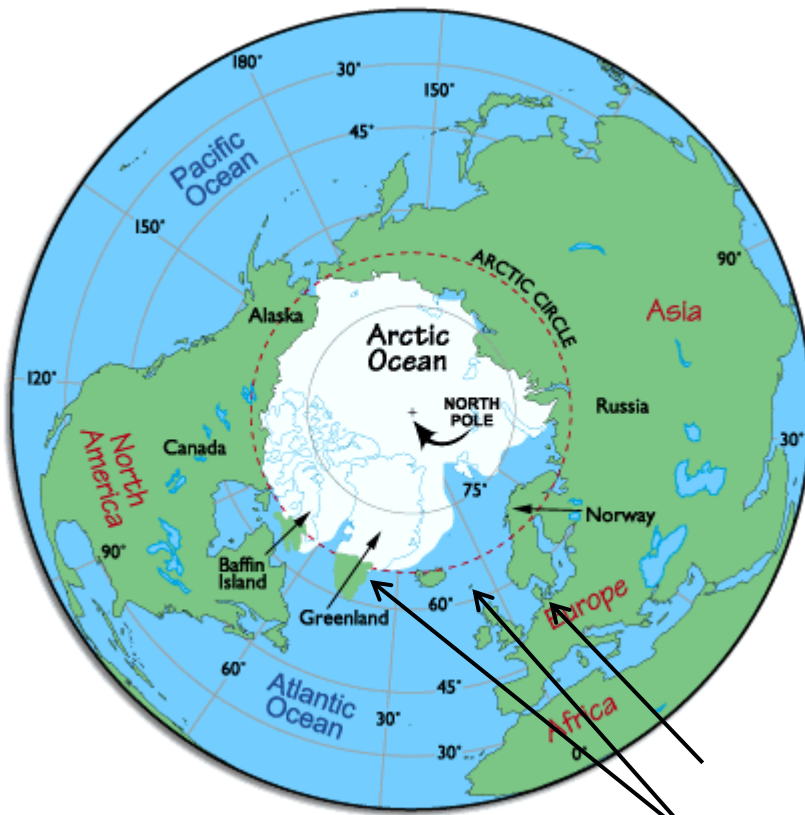


# Danish economy

- *Structurally strong*
- *Cyclically still weak – but ready to grow*

# Seriously Nordic



The Kingdom of Denmark

Denmark is on the same altitude as Alaska – and on the same temperature curve.

# Seriously small

## Denmark:

5,600,000 inhabitants

43,000 km<sup>2</sup>

## Faeroe islands

50,000 inhabitants

1,399 km<sup>2</sup>

## Greenland

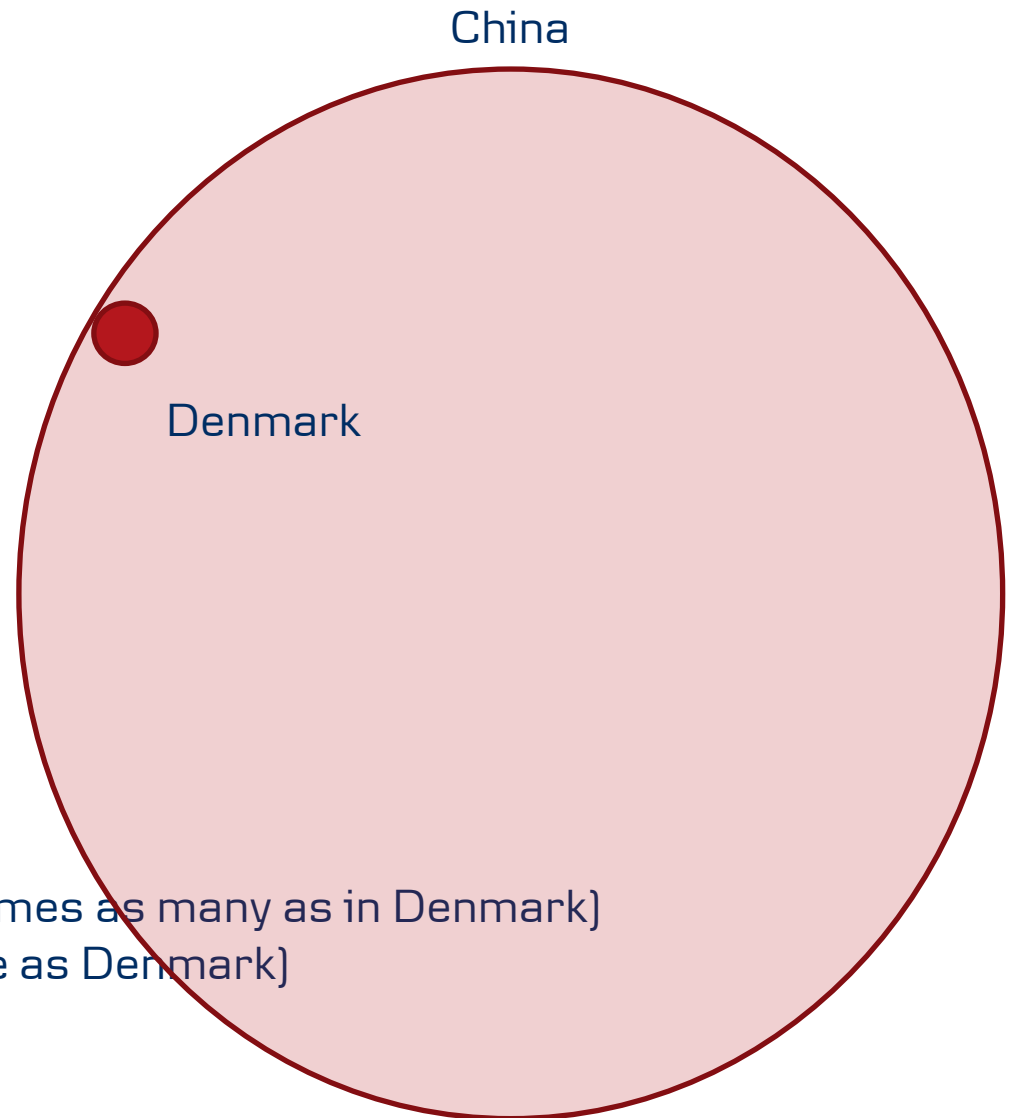
57,000 inhabitants

2,166,086 km<sup>2</sup>

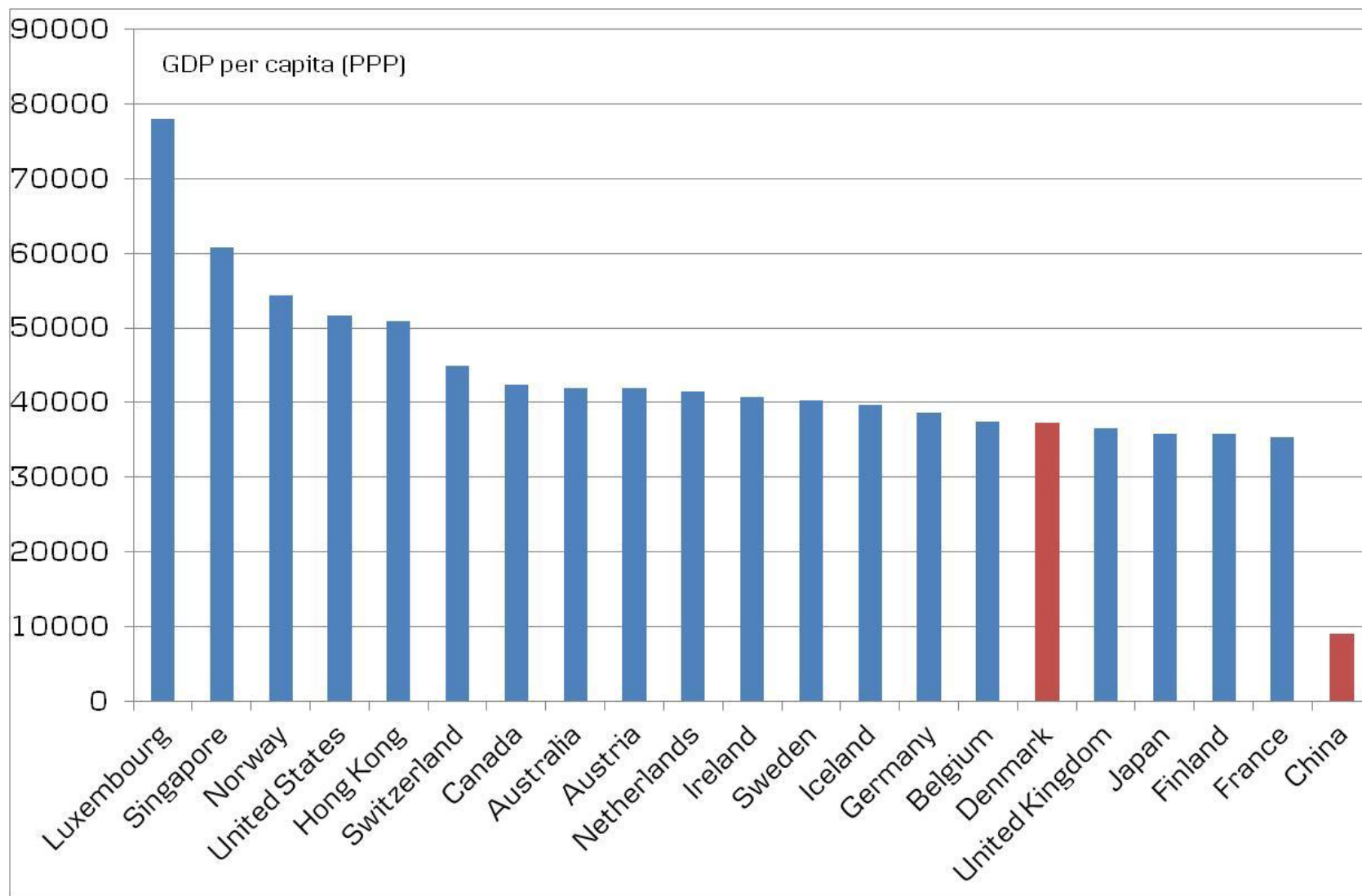
## China

1.350.000.000 inhabitants (240 times as many as in Denmark)

