



## FEBRUARY 2010 ECONOMIC OUTLOOK FOR SWEDEN: ANSWERS FROM SN

| MAIN FORECAST   |                                    |                                |                                |                                |                               |
|---|------------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|
|   |                                    | <b>2009</b>                    | <b>2010</b>                    |                                |                               |
| Real GDP growth   |                                    | -4.4                           | 1.7                            |                                |                               |
| Consumer price inflation  |                                    | -0.3                           | 1.4                            |                                |                               |
| Unemployment rate   |                                    | 8.3                            | 9.6                            |                                |                               |
| Employment growth   |                                    | -2.2                           | -2.0                           |                                |                               |
| <b>Components of aggregate demand - in real terms</b>                 |                                    |                                |                                |                                |                               |
|   |                                    | <b>2009</b>                    | <b>2010</b>                    |                                |                               |
| Annual % change   |                                    |                                |                                |                                |                               |
| Private consumption   |                                    | -1.0                           | 1.9                            |                                |                               |
| Public consumption  |                                    | 1.9                            | 0.9                            |                                |                               |
| Investment (Gross fixed capital formation)                            |                                    | -14.0                          | -5.0                           |                                |                               |
| Exports   |                                    | -12.3                          | 7.5                            |                                |                               |
| Imports   |                                    | -12.8                          | 7.0                            |                                |                               |
| ECONOMIC SENTIMENT  |                                    |                                |                                |                                |                               |
|   | <b>Positive</b>                    | <b>Negative</b>                | <b>Unchanged</b>               |                                |                               |
| <b>Trend in business climate over the next 6 months</b>               |                                    |                                | Industry                       |                                |                               |
|   |                                    |                                | Services                       |                                |                               |
|   | <b>Positive</b>                    | <b>Negative</b>                | <b>Unchanged</b>               |                                |                               |
| <b>Trend in profitability over the next 6 months</b>                  |                                    |                                | Industry                       |                                |                               |
|   |                                    |                                | Services                       |                                |                               |
|   | <b>Increase (faster pace)</b>      | <b>Increase (slower pace)</b>  | <b>Unchanged</b>               | <b>Decrease (slower pace)</b>  | <b>Decrease (faster pace)</b> |
| <b>Investment intentions over the next 6 months</b>                   |                                    |                                |                                | Industry                       |                               |
|   |                                    |                                |                                | Services                       |                               |
|   | <b>Global demand</b>               | <b>Domestic demand</b>         | <b>Cost of finance</b>         | <b>Availability of finance</b> |                               |
| <b>Influence on companies' investment decisions</b>                   | negative                           | negative                       | neutral                        | negative                       |                               |
|   | <b>Replacement</b>                 | <b>Extension</b>               | <b>Rationalisation</b>         | <b>Innovation</b>              |                               |
| <b>Driving force behind investment decisions in the next 6 months</b> | neutral                            | negative                       | neutral                        | neutral                        |                               |
|   | <b>Industry: past 6 months</b>     | <b>Industry: next 6 months</b> | <b>Services: past 6 months</b> | <b>Services: next 6 months</b> |                               |
| <b>Overall trend in employment</b>                                    | Down                               | Down                           | Down                           | Down                           |                               |
| ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH        |                                    |                                |                                |                                |                               |
| <b>Compared to 6 months ago, cost/access to finance has been...</b>   | <b>sharply up / restrained</b>     | <b>up / more difficult</b>     | <b>same</b>                    | <b>down / easier</b>           |                               |
| <i>for SMEs</i>   |                                    |                                | Cost                           |                                |                               |
|   |                                    |                                | Access                         |                                |                               |
| <i>for larger companies (&gt;250 employees)</i>                       |                                    |                                |                                | Cost                           |                               |
|   |                                    |                                |                                | Access                         |                               |
| <b>Over the next 6 months, cost /access to finance will be...</b>     | <b>sharply up / restrained</b>     | <b>up / more difficult</b>     | <b>same</b>                    | <b>down / easier</b>           |                               |
| <i>for SMEs</i>   |                                    |                                | Cost                           |                                |                               |
|   |                                    |                                | Access                         |                                |                               |
| <i>for larger companies (&gt;250 employees)</i>                       |                                    |                                | Cost                           |                                |                               |
|   |                                    |                                | Access                         |                                |                               |
| <b>For companies, the current financing situation is...</b>           | <b>threat to company existence</b> | <b>of high concern</b>         | <b>somewhat concerning</b>     | <b>not worrying</b>            |                               |
| <b>working capital / treasury needs</b>                               |                                    | SMEs                           |                                |                                | large companies               |
| <b>debt refinancing</b>   |                                    | SMEs                           |                                |                                | large companies               |
| <b>financing productive investments</b>                               |                                    | SMEs                           |                                |                                | large companies               |
| <b>financing innovation and R&amp;D</b>                               |                                    | SMEs                           |                                |                                | large companies               |



| POLICY MIX  |   |                      |                           |              |   |
|---|---|----------------------|---------------------------|--------------|---|
|   | <i>Tight, appropriate for the euro area</i>                   | <i>Tight</i>         | <i>Appropriate</i><br>yes | <i>Loose</i> | <i>Loose, appropriate for the euro area</i> |
| <b>Monetary policy is...</b>                              |   |                      |                           |              |   |
|   | <i>adequate</i>   | <i>inadequate</i>    |                           |              |   |
| <b>Consistency between fiscal and monetary policies</b>   | yes   |                      |                           |              |   |
|   |   |                      |                           |              |   |
| <b>Regarding the sustainability of public finances...</b> | progress is not needed, the current situation is satisfactory |                      |                           |              |   |
|   | <i>respect the 3% limit</i>                                   | <i>be in balance</i> |                           |              |   |
| <b>In 2015, the government deficit will...</b>            | yes   | yes                  |                           |              |   |
|   |   |                      |                           |              |   |