Data-driven analysis

Ylva Hedén Westerdahl, Head of Forecasting

About the National Institute of Economic Research

Government agency under the Government, Ministry of Finance

Founded in 1937 by Dag Hammarskjöld

Governed by an ordinance and annual appropriation directions – independent analysis

About 50 employees – more than half are PhD-qualified economists

Publications

- The Swedish Economy, four times a year, plus an economic update in August
- Economic Tendency Survey, monthly
- Wage Formation Report, autumn
- Annual Environmental Economics Report, December
- Special studies
  - Sustainability Report
  - Forecast Evaluation
  - Government assignments
- NIER Commentary
- Research (working paper)

Users of NIER forecasts and analyses

- The Government
  - Ministry of Finance
- Municipalities and regions
- Employer and trade union organisations
- Other government agencies
  - Swedish National Debt Office
  - Swedish Public Employment Service
  - Swedish Energy Agency
  - Swedish Pensions Agency
  - etc.
- Forecasts as a benchmark

Forecast update

The recovery has come far

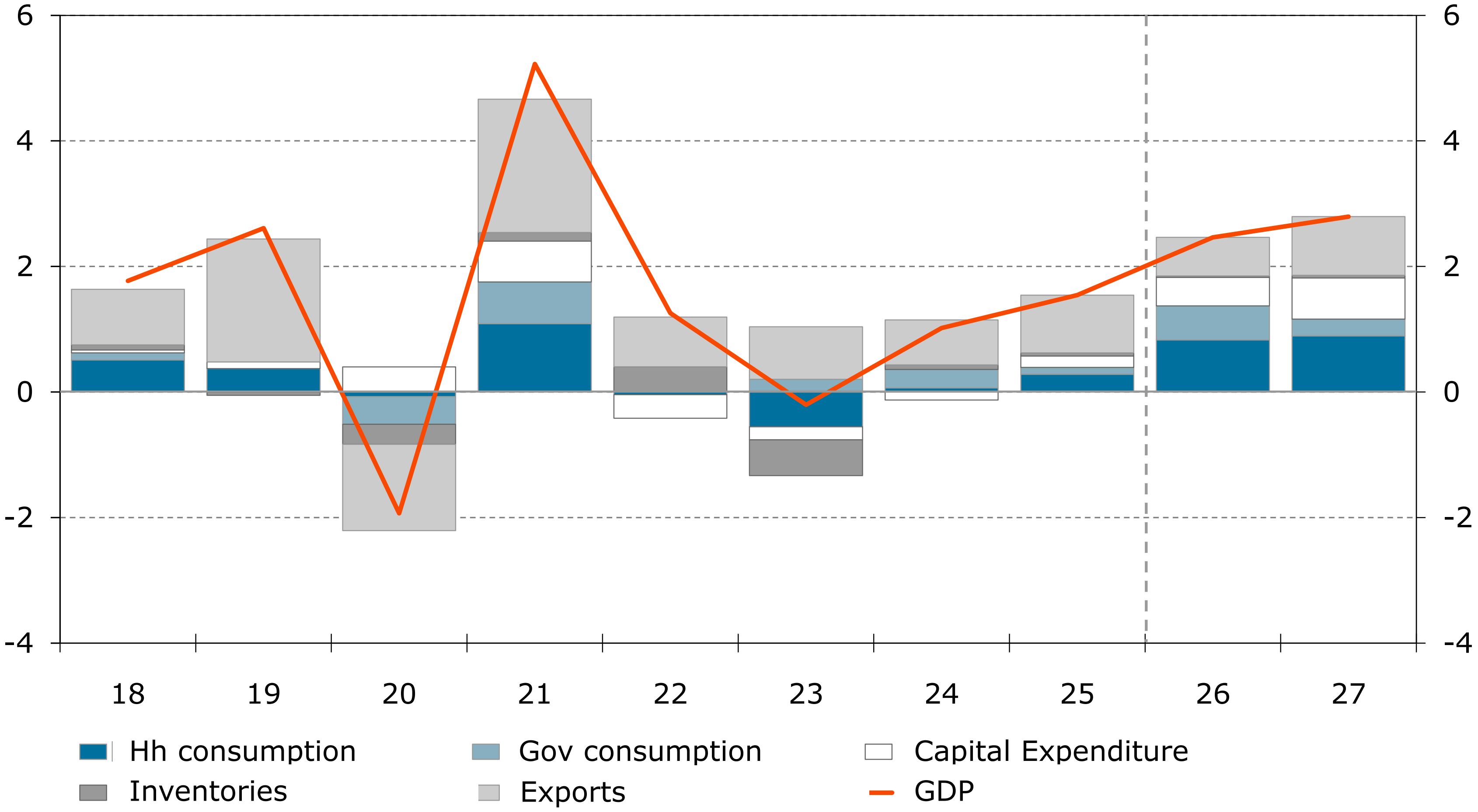
Ylva Hedén Westerdahl, Head of forecasting, 11 August 2026

The recovery has come far - despite the war in the Middle east

- The recovery in Sweden continues
- This year inflation is low, but slightly above target of 2 percent next year.
    - Changed taxes and energy prices important factors
- Recession fades next year – but the labour market lags behind.
- The Riksbank raises the policy rate in December

Solid growth this year and next

Import-adjusted contributions to GDP growth



Note: Percentage change and percentage points, respectively
Sources: Statistics Sweden and NIER.

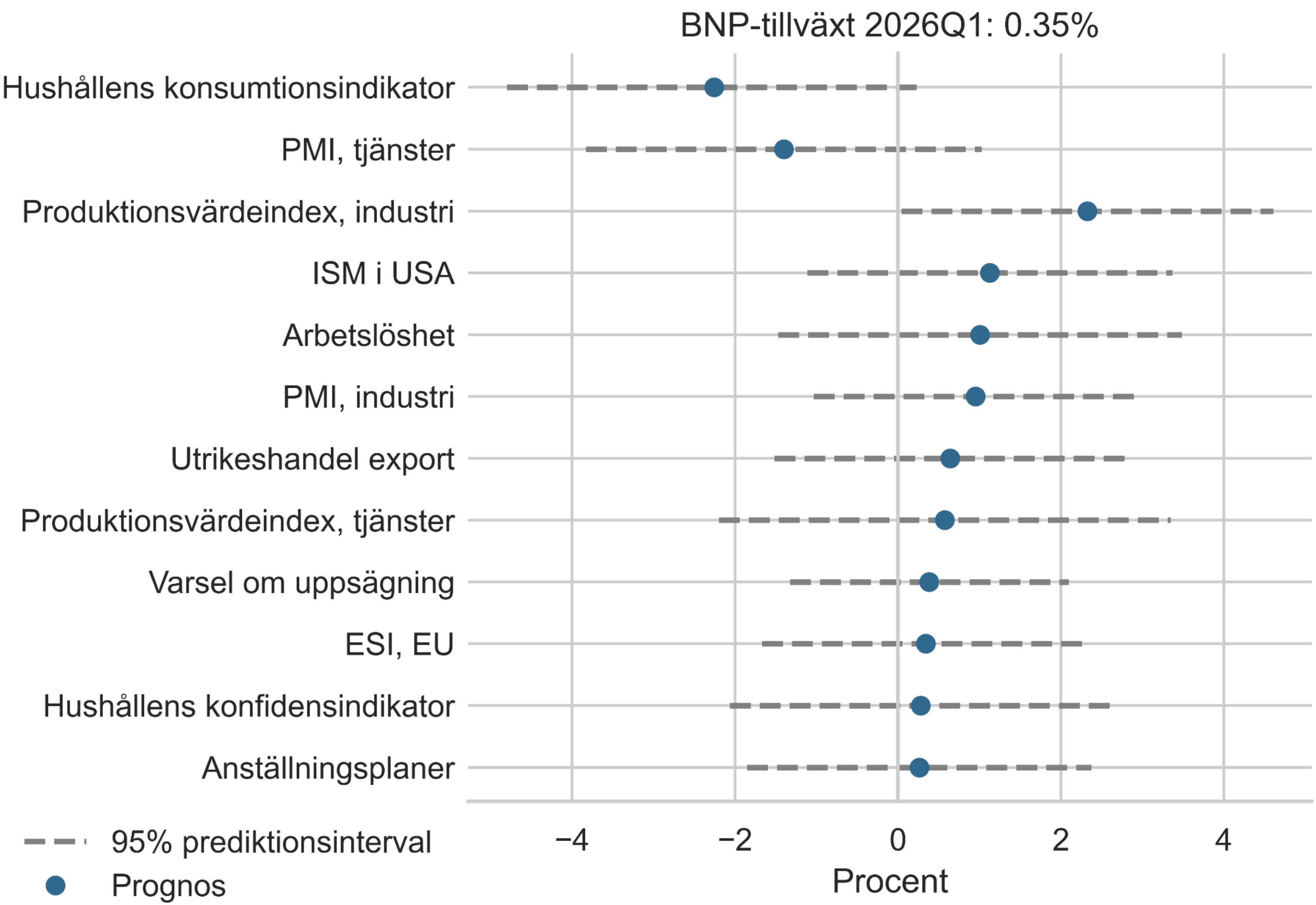
Forecasting process

- ~20 forecast meetings
- ~30 hours

- Different forecasts feed into another.

18/5	mån			
19/5	tis	12:30	13:00	Startmöte
		13:00	14:30	Potentiella variabler 1
20/5	ons	09:45	11:45	Internationell ekonomi
21/5	tor			
22/5	fre	09:30	11:00	Finansiella förhållanden och bostadspriser
		13:00	13:30	Barometerpresentation
23/5	lör			
25/5	mån			
26/5	tis	13:00	14:00	Pilmod
27/5	ons	13:00	14:00	Risker
28/5	tor	13:00	14:00	Alternativa scerier
29/5	fre		08:00	NR
		10:00	10:30	Utfallsredovisning NR
30/5	lör			
1/6	mån			
2/6	tis	13:00	15:30	BNP 1: Export, lager, investeringar, hushållens konsumtion
3/6	ons	09:30	12:00	BNP 2: Import. Produktion och produktivitet. Offentlig konsumtion och produktion
		14:30	16:00	Arbetsmarknad
4/6	tor	09:30	10:30	Löner
		10:30	12:00	Deflatorer och KPI
5/6	fre	09:00	10:00	Potentiella variabler 2
		10:00	11:30	Driftöverskott inkl. disponibel inkomst samt avstämning kortfrist
6/6	lör			
8/6	mån	10:00	12:00	Offentliga finanser, transfereringar och finanspolitik del 1
9/6	tis	13:00	14:00	Medelfristprognos och alternativa scenarier
10/6	ons		08:00	BNP-indikatorn
		10:00	10:30	BNP-avstämning
		10:30	12:00	Offentliga finanser och finanspolitik del 2
11/6	tor	09:30	11:30	Slutavstämning

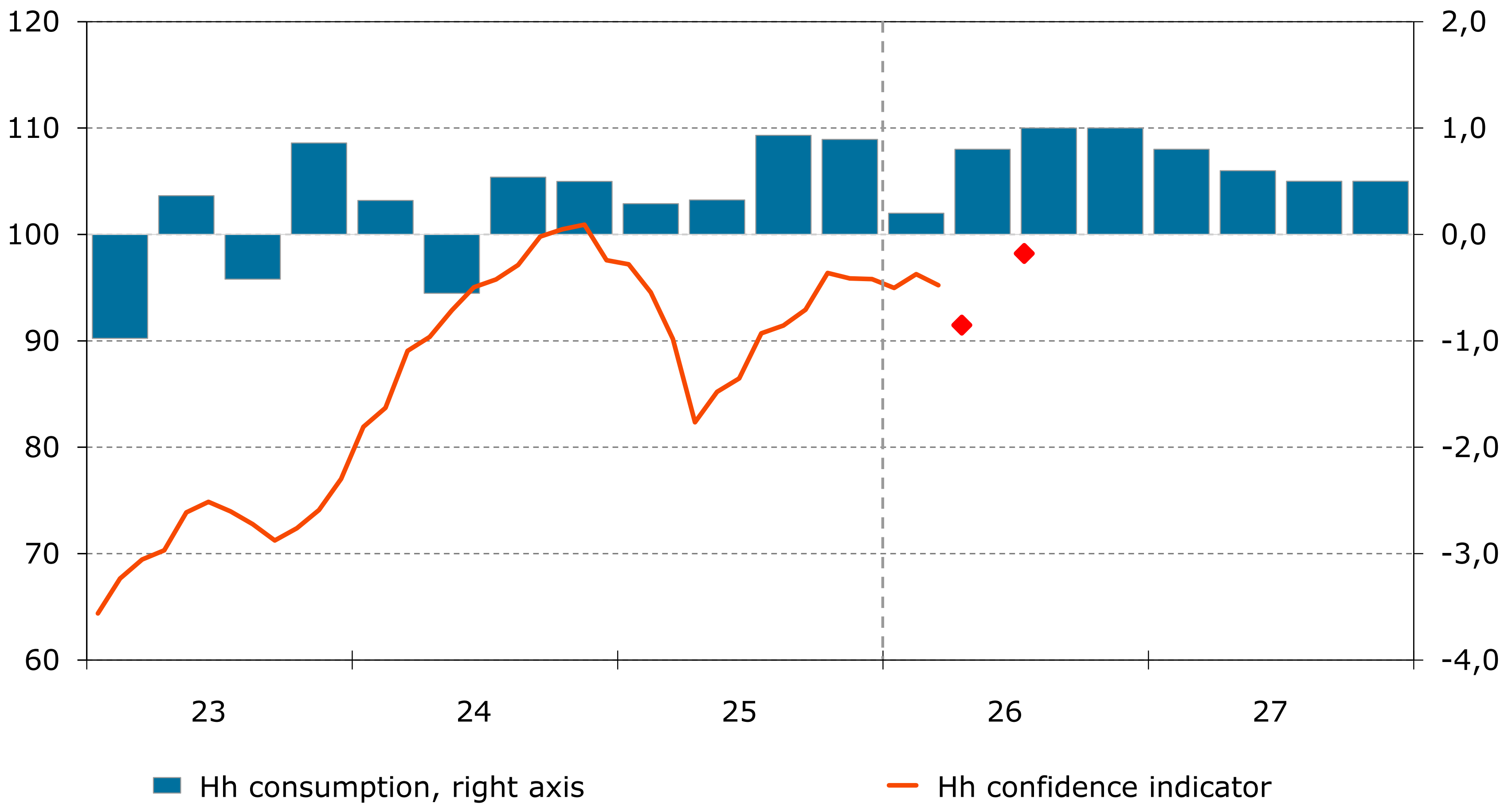
Models



BNP-tillväxt 2026Q1: 0.35%
Hushållens konsumtionsindikator
PMI, tjänster
Produktionsvärdeindex, industri
ISM i USA
Arbetslöshet
PMI, industri
Utrikeshandel export
Produktionsvärdeindex, tjänster
Varsel om uppsägning
ESI, EU
Hushållens konfidensindikator
Anställningsplaner
−4
−2
0
2
4
Procent
95% prediktionsinterval
Prognos

