

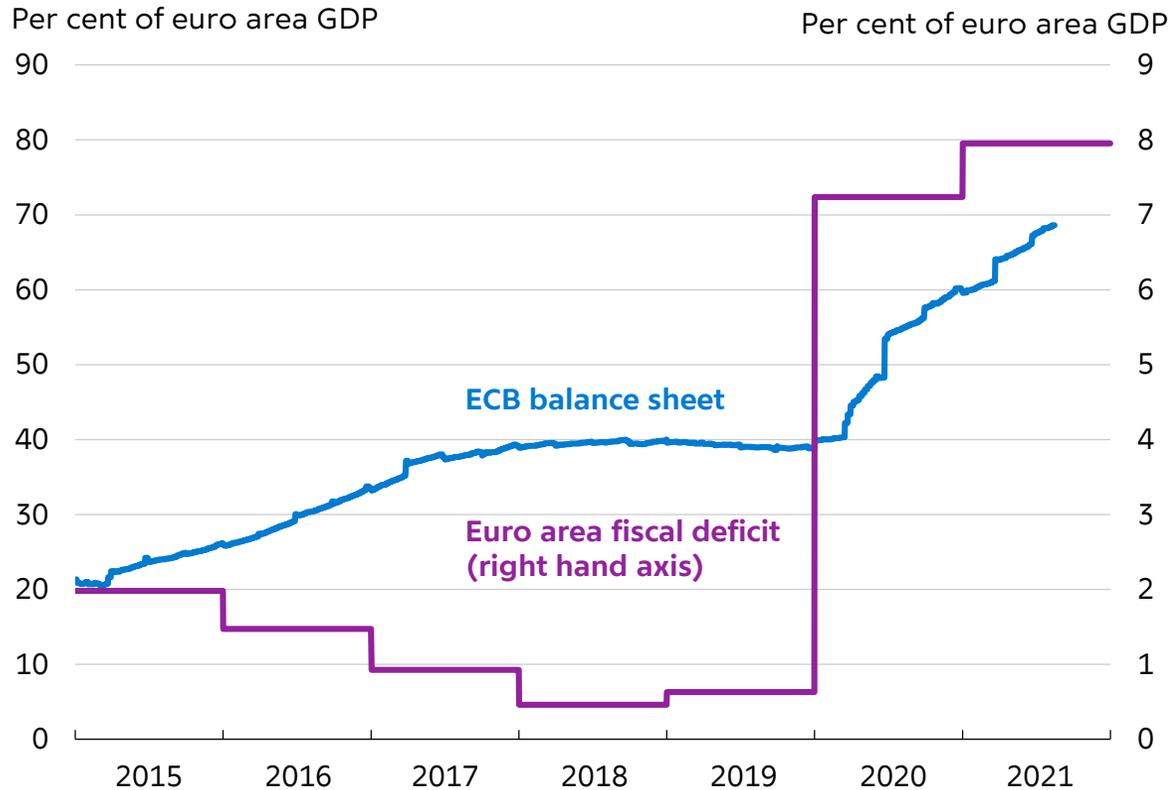
DANMARKS
NATIONALBANK

CENTRAL BANKING AND DEALING WITH THE ENDURING IMPACT OF COVID-19

Signe Krogstrup, Governor, Danmarks Nationalbank
