

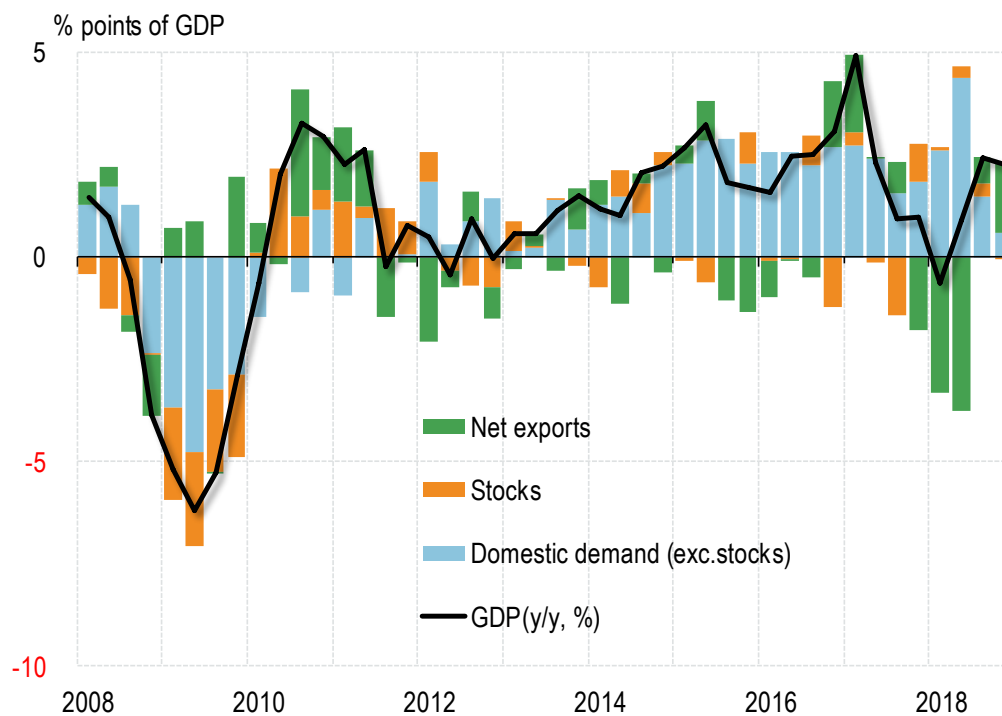


### Denmark: An economy exposed to world trade and protectionist policies

Denmark, a small, open economy, reported growth of only 1.2% in 2018, the lowest level since 2013. A patent export in first-quarter 2017, however, has sharply distorted Denmark's GDP growth profile in 2017 and in 2018. GDP growth averaged 1.7% over the past two years, which provides a better picture of Denmark's relatively strong growth momentum, buoyed by a favourable international environment and the strong growth of domestic demand.

Denmark will benefit from a relatively high growth carry-over in 2019. In contrast, it will be hit by slowing growth at its main trading partners in the quarters ahead. Yet the size of the slowdown will depend on the progression of protectionist policies and world trade. Similarly, Brexit, the terms of which must still be defined, creates a risk for the Danish economy due to the country's close trading ties with the United Kingdom.

Denmark: Contributions to GDP growth



Source: Statistics Denmark