

Note 15 - Market risk related to interest rate risk

This note is a sensitivity analysis based on relevant balance sheet items as of 31 December 2012. The Bank's interest rate risk is calculated by simulating a parallel interest rate shift for the entire interest rate curve of 1 per cent on all balance sheet items.

Interest rate risk has been low throughout 2012 and below the maximum limit of NOK 80 million set by the Board of Directors. For further details regarding interest rate risk, please refer to Note 6 Risk Factors.

Basis risk Group (NOK million)	Interest rate risk, 1 % change	
	2012	2011
Currency		
NOK	-10	7
EUR	25	-1
USD	-0	0
CHF	-0	-2
Other	-1	-2
Total interest rate risk, effect on result after tax	13	3

Total interest rate risk suggests that the Bank will gain from an increase in the interest rate in 2012. This is also the case for 2011, however the 2011 gain is considerably lower compared to 2012.

The table below shows the effect of an interest rate curve shift on various time intervals and the associated gains and losses within the respective maturities.

Interest rate curve risk, Group (NOK million)	Interest rate risk, 1 % change	
	2012	2011
0 - 1 month	-13	-11
1 - 3 months	9	19
3 - 6 months	-20	-5
6 - 12 months	47	10
1 - 2 years	-27	9
2 - 3 years	20	-7
3 - 4 years	-10	-1
4 - 5 years	-8	2
5 - 7 years	21	7
7 - 10 years	-7	-20
Total interest rate risk, effect on result after tax	13	3