27 September 2021

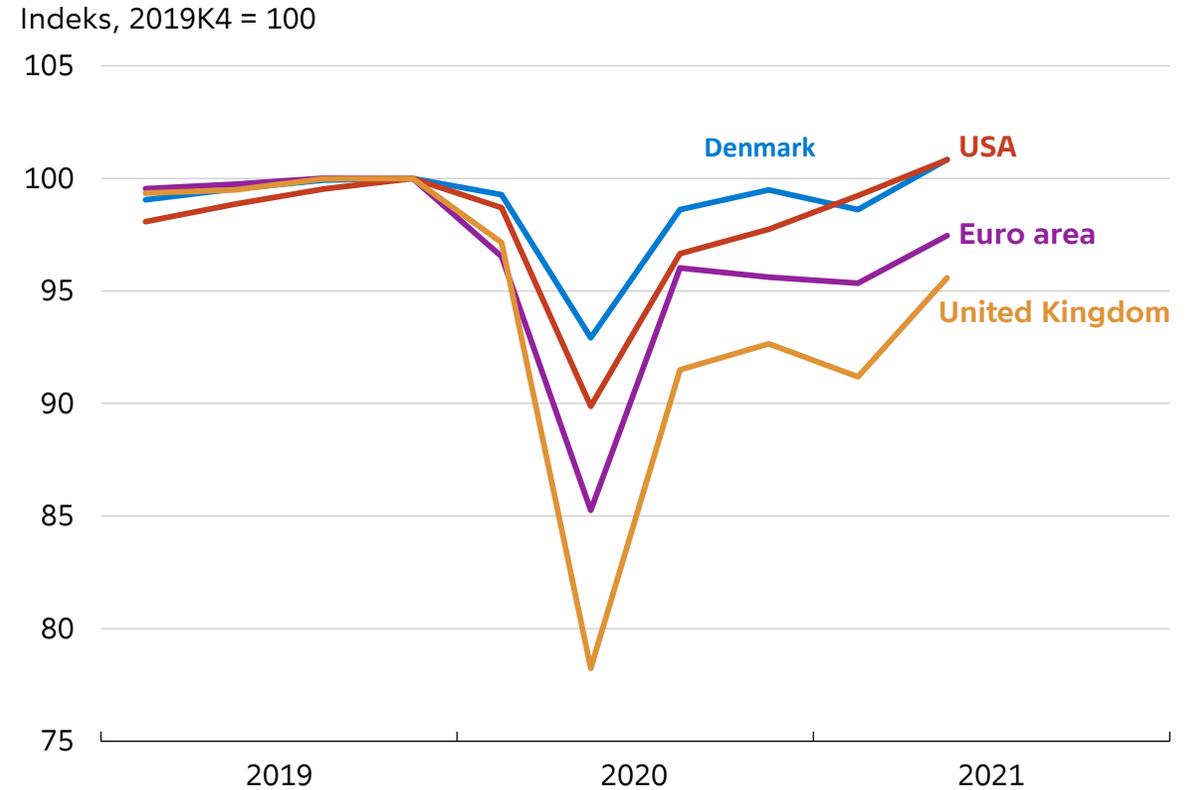
Forceful economic policy responses support the economy – strong recovery, but with bumps

