



#3

2020

ECONOMIC OUTLOOK

GOTHENBURG REGION



BUSINESS REGION
GÖTEBORG



Key markets expected to grow in 2021

REAL GDP GROWTH – FORECAST 2020-2021 (IN %) FOR SWEDEN AND SOME OF THE GOTHENBURG REGION'S KEY EXPORT MARKETS

Country	Share of region's exports	2020	↕ ⇄ ↘	2021
Sweden*		-4.2%	↕	3.9%
USA	12.9 %	-6.8%	↕	4.4%
Belgium	11.9 %	-8.2%	↕	5.8%
Norway	10.4 %	-5.1%	↕	3.5%
Germany	8.5 %	-6.7%	↕	5.4%
China	7.8 %	0.4%	↕	7.7%
Denmark	7.6 %	-5.5%	↕	4.8%
United Kingdom	6.0 %	-10.8%	↕	7.3%
Finland	5.9 %	-5.8%	↕	3.2%
Netherlands	4.1 %	-7.5%	↕	5.4%
France	3.9 %	-11.5%	↕	8.0%
GDP growth for Gothenburg region's top 10 export markets (weighted by export share)	79.0 %	-6.4%	↕	5.3%
Eurozone		-9.2%	↕	6.3%
World		-4.7%	↕	5.3%
World trade, goods and services		-11.9%	↕	8.0%

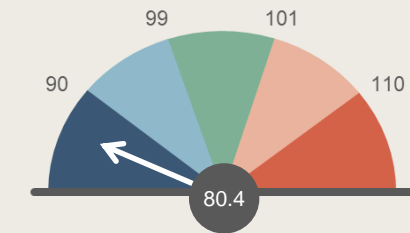
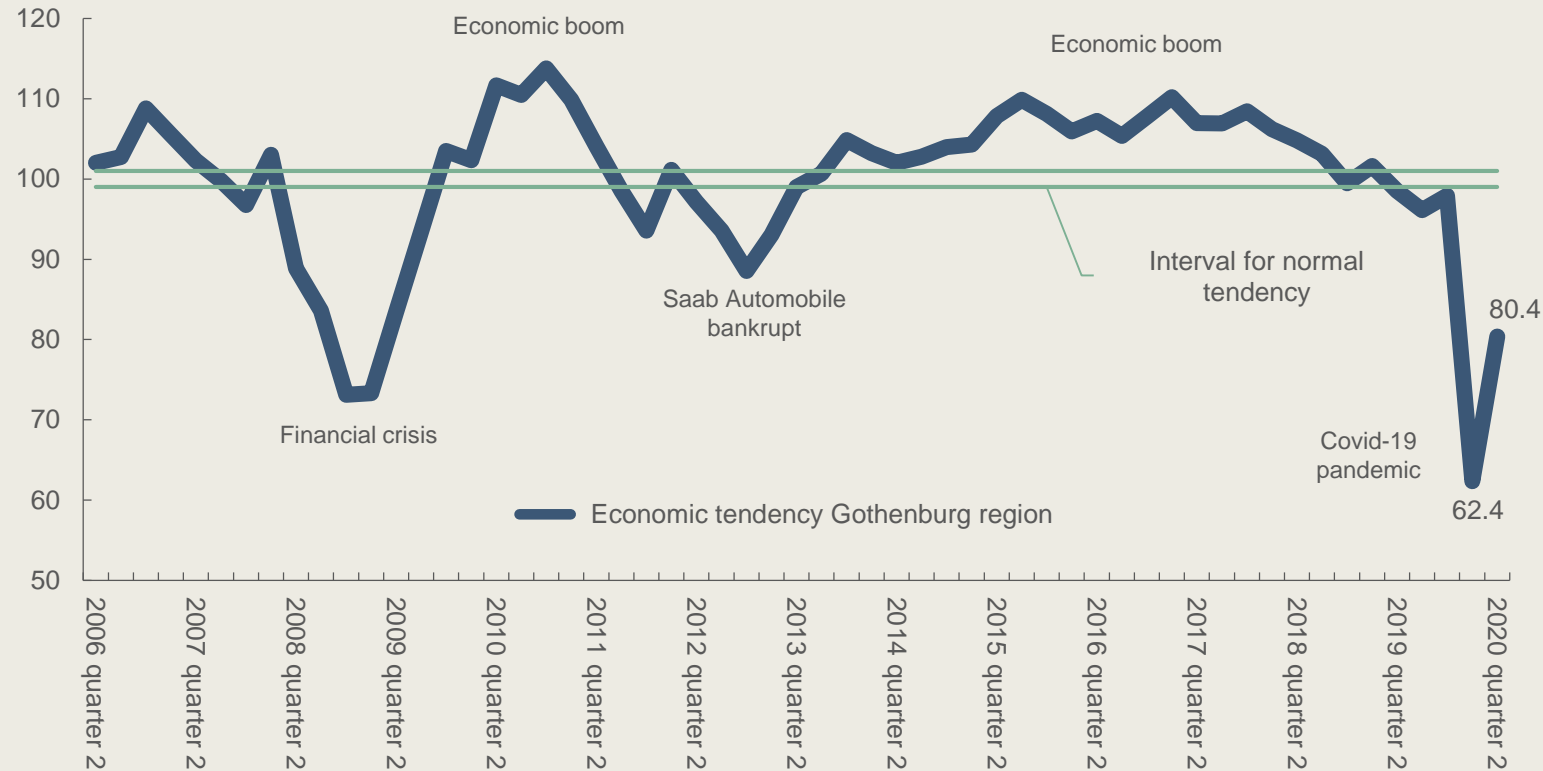
Source: SEB (August 2020), EU, OECD (July 2020) and IMF (June 2020)

