



The Swedish Economy
September 2024

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Preface

Ylva Hedén Westerdahl, director of the forecasting division, has led the work to produce this forecast. The forecast is based on available statistics published up to September 20, 2024.

Stockholm, September 26, 2024

Albin Kainelainen
Director-General

Summary

The Swedish economy will weaken further this year, largely because households have chosen to save more and not spend more in response to high inflation and high interest rates. A tentative recovery will begin towards the end of the year, but the output gap will remain negative for longer than anticipated in our June forecast. Low inflation and falling interest rates mean that consumer spending will begin to grow more quickly next year. Lower interest rates will also help investment to pick up after falling both this year and last. The turnaround in the economy means that unemployment will fall over the course of next year. Our forecast assumes that the Riksbank gradually lowers the policy rate to 1.75 per cent next summer. The budget bill for 2025 entails a decline in general government net lending next year to -0.6 per cent of GDP. We estimate fiscal space of SEK 106 billion in the period 2026–2028, or around SEK 35 billion per year, which is about the size of an average budget bill.

Swedish GDP has been weak since the end of 2021, rising and falling from quarter to quarter (see diagram 1). GDP fell slightly in the second quarter this year. Exports performed comparatively well, but there was a broad decline in investment and a slight drop in household consumption. This meant that the output gap widened further. The labour market did not perform as poorly. The number of employed increased somewhat in the second quarter, and unemployment held at 8.3 per cent.

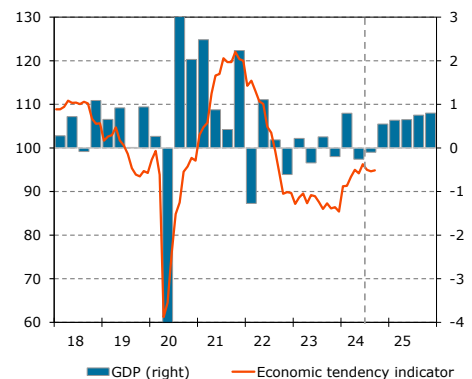
ECONOMY TO BOTTOM OUT IN SECOND HALF OF 2024

There is much to suggest that the economy will bottom out later this year. For example, many survey-based indicators are improving, although the Economic Tendency Indicator measuring sentiment in the economy as a whole is still somewhat lower than normal (see diagram 1). GDP is expected to be more or less unchanged in the third quarter but grow sufficiently in the fourth to commence a tentative recovery.

Swedish households were hit hard by the rise in inflation and interest rates. Large price increases contributed to a drop in real disposable income last year. Rising interest rates and lower real disposable income caused consumers to cut back sharply on spending and save more (see diagram 2). Household consumption continued to fall in the first two quarters this year, but a turnaround is in sight. In the Economic Tendency Survey, the number of consumers reporting a deterioration in their finances over the past 12 months is still higher than normal but has fallen rapidly (see diagram 3). Meanwhile, the percentage of consumers expecting an improvement in their finances over the next 12 months has climbed to historically high levels. Consumers have also become less pessimistic over the course of this year about the risk of becoming unemployed.

Diagram 1 Economic tendency indicator and GDP

Index mean=100, monthly values and percentage change, seasonally adjusted quarterly values

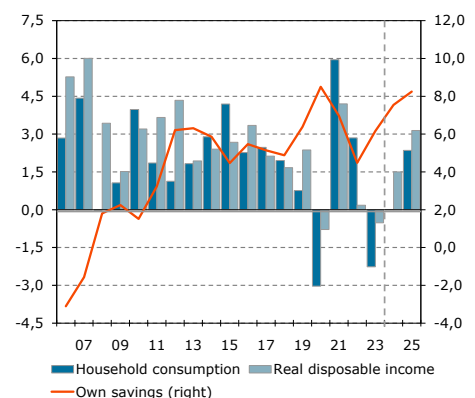


Note: The GDP growth in the second quarter of 2020 was -8.1 percent and 4.8 percent in the third quarter of 2020.

Sources: Statistics Sweden and NIER.

Diagram 2 Household consumption, real disposable income and own savings

Percentage change and per cent of disposable income

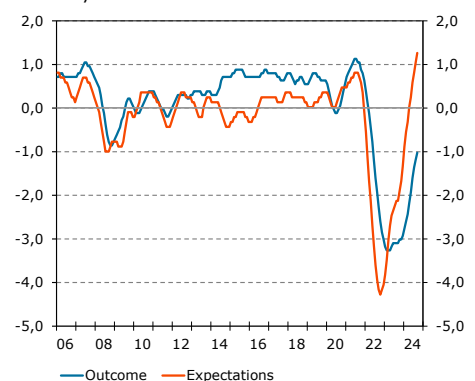


Note: Own savings are defined as total household savings excluding savings in occupational pensions. The measure is put in relation to households' disposable income.

Sources: Statistics Sweden and NIER.

Diagram 3 Households view on own economy

Standardised deviations from mean, smoothed monthly values



Note: Outcome – current financial situation of households compared to 12 months ago. Expectations – financial situation of households in 12 months' time.

Source: NIER.

This dawning consumer optimism is a result of inflation dropping back and the Riksbank lowering its policy rate and signalling further reductions. Incoming statistics and indicators suggest that household consumption will increase only marginally in the third quarter this year. After that, however, improving real wages and falling interest rates will enable consumers to step up their spending gradually, and consumption growth will be high by historical standards in the latter part of 2025. Household saving is nevertheless forecast to continue to rise next year (see diagram 2). There is, however, considerable uncertainty about the balance households will strike between spending and saving.

INFLATION TO REMAIN BELOW THE RIKSBANK TARGET

CPIF inflation – the increase in the consumer price index with a fixed interest rate – fell to 1.2 per cent in August. Excluding energy, there was a less pronounced decrease to just over 2 per cent (see diagram 4).

The recent rapid retreat in inflation can be explained partly by prices for a number of commodities (including energy, some metals and agricultural products) having dropped back from previous peaks. Together with a stronger krona, this will contribute to a clear decline in import prices in the second half of this year and next year, putting a damper on production costs in the business sector. On the other hand, wages will grow by 4.0 per cent this year and 3.6 per cent next year, which is comparatively high and will put some pressure on costs. However, profitability is relatively high across much of the business sector, albeit with some variations, and subdued demand means that many firms face fierce competition, making it hard to pass on higher costs. All in all, this means that CPIF inflation is expected to remain well below 2 per cent for the rest of this year and next year (see diagram 4).

SCOPE FOR THE RIKSBANK TO ACT FASTER

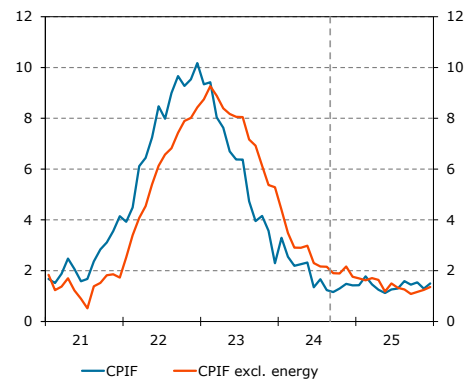
Our forecast assumes that the Riksbank continues to lower the policy rate gradually to 1.75 per cent in mid-2025 (see diagram 5). This is largely in line with market expectations as measured by RIBA futures. The fall in interest rates means that the economy will recover increasingly quickly next year, but the output gap will not close until the latter part of 2026 (see diagram 6). We believe that it would be preferable for the Riksbank to lower the policy rate more quickly in the near term than assumed in our forecast. This would accelerate the economic recovery without pushing inflation above 2 per cent. An alternative scenario using our macro model supports this view.

WEAK DEMAND HOLDING BACK SWEDISH EXPORTS

The decline in inflation is not a uniquely Swedish phenomenon but has been more rapid than in many other countries (see diagram 7). Lower inflation has allowed interest rates to be cut in

Diagram 4 Consumer prices

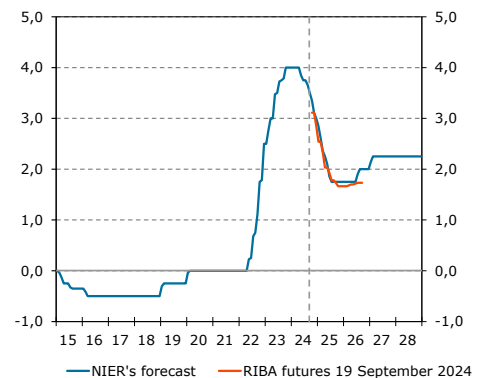
Annual percentage change, monthly values



Sources: Statistics Sweden and NIER.

Diagram 5 Policy rate

Per cent, monthly values

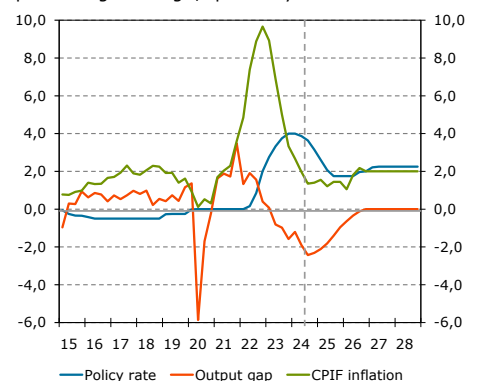


Note: RIBA are forward contracts based on the future average policy rates between the forward settlement days. The settlement days are the third Wednesday in March, June, September, and December respectively.