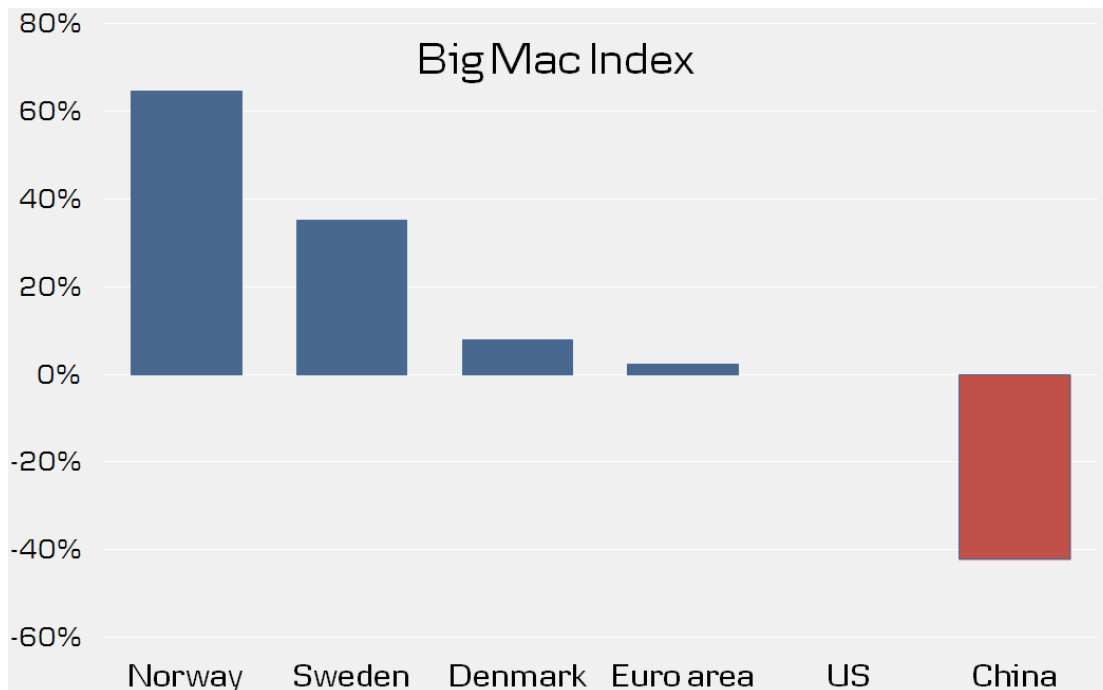
9,640,821 km<sup>2</sup> (225 times as large as Denmark)



# Seriously rich

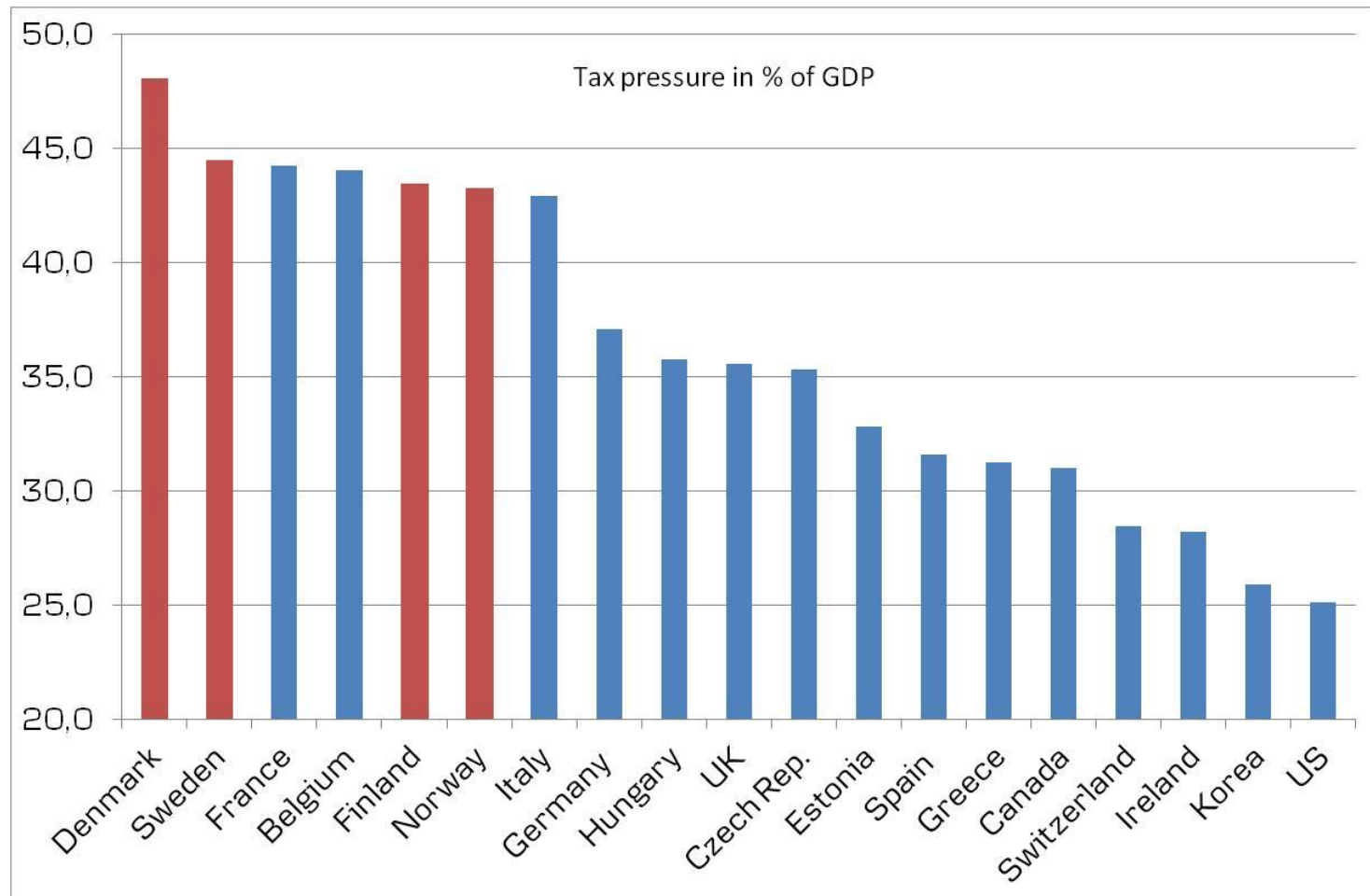


## Seriously expensive



- High wage level
- VAT in Denmark: 25% on everything including food
- Tax on a new car is at least 100% - often 180%