Central bank and fiscal response in euro area



Source: Macrobond

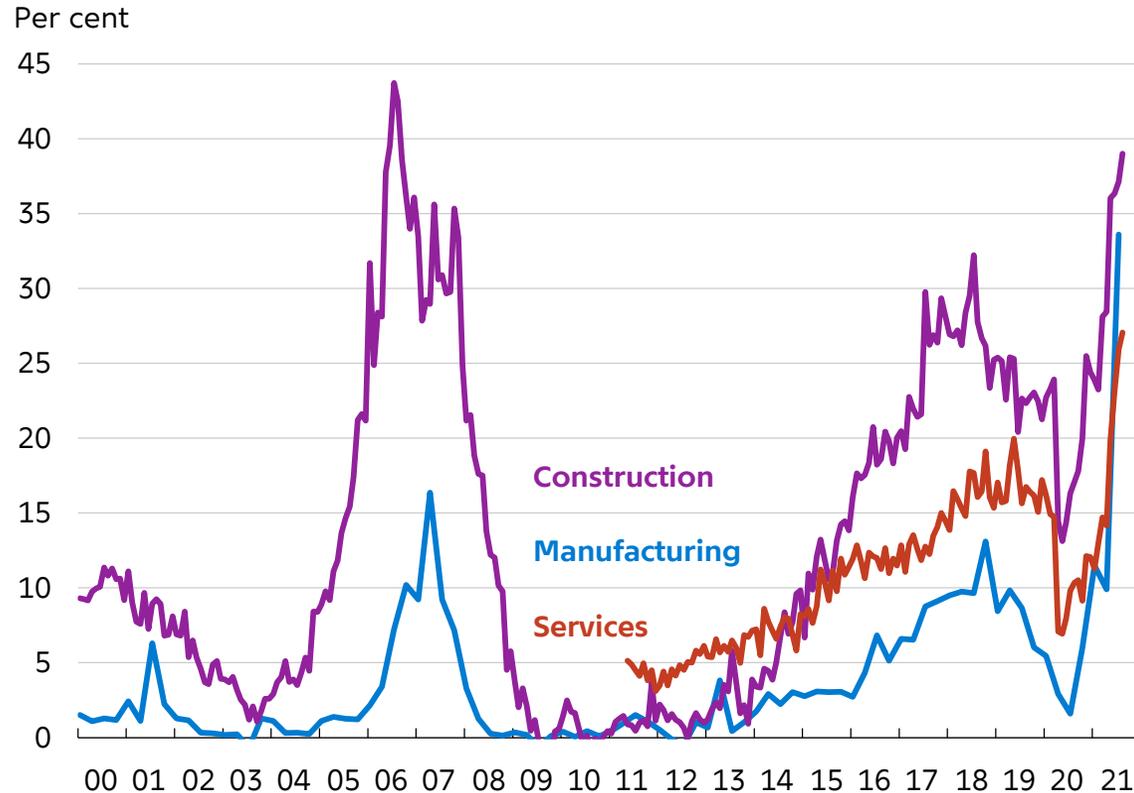
Quarterly development in GDP



Note; Gross Domestic Product, GDP, at constant prices and seasonally adjusted.
Source: Macrobond and own calculations

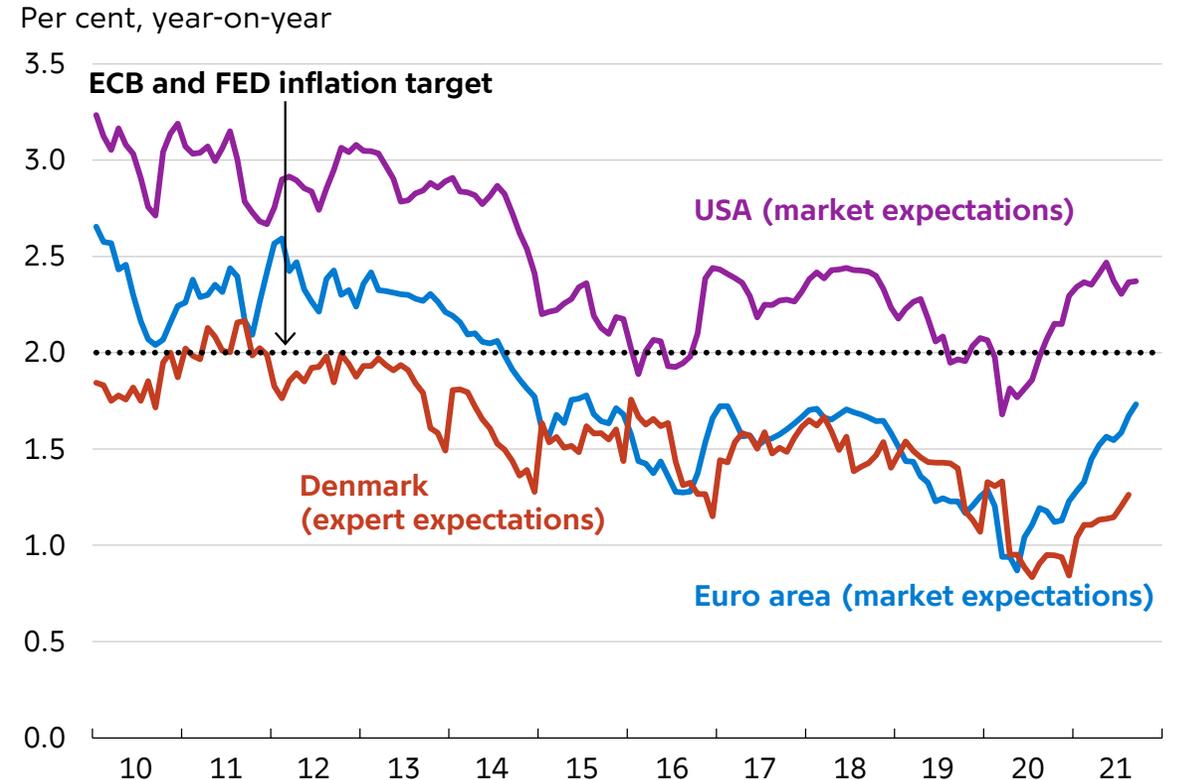
Inflation – will the labor market recovery and bottlenecks entail price pressures?