Sources: Nasdaq OMX, Macrobond and NIER.

Diagram 6 Policy rate, CPIF inflation and the output gap

Per cent, percent of potential GDP and annual percentage change, quarterly values



Sources: The Riksbank, Statistics Sweden, Macrobond and NIER.

the US and the euro area. For many of Sweden's most important trading partners, in particular the euro area and the key market of Germany, growth will nevertheless remain sluggish this year. This translates into weak growth in Sweden's export market this year. Next year, many of Sweden's most important trading partners will see somewhat stronger GDP growth, and Sweden's export market will grow slightly more quickly, albeit relatively slowly by historical standards.

All in all, this means that Swedish exports will grow comparatively slowly both this year and next. Exports will nevertheless make the greatest contribution to GDP growth in both years (see diagram 8). Investment will continue to make a clear negative contribution this year. As was the case last year, this is due primarily to the sharp decline in housing investment, but housing investment will rise slightly next year. Government investment will also grow comparatively quickly next year, thanks partly to central government construction and infrastructure projects and investments in defence. Investment will therefore make a small positive contribution to GDP growth in 2025. Increased defence spending will also mean that government consumption makes a clear contribution to GDP growth both this year and next.

LABOUR MARKET TURNAROUND IN SIGHT

The weak economy is also evident in the labour market. The number of employed has fallen somewhat since the latter part of last year, and unemployment has climbed to high levels (see diagram 9 and diagram 10). Monthly data through to August and indicators suggest that employment will fall slightly further in the third quarter, and that unemployment will rise slightly further. Once GDP starts to grow again in the fourth quarter, employment will begin to recover. Firms' resource utilisation is currently low, however, which means that the increase in production can to some extent be achieved with existing staffing. Employment growth will therefore be relatively sluggish in the fourth quarter and over the course of next year. It will initially be driven by business services, such as ICT (see diagram 9). Employment will then rise in other parts of the service sector as household spending accelerates next year.

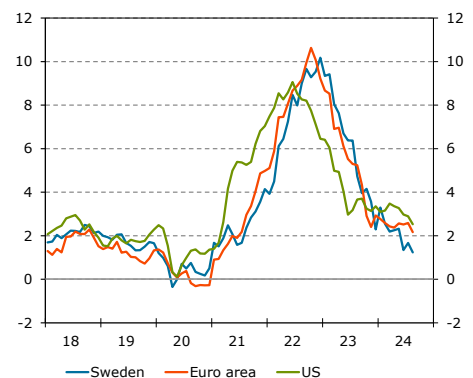
This sluggish employment growth means that unemployment will drop back only slowly to just over 8 per cent at the end of next year (see diagram 10). This is above our estimate of the equilibrium rate of 7.5 per cent at the end of 2025.

GOVERNMENT DEFICIT IN 2025

Public finances will remain strong this year, with structural net lending in line with the surplus target and the Maastricht debt will be slightly below the level of the debt anchor (see diagram 12 and diagram 11). The weak economy means that actual net lending will fall to -1.5 per cent of GDP this year, exacerbated

Diagram 7 Consumer prices in selected countries and regions

Annual percentage change, monthly values

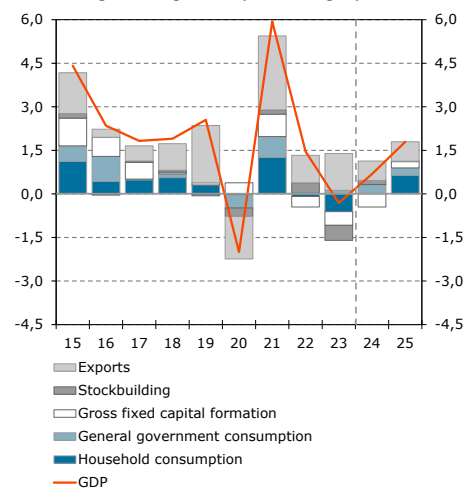


Note: CPI for US, HICP for Euro area and CPIF for Sweden.

Sources: Eurostat, Bureau of Labor Statistics, Statistics Sweden, Macrobond, and NIER.

Diagram 8 Import-adjusted contributions to GDP growth

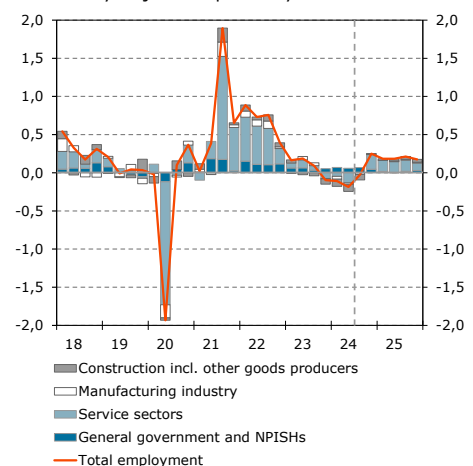
Percentage change and percentage points



Sources: Statistics Sweden and NIER.

Diagram 9 Contribution to employment growth

Percentage change and percentage points, seasonally adjusted quarterly values



Note: NPISHs refers to the non-profit organizations of households.

Sources: Statistics Sweden and NIER.

by central government injecting SEK 25 billion into the Riksbank.

The budget bill for 2025 means that structural net lending will fall to 0 per cent of GDP next year.

We estimate fiscal space of SEK 106 billion in the period 2026–2028, or around SEK 35 billion per year, which approximately corresponds to the size of the fiscal space in an average budget bill.

Table 1 Selected indicators

Percentage change unless otherwise indicated

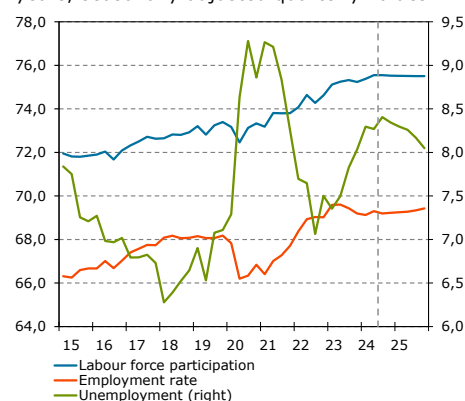
	Outcome	Forecast		Scenario		
	2023	2024	2025	2026	2027	2028
GDP, market prices	-0.3	0.7	1.8	3.0	2.1	1.5
GDP per capita	-0.8	0.4	1.5	2.8	1.9	1.3
GDP, calendar-adjusted	-0.1	0.7	2.0	2.8	1.9	1.7
GDP, KIX-weighted ¹	1.4	1.7	2.0	2.2	2.0	1.9
CPI, KIX-weighted ¹	5.5	3.0	2.4	2.4	2.3	2.3
Current account balance ²	6.2	7.2	6.9	6.1	5.6	5.0
Hours worked ³	1.4	-0.1	0.7	1.3	0.9	0.4
Employment	1.4	-0.2	0.6	1.1	0.9	0.5
Unemployment ⁴	7.7	8.3	8.2	7.8	7.4	7.3
Labour market gap ⁵	-0.3	-1.4	-1.4	-0.5	0.0	0.0
Output gap ⁶	-0.9	-2.0	-1.6	-0.3	0.0	0.0
Hourly wages ⁷	3.8	4.0	3.6	3.5	3.5	3.4
Hourly labour costs ^{3,8}	5.4	4.4	2.5	3.5	3.5	3.4
Productivity ³	-1.3	1.0	1.3	1.5	1.0	1.2
CPI	8.5	2.8	-0.3	1.5	2.5	2.1
CPIF	6.0	1.8	1.4	1.8	2.0	2.0
Policy rate ^{9,10}	4.00	3.00	1.75	2.00	2.25	2.25
Ten-year government bond yield ⁹	2.5	2.2	2.0	2.3	2.5	2.6
Krona index (KIX) ¹¹	127.5	125.2	123.2	121.0	119.6	119.1
Government net lending ²	-0.6	-1.5	-0.6	0.2	0.4	0.4
Structural net lending ¹²	0.4	0.4	0.0	0.3	0.3	0.3
Maastricht debt ²	31.6	33.4	33.5	33.0	32.5	32.3

¹ KIX-weighted GDP and KIX-weighted CPI are aggregates using the Riksbank's KIX weights covering Sweden's 32 most important trading partners. ² Per cent of GDP. ³ Calendar-adjusted. ⁴ Per cent of the labour force. ⁵ The difference between actual and potential hours worked in per cent of potential hours worked. ⁶ The difference between actual and potential GDP in per cent of potential GDP. ⁷ According to the monthly wage statistics. ⁸ For employees. ⁹ Per cent. ¹⁰ At year-end. ¹¹ Index 18 November 1992 = 100. ¹² Per cent of potential GDP.

Sources: IMF, National Mediation Office, Sveriges Riksbank, Statistics Sweden and NIER.

