo expectations rose further in September, still below par

Expectations rose 0.2 std. dev. in September, but are still 0.9 s.d. below average, but they are back up to the same level as before the US-Iran war. The current situation is gradually improving, and the index is just 0.2 s.d. below an average level

Germany Ifo survey, expectations



Germany Ifo vs GDP



Germany Ifo survey



- The **Ifo expectation index** rose 1.4 p to 90.4, expected up to 89.3.
 - Ifo expectations have been far weaker than actual, delivered GDP growth since Russia invaded Ukraine.
- The assessment of the **current situation** rose 1 p to 86.5, twice as much as expected.
- ... thus the **composite index** also recovered visibly.

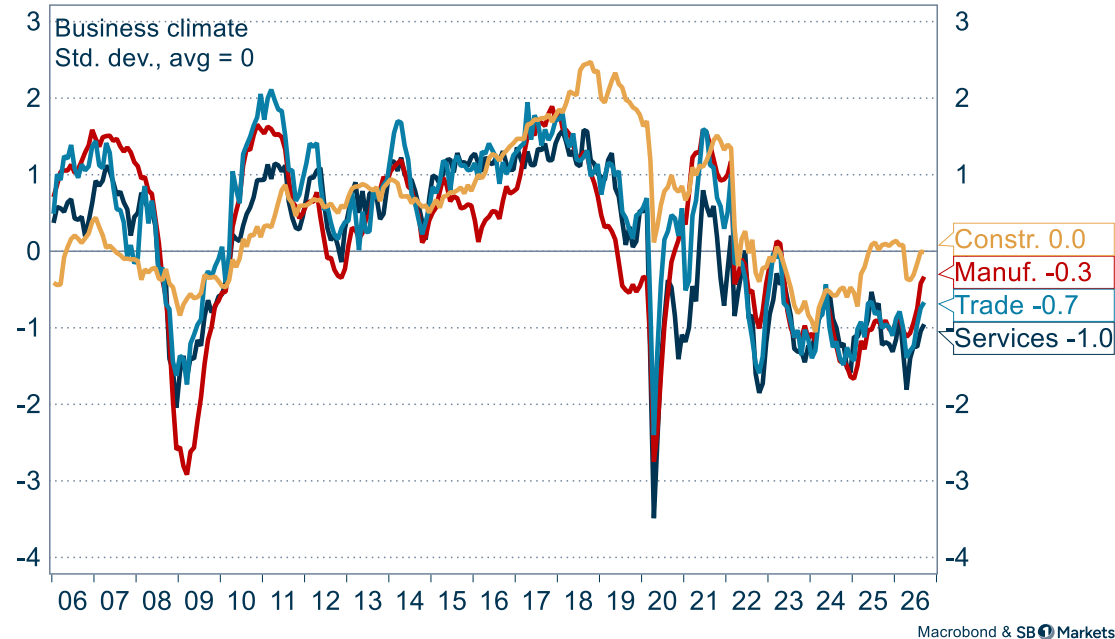


German Ifo: construction is back to an average level, manufacturing not far below

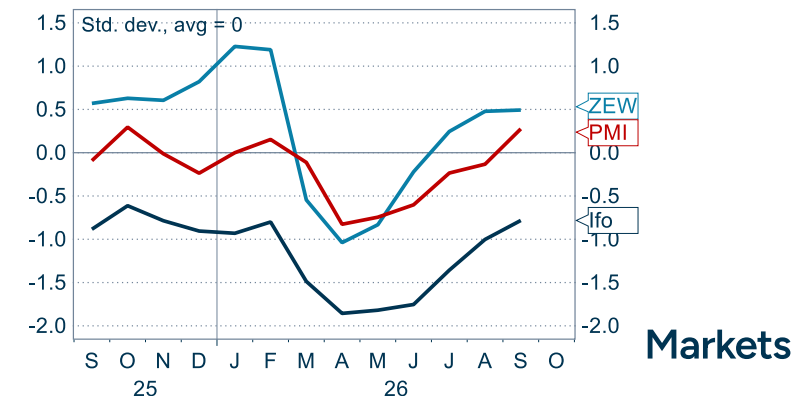
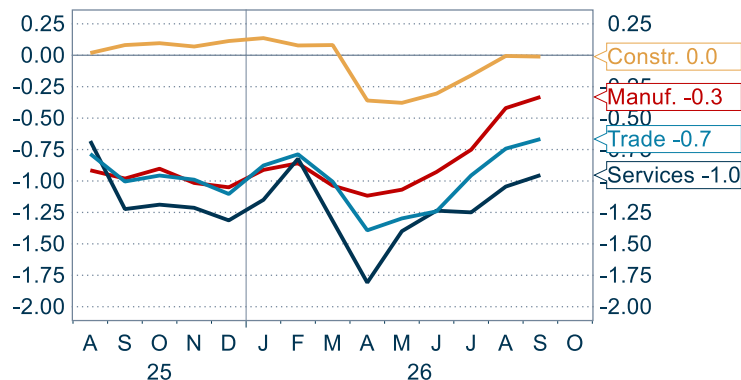
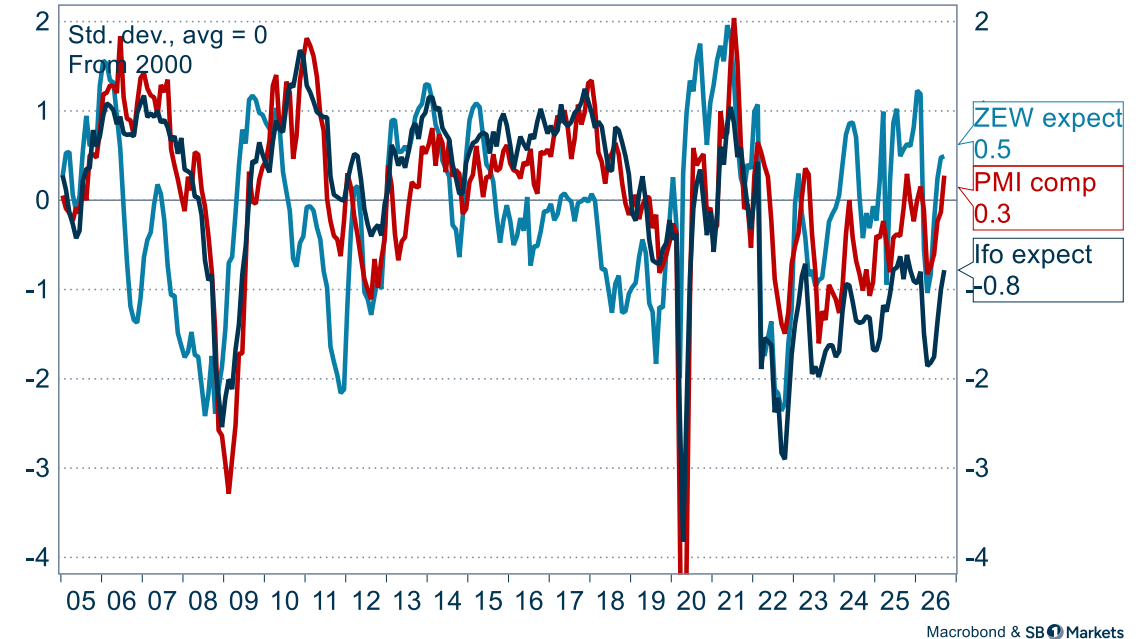
... at the best level since early 2023. Services are still at the bottom of the ranking but have recovered from the 'energy shock'.

Ifo vs. other surveys: On the way up, but remains lower than the PMI and ZEW surveys.

Germany Ifo survey, sectors



Germany Business surveys



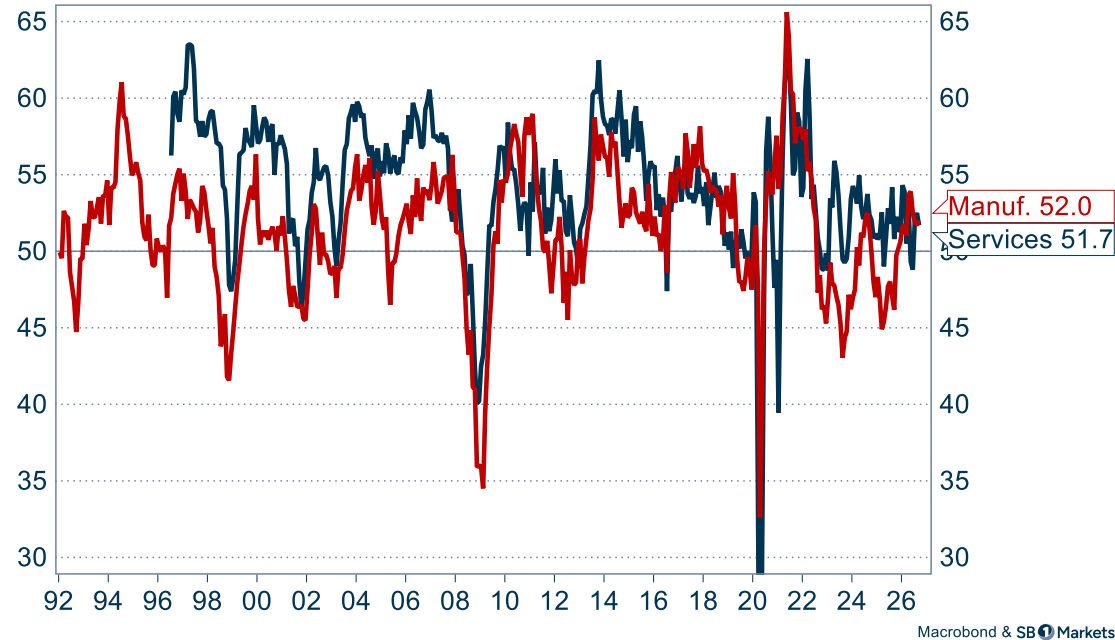
At the two rights to the right, standard deviations are calculated from year 2000.



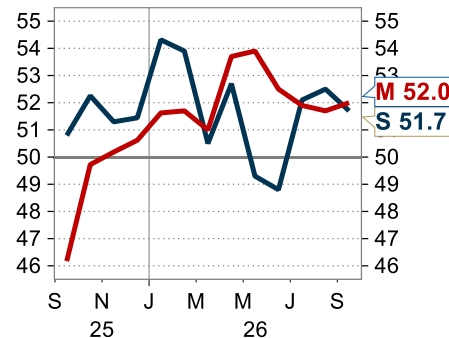
UK: the composite PMI marginally down in September, to 51.7 → 1.5% GDP growth

The level is somewhat below the long-term average at 53.5, but in line with the 51.5 average since 2023. The services PMI declined 0.8 p to 51.7, while the total manufacturing index was slightly up to 52.0, to a higher level than before the US-Iran war and way above the 3y avg.

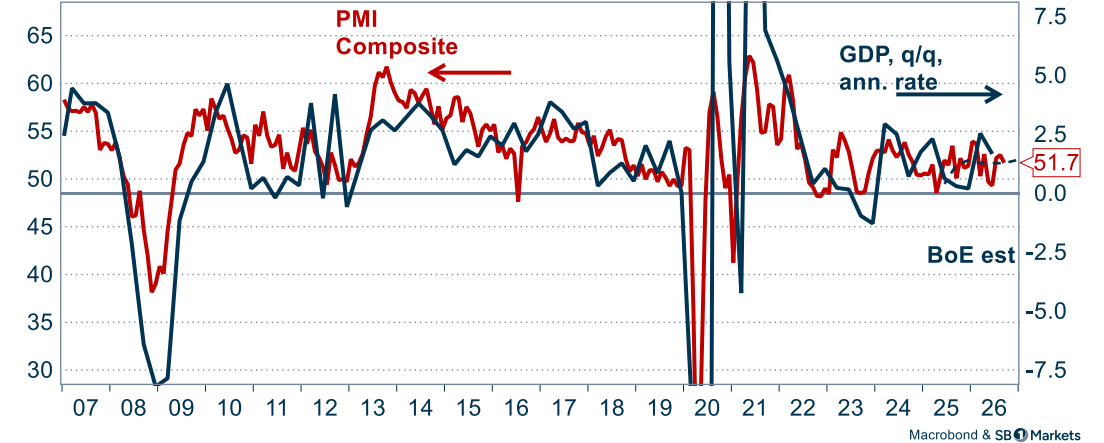
United Kingdom PMI



- Construction activity heads south, according to builders.



United Kingdom PMI vs GDP



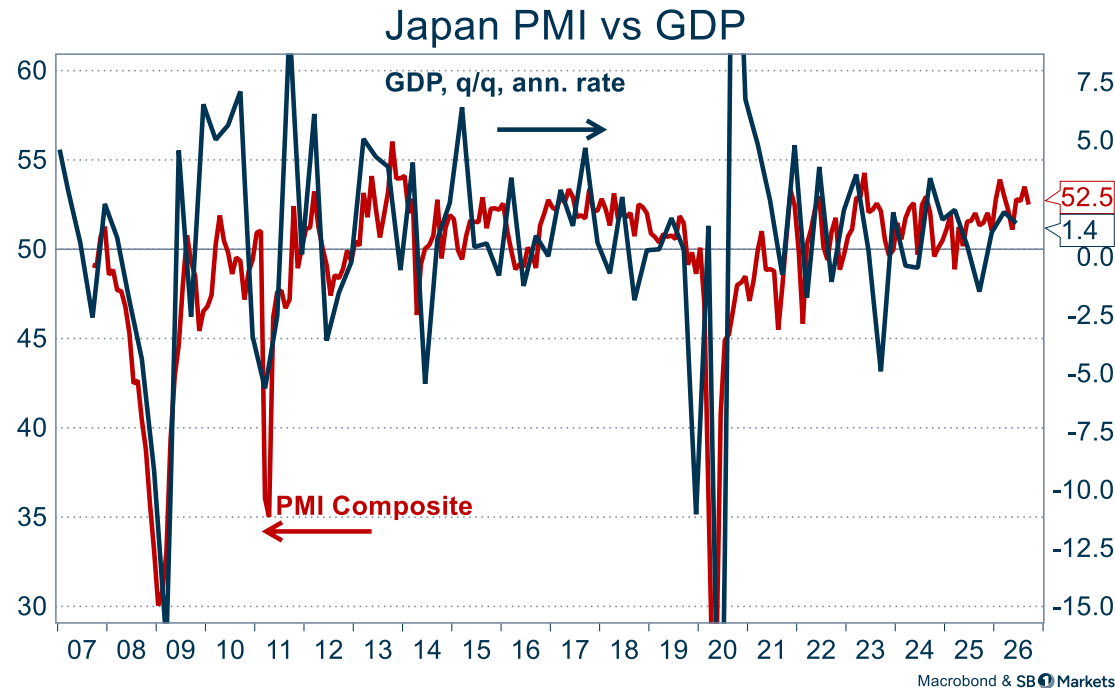
UK Construction PMI



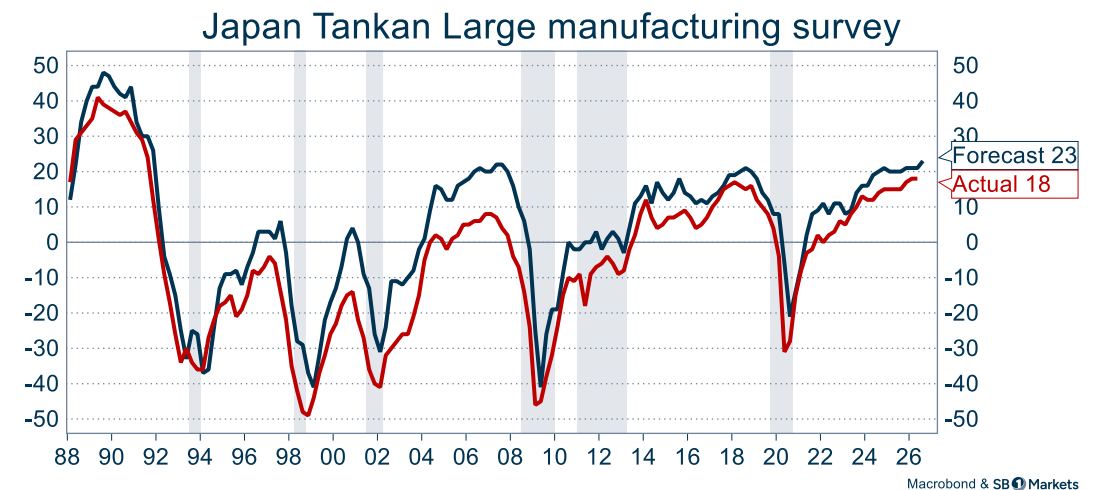
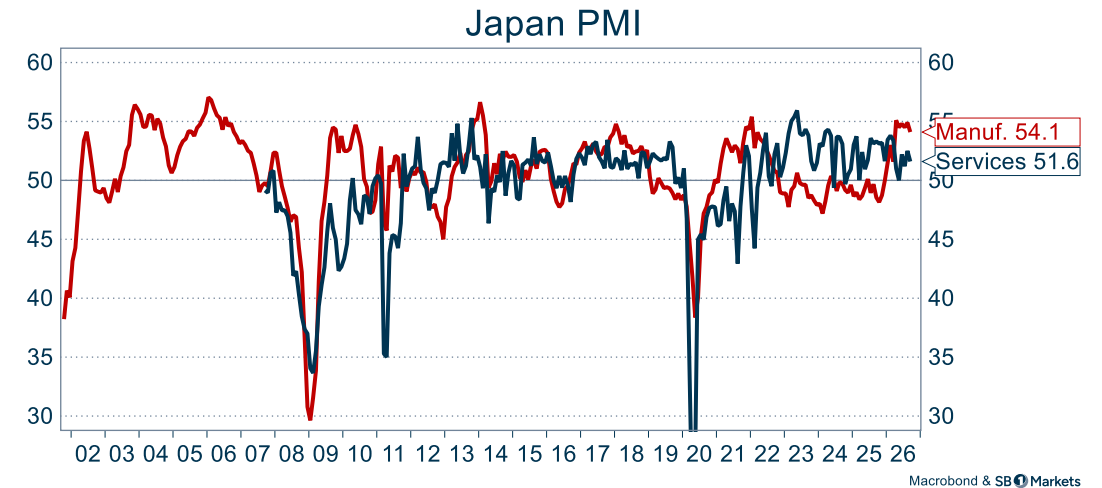


Japan: the composite PMI down 1.0 p to 52.5 → **almost 2%+ growth**

Both services and manufacturing reported slightly lower growth – but not slow growth. The manufacturing PMI is close to the highest level in the past 13 years, and the composite index is also well above the level in recent years.

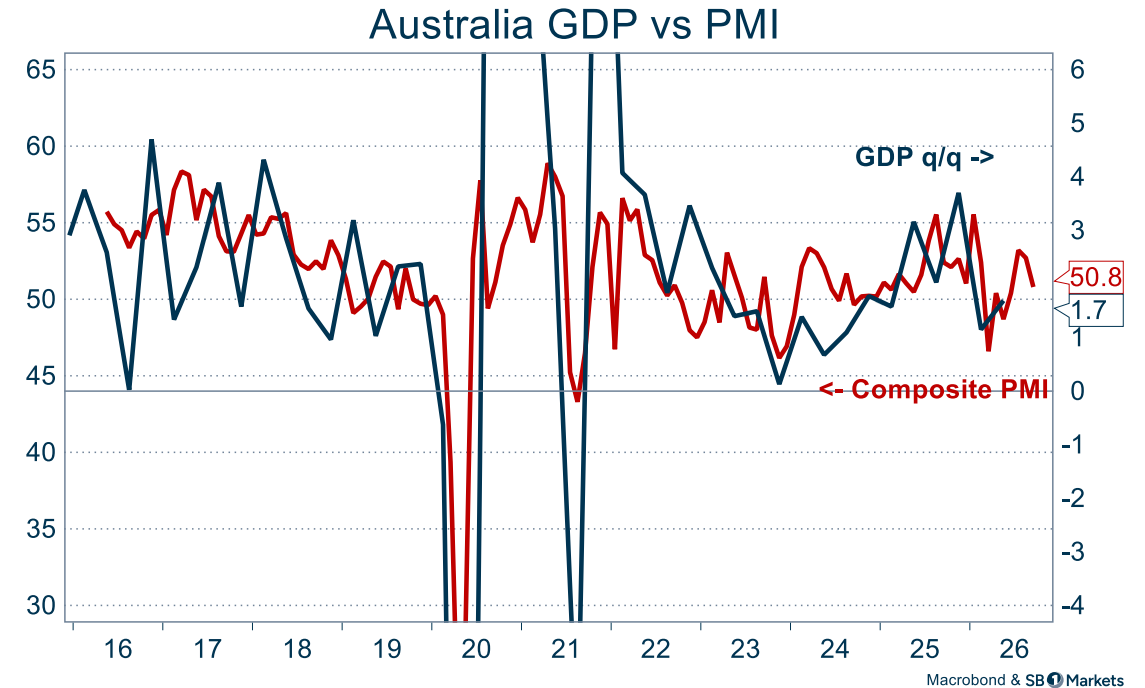
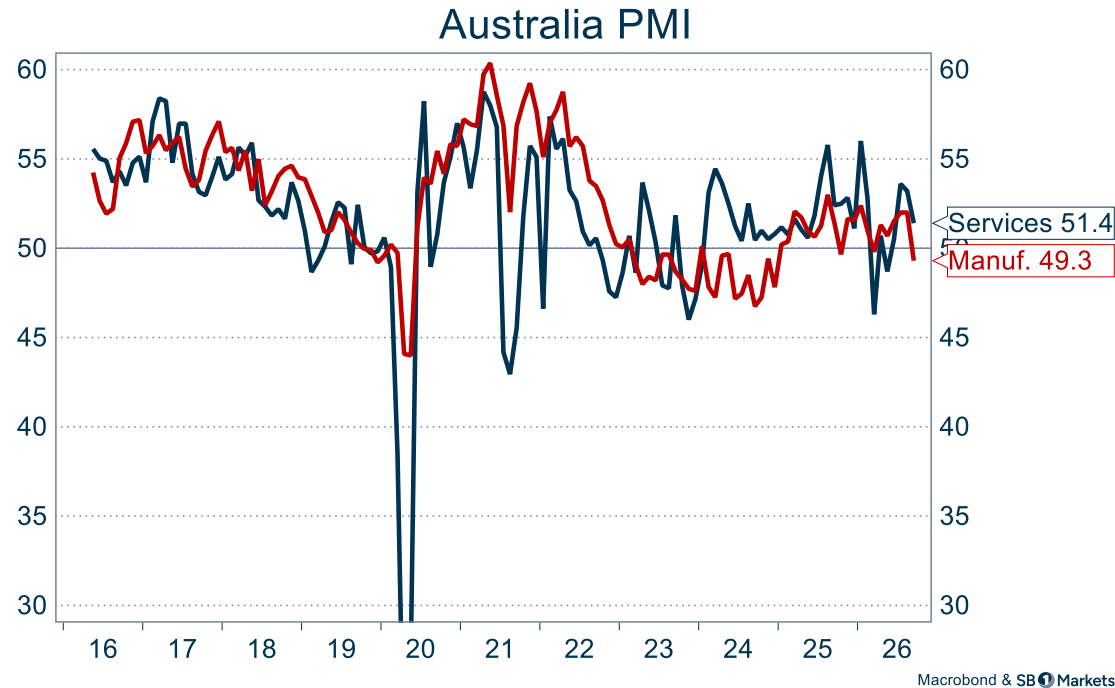


- Other Japanese business surveys, like the Bank of Japan's Tankan survey, also signal decent growth (at least in Japanese terms).
- In Q2, **GDP** grew at a 1.4% pace, below consensus and somewhat lower than indicated by the PMIs.



Australia: a 1.9 p drop in the composite index, to 50.8 → 2% GDP growth

Both services and manufacturing contributed to the decline. Manufacturing fell the most, down to 49.3, the lowest level since late 2024. The composite index is still higher than during the spring months, and close to the average level of the past 2 years



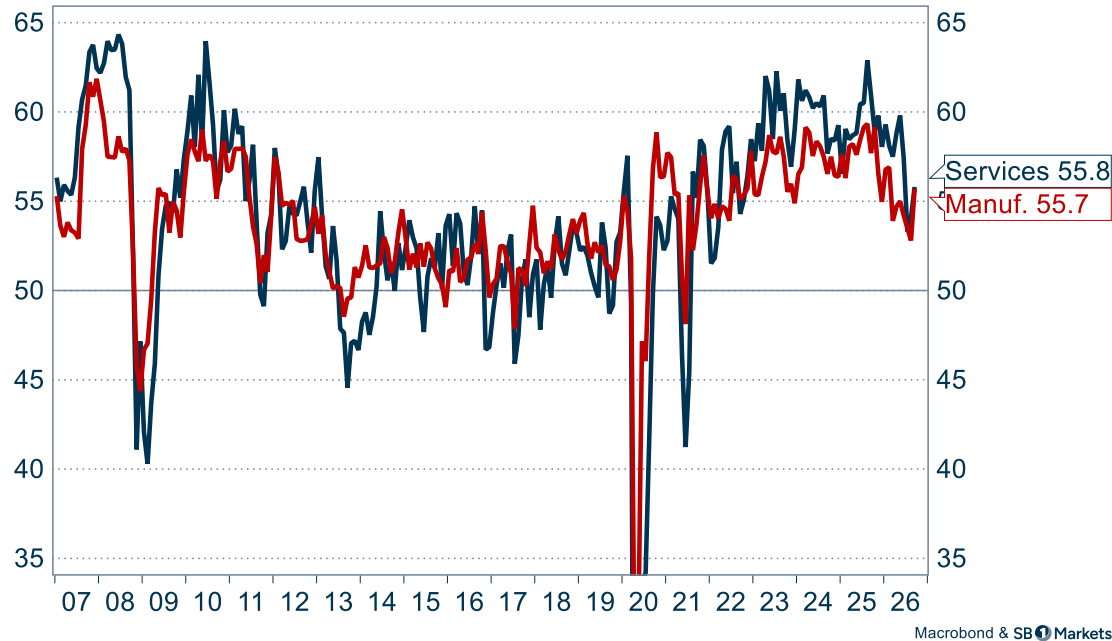
- **GDP** grew at a 1.7% pace in Q2, in line with the PMI 'signal', up from 1.1% in Q1.
- The recent 3 x 25-bps lift in the **policy rate** to 4.35% probably contributes to the slowdown. The lift in energy prices is also felt, we assume.



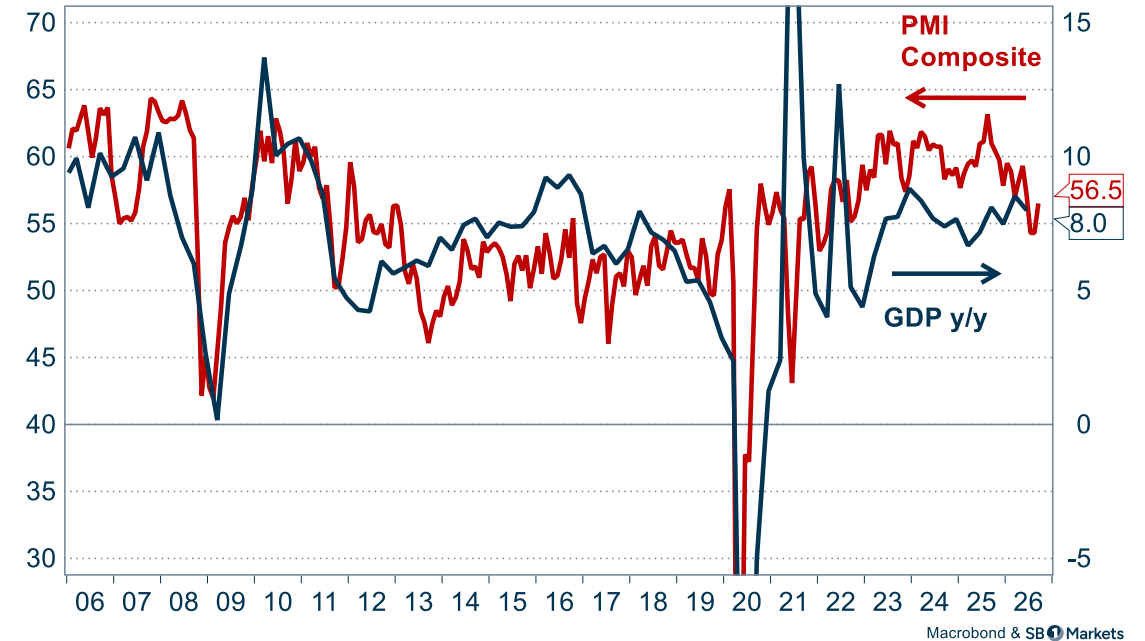
India: up in September, still signals **'modest' growth**

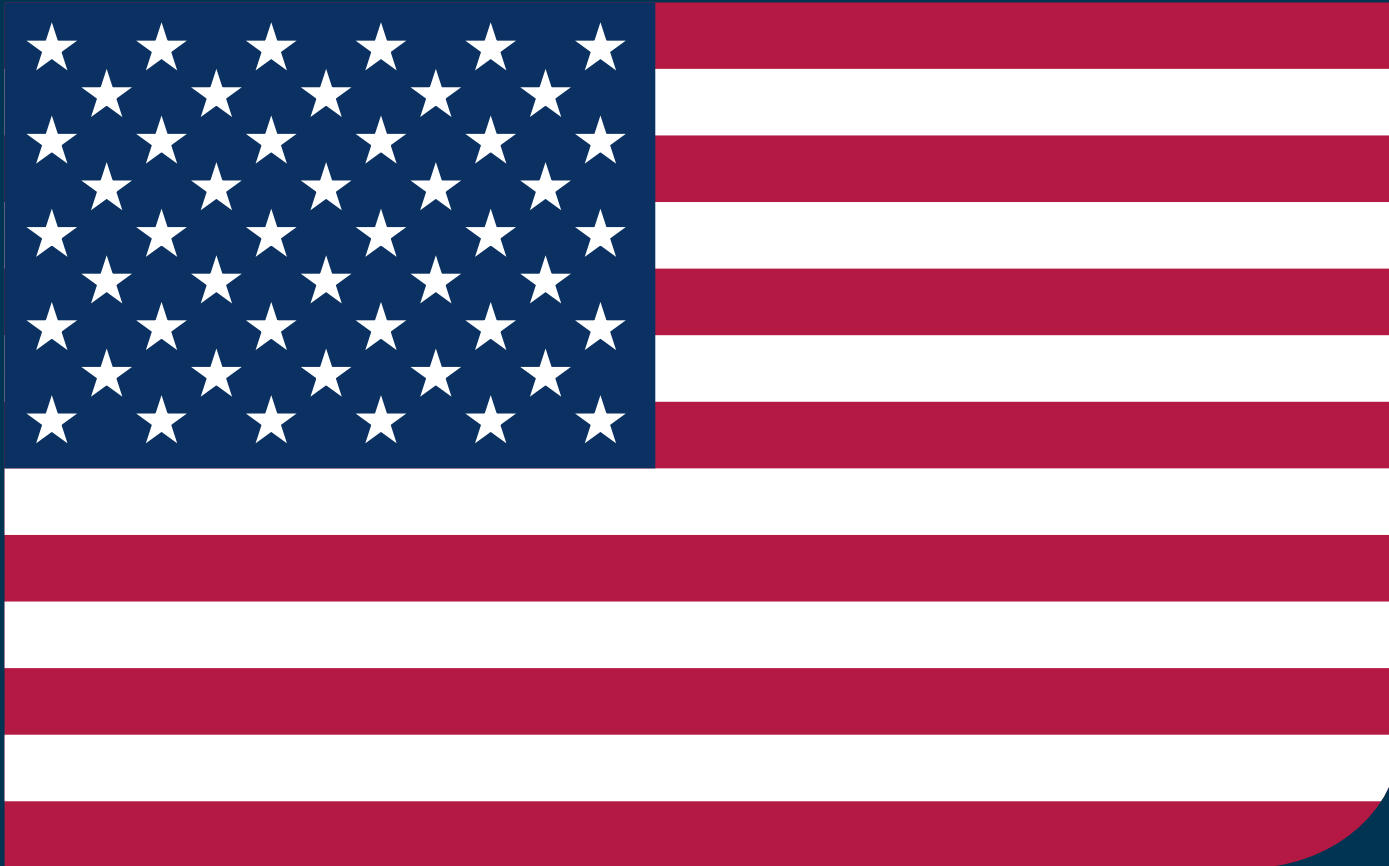
Both manufacturing and services contributed to the increase in the composite index by 2.2 p to 56.5. This level is well below the average level from 2023 until the drop during the spring, when energy prices soared. The correlation to reported GDP growth is not impressive though.

India PMI



India PMI vs GDP



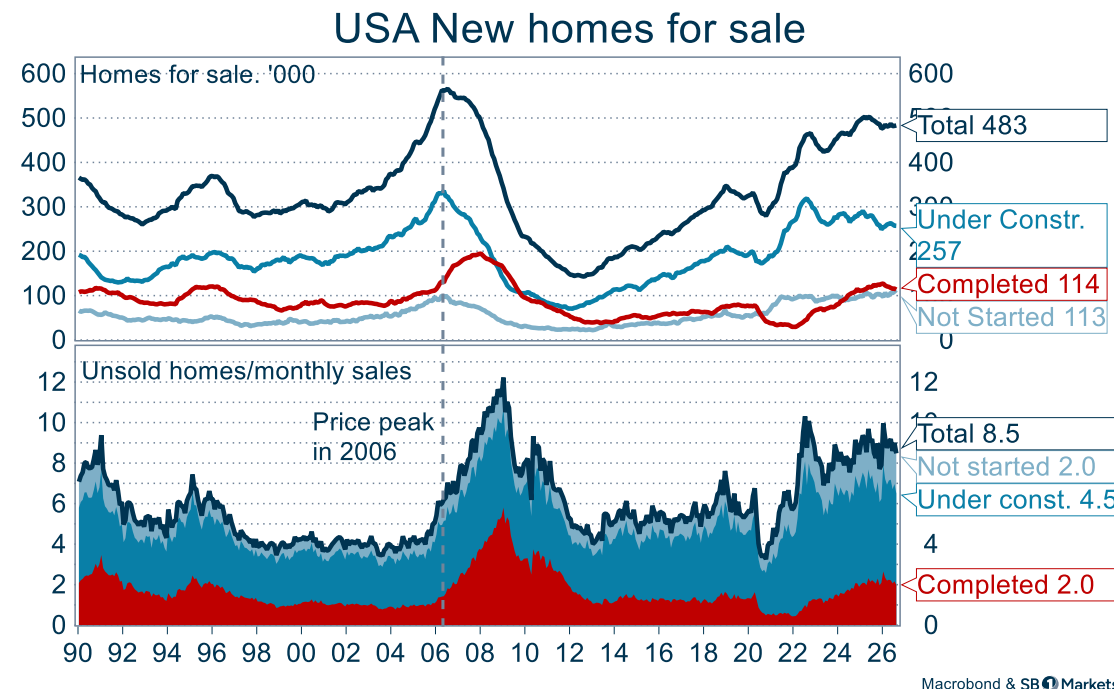
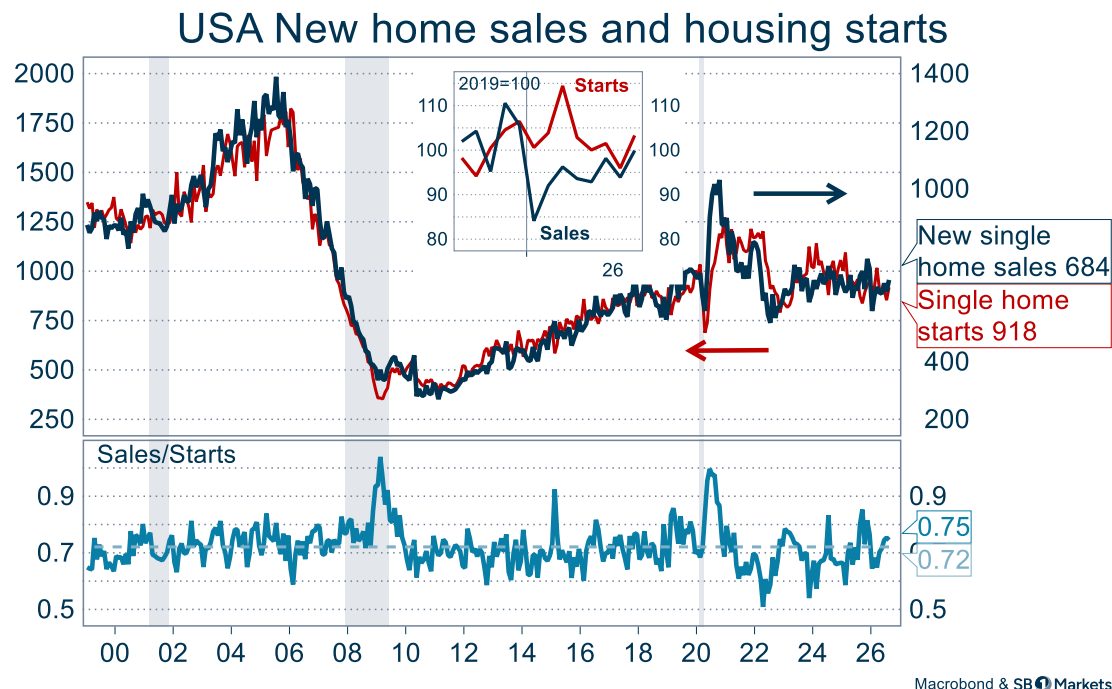


United States



New home sales are not heading down anymore?

Sales of new single homes rose to 684,000 in August, from 620' in July, expected 620' from previously reported 607'. In sum, 6% higher than assumed/expected, and the trend so far in 2026 is up from a low starting point (and the medium-term trend is up). Prices are still falling.

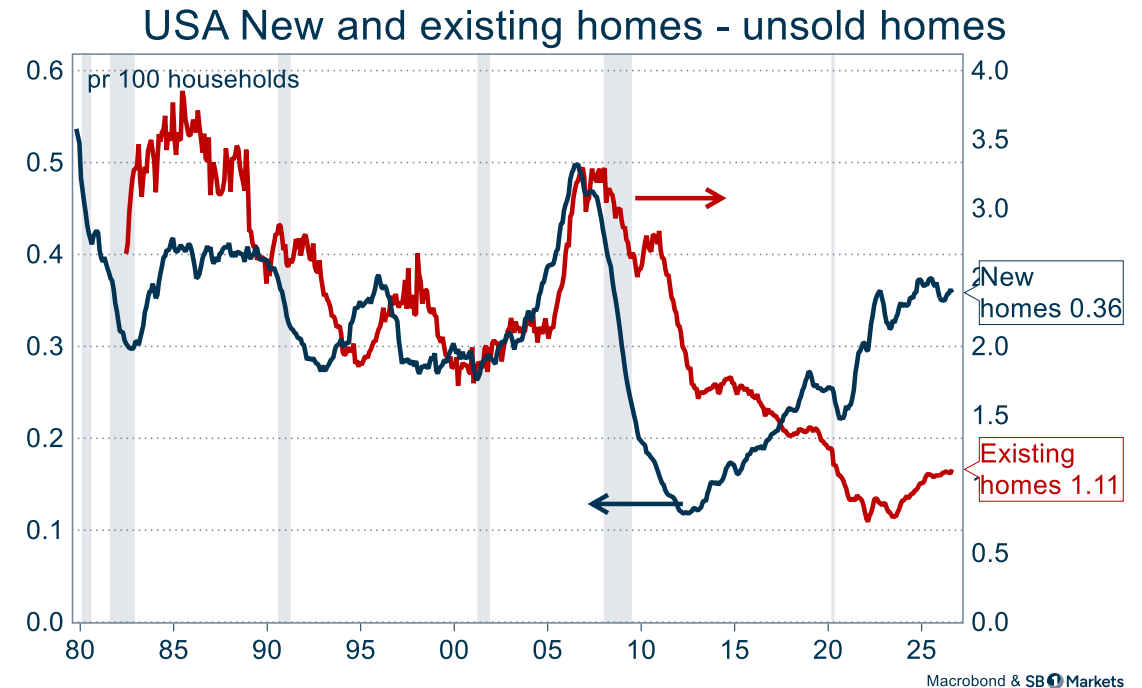
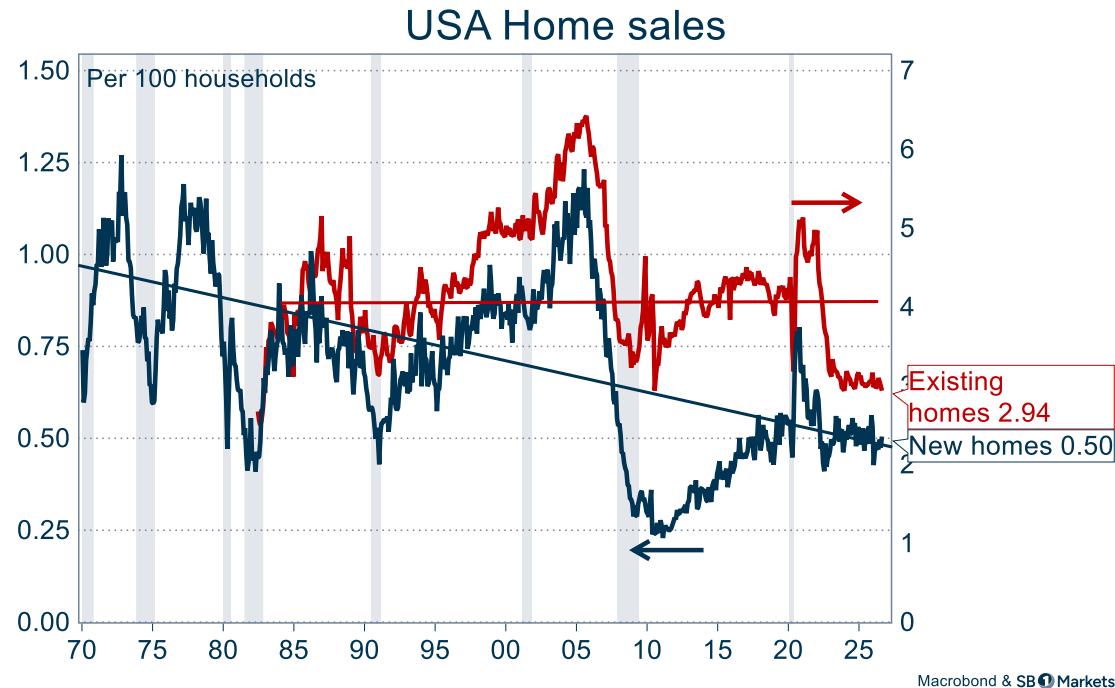


- **New single home sales** are volatile but have increased somewhat in recent months.
- The **inventory of unsold new homes** is close to flat, at a very high level, also vs. sales. The level is still very high and has been substantially higher just once, before and during the first part of the housing crisis almost 20 years ago (aka the great financial crisis). The inventory/sales ratio at 8.5 months is slightly lower than earlier in 2026, but still among the highest on record.
- **New home median price**, a volatile and 'simple' measure (not adjusted for standard/size etc.), has been falling since the peak in 2022 but has flattened recently. Normally, a high inventory puts pressure on sales prices.
- **Construction costs** (adjusted for standard/size) and the total **sales price**, including the cost of land, are trending upwards (but slower than CPI inflation).
- **In sum:** **mixed**. However, August sales do not signal that the lift in mortgage rates through the summer has cooled the housing market. Will the early autumn lift in rates have any impact? Time will tell.



Existing home sales are at a low level, new home sales at a normal level?

The inventory of unsold existing homes trends upwards but is still at a **low level**. The inventory of new homes for sale is unusually high but is down from the local peak last year. However, a small uptick in recent months.

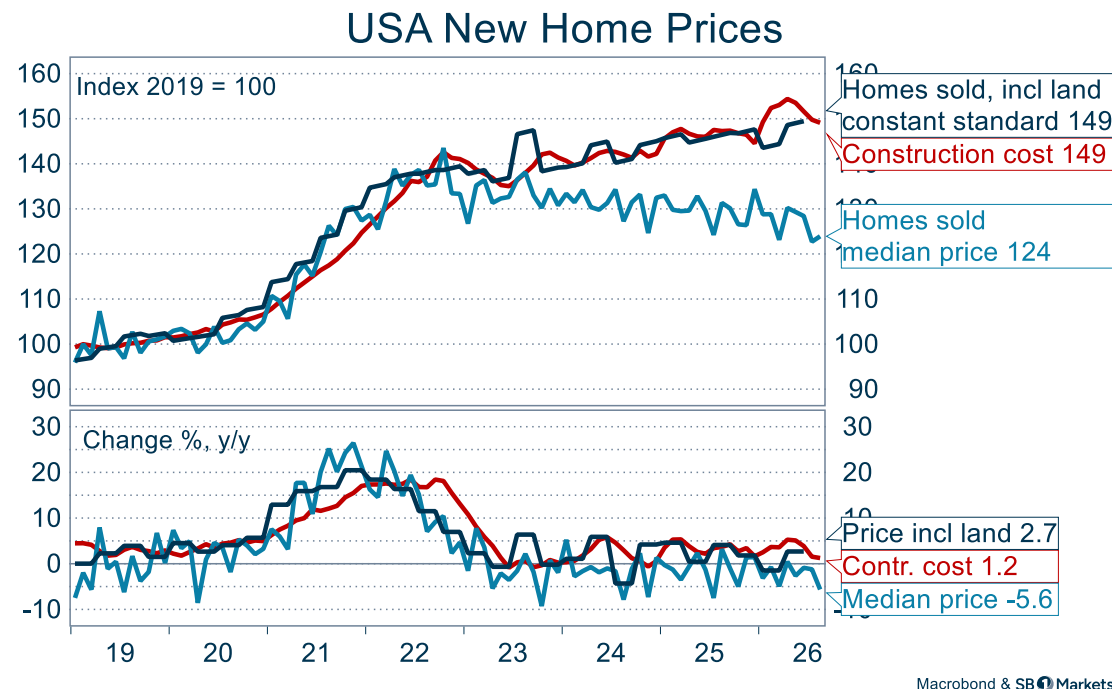
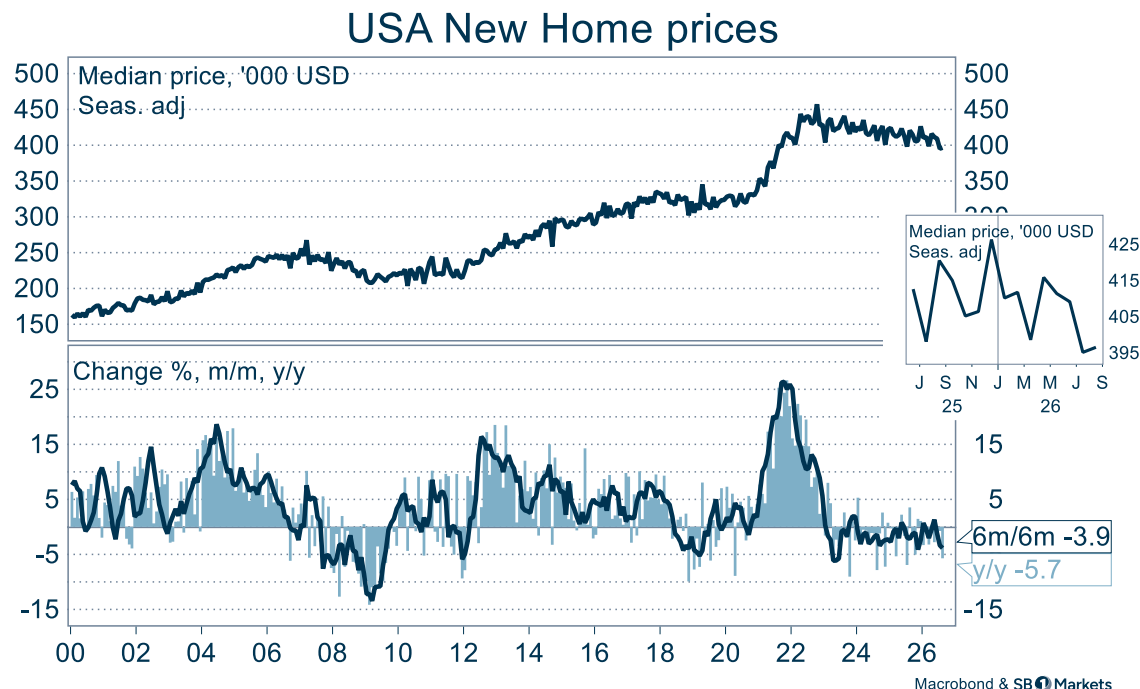


- **Existing home sales** are probably lower than normal while new home sales may be close to trend.
 - **New home sales** vs. the number of households are most likely trending downwards, long-term, due to **lower population growth**.
 - **Existing home sales** should over time be constant vs. the **number of households (the level)**, which will not decline.



New home median prices are still drifting down, but not standard adjusted

The median price is down 6% y/y, while the 6m/6m rate is at -4%. Prices have been trending down from the 2022 peak. Construction costs are on the way up though, as is the average price for homes sold, standard adjusted and land included.



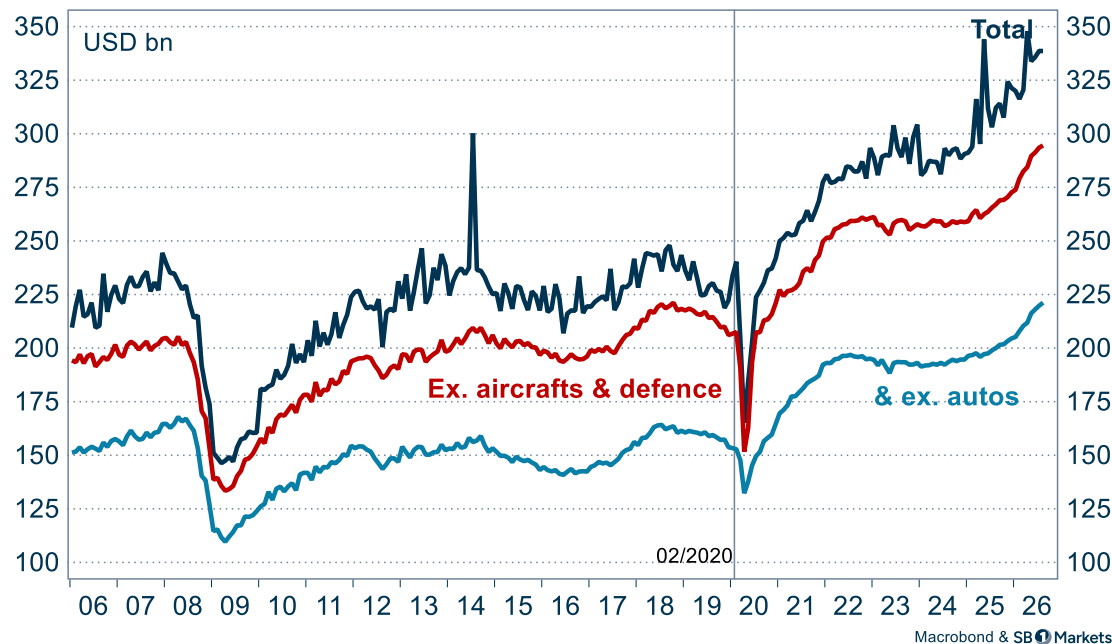
- **Median new home sales prices** are very volatile.
 - Prices are not adjusted for size, standard or area, which may change from month to month, and over time.
- **Construction costs** have been drifting upwards at a 2–3% pace, following the 40% surge to 2022 from 2019.
- **Including the cost of land, and adjusted for standard/size** etc., new home **sold (quarterly) price index** (which is a better price measure for new homes than the median price for new homes sold) is trending slowly upwards as well, in line with construction costs.
- **In real terms, all three price measures** are down from their respective 2022 average levels, the median price by 20%. The real construction costs and the real homes sold index trend just slowly downwards.



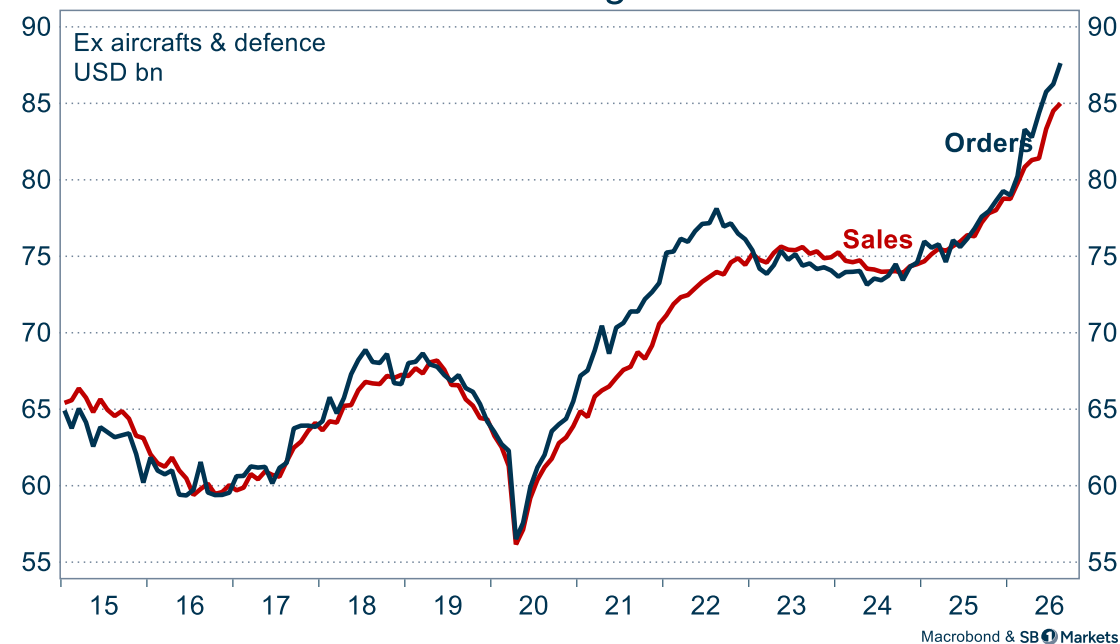
Durable orders are still going strong, especially core capital orders (ex. computers & electr.)

Durable goods orders were flat in August, expected down 0.3%. The underlying trend is still strong. Core orders, ex. aircraft & defence, grew 0.3%, and if autos are excluded 0.5%. Core capital goods orders were up 1.6% (exp. 0.6%) and grow at a 16% pace 3m/3m, nominally that is.

