



AUTUMN 2010 ECONOMIC OUTLOOK FOR SWEDEN: ANSWERS FROM SN

MAIN FORECAST

Annual % change	2010	2011
Real GDP growth	3.5	2.7
Consumer price inflation	1.2	1.9
Unemployment rate	9.2	8.7
Employment growth	0.4	1.3
government net lending (% of GDP)	-1.1	-0.2
gross public debt (% of GDP)	39.1	37.0
current account balance (% of GDP)	0.0	0.0

Components of aggregate demand - in real terms

Annual % change		
Private consumption	2.8	2.3
Public consumption	1.2	0.9
Investment (Gross Fixed Capital Formation)	3.0	7.0
Private non-residential investment	2.7	7.7
Exports	9.7	4.2
Imports	11.3	5.0

ECONOMIC SENTIMENT

	Positive	Negative	Unchanged			
Trend in business climate over the next 6 months	Industry					
	Services					
Trend in profitability over the next 6 months	Industry					
	Services					
Investment intentions over the next 6 months	Increase (faster pace)	Increase (slower pace)	Unchanged	Decrease (slower pace)	Decrease (faster pace)	
	Industry					
	Services					
Influence on companies' investment decisions	Global demand	Domestic demand	Cost of finance	Availability of finance	Company Profitability	Capacity Utilisation
	neutral	positive	positive	neutral	positive	negative
Driving force behind investment decisions in the next 6 months	Replacement	Extension	Rationalisation	Innovation		
	positive	negative	positive	positive		
Overall trend in employment	Industry: past 6 months	Industry: next 6 months	Services: past 6 months	Services: next 6 months		
	Down	Same	Same	Up		



POLICY MIX

	<i>Tight, appropriate for the euro area</i>	<i>Tight</i>	<i>Appropriate</i> yes	<i>Loose</i>	<i>Loose, appropriate for the euro area</i>
<i>Monetary policy is...</i>					
<i>Consistency between fiscal and monetary policies</i>	<i>adequate</i> yes	<i>inadequate</i>			
<i>Regarding the sustainability of public finances...</i>	progress is not needed, the current situation is satisfactory				
	<i>excessive focus</i>	<i>sufficient focus</i>	<i>neither satisfactory nor unsufficient focus</i>	<i>unsufficient focus</i>	<i>so far ignored</i>
<i>Exit Strategies</i>					
<i>Tight fiscal rules and more effective institutions</i>			yes		
<i>Greater efficiency of public administrations</i>			yes		
<i>Credible cost-cutting measures</i>			yes		
<i>Increased scope of public-private partnerships</i>					yes
<i>Reform of pension systems</i>			yes		
<i>Improved efficiency of healthcare sector</i>			yes		
	<i>excessive focus</i>	<i>sufficient focus</i>	<i>neither satisfactory nor unsufficient focus</i>	<i>unsufficient focus</i>	<i>so far ignored</i>
<i>Entry Strategies</i>					
<i>More and better-targeted education and training</i>				yes	
<i>More and better targeted R&D and innovation efforts</i>			yes		
<i>Prioritisation of infrastructure investments</i>			yes		
<i>Growth enhancing tax reforms</i>					yes
	<i>respect the 3% limit</i>	<i>be in balance</i>			
<i>In 2015, the government deficit will...</i>	yes	yes			