Diagram 10 Labour market situation

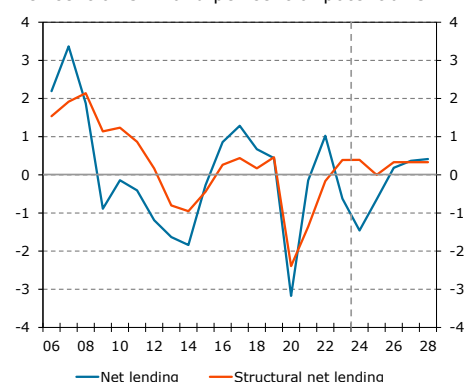
Percentage of population and labour force 15–74 years, seasonally adjusted quarterly values



Sources: Statistics Sweden and NIER.

Diagram 12 Net lending and structural net lending in general government

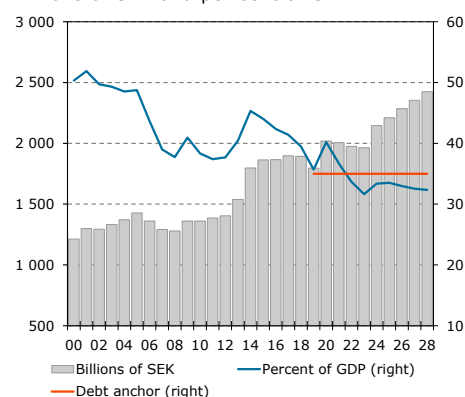
Per cent of GDP and per cent of potential GDP



Sources: Statistics Sweden and NIER.

Diagram 11 Maastricht debt

Billions of SEK and per cent of GDP



Sources: Statistics Sweden and NIER.

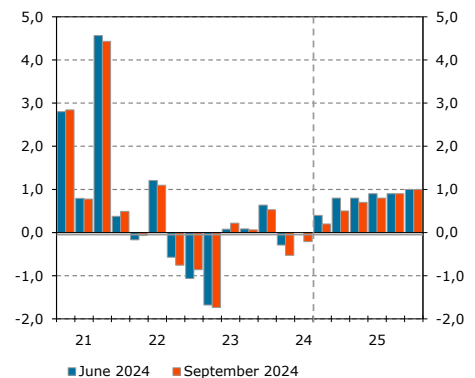
Forecast revisions 2024–2025

The most significant revisions from the June 2024 edition of *The Swedish Economy* are summarised below (see Table 2).

- Growth in household consumption has been revised down by 0.6 percentage points for both 2024 and 2025. The lower level this year can be explained by the combination of a bigger decrease in spending in the first quarter than Statistics Sweden previously calculated, an unexpected further fall in the second quarter, and the outlook for the third and fourth quarters having deteriorated since our June forecast (see diagram 13). The bulk of the change for 2025 can be explained by the much weaker level at the end of 2024 in our present forecast.
- Growth in gross fixed capital formation has also been revised down for both 2024 and 2025. The largest downward revision is for the service sector (excluding housing). As with household consumption, the change in 2025 is due mostly to a weaker level at the end of 2024 than foreseen in June.
- Swedish GDP growth has been revised down by 0.3 percentage points for 2024 and 0.4 percentage points for 2025. This means that the economic downturn is now forecast to be somewhat deeper and more prolonged than anticipated in June. The output gap is now expected to be –1.6 per cent next year, compared with –1.1 per cent in our June forecast.
- These relatively large revisions of GDP growth will have only a limited impact on the labour market. Our forecast for employment growth is only marginally lower when 2024 and 2025 are taken together. This means that resource utilisation in the labour market as measured by the labour market gap is now expected to be –1.4 per cent in 2025, compared with –1.2 per cent in our June forecast.
- The larger output gap and a sharper fall in import prices next year have contributed to a downward revision of CPIF inflation for 2025 to 1.4 per cent (see diagram 14), which can be compared to the forecast of 1.6 per cent in June.
- The larger output gap and weaker inflation outlook mean that the Riksbank is expected to lower the policy rate slightly further in 2025 than we anticipated in June (see diagram 15).

Diagram 13 Household consumption

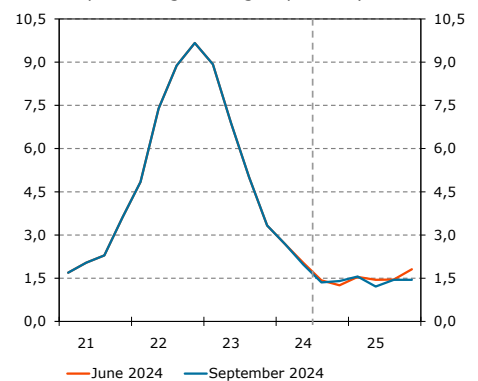
Percentage change, seasonally adjusted quarterly values



Sources: Statistics Sweden and NIER.

Diagram 14 CPIF

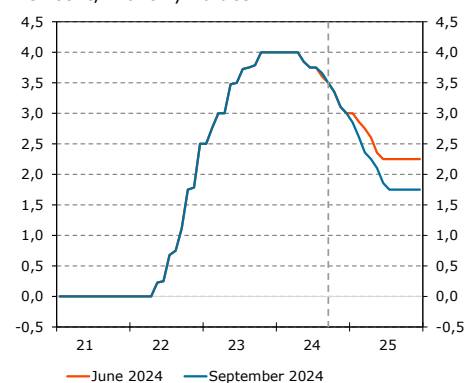
Annual percentage change, quarterly values



Sources: Statistics Sweden and NIER.

Diagram 15 Policy rate

Per cent, monthly values



Sources: The Riksbank, Macrobond and NIER.

Table 2 Current Forecast and Revisions Compared to the June 2024 Forecast

Percentage change and percentage points respectively unless otherwise indicated

	2024			2025		
	Sept	June	Diff	Sept	June	Diff
Global Economy						
GDP, World	3.1	3.1	0.0	3.0	2.9	0.1
GDP, KIX-weighted ¹	1.7	1.6	0.0	2.0	2.1	-0.1
GDP, Euro Area	0.7	0.8	-0.1	1.4	1.6	-0.2
GDP, US	2.6	2.3	0.2	1.7	1.7	0.0
GDP, China	4.8	5.1	-0.3	4.4	4.3	0.1
Federal Funds Target Rate ^{2,3}	4.50	5.00	-0.50	2.50	3.75	-1.25
ECB Refi Rate ^{2,3}	3.40	3.75	-0.35	1.90	2.50	-0.60
Oil Price ⁴	80.4	82.7	-2.3	74.1	79.7	-5.6
CPI, KIX-weighted ¹	3.0	3.0	0.0	2.4	2.4	0.0
Domestic Economy						
GDP, Calendar-Adjusted	0.7	1.0	-0.3	2.0	2.4	-0.4
GDP	0.7	1.0	-0.3	1.8	2.2	-0.4
Household Consumption	0.0	0.6	-0.6	2.4	2.9	-0.6
Government Consumption	1.2	1.1	0.1	1.4	1.3	0.1
Gross Fixed Capital Formation	-2.2	-1.3	-0.9	1.4	1.8	-0.4
Stockbuilding ⁵	0.2	0.0	0.2	0.1	0.2	-0.2
Exports	1.7	2.1	-0.4	2.4	2.6	-0.2
Imports	0.5	0.9	-0.4	2.6	3.1	-0.5
Labour Market, Inflation, Interest Rates, etc.						
Hours Worked ⁶	-0.1	0.2	-0.3	0.7	0.9	-0.2
Employment	-0.2	-0.3	0.1	0.6	0.8	-0.2
Unemployment ⁷	8.3	8.4	-0.1	8.2	8.2	-0.1
Labour Market Gap ⁸	-1.4	-1.2	-0.2	-1.4	-1.2	-0.2
Output Gap ⁹	-2.0	-1.7	-0.2	-1.6	-1.1	-0.4
Productivity ⁶	1.0	1.0	0.1	1.3	1.5	-0.2
Hourly Earnings ¹⁰	4.0	3.8	0.2	3.6	3.6	0.0
CPI	2.8	2.8	0.0	-0.3	0.4	-0.7
CPIF	1.8	1.8	0.0	1.4	1.6	-0.1
Policy Rate ^{2,3}	3.00	3.00	0.00	1.75	2.25	-0.50
10-Year Government Bond Yield ²	2.2	2.4	-0.2	2.0	2.5	-0.4
Effective Krona Exchange Rate Index (KIX) ¹¹	125.2	124.6	0.6	123.2	122.8	0.4
Current Account Balance ¹²	7.2	7.0	0.2	6.9	6.4	0.5
Government Net Lending ¹²	-1.5	-1.7	0.2	-0.6	-0.8	0.2
Structural net lending ¹³	0.4	0.1	0.3	0.0	-0.3	0.3

¹ KIX-weighted GDP and KIX-weighted CPI are aggregates using the Riksbank's KIX weights covering Sweden's 32 most important trading partners ² Per cent. ³ At year-end. ⁴ Brent crude, USD per barrel, annual average. ⁵ Change in per cent of GDP the previous year. ⁶ Calendar-adjusted. ⁷ Per cent of labour force. ⁸ The difference between actual and potential hours worked in per cent of potential hours worked. ⁹ The difference between actual and potential GDP in per cent of potential GDP. ¹⁰ According to the monthly wage statistics. ¹¹ Index 18 November 1992 = 100. ¹² Per cent of GDP. ¹³ Per cent of potential GDP.