* Average of the five last forecasts in the summary produced by the National Institute of Economic Research based on data from Nordea, the Swedish Government, Handelsbanken, Swedbank and SEB.



Strong improvement, yet the tendency is still in recession

ECONOMIC TENDENCY INDICATOR FOR BUSINESS IN THE GOTHENBURG REGION – PER QUARTER FROM 2006



- Recession: < 90
- Normal weak: 90 ≤ 99
- Normal tendency: 99 ≤ 101
- Normal strong: 101 ≤ 110
- Boom: > 110

1,532 companies in Gothenburg region's business environment got the survey. 761 companies answered, which gives a response rate of 50 per cent.

Source: National Institute of Economic Research



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Commerce and services cautiously optimistic about fall

ECONOMIC TENDENCY INDICATOR PER SECTOR FOR BUSINESS IN THE GOTHENBURG REGION

Interval for economic tendency:

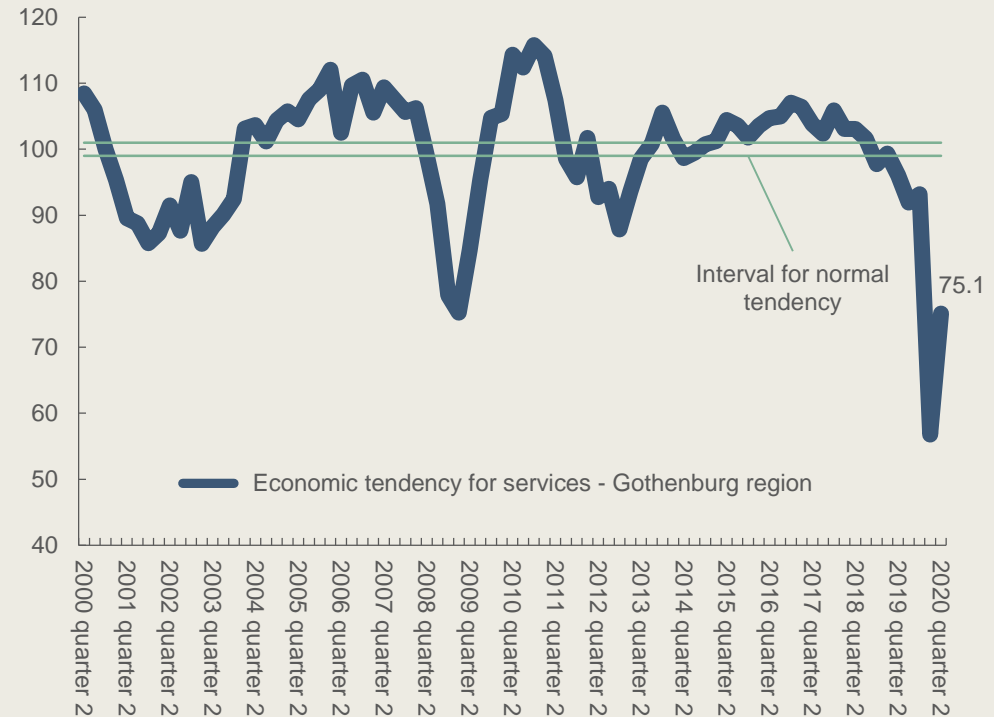
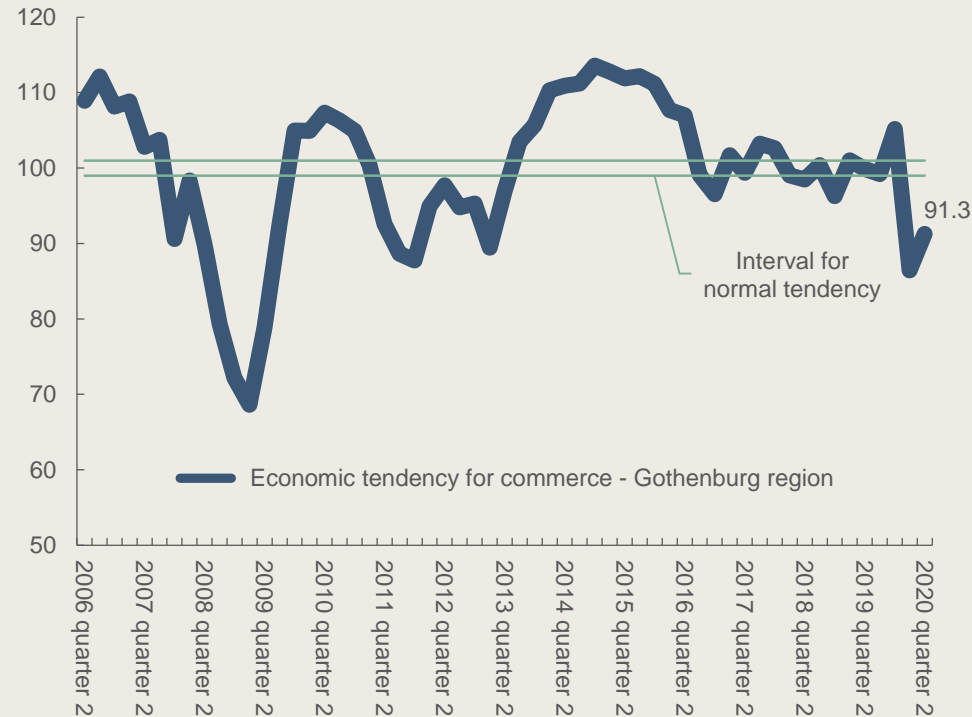
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Boom: > 110