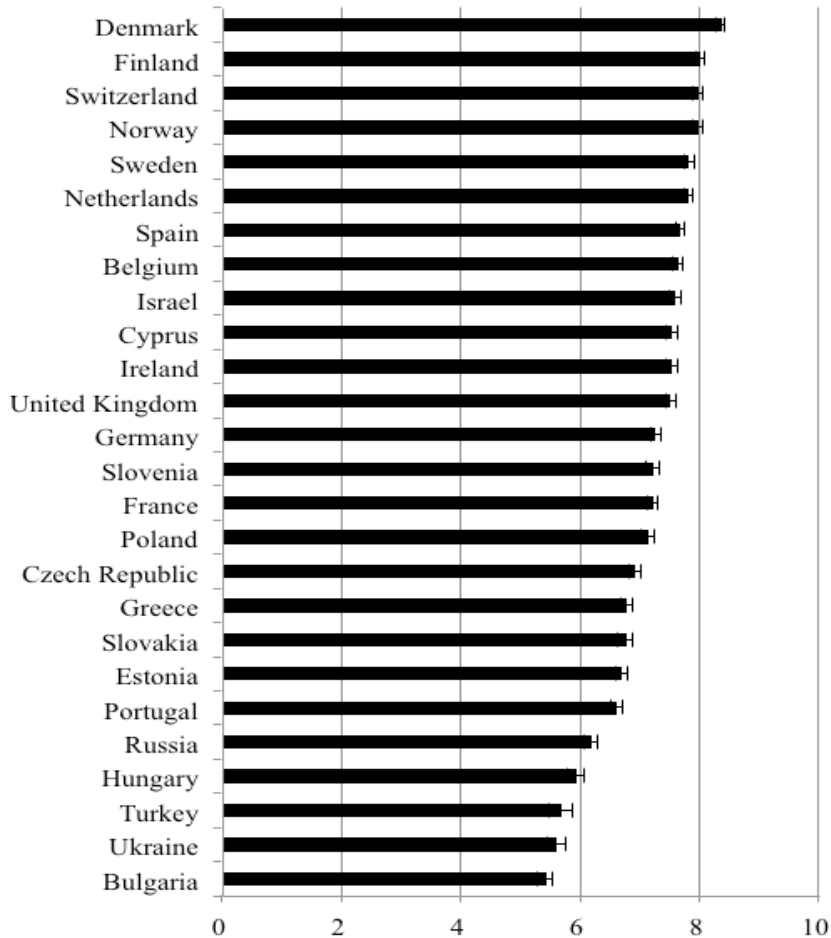
# Seriously taxed





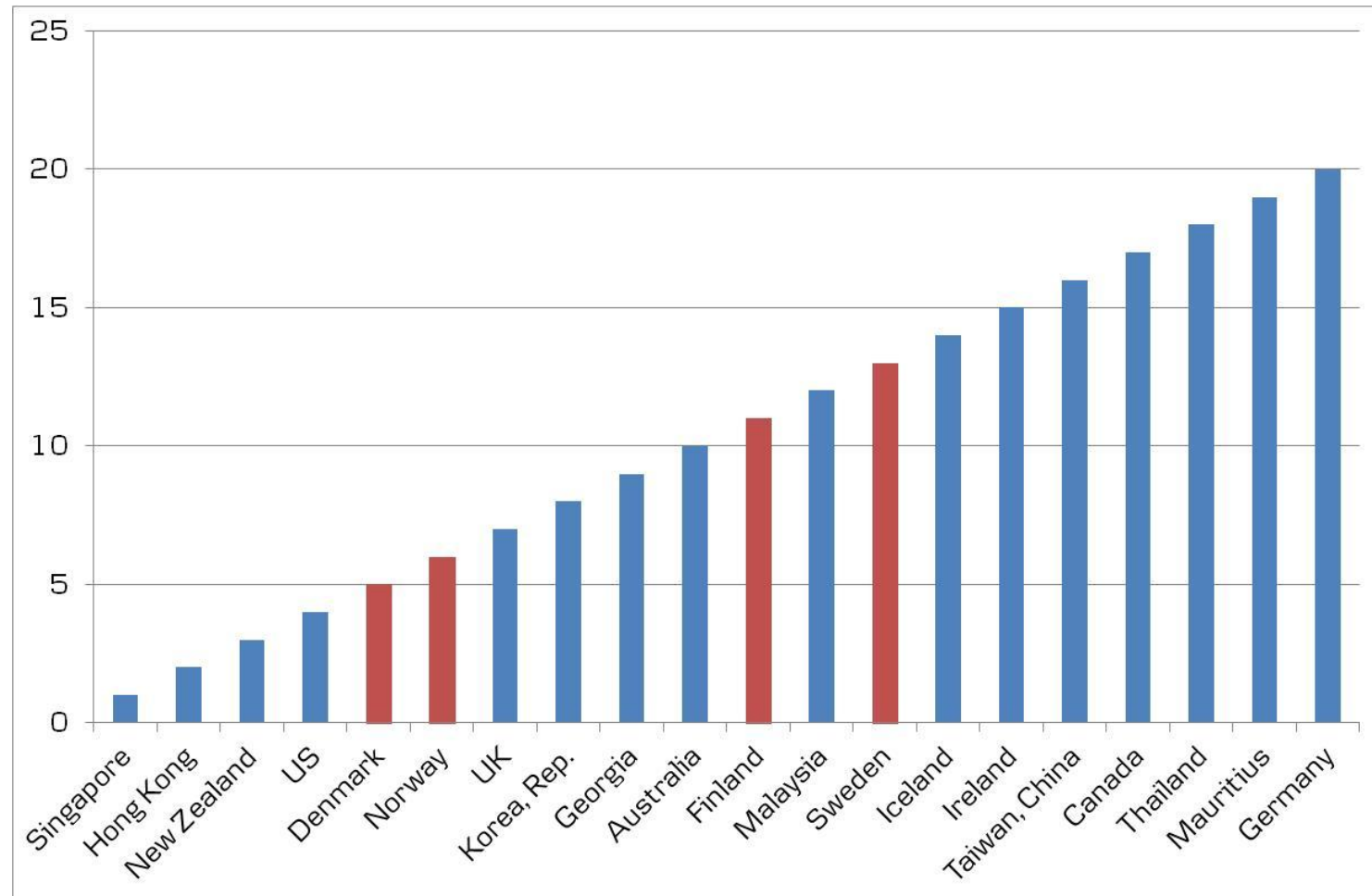
# And yet: Seriously happy

**Figure 2.8: Average Happiness (with Life as A Whole) by Country (ESS round 4)**



- UN ranks Denmark as the country with the most happy inhabitants

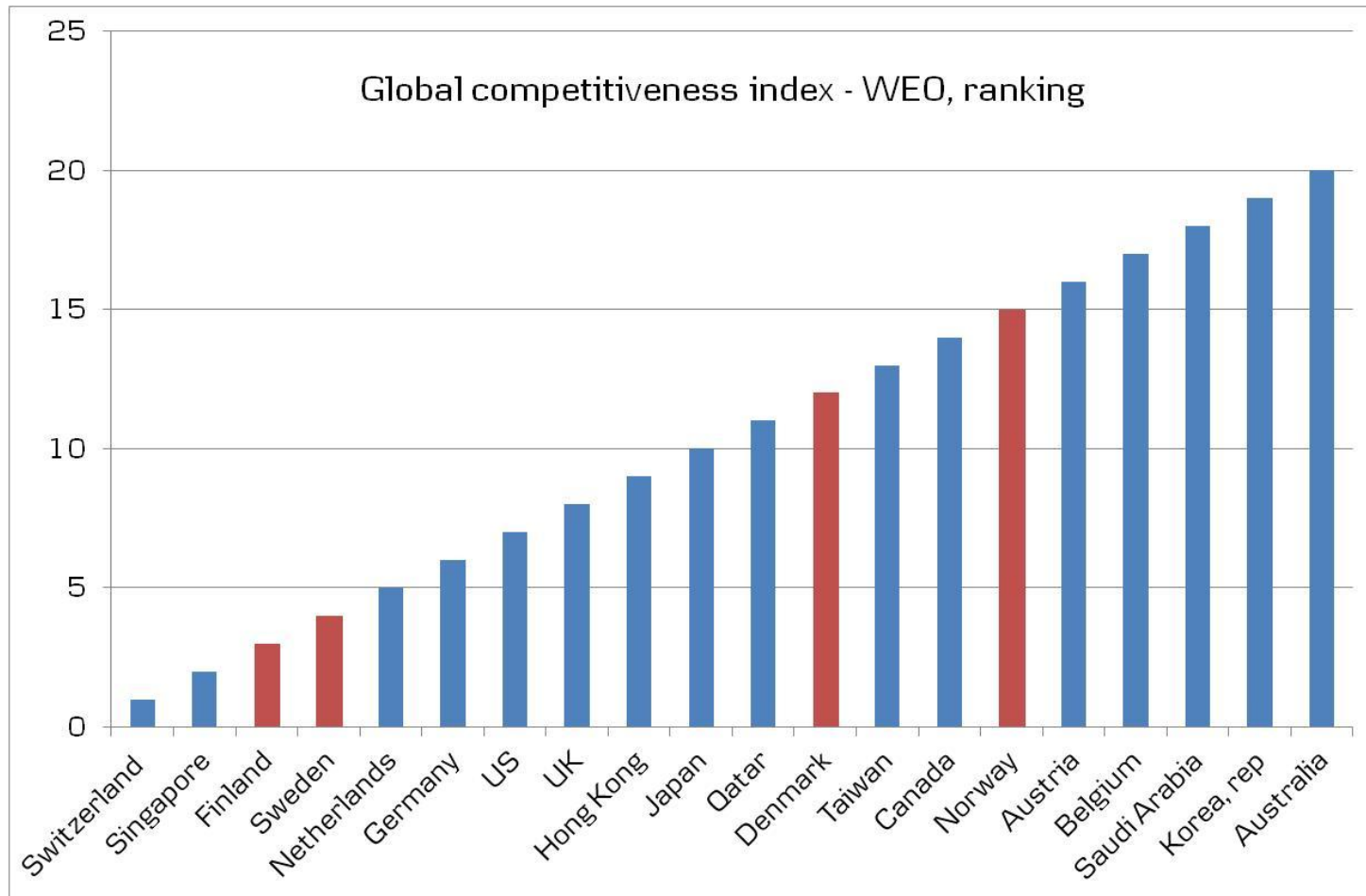
