This report does not constitute a new rating action for this issuer. It provides more detailed credit analysis than the previously published Rating Action Commentary, which can be found on www.fitchratings.com.

# Norway

## Key Rating Drivers

**Exceptionally Strong Fundamentals:** Norway's credit profile is supported by extremely strong sovereign and external balance sheets, very strong institutions and high GDP per capita. The sharp increase in revenues from the surge in energy prices further strengthened Norway's sovereign and external balance sheets in the last two years.

**Cyclical Slowdown**: The Norwegian economy has significantly slowed in 2023 from a cyclical peak. Real GDP growth of the mainland economy slowed markedly during the first three quarters of 2023, driven by a fall in household consumption as high inflation erodes real incomes and a sharp contraction in housing investments. Fitch forecast overall economic growth, including the petroleum sector, to slow to 1% in 2023 and modestly accelerate to 1.2% and 1.6% in 2024 and 2025, respectively.

**Very Large Fiscal Buffer:** The value of the Global Pension Fund Global (GPFG) assets is estimated around NOK15,300 billion (USD1.4 trillion) at the end of 2023, approximately 4x mainland GDP. The GPFG value has increased by an estimated NOK3000 billion in 2023, or 23%, due to the combination of strong market performance, large petroleum inflows and weakening krone exchange rate. Revenue from petroleum activities is expected to reach NOK930 billion this year.

**Ample Fiscal Space:** Norway's internationally comparable overall budget surplus, including petroleum revenues, is forecast at close to 20% of GDP in 2023. The government estimates that the structural non-oil budget deficit, the key domestic fiscal target, will be 9.9% of mainland trend GDP in 2023 and increase to 10.3% in 2024. The widening deficit mainly reflects higher inflation compensation to avoid further erosion in real incomes.

Norway's fiscal rule sets a 3% target for the annual transfers from the GPFG over the economic cycle, corresponding to the expected real return of the fund.

**Persistently Tight Monetary Policy**: Headline inflation fell to 3.4% in September 2023, the lowest figure since January 2022, but rebounded to 4.8% in November. Core inflation has stabilised around 6.0% over 2023, illustrating the more persistent underlying price pressures in the economy. Against this background, Norges Bank has continued its monetary tightening cycle with two 25bp increases in September and December 2023, bringing the policy rate to 4.5%.

**Stable House Prices:** Nominal house prices have been broadly stable since mid-2022 following a cumulative 17% increase during the pandemic period (from 1Q20 to 1Q22). Fitch believes that a downward correction in house prices remains a risk, given the combination of tightened financing conditions and high mortgage debt, of which 90% is variable rate. In case of a sharper housing market correction, overall household consumption could decline significantly, with negative spillover to the broader real economy and the banking sector.

**Solid Banking Sector**: Banks' strong balance sheets, including solid capitalisation and leverage and low non-performing loans, mitigate financial-sector vulnerabilities. Norwegian banks have remained profitable in recent years, benefiting from higher interest rates, loan growth and muted credit losses.

In 2024, we expect higher but easily manageable loan impairment charges, and we expect problems to be relatively diversified by sectors. Housing and commercial real estate loans (the majority of banks' credit exposure) will be under some pressure, but should perform well due to prudent underwriting.

## Ratings

| | |
|---|---|
| **Foreign Currency** | |
| Long-Term IDR | AAA |
| Short-Term IDR | F1+ |
| **Local Currency** | |
| Long-Term IDR | AAA |
| Short-Term IDR | F1+ |
| **Country Ceiling** | AAA |
| **Outlooks** | |
| Long-Term Foreign-Currency IDR | Stable |
| Long-Term Local-Currency IDR | Stable |

## Rating Derivation

| Component | |
|---|---|
| Sovereign Rating Model (SRM) | AAA |
| Qualitative Overlay (QO) | 0 |
| Structural features | 0 |
| Macroeconomic | 0 |
| Public finances | 0 |
| External finances | 0 |
| Long-Term Foreign-Currency IDR | AAA |
| Source: Fitch Ratings | |

## Data

| | 2023F |
|---|---|
| GDP (USDbn) | 601 |
| Population (m) | 5.4 |
| Source: Fitch Ratings | |

## Applicable Criteria

Country Ceiling Criteria (July 2023)

Sovereign Rating Criteria (April 2023)

## Related Research

Latest RAC (Dec-2023)
Global Economic Outlook (Dec-2023)
Interactive Sovereign Rating Model
Fitch Fiscal Index - Analytical Tool
Click here for more Fitch Ratings content on Norway

## Analysts

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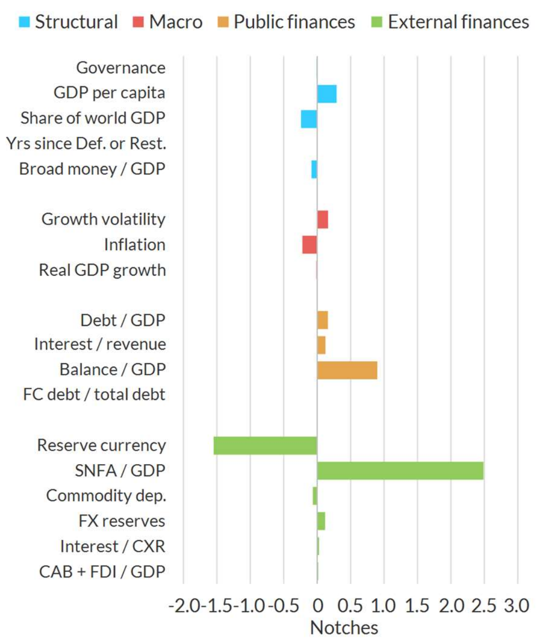
## Rating Summary

### Long-Term Foreign-Currency Issuer Default Rating: AAA

### Sovereign Rating Model: AAA

**Contribution of variables, relative to AAA Median**



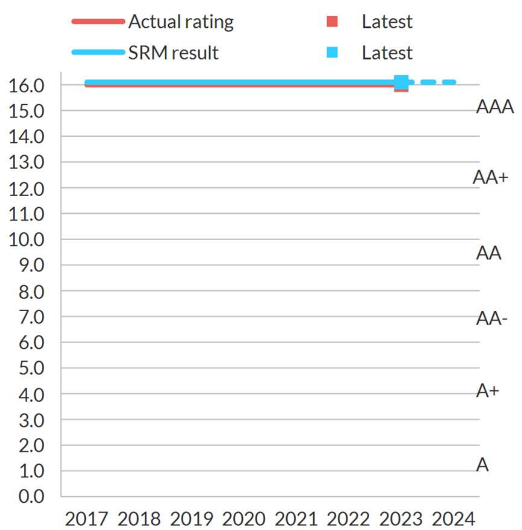

### Qualitative Overlay: 0

**Adjustments relative to SRM data and output**

**Structural features:** No adjustment.
**Macroeconomic outlook, policies and prospects:** No adjustment.
**Public finances:** No adjustment.
**External finances:** No adjustment.

Note: See *Peer Analysis table* for summary data, including rating category medians; see the *Full Rating Derivation table* for detailed SRM data.

