



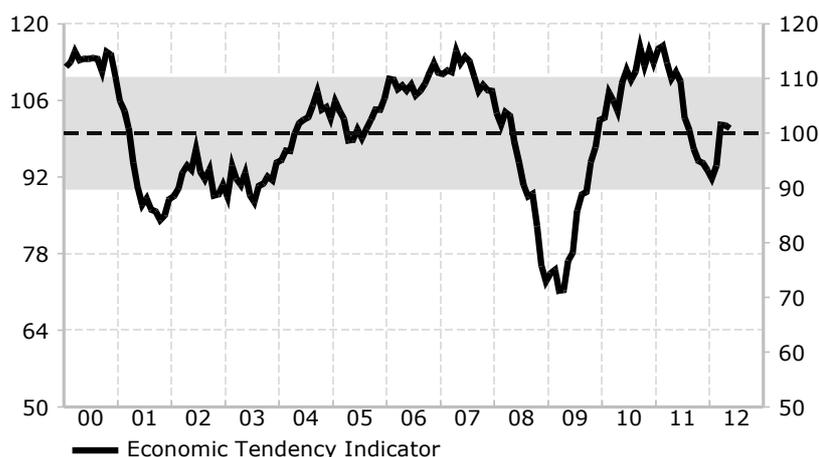
MAY 29, 2012

PRESS RELEASE

ECONOMIC TENDENCY SURVEY, MAY 2012:

Moderate growth in Swedish economy

The Economic Tendency Indicator fell 0.6 points in May from 101.5 to 100.9. It is marginally above the historic average, indicating that growth in the Swedish economy is more or less normal. This month the construction industry and the private service sector made a negative contribution to the Economic Tendency Indicator, while the other sectors of the economy and consumers made a positive contribution.



BUSINESS SECTOR PLANS INDICATE UNCHANGED EMPLOYMENT

The confidence indicator for the **manufacturing industry** rose one point in May and is currently four points above the historic average. Both new orders and output volume were largely unchanged and the output outcome was weaker than expected. However, industrial firms remain optimistic and forecast an increase in output for the next few months. Overall, employment is expected to remain more or less unchanged.

The confidence indicator for the **construction industry** fell 15 points in May and is below the historic average for the first time in two years. New orders have fallen and opinion on order books is more negative. Construction output and employment have been largely unchanged over the past few months. However, civil engineering firms are optimistic about the next few months and forecast appreciable output growth. House builders are considerably more restrained in their expectations.

The confidence indicator for the **retail trade** rose one point in May and remains somewhat below the historic average. As previously, there are major differences between the various sectors. The food trade has shown by far the strongest growth, while the motor vehicle trade reports reduced sales. The food trade and the specialist retail trade are the most optimistic about the next few months. These sectors forecast an appreciable increase in sales, while the motor vehicle trade forecasts a largely unchanged sales volume.

The confidence indicator for the **private service sector** fell 10 points in May and is once again somewhat below the historic average. However, both demand and employment have increased somewhat over the past few months. Service firms forecast rising demand for the next few months, with nearly all sectors anticipating an increase. Employment is also forecast to increase somewhat, but the proportion of firms expecting to hire is lower than last month.

HOUSEHOLDS ARE INCREASINGLY OPTIMISTIC ABOUT ECONOMIC SITUATION

The Consumer Confidence Indicator (CCI) rose slightly more than one point from 4.7 in April to 5.9 in May. It is just above the historic average, indicating that consumer confidence in the economy is slightly more positive than normal. The Macro Index, which measures consumer confidence in the Swedish economy, rose nearly three points in May, but remains below the historic average. The Micro Index, which reflects consumer confidence in personal finances, fell just under one point and is marginally above the historic average.

Table: Selected indicators

| | Mean | Max | Min | Mar 2012 | Apr 2012 | May 2012 | Situation ¹ |
|--------------------------------------|-------|-------|-------|----------|----------|--------------|------------------------|
| Economic Tendency Indicator | 100,0 | 116,0 | 71,2 | 101,6 | 101,5 | 100,9 | + |
| Confidence indicators | | | | | | | |
| Total industry | 9 | 32 | -29 | 11 | 11 | 8 | - |
| Manufacturing | -4 | 13 | -38 | 1 | -1 | 0 | + |
| Construction | -15 | 48 | -77 | -1 | -2 | -17 | - |
| Retail Trade | 13 | 40 | -26 | 6 | 6 | 7 | - |
| Private service sectors | 23 | 49 | -21 | 22 | 25 | 15 | - |
| Consumer (CCI) | 5,2 | 30,0 | -38,3 | 0,0 | 4,7 | 5,9 | + |
| Macro index | -1,8 | 47,4 | -69,8 | -18,7 | -9,4 | -6,6 | - |
| Micro index | 5,4 | 18,9 | -21,3 | 4,8 | 6,6 | 6,0 | + |
| Expected inflation (12 months ahead) | | | | 2,8 | 3,0 | 2,1 | |
| Interest rate expectation: | | | | | | | |
| 1 year ahead | | | | 4,00 | 4,00 | 4,00 | |
| 2 year's ahead | | | | 4,27 | 4,31 | 4,41 | |
| 5 year's ahead | | | | 4,60 | 4,69 | 4,85 | |

¹ The situation is: ++ very strong, + strong, - weak, -- very weak

FOR FURTHER INFORMATION:

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