



NOVEMBER 2011 ECONOMIC OUTLOOK FOR SWEDEN: ANSWERS FROM SN

MAIN FORECAST

Annual % change	2011	2012
Real GDP growth	4,1	0,2
Consumer price inflation	3,0	1,6
Unemployment rate	7,9	7,9
Employment growth	1,9	0,4
government net lending (% of GDP)	0,1	0,0
gross public debt (% of GDP)	36,9	36,2
current account balance (% of GDP)	5,1	4,5

Components of aggregate demand - in real terms

Annual % change		
Private consumption	1,9	1,4
Public consumption	1,6	1,2
Investment (Gross Fixed Capital Formation)	7,0	2,0
Private non-residential investment	5,6	2,5
Exports	6,2	-1,5
Imports	5,9	-1,3

ECONOMIC SENTIMENT

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



ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH

<i>Compared to 6 months ago, cost/access to finance has been...</i> <i>for SMEs</i>	sharply up / restrained	up / more difficult	same Cost Access	down / easier
<i>for larger companies (>250 employees)</i>			Cost Access	
<i>Over the next 6 months, cost /access to finance will be...</i> <i>for SMEs</i>	sharply up / restrained	up / more difficult	same Cost Access	down / easier
<i>for larger companies (>250 employees)</i>			Cost Access	

	Consolidation of banking sector balance sheets	Access to capital markets	Engcouraging equity financing through tax reforms	Better use of existing EU instruments (including EIB)	Greater potential for Public-Private-Partnerships
Measures to alleviate current financial difficulties for SMEs	Important effect	Moderate effect	Important effect	Very limited effect	Very limited effect
	Consolidation of banking sector balance sheets	Access to capital markets	Encouraging equity financing through tax reforms	Better use of existing EU instruments (including EIB)	Greater potential for Public-Private-Partnerships
Measures to alleviate current financial difficulties for midsize and large companies	Important effect	Very limited effect	Very important effect	Very limited effect	Very limited effect


POLICY MIX

	<i>Tight, appropriate for the euro area</i>	<i>Tight</i>	<i>Appropriate yes</i>	<i>Loose</i>	<i>Loose, appropriate for the euro area</i>
Monetary policy is...					
Consistency between fiscal and monetary policies	<i>adequate</i> yes	<i>inadequate</i>			
Regarding the sustainability of public	excellent commitment progress is not needed,	satisfactory commitment	neither satisfactory nor unsatisfactory	unsatisfactory commitment	no clear commitment creating an extremely
Exit Strategies					
Tight fiscal rules and more effective institutions		yes			
Greater efficiency of public		yes			
Credible cost-cutting measures		yes			
Increased scope of public-private				yes	
Reform of pension systems		yes			
Improved efficiency of healthcare sector		yes			
Entry Strategies					
More and better-targeted education and training				yes	
More and better targeted R&D and Prioritisation of infrastructure investments			yes		
Growth enhancing tax reforms				yes	
In 2015, the government deficit will...	respect the 3% limit yes	be in balance yes			