Source: National Institute of Economic Research

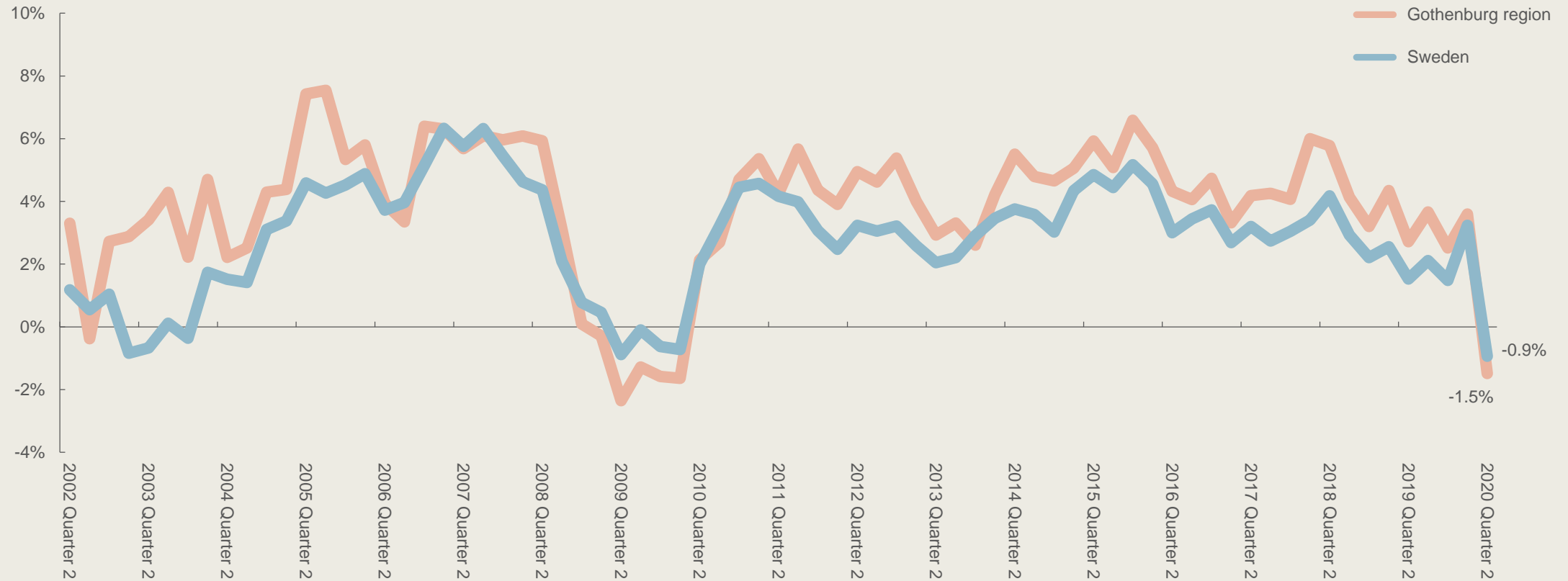


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Purchasing power, from the private sector, down by a half billion SEK