USA Durable orders



USA Investment goods orders

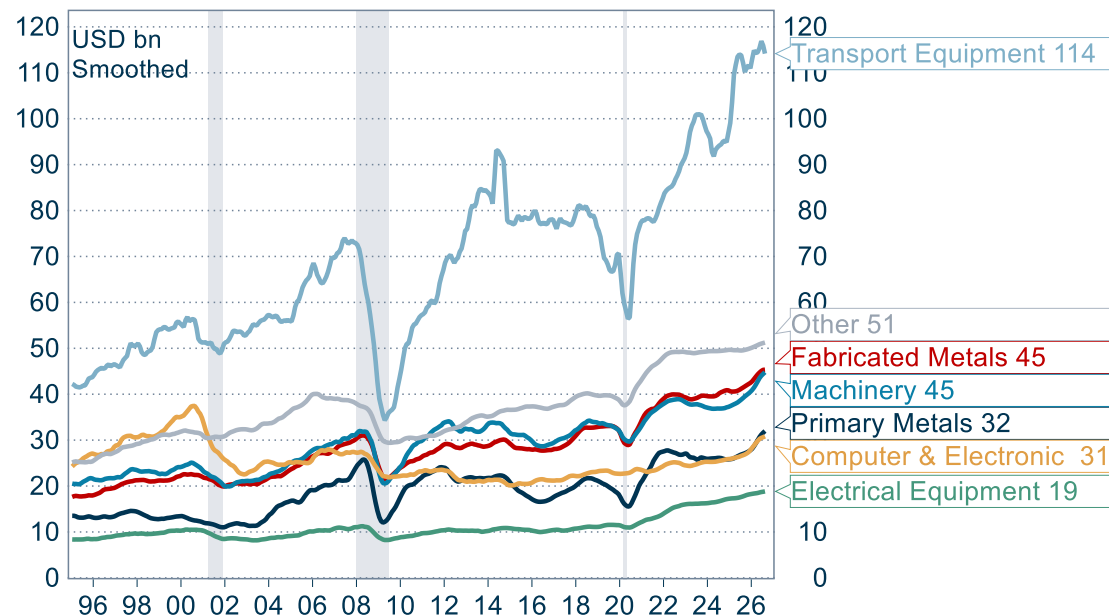




Durable orders are on the way up, broadly, but high tech has stagnated in July/August

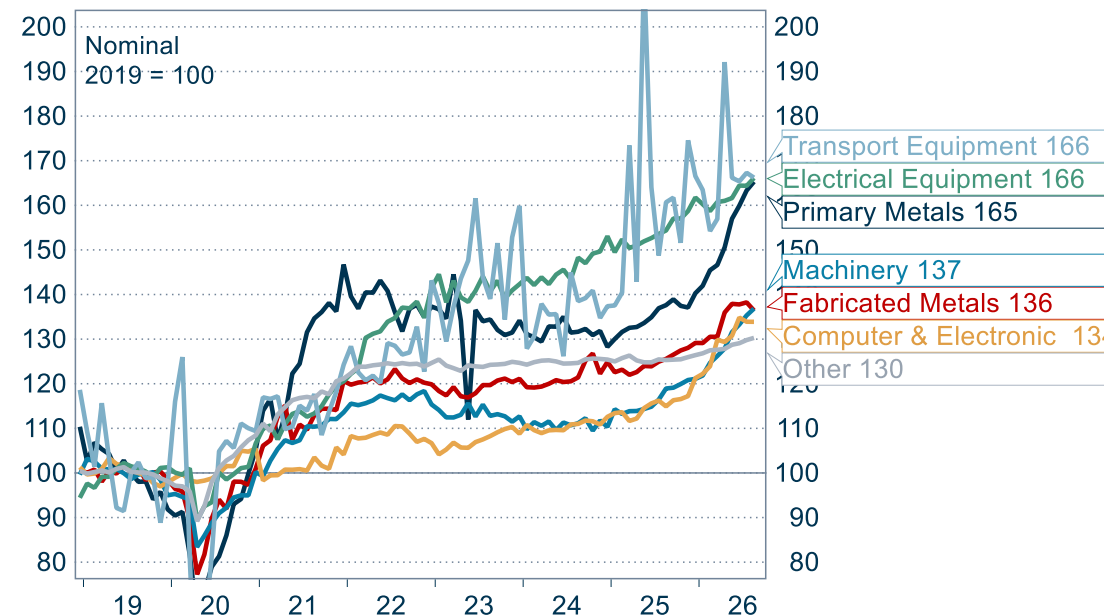
Fabricated metal orders have flattened since before the spring. Primary metals grow at the fastest rate, and also contributes the most to the growth in total durable goods orders. (Computers and electronics have been growing at a fast pace until July).

USA Durable orders

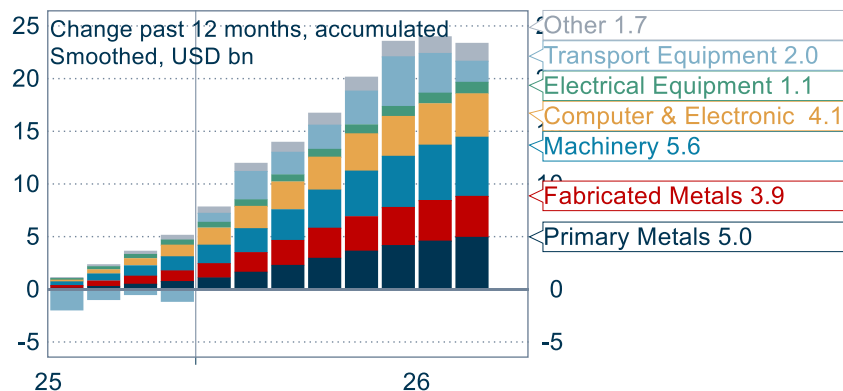


Macrobond & SB Markets

USA Durable orders



Macrobond & SB Markets



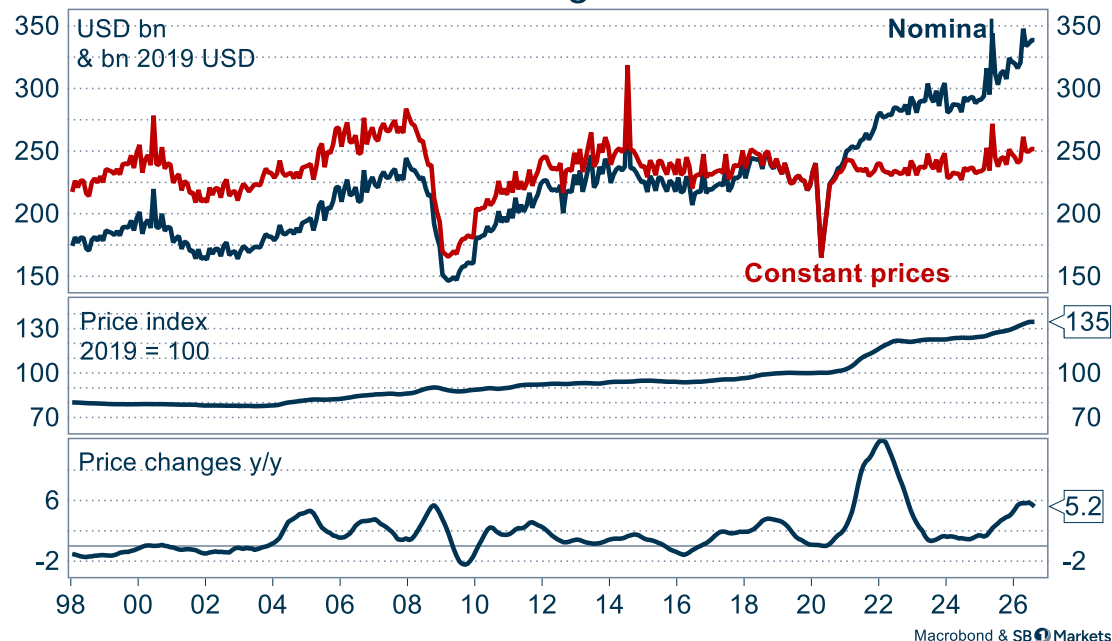
Macrobond & SB Markets



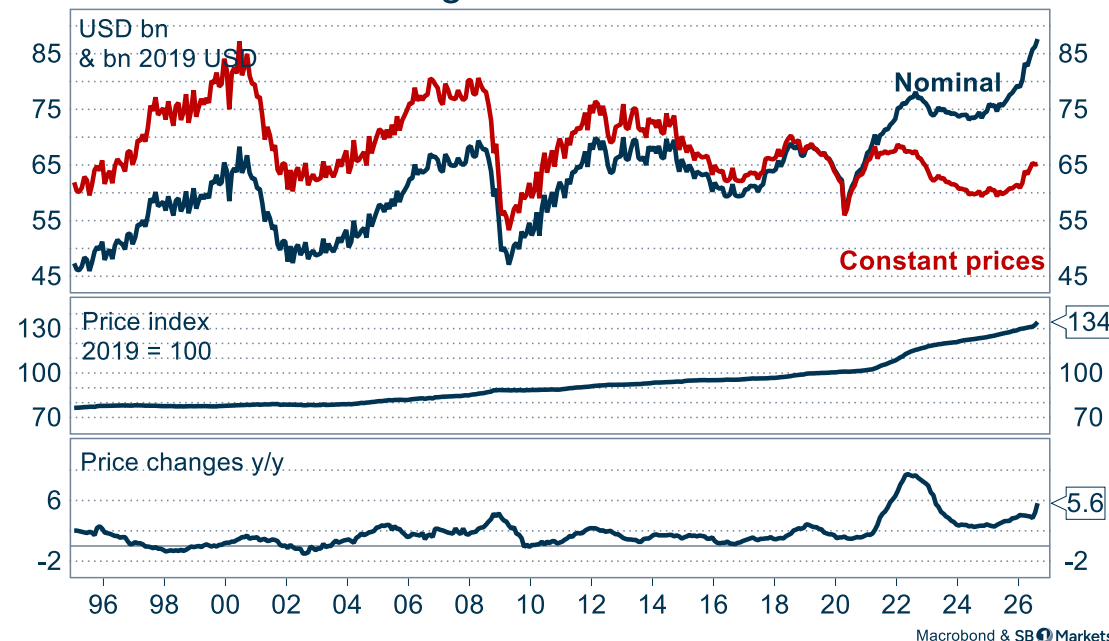
New durable orders: volume trends are not that impressive, but trend upwards

Both the total inflow and core investment goods orders in volume terms have turned up recently, especially the investment component – after being close to flat for a long time. Prices are up 5–6% y/y, driven by tariffs and higher global commodity prices, and strong US demand.

USA Durable goods orders



USA Investment good orders x aircraft/defence

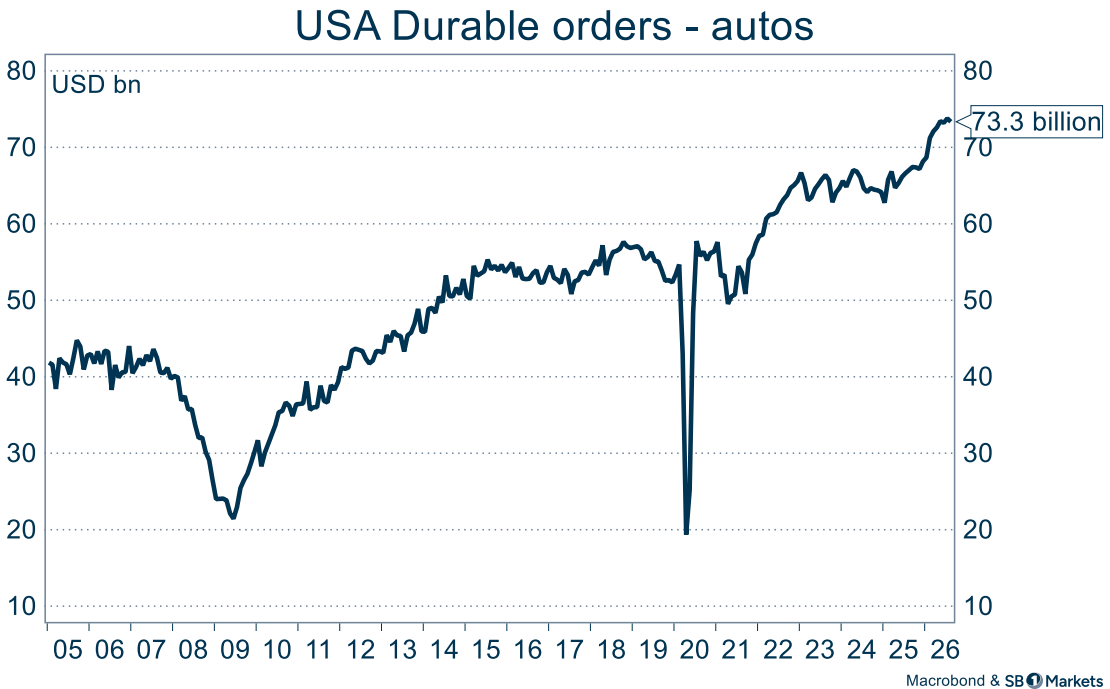
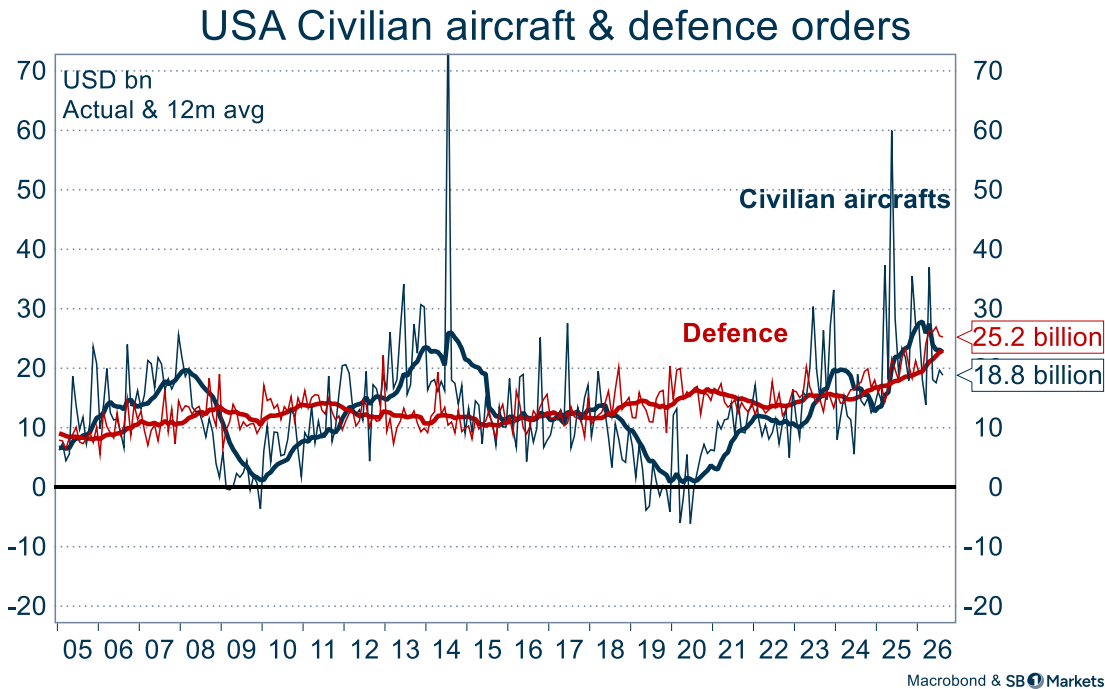


- **Durable order prices** have accelerated somewhat in recent months, and price inflation is higher than average price increases ahead of the out-of-corona surge.



Any wars around? Defence orders have surged recently! Aircraft orders have landed

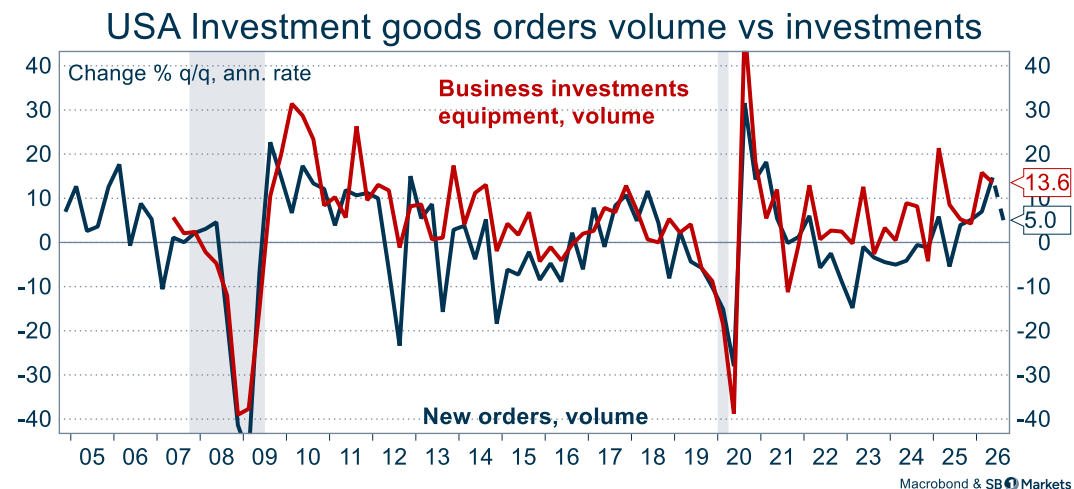
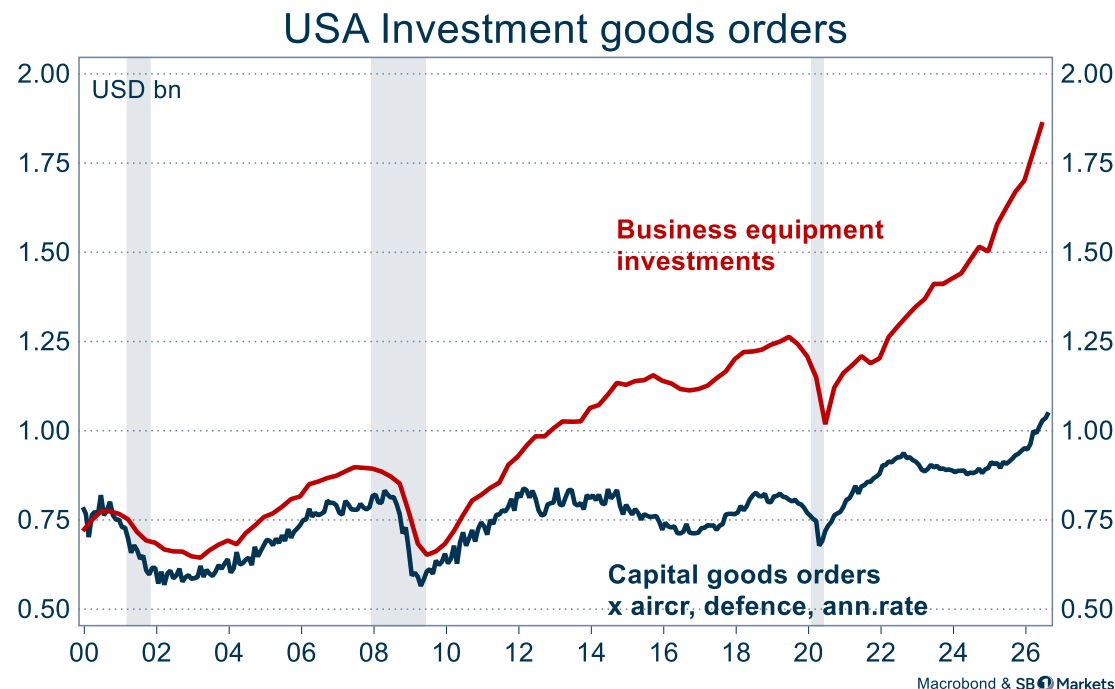
... at a 'normal' level





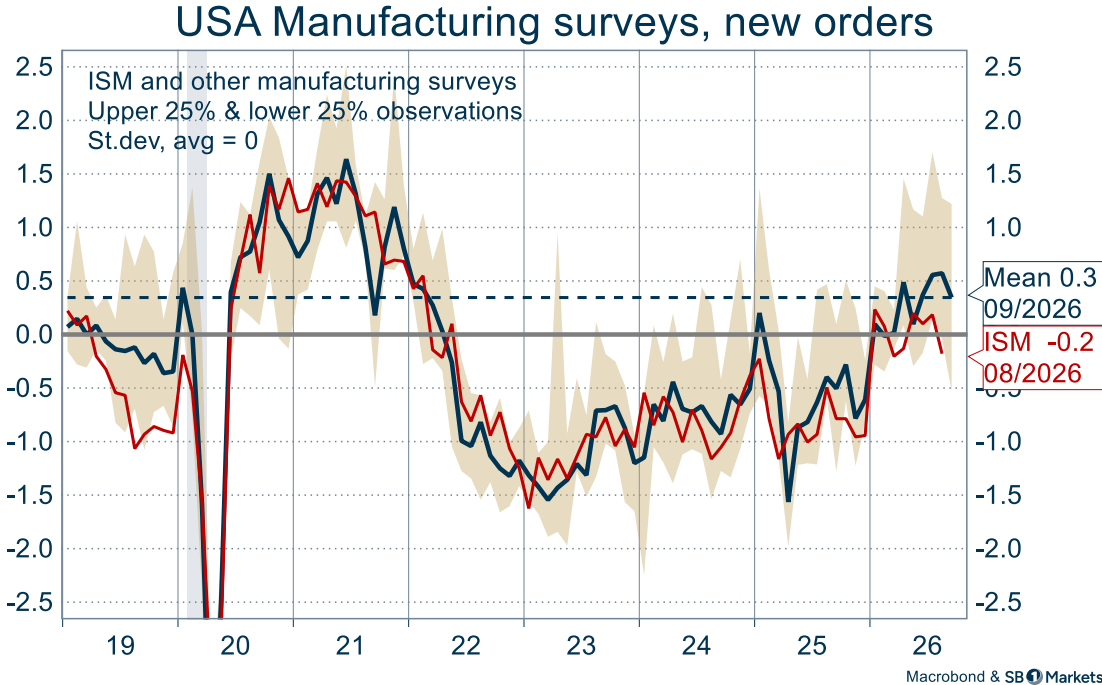
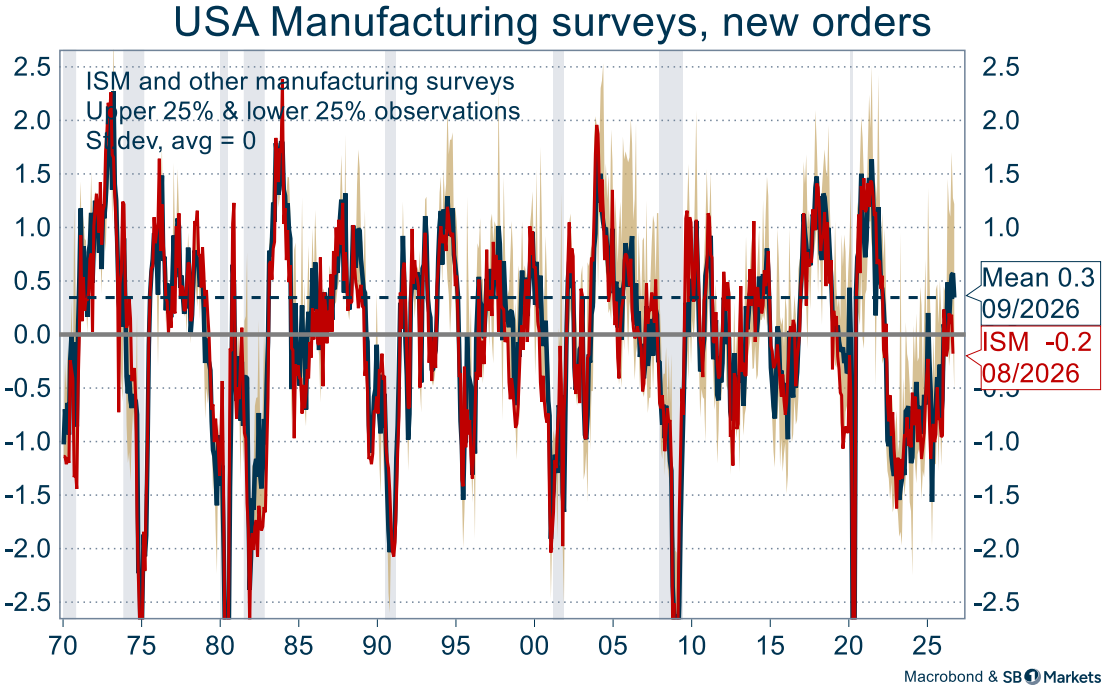
Core capital orders are surging but not that fast in volume terms

The surge in 'core' investment goods orders in recent months has been unusual, at least in value terms. In volume terms, not that impressive. Even if we assume strong growth in September, Q3 was up 'just' 6% up from Q2 (annualised).



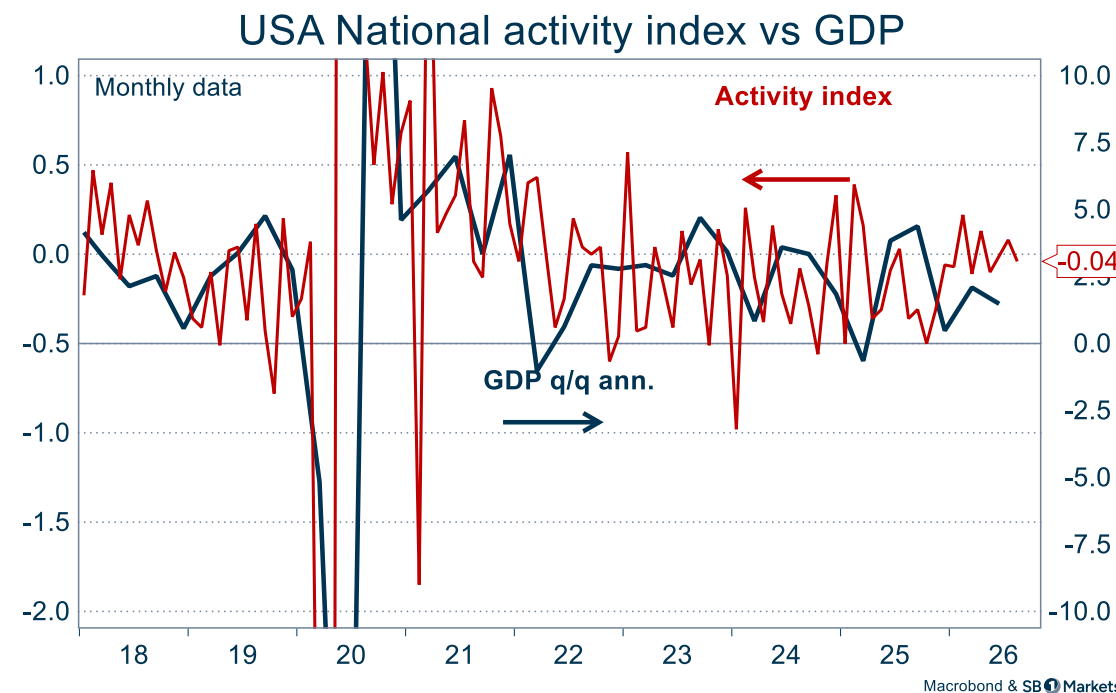
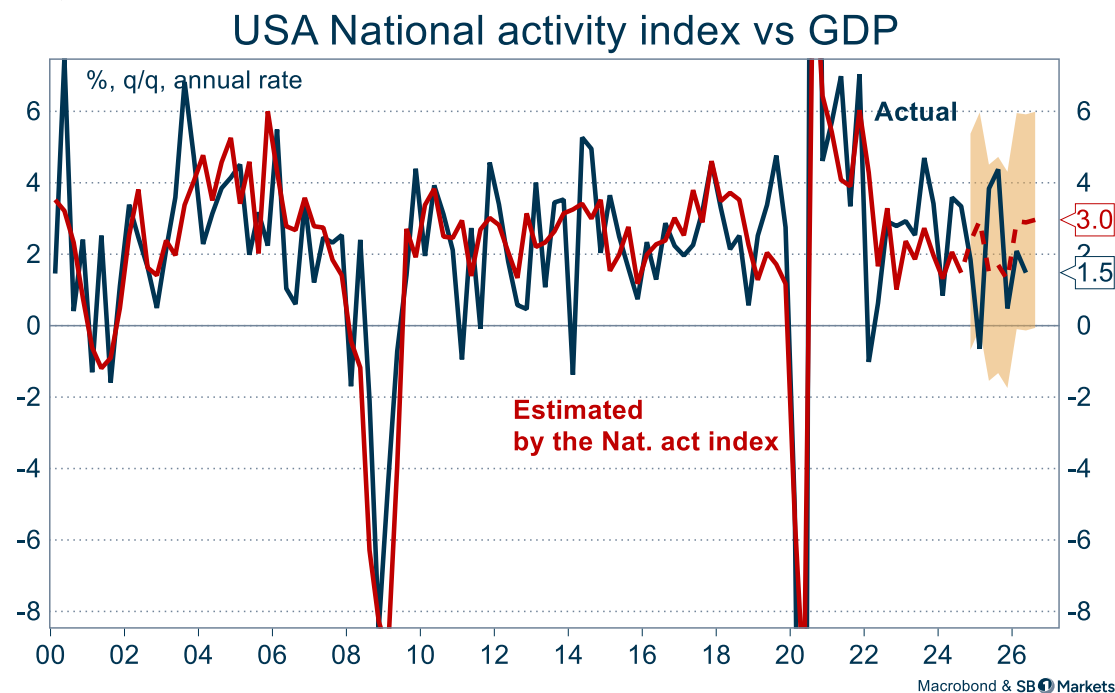


Manufacturing surveys somewhat slower – but not slow – growth in new orders





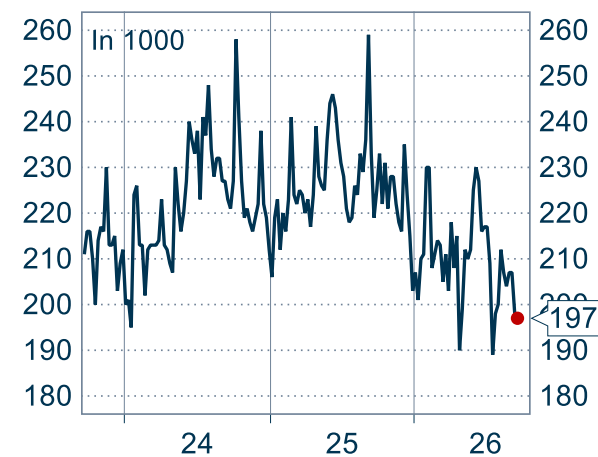
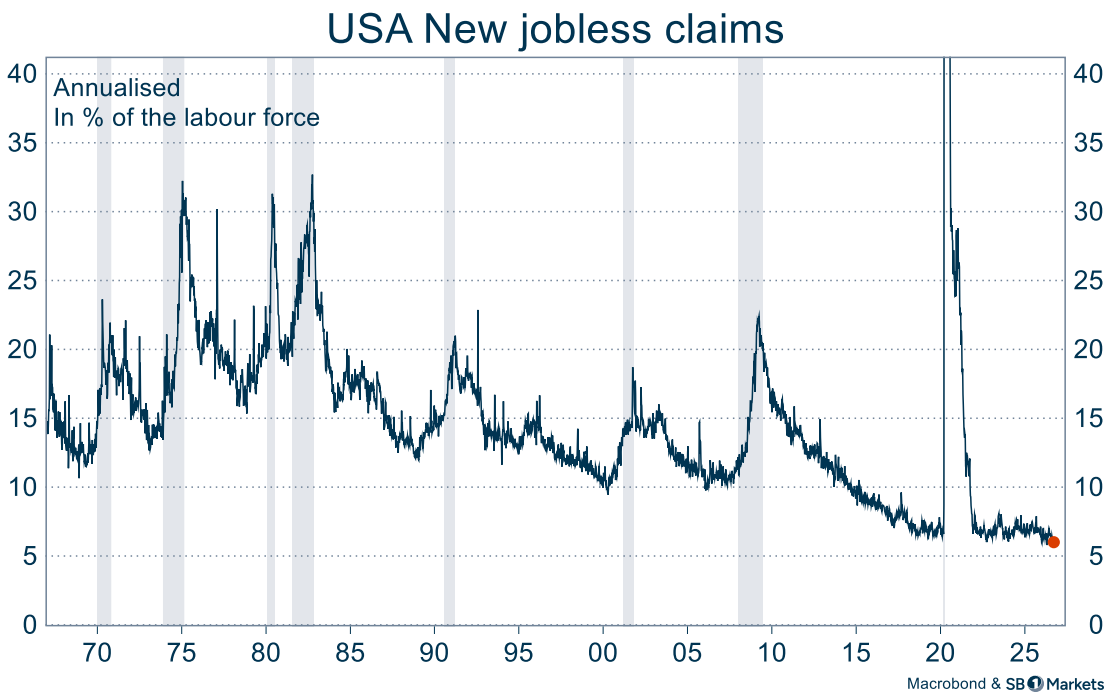
The National Activity Index revised up, and signals 3% growth



- **The activity index** is normally quite closely correlated to the GDP cycle, just less volatile (on a quarterly basis) than GDP figures. Thus, it is *perhaps a better gauge for the 'real' activity in the US economy than the quarterly GDP data*, check the model-based estimation at the chart to the left.



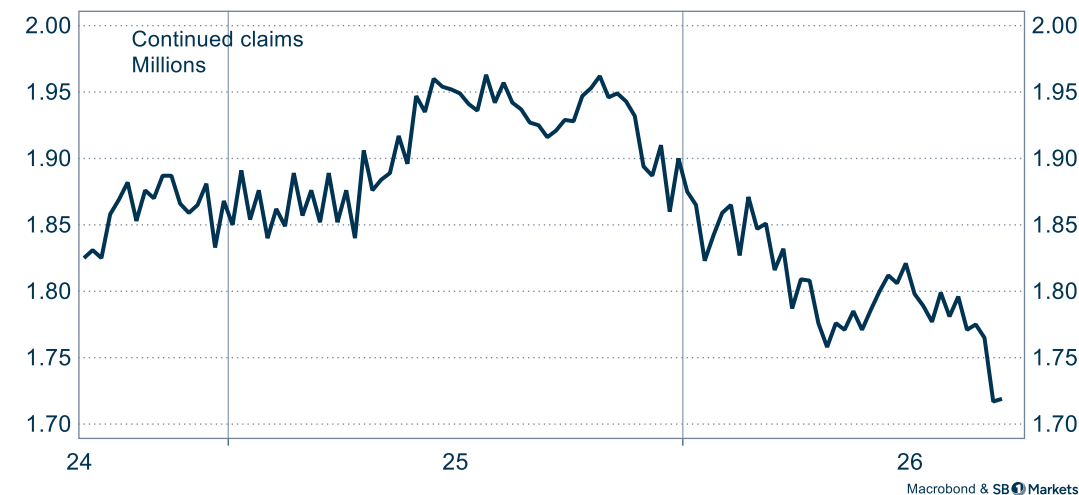
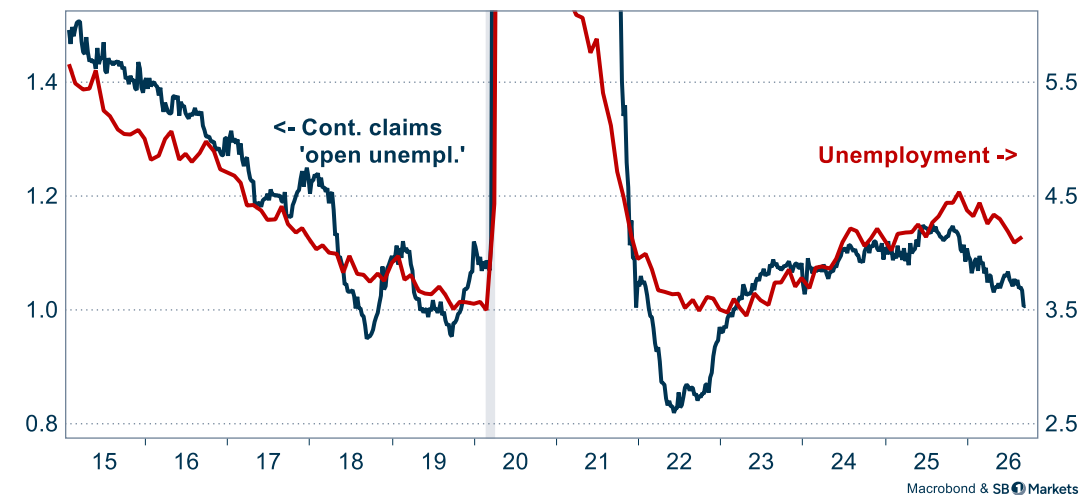
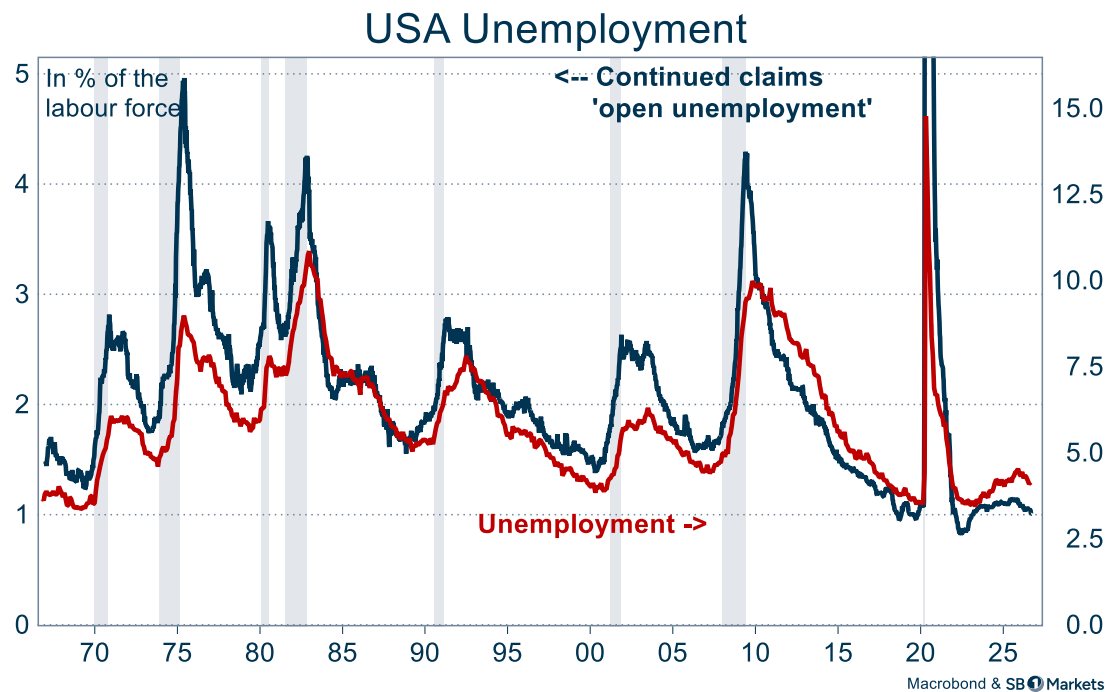
The inflow of jobless claims remains at a very low level





Continued jobless claims remain at a very low level too

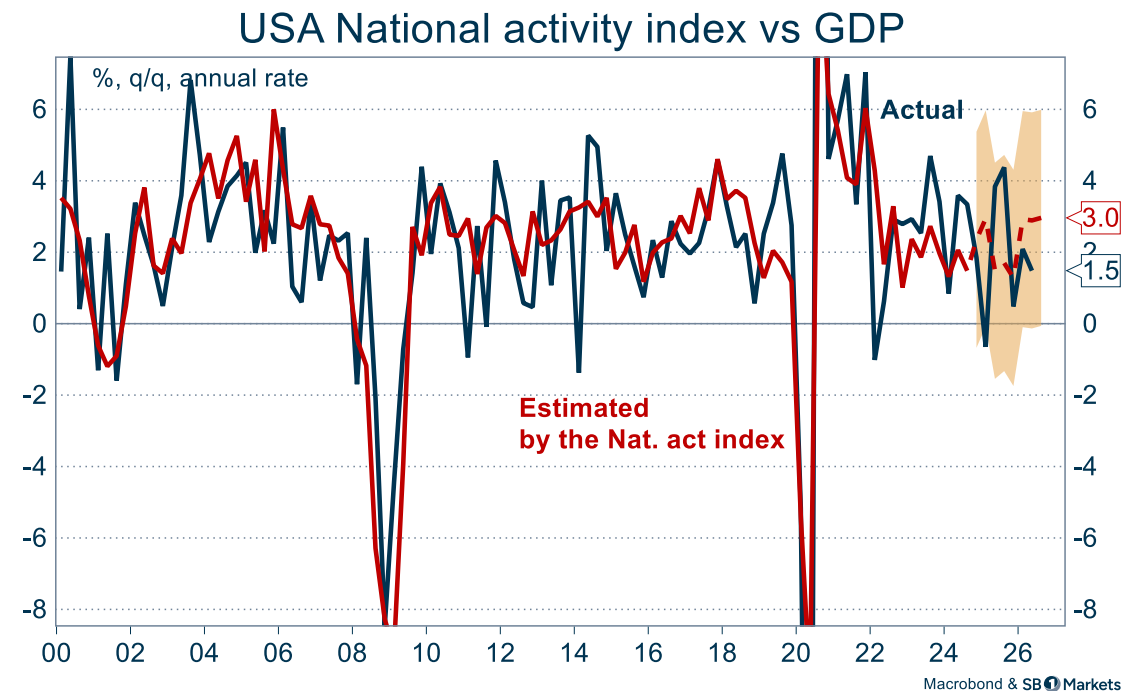
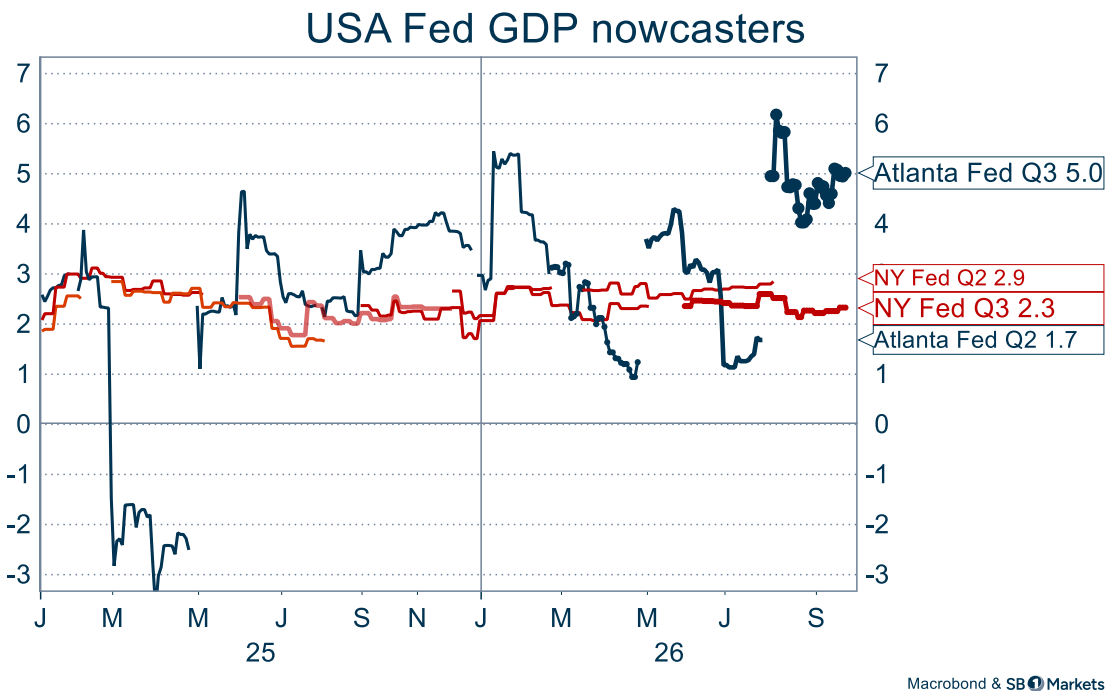
The count of persons receiving unemployment benefits fell sharply in the previous week and indicates a decline in the official unemployment rate.





Atlanta Fed's Q3 GDP nowcast slightly up to above 5%!

Growth is driven by strong growth in consumption as well as in business equipment. Net exports are negative, but inventories are expected to be replenished. The National Activity Index suggests a 3.0% growth pace.



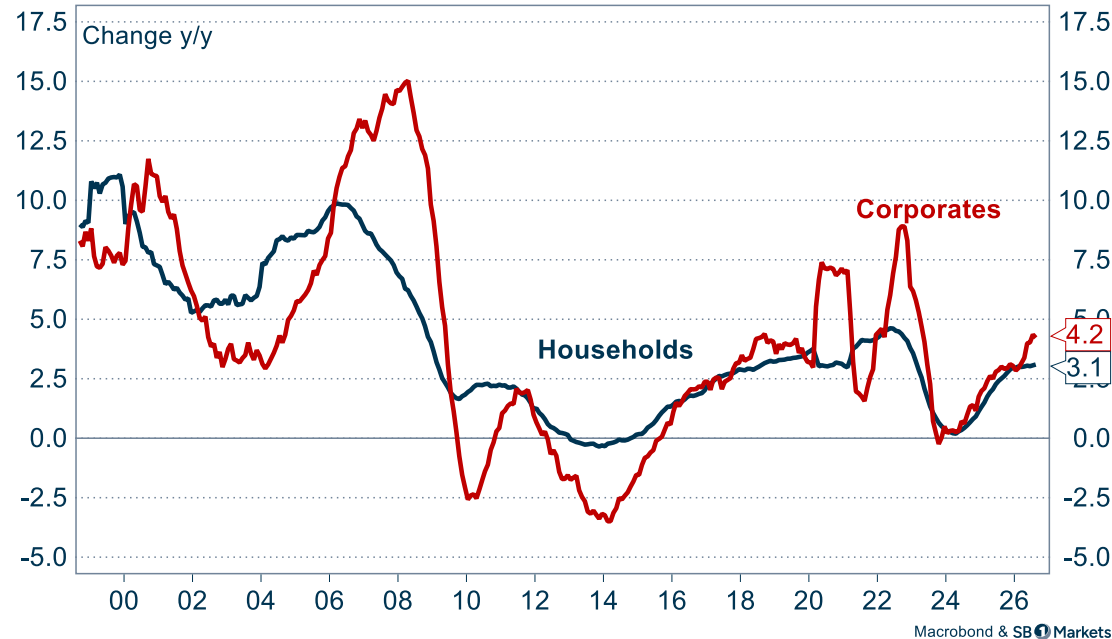


Euro Area

Growth in household debt has flattened at 3% but corporate borrowing still accelerates

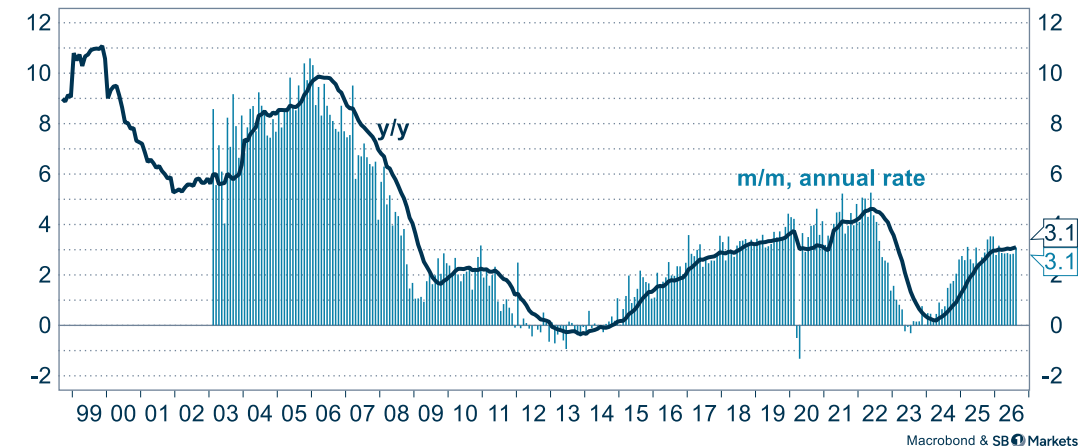
... as the annual growth rate has accelerated to above 4% (but the monthly growth was modest in August)

EMU Private sector credit

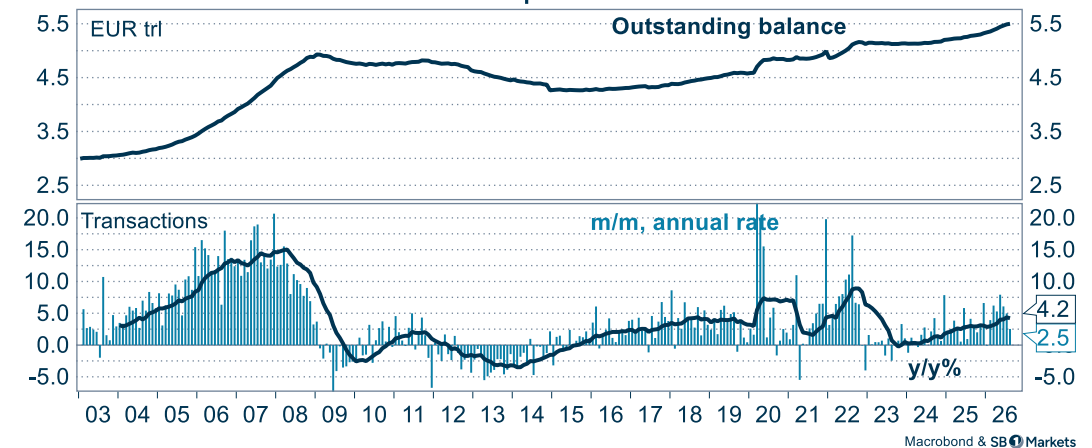


- In the ECB's Q2 banking survey, banks report weak demand for credit from businesses but the Q3 report was better (or at least far less weak). In addition, credit standards were substantially eased in Q3.
- **M3** has turned up since Q3-23 but remains below the pre-pandemic trend path. M3 is up 4.2% y/y. **M1** is up 4.1%, which still is below a 'normal' M1 growth rate, but still faster than growth in nominal GDP.

EMU Household credit

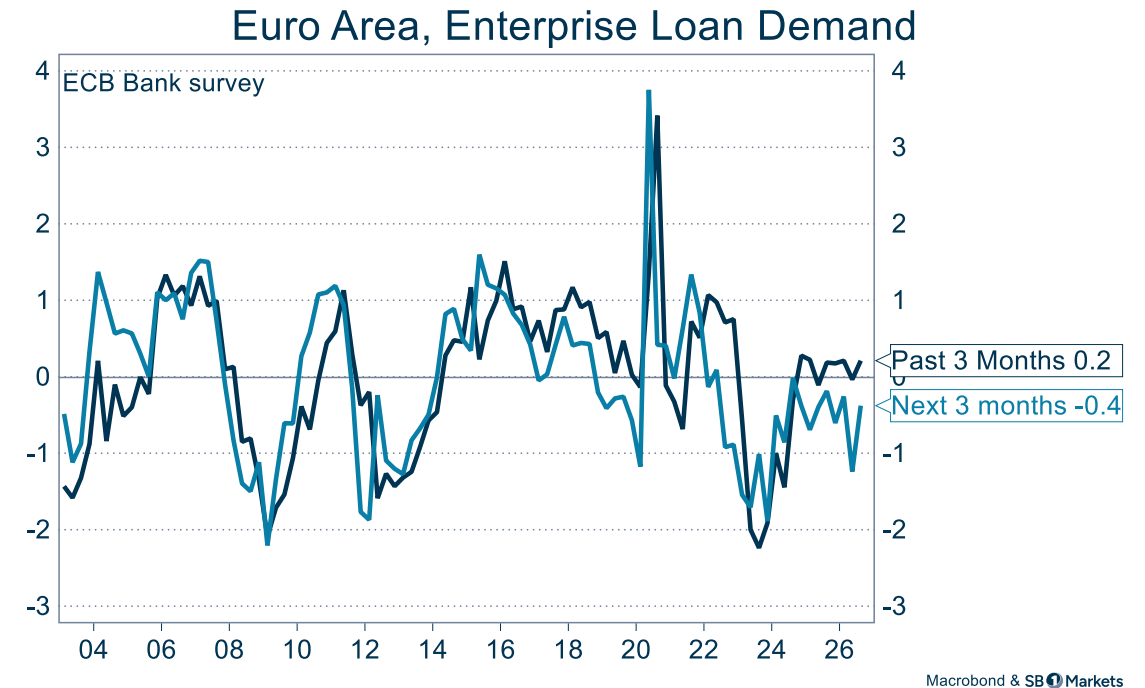
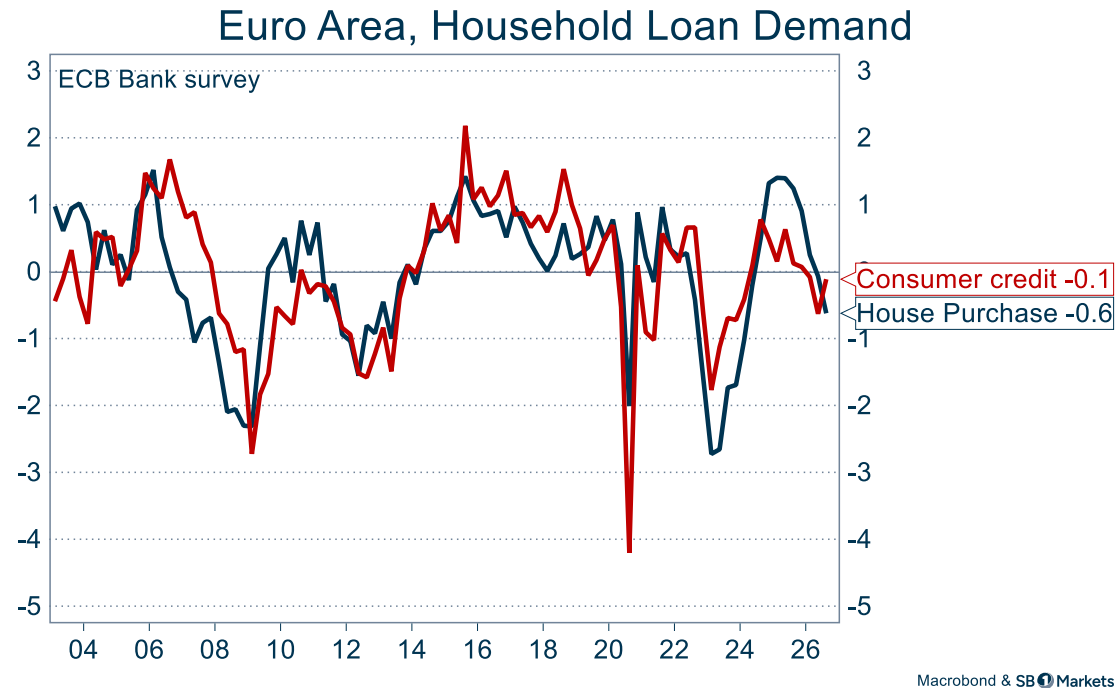


EMU Corporate credit



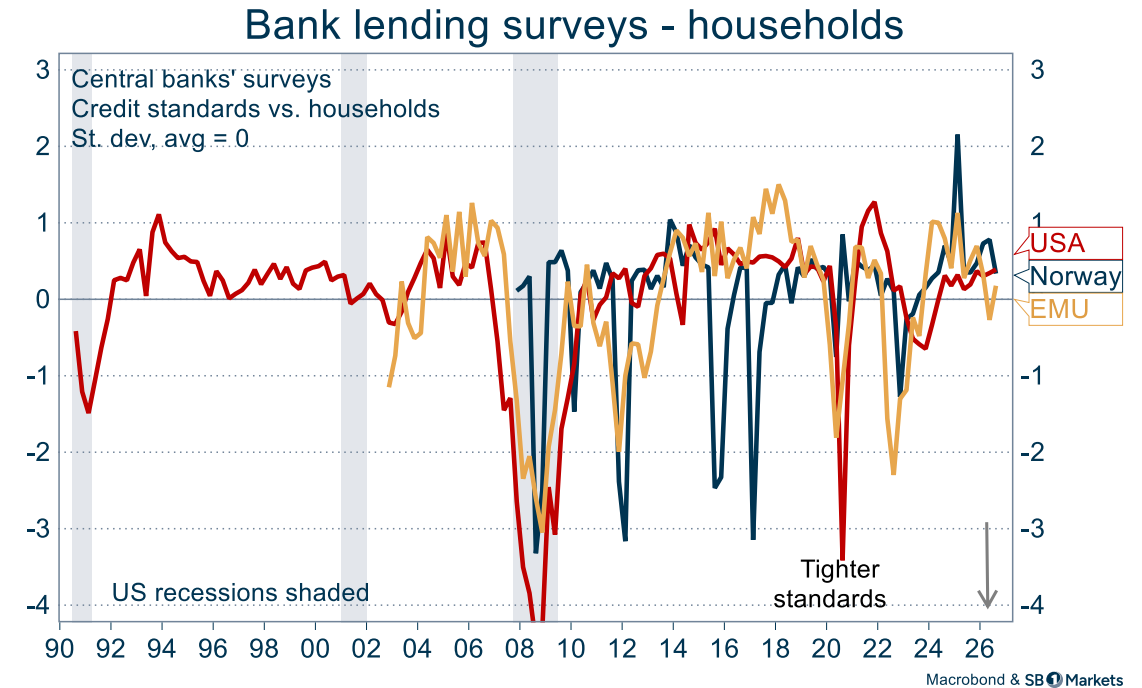
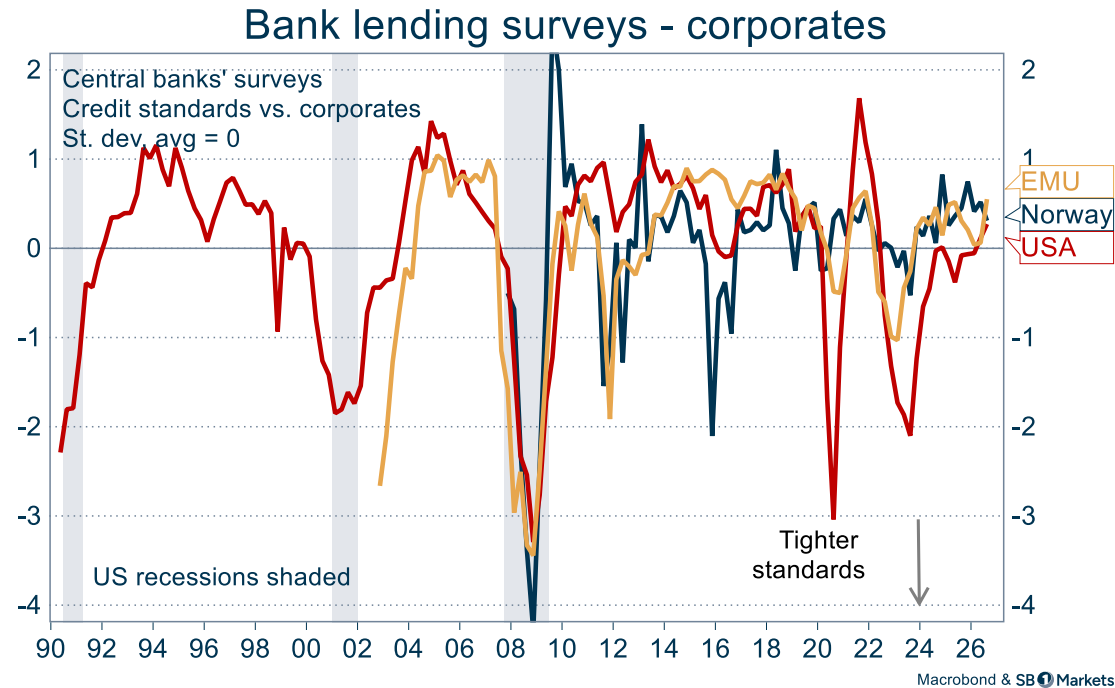
Banks report normal demand for credit from businesses and are less pessimistic vs. outl.