Household consumption is increasing

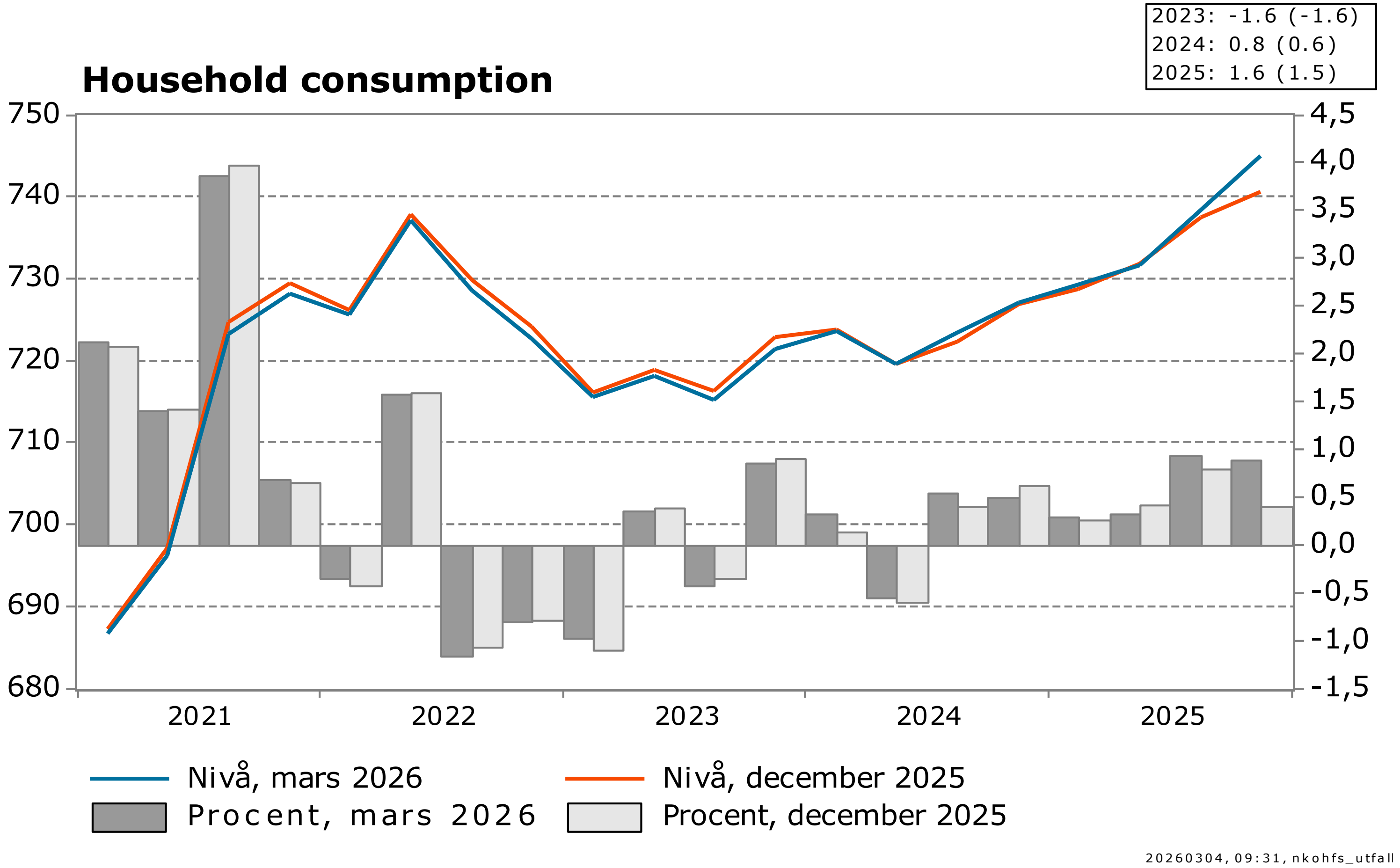
Household confidence indicator and household consumption



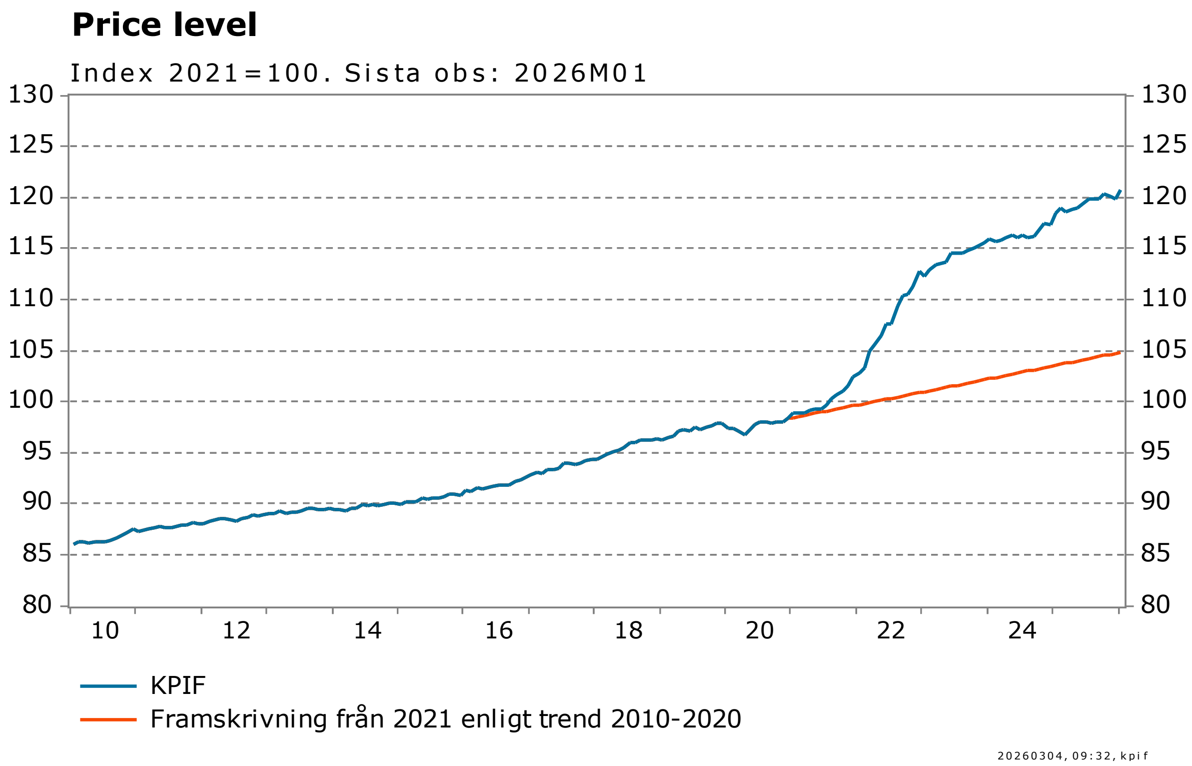
- Index mean = 100, seasonally adjusted monthly values and percentage change, seasonally adjusted quarterly values
- Sources: Statistics Sweden (SCB) and the National Institute of Economic Research.

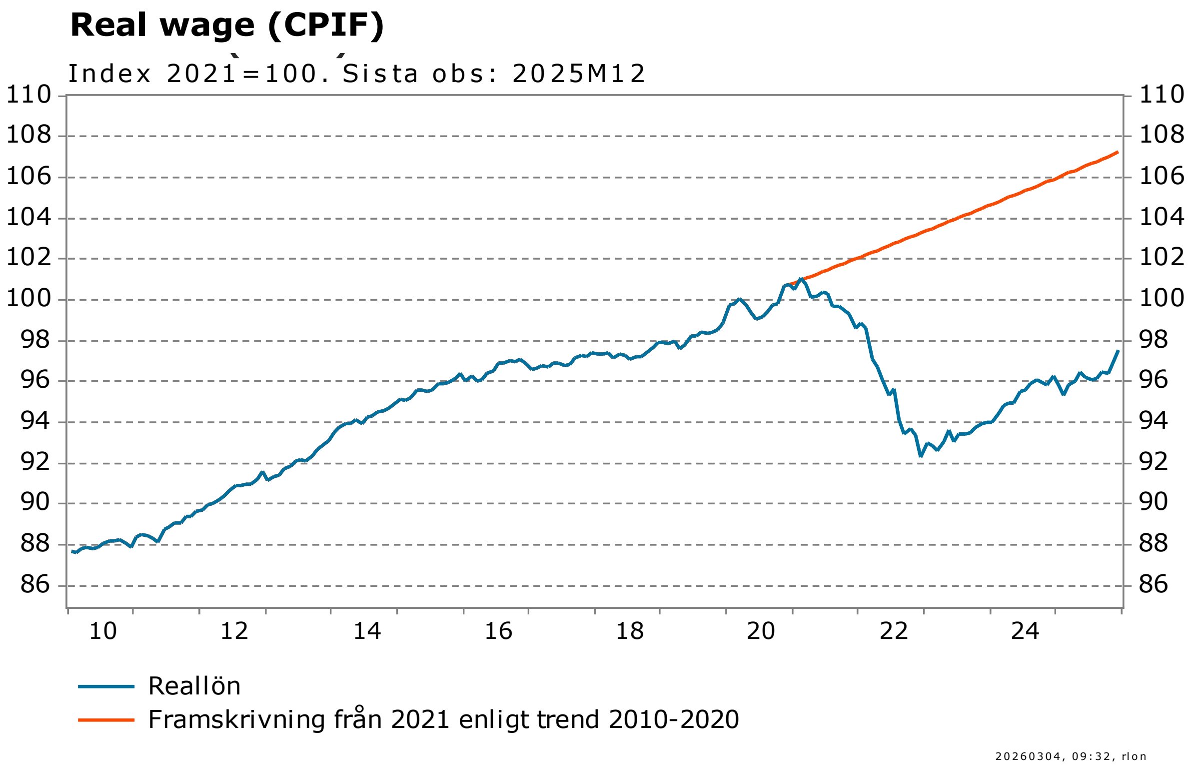
What happened? Q4 outcome: household's consumption surprise on the upside again

- Outcome 0.9% and December forecast 0.4%
  - No major historical revisions
- Durable goods and housing performed clearly better than forecast
  - Information and communication services, and rents, increased markedly
  - Furniture and electronics continue to perform well – the 2025 renovation tax credit?
- Cars, groceries and foreign visitors' consumption in Sweden were weaker than expected
- Details for groceries, durable goods, housing services and other services are available here
- Details for energy, cars and motor fuels are available here.