### Sovereign Rating Model Trend




### Recent Rating Derivation History

| Review Date | LT FC IDR | SRM Result[ab] | QO S | M | PF | EF |
|---|---|---|---|---|---|---|
| Latest | AAA | AAA | 0 | 0 | 0 | 0 |
| 16 Jun 2023 | AAA | AAA | 0 | 0 | 0 | 0 |
| 20 Jan 2023 | AAA | AAA | 0 | 0 | 0 | 0 |
| 29 Jul 2022 | AAA | AAA | 0 | 0 | 0 | 0 |
| 4 Feb 2022 | AAA | AAA | 0 | 0 | 0 | 0 |
| 6 Aug 2021 | AAA | AAA | 0 | 0 | 0 | 0 |
| 12 Feb 2021 | AAA | AAA | 0 | 0 | 0 | 0 |
| 28 Aug 2020 | AAA | AAA | 0 | 0 | 0 | 0 |
| 28 Feb 2020 | AAA | AAA | 0 | 0 | 0 | 0 |
| 30 Aug 2019 | AAA | AAA | 0 | 0 | 0 | 0 |

[a] The latest rating uses the SRM result for 2023 from the chart. This will roll forward to 2024 in July 2024).

[b] Historical SRM results in this table may differ from the chart, which is based on our latest data, due to data revisions.

Abbreviations: LT FC IDR = Long-Term Foreign-Currency Issuer Default Rating; SRM = Sovereign Rating Model; QO = Qualitative Overlay

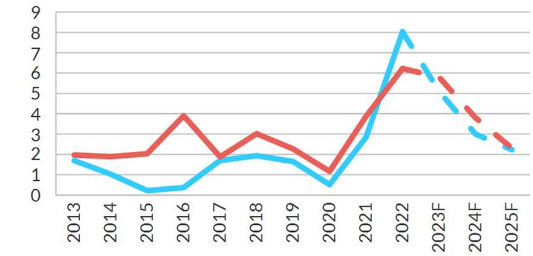
Source: Fitch Ratings

## Peer Analysis

Norway AAA Median

### Consumer Price Inflation

(annual avg, %)

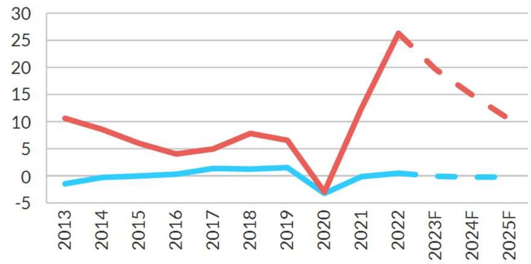



### Real GDP Growth

(%)

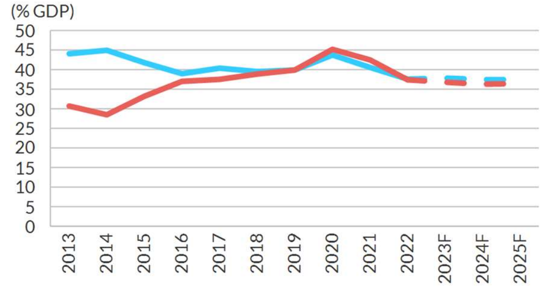

### General Government Balance

(% GDP)



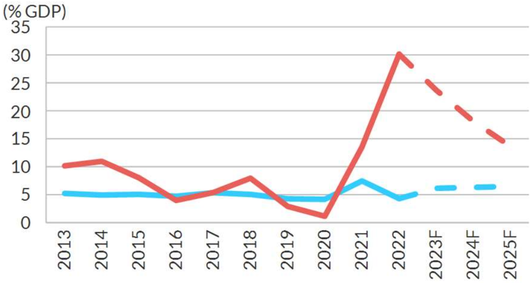

### Gross General Government Debt

(% GDP)



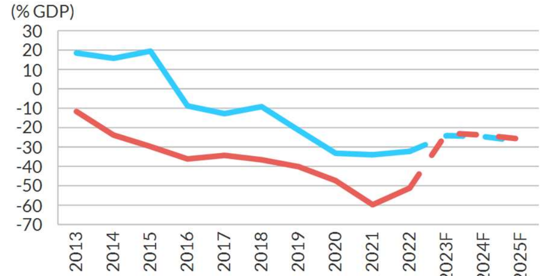

### Current Account Balance

(% GDP)



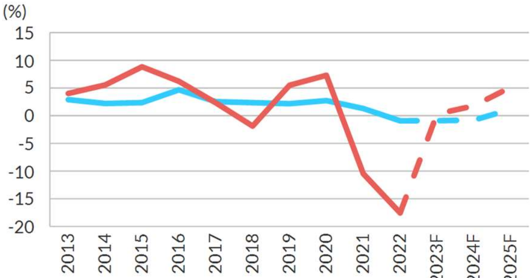

### Net External Debt

(% GDP)



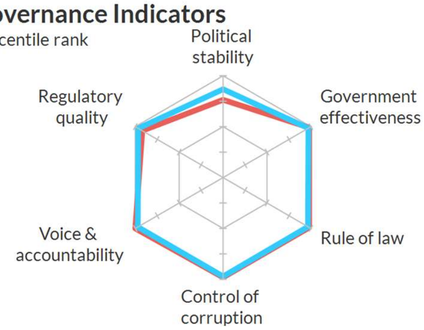

### Real Private-Sector Credit Growth

(%)




### Governance Indicators

Percentile rank




Source: Fitch Ratings, Statistical Office, Ministry of Finance, IMF, World Bank

## Peer Analysis

| 2023F[a] | Norway | AAA median | AA median | A median |
|---|---|---|---|---|
| **Structural features** | | | | |
| GDP per capita (USD) [SRM] | 110,847 | 65,303 | 52,385 | 30,369 |
| Share in world GDP (%) [SRM] | 0.6 | 0.0 | 0.0 | 0.0 |
| **Composite governance indicator (percentile, latest) [SRM][b]** | 93.8 | 93.9 | 84.1 | 75.1 |
| Human development index (percentile, latest) | 99.4 | 94.7 | 89.4 | 82.4 |
| Broad money (% GDP) [SRM] | 54.7 | 93.4 | 98.4 | 88.9 |
| Private credit (% GDP, 3-year average) | 113.4 | 122.6 | 103.0 | 73.5 |
| Dollarisation ratio (% bank deposits, latest) | 24.1 | 16.7 | 12.8 | 10.5 |
| Bank system capital ratio (% assets, latest) | 23.1 | 15.0 | 16.4 | 15.9 |
| **Macroeconomic performance and policies** | | | | |
| Real GDP growth (%, 3-year average) [SRM] | 1.8 | 2.0 | 2.2 | 3.7 |
| Real GDP growth volatility (complex standard deviation) [SRM] | 1.5 | 1.9 | 2.4 | 3.0 |
| Consumer price inflation (%, 3-year average) [SRM] | 5.3 | 1.8 | 2.1 | 2.3 |
| Unemployment rate (%) | 3.5 | 5.4 | 5.1 | 6.4 |
| **Public finances (general government)[c]** | | | | |
| Balance (% GDP, 3-year average) [SRM] | 20.3 | -0.2 | -0.9 | -2.4 |
| Primary balance (% GDP, 3-year average) | 19.8 | 1.1 | 0.5 | -0.6 |
| Interest payments (% revenue, 3-year average) [SRM] | 0.8 | 3.6 | 3.5 | 4.4 |
| Gross debt (% revenue, 3-year average) | 64.0 | 113.5 | 139.5 | 133.9 |
| Gross debt (% GDP, 3-year average) [SRM] | 36.8 | 43.9 | 40.5 | 42.1 |
| Net debt (% GDP, 3-year average) | 30.5 | 37.2 | 34.1 | 36.6 |
| FC debt (% gross debt, 3-year average) [SRM] | 0.0 | 0.0 | 0.8 | 9.8 |
| **External finances[c]** | | | | |
| Current account balance (% GDP, 3-year average) | 24.0 | 4.9 | 1.2 | 0.9 |
| Current account balance + net FDI (% GDP, 3-year avg.) [SRM] | 21.7 | 2.1 | 0.6 | 2.4 |
| Commodity dependence (% CXR) [SRM] | 30.0 | 14.4 | 15.0 | 11.5 |
| Gross external debt (% GDP, 3-year average) | 119.3 | 178.1 | 119.9 | 65.9 |
| Net external debt (% GDP, 3-year average) | -32.6 | 13.5 | -2.3 | -8.1 |
| Gross sovereign external debt (% GXD, 3-year average) | 21.6 | 12.2 | 17.8 | 19.0 |
| Sovereign net foreign assets (% GDP, 3-year average) [SRM] | 226.1 | -4.6 | 8.7 | 11.9 |
| External interest service (% CXR, 3-year average) [SRM] | 3.1 | 7.3 | 4.1 | 2.3 |
| Foreign-exchange reserves (months of CXP) [SRM] | 4.1 | 1.4 | 2.9 | 4.4 |
| Liquidity ratio | 57.0 | 51.5 | 59.9 | 102.8 |

