

Number 10 2024

Sweden's economy

Statistical perspective

**Small improvement
in the economy**

**A cleaner energy mix
gives Swedish industry
environmental advantages**

SCB

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About Sweden's economy - statistical perspective

The main goal of the journal is to provide an overall picture of the economy based on economic statistics. This is supplemented by in-depth studies in various areas as well as an international outlook.

Publication takes place monthly, with a break in July.

We are happy to receive comments and can help to produce data if necessary.

Contact us via e-mail at ekstat@scb.se.

[Statistics Sweden's business cycle clock](#) is available here. It provides an interactive presentation of the state of the economy and the direction of the Swedish economy.

More charts with [economic indicators](#) can be found here.

Monthly overview August 2024

Indicators	Compared to the previous month (percent)1)	Compared to corresponding month last year (percent)2)	Compared to the previous month	Compared to corresponding month last year
GDP indicator month	1.1	0.7	+	+
Business life				
Business production	1.6	1.1	+	+
Industry production	0.7	-3.2	+	-
Industry order intake	5.1	4.0	+	+
Service production	1.3	2.0	+	+
Trade and consumption				
Household consumption	0.8	0.1	+	●
Retail sales	0.4	0.5	+	+
Foreign trade				
Export of goods3)	0.0	-5.1	●	-
Import of goods3)	-0.1	-6.4	●	-
Prices				
Consumer Prices (CPIF)	-0.5	1.2	-	+
Producer prices	0.6	1.2	+	+
Labor market				
Employment rate4)	0.0	-0.2	●	●
The unemployment rate5)	0.0	0.2	●	●
Hours worked6)	-0.1	-1.5	●	-

1) Calendar corrected and seasonally adjusted (not for foreign trade, prices and labor market)

2) Calendar corrected (not for foreign trade, prices and labor market)




3) Current prices, uncorrected. Monthly change refers to trend.

4) Employment as a proportion of the population aged 15–74 . Change in percentage points. Monthly change is based on seasonally adjusted and smoothed data. Annual change is based on original values.

5) Unemployment as a proportion of the labor force aged 15–74 . Change in percentage points. Monthly change is based on seasonally adjusted and smoothed data. Annual change is based on original values. Symbols are indicated in reverse.

6) Hours worked 15–74 years (including employed abroad). Monthly change is based on seasonally adjusted and smoothed data. Annual change is based on calendar-corrected data.

The symbols mean:

-  Increase (Change rate higher than 0.2 percent)
-  Unchanged (Change rate -0.2–0.2 percent)
-  Decrease (Change rate lower than -0.2 percent)



The state of the economy

Small improvement in the economy

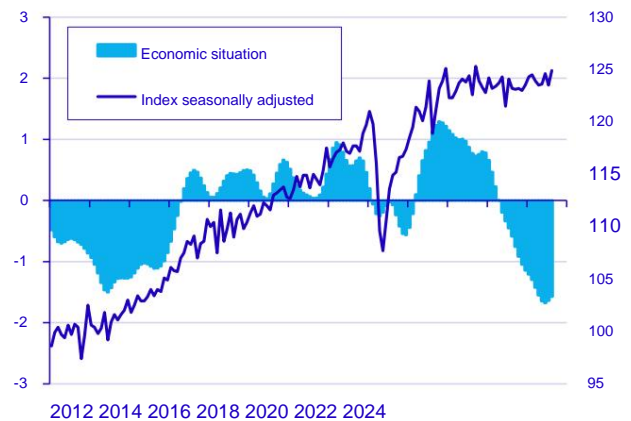
In August 2024, some small glimmers of light appeared in the economic statistics. The GDP indicator showed growth after one weak outcome in July, production in the construction industry rebounded and there are some signs that the labor market is about to stabilize. At the same time, several are indicators in Statistics Sweden's business cycle clock in the recovery phase, including the GDP indicator.

Growth in the Swedish economy has stagnated for the past two and a half years. In August, however, economic activity increased as the GDP indicator, which gives an early picture of the development in GDP, showed positive growth. GDP increased by 1.1 percent, seasonally adjusted and compared to the previous month. Above all, it was stronger production in the service industries and increased household consumption that contributed to the rise. The increase in economic activity in August followed a weaker development in July.

At the same time, a slight improvement in the economy is noticeable in Statistics Sweden's business cycle clock. There, the GDP indicator has moved from the recession phase to the recovery phase. The indicator has been on the rise since July, but remains well below the long-term trend. Swedish

economy is thus still in recession.

Slight improvement in the economy but still a gloomy situation
the GDP indicator. Index 2011=100, seasonally adjusted monthly values (right). State of the economy=deviation of the short-term trend from the long-term trend, standardized with mean=0 from January 2000 (left)

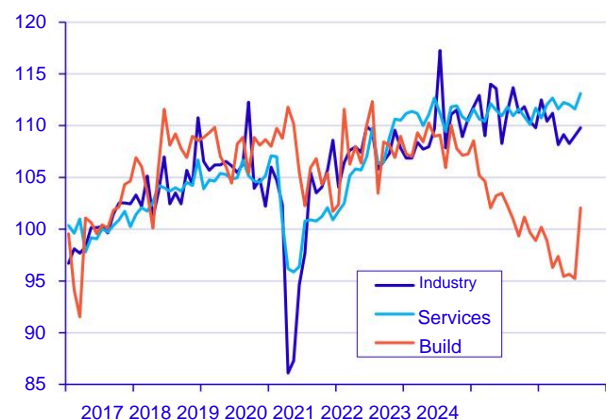


Source: National accounts (SCB)

Strong recovery in the construction industry

Production in business increased in August after a weak development so far in 2024. The rise was broad and both industrial, service and construction production rose. Production in the construction sector, which has been declining since the end of 2022 when demand for housing fell, rebounded sharply in August compared to the previous month.