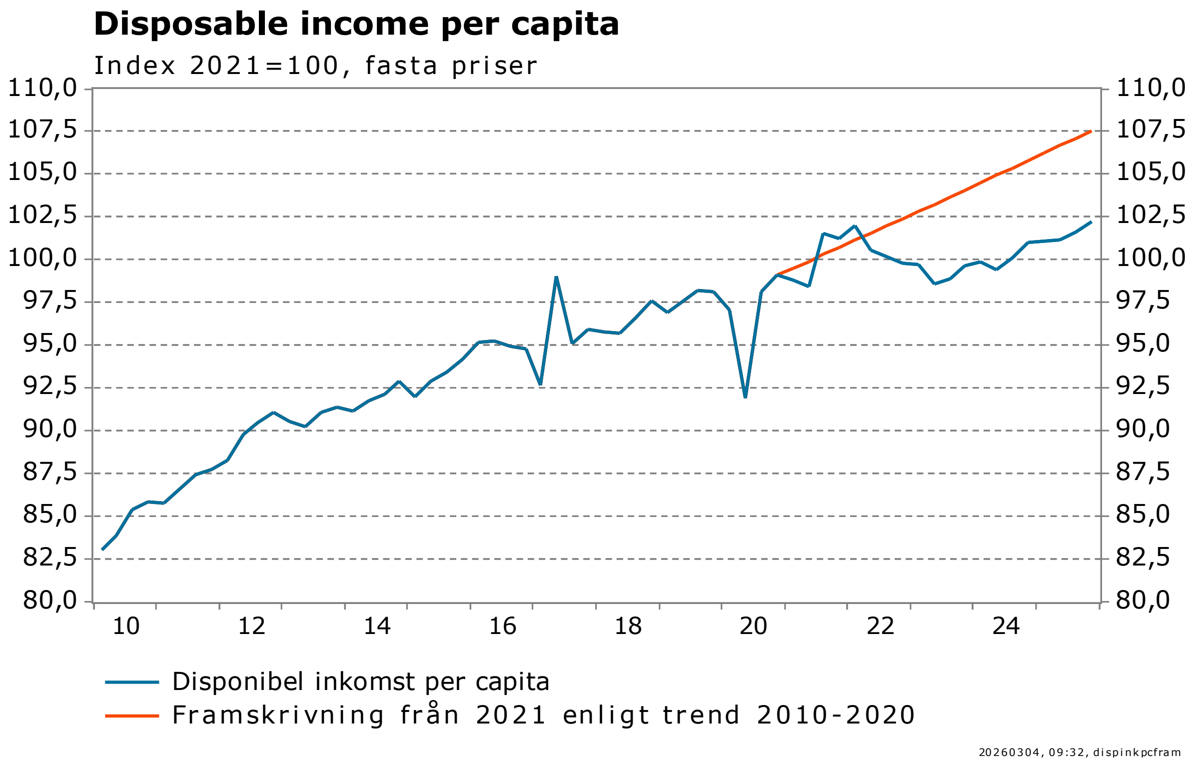


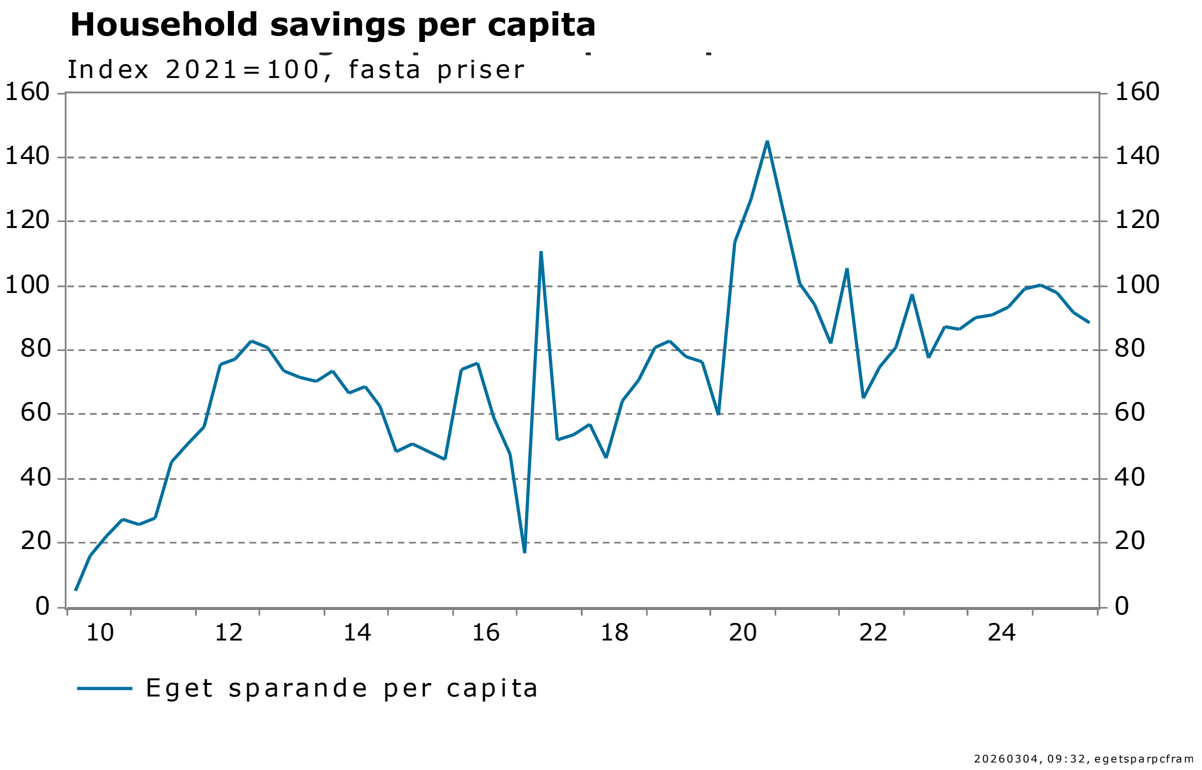
Background: The price level is up 20 percent and real wages are down just over 2 percent since 2021





Background: Disposable income per capita has recovered the 2022 loss, while saving is lower

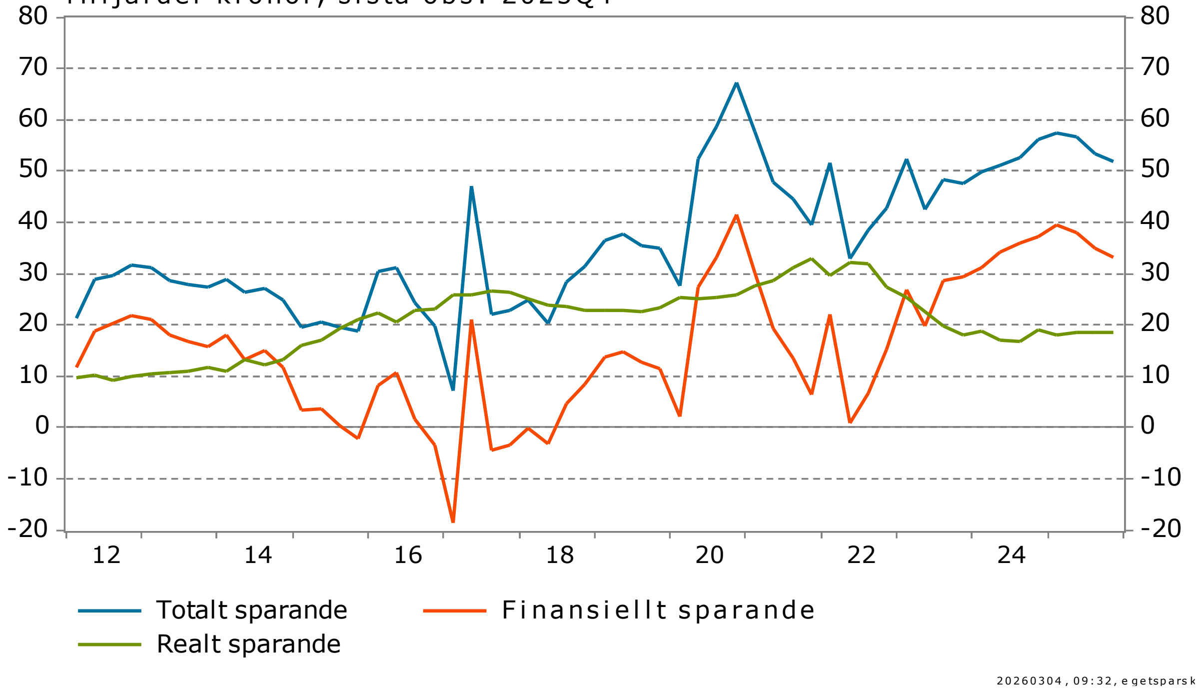




Background: Both saving and consumption have been reallocated since the inflation shock

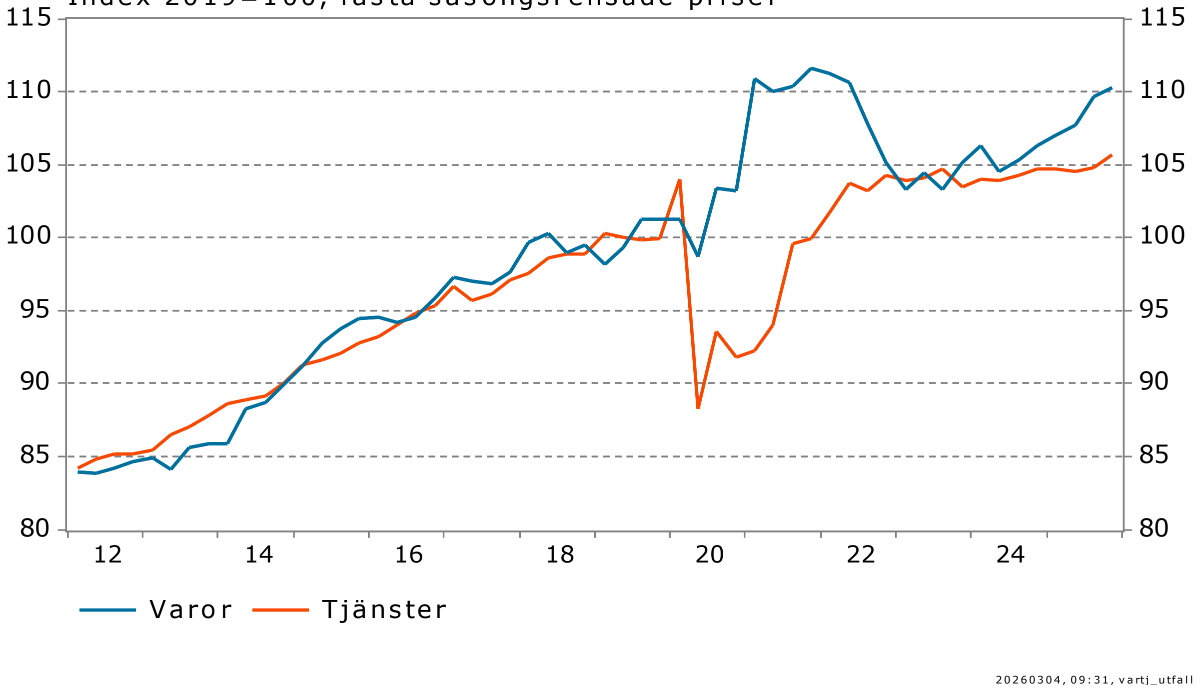
Household savings

Miljarder kronor, sista obs: 2025Q4



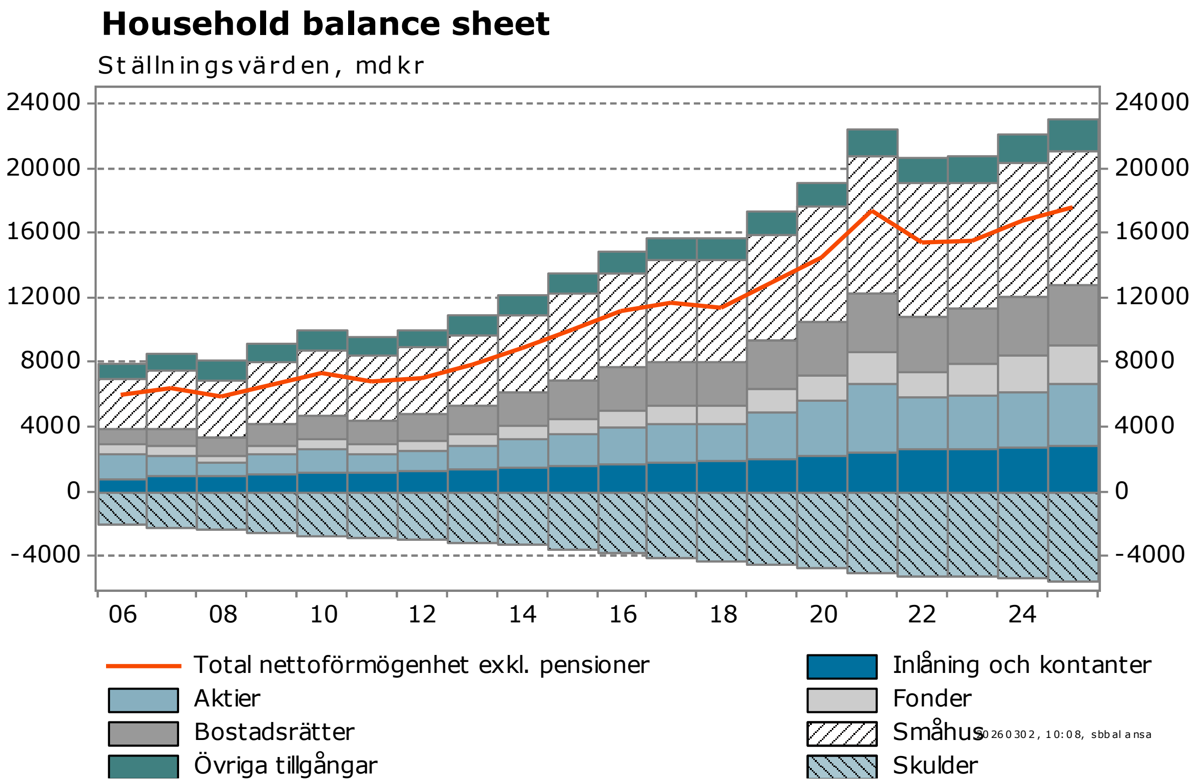
Consumption of goods and services

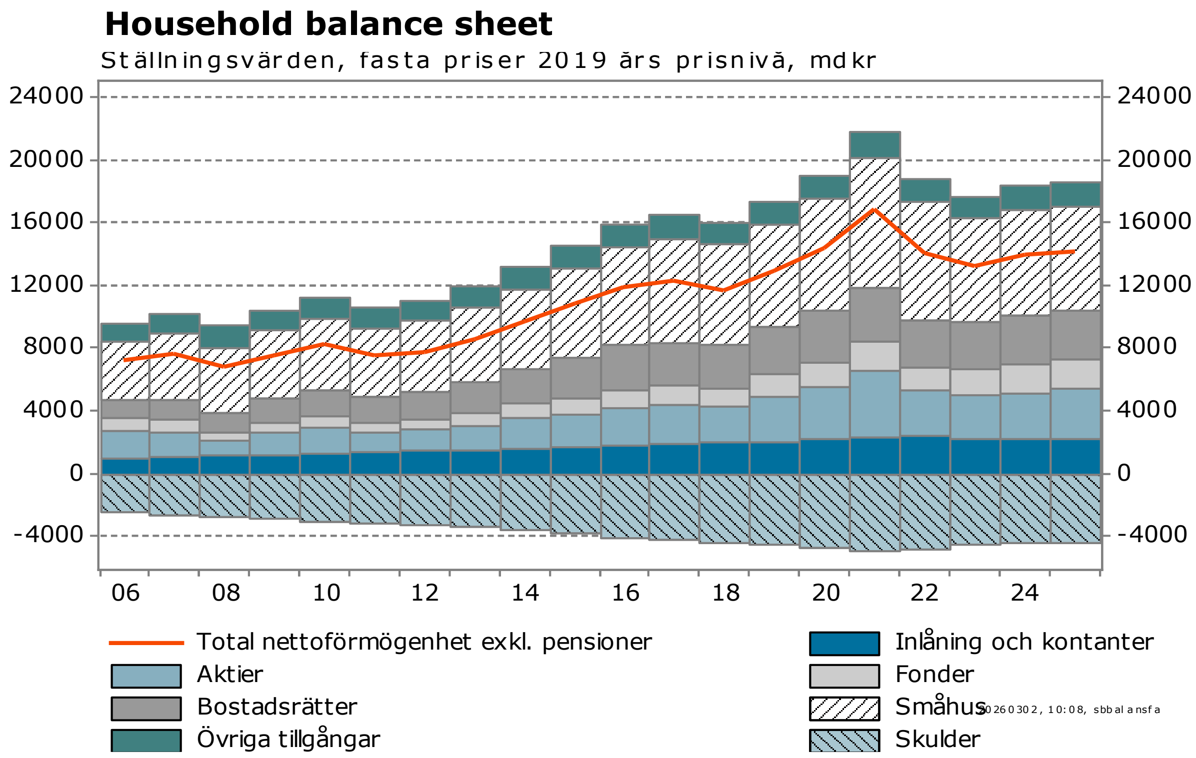
Index 2019=100, fasta säsongsrensade priser