Labour shortages in Denmark



Source: Statistics Denmark and own calculations.

Inflation expectations

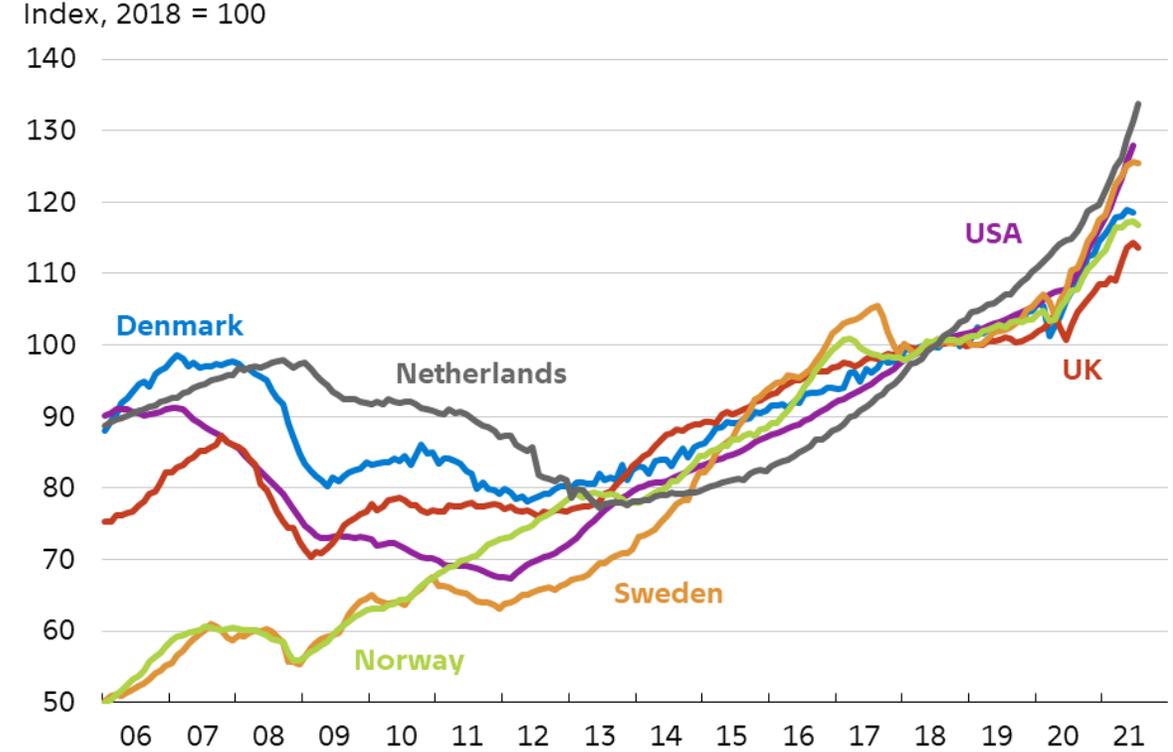


Note: Expert expectations is consumer price growth in the next calendar year from consensus. Market expectations is 5y-5y.