Broad rise behind the increase in production in business
Production value index 2017=100, seasonally adjusted values



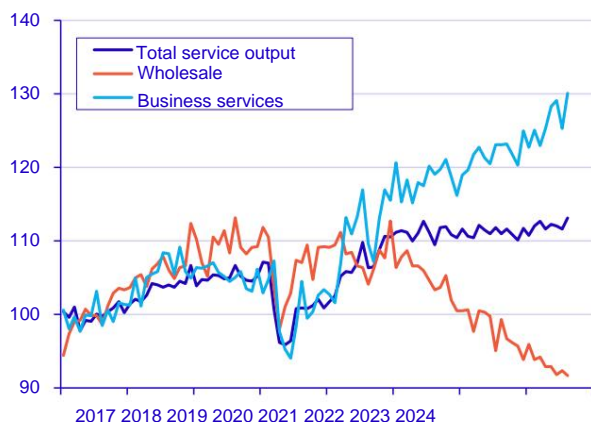
Source: Production value index (SCB)

On the services side, production rose in several industries in August. The biggest increase was in the information and communication industry.

The industry has had a strong development since the pandemic and has grown at a significantly faster rate than the service sector as a whole. The business services industry shows a similar development, although the rise has not been as great at all. For the wholesale trade, on the other hand, the decline continued and in August this year the production volume was almost 19 percent lower than the peak in December 2021. Within industry, production increased in, among other things, the other machinery industry and the metal goods industry.

Strong services production lifted GDP growth in August

Production value index 2017=100, seasonally adjusted values



Source: Production value index (SCB)

Households consumed more

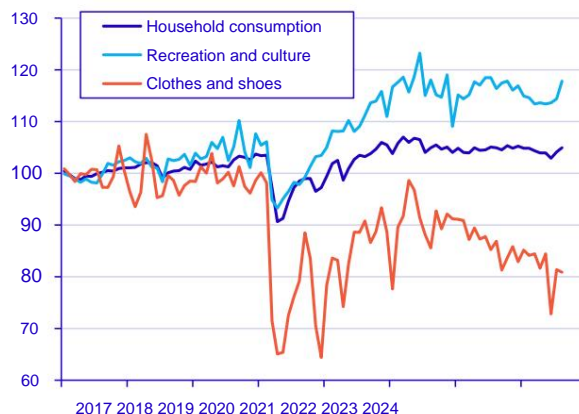
Although inflation has fallen back, households' purchasing power is still weak. Interest expenses remain high and households have adjusted their finances by, among other things, cutting back on consumption. The consumption trend was particularly weak during the first half of this year, when consumption fell by almost two percent. In July, the trend turned up and the consumption volumes continued to increase in August. Household consumption was thus back to the level of the last two years.

+0.8%

Consumption increased in August 2024 compared to July 2024

Consumption of recreation and culture rose during the summer

Household consumption indicator, fixed prices, index 2017=100, seasonally adjusted monthly values



Source: Turnover in the service sector (SCB)

Several expenditure items increased in August. Among other things, the consumption of recreation and culture, where internet shopping also makes up a significant share. Household spending on clothing and footwear, on the other hand, developed weakly and continued on the downward trend since spring 2022. Consumption of clothing and footwear declined sharply during the pandemic and has not recovered since.

Sales in the retail trade are also increasing

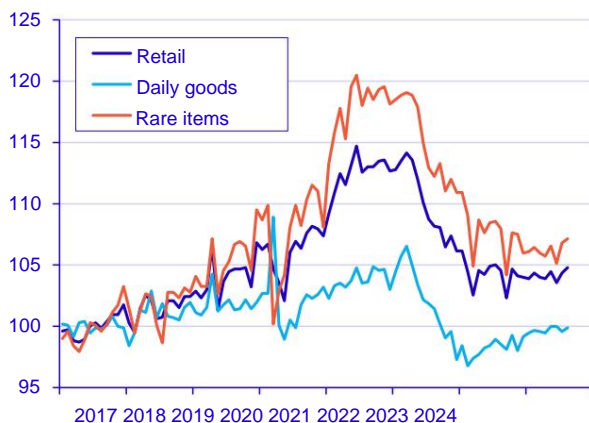
In August, retail sales volume increased for the second month in a row. It was increased sales in both the consumer goods and consumer goods trade that contributed to the rise.

"Households' continued weak purchasing power is clearly reflected in sales levels"

However, the households' continued weak purchasing power is clearly reflected in the sales levels, which are clearly lower than in the spring of 2022. For the grocery trade, the trend has certainly turned around since last year, but the volume in August this year was even lower than before the pandemic. For the consumer durables trade, development has generally gone sideways in the past year.