Note: The difference is between the current forecast and the June 2024 forecast. A positive value denotes an upward revision.

Source: NIER.

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The Global Economy

Table A1 Global Output

Per cent of global GDP at purchasing power parity and percentage change, constant prices, calendar adjusted values, respectively

	Weight¹							
	2023	2022	2023	2024	2025	2026	2027	2028
World ²	100.0	3.5	3.2	3.1	3.0	3.0	2.8	2.8
KIX weighted ³	75.0	3.0	1.4	1.7	2.0	2.2	2.0	1.9
US	15.6	1.9	2.5	2.6	1.7	1.9	1.8	1.8
Euro Area	11.7	3.4	0.5	0.7	1.4	1.9	1.5	1.4
Japan	3.7	1.1	1.7	0.0	1.4	0.7	0.6	0.6
UK	2.2	4.3	0.1	1.0	1.1	1.6	1.6	1.6
Sweden	0.4	1.5	-0.1	0.7	2.0	2.8	1.9	1.7
Norway	0.3	3.0	0.7	1.9	1.2	1.9	1.8	1.8
Denmark	0.3	1.5	2.5	1.6	1.8	1.7	1.6	1.6
China	18.7	3.0	5.6	4.8	4.4	4.3	4.0	3.9
Sweden's export market⁴	...	7.8	0.4	1.1	2.8	3.3	3.2	3.1

¹ The weights indicate each country or region's purchasing power-adjusted share of world GDP. ² The table shows some of the countries that the NIER makes forecasts for. The world aggregate is calculated using time-varying purchasing power parity GDP weights from the IMF. ³ KIX weighted GDP is the weighted average of GDP growth in the 32 countries included in the KIX effective krona exchange rate index. ⁴ Sweden's export market refers to total import demand in the countries to which Sweden exports, each country weighted by its share of Swedish goods exports.

Sources: IMF, OECD, Eurostat, Macrobond, The Riksbank and NIER.

Table A2 Global Inflation

Percentage change

	2021	2022	2023	2024	2025	2026	2027	2028
US	4.7	8.0	4.1	2.9	2.3	2.3	2.3	2.3
Euro Area	2.6	8.4	5.4	2.4	1.8	2.0	2.0	2.0
Japan	-0.2	2.5	3.2	2.6	2.1	1.8	1.5	1.5
UK	2.6	9.1	7.3	2.6	2.2	2.0	2.0	2.0
Sweden	2.4	7.7	6.0	1.8	1.4	1.8	2.0	2.0
Norway	3.9	6.3	5.7	3.0	2.3	2.0	2.0	2.0
Denmark	1.9	8.6	3.4	1.4	1.8	2.0	2.0	2.0
China	1.0	2.0	0.2	0.4	1.5	2.5	3.0	3.0

Note: Values for the EU countries and Norway refer to harmonised indices of consumer prices (HICP), except Sweden which refers to CPIF. The OECD aggregate includes national CPI series only. Values for the United Kingdom refer to CPIH, including owner occupiers' housing costs. The aggregate for the euro area is weighted using consumption weights from Eurostat.

Sources: OECD, Eurostat, Macrobond and NIER.

Table A3 Selected Indicators for the Euro Area

Percentage change, constant prices, percent, and level

	2021	2022	2023	2024	2025	2026	2027	2028
GDP ¹	6.2	3.4	0.5	0.7	1.4	1.9	1.5	1.4
HICP	2.6	8.4	5.4	2.4	1.8	2.0	2.0	2.0
Policy Rate ²	0.00	2.50	4.50	3.40	1.90	2.15	2.40	2.40
Overnight Rate ³	-0.6	1.9	3.9	3.2	1.7	1.9	2.2	2.2
10-Year Government Bond Yield ⁴	-0.3	1.2	2.4	2.3	2.3	2.5	2.7	2.8
USD/EUR ⁵	1.18	1.05	1.08	1.09	1.12	1.11	1.12	1.12

¹ Calendar-adjusted values. ² Refi rate level, per cent, at year-end. ³ Per cent, at year-end. ⁴ Per cent, annual average. Refers to Germany. ⁵ Level.

Sources: ECB, Eurostat, Macrobond and NIER.

Table A4 Selected Indicators for the US

Percentage change, constant prices, percent, and level

	2021	2022	2023	2024	2025	2026	2027	2028
GDP ¹	5.8	1.9	2.5	2.6	1.7	1.9	1.8	1.8
CPI	4.7	8.0	4.1	2.9	2.3	2.3	2.3	2.3
Policy Rate ²	0.25	4.50	5.50	4.50	2.50	2.75	2.75	2.75
10-year Government Bond Yield ³	1.4	3.0	4.0	4.1	3.6	3.5	3.4	3.4
USD/EUR ⁴	1.18	1.05	1.08	1.09	1.12	1.11	1.12	1.12

¹ Calendar-adjusted values. ² Upper limit of the target range of the Federal Funds rate, per cent, at year-end. ³ Per cent. ⁴ Level.

Sources: US Bureau of Economic Analysis, Federal Reserve, Macrobond and NIER.

Interest and Exchange Rates

Table A5 Interest and Exchange Rates

Per cent, index 18 November 1992=100 and SEK per currency unit, respectively

	2021	2022	2023	2024	2025	2026	2027	2028
At Year-End								
Riksbank Policy Rate	0.00	2.50	4.00	3.00	1.75	2.00	2.25	2.25
Policy Rate. KIX6-Weighted ¹	-0.36	1.66	4.07	3.61	2.02	2.09	2.26	2.26
Annual Average								
Riksbank Policy Rate	0.00	0.75	3.46	3.66	2.04	1.87	2.24	2.25
5-Year Swedish Government Bond Yield	0.0	1.6	2.6	2.1	1.8	2.1	2.3	2.5
10-Year Swedish Government Bond Yield	0.3	1.5	2.5	2.2	2.0	2.3	2.5	2.6
Effective Krona Exchange Rate Index (KIX)	114.3	121.1	127.5	125.2	123.2	121.0	119.6	119.1
EUR Exchange Rate	10.14	10.63	11.47	11.39	11.25	11.05	10.92	10.89
USD Exchange Rate	8.58	10.11	10.60	10.41	10.09	9.91	9.79	9.73

¹ Refers to an average of €str for the Euro Area and policy rates in the US, Norway, UK, Denmark and Japan. Denmark is here considered as a euro country.

Sources: The Riksbank, Macrobond and NIER.

The Swedish Economy

Table A6 GDP by Expenditure

SEK billion, current prices, and percentage change, constant prices, respectively

	Level 2023	2022	2023	2024	2025	2026	2027	2028
Household Consumption Expenditure ¹	2 783	2.8	-2.3	0.0	2.4	3.9	2.5	1.9
Goods	1 271	-1.7	-5.0	0.0	1.8	...	...	...
Services Excl. Housing Services	919	9.8	-0.6	-0.4	3.4	...	...	...
Housing Services	508	2.8	1.6	1.4	1.7	...	...	...
General Government Consumption Expenditure	1 625	0.7	0.7	1.2	1.4	1.3	1.2	0.9
Central Government	430	2.3	2.3	1.9	3.5	...	...	...
Local Government	1 195	0.1	0.2	0.9	0.6	...	...	...
Gross Fixed Capital Formation ²	1 554	0.3	-1.4	-2.2	1.4	4.9	4.2	2.9
Business Sector Excl. Housing	1 009	1.1	4.6	-0.4	0.6	...	...	...
Industry	252	0.6	6.9	-3.9	1.1	...	...	...
Other Goods Producers	184	-5.3	9.8	10.7	0.2	...	...	...
Service Producers Excl. Housing	573	3.4	2.0	-2.4	0.6	...	...	...
Housing	236	0.6	-23.4	-16.5	0.3	...	...	...
General Government	304	-1.9	3.6	3.0	4.5	...	...	...
Domestic Demand Excl. Stockbuilding	5 962	1.6	-1.2	-0.2	1.8	3.5	2.6	1.9
Stockbuilding ³	-2	1.2	-1.4	0.2	0.1	0.1	0.0	0.0
Total Domestic Demand	5 960	2.8	-2.6	0.0	1.9	3.5	2.6	1.9
Exports	3 424	6.2	3.2	1.7	2.4	3.2	2.8	1.9
Goods	2 370	3.1	0.9	-0.2	2.5	...	...	...
Processed Goods	1 848	3.0	0.8	0.9	2.3	...	...	...
Raw Materials	522	3.4	0.9	-4.1	3.5	...	...	...
Services	1 055	13.8	8.7	6.1	1.9	...	...	...
Total Demand	9 384	3.9	-0.6	0.6	2.1	3.4	2.6	1.9
Imports	3 177	9.7	-1.1	0.5	2.6	4.2	3.6	2.6
Goods	2 032	2.9	-3.6	-1.6	2.7	...	...	...
Processed Goods	1 472	3.8	-3.9	-2.5	3.2	...	...	...
Raw Materials	560	0.4	-2.8	0.8	1.5	...	...	...
Services	1 145	23.7	3.8	4.2	2.6	...	...	...
Net Exports ³	247	-1.2	2.3	0.7	0.0	-0.3	-0.3	-0.3
GDP	6 207	1.5	-0.3	0.7	1.8	3.0	2.1	1.5
GDP per Capita ⁴	589	0.8	-0.8	0.4	1.5	2.8	1.9	1.3

¹ Including non-profit institutions serving households and the net of household consumption abroad and foreign consumption in Sweden. ² Including non-profit institutions serving households. ³ Change in per cent of GDP the previous year. ⁴ SEK thousand, current prices, and percentage change, constant prices, respectively.