REAL GROWTH IN WAGE SUMS FROM THE PRIVATE SECTOR - CHANGE COMPARED TO THE SAME QUARTER PREVIOUS YEAR



Source: Statistics Sweden

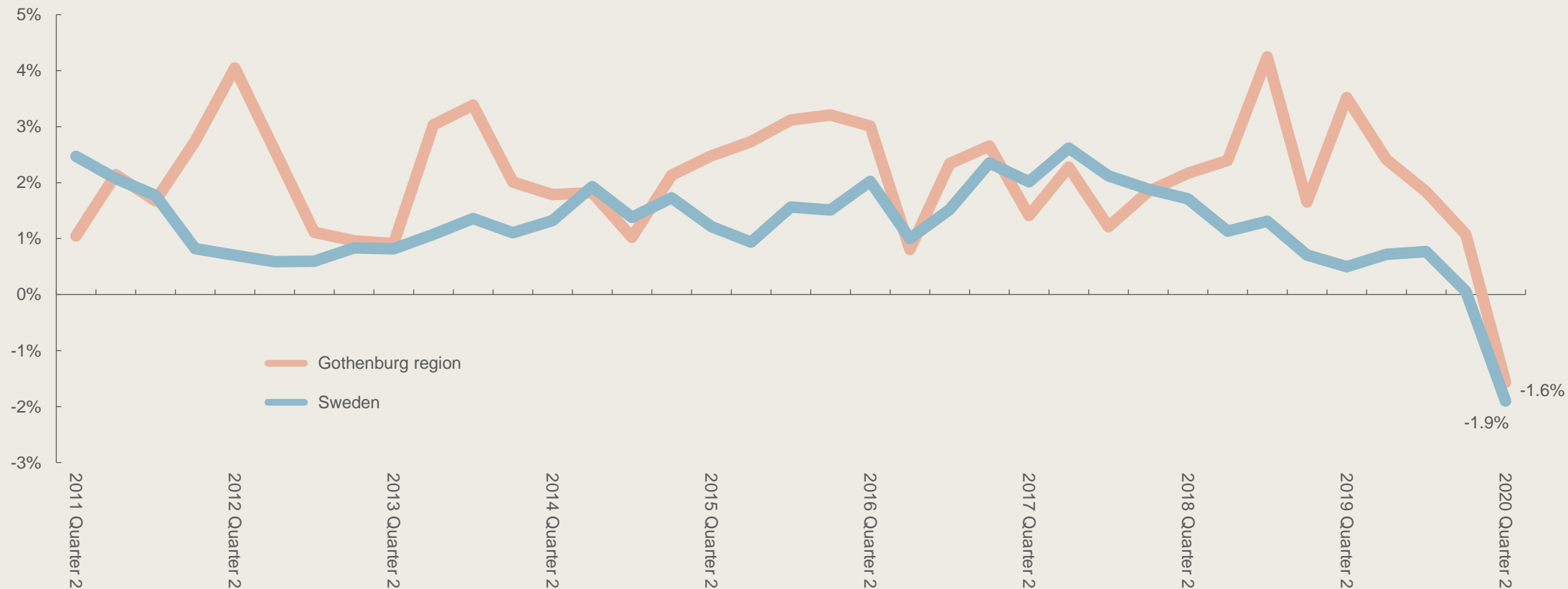


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Job growth decreases throughout the country

