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P R E S S R E L E A S E

ECONOMIC TENDENCY SURVEY, AUGUST 2017:

Economic tendency indicator still strong

The Economic Tendency Indicator fell from 112.3 in July to 110.7 in August, but remains above 110 and so still points to much stronger sentiment than normal in the Swedish economy. The main reason for the decrease was a fall in the manufacturing indicator. The manufacturing indicator was nevertheless the strongest of the business sector indicators for a fifth successive month and continues to paint the picture of an unusually strong situation in the industry. The retail trade also contributed to the drop in the overall confidence indicator, as did consumers, whose optimism fell back to the historical average.

The confidence indicator for the manufacturing industry fell 3.0 points but remains very high. The decrease was a result of minor changes for all three questions. Firms are still reporting healthy growth in orders, however, and remain very positive about their order books. Their production plans for the next three months are relatively optimistic, and their recruitment plans signal much stronger employment growth than normal ahead.

The confidence indicator for the building and civil engineering industry climbed 4.0 points to its highest since December 2007. The increase was due mainly to firms being even more positive about their order books.

The confidence indicator for the retail trade fell 2.5 points but is still above the historical average. The decrease was due to greater dissatisfaction with stocks and slightly weaker sales expectations.

The confidence indicator for the service sector continues to show a strong situation. Firms remain relatively happy with their business volumes and are more optimistic than normal about demand.

Se next page for selected indicators

Table: Economic tendency survey

	Jul -17	Aug -17
Economic Tendency Indicator	112,3	110,7
Total industry	110,7	109,2
Manufacturing	120,1	117,1
Building and civil engineering	111,1	115,1
Retail Trade	105,9	103,4
Private service sectors	105,4	105,6
Consumer	102,2	100,3
Macroindex	100,5	99,4
Microindex	101,9	100,4
Expected inflation 12 months ahead, mean excluding extreme values (percent)	2,7	2,1

Access the statistical database on www.konj.se/english

FOR FURTHER INFORMATION:

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