Source: Statistics Sweden, National Accounts sector accounts

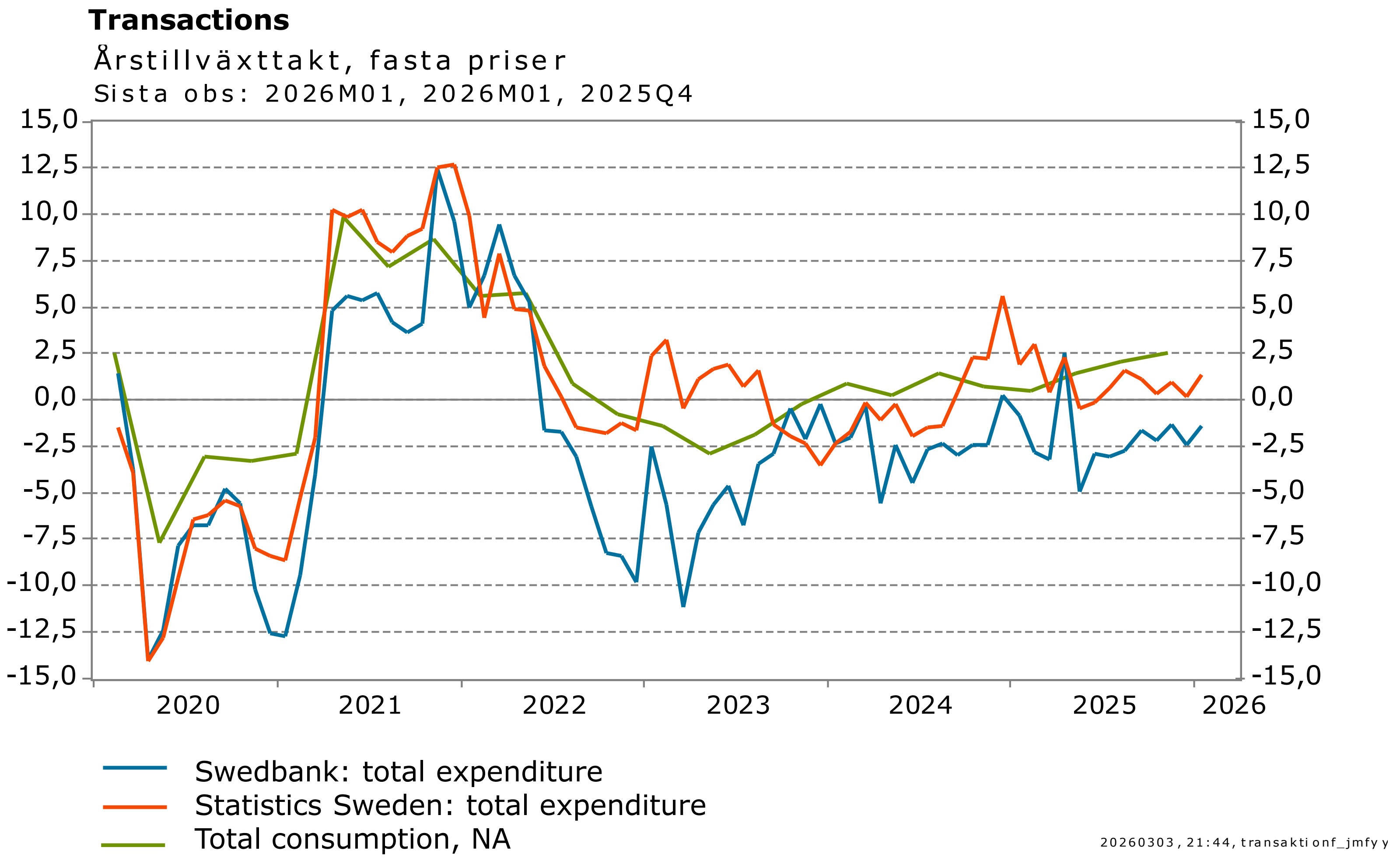
Household balance sheets: net wealth in real terms has been unchanged since 2023





Source: Statistics Sweden, National Accounts financial accounts

Looking ahead
What do we know about Q1 so far? Card transaction data grew at a solid pace in January and February



Since the forecast: New outcomes compared with the forecast

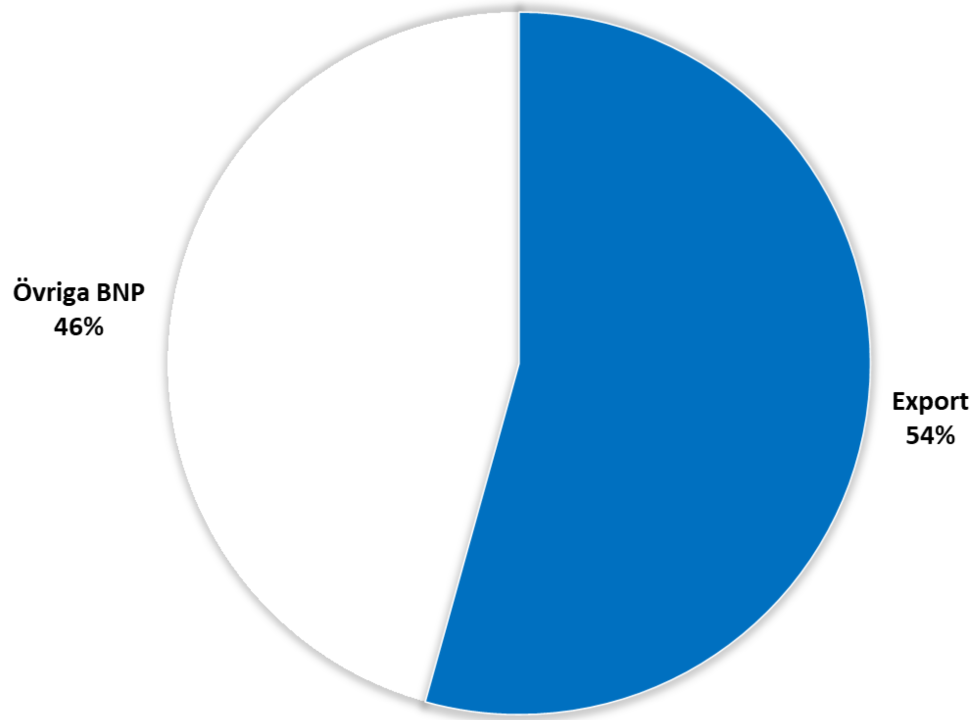
- **Consumption increased by 1.4% in March** (constant prices, seasonally adjusted, month-on-month). Consumption consequently grew by 0.3% in Q1 according to HUKO (our Q1 forecast is 0.2%).

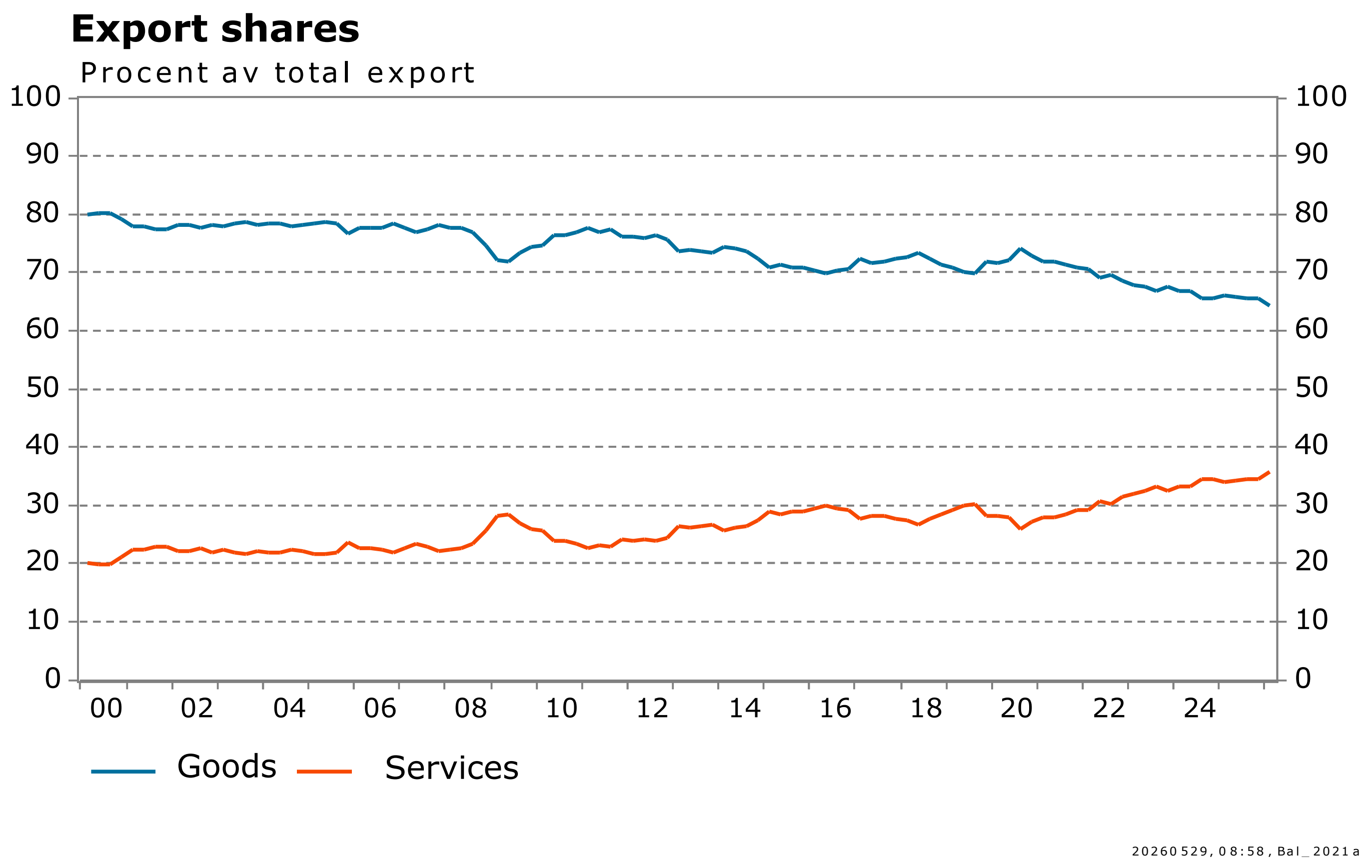
- **Retail sales volume increased by 3.1% in March** (constant prices, SA, m/m). Both groceries and durable goods increased by 3.1%.

- The short-term model, which is based on HUKO and retail sales volume, indicates **growth in domestic consumption of 0.5% in Q1 and 0.6% in Q2** (our Q2 forecast is 0.8%).

- **Statistics Sweden's weekly card-data indicator** is available up to 19/4. Consumption grew by 2.9% over the past four weeks compared with the same weeks last year (constant prices, SA). The average annual rate 2020–2026 is 0.5%.