# It's easy to do business in Denmark



The world bank - ease of doing business

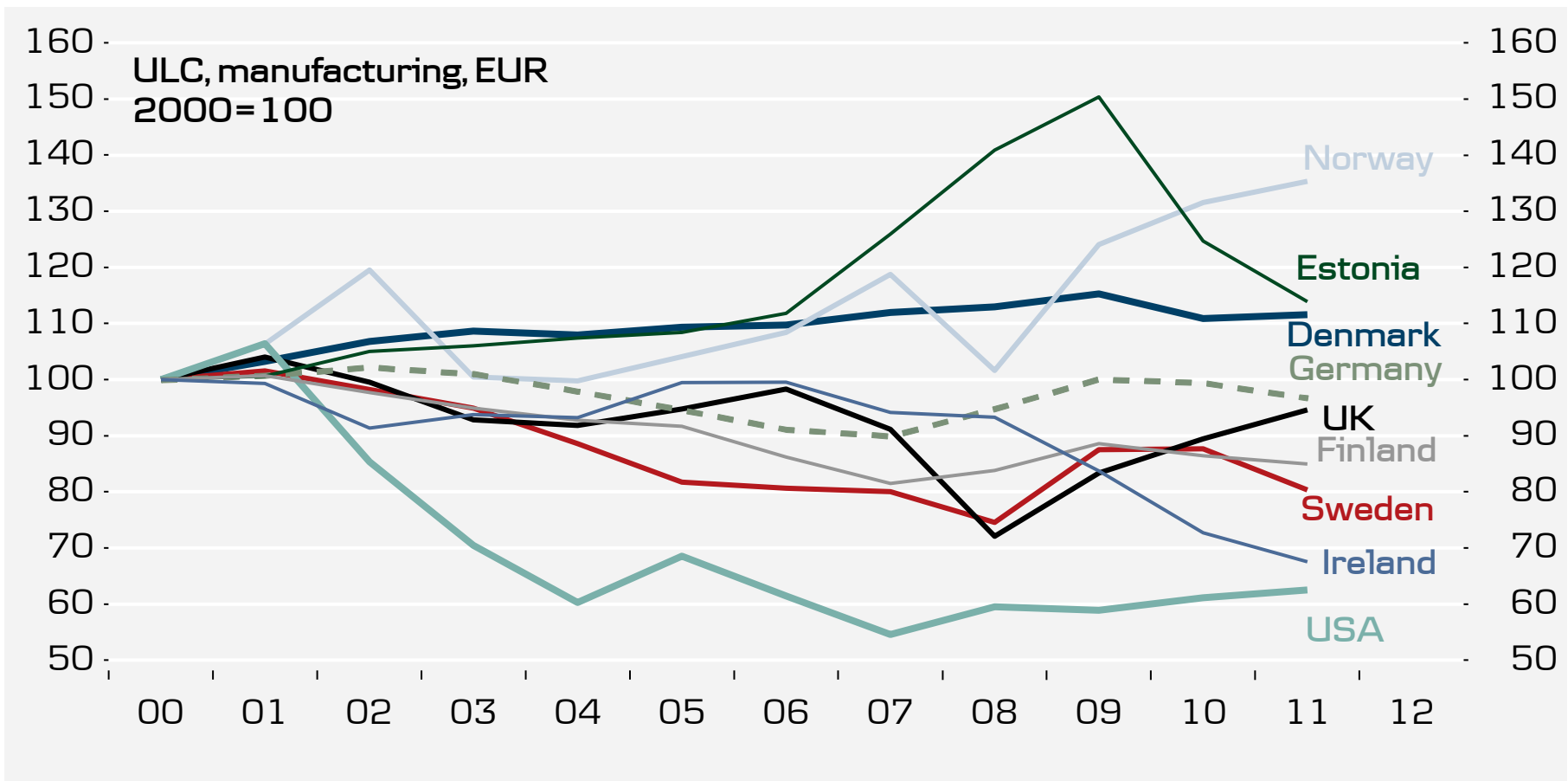


# Businesses find us quite competitive

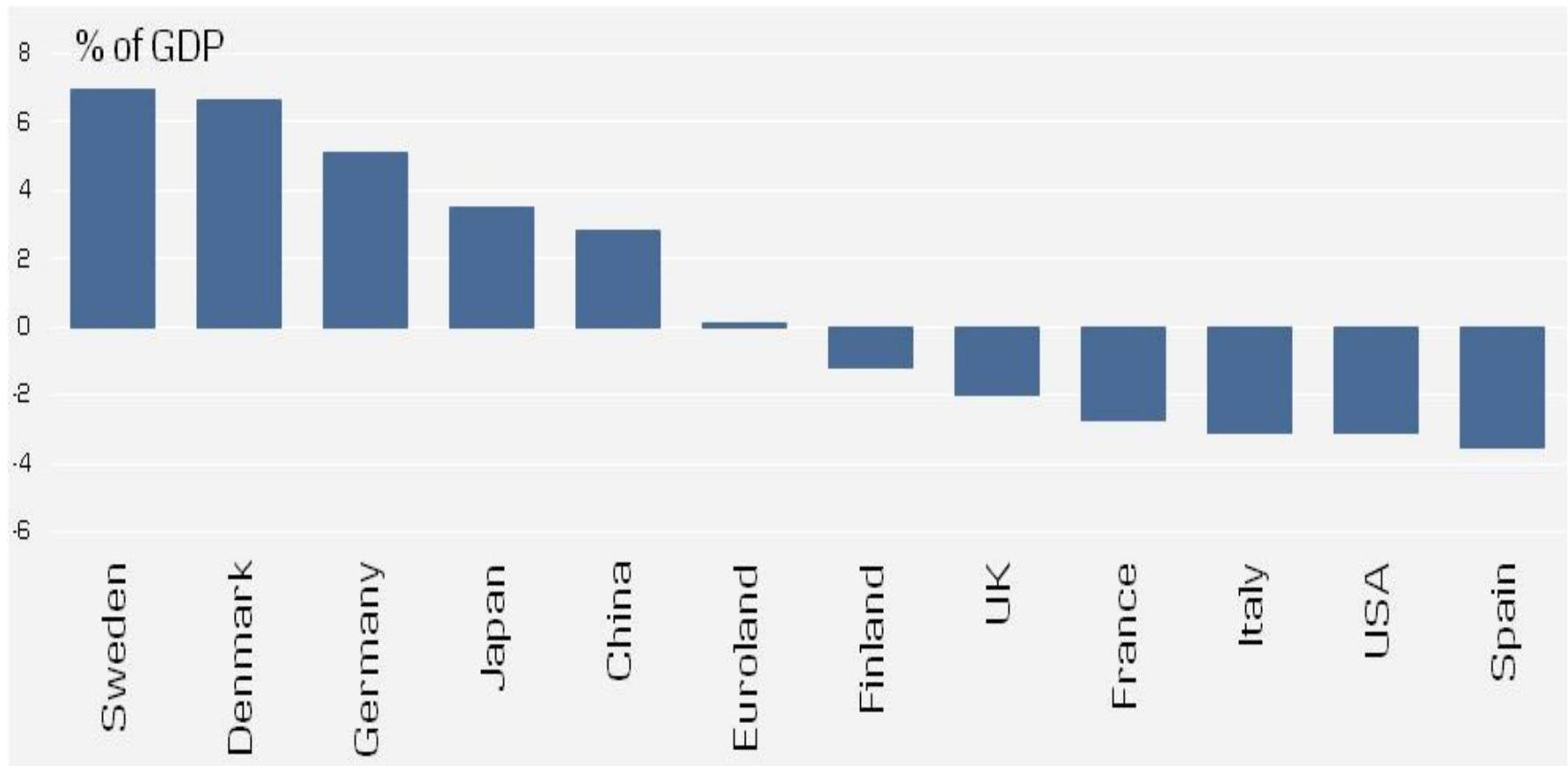


# But competitiveness deteriorated prior to the crisis

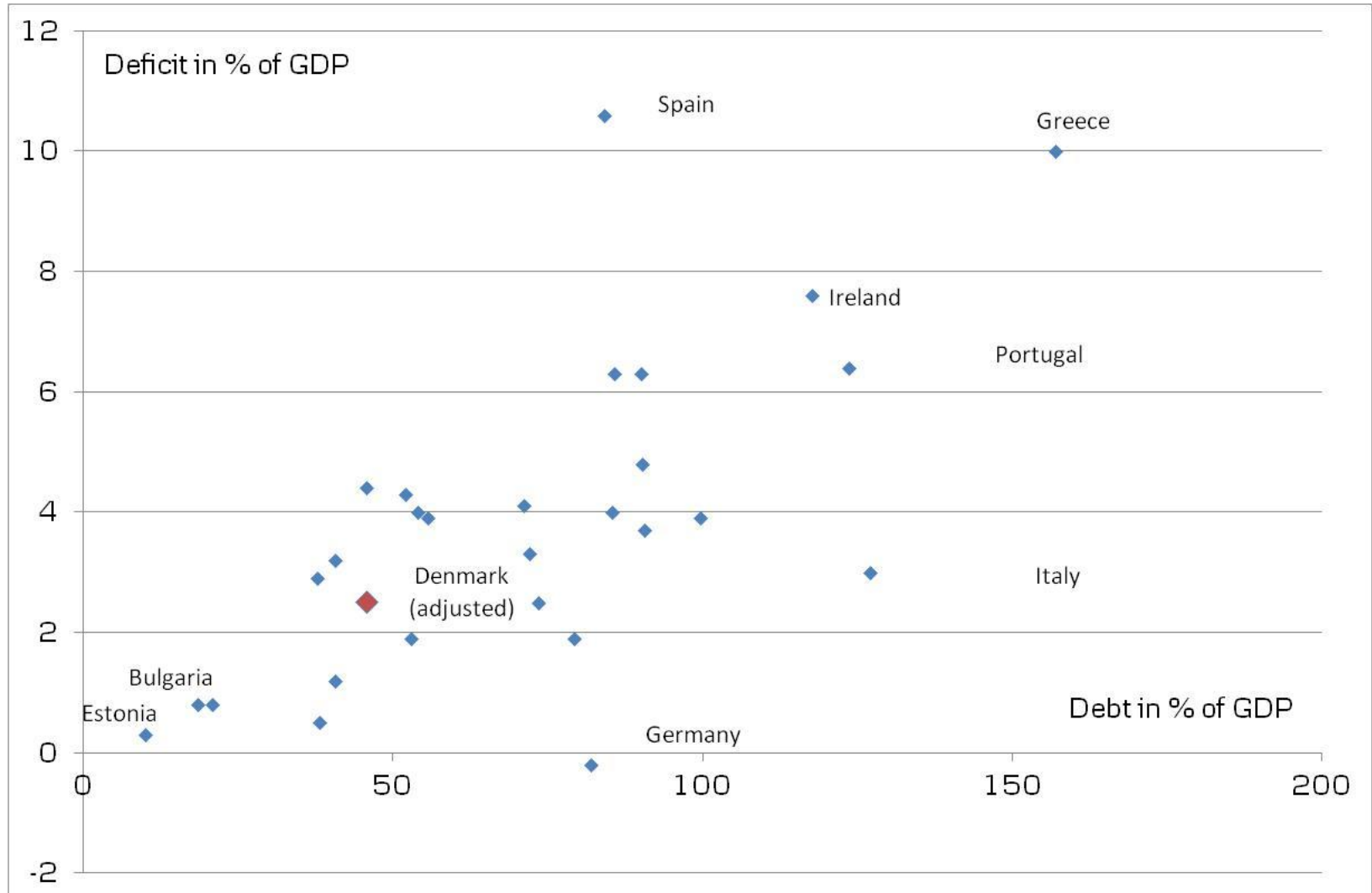
