



# PRESS RELEASE

DATE: 5 February 2013

NR: 2

CONTACT: Press Office, telephone +46 8 787 02 00

SVERIGES RIKSBANK  
SE-103 37 Stockholm  
(Brunkebergstorg 11)

Tel +46 8 787 00 00  
Fax +46 8 21 05 31  
registratorn@riksbank.se  
www.riksbank.se

## ■ The Riksbank's Business Survey: No impending improvement in sight

*Economic activity has weakened during the autumn and winter. This is revealed by the business survey that the Riksbank conducted in January. The deterioration is particularly clear in the case of the export companies, while the situation in the retail sector is more stable. Although it is hoped that economic activity will improve towards the summer, there are today few concrete signs of an upturn.*

Demand from Europe is still perceived to be weak and the strong krona is squeezing the profitability of the export companies. The level of new orders for the construction and export companies remains low and several companies expect to see shrinking order books in the period ahead. However, there are some bright spots in the international business cycle and a majority of the companies hope that economic activity will improve towards the summer despite the weak inflow of new orders. The economic climate is somewhat more positive in the retail sector and several of the retail companies believe that sales will increase over the next three months.

The general assessment is that the workforce is too large in relation to production and sales and several companies have therefore reduced the number of employees and are expected to continue to do so in the months immediately ahead. The possibility to further reduce the workforce by cutting the number of temporary employees, substitutes and staff from employment agencies are said to be practically exhausted in the manufacturing sector.

The companies' prices are still low. Several companies in the manufacturing sector believe that they will need to lower their prices in this quarter, although they hope to be able to raise prices later in the year. In the non-durable goods segment, sales prices are expected to increase somewhat during the year as a result of increasing supplier and wage costs.

Since 2007, the Riksbank conducts interviews with companies in the construction, retail, manufacturing and service sectors ahead of every Monetary Policy Report. The largest companies in these sectors are included in the survey and this time 25 companies with a total of approximately 210 000 employees in Sweden were interviewed. The interviews were mainly conducted between 7 January and 18 January and the results are presented in the Riksbank's business survey.