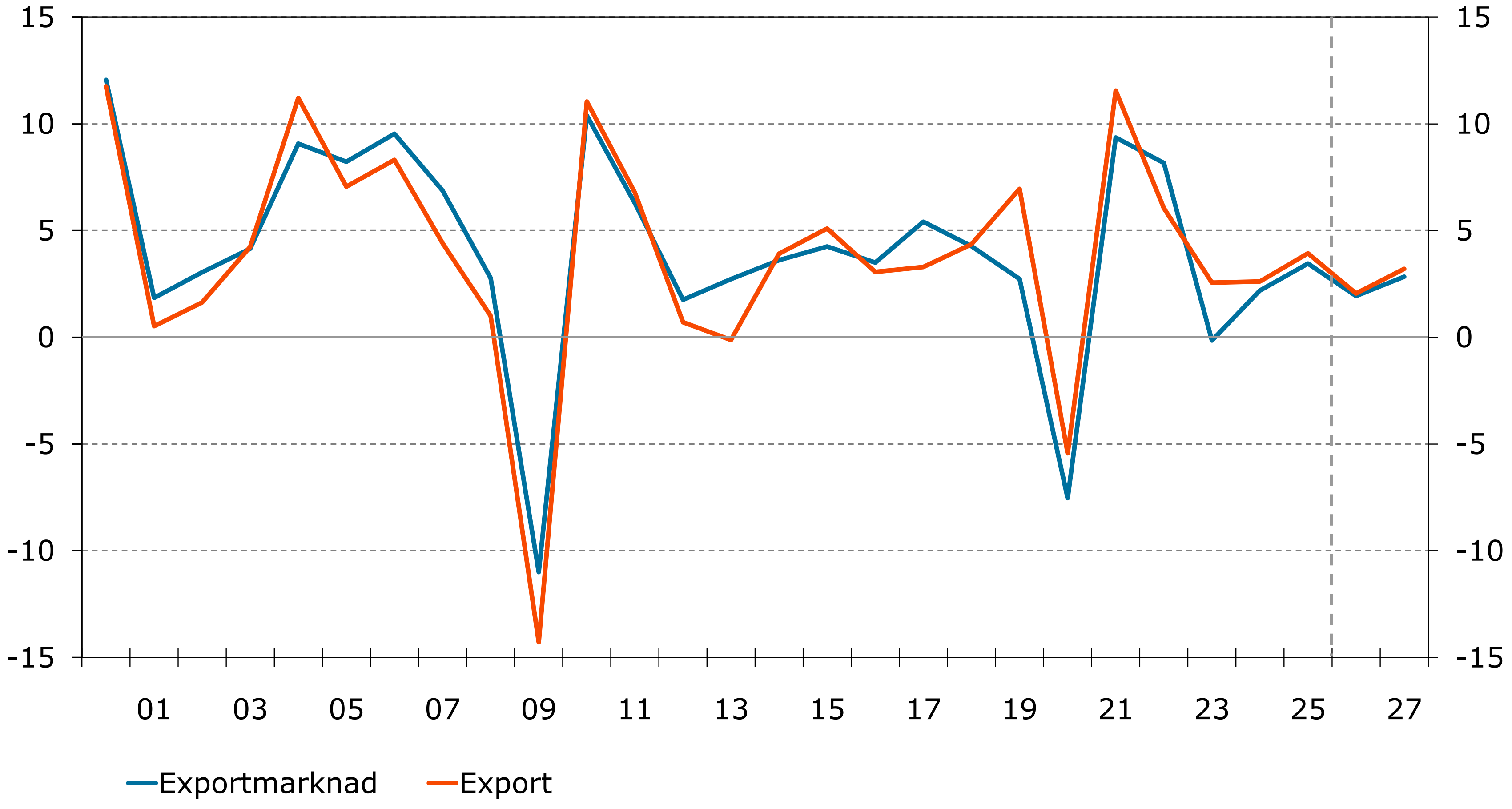
Exports are an important component of GDP





Exports are growing slowly

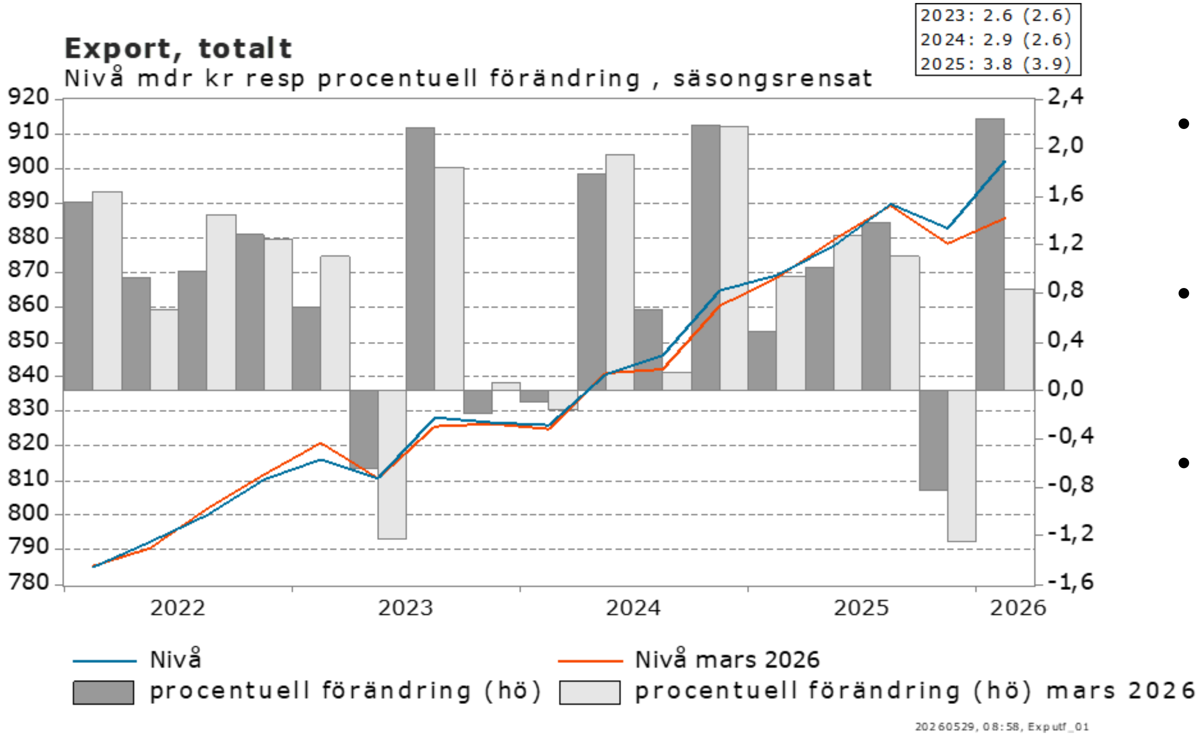
Export market and exports



Percentage change, constant prices
Sources: Statistics Sweden and NIER.

Total exports, outcome

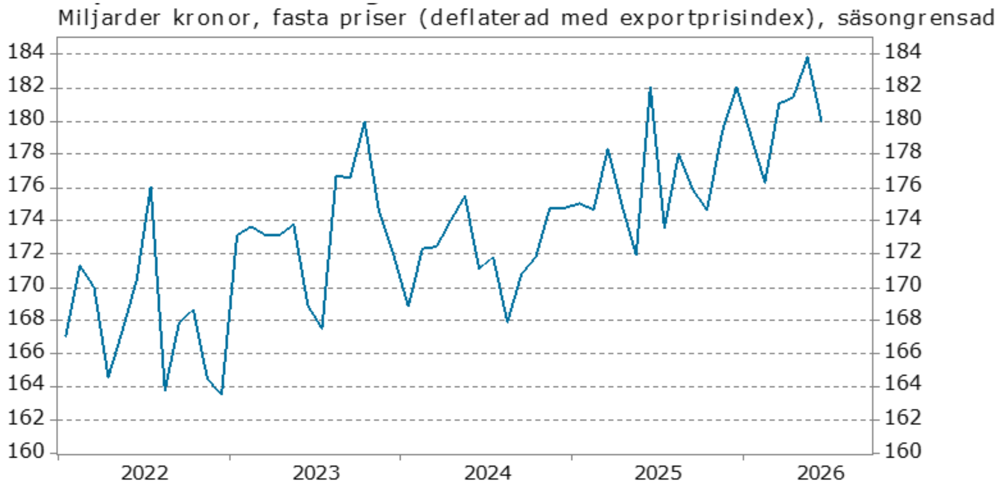
Seasonally adjusted volumes



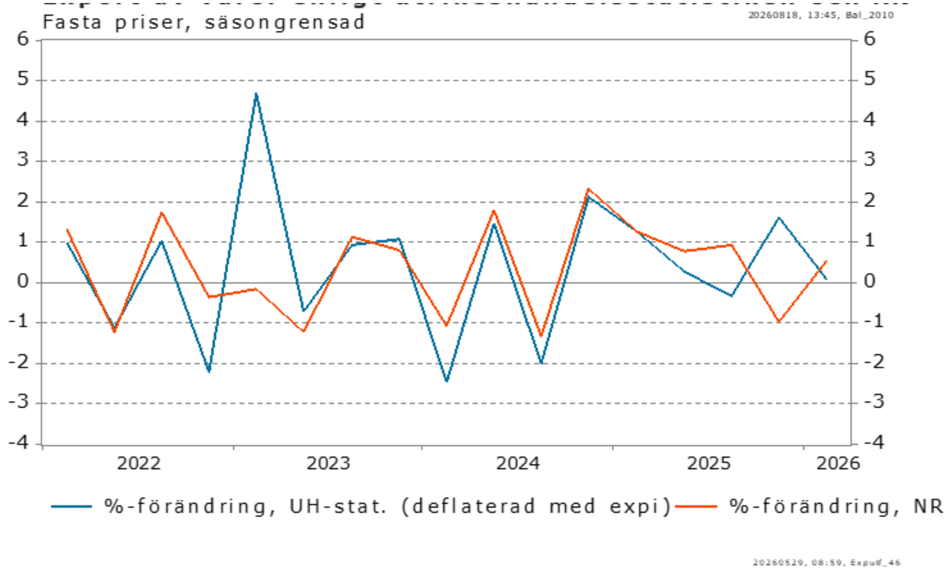
- Unexpected decline (given foreign trade statistics and model results)
- The decline was broad-based, making it harder to attribute to a single event.
- Growth in Q3 2025 was revised down considerably.

Goods exports – preliminary statistics

Goods export acc to foreign trade statistics



Goods export acc to foreign trade statistics and NA

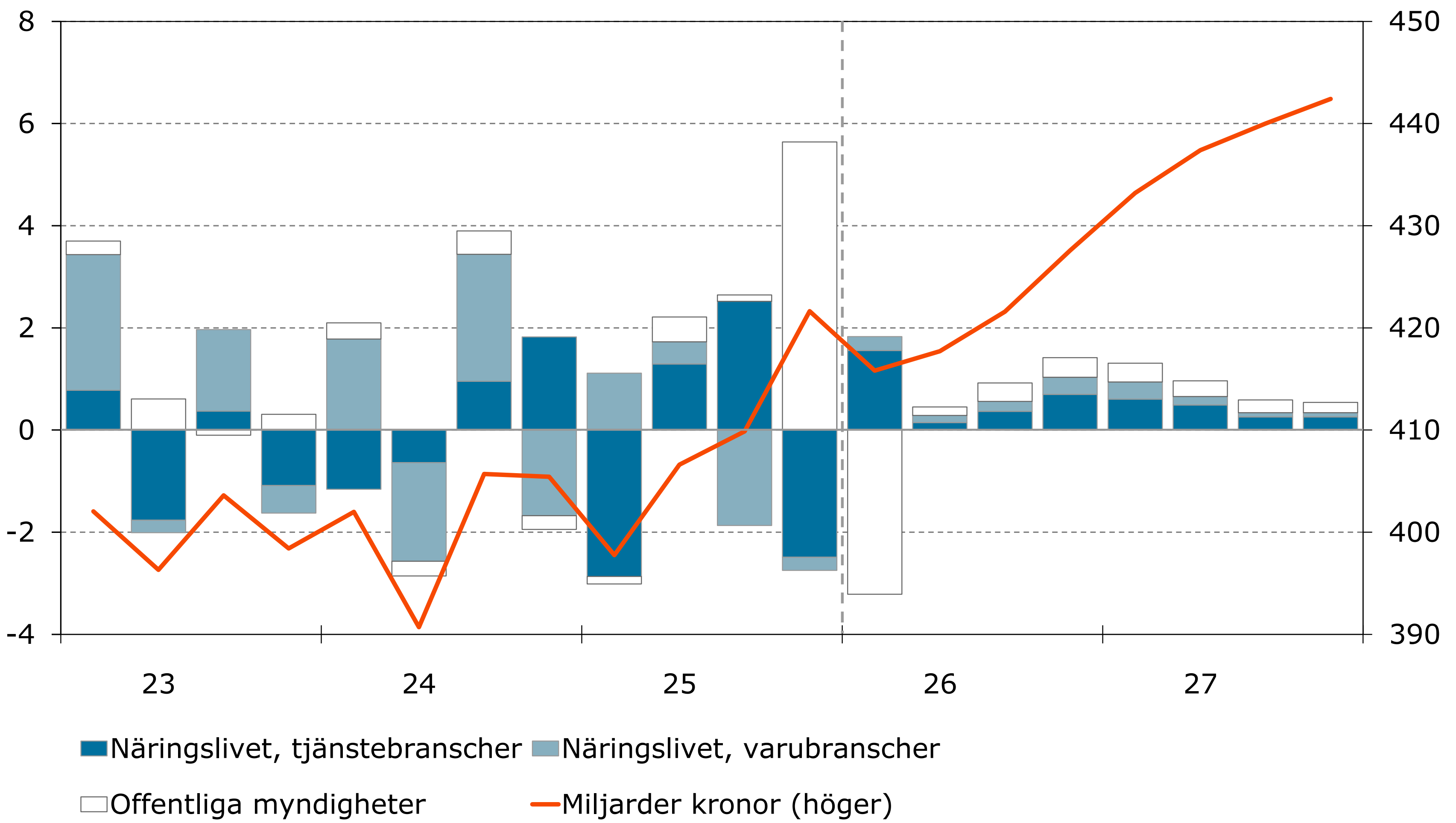


- With KI's seasonal adjustment and deflation, exports of goods decreased by 2.0% m/m in January.

- This is normally the best information available for the current quarter, but this time it is clearly less informative than usual.

Investment is important to the economic recovery

Gross fixed capital formation



Note; SEK billion, constant prices, contribution in percentage to quarterly growth, seasonally adjusted quarterly values

Sources: Statistics Sweden and NIER.

Slightly increasing interest in new construction

Building permits and housing starts

- In Q4 2025, construction began on **8 050** homes in total, comprising 6,450 units in multi-dwelling buildings and 1,600 single-family houses.
- Building permits **increased** for both multi-dwelling buildings and single-family houses.
- The construction cost index increased marginally.
- **New construction is expected to increase** but at a slow pace.