EMPLOYMENT INDICATOR - PERCENTAGE CHANGE IN NUMBER OF EMPLOYED ON ANNUAL BASIS



Source: Statistics Sweden

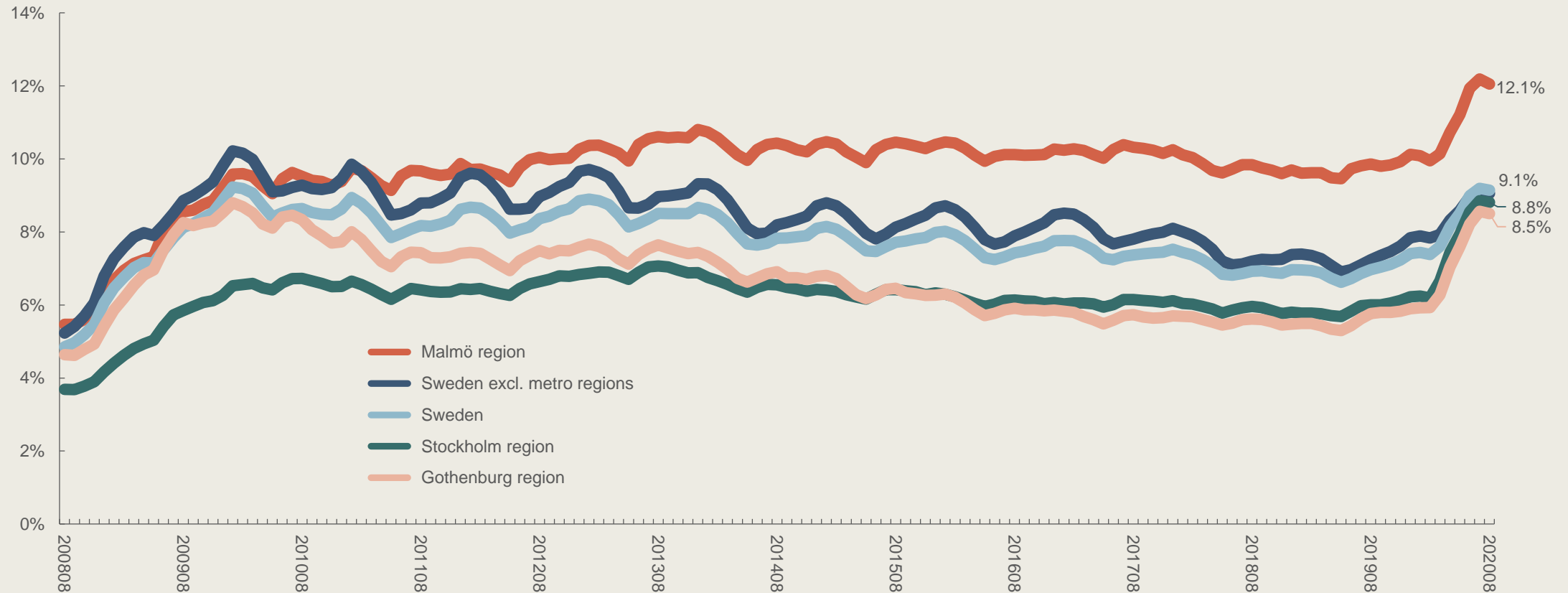


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Big increase in unemployment over the past year

