

PRESS RELEASE



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The Riksbank's Business Survey: Industrial activity stronger than expected

According to Swedish manufacturing companies, international demand was stronger than expected and the economic situation has therefore continued to improve since last autumn. This is revealed by the Riksbank's February 2017 Business Survey.

It is primarily the export industry that is increasingly optimistic as production has increased and orders have risen. The companies believe that in the coming six months economic activity will remain good, although there is some concern over political developments abroad.

Companies that have Sweden as their primary market are still satisfied with developments. The retail trade and services sector report that consumers have good purchasing power, at the same time as construction is at full throttle. The construction sector is still experiencing an economic boom and personnel shortages are becoming increasingly apparent in several professional groups. Other sectors are not perceiving any general problems in obtaining personnel, but as before are still finding it difficult to recruit specialists.

Global market commodity prices have risen and this, combined with increasing demand from abroad, is making the manufacturing industry in particular believe that it is possible to raise their sales prices in the coming period. However, competition in the retail trade is still very stiff. It is therefore more difficult to raise sales prices and many retailers are being put under pressure by low profit margins.

Three times a year, the Riksbank interviews the largest companies in the construction, retail, manufacturing and part of the service sectors. Representatives of 29 companies with a total of approximately 230,000 employees in Sweden were interviewed this time. The interviews were mainly held between 16 February and 1 March and are presented in the Riksbank's Business Survey.