Thousands	**2025**	**2026**	**2027**
Multi-dwelling buildings	*24,35*	*24,4*	*25,9*
Single-family houses	*5,9*	*7,0*	*8,3*
Total	*30,25 (29,5)*	*31,4 (31,4)*	*34,2 (34,2)*
National Board of Housing (December)	*32,0 (28,3)*	*35,0 (35,1)*	*36,5*
SBAB (February)	*28,6 (29,0)*	*30,8 (31,5)*	*33,6 (34,3)*
Swedish Construction Federation (April)	*29,2 (33,7)*	*30,6*	
Handelsbanken (November)	*30,0 (32,0)*	*33,0 (35,0)*	*35,0*

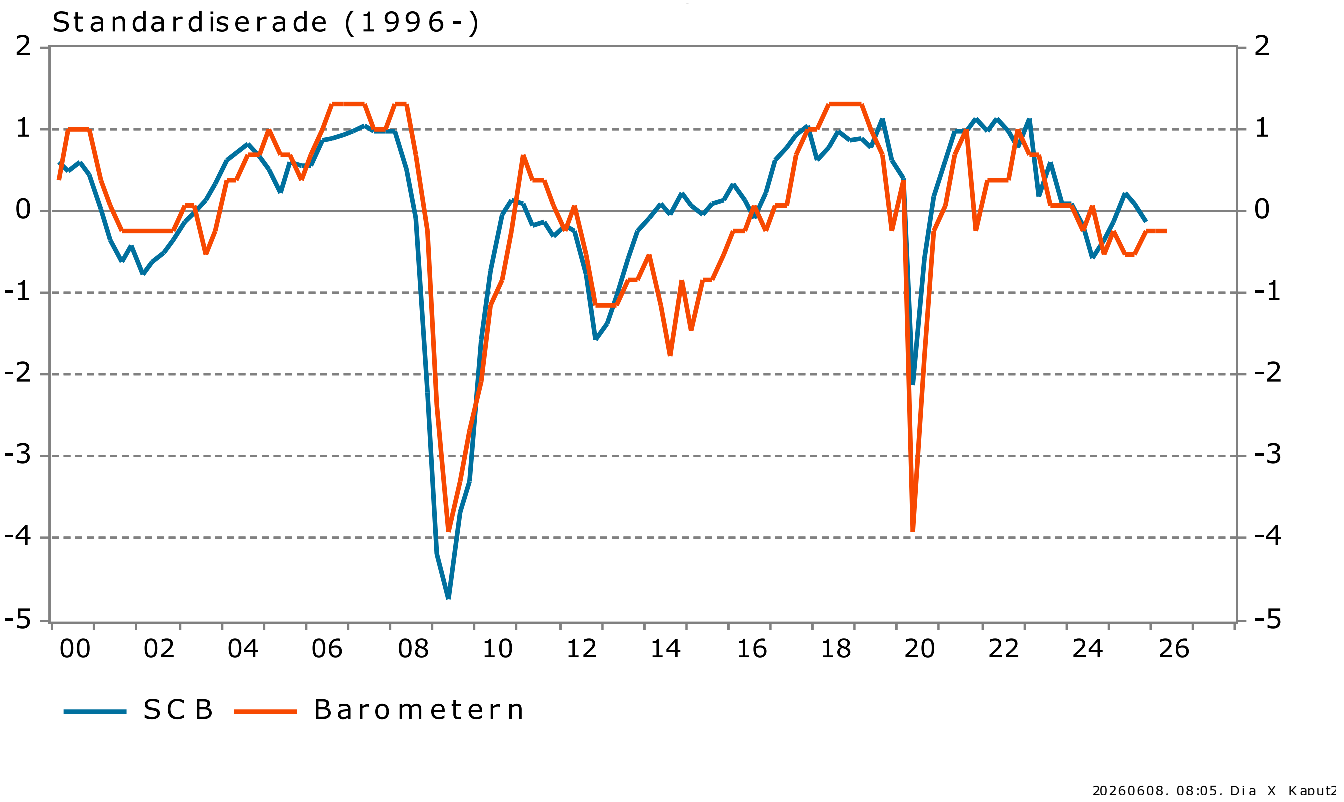
Statistics Sweden release, 23 February 2026 (none of the other forecasters above had the outcome when their forecasts were published). The National Board of Housing also includes net additions through conversions.

Manufacturing

Capacity utilisation

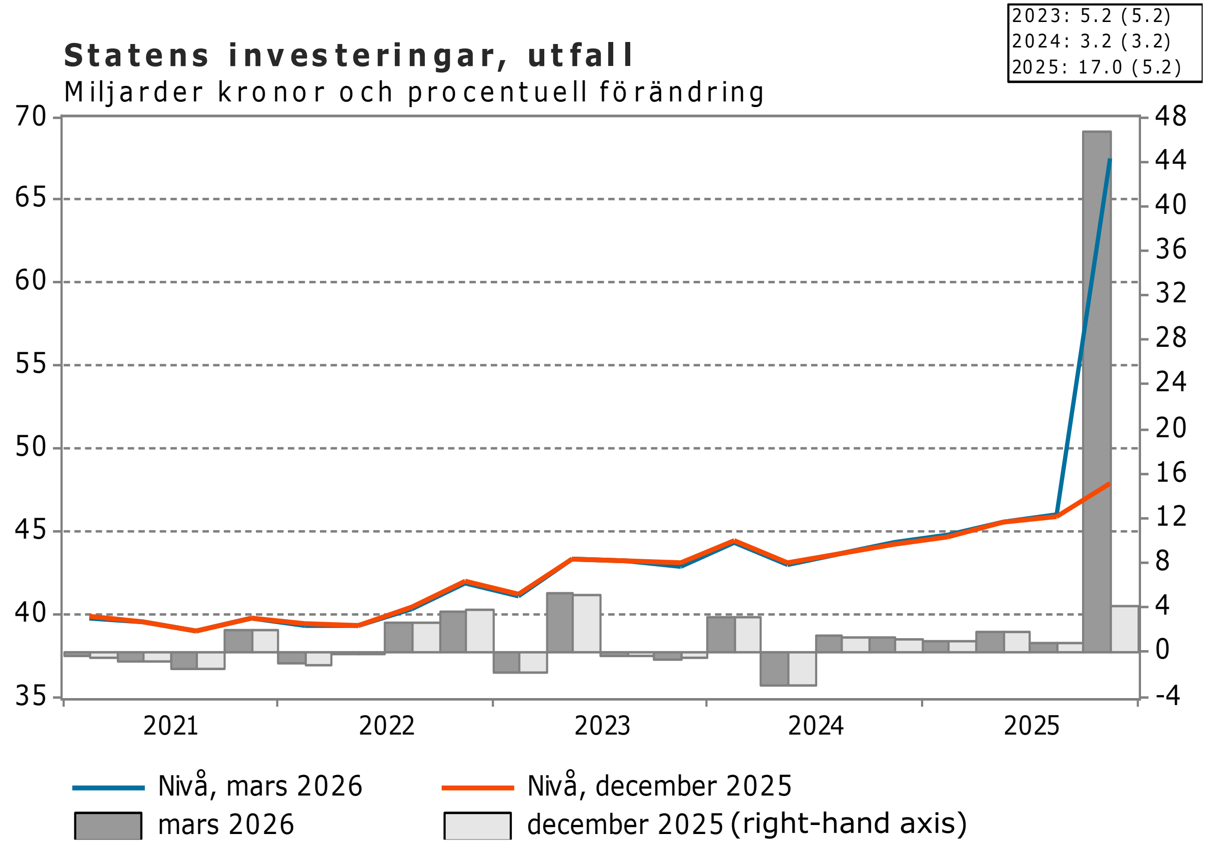
- If anything **marginally lower** capacity utilisation in manufacturing and slightly below average.
    - Firms intend to expand production capacity according to the Economic Tendency Survey

Capacity utilisation



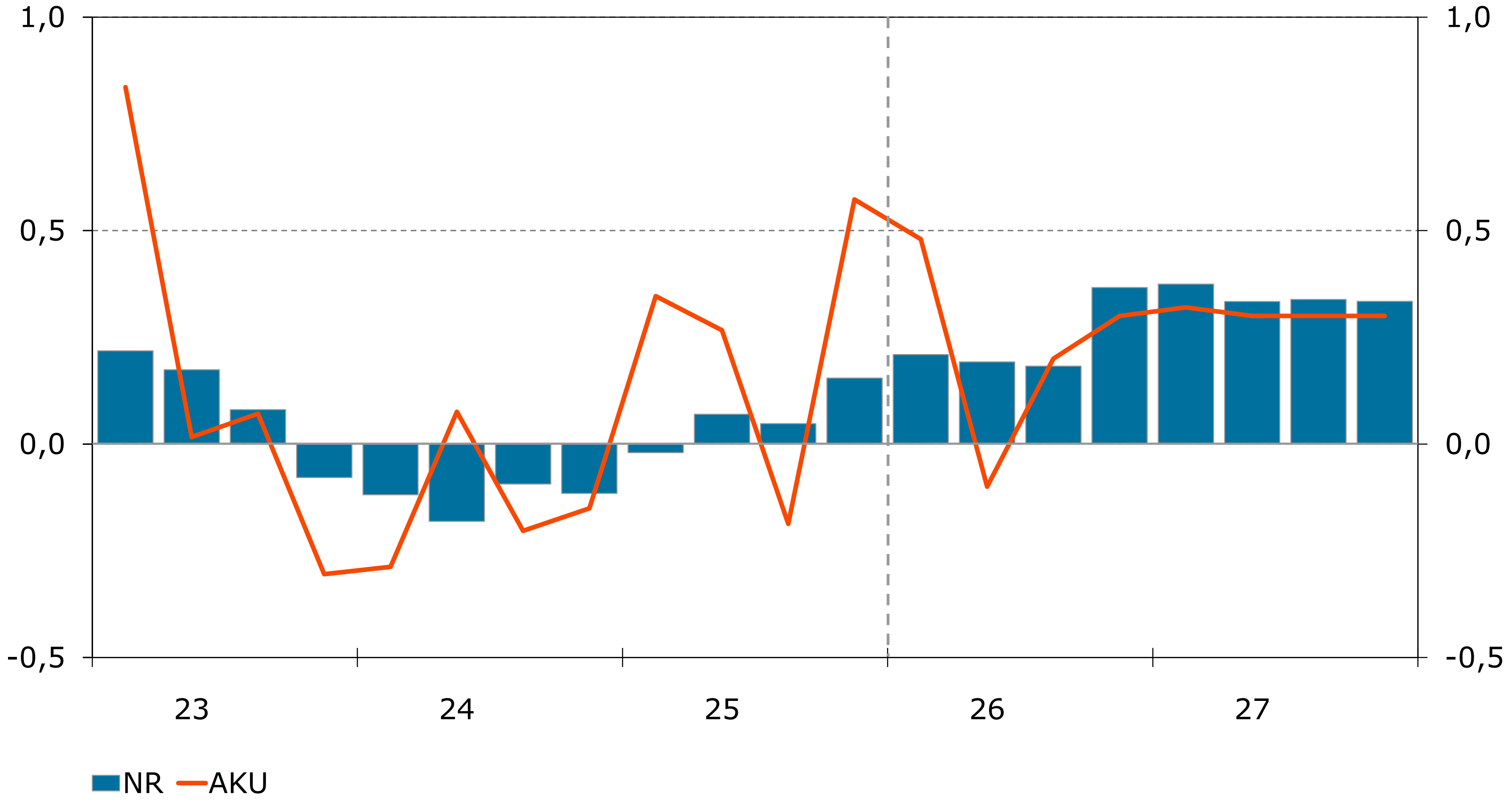
What happened? Central government investment is driving public investment

- The central government forecast error amounted to SEK 19.6 billion
  - SEK 9.9 billion for buildings and structures
  - SEK 9.7 billion for weapons systems
- (Probably) delivery of JAS 39 Gripen E
- Fortifications Agency property purchases
  - Properties at Gärdet, near the headquarters, and in Kista/Umeå purchased by the state-owned company Specialfastigheter (classified in the business sector in the National Accounts)
  - SEK 8.2 billion



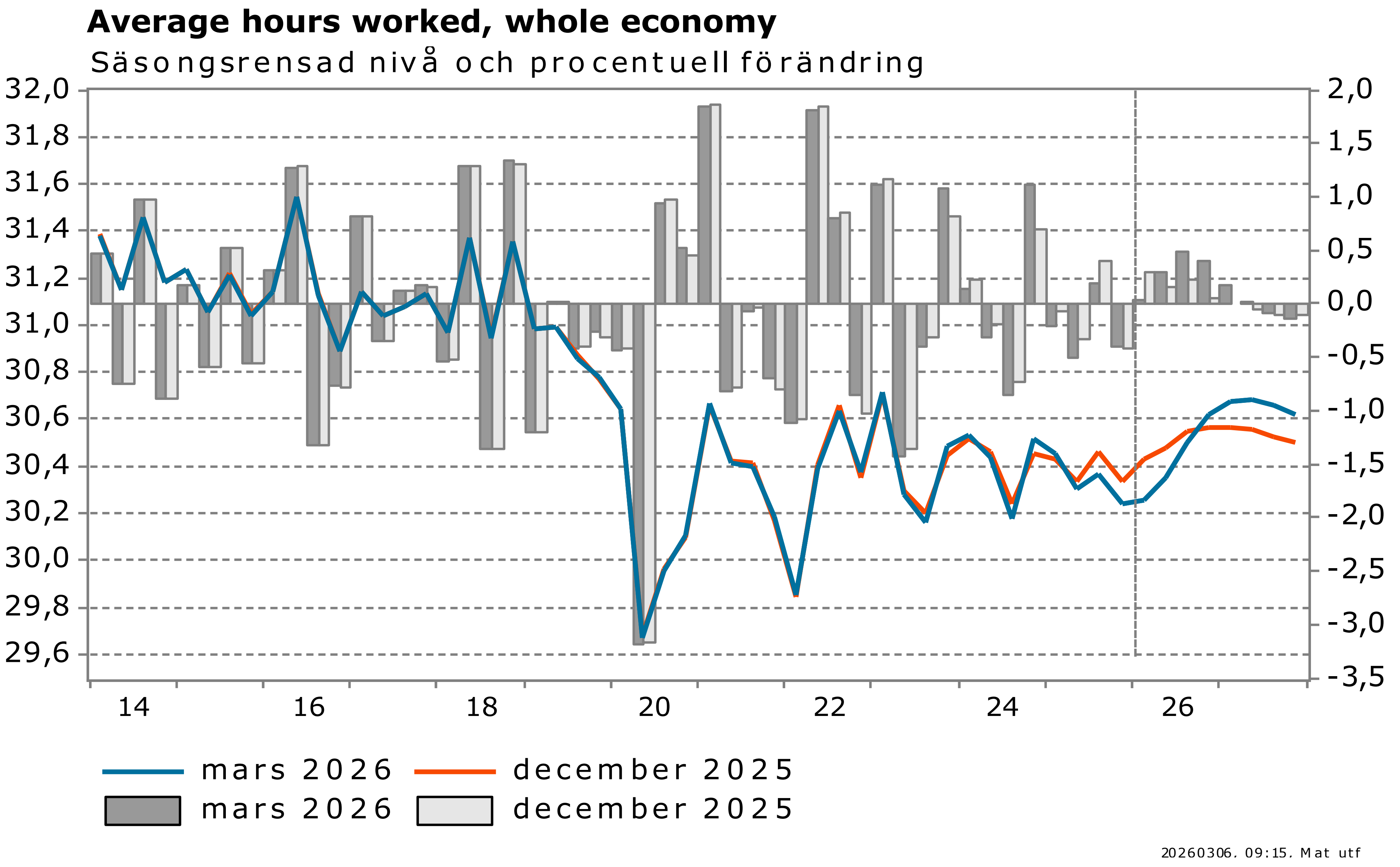
Employment is growing, but the statistics are difficult to interpret