The grocery trade has turned up from low levels

Sales volume in the retail trade, index 2017=100, seasonally adjusted monthly values



Source: Turnover in the service sector (SCB)

Sales volumes have decreased in most industries in recent years. The largest decline has been in the construction and furniture trades, which flourished during the pandemic when households spent more on things for the home and holiday homes. The declining sales in the construction trade have stopped during 2024 and the volumes in August amounted to roughly the same level as a year earlier. For the furniture trade, however, the situation remains bleak. Expensive goods such as furniture have had to stand back for the past two and a half years when

households' purchasing power has been eroded. In August, sales volumes decreased for the second month in a row.

"Expensive goods such as furniture have been left behind when households' purchasing power has eroded"

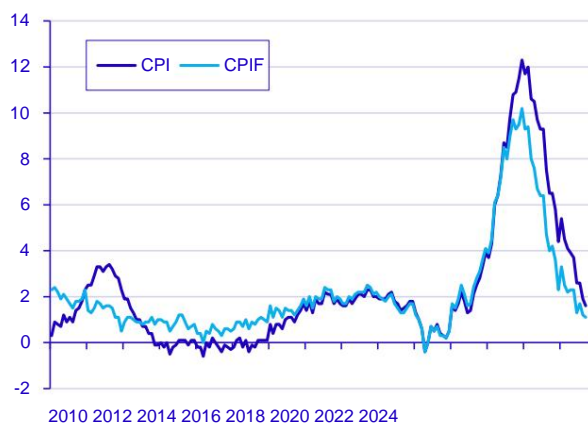
Inflation continues to fall

The downward trend in inflation continued in August. The rate of inflation according to

consumer price index, CPI, was 1.9 percent in August, a decline from 2.6 percent the month before. According to The Riksbank's target variable CPIF, which omits households' changed interest rates on mortgages, where inflation 1.2 percent. A good bit below the inflation target of two percent. It was largely lower fuel and electricity prices that brought down the rate of inflation. CPIF excluding energy remained unchanged at 2.2 percent in August.

The CPI and CPIF have both fallen below the Riksbank's inflation target

Consumer price index (CPI) and fixed rate consumer price index (CPIF). Percentage change compared to the corresponding month of the previous year



Source: Consumer price index (SCB)

On 8 October, the rapid KPI, a new rapid indicator of inflation, was published for the first time.

The inflation rate according to fast-CPI and fast-KPIF was 1.6 and 1.1 percent respectively in September. CPIF excluding energy also fell slightly during the month.

The definitive outcome for September published on October 15 showed the same inflation rates as the flash CPI for both CPI, CPIF and CPIF excluding energy. It was mainly lower

fuel prices that contributed to the decline in inflation in September. In "Sweden's economy - statistical perspective" number 7-8 2024, you can read more about the new quick indicator.

New interest rate cut from the Riksbank

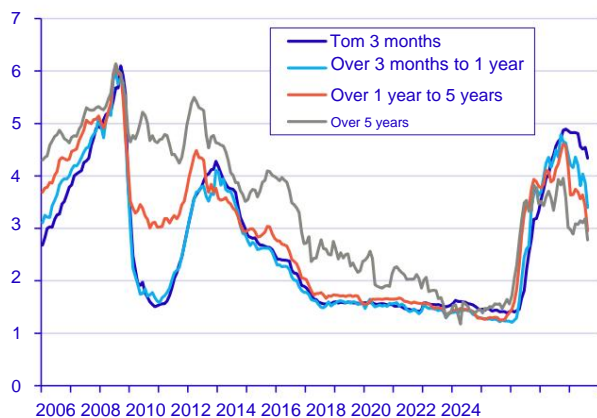
At the end of September, the Riksbank decided to lower the policy rate for the third time this year. More and more assessors expect that it will be lowered further at the two remaining monetary policy meetings before the turn of the year. In addition, there is a double lowering in the scales on any of these occasions, i.e. a downward adjustment of 50 points. In such cases, this would mean a key interest rate of 2.50 percent at the end of the year based on the current level. Before the first rate cut in May, the policy rate was 4.00 percent.

Mortgage rates are falling, but with large differences

Lower inflation and a lower policy rate are good news, not least for households with large mortgages and variable interest rates. The mortgage rates with new and

renegotiated contracts have fallen in recent months. The largest decline has been for the fixed interest rates, while the variable interest rate, that is the 3-month interest rate, has not fallen as much at all. The differences in interest rates are simply due to the fact that the variable mortgage interest rate is largely controlled by the Riksbank's monetary policy and the key interest rate. For mortgages with longer maturities, the market has expectations of inflation a greater impact. In August, the variable interest rate averaged 4.34 percentage for new mortgage agreements. For home loans with a commitment period of one to five years, the interest rate was an average of 2.95 percent.

The fixed interest rates have fallen significantly more than the floating rate
Mortgage interest rates for households, new agreements, divided by fixed interest period, percentage



Source: Financial market statistics (SCB)

Despite the fact that all interest rates with longer fixed periods have been lower in recent months, many households that have renegotiated or taken out new loans with the home as collateral have chosen a variable interest rate. It was the highest percentage in six years. The fact that more and more people are choosing variable interest rates indicates that households expect mortgage interest rates to drop to significantly lower levels in the future. Historically, it has also not paid off to bind the loans as the variable interest rate, seen over a longer period of time, has been lower than the fixed interest rates.

The growth rate for housing loans remained low

However, the falling interest rates, and the expectations that they will fall further, have not boosted lending. In April 2022, just before the Riksbank began a series of policy rate hikes, the growth of household housing loans from monetary financial institutions, MFIs, was 6.9 percent. Since then, loan growth has

dropped significantly, although a certain upturn can be discerned for the last few months. In August was lending to households for housing purposes 0.9 percent higher than the corresponding month last year.