Unit labour costs



# A strong current account

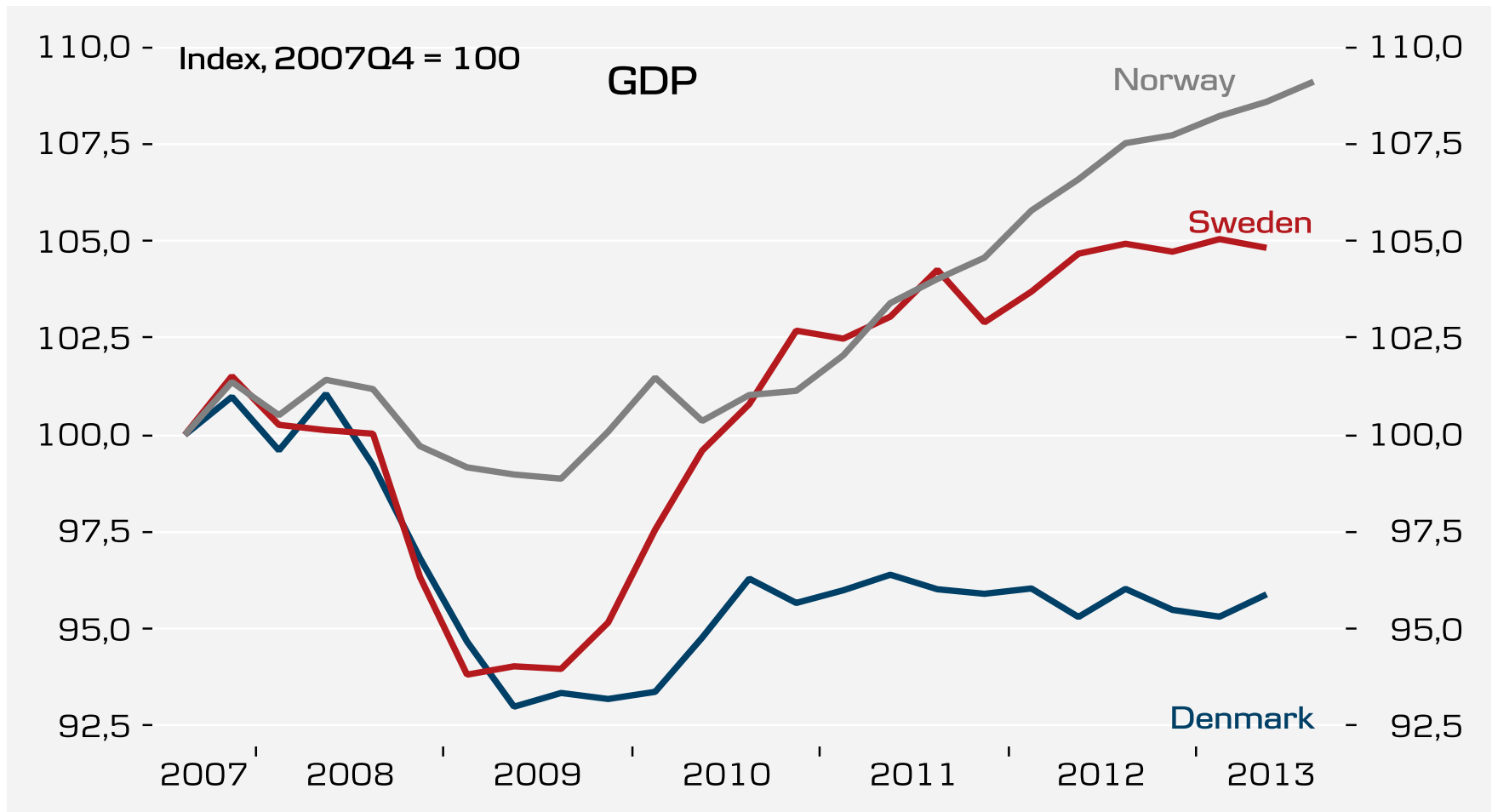


# A strong public balance



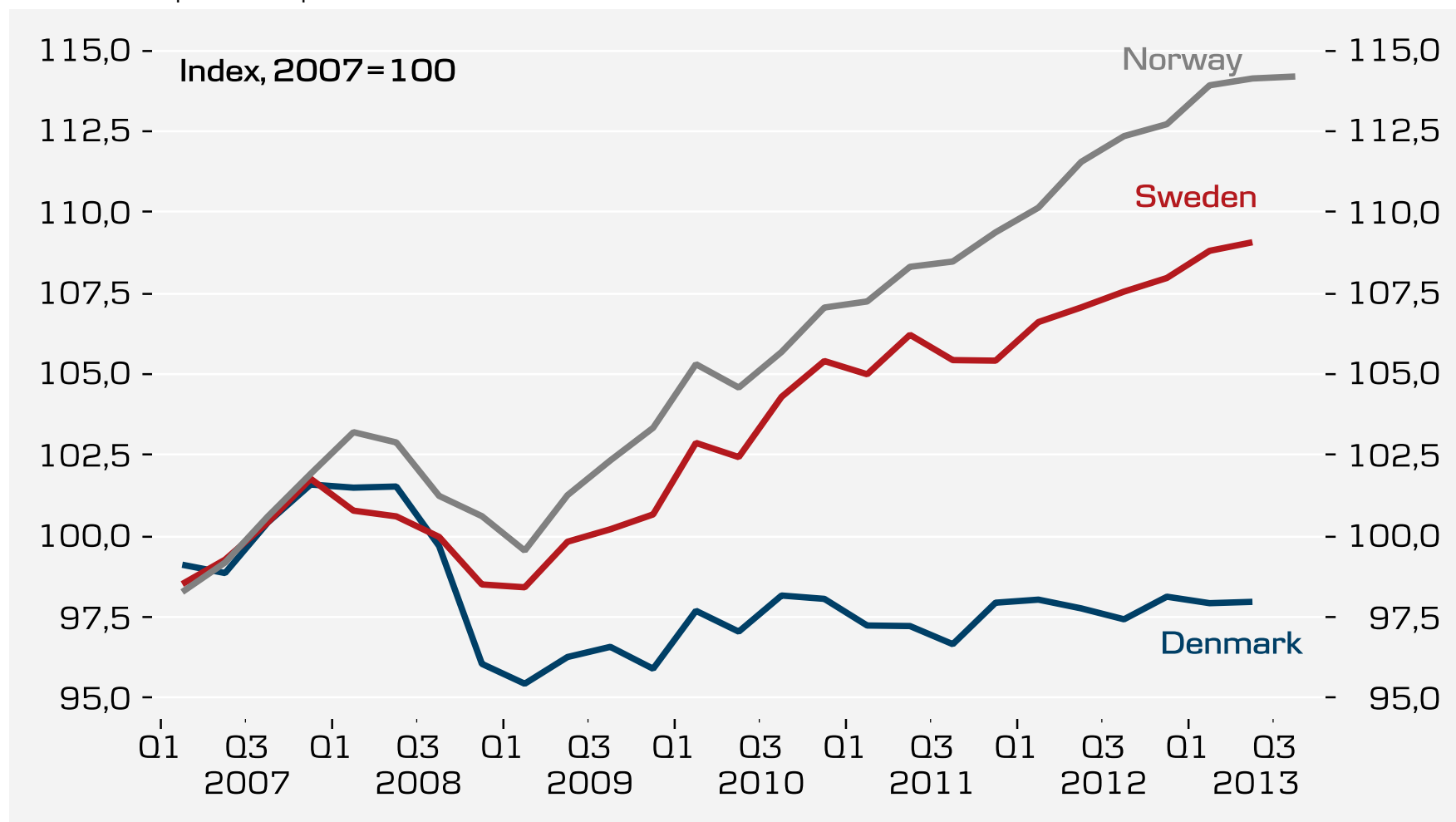
# Denmark has been hard hit cyclically

GDP during the crisis



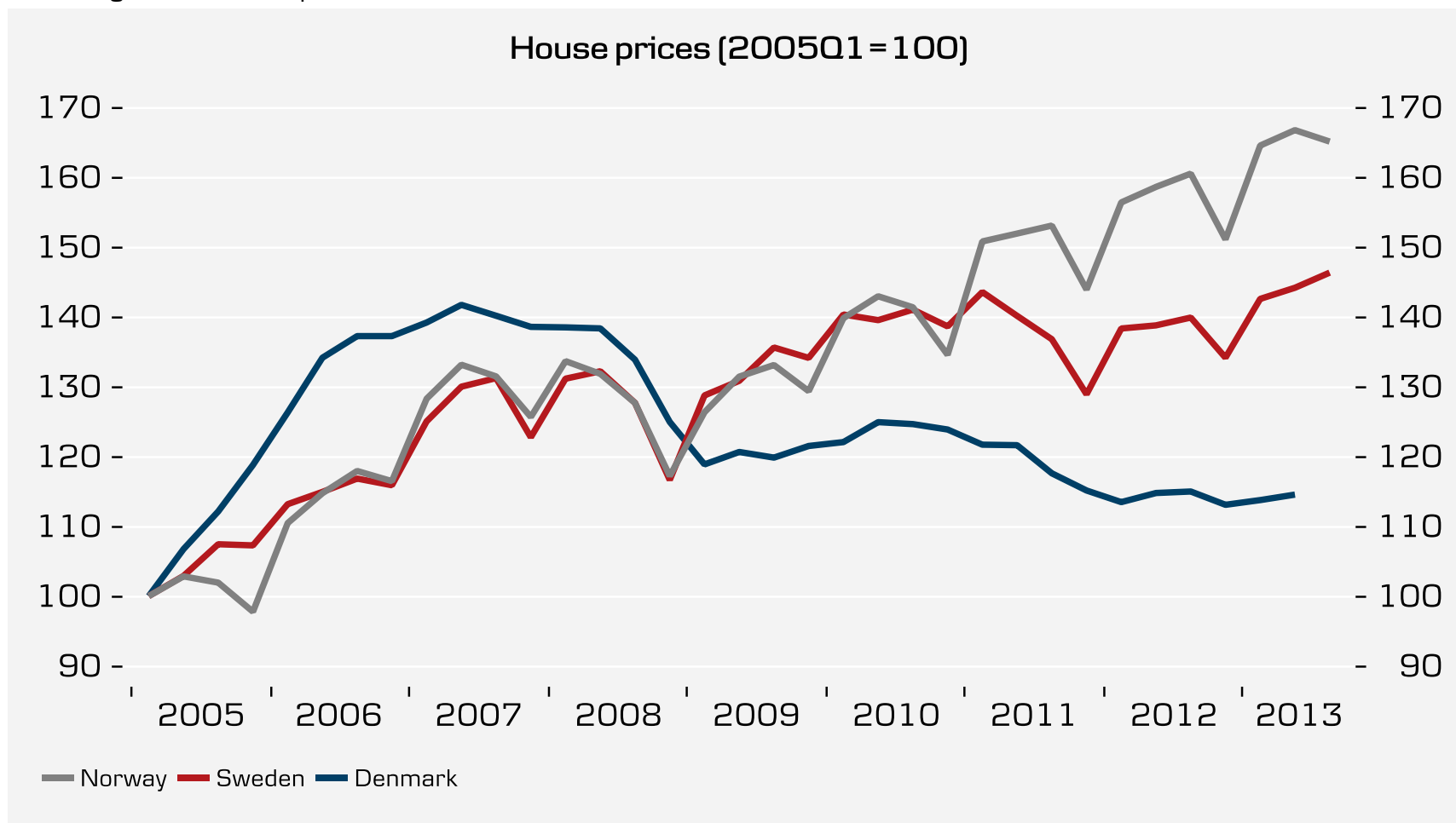
# Private consumption has been struggling