Demand for mortgages is waning, banks report.



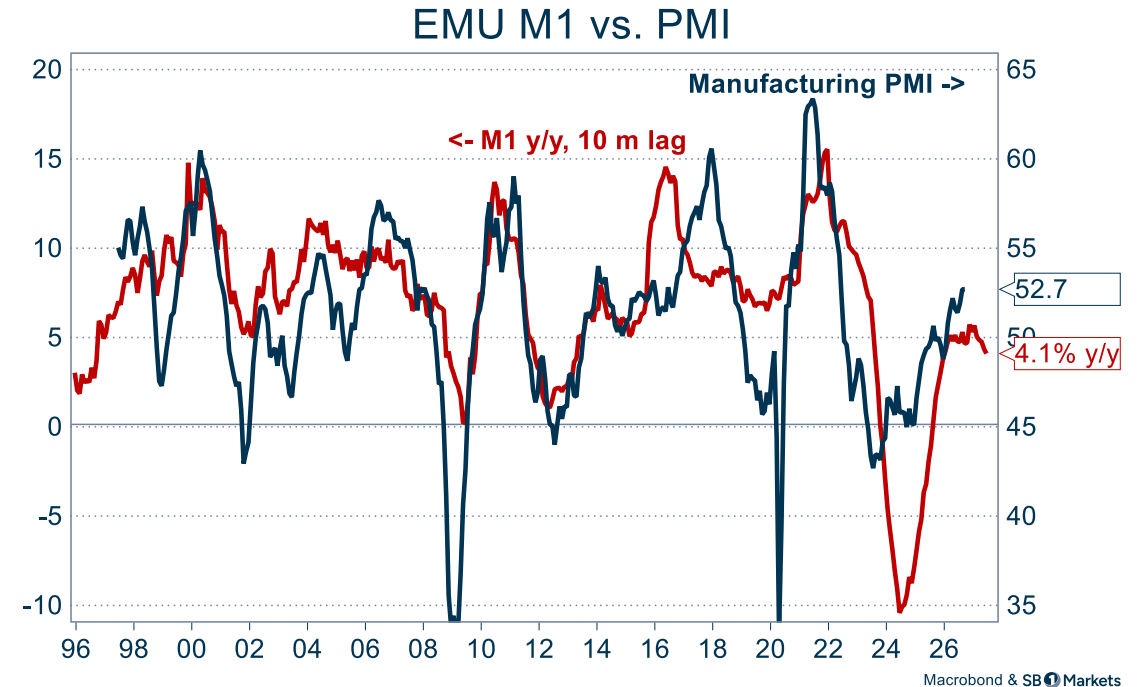
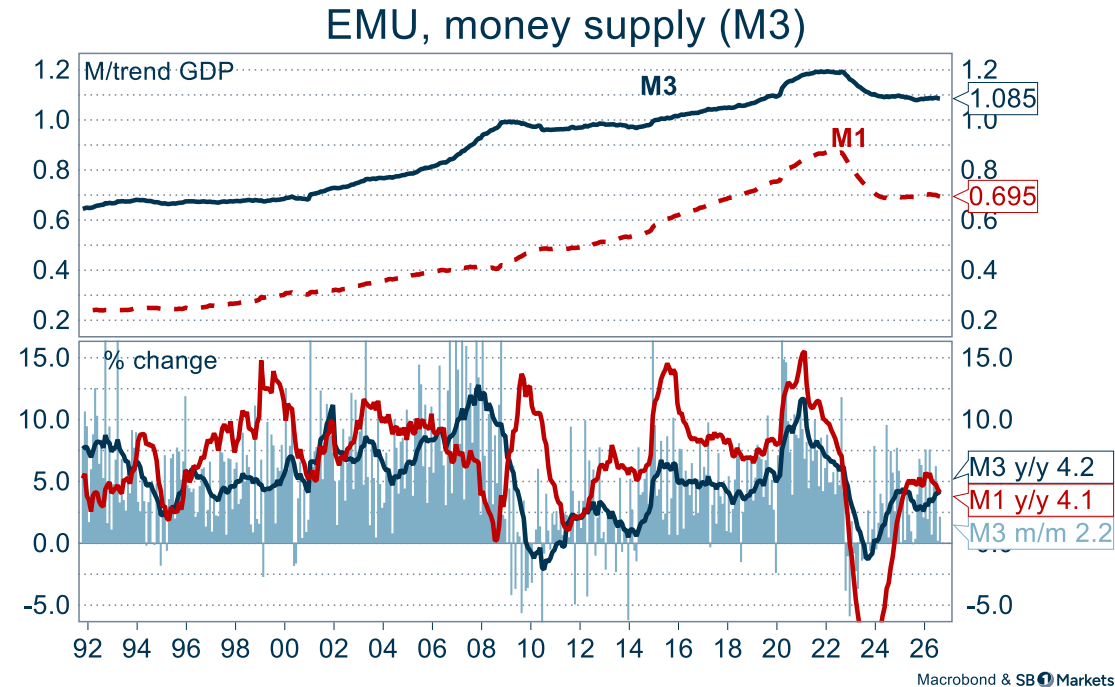
EMU banks are easing standards vs. both businesses and households

Banks are in easing mode in the US and Norway as well.



M3 money supply up 4.2% y/y, close to a normal level

M1 is up 4.1% y/y. M1 & M3/nominal GDP ratios have returned to pre-pandemic levels, but the M1 ratio has yielded recently, as has the annual growth rate. In addition, M3 growth was slow m/m in both July and August. M1/M3 growth is probably too low to boost GDP growth.



- So what? Moderate growth in monetary aggregates is normally good news vs. the outlook for the real economy



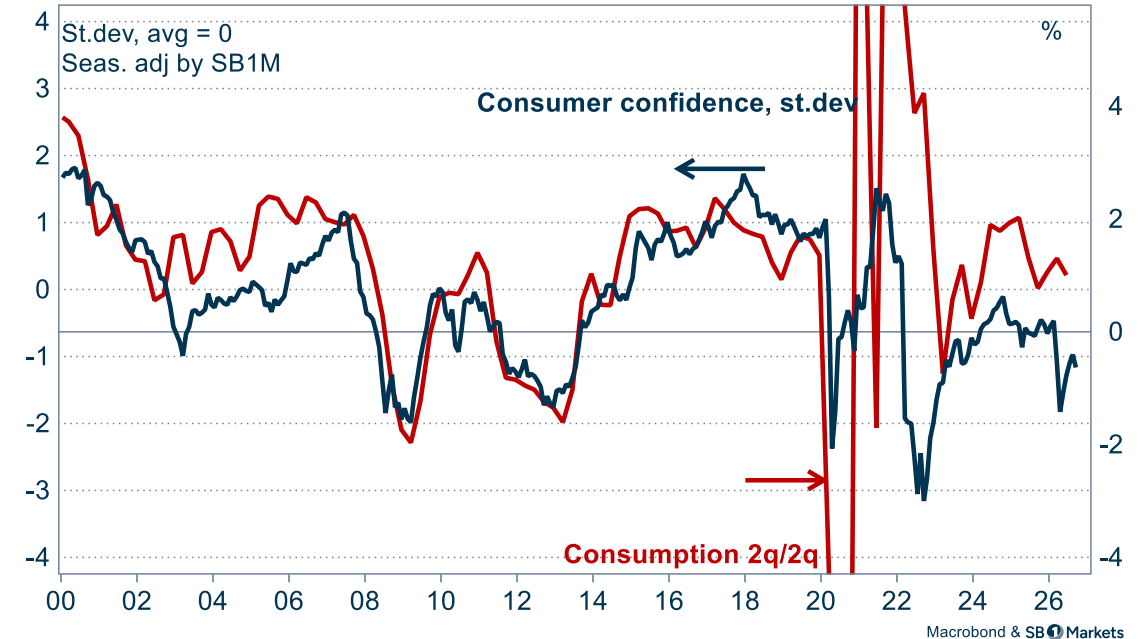
Consumer confidence a tad down in September, to 1.2 std. dev. below average

CC was marginally better than expected and 2/3 of the decline during the first phase of the US-Iran war is reversed. Since the Ukraine war started, demand has kept up better than normal vs. confidence, but even so, the current level suggests no/low growth in private consumption.

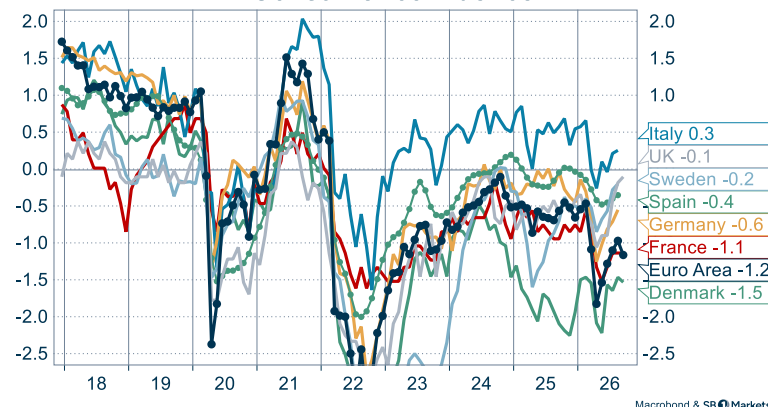
EMU Consumer confidence



EMU Consumer confidence vs consumption



Consumer confidence





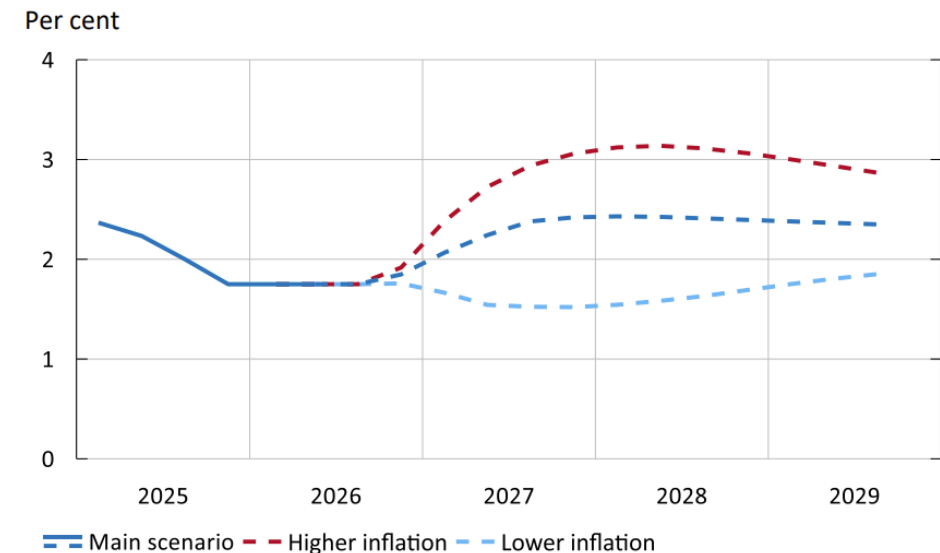
Sweden

Riksbank keeps policy rate at 1.75% but signals higher rates starting in a few months

Riksbanken says that: “if the outlook for inflation and economic activity remains unchanged, it is expected that the increases to the policy rate will begin this year.”

- **Interest rate outlook:** As widely expected, the policy rate remains at 1.75%, but the Riksbank now expects rate hikes to begin later this year if the economic and inflation outlook remains unchanged. Rates are expected to rise more than previously projected as the economy strengthens and underlying inflationary pressures remain elevated.
- **Inflation outlook:** Headline inflation is currently low due largely to temporary fiscal measures, but underlying inflation is closer to 2%, and inflation is expected to rise in the near term. Higher energy prices and the weaker krona add upside pressure, before inflation stabilises around 2% over the medium term.
- **Economic outlook:** The Swedish recovery is stronger and broader than previously expected. GDP growth is forecast at 2.8% in 2026 and 2.4% in 2027, with improving household demand and a gradually strengthening labour market. The economy is expected to return to more normal conditions during 2027.
- **Risks to the rate outlook:** Higher rates could be required if inflation proves more persistent, particularly due to prolonged energy/supply shocks, a weaker krona or stronger domestic demand. Lower rates could become appropriate if the economy or labour market weakens materially, or if the supply shocks fade faster than expected and inflationary pressures decline.

Figure 43. Main scenario and alternative scenarios for the policy rate



Note. The deviations from the main scenario in the alternative scenarios are not necessarily symmetrical, as they illustrate the monetary policy response to specific shocks to the economy. Any asymmetry should therefore not necessarily be interpreted as the Riksbank seeing the risks surrounding the policy rate in the main scenario as unbalanced. Solid line refers to outcomes and dashed lines refer to main scenario and alternative scenarios.

Source: The Riksbank.

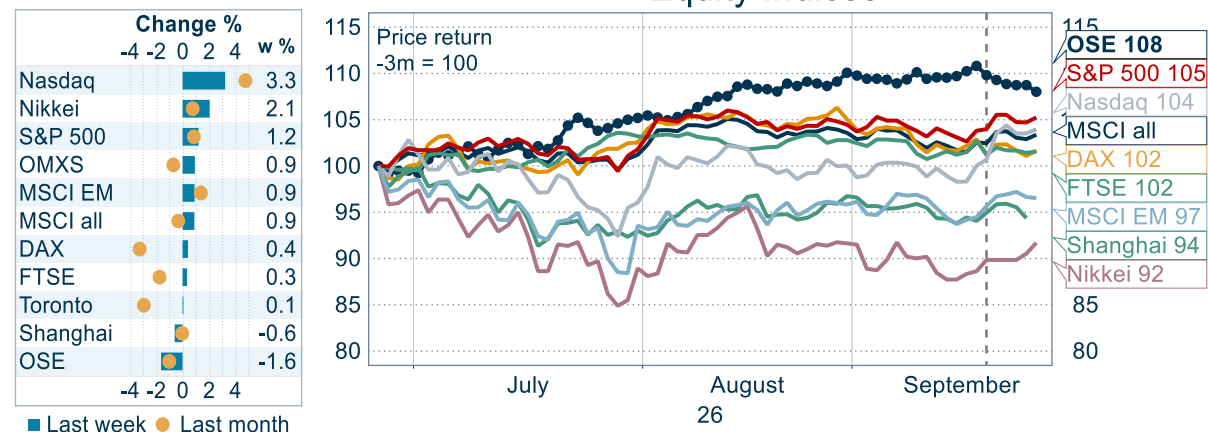


4. Financial Markets

Bond yields shot up but equity markets rose (if not OSE). Metal prices up, oil mixed

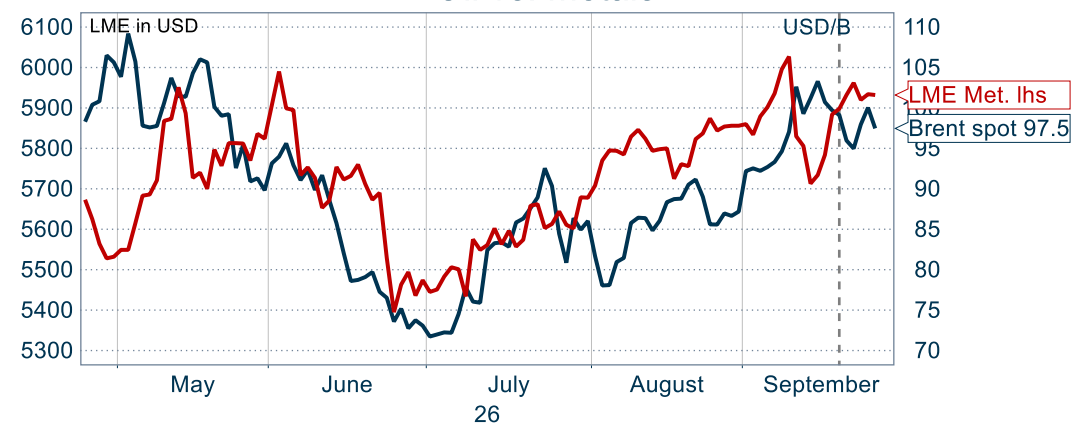
European natural gas prices declined further but remain high. The US 10y bond yield rose by 16 bps and ended at 5.17%, a new cycle peak. The USD appreciated further, at least partly supported by higher USD rates/yields. The NOK depreciated slightly.

Equity Indices



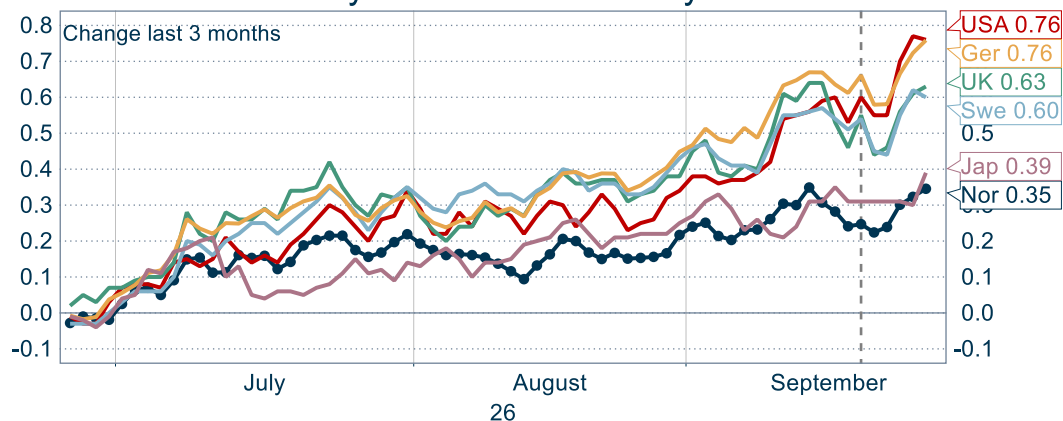
Macrobond & SB Markets

Oil vs. metals



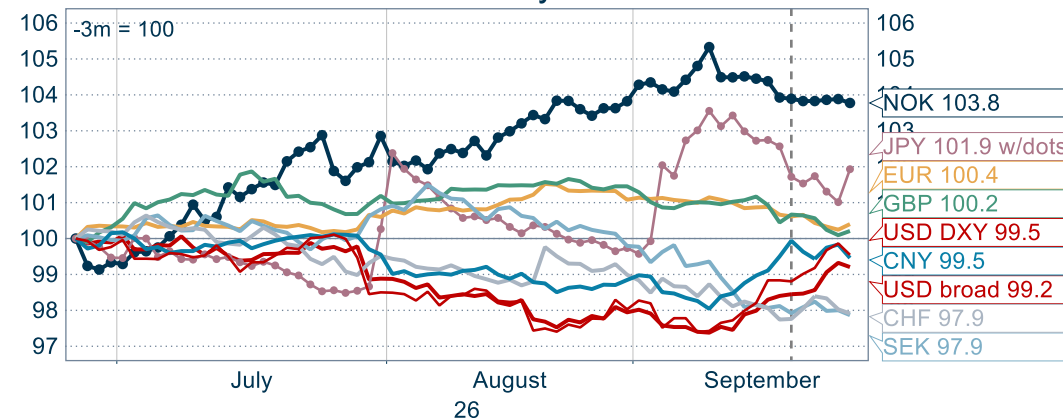
Macrobond & SB Markets

10 y Government bond yields



Macrobond & SB Markets

Currency indices

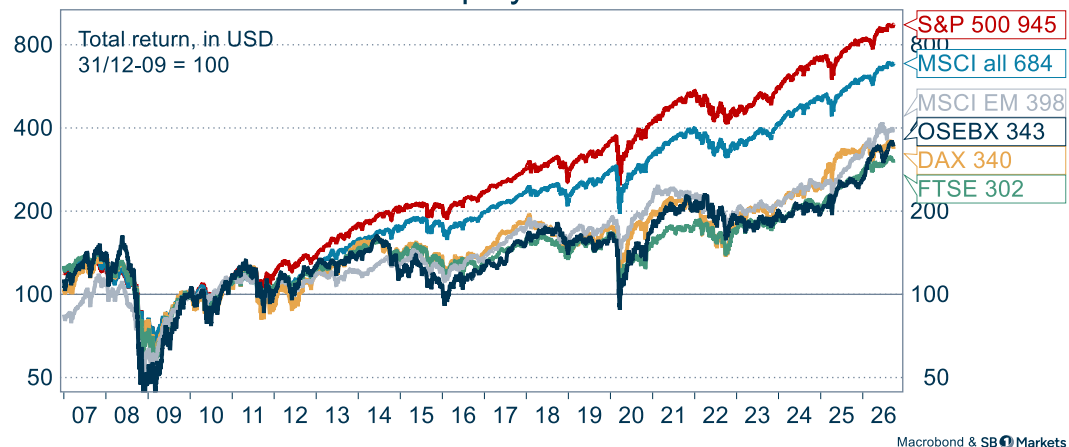


Macrobond & SB Markets

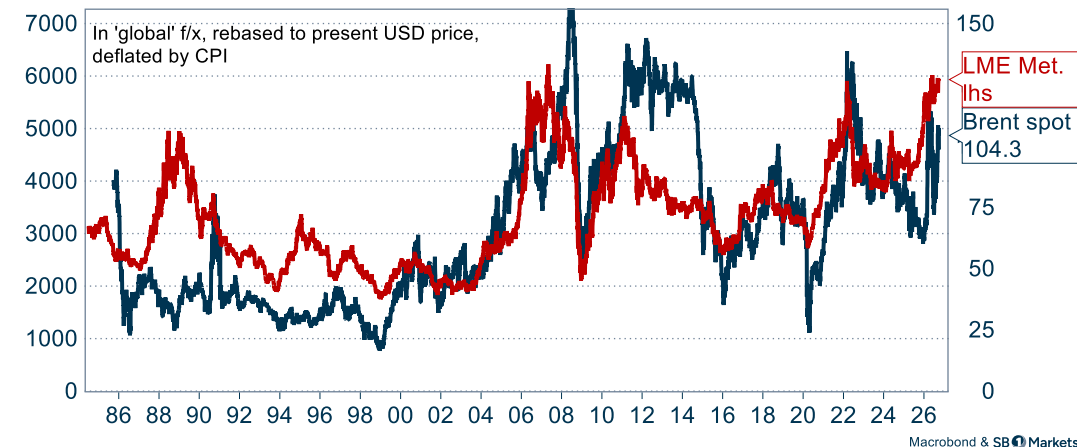
Big picture: Equity markets, bond yields and metal prices are on the way up

JPY is the main FX loser, and the USD was the winner until early 2025 (with the CHF, which is one of the big losers in 2026). NOK has recovered substantially so far in 2026. The oil price rose to a normal (20y real USD) level last week.

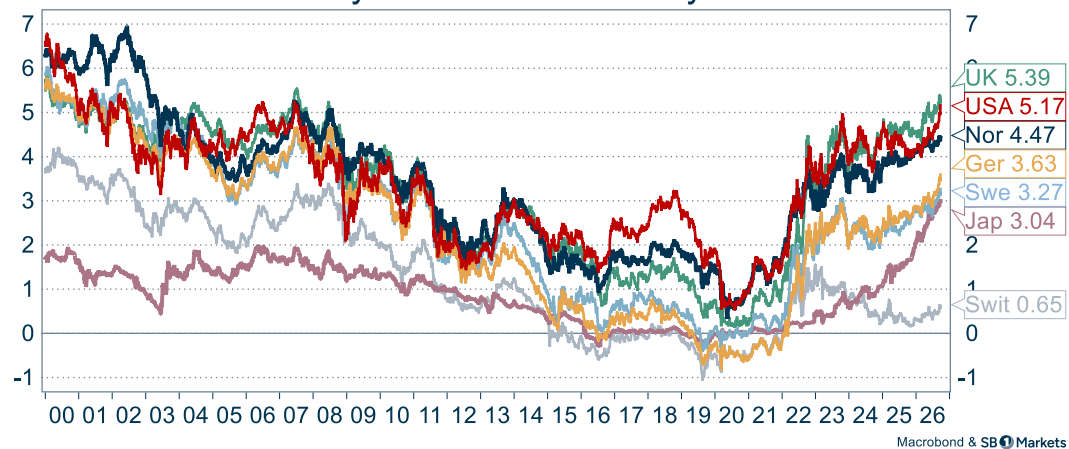
Equity Indices



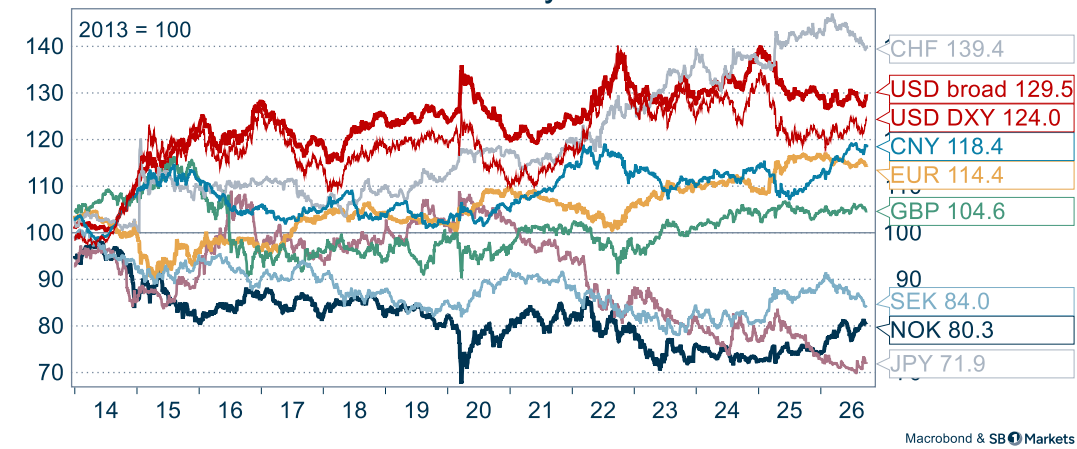
Oil vs. metals



10 y Government bond yields



Currency indices

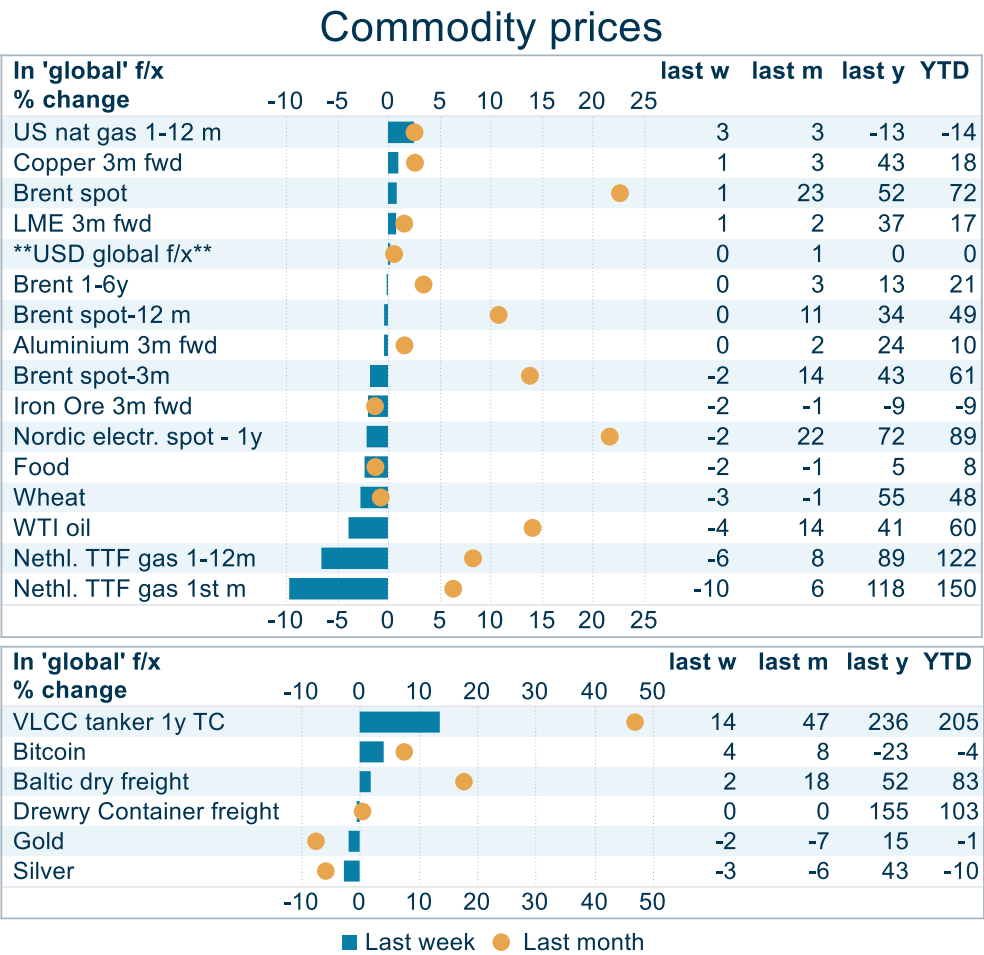
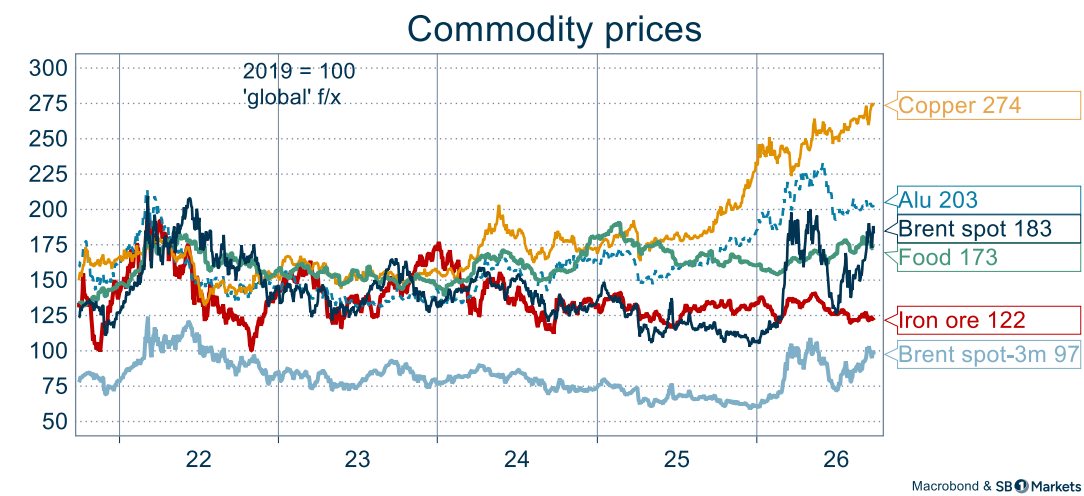
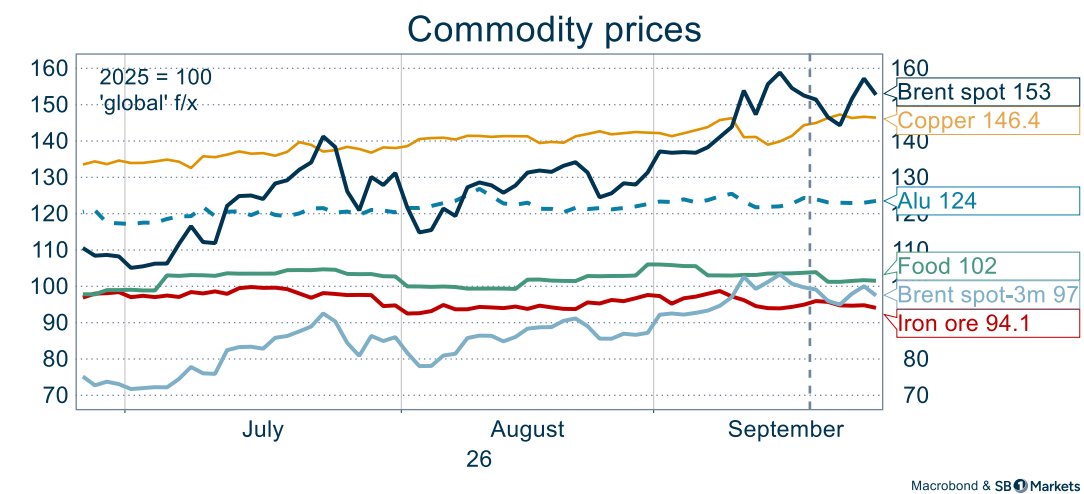




4.1 Commodities

Commodity prices: oil +/- 0, European natural gas prices down. Metals up, food down

The oil price curve twisted around the previous week's close. No trustworthy news from neither Iran nor US.

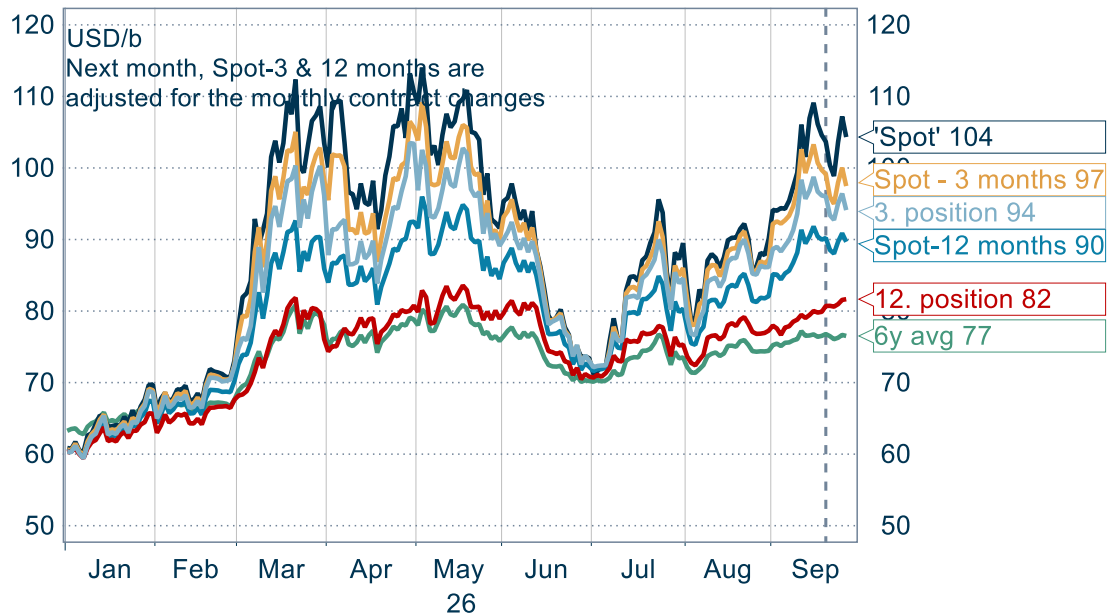


Prices in a 'global' FX measure. We have divided the table on the right into two sections, with the lower part showing the (normally...) most volatile elements. The spot-12m data are the average price for the coming year.

Oil prices: small & mixed changes last week – no trust in Iran – US negotiations

Iran and the US may be talking about the Strait of Hormuz again, but nobody seems to have changed the mind on when the strait will be fully opened (now, some 8 mb/d vs. the pre-war 20 mb/d may be shipped, plus less than 4 mb/d through the Saudi pipeline to Yanbu)

Brent Oil Prices



Macrobond & SB Markets

Brent Oil Future prices

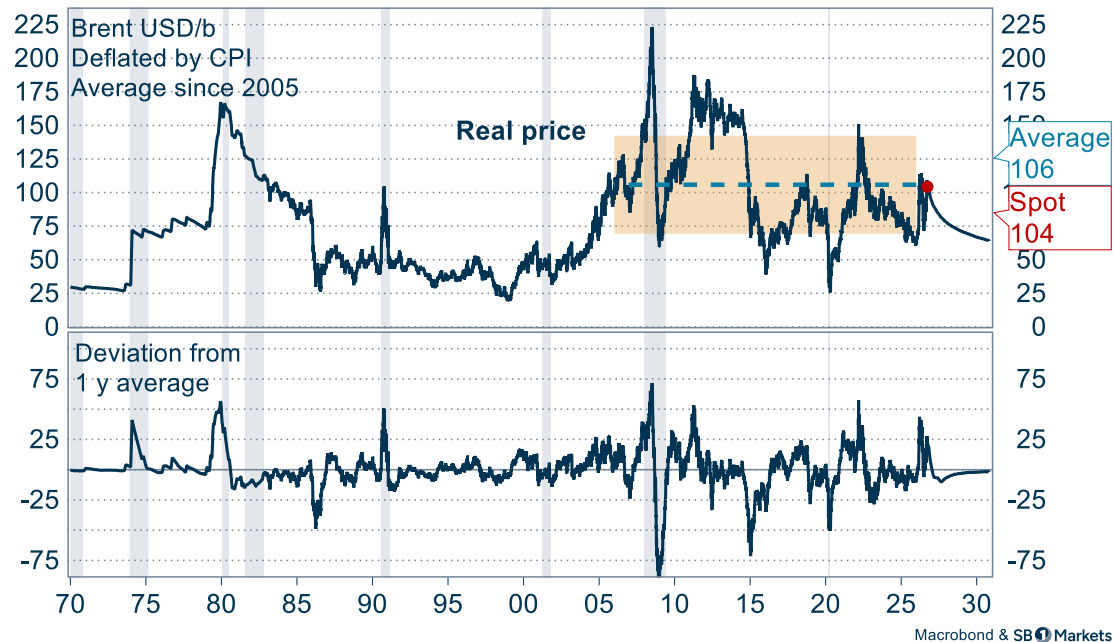


Macrobond & SB Markets

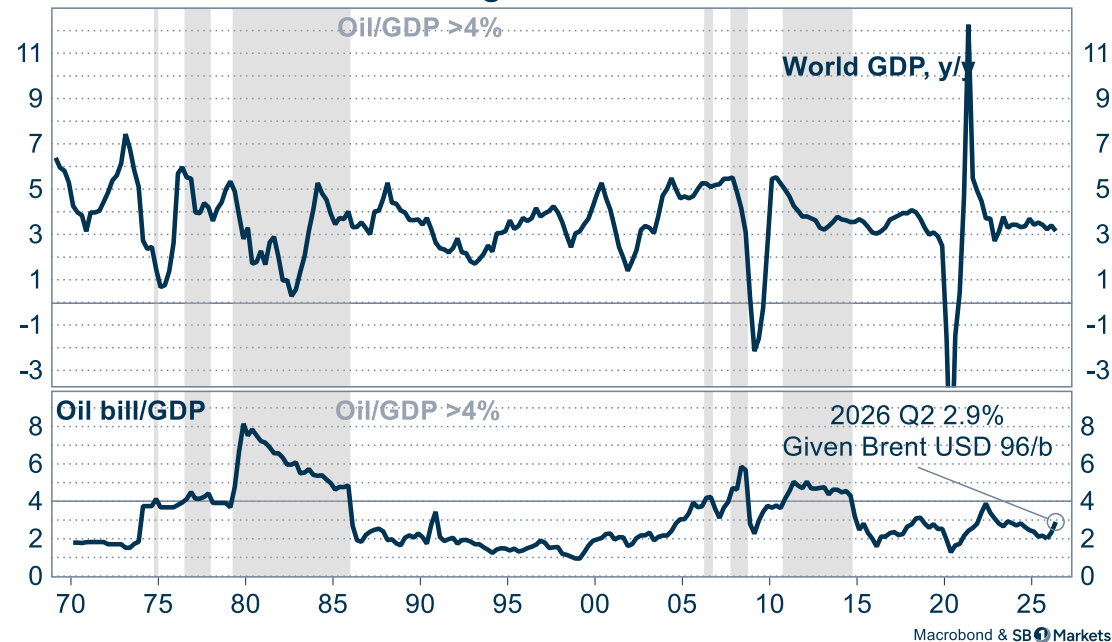
The current oil spot price is *not the problem*

Over the long term, oil consumption has consistently declined relative to GDP, leading to a notable reduction in oil dependence. At current price levels, oil does not pose a significant cost issue.

The Real Oil Price



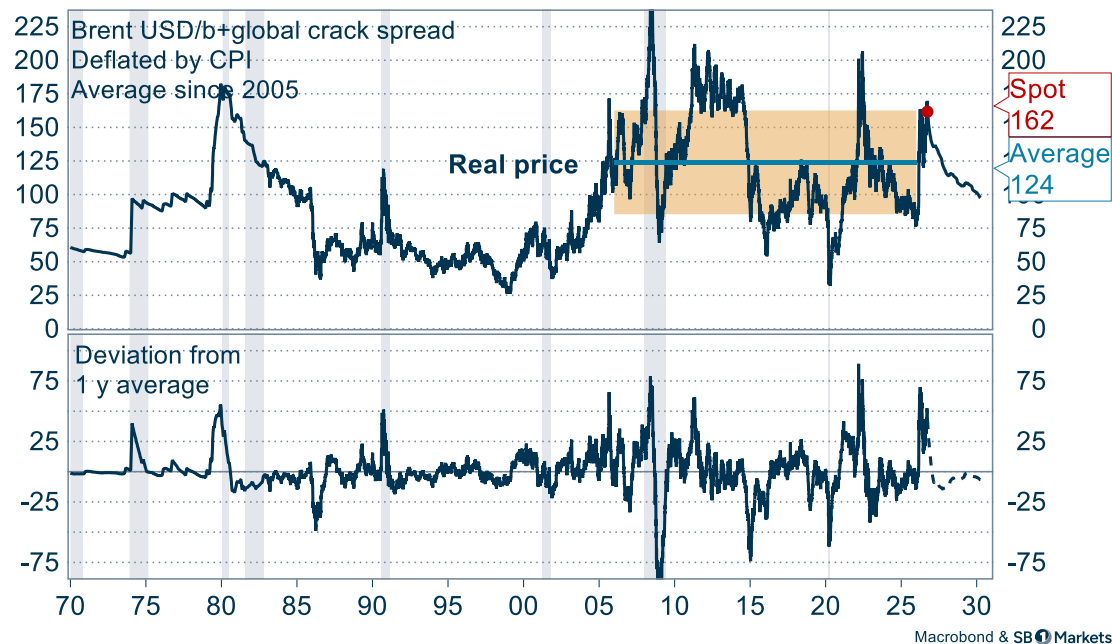
World GDP growth vs the 'oil bill'



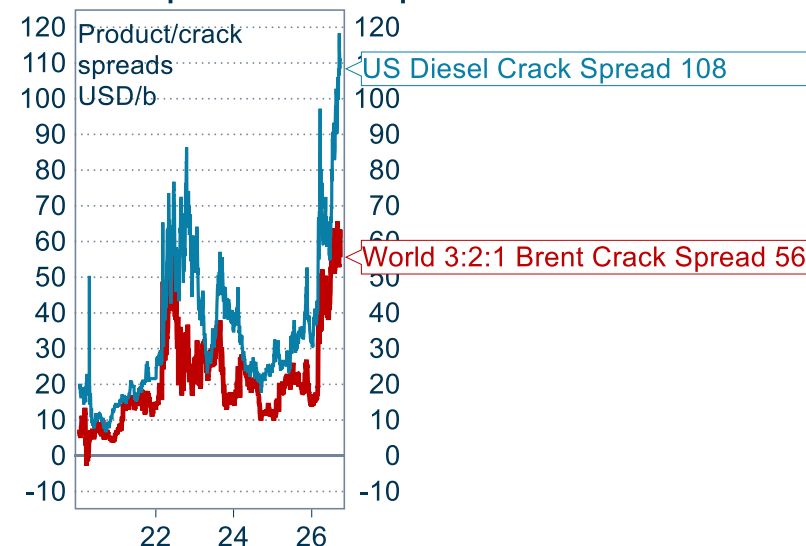
Including **product spreads**, the price level is 30% above the 20y average

... but still lower than in the 2011–2014 period. And well below the spring 2022 level. (We have added the global average crack spread, now at USD 56/b)

The Real Oil Product Price



Oil products - spreads vs. crude

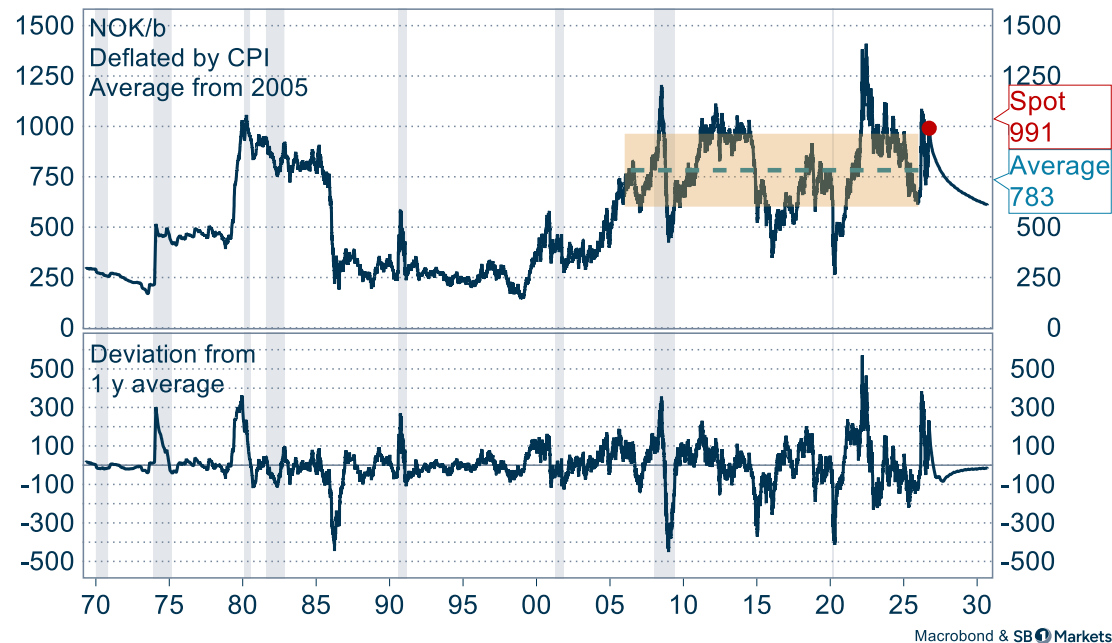


Macrobond & SB Markets

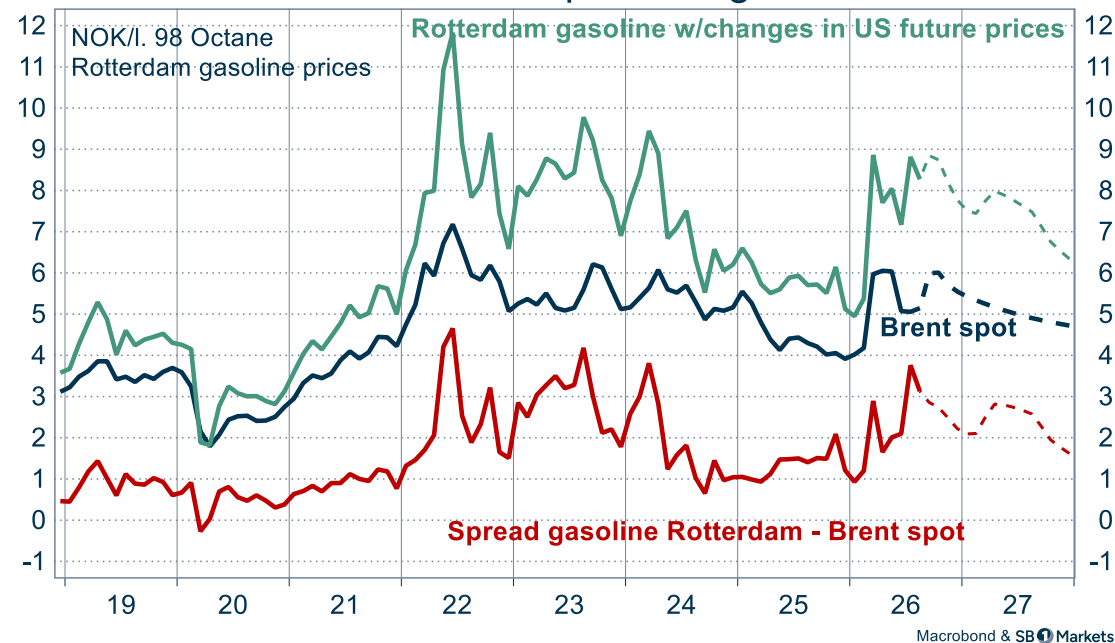
Measured in a weak NOK, the real oil price is 25% above the 20y average

Gasoline prices (fob refineries) are higher vs. the long-term average, as refinery ('crack') margins are wider than normal (and some product spreads are higher than the gasoline spread). However, futures prices point towards lower prices towards the end of the year.

The Real NOK Oil Price

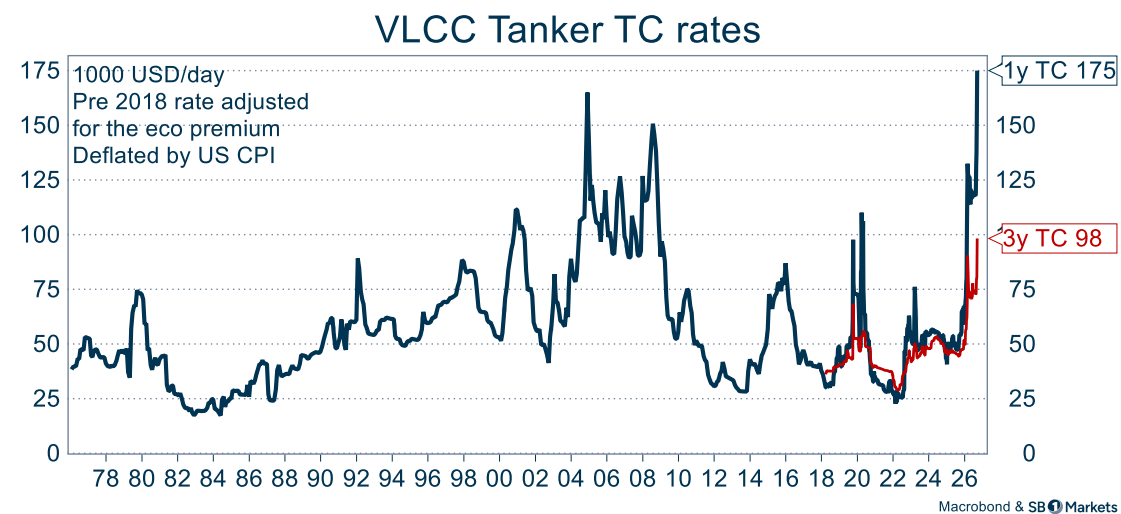
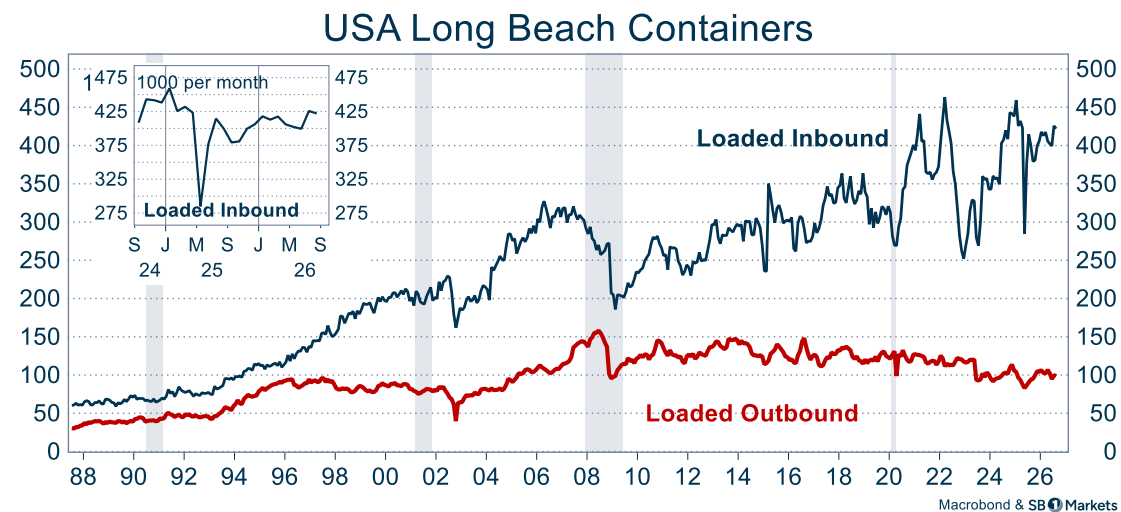
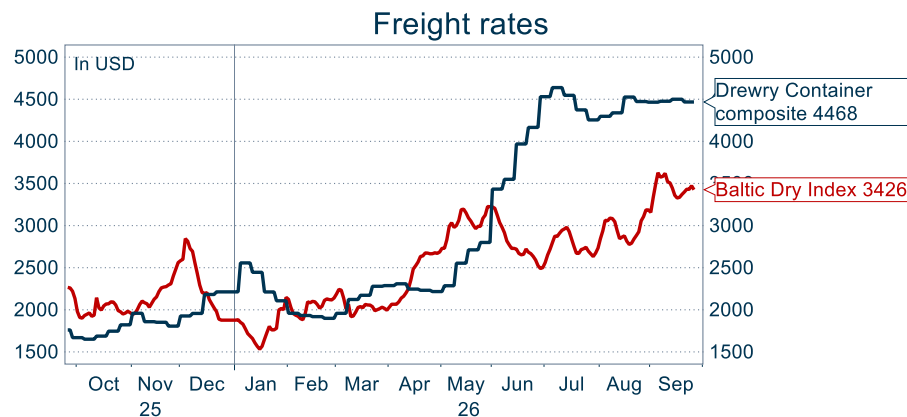
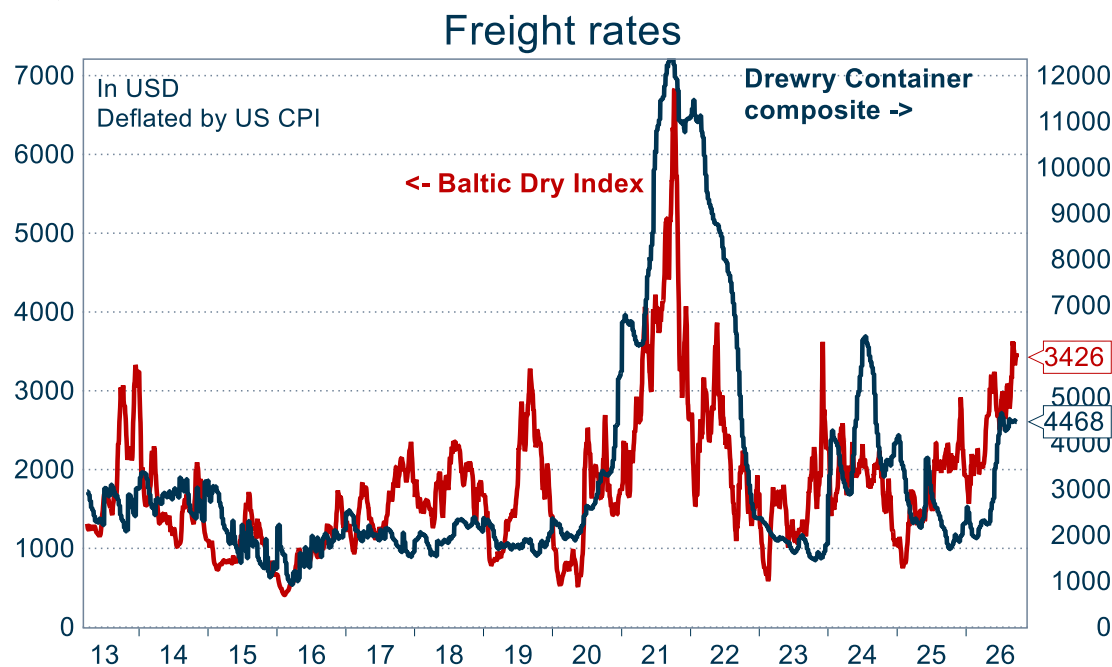


Brent vs. market price on gasoline



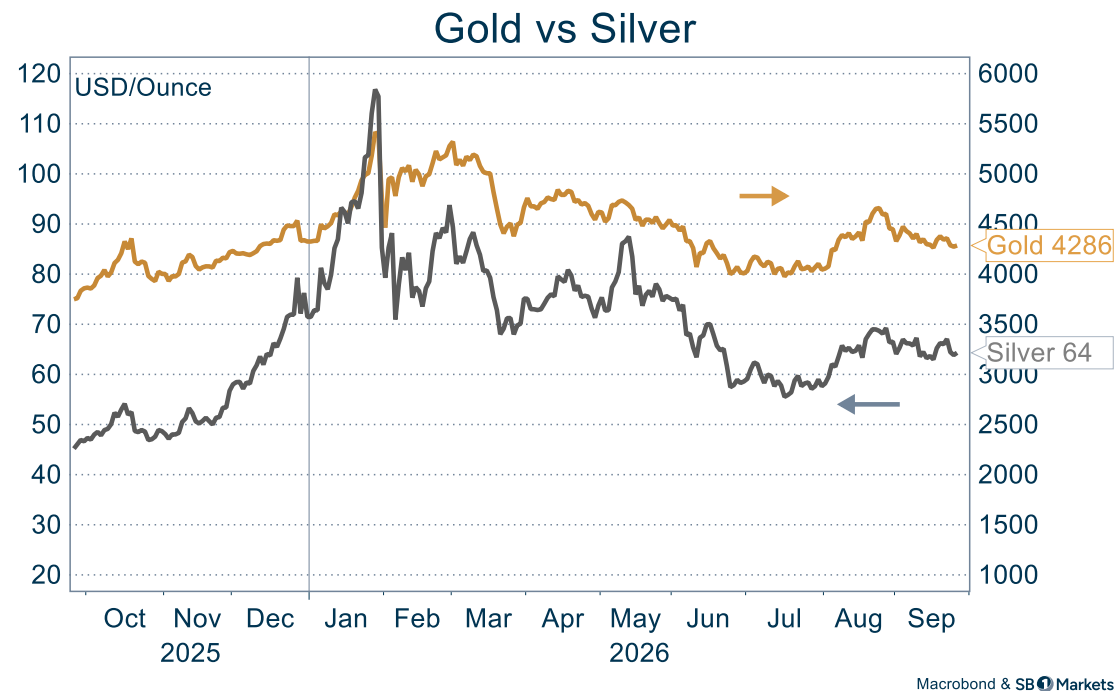
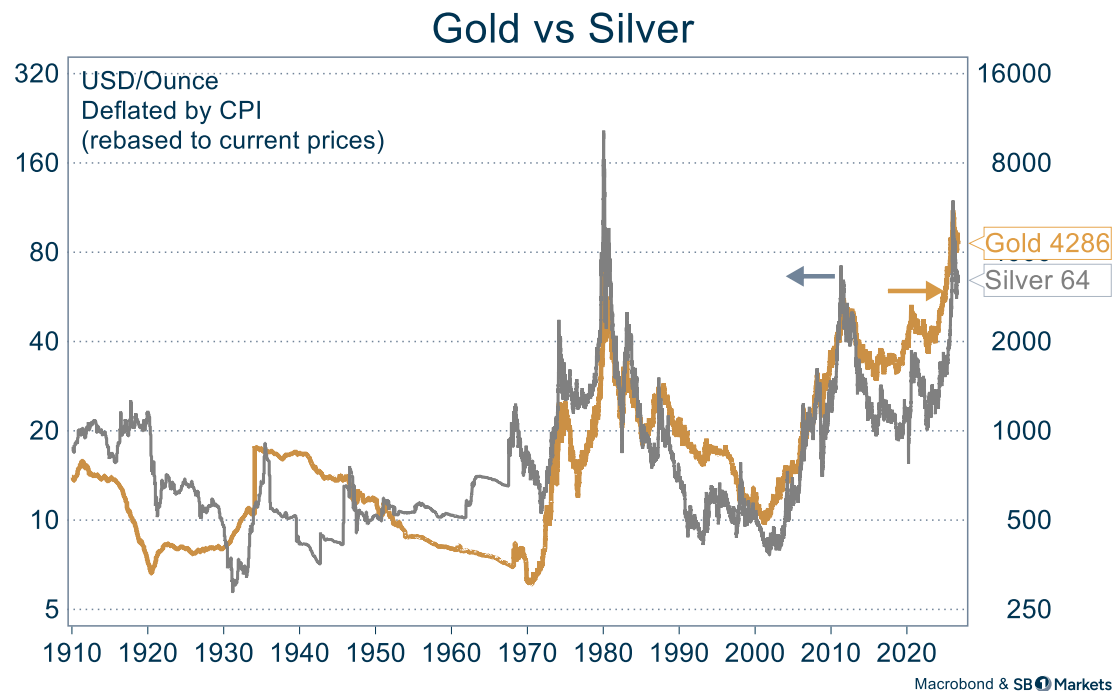
Dry bulk rates remain high, so are container rates. Tanker rates are surging

... as 'some' oil is shipped out of the Gulf



Gold and silver prices slightly down last week but the trend is up since late July

Real prices are still very high vs. historical averages.