Continued subdued lending to household housing loans Lending to household housing loans from MFIs. Annual growth rate in percent



Source: Financial market statistics (SCB)

Weak labor market

The situation on the labor market is still weak, although some positive signs can be found. Employment has turned around in recent months and is rising both in terms of numbers and as a percentage of the population.

The employment rate turned down in the middle of 2023, but the last few months show a slight upswing.

The employment rate is no longer falling
Percentage of the population employed, 15–74 years. Seasonally adjusted and smoothed monthly values



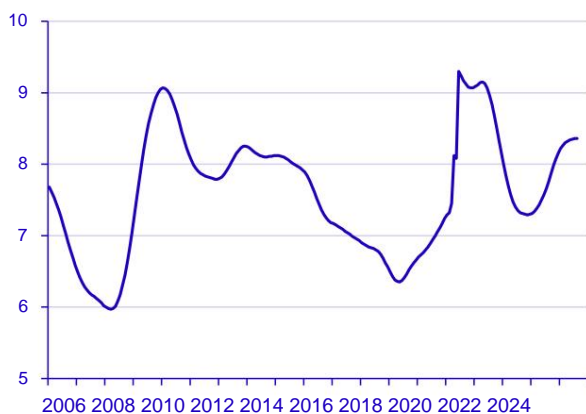
Source: Labor Force Surveys (SCB)

At the same time, no turnaround is visible when it comes to unemployment. Unemployment rose rapidly during 2023. In 2024, unemployment has increased more

moderate and low in August at 8.4 percent, according to seasonally adjusted and adjusted figures.

Unemployment is not increasing as fast

Percentage of unemployed in the labor force, 15–74 years (Incl. full-time students who have applied for work). Seasonally adjusted and smoothed monthly values



Source: Labor Force Surveys (SCB)

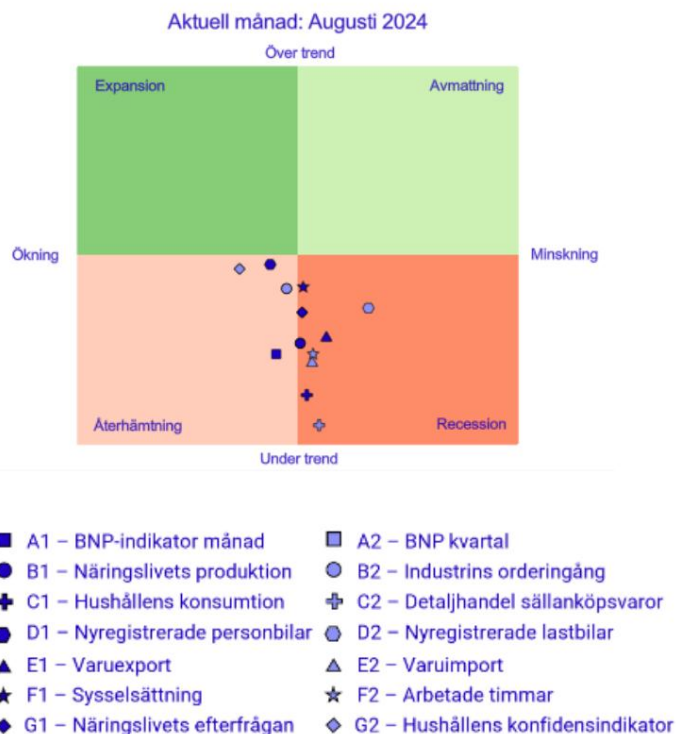
Bankruptcies decreased in August

For the first time in almost two years, the number of bankruptcies decreased in August, according to statistics from Tillväxtanalys. Compared to the same month last year, the decline was 5 percent. Despite the decline in August, the number of companies declared bankrupt was at a historically high level. From January to August this year, roughly 7,100 companies have gone bankrupt, an increase of 31 percent compared to the same period in 2023.

Some signs of economic recovery

Statistics Sweden's economic clock shows that there is still a recession in the Swedish economy. Even in August, all indicators were below their long-term trend, while a majority of the indicators were still in the recession phase. However, several indicators have moved from the recession phase to the recovery phase in recent months.

The GDP indicator in the recovery phase



One of the indicators that is in the recovery phase is the monthly GDP indicator. Whether the bottom has been passed or not is too early to say, but this still gives signals that an economic recovery is on its way.

The economic clock

Statistics Sweden's business cycle clock consists of 14 economic indicators, of which 13 are updated monthly and one is updated quarterly.

The state of the economy is calculated by estimating the deviation of the short-term trend from the long-term trend.

As of the September 2024 update, the method for the household confidence indicator has changed.

Here you can read more about [Statistics Sweden's economic clock](#). There is, among other things, a detailed method description.

[In the visualization tool, you can](#) follow how the various indicators move over time. During a business cycle, they move one turn in the business clock and then pass through four business phases.

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- Compile statistics on the Swedish effect of exports on global emissions.
- Analyze the level and development of Swedish exports' effect on global emissions.

Link to the report, which was published in April 2024, can be found in the fact box at the end of the article. The background to the report is the Environmental Objectives Committee's partial report Sweden's global climate footprint SOU 2022:15. There, the preparation proposes a strategy to reduce the climate impact from consumption in a cost-effective and socio-economically effective way.