[a] 3-year averages are centred on this year. Fitch does not forecast indicators labelled 'latest', meaning data may be lagging.

[b] Composite of all six World Bank Worldwide Governance Indicators (see chart on the previous page).

[c] See Appendix 2: Data Notes and Conventions for details of data treatment for public finances and external finances.

Source: Fitch Ratings, Statistical Office, Ministry of Finance, IMF, World Bank, United Nations

**Supplementary Information**

BSI / MPI = a / 2. About the BSI and MPI: Fitch's bank systemic indicator (BSI) equates to a weighted average Viability Rating. The macro-prudential risk indicator (MPI) focuses on one potential source of financial stress, ranging from '3' – high potential vulnerability to financial stress over the medium term based on trends in credit expansion, equity and property prices and real exchange rates – to '1' – low likelihood. For more information, refer to Fitch Ratings' most recent Macro-Prudential Risk Monitor report.

Year cured from the most recent default or restructuring event, since 1980 = No event.

The de facto exchange rate regime, based on the latest IMF Annual Report on Exchange Arrangements and Exchange Restrictions report, is 'Free floating'.

## Rating Factors

### Strengths

- Norway has a very rich economy with per-capita GDP more than 50% above the peer median.
- Exceptionally strong governance indicators in the 98th percentile; Norway has the highest Human Development Index among Fitch-rated sovereigns.
- Fiscal indicators, budget and primary balance, interest expenditure and net debt are all stronger than 'AAA' median.
- Norway is a net external creditor, and the current account surplus is more than twice the peer median.

### Weaknesses

- Commodity dependence is higher than most peers. However, as petroleum revenues go directly to the sovereign wealth fund, overheating risks are limited.
- Inflation is above the peer median and also persistently above the central bank's 2% target

| Rating | Sovereign |
|---|---|
| AAA | **Norway** |
| | Australia |
| | Denmark |
| | Germany |
| | Luxembourg |
| | Netherlands |
| | Singapore |
| | Sweden |
| | Switzerland |
| | |
| AA+ | Austria |
| | Canada |
| | Finland |
| | New Zealand |
| | United States of America |

## Rating Sensitivities

### Factors that could, individually or collectively, lead to negative rating action/downgrade

-**Macro:** A sharp correction in the Norwegian residential and/or commercial real-estate market or large losses on trading and lending portfolios resulting in a severe and protracted macroeconomic shock.

### Factors that could, individually or collectively, lead to positive rating action/upgrade

- The ratings are at the highest level on Fitch's scale and therefore cannot be upgraded.

## Forecast Summary

| | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F |
|---|---|---|---|---|---|---|
| **Macroeconomic indicators and policy** | | | | | | |
| Real GDP growth (%) | -1.3 | 3.9 | 3.3 | 1.0 | 1.2 | 1.6 |
| Unemployment (%) | 4.8 | 4.5 | 3.2 | 3.5 | 3.7 | 3.7 |
| Consumer price inflation (annual average % change) | 1.2 | 3.9 | 6.2 | 5.8 | 3.8 | 2.3 |
| Policy interest rate (annual average, %) | 0.4 | 0.1 | 1.3 | 3.8 | 3.9 | 3.5 |
| General government balance (% GDP) | -3.0 | 12.5 | 26.3 | 19.7 | 14.8 | 10.4 |
| Gross general government debt (% GDP) | 45.2 | 42.5 | 37.4 | 36.8 | 36.3 | 36.5 |
| NOK per USD (annual average) | 9.4 | 8.6 | 9.6 | 9.6 | 9.6 | 9.6 |
| Real private credit growth (%) | 7.3 | -10.5 | -17.5 | 0.3 | 1.8 | 5.1 |
| **External finance** | | | | | | |
| Merchandise trade balance (USDbn) | 2.1 | 63.7 | 167.0 | 134.8 | 105.0 | 78.4 |
| Current account balance (% GDP) | 1.1 | 13.5 | 30.1 | 23.7 | 18.1 | 13.6 |
| Gross external debt (% GDP) | 186.4 | 137.7 | 122.8 | 119.3 | 115.9 | 114.2 |
| Net external debt (% GDP) | -47.4 | -59.8 | -51.2 | -22.8 | -23.9 | -25.9 |
| External debt service (principal + interest, USDbn) | 86.7 | 96.9 | 99.5 | 106.7 | 107.8 | 108.4 |
| Official international reserves including gold (USDbn) | 75.3 | 84.3 | 72.1 | 72.1 | 72.1 | 72.1 |
| Gross external financing requirement (% int. reserves) | 111.9 | 32.0 | -102.3 | -64.8 | -22.0 | 15.7 |
| **Real GDP growth (%)** | | | | | | |
| US | -2.8 | 5.9 | 2.1 | 2.0 | 0.3 | 2.1 |
| China | 2.2 | 8.4 | 3.0 | 4.8 | 4.6 | 4.8 |
| Eurozone | -6.4 | 5.4 | 3.5 | 0.6 | 1.1 | 1.7 |
| World | -3.0 | 6.2 | 2.7 | 2.5 | 1.9 | 2.8 |
| **Oil (USD/barrel)** | 43.3 | 70.6 | 98.6 | 80.0 | 75.0 | 70.0 |

Source: Fitch Ratings

## Sources and Uses

### Public Finances (General government)

| (NOKbn) | 2023 | 2024 |
|---|---|---|
| **Uses** | **0.2** | **0.2** |
| Budget deficit | 0.0 | 0.0 |
| MLT amortisation | 0.2 | 0.2 |
| Domestic | 0.2 | 0.2 |
| External | 0.0 | 0.0 |
| **Sources** | **0.2** | **0.2** |
| Gross borrowing | 72.6 | 42.7 |
| Domestic | 17.2 | 17.5 |
| External | 55.5 | 25.2 |
| Privatisation | 0.0 | 0.0 |
| Other | -63.3 | -42.5 |
| Change in deposits (- = increase) | -9.1 | 0.0 |