Private consumption fixed prices



# The house price development has played an important role

The housing market development

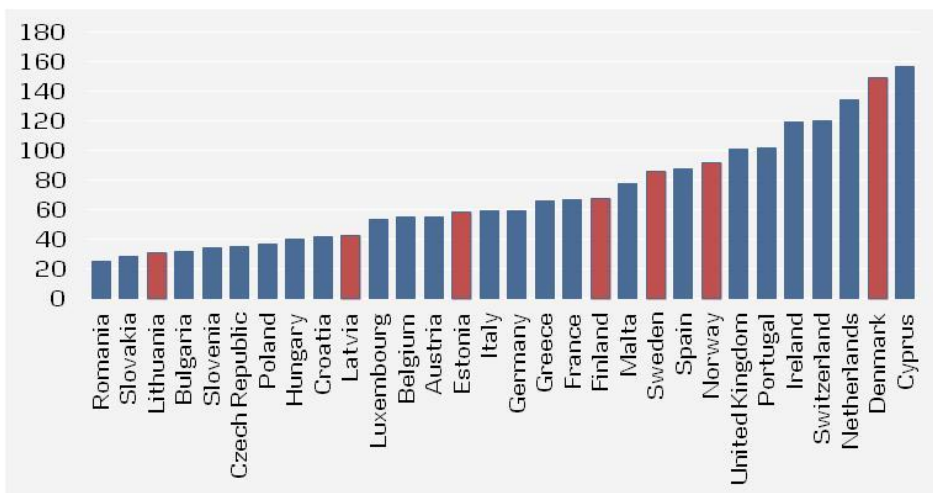




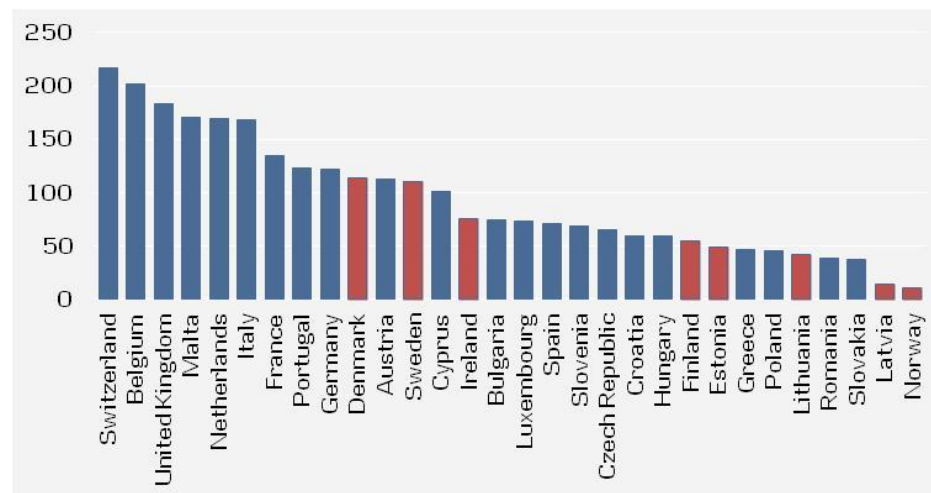
# Debt is high – mainly a question about leverage