Sources: Statistics Sweden and NIER.

Table A7 Household Income, Consumption Expenditure and Saving

SEK billion, current prices, and percentage change, respectively

	Level 2023	2022	2023	2024	2025	2026	2027	2028
Total Earnings, Adjusted for External Transactions	2 436	6.8	5.5	3.8	4.2	4.8	4.4	3.9
Hourly Earnings (according to national accounts) ^{1,2}	296	3.2	3.8	3.9	3.5	3.5	3.5	3.4
Hours Worked ^{1,3}	8 207	3.3	1.5	-0.1	0.7	1.3	0.9	0.4
Transfers From Government Sector, Net	765	5.0	2.1	4.2	1.9	-0.7	3.2	2.6
Property Income, Net	407	4.7	8.4	1.4	5.0	7.3	7.3	4.3
Other Income, Net	391	6.8	11.5	8.2	5.4	5.6	5.5	5.1
Income Before Taxes⁴	3 998	6.2	5.7	4.1	4.0	4.1	4.6	3.8
Direct Taxes ⁵	1 032	0.7	0.2	-0.2	0.8	-0.6	0.4	0.0
Disposable Income	2 966	6.9	5.8	3.9	4.8	3.5	5.0	3.8
Consumer Prices ⁶	...	6.7	6.4	2.4	1.6	1.8	2.1	2.1
Real Disposable Income	2 966	0.2	-0.5	1.5	3.1	1.6	2.8	1.7
Per Capita	..	-0.5	-1.0	1.2	2.9	1.4	2.6	1.5
Consumption Expenditure⁷	2 783	2.8	-2.3	0.0	2.4	3.9	2.5	1.9
Saving ⁸	503	11.9	15.3	16.1	15.7	13.7	13.9	13.5
Net Saving in Premium- and Occupational Pension Schemes ⁸	321	7.8	9.8	9.3	8.1	8.1	7.9	7.7
Own Saving ⁸	183	4.1	5.6	6.8	7.6	5.7	6.0	5.8
Net Lending ⁸	409	7.8	12.4	14.2	13.9	12.0	12.1	11.8

¹ Calendar-adjusted values. ² SEK per hour. ³ Employees only, million. ⁴ Growth in income before taxes is calculated as a weighted sum of the growth rates for total earnings, transfers, capital income and other income. ⁵ Direct taxes' contribution to the change in disposable income, expressed in percentage points. ⁶ Implicit price index for household consumption expenditure. ⁷ SEK thousand. ⁸ Constant prices. ⁹ The first column is in SEK billion, current prices. The following columns are savings as a percentage of the sum of disposable income and net savings in premium- and occupational pension schemes.

Sources: Statistics Sweden and NIER.

Table A8 Current Account and Net Lending

SEK billion, current prices, and per cent, respectively

	2021	2022	2023	2024	2025	2026	2027	2028
Net Exports	236	112	247	318	309	289	268	244
Goods	249	217	338	390	391	...	...	...
Services	-13	-105	-91	-72	-82	...	...	...
Earnings, Net	0	2	5	5	4	4	4	4
Investment Income, Net	225	253	231	230	234	233	245	248
Transfers etc., Net	-98	-103	-99	-89	-94	-106	-110	-119
Current Account Balance	364	264	384	463	453	420	408	378
<i>Per cent of GDP</i>	6.7	4.5	6.2	7.2	6.9	6.1	5.6	5.0
Capital Transfers	0	4	-2	-11	-2	-2	-2	-2
Net Lending	364	268	382	453	452	419	406	376
<i>Per cent of GDP</i>	6.7	4.6	6.2	7.0	6.8	6.0	5.6	5.0

Sources: Statistics Sweden and NIER.

Table A9 Gross National Income (GNI)

SEK billion, current prices, thousands, and percentage change, respectively

	Level 2023	2022	2023	2024	2025	2026	2027	2028
GNI	6 442	7.6	5.3	3.5	2.5	4.9	4.4	3.6
Deflator, Domestic Use	...	7.0	6.4	2.6	0.9	2.1	2.2	2.3
Real GNI	...	0.5	-1.1	0.9	1.6	2.8	2.1	1.3
Population ¹	10 537	0.7	0.5	0.3	0.2	0.2	0.2	0.2
Real GNI per Capita²	611	-0.2	-1.5	0.6	1.4	2.5	1.9	1.1

¹ Thousands of people. ² SEK thousand.

Sources: Statistics Sweden and NIER.

Table A9 Production

SEK billion, current prices, and percentage change, constant prices, respectively, calendar-adjusted values

	Level 2023	2022	2023	2024	2025	2026	2027	2028
Goods Producers	1 505	1.9	-2.5	0.1	2.1	...	...	...
Of Which: Industry	917	3.4	-5.5	0.8	3.5	...	...	...
Construction	371	4.0	5.4	-2.4	-1.7	...	...	...
Service Producers	2 859	1.8	1.2	1.0	2.7	...	...	...
Business Sector	4 364	1.8	-0.1	0.7	2.5	3.4	2.4	2.0
General Government	1 122	1.0	1.0	1.5	0.4	0.3	0.3	0.4
GDP at Basic Prices¹	5 553	1.7	0.1	0.9	2.0	2.8	1.9	1.7
Taxes/Subsidies on Products	654	-0.2	-1.5	-0.9	2.0	3.0	1.9	1.7
GDP at Market Prices	6 207	1.5	-0.1	0.7	2.0	2.8	1.9	1.7

¹ Including production in non-profit institutions serving households.

Note: Production refers to value added.

Sources: Statistics Sweden and NIER.

Table A10 Hours Worked

Million hours and percentage change, respectively, calendar-adjusted values

	Level 2023	2022	2023	2024	2025	2026	2027	2028
Goods Producers	2 090	1.5	2.1	-2.7	0.5	...	...	...
Of Which: Industry	998	-1.3	1.3	0.1	0.6	...	...	...
Construction	742	5.5	2.8	-7.5	0.1	...	...	...
Services Producers	4 091	5.4	1.1	0.4	0.9	...	...	...
Business Sector	6 181	4.1	1.5	-0.6	0.8	1.6	1.1	0.4
General Government	2 269	0.6	1.6	1.2	0.4	0.4	0.4	0.4
Total Economy¹	8 625	3.1	1.4	-0.1	0.7	1.3	0.9	0.4

¹ Including non-profit institutions serving households.

Sources: Statistics Sweden and NIER.

Table A11 Productivity

SEK per hour (basic prices), and percentage change, constant prices, respectively, calendar-adjusted values

	Level							
	2023	2022	2023	2024	2025	2026	2027	2028
Goods Producers	720	0.4	-4.5	2.8	1.5	...	...	...
Of Which: Industry	918	4.7	-6.7	0.7	2.9	...	...	...
Construction	500	-1.4	2.5	5.6	-1.8	...	...	...
Service Producers	699	-3.4	0.1	0.6	1.8	...	...	...
Business Sector	706	-2.1	-1.6	1.3	1.7	1.8	1.2	1.6
General Government	495	0.4	-0.6	0.4	0.0	-0.1	-0.1	0.0
Total Economy¹	644	-1.4	-1.3	1.0	1.3	1.5	1.0	1.2

¹ Including production in non-profit institutions serving households.

Note: Refers to value added calculated at basic prices per hours worked.

Sources: Statistics Sweden and NIER.

Table A12 The Labour Market

Thousands of people and percentage change, respectively

	Level							
	2023	2022	2023	2024	2025	2026	2027	2028
Hours Worked ¹	8 625	3.1	1.4	-0.1	0.7	1.3	0.9	0.4
Average Hours Worked for Employed ²	31.5	0.0	0.1	0.1	0.1	0.2	0.0	0.0
Number of Employed	5 270	3.1	1.4	-0.2	0.6	1.1	0.9	0.5
Employment Rate ³	...	68.8	69.4	69.2	69.4	69.9	70.3	70.4
Labour Force	5 710	1.5	1.6	0.5	0.4	0.7	0.5	0.4
Labour Force Participation Rate ⁴	...	74.4	75.2	75.5	75.6	75.8	75.9	75.9
Unemployment Rate ⁵	440	7.5	7.7	8.3	8.2	7.8	7.4	7.3
Population Aged 15-74 ⁶	7 589	0.5	0.5	0.1	0.3	0.4	0.4	0.4

¹ Million hours, calendar-adjusted values. ² Hours per week, calendar-adjusted values. ³ Number of employed in per cent of the LFS definition of the population aged 15-74. ⁴ Number of people in the labour force in per cent of the LFS definition of the population aged 15-74. ⁵ Per cent of the labour force. ⁶ According to the LFS definition of the population.

Sources: Statistics Sweden and NIER.