Employment according to the Labour Force Survey (AKU) and National Accounts

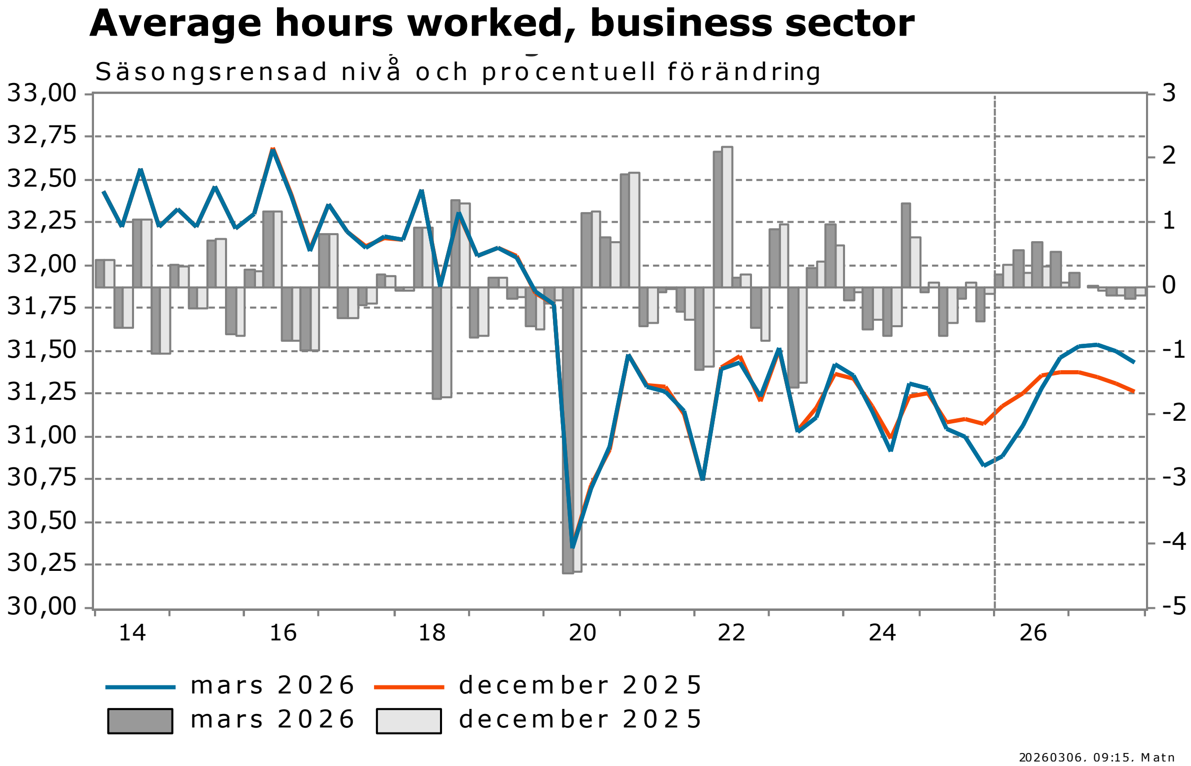


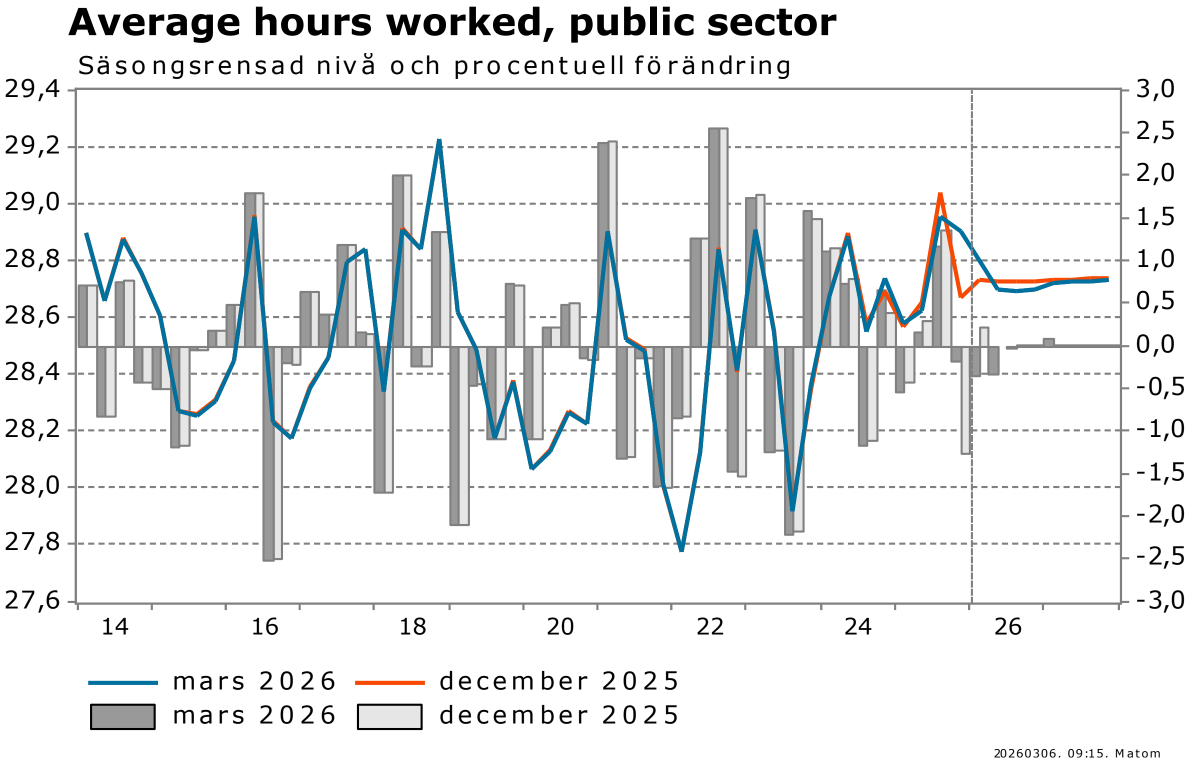
Note: Percentage change, seasonally adjusted quarterly values
Sources: Statistics Sweden and NIER.

Average hours worked are important for assessing employment

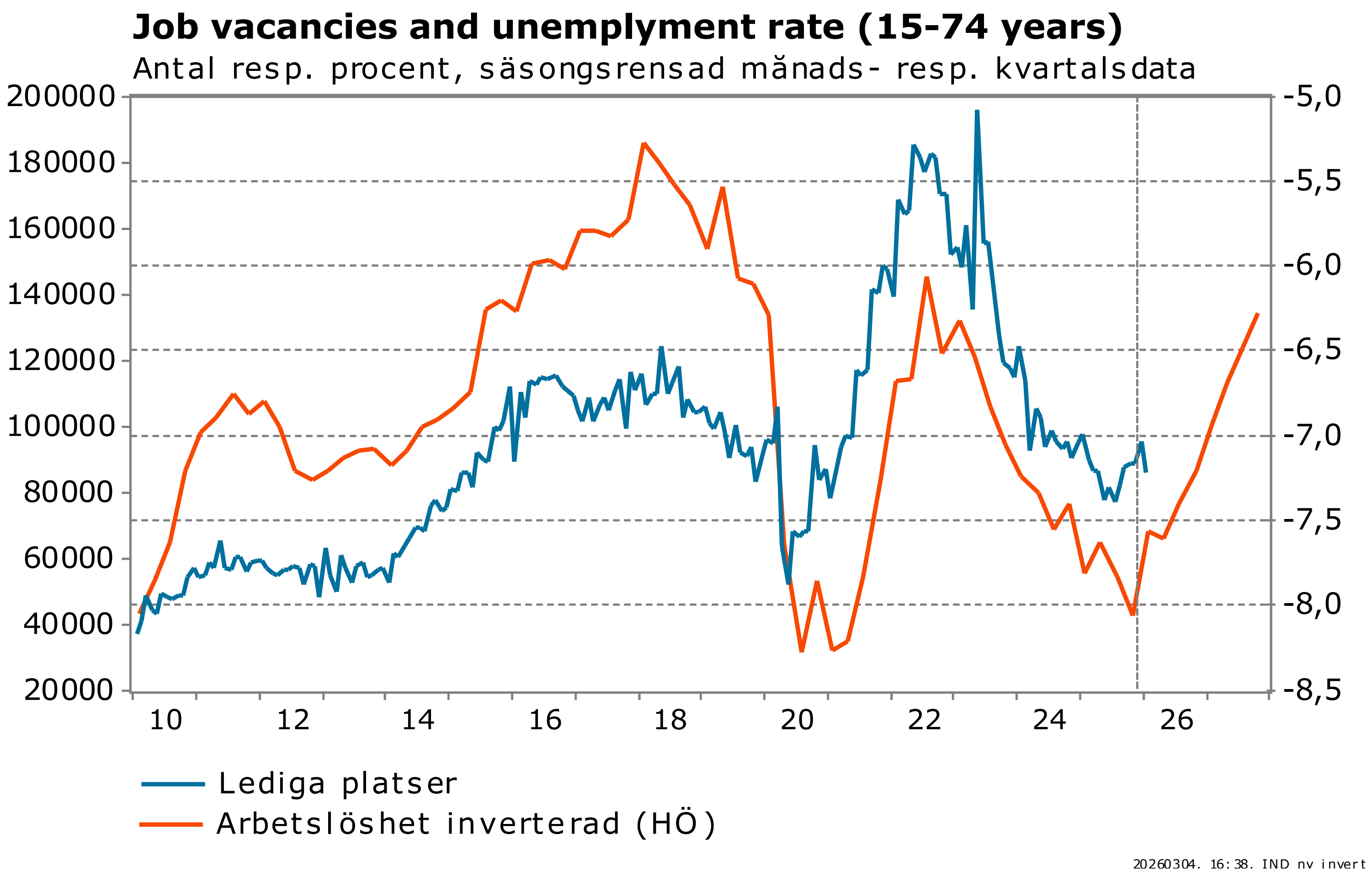


Average hours worked in the public sector are normal



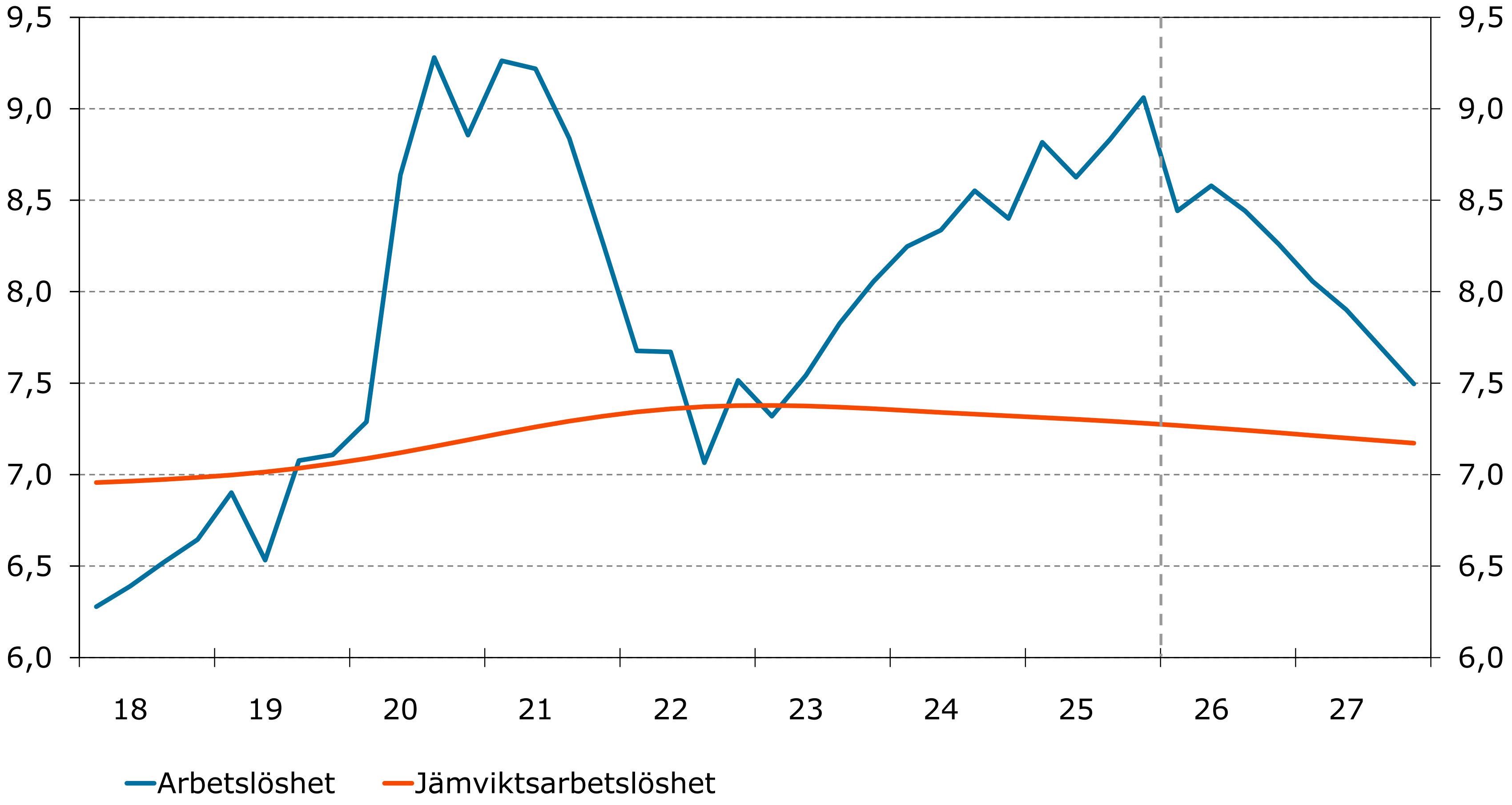


Job vacancies (Public Employment Service) co-move with unemployment (Labour Force Survey)



