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The Riksbank's company interviews: Good momentum under great vigilance

A majority of the companies interviewed in the Riksbank's survey describe the economic climate as good and they expect the figures for demand, production and new orders to continue to improve. Nevertheless, there is still considerable uncertainty about the future, although the risks are lower than in May when the previous survey was conducted.

Most companies expect the economic climate to continue to improve over the next six months. The upturn in economic activity is broad, with clear improvements in the manufacturing industry, the construction sector and many services, while the situation remains positive for the retail trade. Several companies point out, however, that the future is uncertain, mainly because of the risk of an international downturn. The companies therefore remain guarded with regard to changes in the state of the economy.

The companies report that there is a favourable supply of labour and production capacity, which is helping to keep the level of investment moderate. According to the manufacturing companies, investment is mainly expected to increase in connection with the replacement of worn-out equipment. Few companies are investing to expand production.

The price increases that the companies plan to introduce over the next 12 months are expected to be relatively low. The companies report that higher material and purchasing costs, increased demand and the need to raise their own margins are the factors that will have the greatest impact on prices.

Since 2007, the Riksbank conducts interviews with approximately 60 companies in the construction, retail, manufacturing and service sectors ahead of every Monetary Policy Report.