Source: Fitch Ratings

### External Finances

| (USDbn) | 2023 | 2024 |
|---|---|---|
| **Uses** | **-46.7** | **-15.8** |
| Current account deficit | -142.3 | -112.6 |
| MLT amortisation | 95.6 | 96.7 |
| Sovereign | 0.0 | 0.0 |
| Non-sovereign | 95.6 | 96.7 |
| **Sources** | **-141.6** | **-116.1** |
| Gross MLT borrowing | 131.9 | 133.1 |
| Sovereign | 30.3 | 30.3 |
| Non-sovereign | 101.6 | 102.8 |
| FDI | -108.7 | -114.1 |
| Other | -164.9 | -135.1 |
| Change in FX reserves (- = increase) | 0.0 | 0.0 |

Source: Fitch Ratings

## Credit Developments

### Cyclical Slowdown

The Norwegian economy has slowed significantly in 2023 from a cyclical peak. Overall GDP growth was 3.3% in 2022, and mainland GDP grew by 3.8%. Nominal GDP growth was particularly strong due to the energy price surge, triggered by the war in Ukraine. Real GDP growth of the mainland economy has slowed markedly during the first three quarters of 2023, driven by a fall in household consumption as high inflation erodes real incomes and a sharp contraction in housing investments. Fitch forecast overall economic growth, including the petroleum sector, to slow to 1% in 2023 and accelerate modestly to 1.2% and 1.6% in 2024 and 2025, respectively.

The slowdown in consumption started at the beginning of 2023, and it has broadly stabilized at the lower level in 2Q23 and 3Q23. Investments peaked one quarter later and declined substantially in the past two quarters. The monetary tightening has also contributed significantly to the slowdown as monetary transmission is relatively fast in Norway due to the high share of variable rate mortgages.

The labour market has remained resilient despite the slowdown. The registered unemployment rate was 1.8% in 2023, unchanged since 2022, a record low level. We expect the tight labour market to continue to exert upward pressure for nominal wages.

Cyclical Slowdown
Q/q GDP growth


Source: Haver

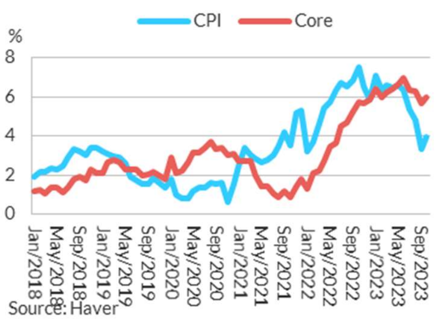
### Persistently Tight Monetary Policy

Headline inflation fell to 3.4% in September 2023, the lowest figure since January 2022, but rebounded to 4.8% in November. Core inflation has stabilised around 6.0% over 2023, illustrating the more persistent underlying price pressures in the economy. Against this background, Norges Bank has continued its monetary tightening cycle with two 25 bps increases in September and December 2023, bringing the policy rate to 4.5%. We expect that tight monetary conditions will be required over the forecast horizon to bring inflation back to its 2% target.

### Stable House Prices

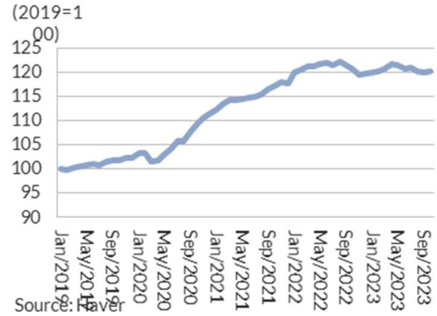
Nominal house prices have been broadly stable since May 2022 following a cumulative 17% increase during the pandemic period (from 1Q20 to 1Q22). Fitch believes that a downward correction in house prices remains a risk, given the combination of tightened financing conditions and high mortgage debt, of which 90% is variable rate. In case of a sharper housing market correction, overall household consumption could decline significantly, with negative spillover to the broader real economy and the banking sector.

Persistent Inflation Pressure




Source: Haver

Stable House Prices




Source: Haver

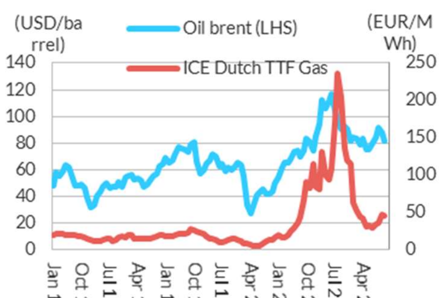
**Very Large Fiscal Buffer**

The value of the Government Pension Fund Global (GPFG) assets is estimated around NOK15,300 billion (USD1.4 trillion) at the end of 2023, approximately 4x mainland GDP. The GPF value has increased by an estimated NOK3000billion in 2023, an 23% increase, due to the combination of strong market performance, large petroleum inflows and weakening NOK exchange rate. The revenue from petroleum activities are expected to reach NOK930bn this year, following a record NOK1,314 billion in 2022 (36% of mainland GDP) and NOK312billion in 2021.

**Ample Fiscal Space**

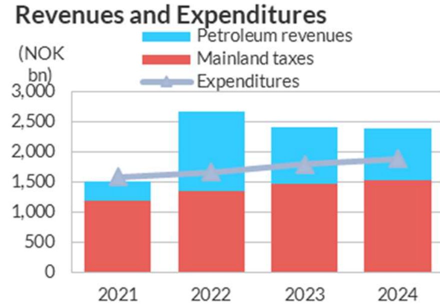
Norway's internationally comparable overall budget surplus, including the petroleum revenues, is forecast at close to 20% of GDP in 2023, following a record surplus of 26% of GDP in 2022. The government estimates that the structural non-oil budget deficit, the key domestic fiscal target, will be 9.9% of mainland trend GDP in 2023 and it will increase to 10.3% in 2024. The widening deficit mainly reflects higher inflation compensation to avoid further erosion in real incomes. Norway's fiscal rule sets a 3% target for the annual transfers from the GPFG over the economic cycle, corresponding to the expected real return of the fund over the longer run. Due to the fast increase in the GPFG value, the 2024 structural deficit, according to the draft budget, will be only 2.7% of the GPFG value, below its 3.0% ratio in 2023 and similar to the pre-pandemic values.

Oil and Gas Prices - Monthly




Source: Fitch Ratings, Financial Times, ICE, Haver

Revenues and Expenditures

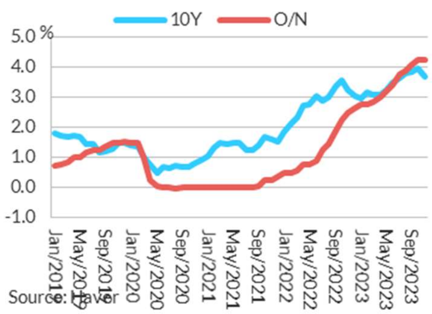



Source: 2024 Budget

## Moderating Energy Prices

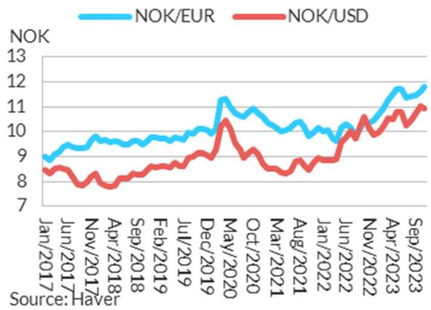
Oil prices were broadly stable in 2023 around USD80/barrel (bbl), well below the peak of USD120/bbl in mid-2022. Natural gas prices have stablized around EUR50/ megawatt hour (MWh) in 2H23. The TTF gas price peaked above EUR250/ hour MWh in September 2022, following the cut to gas flows through the North Stream pipeline. Prices have declined by more than 80% since September as European economies managed to cope better than initially expected without the Russian gas supply. Nevertheless, the average gas price for 2015-2019 was less than EUR20/MWh, still significantly lower than current prices.