The report analyzes three different ways of calculating the so-called counterfactual climate footprints of exports. Here the results are presented with emissions calculated based on the importing country's production, which are compared with the production of Swedish export goods produced in Sweden. The climate footprint of Swedish export goods also includes emissions from imported inputs.

Recess

A cleaner energy mix gives Swedish industry environmental advantages

The production of Swedish export goods generates, on average, lower greenhouse gas emissions than if the production had taken place in the recipient country. This is mainly explained by the fact that Swedish industrial products have comparatively low emissions due to a greater proportion of renewable energy sources.

The media often talks about the green transition, which aims to develop fossil-free technology. In order to be able to measure the green transition, the government has tasked Statistics Norway with:

- Develop a measure of the climate footprint from exported Swedish products compared to other corresponding foreign products.

As a large part of Swedish-produced goods are exported, cleaner production in Sweden can have a positive climate impact on the export market. In comparison with many other countries, Sweden has a relatively clean production. This is explained by a faster transition to more fossil-free production. Swedish electricity production and heating technology for heating surfaces and premises, such as district heating and wind power, gives rise to low fossil carbon dioxide emissions. Cleaner energy systems result in cleaner exports.

Another difference between production in Sweden and the average for the world can be a difference in quality. This means that Sweden achieves a higher value added from the production of, for example, steel or vehicles than production that occurs elsewhere in the world. Sweden's high-tech machines can in many cases produce goods of higher quality and with lower energy consumption than many other countries.

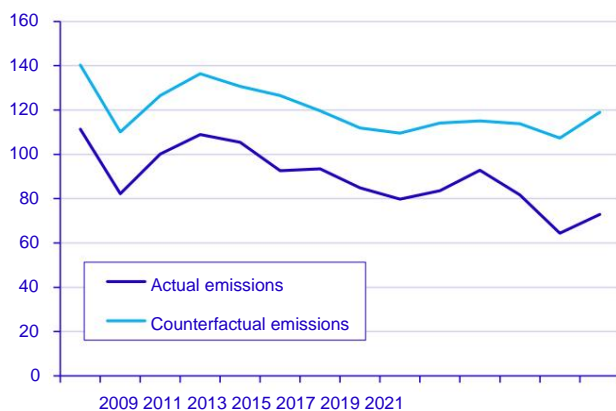
Swedish export products are usually produced with relatively lower emissions

One way to measure the relative climate impact of exports is to compare the actual greenhouse gas emissions from

the Swedish export with counterfactual emissions (emissions as if the products had been manufactured in the recipient country with that country's production technology). The actual emissions from Swedish exports are published in Sweden's official statistics on the environmental impact of consumption. The actual emissions describe the emissions generated by the export in the entire manufacturing chain.

The greenhouse gas footprint decreased

Greenhouse gas footprint from Sweden's export products based on whether we produce the product ourselves (actual emissions) or counterfactual emissions that show emissions from the corresponding production in the importing country. Megatons of CO₂-e



Source: Environmental accounts (SCB)

The diagram shows that Sweden's major trading partners on average produces with a higher emission intensity compared to the Swedish export companies. Swedish exports usually, but not always, generate lower emissions than if the production had taken place in the recipient countries. It is about the fact that Swedish process industry is more efficient, relatively speaking, and has greater access to energy sources with a lower climate impact such as hydropower, biofuels and nuclear power as energy sources. Constant

investments in process improvements and the use of climate-efficient raw materials have resulted in 15–20

percent lower emissions than comparable production in other countries according to Swedish Business.

Refineries are an emission-heavy industry

Emissions from industry are dominated by the iron and steel industry, the pharmaceutical industry and refineries. The largest part of industrial emissions comes from fuel use and other emissions come from

the manufacturing processes. Emissions of greenhouse gases from industry have trend-wise decreased since 2008. This is mainly due to changed fuel use, reduced production volumes and ongoing energy efficiency measures. It is above all the pulp and paper industry that is responsible for the emission reduction within the industry. Today, these industries are mostly supplied by biofuels. But also in other industries have

oil consumption reduced. Read more about this via the link "Climate and industry" in the fact box at the end of the article.

In Statistics Norway's report, greenhouse gas emissions linked to exports were studied divided by product groups. The product group with the highest actual export emissions in 2021 was petroleum and coal products. The group belonged to one of nine product groups where production in Sweden generated more emissions than if the corresponding production took place in another country. This is shown by the fact that Sweden's actual export emissions were higher than the counterfactual emissions.

The refineries are both a significant and emission-heavy subgroup within the petroleum and coal products product group. Sweden's oil refinery production is highly dependent on imports, where the input raw materials included in the refining process are emission-intensive. This means that a large part of the high emissions that occur within the product group can be explained by imports from other countries' oil production.

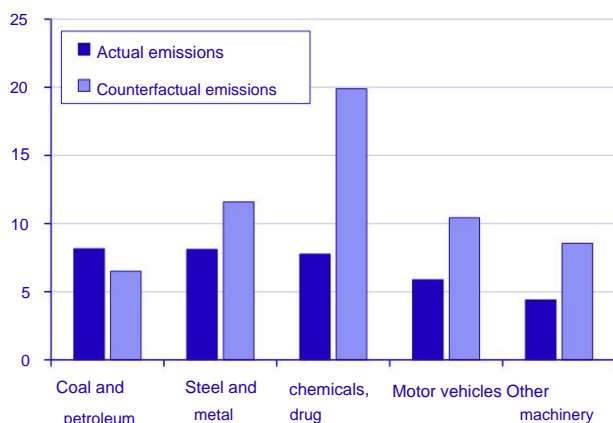
Only a small part of the high emissions within the refineries arise due to the domestic refining of the oil in Sweden.