Table A13 Resource Utilisation

Per cent and percentage change

	Level 2023	2022	2023	2024	2025	2026	2027	2028
Labour Market								
Equilibrium Unemployment ¹	7.3	7.4	7.4	7.5	7.5	7.5	7.4	7.3
Actual Unemployment ²	8.9	7.5	7.7	8.3	8.2	7.8	7.4	7.3
Potential Hours Worked	0.6	1.7	1.5	0.9	0.7	0.4	0.4	0.4
Of Which: Potential Employment	0.9	1.1	1.1	0.9	0.7	0.5	0.4	0.4
Actual Hours Worked ³	2.3	3.1	1.4	-0.1	0.7	1.3	0.9	0.4
Labour Market Gap ⁴	-1.5	-0.1	-0.3	-1.4	-1.4	-0.5	0.0	0.0
Productivity								
Potential Productivity	1.2	0.7	0.6	0.8	0.9	1.0	1.2	1.3
Of Which: Potential Productivity, Business Sector	1.5	1.0	1.0	1.1	1.3	1.4	1.6	1.6
Actual Productivity ³	3.4	-1.6	-1.5	0.8	1.3	1.5	1.0	1.2
Productivity Gap ⁵	3.8	1.4	-0.6	-0.6	-0.2	0.2	0.0	0.0
GDP								
Potential GDP	1.8	2.5	2.1	1.7	1.6	1.5	1.6	1.7
Actual GDP ³	5.8	1.5	-0.1	0.7	2.0	2.8	1.9	1.7
Output Gap ⁶	2.2	1.2	-0.9	-2.0	-1.6	-0.3	0.0	0.0
Potential GDP, current prices	4.8	8.4	8.1	4.7	2.2	3.7	4.1	3.7

¹ Level, per cent of potential labour force. ² Level, per cent of labour force. ³ Calendar adjusted values. ⁴ Difference between actual and potential hours worked in per cent of potential hours worked. ⁵ Difference between actual and potential productivity in per cent of potential productivity. ⁶ Difference between actual and potential GDP in per cent of potential GDP.

Note: The potential variables are also adjusted for calendar effects, in the sense that they reflect the calendar adjusted level that would have been observed in the absence of business cycle effects.

Sources: Statistics Sweden and NIER.

Table A14 Hourly Earnings According to the Short-Term Earnings Statistics

Per cent and percentage change, respectively

	Weight 2023	2022	2023	2024	2025	2026	2027	2028
Business Sector	70	2.9	4.0	4.1	3.7	3.5	3.4	3.4
Goods Producers	22	2.7	3.9	4.1	3.7	...	...	...
Of Which: Industry	14	2.8	3.7	4.1	3.7	...	...	...
Construction	7	2.6	4.2	4.0	3.6	...	...	...
Service Producers	48	3.0	4.1	4.2	3.7	...	...	...
Local Government	24	2.2	3.2	3.5	3.6	...	...	...
Central Government	6	2.6	2.8	4.7	3.3	...	...	...
Total	100	2.7	3.8	4.0	3.6	3.5	3.5	3.4
Real Hourly Earnings (CPI) ¹	...	-5.6	-4.8	1.2	3.9	2.0	0.9	1.4
Real Hourly Earnings (CPIF) ²	...	-5.0	-2.2	2.2	2.2	1.7	1.5	1.4

¹ Deflated by the CPI. ² Deflated by the CPI with constant mortgage rates (CPIF).

Sources: National Mediation Office, Statistics Sweden and NIER.

Table A15 Hourly Earnings and Labour Costs in the Business Sector According to the National Accounts

SEK per hour, per cent and percentage change, respectively

	Level 2023	2022	2023	2024	2025	2026	2027	2028
Not Calendar-Adjusted Values								
Hourly Earnings ¹	308	3.3	4.5	4.3	4.1	2.8	2.9	4.0
Employers' Social Contributions ² (per cent of earnings)	...	40.9	42.0	41.8	42.0	43.2	43.4	43.2
Hourly Labour Costs ³	438	2.7	5.3	4.1	4.3	3.6	3.0	3.8
Productivity ⁴	685	-2.0	-1.3	1.3	2.1	...	...	...
Adjusted Unit Labour Costs ⁵	...	4.8	6.7	2.7	2.1	...	...	...
Unit Labour Costs	...	5.3	6.7	2.7	2.2	2.2	2.1	1.9
Calendar-Adjusted Values								
Hourly Earnings ¹	308	3.3	3.9	4.2	3.4	3.5	3.4	3.4
Hourly Labour Costs ³	438	2.7	4.6	4.0	3.6	4.1	3.4	3.4
Productivity ⁴	685	-2.0	-1.6	1.3	1.7	...	...	...
Adjusted Unit Labour Costs ⁵	...	4.8	6.3	2.7	1.9	...	...	...
Unit Labour Costs	...	5.3	6.4	2.7	1.9	2.3	2.2	1.8

¹ Calculated with only employees' hours worked. ² Employers' social contributions and payroll taxes. ³ Earnings and employers' social contributions. ⁴ Excluding one- and two-family houses and secondary homes. ⁵ Refers to total business sector excluding one- and two-family houses and secondary homes and adjusted for the number of hours worked by the self-employed.

Sources: Statistics Sweden and NIER.

Table A16 Supply and Use Price Deflators

Per cent and percentage change, respectively

	Weight 2023	2022	2023	2024	2025	2026	2027	2028
GDP	66.1	5.8	6.1	2.9	0.8	2.0	2.2	2.2
General Government ^{1,2}	12.7	4.1	8.6	4.3	0.2	3.4	3.4	3.7
Business Sector ²	46.5	6.0	6.3	2.6	1.0	1.6	1.8	1.8
Product Taxes, Net	7.0	7.2	0.9	2.6	0.3	...	...	...
Imports	33.9	18.4	5.4	-0.8	-2.4	-0.4	0.1	1.1
Processed Goods	15.7	16.1	7.5	-1.5	-2.7	...	...	...
Raw Materials	6.0	48.1	-3.3	-4.5	-6.8	...	...	...
Services	12.2	8.6	7.4	1.8	-0.1	...	...	...
Supply/Use³	100.0	9.8	5.9	1.7	-0.3	1.2	1.5	1.8
General Government Consumption Expenditure	17.3	5.5	7.7	4.0	0.6	3.2	3.1	3.3
Household Consumption Expenditure	29.7	6.7	6.4	2.4	1.6	1.8	2.1	2.1
Gross Fixed Capital Formation	16.6	9.2	5.1	1.9	-0.4	1.3	1.6	1.5
Exports	36.5	15.1	5.0	0.0	-2.4	-0.4	0.1	0.9
Processed Goods	19.7	14.9	9.3	-0.7	-2.8	...	...	...
Raw Materials	5.6	30.1	-7.8	-1.8	-5.6	...	...	...
Services	11.2	7.9	5.1	2.2	-0.2	...	...	...

¹ Including non-profit institutions serving households. ² Value added price deflator calculated at basic prices. ³ Including stock-building.

Sources: Statistics Sweden and NIER.

Table A17 Business Sector Prices, Costs and Profits

SEK billion current prices, percentage change and per cent, respectively

	Level							
	2023	2022	2023	2024	2025	2026	2027	2028
Value Added ¹	4 345	6.6	5.9	3.7	3.1	5.3	4.5	3.6
Hours Worked, Employees ²	5 764	4.4	1.0	-0.6	0.1	2.3	1.7	-0.1
Hourly Labour Costs ³	438	2.7	5.3	4.1	4.3	3.6	3.0	3.8
Total Labour Costs ⁴	2 524	7.2	6.3	3.4	4.4	6.0	4.8	3.7
Gross Profit	1 822	5.8	5.3	4.0	1.3	4.4	4.0	3.5
Profit Share	...	42.2	41.9	42.1	41.3	41.0	40.8	40.7
Adjusted Profit Share ⁵	...	36.5	36.1	36.2	35.4	35.0	34.9	34.8

¹ Calculated at factor prices. ² Million hours. ³ SEK. ⁴ Including wage-related other taxes on production for employees. ⁵ Excluding one- and two-family houses and secondary homes and adjusted for the number of hours worked by the self-employed.

Sources: Statistics Sweden and NIER.

Table A18 Consumer Prices

Per cent and percentage change, respectively

	Weight							
	2024	2022	2023	2024	2025	2026	2027	2028
CPI	100.0	8.4	8.5	2.8	-0.3	1.5	2.5	2.1
Mortgage Interest Costs, Mortgage Interest Rate	...	17.8	66.2	12.6	-24.6	-4.7	9.4	1.2
CPIF	100.0	7.7	6.0	1.8	1.4	1.8	2.0	2.0
Goods	43.1	7.3	8.5	1.1	-0.4	...	...	...
Services	31.3	4.7	7.6	3.4	2.4	...	...	...
Housing Excl. Mortgage Interest Costs and Energy	16.1	4.2	5.2	4.7	3.6	...	...	...
Energy	6.3	32.9	-11.0	-9.2	1.7	...	...	...
Mortgage Interest Costs, Capital Stock	3.2	6.9	5.6	4.0	3.7	3.6	3.5	3.6
CPIF Excl. Energy	93.7	5.9	7.5	2.6	1.4	...	...	...
HICP	...	8.1	5.9	1.9	1.4	...	...	...
Crude Oil (Brent) ¹	...	100.8	82.5	80.4	74.1	74.9	76.6	79.0

¹ Dollars per barrel, annual average.