Higher Yields




Source: Haver

Exchange Rate Weakness




Source: Haver

## Higher Yields, Weaker Exchange Rate

Reflecting the tighter financing conditions the long yields have increased significantly since the last rating review in June 2023 and the average was 3.7% in November 2023, significantly higher than long yields in 'AAA' peers like Germany or Sweden. The 10Y yield peaked at 4% in November 2023, when global yields also reached a peak as markets expected global monetary conditions to remain tight for longer. Since November markets started to price in globally more rate cuts based on an expectation of easing inflation pressures and this trend was also visibly in the Norwegian market.

The NOK exchange rate depreciated by more than 10% against the EUR and USD in 2023, adding to the inflation pressure. The exchange rate movement is correlated with the SEK, indicating a general Nordic trend. The government estimates using macroeconomic models that the exchange rate pass-through is less than 0.1 in the first year and its full impact on the price level is 0.4. There is hardly any positive impact on the GDP over the longer run according to the simulations, as any initial boost through weaker real exchange rate is counterbalanced by monetary tightening triggered by the higher inflation path.

## Small Debt Management Operations

The government's borrowing is not for the usual purpose of financing the budget deficits, given the very large GPFG assets. Rather, the borrowing is for the operation of state banks and other public-sector lending programmes, and is indirectly used to provide a yield curve for the financial sector. The total bond debt was NOK488 billion in October 2023, equivalent to only 4.5% of the GPF assets, and T-bills were NOK52 billion. Norges Bank is the debt manager and it issues a new benchmark 10-year bond every year.

## Solid Banking Sector

Banks' strong balance sheets, including solid capitalisation and leverage and low non-performing loans, mitigate financial sector vulnerabilities. Norwegian banks have remained profitable in recent years, benefiting from higher interest rates, loan growth and muted credit losses. In 2024, we expect higher but easily manageable loan impairment charges, and we expect problems to be relatively diversified by sectors. Housing and commercial real estate loans (the majority of banks' credit exposure) will be under some pressure, but should perform well due to prudent underwriting.

## Public Debt Dynamics

No DDM as the public borrowing is not used for financing the budget.

*About the Public Debt Dynamics*

Fitch uses stylised projections for a sovereign's gross general government debt/GDP ratio to illustrate the sustainability of its debt burden and its sensitivity to economic growth, the cost of borrowing, fiscal policy and the exchange rate.

## Data Tables

### General Government Summary

| % GDP | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F |
|---|---|---|---|---|---|---|---|---|---|
| Revenue | 54.2 | 55.5 | 56.8 | 53.4 | 59.7 | 63.5 | 57.9 | 52.0 | 46.5 |
| Expenditure | 49.2 | 47.7 | 50.2 | 56.4 | 47.2 | 37.3 | 38.3 | 37.2 | 36.2 |
| o/w interest payments | 0.7 | 0.7 | 0.7 | 0.7 | 0.6 | 0.4 | 0.5 | 0.5 | 0.5 |
| Interest payments (% revenue) | 1.2 | 1.2 | 1.2 | 1.3 | 0.9 | 0.7 | 0.8 | 0.9 | 1.0 |
| | | | | | | | | | |
| Primary balance | 4.3 | 7.2 | 5.9 | -3.6 | 11.9 | 25.8 | 19.2 | 14.4 | 9.9 |
| Overall balance | 5.0 | 7.8 | 6.6 | -3.0 | 12.5 | 26.3 | 19.7 | 14.8 | 10.4 |
| | | | | | | | | | |
| Gross government debt | 37.5 | 38.9 | 39.9 | 45.2 | 42.5 | 37.4 | 36.8 | 36.3 | 36.5 |
| % of government revenue | 69.2 | 70.0 | 70.3 | 84.6 | 71.2 | 58.8 | 63.5 | 69.7 | 78.3 |
| Issued in domestic market | 15.3 | 15.8 | 16.3 | 18.4 | 17.3 | 15.2 | 15.0 | 14.8 | 14.9 |
| Issued in foreign markets | 22.2 | 23.0 | 23.6 | 26.8 | 25.2 | 22.2 | 21.8 | 21.5 | 21.6 |
| Local currency | 37.5 | 38.9 | 39.9 | 45.2 | 42.5 | 37.4 | 36.8 | 36.3 | 36.5 |
| Foreign currency | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | | | | | | | | |
| Central government deposits | 9.7 | 9.2 | 10.2 | 11.6 | 8.4 | 6.4 | 6.3 | 6.1 | 6.0 |
| Net government debt | 27.9 | 29.0 | 29.8 | 34.6 | 33.8 | 30.9 | 30.5 | 30.2 | 30.4 |
| | | | | | | | | | |
| Financing | | -7.8 | -6.6 | 3.0 | -12.5 | -26.3 | -19.7 | -14.8 | -10.4 |
| Domestic borrowing | | 1.6 | 0.5 | 1.5 | 2.2 | 2.2 | 0.3 | 0.3 | 0.3 |
| External borrowing | | 1.1 | 0.5 | 3.2 | 2.4 | 0.9 | 1.0 | 0.4 | 0.4 |
| Other financing | | -10.5 | -7.6 | -1.8 | -17.0 | -29.3 | -20.9 | -15.6 | -11.1 |
| Change in deposits (- = increase) | | -0.2 | -1.0 | -1.1 | 1.1 | 0.0 | -0.2 | 0.0 | 0.0 |
| Privatisation | | - | - | - | - | - | - | - | - |
| Other | | -10.4 | -6.6 | -0.7 | -18.1 | -29.3 | -20.8 | -15.6 | -11.1 |

