PRESS RELEASE

DATE: 28 October 2025

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The Riksbank's Business Survey: "We're waiting for the upturn"

Sweden's major companies describe the economic situation as a long and protracted slump that has not improved since the spring. Industrial activity has weakened, while the trade sector is reasonably satisfied with the situation. Households are still perceived to be cautious and keeping a tight grip on their wallets. Businesses are hopeful that a lower level of interest rates and upcoming fiscal policy stimulation measures will boost demand and investment, but they expect it to take time.

Manufacturing industry: "It probably won't get worse, but it will take time to get better."

The automotive industry considers that the situation has become tougher, with weaker demand in several markets. However, output in Sweden has not been affected to any great extent since the spring. Although manufacturing companies expect an improvement ahead, there are currently few signs of a turnaround. The manufacturing sector generally reviews its costs to maintain profitability. Companies in this sector are therefore continuing to adjust their workforces and cut back on some investments.

"Everything seems to be in place, yet things aren't taking off."

Companies selling to households are fairly satisfied with the economic situation. The durable goods segment emphasises that "people have started to buy things that they had previously put somewhat on hold", such as consumer electronics and home furnishings. But sales increases are small and from low levels. Households are being cautious, which is holding back demand for both housing and goods. Companies hope that a lower level of interest rates and fiscal policy stimulation measures will boost consumption but, given the unexpectedly sluggish performance of the past year, hopes are muted.

“Huge focus on price when food VAT is reduced.”

The temporary reduction in VAT on food next year is leading the non-durable goods segment to plan to lower its selling prices. Businesses selling to businesses are instead planning to raise their prices to compensate for higher labour and material costs. However, which price increases are possible depends on how demand develops: “If demand increases, it will become a little easier to charge higher prices”.

“Things have now become somewhat clearer with regard to the tariffs.”

There is now more clarity on tariff rates after the United States reached agreements with several countries. But it is still uncertain whether the last word has been said and what will apply in the future. Several companies are now facing higher production costs as a result of the tariffs. To counteract these cost increases, several exporters are raising their selling prices, particularly in the United States.

About the Business Survey

The Riksbank regularly interviews Sweden’s largest companies in the manufacturing, construction and retail trade sectors and some services sector segments. Representatives of 45 companies and trade associations, with around 240,000 employees, were interviewed via personal visits, telephone or web-based services. The interviews were conducted mainly during the period 23 September-3 October 2025.

The results of the interviews are reported in the Riksbank’s Business Survey. The quotations above are from the interviews.