Note: The CPI's mortgage interest cost component is the product of the mortgage interest rate and the capital stock.

Sources: U.S. Energy Information Administration, Statistics Sweden, Macrobond and NIER.

Public Finances

Table A19 General Government Finances

SEK billion, current prices, and percentage of GDP, respectively

	2021	2022	2023	2024	2025	2026	2027	2028
Revenue	2 648	2 874	2 962	3 046	3 126	3 295	3 442	3 577
<i>Per cent of GDP</i>	48.5	49.0	47.7	47.4	47.4	47.6	47.6	47.7
Taxes and duties	2 330	2 484	2 563	2 631	2 701	2 842	2 963	3 078
<i>Per cent of GDP</i>	42.6	42.4	41.3	40.9	40.9	41.0	41.0	41.1
<i>Tax-to-GDP Ratio¹</i>	42.8	42.5	41.4	41.0	41.1	41.1	41.1	41.2
Property income	63	103	92	93	95	116	129	137
Other Revenue	255	287	307	322	331	337	349	362
Expenditure	2 656	2 814	3 001	3 140	3 169	3 282	3 415	3 546
<i>Per cent of GDP</i>	48.6	48.0	48.4	48.8	48.0	47.4	47.2	47.3
Consumption Expenditure	1 410	1 497	1 625	1 710	1 745	1 824	1 901	1 981
Transfers	961	978	993	1 035	1 021	1 026	1 061	1 096
Households	725	761	778	811	826	821	847	870
Corporations	139	122	121	133	106	111	116	120
Abroad	97	94	94	91	89	94	98	107
Capital Formation ²	262	297	325	336	350	359	370	381
Property Expenditure	23	42	58	59	53	73	82	87
Net lending	-8	60	-39	-94	-42	13	27	31
<i>Per cent of GDP</i>	-0.1	1.0	-0.6	-1.5	-0.6	0.2	0.4	0.4
Primary net lending³	-48	-1	-73	-128	-84	-30	-20	-19
<i>Per cent of GDP</i>	-0.9	0.0	-1.2	-2.0	-1.3	-0.4	-0.3	-0.2
Structural net lending	-73	-10	24	26	0	23	24	25
<i>Per cent of potential GDP</i>	-1.4	-0.2	0.4	0.4	0.0	0.3	0.3	0.3
Maastricht Debt	2 005	1 975	1 964	2 146	2 210	2 285	2 353	2 425
<i>Per cent of GDP</i>	36.7	33.7	31.6	33.4	33.5	33.0	32.5	32.3
GDP, Current Prices	5 465	5 865	6 207	6 431	6 595	6 930	7 231	7 498
Potential GDP, Current Prices	5 347	5 795	6 264	6 559	6 700	6 948	7 231	7 498
Net Financial Wealth	1 785	1 711	1 708	1 891	1 947	2 021	2 113	2 214
<i>Per cent of GDP</i>	32.7	29.2	27.5	29.4	29.5	29.2	29.2	29.5

¹ The tax-to-GDP ratio is calculated by dividing total taxes, including EU taxes, by GDP. ² Fixed gross investments, inventory investments and acquisition/disposal of land, etc. ³ Primary net lending is calculated as net lending minus net capital income. Net capital income is capital income minus capital expenditures.

Sources: Statistics Sweden and NIER.

Table A20 Central government finances

SEK billion and percentage of GDP, respectively, current prices

	2021	2022	2023	2024	2025	2026	2027	2028
Revenue	1 406	1 534	1 546	1 573	1 594	1 684	1 760	1 829
Taxes and Duties	1 226	1 309	1 333	1 352	1 370	1 452	1 515	1 575
Property Income	25	51	31	30	29	35	41	42
Other Revenue	155	174	182	191	194	196	204	212
Expenditure	1 441	1 511	1 544	1 639	1 649	1 695	1 765	1 840
Transfers	923	929	921	978	952	951	980	1 015
Old-Age Pension System ¹	27	27	27	29	29	29	29	30
Local Government Sector	363	357	350	378	383	392	400	414
Households	345	373	371	393	391	373	388	397
Corporations	95	82	82	92	64	67	70	72
Abroad	92	90	90	87	84	89	93	102
Consumption Expenditure	366	395	425	451	481	511	540	569
Capital Formation ²	137	158	164	177	187	194	201	209
Property Expenditure	15	30	33	32	30	40	44	46
<i>Of which:</i>								
<i>Interest expenditure</i>	9	24	26	25	22	32	36	38
Net Lending	-35	23	3	-66	-56	-11	-5	-11
<i>Per cent of GDP</i>	-0.6	0.4	0.0	-1.0	-0.8	-0.2	-0.1	-0.1
Primary net lending³	-45	1	5	-63	-56	-7	-2	-7
<i>Per cent of GDP</i>	-0.8	0.0	0.1	-1.0	-0.8	-0.1	0.0	-0.1
Central Government Debt	1 145	1 031	970	1 082	1 123	1 162	1 192	1 225
<i>Per cent of GDP</i>	20.9	17.6	15.6	16.8	17.0	16.8	16.5	16.3
Net Financial Wealth	-33	70	20	-62	-80	-65	-43	-23
<i>Per cent of GDP</i>	-0.6	1.2	0.3	-1.0	-1.2	-0.9	-0.6	-0.3

¹ Central government's old-age pension contributions. ² Fixed gross investments, inventory investments and acquisition/disposal of land, etc. ³ Primary net lending is calculated as net lending minus net capital income. Net capital income is capital income minus capital expenditures.

Sources: Statistics Sweden and NIER.

Table A21 Old Age Pension System Finances

SEK billion and percentage of GDP, respectively, current prices

	2021	2022	2023	2024	2025	2026	2027	2028
Revenue	339	375	385	409	428	452	472	492
Social Insurance Contributions	277	302	314	331	344	360	375	390
Central Government's Old Age Pension Contributions	27	27	27	29	29	29	29	30
Property Income	32	43	39	44	50	57	62	67
Other Revenue	3	4	4	5	5	5	5	6
Expenditure	340	355	369	375	389	403	415	427
Income Pensions	332	345	358	363	377	391	402	413
Property Expenditure	1	1	1	1	2	2	2	2
Other Expenses	8	9	10	10	11	11	12	12
Net Lending	0	21	16	34	39	48	57	65
<i>Per cent of GDP</i>	<i>0.0</i>	<i>0.4</i>	<i>0.3</i>	<i>0.5</i>	<i>0.6</i>	<i>0.7</i>	<i>0.8</i>	<i>0.9</i>
Net Financial Wealth	2 025	1 844	1 970	2 285	2 375	2 454	2 544	2 646
<i>Per cent of GDP</i>	<i>37.1</i>	<i>31.4</i>	<i>31.7</i>	<i>35.5</i>	<i>36.0</i>	<i>35.4</i>	<i>35.2</i>	<i>35.3</i>

Sources: Statistics Sweden and NIER.

Table A22 Local Government Finances

SEK billion, current prices and percentage of GDP, respectively

	2021	2022	2023	2024	2025	2026	2027	2028
Revenue	1 303	1 360	1 419	1 482	1 528	1 591	1 650	1 712
Taxes	806	852	893	925	963	1 006	1 047	1 087
Municipal Property Tax	21	21	22	23	23	25	26	27
Central Government Grants incl. VAT Compensation	361	355	348	375	381	389	397	412
Property Income	6	10	22	20	16	23	27	29
Other Revenue	110	122	134	139	145	148	153	157
<i>Average municipal tax rate¹</i>	<i>32.27</i>	<i>32.24</i>	<i>32.24</i>	<i>32.37</i>	<i>32.37</i>	<i>32.37</i>	<i>32.37</i>	<i>32.37</i>
Expenditure	1 276	1 343	1 476	1 544	1 553	1 616	1 675	1 734
Transfers	102	94	96	105	109	110	113	116
Households	50	44	48	55	58	57	57	58
Other	53	50	48	50	51	54	56	58
Consumption Expenditure	1 041	1 099	1 195	1 254	1 260	1 308	1 356	1 407
Capital Formation ²	125	139	161	159	162	165	169	172
Property Expenditure	8	11	24	26	23	32	37	40
Net lending	28	17	-57	-62	-26	-24	-25	-22
<i>Per cent of GDP</i>	<i>0.5</i>	<i>0.3</i>	<i>-0.9</i>	<i>-1.0</i>	<i>-0.4</i>	<i>-0.4</i>	<i>-0.4</i>	<i>-0.3</i>
Primary net lending³	29	18	-55	-56	-19	-15	-15	-11
<i>Per cent of GDP</i>	<i>0.3</i>	<i>0.2</i>	<i>-0.9</i>	<i>-1.0</i>	<i>-0.3</i>	<i>-0.3</i>	<i>-0.2</i>	<i>-0.2</i>
Net Financial Wealth	-207	-203	-281	-333	-348	-367	-389	-410
<i>Per cent of GDP</i>	<i>-3.8</i>	<i>-3.5</i>	<i>-4.5</i>	<i>-5.2</i>	<i>-5.3</i>	<i>-5.3</i>	<i>-5.4</i>	<i>-5.5</i>

¹ Per cent. ² Gross fixed capital formation, stock investments and acquisition/sale of land etc. ³ Primary net lending is calculated as net lending minus net capital income. Net capital income is capital income minus capital expenditures.