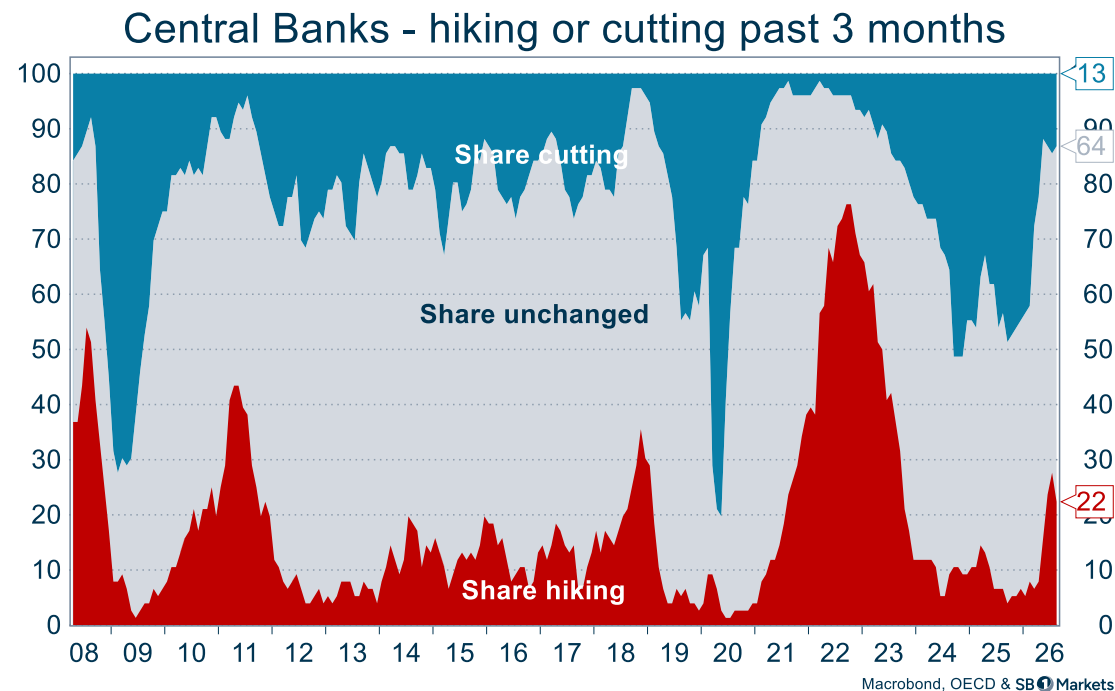
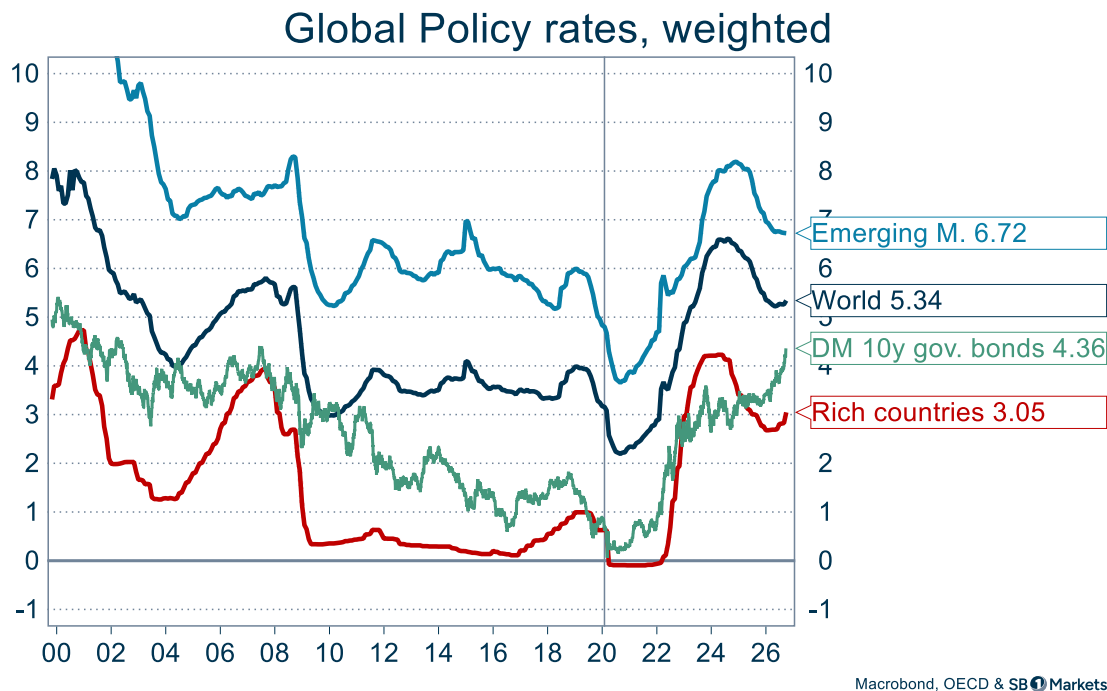




4.2 Interest rates & credit markets

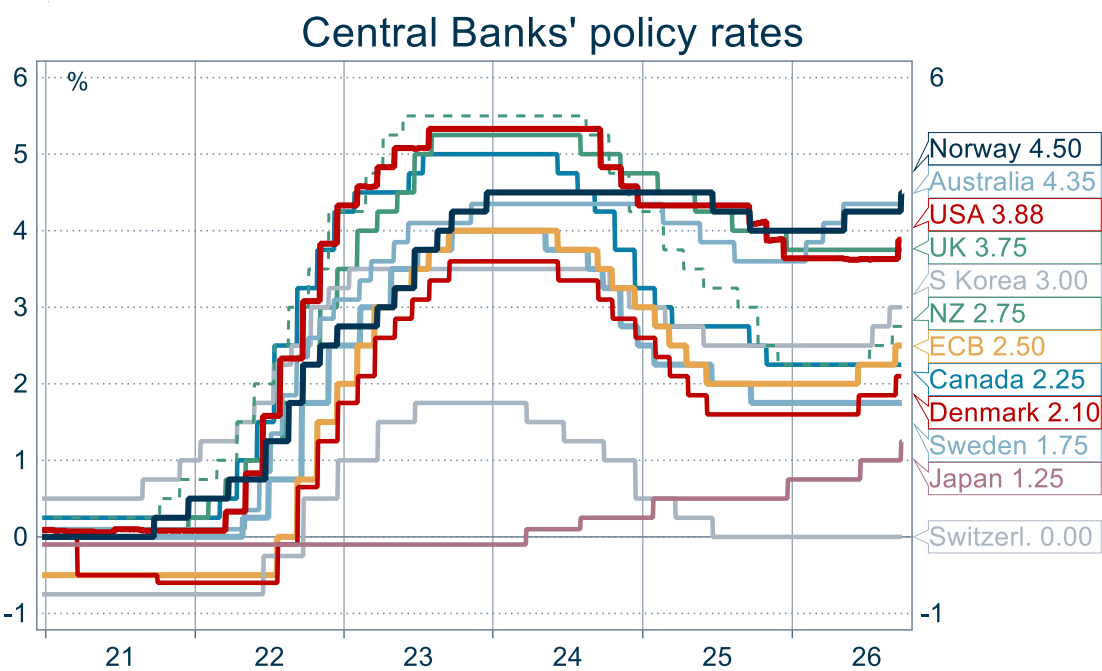
In the past 3 months, 22% of central banks have hiked, while 13% have cut

The global average policy rate is slightly up from the bottom in 2025, as a majority of DM central banks have hiked lately. The global average is at 5.3%. In DM, 3.05%. The average DM long-bond yield has trended up to **the highest level since before the Financial Crisis, at 4.36%.**



Norges Bank delivered the hike the market (mostly) expected

Short-term rate expectations rose the most in Norway, while the US curve rose the most in the 2027 segment. 1½ more hikes are expected in the US in 2026, and two more in 2027. UK: 1½ + 3. EMU 1 + 3. Sweden: 1 + 4. Norway: a hike in late 2026 or '27 (and no change thereafter).



The list of cutters

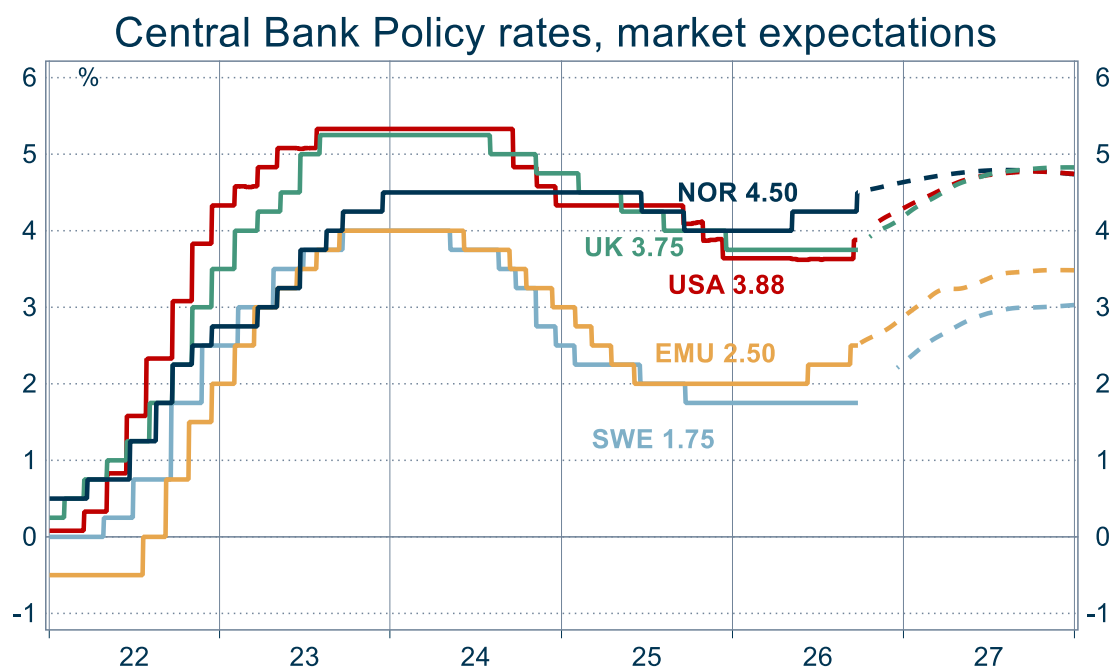
- Canada (-275 bps, to 2.25%)
- Sweden (-225 bps, to 1.75%)
- Switzerland (-175 bps, to zero!)
- UK (-150 bps, to 3.75%)

The list of hikers

- Japan (+130 bps, to 1.25%)

The list of cutters that have hiked

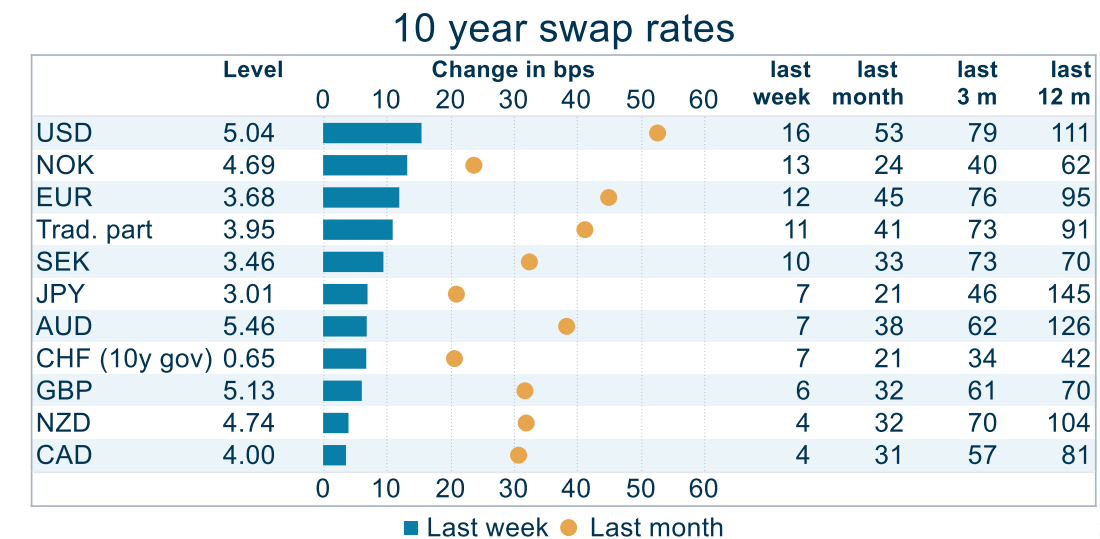
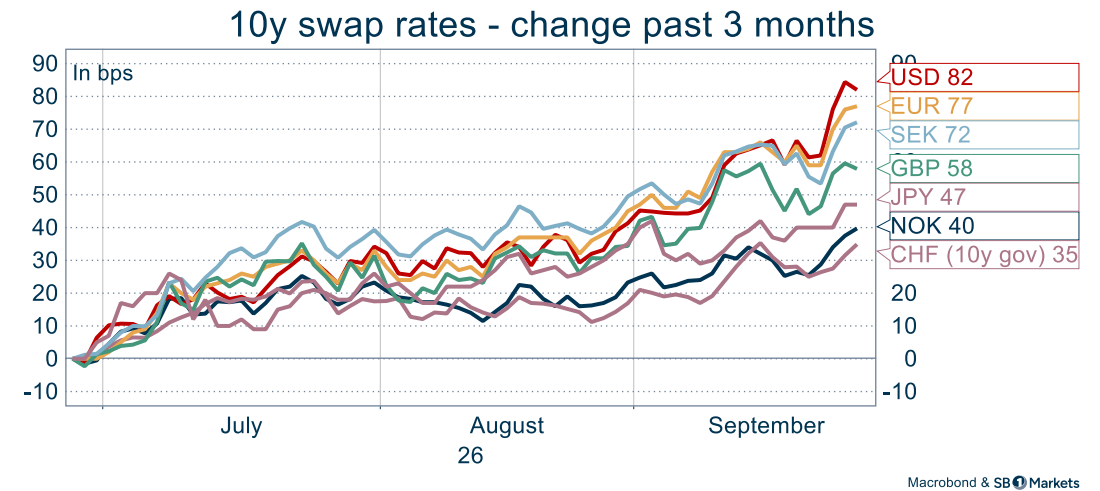
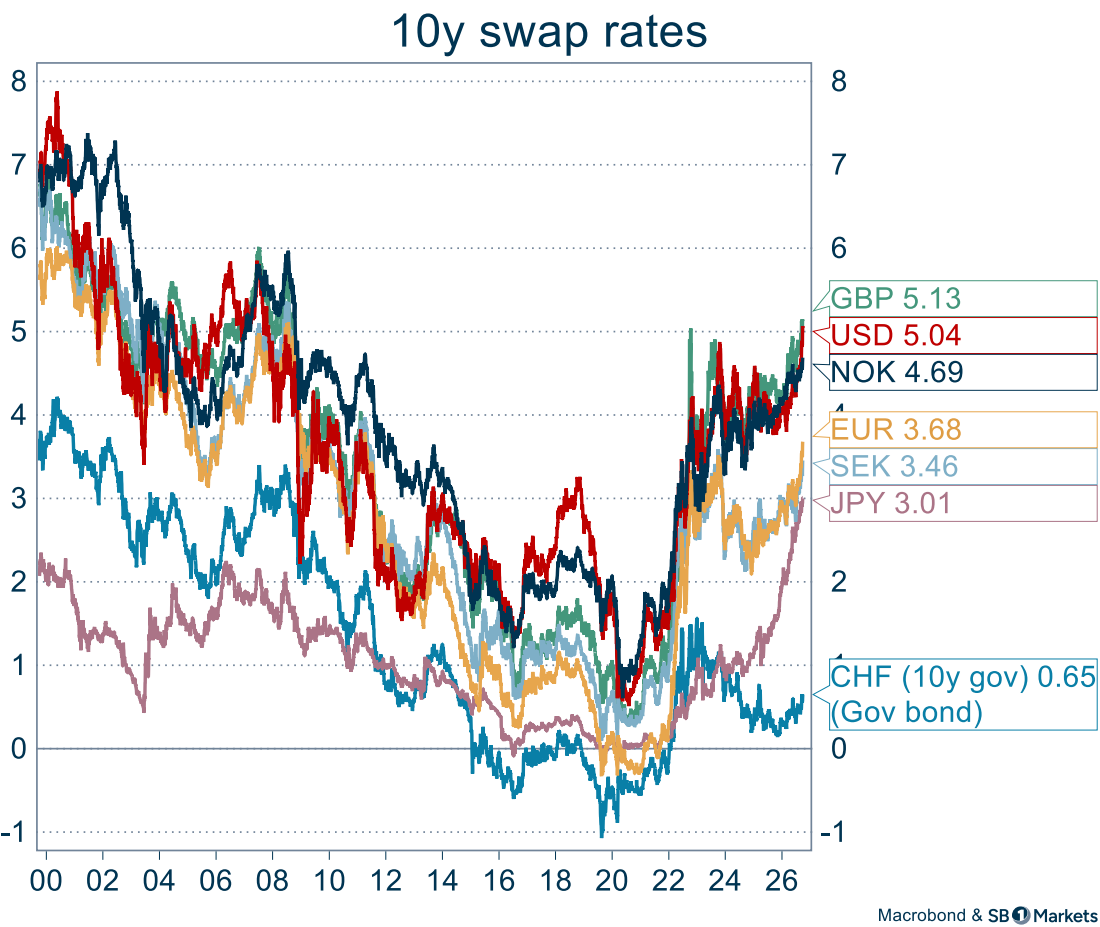
- Norway (+50 bps, to 4.50%)
- Australia (+75 bps, to 4.35%)
- South Korea (+50 bps, to 3.00%)
- EMU (+50 bps, to 2.50%)
- Denmark (+50 bps, to 2.10%)
- USA (+25 bps, to 3.88%)
- New Zealand (+25 bps, to 2.75%)



Policy rates, market exp.	USA	UK	EMU	Sweden	Norway
2024 Peak	5.33	5.25	4.00	4.00	4.50
... Change from peak	-1.45	-1.50	-1.50	-2.25	0.00
Now	3.88	3.75	2.50	1.75	4.50
Change until end of 2026	0.36	0.37	0.30	0.26	0.12
End of 2026 (market)	4.24	4.12	2.80	2.01	4.62
... Change last week	0.01	-0.04	-0.05	-0.03	0.09
Change through 2027	0.51	0.71	0.68	1.01	0.13
End of 2027 (market)	4.75	4.83	3.48	3.01	4.75
... Change last week	0.11	-0.03	0.05	0.03	0.08

10-year swap rates up everywhere, and the most in USD and NOK

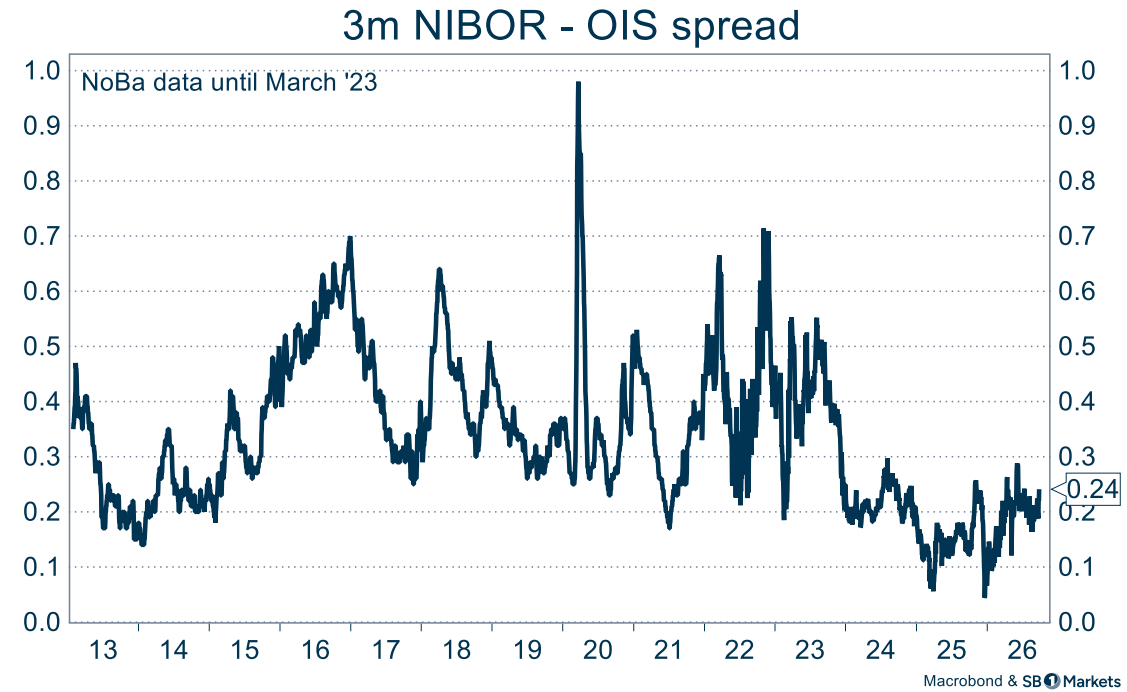
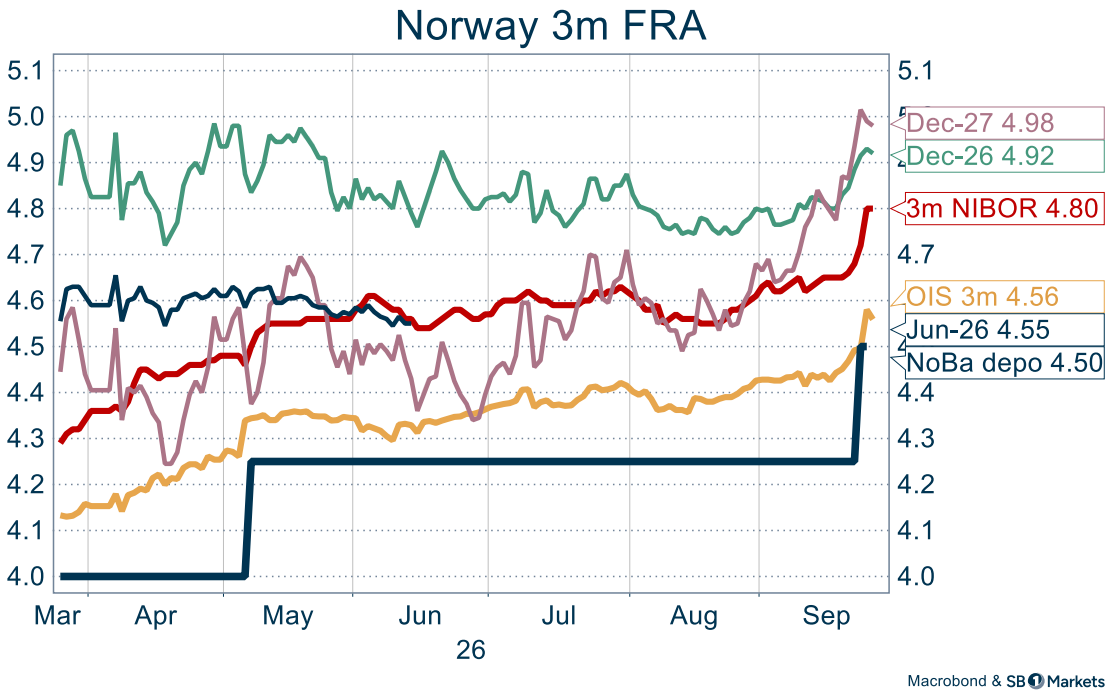
Our trading partners were up 11 bps (USD 16 bps, EUR 12; SEK 10), the NOK rate was up 13 bps, no. 2 on the list. Rates are up 20–50 bps last month, USD rates the most. The past 3 months: up 35–80 bps.





NOK 3m NIBOR: +15 bps last week to 4.80%. The NIBOR spread was up 5 bps to 24 bps

The FRAs rose as well.

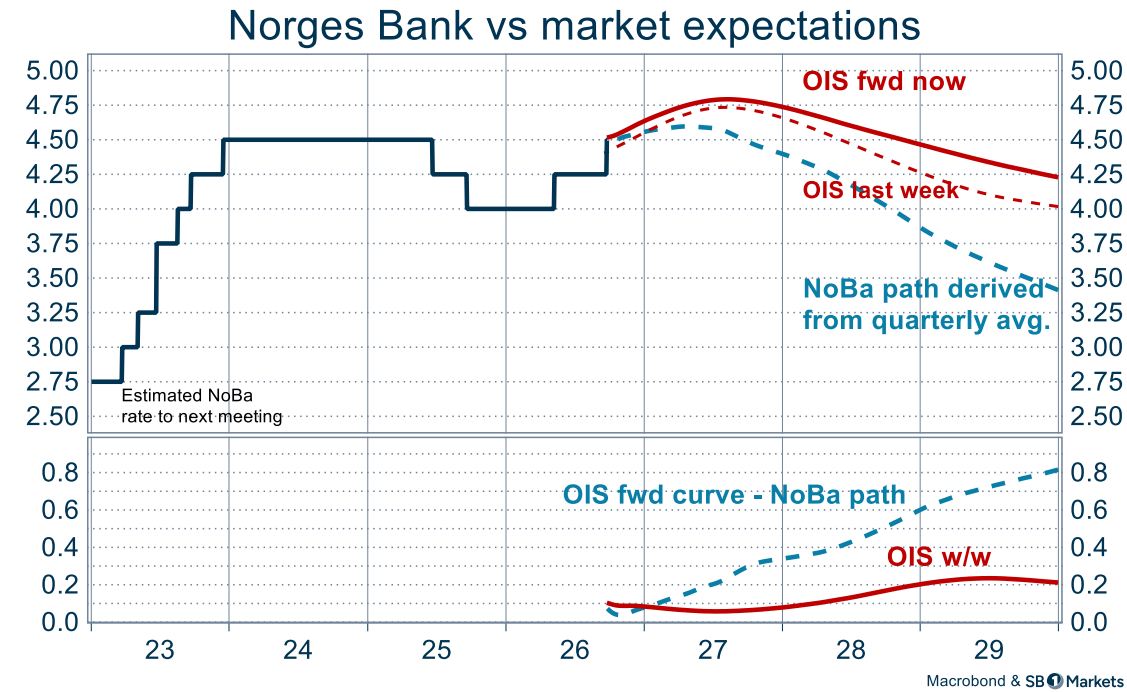
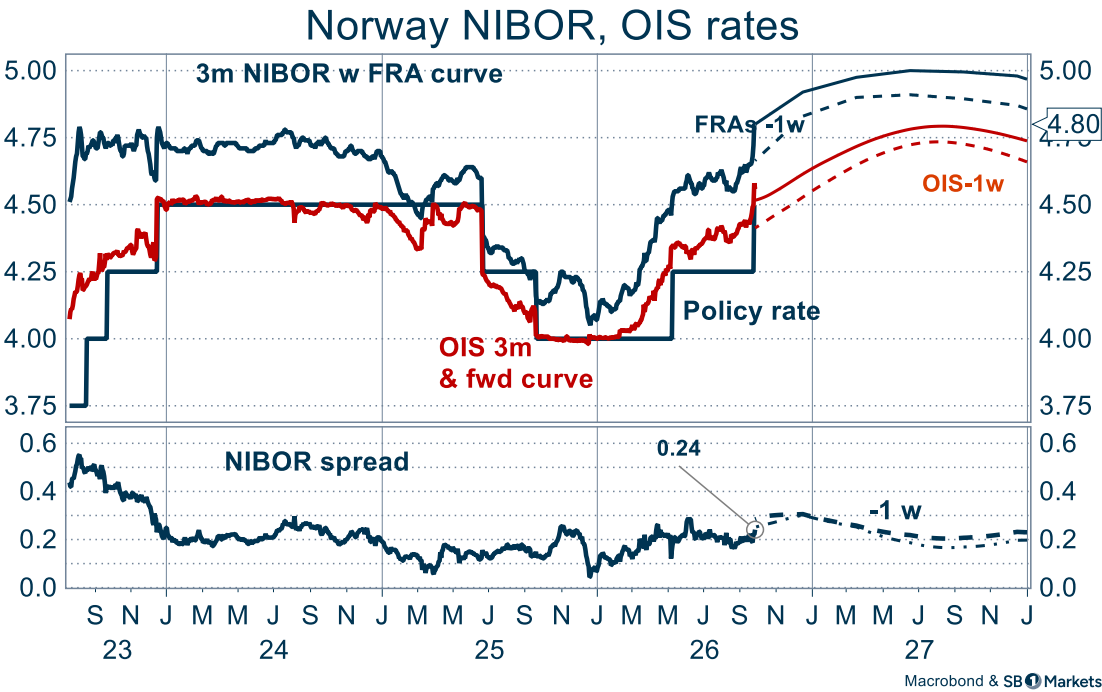




Norges Bank hiked, signals a hold until Q4/Q1-27. The market expects a hike in Q4/Q1

Norges Bank signals a 40% probability for a hike to 4.75% in Q1 next year.

The market curve is above NoBa's, by 10 bps by the end of 2026, 35 bps in late 2027, 60 bps in 2028 and 80 bps in 2029.



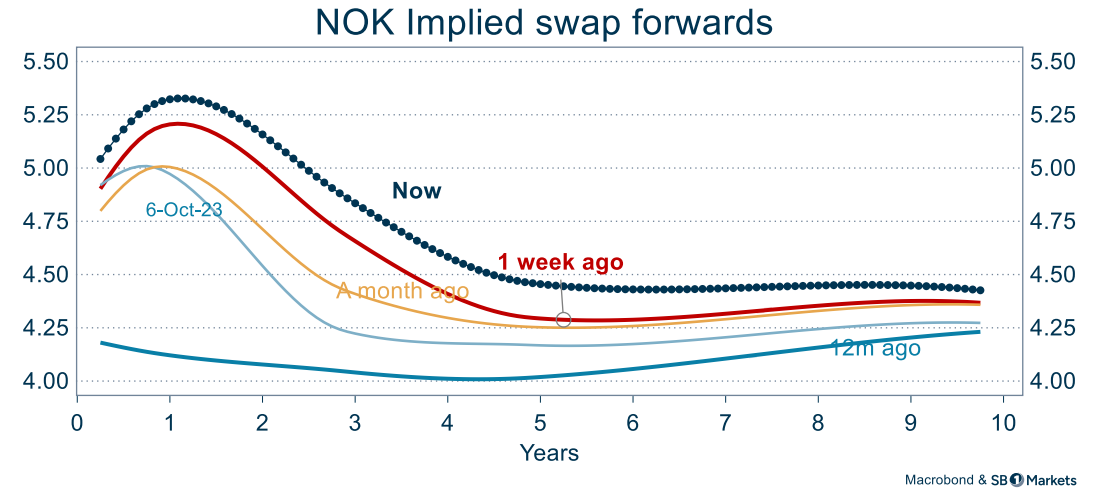
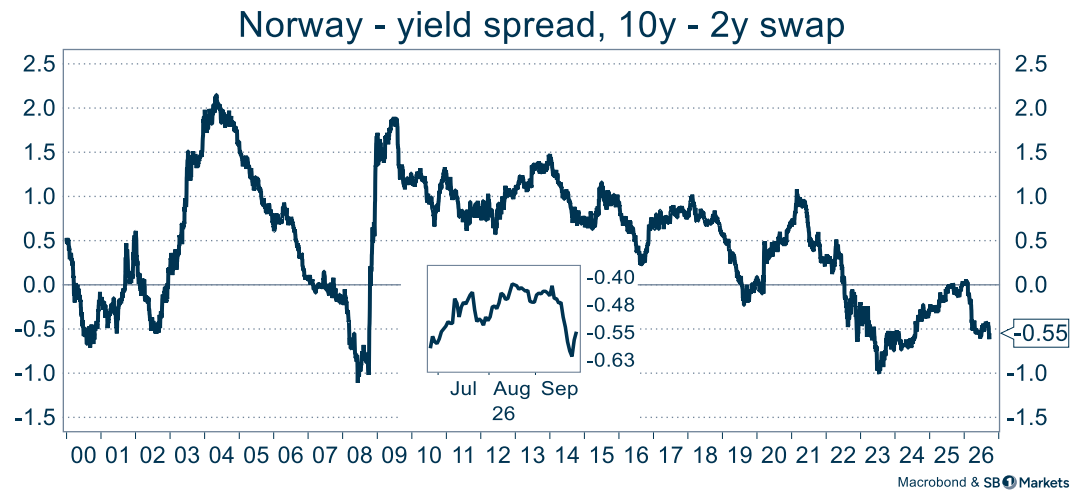
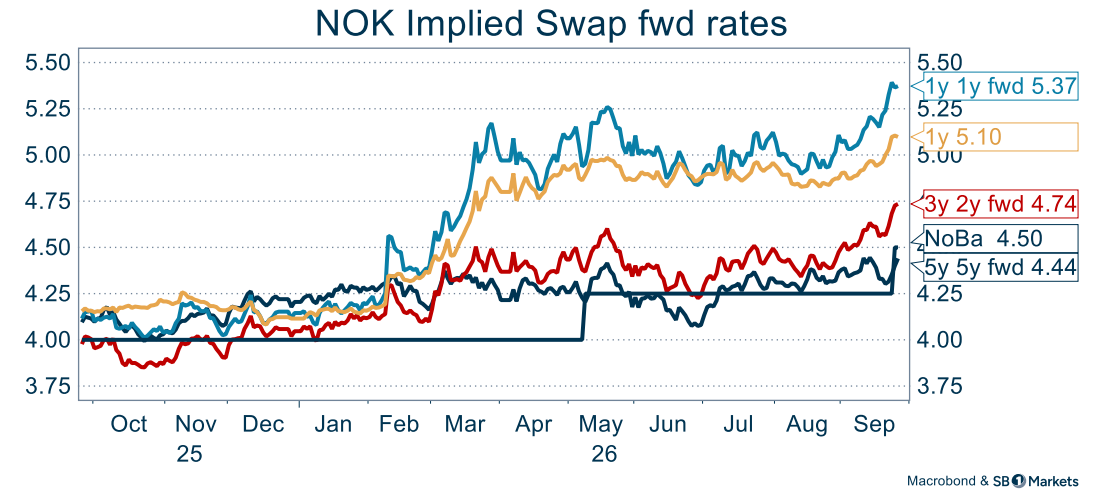
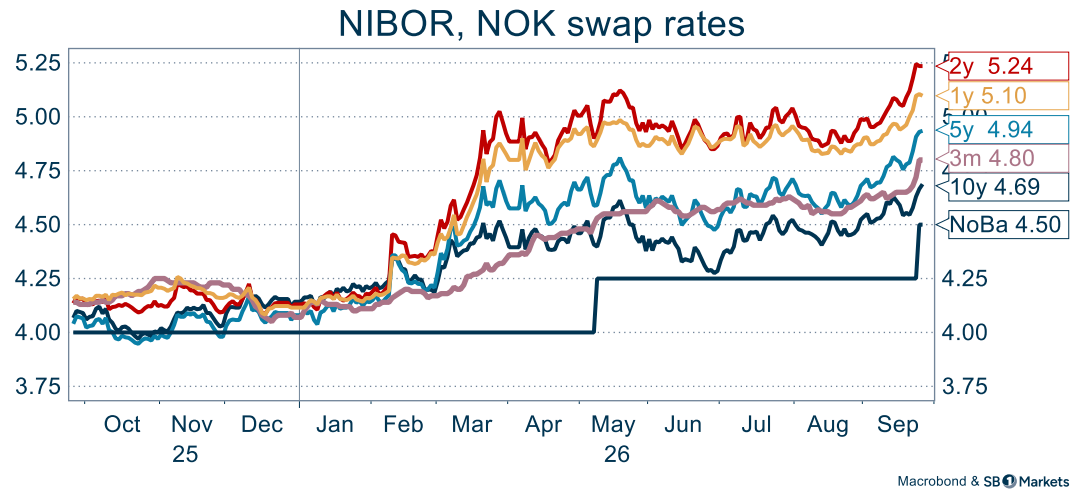
Norges Bank vs. market					
Meeting	NoBa path	OIS fwd	OIS NoBa est.	Alternat. rate	% prob for alt
05-Nov-26	4.50	4.55	4.50	4.75	21%
17-Dec-26	4.50	4.61	4.50	4.75	44%
21-Jan-27	4.50	4.66	4.75	4.50	36%
24-Mar-27	4.50	4.72	4.75	4.50	11%
06-May-27	4.50	4.76	4.75	5.00	3%
17-Jun-27	4.50	4.78	4.75	5.00	13%
12-Aug-27	4.50	4.79	4.75	5.00	17%
23-Sep-27	4.50	4.79	4.75	5.00	14%

Yellow cells: Norges Bank cut (none now...)
Red cells: Norges Bank hike
Sources: Norges Bank, Macrobond, Infront, SB1M



NOK swaps: up all over the curve, the 10y to 4.69%, the highest since 2011.

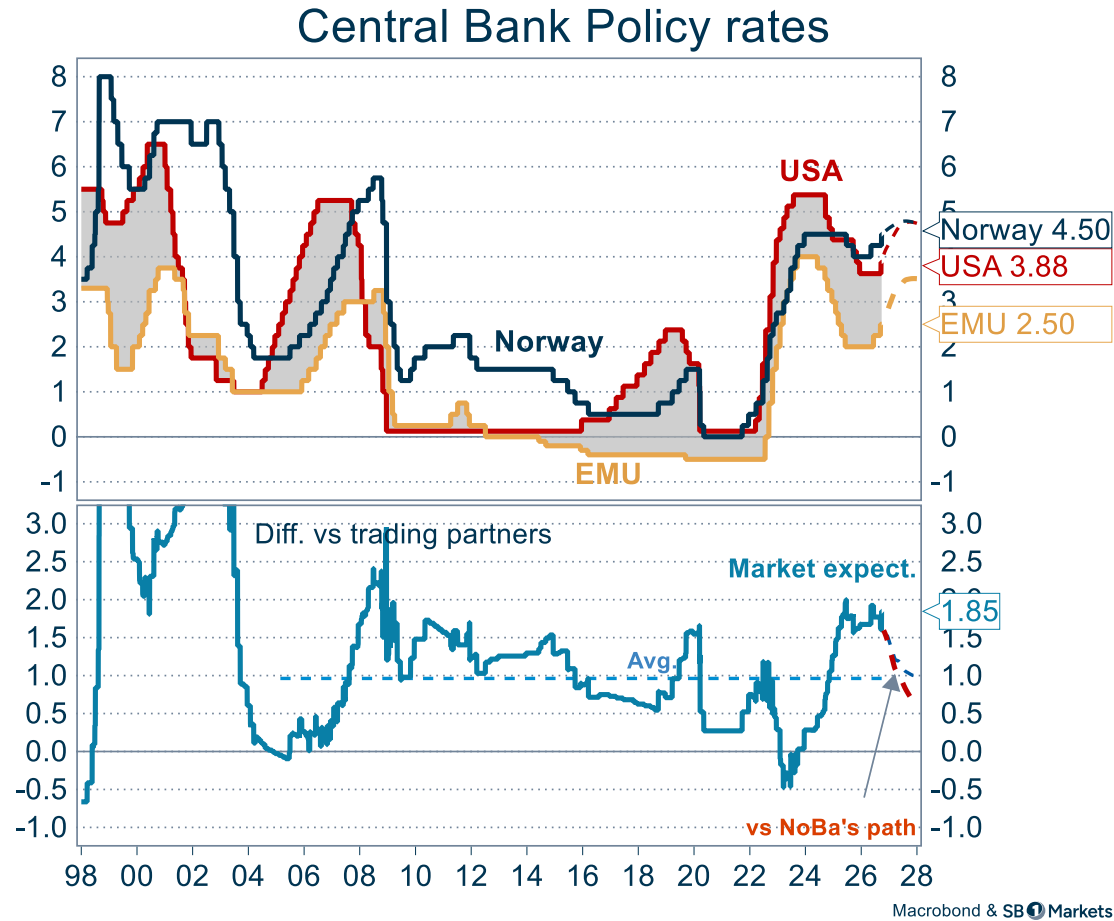
The short rose a tad more than the long end (abroad, the opposite).



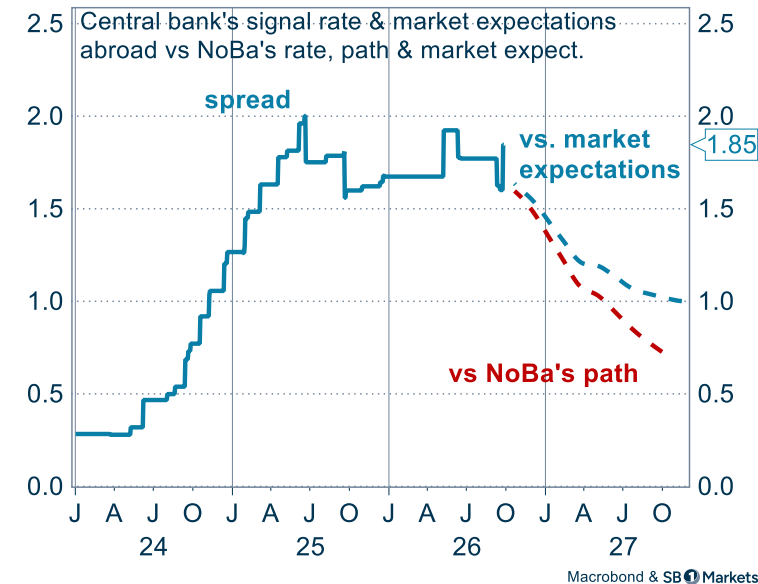
Swap rates are calculated vs. 6m NIBOR, not 3m NIBOR.

Norges Bank's policy rate: 185 bps above the trading partners' average

... which is well above the average level at some 95 bps (over the past 20 years).

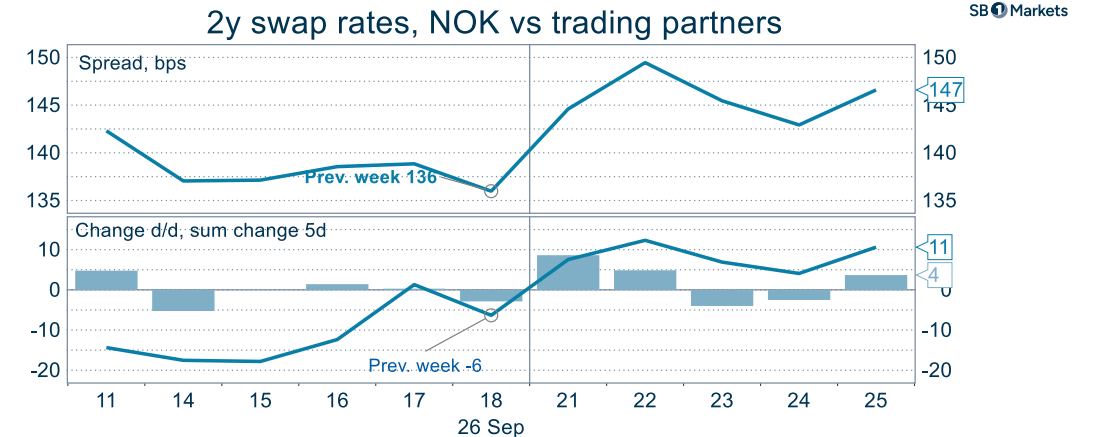
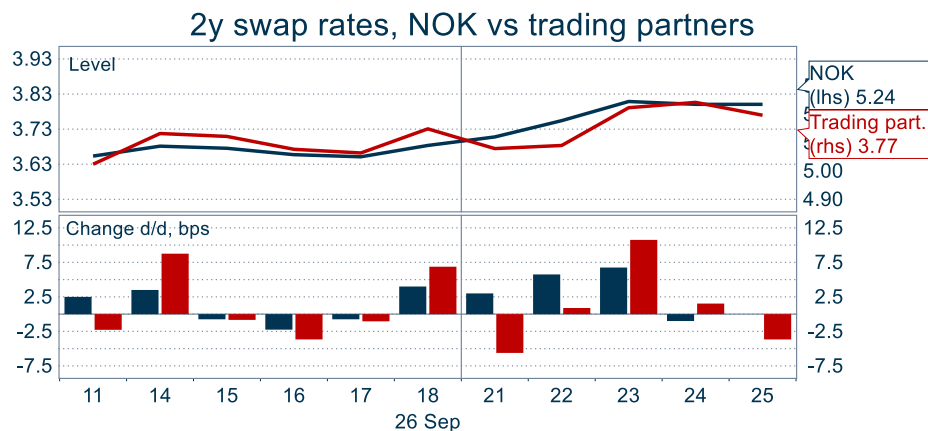
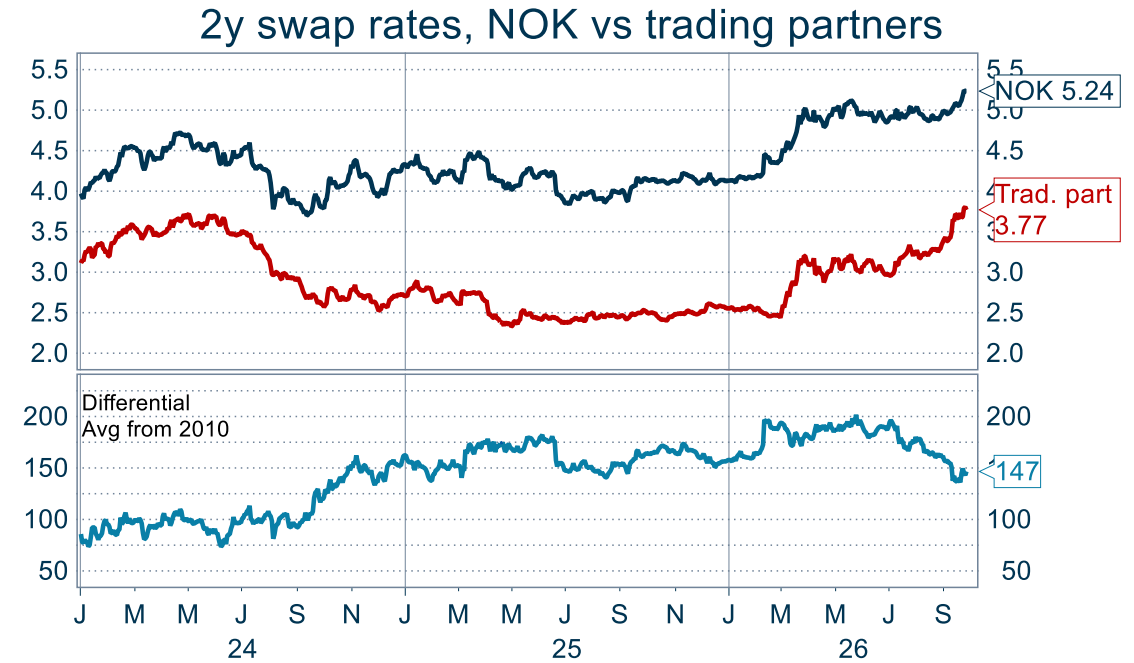
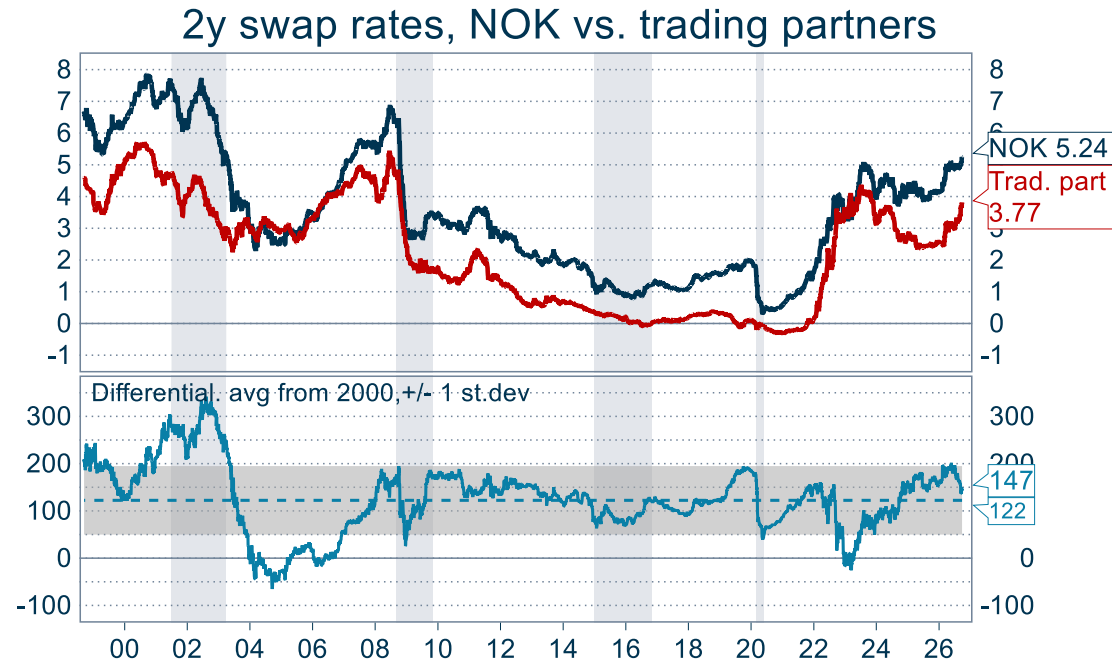


- The peak difference in policy rates over the past 20 years was 225 bps (barring a few days in 2008).
 - In the current cycle, the 2y NOK swap rate has been up to 200 bps above the average rate among our trading partners.
- If **Norges Bank** follows the rate path presented in the MPR, the spread will narrow to a normal level by the end of 2027.
- **The market** has a slightly different view...



