

PRESS RELEASE

DATE: 5 December 2018
NO. 25
CONTACT: Press Office. telephone +46 8 787 02 00



SVERIGES RIKSBANK
SE-103 37 Stockholm
(Brunkebergstorg 11)

Tel +46 8 787 00 00
Fax +46 8 21 05 31
registratorn@riksbank.se
www.riksbank.se

The Riksbank's Business Survey: Economic boom with signs of a slowdown

The economic situation continues on the whole to be very good for the business sector. This is the assessment of the major Swedish companies that were interviewed in the Riksbank's Business Survey in November.

The economic situation remains good

Demand is strong in most parts of the world, which, together with stable domestic demand, is giving major Swedish companies good profitability, output and sales. However, many companies see developments in the period ahead as uncertain. Those active in Sweden express unease over how household consumption will be affected by higher interest rates and the continued uncertain housing market.

Even though export orders are generally good, the rate of increase has slowed somewhat in recent months, which may be a sign of falling demand. There is also a certain unease that the large stocks may be signalling that the economy will slow in the period ahead. In the near term, however, companies see no major changes in the economy.

The summer's extreme warmth and drought are leading to increased costs

The unusually hot summer has dampened consumer demand, which above all has affected the durable goods segment. In addition, the harvests were worse than normal, which has caused grain prices to rise. This is one explanation for why the consumer goods segment above all expects higher prices for several goods in the period ahead.

Moderate wage drift among Swedish companies

In-depth questions about wage-setting indicate that the shortage of labour is the most important factor when wages are determined. On the whole, major Swedish companies are still not having difficulty finding staff, which has also contributed to the modest wage growth. But specialists and persons with longer experience are more difficult to recruit and, for these groups, wages are increasing more rapidly.

Three times a year, the Riksbank interviews the largest companies in the construction, trade, manufacturing and part of the service sectors. Representatives of 39 companies with a total of approximately 247,000 employees in Sweden were interviewed this time. The interviews were mainly held between 25 October and 9 November and are presented in the Riksbank's Business Survey.