Sources: Statistics Sweden and NIER.

Table A23 General Government Revenue

Per cent of GDP

	2021	2022	2023	2024	2025	2026	2027	2028
Direct Household Taxes	14.9	14.4	13.8	14.1	14.0	14.1	13.9	14.0
Direct Business Taxes	3.6	3.6	3.5	3.5	3.4	3.4	3.4	3.4
Employers' Social Contributions ¹	11.6	11.5	11.6	11.7	11.9	11.8	11.8	11.8
VAT	9.1	9.4	8.9	8.7	8.7	8.8	8.8	8.9
Excise	1.9	1.6	1.6	1.6	1.5	1.5	1.5	1.5
Other Taxes	1.6	2.0	2.0	1.5	1.5	1.5	1.5	1.5
Tax-to-GDP Ratio²	42.8	42.5	41.4	41.0	41.1	41.1	41.1	41.2
EU Taxes ³	-0.1	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Other Revenue ⁴	4.7	4.9	5.0	5.0	5.0	4.9	4.8	4.8
Primary Revenue	47.3	47.2	46.2	45.9	46.0	45.9	45.8	45.9
Property Income	1.2	1.8	1.5	1.4	1.4	1.7	1.8	1.8
Total Revenue	48.5	49.0	47.7	47.4	47.4	47.6	47.6	47.7

¹ Employers' social contributions, contributions from the self-employed and special payroll tax. ² The tax-to-GDP ratio is defined as total taxes, including EU taxes, divided by GDP. ³ Taxes paid to the EU are included in the tax-to-GDP ratio but not in general government revenue. ⁴ Including transfers from abroad and from unemployment insurance funds.

Sources: Statistics Sweden and NIER.

Table A24 General Government Expenditure

Per cent of GDP

	2021	2022	2023	2024	2025	2026	2027	2028
Consumption Expenditure	25.8	25.5	26.2	26.6	26.5	26.3	26.3	26.4
Transfers	17.6	16.7	16.0	16.1	15.5	14.8	14.7	14.6
Households	13.3	13.0	12.5	12.6	12.5	11.8	11.7	11.6
Corporations	2.5	2.1	2.0	2.1	1.6	1.6	1.6	1.6
Abroad	1.8	1.6	1.5	1.4	1.3	1.4	1.4	1.4
Capital Formation ¹	4.8	5.1	5.2	5.2	5.3	5.2	5.1	5.1
Primary Expenditure	48.2	47.3	47.4	47.9	47.2	46.3	46.1	46.1
Property Expenditure	0.4	0.7	0.9	0.9	0.8	1.1	1.1	1.2
Total Expenditure	48.6	48.0	48.4	48.8	48.0	47.4	47.2	47.3

¹ Gross fixed capital formation, stock investments and acquisition/sale of land, etc.

Sources: Statistics Sweden and NIER.

Table A25 Transfers from General Government to Households

Per cent of GDP

	2021	2022	2023	2024	2025	2026	2027	2028
Pensions ¹	7.3	7.2	7.2	7.2	7.2	7.1	7.0	6.9
Of Which: Income Pension	6.0	5.9	5.8	5.6	5.7	5.6	5.6	5.5
Labour Market ²	0.8	0.6	0.6	0.6	0.6	0.6	0.5	0.5
Illness and Disability ³	1.4	1.4	1.4	1.5	1.5	1.4	1.4	1.4
Family and Children ⁴	1.6	1.5	1.4	1.4	1.4	1.3	1.2	1.2
Education ⁵	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Social Assistance ⁶	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Other ⁷	1.5	1.8	1.4	1.3	1.2	1.0	1.1	1.1
Total Transfers to Households	13.3	13.0	12.5	12.6	12.5	11.8	11.7	11.6

¹ Income pension, supplementary pension, guaranteed pension, survivor's pension, general government occupational pensions and housing supplement for pensioners. ² Unemployment benefits, labour market training benefits, introduction benefit and salary guarantee. ³ Sickness and rehabilitation benefit, activity and sickness compensation, work injury compensation, disability allowance and additional cost compensation. ⁴ Parental benefit, child allowance, care allowance and housing allowance. ⁵ Student grants and other study allowance. ⁶ Welfare benefits. ⁷ Assistance compensation, financial support for asylum seekers, income support for the elderly and other transfers to households, such as electricity price compensation. Any transfers to households as a part of active financial policy measures are included here.

Sources: Statistics Sweden and NIER.

Table A26 Base Amounts

SEK thousand, current prices

	2021	2022	2023	2024	2025	2026	2027	2028
Price Base Amount	47.6	48.3	52.5	57.3	58.8	58.4	59.2	60.7
Increased Price Base Amount	48.6	49.3	53.5	58.5	60.0	59.6	60.5	62.0
Income-related Base Amount	68.2	71.0	74.3	76.2	78.7	81.7	84.5	87.5

Sources: Statistics Sweden and NIER.

Table A27 Income Index, Balance Index, Income Pensions and Dampened Balance Ratio

Percentage change

	2021	2022	2023	2024	2025	2026	2027	2028
Income Index	2.2	4.1	4.6	2.6	3.3	3.7	3.5	3.5
Balance Index	2.2	4.1	4.6	2.6	3.3	3.7	3.5	3.5
Balance Ratio ¹	1.027	1.028	1.040	1.043	1.040	1.050	1.047	...
Nominal Income Pension²	0.5	2.5	3.0	1.0	1.7	2.1	1.9	1.8

¹ Level. ² Adjustment indexation, i.e. percentage change of income or balance index minus 1.6 percentage points.

Sources: Swedish Pensions Agency and NIER.

Table A28 Central Government Budget Balance and Debt

SEK billion and percentage of GDP, respectively

	2021	2022	2023	2024	2025
Budget Balance	78	164	19	-97	-52
Adjustments to Net Lending	-89	-107	-27	11	-23
Sales of Shares etc.	0	-1	0	-1	0
Extra Dividends	-7	-8	-2	-4	-1
On-Lending	-78	-106	-26	23	14
Other Adjustments	-4	9	2	-8	-36
Accruals	-17	-22	7	28	30
Of Which: Tax Accruals	-7	-12	15	28	11
Interest Accruals	-10	-10	-6	0	18
Other	-7	-12	4	-8	-10
Central Government Net Lending	-35	23	3	-66	-56
Central Government Borrowing Requirement ¹	-78	-164	-19	97	52
Stock-Flow Adjustments, Central Government Debt	5	50	-42	15	-10
Central Government Debt, Change	-73	-114	-61	112	42
Central Government Debt	1 145	1 031	970	1 082	1 123
<i>Per cent of GDP</i>	<i>20.9</i>	<i>17.6</i>	<i>15.6</i>	<i>16.8</i>	<i>17.0</i>

¹ The central government borrowing requirement is equal to the budget balance with the sign reversed.

Sources: Statistics Sweden, Swedish National Debt Office, Swedish National Financial Management Authority and NIER.

Table A29 Central Government Expenditure Ceiling

SEK billion, current prices

	2022	2023	2024	2025	2026	2027
Central Government Expenditure Ceiling	1 634	1 665	1 747	1 856	1 894	1 938
<i>Per cent of Potential GDP</i>	<i>28.2</i>	<i>26.6</i>	<i>26.6</i>	<i>27.7</i>	<i>27.3</i>	<i>26.8</i>
Capped Expenditure	1 559	1 621	1 683	1 732	1 775	1 842
<i>Per cent of Potential GDP</i>	<i>26.9</i>	<i>25.9</i>	<i>25.7</i>	<i>25.9</i>	<i>25.5</i>	<i>25.5</i>
Budgeting Margin	75	44	64	124	119	96
<i>Per cent of Capped Expenditure</i>	<i>4.8</i>	<i>2.7</i>	<i>3.8</i>	<i>7.1</i>	<i>6.7</i>	<i>5.2</i>

Sources: Swedish National Financial Management Authority, Ministry of Finance and NIER.

Table A31 Fiscal measures

SEK billion

	2026	2027	2028	2026-2028
Fiscal space	-18	91	34	106
Fiscal measures	-18	91	34	106
Government consumption ¹	1	28	16	45
Government investments ²	-6	24	4	22
Local government sector ³	17	14	12	43
Measures aimed at households	-31	24	2	-4
Of which: Taxes	-15	12	1	-2
Of which: Transfers	-15	12	1	-2
Structural net lending ⁴	0.33	0.33	0.33	

¹ Calculated as the difference between the expenditure level in the scenario and a projection with price and wage conversion (PLO) adjusted for any measures that have already been announced. ² Calculated as the difference between the expenditure level in the scenario and a projection with price base amounts, adjusted for any measures that have already been announced. ³ Calculated as the income supplement needed in the local government sector such that the central government finances approximately a fifth of local government consumption. ⁴ Per cent of potential GDP.

Source: NIER.