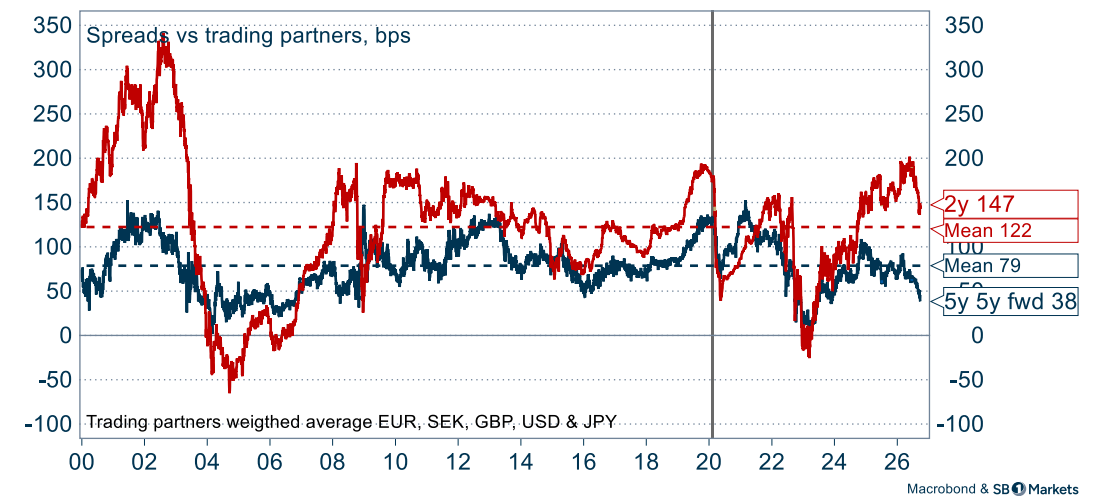
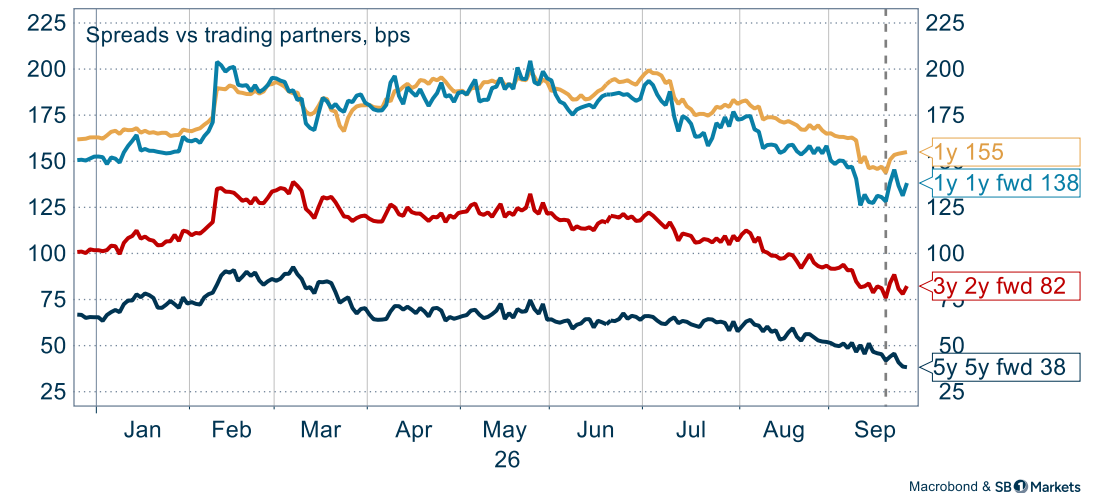
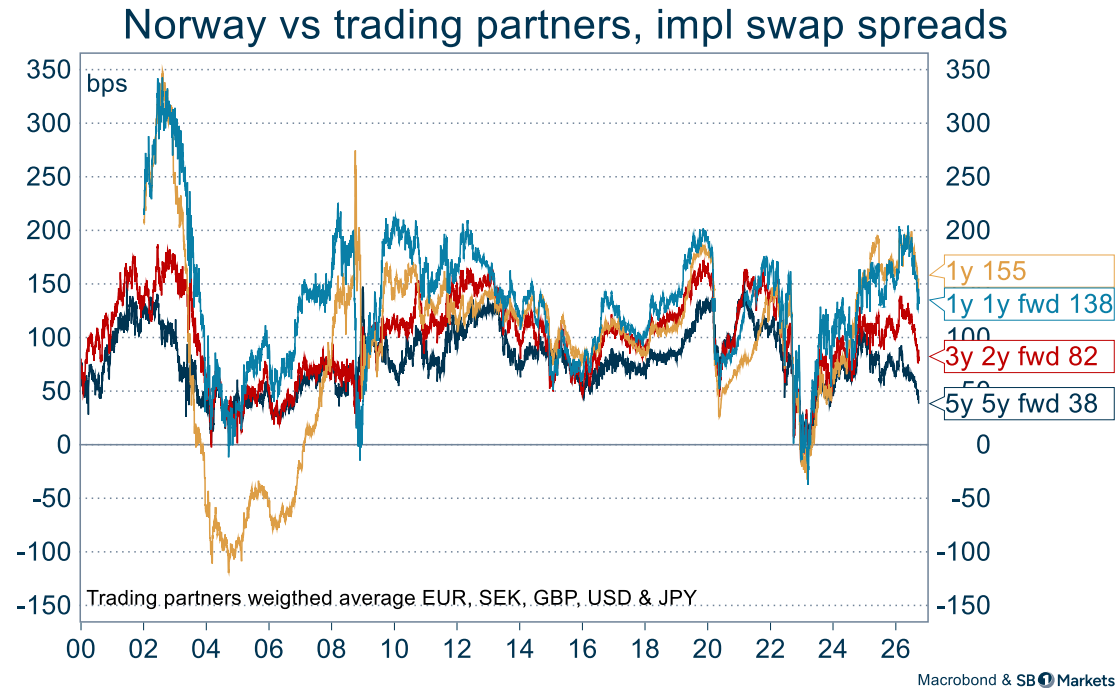
The 2-year NOK swap spread vs. trading partners turned up, +11 bps to 147 bps

The spread is down from 200 bps in June, as rates have climbed much faster abroad than in Norway (and the oil price has kept the NOK up)



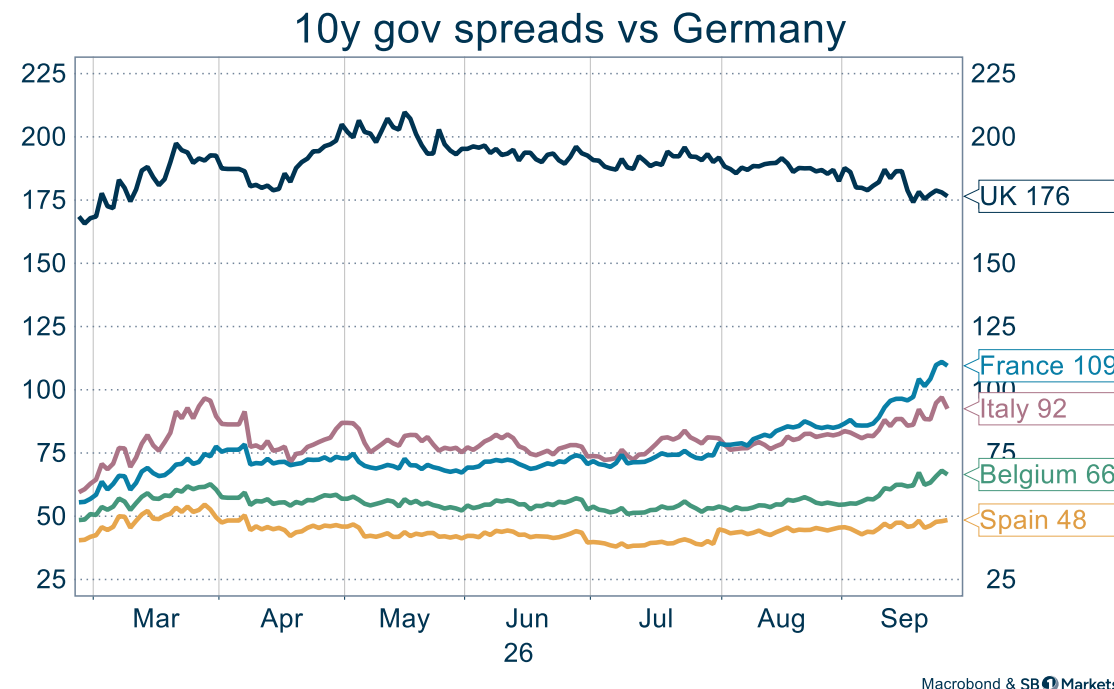
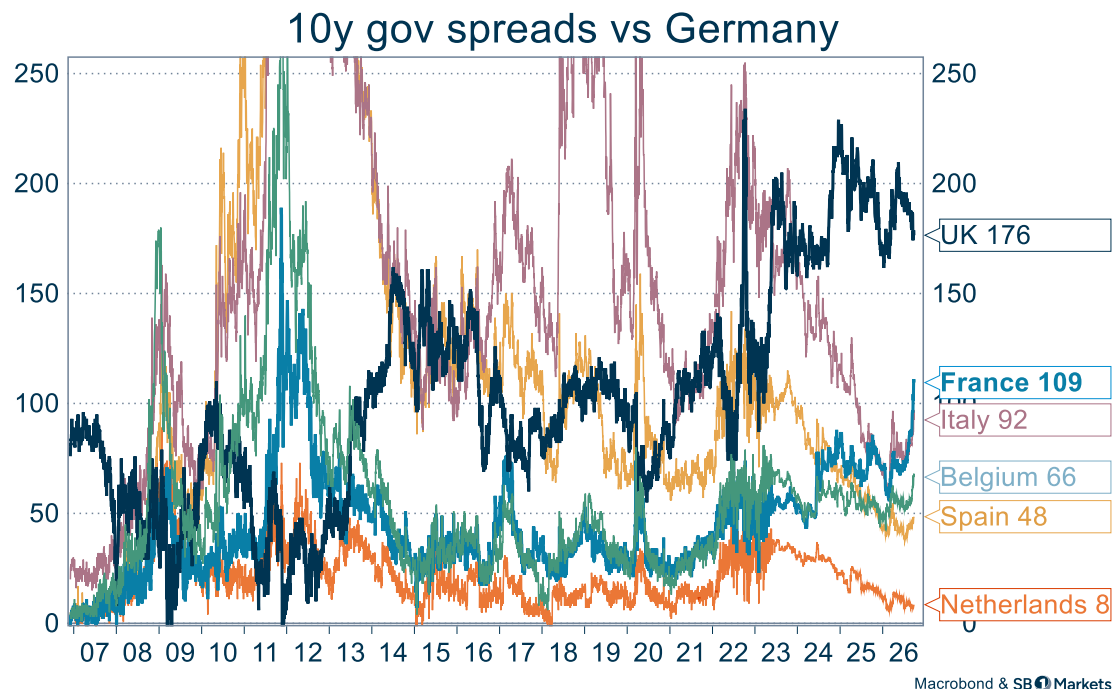
Swap spreads vs. trading widened in the short end but narrowed further in the long end

... and declined further last week. The spread in the long end is far lower than normal but is still somewhat above an average level in the short end, even after a 50-bps decline.



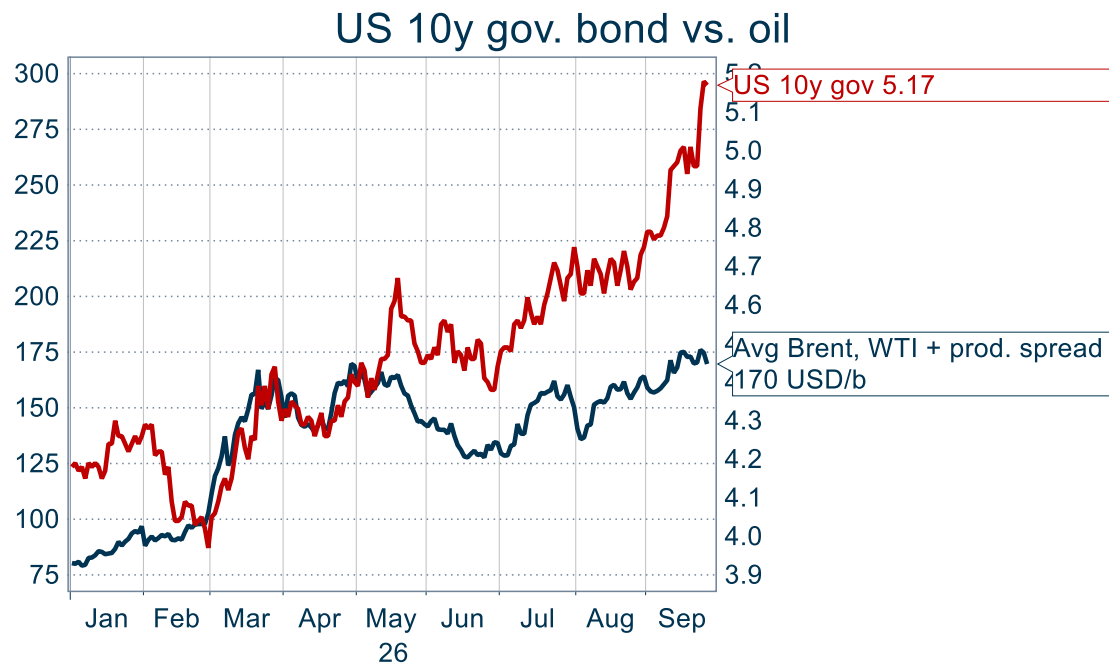
EMU 10y sovereigns: the French spread vs Germany has shot up, followed by Italy

No big movements elsewhere, and the UK spread narrowed. **But France is not a detail**, and the spread has widened to 109 bps, from 70 bps during the summer – and normally some 25 bps (before 2022, and close to zero 1996–2008). However, close to 200 bps during the Euro crisis.

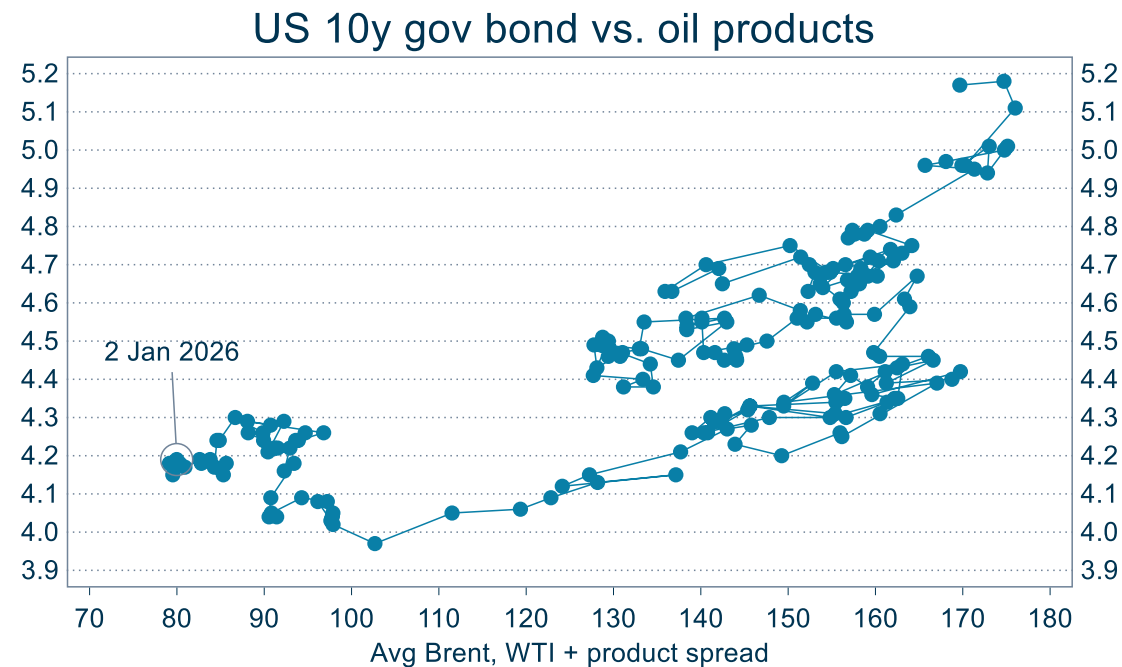


The yield shock: Oil or oil products are not mostly to blame

Oil/product prices were almost just as high in March as now, while the US 10y government bond yield is 75 bps higher. Still, it has something to do with oil prices.



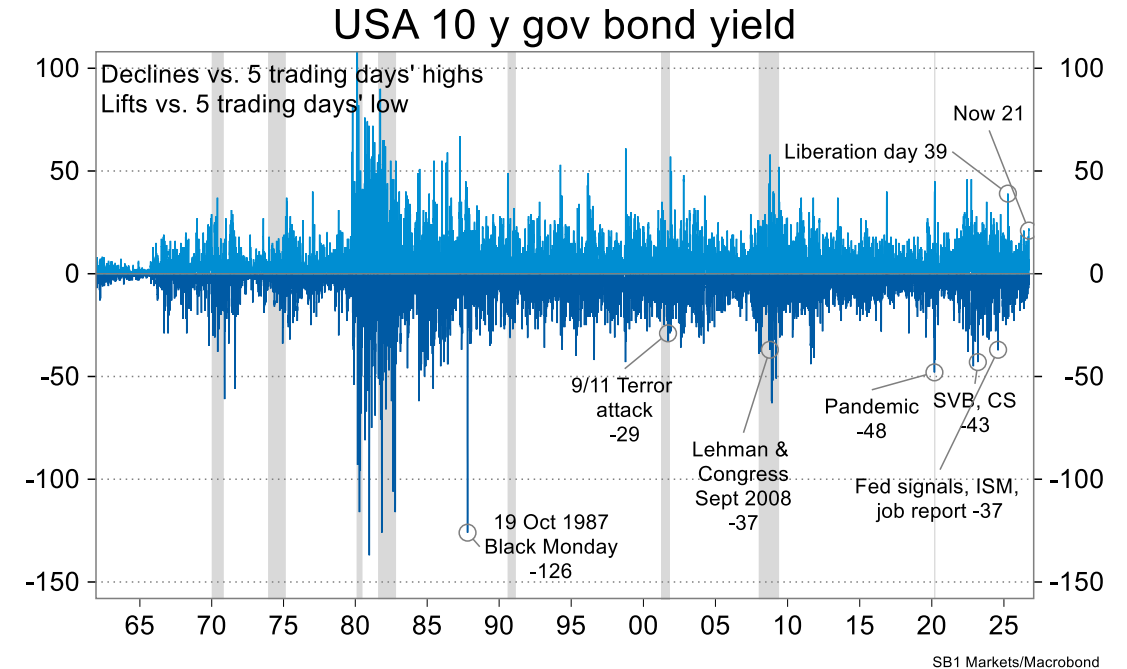
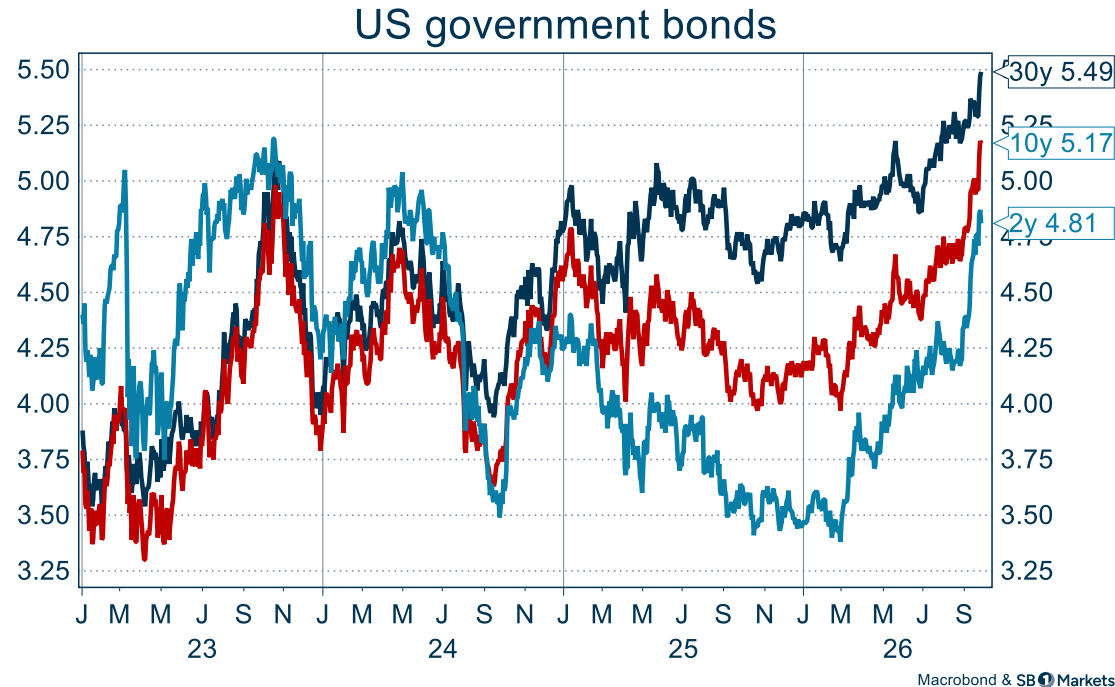
Macrobond & SB Markets



Macrobond & SB Markets

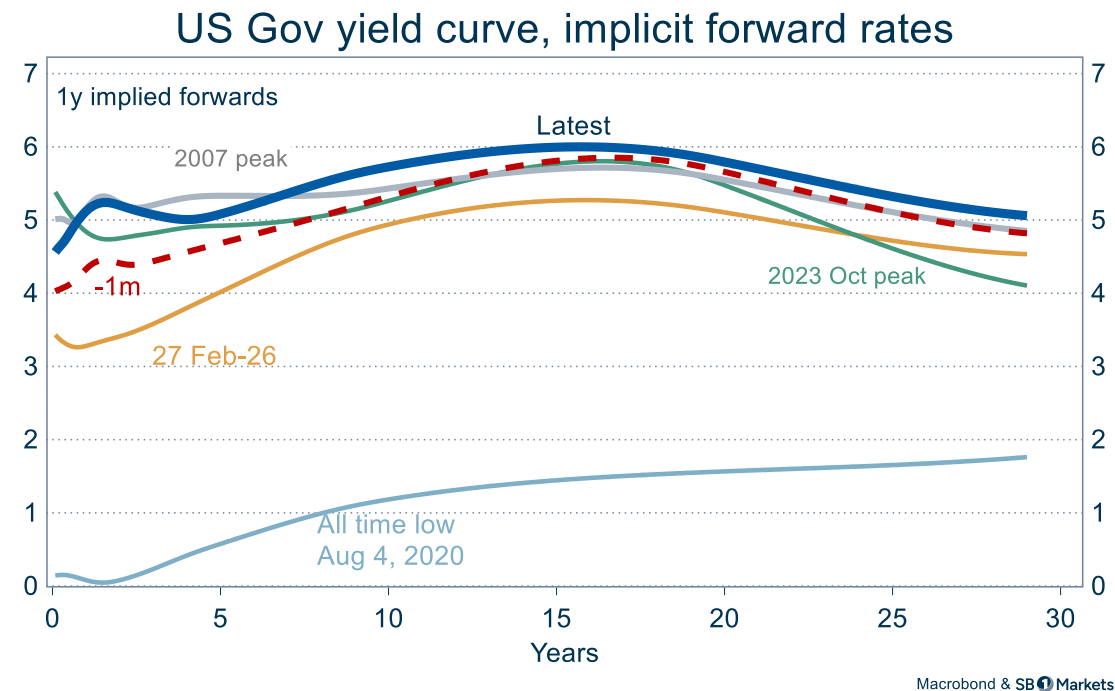
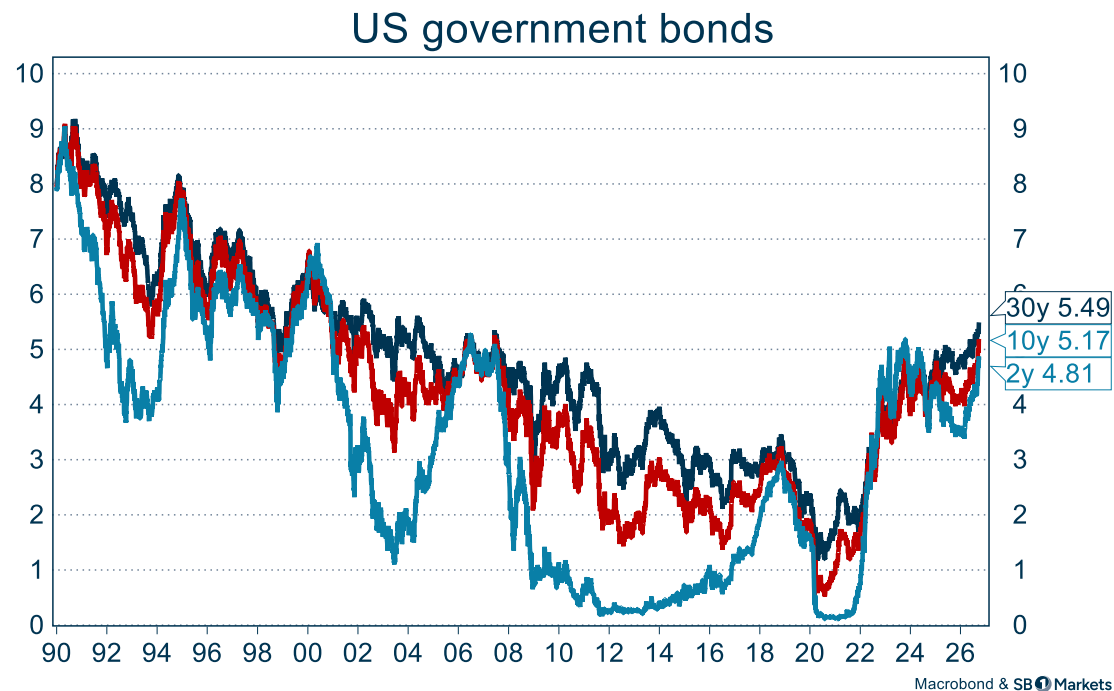
Yes, bond yields are climbing but not in a spectacular way, at least not yet

The recent lift in US government bond yields is far from unprecedented, and the level is of course not high, from a historical point of view (check the next pages).

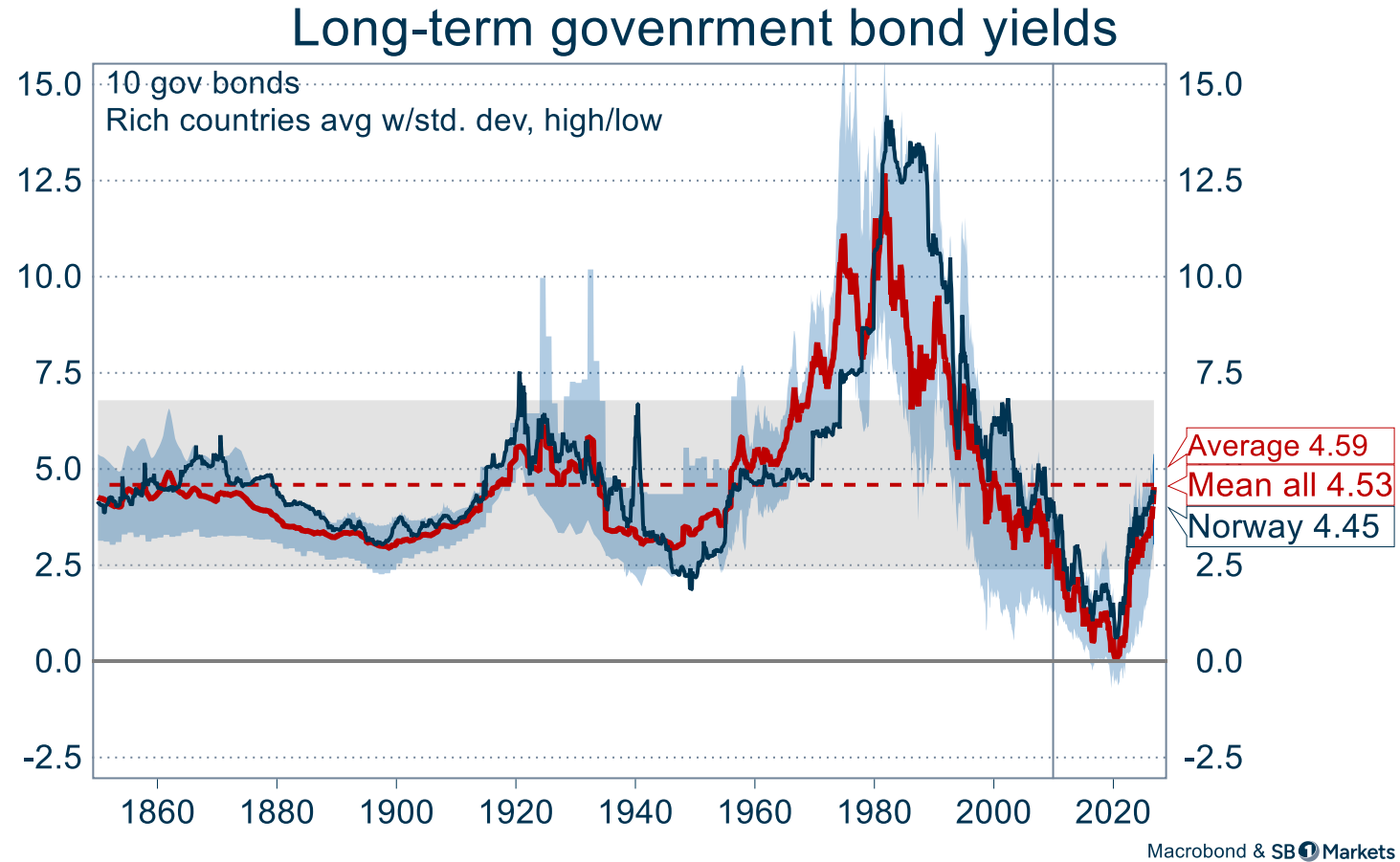


10y yield is at the highest level since 2007, and the 30y yield since 2004

Almost all of the curve is higher than at the local peak in October 2023.



Current bond yields are close to an average level

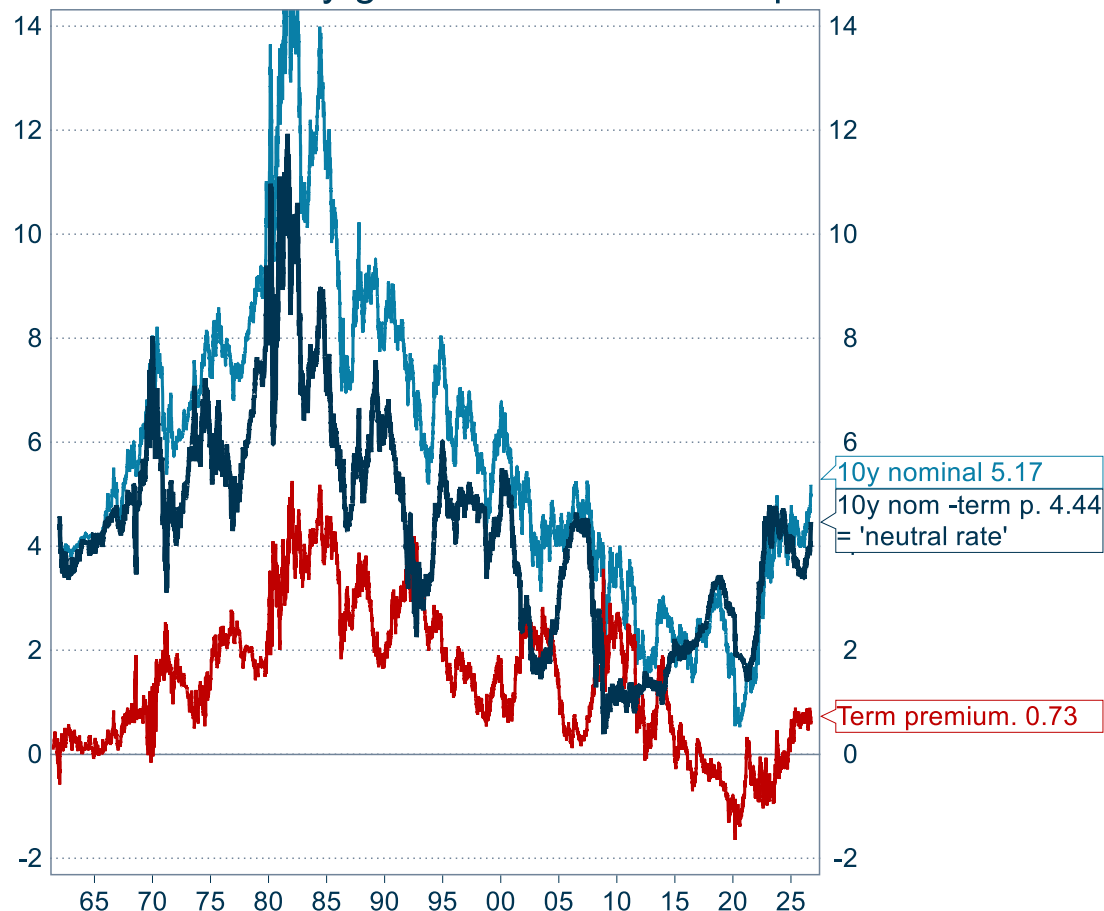




The term premium trends flat, models suggest → **expected (real) short-term rates surge**

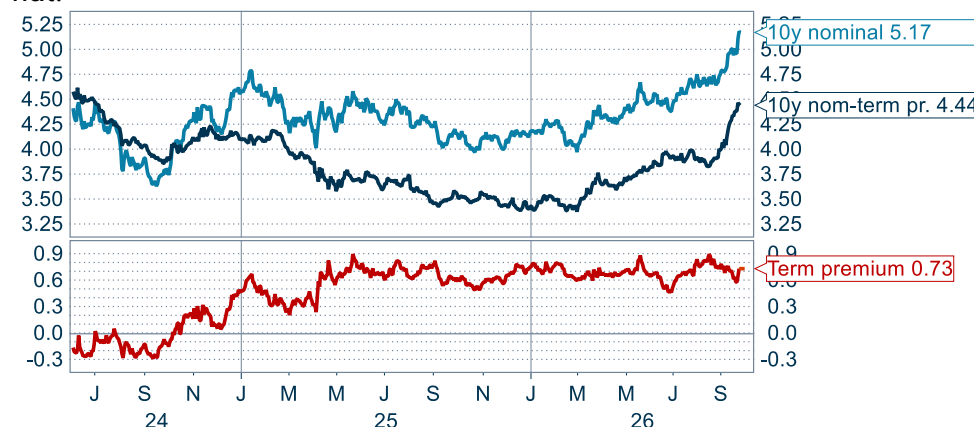
The lift in bond yields in recent months is not due to a lift in the term premium but **expectations of a higher 'normal' Fed funds rate, and inflation expectations are flat**. Neither is the term premium 'high', according to Fed models. Credit Default Swap premiums have not increased either.

USA 10y gov bond vs. the term premium



Macrobond & SB Markets

- **The term premium:** The excess yield that investors require to hold a long-term bond instead of a series of shorter-term bonds
 - The actual 10y nominal bond yield
 - the 10y term premium
 - = expected short-term rates over the next 10 years (the blue lines on the charts on this page)
- There is no precise way to estimate the term premium. Here we present the estimate from the **Fed's ACM model**.
- We are somewhat sceptical as to whether this or other term premium models really deliver what they claim to.
 - The term premium is basically **just a function of the short and long end of the curve**. Thus, expected future short-term rates are just a function of the current short- and long-term yield.
 - Still, the term premium is probably a relevant indicator when interpreting the implication of changes in long-term bond yields. The current level does not signal any stress in the bond market. In addition, inflation expectations are flat.



Macrobond & SB Markets

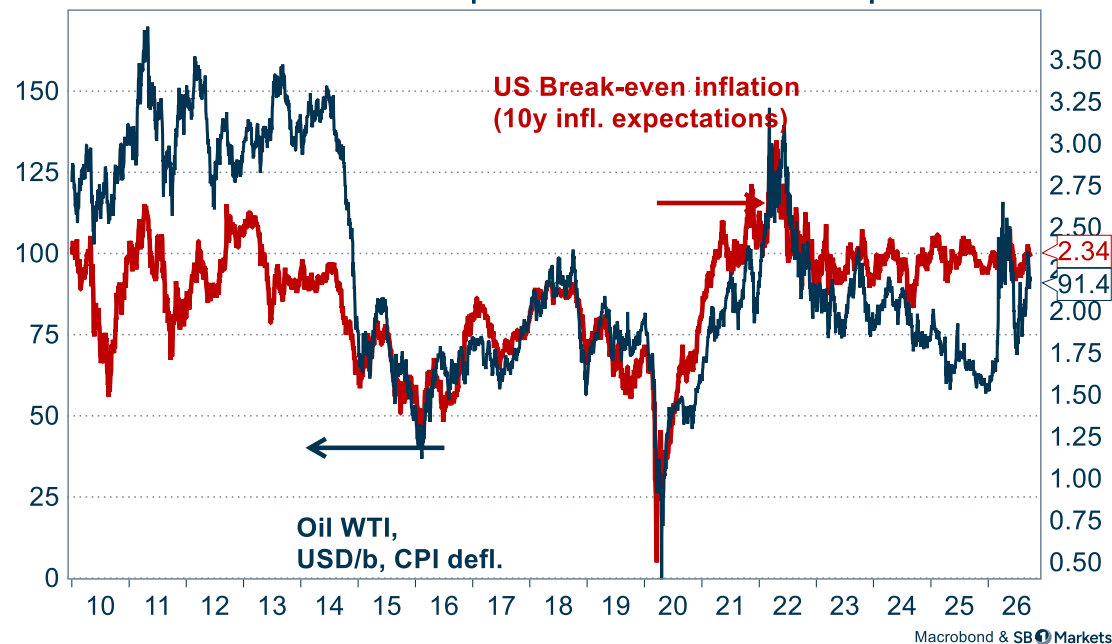


US inflation expectations are still correlated to the oil price

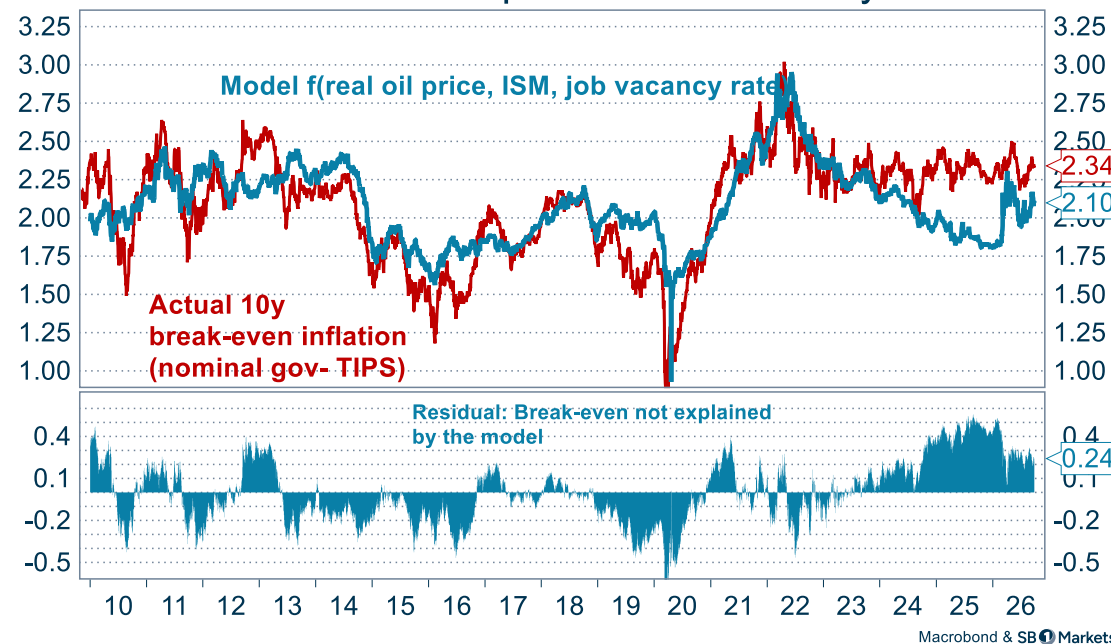
... but the impact has been less than normal during the recent oil turbulence.

Inflation expectations are still high vs. our model forecast but the residual has narrowed in 2026.

USA Inflation expectations vs. the oil price



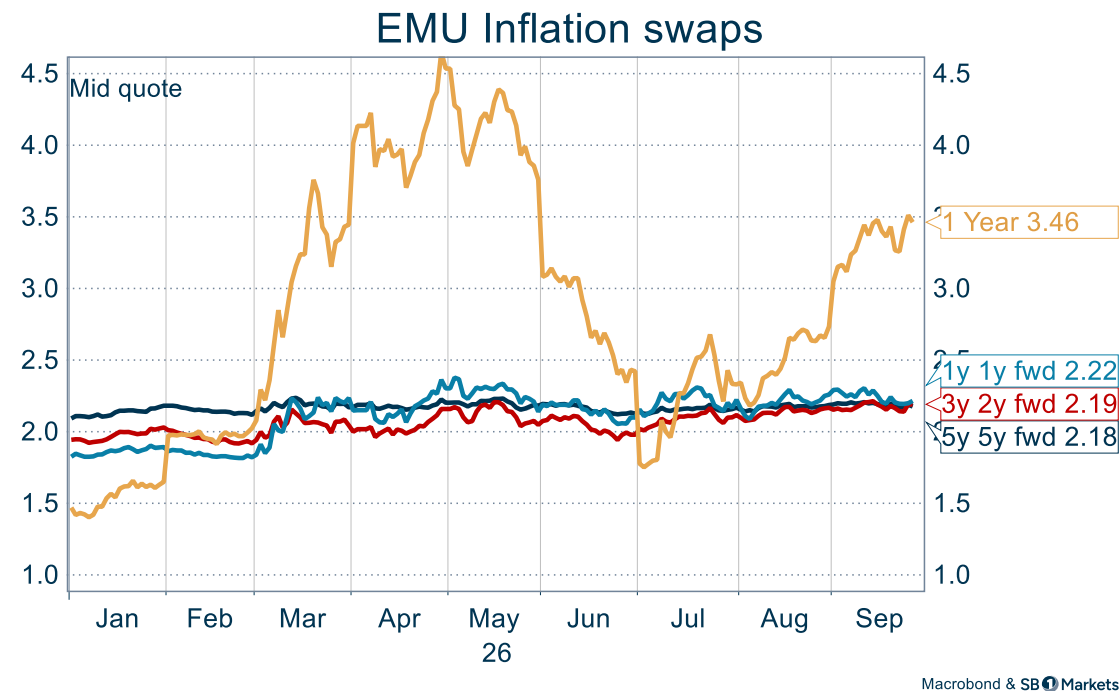
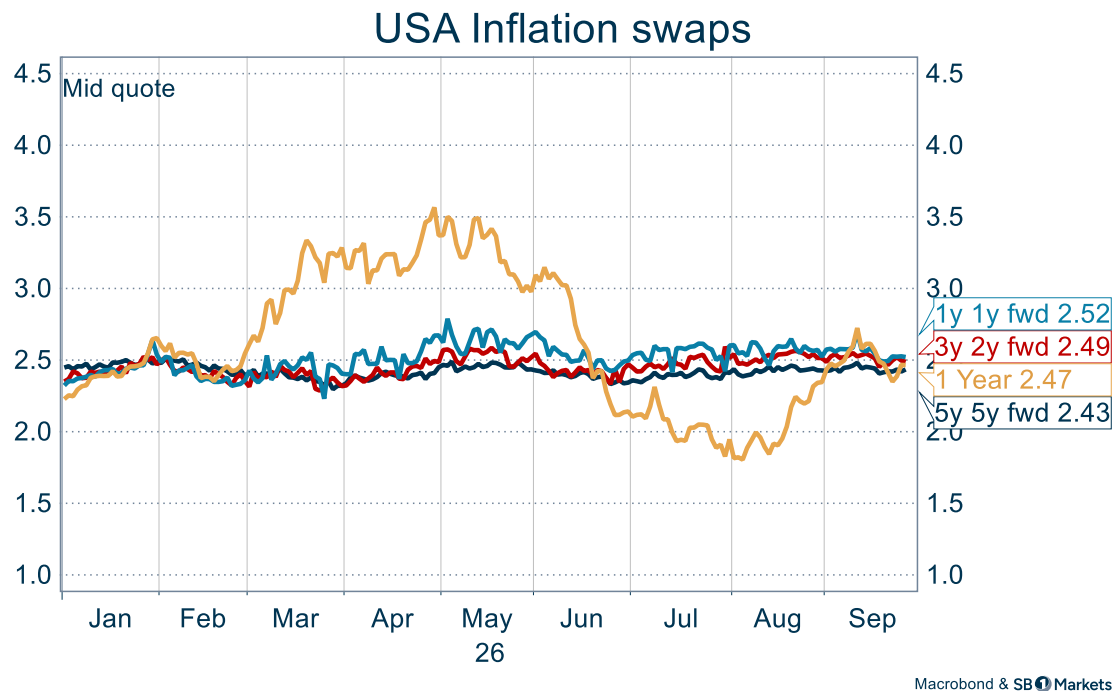
USA Inflation expect. vs. oil & the cycle



- The main determinant of **long-term inflation expectations** has been the current **spot (!) oil price**. If the current ISM and the current labour market are added, the model works even better.
- Our model's coefficients:
 - -10 USD/b: -10 bps (the dominant factor, check the upper left chart).
 - -1 labour market vacancy pp (say to 4.3% from 5.3%): -12 bps.
 - -5 ISM points: -12 bps.
- Should other factors have been included in the model?

1y EUR inflation expectations remain high but no problem thereafter

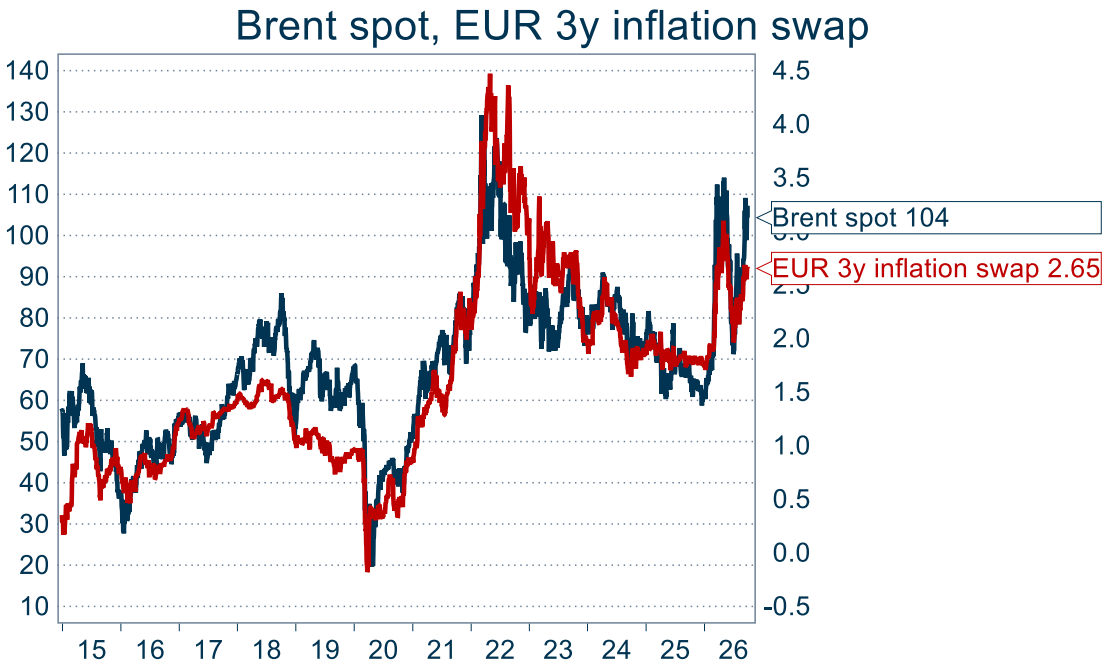
In the US, inflation expectations are stable all over the curve.



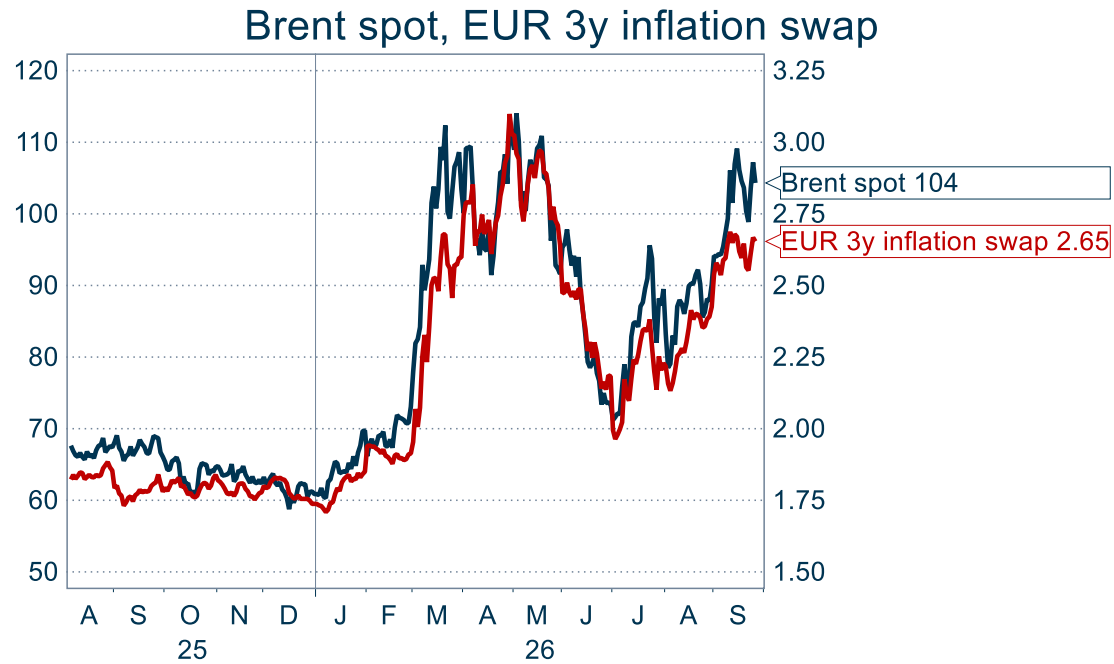
The 1y EUR inflation swap is heavily impacted by the base effect in the y/y HICP inflation rate. Thus, around the change of front month, the 1y expected inflation rate may shift substantially (check Jan/Feb and then May/June and June/July in the chart above to the right). Further out on the inflation swap curve, the impact is limited and it is non-existent in the forward curve (check the 1y1y vs. the 1y inflation swap).

EUR short-term inflation expectations are still following the oil price

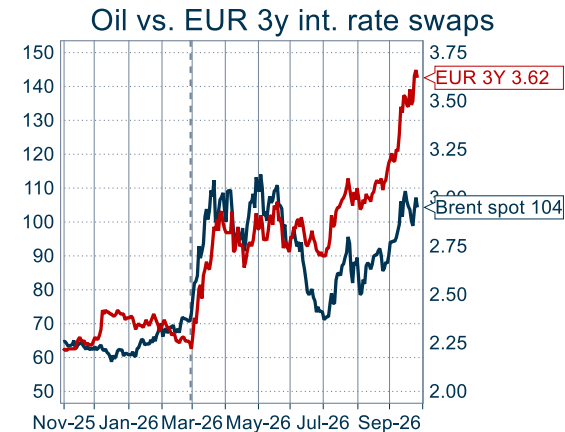
... not fully (vs. history) in recent weeks – as real rates head up.



Macrobond & SB Markets

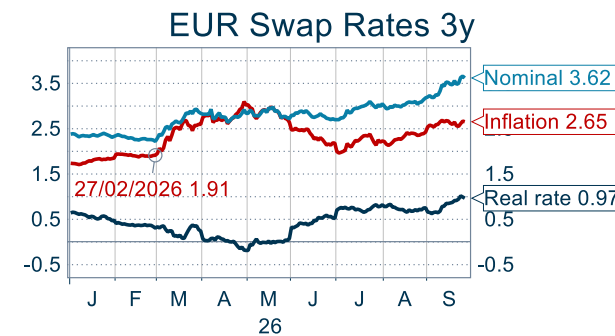
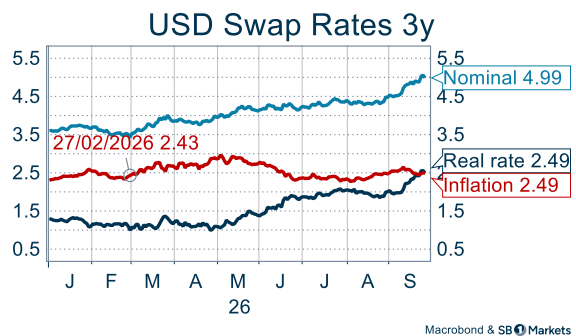
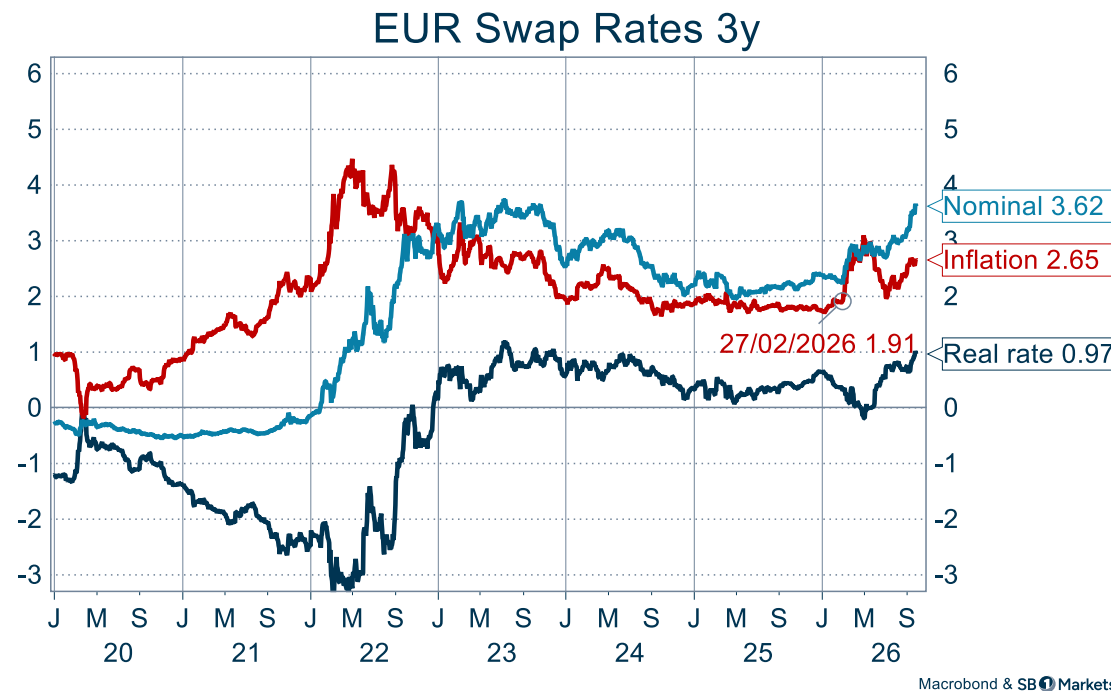
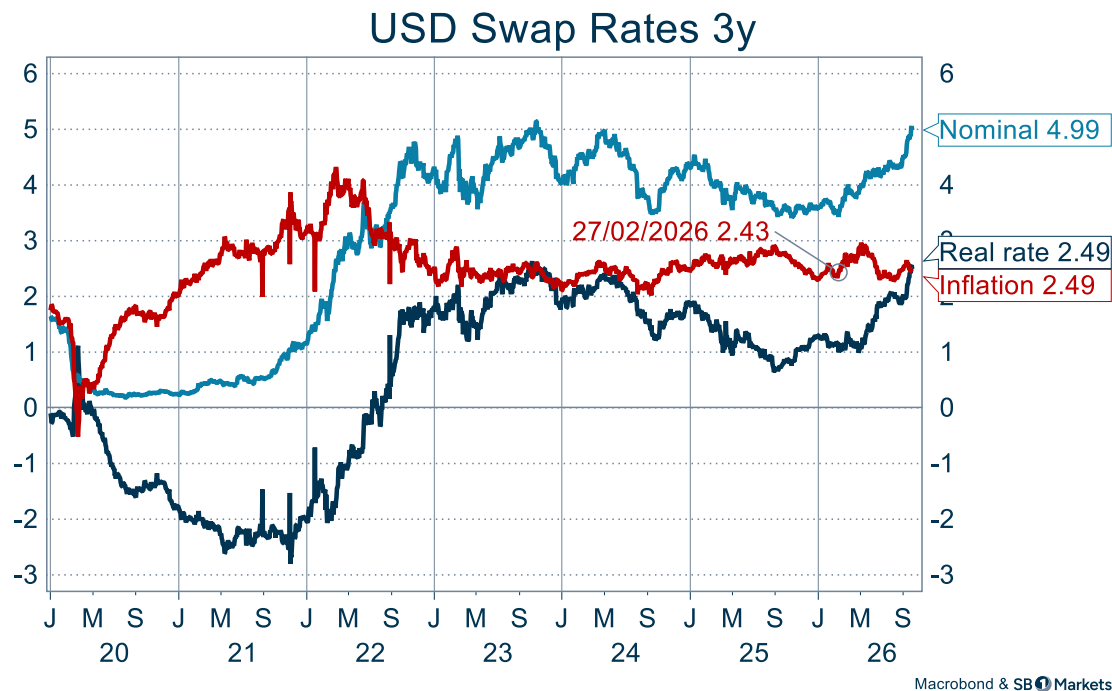


Macrobond & SB Markets



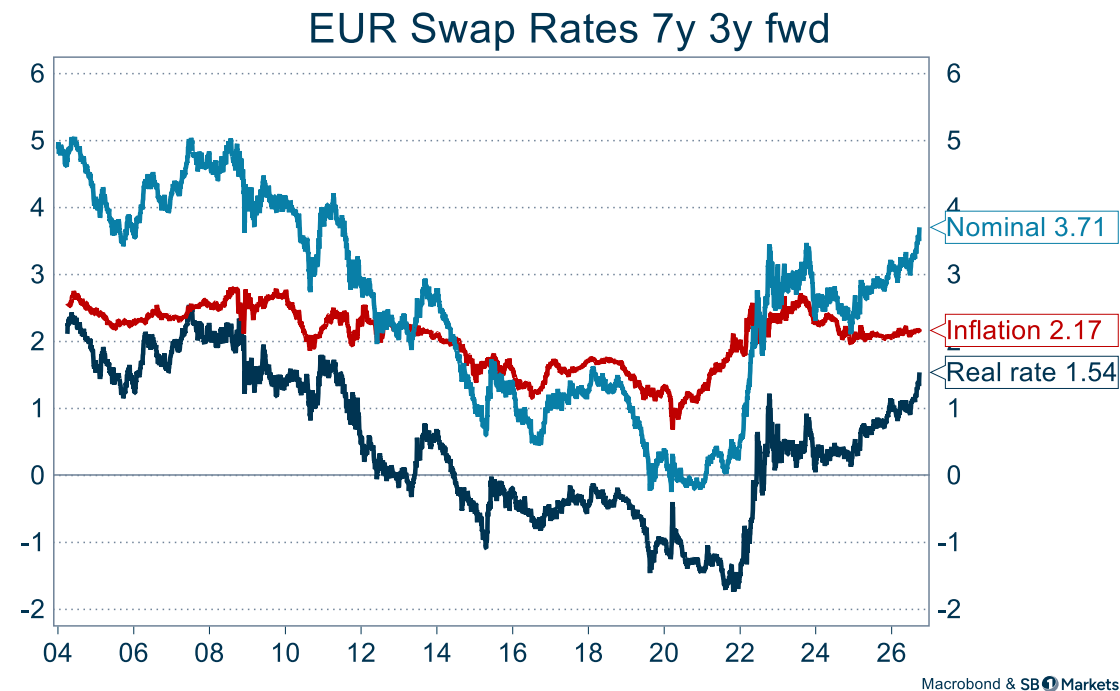
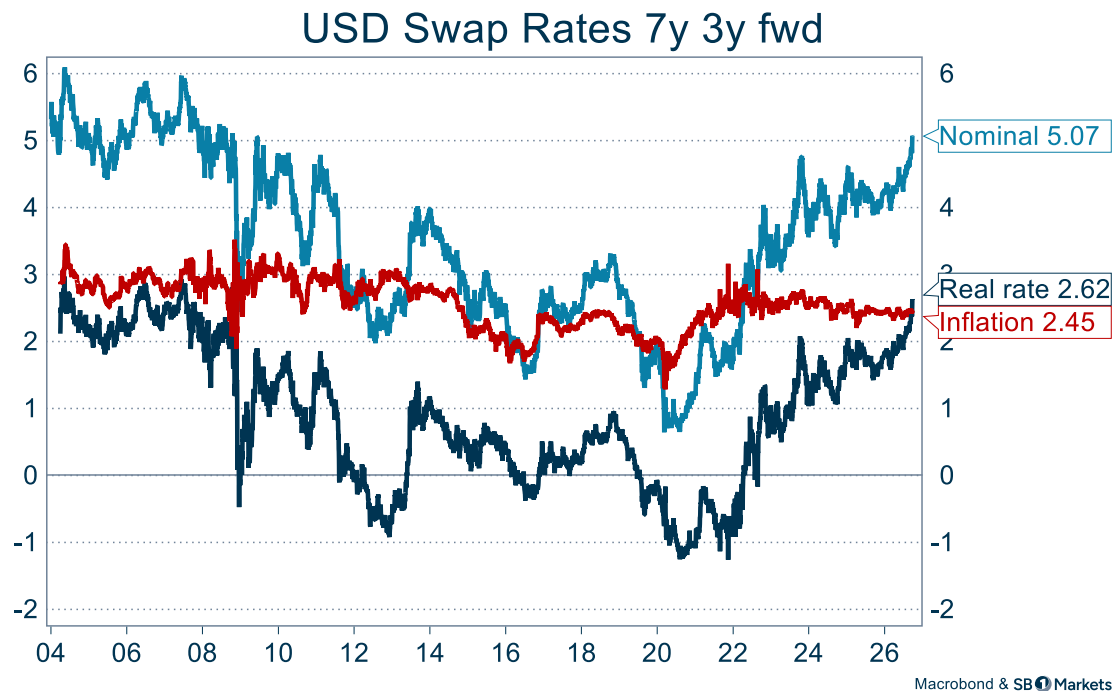
Short-term (3y) real rates rose again last week, and trend upwards

EUR inflation expectations have increased faster than in USD in recent weeks (and since before the war in the Gulf). No significant changes last week – as **real rates are surging**.