Source: Fitch Ratings, Ministry of Finance

### Balance of Payments

| (USDbn) | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F |
|---|---|---|---|---|---|---|---|---|---|
| Current account | 21.6 | 35.0 | 11.9 | 4.2 | 66.3 | 174.6 | 142.3 | 112.6 | 86.0 |
| % GDP | 5.4 | 7.9 | 2.9 | 1.1 | 13.5 | 30.1 | 23.7 | 18.1 | 13.6 |
| Goods | 23.2 | 33.8 | 15.8 | 2.1 | 63.7 | 167.0 | 134.8 | 105.0 | 78.4 |
| Services | -9.3 | -8.8 | -9.7 | -5.4 | -0.8 | -2.8 | -2.8 | -2.8 | -2.8 |
| Primary income | 14.5 | 16.6 | 12.5 | 15.3 | 11.8 | 17.2 | 17.2 | 17.2 | 17.2 |
| Secondary income | - | - | - | - | - | - | - | - | 0.0 |
| | | | | | | | | | |
| Capital account | -8.3 | -9.6 | -11.1 | -7.4 | -7.4 | -7.4 | -7.4 | -7.4 | 0.0 |
| | | | | | | | | | |
| Financial account | 442.7 | 493.6 | 466.3 | 392.4 | 549.0 | 693.1 | 676.4 | 662.9 | 656.9 |
| Direct investment | 80.6 | 88.1 | 87.6 | 82.1 | 98.3 | 103.5 | 108.7 | 114.1 | 120.9 |
| Portfolio investment | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Derivatives | 191.9 | 220.2 | 195.3 | 157.2 | 258.5 | 382.1 | 355.0 | 330.7 | 311.0 |
| Other investments | 170.2 | 185.3 | 183.4 | 153.0 | 192.2 | 207.5 | 212.7 | 218.1 | 225.0 |
| | | | | | | | | | |
| Net errors and omissions | -13.8 | -2.5 | -14.7 | -5.1 | 1.6 | -71.8 | -37.0 | -7.2 | 0.0 |
| | | | | | | | | | |
| Change in reserves (+ = increase) | -0.1 | -0.3 | 0.1 | 3.8 | 10.1 | -2.5 | 0.0 | 0.0 | 0.0 |
| International reserves, incl. gold | 65.9 | 63.1 | 66.9 | 75.3 | 84.3 | 72.1 | 72.1 | 72.1 | 72.1 |
| Liquidity ratio (%) | 50.6 | 50.2 | 52.0 | 53.8 | 57.5 | 61.1 | 57.0 | 57.4 | 57.8 |
| | | | | | | | | | |
| Memo | | | | | | | | | |
| Current external receipts (CXR) | 191.9 | 220.2 | 195.3 | 157.2 | 258.5 | 382.1 | 355.0 | 330.7 | 311.0 |
| Current external payments (CXP) | 170.2 | 185.3 | 183.4 | 153.0 | 192.2 | 207.5 | 212.7 | 218.1 | 225.0 |
| CXR growth (%) | 10.1 | 14.8 | -11.3 | -19.5 | 64.4 | 47.8 | -7.1 | -6.9 | -6.0 |
| CXP growth (%) | 6.7 | 8.8 | -1.0 | -16.6 | 25.6 | 7.9 | 2.5 | 2.6 | 3.1 |
| Gross external financing requirement | 58.5 | 48.6 | 61.2 | 74.9 | 24.1 | -86.2 | -46.7 | -15.8 | 11.3 |
| % International reserves | 96.7 | 73.8 | 96.8 | 111.9 | 32.0 | -102.3 | -64.8 | -22.0 | 15.7 |
| Net external borrowing | 0.5 | 9.3 | 37.6 | 15.5 | 38.4 | 38.4 | 38.4 | 38.4 | 0.0 |

Source:Fitch Ratings, IMF

## External Debt and Assets

| (USDbn) | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F |
|---|---|---|---|---|---|---|---|---|---|
| Gross external debt | 654.1 | 595.8 | 629.3 | 685.3 | 675.2 | 711.6 | 717.2 | 720.2 | 720.2 |
| % GDP | 162.8 | 135.5 | 153.9 | 186.4 | 137.7 | 122.8 | 119.3 | 115.9 | 114.2 |
| % CXR | 340.9 | 270.6 | 322.2 | 435.8 | 261.2 | 186.2 | 202.0 | 217.8 | 231.6 |
| | | | | | | | | | |
| Short-term debt (% GXD) | 36.1 | 38.7 | 37.1 | 34.1 | 34.6 | 32.8 | 32.6 | 32.4 | 32.4 |
| | | | | | | | | | |
| By debtor | | | | | | | | | |
| Sovereign | 78.3 | 89.0 | 92.4 | 106.5 | 139.0 | 151.5 | 154.5 | 157.5 | 157.5 |
| Monetary authorities | 3.4 | 3.5 | 3.6 | 4.2 | 10.0 | 8.4 | 8.4 | 8.4 | 8.4 |
| General government | 75.0 | 85.5 | 88.8 | 102.3 | 129.1 | 143.1 | 146.1 | 149.1 | 149.1 |
| Banks | 209.8 | 200.3 | 212.0 | 232.8 | 232.0 | 232.8 | 232.8 | 232.8 | 232.8 |
| Other sectors | 366.0 | 306.6 | 324.8 | 346.0 | 304.2 | 327.2 | 329.8 | 329.8 | 329.8 |
| | | | | | | | | | |
| Gross external assets (non-equity) | 792.0 | 756.8 | 793.4 | 859.4 | 968.3 | 1,008.2 | 854.1 | 868.6 | 883.5 |
| Sovereign | 421.1 | 400.7 | 418.3 | 442.0 | 513.6 | 519.0 | 482.9 | 497.4 | 512.4 |
| International reserves, incl. gold | 65.9 | 63.1 | 66.9 | 75.3 | 84.3 | 72.1 | 72.1 | 72.1 | 72.1 |
| Other sovereign assets | 355.2 | 337.6 | 351.3 | 366.7 | 429.4 | 447.0 | 410.9 | 425.4 | 440.3 |
| Banks | 109.4 | 109.2 | 114.0 | 123.9 | 128.9 | 130.9 | 132.9 | 134.9 | 134.9 |
| Other sectors | 319.4 | 312.1 | 332.7 | 324.1 | 314.1 | 312.1 | 310.1 | 308.1 | 308.1 |
| | | | | | | | | | |
| Net external debt | -137.9 | -161.0 | -164.1 | -174.1 | -293.1 | -296.7 | -137.0 | -148.5 | -163.4 |
| % GDP | -34.3 | -36.6 | -40.2 | -47.4 | -59.8 | -51.2 | -22.8 | -23.9 | -25.9 |
| Sovereign | -342.8 | -311.7 | -325.9 | -335.5 | -316.2 | -317.3 | -328.4 | -339.9 | -354.8 |
| Banks | 158.3 | 156.3 | 169.6 | 180.7 | 174.8 | 173.7 | 171.7 | 169.7 | 169.7 |
| Other sectors | 46.6 | -5.5 | -7.9 | 21.9 | -9.9 | 15.1 | 19.7 | 21.7 | 21.7 |
| | | | | | | | | | |
| International investment position | | | | | | | | | |
| Assets | 1,759.7 | 1,661.8 | 1,918.8 | 2,127.4 | 2,360.0 | 2,223.1 | - | - | - |
| Liabilities | 876.4 | 860.2 | 921.7 | 987.1 | 1,038.1 | 1,040.7 | - | - | - |
| Net | 883.3 | 801.6 | 997.1 | 1,140.3 | 1,321.9 | 1,182.5 | - | - | - |
| Net sovereign | 1,035.3 | 945.5 | 1,142.5 | 1,275.0 | 1,328.5 | 1,228.3 | 1,401.0 | 1,449.8 | 1,617.5 |
| % GDP | 257.7 | 215.0 | 279.5 | 346.8 | 271.0 | 212.0 | 233.1 | 233.3 | 256.4 |
| | | | | | | | | | |
| External debt service (principal + interest) | 92.3 | 96.8 | 85.0 | 86.7 | 96.9 | 99.5 | 106.7 | 107.8 | 108.4 |
| Interest (% CXR) | 6.4 | 6.0 | 6.1 | 4.8 | 2.6 | 2.9 | 3.1 | 3.4 | 3.6 |