Source: Consensus, Thomson Reuters and own calculations.

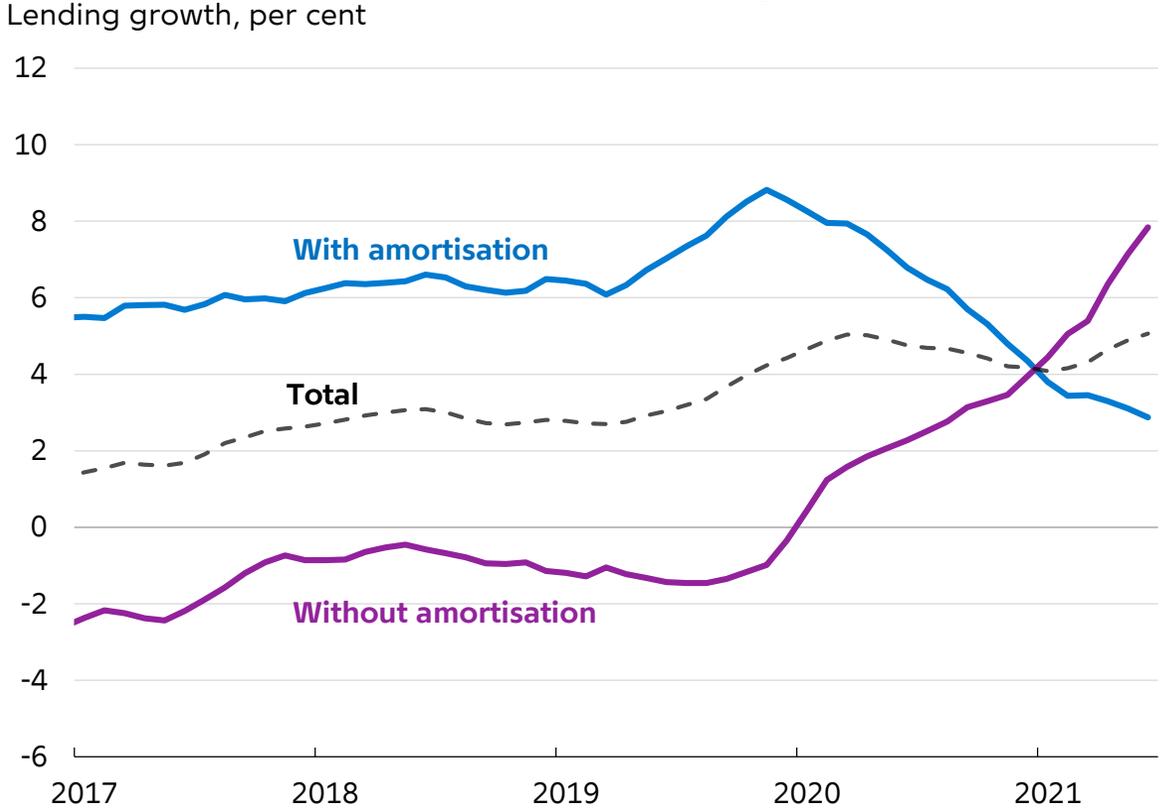
Asset prices – need for macroprudential policies to mitigate risks to financial stability?

Surge in housing prices in Denmark and other countries



Note: Nominal housing prices, seasonally corrected.
Source: Macrobond and own calculations.

Growth in mortgages without amortisation in Denmark is a risk to financial stability



Note: Mortgages to owner-occupied dwellings and summer cottages to Danish households.
Source: Danmarks Nationalbank

Thank you