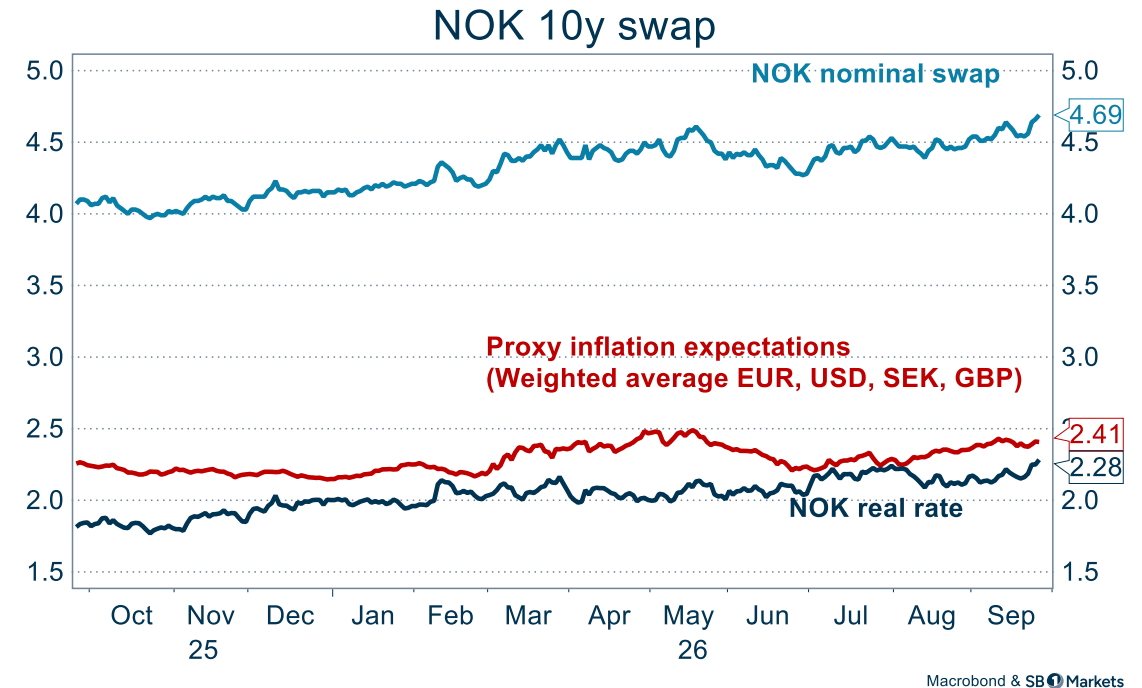
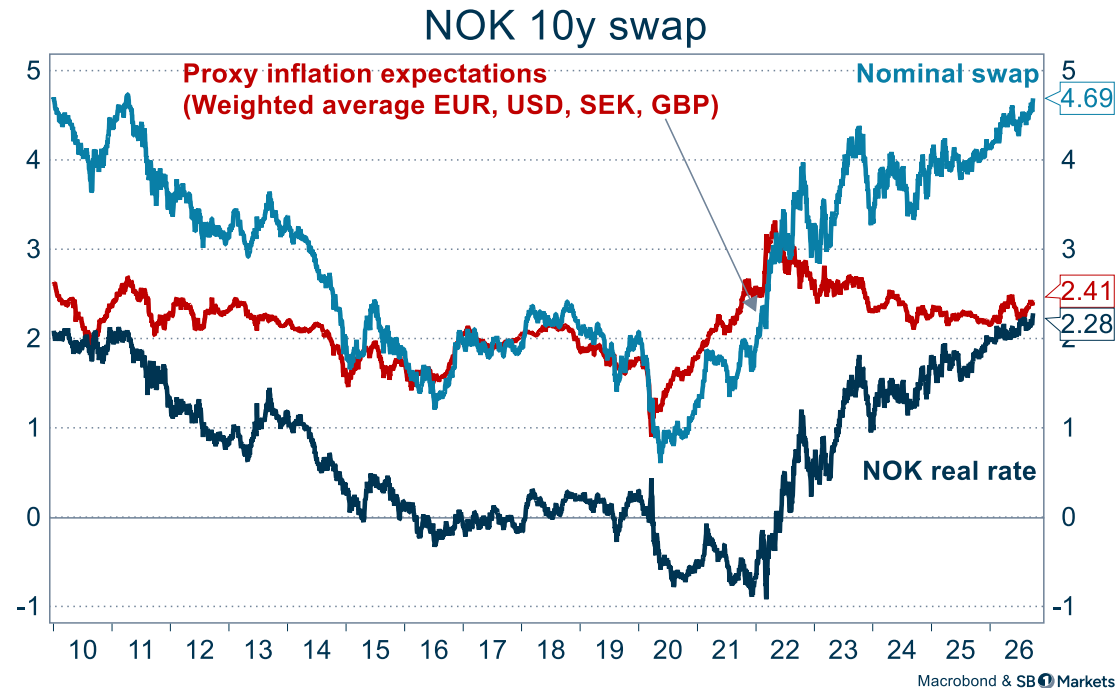
Longer-term inflation expectations are stable while **real rates are surging**

Real rates are the highest since the financial crisis (US) or the Euro crisis (EMU).



The 10-year NOK real rate is (probably) well above 2%

... as we assume that long-term inflation expectations develop in line with expectations abroad. These expectations have been drifting upwards in recent weeks due to the impact of the energy price shock but remain modest.

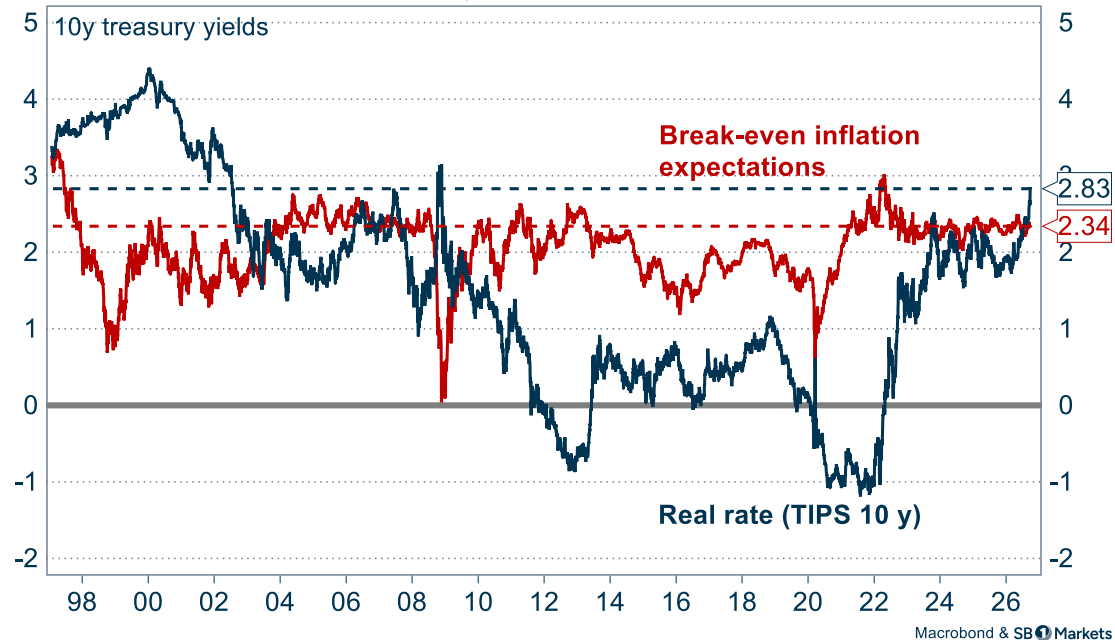




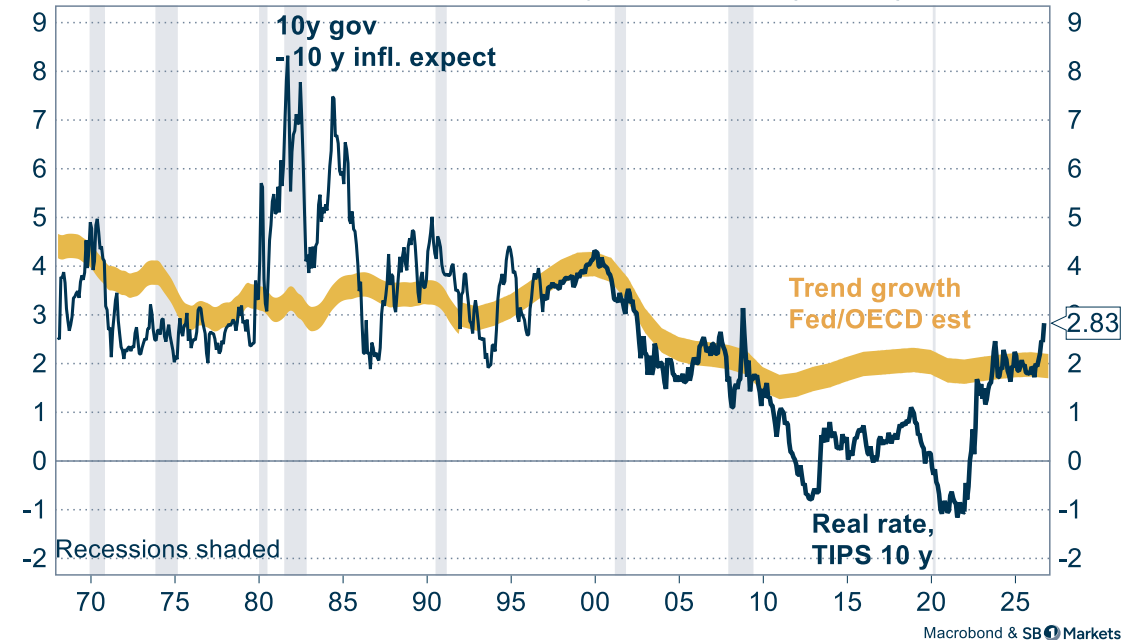
US real rates vs. growth expectations: above the upper part of the 'growth corridor'

We would NOT bet on a substantial lift from here, unless a 'Truss moment' comes along – or there are strong indications that long-term growth will accelerate (like from AI). In an economic downturn: lower long-term real rates are likely. Inflation expectations are stable.

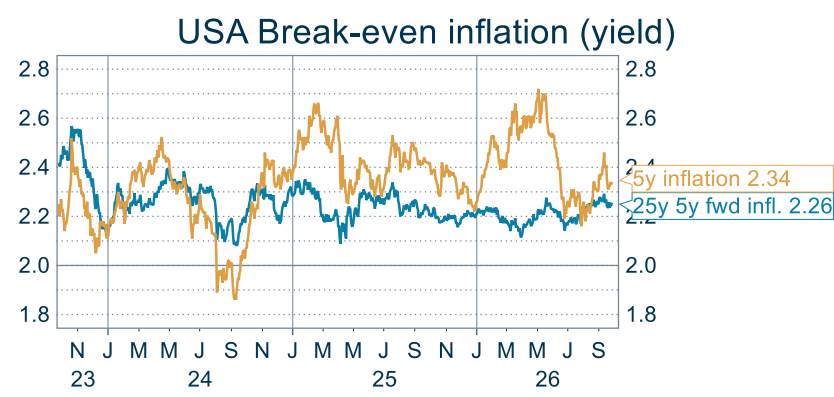
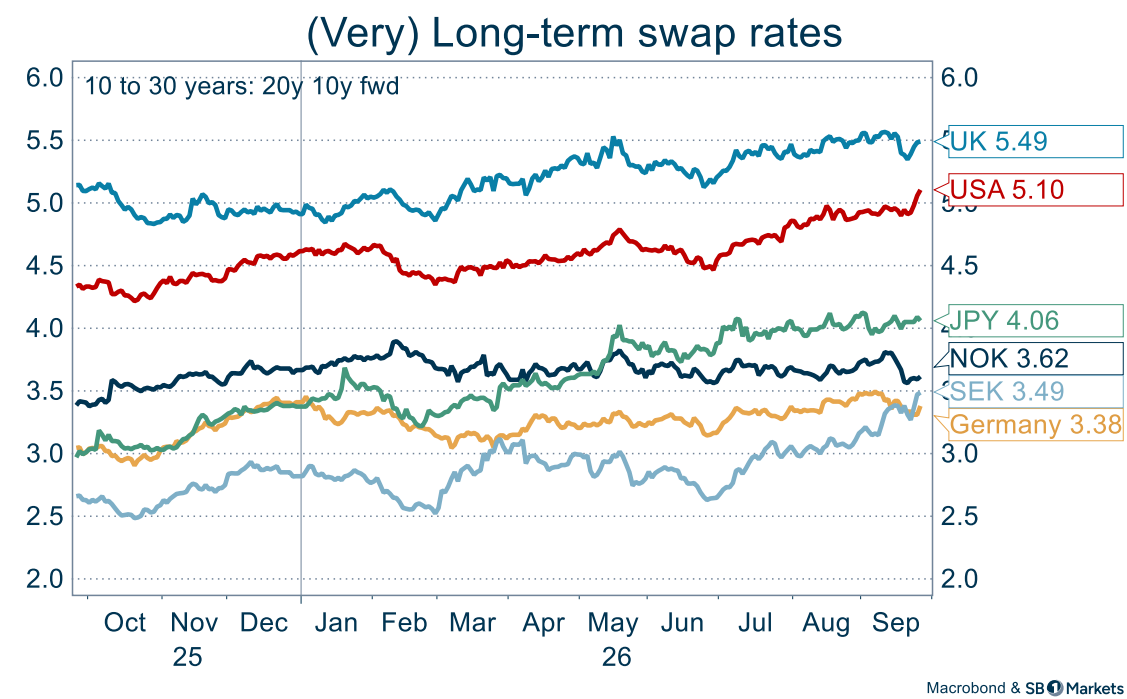
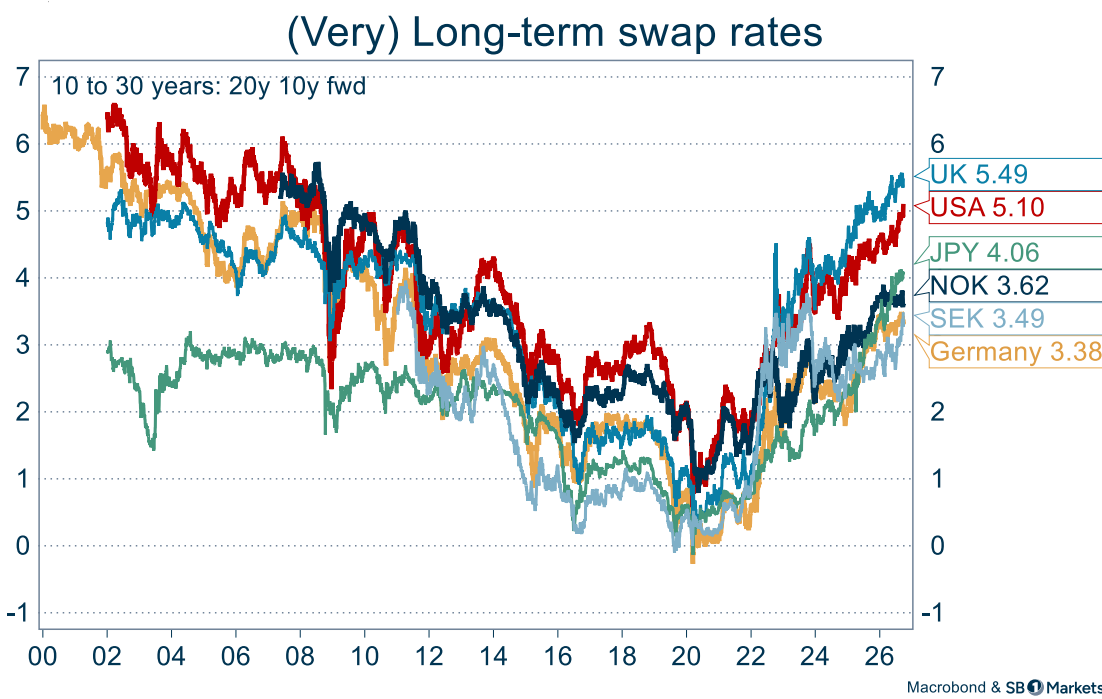
USA TIPS Real yields, break-even inflation



USA Growth vs 10y real rate (TIPS)

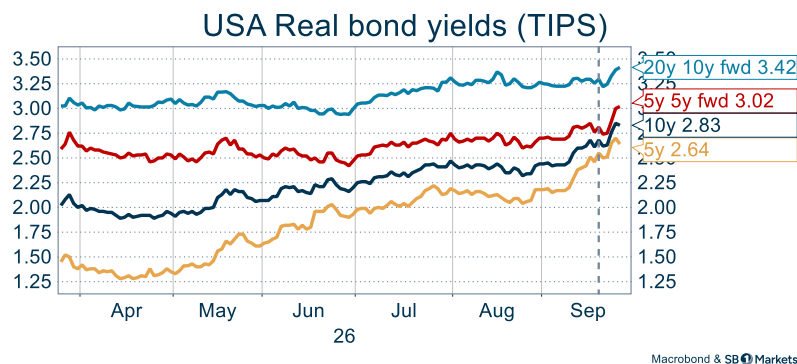
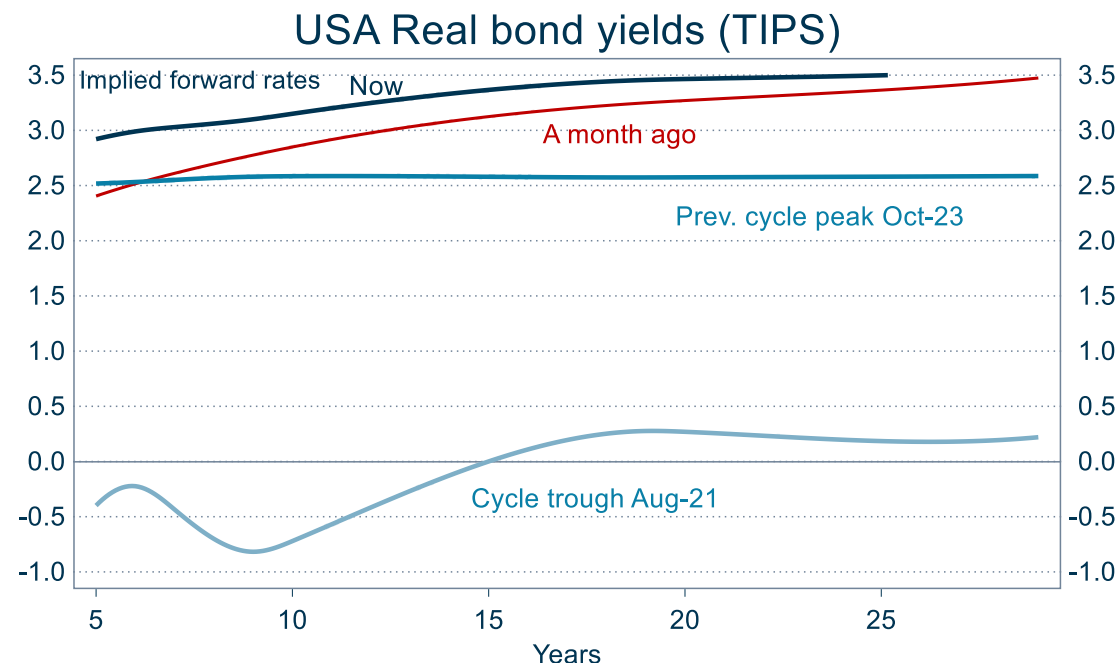
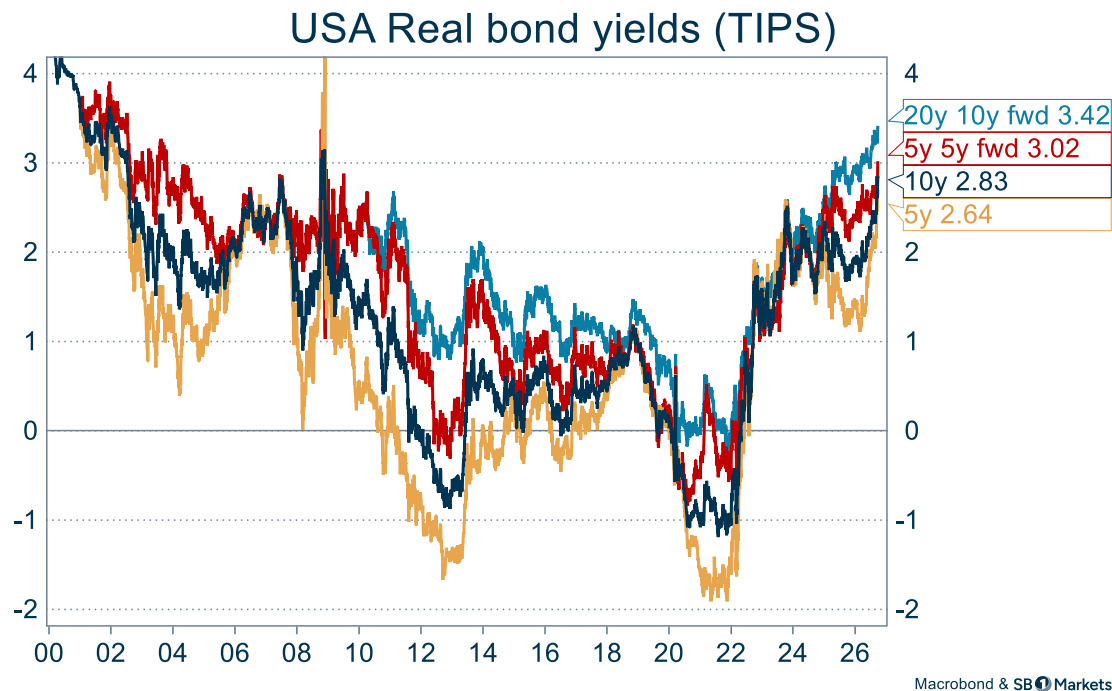


Very long-term swap rates mostly up last week



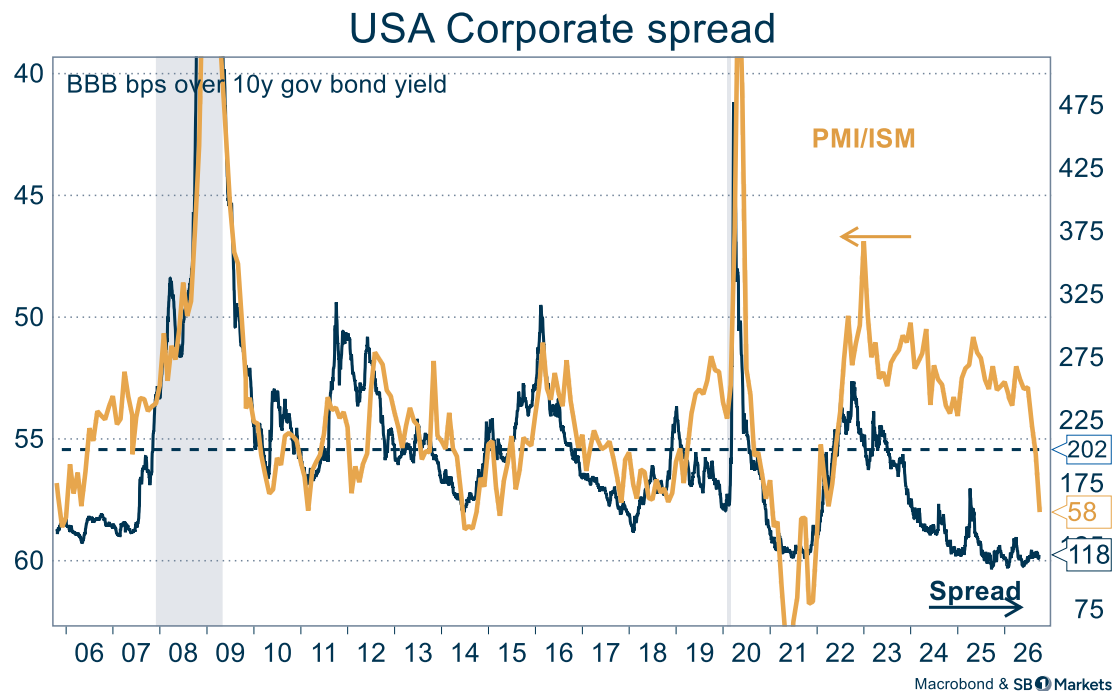
TIPS real yield curve: Now even longer-term real rates shot up

The 5y real rate rose 10 bps to 2.64% (and from 1.25% in April!), while the 20y 10y fwd rose 12 bps to 3.42%. The shorter-dated TIPS rates are the highest since 2008 (during the market turmoil in October that year).

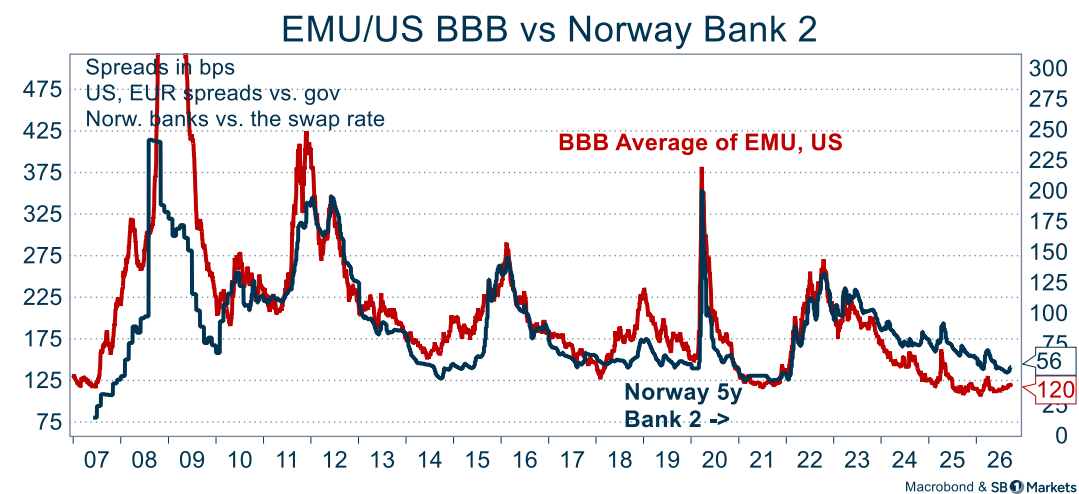
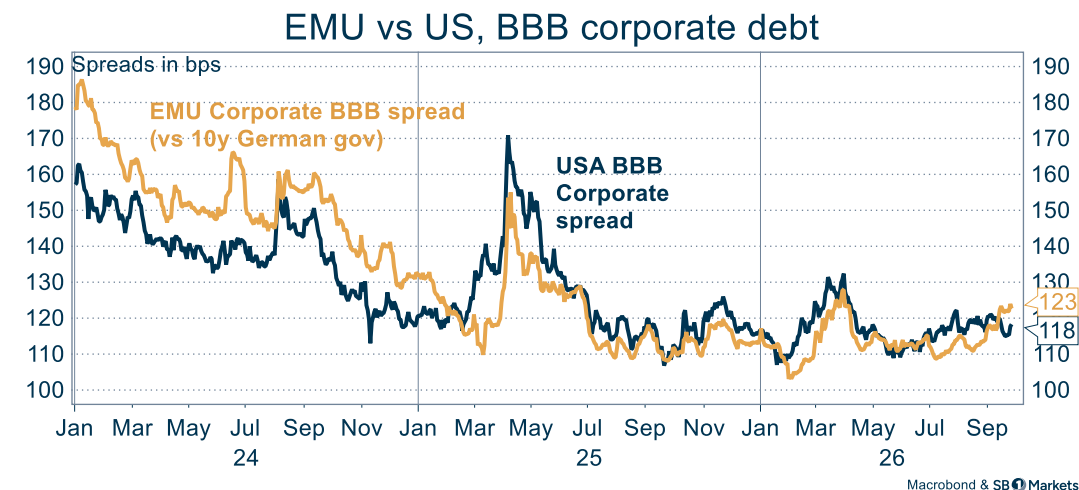


The 'spread gap' is narrowing,

... as though the economy were genuinely thriving. Spreads abroad have increased slightly in recent months, especially in Europe. The main Norwegian bank spread has been trending down until recently



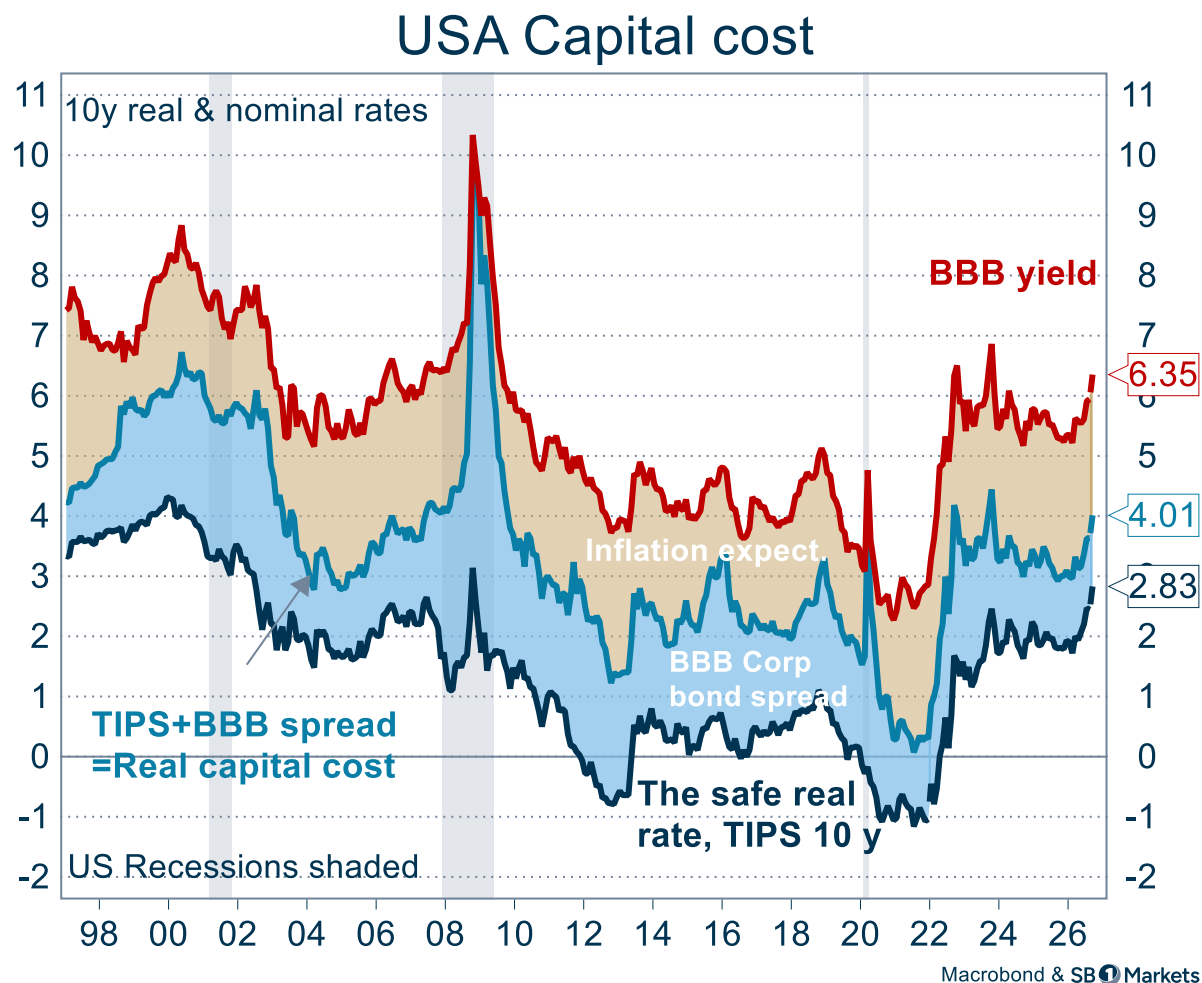
- The main Norwegian bank bond spread (bank 2, 5y senior) widened 1 more bps to 56 last week





Corporate borrowing costs up 100+ bps in recent months, due to a higher TIPS real rate

The credit spread is close to unchanged, while inflation expectations trend flat.



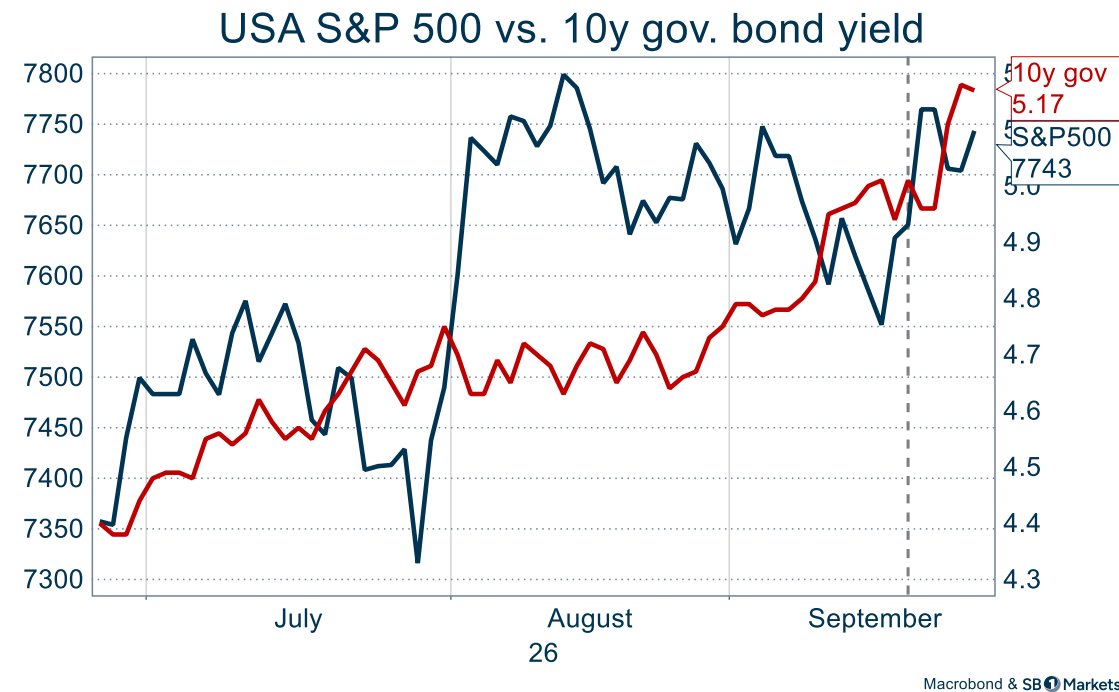
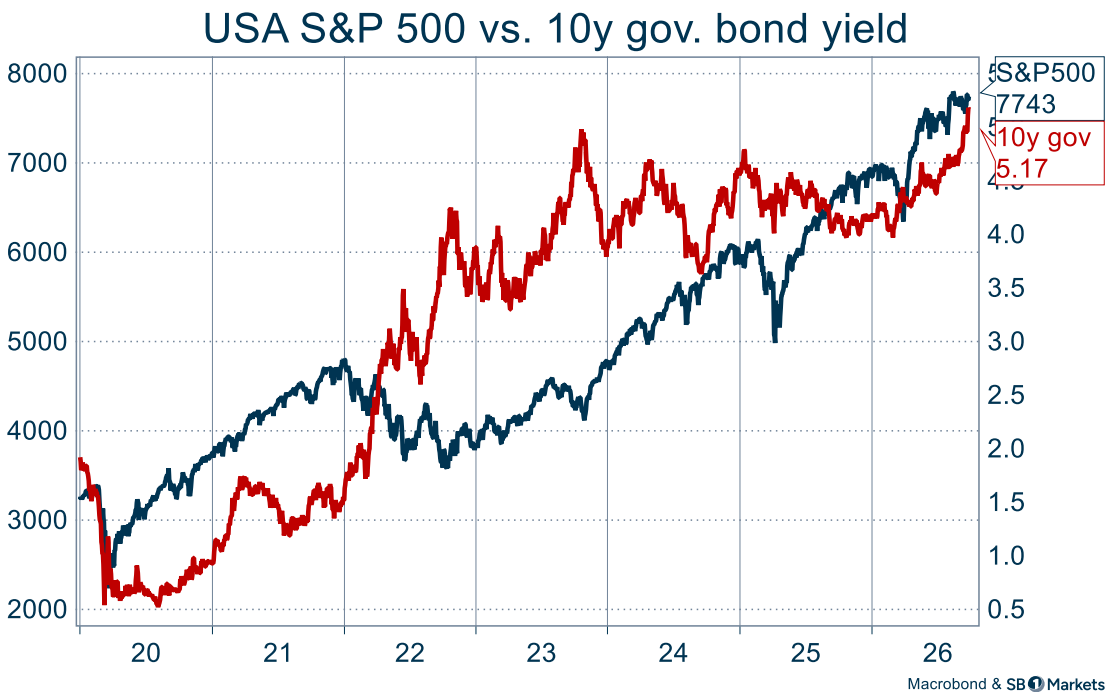
- The total **real borrowing cost** for a US BBB investment-grade industrial corporation is at 4%, following the lift in the 10y TIPS rate last week.
- Adding in inflation expectations, the nominal borrowing cost has increased in recent months, now to 6.35%, up more than 100 bps from February.
 - The 'all in' is still below the close to 7% at the local peak in 2023 – but up from the below 3% rate at the bottom in 2020/21.



4.3 Equity markets



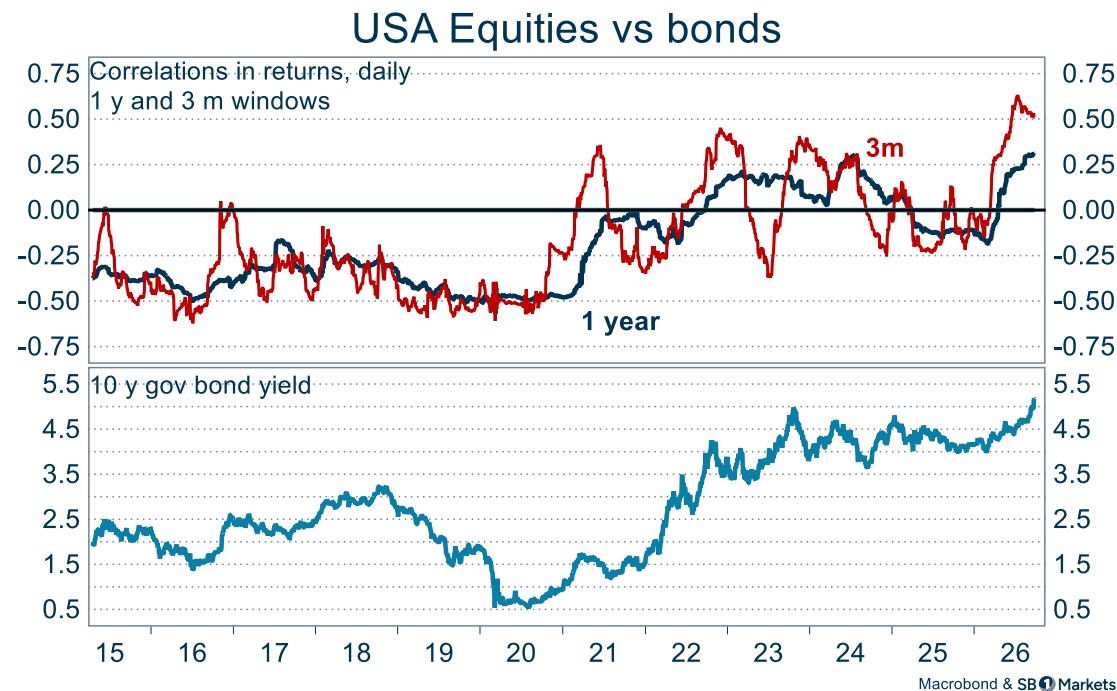
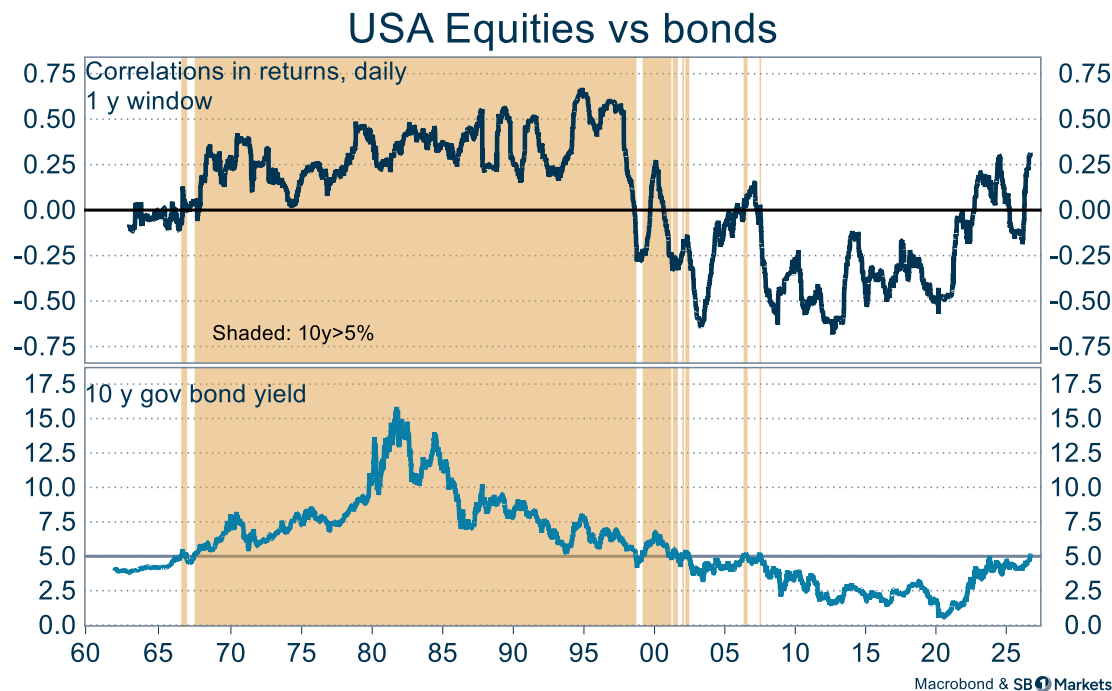
S&P up 1.2% (Nasdaq 3.3%) not far below ATH, while the 10y bond yield touched 5.23%
... before landing at 5.17% on Friday, up 16 bps last week – and to the highest level since 2007.





Equity–bond return correlation remains positive

This follows the return of inflation worries and rising bond yields for ‘the wrong reason’ – an oil supply shock – even if it is real rates, not inflation expectations, that have risen.

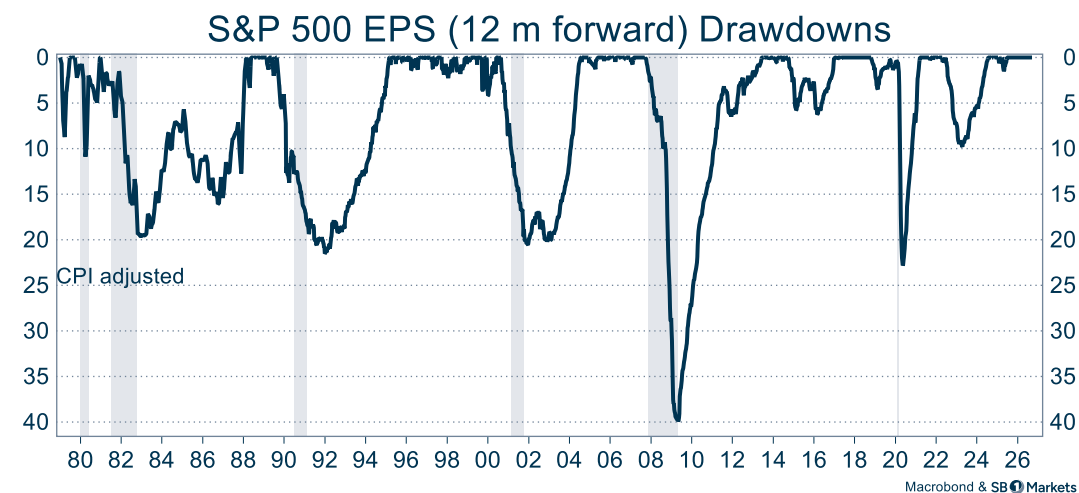
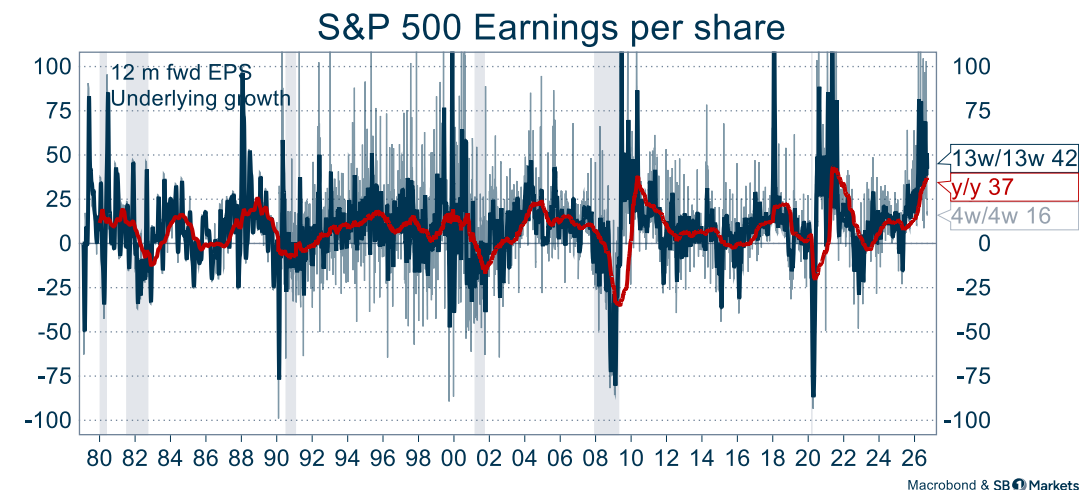
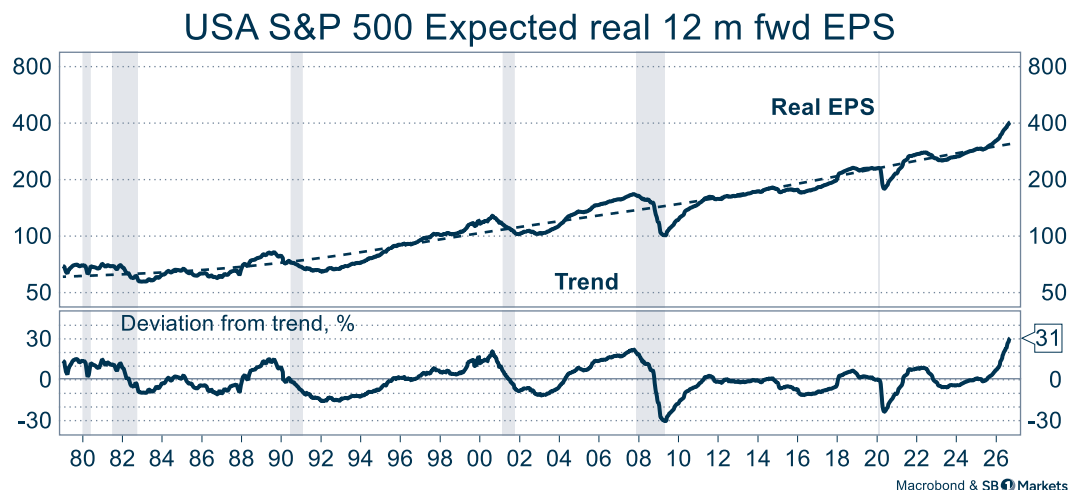


- **Inflation worries** normally lift government bond yields to a ‘high’ level and are normally not positive for equities: thus, a positive correlation (in returns).
- **Growth worries produce the opposite (negative) correlation in returns: lower yields and a weaker equity market.**
- **The threshold** vs. the 10y bond yield before the correlation turned positive used to be some 5.0%. Now it is very likely lower – say 4.5% or below.
 - The neutral rate is probably lower than 15–20 years ago due to the decline in trend growth (demographics & productivity).



US earnings expectations are up 37% y/y, but *the momentum is slowing*

The 12m fwd. expected (CPI-adjusted) S&P 500 EPS is 30% above the long-term real trend path, as the profit share of GDP is booming, to record-high levels (which is why inflation has become too high). *Some downside risk?*

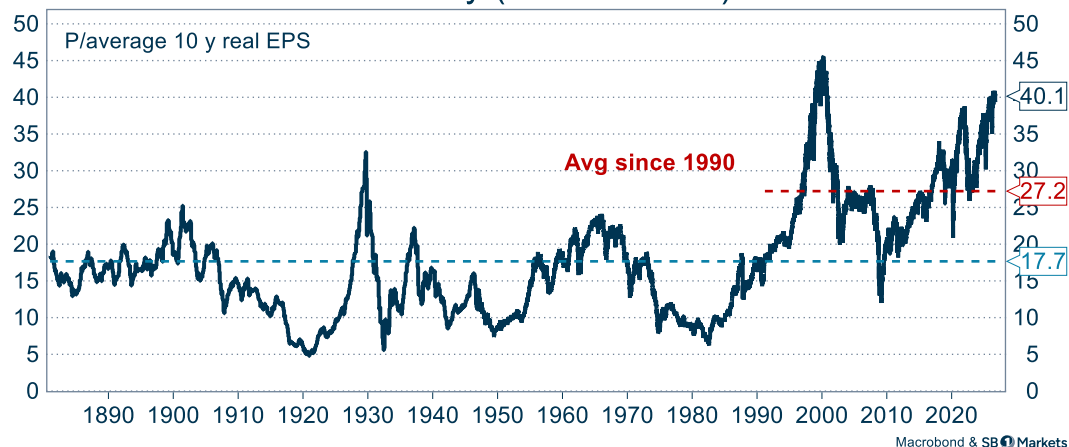




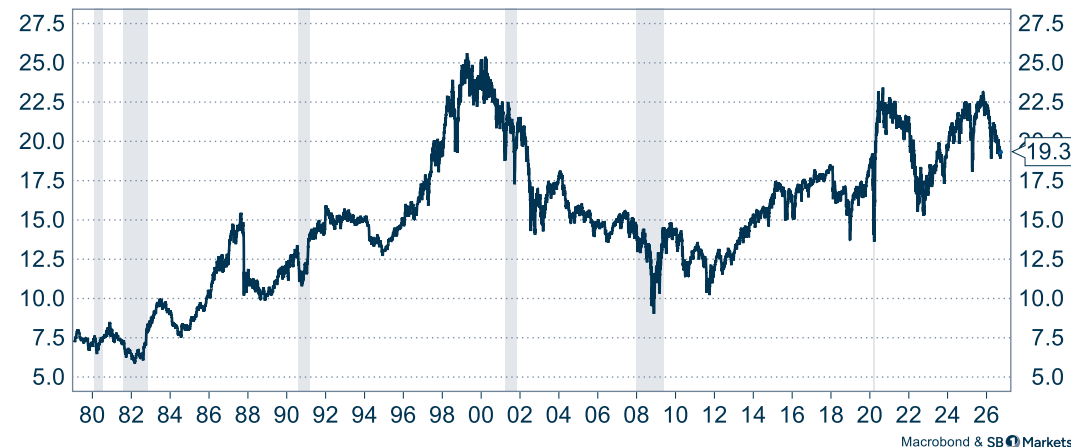
US P/Es are still high, but **rapid earnings growth** lowers the 12m fwd. P/E

Historically, returns have been dismal when pricing has been as aggressive as now. On the other hand, earnings are booming (and far more than we have assumed). The CAPE/Shiller has kept up, even if the 10y TIPS US real rate has increased sharply.

