# AUTUMN 2008 ECONOMIC OUTLOOK FOR SWEDEN: ANSWERS FROM SN (NOVEMBER UPDATE)

## MAIN FORECAST

| | 2008 | 2009 |
|---|---|---|
| Real GDP growth | 1.2 | -0.6 |
| Consumer price inflation | 3.6 | 2.5 |
| Unemployment rate | 6.2 | 8.0 |
| Employment growth | 1.3 | -1.4 |

***Components of aggregate demand***

| *Annual % change* | 2008 | 2009 |
|---|---|---|
| Private consumption | 1.3 | 0.4 |
| Public consumption | -0.7 | 1.5 |
| Investment (Gross fixed capital formation) | 2.7 | -5.8 |
| Exports | 5.5 | -3.5 |
| Imports | 6.0 | -4.0 |

## ECONOMIC SENTIMENT

| | *Positive* | *Negative* | *Unchanged* |
|---|---|---|---|
| ***Trend in business climate over the next 6 months*** | | Industry<br>Services | |

| | *Positive* | *Negative* | *Unchanged* |
|---|---|---|---|
| ***Trend in profitability over the next 6 months*** | | Industry<br>Services | |

| | *Increase (faster pace)* | *Increase (slower pace)* | *Unchanged* | *Decrease (slower pace)* | *Decrease (faster pace)* |
|---|---|---|---|---|---|
| ***Investment intentions over the next 6 months*** | | Services | | | Industry |

| | *Replacement* | *Extension* | *Rationalisation* | *Innovation* |
|---|---|---|---|---|
| ***Driving force behind investment decisions in the next 6 months*** | Down | Same | Down | Down |

| | *Positive* | *Negative* | *Unchanged* |
|---|---|---|---|
| ***Trend in consumer confidence over the next 6 months*** | | | yes |

| | *Industry: past 6 months* | *Industry: next 6 months* | *Services: past 6 months* | *Services: next 6 months* |
|---|---|---|---|---|
| ***Overall trend in employment*** | Down | Down | Same | Down |

| | *Higher / more difficult* | *Same* | *Lower / less difficult* |
|---|---|---|---|
| ***Over the next 6 months, cost/access to finance will be…*** | Access | Cost | |

| | *to a large extent* | *to some extent* | *to a limited extent* | *not at all* |
|---|---|---|---|---|
| ***Financial market turmoil has affected companies' investment decisions negatively …*** | | yes | | |

## POLICY MIX

| | *Not necessary, situation is satisfactory* | *Excellent* | *Satisfactory* | *Neither satisfactory nor unsatisfactory* | *Unsatisfactory* | *Deteriorating* |
|---|---|---|---|---|---|---|
| ***Progress towards medium-term budgetary objective is…*** | yes | | | | | |

| | *Tight, appropriate for the euro area* | *Tight* | *Appropriate* | *Loose* | *Loose, appropriate for the euro area* |
|---|---|---|---|---|---|
| ***Monetary policy is…*** | | yes | | | |

| | **Adequate** | **Inadequate** |
|---|---|---|
| ***Consistency between fiscal and monetary policies*** | yes | |