In contrast to the product group petroleum and hard coal products, several of the other emission-heavy product groups show higher counterfactual emissions than actual emissions. This means that Sweden has relatively more environmentally friendly production in these industries. The graph shows that pharmaceuticals and chemical products clearly have the highest counterfactual emissions. This can be explained by the fact that it is a heterogeneous product group where many chemical products are emission-heavy. Sweden has generally both a more climate-smart production and a slightly different composition of goods produced, both of which explain the big difference

between actual and counterfactual emissions. Overall, the five most emission-heavy product groups in Sweden make up 47 percent of the total emissions from Swedish exports.

Petroleum and coal products contribute the most to actual export emissions

Greenhouse gas footprint from Sweden's export products based on whether we produce the product ourselves (actual emissions) or counterfactual emissions that show emissions from the corresponding production in the importing country. Year 2021, megaton CO₂-e



Source: Environmental accounts (SCB)

Exports' potential climate gains decrease as Swedish products cannot completely out-compete foreign products

To clarify with a calculation example, we assume that Swedish exports of steel to Germany increase by 1 percent. This corresponds to an export increase of SEK 214 million, where the market increase corresponds to SEK 30 million and the substitution effect SEK 184 million.

The market increase has to do with the fact that Swedish steel can have unique properties that cannot be replaced with other countries' steel products. The unique features could be environmentally friendly production or high quality. The substitution effect means that Swedish exports of steel to the German market replace (substitute) other countries' steel products on the German market.

The choice to focus on steel products is based on the fact that it is an industry in which the Swedish economy has international competitive advantages and that the industry itself is regarded as emission-heavy. The fact that we choose Germany in the example is because the country has a large domestic steel production and that the steel market is considered a competitive global market.

The purpose of this example is to test the sensitivity of the results to the assumption that Swedish products completely replace foreign products on the export market.

In the example, the assumption of perfect substitution, which is the basis of the calculations in the previous section, is waived. Instead, it is assumed that a certain part of the Swedish export increase replaces non-Swedish steel products on the German steel market. In addition to Swedish exports displacing competing products on the market, a certain part of the Swedish export increase is also expected to contribute to an increase in the supply of steel products on the German steel market. Swedish export products sold on the German steel market cannot completely out-compete the non-Swedish steel products. This has to do with the degree of product differentiation. That Sweden does not manufacture all types of steel products the Germans demand.

Swedish steel exports contribute to reduced potential emissions in the German steel industry in 2021

Calculation example for Swedish export increase of steel to the German steel market under the assumption of incomplete substitution.

Swedish emission intensity for steel production is 73 CO₂-e/MSEK, while the equivalent for Germany is 114 CO₂-e/MSEK

	Export increase (SEK million) (1)	Emission intensity (CO ₂ -e/ MSEK) (2)	Impact on greenhouse gas emissions (kilotons of CO ₂ -e) (1)*(2)
Market research	30	73	+2.2
Substitution	184	73-114=-41	-7.5
Total impact on greenhouse gas emissions of Swedish export growth	214		-5.3
Total impact on greenhouse gas emissions assuming 100% substitution	214	73-114=-41	-8.7

Source: The German greenhouse gas intensity is based from Exiobase – multiregional input and output database. The corresponding Swedish intensity is from Statistics Sweden's official statistics.

The table above summarizes the calculation example with Swedish exports to the German steel market. The total change in greenhouse gas emissions through the export increase of Swedish steel on the German steel market includes both the effect of the market increase and the substitution.

The increase in the volume of steel products from Swedish exports (market increase) results in an increase in greenhouse gas emissions of 2.2 CO₂-e. As a result of Germany importing steel products from Sweden instead of producing itself (substitution), greenhouse gas emissions are reduced by 7.5 kilotons of CO₂-e. In total, this results in reduced greenhouse gas emissions of 5.3 kilotons of CO₂-e.

If we assume instead that the Swedish steel products completely out-compete non-Swedish steel products (100 percent substitution) in the German steel example then reduces emissions by 8.7 kilotons of CO₂-e. Thus, the avoided emissions will be significantly higher when we assume 100 percent substitution, compared to the example where there is both substitution and market growth.

Definitions, glossary and explanations

Actual emissions: An emissions measure that includes emissions that, according to existing data, have occurred in reality. Actual emissions are used to distinguish between an emissions measure intended to reflect an actual event and counterfactual emissions that reflect a certain scenario assumption.

Embedded emissions: Emissions that occur in the value chain in the production of a particular product. Includes, for example, emissions from inputs. The term is used in contrast to direct emissions.

Counterfactual emissions: Emissions that have been calculated according to a certain scenario assumption. Counterfactual emissions are used in contrast to actual emissions (see also this glossary). In this report, it is used to refer to emissions embedded in export products that have been calculated according to certain scenario assumptions.

Consumption-based emissions: A national measure of emissions embedded in products that go to domestic final use in the economy. Official statistics on consumption-based emissions are published by Statistics Sweden. Consumption-based emissions are actual emissions.