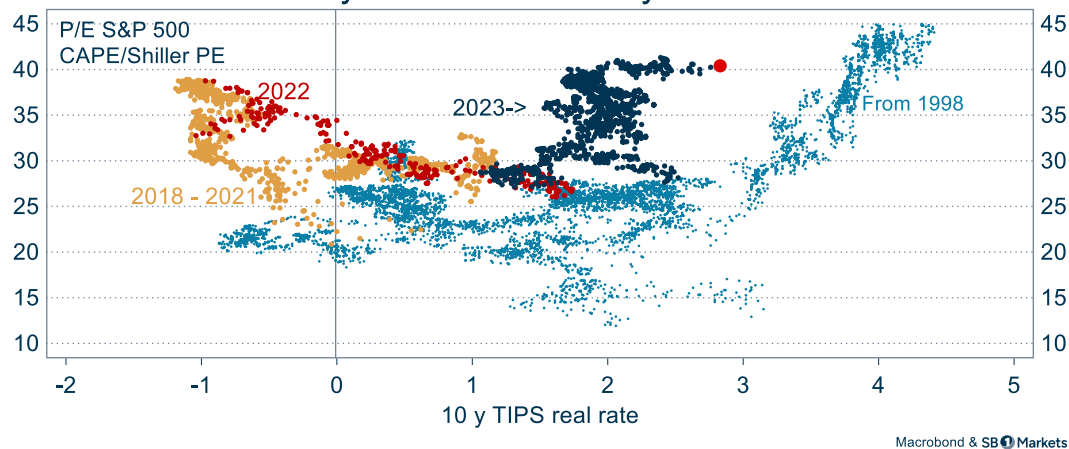
S&P500 10y (CAPE/Shiller) P/E



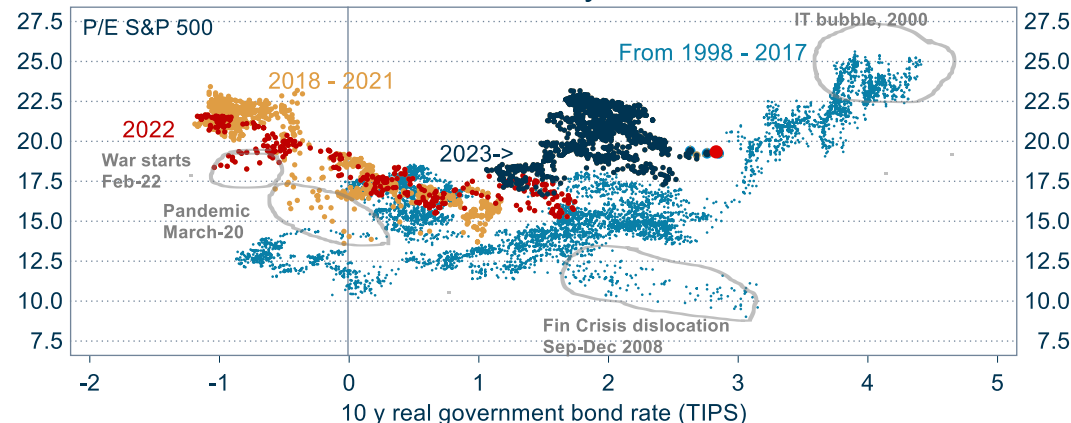
USA S&P 500 12 m fwd P/E



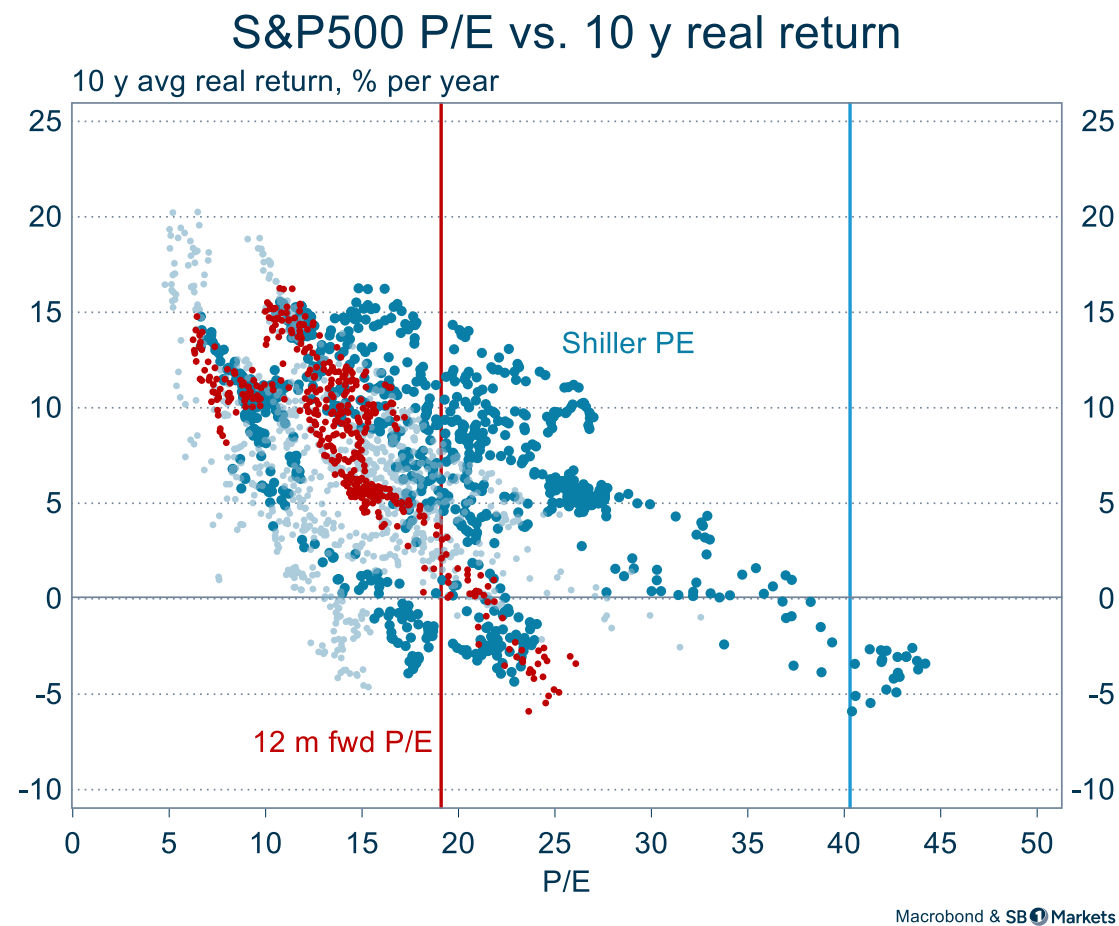
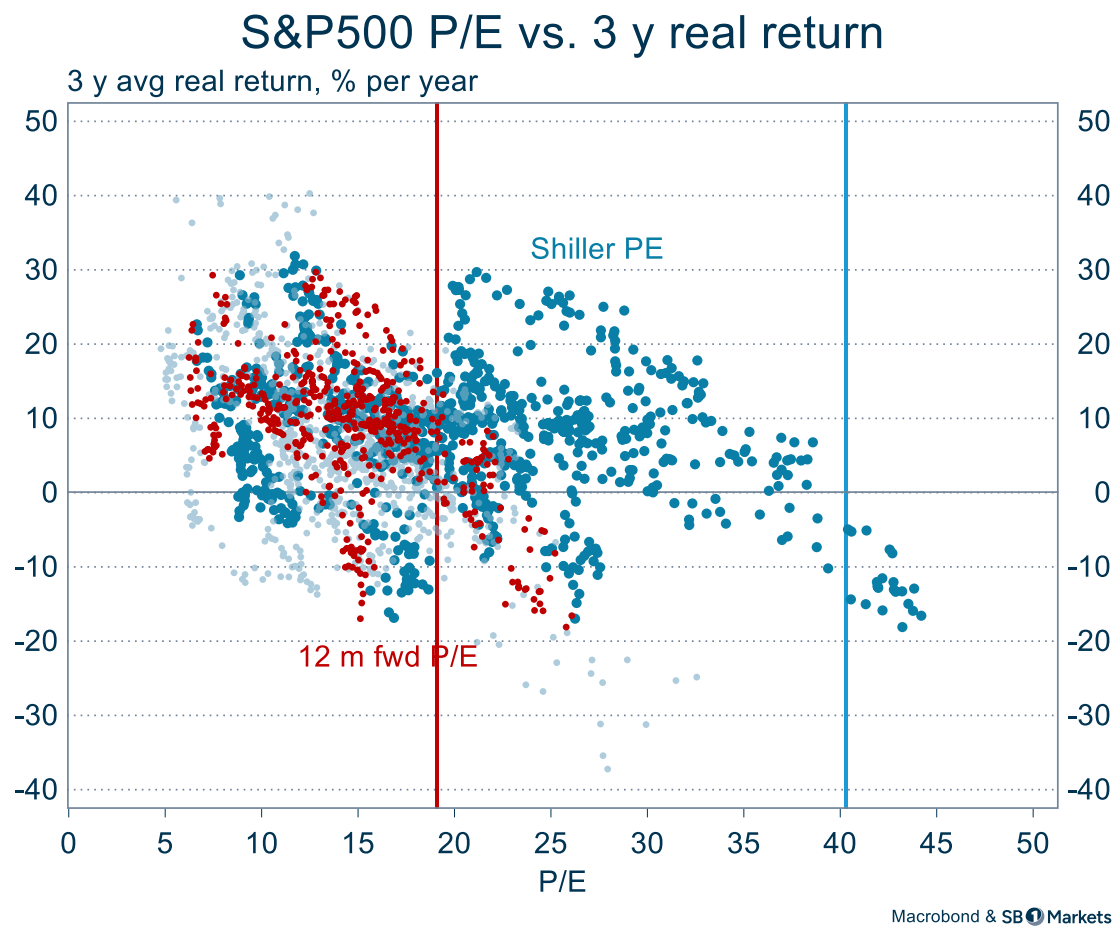
S&P 500 10y CAPE vs US 10 y real interest rate



S&P 500 PE vs US 10 y real interest rate



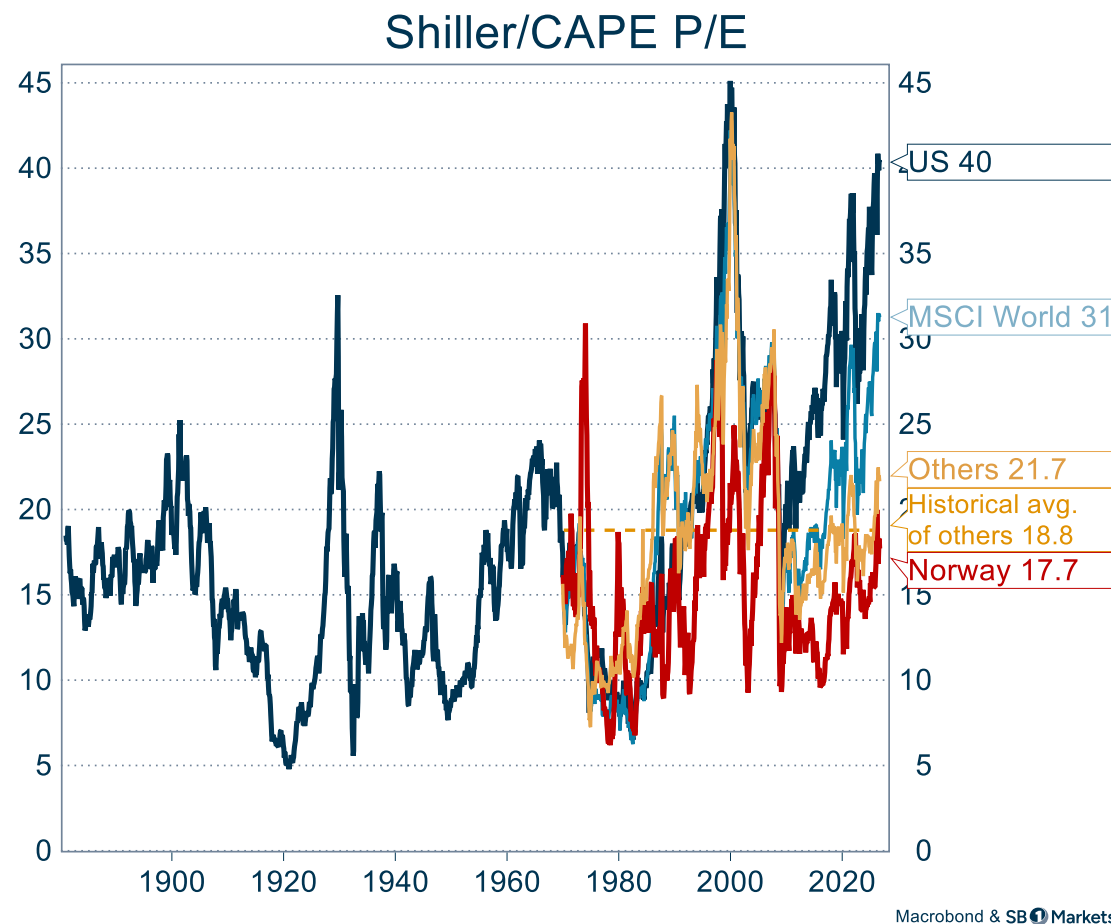
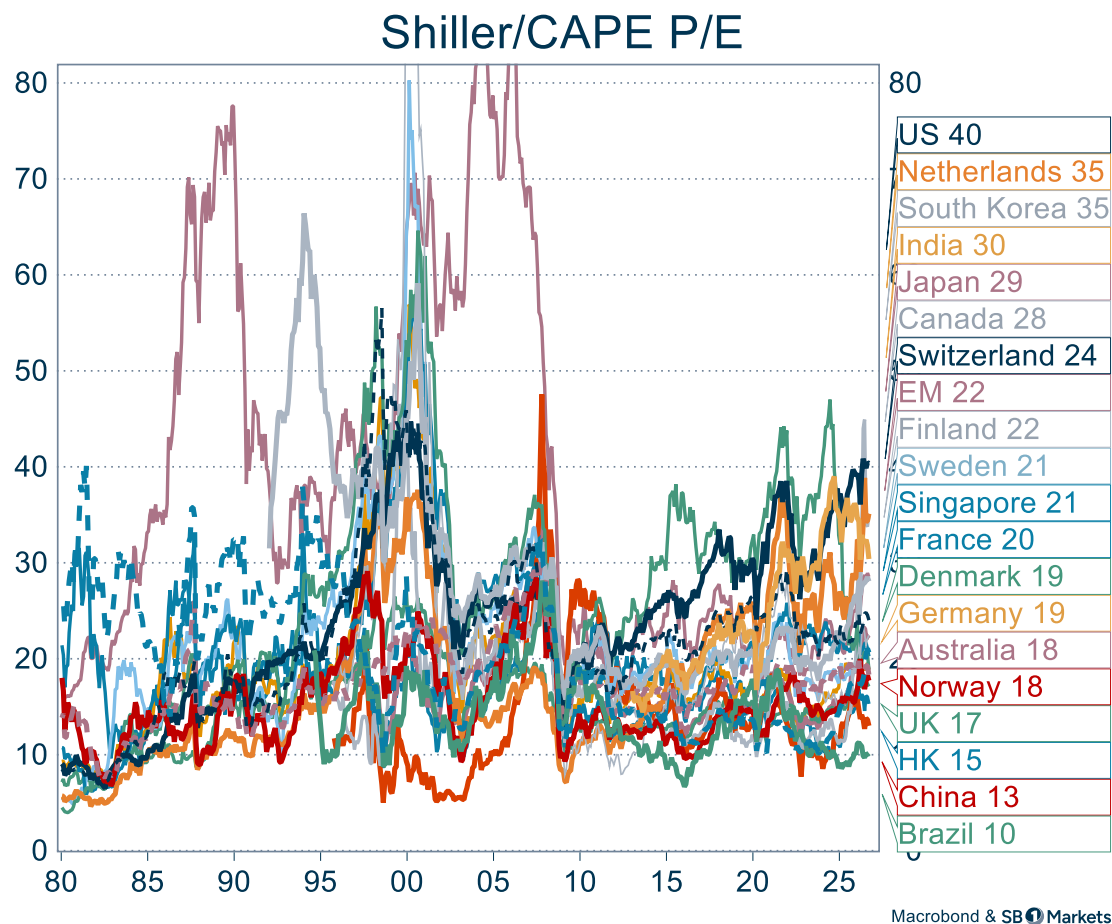
Long-term returns are generally better when you buy cheap 😊



Dark blue dots: Shiller (CAPE) from 1950. The 12m fwd is from 1980, and return from 1983 and 1990.

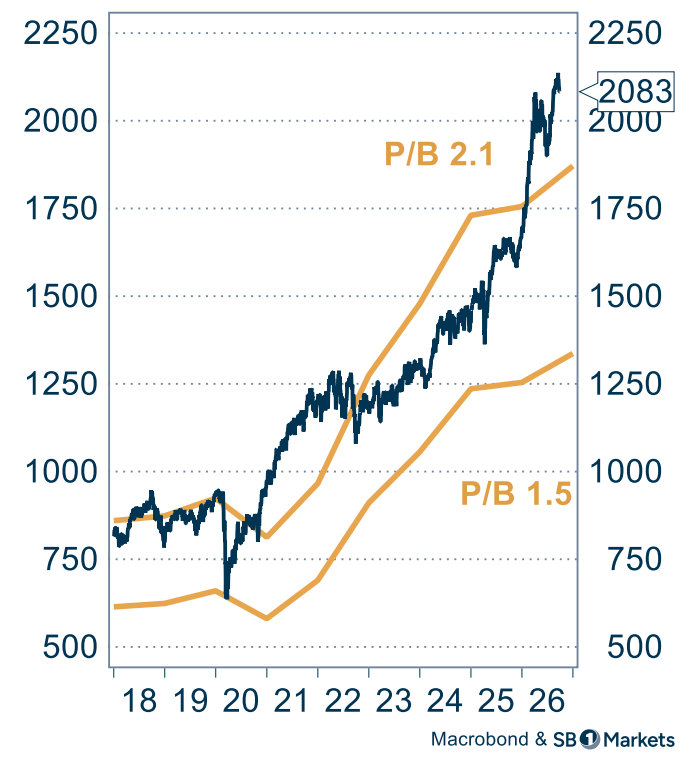
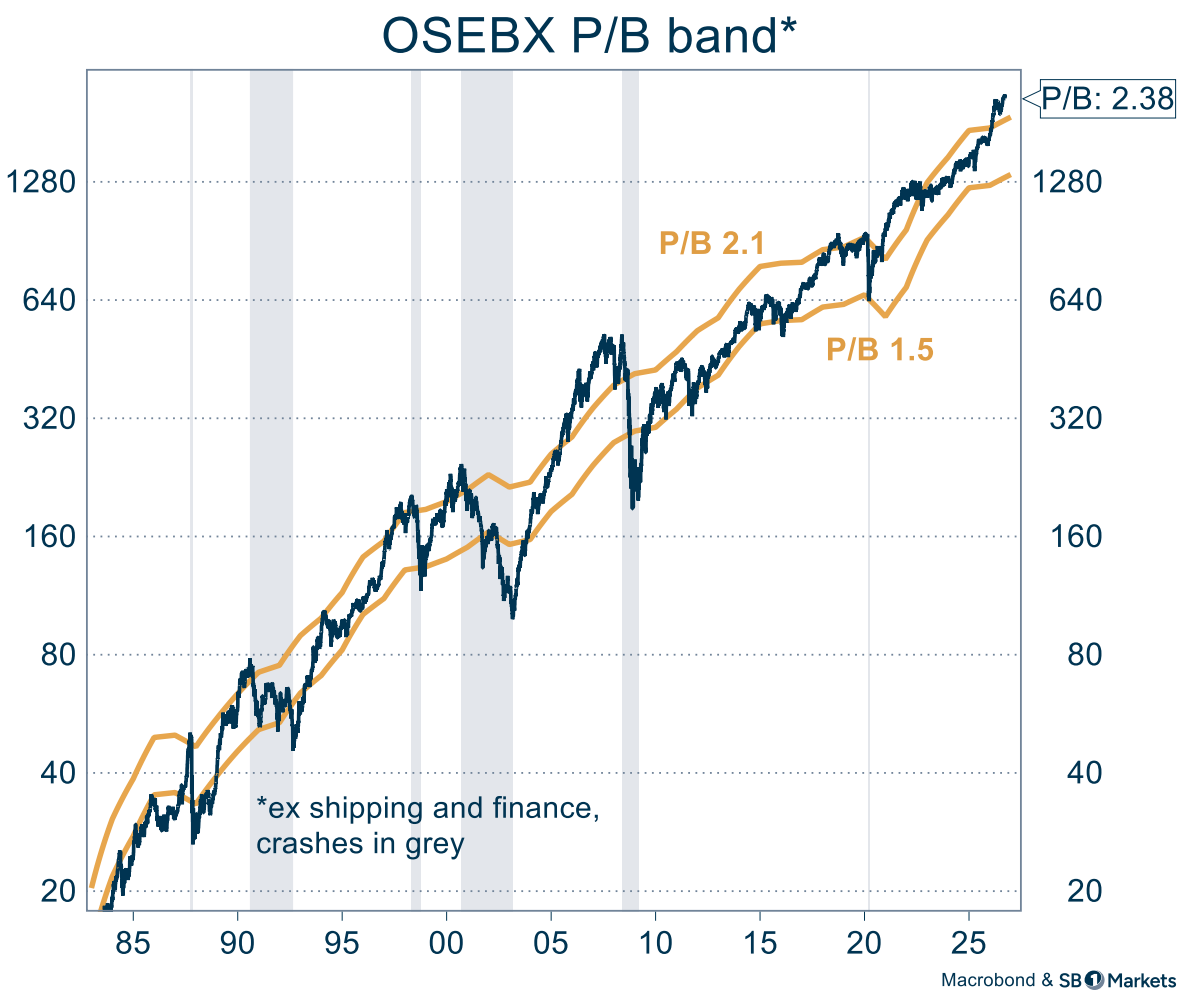
The US market at the 2nd highest vs. the Shiller CAPE ever, and few markets are cheap

Other markets are on average 15% above an average multiple, 21.7 vs. 18.8. The OSE sits at 18, which is above average (from 1970) but not by that much.



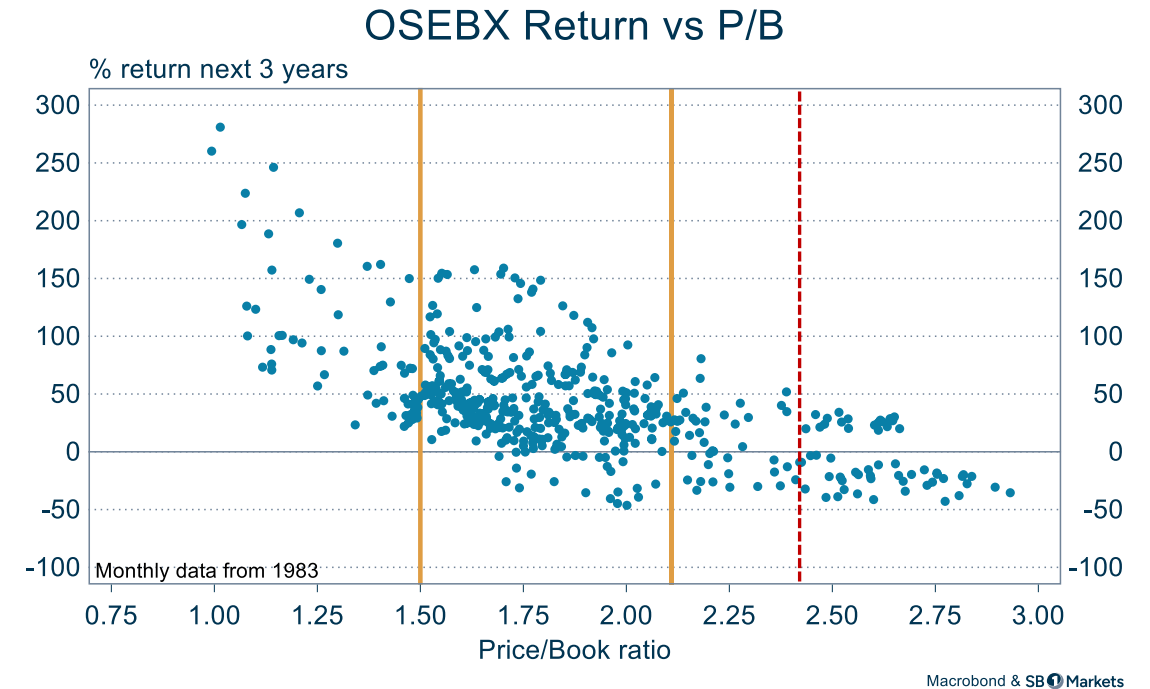
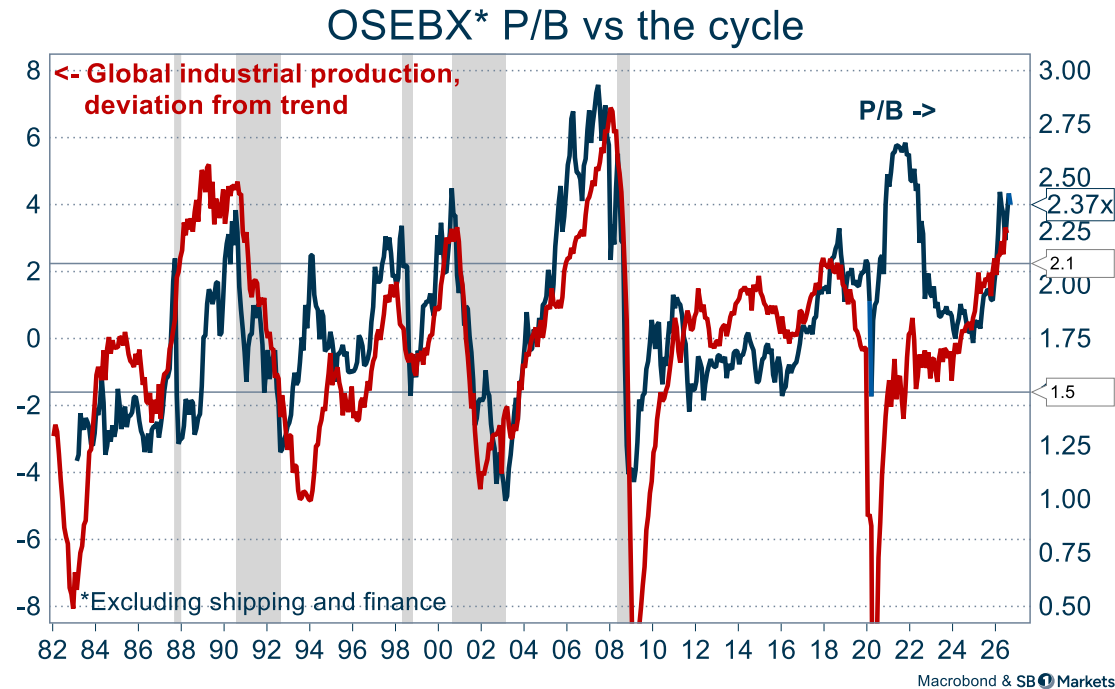


OSE down 1.6%, Price/Book ratio at 2.38



OSE 3-year expected return: not very attractive

BTW, we know what drives the pricing cycles most of the time: the global economic cycle.

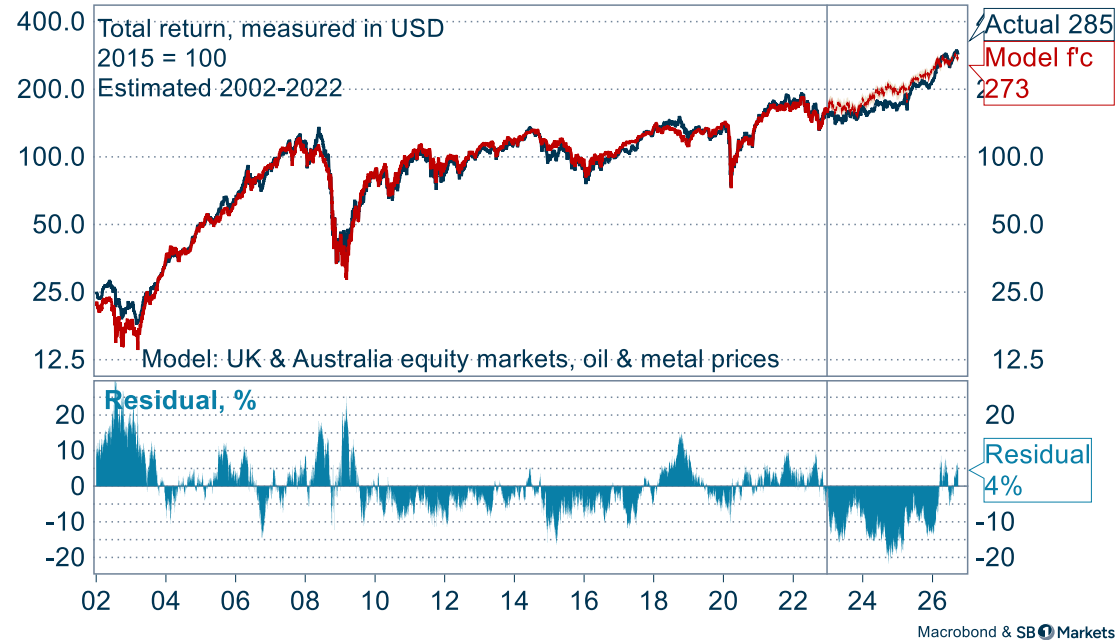


OSE vs. our 'peers'-based level model: a tad above

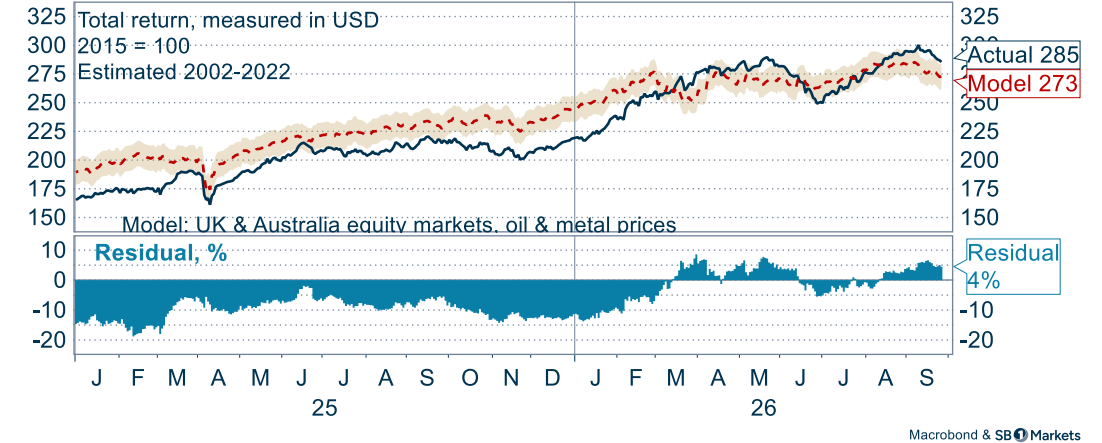
The OSE is 4% above a model estimate based on FTSE, ASX, oil and metal prices.

Measured over the past 12 months, the OSE is up 27%, while our y/y model suggests 21%.

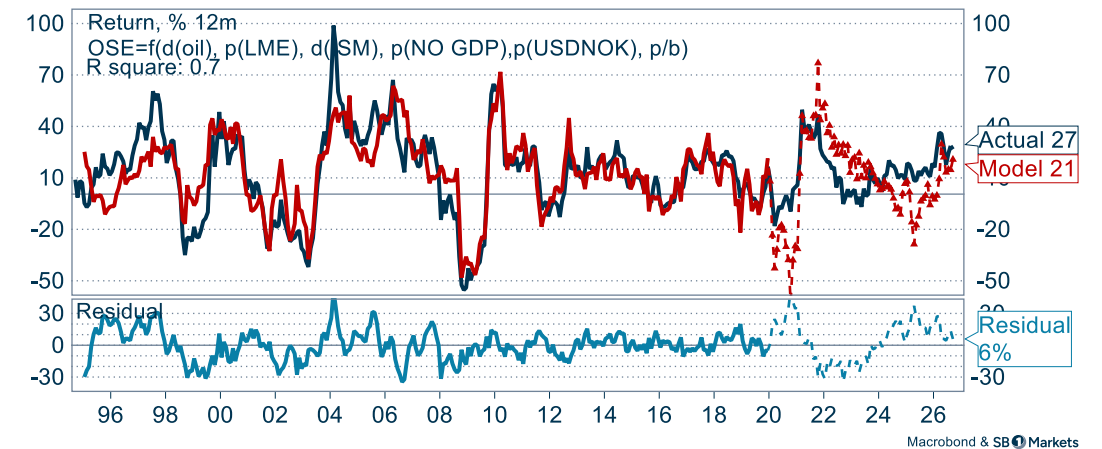
OSEBX - actual vs. model



OSEBX - actual vs. model

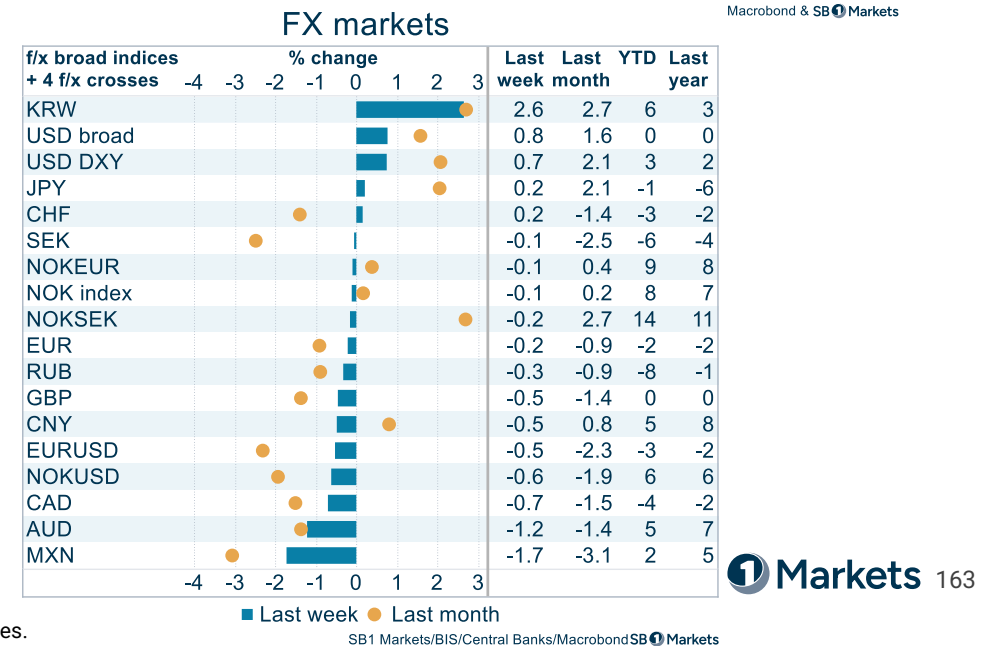
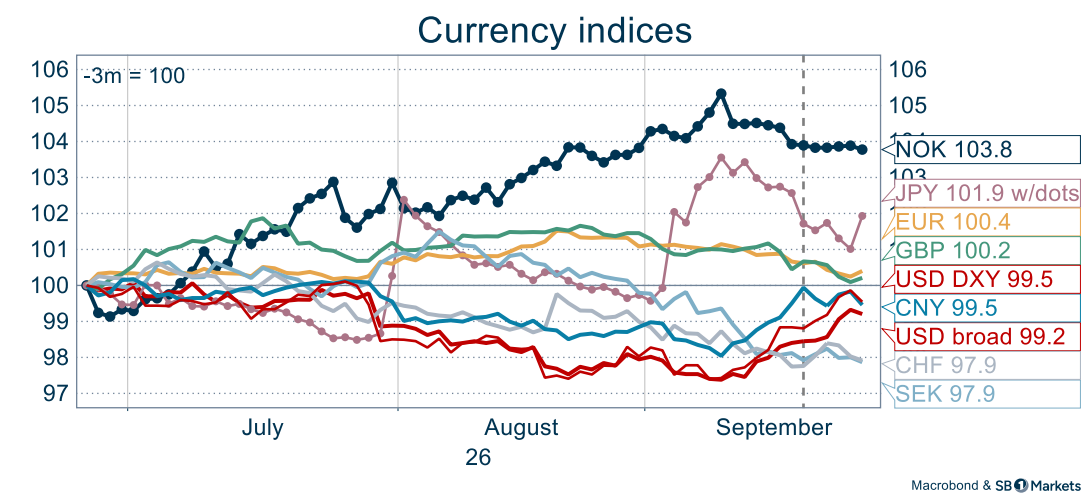
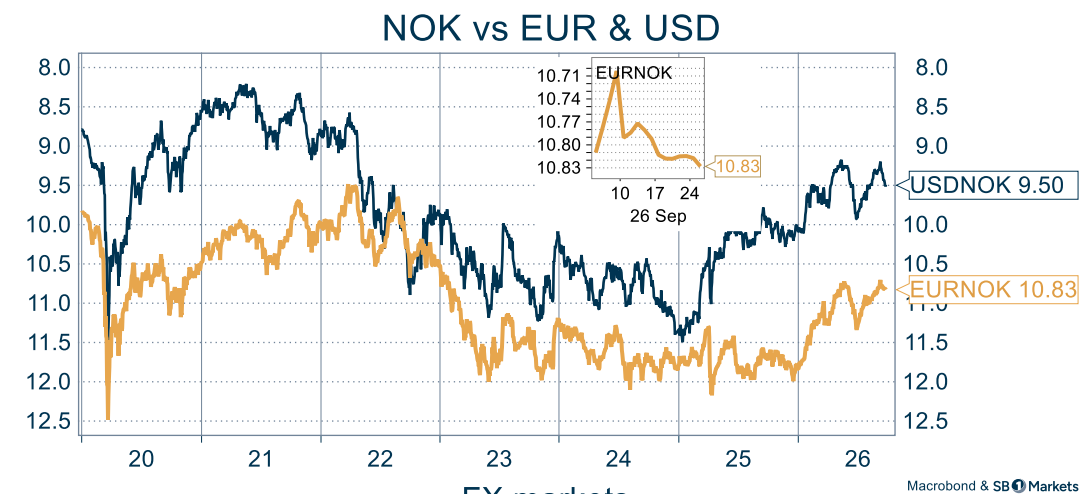


OSE Return



The USD appreciated further, supported by the surge in US rates & bond yields

The trade-weighted NOK depreciated marginally (0.1%), as did the (weak) SEK while CAD and AUD fell some 1%.

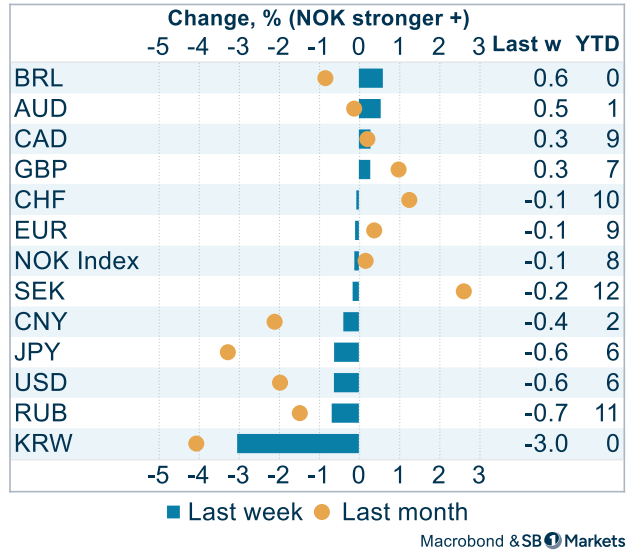


In the table, we present both the Fed's broad USD index and the standard DXY index, where the USD is measured relative to a few DM currencies.

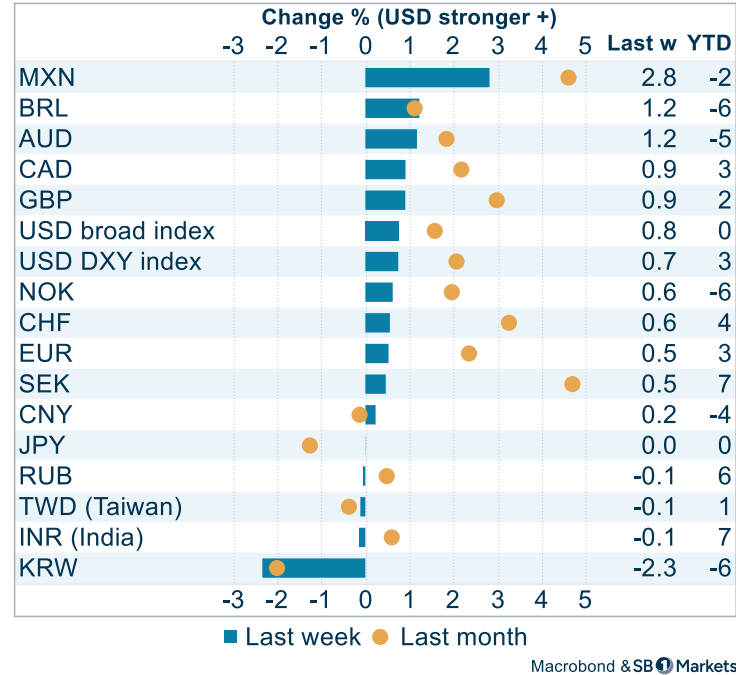
FX: NOK depreciated in most directions, the USD appreciated, broadly

The trade-weighted NOK has appreciated 8% so far in 2026, 12% vs. SEK and 10% vs. CHF (!). The USD indices are slightly up YTD. The Russian RUB and the Venezuelan VES are the losers in 2026 (together with the Indian INR, Indonesian IDR and the Ukrainian UAH).

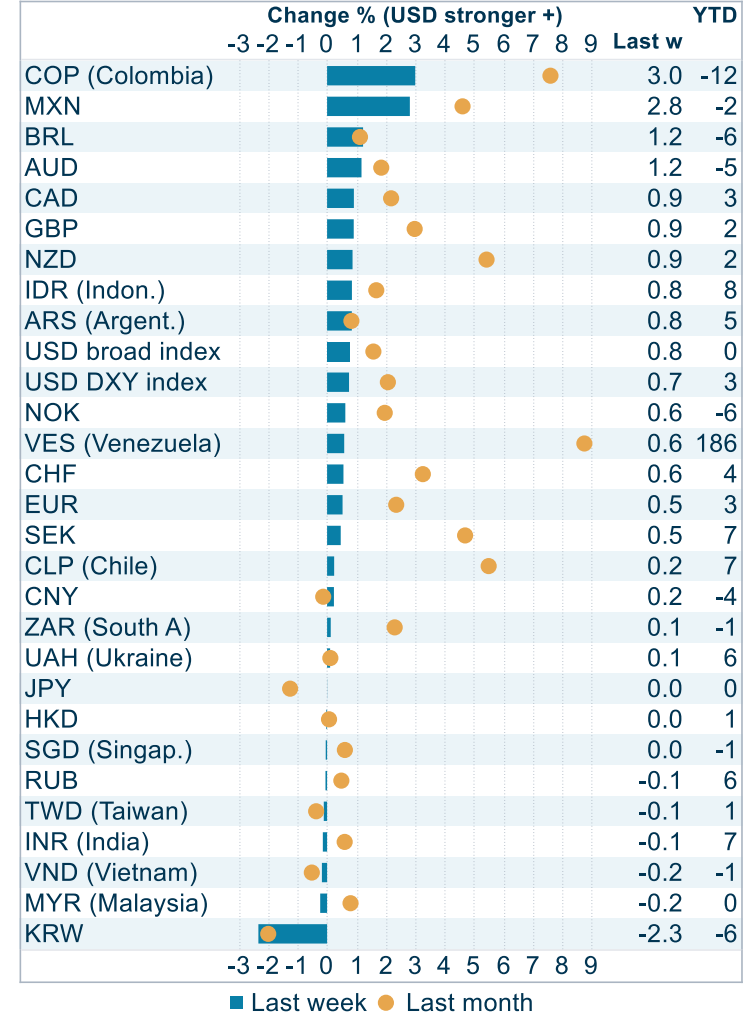
NOK vs. the others



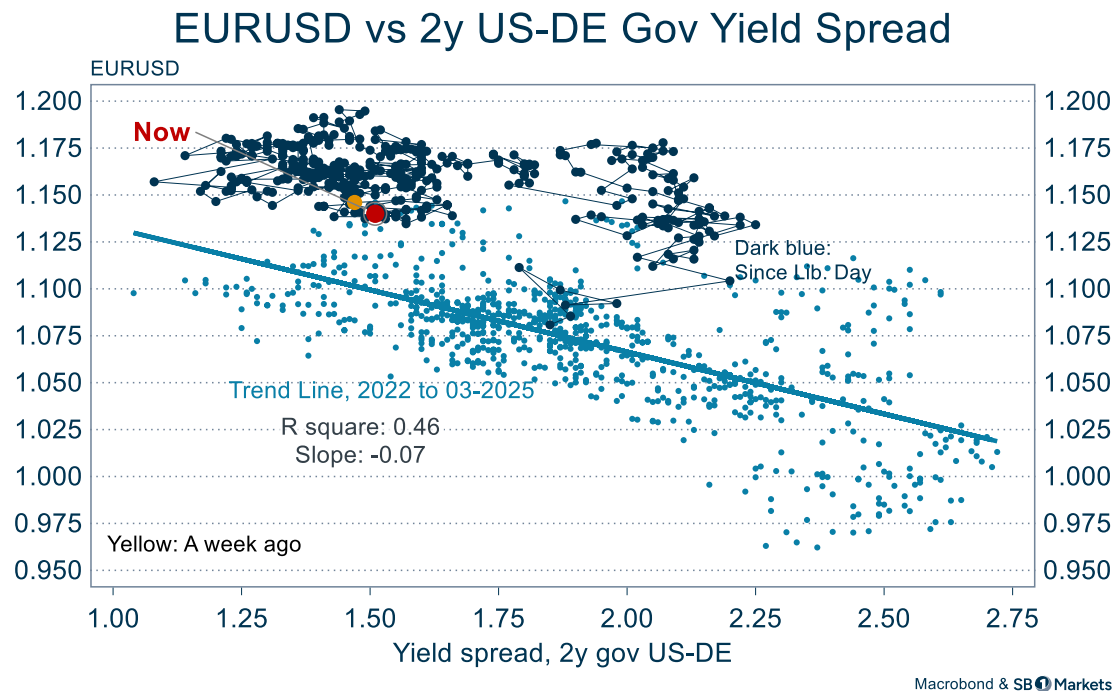
USD vs. the 'Majors'



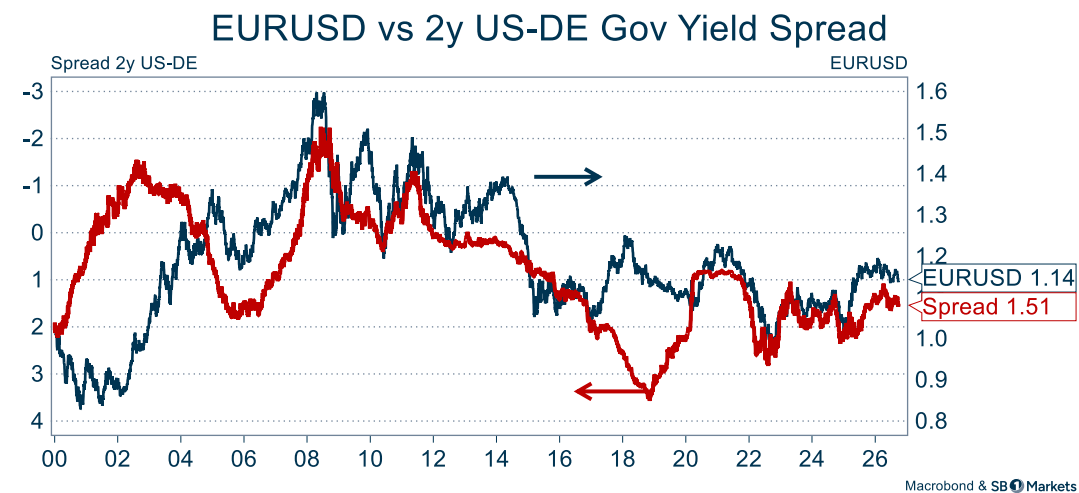
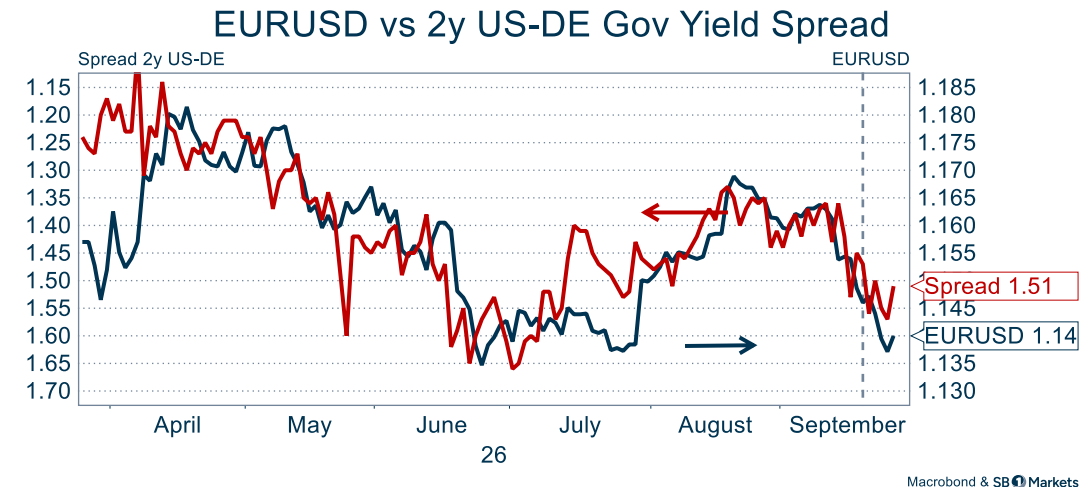
USD vs. 'all'



The USD followed US rates up last week

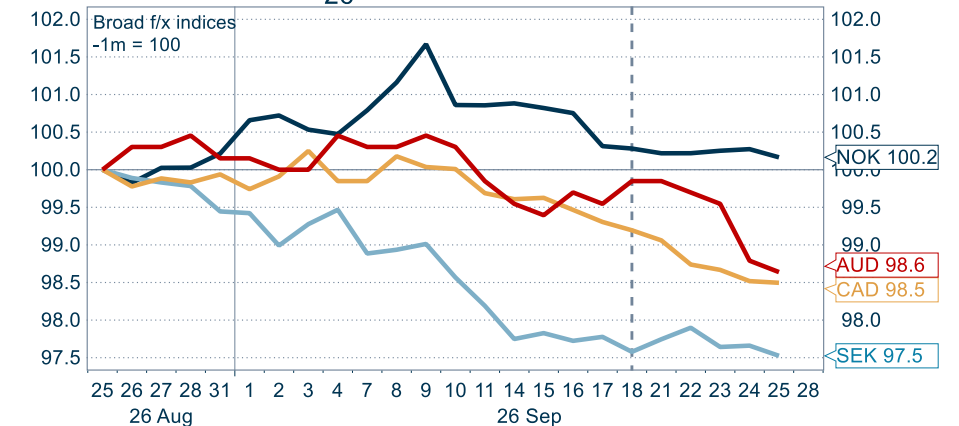
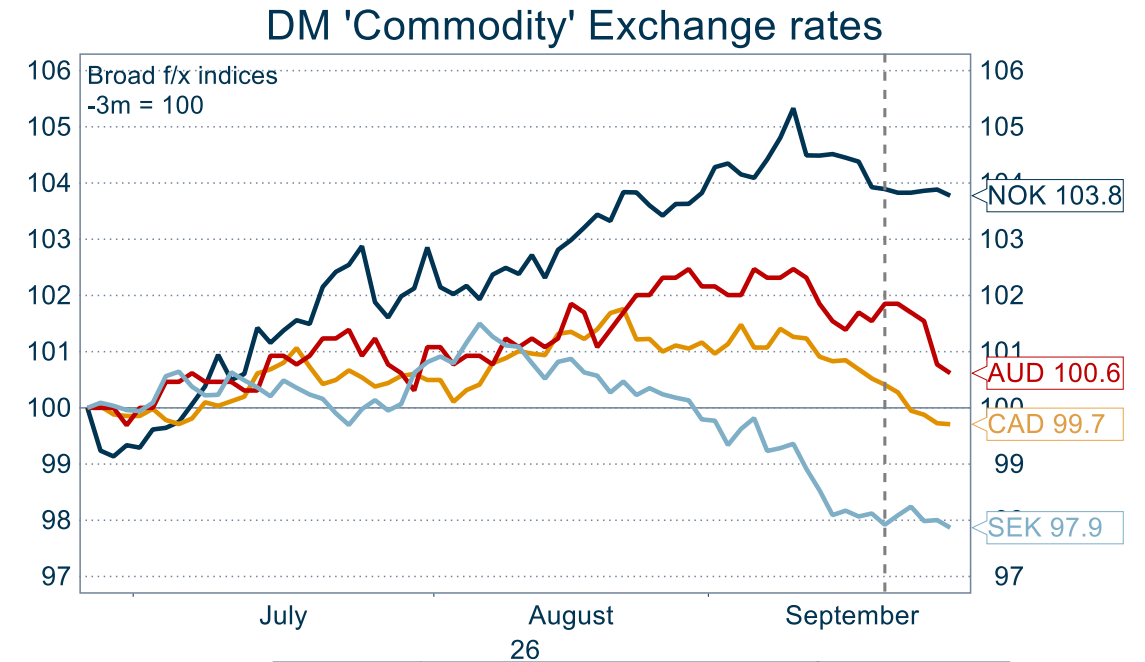
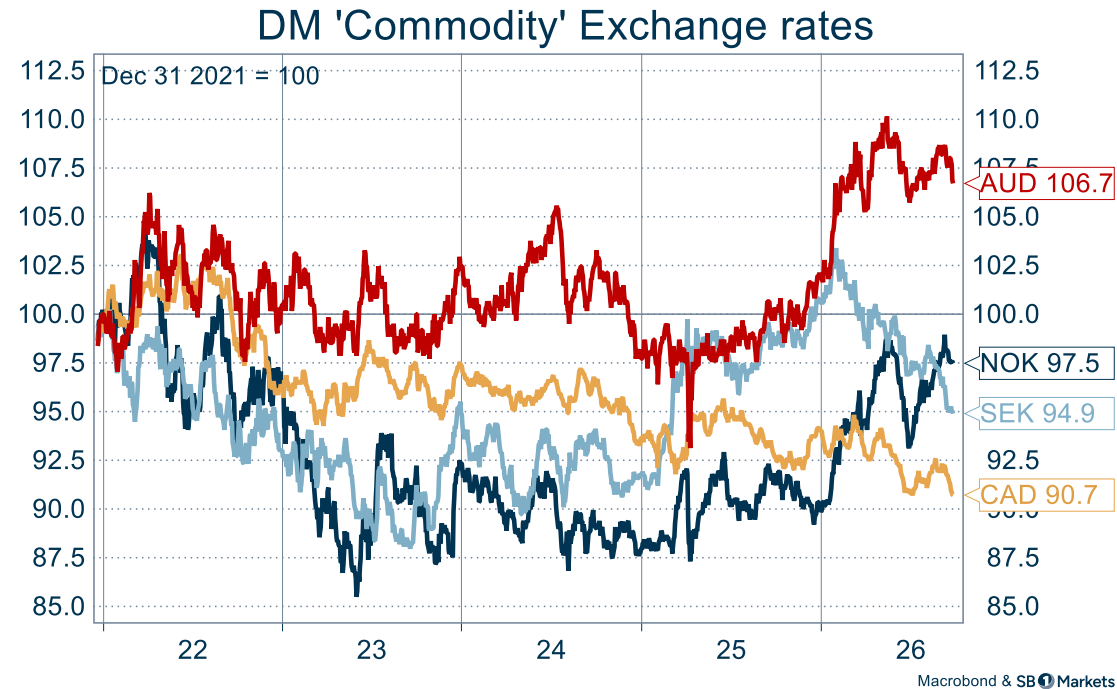


- The 'model', estimated over the previous 3 years of data:
 - 1 pp narrowing of the 2y gov. spread: a 7% EURUSD appreciation.
 - Some 'carry' impact.
 - There may be a reason for changes in the spread, such as changes in the relative growth outlook.
- Over time, the correlation is not tight at all, check the lower chart to the right! We have seen far larger 'gaps' than the current one.