UNEMPLOYED AND PEOPLE IN LABOUR MARKET POLICY PROGRAMMES -
PERCENTAGE OF THE WORK FORCE AGED 16 TO 64



Source: Swedish Public Employment Service and Statistics Sweden

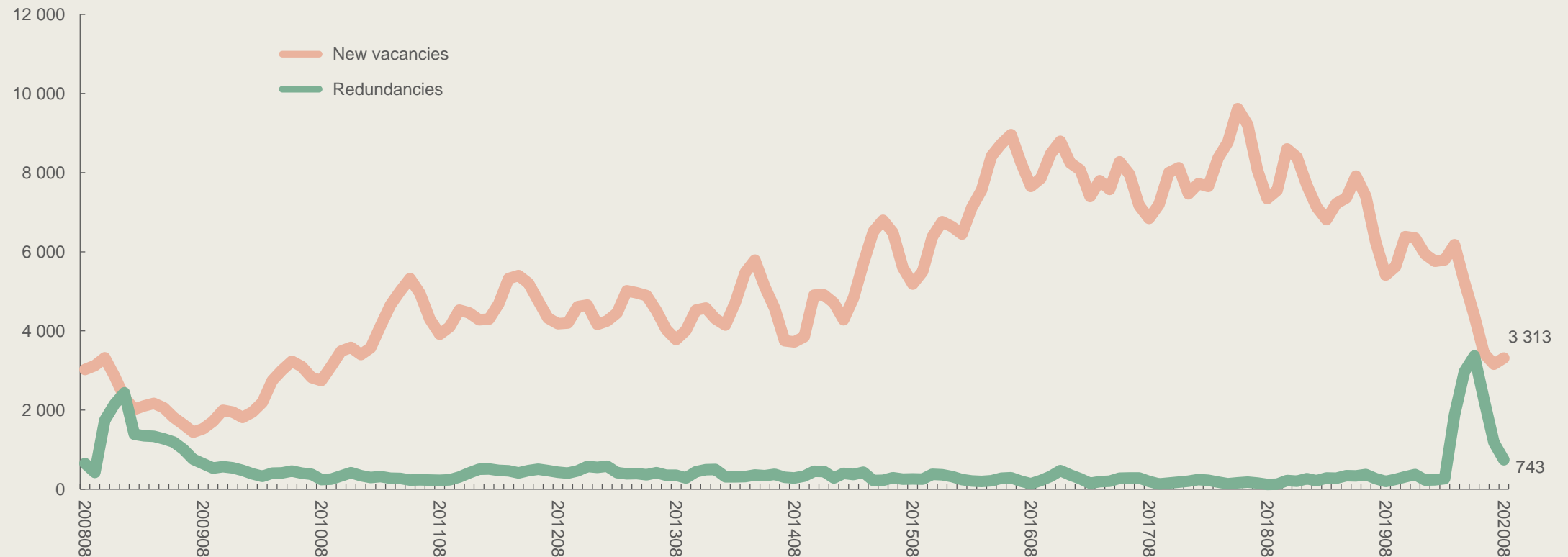


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Falling level of redundancies