Source: Fitch Ratings, central bank, IMF, World Bank

## Full Rating Derivation

| Long-Term Foreign-Currency Issuer Default Rating (SRM + QO) | AAA |
|---|---|

| Sovereign Rating Model | | | | | | | Applied Rating[d] | AAA |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Model Result and Predicted Rating | 18 = AAA |
| **Input Indicator** | **Weight (%)** | **2022** | **2023** | **2024** | **Adjustment to Final Data** | **Final Data** | **Coefficient** | **Output (notches)** |
| **Structural features** | | | | | | | | **11.34** |
| Governance indicators (percentile) | 21.4 | n.a. | 93.8 | n.a. | - | 93.8 | 0.077 | 7.26 |
| GDP per capita (USD) | 12.4 | n.a. | 110,847 | n.a. | Percentile | 98.3 | 0.038 | 3.76 |
| Nominal GDP (% world GDP) | 13.9 | n.a. | 0.60 | n.a. | Natural log | -0.5 | 0.627 | -0.32 |
| Most recent default or restructuring | 4.6 | n.a. | None | n.a. | **Inverse 0-1[a]** | 0.0 | -1.822 | 0 |
| Broad money (% GDP) | 1.2 | n.a. | 54.7 | n.a. | Natural log | 4.0 | 0.158 | 0.63 |
| **Macroeconomic performance, policies and prospects** | | | | | | | | **-0.54** |
| Real GDP growth volatility | 4.6 | n.a. | 1.5 | n.a. | Natural log | 0.4 | -0.728 | -0.31 |
| Consumer price inflation | 3.4 | 6.2 | 5.8 | 3.8 | **3-yr avg.[b]** | 5.3 | -0.067 | -0.36 |
| Real GDP growth | 2.0 | 3.3 | 1.0 | 1.2 | 3-yr avg. | 1.8 | 0.065 | 0.12 |
| **Public finances** | | | | | | | | **0.02** |
| Gross general govt debt (% GDP) | 8.9 | 37.4 | 36.8 | 36.3 | 3-yr avg. | 36.8 | -0.023 | -0.84 |
| General govt interest (% revenue) | 4.5 | 0.7 | 0.8 | 0.9 | 3-yr avg. | 0.8 | -0.044 | -0.04 |
| General govt fiscal balance (% GDP) | 2.4 | 26.3 | 19.7 | 14.8 | 3-yr avg. | 20.3 | 0.044 | 0.89 |
| FC debt (% of total general govt debt) | 2.7 | 0.0 | 0.0 | 0.0 | 3-yr avg. | 0.0 | -0.007 | 0 |
| **External finances** | | | | | | | | **2.43** |
| Reserve currency (RC) flexibility | 7.3 | n.a. | 0.0 | n.a. | **RC score 0 - 4.5[c]** | 0.0 | 0.509 | 0 |
| SNFA (% of GDP) | 7.4 | 212.0 | 233.1 | 233.3 | 3-yr avg. | 226.1 | 0.011 | 2.44 |
| Commodity dependence | 1.2 | n.a. | 30.0 | n.a. | Latest | 30.0 | -0.004 | -0.13 |
| FX reserves (months of CXP) | 1.5 | n.a. | 4.1 | n.a. | n.a. if RC score> 0 | 4.1 | 0.029 | 0.12 |
| External interest service (% CXR) | 0.4 | 2.9 | 3.1 | 3.4 | 3-yr avg. | 3.1 | -0.007 | -0.02 |
| CAB + net FDI (% GDP) | 0.1 | 27.7 | 21.4 | 15.9 | 3-yr avg. | 21.7 | 0.001 | 0.02 |
| **Intercept Term (constant across all sovereigns)** | | | | | | | | **4.76** |

[a] Inverse 0-1 scale, declining weight; [b] of truncated value (2%-50%); [c] Declining weight; [d] Sovereign rating committee can override SRM Predicted Rating if a marginal change in the Model Result leads to a notch change which is judged to be temporary or caused by a re-estimation of the SRM, a process that Fitch undertakes on at least an annual basis. Please refer to the Rating Action Commentary for further information when the Applied Rating differs from the Predicted Rating.

Note: This table contains data as at the date of the most recent rating action. There may be minor differences to data presented elsewhere in this report, which may have been updated where appropriate, for example in the event of subsequent data releases.

Source: Fitch Ratings

| Qualitative Overlay (notch adjustment, range +/-3) | 0 |
|---|---|
| Structural features | 0 |
| Macroeconomic outlook, policies and prospects | 0 |
| Public finances | 0 |
| External finances | 0 |

### *About the SRM and QO*

Fitch's SRM is the agency's proprietary multiple regression rating model that employs 18 variables based on three-year centred averages, including one year of forecasts, to produce a score equivalent to a LT FC IDR. Fitch's QO is a forward-looking qualitative framework designed to allow for adjustment to the SRM output to assign the final rating, reflecting factors within our criteria that are not fully quantifiable and/or not fully reflected in the SRM.

## Supplementary Ratings

### Local-Currency Rating

As Norway's Long-Term Foreign-Currency IDR is 'AAA', there is no capacity for upward notching of the Long-Term Local-Currency IDR, which is therefore also 'AAA'.

### Country Ceiling

The Country Ceiling for Norway is 'AAA', in line with the LT FC IDR at the upper limit of the rating scale. We view the risk of exchange and capital controls as de minimis. Fitch's Country Ceiling Model produced a starting point uplift of +3 notches and Fitch's rating committee did not apply a qualitative adjustment to the model result.

| **Overall Country Ceiling Uplift (CCM + QA, notches)** | | | **+3** |
|---|---|---|---|
| | | | |
| **Country Ceiling Model (CCM, notches)** | | | **+3** |
| **Pillar I = Balance of payments restrictions** | | | **+3** |
| Current account restrictions (% of 40) | Latest | 10.0 | +3 |
| Capital account restrictions (% of 69) | Latest | 17.4 | +3 |
| | | | |
| **Combined pillar II & III incentives score** | | | **+3** |
| **Pillar II = Long-term institutional characteristics** | | | **+3** |
| **Governance (WB WGI)** | Latest | 93.8 | +3 |
| **International trade** | | | +2 |
| Trade openness | 2019-23 avg | 46520.8 | +3 |
| Volatility of change in CXR (across 10yrs) | 2023 | 28.8 | 0 |
| Export share to FTA partners | 2019-23 avg | 88.2 | +3 |
| **International financial integration**[a] | 2019-23 avg | 98.4 | +3 |
| **Pillar III = Near-term risks** | | | **+2** |
| **Macro-financial stability risks** | | | +1 |
| Composite inflation risk score | | | +2 |
| Volatility of CPI (across 10yrs) | 2023 | 1.7 | +2 |
| Recent CPI peak | 2019-23 max | 6.2 | +3 |
| Cumulative broad money growth | 2018-23 chg % | 40.3 | +2 |
| Volatility of change in REER (across 10yrs) | 2023 | 7.1 | +1 |
| Dollarisation | Most recent | 24.1 | +2 |
| **Exchange rate risks** | | | +3 |
| Net external debt (% of CXR) | 2021-23 avg | -76.5 | +3 |
| Exchange rate regime | Latest | Free floating | +3 |
| | | | |
| **Qualitative Adjustment (QA, notches)** | | | **0** |
| Pillar I = Balance of payments restrictions | | | 0 |
| Pillar II = Long-term institutional characteristics | | | 0 |
| Pillar III = Near-term macro-financial stability risks | | | 0 |

[a] Data for international financial integration is the average of private external assets (% of GDP) & private external debt (% GDP).