'Commodity' FX: NOK, SEK just marginally weaker last week. CAD, AUD fell more

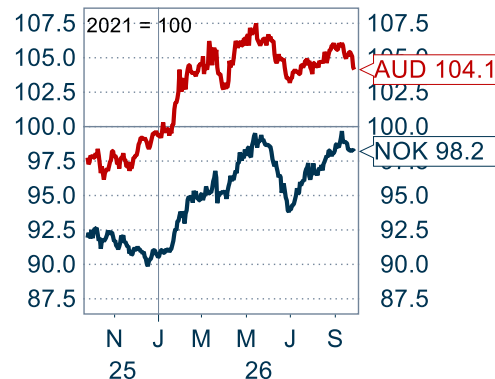
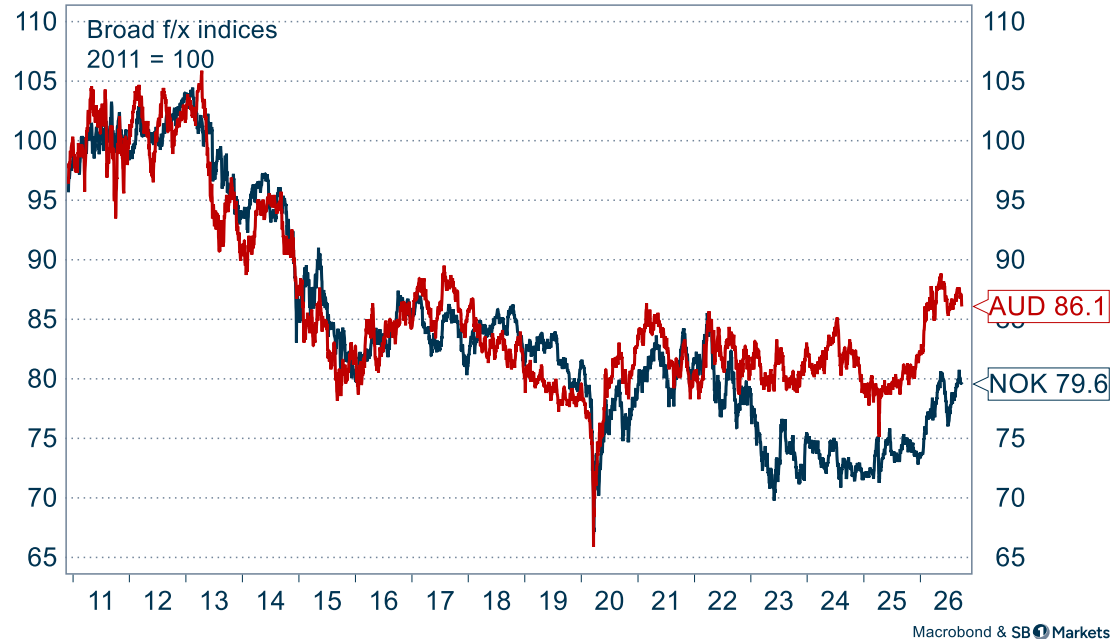
The winner the last month and the past 3 months: still NOK



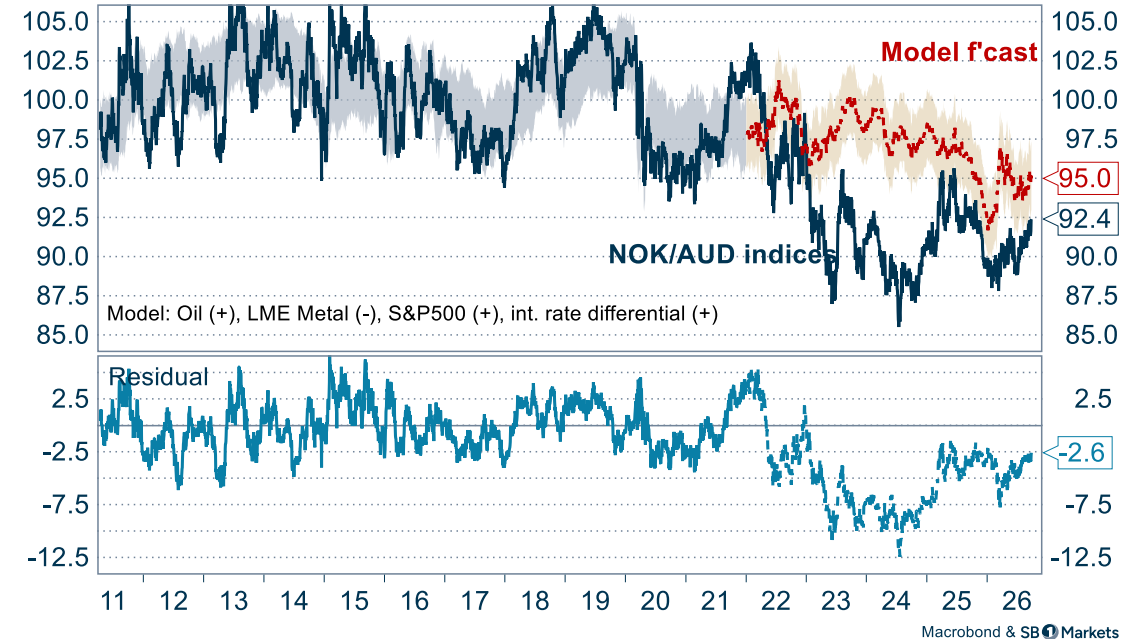
NOK weaker relative to AUD than our model suggests, but the gap has narrowed slightly

... and is not that large anymore, at just 2.6%.

AUD vs NOK



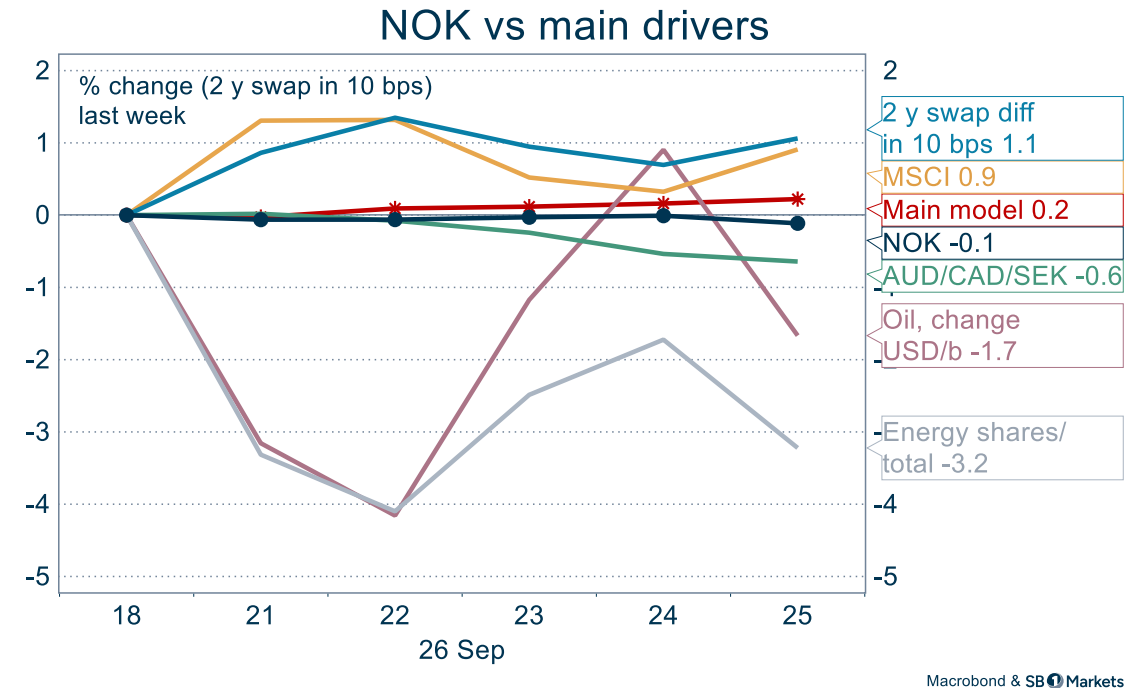
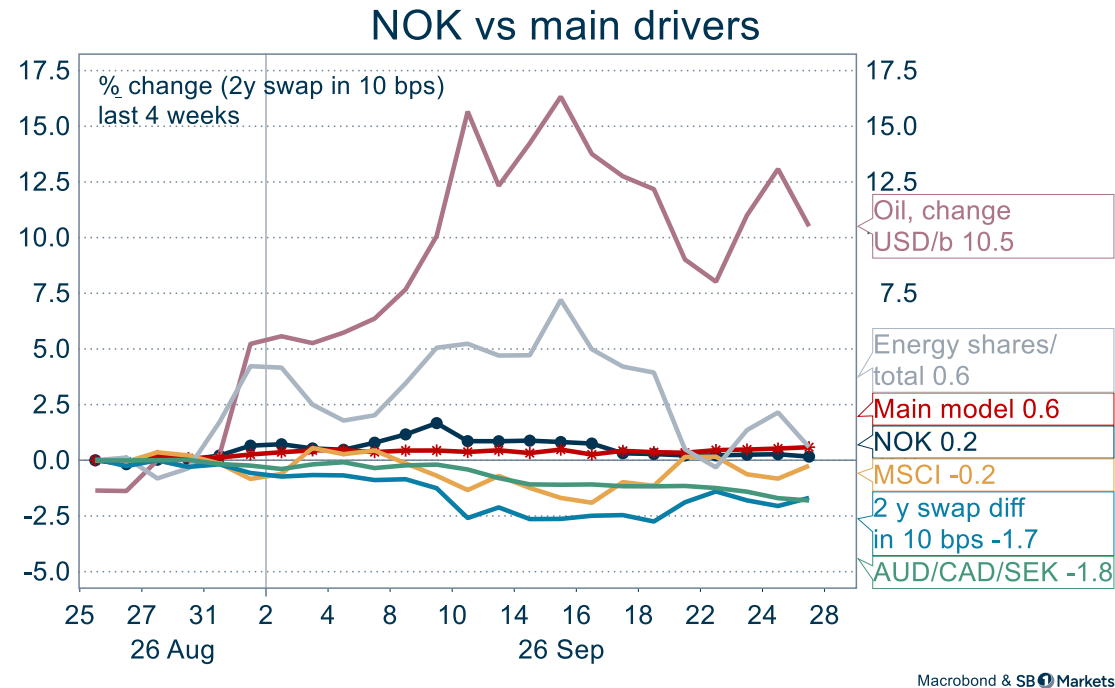
NOK vs AUD



- NOK and AUD, measured by the respective FX indices, have been very closely correlated over the past 15 years, at least until early 2023.
- Our NOK/AUD index model explains most of the small differences between the two FX indices. Normally, the NOK index strengthens relative to the AUD index when the oil price rises relative to the LME metal index and the S&P 500 index climbs.

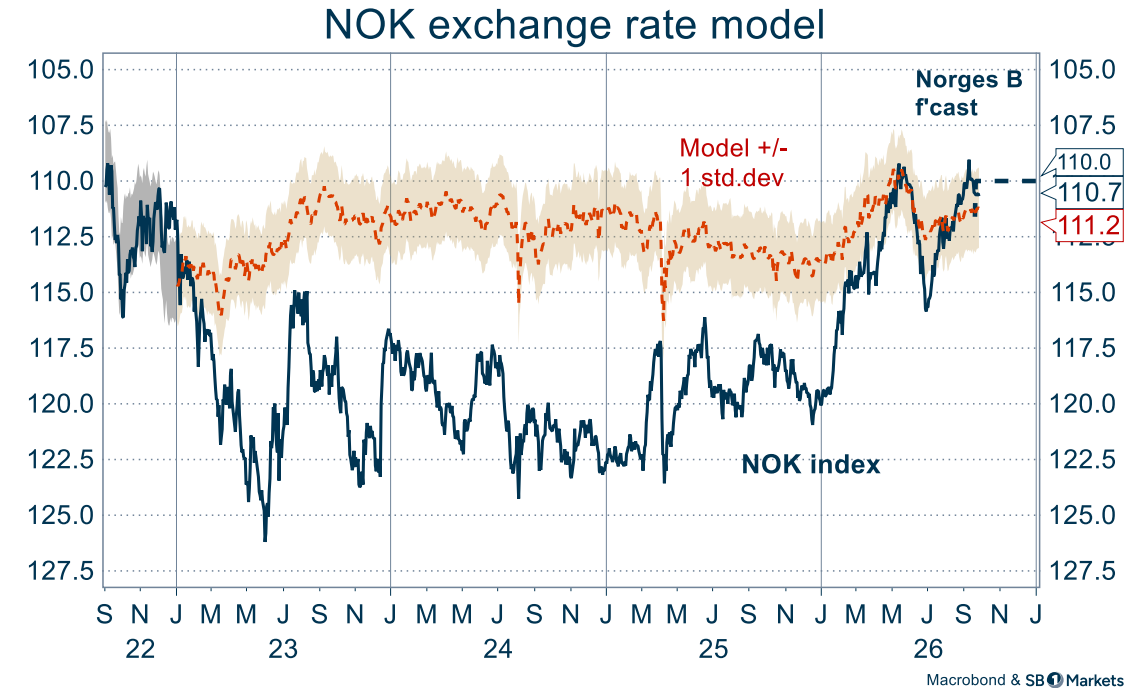
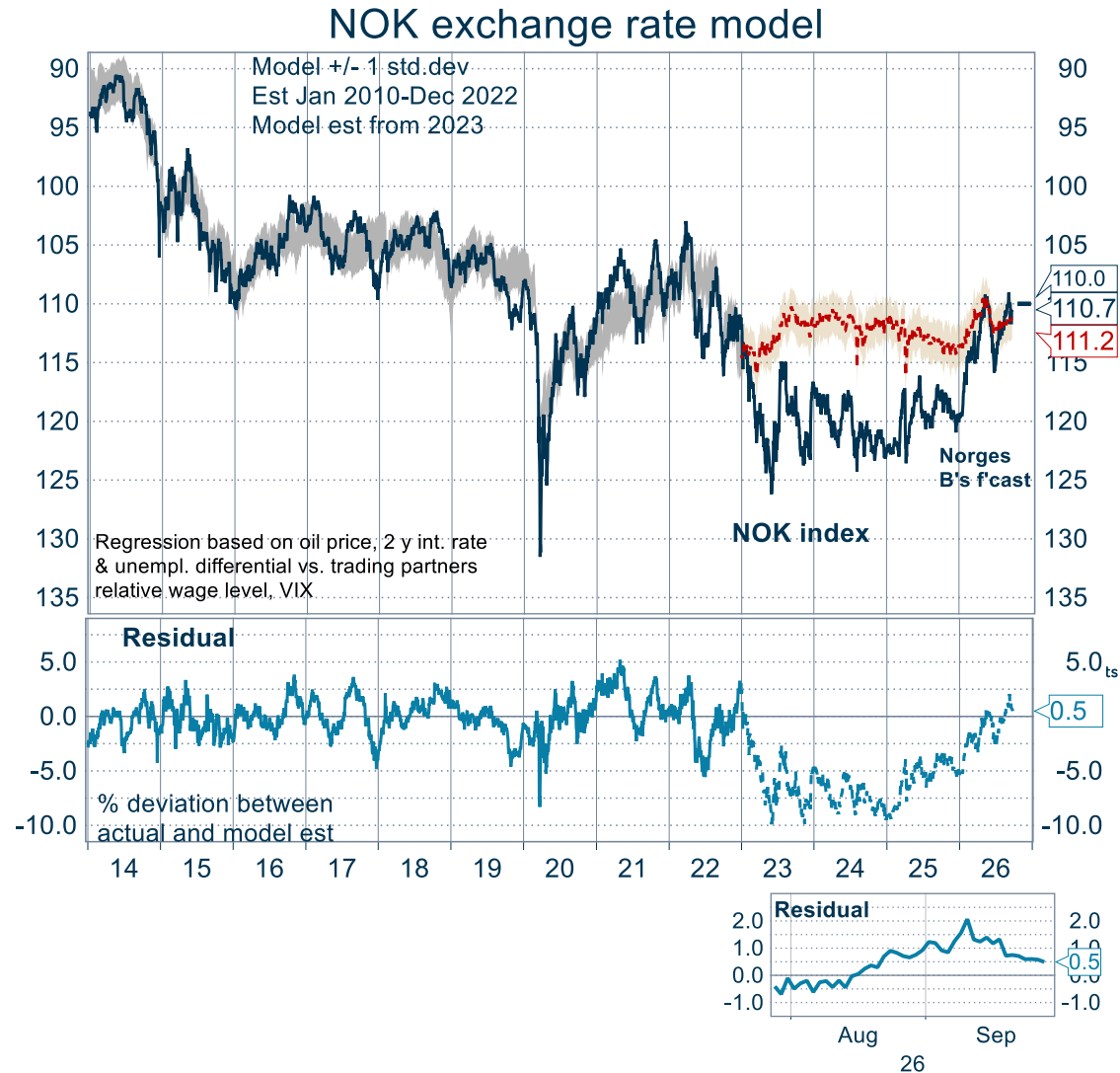
NOK 0.1% weaker last week, our model suggested a 0.2% appreciation

... due to an 11 bps wider 2y rate differential vs. trading partners. Last month: NOK has appreciated 0.2%, the model suggested 0.6%. The lift in the oil price has been the main factor for the NOK appreciation last month, while the rate differential has narrowed.





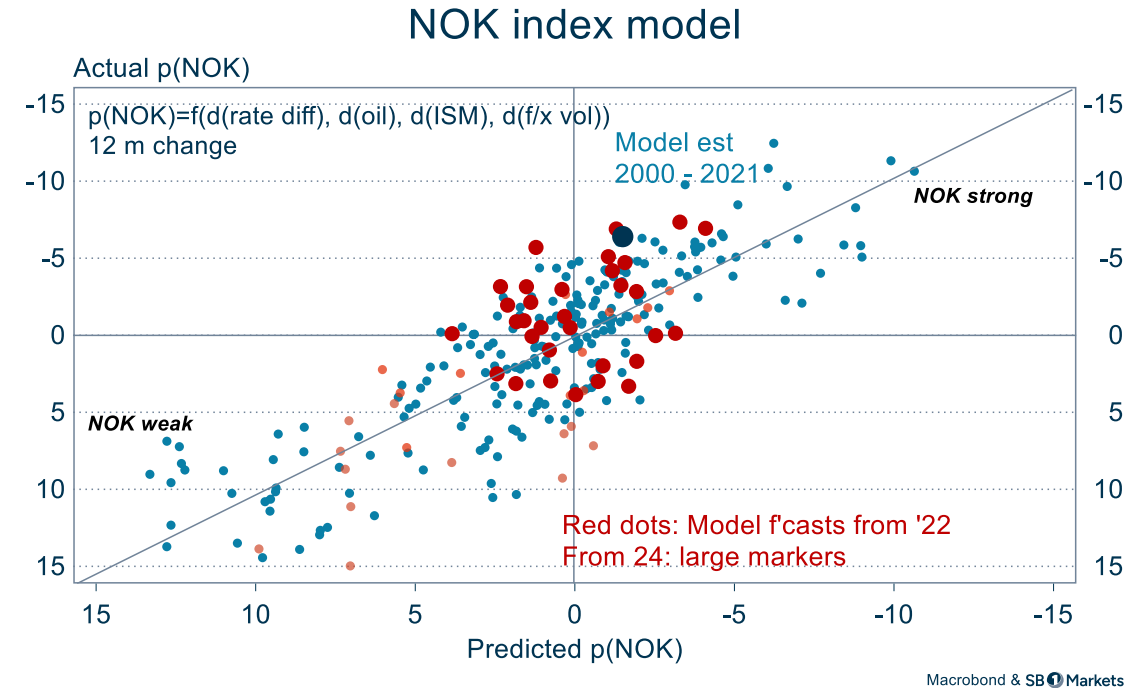
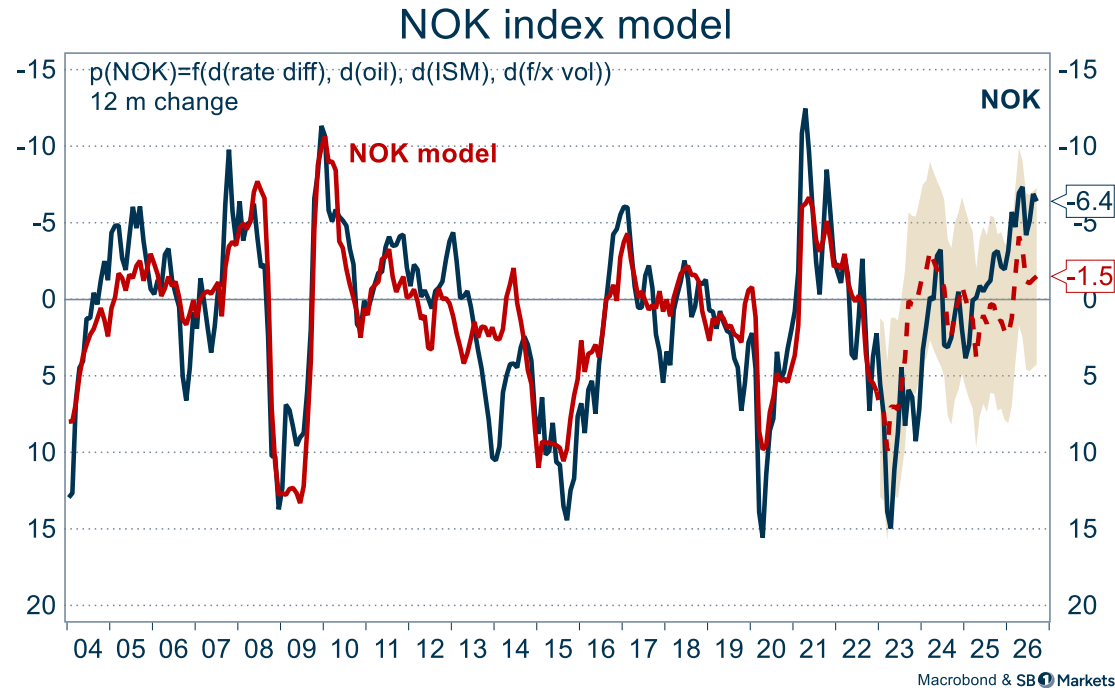
NOK marginally weaker, still marginally above our model forecast



The NOK index: I44, adjusted for end-of-day FX rates relative to NOK.
The oil price in the model: average spot-3m (rolling positions), US CPI adjusted.

Short-term NOK cycles: The NOK has appreciated 'by itself' in the past year

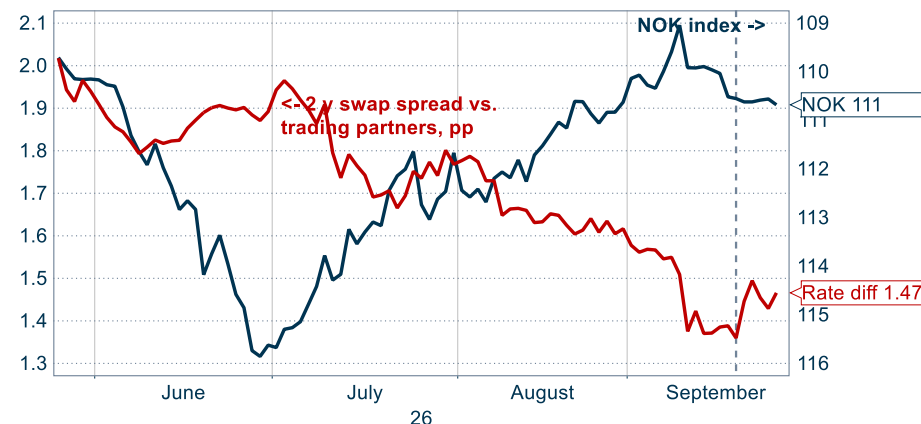
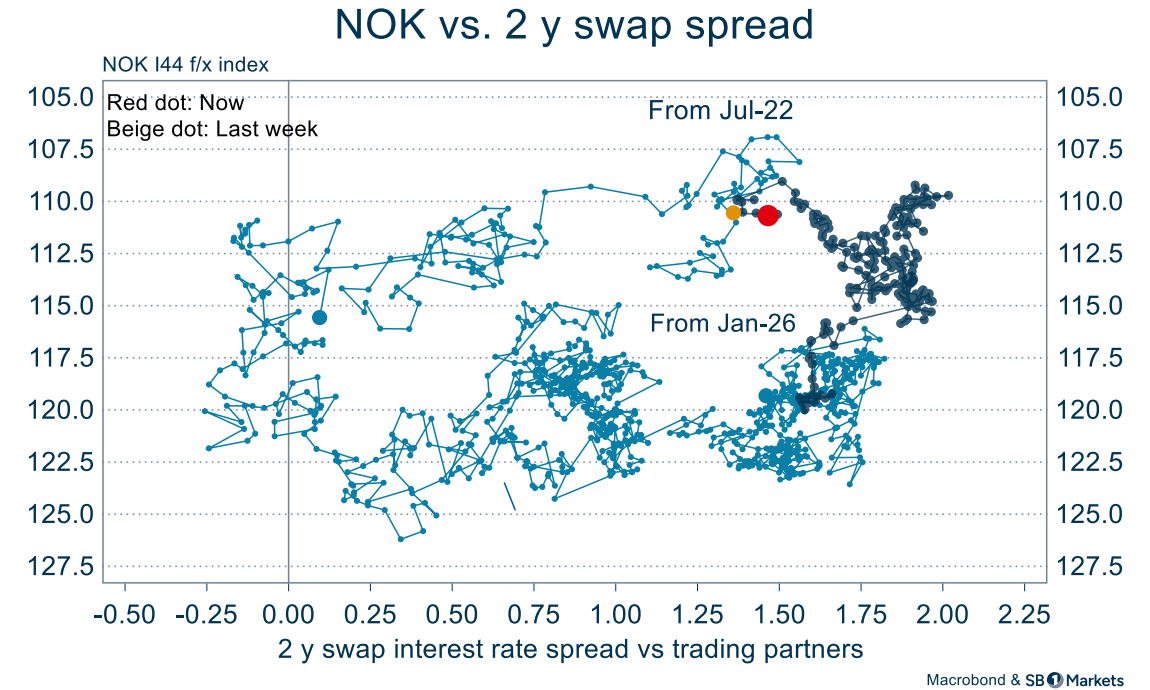
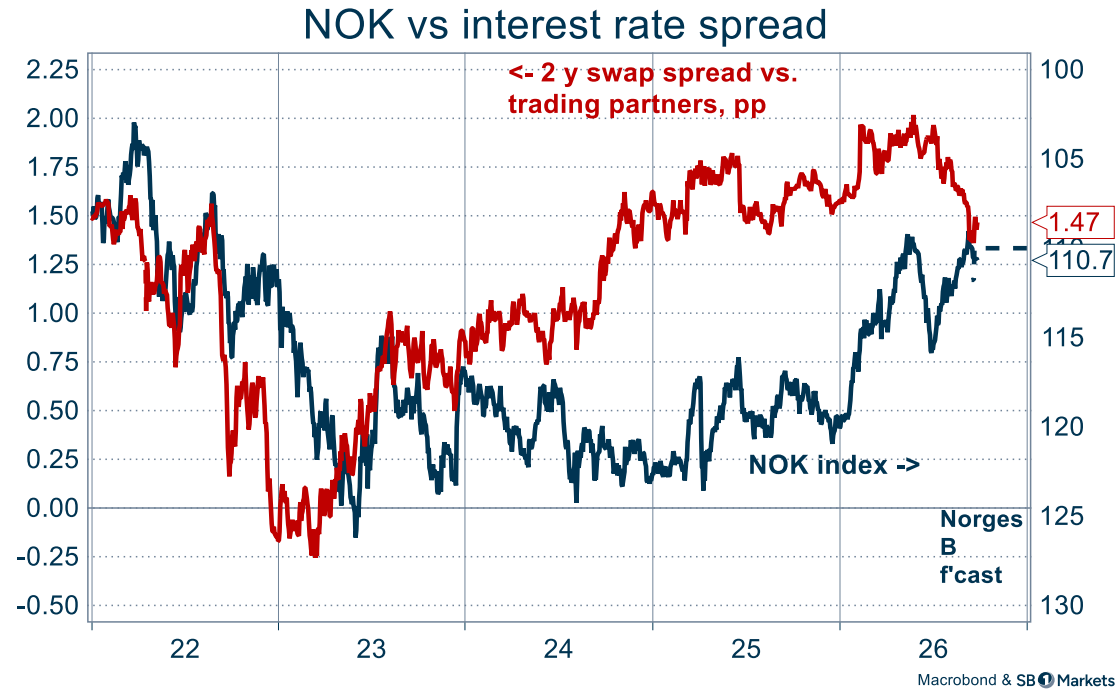
Our model suggests a 1.5% NOK appreciation over the past 12 months, while NOK has climbed 6.4%. A higher oil price and a higher rate differential explain most of the estimated strengthening – but most of the appreciation **is due to factors other than the normal 'drivers'**.



- ... which may be seen as a **'real' repricing of NOK**, reversing the 'unexplained' NOK depreciation in H1 2023.
- The model: Most of the NOK's ups and downs (if not necessarily the level at all times) are well explained by a few 'macro' variables: the 2y rate differential relative to trading partners, the oil price, the US ISM manufacturing survey (the global growth momentum) and FX volatility. The oil price has been the most important factor.

The rate differential finally widened last week. Still, the NOK depreciated

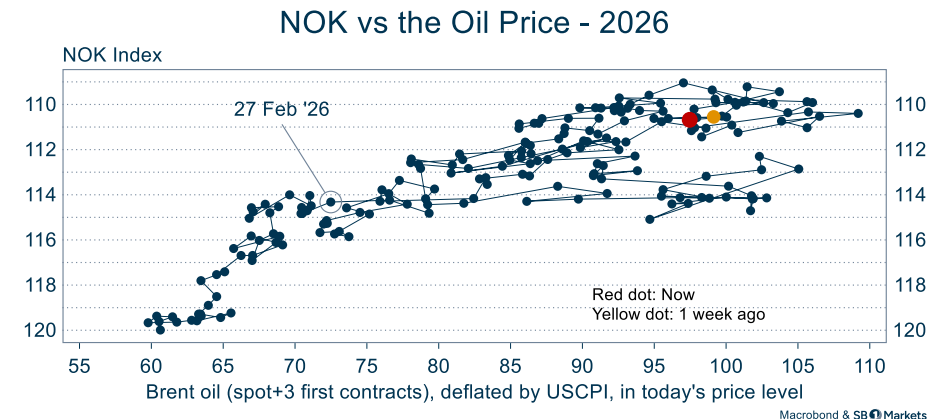
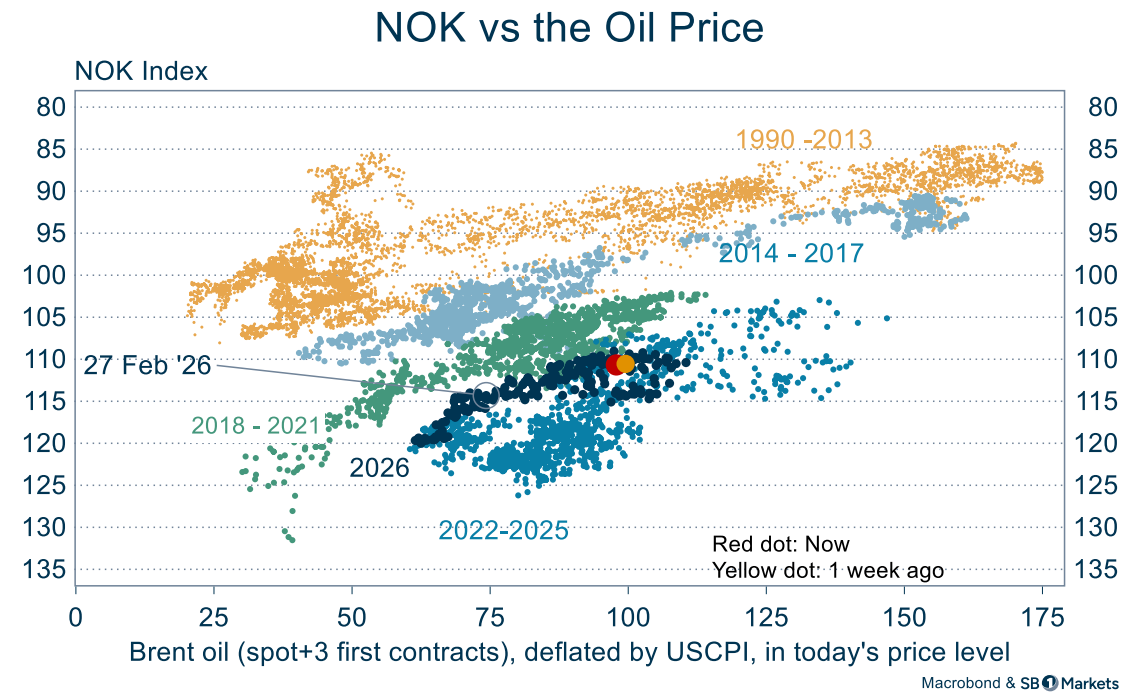
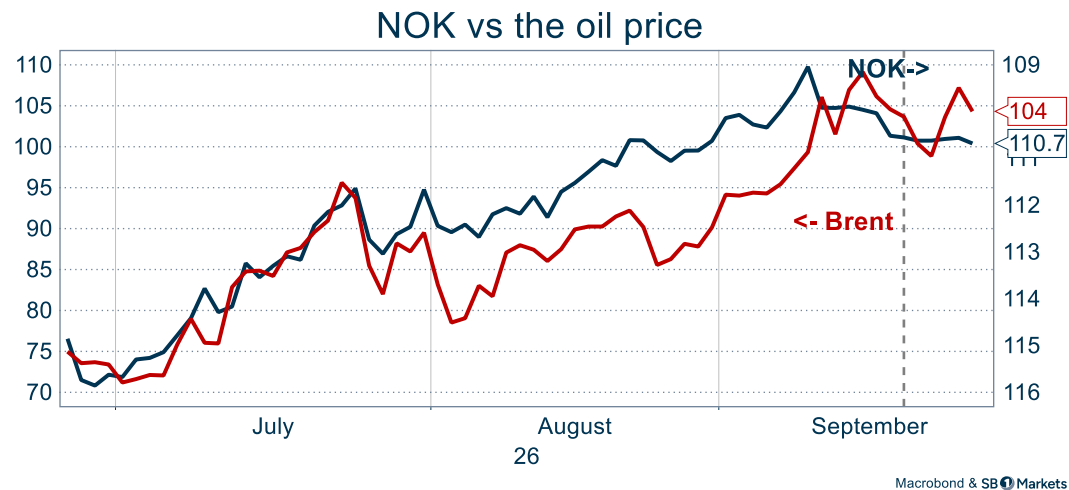
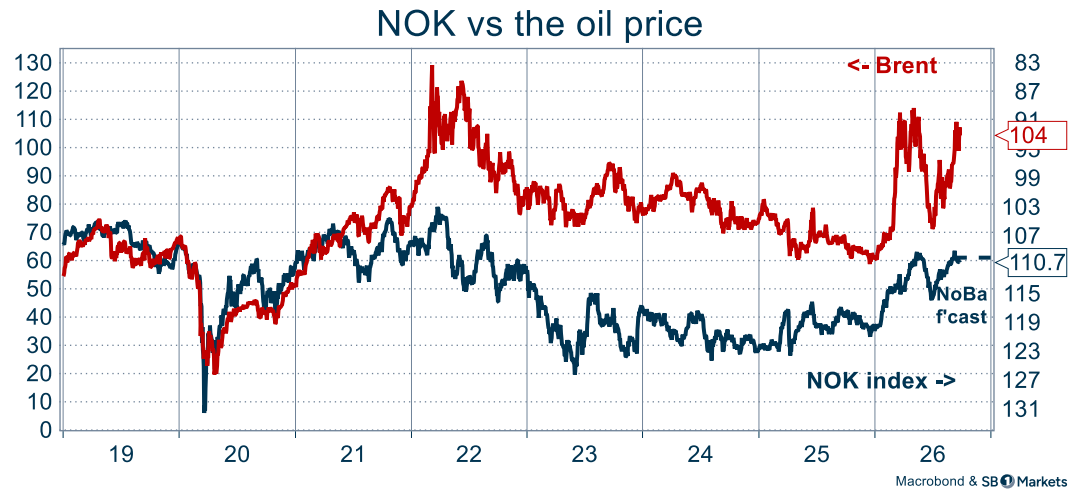
From mid-June, the correlation between the rate differential and the NOK has been mostly 'wrong' – but the correlation is anyway not tight, even if the sign is 'correct' over time.





NOK has followed the oil price quite closely in recent months. Last week down.

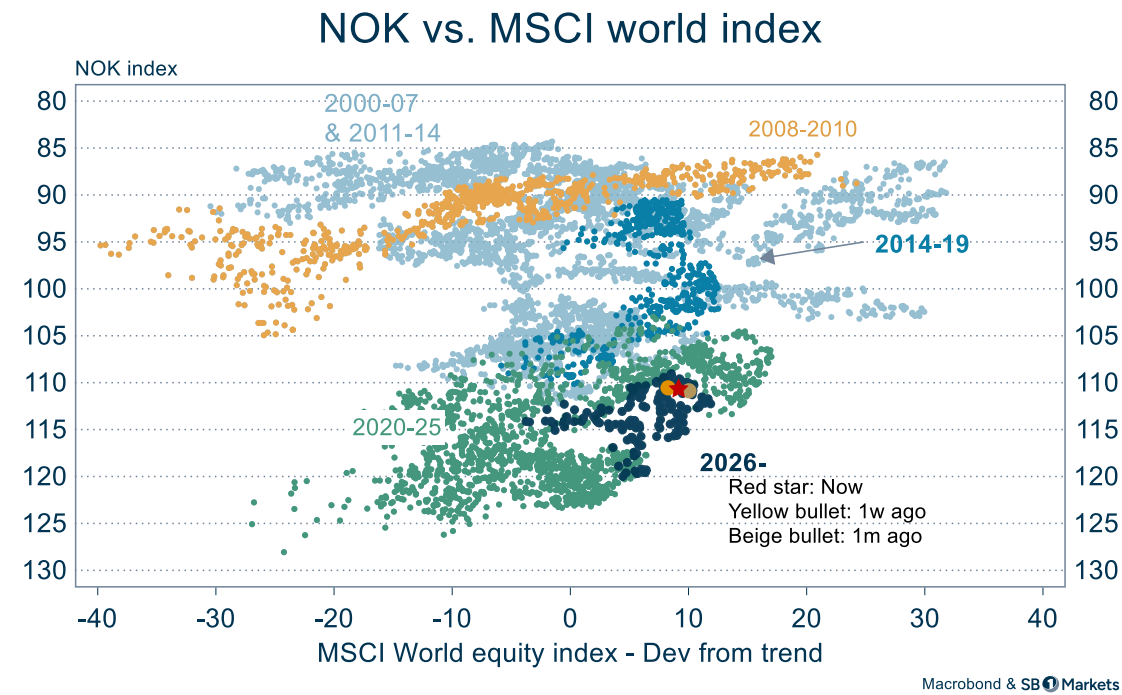
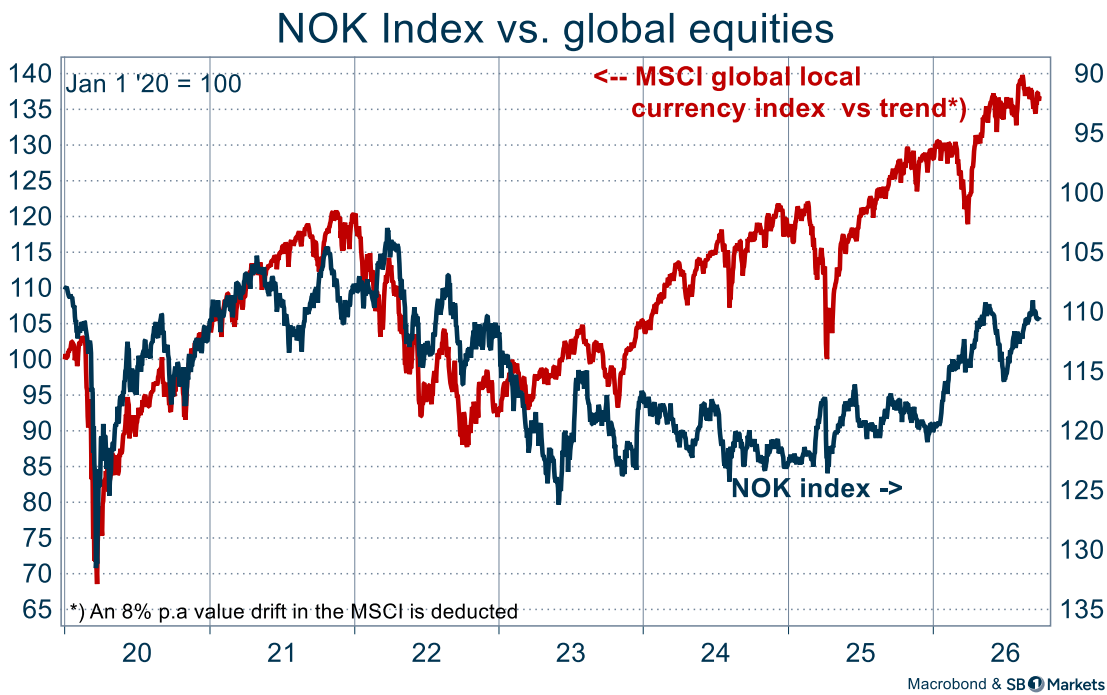
The NOK is on the strong side vs. the oil price vs. the relationship in recent years (from 2022, the darker blue and black dots in the upper-right chart, and vs. the relationship since the US-Iran war started in late February, lower-right chart).





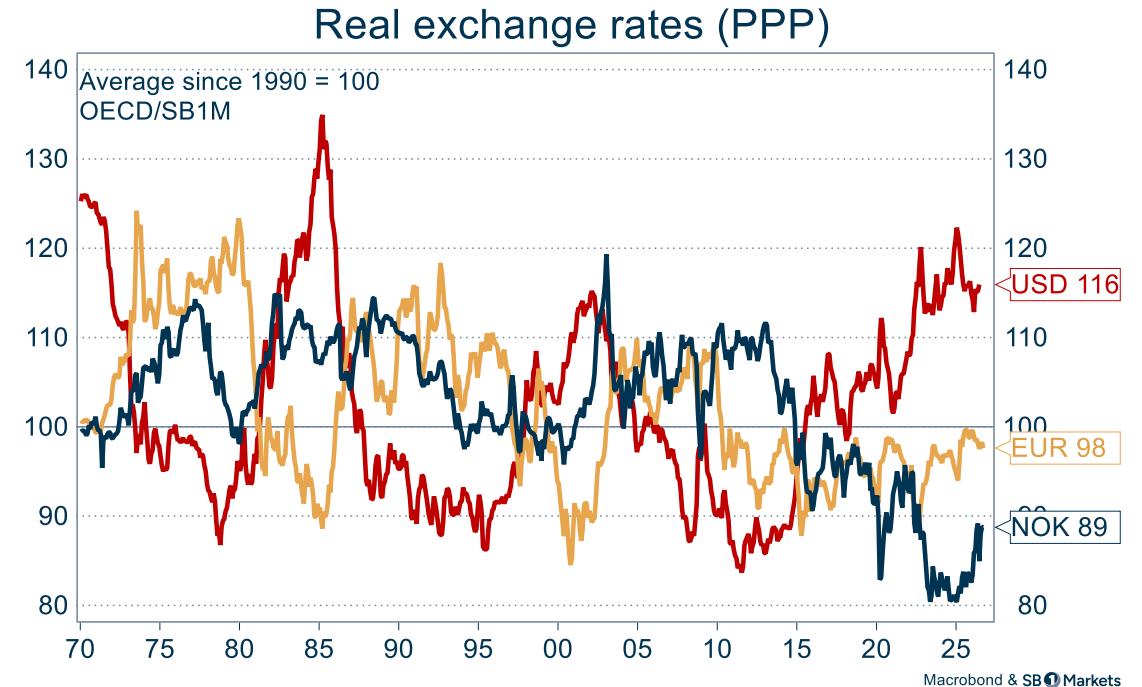
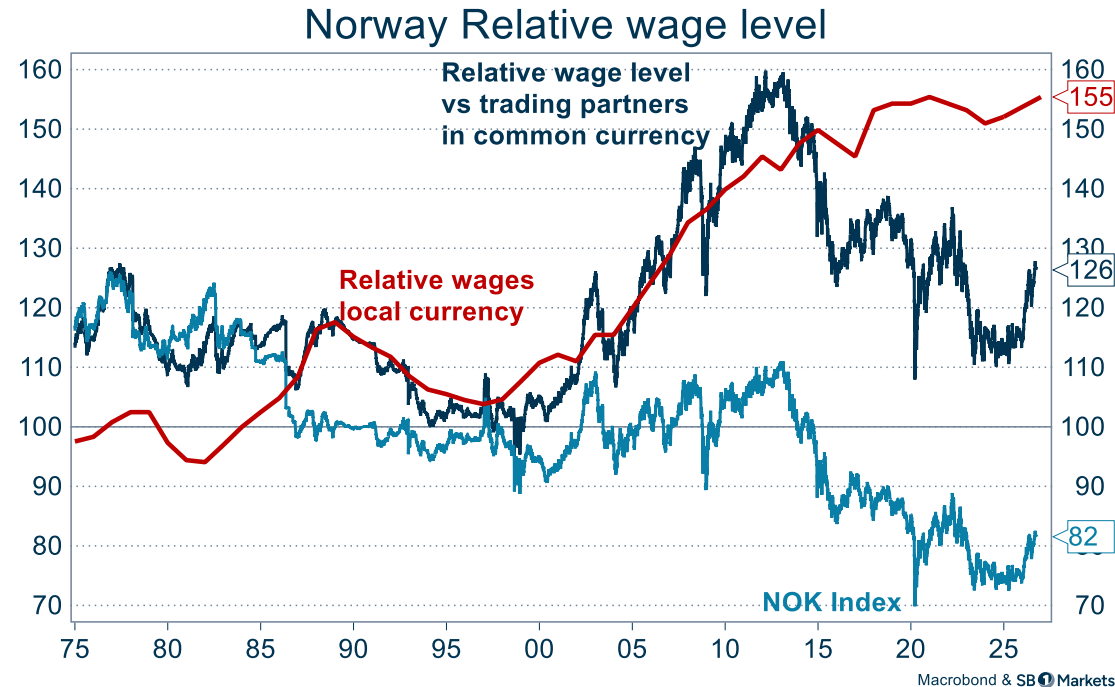
NOK uncorrelated to global equity markets in 2026

Normally, a stronger stock market has been supportive of the NOK – and vice versa.
Last week, the global stock market rose, while the NOK depreciated slightly.



The relative cost position may be at a reasonable level. The price level is still rather low.

Thus, mixed signals vs. the NOK – but the upside is anyway not that large.



- Norway's wage costs have long been higher than abroad due to higher productivity, with a 5–20% gap before 2000.
 - The return from the Oil Fund now equals about 14% of GDP and finances a quarter of imports, justifying a higher cost level than before. The current wage-cost gap is 26%, up from 12% in 2024. This relative cost level may still be on the low side, but **the gap to a fair value has certainly narrowed substantially**.
- Norway's price level vs. trading partners is 11% below the average since 1990, up from 20% below late last year. The level may still be too low, **but also this gap has narrowed substantially**.
- Other currencies:
 - The real USD exchange rate is well above a long-term average level.
 - The real EUR exchange rate is close to an average.

Disclaimer

SB1 Markets AS

This report originates from SB1 Markets' research department. SB1 Markets is a limited liability company subject to the supervision of The Financial Supervisory Authorities of Norway and Sweden (Finanstilsynet and Finansinspektionen). SB1 Markets complies with the standards issued by the Norwegian and Swedish Securities Markets Associations (NSMA and SSMA) and the Norwegian Society of Financial Analysts. This message, and any attachment, contains confidential information and is intended only for the use of the individual it is addressed to, and not for publication or redistribution.

Author's own views

This report is an outsider's view of the financial instruments referred to in the report. It has been produced by the authors independent of any issuers mentioned in the report, and independent of other divisions of SB1 Markets. The authors of this report confirm that, notwithstanding potential conflicts of interest referred to herein, the views expressed in this report accurately reflect the authors' personal views of the relevant issuers, and that no part of the authors' compensation is related to the views expressed in the report, the performance of their investment recommendations, investment banking assignments or other specific services performed by SB1 Markets. The analyst partakes in the general bonus scheme of SB1 Markets, and as such, may receive compensation that is generated by overall firm profitability.

No investment recommendation

The objective of this report is to understand the value drivers in the sector or group of companies mentioned in the report, how the companies perform compared to each other and how they are valued compared to each other. The report seeks to work as a screening tool for and to identify relative under-/overvaluation for further investigation. The analyses and statements in this report must be seen as marketing material and not as an investment recommendation within the meaning of Regulation (EU) No 596/2014 on market abuse (market abuse regulation), as implemented in the relevant jurisdictions, and associated rules.

No investment advice

The report does not provide tailored personal investment advice within the meaning of section 2-3 (4) of the Norwegian securities trading act. The report is intended for general circulation and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. You should seek advice from a financial adviser regarding the suitability of any product mentioned in this report, taking into account your specific financial objectives, financial situation or particular needs before making a commitment to purchase any such product.

Research for the purposes of unbundling

This report is deemed to constitute a minor non-monetary benefit for the purposes of the inducement rules under MiFID II. The report is publicly available on our website (no log-in required).

Sources of information

This report is based on information obtained from public sources that SB1 Markets believes to be reliable but which SB1 Markets has not independently verified, and SB1 Markets makes no guarantee, representation or warranty as to the accuracy or completeness. This report does not, and does not attempt to, contain everything material which there is to be said about the Company. Any opinions expressed herein reflect SB1 Markets' judgement at the time the report was prepared and are subject to change without notice.

Limitation of liability

Any use of information contained in this report is at your own individual risk. SB1 Markets assumes no liability for any losses caused by relying on the information contained in this report, including investment decisions you may have taken on the basis of this report.

Risk warning

Return on investments in financial instruments is inherently exposed to risks. Past performance is not a reliable indicator of future performance, and estimates of future performance are based on assumptions that may not be realised. When investing in financial instruments, the value of the investment may increase or decrease, and the investor may lose all or part of the investments.

Conflicts of interest

SB1 Markets, affiliates and staff may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) in any stock mentioned in this publication. To mitigate possible conflicts of interest and counter the abuse of confidential information and insider knowledge, SB1 Markets has set up effective information barriers between divisions in possession of material, non-public information and other divisions of the firm. Our research team is well versed in the handling of confidential information and unpublished research material, contact with other departments of SB1 Markets and restrictions on personal account dealing.

Investment services provided by SB1 Markets

SB1 Markets may have provided investment services and/or ancillary services to the issuers mentioned in this report and received compensation for it during the past 12 months. Please refer to our webpage for an overview of all investment banking assignments carried out in the last 12 months: www.sb1markets.com. Note that assignments subject to confidentiality are excluded.

Ownership of securities issued by the companies covered in this report

The authors of this report do not (alone or jointly with related persons) own securities issued by the companies mentioned in this report. SB1 Markets may have holdings in the issuers mentioned in this report as a result of own account trading, market making and/or underlying shares as a result of derivatives trading. For an overview of instruments where SB1 Markets and related companies are market makers or liquidity providers, please refer to our webpage: www.sb1markets.com. Information on SB1 Markets' holdings as a result of own account trading is available upon request.

Limitation on distribution

This publication is not intended for, and must not be distributed to, individuals or entities in jurisdictions where such distribution is unlawful.

This report was completed and disseminated at 00:25 CET on 28 September 2026

Disclaimer

SB1 Markets AS

This report originates from SB1 Markets' research department. SB1 Markets is a limited liability company subject to the supervision of The Financial Supervisory Authorities of Norway and Sweden (Finanstilsynet and Finansinspektionen). SB1 Markets complies with the standards issued by the Norwegian and Swedish Securities Markets Associations (NSMA and SSMA) and the Norwegian Society of Financial Analysts. This message, and any attachment, contains confidential information and is intended only for the use of the individual it is addressed to, and not for publication or redistribution.

Author's own views

This report is an outsider's view of the financial instruments referred to in the report. It has been produced by the authors independent of any issuers mentioned in the report, and independent of other divisions of SB1 Markets. The authors of this report confirm that, notwithstanding potential conflicts of interest referred to herein, the views expressed in this report accurately reflect the authors' personal views of the relevant issuers, and that no part of the authors' compensation is related to the views expressed in the report, the performance of their investment recommendations, investment banking assignments or other specific services performed by SB1 Markets. The analyst partakes in the general bonus scheme of SB1 Markets, and as such, may receive compensation that is generated by overall firm profitability.

No investment recommendation

The objective of this report is to understand the value drivers in the sector or group of companies mentioned in the report, how the companies perform compared to each other and how they are valued compared to each other. The report seeks to work as a screening tool for and to identify relative under-/overvaluation for further investigation. The analyses and statements in this report must be seen as marketing material and not as an investment recommendation within the meaning of Regulation (EU) No 596/2014 on market abuse (market abuse regulation), as implemented in the relevant jurisdictions, and associated rules.

No investment advice

The report does not provide tailored personal investment advice within the meaning of section 2-3 (4) of the Norwegian Securities Trading Act. The report is intended for general circulation and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. You should seek advice from a financial adviser regarding the suitability of any product mentioned in this report, taking into account your specific financial objectives, financial situation or particular needs before making a commitment to purchase any such product.

Research for the purposes of unbundling

This report is deemed to constitute a minor non-monetary benefit for the purposes of the inducement rules under MiFID II. The report is publicly available on our website (no log-in required).

Sources of information

This report is based on information obtained from public sources that SB1 Markets believes to be reliable but which SB1 Markets has not independently verified, and SB1 Markets makes no guarantee, representation or warranty as to the accuracy or completeness. This report does not, and does not attempt to, contain everything material which there is to be said about the Company. Any opinions expressed herein reflect SB1 Markets' judgement at the time the report was prepared and are subject to change without notice.

Limitation of liability

Any use of information contained in this report is at your own individual risk. SB1 Markets assumes no liability for any losses caused by relying on the information contained in this report, including investment decisions you may have taken on the basis of this report.

Risk warning

Return on investments in financial instruments is inherently exposed to risks. Past performance is not a reliable indicator of future performance, and estimates of future performance are based on assumptions that may not be realised. When investing in financial instruments, the value of the investment may increase or decrease, and the investor may lose all or part of the investments.

Conflicts of interest

SB1 Markets, affiliates and staff may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) in any stock mentioned in this publication. To mitigate possible conflicts of interest and counter the abuse of confidential information and insider knowledge, SB1 Markets has set up effective information barriers between divisions in possession of material, non-public information and other divisions of the firm. Our research team is well versed in the handling of confidential information and unpublished research material, contact with other departments of SB1 Markets and restrictions on personal account dealing.

Investment services provided by SB1 Markets

SB1 Markets may have provided investment services and/or ancillary services to the issuers mentioned in this report and received compensation for it during the past 12 months. Please refer to our webpage for an overview of all investment banking assignments carried out in the last 12 months: www.sb1markets.com. Note that assignments subject to confidentiality are excluded.

Ownership of securities issued by the companies covered in this report

The authors of this report do not (alone or jointly with related persons) own securities issued by the companies mentioned in this report. SB1 Markets may have holdings in the issuers mentioned in this report as a result of own account trading, market making and/or underlying shares as a result of derivatives trading. For an overview of instruments where SB1 Markets and related companies are market makers or liquidity providers, please refer to our webpage: www.sb1markets.com. Information on SB1 Markets' holdings as a result of own account trading is available upon request.

Limitation on distribution

This publication is not intended for, and must not be distributed to, individuals or entities in jurisdictions where such distribution is unlawful.

This report was completed and disseminated at CET on 00:2528 September 2026

**SB1 Markets
Oslo**

Olav Vs gate 5
N-0161 Oslo, Norway
Tel: + 47 24 14 74 00
Fax: +47 24 13 36 01
www.sb1markets.no

**SB1 Markets
Stavanger**

Christen Tranes Gate 35
N-4007 Stavanger, Norway
Tel: + 47 24 14 74 00
Fax: +47 24 13 36 01
www.sb1markets.no

**SB1 Markets
Trondheim**

Søndre gate 4
N-7011 Trondheim, Norway
Tel: + 47 24 14 74 00
Fax: +47 24 13 36 01
www.sb1markets.no

**SB1 Markets
Bergen**

Kringelkroken 1
N-5014 Bergen, Norway
Tel: + 47 24 14 74 00
Fax: +47 24 13 36 01
www.sb1markets.no

**SB1 Markets
Ålesund**

St Olavs plass 1
N-6002 Ålesund, Norway
Tel: + 47 24 14 74 00
Fax: +47 24 13 36 01
www.sb1markets.no

**SB1 Markets
Tromsø**

Storgata 65
N-9008 Tromsø, Norway
Tel: + 47 24 14 74 00
Fax: +47 24 13 36 01
www.sb1markets.no