NEW VACANCIES FOR PERMANENT POSITIONS AND REDUNDANCIES IN THE GOTHENBURG REGION - THREE-MONTH ROLLING AVERAGE

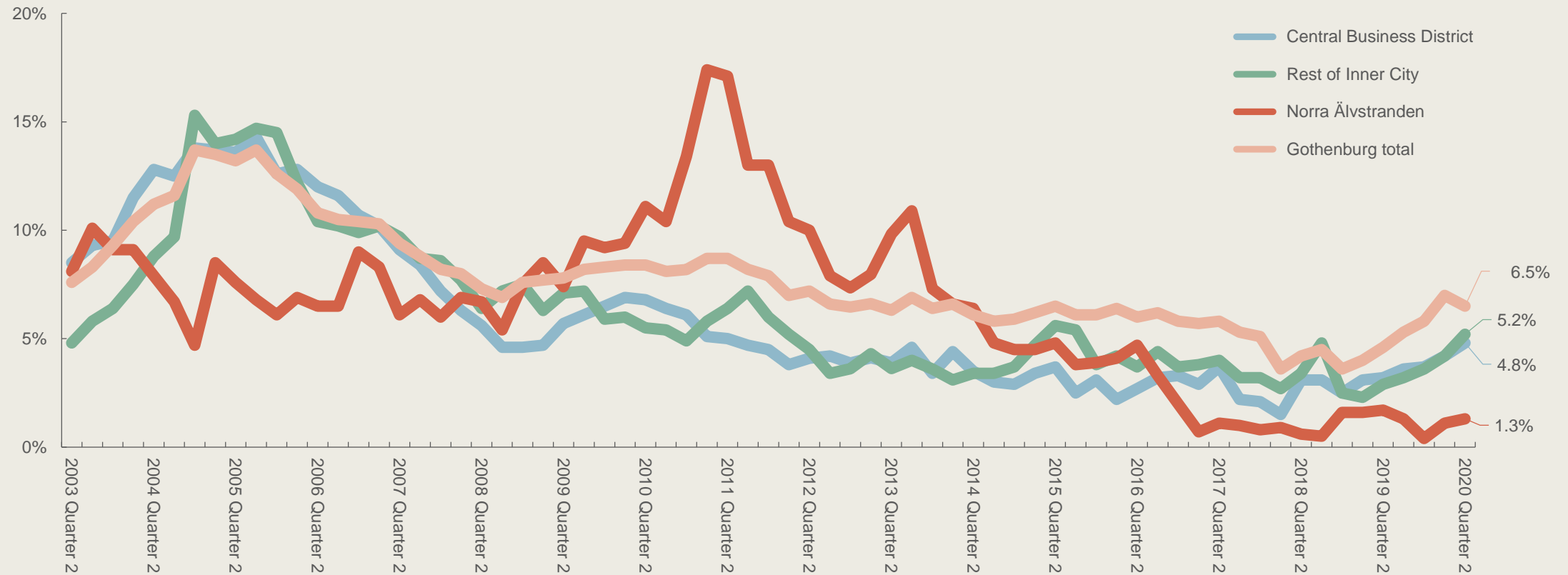


Source: Swedish Public Employment Service



Supply of office space expected to increase

VACANCY RATE FOR THE OFFICE MARKET IN GOTHENBURG



Source: JLL



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Upwards again for housing prices

TITLEPRICE DEVELOPMENT OF FLATS AND HOUSES, JULY 2020 COMPARED TO 1, 3, 6 AND 12 MONTHS BACK IN TIME

Housing type	City / region	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
		Jun 2020 - Jul 2020	Apr 2020 - Jul 2020	Jan 2020 - Jul 2020	Jul 2019 - Jul 2020
Flats	Gothenburg	1.1%	2.7%	-0.3%	2.9%
	Stockholm	1.3%	3.1%	-0.4%	2.9%
	Malmö	2.0%	4.0%	2.0%	4.3%
	Sweden	1.8%	3.4%	0.3%	3.6%
Houses	Gothenburg region	0.5%	3.0%	2.3%	5.1%
	Stockholm region	3.1%	5.6%	4.6%	10.4%
	Malmö region	1.4%	5.8%	5.6%	9.9%
	Sweden	2.1%	5.5%	5.3%	10.6%

Source: Valueguard



Table summarising the economic situation in Gothenburg region

Indicator	2020	2019	Change
Economic tendency, Q2	80.4	98.5	-18.1 units
People in employment, Q2	553,000	561,800	-1.6%
Total wage sum (real SEK billion), Q2	55.69	56.41	-1.3%
Private sector wage sum (real SEK billion), Q2	42.74	43.39	-1.5%
Unemployment, August			
Total 16-64 years	8.5%	5.8%	+2.7%-p.
Domestically born 16-64 years	5.3%	3.0%	+2.3%-p.
Foreign-born 16-64 years	18.8%	15.3%	+3.5%-p.
Total 18-24 years	11.9%	6.7%	+5.2%-p.
Domestically born 18-24 years	9.2%	4.3%	+4.9%-p.
Foreign-born 18-24 years	25.4%	21.3%	+4.1%-p.
Job vacancies, Jun – Aug (monthly average)	3,313	5,412	-38.8%
Redundancies, Jun – Aug (monthly average)	743	199	+273.4%
Vacancy rate for offices in Gothenburg, Q2	6.5%	4.6%	+1.9%-p.
Population, Q2	1,045,560	1,035,318	+1.0 %
Number of bankruptcies, Jan – Aug	507	475	+6.7%
New car registrations, Q2	6,213	10,488	-40.8%
Air passengers, Apr – Jul (monthly average)	31,589	647,604	-95.1%
Guest nights, Q2 (monthly average)	102,189	431,951	-76.3%

Source: National Institute of Economic Research, Statistics Sweden, Swedish Public Employment Service, JLL, Growth Analysis, Swedish Agency for Economic and Regional Growth and Swedish Transport Agency.





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BUSINESS REGION GÖTEBORG – A PART OF THE CITY OF GOTHENBURG IN COOPERATION WITH THE REGION