Emissions: In this report, unless otherwise specified, it is assumed that the term emissions refers to greenhouse gas emissions.

Emissions intensity: In this report refers to embedded greenhouse gas emissions in a product divided by the final use of the product. Measured in CO₂-e/SEK.

Greenhouse gas emissions: Emissions of gases that affect the radiation balance of the atmosphere. In practice, this term includes emissions of carbon dioxide, methane, nitrous oxide and fluorinated gases.

Facts about the statistics

Emission measures: How the three different emission measures used in the article are calculated:

- Actual emissions from Swedish exports (CO₂-e) = the value of Swedish exports (SEK) * *Swedish* emission intensity (CO₂-e/SEK)
- Counterfactual emissions from Swedish exports (CO₂-e) = the value of Swedish exports (SEK) * *Foreign* emission intensity (CO₂-e/SEK)
- Foreign emission intensity = the importing country's production-based greenhouse gas intensity

Carbon dioxide equivalents: Carbon dioxide equivalents (CO₂-e) is a measure of greenhouse gas emissions that takes into account that different such gases have different abilities to contribute to the greenhouse effect and global warming. When you express the emissions of a certain greenhouse gas in carbon dioxide equivalents, you indicate how much carbon dioxide would have to be released to have the same effect on the climate. Calculated per ton emitted, for example, methane contributes 28 times more to the greenhouse effect than carbon dioxide. A methane emission of 1 tonne therefore corresponds to 28 tonnes of carbon dioxide equivalents.

Product groups and countries: The statistics produced are reported for 49 product groups according to the standard for Swedish product classification (SPIN) and 49 different importing countries or geographical areas over the time period 2008 to the year 2021. The statistics on the climate effects of exports have been published in their entirety on SCB's environmental accounting website, <https://www.scb.se/mi1301> under the heading "tables and diagrams".

Read more:

[Report - Exports' climate effects, Statistics Sweden Dnr 2024/0286](#)

[Final delivery, April 2024 \(scb.se\)](#)

[Swedes' consumption generates the most emissions via imports \(scb.se\)](#)

[Climate and industry \(naturvardsverket.se\)](#)

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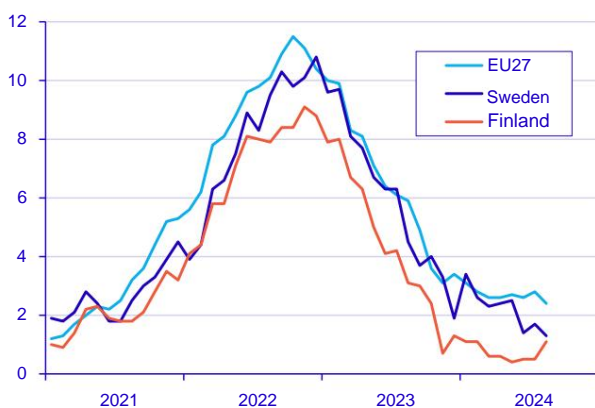
International outlook

Falling energy prices depressed inflation

During 2023 and 2024, inflation has fallen in the EU countries. However, inflation in Sweden has decreased more than in the EU. The main reason is that Swedish energy prices have fallen more than the EU's.

In early 2022, inflation rose in Europe, largely due to rising energy prices. Rising food prices were also a contributing factor. In October 2022, the EU as a whole showed a peak with an inflation rate of 11.5 percent.

Inflation is approaching the inflation target in the EU
Harmonized index of consumer prices (HICP), annual percentage change



Source: Eurostat

In the autumn of 2022, the inflation rate turned downward for the vast majority of EU countries. While the EU is now approaching the European Central Bank's inflation target of 2.0

percent, Sweden's inflation rate, measured as CPI, CPIF and HIKP, have all fallen below the Riksbank's target. For The EU showed inflation in August 2024 at 2.4 percent compared to Sweden's 1.3 percent, measured as HIKP.

Both Sweden and the EU have experienced high price increases for, among other things, healthcare and restaurant visits. However, Sweden shows higher price increases for healthcare, while the EU shows higher price increases for restaurant visits.

Finland belongs to one of the countries in Europe with the lowest inflation. The Finnish economy is sluggish with low growth. In August 2024, Finnish inflation was 1.1 percent.

Energy prices fell more in Sweden than in the EU

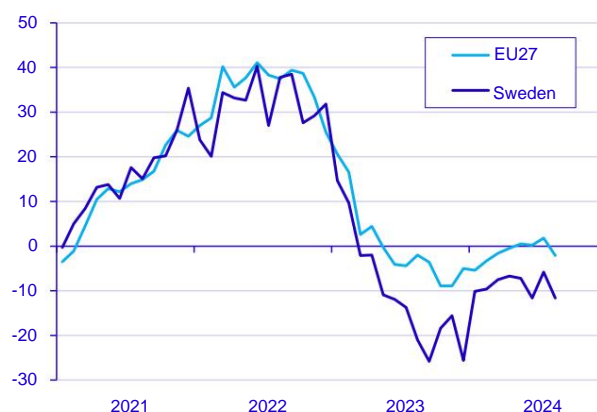
In 2022, both Sweden and the EU countries exhibited high energy prices. One of the reasons was the boycott of Russian gas and oil after the invasion of Ukraine.

After 2022, energy prices have had a clear downward trend both in the EU and in Sweden.