Source: Fitch Ratings

## Full Rating History

| | Foreign-Currency Rating | | | Local-Currency Rating | | | |
|---|---|---|---|---|---|---|---|
| **Date** | **Long-Term** | **Short-Term** | **Outlook/Watch** | **Long-Term** | **Short-Term** | **Outlook/Watch** | **Country Ceiling** |
| 22 Jul 2016 | AAA | F1+ | Stable | AAA | F1+ | Stable | AAA |

| | Foreign-Currency Rating | | | Local-Currency Rating | | | |
|---|---|---|---|---|---|---|---|
| Date | Long-Term | Short-Term | Outlook/Watch | Long-Term | Short-Term | Outlook/Watch | Country Ceiling |
| 17 Jun 2004 | AAA | F1+ | Stable | AAA | - | Stable | AAA |
| 23 Jul 2002 | AAA | F1+ | Stable | AAA | - | Stable | - |
| 28 Jun 2001 | AAA | F1+ | Stable | AAA | - | - | - |
| 21 Sep 2000 | AAA | F1+ | Stable | AAA | - | Stable | - |
| 26 Oct 1995 | AAA | F1+ | - | AAA | - | - | - |
| 13 Mar 1995 | AAA | - | - | - | - | - | - |

Source: Fitch Ratings

# Appendix 1: Environmental, Social and Governance (ESG)

## Credit Relevance Scores

| General Issues | Key Sovereign Issues | SRM | QO | Score[a] |
|---|---|---|---|---|
| **Environmental (E)** | | | | |
| GHG Emissions and Air Quality | Emissions and air pollution as a constraint on GDP growth | 2 | 2 | 2 |
| Energy Management | Energy resource management, including potential for 'stranded assets', affecting exports, government revenues and GDP | 3 | 3 | 3 |
| Water Resources and Management | Water resource availability and management as a constraint on GDP growth | 2 | 2 | 2 |
| Biodiversity and Natural Resource Management | Natural resource management, including potential for 'stranded assets', affecting exports, government revenues and GDP | 3 | 2 | 3 |
| Natural Disasters and Climate Change | Impact of adverse climate trends, and likelihood of and resilience to shocks | 3 | 2 | 3 |
| **Social (S)** | | | | |
| Human Rights and Political Freedoms | Social stability, voice and accountability, regime legitimacy | 4 | 2 | 4 + |
| Human Development, Health and Education | Impact of human development, health and education on GDP per capita and GDP growth | 3 | 2 | 3 |
| Employment and Income Equality | Impact of unemployment and income equality on GDP per capita, GDP growth and political and social stability | 3 | 2 | 3 |
| Public Safety and Security | Impact of public safety and security on business environment and/or economic performance | 3 | 2 | 3 |
| Demographic Trends | Population decline or aging, rapidly rising youth population; pensions sustainability | 3 | 2 | 3 |
| **Governance (G)** | | | | |
| Political Stability and Rights | Political divisions and vested interests; geo-political risks including conflict, security threats and violence; policy capacity: unpredictable policy shifts or stasis | 5 | 2 | 5 + |
| Rule of Law, Institutional & Regulatory Quality, Control of Corruption | Government effectiveness, control of corruption, rule of law, regulatory quality | 5 | 2 | 5 + |
| International Relations and Trade | Trade agreements, membership of international organizations, bilateral relations; sanctions or other costly international actions | 3 | 2 | 3 |
| Creditor Rights | Willingness to service and repay debt | 4 | 2 | 4 + |
| Data Quality and Transparency | Availability, limitations and reliability of economic and financial data, including transparency of public debt and contingent liabilities | 3 | 2 | 3 |

Source: Fitch Ratings

### *About ESG Credit Relevance Scores*

The scores signify the credit relevance of the respective E, S and G issues to the sovereign entity's credit rating, according to the following scale:

5 – Highly relevant to the rating, a key rating driver with a high weight.
4 – Relevant to the rating, a rating driver.
3 – Relevant, but only has an impact on the entity rating in combination with other factors.
2 – Irrelevant to the entity rating but relevant to the sector (sovereigns).
1 – Irrelevant to the entity rating and irrelevant to the sector (sovereigns).

The score for each 'General Issue' is comprised of a component SRM and QO score, and is simply the higher of the two. SRM scores are fixed across all sovereigns as the weights in the SRM are the same for all sovereigns; QO component scores vary across all sovereigns.

All scores of '4' or '5' result in a negative impact on the rating, unless indicated otherwise. Where a positive impact is occurring, the score of '4' or '5' is appended with a '+' symbol. Scores of '3', '2' and '1' do not have a direction of impact assigned.

Please refer to ESG Relevance Scores for Sovereigns for further information on the framework, including 'Sovereign Rating Criteria References' (which identify specific potentially related SRM variables and QO factors for each 'General Issue').

## Credit-Relevant ESG Derivation

Norway has an ESG Relevance Score of '5[+]' for political stability and rights as WBGI have the highest weight in Fitch's SRM and are therefore highly relevant to the rating and a key rating driver with a high weight. As Norway has a percentile rank above 50 for the respective governance indicator, this has a positive impact on the credit profile.

Norway has an ESG Relevance Score of '5[+]' for Rule of law, institutional & regulatory quality and control of corruption as WBGI have the highest weight in Fitch's SRM and are therefore highly relevant to the rating and are a key rating driver with a high weight. As Norway has a percentile rank above 50 for the respective governance indicators, this has a positive impact on the credit profile.

Norway has an ESG Relevance Score of '4[+]'for human rights and political freedoms as the voice and accountability pillar of the WBGI is relevant to the rating and a rating driver. As Norway has a percentile rank above 50 for the respective governance indicator, this has a positive impact on the credit profile.

Norway has an ESG Relevance Score of '4[+]' for creditor rights as willingness to service and repay debt is relevant to the rating and is a rating driver for Norway, as for all sovereigns. As Norway has a record of 20+ years without a restructuring of public debt and captured in our SRM variable, this has a positive impact on the credit profile.

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/topics/esg/products#esg-relevance-scores.

## Appendix 2: Data Notes and Conventions

### Acronyms

Acronyms used in the above table and elsewhere in report are: Gross Domestic Product (GDP), Current External Receipts (CXR), Current External Payments (CXP), Current Account Balance (CAB), Foreign Direct Investment (FDI), World Bank Worldwide Governance Indicators (WBGI), Sovereign Rating Model (SRM), Qualitative Overlay (QO). For a full list of indicator definitions, please refer to the most recent Sovereign Data Comparator.

### Medians

Medians underlying the SRM relative to rating category chart on the Rating Summary page and as reported in the Peer Analysis table on page 4 are long-term historical medians. These are based on actual data since 2000 for all sovereign-year observations when the sovereign was in the respective rating category at year-end. Current year ratings and data are excluded.

Chart medians on page 3 are based on data for sovereigns in the respective rating category at the end of each year. Latest ratings are used for the current year and forecast period.

### Notes for Norway

All data are on a calendar-year basis, which aligns with the domestic fiscal year for this sovereign.
Public finances data referenced in this report relate to the consolidated general government, as per our principal approach, unless specifically noted otherwise where cited.
The external balance sheet data referenced in this report are derived from the international investment position dataset, as per our principal approach.

SOLICITATION & PARTICIPATION STATUS

For information on the solicitation status of the ratings included within this report, please refer to the solicitation status shown in the relevant entity's summary page of the Fitch Ratings website.

For information on the participation status in the rating process of an issuer listed in this report, please refer to the most recent rating action commentary for the relevant issuer, available on the Fitch Ratings website.