## Household assets and liabilities

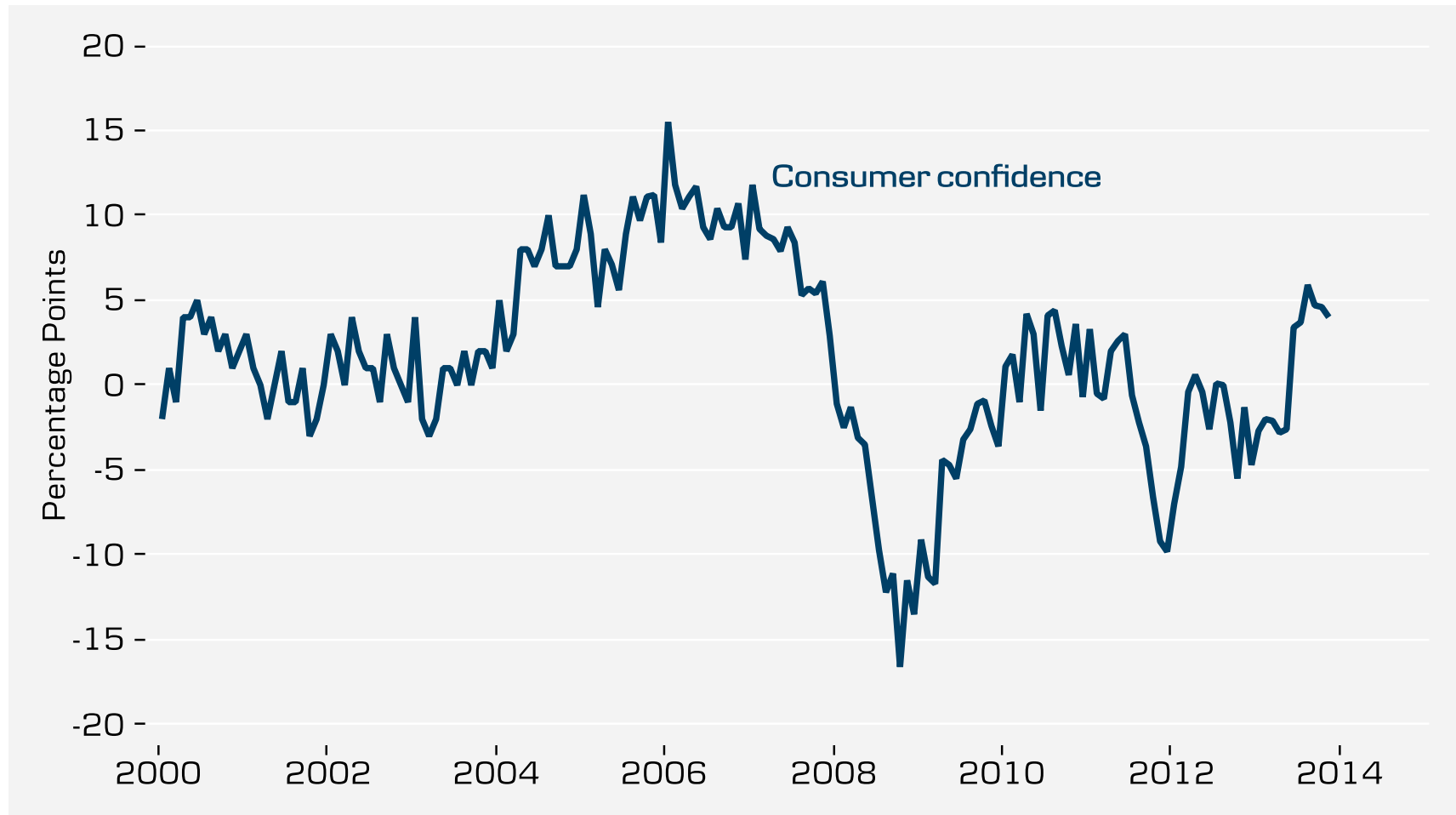
Household debt in % of GDP



Household net financial assets in % of GDP

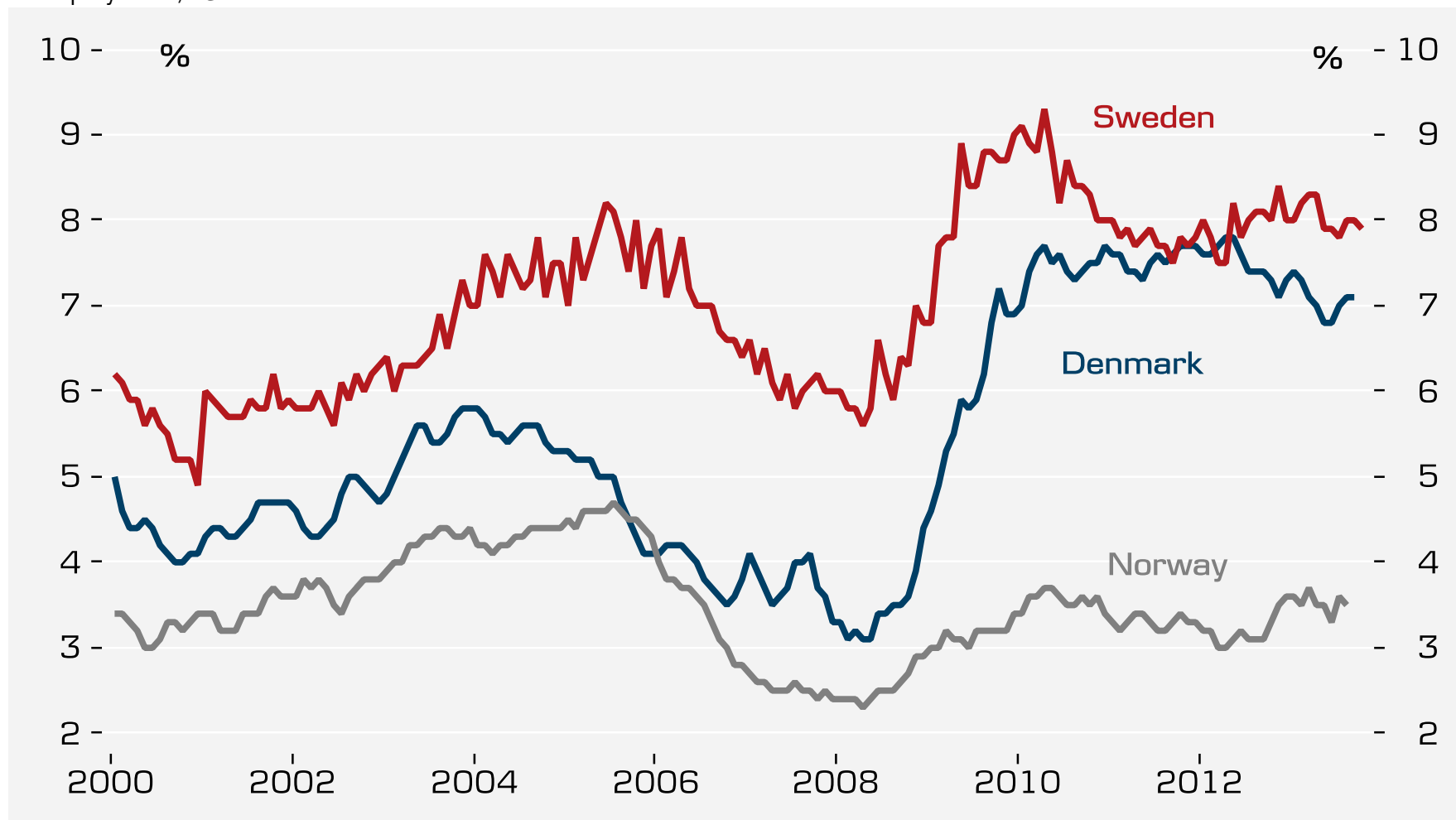


# Consumer confidence looks better

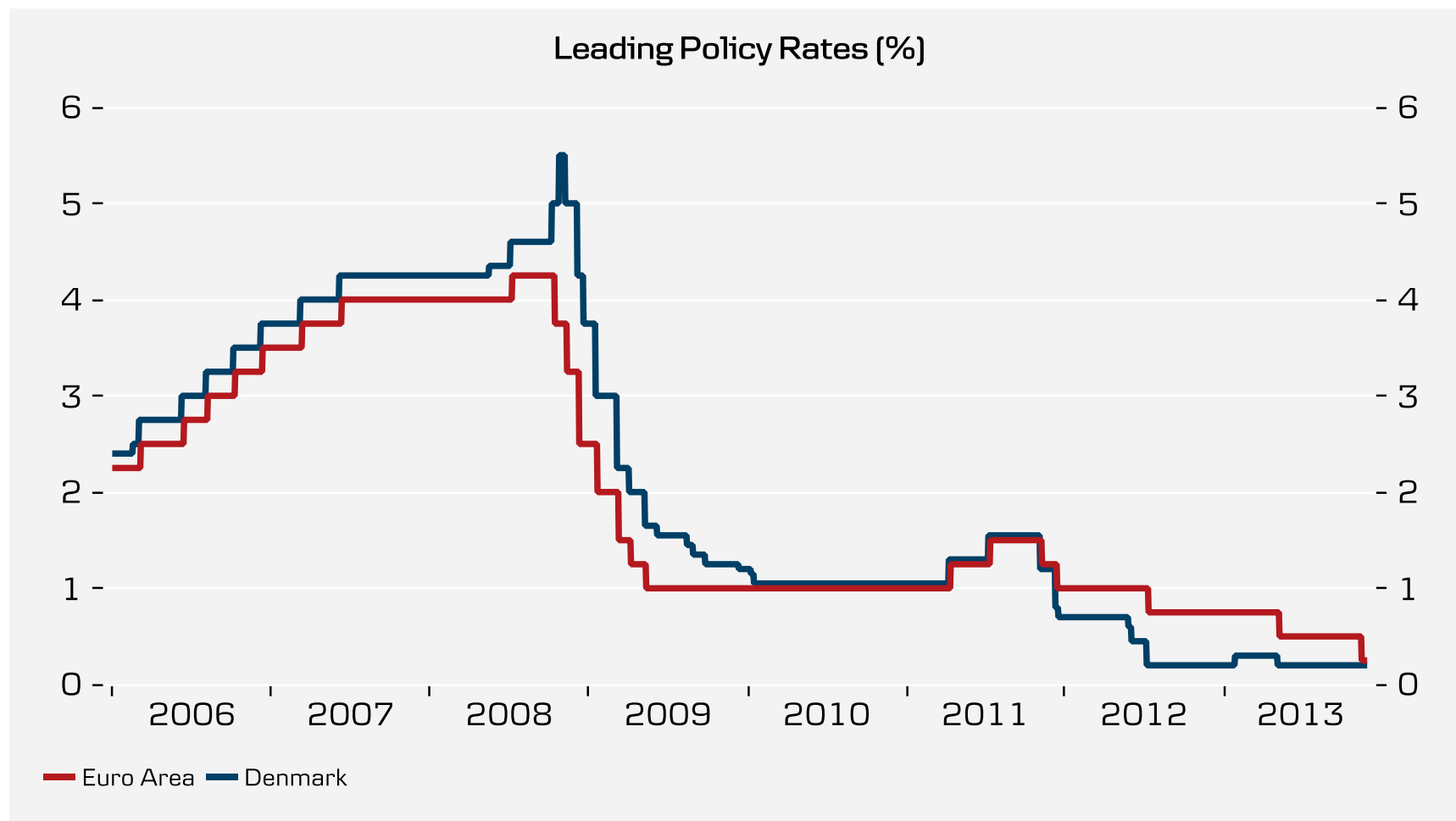


# Unemployment has been a challenge in Denmark

Unemployment, Eurostat defition

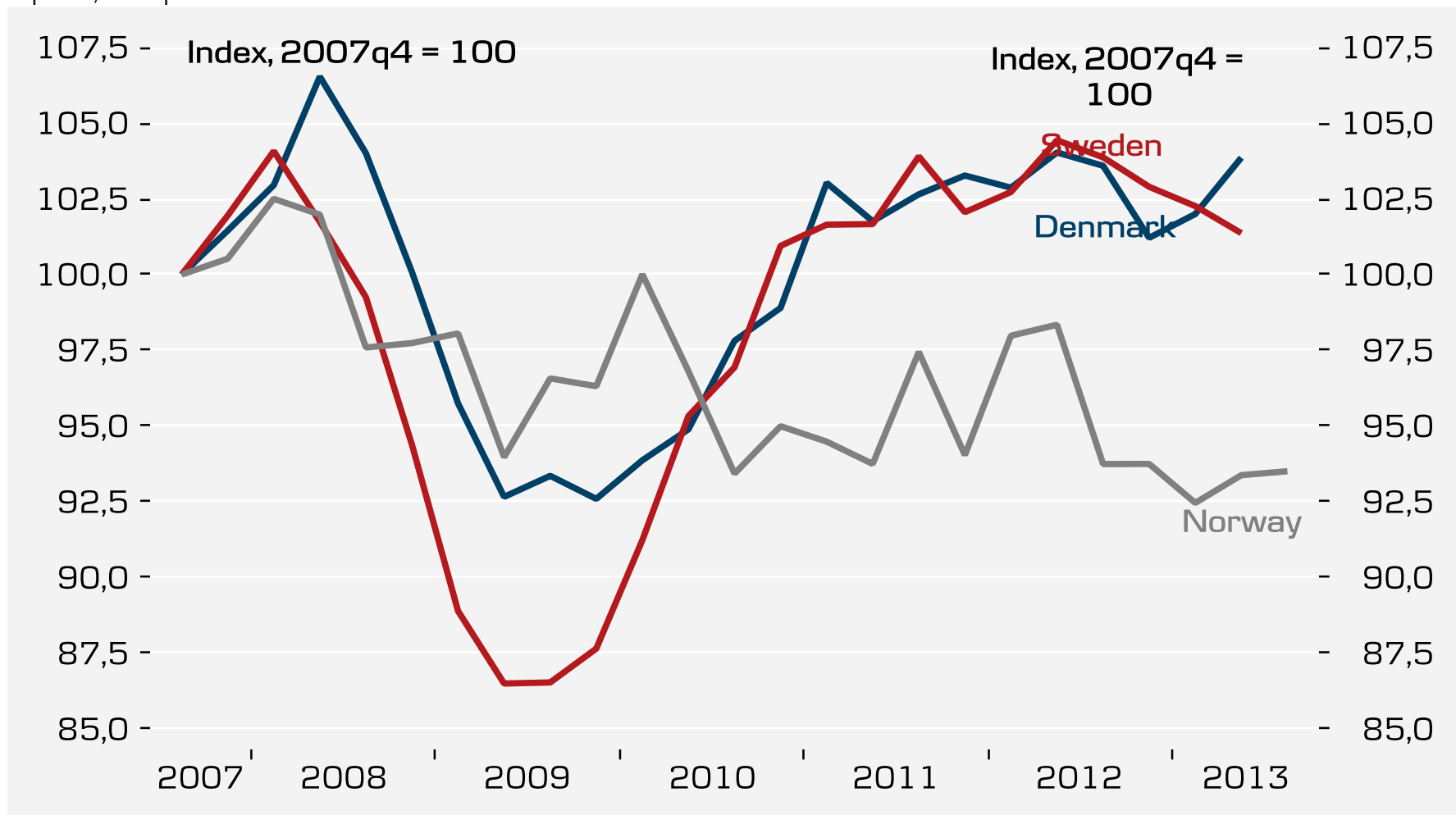


# Interest rates are linked to Euro



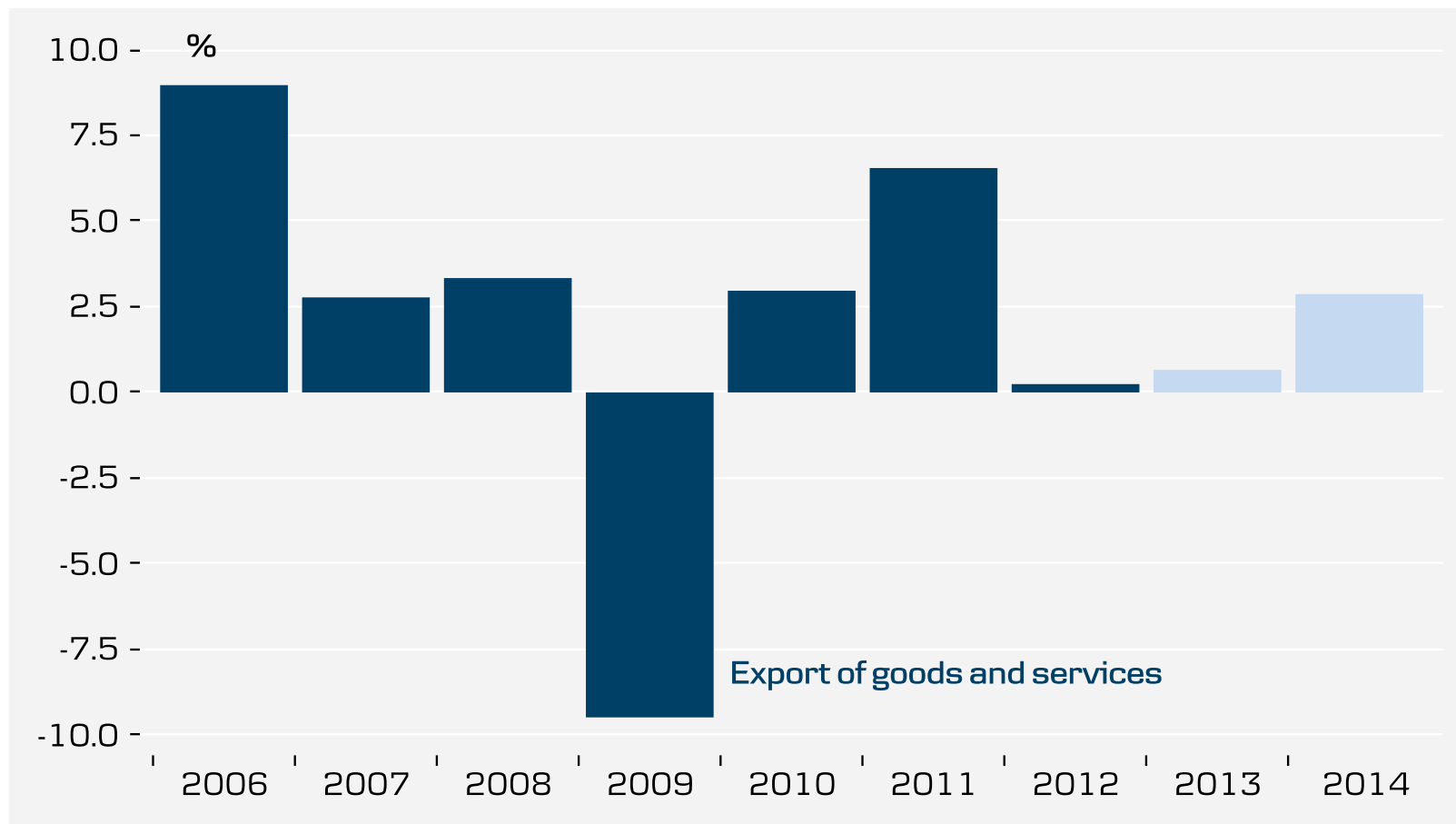
