



2016-05-26

PRESS RELEASE

ECONOMIC TENDENCY SURVEY, MAY 2016:

Business confidence down but still in positive territory

The Economic Tendency Indicator fell for a fourth successive month in May but still points to somewhat stronger sentiment than normal. This optimism is limited to the business sector, how-ever, as households are more pessimistic than normal, their view of both their personal finances and the Swedish economy weakening in May.

Firms remain relatively positive about demand. Recruitment plans, which have been above the historical average since autumn 2013, point to increased employment in the business sector over the next three months. All sectors report more optimistic recruitment plans than normal.

Firms in the manufacturing industry report relatively good growth in orders and production in recent months, but production plans for the next three months have been revised down and were below the historical average in May.

Building and civil engineering firms' expectations of activity levels fell in May but continue to indicate stronger levels than normal. Although a high proportion of firms cited a shortage of labour as the main obstacle to increased activity, recruitment plans for the next three months remain much more optimistic than normal.

Retailers anticipate increased sales volumes in the coming months and continue to have more optimistic expectations than normal. A relatively high proportion anticipate higher selling prices over the next three months. Firms in the service sector are more restrained and expect demand for their services to increase roughly in line with the historical average in the coming months.

NIER publishes consumers' expectations of housing prices

Consumers' responses to two new questions about expectations of housing prices are published for the first time in the Economic Tendency Survey for May.

Se next page for selected indicators

Table: Economic tendency survey

	apr -16	maj -16
Economic Tendency Indicator	104,0	102,2
Total industry	106,1	103,7
Manufacturing	107,2	105,3
Building and civil engineering	110,3	110,1
Retail Trade	106,9	105,5
Private service sectors	102,0	100,1
Consumer	96,6	96,0
Macroindex	92,6	91,7
Microindex	101,9	100,1
Expected inflation 12 months ahead, mean excluding extreme values (percent)	1,5	1,6

Read the full publication and access the data on www.konj.se/english

FOR FURTHER INFORMATION:

Maria Billstam, Head of Economic Tendency Surveys +46 8 453 59 04
 Sarah Hegardt Grant, Head of Communications +46 8 453 59 11