However, the decline in Sweden was significantly greater than that of the EU and has been driven by both lower electricity and fuel prices, where mainly the lower electricity prices drove inflation down during the second half of 2023. In

August 2024, energy prices for the EU showed a small decline of -2, 1 percent compared to Sweden's more significant decline of -11.6 percent, measured at an annual rate.

Energy prices fell more in Sweden than in the EU
Harmonized consumer price index (HICP) for energy, annual change in percentage



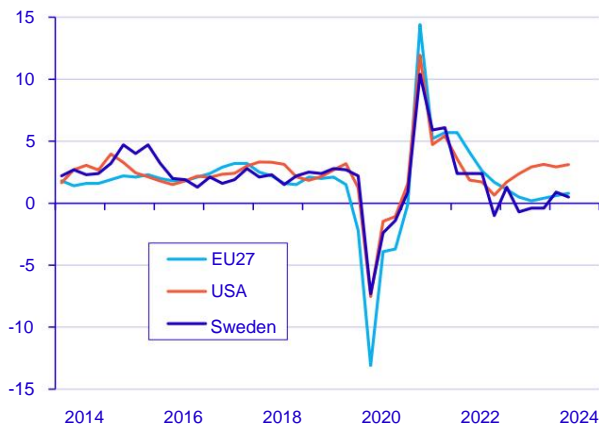
Source: Eurostat

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Indicators for Sweden, the EU and the USA

Stronger growth in the US than in Europe

GDP growth in percentage compared to the corresponding quarter of the previous year

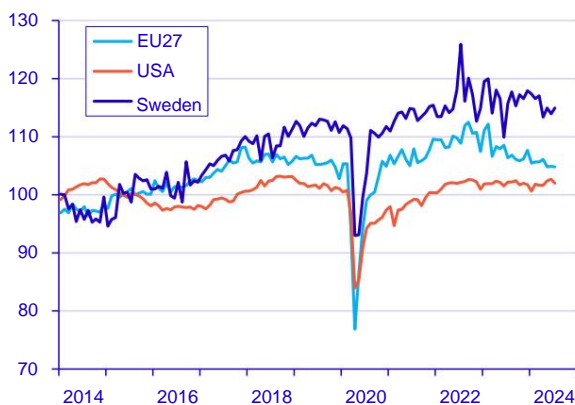


Source: Eurostat, US Bureau of Economic Analysis and OECD

- Sweden's GDP increased by 0.5 percent in the second quarter of 2024, which was slightly weaker growth than the first quarter.
- Economic activity within the EU increased slightly compared to a year earlier.
- In the USA, growth is still significantly stronger than in both Sweden and the EU. In the second quarter, GDP in the US increased by 3.1 percent at an annual rate.

Weaker industrial production for the EU

Industrial production index 2015=100, seasonally adjusted

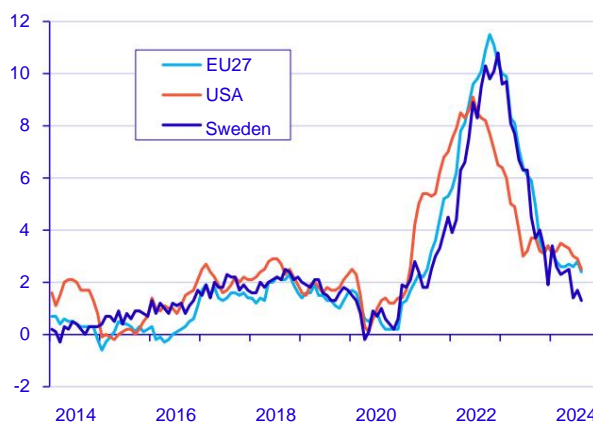


Source: Eurostat and OECD

- Sweden's industrial production has been slightly lower in recent months compared to the corresponding period last year.
- In the last two years, the EU's industrial production has declined in terms of trend, while the USA has developed sideways.

Weaker inflation in Sweden than the EU and the USA

HIKP for Sweden and EU27, CPI for the USA, annual change in percentage

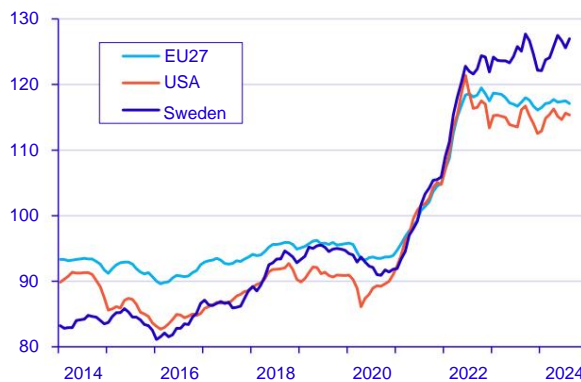


Source: Eurostat and US Bureau of Labor Statistics

- US inflation fell to 2.5 percent in August.
- In Sweden, the HICP inflation rate fell from 1.7 percent in July to 1.3 percent in August.
- Inflation within the EU fell by 0.4 percentage points in August and is still on par with US inflation.

Swedish producer prices remain high

Producer price index for industry, Index 2021=100



Source: Eurostat and US Bureau of Labor Statistics

- Producer prices in Sweden rose slightly in August and are well above the 2021 level.
- US and EU producer prices have basically moved sideways in the last two years.

Statistics Sweden

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