# Exports have been performing

Exports, fixed prices



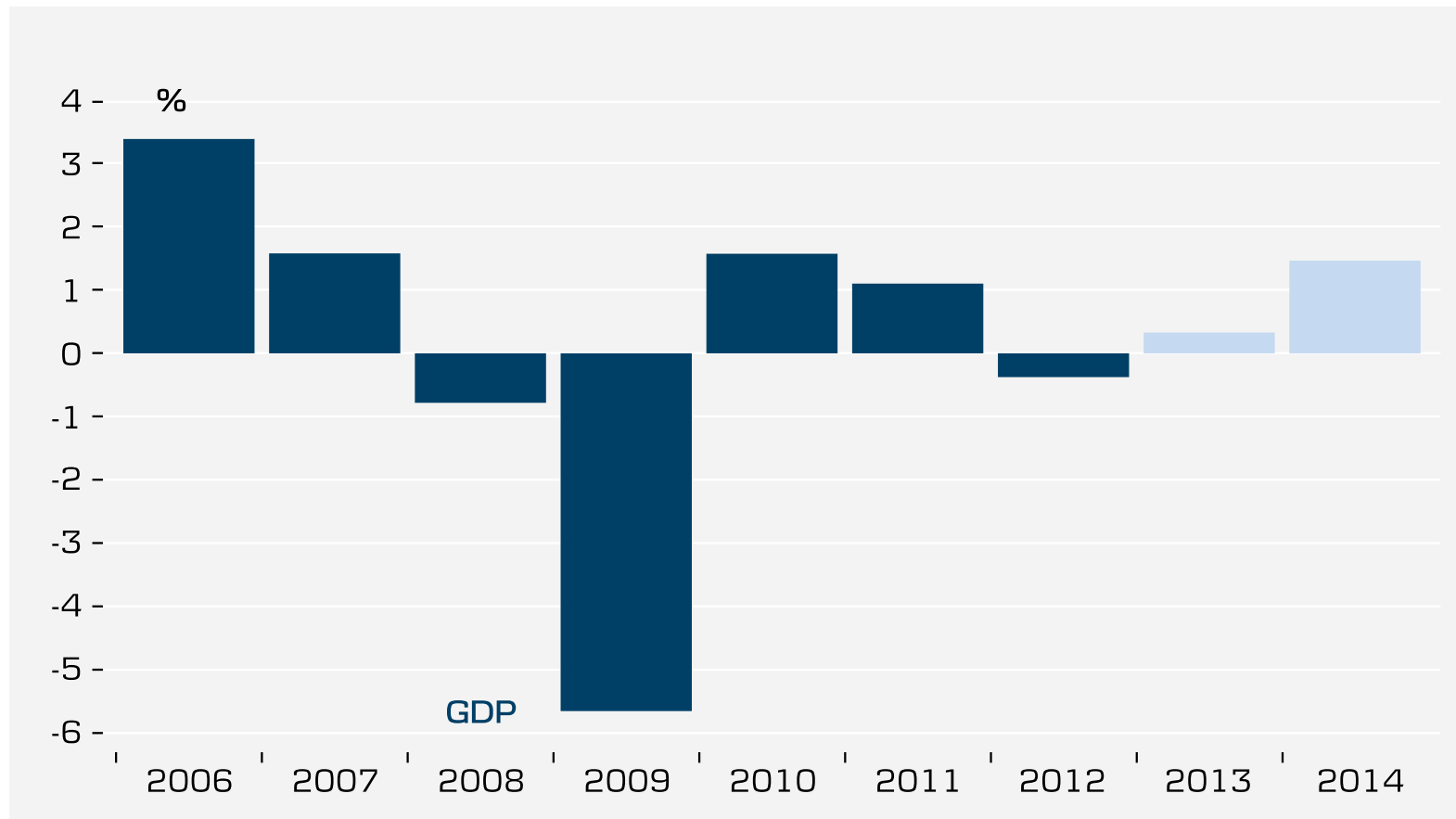
# Exports benefit from European growth and improved competitiveness

Danske Bank's export forecast



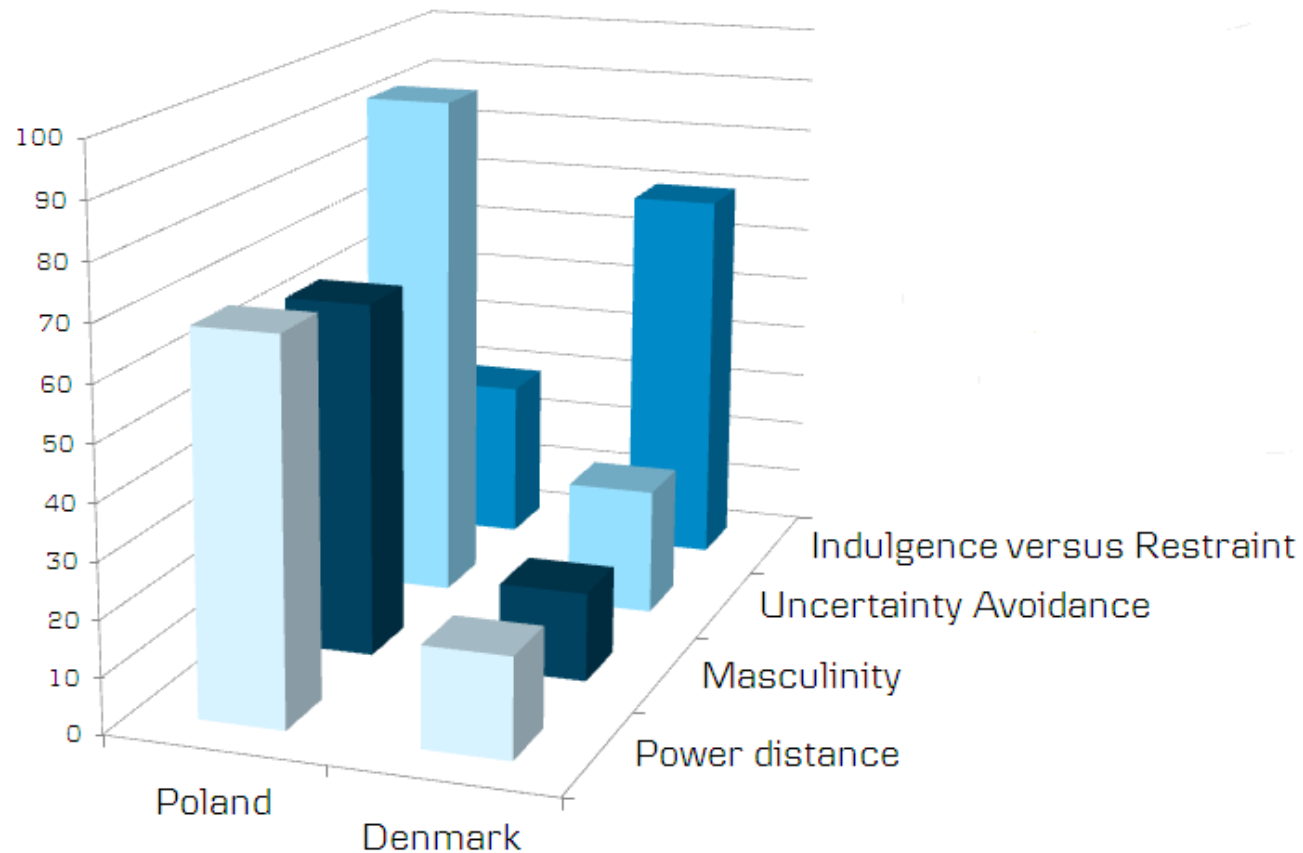
# We expect growth to pick up slowly

Danske Bank's GDP forecast





# Cultural differences need to be understood and respected!





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