Unemployment is falling, but spare capacity remains next year

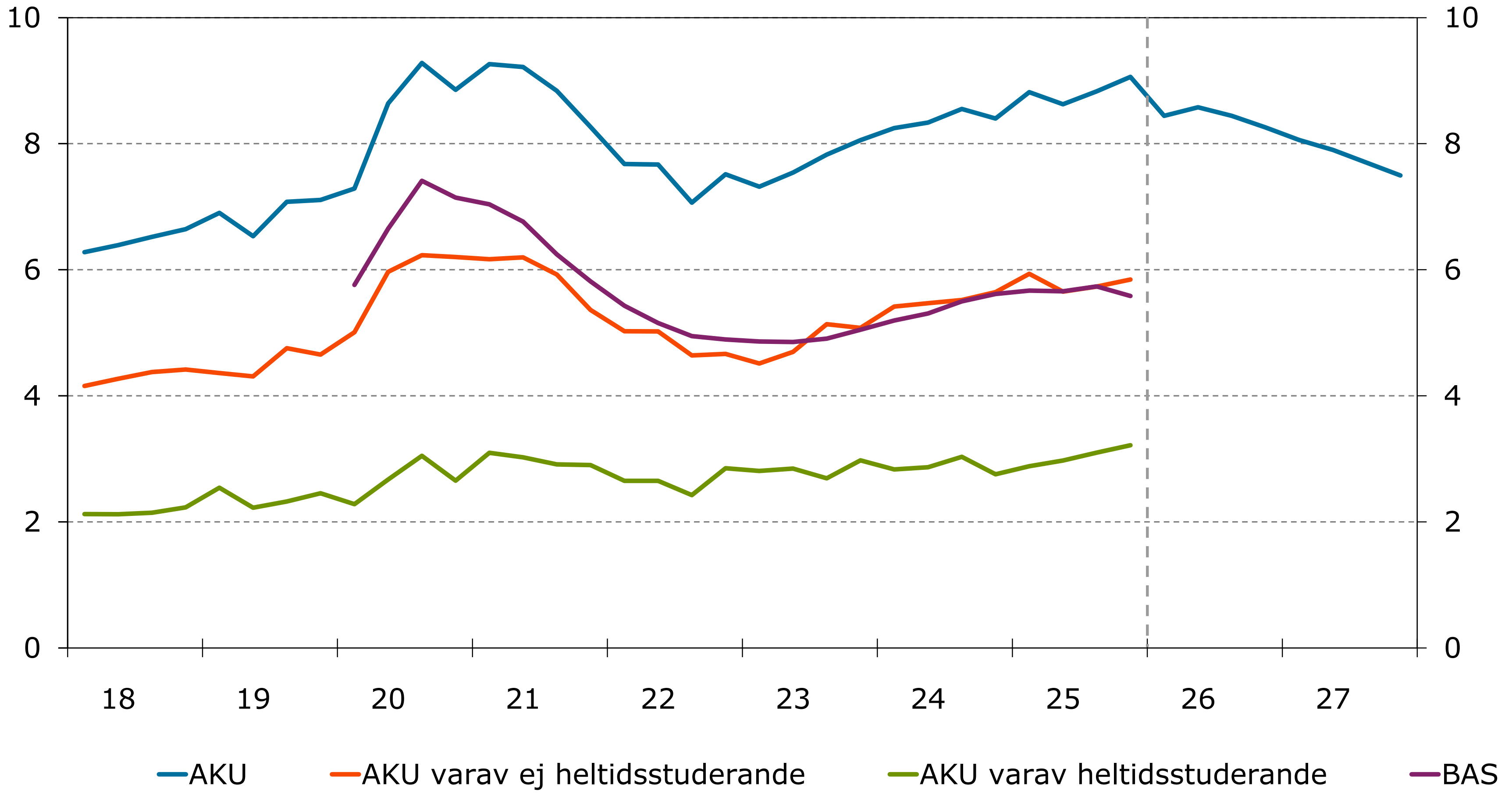
Unemployment (blue) and equilibrium unemployment (red)



Percent of labor force and percent of potential labor force, seasonally adjusted quarterly values
Sources: Statistics Sweden and the National Institute of Economic Research.

Several measures of unemployment

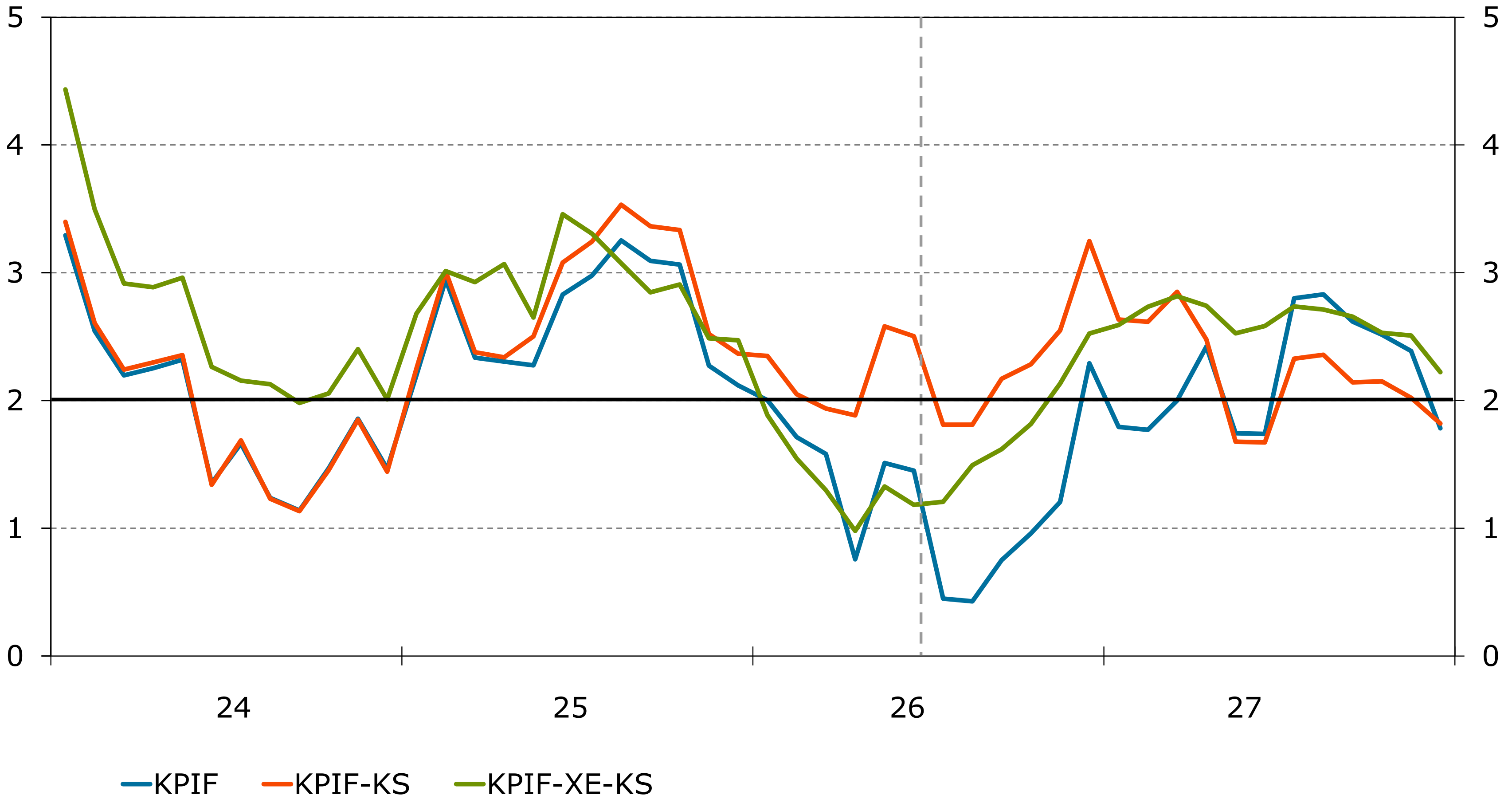
Unemployment according to the Labour Force Survey (ages 15–74) and BAS (ages 16–64)



Note: Per cent of labour force, seasonally adjusted quarterly values
Sources: Statistics Sweden and NIER.

Low inflation 2026, but higher next year

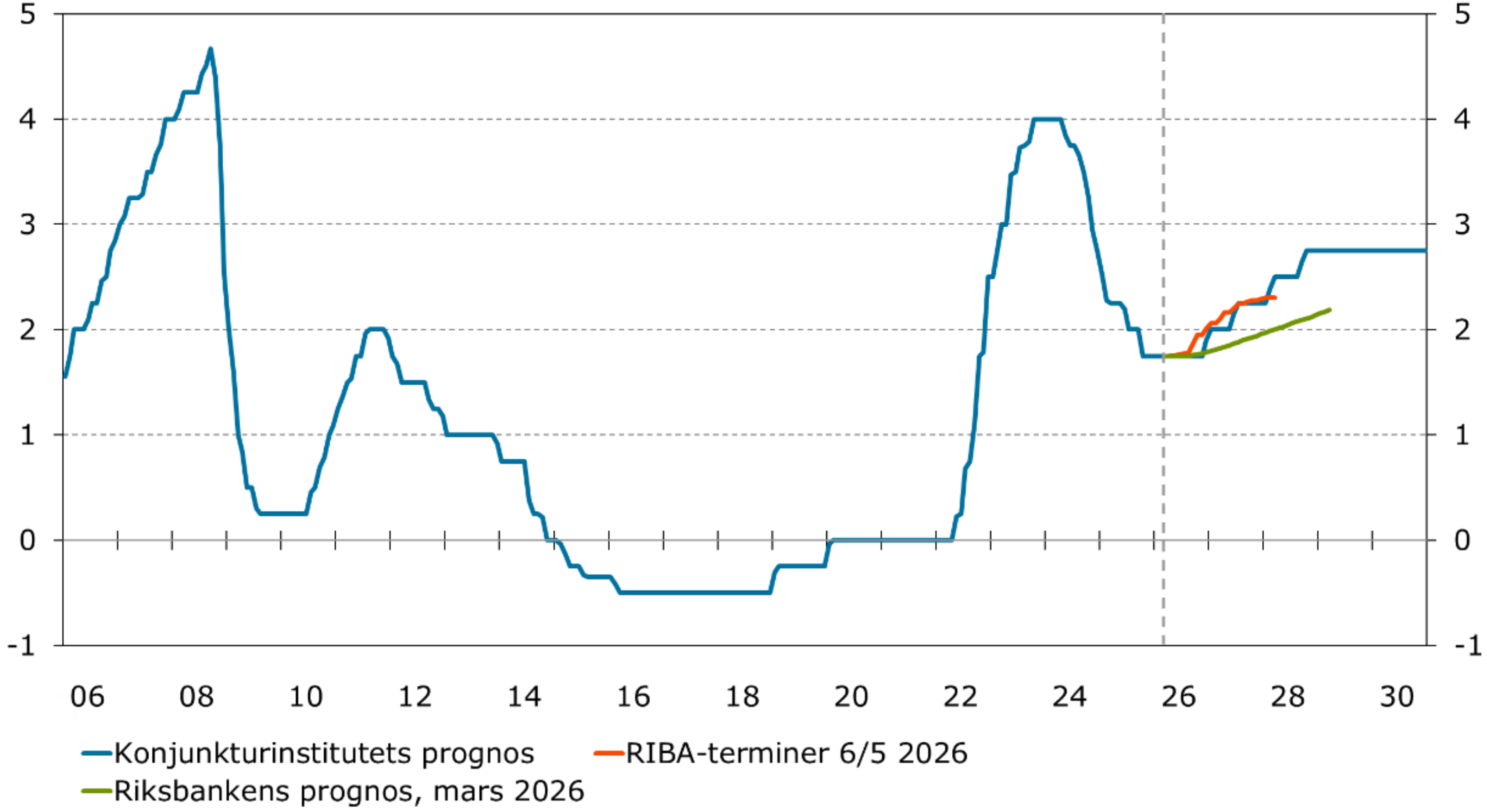
CPIF (blue), CPIF constant taxes (red) and CPIF excl energy with constant taxes (green)



Annual percentage change, monthly values
Sources: Statistics Sweden and the National Institute of Economic Research.

The Riksbank raises the policy rate at the end of the year

Policy rate



Percent, monthly and quarterly values
Sources: Nasdaq OMX, the Riksbank, Macrobond and the National Institute of Economic Research.

Data-driven analysis

- Up-to-date and accurate statistics are essential

- Understand how Statistics Sweden compiles the figures

  – Forecast Statistics Sweden's published outcomes
    - GDP
    - Inflation
    - Wages
    - Employment
    - Unemployment
    - General government net lending
    - *(Policy rate – not Statistics Sweden)*